

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

ORGANISATION Suffolk County Council

DATE 16th 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*
- Despite national house sales falling to a 30 year low in the 3 months to November 2008, two Suffolk towns were among the top ten in terms of average days a property spent on the market. Homes in Haverhill spent an average of 100 days on the market, while those in Beccles were sold after an average of 107 days. The worst place to sell a house was Aberystwyth, Dyfed, where homes took an average of 314 days to be sold. Times Online 14/1/09

### RESPONSE

#### Current activity

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

- *E.g skills, training, redundancies, R2R, closures, recruitment freezes, short-time working etc.*
- The last major TV manufacturer in the UK is set to shut down its base in Lowestoft after failing to arrest a sharp fall in demand for its products. Sanyo UK is proposing to stop work at its School Road factory by the end of next month with the loss of 60 jobs. However, Waveney MP Bob Blizzard is in discussion with Sanyo bosses and claims that there is a business case for keeping the Lowestoft base. EADT 13/1/09 & BBC Online 14/1/09
- Up to 6 jobs will be lost at Fritton House hotel after operations there were suspended due to a fall in visitors. EADT 9/1/09

## 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*
- Operations at Fritton House hotel on the Somerleyton estate have been suspended after a fall in visitors in the last quarter of 2008 and a pessimistic forecast for 2009. Owner Hugh Crossley said the decision has not been taken lightly and was necessary to protect the estate's other businesses. He added: "The estate's long-term ambition remains focused on developing Fritton House, which would give us the economies of scale needed to ensure robust levels of profitability. However, having failed to win vital planning consent at the end of last year and with the worsening economic climate, I am clear this is the best mid-term strategy for the long-term viability of the business. Like practically every business today, we have to react to the effects of the global downturn." EADT 9/1/09
- Haverhill's empty Woolworths store has been bought by Iceland. The frozen food chain has bought 51 Woolworths stores, it has been reported. The Haverhill branch of Woolworths, in the High Street, was one of the last in the country to close. Haverhill Echo, 12/1/09

## **Additional requirements**

- *E.g. policies, flexibilities*
- A £250,000 scheme aims to encourage innovation in East of England firms through collaborations with the region's top universities. Up to £250,000 worth of specialist consultancy grants are available through an East of England Development Agency (EEDA) pilot project. "Innovation vouchers" will provide small to medium-sized enterprises with £3,000 worth of one-to-one collaboration with universities, free of charge. The voucher is worth up to one week's dedicated support and advice, and businesses have until 5pm on Monday, February 2, to apply. EEDA chair Richard Ellis said: "The East of England is already home to a rich array of innovative businesses developing products and services of international significance - companies like BT, GlaxoSmithKline and Unilever. But it's not all about the 'big-hitters'. Ambitious smaller companies are the lifeblood of our region's economy and EEDA's innovation voucher scheme aims to help these businesses turn innovative ideas into real commercial success. "Stimulating entrepreneurial activity of this kind is absolutely critical to the ongoing success and competitiveness of our region's economy, particularly during these tougher economic times."

Ralph Ecclestone, project manager of i10, which nurtures closer ties between business and academia in the region, said the voucher scheme offered a "great opportunity" to its innovative businesses, and would play a vital role in fostering the growth of new ideas and technologies by uniting industry and academia. "The East of England can be proud of its world-class universities, which are one of the region's biggest assets, and i10 will be working with those businesses who receive the vouchers to select the most appropriate university to suit their needs."

For more information, visit

[www.eeda.org.uk/financeforinnovation](http://www.eeda.org.uk/financeforinnovation).

EADT 13/1/090

## Other

- *E.g. other economic shocks, at risk/reprioritisation projects, social impacts*
- Villagers in Alderton, near Woodbridge, have formed a consortium to buy their only local pub and save it from being closed and converted into housing. The financial package is still in negotiation but Suffolk Coastal District Council has decided there is enough evidence to suggest the pub could be rescued. EADT 8/1/09
- Online mapping website MapTube.org has a “mapping the credit crunch” facility, where user responses are mapped according to postcode to indicate the credit crunch factors which have caused the most impact.

<http://www.maptube.org/creditcrunch/>

<http://www.maptube.org/map.aspx?mapid=325>

In Suffolk, there is little consistency in factors blamed across the county.

1. Much of Mid-Suffolk is recorded as being most concerned by job security issues.
2. Residents of Forest heath and St Edmundsbury primarily cite mortgage/rent and food prices as their largest concern.
3. Babergh and southern Suffolk Coastal seem most affected by utility bills.
4. A large area of Waveney has mostly returned the response of being unaffected by the credit crunch.

*See the websites above for more details.* UCL Centre for Advanced Spatial Analysis, accessed 16/1/09