

Great Yarmouth and Waveney FEBRUARY 2010



Summary

Business confidence ↑

Unemployment ↑

Redundancies ↑

Notified vacancies to Job Centre Plus ↑

House Prices ↓

A more positive month for the Great Yarmouth and Waveney sub-region, with some positive announcements in the energy and engineering sectors and good news regarding the future of CEFAS in Lowestoft.

However retail still looks under pressure in common with the other parts of the country and the area's farmers suffered a blow with the decision by Birds Eye to stop pea processing.

The move won't harm the company's Lowestoft factory, but the Norbert Dentressangle factory at Oulton Broad may well be affected, along with hauliers and farm workers.

Positive developments include the acquisition of Seajacks in Great Yarmouth by a US private equity firm which intends to grow the company.

Instrumentation firm 3Sun in Gorleston is creating more jobs on the back of demand from offshore wind farms and Goodchild Marine in Burgh Castle has landed its biggest contract in its 32 year history.

Wyndham Worldwide, a US travel giant, has acquired Hoseasons, based in Lowestoft for £51m.

Meanwhile digital marketing company Spring from Southwold has won a major contract with champagne house Bollinger.

However a survey of retail premises highlighted the number of vacant shops in both Great Yarmouth and Lowestoft and new statistics showed around half of Great Yarmouth's pubs and bars have closed in the past five years.

The number of people out of work and claiming Job Seekers Allowance dropped slightly in Great Yarmouth, ending a run of successive rises going back to September, although the reduction was just 14 to 3,866 and is still 269 up on the year.

In Waveney claimant count was up again – 59 higher at 3,085, but remains 68 down on the year.

Conclusion

The past month has been steady for Great Yarmouth and Waveney, with some positive news, particularly in the energy and engineering sectors, both sectors of strength. Tourism continues to perform well, with expectations growing of a strong 2010.

However there remains upwards pressure on unemployment statistics and recently announced redundancies at SLP in Lowestoft will only add to this picture.

Trading Climate & Confidence Levels

Key Facts

Birds Eye causes a shock by withdrawing from pea processing in Norfolk and Suffolk. Seajacks in Great Yarmouth is sold for \$207m to Riverstone Holdings. Wyndham Worldwide buys Hoseasons in Lowestoft for £51m. 3Sun in Gorleston looks to treble workforce and Goodchild Marine secures major order.

Agriculture & Food Processing

Birds Eye – frozen food provider – has left Norfolk and Suffolk farmers in shock after moving out of the region's pea industry, worth more than £5m a year to growers. The 180 members of the Anglia Pea Growers' co-operative have grown about 30,000 tonnes of peas a year for Birds Eye across Broadland, the Waveney Valley and East Suffolk (11,500 acres).

There is potential loss of between £500 and £600 per hectare and it will have a knock on effect on seasonal employment which sees up to 80 people hired for the 60-day pea harvest.

Birds Eye will concentrate pea production in East Yorkshire and north Lincolnshire, where the crop will be processed at a factory in Hull, and also in a smaller operation in Perthshire. Birds Eye said the loss of a "major export contract" to Italy left it with no choice but to act to safeguard its frozen pea business.

The ending of the pea processing business in Norfolk and Suffolk will not have any impact on the Birds Eye factory at Lowestoft, which currently has about 700 employees including agency staff. But about half a dozen specialist agricultural advisers are likely to lose their jobs.

J & H Bunn, Great Yarmouth – fertiliser manufacturer, employs 50 people in Norfolk – has reported a £50m increase in turnover to £11.8m, and a 40 percent increase in sales to £176m in "exceptional" trading last year, but the company says a drop in prices will affect this year's performance.

This month has seen Great Yarmouth's fishing community dwindle to just a couple of fulltime fishermen. 100 years ago there were 1,000 trawlers and drifters moored up in the port.

The Centre for Environment, Fisheries and Aquaculture Science (Cefas), Waveney – government fisheries laboratories, employs 500 people – has confirmed its plans to stay in the town after plans for a Waveney Campus development were scrapped. There are two possible options for its future- investing in the current facilities or building a scaled-down headquarters on the site bought for the Waveney Campus.

Hemp Technology, Halesworth – process hemp and linseed straw – is planning to invest £5m at the end of the year or beginning of next year to boost production

of insulation materials. The plant is Europe's biggest and has the capacity to process seven tonnes an hour. It was opened in July 2008.

Bernard Matthews, Waveney – turkey farmer – following on from last month's story the company has been granted planning permission to expand two of its buildings to improve efficiency.

Creative

Marina Theatre, Lowestoft – a meeting will take place this month to consider options for the theatre's future as it continues to pose a serious risk to the council in terms of financial performance, with the council's approved budget not being met for several years. Options include a stand alone option, retaining the theatre within the council's wider leisure option and passing it over to some form of a theatre trust.

Energy

Seajacks, Great Yarmouth - operates self propelled, dynamically positioned, jack up platforms in the core market of the North Sea – has been brought by Riverstone Holdings, a New York based specialist investor in energy industry companies, for \$207m. Riverstone said it was planning to “devote a substantial amount of new capital” to expand Seajack's fleet of two giant self-elevating lift boats, Leviathan and Kraken, which can be used as mobile maintenance and construction platforms for offshore wind farms.

High Energy Schools' Challenge - a scheme to get more school pupils to think about a career in the offshore wind, gas and nuclear energy industries -has been rolled out across the east of England. The scheme started in Great Yarmouth through the East of England Energy Group (EEEGr).

Engineering & Boat Building

3Sun, Gorleston – specialist engineer in precision instrumentation and control systems – is set to treble its workforce by creating up to 40 jobs to cope with growing demand from the green energy industry – offshore wind farms. The company recorded a turnover of £3.5m in 2008-09.

Goodchild Marine, Burgh Castle – boatbuilding and repairs – has landed its biggest contract in its 32-year history. The order is for two 17 metre pilot boats placed by Estuary Services, which runs pilotage services at ports across the South-East – which amounts to three years work in total. The company has a turnover of up to £3m a year.

ICT

Spring, Southwold – digital marketing – has been appointed by Champagne house Bollinger to handle its digital marketing via a series of campaigns during the course of 2010.

Tourism

The future for Great Yarmouth's pubs looked bleak after up to half (about 30) of the town's pubs, bars and clubs closed in the last five years. The smoking ban is believed to have had a major affect.

HMS Dauntless, air defence destroyer which is the Royal Navy's newest and most powerful warship is setting course for Great Yarmouth to cement the relationship with Great Yarmouth's maritime rich resort. Social events and pageantry are planned to cement the relationship.

Great Yarmouth's tourism department is planning to turn the town's 600-strong army of taxi drivers turned into "front line ambassadors" for the resort.

The Trinity Broads, near Great Yarmouth - competing in the finals of the Waterways Renaissance Awards because of the 20 year restoration programme by the Broads Authority and partner agencies to breathe fresh life into the five Trinity Broads – Filby, Ormesby, Ormesby Little, Rollesby and Lily. Rare plants and animals are making a comeback and there has been a large rise in visitor numbers.

Wyndham Worldwide – American travel giant – has brought Hoseasons (headquarters at Lowestoft) for £51m. The takeover will secure the jobs of 200 people employed at the headquarters, and taking the company out of private equity will mean they are more able to invest in expanding the company and improving it.

Other

Ethel Austin (fashion chain) and Au Naturelle (homeware chain), Great Yarmouth – are at risk of closing after going into administration. The firm called in administrators because of the economic downturn, competition from rival budget chains such as Primark and Matalan, and a slump in business due to the adverse weather during the January sales hitting profits. The current stores will remain open while a buyer is found. This is the second time in two years that Ethel Austin has gone into administration. The Great Yarmouth stores only opened in November 2009.

Gardline Environmental, Great Yarmouth – subsidiary company of Gardline Marine Sciences providing range of services including hydrographic and topographic surveys, marine mammal observations and small boat services, employs about 130 staff - has won a two year contract to survey bird life at a site earmarked for a major offshore windfarm – Dogger Bank, about 150 miles north east of Norfolk. The company turned over £9.6m for the year ending April 30 2009 with profits of £737,910.

Great Yarmouth ranked fifth in a study of the vacancy rates of all the towns and cities surveyed in the East by The Local Data Company, with 11.4 percent of

shops empty, but the town centre manager said the figure was 8 percent. Lowestoft ranked eleventh with vacancies at 7 percent.

Other Information

Alchemy Centre, Great Yarmouth College – launched two years ago to inspire young entrepreneurs – is to expand with a second centre. The £1m centre offers fledgling enterprises 12 months free accommodation and a package of support including business advice and computer access. Alchemy 2 will target workshop-based enterprises and has already had interest.

PSA International – global port operator – has established its first UK container terminal in Great Yarmouth. The investment is a joint venture between PSA International, which operates 28 ports in 16 countries, and International Port Holdings, a global investment company.

March Headlines

Norbert Dentressangle factory, Oulton Broad – cold storage factory, employs 61 people – could see staff facing possible redundancy after the closure of Bird's Eye pea growing and processing operation in Norfolk and Suffolk.

Persimmon – parent company of Lowestoft-based regional arm Persimmon Homes Anglia which itself employs 55 people – plans for new developments in Norfolk and Suffolk this year following improvements in the housing market.

Seajacks, Gorleston - operates self propelled, dynamically positioned, jack up platforms in the core market of the North Sea – has signed a design deal to double its fleet.

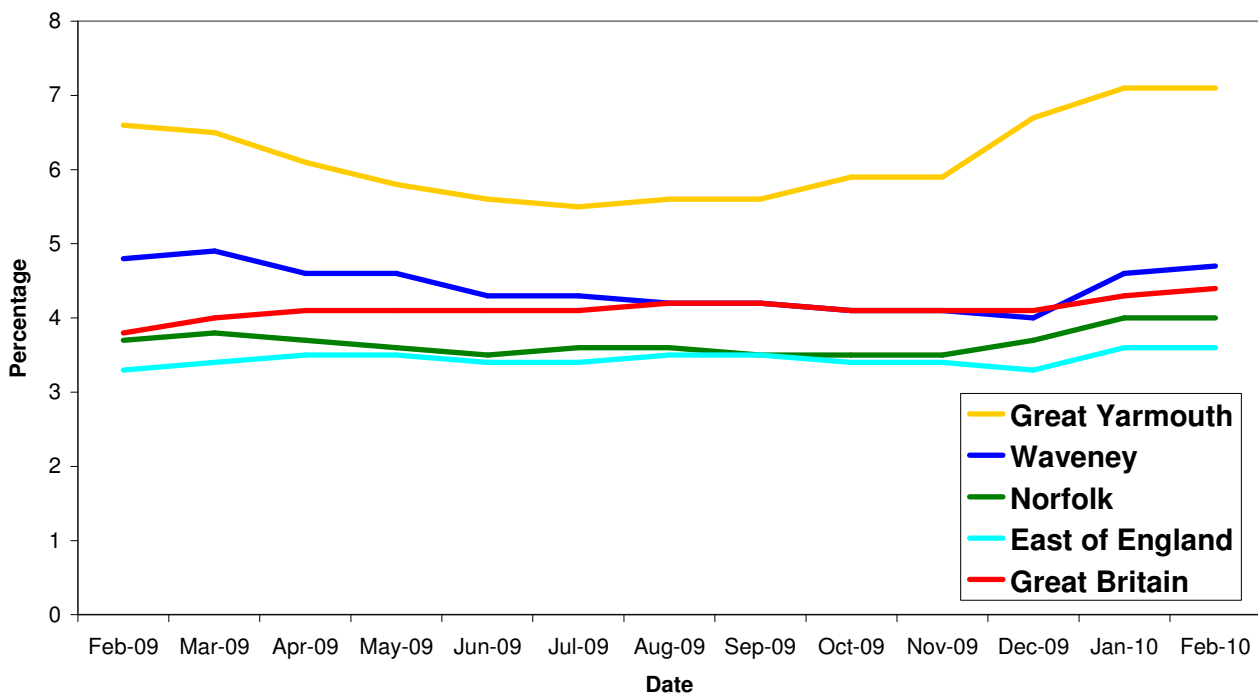
CHC, Great Yarmouth – helicopter company with a fleet of five helicopters, employs 70 staff – is considering moving its base of operations to Norwich International Airport.

Unemployment

Key Facts

- Norfolk JSA claimant count was 19,920 in February, up 189 or 1% since January 2010 and up by 1,758 on the year, a 9.7% increase since February 2009.
- Great Yarmouth JSA claimant count was 3,866 in February, down 14 or 0.4% since January 2010 but up by 269 on the year, a 7.5% increase since February 2009.
- Waveney JSA claimant count was 3,085 in February, up 59 or 1.9% since January 2010 but down by 68 on the year, a 0.1% decrease since February 2009.

All people claiming JSA



Source: Nomis, Official Labour Market Statistics

Area	Count	%age of working age population	Change in count year on year	%age change in count year on year
Great Yarmouth	3, 866	7.1	269	7.5
Waveney	3, 085	4.7	-68	-0.1

Source: Job Centre Plus

Redundancies

Key Facts

There have been 342 redundancies notified to Norfolk Job Centre Plus between July 2008 and 28 February 2010 for Great Yarmouth. This accounts for only four percent of the total notified to Norfolk Job Centre Plus. This equates to an increase of 26.67%.

Job Adverts (EDP)

Date	Pages	Public Sector Jobs (council, education, NHS, healthcare)	Private Sector Jobs	Third Sector Jobs
4 th February 2010	7	64 (41.56%)	73 (47.40%)	17 (11.04%)
11 th February 2010	6	59 (18.15%)	259 (200 temporary) (79.69%)	7 (2.15%)
18 th February 2010	7	67 (49.62%)	56 (41.48%)	12 (8.89%)
25 th February 2010	7	93 (57.41%)	63 (38.89%)	6 (3.70%)

Unless figure or positions stated each advert is counted as one position

Job Adverts (Yarmouth Mercury)

Date	Pages	Public Sector Jobs (council, education, NHS, healthcare)	Private Sector Jobs	Third Sector Jobs
5 th February 2010	1 and a 1/2	5 (31.25%)	9 (56.25%)	2 (12.5%)
12 th February 2010	1 and a 1/2	3 (23.08%)	9 (69.23%)	1 (7.69%)
19 th February 2010	1	5	9	1
26 th February 2010	No data			

Job Adverts (Lowestoft Journal)

Date	Pages	Public Sector Jobs (council, education, NHS, healthcare)	Private Sector Jobs	Third Sector Jobs
5 th February 2010	1 and a 1/2	4 (19.05%)	15 (71.43%)	2 (9.52%)
12 th February 2010	No Data			
19 th February 2010	1	6	3	2
26 th February 2010	No Data			

3,710 jobs in Norfolk were notified to Job Centre Plus. Of these 66 percent were full time positions. Notified vacancies were up 32.5 percent from January's total.

- Great Yarmouth had 625, a drop of 1 percent since last year but an increase of 143 percent from January.

4, 015 jobs in Suffolk were notified to Job Centre Plus. Notified vacancies were up 49.15 percent from January's total.

- Lowestoft had 506 (of these 69 percent were full time positions), a decrease of 66 percent since last year but a 120.96 percent increase from January.

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Norfolk JCP Figures

Industry	Norfolk	
	February 09	February 10
Agriculture, hunting and forestry	33	27
Manufacturing	52	258
Electricity, gas and water supply	0	11
Construction	278	79
Wholesale and retail trade	348	251
Hotels and restaurants	357	463
Transport, storage and communication	136	104
Financial intermediation	148	84
Real estate, renting and business activities	2,302	1,275
Public administration/defence/compulsory social security	747	141
Education	74	196
Health and social work	533	533
Other community, social and personal service activities	208	282
Extra-territorial organisation and bodies	11	1
Column Total	5,227	3,705

Industry sectors with falls in job vacancies



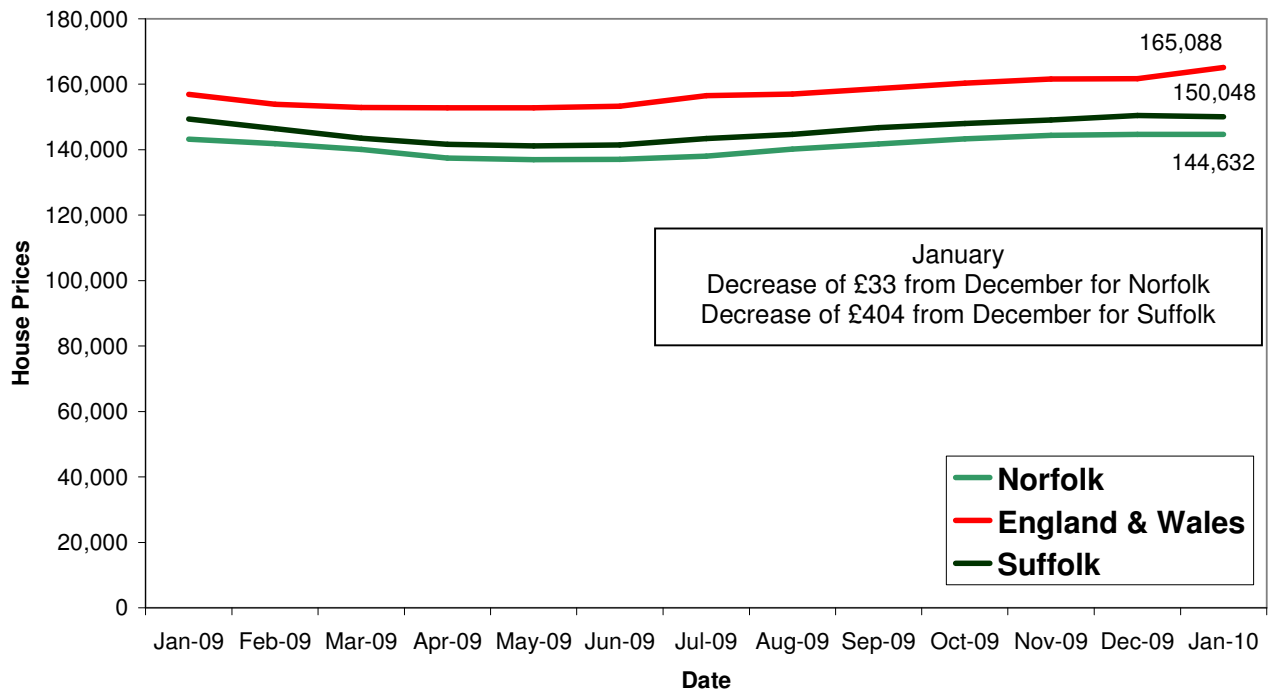
Housing

Key Facts

- UK house prices decreased by 1.5% in February. This was the first decline since June 2009 following seven consecutive monthly increases.
- Average House price £166, 857

Source: Halifax House Price Index

House Price Trends



Source: Land Registry