

ECONOMIC STATE OF THE REGION AND RESPONSE: EAST OF ENGLAND

ORGANISATION Suffolk County Council

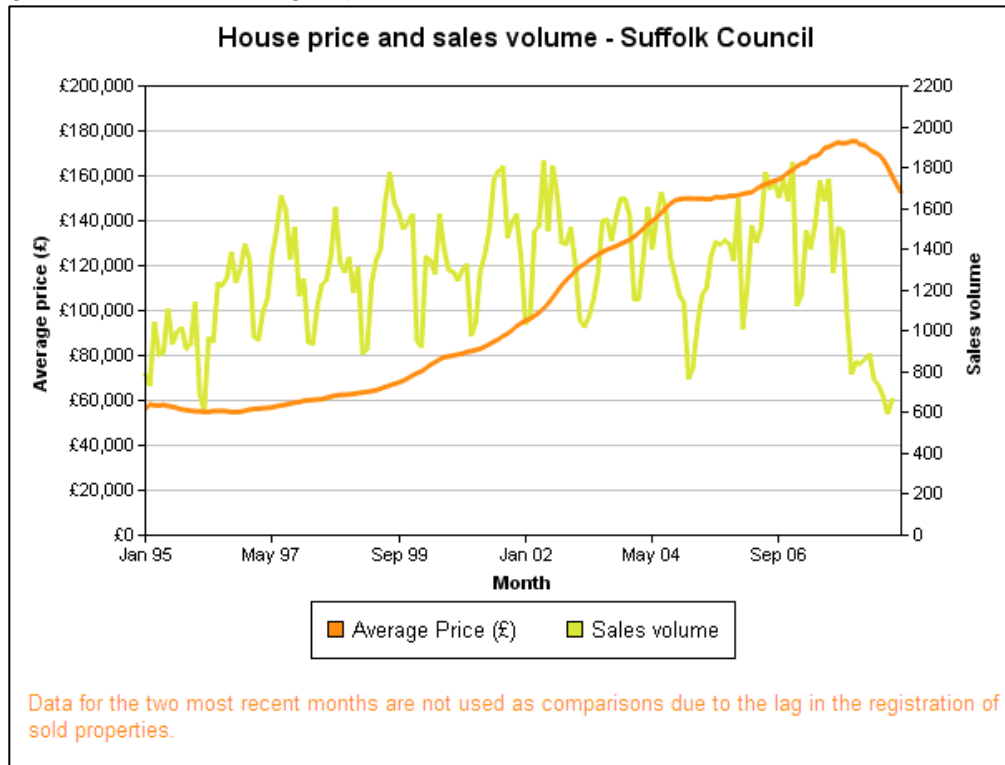
DATE 30th January 2009

STATE OF THE REGION

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

Housing

- *E.g. commercial, funding, repossessions*



- Average prices continue to drop, by £4,166 in December, slightly less than the £5,099 in November, but still significant (second highest monthly loss since recession).
- Average price now sits at £152,297, the last time it was this low was February 2006 Source: Land Registry
- UK home repossessions were up 92% on 2007 during the three months to September 2008. EADT 23/1/09

RESPONSE

Current activity

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

Employment

- *E.g skills, training, redundancies, R2R, closures, recruitment freezes, short-time working etc.*
- Redundancy information from Job Centre Plus:
- **Lister Locks**, Ipswich based manufacturer of various locks and fixings, has reported the redundancies of 60 staff.
- **Archant Regional Ltd**, Ipswich based media business, has made 26 redundancies.
- Zavvi in Ipswich has been closed, with 17 staff losing their jobs. EADT 29/1/09
- *Off The Square*, a Michelin Guide-listed restaurant in Framlingham, has closed to customers until further notice. The local fish and chip shop has also closed in the last fortnight. EADT 24/1/09
- Twenty pubs closed in Suffolk in 2008, compared to only three in 2007. Four have already closed in January 2009 (Mettingham – Tally Ho, Eyke – Elephant and Castle, Bungay – Angel, Ipswich – Haven). Nigel Smith, CAMRA Suffolk area organiser said: “We cannot be complacent about things like this, though about 300 of the pubs in Suffolk – about 40% - are the only pub in that particular village. It is a disaster for every community when one goes.”
- **The running total of Suffolk-based firm/branch redundancies since 17th October 2008 is currently at 2,045.**

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*
- The economic downturn has caused an increase in demand for bicycles according to independent cycle shop owners in Suffolk. While car sales continue to fall heavily, the bicycle market has seen the opposite movement as people seek out cheaper alternatives to travel to work and get regular exercise. Trade in January at the St Helens Street shop is currently performing 40% higher than December and up 10% on this time last year. EADT 23/1/09
- Seed sales have increased by 35% at Suffolk company DT Brown. The company sells around 500,000 packets of seeds each year, running from artichokes to turnips. The increase in sales is put down to an increased interest in allotments. EADT 24/1/09
- Staff at the East of England Co-operative Society are preparing for the move to its new headquarters at Wherstead Park; with other businesses also lining up for space at the site. The co-op's move will be phased over a number of weeks, with headquarters staff relocating from their present base in Carr Street, Ipswich, where the society's department store will continue to operate. The property, a total of about 88,000 sq ft of high quality office and ancillary accommodation is set within 17.5 acres of landscaped grounds. The guide price for the freehold interest was £7 million. The workforce occupying the site will be between 400 and 500. EADT 27/1/09
- Shoe chains Barratts and PriceLess have fallen into administration, after shares in their parent company, Stylo, were suspended. Stylo, which is not itself in administration, operates 400 high street stores under the two shoe brands, employing 5,450 staff in total. Barratts has stores in Ipswich and Bury St Edmunds. EADT 27/1/09
- Commercial property markets are still seeing plenty of activity according to the managing director of a Suffolk firm, Penn Commercial. Whilst ample new stock is arriving on the market, the lettings side of commercial property remains very buoyant. EADT 27/1/09

Additional requirements

- *E.g. policies, flexibilities*
- Business Link <http://www.businesslink.gov.uk/> has begun producing regular e-bulletins with important information news and information updates. The latest e-bulletin includes links to business health check services, free workshops and seminars, information on funding towards expert help and advice, an anonymous helpline, The Recession Survival Guide and Business Link's bi-annual magazine, covering latest news, legislation, case studies, support available and much more.

Other

- *E.g. other economic shocks, at risk/reprioritisation projects, social impacts*
- 700 people have applied for 370 jobs at the new Asda store in Bury St Edmunds. EADT 29/1/09