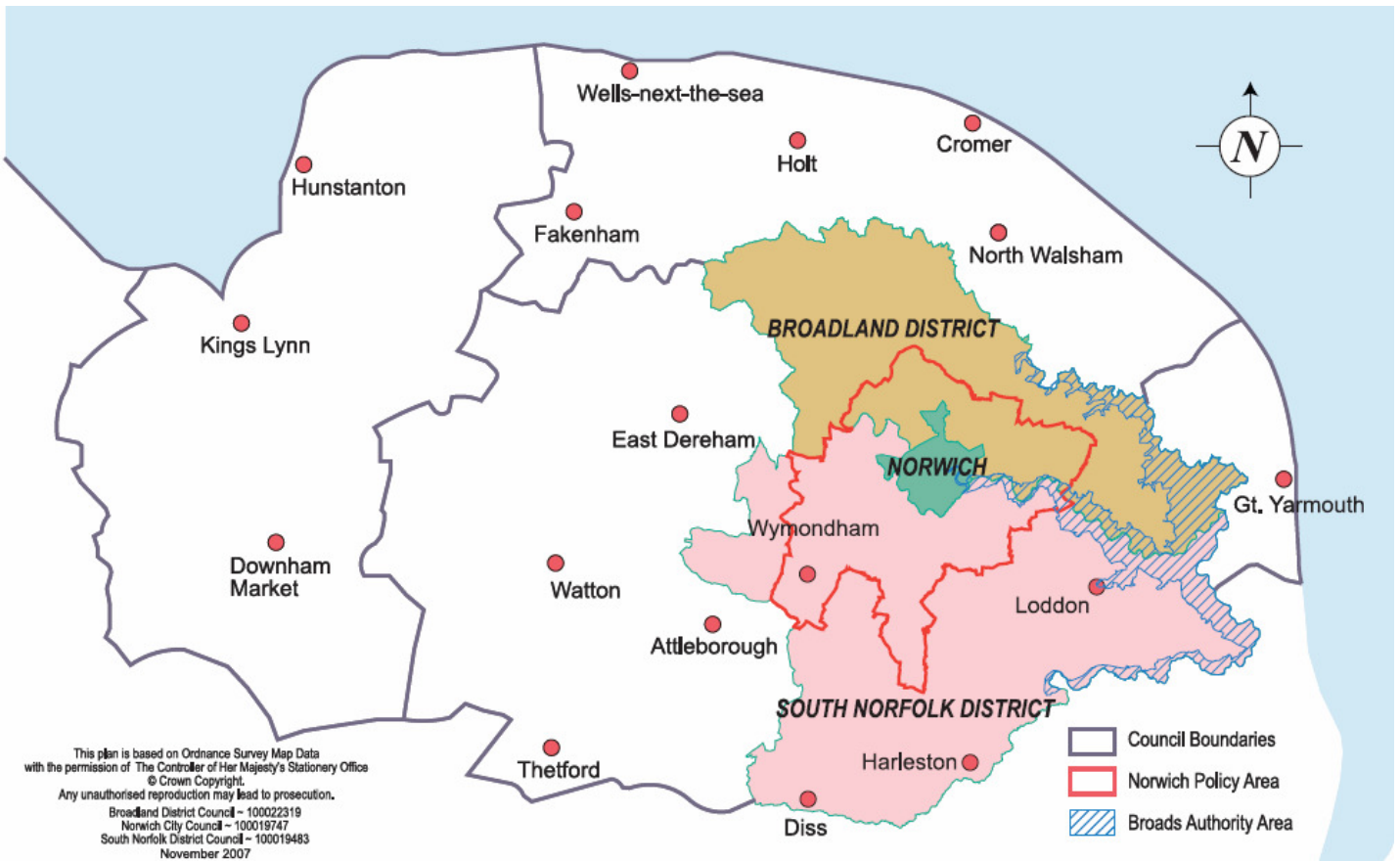


## Greater Norwich JUNE 2009



Please note that this report concentrates on Greater Norwich but also includes information relating to other parts of the county

## Summary

Like May, June has seen some positive signs, with a number of companies announcing increased profits and turnover.

This is particularly true in **Tourism** where numbers are looking strong – approximately 10pc up as an average.

**Engineering** and **financial services** businesses also reported more positive news.

However businesses remain under pressure across a range of sectors including **food processing** and **retail**.

Jobless numbers reduced for a second month running - down 496 – although much of this can be attributed to seasonal employment.

Employers are still being swamped by job applications with up to 500 jobseekers competing over single roles. This would suggest that jobs are still scarce and figures from Job Centre Plus show there was a decrease in vacancies of 9 percent from the previous month. Our EDP jobs monitor also shows private sector job recruitment is still very low.

House prices declined following a rise in May – illustrating the fragile state of the economy and confidence levels.

Norfolk was named the safest place in England following analysis of Home Office figures. This news has been welcomed by business leaders who said it would provide a boost for the county's economy and help attract families to the region.

**Conclusion:** Some positive signs, but the message from businesses is whilst conditions have improved – confidence is still very fragile and a recovery/bounce back is some way off.

## Trading Climate & Confidence Levels

### Key Facts

- **Overall, June like May has been a positive trading month with new contracts won, investments continuing and jobs safeguarded.**

### Agriculture & Food Processing

Bernard Matthews, Norwich – turkey farmer - 495 workers will be working reduced hours (one day less a week) for three weeks because of what the company described as “short term seasonal promotional demand”.

Anglia Farmers – agricultural purchaser – annual turnover has increased by 52 percent to £145.7m, with the cost of running the business falling by 1.45 percent. Budgeted turnover for this year is £165m.

Copys Green Farm, North Norfolk - milk producer - lost an estimated £45,000 as the country's biggest farmer-owned co-op, Dairy Farmers, has gone bust.

### Construction

May Gurney, Norwich – integrated support and construction services - recorded its 10<sup>th</sup> year of rising revenue and profits. Won a new £16m four year deal with Essex County Council to run its household waste recycling centres.

### Creative

Findafashion, Blofield Heath, Norwich – specialising in clothing for football fans – is winning new export orders in Europe, including Germany and has branched out to the wider sport and leisure markets.

### Engineering

Milltech Precision Engineering, Rackheath Industrial Estate, Norwich – machining and sub-assembly/assembly sub-contractor - invested in excess of £300,000 in new machinery and extended its factory. Quoted as saying the economic downturn had caused a “bit of a bumpy time” for the business at the end of 2008, but there had been a marked improvement in trading in recent months.

Group Lotus, Hethel, Norwich – manufacturer of sports cars - are hiring staff again and have a strong order bank with forward orders throughout the world which will take them through to the end of the year. However, want more security in the supply chain.

Group Lotus, Hethel, Norwich – manufacturer of sports cars – zero-emissions electric sports car, the Tesla, has gone on sale in a “European flagship store” in London. 1,300 orders have already been placed and it is hoped the London store will increase the Lotus brand throughout the continent.

### **Financial**

Swiss Re – re-insurer – announced that hundreds of jobs are safe in Norwich after it confirmed there was no need for redundancies

### **Health & Life Sciences**

Institute of Food Research have invented a food that could offer hope to millions of dieters.

John Innes Centre plant scientists have won £1.4m for a research project to tackle an increasingly costly barley disease.

### **Tourism**

Grand UK Holidays – coach holiday firm – says it is reaping the boom in demand for UK holidays. Sales of its holidays have increased 10 percent year on year and was having to put on extra coaches for its festive holidays to meet demands.

Flybe – budget airline operator out of Norwich International Airport – introducing direct flights between Norwich and Geneva for the winter period. Also introducing a new service to Bourgas in Bulgaria for eight weeks next summer.

Travelodge – budget hotel chain – planning a new 81-bedroom hotel in Norwich city centre, creating 20 jobs.

Norwich city sightseeing tours are 25 percent up and other attractions are showing as level. The city has been busy with more foreign language groups and seemingly more coach parties.

Norfolk Tourism and Attractions (NTAA) leaflets have moved 20 percent quicker than in 2008, they will also run out in August for the first time in 20 years.

Norfolk Country Cottages – self-catering accommodation is doing better than hotels this year. Some people have come into the market who have never used self-catering accommodation before as there have been lots of questions from the public. Holiday accommodation is looking positive.

Broads Tours/Where To Go in North Norfolk – Bookings on the hire fleet were 20 percent up at the beginning of the year and have now settled at 12 percent up on last year. Day boats/river trips are 60 percent up on last year which is weather related.

### **Other**

Lovell – affordable housing firm - won a £4.6m contract to build two new property developments in Norwich.

Turnpike Farm, Wymondham, providing business support has been launched.

QD Stores – discount retail outlet - rapid expansion has pushed the firm's staff numbers beyond 1,000 for the first time. It plans to build its network of stores from 20 plus to at least 50 within 18 months from East Anglia to the Home Counties and north to Yorkshire.

Mr Shoes – shoe retailer – put in to administration with a threat to about 60 jobs in Norfolk. Administrators said the firm was the latest “victim of the recession” and the financial troubles to have hit the high street.

Westcote, Breckland - traffic safety business making vehicle activated signs – going from strength to strength. Annual turnover of £2.2m and installs more than 2000 signs across the country.

Work to develop Victory Business Park in Attleborough has got underway. Breckland Council note that interest in the site has been very high with a current list of over 60 inquiries, mostly from local businesses wanting to start negotiations to develop specific plots.

P4 – emergency lighting for public sector buildings to meet fire and emergency regulations – relocating its base at Shefford near Bedford to Fakenham. Will need to make several appointments in addition to transferring some of the Shefford staff. The firm is expected to record a turnover of £2.5m this year.

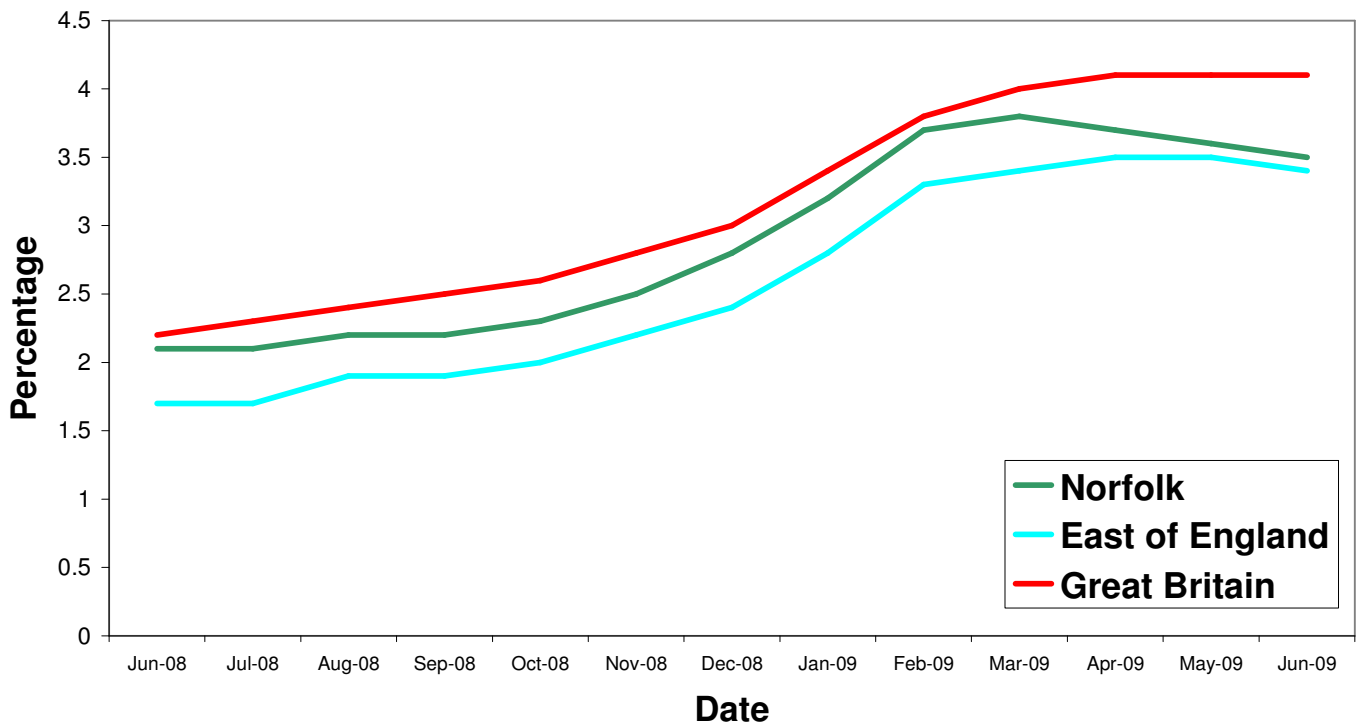
## Unemployment

### Key Facts

Norfolk JSA claimant count was 17,492 in June, down 496 or 2.76% since May 2009 but up by 7,343 on the year, a 72.35% increase since June 2008.

*Source: Nomis, Official Labour Market Statistics*

## 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
<b>Norfolk</b>	17,492	3.5	7,343	72.4%
<b>Breckland</b>	2,586	3.4	1,249	107.0%
<b>Broadland</b>	1,536	2.2	763	98.7%
<b>Great Yarmouth</b>	3,028	5.8	949	43.6%
<b>King's Lynn &amp; West Norfolk</b>	2,778	3.5	1,266	83.7%
<b>North Norfolk</b>	1,710	3.2	796	87.1%
<b>Norwich</b>	4,225	4.7	1,500	55.0%
<b>South Norfolk</b>	1,629	2.5	850	109.1%

*Source: Job Centre Plus*

6799 claimants in June 2009 were from the Norwich Job Centre Plus office, a 67 percent rise from 2008, a reduction of 2.91 percent since May 2009.

## Redundancies

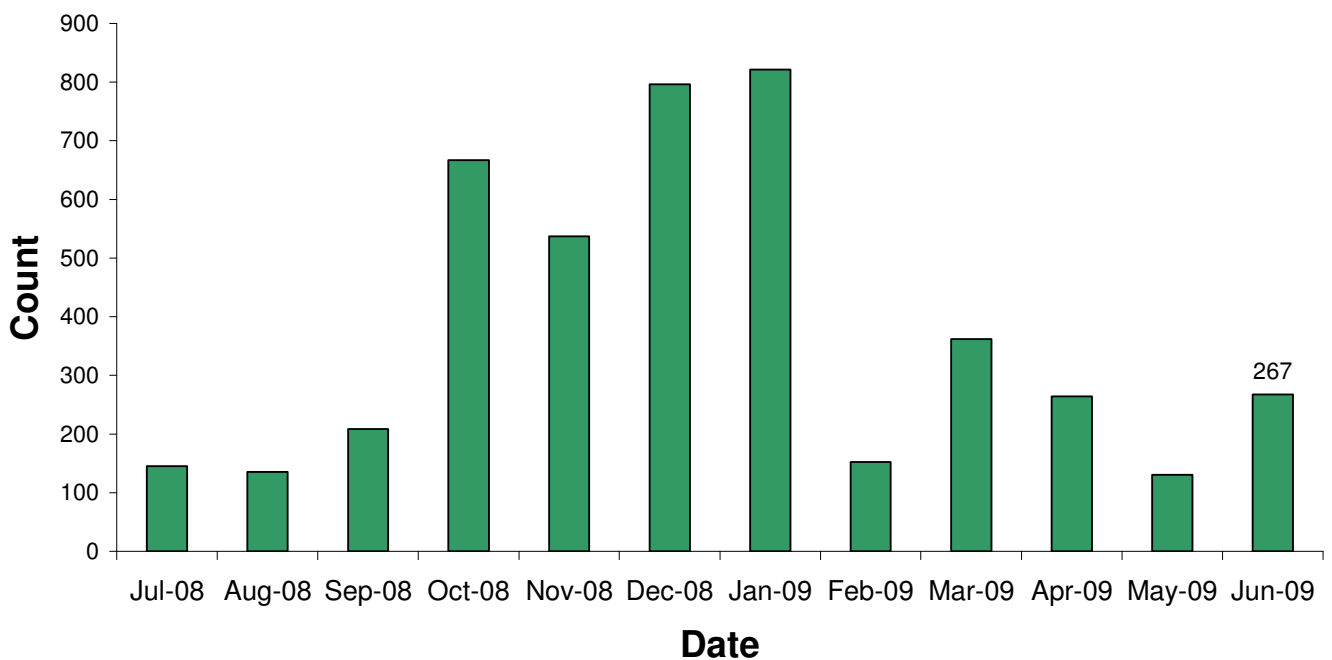
### Key Facts

There have been 5, 184 redundancies notified to Job Centre Plus between July 2008 and 30 June 2009, with an increase of 105% since May 2009. Of these 49% have been in Norwich, 6% in Broadland and 3% in South Norfolk.

The hardest hit sectors have been manufacturing and construction with 880 and 783 respectively.

*Source: Job Centre Plus*

# Norfolk redundancy notifications



## Job Adverts (EDP)

Date	Pages	Public Sector Jobs (council, education, NHS, healthcare)	Private Sector Jobs	Third Sector Jobs
4 <sup>th</sup> June	10 and a 1/2	100 (59%)	66 (39%)	4 (2%)
11 <sup>th</sup> June	11	129 (68%)	49 (26%)	12 (6%)
18 <sup>th</sup> June	10	111 (61.5%)	63 (35%)	6 (3.5%)
25 <sup>th</sup> June	9	93 (56%)	68 (41%)	4 (3%)


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

3,455 jobs in Norfolk were notified to Job Centre Plus. Of these 64 percent were full time positions. Notified vacancies were down 9 percent from May's total.

In terms of district vacancy notifications:

- Broadland had 477, a drop of 11 percent since last year but no change from May.
- Norwich had 763, a drop of 36 percent since last year and a 30 per cent decrease from May.
- South Norfolk had 362, a drop of 37 percent since last year but a one percent increase from May.

Industry	Norfolk	
	June 08	June 09
Agriculture, hunting and forestry	28	18
Manufacturing	212	147
Electricity, gas and water supply	33	5
Construction	334	303
Wholesale and retail trade	596	340
Hotels and restaurants	452	249
Transport, storage and communication	156	95
Financial intermediation	34	18
Real estate, renting and business activities	2,185	1,547
Public administration/defence/compulsory social security	154	98
Education	56	83
Health and social work	336	420
Other community, social and personal service activities	207	128
Column Total	<b>4,783</b>	<b>3,451</b>

 Industry sectors with falls in job vacancies

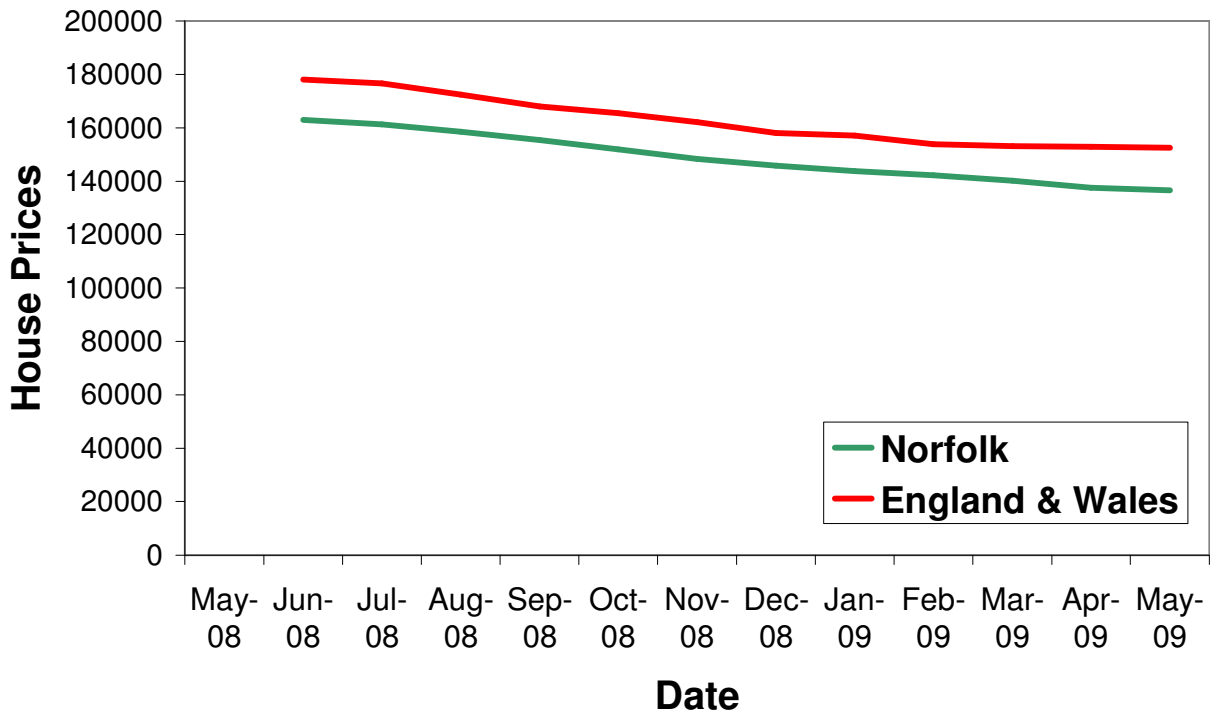
## Housing

### Key Facts

- **UK house prices decreased by 0.5% in June.** This decrease is the lowest monthly decrease since June 2008, and followed a 2.6% rise in house prices in May 2009.
- **Average House price £157, 713**

*Source: Halifax House Price Index*

# House Price Trends



*Source: Land Registry*