

# 1 Gloucestershire

## The Integrated Economic Strategy for Gloucestershire 2009-2015 Consultation Draft



**THE INTEGRATED ECONOMIC STRATEGY**

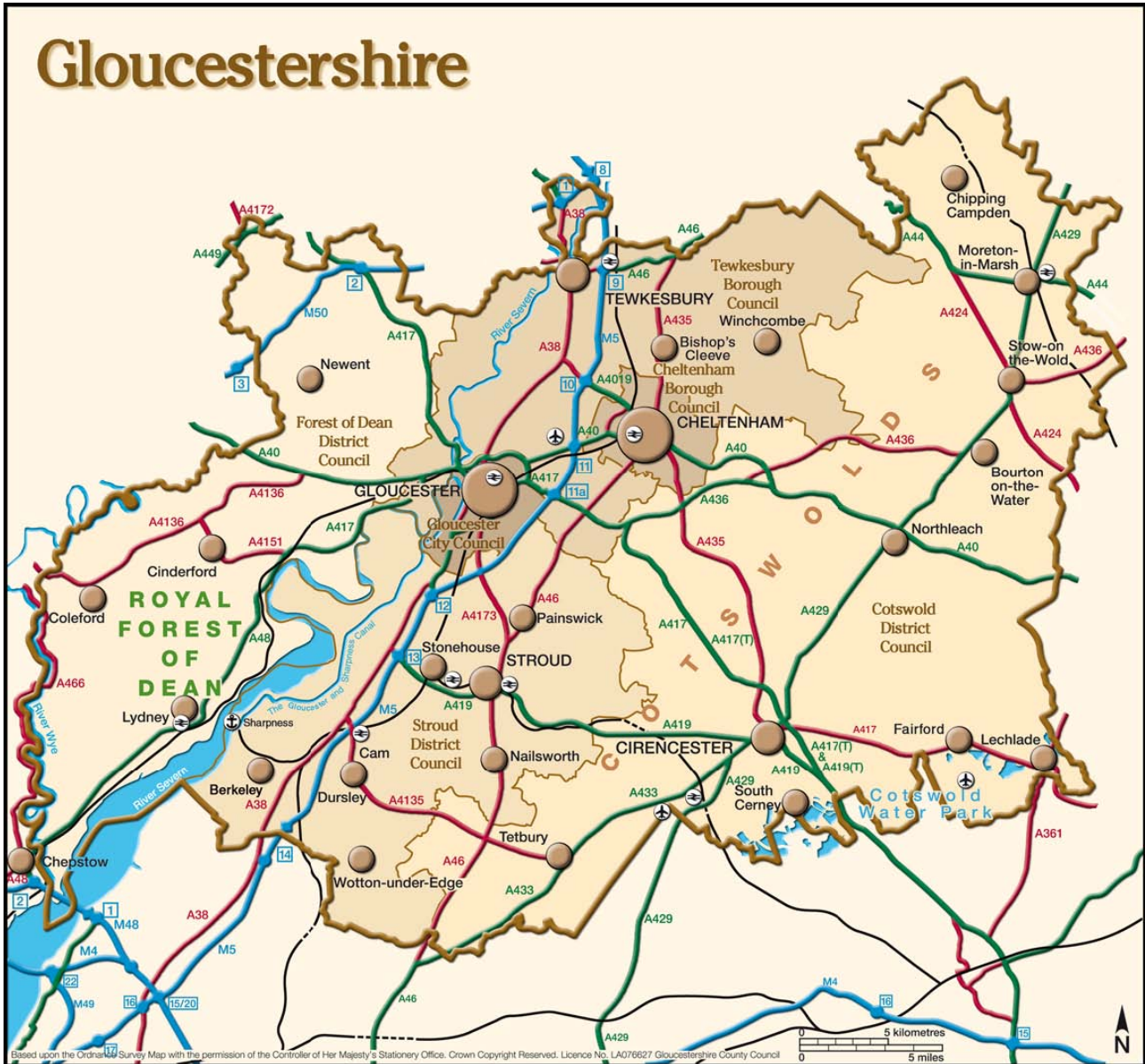
**FOR**

**GLOUCESTERSHIRE**

**2009-2015**

**(CONSULTATION DRAFT)**

## The County of Gloucestershire



Population – 582,600 (2007 mid year estimates); Total Employees in employment - 253,000 (ABI 2006); Employment in manufacturing – 38,900; Economically active population (working age people) - 298,200 (APS Apr 07-Mar 08); Economic Activity Rate – 85%; Number unemployed 6,400 (claimant count Sep 08); Annual Gross Value Added £11.3bn (current basic prices 2005<sup>1</sup>); GVA per head £19,665 (current basic prices 2005<sup>2</sup>); Average weekly earnings – resident based (full time, gross, median) - £476 (ASHE 2008)

<sup>1</sup> Provisional

<sup>2</sup> Provisional

## Executive Summary

### PURPOSE

The purpose of the Gloucestershire Economic Strategy 2009-2015 is to:

- Articulate strategic objectives that are endorsed and adopted by all parties, particularly the County Council and the six Local Authorities confident that these will lead to a stronger, more competitive economy for the whole of Gloucestershire, relevant to well beyond 2015.
- Relate to national policies and the RSS, the RES and the RDA Corporate Plan, particularly the need to develop a low carbon economy, and to the Gloucestershire Conference Sustainable Community Strategy.
- Provide the clarity to enable an effective Annual Delivery Plan to be agreed and delivered by partners and it should guide the development of LAA targets.

Policy-makers and policies need long-term perspectives to achieve the desired changes and strong and effective leadership will be required to implement these.

### MISSION

To create and foster a sustainable, low carbon economic environment in which businesses flourish, communities thrive, and individuals have the opportunity to reach their potential.

### STRATEGIC OBJECTIVES

The Strategic Objectives and the actions needed to deliver each are:

#### **1. To develop a more competitive and productive Gloucestershire economy by 2015 in terms of sectors and employment opportunities:**

- Support the development of food production in agriculture and food processing.
- Develop and nurture engineering aptitude in young people and retain a profitable manufacturing sector including using advanced engineering techniques and innovation.
- Grow pro-actively the environmental technology and engineering sectors.
- Ensure the provision of employment land and workspace for the future.
- Attract more Government/national public sector organisations to Gloucestershire.
- Increase the profile of Gloucestershire as a retail destination.
- Maintain the construction and creative industries sectors for the future.
- Strengthen Gloucestershire's offer to tourists, visitors and businesses in support of a countywide tourism strategy.
- Support micro businesses and SMEs to start up, survive and grow
- Support the growth of the capacity and capability of the care sector.

#### **2. To provide the connectivity that enables Gloucestershire to be a place where people and communities interact and connect whether locally, regionally or globally:**

- Achieve high quality inter regional transport links for the whole County especially to London and the SE.
- Recognise the need to provide an attractive alternative to private car travel, particularly for commuting, as essential to developing a low carbon economy.
- Identify, agree and implement, in partnership with providers, solutions to the road and rail capacity issues in the County, including the handling of freight.
- Work with the County Council to ensure that LTP3 contains the right transport strategy to achieve a local transport infrastructure and integrated public transport services that are appropriate to the needs of a developing Gloucestershire.
- Tackle the access deprivation in rural communities with innovative initiatives.
- Ensure that County businesses are able to maximise the benefits of broadband and ICT.
- Support the recruitment by the University and Gloucestershire College of overseas students and establish appropriate long-term business networks with them.

#### **3. To make Gloucestershire a place where the economy thrives in both the urban and rural areas and in all communities:**

- Investigate the effectiveness of 'Asset Based Development'.
- Use the SWRDA classification of Gloucester/Cheltenham as a priority place effectively.

- Provide the vision, leadership and finance necessary to reinvigorate the market towns and help villages to become more sustainable rural communities.
- Ensure Project Nexus is implemented.
- Reduce the incidence and impact of crime and disorder in urban Gloucestershire.
- Enable a better quality of life to all communities, particularly those suffering deprivation.
- Make Gloucestershire distinctive in action, appearance and reputation to attract inward investment.
- Provide a quality of life and business environment that attracts and retains talented business entrepreneurs, innovative and creative thinkers, and academics.

**4. To develop a low carbon economy in Gloucestershire:**

- Establish a programme to make businesses and organisations aware of immediate cost and CO2 savings, with public sector leading by example.
- Pro-actively encourage and support the development and manufacturing of renewable energy technology and systems.
- Increase provision of skills in installation and production of energy efficient systems.
- Make people aware of the advantages of extracting energy from the Severn within the SDC constraints.
- Encourage all planning policies to make carbon zero or carbon neutral solutions essential.
- Encourage the development of electric vehicle technology and infrastructure.
- Support initiatives that use waste as a resource for energy production.
- Take advantage of the resources available through SWRDA.

**5. To increase the resilience of the economy of Gloucestershire to natural disasters, major accidents, malicious attacks and world or national economic crisis:**

- Implement the recommendations of the Pitt Review in the County as quickly as possible.
- Replace the temporary protection of the Wadham Electricity Switching Station with permanent protection without delay.
- Review the critical infrastructure of the County and develop solutions to increase its robustness.
- Ensure the County is prepared for a human flu pandemic or an outbreak of Avian Influenza.
- Support initiatives through the RDP-E programme to improve the health and welfare of Gloucestershire livestock leading to a reduction in the economic impact of diseases for businesses and related supply chains.
- Persuade all organisations and businesses to draw up realistic 'disaster recovery plans' and keep these under regular review.
- Maintain and expand the diverse economy of Gloucestershire.
- Develop the role and effectiveness of the community response, particularly the 3<sup>rd</sup> Sector.

**6. To maximise the potential of the people of Gloucestershire by developing skills and talent that ensure profitable employment in the 21<sup>st</sup> Century and enable them to take advantage of and contribute to the economic development of the county:**

- Starting in school, overcome the lack of aspiration in young people.
- Reduce the number of 16-19 year olds who are NEET<sup>3</sup> in Gloucestershire.
- Increase the number of employees reaching a minimum of a NVQ2 qualification, an LAA 'stretch' target.
- Increase the number of Gloucestershire based students that progress into higher education in County, and attract such individuals to the key sectors in the Gloucestershire economy thereby improving graduate retention.

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<sup>3</sup> Not in Employment, Education or Training

- Ensure Gloucestershire has Higher and Further Education provision that meets the needs of the County's employers.
- Support the adoption of Train to Gain as widely as possible.
- Develop an employer culture that recognises the value of constant skills improvement.
- Encourage and support people in the 'potential workforce' to gain or improve their skills and contribute to the local economy.
- Realise effectively the knowledge skills and experience of overseas migrants.
- Help individuals overcome their disadvantage and improve local opportunities generally to increase economic inclusion.

**7. To realise fully the economic potential of Gloucestershire's environment whilst improving it where necessary and protecting the exceptional quality of the countryside for future generations:**

- Maintain a viable agricultural (farming and forestry) sector.
- Increase the understanding of land managers as to how environmental measures can be integrated into land management practices and how the economics of biomass and bio-fuels can be developed in a way that works with the landscape.
- Ensure landowners take advantage of the funding available for environmental schemes under RDP-E 2007-2013.
- Recognise that the Regional Spatial Strategy should be seen as broad strategic guidance rather than mandatory policy, particularly in meeting the needs of rural communities.
- Draw up Local Development Frameworks (LDFs) with the clear objective of delivering 'sustainable communities' in consultation with local communities and businesses.
- Ensure a full range of traditional skills and conservation expertise is available.
- Utilize the opportunities the renovation of the Thames and Severn Canal will provide for the economies of the communities on the route.
- Make better economic use of the River Severn.
- Emphasise the economic benefits of preserving and promoting the built and historic environment including archaeology and historic landscapes.
- Support the provision of new housing developments to exemplary standards to achieve high quality living environments and genuinely sustainable communities.
- Exploit the economic value of existing historic resources and the restoration of the cultural and heritage assets of Gloucestershire

**8. 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:**

- Support the successful delivery of the Gloucester City Employment Plan and its expansion to the rest of urban Gloucestershire as quickly as possible.
- Promote and support new and emerging wealth-creating businesses and industries, particularly in the 'knowledge economy'.
- Maintain and strengthen existing key employment sectors and attract and retain valuable Foreign Direct Investment jobs.
- Exploit the opportunity to participate in the jobs that will deliver the regeneration projects.
- Support the "Back to Work" project to increase the number of economically active disabled people in Gloucestershire, an LAA Stretch Target.

## Introduction

1. Gloucestershire is a rural county with an urban heart. It is this combination which makes it so special but which also makes it important that all parts of the County have a strong economy.
2. Currently (2009) Gloucestershire has a number of economic strategies (Rural, Urban, Energy, Workspace, etc), and although these have been effective a single integrated economic strategy for Gloucestershire will be more effective and efficient not least because it will enable there to be a single delivery plan to which all organisations can contribute.
3. The Strategy is made up of three documents:
  - The Economy of Gloucestershire, produced annually by the County Council, provides the evidence base; the latest version is The Economy of Gloucestershire 2008.
  - This document, The Gloucestershire Economic Strategy 2009-2015, which sets out the Strategy and will be 'refreshed' every three years.
  - The Delivery Plan, which will cover a rolling three years, and be produced annually to enable priorities to change during the lifetime of the Strategy.
4. This Gloucestershire Economic Strategy 2009-2015 covers a period beginning with an extremely severe economic recession, combining a lack of credit with a crisis of confidence. Hopefully, by 2012 this will be over and the Gloucestershire economy needs to be well placed to take advantage of the recovery. This demands great flexibility, which it is intended should be provided in two ways:
  - The strategy will be 'refreshed' after three years, which will enable changes in the overall economic situation to be accommodated.
  - The priorities in the Annual Delivery Plan will need to change to reflect the immediate situation. Initially the priority will be towards retaining jobs, creating new ones and enhancing skills, whilst at the same time ensuring that those sectors and businesses that are likely to lead us out of the recession are as strong as possible.
5. The Strategy begins by setting out the context of the Strategy, particularly the economic situation and the national and regional policies within which it must operate. The economic needs of the County are covered under 8 themes each with a single strategic objective:
  - A Competitive Economy tries to identify the shape and components of a future competitive and productive Gloucestershire economy and how to achieve this.
  - A Connected Economy addresses the importance of good connectivity, physically and electronically, internally and globally to the future Gloucestershire economy.
  - A Gloucestershire Economy addresses the different economic needs of place, from the urban heart to the isolated rural community.
  - A Low Carbon Economy addresses both the need to reduce CO2 emissions and the opportunities that derive from it for the Gloucestershire economy.
  - A Resilient Economy addresses how to make the Gloucestershire economy more resilient to the risks from natural and economic events, accidents or malicious attacks.
  - A Skilled Economy addresses the need for the Gloucestershire working population to have the skills needed to make them as productive and wealthy as possible.
  - A Sustainable Economy considers how to retain and improve the Gloucestershire environment, parts of which are exceptional, whilst deriving economic benefit from it.
  - A Working Economy addresses the need as many of the Gloucestershire population of a working age as possible to have a productive and satisfying job.

## Economic Overview

6. The **world economy** faces two significant problems (February 2009) – a liquidity crisis, with the resulting credit squeeze on economic growth, and a recession with a sharp rise in unemployment and business failure. How great the impact of these will be or how long they will last is a matter for conjecture but they will affect the SW economy significantly until at

least 2011 and possibly much longer. SWRDA is forecasting that the impact on Gloucestershire in terms of the increase in unemployment and the reduction in Gross Added Value (GVA) will be more severe than in the rest of the South West. It is important to recognise that the end of the recession, signalled by an increase in GDP, will not mean an immediate fall in unemployment, which is likely to go on rising for many months, probably years.

7. The Economy of Gloucestershire 2008 is the detailed evidence base. Chapter 1 "Geography and Infrastructure" provides the background for the document and this economic strategy. Its key points are:
  - The residential population of Gloucestershire was 578,600 in 2006 and is forecast to grow by 3.9% to 601,000 by 2016.
  - The Regional Spatial Strategy (RSS) indicates that the highest levels of population growth will occur in the Districts of Cheltenham, Gloucester and Tewkesbury.
  - Gloucestershire is well served by a good strategic road network (much of which is in poor condition). Recent works have enhanced the County's links with other parts of the region.
  - Network Rail will shortly be developing the Route Utilisation Strategy for the M5 Rail Corridor between Birmingham and Bristol.
  - The main efforts on rail freight will be the development of Sharpness Docks to bring it back into use.
  - The RSS for the South West proposes development of 48,600 dwellings for the period 2006-2026, which should generate significant house building in the County.
8. A recent SWRDA Quarterly Economic Review<sup>4</sup> reported that: "Competitiveness is one of the main drivers of business performance, productivity and wider economic activity. International trade and associated exploitation of regional comparative advantage is a fundamental component of competitiveness. South West England (SWE), however, has a particularly low propensity to trade. Although the region accounts for around 8% of UK economic output. 8.5% of the UK population and 8.7% of employment, in 2007 SWE accounted for only 4.8% and 4.2% of UK goods export and imports respectively and 5% of measurable services trade statistics". Against this background "the most competitive part of SW England was Cotswolds (57<sup>th</sup>), followed closely by Cheltenham (59<sup>th</sup>).....Tewkesbury (93<sup>rd</sup>), Stroud (106<sup>th</sup>) and North Somerset – all in the northern part of the region – have relative competitiveness above the UK average". The Forest of Dean was 222<sup>nd</sup>.
9. Two aspects of the economic crisis may help the Gloucestershire economy. The full impact of unemployment may be mitigated by migrant workers returning home, although this does depend on local people being willing to fill any job vacancies created. Secondly the devaluation of the pound makes exports more competitive on world markets, makes imports more expensive, which may improve the competitiveness of locally produced goods and services and generate much needed tourism opportunities.
10. The economic crisis is global. Gloucestershire's future prosperity will depend to a large extent on its global competitiveness and a willingness to recognise that traditional sectors and business models may not be as competitive as new ones. In particular the need to address the threat of global warming and reduce carbon emissions is likely to dominate future decades. This economic strategy must provide the springboard for new ideas to be developed and implemented.
11. The crisis has highlighted a growing problem that society has become more dysfunctional. The desire for personal gain is having an adverse impact on family, the needs of society and our communities. There is a need in the future to integrate the growth of the economy with the needs of society in a way that has not been achieved in recent decades.

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<sup>4</sup> Economic Review, Issue 14, Fourth Quarter: November 2008 South West RDA

## Context

### National Context.

12. The Government has published a range of policy documents relevant to the development of an Economic Strategy for Gloucestershire.

- **Local Area Agreements**, introduced in 2004, endeavours to set out the priorities for a local area agreed between central government and a locality (the local authority and Local Strategic Partnership) and other key partners at the local level. In Gloucestershire's case this is the Gloucestershire Local Area Agreement (LAA) and this Economic Strategy informs the content of the Economic Block of the LAA.
- A series of Government initiatives have had the general aim of decentralising the power base and empowering local government. These include: The 2006 White Paper, **"Strong and Prosperous Communities"**<sup>5</sup>, which claimed to be "on the side of individuals and families who want to make a difference, both to their own lives and to the communities in which they live". Its vision was of re-vitalised local authorities, working with their partners, to reshape public services around the citizens and communities that use them. **The Sustainable Communities Act 2007**<sup>6</sup> creates a duty for Government to produce a local spending report that details, for each local authority area, the amount of public money spent by all the relevant agencies (central, regional and local) on services and projects over a given period; invites local authorities to make proposals which they consider would contribute to promoting the sustainability of local communities. **"Communities in Control: real people, real power"**<sup>7</sup>, a 2007 White Paper on empowerment aims: "To rehabilitate local political activity as a worthwhile activity, conducted by decent people in pursuit of noble aims." **'Transforming places, changing lives: a framework for regeneration'**<sup>8</sup> is a consultation document, which sets out proposals to: Co-ordinate and prioritise regeneration investment; align investment behind local and regional regeneration priorities; and, focus regeneration investment on tackling the underlying economic challenges holding back deprived areas, focusing on jobs and enterprise.

13. The 2007 White Paper **"Planning for a Sustainable Future"**<sup>9</sup> sets out the Government's detailed proposals for reform of the planning system, to improve the speed, responsiveness and efficiency in land use planning, and taking forward proposals for reform of major infrastructure planning. It proposed reforms on how the Government would take decisions on nationally significant infrastructure projects, responding to the challenges of economic globalization and climate change and also included reforms to the Town and Country Planning system to make it more responsive.

14. **Sub-National Review.** The Sub National Review of Economic Development and Regeneration was published in 2007 and after a period of consultation the Government has announced how it intends to proceed. The key points are:

- The production of the new regional strategy and reformed regional governance structures.
- Ways for local authorities to set-up formal collaborative arrangements on economic development with the RDA.
- The creation of an economic assessment duty on upper tier and unitary local authorities.
- The delegation of decision-making by RDAs to local authorities and sub-regional partners.

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<sup>5</sup> DCLG 'Strong and Prosperous Communities; the Local Government White Paper' 26 October 2006

<sup>6</sup> Sustainable Communities Act 2007 received Royal Assent and was published on the 23 Oct 2007

<sup>7</sup> Ministry of Justice and DCLG 'Communities in Control: real people, real power' 6 July 2008

<sup>8</sup> 'Transforming Places, Changing Lives, a framework for regeneration'. DCLG 25 July 2008

<sup>9</sup> DCLG 'Planning for a Sustainable Future' 21 May 2007

15. **Local Development Frameworks.** A new planning system to manage development in towns and the countryside<sup>10</sup> was agreed in 2004. It introduced a new 'two-tiered' system of: Regional Spatial Strategies (RSS) - prepared by the regional planning bodies, which set out a broad spatial planning strategy for how a region should look in 15 to 20 years time; and, Local Development Frameworks (LDF) - a folder of local development documents prepared by district councils, unitary authorities or national park authorities that outline the spatial planning strategy for the local area. A key element of the LDF is the role of community involvement in the plan-making process. This gives local businesses and communities the opportunity to make planning more relevant and aware of the needs of the economy.
16. **Low Carbon Industrial Strategy.** The Government is currently inviting views on how to achieve: "a transition to a low carbon economy is not just an environmental and economic imperative, but also an economic opportunity. As we shift towards a greener industrial landscape, and as we change the way we work, travel, consume, we can reap huge energy savings while boosting sustainable job creation and economic growth in the long term. A move to low carbon industry can help the UK weather the economic storm, but it can also help secure its long term industrial future." The result will be a Low Carbon Industrial Strategy.

### Regional Context

17. The emerging **Regional Spatial Strategy (RSS)** for the SW proposes concentrating the majority of future development over the next 20 years in Strategically Significant Cities and Towns (SSCTs). Both Gloucester and Cheltenham are identified as two of twenty-one SSCTs in the south-west region. As the emerging RSS states: "The 21 SSCTs have not been identified because of size, but because they are focal points for economic activity, cultural facilities and a wide range of services fundamental to residents' quality of life and where the requirements of individuals to travel can be catered for by better and more reliable public transport provision. They are also key places in the region with potential to achieve further significant development in a sustainable way. The Strategy is for an increased proportion of new development, particularly housing, to be delivered at these SSCTs. Through this approach, opportunities will be presented for a better balance between job growth and where people choose to live". Development Policy A of the emerging RSS states: "Provision will be made to maintain and enhance the SSCTs' regionally and sub-regionally significant roles and functions for housing, employment, cultural, education, retail, health and other services and facilities and as strategic hubs for public transport".
18. The emerging RSS sets out a requirement for about 35,000 of the total 48,600 new homes to be in the Gloucester and Cheltenham SCCTs together with around 22,000 jobs and 118 hectares of employment land in the Gloucester and Cheltenham travel to work area by 2026. Cheltenham Borough, Gloucester City and Tewkesbury Borough Councils are taking forward a Joint Core Strategy as part of their Local Development Frameworks, which will facilitate a holistic approach to spatial planning in the area. This will be complemented by relevant provisions within Stroud District Councils Local Development Framework covering the remaining of the urban area and the County Council leading on the Strategic Infrastructure Delivery Plan for the whole county.
19. Development Policy B addresses **Development at Market and Coastal Towns.** It states: "At Market and Coastal Towns that meet all of the following criteria:
- There is an existing concentration of business and employment and realistic potential for employment opportunities to be developed and enhanced
  - There are shopping, cultural, faith, education, health and public services that meet the needs of the town settlement and the surrounding area

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<sup>10</sup> The Planning and Compulsory Purchase Act 2004

- There are sustainable transport modes that can be maintained or developed to meet identified community needs in the settlement and the surrounding area  
provision will be made for housing, employment, shopping and other services that increase their self-containment and enhance their roles as service centres.”
20. Development Policy C covers **Development at Small Towns and Villages** and states: “In small towns and villages greater self-containment and stronger local communities will be promoted by making provision that:
- Supports activity appropriate to the scale of the settlement.
  - Extends the range of services to better meet the needs of the settlement and its surrounding area,
  - Meets identified local housing needs.
21. The RSS and RDA are both dismissive of the needs of the rural economy a disappointing approach in the most rural region in England. This needs to be counteracted as far as possible in this economic strategy, which should balance the needs of both the urban and rural economies.
22. **The Regional Economic Strategy.** The Regional Economic Strategy 2006-2015<sup>11</sup> states: “The region will be bold and visionary in the transformation of its cities and larger towns, ensuring that they provide viable and attractive places to live, work, shop and play. This change will be on a scale that maximises their potential and competitiveness, responding to and creating new markets that will help to achieve critical mass and address key challenges such as congestion. Knowledge, technology, entrepreneurship and leadership are at the heart of successful cities. This means increasing investment in infrastructure, culture and regeneration”. The three Strategic Objectives in the Regional Economic Strategy are: Successful and competitive businesses; strong and inclusive communities, and; an effective and confident region.
23. **The South West RDA’s Corporate Plan 2008-2011.** The RDA Corporate Plan 2008-2011 is designed to be a three year corporate plan set within a twenty year outlook. It states: “Our economy in the South West is not as productive as it could be and, with turbulence in the financial markets, the long period of steady economic growth is probably coming to an end. Climate change, population growth and globalisation – trading and competing across the world – are major issues for the future of our economy. Given these challenges, our core strategy is focused on:
- Creating the conditions for productivity led growth measured by GVA per hour relative to the UK average.
  - Developing a low carbon economy – with the ultimate aim a zero carbon investment portfolio by 2013.
  - Creating successful places – particularly the places we identify in this plan as priorities which include ... Gloucester/Cheltenham<sup>12</sup>.”
- As far as the rural economy is concerned the Corporate Plan states: “We will continue to work with our partners and make investments outside these priority places.... Where we have specific commitments, these will be honoured, but are likely to reduce over time. Moreover, many of our projects and programmes are, and will remain, region-wide in scope.... The RDA’s approach to supporting the economy of rural areas has evolved since 1999 and we are planning to take this evolution a step further... Looking forward, the RDA’s investment to support the economy of rural areas across the region will focus on: addressing connectivity for business; providing effective business infrastructure (including access to skills, business support and workspace); harnessing the environment as a driver for business productivity and growth; and facilitating strong and inclusive communities. Consistent with our approach throughout this plan, the RDA will deliver, wherever possible,

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<sup>11</sup> Regional Economic Strategy for South West England 2006-2015 (SWRDA 2006)

<sup>12</sup> Whilst the RSS identifies Gloucester and Cheltenham as separate SSCTs, the RDA Corporate Plan identifies Gloucester and Cheltenham as a single economic priority place.

through existing organisations and mechanisms.... A focus on connectivity and accessibility will go hand-in-hand with the concentration of RDA effort on the economies of priority places and their hinterlands. One of the outcomes we are trying to achieve is strengthening the connectivity between our priority places and surrounding coastal and rural areas. Thus we will consider the wider 'economic footprint' of our priority places, and our policy and investment decisions will always take account of opportunities to connect businesses and people to the economic potential of neighbouring urban or rural areas."

24. **The SW Sustainable Farming & Food Plan 2008-2011 "Changing Landscapes, Changing Outlooks"** was 'refreshed' in 2007. Its actions are set out under 3 key themes: Strengthening the knowledge base to support business profitability and respond to new opportunities; enabling regional and local sourcing and the sustainable development of supply chains; realising the value of the region' environmental assets.
25. **Rural Development Programme-England 2007-2013 (RDP-E)** is a European Programme funded through modulation of Single Farm Payments under the Common Agricultural Policy. Each RDA has drawn up a Regional Implementation Plan (RIP) for the delivery of grants under Axis 1 and 3; in the SW this is a combination of commissioned themes and business support grants. Axis 2 is delivered by Natural England and the Forestry Commission principally through environmental schemes. About £100M is available for the SW less Cornwall under Axis 1 and 3.
26. The effect of the implementation of the **Sub National Review** (see paragraph 17) will be the disappearance of the SW Regional Assembly and the bringing together under the SWRDA of regional policy on housing, economy and energy.

#### **Gloucestershire Context**

27. **Superseded Strategies.** This Integrated Economic Strategy supersedes and incorporates the strategic objectives of The Gloucestershire Economic Strategy 2008-2015, The Gloucestershire Rural Economic Strategy 2007-15, The Gloucestershire Energy Strategy 2007-17 and The Gloucestershire Urban Economic Strategy 2008-2015.
28. **Core Strategies.** The Core Strategy is the most important part of the Local Development Framework. It identifies the key, strategic issues of most importance to the local area and translates these into a strategy for tackling them. Examples include how to provide more affordable housing, reduce traffic congestion and tackle climate change. In Gloucestershire a Joint Core Strategy is being developed by the County Council, Gloucester City, Cheltenham Borough and Tewkesbury Borough together while Stroud District Council is also developing a Core Strategy. Adoption of the Joint Core Strategy is planned for May 2011 and for the Stroud Core Strategy July 2011.
29. **Local Area Agreement 2008-2011.** The RDA has made clear that its investment plans will be principally based on the delivery of the Economic Theme in Local Area Agreements. Gloucestershire's revised Local Area Agreement 2008-2011 was agreed in June 08 and will be 'refreshed' in 2009. The economic theme has four goals, to:
  - Increase the number and quality of jobs.
  - Increase the number and range of skilled employees by improving the skills of local people.
  - Ensure that Cheltenham and Gloucester are at the heart of a strong Gloucestershire Economy by delivering the Urban Economic Strategy.
  - Develop a stronger, more diverse and sustainable rural economy by delivering the Rural Economic Strategy.
30. **'Our Place: Our Future'** is The Gloucestershire Conference Sustainable Community Strategy 2007-2017. Its **vision**, which is also the vision of this Economic Strategy, is:  
*"We want Gloucestershire to be a place where:*

- *the actions we all take today mean that Gloucestershire remains a great place to live and work, and*
- *we do not compromise the quality of life for future generations”*

### **Purpose of the Strategy**

31. The purpose of the Gloucestershire Economic Strategy 2009-2015 is to:

- Articulate strategic objectives that are endorsed and adopted by all parties, particularly the County Council and the six Local Authorities confident that these will lead to a stronger, more competitive economy for the whole of Gloucestershire, relevant to well beyond 2015.
- Relate to national policies and the RSS, the RES and the RDA Corporate Plan, particularly the need to develop a low carbon economy, and to the Gloucestershire Conference Sustainable Community Strategy.
- Provide the clarity to enable an effective Annual Delivery Plan to be agreed and delivered by partners and it should guide the development of LAA targets.

Policy-makers and policies need long-term perspectives to achieve the desired changes and strong and effective leadership will be required to implement these.

### **Mission**

32. This is a mission led economic strategy. Its Mission is identical to that in the Gloucestershire Conference Sustainable Community Strategy and is:

**“To create and foster a sustainable, low carbon economic environment in which businesses flourish, communities thrive, and individuals have the opportunity to reach their potential”.**

## Theme 1 - A Competitive Economy

33. "Competitiveness is one of the main drivers of business performance, productivity and wider economic activity. International trade and associated exploitation of regional comparative advantage is a fundamental component of competitiveness".<sup>13</sup> Although parts of Gloucestershire are more competitive than much of the rest of the Region (see paragraph 9) the County needs to be competitive globally not just regionally. This section of the strategy looks forward and tries to identify what sectors will offer Gloucestershire a competitive and productive economy after the recession.

### The Economy of Gloucestershire 2008

34. Chapter 3 of the Economy of Gloucestershire 2008 covers "Employment and Industrial Structure"; Chapter 4 covers "Business Structure and Performance". The key points from these chapters include:

- Gloucestershire has a strong overall economy and is already an attractive inward investment location. Its key business sectors are: Advanced engineering, Construction, Creative industries, Distribution, Environmental technologies, Finance & business services, Food Supply, ICT, Leisure and Tourism. Other important sectors are: Care, Manufacturing, Public sector.
- 60% of Gloucestershire's business units are contained within two industrial sectors: 'Banking, finance and insurance' and 'Distribution, hotels and restaurants'.
- The majority of business units are small employers, with 72% of businesses in Gloucestershire employing 1-4 people (23% of the workforce). There are comparatively few large firms (0.5%) employing more than 200 people, but they account for a significant proportion of (23%) of the County's employees.

### Discussion

35. The key sectors in the Gloucestershire economy are likely to be changed by the recession. What will remain is a high skills base in these sectors but, just as when the defence industry contracted in the early 90s and those with the relevant skills were redeployed into the medical equipment sector, which is now important to the economy, the same approach may be necessary again. What matters is to identify the future growth sectors that suit the skills base and start developing these.

36. Two sectors are certain to have increased importance, food production and care.

- In 2007 there was a world wide shortage of food and this situation is likely to return. The County should therefore give a high priority to farming and food processing.
- As the population ages so the number requiring care and employed in the sector will increase. Advances in medical techniques mean there is a need for medical equipment R & D and manufacturing, a sector the County needs to retain and develop.

37. The challenge of global warming will dominate the world economy for decades. Gloucestershire has lagged behind the Region in the development of the environmental technology sector, a situation that must be reversed as the potential market is huge. The challenge is not necessarily the technology itself but finding ways of manufacture that are economic. Possible areas of development are electric vehicles, the exploitation of photovoltaic cells, anaerobic digestion and geothermal heating. A comprehensive plan to develop the sector is needed, which embraces education and potential manufacturers.

38. Priority should be given to the other sectors which make up a 'knowledge economy':

- The Finance & Business Services Sector provided 18.8% of jobs in 2006. Although the sector is going through dramatic change it will remain an important sector for Gloucestershire given the expertise in the current work force.

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<sup>13</sup> SWRDA Quarterly Economic Survey November 2008

- Gloucestershire has a stronger manufacturing and advanced engineering sector than the average but in the future it needs to compete globally. This will mean putting a high priority on ensuring the retention of these sectors and the supply of new, innovative young engineers; the education establishment needs to recognise the critical importance of engineering to the future economy.
- The Public Sector employed 27% of the workforce in 2006. The arrival of the HQ of the Ace Rapid Reaction Corps to Innsworth in 2010 will bring significant benefits and the County needs to continue to attract Government organisations.
- The creative industries sector is one that offers the potential for significant economic growth nationally and locally but probably not until after the recession. The priority therefore is to ensure the retention of the sector as a base for future expansion.

39. The current reduction in activity in the construction sector will lead to a pent up demand after the recession, magnified by the need to reduce the carbon footprint of existing business units and homes. There is therefore a need to maintain the stream of new entrants into the construction sector, despite the challenges. The opportunities offered by the current major regeneration programmes and other developments need to be maximised, particularly by the construction sector.

40. There is a continuing need for appropriate employment land, with good communication links and workspace that encourages the creation of job opportunities. The recession will lower demand for workspace in the short term but this is an opportunity to increase provision of high quality workspace for the longer term.

41. Distribution, which includes wholesale & retail and hotels & restaurants, is the largest private sector with over 60,000 employees (23.5%) in 2006. This is a sector that is already suffering significant job losses although the opening of Gloucester Quays in April 2009 may absorb some of these and could help to market the County as a retail destination.

42. Leisure and tourism makes a significant contribution to the economy of the County and acts as a 'shop window' for inward investment. The recession will cause more UK residents to stay in the UK, the lower exchange rate may increase the number of overseas visitors and the local domestic market could grow, but the sector will need to adapt to take advantage of the opportunity.

43. Micro businesses will remain a critical part of the economy: the SME sector traditionally is where the recovery starts. To retain current numbers will require new businesses to be helped to start up and flourish.

### **Strategic Objective**

**44. To develop a more competitive and productive Gloucestershire economy by 2015 in terms of sectors and employment opportunities.**

### **Delivery**

45. To deliver this strategic objective there is a need to:

- Support the development of food production in agriculture and food processing.
- Develop and nurture engineering aptitude in young people and retain a profitable manufacturing sector including using advanced engineering techniques and innovation.
- Grow pro-actively the environmental technology and engineering sectors.
- Ensure the provision of employment land and workspace for the future.
- Attract more Government/national public sector organisations to Gloucestershire.
- Increase the profile of Gloucestershire as a retail destination.
- Maintain the construction and creative industries sectors for the future.
- Strengthen Gloucestershire's offer to tourists, visitors and businesses in support of a countywide tourism strategy.
- Support micro businesses and SMEs to start up, survive and grow.
- Support the growth of the capacity and capability of the care sector.

## Theme 2 - A Connected Economy

46. A Connected Economy addresses the importance of good connectivity, physically and electronically, internally and globally to the future Gloucestershire economy. A high quality and energy efficient communications infrastructure within the County and good linkages to the other regions, London and the rest of the world are key elements in delivering a strong and resilient economy. Good connectivity, both physical and electronic, is vital to exploiting Gloucestershire's location.

### The Economy of Gloucestershire 2008

47. Chapter 1 of the Economy of Gloucestershire 2008 covers "Geography and Infrastructure". Chapter 8 covers "Social Exclusion and Deprivation". The key points from these two chapters relating to connectivity are:

- The draft Regional Spatial Strategy (RSS) indicates that the highest levels of population growth will occur in the Districts of Cheltenham, Gloucester and Tewkesbury.
- Gloucestershire is well served by a good strategic road network. Recent works have enhanced the County's links with other parts of the region.
- Network Rail will shortly be developing the Route Utilisation Strategy (RUS) for the SW identifying long-term investment priorities including the potential for new stations.
- The main efforts on rail freight will be the development of Sharpness Docks to bring it back into use.
- Recent trends have led to the loss of many rural services, and many rural wards in Gloucestershire have no community facilities for education, health, shops or daily bus service. People living in these areas are much more likely to be physically isolated from participating in the labour market.

### Discussion

48. Internally, the connectivity challenges are to: exploit the potential of broadband to new businesses, particularly in more rural locations; expand the markets of existing businesses; increase flexible and home working; provide an integrated public transport that becomes the 'option of choice' for the majority of commuters, including the possibility of increasing the number of 'halts' on existing railway lines, e.g. at Elton in the Forest of Dean; and increase the potential for safe cycling and walking for local journeys.

49. Externally rail services to other conurbations, particularly London, must enable and not hinder economic growth; many business leaders identify the poor rail service to London as a disincentive to locating in Gloucestershire. Part of the solution lies in re-doubling the single line track between Kemble and Swindon and, whilst this has not been included in Network Rail's investment plan for 2009-14, funding has been found for the detailed design work to progress in 2009-10. The Region has allocated match funding towards the re-doubling should the design work prove the project is feasible. Network Rail has however agreed to re-double the North Cotswolds Line linking Moreton-in-Marsh with London, Oxford and Worcester. Gloucester does not lie on the main Bristol – Birmingham line so that the regular service on this line generally only stops at Cheltenham. There is a proposal, which will be reviewed as part of the RUS in 2009, to establish a Gloucester/Cheltenham Parkway station at Elmbridge Court, with fast connecting bus links to Cheltenham and Gloucester.

50. There is an increasing opportunity to use the MOD facilities at Ashchurch for rail freight together with the siding at Lydney. The County Council has agreed to fund the reopening of operations at Sharpness Docks.

51. The County has a well developed strategic road network, with high capacity inter-urban roads, and the M5 providing excellent links to the motorway network. There is a major bottleneck on the A417 between Nettleton Bottom and Crickley Hill and this is a cause of regular delays and increased costs for businesses. There is regional support for a £280M scheme to overcome this being included in the Highway's Agency national investment programme. Poor access to the Forest of Dean is also a disadvantage for many businesses

located there and opportunities for collaborative solutions should be explored with Monmouthshire Council.

52. Gloucestershire's Local Transport Plan for 2006-11 (LTP2) sets out the transport strategy for the County. The County Council is responsible implementing LTP2 and preparing LTP3, which will take effect from 2011. The aim of the Council's bus strategy in LTP2 is to achieve a bus network that offers a good quality and viable alternative to the car, but the service standards set for various parts of the County (10 minute frequency services in Cheltenham and Gloucester, half-hourly in other urban areas, and hourly / two hourly services in rural areas) are proving challenging to deliver in a financially sustainable way and there is a need for better integration than currently exists. LTP2 also seeks to expand Park and Ride facilities for Cheltenham and Gloucester as a priority, as well as tackling congestion, improving the condition of the highway network, and improving air quality. Much of rural Gloucestershire is poorly served by public transport, and many communities have real difficulty in accessing services causing significant deprivation. LTP2 recognises the problem but makes no specific reference to the rural economy, and only 43% of rural households in the County are within a 13 minute walk of an hourly or better bus service. Innovative solutions to improving rural access need to be a priority within LTP3.
53. Gloucestershire Airport has a short runway but is home to air taxi and private jet facilities serving over 250 destinations, which help to attract inward investment and some high spending visitors. The majority of flights are for business, corporate and training purposes. Birmingham International Airport is accessible by the M5/M42 and rail, but Bristol International Airport has poor access by all modes.
54. Global business networks will help Gloucestershire businesses compete. The University of Gloucestershire attracts a number of overseas students. Most UK HE establishments do the same, the challenge is to maintain contact and develop ways in which Gloucestershire businesses can make use of these contacts. Consideration could be given to making some of these students Gloucestershire Ambassadors every year.
55. ICT is a major contributor to the County's prosperity. There are still a few very small pockets around the County with poor or no broadband service, and wireless solutions should be promoted where suitable. Internet connectivity should be considered in both the allocation and selection of suitable workspace. Planners, architects and builders need to take electronic connectivity into account when considering new building developments.

### **Strategic Objective**

56. **To provide the connectivity that enables Gloucestershire to be a place where people and communities interact and connect whether locally, regionally or globally.**

### **Delivery**

57. To deliver this strategic objective there is a need to:
- Achieve high quality inter regional transport links for the whole County especially to London and the SE.
  - Recognise the need to provide an attractive alternative to private car travel, particularly for commuting, as essential to developing a low carbon economy.
  - Identify, agree and implement, in partnership with providers, solutions to the road and rail capacity issues in the County, including the handling of freight.
  - Work with the County Council to ensure that LTP3 contains the right transport strategy to achieve a local transport infrastructure and integrated public transport services that are appropriate to the needs of a developing Gloucestershire.
  - Tackle the access deprivation in rural communities with innovative initiatives.
  - Ensure that County businesses are able to maximise the benefits of broadband and ICT.
  - Support the recruitment by the University and Gloucestershire College of overseas students and establish appropriate long-term business networks with them.

### Theme 3 - A Gloucestershire Economy

58. The SWRDA Corporate Plan 2008-2011 states: "We will focus more of our effort and investment in specific places". Such a selective approach is inappropriate in Gloucestershire where the three aims of the Gloucestershire Conference Sustainable Community Strategy 2008-2017 are: "A place where the future matters; a place where communities matter; a place where everyone matters". 'A Gloucestershire Economy' addresses the different needs of place, from the urban heart to the isolated rural community and examines how Gloucestershire as a whole can develop as a place where the economy thrives.

#### The Economy of Gloucestershire 2008

59. Chapter 1 of the Economy of Gloucestershire 2008 covers "Geography and Infrastructure". In its description of Gloucestershire as a place it includes:
- Gloucestershire is the 13th most rural county in England; it borders six other counties and covers an area of 1,020 square miles.
  - Gloucestershire has been a significant location for commerce since the Roman era, and its location at a crossroads of trade routes between Wales and London and the Midlands and South West continues to give it advantages as a business location today.
  - Companies have been attracted here not by financial inducements, but by Gloucestershire's advantages as a location both for business and residence, the quality of life and the skills of a highly qualified workforce.

#### Discussion

60. The traditional approach to solving problems in a place is to focus on the needs of communities. However this often misses the opportunity to build on a community's strengths and resources, which may be more effective. This alternative approach, Asset Based Development, has worked in some rural communities as the Carnegie Foundation has shown<sup>14</sup>. This approach needs to be tested in Gloucestershire.
61. Urban Gloucestershire, with a total population forecast by 2026 to be at least 370,800 is a significant urban conurbation particularly in regional terms with perhaps the potential to become a 'city/region'. Gloucester/Cheltenham are one of the 'priority places' identified by the RDA in their Corporate Plan. It is essential that the County takes advantage of this classification to develop the economy of the urban heart of our rural county.
62. The key sectors in the rural economy, with the exception of agriculture, mirror those in the urban, leading many to misunderstand the difference between rural and urban and to design policies based on convergence of the two. Evidence to the Taylor Enquiry argued the need for a dual policy focus for rural areas one addressing the needs of "well connected areas", the other "less well connected areas".<sup>15</sup>
63. People choose the place to live influenced by factors that can be grouped collectively as 'quality of life'. To attract the brightest and most innovative people, who are vital to creating and maintaining a prosperous economy Gloucestershire must be a place, which offers a better quality of life than other urban or rural environments. The environmental factors that contribute to quality of life are discussed under 'A Sustainable Economy'. Others include: Access to excellent schools, colleges and universities; access to good health care and public services; easy to travel in - lack of congestion; good access to the rest of the UK and overseas; good leisure and cultural facilities, sports, restaurants, theatres, concerts, museums, etc; quality of shopping facilities; and, safe, with low levels of crime.
64. Gloucestershire already has a significant number of excellent schools in both the private and the public sector but increasingly they need to be measured internationally. Universities and colleges provide a focus for clusters of creative and innovative businesses

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<sup>14</sup> 'Development Trust Associations transforming communities for good' CarnegieUK Trust

<sup>15</sup> Institute of Economic Development (IED 2008)

and attract innovative individuals but research has shown that the University of Gloucestershire is not meeting the needs of either the young people of the County or its businesses; plans are in place to change this under Project 'Nexus'; their implementation is crucial. The FE Colleges have recently made substantial improvement to their facilities, which will make them among the best-equipped colleges in the country.

65. People's fear of crime is generally unrealistically high; however, the Index of Multiple Deprivation shows that the number of SOAs in the worst 10% nationally for crime and disorder in Gloucester and Cheltenham increased between 2004 and 2006 from 11 to 19.<sup>16</sup> It is important that this is addressed.
66. A good quality of life should embrace everyone and not be confined to particular places or parts of society. Gloucestershire has some very disadvantaged people, not confined to the SOAs suffering the greatest deprivation, but also in rural pockets. Every effort needs to be made to: Maintain high quality public sector housing; ensure that the facilities, staff and results in schools in deprived areas are better than the average standard in the County; provide effective, accessible medical care and dentistry through the NHS; provide good, affordable public transport access to jobs, training and services.
67. The future vitality and viability of our market towns, which are centres of economic activity and provide essential services for the surrounding communities is critical but so also are the County's villages and hamlets. For the purpose of this strategy it is assumed that an economically sustainable rural community: Has sufficient jobs of different types in or nearby (within five miles) to meet the employment needs of those living in the community; has, within a reasonable distance, viable services, retail and social (medical, school, etc) to meet the day-to-day needs of the community; has a range of housing, including affordable housing, to provide a balanced community and to make essential services viable.
68. Gloucestershire needs to be a place that is distinctive to the first time visitor and to stand out across the world to bring benefit to the economy. The challenge is how does the visitor, whether real or virtual, immediately recognise Gloucestershire for what it is; its commitment to the environment; its innovative capacity; its partnership between city, towns and rural; its connectivity; its conviviality; its children friendly nature; as a great place to live and work? Distinctiveness is about reputation not branding and everyone and everything has a part to play in making Gloucestershire 'stand out from the crowd'.

### **Strategic Objective**

**69. To make Gloucestershire a place where the economy thrives in both the urban and rural areas and in all communities.**

### **Delivery**

70. To deliver this strategic objective there is a need to:
- Investigate the effectiveness of 'Asset Based Development'.
  - Use the SWRDA classification of Gloucester/Cheltenham as a priority place effectively.
  - Provide the vision, leadership and finance necessary to reinvigorate the market towns and help villages to become more sustainable rural communities.
  - Ensure Project Nexus is implemented.
  - Reduce the incidence and impact of crime and disorder in urban Gloucestershire.
  - Enable a better quality of life to all communities, particularly those suffering deprivation.
  - Make Gloucestershire distinctive in action, appearance and reputation to attract inward investment.
  - Provide a quality of life and business environment that attracts and retains talented business entrepreneurs, innovative and creative thinkers, and academics.

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<sup>16</sup> IMD 2007

## Theme 4 - A Low Carbon Economy

71. Climate change is taking place and may be happening faster than previously thought. The Government is committed to a reduction of 80% in CO<sub>2</sub> emissions by 2050. Government data indicates that business emissions in Gloucestershire are currently increasing by 6.3% annually so the scale of the challenge is huge and meeting it needs to start immediately. The SWRDA is committed to developing a low carbon economy and, from 2013, intends to make its investment 'zero carbon'. This section of the Strategy addresses how Gloucestershire might become an exemplary low carbon economy whilst taking advantage of the opportunities that derive from it.

### The Economy of Gloucestershire 2008

72. Chapter 9 of the Economy of Gloucestershire 2008 covers "The Environment". Key points relating to low carbon include:

- Waste disposal is a key environmental issue, with the County and district councils responsible for different aspects of waste disposal. Stroud district currently creates the lowest, and Gloucester the highest, amount of waste per head. Cotswold District Council recycles or composts the highest percentage of its waste.
- Gloucestershire's rurality means that it has a high level of dependency on car use, with the 25th highest car ownership rate in England and Wales. 80% of Gloucestershire residents use cars to travel to work or for leisure purposes.
- In 2007 the total renewable energy capacity installed in Gloucestershire was 5.1MW, 4.27MW of this from landfill gas. The regional target for 2010 is 597MW.

### Discussion

73. There is scope for virtually immediate significant emission reductions from buildings through energy efficiency improvement and relatively minor changes in behaviour. Organisations, businesses and individuals need to be made aware of how they can save costs and emissions by becoming more resource efficient. This requires leadership by the public sector who need in their buildings, schools, libraries, hospitals, etc to be in the forefront of demonstrating what is possible.

74. Further emission reduction from buildings will require the introduction of new technologies. Those that are 'zero-carbon', they produce no CO<sub>2</sub>, currently available are:

- Heat pumps, which use the warmth stored in the ground. Air source and water source heat pumps can also be used but are not as efficient.
- Small hydro turbines used for generating electricity from running water; parts of Gloucestershire, particularly the Stroud valleys, have the potential to do this.
- Solar photovoltaic systems, which generate electricity from sunlight.
- Solar thermal panels designed to capture sunlight to produce hot water.
- Wind turbines, which can be onshore, offshore or small domestic turbines.
- Nuclear, which already produces a significant proportion of UK energy needs.

Making new buildings very low carbon is relatively straight forward. The greatest challenge will be to reduce by 80% the emissions from existing buildings, including the current housing stock, to meet the target. This suggests the urgent development of an installer's network with the expertise to retrofit the new technologies in a cost effective way; it will require strong support from the education sector.<sup>17</sup> There is also a significant opportunity for businesses to develop and manufacture the new technologies for the global market.

75. The County needs to develop its own energy production and this can be done partly through local renewable energy solutions but also by extracting energy from the Severn Estuary. Five different schemes are currently being considered. Only one, a barrage at Beachley, is in Gloucestershire and would generate 625MW. However a barrage could have a

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<sup>17</sup> Hartpury College is developing practical courses suitable for smaller construction, electrical and waste management businesses in renewable energy, energy efficiency and waste management.

major impact on the local environment, with the loss of up to 75% of the existing intertidal habitat. Under EU law any loss of intertidal habitat has to be replaced.

76. Rigorous enforcement of the speed limit, particularly on the M5 and major routes would reduce CO2 emissions immediately. Gloucestershire does not have a vehicle manufacturing base, but by developing and installing the infrastructure needed to support electric vehicles Gloucestershire could take the lead in their use. This in turn could lead to the County's business exploiting the potential in developing electric vehicles and their components.

77. 'Carbon-neutral' technologies, where the CO2 given off equals that taken out of the atmosphere whilst the material grew, that are currently available are:

- Anaerobic digestion of organic wastes such as farm slurry and food processing waste can generate heat and/or electricity from the bacterial degradation of the material.
- Biodiesel and bio-ethanol, produced from crops are currently generally blended with fossil fuels.
- Biomass Combined Heat and Power (CHP) plants use energy crops such as miscanthus, forestry waste or waste wood to produce electricity and heat.
- Biomass heating using wood stoves or room heaters often linked to back boilers for space heating and hot water. Pellet boilers with hoppers and are fed automatically.

Biomass heating is relatively easy to install in existing homes. There is already one anaerobic digester in operation in the County at Kemble and Glos Woodfuels is already supplying 4 sites, including the National Star Centre, with wood pellets and has plans to increase production to 10MW annually.

78. Waste should increasingly be seen as a resource. A variety of technologies, including incineration, gasification and pyrolysis are used to extract energy from the waste stream. The resulting product is ash with a much lower volume than the original waste therefore reducing landfill requirements.

79. In summary there is a huge opportunity for innovation in the development of technologies that deliver zero carbon or carbon neutral systems economically. The County has the advanced engineering and manufacturing talent to exploit these. The County needs to take maximum advantage of the RDA commitment to: Invest to unlock regional business opportunities in the environmental technology sector, focusing on sustainable energy and waste; invest in strategic projects that support the demonstration and deployment of emerging renewable energy technologies, and; invest in programmes that support the development of waste recovery technologies and the growth of regional waste markets.

### **Strategic Objective**

80. **To develop a low carbon economy in Gloucestershire.**

### **Delivery**

81. To deliver this strategic objective there is a need to:

- Establish a programme to make businesses and organisations aware of immediate cost and CO2 savings, with public sector leading by example.
- Pro-actively encourage and support the development and manufacturing of renewable energy technology and systems.
- Start immediately developing a construction sector with the expertise to install new technologies.
- Support proposals to extract energy from the Severn Estuary.
- Encourage all planning policies to make carbon zero or carbon neutral solutions essential.
- Encourage the development of electric vehicle technology and infrastructure.
- Encourage the expansion of anaerobic digesters and the use of wood fuel in the County.
- Support initiatives that use waste as a resource for energy production.
- Take advantage of the resources available through SWRDA for low carbon initiatives.

## Theme 5 - A Resilient Economy

82. All parts of the world face risks that are natural events, major accidents or malicious attacks. The degree of risk will to some extent depend on location and the impact on the economy will vary. In addition economies face risks associated with global markets and financial changes. As was demonstrated in 2007 parts of Gloucestershire are particularly susceptible to flooding. This section of the strategy addresses how to make the Gloucestershire economy more resilient to the risks from natural and economic events, accidents or malicious attacks.

### The Economy of Gloucestershire 2008

83. Chapter 3 of the Economy of Gloucestershire 2008 covers "Employment and Industrial Structure". Chapter 9 covers "The Environment". The key points from these two chapters relating to resilience are:

- Gloucestershire's industrial structure is largely made up of four broad sectors: Public Administration, education & health; Distribution, hotels and restaurants; Banking, finance & insurance and Manufacturing
- The key economic sectors, which account for 54% of the total number of employees, are: Advanced engineering; Construction; Creative industries; Distribution; Environmental technologies; Finance & business services; Food Supply; ICT; Leisure and Tourism.
- Climate change has the potential to significantly impact on industrial sectors in Gloucestershire. Hotter and more extreme weather conditions are particularly likely to affect the Agriculture, Finance & business services and Tourism sectors.
- The County's landscape is likely to be altered by changes in weather conditions, with an increase in incidents of flooding.
- The instability brought through climate change is likely to result in an increase in the cost of insurance and property depreciation in high risk areas. Petrol and aviation fuel prices may also rise due to policy responses to the issue.
- Warmer and sunnier weather means cases of heat-related deaths, food poisoning, skin cancer and respiratory problems are likely to rise.

### Discussion

84. The flooding of July and August 2007 had a major impact on the Gloucestershire economy, particularly for businesses in the Severn Vale. It would have been much worse had the Waltham Electricity Switching Station been flooded as it would have taken many months to repair. It is generally assumed that the effects of climate change mean that such events will become more common and Gloucestershire's vulnerability to flooding needs to be improved. The temporary flood defences at Wadham are still 18 months later only 'temporary' and most of the 92 recommendations in the Pitt Review<sup>18</sup> of the flooding addressed to the Government, local authorities, Local Resilience Forums, providers of essential services, insurers and others, including the general public have yet to be addressed in the County. Sir Michael Pitt identified six themes covering:

- Knowing when and where it will flood;
- Improved planning and reducing the risk of flooding and its impact;
- Being rescued and cared for in an emergency;
- Maintaining power and water supplies and protecting essential services;
- Better advice and helping people to protect their families and homes; and
- Staying healthy and speeding up recovery.

The Government is committed to publishing the Floods and Water Bill for consultation in the spring of 2009.

85. Flooding is not the only natural event that may threaten the Gloucestershire economy. Whilst major snowfalls are unlikely drought and extremely high temperatures for a prolonged period are not. Indeed there is a risk that global warming could damage the Areas of Outstanding Natural Beauty and thus the tourist industry. The world shortage of

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<sup>18</sup> The Pitt Review: Learning Lessons from the 2007 Floods (25 June 2008)

food in 2007 was principally caused by a combination of flooding and droughts in other parts of the world. In the longer term, if the predictions of a rise in sea level due to global warming prove to be correct then some communities and businesses in the Severn Vale may be threatened.

86. Disease, both human and animal, is another natural event. There is a continuous risk of a human flu pandemic and the possibility of Avian Influenza (Bird Flu) is still real. Meanwhile Foot and Mouth Disease, new strains of Blue-tongue are a threat to the livestock in the County, already suffering acutely from TB at a major cost to livestock farmers; the cull of cattle due to TB increased by 42% in 2008. The current threat to bees from the varroa mite has serious implications for food production.
87. Major accidents are rare but some will inevitably occur. All businesses and organisations need to have drawn up 'disaster recovery plans' and to keep these under review. Closure of the M5 for a protracted period would cause major disruption.
88. Malicious attacks can be divided into those directed at specific targets and indiscriminate attacks directed at the public at large. Despite the efforts of the security services there remains the possibility of a successful attack on a crowded place, transport, or on critical infrastructure all of which could have significant economic impact.
89. The financial situation in 2008 has highlighted the vulnerability of much of the economy to a credit crisis and recession. In such a situation the Gloucestershire economy benefits from its diversity and it is critically important to retain and develop this as one way of increasing economic resilience.
90. There are at least 2,830 Third Sector Organisations in the County, of which nearly a third operate county wide<sup>19</sup>. Many of these play a vital role in an emergency, increasing the resilience of Gloucestershire; they need to be part of any recovery plan. In addition in a recession many of those made redundant turn to volunteering as a way of maintaining their skills, whilst they look for a new job.

### **Strategic Objective**

**91. To increase the resilience of the economy of Gloucestershire to natural disasters, major accidents, malicious attacks and world or national economic crisis.**

### **Delivery**

92. To deliver this strategic objective there is a need to:
  - Implement the recommendations of the Pitt Review in the County as quickly as possible.
  - Review the energy security of the County and replace the temporary protection of the Wadham Electricity Switching Station with permanent protection without delay.
  - Review the critical infrastructure of the County and develop solutions to increase its robustness.
  - Ensure the County is prepared for a human flu pandemic or an outbreak of Avian Influenza.
  - Increase the food security of the County.
  - Support initiatives through the RDP-E programme to improve the health and welfare of Gloucestershire livestock leading to a reduction in the economic impact of diseases for businesses and related supply chains.
  - Persuade all organisations and businesses to draw up realistic 'disaster recovery plans' and keep these under regular review.
  - Maintain and expand the diverse economy of Gloucestershire.
  - Develop the role and effectiveness of the community response, particularly the 3<sup>rd</sup> Sector.

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<sup>19</sup> "Everybody Counts – Mapping the Third Sector in Gloucestershire" 2007

## Theme 6 - A Skilled Economy

93. Gloucestershire needs to be a place, which recognises that every single individual has talent and develops this talent; where people have aspirations and build knowledge through education and experience; that attracts and retains smart people and creates opportunities for skilled people to develop and apply what they know; and which recognises the value of its young people and retains them to grow the economy of the future. Only by achieving these aims will Gloucestershire have a more productive economy to compete in a global economy, and a better quality of life for its people. This section of the strategy addresses this challenge.

### The Economy of Gloucestershire 2008

94. Chapter 6 of The Economy of Gloucestershire 2008 covers "Qualifications, skills and learning". Its key findings include:

- Gloucestershire's schools perform better than national averages in both GCSEs and A Levels and better than average in GCSEs in English and Maths, but only just over half of Year 11 pupils achieve 5 or more GCSEs at grades A-C including English and Maths.
- Gloucestershire's success rates in Work Based Learning are higher than both the national and regional average. The trend is one of significantly improving success rates.
- Gloucestershire has a highly qualified workforce at levels 3 and above, compared to England, and is one of the best qualified areas of the SW; but it also has the highest proportion of the working age population with no qualifications at all in the region.
- Skills gaps appear to be widening in Gloucestershire and closing across England, in particular in Government Skills<sup>20</sup> and in advanced engineering and manufacturing skills.
- Gloucestershire's employers perform well in respect of those who formally assess skills gaps compared to the South West and England but less well with regard to the proportion of employees trained and the number of days training per employee.
- There has been an improvement in the percentage of employers with a training plan, percentage of employers who formally assess skills gaps and who assess the impact of training on employee performance, but there has been a decline in the percentage of employers with a business plan, percentage of employees with an Annual Performance Review and the number of days training per employee.

### Discussion

95. The Leitch Review of Skills "Prosperity for all in the global economy – world class skills" reports on how far behind the UK is and will remain in respect to world class skills unless changes are made. The Review states: "For the UK to succeed in the global economy it must commit to world class skills. Achieving this will require new, shared action between Government, employers and individuals all taking increased responsibility...The Government must ensure a skills system that delivers economically valuable skills. Employers must exercise influence over a newly simplified system and increase their investment in skills, particularly for low skilled employees, who often do not benefit from training at present. Individuals must raise their sights, motivation and aspiration and invest in their own skills. Where skills were once a key lever for prosperity and fairness they are now increasingly **the** key lever. The UK can only achieve world class prosperity and fairness if it achieves world class skills."

96. Gloucestershire has many of the resources to provide the education and skills needed to be a successful economy; however a recent study<sup>21</sup> showed that these are not being used effectively and that Gloucestershire's economy is being seriously damaged as a result. The two most worrying highlights of the report are first that Gloucestershire is a net exporter of traditional HE students to HEIs nationally, with less than 20% of sixth formers staying in the County to complete HE and the majority never returning after completion. Secondly,

<sup>20</sup> Government Skills is the Sector Skills Council (SSC) for central government. Its purpose is to improve the delivery of public services by working with employers to reduce skills gaps.

<sup>21</sup> Mahoney, M. 2008, Gloucestershire Higher Education Study for HEFCE and SWRDA

the mismatch between the nature and style of current provision and the county's employment profile and skills needs, resulting in a lack of connection between higher and further education with employers. Urgent action is needed to address these issues and HEFC have agreed funding to enable this to happen.

97. A further challenge is poor graduate retention. The County needs to be more successful in retaining those students who study in the County.
98. A successful economy requires a workforce with relevant skills both for the immediate task and for the future, adaptable to the needs of an economy that competes globally. The workforce also needs the key skills (management, communication, team working, etc) and the practical skills that are generic to their employment, and managers with leadership and management skills. Despite years of effort and many initiatives there are still too many employers that are not committed to improving the skills of their total workforce.
99. Train to Gain is the LSC scheme to help businesses be successful. It offers free, impartial and independent advice to businesses, matches any training need identified with training providers, and sees that training delivered meets business needs. It aims to be responsive to business needs, particularly to deliver the training in a way that suits the business. Only training to enable employees to gain their first Level 2 qualification is free but there is also wage compensation for those with fewer than 50 employees and some funded programmes, such as Apprenticeships. Using the principles of Train to Gain Gloucestershire could develop a holistic approach to employers.
100. The average age of the population of Gloucestershire is increasing along with the health of older people, principally in the rural parts of the County. At the same time the number of migrant workers, particularly from Eastern Europe has increased dramatically although the current economic situation has reduced the flow and may lead to a net loss. In some cases they are filling critical gaps in industry, for example as highly qualified engineers in Gloucestershire's advanced engineering businesses. Both migrants and older people represent an economic resource, because of their experience.

### **Strategic Objective**

100. **To maximise the potential of the people of Gloucestershire by developing skills and talent that ensure profitable employment in the 21<sup>st</sup> Century and enable them to take advantage of and contribute to the economic development of the county.**

### **Delivery**

101. To achieve the Strategic Objective there is a need to:
  - Starting in school, overcome the lack of aspiration in young people.
  - Reduce the number of 16-19 year olds who are NEET<sup>22</sup> in Gloucestershire.
  - Increase the number of employees reaching a minimum of a NVQ2 qualification, an LAA 'stretch' target.
  - Increase the number of Gloucestershire based students that progress into higher education in County, and attract such individuals to the key sectors in the Gloucestershire economy thereby improving graduate retention.
  - Ensure Gloucestershire has Higher and Further Education provision that meets the needs of the County's employers.
  - Support the adoption of Train to Gain as widely as possible.
  - Develop an employer culture that recognises the value of constant skills improvement.
  - Encourage and support people in the 'potential workforce' to gain or improve their skills and contribute to the local economy.
  - Realise effectively the knowledge skills and experience of overseas migrants.
  - Help individuals overcome their disadvantage and improve local opportunities generally to increase economic inclusion.

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<sup>22</sup> Not in Employment, Education or Training

## Theme 7 - A Sustainable Economy

102. Sustainable development means much more than a cleaner environment; it requires a long term view of the economy, rather than short term fixes. To deliver a more sustainable economy we make more efficient use of what we have got. In Gloucestershire the combined landscape and the built environment in rural Gloucestershire is rightly recognised as being of exceptional quality and contributes significantly to the economy. As part of a sustainable economy the environment needs to be managed, sustained and protected so that it continues to deliver benefits to future generations, whilst at the same time enabling the economy to develop and flourish. This section of the strategy therefore addresses how to retain and improve the environment whilst deriving economic benefit from it.

### The Economy of Gloucestershire 2008

103. Chapter 9 of the Economy of Gloucestershire 2008 covers "The Environment". Key points include:

- As a rural county, Gloucestershire benefits from a high quality natural environment. 51% of the County is designated as An Area of Outstanding Natural Beauty (AONB).
- Agricultural land plays a key part in the Gloucestershire landscape, with holdings covering an area of 208,464 hectares (out of a total County area of 265,000 hectares).
- Gloucestershire contains a wide variety of wildlife, and houses three National Nature Reserves, 10 Local Nature Reserves and 122 Sites of Special Scientific Interest (SSSIs).
- Gloucestershire performs well in terms of biological and chemical river quality, with 98% of rivers classified as 'Good' or 'Fair'.

### Discussion

104. Gloucestershire's landscape is diverse, ranging from limestone upland, through a river plain to the largest woodland area in the South West. This diversity is a product of both natural and human influence, and in many places locally distinctive towns and villages are an inseparable and vital part of the whole. AONBs are about protection and not preservation; they would not exist unless there had been development over the years; this needs to continue to match changing economic, social circumstances and the potential impact of global warming.

105. The County's unique countryside plays a major role in attracting new business and investment because it is a pleasant place to both live and work. It is a key component in Gloucestershire's appeal to tourists, to micro-businesses and can play a role in the marketing of local agricultural products. Nevertheless Gloucestershire needs to strengthen its reputation as a 'green' environment, not helped currently by the amount of road litter, and it must do so if it is to attract young people and deliver a high quality of life. It should emphasise waste recycling; street cleanliness; lack of congestion; good parks and open spaces, the preservation and enhancement of established and historic townscape; lower than average noise, air and light pollution balanced by the needs of a safe environment.

106. Protection of what makes Gloucestershire attractive and distinctive is therefore an act of economic prudence. However the management of much of the asset lies with farmers and landowners who need to be economically viable to do so. 80% of the funds available under the Rural Development Programme – England 2007-2013 (RDP-E) are allocated to the environment and it is vitally important that these are accessed and used effectively.

107. A basic premise of sustainability is that long-term damage to the ecological systems will undermine long-term economic growth. Protection of the natural environment in the widest sense is therefore a fundamental building block for sustainable economic growth. The most important ecosystem in Gloucestershire is the aquifers, rivers and streams, which provide water not only for local use but also to other regions. The flood plains absorb the energy of the major rivers and maintenance of these systems is economically essential.

108. The Planning System both protects the environment and enables appropriate development. There is a widespread perception that planning policies and processes inhibit or even hinder economic development. Those involved in planning resent this, but it is too widespread to be ignored, rather it needs to be addressed. The Regional Spatial Strategy is not, as previous policies have been, based on 'Predict and Provide' but it sets a 'direction of travel' and is meant to be based on 'Plan, Monitor, Manage'. What this means will need to be tested but the key will be in Local Development Frameworks, many of which are currently based policies agreed 10 years ago, and a real pro-active effort is needed to produce these in close consultation with communities and businesses.
109. Given the high quality and diversity of the landscape environment there is a need for skills in its conservation. These range from traditional craft skills to advanced science-based environmental conservation skills. Their development is being led by the National Heritage Training Academy (South West) based in Gloucestershire.
110. An unexploited asset of the County's industrial heritage is the Severn - Thames Canal, derelict along most of its route. It is estimated that current restoration of the stretch from the Saul junction to the Brimscombe Basin will generate about 580 person years of work and open up areas currently neglected to regeneration as mixed housing, social and employment use, creating around 2000 jobs. Additional tourism should generate £2.7million and 85 jobs. In the longer term there is an opportunity to complete the restoration of the whole canal linking the river Severn to the river Thames.
111. Implementation of the new housing potentially required under the Regional Spatial Strategy provides the opportunity to create new developments that are exemplary, not simply in terms of sustainability and energy efficiency, but by creating attractive, cohesive communities co-located with employment opportunities, services and with good connectivity. This requires a master plan and design criteria that developers must meet.

### **Strategic Objective**

112. **To realise fully the economic potential of Gloucestershire's environment whilst improving it where necessary and protecting the exceptional quality of the countryside for future generations.**

### **Delivery**

113. To deliver this strategic objective there is a need to:
- Maintain a viable agricultural (farming and forestry) sector.
  - Increase the understanding of land managers as to how environmental measures can be integrated into land management practices and how the economics of biomass and bio-fuels can be developed in a way that works with the landscape.
  - Ensure landowners take advantage of the funding available for environmental schemes under RDP-E 2007-2013.
  - Recognise that the Regional Spatial Strategy should be seen as broad strategic guidance rather than mandatory policy, particularly in meeting the needs of rural communities.
  - Draw up Local Development Frameworks (LDFs) with the clear objective of delivering 'sustainable communities' in consultation with local communities and businesses.
  - Ensure a full range of traditional skills and conservation expertise is available.
  - Utilize the opportunities the renovation of the Thames and Severn Canal will provide for the economies of the communities on the route.
  - Make better economic use of the River Severn.
  - Emphasise the economic benefits of preserving and promoting the built and historic environment including archaeology and historic landscapes.
  - Support the provision of new housing developments to exemplary standards to achieve high quality living environments and genuinely sustainable communities.
  - Exploit the economic value of existing historic resources and the restoration of the cultural and heritage assets of Gloucestershire.

## Theme 8 - A Working Economy

114. Jobs are key to most people's self respect and morale and also enable them and their family to have a reasonable life style. Jobs for a high percentage of those of working age are also essential to a productive economy. However the country and the County are likely to face growing unemployment for at least the next 18 months. This section of the strategy addresses the need for as many of the Gloucestershire population of a working age as possible to have a productive and satisfying job.

### The Economy of Gloucestershire 2008

115. Chapter 7 of the Economy of Gloucestershire 2008 covers "Labour Supply and Demand". Its key findings include:

*Supply of Labour:* Gloucestershire has higher economic activity rates than Great Britain as a whole; Gloucestershire's claimant count unemployment is approximately two-thirds of the national rate with the highest rates of unemployment concentrated in districts and wards of Gloucester and Cheltenham; Gloucestershire has low levels of unemployment amongst the under 25s compared to the South West and Great Britain; ILO unemployment rates indicate that Gloucestershire performs better than Great Britain as a whole but not as well as the South West.

*Demand for Labour.* Industrial change is altering the occupational structure of the UK, with the decline of the manufacturing sector and growth in the service sector, and a corresponding increase in the demand for skills. Employment demand is projected to increase to 318,000 in 2020 amounting to 11,900 new jobs.

*Knowledge economy.* In Gloucestershire in 2006 the knowledge based economy accounted for some 53,000 employees representing some 21% of the total number of employees

*Migrant workers.* Some 15,800 workers have applied for National Insurance numbers since April 2003. This represents 4.5% of the 2007 projected working population.

### Discussion

116. There is no direct measurement of jobs in the County. The nearest equivalent is the number of people employed, including self employed, which in 2007 averaged 286,800; 49.5% of the total population, or 76.4% of those aged 15-64. Similarly there is no overall count of job vacancies, the best measure is the number of Jobcentre Plus vacancies; in November 2008, there were 4,000, which is not the complete total. Finally the number claiming Jobseekers Allowance in February 2009, which is not a complete count of all that are unemployed, was 11,240, an increase of 5950 (112%) in 12 months.

117. The immediate issue concerning jobs is the recession leading to unemployment. In the 1990s GDP bottomed in September 1990 but unemployment did not peak until March 1993, two and a half years later, when it reached 23,200. The current recession may not follow a similar pattern but it is certain that unemployment will grow for many months once GDP stops falling.

118. In some wards in Gloucestershire unemployment is already high, principally in the urban areas. In March 2008 these were four in Gloucester, three in Cheltenham and one each in Stroud, the Forest of Dean and Tewkesbury. High levels of unemployment are a key factor in damaging social cohesion, particularly in urban areas, which leads to wider consequences for the community. Pro-active measures are needed to tackle the problem. The Gloucester City Employment Plan is a new initiative designed to: "Improve the engagement of workless and low skilled individuals, ensuring a co-ordinated approach at the local level; improve the employability and skills of those not in work and in low skilled occupations through a more intensive, flexible and bespoke approach; and, engage with employers to encourage and support them to recruit from priority groups, retain people in employment and commit to re-skill, up skill and succession plan their workforce".

119. Such initiatives have been tried before. The Gloucester City Employment Plan is different in its determination to involve in a more effective way employers both by seeking

their help and co-operation and by offering them support in return. Its success is of critical importance to Gloucestershire. Furthermore the approach, if it proves successful, needs to be spread throughout the County, particularly in Cheltenham, as quickly as possible; there is little point in solving problems in Gloucester City alone.

120. Whilst minimising unemployment is the immediate challenge in the longer term Gloucestershire needs to come out of the recession having retained the diversity of jobs in terms of sector and size of business whilst increasing the proportion of higher level jobs. This will in the longer term contribute to productivity led growth, one of the three priorities in the RDA Corporate Plan 2008-2011. This means maintaining initiatives such as the Investor Support and Inward Investment Programmes, but also developing initiatives to promote diversification into emerging services, new markets, and sectors with high output and growth. The environmental and sustainable energy sectors have real potential for high growth and there are future opportunities linked to delivering a low carbon economy.
121. Jobs are also an essential element of 'sustainable rural communities'. There is some debate about what is meant by the term but for the purpose of this strategy whether in a market town or an isolated village there need to be within a five mile radius jobs for about 40% of the population. These need to demand a variety of skills and aptitudes.
122. A recent study<sup>23</sup> into the Third Sector in Gloucestershire identified 2850 3<sup>rd</sup> Sector organisations and calculated that the total paid workforce in these was about 14,000 supported by 140,000 volunteers, 34% of the adult population of the County.
123. Nearly 20% of the working age population in Gloucestershire class themselves as disabled under the Disability Discrimination Act (1995)<sup>24</sup> and their employment rate is only 45%. This represents a significant loss of economic capacity. The County hosts the National Star Centre at Ullenwood whose role is to provide FE to disabled young people but also to help them lead as normal a life as possible. There is a need to enable people in receipt of incapacity benefit to get back to work.
124. The importance of a number of current economic regeneration initiatives in helping to deliver jobs should be recognised. They include the Gloucester Heritage Urban Regeneration Company, the Civic Pride initiative in Cheltenham, the Cotswold Canals Project that will regenerate the Severn Thames Canal thorough the heart of Stroud and its urban area and the multi-site regeneration programme in the Forest of Dean.

### **Strategic Objective**

125. **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.**

### **Delivery**

126. To deliver this Strategic Objective there is a need to:
  - Support the successful delivery of the Gloucester City Employment Plan and its expansion to the rest of urban Gloucestershire as quickly as possible.
  - Promote and support new and emerging wealth-creating businesses and industries, particularly in the 'knowledge economy'.
  - Maintain and strengthen existing key employment sectors and attract and retain valuable Foreign Direct Investment jobs.
  - Exploit the opportunity to participate in the jobs that will deliver the regeneration projects.
  - Support the "Back to Work" project to increase the number of economically active disabled people in Gloucestershire, an LAA Stretch Target.

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<sup>23</sup> "Everybody Counts – Mapping the Third Sector in Gloucestershire" 2007

<sup>24</sup> The Economy of Gloucestershire 2006/07 Section 8.4 (GLMIU)

## Roles and Responsibilities

127. Gloucestershire First, as the County's economic partnership, is responsible for the development of the Economic Strategy for Gloucestershire 2009-2013, which is a major part of The Gloucestershire Conference Sustainable Community Strategy. The Gloucestershire First economic partnership was established to develop and support the economic well-being of the county. It brings together a wide range of partners in the field of economic development to contribute to the delivery of an overall strategic plan for the county.

128. Gloucestershire First has three economic advisory panels (a fourth The Employment & Skills Advisory Panel is currently being formed) :

- **The Economic Strategy Advisory Panel (ESAP)**, whose role is to:
  - Monitor national and regional economic policies and strategies, the annual report on The Economy of Gloucestershire and advise Gloucestershire First if any changes to the economic strategy are required;
  - Identify external threats and opportunities for the Gloucestershire economy.
  - Support and guide the development of the Integrated Economic Strategy.
  - Propose to Gloucestershire First, in conjunction with the other economic panels, the priorities for the annual Economic Strategy Delivery Plan;
  - Monitor, in conjunction with the other advisory panels, progress with the annual Economic Strategy Delivery Plan and report regularly to Gloucestershire First.
- **The Rural Economy Advisory Panel (REAP)** was established to develop and deliver a Rural Economic Strategy for Gloucestershire. In the future its role will be to:
  - Ensure the Integrated Economic Strategy addresses the needs of the rural economy.
  - Advise on the rural priorities that should be included in the annual Economic Strategy Delivery Plan.
  - Ensure that SWRDA are aware of the needs of the rural economy in Gloucestershire.
  - 'Rural proof' all Regional consultation documents, all Gloucestershire County Council policies, the Local Area Agreement, the Gloucestershire Economic Strategy and its annual delivery plan.
  - Advise Gloucestershire First direct where it identifies measures likely to constrain or damage the rural economy of the County.
- **The Urban Economy Advisory Panel (UEAP)** was established to develop the Gloucestershire Urban Economic Strategy. In the future its role will be to:
  - Ensure the Integrated Economic Strategy addresses the needs of the urban economy.
  - Advise on the urban priorities that should be included in the annual Economic Strategy Delivery Plan.
  - Ensure that SWRDA are aware of the needs of the urban economy in Gloucestershire.
  - 'Urban proof' all Regional consultation documents, all Gloucestershire County Council policies, the Local Area Agreement, the Gloucestershire Economic Strategy and its annual delivery plan.
  - Advise Gloucestershire First direct where it identifies measures likely to constrain or damage the urban economy of the County.

## Delivery

129. The effectiveness of an economic strategy is entirely dependent on whether it is translated into successful action. The Gloucestershire Economic Strategy Delivery Plan will

cover a three year rolling period and be revised annually. It is intended that it should comprise an individual section for each Gloucestershire First partner detailing what they are able to commit to delivering in each of the three years against the priorities that are agreed.

130. The annual timetable for drafting the Delivery Plan will be as follows

- July – The Economy of Gloucestershire (the evidence base) published by the County Council
- August/September – ESAP with advice from REAP and UEAP develop priorities for the coming year for agreement by Gloucestershire First at the October meeting
- November/December – Gloucestershire First partners invited to say what they are able to commit to delivering over the three years (after the first year this may be a matter of confirming their previous submission).
- January – Draft Delivery Plan discussed by Gloucestershire First with the aim of identifying how any gaps can be filled.
- February/March – Delivery Plan finalised.