Core Strategy Topic Paper: Employment and Economic Growth in Stroud District

February 2010

Background

The Council has published a series of background papers to accompany the Core Strategy – Alternative Strategies consultation (February 2010). These cover a range of issues and provide more technical or detailed information than is contained in the consultation document itself. They also provide links to the various published sources of evidence on which the development of the housing and employment options has been based.

The background papers are:

1. District Profile: a Portrait of Stroud District
2. Climate change and Stroud District
3. Housing land availability
4. Employment and economic growth in Stroud District
5. Alternative Strategies Consultation: how we developed the seven strategy options
6. Summary guide to our evidence base
7. A summary of townscape analysis and urban design strategies
8. Rural settlement classification
9. Infrastructure position statement
10. Preliminary habitat regulations screening work
11. Summary of responses to the Issues consultation
12. Sustainability Appraisal / Strategic Environmental Assessment for alternative strategies consultation

These background papers can be downloaded from the Council's website or are available from the Council in hard copy at a charge to cover photo copying and postage/packing.

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1. Introduction

This Background Paper begins by setting out the economic policy context as found in national planning guidance, regional guidance and local strategies. It then relates some of the key statistics that reflect the Stroud district economy before explaining some of the policy drivers for economic change. The last two sections provide an analysis of the Stroud economy as it is now and how it might change in the future.

2. Policy Context

National

Planning Policy Statement 1 (**PPS1**) sets out the Government's vision for planning and the key policies and principles that underpin the planning system. PPS1 promotes sustainable patterns of development, which protect the natural and historic environment and ensure high quality development through good design and the efficient use of land. In terms of a sustainable economy it advises local authorities to:

- Recognise that economic development can deliver environmental and social benefits at regional and national levels;
- Ensure that suitable locations are available for industrial, commercial, retail, public sector (e.g. health and education) tourism and leisure developments,
- Provide for improved productivity, choice and competition,
- be sensitive to economic changes and the implications for development and growth;
- Actively promote and facilitate sustainable good quality development;
- Ensure that infrastructure and services are provided to support new and existing economic development;
- Ensure that development plans take account of relevant regional strategies
- Identify opportunities for future investment to deliver economic objectives

The major national policy guidance related to employment/economic growth is embodied in the recently published (29 December 2009) **Planning Policy Statement 4 (PPS4)** Planning for Sustainable Economic Growth.

PPS4 sets out the Government's comprehensive policy framework for planning for sustainable economic development in urban and rural areas bringing together all of the Government's key planning policies relating to the economy.

It provides the overall context within which Local Planning Authorities should set out their economic vision and strategy for the area through the development plan, meeting the Government's overarching objective of sustainable economic growth, based on a sound evidence base.

Regional and local authorities are charged with planning to achieve sustainable economic growth through flexible and pro-active policies aimed at supporting the start up and growth of businesses, attracting inward investment and increasing employment, particularly in deprived areas. There is reinforcement of the need to ensure a good supply of land, in the right place at the right time, which meets the needs of different types of business by facilitating economic growth policies which are responsive to economic change.

Aside from the more general proposals related to economic development, PPS4 has a strong focus on the role of town centres, the important contribution that rural areas can make to economic growth and provides the background to how planning applications related to economic development should be determined.

PPS4 also clearly overlaps with **Planning Policy Statement 3**: Housing, that *underpins the delivery of the Government's strategic housing policy objectives and the goal to ensure that everyone has the opportunity to live in a decent home, which they can afford in a community where they want to live* and **Planning Policy Guidance 13**: Transport (PPG13) that *sets out the objectives to integrate planning and transport at the national, regional, strategic and local level and to promote more sustainable transport choices both for carrying people and for moving freight.*

Regional

South West Regional Spatial Strategy (RSS)

The Secretary of State published Proposed Changes to the Regional Spatial Strategy for the South West in July 2008. In September 2009 the Government Office for the South West (GOSW) announced that further sustainability appraisal work would be carried out in the light of legal challenges to regional plans elsewhere in the country. The outcome of this is expected in Spring 2010. In the meantime, it is the view of GOSW that the RSS carries considerable weight in planning policy and decision making.

The RSS provides policies on the location and scale of all development that will be taken forward by Local Authorities in their Local Development Frameworks (LDFs) and is an important influence on housing, economic development, waste, and other strategies as well as the investment plans and priorities of a range of agencies and infrastructure and service providers key to the South West.

The RSS aims for an increased proportion of new development, particularly housing and employment, to be located at 21 Strategically Significant Cities and Towns (SSCTs) - none within the Stroud District, but including neighbours Cheltenham and Gloucester. Development within the Stroud District should be within the context of Development Policies A, B and C:

Development Policies A, B and C aim to enable all the region’s Strategically Significant Cities and Towns, market and coastal towns and small communities in rural areas, to continue to make a significant contribution to the region’s economic performance. They should do this by supporting economic growth and development commensurate with their role, function, needs and potential. It will be important to redress imbalances in towns and cities between jobs and resident population. Most importantly, the Strategy and transport proposals aims to enable the SSCTs, as ‘engines’ of economic growth, to realise their potential and increase competitiveness, to create new markets and to achieve a critical mass to secure essential investment in infrastructure and ensure the supply of housing will enable people to live closer to their place of work.

The RSS links closely with the Regional Economic Strategy. Developed by the South West of England Regional Development Agency (SWRDA), the RES sets out 3 strategic objectives:

- To deliver successful and competitive businesses
- To deliver strong and inclusive communities
- To help deliver an effective and confident region.

It also identifies five key issues within the South West:

- Population growth, ageing and distribution;
- Business creation and retention;
- Rapidly changing industrial and employment mix;
- Technological and other knowledge dissemination; and
- Energy, use of resources and climate change.

The RES suggests that the SW economy can be explained through the use of Functional Economic Zones – Stroud District lies within the 'North East Triangle' which includes Bristol, Swindon and Cheltenham/Gloucester and where the focus of policy is on "achieving potential" in terms of economic performance and growth.

The SWRDA worked closely with the Regional Assembly in the development of the draft RSS and the employment figures contained in the RSS (centred on the SSCT's) are based on growth of 3.2% across the South West

South West Regional Development Agency

The SWRDA has played an important role supporting business and the economy through the recession and their funding has been used to support a number of government initiatives. The changing landscape now facing the SWRDA, including less resource, has led to a revision of their corporate plan. The strategic direction in their updated plans for 2009-2011 sees a sharper focus on five areas:

- Low Carbon Economy - Enhancing activity to provide greater emphasis and investment in the drive to a low carbon resource-efficient economy for the South West.
- Successful Businesses - A more focused approach to retain and develop a competitive and innovative business base - encouraging innovation, research and skills.
- Prosperous Places - A more selective approach to the transformation of key places that most help to improve the region's economy.
- Leadership and Advocacy - A more targeted approach to ensure that we develop an appropriate strategic leadership and advocacy role.
- Better Service: Better Value - Increasing efforts to deliver a more effective and streamlined service, at a time of reduced public finance.

The **Local Democracy, Economic Development and Construction Act 2009**, has created the responsibility for the development of a single regional strategy, which will provide a blueprint for housing, transport and economic development. This will be developed by the SWRDA in partnership with the local authority Leaders' Board. The Act also created a new requirement for Councils (at the unitary/upper tier level) to produce an economic assessment of their area (Local Economic Asessment), to ensure an understanding of the economic position in the locality, challenges faced and to contribute to the development of the regional strategy.

Local

The Gloucestershire Integrated Economic Strategy 2009-2015 (GES)

The GES aims to provide a strategic framework to guide investment in the County's infrastructure and economy, use and influence national policies and regional strategies and plans to the benefit of Gloucestershire and provide the clarity to enable an effective Three Year Delivery Plan, revised annually, to be agreed and delivered by partners.

The economic needs of the County are covered under 8 themes each with a single strategic objective:

1. A Gloucestershire Economy - To make Gloucestershire a place where the economy thrives in both the urban and rural areas and in all communities.
2. A Competitive Economy - To develop a more competitive and productive Gloucestershire economy by 2015 in terms of sectors and employment opportunities
3. A Connected Economy - To provide the connectivity that enables Gloucestershire to be a place where people and communities interact and connect whether locally, regionally or globally.
4. A Low Carbon Economy - To develop an exemplary low carbon economy in Gloucestershire
5. A Resilient Economy - To adapt the economy of Gloucestershire to climate change and its resilience to natural disasters, major accidents, malicious attacks and world or national economic crisis.
6. A Skilled Economy - To maximise the potential of the people of Gloucestershire by developing skills and talent that ensure profitable employment in the 21st Century and enable them to take advantage of and contribute to the economic development of the county
7. A Sustainable Economy - To realise fully the economic potential of Gloucestershire's environment whilst conserving and enhancing its exceptional quality of the countryside as a foundation for a sustainable economy
8. A Working Economy - To increase the proportion of high value productive jobs, particularly in the 'knowledge economy', in the long term, whilst minimising unemployment in the short term.

The Gloucestershire Local Area Agreement (LAA) - Working together to make a positive difference for the people of Gloucestershire

The Gloucestershire LAA is an agreement between the government and a partnership of local public and voluntary organisations, led by Gloucestershire County Council through the Gloucestershire Conference. It sets a range of improvement targets aimed to help partners concentrate on working to achieve their top priorities and to make a real difference for local people.

The refreshed LAA for 2008 -2011 has recently been signed off with Government. The Economic Development and Enterprise theme of the LAA includes the Priority Outcomes:

- Increase the number and quality of jobs:
- Increase the number and range of skilled employees by improving the skills of local people:
- Within the context of the Gloucestershire Economic Strategy we will realise the potential of Cheltenham and Gloucester and the surrounding area:
- We will develop a stronger more diverse and sustainable rural economy by delivering the Rural Economic Strategy.

The Interim Stroud District Sustainable Community Strategy (SCS) 2008-2009

The latest version of the SCS for the District proposes a series of economy related key outcomes within Theme 4: 'Helping To Develop A Robust And Flexible Local Economy' These are:

- Increasing business investment including skills development, lifelong learning and reskilling;
- Engaging and informing businesses, helping them to grow and develop the District in a sustainable way;
- Ensuring employers are able to meet their future business needs by being able to help shape the skills development of young people, while also helping older people find new employment opportunities;
- Supporting growth sectors, including creative industries, tourism and environmental technologies / services;
- A place where people can and will want to work and visit and a variety of urban and rural businesses thrive.
- Creating an entrepreneurial culture to support small business growth;
- Reducing the carbon footprint of existing economic activity and helping businesses adapt to climate change and peak oil by encouraging the purchase of locally produced food and goods:
- Support initiatives and projects that will improve the vitality of towns and parishes in Stroud District
- Support initiatives and projects that will give people opportunities to develop and improve their life and work skills.

The Stroud District Council Corporate Delivery Plan, 2008-12, - 'Making a better place' identifies as concerns of residents related to the economy:

1. help local communities to develop the economic and social vitality of their towns and villages
2. support the development of key sectors – tourism, creative industries, environmental technology / services
3. create support services, including planning, which encourage new and existing businesses to invest in the district

The Stroud District Local Plan was adopted in November 2005.

The main objectives for employment policy in the District are:

- To maintain and enhance the economic diversity and vitality of the District.
- To increase rural employment opportunities.
- To allocate employment land (in accordance with Gloucestershire Structure Plan
- requirements) for local businesses to expand and new firms to start up.
- To protect and improve existing key industrial areas.
- To ensure employment uses have good public accessibility.
- To minimise any adverse effects of necessary development for employment on the
- community or environment.
- To enable the growth of sustainable tourism.

Employment Land Review – Final Report (October 2007)

GVA Grimley were appointed by Stroud District Council to undertake an employment land study for the District for the period 2006 – 2026, which was published in October 2007. The study undertook:

- To undertake a quantitative and qualitative assessment of the provision of employment sites and premises in the District;
- An assessment of future demand and need within the District;
- Assess the relationship between existing supply and current needs and demands and the anticipated requirements arising from economic restructuring and projected market changes at national, regional and local level; and
- To formulate advice on providing a quantitative and qualitative assessment of the scale, location, accessibility, marketability and competitiveness of sites in Stroud District.

The study was carried out in accordance with the guidance set out by Government at the time through the Department for Communities and Local Government (DCLG) note "Employment Land Reviews".

GVA Grimley utilised the Cambridge Econometrics Local Economy Forecasting Model (LEFM) to provide employment projections for the District from which floorspace and subsequently land requirements were forecast. The LEFM employment forecasts were based on historic data, up to and including 2004 and included projections from 2005 to 2026. Cambridge Econometrics were also responsible for the employment forecasts used at the regional level in the development of the RSS.

In terms of forecast for future demand GVA Grimley outlined two demand scenarios, developed in conjunction with Stroud District Council that took account of a) past trends in the economy and b) the local authority's economic aspirations. They also developed two supply side scenarios:

- Scenario 1 - Employment sites, plus redevelopment of poor quality employment areas for employment uses, plus intensification.
- Scenario 2 - Employment sites, plus redevelopment of poor quality employment areas for mixed use, plus intensification

Table ES 3 – Comparison of Supply v Demand to 2026.

Economic Scenario	Supply Scenario 1	Supply Scenario 2
Baseline	Offices (B1a) surplus 9.9ha Factories (B1c/B2) surplus 7.2ha Warehouses (B8) surplus 31.7ha	Offices (B1a) surplus 1.3ha Factories (B1c/B2) shortfall 3.3ha Warehouses (B8) surplus 12.8ha
Alternative	Offices (B1a) surplus 8.9ha Factories (B1c/B2) surplus 7.2ha Warehouses (B8) surplus 21.2ha	Offices (B1a) surplus 0.3ha Factories (B1c/B2) shortfall 3.3ha Warehouses (B8) surplus 2.3ha

Source: GVA Grimley, 2007

3 Stroud Economy Statistics

For further details on the statistics in this section see the tables in Appendix 1.

Business Structure/Size

The Office for National Statistics UK Business Activity, size and location 2009 report provides estimates produced from a snapshot of the Inter Departmental Business Register (IDBR) taken on 27 March 2009. The report uses the Standard Industrial Classifications 2007 to define a broad industry structure and then details the number of enterprises and local units within those sectors in geographic areas. It uses the following definitions:

Statistical Units:
A group of legal units under common ownership is called an Enterprise Group.
An Enterprise is the smallest combination of legal units (generally based on VAT and/or PAYE records) which has a certain degree of autonomy within an Enterprise Group.
An individual site (for example a factory or shop) in an enterprise is called a local unit.

Number Of Local Units In Vat And/Or Paye Based Enterprises
There were estimated to be 29790 local units in VAT and/or PAYE based enterprises in Gloucestershire in 2009, of which 6035 were situated in the Stroud District, the highest figure within local authority areas in the County. In terms of broad industry groups the breakdown is shown in Appendix 1, Table 1.

Employment Size of Units
An individual site (for example a factory or shop) in an enterprise is called a local unit. In terms of employment size of local unit, in Stroud 72% (4365 units) employed 4 or less people, while the County figure was 69% and the regional figure 68%. 14% (840 units) in Stroud employ between 5-9 people. 98% of units in Stroud employed less than 50 people (5,905 units). Ten local units had an employment size of between 250 and 499 and only five units between 500 and 999 employees. The only units employing more than 1,000 people in the County were based in the Gloucester district. See Appendix 1, Table 2.

Number Vat And/Or Paye Based Enterprises
There were estimated to be 25005 VAT and/or PAYE Based Enterprises in 2009 in Gloucestershire, 5350 in the Stroud District, the highest figure within local authority areas in the County. See Appendix 1, Table B1.1 for broad industry groups of the enterprises.

Employment Size of Enterprises
In terms of employment again the majority of enterprises, 77%, in Stroud fell within the 0-4 employment size band, with 76% in the County. Only fifteen enterprises in the District had an employment size of over 250.

Turnover of Enterprises
Of the 5,345 enterprises recorded in Stroud, just over 20% (1100 enterprises) had a turnover of less than £49000, similar to the proportion of Gloucestershire enterprises at just under 20%. The turnover band in which the highest number of enterprises in Stroud are found is £100,000 to £249,000, (1445 enterprises = 27%). 360 enterprises in the District had a turnover above £1m and 85 above £5m. See Appendix 1, Table B1.3

Age of Enterprises
In terms of age of business, of the 5,350 enterprises recorded in Stroud in 2009, 750 (14%) were less than 2 years old, the same ratio as in Gloucestershire as a whole and in

the SW region. 47% of enterprises (2,515) were over 10 years old - higher than the County and regional figures of around 45%. See Appendix 1, Table B1.4

Commercial and Industrial Floorspace

Information on rateable value of commercial property is taken from the Commercial and Industrial Floorspace and Rateable Value Statistics (2005 Revaluation), 2008, provided by the Valuation Office Agency and processed by the Department of Communities and Local Government. This dataset provides information on five different types of commercial and industrial premises (known as hereditaments), these are broadly known as 'bulk classes' and include the following:

	Number	Total floorspace (m^2)
Retail premises	840	131,000
Offices	659	99,000
Factories	927	594,000
Warehouses	547	303,000
Other bulk premises	173	45,000
Total	3,146	1,173,000

The majority of factory space can be found in the Stonehouse area. 174 factory hereditaments are recorded in the Stonehouse ward, nearly 19% of the District total amounting to 32% of the total factory floorspace in the district.

Rateable value per m^2 for retail premises in Stroud stood at £76 compared with £114 in the SW and £130 in England. For offices the rateable value per m^2 figures in Stroud were £56 compared with £86 in the SW and £121 in England. Factories rateable value per m2 in Stroud was given as £29 at all levels, with warehouses ranging from £28 in Stroud, £36 in the SW and £40 in England.

Age of Industrial and CommercialStock

Data from the Valuation Office Agency in 2004 looking at the age of the stock suggests that around 56% of hereditaments in all bulk classes dated from pre 1940 as opposed to around 50% in the SW and England and Wales. This further breaks down for pre 1940 property into Retail 75%, Office 74%, Factories 36% and Warehouse 41%. Only around 5% of offices and factories and 10% of warehouse hereditaments had been built between 1991 and 2003.

In terms of floorspace around 25% in all bulk classes is pre 1940, similar to the national level. Almost half the factory floorspace was constructed between 1940 and 1970, with over 7% since 1981 while 24% of the warehouse floorspace was built between 1981 and 2003.

This indicates an ageing stock in Stroud that is not best suited to modern enterprise.

Economic Activity

Stroud District was estimated to have a population of 110,700 in 2008 and a working age population of 65,000 (58%)

The ONS Annual Population Survey (July 2008-June 2009) estimates that 86.5% of the working age population in the District were economically active, the highest rate in the County and higher than the average for the region (81.8%) and Great Britain (78.9%)

The Annual Population Survey also suggests that of the economically active population deemed to be in employment (79.9%) around 62% were employees and (17%) self employed. This rate of self employment is far higher that the level reported within other districts in the County, regionally (at 11%) or in GB (at 9%).

The Annual Population Survey also provides information on the types of occupation held by residents in the District. The figures for the period April 2008 to March 2009, show that over half the residents in the District in employment were employed in management professional, associate professional/technical occupations. This is the same rate as Cheltenham but higher than any of the other areas in the County as well as the regional (43.2%) and GB figures (43.5%). Conversely a lower proportion (15.7%) are suggested to be in employment in elementary and process plant/machine operative occupations than the regional (17.2%) and GB (18.4%) figures.

Qualifications

Figures on the highest qualification held by working age residents in the Stroud District (ONS Annual Population Survey January 2008 – December 2008) show that 29% hold a qualification at NVQ Level 4 or above. Although this is substantially below the estimates for Cheltenham (39.9%) and Tewkesbury (42.7%) it is above the regional (28.3%) and GB average (29%). 48% hold a qualification at NVQ Level 3 or above and 71.2% at NVQ Level 2 or above. Just over 9% have no qualification similar to the regional average (9%), but below the GB figure (12.4%)

Earnings

The ONS annual survey of hours and earnings, resident analysis, estimates that the average gross weekly earnings for the Stroud resident population in 2009 was £495 - below that of Cheltenham (£508) but higher than the County (£481) region (£460) and GB average (£491)

Earnings by workplace estimates from the ONS annual survey of hours and earnings, suggest that the gross weekly pay for employees in the District in 2009 was £452 - below the County (£468) regional (£453) and GB (£490) figures.

Unemployment

The claimant count in Stroud for December 2009 stood at 1,850 a rate of 2.8%, higher than the regional level 2.9% but lower than the GB figure of 4.1%. The rate for Stroud rose sharply as the recession progressed with the rate standing at 1.1% in July 2008 a figure it had averaged for the previous year. It is now in slow decline.

Jobs Density

The ONS provide a jobs density figure, an estimate of the number of jobs per resident of working age. The jobs density figure for Stroud in 2007 was 0.84 which would mean that there is 0.84 of a job for every resident of working age. This is a similar figure for the region (0.86) and GB (0.87). The density figures represent the ratio of total jobs to working-age population. Total jobs includes employees, self-employed, government-supported trainees and HM Forces

Employee Jobs

The ONS Annual Business Enquiry employee analysis estimates that in 2008 there were 44,700 employee jobs in the Stroud District, with approximately 66% full time, similar to regional and GB proportions. Employee jobs excludes self-employed, government-supported trainees and HM Forces.

The largest sector measured by 'employee jobs by industry' is Public Administration, Education and Health (23.7%) This is also the largest sector regionally (28.7%) and in GB (27%)

The District also has smaller proportions employed in two of the other largest sectors, Distribution, Hotels and Restaurant sector (which includes retail) and Finance, IT, other business sectors.

The major sectoral difference is within the number of employee jobs estimated in the Manufacturing sector. Over 21% of jobs were estimated to be within manufacturing, double the amount recorded regionally (10.7%) and in GB (10.2%).

VAT Registrations

At the end of 2007 there were 5,115 VAT registered businesses in the Stroud District, with the stock rising every year over the previous decade.

Travel to Work

Analysis of travel to work data from the 2001 census by Gloucestershire County Council suggests that Stroud District was a net exporter of 8,400 commuters, 4,500 to locations within Gloucestershire and 3,900 to areas outside the County.

The top 3 in commuter origins for Stroud District were Gloucester, former Avon (Bristol/S Glos) and Cheltenham/Cotswold while the 3 most popular out commuter destinations for Stroud residents were Gloucester, former Avon (Bristol/S Glos) and Cheltenham.

In percentage terms Stroud residents make more commuter journeys out of County than those in Cheltenham, Gloucester and Tewkesbury, but Stroud also has a containment level around the average for the County, not far below Gloucester and Cheltenham districts, the key economic centres in the County.

4. Policy Drivers of Economic Change

Government has launched a number of strategies over the last few months outlining how they intend to provide effective support for economic growth as the country emerges from the economic downturn. Structural changes in the global economy are forecast with an emphasis on new and emerging industrial sectors and technologies and less of a reliance on the financial services sector.

'Going for Growth – Our Future Prosperity' (7 January 2010) was

published by the Department for Business Innovation and Skills. It sets out 'a coherent cross-government approach for supporting sustainable economic growth'. The document identifies seven 'core capabilities' in the British economy that will underpin the drive to restore strong, sustainable, long-term growth:

1. Supporting **enterprise** and entrepreneurial activity, including the access to finance required for starting and growing firms.
2. Fostering **knowledge** creation and its application.

3. Helping **people** develop the skills and capabilities to find work and build the businesses and industries of the future.
4. Investing in the **infrastructure** required to support a modern low carbon economy.
5. Ensuring **open and competitive markets** to drive innovation and rising productivity.
6. Building on our **industrial strengths** where we have particular expertise or might gain a comparative advantage, and where government action can have an impact.
7. Recognising and employing the right strategic role for **Government in markets** that allows us as a nation to capitalise on new opportunities.

'Going for Growth – Our Future Prosperity' builds on New Industry, New Jobs (April 2009) that is described as an 'active industrial strategy to equip people and businesses to compete in the global economy'. New Industry, New Jobs set out how government intends to:

- adapt and strengthen Britain's general competitiveness policies in critical areas like innovation, skills, finance, infrastructure and access to global markets
- use its role and influence in the market in a new and more strategic way
- use a new approach to targeted interventions to ensure that Britain continues to retain and develop strengths in high-value areas of global growth or rapid and fundamental technological change.

Current key sectors for targeted interventions include the digital economy, the creative economy, low carbon technologies, advanced manufacturing and life sciences.

Skills for Growth – The national skills strategy was published on 11 November 2009. A 'national strategy for economic growth and individual prosperity, 'Skills For Growth' includes commitments to:

- Create a modern technician class through more advanced apprenticeships
- Invest in skills in the sectors on which future growth and jobs depend
- Empower individuals through skills accounts giving people 'consumer choice' and better information about courses
- Introduce light touch monitoring arrangements for the best providers
- Simplify the skills landscape, working with UK Commission for Employment and Skills (UKCES) to implement their recommendation to reduce the number of separately publicly funded agencies by over 30 in the next three years

There is an emphasis on ensuring there are plans at the regional and local level to ensure people are equipped with the right skills for future jobs and with the flexible skills that employers need.

The UK Low Carbon Industrial Strategy (15 July 2009)

The core objective of the UK Low Carbon Industrial Strategy is to ensure that British businesses and workers are equipped to maximise the economic opportunities and minimise the costs of a global transition to a low carbon economy.

It sets out both the scale of the potential opportunities and a programme of government action for assisting business to take advantage of those opportunities. The strategy states that 'the global market for low carbon and environmental goods and services (LCEGS) was already worth £3 trillion in 2007/08…and this could grow to an estimated £4.3 trillion by 2015'

The UK low carbon environmental goods and services (LCEGS) market is worth £106 billion and employs 880,000 people directly or through the supply chain. It is estimated that over 1 million people will be employed in the LCEGS sector by the middle of the next decade.

Other national strategies focus on some of the other areas identified as key to securing economic growth in the future for example: **Advanced Manufacturing** that aims to help UK manufacturers seize the opportunities provided by emerging technologies, the **Life Sciences Blueprint** that sets out to transform the UK environment for life sciences companies and ensure faster patient access to cutting-edge medicines and technologies and the **Digital Britain programme** that outlines how the Digital Economy will drive future industrial capability and competitiveness.

Partnerships for Growth: A National Framework for Regional and Local Economic Development

was published on 10 December 2009.
The document sets out:

- The Government's priorities for cross-cutting policies identified in New Industry New Jobs, such as skills, innovation, infrastructure and finance
- Priorities for interventions in key sectors such as low carbon, life sciences, Digital Britain and advanced manufacturing; and
- How national, regional and local levels need to work together to support these priorities and ensure effective economic growth (including aligning resources, where appropriate)

The framework sets out the responsibilities of each tier of Government, and identifies the areas where central, regional, sub-regional and local partners can each make the greatest contribution to economic development and how they should collaborate and align resources to deliver growth objectives. It states that 'in general the Government will retain responsibility for crosscutting national strategy and decisions with national effects. RDAs and local authorities will lead implementation on the ground, where their irreplaceable expertise can determine what is best.'

At the regional level, the RDAs, are seen as essential having a pivotal role in joining up national and local priorities, as well as across regional boundaries while they are also tasked with the development of the new Regional Strategies (in conjunction with the Local Authority Leaders Board) setting out regional priorities and objectives for economic development.

The framework states that Regional and local strategies should consider key economic policies including:

1. **Skills,** where RDAs will in future work with the local authority Leaders' Boards, sub-regional partnerships and further education providers, to articulate business demand in a regional skills strategy
2. **Innovation**, where RDAs will help bring universities and businesses together to collaborate and will channel resources into support for pre-commercial technologies and local science and innovation working closely with bodies like the Technology Strategy Board
3. **Employment**, where regional, city and local action can boost job opportunities and provide the effective transport links, the accessible child care, and other support on the ground to help people get into, and progress, in work
4. **Infrastructure**, where clarity from regional, city, and local partners can provide the certainty businesses need to make the long-term investments in transport, utilities, broadband networks, and housing which underpin growth

5. **Finance for growth**, where RDAs will support the effective and coherent investment of public-private funds such as the Innovation Investment Fund
6. **Potential growth sectors,** where regions, cities and localities should work to remove barriers to growth for key sectors in their areas.

The Framework stresses the importance of collaboration rather than competition between and across local authorities and regions, that areas should focus on their strengths and not 'try to replicate the full range of nationally important sectors in every area' and that 'where a region benefits from national investment in a particular sector, regional and local investment will be expected to reinforce that sectoral priority'.

At the local level the framework suggests 'the appropriate role of individual local authorities on economic development will depend on the size of the authority and the nature of the economic issues that it faces. Action on economic development should be considered an important part of local authorities' place-shaping role. It should also take advantage of the 'well-being' power which enables all local authorities to undertake steps to promote the economic, social and environmental well-being of their area, and should support delivery of objectives set in Local Area Agreements.'

All local authorities should seek to ensure that there is a supportive business environment and that they should work with Business Link on delivery of business support while ensuring 'any business support products they provide fit within the Solutions for Business portfolio'.

It is suggested that action at the local level is likely to be required in the following areas (within the context of regional and sub-regional strategies)

1. taking a leading role, working with business and others, in identifying and setting out the current and future economic needs and aspirations of local people, reflecting local economic geographies and potential growth sectors and other opportunities
2. improving the business environment, by developing innovative solutions to issues such as regulation, quality of the built environment, and crime
3. supporting and enabling business investment, with Local Development Frameworks in place, no unnecessary delay in planning decisions, and clearly articulated development plans supported by infrastructure investment including transport and housing
4. promoting enterprise, innovation, and opportunities for business growth, including through procurement opportunities
5. supporting increases in employment and improvements in education and skills levels, working with schools, business, higher education, further education and training providers, and using the local authority's own role as an employer
6. working with neighbouring authorities, for example, through Multi-Area Agreements, to plan for housing, employment, and infrastructure where markets cross local boundaries, and
7. bringing their knowledge of the local economy to bear on the Regional Strategy through active participation in, and cooperation with, the regional local authority Leaders' Board.

Overall central government is committed to a more activist, interventionist approach to industrial policy and has set out how regional and local public bodies should support sustainable economic growth. One of the key policy outcomes is to try and provide clarity and coherence over a long-term strategic approach from government that sets stable frameworks for businesses so they have the confidence to invest.

With an election due in the next few months the economic policy of government may well change. In particular the current government has placed great emphasis on the pivotal role of the RDA's in driving growth. The current opposition have stated that some, if not all, of the RDAs will be scrapped, with their functions and funding reorganised. This would of course affect the development of new regional strategies, as the RDA was a key player in their proposed development, as well as any approval or implementation of the current RSS.

The Regional Economic Strategy for South West England 2006-2015 (RES)

At the regional level the SWRDA has identified priority sectors for future investment and growth:

- Advanced engineering
- ICT
- Marine
- Food and drink
- Tourism
- Creative industries
- Environmental technologies
- Bio Medical

Following the recession and restrictions on funding the SWRDA have reviewed their corporate plan for 2009-2011 taking into account the new government strategies. The updated plans reflect national priorities and provide a sharper focus on five areas,

- Low Carbon Economy
- Successful Businesses
- Prosperous Places
- Leadership and Advocacy
- Better Service: Better Value.

Key priorities for SWRDA investment:

Within the 'Low Carbon Economy' area:
- Sponsoring the development of low carbon technologies and developing a world-class marine renewable energy sector;
- Stimulating innovation and growth in the environmental business sector;
- Developing green skills and jobs.

(The South West was designated by government as the UK's first Low Carbon Economic Area, with a specialism in marine energy, in July 2009.)

Within the 'Successful Businesses' area:
- Building on our leading edge in new and developing sectors that will provide new jobs over the coming years – composites, advanced engineering, micro-electronics and digital design, environmental technologies, marine science and creative industries;
- Developing a high level and technical skills base to support these industries;
- Fostering innovation and creativity through targeted business support and advice, through business skills and education development;
- Developing the infrastructure for future growth.

Within the 'Prosperous Places' area:
- Making sure that the range of RDA supported initiatives – on skills, business support, enterprise, business finance – are available, joined up with other offers, and well communicated throughout the region, whether in urban or rural areas.

Within the 'Leadership and Advocacy' area:
- Developing regional strategy
- Delivering an industrial strategy for the future.

The Gloucestershire Integrated Economic Strategy 2009-2015 (GES) identifies three sectors that are ‘certain to have increased importance’, food and drink production, medical and environmental technology but also suggests that priority should also be given to other sectors including, finance & business services, manufacturing and advanced engineering, the public sector, including care, the creative industries sector, construction, distribution (which includes wholesale & retail and hotels & restaurants) and leisure and tourism.

The Local Democracy, Economic Development and Construction Bill made provision for the new local authority economic assessment (LEA) duty that comes into force on 1 April 2010. This requires all county councils and unitary district councils to prepare an assessment of the economic conditions of their area.

The LEA will be an analytical document that provides a comprehensive picture of the local economy. Its primary purpose is to provide local authorities and partners with a robust analysis of local economic conditions, with which to inform their economic policies and interventions. They should provide a common understanding of economic flows and the cumulative effect a variety of factors have on sustainable economic growth and employment. Assessments should complement local authorities’ power to promote the economic, social and environmental well-being of their area and contribute to the Government’s overall aim of delivering sustainable development. . They should help ensure that policy making at all levels is based around a shared understanding of local economic challenges and economic geography and help to ensure that the economic interventions of different partners are aligned and complementary.

6. The Stroud Economy - Now

The available economic data estimates suggest that the District has high economic activity rates. Its residents are reasonably well qualified overall, with a larger proportion employed in senior roles than at County, regional and national levels. Estimates suggest that although residents wages are above the County, regional and GB average the wages for those working within the District are below, County, regional and GB averages. This indicates a mismatch between the jobs available for residents in the district and their skills, thus forcing many to seek work outside the district.

Although the unemployment claimant rate has more than doubled over the last 18 months, from a low base, rates have also risen markedly across the country. This obviously reflects the recession, but as it eases the rate should also start to fall. The numbers unemployed have not been as high as was feared or predicted by many analysts as the recession took hold.

Employee estimates show that whilst the largest employment sectors are similar to other areas, the major differential is the much higher proportion of employment in the manufacturing sector in the district.

Business structure statistics suggest there are more enterprises and local units in the District than other areas in the County, perhaps showing high levels of enterprise in the district. In terms of the make up of these enterprises the vast majority employed 4 or less people, while over a quarter had a turnover between £100K and £249K. In terms of the 'broad industry group' classifications, most enterprises were based in the 'professional, scientific and technical', construction, retail and production groups. Thus Stroud is the home of a high number of small businesses and the structure of jobs is slowly changing away from a strong manufacturing base towards a service based economy.

Land and Premises

Existing commercial and industrial stock figures for 2008 from the Valuation Office Agency identified 3146 premises in the District providing 1,173,000 square metres of floor space. Of this floor space about 11% is in the Retail class, 8% in the office classification, 51% is classified as factories and 26% as warehouses with the remaining 4% in 'other' commercial uses.

The major differences in the make up of the existing stock in the District compared to regional and national figures are the much higher proportions within the factory class and lower proportions in retail and office, particularly in terms of floor space. Over half the floor space in the District is in the factory class as opposed to around 34% regionally and nationally. This reflects the industrial heritage of the district, founded on cloth making that transformed into a strong engineering base. However, the national decline in manufacturing is also reflected in Stroud and there is a need to provide more stock suited to the needs of the office and retail needs of the service economy.

The age of the existing stock, with higher proportions of older stock in the District, is also an issue where the premises themselves are not fit for purpose for existing employers or prove unattractive to new investors. The viability of some units may be marginal and there is an increasing case for the renewal and regeneration of some of the older industrial areas in the district. However, the manner in which this may be approached needs to be tempered by the industrial heritage and legacy that is represented in conservation area status in many areas. Notwithstanding that, many of the companies that are involved in leading edge technology are based in newer purpose built premises and it must be acknowledged that to build upon the new growth sectors, further modernisation of premises and new builds are necessary to attract modern enterprise.

GVA Grimley in their 2007 Employment Land Study for the District, using employment forecasts developed at the time, suggested that current land allocations and premises stock would be enough in quantum terms to accommodate the employment growth scenarios they developed. The study acknowledged a possible shortfall in B1c/B2 factory type premises. A reason for this is that the supply side scenario used to arrive at this analysis recognised the potential loss of some of the poorer performing existing employment sites to mixed use redevelopment. These sites are generally factory sites and current Council policy contained in the Stroud District Local Plan is to protect such sites for the benefit of the wider economy. Some relaxation of this policy stance may be necessary but only with the recognition that developing the economy of Stroud is a top priority and new jobs will need to be provided in addition to replacement of those lost if such premises are demolished.

Extensive employment land allocations are still to be taken up around Stonehouse which may come forward more readily as the economy comes through the downturn. A large proportion of the district's existing factory space can already be found in the Stonehouse area. 174 factory units are recorded in the Stonehouse ward - nearly 19% of the District total providing 32% of the total factory floorspace for the district. Stonehouse has also seen a growth as an office location with the development of the first phase of the development at Stonehouse Business Park. Whist this development was allowed upon appeal in the late 1990's, the area west of Stonehouse with good access to the M5 is attractive to the market for such new business.

Other large employment land allocations are also still to come forward at Sharpness and Cam. The GVA Grimley study suggested that these allocations should be reviewed with the possibility of reducing or deleting them as the likelihood of take up was slim and that they give a somewhat false position of the available land supply in the District. It was argued that whilst numerically there is enough employment land available for B1, B2 and B8 uses, in reality it's in the wrong place and unattractive to business. This goes to the heart of the planning role and the influence that an authority can have in encouraging business growth in particular areas. However, since the GVA study a planning application has been approved to bring forward a large employment park in Cam and there has been further interest shown in potential investment into the Sharpness area.

The pressure on employment sites to be released for other uses, particularly housing, is likely to return strongly and some elements of mixed use and intensification of employment uses on some sites, as suggested in the GVA study, may be necessary to help bring forward employment development. The thrust of government policy through documents such as the RSS is to encourage people to live near their workplace, especially office based employment. Yet some of the industrial uses that provide growth and employment within the District are not particularly suited to being co located with residential development and it will be necessary to also identify suitable locations for such expansion..

Local role

The role of the local authority in terms of employment and supporting the economy is to create an attractive business environment for investment and make suitable provision for businesses to thrive. This includes providing a range and choice of sites and premises. Government proposes that 'Local authorities need to consider the market impacts of local procurement, local regulatory roles, and the quality of public service delivery. For example, the quality of local services like schools, the availability of housing, or the quality of the local environment may influence where a business locates; business perception of how local authorities fulfil their regulatory functions such as planning, building regulations, or environmental health can be a factor in whether markets grow; and how public bodies use their roles as customers and employers can drive up innovation and skills in developing sectors. In future, the Government expects sub-regional and local economic development partners to consider how the actions of public sector bodies in all these respects are affecting economic growth and employment.'

There is a limit to the influence that Stroud District Council as a local authority can have in creating or growing particular sectors of the economy. Essentially they are private investment decisions. However, creating an attractive environment with a well skilled local workforce and provision of suitable land and premises, can encourage companies to stay and grow in the district and attract inward investment. The Core Strategy is important in providing certainty for business to make long term investment decisions and provides the framework for coordinating infrastructure provision and investment decisions at the local level.

The recession has made it more difficult to develop economic and employment plans particularly as economic trends in growth, employment and drivers of change in the economy have been interrupted and may not return in a much changed economic landscape. Many of the economic estimates and much of the data available also have a time lag in their production, which means they will not be recording the effects of the downturn for some time yet. The advent of Local Economic Assessments should provide a better understanding of the key economic sectors and challenges in the area although there are still questions over their utility.

In terms of the local economy the sectors that may provide growth and jobs in the future are likely to be similar to those recognised nationally, particularly as there is a stronger focus on alignment of support strategies. The current government is committed to a more activist, interventionist approach to industrial policy, attempting to rebalance the economy to one based more on production. It seeks to achieve sustainable growth and to move away from an over reliance on the financial and service sector. Central to this aim is the move to a 'low carbon economy' to combat the threat of climate change, but also offering an opportunity for business, as the market for low carbon goods, services and infrastructure expand exponentially.

7. The Stroud Economy – Future

Advanced Manufacturing

Long forecast as a sector in terminal decline this new government approach may see the disproportionate role the production sector plays in the district become a strength. The District has much higher proportion of employees, premises and floorspace in manufacturing than at County, regional and national levels. The recession saw manufacturing companies badly hit with many staff being laid off or on reduced hours. Yet many have now seen an upturn in fortunes with national manufacturing surveys showing an expansion in the sector. Government intervention through its new industrial activism approach has also seen the sector boosted with extra investment to encourage a range of sub sectors and technologies, including low carbon technologies, composite materials and the development of plastic electronics. Support is likely to continue as a rebalanced economy will need a strong production sector. Exports will be expected to drive growth, as the global economy recovers.
There is some evidence that some manufacturers are moving production back to the UK from abroad. The numbers of companies stating that the UK is a competitive location for manufacturing has risen sharply. Concerns with manufacturing abroad have been cited about poor quality and higher freight costs. Of course not all manufacturers are currently involved in 'advanced' manufacturing or low carbon technology. But there is the opportunity for manufacturing companies to diversify into the low carbon industrial/environmental technology sector. There are possibilities of increasing cross over, with many processes being transferable and the skill sets of employees being similar. Certainly companies are already being encouraged to decarbonise their processes, often as they are part of the supply chain to major companies who are increasingly looking for higher environmental standards from suppliers.

Currently there is a proliferation of companies within the sector in the Stonehouse area. If the sector is to grow it may mean identifying further land to provide attractive sites with good access to freight routes and the labour market. Help to bring forward existing and new employment land through investment in the necessary infrastructure should also be considered. There are sites at Stonehouse and in the Stroud Valleys where companies within the sector are located and which could be improved or unused/redundant sites brought forward, to encourage investment from businesses in the sector.

Environmental technologies could also be a growth sector within the District. The area already has major companies involved in the 'low carbon economy' and the area has something of a 'green' reputation.

The County Council is considering locating a major residual waste installation within the District boundary. This could act as a catalyst to develop the environmental technology sector, co locating such uses and utilising any energy from waste facility to provide heat and energy for adjacent/nearby users. The concept of clustering 'environmental technology' at a focused business park would need the support of local partners, including the County Council and of course the sector itself. Given national and regional policy it would also require coordination and support from other partners.

In terms of developing clusters, guidance states '*Investment should reinforce clustering effects driven by local and regional geography, commercial and university strengths and not try to develop such clusters from scratch*' and '*Public authorities should not seek to create new clusters in particular sectors. Evidence suggests that attempts by public* *authorities to create new clusters are almost invariably unsuccessful. Instead, any measures to promote clusters should support market developments*.' However, given that a move to a low carbon economy is an imperative for the economy as a whole and businesses wherever they are based, it is likely that developments in the environmental technology sector will be supported.

Following such a course would require the allocation of land through the LDF development process. It would probably require a proactive approach to signal that the District is serious about developing the sector and to provide the clear, coherent strategic framework necessary to provide the confidence for private business to invest.

The 11 national priority areas, within the low carbon industrial sector, where evidence suggests the economic opportunity for the UK is greatest are:

- offshore wind power
- wave and tidal power
- civil nuclear power
- carbon capture and storage
- ultra-low carbon vehicles
- low carbon buildings and construction
- low carbon aerospace
- chemicals and industrial biotechnology
- low carbon electronics, and information and communications technology
- business and financial services
- carbon markets.

Local authorities are asked to identify where opportunities may arise for enterprises to deliver these priorities and also their the supply chain. Similarly, while the SW region was the first nominated Low Carbon Economic Area (LCEA) in the UK, this was based on a perceived lead role in marine energy, which isn't immediately compatible within the strengths of the District. Yet nationally and regionally there is commitment to support growth in the environmental business sector and develop 'green skills and jobs'.

In the short to medium term employment growth and opportunities for District residents may be provided directly with the potential development of a new nuclear power station at Oldbury in South Gloucestershire. There is nuclear expertise within the district related to the Berkeley facility that is being decommissioned. The environmental impact assessment scoping report for the new Oldbury station raises the possibility of the use of Sharpness Docks during the construction process to enable the movement of construction materials.

More generally related to low carbon investment, the development of planning policies can help facilitate the growth in installed renewable energy and ensure that new housing and employment developments meet the highest environmental standards with access to renewable energy sources for heat and power.

Construction

There is likely to be an increase in construction output as the sector picks up. Mothballed sites are now coming back on stream following the recession leading to probable job growth in the construction sector. There is also a link with the environmental technology/low carbon economy sector as higher standards of environmental performance will be required or desired throughout the new built environment, together with moves to retrofit existing housing stock and other premises. More sustainable construction skills and techniques will become embedded within the industry and offer an opportunity for local businesses to grow within that sector, often working as sub-contactors for larger firms.

Linking with local Further Education establishments together with new build premises to host courses, students and showcase sustainable construction techniques would allow for the development of sustainable construction skills within the District. The local authority would need to provide support for these developments, perhaps through flexible planning policy to provide educational facilities within employment areas but also possibly through funding and coordination to help create a market and jobs in this sector for local firms and those undergoing training. With a large Council housing stock and the possibility of offering financial stimulus to other residents there would be the opportunity to provide a programme of retrofitting, both in terms of renewable energy installation and insulation that would provide growth opportunities for local businesses, employment and training for local people and help cut carbon emissions.

In terms of land and premises, construction sector employment growth would not in itself require the allocation of 'employment land' as premises would not fall within the B use classes. However, larger construction firms and depot/suppliers sites may take up land classified for other employment uses.

Tourism

This is not one of the sectors targeted specifically for intervention by government but it is one of the areas where they are taking forward work, primarily through the Sustainable Tourism Framework for England, (Department for Culture Media and Sport 2009). The framework takes six key sustainability challenges facing the tourism industry. It expands on them, as well as proposing flexible responses and ideal potential outcomes. The challenges are

- Minimise environmental impact and resource use
- Address the impact of tourism transport
- Improve quality and make holidays accessible to all
- Improve the quality of tourism jobs
- Maintain and enhance community prosperity and quality of life
- Reduce the seasonality of demand

PPS4 advises that local authorities should support the development of cultural and tourist provision in town centres. Similarly in rural areas a supportive approach is promoted to applications for appropriate provision and expansion of tourist and visitor facilities and visitor accommodation in appropriate locations, particularly where it would support the viability of the business.

The District has a number of tourism related businesses and almost 8% of employee jobs are estimated to be tourism related, although this includes sectors that are also servicing the resident population.

PPS4 stresses that new retail, leisure, office and cultural development should be focused in existing town centres. The Council are following the advice in the document to assess the vitality and viability of the town centres in the District. This work is being undertaken by consultants, together with work to assess the need for any new retail and leisure development and the provision of advice on town centre policies. Studies have previously taken place in a number of the town centres suggesting a need for improvements in the public realm, without which it may prove difficult to attract new and more diverse retail investment. As part of the local authority role is to provide an attractive environment for business, this is an issue that must be tackled to improve the vitality and viability of the centres. Funding as always is a crucial issue with the SWRDA decision not to fund public realm improvements in future making the position more difficult.

Rural economy

Economic development and growth within rural areas is also a focus of PPS4 and relevant to the District. There are a number of advanced manufacturing and hi tech businesses based in rural areas. Technological advancements in infrastructure mean that small businesses can more readily set up and grow outside urban locations. This may provide an opportunity for growth of small businesses at rural service centres where complementary housing development may help the sustainability of the town or village. Whilst there is a risk of conflict between developing land for employment use and protecting the landscape it may be argued that there should still be a choice of sites available to support the rural economy and provide the opportunity for local jobs growth. The possibility of developing employment sites as “exception sites” in a similar manner to affordable housing could be explored.

Aside from planning policy the local level should play a role in ensuring digital infrastructure is in place in rural areas to allow for businesses to set up and compete effectively. The national Digital Britain programme should support access to technological access in rural areas.

Skills

Skills gaps have long been identified by employers in many of the growth sectors as well as a lack of numbers of entrants into the industries. The recession has meant that this discussion has taken a back seat while staff redundancies and short time working has been in place. Some more forward looking employers have used staff down time to increase training opportunities. However, as recession turns back towards growth, some major employers in engineering are voicing their concerns over skills shortages. Coordination of efforts on skills, through the new national skills strategy, regional strategies and work with industry sector skills councils (SSC) should help tackle the issue. Strong national government guidance on the need to match skills provision to the needs of the economy (a demand led skills system) and those of employers in the identified growth sectors will help produce a workforce with appropriate and flexible skills for businesses as well as increase the opportunities for individuals.

The role of the local level is essentially to help articulate the skills needs of local employers and influence the development of skills strategies at the regional level. Support and promotion of organisations such as, Train to Gain, the national skills service, helping to deliver high quality work-based training for employers, will be important. Nationally government also states that ‘*The role of local authorities to support education and skills varies and could include working with schools, business, higher education, further education and training providers, and using the local authority’s own role as an employer. Because labour markets are more localised for people with lower level skills, local authorities should primarily focus their own interventions on lower level skills, working with Jobcentre Plus and the Skills Funding Agency to help people gain the skills needed to enter and maintain employment.’*

Government has been involved in the establishment of skills academies for a number of sectors and research centres related to the growth sectors and there has been previously been discussion about the feasibility of the establishment of an advanced engineering training centre in the County to help meet identified need. Such a development would be attractive in the Stroud area given the number of firms from the sector based here.

Business Support

The provision of business support services within the locality is also crucial to support a growing economy. Government undertook a simplification programme to streamline the number of Government support schemes for business from an estimated 3,000 to around 30, resulting in the 'Solutions for Business' portfolio. Support is available in a range of areas, including 'starting up, understanding finance, employing people, environment and efficiency, exploiting your ideas, international sales and marketing, and growing your business.'

Government states that all publicly funded business support at national, regional and local levels should be provided through the portfolio. Working with partners there may be opportunities for the local authority to support the delivery of some products in the area. Certainly there is a role for the Council to further promote the availability of the products and the important role of Business Link, as the primary access gateway to the products, and their central role in the provision of business support services.

In developing strategies at the local level and with partners the local authority will be working within the framework provided at regional and national level, while also working to influence regional strategies so they take full account of the needs of business at the local level.

Contents

Table A1.1 United Kingdom - Number of Local Units in Vat and/or Paye Based Enterprises in 2009
Districts, Counties and Unitary Authorities Within Region and Country by Standard Industrial Classification (UK SIC(2007)) Broad Industry Group

	UKSIC(2007)																
	Agriculture, forestry & fishing	Production	Construction	Motor trades	Wholesale	R etail	Transport &storage (inc. postal)	Accommodatio n & food services	Information & communication	Finance & insurance	Property	Professional, scientific & technical	Business administration and support services	Public administration and defence	Education	Health	Arts, entertainment, recreation and other services	TOTAL
UNITED KINGDOM	142,070	159,620	298,480	77,755	127,150	293,510	86,675	175,890	157,960	66,635	91,355	340,950	197,595	25,665	66,725	137,575	189,180	2,634,790
GREAT BRITAIN	125,720	154,455	285,945	75,130	123,365	283,555	83,730	171,395	156,460	64,965	88,990	335,760	194,190	24,580	63,455	132,850	183,905	2,548,450
ENGLAND AND WALES	108,280	143,715	266,185	70,175	115,810	259,355	77,215	155,820	148,940	60,655	83,375	312,895	181,080	21,385	57,750	121,205	169,235	2,353,075
ENGLAND	94,155	136,675	253,740	66,225	111,340	245,430	73,195	146,480	145,060	58,350	80,560	303,475	173,030	19,760	54,435	114,180	161,465	2,237,555
Gloucestershire County	2,165	1,980	3,310	930	1,315	3,070	870	1,945	1,850	725	985	3,925	2,270	280	755	1,480	1,935	29,790
Cheltenham	50	240	565	150	185	745	85	430	485	230	255	825	510	30	130	285	375	5,575
Cotswold	700	345	610	140	275	615	115	365	330	115	225	905	435	30	125	190	445	5,965
Forest of Dean	560	320	470	160	180	345	200	255	185	50	90	405	270	30	110	190	220	4,040
Gloucester	15	260	505	170	205	540	150	325	195	170	125	385	300	130	120	375	265	4,235
Stroud	470	500	715	180	290	515	190	340	380	95	165	865	450	30	170	280	400	6,035
Tewkesbury	370	315	445	130	180	310	130	230	275	65	125	540	305	30	100	160	230	3,940

Source: ONS. UK Business: Activity, Size and Location – 2009

Table A1.2 United Kingdom - Number of Local Units in Vat and/or Paye Based Enterprises In 2009
Districts, Counties and Unitary Authorities Within Region and Country by Employment Size Band

	Employment size									
	0-4	5-9	10-19	20-49	50-99	100-249	250-499	500-999	1,000+	TOTAL
UNITED KINGDOM	1,792,115	392,470	217,970	144,180	49,415	26,620	7,805	2,905	1,315	2,634,795
GREAT BRITAIN	1,734,345	378,875	210,175	139,440	47,905	25,945	7,630	2,850	1,285	2,548,450
ENGLAND AND WALES	1,611,745	345,140	191,175	126,945	43,725	23,660	6,935	2,600	1,150	2,353,075
ENGLAND	1,533,935	327,080	181,655	120,495	41,660	22,565	6,600	2,465	1,100	2,237,555
Gloucestershire	20,565	4,390	2,400	1,560	485	290	75	20	5	29,790
Cheltenham	3,715	885	475	315	85	70	25	5	0	5,575
Cotswold	4,340	840	460	230	55	30	10	0	0	5,965
Forest Of Dean	2,980	525	285	175	50	25	0	0	0	4,040
Gloucester	2,395	760	485	330	155	75	20	5	5	4,230
Stroud	4,365	840	410	290	80	40	10	5	0	6,040
Tewkesbury	2,770	540	285	220	60	50	10	5	0	3,940

Source: ONS. UK Business: Activity, Size and Location – 2009

Table B1.1 United Kingdom - Number of Vat and/or Paye Based Enterprises in 2009
Districts, Counties and Unitary Authorities Within Region and Country by Broad Industry Group

	UKSIC(2007)																
	Agriculture, forestry & fishing	Production	Construction	Motor trades	Wholesale	R etail	Transport &storage (inc. postal)	Accommodation & food services	Information & communication	Finance & insurance	Property	Professional, scientific & technical	Business administration and support services	Public administration and defence	Education	Health	Arts, entertainment, recreation and	TOTAL
UNITED KINGDOM	139,100	140,580	289,085	67,560	107,370	192,600	71,180	134,220	148,685	43,020	75,730	321,825	154,800	2,790	30,555	78,405	154,895	2,152,400
GREAT BRITAIN	122,790	136,025	276,870	65,210	104,060	185,965	68,690	130,535	147,395	41,950	73,675	317,045	151,985	2,730	30,040	75,850	150,965	2,081,780
ENGLAND AND WALES	105,715	127,495	258,220	61,120	98,475	171,575	63,870	118,410	140,750	39,815	69,220	296,385	143,300	2,675	28,375	70,370	140,265	1,936,035
ENGLAND	91,650	121,580	246,215	57,660	94,955	162,610	60,505	110,555	137,185	38,580	66,990	287,765	136,865	2,460	27,315	66,760	134,380	1,844,030
Gloucestershire	2,105	1,735	3,245	810	1,125	1,995	745	1,420	1,775	505	805	3,780	1,940	65	365	925	1,665	25,005
Cheltenham	50	210	545	120	155	375	65	285	475	165	195	790	405	5	75	180	320	4,415
Cotswold	680	310	605	125	245	465	100	300	315	95	180	880	405	15	70	140	405	5,335
Forest of Dean	535	280	475	150	160	280	190	205	180	40	80	405	250	10	45	115	190	3,590
Gloucester	20	215	475	135	140	270	110	210	180	85	95	340	205	5	40	190	200	2,915
Stroud	460	450	700	170	265	370	170	260	375	70	140	845	415	15	85	205	355	5,350
Tewkesbury	360	270	445	110	160	235	110	160	250	50	115	520	260	15	50	95	195	3,400

Source: ONS. UK Business: Activity, Size and Location – 2009

Table B1.2 United Kingdom - Number of Vat and/or Paye Based Enterprises in 2009
Districts, Counties and Unitary Authorities Within Region and Country by Employment Size Band

	Employment Size)							
	0-4	5-9	10-19	20-49	50-99	100-249	250+	TOTAL
UNITED KINGDOM	1,636,230	273,215	130,725	70,050	20,935	12,410	8,835	2,152,400
GREAT BRITAIN	1,584,025	263,450	125,915	67,510	20,200	12,045	8,635	2,081,780
ENGLAND AND WALES	1,477,790	242,410	116,040	62,205	18,505	11,110	7,975	1,936,035
ENGLAND	1,407,705	230,155	110,845	59,305	17,645	10,670	7,705	1,844,030
Gloucestershire	18,960	3,275	1,540	815	210	120	85	25,005
Cheltenham	3,345	570	255	165	30	30	20	4,415
Cotswold	4,110	675	345	150	30	15	10	5,335
Forest Of Dean	2,820	445	200	90	20	10	5	3,590
Gloucester	2,000	455	230	120	60	30	20	2,915
Stroud	4,110	685	310	170	45	15	15	5,350
Tewkesbury	2,575	445	200	120	25	20	15	3,400

Source: ONS. UK Business: Activity, Size and Location – 2009

Table B1.3 United Kingdom - Number of Vat and/or Paye Based Enterprises in 2009 Districts, Counties and Unitary Authorities Within Region and Country by Turnover Size Band

	Turnover Size (£ thousand)							
	0-49	50-99	100-249	250-499	500-999	1,000-4,999	5,000+	TOTAL
UNITED KINGDOM	374,610	530,115	594,805	271,320	171,930	160,965	48,655	2,152,400
GREAT BRITAIN	356,395	516,895	577,095	262,535	166,225	155,450	47,185	2,081,780
ENGLAND AND WALES	331,140	482,840	536,180	243,005	154,155	144,685	44,030	1,936,035
ENGLAND	310,505	461,695	510,705	231,775	147,555	139,180	42,615	1,844,030
Gloucestershire	4,895	6,120	6,775	3,070	1,875	1,785	485	25,005
Cheltenham	755	1,175	1,210	530	330	320	95	4,415
Cotswold	1,085	1,240	1,455	685	425	360	85	5,335
Forest Of Dean	815	900	990	405	240	195	45	3,590
Gloucester	435	690	785	400	240	275	95	2,920
Stroud	1,100	1,340	1,445	630	385	360	85	5,345
Tewkesbury	705	775	890	420	255	275	80	3,400

Source: ONS. UK Business: Activity, Size and Location – 2009

Table B1.4 United Kingdom - Number of Vat and/or Paye Based Enterprises in 2009 Districts, Counties and Unitary Authorities Within Region and Country by Age of Business

	Age of Business				
	Less than 2 years	2 – 3 years	4 – 9 years	10 – or more years	TOTAL
UNITED KINGDOM	349,110	315,130	587,240	900,920	2,152,400
GREAT BRITAIN	342,435	307,090	571,370	860,885	2,081,780
ENGLAND AND WALES	320,440	288,370	534,945	792,280	1,936,035
ENGLAND	308,885	277,025	511,615	746,505	1,844,030
Gloucestershire	3,445	3,330	6,820	11,410	25,005
Cheltenham	740	690	1,280	1,705	4,415
Cotswold	635	695	1,460	2,545	5,335
Forest Of Dean	415	410	910	1,855	3,590
Gloucester	465	455	795	1,200	2,915
Stroud	750	650	1,435	2,515	5,350
Tewkesbury	440	430	940	1,590	3,400

Source: ONS. UK Business: Activity, Size and Location – 2009

Table R1 Data from the Commercial and Industrial Floorspace and Rateable Value Statistics (2005 Revaluation), 2008

			Stroud	South West	England
All Bulk Classes; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Count	3,146	137,037	1,346,547
Retail Premises; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Count	840	51,017	516,809
Offices; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Count	659	28,530	334,713
Commercial Offices; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Count	598	24,294	287,459
'Other' Offices; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Count	61	4,236	47,254
Factories; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Count	927	27,830	245,263
Warehouses; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Count	547	22,621	194,572
Other Bulk Premises; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Count	173	7,039	55,190
Floorspace; All Bulk Classes; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Square metres (m2)(thousands)	1,173	48,758	561,777
Floorspace; Retail Premises; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Square metres (m2)(thousands)	131	9,995	100,208
Floorspace; Offices; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Square metres (m2)(thousands)	99	7,348	97,566
Floorspace; Commercial Offices; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Square metres (m2)(thousands)	85	6,017	81,203
Floorspace; 'Other' Offices; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Square metres (m2)(thousands)	14	1,331	16,362
Floorspace; Factories; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Square metres (m2)(thousands)	594	16,602	192,322
Floorspace; Warehouses; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Square metres (m2)(thousands)	303	12,757	152,485
Floorspace; Other Bulk Premises; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	Square metres (m2)(thousands)	45	2,055	19,196
Rateable Value; All Bulk Classes; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£k	42,330	2,759,512	37,026,183
Rateable Value; Retail Premises; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£k	9,908	1,144,402	13,021,037
Rateable Value; Offices; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£k	5,530	629,648	11,773,032
Rateable Value; Commercial Offices; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£k	4,757	538,767	10,391,274

Rateable Value; Factories; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£k	17,207	476,527	5,586,670
Rateable Value; Warehouses; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£k	8,559	454,530	6,037,134
Rateable Value; Other Bulk Premises; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£k	1,126	54,405	608,310
Rateable Value per m2; All Bulk Classes; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£	36	57	66
Rateable Value per m2; Retail Premises; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£	76	114	130
Rateable Value per m2; Offices; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£	56	86	121
Rateable Value per m2; Commercial Offices; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£	56	90	128
Rateable Value per m2; 'Other' Offices; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£	54	68	84
Rateable Value per m2; Factories; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£	29	29	29
Rateable Value per m2; Warehouses; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£	28	36	40
Rateable Value per m2; Other Bulk Premises; (2005 Revaluation) (Hereditament)[3 1]	Trend Data	£	25	26	32
Reliability Indicator; (2005 Revaluation) (None (Reliability Indicator))[3 2 1]	Trend Data	None (Reliability	-	-	-

Source: Department of Communities and Local Government

Table S1 Age of Industrial and Commercial Stock in Stroud by number

Number of premises								
	Unknown Age	Pre 1940	1940-70	1971-80	1981-90	1991-2000	2001-03	All ages
Retail	9	647	91	41	27	40	5	860
Office	6	454	60	26	34	26	7	613
Factory	2	347	362	55	141	41	13	961
Warehouse	9	216	168	18	61	46	10	528
All bulk classes	26	1,664	681	140	263	153	35	2,962

Table S2 Age of Industrial and Commercial Stock in Stroud by floorspace

	000s m^2							
	Unknown Age	Pre 1940	1940-70	1971-80	1981-90	1991-2000	2001-03	All ages
Retail	*	73	20	9	19	30	*	153
Office	*	52	11	7	5	7	*	87
Factory	*	99	323	87	88	45	*	659
Warehouse	*	74	90	11	60	14	*	306
All bulk classes	49	298	444	115	172	95	31	1,205

RESIDENT POPULATION:

Table A Total population (2008)

	Stroud (numbers)	South West (numbers)	Great Britain (numbers)
All people	110,700	5,209,200	59,608,200
Males	54,400	2,554,100	29,280,500
Females	56,300	2,655,100	30,327,700

Source: ONS mid-year population estimates

Table B Working age population (2008)

	Stroud (numbers)	Stroud (%)	South West (%)	Great Britain (%)
All people - working age	65,000	58.7	59.8	62.0
Males - working age	34,400	63.2	64.5	66.1
Females - working age	30,600	54.4	55.3	58.1

Source: ONS mid-year population estimates

Notes: % is a proportion of total population

Working age includes males aged 16-64 and females aged 16-59

LABOUR SUPPLY

Table C **Employment and unemployment (Jul 2008-Jun 2009)**

	Stroud (numbers)	Stroud (%)	South West (%)	Great Britain (%)
All people				
Economically active†	61,500	86.5	81.8	78.9
In employment†	57,200	79.9	77.3	73.3
Employees†	43,200	61.8	65.6	63.9
Self employed†	13,400	17.2	11.2	9.1
Unemployed (model-based)§	3,100	5.2	5.4	6.9
Males				
Economically active†	34,800	93.3	85.4	83.3
In employment†	32,700	87.4	80.3	77.0
Employees†	23,100	63.9	64.8	63.9
Self employed†	9,300	22.6	14.9	12.6
Unemployed§	#	#	5.8	7.5
Females				
Economically active†	26,700	79.0	77.9	74.1
In employment†	24,400	71.6	74.0	69.4
Employees†	20,100	59.4	66.4	63.8
Self employed†	4,100	11.2	7.2	5.2
Unemployed§	#	#	4.8	6.1

Source: ONS annual population survey

Sample size too small for reliable estimate (see definitions)
† numbers are for those aged 16 and over, % are for those of working age (16-59/64)
§ numbers and % are for those aged 16 and over. % is a proportion of economically active

Table D Employment by occupation (Jul 2008-Jun 2009)

	Stroud (numbers)	Stroud (%)	South West (%)	Great Britain (%)
Soc 2000 major group 1-3	27,600	48.2	42.7	43.9
1 Managers and senior officials	11,400	19.9	15.5	15.6
2 Professional occupations	8,000	14.0	12.5	13.4
3 Associate professional & technical	8,200	14.3	14.5	14.7
Soc 2000 major group 4-5	12,500	21.9	23.5	22.0
4 Administrative & secretarial	4,500	7.9	11.0	11.3
5 Skilled trades occupations	8,000	13.9	12.4	10.6
Soc 2000 major group 6-7	7,600	13.4	16.6	15.9
6 Personal service occupations	4,800	8.3	8.7	8.4
7 Sales and customer service occs	#	#	7.9	7.5
Soc 2000 major group 8-9	9,500	16.6	17.3	18.2
8 Process plant & machine operatives	3,600	6.3	6.2	6.9
9 Elementary occupations	5,800	10.2	11.0	11.3

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

Table E Travel to Work

Source: Gloucestershire County Council analysis of 2001 Census

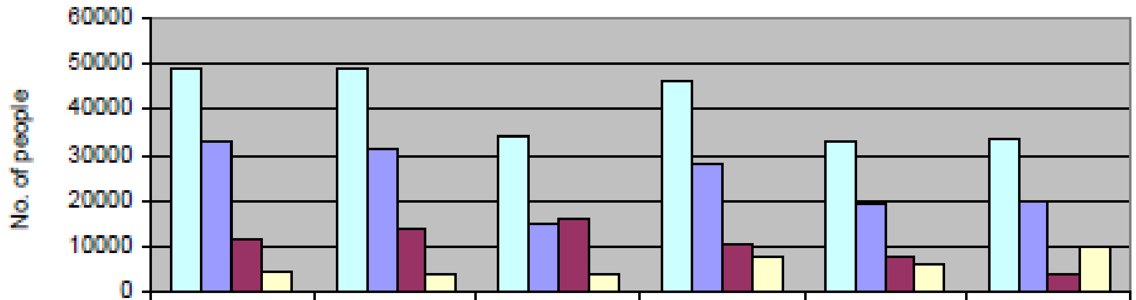
Table 3: Commuting between and within Gloucestershire Districts

		Destination					
		Chelt	Glos	Tewkes	Stroud	Forest	Cots
Origin	Chelt	32,840	3450	5350	860	290	1280
	Glos	4420	31,320	5080	3000	710	650
	Tewkes	8720	5390	14,440	720	410	700
	Stroud	1840	5200	1210	27,950	200	1920
	Forest	1050	4520	1360	460	19,290	160
	Cots	1510	680	560	880	70	19,850

District Travel to Work Volumes

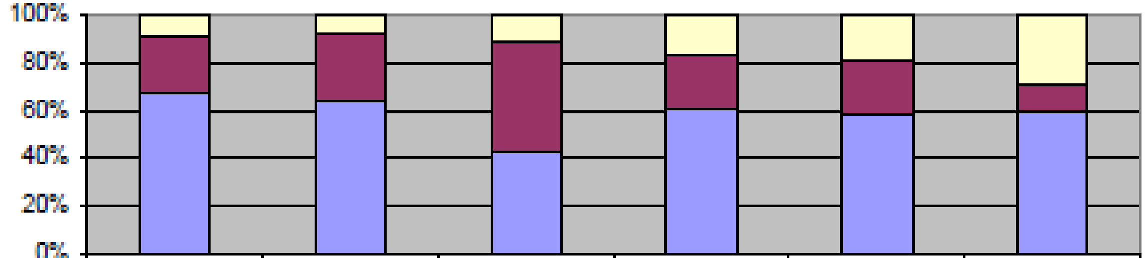
Origin	S. Wales & Monmouthshire	Hereford	Worcestershire	Warwickshire	Met County	Former Avon	London	South East (M4 Corr.)	Swindon	Oxfordshire	Wiltshire	Other	*Total out of county commuters*
Cotswold	50	10	510	770	220	670	510	260	2650	1800	1450	1070	*9970*
Cheltenham	80	80	660	120	380	770	260	130	410	320	150	1310	*4670*
Stroud	130	40	150	50	180	4590	270	110	590	160	500	900	*7670*
Gloucester	100	110	340	70	190	1100	110	100	420	170	150	840	*3700*
Forest of Dean	2370	1390	260	30	110	1080	100	70	110	50	60	560	*6190*
Tewkesbury	60	110	1220	120	330	500	140	80	210	170	70	620	*3630*

Number of travel to work journeys made by residents of each district



	Chelt	Glos	Tewkes	Stroud	Forest	Cots
Total	48470	48780	33970	46070	32990	33510
Stays within district	32840	31320	14440	27950	19290	19850
Rest of county	11230	13860	15900	10440	7530	3690
Out of County	4400	3600	3630	7680	6170	9970

Travel to work journeys as a percentage of all work journeys by residents



	Chelt	Glos	Tewkes	Stroud	Forest	Cots
Out of County	9	7	11	17	19	30
Rest of county	23	28	47	23	23	11
Stays within district	68	64	43	61	58	59

Core Strategy Consultation:

Alternative Strategies for shaping the future of Stroud District

8th FEBRUARY – 22nd MARCH 2010

This background paper has been published to support the main 'Alternative Strategies' consultation document: a discussion paper, which looks at seven alternative spatial strategies and proposed policies. You can see this online at **www.stroud.gov.uk/core** and at the following locations during their normal opening hours:

- Town and parish council offices that open to the public: Berkeley, Cainscross, Cam, Chalford, Dursley, Minchinhampton, Nailsworth, Painswick, Rodborough, Stonehouse, Stroud, Wotton-under-Edge
- Public libraries at Berkeley, Brockworth, Dursley, Nailsworth, Minchinhampton, Painswick, Quedgeley, Stonehouse, Stroud, Wotton-under-Edge
- The customer service centre at Stroud District Council offices, Ebley Mill. There are computers for public internet access here as well.
- The Tourist Information Centre at the Subscription Rooms, Stroud

You can print out **consultation response forms** from our website or take a photocopy from APPENDIX 1 of this document. Please return your completed form to the address given on the back of this document by Monday 22nd March 2010.

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