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ECONOMIC EVIDENCE BASE (v2)

**BABERGH & MID SUFFOLK
DISTRICT COUNCILS**



Economic Development and Regeneration Team
First update due Spring / Summer 2022

Executive Summary

This Evidence Base has been prepared with the purpose of providing a comprehensive overview of the current economic climate of Babergh and Mid Suffolk to create a base line data set to help inform the new Economic Strategy. It is important to highlight that this report has been prepared at a time of great economic uncertainty as a result of the COVID-19 crisis and is designed to be updated on a regular basis as new and revised data becomes available. As a result, caution should be taken over the data presented in this report.

The key findings are as follows:

Although the full extent is yet to be quantified, there is no denying that the COVID-19 pandemic will have a lasting impact on the global economy. At the Autumn Budget and Spending Review on 27th October 2021, Chancellor of the Exchequer, Rishi Sunak called it the *“worst economic shock we’ve ever seen”*.

In both Babergh and Mid Suffolk one of most obvious indicators of the impact is the increase of Universal Credit (UC) Claimants, as at May 2021 those claiming UC had increased by 98.59% in Babergh and 103.49% in Mid Suffolk since the beginning of the crisis (March 2020).

However, it is encouraging to note that by October 2021 these figures had decreased to an increase of 89.4% in Babergh (-9.19%) and 89.8% (-13.69%) in Mid Suffolk.

The most affected are residents aged between 16-24, this age group saw the steepest rise in claimants between March 2020 and April 2020. Within Babergh claimant numbers in this age group increased from 485 to 953, these increases amount to 196%. In Mid Suffolk total claimant numbers increased from 452 to 947, an increase of 210%, the two highest increases within Suffolk.

However, as we begin to move forward, with furlough schemes being withdrawn and restrictions easing there has been a marked reduction in residents in this age group in both districts claiming Universal Credit. As at October 2021 claimant count in BDC has dropped by 157 and in Mid Suffolk a reduction of 151 has been seen.

In an age group that is likely to have also had their access to education compromised over the course of the past two academic years, it is key to develop initiatives to assist our young people, in particular their access to skills and employment with the utmost importance within the develop of our future Economic Strategy.

The UK Government has provided several financial schemes and incentives to help businesses throughout the pandemic including the furlough scheme and various COVID-19 Business Support Grants administered by local authorities. Businesses grants dispersed by BMSDC to date has reached in excess of £42.7m (BDC) and £37.4m (MSDC). There is no doubt these schemes have been the lifeline of a number of businesses since March 2020, however once all financial assistance is withdrawn it will likely provide a fuller picture of the true impact of the pandemic on our businesses and residents. Findings from the Suffolk Annual Business Survey 2021 highlighted that responding businesses in both Babergh and Mid Suffolk see the most important thing public sector authorities can do over the next 12 months to support businesses is ‘Support with securing finance, funding and grants’. This clearly demonstrates the need for continued financial support to be offered to our businesses and should be taken in to account when reviewing future strategies, however it could also be cause for concern that businesses have become too heavily reliant on financial assistance.

The impact since March 2020 on several sectors including Retail, Hospitality & Leisure and the Transport & Logistics sector has been heavily publicised in the press over the course of the pandemic. True to UK trends, data regarding the Retail, Hospitality and Leisure industry in both districts shows that our businesses have been significantly impacted by lockdowns and social

distancing restrictions with businesses in these districts making up many of the applicants to the various COVID business support grants administered by the districts. To limit adverse effects on these businesses it is important to ensure we continue to offer them support where possible and ensure that if any future restrictions are imposed these sectors are supported in any future grant and business support schemes.

In the recent Suffolk Annual Business Survey (2021) 54% of respondents in Babergh and 50% in Mid Suffolk reported having experiences supply chain issues over the past 12 months, evidence that the national shortage of HGV drivers is affecting our districts. Support for this sector also needs to be considered as a priority for BMSDC, not only due to the wider impact delays and shortages are having on all sectors within the area, but also due to the proximity of the districts to a number of key economic assets for UK Exports including the Port of Ipswich (UK's biggest grain export port) and the Port of Felixstowe (the UK's largest container port).

A number of the traditional economic indicators detailed in this report are from pre-pandemic data sets and therefore show a confident baseline for the pre-covid economic climate within the districts. Where updated data sets have been released to support 2020/2021 key comparisons have been highlighted. The highlight baseline data shows that the local population in both districts has traditionally seen steady increases in residents since 2013 with Babergh's total population increasing by 4,031 (5%) and Mid Suffolk by 6,426 (6%). Historically both districts have an aging population as this trend currently looks set to continue with Office for National Statistics data from mid-2019 showing the "Median age of usual residents" for the districts is about 7.5 years of age higher than the average for England of 40.0. The State of Suffolk Report 2019 'Suffolk 20+' project that by 2039 1 in 3 people in Suffolk will be aged 65 and over.

The number of economically active residents in both districts, collated from data as at December 2020 (and highlighted in the previous version of the Economic Evidence Base) reported Babergh had 44,700 economically active residents, which accounted for 80.5% of the population, which was in line with the average for the East and Great Britain at the time. Mid Suffolk had 51,700 economically active residents, which accounted for 80.4% of the population, which was just above the average for Suffolk and England.

Updated data from June 2021 reports a reduction of those classified as economically active of 4,300 individuals in Babergh and a reduction of 4,200 in Mid Suffolk equating to 78.4% of total residents in both districts. Although this has reduced in the past 6 months it is still above the average for Suffolk and England.

The average pay (both weekly and hourly) in Babergh and Mid Suffolk remains below the average for the UK, but more significantly below the average for the East. However from April 2020 to April 2021 ONS reported the highest level of growth in median weekly pay figures for full-time employees since 2008. The average increase in the UK was 4.3% however both districts have seen higher than average increases with a weekly median increase of £41 (8.3%) for Babergh and £86 (16.8%) for Mid Suffolk. This is really encouraging evidence of growth within BMSDC for our residents, but it is important to focus on ways to continue to reduce this gap further.

When reviewing sector specific changes in the districts it is encouraging to see that over both districts a total of 127 additional business have been recorded from 2020 to 2021 with significant positive movement being seen within the Construction and Wholesale sectors in particular. However, when analysing the impact on employee head count a significant decrease of total employee numbers throughout all sectors (-1691) is reported in Babergh, with the Education, Health & Care and Manufacturing sectors most affected.

Job postings throughout 2021 in a majority of sectors in both districts have seen records highs which

supports trends throughout the UK and could be seen as evidence to support that the economy is beginning to recover from the impacts of the pandemic. In September 2021 job postings in Babergh were 68% higher than at January 2020, and in Mid Suffolk this figure was 196%.

However, as heavily reported in national news, there is concern that the large volumes of vacancies currently being advertised are highlighting significant skills shortfalls throughout the country. Within Suffolk the occupation groups that have been identified as hard-to-fill include Health and Social Care related occupations, sales occupations, STEM related occupations and skilled metal, electrical and electronic trades.

It is important not to focus entirely on the negative impacts associated with the coronavirus pandemic and take the opportunity to shine a spotlight on the exciting Inward Investment opportunities currently in the pipeline for both areas, most notably Gateway 14/Freeport East which anticipates creating approximately 1,000,000 sq. foot of business units and around 3000 jobs in the area and the Valley Ridge development which is estimated to create approximately 2000 jobs, mainly in the retail, hospitality and leisure sector. Both projects, once completed are expected to have substantial positive implications to the economy of both districts and the wider region.

The districts are also impeccably placed to benefit from the East of England's a well-established reputation for attracting Innovation, there are a number of established clusters that are continuing to attract innovative business in a number of sectors throughout both districts and the wider East of England area including Norwich Research Park, Adastral Park and Cambridge Science Park. With supporting innovation key on the government's and BMSDC's agendas, it is clear to see that 'innovation' whether via business support, inward investment opportunities or skills development needs to be a key priority as part of the new Economic Strategy to use our past successes to springboard continued growth in this area in the future.

Due to the continued climate of economic uncertainty at the time of writing, it is anticipated that this Economic Evidence Base will be revised regularly and key comparisons and changes to information highlighted to the organisation. The first update of this document is due to be completed in Spring / Summer 2022 when it is anticipated new and revised data sources providing an updated view of the economy will be publicly available at this point, as well as full supporting strategies and papers detailing the [HM Treasury's Build Back Better](#) vision (Levelling-up, Global Britain and Net-Zero) which will dictate the governments objectives for the future growth of the UK, and ultimately what and how funding is allocated to local authorities. It is therefore essential that our new Economic Strategy meets the priorities detailed in available literature around this including infrastructure, skills and innovation.

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Introduction

This evidence base is designed to highlight the current economic situation in the Babergh (BDC) and Mid Suffolk (MSDC) districts by summarising existing research and identifying current trends and potential areas of importance for the future. This document will feed into the BMS wider Economic Strategy and will be used to support funding applications and promote economic development across the districts.

Methodology & Limitations

This report was developed using desk-based methodology and secondary data. We have analysed and summarised existing research data from sources including the Office for National Statistics (ONS), Suffolk Office of Data and Analytics (SODA) and published academic works, as well as current and planned local government policy documents.

Where readily available the evidence base will reflect data at a tier 2 local authority level but geographics granularity may go up to national level.

We will aim to use the most up to date data available however this varies considerably depending on the dataset in question – e.g., some datasets still haven’t been updated since 2015-16 – and we will review these datasets to assess whether they are worthy of inclusion. Much of the data still only reflects conditions in 2018/19.

Not all the important aspects for consideration and analysis have a quantitative dataset readily available to shed light on trends and patterns. Therefore, we will supplement selective segments of the evidence base with qualitative evidence, typically with brief inserts of ‘local insight’ to provide more depth and highlight key areas that warrant attention.

Current Landscape – COVID Focus

Within this section we aim to give a snapshot of the impact of the pandemic on the districts as of August 2021. It needs to be highlighted that the full economic impact of the pandemic is yet to be evidenced by the way of updates to more traditional data commissioned by ONS etc. The evidence base will be updated as and when more quantitative data is available to support the longer-term impacts and outcomes of the pandemic over the course of the next 6-18 months.

A majority of the quantitative data analysed in this section has been taken from the [Suffolk CoronaWatch](#) and the [Impact & Recovery SODA Dashboard](#) dashboards which are managed by SODA and continuously updated with most up to date statistics when available.

Health Impact

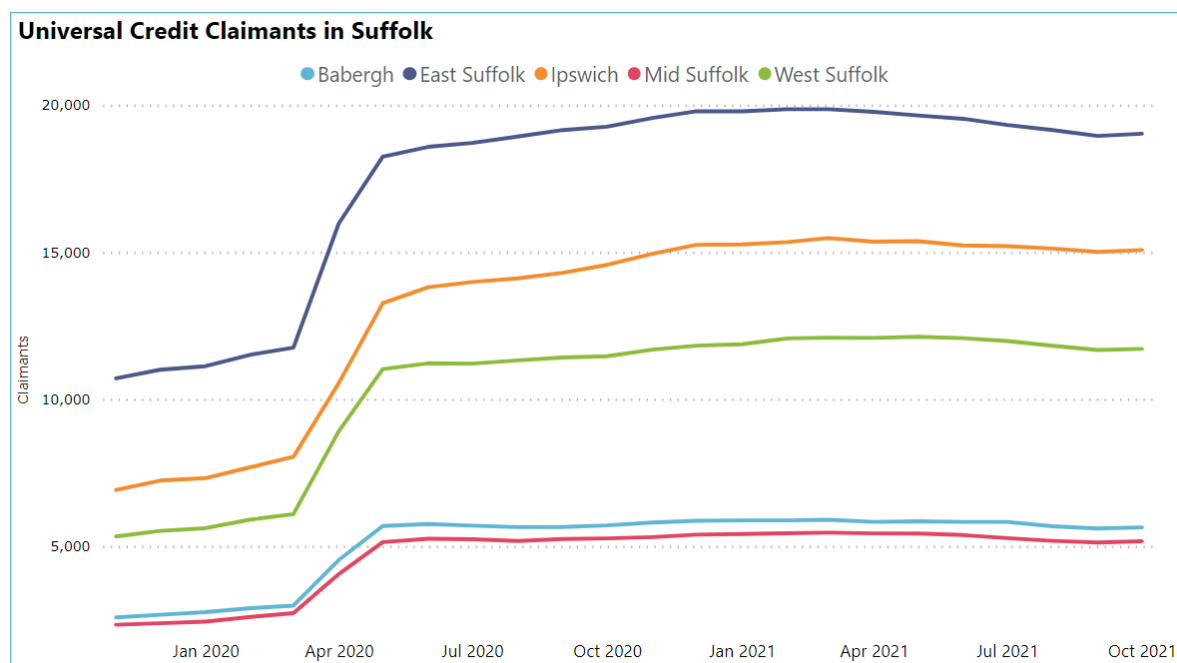
As of 2nd December 2021, the total confirmed cases of Coronavirus infections since records began in March 2020 within Babergh was 10,027 and 10,280 for Mid Suffolk. In actual numbers both districts have had the lowest level of cases throughout Suffolk however they are also the least populated areas of the county.

As of 12th November 2021 confirmed deaths are also within the lowest in Suffolk, with the exception of West Suffolk. Confirmed COVID-19 related deaths were at 249 for Babergh and 223 for Mid Suffolk, however the low figures are somewhat misleading as Babergh's Death rate per 100,000 is currently the second highest within the 5 local authority areas within Suffolk. It could be argued this is due to Babergh's aging demographic, with a significant number of deaths being recorded within Care homes (37.75%) which is over 10% above other local authorities within Suffolk.

Employment Impact

The pandemic has had a severe impact on employment within the district which can be seen via the increase in universal credit claimants. Between March 2020 and May 2021, the total claimants increased by 2944, an increase of 98.59% in Babergh and 2,788, an increase of 103.49% in Mid Suffolk. However by October 2021 both districts saw significant drops in claimant counts, to an increase of 89.4% in Babergh (-9.19%) and 89.8% (-13.69%) in Mid Suffolk. Considering the changes to available government support during this time, most notably with the ending of the furlough scheme, these reductions are reassuring.

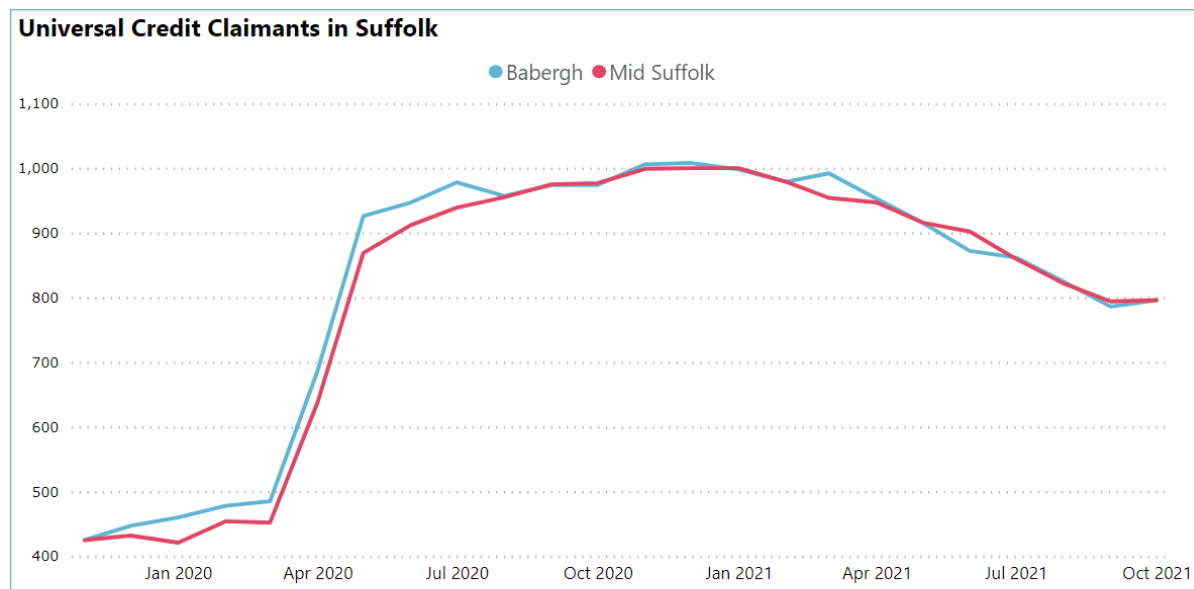
In real terms the number of claimants in both districts is the lowest within Suffolk however this is due to population size. As at May 2021 Mid Suffolk had seen the largest increase in claimants throughout Suffolk and Babergh the third highest increase, however by October 2021 Mid Suffolk had dropped behind West Suffolk which extremely encouraging.



Data Source: People on Universal Credit, Department of Work and Pensions

Those most affected are residents aged between 16-24, this age group saw the steepest rise in claimants between March 2020 and April 2020. Within Babergh claimant numbers in this age group increased from 485 to 953, this increase amounts to 196%. In Mid Suffolk total claimant numbers increased from 452 to 947, an increase of 210%, the two highest increases within Suffolk.

As shown in the chart below, with the easing of restrictions since April 2021, a reduction in residents aged 16-24 claiming UC has seen a substantial reduction. At it's peak in December 2020, there were 1008 claimants in BDC and 1000 in MSDC. By October 2021 this has reduced to 796 for both districts, which is an overall reduction of just over 20% for both districts.



Data Source: People on Universal Credit, Department of Work and Pensions

Data from 2018/2019 from the Department of Work and Pensions & HMRC shows that Children in Relative Low-Income Families increased from the previous year in Babergh from 2507 to 2595 households and decreased by one household within Mid Suffolk (2492 to 2491). It is likely that these figures will increase quite substantially when data is released for 2019/2020.

There has always been a focus on supporting young people in the districts and it will be particularly important in future throughout our emerging Economic Strategy and Recovery Plans to focus as much support on this age group as possible to help them recover and thrive. As highlighted later in the document, there is further information to support the impact that the pandemic has had on young people throughout the UK, not only has their education be impacted for the past two academic years, but they are also most likely to be employed in sectors that have also been most heavily impacted since March 2020, in particular Retail, Hospitality and Leisure.

Population profiles from ONS (January 2019 – December 2019) show that prior to the onset of the pandemic 39.6% of residents in employment in Babergh were classified as key workers (15,000) and 32.3% in Mid Suffolk (16,000), these figures are relatively encouraging under the assumption that key workers are unlikely to have had their means of employment affected over the course of the pandemic however this could also lead to lower levels of wellbeing and higher mental health concerns of our residents due to the pressures associated with being a key worker since March 2020.

Data from 2020 (Business Demography, UK, ONS) shows that in general the number of Business Births within the districts has been trending upwards over the past few years with a net increase in new enterprises within Babergh of +15 and Mid Suffolk of +45 for the year 2019-2020. It will be

interesting to see whether this trend has continued over the next 18-24 months. On one hand there are suggestions that the pandemic has caused an increase in entrepreneurship and self-employment, however there is also concern among economists that financial support offered by the government throughout the pandemic is masking several non-viable businesses.

Direct support offered to businesses within the districts by way of Local Authority administered Business Support Grants has reached in excess of £42.7m (BDC) and £37.4m (MSDC). Now financial aid including the furlough scheme (which ended on 30th September 2021) and SEISS is withdrawn the full extent of the impact on businesses and unemployment will begin to be seen in the coming months. It is anticipated to be a pivotal moment for data to show the real economic impact of the pandemic in terms of job losses etc. The additional £20 per week top-up of Universal Credit payments was also cut from October 2021 which will have affected the financial security of many of our residents as highlighted by the Universal Credit Claimants data and is likely to have a knock-on effect on our local businesses as less money is available to be spent throughout the districts.

Up until the full withdrawal of the scheme at the end of the September 2021, changes had already been implemented to the furlough scheme since the start of the pandemic with the government paying 60%, rather than the initial 80% of employee salaries. Data at 14th October 2021 (*all information is currently provisional due to ending of the scheme*) from HMRC shows the cumulative figures for employees on furlough supported by the Coronavirus Job Retention Scheme (CJRS) was 15,000 in Babergh and 16,600 in Mid Suffolk.

As at the end of May 2021 gender splits of the take up rate of the CJRS extension in both districts are in line with the averages for Suffolk (7%) with overall take up 7% for BDC and 6% for MSDC which is encouraging.

The table below shows total employments on furlough based on sector who made claims to the CJRS as at 14th June 2021.

Region/County and district / unitary authority	Agriculture, forestry and fishing, Mining and quarrying, Energy production and supply & Water supply, sewerage and waste	Manufacturing	Construction	Wholesale and retail; repair of motor vehicles	Transport and storage	Accommodation and food services	Information and communication, Financial and insurance & Real estate	Professional, scientific and technical	Administrative and support services	Education	Health and social work	Arts, entertainment and recreation	Other service activities	Public administration and defence; social security, Households & Other
England	14,330	161,240	115,600	276,270	118,390	481,000	119,710	154,580	190,690	51,710	64,660	117,660	82,770	14,480
Suffolk County	330	1,980	1,150	3,370	1,130	5,260	1,160	1,440	1,940	510	720	1,640	900	220
Babergh	60	240	130	400	130	530	140	200	230	70	80	210	90	40
East Suffolk	140	530	390	990	340	2,160	350	450	550	190	250	520	230	50
Ipswich	30	530	180	630	240	1,050	220	220	490	70	140	310	200	30
Mid Suffolk	40	230	180	470	150	390	150	230	240	70	80	250	150	20
West Suffolk	70	450	280	880	260	1,140	310	340	430	110	160	340	240	80

As expected, the sectors claiming the highest volume under the CJRS within both districts at this point in time was 'Wholesale and retail' and 'Accommodation and food services'. With so much evidence clearly highlighting the impact that the pandemic has had on these sectors it will be especially important going forward to ensure our Recovery Plan and Economic Strategy focuses as much support as possible on helping businesses and residents employed within these sectors recover.

Provisional figures released by [HMRC and ONS](#) on 4th November 2021 to support the end of the CJRS scheme statistics, alongside the previously detailed DWP UC Claimants information are encouraging. At the end of the scheme (30th September 2021) 1,100 individuals in BDC (500 males and 600 females), and 1300 in MSDC (600 males and 700 females) were still recorded as being in claim of CJRS. Using the totals from the table above, this is a reduction of 44% in Babergh and 47.5% in Mid Suffolk since 14th June 2021.

The table below is the updated total employments on furlough based on sector as at 30th September 2021:

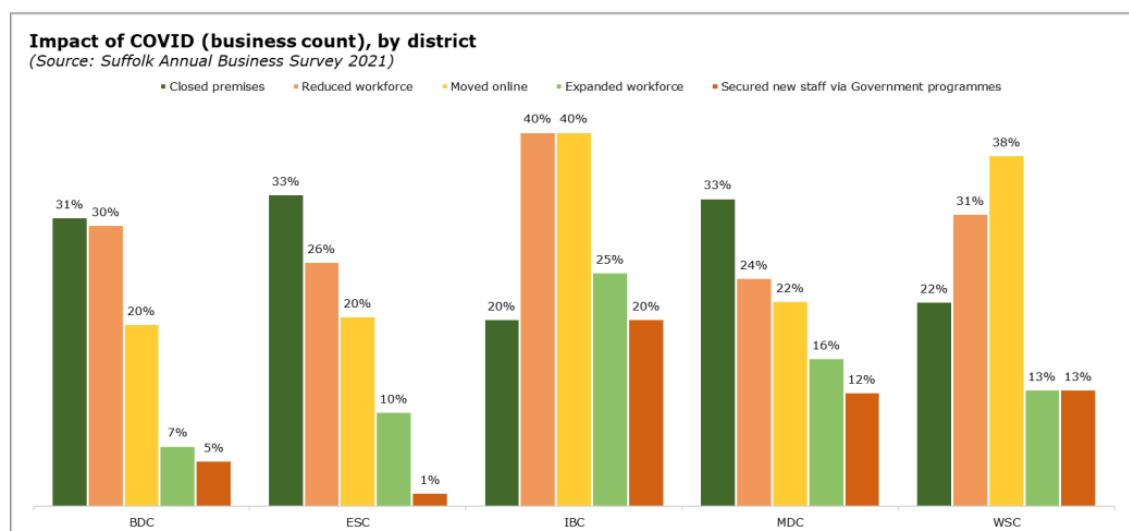
Region/County and district / unitary authority	Manufacturing	Construction	Wholesale and retail; repair of motor vehicles	Transportation and storage	Accommodation and food services	Information and communication, Financial and insurance & Real estate	Professional, scientific and technical	Administrative and support services	Health and social work	Arts, entertainment and recreation	Other service activities	Other
Suffolk County	1,090	790	1,900	840	1,300	690	1,070	1,160	380	620	500	660
Babergh	140	100	220	110	150	100	170	140	30	70	50	90
East Suffolk	310	260	480	250	430	220	330	320	150	210	110	220
Ipswich	190	130	380	200	290	100	150	300	60	100	100	70
Mid Suffolk	120	110	300	90	120	90	170	140	30	140	100	110
West Suffolk	320	190	520	200	310	180	250	260	100	110	140	180

Since the June dataset there has been a slight change to the sector categories with Agriculture etc and Education now appearing to be classified under 'other'. The changes highlighted in these two tables show significant decreases in all sectors, especially the previously most affected sectors of 'Wholesale and retail' and 'Accommodation and food services'. Although both sectors still have some of the highest actual figures the reductions indicate that in the past 3 months these sectors have begun to recover.

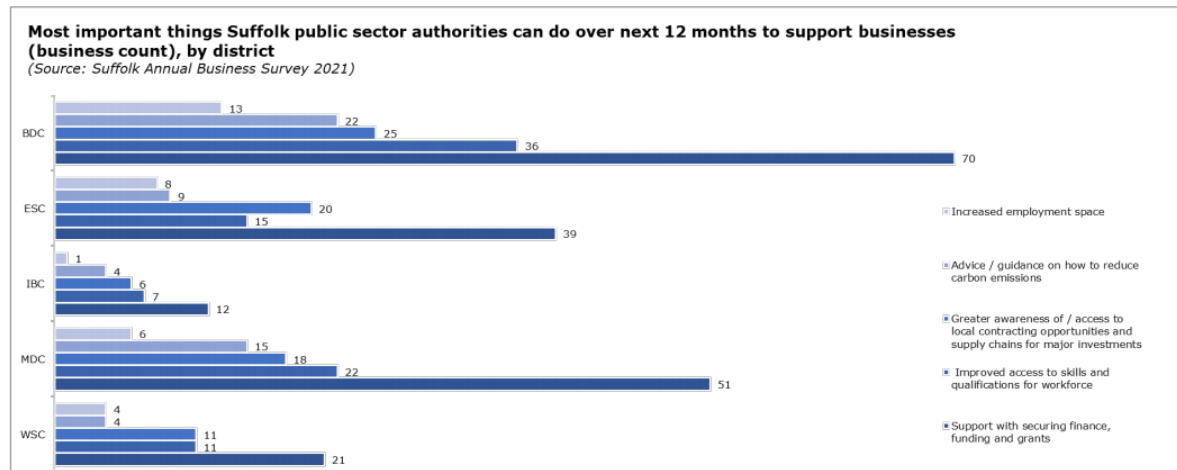
A [UK wide survey of businesses conducted by ONS](#) highlighted that one in six businesses reported having had employees on furlough at the end of the Coronavirus Job Retention Scheme. In late October 2021, 16% of businesses not permanently stopped trading were reported to have had employees on furlough at the end of the CJRS. Following the end of the CJRS, those 16% of businesses were asked, approximately what proportion of those furloughed employees had:

- been made permanently redundant – 3%
- returned to work on increased hours – 6%
- returned to work on the same number of hours – 65%
- returned to work on reduced hours – 16%
- voluntarily left their role – 3%
- other – 8%

A recent survey (June 2021) of businesses within Suffolk lead by Suffolk Growth and SODA highlights that the main impacts of the pandemic to respondents within both districts were that they 'closed premises' and 'reduced workforce', further supporting the need to support our businesses to grow, retain and increase their workforce and reduce overall levels of unemployment throughout the districts.



Findings from the same survey highlighted that responding businesses in both Babergh and Mid Suffolk see the most important thing public sector authorities can do over the next 12 months to support businesses is 'Support with securing finance, funding and grants'. To-date direct financial support by way of the COVID business support grants from government has been fully allocated by BMSDC and we are unaware of any additional funding becoming available in the future. With this in mind it will be important to ensure we are aware of funding options available to our businesses by other organisations and communicate this effectively and efficiently with our businesses.



The launch of our own business grants programme aimed at increasing innovation, productivity and environmental sustainability in September 2021 directly meets the requirements of our businesses as identified in this survey.

Figure 8: Weekly full-time earnings in most industries increased in April 2021 compared with April 2020

Growth in gross weekly full-time earnings by industry for 2019 to 2020 and 2020 to 2021, UK



Provisional data from the 2021 ONS – Annual Survey of Hours and Earnings (ASHE) suggests that nearly all of the occupation groups saw an increase in full-time gross weekly pay between 2020 and 2021. The lower paid occupations saw the largest increases, including elementary occupations, and process, plant and machine operatives. The higher paid occupations such as managers, directors and senior officials, and professional occupations, have seen the smallest increases. The lower paid occupations have been most affected during the coronavirus pandemic in 2020. The chart adjacent shows the increase in full-time gross weekly pay between 2020 and 2021 (4.3%) has been driven by a number of industries, such as construction (increased 16.8%) and manufacturing (8.3%). Construction saw those on furlough with a reduction in pay decrease from 27% in 2020 to 5% in 2021, whereas accommodation and food still saw the highest level

of furlough, with loss of pay at 45% in 2021 and a weekly pay increase of 4.6% in 2021, compared with 2020.

It is reassuring to see wages increasing, however as regularly highlighted in the press currently, most wage increases seen over the past 12-18 months are still below the level of inflation and cost of living with many finding themselves worse off. With heavily publicised cost of living increases including fuel price rises for both vehicles and homes, and increasing inflation there is widespread discontent around the UK around cost of living wage adjustments etc.

Although it is important to ensure our residents do not find themselves worse off, and the economic benefits are vast to support increased wages as the backbone for the UK's Economic Recovery, it is also important to consider the impact these increased costs will have on our local businesses. With almost 98% of businesses in Mid Suffolk and 96% of businesses in Babergh classified as small and micro businesses many will likely not be able to afford to pay their staff higher salaries alongside all the other financial pressures they are experiencing.

Job Vacancies

Discussed in further detail in the sector analysis section of this Evidence Base, job vacancies have become a hot topic throughout 2021 as a number of factors including the pandemic and Brexit

converge to create record numbers of vacancies throughout the UK. Recent [reports from ONS](#) show that in August to October 2021 all industry sectors were above their January to March 2020 pre-coronavirus pandemic levels, with accommodation and food service activities increasing the most by 66,500 (79%).

Job postings data from [Emsi](#) detailed below shows the percentage increase in job postings advertised in both districts for each sector from January 2020 compared to September 2021:

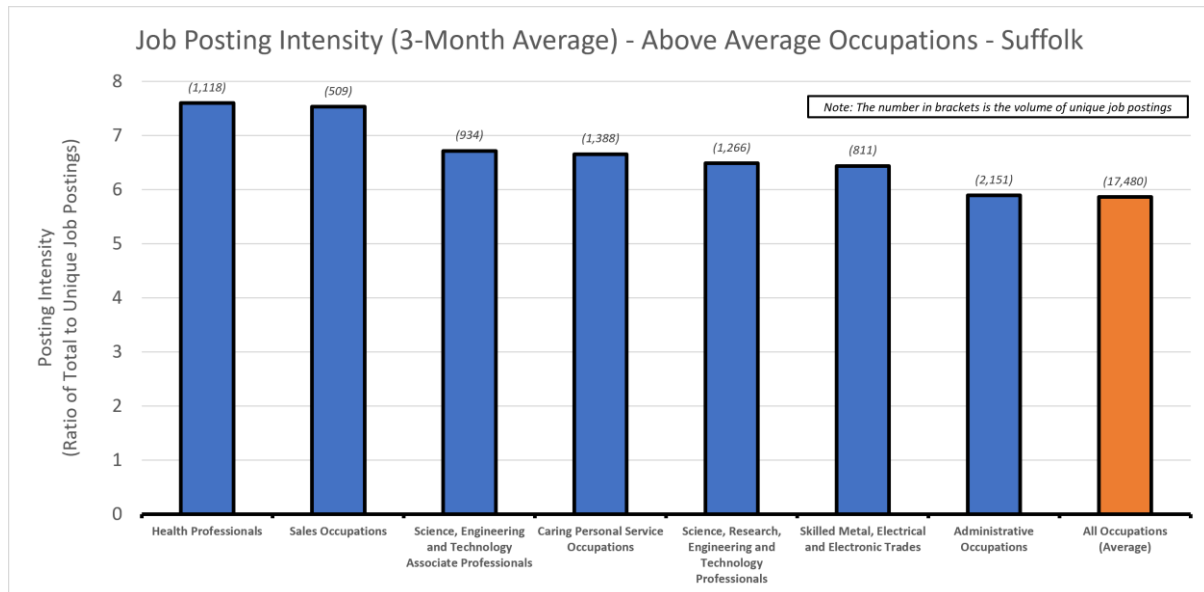
Sector	Babergh			Mid Suffolk		
	Jan-20	Sep-21	% change	Jan-20	Sep-21	% change
Accommodation & Food	91	133	46.15%	47	119	153.19%
Administrative & Support	51	96	88.24%	60	196	226.67%
Agriculture, Forestry & Fishing	9	18	100.00%	13	54	315.38%
Arts, Entertainment & Rec.	19	34	78.95%	21	58	176.19%
Construction	42	83	97.62%	140	593	323.57%
Education	103	145	40.78%	116	215	85.34%
Electricity, Gas, Steam & AC	N/A	N/A	N/A	3	10	233.33%
Financial & Insurance	9	21	133.33%	14	76	442.86%
Human Health & Social Work	197	273	38.58%	290	519	78.97%
Information & Communication	21	57	171.43%	28	122	335.71%
Manufacturing	166	256	54.22%	142	466	228.17%
Mining & Quarrying	N/A	N/A	N/A	0	1	N/A
Other	10	17	70.00%	16	48	200.00%
Prof., Scientific & Technical	73	146	100.00%	81	423	422.22%
Public Administration & Defence	4	9	125.00%	28	97	246.43%
Real Estate	13	23	76.92%	13	51	292.31%
Transportation & Storage	21	34	61.90%	71	191	169.01%
Water Supply	7	14	100.00%	10	33	230.00%
Wholesale & Retail	151	305	101.99%	153	421	175.16%
Visitor Economy	71	85	19.72%	38	92	142.11%
All Sectors	987	1664	68.59%	1246	3693	196.39%

It has been reported in the news that a number of sectors are finding it hard to fill vacancies, including the health and social care sector, transport and logistics, and retail and hospitality. [Recent research](#) suggests that “16 per cent of all job postings on job site Indeed fall into the ‘hard to fill’ category, meaning they have stayed on the website for over two months” and that the hardest jobs to fill in the UK are Veterinary surgeons, senior auditors and HGV technicians.

New Anglia Local Enterprise Partnership have reviewed what the ‘hard-to-fill’ vacancies look like for Suffolk. The metric typically used to gauge if an occupation is hard-to-fill is the job postings intensity value. “Posting Intensity” is the ratio of total to unique (deduplicated) job postings. An above average posting intensity provides a rough indication that employers are putting more effort than normal into hiring that position, as the job posting is being found on an increasing number of job postings websites.

From this, there are a few different occupation groups coming up as being hard-to-fill in Suffolk:

- Health and Social Care related occupations
- Sales Occupations
- STEM related occupations
- Skilled Metal, Electrical and Electronic Trades



Other Implications

Since March 2020 the pandemic has not only had a global impact on the health and employment of many but has also affected the way we work and live.

Since the UK Government's announcement in March 2020 to enter a national lockdown, unprecedented numbers of UK businesses and employees have, or continue to be, working from home with many suggesting that the benefits of working from home outweigh the requirements to return to the office. It is argued there is now an opportunity to completely change the landscape of the working world. Many large companies have already confirmed a full time return to the office will not happen including Capita, Bank of England, Lloyds Bank, KMPG, Aviva and JP Morgan.

A paper published by Nesta in March 2021 entitled [‘How COVID-19 might affect the UK's economic geography’](#) makes some interesting points around the impact that the pandemic has had on UK working patterns, it explores the circumstances in which the rise of remote working might contribute to a change in the UK's economic geography, specifically a rebalancing of wealth and opportunity away from London and the South East, suggesting that although effective vaccines might mean a return to normal, general working from home trends are likely to continue. If this is the case it will have a long-term impact on the retail and hospitality businesses who rely on trade from office workers.

The main towns within Babergh and Mid Suffolk (Hadleigh, Sudbury, Needham Market, Stowmarket and Eye) are unlikely to be hit as hard as larger towns and cities (such as Ipswich and London with more large national employers) from a lack of office workers returning to town centres. However, a reduction in lunchtime and afterwork trade will still add pressure to industries already hit heavily by lockdowns and reduced trade.

On the upside, there is an opportunity to attract businesses into the districts as companies rethink their office spaces. In an [article](#) dated 28th November 2020, Phil Oram, regional director at national workplace and relocations experts Crown Workspace, said: “We are currently seeing a lot of businesses, especially those whose leases are coming to an end, actively looking to move out of city centres.” “Companies in London in particular have found it difficult to tempt people back into the

office” “A lot of companies are telling us they are seriously considering out-of-town office space and thinking about decentralisation”. These changes are spearheaded by employee wellbeing, increased productivity, reduced commutes, and reduction in carbon footprints to name a few. In recent years, and more so over the past 18 months, hot desking and shared office space environments such as WeWork have increased in popularity. Planning applications and enquiries for similar spaces within the districts have already increased since the start of the pandemic, further supporting the increased need for co-working space within the area.

Recent [research](#) conducted by Leeds University Business School dated 8th October 2021 highlights findings from a recent survey of office workers that when asked about the prospect of working in the office, 33% never wanted to work in the office, 37% said that they wanted to work there five days a week, while 30% wished for some level of a hybrid work pattern (between one and four days from home).

28% of workers never, or only occasionally, had access to a quiet workspace at home, with 36% not having a dedicated workspace at home and instead working from dining tables, living spaces or even their beds.

[Studies](#) compiled by Newcastle Business School and Northumbria University exploring the role of [co-working spaces in rural areas](#) have identified a major shift in the rural coworking landscape with growing interest from commuters, not just self-employed and freelance workers. In smaller, more peripheral rural locations, however, coworking tends to be more community-focused. These are often not-for-profit organisations either attached to another rural business or established by volunteers seeking to improve their own local working practices and networks. Continuing preferences for rural living alongside a desire to reduce commuting is creating new demand for coworking spaces away from traditional big-city locations and creates significant opportunities for the wider rural economy to benefit from their skills, expenditure and network connections. The challenge for coworking operators and rural policy-makers is to ensure that rural coworking is integrated into the rural economy so that trickle-down benefits are created for other local businesses and community groups and co-workers do not exist as stand-alone exclaves of the urban economy.

Expert panel members as part of a webinar hosted by Reed titled “The Future of Working in London” in late November 2021 were confident that the change in working behaviours, with the increase in hybrid working is going to be a permanent shift rather than working patterns returning to that of pre-pandemic behaviours.

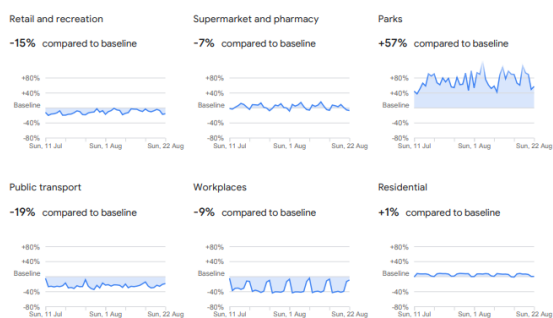
There is a key opportunity identified for BMSDC to capitalise on the rural co-working space and this must be incorporated into the new Economic Strategy.

Workspace requirements of the districts is discussed in more depth later in this document.

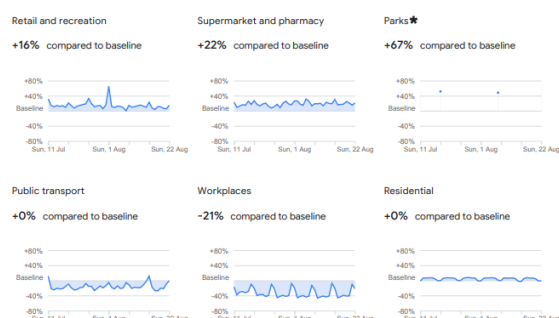
[Google mobility data](#) is data extracted from Google’s mobility report which uses aggregated, anonymised insights from Google Maps. The Baseline is a median value for the corresponding day of the week, during the 5-week period of 3rd January to 6th February 2020. The detail below is as at 22nd August 2021 (top) and 29th November 2021 (bottom). This information is updated weekly and provides good insight into the habits of our residents.

Interestingly, visits to ‘Retail and recreation’ and ‘Supermarket and pharmacy’ sites show significantly higher increases in Mid Suffolk compared to Babergh, however both districts have seen large increases in visits to parks since the baseline time period. The use of public transport, as well as a return to workplaces still has not reached or exceeded pre-pandemic levels in both districts.

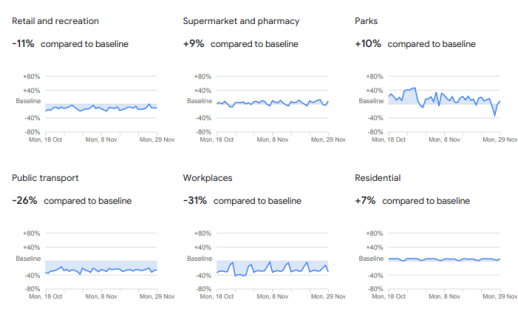
Babergh District



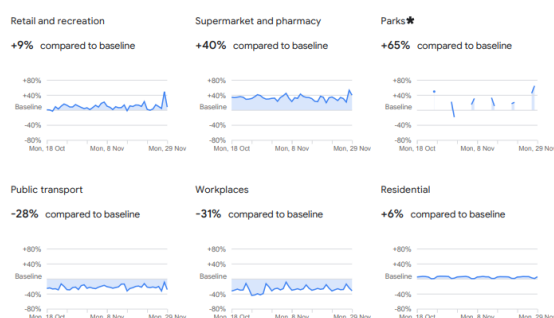
Mid Suffolk District



Babergh District



Mid Suffolk District

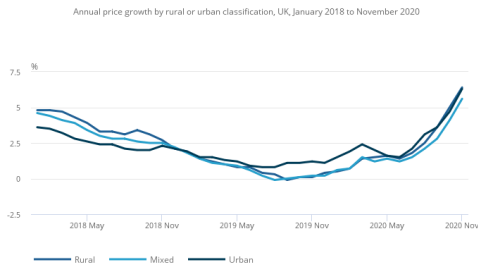


With a majority of the global population having spent more time at home than ever before since the beginning of the pandemic it is unsurprising that our homes have become more important than ever. This is reflected in the recent housing market trends that have been well publicised, and somewhat turbocharged by the introduction of the property transaction tax holiday from July 2020 to September 2021. In June 2021, [the highest monthly number of property transactions since October 1988 were recorded](#) (213,120) in England and Wales, over double the average for June between 2019-2019.

Highlights from a [January 2021 report from ONS](#) giving an in depth analysis of recent trends in the housing market suggest that in addition to rising house prices, the coronavirus (COVID-19) and its behavioural impacts (including many people working from home and spending more time at home in general) may have had some effect on people's preferences for properties, increasing the focus on space - including outdoor space - and reducing the focus on proximity to offices. Research by Rightmove found that the [priorities for both buyers and renters had similar skews towards properties with bigger gardens or access to one](#), and properties that were generally bigger by measure of square footage. Notably, studio flats were the most popular choice for renters in January 2020 but this changed to two-bedroom flats in May 2020. The survey also found that [19% of first-time buyers were more inclined to relocate to a rural area](#).

It has been suggested that the large-scale shift towards working from home since the beginning of the pandemic, as well as the perceived lack of space, including outdoor space and parks, has reduced the previous strong incentive for people to [live close to their place of work](#) and, in particular, [to be in large urban hubs](#).

Figure 6: Since May 2020, annual price growth in rural areas has converged with that in urban areas



Source: Office for National Statistics – House Price Index

The adjacent graph divides English local authorities into three categories, based on how rural or urban they are. Since May 2020, house price growth in rural areas has converged with growth in urban areas, having previously been lower for most of 2019. This may reflect increased demand for properties in rural areas, but this is not an entirely new trend as rural areas had considerably higher price growth than urban areas in 2018, while in the latter half of 2020 they have been roughly equal.

Although house sales are likely to decrease after the Stamp Duty Land Tax holiday, there will likely still be a strong opportunity to attract residents away from areas with a higher population density in to Babergh and Mid Suffolk as working from home and hybrid working potentially become more of a standard practice. If this is the case it is key to ensure that our infrastructure (in particular access to high-speed broadband) is available throughout the area to add to the attractiveness of the area and the needs of prospective residents as businesses looking to relocate from areas such as London and the M25 Corridor which largely have better access to amenities etc.

What might happen next?

It is difficult to predict with a level of certainty what might happen next to the UK economy. There are a number of conflicting opinions, and to coin a phrase from a recent Bank of England webinar ‘lots of noise in the data’. Due to data lags and the lack of updates to important economic data sets (including the outcomes of the Census 2021) still some time off, economists’ main fear is increased unemployment due to business failures causing mass redundancies, increased debt (particularly public sector) and the threat of inflation to name a few.

The National Institute of Economic and Social Research (NIESR) predicts the unemployment rate rising from its current 4.5% to 5.4% post-furlough. Fortunately, this is a lower increase than initially forecasted. If this prediction was correct, the 0.9% rise in current unemployment within Babergh and Mid Suffolk could raise total Universal Credit Claimant counts by 53 and 49 respectively based on May 2021 figures.

In a [recent paper published by NIESR in August 2021](#) they highlight there are several possible channels by which the Covid-19 shock could affect the economy, including:

- Lower productivity and hours of work of those in employment
- Lower economic activity due to establishments being locked down
- Lower desired consumer spending and investment
- Lower demand and supply from other countries fighting Covid-19
- Lower demand for risky assets due to lower confidence and less risk appetite

A [forecast published by the British Chambers of Commerce \(BCC\)](#) in June 2021 concludes the following key points in relation to its predictions on future UK GDP growth:

- **UK GDP growth** forecast for 2021 is 6.8%, 5.1% in 2022 and 2.1% in 2023
- Following the Q1 2021 contraction of 1.5%, **quarter-on-quarter GDP growth** forecast is 4.1% in Q2, 3.5% in Q3 and 1.1% growth in Q4
- In terms of sectors:
- Growth in **services output** is forecast at 6.3% in 2021, 5.2% in 2022 and 2.0% in 2023

- Growth in **manufacturing output** is forecast at 8.5% in 2021, 4.5% in 2022 and 2.0% in 2023
- Despite a Q1 contraction of 3.9%, **household consumption** forecast is for growth of 5.5% in 2021, strongest since 1988. Growth of 7.8% forecast for 2022 and 2.9% in 2023
- **Business investment** forecast is for growth of 4.1% in 2021 and 6.8% in 2022, before slowing to 1.2% in 2023
- BCC expects **export growth** of 0.7% in 2021, 4.2% in 2022 and 1.5% in 2023, compared to **import growth** of 5.1%, 8.3% and 2.9%
- **Goods exports to the EU** is forecast to contract by 12.0% in 2021 by 1.4% in 2022 and by 2.5% in 2023
- BCC expects **UK unemployment rate** of 5.5%, 5.2% and 4.8%, compared to **youth unemployment rate** of 15.6%, 15.4% and 15.0%
- **CPI inflation** is expected to rise in the near-term, peaking at 2.6% in Q3 2021. This would be the highest rate since August 2018. With current price pressures largely transitory, inflation is expected to drop back to the Bank of England's 2% target in Q2 2022
- UK official **interest rates** are expected to start rising in Q2 2023 to 0.25%

In September 2020 UK Parliament published a comprehensive overview focusing on horizon scanning '[Life beyond COVID-19](#)' in which over 350 experts (mainly academics with economics backgrounds) shared what they believe the implications of the pandemic will be over the next 2 to 5 years. Areas of concern include work and employment, health and social care, research and development, society and community, the natural environment, education, arts, culture and sport, infrastructure and crime and justice. To summarise, the main themes in the opinions include:

- remote working might transform work life but that the availability and security of work might reduce.
- possible long-term mental and physical health effects of COVID-19 were a source of concern
- Social cohesion and the long-term effects of loneliness and isolation were cited as a key concern. They also suggested that a combination of factors over the next few years could lead to an increase in social inequalities.
- Experts discussed the impact of the COVID-19 outbreak on the natural environment. They discussed how improper disposal of personal protective equipment used during the outbreak could cause environmental harm, and also questioned how global climate commitments might change following the outbreak.
- The long-term effects of school closures on children and young people were raised as a concern. Experts suggested that educational and development milestones missed during the COVID-19 outbreak could affect people for the rest of their lives.
- Experts suggested that the COVID-19 outbreak could widen economic inequalities in the longer term with the main concerns being that there is likely to be a rise in the number of people in the UK living in poverty and a widening wealth gap, disproportionate economic impacts being experienced by women, those living in economically deprived areas, and people from minority ethnic groups and that local lockdowns could exacerbate regional inequalities, with more economically deprived areas being more at risk of local lockdown and then suffering worse economic effects because of the lockdown.
- Other implications that experts suggested included that some sectors (such as the creative industries) might shrink because they become unviable during the COVID-19 outbreak, that

urban planning could shift to reflect people seeking different types of housing for homeworking, and that there could be an increase in the level of cybercrime because of changes in how people work and shop.

During the [Autumn Budget and Spending Review](#) announcement on 27th October 2021, Chancellor of the Exchequer, Rishi Sunak advised that the UK Government expect annual growth to rebound by 6.5% this year, followed by 6% in 2022 resulting in the UK economy forecasted to return to pre-covid levels by 2022. Another positive highlight was that unemployment is expected to peak at 5.2% next year, which is lower than 11.9% previously predicted.

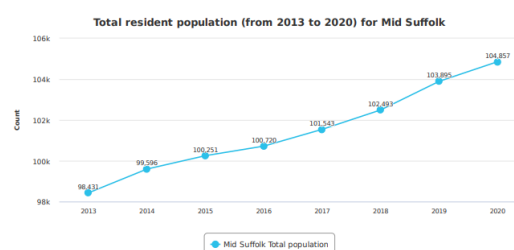
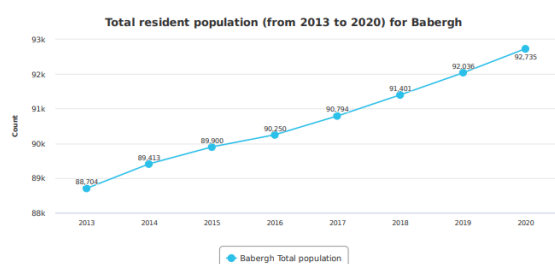
Local Population

Unless otherwise stated, information in this section has been sourced from the Local Government Authority [\(LGA\) Research Report – Demographic Report](#) which uses mid-year population estimates from 2020. Both Babergh and Mid Suffolk are categorised as rural areas, and traditionally rural areas are considered to be less economically resilient. It is important to highlight that due to the nature of most demographic profiling some residents, particularly in rural economies, commute out to larger centres and earn higher salaries, therefore income deprivation statistics conflate the two and can give a misleading economic picture.

This section is designed to give a snapshot of the demographics of the districts, and where possible we have included the most relevant information. The data used is the most up to date available, however it is worth highlighting that a considerable volume of this information is based on pre-pandemic data sources.

Resident Population

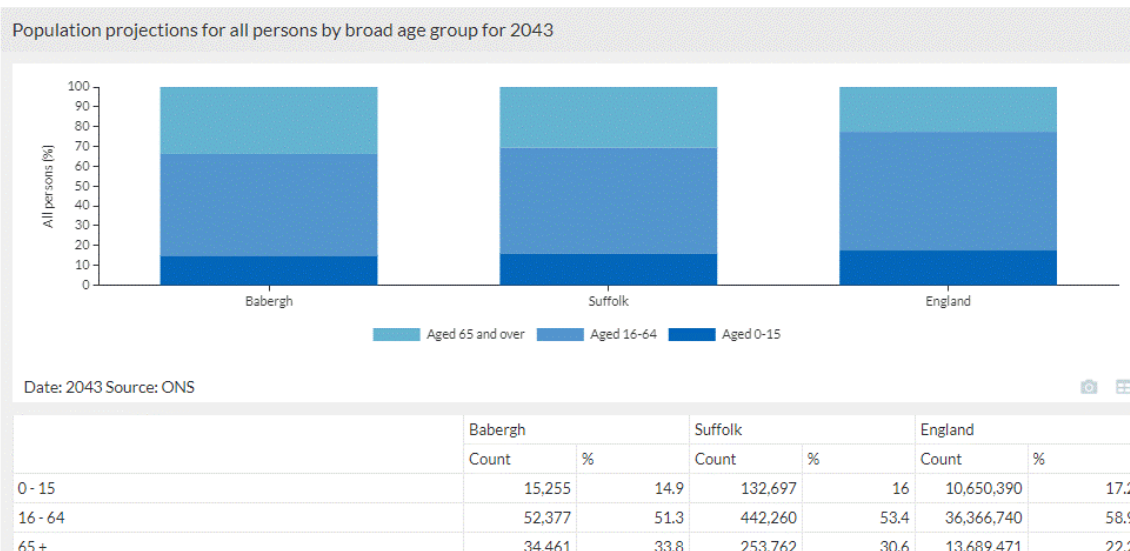
Both districts have seen steady increases in residents since 2013 with Babergh's total population increasing by 4,031 (5%) and Mid Suffolk by 6,426 (6%).



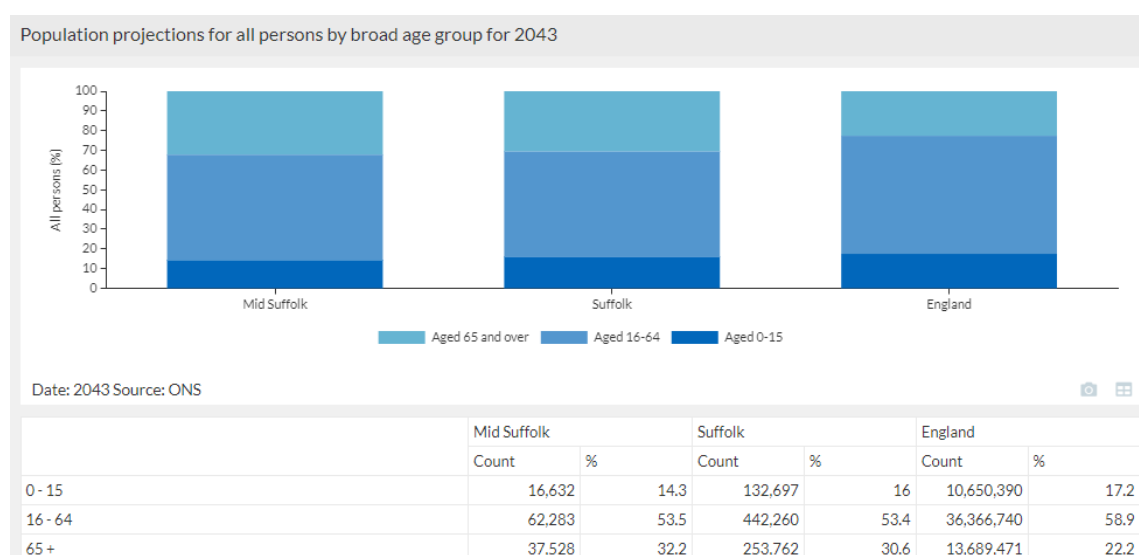
The 2019 Office for National Statistics (ONS) data shows Suffolk has a population of approximately 764,350 with 58.4% within the 16-64 age group. This is slightly lower than the wider East of England (60.7%) and England (62.4%) figures, while the 65+ age group is higher than the national and regional levels at 23.6% compared with 19.9% in the East of England, and 18.4% for the whole of England. The population is expected to continue aging with projections for 2041 at 52.7% and 31.2% respectively.

Babergh and Mid Suffolk follow this trend with Babergh at 56.7% within the 16-64 age group, and 26.3% over 65, while for Mid Suffolk the figures are 58.7% and 24.6% respectively. Projected population growth for both districts shows a similar trend:

Babergh Population Projection - 2043



Mid Suffolk Population Projection - 2043



("Suffolk Observatory – Population", 2021)

ONS data from mid-2019 shows the “Median age of usual residents” in England is 40.0, whereas in the East of England it is 41.7. In comparison the average age of residents in Babergh is 48.8 and 47.8 in Mid Suffolk. Both areas are above average age of population for England. The aging demographic of the districts needs to be a consideration in any future strategies of Babergh and Mid Suffolk District Councils. The [State of Suffolk Report 2019 ‘Suffolk 20+’](#) suggests that at the time of publishing 1 in 5 people living within Suffolk were aged 65 and over, by 2039 it is anticipated that this will have risen to 1 in 3 people.

Household Characteristics

Using recent data from Experian ‘Understanding Demographics’ reports (the full reports are supplied as part of the Supporting Evidence and Further Reading) for both districts the following household demographics are important to note:

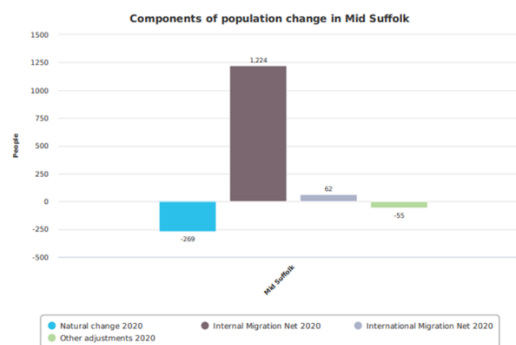
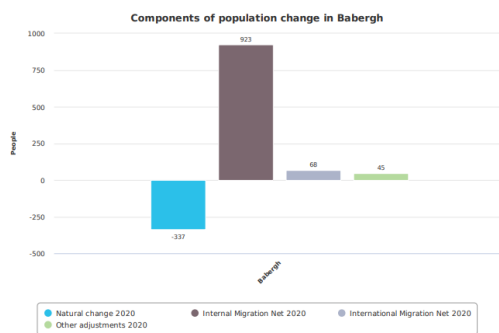
Babergh	Mid Suffolk
40,093 Total Households	43,855 Total Households

Social Grade C1 – Lower Middle Class is the most prominent	Social Grade C1 – Lower Middle Class is the most prominent
Highest volume of economically inactive are classified as retired	Highest volume of economically inactive are classified as retired
Highest volume of residents are Owner Occupiers	Highest volume of residents are Owner Occupiers
Dwelling type is predominantly detached house and bungalow	Dwelling type is predominantly detached house and bungalow
97.79% of residents are White	97.69% of residents are White

Density and Migration

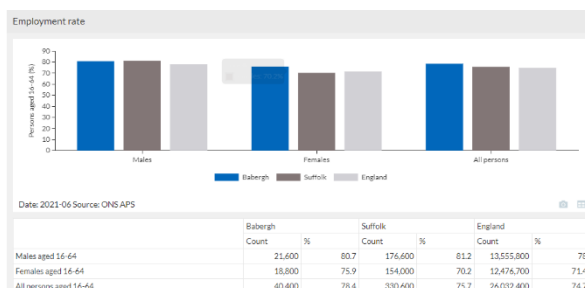
ONS Population profiles data from Mid 2019 shows population density for Babergh at 155 people per sq. km and 119 for Mid Suffolk, the population density of both districts is significantly below the average for England (432) and the East of England average as a whole of 326.

As detailed in the graphs below, the main contributing factor to population change in both districts is Internal Migration. Encouragingly, this suggests that both districts are attracting residents from other areas of the UK.



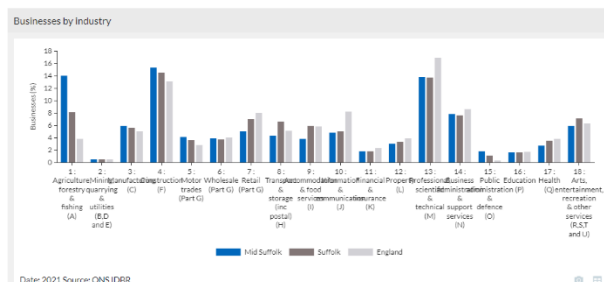
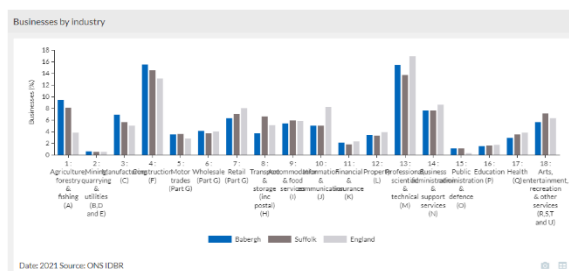
Economy and Employment

In its most recent analysis (June 2021) Suffolk Observatory estimated that 78% of Babergh's population and 78% of Mid Suffolk's were economically active. This breaks down to 80% and 84% for males aged 16-64, and 75% and 71% for females aged 16-64 respectively. Both districts have a higher economic activity rate across all demographics than both the Suffolk and England averages.



Of those who are economically active, 77% in Babergh and 73% in Mid Suffolk are in full time employment. Babergh and Mid Suffolk have a higher rate of self-employed persons than the national average (9.6%) at 11.8% and 16.3% respectively suggesting a strong base of innovation and entrepreneurialism.

Sectors in both districts are dominated by agriculture, construction, and professional, scientific and technical, with those sectors making up a total of 40.3% of Babergh's businesses and 43.1% of Mid Suffolk's businesses.



("Suffolk Observatory – Economy & Employment – Area reports", 2021)

Commuting Patterns

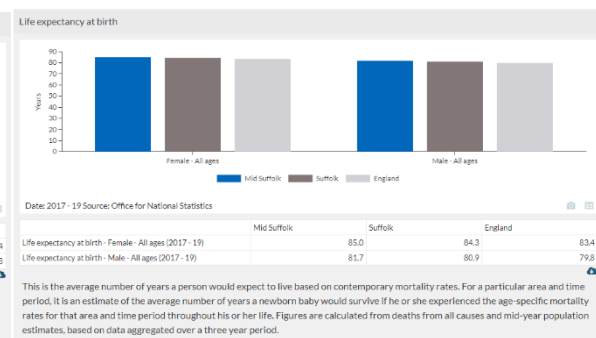
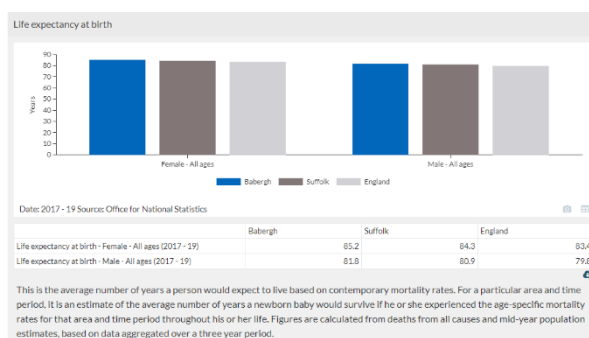
As of the 2011 UK Census, [commuting patterns](#) of our residents show that in Babergh a large number of in work residents do not work within the district with 22,898 working elsewhere. Ipswich employees the largest number of Babergh residents who commute out of the district for work with a total number of 3,633, however Colchester and Bury St. Edmunds come in at second and third place.

In Mid Suffolk the commuter pattern paints a different picture, with more people travelling in to the district for work (13,040) than the number of residents who work outside of the district (11,558). Those travelling in to MSDC for work are mainly from the Ipswich and Bury St. Edmunds areas.

It will be interesting to see when the 2021 Census information is released what the recording changes have been to commuting patterns in the last ten years and at a point in time when pandemic restrictions and guidance were being followed.

Health & Wellbeing

Overall Babergh and Mid Suffolk have very good levels of general health and wellbeing and a life expectancy of 81.8 and 85.2 for males and females respectively in Babergh, and 81.7 and 85.0 in Mid Suffolk. Both figures are above Suffolk's regional levels of 80.9 (males) and 84.3 (females).



Obesity in young people is lower in both districts than the Suffolk and England averages for both age groups which is encouraging.



Conversely, a much higher proportion of adults across both districts are classified as overweight at 69.1% in Babergh and 61.8% in Mid Suffolk. While figures in Babergh are above the Suffolk and England rates of 62.7% and 62.8% respectively, this shows that healthy lifestyles and obesity are a significant issue across the nation and is not unique to Babergh and Mid Suffolk. However, it is worth noting that obesity rates at 2017/2018 for Babergh were 62.2%, an increase of 6.9% of the adult population now being classified as obese within 2 years, whereas the opposite is seen in Mid Suffolk where 2017/2018 obesity rates were 68.7%, a reduction of 6.9%.



Personal well-being estimates generated from the most recent [ONS Annual Population Survey \(APS\)](#) in October 2021 (see table in appendices) shows encouraging statistics for the residents in both districts. The data shows that for most 'measures of wellbeing' including anxiety, happiness, life satisfaction and worthwhile are on or above the average for England. In the years 2019-2020 and 2020-2021 measures of anxiety reduced in both districts, in Babergh 'happiness' and 'life satisfaction' ranked significantly higher than the averages for Suffolk, the East of England and England.

Environment

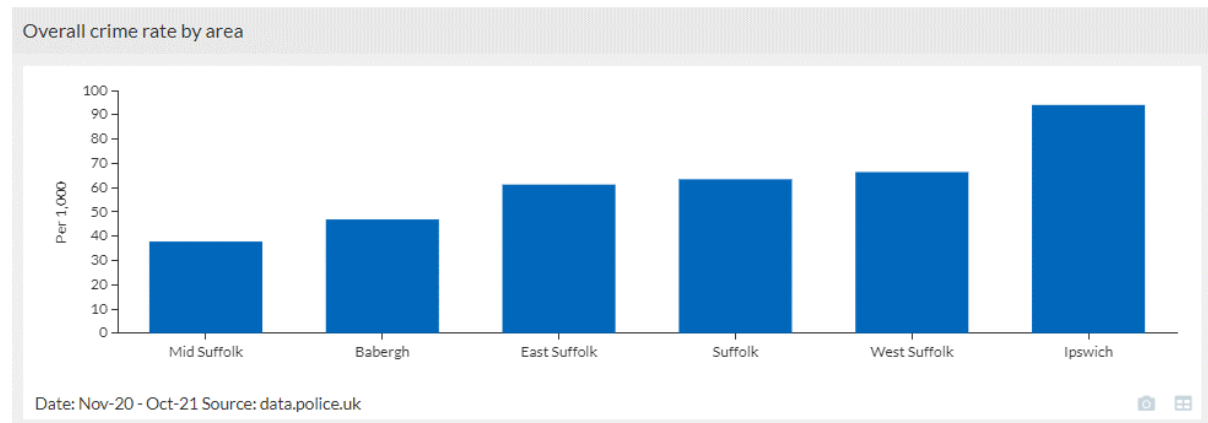
Babergh and Mid Suffolk are both extremely rural regions with a significantly higher proportion of people living in rural areas (outside settlements with more than 10,000 resident populations) at 69% and 75% respectively compared with Suffolk's 40% and England's 17%.



This is similarly reflected in the proportion of households that have no car or van which is below the Suffolk rate of 18% and the England rate of 26% at 14% for Babergh and 11% for Mid Suffolk.

Crime

Both Babergh and Mid Suffolk experience lower crime rates than other districts in Suffolk at 47 and 38 respectively per 1000 people.

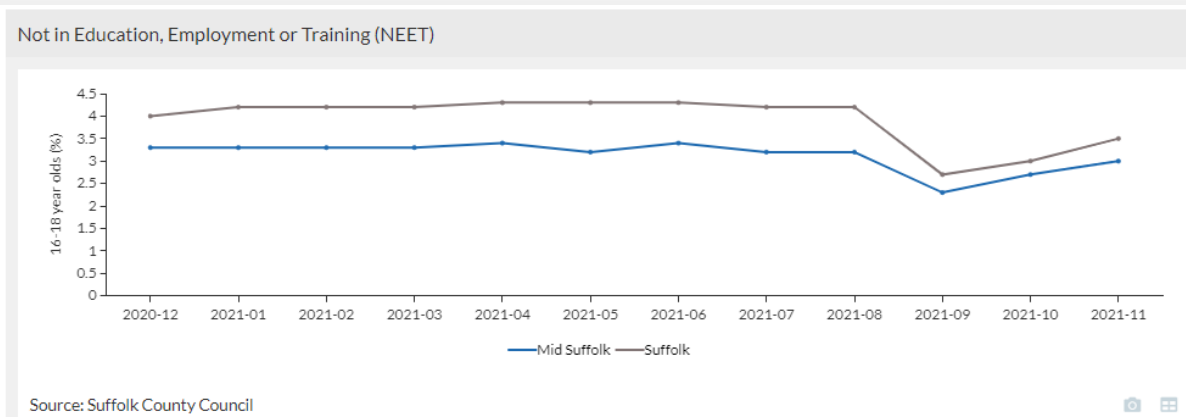
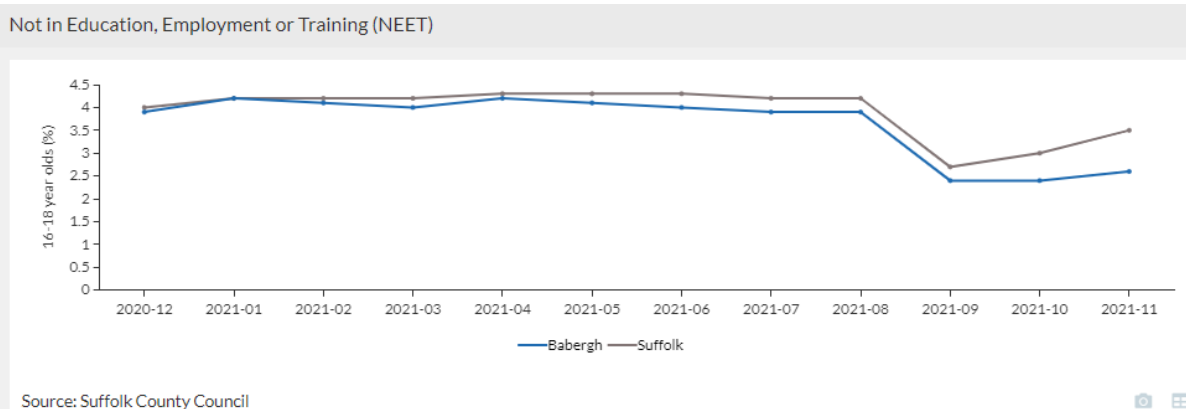


Children and Young People

Both Babergh and Mid Suffolk are in line with the rest of England when it comes to the highest levels of qualifications attained by children and young people with 25.8% and 26.4% respectively achieving Level 4 (degree level) qualifications or above.



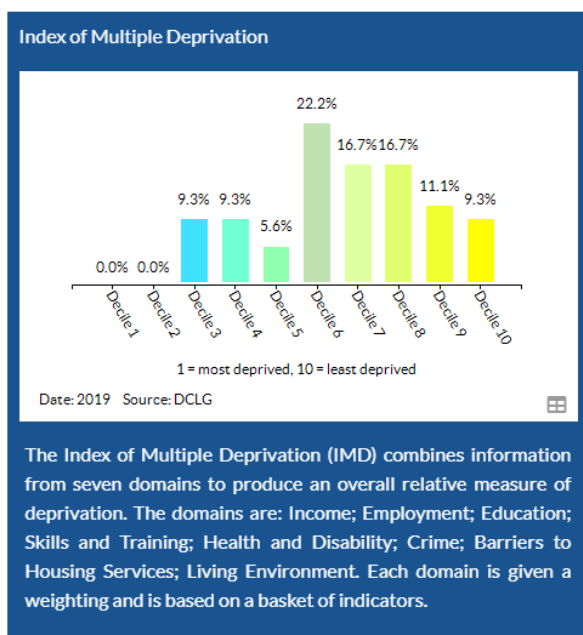
In November 2021 2.6% of 16-18 year olds in Babergh and 3.0% of those in Mid Suffolk were Not in Education, Employment, or Training (NEET) compared to the Suffolk average of 3.5%. The figures for Babergh peaked over the last twelve months at 4.2% in January 2021 however both districts have seen a steady decline in recent months however from October to November 2021 both districts increased.



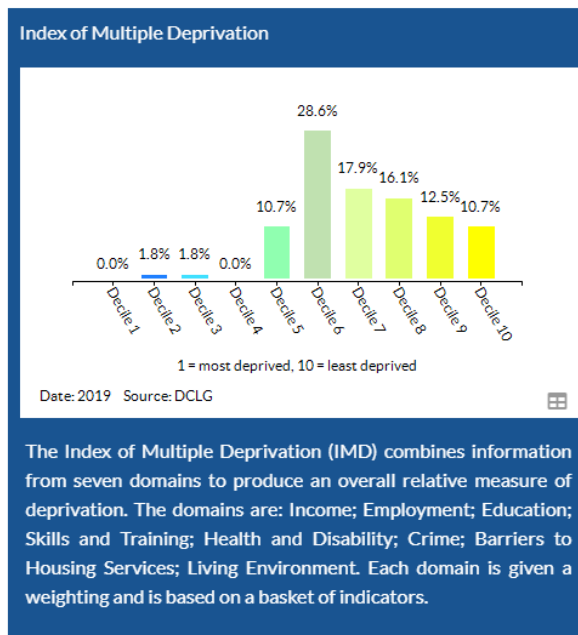
("Suffolk Observatory – Children & Young People – Area reports", 2021)

Deprivation

[The Index of Multiple Deprivation](#) (IMD) is the official measure of relative deprivation for small areas in England. The IMD ranks every small area or Local Super Output Area (LSOA) from 1 (most deprived) to 32,844 (least deprived). More than three quarters of LSOAs in Babergh and Mid Suffolk can be considered in the top 5 deciles as least deprived with 76% and 85.8% respectively falling into deciles 6-10 however, a significant proportion (24.2% and 14.3% respectively) are hovering just above the midline. Reviewing the domains that make up the IMD, Babergh and Mid Suffolk both score poorly on the "Barriers to Housing and Services" and "Living Environment" while Babergh also struggles in the "Crime" and "Education" domains.



Babergh



Mid Suffolk

("Suffolk Observatory – Deprivation – Area reports", 2021)

Key Economic Metrics

Within this section we will highlight some of the available and relevant key economic metrics, where possible this has been provided at a district level. The data used is the most up to date available however it is worth highlighting that a considerable volume of this information is based on pre-pandemic data sources.

Economy GVA (By sector, per hour, per job etc)

Available data from [ONS on Gross Value Added \(GVA\) at a regional level](#) is currently based on a dataset from 2017. It is unclear when the next release will be having presumably been delayed due to the pandemic (was due in December 2019), therefore it is important to view these statistics as pre-pandemic indications. Once updated data is available these will form the baseline statistics for any update to show the impact of the pandemic.

Regional gross value added is the value generated by any unit engaged in the production of goods and services. GVA per head is a useful way of comparing regions of different sizes. It is not, however, a measure of regional productivity.

Full information including sector GVA can be found in the Supporting Evidence that goes alongside this evidence base, see GVA by Local Authority ONS 2017 excel file. Due to the age of this data a full breakdown of the information was not completed for this evidence base.

Headline GVA figures are as follows:

GVA data	ONS 2017	
Total GVA Balanced by LA (millions)		
	2016	
Babergh	£ 1,913	million
Mid Suffolk	£ 2,071	million
East of England Average	£ 3,113	million
GVA £ per head		
	2016	
Babergh	£ 21,376.00	
Mid Suffolk	£ 20,706.00	
East of England Average	£ 23,705.00	

Due to the rural nature of Babergh and Mid Suffolk it is less dense in terms of businesses and residents to other local authority areas within the East of England, due to this the total GVA in both districts is lower than the average, however in terms of GVA per head the disparity is less encouragingly less apparent.

Median Wage Rate

Data from the [2021 Annual Survey for Hours and Earnings \(ASHE\)](#) was released at the end of October 2021 however it must be noted that as at the time of writing it must be highlighted that the estimates for the 2021 are provisional and the ONS advise that interpreting average earnings data is difficult at the moment and that comparisons need to be treated with caution.

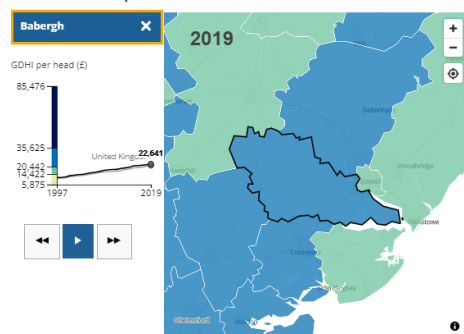
The provisional data reports that the median weekly pay for full-time employees in the UK has risen by £25 per week to £611 in April 2021, up 4.3% on a year earlier; this growth is the highest since 2008. However, the median gross weekly earnings for full-time employees in Babergh and Mid Suffolk are £537 and £598 respectively. Both have seen increases higher than the UK average, with a weekly median increase of £41 (8.3%) for Babergh and £86 (16.8%) for Mid Suffolk.

Data from the previous report (2020) showed median weekly earnings for full-time employees in the UK to be £586 at April 2020. However median weekly earning in both Babergh and Mid Suffolk were below the UK average at £496 and £512 respectively.

It is important to continue reduce this gap further to positively impact our residents and businesses. Our future Economic Strategy will need to focus on interventions to support attracting businesses that provide higher salary jobs as well as ensuring our workforce has the correct skill sets to increase their employability into higher paid roles and industries.

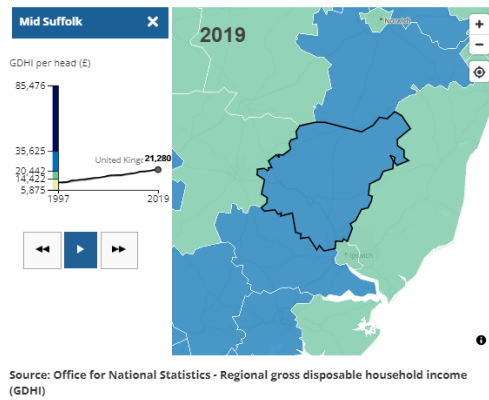
Using the provisional median weekly earnings for 2021 and the assumption that these figures x 52 will provide the average yearly salaries of £27,924 per annum for Babergh and £31,096 for Mid Suffolk using [Housing Market Data from Zoopla](#) (December 2021) the average asking price for a house in Stowmarket was £271,567 which is just under 9 times the average salary of a resident in MSDC and just over 11 times the average salary of a resident in Babergh to purchase a house in Sudbury based on the average asking price of £314,999. With the average mortgage for a single applicant being 4 times annual salary it further backs up the importance for our future workforce to increase average salaries.

Gross Disposable Household Income



Source: Office for National Statistics • Regional gross disposable household income (GDHI)

Gross disposable household income (GDHI) is the amount of money that all the individuals in the household sector have available for spending or saving after they have paid direct and indirect taxes and received any direct benefits. GDHI is a concept that is seen to reflect the “material welfare” of the household sector.



The most recently available data from 2019 (ONS) shows that GDHI for Babergh is £22,641, and £21,280 for Mid Suffolk which is below both the UK average of £21,433.

Commercial Property (Menta Workspace Study highlights and analysis)

[Menta](#) were commissioned by Babergh and Mid Suffolk District Councils to complete the first Workspace Study which was completed in October 2019. Commercial property agents were interviewed, and a survey sent to local businesses.

As we are all too aware, the way individuals and businesses work has rapidly changed due to Covid 19 and the impact of the UK's exit from the EU. Due to the impact of these two economic shifts, it was felt beneficial to review the market and demands for workspace 18 months on from the original research.

Full copies of both studies can be found in the Supporting Evidence that goes alongside this evidence base.

Within this section the findings of these reports have been analysed and key points highlighted as it is considered that the data sources in these reports are the most up to date and relevant to Babergh and Mid Suffolk at this time.

Active business numbers

Pre Covid-19:

Babergh is reported as having 4,100 active business in 2018, the majority of these are micro businesses that employ less than 10 people.

Mid Suffolk is reported as having 4,840 active businesses in 2018. As with the Babergh statistics, the majority of these are micro businesses.

Across the two districts, there are a total of 8,940 business, of this 8,005 (89.54%) are micro business. This is broadly consistent with the Suffolk and English breakdowns of business types. This data records those businesses that are VAT registered or have PAYE. Therefore, a sole trader with a turnover under £80k would not be picked up in this data.

Post Covid:

The new data covers a period up to 2020 and doesn't reflect the true impact of Covid.

For Babergh there is a small increase in business across all sizes, but the percentage split by size has remained static, with 98.3% of businesses being small (10 to 49 employees) or micro (under 10). There are a reported 4,170 businesses, an increase of 70 from the 2018 data.

The picture is similar for Mid Suffolk with small increases across all sizes of businesses, but the percentage split is largely unchanged. There is a small increase of 110 businesses since 2018 with an increase from 4,840 to 4,950. 98.1 % of businesses are small (10 to 49 employees) or micro (under 10).

10-year figures show a continual small increase even in times of both economic decline and recovery.

This data records those businesses that are VAT registered or have PAYE. Therefore, a sole trader with a turnover under £80k would not be picked up in this data.

Figures for new businesses in BMSDC are not available for 2021, however, given the rise in overall business creations in the UK it is expected the region will see a further increase in new businesses. The reports on the drivers behind this growth are varied. They include being made unemployed, a long-held desire to be “your own boss” and responses to new demands created through the pandemic and Brexit.

Unemployment numbers in the region saw an increase in 2020 and into 2021 which matched the trends across England.

Key points

- Babergh has seen a 1.71% increase in business numbers
- Mid Suffolk has seen a 2.27% increase in business numbers
- Unemployment in line with national figures

Sector information

Pre Covid-19:

There is one sector within Babergh and Mid Suffolk that has a greater concentration of businesses than the Suffolk average, Agriculture, forestry and fishing. This figure is 4 times the England breakdown, which is as expected for the rural location of the two districts. There are marginal increases for construction in the two regions, similar to the increases for motor trades. There are lower than regional and English figures for transport and storage. This may be due to the higher concentration in port areas of Ipswich and Felixstowe but given the transport links in both areas this is surprising and a possible opportunity for growth.

Indicator	Babergh	Mid Suffolk	Suffolk	England
Agriculture, forestry & fishing	10.40	15.60	9.00	4.30
Mining, quarrying & utilities	0.60	0.40	0.40	0.50
Manufacturing	6.70	5.80	5.70	5.00
Construction	14.80	13.80	13.80	12.40
Motor trades	3.50	4.00	3.60	2.80
Wholesale	4.10	4.10	3.80	3.90
Retail	6.40	5.20	7.10	7.50
Transport & storage (Inc. postal)	3.00	3.80	4.90	4.20
Accommodation & food services	5.20	3.90	5.90	5.50
Information & communication	5.10	4.80	5.30	8.70
Financial & insurance	2.10	1.70	1.70	2.30
Property	3.30	2.60	3.30	3.70
Professional, scientific & technical	15.80	14.40	14.40	18.10
Business administration & support services	7.40	7.10	7.50	8.70
Public administration & defence	1.20	1.60	1.00	0.30
Education	1.60	1.50	1.60	1.70
Health	3.00	3.10	3.70	4.10
Arts, entertainment, recreation & other services	5.90	6.50	7.30	6.30

Post Covid-19:

The furlough comparison by sector chart (below) allows us to understand the impact on the economy by each sector, particularly in areas of the greatest confidence against sectors such as the visitor economy, being the hardest hit.

Where the greatest impact has been seen in the Visitor Economy, this covers sectors of Accommodation and Food Services, Arts, Entertainment, Recreation and other services. These sectors as a representation of businesses in Babergh and Mid Suffolk sit below the overall Suffolk figures, meaning that the districts are less impacted than other areas of Suffolk.

These sectors, along with Information and Communication and Transport and Storage have historically sat below the England percentages and are areas where opportunities have previously been identified as being missed.

Sectors such as Manufacturing and Construction are confident coming out of the pandemic and are areas that have seen the strongest growth. Both districts have a strong presence in these areas, above both Suffolk and England figures and put these areas in strong positions going forward.

Sector	Percentage Breakdown of Businesses by Sector			
	Babergh	Mid Suffolk	Suffolk	England
Agriculture, forestry & fishing	10.4%	15.3%	8.8%	4.2%
Mining, quarrying & utilities	0.6%	0.5%	0.5%	0.5%
Manufacturing	7.0%	6.0%	5.6%	4.9%
Construction	15.4%	14.7%	14.3%	12.8%
Motor trades	3.5%	3.8%	3.6%	2.8%
Wholesale	3.9%	4.0%	3.6%	3.8%
Retail	6.1%	5.0%	7.0%	7.6%
Transport & storage (Inc. postal)	3.0%	3.7%	5.3%	4.6%
Accommodation & food services	5.6%	3.9%	5.9%	5.6%
Information & communication	5.3%	4.7%	5.2%	8.7%
Financial & insurance	1.9%	1.8%	1.7%	2.3%
Property	3.3%	2.8%	3.3%	3.8%
Professional, scientific & technical	15.6%	13.8%	14.1%	17.5%
Business administration & support services	7.4%	7.5%	7.8%	8.8%
Public administration & defence	1.2%	1.8%	1.1%	0.3%
Education	1.6%	1.7%	1.7%	1.7%
Health	2.9%	2.8%	3.5%	3.7%
Arts, entertainment, recreation & other services	5.3%	6.1%	7.2%	6.3%
Total	100.0%	99.9%	100.2%	99.9%

Key Points

- Manufacturing and Construction are confident coming out of the pandemic and are areas that have seen the strongest growth
- The Visitor Economy has been the hardest hit

Business space needs

Pre Covid-19:

Interviews were held with local commercial agents. One comment received was on incubator space. Where true serviced and managed incubator space exists, this is highly popular. It gives the space people need with easy and flexible lease terms. However, from an investment perspective this is challenging as the build costs are higher and the management adds to the overhead, slowing down the return on the original investment. There is limited incubator, serviced offices and co-working spaces across the two districts. At present the only facilities across the two authorities are 24 offices at South Suffolk Business Centre, Sudbury, Babergh. Where whole buildings have become vacant it has proved difficult to lease, yet when they are sub-divided into rooms the offer is more attractive.

Parking and broadband have been identified as areas of compromise. These compromises will have more of an influence should development occur in more strategic and prime locations, meaning that businesses will look at these areas over the ones where they are currently forced to compromise on.

A further comment on infrastructure was demand for large warehouses in Sudbury being low as the communications are poor. However, home grown businesses are happy to take B1 and B2 spaces in this area, with demand strong as there is a lack of provision.

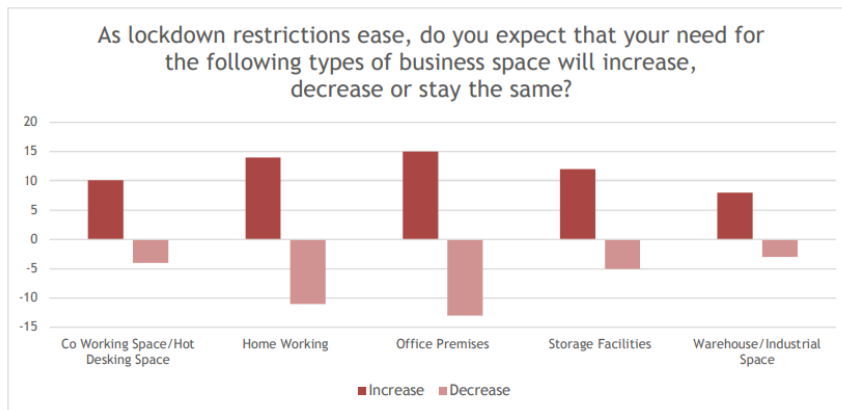
One interviewee felt that developments that have been successful in the Stowmarket area are in the 1000 – 3000 sq. ft industrial space. Around the Stowmarket area the recent larger developments, it is felt, may have assisted with some of the infrastructure costs, therefore making investment here more viable.

Post Covid-19:

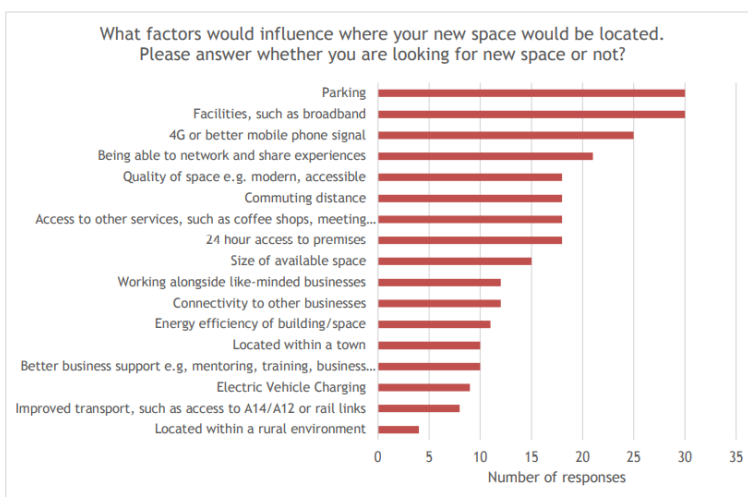
We wanted to understand whether the needs for space have changed as a result of Covid and asked respondents how they expect their needs for space will change as lockdown restrictions are eased.

There was a wide variety of replies. The expectation for increased overall need for storage facilities, warehouse and industrial space was in line with the comments from the Agents.

Decreases in the expected amount of homeworking may have been from respondents that have been predominantly homeworking during lockdown and are expecting a return (or partial return) back to pre-Covid working conditions. Many of the respondents indicated no change in their space needs.



Respondents were asked what factors influence their decisions over new space. Connectivity and parking remain the priorities for businesses. Low down on priorities was access to the A14/12 and access to business support. Surprisingly, energy efficiency and Electric Vehicle charging points were also low on the list of priorities, suggesting companies aren't yet thinking about the Net Zero journey and future challenges. Where free text responses were provided parking within town locations was raised. An example given was that in places such as Eye, the lack of parking means it is difficult for customers to park and access businesses.



Key Points

- Increased need for co-working space, storage facilities, warehouse and industrial space
- Connectivity and parking remain the priorities for businesses
- Evidence suggests companies aren't yet thinking about Net Zero challenges.

Conclusion

There are significant changes in demand post Covid-19. However, these vary widely between respondents. Whilst superficially this could be seen as a "net no change" it does indicate considerable changes. Some companies have changed the way they use their space as a result of the pandemic, companies in sectors most affected have made the most significant changes.

The expectation of increased demand for large sites for storage and distribution mirrors feedback from Agents.

Compared to pre Covid times, post pandemic there is an expectation of a move towards more homeworking, co-working and shared working space although it is early days to say how significant this will be. The longer term move towards different ways of working may be masked in the short term by employees returning to office work after enforced homeworking over the last 15 months.

The small sample size gives some areas where the depth of analysis is limited. However, when the responses are compared with the Agents' insight there is a distinct difference between the needs of local businesses and national businesses. Regional inward investment from these national companies is driven by the size of space available, connectivity, flexibility and speed of planning and project implementation. Connectivity and parking remain a priority for the businesses surveyed when selecting premises.

A positive trend is the general optimism of businesses with many reporting stability or growth. The pandemic has seen some businesses branch and grow into new areas changing existing space to accommodate these changes. This again correlates with the Agents' thoughts on spaces being let for new retail businesses although the long-time viability of these businesses has yet to be proven.

Finance remains one of the most cited barriers to growth and was identified both in the survey and by the Agents when discussing the market for both large scale inward investment projects and smaller more local projects.

Overall, the survey reinforces the conclusion that, for small and more local businesses, whilst there is general optimism there is still a high degree of uncertainty with a wide variety of views as to what the future requirements will be. Flexibility will be key moving forward and future success will be benefitted by agile responses to varying needs in changes to restricted hours, location and type of uses and access. The Agents have pointed out it is important to ensure that disconnects between business needs and the planning system are minimised.

Export analysis

Babergh and Mid Suffolk's proximity to a number of key economic assets, as well as the recently announced [Freeport East](#) status covering Felixstowe, Gateway 14 (Mid Suffolk) and Harwich presents huge opportunities to increase the export offer of the districts.

The Port of Ipswich operated by Associated British Ports (ABP) and covering an area of 275 acres, it is the UK's biggest grain export port and handles 3 million tonnes of cargo each year. The Port benefits from short sailing times from the North Sea shipping lanes, proximity to the A14 and A12 major trunk roads and an active rail line at its West Bank. The port is the largest UK agricultural exporter, offers roll-on/roll-off capabilities, potential renewable/offshore facilities, rail connections and marine leisure facilities. It is approximately 12 miles away from the Gateway 14 development in Stowmarket, Mid Suffolk.

Felixstowe, the UK's largest container port, is on the premier Asia/EU route dedicated to unitised deep sea traffic. It is the only UK port to accommodate the largest container ships and aspires to EU hub status. It is approximately 26 miles from the Gateway 14 development.

Inward Investment Analysis

Most of the industrial market activity in the East Anglia region is accounted for by the churn of existing local occupiers either looking to expand or relocate. Demand is largely localised with very few examples of inward investment in the area in recent years. Manufacturing related occupiers are generally less 'footloose' than warehousing/distribution occupiers and tend to be based within

particular locations due to historical reasons (typically within the districts of Mid Suffolk, Babergh and Suffolk Coastal)

It has been suggested in reports from the [NALEP](#) that relatively poor transport connectivity within Norfolk and Suffolk could inhibit inward investment among some sectors such as manufacturing and distribution and this is exacerbated by a lack of critical mass of manufacturing compared with major centres like the Midlands.

However, there are a number of huge opportunities currently within both Babergh and Mid Suffolk which demonstrate the strength and attractiveness of the area, (with this trend guaranteed to continue due to the announcement of Freeport East) which offers tenants a unique opportunity built upon its global links and existing innovative sectoral clusters. It will deliver strong returns for investors, drive domestic growth and propel the county's economy forward.

Some of the most notable inward investment opportunities currently in the BMSDC pipeline are as follows:

[Gateway 14/Freeport East](#) – Gateway 14 is expected to create up to 2.45 sq. feet of floor space with units ranging from 20,000 to 1,000,000 sq. ft in a mixed-use park comprising of 156 acres of high-specification space for a wide range of uses, with potential to build E(g), B2 and B8 units. Job creation has been estimated to be approx. 3000 jobs. Occupation is currently advertised as early 2022.

Brantham Film Cluster – This potential project within Babergh is currently in early-stage consultation and feasibility stages. This project is looking at the development of a Film Studio, Training Centre and Creative Cluster in Brantham based on the success of Screen Suffolk and the identified need for more filming locations and networks within Suffolk due to the increased demand for filming locations outside of London and the M25 corridor.

[Valley Ridge](#) – formerly known as 'SnOasis' this high-profile development is a 284-acre site in Mid Suffolk with ambitions to become the UK's next premium staycation resort, offering all year-round winter and water sports alongside best-in-class leisure and hotel facilities using sustainable, carbon-neutral infrastructure. It is currently scheduled to open in 2023/24 and is estimated to create approximately 2000 jobs.

Delphi site, Sudbury – this site was sold in 2020 to a buyer with a history of developing sites for commercial purposes. The site sits on 22 acres just outside Sudbury with a total 348,000 sq ft of industrial workspace. The site previously employed approx. 200.

Philips Avent site, Glemsford – this site in Babergh was sold to GCB Coca, a Malaysian chocolate company in 2020, it is estimated that it will create 220 new jobs.

It is clear that inward investment needs to be a strong focus within the new BMSDC Economic Strategy going forward to ensure momentum continues and ensure the success of the opportunities detailed above.

[Innovation in the East of England](#)

The East of England has a well-established reputation for attracting Innovation in the UK. A recent [report from May 2021 by Tech East](#) spotlights the East of England as “rapidly establishing a distinctive tech cluster of international appeal helping solve some of the world's biggest challenges

from climate change and health to the future of mobility with a depth and breadth of innovative, world-class technologies”.

Within the New Anglia LEP area of Norfolk and Suffolk there are currently 10 [‘Space to Innovate’](#) Enterprise Zone Sites (including Stowmarket Innovation Labs in Mid Suffolk which is soon to expand in to East Suffolk and Babergh).

Innovation is at the heart of future plans for Suffolk and Norfolk and is a sector that continues to grow. In 2020 the LEP area has seen a 50% growth in science and R&D employment since 2007, compared to 19% UK average and had a 46.8% survival rate for start-ups. It was the Second fastest growth area for high growth firms. It benefits from having strong links with a number of learning institutions that put Innovation at the forefront of their curriculum including the University of East Anglia (UEA), Norwich University of the Arts and The University of Suffolk.

Both Babergh and Mid Suffolk benefit from their proximity to a number of tech and innovation clusters including:

Norwich Research Park, a 230ha campus helped attract a rapidly growing cluster of around 150 pioneering biotech, agritech and other life sciences related businesses.

Adastral Park – which is home to around 140 companies, 4,000 people and two research organisations, as well as BT’s global R&D laboratories.

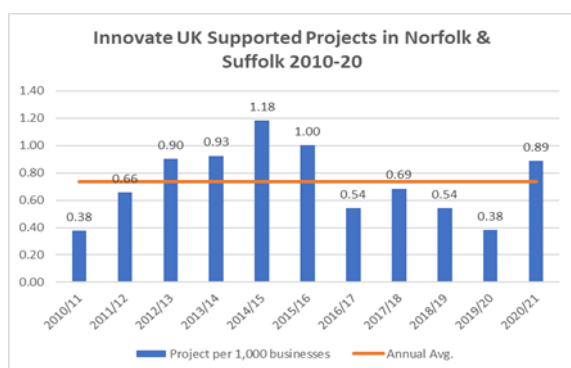
OrbisEnergy - a clean energy business hub at PowerPark in Lowestoft.

CEFAS - The UK’s Centre for Environment, Fisheries and Aquaculture Science (CEFAS) which employs some 400 scientists at its headquarters in Lowestoft. CEFAS conducts world-leading research into the global problems of climate change, marine litter, over-fishing and pollution.

Hethel Innovation - Hethel Innovation, based at the Hethel Engineering Centre in south Norfolk, helps SMEs across our region become more innovative, productive and competitive. An award-winning innovation hub, it has been home to more than 320 ground-breaking businesses and incubated more than 200 start-ups, creating more than 1,500 high-skilled jobs.

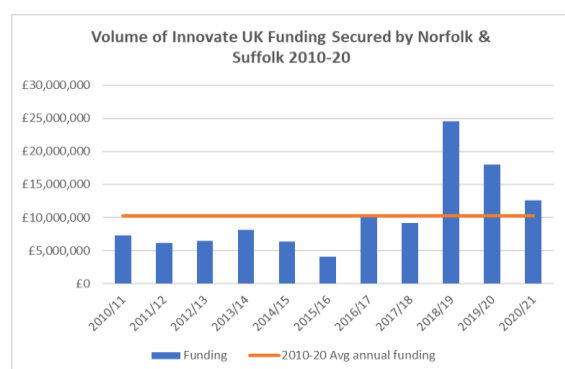
Braintree – Centre of Excellence for Construction Innovation, the Hub's facilities are designed to be used to support individuals to start up a business in construction and construction-related sectors, nurture early-stage SMEs and facilitate the commercialisation of new ideas, technologies and research into construction markets.

Cambridge Science Park - comprises of 150 acres, 1.7 million sq ft of high technology and laboratory buildings. It’s home to 7000 people at over 130 companies, ranging from exciting start-ups to some of the world's leading technology businesses.



In the NALEP area, the volume of Innovate UK backed projects has exceeded the 2010-20 average through last year, following 4 years of the area dipping below the 11 year average, going back to 2010/11 and overall funding from Innovate UK has increased throughout the past 3 years.

Out of all Innovate UK funded projects in Norfolk and Suffolk from 2004-2020 Babergh received support for 2.9% and Mid Suffolk received 6.9% of the total projects funded.



Based on the total value of funding that was received from Innovate UK in Norfolk and Suffolk from 2004-2020 Babergh received 1% and Mid Suffolk 2%.

Broadband + 5G coverage

A recent review by UK Parliament on [Covid-19 and the digital divide](#) states “Concerns about the digital divide have been particularly acute during the COVID-19 pandemic as internet access has become increasingly important for accessing public services, health information, shopping, and staying connected to family and friends. In some cases, services, activities and information have moved exclusively online, or offline alternatives may be limited or restricted. For children, the internet and device access may be required for remote schooling and adults may require additional digital skills for working from home.”

Access to reliable, high speed full-fibre broadband is a key focus throughout the UK and has become even more important since the beginning of the pandemic, with more residents than ever working from home and requiring access to the internet. Members from BMSDC sit on the Suffolk Broadband and Digital Connectivity Working Group led by Suffolk County Council and feeds in the [The Better Broadband for Suffolk Programme](#).

In terms of Suffolk, superfast broadband coverage stands at more than 97% across the county. The Government has the ambition of achieving gigabit-capable connectivity for all properties by 2025. Openreach is currently building full fibre connections to around 40,000 premises every week and aim to deliver full fibre access to 20 million premises by the mid-late 2020s, with significant build in rural areas.

There are many economic advantages to a 100% full-fibre rollout by 2025, including £59 billion in additional productivity, 1 million people back into the workforce through remote working, and 700k tonnes of carbon saved from fewer commuting trips.

Suffolk has been awarded a £5.9 million grant from the Department for Digital Culture Media and Sport (DCMS) Local Full Fibre Networks (LFFN) fund. The scope of project includes 10 towns in Suffolk.

A [comprehensive data dashboard](#) showing broadband connectivity and speeds, based on Ofcom data, has been developed by UK Parliament. The available data is presented at constituency level as opposed to local authority level, a full analysis of the two constituencies (Central Suffolk and North Ipswich, and South Suffolk) covering the highest areas of Babergh and Mid Suffolk is detailed below.

Central Suffolk and North Ipswich

Summary

In comparison to the UK generally and the East of England specifically, central Suffolk and North Ipswich, average download speed (Mbps) is faster in both the urban and rural areas of Suffolk compared to nationally. Moreover, superfast availability in urban areas is above the national and East of England average, but slightly lower at 88.7% in rural areas of central Suffolk and North Ipswich. Gigabit availability is lower than the national average in both urban and rural areas but, in these areas, it is above the East of England average. Thus, this can be cited as a problem for BMS, but predominantly as a regional issue more generally. Rural areas of central Suffolk and North Ipswich appear to have an increased unlikeliness to be able to receive decent broadband. With 1.8% unable to receive decent broadband, this is above the regional and national average, a problem specific to this area.

How does the chosen constituency compare with the UK as a whole?

Please see the notes below the dashboard for explanations of these measures.
This analysis is based on [Ofcom data](#).

Area	Average download speed Mbps	Superfast availability	Gigabit availability	Unable to receive decent broadband	Receiving under 10 Mbps	Receiving over 30 Mbps
Central Suffolk and Nor...	56.0	92.7%	23.0%	1.0%	10.4%	68.0%
-- Urban Areas	67.9	97.6%	28.2%	0.1%	7.6%	72.8%
-- Rural Areas	45.8	88.7%	19.0%	1.8%	12.9%	63.9%
East of England	75.1	95.6%	15.9%	0.6%	8.5%	74.3%
UK	72.9	94.8%	36.4%	0.7%	9.3%	73.1%

Around 45.9% of the constituency's population lives in an area classified as urban

As over 50% of the constituency population lives in an area classified as rural, it is clear that rural broadband availability is an issue for a large proportion of the constituency population – affecting more people than it would if it were an urban issue.

Which small areas overlapping the constituency have the best and worst connectivity?

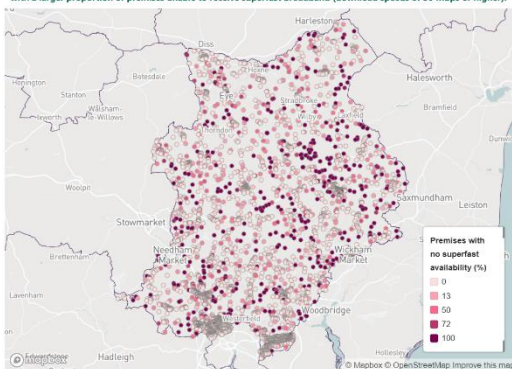
Key to table shading: **Best 10% of areas in the UK** **Best 30% of areas in the UK** **Worst 30% of areas in the UK** **Worst 10% of areas in the UK** Click [here](#) to view maps of small area data ('Detailed region maps')

Area name	Average download speed (Mbps)	Superfast availability	Gigabit availability	Unable to receive decent broadband	Lines receiving under 10 Mbps	Lines receiving over 30 Mbps
Bixley, Warren Heath & Nacton	67.4	90.6%	4.6%	0.2%	12.6%	70.5%
Castle Hill	91.3	99.8%	44.0%	0.0%	3.4%	75.8%
Claydon & Bramford	43.1	92.4%	7.0%	0.8%	12.2%	64.2%
Debenham, Stonham & Coddenh...	46.8	88.4%	30.6%	1.9%	16.6%	59.2%
Eye, Palgrave & Occold	45.9	89.4%	14.9%	1.6%	10.8%	66.0%
Framlingham & Hacheston	46.3	86.6%	21.1%	2.2%	12.3%	63.2%
Fressingfield, Laxfield & Worling...	43.7	84.0%	17.5%	3.4%	15.2%	61.6%
Kesgrave East & Martlesham	43.1	91.7%	19.9%	0.3%	13.9%	66.5%
Kesgrave West & Rushmere	38.7	97.1%	13.0%	0.1%	6.0%	63.9%
Needham Market South & Great ...	49.0	94.7%	13.2%	1.1%	7.6%	73.4%
Stowupland, Mendlesham & Bac...	57.8	90.5%	14.7%	0.8%	12.1%	66.8%
Westerfield, Grundisburgh & Bre...	44.3	89.6%	21.0%	0.6%	15.5%	63.8%
Whitehouse	84.6	98.9%	71.0%	0.1%	5.7%	79.0%
Whitton	89.7	99.2%	0.0%	0.0%	7.9%	76.6%
Wickham Market & Melton	41.0	94.3%	12.0%	0.7%	11.0%	64.7%

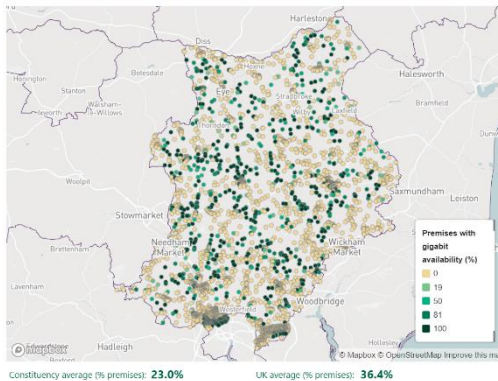
Note that some of the areas shown may overlap only partially with the constituency. See the notes below for details.

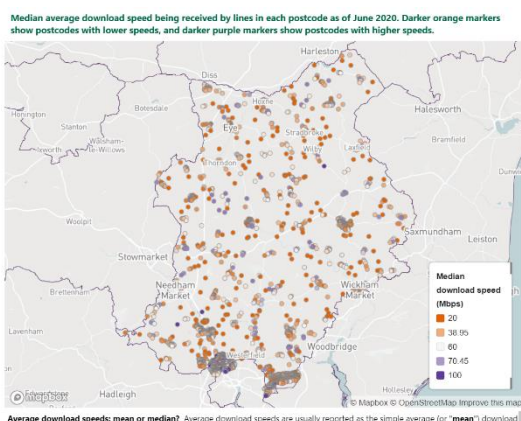
Other than Castle Hill and Whitton (being in the best 10% of areas in the UK), the majority of areas in central Suffolk and North Ipswich rank in predominantly the worst 30% of areas in the UK, with a handful in the worst 10%. The most striking data sits in the 'unable to receive decent broadband' column, with 3 areas situated in the worst 10% of the UK.

Premises unable to receive superfast broadband as of January 2021. Markers with darker shading indicate postcodes with a larger proportion of premises unable to receive superfast broadband (download speeds of 30 Mbps or higher).



Gigabit availability as of January 2021. Postcodes with higher availability are shown with darker green shading.





South Suffolk

Summary:

In comparison to the UK generally and the East of England specifically, south Suffolk's average download speed (Mbps) is faster in both the urban and rural areas of Suffolk compared to nationally. Moreover, superfast availability in urban areas is above the national and East of England average, but slightly lower at 91.7% in rural areas of south Suffolk. Gigabit availability is lower than the national and East of England average in both urban and rural areas, and there is worse gigabit availability in South Suffolk than in central Suffolk and North Ipswich. This can be cited as a problem generally as East of England is way below the national average, but also an issue specific to South Suffolk, as it fairs worse than its comparative constituency. Being unable to receive decent broadband is less likely in south Suffolk than in central Suffolk and North Ipswich – in rural areas. However, it is more likely that in urban areas decent broadband will be unable to be received in urban areas in South Suffolk than central Suffolk and North Ipswich. South Suffolk generally has less of an issue of receiving decent broadband. The UK average and South Suffolk average is incredibly similar for this column.

How does the chosen constituency compare with the UK as a whole?

Please see the notes below the dashboard for explanations of these measures.
This analysis is based on [Ofcom data](#).

Area	Average download speed Mbps	Superfast availability	Gigabit availability	Unable to receive decent broadband	Receiving under 10 Mbps	Receiving over 30 Mbps
South Suffolk	46.0	93.7%	10.2%	0.8%	9.9%	67.4%
-- Urban Areas	50.2	98.3%	6.6%	0.4%	9.5%	69.8%
-- Rural Areas	44.2	91.7%	11.8%	1.0%	10.0%	66.5%
East of England	75.1	95.6%	15.9%	0.6%	8.5%	74.3%
UK	72.9	94.8%	36.4%	0.7%	9.3%	73.1%

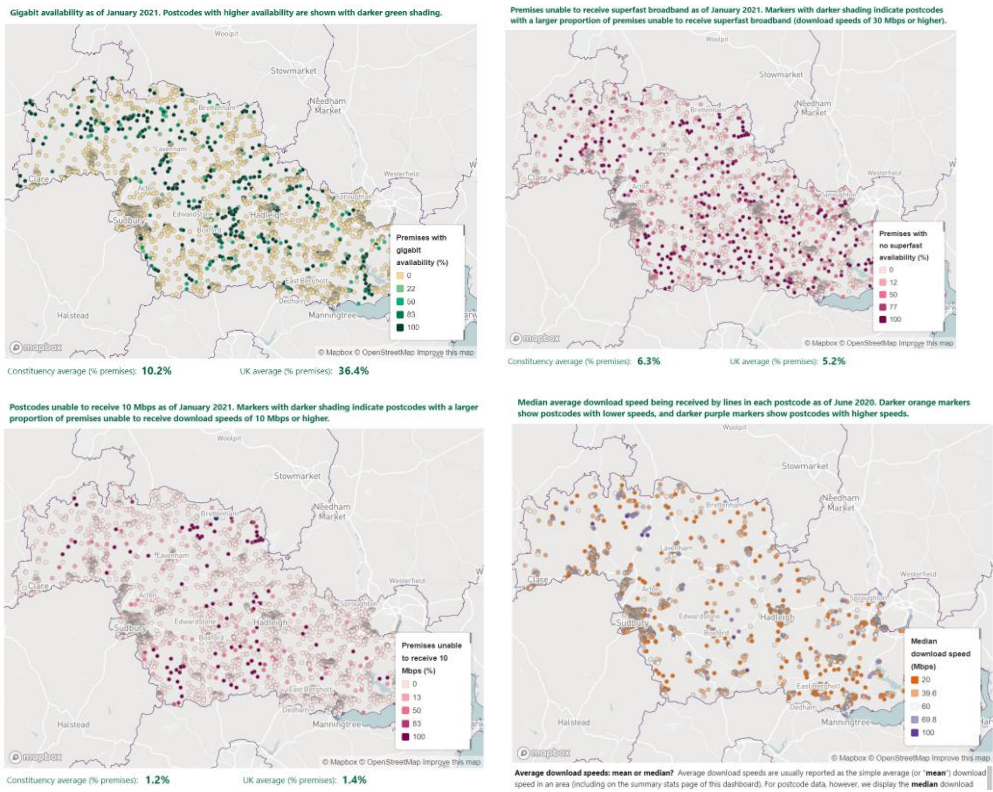
Around 29.9% of the constituency's population lives in an area classified as urban

As over 70% of the constituency population lives in an area classified as rural, 20% more than in central Suffolk and North Ipswich, it is clear that rural broadband availability is an issue for a large

proportion of the constituency population – affecting more people than it would if it were an urban issue.

Which small areas overlapping the constituency have the best and worst connectivity?						
Key to table shading: <div>Best 10% of areas in the UK</div> <div>Best 30% of areas in the UK</div> <div>Worst 30% of areas in the UK</div> <div>Worst 10% of areas in the UK</div> <div>Click here to view maps of small area data ('Detailed region maps')</div>						
Area name	Average download speed (Mbps)	Superfast availability	Gigabit availability	Unable to receive decent broadband	Lines receiving under 10 Mbps	Lines receiving over 30 Mbps
Acton, Great Waldingfield & Bures	41.8	91.1%	12.1%	0.6%	12.4%	65.6%
Clare, Cavendish & Wickhambrook	46.3	94.4%	12.3%	0.3%	9.1%	68.7%
East Bergholt, Brantham & Capel...	40.5	90.6%	3.2%	0.4%	9.0%	64.0%
Glemsford & Lawshall	47.3	92.2%	12.4%	1.6%	10.2%	69.5%
Great Cornard	49.7	98.0%	11.0%	0.1%	13.8%	70.7%
Hadleigh	41.4	95.8%	12.7%	0.5%	6.9%	64.9%
Lavenham, Bildeston & Brettenh...	43.5	88.6%	16.2%	2.2%	12.3%	63.2%
Leavenheath, Nayland & Boxford	46.7	89.0%	19.3%	1.8%	12.8%	65.9%
North Sudbury & Long Melford	45.5	94.9%	14.1%	0.6%	10.4%	74.9%
Shotley Peninsula	47.0	92.3%	11.5%	0.9%	9.1%	70.0%
Sproughton, Washbrook & Hintl...	63.2	93.6%	5.3%	0.5%	10.7%	68.5%
Sudbury	41.6	98.3%	3.2%	0.5%	5.8%	67.0%

No areas of South Suffolk rank in the best 10% of areas in the UK. The majority of areas in south Suffolk rank in the worst 30% of areas in the UK. The most striking data sits in the ‘unable to receive decent broadband’ column, like in central Suffolk and North Ipswich, with 2 areas situated in the worst 10% of the UK.



It is encouraging to know that broadband coverage is a priority throughout many different tiers of Local Government, it is important for BMSDC to ensure that it remains at the top of its agenda to support the future economic recovery and growth as a well-connected broadband infrastructure will be key to attracting new businesses and talent to the area.

The information below provides a snapshot of the Babergh and Mid Suffolk's three largest towns. The information has been compiled by Experian from a number of different sources and gives some additional colour to the tech usage, and broadband requirements of our residents:

Hadleigh:

- The largest age group in this area are those aged 41-45 with 11.1% of the population falling within this bracket.
- 85.1% of residents own a laptop with 70.4% owning a smartphone.
- 59.3% prefer to be contacted via email.
- Mobile phone is the main method of communication for 94.1% of people.
- 89.6% have access to broadband internet at home.
- 68.7% of residents use the internet 'several times a day'.

Sudbury:

- The largest age group in this area are those aged 18-25 with 9.7% of the population falling within this bracket.
- 84.6% of residents own a laptop with 70.7% owning a smartphone.
- 57.6% prefer to be contacted via email.
- Mobile phone is the main method of communication for 93.8% of people.
- 87.4% have access to broadband internet at home.
- 67.5% of residents use the internet 'several times a day'.

Stowmarket:

- The largest age group in this area are those aged 31-35 with 11.2% of the population falling within this bracket.
- 87.1% of residents own a laptop with 76.7% owning a smartphone.
- 60.0% prefer to be contacted via email.
- Mobile phone is the main method of communication for 94.3% of people.
- 88.2% have access to broadband internet at home.
- 69.4% of residents use the internet 'several times a day'.

UK Competitive Index (UKCI)

This [yearly report](#) compiled by Cardiff University and Nottingham Business School aims to assess the relative economic competitiveness of regions and localities in the UK by constructing a single index that reflects, as fully as possible, the measurable criteria constituting place competitiveness. The full report for 2021 can be found as part of the 'Supporting Evidence and Further Reading'. Below is a summary of the report, with a focus on what it means for Babergh and Mid Suffolk.

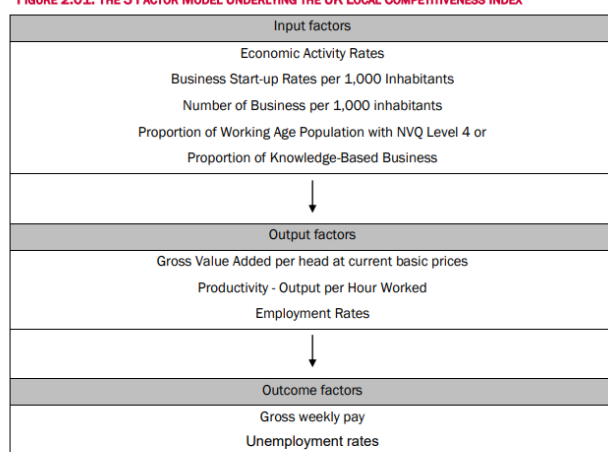
The 2021 report accounts for the disruption caused by the twin shocks of Brexit and the Covid-19 global pandemic.

Covid-19 restrictions are likely to have impacted the sectors that are dominant in older industrial areas with Brexit causing problems with access to the cheap labour that agriculture, hospitality and tourism sectors are reliant on in the more rural areas.

The UKCI provides a benchmarking of the competitiveness of the UK's localities, and it has been designed to be an integrated measure of competitiveness focusing on both the development and sustainability of businesses and the economic welfare of individuals. In this respect, competitiveness is considered to consist of the capability of an economy to attract and maintain firms with stable or rising market shares in an activity, while maintaining stable or increasing standards of living for those who participate in it.

The UKCI seeks to provide a measure of the on-going competitiveness of localities across the UK, and to begin to analyse how the Covid-19 Pandemic, and to some extent Brexit, have impacted upon existing geographic patterns of economic performance. As such it might be expected that a comparison of the UKCI for 2018 and 2021 will show greater changes than comparisons in previous editions of the UKCI.

FIGURE 2.01: THE 3 FACTOR MODEL UNDERLYING THE UK LOCAL COMPETITIVENESS INDEX



Source: Huggins, R. and Thompson, P. (2013) UK Competitiveness Index 2013, School of Planning and Geography, Cardiff University: Cardiff

The UKCI is made up of three sub-indices: Input, Output and Outcome indices. The first of these captures the resources available within the area and is therefore associated with input or process competitiveness.

It is interesting to note that of the 12 localities shown in Table 4.02 with the greatest falls, 11 have UKCI scores in 2018 and 2021 indicating they are less competitive than the UK average. This means that the localities in question are similar to those experiencing the greatest relative improvements in competitiveness over the period in terms of their starting competitiveness. Worryingly, this means that some of those localities which were struggling prior to the twin shocks of the Covid-19 Pandemic and Brexit are likely to have seen the processes associated with their diminished competitiveness accelerated.

TABLE 4.02: UKCI 12 LARGEST RANKING FALLERS (UK=100)

Rank 2021	Locality	Region	UKCI		Rank 2018	Change 2018-2021	
			2021	2018		UKCI	Rank
323	Rhondda Cynon Taff	Wales	79.9	82.8	282	-2.9	-41
195	South Hams	South West	90.0	93.4	154	-3.4	-41
224	Mid Suffolk	East of England	87.7	91.4	183	-3.7	-41
148	Chichester	South East	93.8	99.1	107	-5.2	-41
264	East Dunbartonshire	Scotland	84.4	87.7	222	-3.3	-42
210	Melton	East Midlands	88.7	92.4	168	-3.8	-42
319	Gedling	East Midlands	80.3	83.6	274	-3.3	-45
312	Mid Devon	South West	80.9	84.1	264	-3.2	-48
176	Preston	North West	91.3	96.5	126	-5.2	-50
92	East Hertfordshire	East of England	101.1	110.8	40	-9.7	-52
343	West Devon	South West	78.1	82.4	288	-4.3	-55
263	South Somerset	South West	84.5	89.7	199	-5.1	-64

There have been a number of studies that have suggested that the Covid-19 Pandemic has challenged the dominance of urban areas with people wishing to make fewer face-to-face contacts with others and a desire for more space at home. Many of the areas with the largest ranking falls are those that are more rural in nature, often in the areas surrounding larger cities such as: South Somerset (close to Bristol) in the South West; and Melton (close to Leicester) and Gedling (close to Nottingham) both in the East Midlands; and the only locality with competitiveness above the UK average is East Hertfordshire, where more than one in five employed residents work in London.

Although workers may be operating from home in these localities, their production will be brought together with their co-workers in the nearby cities. Localities such as South Somerset with weaker road or rail connections have seen larger drops in their ranking.

In the more ‘satellite’ localities, the businesses based there tend to serve the local and tourist populations. This means they have been more strongly affected by lockdowns as workers did not have the options to continue to work from home. This has meant enforced closure for some and others such as manufacturers have suffered from supply chain interruptions from both Covid-19 closures and Brexit disruption. Employee shortages will also have affected particular sectors with the loss of EU labour, or from employees self-isolating, such as in the fresh produce and food processing sector. However, some studies suggest that these sectors have also shown an ability to adapt and may therefore partly mitigate the loss of competitiveness. These factors have translated into a loss of resources for many of these localities. This includes falls in the proportion of the population holding university degree qualifications or higher while the UK average rose over the period. At the same time, the economic activity rate has fallen for a number of the localities noted above, while again the UK average has risen very slightly. Although furlough schemes and government support to businesses and the self-employed may cloud the picture, median full time wages have also fallen for some localities, contrasting with a slight rise for the UK overall. This is not to say that cities will necessarily return to their position before the Covid-19 Pandemic as patterns of home working may remain present to some degree. This means that those businesses based on city centre footfall may struggle, but the most advanced knowledge intensive activities appear likely to remain operating through cities even if workers are not located physically in the cities as often.

5.2. Competitiveness and Rural and Urban Localities

Although the long-term ramifications of the Brexit and Covid-19 Pandemic shocks are yet to be fully established, Table 5.02 below indicates that in 2021 larger urban areas of Great Britain have retained and slightly improved their competitiveness. On average these are the only type of locality displaying competitiveness above the UK average.

The least competitive localities remain those that are largely rural locations, and in most cases the least well-connected, both physically and digitally.²⁵ This may limit the extent that these localities are able to benefit from any movement of working patterns from larger urban areas. The Covid-19 Pandemic shock is likely to have considerable short-term consequences for those more rural areas reliant on the tourism sector. Although output may recover relatively quickly, if fears of future pandemic shocks are present, this is likely to translate into a longer-term loss of investment. Difficulties with accessing cheap labour due to Brexit may further erode the competitiveness of these localities.²⁶ As such the long-term competitiveness of some rural areas that remain heavily reliant on tourism is likely to continue to weaken.²⁷

TABLE 5.02: UKCI INDEX BY RURAL/URBAN NATURE OF LOCALITIES (UK=100)

	2018	2021	Change 2018-2021
Major Urban	102.8	103.4	0.7
Large Urban	93.0	93.6	0.6
Other Urban	91.6	91.7	0.1
Significant Rural	96.0	95.8	-0.1
Rural-50	91.2	90.7	-0.5
Rural-80	89.6	89.0	-0.7

Regional Competitiveness in 2021

The top regions are London, South East, and East of England, with the first two being the only ones achieving scores above the national average (UK=100). Although only changing slowly, the change between 2018 and 2021 suggests that the pattern of London and the South East diverging from the rest of the UK has continued, making the Government’s ‘levelling up’ a tricky proposition to achieve.

TABLE 6.01: AVERAGE UKCI LOCAL SCORE AND RANK BY REGION (UK=100)

Region	UKCI		Rank		Change 2018-2021	
	2018	2021	2018	2021	UKCI	Rank
London	116.4	117.3	64	59	0.9	+4.5
South East	102.4	102.4	114	111	0.0	+2.5
East of England	96.2	95.6	151	155	-0.6	-4.5
Scotland	92.4	92.5	185	183	0.1	+1.5
South West	92.1	91.6	184	189	-0.5	-4.8
North West	91.3	91.2	198	198	-0.1	-0.1
West Midlands	89.8	90.1	212	208	0.3	+4.3
East Midlands	88.8	89.5	215	206	0.8	+9.4
Yorkshire and the Humber	86.7	87.3	239	234	0.5	+4.2
Wales	84.2	84.1	265	269	-0.1	-4.3
North East	82.4	82.4	287	286	0.0	+1.2

Competitiveness of LEP and City Regions in 2021

The leading LEP areas remain London (UKCI = 128.0) and those located along the main arteries running into the capital city: Thames Valley Berkshire (UKCI = 120.9); Enterprise M3 (UKCI = 113.5); and Hertfordshire (UKCI = 109.1). Currently, there does not appear to be any evidence that the Covid-19 Pandemic has altered the patterns of competitiveness away from London.

Rank 2021	Local Enterprise Partnership Area/City Region	UKCI 2021	UKCI 2018	Rank 2018	Change 2018-2021	
					UKCI	Rank
32	New Anglia	87.4	87.6	32	-0.2	0

LEP area score based on **UKCI Input Scores**:

New Anglia ranked 35th in 2021 which is up by 1 however input score lower (in 2018 it was 82.5, in 2021 it is 81.9)

LEP area score based on **UKCI Output Scores**:

New Anglia ranked 30th in 2021 (remaining the same as 2018) however output score higher (in 2018 it was 84.5, in 2021 it is 85.0)

LEP area score based on **UKCI Outcome Scores**:

New Anglia ranked 36th (out of 47) in 2021 which is down by 8 (score in 2018 was 95.8, in 2021 it 95.6). It has experienced the second largest negative shift, only behind Lancashire who slipped by 10 points.

The UKCI Outcome Index displays greater variation between 2018 and 2021 than the other subindices of the UKCI. This is potentially a reflection of the anomalies created by the government furlough scheme where changes in unemployment level may be hidden in some areas and only become apparent in coming months as the unwinding of the scheme starts to take effect.

Forecasting Growth with the UKCI

Input or process competitiveness is intended to consider the potential of a locality to provide a high level of living standards for its residents on an on-going basis. This means that the UKCI will provide an insight into those localities that have the greatest potential to generate high value jobs and production in the future.

In simple terms we consider how the UKCI sub-indices at the start of each period affected the subsequent growth of localities during the period. Using this insight, we can estimate how localities will grow if a similar period is experienced given their current UKCI sub-indices. It must be noted that the current economic and social situation is unique, and therefore there will be more uncertainty than normal as the past two years have shown that conditions can change rapidly and also changing

TABLE 10.1: RELATIONSHIP BETWEEN UKCI INPUT AND OUTCOME SUB-INDICES WITH GDP PER CAPITA GROWTH

Scenario	Period	Input Sub-Index	Outcome Sub-Index
Boom	1997-2007	0.000397	0.001322
Bust	2007-2012	0.000106	0.000611
Recovery	2012-2016	0.000084	0.0000886
Long-run	1997-2013	0.000296	0.001345

The full equations estimated are as follows:

Boom

$$AnnualGrowth_{97-07,i} = 0.879 + 0.000397Inputs_{97,i} + 0.001322Outcomes_{97,i} + \epsilon_i$$

Bust

$$AnnualGrowth_{07-12,i} = 0.931 + 0.000106Inputs_{09,i} + 0.000611Outcomes_{09,i} + \epsilon_i$$

Recovery

$$AnnualGrowth_{12-16,i} = 1.027 + 0.000084Inputs_{13,i} + 0.0000886Outcomes_{13,i} + \epsilon_i$$

Long-Term

$$AnnualGrowth_{97-13,i} = 0.870 + 0.000296Inputs_{97,i} + 0.00135Outcomes_{97,i} + \epsilon_i$$

To produce forecasts from these relationships, current data is taken from the UKCI for 2021 and using the relationships outlined above estimates of GVA per capita growth are produced. The estimates are then adjusted to account for the UK growth in GVA per capita expected in each scenario³. This generates four different growth estimates for each locality, one for each scenario.

working patterns may have a profound impact that is yet to be established.

(3 scenarios used to predict - Long-run, Bust, Boom)

Interestingly areas in the bottom 10 that are expected to see a fall in output include seaside resorts of Blackpool, and Hastings and Thanet (which includes the seaside towns of Margate and Ramsgate) – areas which over the past two years have experienced revivals in football etc and benefitted significantly from the ‘staycation’ and it’s associated economic benefits to the visitor economy. As these are longer term predictions it is apparent the assumption is that the benefits seen during the pandemic, in particular localism is not predicted to be a change in behaviour

that remains in place.

Appendix 5: GVA per Capita Growth Forecasts

	Long-Run		Bust		Recovery		Boom	
	Annual p.c. Growth	Rank	Annual p.c. Growth	Rank	Annual p.c. Growth	Rank	Annual p.c. Growth	Rank
Mid Suffolk	0.57	242	-1.83	242	1.60	229	1.43	239
Babergh	0.44	257	-1.90	267	1.61	208	1.35	247

Appendix 4: GVA Growth Forecasts

	Long-Run		Bust		Recovery		Boom	
	Annual Growth Rate	Rank	Annual Growth Rate	Rank	Annual Growth Rate	Rank	Annual Growth Rate	Rank
Mid Suffolk	0.89	242	-1.07	242	2.37	229	1.94	239
Babergh	0.76	257	-1.14	267	2.39	208	1.86	247

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Appendix 2: UKCI in Rank Order

In the table below localities are presented in rank order

Locality	Region	2018	Rank 2018	2021	Rank 2021
City of London	London	991.9	1	928.3	1
West Suffolk	East of England	93.3	155	93.0	156
Ipswich	East of England	92.5	167	90.4	190
Babergh	East of England	87.8	220	88.2	217
Mid Suffolk	East of England	91.4	183	87.7	224
East Suffolk	East of England	87.6	224	86.4	240

Conclusions:

- 1) Using this report, it is not possible to fully understand the impact that the twin shocks of Brexit and the Covid-19 Pandemic will have in the long-run, it provides a first insight into those localities which are best positioned to deal with the shocks faced. The most competitive localities in the UK remain those located in London, but there has been much more change in the last few years than has been the case for many of the previous UKCI reports.
- 2) Although Mid Suffolk are showing in the largest fallers I am not particularly concerned, the rural nature of both districts will always mean we rank relatively low based on the model used to determine the competitiveness index. As expected the top ranking localities are

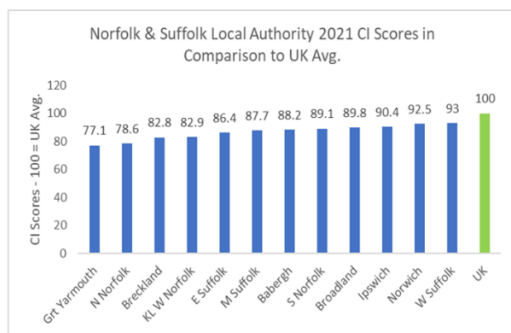
dominated by regions in and surrounding London.

It is worth highlighting that Mid Devon, West Devon and South Somerset are some of the areas that slipped by a larger scale than Mid Suffolk although all areas have been perceived in national press etc as having benefitted substantially from the increase in staycations and daycations trends over the past two summers as the model used to determine the scoring does not account for this.

With the exception of West Suffolk, Mid Suffolk and Babergh have both seen the largest increases in universal credit claimants throughout Suffolk since March 2020 which will impact the UKCI rankings.

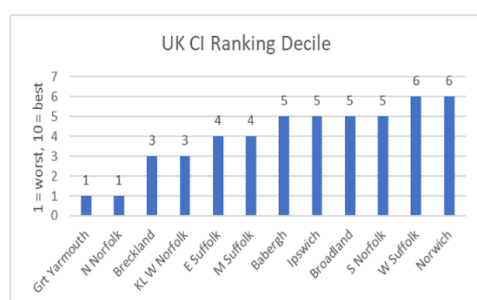
- 3) My initial thoughts on the modelling used is that it is quite enclosed, taking in to account a very narrow data set including business start-up rates, working age population with NVQ Level 4 or above, proportion of Knowledge based businesses and gross weekly pay. These are all areas we have historically performed lower than average in and are aware that future interventions need to focus on.
Although this will likely also be the case for most, if not all other localities in the report it is also worth highlighting that a number of the businesses in both districts will be too small to have been counted in the data used to determine the rankings as business numbers used will only include those registered for VAT and PAYE (of which most of our businesses are not).
- 4) Interestingly a number of locations that have been highlighted as doing particularly well in this year's report note a number of reasons for these being economic interventions such as business parks and logistics centres, as well as having larger volumes of sectors that have particularly benefitted from the pandemic. I believe that once a number of our pipeline interventions with Mid Suffolk in particular (e.g. Gateway 14 and Freeport East) are completed in the coming years we will see significant changes to the UKCI ranking for MSDC.
- 5) It is also interesting to note that the forecasting models used are remaining the same as previous years, making no attempt to try and predict the behavioural changes and impacts of the pandemic – therefore making the assumption that any changes in the last two years will not be long term. This is most notable when looking at coastal regions and their forecasting, some of these areas are predicted to be some of the worse performers over the coming years however many coastal regions and seaside resorts throughout the UK have experienced huge increases in retail spend, footfall and tourism etc due to staycations and current predictions suggests this trend is here to stay for the foreseeable future.
- 6) However, both districts remain in the middle when ranked in isolation against other localities in the LEP area, see below that has come from the LEP's Draft Renewal Plan:

UK Competitiveness Index



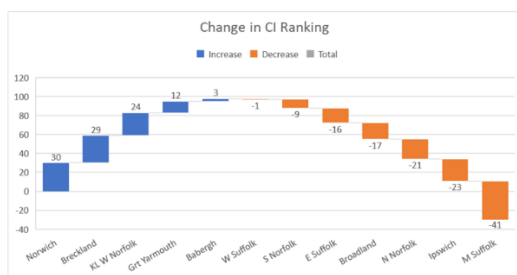
- This chart shows that in terms of overall 'Competitiveness' score, all of Norfolk & Suffolk's local authorities rank below the national average.

UK Competitiveness Index



- The report ranks all 362 local authority areas across the UK.
- This allows us to analyse which decile each of our LAs fall into – here we can see that 2 of our local authorities rank in the worst decile in terms of competitiveness, and even our 'best performing' local authority areas only rank in the 5th best decile.
- As a LEP area, Norfolk & Suffolk rank 30 out of 47 comparable areas, which is where we ranked in 2018.

UK Competitiveness Index



- This chart illustrates the movement of each of the Norfolk and Suffolk local authority areas – within the overall UK ranking, between 2018 to 2021
- The areas aligned with blue indicate where local authorities have improved their ranking while those in orange indicate those areas that have slipped in the ranking.

Skills Analysis

This section is designed to give a high-level overview of the current labour market within Babergh and Mid Suffolk. Unless otherwise stated statistics and data in this section has been sourced from [Nomis – Official Labour Market Statistics](#). Full Labour Market Profiles for Babergh, Mid Suffolk and the East of England (for comparison) can be found in the Supporting Evidence that goes alongside this evidence base.

Labour Supply

Employment and unemployment (Jul 2020-Jun 2021)				
	Babergh (Numbers)	Babergh (%)	East (%)	Great Britain (%)
All People				
Economically Active†	44,700	80.5	80.4	78.4
In Employment‡	43,600	78.4	76.9	74.4
Employees‡	35,400	65.1	66.6	64.7
Self Employed‡	7,300	11.8	10.1	9.4
Unemployed (Model-Based)§	1,700	3.7	4.3	5.0
Males				
Economically Active†	23,900	80.7	84.7	82.0
In Employment‡	23,900	80.7	81.2	77.6
Employees‡	19,000	65.0	68.0	65.2
Self Employed‡	4,100	#	13.1	12.1
Unemployed§	!	!	3.9	5.3
Females				
Economically Active†	20,800	80.4	76.2	74.8
In Employment‡	19,700	75.9	72.5	71.2
Employees‡	16,400	65.3	65.2	64.3
Self Employed‡	3,300	#	7.1	6.7
Unemployed§	!	!	4.7	4.7

Source: ONS annual population survey
 # Sample size too small for reliable estimate (see definitions)
 ! Estimate is not available since sample size is disclosure (see definitions)
 ‡ - numbers are for those aged 16 and over, % are for those aged 16-64
 § - numbers and % are for those aged 16 and over, % is a proportion of economically active

Highlights:

Babergh has 44,700 economically active residents, which accounts for 80.5% of population, which is in line with the average for the East and Great Britain. The gender splits are also in line with the rest of the UK averages.

This has reduced by 1,300 since the last data set (December 2020) although in terms of percentage of all residents this has increased slightly by 0.9%.

Employment and unemployment (Jul 2020-Jun 2021)				
	Mid Suffolk (Numbers)	Mid Suffolk (%)	East (%)	Great Britain (%)
All People				
Economically Active†	51,700	80.4	80.4	78.4
In Employment‡	50,400	78.4	76.9	74.4
Employees‡	39,600	62.1	66.6	64.7
Self Employed‡	10,800	16.3	10.1	9.4
Unemployed (Model-Based)§	1,900	3.6	4.3	5.0
Males				
Economically Active†	30,500	87.3	84.7	82.0
In Employment‡	29,600	84.4	81.2	77.6
Employees‡	22,100	63.9	68.0	65.2
Self Employed‡	7,500	20.5	13.1	12.1
Unemployed§	!	!	3.9	5.3
Females				
Economically Active†	21,100	72.1	76.2	74.8
In Employment‡	20,800	71.1	72.5	71.2
Employees‡	17,500	59.9	65.2	64.3
Self Employed‡	3,300	#	7.1	6.7
Unemployed§	!	!	4.7	4.7

Source: ONS annual population survey
 # Sample size too small for reliable estimate (see definitions)
 ! Estimate is not available since sample size is disclosure (see definitions)
 ‡ - numbers are for those aged 16 and over, % are for those aged 16-64
 § - numbers and % are for those aged 16 and over, % is a proportion of economically active

[view time-series](#) [compare other areas](#) [query dataset... 8](#)

Highlights:

Mid Suffolk has 51,700 economically active residents, which accounts for 80.4% of the population, which is just above the average for the East and Great Britain. The gender splits are also in line with the rest of the UK averages. The number of economically active residents has increased since December 2020 by 1,300.

Employment by Occupation

	Babergh (Numbers)	Babergh (%)	East (%)	Great Britain (%)
Soc 2010 Major Group 1-3	16,600	38.0	49.0	50.0
1 Managers, Directors And Senior Officials	5,400	12.3	11.5	10.9
2 Professional Occupations	6,900	15.9	21.7	23.3
3 Associate Professional & Technical	4,300	9.8	15.6	15.6
Soc 2010 Major Group 4-5	11,000	25.2	21.9	19.2
4 Administrative & Secretarial	5,700	13.2	11.7	10.2
5 Skilled Trades Occupations	5,200	12.0	10.2	9.0
Soc 2010 Major Group 6-7	6,700	15.5	15.1	16.1
6 Caring, Leisure And Other Service Occupations	4,400	10.1	8.6	9.0
7 Sales And Customer Service Occs	#	#	6.5	7.1
Soc 2010 Major Group 8-9	9,300	21.3	14.0	14.7
8 Process Plant & Machine Operatives	#	#	5.3	5.6
9 Elementary Occupations	#	#	8.6	9.1

Source: ONS annual population survey
 # Sample size too small for reliable estimate (see definitions)
 Notes: Numbers and % are for those of 16+
 % is a proportion of all persons in employment

	Mid Suffolk (Numbers)	Mid Suffolk (%)	East (%)	Great Britain (%)
Soc 2010 Major Group 1-3	24,000	47.6	49.0	50.0
1 Managers, Directors And Senior Officials	4,200	8.3	11.5	10.9
2 Professional Occupations	11,000	21.9	21.7	23.3
3 Associate Professional & Technical	8,800	17.5	15.6	15.6
Soc 2010 Major Group 4-5	10,700	21.3	21.9	19.2
4 Administrative & Secretarial	5,100	10.1	11.7	10.2
5 Skilled Trades Occupations	5,600	11.1	10.2	9.0
Soc 2010 Major Group 6-7	6,100	12.0	15.1	16.1
6 Caring, Leisure And Other Service Occupations	#	#	8.6	9.0
7 Sales And Customer Service Occs	#	#	6.5	7.1
Soc 2010 Major Group 8-9	9,600	19.1	14.0	14.7
8 Process Plant & Machine Operatives	#	#	5.3	5.6
9 Elementary Occupations	5,700	11.3	8.6	9.1

Source: ONS annual population survey
 # Sample size too small for reliable estimate (see definitions)
 Notes: Numbers and % are for those of 16+
 % is a proportion of all persons in employment

In terms of actual numbers, the occupation categories with the highest volumes of employees are in the Managers, Directors and Senior Officials, Professional Occupations and Associate Professional & Technical occupations, which is encouraging as they would generally be associated with higher pay levels. However, in Babergh this is 11% below the average for the East.

Qualifications

	Babergh (Level)	Babergh (%)	East (%)	Great Britain (%)
NVQ4 And Above	20,600	39.2	39.2	43.1
NVQ3 And Above	30,700	58.6	57.6	61.4
NVQ2 And Above	39,000	74.4	76.9	78.2
NVQ1 And Above	45,400	86.6	88.8	87.9
Other Qualifications	#	#	5.6	5.7
No Qualifications	#	#	5.7	6.4

Source: ONS annual population survey
 # Sample size too small for reliable estimate
 Notes: For an explanation of the qualification levels see the definitions section.
 Numbers and % are for those of aged 16-64
 % is a proportion of resident population of area aged 16-64

	Mid Suffolk (Level)	Mid Suffolk (%)	East (%)	Great Britain (%)
NVQ4 And Above	17,200	29.2	39.2	43.1
NVQ3 And Above	32,000	54.4	57.6	61.4
NVQ2 And Above	43,500	74.0	76.9	78.2
NVQ1 And Above	52,700	89.5	88.8	87.9
Other Qualifications	#	#	5.6	5.7
No Qualifications	4,300	7.3	5.7	6.4

Source: ONS annual population survey
 # Sample size too small for reliable estimate
 Notes: For an explanation of the qualification levels see the definitions section.
 Numbers and % are for those of aged 16-64
 % is a proportion of resident population of area aged 16-64

Qualification levels in Babergh are in line with averages for the East. However, in Mid Suffolk in all but one area (NVQ1 And Above) qualification levels are below average for the East and Great Britain, with those falling in to the 'No qualifications' category totalling 4,300 which is above the average.

Earnings

Earnings by place of residence (2021)			
	Mid Suffolk (Pounds)	East (Pounds)	Great Britain (Pounds)
Gross Weekly Pay			
Full-Time Workers	590.8	628.6	613.1
Male Full-Time Workers	586.1	684.2	655.5
Female Full-Time Workers	592.2	568.3	558.1
Hourly Pay - Excluding Overtime			
Full-Time Workers	14.65	15.88	15.65
Male Full-Time Workers	14.58	16.67	16.26
Female Full-Time Workers	14.95	14.93	14.86

Source: ONS annual survey of hours and earnings - resident analysis
Notes: Median earnings in pounds for employees living in the area.

Earnings by place of residence (2021)			
	Babergh (Pounds)	East (Pounds)	Great Britain (Pounds)
Gross Weekly Pay			
Full-Time Workers	574.9	628.6	613.1
Male Full-Time Workers	570.2	684.2	655.5
Female Full-Time Workers	574.9	568.3	558.1
Hourly Pay - Excluding Overtime			
Full-Time Workers	14.87	15.88	15.65
Male Full-Time Workers	13.92	16.67	16.26
Female Full-Time Workers	15.66	14.93	14.86

Source: ONS annual survey of hours and earnings - resident analysis
Notes: Median earnings in pounds for employees living in the area.

As highlighted earlier in this report, the average pay (both weekly and hourly) in both districts is below the average for the UK, but more significantly below the average for the East. Based on the 2020 figures, gross weekly pay in Babergh appears to have increased from £560, and in Mid Suffolk from £551 over the past 12 months.

Job Density

Labour Demand				
Jobs density (2019)				
	Babergh (Jobs)	Babergh (Density)	East (Density)	Great Britain (Density)
Jobs Density	36,000	0.69	0.86	0.87

Source: ONS Jobs density
Notes: The density figures represent the ratio of total jobs to population aged 16-64.
Total jobs includes employees, self-employed, government-supported trainees and HM Forces

Labour Demand				
Jobs density (2019)				
	Mid Suffolk (Jobs)	Mid Suffolk (Density)	East (Density)	Great Britain (Density)
Jobs Density	48,000	0.79	0.86	0.87

Source: ONS Jobs density
Notes: The density figures represent the ratio of total jobs to population aged 16-64.
Total jobs includes employees, self-employed, government-supported trainees and HM Forces

Job density is the ratio of total jobs to population aged 16-64, the higher the figure the more encouraging the data. In both districts this is lower than the average for both East and Great Britain.

Businesses 2020 Vs 2021

Businesses				
UK Business Counts (2020)				
	Babergh (Numbers)	Babergh (%)	East (Numbers)	East (%)
Enterprises				
Micro (0 To 9)	3,740	89.7	244,305	90.0
Small (10 To 49)	360	8.6	22,095	8.1
Medium (50 To 249)	65	1.6	4,000	1.5
Large (250+)	10	0.2	995	0.4
Total	4,170	-	271,395	-
Local Units				
Micro (0 To 9)	4,020	85.6	266,205	85.4
Small (10 To 49)	575	12.2	36,745	11.8
Medium (50 To 249)	95	2.0	7,655	2.5
Large (250+)	10	0.2	995	0.3
Total	4,695	-	311,600	-

Source: Inter Departmental Business Register (ONS)
Note: % is as a proportion of total (enterprises or local units)

Businesses				
UK Business Counts (2020)				
	Mid Suffolk (Numbers)	Mid Suffolk (%)	East (Numbers)	East (%)
Enterprises				
Micro (0 To 9)	4,450	89.9	244,305	90.0
Small (10 To 49)	415	8.4	22,095	8.1
Medium (50 To 249)	75	1.5	4,000	1.5
Large (250+)	15	0.3	995	0.4
Total	4,950	-	271,395	-
Local Units				
Micro (0 To 9)	4,780	86.7	266,205	85.4
Small (10 To 49)	615	11.2	36,745	11.8
Medium (50 To 249)	105	1.9	7,655	2.5
Large (250+)	10	0.2	995	0.3
Total	5,515	-	311,600	-

Source: Inter Departmental Business Register (ONS)
Note: % is as a proportion of total (enterprises or local units)

Businesses				
UK Business Counts (2021)				
	Babergh (Numbers)	Babergh (%)	East (Numbers)	East (%)
Enterprises				
Micro (0 To 9)	3,750	89.8	244,435	90.1
Small (10 To 49)	355	8.5	21,890	8.1
Medium (50 To 249)	60	1.4	3,955	1.5
Large (250+)	10	0.2	965	0.4
Total	4,175	-	271,240	-
Local Units				
Micro (0 To 9)	4,030	85.7	266,410	85.6
Small (10 To 49)	580	12.3	36,285	11.7
Medium (50 To 249)	95	2.0	7,550	2.4
Large (250+)	5	0.1	985	0.3
Total	4,705	-	311,235	-

Source: Inter Departmental Business Register (IDBS)

Note: % is as a proportion of total (enterprises or local units)

Businesses				
UK Business Counts (2021)				
	Mid Suffolk (Numbers)	Mid Suffolk (%)	East (Numbers)	East (%)
Enterprises				
Micro (0 To 9)	4,460	90.1	244,435	90.1
Small (10 To 49)	400	8.1	21,890	8.1
Medium (50 To 249)	80	1.6	3,955	1.5
Large (250+)	10	0.2	965	0.4
Total	4,950	-	271,240	-
Local Units				
Micro (0 To 9)	4,800	87.0	266,410	85.6
Small (10 To 49)	595	10.8	36,285	11.7
Medium (50 To 249)	110	2.0	7,550	2.4
Large (250+)	10	0.2	985	0.3
Total	5,515	-	311,235	-

Source: Inter Departmental Business Register (IDBS)

Note: % is as a proportion of total (enterprises or local units)

Businesses in both districts are predominantly classified as Micro businesses, employing less than 9 FTE individuals, however (based on business size) each classification is in line with the average for the East.

Total enterprise and local unit count for both districts haven't seen much change from 2020-2021 which is unexpected but encouraging. We will explore this further with additional information as part of the Sector Analysis section of this Evidence Base.

Arts, Culture & Visitor Economy

Unless otherwise stated statistics and data in this section has come from the New Anglia Local Enterprise Partnership (NALEP) Cultural Strategy Evidence Report (April 2021), the full report can be found in the Supporting Evidence that goes alongside this evidence base.

Headline Findings: Babergh and Mid Suffolk's Cultural Economy

Opportunities to maximise	Challenges to address
A rapidly growing cultural sector (pre-Covid-19) with strong employment growth over the last five years	Covid-19 has had a significant impact on the cultural sector, being the second hardest hit after the tourism sector
A significant sector for Babergh and Mid Suffolk, supporting a number of other sectors across the economy (including creative industries, tourism and digital)	The sector's high proportion of small businesses, rural communities and dependence on cultural tourism has made it more vulnerable to the impact of Covid-19 compared to the national picture
Sector has a number of sub-sector strengths, which provide a unique identity to the area's offer	The sector lacks diversity across its workforce (including gender, sex, age and sexual orientation). Babergh and Mid Suffolk also have an increasingly ageing workforce , with the number of residents aged 16-64 slightly below the UK average *****
Babergh and Mid Suffolk have a range of well-established cultural locations alongside a range of emerging areas , in which cultural activity is starting to become more prominent	

Sector and Geographical Definitions

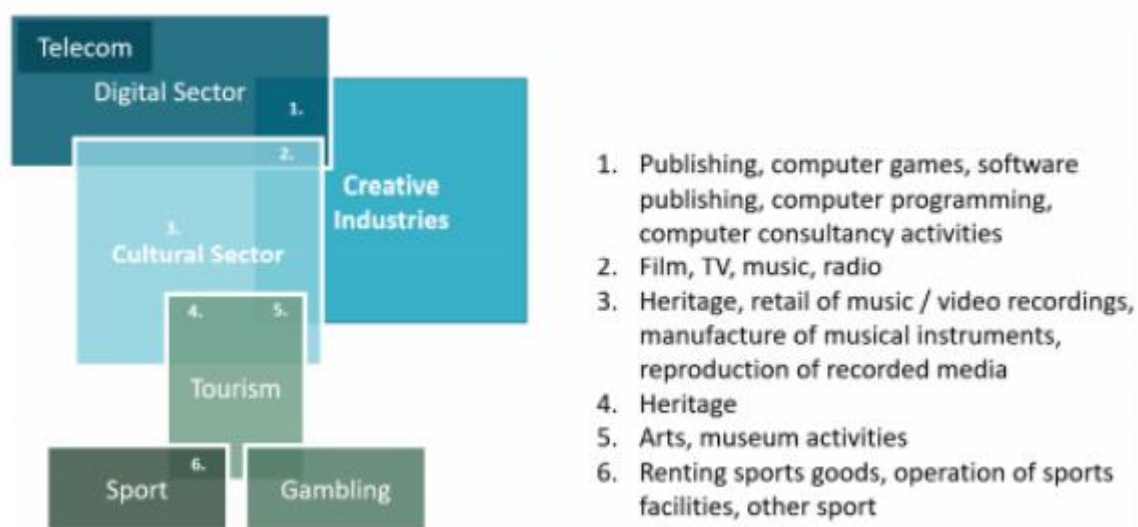
The Department for Digital, Culture, Media and Sport (DCMS) defines culture as having the following sub-sectors:

Arts (performing Arts, Artistic Creation)
Film, TV and Music
Radio
Photography
Crafts
Museums and Galleries
Library and Archives
Cultural Education
Heritage

Role of Cultural Sector in Supporting with Other Sectors

The above sectors have a significant overlap with other sectors of the economy, with the **digital**, **creative industries** and **tourism** overlapping with the cultural sector.

Crossover between culture and other sectors (by definition)



The latest data from [VisitBritain](https://www.visitbritain.co.uk/) shows that there was a **76% decline in foreign tourists coming to the UK** during 2020. Domestic tourism has also been impacted, with tourism spending and **nights away down by 49%** compared to 2019 levels.

Technology is blurring the lines between sectors and there has been an **accelerating trend of digitalising cultural content** through the Covid-19 pandemic. 61% of museums nationally have digitalized up to 50% of their collection. The [DCMS Culture White Paper](https://www.dcms.gov.uk/culture-white-paper) has set out to make the UK one of the world's leading countries for digitized public collections.

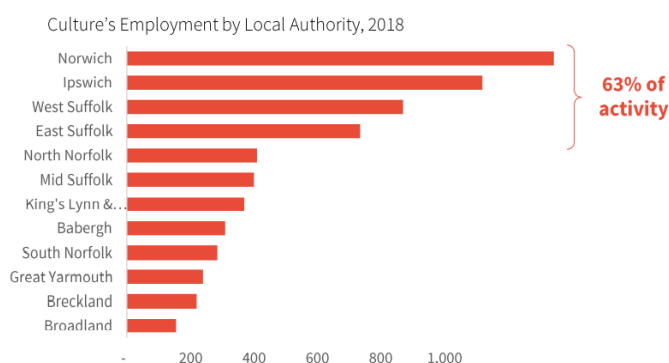
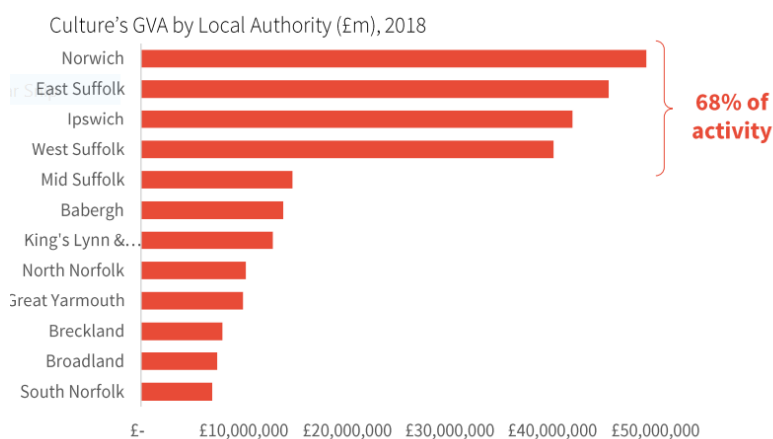
Challenge to address:

Research shows that **organisations benefit from being digitally mature**, with digital activity embedded across all aspects of their business from creative output to e-commerce. Help is needed for businesses who are lagging behind

Economic Contribution of the Culture Sector

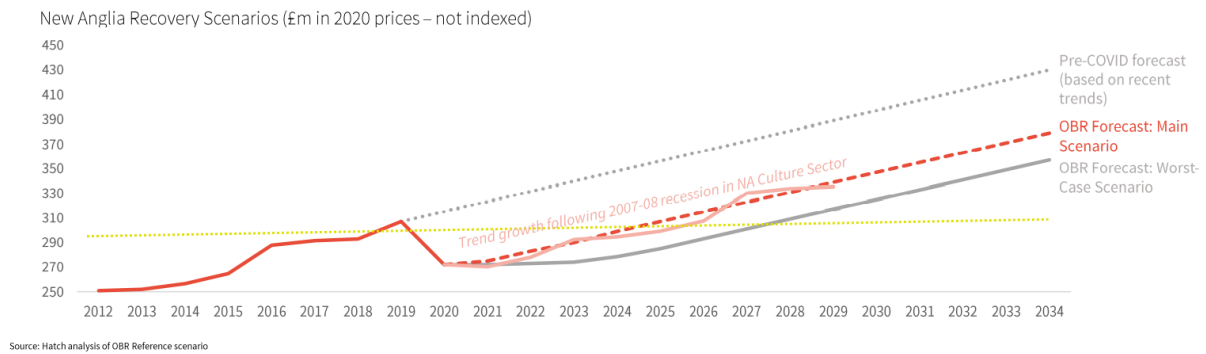
As you can see from the charts below, most of the cultural sector activity in the wider New Anglia area is concentrated in the more urban areas of Norwich, East Suffolk, Ipswich and West Suffolk.

Mid Suffolk and Babergh rank at a respectable 5th and 6th place (out of the 12 New Anglia authorities,) with a 2018 GVA ranging between £10m and £20m per authority.



Economic Recovery Scenarios

New Anglia LEP have created two scenarios, based on OBR projections, and compared this to the growth trajectory achieved following the 2007-08 recession by New Anglia's culture sector. The scenarios are based on the GVA projections shared in the [OBR's latest Coronavirus update](#) (November 2020). These are not forecasts but give an indication of the growth rates required to both make up for the 2020 GVA loss and return to similar growth rates. This means that sectors and businesses will need to be supported not just to recover, but to find new and innovative ways of producing output and increasing productivity.



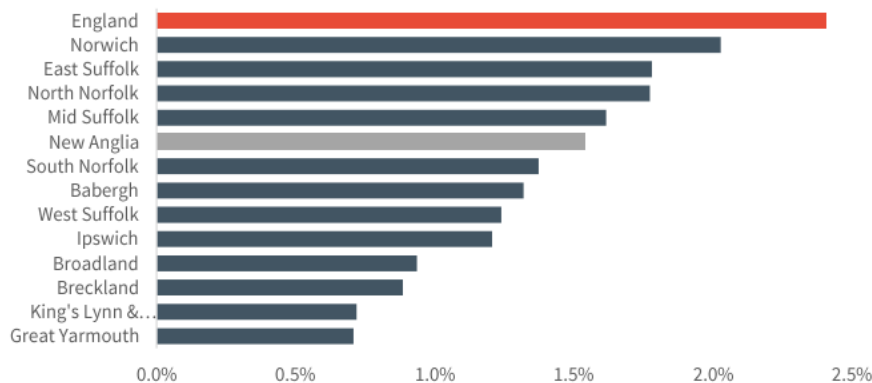
Challenge to address:

Sectors and businesses will need to be supported not just to recover, but to find new and innovative ways of producing output and increasing productivity.

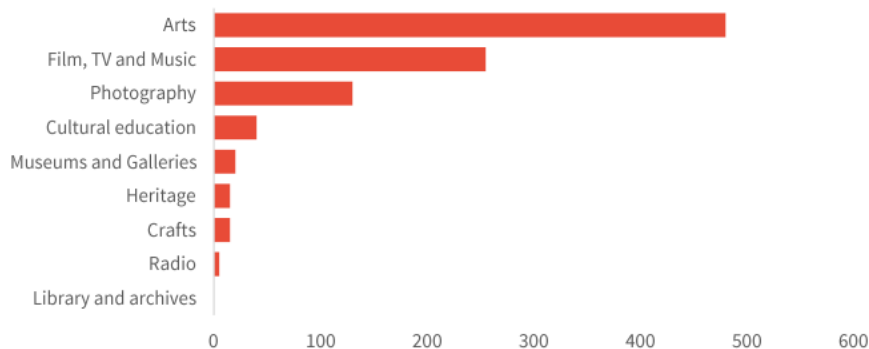
Babergh and Mid Suffolk's Cultural Business Base

As per the table below, Mid Suffolk has a higher number of businesses in the culture sector than Babergh, though both authorities are average to above average in the wider New Anglia area.

% of Businesses within the Cultural Sector



Cultural Sub-Sector Business Specialisms, 2020

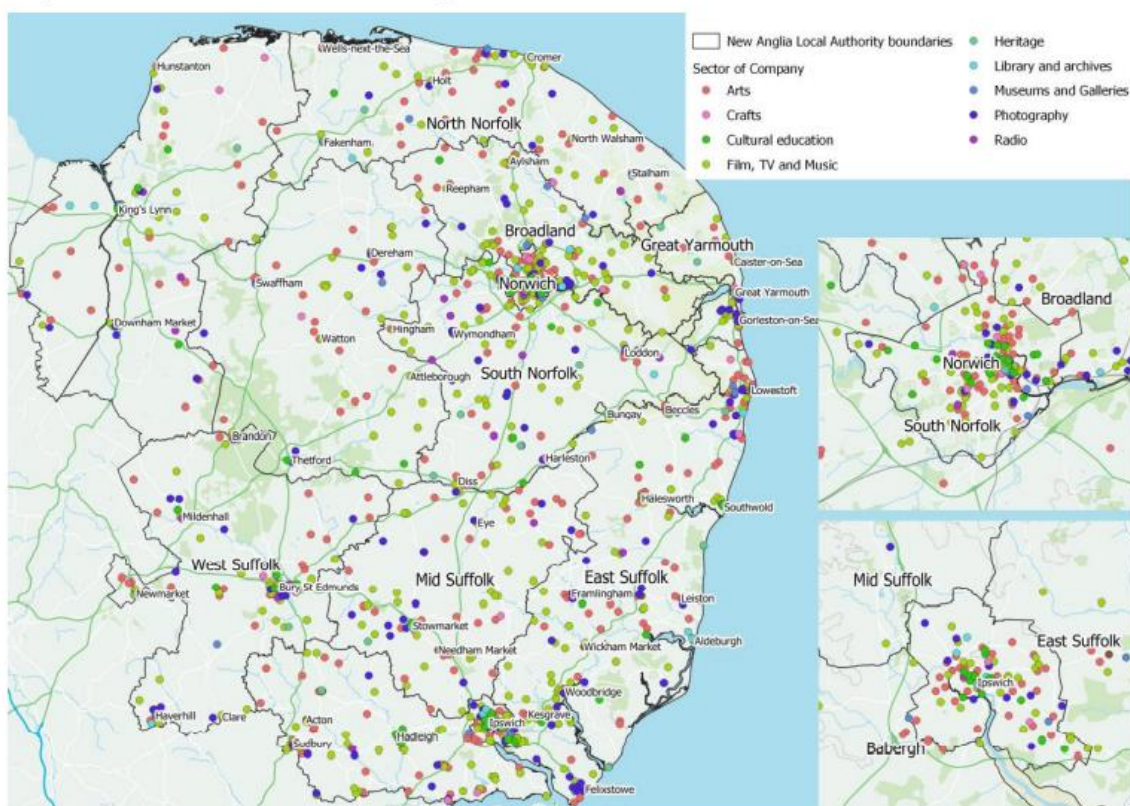


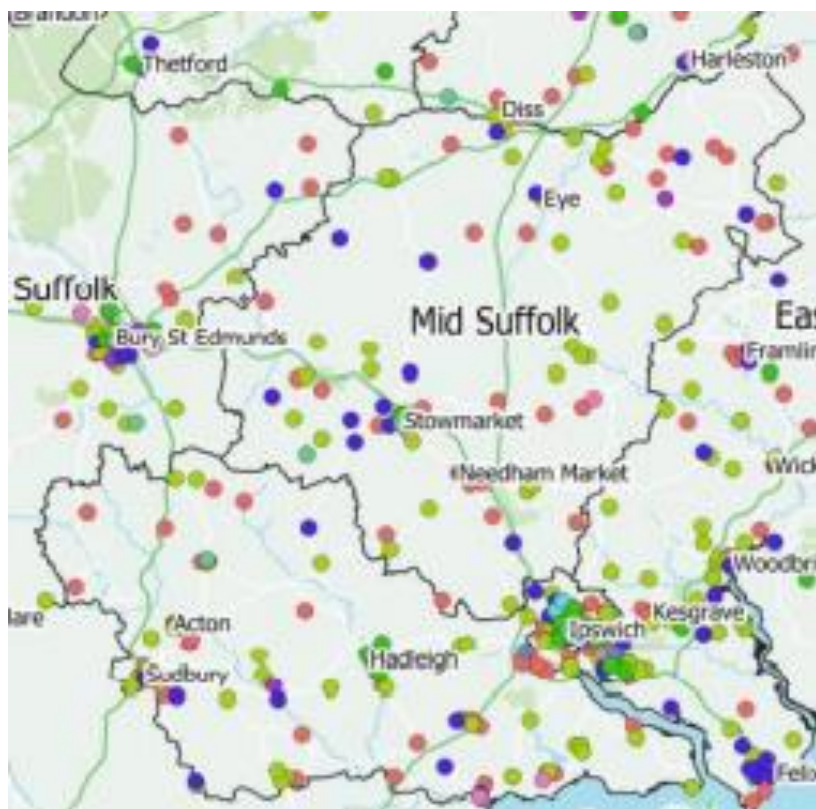
Although there was no growth in the number of cultural businesses in New Anglia between 2015 and 2020, there has been growth in several cultural sub-sectors. This includes craft businesses (200% increase) and museums and galleries (300% increase). There has been a substantial drop in the number of library and archives businesses.

Geographically the main concentration of cultural businesses surrounds New Anglia's two main urban areas of Norwich and Ipswich, with a concentration of photography and arts businesses around the eastern coast in Great Yarmouth and Lowestoft.

It is unsurprising that there are a large number of cultural businesses located in both Babergh and Mid Suffolk, with a high proportion of these companies being micro size and sole proprietor. For these, there is less dependence on being located in close proximity to a large workforce.

Map of Cultural Businesses in New Anglia, 2020





Arts Council Funding for the New Anglia area

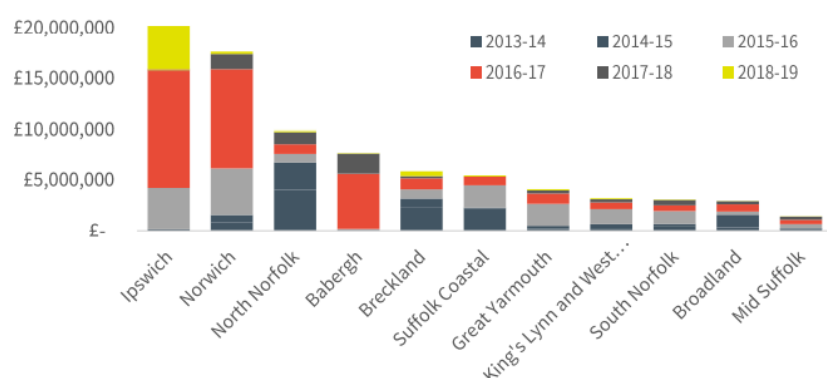
This has mainly been focused on Norwich, with a focus on theatre, awarding to individual productions or theatre groups engaged with local schools. In addition to Arts Council National Lottery Funding, the Arts Council Museum Accreditation Scheme has awarded over £3.4m to support museums, a large proportion of which was awarded to the Norfolk Museums Service.

National Lottery Heritage Funding

Across the New Anglia region £81.1 million of funds have been received since 2013/14. Ipswich and Norwich have been in largest receipt of funding, with a combined total of 47% of all funding received.

Babergh is among the other largest recipients of funding over the last six years with the Gainsborough's House Society receiving £4.7m in 2016/17, whilst Mid Suffolk has received the least amount of National Lottery Heritage Funding, as shown in the table below.

Distribution of National Lottery Heritage Funding by Local Authority



Other public and private sector investment into the culture sector

Funding from local and regional government helps to support the development of the cultural sector in Babergh and Mid Suffolk. One source of funding is spend from Suffolk County Council, particularly in the form of arts grants to support local cultural infrastructure, activities and strategic networks. Much of the investment from local councils helps to support libraries, museums and local theatres, and this is a critical part of the overall investment ecosystem into the cultural sector.

Cultural organisations often operate using a mixed economy model, using both public and private funding sources. Data relating to private sector investment is patchy, and so a range of different data sources have been used to highlight the types of private sector investment available, and the scale of this investment (where this information is available).

In 2019, [Arts Council England](#) commissioned a survey on private investment in culture, the first since the 2011/12 survey by Arts & Business. It reported a total of £545m worth of private investment in arts and culture in 2017/18, with 91% of arts and culture organisations receiving some form of private investment in that period. This value has increased by 8% between 2015/16 and 2017/18. However, in the last year of that period there has been limited growth, which is in line with trends across the wider charitable sector. The survey also found that individual giving is the largest form of private sector investment, accounting for 43% of private investment in arts and culture in 2017/18 compared to 38% from grants from trusts and foundations. Visual arts organisations received the largest proportion of private investment (27%), followed by museums (23%) and music organisations (18%). Literature and Dance received the least amount with 2% and 3% respectively.

Challenge to address:

Individual giving is the largest form of private sector investment in the culture sector. What can be done to help businesses connect with customers who want to help support them?

Government Support for Covid-19

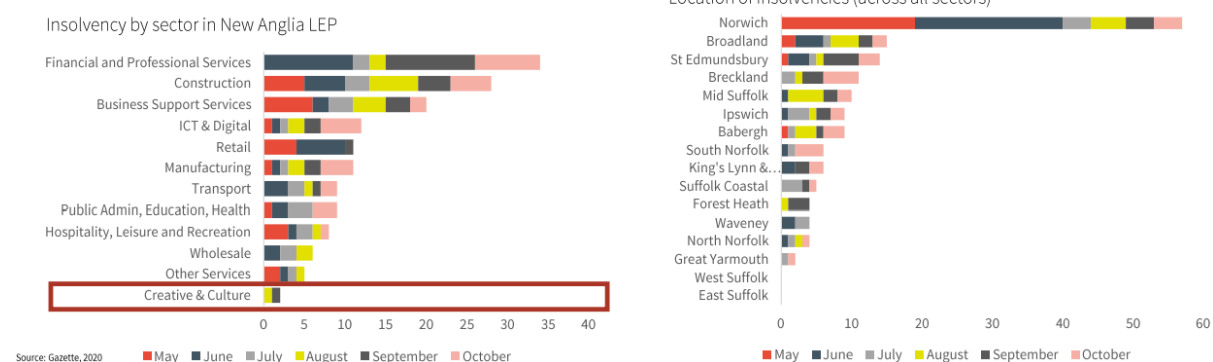
Government support was received but did not cover the full financial impact of the crisis. A range of support was offered, including employment support (e.g., Coronavirus Job Retention Scheme and

Self Employment Income Support Scheme), VAT reduction from 20% to 5% for tourism and hospitality firms and funds received through the cultural recovery fund.

Corporate Insolvencies

Nationally and regionally there has been an increase in corporate insolvencies, though the Culture Sector is holding its own. See charts below.

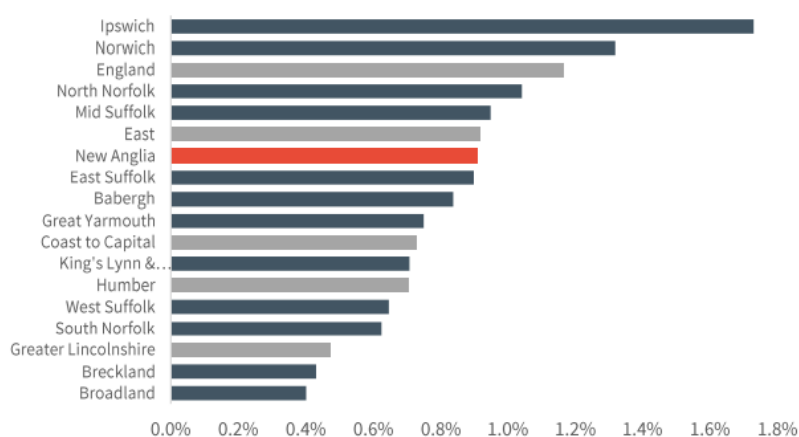
There have been zero insolvencies recorded within the culture sector in New Anglia since May, while nationally there have been almost 100 insolvencies within the sector since May, with insolvencies increasing monthly since August reaching its greatest level of insolvencies in October (25).



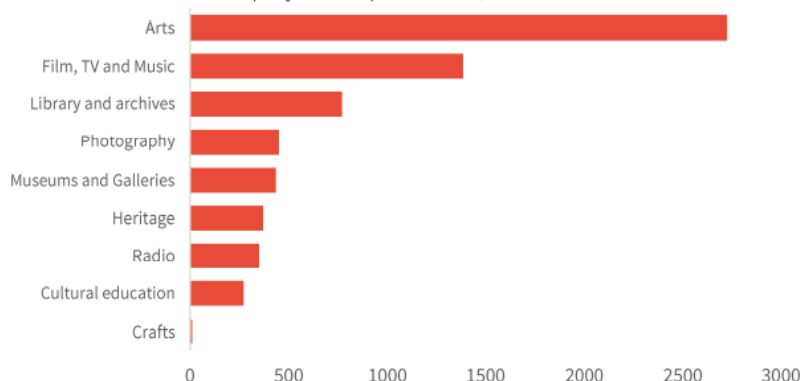
Employment within the Cultural Sector

ONS figures below show that Babergh has 0.8% of their total workforce within the culture sector, and Mid Suffolk has 1% of the total workforce based in that sector.

% of employment in the Cultural Sector, 2019



Cultural Sub-Sector Employment Specialisms, 2019



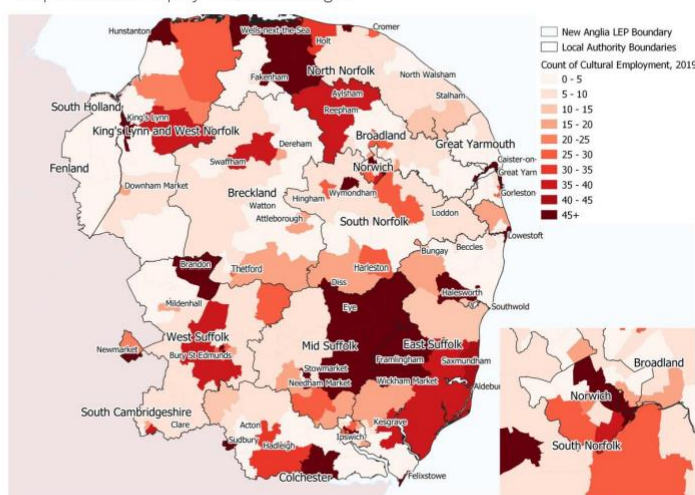
How cultural employment is spread across the region

Cultural employment is spread across New Anglia LEP

To understand local hotspots of employment, the adjacent heat map highlights areas where there are strong concentrations of cultural employment. The highest concentration of employment are found in urban areas (including Norwich, Ipswich, King's Lynn, Great Yarmouth, Bury St Edmunds and Lowestoft), in Mid Suffolk and East Suffolk.

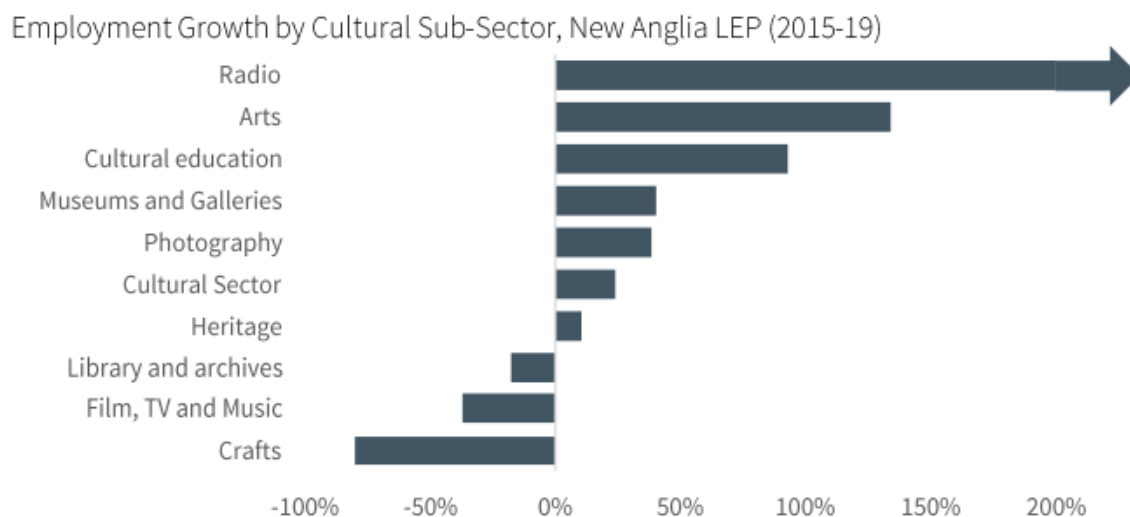
Although the core urban areas in New Anglia LEP host much of the cultural employment, it is clear that there is a spread of employment across the area, with concentration of activity in more rural locations (including around Brandon, Wells-next-the-Sea, Eye and Wymondham).

Map of Cultural Employment in New Anglia



Employment growth in culture from 2015 to 2019

There has been employment growth in both Babergh and Mid Suffolk within the culture sector.



The [ONS](#) is the source of the above data, unless otherwise indicated. Much of that data can be found in The New Anglia LEP Cultural Strategy Evidence Report – April 2021. It should be noted that much of the economic data available from the ONS does not yet reflect the impact of Covid-19 (e.g. the latest BRES employment data from the ONS shows employment in September 2019), but is important in understanding the performance of the sector in recent years. For comparative purposes against other areas, four other districts were used - Kent County, Lincolnshire LEP, Humber LEP and Coast to Capital LEP.

Sector Analysis

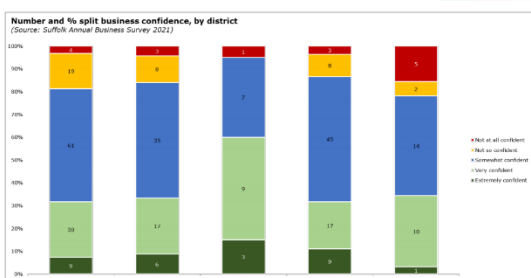
Overview

This section of the Evidence Base aims to provide some key statistics and areas of importance for each sector, unless otherwise highlighted figures and maps have been provided based on information compiled from the Inter-Departmental Business Register (IDBR) as shown in the Table of Figures at the end of this document. Data summarised below is accurate as of September 2021, it is also important to highlight that within this analysis we will highlight how many employees each sector has recorded; however this could include residents of other local authorities that commute in to the districts for work purposes.

Job postings data and analysis has been taken from [Emsi](#) and includes job posting analytics up to and including September 2021. The full analysis including information relating to other districts and additional sectors can be found in the '[Working Documents](#)' supplementary area to this Evidence Base. Over recent months, many have taken reassurance in the rising job vacancies being recorded as an indication that the UK Economy is recovering from the impacts of the pandemic. The [ONS reports](#) that in October 2021 the number of UK job vacancies in August to October 2021 continued to rise to a new record of 1,172,000, an increase of 388,000 from the pre-coronavirus (COVID-19) pandemic January to March 2020 level, with 15 of the 18 industry sectors showing record highs. District and sector specific vacancy trends are detailed below and for a majority of sectors support what is being seen throughout the UK, with record numbers of job postings being seen in most sectors throughout 2021. However, economic growth cannot be accredited solely to the increasing job postings and there are a number of factors that are contributing to this phenomenon including the affects of Brexit, easing of lock down restrictions, and shift in the way people view work and their careers.

It has been reported that the change in pace that was forced upon many as the pandemic began prompted [three in five people](#) to seek a change in career and this 'Great Resignation' looks set to continue in to 2022 with a recent survey of 6,000 workers highlighting that ["almost a quarter of workers are actively planning to change employers in the next few months"](#). The main reasons given by those considering moving to a new role include the high number of vacancies, burnout caused by the pandemic, increasing costs of living anticipated to continue in to 2022 with many companies planning not to increase wages.

34% of responding businesses say their confidence is extremely / very high, while 16% say they are not so / at all confident. Confidence is highest in Ipswich and lowest in West Suffolk.



Note: IPSW = 123, MID = 82, DYC = 88, WSC = 82, DYC = 26

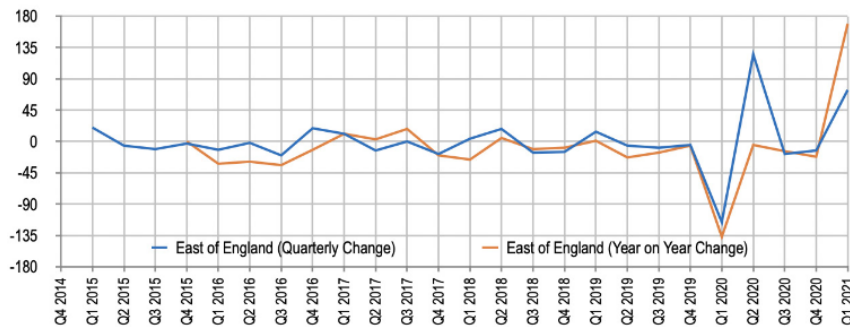
After an undeniably difficult period for most businesses, it is encouraging to see that business confidence is increasing, the Suffolk Growth – Annual Business Survey (June 2021) reported that 32% of respondents in both Babergh and Mid Suffolk reported their confidence is extremely / very high.

The East of England Small Business Index (EESBI)¹ – which measures confidence amongst businesses – has changed from -41%

in Q4 2020 to 33% in Q1 2021 and stands at 12% in Q2 2021' – 'The Q1 rise made it the highest quarter for confidence levels since 2015, and has since reduced to 12% in Q2. After the uncertainty due to the COVID-19 pandemic and Brexit transition, confidence appears to have somewhat returned now that lockdown restrictions have started to ease.

Compared to last year, East of England small businesses are considerably more positive about business prospects for the next three months.

Fig.2 FSB East of England Small Business Index: small business confidence levels

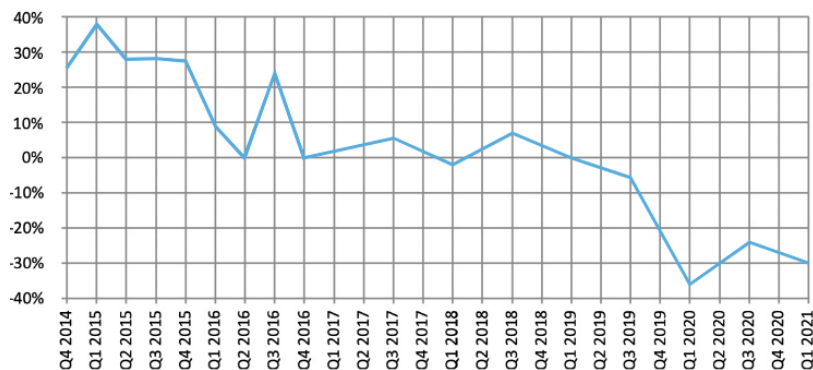


¹ The East of England Small Business Index is a weighted index of the responses to the question: 'Considering your overall business performance, and ignoring any normal seasonal variations at this time of the year, how do you view business prospects over the next three months, compared with the previous three months?' The share of firms reporting 'much improved' are given the following weightings: +2, slightly improved +1, approximately the same 0, slightly worse -1 and much worse -2; the Small Business Index is derived from the sum of these factors.

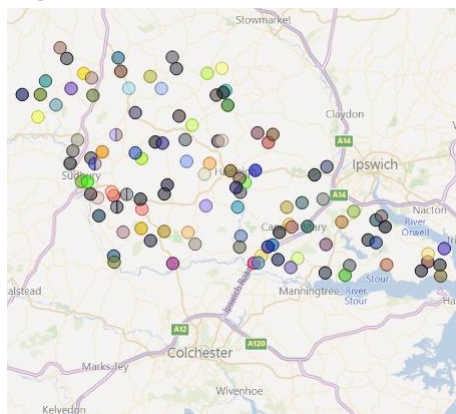
'Overall sentiment towards revenue from businesses in the East of England is still negative in Q1, however the future looks more positive for profits.'

'East of England's small businesses show a slight decline in net revenue from Q3 2020.'

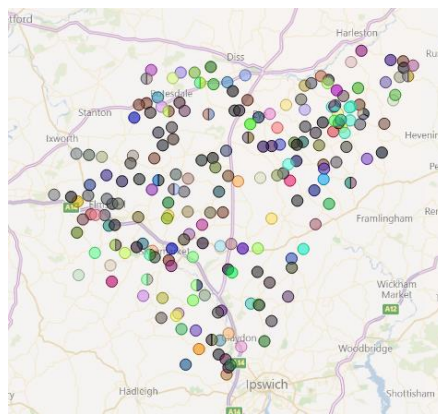
Fig.3 FSB Small Business Index: net balance of small firms in East of England reporting revenue (revenue question only asking in Q1 and Q3 phases of SBI – question is asked on a rotational basis)



Agriculture Sector



Agriculture Babergh



Agriculture Mid Suffolk

Due to the rural nature of both districts, agriculture is arguably one of the most important sectors

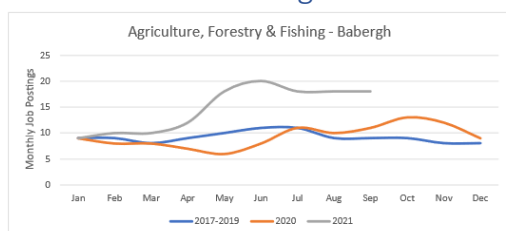
within both districts, as shown in the maps above, businesses in this sector are spread quite evenly throughout the areas.

Employment

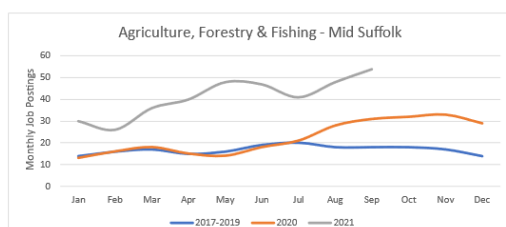
In 2020 IDBR figures showed there were 118 companies in BDC, which was approx. 3.5% of all businesses, employing 634 (full and part time). The updated 2021 IDBR figures show there are now 121 companies in BDC, employing 614 (full and part time).

In 2020 there were 207 companies in MSDC, which was approx. 5.5% of all businesses, employing 1124 (full and part time). In 2021 there are 208 companies in MSDC.

Market Trends and Signals

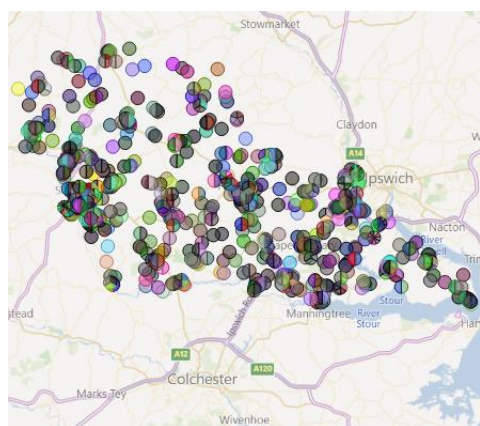


Job postings being advertised in this sector throughout most of 2021 have been significantly higher in both districts than in previous years. Throughout September 2021 18 vacancies were advertised in Babergh and 54 in Mid Suffolk.

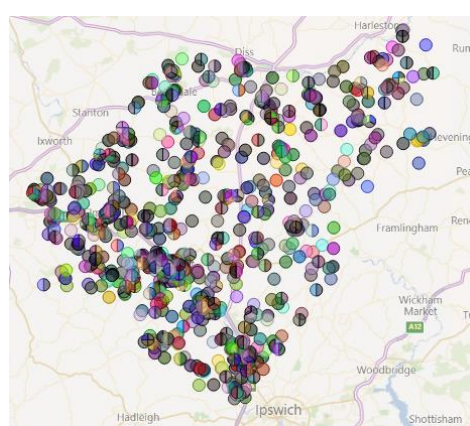


It is important to highlight that the increase in job postings in this sector could be due to the well-publicised exodus of migrant workers during the COVID-19 pandemic who historically have made up a large volume of the workforce in this industry both as full time and seasonal workers.

Business and Professional Services Sector



Business and Professional Services Babergh



Business and Professional Services Mid Suffolk

As shown in the above maps, there is a large volume of businesses in this sector spread throughout both districts.

Employment

This is the largest sector in terms of numbers of businesses and employees.

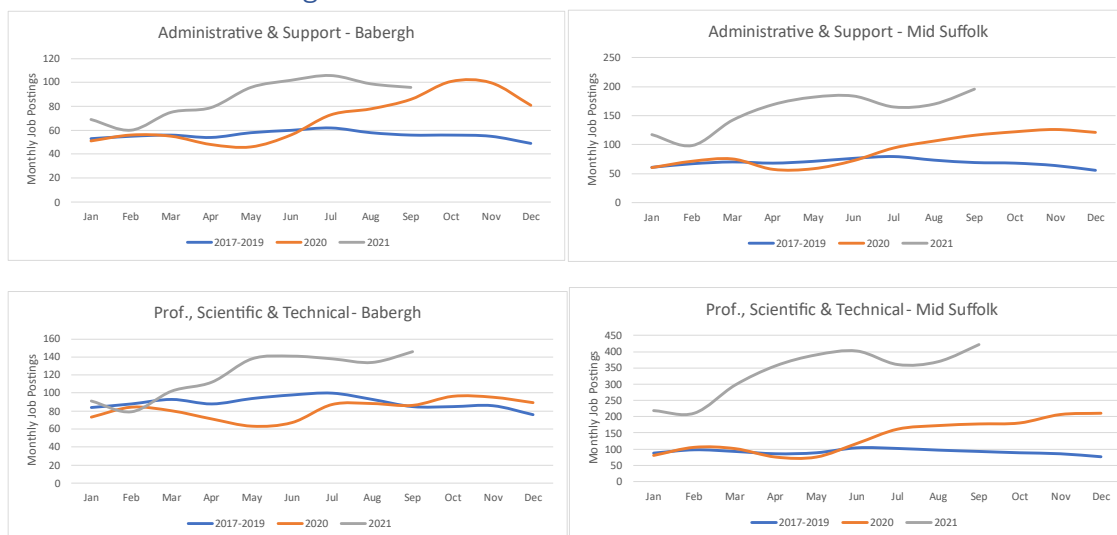
Data from IDBR in 2020 shows 1110 companies in BDC, which was approx. 33% of all businesses, employing 5689 (full and part time).

New IDBR data from 2021 shows 1126 companies in BDC, employing 5998 (full and part time).

In 2020 there were 1177 companies in MSDC, which was approx. 31.5% of all businesses, employing 5248 (full and part time). In 2021 there are 1189 companies in MSDC, employing 5578 (full and part time).

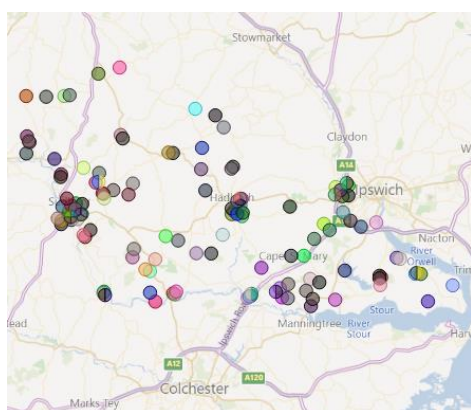
This shows a significant growth in both business count and employee numbers over 12 months.

Market Trends and Signals

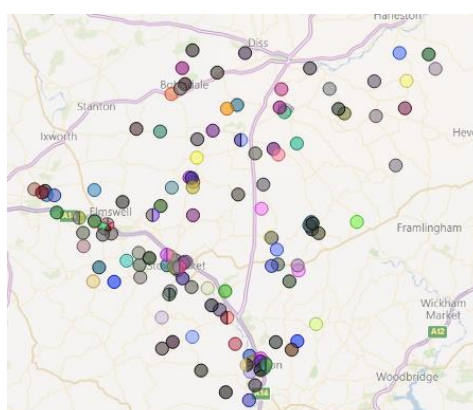


In support of the increase in business count in both districts generally job vacancy postings have been trending upwards in both districts throughout 2021 and in terms of real numbers, posting have been higher than previous years.

Computing and Technology Sector



Computing and Technology Babergh



Computing and Technology Mid Suffolk

Businesses in this industry are spread throughout the district but must notably clustered closer to town centres.

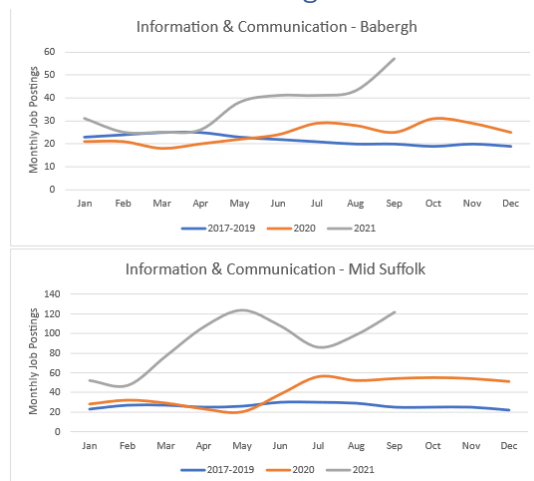
Employment

Data from IDBR in 2020 shows 136 companies in BDC, which was approx. 4% of all businesses, employing 599 (full and part time). New IDBR data from 2021 shows 130 companies in BDC, employing 591 (full and part time).

In 2020 there were 144 companies in MSDC, which was approx. 4% of all businesses, employing 468 (full and part time). In 2021 there are 139 companies in MSDC, employing 586 (full and part time).

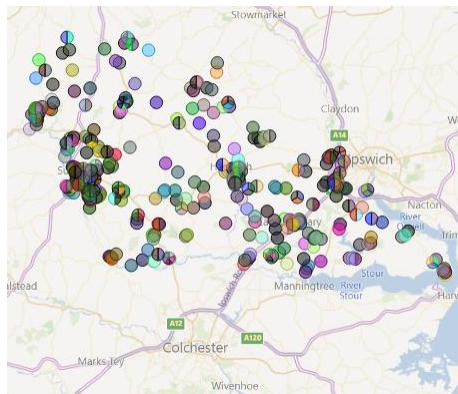
This data shows a slight downturn in both areas within this industry in terms of total business count.

Market Trends and Signals

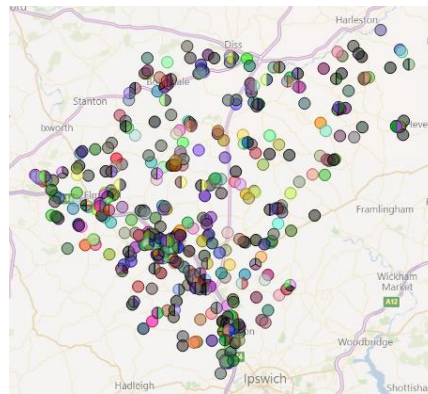


Job postings in this sector have been higher than previous years, in September 2021 57 job postings were recorded as relating to vacancies within Babergh, and 122 in Mid Suffolk.

Construction Sector



Construction Babergh



Construction Mid Suffolk

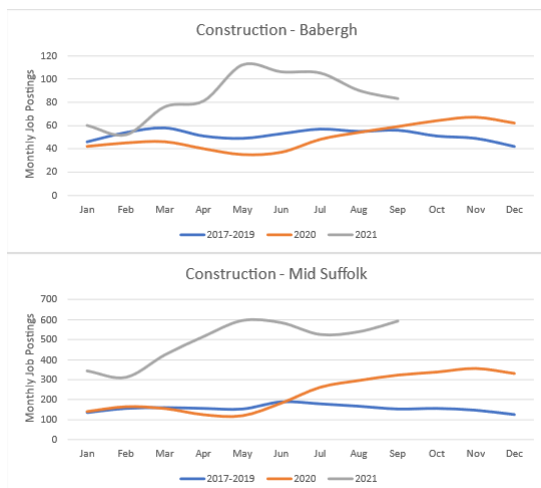
There are significantly more businesses within the construction industry based in Mid Suffolk compared to Babergh, those based in Mid Suffolk tend to be based close to the A14 whereas in Babergh these are clustered closer to the main towns particularly the Sudbury, Hadleigh and the outskirts of Ipswich.

Employment

IDBR data from 2020 showed 492 companies in BDC, which was approx. 14.5% of all businesses, employing 1755 (full and part time). New 2021 data shows a large increase to 506 companies in BDC, employing 1740 (full and part time).

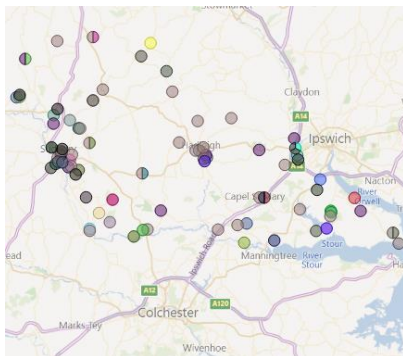
In 2020 there were 591 companies in MSDC, which was approx. 16% of all businesses, employing 4033 (full and part time). In 2021 there are 625 companies in MSDC, employing 4112 (full and part time).

Market Trends and Signals

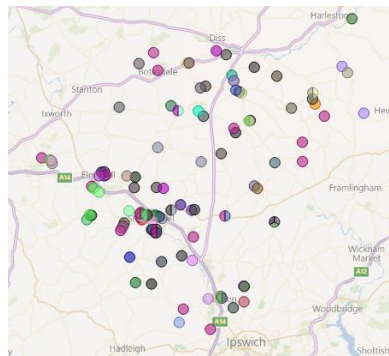


In support of the growth seen in the Construction sector for both districts as detailed above, the job postings in both districts have been significantly higher than previous years throughout 2021, although this peaked in the summer for Babergh. Total job postings for the month of September were 83 in Babergh and 593 in Mid Suffolk.

Education Sector



Education Babergh



Education Mid Suffolk

As expected, businesses in the education sector are spread evenly throughout both districts with a higher density shown in both Sudbury and Stowmarket.

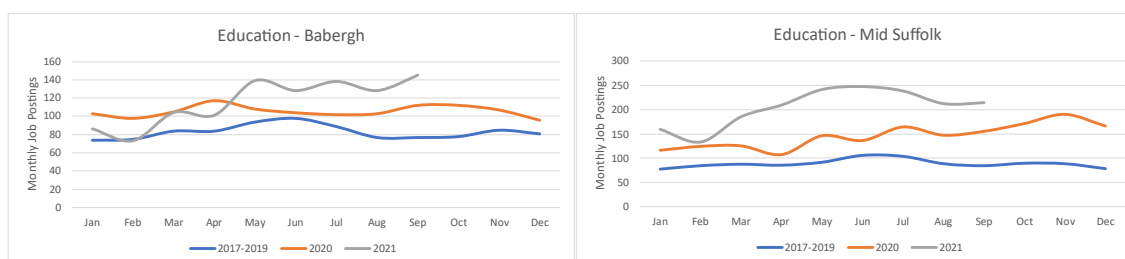
Employment

IDBR data from 2020 showed 57 companies in BDC, which was approx. 2% of all businesses, employing 3108 (full and part time). IDBR data from 2021 shows 56 companies in BDC, employing 2069 (full and part time).

In 2020 there were 86 companies in MSDC, which was approx. 2% of all businesses, employing 2507 (full and part time). In 2021 there are 86 companies in MSDC, employing 2042 (full and part time).

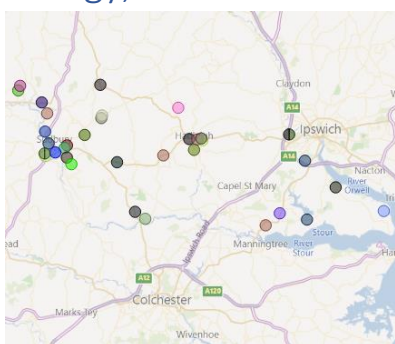
Although total business count within this sector in both districts has remained relatively static from 2020 to 2021, total numbers of individuals employed in this sector has dropped dramatically, a reduction of 1039 is seen in Babergh, and 465 in Mid Suffolk.

Market Trends and Signals

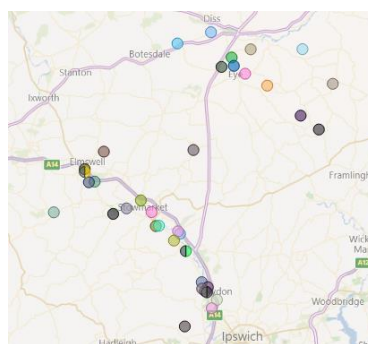


Job postings in the education sector have remained steady throughout 2021, in September 145 job postings were recorded in Babergh and 215 in Mid Suffolk.

Energy, Waste and Utilities Sector



Energy, Waste and Utilities Babergh



Energy, Waste and Utilities Mid Suffolk

Businesses within this sector are distributed mainly around Sudbury within Babergh, and the A14 corridor in Mid Suffolk.

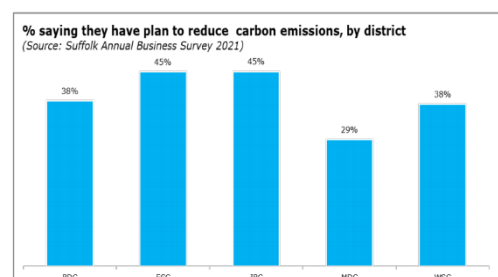
Employment

2020 Data from IDBR showed 33 companies in BDC, which was approx. 1% of all businesses, employing 354 (full and part time). 2021 Data from IDBR shows 32 companies in BDC, employing 302 (full and part time).

In 2020 there were 38 companies in MSDC, which was approx. 1% of all businesses, employing 535 (full and part time). In 2021 there are 39 companies in MSDC, employing 427 (full and part time).

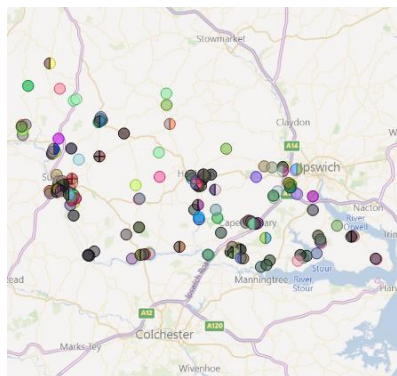
Sector Growth Potential

With the government agenda to achieve net-zero emissions by 2050, carbon reductions and environmentally friendly initiatives are becoming more prominent in everyday life. This creates an opportunity for businesses with the right expertise, innovation and ambition to use this opportunity to grow. Inevitably as the government continues to shift focus on green initiatives companies in the energy, waste and utilities sector will benefit greatly.

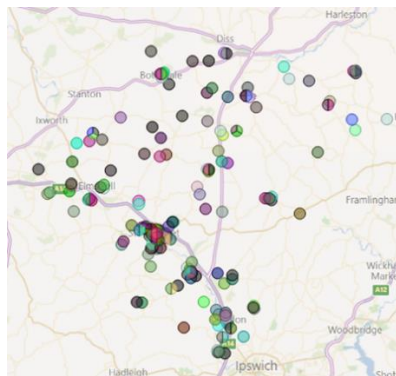


In the June 2021 Suffolk Annual Business Survey, 38% of businesses surveyed from Babergh, and 29% from Mid Suffolk confirmed they have a plan in place to reduce carbon emissions in the near future.

Health and Care Sector



Health and Care Babergh



Health and Care Mid Suffolk

Due to the nature of the health sector being mainly domiciliary care it is notoriously hard to track in terms of need and working arrangements. Those businesses classified in this industry are distributed throughout the districts however tend to be clustered in and around the main towns.

Employment

IDBR data from 2020 showed 186 companies in BDC, which was 5.5% of all businesses, employing 3360 (full and part time). IDBR data from 2021 shows 176 companies in BDC, employing 3122 (full and part time).

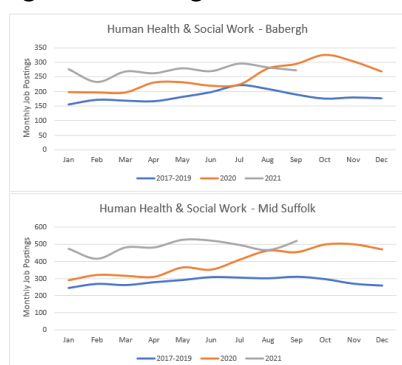
In 2020 there were 183 companies in MSDC, which was 5% of all businesses, employing 3344 (full and part time). In 2021 there are 184 companies in MSDC, employing 3369 (full and part time).

Sector Growth Potential

The health and care sector has become more important than ever since March 2020 and there has never been so much interest, but also scrutiny in this sector whether that be from employees in care homes getting (or refusing) vaccinated to large numbers of healthcare workers struggling with burnout.

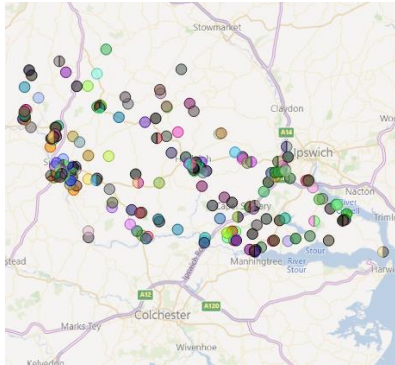
It is well publicised that this sector is struggling to recruit and retain staff, whether in residential care homes, or the NHS.

The Government plans to 'Build Back Better' and overhaul the adult social care sector are anticipated to have a significant long term impact on this sector, whether via the [adult social care charging reform](#) or the heavily advertised [adult social care recruitment campaign](#) there are significant changes afoot.

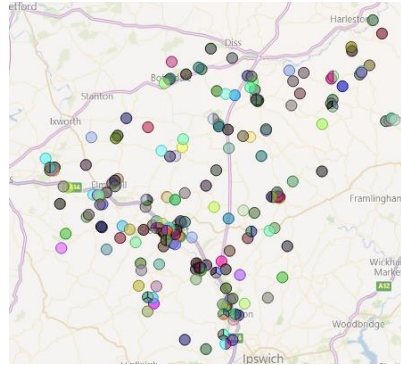


Job postings in this sector have been significantly higher throughout 2020 and 2021 than between 2017-2019. In September 2021 job postings in Babergh reached 273, and 519 vacancies being advertised in Mid Suffolk.

Hospitality and Leisure Sector



Hospitality and Leisure Babergh



Hospitality and Leisure Mid Suffolk

The hospitality and leisure industry is arguably the sector that has been most impacted by the coronavirus pandemic having been the most impacted by lockdowns and social distancing restrictions. The above maps highlight that businesses in these sectors are spread throughout both districts but are most notably clustered around the main towns, visitor attractions including the River Stour and Orwell as well as the main infrastructure links within the district including the A14.

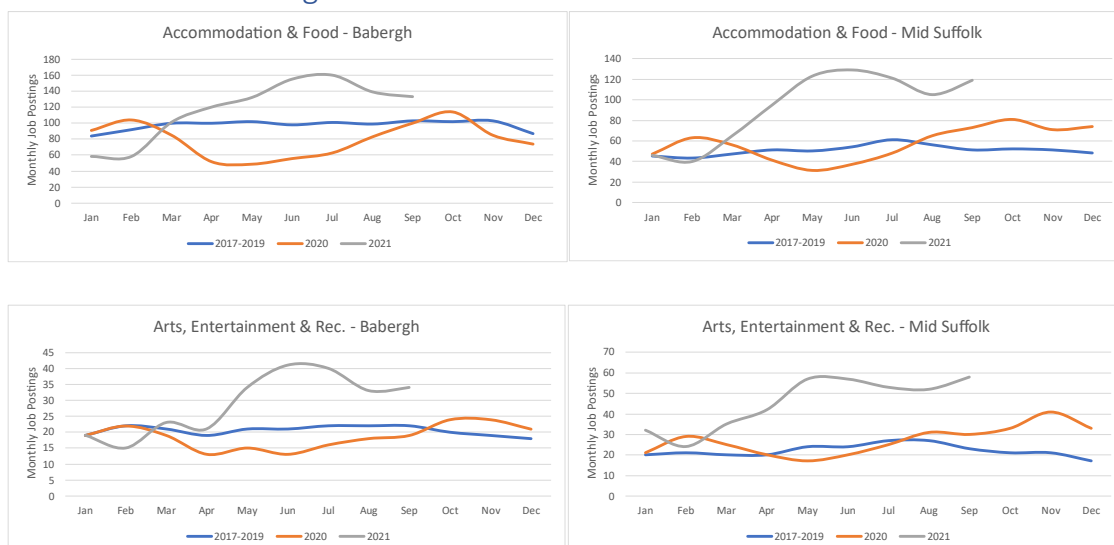
Employment

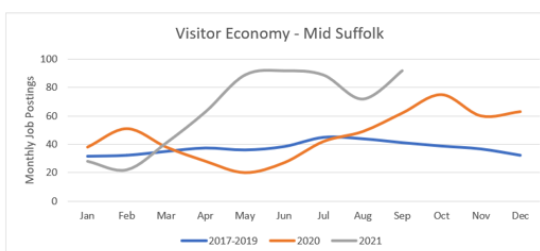
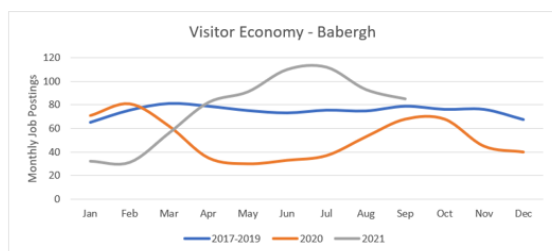
It should be noted that due to the timeframe of this data, in terms of employee counts this could be reduced by furlough and redundancies that have hit the sector.

As at September 2020 there were 288 companies in BDC, which is approx. 8.5% of all businesses, employing 3415 (full and part time). In 2021 there were 279 companies registered in this sector, accounting for 8% of all businesses and employing a total of 3356.

In 2020 there were 254 companies in MSDC, which is approx. 6.8% of all businesses, employing 2206 (full and part time). By 2021 this had changed to 268 companies (7% of total businesses) employing 2375 individuals.

Market Trends and Signals





After a general decline in job postings corresponding with the first lockdown in March 2020 in a number of industries within the Hospitality and Leisure sector, all industries have seen peak numbers of job postings in 2021 as detailed above. In September 2021 job posting numbers were as follows:

Accommodation & Food: BDC = 133 and MSDC = 119

Arts, Entertainment & Rec: BDC = 34 and MSDC = 58

Visitor Economy: BDC = 85 and MSDC = 92.

Sector Growth Potential

Now that lockdown restrictions have eased there is significant opportunity for growth within the hospitality and leisure sector throughout the UK as 'staycations' become more appealing than the red tape currently imposed on international travel including the Red, Amber and Green destination lists and increased costs and planning associated with self-isolating and testing requirements when travelling outside of the UK.

This opportunity has been realised by businesses within both districts over the course of the past year with large increases in planning applications being received by both district councils to create accommodation opportunities including self-catering accommodation and camp sites.

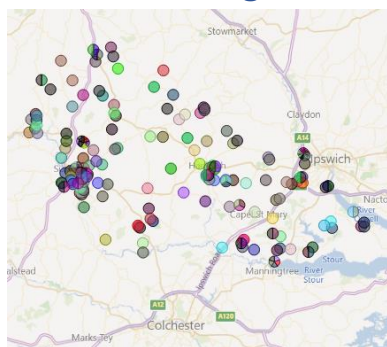
The results of [June 2021 Visit England Occupancy Survey](#) show encouraging figures for room

Room Occupancy	2019	2020	2021
East England	80%	30%	67%
East Midlands	78%	29%	61%
Greater London	90%	25%	41%
Northeast England	77%	19%	66%
Northwest England	81%	23%	58%
Southeast England	84%	24%	63%
Southwest England	83%	24%	74%
West Midlands	78%	23%	56%
Yorkshire & Humberside	79%	19%	63%

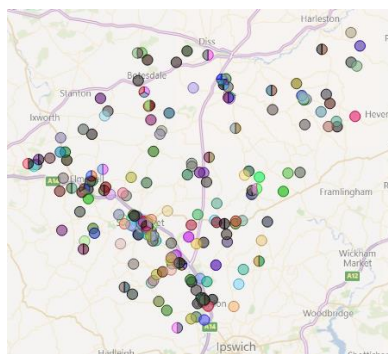
occupancy, with the East of England showing the second highest percentage of room occupancy in England at 67%, although this has not yet reached levels for the same month in 2019 this is likely due to large numbers of the UK population still being cautious around travelling and social distancing etc.

To assist with supporting some of the sectors most significantly impacted by the pandemic, it was set out at the Autumn Budget 2021 at the end of October that the UK Government will be offering businesses and organisations in the Cultural Sector a tax relief package up to April 2024 to help them recover, and that those operating in the Retail, Hospitality and Leisure sector will receive a 50% Business Rate Relief discount for 1 year up to the value of £110k. This is a total rate cut of £7bn with over 90% of businesses in this sector anticipated to get a discount of a minimum of 50%.

Manufacturing Sector



Manufacturing Babergh



Manufacturing Mid Suffolk

Businesses in these sectors are clustered around the main towns of Sudbury and Hadleigh in Babergh and the A14 corridor in Mid Suffolk.

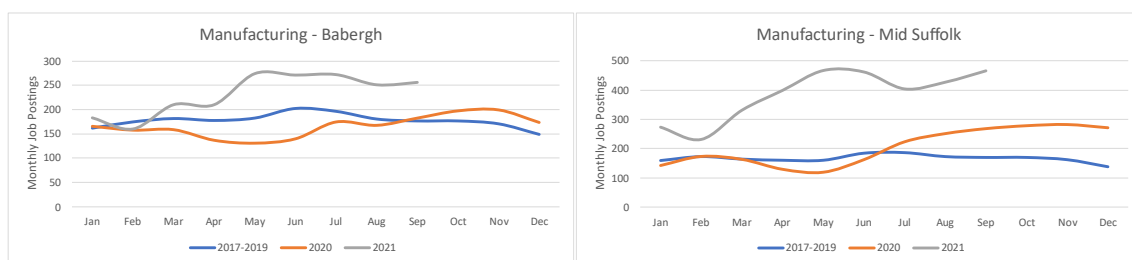
Employment

In 2020 246 companies in BDC were recorded under this sector, which is approx. 7% of all businesses, employing 4612 (full and part time). By 2021 this had changed to 255 companies (approx. 7.5% of total businesses), with a headcount of 3691.

2020 figures show that 258 companies in MSDC, which is approx. 7% of all businesses, employing 5501 (full and part time) were registered in this sector. In 2021 this was 279 businesses with a total employee headcount of 4761.

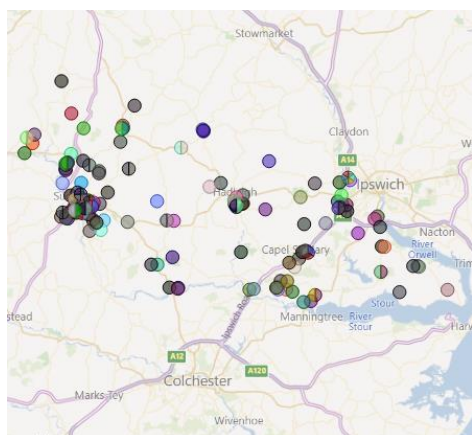
Although total business count has risen healthily in this sector, with an additional 9 businesses in Babergh and 21 businesses in Mid Suffolk being recorded under this sector in the last year, employment figures has reduced dramatically with 1661 less individuals being recorded as employed in this sector in both districts combined.

Market Trends and Signals

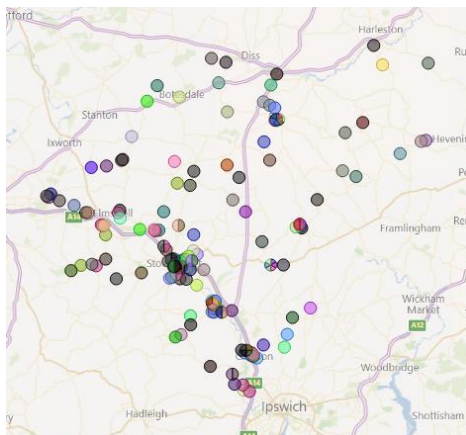


In line with other sectors, job postings in the manufacturing sector has been higher than previous years throughout 2021. In September 2021 job postings in Babergh reached 256 and in Mid Suffolk 466 job postings were advertised.

Retail Sector



Retail Babergh



Retail Mid Suffolk

Retail businesses are heavily centred around the main market towns in both districts (Sudbury, Hadleigh, Needham Market, Stowmarket and Eye).

Employment

2020: 245 companies in BDC, which is approx. 7% of all businesses, employing 3759 (full and part time)

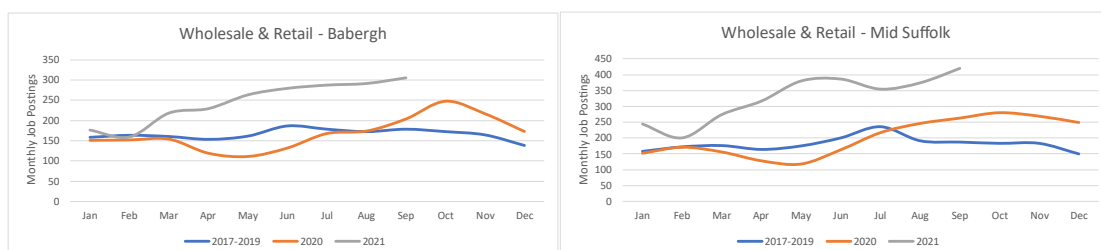
2021: 245 companies in BDC, which is approx. 7% of all businesses, employing 4051 (full and part time)

2020: 191 companies in MSDC, which is approx. 5% of all businesses, employing 2165 (full and part time)

2021: 197 companies in MSDC, which is approx. 5% of all businesses, employing 2183 (full and part time)

Market Trends and Signals

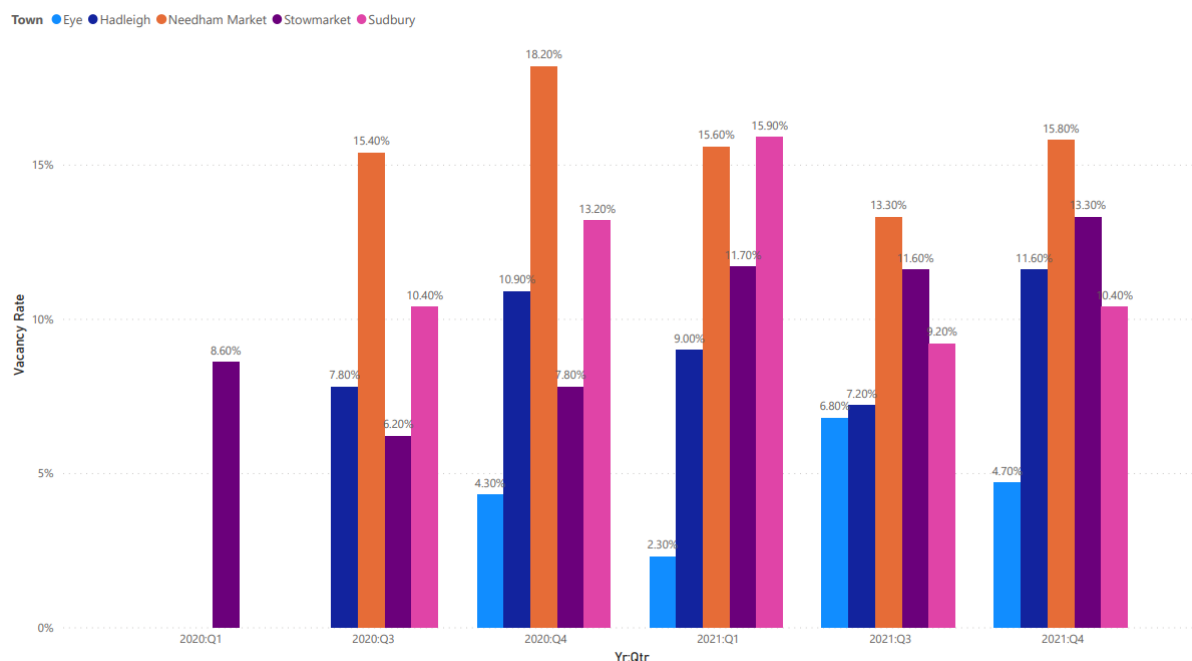
The retail sector is another sector that has been heavily impacted in recent years by a number of high-profile administrations pre-pandemic including the collapse of several high street staples including Mothercare, Jessops and Thomas Cook. In 2020, [54 retail companies in the UK collapsed and the largest number of employees since records began in 2007 were affected at 109,407](#). Those businesses classified as 'non-essential' retail were heavily affected by the pandemic with large losses and reductions in turnover reported due to being forced to close or having to close stores and rely on online trade.



Vacancy postings in both Retail and Wholesale sectors have increased steadily throughout 2021 and with the easing of restrictions. 2021 has seen the highest total number of job postings in both sectors throughout most of the year with both districts continuing to see upward trends. In September 2021 job postings in Babergh peaked at 305, and 421 in Mid Suffolk.

It can be said with confidence that that coronavirus restrictions contributed heavily to the decreases in job postings, primarily due to shops being closed during certain months in the period being analysed. The dramatic increases in job postings may have been caused by people spending more after restrictions were lifted in both 2020 and 2021 due to more disposable income and potentially government funding to increase spending on the high street and regenerate and innovate towns.

Quarterly reviews of our 5 key towns over both districts highlight the vacancy rates of retail units within the town centres, trends over the past two years are detailed in the graph below. Q2 data for both years was not collected due to national lockdowns and 'stay at home' messaging in-place from Government.



In October 2021 the vacancy rate in Sudbury was recorded as 10.4%, and the rate in Stowmarket was recorded as 13.3%, the average vacancy rate in the East was 7.2% and throughout the UK the average vacancy rate was recorded as 11.7%. In all market towns, with the exception of Eye, the number of vacant units increased from July – October 2021, and four out of the five towns vacancy rates are higher than the average for the East. This is troubling however it is a national issue and is not solely affected the market towns in our districts. A number of actions in the Recovery Plan focus on assisting our market town centres and helping them survive and thrive post-pandemic, and meanwhile use of vacant units also needs to be addressed as part of the longer-term strategy via the new Economic Strategy and collaboration with other areas of the organisation.

Both towns have a large number of independent units, 70.7% in Sudbury and 62.9% in Stowmarket whereas the average percentage of independent retailers in the East is 25.9% and 39% in the UK. Due to the nature of the high streets in our towns having a significantly higher level of independent retailers than the average town centre elsewhere the relatively low vacancy rates throughout the districts is particularly encouraging to our retail businesses and their resilience.

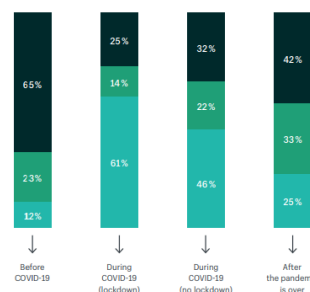
Existing Evidence on Sector Needs

At the beginning of the pandemic, Babergh District Council identified the need to support our local retail businesses and responded quickly by launching the 'Virtual High Street' pilot in Sudbury, giving local businesses an opportunity to have an online presence. In excess of 130 businesses signed up to

the pilot which has now been extended to the other towns within both districts after being hailed a huge success having helped local businesses in such a challenging time.

Figures from a study commissioned by

Primary Shopping Mode
– Before, During and After the Pandemic



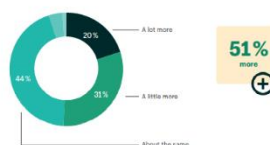
● All/ Mostly in a physical shop
● About half in person, 1/2 online
● All/ Mostly online

Base: All respondents (1,003)
Q1. As regards shopping for after the pandemic, where will most of your shopping be?

Importance of Shopping Local and Change in Shopping Habits During the Pandemic



After the pandemic do you expect to shop locally...



Meaning of "Shopping Local"

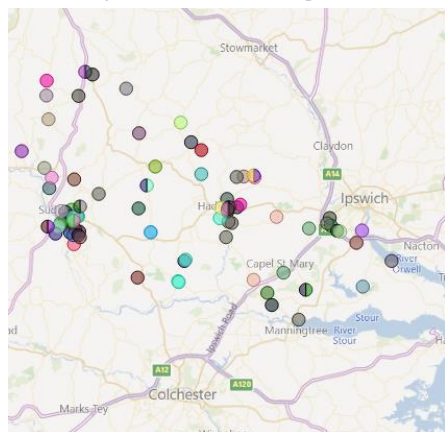


Base: All respondents (1,003)
Q2. How important or unimportant is it to you to buy local?
Q3. Since the start of the pandemic are you more or less likely to buy local?
Q4. As regards shopping locally after the pandemic do you expect to...
Q5. What does shopping "locally" mean to you?

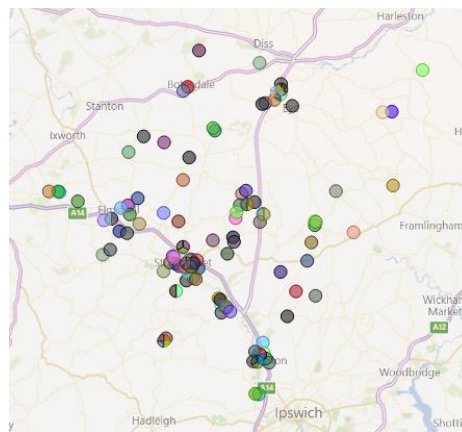
Shopify in March 2021 'New Shopping

Behaviours in Post-Pandemic UK' (the full report can be found in the Supporting Evidence that goes alongside this evidence base) support the importance of BMSDC's ongoing Virtual High Street initiative, and other schemes including Innovate Local which includes offering businesses various levels of support including digital skills assistance, as well as the work it is involved in to ensure that the areas have access to high quality broadband as key findings highlight that the shopping habits of consumers is likely to change in the long term. Pre-pandemic 65% of respondents shopped 'all/mostly in a physical shop' with 35% making purchases online either half or all of the time. Post-pandemic findings suggest that this shift will increase to 58% of consumers making purchases online 'about half to mostly online'. However, in the same report it is encouraging to see that 51% of respondents expect to shop locally more than they did before.

Transport and Logistics Sector



Transport and Logistics Babergh



Transport and Logistics Mid Suffolk

In Babergh businesses within this sector are clustered around Sudbury, Hadleigh and the outskirts of Ipswich. In Mid Suffolk clusters can be seen along the A140 near Eye, Stowmarket, and the A14 particularly Gt. Blakenham / Claydon.

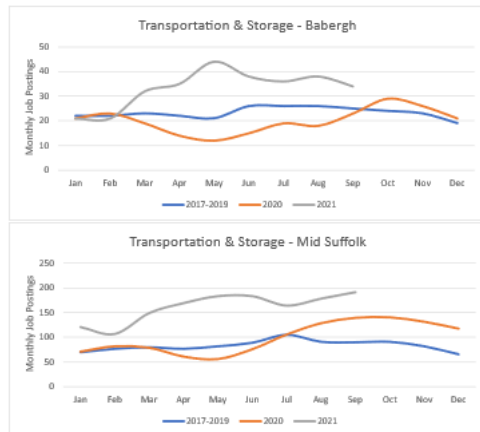
Employment

2020: 92 companies in BDC, which is approx. 3% of all businesses, employing 813 (full and part time)
2021: 92 companies in BDC, which is approx. 3% of all businesses, employing 759 (full and part time)

2020: 134 companies in MSDC, which is approx. 3.5% of all businesses, employing 2134 (full and part time)

2021: 144 companies in MSDC, which is approx. 4% of all businesses, employing 2140 (full and part time)

Market Trends and Signals



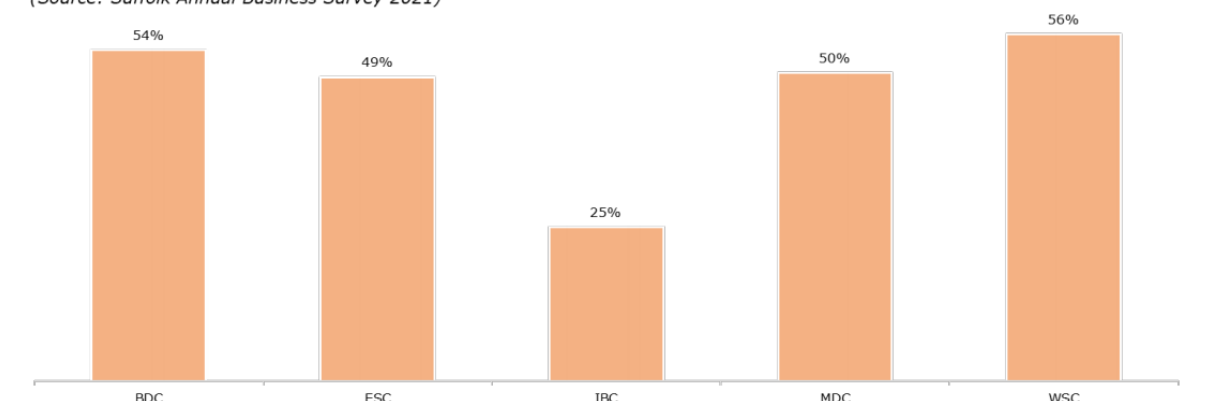
In both Babergh and Mid Suffolk there was then a noticeable decline of job postings in this sector in from March-May 2020, this can be attributed to coronavirus restrictions being imposed. However, job postings then began to increase dramatically compared to the 3 years prior. By September 2021, job postings stood at 34 in Babergh and 191 in Mid Suffolk, having increased substantially throughout most of 2021.

The heavily publicised shortage of HGV drivers affecting the UK is having a huge impact on many different sectors, the Office for National Statistic's recent business survey found 27% of food services and accommodation

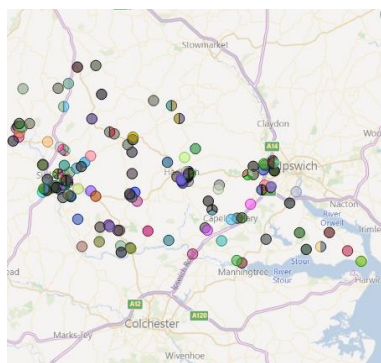
firms have reported lower than normal stock levels – the worst hit of all the sectors. Low stock levels were also reported by 23% of manufacturers and 25% of firms in the wholesale and retail trade, repair of motor vehicles and motorcycles industry between July 26th and August 8th 2021. It is [reported](#) that the shortage is due to several mitigating factors including the impact of COVID, BREXIT, a backlog / lack of available HGV driving tests, historically low salaries and European drivers returning home. It has been estimated that there is now a shortage of more than 100,000 drivers in the UK.

In the recent Suffolk Annual Business Survey 54% of respondents in Babergh and 50% in Mid Suffolk reported having experienced supply chain issues over the past 12 months.

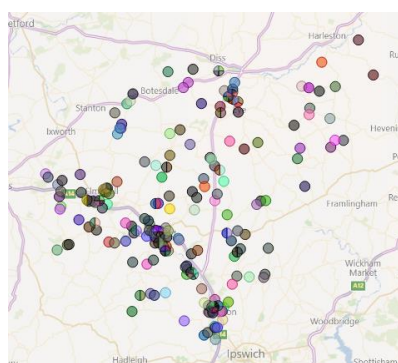
% saying they have experienced supply chain issues over past 12 months, by district
(Source: Suffolk Annual Business Survey 2021)



Wholesale Sector



Wholesale Babergh



Wholesale Mid Suffolk

Businesses in these sectors are clustered around the main towns of Sudbury and Hadleigh as well as the outskirts of Ipswich within Babergh and the A14 corridor in Mid Suffolk.

Employment

The wholesale sector in Mid Suffolk is over double the size of the industry in Babergh in both numbers of companies and subsequently those employed within the sector. This is largely likely to be down the A14 being located in Mid Suffolk which is along the main road in the UK linking Felixstowe to the rest of the UK.

2020: 225 companies in BDC, which is approx. 7% of all businesses, employing 1951 (full and part time)

2021: 243 companies in BDC, which is approx. 7% of all businesses, employing 1970 (full and part time)

2020: 267 companies in MSDC, which is approx. 7% of all businesses, employing 2693 (full and part time)

2021: 281 companies in MSDC, which is approx. 7% of all businesses, employing 2580 (full and part time).

As detailed above in the Retail Sector – Market Trends and Signals sector it is interesting to see that job postings in the Wholesale & Retail industries in both districts peaked in September 2021 and has seen higher than normal job postings throughout 2021, however as there is no distinction between ‘retail’ and ‘wholesale’ in terms of the job postings it could be assumed that a majority of these postings are attributed to the retail sector as opposed to wholesale.

Conclusion

It is undeniable that the COVID-19 pandemic has affected the economy on a global scale. There is still a significant level of uncertainty on what the full impact the crisis will have on the districts in the longer-term due to a number of factors including case numbers of infections still fluctuating, new variants emerging, booster vaccines being rolled out and updates to large data sets yet to be confirmed.

However, it is clear to see from the available data that there has been a significant impact to the districts from an economic point of view. The increases in universal credit claimant figures alongside the volume of financial support that has been distributed throughout the districts by the organisation (combined, both councils have dispersed in excess of £80m) highlights that many of our

businesses and residents have encountered negative effects since March 2020. Going forward, to help our economy counteract the impacts it is important to focus on offering support to help businesses and residents recover.

Although, the past 20 months have been challenging it is important to highlight the resilience of our businesses which can be seen in the reduction of vacancy rates throughout 4 out of 5 of the key towns within the district as well a number of surveys highlighted within the report indicating that business confidence is increasing.

There is also an abundance of future opportunities within the districts to help our businesses and residents recover as well having a positive impact on the economy of the local and regional area, most notably the Gateway 14 and Freeport East projects that are anticipated to create approximately 1 million square foot of mixed-use business units and around 3000 jobs. This will attract a significant number of new businesses to the area and create a large volume of job opportunities for the local workforce.

To ensure we remain informed and connected to the current economic climate within our districts it is important to ensure that this Economic Evidence Base is revised regularly and key comparisons and changes to information highlighted to the organisation to assist with strategy developments, the first update of this document is due to be completed in early 2022 as it is anticipated a number of new data sources providing an updated view of the economy will be publicly available at this point.

It will be interesting to see once further updated data detailing the full extent of the pandemic is available what the economic climate for Babergh and Mid Suffolk will be, particularly around areas of this Evidence Base that have relied on pre-pandemic data sets or qualitative sources. However in most cases the updated data that has become available since the first version of this Evidence Base from August 2021 paints a positive picture to suggest that the impact to-date for both Babergh and Mid Suffolk has not been as devastating as initial forecasts implied.

Table of Figures

This information has been compiled from the Inter-Departmental Business Register (IDBR) which is a comprehensive list of UK businesses used by government for statistical purposes. The IDBR provides the main sampling frame for surveys of businesses carried out by the Office for National Statistics (ONS) and other government departments. It is also an important data source for analyses of business activities. The two main sources of input are Value Added Tax (VAT) and Pay As You Earn (PAYE) records from HMRC. The IDBR covers around 2.7 million businesses in all sectors of the economy, but since the main two tax sources have thresholds, very small businesses operating below these will, in most cases, not be included. It has been deemed to be the most reliable record Babergh and Mid Suffolk. Data summarised in the first set of tables below is accurate as of September 2020, with the 2021 data shown beneath.

2020 figures:

Babergh								
Sector	No. of companies	% of total companies	No. of f/t employees	% of f/t employees	No. of p/t employees	% of p/t employee	Total employees	% of overall
Agriculture	118	3.52%	560	2.62%	74	0.80%	634	2.07%
Business & Professional	1110	33.07%	4413	20.64%	1276	13.75%	5689	18.55%
Computers & Technology	136	4.05%	522	2.44%	37	0.40%	559	1.82%
Construction	492	14.66%	1599	7.48%	156	1.68%	1755	5.72%
Education	57	1.70%	1498	7.01%	1610	17.35%	3108	10.14%
Energy, Waste & Utilities	33	0.98%	334	1.56%	20	0.22%	354	1.15%
Health & Care	186	5.54%	1927	9.01%	1433	15.44%	3360	10.96%
Hospitality & Leisure (I&R)	288	8.58%	1864	8.72%	1551	16.71%	3415	11.14%
Other	129	3.84%	429	2.01%	228	2.46%	657	2.14%
Retail	245	7.30%	1555	7.27%	2204	23.74%	3759	12.26%
Manufacturing	246	7.33%	4214	19.71%	398	4.29%	4612	15.04%
Transport & Logistics	92	2.74%	721	3.37%	92	0.99%	813	2.65%
Wholesale	225	6.70%	1748	8.17%	203	2.19%	1951	6.36%
Total	3357		21384		9282		30666	

Mid Suffolk								
Sector	No. of companies	% of total companies	No. of f/t employees	% of f/t employees	No. of p/t employees	% of p/t employee	Total employees	% of overall
Agriculture	207	5.54%	992	3.98%	132	1.63%	1124	3.40%
Business & Professional	1177	31.51%	4012	16.09%	1236	15.26%	5248	15.89%
Computers & Technology	144	3.86%	433	1.74%	35	0.43%	468	1.42%
Construction	591	15.82%	3724	14.93%	309	3.82%	4033	12.21%
Education	86	2.30%	1076	4.31%	1431	17.67%	2507	7.59%
Energy, Waste & Utilities	38	1.02%	510	2.05%	25	0.31%	535	1.62%
Health & Care	183	4.90%	1676	6.72%	1668	20.60%	3344	10.12%
Hospitality & Leisure (I&R)	254	6.80%	1116	4.48%	1090	13.46%	2206	6.68%
Other	205	5.49%	711	2.85%	367	4.53%	1078	3.26%
Retail	191	5.11%	1060	4.25%	1105	13.64%	2165	6.55%
Manufacturing	258	6.91%	5172	20.74%	329	4.06%	5501	16.65%
Transport & Logistics	134	3.59%	1971	7.90%	163	2.01%	2134	6.46%
Wholesale	267	7.15%	2484	9.96%	209	2.58%	2693	8.15%
Total	3735		24937		8099		33036	

Both authorities total								
Sector	No. of companies	% of total companies	No. of f/t employees	% of f/t employees	No. of p/t employees	% of p/t employee	Total employees	% of overall
Agriculture	325	4.58%	1552	3.35%	206	1.19%	1758	2.76%
Business & Professional	2287	32.25%	8425	18.19%	2512	14.45%	10937	17.17%
Computers & Technology	280	3.95%	955	2.06%	72	0.41%	1027	1.61%
Construction	1083	15.27%	5323	11.49%	465	2.68%	5788	9.09%
Education	143	2.02%	2574	5.56%	3041	17.50%	5615	8.81%
Energy, Waste & Utilities	71	1.00%	844	1.82%	45	0.26%	889	1.40%
Health & Care	369	5.20%	3603	7.78%	3101	17.84%	6704	10.52%
Hospitality & Leisure (I&R)	542	7.64%	2980	6.43%	2641	15.19%	5621	8.82%
Other	334	67.89%	1140	26.94%	595	144.42%	1735	37.36%
Retail	436	6.15%	2615	5.65%	3309	19.04%	5924	9.30%
Manufacturing	504	7.11%	9386	20.26%	727	4.18%	10113	15.88%
Transport & Logistics	226	3.19%	2692	5.81%	255	1.47%	2947	4.63%
Wholesale	492	6.94%	4232	9.14%	412	2.37%	4644	7.29%
Total	7092		46321		17381		63702	

2021 updated figures:

Babergh								
Sector	No. of companies	% of total companies	No. of f/t employees	% of f/t employees	No. of p/t employees	% of p/t employees	Total employees	% of overall
Agriculture	121	3.57%	542	2.65%	72	0.84%	614	2.12%
Business & Professional	1126	33.22%	4671	22.86%	1327	15.54%	5998	20.70%
Computers & Technology	130	3.83%	546	2.67%	45	0.53%	591	2.04%
Construction	506	14.93%	1585	7.76%	155	1.82%	1740	6.01%
Education	56	1.65%	1168	5.72%	901	10.55%	2069	7.14%
Energy, Waste & Utilities	32	0.94%	285	1.39%	17	0.20%	302	1.04%
Health & Care	176	5.19%	1918	9.39%	1204	14.10%	3122	10.77%
Hospitality & Leisure (I&R)	279	8.23%	1886	9.23%	1470	17.22%	3356	11.58%
Other	129	3.81%	450	2.20%	262	3.07%	712	2.46%
Retail	245	7.23%	1615	7.90%	2436	28.53%	4051	13.98%
Manufacturing	255	7.52%	3370	16.49%	321	3.76%	3691	12.74%
Transport & Logistics	92	2.71%	670	3.28%	89	1.04%	759	2.62%
Wholesale	243	7.17%	1730	8.47%	240	2.81%	1970	6.80%
Total	3390		20436		8539		28975	

Mid Suffolk								
Sector	No. of companies	% of total companies	No. of f/t employees	% of f/t employees	No. of p/t employees	% of p/t employees	Total employees	% of overall
Agriculture	208	5.43%	954	3.81%	170	2.11%	1124	3.39%
Business & Professional	1189	31.05%	4349	17.37%	1229	15.23%	5578	16.85%
Computers & Technology	139	3.63%	550	2.20%	36	0.45%	586	1.77%
Construction	625	16.32%	3819	15.25%	293	3.63%	4112	12.42%
Education	86	2.25%	1001	4.00%	1041	12.90%	2042	6.17%
Energy, Waste & Utilities	39	1.02%	417	1.67%	10	0.12%	427	1.29%
Health & Care	184	4.81%	1796	7.17%	1573	19.49%	3369	10.17%
Hospitality & Leisure (I&R)	268	7.00%	1253	5.00%	1122	13.90%	2375	7.17%
Other	190	4.96%	987	3.94%	849	10.52%	1836	5.54%
Retail	197	5.14%	1069	4.27%	1114	13.80%	2183	6.59%
Manufacturing	279	7.29%	4485	17.91%	276	3.42%	4761	14.38%
Transport & Logistics	144	3.76%	1998	7.98%	142	1.76%	2140	6.46%
Wholesale	281	7.34%	2363	9.44%	217	2.69%	2580	7.79%
Total	3829		25041		8072		33113	

Both authorities total								
Sector	No. of companies	% of total companies	No. of f/t employees	% of f/t employees	No. of p/t employees	% of p/t employee	Total employee	% of overall
Agriculture	329	4.56%	1496	3.29%	242	1.46%	1738	2.80%
Business & Professional	2315	32.07%	9020	19.83%	2556	15.39%	11576	18.64%
Computers & Technology	269	3.73%	1096	2.41%	81	0.49%	1177	1.90%
Construction	1131	15.67%	5404	11.88%	448	2.70%	5852	9.43%
Education	142	1.97%	2169	4.77%	1942	11.69%	4111	6.62%
Energy, Waste & Utilities	71	0.98%	702	1.54%	27	0.16%	729	1.17%
Health & Care	360	4.99%	3714	8.17%	2777	16.72%	6491	10.45%
Hospitality & Leisure (I&R)	547	7.58%	3139	6.90%	2592	15.60%	5731	9.23%
Other	319	60.88%	1437	35.11%	1111	243.11%	2548	56.00%
Retail	442	6.12%	2684	5.90%	3550	21.37%	6234	10.04%
Manufacturing	534	7.40%	7855	17.27%	597	3.59%	8452	13.61%
Transport & Logistics	236	3.27%	2668	5.87%	231	1.39%	2899	4.67%
Wholesale	524	7.26%	4093	9.00%	457	2.75%	4550	7.33%
Total	7219		45477		16611		62088	

Appendices

Personal Well-being Estimates							
Geography	MeasureOfWellbeing	Estimate	2018-19	2019-20	2020-21	Rating 2020-21	Trend
Babergh	Anxiety	Average (mean)	3.08	2.81	2.62	Low	Down
Mid Suffolk	Anxiety	Average (mean)	3.04	3.02	2.82	Low	Down
Suffolk	Anxiety	Average (mean)	2.77	3.22	3.19	Low	Down
East of England	Anxiety	Average (mean)	2.73	3.04	3.22	Low	Up
England	Anxiety	Average (mean)	2.87	3.05	3.31	Low	Up
Babergh	Happiness	Average (mean)	7.87	7.86	7.81	High	Down
Mid Suffolk	Happiness	Average (mean)	7.54	7.55	7.54	High	Down
Suffolk	Happiness	Average (mean)	7.72	7.55	7.39	High	Down
East of England	Happiness	Average (mean)	7.62	7.52	7.37	High	Down
England	Happiness	Average (mean)	7.56	7.48	7.31	High	Down
Babergh	Life Satisfaction	Average (mean)	7.99	8.24	8.03	High-Very High	Down
Mid Suffolk	Life Satisfaction	Average (mean)	7.83	7.78	7.63	High	Down
Suffolk	Life Satisfaction	Average (mean)	7.89	7.77	7.59	High	Down
East of England	Life Satisfaction	Average (mean)	7.75	7.71	7.47	High	Down
England	Life Satisfaction	Average (mean)	7.71	7.66	7.38	High	Down
Babergh	Worthwhile	Average (mean)	8.06	8.37	8.16	High-Very High	Down
Mid Suffolk	Worthwhile	Average (mean)	7.89	7.86	7.68	High	Down
Suffolk	Worthwhile	Average (mean)	8.12	7.91	7.79	High	Down
East of England	Worthwhile	Average (mean)	7.92	7.91	7.75	High	Down
England	Worthwhile	Average (mean)	7.88	7.86	7.71	High	Down
Data from ONS Annual Population Survey (APS)							

Supporting Evidence & Further Reading

Google Mobility Report – Suffolk November 2021: This data is extracted from Google’s mobility report which uses aggregated, anonymised insights from Google Maps. The Baseline is a median value for the corresponding day of the week, during the 5 week period of 3rd January to 6th February 2020. The report relates to data as at 29th November 2021 and updates weekly.

GVA by Local Authority ONS 2017 – this is a download from the ONS website, the tables within the spreadsheet show estimates of Balanced Gross Value Added, in current basic prices, allocated to local authorities in the UK and further broken down to SIC07 industry level.

JSNA State of Suffolk Report 2019 20 Plus – this gives some really good information, although not broken down to district level snapshotting where Suffolk sat (most data from 2017) and modelling where it could be in 2039.

LGA Research Report – Demographic Reports, the aim is to provide users with quick and easy access to all the metrics contained in the collection and present this in a variety of charts, tables and maps. This report provides an overview of the mid-year population estimates for Local Authorities for 2020 taken from the Mid-Year Population Estimates published by the Office for National Statistics. Data in this report is updated annually in June of each year.

Within the supporting evidence folder there is a report for each district detailing the full demographic report. Further information can be found by visiting [LGA Research Report -](#)

[Demographic Report | LG Inform \(local.gov.uk\)](#) including the ability to get reports for different areas and run comparisons against a large number of different data sets (areas).

Menta Work Space Study (pre and post-covid) – these studies were commissioned by BMSDC and completed by MENTA. The pre-covid report dated October 2019 provides a market evaluation and demand study into the provision of business start-up, incubator and grow on business space within the districts. The August 2021 report refreshes the review of different types of workspace that businesses are looking for, in terms of their size, location, type and the facilities they want.

Mosaic Demographics Reports x 2 – These reports (1 for each district) are produced by Experian. They show detailed information about the people who live in an area, with a wide range of person and household demographics and projections, alongside Mosaic profiles, the top three Mosaic groups and their key characteristics.

NALEP Cultural Strategy Evidence Report – This report, dated April 2021 was commissioned by the New Anglia LEP Culture Board and completed by Hatch. The report provides a comprehensive 'economic data pack' of the Cultural Economy covering Norfolk and Suffolk.

NOMIS Labour Market Profile pdfs – (Babergh & Mid Suffolk)

These profiles bring together data from several sources. Details about these and related terminology are given in the definitions section.

All figures are the most recent available and include:

- Resident population
- Employment and unemployment
- Economic inactivity
- Workless households
- Employment by occupation
- Qualifications
- Earnings by place of residence
- Out-of-work benefits
- Jobs (total jobs / employee jobs)
- Civil Service jobs
- Businesses

Please note there are two versions of these reports as some data sets reported updates between versions 1 and 2 of this document.

Suffolk Annual Business Survey 2021 – the full summary of outcomes from the 2021 business survey lead by Suffolk Growth and SODA. The survey was sent out to businesses within Suffolk in June 2021. 326 businesses throughout Suffolk completed the survey and most data has been presented at a district level. This document provides some good statistics focusing around business confidence, skills, supply chains, climate change, property needs and future support.

Vacancy Rates 2020-21.pdf & Vacancy Rates Oct 2021.pdf - these documents graph the vacancy rates of the individual main towns in both districts based on available internal information collated by Town Centre Surveys completed quarterly (where it has been possible to do so) by the BMSDC Economic Development Team.

UK Post-Pandemic Shopping Behaviours.pdf – Although not specifically aimed at Babergh and Mid Suffolk, this report does show some good information at a regional level in respect to the retail sector. The full report, dated March 2021, was commissioned by Shopify (a multi-national e-commerce company) to gather responses from UK consumers to understand the changing landscape of retail shopping in the UK as a result of the COVID-19 pandemic. Specifically, the survey was designed to understand:

- Omnichannel buying behaviour and channel shifting
- Shopping local: importance, motivators and barriers
- Preference on methods of payments
- Post-pandemic expectations on in-store experience

UKCI-2021.pdf – UK Competitiveness Index 2021: Local, Urban and Regional Competitiveness in a Pandemic, November 2021. This yearly report compiled by Cardiff University and Nottingham Business School aims to assess the relative economic competitiveness of regions and localities in the UK by constructing a single index that reflects, as fully as possible, the measurable criteria constituting place competitiveness.