



Rural Economies Recession Intelligence

March 2009

Briefing note from CRC to Hilary Benn

Summary and Key Proposals for Action

Since we last focused on housing in December we have seen:

- A continued fall in rural house prices, sales and demand for land with housing potential
- Despite this, rural affordability remains a greater problem than urban and this is exacerbated by credit limitations and increased deposit requirements
- Lack of affordable housing options for the increasing number of rural residents made homeless
- Rural repossessions rising at nearly double the rate for England as a whole during 2007 and 2008.

Many housing associations and other providers are unable to take full advantage of falling prices, unable to secure bank funding, particularly for development of shared ownership property. Developers appear reluctant to undertake housing schemes in rural areas, due to higher capital costs and difficulty in securing planning permission.

We recommend that government, through its own actions or through the Homes and Communities Agency:

- Takes urgent steps to build the capacity of local authorities and rural housing associations to increase production of rural affordable housing, particularly social rented housing
- Ring fences part of National Clearing House funding and extends the use of capital funding to purchase appropriate individual properties for sale on the open market
- Provides a formal 'buy back' guarantee for low-cost home ownership schemes in rural areas, initially in settlements of less than 3,000 population, with a modified equity stake on resale, to improve the prospects of securing bank loans or mortgages for developers and communities
- Offers funding to support housing associations to purchase rural sites for early development or for future land banks, or where appropriate to purchase completed developments.

A substantial extension of government commitment to provide affordable housing in rural communities is needed. This should build on the endorsement of the measures advocated by Matthew Taylor MP's report to the Prime Minister and ensure that this translates into effective action.

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The State of the Rural Housing Market

1. Since our last report focusing on housing in December, declining sales and prices and fewer completions have continued and deepened. This month's report draws on a more substantial base of statistical analysis, submissions from rural housing organisations and practitioners and considers measures recently introduced by government to ease the effects of recession on occupiers and developers.

Transactions

2. The most notable trend in the rural housing market, as in the national market, has been the collapse of the volume of transactions (figure 1). From the recent high of 21,598 transactions across all rural areas in August 2007, this shrank to about a quarter at 5721 in December 2008 – comparable in severity to urban areas.

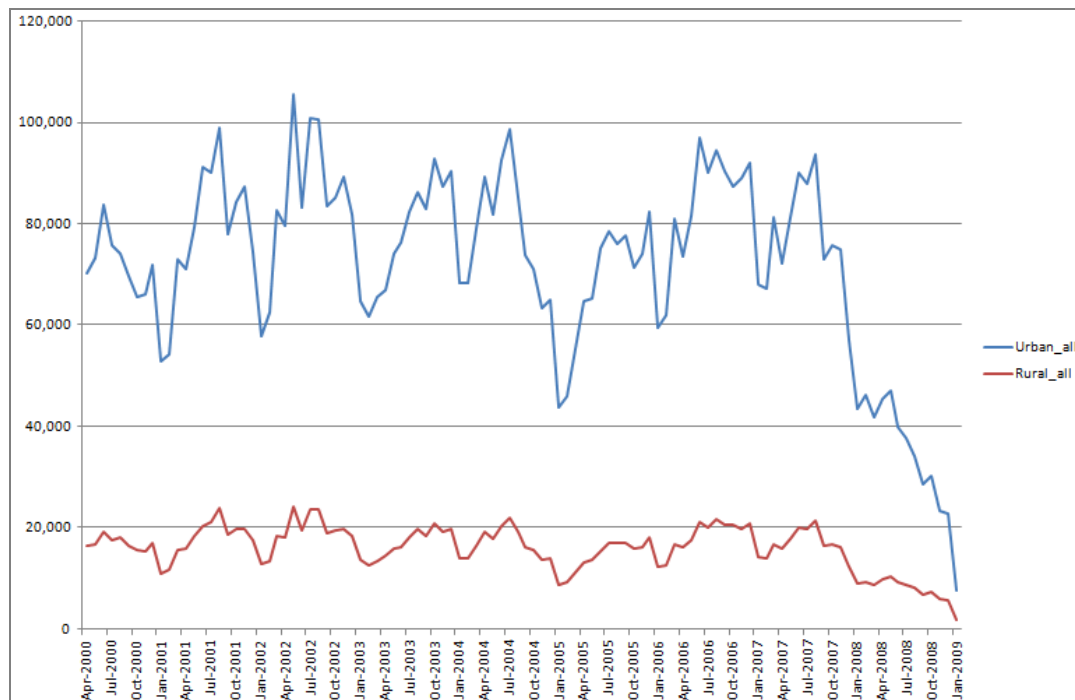


Figure 1: HM Land Registry - rural and urban transaction volumes Apr 2000 - Jan 2009

3. The decline in transactions has affected all parts of the rural housing market, most dramatically the middle and higher price bands. It has also heightened the long term decline in transactions in the lower house bands (figure 2) with sales in properties below £100,000 falling to 10% of total rural transactions in December 2008, at just 572 sales. The lowest price property band is considerably smaller in rural areas (10%) than in urban areas (20%).

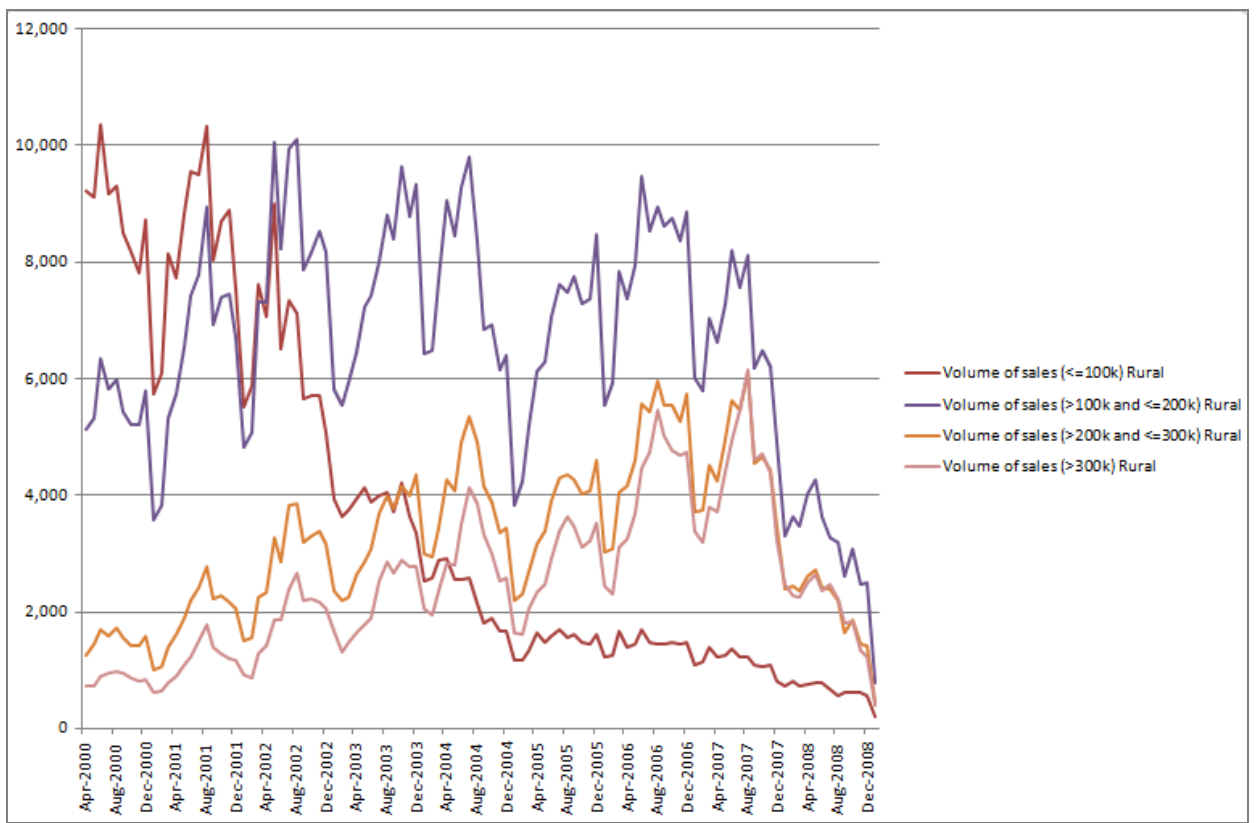


Figure 2: HM Land Registry - rural transaction volumes by price band Apr 2000 - Jan 2009

House prices

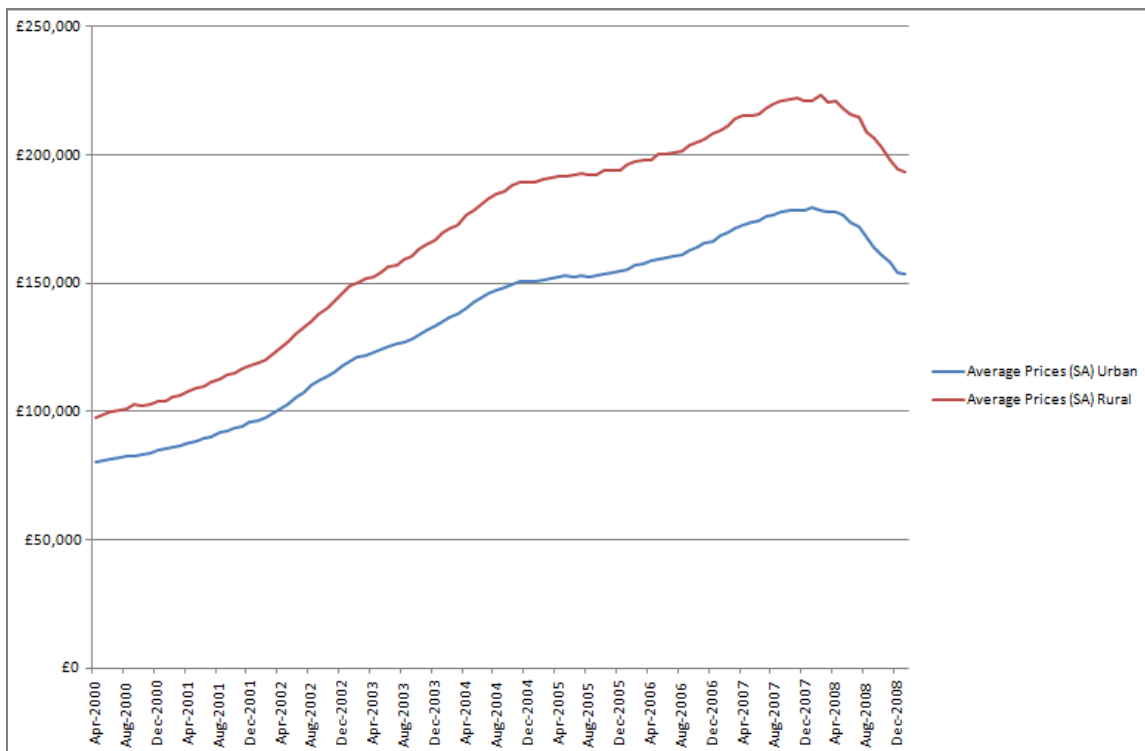


Figure 3. HM Land Registry - Rural and urban average house prices April 2000 – January 2009

4. In January 2009 the Land Registry average house price in rural areas had fallen by 12.5% from the same time the previous year (compared with 14.5% in urban areas). This leaves the average rural house price at £193,468 – over £40,000 more expensive than the average urban house and the gap is growing. However, these figures disguise some important differences across rural areas.

Rural Housing Affordability

5. Current market conditions are exacerbating the problems of lower income households in finding a home they can afford.
6. Despite falling house prices, the ratio of average house price to average household¹ income in rural areas only improved by 0.1 points between December 2007 and December 2008. Across all rural areas, the average household would need more than 7 times its income to purchase an average-priced house – compared with 6.3 times household income in an urban area. Price-to-income ratios remain particularly stretched in hamlets and villages in both sparse and less sparse areas. **In sparse hamlets and isolated dwellings the average price to income ratio is currently 9.8.**

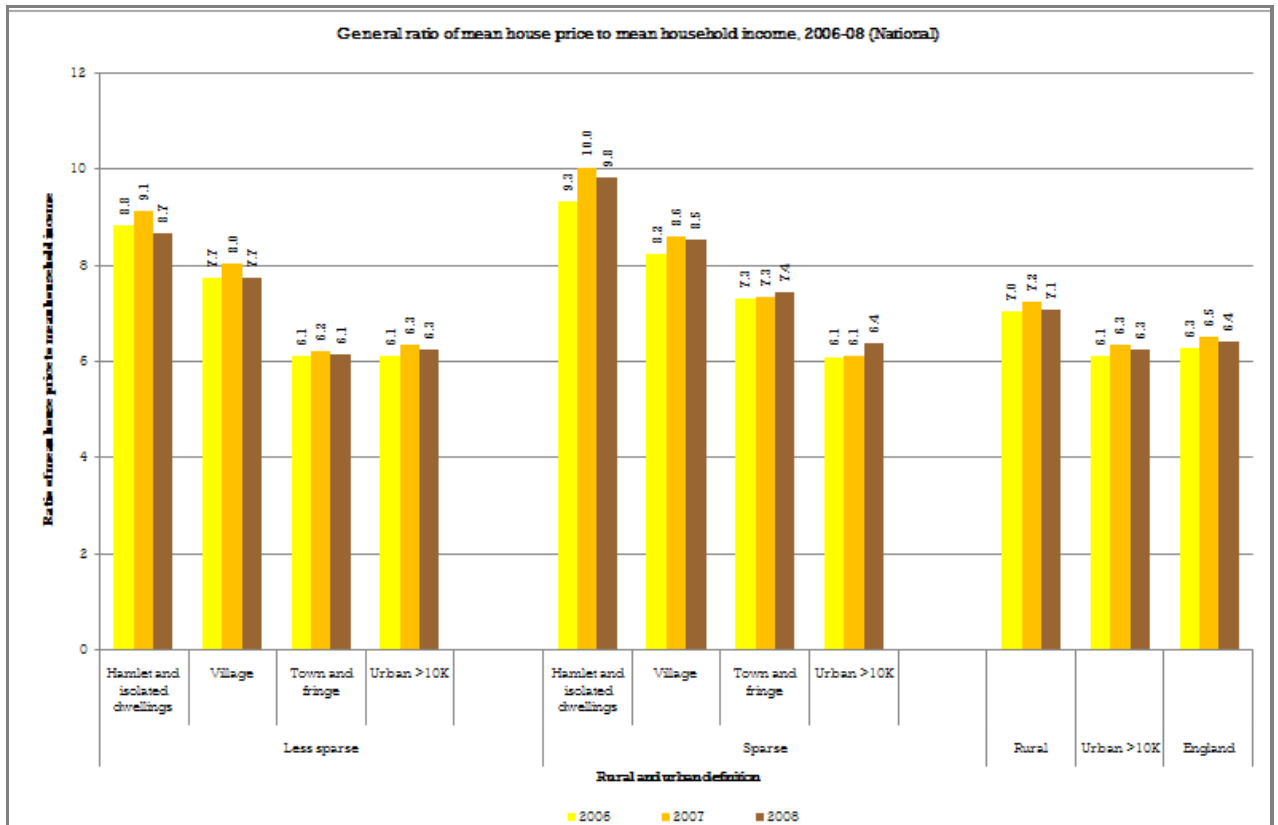


Figure 4. General ratio of mean house price to mean household income 2006 - 2008

Source: HM Land Registry with CACI Paycheck 2006/07/08

7. Affordability is dependent on the availability of very high loan-to-value lending. According to the Council for Mortgage Lenders the past year has seen a significant falls in the number of mortgages lent, their total value, and in their average loan to income multiple; and a substantial increase in deposit requirements¹. The average deposit requirements for first-time buyers in January 2009 was 24% of total loan value. This pushes even the lowest-priced properties out of reach.
8. Credit tightening creates a gulf between the cash-rich and those dependent on mortgage finance to fund homeownership. In rural, particularly sparse, areas cash buyers are a more significant part of the housing market.² We received submissions that the few sales taking place were mostly external buyers with significant financial resources moving into rural areas – despite marked increases in interest showing up in housing registers and housing need surveys [Rural housing enablers – Bedfordshire, Kent and Surrey].

¹ Unequalised household income

² See CRC's State of the Countryside Update – Cash Purchases of Housing Stock

Housing Distress

9. At its most extreme the impact of the recession is seen in a rise in homelessness. New Ministry of Justice figures obtained by CRC for this report show that rural repossessions have risen at a much steeper rate than in England as a whole during 2007 and 2008. Between the first quarter of 2007 and the third quarter of 2008, repossessions increased by 39% in rural areas (from 2,362 to 3,292), compared with 21% in urban (figure 5).

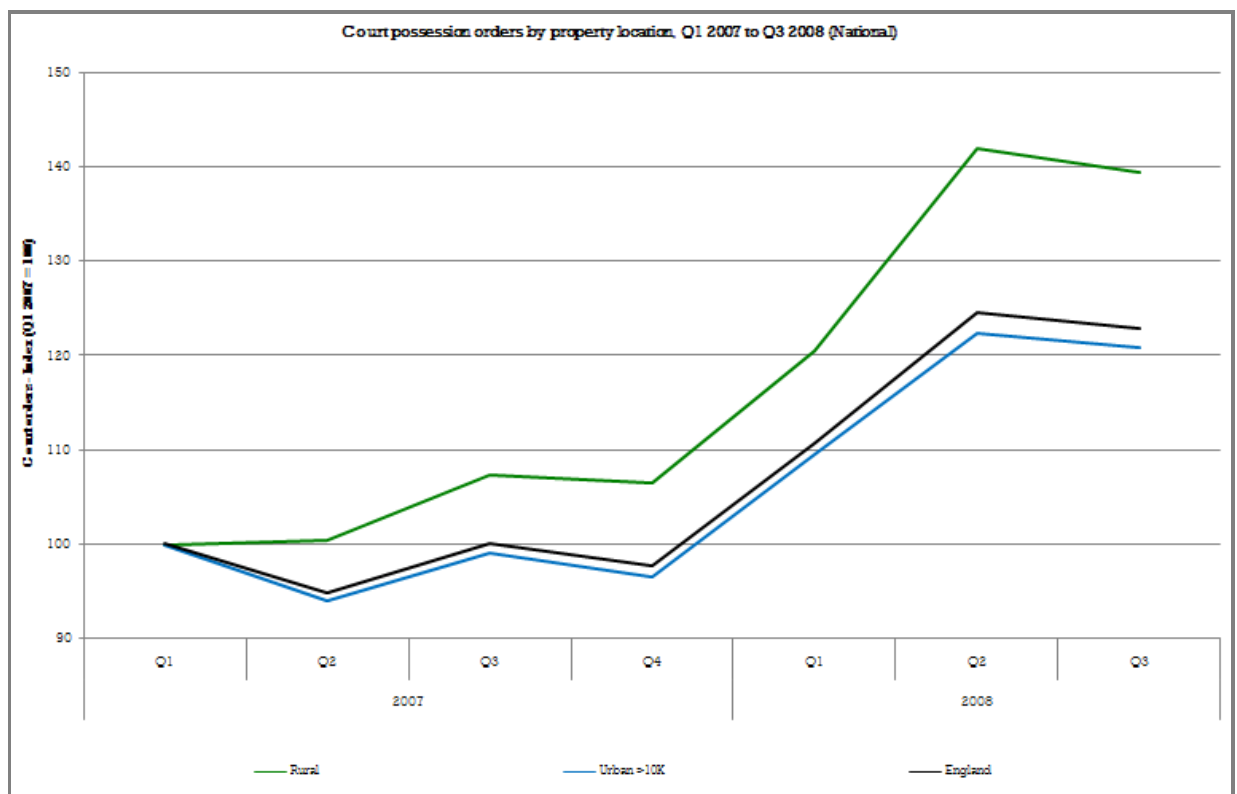


Figure 5. Quarterly Rural and Urban Repossession Data Q1 2007 – Q3 2008

Source: Ministry of Justice, Possession Claim On Line Data 2009ⁱⁱ

10. In addition, Communities and Local Government data from December 2008 show that registration of people 'unintentionally homeless' as a result of repossession had risen in rural areas to 5.1% compared with 4% in urban areas. We have also heard evidence of marked increases in the number of people making homelessness applications, often arising from housing-related debt [Northumberland, Sussex, Alnwick, Surrey, West Dorset district councils and rural housing enablers], increases in those in registered housing need and increases in people on housing waiting lists and on housing benefit [local authorities and rural housing enablers – Bedfordshire, Sussex, Kent, Lincolnshire and English Rural Housing Association,].
11. An increase in customers needing support to enter the private rented sector is another recession-related housing stress. West Dorset reported a 45% increase in demand for the Rent in Advance scheme – at a time when the size of the private-rented sector is growing as owners delay selling until the market picks up.

Impact on Housing Provision

- **Market housing, Developers and Builders**

12. Substantial anecdotal and business evidenceⁱⁱⁱ suggests a significant contraction in development activity across the country – including in rural areas .

Submissions regularly cited developers and builders either slowing down or mothballing existing sites [Bedfordshire, Berkshire, Northumberland rural housing enablers and Waverley Borough Council], failing to start new sites or halting work altogether with “very few [private development] starts on rural sites” and “no new work” [Leicestershire, West Dorset, Braintree, Bedford, Charlbury and Finstock district councils and local authorities, Gloucestershire and Kent rural housing enablers and Hauxton Parish Council].

13. Several submissions cited speculative developers and local rural builders who had gone into administration because of cash flow difficulties arising from late payments from larger developers [Kent rural housing enabler, Purbeck and South Holland district councils]. Others mentioned that those developers with healthy balance sheets were concentrating on land banking rather than committing to new development under current conditions.
14. Many respondents were worried about the economic loss to villages and rural areas; in employment terms, in the substantial injection of money that building contracts would have put into the local economy and in the boost that extra small-scale housing added to the economic and social viability of village life [English Rural Housing Association, Surrey rural housing enabler].

- **Affordable Housing Development and Supply**

15. There is substantial evidence from our contacts with Registered Social Landlords (RSLs), rural local authorities and developers that the slowdown in large-scale development has meant that affordable housing provided through the use of Section 106 agreements has “ground to a halt” [Lincolnshire, Mendip, West Dorset district councils and local authorities, Berkshire, Gloucestershire and Northumberland rural housing enablers and East of England Regional Assembly].
16. In contrast, the Homes and Communities Agency’s rural programme is currently holding up. Their figures show completions are higher than in 2007 for low-cost home ownership, although rented provision was slightly lower in settlements of less than 3,000 population during the first two quarters of 2008. By December, the HCA had achieved 55% of its target for 2008-09. These figures could be misleading as they represent schemes that started well before the current difficulties. However, comparing allocations during the first three quarters allocations for 2007-08 also shows an increase, particularly for rented housing. This may reflect the increase in grant rates for affordable homes which have risen significantly since November, particularly for social rented housing where the average grant rate per unit has increased from £48k to £70k per unit. Housing associations, councils and rural housing enablers welcomed this increase in flexibility of HCA funding which compensates for the lack of receipts from shared ownership [West Dorset, English Rural Housing Association, Northumberland, Surrey rural housing enablers]. The relaxation of grant from the HCA in buying new-build directly from developers has also meant that some rural RSLs have been able to buy available units at short notice [West Dorset, Torridge District Council, Berkshire rural housing enabler].
17. Reports to the CRC have stated that exception sites, which are less dependent on the progress of private developments, were still going ahead and that these were now the main, or only, form of rural housing development in many areas [Berkshire rural housing enabler, East of England Regional Assembly].
18. The upbeat message from the HCA figures is in marked contrast to some of the anecdotal evidence submitted. For example, in Northamptonshire one local authority reported that for the three quarters to December 2008, commencements of new build affordable units were down 60% and completions down 29% compared with the same period in 2007. This showed signs of particularly sharp deterioration towards the end of 2008. Another local authority stated four schemes that were no longer being taken forward and that there were “very few schemes coming forward for development.”

19. HCA figures do not reflect evidence received from housing association working in rural areas who have reported significant difficulties selling shared ownership because of higher deposit requirements and tighter lending conditions [Alnwick District Council, Salisbury District Council, Northumberland, Gloucestershire, Surrey rural housing enablers]. They noted that in some areas, shared ownership sales “have almost come to a stop” or “stopped completely” [Lincolnshire, Bedfordshire, Kent rural housing enablers and local authorities and Cherwell District Council]. In consequence they are withdrawing from providing low-cost home ownership and in some cases converting low-cost home ownership to social rented housing.
20. It is likely that the difference between the data and the anecdotal evidence arises from the time lag between behaviour on the ground feeding through into applications for HCA funding, a point acknowledged by the HCA which has expressed a need for caution until quarter 4 figures are known.
21. In part this is because mortgage lenders are not willing to lend on low-cost home ownership properties subject to perpetuity clauses on many rural affordable housing schemes. This was confirmed by lenders who attended a CRC low-cost home ownership seminar held in November [East of England Regional Assembly, West Dorset, Lincolnshire district council and local authorities].
22. Risk averseness is also being reported as hindering other innovative housing delivery, such as Community Land Trusts which have experienced difficulties securing finance [Development Trusts Association].

Opportunities for Rural Affordable Housing

23. Despite these difficulties there is optimism that the current downturn presents a “golden opportunity for rural areas” – if problems can be properly addressed. [West Dorset district council, Berkshire, Surrey rural housing enablers and English Rural Housing Association]
24. Many RSLs are reported to be taking advantage of cheap properties for sale from developers in financial problems as builders decided to “cut losses” [Berkshire, Kent rural housing enablers, Waverley Borough Council]. There was widespread mention of falling land values and lower landowner expectation for land prices [Northumberland, Cumbria].
25. Residential land prices have fallen faster than house prices. Between January 2008 and January 2009 residential land prices fell 32.5% in England and Wales (excluding London)^{iv}.
26. The RICS's February 2009 rural land market survey reported sharp falls in demand for farmland with a residential component, or with potential for small scale development (‘pony paddock’ land).
27. Lower land prices, increased availability of HCA grants and increased bargaining power should enable RSLs to secure better value for money and roll out new development – we also heard of obstacles to making this happen.
28. There were concerns about the capacity of RSLs. Some are seen to be approaching their financial limits from existing loan facilities which is limiting their ability to engage in identified development opportunities [West Dorset].
29. Problems with lack of income has meant that some RSLs cutting back on staff; we heard two sets of evidence that this has impacted upon existing rural developments [Hauxton Parish Council, Suffolk and Gloucestershire rural housing enablers].
30. We also heard evidence that in some areas RSLs were “reluctant to take on new development in rural areas” [Devon, Gloucestershire rural housing enablers and county council] and that they were progressing sites “noticeably more slowly than other developers” [Suffolk, Devon rural housing enablers and county council]).

This and other submissions suggested that this could be down to the higher pre-development costs associated with rural development schemes, the increased financial pressure on some RSLs or a lack of financial capacity [Northumberland].

31. Another suggestion was that RSLs had significant opportunities to buy 'off the shelf' properties from distressed developers in urban areas which could be 'crowding out' investment in rural housing - just over 50% of the National Clearing House scheme has been used to purchase flats and apartments^v.
32. We also heard concerns that Local Authority capital funding for affordable housing is falling as a result of generating lower capital receipts as asset values drop, market conditions worsen and Right To Buy receipts fall [West Dorset, Braintree District Council].
33. Others were concerned about the continued barriers to rural housing remaining – be it planning inconsistencies, the long time lag and difficulties faced in the exception site process, delays in the Local Delivery Framework process or negative views within parish and district councils and communities [Bedfordshire rural housing enabler, Salisbury District Council, Devon, Northumberland]. Rural housing provision remains “a very lengthy and drawn out process mainly because of the lack of tools under the planning system” [Hampshire Alliance for Rural Affordable Housing].

Recommendations

34. In response to the credit crunch and recession, the Government has taken a number of steps to help maintain a supply of affordable housing and assist people to stay in their homes. Whilst these are welcome, our analysis and grass roots intelligence highlights the need for action tailored to rural circumstances.
35. Our evidence demonstrates that the need for some form of affordable housing in rural areas, already well-documented, is increasing. The supply of lower-priced housing, already limited, is becoming more scarce. The existing stock of affordable low-cost home ownership and social rented housing remains limited. This is coupled with clear signs of increasing housing need – partly due to recession-related housing distress.
36. Our recommendations propose a range of actions that respond to these factors and the opportunities now available as a result of the current economic conditions. They fall into four themes, although there is a degree of integration between them.

- **Improving the supply of affordable housing, in particular for social rent**

37. The steps Government has taken to improve supply and maintain the construction sector are helpful, but are currently having only minimal impact in rural areas where new private development is already limited and primarily designed for the upper end of the market. There is also concern that these packages, particularly purchase of unsold stock, could divert funding away from rural delivery where the costs of providing new affordable housing are likely to be comparatively higher.
38. Securing specific and tailored resources for rural areas would ensure that rural areas too can take advantage of current Government measures. This would include extending the ability to purchase market housing for affordable housing to the second-hand market. However, to avoid any inflationary impact, particularly in the lower segment of the market, conditions would have to be attached, for example that no purchaser could be found either buying outright, or as part of Homebuy Direct within a set timescale.

Recommendation

- i) *Ring fence part of the National Clearing House funding and extend the use of capital funding to support the purchase of appropriate individual properties currently for sale in the open market for conversion to affordable housing to meet specific needs in rural areas.*
- **Guarantees on lending involving rural properties held in perpetuity to support rural low-cost home ownership development schemes**
39. As documented above, in rural areas lenders have almost completely withdrawn from lending on properties subject to a perpetuity clause. This has led to difficulties in progressing many rural schemes, with a knock-on impact of future affordable housing provision.
40. Targeted and limited measures are needed to provide lenders with the guarantee that any debt on a rural property held in perpetuity will be repaid, without the home going into the open market. This would help those facing repossession, so they are able to remain in their home and community. In the medium term it would improve the supply and range of affordable housing and help a more people to have an equity stake in their home.
41. There is a precedent for this action. As a fund of last resort, to prevent the possible loss of low-cost home ownership into the open market through leasehold enfranchisement, the Housing Corporation has provided a 'buy back' facility. The 2008 Housing and Regeneration Act removed this threat of loss by providing that in designated 'protected areas', at the very least likely to include settlements of less than 3,000 population, leasehold enfranchisement cannot be exercised on shared-ownership properties. In these areas the 'buy back' guarantee is essential if lenders are to provide mortgages on properties in designated 'protected areas'.

Recommendation

- ii) *The HCA provides a formal cash-backed commitment to 'buy back' low-cost home ownership properties initially in rural settlements of less than 3,000 population and extends this to all rural affordable housing schemes in 'protected' areas once these have been designated.*
- iii) *The HCA allows the 'buy-back' facility to be used to enable the equity stake to be lowered on resale.*

- **Ensuring a continuing and improved supply of rural affordable housing**

42. Changes in the market have had little impact on affordability of market housing in rural areas. HCA data show that delivery is holding up – while grass roots intelligence identifies a lack of a supply of sites for future development. In part this arises from a failure of local planning authorities to identify rural sites in their five year land supply. It also indicates that landowners are holding on to sites until the market recovers. However, there is mixed picture with some areas reporting an increased interest by landowners and developers in releasing rural exception sites because sale to a housing association guarantees an income. In some areas this has resulted in competition to buy rural exception sites, raising their value which in turn results in higher grant requirements if the scheme is to be viable.
43. Other opportunities are also apparent. There is some evidence of larger developers selling land at well below the purchase price – which offers good value to the public purse. More commonly, a number of smaller developers are reporting that they are being offered these sites and are expressing an interest in providing their land and skills to produce affordable housing for management by housing associations.

Recommendations

- iv) *The HCA provides funding to support housing associations purchase rural sites that offer good value for money and have the support of the local planning authority. These sites should be used for immediate delivery or as a landbank to form the basis for future rural development.*
- v) *HCA introduces a common methodology to set a benchmark for valuing rural exception sites. This should be calculated with reference to a site's residual value and the price that the landowner could achieve if the land were used for an alternative, non-developmental use.*

- **Ensuring schemes are delivered**

- 44. Identifying a supply of sites is essential, but the benefits will only be realised if they are supported by a positive planning approach to rural affordable housing, and developers, including housing associations, are available to build the affordable homes. With these elements in place there is greater likelihood of Government being able to achieve its target for rural affordable housing.
- 45. The limited capacity of rural local authorities to adopt a positive and strategic approach to rural affordable housing has been a long standing concern, highlighted in the Affordable Rural Housing Commission and Matthew Taylor's report. Evidence demonstrates that the recession is further reducing this capacity as fee income from planning applications declines resulting in the cutting of planning posts. Strategic enabling activity is further weakened by inability to draw down Housing Planning and Delivery Grant which is linked to housing growth and preparation of Core Strategies. In some areas, local authorities are now charging for pre-application discussions, which may help retain planning staff, but adds further to the cost of rural affordable housing development. This exacerbates a widely reported trend of housing associations, particularly the larger organisations, withdrawing from rural development because it is considered to be too costly in both time and money.
- 46. By force of circumstance such changes have fostered greater creativity and there is growing interest in new delivery models. For example, a number of local authorities, particularly at a county level, are considering whether some form of Local Asset Based Delivery Vehicle could improve the speed and cost of delivery. Linked to this is a continuing interest in Community Land Trusts, but operating at a wider geographic scale than an individual community. Impetus to such models is provided by the interest of smaller developers acting as construction agents rather than developers, bringing their land and skills to bear on the delivery of affordable housing. For their part, local planning authorities are facing a collapse in their Core Strategies and targets as the larger urban sites on which they are based are not delivering. In response planning authorities could be encouraged to review their strategies and support the development of smaller sites in rural communities.
- 47. Government could take a number of steps to overcome these difficulties and harness the opportunities that could maintain delivery through the current crisis and improve the speed and quantity of delivery of rural affordable housing in the longer term. In so doing it will ensure that rural areas are able to respond to the programme approach to investment being adopted by the Homes and Communities Agency.

Recommendations

- vi) *Provide support for the development and evaluation of Local Asset Based Delivery Models that are relevant to rural areas, including approaches that provide some form of community asset lock.*
- vii) *Provide funds, possibly redirecting unspent Housing Planning and Delivery Grant, to support rural local authorities take a positive and strategic approach to rural affordable housing, in particular to enhance their understanding and use of viability and rurally relevant Strategic Housing Land Availability Assessments (SHLAAs) to provide a supply of sites for rural affordable housing.*
- vii) *Allow those local authorities which still own their council housing stock to retain a proportion of*

their Housing Revenue Account as long as this is ring-fenced to support new delivery, including by housing associations.

viii) Provide incentives to ensure that housing associations continue to develop in rural areas. This should include:

- o encouraging the HCA and National Housing Federation to bring forward research into the added costs of providing rural affordable housing, taking particular account of the higher pre-development costs associated with rural schemes.

Take early action to resolve the impasse that has prevented four Community Land Trusts from starting on site because they have not been able to draw down Social Housing Grant from the HCA.

ⁱ **Table 1: Loans to first-time buyers**

	Number of loans	Value of loans £m
January 2009	8,900	962
Change from December 2008	-27%	-30%
Change from January 2008	-51%	-59%

	Average loan to value	Average income multiple
January 2009	76%	3
December 2008	78%	3.10
January 2008	89%	3.33

Source: Council for Mortgage Lenders, 12th March 2009
<http://www.cml.org.uk/cml/media/press/2190>

ⁱⁱ Many courts do not have access to the Possession Claim OnLine system (which was introduced in November 2006). Around 7% of total orders will therefore be missing from this dataset (by HM Courts Service regions, 1-2% in London, 2% in Midlands, 20-25% in North East, 9-10% in North West, 7% in South East and 0.5% in South West). Smaller courts are more unlikely to have on-site PCOL access, therefore missing orders are likely to disproportionately relate to more rural areas. This is likely to result in the proportion of repossessions that take place in urban as opposed to rural areas as shown by this analysis being biased upwards. In addition, significant numbers of records were not able to be matched to valid postcodes. Of the original 221,316 postcode records received, approximately 12,900 were identified as relating to Welsh and Scottish postcodes, 204,004 (or 98% of the remainder) were successfully matched to English postcodes and 4,419 were unable to be matched.

ⁱⁱⁱ See for example the National House-Building Council monthly statistics on housing starts (<http://www.nhbc.co.uk/NewsandComment/MonthlyStatistics/>) and the Bank of England Agents' Summary of Business Conditions Reports (<http://www.bankofengland.co.uk/publications/agentssummary/index.htm>)

^{iv} Valuation Office Agency (VOA) Property Market Report January 2009

^v Oral questions 10 February 2009, Response by Ian Wright to Q254825, Hansard Column 1841w

Annex 1

Media Coverage

Employment

Good news

Minister confirms 150 jobs for airbase

Defence minister Quentin Davies has announced almost 150 new jobs at a Lincolnshire RAF base. RAF Coningsby is set to become the main service point for Eurofighter Typhoon jets; 150 new jobs will be created, and 350 existing jobs will be secured. The majority of the new jobs will be centred at RAF Coningsby, with several at BAE Systems' sites at Warton and Samlesbury. (05/03/09, **This is Lincolnshire**)

A&J Scott moves to double shift

A Northumberland-based home-grown sawmill is creating new jobs as orders increase, despite the recession. Family-run A&J Scott is moving to a double shift on the main mill at the end of February – which will see 10-12 new workers taking staff levels to 125. Finance director Rosemary Bertram said the pound's fall in value had helped make the home-grown product more competitive. (21/02/09, **ttjonline**)

Hundreds apply for Dunelm

Dunelm Mill, which is planning to open a branch in the former MFI store on Derwent Howe in April, held recruitment days. The first was organised with JobCentre Plus to target long-term unemployed people. Nearly 700 people had applied and the company was pleased with the quality of applicants. (19/02/09, **Whitehaven News**)

Bad News

Posts set to go at County Hall

A total of 55 posts are set to be axed at Somerset County Council to make savings of £1.1m. A spokesman said there would be few if any redundancies as most posts would go through natural wastage among the 17,000 staff. (07/03/09, **Chard & Ilminster News**)

Jobs axed at holiday homes giant

Brandon has been struck another massive blow as one of the largest employers was taken into administration. Omar Homes has axed 160 jobs and been taken over by a business recovery firm after filing for administration. It comes just weeks after Omar announced it was seeking a major investor due to contraction in the market. (03/03/09, **Thetford & Brandon**)

Penrith contracting company cuts jobs

Eight jobs have been lost at a Penrith company, Enterprise Ltd, which provides contract services for Eden Council. (02/03/09, **The Cumberland News**)

Workers' pay sacrifice to save business

Staff at a Scarborough firm are working for nothing to help save the business. Workers at J&L Composition have agreed not to receive pay until the firm resolves its cash flow problems. The typesetting business, which has just moved from Filey, employs six staff, some of whom have not been paid for three months. (03/03/09, **Scarborough Evening News**)

Ilminster company cuts working week

Ilminster-based precision optics manufacturer Gooch and Housego have confirmed they are cutting to a four-day working week and 15 workers have been made redundant in response to a sharp drop in demand for some of its products. (27/02/09, **Chard & Ilminster News**)

40,000 jobs threatened at town halls

At least 40,000 council jobs are expected to be lost this year, with two-thirds of local authorities cutting posts to cope with the recession. A survey of 106 town halls conducted by The Times this week shows that 65 councils are planning to cut 12,144 jobs to cope with a tight settlement and a sharp drop in revenue. Councils say they face increasing demands for services at a time when they are under pressures to keep council tax rises to a minimum. (26/02/09, The Times)

Royal and Sun Alliance cuts job

Hundreds of worried Horsham workers are reeling from the news that insurance giant Royal and Sun Alliance is set to axe 1,200 jobs. Horsham's 860 RSA employees are fearing for their jobs after the company refused to confirm where the posts would be cut. Horsham workers' frustration was exacerbated as a company spokesperson reported a 13% profit in 2008. (26/02/09, West Sussex Gazette)

Alloys firm jobs at risk

Administrators were on the verge of taking over a Bloxwich manufacturing firm today, with 61 jobs at risk. Known locally as The Spelter, the company produces alloys for the car parts industry but has been hit hard by the economic slump. (23/02/09, Express & Star)

Jobs lost at historic firm

An historic Black Country firm is the latest casualty of the credit crunch with 19 employees thrown out of work. The 182 year old printing firm in Bilston, John Price & Sons, has been taken into administration. The blow follows yesterday's news that around 220 Barratts and PriceLess shoe stores across the country are closing with the loss of 2,500 jobs. Meanwhile around 40 jobs will be axed at Darlaston food delivery firm, Woodward Foodservice, and the award-winning Walter Smith butchers in Cannock is also to close. (20/02/09, Express & Star)

Jobs axed as shops close

More than 400 workers in the lifestyle division of JJB Sports have lost their jobs, including staff at OSC in Gloucester and Qube in Telford. Administrators closed 37 OSC and eight Qube outlets with immediate effect, with the loss of 438 staff. Administrators said, "Both companies have been running at a substantial loss in extremely tough trading conditions on the high street." (20/02/09, Beverley Guardian)

999 firm seeks redundancy volunteers

Emergency services communications firm Airwave admitted there will be compulsory redundancies at a service centre in Rugby as it faces a ballot for industrial action over job losses. The company said a "small number" of redundancies would be made under a review of its structure, adding it was mainly seeking volunteers. (19/02/09, Rye & Battle Observer)

Job seekers tell of their struggle

Recent research tracking the number of applicants for a range of jobs in the county revealed there was an average of 92 chasing every vacancy. One of the vacancies – for a maintenance assistant in Long Stratton – attracted 400 applications. (19/02/09, Norwich Evening News)

Toyota to freeze workers' pay

Staff at car giant Toyota's Burnaston plant will have their pay frozen in response to a slump in sales. The firm said it had held talks with unions to consider moves to reduce labour costs, while making "every possible effort" to secure employment. (19/02/09, Morpeth Herald)

Steelworks jobs axed

Nineteen jobs have been axed and 50 shop-floor workers have been put on a four-day week at a Black Country steelworkers. Bosses at C Brown and Sons in Brierley Hill say they cannot rule out further redundancies. Discussions are also taking place about extending the shorter working hours for office staff, which could affect up to 80 workers. (19/02/09, Express & Star)

Business

Good News

Turnovers rise despite gloom

Many businesses in rural Devon have reported rising turnover, despite problems accessing finance and obtaining good broadband speeds. Devon Renaissance, the rural regeneration partnership organisation, has surveyed more than 3,000 rural businesses in the past three months. Early indications show that many are being severely affected by the economic downturn. Initial results indicate the availability of finance has become a more significant issues and many areas are still experiencing inadequate broadband speed. **(04/03/09, This is Exeter)**

Buyer hope for doomed Mazak

A potential buyer has been found for an historic Bloxwich metal alloys firm. Administrators at Mazak Ltd confirmed they were in discussions with "at least one" interested party about buying parts of the business. A total of 50 jobs have been axed at the company, which went into administration last Monday. Around 15 have been kept on for the time being by administrators. **(02/03/09, Express & Star)**

Back our local businesses

Urgent action to stop West Somerset businesses becoming victims of the recession has been called for in the wake of a new study aimed at mapping out the district's future economic prospects. An economic strategy, commissioned by West Somerset Council and produced by consultants EKOS for around £50,000 was formally adopted last Thursday. **(02/03/09, West Somerset Today)**

British Gypsum denies closure rumours

One of rural Rother's biggest employers has denied rumours that its Mountfield site may be closing. A spokesperson said there were no plans to close the site and that current restructuring at the plant, which will see around 16 redundant workers leave in early March, was designed to avoid closure. **(27/03/09, Rye & Battle Observer)**

Firms line up to develop ammo dump

More than 50 companies have expressed an interest in developing the Broughton Moor dump in west Cumbria. Allerdale Council and Cumbria County Council, who bought the 1,200 acre site for just £1, hope to transform it into a multi-million pound leisure development. Councillor Joe Milburn, leader of Allerdale Council, said: "Despite the current economic climate nationally, we've already received many expressions of interest from firms keen to take part in the transformation of the site." **(27/02/09, News & Star)**

Recession research on female-led firms

Positive evidence points to women business owners driving a new, more robust feminine enterprise model based on diligent risk taking and collaboration which takes account of wider social values alongside profits. Research into the impacts of the downturn carried out in February across 350 Prowess member-organisations records a 40% rise in enquiries for business advice, and that most women's businesses have no debt or well-managed debt. However, a significant reduction in the availability of bank finance is having a devastating effect on client firms, according to the research, and reduced government funding for specialist support is putting pressure on their advisory and training services. **(26/02/09, SME web)**

Council 'sends right signals' to Fox's as factory plans approved

Multi-million pound plans to extend Uttoxeter's ageing Fox's Biscuits factory to safeguard nearly 1,000 jobs and create hundreds more have been unanimously approved. The path is now clear for parent company Northern Foods to decide whether Uttoxeter or Batley, West Yorkshire, will receive the £40 million investment. **(23/02/09, This is Staffordshire)**

Ricor saves 65 jobs

An historic Midland automotive components business has been bought out of administration, saving about 65 jobs. Metal Pressing Group Ltd – which operates across two sites in Studley – has been acquired by local competitor Ricor for an undisclosed sum. Ricor, which has a £14 million turnover and employs about 100, operates from the Arrow Works site in Studley, near Redditch. It produces components and assemblies for the first and second tier automotive businesses. (20/02/09, **Birmingham Post**)

Bad news

Newspaper firm calls in administrators

A family-run Worcestershire newspaper firm which employs 150 people has called in administrators after a slump in advertising. The Observer Standard Newspaper group, based in Redditch, is said to have been particularly badly affected by the downturn in property ads. No redundancies are expected in the immediate future at Observer Standard which publishes nine free titles in Warwickshire, Worcestershire and the West Midlands. Administrators are seeking a buyer. (11/03/09, **Thame Gazette**)

Construction firm in administration

Hundreds of jobs are facing the axe after a leading Shropshire-based construction group went into administration. Wrekin Construction Group, which employs up to 600 workers across the UK and hundreds more indirectly, said it has orders worth millions of pounds. Conservative MP Mark Pritchard said: "This is a long-standing and successful company with a large order book which has been driven into administration by the inflexibility of RBS." (11/03/09, **Thame Gazette**)

Garden-grab row firm collapses

The property developer embroiled in a stand-off with Marston Green residents over a 'garden-grabbing' scheme to build new homes in a leafy lane has gone into administration. Warwick-based Sandstone has called in corporate recovery specialists just weeks after abandoning its 18-month battle with local residents over controversial plans to build 70 new homes set over 12 properties in Marston Green. (11/03/09, **Birmingham Post**)

Nissan sales up – but parts jobs axed

Nissan is bucking the trend by selling more cars in the UK during the recession. Sales increased by 15% last month compared to February 2008. The boost could be down to customers backing local companies, with one motor group reporting double the number of Nissan vehicles sold in January this year, compared to January 2008. But the rise may not be enough to prevent global job losses as the economic crisis deepens as workers at two Wearside car parts factories faced gloomier times, with dozens losing their jobs. (06/03/09, **Sunderland Echo**)

Yorkshire finance firm slashes lending

Yorkshire-based lender Cattles is cutting back on lending as it tries to shore up its ailing fortunes. The company, based at Birstall, between Leeds and Batley, announced yesterday that to preserve liquidity in the business, it was temporarily suspending lending to new customers of its Welcome Finance arm. Cattles is hoarding cash as it battles to refinance £635m of bank debt due for renewal this year. (24/02/09, **Yorkshire Evening Post**)

Plans could see businesses suffer

Concerns have been raised that work opportunities in Gamlingay could become thin on the ground after plans were submitted to transform an industrial site into a housing estate. Around 130 people are currently employed on the site, but businesses currently located there could find it almost impossible to move in the current economical climate. (18/02/09, **Biggleswade Today**)

Councils look to merge services

Boston Borough Council, East Lindsey District Council, and South Holland District Council are proposing to merge 'back office services', such as finance and human resources. The authorities are looking to raise efficiency and cut costs, which could lead to job cuts. (17/02/09, **Boston Standard**)

Housing

Wantage residents object to homes plan

Plans to build 1,500 homes on fields between Wantage and Grove have been slammed by residents. More than 150 objections have been lodged by people living on the Charlton Estate in response to the District Council's suggested planning policy blueprint for the next 17 years. One resident commented that there were not enough jobs or space at local schools for such an increase in population. "We already have a surplus of houses in this town. We don't want another 1,500 houses without the infrastructure." (10/03/09, **The Oxford Times**)

New effort to help Hambleton's homeless

A new service has been launched to try and help the rising number of homeless young people in the Hambleton district. The district council has joined forces with Foundation Housing to help 16-25 year olds get advice about their housing options. Up to 55 young people in the 16 to 25 age bracket have a housing need in Hambleton – up to 25 % up on last year's figure. (10/03/09, **The Northern Echo**)

Plight of 'hidden homeless' exposed

East Anglia will see a surge in the number of 'hidden homeless' people as recession-fuelled financial stress leads to family breakdown, a charity warns. Thousands of people, particularly teens and early 20s, could end up 'sofa surfing' at friends' houses. The problem is also expected to hit numerous 'respectable' older professionals whose lives have fallen apart due to job loss and home repossession. According to Norfolk charity The Benjamin Foundation, the crisis will be exacerbated by a lack of money among the organisations set up to offer help. (02/03/09, **Eastern Daily Press**)

House plan for factory site

An engineering firm is planning to move its factory and sell the land for housing. North East Assemblies intends to relocate from Ushaw Moor to another site in Durham. Durham Council has granted outline planning permission to build 21 homes on the site. (22/02/09, **The Northern Echo**)

Scandal of the 60,000 empty homes

Housebuilders are getting permission to bulldoze swathes of West countryside when empty homes could potentially meet demand for four years. Ministers believe the region needs 30,000 new dwellings a year for the next two decades. Half of these will have to be built on virgin land, yet new figures show that 60,000 homes in the South West are lying empty, enough to protect our fields for another four years. (09/02/09, **Western Daily Press**)

Villagers fight on the home front

The scenic village of Brendon claims a rare distinction: one of the highest proportions of second or holiday homes in Exmoor National Park. It was for that reason that it became one of the first settlements on the moor to lose its village shop, as the weekenders and holidaymakers arrived with their cars stuffed with provisions, and too few full-time villagers survived to sustain year-round trade. House prices on the moor have been fuelled by interest from incomers and risen far beyond what can be afforded by locals. Things have reached such a state that local campaign group Exmoor Uprising is now putting unprecedented pressure on the park authority to do more to halt the drain of young people out of country areas. (09/02/09, **Western Daily Press**)

Services

Hospice expansion delayed

A Hampshire hospice has been forced to delay much of its £2.5m expansion plan because of the economic crisis. Oakhaven Hospice, Lymington, has revealed that proposals to enlarge its in-patient unit and build an education centre for other health care professionals have been put on hold. The hospice has secured all the money it needs to proceed with the redevelopment, which received planning permission in May last year. However, staff fear that fundraising could nosedive in the next few months, forcing them to use some of the cash to finance existing services. (06/03/09, **Hampshire Chronicle**)

Most-asked question at CAB

Increasing numbers of debt-ridden Fenland residents are seeking bankruptcy. Linda Hutchingson, manager of Fenlands' Citizens Advice Bureau, said: "Every day people ask me, 'how do I become bankrupt?' It's one of the most common questions we get. It's very worrying that people think bankruptcy is the easy way out, because it's not." (04/03/09, **Cambs Times**)

Region must be ready for upturn

South West Regional Development Agency is leading the region's response to helping businesses and their workforce through the recession and sustaining the economy in preparation for a return to growth. This includes new ways of supporting business, extending existing schemes, preserving and building workforce skills, and investing to make sure the region is as well placed as possible to weather the downturn. (03/03/09, **This is Plymouth**)

Appeal for volunteers

An appeal has gone out for volunteers to help advice experts deal with the influx of calls being created by the recession. Hambleton Citizens Advice Bureau in North Yorkshire is hoping to recruit up to 20 volunteers to be trained as advisors. Since November, the bureau has seen a rise in inquiries, ranging from debt issues and redundancy to benefits and family breakdown. (02/03/09, **The Northern Echo**)

Special guide through the recession

The North Yorkshire Advice Services Partnership has produced a 'Guide to help you through the economic downturn' - with contact details for agencies including Citizens Advice, Whitby Disablement Action Group and National Debtline. The agencies can give advice on a whole host of issues from benefits to business advice. (27/02/09, **Whitby Gazette**)

Anger over CAB cash cut

The number of people asking for help from the Citizens Advice Bureau in Waveney increased by 45% in the first six months of 2008-09 as more people face problems with debt and repossession. But Waveney District Council has said it might have to reduce the amount of "in-kind" support it gives the service - including free rent, utility bills and cleaning services, valued at about £20,000 a year. Waveney MP Bob Blizzard said: "At this time when more and more people are seeking help from the CAB, the council decides to cut the support it gives. This is a savage blow to one of our best-loved voluntary organisations." (27/02/09, **Norwich Evening News**)

Post Office closures leave elderly isolated

The closure last year of more than 20 post offices in East Lancashire has left the elderly population vulnerable, according to a councillor. A Government cost-cutting exercise saw the closure of 24 post offices in the area, many of them in villages with large elderly populations. Councillor Marlene Haworth said that elderly people would have regularly collected their pensions and had a chance to catch up with other villagers. "The postmaster often knows everybody and if someone doesn't come in for their pension one week then they will raise the alarm. That no longer happens" she said. (27/02/09, **Lancashire Telegraph**)

Broadband should become 'fourth utility'

Entrepreneurs as well as politicians at local, national and EU level are calling for broadband to become the 'fourth utility'. With London business rents now only a reality for global corporations, advocates say broadband could mean rural areas being key to the economic revival. But provision is at best patchy and roll out is currently mired in rows between the Government and business. BT, the biggest supplier, has argued against government intervention, favouring a competitive market. But critics say BT is driven by profit and will not take broadband to expensive rural areas with limited users. (26/02/09, LocalGov.co.uk)

Citizens Advice Bureau given a boost

Mablethorpe Citizens Advice Bureau has increased its opening hours after a government funding boost. The £10 million national funding to the service is the result of a large number of people seeking advice in the current economic downturn. Mablethorpe CAB manager Hilary Barnes said: "As people on low and moderate incomes are struggling to make ends meet, access to reliable, high quality, free, independent advice has never been more vital." (23/02/09, [Boston Standard](http://BostonStandard))

Crack the credit crunch

A 'recession beaters' advice event is due to show Crewkerne businesses how to thrive during the downturn. Organised by South Somerset District Council with the support of Crewkerne and District Chamber of Commerce, the free event is offering one-to-one sessions with specialists who will show businesses how to get grants, relief on business rates, make extra income through diversification and plan their finances more effectively. (21/02/09, [This is the West Country](http://ThisisWestCountry))

CAB centres opening for extra hours

Citizens Advice centres will be opening for extra hours for the rest of the year after a doubling in people wanting debt and employment help. The extra hours will be available thanks to a £10m Government cash injection into Citizens Advice Bureaux across the country, allowing them to see more people. From March, there will be extra evening sessions in Witney, Banbury, and Didcot, and extended daytime opening hours in Witney, Chipping Norton, Abingdon, Thame, Watlington, Wallingford, and Henley. (20/02/09, [The Oxford Times](http://TheOxfordTimes))

Free advice on surviving the credit crunch

Businesses struggling with the credit crunch are being offered help with a free advice surgery organised by Cumbria Chamber of Commerce in partnership with Acas. Employees can receive up-to-the-date advice on the implications of varying contracts, lay-offs, short-time working, redundancy and tightening up on procedures. (18/02/09, [Whitehaven News](http://WhitehavenNews))

Centre revamp in doubt

A flagship community centre refurbishment project is in doubt, after it was revealed how a council-backed regeneration company has been hit by the recession. The falling housing market has seen the Durham Villages Regeneration Company (DVRC), a partnership between Durham City Council and builders Keepmoat, suffer a huge drop in profits. The first victim could be a £690,200 revamp of Bowburn community centre. Durham City Council retreated from a plan to give £500,000 to the project, saying it could only commit £226,000. (19/02/09, [The Northern Echo](http://TheNorthernEcho))

More turn to bureau for advice

Business is booming for one organisation in Tenbury Wells. The bad news is that it is the town's Citizens Advice Bureau feeling the weight of extra work as an increasing number of people turn to it for help. Richard West, services manager for the CAB in the Malvern Hills area says that the team of volunteers is trying to respond to a rapidly rising tide of people looking for advice on how to deal with financial problems. (19/02/09, [Ludlow & Tenbury Wells Advertiser](http://Ludlow&TenburyWellsAdvertiser))

Market Towns

Buy Local campaign off to a tasty start

A huge response has greeted the first week of our Buy Local Produce campaign – with suppliers, shoppers and even star names flocking to get behind it. The Buy Local Produce campaign aims to support our rural communities by calling on our readers to demand locally sourced and produced goods; shop from farmers markets and farm shops; and to insist restaurants put the best local produce on their menu. (09/03/09, **Your Thanet News**)

Buy-out saves fashion chains

The future was today looking good for Scarborough's dedicated followers of fashion after a successful buy-out of some of the country's best known High Street chains. Warehouse and Oasis – which have concessions at the Brunswick Centre's Debenhams store – were snapped up by Icelandic bank Kaupthing after Mosaic Fashions, their parent company, went into administration. The new company, which also includes Coast and Karen Millen, is to be called Aurora Fashions and the move is expected to protect almost 9,000 jobs. However the future of another popular Scarborough fashion outlet Principles, also based in Debenhams, remains unclear. It, along with sister company The Shoe studio, will continue to trade while administrators attempt to find a buyer to save a further 4,200 jobs. (04/03/09, **Scarborough Evening News**)

Plan to make use of vacant shops in Ely

Plans for Ely's growing number of vacant shops to be used by community groups have been put forward. At a meeting organised by Ely Perspective group, which aims to regenerate the design and economic future of the city, business leaders discussed plans to make better use of the increasing number of vacant shops. (04/03/09, **Ely Standard**)

'It's so important to shop local'

During the 16 years that Christine Burton has run Somerby Village Store, she has had to change with the times and fight for survival. Now she says it is more important than ever for people to 'shop local' and keep small businesses afloat as recession grips the nation. Christine today backed our Support Your County campaign, which is encouraging people to buy locally produced goods to give Leicestershire's shops a boost and save county jobs during the economic downturn. (10/03/09, **This is Leicestershire**)

Retailers move into ex-Woolies stores

The picture on the high street appeared slightly brighter for two of East Anglia's market towns yesterday after it emerged that new companies are likely to take over former Woolworths stores. QD Stores confirmed that it will be taking over the vacant Woolworths store in Beccles and has launched a recruitment drive for about 15 staff. Meanwhile, CarpetRight looks set to take over the former Woolworths store in Diss. (11/03/09, **Eastern Daily Press**)

Reepham acts to halt the credit crunch

Reepham has launched a rallying call to beat the credit crunch. Town leaders say instead of waiting until they start losing services, they should act now. They also want to bring businesses and local groups together to see if there are shortfalls in services or skills they can address or improve. (06/03/09, **North Norfolk News**)

Support our Independents Day

The Leicester Mercury is launching 'independents day' to help local shops survive the recession. They're asking people to spend the day buying from independent businesses – farm shops, markets, greengrocers and butchers to convenience stores, gifts shops and tearooms – instead of the big chains. (02/03/09, **This is Leicestershire**)

Town launches loyalty discount scheme

Traders and shoppers in a Hampshire market town have united to launch a loyalty scheme to save customer cash and stop high street shops from closing. Shoppers download an online voucher for up to 20% discount from 80 traders including restaurants and garages. The idea is for small businesses and consumers in Ringwood to work together to survive the credit crunch. (03/03/09, **Selkirk Weekend Advertiser**)

Councils in 'ghost town' warning

England's High Streets are in danger of becoming ghost towns unless action is taken to fill empty shops hit by the recession, council leaders have warned. The Local Government Association says four out of five councils have reported an increase in empty premises. It is calling for new powers to allow town halls to temporarily use shops as sites for community projects. Councils fear the derelict buildings could become hotspots for anti-social behaviour and cause further decline. (28/02/09, **BBC News**)

Town shops thriving despite credit crunch

Traders in Leek are said to be "bearing up magnificently" through the recession – and some have even benefited from the closure of Woolworths. Many businesses in the town reported a successful festive period despite fears nationwide that the credit crunch could spell the end for retailers. That success has continued throughout January and February, renowned for being poor periods.

(27/02/09, **This is Staffordshire**)

Save this town

I moved to the Alnwick area four years ago, not on the back of the survey saying Alnwick was a good place to live, but certainly with that in mind. Now I see the once-thriving town dying through what seems to be inertia on behalf of the council. Why are they putting up car parking fees? Why can they not support local cafes and shops? Why can they not find some pots of paint and give the whole Market Place a facelift? All we see are closed shops, peeling paint, dirty windows, and dirty streets? I overheard visitors the other day say: "What a terrible place Alnwick is for a main market town." I was saddened by this comment and hope the council has heard similar remarks and plans pretty quickly to do something about it for the sake of the good people who love, work and shop in the town. (26/02/09, **Northumberland Gazette**)

Businesses vote to invest

A business community is contributing £600,000 over five years to improve the area in which they trade. Skipton will be the first market town in Yorkshire and Humber to have a Business Improvement District after local businesses voted in favour of the initiative. (25/02/09, **Yorkshire Forward**)

Recession Watch: SE small rural towns

SERPT undertook a survey in January 2009 to determine the real picture in small rural towns across the South East. The latest information reveals that there are some that do not seem too badly affected but generally the outlook looks bleak, in the short term at least. SERPT, through its network of co-ordinators, is supporting rural towns and helping them identify sources of help and advice as well as funding opportunities. (20/02/09, **SE towns**)

Groups urged to attend crunch summit

Community organisations in the Shipton area are urged to send representatives to a summit meeting called to discuss the deepening crisis that the credit crunch is causing in the voluntary sector. Regional Action West Midlands (RAWM) said that nearly one in four groups across the region is at risk of failing because the economic downturn means they cannot afford to continue. RAWM's chief executive officer, Sharon Palmer, said: "Not only are we losing jobs, homes and incomes, we are also at risk of losing voluntary and community organisations that have underpinned and improved the quality of life for us all." (20/02/09, **Evesham Journal**)

Pay up to help lift shop trade

Workington businesses could be asked to contribute money to boost town centre trade. It was one of several ideas being followed up by Lynn Parvin, regeneration manager for Allerdale Council, following two workshops set up to involve traders in the promotion of the town centre. She said: "We want to encourage local businesses to contribute some of their own cash towards making that pot a little bigger. I know it's a difficult time but the council can only do so much." (19/02/09, **Whitehaven News**)

'Shop locally' says town partnership

Evesham's Market Town Partnership manager says everyone can help the town beat the recession by supporting local shops. An Economic Promotion Partnership has formed to ensure Evesham remains a vibrant and bustling market town. Among its aims will be to contact 'high street names' and invite them to Evesham. (19/02/09, **Evesham Journal**)

MP says town must highlight attributes

Evesham MP Peter Luff says more needs to be done to highlight the many attributes that make the town so special. Mr Luff said, "Evesham is an attractive place to shop and has a heritage that is capable of bringing more visitors and shoppers into the town centre. It is not going to be an easy year for town centres but good things are happening thanks to the council and regional development agency." (19/02/09, **Evesham Journal**)

'Buy Local' and give town centre a boost

Shoppers in Cullompton are being urged to 'Buy Local' in a Gazette campaign to help boost town centre trade. Shopkeepers say the level of personal attention and customer service they offer cannot be matched by national retailers and are calling for people to shop with them. (19/02/09, **This is Plymouth**)

Pubs

Opening time as pub starts shop

A traditional country pub is branching out to stay afloat. The Rose and Crown, in Redmarley, has opened a village shop in a neighbouring building which will sell everything from local produce to newspapers. After the village post office closed in August last year, pub landlady Miss Goodyear decided a shop was needed in Redmarley. (03/03/09, **This is Gloucestershire**)

Emily sets up rural community hub

A village pub is now offering more than a meal and a pint. The landlady has overseen the transformation of an outbuilding into a village shop. Emily Hammond, of The George, in Alstonefield, has received help from the brewery and Staffordshire County Council to convert a former Grade-1 listed coach house into a shop specialising in locally produced organic and seasonal produce. Open every day, it is hoped it will attract tourists as well as residents from surrounding villages. Alstonefield has been without a shop for a number of years. Staffordshire County Council's Rural Access to Services Partnership provided funding towards the enterprise as part of the Pub is the Hub scheme while Marstons funded the building works. (27/02/09, **This is Staffordshire**)

General

Paddy Ashdown to chair meeting

Former Yeovil MP and Liberal Democrat party leader Paddy Ashdown will chair a top level panel of Somerset politicians at a public meeting to be held at Matock Primary School next month looking at how to "survive and thrive" in the credit crunch. (27/02/09, **Chard & Ilminster News**)

Rural families living in fuel poverty

People living in the countryside are twice as likely to be struggling with their fuel bills, the Government has admitted. Shocking new figures show that up to one on five rural households spend more than 10% on their income on heating. For urban areas, the average is one in 10. Energy minister Joan Ruddock told the Western Morning News she was "very concerned" about the scale of the problem. In 2003, some 48,000 families in Devon and Cornwall were living in fuel poverty, but since then the number is estimated to have doubled. **(23/02/09, This is Cornwall)**

Beat the credit crunch

A Worcestershire golf club has introduced a special credit crunch initiative in response to the economic downturn. For the first time, The Vale Golf Club has added a redundancy clause to its membership packages allowing golfers to suspend their membership if they lose their job. In addition, the club is also allowing members to transfer membership to another player if they can no longer afford it. **(19/02/09, Evesham Journal)**