The economic potential of the proposed North Haven unitary authority area

A review of economic & labour market issues affecting North Haven, the Haven Gateway and the rest of Suffolk for Ipswich Borough Council

August 2008

SQWconsulting

Contents

Contact:	Jill Tuffnell	Tel: 01223 209400	email: JTuffnell@sqw.co.uk
Approved by:	Chris Green Chief Executive	Date: August 2008	

1: Introduction

1.1 The Boundary Committee for England published draft proposals for unitary local authorities in Norfolk and Suffolk in July 2008. The preferred option included a 'North Haven' authority in Suffolk, including all of Ipswich Borough Council and parts of three neighbouring District Councils: Suffolk Coastal, Babergh and Mid Suffolk. The proposal also involved transferring Lowestoft to a new unitary Norfolk authority and establishing a new Suffolk authority for the rest of Suffolk county. The Boundary Committee is consulting on these proposals and has identified a number of issues on which it would like views. Ipswich Borough Council has commissioned SQW Consulting to review the evidence relating to four economic issues in order to inform its response to the consultation.

1.2 The task was to provide an objective factual report on the four issues; each is considered in turn:

- **Issue One:** Setting out the economic potential of the proposed North Haven authority over the next ten years or so
- **Issue Two:** Assessing the potential for the Haven Gateway sub-region to develop further as a major focus for economic development and growth
- **Issue Three:** Assessing the strength of the inter-relationships and inter-dependencies between the Ipswich and the Felixstowe economies, and
- **Issue Four:** Assessing how the creation of a North Haven authority would affect the rest of Suffolk in economic terms.

1.3 As the proposed 'North Haven area' consists of whole or part of four districts it is not always possible to produce data for this precise geography. In this report 'North Haven' is the term used for the area as defined by the Boundary Committee, or the 'best fit' area based on whole wards which include the parishes listed in its proposal. In many instances, however, statistics are not available below a district level. When the four 'whole' Suffolk districts are aggregated the term 'North Haven Gateway' is used, although it is recognised that the Haven Gateway Partnership (HGP) area covering Suffolk is smaller. Although HGP Suffolk is larger geographically than the North Haven area, it is also restricted to Ipswich and parts of the three neighbouring Suffolk districts. The list of parishes and wards in the proposed North Haven authority area is included in an Annex.

1.4 The analysis presented in relation to Issue One, assessing the economic potential of the North Haven area, accounts for the majority of this report. It is required in order to respond to Issue Two, which is concerned with the economic development prospects of the wider Haven Gateway. It is also an essential component of the response to Issue Three, concerning inter-relationships between the two urban areas of Ipswich and Felixstowe, and of Issue Four, where the economy of the 'rest of Suffolk' is set alongside that of a new North Haven authority area. An executive summary brings together the key findings and conclusions.

2: Executive summary

2.1 The proposed North Haven authority area encompasses the whole of the functional urban area of Ipswich, currently split between four district authorities. It includes the whole of the 'Ipswich Policy Area', which has recently been established to help plan future development in a coherent manner. The North Haven area has a high degree of self-containment in labour market terms.

2.2 The 'transport & communications' industry sector is particularly important and all economic consultancies forecast significant job growth here. Two key assets of the area, which have major economic potential, are the Port of Felixstowe and the ICT cluster based at Adastral Park, Martlesham. There are large-scale expansion plans at both locations, which have the potential to help the North Haven area go beyond 'trend' job growth and meet the higher employment targets set by the East of England Plan.

2.3 The North Haven area looks set to account for the bulk of the 30,000 jobs envisaged in the East of England Plan for the Suffolk share of the 'Haven Gateway' sub-region, 2001 to 2021.

Issue One: the economic potential for the North Haven authority area 2001 to 2021

- Economic activity and employment rates are relatively high although there is some potential for a reduction in the incidence of unemployment and long-term sickness and disability amongst the population of Ipswich Borough.
- The profile of the area's residents suggests relatively low percentages work in managerial, professional or technical occupations as compared with Suffolk as a whole. This was particularly significant in Ipswich in 2001.
- Data on the qualifications of residents suggests that both Ipswich and Suffolk Coastal districts have relatively high shares with lower-level qualifications and relatively low shares with higher, degree-level qualifications. The further development of the University Campus Suffolk and Suffolk New College is addressing this problem.
- The industrial structure of North Haven is relatively robust with proportionately more jobs in growth sectors (such as transport & communications) than in declining sectors, such as agriculture and manufacturing.
- Recent data on employee earnings suggests that the North Haven area has slightly higher wages than the rest of Suffolk; this is especially true of Suffolk Coastal district.
- The numbers of non-UK nationals first registering for National Insurance have increased year-on-year in the 'North Haven Gateway' area since 2004, in contrast with the rest of Suffolk and the region, where numbers peaked in 2005/06.

- Labour supply forecasts indicate a big increase in the older workforce, with only modest growth amongst younger age groups. This has particular consequences for training programmes in the future, especially demands on employment-based programmes and day-release.

- 'Trend' employment forecasts for the North Haven area generally appear to be in line with the overall growth of the labour force, although population forecasts for the region and its districts require updating and are likely to rise. However, the job targets in the adopted East of England Plan, as applied to the North Haven area, are significantly higher than the employment growth likely to take place under 'trend' conditions. This indicates that economic interventions will be required if the targets are to be met.

- However, a number of major developments are planned which could help push employment growth above 'trend', particularly in the leisure, education and transport & communication fields. If all are realised there could be an additional 5,000 jobs created directly, with more supported through economic multiplier effects.

- The annual rate of new business registrations in the wider 'North Haven Gateway' area has fallen since 2003, both absolutely and as a share of the Suffolk total.

- Employment forecasts suggest that the major growth sectors over the period 2001 to 2021 will be a wide range of 'other business services', (including R&D and computer services); transport & communications; other services, (including leisure and personal services) and education & health.

- A recent review of employment land concludes that there is an overall surplus in the North Haven area and that target employment growth will not be constrained by a shortage. However, investment in infrastructure will be critical to support key development sites, such as Innovation Martlesham at Adastral Park.

Issue Two: the economic development growth potential of the Haven Gateway sub-region

- The Haven Gateway is a priority sub-region in relation to regional development; as a recognised 'New Growth Point' it has a special status and can access government funds to support investment in infrastructure.

- Many of the issues arising in the Essex part of the Haven Gateway are those which also affect the Suffolk part of the HGP area and the somewhat smaller 'North Haven' area.

- The potential for economic development relies on building on the Gateway's two clear strengths: its international transport gateways in the form of the Haven ports and on its knowledge-based industries, especially relating to ICT. Plans are well advanced for identifying suitable sites for development.

- However, there is some concern that without policy intervention, the likely 'trend' employment growth will not meet the exacting job targets of the East of England Plan

- A number of employment and business developments have been identified which, if all are implemented, should result in an 'uplift' above the trend job growth.
- A number of constraints to growth have been identified and plans to overcome these are the subject of the Haven Gateway Integrated Development Programme. There are key areas for action with respect to investment in transport and other infrastructure, as well as in skills development.

Issue Three: the inter-relationships and inter-dependencies between Ipswich & Felixstowe economies

- **Commuting in 2001**: travel to work flows were higher between Ipswich and Suffolk Coastal districts than between Ipswich/Suffolk Coastal and any other district; most commuting was between Ipswich and the southern part of Suffolk Coastal district.
- **Shopping catchments 2004/5**: A study of convenience and comparison shopping shows that people living to the east of the town are most loyal to Ipswich for comparative shopping as compared with people living to the west.
- **Migration in 2000/01**: migrant flows (both ways) were higher between Ipswich and Suffolk Coastal districts than between Ipswich/Suffolk Coastal and any other district.
- **Housing markets 2007**: Estate and lettings agents report that there is a single local housing market sub-area which covers both Ipswich and Felixstowe; this is corroborated by the coverage of the Evening Star's 'property supplement'.
- **Business organisation**: The maritime industry and port-related activities involve many business links between the two towns. For example, many shipping companies have offices in Ipswich, including Mediterranean Shipping Company, Fred Olsen, Samskip and P&O Ferrymasters. Ipswich Port offers complementary cargo-handling activities to the dominant container-based services of Felixstowe, including general cargo, liquid and dry bulks, forest products and ro-ro.

Issue Four: the economic impact of creating a North Haven authority on the rest of Suffolk

- The creation of a North Haven area authority is compatible with an economically viable 'rest of Suffolk' area, (with or without Lowestoft), with unitary authorities responsible for significant development programmes for housing, population and employment.
- There is considerable evidence from travel to work flows to show that the labour market of the North Haven area is relatively self-contained, without significant links with the rest of Suffolk.
- A new North Haven authority would have a primarily urban focus. In contrast a 'rest of Suffolk' authority would be characterised by market towns and their local labour markets. The new authorities would be able to develop coherent economic policies for their distinctive areas.

- Local government re-organisation will redistribute the government grant currently received by Suffolk County Council which could result in less (or more) finance being available in some areas. Different local expenditure allocations could result in current spending programmes being affected.

- Local authority staffing levels and locations will be affected with jobs transferred to the new unitary authorities. This could result in some jobs moving out of Ipswich, with a positive impact on the economies of the locations which gain employment.

- Business investment decisions are unlikely to be greatly affected by changes in local government organisation. However the move to unitary authorities covering more coherent geographical areas should make business communications with local government easier.

3: Issue One: The economic potential of the North Haven authority area 2001 to 2021

3.1 This chapter provides a summary of a number of key labour market and related socio-economic indicators for the North Haven area, both now and in the future. The first section provides a baseline picture as at 2001, based primarily on the Census. Although this data is now 7 years old it is very valuable. Firstly many data sets are available for small geographic areas below the district level, enabling an accurate 'North Haven' 2001 profile to be compiled. Secondly, some data sets are not collected in inter-censal years, such as local travel to work flows and we are still reliant on the 2001 analysis.

3.2 The second section looks at changes in key indicators between 2001 and 2006 (or records the most recent robust information available). It is important to be aware of the difficulties in this exercise. Much of the post-2001 information available is based on surveys with a small sample or on administrative records which do not fully cover our areas of interest. This means that it is difficult to assess changes over time as 'sampling variation' can be large. Many data sets are based on whole district-level estimates and an apportionment has had to be made to approximate the proposed North Haven area.

3.3 The third section looks to the future. In the light of the published projections and forecasts available which look forward to 2021 this has been adopted as the 'outlook' year. It is the end year of the recently-adopted East of England Plan and the forecasts can be compared with the targets set for dwellings and jobs for the relevant parts of Suffolk. The Plan also provides the broad spatial land use policy context for future economic development in the North Haven area.

3.4 The 'looking forward' section considers the land-use planning context, particularly the issue of the availability of employment land. It also covers a number of major business developments which can be considered, in whole or in part, as adding additional job growth, over and above the level of 'trend' employment growth.

3.5 A final section highlights some of the key issues arising from this study of the economic potential of the proposed North Haven area.

The 2001 Situation

3.6 This section looks at a number of key socio-economic indicators, including population, housing and households, employed residents and the workforce – the workplace population. It reports the industries that residents worked in and their occupations. It also provides an estimate of the broad industrial structure of the workplace population. Information is provided on economic activity, including the 'employment rate' of residents and both unemployment and the incidence of permanent sickness and disability. The qualifications of residents are also covered. Some limited travel to work analysis is included, covering distance and mode of transport. A more detailed study of commuting to work is included in Chapter 5, which considers the inter-relationships of the Ipswich and Felixstowe economies. Most of the information is taken from the April 2001 Census, although reference is also made to earnings data, job estimates and other business statistics.

3.7 Only very limited data sets are available at a parish level and for most of the following analysis a 'best-fit' set of 2001 Census wards has been used to profile the North Haven area. The list is provided in the Annex. The area covered is marginally larger than the parish-based 'foot-print' suggested by the Boundary Committee. For some indicators, such as the workplace population broken down by industry sectors, there is no Census data published below district level, (on account of potential disclosure and confidentiality issues at a ward level). In this case an apportionment of district-level data has been made.

Population, dwellings and households

3.8 Table 3-1 summarises the 2001 situation for key demographic variables. The information is drawn from parish estimates.

Table 3-1 : Population, Dwelling & Household Estimates, Mid Year 2001, North Haven Area

District/part District	Population	Dwellings	Households
Babergh (part)	24,410 (12%)	10,080 (11%)	9,770 (11%)
Ipswich	117,160 (57%)	51,830 (58%)	49,900 (58%)
Mid Suffolk (part)	7,220 (4%)	3,150 (4%)	3,020 (4%)
Suffolk Coastal (part)	56,740 (28%)	24,830 (28%)	22,930 (27%)
North Haven	205,530 (100%)	89,890 (100%)	85,620 (100%)
Suffolk	669,920 (NH 31%)	296,780 (NH 30%)	281,700 (NH 30%)

Source: Suffolk County Council; SQW Consulting

3.9 Table 3-1 shows that the North Haven area had a population of just over 205,500 in 2001, equivalent to 31% of the Suffolk total. Ipswich accounted for 57% of the area's total population, with Suffolk Coastal contributing a 28% share. Babergh accounted for 12% and Mid Suffolk for just 4% of the North Haven total. The percentage breakdown of the area's 89,890 dwellings and 85,620 households across the constituent districts was very similar.

Economic activity

3.10 The data analysed in this and following sections are based on Census wards and cover a slightly larger area than the parish analysis in Table 3-1 above. Table 3-2 provides a comparison of economic activity rates, employment rates, unemployment and sickness/disablement rates. These are all expressed as a percentage of the total population aged 16 to 74 – hence the unemployment and sickness/disability rates appear to be low; they are normally calculated as a share of the population of 'usual working age' (i.e. males 16 to 64 and females 16 to 59). However, as the pension age is due to rise for women it is useful to widen the age group considered and analyse issues for a larger population group.

Table 3-2 : Economic activity indicators, residents, constituent districts of North Haven, 2001

Economic Activity Indicator	Babergh (part)	Ipswich	Mid Suffolk (part)	Suffolk Coastal (part)	North Haven	Suffolk county
All population aged 16 to 74	18,450	82,770	5,930	42,160	149,310	476,080
Employed residents	12,580	54,090	4,230	28,160	99,050	313,820
Economically active % all	70.7%	69.1%	72.8%	69%	69.4%	68.8%
Economically inactive % all	29.3%	30.9%	27.2%	31%	30.6%	31.2%
Unemployed % all	2%	3.5%	1.9%	2%	2.8%	2.7%
Sick & disabled % all	2.9%	5.2%	3.2%	3.5%	4.3%	4%
Employment rate % all	68.2%	65.3%	71.2%	66.8%	66.3%	65.9%
Employees % of employed	84%	90%	86%	88%	88%	85.5%
Self employed % of employed	16%	10%	14%	12%	12%	14.5%

Source: Census 2001: Nomis

3.11 Table 3-2 shows that overall 69.4% of the North Haven area's population was either in or actively seeking work – i.e. economically active. This is just above the Suffolk average of 69%. The highest rate was in Mid Suffolk, at 72.8%. Suffolk Coastal and Ipswich both had rates of around 69%. However, differences across the area were small. Unemployment rates, as measured against the entire population aged 16 to 74, averaged 2.8%. However, rates were significantly higher in Ipswich, at 3.5%, as compared with around 2% in the rest of the North Haven area. Similarly, the rate of 'permanent sickness or disability' was also relatively high in Ipswich at 5.2%. No other constituent district recorded a rate above 3.5% (Suffolk Coastal). Babergh recorded the lowest rate of 2.9%. The overall employment rate in the area was 66.3%. Mid Suffolk recorded a high rate of 71.2% and the lowest rate was recorded in Ipswich at 65.3%, just below the Suffolk Coastal rate of 66.8%. Self employment, expressed as a percentage of all employed residents, was 12% overall; it was lowest in Ipswich (10%) and highest in Babergh (16%).

3.12 The profile overall was very similar to that of Suffolk county. The main difference related to the percentage of residents who were self-employed. In Suffolk as a whole this was 14.5%, higher than the 12% recorded in the North Haven area. The difference reflects the generally urban nature of North Haven, where there are relatively more employees than in rural areas.

Industry sectors

3.13 Table 3-3 shows the main industry sectors worked in by residents of each of the constituent districts of North Haven in 2001.

Table 3-3 : Main industry sectors worked in by employed residents, North Haven area 2001 (by constituent districts), % of all employed aged 16-74

Main Industry sector	Babergh (part)	Ipswich	Mid Suffolk (part)	Suffolk Coastal (part)	North Haven	Suffolk county
Agriculture, forestry & fishing	3	0.9	3.4	1.6	1.5	3.2

Main Industry sector	Babergh (part)	Ipswich	Mid Suffolk (part)	Suffolk Coastal (part)	North Haven	Suffolk county
Manufacturing, quarrying	11.5	12.5	14.2	9.1	11.4	15.6
Electricity, gas & water	1.4	1.4	1.3	1.3	1.3	1.1
Construction	6.2	7.9	8.8	5.2	7	7.4
Distribution (wholesale, retail, repairs)	14.9	19	18.4	15.1	17.4	17
Hotels & catering	5.2	5	3.7	4.6	4.8	4.9
Transport & communication	9.2	1.6	9.9	21.9	14.1	8.6
Financial intermediation	7.8	6.2	6.3	4.6	5.9	3.8
Business services	12.6	10	10.7	9.8	10.3	10.4
Public administration & defence	5	4.2	4.8	5.1	4.6	5.6
Education	8.4	5.4	5.6	6	6	6
Health & social work	9.6	11.3	9	10.7	10.8	10.3
Other services	5	4.7	4	4.9	4.8	6
Total	100 (12,580)	100 (54,090)	100 (4,230)	100 (28,160)	100 (99,050)	100 (313,820)

Source:2001 Census ; Nomis

3.14 Although restricted to employed residents this profile also provides a good guide to the industrial structure of North Haven's working population. As Chapter 5 shows, the majority of employed residents both lived and worked in the North Haven area in 2001, (86%).

3.15 The table shows clearly how important the 'transport & communications' sector is to the local economy. Overall it employed 14% of the North Haven workforce; this share rises to almost 22% of Suffolk Coastal District's residents. A high 11.6% of Ipswich residents also worked in this sector. The comparative share for Suffolk as a whole in 2001 was a much lower 8.6% and in the East of England it was lower still, at 7.4%. This sector includes not only port and associated haulage and storage employees at Felixstowe and Ipswich but also people employed at the Martlesham telecommunications centre. One other sector with a relatively high share of employment was financial intermediation, including banking. The 5.9% share of employed residents is significantly higher than the Suffolk overall share of 3.8%. This reflects the job opportunities in Ipswich as well as some out-area commuting. Industry sectors which had a relatively low share of employed residents as compared with the county and regional profile included manufacturing (11.4% as compared with the county share of 15.3% and the regional share of 14.7%), and agriculture, (1.5% as compared with the county share of 3.4% and the regional share of 1.9%). As the employment forecasts show, significant job loss is expected in manufacturing and agriculture in the future. The relative dominance of services in the North Haven economy is a real strength.

Occupations

3.16 The broad occupational groups of the employed residents of the North Haven area are summarised in Table 3-4.

Table 3-4 : Occupational structure of employed residents of the North Haven area, by constituent districts, 2001, % of all employed aged 16-74

Broad Occupational Group (SOC)	**Babergh (part)**	**Ipswich**	**Mid Suffolk (part)**	**Suffolk Coastal (part)**	**North Haven**	**Suffolk county**
Managers & administrators	18.1	11.4	16.5	16.6	13.9	14.5
Professionals	12.5	9.3	9.6	10.7	10.1	9.4
Associate professionals & technicians	14.2	12	11.9	13	12.5	12.8
Administrative & secretarial	14.5	13.2	14.2	16.7	14.4	12.2
Skilled trades	11.9	12.6	14.2	9.6	11.7	13.8
Personal service	5.9	7.2	5.9	6.8	6.9	7.3
Sales & customer service	6.4	9.8	8.2	7.1	8.5	7.3
Process, plant & machinery operatives (of which transport-related)	6.2 (3.1)	9.6 (4.7)	9.4 (4.9)	7.9 (5.3)	8.7	9.6
Elementary	10.2	14.8	10.2	11.7	13.1	13.2
Total	100	100	100	100	100	100

Source: Census 2001: Nomis

3.17 Table 3-4 shows that the occupational structure of the North Haven area varied somewhat when analysed by the district of residence. A relatively low percentage of Ipswich residents were employed as managers or senior administrators, 11.4%. In other districts the share was 16.5% or higher. The overall North Haven share of 13.9% was slightly lower than the Suffolk average, 14.5%, also significantly below the regional average of 16.3%. Ipswich also had a relatively low percentage of employed residents working in professional occupations, 9.3%. In Babergh the share was a relatively high 12.5%. Babergh also recorded the highest share of residents working in associate professional and technician jobs – 14.2%, compared with the North Haven average of 12.5%.

3.18 A relatively high percentage of Suffolk Coastal district’s residents was recorded as working in administrative jobs, 16.7%. In contrast the percentage share in most constituent districts was around 13% to 14.5%. Two districts recorded relatively high shares of residents working in skilled trades: Suffolk Coastal with 14.2% and Ipswich with 12.6%. However, the North Haven area as a whole averaged 11.7% - significantly lower than the Suffolk average of 13.8%. Ipswich recorded the highest shares of residents working in both personal service jobs, 7.2%, and in sales occupations, 9.8%. Suffolk recorded 7.3% for both these occupations.

3.19 The share of residents employed in process, plant and machinery operating jobs was 8.7% in the North Haven area as a whole, somewhat lower than in Suffolk county, (9.6%). However, in Ipswich and Mid Suffolk the percentages were higher, at 9.6% and 9.4%. A more detailed breakdown of plant operative occupations, concentrating on transport and mobile machinery operators, shows relatively high concentrations living in Suffolk Coastal, (5.3%), Mid Suffolk, (4.9%) and Ipswich, (4.7%). The remaining occupation group, covering a wide range of elementary unskilled jobs, accounted for 13.1% of all employed residents in the North Haven area. The percentage share in Ipswich was a relatively high 14.8%. In the three other constituent districts the percentage was under 12%.

Qualifications

3.20 The Census recorded the highest NVQ level equivalent qualification of the resident population aged 16 to 74. The following table shows a breakdown by the constituent districts in terms of the highest level achieved. NVQ 1 is equivalent to a minimal GCSE achievement. NVQ 2 is equivalent to 5 or more GCSEs graded A to C*. NVQ 3 is equivalent to GCSE A level and NVQ 4 is equivalent to a first degree. 'Other' includes trade apprenticeships and a wide range of vocational and non-UK qualifications.

3.21 Table 3-5 compares the highest qualifications achieved by residents aged 16-74 in 2001. There was a broad similarity of profile amongst residents living outside Ipswich; within the borough, however, a relatively high share of residents had no recorded qualification, (33.6%). The share of residents educated to degree level or above (NVQ level 4 or more) was 17% in the North Haven area as a whole but a lower 15% in Ipswich and 15.6% in Mid Suffolk. The profile of highest educational qualification attained across 'North Haven' was very similar to Suffolk county as a whole.

Table 3-5 : Highest NVQ level qualification achieved, resident population aged 16 to 74, North Haven area by constituent parts of districts, 2001, % of all

Highest qualification achieved (or equivalent)	Babergh (part)	Ipswich	Mid Suffolk (part)	Suffolk Coastal (part)	North Haven	Suffolk county
No qualifications	22.5	33.6	28.4	26	29.9	30.3
NVQ level 1	16.5	18.3	17.6	18.5	18.1	17.8
NVQ level 2	21.9	19.2	22.1	21.7	20.4	20.2
NVQ level 3	9.8	6.7	7.3	6.9	7.2	7.5
NVQ level 4 or higher	22.1	15	15.6	18.9	17	16.5
Other qualification or not stated	7.2	7.2	8.9	8.1	7.5	7.8
Total	100	100	100	100	100	100

Source: Census 2001; Nomis

Travel to work

3.22 Tables 3-6 and 3-7 show, respectively, the distances travelled to work and the mode of transport of employed people living in the North Haven area in 2001.

Table 3-6 : Distance travelled to work, employed residents, constituent districts of North Haven area, 2001, % of all

Distance travelled to work (km)	Babergh (part)	Ipswich	Mid Suffolk (part)	Suffolk Coastal (part)	North Haven	Suffolk county

Distance travelled to work (km)	**Babergh (part)**	**Ipswich**	**Mid Suffolk (part)**	**Suffolk Coastal (part)**	**North Haven**	**Suffolk county**
Under 2	11.6	28.8	12.4	23.7	24.5	24.2
2 – 5	15.1	32.0	16.0	23	26.6	17.9
5 – 10	19.4	10.4	30.2	16.0	14.0	12.4
10 – 20	22.5	8.4	12.9	16.1	12.6	14.8
20 – 30	4.8	2.8	6.3	2.4	3.1	6.4
30 – 40	1.6	1.3	1.9	1.3	1.4	2.9
40 – 60	1.7	0.9	1.4	0.9	1.0	2
Over 60	7.1	3.9	4.4	3.8	4.3	4.1
Other (including 'not fixed' and 'at home')	16.2	11.5	14.6	12.9	12.6	15.4
Total	100 (12,570)	100 (54,090)	100 (4,220)	100 (28,100)	100 (98,970)	100 (313,820)
Total under 5km	26.7	60.8	28.4	46.7	51.1	42.1
Total over 40km	8.8	4.8	5.8	4.7	5.3	6.1

Source: Census 2001; Nomis

3.23 Table 3-6 shows that in North Haven as a whole 51% of employed residents travelled under 5km to work; at a district level the percentages ranged from 27% in Babergh and 28% in Mid Suffolk to a much higher 47% in Suffolk Coastal and 61% in Ipswich. (The comparative share for Suffolk as a whole was 42%). Only a low share of residents travelled over 40km to work – 5.3% of the total. However, in Babergh the percentage was almost 9% whereas in both Ipswich and Suffolk Coastal it was under 5%. The profile for the larger Suffolk county shows a higher 6.1% of residents commuting over 40km to work. The North Haven area consequently shows a more contained travel to work pattern than does Suffolk as a whole.

Table 3-7 : Mode of transport to work, employed residents, constituent districts of North Haven area, 2001, % of all

Main mode of transport to work	**Babergh (part)**	**Ipswich**	**Mid Suffolk (part)**	**Suffolk Coastal (part)**	**North Haven**	**Suffolk county**
Work at or from home	11.1	8.7	9.6	8.9	8.0	10.1
Train, underground	3.8	1.9	1.6	1.6	2.1	1.6
Bus, coach	4.6	10.4	6.1	3.8	7.6	4.3
Car driver or passenger	70.7	59.3	72.7	69.4	64.2	66.9
Bicycle	2.7	5.7	3.1	6.3	5.4	4.9
Walk	5.5	13.8	4.7	7.3	10.5	10.1
Other, (taxi, motor cycle, scooter, minibus etc)	1.7	2.2	2.2	2.6	2.3	2.2
Total	100 (12,600)	100 (54,090)	100 (4,240)	100 (28,110)	100 (99,030)	100 (305,700)

Source: Census 2001; Nomis

3.24 Table 3-7 shows that the car was the main mode of transport to work across all constituent parts of the North Haven area in 2001, accounting for 64% of all journeys. The percentage of journeys by car was highest in Mid Suffolk, (almost 73%) and in Babergh, (just under 71%). It was lowest in Ipswich, at 59% of the total. In Ipswich significant proportions of employed residents either walked to work, just under 14%, or took the bus, over 10%. Overall 8% of North Haven residents worked at or from home. In Babergh the share was a higher 11%. The percentages of residents travelling to work by train were consistently low across the area; the highest share was recorded in Babergh at 3.8%.

3.25 Chapter 5 provides a more detailed analysis of journey to work data but it is useful to note here that the North Haven area as a whole recorded a high level of ‘containment’. Generally, an area is defined as ‘contained’ for travel to work purposes if 70% or more of employed residents work in the same area and 70% or more of the workplace population live in the same area. The North Haven area comfortably exceeds this threshold on both counts. The Census methodology means that different analyses produce marginally different estimates according to the topic under review, so the totals of employed residents and workplace populations differ slightly from other figures quoted in this section. The 2001 Census Special Workplace Statistics show that the North Haven area had a workplace population of just over 105,000 as compared with around 97,800 employed residents. Of these, 83,700 people both lived and worked in the area. Thus 79.7% of the workplace population lived in the same area and a high 85.6% of employed residents worked in the same area. Net commuting was estimated at 7,230. However, gross commuting flows were higher; in-commuting was 21,270 whereas out-commuting was just over 14,000. Table 3-8 and Figure 3-1 show the employed ‘residents to workplace’ population estimates for each constituent district, based on whole wards.

Table 3-8 : Workplace population & employed residents, North Haven area, 2001

Indicator	People	% who both live & work in North Haven
Workplace population	105,010	79.7%
Employed residents	97,770	85.6%
Live & work in North Haven	83,700	

Source: Census 2001 SWS travel to work analysis; Nomis

Figure 3-1 : Employed residents & workplace populations of constituent parts of the North Haven area, 2001

Source: 2001 Census

The workplace population

3.26 The analysis so far has concentrated on people living in the North Haven area; this section focuses on people working in the area in 2001. There is only limited information available for this geography as the 2001 Census did not publish industry sector data on workplaces below the 'whole district' level.[1] Table 3-9 provides a broad overview of the occupations of the workplace population.

Table 3-9: The occupations of the workplace population of North Haven, by constituent districts, 2001, % of all

Main occupational group (SOC)	Babergh (part)	Ipswich	Mid Suffolk (part)	Suffolk Coastal (part)	North Haven	Suffolk county
Managers & administrators	15.3	13.1	16.9	15.8	14.1	14
Professionals	10.7	10.4	7.9	12.2	10.8	9.1
Associate professionals & technicians	11.3	14.6	7.9	10.5	13	12.4
Administrative & secretarial	10	16.2	9.7	13.2	14.7	12.1
Skilled trades	15.5	9.7	18.8	10.8	10.8	13.9
Personal service	6.6	7	6.8	5.8	6.7	7.3
Sales & customer service	7.3	9.9	3.5	6.3	8.6	7.6
Process, plant & machinery operatives (of which	8.4	7.3	15.8	12.4	9	9.9

[1] The explanation relates to confidentiality, as at a ward level there may be just one employer in a sector such as education.

Main occupational group (SOC)	Babergh (part)	Ipswich	Mid Suffolk (part)	Suffolk Coastal (part)	North Haven	Suffolk county
transport-related)						
Elementary	14.8	11.8	12.5	13	12.4	13.7
Total	100 (8,980)	100 (65,890)	100 (3,680)	100 (27,190)	100 (105,730)	100 (305,700)
Total managerial, professional & technical	***37.3***	***38.1***	***32.7***	***38.5***	***37.9***	***35.5***
% of North Haven workplace population	8.5	62.3	3.5	25.7	100	

Source: Census 2001; Nomis

3.27 Table 3-9 shows that the workplace population of the North Haven area amounted to just over 105,700 in 2001.[2] Over 62% of the total was recorded in Ipswich Borough, with around 26% accounted for by Suffolk Coastal District, under 9% accounted for by Babergh District and 3.5% by Mid Suffolk District. The table shows the percentage of each district's workplace population consisting of the three highest skilled managerial, professional and technical occupation groups. Overall in the North Haven area the share was 37.9%, ranging from 32.7% in Mid Suffolk to more than 38% in both Ipswich and Suffolk Coastal. The North Haven area had a higher share of such jobs than Suffolk as a whole, (35.5%), but was marginally below the regional workplace population average of 38.7%. As compared with Suffolk county the workforce consisted of relatively fewer elementary jobs, (12.4% as compared with 13.7%) and fewer skilled trades jobs, (10.8% as compared with 13.9%). It had more administrative & secretarial jobs, (14.7% as compared with 12.1%) and more sales & customer service jobs, (8.6% of all as compared with the Suffolk figure, 7.6%).

Earnings

3.28 National statistics on earnings in 2001 are restricted to employees working in districts, rather than employed residents. The estimates are derived from a sample of employers and there is no breakdown published below the district level. However, it is possible to produce an estimate of overall North Haven earnings using the shares of workplace population accounted for by each of the four constituent districts, (see Table 3-9). It should be noted that the sample sizes are small, even at a district level. Table 3-10 shows the estimates of median gross weekly earnings for full-time workers by district. Median figures are used in preference to averages because a few very high earnings can distort 'average' figures.

[2] When comparing these statistics with data relating to total jobs (employment) it is important to note that only 'main' jobs have been recorded. Second and subsequent jobs were not counted by the Census. The Census does not record jobs held by young people aged under 16, such as weekend work, nor by older people aged 75 and over. As the Census forms were self-completed, it is likely that some people working for family businesses without pay have also been excluded. Consequently estimates of the 'workplace population' in 2001 are almost invariably lower than estimates of jobs derived from employers. In the case of the North Haven area the issue of comparability is further compounded by the fact that ward boundaries changed in 2003 and estimates of employee jobs in 2001 are not available for the same Census wards used in the workplace population analysis.

Table 3-10: Median gross weekly earnings of full-time employees, North Haven Gateway districts (whole), 2001 £

Gender	Babergh	Ipswich	Mid Suffolk	Suffolk Coastal	North Haven (modelled)	Suffolk county
Male employees	378.8	389.9	385.9	436.5	400.8	390
Female employees	254.5	297.6	261.5	317.2	297.7	289.5
Total employees	343.2	347.4	352	389.4	358	348.6

Source: Annual Survey of Hours & Earnings (ASHE) ONS; SQW Consulting

3.29 The median gross weekly earnings in 2001 were highest for both men and women in Suffolk Coastal district at £436.5 and £317.2 respectively – well above the levels recorded in other districts. Earnings in Ipswich ranked second amongst the four districts. Modelling the data for the smaller North Haven area suggests that median male earnings were around £400 a week and female earnings were just under £300 a week, giving an overall figure of £358 a week. This is slightly higher than the overall Suffolk median gross weekly wage of £348, (102.7%). However, it is below the regional median level of £379, (94.5%).

Businesses and employment/jobs

3.30 This final section looks at 2001 labour market information from two main sources (i) records of VAT-registered businesses and (ii) the Annual Business Inquiry for employee jobs. Table 3-11 summarises information on businesses newly registered for VAT in 2001 and Table 3-12 provides a summary of the stock of VAT-registered businesses in 2001. In both cases data are provided for ALL of the four districts which constitute the North Haven Gateway area as there is no robust way of disaggregating company establishment data to wards or parishes.

Table 3.11: Newly registered businesses for VAT, 2001; four Suffolk Districts ‘North Haven Gateway’

Industry sector (SIC 2003)	Babergh	Ipswich	Mid Suffolk	Suffolk Coastal	North Haven Gateway	% of Suffolk county	% of N Haven Gateway
Agriculture, fishing etc	5	0	15	15	35	58	3
Quarrying, electricity, gas & water	0	0	0	0	0	0	0
Manufacturing	15	10	15	20	60	50	5
Construction	35	35	35	25	130	65	11
Distribution	45	45	40	55	170	60	15
Hotels & catering	25	25	20	40	125	60	11
Transport & communications	15	15	20	25	75	71	7
Financial intermediation	5	5	5	0	10	50	1
Business services	100	100	100	120	425	68	37
Public administration; other services	10	10	25	40	95	41	8
Education, health & social work	5	5	0	5	15	75	1

Industry sector (SIC 2003)	Babergh	Ipswich	Mid Suffolk	Suffolk Coastal	North Haven Gateway	% of Suffolk county	% of N Haven Gateway
Total	260	260	275	345	1,140	61	100

Source: ONS; Nomis

3.31 Table 3-11shows a total of 1,140 businesses newly-registered for VAT in the larger 'North Haven Gateway' area in 2001, equivalent to 61% of the Suffolk total. A high percentage, 37%, were in the 'business services' sector, 15% were in distribution, and 11% in each of the hotels & catering and construction sectors. The share in transport & communications was 7%, accounting for a high 71% of all new registrations in Suffolk in this sector.

Table 3-12: Businesses registered for VAT (stock), 2001; four Suffolk districts, 'North Haven Gateway'

Industry sector (SIC 2003)	Babergh	Ipswich	Mid Suffolk	Suffolk Coastal	North Haven Gateway	% of Suffolk	% of N Haven Gateway
Agriculture, fishing etc	435	30	755	560	1,780	67	13
Quarrying, electricity, gas & water	5	0	5	5	15	60	0
Manufacturing	375	230	350	310	1,265	59	9
Construction	410	345	510	405	1,670	64	12
Distribution	660	590	690	785	2,725	60	19
Hotels & catering	180	205	155	280	820	59	6
Transport & communications	165	175	215	360	915	71	6
Financial intermediation	30	50	30	20	130	61	1
Business services	880	820	900	1,105	3,705	68	26
Public administration, other services	220	175	260	375	1,030	53	7
Education, health & social work	45	45	35	50	175	59	1
Total	4,405	2,665	3,905	4,255	14,230	63	100

Source: ONS Nomis

3.32 Table 3-12 shows that in 2001 the four districts contributing to the 'North Haven Gateway' area had 14,230 businesses registered for VAT, 63% of the Suffolk total. Transport & communications businesses were relatively well-represented, accounting for 71% of the Suffolk figure. The 915 businesses involved contributed 6% of the area total. As with newly-registered businesses, the dominant sectors were 'business service', with 26% of the area total and distribution, with 19%. There were also many agricultural businesses. The 1,780 companies registered in this sector accounted for 13% of the area's total. The profile of registered businesses suggests that 'North Haven Gateway' is relatively under-represented, as compared with Suffolk county, in manufacturing, hotels & catering, public administration & other services and education & health businesses.

Table 3-13: Employees working in main industrial sectors, recorded by constituent parts of North Haven (1991 wards), December 2000 (all figures rounded to nearest 100; agriculture excluded)

Industry Sector (SIC 2003)	Babergh (part)	Ipswich	Mid Suffolk (part)	Suffolk Coastal (part)	North Haven (% of all)
Agriculture, forestry, fishing	n.a.	0	n.a.	n.a.	n.a.
Energy & water	300	600	0	0	1,000 (1%)
Manufacturing	1,300	5,500	600	1,100	8,500 (8.6%)
Construction	400	1,800	300	900	3,400 (3.4%)
Distribution (wholesaling & retailing), hotels & catering	2,900	16,400	700	5,700	25,700 (26%)
Transport & communications	200	4,800	200	10,200	15,400 (15.5%)
Financial & business services	700	12,000	400	1,700	14,800 (15%)
Public administrations, education, health	1,300	20,700	300	2,900	25,200 (25.5%)
Other services	300	3,500	100	900	4,800 (4.9%)
Total (excluding agriculture)	7,500	65,300	2,600	23,500	98,900 (100%)
% of North Haven total	7.6%	66%	2.6%	23.8%	100%

Source: Annual Business Inquiry ONS

3.33 Table 3-13 provides an overview of the number of employee jobs recorded at establishments in the constituent districts of the North Haven area in December 2000, using a ‘best fit’ selection of 1991 wards. Agricultural employment is not published below district level so is excluded. The data relate to December 2000 as this is close to the April 2001 Census. The outstanding feature of Table 3-13 is the number of jobs in the ‘Transport & communications’ industry sector located in the part of Suffolk Coastal district lying in the North Haven area, around 10,200. This total represented 95% of all jobs in this sector in the entire Suffolk Coastal district. The 15,400 jobs in the sector estimated to be located in the North Haven area as a whole accounted for over 66% of the total in the Suffolk county area.

Changes in the labour market of the North Haven area 2001 to 2006

3.34 This section updates some key socio-economic and labour market indicators. It is important to note that many estimates for 2006 are provisional and likely to be revised; in addition many labour market estimates rely on surveys and involve a high degree of sampling variability at a district level; estimates of ‘part’ districts can only be made using some type of apportionment based on relevant demographic indicators, such as housing, population or 2001 Census data.

Population & dwellings

3.35 Tables 3-14 and 3-15 provide an estimate of the change in population and dwellings in the North Haven area between mid 2001 and 2006. The data are supplied by Suffolk County Council (SCC) and are derived from *parish* estimates for constituent parts of districts outside Ipswich. The mid 2006 population estimates for Suffolk Districts have been produced by the

Office for National Statistics (ONS) although SCC has expressed reservations that the figure for Forest Heath district, and hence the county, is too high.

Table 3-14: Population estimates 2001 to 2006, North Haven area by constituent districts

Area	2001	2006	2001 to 2006	Average annual change %
Babergh (part)	24,410	25,660	1,250	1.0%
Ipswich	117,160	120,400	3,240	0.6%
Mid Suffolk (part)	7,220	7,730	510	1.4%
Suffolk Coastal (part)	56,740	60,980	4,240	1.5%
North Haven	205,530	214,770	9,240	0.9%
All Suffolk	669,920	702,000	32,080	1.0%
% of Suffolk	30.7%	30.6%	28.9%	

Source: Suffolk County Council; ONS

3.36 Table 3-14 suggests that the North Haven area's population has increased by around 9,250 in five years, an annual average increase of just under 1%, similar to the rate for Suffolk as a whole. The population increase has been highest in Suffolk Coastal, at 4,240, equivalent to an annual rate of growth of 1.5%. The slowest annual rate of growth has been in Ipswich, at 0.6%.

Table 3-15: Dwelling estimates 2001 to 2006, North Haven area by constituent districts

Area	2001	2006	2001 to 2006	Average annual change %
Babergh (part)	10,080	10,450	370	0.7%
Ipswich	51,830	54,780	2,950	1.1%
Mid Suffolk (part)	3,150	3,230	80	0.5%
Suffolk Coastal (part)	24,830	26,270	1,440	1.2%
North Haven	89,890	94,740	4,850	1.1%
All Suffolk	296,770	310,980	14,210	1.0%
% of Suffolk	30.3%	30.5%	34.1%	

Source: Suffolk County Council

3.37 Table 3-15 shows that 4,850 dwellings were built between 2001 and 2006 in the North Haven area, at an average growth rate of 1% per annum. The figure represents 34% of the total Suffolk dwelling completions 2001 to 2006, (14,210). As a consequence the dwelling stock of the total North Haven area has increased marginally from 30.3% to 30.5% of the Suffolk total. Suffolk Coastal district contributed 1,440 new dwellings and Ipswich 2,950. The increases in new dwellings in constituent parts of Babergh and Mid Suffolk were more modest, at 370 and 80 respectively.

International migration – potential labour force

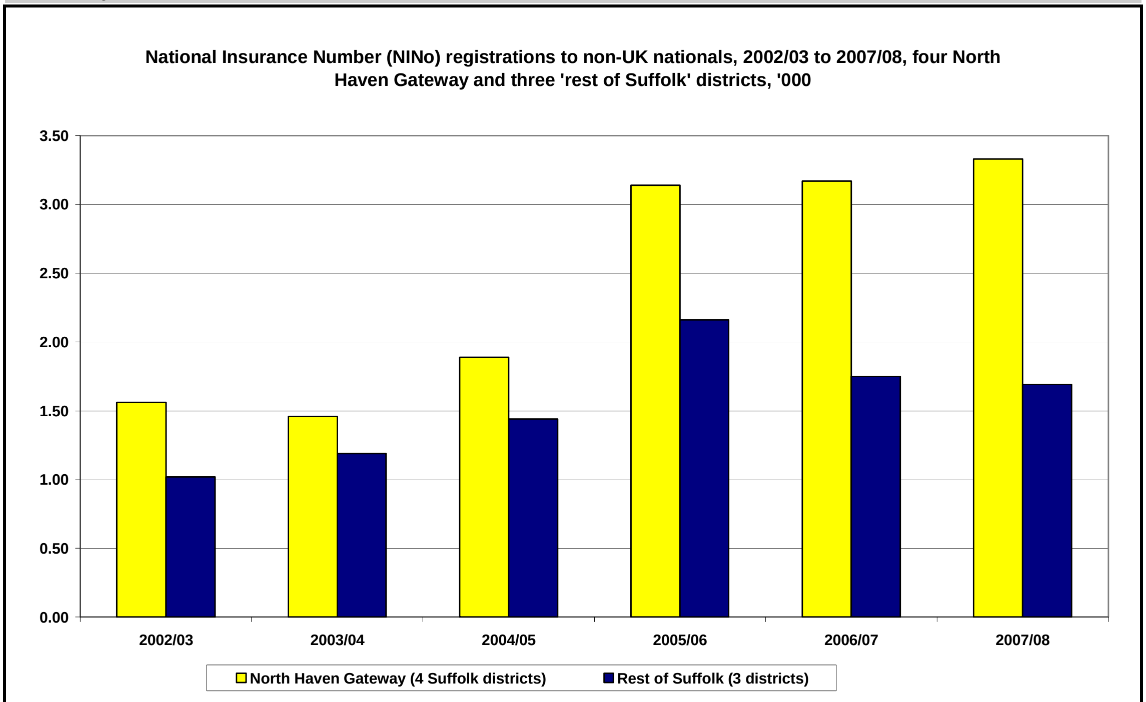
3.38 A valuable source of information relating to international labour force migration is the 'NINo' series, published by the Department of Work & Pensions (DWP). This records the numbers of non-UK adults first registering for a National Insurance Number by local authority area and year. (There is no record of where people registering subsequently move to, nor when they leave the UK. Not all registrants will necessarily be in or seeking work). Table 3-16 and Figure 3-2 show the NINo registrants for each year 2002/03 through to 2007/08, comparing the four whole 'North Haven Gateway' districts with the three 'rest of Suffolk' districts of Forest Heath, St Edmundsbury and Waveney.

Table 3-16 : National Insurance Number (NINo) registrations to non-UK nationals, North Haven and 'rest of Suffolk' districts, 2002/03 to 2007/08, '000

Year	Babergh	Ipswich	Mid Suffolk	Suffolk Coastal	North Haven Gateway	Rest of Suffolk
2002/03	0.13	1.11	0.10	0.22	1.56	1.02
2003/04	0.12	0.99	0.10	0.25	1.46	1.19
2004/05	0.22	1.08	0.15	0.44	1.89	1.44
2005/06	0.35	1.81	0.25	0.73	3.14	2.16
2006/07	0.30	1.87	0.24	0.76	3.17	1.75
2007/08	0.34	2.01	0.20	0.78	3.33	1.69

Source:DWP

Figure 3-2 : National Insurance Number (NINo) registrations to non-UK nationals, 'North Haven Gateway' and 'rest of Suffolk' areas, 2002/03 to 2007/08, '000



Source: DWP

3.39 The early years of 2002/03 and 2003/04 relate to the situation prior to the enlargement of the European Union in 2004 and the increase in international migration from the 'A8' Accession countries. Prior to this date NINo registration amounted to around 1,500 a year in the four

'North Haven Gateway' districts. Subsequently the numbers have increased each year, amounting to 3,330 in 2007/08. It is interesting to note that NINo registration 'peaked' in the 'rest of Suffolk' in 2005/06, (as it did in the East of England as a whole), but has continued to increase in the North Haven Gateway area as a whole, particularly in Ipswich. It is not clear how many NINo registrants (and any family members) are included in local population estimates. This is because the ONS estimates have traditionally excluded anyone who is considered a 'visitor' – primarily those expecting to stay for less than 12 months.

Employed residents

3.40 The information available on the numbers of employed residents currently living in the North Haven area is derived from the Annual Population Survey. This household survey involves a relatively small sample at a district level and consequently no official sub-district estimates are produced. The most robust approach is to assume that the share of each District's employed residents living in the North Haven 'part' is in line with the share of total population. The shares assumed are: Ipswich 100%; Babergh 29.6%; Mid Suffolk 8.4% and Suffolk Coastal 49.9%. The following table is derived from the Labour Force Survey for 2001 and its replacement Annual Population Survey for 2006.

Table 3-17: Employed residents of North Haven area, by constituent parts of districts, 2001 to 2006

Area	2001	2006	2001 to 2006	Average annual change %
Babergh (part)	12,430	12,250	-180	-0.03%
Ipswich	54,000	60,800	6,800	2.5%
Mid Suffolk (part)	3,530	3,630	100	0.06%
Suffolk Coastal (part)	27,940	29,440	1,500	1.07%
North Haven	97,900	106,120	8,220	1.7%
Suffolk	320,000	326,400	6,400	0.4%
% of Suffolk	30.6%	32.5%	>100%	

Source: Labour Force Survey; Annual Population Survey (both ONS); SQW Consulting

3.41 Table 3-17 suggests that the North Haven area has experienced an increase of over 8,200 employed residents in the past five years, at an average annual growth rate of 1.7%. Ipswich appears to have experienced the highest growth. However, the survey on which this analysis is based is subject to significant sampling error and the actual change could be several thousand lower or higher, especially at the level of individual districts. The data suggest that the North Haven area has accounted for most, if not all, of the net change in employed residents in Suffolk, 2001 to 2006.

Employment & jobs

3.42 The Annual Population Survey has, since 2004, published an estimate of each district's 'workplace population', which approximates to the Census definition and is restricted to 'main' jobs. There is no analysis below the district level. This relies on respondents having an accurate knowledge of their district of employment and no check is made on the quality of responses. It is likely that many people consider they work in Ipswich when in fact they work in Babergh or Suffolk Coastal districts. The 2006 APS workplace population estimates for the North Haven Gateway districts are as follows, (source ONS):

- Babergh (all): 40,700
- Ipswich: 74,700
- Mid Suffolk (all): 33,700
- Suffolk Coastal (all): 51,100
- North Haven Gateway: All four districts: 200,200; (Modelled North Haven area: 115,080)
- Suffolk county: 329,100

3.43 The APS suggests that the total workplace population of the four 'whole' districts was 200,200 in 2006. Applying percentages derived from population shares to the three districts of Babergh, Mid Suffolk and Suffolk Coastal produces a 'North Haven area' estimate of around 115,000 workplace population. This is around 8,000 higher than the Census-derived workplace population in 2001. However, ONS believe that the APS records workers who were excluded by the Census, such as people working just a few hours a week or for a family business.

3.44 It is also possible to measure employment change through the Annual Business Inquiry, (ABI). This measures employee jobs recorded at establishments in each district. It is based on an annual sample survey of employers and ward-based estimates are published by ONS. However, data for many industry sectors are modelled from regional and county estimates. It is also important to note that the ABI will tend to over-estimate employee jobs in towns such as Ipswich, where larger employers have their main offices or headquarters. This is because staff who have no fixed workplace or who work from home will be allocated to a central office. There is also a major issue concerning staff working for employment agencies. They will generally be recorded as working at the agency's office; their jobs will also be recorded as a 'business service', in line with the industry classification of the agency, rather than at their actual workplace. The latter may be in any industry sector, ranging from agriculture to other services.

3.45 The sub-district ABI data prior to 2003 relate to 1991 census wards which are in some cases significantly different from current wards, creating problems for time series analysis. Table 3-18 shows the breakdown of employees (excluding agriculture) by constituent parts of districts for 2000 and 2005. The 2000 data relates to December, so it is close to the April 2001Census. However, the main reason for adopting the 2005 end date is the fact that the ABI changed both methodology and timing in 2006, switching the survey date to September, well before the build-up of employment in hospitality and retailing sectors around Christmas. There is a serious discontinuity which means the 2006 employee estimates may be as much as 3% lower than those of the previous year.

Table 3-18: Employee job estimates for North Haven area, (constituent districts based on 1991 wards for 2000, on 2003 wards for 2005), 2000 to 2005. Note: excludes agriculture

Area	2000	2005
Babergh (part)	7,500	7,600
Ipswich	65,300	67,000
Mid Suffolk (part)	2,600	3,300
Suffolk Coastal (part)	23,500	27,000
North Haven	98,900	104,900
Suffolk county	274,200	285,800
% of Suffolk	36.1%	36.7%

Source: Annual Business Inquiry ONS, Nomis; SQW Consulting

3.46 Figure 3-3 illustrates the volatility of the annual ABI data series and the time series trend line shown provides the best guide to recent employee job growth over the period 2000 to 2006. The data has been modelled to overcome the problem of ward boundary changes. The trend indicates employee job growth of an average of 830 a year for the North Haven area 2000 to 2005, around 0.8% per annum.

Figure 3-3 : Employee jobs in North Haven area, 2000 to 2006, with trend line

Source: Annual Business Inquiry ONS, Nomis; SQW Consulting

3.47 The other main employment sector, people who are self-employed, is much more difficult to monitor over time. As overall numbers are quite low any changes recorded by the Annual Population Survey are subject to considerable sampling error. The 'best' estimate is that self employment has changed very little, if at all, since 2001.

Monitoring the East of England Plan 2006/07:Monitoring Employment

3.48 The East of England Regional Assembly (EERA) published a background paper on 'Monitoring Employment' in February 2008 as part of the Annual Monitoring Report of the East of England Plan. This brought together statistics from the ABI and the APS/LFS for groups of districts as well as regional-level estimates of workforce jobs. All three data series are published by ONS, but they tell different stories with regard to the region's economy and performance in relation to meeting the job targets of the East of England Plan. The APS/LFS analysis suggests that the region as a whole is under-performing with respect to the Plan's employment targets, whereas the ABI time-series suggests that job growth is on track. However, it is important to note that as far as the three districts of Babergh, Ipswich and Suffolk Coastal are concerned (defined as Haven Gateway Suffolk), both the APS/LFS and the ABI analyses suggest relatively strong growth in numbers of employed residents, workplace population and employees between 2000/01 and 2006/07.

Other labour market indicators: earnings, VAT-registered businesses

3.49 This section summarises two other key labour market indicators: earnings and business development. Table 3-19 shows the April 2007 median gross weekly earnings of full-time employees for whole districts and as modelled for the North Haven area.

Table 3-19: Median gross weekly earnings of full-time employees, 'North Haven Gateway' districts (whole), 2007 £

Gender	Babergh	Ipswich	Mid Suffolk	Suffolk Coastal	North Haven (modelled)	Suffolk county
Male employees	483.1	480.9	415	528.8	491.1	468.7
Female employees	286.5	375.6	345.8	345.5	359.2	339
Total employees	441.3	433.2	400.1	498.3	449.5	419.2

Source: Annual Survey of Hours & Earnings (ASHE) ONS; SQW Consulting

3.50 As in 2001, median full-time gross weekly earnings are highest for men in Suffolk Coastal district at over £528. For women, earnings are highest in Ipswich, at just over £375 per week. The modelled median earnings estimate for the North Haven area is just under £450 a week – the same as the regional average. It is significantly higher than the Suffolk average of £419, (107.2%). This represents an improvement relative to 2001.

3.51 Table 3-20 and Figure 3-4 look at the stock of VAT registered businesses in 2006 and changes since 2001 in the North Haven Gateway area. Figure 3-5 tracks the numbers of newly-registered businesses in the North Haven Gateway area over the period 2001 to 2006, alongside the 'rest of Suffolk'. As with the analysis for 2001 it is not straightforward to produce a figure for the smaller North Haven area and hence the analysis covers all four 'whole' districts.

Table 3-20: Stock of VAT-registered businesses in 'North Haven Gateway' districts, 2001 to 2006

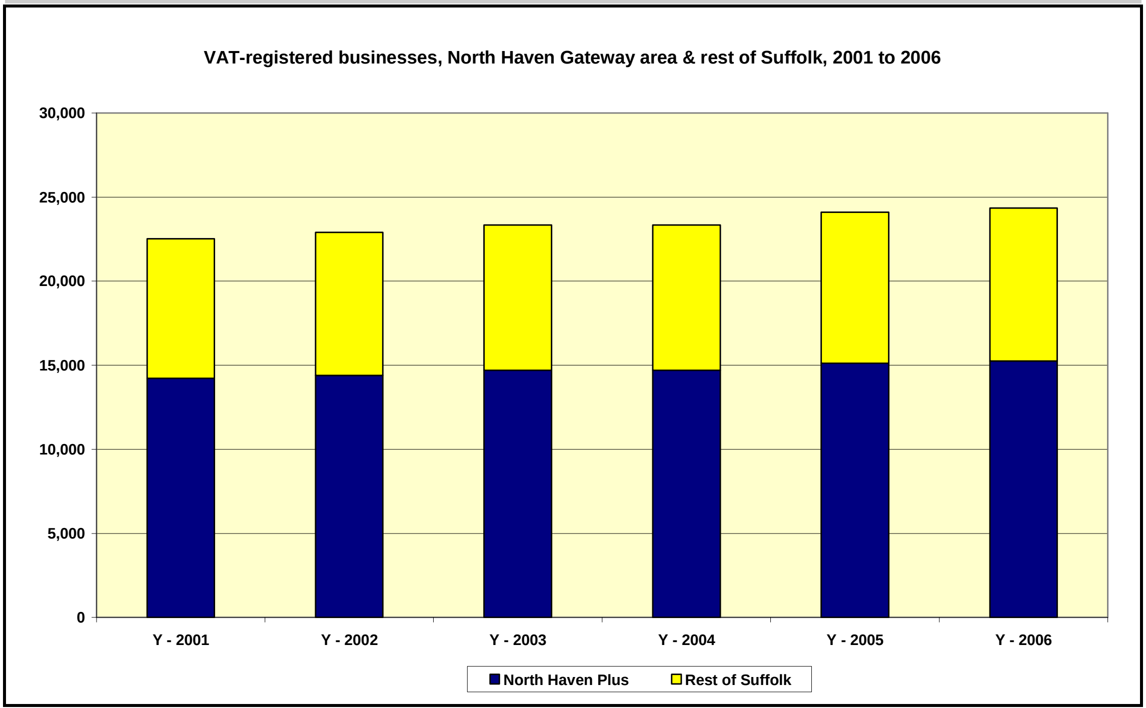
Whole District/county	2001	2006	2001 to 2006	% annual change
Babergh	3,405	3,570	165	1.0%
Ipswich	2,665	2,940	275	2.1%

Whole District/county	2001	2006	2001 to 2006	% annual change
Mid Suffolk	3,905	4,200	295	1.5%
Suffolk Coastal	4,255	4,545	290	1.4%
North Haven Gateway	14,230	15,255	1,025	1.4%
Suffolk county	22,530	24,355	1,825	1.6%
% of Suffolk	63.2%	62.6%		

Source:ONS; Nomis

3.52 Table 3-20 shows that the stock of VAT-registered businesses in the four 'whole' districts of North Haven Gateway increased by over 1,000 in the period 2001 to 2006. The annual rate of growth was 1.4%. Ipswich experienced the highest annual rate of growth of 2.1%. The rate of growth was lowest in Babergh at 1%. The rate of growth of registered VAT businesses in Suffolk as a whole was 1.6%, marginally higher than in the North Haven Gateway area.

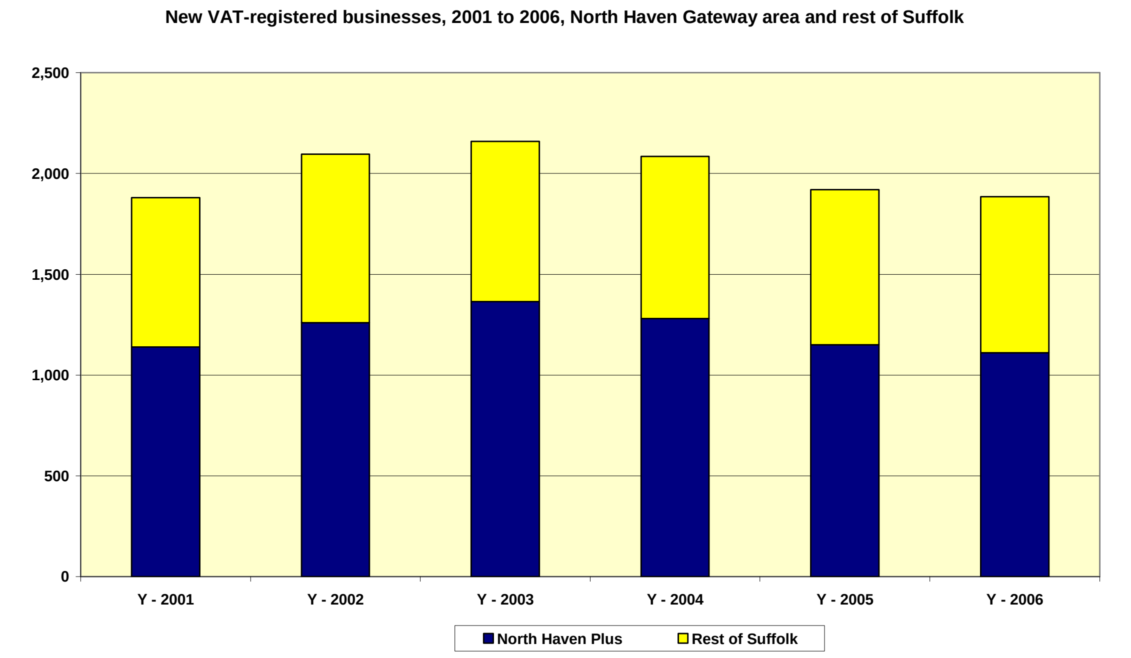
Figure 3-4 : VAT-registered businesses in the four districts of 'North Haven Gateway', stock 2001 to 2006



Source: ONS, Nomis

3.53 Figure 3-4 shows a steady increase in VAT registered businesses in both the four 'North Haven Gateway' districts as well as in the rest of Suffolk. However, Figure 3-5 and Table 3-21 suggest that the rate of new business formation has declined slightly since the high point of 2003, especially in North Haven Gateway. Overall the North Haven Gateway area has accounted for around 60% of all newly-registered VAT businesses, although the share peaked in 2003 at 63% and in 2006 stood at 59%.

Figure 3-5: Newly-registered VAT businesses, 'North Haven Gateway' area, 2001 to 2006



Source: ONS, Nomis

Table 3-21: Newly-registered businesses for VAT, North Haven Gateway & Suffolk, 2001 to 2006

Year	North Haven Gateway	Suffolk	NHG as % of Suffolk
2001	1,140	1,880	60.6
2002	1,260	2,095	60.1
2003	1,365	2,160	63.2
2004	1,280	2,065	61.4
2005	1,150	1,920	60
2006	1,110	1,885	58.9

Source: ONS, Nomis

Qualifications of residents

3.54 Table 3-22 provides the most up-to-date information available on the qualifications of residents of 'usual working age' in the North Haven area. The data is provided by the Annual Population Survey and is not published below district level. Consequently the information is provided for the four whole districts constituting 'North Haven Gateway'.[3]

Table 3-22: Highest level qualification achieved, North Haven Gateway districts, 2007, % of all residents of usual working age, (males 16-64; females 16-59)

Highest Qualification	Babergh	Ipswich	Mid Suffolk	Suffolk Coastal	Suffolk county
NVQ Level 4/5	27.5	21.8	29.0	23	22.8
NVQ Level 3	19.3	24.6	24.5	24.9	23.2

[3] People with trade apprenticeships or 'other' qualifications have been split 50% to NVQ Level 2 and 50% to NVQ Level 3, in line with practice recommended by the Learning & Skills Council.

Highest Qualification	Babergh	Ipswich	Mid Suffolk	Suffolk Coastal	Suffolk county
NVQ Level 2	28.5	24.6	23.3	21.4	24.6
NVQ Level 1	11.6	16.9	11.7	17.9	15.8
No qualifications	13.1	12.1	11.4	12.8	13.6
Total	100 (50,300)	100 (74,400)	100 (55,000)	100 (70,000)	100 (413,900)

Source: APS, Nomis

3.55 The table indicates that Ipswich and Suffolk Coastal districts have relatively fewer residents with the highest level of qualifications, NVQ Level 4/5, as compared with Babergh and Mid Suffolk. In contrast, they have relatively more residents with NVQ Level 1 qualifications. Increasing the proportion of the population with higher level qualifications is a major aim of the government as forecasts of jobs indicate a growing demand for higher level skills in the future. The Suffolk county profile overall is closer to Suffolk Coastal and Ipswich districts than either Babergh or Mid Suffolk.

Forecasting future labour market changes 2001 to 2021

3.56 Key socio-economic forecasts are provided in this section, together with a summary of labour demand projections and forecasts relevant to the North Haven area. For the most part the outlook is guided by the East of England Plan, identifying the consequences of achieving the minimum targets for house-building and job creation that the Plan proposes. It is not possible to disaggregate all forecasts to North Haven’s constituent sub-areas although some modelling has been done.

Population, households & dwellings

3.57 The two main population and household projections reviewed in this section have been developed on different bases. The Office for National Statistics (ONS) has produced a trend population projection and Communities & Local Government (CLG) a trend household projection; Anglia Ruskin University (ARU) has produced forecasts using the ‘Chelmer’ model which takes as its starting point the proposed house-building programme indicated in the adopted East of England Plan. However, it should be noted that the model was last run in December 2006 and it has not been updated to take account of factors such as changing fertility and mortality rates.[4] Tables 3-23 and 3-24 compare the two population and household projections/forecasts respectively for whole districts.

Table 3-23: Population projections/forecasts for the North Haven Gateway area, 2001 to 2021, ‘000

District/area	2001	ONS 2001/2021	ARU 2001/2021	% change ONS	% change ARU
Babergh	83.8	12.9	4.1	15.4%	4.9%

[4] An ‘Information Note’, entitled ‘Population projections of Suffolk and Districts from 2001 to 2021’ was published by Suffolk County Council in August 2005 and an update is imminent. This note is based on an earlier set of population projections prepared by ARU using its Chelmer model, showing significantly higher population growth for Suffolk (84,900). The model’s assumptions have subsequently been changed to reflect higher ‘headship rates’ and hence lower household size. The consequence is that a specific number of dwellings will house a lower population.

District/area	2001	ONS 2001/2021	ARU 2001/2021	% change ONS	% change ARU
Ipswich	117.4	13.7	21.3	11.7%	18.1%
Mid Suffolk	86.8	15.8	9.2	18.2%	10.6%
Suffolk Coastal	115.4	22.4	8.4	19.4%	7.3%
North Haven Gateway	403.4	64.9 (57% Suffolk)	43.1 (68% Suffolk)	16.1%	10.7%
Suffolk	670.2	113	63.4	16.9%	9.5%

Source: ON,S, Anglia Ruskin University

3.58 Table 3-23 shows that ONS project a population increase across the four districts constituting North Haven Gateway of almost 65,000 over the 20 years 2001 to 2021, significantly higher than the dwelling-constrained forecast produced by ARU which shows an increase of around 43,000. However, the ARU forecast indicates much higher growth in Ipswich than does ONS, (21,300 as compared with 13,700). In practice some of this growth is expected to be in the Ipswich Policy Area and technically in neighbouring districts, but close to the city. The ARU forecast envisages a higher share of total county population growth in the North Haven Gateway area than does ONS, (68% as compared with 57%).

Table 3-24: Household projections/forecasts for the North Haven Gateway area, 2001 to 2021, '000

District/area	2001	CLG 2001/2021	ARU 2001/2021	% change CLG	% change ARU
Babergh	35.2	6.8	5.4	19.3%	15.4%
Ipswich	49.9	9.1	14.9	18.2%	29.8%
Mid Suffolk	35.4	9.6	8	27.3%	22.6%
Suffolk Coastal	49.3	13.7	9.5	27.9%	19.3%
North Haven Gateway	169.8	39.2 (57% Suffolk)	37.7 (69% Suffolk)	23.1%	21.3%
Suffolk	281.8	68.2	54.5	24.2%	20.9%

Source: CLG, ,Anglia Ruskin University

3.59 There is less difference between the CLG household projections and the ARU forecasts for the period 2001 to 2021 as Table 3-24 indicates, (ARU: 37,000 households and CLG 39,000 for the 'North Haven Gateway' area). However, the CLG produced this suite using a previous (lower) set of ONS population projections and a significant increase is anticipated in the next round. The ARU forecasts again indicate that the North Haven Gateway area will contribute a high share of overall county growth – 69% of all. The CLG projections suggest a lower 57% share of total growth will occur in the four districts combined.

3.60 The dwelling forecasts which are shown in Table 3-25 are effectively the 'minimum build' targets from the adopted East of England Plan. The table shows completions between 2001 and 2006 and the remaining dwellings expected to be built between 2006 and 2021.

Table 3-25: Dwelling completion targets 2001 to 2021 & actuals 2001 to 2026, North Haven Gateway, East of England Plan

District/area	2001/2021 minimum target	2001/2006 actuals	2006/2021 minimum target

District/area	2001/2021 minimum target	2001/2006 actuals	2006/2021 minimum target
Babergh	5,600	1,340	4,260
Ipswich	15,400	2,880	12,520
Mid Suffolk	8,300	1,900	6,400
Suffolk Coastal	10,200	2,560	7,640
North Haven Gateway	39,500 (64% Suffolk)	8,680 (64% Suffolk)	30,820 (64% Suffolk)
Suffolk	61,700	13,600	48,100

Source: Go-East East of England Plan

3.61 Suffolk County Council has published information on dwelling completions 2001/06 at a parish level and it is possible to calculate the 'shares' of each district's total which are in the North Haven area:

- Babergh part: 375 built – 28% share of district total
- Mid Suffolk part: 76 built – 4% share of district total
- Suffolk Coastal part: 1,444 built – 56.4% share of district total

3.62 These shares can be used to model dwelling, household and population forecasts for the North Haven area if it is assumed that they will continue through the period to 2021.

3.63 It is important to note that the dwelling targets in the East of England Plan mark a significant 'step change' upwards from those included in the now-superceded Suffolk Structure Plan (2001). The additional dwellings provided for in the Ipswich Policy Area in the Structure Plan amounted to 13,100 over the twenty year period 1996 to 2016, averaging 655 per annum. The East of England Plan's target for the period 2001 to 2021 for the Ipswich Policy Area is 20,000, averaging 1,000 a year. (For Suffolk as a whole the average annual dwelling target increased from 2,650 in the Structure Plan to 3,085 in the East of England Plan. Thus most of the increase has been allocated to the Ipswich Policy Area).

Labour supply

3.64 There are no 'official' forecasts of labour supply, although ONS has published a national suite of age and sex specific 'economic activity' rates, which relate to the percentage of any age group likely to be either in or actively seeking work. The 2001 Census can be used to calibrate a set of district-specific forecast economic activity rates. In the development work for the draft East of England Plan a set of forecast economic activity rates was produced for the Chelmer population forecasting model. This built on earlier work by Cambridge Econometrics, adjusted for likely changes in economic activity amongst older people, reflecting the shift of the State retirement age for women and declining opportunities for early retirement in many industry sectors. Table 3-26 shows the resulting labour supply forecasts when the two sets of economic activity rates are applied to the most recent (December 2006) ARU population forecast for the North Haven Gateway area. The ONS rates indicate an increase of 13,700, whereas the higher 'draft RSS' rates indicate an increase of 19,400 over the period 2001 to 2021.

Table 3-26: Labour supply forecasts, North Haven Gateway, 2001 to 2021, economic activity rates (i) ONS (ii) draft RSS. (Note : applied to ARU population forecasts, East of England Plan dwellings) '000

District/area	2001	ONS rates 2021	ONS rates change 2001/21	Draft RSS rates 2021	RSS rates change 2001/21
Babergh	41.8	40.0	-1.8	41.2	-0.6
Ipswich	57.2	71.3	14.1	73.0	15.8
Mid Suffolk	43.9	45.2	1.3	46.4	2.6
Suffolk Coastal	54.3	54.4	0	56.0	1.7
North Haven Gateway	197.2	210.9	13.7 (67% Suffolk)	216.7	19.4 (65% Suffolk)
Suffolk	327.5	348.0	20.5	357.4	29.8

Source: ARU

Modelled North Haven population, households & labour supply forecasts

3.65 Adopting the assumptions of 'shares' of district growth listed in 3.61 above it is possible to model the forecasts of households, population and labour supply for the North Haven area as proposed by the Boundary Committee. The results are given in Table 3.27.

Table 3-27: Forecast growth in dwellings, households, population & labour supply, East of England Plan dwelling targets for North Haven Gateway, ARU Chelmer forecasts 2001 to 2021 (Dec 2006)

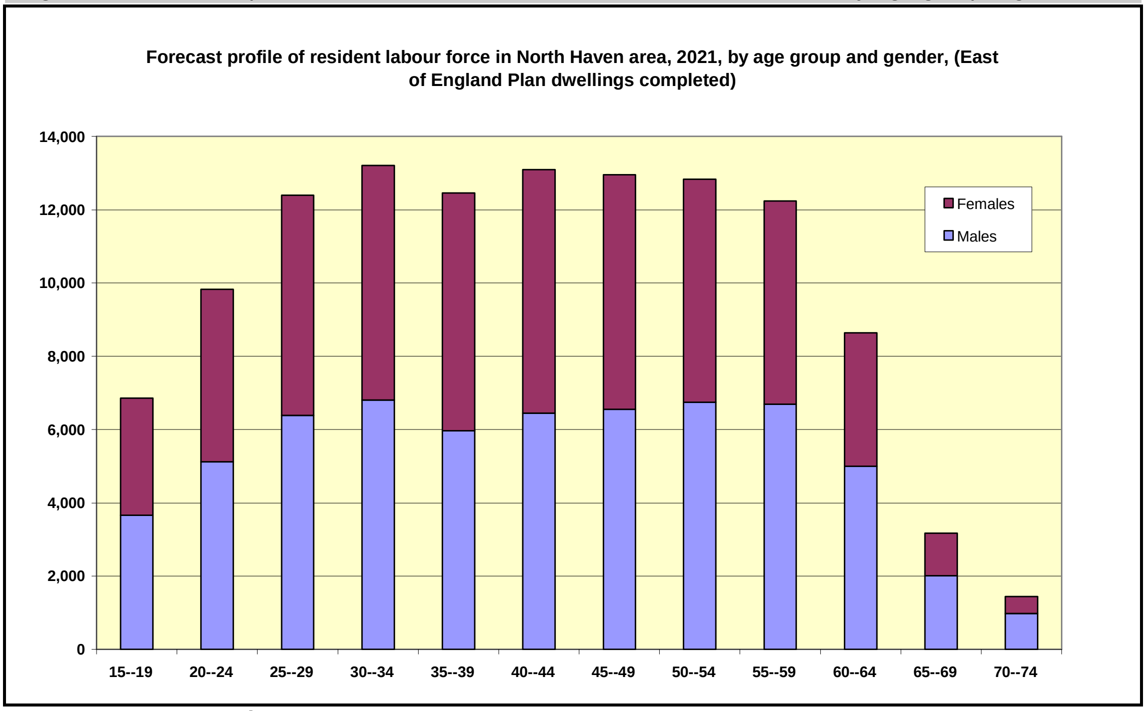
District/part	Dwellings	Population	Households	Labour supply (RSS rates)
Babergh (part)	1,570	1,150	1,500	- 150
Ipswich	15,400	21,300	14,900	15,800
Mid Suffolk (part)	330	350	300	100
Suffolk Coastal (part)	5,750	4,750	5,400	950
North Haven	23,060	27,600	22,100	16,650
Suffolk	61,700	63,400	58,900	29,800
North Haven as % Suffolk	37.3%	43.5%	37.5%	55.9%

Source: ARU; SQW Consulting

3.66 One particularly important factor to emerge from this analysis is the relatively high rate of growth of population and labour supply envisaged for the North Haven area up to 2021. The area could account for around 56% of the total increase in the county's labour force, as compared with a lower 37% share of the increase in dwellings and households. This reflects to a large degree the age structure of the Ipswich area, which is significantly younger in profile than the surrounding rural areas.

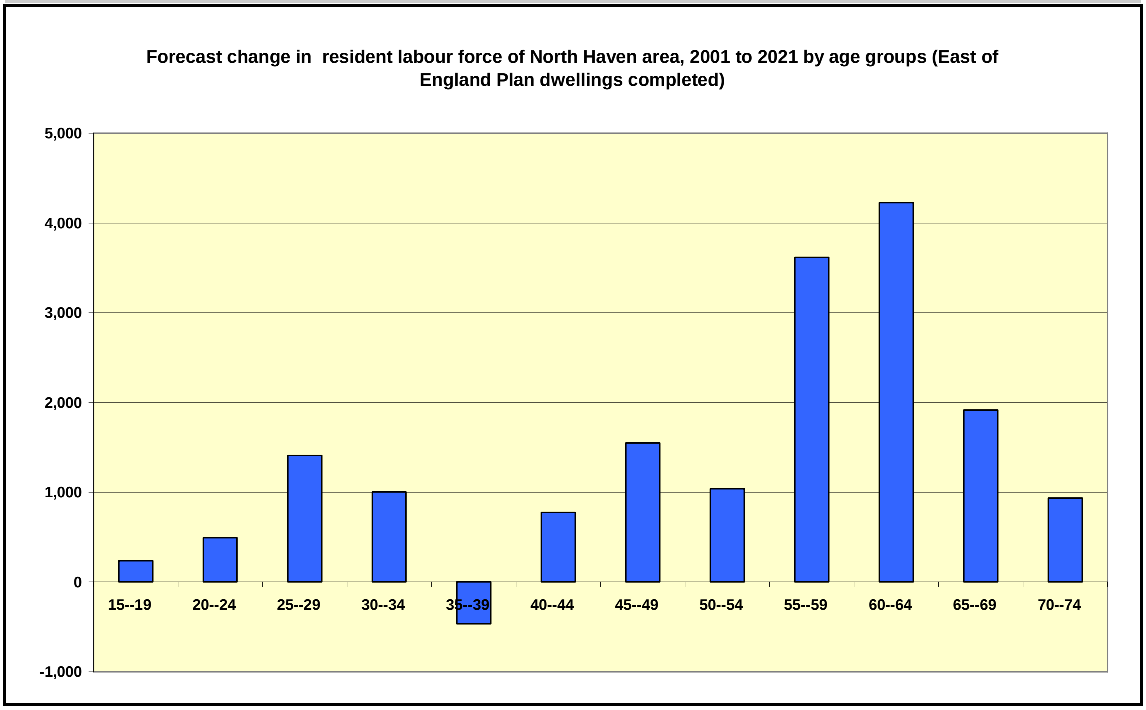
3.67 Figures 3-6 and 3-7 provide more insight into the expected changes in the labour force living in the North Haven area. Figure 3-6 shows the expected profile of the labour force by age group and gender in 2021. Figure 3-7 shows the expected change in the profile by age group when 2021 is compared with 2001. This shows starkly the very big increase of older people in the labour force and the significant challenge raised for issues such as training programmes.

Figure 3-6 : Forecast profile of resident labour force, North Haven area, 2021 by age group & gender



Source: ARU, SQW Consulting

Figure 3-7 : Forecast change in resident labour force by age groups, North Haven area, 2001 to 2021

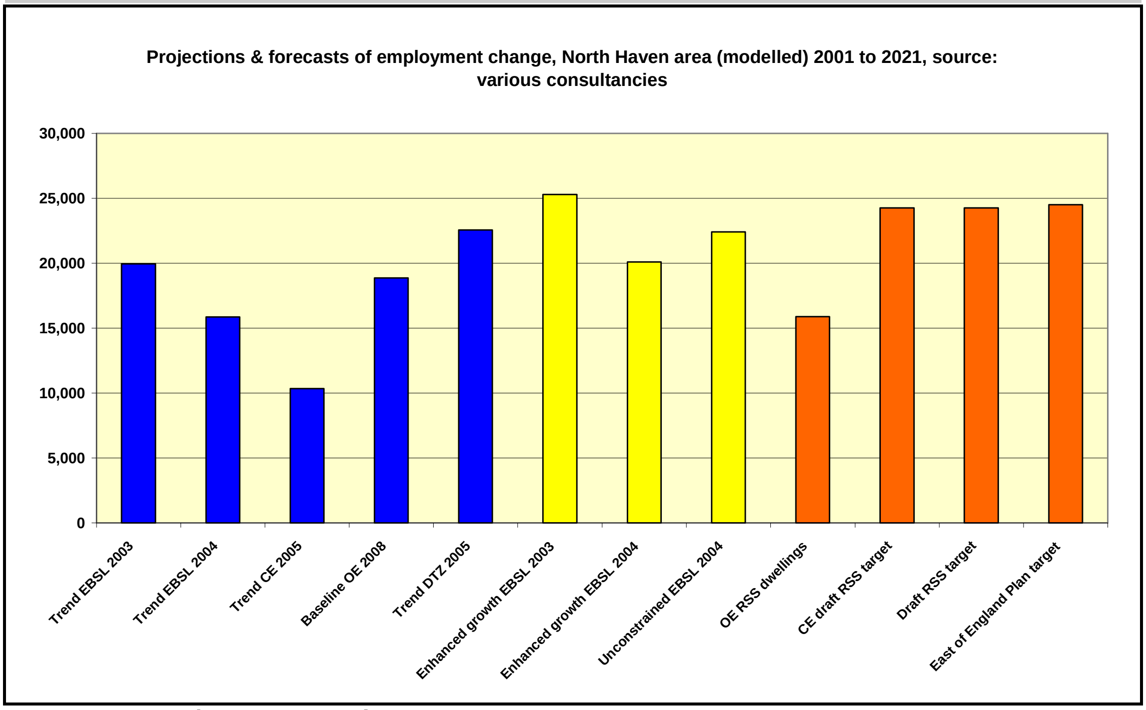


Source: ARU, SQW Consulting

Employment forecasts

3.68 This section looks at a wide range of labour demand projections and forecasts that have been published for Suffolk and its districts. Since 2003 four separate economic consultancies have produced projections and/or forecasts: Cambridge Econometrics (CE), Experian BSL (EBSL), Oxford Economics (OE) and DTZ Research (DTZ). CE, EBSL and DTZ have produced industry sector forecasts, although the level of detail varies considerably. In the course of producing this report SQW has identified 5 'trend' projections, 3 policy-led forecasts and 2 forecasts based on achieving either the job or dwelling growth targets included in the draft RSS or the adopted East of England Plan. Table 3-28 shows the forecast job change in each whole district within the 'North Haven Gateway' area for 2001 to 2021 and Figure 3-8 looks at the modelled forecasts/projections for the smaller North Haven area. These assume that the shares of total district job growth remain constant over the period 2005 to 2021. The shares are those measured for employees in the 2003 to 2005 ABI and define constituent parts of districts by whole wards. They are: Babergh: 28%; Mid Suffolk 11%; Suffolk Coastal 56%.

Figure 3-8 : Projections & forecasts of employment change, North Haven area (modelled), 2001 to 2021, various consultancies



Source: SQW Consulting; CE, DTZ Pieda, OE, EBSL

3.69 The target employment growth for Suffolk 2001/21 in the adopted East of England Plan has changed only marginally from the draft RSS and, modelled for the North Haven area, is just under 25,000 jobs.

Table 3-28: Projected & forecast employment change 2001 to 2021, North Haven Gateway districts, various consultancies

Projection/ forecast	Babergh	Ipswich	Mid Suffolk	Suffolk Coastal	North Haven Gateway	Modelled North Haven	Suffolk County
Trend EBSL 2003	2,730	13,180	2,980	9,790	28,680	19,950	41,690
Trend EBSL 2004	3,880	8,440	5,400	9.840	27,560	15,850	41,470
Trend CE 2005	1,070	7,500	-560	4,500	12,510	10,350	19,230
Baseline OE	6,500	10,320	1,160	11,360	29,340	18,850	43,780

Projection/ forecast	Babergh	Ipswich	Mid Suffolk	Suffolk Coastal	North Haven Gateway	Modelled North Haven	Suffolk County
2008							
Trend DTZ 2005	6,100	16,300	1,000	7,600	31,000	22,550	Not available
Enhanced growth EBSL 2003	4,030	16,730	4,370	12,010	37,140	25,300	54,920
Enhanced growth EBSL 2004	5,040	10,80	6,740	12,130	34,800	20,100	52,670
Unconstrained EBSL 2004	6,460	12,020	11,370	12,640	42,490	22,400	67,560
OE RSS dwellings 2008	4,390	11,030	-540	6,410	21,290	15,900	29,570
CE draft RSS target 2005	3,400	18,000	6,000	8,000	35,400	24,250	52,800
Draft RSS targets 2005	3,400	18,000	6,000	8,000	35,400	24,250	51,900
East of England Plan 2008	See Ipswich	30,000 for 3 districts	share of 18,000	See Ipswich	30,000 to 36,000	24,500	53,000

Source: CE, DTZ Pieda, EBSL, OE, SQW Consulting

3.70 What is surprising is the wide range of employment forecasts, even across the five described as ‘business as usual, trend or baseline’. For the four whole districts of North Haven Gateway the growth 2001 to 2021 ‘trend’ growth ranges from 12,510 (CE 2005 trend), to around 31,000, (DTZ Research, 2005). The ‘trend’ range for the modelled area of North Haven varies from just 10,350 (CE trend) to 22,550 (DTZ). Forecasts involving policy interventions are higher, but only one, that termed ‘enhanced growth EBSL 2003’, exceeds the East of England Plan target job growth.

3.71 What is important to note is that only one of the modelled projections or forecasts of jobs is as high as the employment targets set by either the draft RSS or the adopted East of England Plan, (modelled North Haven area: 24,500, 2001 to 2021). The five ‘trend’ projections average out at 17,500 job increase 2001 to 2021. As stated earlier, the workplace population which can be supported by 17,500 additional jobs will be somewhat lower. This is because an increasing proportion of jobs is likely to be part-time and there will be more people employed in two or more posts. It is consequently important that economic interventions are developed to provide the ‘uplift’ from trend job growth to meet the employment target.

Industry sector forecasts

3.72 This section summarises forecast changes in employment 2001 to 2021 by broad industrial sectors. Not all projections or forecasts are available at this level and the selection is restricted to CE trend; EBSL trend 2004, EBSL enhanced growth 2004 and what is termed a ‘consensus’ trend forecast compiled by DTZ Pieda. The latter was produced as part of an assessment of employment land requirements in the Haven Gateway. It incorporated regional CE forecasts, EBSL’s district-level forecasts and regional forecasts produced by DTZ

Research. Table 3-29 provides a broad overview for the four whole districts constituting the North Haven Gateway area.

Table 3-29: Forecast change in employment by broad industrial sector, 2001 to 2021, Four Suffolk 'North Haven Gateway' districts combined, various consultancies, '000

Industry sector (SIC 2003)	**CE trend 2005**	**EBSL trend 2004**	**EBSL enhanced growth 2004**	**DTZ/CE/EBSL 'consensus' trend 2005**
Agriculture etc	-1.9	-5.2	-5.2	-4.4
Manufacturing, electricity, quarrying etc	-9.9	-5.8	-4.5	-6.2
Construction	3.9	-0.9	-0.8	-0.3
Distribution (wholesale, retail, repairs)	5.1	-0.6	-1.0	2.9
Hotels & catering	4.0	6.0	6.6	0.8
Transport & communications	2.5	7.8	9.7	5.6
Financial intermediation	-1.0	1.3	2.0	0.6
Other business services	3.7	13.3	14.7	14.4
Public administration & defence	0.2	-1.2	-1.4	-0.4
Education, health & social work	2.9	4.2	4.3	4.7
Other services	3.0	8.8	10.4	5.5
Total	12.5	27.6	34.8	23.0

Source: CE, EBSL, DTZ Pieda

3.73 Table 3-29 shows very little consistency from one employment forecast to another. The range of anticipated job growth across the four districts is very wide, from 12,500 in the case of CE to a high 34,800 for the policy-related 'enhanced growth' scenario produced by EBSL, 2001 to 2021. The sectors where there is some consistency include:

- Education, health & social work – anticipated growth of 3,000 to 5,000
- Public administration & defence – little change or an anticipated decline of up to 1,400 jobs
- Manufacturing & related sectors – a decline of between 4,500 and 10,000 jobs

3.74 There is generally more consistency across the two EBSL and the DTZ 'consensus' forecasts. These three all anticipate significant growth in the wide-ranging 'other business services' sector, which includes agency employment. Transport & communications employment is expected to increase by between 5,600 to almost 10,000 jobs. All three forecasts anticipate a small decline in construction jobs. Employment in agriculture and manufacturing is expected to decline significantly.

3.75 Summarised into just three broad sectors, primary, manufacturing/construction and services, the four forecasts show there is agreement about the general trends, but not the magnitude of the changes. Table 3-30 shows that declines in primary and manufacturing sectors will need to be replaced by significant growth in employment in services if the job targets are to be met.

Table 3-30: Forecast employment by broad industry group, four Suffolk districts of 'North Haven Gateway', 2001 to 2021, various consultancies

Industry group	CE trend 2005	EBSL trend 2004	EBSL enhanced growth 2004	DTZ/CE/EBSL 'consensus' trend 2005
Primary	-1.9	-5.2	-5.2	-4.4
Manufacturing & construction	-6.0	-6.7	-5.2	-6.5
Services	20.3	39.5	45.2	34.1
Total	12.5	27.6	34.8	23.0

Source: CE, EBSL, DTZ Pieda

Land-use planning framework

3.76 The Haven Gateway is identified in the East of England Plan as one of the four areas of the region with the potential to develop further as a major focus for economic development and growth. Development should continue to be concentrated at the larger towns, including Ipswich and Felixstowe in Suffolk. The Regional Economic Strategy identifies the area as one of seven 'Engines of Growth' in the Eastern region. In the light of proposed substantial economic and housing growth over the next two decades a critical issue is the availability of land and premises to cater for future needs. The Haven Gateway Partnership commissioned a study into employment land availability and the resulting report[5] compared land allocations with employment forecasts for industry sectors at a district level. It classified sites as either 'good', 'medium' or 'poor', using criteria such as site condition, availability for development and end use suitability. Suffolk Coastal and Ipswich districts were identified as having the highest proportion of land classified as 'good'. Mid Suffolk (and Tendring) had the highest percentages of poor quality land.

3.77 Overall the study concluded that there was substantially more employment land available than estimated to be required over the period to 2021. However the surplus recorded for Ipswich (around 12 hectares) was lower than for any other district. The report recommended that the highest quality sites should be retained and safeguarded for employment use. It should be noted that Mid Suffolk District Council has criticised the DTZ report on the grounds of understating the likely demand for employment land in its area.

3.78 The report also noted that 'trend' employment forecasts for the Haven Gateway area suggest lower rates of job growth than are required by the 'more aspirational' draft RSS target for the sub-region. It identified the importance of developing policy measures and actions to help close this gap if the growth objectives for the Haven Gateway are to be taken forward.

3.79 The Haven Gateway Integrated Development Programme (IDP) has identified sites considered suitable for employment development in the North Haven area and local planning authorities are at different stages in the planning policy development process in terms of refining the selection. Ipswich presents a special case, due to the tight boundaries of the administrative borough and a joint Ipswich Policy Area Board has been set up, involving councillors from Ipswich, the County Council and its three adjoining districts. In relation to

[5] Employment Land Study – Final Report; Haven Gateway Partnership, December 2005; DTZ Pieda Consulting

strategic employment sites, there are a number of options within the Ipswich Policy Area, with at least one possibility in each of the four districts.

3.80 Although the DTZ study identified considerable areas of land in and adjacent to Felixstowe Port as suitable for ancillary activities, including storage, there is some pressure for the provision of container parks outside of the port itself, close to the A14.

Policy-led employment growth

3.81 The employment projections and forecasts discussed above are all primarily produced 'top down' in that they are constrained by anticipated regional, national and even international economic issues. Even those described as 'policy linked' do not take account of specific local initiatives except insofar as these continue past development trends. For example, in the case of the North Haven area it is reasonable to assume that some of the forecast future growth in employment in the transport & communications sector reflects past growth. Arguably some of the planned developments at Innovation Martlesham, adjacent to BT Adastral Park, can be considered to continue past growth to some degree. However, there are a number of major employment initiatives underway or planned in the area which, if all are realised, will involve growth in excess of that projected under 'trend' scenarios of the future.

3.82 Four major projects can be considered as having considerable potential to boost future job growth above the 'trend' outlook. These are:

- Felixstowe port and associated employment, (Suffolk Coastal)
- The University Campus Suffolk and Suffolk New College developments, Ipswich Waterfront
- The proposed 'SnOasis' leisure development in Great Blackenham, (Mid Suffolk)
- Innovation Martlesham (Suffolk Coastal)

Port of Felixstowe:

3.83 Felixstowe is the largest container port in the UK and one of the largest in Europe. It is a member of Hutchison Port Holdings, (along with Harwich International and London Thamesport). In 2007 it employed 2,800 people. Over 40% of the UK's container-based imports and exports pass through the port, involving 5,000 ships a year. Over 4,000 HGV drivers visit the port every weekday. In 2006 the port handled an estimated 24.37 million tonnes, (inward and outward), according to DfT statistics.

3.84 In the spring of 2008 Phase 1 of a major redevelopment started, (Felixstowe South Re-configuration). This is the conversion of an area previously used by P&O North Sea Ferries Ltd and a largely redundant Dock Basin and Landguard Terminal into a new deep-water container terminal. This phase will be operational by 2010. Phase II is scheduled to be complete in 2014, providing four new deep water berths. The whole scheme will increase capacity eventually by 50% - and increase the capacity available to the very largest ships by almost 200%.

3.85 The development is required as Felixstowe further develops its trade with the Far East, which already accounts for more than 50% of import container volumes. A third rail terminal will be provided and the single-track branch line serving the Port will be upgraded. Improvements to road interchanges with the A12 and A14 are also involved.

Transport developments

3.86 There are plans to greatly increase the rail capacity at the port, including dualling 4.25 miles of track and constructing wagon sidings at Ipswich marshalling yard. Discussions with Network Rail have taken place with a view to funding gauge and capacity improvements, especially between Ipswich and Peterborough. It is hoped to run up to 40 freight trains a day in each direction by 2020, bringing rail modal share from around 18% to 26% and decreasing annual lorry movements by 500,000 a year.

3.87 Together with the subsequent planned development at Bathside Bay at Harwich, the enhanced capacity will be a boost for coastal shipping. The combined complex will be able to run daily short-sea feeder services to other ports in the UK – again reducing road traffic.

The economic impact

3.88 The development will help to secure the future employment of all those who currently rely on the Port for their livelihoods. It will create an additional 621 jobs by the time it is fully operational in 2015. An estimated 860 additional jobs will be generated through freight forwarding, haulage and the local multiplier effect of these extra jobs.

University Campus Suffolk (UCS):

3.89 For many years one of the principal weaknesses identified in relation to the economy of Ipswich and the surrounding sub-region has been the lack of a local higher education presence. Significant progress has been made over recent years, with the first students enrolling at UCS in September 2007. UCS is a joint venture between the Universities of East Anglia and Essex, accrediting degrees in parallel. It is working closely with Suffolk New College, which has relocated to an adjacent site to the Ipswich Waterfront development, providing an integrated package of HE and FE. The intention is to provide education which is particularly attractive to local people, with around 3,500 students based on the Waterfront campus, rising to 6,000 by 2014. The Suffolk economy should eventually benefit from an extra £50 million a year as a result of this development.

The SnOasis development, Great Blakenham, Mid Suffolk:

3.90 Onslow Suffolk Ltd applied for planning permission to develop ‘SnOasis’, the UK’s largest indoor ski-slope in a ‘snowdome’, in 2006. The proposal for a landmark tourist attraction includes a new railway station and also involves complementary leisure facilities, including a hotel, hostel, self-catering accommodation, ice-rink, bowling alley, cinema, retail outlets, food & drink, a conference centre and a 9-hole golf course. The proposal envisaged 590,000 visitors a year when operational. The site is a former Blue Circle cement quarry. The application was called in for determination and a public enquiry was held in 2007. However, at the time of writing, no decision has been announced, although the Secretary of State has indicated, (early in 2008), that she is minded to approve the application, subject to the resolution of some outstanding matters.

3.91 The application envisages 2,160 staff working on site when the development is fully operational. There would be 780 full-time and 1,380 part-time staff, (equivalent to 1,470 full-time equivalents (FTE)). The scheme will also involve some spend with local businesses by visitors (although not that much due to the self-contained nature of the site), sourcing of local supplies and spending by employees in the local economy. DTZ, who were commissioned by Mid Suffolk District Council to carry out an economic impact assessment of the proposal, calculate that these additional jobs will amount to 1,400 FTE in the East of England and 1,170 of these will be in Suffolk.

3.92 DTZ have analysed the jobs created by industry sector and conclude that many will be relatively poorly paid. This may create some pressures for the local labour force, as unemployment rates are low. DTZ consider that labour will need to be drawn from Ipswich and the pool of people who are currently economically inactive. DTZ also consider it important that a full 35% of the 540 new dwellings to be built on an adjacent site should be ‘affordable’.

Innovation Martlesham:

3.93 Adastral Park at Martlesham has for many years been the core of the ICT sector in Suffolk. The owners, BT have invested around £60 million on the site in recent years and have been successful in attracting a number of inward investors, including a significant presence of HE and FE education institutions, working alongside BT’s own extensive R&D operations. It is considered vital to the development of the local economy that the resources of Adastral Park are built on and a number of studies have been commissioned by the East of England Development Association (EEDA) to propose a way forward.

3.94 EEDA has concluded that there is the need to provide support for business with the establishment of an innovation park. One key project linked to Adastral Park relates to proposals for Innovation Martlesham. Over the last six months, there has been considerable progress on that front and the intention now is that a new Innovation Park will be located within the boundaries of Adastral Park; a full master-planning exercise is currently underway. Within this context, the proposal is to generate a high quality business environment that will have a campus “feel” and will promote knowledge transfer; it will meet the property requirements of tenants but also provide access to scientific and technological breakthroughs in ICT, specialist support services and networks, and it will improve the competitiveness of businesses through clustering. Alignment with the UCS project is also important, to foster collaboration and commercialisation of research.

Summary of key issues relating to the North Haven area’s economic potential, 2001 to 2021

3.95 The final section of this chapter lists some of the key economic and labour market issues arising from the analysis of the 2001 baseline, changes 2001 to 2006/7 and forecasts for the North Haven area.

- Economic activity and employment rates are relatively high although there is some potential for a reduction in the incidence of unemployment and long-term sickness and disability amongst the population of Ipswich Borough.
- The profile of the area's residents suggests relatively low percentages work in managerial, professional or technical occupations as compared with Suffolk as a whole. This was particularly significant in Ipswich in 2001.
- Data on the qualifications of residents suggest that both Ipswich and Suffolk Coastal districts have relatively high shares with lower-level qualifications and relatively low shares with higher, degree-level qualifications. The further development of the University Campus Suffolk and Suffolk New College is addressing this problem.
- The industrial structure of North Haven is relatively robust with proportionately more jobs in growth sectors (such as transport & communications) than in declining sectors, such as agriculture and manufacturing.
- Recent data on employee earnings suggests that the North Haven area has slightly higher wages than the rest of Suffolk; this is especially true of Suffolk Coastal district.
- The numbers of non-UK nationals first registering for National Insurance have increased year-on-year in the 'North Haven Gateway' area since 2004, in contrast with the rest of Suffolk and the region, where numbers peaked in 2005/06.
- Labour supply forecasts indicate a big increase in the older workforce, with only modest growth amongst younger age groups. This has particular consequences for training programmes in the future, especially demands on employment-based programmes and day-release.
- 'Trend' employment forecasts for the North Haven area generally appear to be in line with the overall growth of the labour force, although population forecasts for the region and its districts require updating and are likely to rise. However, the job targets in the adopted East of England Plan, as applied to the North Haven area, are significantly higher than the employment growth likely to take place under 'trend' conditions. This indicates that economic interventions will be required if the targets are to be met.
- However, a number of major developments are planned which could push employment growth above 'trend', particularly in the leisure, education and transport & communication fields. If all are realised there could be an additional 5,000 jobs created directly, with more supported through economic multiplier effects.
- The annual rate of new business registrations in the wider 'North Haven Gateway' area has fallen since 2003, both absolutely and as a share of the Suffolk total.
- Employment forecasts suggest that the major growth sectors over the period 2001 to 2021 will be a wide range of 'other business services', (including R&D and computer

services); transport & communications; other services, (including leisure and personal services) and education & health.

- A recent review of employment land concludes that there is a surplus in the North Haven area and that target employment growth will not be constrained by a shortage. However, investment in infrastructure will be critical to support key development sites, such as Innovation Martlesham at Adastral Park.

4: Issue Two: The economic development & growth potential of the Haven Gateway sub-region

4.1 This chapter summarises the economic development and growth potential as assessed for the Haven Gateway sub-region. It draws on the analysis of the economic potential of the proposed North Haven area, (see Chapter Three) and also two other relevant reports. The first is the Integrated Development Programme (IDP) for the Haven Gateway Partnership, a study produced by SQW Consulting in spring 2008. The second is the ‘Employment Land Study – Final report’ prepared in December 2005 by DTZ Pieda Consulting, also for the Haven Gateway Partnership. It is not the intention of this report to repeat the analysis covered by these studies but to refer to their conclusions. The first section looks at the broad policy context for economic development and the second section highlights key economic development issues in the light of ‘trend’ employment forecasts. These include not only areas of potential, where growth in excess of ‘trend’ might be anticipated, but also areas where constraints on growth need to be addressed.

4.2 The sub-region is one of the key International Gateways to the UK and consequently its growth and infrastructure are of national significance to the well-being of the UK economy. As well as the regional towns of Ipswich and Colchester, the sub-region is defined in relation to the internationally-significant Haven Ports, (principally Felixstowe, Harwich and Ipswich). It is also defined by its market and coastal towns and high quality rural hinterland.

Policy context

4.3 The Haven Gateway Partnership (HGP) was established in 2001, comprising leading private sector companies together with local authorities. Its early focus was primarily on shipping, ports, transport-related matters and their workers. Since then the HGP has been given ‘New Growth Point’ status by the government and non-port related issues have been taken on. The original Board involved Essex and Suffolk County Councils and five District Councils – Colchester and Tendring in Essex and Ipswich, Babergh and Suffolk Coastal in Suffolk. Mid Suffolk was not originally a full Board member, but it is now

4.4 The Haven Gateway vision is ‘to deliver a high quality environment for its residents, workers and visitors by capitalising on its location as a key gateway, releasing its potential for significant sustainable growth, addressing its needs for economic regeneration and enhancing its high quality, attractive and natural assets’. The HGP is concerned with the provision of integrated transport & logistics, housing & jobs growth mainly centred on Ipswich & Colchester; support for hi-tech employment related to the University of Essex and the new Suffolk Campus in Ipswich; affordable housing; regeneration of areas of high deprivation; establishment of a network of open spaces & green corridors and that the sub-region should market its high environment values.

4.5 The adopted East of England Plan (2008) includes policies specific to the Haven Gateway sub-region, recognising that the area has a coherence and shared issues and responses which justify sub-area treatment. It states that Haven Gateway 'has the potential to develop further as a major focus for economic development and growth'. Specific sub-region policies in the Plan identify the development of ports, maritime and related activities as a priority; the promotion of the urban areas of Colchester and Ipswich as major centres of employment; the provision of sites, premises and infrastructure to attract a wide range of employment to Ipswich, Felixstowe, Harwich, Colchester and Clacton; and regeneration activities in Colchester, Felixstowe (to address its falling status as a resort), Ipswich Village & Waterfront; Harwich, Clacton and Jaywick with a focus on employment diversification. Overall it is the intention that development should continue to be concentrated at the larger towns of Ipswich, Colchester, Felixstowe, Harwich and Clacton.

Growth prospects & forecasts

4.6 Between 2001 and 2021 the population of the Haven Gateway sub region (6 districts) is projected to grow from some 700,000 to 890,000 (ONS, 2006-based trend), or to a lower 690,000, according to the Chelmer model forecast produced by ARU, incorporating the adopted East of England Plan's dwelling targets. ONS estimated the mid 2006 population to be just below 740,000 in 2006. During the period 2001 to 2021 an additional 65,100 new homes are planned, of which around 49,700 are expected to be built between 2006 and 2021. Policy E1 of the East of England Plan has set a target of 50,000 additional jobs for the 20 year period, (5 districts, excluding Mid Suffolk). The Essex share of employment is 20,000 and the Suffolk share 30,000.

DTZ Pieda 'consensus' employment forecasts & draft RSS targets

4.7 DTZ Pieda published an employment land study for the Haven Gateway in December 2005 which included an analysis of 'trend' employment forecasts, compared with the draft RSS job targets. These targets amounted to 49,700 job growth over the period 2001 to 2021, very similar to the 50,000 figure in the adopted Plan. However, the draft RSS targets were set at a district level and in the adopted Plan targets are set for larger geographies, providing more flexibility for local authorities to determine apportionment as between areas. The analysis by DTZ included a disaggregation of both forecast and 'target' job growth by broad industrial sector. As noted in Chapter Two, several economic consultancies have produced regional or district 'trend' employment forecasts and DTZ produced what they termed a 'consensus' forecast by averaging three of these, (produced by CE, EBSL and DTZ Research).The comparison of consensus forecasts and targets is shown in Tables 4-1 and 4-2.

4.8 Table 4-1 provides a district-level assessment of employment growth 2001 to 2021 and compares this with the draft RSS job growth targets. (Mid Suffolk is excluded as no specific RSS target was set for the district). It shows an overall deficit of forecast jobs, as compared with target, of over 12,000. Ipswich and Colchester record the greatest differences at 7,400 and 4,200 respectively. However, as discussed in Chapter 3, there is evidence from EERA's 2008 Annual Monitoring Report of the East of England Plan to indicate that for the period 2001 to 2006 the 'Haven Gateway Suffolk' area has performed relatively well.

Table 4-1 : Difference between Consensus Forecast Employment Growth & draft RSS Targets, 2001 to 2021, Haven Gateway districts

District	Consensus Employment Forecast (trend)	RSS Employment Target	Difference
Ipswich	10,600	18,000	+7,400
Babergh	3,900	3,400	-500
Suffolk Coastal	7,100	8,000	+900
Colchester	10,000	14,200	+4,200
Tendring	5,900	6,100	+200
Haven Gateway (exc Mid Suffolk)	37,400	49,700	+12,300

Source: Tables 2.7 & 2.8 HGP Employment Land Study, December 2005, DTZ Pieda Consulting

4.9 Table 4-2 relates to the Haven Gateway area as a whole and shows a breakdown of jobs by industry sector, again comparing the 'consensus' trend forecast of changes 2002 to 2021 with the draft RSS target. (The disaggregation of the jobs target to industry sectors was carried out by DTZ Research).

Table 4-2 : Industry sectoral composition of draft RSS employment targets for Haven Gateway compared with 'consensus' trend forecast, 2002 to 2021 (Note: excludes Mid Suffolk)

Industry sector	2001 employment	'Consensus' employment forecast change 2002/21	Draft RSS employment change target 2001/21	Difference Draft RSS – Consensus change
Agriculture	7,700	-4,300	-4,100	+200
Manufacturing	32,000	-7,400	-6,200	+1,200
Electricity, gas & water	2,400	-200	-100	+100
Construction	17,900	0	100	+100
Wholesale	16,700	1,700	2,100	+400
Retail	36,500	5,000	6,200	+1,200
Hotels & catering	19,900	2,900	3,500	+600
Transport & communications	27,300	5,000	6,100	+1,100
Financial intermediation	13,000	700	1,100	+400
Other business services	30,900	17,200	20,600	+3,400
Public administration & defence	12,500	-700	-400	+300
Education, health & social work	50,500	10,800	13,000	+2,200
Other services	15,200	6,600	7,800	+1,200
Total	282,800	37,400	49,700	+12,300

Source: Table 2.10 HGP Employment Land Study December 2005 DTZ Pieda Consulting

4.10 The table suggests relatively higher growth (or a reduced loss) of jobs across all sectors when the draft RSS target is compared with the trend consensus employment forecast for the Haven Gateway area. In numerical terms, the target requires most enhanced job growth in 'other business services' – the sector which includes R&D and computer services, as well as industries as diverse as security, legal services and employment agencies, (3,400). The target also requires significant additional job growth in education & health, (2,200); retailing, (1,200), 'other' services (1,200) and transport & communications, (1,100). However, as outlined in Chapter Three, there are a number of major developments underway or planned in the North Haven area in these sectors which can be considered as 'additional' to trend growth. One area which has not been so identified is manufacturing. The 'target' for the Haven Gateway requires a reduced rate of job loss as compared with the consensus trend of around 1,200 over 20 years.

4.11 DTZ Pieda consider the sub-region's capacity to meet the employment targets at an industry sector level. They conclude that the 12,300 jobs 'uplift' required in total is unlikely to be achieved without policy interventions. For individual sectors where the draft RSS target requires a significant change from the 'consensus' they comment as follows:

- **Manufacturing**: the target is achievable, but regional strategies aimed at improving the productivity and sustainability of businesses need to benefit companies within the area
- **Retail**: the target is achievable but town centre strategies, particularly in Colchester and Ipswich, will be important
- **Hotels & catering**: the level of uplift is considered achievable, especially as some economic forecasters project higher growth than the 'consensus'
- **Transport & communication**: coupled with the anticipated expansion of port activity at Felixstowe and Harwich the uplift appears achievable
- **Other business services**: significant policy interventions will be required to achieve the higher growth rate of the draft RSS as business trends alone are unlikely to deliver the growth required
- **Education & health**: the scale of uplift required is high and achievement is considered unlikely without policy developments
- **Other services**: the level of uplift required falls within the range of uncertainty around the consensus forecasts (+/- 3,000 jobs)

Oxford Economics 'trend' forecast 2008

4.12 Since the Employment Land Study for Haven Gateway was published a new set of 'trend' job forecasts for districts in the East of England has been produced, commissioned by EEDA. Table 4-3 summarises forecast growth over the period 2001-2021, set against the draft RSS job targets. In contrast to all other (earlier) trend forecasts, Oxford Economics (OE) indicate overall job growth of around 55,600 in the five districts, substantially higher than the draft RSS target. However, whilst in most districts the OE forecast comfortably exceeds the target, in the case of Ipswich it is significantly below.

4.13 In the absence of any published breakdown by industry sector it is difficult to interpret this latest employment forecast. However, as it incorporates more up-to-date survey information than the work underpinning DTZ's 'consensus' forecast, described above, it must be taken into account in assessing the economic potential of the Haven Gateway. As it stands, it suggests that there could be pressures for higher rates of housing growth in most of the Gateway sub-region and the need to boost the labour supply, by encouraging people who are unemployed or economically inactive to move into work.

Table 4-3 : Oxford Economics 'trend' employment forecasts, Haven Gateway districts & draft RSS job targets, 2001-2021, '000 jobs (Mid Suffolk excluded)

District	2001	Oxford Economics 2021	Oxford Economics change 2001/21	Draft RSS job targets 2001/21	Difference
Babergh	36	42.5	6.5	3.4	+3.1
Ipswich	73.4	83.8	10.3	18	-7.7
Suffolk Coastal	53.8	65.2	11.4	8	+3.4
Colchester	82.1	99.9	17.8	14.2	+3.6
Tendring	42.2	51.8	9.8	6.1	+3.7
Haven Gateway (5 districts)	287.5	343.1	55.6	49.7	+5.9

Source: Oxford Economics February 2008

Major employment-related development proposals

4.14 Chapter Three has already listed a number of employment developments in the Suffolk part of the Haven Gateway area which can be considered as 'policy-led', in that they are additional to trend job growth. This section identifies one major development of a similar nature in the Essex part of Haven Gateway – Harwich port - and a university-linked research park which can be considered as potentially providing an 'uplift' to trend job growth.

Harwich International Port – Bathside Bay

4.15 Harwich Port is a major multi-purpose port handling cargo and vessels as well as passenger travel. It is set for major expansion through the plans for a container port at Bathside Bay which have provisional approval from the Secretary of State. If plans proceed, Harwich will become the second largest container port in the UK. The promoter Hutchison Ports (HPUK) stated in 2004 that, if approved, the new terminal will create 770 jobs directly, around 500 additional jobs in associated activities and a further 430 jobs through economic multiplier effects. Many of the jobs will be directly available to help reduce unemployment in Tendring district.

University of Essex Research Park

4.16 The University of Essex is establishing a Research Park on a 16 hectare site at Wivenhoe Park, Colchester. It is anticipated that the development will support the creation of 2,500 new jobs, many of which will be high value, leading to the retention of more graduates locally.

Constraints on economic growth

4.17 The following factors were identified in the Haven Gateway IDP in March 2008.

- **Traffic & transport in Ipswich:** a particular issue relates to congestion in and around Ipswich and the disconnection of the town centre from the new Waterfront development. There is a particular challenge to improve connectivity between, and accessibility of, key sites in the town centre, Ipswich Village, the education quarter and waterfront to reduce dependence on the car. Improvements here should help the performance of Ipswich town centre generally, although there is no political agreement on what these should be.
- **Transport in the North Haven area:** consideration may be given to Orwell bridge improvements and or/the proposed Northern Bypass, although there is no political agreement on this at present. The A14 Copdock interchange is a very congested junction where improvements are required.
- **The transport network associated with the development of Felixstowe & Harwich ports:** the development of substantial container terminal provision at these ports will place considerable pressure on the area's transport infrastructure, both road and rail. The developments have implications for the national road and rail infrastructure priorities which are only partly-funded at present. Some of the necessary investment is required outside the Haven Gateway area, for example on the Felixstowe to Peterborough rail link and on the A14. Bathside Bay requires improvements to the A120 Harwich to Hare Green.
- **Flood risk:** areas at particular risk, in relation to long term development plans, include central Ipswich and parts of Felixstowe. Appropriate investment in flood defences will need to be implemented before much more additional development can take place on Ipswich waterfront, for example.
- **'Spreading' the benefits of the ICT cluster to urban Ipswich:** there is a challenge to release the economic potential that exists on the eastern fringe of, and to the east of, Ipswich to benefit not just urban Ipswich but also the wider Haven Gateway. As well as developing a new Innovation Park and redeveloping parts of Martlesham Heath Business Park, there is an opportunity to develop a strategic gateway to the high-tech cluster. Transport and electricity infrastructure issues must be resolved. It is also important that high quality housing is built close by, creating a community with its own distinctive character.
- **Skills of the population:** The percentage of the Haven Gateway population of 'usual working age' qualified to NVQ Level 4 or above is 23%, about two percentage points below the regional average. The percentage with no qualifications is 18%, significantly higher than the regional average of 14%. Within the HG area, Ipswich and Tendring both record relatively low levels of skilled residents. Investment in local skills will be critical to realising the full potential linked to ports expansion and the further development of hi-tech employment. Links between the ports should be

developed with knowledge-based and ICT-related activities in both Ipswich and Colchester.

- **Areas with relatively high employment deprivation:** New indices of deprivation were issued by CLG in December 2007, including a domain relating to employment deprivation. This is defined as 'involuntary exclusion of the working age population from the labour market'. The analysis draws on administrative data such as numbers of people claiming benefits and so can be produced for very small geographic areas. When compared with England as a whole it is clear that significant parts of both Tendring and Ipswich districts are relatively deprived in employment terms.

Key issues arising

- The Haven Gateway is a priority sub-area in relation to regional development; as a recognised 'New Growth Point' it has a special status and can access government funds to support investment in infrastructure.
- Many of the issues arising in the Essex part of the Haven Gateway are those which also affect the Suffolk part of the HGP area and the somewhat smaller 'North Haven' area.
- The potential for economic development relies on building on the Gateway's two clear strengths: its international transport gateways in the form of the Haven ports and on its knowledge-based industries, especially relating to ICT. Plans are well advanced for identifying suitable sites for development.
- However, there is some concern that without policy intervention, the likely 'trend' employment growth will not meet the exacting job targets of the East of England Plan.
- A number of employment and business developments have been identified which, if all are implemented, should result in an 'uplift' above the trend job growth.
- A number of constraints to economic growth have been identified and plans to overcome these are the subject of the Haven Gateway Integrated Development Programme. There are key areas with respect to investment in transport and other infrastructure, as well as in skills development.

5: Issue Three: The inter-relationships and dependencies between the Ipswich & Felixstowe economies

5.1 This chapter looks at relationships between the constituent parts of the proposed North Haven area and focuses on the links between the two main urban centres, Ipswich and Felixstowe. The information covers travel to work flows, retail catchments, housing markets and business organisation. Due to shortages of much 'hard' data there is an inevitable concentration on the travel to work data from the 2001 Census.

5.2 Travel to work flows are very important as they provide a very good guide to other inter-relationships. For example, guidance provided by CLG on the preparation of strategic housing market assessments indicates that travel-to-work areas are very similar to housing market areas. As employment centres are often also retail centres there is also a close match between shopping and commuting catchments.

5.3 The first section of this chapter provides a summary of journey to work flows within the wider North Haven area, using constituent parts of districts as the 'origin and destination' zones, built up from wards. It also describes the flows to and from Ipswich and Felixstowe (including the Trimleys with Kirton ward). Subsequent sections consider other inter-relationships, including shopping, migration, housing markets and business organisation.

Travel to work flows, 2001, North Haven area

5.4 Table 5-1 shows where the working population of the North Haven area lived in 2001. It shows a very high level of 'containment', with almost 80% of the 105,000 working population of North Haven actually living in the same area, (83,730).

Table 5-1 : Residence by district/part of working population of North Haven area, 2001

Area of residence	Numbers working in North Haven area	% of North Haven working population
Babergh – in North Haven	9,220	8.8%
Ipswich	46,940	44.7%
Mid Suffolk – in North Haven	3,180	3%
Suffolk Coastal – in North Haven	24,400	23.2%
North Haven area total	83,730	79.7%
Babergh rest	2,340	2.2%
Mid Suffolk rest	5,160	4.9%
Suffolk Coastal rest	5,200	5%
Rest of Suffolk (3 districts)	1,670	1.6%
Colchester (Haven Gateway)	1,920	1.8%

Area of residence	Numbers working in North Haven area	% of North Haven working population
Tendring (Haven Gateway)	1,880	1.8%
Other	3,110	3%
Total	105,010	100%

Source: Census 2001

5.5 It is interesting to note the relatively low levels of commuting from areas outside of North Haven. Just over 11% of the working population lived in other parts of Babergh, Mid Suffolk or Suffolk Coastal districts. Just 1.6% commuted in from the other three Suffolk districts and the other two Haven Gateway districts, Colchester and Tendring, each accounted for just 1.6% of the North Haven working population. Other areas, including Norfolk and the rest of Essex, collectively accounted for 3,000 commuters, 3% of the total.

5.6 Table 5-2 looks at the reverse picture, profiling where the residents of the North Haven area worked. Of the 97,770 employed residents of the area 85.6% worked in it, (83,730).

Table 5-2 : Workplaces of the employed residents living in North Haven area, 2001

Area of workplace	Numbers living in North Haven area	% of North Haven employed residents
Babergh – in North Haven	6,900	7.1
Ipswich	52,190	53.4
Mid Suffolk – in North Haven	2,610	2.7
Suffolk Coastal – in North Haven	22,040	22.5
North Haven area total	83,730	85.6%
Babergh rest	1,290	1.3%
Mid Suffolk rest	2,480	2.5%
Suffolk Coastal rest	2,670	2.7%
Rest of Suffolk (3 districts)	2,080	2.1%
Colchester (Haven Gateway)	1,840	1.9%
Tendring (Haven Gateway)	720	0.7%
Other	2,960	3%
Total	97,770	100%

Source: Census, Nomis

5.7 Ipswich was the workplace of 52,200 North Haven residents, over 53% of the total, with Suffolk Coastal (part) providing employment for more than 22,000 residents. Table 5-2 shows the relatively low levels of commuting outside of the North Haven area. Just 6.8% of residents worked in other parts of Babergh, Mid Suffolk and Suffolk Coastal districts. Only 2.1% of residents worked in the rest of Suffolk. The percentages of employed residents working in the two other Haven Gateway districts were low – 1.9% worked in Colchester and just 0.7% worked in Tendring. Only 3% of residents worked elsewhere (primarily in other parts of Essex, London and Norfolk).

5.8 Tables 5-3 and 5-4 look at the commuting flows for **Ipswich** and **Felixstowe**. Table 5-3 considers both places as workplaces and Table 5-4 shows the flows from residents living in each centre.

Table 5-3: Location of residence of the working populations of Ipswich and Felixstowe (including the Trimleys), 2001

Area of residence	Work in Ipswich	% of Ipswich working population	Work in Felixstowe (inc the Trimleys)	% of Felixstowe working population
Babergh – in North Haven	4,080	6.2	310	2.1
Ipswich	38,850	59.2	1,950	13.2
Mid Suffolk – in North Haven	1,560	2.4	110	0.8
Suffolk Coastal – in North Haven	7,700	11.7	10,430	70.7
North Haven area total	52,190	79.5	12,800	86.8
Babergh rest	1,610	2.5	110	0.7
Mid Suffolk rest	3,680	5.6	220	1.5
Suffolk Coastal rest	2,950	4.5	610	4.2
Rest of Suffolk (3 districts)	1,140	1.7	130	0.8
Colchester	1,230	1.9	140	0.9
Tendring	970	1.5	270	1.9
Other	1,860	2.8	470	3.2
Total	65,640	100	14,750	100

Source: Census, Nomis

5.9 Of the 65,640 working population recorded in Ipswich in 2001 almost 39,000 lived in the city, just over 59% of the total. Around 80% of the workforce lived in the North Haven area as a whole, over 52,000 people. The Suffolk Coastal part in the North Haven area contributed a commuting inflow of 7,700 people, 11.7% of the total. (As Table 4-4 shows, 2,270 of these lived in the smaller Felixstowe area, 3.5% of the total Ipswich workforce). The part of Babergh in the North Haven area accounted for just over 4,000 commuters into Ipswich, 6% of the total.

5.10 Areas outside the North Haven area accounted for just over 20% of the Ipswich working population. Most, 13.6%, lived in other parts of the North Haven Gateway districts. Only 1.7% commuted in from the rest of Suffolk. Commuters from Colchester amounted to 1,230 with just under 1,000 people commuting from Tendring. Fewer than 1,900 people commuted from further afield, (2.8% of the total).

5.11 Felixstowe (with the Trimleys) provided work for 14,750 people in 2001[6]. Of these 10,430 lived in that part of Suffolk Coastal district included in the North Haven area, (70.7%). In fact 9,580 lived and worked in the Felixstowe/Trimleys area itself. Commuting from Ipswich into Felixstowe totalled 1,950, equivalent to 13% of the town's working population. Overall the

[6] The split was 1,450 in the Trimleys with Kirton ward and 13,300 in the Felixstowe wards combined.

North Haven area accounted for 12,800 of the Felixstowe workforce, almost 87%. Not surprisingly one of the few significant commuting flows from outside the North Haven area involved the rest of Suffolk Coastal district, which supplied 610 commuters, 4% of the total. There were very few commuters from other areas although Tendring supplied 270, just under 2%.

Table 5-4: Location of workplace of the employed residents of Ipswich and Felixstowe (including the Trimleys), 2001

Area of workplace	**Resident in Ipswich**	**% of Ipswich employed residents**	**Resident in Felixstowe (inc the Trimleys)**	**% of Felixstowe employed residents**
Babergh – in North Haven	2,010	3.7	160	1.1
Ipswich	38,850	72.5	2,270	16.2
Mid Suffolk – in North Haven	1,080	2	60	0.4
Suffolk Coastal – in North Haven	5,000	9.3	10,430	74.5
North Haven area total	46,940	87.6	12,920	92.3
Babergh rest	650	1.2	60	0.4
Mid Suffolk rest	1,500	2.8	90	0.7
Suffolk Coastal rest	980	1.8	380	2.7
Rest of Suffolk (3 districts)	590	1	80	0.5
Colchester	730	1.4	110	0.8
Tendring	210	0.4	40	0.3
Other	1,990	4	330	2.4
Total	53,590	100	14,000	100

Source: Census, Nomis

5.12 Almost 88% of the 53,590 employed residents of Ipswich worked in the North Haven area. Just under 39,000, or 72.5% worked in Ipswich itself. The only 'external' commuting destinations of significance were the part of Suffolk Coastal district in the North Haven area, which accounted for 5,000 commuters, 9% of all, and the Babergh part of North Haven which accounted for around 2,000 commuters, 3.7% of the employed residents of Ipswich. An in-depth analysis of the 5,000 Ipswich commuters to the North Haven part of Suffolk Coastal district shows that 1,950 worked in Felixstowe & the Trimleys, 3.6% of all employed residents. The majority worked in Martlesham.

5.13 Relatively few Ipswich residents commuted to work outside the North Haven area. The largest flow was to other parts of Mid Suffolk, accounting for 1,500 commuters, or 2.8%. Fewer than 600 people commuted to the three districts in the 'rest of Suffolk'. Flows to Colchester and Tendring were also very low, amounting to under 1,000 in total. Commuting to London amounted to just over 900, 2% of the total.

5.14 A very high 92% of Felixstowe's employed residents worked in the North Haven area, over 12,900 of the 14,000 total[7]. Over 10,400, almost 75%, worked in the North Haven sector of Suffolk Coastal district itself. Of these, 9,580 worked in the Felixstowe/Trimleys area itself, 68% of the total number of employed residents. The only commuting flow of any size was to Ipswich: 2,270, or 16% of employed residents, worked in Ipswich in 2001. Just 380, under 3% of residents, worked in parts of Suffolk Coastal district outside of the North Haven area.

5.15 To summarise the precise commuting flows between Ipswich and Felixstowe/the Trimleys:

- Numbers living in Felixstowe and working in Ipswich: 2,270 (16.2% of 14,000 employed residents of Felixstowe and 3.5% of 65,640 workplace population of Ipswich)
- Numbers living in Ipswich and working in Felixstowe: 1,950 (3.6% of 53,590 employed residents of Ipswich and 13.2% of the 14,750 workplace population of Felixstowe)

Defining travel to work areas – the degree of 'containment'

5.16 When defining 'travel to work' areas one key factor is the degree of 'containment' that an area shows. This is measured by the percentage of employed residents who work in the area and also by the percentage of an area's working population who reside within it. For national travel to work analyses the threshold for 'containment' is usually 70% - i.e. 70% of employed residents work in the same area and 70% of the workplace population lives in the same area. The analysis above indicates a very high degree of 'containment' for the proposed North Haven area.

5.17 It is particularly valuable to compare the North Haven area with Ipswich borough. Table 5-5 shows that whereas 59% of the workplace population of Ipswich lived in the borough, the percentage of North Haven's working population who lived locally was considerably higher, at almost 80%. The percentage of Ipswich's employed residents who worked in the borough was 72.5%, itself relatively high. However the percentage of the larger North Haven area's residents who worked locally was even higher at 85.6%. So although significantly larger, the North Haven area recorded lower net commuting than Ipswich, at 7,230 net in-commuting as compared with Ipswich's 12,040. Both gross in and out commuting were lower for the North Haven area as compared with Ipswich.

Table 5-5: Measures of travel to work 'containment': Ipswich Borough & North Haven area compared, 2001

Measure	Ipswich	North Haven
Working population	65,640	105,010
Employed residents	53,590	97,770
Live & work in area	38,850	83,730
% of working population who live in area	59.2%	79.7%

[7] Of the total 3,500 lived in the Trimleys with Kirton ward and 10,500 in the combined Felixstowe wards.

Measure	Ipswich	North Haven
% of employed residents who work in area	72.5%	85.6%
Net commuting	12,040	7,230
Gross in-commuting (& % of workplace population)	26,790 (40.8%)	21,270 (20.3%)
Gross out-commuting (& % of employed residents)	14,740 (27.5%)	14,040 (14.4%)

Source: Census, Nomis

Travel to work – summary

5.18 The above analysis indicates that the proposed North Haven area has a very high degree of 'containment' when commuting flows are examined.

- The only flows of any size to or from areas outside the North Haven area are to other parts of the three districts of Babergh, Mid Suffolk and Suffolk Coastal
- Commuting to or from the North Haven area and the three Suffolk districts of Waveney, St Edmundsbury and Forest Heath is very low
- Commuting flows are also very low between Colchester and Tendring and the North Haven area
- The proposed North Haven area has a significantly higher degree of 'containment' than does Ipswich Borough alone.

Retail study of Ipswich, 2005

5.19 Ipswich Borough Council commissioned DTZ to carry out a comprehensive study of retailing which was published in 2005. This included a survey of shoppers in Ipswich as well as a telephone survey of households living in a wide area around the city. The surveys helped to establish the preferred shopping centres for different types of goods, (e.g. food, fashion, furniture & electrical goods) as well as demand for restaurants, bars and leisure/entertainment services.

5.20 The study took into account the closest competing 'higher order' retail centres, such as Colchester and Norwich, as well as smaller centres such as Bury St Edmunds. It noted that Ipswich ranked second behind Norwich in the hierarchy of shopping centres in the East of England, ahead of Colchester, Cambridge and Peterborough.

5.21 However the survey of shoppers, together with stakeholder interviews, suggested that the time visitors spent in Ipswich was somewhat lower than in comparably-sized centres. This was explained in part by the lack of quality places to eat and drink. Shoppers identified the need for additional quality fashion retailing and a quality department store such as John Lewis. The household telephone survey indicated that, as well those living in a 5 to 10 mile 'core' radial area, the catchment most loyal to Ipswich was to the north and east of the city; areas to the south of the Shotley peninsular looked more to Colchester and those to the north west/west to either Norwich or Bury St Edmunds. Thus a very high proportion of the population of the Felixstowe area looked to Ipswich as its preferred location for non-food shopping.

5.22 The study identified a number of policy initiatives which might help to extend the services and shopping opportunities on offer in Ipswich. In particular it identified the potential of developing the attractive Waterfront area, an asset which no close competitor city can offer.

The Ipswich Housing Market Area

5.23 This analysis is based on the sub-regional housing market area assessment for ‘greater Ipswich’, covering Ipswich borough and the neighbouring districts of Mid Suffolk, Babergh and Suffolk Coastal. The 5th draft was published for public consultation in June 2008 and has been prepared by Fordham Associates. It follows CLG guidance with respect to defining strategic housing markets. CLG advise analysing migration moves as well as travel to work flows; they also advise surveying stake-holders such as estate agents in order to define local housing market sub-areas.

Migration flows

5.24 The analysis of migration moves between Ipswich and Suffolk Coastal districts shows that there are clear links between the two districts. According to the 2001 Census, which recorded where people lived the previous year (April 2000), the main inflow to Suffolk Coastal district (apart from internal moves) was from Ipswich. Similarly the main outflow from Suffolk Coastal district was to live in Ipswich. These flows were also the largest recorded as between Ipswich and any other district:

- Ipswich – outflow to Suffolk Coastal district: 1,140 people (25% of all people moving out of Ipswich; 19% of all people moving into Suffolk Coastal from outside the district)
- Suffolk Coastal district – outflow to Ipswich: 996 people (16% of all people moving into Ipswich from outside the district; 22% of all people moving out of Suffolk Coastal district)
- Net flow of 145 people moving into Suffolk Coastal from Ipswich

Estate & letting agents

5.25 The Fordham Associates study surveyed local estate and lettings agents in order to define housing market sub-areas. The results show a clear link between Ipswich and Felixstowe, with both towns included in the same sub-area. The market covering Ipswich appears to look primarily towards the south east and north east of the town, with areas west of Ipswich considered as a separate housing sub-area.

5.26 The local newspaper, the Evening Star, has a single property supplement which covers both Felixstowe and Ipswich, again indicating that people view the Ipswich to Felixstowe area as one market.

Business organisation

5.27 There is evidence of close links between the two towns and a number of maritime and associated companies maintain offices in Ipswich. Examples of shipping company offices based locally include Mediterranean Shipping Company, Fred Olsen, Samskip and P&O Ferrymasters. Specialist maritime business support companies with offices in Ipswich include solicitors, such as Prettys and Birketts.

5.28 It is also important to recognise the complementary activities provided by the Port of Ipswich. Although smaller than Felixstowe in terms of tonnage of cargo handled, Ipswich Port deals with a wide range of operations and in 2006 cargo amounted to 3.5 million tonnes. It has facilities for the handling and storage of both liquid and dry bulk goods, including petro-chemicals, grain, cement and aggregates. It deals with general cargo, forest products from Scandinavia and the Baltics as well as ro-ro and containers. Ipswich is a successful port and is the base for companies such as Anglo Norden.

5.29 Ipswich Port also provides a waterfront conference facility and a strong leisure sector, including a 250-berth marina. There are ship and yacht building companies on site, including Fairline, Oyster Marine and Spirit Yachts.

Summary of Ipswich & Felixstowe inter-relationship issues

- **Commuting in 2001**: travel to work flows were higher between Ipswich and Suffolk Coastal districts than between Ipswich/Suffolk Coastal and any other district; most commuting was between Ipswich and the southern part of Suffolk Coastal district.
- **Shopping catchments 2004/5**: A study of convenience and comparison shopping shows that people living to the east of the town are most loyal to Ipswich for comparative shopping as compared with people living to the west.
- **Migration in 2000/01**: migrant flows (both ways) were higher between Ipswich and Suffolk Coastal districts than between Ipswich/Suffolk Coastal and any other district.
- **Housing markets 2007**: Estate and lettings agents report that there is a single local housing market sub-area which covers both Ipswich and Felixstowe; this is corroborated by the coverage of the Evening Star’s ‘property supplement’.
- **Business organisation**: The maritime industry and port-related activities involve many business links between the two towns. For example, many shipping companies have offices in Ipswich, including Mediterranean Shipping Company, Fred Olsen, Samskip and P&O Ferrymasters. Ipswich Port offers complementary cargo-handling activities to the dominant container-based services of Felixstowe, including general cargo, liquid and dry bulks, forest products and ro-ro.

6: Issue Four: The economic impact of creating a North Haven authority on the rest of Suffolk

6.1 The fourth issue under review relates to the likely economic impact that the creation of a new North Haven authority might have on the rest of Suffolk. The following sections consider the impact in terms of (i) economic viability, (ii) local authority services, (iii) local authority employment and (iv) business decision-making.

Economic viability & area 'containment'

6.2 As the analysis in Chapter Three shows, the proposed North Haven area currently accounts for around 31% of Suffolk county's total population and households, whereas it provides a slightly higher 35% share of employment. Thus in strict economic terms the 'rest of Suffolk', (including Lowestoft), is significantly larger than the North Haven area.

6.3 Looking to the future, the 'North Haven Gateway' area has been set a target to increase employment by 30,000 between 2001 and 2021, whereas the target for the rest of Suffolk, including Waveney, is 23,000. A modelled target for the employment growth in the North Haven area is around 24,500, just under 50% of the total for Suffolk.

6.4 The forecasts which model potential dwellings, population, labour supply and employment growth in the North Haven area over the period 2001 to 2021 show:

- Dwellings – 37% of the Suffolk total
- Population – 44% of the Suffolk total
- Labour force - 56% of the Suffolk total
- Employment (jobs: trend, average of 4 forecasts) – 45% of the Suffolk total

6.5 These shares indicate that the 'rest of Suffolk' is sufficiently large, in terms of population, households and employment, to be viable economically. In particular it has a working population of around 200,000. The viability is maintained with or without the inclusion of Lowestoft.

6.6 Looking at the issue of 'containment', the commuting analysis outlined in Chapter Five indicates that most of the (relatively few) commuters travelling into the North Haven area to work in 2001 lived in the 'other' parts of Suffolk Coastal, Babergh and Mid Suffolk districts. The travel to work flows involving the other three Suffolk districts (Forest Heath, St Edmundsbury and Waveney), were very low. As indicated by the Boundary Committee, in economic terms Ipswich, as a major employment centre, has a catchment which looks primarily to the east and north more than to the south or west.

6.7 This conclusion is reinforced by the analysis of migration flows in 2000/2001 and by the retail study undertaken for Ipswich Borough Council in 2004/5, (although catchments for comparison shopping are significantly larger than travel to work areas). There is a fairly clear east/west split in Suffolk, with Ipswich clearly dominant in the eastern sector of the county.

6.8 The proposed North Haven area has a significant urban focus, with Ipswich and its surrounding area at the core and Felixstowe providing a complementary role. In contrast, the 'rest of Suffolk', (less Lowestoft), is characterised by an economy built on market towns and their hinterlands. Each of the new authorities should be able to develop coherent economic development policies across their areas.

Local authority services

6.9 There is little published data about the 'geography' of local authority expenditure which is currently dominated by Suffolk County Council. Consequently it is only possible to hazard a guess as to what impact a change in local government organisation might have in terms of spend by area.

6.10 Most local government income is received as central government grant, with additional local income collected through Council Tax and charges for services. One of the biggest spenders, education, is unlikely to be affected by a change in local government organisation as the majority of funding goes straight into school budgets. The formulae for distributing other central government funding to local authorities takes account of a wide range of factors, including population by age groups, measures of deprivation, length of rural road etc. What is likely is that there could be some redistribution of income within Suffolk from the current pattern. In addition the new administrations could change in terms of political control as the proposed unitary authorities will be larger than the current districts and that could affect the levels of Council Tax imposed and locally-decided spending priorities.

6.11 All of this is conjecture. Services which have the most potential to be affected by the proposed reorganisation include transportation, leisure, the new duties in relation to further education and programmes of regeneration and economic development. There may be services where current patterns of expenditure – as determined by Suffolk County Council's priorities – are concentrated in a few areas of the county, or dispersed thinly across a wide area. Splitting the County Council's income two (or three) ways in future may make well result in changes to current allocations. The Boundary Committee is keen that any new local government organisation involves as few as possible cross-authority area 'special arrangements' so that accountability is not compromised.

Direct local government spending

6.12 One issue that will arise if the proposed North Haven area authority is established relates directly employed local authority staff. Although the Suffolk County Council has a number of area offices, its headquarters are in Ipswich. A proportion of staff will be transferred to the new North Haven authority under TUPE rules, but others (and the majority) will transfer to the other unitary authorities established. Over time it is possible that their jobs will be moved out of Ipswich, leading to a small loss of employment in the town. If jobs are relocated elsewhere this should have a positive impact on the economy of the locations concerned. The potential loss of district council offices may also have an impact in some places but this will be off-set to some degree by whatever area and neighbourhood office arrangements are put in place.

Business decision-making

6.13 It is important to note that whilst the organisation of local government can have some direct impact on local businesses, especially in the fields of economic development, education & training, transport policies and in relation to local procurement, most business decisions do not take direct account of local government administration. Businesses will generally choose to invest in a place and its associated market irrespective of where local government boundaries lie. However, it is likely that communication between businesses and local government will be easier the fewer levels of government that are involved and the more coherent the geographical area covered. This is of particular importance when functional urban areas are split between two or more local authorities.

Summary of issues

- The creation of a North Haven area authority is compatible with an economically viable ‘rest of Suffolk’ area, (with or without Lowestoft), with unitary authorities responsible for significant development programmes for housing, population and employment.
- There is considerable evidence from travel to work flows to show that the labour market of the North Haven area is relatively self-contained, without significant links with the rest of Suffolk.
- A new North Haven authority would have a primarily urban focus. In contrast, a ‘rest of Suffolk’ authority would be characterised by market towns and their local labour markets. The new authorities would be able to develop coherent economic policies for their distinctive areas.
- Local government re-organisation will redistribute the government grant currently received by Suffolk County Council which could result in less (or more) finance being available in some areas. Different local expenditure allocations could result in current spending programmes being affected.
- Local authority staffing levels and locations will be affected with jobs transferred to the new unitary authorities. This could result in some jobs moving out of Ipswich, with a positive impact on the economies of the locations which gain employment.
- Business investment decisions are unlikely to be greatly affected by changes in local government organisation. However the move to unitary authorities covering more coherent geographical areas should make business communications with local government easier.

Annex: Parishes & wards in the North Haven authority area

This annex provides a list of the parishes and wards which make up the proposed North Haven authority area.

Parishes

Babergh: Arwarton, Belstead, Bentley, Brantham, Capel St Mary, Chelmondiston, Copdock & Washbrook, East Bergholt, Freston, Harkstead, Holbrook, Pinewood, Shotley, Sproughton, Stratford St Mary, Stutton, Tattingstone, Wherstead, Woolverstone

Mid Suffolk: Akenham, Barham, Bramford, Claydon, Great Blakenham, Little Blakenham, Whitton

Suffolk Coastal: Brightwell, Bucklesham, Falkenham, Felixstowe, Foxhall, Great Bealings, Hemley, Kesgrave, Kirton, Levington, Little Bealings, Martlesham, Nacton, Newbourne, Playford, Purdis Farm, Rushmere St Andrew, Stratton Hall, Trimley St Martin, Trimley St Mary, Waldringfield

Ipswich

1991 wards 'best fit'

Babergh: Alton, Berners, Brantham, Brookvale, Capel & Wenham, Codock, Dodnash, Holbrook, Shotley, West Samford

Mid Suffolk: Bramford, Claydon

Suffolk Coastal: Bealings, all Felixstowe wards, Kesgrave, Kirton, Martlesham, Nacton, Rushmer, Trimleys

Ipswich: all wards

2003 wards (for 2001 Census) 'best fit'

Babergh: Alton, Berners, Brook, Dodnash, Holbrook, Mid Samford, Pinewood

Mid Suffolk: Claydon and Barham, bramford and Blakenham

Suffolk Coastal: all Felixstowe wards, Grundisburgh, Kesgrave East, Kesgrave West, Nacton, Martlesham, Rushmere St Andrew, Trimleys with Kirton, Witnesham

Ipswich: all wards