



Haven Gateway Intelligence and Advocacy Framework

State of the Sub Region

Quarterly Report

July – September 2009



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Headlines:

- Unemployment stabilises, but is 70% higher than a year ago
- House prices move up marginally, but are still well below the “highs” of 2007/2008
- Major investment continues in ports and logistics
- New outlets creating jobs in hospitality and retail
- New infrastructure for the education sector
- Construction firms experience mixed fortunes
- Insolvencies and possession orders temporarily decline

1. Summary

The Haven Gateway area in the third quarter is going through a period of transition linked both to the fortunes of the national and global economies, and to important local features. These include the infrastructure developments at the ports and in the North Sea, as well as the new buildings at Ipswich waterfront.

Statistically, moving from the second to the third quarter of the year has seen some stability return to local labour and property markets. The claimant count is significantly higher than a year ago in the third quarter of 2008, but the unemployment level has settled around 3.4% of the working-age population. House prices have stopped declining and, in some districts, standard family homes have seen some modest price increases within the last quarter. Moreover, the number of possession orders issued by the courts has fallen dramatically in the last year. The RICS sees some increase in demand for commercial and industrial property, but demand for retail property is static across the region. Local surveyors in the Haven Gateway area suggest that the market is still dependent on publicly-funded infrastructure building, and there is a delay in moving forward on house building plans.

The recession has seen one long-established Suffolk-based building contractor wind down its business and another saved from closure by a multi-national company taking it out of administration. Nevertheless, the number of business insolvencies has recently declined in north Essex and Suffolk.

Ports and logistics industries are experiencing an interesting summer. There is a downturn in the goods traffic passing through the ports because of world-wide trends, but the recent infrastructure changes at Harwich International have brought increased numbers of cruise passengers to the Essex port. Across the harbour, construction work is continuing at Felixstowe South. Not only has there been an increase in rail services running from the port, but planning consents have also been given for a dualling of the track to Felixstowe, and agreements reached on increasing capacity at the Ipswich marshalling yard. In the short term, this will mean construction and infrastructure engineering jobs, and in the longer term increased logistics employment. Port of Felixstowe has won Business of the Year at the annual Rail Freight Group awards in



September, while Harwich was named runner-up in the category for the best turnaround port at the Seatrade Insider Cruise Awards, held recently in Hamburg, Germany.

In education, there are three notable infrastructure developments. At Suffolk New College in Ipswich, its new £40 million building was opened in September to receive this year's student intake. Meanwhile, just down the road at Ipswich waterfront, University Campus Suffolk (UCS) received confirmation, on 7 September, of a £4.6 million grant from HEFCE to help fund the construction of the next academic building. Essex University presented its building plans to the AGM of the Haven Gateway Partnership (July 2009). Its proposals are for the construction of the Knowledge Gateway Research Park. The first phase, costing £12.6 million, will include a flagship International Centre building. It is expected to create 2,000 jobs in the area and 50,000 square metres of Research and Development space. In the medium term, a further 750 units of student accommodation and 300 to 400 new homes will be built.

On the Ipswich waterfront the extension of the The Salthouse Harbour Hotel is just being completed adding many new facilities. And staying with the hospitality theme, the Premier Inn and Travelodge chains have both opened new outlets in the Haven Gateway area this summer.

The major developments in retail have also been by big chains. The new Waitrose store in Colchester has created 280 new jobs, and the new Asda in Ipswich has provided 200 jobs. By contrast in financial services, at the end of second quarter, Axa insurance announced a national cutback of 560 jobs with 120 to go in Ipswich.

(All the data used in this report is the latest publicly available. This is usually third quarter 2009, but some agencies take time to collate and publish, and therefore some data refers to the second quarter. The time periods are clearly referenced.)

2. Business confidence survey

In July, Haven Gateway Partnership was able to collate and publish the results of its online Business Survey.

Companies responding to a unique survey by the Haven Gateway Partnership highlighted a number of key advantages to doing business in the subregion – and also made their priorities clear in terms of where they would like to see future investments and improvements.

Respondents listed the Haven Gateway's geographic location, lower property prices, close proximity to London, normally vibrant local economy, and potential for expansion, as some of the main business advantages of operating in the Haven Gateway. "Business has a desire to spend locally rather than support the national brands in all transactions," said one respondent. Others highlighted the attractions of a strong port at Felixstowe, the international airport at Stansted, the huge diversity of businesses and skills, lower costs, and a pleasant environment.

There were also some good levels of confidence in the face of recession, with 37% of businesses responding expecting an increase in turnover in the next six months and 43% expecting levels to stay the same, while only 20% expected a decrease in turnover.



Thirty-seven per cent had implemented green/environmental actions in their businesses over the past six months, and the same proportion, 37%, intended to make further investments in technology over the next six months. Forty-three per cent said that they were intending to introduce innovations in products/services, supply chain management or human resource management in the next half-year.

Among concerns, respondents listed business confidence levels generally and lack of investment opportunities because of the recession.

The biggest perceived “threat” to business growth was regulation, with 65% of respondents highlighting this issue. However, more than half mentioned “inadequate road infrastructure”, 18% said inadequate rail infrastructure, and over one-third said there were not enough technical/skilled staff available.

While 63% knew about public funding to support training, more than half did not know about other types of public funding support.

This was the first business survey of its type by the Haven Gateway and it will help in planning for the future needs of the subregion.

On the whole the respondents were positive, but the messages to other agencies were that:

- Road and rail infrastructure need to be improved to enable businesses to maximise their potential.
- Regulation on business needs to be reduced. Delays in planning inhibit economic progress.
- Public funds - available to support business - are not sufficiently publicised

The results of our survey, which suggest confidence is slowly returning, were confirmed by a survey of businesses in East Anglia in August. The survey, sponsored by Barclays Bank, found that three quarters of companies said that they were either growing, or could see a return to growth.

3. Business news

3.1 Hospitality industry

Two large hotel chains have recently opened new premises in the Gateway area. According to architects Barefoot & Gilles:

“Premier Inn has just opened its 75-bedroom complex at The Beagle, Chantry Park; the Ramada group’s Encore hotel [has] started trading in Ranelagh Road., and the £4 million extension to the four-star Salthouse Harbour Hotel on the waterfront is nearing completion. Built by ISG Jackson, the extension will provide hotel with 27 additional bedrooms, an extended restaurant, dining area and reception.The Salthouse Harbour Hotel, Ipswich’s only four-star hotel, occupies a former quayside Victorian warehouse.” The extension is expected to open late October/early November.

On 14 August, Travelodge officially opened its first hotel in Clacton-on-Sea. The new 57-room hotel costing £1.9m has created 13 jobs in the community.



3.2 Retail

As in the hospitality industry, the larger supermarket chains are in the business of job creation. On 17 September 2009, Waitrose opened “its biggest ever UK food outlet on St Andrew’s Avenue in Colchester”. The store has 280 new employees and these have been fully trained for their new positions. Previously, in August, Asda had created 200 new jobs at its new store on the Stoke Park Development in Ipswich.

3.3 Construction

Construction remains a mixed picture.

Bizeast cites RICS’s commercial property survey for the third quarter. It said that “confidence is returning to the region’s commercial property sector with the majority of surveyors in the East of England reporting rising commercial lettings activity for the first time in more than two years”.

“The region’s office market saw tenant demand rise for the second quarter running, with 24 per cent more surveyors reporting a rise rather than a fall, the highest figure since the last quarter of 2007”.

“David Potter, RICS East operations director, said: ‘These results may provide the first signal that a strengthening in the global economy has filtered into lettings activity within the East of England – especially within the office sector.’”

Commercial and industrial lettings all appeared to be going up, but retail was standing still.

Specific responses in RICS’s second quarter report, with surveyors’ comments from Ipswich and Colchester were that there was still a lack of consumer confidence, which was inhibiting new activity; too much reliance on public-sector spend on infrastructure; and too many delays on issues like planning. This earlier quarter had seen very sharp declines in public- and private-house building, but, perhaps a turning of the corner on the non-housing and infrastructure side.

Construction work continues at Ipswich waterfront with the building of the 220-seat Witchbottle Theatre. However, in spite of the developments relating to new hospitality sites and work on educational buildings, there have been issues for established construction businesses.

In September, V A Marriott, the 114-year-old Suffolk-based building contractor said that “As many as 55 jobs could be lost” as it has started the process of entering a company voluntary arrangement (CVA). In a statement on 17 September, Marriott said: “The company has taken the decision because of recent trading results and an inability to obtain finance from [our] bank. A return to profitable trading is not foreseen during this recession”.

It was better news at Haymills. The East Anglian based Haymills Group went into administration, but VINCI Construction UK Limited acquired the business assets relating to the company’s Property Solutions and East Anglian Projects businesses.



“Property Solutions carries out facilities management and maintenance throughout the UK, particularly in the sectors of social housing and defence. East Anglian Projects undertakes small to medium new build and refurbishment projects throughout the region and will become part of the regional contracting division of VINCI Construction UK Limited.”

One interviewee for this report also noted a slowing down in the Ipswich waterfront construction developments. Several of the projects have successfully completed so the construction workforce is no longer needed, while some others have stalled because of issues in the broader economy, thus also reducing the demand for construction jobs.

As indicated above, spending on public infrastructure activities is one of the best sources of construction jobs. On 21 September, a Department of Environment funded project started at Holland-on-Sea to repair the sea walls. This programme will cost £1.14 million, and this work follows a nearby repair costing £1.2 million. Even after this concrete construction work is completed, other sections of wall in the area will need repairs, estimated to cost a further £3 million. So, if the funding is available, a steady number of construction workers could be needed for some time.

3.4 Manufacturing

Again, contrasting fortunes in manufacturing, with one company developing and another closing. Wilkin & Sons Limited have invested for the future with a new facility, but Eimco Water Technologies in Colchester announced closure in August.

“A cool million punnets of Tiptree strawberries can be stored in the new eco-friendly cold store that Wilkin & Sons Limited have built as part of a £2 million investment programme. Adjacent to the energy-efficient cold store is a new fruit sorting and freezing unit where Tiptree strawberries will be washed, sorted and frozen, ready for storage on-site.

“Together with our recently-opened honey plant, this new cold store and IQF (individually quick-frozen) fruit plant form part of a major investment programme for the company”, said Ian Thurgood, joint managing director. “Strong business growth has been a key factor in our decision to invest in Tiptree at a time when local confidence most needs a boost.”

By contrast, a well-known manufacturing firm is set to stop engineering in Colchester after more than a century in the town. Consultation has begun on making redundant 18 of the 23 engineers based at Eimco Water Technologies, in Severalls Business Park. In August it was assumed that “around 50 staff working at offices and warehouse storage [would] be moved to another, smaller site which could be local”. A decision had not been taken, but redundancies were expected as the company was to stop manufacturing locally after being in the area for 110 years.

3.5 Transport and logistics

In trading terms, the picture is mixed. In infrastructure terms, the developments at Felixstowe have been significant. And, finally, in terms of recognition, both Port of Felixstowe and Harwich received awards for their business success.



The ferry market has seen an increase in passengers of about 7%, with increase for some of the RO/RO services. The number of cruise liners stopping at Harwich International has increased, with more transit stops, allowing passengers to come onshore for excursions. Both Port of Felixstowe and Brightlingsea have benefited from the offshore wind turbine construction at Gunfleet Sands in the North Sea with personnel and infrastructure needing to be regularly transported from shore to construction site. Freight traffic is slightly down at the Haven Gateway ports.

- **Port of Felixstowe**

Various different activities have taken place at Port of Felixstowe.

At the end of July, “three weeks after commissioning its latest ship-to-shore gantry cranes, the Port of Felixstowe has taken delivery of two new cranes at its Trinity Terminal.” “The two brand-new, ultra post-Panamax ship-to-shore gantry cranes are amongst the largest in the world and have the ability to extend over 22 containers across. With twin-lift capability and heavy lift capacity of 85 tonnes, they take the total number of quayside cranes serving the Port to 31.”

Port of Felixstowe has the infrastructure to handle some of the biggest container ships in the world, and with the work continuing at Felixstowe South being undertaken through a newly-signed contract with Costain, it is anticipated that it will, eventually, increase capacity at the UK’s largest container port by 50%. It should become operational in 2010.

Concurrent with all the construction and infrastructure development was the news received in July that “consent for the upgrade of the Felixstowe Branch Line and works to improve the rail yard at Ipswich” had been given. The Branch Line connects Felixstowe to the national rail network, and the work will “include laying a 4.25 mile section of double track on the existing single-track branch line between Trimley St. Mary... to the East of Ipswich”. Consent to construct three additional 24-wagon sidings at Ipswich marshalling yard was also given.

These planning consents will lead to more employment in the construction and engineering sectors, giving a timely boost to the local economy, as well strengthening the importance of the ports to area. “These works will allow the number of daily trains to increase from 28 to approximately 40, taking hundreds of thousands of vehicles off the region’s roads, as well as providing enhanced service and maximum efficiency for existing rail customers,” according to the Port of Felixstowe.

These events in July were rounded off by an award in mid-September. The Port of Felixstowe was named ‘Business of the Year’ at the annual Rail Freight Group awards. “The port was recognised for the continual, and extensive, investments it has made in rail operations”, with 28 scheduled freight train arrivals and departures from the port each day.

- **Harwich International**

The Harwich International was named runner-up in the category for the best turnaround port at the Seatrade Insider Cruise Awards, on 29 September. “The award is presented



to the port which has made the most significant improvements to its turnaround facilities or cruise-tourism infrastructure over the past 12 months.”

This award follows a very successful season. The port has seen “53 cruise calls, including five transit calls (day calls) in the 2009 season, with passenger throughput exceeding last year’s totals”. With some of big cruise liners stopping at Harwich having over 2,000 passengers and up to 1,000 crew, there have been more opportunities to gain from visitor spending in the locality.

The port has been helped by the installation of a new gangway last May. This was officially opened on 8th September 2009. The term “gangway”, however, is an understatement. It is a state-of-the-art passenger boarding bridge, air-conditioned and designed to accommodate the world’s largest cruise vessels.

- **Logistics**

Another good news story in the transport and logistics sector is Deben Transport. Immediately after announcing (6 August) that it had taken delivery of 11 new DAF lorries, the Felixstowe-based company – heavily involved in moving containers – confirmed a merger with music transport specialist Redburn Transfer. Redburn immediately ordered new Volvo lorries and trailers, and Deben continued its expansion with orders for 30 more trucks to be delivered in 2010.

Deben Transport has taken advantage of recessionary times to invest and grow. Since the beginning of 2009, Deben has gained 10 new clients, including a 2-year contract with Iceland, the food retailer. It has replaced half its 160 trailer fleet with new vehicles and it has purchased a new depot in Hull to add to its operations in Felixstowe, Southampton and Manchester.

3.6 Education

This has been a very important quarter for education and skills. Suffolk New College has opened the doors of its new building to students (September); University Campus Suffolk has received the go-ahead for its second academic building at the Ipswich waterfront (7 September); and University of Essex presented its plans (July) for the Knowledge Gateway Research Park with Phase 1 costing £12.6 million.

The Suffolk New College building was started in January 2008 and has cost £40million. It is part of a £70 million development project for the college. The college took over new building at the end of July and is enrolling the new intake for the autumn term. “Covering 22,000 square metres and with two buildings - North and South - linked by a second floor walkway, Suffolk New College has a purpose-built facility which initially will be used by 2,500 students with room to expand.” It has a learning resource centre with 60 new computers, internet access and study support facilities. Other new facilities include: a film theatre, a radio studio, dance studios, a television studio, and a 60-seat performance theatre. There is a new training restaurant and three catering kitchens complete with new equipment.

On 7 September, University Campus Suffolk (UCS) received confirmation of a grant to help fund the construction of its next academic building. A £4.6 million grant from HEFCE, plus financial support from Ipswich Borough Council and Suffolk County Council



will help fund the new building for UCS students. This will be on the University Quay site on Ipswich Waterfront and 300 metres south of its current building. The five year project comprises two student residences and a large, modular, academic building. Work has already started on the first block of residences (with 600 rooms), retail units and a UCS-managed car park. Following the grant award, work can start immediately and the first module of the new academic building which will be completed in the autumn of 2010. This will have “state-of-the-art accommodation for Health and Science students, an innovative ‘iLab’, general teaching/study space and UCS Students’ Union facilities. Future modules are planned for 2012 onwards and will include an extensive library and learning resource centre, plus general teaching, specialist and further student facilities. Willmott Dixon has been appointed as the main contractor and RMJM is the architectural practice.

University of Essex hopes its proposals for the Knowledge Gateway, a new research park, will bring 2,000 new jobs to the Colchester area. The first phase costing £12.6 million will include a flagship International Centre building. The university has said it will pay £8 million for much of the initial infrastructure of the research park, but it may need public funding in 18 months to two years’ time.

The latest plans were revealed at the annual general meeting (July) of the Haven Gateway Partnership, which is paying for the university to draft its new plans for the scheme before work starts in June 2010. A total of 50,000 square metres of research and development space will be built by October 2010 to link with the new International Centre for Democracy, Peace and Human Rights. This will create jobs in the social sciences as well as posts in construction, retail, banking, catering, sports and the hotel industry. Other plans for the site include 750 units of student accommodation, to be completed by autumn 2012, and 300 to 400 homes. The university hopes to attract small businesses, educational organisations, and major companies to the campus.

3.7 Other sectors

In financial and business services, there has been limited news following the Axa announcement at the end of the second quarter. In June, the insurance company’s Ipswich office was included in a national cut of 560 jobs. It was expected that 120 operations jobs would go in Ipswich.

BT’s revised planning application for the Adastral Park site at Martlesham is for new research and development and higher education facilities, along with a residential community of up to 2,000 homes. The revised plan concluded its consultation period in May this year, but a review of Suffolk Council’s planning portal shows no decision has yet been made, and it may be 2010 before the shape of Park’s future becomes clear.

4. Claimant count – unemployment

One of the strongest indicators of the state of the local economy is the claimant count showing those claiming unemployment-related benefits. The following two tables illustrate the annual and the quarterly trend. The impact of the recession can be seen in table 1. This shows that between September 2008 and September 2009 the claimant count rose from 2 per cent of the working-age population to 3.4 per cent of the working-age population. This increase of 6,100 people on the Haven Gateway claimant count is



an increase of approximately 70 per cent (the size of the working-age population was almost static over the period). In September, there were 174 notified redundancies to JCP in the Haven Gateway area: 39 in Ipswich and 135 in Suffolk Coastal.

Haven Gateway Claimant count Year-on-Year comparison Sept 2008 - Sept 2009

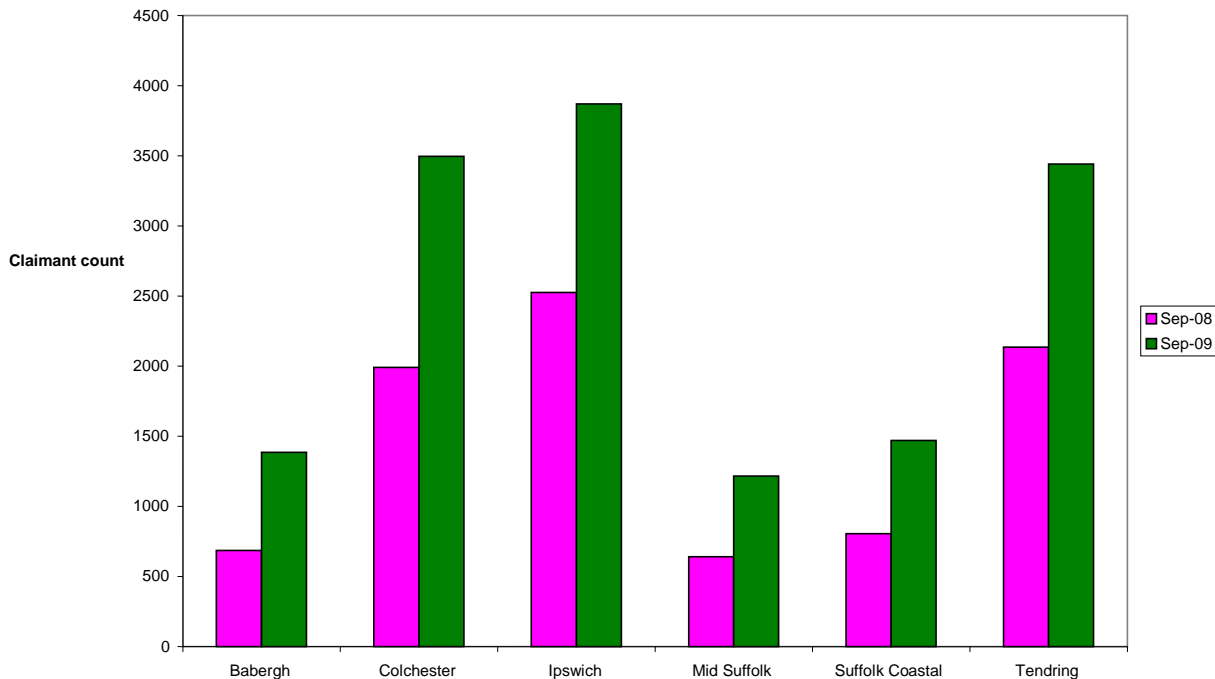


Table 1 – Haven Gateway claimant count – annual comparison

	September 2008		September 2009	
	number	rate	number	rate
Babergh	685	1.4	1,385	2.8
Colchester	1,990	1.7	3,495	3.1
Ipswich	2,525	3.3	3,870	5.1
Mid Suffolk	640	1.2	1,215	2.2
Suffolk Coastal	805	1.1	1,470	2.1
Tendring	2,135	2.7	3,440	4.4
Haven Gateway Total	8,780	2.0	14,880	3.4

Source: ONS - from NOMIS, October 2009. Crown copyright



Table 2 – Haven Gateway claimant count – third quarter 2009.

	July 2009		August 2009		September 2009	
	number	rate	number	rate	number	rate
Babergh	1,405	2.8	1,425	2.9	1,385	2.8
Colchester	3,505	3.1	3,620	3.2	3,495	3.1
Ipswich	3,765	5.0	3,850	5.1	3,870	5.1
Mid Suffolk	1,190	2.1	1,225	2.2	1,215	2.2
Suffolk Coastal	1,465	2.1	1,490	2.1	1,470	2.1
Tendring	3,505	4.5	3,500	4.5	3,440	4.4
Haven Gateway Total	14,840	3.4	15,110	3.4	14,880	3.4

Source: ONS - from NOMIS, October 2009. Crown copyright

The good news – from observation of table 2 – is that the claimant count has levelled off. For each month of the summer quarter, the figure is oscillating around the 15,000 level for the Haven Gateway. Unfortunately, the sub-region figure masks some areas which continue to experience labour market difficulties. Ipswich and Tendring have both seen strong increases with Ipswich moving to over 5 per cent and Tendring to 4.4 per cent of the working-age population as claimants.

The *sought occupation* table gives some indication of where the structural issues are in the economy. Although the claimant numbers involved in higher-level occupations are not as many as in the lower-level occupations, the percentage increases are higher. It can be seen that the numbers seeking professional occupations more than doubled from 250 to 515, and managerial level claimants rose from 420 to 785. Nevertheless, there were some sizeable volume increases in lower-level occupations: claimant numbers for operatives, sales, and skilled trades moved upward by between 670 and 850 people. The number of claimants seeking elementary occupations increased by 1,445.

Table 4 shows the increased claimant numbers by district and occupation are seemingly going universally downward. There are hotspots where the trends appear even worse between September 2008 and September 2009 than the general average.

- Skilled trades claimants increased from 65 to 180 in Babergh
- Associate Professional claimants rose from 130 to 290 in Colchester
- Senior Managerial claimants increased from 70 to 140 in Ipswich
- Operative claimants increased from 70 to 155 in Suffolk Coastal, and
- The claimant count for elementary occupations in Ipswich rose from 975 to 1,375.



Haven Gateway - claimants by sought occupation September 2009

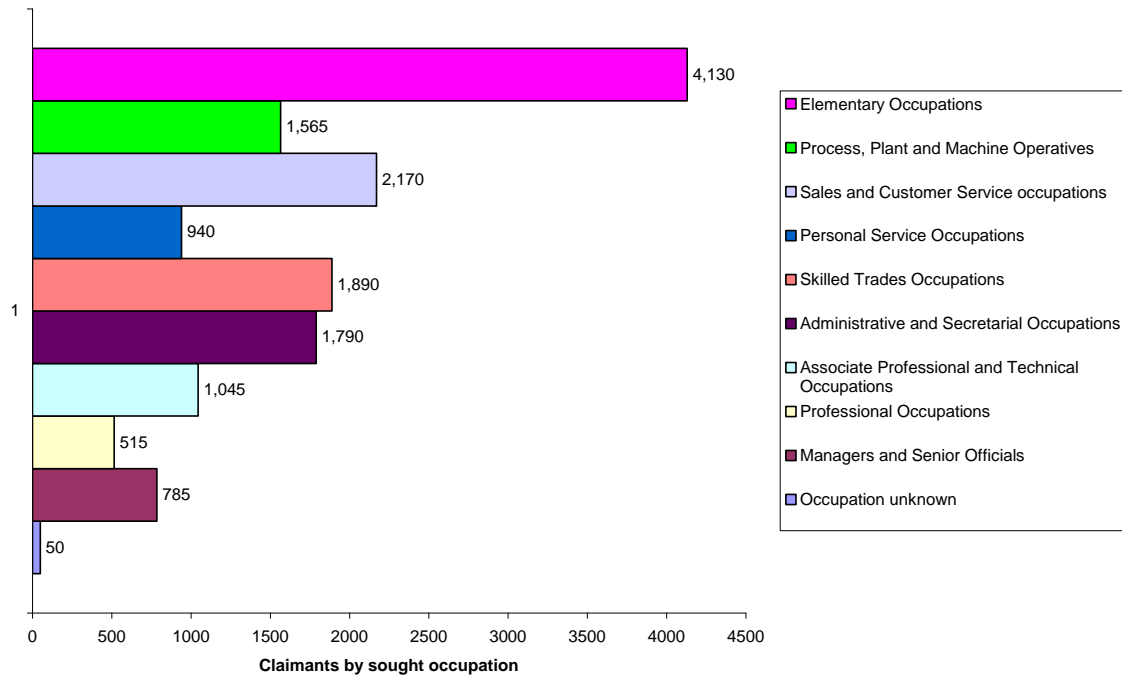


Table 3 – Haven Gateway claimants sought occupation – September 2008, September 2009.

	Haven Gateway total Sept 2008	Haven Gateway total Sept 2009	Change from 2008 to 2009 - HG	% change from 2008 to 2009 - HG
Occupation unknown	15	50	35	233
Managers and Senior Officials	420	785	365	87
Professional Occupations	250	515	265	106
Associate Professional and Technical Occupations	545	1,045	500	92
Administrative and Secretarial Occupations	1,050	1,790	740	70
Skilled Trades Occupations	1,070	1,890	820	77
Personal Service Occupations	535	940	405	76
Sales and Customer Service occupations	1,325	2,170	845	64
Process, Plant and Machine Operatives	895	1,565	670	75
Elementary Occupations	2,685	4,130	1,445	54
All occupations	8,790	14,880	6,090	69

Source: ONS - from NOMIS, October 2009. Crown copyright



Table 4 – Haven Gateway claimants sought occupation – third quarter 2009.

Occupation	Babergh		Colchester		Ipswich	
	2008	2009	2008	2009	2008	2009
Occupation unknown	5	0	5	10	5	15
Managers and Senior Officials	55	105	95	205	70	140
Professional Occupations	25	55	70	145	40	75
Associate Professional and Technical Occupations	70	125	130	290	125	210
Administrative and Secretarial Occupations	85	155	260	520	270	395
Skilled Trades Occupations	65	180	245	410	295	470
Personal Service Occupations	35	80	120	230	140	225
Sales and Customer Service occupations	90	190	335	490	355	570
Process, Plant and Machine Operatives	75	165	185	340	250	400
Elementary Occupations	185	335	545	855	975	1,375
All occupations	685	1,385	1,990	3,495	2,525	3,870

Occupation	Mid Suffolk		Suffolk Coastal		Tendring		Haven Gateway total		% change from 2008 to 2009 - HG
	2008	2009	2008	2009	2008	2009	2008	2009	
Occupation unknown	0	10	0	5	0	10	15	50	233
Managers and Senior Officials	40	90	70	100	90	145	420	785	87
Professional Occupations	30	65	40	80	45	95	250	515	106
Associate Professional and Technical Occupations	50	105	60	110	110	205	545	1,045	92
Administrative and Secretarial Occupations	95	135	120	215	220	370	1,050	1,790	70
Skilled Trades Occupations	75	150	100	160	290	520	1,070	1,890	77
Personal Service Occupations	55	85	45	85	140	235	535	940	76
Sales and Customer Service occupations	80	175	100	175	365	570	1,325	2,170	64
Process, Plant and Machine Operatives	60	115	70	155	255	390	895	1,565	75
Elementary Occupations	160	285	200	385	620	895	2,685	4,130	54
Haven Gateway total	640	1,215	805	1,470	2,135	3,440	8,790	14,880	69

Source: ONS - from NOMIS, October 2009. Crown copyright



5. Vacancies

In 2009, it appears that the number of job vacancies has diminished across the summer quarter. The claimant count has stabilised at about 3.4% of the working age population, which is about 70% higher than this quarter a year ago, but the number of job vacancies for September is at about the same figure – 3,200. Assuming that there is always going to be “churn” in the economy, the downturn in the number of vacancies means that the claimant count is likely to stay high for some time to come.

Table 5 – Haven Gateway vacancies – third quarter 2009.

	July 2008	August 2008	September 2008
Babergh	243	252	372
Colchester	943	1,356	961
Ipswich	719	886	812
Mid Suffolk	237	242	275
Suffolk Coastal	339	456	373
Tendring	532	752	451
Column Total	3,013	3,944	3,244
	July 2009	August 2009	September 2009
Babergh	277	235	289
Colchester	1,201	1,114	827
Ipswich	1,729	782	873
Mid Suffolk	180	303	283
Suffolk Coastal	623	701	456
Tendring	469	503	473
Column Total	4,479	3,638	3,201

Source: ONS - from NOMIS, October 2009. Crown copyright

6. House prices

Just as there is some stability currently to the unemployment levels, there is also some steadiness in the housing market when the quarterly figures to 30 June 2009 are reviewed. The Land Registry figures presented in table are compiled from all transactions and prices actually paid. Following this table, we can also look at some private sector estimates of the most recent trends. Nestoria – an independent company – reviews house prices based on a national sample of 800,000 transactions.

Table 6 - House price figures for the period April to June 2009

	Average price	Quarter	Annual	Number of sales
Suffolk Coastal	£219,127	0.60%	-8.40%	415
Babergh	£209,263	7.50%	-6.30%	245
Mid Suffolk	£197,683	1.50%	-6.20%	307
Ipswich	£130,174	-0.20%	-17.50%	365
Colchester	£179,406	-0.40%	-9.30%	496
Tendring	£158,434	4.00%	-17.70%	421

Source: Land Registry of England and Wales, Crown copyright



The Nestoria data is based on asking prices – not sold prices, but these are the current trends by district council. In **Suffolk Coastal**, there has been a month-on-month rise between August and September 2009 of between 1.8% and 3.4% for 2, 3 and 4 bedroom properties. Likewise, in **Babergh**, the rises have been between 4.2% and 2.4%, with the 2-bedroom properties rising proportionately more than the 4-bedroom ones. In **Colchester, Ipswich and Tendring** – between August and September 2009, the rises have generally been more modest – just above or below a 1% rise in price. (Noting that asking prices for 4-bedroom properties in Colchester have risen above 3 %.)

The one deviation from the general pattern has been in one-bedroom properties. In **every district council area**, the prices between August and September 2009 have moved down sharply. The most significant example is **Tendring** which saw a drop in excess of 11%.

Another indicator of stability is available from the shift in the number of mortgage possession orders made by the courts. The latest figures show a significant drop between the second quarter 2008 and second quarter 2009. North Essex residents, however, remaining more likely to receive possession order than Suffolk residents.

Table 7 - Mortgage Possession claims issued 2nd Quarter 2009

	2nd Quarter 2009	% Change in total since 2nd quarter 2008	Per 1,000 households
Essex	630	-35%	1.1
Colchester	85	-26%	1.2
Tendring	75	-39%	1.2
Suffolk	215	-33%	0.7
Babergh	20	-34%	0.5
Ipswich	55	-28%	1.0
Mid Suffolk	25	-34%	0.7
Suffolk Coastal	20	-54%	0.4
Total - Haven Gateway	280		

Source: Ministry of Justice – Crown Copyright

(Note from the Ministry of Justice: “The quarterly releases are released by the Ministry of Justice and produced in accordance with arrangements approved by the UK Statistics Authority. Note that the figures represent court actions for possession and not actual homes reposessed, as not all possession orders are enforced.”)



7. Insolvencies

McTear, Williams and Wood, Insolvency Practitioners, track the rate of company insolvencies in East Anglia. The company's latest statistics show that far fewer businesses were classified insolvent in the second quarter of 2009, compared with the first quarter. Unfortunately, the commentary attached to these figures was less hopeful. It suggested that insolvencies were a lagging economic indicator, and that more companies in East Anglia would file for insolvency later this year and early in 2010. One of the reasons is the limitation on deferral of tax payments to central government. The postponement process comes to an end soon, and where companies have not managed to improve their financial position making these payments may be terminal for the businesses.

Table 8 – Insolvencies

2008	Suffolk	N. Essex
Quarter 2	16	18
2009		
Quarter 1	34	33
Quarter 2	23	17

Source: McTear, Williams and Wood