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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 Great Yarmouth and Waveney sub-region.

Key indicators

Business confidence	↑
Unemployment	↑
Redundancies	↑
Job vacancies	↑
House Prices	↓

Summary

Sectors with a strong fourth quarter include energy as the outer harbour secures new contracts and tourism as two large attractions, Pontin's and Pleasurewood Hills secure new owners with promises of investment.

The numbers claiming Job Seekers Allowance in Norfolk increased over the quarter by 188, with a total of 17,875. This number is 1,728, 10.7 percent higher than the previous quarter. JSA claimants fell over the quarter in both Great Yarmouth and Waveney by 119 and 67 people respectively.

Redundancies across Norfolk increased month on month this quarter, with 915 in total. This is 396 more redundancies than last quarter, a rise of 76.30 percent. Public service redundancies accounted for the greatest rise, and may be linked to contracts coming to an end at the end of financial years.

Job vacancies in Norfolk rose between January and March with a total of 10,372. This figure is 5,775 lower than the previous quarter which is another statistic indicating that this fourth quarter has performed worse than quarter three. Job vacancies notified in the borough of Great Yarmouth rose between January and March with a 510 peak in February. The total for quarter four was 32 less than quarter three.

House prices continue to fall across Norfolk and Suffolk with average values of £145,686.67 and £154,870.33 this quarter respectively. The fall between January and March has been highest in Norfolk, then England and Wales with Suffolk seeing a fall of 0.45%.

Conclusion

Quarter four has performed more poorly compared with quarter three in terms of the hard statistics of JSA, redundancies, job vacancies and house prices. Despite this negativity, the business intelligence from news stories remains positive for the sub-region with numerous opportunities and potential across several sectors.

Trading Climate & Confidence Levels

Key Facts

Plans to invest at J&H Bunn, electricity starting to flow from the Greater Gabbard offshore windfarm, Hughes Electrical acquiring several Bennetts stores and Pontin's and Pleasurewood Hills both secure new owners.

Agriculture & Food Processing

This quarter was dominated by the successful acquisition of J & H Bunn agricultural suppliers to Koch Fertiliser. Koch Fertiliser are planning to invest in and expand the network of fertiliser plants. The other dominant business in the news was Adnams. Firstly the brewer looked to raise its profile nationwide with the 'Let'sTalk Beer' campaign, before announcing it is to produce a celebratory honey beer to mark the royal wedding in addition to expanding in to hotel management and open more retail stores as it prepares for a tough year ahead.

Construction

After several tough quarters before for this sector, Persimmon Homes Anglia regional home builder is on target to maintain sales levels this year buoyed by continued demand for family homes. The announcement in the budget this quarter that the government will help a number of first time buyers get on to the ladder through helping pay deposits on new builds may signal further positive news for the company.

Two reports out this quarter by ConstructionSkills and InsightEast also predict that the construction sector in the east of England is set to grow faster than any other region, and could create 25,000 jobs by 2020 due to both infrastructure and industrial projects and growth in housing.

Energy

A positive quarter for the sector as the energy minister visited Lowestoft's Orbis Energy centre at a time when electricity started to flow from the Greater Gabbard offshore windfarm, perhaps signalling the strength and future role the region will play in renewable energy supply.

Great Yarmouth's outer harbour has secured two contracts this quarter with Geneva based Noble Corporation choosing it as a location to refurbish its giant jack up gas rig, worth £3m to the local economy, and Denmark based A2Sea using the outer harbour as a base to transport wind turbines to the Sheringham Shoal offshore windfarm.

Contracts have been won with Coil PNS (UK) securing £6m worth of work just three months after investing £15m in a new Great Yarmouth base and Goah Energy has landed a six-figure engineering design contract in its first bid for offshore business.

Two businesses with exciting developments include 4NRG, which has created a tidal-energy harvester and flood barrier prototype which when fully developed could generate enough electricity from the River Yare to power 2,000 homes.

Scour Prevention Systems, have created a technique using old tyres to protect wind turbines from scour on the seabed and entered talks with global energy firm E-on to trial the technique.

Despite so many positive stories, Great Yarmouth's Compass, which provides equipment and services to the oil industry has had to cut five jobs due to money becoming trapped in Libya, and Lowestoft missed out on becoming a major base for manufacturing giant Siemens, who build offshore wind turbines.

Engineering

A new product which could save clients millions of pounds and a business winning and maintaining contracts. Claxton Engineering Services have produced a new drilling tool after six months of development which is used to lift risers, the pipes which connect oil and gas wells to rigs, into place, while Survival Systems International has secured new and repeat contracts to service lifeboats, including worldwide clients, worth £2m.

Environmental

One store trialling eco-friendly products, while another makes changes to make their buildings eco-friendly. A Lowestoft Asda has been trialling the use of paper milk bottles, called Green Bottles, which take a few weeks to compost compared to the 500 years a plastic bottle takes at a landfill site while Palmers Department Stores in Lowestoft and Great Yarmouth have completed a high-tech eco-friendly project which included a overhaul of lighting, refrigeration and boilers.

Manufacturing

No individual business news this quarter but a report from Insight East predicts that employment in manufacturing will fall by 15pc by 2020 in the east of England.

Retail

One dominant story this quarter was the successful acquisition of six Bennetts stores by Lowestoft based Hughes Electrical, after Bennetts went in to administration. The acquisition will secure/create 110 jobs. Lowestoft, however, also saw the closure of the Jarrold store due to a downturn in trade with the loss of five jobs.

Tourism

A very positive quarter for tourism as Pontin's secured a new owner, Britannia Hotel Group, securing 200 jobs with a promise of significant investment and the aim to restore the sites to their 'former glory' and Pleasurewood Hills has been bought by a global private investment firm. HIG Capital France will invest in the tourist attraction and launch several new features.

Promotion and reputation are key to tourism, and with Great Yarmouth's tourism website achieving double the hits compared with this time last year, and tourism chiefs promoting the region as an ideal place to stay during the London 2012 Olympics the region is well on its way to continued success.

Other Information

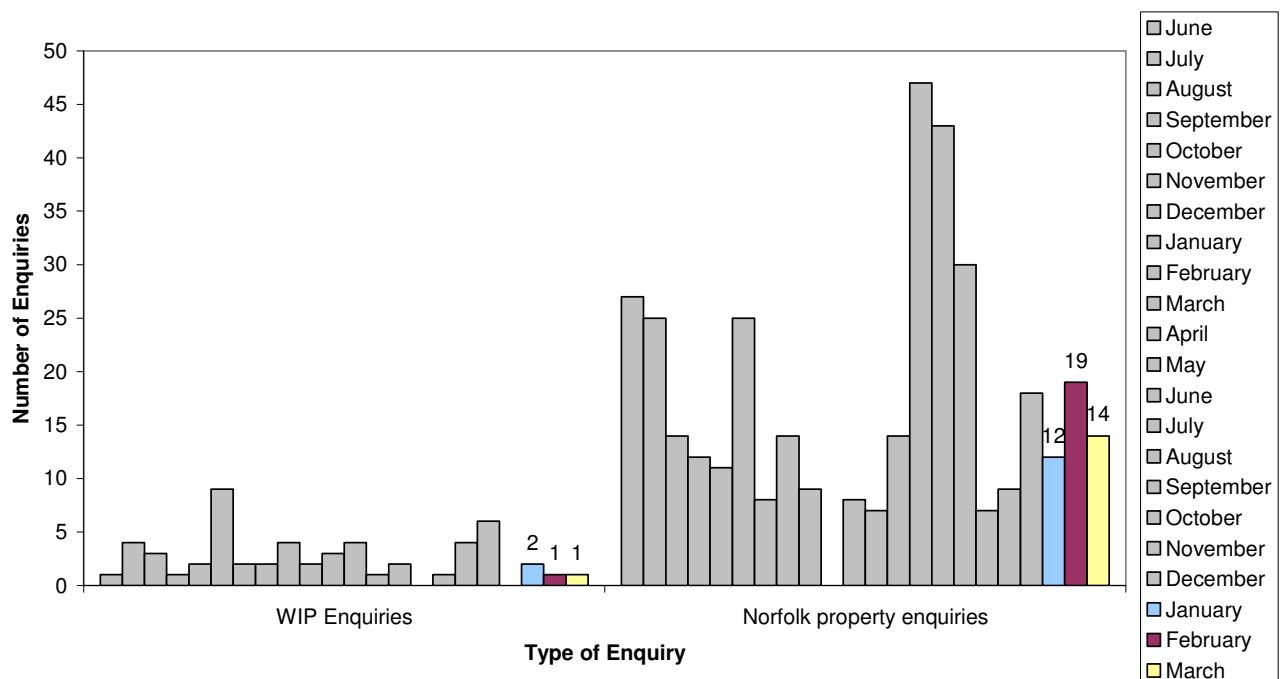
Public sector cuts are prominent this quarter with Great Yarmouth Borough Council warning that 18 jobs could be at risk under plans for major restructuring, Great Yarmouth College seeing the equivalent of up to 40 posts lost to stem an annual operating deficit, while Suffolk County Council announced a selection of cuts and initiatives to save money including selling off two business centres.

Investment Enquiries

Key Facts

In this quarter WIP enquiries remained low while property searches appeared average looking at the time series. The uncertainty around the economy may still be reducing the numbers, but also visibility of Norfolk's potential. Research in to increasing visitors to the website has concluded that all efforts will now be focused around the World Class Norfolk website and additions and improvements to the current site are currently underway.

Investment Enquiries



WIP Enquiries – foreign company property investment enquiries

Norfolk property enquiries – enquiries via www.investinnorfolk.com

Insolvencies

Key Facts

In total, 3,657 companies became insolvent in the first quarter of 2011 across the UK. The level of insolvencies fell by 14% compared to the first quarter of 2010. The worst affected sectors continue to include construction (614 companies), manufacturing (452), retail (448), hospitality & leisure (239) and real estate (139). It is notable that the level of insolvencies within these sectors (apart from real estate) increased from the levels experienced in the last quarter of 2010. This trend may be expected to continue within these particular sectors when the cumulative effects of the spending cuts begin to impact the UK economy. The most improvement has been recorded in the East where the number of insolvencies has dropped by 17.1% since the last quarter.

Source: PricewaterhouseCoopers

Surveys

Key Facts

Several surveys this quarter indicating confidence has slipped, but there are positive signs in the manufacturing sector. There is mixed response in terms of future recruitment, but one survey demonstrates the positive influence and potential of apprentices.

January – Lloyds TSB Commercial Business in Britain report. Findings include:

- Business confidence has slipped back for the first time in 18 months to 12pc from 18pc in the last survey. This balance is 10pc below the average of 22pc, over the survey's 16-year history
- Firms across Britain are concerned about their prospects for the coming months
- Number of firms concerned that sales and profits might fall this year
- Plan to freeze investment and raise prices in the face of continuing economic uncertainty

January – British Chambers of Commerce's Quarterly Economic Survey.

Findings include:

- Norfolk manufacturers showed a positive profitability trend of +50%, expressing confidence against last quarter's figure of 36%.
- Norfolk's service sector confidence is down from last quarter to +16%
- In both manufacturing and services, the UK exporting figures signal an increase in both overseas sales and orders during the last quarter.
- Figures for the last three months suggest manufacturing firms have expanded their workforce, but this is not the case for services where figures have remained static.

January – Lloyds TSB East of England PMI report for December. Findings include:

- Rate of business growth in the region slumped as a result of freezing weather
- New business continued to increase and job creation was reported

January – Baker Tilly's annual Outlook survey, conducted by YouGov. Findings include:

- 21pc are negative about their organisation's future
- 37pc of SMEs in the region were positive about the outlook for their sector
- 19pc had confidence in the East Anglia regional economy
- SMEs concerns for the coming year included a potential downturn in sales revenues, competition from low-cost competitors, the effect of January's VAT rise, increased costs of goods and services and the growing uncertainty and burden of taxation.
- In response to uncertainties businesses are developing new products and services, growing organically and expanding into new markets.
- Public sector cuts are of particular concern to many sectors, especially retail, construction and manufacturing.

January – Recruitment firm Reed's job survey. Findings include:

- The Reed Job Index rose 9 points to 113, the highest since the index was started in December 2009, when the baseline was set at 100. The index is drawn from Reed's list of daily vacancies from 8,000 recruiters.
- Private sector growth is behind the rise, as new public sector jobs were less than half the level of a year ago.
- Salaries were flat and were 1% below levels a year ago
- Sectors seeing particularly strong rises, though, were engineering and manufacturing, two areas benefiting from a rise in exports. The scientific sector also gained sharply, as did financial services.

February – research from Populus (February 2009). Findings include:

- Apprentices increase productivity and efficiency
- 80pc of those who employ apprentices agree that they make the work place more productive
- 83pc of employers who employ apprentices rely on their apprenticeships programme to provide the skilled workers that they need for the future
- 81pc of consumers would prefer to use a company that employs apprentices
- 8pc of employers who employ apprentices believe that apprenticeships lead to a more motivated and satisfied workforce.

February – Barclays Corporate Job Creation Survey 2011. Findings include:

- 56pc of companies based in the east said they planned to create jobs over the coming 12 months with 50pc looking to create full time positions

- Of the jobs to be created 88pc would be a junior/middle management or skilled labour level
- 83pc said sales growth would need to lead to job creation (compared to 75pc prior to recession)

Support & Government Initiatives

The Budget was announced this quarter. Headlines include:

- annual growth forecast revised down from 2.1pc to 1.7pc in 2012
- 21 new enterprise zones to be created
- £100m extra to be invested in new science centres, £26m for the Norwich Research Park
- £350m worth of regulation on businesses to be removed
- Corporation tax will be reduced by 2pc, and by 1pc in each of the following three years to bring it to 23pc
- Relief for entrepreneur tax doubled to £10m
- Rate relief holiday for small businesses extended to October 2012
- Government will now be delivering 250,000 more apprenticeships over the next four years, which could equate to 7,100 in the East of England.

Initiatives Released/Promoted:

Plans to offer training and volunteering opportunities to unemployed people in a bid to boost their chance of finding work. Advisers from youth charity The Prince's Trust and other local government voluntary organisations will be located in Jobcentre Plus offices to help jobseekers of all ages find a volunteering or training place.

Other initiatives

The loan fund, established by Waveney Local Strategic Partnership and Waveney District Council, will target individuals looking to set up in business and to help established businesses survive and grow.

Business Link Engagement

Key Facts

The figures below demonstrate the enquiries for the financial year April 2010-March 2011.

Engagement with established businesses remains the focus of Business Link activity, with 13,597 in total over the year. This contrasts to 2,588 in total between pre start and start ups.

Districts in the county seeing the highest level of engagement over the different stages of a business are the main urban areas of Norwich (2,898) and King's Lynn (2,549), where as the other major urban centre of Great Yarmouth has the lowest level of engagement (1,729).

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	Intensive Assisted Customers Skills (total of two inten combined)
Great Yarmouth	3,025	274	36	1.2	1,419	46.9	1,729	57.2	66	22 (72)
Breckland	5,045	259	83	1.6	1,998	39.6	2,340	46.4	136	52 (144)
Broadland	4,595	214	70	1.5	1,827	39.8	2,111	45.9	99	50 (109)
King's Lynn & West Norfolk	5,410	305	88	1.6	2,156	39.9	2,2549	47.1	164	54 (174)
North Norfolk	4,485	237	83	1.9	1,857	41.4	2,177	48.5	184	51 (192)
Norwich	4,235	450	102	2.4	2,346	55.4	2,898	68.4	150	76 (171)
South Norfolk	5,280	316	71	1.3	1,994	37.8	2,381	45.1	135	45 (142)
TOTAL	32,075	2,055	533	1.7	13,597	42.4	16,185	50.5	934	350 (1,004)

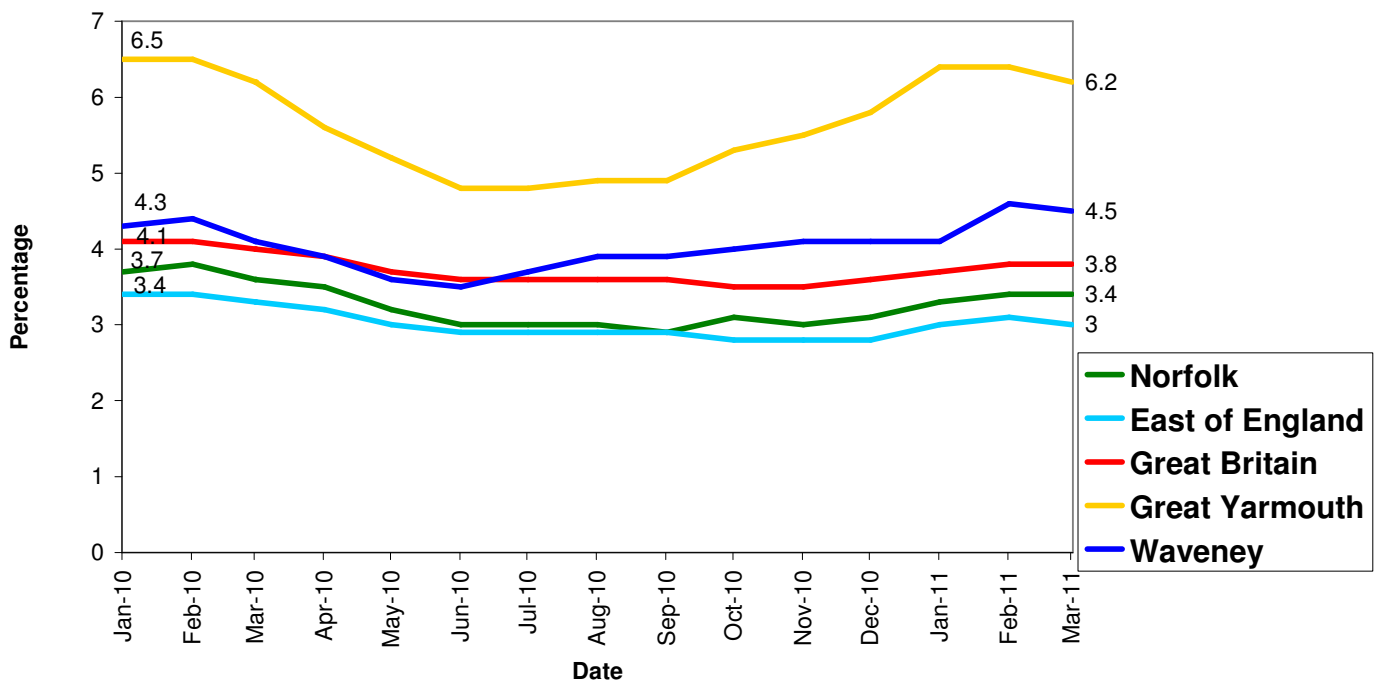
Unemployment

Key Facts

- Norfolk saw an average of 17,875 people claiming JSA in this fourth quarter, with a rise of 188 people, 1.06% between January and March.
- Great Yarmouth saw an average of 3,772 people claiming JSA in this fourth quarter, with a fall of 119 people, 3.13% between January and March.
- Waveney saw an average of 3,219 people claiming JSA in this fourth quarter, with a fall of 67 people, 2.07% between January and March.

Nomis have changed the way that the duration of claiming is measured. This does not fit in with this reports previous format so will not be covered in this report.

All people claiming JSA



Source: Job Centre Plus

Redundancies

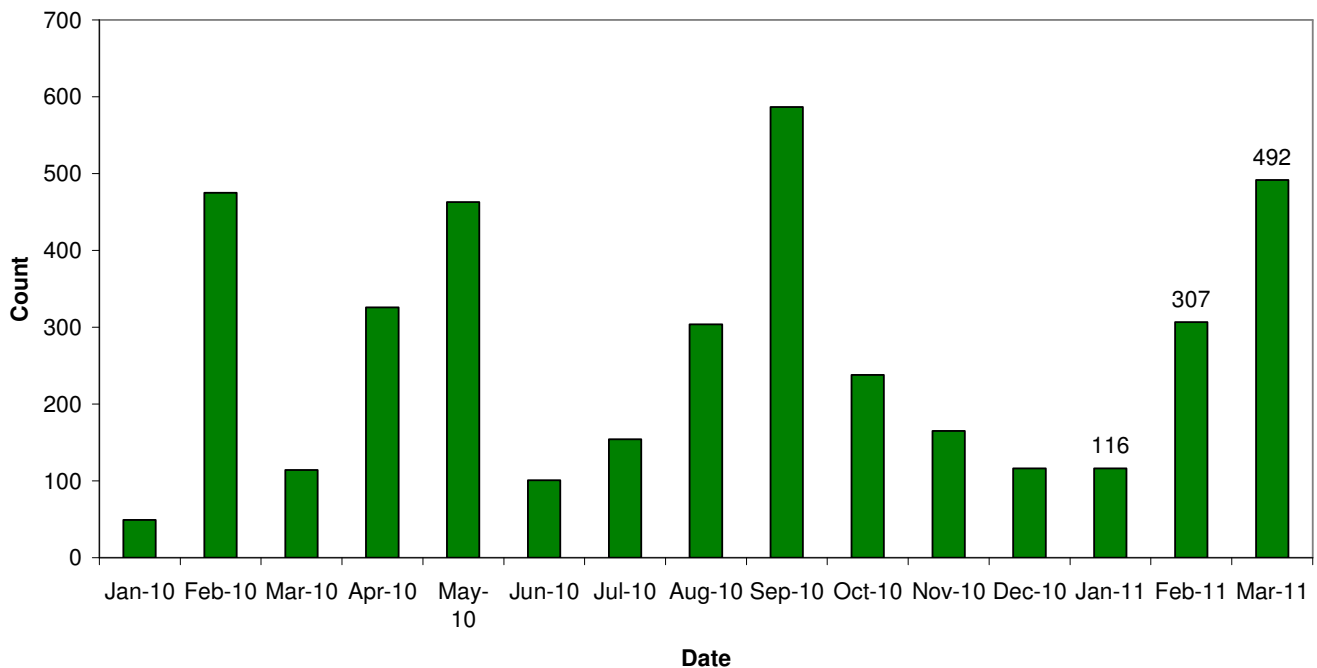
Key Facts

There were 915 redundancy notifications in Norfolk this quarter, with month on month rises and a 324.14% rise between January and March.

Month	Number of Redundancies
January	116
February	307
March	492

Source: Job Centre Plus

Norfolk redundancy notifications



- please note this table differs to previous ones, with total redundancies for the last 12 months rather than since July 2008, and no increase values are available between January and March due to new reporting from Job Centre Plus

Total Redundancies in last 12 months	Sector
	All
344	Manufacturing
542	Construction
259	Insurance & Financial Services
163	Retail
183	Haulage & distribution
98	Food Processing
276	Tourism & Leisure
129	Publishing
0	Public Transport
70	Boat building
19	Media
146	Mechanical/electrical engineering
140	Energy
241	Further Education
42	Service
136	Health & Social Care
20	Wholesale
0	Real Estate
0	Printing
13	Science/Research
0	Architecture
1272	Public service
8	IT

Job Adverts (EDP)

Key Facts

On average there were 4.45 pages of jobs in the EDP during this quarter, very similar to the previous quarter.

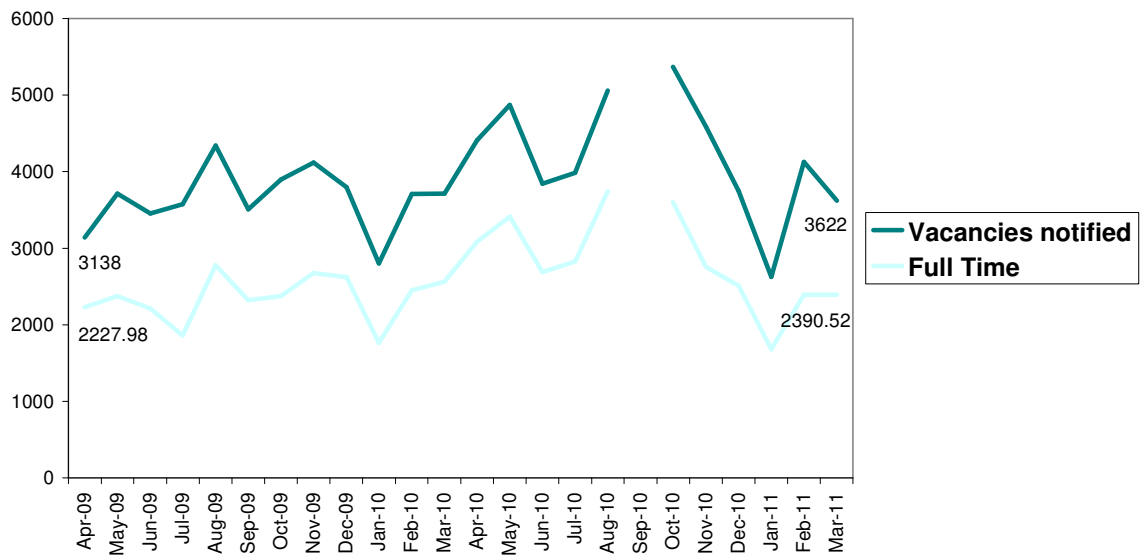
Private sector jobs are still more dominant, increasingly so in March.

The Lowestoft Journal had 1 and a ½ pages or less of jobs, but the spread was more even between public and private sector.

Job Vacancies

Vacancies notified to Norfolk JCP			
	Number	% Full Time Positions	Monthly Change %
January	2,624	64	-27.71
February	4,126	58	53.32
March	3,622	66	-12.76

Job vacancies notified to job centre plus with number of full time positions



Data unavailable for September

Vacancies notified for the Borough of Great Yarmouth		
	Number	Monthly Change %
January	200	-50.62
February	510	155
March	377	-26.08

Skills

Key Facts

The prospect of a university technical college could help local businesses employ students that are suitably skilled to their workplace needs, and with record numbers applying for the regional universities there will hopefully be a wealth of skilled students coming in to the labour market in the coming years despite impending funding cuts.

The organisation behind a university technical college (UTC) planned for the centre of Norwich are putting pressure on ministers to bring in a baccalaureate focusing on the technical skills that employers are demanding (English, maths, double science, digital technology and engineering). The technical baccalaureate would sit alongside the English baccalaureate which is traditionally GCSEs in English, maths, double science, a modern foreign language and history or geography.

The plan to make Norwich a base for a UTC was boosted in the Budget in March when it was announced that the number that will be funded will be doubled.

Record numbers of would-be undergraduates are applying to study at the region's universities as they try to escape the 2012 tuition fees increase. By the initial deadline of January 15, applications to the University of East Anglia were up by almost 19pc on the same time last year.

Government plans to reduce the number of international students in the UK would cost the region's universities more than £10m a year in lost fees and take at least £8m annually from the local economy. Ministers want to tighten the entry rules for non-EU students to gain a visa as part of a pledge to reduce net annual immigration from 220,000 to tens of thousands by 2015.

East Anglia's universities have hit out after the Higher Education Funding Council for England announced an average reduction in grant of 4.08pc for 2011-12. The University of East Anglia will see a fall of 4.3pc from 2010-11. The universities have pledged to continue to strive to be the best.

Kirkley High School, the biggest school in Waveney, will assume academy status from September under major changes being sponsored by the Academies Enterprise Trust (AET).

Housing

Key Facts

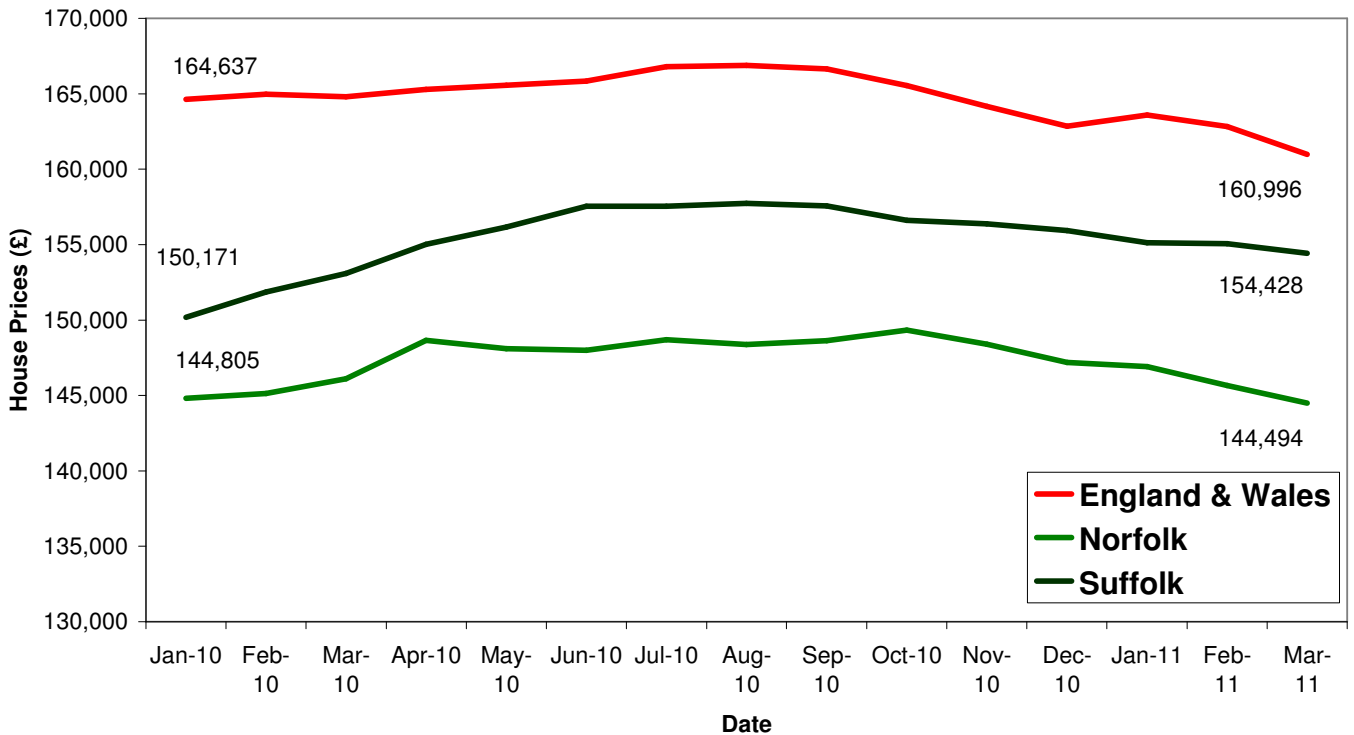
UK house prices have averaged £162,470.67 in this fourth quarter with a fall in prices of 1.58% between January and March.

Norfolk house prices have averaged £145,686.67 in this fourth quarter with a fall in prices of 1.65% between January and March.

Suffolk house prices have averaged £154,870.33 in this fourth quarter with a fall in prices of 0.45% between January and March.

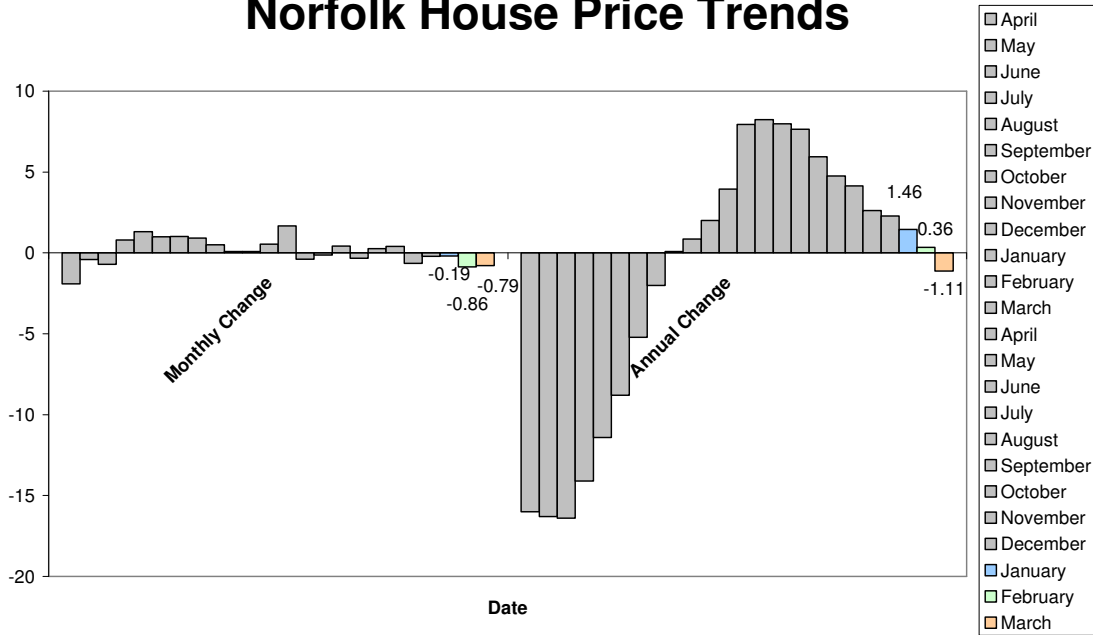
Source: Land Registry

House Price Trends

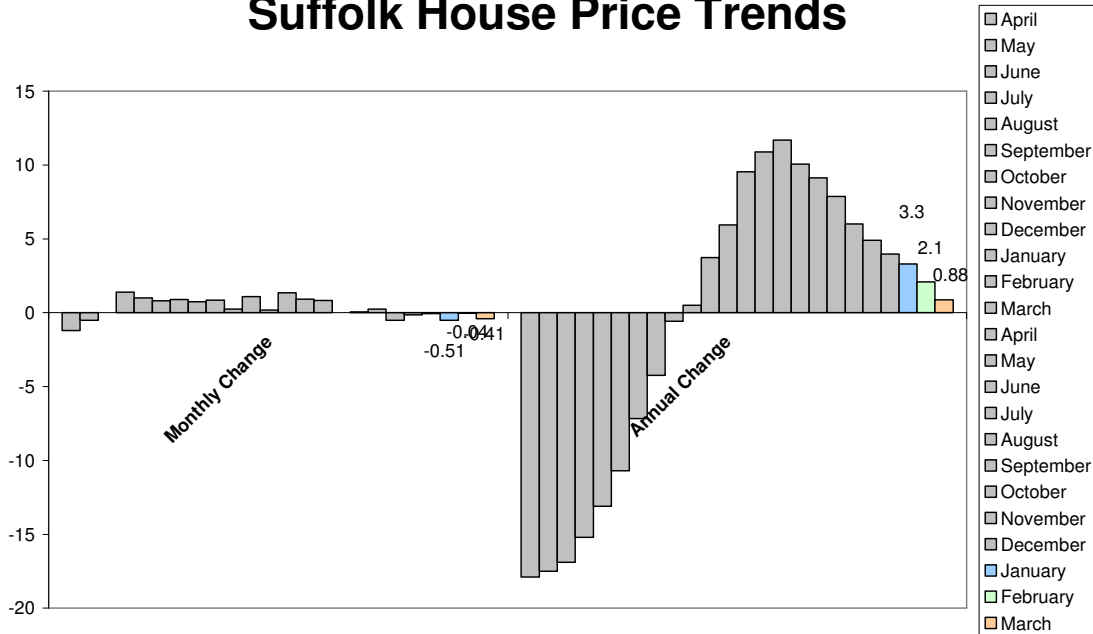


Source: Land Registry

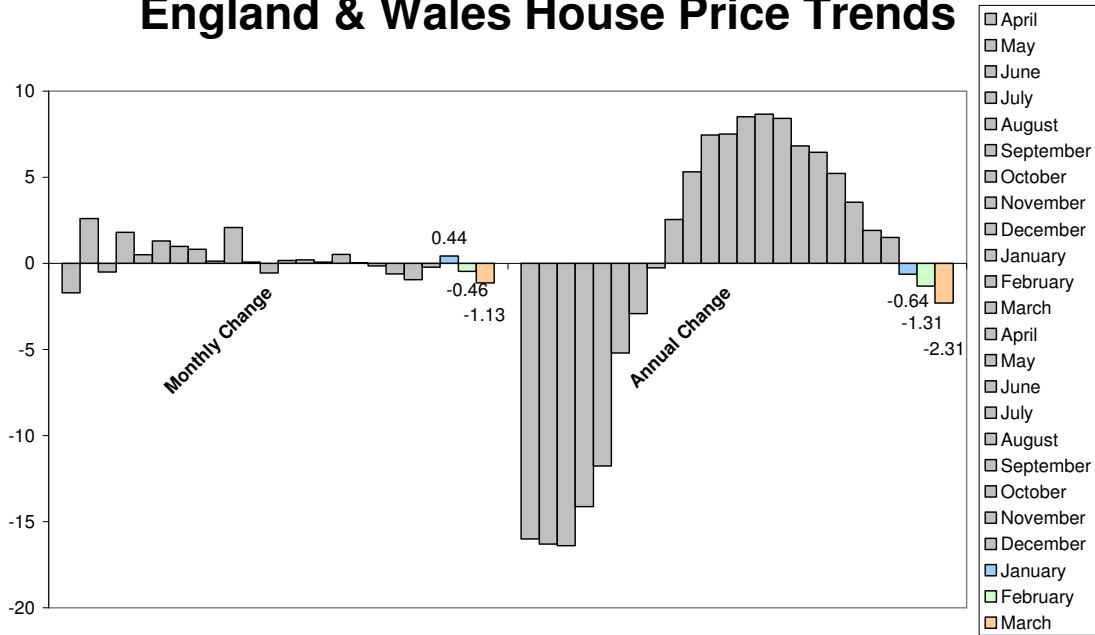
Norfolk House Price Trends



Suffolk House Price Trends



England & Wales House Price Trends



Source: Land Registry