

ECONOMIC STATE OF THE REGION AND RESPONSE: EAST OF ENGLAND

ORGANISATION Suffolk County Council	DATE 12 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> • HSBC are to boost the mortgage market by lending up to £15billion in mortgages in 2009, 20% more than last year and double the level in 2007. This move comes amid forecasts that frozen money markets and the housing market slump will result in repayments and redemptions outstripping lending next year. HSBC is also to make £1billion of extra funding available to support small businesses. EADT 8/12/08 • Daneway House in Leiston is due to close on 31 January 2009. The facility for people with severe learning difficulties is in a building owned by the health authority and is run by a charitable organisation United Response. Suffolk County Council is finding alternative accommodation for the residents and United Response is trying to find alternative work for the 8 staff. EADT 5/12/08 	<p>Current activity</p> <ul style="list-style-type: none"> • <i>E.g. programmes, announcements, case studies</i> • A new home for those suffering from Alzheimer's disease has opened at the former Bentwaters air base near Woodbridge. The Colchester based Caring Homes Group has built a 60 bed complex offering specialist care for residents with 35 beds for dementia sufferers and 25 beds for frail elderly. New jobs have been provided for mainly local people. EADT 10/12/08 • A new care home has been given planning permission in Baylham, near Needham Market, Mid Suffolk. The new home that will help residents suffering from dementia will create 28 full time and 18 part time jobs. It will have 40 en-suite bedrooms with communal areas.

Employment

- *E.g skills, training, redundancies, R2R, closures, recruitment freezes, short-time working etc.*
- **Vinten Broadcast Ltd**, based in Bury St Edmunds, making camera tripods and equipment for broadcasters is looking to cut 22 jobs, 1/10th of its workforce. These are mainly in production and as a result of the economic downturn as the business has been bit by falls in advertising revenues within the broadcasting industry. EADT 6/12/08
- Flybe the budget airline is to close its ground base at Norwich Airport and axe flights to Dublin next year putting 45 jobs at risk. Staff will be encouraged to apply for vacancies elsewhere and be offered relocation costs to move to another Flybe base. EADT 6/12/08
- Job Centre Plus has been notified of 2 potential job losses in Sudbury:
Guildford Europe who own the Cornard Knitting mills in Sudbury, weaving cotton, silk and man made fibres. Numbers of jobs that might go is not currently known.
Underwoods Motor Group Sudbury – car retailer 5 jobs to be lost. JCP 9/12/08
- Woolworths has started a closing down sale after administrators failed to find a buyer. Up to 25,000 jobs are under threat nationally. Woolworths is present in several of Suffolk's main towns including Ipswich, Bury, Lowestoft, Sudbury and Felixstowe. EADT 11/12/08

Reprioritisation

- *E.g. stopping, reshaping, new initiatives, including preparations for economic recovery*
- £250m is to be invested in training scientists and engineers at 44 training centres across the country to produce 2000 PhD students. As they train, the research students will work on solutions to major concerns such as climate change, energy issues, our aging population and hi-tech crime. Cambridge University is the nearest to Suffolk, offering Doctorates in NanoScience. Suffolk's Delphi Diesel Systems based at Sudbury is named as one of the 513 collaborating companies. Press release [EPSRC](#) 5/12/08

<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> • Plans to build a business centre for entrepreneurs could be scrapped due to the current economic climate. When ASDA got planning permission for a new store in Bury St Edmunds it was agreed it would build the new business centre next door. But ASDA are now trying to put the business centre on ice. They are meeting with St Edmundsbury about what they might contribute to the area in its place. EADT 10/12/08 	<p>Additional requirements</p> <ul style="list-style-type: none"> • <i>E.g. policies, flexibilities</i> • A high profile Chinese telecoms delegation was given a tour of BT's Adastral Park at Martlesham, including its hi-tech CIP centre, on Thursday as part of a two-day event offering an insight into what the region has to offer. It is hoped new industry links will be established between the region and China as a result of the visit, hosted by East of England International (EEI). Delegates included senior representatives of the Chinese Embassy, China Mobile UK, China Netcom UK and other telecoms businesses. EADT 9/12/08
<p>Other</p> <ul style="list-style-type: none"> • <i>E.g. other economic shocks, at risk/reprioritisation projects, social impacts</i> • Manufacturing output fell 1.4% in October, the biggest slump in almost 30 years. This is the 8th successive fall since its worst run in 1980. Annual output is down 4.9% after September's figures were revised lower. Transport equipment has been worst hit with output from firms making vehicle bodies and parts down almost 15% on the previous year in the 3 months to October. The UK trade gap has also widened to £7.8billion in October compared to £7.4billion in September. Total exports fell 3.5%, heavier than the 1% fall in imports as hopes of a boost to exports from a weaker pound were outweighed by a global slowdown. "Manufacturers are feeling little benefit from the 20% odd fall in the pound". Commented Paul Dales of Capital Economics. Manufacturing is an important sector in Suffolk. EADT 10/11/08 • £144million has been pledged to the region by housing minister Margaret Beckett which will be spent on new infrastructure needed to accommodate 121,000 new homes earmarked for the region by 2016. Under the scheme Haven Gateway will receive £12m while St Edmundsbury will get £3.8m. EADT 11/12/08 	<ul style="list-style-type: none"> •