

ECONOMIC STATE OF THE REGION AND RESPONSE: EAST OF ENGLAND

ORGANISATION Suffolk County Council	DATE 19 December 2008
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STATE OF THE REGION <i>(n.b. qualitative and quantitative, include feedback on impact of new initiatives etc.)</i>	RESPONSE
<p>Housing</p> <ul style="list-style-type: none"> • <i>E.g. commercial, funding, repossessions</i> • Statistics released this week show that rural deprivation in the countryside has grown markedly worse in southern England over the past three years while improving significantly north of a line drawn across the country from the Mersey to the Wash. The effects of the house-price boom on the South, where an average rural house last year cost £257,000 compared to £213,000 in urban areas, is thought to have been a major factor in the relative poverty increase. In some sparsely-populated rural areas, average house prices in 2007 were up to 9.7 times annual household income, compared with an urban average of 5.8. Parts of Waveney/Suffolk Coastal, Mid Suffolk and Forest Heath are highlighted as being among the worst affected by rural deprivation. The Independent 12/12/08 	<p>Current activity</p> <ul style="list-style-type: none"> • <i>E.g. programmes, announcements, case studies</i> •

Employment

- *E.g skills, training, redundancies, R2R, closures, recruitment freezes, short-time working etc.*
- Public transport group National Express is planning to axe up to 750 jobs in a cost-cutting drive designed to save £15 million a year. 340 of these jobs will be at the NXEA call centre in Norwich, but some impact on Suffolk is likely. EADT 17/12/08
- Avent baby products factory in Glemsford is set to shed 90 of its 699 staff in the New Year in a bid to improve efficiency of operation. EADT 17/12/08
- Job Centre Plus has been notified of 2 potential job losses in Suffolk:
Ridgeons in West Suffolk, construction firm, 95 jobs to be lost.
Oilite Bearings of Ipswich, 15 redundancies.
JCP 12/12/08
- All Woolworths stores will shut by January 5th. In Suffolk there are stores in Ipswich, Stowmarket, Lowestoft, Felixstowe, Haverhill, Newmarket, Woodbridge, Beccles, Sudbury and Bury St Edmunds. This is likely to result in more than 200 redundancies. EADT 17/12/08
- Job Seeker's Allowance (JSA) claimants in the county increased by 858 in November, an increase of around 10%. The most significant increase was in Mid Suffolk, with over 20% more JSA claimants being registered by the month's end. Unemployment rates also increased, by 0.1-0.3% in all districts. EADT 18/12/08

Reprioritisation

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

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<p>Business (<i>n.b. SMEs, larger businesses</i>)</p> <ul style="list-style-type: none"> • <i>E.g. support, funding, business-specific intelligence, exports, start-ups, growing/vulnerable sectors, investment plans/cancelled plans</i> • Ipswich-based construction firm ISG Jackson has secured a £6.6 million contract at a designated 2012 Olympics hospital in London. The firm will modernise existing delivery and neonatal facilities at Homerton University Hospital in Hackney. EADT 18/12/08 • Felixstowe Port is to begin a major rail upgrade on December 27th replacing 465 metres of track at Line 1. The work is aimed to improve the efficiency and reliability of the port's rail operations. EADT 16/12/08 • Hovis bread firm Premier Foods has confirmed that it had held talks with a number of investors as part of plans to ease its £1.7 billion debt burden. Premier, which has a major presence in Suffolk with a factory in Bury St Edmunds, is looking to raise £250m-300 million. EADT 16/12/08 	<p>Additional requirements</p> <ul style="list-style-type: none"> • <i>E.g. policies, flexibilities</i> •
<p>Other</p> <ul style="list-style-type: none"> • <i>E.g. other economic shocks, at risk/reprioritisation projects, social impacts</i> • A Nuclear Decommissioning Authority (NDA) credit crunch could delay the spending of £66 million scheduled for 2009/10 on work on the redundant Sizewell A and Bradwell nuclear power stations. EADT 15/11/08 • Jonathan Moore, chief executive of the Suffolk Organisation of Voluntary Organisations (SAVO) has warned that it will become increasingly difficult to raise much needed funds as the credit crunch worsens. EADT 11/12/08 • The Framlingham based 'Furniture Project', which provides furniture to disadvantaged people faces a financial crisis. Gwen Randall, chairman, said: "We run on an amazingly low budget due to volunteers but we need an injection of cash to keep going. We need to find the money by next March or the project may not be able to continue." EADT 16/11/08 	<ul style="list-style-type: none"> •