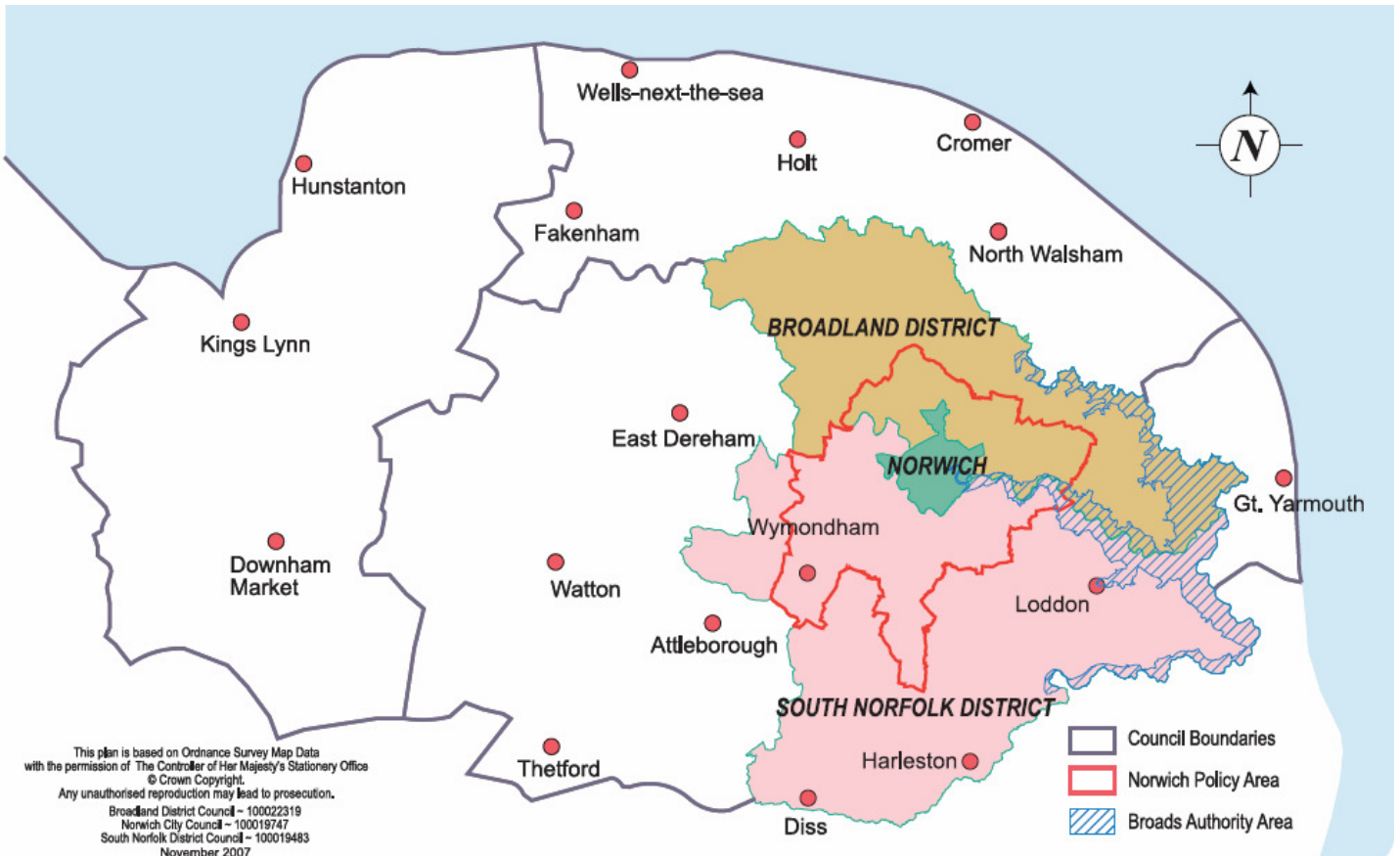


Quarter 2: July - September 2010



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
- Halifax house price index
- Bidwells data books
- McTear, Williams & Wood
- the EDP newspaper
- the Lynn News paper
- the Lowestoft Journal
- the Great Yarmouth Mercury
- email updates from businesses
- word of mouth
- sector group meetings

## Introduction

This report brings together key business and economic intelligence information over the past quarter to develop a clearer understanding of the economic performance of the sub-region.

It primarily focuses on the Greater Norwich sub-region but also includes data and business intelligence covering other parts of Norfolk, taking in Breckland, King's Lynn and North Norfolk.

Great Yarmouth is covered by a separate report covering the Great Yarmouth and Waveney coastal sub-region.

## Key indicators

Business confidence ↑

Unemployment ↓

Redundancies ↑

Job vacancies ↑ between July and August (Sept data not available)

House Prices ↓ Norfolk and nationally

## Summary

Many sectors had a strong quarter with investments, rises in turnover, increases in workforce, new contracts and expansion due to success. Businesses were listed in the Start Ups 100, a new £1.5m factory has been opened by MultiFab and a £6m proposal for a business centre to support business travellers at Norwich International Airport has been approved.

Despite the good news in most sectors there have been a couple of negative stories, notably the closure of Screen East and Aspen Windows in addition to bad weather impacting on harvesting and job losses at Silver Fern Farms, frozen food.

The numbers claiming jobseeker allowance decreased, but at a tenth of the rate last quarter. With a number of public sector job losses being announced this quarter there are fears this figure, along with redundancy figures will start to grow again.

Redundancy figures for the quarter were 1,045, 155 more than last quarter with a significant peak in September. Job vacancy notifications rose between July and August but the number of job pages in the EDP decreased consistently this quarter.

The Nationwide House Price Index has listed Norwich as the third worst performing regional town/city in the UK. Average prices in the city decreased - 1pc over the past year to £170,408 possibly reflecting uncertainty

### **Conclusion**

A positive quarter overall in terms of business intelligence, however redundancy and housing statistics suggest the fragility of the economy and may signal the start of an uncertain and negative 3<sup>rd</sup> quarter.

### Trading Climate & Confidence Levels

#### **Key Facts**

**A new £1.5m factory, approval for a £6m business centre at Norwich International Airport and Lotus unveiling five new models are big positive stories for this quarter. The closure of Screen East, Aspen Windows and job losses at Silver Fern Farms are some of the negative stories.**

### **Agriculture & Food Processing**

#### **Norfolk**

Quarter 2 has been mainly positive for this sector with a fund worth 4.6m euros available for small communities which rely on fishing to provide employment and an extra North Sea sole quota being secured, against news that several areas of Norfolk coast could be listed as marine protection areas preventing fishing, dredging and other activities. Investment in a new cultivator by Hargreaves Plants producing 100 percent class 1 fruit and Anglia Farmers reporting turnover growth of 13pc in the first six months of the year equating to a turnover of £160million in the current year are both positive stories.

Harvesting this year has been negatively affected by the adverse weather conditions and there are warnings that a drop-off in the popularity of farmers' markets could hit small-scale producers.

#### **Greater Norwich**

Naked Wines, online wine retailer, has been ranked fourth in the Start-Ups 100 list published by startups.co.uk, which recognises exciting and fast-growing new businesses and the Pelcian Inn at Tacolneston is now serving real ale, cheeses, breads, jams and chutneys after converting a former tap room. There are mixed stories in the frozen food sector with 64 job losses at Silver Fern Farms in Little Melton, due to large decreases in turnover.

#### **Other Areas**

On the other hand Hain Frozen Foods factory in Fakenham has increased its workforce from 170 to 225 in the last six months, and gross sales have increased 43 percent from £14m to £20m. In more good news Breckland Orchard, premium soft drinks, has been named one of the region's top young businesses in the

HSBC Start Up Stars Awards and a new food business, Farm, Park and Wild has opened in North Walsham, providing high end local produce either in raw form or cooked to dinner party standards. Funding and advice from the InCrops Enterprise Hub at the UEA has helped a west Norfolk engineer develop a high capacity multi-bladed hemp harvester.

## **Construction**

### **Greater Norwich**

Construction continues to have more negative stories than positive with Morgan Sindall's construction arm facing uncertainty with the group reporting falling profits, RG Carter seeing profits fall from £9.5m in 2008 to £5.5m last year and May Gurney looking at its resources with jobs at risk as it faces reduced highway maintenance work. Aspen Windows in Lenwade announced its closure this quarter with the loss of up to 100 jobs due to poor economic climate. A positive story for Norwich this quarter is the hope that the St Anne's Wharf development may now get the go ahead, with work starting next year.

### **Other Areas**

Regeneration schemes worth £6m are being put on hold in West Norfolk until 2013 in the face of uncertainty and budget restraints, putting on hold construction work for the district, however WilliamMorfoot in Dereham has just completed a contract to lay 20km of underground drainage pipes in south east Spain. In a bid to raise new funds for new staff and developments Holt based Morston Assets is going to become the first Norfolk firm in three years to propose a stock market listing.

## **Creative**

### **Norfolk**

The big news in this sector was the closure of Screen East, a government agency supporting the film industry in the region, because of financial difficulties.

### **Greater Norwich**

Despite the largest story being negative the sector in general has had a positive quarter with Vivid Interface market research and brand development moving offices, increasing its turnover and taking on more staff, Worldwide Business Media, magazine publisher, expanding into new offices following rapid growth and the Word marketing agency winning a contract with energy firm Haven Power to create advertising campaigns. 100 jobs are set to be created as Smiths News, the UK's leading newspaper and magazine distributor are moving the Bertram Library Services operation to Broadband Business Park

## **Digital**

### **Greater Norwich**

Lots of good news this quarter with Magic Online Solutions also winning a campaign with Haven Power to design and build a new website and intranet website as well as developing a strategic online marketing campaign with an emphasis on SEO. Foolproof and Further have both been picked out by New

media Age, an online magazine looking at interactive businesses in its Effectiveness Awards and an application created by Fission IT Ltd has been listed as number one in the iTunes 'hot' listing for word games. P1 Technology Group are looking to launch a mobile technology device, much like the Iphone for use in industries such as logistics, while TSL Digital has doubled turnover every year since 2008 and JMS Group recruiting staff after creating state-of-the-art HD studios.

#### **Other Areas**

Swains telecoms company has moved offices this quarter after outgrowing its premises following rapid growth and the need to take on more staff.

#### **Energy**

##### **Greater Norwich**

Acteon, offshore energy group has boosted its presence in mooring services after completing the acquisition of IOS Offshore from Aberdeen based firm Norse Cutting & Abandonment.

##### **Other Areas**

The Baird Gas Storage Project at Bacton being granted onshore planning permission by North Norfolk District Council. Baird would be the second largest gas storage facility in the UK.

#### **Engineering**

##### **Greater Norwich**

Lotus has had a very productive and successful quarter with test driving its new "green" black cabs which have zero emissions, revealing five new models set to hit the market in the spring of 2014 as part of a long term growth vision and announcing a \$2m research deal with the state of California's Air Resources Board (ARB). Lotus will look at prototype efficient, lightweight vehicles manufactured using lighter, stronger materials. Offshore engineering firm Aquatic has also been designing unveiling a new 500 tonne powered reel-drive system to meet market demand.

Businesses are expanding in to new markets and geographies with 2H Offshore, owned by Acteon announcing a new base in Perth, Australia and TML expanding in to the defence and aerospace sectors after being awarded the Aerospace Standard 9100 by the British Standards Institution.

Broom Boats have been bought out by two Norfolk based entrepreneurs who aim to launch new boats and grow the business. The only negative story this month is the closure of the boat building division at C J Broom & Sons Ltd, Brundall, with the loss of up to 70 jobs with the hope of work resuming in the future. Boat building losses have amounted to more than £1m, with boat sales currently weak.

##### **Other Areas**

A new £1.5m factory has been opened this quarter with the take on of 15 new staff by Multi Fab who produce a wide range of sheet metal products, Manley Engineering and Weasenham and Trident in Beeston have collaborated to create a 186mph motorbike and Cooper Roller Bearings in King's Lynn has secured a

£256,000 government grant to help drive the development of the next generation of offshore wind technology. In addition to these positive stories Catfield based Acro Engineering has won a £50,000 contract to make titanium gun silencers.

## **Environmental**

### **Norfolk**

East Anglia's reputation as a leader in green innovation has been given a 20million pound boost as The Low carbon Innovation Fund has made the funds available to help small and medium sized businesses. This good news is in contrast to the US government suspending the funding of the UEA climatic research unit after the 'Climategate' controversy.

### **Greater Norwich**

Recycling businesses have had a good quarter with Norse Waste Solutions extending its general and segregated recycling management contract with the UEA, Pearsons Recycling in Thetford acquiring part of rival firm Enviro-Waste and Rackheath based RPC Recycle, who buys about 30,000 mobile phones per month then recycles and sells them on to customers all over the world, set to see turnover double to about £25m this year.

### **Other Areas**

Funds have been made available by Scira Offshore Energy Ltd, who are building the Sheringham Shoal Wind Farm and the Biodiversity Action Fund, for green community projects and to help restore natural habitats and protect diverse species. King's Lynn has landed a £500,000 EU cash grant to create 'countryside' on its doorstep – the Gaywood Valley will be made more pleasant as part of a 3 year project

## **Financial & Professional**

### **Greater Norwich**

Aviva has increased its profits, maintained its contract with Santander to see Aviva life products and has become the new title sponsor of English rugby union's top flight league. The four year, £20m deal has seen the competition named Aviva Premiership Rugby since September.

While Towry investment advice firm has opened up its first Norfolk branch and The Cotswold Group, the UK's largest private investigation and surveillance company, planning to establish a new office in Norwich, Tax Assist Accountants in Norwich have announced plans to launch operations in Canada and the USA, followed by Australia and New Zealand after seeking help from UK Trade and Investment.

There could be job losses in the city as Royal Bank of Scotland are set to axe another 3,500 jobs under plans to more than halve the bank's administration centres across the UK.

### **Other Areas**

In contrast to potential job losses in the city, Mapus-Smith & Lemmon, King's Lynn accountants has almost doubled its staff this year to cope with increasing

demand from banks for economic forecasts from firms and Adrian Flux is to create up to 150 jobs from November as the company expands further.

## **Health & Life Sciences**

### **Greater Norwich**

This quarter saw the opening of the Norwich Research Park Innovation Centre alongside fears that it will be hit by cuts to the governments science and research £6bn annual budget. It is feared that institutes based at the park will lose some of their research funding as support for projects is slashed.

The Norfolk and Norwich University Hospital is to open an IVF clinic and a hip surgeon has been named one of the very best in the country.

Scientists have had a productive quarter as some at the UEA are controlling a £150,000 robotic glider to monitor the waters of the Atlantic Ocean, some at the John Innes Centre have been leading a project to understand the precise make up of wheat while a computer sciences PhD student is developing a computer programme which can tell a child's bone age from an X-ray which could also be used in osteoarthritis studies and treatments.

## **Manufacturing**

### **Norfolk**

Small manufacturers across the region are being offered access to high-tech digital machines to help develop new products with the launch of a new £250,000 facility – the Direct Digital Manufacturing Facility.

### **Greater Norwich**

Turnover and profit increases at Baxter Healthcare, a contract won by Snelling Business Systems to fit two Fred Olsen Cruise Line ships with almost 900 screens and emergency broadcast systems, Anglia Coatings Solution being acquired to enable continued growth and Oaklaire who produce vacuum formed trays investing in a £65,000 piece of equipment all signal a positive quarter for manufacturing in Greater Norwich.

### **Other Areas**

There have been mixed manufacturing stories in King's Lynn this quarter. Fosters Refrigerator has become the only commercial fridge manufacturer to be awarded the Carbon Trust Standard, rewarding its reduction of carbon emissions by over 10 percent. Porvair filtration specialists have seen profits before tax and revenues increase in the six months to the end of May after a solid rebound from the damage of the recession but KL Technologies, who produce membranes and ceramics, reported pre-tax profits of about £794,000 in the year ending November 30, 2009 compared to £3.3m in 18 months to November 30, 2008. Sealskinz has secured a deal with the Australian military to provide them with 22,500 pairs of waterproof socks after seeing sales rise by 30% over the previous year, but CPC Packaging has gone into administration with the loss of 95 jobs after a fire at the premises and high raw material prices making it a difficult period for the firm.

## **Retail Norfolk**

Footfall across the region in market towns has risen, with many shops reporting increased turnover over the summer. The south Norfolk town of Harleston has fared so well that it has been touted as a role model for other market towns. Norfolk has bucked the trend as all of the old Woolworths stores in the county now being filled with new stores. All this news is in spite of retail sales growth slowing sharply in July and August, as fears over government spending cuts saw consumers focus on essential purchases according to the British Retail Consortium.

### **Greater Norwich**

Several new stores across Greater Norwich have announced their intentions to open during this quarter with Matalan in the former Woolworths on Riverside creating 100 jobs, Hobbycraft with the creation of about 30 jobs, Hotter Comfort Concept shoe store creating about 10 jobs, The Tannery opening in Norwich's Royal Arcade and Hyde Furniture, who make bespoke kitchens and handmade traditional and contemporary furniture, opening a store in the city after previously exporting abroad. Chapelfield shopping centre are hoping every unit could be full by Christmas as Swedish retailer Clas Ohlson, which sells goods including hardware, furniture and electrical items opening in the basement of the former Borders bookshop.

Established stores have fared well with VanDal shoes seeing a 29% rise in turnover in the first half of 2010 to £6.2 million allowing for production to pick up in the companies Norwich factory, and Roys reported steady trading after investing in new technology and reducing prices.

## **Tourism Norfolk**

Norfolk tourism bosses predicted an increase in visitor numbers and spending despite a national survey suggesting holidaymakers will be spending less this year and have set out their list of demands after David Cameron promised to give the county's £2.5bn tourism industry the backing it deserved.

### **Greater Norwich**

This quarter saw Norwich lose out on becoming the UK's first city of culture, although the bid has proved to be a ground for many new schemes and projects that are set to rejuvenate the region, and has been reported to have brought a large number of tourists to the area as hotel bookings have risen 30 percent. The Broads Authority is facing a large challenge as Defra has warned that a 30 percent cut in grants is to be expected over the next 4 years. The cuts could hurt development and the attraction of tourism (although the Broads boating industry is enjoying a major boom at present). This potential cut is badly timed as the area is bidding to become a World Heritage Site and undergoing re-branding. Elsewhere the Dad's Army museum at Thetford has seen an increase of 68 percent in visitors from last year, which officials in the town are putting down to the new statue of Captain Manwaring, the Boudicca Way – 38 mile footpath

between Norwich and Diss created about 10 years ago, is to be revitalised in a tourism boost, which will help rural businesses in south Norfolk and the Cathedral Quarter is being promoted by businesses and organisations to increase visitor numbers, much like the success of the Norwich Lanes.

#### **Other Areas**

Profiles are being raised with the Cromer carnival taking place this quarter and the people behind Deepdale Farm campsite setting up a marketing group 'East of England Backpackers Network' to put the county on the backpackers map. However a tourist attraction – the RAF Air Defence Radar Museum at Neatishead has been forced to close after failing a fire safety inspection and the Links Country Park Hotel and Golf Club, West Runton – has gone into administration. The hotel was established in 1899.

#### **Other**

##### **Greater Norwich**

There have been several positive stories across a range of sectors with plans for a £6m centre to support business travellers at Norwich International Airport given approval, Saxonair winning a 10 year contract to provide ground handling services at the airport, EventGuard security firm winning a two year contract with the Jockey Club to provide security at Newmarket and Huntingdon racecourses and Able Community Care securing an 18 month contract with Australian Home Care Services in the state of Victoria. In addition Johnson Cleaners have invested £60,000 to upgrade its store to use a 'green' product derived from sand, Caley's of Norwich cafe/coffee shop has opened its second branch and plans to open further stores across the country over the coming year and Rent Your Rocks, online jewellery rental website, has been ranked 67th in the Start-Ups 100 list published by startups.co.uk, which recognises exciting and fast-growing new businesses

##### **Other Areas**

Turnover is on the rise at Edwards and Blake contract catering company in Swaffham with predictions of £10m as the company adds Tulip meat factory to its list of clients and Green Dog Food at Downham Market which makes holistic dog food is predicting £500,000 turnover after launching two years ago.

#### **Other Information**

##### **Norfolk**

This quarter has seen several public sector stories related to new structures, job losses and contracts. 165 (10 percent) of Norfolk police jobs could go as part of an expected £10m funding gap, the Norfolk Safety Camera Partnership will see 15 people (half of the workforce) redeployed or made redundant with plans to remove speed cameras, 44 senior management positions have been lost at Norfolk County Council saving £2.6m over a full year, with a further 56 losses expected saving £4.1m and Norfolk Fire Service are set to lose 24 jobs as part of £1.5m savings. Connaught who are an integrated contractor for Norwich City have gone in to administration with the loss of 300 jobs. The jobs were lost in the

Connaught Partnerships section who are focused on the social housing contract to fix and maintain Norwich's 17,000 council houses.

This quarter has also seen the submission of a LEP (local enterprise partnership) proposal for Norfolk to tackle planning, housing, transport and infrastructure issues. If it is successful, the body would take over many of the functions of the East of England Development Agency. No response has been received if this LEP will be given the go ahead.

NWES, a business support organisation which works across Norfolk has been ranked 24<sup>th</sup> in a new index tracking the UK's social enterprises. New figures are showing that student attendance figures are improving in the county after a large drop in the levels of persistent absence has been noted 1,200 fewer children are now missing school on a regular basis, a drop of 1.89pc at secondary school and 0.59pc at primary school level.

#### **Greater Norwich**

Good news for the city as the government confirmed more than £3m for a rapid bus transit system and St Augustine's gyratory scheme would not be taken away.

#### **Other Areas**

Thousands of jobs could be under threat from the forthcoming defence cuts which are casting doubts over the future of RAF Marham and jobs will be going as West Norfolk Council look to save money with budget cuts. One proposal to save money at the council is to close King's Lynn medieval arts complex.

### **Quarter 3**

In light of the important Comprehensive Spending Review and Local Enterprise Partnership announcements which took place in October we felt we should include these in this report.

#### Comprehensive Spending Review

- The dualling of the A11 has been given the go ahead
- £530m of investment over four years to 'incentivise the roll out of superfast broadband in areas that the private sector would not otherwise reach'
- 50 percent increase in the number of apprenticeships, £250m investment in adult apprenticeships which will boost the number of courses offered by 75,000 a year by 2014/15
- Employment training scheme Train 2 Gain is to be scrapped and replaced with a training programme focused on SMEs
- Science and research budget to be maintained
- £200m for developing offshore wind technology and manufacturing, and support the upgrade of ports to support the industry
- £1bn in funding for a green investment bank as part of efforts to make the UK a leader in the low carbon economy

- 7.1 percent cut in funding for councils from the government for each of the next four years
- Central funding for day-to-day local government spending is to fall by more than quarter by 2014/15, capital provision will be nearly halved
- State pension age will rise to 66 for men and women in 2020

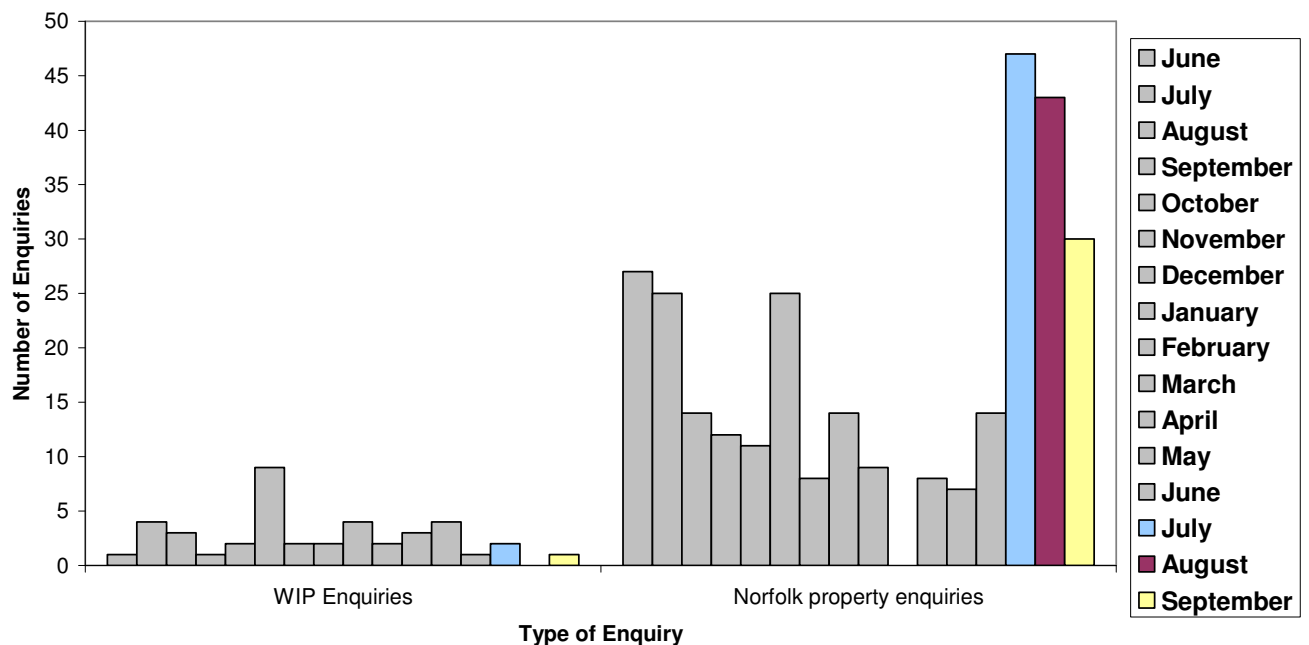
## Investment Enquiries

### Key Facts

In this quarter WIP enquiries have remained low, possibly due to the summer months. However, property searches have dramatically increased which could be attributed to the recent web optimisation campaign which included pay-per-click advertising.

Further Search Marketing undertook three months of auditing and advertising Invest in Norfolk, which the property searches site sits on, on google, to help increase the sites visibility, ensuring it was always on the first page of searches under certain terms

## Investment Enquiries



WIP Enquiries – foreign company property investment enquiries  
Norfolk property enquiries – enquiries via [www.investinnorfolk.com](http://www.investinnorfolk.com)

## Insolvencies

### **Key Facts**

**Fewer businesses went bust in this quarter compared to the same period last year. There was a 13.4% drop in the number of businesses going bust, compared to the same period in 2009. Compared to the previous quarter's drop of 7.4%.**

**Figures in the East of England were even more encouraging with business failures down 15.5% year-on-year and 13.6% from quarter 2 to quarter 3.**

*Source: Equifax*

## Surveys

### **Key Facts**

**Several surveys indicate optimism in many sectors with an increase in exports providing confidence, however there is still uncertainty especially around the public sector. Job opportunities are beginning to emerge but at a slow rate with pay freezes starting to lift but at low levels.**

July – Carbon Trust survey. Findings include:

- 50 percent of the region's firms were concerned about energy price hikes and 49 percent feared tax increases
- 57 percent were concerned about the unstable economy
- 46 percent said one of their top three resolutions was to reduce the amount of energy their business uses

July – the Recruitment and Employment Confederation (REC) survey of 400 recruitment and employment consultancies. Findings include:

- Increase in the number of people placed in jobs, although at the slowest rate for five months
- More people were available for permanent and temporary work in June compared with previous months
- Norwich based Pure Resourcing Solutions – over last three months seen an increase of 17 percent in placements into permanent jobs and a 70 percent increase in those registering for work compared to the same time last year

August – business insurer QBE first Investment in Staff survey. Findings include:

- Around three quarters of local firms do not expect to hire new staff this year
- First impressions were a key consideration when hiring new staff
- 39 percent placed a great deal of importance on references from current or past employers, 50 percent on a good CV and just 13 percent in training courses taken in the previous job
- 11 percent found recruitment agencies to be the most effective means of finding the best people, 61 percent preferred networking and a third advertising in local newspaper or trade journals.

August – [East of England purchasing managers' index](#). Findings include:

- Business activity in the East of England has grown every month since May 2009, outperforming the UK average
- Manufacturing saw a higher increase than services but also said the rate of growth in July had been the slowest in three months
- Rise in employment was marginal and weakest in five months

August – Chartered Institute of Personnel and Development survey of 600 employers. Findings include:

- One third expected to cut jobs in the next three months – worst figure for a year and up from one in four at the end of 2009
- Prediction that unemployment overall would rise as public sector job losses would offset a rise in private sector jobs.

August – Institute of Public Care for the Voluntary Organisations Disability Group (VODG) report. Findings include:

- Norfolk's many charities and charitable organisations could be key to helping the government through its difficult years ahead
- Able to offer extra value for money because of the support provided for free by volunteers
- Flexibility, expertise and enthusiasm which enable organisations to provide targeted care to individuals

August – Clydesdale Bank research. Findings include:

- More than 40 percent of firms in the East of England said they would choose to expand their workforce to deliver future commercial growth given a more flexible approach from their bank or lender
- Recruitment was followed by acquisitions and mergers and expansion of company premises (both 26 percent)
- 46 percent plan to reinvest at least six percent of turnover back into their business for commercial growth next year, one in five plan to invest more than 10 percent

August – Lloyds TSB survey of 2,300 companies. Findings include:

- Small firms are predicting rising sales and profits amid an increase in confidence fuelled by hopes of growing exports.
- Business confidence was at its highest level since 2007, driven by the promise of growing exports as a result of a rebound in world demand for goods and sustained fall in the pound
- Biggest worry among smaller firms was falling domestic demand

August – [Royal Institution of Chartered Surveyors UK Construction Market Survey](#). Findings include:

- Sentiment within the eastern region has already started to turn in the construction sector amid fears over the scale of public spending cuts and ongoing uncertainty about prospects for the economy
- 2 percent more chartered surveyors are reporting a fall rather than a rise in total construction workloads in the East of England (compares with 10 percent in the first quarter of the year)

August – CBI survey. Findings include:

- UK manufacturers are more hopeful for future trade in the wake of increased demand at home and abroad for their goods
- 21 percent of manufacturers said total orders were above normal
- 34 percent said they were below normal
- Resulting in a rounded balance of minus 14, representing the industry's best level since August 2008
- 10 percent of firms believe volume of output will rise in the next three months, up from 6 percent last month.

August – IDSPay.co.uk analysis. Findings include:

- Fewer firms are freezing the pay of works
- Average rises have remained at 2 percent in recent months
- More employers are giving rises of 3 percent or more in a sign that higher-end deals are on the increase
- About a third of deals between May and July were worth at least 3 percent

August – Steeles Law 2010 economic survey of 1,000 businesses in the East of England. Findings include:

- Three quarters of businesses expected to see some growth in the coming 12 months
- Rapid growth in technology and manufacturing sectors is contributing to renewed confidence among the region's SMEs
- 44 percent of residents expect growth of up to 10 percent over the coming year, 30 percent predicted rate would be more than 10 percent, including 3 percent who forecast growth of 30 percent or more
- 54 percent of companies said staff numbers would remain the same, with 29 percent forecasting a rise and 16 percent a fall, with 1 percent not responding
- 40 percent of companies said they were set to increase employees' working hours over the coming year

August – National Farmers' Union survey of sample of 1,002 online - Public Perceptions of Farmers and Farming. Findings include:

- 75 percent of people think of farmers favourably or very favourably, up from 68 percent in 2005
- 46 percent said they would try to buy British produce and 30 percent would source regional produce

- 86 percent of people also agree that farming will be more important in the future

August – Office for National Statistics Quarterly Economic Brief. Findings include:

- Upgraded its estimate for growth in the gross domestic product between April and June to 1.2 percent – the steepest growth since 2001 – after figures showed a record-breaking performance in construction, with output up 8.6 percent in the same period
- 12 percent of companies said they were “much more” confident about the future, with financial pressures on businesses continuing to improve and access to finance easing.
- Fears remain about the impact of public sector cuts on the economy

September – EEF and business services firm BDO survey of manufacturing. Findings include:

- Across the region 78 percent of manufacturers reported stable or increasing new order volumes
- 72 percent maintained or increased their output
- 74 percent recorded stable or stronger export markets
- Number of sectors planning to increase in investment

September – employment group Manpower survey of more than 2,000 employers. Findings include:

- Firms remain only mildly optimistic about creating jobs in the coming months
- Those in utilities and finance were most optimistic, while construction companies, hotels and restaurants were less likely to recruit new staff.
- Confidence continued to return to manufacturers, fuelled by the UK’s buoyant exports market
- Employers in East Anglia were most likely to take on extra staff

September – The TUC employment survey. Findings include:

- More than 1.3million private sector jobs have been lost since figures peaked at 31million in 2008
- Around 2.2million jobs will have to be created to get the labour market back to pre-recession levels which could take up to 14 years.
- Mining and quarrying have lost the most jobs since 2008 losing 15% of its workforce.
- Cuts proposed by the government could mean heavy job losses, with it possible that the number of workforce jobs falling below 30million for the first time since 2003

## Support & Government Initiatives

### **Initiatives Released/Promoted:**

#### [Discovering Start Ups](#)

In January 2010, Cambridge Wireless' Business Special Interest Group brought together the business managers of 60 wireless-related, high-tech companies, venture capitalists and service delivery companies in the East of England. The purpose was to explore how companies in the technology sectors might develop new business models for the future. Their experiences and recommendations have been channelled into the Discovering Start-Ups programme.

"Discovering Start-Ups 2010" culminates in a competition with a growing prize fund of at least £2,000. Prior to the competition, Cambridge Wireless is providing a series of masterclasses that includes a fund raising and investment strategies event, a business model day, and workshops in networking, pitching and presenting.

Cambridge Wireless' programme aims to identify the best new technology companies.

#### [Innovation Vouchers](#)

Innovation vouchers are back again. They are designed to help businesses in the East of England purchase academic expertise from the region's universities and research institutes to support innovations and business improvement. They provide SMEs with £3,000 (inclusive of VAT and expenses) worth of one-to-one collaboration with one of the region's universities or research institutes, which can equate to approximately 1 week's support but will be dependant on the complexity of the project.

### **Other initiatives**

Advisers at Broadland District Council are stepping up their work to deal with a significant rise in the number of unemployed and recently redundant workers seeking help.

The authority is offering support to residents who are out of work through its free Employ-Able scheme which involves a package of training, support and advice measures aimed at getting people back into jobs.

## Business Link Engagement

### Key Facts

Overall this second quarter of 2010 has seen Business Link's total engagement rise by 378 percent since quarter 1.

509 enquiries were from people considering starting a new business, a fall of 113 (18.2%). Recently started businesses engagement fell by 25.3% from last quarter. The number of established business enquiries rose considerably by 9,267 from 1,605 last quarter to 10,872 this quarter – a 577.4% increase. Business Link comment that the data for this quarter includes some first quarter engagements where the recording of activity was delayed by systems and data capture issues. This has now been resolved and the half year performance is a reliable indication of activity levels.

In addition, those intensively assisted customers rose by 11.4%.

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.

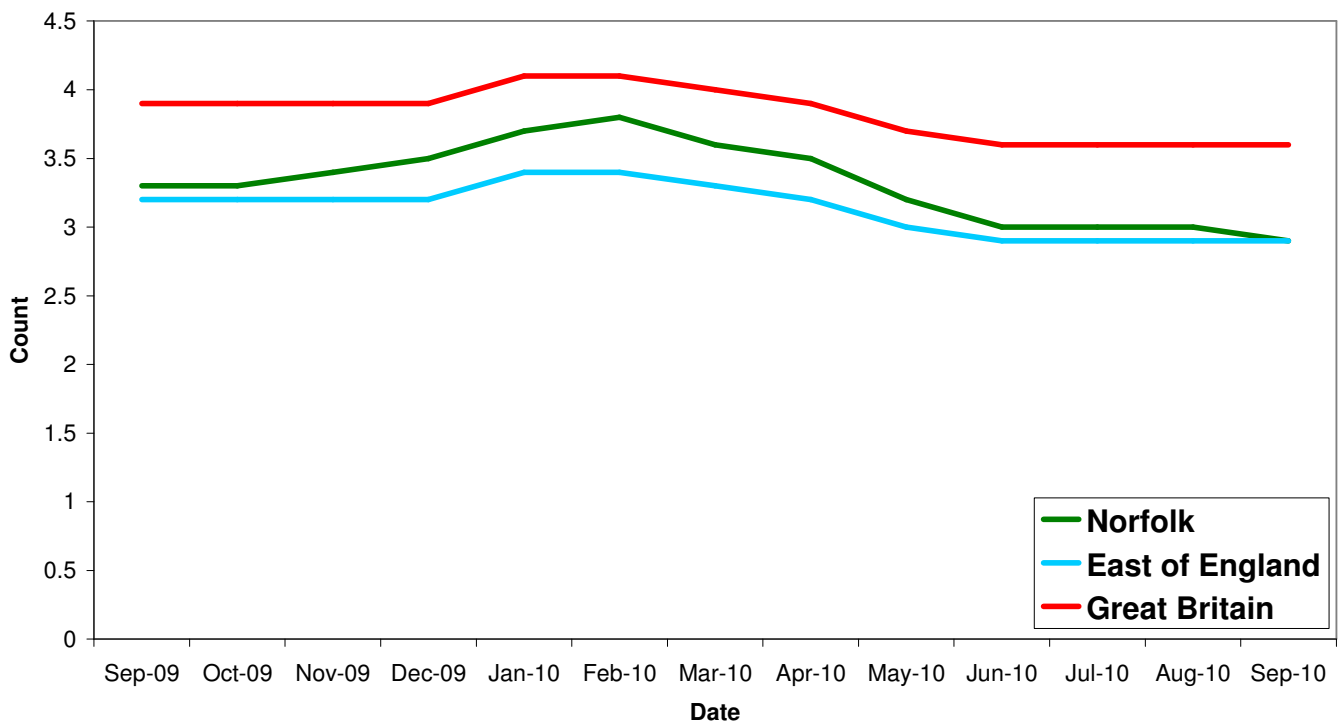
Area	IDBR	Pre-Start	Start Up	A %	Established Businesses	B %	Total	C %	Intensive Assisted Customers	Incl Skills Intensive of
Broadland	4,595	57 (76)	21 (18)	0.45	1,504 (171)	32.7	1,582 (265)	34.4	28 (23)	18
Norwich	4,235	117 (143)	25 (25)	0.59	1,862 (298)	44	2,004 (466)	47.3	51 (36)	30
South Norfolk	5,280	67 (85)	15 (31)	0.28	1,573 (251)	29.8	1,655 (367)	31.3	29 (35)	16
<b>TOTAL for Greater Norwich</b>	<b>14,110</b>	<b>241 (304)</b>	<b>61 (74)</b>	<b>0.43</b>	<b>4,939 (720)</b>	<b>35</b>	<b>(1,098)</b>	<b>7.8</b>	<b>108 (94)</b>	<b>64</b>
Breckland	5,045	54 (82)	22 (27)	0.44	1,554 (270)	30.8	1,630 (379)	32.3	41 (23)	13
Great Yarmouth	3,025	67 (58)	10 (16)	0.33	1,190 (130)	39.3	1,267 (204)	41.9	19 (21)	10
King's Lynn & West Norfolk	5,410	90 (104)	23 (24)	0.43	1,726 (250)	31.9	1,839 (378)	34	49 (38)	10
North Norfolk	4,485	57 (74)	20 (41)	0.45	1,462 (235)	32.6	1,539 (350)	34.3	47(61)	25
<b>TOTAL</b>	<b>32,075</b>	<b>509 (622)</b>	<b>136 (182)</b>	<b>0.42</b>	<b>10,872 (1,605)</b>	<b>33.9</b>	<b>11517 (2409)</b>	<b>35.9</b>	<b>264 (237)</b>	<b>122</b>

## Unemployment

### Key Facts

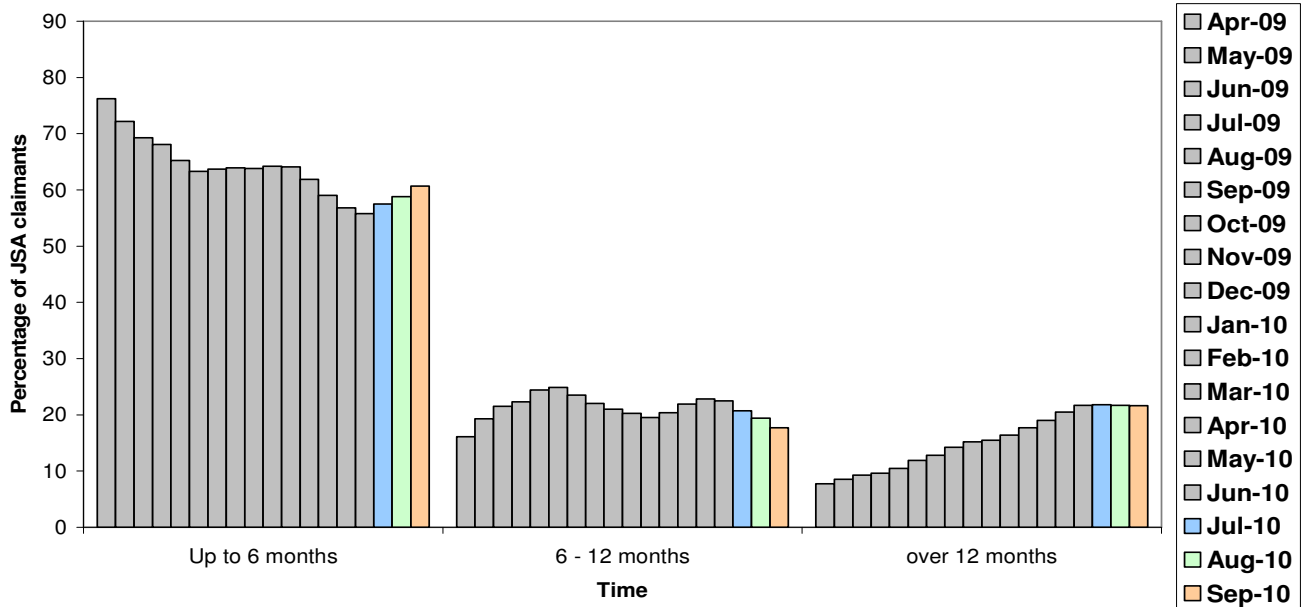
**Norfolk saw an average of 15,721 people claiming JSA in this second quarter, with a fall of 276 people, 1.7% between July and September. This quarter has seen the proportion of people claiming JSA for less than 6 months noticeably rise for the first time since April 2009, getting close to March 2010 levels. This could be a result of the recent peaks in redundancy numbers in February, April and May and the rising number of redundancies this quarter.**

## All people claiming JSA



Source: Job Centre Plus

## Norfolk JSA claimants by duration



Source: Nomis, Crown Copyright

### Redundancies

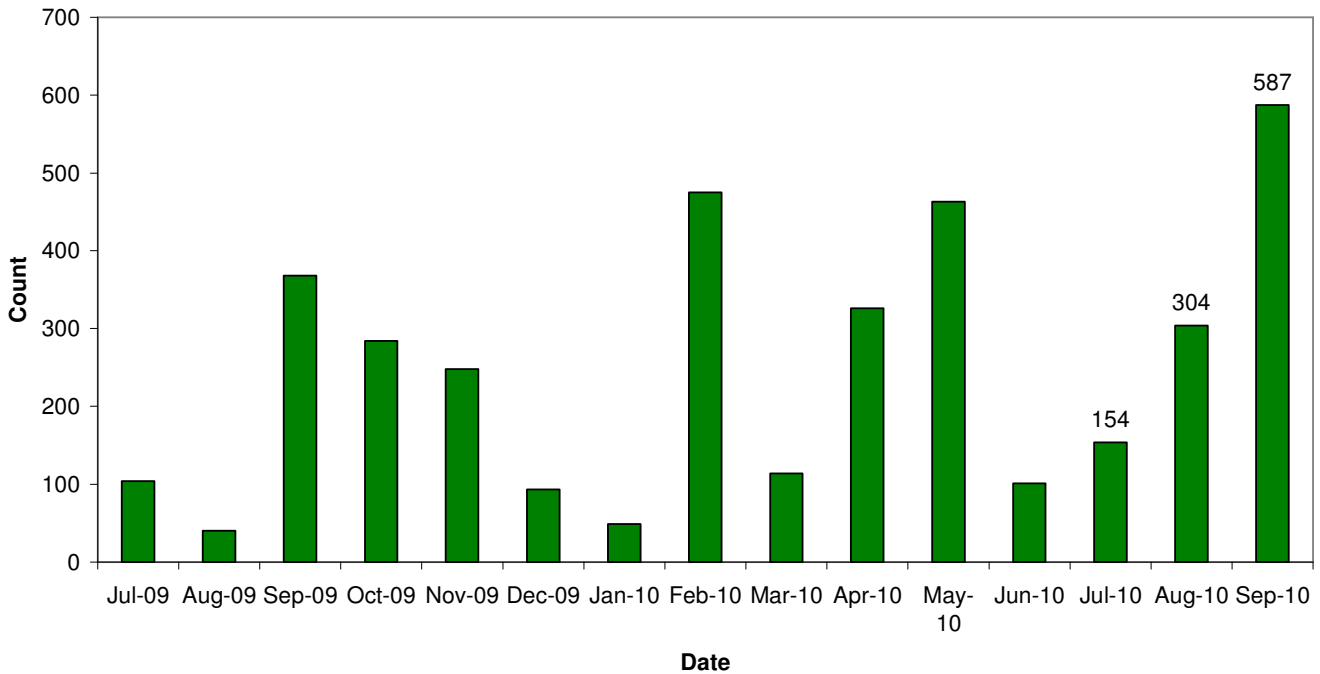
#### Key Facts

There were 1,045 redundancy notifications in Norfolk this quarter, with September's total of 587 the second highest since April 2009. The graph shows that this quarter has continued the current trend of rises in redundancies. Sectors with greatest redundancies this quarter were construction (350), manufacturing (285), public service (122) and insurance & financial services (120).

Month	Number of Redundancies
July	154
August	304
September	587

Source: Job Centre Plus

# Norfolk redundancy notifications



Total Redundancies since July 2008	Increase between July and September 2010	Sector
8871	891	All
1550	285	Manufacturing
1263	350	Construction
1358	120	Insurance & Financial Services
905	8	Retail
569	0	Haulage & distribution
735	0	Food Processing
212	0	Tourism & Leisure
296	0	Publishing
139	0	Public Transport
101	0	Boat building
134	0	Media
229	0	Mechanical/electrical engineering
306	0	Further Education
132	0	Service
231	0	Health & Social Care
64	0	Wholesale
42	0	Real Estate
41	0	Printing
40	0	Science/Research
24	6	Architecture
383	122	Public service

## Job Adverts (EDP)

### Key Facts

**On average there were 4.89 pages of jobs in the EDP during this quarter, a fall of nearly 2 pages since last quarter, which had followed a 2 page fall from the previous quarter.**

**The fall in jobs could be partly attributed to the quiet summer period, however seasonal jobs can often lead to a peak in positions.**

**Private sector jobs are still more dominant, however, in September there was evidence of a more even spread with the public sector.**

Breckland Council received 31 applications for the chief executive's job after Trevor Holden left the post to take up a similar position at Luton Borough Council. The applicants are said to be of high quality and many came with a strong business pedigree.

## Job Vacancies

Vacancies notified to JCP			
	Number	% Full Time Positions	Monthly Change %
July	3,983	71	3.64
August	5,061	74	27.07
September	Not available		

The Higher Education Statistics Agency (Hesa) has published figures that show 19,640 students across the UK taking full-time degrees were assumed to be unemployed six months after graduating in 2009 – 10 percent of the total and up from 8 percent in 2008.

Just 59 percent were in full-time work within six months, down from 62 percent in 2008, while 18 percent went into further study, up from 17 percent.

Figures released from the most recent survey of all UEA graduates from 2008/09, just 5.5 percent were unemployed and looking for employment, further study or training.

## Skills

### Key Facts

**Lots of results, new courses and good news this quarter, but tinged with the disappointment that the £55bn Building Schools for the Future scheme, which would have rebuilt or revamped every high and special school has been scrapped, meaning the £700m designated to 62 Norfolk schools has disappeared.**

Teacher assessments of four and five year olds in their first year at primary school:

Children are ranked from levels one to nine, with six the target level in 13 different areas.

This year Norfolk, Suffolk and Cambridgeshire recorded better performance almost across the board in key skills including reading, writing, adding up, creativity and their attitudes but Norfolk and Suffolk remain behind the national average in the majority of the 13 areas measured.

The proportion of children reaching the target level six rose in 11 of the areas in Norfolk, and in 12 areas in Suffolk and Cambridgeshire. And the percentage of children reaching at least level six in all 13 areas rose from 48 percent to 50 percent in Norfolk, from 46 percent to 50 percent in Suffolk and from 50 percent to 55 percent in Cambridgeshire.

Key Stage One assessments for seven year olds:

In Norfolk, the percentage of youngsters achieving the target level two in the teacher led assessments rose for reading and writing and remained the same for maths and science. The results put Norfolk ahead of the national average for writing and maths. But girls still outperform boys in the key skills.

Overall, Norfolk remained behind the national average for reading and science and level for writing and maths when it came to the percentage of seven year olds getting the tougher level three in the assessments.

The figures are based on classroom assessment of their work rather than exams.

GCSE results:

Norfolk experienced its sixth consecutive rise in results, with 52.3 percent achieving five or more A\* - C grades, including English and Maths, up from 50 percent last year.

However, Norwich is 322<sup>nd</sup> worst of England's 324 district councils

Paston College, North Norfolk's biggest sixth form college will no longer be making a £23m move to a new site in the town because of national funding problems.

The £55bn Building Schools for the Future scheme which would have rebuilt or revamped every high and special school has been scrapped, meaning the £700m designated to 62 Norfolk schools has disappeared.

The Co-operative Group have launched an Apprenticeship Academy as part of a £21m campaign to help young people. The business will initially create 2,000 new apprenticeships for people aged under 25 at a cost of £9m over two years.

City College Norwich have teamed up with Archant to offer a two-year Foundation Degree in Journalism, with the two best students having their fees repaid by Archant and being offered positions within the editorial team.

Easton College which opened a £5m equestrian centre a year ago says the new facility has helped it to attract more students (increase around 40 percent) and establish a national reputation, hosting competitions in dressage, show-jumping and driving.

Lecturers and teachers in Norfolk have pioneered a new course to teach 6<sup>th</sup> formers the skills needed for university. The course has been deployed by the UEA which is funding the initiative.

Four academies have been given the go ahead to “open” on the first day of the new school year under new names, with new uniforms and headteachers, although at present they will remain in their existing buildings. The academies are in Thetford, King’s Lynn, Costessey and Gorleston.

Langley School at Loddon has celebrated its 100<sup>th</sup> birthday with the opening of a £3.4mil new classroom block. The block is set to increase pupil numbers and provide much needed development to education in the area

Hammonds High School in Swaffham is to be granted specialist status and can therefore expect an extra £85,000 in funding each year plus a £60,000 equipment grant. The school will become a specialist in Maths and Computing.

The UK lost its status as one of the world leaders in producing graduates according to the Organisation for Economic Cooperation and Development. The country’s rate of students gaining degrees plummeted from the top four among developed nations to 15<sup>th</sup>, trailing the likes of Poland, Iceland, Portugal and Slovakia.

## Housing

### Key Facts

**UK house prices have averaged £166,917.67 in this second quarter with a fall in prices of 0.12% between July and September.**

**Norfolk house prices have averaged £148,608.67 in this first quarter with a fall in prices of 0.05% between July and September**

*Source: Land Registry*

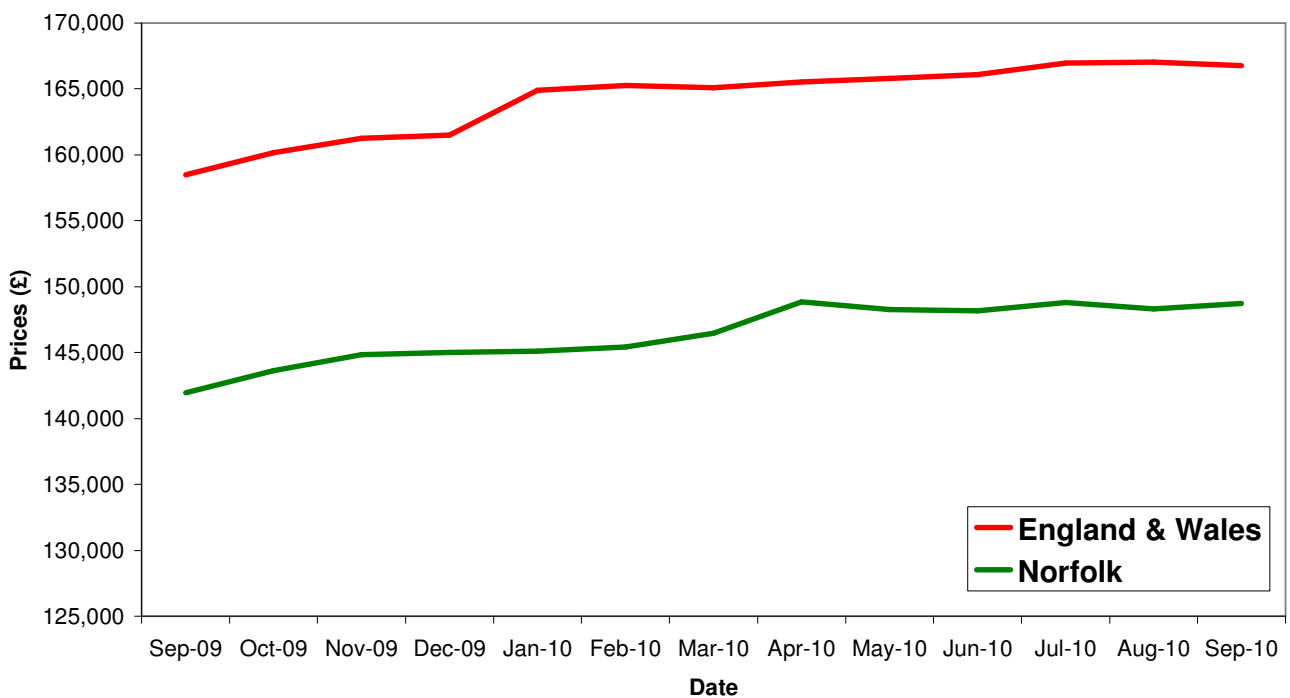
The Nationwide House Price Index has listed Norwich as the third worst performing regional town/city in the UK. Average prices in the city decreased - 1pc over the past year to £170,408.

This was compared to Cambridge, the third best performing town/city with an increase of 16 percent to £295,684.

Across East Anglia the average price was £165,705, a decrease of -1.1% on last year, compared to an increase of 4.5% nationally. However, compared to the previous quarter, house prices dropped on average -1% nationally.

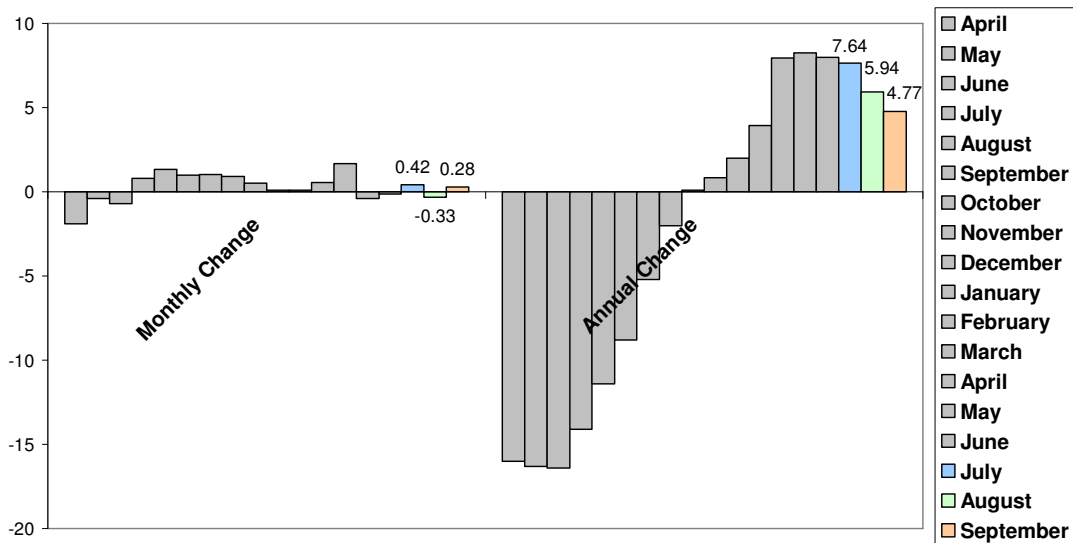
A report by the National Housing Federation has reported that house prices in Norfolk are worth nearly 10 times the average working wage. In Norfolk the average price of a home in 2009 was £176,023 with regional wage average of between £18,429 and £19,297.

## House Price Trends

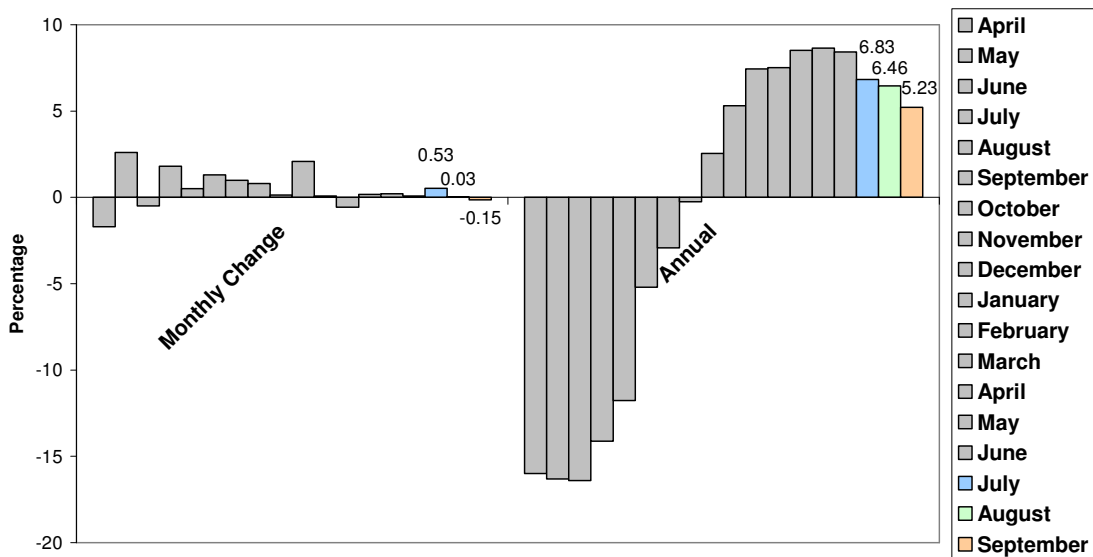


*Source: Land Registry*

## Norfolk House Price Trends



## England & Wales House Price Trends



Please note that there was an error in last quarter's England & Wales graph – the monthly and annual change were the wrong way round.

Source: Land Registry

Norfolk's monthly change flattered between positive and negative values, reflecting the uncertainty around the housing market at present, and monthly changes in England and Wales decreased in to negativity this quarter. Annual changes for Norfolk and England and Wales decreased, possibly signalling the housing market is falling towards figures reached last year as uncertainty around job security increase.