



St Edmundsbury
BOROUGH COUNCIL

A472

Rural Area Working Party 21 January 2010

Economic Action Plan

Summary

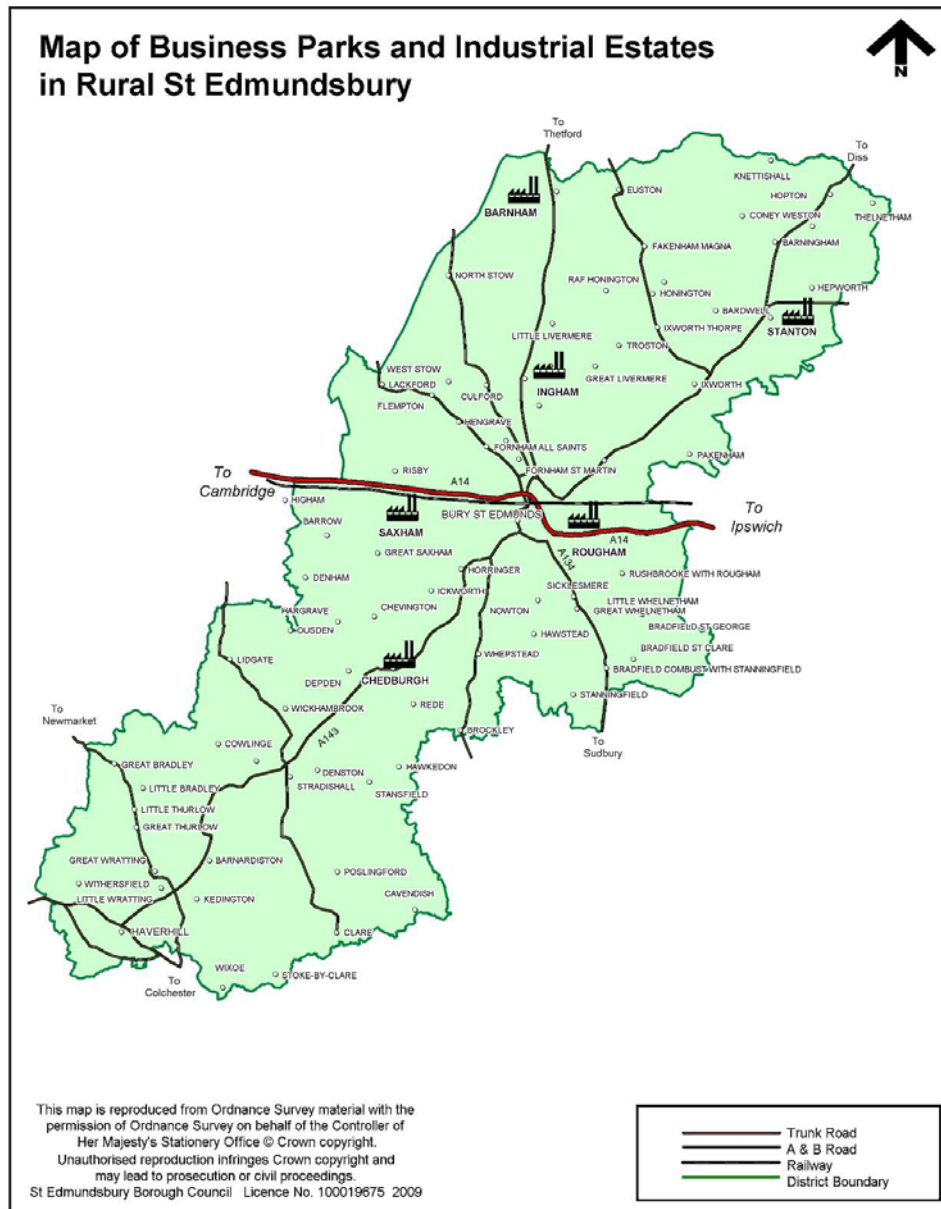
1. On 18 November 2009, the Overview and Scrutiny Committee endorsed a draft Economic Assessment for St Edmundsbury and on 13 January 2010 the Policy Development Committee endorsed a draft Economic Action Plan, which put forward proposals for what the Council can do to promote the economic prosperity of St Edmundsbury. Currently, both documents are the subject of consultation until the end of February 2010. It is proposed that the final Economic Assessment and Action Plan will go to the Policy Development Committee and Cabinet for approval in March 2010 in readiness for the actions to be implemented from the start of the new financial year.
2. In producing the Economic Assessment and Action Plan, the Council followed Government guidance which advises that assessments should be strongly place-based. The Assessment and Action Plan therefore have different sections for the Borough as a whole and for the two towns and the rural areas. The sections of the Economic Assessment and Action Plan dealing with the Rural Areas are attached as Appendices A and B to this report. In drawing up the proposals for the Action Plan, officers were careful to ensure that they included any proposals of economic relevance in existing Council documents, to ensure that all the Council's policy documents are complementary and compatible. Councillors may find, therefore, that many of the proposals in the Economic Action Plan are familiar from other policy documents, particularly the Rural Action Plan.
3. **Recommendation**

Using the attached information as a basis, members of the Rural Area Working Party are asked to comment on the rural proposals and make suggestions for what should go into the Economic Action Plan either at this meeting or by e-mailing economic.development@stedbc.gov.uk by the end of February.

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Draft Rural Areas Economic Assessment 2009

Extract from the draft St Edmundsbury Economic Assessment, November 2009



Key Findings

- ◆ 41.5% of St Edmundsbury's population live in its rural areas, more than double the proportion of the population that lives in a rural area nationally.
- ◆ The villages tend to be attractive and unspoilt but small.
- ◆ The largest employment sector is the public sector, a change from four years ago when it was manufacturing.
- ◆ The rural areas have probably been hit harder by the recession than the towns.
- ◆ There are six business parks in the rural area and some new rural business centres.
- ◆ Rural businesses want help with transport, procurement and planning regulations.

- ◆ The age profile of the rural areas is rather older than in the towns.
- ◆ Unemployment is lower than in the towns.
- ◆ Many villages have very poor access to services and little affordable housing.
- ◆ Government policy and the LDF have a new emphasis upon planning for rural economies.
- ◆ The LDF identifies some villages as key service centres and local service centres.

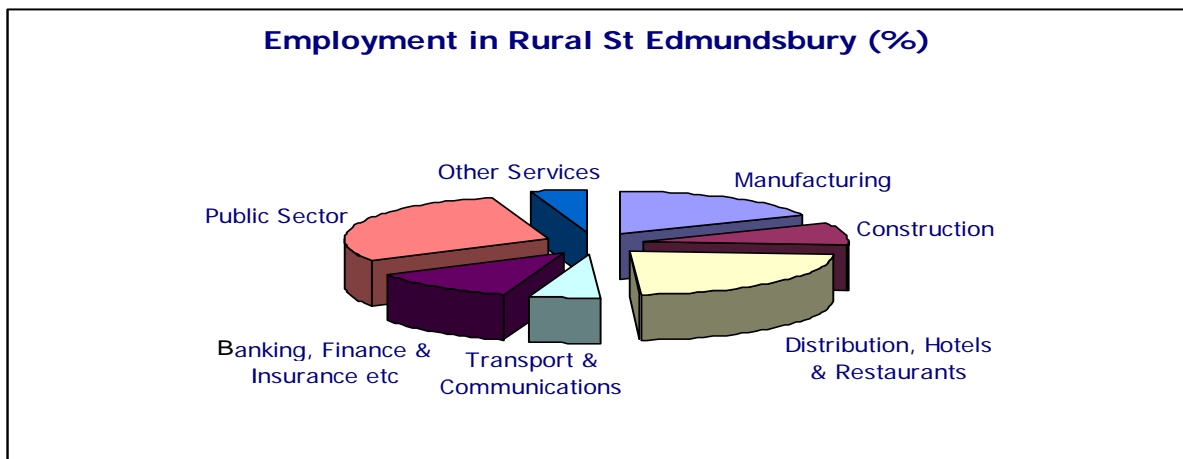
1 Economic Context

St Edmundsbury's rural areas are very attractive, with villages containing thatched and timber-framed cottages and ancient churches surrounded by unspoilt countryside: Clare and Cavendish are the two best known. Many of the villages are also very small and also rather isolated, however. The borough has adopted a Rural Action Plan which identifies actions contributing to the social, economic and environmental well-being of the rural areas.

2 Business and Enterprise

Structure of Local Economy

The largest rural employment sectors are public administration, education and health (28.1%) distribution, hotels and restaurants (22.5%) and manufacturing (17.1%). Large public sector employers include Suffolk County Council, which employs staff at rural schools, libraries and other facilities, and HMP Highpoint and Edmonds Hill in Stradishall. Large commercial employers in the rural areas include Vion meat processing in Great Wratting near Haverhill, Thomas Ridley and Co at Rougham, Excel Europ at Stanton and Morrison Utility Services in Risby (see Appendix).



Overall Economic Competitiveness of Area

The rural areas have probably been hit harder by the recession than the towns. In 2005, at the time of the council's last strategy, the largest rural employment sector was manufacturing, but there has been a considerable decrease since then and a corresponding increase in the public sector. In 2005, Grampian Country Pork was the one of the largest commercial employers in the borough, but it was taken over by Vion in 2008 and in January 2009 announced 300 redundancies.

Enterprise and Innovation

There are six business parks and industrial estates in the rural area, shown on the map above. Several are conversions of World War II military installations and retain some of the military architecture. Rougham and Saxham are both on the A14 close to Bury St Edmunds, so they are much more accessible and less rural than the others. If plans to extend Suffolk Business Park out eastwards along the A14 to Rougham are implemented, then eventually it will include the Rougham industrial estate. In 2008, Cheshire-based Gladman Developments created two warehouses on Saxham Business Park in a development worth £18 million and with the promise of 200 jobs, but in the current climate it is proving hard to let.

The *Employment Land Review* comments that the rural employment sites tend to be small and are often owner-occupied, self-contained sites of single use with poor access. There is no demand from large companies for these rural sites which will continue to be occupied by small low-cost businesses. However, some very successful new business centres have been set up in rural locations, often using converted farm buildings. Examples include Moseley's Farm, Fornham Business Court and Park Farm, all in the Fornham area close to Bury St Edmunds. The Clydesdale Bank was among the companies moving into Moseley's Farm, because the rise of internet banking meant that they could operate from a rural location. The most successful examples of rural business centres are all close to the A14 and it appears that rural business centres are less successful in more remote locations.

Business Needs

The main need expressed by rural business is for improved transport links. They also want the council to help with planning and procurement. In 2005, the lack of broadband coverage was considered to be a problem, but since then much effort has gone into ensuring good broadband coverage of St Edmundsbury and recent surveys of rural areas suggest that broadband coverage is better than used to be.

3 People and Communities

Labour Market

41.5% of St Edmundsbury's population live in its rural area, more than double the proportion of the population that lives in a rural area nationally. The population of the rural area increased by 3.2% between 1991 and 2001, less than the rate of increase in the towns, but nonetheless an increase, where the population of rural areas nationally is declining. The age profile of the rural areas is rather older than in the towns: 24% of the rural population is 65 or over compared with 17% in Haverhill. The unemployment rate in the rural area is lower than in the towns: 2% in September 2009. It reaches 4.1% in Clare but is under 3% in all the other rural wards of the borough. The incapacity benefit rate is 3.12%, again much lower than in the towns.

The proportion of people who work in the village where they live is lower than in either of the two towns (census). Many residents of the villages close to the two towns commute there for work. Norfolk attracts residents in the north of the borough, and Babergh attracts residents of villages in the south-east, such as Cavendish and Clare. Cambridgeshire attracts residents of villages which are close either to Haverhill or to the A14.

Skills

Over half of all rural school leavers enter sixth form, and over a third go on to some other form of higher education. In 2008, only 2.6% became 'NEET' (not in employment, education or training) well below the district rate.

Economic Inclusion

14 of the rural wards in the borough rank in the worst 10% nationally in terms of access to housing and services such as a shop or a post office. 74% of the borough's parishes do not have a food shop or general store and 73% do not have a post office, and this decline is expected to get worse. However 58% have a public house and 64% have a village hall or community centre. Most services are in the towns and public transport is infrequent, so reaching the towns is difficult for people without their own transport. There is little local employment in the rural areas and many people either commute to jobs elsewhere or are not economically active. House prices are high while incomes are comparatively low, so that low-income families cannot compete with affluent incomers, and there is a distinct lack of affordable housing in rural areas.

The 2007 indices of multiple deprivation indicated concerns about education and employment in Sapiston and Honington, employment and environment in Hawstead, Chedburgh, Rede, Whepstead and Chevington, and education and environment in Cowlinge, Little Bradley, Thurlow, Wrattling and Withersfield. A recent report on *Deprivation in Rural Suffolk* (OCSI, 2008) identified part of Barningham and Ampton and Timworth as being among the 10% most deprived output areas in Suffolk.

4 Sustainable Economic Growth

Environmental Sustainability

The Government's policy approach to the rural economy is part of a continuing focus which started with the *Rural White Paper* and subsequent publication of *Planning Policy Statement (PPS) 7 Sustainable Development in Rural Areas*, and included, in 2008, the review by Matthew Taylor MP of the *Rural Economy and Affordable Housing*. Rural policies have been re-examined and integrated to highlight the important contribution that rural areas make to the regional and national economy. Local planning authorities are expected to plan positively for a sustainable rural economy and to make use of the advances in technology to take into account different ways of working. St Edmundsbury's LDF puts forward proposals for encouraging sustainable employment development in rural areas, including proposals for home-based working, such as workspace extensions and live/work units. It also encourages the conversion or redevelopment of traditional rural buildings to create small local business parks or rural enterprise hubs.

Housing and Infrastructure

The LDF proposes that six larger villages should be 'Key Service Centres', and be the main focus for additional homes, jobs and community facilities outside the two towns. They are:

- ◆ Barrow: (pop. 1,530) close to Bury St Edmunds.
- ◆ Clare: (pop. 2,040) an attractive historic settlement with a good range of shops and services, including a library, sports grounds, allotments and open spaces.

- ◆ Ixworth: (pop. 2,020) on the A143 and with a middle and primary school, GPs' Surgery, a Library, Police and Fire Station, and range of other key services.
- ◆ Kedington: (pop. 1,760) very close to Haverhill and with good services including a primary school, library and range of local shops.
- ◆ Stanton: (pop.2,650) on the A143 with a large employment area, Shepherd's Grove and a good range of services, including GPs, primary and middle schools, a mobile library and sports facilities.
- ◆ Wickhambrook: (pop. 1,180) on the B1063 to Newmarket, midway between Bury St Edmunds and Haverhill, and with a primary school, GPs' surgery, social centre, sports and play facilities, a convenience store, post office and petrol station.

The LDF also proposes that some smaller villages with a few services and facilities, such as a shop and a school, should be 'Local Service Centres', namely:

- ◆ Bardwell: (pop. 571) with a post office, primary school, two pubs, a village hall, and some local employment.
- ◆ Barningham: (pop. 928) with a primary school, shop, pub and village hall, but without employment opportunities and public transport.
- ◆ Cavendish: (pop. 922) a significant tourism attraction and with a very good range of services including 3 pubs, a post office, village hall, school and shops.
- ◆ Chedburgh: (pop. 648) lacking services but located close to the A143 between Bury St Edmunds and Haverhill and with a good range of employment opportunities.
- ◆ Great Barton: (pop. 2,085) with limited employment but a very good range of services including a village hall, post office, five shops, two pubs, a school and petrol station.
- ◆ Great and Little Thurlow: (pop. 951) with a primary school, shop, village hall and pub, but very few local employment opportunities.
- ◆ Great and Little Whelnetham: (pop. 1,014) with a primary school, quite good services and employment opportunities.
- ◆ Hopton: (pop. 627) with a good range of services, including doctors and dentist.
- ◆ Hundon: (pop. 1,060) with few local employment opportunities, but with a primary school, community shop, two pubs and a community centre.
- ◆ Ingham: (pop. 419) very small but with a shop and post office and good level of local employment opportunities.
- ◆ Risby: (pop. 829) close to Bury St Edmunds but with few facilities.
- ◆ Rougham: (pop.158) close to Bury St Edmunds and the A14 and with a pub, village hall, shop, post office, and primary school and the local attraction Rougham Airfield.

Many of the rural roads are narrow and unsuitable for heavy goods vehicles. This is a particular problem on routes such as the A143 which is the main link between Haverhill and Bury St Edmunds and from Bury St Edmunds to Lowestoft and Great Yarmouth. The council's *Infrastructure & Environmental Capacity Appraisal* (2009) highlighted that, whilst the road network around both of the main towns is reasonable, new infrastructure will be required to develop more public transport routes and services and to promote the modal shift necessary to accommodate high levels of growth.

5 SWOT Analysis

Strengths	Weaknesses
Attractive, unspoilt character	Decline in agricultural employment
Land allocated for development	Little local employment in villages
Growth of rural business centres	Poor public transport
	Dormitory role of some villages
	Low provision of services
	Little affordable housing
Opportunities	Threats
IT and increased home working	Increasing petrol prices
Growth of rural tourism	Closure of village services
Opportunities for diversification	

Appendix 1: Largest Employers in the rural areas

Company Name	No. employees
Suffolk County Council	868
Highpoint Prison, Stradishall	470
Vion Food, Great Wratting, Haverhill, food processing	425
Culford School	250
Edmunds Hill Prison, Stradishall	235
Exel Europ Ltd, Stanton, industrial and scientific	155
Thomas Ridley & Son Ltd, Rougham	155
R A F Honington	105
Morrison Utility Services Ltd, Risby, electrical supplies	100

Appendix 2: Executive Summary of Business Survey

St Edmundsbury's Economic Development Services undertook a survey of 62 businesses in Autumn 2009. The key findings were:

About the Recession

- ◆ The majority of businesses are clearly finding the current economic conditions very hard.
- ◆ Certain sectors, such as manufacturing, construction, property and retail and anything connected to housing, have been hit particularly badly.
- ◆ The main problems are obtaining finance and customers buying less and paying later.
- ◆ Some firms are unaffected, and some have identified new opportunities.
- ◆ The main advantages are the opportunities for export offered by the low pound and the fact that it is easier to recruit and keep good staff.
- ◆ A third have reduced employee numbers, though most have only lost a few staff.
- ◆ Nearly half have changed their way of working. Most are working longer hours or being more cost-conscious or more pro-active or generally trying to do things better. Over half have changed their suppliers or markets mainly because suppliers or clients

have gone into administration or are economising. The recession has made companies look much more closely at what they are doing and tighten up their operations.

- ◆ The main effects of the recession on the local area are the rise in unemployment, business closures and redundancies, lack of business confidence, job insecurity, less disposable income and an increase in vacant shops and business premises, but this area has fared better than many and business confidence has improved recently.
- ◆ The arc development has pulled people into Bury St Edmunds and helped retailers.

About the Local Area

- ◆ Bury St Edmunds businesses saw the town's main advantages as its central location, good road networks and excellent quality of life. Haverhill businesses identified proximity to the M11, Stansted and Cambridge, the pleasant environment, friendly people and low costs. Rural businesses identified central location, communications and quality of life.
- ◆ Bury St Edmunds businesses identified the main disadvantages of the town as high rents and rates and poor transport connections, especially the A14. Haverhill businesses saw the main disadvantage of the town as the absence of a railway and poor road links. Rural businesses saw access as the main disadvantage of their location.
- ◆ Two thirds of respondents were able to get employees with the right skills locally.
- ◆ In general, businesses thought the services provided by the borough council were good. They want the council to listen to businesses and work with the private sector.
- ◆ Businesses want the council to reduce the cost of services, help with rates, improve transport and parking, improve town centres and help with planning and procurement.

About the Future

- ◆ To ensure that they are well placed to come out of the recession, businesses are trying to cut costs, improve the service they offer and market themselves better. Other priorities are cash flow, cost control, increasing profit and market share, finding new customers and generating new sales and orders.
- ◆ Many businesses are focussed on the need to survive but some are being more proactive and are trying to grow, develop new products and invest in new facilities.
- ◆ Most businesses are trying to make their businesses more low-carbon, with a wide variety of initiatives including recycling, reducing energy use and travel initiatives.

Draft St Edmundsbury Economic Action Plan for Rural Areas

Extract from the draft St Edmundsbury Economic Action Plan, January 2010

Aim: To develop the economic self-sufficiency of the rural areas

Objectives

- ◆ Encourage the development of rural businesses
- ◆ Improve access to and use of new technology and digital services
- ◆ Support rural services

Action Plan

	WHAT	WHEN	WHO: SEBC and
1	Lobby SCC to improve rural transport	Continuous	SCC, parish and community councils
2	Build more affordable housing in rural areas	Continuous	Registered social landlords, Suffolk ACRE, landowners, parish and community councils
3	Support development of key and local service centres for services and employment	Continuous	SCC, parish and community councils
4	Encourage farm diversification	Continuous	NFU, CLA, landowners, parish and community councils
5	Protect community facilities and support new ones	Continuous	Suffolk ACRE, SCC, parish and community councils
6	Encourage development of new tourist facilities and accommodation	Continuous	Suffolk Tourist Partnership
7	Encouraging flexible working and better use of technology	Continuous	EEDA, Business Link, Green Business Forum
8	Encourage the development of rural business centres	Continuous	Landowners, SCC
9	Encourage village halls to generate more business	Continuous	Parish and community councils
10	Develop rural tourism tours and events	Continuous	STP, attraction owners, business owners
11	Offer grants and advice to shops, post offices and pubs serving isolated rural communities	Continuous	SCC, Plunkett Foundation, Rural Shops Alliance, Suffolk ACRE, other local authorities
12	Ensure that rural businesses claim their maximum rate relief entitlement	Continuous	Rural businesses