



SUFFOLK ECONOMY & EMPLOYMENT UPDATE

September 2024

Annabel Bradley, SODA Senior Analyst & Researcher

Latest National Forecasts & Data Quality

UK Economic Forecasts

- Following a short technical recession in 2023, the UK economy is expected to grow by 1.1%¹ in 2024 and 1.3%¹ in 2025. GDP will be driven by government spending this year together with greater public consumption in 2025.
- The unemployment rate is expected to remain at 4.4-4.5%¹ for the next 5 years.
- Real disposable household income (RDHI) is forecast to rise by 2.4%¹ in 2024 and 1.7%¹ in 2025.
- Imports and exports are expected to show negative growth in 2024 on the back of trade disputes and geopolitical concerns (including the war in Ukraine and the US Presidential election in November) before a slow recovery in 2025.
- Surveys by the British Chamber of Commerce show that most Small & Medium-Sized Enterprises (SMEs) are still not increasing investment.²
- Lower inflation, relatively stronger growth and greater trade certainty should prompt improvements in UK investor confidence in 2025.

Data Quality

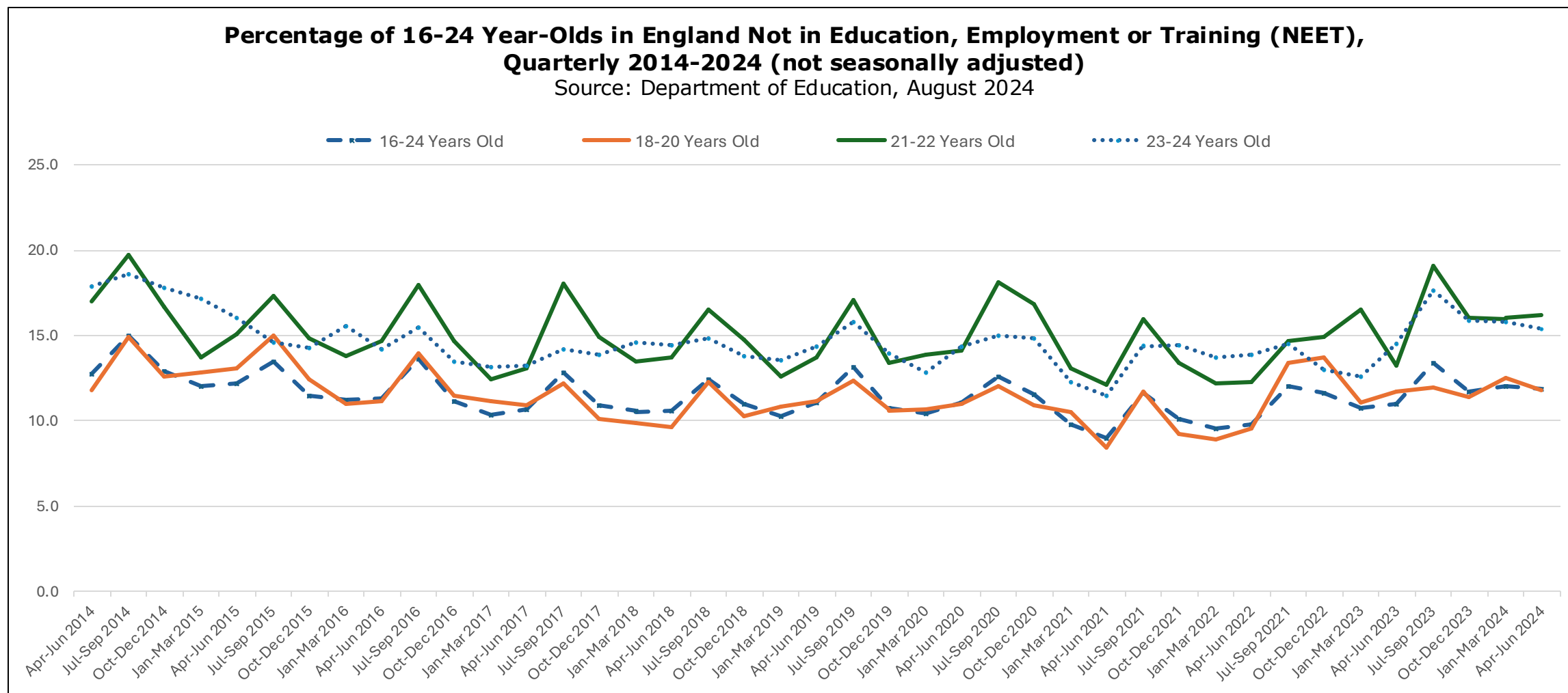
- The Office of National Statistics (ONS) will badge all Labour-based market statistics as Official Statistics in Development for the time-being.
- Fewer responses to the Labour Force Survey (LFS), subsequent volatility of estimates and a reweighting of data from June 2022 means that caution should be advised when interpreting official data with a labour-force component. The ONS also cautions against making comparisons with levels prior to June 2022.

¹ Average of independent forecasters, HM Treasury, *August 2024*

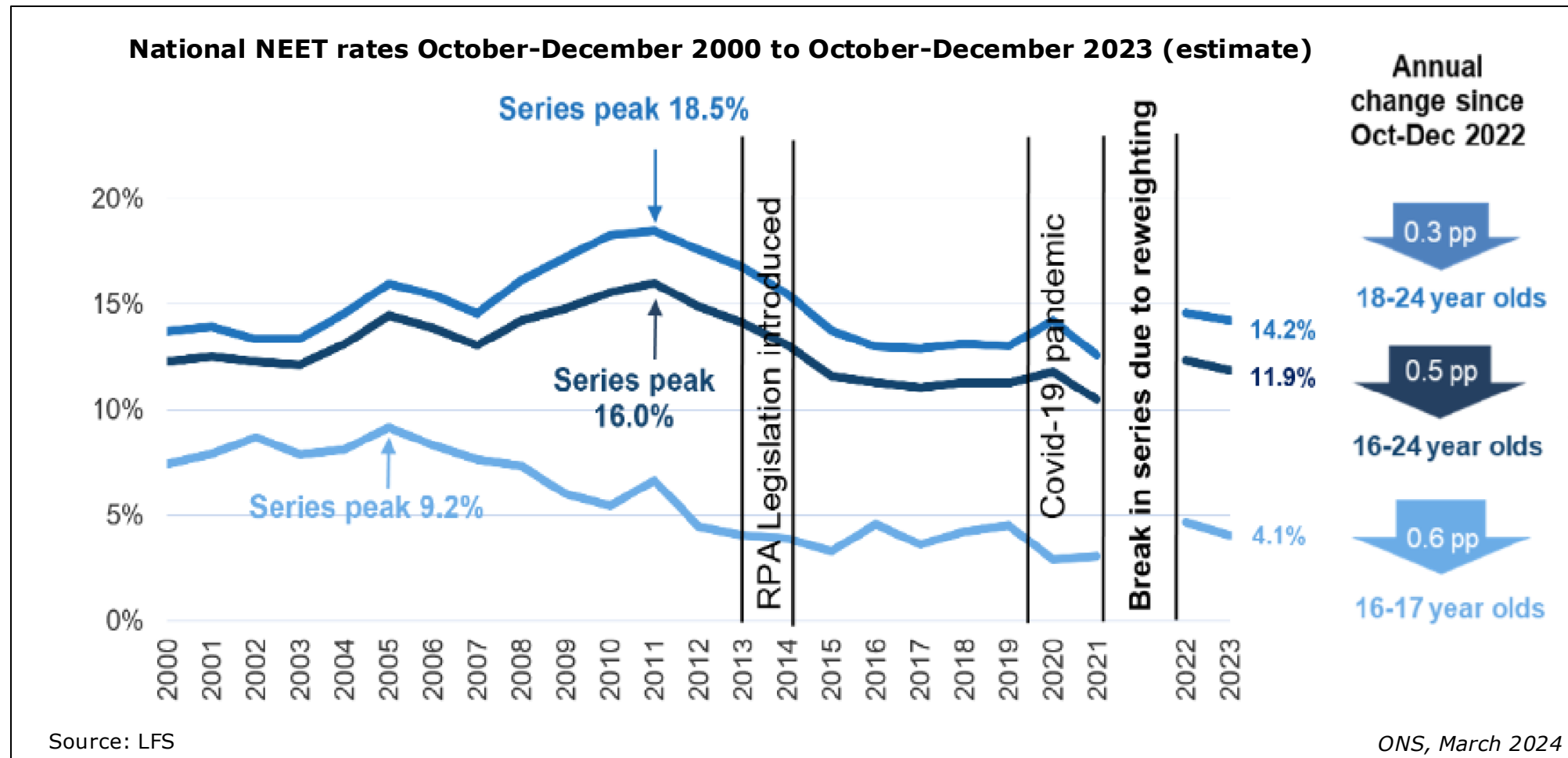
² BCC Quarterly Economic Forecast Q3 2024, *September 2024*



The percentage of young people aged 16-24 years old in England described as 'not in education, employment or training' (NEET) has fluctuated over the last 10 years (even allowing for seasonal peaks and troughs). The NEET levels for 21-22-year-olds and 22-23-year-olds are higher than for younger people as the focus is increasingly on employment outcomes.



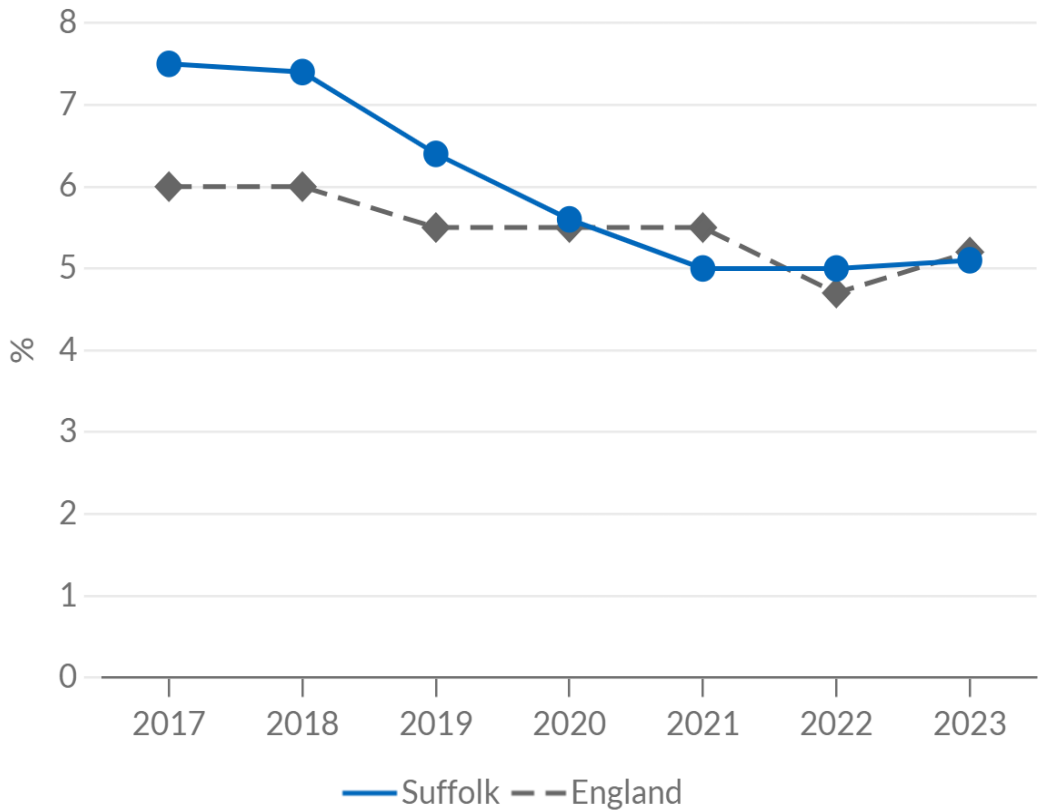
NEET rates for 16–24-year-olds in academic year 2023/24 (October-December 2023 data) suggested a 0.5% fall to 11.9% from 12.3% in 2022/23 with a small improvement for all age groups. However, confidence intervals suggest a rate of up to more than 1% either side of this estimate so few conclusions should be drawn at this stage.



In contrast, data for April-June 2024 (released August 2024) suggests that there were small *increases* in the percentage of 16–17-year-olds not in education, employment or training (NEETS) in Suffolk (0.1%) and nationally (0.5%) The change appears to be heavily driven by an increase in males who were NEET and economically inactive.

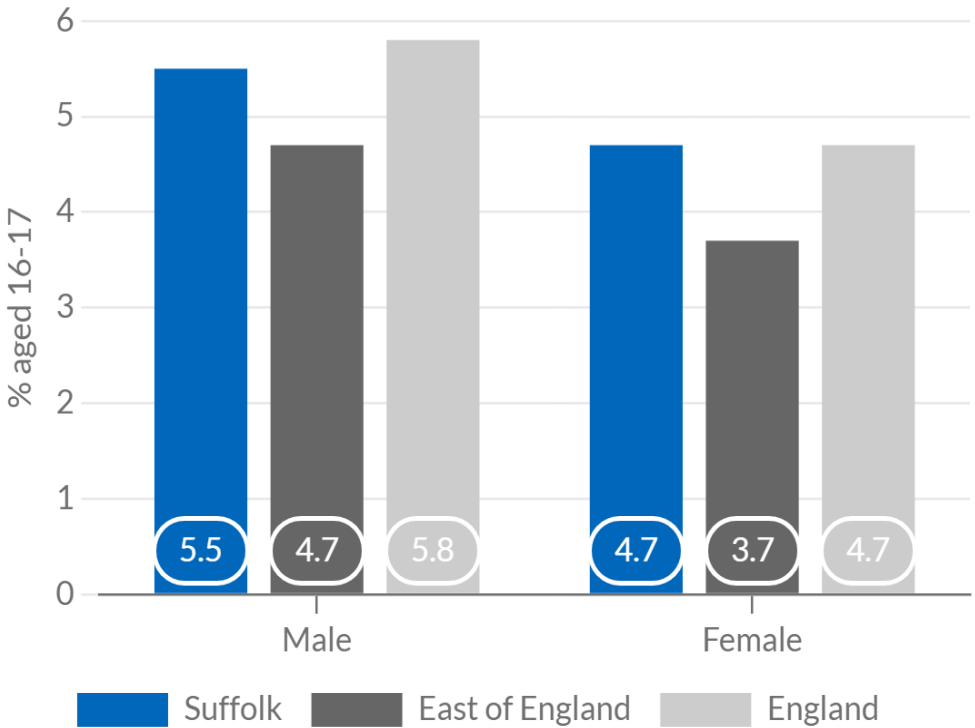
Percentage of 16 and 17 year olds not in education, employment or training (including not known) (academic years based on April-June data)

Source: ONS, LFS



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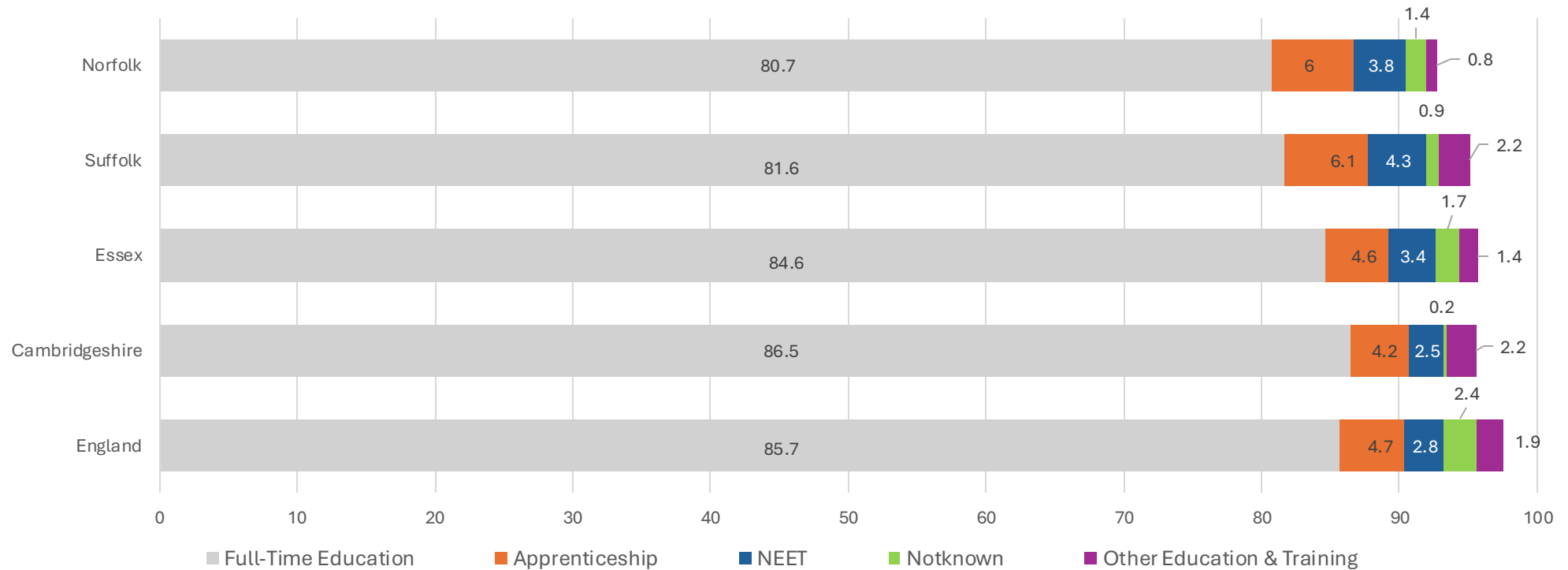
Source: ONS, LFS



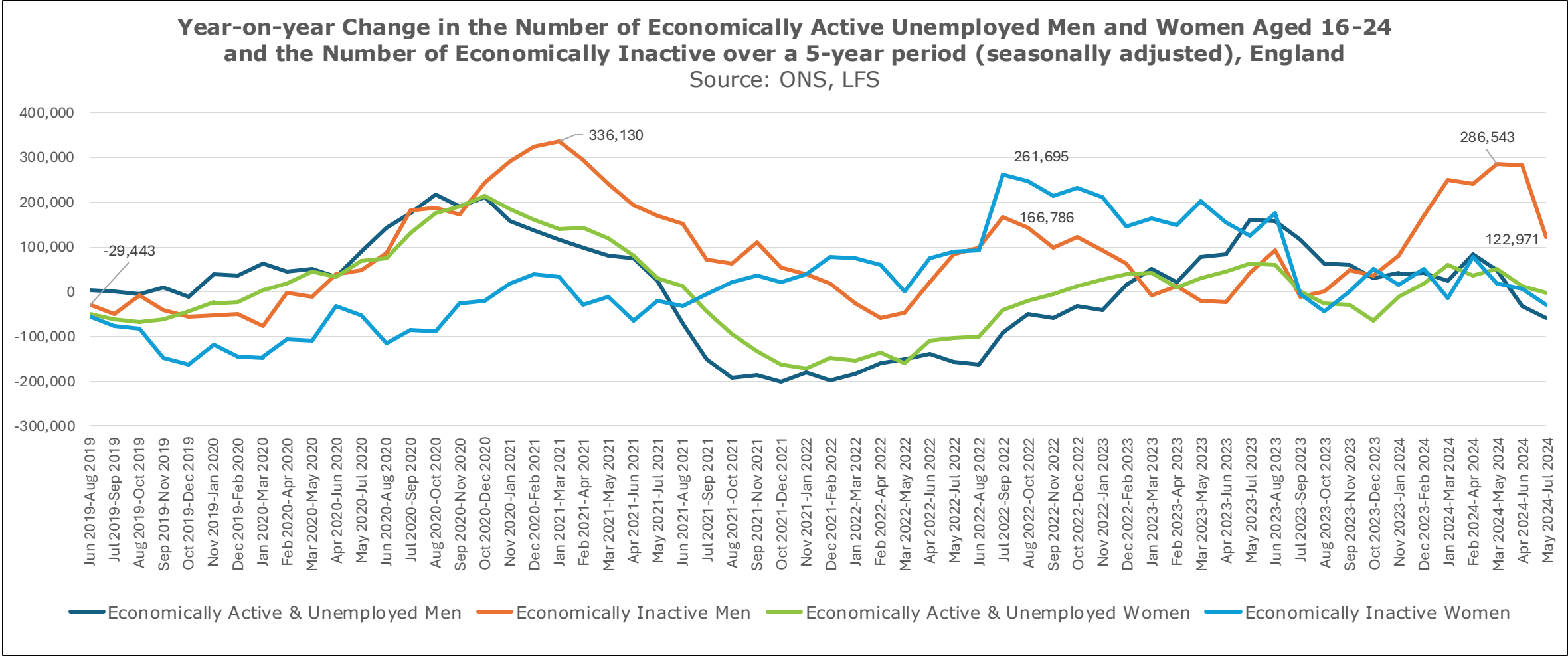
The proportion of 16 and 17-year-olds in full-time education in Suffolk is fewer than in Essex, Cambridgeshire and nationally. Apprenticeships in Suffolk in the first quarter of the 2023/24 academic year were higher than neighbouring counties or nationally but still fail to make up the shortfall.

National and county comparisons of the proportion of 16-17 Year Olds in education, training and apprenticeships as a percentage of the population of 16-17 year-olds in each area, October-December 2023

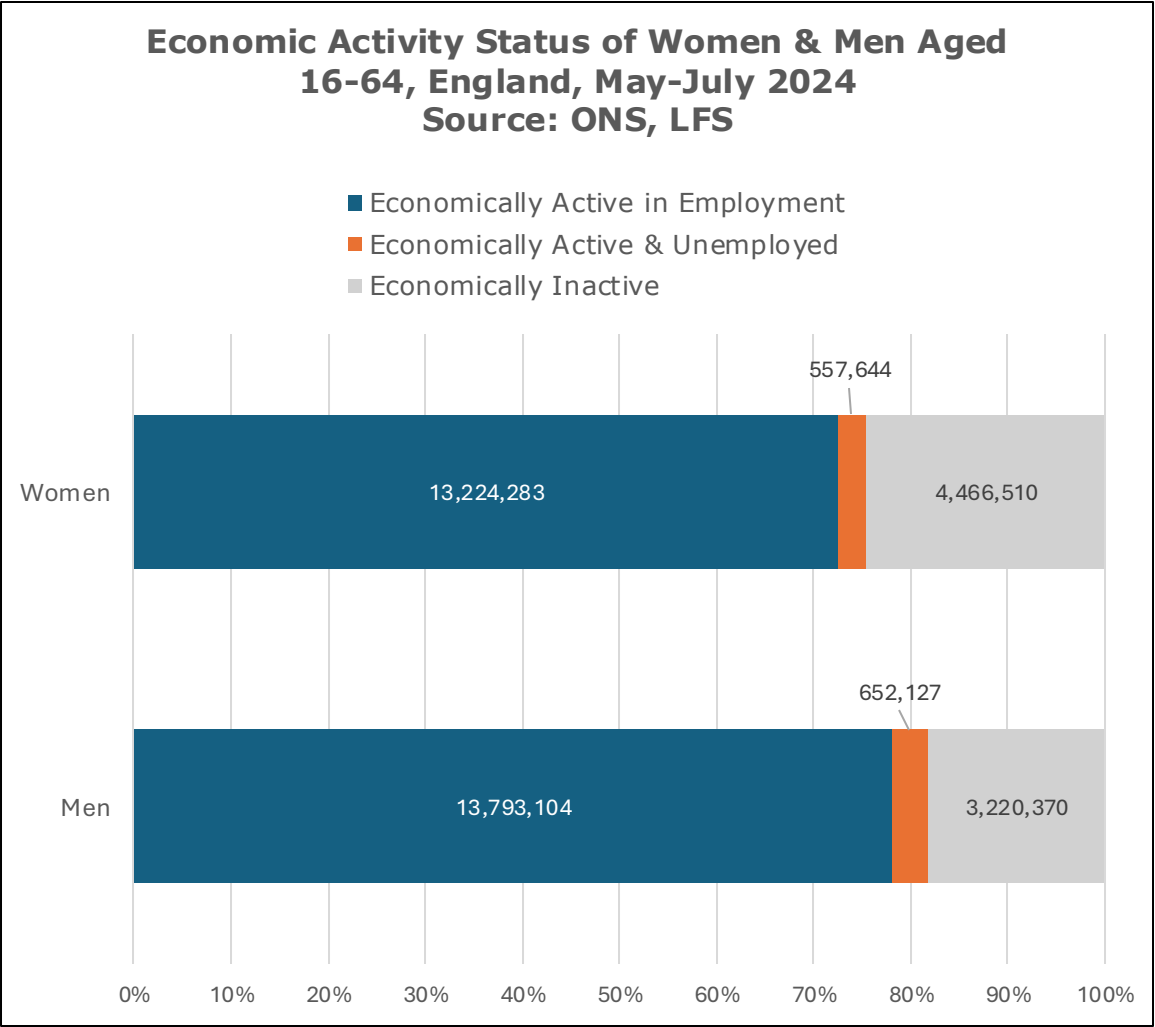
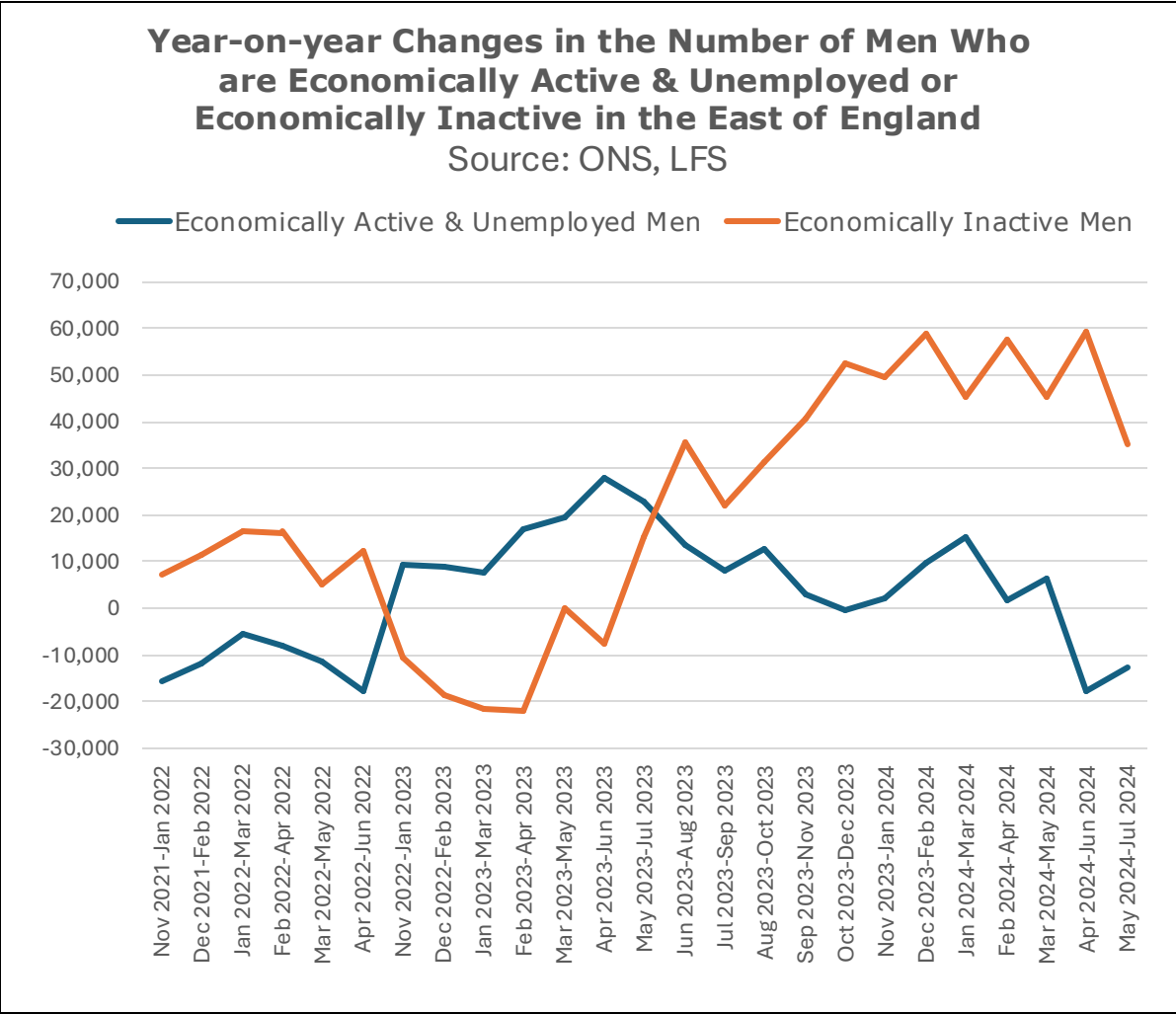
Source: ONS



Caution is advised given the reliability of labour-force figures, but official statistics in development suggest a substantial year-on-year increase in the number of economically inactive men in the first four months of 2024; this rise appears to have slowed in June but remains a significant increase on 2023.



This worrying trend in the number of economically inactive men appears to be similar for the East of England as a region.

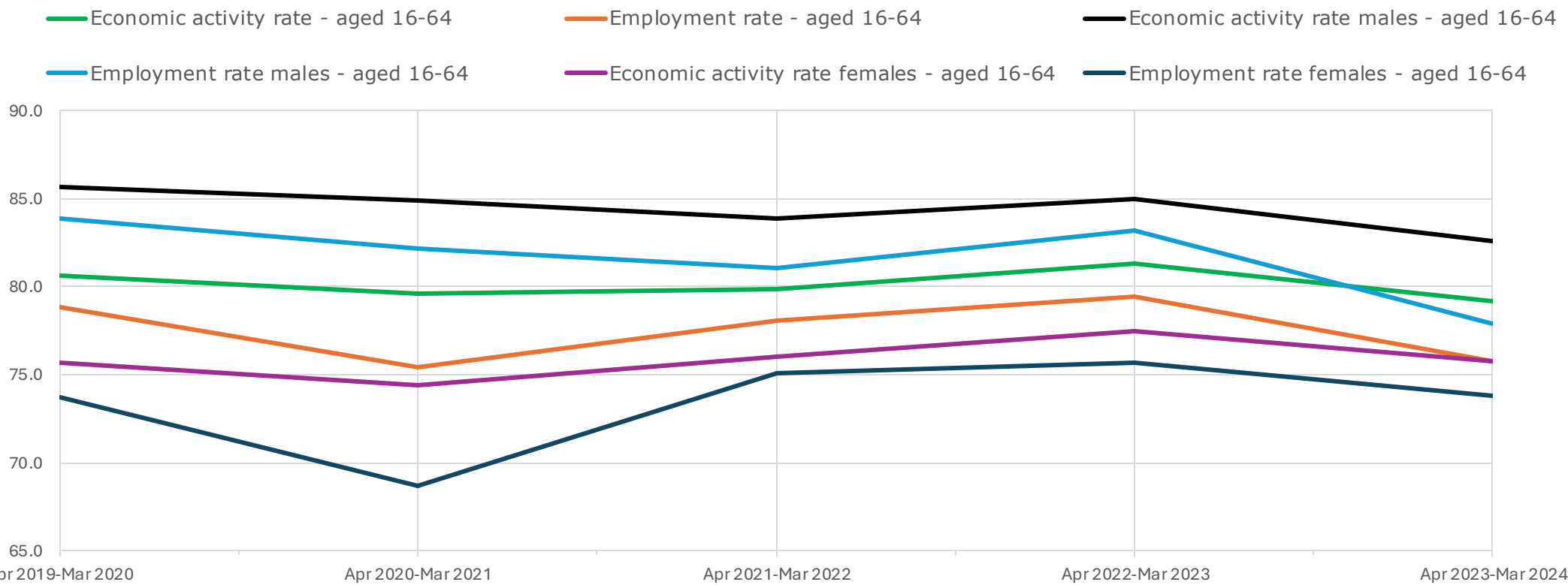


A 2.4% fall in the economic activity rate of men in Suffolk in the year to March 2024 indicates a local reflection of the national downward trend in the first quarter of the year. **Significantly, pressure on household finances is likely to be exacerbated by a 3.6% fall in Suffolk's employment rate (5.3% for men and 1.9% for women) over the same period.**

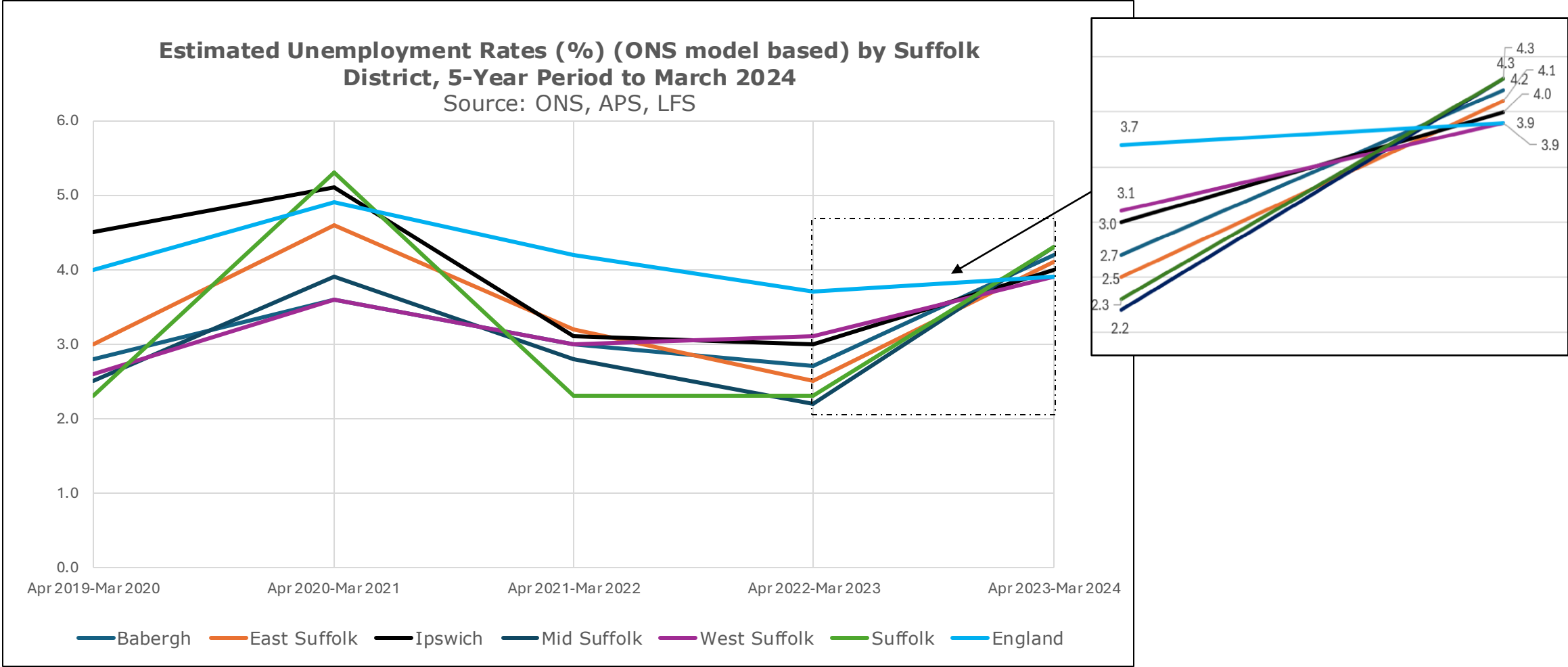
Suffolk Economic Activity & Employment Rates (%) 5-Year Period to March 2024

Source: ONS, APS

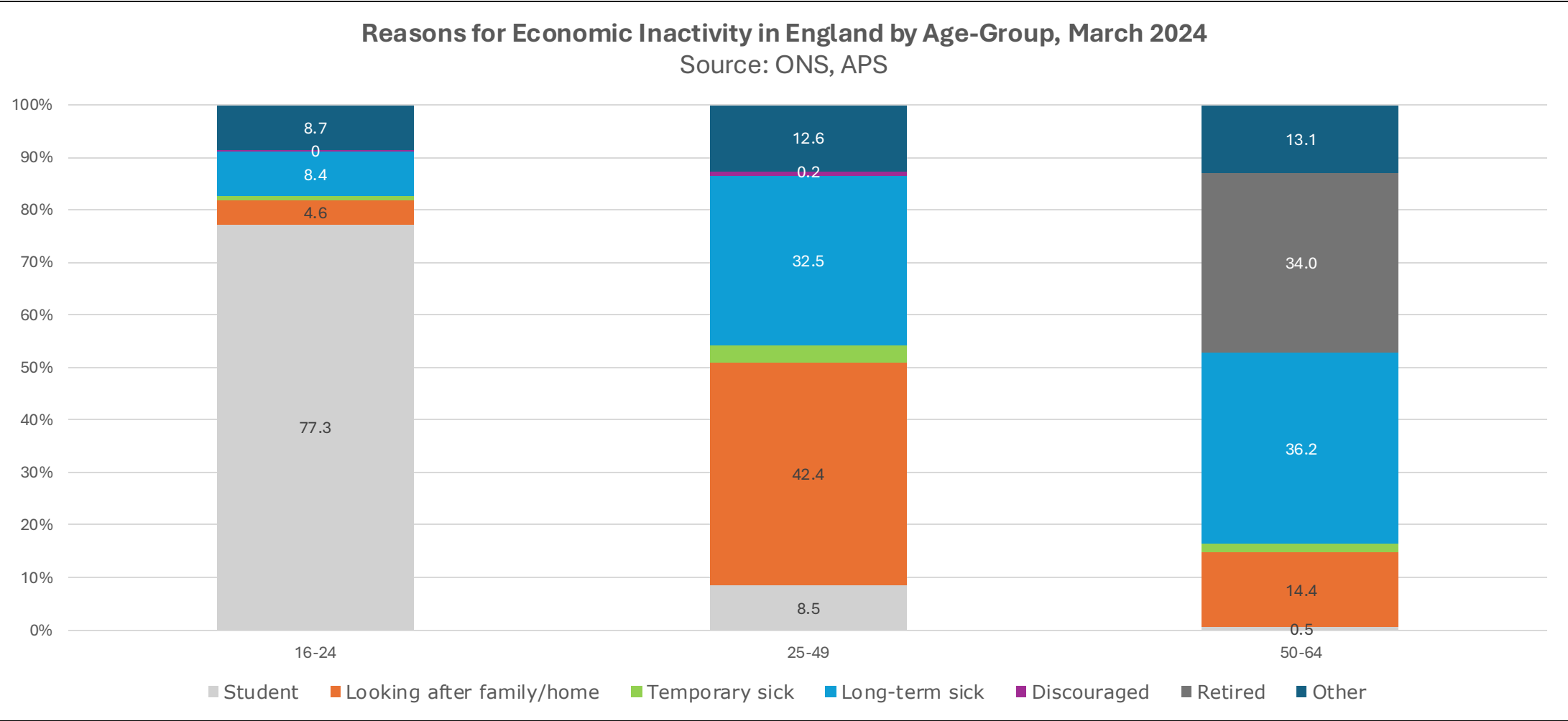
Note: Baseline starts at 65.0 rather than 0.0 in order to better show trends



The unemployment rate in Suffolk was significantly below the national rate in the years to March 2022 (2.3%) and March 2023 (2.3%). In the year to March 2024, however, the Suffolk rate (4.3%) soared, overtaking the national rate (3.9%). All Suffolk districts have been impacted; Mid-Suffolk was the most effected (rise of 2.1% to 4.3%) and West Suffolk least effected (rise of 0.8% to 3.9%).



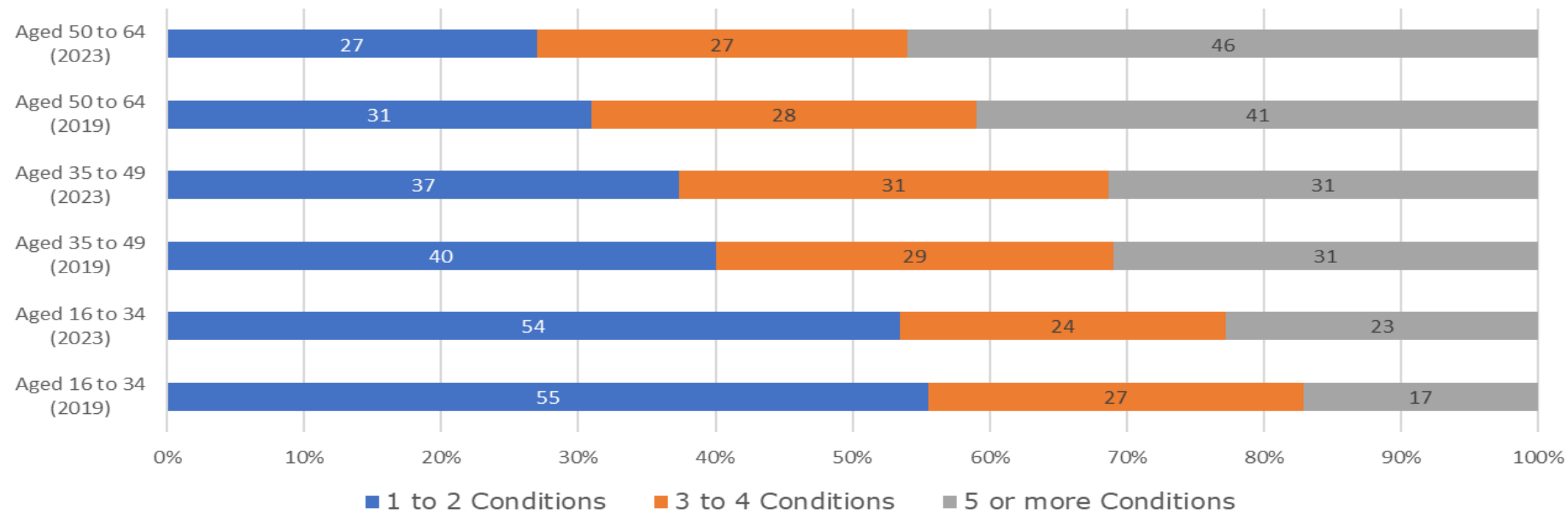
Being a student is, understandably, the key reason (77.3%) for 18-24 year olds to be economically inactive. In the 25-49 age group 'looking after family/home' and being long-term sick account for a combined 75% of inactivity. The proportion of long-term sick in the 50-64 age group is even more heavily represented (36.2%) while retirement is the secondary reason (34%).



The proportion of people aged 16-34 who are economically inactive with long-term sickness and reporting one or two health conditions has remained relatively stable between 2019 and 2023. However, the 16-34 and 50-64 age groups have seen an increase of 6% and 5% respectively in the reporting of five or more conditions.

Proportions Reporting Numbers of Health Conditions by Age Group for People Economically Inactive Because of Long-term Sickness, 2019 and 2023 (January-March)

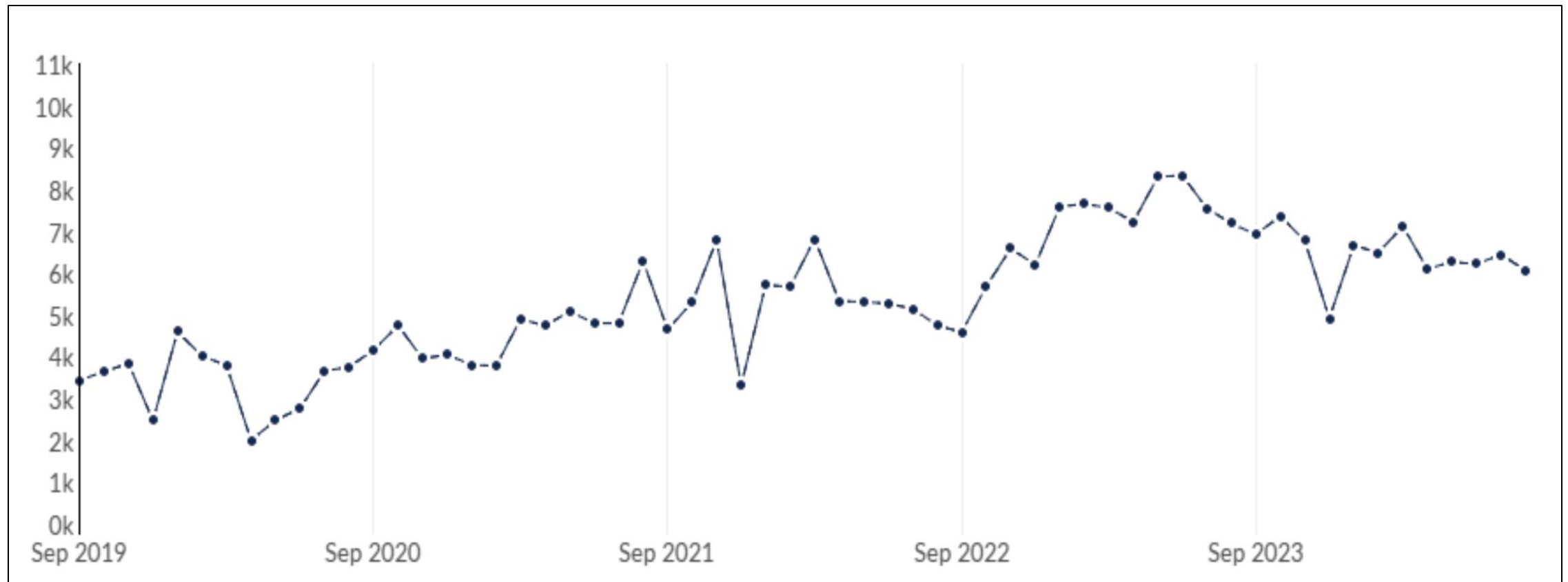
Source: ONS, LFS



Job postings in Suffolk have fallen in 2024 when compared with the same periods last year. However, they remain higher than any sustained period prior to April 2022.

Total Number of Unique Job Postings in Suffolk, September 2019-August 2024

Source: Lightcast



**Top 15 Job Titles by Number of Job Postings
(Total & Unique) in Suffolk over the last 3 years**

Source: Lightcast

Job Title	Total/Unique (Sep 2021 - Aug 2024)
Support Workers	17,466 / 5,376
Care Assistants	10,183 / 3,065
Cleaners	5,355 / 2,304
Warehouse Operatives	5,037 / 1,890
Production Operatives	4,086 / 1,526
Health Care Assistants	5,054 / 1,493
Administrators	3,187 / 1,421
Teaching Assistants	2,207 / 1,310
Delivery Drivers	2,783 / 1,200
Registered Nurses	4,274 / 1,113
Forklift Drivers	3,815 / 971
HGV Class 1 Drivers	1,823 / 911
Customer Service Advisors	2,224 / 893
Labourers	1,841 / 845
Team Leads	2,095 / 831

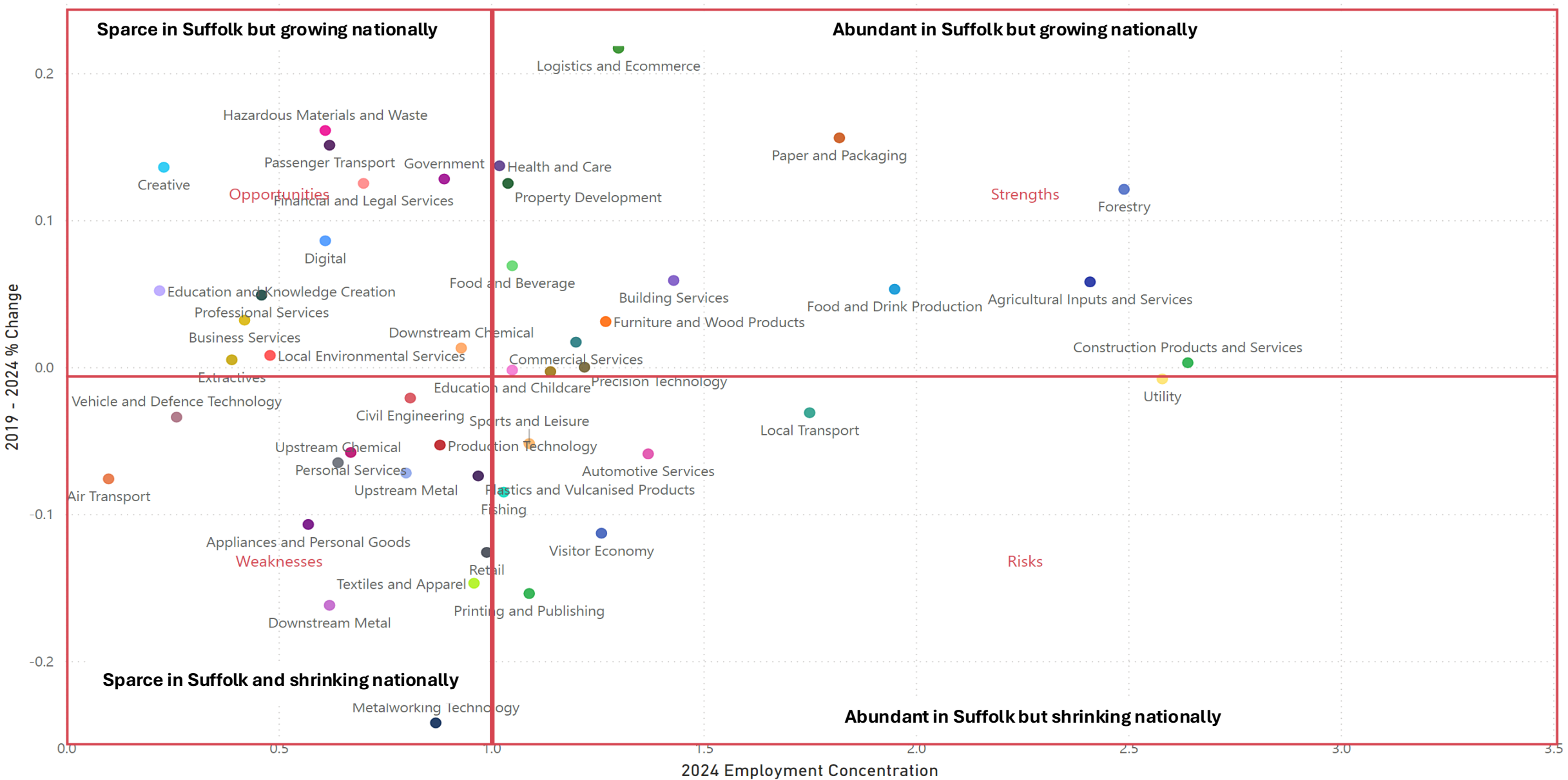
**Top 15 Job Suffolk Towns by Number of Job
Postings (Total & Unique) over the last 3 years**

Source: Lightcast

City	Total/Unique (Sep 2021 - Aug 2024)
Ipswich, Suffolk	216,344 / 88,028
Bury St Edmunds, Suffolk	94,704 / 39,103
Lowestoft, Suffolk	36,887 / 15,537
Newmarket, Suffolk	32,907 / 15,135
Haverhill, Suffolk	19,099 / 9,265
Stowmarket, Suffolk	21,981 / 8,914
Sudbury, Suffolk	17,874 / 8,788
Woodbridge, Suffolk	19,052 / 7,821
Felixstowe, Suffolk	17,979 / 7,710
Eye, Suffolk	12,392 / 4,378
Mildenhall, Suffolk	7,208 / 3,635
Beccles, Suffolk	7,230 / 3,269
Leiston, Suffolk	4,827 / 2,470
Saxmundham, Suffolk	4,077 / 2,005
Halesworth, Suffolk	4,266 / 1,918



Suffolk Industry Strengths and Weaknesses



Source: Lightcast



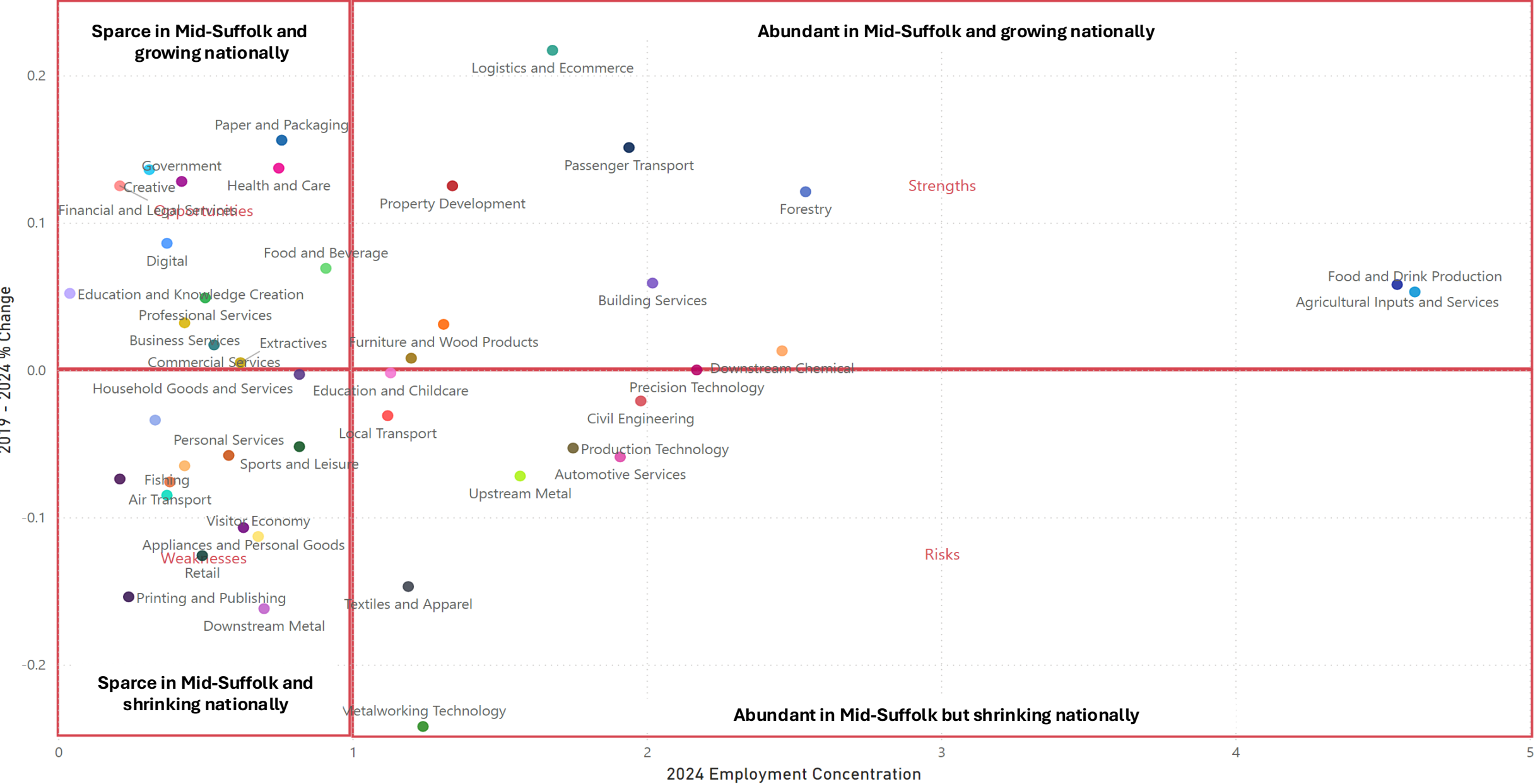
Babergh Industry Strengths and Weaknesses



Source: Lightcast



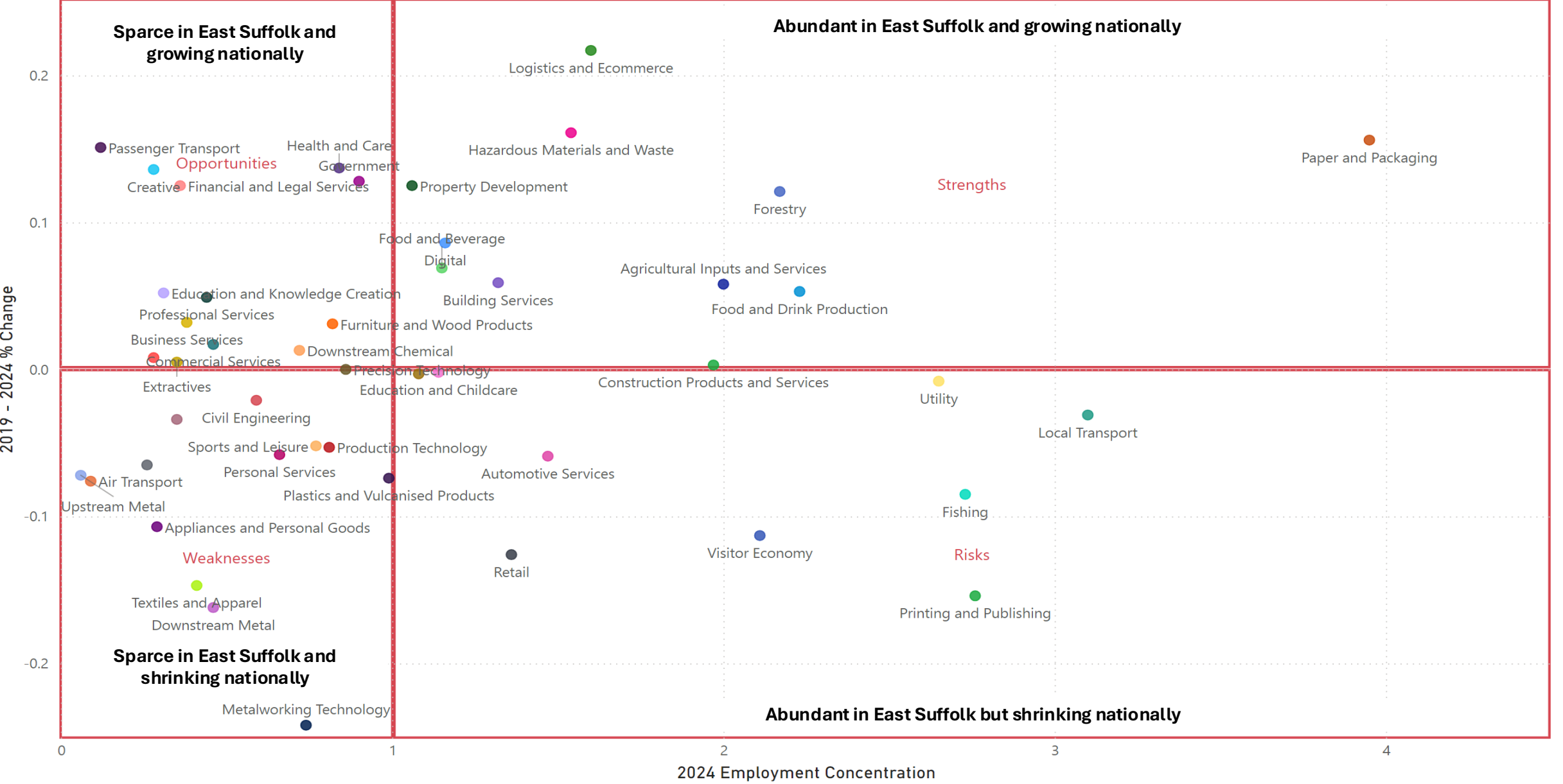
Mid-Suffolk Industry Strengths and Weaknesses



Source: Lightcast



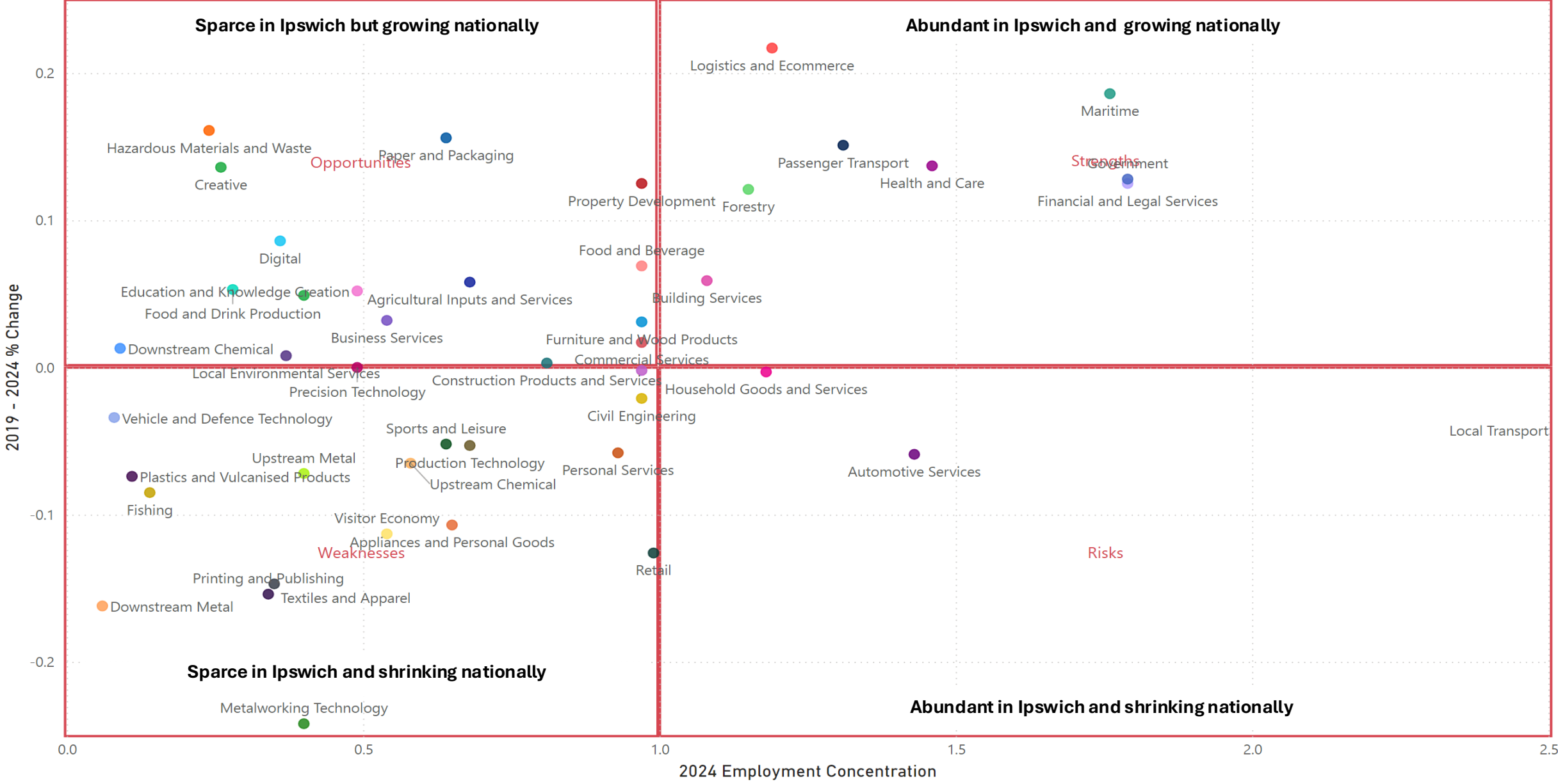
East Suffolk Industry Strengths and Weaknesses



Source: Lightcast



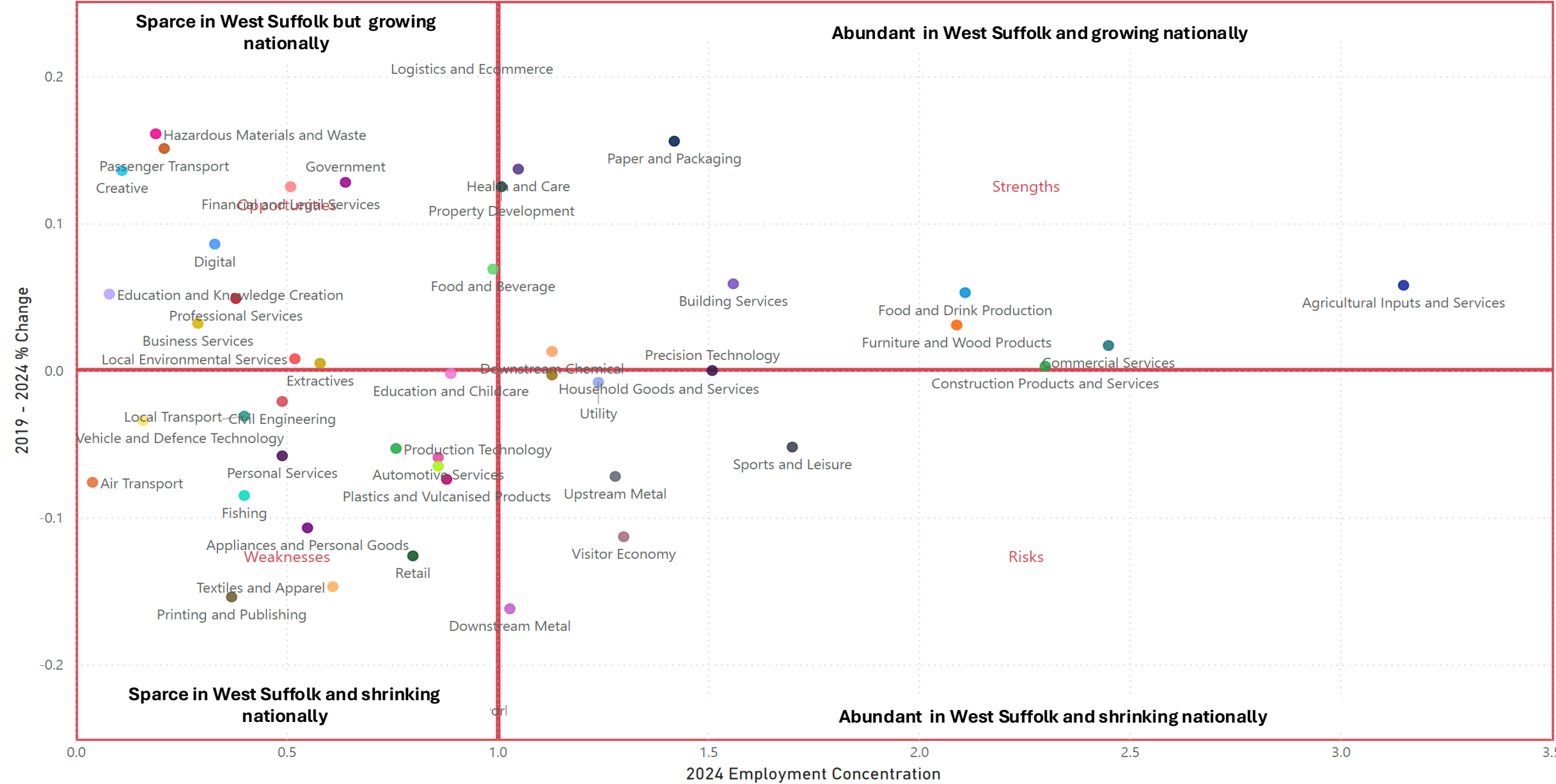
Ipswich Industry Strengths and Weaknesses



Source: Lightcast



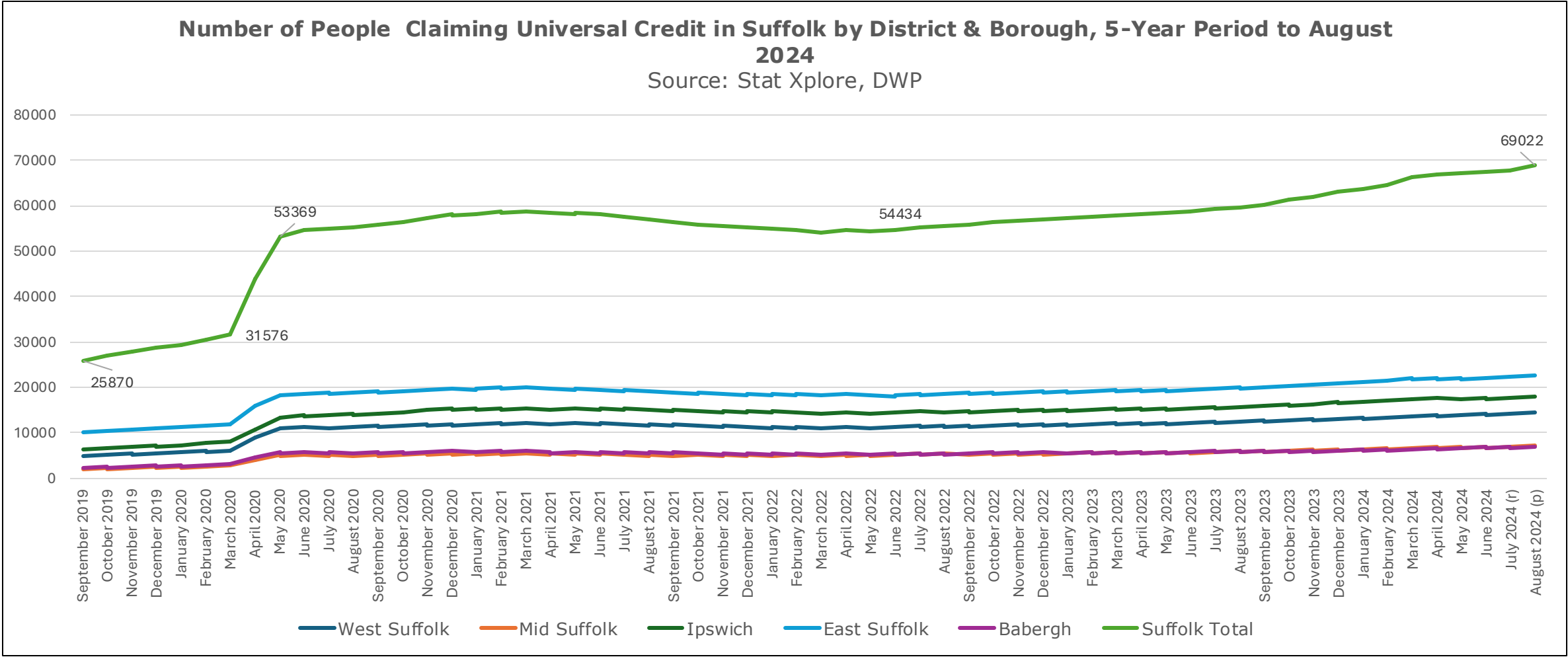
West Suffolk Industry Strengths and Weaknesses



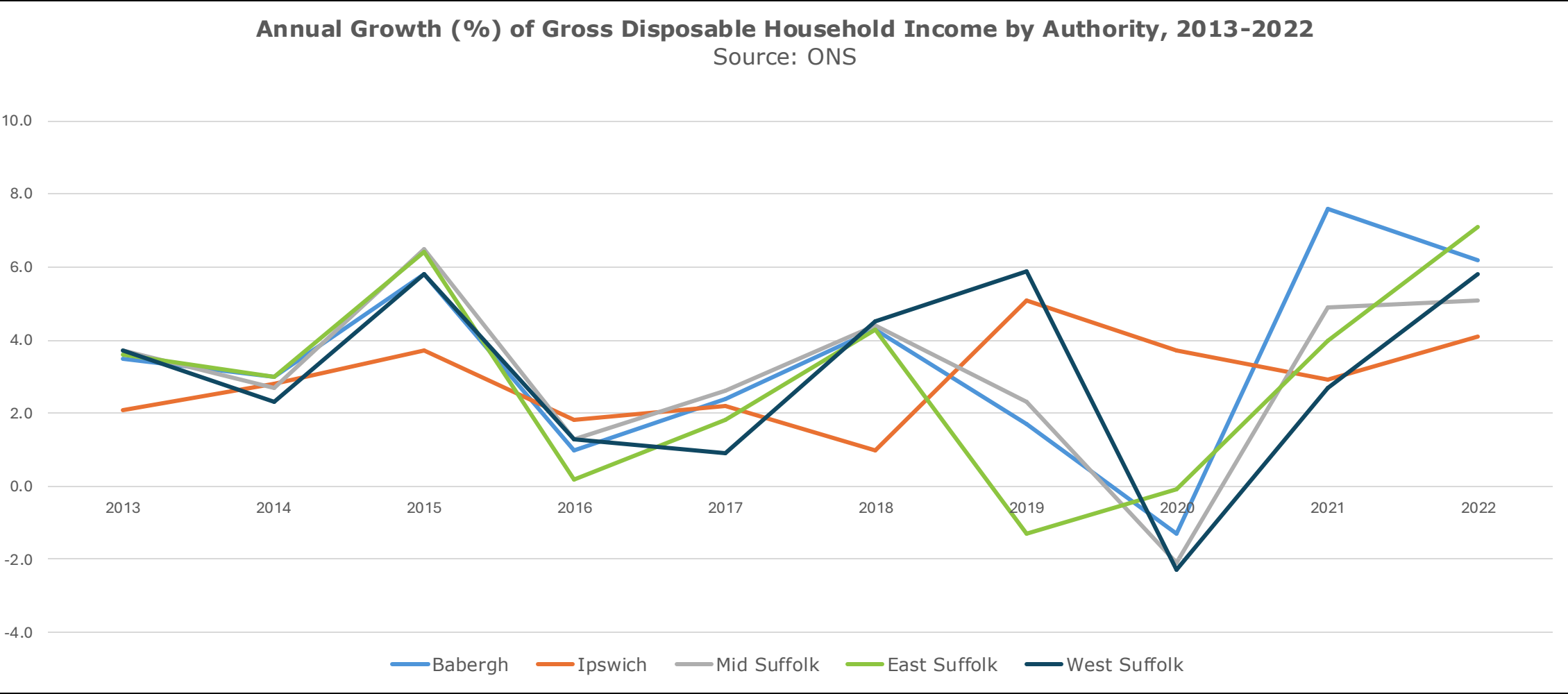
Source: Lightcast



The number of Universal Credit claimants in Suffolk has been on an upward trajectory since May 2022, impacted by both the change from legacy payments and, more recently, higher unemployment. The relative position of Suffolk districts and borough have remained stable, however, with East Suffolk continuing to have the highest number of claimants.



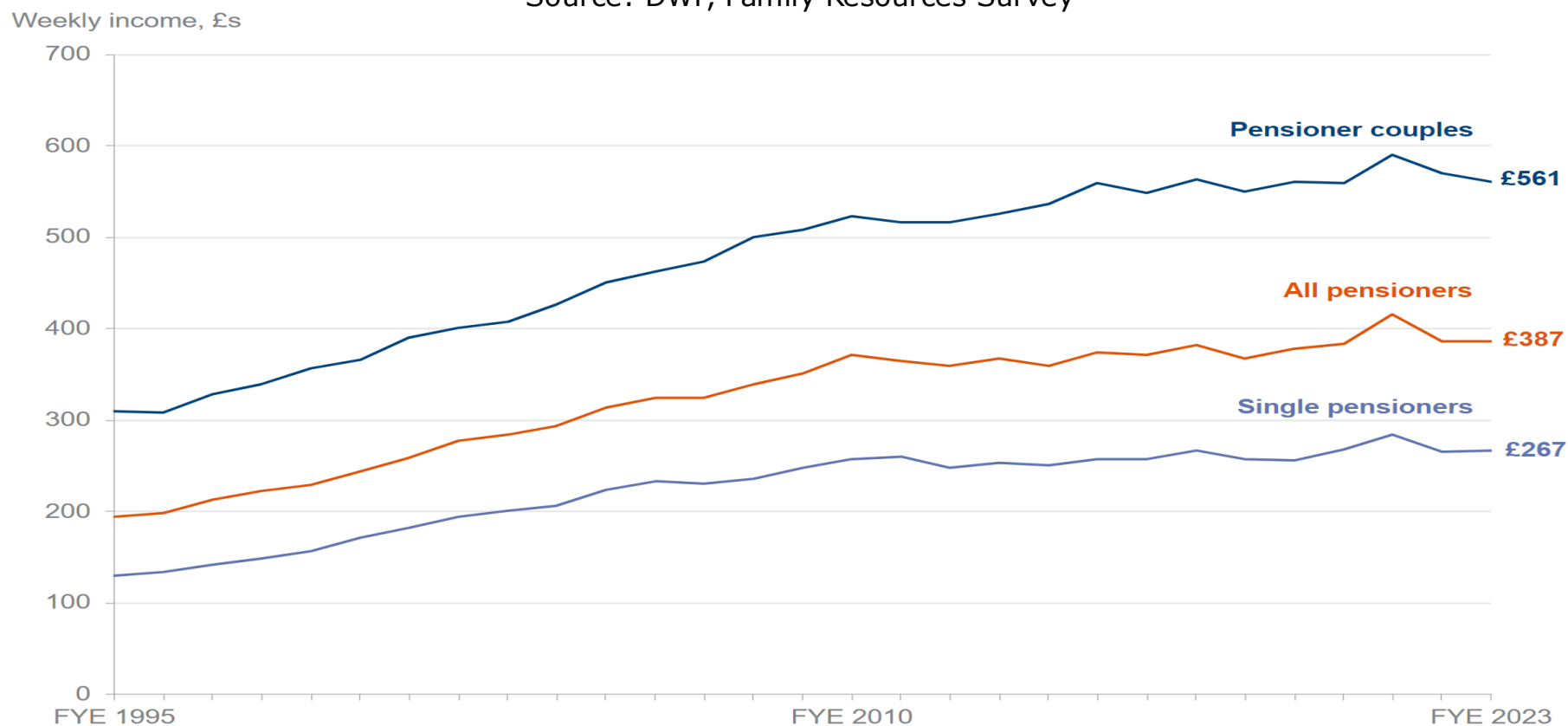
Gross Disposable Household Income (GDHI) has had considerable peaks and troughs over the last 10 years. The rise in GDHI in most Suffolk authorities since 2020 was largely driven by increased wages and higher benefit income (including mean-tested fuel payments of up to £300 in 2022/23) despite higher spending on property (mortgages and rents).



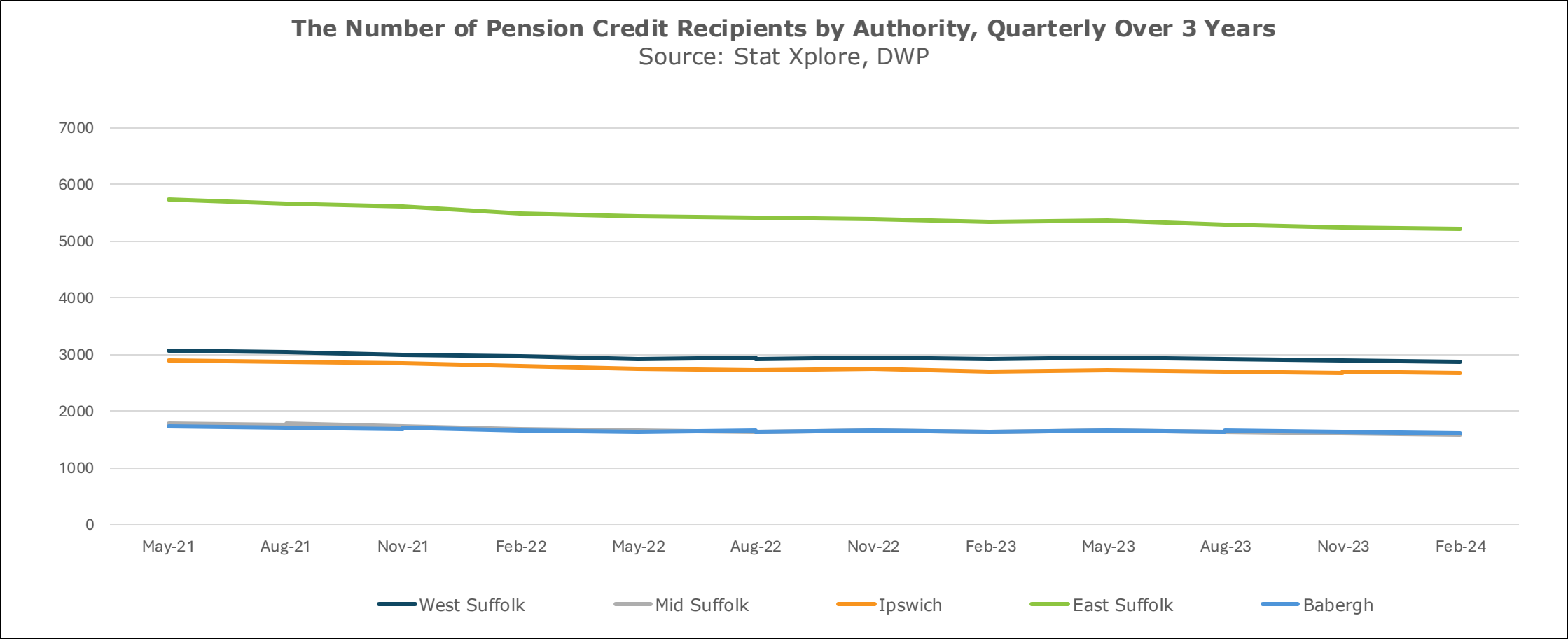
The incomes of pensioners nationally have increased since 1995 with fewer pensioners claiming benefits. However, there is a substantial difference in circumstance between pensioners, especially couples, with full state and/or private pensions with no mortgage or rent payments and those single pensioners not in receipt of the full state pension and paying rent.

Average weekly income of pensioners (AHC) by family type in FYE 2023 prices (£)

Source: DWP, Family Resources Survey



Pensioners will be impacted by recent government announcements to end the means-tested fuel payments of up to £300 paid in 2023/23 and 2023/24 and, from July 2024, to limit the annual winter fuel payments to pensioners of pension age in receipt of pension credit or means-tested benefits. Pensioners should be encouraged to check their eligibility for pension credits and/or means-tested benefits.





To discuss this Update or to see how SODA could help with your project, please don't hesitate to contact the team at soda@suffolk.gov.uk

SODA also manages the Suffolk Observatory: [Suffolk Observatory – Welcome to the Suffolk Observatory](#)