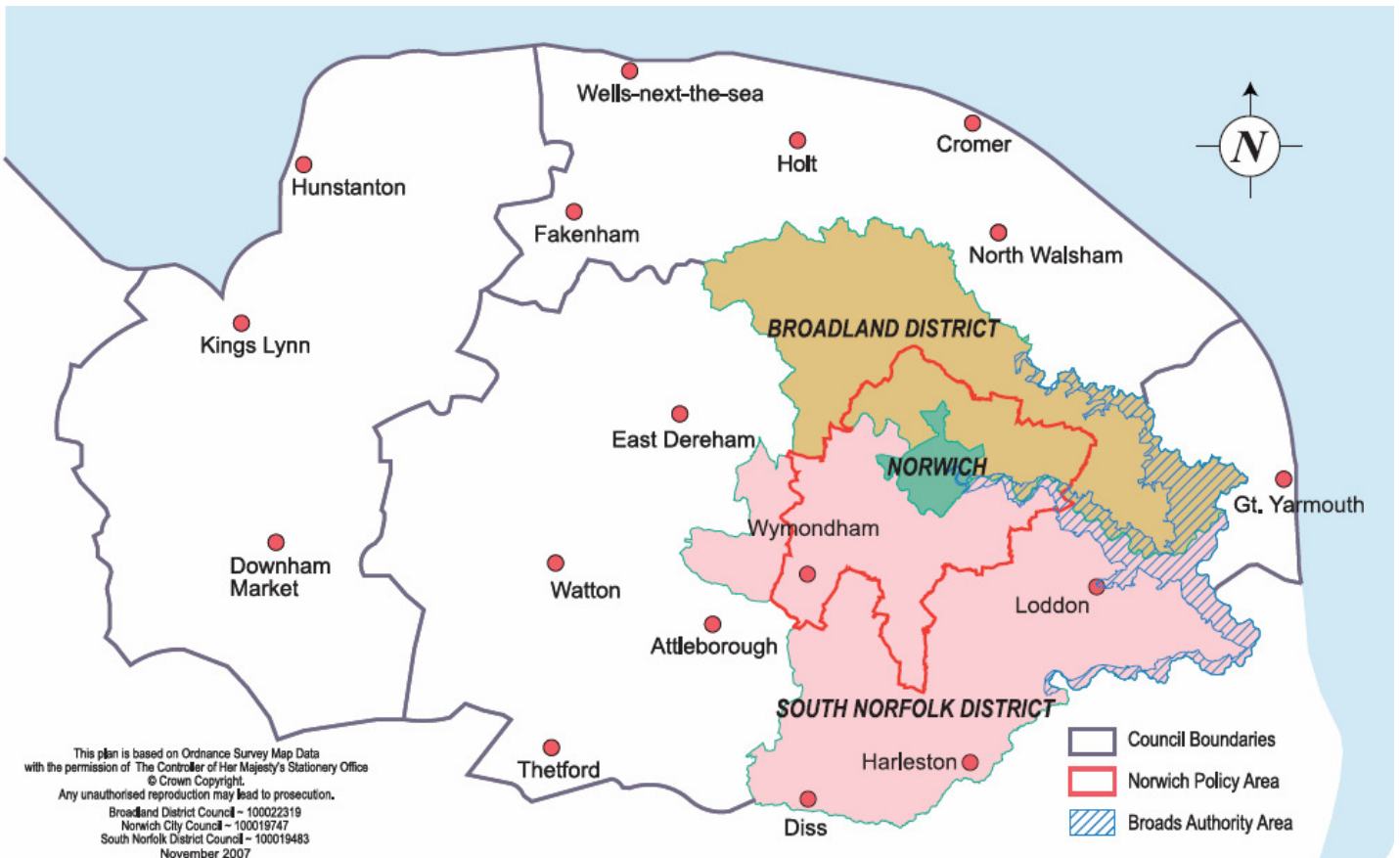


Greater Norwich September 2010



Please note that this report concentrates on Greater Norwich but includes information relevant to all of the districts of Norfolk
 Information is taken from local news sources in addition to word of mouth. Where names of businesses are not included, this indicates sensitivity, and/or the business wishing to remain anonymous

Summary

Business confidence ↑↓

Unemployment ↓

Redundancies ↑

Notified vacancies to Job Centre Plus - not available

House Prices ↓

Particular business sectors are demonstrating their recovery with business announcements around future plans to expand, introduce new products and explore new markets. In contrast public sector bodies are demonstrating uncertainty with announcements of potential budget slashes and job losses which are predicted to worsen over the coming months.

Manufacturing has seen positive stories this month, in contrast to previous negativity, and the retail sector continues to strengthen on the lead up to Christmas.

The number of people claiming Job Seeker Allowance continues to fall, this month only very slightly (51). The percentage claiming is now the same level as the East of England, and in terms of the data held on nomis, this is the first time the levels have been equal since January 2006.

Redundancy figures rose by 279 this month, perhaps representing a number of public sector job losses announced recently.

Despite the public sector job losses, more public sector job vacancies are appearing in the papers compared to previous months.

House prices have fallen in Norfolk, along with the national trend, however, a report suggests that Norwich is bucking the trend by seeing the volume of houses being sold increasing.

Conclusion

Although many private sector businesses are continuing to recover, public sector cuts are beginning to be announced more frequently with an increasing number of stories related to possible cuts in services and jobs. With the anticipated Comprehensive Spending Review there is increased uncertainty.

Trading Climate & Confidence Levels

Key Facts

Two prominent negative stories this month – the closure of Screen East and Cannaught entering administration. Despite these stories the month has seen many positive stories with businesses listed in the Start-Ups 100, Lotus launching five new cars, TML expanding into defence and aerospace while Sealskinz secured a deal with the Australian military and new retail stories moving and opening in Norwich.

Agriculture & Food Processing

Norfolk

Positive	Negative
Anglia Farmers has reported turnover growth of 13pc in the first six months of the year. The Farmer owned group is set to achieve turnover of £160million in the current year, an increase of £18million from last year.	

Greater Norwich

Positive	Negative
Naked Wines, Norwich – 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. They have also been awarded the International Wine Challenge innovator of the Year Award for its unique new business model.	
Bernard Matthews, Great Witchingham – turkey farmer – has put forward plans for its third wind turbine site, the final phase in a £20m investment in renewable energy. If all nine turbines are built it would generate about one quarter of the annual electricity consumed by the business.	

Creative

Norfolk

Positive	Negative
	Screen East, a government agency supporting the film industry in the region, is no longer operating because of financial difficulties and its finance manager has been arrested on suspicion of theft.

Greater Norwich

Positive	Negative
Worldwide Business Media, Norwich – magazine publisher, reaching a readership of 20,000 across the world – is expanding into new offices following rapid growth. In its first year the firm turned over around £150,000 and almost broke even, but it is now on target to bring in at least £750,000 in year two. The firm uses Norwich based graphics firm Hype Design to create the magazine.	

Engineering

Greater Norwich

Positive	Negative
Aquaterra Energy, Norwich – engineering services to offshore energy industry – has	C J Broom & Sons Ltd, Brundall – boat building division will be closing with the loss of up to 70

landed a multimillion pound deal to supply pioneering oil and gas drilling equipment to Apache North Sea (oil and gas exploration firm) 2H Offshore, owned by Acteon, Norwich – has announced a new base in Perth, Australia, to improve services to clients in the Pacific 2H’s capabilities in riser and conductor design can help to support the emerging deepwater market in Western Australian.	jobs with the hope of work resuming in the future. Boat building losses have amounted to more than £1m, with boat sales currently weak.
Lotus Engineering, Hethel – has announced 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. The ARB’s main aim is cleaning up California’s notorious air pollution. It is expected Lotus will use the research in its own vehicles as well as selling the knowledge it builds to other car manufacturers. Lotus has announced the launch of a five new models set to hit the market in the spring of 2014 as part of a long term growth vision set out by new CEO Dany Bahar.	
Scion Sprays – Hethel Engineering Centre. The company has designed a control system that reduces fuel use and carbon emissions by about 20% and noxious gases by 80%. Thanks to this innovation the company has secured a large order from a European Scooter Manufacturer and hopes to get further orders from India, China and the US in the coming weeks.	
Hethel based precision engineering firm TML is set to expand in the defence and aerospace sectors after being awarded the Aerospace Standard 9100 by the British Standards Institution. This will allow it to bid for major defence and aerospace jobs worldwide and stimulate growth in the company.	

Other Areas

Positive	Negative
Catfield based Acro Engineering has won a £50,000 contract to make titanium gun silencers. Hopefully helping it to reach pre-recession turnover levels of £820,000.	

Environmental Norfolk

Positive	Negative
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.	

Greater Norwich

Positive	Negative
Pearsons Recycling, Thetford – waste management company – is set for continued growth after acquiring part of rival firm Enviro-Waste. The acquisition will increase the amount of dry waste handled by the company by about 10,000 tonnes a year, helping to generate further income.	
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, is set to see turnover double to about £25m this year. The growth could see the appointment of 15 new staff in the next year.	

Financial & Professional Greater Norwich

Positive	Negative
Alan Boswell Group, Norwich – insurance broker – expects substantial growth as economic conditions show signs of recovery. The firm estimated turnover of more than £10m for the current financial year, and with five months gone so far, is currently beating this figure by 7 percent.	Royal Bank of Scotland operations in Norwich may be hit by RBS axing another 3,500 jobs under plans to more than halve the bank's administration centres across the UK.
Birketts, which has offices in Norwich – has teamed up with Chelmsford based Wollastons to create one of the UK's top 100 law firms.	
PricewaterhouseCoopers - regional offices in Norwich - have announced plans to create 800 new jobs across the UK despite a fall in profits during a tough year for trading.	
The Cotswold Group, the UK's largest private investigation and surveillance company has announced plans to establish a new office in Norwich as part of its growth ambitions. Initially looking to take on 20 people and intends to grow this number as the business develops.	

Other Areas

Positive	Negative
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.	

Health & Life Sciences Greater Norwich

Positive	Negative
Scientists from the UEA have made a discovery that could make it possible to identify the source of banned CFCs still being released into the atmosphere.	The Norwich Research Park 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.

Manufacturing Greater Norwich

Positive	Negative

Baxter Healthcare, Thetford – medical products manufacturer – saw turnover increase by £47m to £314.6m in 2009, while profits were up from £4.5m to £8.2m thanks to increased demand from European customers.	
Anglia Coatings Solution, Norwich – supplies paint and coatings to the building, maintenance, industrial and domestic markets – has been acquired by East Anglian builders-merchant Kent Blaxill, allowing a structure to enable ACS to continue growing.	

Other Areas

Positive	Negative
Sealskinz, King's Lynn - 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.	KL Technologies, King's Lynn – 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.
Foster Refrigerator, Kings Lynn - has become the only commercial fridge manufacturer to be awarded the Carbon Trust Standard, rewarding its reduction of carbon emissions by over 10%	

Retail

Greater Norwich

Positive	Negative
Chapelfield shopping centre, Norwich – are hoping every unit could be full by Christmas. Swedish retailer Clas Ohlson which sells goods including hardware, furniture and electrical items is to open in the basement of the former Borders bookshop	Figures from the Office of National Statistics revealed a 0.5pc fall in high street sales in August. Bringing a 6 month period of growth to an end.
Hobbycraft – arts and craft retailer based in Christchurch – is to open its first Norfolk superstore following a surge in popularity of pastimes. It is due to open in the Riverside Retail Park in December, creating about 30 jobs.	
Norwich shoe brand Van Dal saw 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.	
A new shoe shop in Norwich will create 10 new jobs in the City. Hotter Comfort Concept will open on sept 30 th on gentlemans walk	

Tourism

Norfolk

Positive	Negative
The UK City of Culture bid, although unsuccessful has been reported to have brought a large number of Tourists to the area as hotel bookings have risen 30%. The national media coverage generated by the bid has	The Broads Authority is facing a large challenge as Defra has warned that a 30pc cut in grants is to be expected over the next 4 years. The cuts could hurt development and attracting of tourism which is badly timed as the

encouraged many people to visit the area.	area is bidding to become a World Heritage Site and undergoing re-branding.
Norfolk's Tourism industry is set to benefit from the London 2012 Olympics with it being believed that people are set to use Norfolk as a base. People will be using Norfolk as an alternative destination to use instead of staying in London, along with local Londoners using Norfolk as a way to get away from the busy period.	

Greater Norwich

Positive	Negative
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.	
Cathedral Quarter, Norwich – area which includes Elm Hill, Tombland, Princes Street, the Cathedral Close and Bishopsgate is being promoted by businesses and organisations to increase visitor numbers, much like the success of the Norwich Lanes.	

Other Areas

Positive	Negative
	Links Country Park Hotel and Golf Club, West Runton – has gone into administration. The hotel was established in 1899.

Other Norfolk

Positive	Negative
The NAME project – aimed at helping small Norwich businesses is being relaunched this month. The plan will focus on improving the marketing set up and execution of the firms.	
Anglian Home Improvements have seen an increase in profits, despite a decrease in sales. Pre tax profits have almost doubled to reach £11.3m, whilst turnover has dipped £15m to £209.2m. The firm has invested in new machinery over the past 12 months and has also launched a few new products.	

Greater Norwich

Positive	Negative
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	Connaught went into administration this month with fears that dozens of Norfolk subcontractors could be left tens of thousands of pounds out of pocket and work to install new kitchens and double glazing in homes across Norwich put on hold. Meanwhile council chiefs in Norwich pledged to bring in other firms to carry out emergency work needed in the city, with priority given to the most vulnerable tenants and residents.
Ideal, Norwich – independent buying group that includes 100 newsagents throughout East Anglia is set to expand nationwide following the launch of a new website and shop-front design.	Connaught has left more than 300 employees without jobs as they were made redundant with immediate effect on 13 th Sept. The jobs were lost in the Connaught Partnerships section who

	are focused on the social housing contract to fix and maintain Norwich's 17000 council houses.
UEA – Norwich, The UEA has been ranked as a "truly world class" university after being ranked 174 th in the worlds top 200 universities in The Times Higher Education rankings. The top 200 represent only a tiny fraction of global higher education and only the top 200 can be called "truly world class".	
Franchise Development Services, Norwich – is launching National Franchise Week this month. The company was established in Norwich in 1981, and has helped over 1000 franchisors, including brands like Domino's Pizza and Subway, to replicate their success both in the UK and internationally, giving over 10,000 people the chance to run and develop their own Franchise business	

Other Information

Norfolk

Funding for nursery education across Norfolk is to be scaled back after announcements of more than £4m cuts in new nursery places and children's centres. The move follows a decision by the government to claw back capital funds for Sure Start and Early Years Quality and Access grants on projects yet to get under way. Norfolk County Council believes it can reduce the £5m being demanded to £4.1m by using unused cash earmarked for an extended schools project.

A business plan proposing existing council-run care homes for the elderly be replaced with fewer large ones while leaving the independent and private sector to step in to meet rising demand have been revealed this month. Norfolk County Council wants to team up with Norse, its commercial arm, to form a new company Newco, to replace the existing 26 residential homes with six specialist dementia units and 10 new housing-with-care schemes on top of the 13 which have already been built. If approved the new firm would be set up next April, would borrow £50m to invest in the new homes, while 1,800 council staff would also be transferred to work for the new company.

Speed camera coverage across Norfolk is to be cut drastically as the county's enforcement team faces big economies after the withdrawal of government funding. The Norfolk Safety Camera Partnership will see 15 people, half of the workforce), redeployed or made redundant.

Public and Private services in Norfolk will face unprecedented pressure in the next few years as around 20% more people will be reaching the age of 65 by 2012. Norfolk's population of people over the age of 85 is set to double within the next 20 years. The county's public services, health care and pensions will come

under huge strains and the council's strategy 'Living Longer, Living Well' will need to work hard to address this issue.

Greater Norwich

Norfolk Fire Service – are set to lose 24 jobs as part of £1.5m savings. The new Carrow station in Trowse is set to have four crews instead of five.

October Headlines

Pea growers in East Anglia have signed a contract with Europe's biggest frozen food specialist, Ardo. The contract is worth a total of £3m

Research from the UEA has helped create a technology to correct digital photographs. The company responsible, Imsense has been bought by Apple and unconfirmed reports suggest that Imsense technology has been used to support Apples iOS 4.1 for iPhone 4 users.

The first 10 wind turbine technicians have been appointed at the offshore Sheringham Shoal Wind Farm and all are from Norfolk.

Unemployment

Key Facts

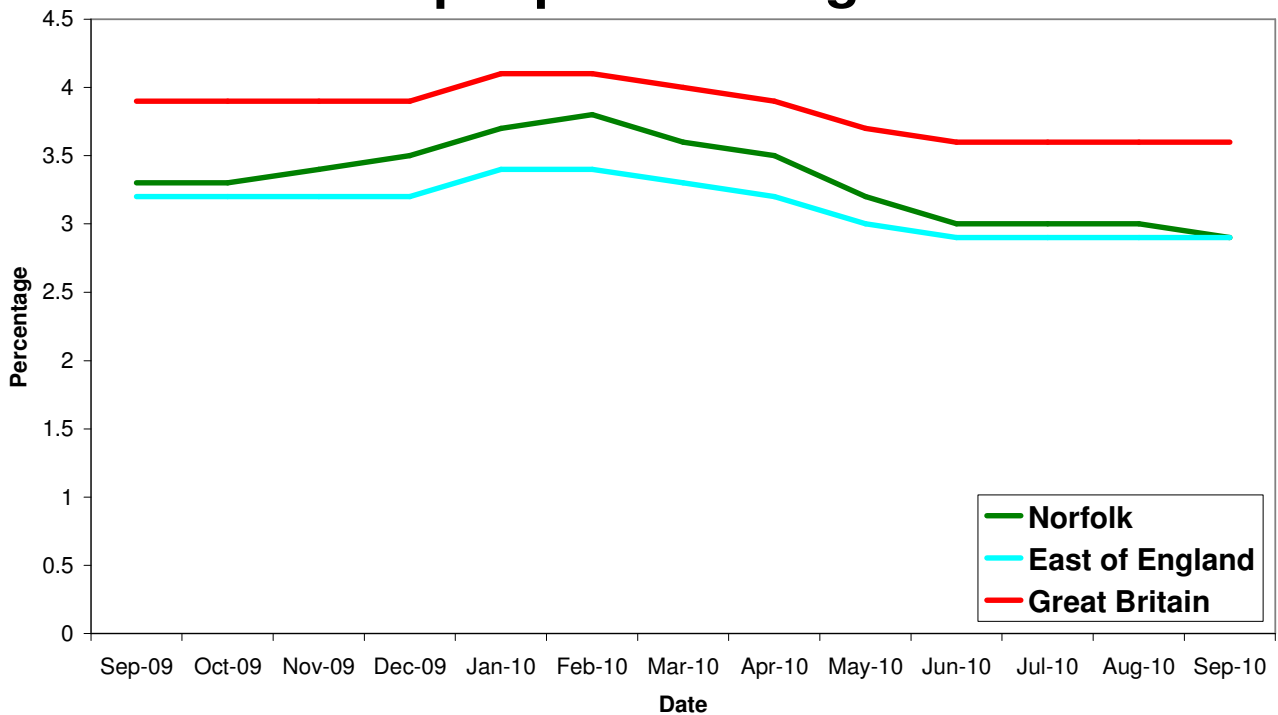
Norfolk JSA claimant count was 15,612 in September, down 51 or 0.33% since August 2010 and down by 1,787 on the year, a 10.3% decrease since September 2009.

The Norfolk rate is now the same as the East of England rate and is now 0.7% below the Great Britain rate.

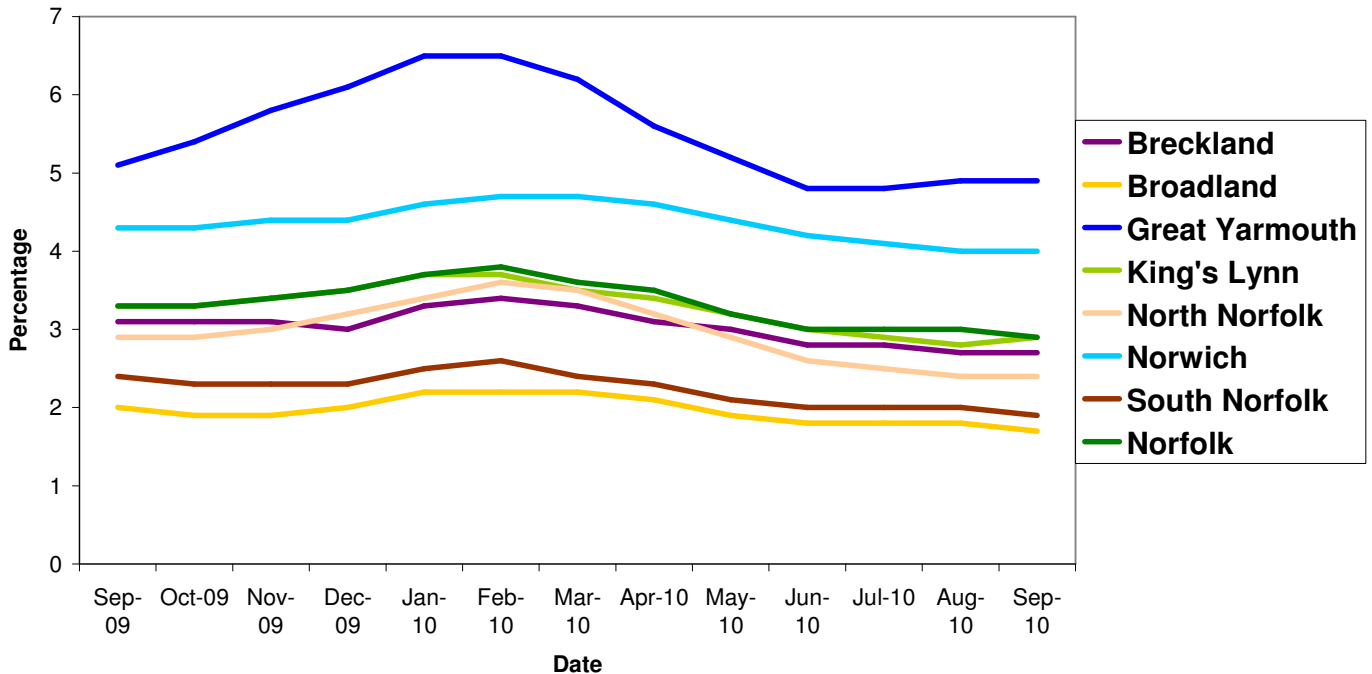
The unemployment rates remained the same in Broadband, Norwich and South Norfolk

Source: Job Centre Plus

All people claiming JSA



All people claiming JSA



Source: Job Centre Plus

Area	Count	%age of working age population	Change in count year on year	%age change in count year on year
Norfolk	15,612	2.9	-1,787	-10.3%
Breckland	2,149	2.7	-273	-11.3%
Broadland	1,293	1.7	-213	-14.1%
Great Yarmouth	2,943	4.9	-103	-3.4%
King's Lynn & West Norfolk	2,446	2.9	-327	-11.8%
North Norfolk	1,387	2.4	-253	-15.4%
Norwich	3,978	4.0	-297	-6.9%
South Norfolk	1,416	1.9	-321	-18.5%

Source: Job Centre Plus

6,282 claimants in September 2010 were from the Norwich Job Centre Plus office, a 12 percent fall from 2009, a decrease of 1.2 percent since August 2010.

Redundancies

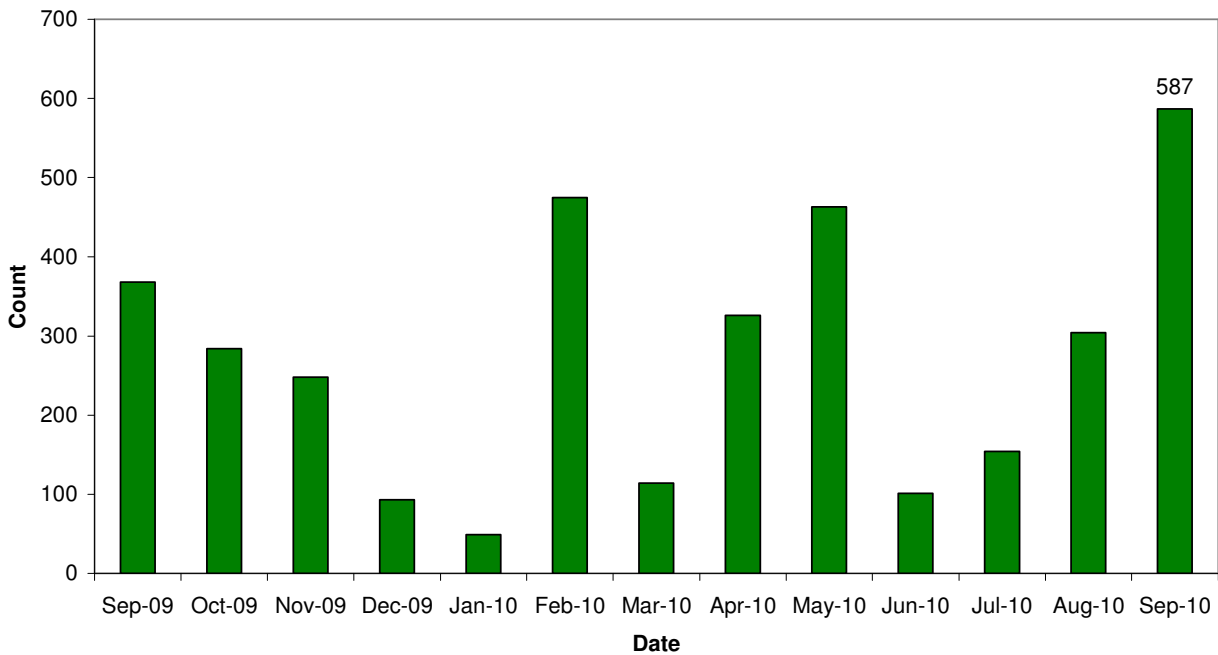
Key Facts

There have been 8,871 redundancies notified to Job Centre Plus between July 2008 and 30 September 2010, with an increase of 93.1% since August 2010. Of these 54% have been in Norwich, 4% in Broadland and 2% in South Norfolk. This month had the highest number of redundancies since April 2009.

The hardest hit sectors this month were construction (350), insurance and financial services (120) and public sector (111). Architecture saw 6 redundancies this month.

Source: Job Centre Plus

Norfolk redundancy notifications



Job Adverts (EDP)

Date	Pages	Public Sector Jobs (council, education, NHS, healthcare)	Private Sector Jobs	Third Sector Jobs
2 nd Sept 2010	5	67 (47.18%)	64 (45.07%)	11 (7.75%)
9 th Sept 2010	5 and a 1/2	50 (26.88%)	121 (65.05%)	15 (8.06%)
16 th Sept 2010	6 and a 1/2	78 (47.56%)	72 (43.09%)	14 (8.54%)
23 rd Sept 2010	5	34 (35.05%)	54 (55.67%)	9 (9.28%)
30 th Sept 2010	3	29 (23.39%)	85 (30 temp) (68.55%)	10 (8.06%)

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

Job Vacancies

'The Jobcentre vacancy data for September 2010 has been withdrawn. This is due to problems identified with the data. Any vacancy data for September 2010 extracted this morning (13th October) should be discarded. Jobcentre Plus are investigating.'

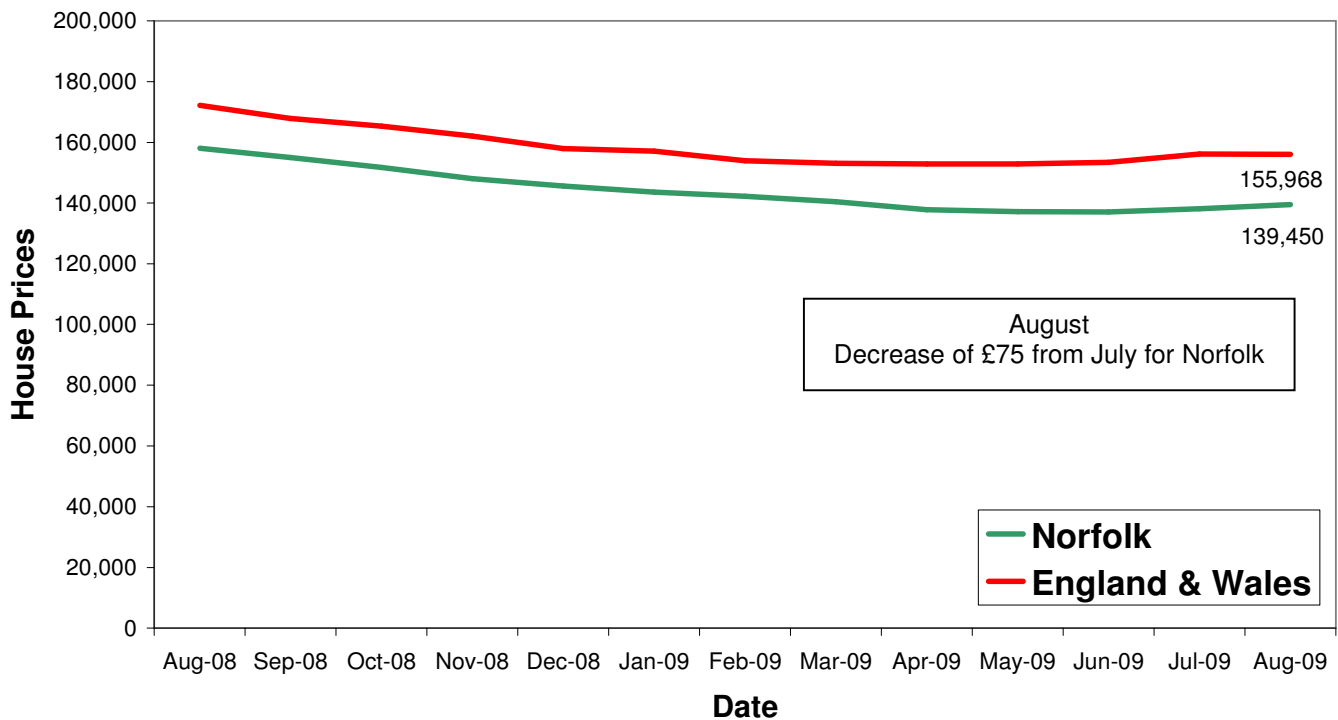
Housing

Key Facts

- **UK house prices decreased by 3.6% in September.** Prices in the third quarter of 2010 were 0.9% lower than in the second quarter of 2010. Quarterly house price data provides a clearer indication of the overall market trends, smoothing out the volatility caused by reduced number of monthly transactions in all house prices indices' monthly figures.
- **Average House price £162, 096**

Source: Halifax House Price Index

House Price Trends



Source: Land Registry

New figures suggest Norwich is defying the national trend in numbers of houses being sold, with an increase of 4.5pc of sales in September compared to August, however 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 and Suffolk 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.