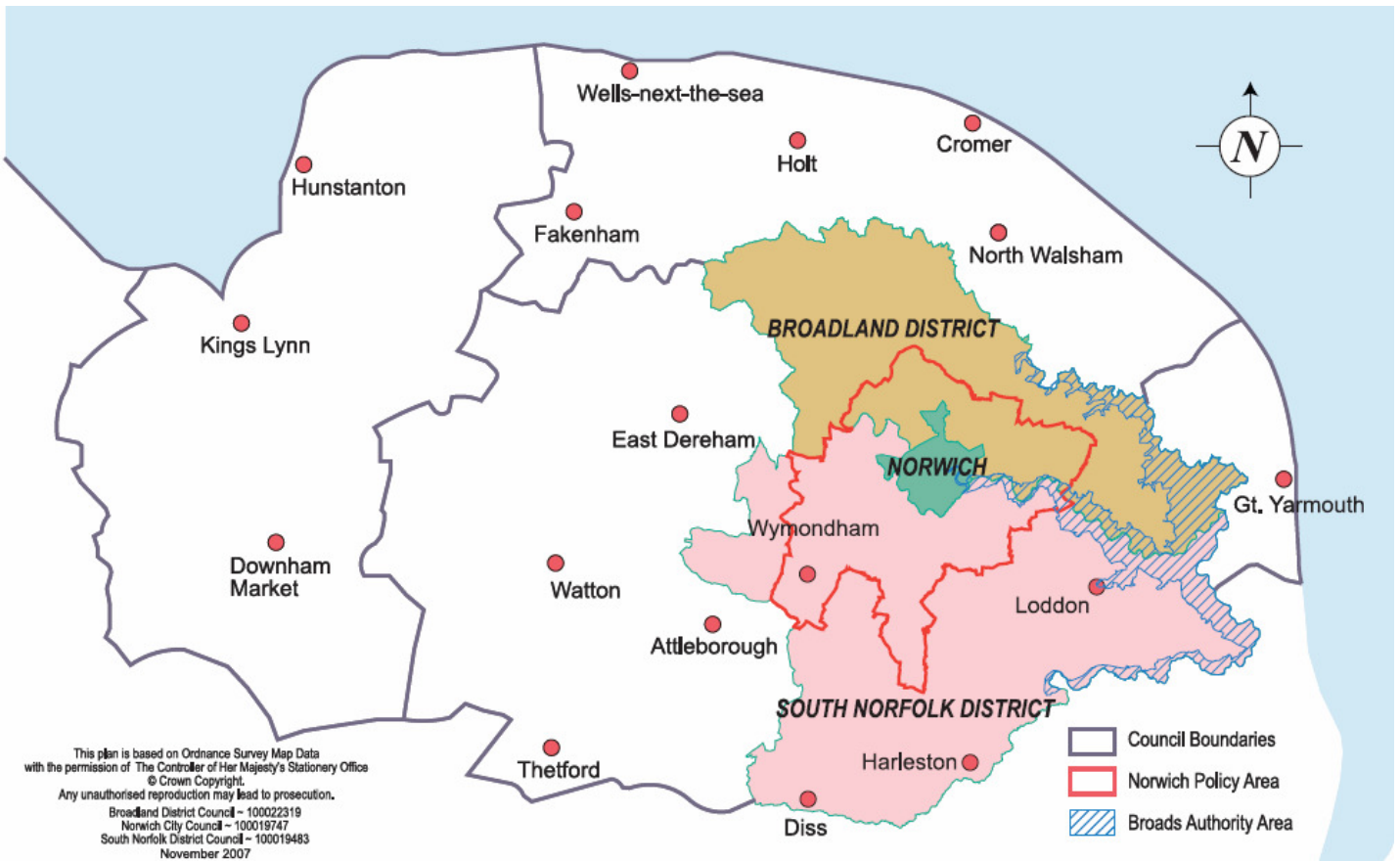


Quarter 1: April - June 2010



This report primarily focuses on the Greater Norwich sub-region, but also includes data and business intelligence covering other parts of Norfolk, taking in North Norfolk, Breckland and King's Lynn. Great Yarmouth is covered by a separate report taking in Waveney

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Intelligence in these reports has been gathered from a number of sources which include:

- nomis official labour market statistics
- Job Centre Plus – Norfolk
- Land Registry house prices
- McTear, Williams & Wood
- the EDP newspaper
- the LynnNews paper
- email updates from businesses
- word of mouth
- sector group meetings

Introduction

Key indicators

Business confidence ↑

Unemployment ↓

Redundancies ↑

Job vacancies ↑

House Prices ↓ for Norfolk ↑ Nationally

Summary

There is plenty of evidence pointing to a steady private sector recovery over this quarter – April to June.

Positive announcements have begun to outweigh negative news across most sectors.

Sectors performing well include digital, energy, environmental services engineering, financial services and tourism.

In a good many cases businesses are winning new contracts and there is now some evidence of business investment, something that was lacking in previous months as firms looked to cut back on expenditure.

Examples of this amongst larger businesses include investment by Bernard Matthews, and smaller businesses Pane Graphic in Loddon doubling its workforce after winning a significant new contract.

However the construction industry is continuing to struggle, with job losses and reduced profits at RG Carter and the redevelopment of some key Norwich sites on hold with the collapse of City Living Development and sister companies.

Insolvency levels have increased quarter by quarter – Norfolk is now underperforming the rest of the region, indicating that whilst there are plenty of good news stories around – a significant number of firms are still experiencing difficulties.

The numbers claiming jobseekers allowance has continued to fall – down 2,268 between April and June, with Norfolk significantly outperforming the region and the country as a whole.

However redundancy levels have remained relatively high and job vacancy levels dropped very sharply between May and June.

Conclusion

Positive signs of a continued private-sector led recovery, with both hard and soft intelligence showing businesses are winning new orders and starting to invest. However, public sector spending is likely to have an impact going forward, with a large number of businesses in the sub-region dependent, at least in part, on public sector contracts.

Trading Climate & Confidence Levels

Key Facts

Positive news outweighs the negative headlines. Signs of continued recovery in many sectors, including financial services, food processing, digital, energy and manufacturing.

Tourism continues to perform well, but construction businesses still face considerable issues.

Agriculture & Food Processing

Norfolk

Fisherman operating from ports around the East Anglian coast have warned that they could “go out of business” unless strict quota restrictions are revised, and that tourism may be affected if holidaymakers are unable to buy the fresh fish the area is known for.

Greater Norwich

Food production in the Broads is worth £150m to the region’s economy, the National Farmers’ Union has calculated in a report ‘Why Farming Matters to the Broads’.

Businesses in this sector are expanding as Watercress Lane, Mattishall – is expanding rapidly to meet demand and has launched a new quality mark, the “Blue Duck” logo. Woodforde, Woodbastwick – brewery – expanded its range by launching a cask of ale ‘Game On’, ahead of the World Cup and has already seen more than double the expected amount sold – 46,000 pints. Up to 300 jobs could be created at Simply Halal as proposals to form one of the largest halal meat production operations in Europe take shape.

Bernard Matthews is re-launching the phrase ‘bootiful’ as part of a £5m television and PR campaign. The announcement came after television chef Marco Pierre White signed up to a four year ambassadorial deal to promote the brand. The company made its first acquisition this quarter in about 20 years - Lincs Turkeys, a firm with £23m turnover and £1.55m profit in 2008 and new orders for Christmas turkeys have safeguarded nearly 140 jobs previously under threat of redundancy, meaning only 22 jobs will be lost.

Two positive stories related to wine this quarter. Roger Harris Wines in Weston Longville, who has worked with French wine merchant Paul Spain over three years to produce new type of plastic bottle which can keep wine for at least two years – is supplying Marks & Spencer’s entire range of 25cl wine bottles, and has also won a contract with Waitrose for its own South African wine range, Khulu Sky, in full size 75cl plastic bottles for stores near festivals this summer. Naked Wines, online wine retailer, has sold nearly £30,000 of an unknown producer’s wine in hours after launching a new buying model where customers buy before it’s shipped.

Other Areas

Businesses have been granted permission to expand this quarter as Cobb Breeding look to modernise their chicken farm by building six replacement breeding houses, capable of holding 36,000 birds and Cornerways Nursery, Wissington – UK's biggest tomato producer – will be able to build another 18-acre greenhouse with the creation of up to 150 jobs. It means production could increase by 60% and if all goes well, the facility could be up and running in 2011. While other plans are submitted including plans to build a £7m advanced grain processing centre at Snetterton as part of a nationwide supply network. When the final phase is completed, which is expected to be about 2013 at a total cost of about £14m, it would condition and store about 85,000 tonnes of grain for local end-users.

Two companies seeing growth since being taken over are Norfolk Lavender at Heacham, which saw a sharp increase in turnover in the last financial year to £1.6m after it went into administration before being brought by local businessmen. Visitor numbers are the highest they have been for 11 years, and the centre has new attractions and species of lavender and Cranswick at Watton. Sales, pre-tax profits and pork production have all increased over the year since the take over.

Hargreaves Plants is increasing asparagus crown production at the firm's site at West Bilney, near King's Lynn. An extra 20 acres of seed for crown production will be drilled.

Construction**Greater Norwich**

Shortage of work and financial difficulties have meant that R G Carter announced nine jobs are at risk and City Living Developments (Norwich), City Living Homes and Anglia Projects & Developments have gone into administration casting doubt over the future of the £120m redevelopment of St Anne's Wharf.

In contrast May Gurney continues to win contracts as its waste services division has secured £60m worth of new contracts with North Yorkshire County Council and West Oxfordshire District Council and Morgan Ashurst has been merged with sister company infrastructure firm Morgan East to create Morgan Sindall. Key projects for the Norwich office include a £4.2m contract to refurbish and alter the IFR2 building for the Institute of Food Research among others

Other Area

Chalcroft, King's Lynn – has been commissioned to help create a new factory for GlaxoSmithKline's Coleford site in Gloucestershire which is set to bottle juice made from Norfolk fruit – blackcurrants for Ribena.

Creative

Greater Norwich

Lots of positive stories this quarter as companies win work and awards. EPIC filmed an episode of Frank Skinner's new BBC TV show 'Opinionated', Blue Pearl, photographic art company, have been commissioned by the new Manchester Children's Hospital to create a 'Donor's Wall of Gratitude' with engineering firm Warren Service and Four Agency won a contract to become the new marketing agency for Chapelfield shopping centre. KM Marketing and Development in partnership with Harrow Council will be developing childcare publications for other local authorities across the UK, accounting for 50 percent of their work.

LSI architects, Norwich – is the first company in the east of England to be awarded the Community Mark by Business in the Community (BITC), an accolade held by 34 firms and The Eastern Daily Press has been crowned Britain's Regional Newspaper of the year at the 2010 Newspaper Awards, and Archant itself has bought a Kent newspaper and launched a new one in Cambridge.

Positive news for the area include that the musical Hairspray will be coming to the Norwich Theatre Royal as part of the autumn and winter line-up and Norfolk and Norwich Millennium Library in 2008/09 issued 1,124,233 items including books, DVDs and console games and attracted 1,519,524 people making it Britain's most popular library for the third year in a row. Jobs could also be created in the sector as Bertram Group could be moving its Bertram Library Services division from Leeds to the headquarters at Broadland Business Park, creating more than 100 jobs.

On a negative note the King of Hearts arts centre in Norwich is to close at the end of the year due to a lack of funds to cover the running and maintenance costs after the recession impacted on its reserves and Creative Sponge who had over 120 applicants for a position were disappointed with the quality of the respondents CVs and application forms.

Digital

Greater Norwich

This quarter has seen new technology, products and businesses launched with William H Brown and Homes24 teaming up with Nokia to trial a pioneering mobile phone technology in Norwich and Dereham. Owners of Nokia smart phone can literally point at a William H Brown board outside property for sale or rent and gain instant information. This pilot is the first in Europe and P1 Technology Partners launching a new product into its support range called Netwatch, a system monitoring package. Ipatteer, the business answer to Twitter and Breathe, focus on social marketing, have both been launched this quarter.

Other businesses have won new contracts including Falcon Global, who produce software to help firms manage complex infrastructure projects and Soak digital,

marketing agency and Further who won a new contract with Japanese car brand Mazda. While others are increasing turnover including Selesti, RD Research and DatDrum.

Other Areas

The Icelandic volcanic ash disruption early in this quarter meant that Economy Car Hire in Dereham which is an online travel firm lost £500,000 due to cancellations and having to give refunds.

Energy

Norfolk

The North Sea Marine Cluster, a collaboration between UEA academics and marine science specialists from Gardline Group has been launched to help the region's business harness the opportunities offered by the sea. The aim of the cluster is to pool the region's existing expertise and plan for future potential growth areas.

Greater Norwich

Business growth, new contracts and exploration rights and ranking in profit listings have occurred in this sector. Add Energy has developed a unique anaerobic digestion system and has secured 10 contracts in the south west, worth £18m. Nio Petroleum, a new oil exploration company has been awarded exploration rights at two sites in Malaysia and Acteon was listed 16th in the Sunday Times Pricewaterhouse Coopers Profit Track 100, which ranks Britain's 100 private companies with the fastest growing profits. Profits have risen 93 percent a year from an annualised £7.2m in 2005 to £52.3m in 2008.

Other Areas

The first foundation for the Sheringham Shoal offshore wind farm has been installed on the site, however the Wells Field Studies Centre's future is uncertain after failing to break even after £88,000 of core funding was cut by education chiefs. One option being considered to prevent the educational centre from closing is to use the centre for the training needs of the green energy industry.

Engineering

Greater Norwich

The start to 2010 was positive for several firms - Milltech precision engineering offering milling, machining and assembly work to industries – saw an upsurge in demand in the first three months of 2010 after a poor second half of last year. The growth follows a £300,000 investment in new CNC (computer numerically controlled) machines to increase production capacity last year and a 5,000 sq ft expansion at its factory and Magnus Marine, who design and manufacture electrical systems for super yachts received orders worth £500,000 since January – equivalent to almost half the firm's sales in 2009, which was itself a record year. Aquaterra Energy won a \$3m (£2m) contract to provide marine drilling equipment for an Egyptian petroleum group and Heatstream Hot Water Systems launched a range of innovative ultra-efficient hot water and heating products which can significantly reduce the running costs of both domestic &

commercial hot water systems. And a £2.4m extension at Hethel Engineering Centre has taken a step forward after five new tenants were unveiled.

Jobs were saved as KLM UK Engineering reported at the beginning of this quarter that they may be forced to leave Norwich International Airport if permission for aircraft testing was not approved, however this planning application was granted with conditions.

Other Areas

A business breakfast was held to create awareness in the business community of a new £800,000 training centre planned for Fakenham which will be used for vocational training, adult education and community use and will meet a rising demand for engineering diplomas among teenagers. A total of £400,000 has been provided by central government and £373,000 from EEDA. It is due to open in early October.

Businesses in the area has won contracts including Vandriel Engineering, who diversified into art projects and secured its second commission with a world renowned artist and Nuttall John Martin who won a contract to reconstruct the base of the Needles Lighthouse on the Isle of Wight. It comes on the back of a £7.6m 18 month contract to overhaul the Bembridge lifeboat station, also on the Isle of Wight, on which the firm is currently working. While TV & Theatre Services near Dereham, a stage and studio engineering technologies firm has brought out a rival Camtrak after seeing their busiest period in the firm's 15 year history. The business has an annual turnover of £350,000.

Environmental

Greater Norwich

The need to be green has definitely impacted and influenced companies this quarter. Harrison Group, a groundworks and environmental consultancy firm, is hoping to turn growing regulation over sustainable building methods into a profit as it recovers from the recession. Future Biogas are to start work on building a pioneering anaerobic digestion plant in Taverham which will use maize to generate "green electricity" for more than 3,000 homes while Ladbrook Engineering, North Walsham – is helping to design and produce the little Smasher, a glass smashing machine to help pubs and restaurants recycle glass bottles more efficiently. P1 Technology Partners has created Fleet Metrik software to help improve fuel consumption for businesses and Office2office have launched photocopier paper that can be recycled over and over again and used repeatedly by the same firm after treatment.

Financial & Professional

Greater Norwich

This quarter saw Virgin Money offered £100m investment from US tycoon Wilbur Ross to help the firm launch itself into a high street bank. Unfortunately the company was ruled out of the shortlist of buyers for the 318 high street bank branches being sold by Royal Bank of Scotland.

Elsewhere companies are expanding with Aviva moving into key Asian markets after launching an online car insurance service in Singapore, Rogers & Norton and M & A Partners both appointing new partners. Alan Boswell plans to expand its geographic footprint in the region after winning its largest single piece of businesses for 26 years - to provide a healthcare scheme for the 2,500 member Anglia Farmers co-operative bringing a turnover of £1.3m in premiums. Knowlden Titlow Insurance Brokers and Arnolds estate agency too are looking to expand and the latter moved offices to cope with the future plans.

Turnover has been boosted to more than £4m at Insight Financial Associates after the firm bought an East Anglian wealth management company Coniston Wealth Management and Steeles Law has been chosen to provide core legal services to global engineering company Cosworth, which is currently supplying engines for Norfolk's Lotus F1 Racing 2010 cars which looks to aid their profits.

Health & Life Sciences

Greater Norwich

The Norwich Research Park has seen very positive stories this quarter as the global research community ranked it first in a league table of more than 88,000 institutions based on calculations from Essential Science Indicators of Thomson Reuters, which list original research reports and review articles. Researchers at the John Innes and the Sainsbury Laboratory published in 1,134 scientific journals in the decade to December 2009 and were cited more than 42,000 times in other research papers. Alongside this recognition globally respected scientist James Lovelock praised climate researchers at the University of East Anglia at the Hay Literary Festival in Wales stating they were some of "the best in the world"

The Centre for Contemporary Agriculture opened providing undergraduate and postgraduate courses, giving students the chance to undertake placements in agriculture and food businesses. In four to five years' time, between 300 and 400 students are expected to be studying at the centre and may end up spinning out companies from their research as Intelligent Fingerprinting have done. The firm is a spin out company from scientists at the UEA who found a way to identify illegal drug use through a simple fingerprint test. The team are hoping to turn their research into a marketable product, which could revolutionise the way police detect illegal drugs.

Manufacturing

Greater Norwich

New contracts and investment dominate the news in this sector. Samurai Sportswear chosen to deliver new match and off-field kits for the Irish Hockey Association, Impress UK having its tins used to sell paint which has been designed to reflect colours used in National Trust properties. Investments at FL Plastics – plastic bottle manufacturer – investing more than £250,000 in machinery to boost its production by a potential 35,000 bottles per working day – or by 15-20 percent overall, Polyprint Mailing Films investing in an flexographic press to both expand its capacity and give it more flexibility in turnaround times after seeing a growing demand for polythene film wrapping for magazines and

the mailing industry and Bayer – chemical experts specialising in crop protection pledging its commitment to stay put in Norwich with a £10m redevelopment of its base in the city.

There has also been investment in people as Panel Graphic Ltd is set to double its staff after winning a huge contract with Irish firm Realview to make thousands of new 3D screens that allow TV viewers, cinemagoers and gamers to watch without needing special eyewear, and outside investment for Peerless Plastics and Coatings in Thetford. The company has seen two businessmen invest cash and support to help grow the firm from its current 31.5m turnover to £5m in three years, with a goal of reaching £10m after that.

Other Areas

The sector this quarter has seen positive news stories with Exheat, who designs and manufactures electric process heaters for specialised industrial application being listed 70th in the Sunday Times Pricewaterhouse Coopers Profit Track 1000, which ranks Britain's 100 private companies with the fastest growing profits, Palm Paper officially opening and is at a production level they expected to reach in December 2010, Multiyork investing in a new piece of machinery which will cut the equivalent of 120 sofas per week.

Contracts have been won by Ashford Commercial with national social housing body Places for People to replace old double-glazed units with recycled ones in thousands of homes across the south and east of the country, and Struik and Hamerslag who create cabinets and interiors for the world's luxury super yachts has a full order book through until 2011 thanks to expanding into private jets. Catfield is looking to promote the sector as seven marine industry firms are joining with the North Norfolk Business Forum to form a district-wide manufacturing round table to be led by the marine sector there. And Catfield is to be promoted as a marine centre of excellence to help boost its profile and bring more jobs in the area.

In more negative news 25 jobs are at risk at Bepak, the medical device manufacturer and The Dove Company which has supplied panels for some of the world's most famous sports cars has had to diversify into luxury chicken coops following a downturn in trade.

Retail

Greater Norwich

Norwich has ranked 10th in an annual survey of the UK's retail destinations with expenditure of £1,180m as new stores continue to open in the city including Snappy Snaps, Touz and Games and Matalan in the former Woolworth's department store in Riverside Retail Park and a tax-free "express" branch of Bennetts electrical at Norwich International Airport.

In contrast Vergo department store have called in administrations due to losses in the tough trading environment, after taking over the former Co-op store last summer and Hallmark and Thorntons store in Diss is to close following a 55 percent rise in rent with the loss of seven staff.

Other Areas

Good news as the Aldiss department store at Fakenham is investing £500,000 to modernise its industrial façade and Jaeger luxury fashion brand (customer service centre based in King's Lynn), looks to expand in key international markets and launch a new online offering this autumn after a 16 percent rise in annual earnings.

Tourism**Norfolk**

This quarter has been positive for tourism with good weather over Easter boosting visitor numbers and the announcement that the Tour of Britain will go through Norfolk on its sixth day, September 16th, could provide another boost to the county's tourism. Results from a survey of Norfolk's hoteliers however revealed a dip in trade in March despite a rise in the rest of the UK where as the EDP Larking Gowen Tourism Business Survey results showed more positive news:

- 60% of businesses said turnover had risen in the past 12 months
- Further 50% said they remained confident that business would continue to grow this year
- Nearly 80% said they had increased the amount of money they had invested in their business in 2009

Although more than 70% said they were unlikely to recruit, with staffing expected to stay the same in the next 12 months

Greater Norwich

This quarter saw the exciting announcement from the Broads Authority that they are to submit a bid for World Heritage status for the Norfolk Broads. If the bid was successful it would help promote the site to visitors internationally. Even without this status the broads saw a record 4,746 registered craft in 2009 – nearly double the number of vessels compared to 1980, and it is hoped this year will see a repeat of the figures giving the Broads Authority an expected £2.5m income to spend on maintaining the Broads and Richardson's in North Norfolk has invested more than £500,000 in 20 new cruisers which will be in use this summer after strong bookings both this year and last.

Staycations in Norfolk and across the country have meant that SoulPad, camping company selling canvas tents have seen a boost in sales

Other Areas

Good weather over the Easter holidays meant increased visitors for the county's coastal resorts including Hunstanton, Cromer and Sheringham with people using the Wash monster, Coasthopper and cafes. In addition to the weather people were flocking to the coast for the Cromer and Sheringham Crab and Lobster Festival and it was believed the festival could generate up to £2m for the local economy.

People staying at one of Norfolk Country Cottages's 360 holiday cottages can now have fresh local food and drink from more than 50 producers and suppliers delivered to their door after NCC teamed up with the online farmers' market.

Despite visitor numbers being high in the region Blickling Hall will not be holding its popular summer concerts after promoters failed to find enough acts to perform.

Other

Greater Norwich

Expansion of markets and services has been prevalent this quarter with Norse facilities management and services firm opening up an in-house vehicle workshop to service vehicles from double decker buses to small cars and CVS veterinary group increasing its number of practices to 201. Ottraco, who provide hearing tests and protection devices, are looking to build the firm into a national network, take on staff and treble their turnover as they believe they are the only firm in the UK doing custom moulded ear defenders as well as testing. Hugh Crane Cleaning Equipment is hoping to target breweries in Holland and Germany after developing a cask cleaner for the growing number of small and micro breweries in the UK and Samurai Sportswear has signed several overseas distribution deals in Australia, New Zealand, Italy and most recently Japan. The UEA Sportspark achieved 12 percent growth in income to almost £3m last year after expanding to become the country's largest community sports facility.

Other Areas

New contracts and job creation as Jack Richards & Son secure a £600,000 extension to a contract to deliver products from builders' merchants Travis Perkins in King's Lynn to more than 300 of its branches across England for a year, Jark recruitment company getting ready for a programme of expansion in staff and acquisitions after securing a £13m refinancing deal with Lloyds TSB, Stulee a general and industrial cleaning firm launching creating 17 full time jobs with 70 people on the books and the creation of up to 60 new jobs as a multi-million pound specialist care home is built on part of the former RAF Watton air base.

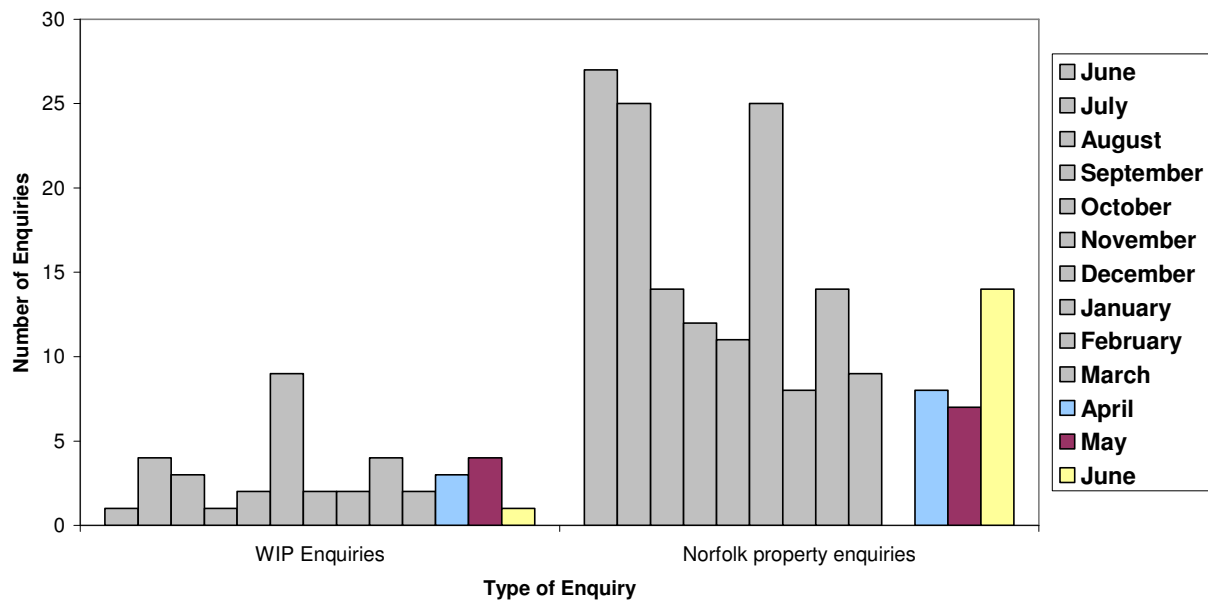
Investment Enquiries

Key Facts

In this quarter there has been the same number of WIP enquiries as last quarter with an average of 2.67. Norfolk property enquiries have risen by two percent, but still remain below the totals the site was receiving last year.

There is currently a web optimisation marketing campaign underway for Invest in Norfolk which will look to drive up hits on the website and consequently enquiries.

Investment Enquiries



WIP Enquiries – foreign company property investment enquiries

Norfolk property enquiries – enquiries via www.investinnorfolk.com

Insolvencies

Key Facts

The insolvency statistics suggest that East Anglia has recovered more strongly from the recession than the rest of the county but with wide variations by county.

Norfolk actually decreased 55percent quarter on quarter and now has an index of 82 indicating that the local economy is faring better than it did prior to the recession.

2009	Norfolk	Suffolk	Cambs	Total
Qtr 1	41	67	22	130
Qtr 4	14	32	24	70
2010				
Qtr 1	20	24	17	61
Qtr 2	9	20	10	39

The mw-w.com index for the region is 114, but Norfolk's index is 82.

Source: McTear, Williams & Wood

Surveys

Key Facts

- Results show mixed feelings with growth in manufacturing output at its fastest in 16 years, construction seeing a rise in workloads for the first time in two years but more than four out of five business in one survey saying the recession was still having a negative impact on them
- Results of a couple of the surveys demonstrated the importance of broadband and the presence of a website.

April - [British Chamber of Commerce Survey of 3,300 companies nationally.](#)

Findings include:

Transport

- 86 percent of Norfolk businesses (80 percent UK) have been affected by a lack of capacity in the UK's transport network
- 65 percent Norfolk (64 percent UK) report a loss of man hours
- 67 percent Norfolk (49 percent UK) have experienced increased operating costs
- A third of Norfolk businesses (a fifth UK) said that they had lost business due to inadequate transport infrastructure

Digital

- 75 percent of Norfolk businesses felt that their business was being affected adversely by a lack of broadband efficiency
- 35 percent reported an increase on operating costs
- 56 percent felt digital deficiencies resulted in loss of man hours

- Norfolk businesses agreed with their UK colleagues, with 92 percent of businesses feeling that 2Mbps is not fast enough for the industries of the present or future

Energy

- Greater business energy efficiency – seven out of 10 companies are taking action to reduce their consumption and costs

[April – Chartered Management Institute survey of 900 bosses across the UK.](#)

Findings include:

- Two out of five said their business was severely hampered by the effects of the economic slump
- More than four out of five said the recession was still having a negative impact on them
- Morale has worsened in two out of three organisations, with tough choices to keep costs down, including continuing pay freezes and a ban on recruitment.
- More than two thirds said they were fiercely opposed to planned increases in National Insurance contributions

May – Chartered Institute of Purchasing and Supply's (CIPS) latest activity index.

Findings include:

- Manufacturing output grew at its fastest pace in almost 16 years during April – 58 (over 50 indicates growth)
- Recovery was aided by the sharpest growth in new business orders since January 2004 and the biggest jump in new export orders in the history of the survey
- Employment among manufacturers is also growing at its fastest rate since February 2007
- The service sector eased from 56.5 in March to 55.3 in April
- Service sector was hurt by the Icelandic eruption, particularly firms in the transport, storage and communications fields.
- Employment among the service industry grew in the month at its fastest rate for just over two years.

Markit PMI Business Activity Index. Findings include:

- Combined output of the East of England manufacturing and service sectors rose slightly to 55.9 in April, from 55.3. Nationally there was a drop from 57.7 to 56.4

May – Royal Institute for Chartered Surveyors (RICS) survey. Findings include:

- The region's construction firms are seeing an increase in workloads for the first time in two years.
- The first quarter of 2010 showed 10 percent more chartered surveyors in the East of England reported rising demand for their services than those reporting falls.

- The positive news follows seven consecutive quarters of falls, with 9 percent more surveyors reporting falling trade in the last quarter of 2009 than those reporting an increase.
- But RICS said the upward trend masked "considerable sector variation" within the industry, with some surveyors reporting concerns over a lack of finance for development.

[May – Burdens Barometer from the British Chambers of Commerce.](#) Findings include:

- Estimates the cumulative financial impact of rules and regulations has hit £88.3bn since 1998, £11bn over the past year through 40 new regulations.

June – Chartered Institute of Purchasing and Supply's latest activity index.

Findings include:

- Index is 58 for the second month in a row, the strongest since September 1994 (figure over 50 indicates growth)
- Industry has grown for eight successive months
- Export orders at near record levels as weak pound helps firms win business in China, Europe, the US and Middle East.

June – 1 & 1 Internet web hosting firm online poll. Findings include:

- Nearly 50 percent of consumers have 'concerns' if a firm has no website
- 41 percent of retailers believe the internet has led to an improvement in work/life balance
- 54% said they had made adjustments to their business plan as a result.
- 83% of those polled said the internet had made it easier for people to succeed in business
- A third believe it has been a significant motivator for people from less privileged backgrounds to start up a venture.

June – [Manpower employment outlook survey.](#) Findings include:

- East Anglian companies were far more positive about their hiring intentions than the national average – the fifth consecutive quarter showing positive hiring intentions in East Anglia

June – [EDP Business Guide 2010,](#) which charts the progress of the region's top 75 companies. Findings include:

- 75 firms performed significantly better than the UK economy generally in terms of turnover
- Discounting Aviva turnover remained steady at £9.3bn
- Many leading businesses have emerged fitter and leaner from the recession
- Companies in the food and farming sector, seen as future growth area for the region, saw particularly impressive results, with many reporting record years
- Manufacturing and general services companies also fared well

June – [Chartered Management Institute research on the impact of the World Cup on business](#). Findings include:

- Managers fear could cost them up to £1bn in lost production
- More than half of 700 employers surveyed were “panicking” at the financial impact of staff being distracted by the tournament

June – GE Capital study on export. Findings include:

- Fewer than one in eight (12 percent) SMEs in East Anglia and the East Midlands put overseas expansion in their top business priorities for the year
- Only 13 percent said that they expect their growth to come from international sales over the next three years – making them reliant on the fortunes of the UK economy
- In 2008 10 percent said overseas expansion was a priority and seven percent were planning on growing non-domestic sales
- Of those companies that do export, more than two thirds (69 percent) continue to invoice their overseas customers in sterling rather than in the foreign currency of their buyer, a rise of six percent since 2008.

June – [CBI and PwC financial services survey](#). Findings include:

- Fourth consecutive quarter of improving profitability, firms are expecting this to level off in the coming three months
- Over the last quarter, 38 percent said that volumes rose, 29 percent said they fell → 9percent overall
- Banks only sector to see business volumes fall
- In next three months, a balance of 63 percent of firms expect a rise in business volumes – most positive forecast since December 1993
- Number of people employed in the sector continued to fall
- Firms now expect staff numbers to increase in the current quarter, which would represent the first improvement since December 2007

Support & Government Initiatives

Other Initiatives

[Broadland Council Training Services \(BCTS\)](#) scheme is offering small to medium sized businesses in the Broadland area grants of £2,000 to help support an apprentice in business administration; customer service; retail; equestrian; warehousing and storage; local government; team leading and management.

Business Link Engagement

Key Facts

Overall this first quarter of 2010 has seen Business Link's total engagement rise by 54.32 percent since quarter 4.

622 enquiries were from people considering starting a new business, a fall of 183 (22.7%). Recently started businesses engagement rose by 119 (857.9%) from last quarter. The number of established business enquiries rose by 908 from 697 last quarter to 1,605 this quarter – a 130.3% increase. However, those intensively assisted customers fell by 11, 4.4%.

The results this quarter are the reverse from last quarter in terms of which figures rose and which fell.

It must be remembered that figures are not cumulative, they relate to customers with a particular status at the time the stat was taken which is at the end of the quarter.

KEY

IDBR Inter-Departmental Business Register. Based on inputs from three administrative sources:

1. traders registered for Value Added Tax (VAT) purposes with HM Customs and Excise;
2. employers operating a Pay As You Earn (PAYE) scheme registered with the Inland Revenue;
- and
3. incorporated businesses

This represents the "stock" of businesses in the county (including the unitaries)

- A** Start Up Activity expressed as a % of IDBR
B Established businesses expressed as a % of IDBR
C All customers expressed as % of IDBR

The numbers in brackets are the figures for the previous quarter.

Area	IDBR	Pre-Start	Start Up	A %	Established Businesses	B %	Total	C %	Intensive Assisted Customers
Broadland	4,595	76 (40)	18 (2)	0.4	171 (98)	3.7	265 (140)	5.8	23 (34)
Norwich	4,235	143 (117)	25 (-4)	0.6	298 (147)	7	466 (260)	11	36 (46)
South Norfolk	5,280	85 (108)	31 (13)	0.6	251 (114)	4.8	367 (235)	7	35 (45)
TOTAL for Greater Norwich	14,110	304 (265)	74 (15)	0.53	720 (359)	5.17	1,098 (635)	7.93	94 (125)
Breckland	5,045	82 (189)	27 (12)	0.5	270 (102)	5.4	379 (303)	7.5	23 (42)
Great Yarmouth	3,025	58 (64)	16 (7)	0.5	130 (59)	4.3	204 (130)	6.7	21 (27)
King's Lynn & West Norfolk	5,410	104 (227)	24 (10)	0.4	250 (112)	4.6	378 (349)	7	38 (26)
North Norfolk	4,485	74 (60)	41 (19)	0.9	235 (65)	5.2	350 (144)	7.8	61 (28)
TOTAL	32,075	622 (805)	182 (63)	0.6	1,605 (697)	5	2,409 (1,561)	7.5	237 (248)

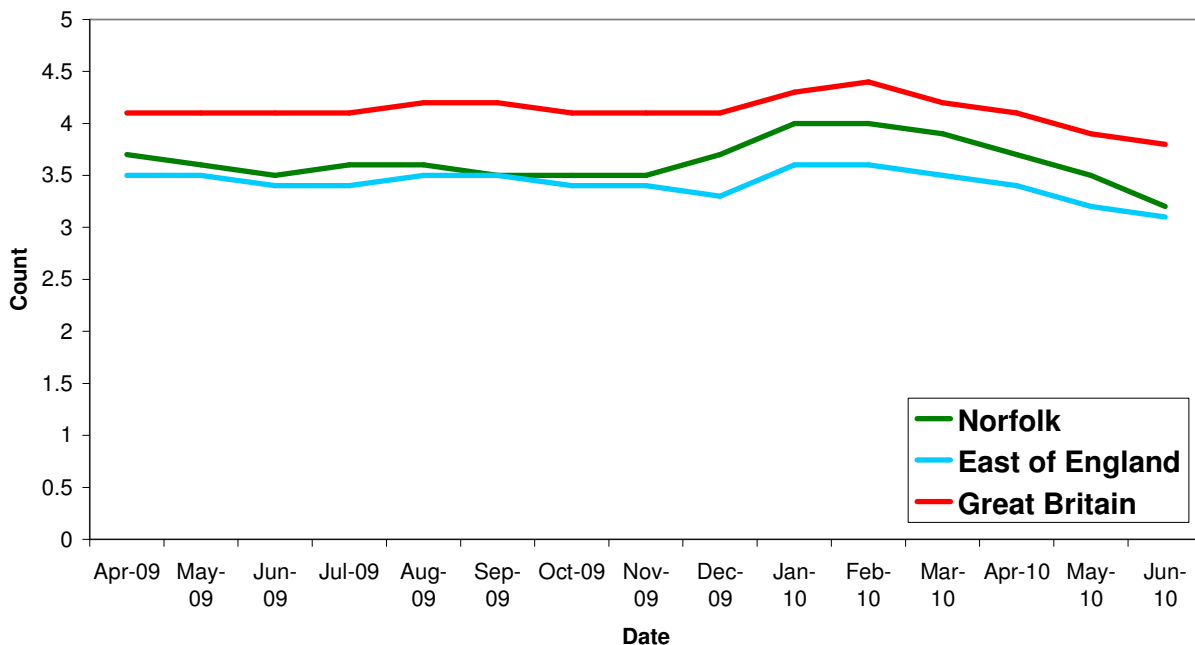
Figures from Business Link show that firms and entrepreneurs in the East of England are largely satisfied with the service it provides. In this quarter, customer satisfaction for its free helpline, workshops and one-to-one advice services was rated at 91 percent. Among those with a Business Link adviser satisfaction was even higher at 92 percent.

Unemployment

Key Facts

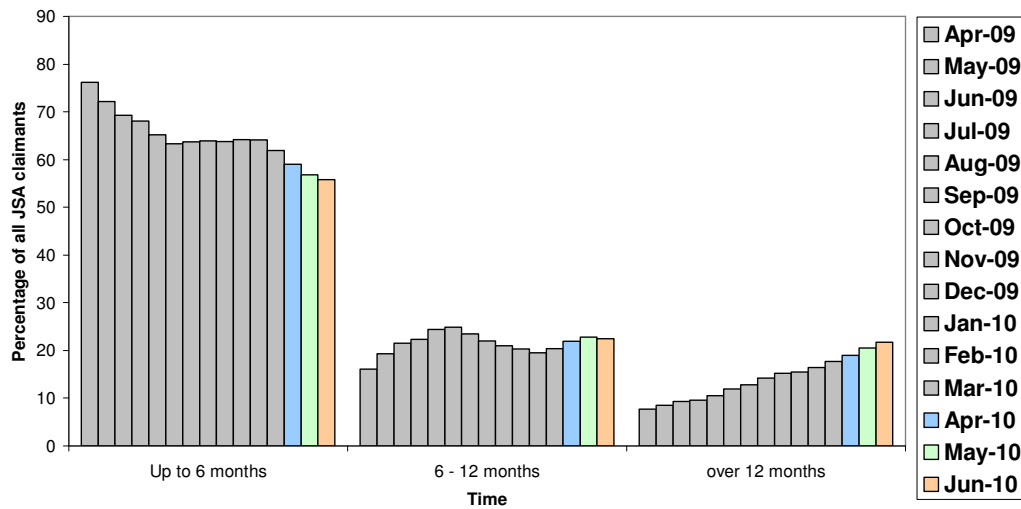
Norfolk saw an average of 17, 256.7 people claiming JSA in this first quarter, with a fall of 2,268 people, 12.32% between April and June. This quarter has seen the trend of the proportion of people who have been claiming JSA for less than 6 months continue to fall with those claiming longer than a year rising. This suggests that either people who have become unemployed in the past year are finding it hard to get back in to work, alternatively it may indicate that those recently unemployed are finding work, hence the fall in claimant count overall.

All people claiming JSA



Source: Job Centre Plus

Norfolk JSA claimants by duration



Source: Nomis, Crown copyright

Redundancies

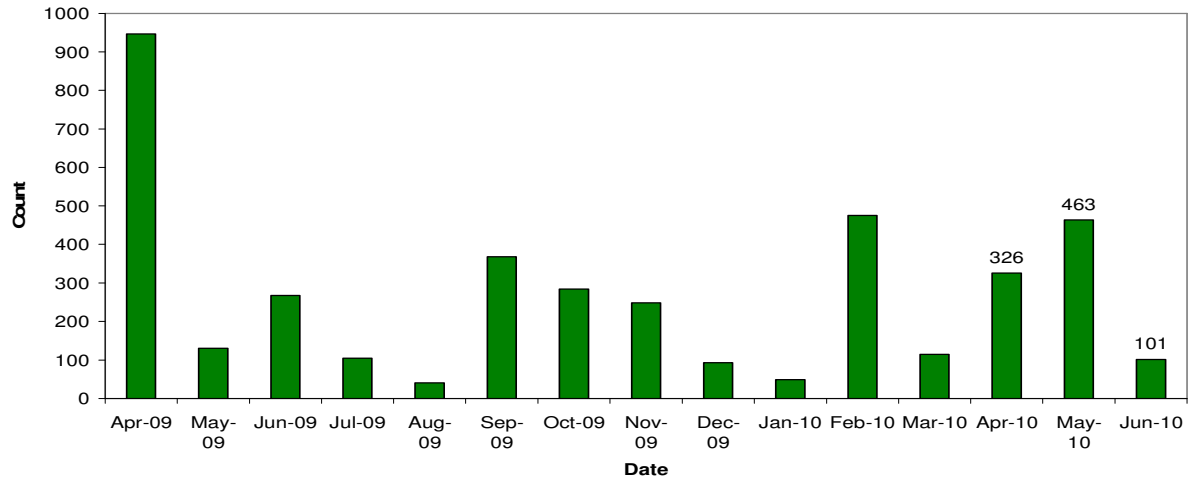
Key Facts

There were 863 redundancy notifications in Norfolk this quarter, with May's total of 463 the second highest since April 2009. There were 863 redundancy notifications this quarter, with May's total of 463 the second highest since April 2009. The graph shows that there has been no consistent trend in redundancies over the year, rising and falling. This quarter continued the latest rise but also the significant fall in June. Sectors with greatest redundancies were further education (227), retail (120) and manufacturing (90).

Month	Number of Redundancies
April	326
May	463
June	101

Source: Job Centre Plus

Norfolk Redundancy Notifications



Total Redundancies since July 2008	Increase between April and June 2010	Sector
7826	890	All
1225	90	Manufacturing
913	75	Construction
1208	73	Insurance & Financial Services
897	120	Retail
569	33	Haulage & distribution
670	0	Food Processing
212	0	Tourism & Leisure
296	0	Publishing
139	0	Public Transport
101	0	Boat building
115	0	Media
229	0	Mechanical/electrical engineering
306	227	Further Education
132	42	Service
231	64	Health & Social Care
64	0	Wholesale
42	0	Real Estate
41	0	Printing
40	0	Science / Research
18	0	Architecture
261	69	Public service

Job Adverts (EDP)

Key Facts

On average there were 6.38 pages of jobs in the EDP during this quarter, a fall of nearly 2 pages since last quarter.

The private sector is now accounting for the majority of the jobs. Over the course of a year the job papers have gone from being predominantly public sector, to an equal mix of public and private to the present private sector dominance. With announcements that councils and government organisations need to save money this trend may become stronger.

Job Vacancies

Vacancies notified to JCP			
	Number	% Full Time Positions	Monthly Change %
April	4,409	70	18.78
May	4,872	70	10.5
June	3,843	70	-21.1

Regional development agency EEDA helped safeguard or create nearly 8000 jobs in the region last year according to a report. EEDA said its services helped safeguard and create 7,936 posts whilst helping 16,000 other people to get jobs. [The National Audit Office](#) found the agency has performed strongly in prioritisation and delivered 'good' performance in continuous improvement and implementing evaluation and performance management.

Skills

Key Facts

This quarter has seen new courses and increases in student numbers and demand, alongside further and higher education job losses as institutions look to save money to cope with financial cuts.

Maintaining the quality of courses is key to prepare people for the knowledge economy jobs that are being forecast, especially for those people who are looking to retrain having lost their jobs in the economic downturn.

Norfolk County Council has successfully bid to bring a further 27 diploma courses to the county, which would see up to 500 extra students benefit from the more practical option than A-levels.

University of East Anglia - business is booming with applications from students up by approximately one third this year.

City College Norwich is set to lose 20 teachers, more than 30 managers and a host of administrative staff, while the current nine schools of education will be

reduced to six. It is believed that the college is facing an estimated shortfall of £6.55m over the next three years although further cuts can not be ruled out. The college insists that no courses would be cut and course quality would not be affected.

[A report by business organisation CBI on skills](#). Findings include:

- 45 percent of companies are currently having difficulty finding new employees with skills in science, technology, engineering and maths (Stem subjects)
- 59 percent said they expected to have problems securing those key skills in three years' time
- 34 percent of employers say they prefer recruiting people with a Stem related degree
- 69 percent of businesses want the government to promote science and maths in schools
- 71 percent say providing high quality work placements is a good way to do this
- A-levels that businesses value most

Business studies (42 percent)

Maths (21 percent)

English (13 percent)

Physics or chemistry (9 percent)

- A-levels that businesses value least

Psychology (2 percent)

Sociology (1 percent)

East Anglia's independent schools are defying the economic downturn and reporting almost across-the-board increases in pupils for the coming year: Norwich School (up from 940 to 995), Langley School, Loddon (from 465 to 525), Gresham School, Holt (from 490 to 513), Hethersett Old Hall School (from 210 to 220) and Taverham Hall (from 1818 to 220). Just Norwich High and Riddlesworth Hall reported no change in numbers.

The Wymondham Learning Centre – adult education facility which has helped more than 4,000 people get computer literate since it opened eight years ago – is set to close due to a six year funding shortfall.

Plans for a £600,000 “eco education centre” to be built at Rackheath Industrial Estate have been approved. The centre will cost £400,000 to build and a further £200,000 to run for three years. The centre is thought to be the first of its kind in East Anglia.

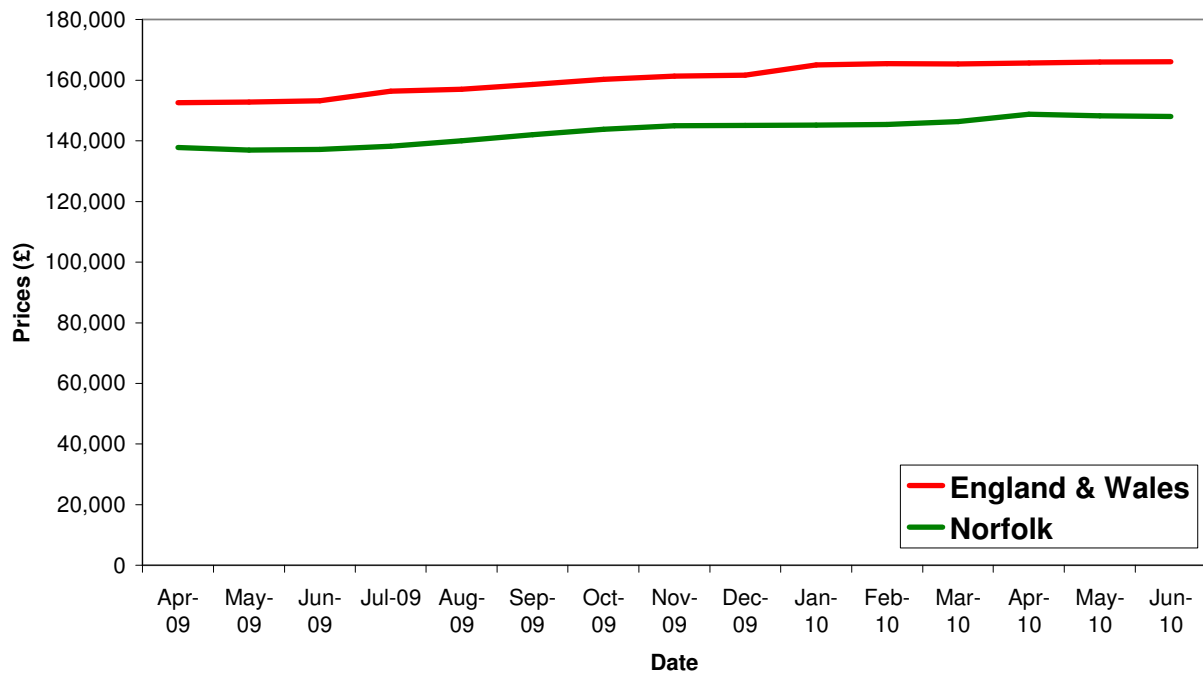
Housing

Key Facts

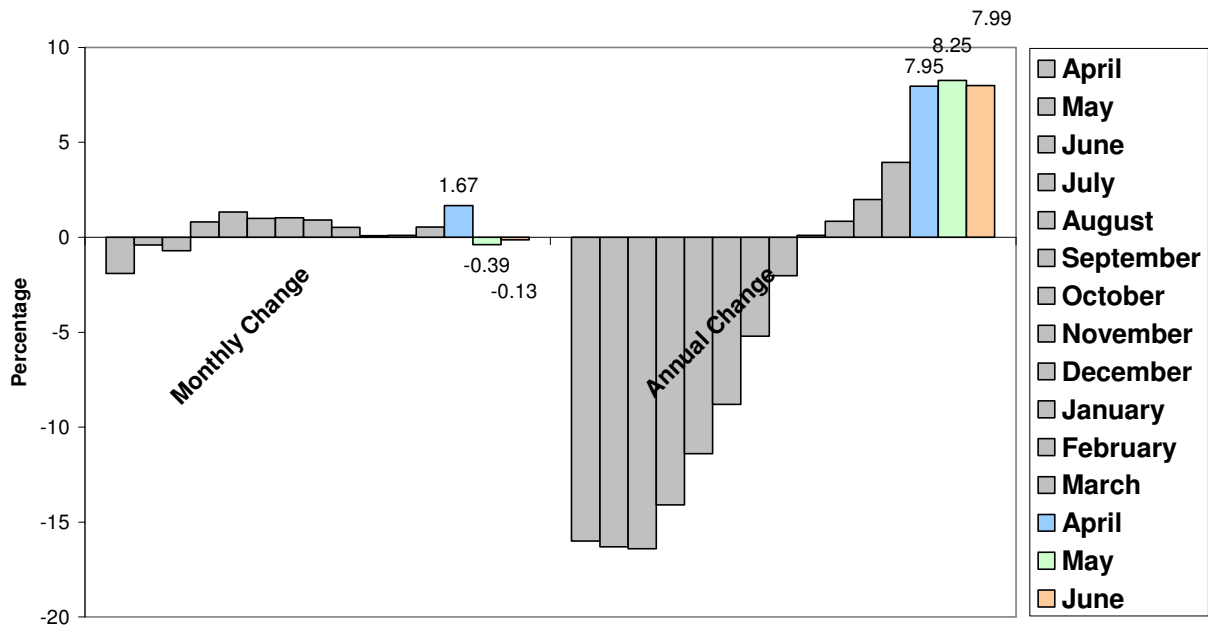
UK house prices have averaged £165,865.3 in this first quarter with a rise in prices of 0.29% between April and June.

Norfolk house prices have averaged £148,347.3 in this first quarter with a fall in prices of 0.5% between April and June

House Price Trends

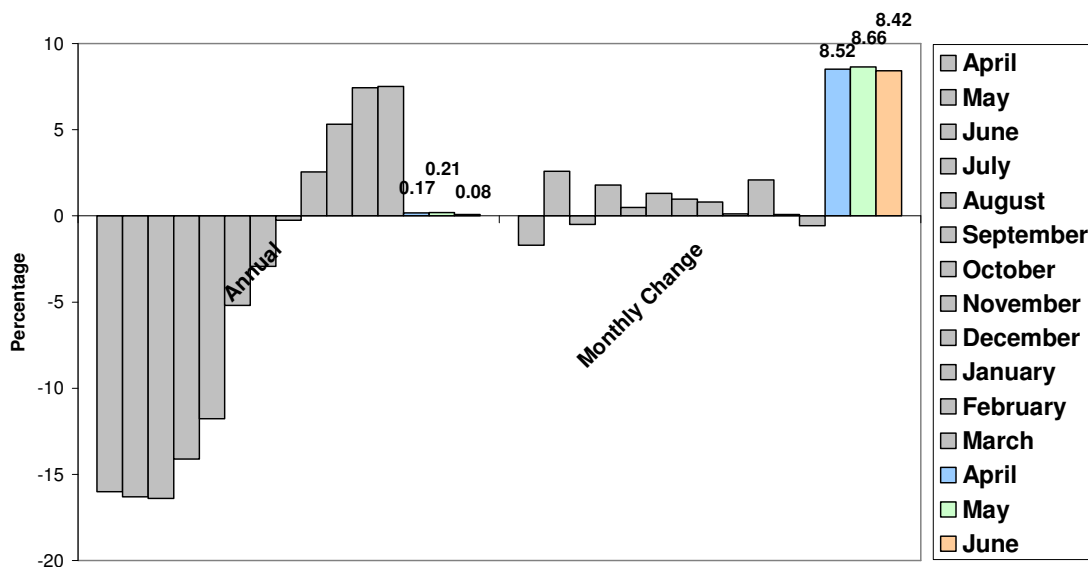


Norfolk House Price Trends



Source: Land Registry

England & Wales House Price Trends



Norfolk's monthly change in house prices have fallen in to the negative this quarter while the UK has continued to have positive monthly changes, although these are falling month on month and look close to going into negative figures. Both Norfolk and the UK had their annual change falling between May and June.

According to the Council of Mortgage Lenders, buy-to-let lending has risen to its highest level since the fourth quarter of 2008. In the second quarter of 2010, the

number of buy-to-let mortgages taken out was 24,900, up 13 percent on the previous quarter and 15 percent higher than the same period last year. The group said the freezing of the buy-to-let mortgage market that emerged as an unwelcome side-effect of the credit crunch appeared to have eased.

Commercial Properties

Elm Farm Business Park has been created on the site of a former dairy on the old A11 between Wymondham and Hethersett. The business park has four offices with 60 car parking spaces and it is hoped will create 100 jobs. Further development is planned for the future.