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PROJECT REPORT

MARKETING AND WORKSPACE PROJECT

STRATEGY REPORT

Growing the Forest

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PREFACE

In January 2007 The Peter Heath Consultancy (PHC) was contracted by the Forest of Dean District Council (FoDDC) and Forest Business Future (FBF) – which was formed to provide the private sector in the Forest of Dean with a voice to inform and guide public sector policy development – to undertake a Marketing and Workspace project to 'promote and sell the Forest of Dean District as a positive place for existing and potential businesses to grow and succeed'.

This report pulls together the various strands of the work – conclusions, recommendations, rationale and findings – into one document that is lengthy because of the complexity of the issues.

However, to make it easier for the reader, we have not followed the traditional report sequence of brief, findings, conclusions, recommendations but, instead, have brought forward the key conclusions and strategy recommendations into Section 1. So, to get a comprehensive picture of the way forward there is only a need to read to page 36.

You may then wish to see for yourself the evidence on which the conclusions and strategy are based and this can be found in Sections 3 and 4 – with some of the interim thinking and rationale outlined in Section 2. Each of these sections has previously been presented to the FBF steering group as stand-alone documents and – as they were presented at various stages throughout the project – they reflect the knowledge at that time. This means there is a certain amount of repetition on some subjects.

Nonetheless, we thought it would be helpful to bring all the stage reports together in one volume for ease of use and to make reference more accessible. If you would prefer to read the reports in the order they were produced you would read the sections in reverse order – 4, 3, 2, 1.

- Executive Summary

- Section 1 - The Way Forward
  - Why change is necessary
  - Setting objectives
  - Essential changes – whatever the strategy
  - Recommended strategy
  - Communication Plan
  - Resource issues

- Section 2 – Issues & Possible Solutions

- Section 3 - Findings summary

- Section 4 - Detailed findings

- Section 5 - Appendices

1 EXECUTIVE SUMMARY

- This Marketing and Workspace project arose out of the discussions between Forest Business Future and the FoDDC which identified a need to research, develop and deliver a marketing plan for the whole of the District. The intention was to create a better understanding of the local barriers to business success so that the public sector authorities can better align their policies with business need.

  The brief agreed by FBF and FoDDC was to:

  - 'promote and sell the Forest of Dean District as a positive place for existing and potential businesses to grow and succeed'
  - 'diversify the local economy and secure a range of employment opportunities for local people'

- The first point that needs to be made about this report is that the recommendations and strategy are different to that envisaged at the start of the project. This is not for the sake of being different or perverse but because it soon became clear that the expected direction would have had no realistic chance of achieving the project objectives – and we felt it would be improper to continue to develop a strategy that would have little impact and provide no real benefit to the Council, FBF or the businesses and people of the District.

  We therefore decided to reassess the options for achieving the project objectives – and concluded that there was a need to identify an approach that really addressed the issues and that could make a real difference.

- During the early fact finding stages of the project we:

  - reviewed a wide range of surveys, consultations and reports that have been produced during the past 10 years
  - undertook individual meetings with many stakeholders
  - carried out some necessary primary research.

  The review of previous studies indicated that many of the issues that impact on business development had been identified previously and – in quite a few cases – more than once. And, although some actions had been taken, such as First Shop Local Shop, tourism promotion and various plans for Cinderford, Lydney and Newent, many of the issues still existed and resurfaced in our own primary research.

  In our meetings and research we found some frustration with the fact that the same issues were being discussed, that yet another study was being undertaken and an element of resignation that things would be unlikely to change. There were strongly divergent views about what is possible and there was a lack of clarity by both public and private sector as to what could be done, how it could be advanced, who should be responsible and where the funding could come from.

- The project brief contained no preconceptions about what direction the strategy would take but, understandably, it implied – as did subsequent briefing conversations – that the expected focus of the marketing plan would be on inward investment from companies outside the District and that this would probably be utilise a promotional programme to 'external' property agents and companies.

- As we analysed the findings from our research and audits we concluded that the 'expected' focus would not achieve the objectives. This is because of two principal factors:

  - diversifying the local economy and creating significant employment opportunities would require a substantial number of new companies
  - the Forest of Dean does not have the attributes that most modern companies require of a new location.

  This latter point is not intended to be derogatory about the District – which has many attributes and is home to some substantial and successful companies. However, there is a significant difference in a company having 'grown up' there and a company deciding, in 2008, whether or not to move there.

  The FoD's mainly rural location, geographical position, accessibility and business facilities do not meet the requirements of most organisations that are considering a new location – and the possible lower rental or labour costs in the FoD do not overcome these factors for most companies. There are some exceptions, but they are not easy to find.

  It therefore became apparent that the expected focus on inward investment from the commercial and industrial sectors would be very unlikely to create more than a few hundred jobs over a lengthy period. This would not noticeably diversify the local economy or create significant opportunities for local people – and would not, therefore, achieve the objectives. It would leave the District, yet again, in a position where no real progress was achieved and with issues that would, yet again, be revisited in the not too distant future. Meanwhile the FoD would, economically, be falling further behind other locations.

- An assessment of workspace supply and demand was an important requisite of the brief as it was thought possible that a lack of available and suitable workspace may inhibit the development of businesses and therefore constitute a barrier to increased economic activity.

  But our research showed that there was no shortage of workspace in the District. There was, in fact, a variety of vacant workspace available – industrial and commercial (including large office space to small serviced offices) – and there was not a significant unsatisfied demand from within the FoD or from external companies seeking a new location. The only aspect where demand was greater than supply was in the lack of freehold premises and land.

  Whilst it could be argued that additional good quality workspace could be a catalyst for encouraging new companies into the FoD, this would seem to require considerable speculative build and it may still not overcome other factors and make the FoD a sufficiently attractive location for new businesses.

- Our strategy is still much to do with attracting inward investment – but its fundamental recommendations are for changes to the FoD so that it meets the needs of new and existing businesses. It is about changing the 'product' – in much the same way as a company would redesign and rejuvenate a product to meet new customer requirements.

  We believe the strategy will have a far wider, more beneficial and lasting impact for local people and local businesses. It will reduce the need to travel to neighbouring centres, therefore favourably impacting on out commuting for work and shopping, and will retain cash within the local economy.

  Changing the FoD 'product' will not be achieved overnight, but the actions we have identified will meet the key need of creating a business environment that becomes self generating and self sustaining.

- The strategy incorporates three interlinked elements:

  - town centre and retail improvement
  - local sourcing
  - inward investment.

  The three strategy elements will work together to increase economic activity, create jobs within growth sectors where the FoD is currently under-represented and improve the quality of life for residents of the Forest.

  Of the three, however, improving the town centres and retail offering are the key actions and the biggest task. But this will attract new retailers and the support companies that retailers need. This will then encourage more use of the towns for resident and visitor shopping and this, in turn, will create an environment, throughout the District, for better leisure, catering and accommodation facilities.

- The objectives of this project have a resonance with the draft Community Plan – which also highlights the issues in the District of a high reliance on vulnerable business sectors, of economic under performance and of resident and visitor expenditure being lost to neighbouring areas. The issues and the aims it outlines – whilst not yet suggesting solutions – will certainly require broadly based and fundamental changes if the improvements it seeks are to be achieved.

- It is worth emphasising that the strategy does not require the District Council to undertake all the planning, implementation or funding. Much of this, given the right encouragement and environment, will come from the private sector when it can clearly see the intentions of the Council and the opportunities this will create.

  However, the Council's role is the key to everything. It must provide the leadership, be the catalyst and apply the resources to kick start and sustain the process. If this is done effectively, and the right environment is created, the District would become highly attractive to private sector investors.

- This strategy makes implementation of the project a bigger task than would have been envisaged from the initial Marketing & Workspace brief and – it has to be said – it also creates a much greater challenge which requires determination and commitment from the FoDDC.

  But the problems have existed for a long time. We believe the root of the problems must now be tackled and things put in place for the longer term rather than fiddling around the edges.

SECTION 1 - THE WAY FORWARD

2 WHY CHANGE IS NECESSARY

2.1 WHAT IS THIS ALL ABOUT?

This report is about Business Development in the Forest of Dean District. It might sound therefore, that it is only about, and for, 'the business community'.

But it's not – it's about, and for, everyone who lives in the District.

But why Business Development? Is there a need? What does business development do for everyone in the District? What's wrong with the way business is at present?

Well, business is what makes the world go round. It touches on everyone's life. You are doing business whether you are a company buying from another, a customer buying in a shop or a visitor buying lunch in a pub.

'Business' in the Forest of Dean includes the main employers like GlaxoSmithKline, K W Bell, Watts Group and, just as importantly, the many one person businesses run from home, the local corner shops, the independents and the supermarkets, the individual child care provider, the nurseries and the schools and colleges. They all provide employment and they all buy goods and services from other businesses.

There are substantial benefits to a local community if its businesses are successful and profitable:

- more money comes into the area
- more business customers and consumers buy in the area
- more wealth is retained in the area
- businesses are more stable
- more jobs are created or retained
- more services and choice are created

From these come other benefits. More security, better jobs, better community facilities, better leisure and entertainment options, more sense of community and pride, better prospects for the young and those who are born and bred in the Forest – and a better chance that they will be able to find a home in 'their' area if they wish.

But, like it or not, things change. Important things like choice, service, quality and expectations. And, to maintain a successful business community and generate the benefits that come from this, it is necessary to move forward. This is as true for the Forest of Dean as it is everywhere else – and all areas are striving to do so.

Moving forward means changing some things.

But there is a natural caution in all of us about the idea of change, and particularly nowadays when change often raises concerns about losing the good things and affecting the environment and quality of life – aspects which have a high priority for local people in the Forest of Dean.

In putting forward our suggestions we have made every effort to take account of peoples' concerns, of the history and pride in the area and of its future wellbeing whilst also looking at how to develop a strong local economy which will benefit businesses and residents now and into the foreseeable future.

So this report ***is*** about change – the sort that we are sure will help existing and new businesses to develop and which will benefit the whole community.

2.2 THE PROUD FOREST OF DEAN

There can be few places in Britain where the people have as strong a sense of identity and heritage as in the Forest of Dean.

Our many conversations have shown us the strength of pride and 'belonging' that residents and business people have in the Forest – and this includes those who have moved here more recently as well as Foresters.

These feelings are entirely understandable.

Apart from anything else, the area is very naturally attractive with beautiful stretches of river and a unique Royal Forest which was designated as a National Forest Park in 1938 and is one of England's few remaining ancient forests. But there is a lot else which has made important contributions to Britain's status and prosperity.

Nelson chose the wood for his ships from here – and asked for the Forest to be preserved and protected. The area was at the start and heart of the Industrial Revolution – one of the most significant periods and stages in World development. From this was developed the area's strength and skills in manufacturing and in mining and these are an important part of British history and are key foundations of British success.

No doubt it was playing a leading role in these industries that created the Forest's strong work ethic and loyal workforce. This still exists and has been constantly mentioned to us throughout this study. No doubt, too, these attributes have been largely responsible for the deep sense of community and pride that also still clearly exists.

So, in the past, the businesses and people of the Forest of Dean have been at the forefront of progress and change. This cannot be taken away. But the prospect of a prosperous future can.

2.3 THE FOREST OF DEAN TODAY

In economic terms the Forest of Dean has been designated by government bodies as a 'lagging' area and some parts as areas of deprivation. The criteria are somewhat complex but, overall, they relate to an area's economic performance and quality of life compared to other parts of the country.

Being classified in this way may not seem to make a noticeable difference to your daily life. And it may not seem to matter to you personally. But, if the Forest of Dean is to be a sustainable community for residents and workers, the success of its businesses and local economy does matter.

It matters because the Forest of Dean is very reliant on business sectors that are declining in the UK. It matters because there are reducing numbers of jobs in the District. It matters because residents and businesses spend much of their money outside of the District. It matters because education standards are not as high as they could be or are elsewhere. It matters because young people will not, or cannot, work and live in the District.

So, the economic performance of the Forest of Dean really does matter. To business, to residents, to community well-being, to lifestyle quality, to people of all ages.

It is for each individual to decide how much it matters to them. Perhaps being deemed lagging or deprived may hurt the intense collective pride of those who work and live in the Forest.

2.4 WHAT NEEDS TO BE DONE?

Many potential improvements are already underway or planned – such as the regeneration of Cinderford. But this report identifies other principal issues that need to be addressed. Many have been identified before – some a decade or more ago.

So, whilst we don't pretend this report and our solutions are the definitive answers to everything, there should be no need, for some time to come, for more reports and studies to identify the problems.

The need is to do things, take action, make things happen.

We've met many people – Foresters and more recent 'new Foresters' – who say they have the interests of the Forest at heart. But this doesn't seem to amount to much because, when it comes to it, there are many local or individual differences, attitudes, interests and actions – or inaction – that seem to stop progress and work against the best interests of the Forest of Dean district as a whole.

We have been impressed by the people we have met – from the public and the private sectors – and we feel sure that it is within their capability to achieve the necessary change. But it needs a genuine desire and will to do so. The need has been there for a long time. We hope this is the last report that has to say this.

For those who profess to have the Forest's interest at heart it's time to work positively together to make things happen.

2.5 WHO SHOULD GET THINGS DONE?

The usual glib answer is – everyone. Because everyone can play a small part – especially in doing business with each other and being welcoming to visitors. But relatively few are in a position to make the decisions and take the actions that will get things done. It really does need big decisions and big actions.

In most cases, and it is true of the Forest of Dean, real change – apart from the need for support from residents – needs a combination of public and private sector input. But, neither sector has really taken the initiative to be the catalyst for change in the Forest of Dean.

Generally speaking, the private sector has the financial wherewithal to generate significant change wherever it invests. But it will only invest where there is fertile ground, opportunities exist and successful and profitable business is likely. At present, for many businesses which could be valuable to the Forest's economy, the opportunities are very limited.

So what about the public sector? Well, in the main, and it is true of the Forest of Dean, local authorities do not have the funds to create the necessary change – although, in the Forest, considerable funding is likely to be available from English Partnerships and SWRDA for the Cinderford regeneration project.

Nonetheless, the public sector are the leaders in determining how communities are developed and structured, and it is they – through SWRDA, Gloucestershire County Council and, in particular, the District Council – that have identified the need for improvement and have created a vision for the District that includes the need for a strong and prosperous economy.

Our belief is that the District Council needs to be the catalyst for change through impressive leadership, effective policies and a strong will and desire to make things happen which will achieve their vision. This will require a significant commitment of resources and create funding challenges – but it will create an environment which will attract the private sector and the eventual payback will be substantial and beneficial to all those who live and work in the Forest of Dean.

If this commitment is not forthcoming it could only be assumed that there are other more critical priorities or that the vision is simply based on hopes. And that the main one will be that natural change will, somehow, favour the Forest of Dean and, somehow, secure its prosperous future despite the plans, actions and progress of other areas.

3 SETTING OBJECTIVES

The old saying "if you don't know where you are going, any road will take you there" is a truism in marketing and business development and it is absolutely essential to gain agreement to exactly what the objectives should be. It will be well known to the readers of this document that the recognized key requirements of objectives are that they must be specific, measurable, achievable, realistic and should include timescales (SMART).

PHC believed that to ensure involvement and 'ownership' of, and agreement to, the objectives they should, ideally, be set by those who commissioned the project – the FBF and FoDDC – with additional input from other principal stakeholders in the District.

For this reason PHC suggested that stakeholder workshops should be undertaken – incorporating public and private sector participants – to identify and debate the main issues and define appropriate objectives. PHC also made the suggestion that – apart from the 'SMART' requirements outlined above – there should be two other very important criteria – the objectives must have real potential to achieve change and responsibilities for initiation and implementation should be identified.

3.1 STAKEHOLDER WORKSHOPS AND PRINCIPAL ISSUES

PHC outlined the aims of the project and the updated findings to the workshop participants and facilitated the debates. These were held in October 2007 and the following is a 'verbatim' list of the main issues and objectives that emanated from this exercise:

- Attract businesses
- Business profit
- Competition – incentives
- Decrease economically inactive
- Decrease regulation
- Executive housing
- Graduate job vacancies filled
- Hotel beds – occupancy – spaces - 4 Star hotel
- Improve education & skills
- Increase economic activity without affecting quality of life
- Increase spend in the FoD
- Increase wealth
- Job density & Out-commuting
- Lack of awareness
- Planning
- Population morbidity
- Pressure groups & resistance to change
- Real estate / Vacant premises / Quantity of brownfield acreage / Increase land availability
- Reputation
- Rough town centres
- Set a vision
- Transport links / Improve road access
- Under resourced

In the main these are more issues than objectives and few meet the SMART criteria. It was clear that defining objectives was difficult for the participants and there was no clear consensus as to how to produce objectives that would resolve the issues. Nonetheless a clear set of objectives was necessary.

3.2 DEFINING THE OBJECTIVES

From the workshop debates and PHC's own analysis we worked to produce a set of objectives that would address the issues raised in the workshops and from our own research. Our suggested objectives – and the criteria that could be used to measure progress and effect – are outlined below. These were presented to a FBF steering group on 28 November 2007 to confirm appropriateness and agreement.

1. Increase economic activity to protect existing and create new jobs
2. Retain expenditure within the FoD
3. Attract expenditure into the FoD from outside the District
4. Develop existing indigenous and new businesses in the District

3.2.1 Measurement

We defined a number of possible measures for these objectives and suggested that benchmarks should be established and progress monitored throughout the coming years in order to evaluate the impact and refine the strategy.

The objectives and suggested measurements are:

1. Increased economic activity to protect existing and create new jobs
   - Average pay multiplied by the number employed less the number unemployed
   - No of businesses – VAT registrations changes

2. Retain expenditure within the FoD
   - Business – value of business to business deals resulting from a Local Sourcing programme
   - Retail – a shopping survey similar to that carried out by GVA Grimley for Tesco (a summary of which is included in the Findings section)

3. Attract expenditure from outside the FoD
   - Inward investment – new businesses / jobs created
   - Visitor spend – obtained from visitor surveys

4. Develop existing indigenous and new businesses in the District
   - Neighbourhood Statistics - company sizes & business sectors

The recommendations in this report aim to achieve improvements across all of these measures.

3.2.2 Timescales

No objectives are complete without timescales, key stages and milestones. In this project some may be rather distant. Nonetheless, it is critical that they are part of the plan and should be incorporated as soon as the strategy is approved and measurable objectives are agreed.

3.3 IMPACTS

We believe that the activities we outline later will achieve the defined objectives and, in doing so, will have a favourable impact on all the issues raised in the stakeholder workshops. The actions will have a beneficial impact on many of the issues that worried stakeholders:

- Out-commuting (a detailed assessment of this issue is included later in this document)
- Better town centres
- Visitor accommodation – hotel quality & beds
- Volume of Executive housing
- Quality of life
- Improve skills
- Decrease number of benefit claimants
- Increase number of working age who are economically active
- Decrease number of Not in Employment, Education or Training

It is worth mentioning that the topics of poor road access and capacity and public transport services were mentioned in the workshops and in many other discussions. These seem to be constantly in mind and are obviously important issues for businesses and residents. Accessibility and ease of travel have an impact on the local economy as they are important considerations for any company considering locating in the FoD and also affect visitors to the area.

It could be argued that, in many respects, the FoD is what it is partly because of its 'inaccessibility' and that substantial change could have an adverse impact on some of its inherent attractiveness. We have found many differing views on this. It seems unlikely that any major road improvements would be undertaken although local improvements may occur as part of the developments envisaged in the Cinderford Plan and other areas. Improvements in public transport may become viable from these actions and from those outlined in our strategy.

However, we would stress that roads and transport are referred to here because of their obvious importance to many participants in this study, but recommendations for resolving the issues are outside the scope of this project.

4 ESSENTIAL CHANGES – WHATEVER THE STRATEGY

We accept that our proposed strategy will require discussion and generate different opinions – and that some refinements might be suggested.

However, there are some issues that really must be addressed and resolved. They are barriers to progress no matter what strategy is decided upon:

- Planning
- Local Development Framework
- Employment Land
- Housing
- Council Initiative
- Development of a new relationship between the public and private sector

4.1 PLANNING

Despite recent changes in personnel and procedures the Planning Department still retains elements of its past image and reputation.

Planning should in future play a more proactive role in economic development and this needs a radical change in approach, process and attitude with the department working closely with the private sector to achieve agreed economic goals within the District.

A review of needs and necessary changes is required. And effective communication is a priority to ensure that the business community are aware of how best to work with the Planners to achieve economic goals to benefit the whole District.

4.2 LOCAL DEVELOPMENT FRAMEWORK

Public sector consultations and documents are not always readily digestible or understood by the private sector, nor probably many councillors. This means important views and inputs are not forthcoming and it is clear that there is a need for a better ongoing dialogue – and defined processes to facilitate this – to ensure proper understanding and engagement.

A disciplined process of discussion needs to be established between all relevant parties in order to ensure the appropriateness and clarity of the LDF and to ensure a consensus view for the future development of the District. This is essential to objectives and plans being widely understood, agreed and effectively implemented.

4.3 EMPLOYMENT LAND

Employment land is currently defined in the Local Plan, however it is widely accepted that because of various landowners' views some of this land – which has been allocated for a considerable time – will probably never be available for this purpose. This considerably muddies the water in terms of where and when important developments for the District can or will occur. The 'improbables' should be eliminated and a new realistic and practical assessment provided. This will require a review to ensure that a balance is struck throughout the District that will meet the economic development needs for the future.

The volume of brownfield (previously developed) land should also be assessed as part of this exercise with the aim of using it wherever practical. Use of brownfield sites is a government priority and should reduce the requirement for developing on greenfield sites.

Much brownfield currently blights and detracts from parts of the FoD and unless some positive actions are taken, it will remain and continue its adverse impact on the area even if greenfield site development were to meet the FoD's employment land requirements.

4.4 HOUSING

The population in the District has increased and is expected to continue to do so. New housing is therefore required and some 1300 dwellings are allocated and around 700 currently planned/being developed in Lydney.

In order to retain and attract workers across the spectrum from lower to high income, a proper balance of affordable to executive housing needs to be established to meet the needs of the expanding population – not only in volume but also in various locations throughout the District.

4.5 TOURISM

By its very nature the FoD is a visitor destination and the benefits of visitors to the district need to be better understood and widely communicated to the businesses and residents of the District. Currently the annual income to the District is £111m – a substantial sum – but with great potential for improvement without adversely impacting on the life of the Districts residents.

Visitor spend protects existing jobs and can create additional jobs and therefore the tourism sector needs ongoing support. Tourism and leisure are growth sectors of the UK economy and action should continue to be taken in the FoD to identify the gaps and opportunities, improve the quality of the offer and create / promote co-operation between the operators. Whilst it is likely to be said that this attitude already exists, the overall quality and offering within the District has substantial potential for improvement.

4.6 COUNCIL INITIATIVE

There have been many surveys, consultations and plans published over a lengthy period. Now there is a need to identify and eliminate the blockages that have held up progress for so long. The District Council does not have the responsibility or resources to create all of the necessary changes within the District, but it can and should be the catalyst for improving the lot of the residents.

The Council is the representative of all of the residents and it determines the structure and direction of the District. So it must provide dynamic leadership and a clearly defined vision for the Forest based on a thorough understanding of residents' desires and attitudes. There is a requirement to communicate with residents and businesses and to ensure the benefits of possible changes are clearly and forcefully expressed and to raise expectation within all strata of the FoD. Also communication must be a two way process.

Whilst some of our recommendations will take time to develop and complete there are some existing plans and activities that have been around, making slow progress, for some considerable time. The slow progress has contributed to the feeling that nothing is likely to happen and, in some, a general feeling of resignation with the situation. There is now a need to prioritise the existing activities to ensure that all current beneficial plans are brought to fruition – such as the Cinderford business plan and town centre development and the Lydney Harbour and housing developments.

4.7 A NEW RELATIONSHIP BETWEEN THE PUBLIC AND PRIVATE SECTOR

Many leaders – business, community and public sector – say that they want the best for the Forest. But, not unnaturally, many have their own version of what is in the Forest's best interests.

In the past there have been difficulties, disagreements and disappointments which seem not to have been resolved between the various elements – and these seem to have been significant barriers which have limited or stifled progress. Unless positive action is taken to understand and resolve these differences – in the best interests of the Forest as a whole – they will continue to inhibit development and progress.

We found, underlying the frustration and resignation, a strong commitment and passion for the Forest. But, in order to achieve what's best for everyone there must be a focus on the future not on the past disagreements and disputes. There must be a common recognition that things will only improve with a change of attitude to 'how can we work together' and the 'blame culture' is eradicated.

Effective leadership and communication is now required – from the Council, landowners and business leaders – to bring their collective influence and power to focus on what is best for the future of the District.

5 WHAT TO CHANGE

In order to achieve a significant increase in economic activity the strategy needs to address the following:

- There are not enough jobs in the FoD
- Residents spend much of their income outside of the FoD
- Visitor spend is low

The product range, breadth, depth and quality combined with the customer service provided by retailers, service providers and catering establishments is not attracting sufficient spend from locals or visitors. Today in the UK, retailing is a thriving sector and employs more people than manufacturing. But the FoD economy does not have a vibrant retail sector and therefore fewer people are employed in the sector than would be possible if it were thriving.

PHC conducted surveys using a process which produces objective assessment of town centres and the retail offer. These indicated that the public realm in the four FoD towns is broadly comparable with other market towns. However the retail, catering and leisure offer is significantly poorer with the result that residents travel to neighbouring centres to shop out of the District.

Improving the whole retail environment would also improve the catering, leisure and tourism offers and this would encourage residents to stop exporting their income and would encourage visitors to spend more within the FoD.

In addition, encouraging organisations within the FoD to buy more of their supplies – goods and services – from local suppliers would retain cash within the local economy and generate the multiplier effect demonstrated by the New Economics Foundation (explained later in this document).

The following section contains the key recommendations to achieve the economic and business development objectives outlined earlier.

The strategy consists of three inter-related and complementary elements and it must be stressed that this is not a 'pick 'n mix' option as all three elements will need to be implemented as part of a cohesive programme.

Individually they would have a limited impact and would not generate sufficient economic activity to achieve the objectives. Together they constitute a programme to sustain existing jobs and create new ones, particularly in the growth sectors of retail, tourism, leisure, hotel & catering. These are sectors where the FoD is currently under-represented, and these in turn will attract support services which could include other growth sectors such as finance, property and business services. This will create supply opportunities for existing and new firms and social enterprises to meet the purchase requirements of existing and inward investing organisations.

The town centre programmes will also improve the overall look and the important first impression to first time visitors and potential inward investors.

The suggested programme is far-reaching, but is necessary if there is to be a realistic opportunity to achieve the required economic activity and employment which will also improve the quality of life for residents and enable them to obtain more of their requirements from within the FoD.

6 RECOMMENDED STRATEGY

The Strategy comprises three inter-related elements:

- Element 1 – Improve the retail offer
- Element 2 – Local sourcing programme
- Element 3 – Inward Investment programme

6.1 RECOMMENDED STRATEGY: ELEMENT 1 – IMPROVE THE RETAIL OFFER

The four FoD towns are dominated by poor quality independent retailers and as a result most of the retail expenditure of residents goes out of the District taking employment opportunities with it.

If this is not addressed the towns will continue to lose customers to neighbouring areas through declining footfall, falling sales, lack of investment and shop closures leading to a further downward spiral.

The public realm in the towns is mostly reasonable and is comparable to other market towns we have surveyed. It is the poor retail and catering offer including run down shop fronts, lack of choice and poor service that has led to residents shopping out of the District.

The FoDDC's First Shop Local Shop initiative has had a positive impact, but a much more radical approach is necessary if the downward spiral is to be reversed.

With vision, leadership, co-operation, determination and some funding the current trends can be reversed. The aim is to improve the retail offer, not by bulldozing the town centres (although some may be necessary), but by working sympathetically with the existing architecture in an evolutionary rather than a revolutionary approach. It will require co-operation with existing retailers and landlords as well as attracting new local and multiple retailers into the town centres.

Further, the offerings of the towns can be sufficiently different to each other, enabling them to each have a positive and complementary role in the District. This should encourage them to feel they each have a specific role and part of the Forest of Dean offering to residents and visitors:

Cinderford – a modern town centre with a mix of convenience and comparison shopping
Coleford – a traditional market town with high quality independents, a range of specialist and some appropriate multiple retailers
Newent – a traditional town with convenience and specialist high quality independents
Lydney – modern town centre with a broad range of convenience and comparison shopping

This would not only enable residents to vary their shopping and obtain, within the District, many currently unavailable products but will provide a more interesting environment for visitors with each town offering a different reason for them to spend their time and money.

6.1.1 Benefits of Better Town Centres

A better retail offer would:

- Provide residents with better quality and greater choice.
- Encourage residents to shop locally and thereby reduce the adverse congestion and environmental effects of travelling out of the district
- Encourage additional new retailers and caterers into the town thereby further improving the overall offer
- Facilitate better quality niche independents as well as suitable chain retailers into the towns
- Improve the vitality of the District
- Encourage visitors to establish businesses in the FoD
- Attract additional service businesses into the area to supply the increased number of local businesses
- Attract accommodation providers to meet the need for additional bed spaces in the District
- Create more local jobs in retail and service businesses and thereby decrease out-commuting, the congestion and associated environmental impacts

Improved shopping and town centres:

- Will make the FoD a more attractive proposition for inward investors and those of their staff who will have to move into the District
- Will increase demand for retail premises
- Should increase rental values and generate a better return on retail developments making them more attractive to land-owners and developers
- Increase property values which will make development more attractive and should improve the mix and availability of affordable to executive housing
- Will encourage more and better quality retailers and associated support service companies into the District as it attracts more people across the income spread

In this way the current downward spiral can be reversed and the FoD will have better quality amenities and will also be on course to achieving the Community Plan vision of a better place to live, work, play and visit.

6.1.2 Implementation – How to Improve the Towns

The objectives can be achieved by adopting an evolutionary rather than a revolutionary process – but real change is necessary if economic activity is to be increased and the quality of life within the District is to at least keep pace with that in other parts of the country.

The process required to create the change in each location would include the following stages:

1. A vision for a prosperous, successful market town needs to be defined for each of the four towns. By vision, in this case, we mean the verbalisation and visualisation of a specific role and look for each town rather than the FoD wide vision.
2. A detailed map of each town (can be supplied by GOAD) should be obtained

3. Owners of town centre properties need to be identified (something already undertaken by the FoDDC Economic Regeneration team).
4. Establish a 'wish-list' and the mix of independent and multiple retailers that would be appropriate for each town. A Master Plan for each town could be required.
5. An artist's impression should be produced to bring the vision to life.
6. Working pro-actively with the Planning Department, retail development opportunities need to be identified with solutions on how this is to be achieved.
7. The vision and development opportunities need to be communicated to:
    - Existing retailers
    - Land-owners
    - Property developers
    - Multiple retailers
8. The use of Compulsory Purchase Orders should be implemented where necessary.
9. The vision, plans and benefits need to be clearly and effectively communicated to residents and existing businesses.

6.1.3 A Role for each Town

6.1.3.1 Cinderford

With the current town centre development Business Plan and the available funding combined with the possible arrival of Tesco, there is a once-in-a-lifetime opportunity to create a modern town centre with a mix of independents and multiples, convenience stores and an improved comparison shopping offer.

Identifying and communicating with appropriate independents and multiples would be necessary if this is not already part of the current Cinderford Business Plan.

6.1.3.2 Coleford

By developing and improving the existing town square and surrounding outlets, Coleford centre could become a much more attractive traditional market town. It needs a better mix of high quality independents and some appropriate multiples offering food, gifts, books, catering and other specialists alongside the current convenience stores.

The central town square feature should be retained and improved and the existing facades should be improved. Some larger shops will be necessary but this can be achieved by combining neighbouring units.

Potential retailers would be identified once the desired character and improvements have been established.

6.1.3.3 Newent

Although considered by some not to be 'in the Forest', Newent is already improving its retail offer and becoming an attractive country town with a selection of high quality independents and convenience shops.

6.1.3.4 Lydney

The planned increase in housing along with its location will make Lydney more attractive to certain multiple retailers and could be a catalyst in generating a mix of comparison shopping within the town.

This does not mean large out-of-town retail parks that are typically occupied by the likes of B&Q, MFI, Homebase and Toys R Us etc. but certain types of modern multiple retailers providing comparison shopping such as fashion (Next, TK Max), brown and white goods (Comet, Currys), soft furnishings (Rosebys), alcohol (Majestic Wines), pet supplies (Pets at Home), cycle and motor accessories (Halfords). However, these companies require outlets which are larger than currently available and which could be close to the town centre.

A Master Plan would be prepared along with a range of retailers that operate in these market sectors. A range of possible retailer candidates has been included in Appendix 11.

6.1.4 Barriers to Overcome

In order to effectively implement the retail offer/town improvement elements of the strategy the following need to be clarified:

6.1.4.1 Planners

Historically the Planning Department has been perceived by the private sector to be a barrier to economic development and this has to change if progress is to be made. Whilst specific examples of planning barriers were expressed to us during our research, the overall reason for the perception was the feeling that Planning was 'against things' and was somewhat self-important and uncooperative.

The Planners should be asked to take a leading role in identifying opportunities and constraints and most importantly to provide practical solutions as to how the objectives can be achieved. This will not only take a change in mindset, but if achieved the private sector will need to be convinced by word and deed. There was some acknowledgement that improvements had occurred but there is clearly some way to go to reverse existing perceptions.

This will extend their traditional role which creates a human resource issue which is covered later in this document.

6.1.4.2 Landowners

There are a number of significant landowners who have the ability to contribute or block proposed developments. In many instances they hold the key to future development and their input will be vital. Early in the process the objectives should be outlined, their input obtained, any issues identified and addressed and their solutions sought.

6.1.4.3 Existing Retailers

Many existing retailers are also land and/or property owners and will need to be convinced to invest and improve their existing operation or divest to enable the strategy to be executed.

The shop sizes are generally too small for modern retailing and low rents restrict developments. Many of the existing retailers are older businesses, many own their freeholds, but many also appear barely profitable.

As with the landowners, the objectives should be outlined early in the process, input obtained, any issues identified and addressed and their solutions sought.

6.1.4.4 Compulsory Purchase Orders (CPO)

The Council will need to be prepared to use their powers to enable the planned developments to proceed without being blocked.

The improvement of the town centres is too important to the FoD as a whole to be overly restrained by land-ownership issues. Therefore, where necessary, CPOs should be considered with back-to-back deals arranged beforehand to finance the operation.

6.1.4.5 Residents

There are elements and groups within the FoD that appear to resist change, but without the improvements outlined in this report, the interests they represent will be adversely affected, economic activity will not increase, and residents' quality of life will not move forward.

People generally resist change unless they fully understand and will benefit from the proposal. Therefore an effective communications plan will be required to ensure that residents, including pressure groups, are made aware of the planned changes and the benefits of improvements. Any objections should be discussed, considered and problems overcome wherever possible so that residents can feel that they have had an opportunity to contribute their ideas and solutions.

We recognise the District Council has an obligation to 'consult' but from experience we are aware that many such consultation documents are not readily read or understood by many members of the public. Therefore more effective ways of reaching the residents should be found to explain the benefits that will accrue not just to them but many in the FoD.

Local media can play an important role in this process and it is essential that their reporters are provided with all of the relevant information to enable them to support the planned changes.

6.1.4.6 Funding

Some planning and infrastructure work will be required by the public sector and requests for funding for this should be made at regional, county and local level.

Beyond this, much of the development investment will be provided by the private sector. They will have to be convinced of the vision, and of the FoDDC's determination to make the changes, if they are to feel confident of the necessary commercial return on investment and be encouraged to participate.

6.2 RECOMMENDED STRATEGY: ELEMENT 2 – ENCOURAGE LOCAL SOURCING

A multiplier effect has been established by the New Economics Foundation that demonstrates the benefit of circulating income in a local area. The rationale is that local employers pay their staff and local suppliers, the local suppliers, in turn, pay their staff and all local staff spend more of their income in local shops and this generates employment.

A pro-active programme of identifying what local firms and social enterprises can supply, combined with identifying the purchasing requirements of local organisations, is the basis of a local sourcing programme. In Wales, for example, there is recognition from the Welsh Assembly Government of the important economic role that small and medium sized enterprises (SMEs) can play in economic development and to encourage this it published the Opening Doors Charter the guide to SME friendly procurement. In addition it funds general and sector specific activity to promote local sourcing.

PHC has helped with a number of these projects and we would stress that they do require pro-active and consistent intervention. Simply creating a website for local businesses will not achieve the desired economic benefits. Someone needs to be given the responsibility and the necessary resources to establish and implement the programme. To justify continued support, the performance and return on the investment can be measured by the value of 'deals' brokered by the programme.

6.2.1 Implementation – A Local Sourcing Programme

There are positive economic benefits for the FoD from investing in and promoting a Local Sourcing programme to enable local organisations – large and small – to obtain goods and services from firms and social enterprises within the District.

There are over 3,000 VAT registered businesses in the FoD and, during the work programme for this project, PHC developed a database of businesses that could form the basis of the scheme. Detailed profiles of all firms' and social enterprises' capabilities need to be developed – which should then be made available on a website – and kept up to date by the individual supplier.

At the same time organisations of all sizes, particularly the larger should be approached to establish their purchase requirements of both goods and services.

A matching process can then put potential buyers together with potential sellers.

Local businesses should not expect special treatment, but will need to be competitive against existing suppliers and will need to demonstrate why the buyer should select them. However being local should provide some advantages and benefits to the customer.

In addition 'Meet the Buyer / Supplier' events are an effective means of introducing local buyers and sellers.

6.2.2 FoDDC Role

It will require more than a simple passive web-based directory, particularly in the early days of the scheme.

In order to achieve the benefits of a local sourcing programme the FoDDC will need to take a pro-active lead and make a Council Officer responsible for developing and implementing the detailed plan.

A database of business rate payers was provided as part of the work programme for this project and this can be expanded to include all businesses (as not all businesses are business rate-payers).

A website should be created where businesses can add and up-date their profiles and detailed supply capabilities.

Contact should be made with all large organisations to encourage them to analyse their purchase requirements against the local supplier base to identify potential opportunities for local businesses.

These should be listed on the website and circulated to appropriate local suppliers. This will be a regular and ongoing process until it is judged that the local supply process is embedded in the business culture within the FoD.

Meet the Buyer – Supplier events should be organised as this provides the face-to-face contact and networking opportunities that enable buyers and sellers within the FoD to better understand each others' needs and capabilities. This can be arranged with the support of, or by Parklife and/or Business Link.

Once the whole process has been developed, a communications programme will need to be prepared and implemented to alert buyers and sellers to the opportunities and encourage them to actively participate. The benefits to the buying organisation through better service and / or prices, as well as the benefits to the local economy, should help to persuade them to become involved.

Business support providers such as Business Link should also be encouraged to help and advise local businesses on how best to produce competitive proposals and tenders that meet customers' requirements.

6.3 RECOMMENDED STRATEGY: ELEMENT 3 – ENCOURAGE INWARD INVESTMENT

Seeking inward investment is a very competitive market. There can be few areas within the UK (and abroad) that are not attempting to promote the benefits of their location to businesses.

In truth, the FoD has few marketable benefits to the companies that could genuinely be defined as inward investors that would make a difference. It is at a disadvantage to other locations – some of which are quite close by – when the specification might include transport accessibility, highly skilled staff, modern or large premises, leisure, grant availability and entertainment options for staff. This is not to say that attempting to attract commercial and industrial inward investment should be excluded from the overall programme – but to show that it is not a viable central focus for achieving the change sought by FBF and FoDDC.

Inward investment by relocating and/or expanding businesses can have a positive impact on economic activity – as illustrated by the recent success of the relocation of L&G from London to Vantage Point. It is an excellent step but it has taken a number of years to achieve and has only increased jobs in the FoD by around 200. A commendable success – but it is a tiny proportion of the net 9,000 that out-commute each day.

The difficulty of attracting large companies is also illustrated by the fact that most local and sub-regional property agents are well aware that there have been large floor plate vacancies for many years at Vantage Business Village but have not come forward with possible customers.

Because there were immediately available facilities and space at Vantage Point Business Village it was agreed that PHC would undertake a separate but parallel assessment for marketing space of this kind in the District. A strategy was developed and presented to the FBF steering group and to Vantage Point management. More details of this are contained in Section 2 – 10.2.

The FoDDC and Gloucester First will no doubt continue to play a positive role in promotion of the District as a whole and their efforts on inward investment are of benefit to the District. However, the land-owner or landlord is the beneficiaries of the direct income from a new tenant so the primary responsibility for marketing their premises lies with them.

6.3.1 Implementation – Facilitating Inward Investment

Inward investment has in the past and can in the future play a valuable role in increasing economic activity within the FoD.

There is the opportunity to extend the current role played by Gloucester First and the FoDDC to facilitate the promotional programme needed to identify and attract inward investment. However as the main financial beneficiaries will be private sector land-owners they retain primary responsibility for the marketing and sales effort.

There is some general information that all organisations will require in order to make an informed decision about a location, but there will also be specific needs dictated by the different sectors and individual organisations.

Organisations in different market sectors have differing requirements and these include macro and micro factors. The requirements of these markets need to be understood and the benefits of locating in the FoD matched in order to select the most likely sectors to target. Part of this requirement will be specific information for the target sector. This needs to be identified, collected and presented in a compelling way to the key decision makers and influencers. Here the public sector has a role in identifying sources and providing District related data.

An individual proposition or 'sales pitch' will be needed for every site and this should be the responsibility of the land-owner to produce, promote and fund.

Our strategy interlinks improved retailing and inward investment elements – as improving the towns will provide the benefits that can be marketed to retailers who would become the inward investors. These, in turn, will attract more companies to provide the support services required by retailers – business support, transport, waste management etc – and with increased use of the retail offerings by residents and visitors will come better leisure, entertainment and catering options. This brings some of the UK's growth industries to the FoD.

An additional advantage of retail inward investment is that retailers will not be 'relocating' – with all the lengthy deliberation this involves – but will be adding to their assets and increasing their area of operations based on the return on investment they can see. A list of the type of multiple retailers that might be compatible with the FoD has been drawn up by PHC.

Other growth sectors – such as finance, property and business services – would also be targeted where it can be established that facilities in the FoD are likely to meet with their requirements (see section 10.2 for proposals already developed for Vantage Point).

Implementation of the inward investment element of the strategy will require a 'rifle shot' marketing approach with selected commercial and industrial targets receiving individually tailored communication which addresses their particular needs and provides the visions for the FoD and its individual towns. This type of targeted approach can only be undertaken once the detail of the strategy has been agreed.

6.3.2 FoDDC Role

The details of sites and facilities can be included on the FoDDC website with links to and from Gloucester First. Detailed literature should be designed, digitally printed to enable regular changes to be introduced and mailed to key agents throughout the UK on a regular (say bi-monthly) basis. The process should be co-funded with the owners who obviously maintain primary responsibility for the promotion of their properties.

6.3.3 Private Sector Role

The FoDDC and Gloucester First promote the business benefits of the FoD through their literature and website, by picking up on general enquiries that might suit the District and by informing appropriate landlords. Nonetheless, it is the responsibility of private sector business to market and promote its wares – so the primary responsibility for marketing available land and buildings remains with the owners.

They need to develop marketing activities to identify target sectors and companies and commission necessary input from third party specialists or agents that broker deals. Agents and brokers work in different ways – some on a retainer, others on a project fee and others on commission.

7 COMMUNICATION PLAN

7.1 CONSIDERATIONS

The aim of the Marketing and Workspace Project is to create a marketing plan for the whole of the FoD District. As mentioned earlier, it seems likely that when the brief was developed the expected outcome would be a marketing programme primarily focused on inward investment and mainly through communicating with agents and companies outside the District.

If this had proven to be a feasible strategy the identification of audiences, messages and communication channels would have been a (relatively) simple process.

However, as we have said, the strategy is now different and requires a communication programme involving a more complex matrix of people, messages and channels. As the recommended marketing strategy is still to be discussed and agreed it is clearly not possible, in this report, to produce a definitive communication plan which identifies audiences, messages, communication channels and budgets. At this stage, our contribution is limited to providing a framework for the process of developing a communication plan. The Council can undertake this itself but may need specialist help to produce the messages and some elements of implementation.

It is a process we use to ensure that communication is really effective. It may seem a very detailed approach but it matters not that an idea, vision or strategy is clever, good or beneficial if it is not communicated effectively. So, good communication is essential but it does cost money, not only in the materials required but in implementation and management time – and it is rarely given the importance its role and value deserves.

But finance is managed, people are managed, services are managed, production is managed. Communication must be managed too. And to be effective it must be disciplined and structured.

Without this, people in an organisation may have widely differing views about the importance of particular audiences and messages which can result in:

- under communication with some groups and over communication with others
- too much guesswork about how, with whom and when to communicate
- consequent waste of effort and time and therefore money

In the following sections we outline the various elements of the communication plan which cover:

- how to identify the key communicators in the Council
- identifying and ranking your audiences
- messages
- examples of priority audiences
- methods
- measurement and feedback
- timing & costs

7.2 DEVELOPING THE COMMUNICATION PLAN – THE PROCESS

We recommend three particular steps for an organisation when developing communication plan

1. **Identify the key communicators in the organisation**. Whilst everyone's job entails some element of communication our definition of key communicators would be people who:
    a. shape policy
    b. make decisions
    c. have to deliver results
    d. have the most contact with influential individuals or groups

2. **Identify and rank the organisation's audiences.** This is to ensure the right amount of time and effort is applied to each audience along with the most appropriate and effective methods. The rankings would be along the following lines
    a. essential – those with a vital influence on policy and on implementation of strategies
    b. important – those where active support and understanding is necessary
    c. medium – support desirable and could be helpful allies, but not crucial to success
    d. low priority – friendly relationships for goodwill

e. limited value – courtesy contact only required
f. no perceived value

3. **Establish from the audiences their perception of their importance to your organisation.** This enables your organisation to compare how important you see your audiences to how this comes across to them. This process also enables you to establish which types of communication are preferred or most effective for each audience. And it provides a benchmark for measuring future effectiveness and improvement.

7.3 THE COMMUNICATION PLAN – THE MESSAGES

The key requirement is that all messages are relevant and tailored to their intended audiences and that they are written in a way that connects with the audience and creates understanding. This may require the involvement of external communication skills in PR or copywriting input.

Because many of the messages will emanate from existing communicators within the Council and may be delivered via the existing channels, it would be advantageous that all messages about this project carries a recognisable project 'branding' in order to differentiate them from the day-to-day messages and topics.

As an illustration of what we mean by this, we 'branded' the stakeholder meetings GROWING THE FOREST and all communications about these meetings carried this branding.

7.3.1 The overall Vision

This is the main message or – more probably – series of messages. It must come from the top levels of the Council – the Leader of the Council and the Chief Executive.

This is about the overall vision for the future and success of the District, how all parts of the District can work together and the benefits of this. Much of it may already exist in the Community Plan and the Core Strategy but sometimes the language used in this type of document, whilst precise and explanatory, does not 'connect' with the general public. The key to getting the message across is frequent exposure and a 'promotional' and motivating style which generates involvement and understanding.

Although the District is a relatively small area with 4 main towns its sense of purpose and community is too fragmented and many of its people are too parochial. Each town will have its role and contribution but there is a need to unite all areas in a pride and interest in the Forest as a whole. This must be generated by strong leadership, direction and commitment from the Council leadership.

7.3.2 Individual audiences – individual messages

Below the very top level of the Council there are many individuals and departments that communicate with outside audiences.

The 'overall vision' messages must be communicated to ALL audiences and must be seen to emanate from the Leader of the Council and/or the Chief Executive. Consideration should be given to whether these are sent as individual messages or along with other messages from the originating departments.

There are some departments – because of their leading role in forming the image of the Council – that should also produce their own messages to their own audiences about their role in the 'new vision'.

These would include the Planning Department – who should consider a communication of its own to explain its role and attitude to its priority audiences – and the Tourism department. Also any other departments that will either be playing a major role in the programme or which need to change or create an image with its audiences.

7.4 THE COMMUNICATION PLAN – THE AUDIENCES

7.4.1 The key audience

……………. is the Council itself – because the first and absolutely critical task is to get overall agreement and commitment from the members and officers to the direction outlined in this report.

After this, it is crucial that all Council managers and staff are involved and briefed on the programme and vision and how they fit in.

This will not only require a clear and thought through vision with a defined action and implementation programme, but agreement and commitment to any required different ways of working by the relevant departments within the Council.

7.4.2 Priority audiences

With a clear vision, and messages and processes developed for the different audiences, it will be necessary to communicate with the priority audiences (based on rankings established through the process outlined earlier). We cannot be sure of the exact audience rankings that would come from this process but, from our work throughout this project, our suggestion would be that it would probably look something like this:

<u>Essential</u>

- residents
- key indigenous businesses
  - retail
  - leisure
  - other
- new retail businesses
- developers
- land owners
- town partnerships

Important

- support agencies/organisations (County Council, SWRDA, English Partnerships, Highways Agency, Forestry Commission)
- pressure groups
- ‘next level’ indigenous businesses
- local and national property agents
- local & regional media
- MP’s

Medium importance

- education establishments
- business support agencies
- Federation of Small Businesses, chambers of commerce
- public transport organisations
- national media

Other audiences, or sub divisions of some of the above, will come to light during the process of gathering the views within the Council.

This list can then be refined and completed and objectives should be set for each audience.

7.5 THE COMMUNICATION PLAN – THE METHODS & CHANNELS

The use of communication channels needs careful thought because many of the important audiences are already addressed by a number of Council departments and individuals. This will be through existing channels about a variety of ‘normal’ topics. Whilst having established channels is an advantage, the ‘normality’ of the usual communications, could ‘get in the way’ of the new, critical messages.

In providing some guidance on the delivery requirements we would make the points that:

- all individuals and departments particularly involved with the ‘new vision’ should define their key internal and external audiences and produce a strategy and action programme – for the next 12 months – for ongoing communication. This should include clearly stated responsibilities.
- face-to-face communication is the most effective and this should be considered for all internal and external audiences that have been identified as essential. Not only is it more effective, it conveys the importance and role of the audience and involves them.
- the overall vision must be conveyed in a consistent and regular manner when being delivered to external audiences through existing department channels. To ensure this, the leadership messages could be produced as core messages on a regular basis and cascaded to the relevant departments for (mandatory) inclusion in their own communications.
- internal communication, involvement and understanding are critical. Internal communications are presumably through established methods and channels at present. We cannot comment on how effective they are but would suggest a careful look at the current methods to ensure they will be capable of consistently and reliably delivering the required messages to the relevant audiences.

- the local media is an important link with resident and business audiences and effective use of this should be considered.
- the audience identification and ranking process will have included an assessment of the current effectiveness of the processes and messages. It is essential to incorporate a process for obtaining feedback from the audiences – internal and external – and use this to measure effectiveness and identify areas for improvement.

7.6 THE COMMUNICATION PLAN – TIMING & COSTS

The initial timing and subsequent sequence of communication with the various audiences depends on when the FoD 'product improvement' plan and Marketing Strategy is accepted and agreed and the overall vision is developed. And, of course, the communication programme will continue throughout what will inevitably be a lengthy process.

Because the overall direction suggested by this report still has to be discussed and agreed, this framework for a Communication Plan cannot define the communication sequence or key stages or milestones – although these must be part of the eventual detailed plan.

It is likely that preliminary meetings and discussions will be necessary with some of the priority audiences in order to help develop the vision and its practicality. However, once the overall vision is defined – with sufficient detail to indicate it will happen and how – communication with the essential audiences can be planned and initiated. It will be important to ensure that when the vision 'goes public' that all audiences are informed to whatever level of detail is appropriate to their ranking.

The most significant part of the costs will probably be the time and skills required – either by internal staff or external advisers – to ensure a consistent and effective programme rather than the costs of promotional channels or materials.

Budgets will be required for commissioning of external input on promotion and communication but it is not possible to provide definitive costs until the Marketing Strategy is agreed. It is the variety of audiences, the defined communication channels, the required frequency of messages and the necessary materials that will have most influence on what the budget should be.

However, we recognise the difficulty of decision making without cost parameters so we have provided some guidelines in the Resource Issues section below.

7.7 THE COMMUNICATION PLAN – SUMMARY

No matter how good a strategy is, it will not work unless it is effectively communicated. Communication must connect with its audiences and is an essential part of generating understanding and of achieving effective implementation. It requires discipline, time and money. It must be planned and managed.

The key communications are the overall vision for the District, the individual visions for the towns, and the absolute commitment to make it happen. And this must be seen to come from the Council leadership.

Below we have produced an illustration to summarise the communications task.

Audiences	Messages	Tasks	Media/Communications channels	Support skills	Budget implications
FoD internal audiences council internal developers/investors influencers pressure groups businesses - retail businesses - leisure businesses - other residents	vision & why how opportunities benefits safeguards	develop vision - words/pictures PR & communication plan communication concepts - PR & ads leaflets	face-to-face meetings local media letters/electronic	PR design & writing media planning implementation	PR implementation design & writing - leaflets/ads direct marketing list purchase media planning/buying media costs printing implementation
FoD external audiences property agents multiple retailers retail support companies leisure & catering orgs developers influencers - public sector/mp's	developments - timescales opportunities business potential	identify prospects communication plan tailored concepts leaflets	meetings direct marketing letters	design & writing prospect identification implementation	

8 RESOURCE ISSUES

The recommended strategy requires involvement from a wide variety of people including the Leader of the Council and Chief Executive without whose active support the programme to increase economic activity will almost certainly fail to be realised. The changes required in the strategy have to be communicated throughout the FoDDC and embedded into the activities of key departments and officers.

Recognising that public sector budgets are under constant scrutiny and significant resources are unlikely to be found within FoDDC budgets, we suggest that the minimum human resource requirement is for officer support.

Specifically it is probably necessary for two appointments

- an additional Planning Officer to pro-actively seek development opportunities, find solutions and to resolve any difficulties.
- a dedicated Senior Economic Regeneration Officer to be appointed to plan and manage the whole process and be seen as the project promoter.

8.1 SENIOR ECONOMIC REGENERATION OFFICER

The principal role would be as project manager – to ensure the necessary tasks are undertaken in a timely and coordinated fashion. There will be a need to commission external input for certain tasks – outlined below – that would require specialist expertise. These inputs would include: production of the Town Master Plans and artist's impressions, development of project branding, identification of the key communication messages, writing and design of promotional concepts and materials, selection of communication channels and compiling marketing data appropriate to different sectors/segments.

The specific tasks would include:

8.1.1 Town Centre Developments

- guiding the development of a 'vision' with the leadership of the Council
- initiating the production of Town Master Plans with urban planners
- commissioning visual interpretations to show residents and businesses how the improved towns could look
- liaising with the Planning Department to identify retail development opportunities in each town
- identifying and communicating the opportunities with private sector developers
- meeting existing and prospective retailers to encourage investment

8.1.2 Local Sourcing

- establishing the buyer - supplier database for the local sourcing programme and arranging for it to be hosted on a website
- developing and implementing a promotional campaign to encourage buyers and sellers to use the process
- regularly communicating opportunities to local suppliers

- planning and managing 'meet the buyer – supplier' events
- recording deals and measuring the return on investment in the programme
- publishing case studies of successful details to encourage further participation

8.1.3 Inward Investment

- obtaining data to substantiate the benefits of the FoD to incoming businesses
- managing the addition of a quality vacancy / inward investment section on the FoDDC website with links to Gloucester First
- liaising with property owners to encourage them to keep the website up to date
- providing the design template for inward investment promotional material

8.1.4 Communication Plan

- managing the communication plan as outlined in the previous section
- commissioning and briefing an external agency (agencies)
    - to develop the branding for the overall communication of the planned changes (eg Growing the Forest)
    - to identify the communication messages for external audiences, develop promotional concepts and materials, select communication channels for different sectors/segments.
- working with the primary internal Council communicators to agree roles, responsibilities and key messages
- obtaining feedback from the audiences to evaluate the responses to the planned changes
- commissioning any special material: literature, mailings and website messages

8.2 START-UP BUDGETS

Apart from the human resource costs – which will be better known to the Council than to us – there is, obviously, a requirement for implementation budgets to kick start the programme:

- necessary Town Master Plans and visual impressions for which we would suggest an allowance of around £50,000 to £60,000 each for those towns where one is necessary. An externally produced Plan may only be required for Lydney as the other towns may not require such extensive redesign and the Council may have internal capability.
- communication and promotion services such PR, advertising, promotional materials and direct marketing. For these we would suggest a minimum budget allocation of around £80,000.

SECTION 2 – ISSUES & POSSIBLE SOLUTIONS

9 ISSUES

In this section we outline issues that were identified and considered during the work programme.

9.1 MARKETING THE FOREST OF DEAN AS A BUSINESS LOCATION

Marketing is a much misused and often misunderstood term. In the context of this marketing and workspace project marketing encompasses:

1. identifying the needs for workspace by different types of business (customers)
2. recommendations about any necessary or desirable changes to the current offering (product development)
3. establishing the objectives
4. the means by which these can be achieved (strategy)
5. the key benefits that will be used to attract attention and the interest of priority businesses (proposition)
6. the messages, media, timing and costs associated with promoting the FoD and communicating with the various target business audiences (plan/implementation / tactics)

(The importance of setting marketing objectives and criteria was outlined in this section in the original document but as these are the foundation on which a strategy is developed the information pertaining to identifying and defining objectives has been taken forward an included in Section 1 at Point 3).

9.2 REGENERATION AND ECONOMIC DEVELOPMENT

In preparing the recommendations the following constraints have to be taken into account:

- There is no one organisation or person with the responsibility, authority, power, influence or resource to execute the whole strategy.
- Partnership working requires the partners to share the same vision and objectives and between them to have the resources (money, land and people) to execute the strategy.
- There are pressure groups within the FoD – both traditional 'Foresters' as well as newer 'in-comers' who maybe resistant to some or even all change.
- Planning policies do not necessarily encourage or facilitate economic development.
- Land and property ownership can be barriers to development.
- Development almost inevitably requires investment and that may have to be acquired from a number of sources who need to be convinced that a suitable return is possible within their required timescales.
- Finally economic development requires determined leadership and vision to guide and facilitate the whole process.

9.3 WORKSPACE

The project title and the brief of 'Marketing and Workspace' implied an assumption that if workspace is available, businesses would fill it, but vacant premises are available in the FoD and have been for years.

We used the findings from various of our research elements (Business needs survey, Property agents survey, FoDDC commercial property database, Gloucester First enquiries database) to assess the demand and availability of workspace and to establish if there were related barriers to businesses and business development.

There was some evidence that some FoD businesses – particularly in warehouse distribution and IT services – would like bigger or better premises and that some had considered relocation. Nonetheless, our conclusion is that there is no significant current or imminent demand for additional workspace in the FoD.

There have been some successes such as L&G and the WEEE recycler, but the recent arrival and then imminent departure of Stoneridge Pollak demonstrates that there are global issues at play when determining the location for businesses.

We found that:

9.3.1 Offices

- There are large floor plates available that have been unoccupied for over 5 years.
- There are smaller offices and serviced offices available that are unoccupied.

9.3.2 Industrial – factories and warehousing

- Supply appears to be available to meet the local demand.(Small units with rent/rates around£1k per month)
- Low rents do not provide sufficient return on investment to justify new developments

9.3.3 Retail

- Small units currently change hands
- There are no larger units suitable for modern multiple retailers
- Shortages exist in some towns (eg Newent) and excess capacity in others (eg Cinderford)
- Low rents do not encourage new developments

9.3.4 Social Enterprises and Workspace

It is increasingly being recognised that social enterprises can play an important role in the economy and one element of the brief related to affordable workspace for social enterprises.

A number of the findings from the investigative stage are relevant here:

- Although there is employment land designated in the Local Plan there is very limited freehold available for development which is another constraint on the development of new units
- The FoD is a low rent area and therefore workspace is more affordable there than in higher rent areas.
- Currently it is generally not economically viable to develop new workspace to generate a commercial return and therefore there is little incentive to develop this workspace.
- The FoDDC operate a web-based directory of available commercial properties that provides a starting point for anyone looking for premises, and
- There are vacancies in both commercial industrial premises and retail premise in some areas.

Given these facts it should be incumbent on existing and new social enterprises in the FoD to identify their workspace requirements, look for appropriate premises and present their proposition to property owners with vacancies.

9.3.5 Supply/demand implications and inward investment

9.3.5.1 Commercial

Is there sufficient supply of suitable office and commercial property – particularly in the growth market sectors where the FoD is under represented such as Finance, Property and Business Services? Bearing in mind that inward investors are likely to be sizeable companies, the indications are that suitable space is available – albeit primarily in one location at Vantage Point.

9.3.5.2 Industrial/warehousing

The FoD is considered by commercial property agents to be a local market with little demand from outside of the area. As outlined elsewhere the factors influencing companies in these sectors relate to many issues other than the suitability of premises so, whilst there are few large properties available in the FoD, neither is there demand. It is possible to try to create interest through marketing, but success is unlikely without appropriate premises to market – and this would seem to require speculative development that build costs and return on investment would not justify on normal business criteria.

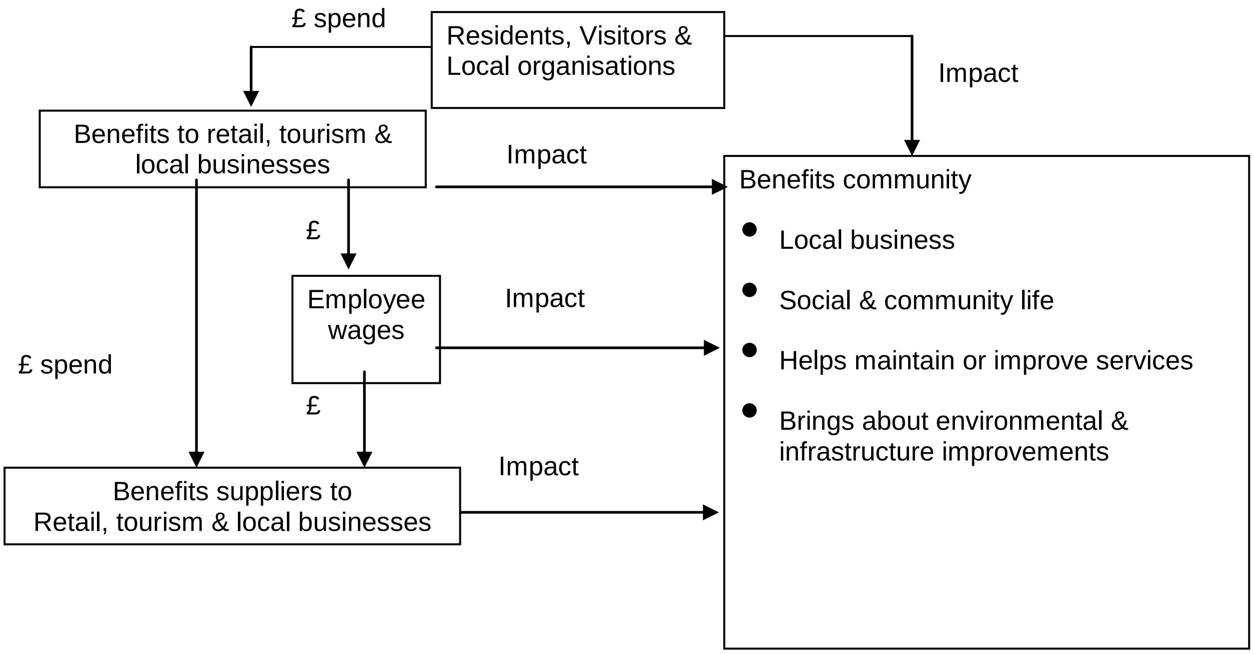
9.3.5.3 Retail

Suitable premises for modern retailers are very limited at present – and the present shopping patterns of residents generates an insufficiently attractive market for retail investors and companies.

9.4 RETAINING LOCAL SPENDING

The New Economics Foundation has developed a model to calculate the multiplier effect and prove the benefits of retaining money within a local economy.
Retaining spend by residents, local organisations and visitors in the local economy does have positive benefits as illustrated by the diagram below.

- This spend can increase the range, size and viability of local businesses such as general stores, post offices, garages, pubs and restaurants that are also used by the community.
- Visitors contribute to and improve the social and community life of towns and villages, for example by supporting local charities and taking part in festivals.
- A more vibrant local economy can lead to improvements in the infrastructure such as roads, car parks etc.



9.5 OUT-COMMUTING

With only 6 jobs for every 10 workers, there was a net outflow of around 10,000 people from the FoD in 2001. This has been a much discussed topic throughout this project. And it has been suggested by some contributors that reducing out commuting should be made a specific objective of the strategy.

There are clear congestion reduction and associated environmental benefits from reducing out-commuting, but apart from these, we were not able to establish any other economic benefits from establishing this as a primary objective.

Of the 'out-commuters', around 50% were senior managers / high earners, who presumably use their income to choose to live in a rural location and accept that their job type is unlikely to be available more locally so trying to dissuade them from travelling is unlikely to work.

Having previously been a low wage district wages for residents of the FoD now are close to the national average and this is possibly partially a result of the out-commuting.

Also, the shopping survey undertaken for Tesco proves that most residents shop out of the FoD and if they did not work out of the district they would still shop in neighbouring areas.
So, it might seem desirable to reduce out commuting but it is not appropriate as a primary objective of this project – especially with the associated problem of defining by how much it should be reduced.

However, the recommended strategy would have an impact on out-commuting for work and for shopping by creating more jobs and an improved retail offering within the FoD.

9.6 EMPLOYMENT LAND

Around 78 hectares are allocated as employment land within the latest Local Plan. Around 14ha is likely to be get consent as part of a development to the east of Lydney. However, we understand that large tracts of the remaining allocation are unlikely to be released for development by the owners, and that this has been an issue for many years.

There were 52 hectares of brownfield land available for redevelopment in 2004, some of which detracts from the attractiveness of the FoD.

A proposal to undertake a Compulsory Purchase Order with a back-to-back deal with a local developer has not been progressed.

There is very limited availability of freehold land while anecdotal evidence, confirmed by the Business Needs Survey, indicates that there is some demand for freehold from established businesses.

9.7 QUALITY OF LIFE

This is a key factor for people running and locating business in the FoD. However it must be recognised that it is difficult for people to define what they mean by 'quality of life' other than being in a rural area surrounded by nice countryside. Also the rural life style with limited local shopping and entertainment will not appeal to everyone such as high earners seeking city pleasures – quality restaurants and shops, night-life and entertainment.

The FoD and certain wards within it have been designated as 'lagging' and therefore by extension the quality of life is not the same for all residents.

10 POSSIBLE SOLUTIONS

In this section we consider the initial expectations of the FBF and FoDDC as to the outcome of the project and the main options for achieving the objectives.

10.1 INWARD INVESTMENT

It was clear from the outset that the expected solution by the FBF and FoDDC would be an inward investment communications programme to identify, attract and encourage businesses to re- and/or locate in the FoD.

However all of the research undertaken by us and others indicated that there are macro as well as local factors that impact on a firm's location decision and these are unlikely to be overcome simply by undertaking a communication campaign which would, inevitably, be generic and difficult to effectively target.

To explore the possibilities in more detail it is necessary to first consider where to target - and the options are illustrated below:

		Target company size	
Traditional strengths	Manufacturing & distribution	Large	Small
Growth markets	Retail, leisure, knowledge based	Large	Small

10.1.1 Larger Organisations

These could be either relocating or expanding their operations and the benefits to them locating in the FoD would be:

- Lower property costs
- Lower wage costs if currently in a higher wage area
- Quality of life for those employees resident in the FoD

However these benefits could be off-set by:

- FoD wages are now approaching the national average
- Access and the cost of deliveries to and from the FoD
- Full local employment and the need to attract those residents who are currently not working locally
- Other areas offer similar benefits to the FoD
- and some offer Grant aid

The benefits of attracting these companies to the FoD would contribute to achieving the objectives of:

- Increased economic activity – more jobs
- Reduced out-commuting and the adverse congestion and environmental impacts

On that basis, trying to attract large organisations to the District should form part of the overall marketing strategy. However the difficulties should not be under-estimated as historically, although premises have been available, only a small number of larger companies have moved into the FoD. Therefore, a main focus on attracting larger organisations to the FoD is unlikely to uncover many takers and this, as a stand-alone strategy would not deliver a significantly large increase in economic activity and jobs.

10.1.2 Smaller and Micro-businesses

Indigenous businesses:

- Starter and small units are already available
- Business development support is available

SMEs and micro businesses tend to start up close to home – so active promotion to this type of company outside the FoD would not be worthwhile or cost effective. However in some cases it is a visit to an area that can attract people to move an existing small business or to start up a new venture.

Otherwise the issues, benefits and potential downside for attracting relocating / expanding SMEs are the same as for the larger organisation. And it would require a huge number of new small businesses to impact on the objectives.

10.2 VANTAGE POINT BUSINESS VILLAGE

As indicated earlier it became apparent after the initial briefing meeting that Vantage Point Business Village was to be treated as a special case as there was a considerable amount of vacant space available for immediate occupation. Whilst Vantage Point had achieved substantial success in getting residents for much of the Business Village since the change from Xerox, there were some large office floors that had not been let in the 5 years since the Village was launched.

It was agreed between the project steering group and PHC that the initial investigative work for the overall project might uncover possible clients for the available space and that if this did occur they should be followed up quickly rather than wait until the final report stage. It was therefore agreed that PHC would initiate the project with two parallel investigations – the main one being for the overall project and the other to identify the best options for marketing existing floor space in the FoD – but principally the high quality space at Vantage Point which at that time amounted to around 90,000 sq ft.

In previous research it had been established that the type of floor space available at Vantage Point and the high specification of IT and communications access would particularly suit the operation of Contact Centre related businesses. PHC's view was that it was sensible to use this existing information and to look in more depth at the Contact Centre potential and develop a marketing strategy that would realise the potential if it existed.

This work consisted of further desk research to establish market sizes, market trends, main players, customer requirements and discussions to establish attitudes to the facilities on offer at Vantage Point. This work indicated that there is considerable competition amongst other locations in the UK (and overseas) to obtain Contact Centre businesses but that the sector was still showing strong growth.

It was also apparent that Vantage Point and the Forest of Dean would not be near the top of a Contact Centre's list of potential locations but that, given the right marketing activity and budget, it should be possible to encourage some contenders to include it on their location evaluation list.

PHC took this to the next stage and investigated the way in which Contact Centre senior management identified and selected new locations and then looked at marketing options that would offer the most effective way to identify and communicate with companies that might be considering an additional location or relocation.

Our conclusions were that it would be possible to undertake a programme of personalised direct marketing to the principal companies in the sector and to companies that they look to for advice on locations. However, the fact that:

- there are around 2,000 main companies in the sector
- that it would be impossible to know which boardroom was currently thinking of expansion or relocation
- and that timing was everything because relocation decisions are not made every day

indicated that any marketing programme would be a rather hit or miss affair and that to maximise the effect of this approach would require continuous marketing investment over a period of time with no guarantees and no way to accurately estimate the outcome.

We therefore suggested a somewhat different approach. We recommended that the best option would be to commission a specialist in the Contact Centre sector – who was 'in the loop' and would have regular contact with a number of companies and good insight into companies' intentions and requirements – to identify and approach the most likely candidates with a view to obtaining face-to-face meetings with senior management. This would identify the most likely candidates more quickly and avoid the cost and unknown quantities inherent in a programme that started from square one with the whole of the Contact Centre universe.

These recommendations were presented to Vantage Point in June 2007 and left with them for their consideration. Further advice has been provided on the development of promotional materials that would be required for the marketing programme. At the time of this report no decision has been made on whether or not to undertake marketing although it would seem that the management of Vantage Point have decided against this strategy at this stage.

Nonetheless, in December 2008 – after discussions that had been underway for a considerable time and before the Workspace and Marketing project was initiated – Vantage Point successfully let 32,000 sq ft of floorspace to L&G for the relocation from London of a Contact Centre operation.

Unfortunately, around the same time, Stoneridge Pollak – a company that had been at Vantage Point for two years made the decision to move their operation abroad. This, perhaps, indicates the difficulties of identifying and retaining companies of this size.

At the time of this report Vantage Point has around 44,000 sq ft of large floorspace to let.

10.3 CONCLUSIONS

Although the expected solution appeared to be an inward investment strategy and communications campaign aimed at relocating companies, with Vantage Point Business Village a special case, the findings did not support the view that this alone would generate the economic activity to create enough jobs and regenerate the FoD.

There are many macro and local factors that impact on where firms locate and it is highly unlikely that the FoD could identify and attract sufficient organisations to make any real difference. At the same time it became obvious that the FoD is underperforming in significant areas of its economy and failing to meet the needs of its residents.

The Forest of Dean, in marketing terms, needs 'product development'. It needs to change in order to achieve the objectives of this project (and the Community Plan) before it can successfully be promoted to audiences inside and external to the District as a place for businesses to grow and succeed.

Therefore in order to develop a compelling proposition that would encourage business development a more broadly based solution was sought – one that has a genuine potential to increase overall economic activity while also improving the quality of life and reducing out-commuting. This involves:

1. Improving the retail shopping offer in the town centres.
2. Encouraging firms to buy from local suppliers, plus
3. Supporting property owners to attract inward investment

SECTION 3 - FINDINGS SUMMARY

11 BACKGROUND & BRIEF

Forest Business Future (FBF) was established with the support of the Forest of Dean District Council (FoDDC) to provide a voice for businesses in the Forest of Dean (FoD). One of the key topics raised by the FBF was the need to promote the Forest as a location for business to encourage both inward investment and the development of indigenous businesses.

In January 2007 The Peter Heath Consultancy (PHC) was appointed by the Forest of Dean District Council (FoDDC), working with Forest Business Future to develop the marketing strategy

The aim is to promote the FoD specifically as a business location, rather than more widely to visitors and residents. Although there can be some connection between the two as visitors can sometimes be encouraged to relocate their existing or establish a new business if they are particularly attracted to the area and it has the necessary facilities.

11.1 THE BRIEF[1]

The Forest of Dean District Council and Forest Business Future have identified the need to procure a dedicated marketing resource for a year to research, develop and deliver a marketing plan for the whole of the District. The plan will provide the basis from which to actively promote and sell the Forest of Dean District as a positive place for existing and potential businesses to grow and succeed.

This project will include:

- Addressing the supply of and demand for workspace, development land and identifying potential land and floorspace opportunities;
- Auditing the needs of businesses and identifying the barriers to business expansion;
- Identifying and promoting the benefits of the Forest of Dean District to businesses;
- Identifying potential business prospects and their agents;
- Identifying selected market segments and potential customers;
- Developing the existing brand/image for the district and promoting and selling the district's benefits to businesses.

The project will create a better understanding of the local barriers to business success so that the public sector authorities can better align their policies with business need. This project is ultimately about affecting the outcomes for businesses, either existing or new.

12 FINDINGS

12.1 OVERVIEW

In many ways the Forest of Dean District is unremarkable. On numerous measures it can be considered a microcosm of the county, sub-region, region and even the country.

[1] Forest Business Future and Forest Of Dean District Council - Marketing And Workspace Project – Final Brief

True it does contain the unique Forest of Dean, with its natural beauty, but in many other ways it has similar strengths, weaknesses, opportunities and threats of other Districts. Economically wage levels are rising to the average, unemployment is very low and skills at all levels need to be addressed to reflect the changes brought about by the global economy. The FoD therefore needs to adapt its economy to meet the trends and challenges facing most other local authorities.

There are some differences – mostly notably there is local concern about the levels of 'out-commuting' although, in fact, the average travel to work distance for residents of the FoD is just 3 km higher than the average for the country as a whole. Also, and like many other parts of the UK, the Forest has relied on traditional sectors of the economy – agriculture, mining and production. These are all in long term decline nationally and many areas have had to restructure their local economies to meet the new demands of the 21st century, consumerism and globalisation.

The Forest is not currently well represented in the growth sectors of the economy, primarily service industries – financial and business services, retail and tourism. To some these may not appear to offer 'real' jobs, but there is evidence of strong and rising demand. In order to prosper into the future the people of the FoD will need to adapt to ensure they share in the wealth creation potential being enjoyed in other parts of the country.

Despite its many inherent strengths and attractions the Forest of Dean (FoD) has weaknesses in a variety of areas such as social, health and education. Examples outlined in The Forest Story 'affordable housing, health (especially cancer death rates), educational attainment, a comparatively high proportion of residents lacking qualifications and an ageing population.'
However this project focuses on business and the barriers to business development and therefore without minimising issues in other areas, we have concentrated on those factors that directly affect businesses.

To develop a practical marketing strategy it is necessary to establish clear and achievable objectives before identifying the target audiences and developing the proposition/s to be promoted. In order to do this it is necessary to identify and understand the important issues that impact on business development to ensure that the recommended strategy and action plans are based on evidence wherever possible, rather than hearsay, anecdote or wishful thinking.

There is a tendency through these projects to be drawn into thinking about the attractiveness of the FoD to the general public, but the outcome of this project is to promote the FoD as a **business location for businesses**, not as a tourist destination targeting the general public.

12.2 THE NATIONAL, REGION AND SUB-REGIONAL CONTEXT

The FoD is in some ways typical of many other parts of England – and it is not an island. The District is subject to the same global, national and regional trends that impact all parts of the UK. These amongst many other trends include the consumer boom, globalisation, the decline of manufacturing and the rise in the service economy in the UK. All of these impact on the FoD and need for workspace and the development of businesses. The FoD has been designated a 'lagging' area by DEFRA and like other parts of the country the FoD has been coming to terms with the decline in agriculture, mining and manufacturing. There is a need to embrace the macro-changes over which it has no control and, where it has the control, to develop the FoD economy to the benefit of all of its residents.

12.3 POPULATION

In summary the FoD has a relatively small but growing population and on many measures reflects the average for the population as a whole.

On the positive side:

- Unemployment is lower than the GB average and the level of Job Seekers Allowance claims in May 2007 was 822 people or 1.7%:
- With regard to NVQ1 & 2 qualifications the FoD outperforms the Region
- Wage levels have been rising fast in the FoD and by 2005 they were only 2% lower than the national average.

On the negative side:

- The FoD has a lower proportion of more highly qualified residents,
- And most notably there are 6 jobs in the District for every 10 economically active residents

This latter fact contrasts with a job density of 0.94 in the Cotswold District and 1.03 in both Cheltenham and Gloucester.

Other facts include:

- The number of households increased to 33,800 in 2001 a 17.0% increase on 1991. The rising population reached around 80,900 in 2005 largely through in-migration.

- In July 2005 to June 2006 the economically active at 77.6% of the population of the FoD was marginally lower than the average for GB at 78.4%.

- Around 63% (23,800) residents work in the FoD, with nearly 20% of them (around 4,500) working from home.

- At the time of last census in 2001 13,800 people commuted out of the FoD while 4,750 commuted into the Forest to work – a net outflow of 9,000 people.

- The average distance travelled to work by FoD residents increased from 14 to 16 km from 1991 to 2001 compared to 11 to 14 km for the County and 11 to 13 for England and Wales.[2]

- The Gloucester Household Survey reveals that three quarters of residents travel to work by car, 10% walk and 9% work at home.

- Gloucester City is the prime destination (33%) followed by South Wales including Monmouthshire and the West Midlands third.

12.4 BUSINESSES

In summary the FoD is more reliant on micro-businesses and the slower growth and / or declining industry sectors than the Region or country.

[2] Source: 1991 and 2001 Census, Office of National Statistic © Crown Copywrite

The structure of the economy in the FoD is skewed to the older more traditional sectors and for example compared to the its neighbouring districts, the South West and / or England the FoD is over-represented in Agriculture, Production, Construction, Motor Trade and Transport. However it is under-represented in many of the growth sectors of the economy such as Wholesale, Retail, Hotels and Catering, Finance, Property and Business Services and Public Administration and Other Services.

The Small Business Service of the Department for Trade and Industry states that 99.7% of the UK's 4.4 million businesses are classed as SMEs (and) there are only 8,200 or so businesses in the UK with a workforce of over 250 employees.

With nearly 75% of the businesses employing 4 or less staff the FoD has proportionately more SMEs than England 67% Gloucestershire 69%.

Within the FoD in 2006 there were only 55 businesses employing more than 50 staff.

12.5 WORKSPACE

The factors affecting the demand and supply of workspace vary by sector / property type and we have therefore considered these under the following headings:

1. Commercial / Offices
2. Retail – shops and services
3. Industrial / warehousing
4. Other to include tourism and attractions

The FoD is subject to the same pressures and trends including globalisation, the consumer boom and developments in technology and communications that affect other parts of the country, specifically as they impact on the size, quality and location of workspace.

12.5.1 Office / Commercial

The macro factors affecting demand include:

- Improved communications and technology is decreasing the space requirements and provide service sector companies with increased flexibility over their location.

- A variety of back-office based functions have been moving off-shore, although there is some evidence of a reverse in some of this trend.

- Occupiers are looking for high quality accommodation, which is reflected by build quality, surrounding environment and location. For higher value functions, prestige locations and premises are increasingly important.

In summary there are both large and small floor-plates available, some of which are described as high-tech, modern or refurbished. As part of this availability Vantage Point has had approximately 8,200 m^2 modern space available for several years that could accommodate around 600 people. This is evidence of either a lack of demand or a failure to promote the facilities effectively.

To put things in perspective regarding demand for these large floor spaces, Gloucestershire First data indicates that they received 27 enquiries for office space of 15,000 sq ft or more in the two years from January 2005. These were enquiries about Gloucestershire as a whole and some seemed speculative.

With around 680 Finance, Property and Business Services operations the FoD is significantly under-represented in these sectors and the Commercial Property Agents' survey undertaken by PHC and enquiries to Gloucestershire First provided little evidence of demand.

The FoD Business Needs survey, also completed by PHC, established that the vast majority of respondents felt that their premises were adequate for the next 2 years, while 40% owned the freehold. Over half had short leases and 11% had considered relocating but did not because of cost or they were unable to find suitable premises.

Commercial property agents in the sub-region believe the FoD office market to be a local one and only one remembered receiving a large enquiry.

12.5.2 Industrial and Warehousing

Macro factors impacting on these sectors include amongst others:

- Manufacturing requiring high levels of labour are being relocated off-shore
- Distribution systems operating 24 hours per day
- Just In Time systems requiring frequent and guaranteed delivery

Within the FoD there are around 670 Production, Warehousing, Distribution and Transport businesses and the District and is over-represented in these sectors.

There are a variety of premises available on around 70 sites, but the majority are small (60% below $500m^2$) and there were only two freeholds available at the time of the audit.

In 2000 most of the factory and warehouse stock was over 20 years old.

Of the 76 industrial responses to the Business Needs Survey around 20% felt that their premises were not adequate for the next 2 years – providing some evidence of demand.

One third owned their freehold and over half were on short leases. With only two freehold sites included on the FoDDC property database, there is some anecdotal evidence that this could be inhibiting development by some expanding businesses wishing to use freehold property as a pension scheme asset. However, the lack of freehold properties is also shared by other areas.
One third had considered relocating, but they were unable to find and / or afford suitable premises.

The view of the Commercial Property Agents surveyed undertaken during the project was that it is a local market, with steady demand for small 1,000 sq ft units, for locally based companies needing low outgoings. There is little demand from outside of the area, except in Churcham on the A40 on the District boundary, close to Gloucester.

12.5.3 Retail

In summary the retail offer within the FoD does not meet the demands of most of the residents and for example only one third undertake their main food shopping in the District. The figures for the major shopping categories from a GVA Grimley Shopping Survey in April 2007 are:

- Food 33%
- Domestic appliances 19%
- DIY 15%
- Personal, luxury, cosmetics & medical 14%
- TV, radio and computers 12%
- Furniture 10%
- Recreational goods 6%
- Clothing and footwear 3.5%

In fact 40% of the respondents do not consider any town within the FoD to be their main shopping centre.

A Mystery Visitor Evaluation was undertaken by PHC using a comprehensive scoring system devised by a regional tourist board to provide a cost-effective view of market towns as experienced by a visitor. The four Forest towns scored the lowest of the 15 towns surveyed to date and although they achieved average and above average scores on some measures, the reason for the low marks relate entirely to the shopping offer, service and appearance of the stores.

The 4 FoD towns have a higher proportion of independents to multiple retailers (82% - 92%) compared to the average of 76% for the 15 surveyed using the Mystery Visitor Evaluation. A high ratio of independents can provide character to a market town, but because of poor shop fronts in the FoD towns, this Evaluation concluded that the towns appear neglected.

12.5.4 Tourism Businesses – attractions, accommodation and catering

The FoD does not have any major 'honeypot' attractions. It has a range of predominantly outdoor attractions, but is generally under-represented in the growth tourism sector.

Day Visitors [3] account for over 40% of visits and largely travel from within 1.5 hours driving time. There is a high level (70%) of repeat visit and on average visitors visited 4 times within the past year.

Of the overnight visitors, 42% camped or caravanned, 20% used a B&B or Hotel and 20% self-catered. Staying with friends and relatives (13%) and youth hostels make up the balance.

Almost all arrive by car and general sight seeing is the main reason for visiting (54%) and outdoor activities 30%. 3% come to shop and eat out. Mostly they like the 'quiet' and general attributes of the Forest. Half the respondents claimed that no improvements were required while the improvements sought by those suggesting these were necessary mostly included signage and toilets.

[3] Source – The Forest of Dean Visitor Survey - 2005

12.6 PLANNING AND OTHER PLANS

12.6.1 The Local Plan

The District Local Plan Review was adopted in November 2005. Under the Planning Act introduced in 2004, Local Authorities are required to prepare a new style plan called a Local Development Framework (LDF), which links with the Community Plan and which will eventually replace the Local Plan.

The Community Plan depicts a shared vision for the future of the Forest of Dean District which aims to enhance the quality of life for the local community whilst retaining the area's beauty and biodiversity. The Local Development Framework (LDF) outlines how the planning of the District will be managed to meet the community's social and economic needs while protecting and where appropriate enhancing the environment. There is a real opportunity for the LDF to help deliver elements of the Community Plan's vision where it relates to the development and use of land.

The review of the Community Plan is underway and the Core Strategy – which will become the main part of the LDF – will be out for comment from 3 March 2008.

12.6.2 Brownfield sites

According to the 2005 of national database of previously used land, in the FoD there were 52 hectares of which:

- 12 hectares were derelict land and buildings
- 9 hectares comprised vacant buildings
- 30 hectares were in use, were allocated in the local plan or had planning permission
- 26 hectares were being used for Manufacturing
- 10 hectares had no planning status
- 20 hectares was proposed for Employment, while
- 25 hectares were most suitable for Employment

12.6.3 Other Plans

Apart from the Local Development Framework and The Community Plan the 4 market towns have undertaken consultations and developed action plans.

The FoDDC Tourism Strategy was reviewed in 2006 and a Destination Management Organisation is proposed for the Cotswolds and FoD to promote joined up action.

The First Shop Local Shop programme is in it final year of its funding and plans are being developed to develop a mechanism to continue to promote local shops.

Hartpury, although not considered part of the Forest by some has plans to further develop its facilities for higher education.

12.7 BARRIERS TO BUSINESS DEVELOPMENT

A number of real or perceived barriers to business development were identified during the investigative stage and these include:

- FoDDC Planning
- Staff availability and skills
- Road access
- Competition from neighbouring areas
- Insularity of certain segments of the population
- Pressure groups

SECTION 4 - DETAILED FINDINGS

13 RESEARCH

Because of the complexity of the subject the investigations followed a variety of strands. In this section we outline the issues, processes and studies that were completed in order to identify the barriers to, and the opportunities for the development of businesses within the District.

13.1 INFORMATION SOURCES

A wide variety of sources of information, including original research has been used in the compilation of this report:

13.1.1 Published Reports

From the outset it was clear that a large number of surveys, consultations, reports and plans have been prepared and published and these were reviewed to provide information about business in the FoD. Appendix 1 lists those that have been used to provide evidence for this report.

13.1.2 Stakeholder Consultation

PHC reported to Lesley Kirkpatrick Economic Regeneration Manager of the FoDDC and a steering group of stakeholders. In addition a variety of stakeholders from the private, public and voluntary sectors were consulted and brief updates were given to the FBF during the course of the investigative stage.

13.1.3 Business Needs Survey

The FoDDC had been planning a survey of businesses in the District to ascertain information about workspace requirements. PHC took over this project using the FoDDC Ratepayers database as a starting point and extended the questionnaire to provide information on workspace requirements as well as staffing, skills and business development support.

270 responses were received (13.4% of businesses of the 2,000 rate-paying businesses in the District) and the full report has been published as a separate document. The key findings concerning barriers and opportunities for development of business within the FoD have been included here.

13.1.4 FoDDC Vacancy Database

The FoDDC manages a web-based database of commercial property vacancies that relies on information requested from commercial property agents. It is acknowledged that any point it may not be 100% accurate, but it does provide a useful indicator of supply.

13.1.5 Database of Previously Developed Land

The National Database of Previously Developed land for 2004 provides the opportunity for analysis at FoDDC level.

13.1.6 Property Agents Survey

Commercial Property Agents within the FoD as well as those from neighbouring areas with some interest / knowledge of the District were surveyed by PHC to establish the level of supply and demand for the different types of commercial property within the District - see Appendix 5.

13.1.7 External demand for Commercial Property

The number and type of enquiries for commercial property to Gloucestershire First was analysed - see Appendix 6.

13.1.8 Evans Easyspace

This company develops and manages workspace throughout the country and presented the findings of a feasibility study to officers of the FoDDC. The conclusions of this feasibility study provide some evidence of the economics of developing industrial workspace in the FoD.

13.1.9 A Mystery Visitor Market Evaluation

This benchmark tool was compiled by Tourism South East, a regional tourist board, and was used to provide an objective view of the four market towns, from the perspective of a visitor, rather than a resident – see Appendix 4.

13.1.10 5* Executive Housing

Following anecdotal evidence that there was insufficient availability of this type of housing in the District an internet search was used to obtain a snapshot view of current availability in the price range of £300,000 to £1 million plus.

14 THE FOD IN ITS REGION AND SUB-REGION

Much has been written and analysed in depth by other organisations and commentators (See Appendix 1 for a list reports, consultation and plans) and it is not our intention to repeat all of the findings here. However in developing a marketing and workspace strategy, national, regional and local trends need to be identified, understood and acknowledged in order to develop a practical and robust strategy and action plan.

The Gloucestershire First/SWRDA Gloucestershire Workspace Strategy March 2005 provides a comprehensive review of the environment in which the FoD exists and some of the key trends are repeated below:

14.1 GLOUCESTERSHIRE REVIEW [4]

- The economy of Gloucestershire is set to change in future years, with the continued growth in service sector employment and the continued decline in traditional manufacturing and agricultural employment. These sectoral changes will stimulate demand for new property requirements and alter the market dynamics of areas across the county, especially where declining industries are based.

[4] Source – Gloucestershire Workspace Strategy and Technical Appendices

- Since the mid-1990's the Gloucestershire economy has experienced strong economic growth, especially with significant employment increases in the financial and business services, and the public sector. This period of national sustained economic growth has resulted in significant falls in unemployment and increases in wage levels, resulting in general labour shortages and skills shortages in many parts of the country, including Gloucestershire.
- The general economic prosperity of recent years has fuelled the consumer boom, with greater expenditure on retail and leisure goods. The new found wealth of many people coupled with favourable borrowing rates has also led to rising house price inflation, which has created recruitment and retention issues in many local economies, especially for key public sector workers, and first time buyers trying to enter the market. The level of house prices remains a key issue in Gloucestershire as the labour market remains tight, with higher than average economic activity rates and low levels of unemployment, indicating the need for a greater supply of affordable housing.
- A key issue for the county is the increasing difficulty to compete in terms of wage costs and land costs in the global market place, with the growing attractiveness of other countries with lower costs of production. The recent decline in Foreign Direct Investment nationally, coupled with the global shift of more hi-tech activities, indicates that there will be a need to focus on the knowledge base of the economy in future years, in terms of skills and innovation. The development of the county's principal educational institutions and research facilities, such as the University of Gloucestershire, GlosCAT and the Royal Agricultural College are therefore central to this growth.
- The efficiency drive to reduce overheads is now impacting on service-based industries, as advances in ICT open up new market opportunities. The financial services sector is increasingly seeking to relocate back office and call centre operations in lower cost countries, such as India, with a potential knock-on effect on employment within the sector nationally as well as sub-regionally.
- With the decline in large inward investment projects and structural changes taking place in a number of sectors, such as telecoms, manufacturing and financial services, the focus for future growth within Gloucestershire will be the base of small and medium sized enterprises (SMEs). The SME base accounts for the vast majority of firms in the county, especially small firms (85% employ less than 10 people). The rates of business growth in the county also indicate that there is scope to expand the entrepreneurial base by creating the right conditions in terms of workspace provision.

14.1.1 The Regional View of the FoD [5]

- The economy of the Forest of Dean is changing with the growth of the serviced based sector and the restructuring of the manufacturing sector.
- The competitive labour and property costs continue to be key factors in attracting businesses into the Forest.
- Parts of the District remain isolated with weak accessibility and low skills, although the level of out-commuting (just under 40%) reduces both the pool of available workers and skills base of the District.
- There is a need to provide good quality sites and premises for both existing businesses seeking to expand or relocate into the District and start-up businesses to expand the market,

[5] Source – Gloucestershire Workspace Strategy and Technical Appendices

especially in regeneration areas within the southern part of the District, such as Cinderford, Coleford and Lydney.

- Both existing industrial estates, such as Forest Vale Industrial Estate, Cinderford, Forest of Dean Industrial Estate, Coleford and Lydney Industrial Estate, and other employment sites at Lydney offer future employment potential.
- The Vantage Point Business Village at Mitcheldean is a key employment hub for the District with a critical mass of high quality workspace and employers with opportunities to provide a range of size and type of business unit for a variety of requirements.
- The high quality environment within the Forest coupled with ICT connectivity also offers opportunities to develop the tourist product and small businesses within the creative industries sector.
- Hartpury College in the north of the District offers some potential for small-scale spin-out activities in land-based activities.

14.2 A 'LAGGING' AREA

The Forest of Dean has been designated a 'lagging' area by DEFRA. A lagging area is one which is in the least well performing quartile of rural Districts when compared with the English median for earned income by those of working age.

The criteria on which lagging area status were determined are rather complicated. Basically a basket of economic indicators - including income, earnings, benefits and business data – were used to measure economic performance in rural districts. LAs that fell into the lowest 25% for most of these indicators were then selected as 'lagging'. This was refined through the addition of detailed knowledge of the areas by Government Offices and Regional Development Agencies to determine whether or not a selected area should be part of the final 44 lagging areas. Whilst the initial criteria are now difficult to uncover it is probable that they were very similar to the Index of Multiple Deprivation 2004. See Appendix 10

The lagging districts have not been changed since the beginning of the PSA (Public Service Agreement) reporting period (2004) but this period comes to an end in April 2008 and will be replaced by 'Intermediate Outcomes' which are still under discussion and development. Some things have changed in the FoD – such as wage levels – since lagging status was originally applied and performance in other criteria may have also changed.

14.3 POPULATION

The aim of this project is to facilitate improvements and promote the benefits of the Forest of Dean District and therefore, at the outset, it is necessary to establish some benchmarks against which progress can be measured. The Forest Story produced by the Research Team, Chief Executive's Support Unit, Gloucestershire County Council, provides a wealth of detail, statistics and commentary about the current state of the FoD. PHC has supplemented this with other relevant data to provide an overview of the District and where data is available we have included comparisons with other Gloucestershire authority areas and also with Hereford.

With a population of 75,400 in 1991 and 80,000 at the 2001 census, the Office of National Statistics estimate that by 2005 this had increased to 80,900 largely as a result of in-migration.

14.3.1 Households

This had increased from 28,890 in 1991 to 33,800 in 2001 a 17.0% increase

14.3.2 Employed / Unemployed

In July 2005 to June 2006 the economically active at 77.6% of the population of the FoD was marginally lower than the average for GB at 78.4%.

	Forest of Dean (numbers)	Forest of Dean (%)	South West (%)	Great Britain (%)
Economically active†	38,000	77.6	80.7	78.4
In employment†	36,700	74.8	77.7	74.2
Employees†	30,600	63.1	66.7	64.6
Self employed†	6,100	11.7	10.5	9.2

Unemployment is lower than the GB average and the level of Job Seekers Allowance claims in May 2007 is shown below:

Total Job Seekers Allowance claimants (May 2007)

	Forest of Dean	Forest of Dean %	South West %	Great Britain %
All people	822	1.7	1.5	2.4
Males	572	2.3	2.0	3.4
Females	250	1.1	0.9	1.3

14.3.3 Qualifications

The table below from the 2001 Census shows that with regard to degrees and 'A' levels generally the FoD did not compare favourably with several of its neighbouring areas with nearly half of the residents having no or low qualifications.

Qualifications 2001 - % of the resident population

	1st Degree	2 A Levels	5 GCSE's Grade A*-C	no or low qualifications
Forest of Dean DC	16.4	6.6	21.1	48.6
Cotswold DC	24.0	8.9	21.5	39.4
Herefordshire C	19.3	7.3	21.0	45.2
Cheltenham BC	26.5	10.8	20.4	36.7
Gloucester CC	14.9	7.9	21.6	48.7
Stroud DC	22.9	7.9	21.4	41.2
Tewkesbury BC	21.1	7.6	22.4	42.1

However by 2005 with exceptions at the higher qualification level the percentage of the population with qualifications is generally comparable with the Region and the country as a whole.

Qualifications (Jan 2005-Dec 2005)

	Forest of Dean	Forest of Dean	South West	Great Britain
	(numbers)	(%)	(%)	(%)
NVQ4 and above	10,700	22.9	26.5	26.5
NVQ3 and above	21,000	44.8	46	44.4
NVQ2 and above	31,100	66.4	66.2	62.9
NVQ1 and above	37,500	80.1	82	77.2
Other qualifications	3,800	8	7.9	8.4
No qualifications	5,600	11.9	9.9	14.3

14.3.4 Wage levels

Wage levels in the FoD have increase rapidly since 2003 and by 2005 were just below those in the County and the Country.

	2003 £	2004 £	2005 £
FoD	18,575	21,823	23,400
Gloucestershire	21,229	21,465	23,665
England & Wales	21,740	22,711	23,854

Source: Annual Survey of Hours (SHE) via NOMIS, resident based / gross earnings statistics

The wages for Male Full Time workers is above the South West average, but lower than Great Britain, while hourly paid and female workers are below the averages for GB and the South West

Earnings by workplace (2006)	Forest of Dean	South West	Great Britain
Gross weekly pay	**(pounds)**	**(pounds)**	**(pounds)**
Full-time workers	417.1	417.0	448.6
Male full-time workers	475.0	460.0	489.4
Female full-time workers	333.4	358.3	387.1
Hourly pay			
Full-time workers	9.89	10.38	11.24
Male full-time workers	10.63	11.11	11.88
Female full-time workers	#	9.37	10.26

Source: ONS annual survey of hours and earnings - workplace analysis
Note: Median earnings in pounds for employees working in the area.

In 2005 the District Gross weekly pay all workers living in the area is shown below and indicates that the FoD was the third highest below Cheltenham and the Cotswolds.

Average weekly wage – all workers	£
Forest of Dean District Council	358.40
Cotswold District Council	378.80
Herefordshire Council	294.50
Cheltenham Borough Council	387.00
Gloucester City Council	308.00
Stroud District Council	344.20
Tewkesbury Borough Council	343.00

14.3.5 Labour

With job density of 0.6 there are 6 jobs for every 10 workers and a labour surplus. Compared to the other neighbouring areas the FoD has the lowest job density. But there is low unemployment because residents commute to work.

Job Density

Forest of Dean District Council	0.60
Cotswold District Council	0.94
Herefordshire Council	0.87
Cheltenham Borough Council	1.03
Gloucester City Council	1.03
Stroud District Council	0.76
Tewkesbury Borough Council	0.90

In 1991 the FoD had a labour surplus of 6,988 and this is projected to rise to around 10,000 by 2015. Over the same period Gloucester had a shortage of 14,897 that is forecast to rise to between 15,700 and 17,800. Commuting is the natural way of redressing this balance and census results show large movements of people between the FoD and Gloucester Districts.

14.3.6 Out-Commuting[6]

The out-commuting study of the Forest of Dean in 2004 made the following point:

'The level of out-commuting may be an indication of the availability/suitability of jobs/people in the area, although there may be other factors which could be important. For example people may be prepared to travel some distance to work in order to live in a pleasant rural area, and are unlikely to take account of administrative boundaries. The impact of excess commuting will be viewed differently by different parties, and whereas public bodies are primarily concerned with aggregate effects, for example in transport planning, individuals may well have a very different perception in terms of costs and benefits to themselves. Care must be taken therefore in drawing conclusions from the figures alone.'

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[6] Source: Out-Commuting from the Forest of Dean – August 2004

Despite the low job density in the FoD there is almost full employment and this is achieved partly through the level of out-commuting. The average commute of 16km is, though, only marginally greater than the average for the County and the Country. Given the rural location with major commercial centres within easy reach, there will be many people who will want to live in the country and work in a city.

Nonetheless, the fact that many residents have to leave the FoD every day for work is a primary concern of some stakeholders. This concern needs to be seen and understood in the context of it not being very long ago that the FoD was more self sustainable because of the presence of Xerox and other manufacturing employment.

Although out-commuting is primarily associated with travel to work it is also a fact that, given the retail offer, residents still leave to do much of their comparison shopping.[7 & 8]
Around 63% (23,800) residents work in the FoD, with nearly 20% of them (around 4,500) working from home.

At the time of the last census in 2001 approximately 13,800 people commuted out of the FoD while 4,750 commute into the Forest to work – a net outflow of 9,000 people.

	Residents aged 16 – 74 in employment	Residents aged 16 – 74 working outside district	%	In-commuters	Net 'daytime gain/loss'
Forest of Dean	37,549	13,844	36.9	4,752	-9,092
Cotswold District	39,280	13,645	34.7	11,173	-2,472
Cheltenham Borough	53,099	15,816	29.8	22,344	6,528
Gloucester City	52,525	17,658	33.6	23,968	6,310
Stroud District	52,389	18,428	35.2	10,035	-8,393
Tewkesbury Borough	38,102	19,735	51.8	19,100	-635

As the table from the Out-Commuting study shows, the FoD, although it has a greater net loss, does not have a very significantly higher percentage of out-commuting than other areas. It could be considered that Cotswold and Tewkesbury have a significantly bigger problem because nearly as many people travel into these areas as travel out. An interpretation of this could be that enough jobs exist in these areas but the 'residents' still prefer to travel out to their work. So, whilst out-commuting is of concern to some of its stakeholders, the FoD is not the only District to experience the phenomenon.

Gloucester City is the prime destination (33%) followed by South Wales including Monmouthshire and the West Midlands third.

7 Source: GVA Grimley Household Telephone Survey April 2007
8 Source: Gloucestershire Household Survey

People in professional and managerial roles have a strong propensity to out-commute. They number 6,200, 51% of all people in these occupations in the FoD, and 46% of all out-commuters. With higher than average earnings this group, as in many other areas, choose to live in a rural location, for quality of life reasons and are prepared to commute to larger conurbations where their businesses are located.

Out-Commuters by Occupation [9]

Managers & Senior Officials	18%
Professional Occupations	13%
Associate professional & Technical Occupations	16%
Administrative & secretarial occupations	14%
Skilled Trades	9%
Personal Service	5%
Sales & Customer Service	7%
Process Plant & Machinery Operatives	9%
Elementary Occupations	10%

The average distance travelled to work by FoD residents increased from 14 to 16 km from 1991 to 2001 compared to 11 to 14 km for the County and 11 to 13 for England and Wales.[10]

% of the resident population – travel distance to work - 2001

	Work at Home	Less than 2km	2 - 5 km	5 -10km	10 - 20km	20 - 30km	30 - 40km	40 - 60km	60+km
Forest of Dean	12.1	19.1	10.7	14.2	19.6	10.1	3.9	1.9	2.6
Cotswold	14.9	23.2	8.2	10.5	15.6	9.5	4.1	3.0	5.0
Herefordshire	15.2	24.2	15.6	11.7	12.9	6.1	2.2	2.1	3.7
Cheltenham	8.7	31.4	28.2	8.7	7.6	3.3	1.1	2.6	4.0
Gloucester	7.2	24.7	30.6	12.9	11.8	2.1	1.1	3.0	2.4
Stroud	12.0	19.0	15.3	14.5	17.3	7.7	3.9	1.8	3.0
Tewkesbury	10.8	18.7	17.8	22.9	15.3	3.1	1.3	2.6	3.2

Additional and more up to date data was obtained from the Gloucestershire Household Survey across 3 years covering 1,057 respondents. However, as this was a telephone survey conducted during the day to people at home, the figures are not particularly revealing as by its very nature it will favour and certainly over-represent those working at home or nearby.

[9] Source: Out-Commuting from the Forest of Dean
[10] Source: 1991 and 2001 Census, Office of National Statistics © Crown Copywrite

Household trips referenced against the destination post code:

	Respondents	%
Destinations with FoD postcodes	604	57.1%
Destinations outside FoD but in Glos	226	21.4%
Destinations outside Gloucestershire	227	21.5%

DESTINATIONS		
Birmingham	4	0.4%
Bath	10	0.9%
Bristol	48	4.5%
Cardiff	9	0.9%
Gloucestershire	830	78.5%
Herefordshire	42	4.0%
Newport	95	9.0%
Oxford	1	0.1%
Sheffield	1	0.1%
Southampton	1	0.1%
Telford	2	0.2%
Twickenham	5	0.5%
Worcestershire	9	0.9%

Purpose of trip cross referenced against mode of travel to/from work

- Bus 2.3%
- Car (driver) 69.6%
- Car (pass.) 6.3%
- Cycle 0.5%
- M/Cycle 0.2%
- Train 0.9%
- Walk 10.6%
- Park & Ride 0.2%
- Home work 9.3%

Considering just trips to work it is not surprising to find that 75% of people travel by car.

14.3.7 Housing

One of the concerns raised by a number of stakeholders during the consultation period was the issue of availability of what was referred to as 'executive' housing. The lack of this type of housing – particularly new build – is considered by some to be a barrier to inward investment by businesses that require high quality accommodation for senior personnel.

An internet search for housing in different price brackets within the FoD revealed the following:

- £500,000 to £1.8 million – 73 properties, no new build
- £400,000 to £500,000 – 80 properties 1 new build - £450,000 in Cinderford
- £300,000 to £400,000 – 210 properties – 7 new build.

It depends on the definition of 'executive' housing, but from the above, that there are not many new build houses valued over £300,000 in the FoD.

14.3.8 Other Issues

During the investigative stage a number of issues were raised by a variety of people and although no substantive evidence was produced these could be important considerations when preparing the marketing strategy:

- **Insularity** – this covers views, for example, that Hartpury is not 'in the Forest' and that the development of say Cinderford would not impact on the other towns in the FoD.

- **Pressure Groups** – the impact that a determined minority in the FoD has the capability to slow down or even stop certain types of development.

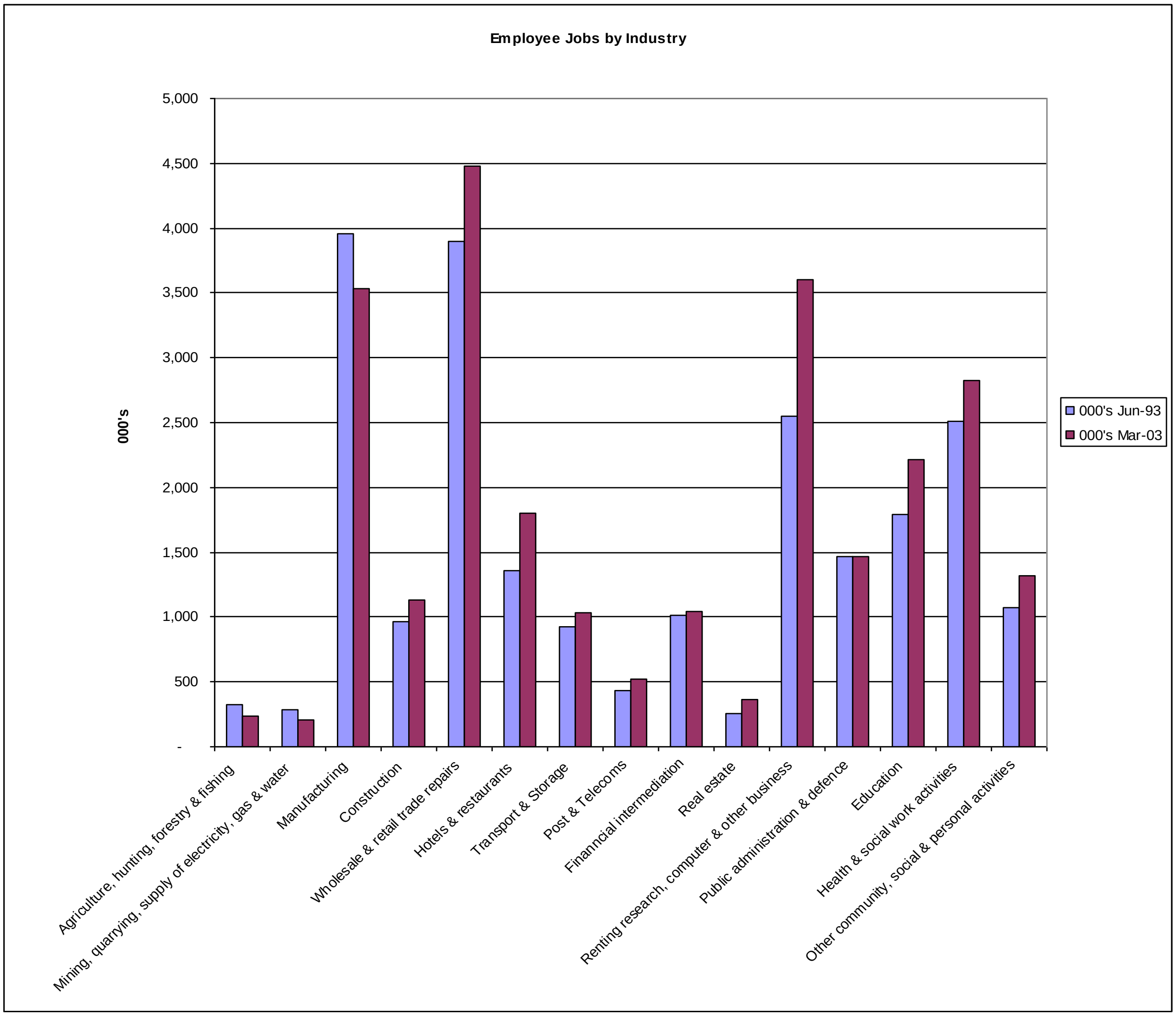
14.4 PROFILE OF BUSINESSES

14.4.1 National

In considering workspace in the FoD it is necessary to establish its context within the national picture. The Small Business Service of the Department for Trade and Industry states that 99.7% of the UK's 4.4 million businesses are classed as SMEs and there are only 8,200 or so businesses with a workforce of over 250 employees. Although there are over 4.4 million businesses the vast majority of 3.2 million are sole traders, partnerships or companies with only one employee director.

Whereas in 1993 Manufacturing was the largest employment sector by 2003 [11] the wholesale and retail trade employed more staff than manufacturing. The latter was one of the three sectors of the economy that had decreased employment along with agriculture, forestry, hunting and fishing and mining, quarry and the provision of gas, electricity and water.

[11] Source: National Statistics, Employment, Earnings & Productivity Division © Crown Copywrite 2003



14.4.2 FoD Businesses

Establishing the exact number of businesses within the FoD is complicated because different sources show different totals as they are based on different criteria: the FoDDC business ratepayers database, the number of VAT registered businesses or the number of business units.

Total number of VAT registered businesses in the area at the end of the year – 2004[12]

Forest of Dean District Council	3,175
Cotswold District Council	4,820
Herefordshire Council	8,340
Cheltenham Borough Council	3,730
Gloucester City Council	2,500
Stroud District Council	4,550
Tewkesbury Borough Council	2,880

[12] Source: Audit Commission Neighbourhood Profiles

The FoDDC ratepayers' database shows just under 3,000 businesses pay rates. However these include premises such as telephone masts, sewage treatment works and public sector organisations (eg schools) and voluntary sector clubs. Deducting these from the ratepayers database leaves a total number of around 2,000 private sector businesses.

Using VAT registration as an indicator of business numbers shows there were 3,350 businesses in the FoD in 2006 (see table below). VAT registration is probably the most useful and reliable data for monitoring business numbers – and in the longer term – could provide a useful measurement for judging the impact of the Marketing and Workspace Strategy.

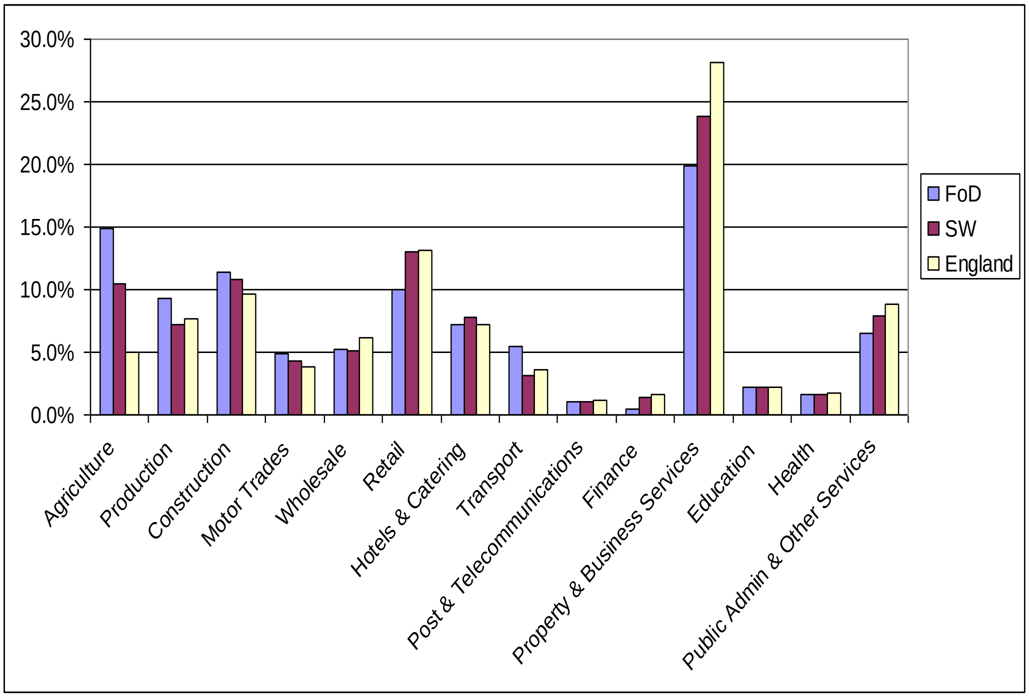
However, nothing is perfect and there will probably be 'non business' organisations on the VAT register (eg clubs etc) and it also has to be remembered that many small or embryo traders will not be VAT registered as the current turnover level of compulsory registration is £64,000. Another consideration is that the 2001 Census showed that 12% of people work from home – and these may not be on the ratepayers or VAT registration databases.

Counts of VAT Based Local Units by Broad Industry Group 2006[13]

			Mar-06	FoD as a	
	Forest of Dean	South West	England	% of SW	% of England
Total	3,350	194,120	1,762,175	1.73%	0.19%
Agriculture	500	20,320	88,070	2.46%	0.57%
Production	310	13,980	135,525	2.22%	0.23%
Construction	380	21,000	170,490	1.81%	0.22%
Motor Trades	165	8,285	66,630	1.99%	0.25%
Wholesale	175	9,970	108,495	1.76%	0.16%
Retail	**335**	**25,325**	**232,305**	**1.32%**	**0.14%**
Hotels & Catering	**240**	**15,210**	**126,030**	**1.58%**	**0.19%**
Transport	185	6,155	62,550	3.01%	0.30%
Post & Telecommunications	35	2,040	20,015	1.72%	0.17%
Finance	**15**	**2,750**	**28,835**	**0.55%**	**0.05%**
Property & Business Services	**665**	**46,295**	**496,560**	**1.44%**	**0.13%**
Education	75	4,215	39,695	1.78%	0.19%
Health	55	3,245	30,665	1.69%	0.18%
Public Admin & Other Services	**220**	**15,335**	**156,320**	**1.43%**	**0.14%**

The highlighted sectors – Retail, Hotels & Catering, Finance, Property & Business Services plus Public Admin & Other Services are those sectors where the FoD is under-represented compared to the national and county comparisons. Transport, Agriculture, Production and the Motor Trades are over-represented in the FoD, while the other sectors are comparable on a county or national comparison.

[13] Source Neighbourhood Statistics - ONS



The table below based on the 2001 Census illustrates the FoD's reliance on traditional sectors and its relative weakness in the growth service sectors when compared to its near neighbours.

% of people in employment who work in

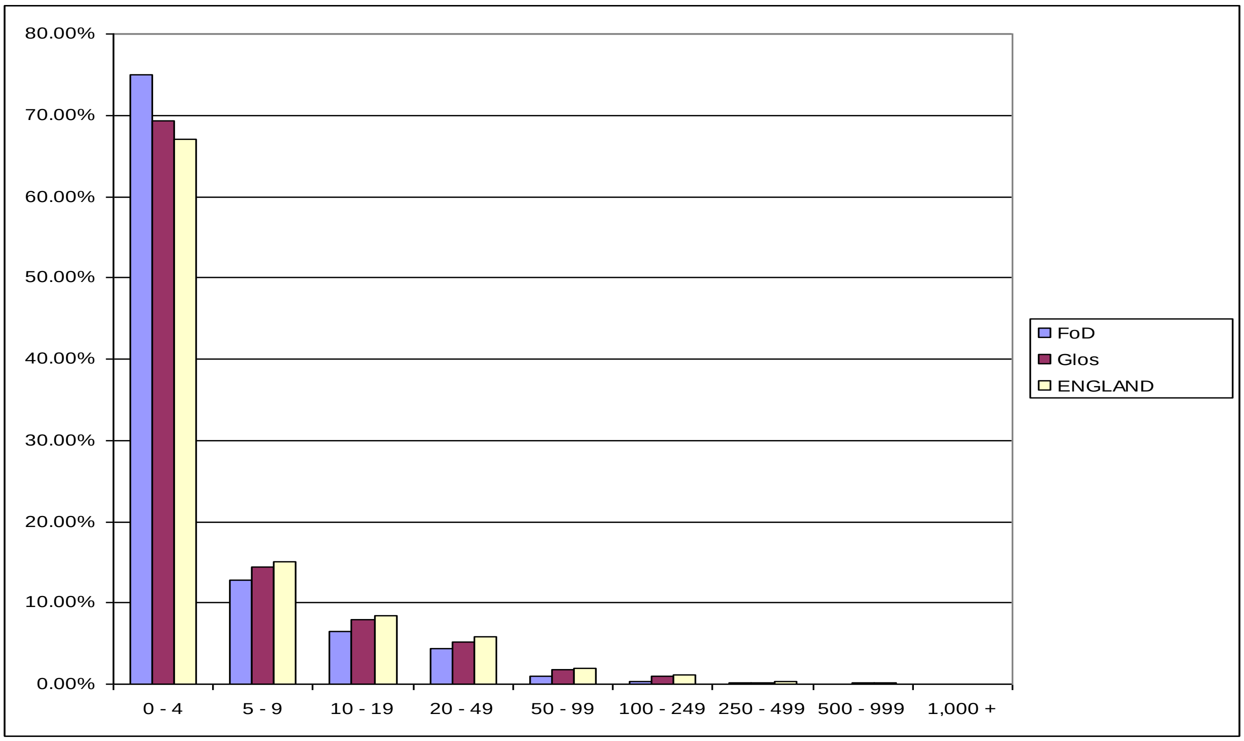
	agriculture, hunting, forestry & fishing	manufacturing	construction	distribution, hotels & restaurants	transport & communications	banking & finance	public administration, education and health	other services	the service sector
Forest of Dean District	3.7	22.5	8.2	19.7	5.2	13.5	22.0	4.4	69.9
Cotswold District	4.9	13.5	7.1	23.4	4.8	19.2	20.2	5.6	77.7
Herefordshire	6.7	17.4	7.7	23.1	4.7	11.4	24.0	4.3	72.5
Cheltenham Borough	0.8	15.3	5.6	20.3	4.8	20.5	27.2	4.7	85.5
Gloucester City	0.7	16.4	7.1	22.0	7.1	16.6	24.1	4.2	81.1
Stroud District	2.5	19.6	7.3	19.1	5.1	16.0	23.8	4.6	73.1
Tewkesbury Borough	2.6	18.5	6.0	19.0	4.9	18.5	25.0	4.4	80.5

The table and the graph below illustrates that the FoD is also over-represented by micro-businesses 0 – 4 employees and under-represented in all larger segments and does not have any businesses with more than 500 employees.

NUMBER OF LOCAL UNITS in ALL INDUSTRIES in 2006

	Employment size									
Number	0 - 4	5 - 9	10 - 19	20 - 49	50 - 99	100 – 249	250 - 499	500 - 999	1,000 +	TOTAL
England	1,177,465	264,675	149,840	101,980	35,785	19,790	5,840	2,115	785	1,758,270
Glos	16,715	3,475	1,925	1,245	440	225	55	25	5	24,110
FoD	2,510	430	215	145	35	15	5	0	0	3,350

	Employment size								
% of total	0 - 4	5 - 9	10 - 19	20 - 49	50 - 99	100 – 249	250 - 499	500 - 999	1,000 +
England	67.0%	15.1%	8.5%	5.8%	2.0%	1.1%	0.33%	0.12%	0.04%
Glos	69.3%	14.4%	8.0%	5.2%	1.8%	0.9%	0.23%	0.10%	0.02%
FoD	74.9%	12.8%	6.4%	4.3%	1.0%	0.4%	0.15%	0.00%	0.00%



14.5 WORKSPACE

As indicated by the title of this project – Marketing and Workspace – the latter has been perceived as a major issue to be tackled and resolved. The national, regional and some of the local issues affecting the demand and supply of commercial property are therefore outlined by workspace type below to provide a context in which to consider the FoD:

Overall the SWRDA - Demand and Supply of Employment Land in the South West report [14] concludes:

> 'A more local market prevails in the rural parts of the County, especially in the Forest of Dean, where speculative new build development is often not financially viable. The market in the Forest of Dean has experienced some activity at Newent Business Park and at Vantage Point Business Village, Mitcheldean (the former Rank Xerox site) which now provides a range of industrial and office space for start-up businesses and established firms.'

Below the SWRDA report has been extensively used to outline the current trends in the various commercial property sectors.

14.5.1 Office / Commercial

The key UK market trends influencing the demand for B1 office space include:

- Downturn in the telecommunications sector has released a large quantity of office space onto the market;
- Decreasing space requirements through new technology and improved communications;
- Globalisation of markets provide service sector companies with an increasing flexibility over location;
- Lease structures are more flexible and diverse to cater for the growing SME market;
- Growth in the virtual organisation with ICT advancements means outsourcing of business functions such as payroll, customer billing, banking activities and basic procurement is increasing;
- Call centre, back office and other functions such as R&D are increasingly being relocated overseas, however emerging evidence suggests that this trend is starting to reverse;
- Growth in the serviced offices market;
- The implications of the Lyons Report on the relocation of Government offices from London and South East to the regions.

There is some variation in requirements across industry sectors and functions. Increasingly occupiers are looking for high quality accommodation, which is reflected by build quality, surrounding environment and location. For higher value functions, prestige locations and premises are increasingly important.

Issues surrounding staff and skills increasingly drive occupiers' location decisions. This not only impacts on location choice, in terms of an available labour pool, but also in terms of offering a high quality-working environment to attract and retain staff. There is some evidence to suggest a change in preference toward city/town centre locations due to the increasing availability of associated leisure and service functions (strong evidence in the creative industries sector). This is also available in some mixed-use developments and will increasingly need to be a feature in the future, a move away from characterless office/business parks with few ancillary facilities. Business service functions such as ICT will also be attracted by proximity to customers, which in the most part are likely to be other office users.

[14] SWRDA - Demand and Supply of Employment Land in the South West - Technical Appendix: Commercial Market Review - January 2007

Accessibility is a further driver, in terms of both physical and communications. Proximity to public transport hubs is a clear advantage for physical access, particularly for back office functions that require shift working rather than traditional daytime office hours. With increasing aims to boost the sustainability of development, proximity to public transport will be ever more important.

Demands for ICT infrastructure within premises may limit the ability of existing stocks to meet current requirements. There is some debate as to whether wireless technologies will allow the refurbishment and re-use of previously redundant stocks. There is considerable uncertainty and it would be prudent to expect a significant proportion of older stock to be inappropriate to meet future demand.

There are a number of key locational drivers which are driving demands for the **office** sector, including:

- Staff and skills drive occupiers' location decisions;
- Prestige locations and premises are increasingly important for higher value functions;
- Preference for 'business district';
- Out of town – mixed use environment will be increasingly attractive; and
- Accessibility

14.5.1.1 FoD Office Sector [15]

With around 680 Finance, Property and Business Service businesses, some of which will occupy retail premises the FoD is significantly under-represented in these sectors.

Business Needs Survey Findings

The sectors included are Financial & Business Services (although some will be located in retail premises), IT & Telecommunications and Public Services (although not all from the last two will work from offices). The survey obtained a total of 44 responses from these sectors.

- Nearly 85% felt their premises were adequate for the next 2 years
- 40% owned their own freeholds
- Over half had short (5 years) or very short leases (3 years or less)
- 5 (11%) had considered or tried to relocate and the reasons for not relocating were:
  - unable to find suitable premises
  - cost
- If they were to relocate 30% would leave the FoD and half would be prepared to pay more
- Their primary requirements if they were to relocate were:
  - Road access and parking
  - Broadband and telecommunications

14.5.1.2 Demand for office / commercial property in the FoD

The PHC property agents' survey revealed that it is a local market with little evidence of demand.

Gloucestershire First enquiries are a useful indicator of the demand for employment space in the region (although, obviously, it is not the only route for finding premises) and some enquiry statistics provide a perspective on the difficulty of finding and signing up office based companies:

[15] Source – Office of National Statistics – Neighbourhood Statistics

- There were only 25 enquiries which specifically mentioned FoD as a main choice in the 16 month period from January 06 – May 07. These were for all types of business property – not just offices – and were mostly for small premises. 16 were for premises up to 1,500 sq ft. Another 4 were between 3,000 sq ft and 5 were for 10,000 sq ft or more.

14.5.1.3 Supply of office / commercial property in the FoD

An analysis of the FoDDC commercial property database reveals the following:

- 25 office premises are listed – 5 no size
- Vantage Point has 8,200 m^2 that would accommodate 600 people and the remainder have a total of 2,700 m^2 sufficient space for 190 people
- Smallest = 10 m^2; 5 below 50 m^2
- 5 between 50 & 100 m^2
- 8 between 100 & 200 m^2
- 1 of 370 m^2; 1 of 700 m^2
- 12 new / modern; 2 serviced offices
- 4 between £40 - £69 m^2
- 5 between £100 & £114 m^2

Total capacity of existing office workspace could accommodate around 800 people if fully occupied.

14.5.1.4 Vantage Point

Vantage Point has been a significant success within the FoD with total occupancy on the site of over 80%. With large floor-plates and smaller serviced offices Vantage Point has the greatest potential to attract business. When the property was acquired from Xerox a research and marketing exercise was undertaken by East West, a consultancy, to promote the benefits of the District and the property and the sales proposition is available on the Vantage Point website.

According to the commercial property agents interviewed by PHC the features and benefits of the office space are well-known by the agents operating in the sub-region. It is generally accepted that commission would be paid for successful lettings, but no agents have been appointed to promote the available offices and the large floor plates have not been occupied for the past five years.

- Gloucestershire First enquiries also provide some perspective with regard to Vantage Point size office floorplates of 15,000 sq ft or more. Gloucestershire First received only 27 enquiries for office space of this size in the 2+ years from January 05 – May 07. And these were interested in Gloucestershire as a whole – not specifically the FoD.

14.6 INDUSTRIAL AND WAREHOUSING MARKET

14.6.1 Industrial Market Issues [16]

The key UK **market trends** influencing the demand for industrial and warehousing include:

- Industrial property market is increasingly dominated by component suppliers and service providers as traditional manufacturing activities continue to decline;
- Large manufacturing processes requiring significant labour resources continue to be relocated overseas;
- Flexible lease terms are becoming the norm for contract-based occupiers;

[16] Source – Gloucestershire Workspace Strategy and Technical Appendices

- More sophisticated supply chains are developing in order to guarantee just in time deliveries;
- Growth continues in managed workspace supported by the public sector;
- Hi-tech industry and R&D has been hit hard by the downturn in the telecommunications sector and global economic slowdown, restricting venture capital with a knock-on effect on demand for incubator and science park space;
- The retail market continues to drive the market for distribution, with labour requirements becoming increasingly important in location decision making; and
- Rail freight provides a long-term distribution opportunity in the UK.

14.6.1.1 Key Locational Drivers

There are a number of key locational drivers which are driving demands for the **industrial sector**, including:

- Value, regulation and function driven;
- Distribution networks, universities and staff are driving clustering and location choice;
- Light industrial, R&D mixed with offices; and
- Medium/large sites sought as a result of consolidation and mechanisation.

There are a number of key locational drivers which are driving demands for the **warehouse / distribution** sector, including:

- Hub and spoke network driven location choice;
- Accessibility and 24 hour operation; and
- Staff recruitment and retention.

14.6.1.2 Industrial

Again there is variation in requirements by sector and function. There is a general divide between higher and lower value activities.

Higher value activities are somewhat less cost sensitive, with a greater emphasis put on quality of location and premises. Although this is not to say cost is not an important factor. This is driven by both the image/prestige presented to customers as well as the need for more advanced facilities to support the functions undertaken. For example, biotechnology and advanced engineering activities are often looking for smaller, flexible space, often with very specific requirements. Regulation in other sectors, such as food processing, also drives up quality requirements.

Demand for light-industrial, R&D and mixed use office style development is increasingly required, rather than significant heavy industrial facilities. There is evidence of opposing trends in terms of the size of facilities required. Some activities are looking for small to medium sized units, with more space intensive production activities being moved off-shore.

However, at the same time, consolidation in many sectors is driving the search for expanded facilities. In terms of site locations, drivers are often proximity to customers, competitors and knowledge institutions such as Universities. This is driving a number of sectors closer to major urban areas. Proximity to customers or customers' distribution centres is recognised in a number of sectors, for example the food processing sector is increasingly looking for locations close to supermarket distribution facilities. In addition some sectors will have highly specialised location requirements such as marine industries seeking waterfront locations. Other sectors may well look to more rural locations, such as smaller scale food processing and environmental technologies.

However, trends within the industrial sector show falling employment and rising productivity. Costly human capital is replaced with physical capital which can require additional space and therefore it is not unlikely that more traditional style industrial facilities will be required as expansion, even if major new manufacturing based inward investments are not expected.

Overall, the evidence does not lead to a strong single conclusion. However, it is unlikely that large single occupier manufacturing sites will be in high demand. The focus is more likely to be on lighter industrial, mixed use type facilities with good access to customers and transport networks.

14.6.1.3 Warehousing

The clear driver for the logistics and distribution sectors is physical access. This is increasingly including multi-modal transport options. Environmental pressures on the sector are leading to a number of changing practices. Multi-modal solutions are one element. A second is a move towards regional rather than national distribution centres to reduce operational ranges. This is also driven by legislation such as the Working Time Directive – although the full impact of this is as yet uncertain.

The location, as noted above is primarily driven by access. However, there are other factors. Night time operations do not sit well with close proximity to residential locations, whilst at the same time, overall proximity to urban centres may increase in a further move to reduce operational ranges. The move to regional distribution centres is likely to lead to somewhat smaller scale developments. It is anticipated that medium to large sized sites will still be required, with the possible occupation of a few large logistics companies and several supplier/customer operations.

14.6.2 FoD Manufacturing & Distribution

With around 670 Production, Warehousing & Distribution and Transport businesses in the FoD[17] it is over-represented in these its traditional sectors. As in other regions in the country manufacturing in particular has been adversely affected by off-shoring and apart from around 10 companies in these sectors employing more than 100 staff the majority are smaller businesses.

14.6.2.1 Business Needs Survey

A total of 76 responses from the Manufacturing, Wholesale & Distribution and Transport sectors were obtained:

- Just over 20% (16) felt their premises were not adequate for the next 2 years
- One third own their freehold and over half have short or very short leases
- One third had considered or tried to relocate and the primary reason why they did not were :
    - Unable to find suitable premises
    - Cost

[17] Source – Office of National Statistics – Neighbourhood Statistics

14.6.2.2 Supply of manufacturing & distribution property in the FoD

The FoDDC property database reveals the following:

- There are 68 sites of which 17 have premises with less than 100 m^2
- 15 are between 100 & 200 m^2
- 20 are between 200 & 500 m^2
- 3 are between 800 & 900 m^2
- 3 are between 2,200 & 3,700 m^2
- Total 20,000m^2
- 21 are modern, high tech, refurbished = 8,900 m^2
- 3 claim to be secure
- 10 are between £28 & £40 m^2
- 15 are between £43 & £72 m^2
- 2 are freehold

In summary three quarters of the properties listed are below 500 m^2, or around 5,500 square feet and there are only 2 freeholds available. The FoDDC property database describes less than a quarter of the properties as modern or high tech. This is reinforced in the table below from the ODPM study 'Age of Commercial and Industrial Property Stock 2000' which indicates that in 2000 most of the factories and warehouses in the FoD were over 20 years old. This is an issue because other studies indicate that modern companies want modern premises.

Proportion of Industrial and Warehouse Stock UNDER 20 Years Old [18]

Units		Floorspace	
Factories	Warehousing	Factories	Warehousing
20-35%	<20%	<20%	20-30%

Evans Easyspace, a national company that develops and manages industrial workspace on an easy in - easy out basis, presented the findings of a feasibility study to the FoDDC. Without external grant funding the development of small units would not be commercially viable based on rents in the FoD of between £4.50 and £5.70. In order to earn the required return on capital all inclusive rents of nearly £12 per square foot would be required.

14.6.2.3 Demand for manufacturing & distribution property in the FoD

The survey of commercial property agents revealed:

- Steady demand for small units -1,000 sq ft
- Locally based companies
- Low outgoings are important
- There is little interest from outside FoD, but Churcham has been an exception
- There is possibly some demand for quality starter units
- No freeholds available – preferred by small (but not starter) companies
- Cinderford Valley Road is considered successful – little available
- There is some availability in Lydney

[18] *Source: ODPM* 'Age of Commercial and Industrial Property Stock 2000'

From January 2005 to May 2007 Gloucestershire First received 122 enquiries for industrial space of 10,000 sq ft upwards. This was for Gloucestershire as a whole and included 51 from 10,000 - 25,000 sq ft.

14.7 RETAIL

Retailers in the FoD serve residents, incoming workers and visitors and therefore the retail offer impacts on the visitor appeal for the FoD as a whole. Tourism issues are outlined later, but the two should be considered in the same context.

14.7.1 Market Towns [19]

'Historically, market towns have welcomed visitors by providing places to eat, drink and stay. With their markets, built heritage and traditions, they offer particular opportunities for visitor enjoyment. At the same time, the countryside surrounding our market towns provides for a wide range of leisure activities and represents a unique asset.

Market towns today face great change, challenges and opportunities. As a result, many towns are taking steps to reinvent themselves as vibrant, thriving centres for commercial and social activity.

For some market towns, part of the solution to future prosperity lies in making the most of their potential as a place for people to visit. For these towns, visitors can play a key role – bringing benefits to the local economy, to the community and to the surrounding areas. Income from visitors helps to create employment, increases the viability and range of businesses and services available locally, contributes to community activities and encourages local authorities to make improvements to the town.'

As shown earlier the wholesale and retail sector is now the largest employer in the economy as a whole.

14.7.2 The FoD Market Towns

There are various sources to quantify the number of retail premises in the FoD:

- The Office of National Statistics indicates that there are 275 retailers in the FoD.
- However there will also be a proportion of the 635 Financial and Business Services operating from retail sites thereby adding to the outlet total.
- The FoDDC lists 484 retail premises of which there were 7% unoccupied, but not necessarily on the market.

From the FoDDC business premises database there were 14 retail premises on the market with 8 outlets being under 1,000 sq ft.

[19] Source Tourism Guidance Notes – Tourism South East, Countryside Agency

All four towns have a higher proportion of independents compared to the 76% on average for all 15 towns surveyed by the Mystery Visitor Evaluation, developed by Tourism South to provide a consistent and cost effective method of assessing towns from the visitors' perspective:

- Cinderford 82%
- Coleford 84%
- Lydney 82%
- Newent 92%

The types of shops and services available in the towns shows that all of the towns are concentrating more and more on local food shopping rather than on a range of comparison goods. Lydney provides the widest range of shops and services while Cinderford provides the narrowest range.

The Business Needs survey reported that the average age of the 39 respondents' businesses was 25 years, with 50% owning their freeholds.

The nature of the retail food market is influenced by two sections of their customers:

- those who are income-constrained and require low priced/good value goods, and
- those who are time-constrained and are moving towards home-delivery and internet ordering.

14.7.3 Household Shopping Survey – April 2007

The results of the household survey undertaken for GVA Grimley show an extremely low spend on clothing and footwear for the Forest of Dean District compared with the national average. This may be due, to an extent, on the large proportion of retired and near-retirement respondents living in the area. However, there was overwhelming demand for clothing and footwear retailers in all of the four towns. The demand was for the larger outlets [Dorothy Perkins, Clark's], although there was a large percentage who would have liked any retailer from this sector.

The single most-sought after change in the retail offer in all of the towns is the addition of clothing and footwear retailers, particularly – but by no means exclusively – for women and children.

A number of summary tables are included as Appendix 7 and some key points are shown below:

- 33.7% of respondents claimed to do most of the household's main food shopping within the FoD.
- 3.4% do most of the household shopping for clothes, footwear and other fashion goods in the FoD
- 9.6% do most of the household's shopping for furniture, floor coverings and household textiles in the FoD
- 15.2% do most of the household's shopping for DIY and decorating goods in the FoD.
- 19.3% do most of the household's shopping for domestic appliances in the FoD
- 11.5% do most of the household's shopping for TV, HiFi Radio and Photographic and Computer Equipment in the FoD.
- 13.9% do most of the household's shopping for personal / luxury goods including books, jewellery, china, glass, cosmetics and medical goods in the FoD.
- 5.9% do most of the household's shopping for recreational goods including bicycles, games, toys, sports and camping equipment in the FoD

- 58.8% consider one of the four towns in the FoD to be their main shopping centre – which means that 41.2% do not consider one of these towns to be their main centre.

14.7.4 Market Town Mystery Visitor Evaluation

On many measures the 4 Forest of Dean market towns have scores comparable with the others that have been surveyed. However it is the retail offer - shops, services and catering outlets - where the scores are between 17% and 35% lower than the average of all 15 market towns in the survey.

See Appendix 4 for a summary of the results from the Mystery Visitor Survey which includes an assessment of the best and worst features of each of the 4 market towns. The detailed findings are available as a separate report.

14.8 TOURISM BUSINESSES

14.8.1 The Leisure & Tourism Market

Leisure[20] is the most rapidly expanding sector of the national economy and has experienced dramatic changes during the last decade.

The Mintel 'British Lifestyles Report' indicates that spending on out-of-home entertainment has increased by 29% in real terms between 1991-2001. This trend has had a significant impact on the property market within many of the County's principal towns and on the form and character of town centres.

Indicators of Future Change

- Potential growth in the UK short break market;
- Increased disposable income creating potentially huge growth area;
- Sport and recreation industry is growing and has potential for continued growth;
- Growth in business tourism;
- Growth in agri-tourism linked to CAP reform and agricultural restructuring.

Locational Drivers

- Availability of a large labour force for some leisure operators is an important locational factor;
- Proximity to the national road network, public transport facilities and ICT connectivity, enable a leisure or tourist attraction to attract customers and staff;
- The quality of the site environment and image is also a key driver.

Potential Workspace Implications

- Continued demand from national eating and drinking operators for high street pitches in strong retail centres;
- New build leisure clusters in strategic locations with good accessibility and visibility accommodating restaurants/public houses, hotel and health and fitness centre, conference centres or sporting facilities etc.;
- Continued development of tourism accommodation through the conversion of redundant farm buildings, especially with the CAP reforms; and

[20] Gloucestershire Workspace Strategy Technical Appendix 1: Economic Context March 2005

- Possibly some additional tourist attractions to evolve the tourism product, which may require public funding to develop in some cases.

14.8.2 FoD Tourism Businesses

As outlined earlier, despite its rural character, the FoD is under-represented in this growth sector of Hotels and Catering and Retail, the latter being an important element of the tourism offer of a location.

In the Business Needs Survey there were 42 responses from these sectors and three quarters of them owned the freehold of their premises.

80% believe their premises are adequate for the next two years and only 3 had considered relocating.

Market towns play a fundamental role in the visitor / tourist offer and no evaluation of tourism can be complete without taking into account the strengths and weaknesses of retailing in the towns and villages in the FoD.

14.8.3 Forest Of Dean – Visitor attractions

Visitor numbers 2004 & 2005

Name	Category	2004	2005	change
Clearwell Caves	Other	50,500	50,235	**-0.5%**
Dean Heritage Centre	Heritage/Visitor Centre	28,886	35,291	22.2%
Dick Whittington Family Leisure Park	Farm/Rare Breeds/Farm Animals	21,007	21,362	1.7%
Shambles	Museum and / or Art Gallery	22,010	20,791	**-5.5%**
Westbury Court Garden	Garden	18,617	17,687	**-5.0%**

14.8.4 FoD Visitor Survey - 2005 [21]

- There were 669 respondents interviewed at 14 sites with 54% of the interviews being completed during week days and 46% over weekends.

- This showed that day visitors accounted for 43% of all visits (up from 35% in 1999), Overnight from the UK 31%, Touring UK 22% and Overseas 4%.

- The Day Visitors tend to come from within 1½ hour drive from the FoD and 20% of all UK Visitors come from within Gloucestershire.

- Repeat Visitors account for 70% of visits and on average they had visited 4 times in the past 12 months.

- 30% were new visitors.

[21] The Forest of Dean Visitor Survey – 2005, conducted by Heart of England Tourism

- 20% of Overnight Visitors used Bed and Breakfast or Hotels, while another 20% self-catered and 42% camped or caravanned. Friends and relatives were used by 13% and 3% used a Youth Hostel.

- Overall on a scale of 1 = very poor and 5 being very good the accommodation was rated 4.36 for quality of service, 4.38 for value for money and 4.23 for range of offer.

- Not unexpectedly 97% arrive by car.

- The main purpose of the trip was General Sightseeing, visiting an Attraction or a Historic Site (54%), Outdoor Activities 30% while Shopping or Eating Out accounted for 3%.

- Activities included Visiting an Attraction 47%, Restaurant/Café 45%, Pub 31%, Garden Centre or Farm Shop 9%.

- What visitors predominantly like about the FoD is the 'Quiet' (24%) while most of the rest of its attributes relate to the Forest and scenery, with 5% claiming that there is 'plenty to do'.

- Nearly 50% claimed that no improvements are needed. The improvements that were sought covered signage and toilets.

14.9 PLANNING AND BROWNFIELD SITES

There are well-documented changes to the Planning processes that are being adopted at the national, regional and local level. In the medium term the adopted Local Plan sets the framework for development.

14.9.1 The Local Plan

(R)F. Strategy 1 of the District Local Plan Review adopted in November 2005 outlines the policy for employment land:

'Provision will be made for the development of 78 hectares of employment land and about 6,950 dwellings between 1991 and 2011 to be located primarily in the four towns of Lydney, Cinderford, Coleford and Newent. Appropriate contributions will be required from new developments to meet the related social, economic, transport and infrastructure needs directly arising from the development.'

There are a number of developments already being considered, under consultation or being implemented that will have an impact in terms of jobs, traffic and the general economy if, or as, they come to fruition. These include:

- Cinderford Regeneration: the development of the Business Plan along with the town centre development plans would substantially improve the area and its potential
- Cinderford: the Tesco plans, whilst some time in coming to fruition, indicates the UK's leading retailer has confidence in the area

- Lydney: the allocation of 1250+ new homes, with mixed development of employment and a neighbourhood centre, provides growth potential. The harbour area is the subject of a significant development plan.

14.9.2 Brownfield sites[22]

It is government policy to encourage development on brownfield, or previously developed, sites and analysis of the database reveals the following:

- 12 hectares were derelict land and buildings
- 9 hectares comprised vacant buildings
- 30 hectares were in use, were allocated in the local plan or had planning permission
- 26 hectares were being used for Manufacturing
- 10 hectares had no planning status
- 20 hectares was proposed for Employment, while
- 25 hectares were most suitable for Employment

See Appendix 9 for more detail and for the FoD compared to its near neighbours.

15 CURRENT AND FUTURE PLANS

This Project is but one of many either in the recent past or current that all focus on identifying possible changes within the FoD.

15.1 THE LOCAL PLAN

15.1.1 Local Plan Review – November 2005

15.1.1.1 Framework for the Local Plan Strategy

The Corporate Plan

'The Forest of Dean Council commenced a fundamental strategy and policy review in 1995, the outcomes of which were set out in a document entitled 'The Forest of Dean in the 21st century'. The conclusions were that it was unacceptable to the Council and the community to consider a continuation of past trends, which included a relatively weak and unbalanced economy and a forecast of a declining population. Though this is not reflected in mid year estimates, an ageing population is clearly apparent, as is evidence of social exclusion. A lack of investment in the urban fabric combined with problems of town centre vitality and viability also feature within the District'.

The Structure Plan

'The adoption of the corporate vision for the Forest of Dean, together with the second review of the Gloucestershire Structure Plan prompted the need to review the Local Plan. The Structure Plan process has provided the opportunity for the District Council to make representations to ensure that

[22] Source: Previously-Developed Land that may be available for Development: England 2005

the needs of the Forest of Dean are properly represented in the County wide strategy'. The Structure Plan sub-strategy is reproduced below:

'The strategy for the Forest of Dean is one of continuing restraint in the northern part of the Forest, whilst in the southern part the strategy is one of encouraging economic regeneration. In the southern part it is envisaged that the majority of development will take place in or adjacent to the principal settlements of Cinderford, Lydney and Coleford in accordance with other policies. The southern part of the Forest has traditionally been an area of growth in order to encourage economic regeneration. This forms a sub-strategy for the area, which is to encourage investment and increase the population base to broaden the labour supply and skills, and encourage growth in the service sector. Consequently the strategy includes a significantly higher level of housing than that forecast'

Strategic objectives:

5. To achieve the economic, social and environmental revitalisation of communities throughout the Forest of Dean, while recognising the particular needs of the south Forest.
6. To promote the principles of and contribute to sustainable development, including locating development so as to minimise the travel demands arising, and the reuse of previously developed land.
7. To concentrate development in the four towns of the District, and to develop their role and function as accessible employment, service and transport centres.
8. To conserve, protect and enhance the natural and man-made environment
9. To provide for the economic and social well-being of rural communities

15.1.2 Local Development Framework

'Local Authorities are required to prepare a new style plan. A Local Development Framework (LDF), which will eventually replace the Local Plan. The Local Development Framework outlines how we will plan for and make decisions about the future of our towns, villages and countryside. It will set out the type and level of activities and development that can occur and where this would be appropriate. A key task for the LDF is to set out the overall vision for the District, balancing our need for new development to meet social and economic needs while conserving what we value about the environment. Under the new system for producing LDFs good practice demands that the community is involved from the outset and this includes showing clear links between the Local Development Framework and the Community Plan'.

'The Current Local Plan will be progressively replaced by new LDF documents. Until this process is complete or until they can no longer be "saved" non replaced policies will continue to apply. The Plan will be replaced on a piecemeal basis. Some of the saved policies will be incorporated into the Development Control Policies LDD, which will be subject to regular review but will not contain time-limited policies (such as site allocations) which exist in the current Plan'.

'The Core strategy will provide the overall context for spatial planning policy beyond the current version of the Local Plan. It will do this with the overall theme of sustainable development. It will include a diagram similar in concept to the Structure Plan Key Diagram. This will show general locations of development and areas over which key policies apply.

One of the most important tasks for the Core strategy will be to enable a review of the housing policies. Whilst these will be expressed in more detail in other documents, the strategy will be used as a means to achieve an early update of the Councils housing allocations, bringing them into line with the RSS (Regional Spatial Strategy)

The Core Strategy must relate policies which ensure an adequate supply of land for housing to their wider spatial context. It will include a review of the economic and social issues that affect the area and their implications for the way in which it should develop. The Core Strategy will need to be compliant with the emerging RSS but needs to be prepared at the same time. This has been one of the reasons for the delay in the Core Strategy, which is now able to reflect the submitted RSS. It covers the entire district and will be the key to the implementation of the spatial aspects of the Local Development Scheme 2 11- 05-06 Forest of Dean District Council 6 Council's Corporate Plan, as well as the RSS and the certain aspects of the Local Transport Plan.

One advantage with the new system of development planning is that the Core Strategy will be more easily updated than a Local Plan and therefore it and its key diagram will provide better, more responsive guidance. The Core Strategy will need to replace parts of the Structure Plan (which will otherwise be subsumed into the RSS) as the latter will not be expected to contain the same level of detail'.

The Core Strategy – which will become the main part of the LDF – will be out for comment from 3 March 2008. This will be a draft version which expresses the Council's preferred strategy. It is one of several policy documents that will eventually replace the present 2005 Local Plan. It will guide change in response to the needs and aspirations of the community (as identified by them and by measured external influences) for a period of up to twenty years.

15.1.3 LDF influences on the Local Plan

Some of the allocations for employment land in the Local Plan are long standing and are not necessarily available due to land ownership or viability issues. These may be reconsidered in light of a review of employment land requirements.

15.2 MARKET TOWN PLANS

The four market towns received funds from the regional Market and Coastal Town Initiative to help the stakeholders within each town to develop action plans. Each town has developed its plan through a structured process of visioning events and consultation with the local communities and the development of a Strategic Plan, including specific projects, programmes and activities to help achieve the vision. These are at various stages of implementation.

15.3 FODDC COMMUNITY PLAN

This plan is being developed in conjunction with the Local Strategic Partnership. It is currently out for public consultation and elements could impinge on businesses in the FoD.

15.4 FIRST SHOP LOCAL SHOP

This FoDDC initiative has received positive feedback and during the course of the three year programme has increased the number of participants to around a quarter of all retailers. The programme is in the last year of the external funding and plans are being developed to prepare for the future where new funding streams will be required to sustain it.

15.5 TOURISM STRATEGY

15.5.1 Gloucestershire[23]

A Destination Management Plan has been proposed for the County of Gloucestershire. This Plan aims to provide a five year strategic framework for what needs to be done to ensure the tourism potential of the area is realised and to help prioritise action and investment.

Within the context of this Plan, the Cotswolds and Forest of Dean Destination Management Organisation (CF DMO) has been set up to be the voice for tourism for the County of Gloucestershire. A key part of the DMO role is to facilitate joined up working.

The Plan states that 'The Forest is in the development stage of the destination life cycle, looking to reinforce quality, extend the season and grow the product offer to meet demand. In particular growing the stock of self catering accommodation and upgrading the quality of existing serviced accommodation stock are key objectives. Supporting and encouraging more arts based activities to underpin the strong contemporary arts and crafts credentials of the area will be important to extend and diversify the range of things to see and do and to attract new markets.'

15.5.2 FoDDC Tourism strategy

A Tourism Strategy covering the period 2003 – 2008 was reviewed in 2005. The aims are to:

- Increase the number of bed spaces in the service sector and to improve the quality of the existing bed stock
- Increase the number of self-catering units
- Improve the quality of facilities on camping and caravan sites
- Improve the range and scale of attractions
- Improve the quality of existing attractions
- Improve cycling
- Develop art-based countryside activities
- Review the operation of Tourist Information Centres (TICs)
- Develop 'mini' TICs
- Introduce a Destination Management System
- Improve the quality and range of literature
- Improve the distribution of literature
- Undertake a signage audit and prepare a signage policy
- Improve public facilities
- Develop and promote training to improve skills within the industry
- To establish the FoD as THE Forest destination in the UK
- To co-ordinate an events programme

[23] Destination Management Plan For Cotswolds and Forest of Dean, Draft Final, For Cotswolds & Forest Of Dean Destination Management Organisation by L&R Consulting Solutions Limited

15.6 HARTPURY

Although to some stakeholders Hartpury is not considered part of the FoD, it is in the District and is being developed with specialist higher education provider as its core.

16 BARRIERS TO BUSINESS DEVELOPMENT

16.1 PLANNING

The performance of the Planning Department came in for some criticism during the stakeholder consultation as well as from the Business Needs Survey. This was substantiated by statistics for the year ended December 2006 that showed that for major decisions the FoDDC achieved 47% within the 13 week target against the average for England of 70%.[24]

A change of personnel has introduced a new attitude and approach. An improved system of pre-application meetings and advice has been introduced to overcome some of the perceived difficulties. Perceptions are however invariably difficult to change and can take time.

The new processes are having a positive effect and for June and July 2007 100% of major applications have been dealt with within the 13 week national target. For the four months to July 2007 the achievement has reached the national and local target of 60%. (See Appendix 9)

For minor decisions in the year ended 2006 the FoDDC was above the national average and during the four months ended July 2007 the levels are above both the national and local targets.

16.2 STAFF & SKILLS

The Business Needs Survey established that a third or respondents were planning to increase the number of staff employed, within the next two years as well as in the longer three to five year time frame.

Nearly half of the respondents to this survey indicated that they have difficulty recruiting staff, and although spread across all sectors it is particularly acute in the construction sector.

A fifth claimed the difficulties relate to there being insufficient people looking for work (there are very low levels of unemployment), while nearly half claimed that people have inadequate skills for the job. Again this was spread across all sectors, but is particularly difficult in the construction sector.

[24] Source: Planning applications and decisions of district planning authorities by speed of decision

16.3 ROAD ACCESS

In the Business Needs Survey this was viewed as the most important requirement of a business location and, in general, road access for respondent's businesses does not meet the necessary standard.

Access affects many businesses including retailers requiring customer parking and access and parking for commercial delivery vehicles. (The current free customer parking in the market towns is considered a strength.)

Heavy goods vehicle traffic through Lydney and Cinderford in particular are issues that affect shoppers and retailers as well as those making the deliveries.

Access is also important for factories and warehouse operations, as well as offices needing parking for staff and visitors.

16.4 COMPETITION

Most locations, large and small, have recognised the benefits of a vibrant local economy and many have implemented plans to boost business in their area.

16.4.1 Wales

The support provided by Wales, including grants to existing as well as inward investing businesses, is widely cited as a reason that the FoD cannot compete effectively against its near neighbour. EU Objective 1 and 2 funding has been available in Wales in the past and, although this is coming to an end, EU funded support will continue to be available.

Convergence funding is the successor to the Objective 1 programme and within the UK, Cornwall, the Isles of Scilly and West Wales and the Valleys qualify for full Convergence funding. This will cover 15 local authority areas in the West Wales and the Valleys region.

The Objective 2 and Objective 3 programmes are to be succeeded by Regional Competitiveness and Employment Objective programmes and will cover seven local authority areas in East Wales. So the adjacent strong competition to attract inward investing companies will remain.

16.5 LOCAL ATTITUDES

Although no hard or quantitative evidence was obtained several issues became apparent during the consultations with stakeholders. These included:

- Pressure Groups – these have apparently been successful in slowing down or even halting certain developments.
- Insularity – with the FoD being on the border of England and Wales there is a certain 'island mentality'. Some stakeholders expressed the view that 'Foresters' and the FoD as somehow different from the rest of the world. This is extended further with some parochial comments about areas within the FoD and the individual towns where for example developments in Lydney would not bring benefits to people in Cinderford.

SECTION 5 – APPENDICES

17 APPENDIX 1 - DOCUMENTS CONSULTED

1. A Canopy Walkway for the Forest of Dean – July 2006
2. Business & Economy Task group – Action Plan 2006/7
3. Cinderford Retail Assessment DRAFT v1 + Appendix B - household survey tabulations
4. Coleford 2020
5. Destination Management Plan for Cotswolds and Forest of Dean – Draft Final – April 2007
6. Doing Business in The Forest of Dean
7. Employment & Tourism Issues & Options
8. Forest of Dean – Tourism Development Potential Study June – 2002
9. Forest of Dean District Council – Core Strategy Preferred Options Pre Publication Draft LDF5.1 – May 2006
10. Forest of Dean District Council Inward Investment Marketing Strategy Report – Sept 2000
11. Forest of Dean District Local Development Framework – Employment and Tourism Development Plan Document – Issues and Options Consultation September 2006
12. Forest of Dean Employment Study – WM Enterprise Consultants - November 2003
13. Forest of Dean Inward Investment Strategy – RPS - April 2004
14. Forest of Dean Visitor Survey 2005
15. Four Towns economic vitality, viability and vulnerability study - Hannah Reynolds Associates, 2002/3
16. Gloucestershire 1st – The Rural Economic Strategy for Gloucestershire 2007 – 2015 (revised 2006)
17. Gloucestershire Workspace Strategy - March 2005 + Technical Appendix 1 Economic Context
18. Life After Xerox – Redundant Worker' Project – October 2004
19. Local Development Scheme
20. Local Plan
21. Location Review – Vantage Point Business Village – Manufacturing and Distribution Operations November 2002
22. Location Review – Vantage Point Business Village – October 2002
23. Lydney – Turning The Tide Update
24. Market Town Regeneration Strategy for the Forest of Dean
25. Market Towns Regeneration Strategy
26. Newent Initiative Update 2006
27. Out-Commuting from the Forest of Dean – August 2004
28. Performance Management: Planning Applications – FoDDC
29. Planning applications and decisions of district planning authorities by speed of decision
30. Previously-Developed Land that may be available for Development: England 2005
31. Produced by Business Link Gloucestershire
32. Providing Flexible Workspace – Evans Easyspace
33. Realising the Potential – A Tourism Strategy for the Forest of Dean District 2003 – 2008
34. Report mentioned in the agenda of the Business Partnership Group meeting September 2006
35. Report on companies located in The Forest of Dean. (mentioned on p19 of EDS)
36. The Forest of Dean Story 2006
37. Tourism Strategy - Action Plan Review Jan 2005
38. Tourism Strategy - *Realising the Potential*
39. *Vitality, viability & vulnerability* (Report by Hannah Reynolds Associates)

18 APPENDIX 2 - THE FOREST STORY[25]

18.1 SUMMARY

In population terms the Forest of Dean is one of the smaller Gloucestershire Districts. Despite its beautiful rural setting there are a number of social problems faced by local residents. In particular, there are issues with affordable housing, health (especially cancer death rates), educational attainment, a comparatively high proportion of residents lacking qualifications and an ageing population. Furthermore, while unemployment is low in the district, this is mainly due to large volumes of out-commuting by residents and the pervasive use of cars to make these journeys puts pressure on the sensitive local environment. However, crime rates in the Forest of Dean are among the lowest in the county and the District leads the way in recycling waste.

18.1.1 Economic Development & Enterprise Summary

- There has been strong **Economic Growth** in Forest of Dean during the first half of 1990s but growth has since slowed down, as measured by an economic model of Total (or Gross) Value Added.
- **Average Earnings** for local residents were below the national and County level but the rate of increase between 2003 and 2005 has been fast.
- **Labour Supply** has exceeded demand in the District. It is predicted that the gap will continue into the future.
- **Economic Inactivity** levels stood at 31.8% in 2001, higher than any other districts in the county.
- **Unemployment** rates in the District follow the County trend and have been below national levels.
- The move from a **Primary/Manufacturing to Service Based Economy** is expected to continue over the next 10 years.
- Travel to work journeys in the Forest of Dean are characterised by high levels of **Out-Commuting** and relatively low levels of in-commuting.
- The **Agriculture** in the Forest of Dean followed the county trend towards smaller, more diversified units.
- The stock of **VAT Registered Businesses** in the District increased by 9.7% between 1994 and 2004. The growth is smaller than the county and national levels.
- It is estimated that the Forest has 76 **Business Headquarters** in the District – the smallest number of all districts.
- A higher proportion of people who work in Forest of Dean are employed by **Small Businesses** compared to the county average.

[25] Source: Research Team Chief Executive's Support Unit Gloucestershire County Council July 2006

19 APPENDIX 3 - BUSINESS NEEDS SURVEY SUMMARY

19.1 SAMPLE

As one element of the Marketing and Workspace project being managed by The Peter Heath Consultancy for the Forest of Dean District Council, a postal survey was undertaken amongst the businesses in the District. The aim was to identify the barriers to business growth in the District particularly those that relate to workspace and labour.

The Office of National Statistics in its published Neighbourhood Statistics claimed there were 2,965 businesses in District which correlates with the Business Ratepayers database listed 2,957 addresses. However as the study relates to private sector businesses, a range of entries such as public sector organisations eg schools, telephone masts and social clubs were excluded from the survey.

In all 2,119 companies were mailed, primarily sourced from the business ratepayers database. By the cut-off date 270 responses had been received and 110 surveys were returned because the addressee had 'gone away', which reduced the universe to 2,009 businesses and a response rate of 13.4%. See Table 1 below.

This sample provides an indication of the views of businesses in the District. The response level was good for this type of survey but the large number of sectors means that the sample in each is not large. Therefore, caution should be exercised when analysing and drawing conclusions about individual sectors.

TABLE 1

Sector	Sample	FoD 05-06	% FoD	% Potential
Manufacturing	43	275	16%	2.14%
Retail	39	275	14%	1.94%
Construction	12	380	3%	0.60%
Fin-Bus Service	21	635	3%	1.05%
Wholesale distribution	10	150	7%	0.50%
Transport	23	330	7%	1.14%
IT Telecoms	7	25	28%	0.35%
Public	17	205	8%	0.85%
Hotels, catering, Attractions	44	190	23%	2.19%
Other	17			0.85%
Agriculture		500	0%	0.00%
Answered	233		8%	11.60%
No Answer	37			1.84%
Total	270	2965	8%	13.44%
Not yet returned	1739			86.56%
Potential Universe	2009			
Gone away	110			
Mailed	2119			

19.2 PROFILE OF THE RESPONDENTS

19.2.1 Number of Sites

Three quarters of respondents operated from a single site, 14% from 2 sites and 8% had three or more. (Question 4)

There were some notable differences in that, as could perhaps be expected, those in the Wholesale Distribution sector had more sites than most of the others.

13% reported that all their sites were not in the FoD and this rose to 40% of those in the Wholesale Distribution sector. (Question 5)

19.2.2 Origin of Business

Three quarters of the respondents businesses originated in the FoD with 20% having started elsewhere. (Question 6). Responses were similar for all sectors except IT & Telecoms where over 57% had started elsewhere, but this is based on a small sub-sample of only 7.

19.2.3 Commuting

70% claim to also live in the FoD, but this figure could be higher as some areas eg Newent may not be regarded as being 'in the Forest' by some respondents. (Question 30)

19.2.4 Age of Business

The average age of all respondents' businesses is 20, varying from 26 and 25 for Construction and Retail respectively down to 13 for Wholesale Distribution sector and 14 for Financial & Business Services, IT Telecoms and Public Services. (Question 7)

19.2.5 Length of Time in the FoD

For those 46 businesses that had not started in the FoD the average time there was 10 years, ranging from 2 for Public Services to 18 for Manufacturing and 19 for Hotel & Catering. (Question 8)

19.2.6 Original Location

Of the 40 who reported where the business had been previously located 22 respondents were previously located in neighbouring or nearby counties. The remainder ranged from Newmarket, London and Derbyshire. (Question 9)

19.2.7 Employee Numbers

In total all respondents employ 2,575 staff, 700 part and 1,867 full timers, which equates to an average of 11 employees per respondent.

Manufacturing has the highest average number (22.5) followed by Wholesale Distribution with 17.6 and Tourist Attractions with 12.6. (Question 11)

In both the next 2 years as well as 3 to 5 years just over 30% expect to increase staff numbers, with around 4% expecting declines across both these time frames. (Question 12)

As with Growth Expectations it is the IT Telecoms and Wholesale Distribution sectors that have the highest expectation of staff increases 85% and 60% in the next 2 years.

19.2.8 Status of Premises

Nearly 50% own their freeholds while a quarter are on Short leases with 15% on Very Short leases. As could be expected those with a high proportion of freehold premises are in Retail, Public Services, Hotel Catering and Tourism Attractions. (Question 22)

19.3 PROSPECTS FOR GROWTH

Two thirds expect moderate (55%) or significant growth (12%) in the next 2 years, while 20% forecast no growth and 4% predict a reduced operation. This picture does not change when considering the different sectors although some expect significant growth (Wholesale Distribution 60%), while others predict more moderate growth (Construction 75%). (Question 10)

Looking further to between 3 and 5 years, still two thirds of respondents expect growth of some sort. Those expecting no growth drops to 13%, while the Don't Knows and Not Answer rise to over 22%.

19.4 BARRIERS TO GROWTH

19.4.1 Requirements of a Business Location Compared to the Current Location

Q2 Please rate how important the following are for your business. 1 not important to 5 very important

The aim here was to identify the most important criteria for a business location on the scale of 1 not important to 5 very important.

The most important in order were:

1. Road Access
2. Quality of life
3. Quality of the premises
4. Value of the premises
5. Low staff turnover
6. IT & telecoms links

Q3 Please rate how well your site performs against the same criteria. 1 poor to 5 excellent

A similar question was asked to get the respondents to assess their own premises against the same criteria.

In every category, with the exception of location to suppliers, the aggregate scores for the desired requirements of a business location were higher than for their current premises, implying some dissatisfaction with the latter.

19.4.2 Current Premises

Nearly 80% of respondents claim that their current premises are adequate for the needs over the next two years, (Question 20) but this falls to just over 50% when considering their needs over the next 5 years. However as could be expected those that Don't Know or did not answer rises to nearly 25% for this longer period. (Question 21)

The belief that their current premises are adequate within the 2 year period drops to around 60% in the Wholesale Distribution and IT Telecoms sectors. And it drops even further over the 5 year time span.

19.4.3 Relocation

On average less than 20% had tried to relocate, but this varied widely from 70% in Wholesale Distribution, a third in manufacturing and over a quarter in Transport and IT Telecoms. (Question 23)

The most frequently cited reasons for not relocating include cost and availability of suitable premises. (Question 24)

16% would still like to relocate if the reason for not moving could be resolved. (Question 25)

If relocating, roughly 25% would want to stay in their own part of the FoD, a few less would stay within the wider FoD, while given the opportunity a similar number would move elsewhere. (Question 26)

Nearly 40% are prepared to pay the same rent and rates, while 20% would pay more. (Question 28)

The requirements for a new site did not vary much by sector. For example those in Manufacturing, Wholesale Distribution and Transport, understandably require good access and parking, IT communications and being close to a labour pool. Retailers also need good access and parking, while Financial & Business Services, IT telecoms also need access and good communications.

19.5 STAFF RECRUITMENT AND TRAINING

Nearly 50% claimed to experience difficulty recruiting staff and this varied from over 70% in Construction and IT Telecoms to 30% for Wholesale Distribution and 37% in Hotel and Catering. (Question 13)

Nearly 20% claimed that the difficulty was caused by insufficient people looking for work and this varied from over 40% in IT Telecoms to as low as 5% in the Financial & Business Services sector. Two thirds did not answer this question. (Question 14)

Nearly 50% stated that they do not require staff training. However, of the remainder, just over 40% stated that they would find it of benefit. The Financial & Business Services, IT Telecoms and Public Services sectors all identified staff training as a need with Wholesale Distribution being the sector saying they had the least need for it. (Question 32)

19.6 LOCAL CUSTOMERS & SUPPLIERS

Over 50% of businesses find it beneficial to use local suppliers with those servicing visitors (Attraction, Hotels & Catering) and Transport being most positive. (Question 16)

55% consider that they are able to find local suppliers for the goods and services they need, implying that just under half do not feel the same. IT Telecoms scored the lowest with over 70% claiming that they could not find local suppliers. (Question 17)

The reason given for not using local suppliers was only answered by just over 40% and the reason given for not using local suppliers is that the product or service is specialised. (Question 18)

A small minority (13%) believe that the suppliers may be there, but are difficult to find. (Question 18)

19.7 BUSINESS SUPPORT

Over 50% responded that a web-based recruitment notice board would be useful or very useful and this rose to around 60% amongst those in Hotel, Catering, Wholesale Distribution, Construction and IT Telecoms, (the latter two had reported recruitment difficulties) and nearly 80% for those in Transport. (Question 15)

Nearly two thirds claimed that a web-based business directory of local businesses would help them to find customers or suppliers and although there were some variations across the various sub-sets none were particularly noteworthy. (Question 19)

Nearly 50% claim not to require Business Development advice and support, with over 40% wanting this. Those in Public Service are less likely to need support, whereas IT Telecoms claim to be in most need, but this sample is very small. (Question 31)

A majority (53%) claim not to know how to apply for business and training support, with a large majority of those in Wholesale Distribution and Transport being in this situation. (Question 33)

Nearly three quarters do not know if they are eligible for a business grant and this spreads across all of the sectors. (Question 34)

13% (31 respondents) claimed that they had previously applied for and had been successful in obtaining a business grant, with most being manufacturers. (Question 35)

From the wide range of comments it would appear that there is lack of knowledge about grants and some scepticism about whether they could be available and worth applying for. (Question 36)

Regarding other barriers to business a large number of comments were collected covering a wide range of topics including 'red tape', planning, rates and tax, poor local transport, high costs and parking. (Question 37 & 38)

19.8 FURTHER DISCUSSION

104 respondents indicated that they were prepared to discuss any strategies that were developed addressing issues raised in the survey.

20 APPENDIX 4 - MYSTERY VISITOR REPORT SUMMARY

The Market Town Mystery Town Evaluation provides a snapshot at a point in time of a market town as it appears to a visitor, not a resident. The evaluation is based on a comprehensive checklist developed by Tourism South East and was designed to be used where the considerably more detailed Market Town Benchmarking Study cannot be afforded.

The scoring focuses on those elements that will be important to a visitor such as parking, traffic, catering, shopping, welcome and service, toilets etc but not on any attractions.

At the time the survey was undertaken in the four Forest of Dean towns, the evaluation had been completed in eleven other market towns including smaller market towns such as Steyning, those of similar size such as New Milton and larger such as Lewes.

On many measures the 4 Forest of Dean market towns have scores comparable with the others that have been surveyed. However it is on the actual shops, service and catering outlets where they lose the most points as illustrated by the summary table below:

	Possible	Cinderford	Coleford	Lydney	Newent	ALL TOWNS Average
Transport	30	20	20	25	15	20
Arrival	40	35	35	35	35	30
Outlet Opening Times	20	10	10	5	5	11
Shops, Services & Catering	130	63	83	82	79	99
Other Facilities	20	9	12	12	7	12
Toilets And Baby Change	10	10	5	5	7	7
General Assessment	10	5	7	5	7	7
Total	300	152	186	171	165	200
Percentage		50.7%	62.0%	57.0%	55.0%	66.8%

20.1.1 General Assessment of Town Centre

A list of features is used to assess the town centre (retail/ service core), these include:

APPEARANCE	Floral displays/ hanging baskets on view
	Wide and even pavements
	Low level of traffic congestion
CLEANLINESS	Generally free from litter
	Litter bins available and not full
	Street furniture clean and well maintained
	Walls free of graffiti and fly posters
ATMOSPHERE	People make you feel welcome
	Feels generally secure with low crime
SIGNAGE	Sufficient signs for people driving to find their way
	Sufficient signs for pedestrians to find their way
	Information boards to help pedestrians
PUBLIC SEATING	Sufficient supply of public seating
	All seating clean and well maintained
	Seating surrounded by litter free area

CINDERFORD
The town was generally clean with sufficient seating and floral displays, but with around half of the attributes sought in this category Cinderford scored 5 compared to the average score of 7.

COLEFORD
Coleford scored 7 equal to the average score. The negatives were a lack of welcome, a feeling of not being generally secure and insufficient public seating.

LYDNEY
With 7 positive features and 8 negative Lydney scored 5 below the all town average of 7.

NEWENT
With 11 positive features and only 4 negatives Newent scored 7 equal to the all town average.

20.1.2 Overall impression of the town

This section summarises the overall feelings about the town and is based on the three things which the mystery visitor feels are the best and the worst aspects of the town.

CINDERFORD

BEST

1. Focal point - The Triangle but the design looks more like a railway or bus station with its curved roof
2. Some attempt at floral arrangements in half barrels/tubs but most were in need of watering with the flowers wilting

WORST

1. Retail standards were generally very poor. Many of the independents had dirty shop fronts with little attempt at window displays. Some fronts had peeling paint and others with no fascia names.
2. Cars speeding through the centre.
3. A general feeling of decline

COLEFORD

BEST

1. Town square is an attractive focal point
2. Wide streets are relatively traffic free in the shopping area
3. Plenty of easy to find car parks

WORST

1. Poor shopping offer - no clothing, many shops close for lunch and half days
2. Limited number of cafes and tea shops
3. The number of vacant properties in relatively prime locations

LYDNEY

BEST

1. Plentiful parking spaces (when they could be found)
2. Lots of green spaces close by the centre of the town

3. Potentially interesting shops that could be developed - not the normal high street with the same multiple group fascias

WORST

1. Very busy road with lots of through traffic - especially lorries, making it difficult to window shop and cross the road
2. Shopping offer has obvious gaps - very few clothing shops for men, women and none for children
3. Not geared up for tourism. The information centre is poor, the car park signs are not easily spotted. Town lacks a focal point - square/town hall, etc in the centre.

<u>NEWENT</u>

BEST

1. Very attractive market town atmosphere with Merchant House as a focal point and many olde worlde buildings
2. Appeared to be thriving with two housing developments being built in the centre
3. Lake side walk from one of the car parks and general well sign-posted tourist attractions such as Birds of Prey, Nature World, Three Choirs Vineyard and Shambles Museum

WORST

1. Retail offering very limited
2. High level of traffic through the town
3. Lack of clean public seating in the centre

20.1.3 Total Score

With all elements taken into consideration, the total score possible for the mystery visitor town evaluation is 300 points. This section compares each town with the average for all of the towns of 200 or 67%.

<u>CINDERFORD</u>

As there was no market that day the scores have been calculated against a possible 270.
Cinderford scored 152 which is 56% % compared to the all town average of 71%.

<u>COLEFORD</u>

Coleford scored 186 or 66% against an average of all towns of 71%.

<u>LYDNEY</u>

The town scored 171 or 63% compared to the all town average of 71%.

<u>NEWENT</u>

The town scored 165 or 61% compared to the all town average of 71%.

Market Town Mystery Visitor Evaluation Score Sheet

Town		Date		17-Apr-07	12-Apr-07	12-Apr-07	17-Apr-07	15
SECTION	FACTOR	FEATURE	Possible Score	Cinderford	Coleford	Lydney	Newent	ALL TOWNS Average
TRANSPORT AND ARRIVAL	TRANSPORT	Rail	10	-	-	5.0	-	3
		Bus	10	10.0	10.0	10.0	5.0	8
		Car Parks	10	10.0	10.0	10.0	10.0	9
	ARRIVAL	Ease of Parking	10	5.0	10.0	10.0	10.0	7
		Cost of Parking	10	10.0	10.0	10.0	10.0	7
		Cleanliness	10	10.0	10.0	10.0	10.0	9
		Facilities	10	10.0	5.0	5.0	5.0	6
OUTLET OPENING TIMES		Days	10	5.0	5.0	5.0	5.0	5
		Hours	10	5.0	5.0	-	-	5
SHOPPING AND CATERING FACILITIES	SELLING GOODS	Shop Types	10	10.0	10.0	10.0	10.0	10
		Shop Fronts	10	-	2.0	2.0	5.0	8
		Value	10	5.0	5.0	5.0	5.0	5
	PROVIDING SERVICES	Service Types	10	10.0	10.0	10.0	10.0	10
		Shop Fronts	10	5.0	2.0	2.0	2.0	8
		Value	10	5.0	5.0	5.0	5.0	5
	CATERING FACILITIES	Catering Types	10	10.0	10.0	10.0	10.0	10
		Shop Fronts	10	2.0	5.0	5.0	5.0	8
		Value	10	5.0	5.0	5.0	5.0	7
	VACANT UNITS	Percentage Vacant	10	-	10.0	10.0	5.0	7
	CHARITY SHOPS	Percentage Charity	10	5.0	5.0	5.0	-	8
MYSTERY SHOPPING	SELLING GOODS	Mystery Score	10	-	8.0	7.0	8.0	7
	CATERING	Mystery Score	10	6.0	6.0	6.0	9.0	8
THE MARKET		Features	10	-	2.0	-	-	2
		Value	10	-	5.0	-	-	5
		Mystery Score	10	-	2.0	-	-	2
TOURIST INFORMATION		Total Score	10	-	5.0	2.0	10.0	4
OTHER FACILITIES		Cash Machines	10	7.0	7.0	7.0	5.0	8
		Public Telephones	10	2.0	5.0	5.0	2.0	8
TOILETS AND BABY CHANGE		Toilets	10	10.0	5.0	5.0	7.0	7
GENERAL ASSESSMENT		Total Score	10	5.0	7.0	5.0	7.0	7
		TOTAL	300	**152.0**	186.0	**171.0**	**165.0**	200
		PERCENTAGE		50.7%	62%	57.0%	55.0%	67%
		WHERE NO MARKET	270	152	177.0	171	165	191
		PERCENTAGE		56%	66%	63%	61%	71%

21 APPENDIX 5 - WORKSPACE ASSESSMENT - PROPERTY AGENTS SURVEY

21.1.1 Summary

- Localised market and considered to be so by most agents
- But money to be made there
- Retail – supply does not match demand for small units at present
- Insufficient national retailers
- No perceptible office interest
- Industrial – steady demand, relatively small, low cost units.
- Quality can be difficult to find
- Difficult for SMEs wanting to move up
- Big 'outside agents' are not pro-active in suggesting FoD to clients
- Their involvement largely on instruction basis for properties in FoD
- Differences of opinion on executive housing
- Apparent goodwill to Council - improvements acknowledged. But old image still very prevalent in opinions, And still the view that nothing happens
- Does the Council have the size and muscle needed for change

21.1.2 Combined overview from:

- Agents survey
- Gloucestershire First enquiries
- Stakeholder discussions

21.1.3 Sample

Agents dealing in FoD (14 contacted, 9 telephone conversations) within FoD, Gloucester, Bristol, Ledbury, Ross, Newport, Monmouth

21.1.4 Topics covered

Supply & demand for employment property/land in FoD plus any related or other comments

21.1.5 Workspace assessment

- Relevance of sample
- All agents reasonably knowledgeable about FoD
- Although 'outside' agents get less enquiries
- Most outside agents suggested to contact local agents for knowledge
- FoD is a 'localised market'
- All know each other and Kevin Toombs
- And Brian Bennett and Vantage Point

21.1.6 Supply & demand

Retail

- 3 years ago – take your pick, now – 'join the queue', easy to let
- More needed in town centres

- Small, local
- Low rental returns
- No nationals

Office
- No noticeable demand or requests
- So supply not known or an issue

Industrial
- Steady demand for small units -1000 sq ft
- Locally based companies
- Low outgoings important
- Little interest from outside FoD
- But Churcham is the exception
- And possibly demand for quality starter units
- No freehold available – preferred by small (but not starter) companies
- Cinderford Valley Road successful – little available
- Availability in Lydney
- Not likely to get 50,000 sq ft enquiries (although one did have and couldn't find the land) – landowners not interested)
- Proximity to Wales would be more attractive to this size company
- Not enough land – but returns need to justify build
- Cheaper in FoD but difference not an issue below 2000 ft

Some statistics support these indications of demand & unit size
- Large Glos agent database shows 48 enquiries for Glos area in last 6 months. None for FoD in full year
- Between Jan 06 – May 07 Glos 1st received 25 enquiries for FoD as a main choice. Of these c16 required under 1500 sq ft, 5 more up to 10000 sq ft and 4 were for 10000 +

Housing
- There is/ there isn't enough exec housing
- Access problems for commuting
- Schooling – private
- Housing stock repetitive low standard

Council
- Better now, helpful
- But 'legacy' still highly influential on image
- Things still take a long time, or don't happen
- Improved communication would help
- With landowners prior to allocation for development
- With agents – closer working, more information
- Is drainage an issue in Coleford?

22 APPENDIX 6 - GLOUCESTERSHIRE FIRST COMMERCIAL/INDUSTRIAL PROPERTY ENQUIRIES

Gloucestershire First is a principal channel of enquiries for employment property in Gloucestershire. A number of statistics can be considered in order to provide some perspective on the level of enquirers interested in locating to Gloucestershire as a whole and/or to the Forest of Dean.

22.1 2006 ENQUIRIES

Gloucestershire First received a total of 453 land and property enquiries from 1 January 2006 – 31 December 2006. This shows a large increase from the 2 previous calendar years, 2004 and 2005, where the total number of enquires were 334 and 237 respectively.

Quarter	Location					
	Cheltenham	Cotswolds & Cirencester	**Forest of Dean**	Gloucester	Stroud	Tewkesbury
Jan-Mar (90)	51	33	**26**	49	35	49
Apr-Jun (135)	78	61	**39**	59	65	47
Jul-Sep (117)	7	51	**40**	59	56	50
Oct-Dec (133)	57	43	**22**	47	51	28

From the table above Cheltenham appears to be the most desirable district for companies to consider relocating in, with a total of 258 enquiries searching for this particular area whether it was a singular district search or a multi district search. The district of Gloucester was the second most popular choice with a total of 214 enquiries, followed closely by Stroud (207) and the Cotswolds and Cirencester (188) areas. The districts which proved to have the lowest related enquiries and were subsequently the least desirable counties to search for were Tewkesbury (164) and the Forest of Dean (127).

22.2 ENQUIRIES OF POTENTIAL RELEVANCE TO FOD

In terms of companies of any size with the potential to relocate to the FoD:

Industrial Space. From Jan 2005 to May 2007 Gloucestershire First received 122 enquiries in total for industrial space from 10,000 sq ft upwards. These were for Gloucestershire wide properties.

- This included 51 from 10,000 - 25,000 sq ft

Office Space. In the same period there were 27 enquiries for office space from 15,000 sq ft upwards of which.

- 8 were from 15,000 - 30, 000 sq ft.,
- 7 were from 30, 000 – 50, 000 sq ft
- 12 above 50,000 sq ft

These were for Gloucestershire wide properties. Many appeared speculative. The enquiries included 3 call centres for between 30,000 – 40,000 sq ft dated 4/8/06, 15/1/07, and 16/5/07. There were also various stipulations. One wanted freehold and one wanted Cheltenham.

23 APPENDIX 7 – SHOPPING SURVEY

Forest of Dean Household Telephone Survey for GVA Grimley

Of the following centres which do you consider your main centre ?

Lydney	18.9%	152
Cinderford	14.7%	118
Newent	12.8%	102
Coleford	12.5%	100
(None of these)	41.2%	331

In which shop or shopping centre do you do most of your household's main food shopping ?

Those who don't use the internet to do their main food shop at Q01

Tesco, Lydney	14.5%	109
Tesco, Chepstow	13.2%	99
Morrisons, Ross-on-Wye	12.8%	97
Waitrose, Monmouth	6.7%	51
Tesco, St Oswalds Park, Gloucester	5.9%	44
Tesco, Gloucester Business Park, Gloucester	5.5%	42
Co-Op, Cinderford	5.1%	38
Somerfield, Monmouth	4.6%	34
Asda, Gloucester	3.1%	24
Somerfield, Ross-on-Wye	3.1%	23
Somerfield, Chepstow	2.8%	21
Budgens, Newent	2.7%	20
Co-Op, Coleford	2.3%	18
Somerfield, Lydney	2.3%	17
Lidl, Cinderford	2.1%	16
Somerfield, Coleford	1.8%	13
Local stores, Newent	1.5%	12
Sainsbury's, Gloucester	1.3%	10
Tesco, Orchard Lane, Ledbury	1.1%	8
Co-Op, Lydney	1.1%	8
Tesco, Quedgeley, Gloucester	0.6%	5
Waitrose, Cheltenham	0.6%	4
Tesco, Bewell Street, Hereford	0.6%	4
Somerfield, New Street, Ledbury	0.5%	4
Asda, Llewllyn Road, Cwmbran	0.5%	4
Tesco Express, Gloucester	0.4%	3
Morrisons, Ashchurch Road, Tewkesbury	0.3%	3
Lidl, Chepstow	0.3%	3
Asda, Highwood Lane, Avon	0.3%	2
Co-Op, High Street, Mitcheldean	0.2%	2
Tesco, Bishops Road, Tewkesbury	0.2%	2
Tesco Express, Coleford	0.2%	2
Co-Op, Ross-on-Wye	0.2%	1
Waitrose, Northumbria Drive, Bristol	0.2%	1
Local stores, Chepstow	0.2%	1
Aldi, Bristol Road, Gloucester	0.1%	1
Local stores, Ledbury	0.1%	1
Morrisons, Cheltenham	0.1%	1
Local stores, Gloucester	0.1%	1
Lidl, Gloucester	0.1%	1
Local stores, Newnham-on-Severn	0.1%	1
Local stores, Cinderford	0.1%	1
Local stores, Coleford	0.1%	1
Local stores, Drybrook	0.1%	1
Local stores, Ruardean	0.1%	1
Sainsbury's, Cheltenham	0.1%	1
Local stores, Mitcheldean	0.1%	1
Weighted base:		752
Sample:		748

Where do you do most of your household's shopping for small scale 'top-up' food shopping ?

Co-Op, Cinderford	7.9%	49
Tesco, Chepstow	6.9%	42
Morrisons, Ross-on-Wye	6.5%	40
Budgens, Newent	5.9%	36
Tesco, Lydney	5.3%	32
Waitrose, Monmouth	4.0%	25
Co-Op, Coleford	3.9%	24
Local stores, Newent	3.5%	21
Somerfield, Chepstow	3.5%	21
Somerfield, Lydney	3.2%	19
Co-Op, Lydney	3.1%	19
Local stores, Monmouth	3.0%	19
Somerfield, Ross-on-Wye	3.0%	18
Local stores, Ross-On-Wye	2.6%	16
Somerfield, Monmouth	2.2%	14
Somerfield, Coleford	1.9%	11
Local stores, Cinderford	1.8%	11
Local stores, Mitcheldean	1.8%	11
Local stores, Bulwark	1.6%	10
Local stores, Chepstow	1.6%	10
Local stores, Bream	1.5%	9
Local stores, Coleford	1.5%	9
Lidl, Cinderford	1.4%	9
Tesco, St Oswalds Park, Gloucester	1.3%	8
Tesco Express, Coleford	1.2%	8
Local stores, Newnham-on-Severn	1.1%	7
Tesco, Gloucester Business Park, Gloucester	1.0%	6
Local stores, Gloucester	0.9%	6
Local stores, Ruardean	0.9%	5
Local stores, Lydney	0.8%	5
Asda, Gloucester	0.7%	4
Local stores, Yorkley	0.7%	4
Local stores, Longhope	0.7%	4
Local stores, Sedbury	0.6%	4
Local stores, Tutshill	0.6%	4
Local stores, Redbrook	0.6%	4
Sainsbury's, Gloucester	0.6%	4
Local stores, Whitecroft	0.6%	4
Co-Op, Ross-on-Wye	0.6%	3
Local stores, Lydbrook	0.5%	3
Local stores, Hartpury	0.5%	3
Co-Op, High Street, Mitcheldean	0.5%	3
Local stores, Ashleworth	0.4%	3
Local stores, Tewkesbury	0.4%	3
Marks & Spencer, North Gate Street, Gloucester	0.4%	2
Local stores, Newland	0.4%	2
Local stores, Whitchurch	0.4%	2
Local stores, Bury Hill	0.3%	2
Local stores, Tintern Abbey	0.3%	2
Lidl, Chepstow	0.3%	2
Co-Op, Newent	0.3%	2
Local stores, Drybrook	0.3%	2
Local stores, Highnam	0.3%	2
Local stores, Hanham	0.3%	2
Local stores, Alvington	0.2%	1
Marks & Spencer, Monmouth	0.2%	1
Tesco, Bewell Street, Hereford	0.2%	1
Local stores, Gorsley	0.2%	1
Local stores, Leigh	0.2%	1
Local stores, Symonds	0.2%	1
Waitrose, Cheltenham	0.2%	1
Ledbury Town Centre	0.2%	1
Sainsbury's, Cheltenham	0.2%	1
Tesco, Orchard Lane,	0.2%	1

In which town centre, freestanding store, or retail park do you do most of your household's shopping for clothes, footwear and other fashion goods ?
Those who do not use the internet to do their clothes, footwear and other fashion goods shopping at Q08

Gloucester	44.4%	297
Hereford	10.3%	69
Cheltenham	8.7%	58
Bristol	7.3%	48
Retail Warehouse / Retail Park in Bristol	7.1%	47
Monmouth	5.4%	36
Ross-on-Wye	4.6%	30
Newport	4.2%	28
Chepstow	1.7%	11
Cinderford	1.4%	9
Lydney	1.1%	7
Cardiff	0.9%	6
Newent	0.7%	5
Cwmbram	0.6%	4
London	0.5%	3
Coleford	0.3%	2
Worcester	0.2%	2
Weston-Super-Mare	0.2%	1
Shrewsbury Town Centre	0.2%	1
Tewkesbury	0.1%	1
Retail Warehouse / Retail Park in Cheltenham	0.1%	1
Southampton City Centre	0.1%	1
Burtons, Abergavenny	0.1%	1
Weighted base:		669
Sample:		675

In which town centre, freestanding store, or retail park do you do most of your household's shopping for furniture, floor coverings and household textiles ?

Gloucester	38.1%	208
Bristol	9.5%	52
Hereford	8.0%	43
Newport	6.8%	37
Cheltenham	5.9%	32
Chepstow	5.4%	29
Coleford	4.4%	24
Monmouth	3.7%	20
Retail Warehouse / Retail Park in Bristol	3.6%	20
Ross-on-Wye	3.4%	18
Retail Warehouse / Retail Park in Gloucester	2.2%	12
Lydney	2.0%	11
Cinderford	2.0%	11
Cardiff	1.9%	10
Newent	0.9%	5
Ledbury Town	0.6%	3
Retail Warehouse / Retail Park in Cheltenham	0.5%	2
Other Retail Warehouse / Retail Park	0.4%	2
London	0.4%	2
Bream Town Centre	0.2%	1
Tewkesbury	0.1%	1
Argos, Abergavenny	0.1%	1
Weighted base:		545
Sample:		543

In which town centre, freestanding store, or retail park do you do most of your household's shopping for DIY and decorating goods ?

Gloucester	28.6%	189
Ross-on-Wye	14.3%	95
Chepstow	8.2%	54
Retail Warehouse / Retail Park in Gloucester	7.4%	49
Monmouth	6.1%	41
Other Retail Warehouse / Retail Park	5.0%	33
Newport	4.5%	29
Cinderford	4.3%	28
Lydney	3.7%	24
Newent	3.6%	24
Coleford	2.7%	18
Hereford	2.6%	17
Bristol	2.1%	14
Ledbury	1.7%	11
Retail Warehouse / Retail Park in Bristol	1.5%	10
Cheltenham	1.5%	10
Drybrook	1.1%	7
Cardiff	0.4%	3
Retail Warehouse / Retail Park in Cheltenham	0.3%	2
Abergavenny	0.2%	1
Tewkesbury Town Centre	0.1%	1
Worcester	0.1%	1
Weighted base:		660
Sample:		662

In which town centre, freestanding store, or retail park do you do most of your household's shopping for domestic appliances such as washing machines, fridges, cookers and kettles ?

Gloucester	36.6%	222
Ross-on-Wye	8.8%	53
Lydney	6.6%	40
Coleford	6.3%	38
Cinderford	6.1%	37
Newport	5.8%	35
Retail Warehouse / Retail Park in Bristol	5.6%	34
Monmouth	5.6%	34
Bristol	3.5%	21
Hereford	3.1%	19
Retail Warehouse / Retail Park in Gloucester	3.0%	18
Chepstow	2.2%	14
Cheltenham	1.9%	12
Ledbury	1.2%	7
Cardiff	0.8%	5
Other Retail Warehouse / Retail Park	0.7%	4
Retail Warehouse / Retail Park in Cheltenham	0.6%	4
Newent	0.5%	3
Caldicot	0.3%	2
Currys, The Gallery, Wolverhampton	0.3%	2
Cwmbran	0.3%	2
Worcester	0.2%	1

In which town centre, freestanding store, or retail park do you do most of your household's shopping for TV, Hi Fi, Radio, Photographic and Computer equipment ?

Gloucester	40.3%	207
Hereford	8.3%	43
Newport	7.3%	38
Lydney	6.9%	35
Retail Warehouse / Retail Park in Bristol	6.3%	33
Bristol	4.6%	24
Chepstow	4.4%	23
Ross-on-Wye	4.3%	22
Cinderford	3.9%	20
Cheltenham	3.7%	19
Retail Warehouse / Retail Park in Gloucester	3.0%	15
Monmouth	2.2%	11
Retail Warehouse / Retail Park in Cheltenham	0.9%	5
Coleford	0.9%	5
Cardiff	0.7%	4
Other Retail Warehouse / Retail Park	0.6%	3
Ledbury	0.5%	3
Malvern	0.3%	2
Worcester	0.3%	1
Singapore	0.2%	1
Argos, Abergavenny	0.1%	1
Cirencester Town Centre	0.1%	1
Tewkesbury	0.1%	1

In which town centre, freestanding store or retail park do you do most of your household's shopping on personal / luxury goods including books, jewellery, china, glass, cosmetics and medical goods ?

Gloucester	33.7%	193
Ross-on-Wye	9.1%	52
Chepstow	8.2%	47
Monmouth	7.7%	44
Cheltenham	7.1%	41
Bristol	5.0%	29
Retail Warehouse / Retail Park in Bristol	4.9%	28
Hereford	4.9%	28
Lydney	4.6%	26
Cinderford	3.7%	21
Newent	3.1%	17
Coleford	2.2%	12
Newport	1.7%	10
Cardiff	0.8%	5
Ledbury	0.8%	4
London	0.3%	2
Plymouth Town Centre	0.3%	2
Asda, Cwmbran	0.3%	2
Cwmbran Town Centre	0.3%	2
Local stores, Mitcheldean	0.2%	1
Local stores, Bream	0.2%	1
Worcester	0.2%	1
Newham	0.1%	1
Tewkesbury	0.1%	1
Local stores, Buryhill	0.1%	1
Retail Warehouse / Retail Park in Gloucester	0.1%	1
Southampton City Centre	0.1%	1

In which town centre, freestanding store or retail park do you do most of your household's shopping on recreational goods including bicycles, games, toys, sports and camping equipment ?

Gloucester	47.6%	159
Retail Warehouse / Retail Park in Cheltenham	6.5%	22
Bristol	6.0%	20
Cheltenham	5.9%	20
Newport	5.8%	19
Hereford	5.6%	19
Ross-on-Wye	5.1%	17
Chepstow	3.2%	11
Lydney	3.1%	10
Monmouth	2.8%	9
Cinderford	2.1%	7
Cardiff	1.7%	6
Retail Warehouse / Retail Park in Gloucester	0.9%	3
Newent	0.6%	2
Raglan	0.6%	2
Abergavenny	0.6%	2
Other Retail Warehouse / Retail Park	0.3%	1
Leominster	0.3%	1
Local stores, Westminster	0.3%	1
Tewkesbury	0.3%	1
St Austell	0.2%	1
Coleford	0.2%	1
Birmingham City Centre	0.2%	1
Ledbury	0.2%	1

24 APPENDIX 8 – BROWNFIELD SITES

Proportion of developed land that is derelict - 2004

Forest of Dean District Council	0.8	%
Cotswold District Council	2.2	%
Herefordshire Council	0	%
Cheltenham Borough Council	0	%
Gloucester City Council	0	%
Stroud District Council	0	%
Tewkesbury Borough Council	0.6	%

The area of previously developed land available for reuse that is derelict (ha) – 2004

Forest of Dean District Council	13.2	ha
Cotswold District Council	37.9	ha
Herefordshire Council	0.3	ha
Cheltenham Borough Council	0.6	ha
Gloucester City Council	0	ha
Stroud District Council	1.2	ha
Tewkesbury Borough Council	10.2	ha

An analysis of the database of previously used land within the FoD – 2005 shows the following:

	Hectare
Area	52.05
Land Type	
Derelict land and buildings	11.97
Vacant buildings	8.7
Previously developed land or buildings currently in use and allocated in local plan or with planning permission	30.15
Previously developed land now vacant	1.23
Current Land Use	
Derelict	11.97
Vacant buildings	8.7
Manufacturing	26.02
Dwellings	1.35
Vacant land	1.23
Residential	0.79
Education	0.85
Car parks	0.35
Transport tracks and ways	0.79
Planning Status	
Allocated in Local Plan	21.1
None	10.2
Detailed Planning Permission	3.49

With Draft Allocation	12.66
Outline Planning permission	4.6
Proposed Use	
None	10.2
Mixed with housing	2.87
Open space	2.6
Employment	19.56
Housing	16.82
Most suitable use	
Housing	16.68
Open space	3.05
Mixed Use	3.52
Other	2.19
Don't Know	1.09
Employment	25.52

Source: Previously-Developed Land that may be available for Development: England 2005

25 APPENDIX 9 – PLANNING DECISION SPEED

25.1 MAJOR APPLICATIONS [26]

The government has set a target of 13 weeks for determining such applications and seeks that 60% of such decisions should be made within this timescale (The 60% rate is also the Districts own local target). Table A demonstrates that for the last two months the Council have determined 100% within the 13 week target. This is a significant improvement and in part has been driven by the commitment of the Planning committee to make timely decisions upon the applications presented to them.

TABLE A

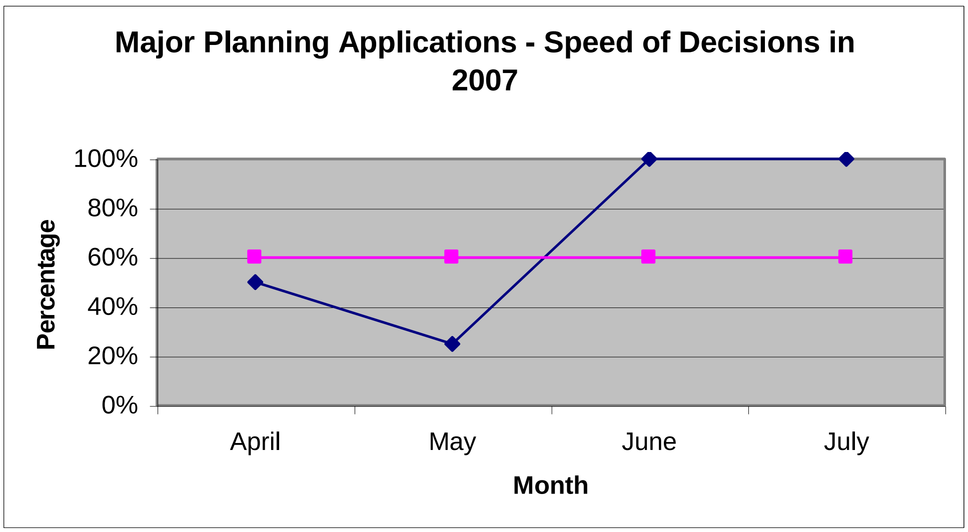
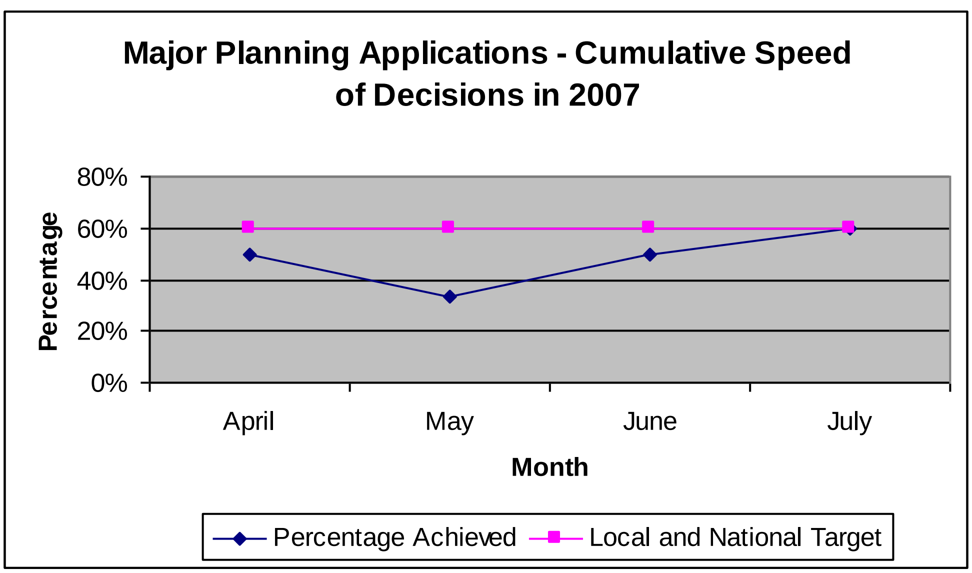


TABLE B



[26] Source: FoDDC - Performance Management: Planning Applications

25.2 MINOR APPLICATIONS

The Council continue to exceed the national target of determining 65% within 8 weeks and also the more challenging local target of 72% as demonstrated by tables C and D.

TABLE C

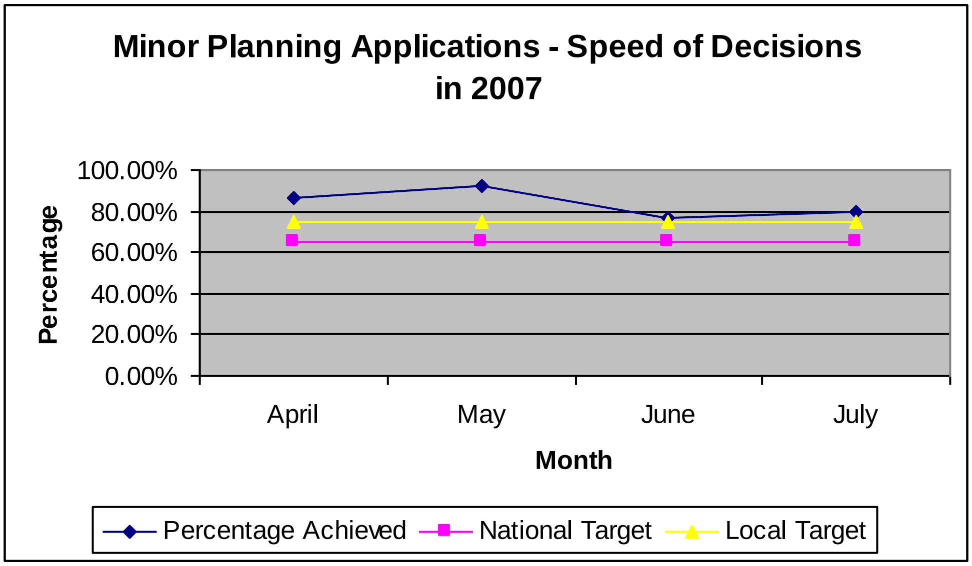
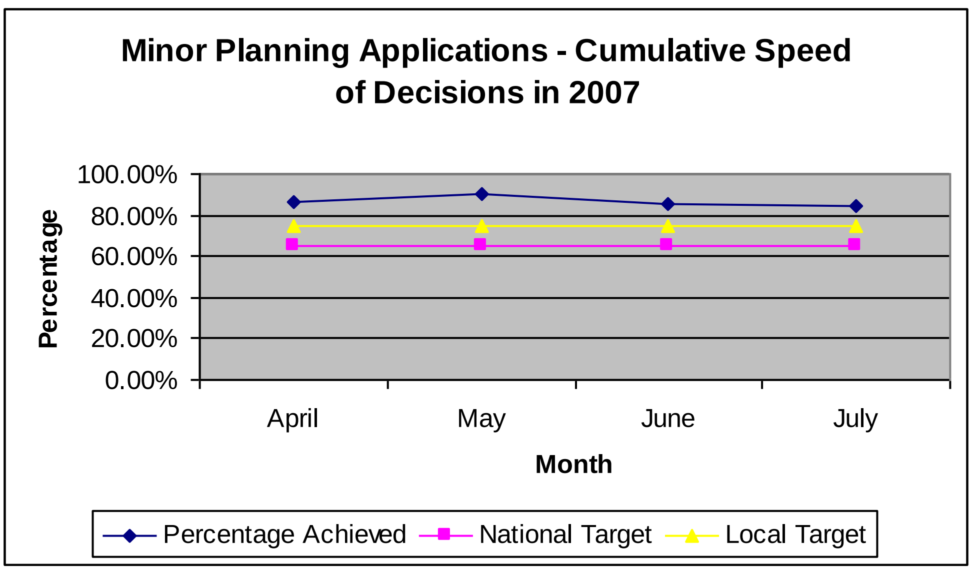


TABLE D



25.3 CONCLUSIONS

The Council has attained a high level of performance for the vast majority of the decisions made (350 applications) over the last four months. In particular significant improvement has been achieved in terms of the determination of major applications. However the Council must not be complacent as there remains a backlog of 13 historical applications such as the Tesco and Rugby Club applications in Cinderford which, when determined, will adversely affect performance levels. As such it is essential that all new major applications are determined within the set targets where possible.

26 APPENDIX 10 – LAGGING AREAS AND DEPRIVATION

26.1 LAGGING DEFINITION

The following are some definitions of lagging areas criteria obtained from past research documents on the DEFRA website:

- The work carried out by Bryden et al. (1993) and the OECD (1996) led to a new perspective in which the notion of `leading' and `**lagging' areas** was incorporated into subsequent research. In the mid-1990s the OECD's work on the 'Territorial Indicators of Rural Development and Employment' (1996) demonstrated in stark terms the variability of rural economic performance even within similar types of rural areas. In addition, it proposed a set of territorial dynamics which denoted a set of specific regional and local factors, structures and tendencies that appeared to influence economic performance, such as entrepreneurial traditions, public and private networks, work ethics, regional identity, participation and the attractiveness of the cultural and natural environment. These 'territorial dynamics' enabled a distinction to be drawn between so called 'leading' and 'lagging' regions.

- Defra's PSA commitment to "reduce the gap in productivity between the least well performing quartile of rural areas and the English median by 2006" focuses on the headline indicator demonstrating successful achievement of the strategic outcome: "more cohesive and productive rural communities". In order to achieve the PSA target, Defra must (a) establish acceptable benchmarks of economic performance using readily available data against which to measure improvement, (b) diagnose the reasons for poor economic performance in some rural areas, and (c) develop appropriate mechanisms and policies to foster improvements.

  This research project has sought to shed light on (a) and (b) while also assisting Defra with (c). The present research project has been commissioned with the following objectives:

  • To identify up to three measures readily available in secondary data for rural areas which are indicative of the key policy-relevant facets of local economic performance;
  • To use these measures to classify rural areas, distinguishing in particular the upper quartile ("leading") and the lower quartile ("lagging") rural areas;
  • To identify factors associated with high and with low levels of economic performance distinguishing those amenable to change through policy intervention from those which are not; and
  • To make recommendations as to the most appropriate broad policy instruments and measures that could be used by Government and public agencies at regional and local levels to bring those rural areas with lower economic performance up towards the standards of the best.

Source: DEFRA website

26.1.1 LAGGING DEFINITION UPDATED

Lagging districts were selected a rather complicated process. Basically, a basket of economic indicators - including income, earnings, benefits and business data - were used to measure economic performance in rural districts. LAs which fell into the lowest 25% for most of these indicators were then selected as “lagging”. However, following the selection of these lagging districts the list was sent for consultation to Government Offices and Regional Development Agencies who used their detailed knowledge of the areas to provide input into whether certain districts should or should not be part of the final 44 lagging areas. As a result, there is no clear scientific formula to state why one LA is "lagging" where another is not. The lagging (or indicator) districts have not been changed since the beginning of the PSA reporting period (2004) but the reporting period comes to an end in April 2008 and ‘Intermediate Outcomes’ are currently being developed which will replace the PSA indicators (and therefore lagging areas) anyway. It is not really possible to recreate the data which led to districts being allocated as lagging.

Development of the IOs is still in the very early stages and it has not been decided how these will be measured. The rankings of the Index of Multiple Deprivation headline measure and the PSA lagging districts were significantly correlated, so the indicators will be relatively similar.

26.2 DEFRA RURAL STRATEGY – ECONOMIC AND SOCIAL REGENERATION

26.2.1 DEFRA’s aim is:

PSA 4 (Productivity):

“Reduce the gap in productivity between the least well performing quartile of rural areas and the English median by 2008, demonstrating progress by 2006”

Productivity is a measure of economic success. Used in the rural context of this Public Service Agreement, it is a means to gauge whether economic conditions in rural areas with relatively poor economic performance are improving.

In technical terms, the objective is to reduce the gap in productivity between the least well performing quartile of rural areas and the English median. This objective will be met if the absolute gap between the growth rate of the indicator districts and the growth rate of the English median is reduced or if the growth rate on the indicator districts is greater than that for the English median, as demonstrated by the trend up to 2008.

Under the Rural Strategy[1] and its related Modernising Rural Delivery Programme (MRDP) Regional Development Agencies (RDA’s) are to perform an enhanced role in delivering socio-economic regeneration in rural areas.

The “Tasking Framework”, agreed nationally with Government Departments requires RDAs to assist DEFRA in achieving the PSA4 target for Sustainable Rural Communities from 2005/6 onwards, specifically in terms of:

- Improving rural **Productivity** in the “lagging” areas[2].

- Contributing towards an improvement in the **Accessibility** of services for rural people.

In recognition of this enhanced regeneration role the South West RDA has invested additional finance into the Gloucestershire Rural Renaissance Initiative to work towards the rural accessibility remit. To invest in projects that support access to services, e.g. multi-use community halls, local ICT access points, and mobile or outreach services.

[1] DEFRA Rural Strategy 2004 <www.defra.gov.uk>

[2] A lagging area is one which is in the least well performing quartile of rural Districts when compared with the English median for earned income by those of working age.

26.2.2 The geography of poor economic performance in rural England

This analysis is the result of establishing the nature and distribution of significant economic failure in rural England measured in terms of productivity for the Defra Rural PSA. The analysis used national statistics with validation through Government Offices and Regional Development Agencies and the Local Government Association during November/January 2002/03.

Rural Districts in the SW with consistently poor rural economic performance:

1. Kerrier.
2. Penwith.
3. Carrick.
4. Caradon.
5. Restormal.
6. North Cornwall.
7. Torridge.
8. North Devon.
9. West Devon.
10. Forest of Dean.

Source: DEFRA PUBLIC SERVICE AGREEMENT TECHNICAL NOTE

26.3 DEPRIVATION

The Indices of Deprivation 2004 (ID2004), produced by the Department for Communities and Local Government, are based on 37 indicators, which highlight characteristics of deprivation such as unemployment, low income, crime, poor access to education and health services. The headline measure is the 'Index of Multiple Deprivation' based on seven components: income; employment; health deprivation and disability; education, skills and training deprivation; barriers to housing and services; crime; and living environment. ID2004 no longer uses wards as its geographical units but smaller areas of 1,000-3,000 people known as Super Output Areas (SOAs). In Gloucestershire there are 367 SOAs compared to 142 wards.

27 APPENDIX 11 – MULTIPLE RETAILERS TO BE CONSIDERED

1. All:Sports (Retail) Ltd – sportswear and equipment
2. ATS Euromaster – tyres, batteries and exhausts
3. Bargain Books – discount booksellers
4. Bargain Booze – off licence
5. Birthdays Group Ltd – greeting cards
6. Blacks Leisure Group Plc (t/a Blacks Outdoor and Millets) – outdoor clothing, equipment, footwear and sportswear.
7. Blockbuster – DVD/video rental
8. Blooms of Bressingham Ltd – garden centres (Stonehouse Gloucestershire based)
9. Bon Marché Ltd – ladies' wear
10. Bradford Building Supplies Ltd – builders' and timber merchants (Yeovil based)
11. Brandon Hire Plc – tool hire
12. Builder Centre – builders' merchant
13. C & J international (Clarks) – footwear
14. Carmarthen & Pumsaint Farmers Ltd – hardware, gardening and ironmongery
15. Casswells Ltd – bathrooms, kitchen furniture, hardware, pet foods, building materials, etc (Midsomer Norton, Bath based)
16. Chessington Tyres Ltd - tyres
17. Clinton Cards Plc – greeting cards
18. Costa – coffee
19. Dollond and Aitchison Ltd – opticians
20. Ethel Austin – men's, ladies' and children's wear
21. Exsports – sportswear and equipment
22. Ferrari's Bakery Co Ltd – bakers
23. Gilesports Plc – sportswear and equipment
24. Greggs Plc/Bakers Oven – bakers
25. Haine and Smith – optician
26. Hi Q Tyre Services (GB) - tyres
27. Holland and Barrett – health foods and supplements
28. HSS Hire Service Group plc – tool and equipment hire
29. Iceland Foods – frozen and chilled foods
30. J H Leeke & Sons (t/a Leekes, The Out of Town Department Store) – nearest outlets Melksham Wiltshire and Llantrisant
31. Jack Brown Group – bookmakers
32. JCR News Stores Ltd – CTN
33. K G Stabb Ltd – footwear
34. Ladbrokes Ltd – bookmakers
35. Lidl UK – discount supermarket
36. Majestic Wine Warehouses Ltd – off licence/wine shop
37. Mountsteven's Ltd – bakers
38. National Tyre & Autocentre Ltd – tyre and exhaust centres
39. Nefertiti Fashions – ladies' and children's wear
40. Newshops Ltd – confectionery, tobacco and newsagents (CTN)
41. Orange Retail Ltd – mobile phones

42. Ottackar's / Waterstones – booksellers
43. Phones 4U – mobile phones
44. Select (Retail) Ltd – ladies' wear
45. Specsavers Optical Group Ltd – opticians
46. Stewart Greenberg Opticians Ltd – opticians
47. Stewarts Wales Ltd – ladies' wear
48. Taunton Leisure – Camping, hiking, climbing specialist goods
49. The Carphone Warehouse Ltd – mobile phones
50. The Edinburgh Woollen Mill Ltd – men's, ladies' and children's wear
51. The National Trust (Enterprises) Ltd – gifts, souvenirs, etc
52. The Oswald Bailey Group – camping goods and outdoor clothing
53. Travel City Ltd – travel agents (Swansea based)
54. Tyre Plus Auto Centre (t/a Charlie Browns Auto Centres) – auto centres
55. Vision Express UK Ltd – opticians
56. Vodafone Retail – mobile phones
57. WHSmith Ltd – CTN
58. William Hill Organisation – bookmakers