

## ECONOMIC STATE OF THE REGION AND RESPONSE: EAST OF ENGLAND

**ORGANISATION: Suffolk County Council**

**DATE: 24<sup>th</sup> April 2009**

### STATE OF THE REGION

*(n.b. qualitative and quantitative, include feedback on impact of new initiatives etc.)*

#### **Housing**

- *E.g. commercial, funding, repossessions*
- East Anglia continues to weather the housing storm with fewer households in negative equity than elsewhere in the UK. Only one in 100 homeowners in the region is thought to live in properties with a value less than their mortgage debt at the end of 2008. This equates to about 0.9% of homeowners, compared with the national average of 5.2%. EADT 18/4/09
- The Ipswich housing market has proved to be one of the most resilient with prices falling by less than 3% in the last six months, new figures have revealed. The average cost of a home in the town dropped by just 2.8% since September last year from £170,998 to £166,250, when the economic downturn intensified. Ipswich is one of 12 towns and cities across the country that have bucked the trend during the recession, with Cheltenham in Gloucestershire proving the most robust, where prices dropped just 0.2%, according to property website Globrix.com. EADT 21/4/09
- 

### RESPONSE

#### **Current activity**

- *E.g. programmes, announcements, case studies*

## Employment

- *E.g. skills, training, redundancies, R2R, closures, recruitment freezes, short-time working etc.*
- More than two-thirds of students in East Anglia are “concerned” or “very concerned” by current graduate employment levels and their likely future job prospects, according to a survey commissioned by the National Union of Students (NUS). Also, 39% of students in the East of England are now more likely to enter into postgraduate study immediately after graduation. Around one in five of students are receiving less financial support from their parents as a result of the recession. EADT 20/4/09
- A new restaurant has opened in Offton (NW of Ipswich). Owner Kirk Bradley said: “We have got a new restaurant opening at a time when lots of pubs are closing. We are doing the opposite and employing local staff from the area”. EADT 14/4/09
- A £1.5million project to turn Lowestoft harbour into the operational base for the world’s largest offshore wind farm could see 150 jobs created in the town. Associated British Ports (ABP) announced last week that Lowestoft had been chosen as the operations and maintenance base for the 140-turbine Greater Gabbard wind farm, which is currently being built about 15 miles off the Suffolk coast, and, when completed, will be the largest offshore wind farm in the world. EADT 21/4/09
- A buyer is being sought for Hemcore Ltd, the Halesworth-based leader in industrial hemp processing and supplier of hemp products, after it went into administration on April 8<sup>th</sup>. Hemcore’s main products include building materials and insulation solutions for the construction industry and for use in manufacturing of motor vehicles. Both sectors have been badly hit by the economic downturn. Of the company’s 12 employees, 10 continue to be employed; six in the factory and four in sales, marketing and admin. There has been one redundancy, while one individual left of their own accord. EADT 16/4/09
- Long Melford building company DF & TJ King Builders Ltd has gone into liquidation with the loss of all 8 jobs. EADT 17/4/09
- There have been no new redundancies reported by Job Centre Plus since the last briefing. Combined with local intelligence and information from the local press, the running total of Suffolk redundancies since October 2008 now stands at **3,199**

## Reprioritisation

- *E.g. stopping, reshaping, new initiatives, including preparations for economic recovery*

**Business** *(n.b. SMEs, larger businesses)*

- *E.g. support, funding, business-specific intelligence, exports, start-ups, growing/vulnerable sectors, investment plans/cancelled plans*
- A west Suffolk company has again been named among the 50 fastest-growing private companies in the UK. RP Valves of Bury St Edmunds, which stocks and distributes valves and gaskets ranging in price from £10 to £200,000, is ranked 49<sup>th</sup> in the annual Sunday Times PricewaterhouseCoopers Profit Track 100 report. The company, which has a staff of 30, achieved a profit of £16.176million for the year to January 2008, representing average annual growth over the last three years of 66.56%. The company was ranked 43<sup>rd</sup> in the same report last year. EADT 18/4/09
- Experiences Connect, based on Whitehouse Road in Ipswich, is looking to employ an extra 30 financial claims advisers as business continues to boom. In addition the company released its end-of-year figures, announcing a 20% rise on last year's performance. In February 2008, Experiences had a turnover of £1,060,000, with this rising to £1,268,000 in February 2009. Suffolk Advertiser 16/4/09
- Young & Pure, the natural skincare products company launched by Suffolk-based entrepreneur Lianne Miller; has been wound up in the High Court of Justice. A winding-up petition in respect of the company, based at Reydon, near Southwold, was filed by a creditor on January 9<sup>th</sup>, with a winding-up order being made by the court on April 1<sup>st</sup> and reported in the London Gazette a week later. The case is now being dealt with by an examiner at the office of the Official Receiver in Norwich. Ms Miller said that the forced winding up of Young & Pure had come about as a result of a delay in a further round of investment which, in turn, stemmed from the banking crisis. EADT 17/4/09
- 

**Additional requirements**

- *E.g. policies, flexibilities*

**Other**

- *E.g. other economic shocks, at risk/reprioritisation projects, social impacts*
- The Suffolk Young Farmers (SYF) organisation is facing dire financial worries, and is expecting to make a loss of around £3,400 this year. In a desperate bid to make some money, the group is pleading with landowners to take part in one of its major fundraising activities – the Muck Chuck. In previous years the SYF has distributed more than 4,000 tonnes of manure onto land annually, earning thousands of pounds to support its work. But so far there have been no takers for this year’s event, to be held in mid-July, and the club is getting increasingly worried about its future. The SYF has seven active clubs in the county, and about 250 members. EADT 20/4/09
- 

**NOTE: This is the last weekly briefing. Future briefings will be monthly, being sent to EERA on 21<sup>st</sup> of each month. If you have any contributions for the next briefing please let me receive them by 18 May 2009.**

**Produced by: Suffolk County Council  
Research and Intelligence Group**

**Contact:** Dr Belinda Godbold  
[belinda.godbold@et.suffolkcc.gov.uk](mailto:belinda.godbold@et.suffolkcc.gov.uk)  
**Or** Kit Day [kit.day@et.suffolkcc.gov.uk](mailto:kit.day@et.suffolkcc.gov.uk)