



Sustainable Communities
Central Bedfordshire Local Economic
Assessment

**“Globally connected, delivering sustainable growth to ensure
a green prosperous and ambitious place for the benefit of all”**

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Executive Summary

- 1.1 Central Bedfordshire is an economic powerhouse with further potential to boost the UK Economy. This requires a robust evidence base to inform our plans and drive economic growth to match our rising population numbers and the continued development pressure the area faces given its geographic location in the Greater South East. As such the Central Bedfordshire Local Economic Assessment (LEA) is a key tool to support policy development, place shaping and targeted service delivery within Central Bedfordshire.
- 1.2 Central Bedfordshire is a significant economic entity, with a population of over a quarter of a million people and covering some 716 square kilometers (276 square miles) the area is home to some 139,500 economically active people and nearly 12,000 businesses. Central Bedfordshire is the 11th largest unitary council in England by area and contributes and estimated £4.35 billion to the UK economy
- 1.3 Current analysis of the LEA highlights the further economic potential the area has to offer. Central Bedfordshire overall has a significant, strong, growing and diverse economy. Home to world leading companies and Universities and education institutions, a high quality built and natural environment, a skilled labour force and effective communications links to major population centres.
- 1.4 Focus on improving our business competitiveness will be key to this and finding new ways for public, private and voluntary sector collaboration to maximise the efficient use of limited resources to stimulate jobs growth and enable local people to participate in it.

Job Growth

- 1.5 Reflecting these strengths Central Bedfordshire has experienced rapid employment and population growth. In 2008, there were 85,100 jobs in Central Bedfordshire. The number of jobs had increased by 6,700 or 8.5 per cent between 2003 and 2008. There are however, pockets of deprivation and ongoing disparities between North and South Central Bedfordshire in terms of employment growth, with the North continuing to experience higher level of job growth. The population has increased by 18,900 since 2001 and stands at 252,900 (2009)
- 1.6 Strong job and population growth has been matched by strong growth in businesses. In 2009 there were 11,910 active enterprises in Central Bedfordshire. This level has increased by some 1,255 (11.8%) since 2002.

- 1.7 Central Bedfordshire has ambitious growth plans. In line with the area's Sustainable Community Plan vision and Economic Powerhouse aims, planning strategies have identified a target of 27,000 new jobs in Central Bedfordshire between 2011 and 2026. This is a job growth rate of approximately 1,800 per year and represents a significant increase from the current growth rate of 1340 per year.
- 1.8 Central Bedfordshire has a number of specialist sectors reflecting strengths in the high performance engineering/manufacturing sectors as well as indicating the continued importance of the rural economy, particularly through leisure and tourism based activities. The East of England Forecasting Model (Autumn 09 RSS version) highlights the following key growth sectors in Central Bedfordshire from 2010 to 2031, though these must be considered in light of increasing pressures on public spending:
- Business services
 - Education
 - Construction
 - Hotels & restaurants
 - Health
- 1.9 Central Bedfordshire also has a strong and growing reputation in the field of low carbon technologies, and is well placed to benefit from the forecast growth in this sector. Of particular strength is the area's academic research base.

Sustainable Employment

- 1.10 Our geographic location offers an attractive base for businesses to connect to the wider economy, but the high degree of connectivity is reflected in the high levels of commuting across our administrative borders. While job growth has been strong in the area, job density in Central Bedfordshire (0.67) in 2008 is the lowest in the East of England, and lower than the England average (0.83). In Central Bedfordshire, the ratio shows that there two jobs for every three resident people, and highlights the immediate priority to stimulate local employment opportunities.
- 1.11 Central Bedfordshire has a complex functional economic market area, with significant commuting, business supply chains and retail and leisure flows to surrounding population centres, particularly, Luton, Bedford and Milton Keynes. This reflects the high degree of out commuting to employment in surrounding areas and further supports the need to stimulate local job opportunities.

1.12 The difference between local residents and workers is further highlighted in that while average earnings for Central Bedfordshire residents are higher than in the East of England, income for people who work in Central Bedfordshire is lower than that of residents (by approximately £100 a week difference), reflecting the lower level of pay in jobs in Central Bedfordshire. The gap between earnings for residents and workers is greater in Central Bedfordshire than regionally or nationally.

Business Survey & Engagement

1.13 As part of the LEA business engagement activities, a local business survey has been conducted in partnership with Luton and Bedford Borough councils. This found that:

- 66% of business surveyed rate Central Bedfordshire as a good place to do business.
- 32% of businesses report an improvement in their business performance in the last 12 months and 50% anticipate an improvement in performance over the next 12 months
- 20% of businesses stated that an increased customer base would be the major growth opportunity for their business. Further to this, 13% of business responding suggested an improved economy would support their business growth. This is closely aligned to local growth plans
- 47% of businesses cite over-regulation/red tape and 49% cite transport costs as their biggest barriers to growth.
- businesses highlighted Central Bedfordshire's strengths as a location for business as good transport links, the central location and the attractive surroundings, while the least favorable aspects are traffic congestion (11%) poor road infrastructure (7%) poor parking facilities (6%) poor public transport (6%)

1.14 Businesses were asked how well they felt that Central Bedfordshire Council engages with them. There is considerable scope to improve business engagement with perceived amount of red tape in dealing with the Council being high. The findings of the survey and need to support businesses reiterate the importance of the council proactively engaging with business.

1.15 The council is working towards a proactive, enabling model of business engagement, by joining-up council delivered business services, such as trading standards and economic development, shifting our enforcement activity towards enabling business growth to create and retain jobs in the area. This aims to:

- improve the business customer experience;
- to embed Central Bedfordshire Council's role as an enabler and 'can do' Council

- encourage greater business engagement with Central Bedfordshire policy development
 - increase awareness and where appropriate uptake of services provided by the Council and partners
- 1.16 Despite strong business and job growth the productivity of the Central Bedfordshire economy in terms of gross value added (GVA) per head, is growing at a slower rate than regional and UK averages. A key goal for the area will be to increase the productivity of the Central Bedfordshire economy, particularly through supporting business growth, attracting new high value activity investment into the area and supporting business and labour market skill development.

Workforce Participation & Readiness

- 1.17 There are approximately 139,500 people economically active in Central Bedfordshire representing an economic activity rate of 81.3%, further reflecting the area's strong economy and participation in the labour market at rates significantly higher than national levels. However, the economic activity rate has declined through the recession and could fall further, from a high of 84.7% in December 2008. This means that there are an increasing number of people who are not engaged with the labour market or skills improvement. It will be important for Central Bedfordshire to counter this trend and maximise engagement in the economy.
- 1.18 An estimated 39,200 of Central Bedfordshire's working age population were workless. This equates to 23% of the working age population. This has risen from approximately 32,000 in May 2009. Resulting in a significant latent pool of potentially available local labour not currently presenting itself in our labour force statistics.
- 1.19 The third sector and voluntary and community sectors are playing an important role in providing routes to the labour market, tackling worklessness, delivering valuable services to communities and increasingly contributing to the economy through employment. However, increasing demand for services and pressures on funding means further support is required to develop the sector, particularly around enterprising capability and volunteering opportunities.
- 1.20 In line with national and regional trends, claimant count unemployment is falling. Claimant count stands at 2.4%. However, claimant count data shows a 138% increase from January 2007 to a high in August 2009, compared to a national increase of 68% indicating that Central Bedfordshire has been particularly hard hit during the recession.

- 1.21 Concern remains around global macroeconomic conditions and the threat of subdued growth or recession and public sector funding cuts. In light of this, analysis of the Central Bedfordshire economy highlights that the area has a number of attributes, such as high business start up levels, low public sector employment, a skilled workforce and growing business sectors which should allow for resilience against future economic shocks.

Workforce Skills

- 1.22 The importance of skills is becoming even more critical. Central Bedfordshire generally performs well with respect to qualifications, with 70% of the working age population holding level at least 2 qualifications and 29.9% of the working age population holding level 4 (degree equivalent). This level is below nearby regions, notably the South East.
- 1.23 A key factor in improving skills in the area will be ensuring the provision of joined up delivery of adult and young persons skills training. Based on this, current priorities for developing the skills agenda within Central Bedfordshire needs to focus on:
- increase our stock of skilled people
 - ensure participation by all
 - support business resilience, growth and enterprise
 - match our skills needs to our growth agenda

Priority Neighbourhoods and Rural Development

- 1.24 While Central Bedfordshire has a strong performing economy, there are also pockets of deprivation. Existing priority neighbourhoods are located in the Parkside and Tithe Farm areas of Houghton Regis, and the Downside area of Dunstable, these contain the five most deprived Lower Super Output Areas (LSOAs) in Central Bedfordshire, which are all within the 20-30% most deprived LSOAs in England, and the most deprived 15% in the East of England. Data highlights that there is also significant levels of deprivation in Northfields, Plantation, Flitwick East and Sandy Pinnacle.
- 1.25 54% of Central Bedfordshire's population lives in rural areas. This places Central Bedfordshire 97th out of 326 Local Authorities in England when considering their rurality. Many rural areas face significantly high levels of deprivation, particularly when considering access to services and employment.
- 1.26 There is considerable opportunity to develop knowledge based employment and tourism/ leisure businesses across Central Bedfordshire. This will require supporting rural diversification and providing sustainable provision of employment premises.

Conclusions

1.27 Central Bedfordshire has a number of strengths, opportunities and threats as highlighted below:

Strengths

- World leading education Institutions and businesses
- Strategic location, with strong transport links (M1, A1, A5, A6), rail and London Luton Airport
- Positive business views of Central Bedfordshire and optimism for future growth prospects
- Relatively low levels of unemployment and historic high levels of economic activity/employment
- Strong growth in employment floorspace
- High levels of managerial, professional and skilled occupation in the economy
- High levels of business and job growth

Weaknesses

- Relatively low level of highly paid job opportunities for Central Bedfordshire residents
- Low level of productivity
- Lack of enterprise facilities
- Significant leakage of retail and leisure spend
- Poor experiences of business engagement and red tape
- Pockets of deprivation in urban and rural areas
- Low level of higher skills (level 4) relative to the wider South East
- Low level of business employee training and engagement with education institutions in parallel with hard to fill vacancies and skills gaps reported by businesses

Opportunities

- High quality environment and major new tourist facilities for developing rural and visitor economy
- High levels of business growth supported by a proactive, enabling model of business engagement supporting an 'open for business' reputation
- Major housing and population growth increasing demand for labour, goods and services
- Existing education, business and infrastructure strengths in high value manufacturing/ engineering and emerging low carbon technologies, particularly around renewable energy generation and low carbon automotive sectors
- New forms of public, private and voluntary sector partnership initiatives to stimulate local employment growth and development

- A number of significant town centre and employment land scheme initiatives bringing in a step change in town centre performance and new private sector investment

Threats

- Public sector funding availability to deliver necessary infrastructure and economic programmes to meet Central Bedfordshire's ambitious growth targets
- Ongoing uncertainty on wider macroeconomic conditions, including business finance availability
- Increasing global and local competition in attracting new investment and employment opportunities
- A continued increase in those not participating in the labour market, either through lack of training or availability of opportunities

1.28 Central Bedfordshire has considerable economic potential. To date the area has performed well, but in light of an ever increasingly competitive business environment and challenging economic conditions, **Central Bedfordshire must fulfil its latent economic potential.**

1.29 Fulfilling this potential and achieving our economic power house aims and wider vision will require a series of activities to build on the strong existing economic base and stimulate job growth. This will include increasing business start ups, supporting indigenous business growth and attracting new inward investment.

1.30 To achieve this, a concurrent programme of activity to put in place the necessary physical infrastructure, available sites and premises, support for raising educational attainment and skills levels and fostering an entrepreneurial culture would be required. Based on the analysis, the key emerging priorities are:

People

- Raising the Employment Rate and employment opportunities in Central Bedfordshire above current levels, with a particular focus on disadvantaged groups and wards
- Nurturing an innovative and entrepreneurial culture throughout Central Bedfordshire.
- Supporting social enterprise and the voluntary sector to maximise engagement of residents with the labour market
- Increasing our stock of skilled people and build upon existing education assets, in particular through increasing job related training, fostering business and education linkages and encouraging new apprenticeship opportunities.
- Ensuring economic participation by all, particularly those who need extra help

Business

- Supporting our rural communities to diversify and thrive
- Supporting business resilience, growth and enterprise, with a particular focus on supporting high growth businesses, building on the area's existing sector specialisms
- Matching our skills needs to our growth agenda
- Reducing red tape and delivering an enabling supportive approach to business engagement and support through the Council's and its partners services

Place

- Fulfilling Central Bedfordshire's economic potential and building on the area's world leading assets
- Bringing forward high quality employment land and premises and enhancing Central Bedfordshire's high quality environment to support local job growth. In particular supporting the development of enterprise development space, from incubation units to private sector managed workspace
- Continuing to invest in and enhance Central Bedfordshire's town centres to attract new investment, business and visitors to the area, in particular to increase retail and leisure spend in the area.
- Enhancing Central Bedfordshire's accessibility through transport infrastructure and services improvements to enabling Twenty First Century Information Communications Technology (ICT) infrastructure

Introduction

- 2.1 Part Four of The Local Democracy, Economic Development and Construction Act 2009 places a new duty on county councils and unitary councils to prepare an assessment of the economic conditions of their area. The Government is expected to repeal this duty in the Localism Bill expected in Autumn 2010, placing the decision to undertake the Local Economic Assessment (LEA) in the future at the discretion of the local area.

Our Vision

- 2.2 This LEA will form part of the evidence base for the Central Bedfordshire Sustainable Community Strategy, the shared prospectus for Central Bedfordshire, setting out what sort of place we want it to be over the coming years. The Sustainable Community Strategy sets out the key things we need to do to make Central Bedfordshire a globally connected, green, prosperous and ambitious place delivering sustainable growth for the benefit of all.
- 2.3 Our Sustainable Community Strategy sets out the vision of Central Bedfordshire as:

“Globally connected, delivering sustainable growth to ensure a green prosperous and ambitious place for the benefit of all”

There are two key themes that underpin and support all of our priorities:

- Creating the conditions for economic success and community prosperity
- Raising standards and tackling inequalities

These link the eight priorities of the Strategy together. Of key importance for the LEA to consider are the priorities to:

- Maximising employment opportunities and delivering housing growth to meet the needs of our communities
- Ensuring our local people have the skills to prosper

- 2.4 Central Bedfordshire is already a significant economic entity, with a population of over a quarter of a million people and covering some 716 square kilometers (276 square miles) the area is home to some 139,500 economically active people and nearly 12,000 businesses. Central Bedfordshire is the 11th largest unitary council in England by area and contributes and estimated £4.35 billion to the UK economy.

- 2.5 Central Bedfordshire has a strong economy, due to a number of factors including, its location, infrastructure assets, education facilities, high quality environment and planned housing growth.
- 2.6 Central Bedfordshire must be focused on accelerating sustainable economic growth and be recognised as a leading location for business investment. Our vision highlights the need for Central Bedfordshire to fulfill its economic potential, and that there are more local jobs for local people. It is this vision and priorities to stimulate sustainable growth that sets the context for the analysis within the LEA.

Vision for the Central Bedfordshire Economy

- 2.7 Central Bedfordshire has an aim to become an ‘Economic Powerhouse’. This can be seen as:

“A place that is highly attractive, well connected prime location for businesses to thrive in a global economy – generating numerous, wide ranging and sustainable job opportunities – with the area being renowned for innovative, high-tech, knowledge based industries.”

- 2.8 As an ideal, a set of characteristics that embody an Economic Powerhouse have been identified.

Characteristics of an Economic Powerhouse		
A job for everyone	Businesses responsive to market trends and resilient to market failure	Partnership between the public, private and voluntary sectors
Plentiful supply of high quality business sites and premises, flexible to the needs of businesses	Effective business support delivered by a joined up range of public, private and voluntary sector providers	High quality infrastructure that supports economic growth
Skilled workforce - at all levels	A growing number of knowledge based jobs	High quality built and natural environment
A range of finance sources available to help business start and grow	High levels of innovation from individuals and businesses and high levels of business growth	Young people leaving school with aspiration to fulfill their potential
More young people leaving school with qualifications and work experience	Evidence of more people employed in high value growing industries	Promotion of local business success stories and business ambassadors
Year on year reduction in worklessness	Demand led training customised to employer need	Closing of income differentials and area deprivation scores

- 2.9 All of the above will support meeting the targets of approximately 27,000 new jobs between 2011 and 2026 in adopted and emerging Core Strategies in Central Bedfordshire.
- 2.10 Central Bedfordshire's economic priorities and ambitions require a robust evidence base to inform our plans and support long term economic growth. As such, the Central Bedfordshire LEA is a key tool to support policy development, place shaping and targeted service delivery within Central Bedfordshire.
- 2.11 Key to this will be broad partnership engagement and use of the LEA as a shared evidence base across council and partner services. The Government recognises that an LEA will support local economic development by:
- Enhanced capability and capacity on economic development issues, with greater understanding of the conditions required for business to flourish
 - Effective prioritisation of, and evidence for, economic and regeneration interventions
 - Improved engagement with private sector partners; and
 - Stronger, higher quality input to the development of regional and national policy development
- 2.12 The LEA will also form an important factor in the development of planning, transport, housing and other policies developed by the council, ensuring that these reflect local economic conditions, opportunities and business consideration.
- 2.13 At a regional/ national and sub national scale the LEA will be used to promote Central Bedfordshire's aspirations and needs as part of attracting the resources required to deliver long term sustainable economic growth.

Partnership

- 2.14 For our LEA to be most effective, a wide range of consultation activities with the business and wider community have been undertaken. Likewise we have worked in partnership with Luton and Bedford Borough Councils to undertake a business survey for the area to highlight cross boundary business opportunities and constraints.
- 2.15 Our LEA will be presented to Central Bedfordshire Together, the Local Strategic Partnership for the area, to further ensure partnership input into and support for the LEA. This joint working is essential if partners are to deliver the conditions to support business growth, new investment into Central Bedfordshire's infrastructure, an entrepreneurial culture, skills development and new employment opportunities for the local residents.

- 2.16 At a regional level, we have been working as part of the East of England Local Economic Assessment Group (EELEAG) to ensure consistency and share best practice at a regional level. This has been framed through the Regional Economic Strategy (RES) for the East of England which sets out a long-term vision for the region's economy.

Delivering the LEA

- 2.17 A program of activities has been undertaken to bring together a range of information sources, primary research and partner organisations input. In line with Government Guidance, together with the Regional Economic Strategy and importantly delivering against our vision for Central Bedfordshire, our LEA will consider the following areas
- Demography
 - Economic Geography:
 - Structure of the Local Economy
 - Labour Market and Skills
 - Low Carbon Economy
 - Employment Land, Housing, Transport Provision and Other Infrastructure
- 2.18 This will provide a comprehensive evidence base highlighting the economic development priorities for Central Bedfordshire. From this, an Economic Development Strategy will be developed, detailing the key actions that the council and its partners will undertake to support sustainable business and employment growth.

Demography

Population

- 3.1 The population of Central Bedfordshire was 252,900 in 2009. This was an increase of approximately 18,900 (8.1%) since the last Census took place in 2001. This is a rate of growth greater than regional (6.8%) and national (4.8%) levels. Central Bedfordshire has a higher percentage of working age people within its population (65.3%) than regional (63.8%) and national (65%) levels.

Population of Central Bedfordshire, estimates by age and gender, 2009

	Male	Female	All
0-15	25,400	24,300	49,800
16-64	82,700	82,500	165,200
65+	17,100	20,700	37,900
Total	125,300	127,600	252,900

Figures are rounded to the nearest hundred, so may not exactly sum to total
Source: Office for National Statistics, Mid-Year Population Estimates, 2009

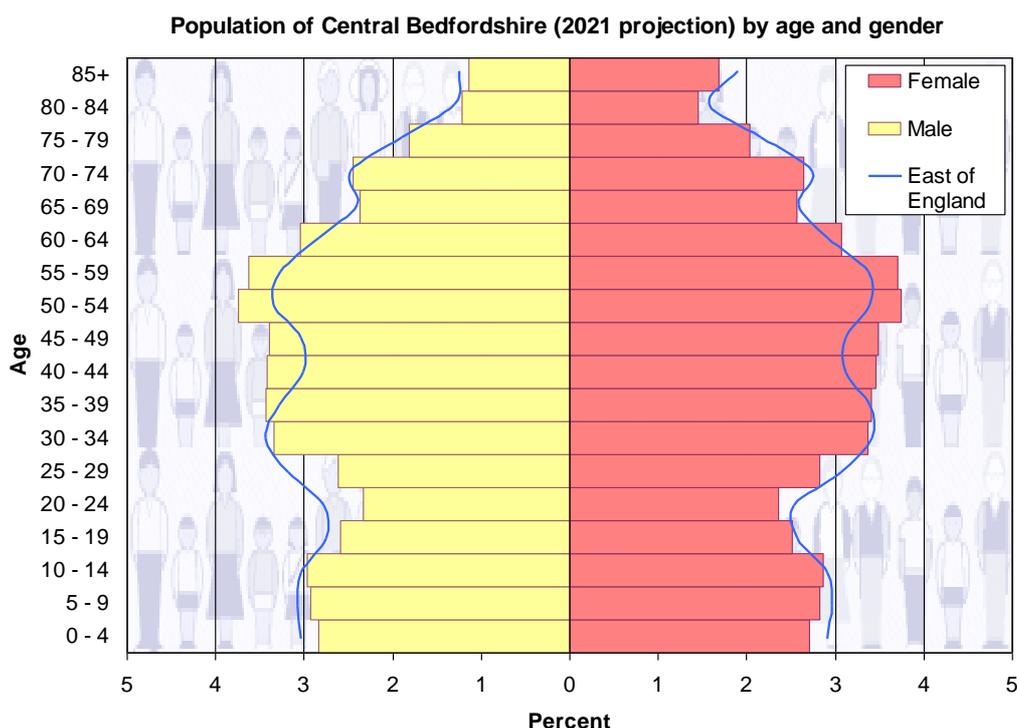
- 3.2 While Central Bedfordshire is a predominantly rural area, the areas population is similar to large cities such as Reading, Plymouth Derby and Southampton, and above neighbouring local authorities, Bedford, Milton Keynes and Luton.
- 3.3 The largest settlements in central Bedfordshire are highlighted below.

Population of Central Bedfordshire largest settlements

Town	Population Estimate 20098
Leighton Linlade	37,00
Dunstable	35,120
Houghton Regis	16,670
Biggleswade	16,420
Flitwick	13,370
Sandy	11,620

Source: BBC, CBC & LBC, Bedfordshire Population Model

- 3.4 Between 2009 and 2021, the total population of Central Bedfordshire is set to increase by just over 15%.



Source: Data from Bedfordshire County Council and Luton Borough Council, Population Estimates and forecasts report 2008 and Office for National Statistics, Population Projections

3.5 Forecast growth is generally higher in the 35-59 age group, with growth in young people (0-29) below regional levels, which will further enhance Central Bedfordshire's position relative to a growing workforce.

Summary of Population Change in Central Bedfordshire, 2009-2021

	2009	2021	% change
0-15	49,800	55,800	12.0%
16-64	165,200	180,800	9.4%
65+	37,900	55,500	46.4%
Total population	252,900	292,100	15.5%

Figures are rounded to the nearest hundred, so may not exactly sum to total
Sources: Office for National Statistics, Mid-Year Population Estimates, 2009 and Central Bedfordshire Council, Population Estimates and forecasts report 2009

3.6 However, the biggest proportionate increase in population is in the number of people aged 65 and over. This is expected to increase by 46.4% between 2009 and 2021. While this is in line with national and regional trends, increased consideration of health provision and well-being is critical for this age group, to prevent or delay deterioration into ill-health, social isolation and the need for acute care.

Population Estimates of People Aged over 65, 2009-2021

Age Group	2009	2021	% change
65-74	21,100	28,500	35.1%
75-84	12,400	18,500	49.2%
85+	4,400	8,500	93.2%
Total 65+	37,900	55,500	46.4%

Figures are rounded to the nearest hundred, so may not exactly sum to total
Sources: Office for National Statistics, Mid-Year Population Estimates, 2009 & Central Bedfordshire Council, Population Estimates and forecasts report 2009

Ethnicity

- 3.7 An estimated 11% of people in Central Bedfordshire were from ethnic minority communities in 2007. The largest of these groups are White Other (not British or Irish, 2.9%); Indian (1.3%); and White Irish (1.2%)¹.
- 3.8 There is also some variation by age group: younger age groups have a higher proportion of people from ethnic minority groups, compared with the older age groups.

Central Bedfordshire population by ethnic group, 2007

Ethnic group	Total	
	000s	%
White	234.9	93.2%
Mixed	3.8	1.5%
Asian or Asian British	6.9	2.7%
Black or Black British	3.8	1.5%
Chinese or other ethnic group	2.7	1.1%
Total	252.1	

Figures are rounded to the nearest hundred, so may not exactly sum to total
Source: Office for National Statistics, Resident Population Estimates by Ethnic Group, All Persons, Experimental Statistics, 2007

- 3.9 The south of Central Bedfordshire has a slightly higher proportion of people from black and minority ethnic groups (7.4%), with 92.6% of people in the 'white' ethnic group.
- 3.10 At the 2001 Census, 2.7% of people in Central Bedfordshire were from BME (Black or Minority Ethnic) groups. The pre-2009 wards with the highest proportions of people from BME groups were Parkside (7.3%), Tithe Farm (5.2%) and Cranfield (7.1%).

¹ (Source: Office for National Statistics, Resident Population Estimates by Ethnic Group, All Persons, Experimental Statistics, 2007)

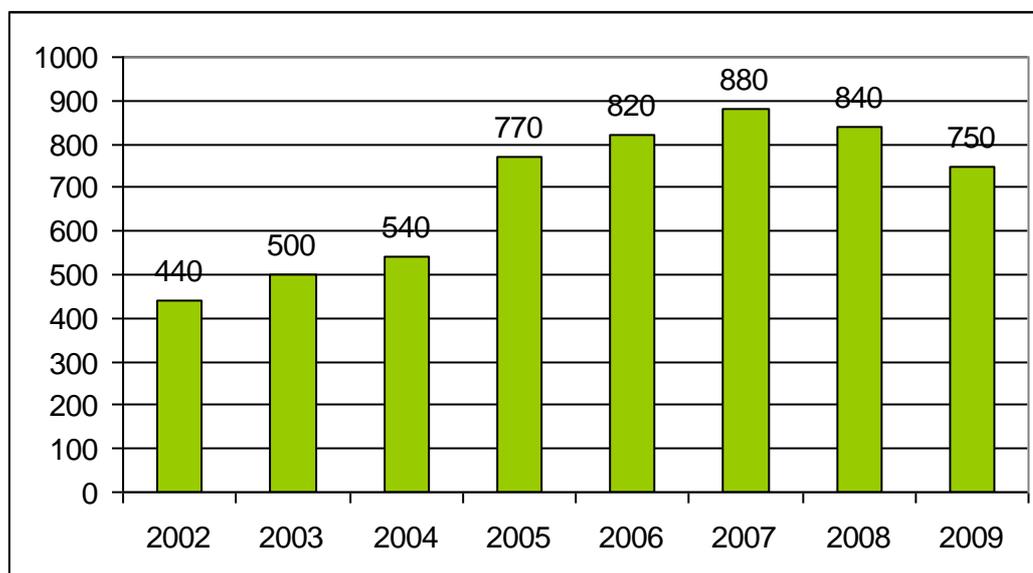
Migrant workers

3.11 In 2009 205 working migrants from the eight new EU accession states entered Central Bedfordshire, compared to 255 in 2008, according to Worker Registration Scheme (WRS) approved applications. Just over half of these migrant workers were from Poland. Up to March 2010 there had been an additional 95 registrations, 3%² of the regional total. The main industries these relate to are:

- Administration, Business and Managerial Services
- Food processing
- Hospitality and Catering

3.12 The numbers of migrant workers (from all countries) entering Central Bedfordshire increased each year between 2002 and 2007, but declined in 2008 and 2009. As of March 2010 there were 200 migrant workers entering Central Bedfordshire. These figures are based on allocations of national insurance numbers (NINo). A NINo is generally required for overseas nationals of any country looking to work or claim benefits or tax credits in the UK, including the self employed or students working part time.

NINo registrations to adult overseas nationals, Central Bedfordshire, 2002-2009

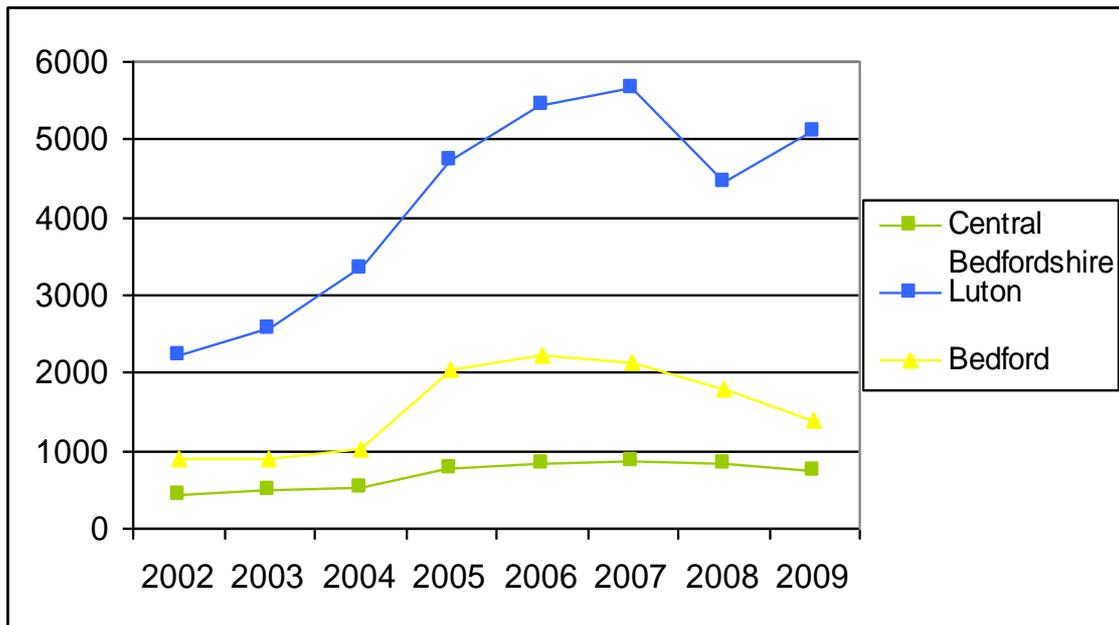


Source: Department for Work and Pensions, NINo Registrations to Adult Overseas Nationals entering the UK, 2010

3.13 The level of NINo registrations is consistently lower than neighbouring authorities

² Source: Local Government Analysis and Research, Worker Registration Scheme data, Jan 2008 – March 2010).

NINO Registration by Bedfordshire Local Authority



Functional Economic Geography

4.1 Guidance on undertaking a LEA highlights that economic analysis is best undertaken at the spatial level at which the relevant economic market operates – or the ‘functional economic market area’. CLG have produced a guidance note on considering how best to evaluate Functional Economic Market areas (FEMAs)³ The guidance notes that economic flows often overlap local authority boundaries. This means that the functional area over which the local economy and its key markets and businesses operate will not necessarily adhere to administrative boundaries. This may mean that any economic policies and actions developed may not accurately take into account the true impacts on the FEMA.

Travel to Work Areas

4.2 One of the most widely used approaches to identifying FEMAs is by reference to Travel to Work Areas (TTWAs), which are relatively self contained, internally contiguous labour market areas. A commonly used definition is that: of the resident economically active population at least 75 per cent work in the area; and of all those working in the area at least 75 per cent also live in the area – drawing on the 2001 Census. There are currently (2007) 243 individual TTWA areas in the UK, ranging from a minimum population of 3,500 to many millions, for example the whole of London is considered a single TTWA.

4.3 Central Bedfordshire is covered by a number of travel to work areas. the major travel to work areas for Central Bedfordshire residents are:

- Bedford
- Milton Keynes and Aylesbury
- Luton and Watford
- Stevenage

4.4 The highest number of residents are located in the Luton and Watford TTWA, but there is a even split across the Central Bedfordshire area, with large population centres located in all of the TTWA areas within Central Bedfordshire. There are also likely to be significant flows between TTWA, as while 75% of the resident population must also work in the TTWA, the aggregation of small towns such as those within Central Bedfordshire, may mean commuting flows may not be truly reflected. For example the combined population of the Milton Keynes and Aylesbury TTWA may mask commuting flows between Leighton Buzzard and Dunstable

³ Communities and Local Government : Functional Economic Market Areas: An economic note February 2010

2001 Travel to Work Areas



Source: Office of National Statistics

- 4.5 Further analysis can be undertaken considering detailed commuting flows. This data, taken from the Census 2001 and Annual Population Survey 2008 provides more local detail as to commuting flows within Central Bedfordshire, though data is only available at old Mid Bedfordshire and South Bedfordshire areas.

Local Labour Market

Local Authority of Residence of People Employed within Mid Bedfordshire

No.	Authority of Residence	2001 Flow	2008 Flow
1	Mid Bedfordshire	57.7%	61.9%
2	Bedford	11.7%	9.2%
3	North Hertfordshire	4.9%	4.1%
4	Huntingdonshire	3.3%	3.6%
5	Milton Keynes	3.5%	3.2%
6	Luton	2.8%	1.5%

Sources: Local Labour Force Survey, 2001 & Annual Population Survey, 2008; Office of National Statistics

- 4.6 The majority of local jobs are taken by local residents in the former Mid Bedfordshire part of Central Bedfordshire, a trend which has increased between 2001 and 2008.

Local Authority of Residence of People Employed within South Bedfordshire

No.	Authority of Residence	2001 Flow	2008 Flow
1	South Bedfordshire	62.1%	65.4%
2	Luton	16.2%	13.1%
3	Aylesbury Vale	3.5%	4.6%
4	Milton Keynes	3.7%	3.6%
5	Mid Bedfordshire	5.7%	2.5%

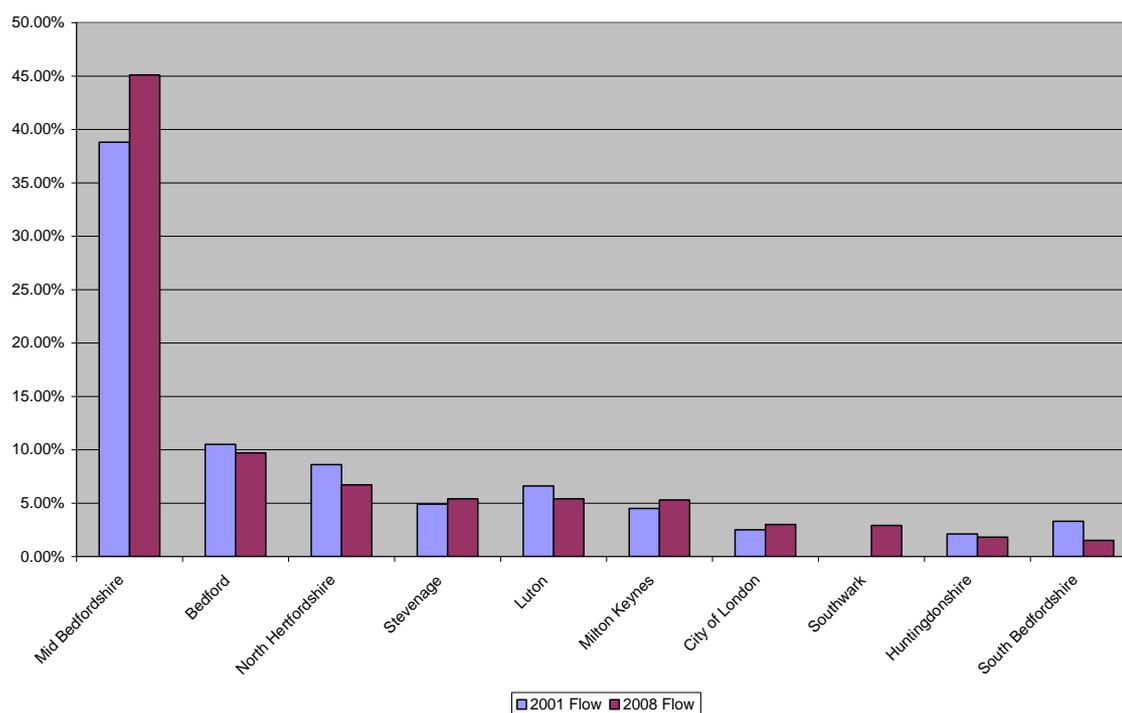
Sources: Local Labour Force Survey, 2001 & Annual Population Survey, 2008; Office of National Statistics

- 4.7 As with Mid Bedfordshire, the majority of jobs available in South Bedfordshire are also taken by local residents, with around 2 out of 3 jobs filled locally and this figure rising.
- 4.8 When considering the residence of people employed in Central Bedfordshire a mixed picture emerges. The average number of people working in Central Bedfordshire that also live there is 64.9%. While this is below the definition for TTWA's it still represents almost two out of three people working in the area living in Central Bedfordshire and is significantly above the next highest flows of labour into Central Bedfordshire (Luton and Bedford).
- 4.9 There are also differences within Central Bedfordshire, with significantly differing employment flows from the old Mid Bedfordshire and South Bedfordshire areas. Mid Bedfordshire demonstrates commuting flows to Bedford and other population centres in Huntingdonshire, North Hertfordshire and Milton Keynes. Conversely South Central Bedfordshire demonstrates commuting flows to population centres in Luton, Aylesbury Vale and Milton Keynes. The flow of labour between the areas is relatively small when compared to other destinations.

Out commuting

- 4.10 Guidance also notes the importance of considering out commuting patterns. The level of out-commuting has historically been identified as a weakness in the local economy and is mainly due to its predominantly rural nature, lack of a large urban centre and the close proximity of major employment centres such as Bedford, Milton Keynes, Luton, Stevenage and London.

Location of Employment for Mid Bedfordshire Residents



Sources: Local Labour Force Survey, 2001 & Annual Population Survey, 2008; Office of National Statistics

4.11 The key issues in relation to out commuting from the former Mid Bedfordshire authority areas as a whole highlight that:

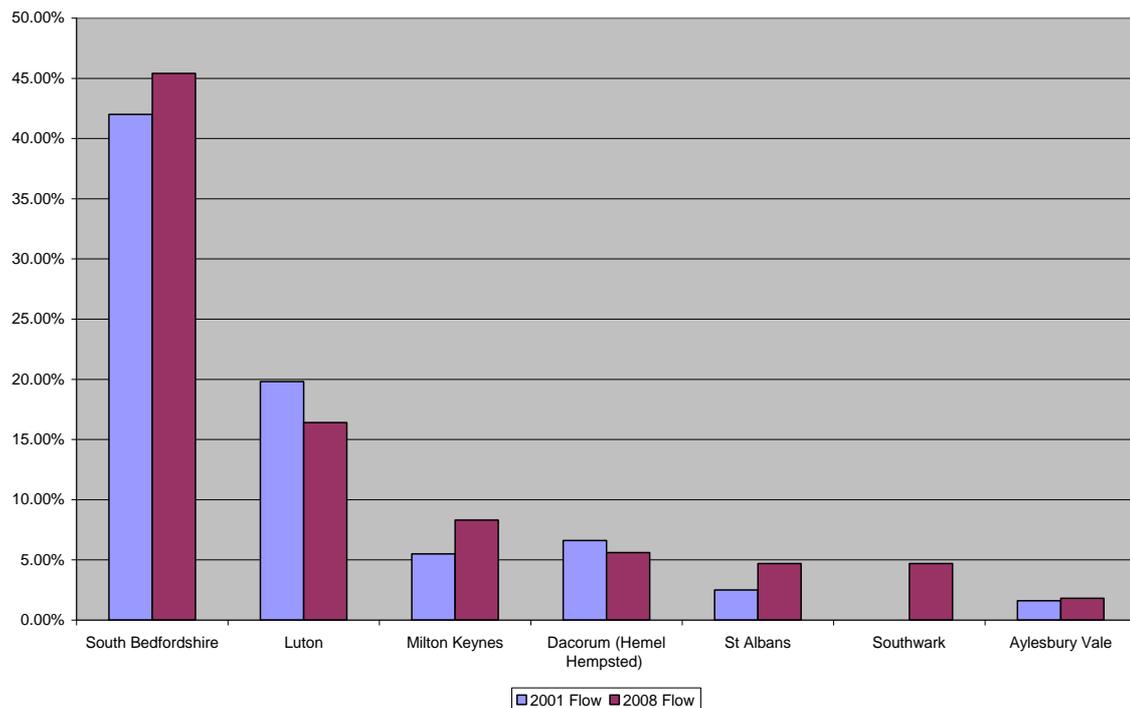
- 55% of Mid Bedfordshire residents commute out of the authority for employment although the former authority area has increased its level of self containment since 2001
- There is little relationship between Mid Bedfordshire and South Bedfordshire in terms of journeys to work
- Local authorities within Hertfordshire account for some 12.1% of jobs occupied by Mid Bedfordshire residents
- Luton, Milton Keynes and London also draw significant numbers of residents away from Mid Bedfordshire as key sub-regional and national employment centres
- Bedford is the single biggest draw of commuters from Mid Bedfordshire with almost 1 in 10 of Mid Bedfordshire residents travelling to Bedford for employment

4.12 The key issues in relation to out commuting from the former South Bedfordshire authority area as a whole highlight that:

- A high proportion of South Bedfordshire residents commute out of the authority
- As with Mid Bedfordshire, the former authority area has increased its level of self containment since 2001

- There is a strong relationship with neighbouring Luton with around 1 in 7 residents commuting over the local authority boundary, although this has declined from 1 in 5 residents in recent years
- Milton Keynes is exerting a growing influence with an increasing number of residents commuting to the town
- There is little if any commuting to the former Mid Bedfordshire authority area

Location of Employment for South Bedfordshire Residents



Sources: Local Labour Force Survey, 2001 & Annual Population Survey, 2008; Office of National Statistics

Housing Market Areas

- 4.13 Another potential analysis of local economies is at the level of Housing Market Areas (HMA). HMA's reflect where people live and work, and typically represent the areas in which the majority of residents will look for housing when they move.
- 4.14 Opinion Research Services and Savills were commissioned to undertake a comprehensive and integrated Strategic Housing Market Assessment (SHMA 2010) for the whole of the Bedfordshire and Luton sub-region, including the Housing Market Areas of Bedford and Luton. The study identified local HMA's based on.
- Existing policy documents and supporting information published by the Local Authorities and their partners

- Primary data from a survey of recent movers within and surrounding the sub-region, and a general Household survey previously conducted for the Luton and Bedfordshire housing requirement studies
- Secondary data and official statistics from a wide range of local, regional and national sources
- Information gathered through consultation with a wide range of stakeholders

4.15 The study identified that the urban areas of Bedford and Luton form the central points for the two largest housing market areas in Bedfordshire. Much of eastern Central Bedfordshire falls into a housing market centred around the A1(M) corridor originating in Stevenage, whilst areas to the west of the district form the outer parts of the housing market centred on Milton Keynes. Central Bedfordshire is part of four HMA's that overlap the area's administrative boundaries, with Luton, Bedford, Milton Keynes and Stevenage/Hertfordshire (A1 Corridor) being the main areas of influence.

Housing Market Areas in Central Bedfordshire.

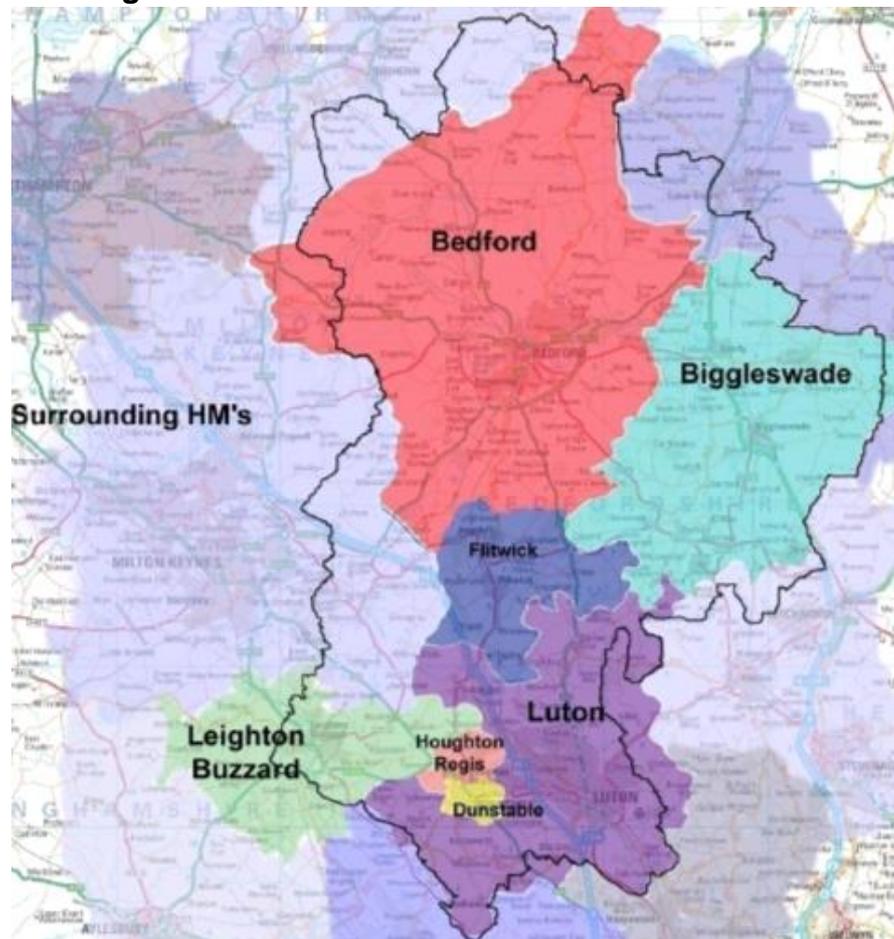


Source: Bedfordshire and Luton Strategic Housing Market Assessment 2010

4.16 Prior to the Strategic Housing Market Assessment, Opinion Research Services undertook earlier (2006) research which identified a further seven HMA's with Central Bedfordshire's larger settlements accounting for individual HMA, based on high number of people living in this areas also working in these areas.

- 4.17 Due to the scale of surrounding population centres and commuting patterns to these locations, it was concluded that these smaller HMA's within Central Bedfordshire should be absorbed into the larger, more strategic HMA's identified above.

Housing Market Areas Within Central Bedfordshire



Source: Source: Bedfordshire and Luton Strategic Housing Market Assessment 2010

Location of Customers and Suppliers

- 4.18 Data from the Bedfordshire and Luton Business Survey 2010 indicates that almost two-thirds of businesses in Central Bedfordshire (64%) have customers based locally, in and around their borough or district. Over a quarter of local businesses (29%) have customers based elsewhere in the UK and 26% have customers outside of their region and surrounding regions which include the East of England, the South East and the East Midlands. Businesses that are more likely to serve other businesses, i.e. finance, agriculture/production, transport, post and telecommunications and wholesale and retail businesses are more likely to serve a geographically wider market.

- 4.19 When considering supply activities of businesses in Central Bedfordshire, 47% of businesses surveyed have suppliers that are based locally, in and around their borough or district. This is a similar proportion as the average across the county (46%). A third of local businesses (36%) use suppliers based in elsewhere the UK and 20% use suppliers in surrounding regions which include the East of England, the South East and the East Midlands.
- 4.20 Analysis from the business survey indicates a significant amount of local (surrounding districts) supply chain activity and customer base. This indicates that when considering Functional Economic Geographies, there is a clear need to focus at the local linkages within Bedfordshire. There is less evidence for regional supply chain linkages as opposed to national linkages. The customer and supplier base is closely related to the size of the business, with larger businesses constantly having national and international supplier networks and customers.

Retail and Leisure flows

- 4.21 It is also important to note the retail and leisure flows of a FEMA. The council commissioned research undertaken by CACI (2010) to assess the level of retail and leisure flows. This indicates that £187m is spent by Central Bedfordshire residents in centres within Central Bedfordshire on retail activities. However they spend another £528m in centres outside the region. This equates to a regional leakage of 74%. In contrast, just £66m comes into Central Bedfordshire from other council areas. The balance of retail trade is -£462m, with eight times as much money leaving Central Bedfordshire than coming in.
- 4.22 The loss of £528m a year to retail centres outside of the region, indicates the strength of the centres just across the borders. In particular, Milton Keynes takes 34% of this money, with significant amounts also leaving to Luton (12%) and Bedford (7%). Central London is also a big draw with Central Bedfordshire's shoppers, who spend £43m a year there, representing 8% of total leakage.
- 4.23 In contrast, the retail centres within Central Bedfordshire attract £66m into the region. This is predominantly down to Dunstable importing 36% of its trade from outside the council boundary, predominantly from Luton. Leighton Buzzard and Biggleswade are two similar sized retail centres, and have the second and third largest spends respectively. Of Central Bedfordshire residents' spend, Leighton Buzzard captures 5.3% and Biggleswade 4.6%.
- 4.24 When considering leisure flows (Eating and Drinking), £137m is spent on eating and drinking out by residents in centres within Central Bedfordshire. However they spend another £140m in centres outside the region. This equates to a regional leakage of 50%. £80m comes into Central Bedfordshire from other council areas.

- 4.25 The balance of trade is -£60m with almost twice as much money leaving Central Bedfordshire than coming into it. However, Central Bedfordshire also receives £80m of imported spend on eating and drinking out, Dunstable is responsible for £42m and Leighton Buzzard for £24m. Both of these centres rely on residents outside of Central Bedfordshire for almost half of their annual spend. That people are willing to travel into the region reflects the relative attractiveness and more widespread appeal of Central Bedfordshire's centres in terms of leisure provision.
- 4.26 Within Central Bedfordshire, Dunstable has the largest leisure spend provision, attracting £91m of spend per year. Just over half of this comes from within the region, the remainder is spent by residents living outside the area. Of all the spend retained by Central Bedfordshire, 36% finds its way to Dunstable, and the centre is responsible for 54% of imported food and drink spend.
- 4.27 The second biggest centre within Central Bedfordshire is Leighton Buzzard, attracting £53m of spend every year, of which 55% comes from Central Bedfordshire residents. Biggleswade is a Rural Centre with an annual spend of £33m. Nearly all (85%) of this comes from within the Central Bedfordshire area. Both Leighton Buzzard and Biggleswade maintain an 8-9% market share of Central Bedfordshire spend, however Biggleswade loses more trade from its catchment to centres outside of the region. Ampthill and Sandy are both local centres serving the immediate population. 12% of Central Bedfordshire's spend goes to each of these centres
- 4.28 In terms of centres attracting Central Bedfordshire eating and drinking spend, Luton is responsible for almost a third of leaked on-trade spend from Central Bedfordshire. £44m of its £217m annual spend (20%) comes from the Central Bedfordshire region. 16% of Central Bedfordshire's resident spend goes to Luton - the second highest amount after Dunstable. Bedford is a similarly large centre and relies on Central Bedfordshire residents for 13% (£26 million) of its income, and the centre is responsible for almost a fifth of leakage from Central Bedfordshire. Hitchin (Hertfordshire) is another upmarket centre outside of Central Bedfordshire. Despite only attracting £65m of spend per year, £9m of this comes from the Central Bedfordshire region, making it the third biggest centre in terms of leakage from Central Bedfordshire.
- 4.29 In contrast to the retail (comparison) spend, Milton Keynes is much less significant in terms of leisure impact on Central Bedfordshire centres. Milton Keynes draws £6.5m a year from the Central Bedfordshire area. This is just 5% of total leakage, compared to 34% of leaked comparison spend to Milton Keynes. Stevenage Leisure Park attracts £8.3m from Central Bedfordshire residents.

4.30 Again, it can be seen that Central Bedfordshire has a complex pattern of retail and leisure economic activity. Milton Keynes exerts a significant pull in terms of retail, in line with its status as a regional shopping centre. There are also pulls to Luton and Bedford based on their close proximity, and relatively high levels of spending leakage from central Bedfordshire. With regards to eating and drinking, flows are more balanced and self contained, though again reflecting significant flows within and external to Central Bedfordshire, though to a lesser extent to Milton Keynes and higher levels of spend being accounted for by centres within Central Bedfordshire, particularly Dunstable.

Administrative Boundaries

4.31 Guidance notes that it is within administrative boundaries that services and strategies are applied and developed. Furthermore, many businesses have relationships with local authorities in relation to a range of statutory activities, such as planning, environmental health and trading standards. The importance of administrative boundaries therefore also needs to be recognised.

4.32 Central Bedfordshire Council is a relatively new council, being formed on the 1st April 2009. The administrative boundary covers an area of some 716 square kilometres. Central Bedfordshire is the 11th largest unitary council in England by area. The council delivers services historically provided by and covers the areas of the former Bedfordshire County Council, Mid Bedfordshire and South Bedfordshire district councils. Prior to this Bedfordshire had operated as a two tier authority area. Central Bedfordshire is bordered within Bedfordshire by the Unitary Authorities of Luton Borough Council and Bedford Borough Council. There are also a number of Parish and Town Councils within Central Bedfordshire. They deliver a range of services at a community level and their role is to represent the local community, provide services to meet local needs and improve quality of life and community well being. There are 68 Parish Councils in Central Bedfordshire and 11 Town Councils:

- Ampthill Town Council
- Arlesey Town Council
- Sandy Town Council
- Shefford Town Council
- Pottton Town Council
- Stotfold Town Council
- Leighton Linlade Town Council
- Flitwick Town Council
- Houghton Regis Town Council
- Dunstable Town Council
- Biggleswade Town Council

- 4.33 From a planning perspective Central Bedfordshire has two Local Development Frameworks (LDF) based on the former legacy authority areas comprising Mid and South Bedfordshire. Whilst it remains our longer term aspiration to arrive at a single LDF to cover the whole unitary authority, Central Bedfordshire continues to work with two LDFs which are at differing stages.
- 4.34 Northern Central Bedfordshire (former Mid Beds) has had its Core Strategy and Development Management Policies adopted (November 2009) and is presently working on its Site Allocations DPD which will be the subject of Examination in October 2010. Southern Central Bedfordshire (former South Beds) and Luton (Growth Area as identified within the MKSMSRS) anticipates its Core Strategy will be the subject of Examination in the Autumn of 2011 with an expected adoption date early in 2012. Based on the information contained in the adopted and emerging Core Strategies Central Bedfordshire is planning for approximately 27,000 new jobs from 2011 to 2026.

Functional Economic Market Area for Central Bedfordshire

- 4.35 The Functional Economic Market area of Central Bedfordshire is complex. There are clear commuting, labour market, economic activity and administrative linkages to surrounding areas, as well as linkages within Central Bedfordshire. When considering employment and commuting it is clear that Central Bedfordshire accounts for most linkages, though the level of out commuting to surrounding population centres is significant. This reflects the rural nature of much of Central Bedfordshire, and good transport links to these and other centres, such as London.
- 4.36 Central Bedfordshire is a significant functional economic market in its own right, home to over 11,000 business and 100,000 jobs. The self containment of Central Bedfordshire is also increasing, rising from 58.9% in 2001 to 63.65% in 2008. A similar trend of more local employment is witnessed. It must be noted however, that there continue to be significant disparities between economic performance between North Central and South Central Bedfordshire (based on the old administrative areas) There are significant flows of labour to Hertfordshire, but the main functional linkages outside of the Central Bedfordshire area are with Luton and Bedford population centres. This also reflects significant existing partnership working between Central Bedfordshire Council and these authorities.
- 4.37 These linkages are further highlighted when considering the level of local business supply chain and customer basis (some three times higher compared to surrounding regions and even other parts of the east of England).

- 4.38 Another linkage is the level of growth planned for the area. Many of the planning considerations for this growth will be considered across the local authorities in a joint manner, due to the direct impact on neighbouring authorities, such as the proposed A5 - M1 Link linkages with Luton or A421 road improvements with Bedford. Linkages with Milton Keynes are also significant, particularly as a regional retail centre and major regional growth location. This considerable level of planned housing and jobs growth and improving communications links within the MKSM region will further increase the functional economic linkages with Milton Keynes as a location for employment.
- 4.39 Based on the above analysis, for the purpose of the LEA, Central Bedfordshire Council area will be analysed as the primary FEMA, reflecting the high level of existing self containment, local authority boundaries and the linkages between the centres within Central Bedfordshire. However, to reflect the open nature of the Central Bedfordshire economy and significant economic flows, the council will work with neighbouring authorities in Luton, Bedford and Milton Keynes on sharing the findings of the LEA.

Structure of the Local Economy

- 5.1 In 2009 there were 11,910 active enterprises in Central Bedfordshire. This level has increased by some 1,255 (11.8%) since 2002 (source Inter Departmental Business Returns 2009). This growth in business numbers is above regional (10.2%) and national (9.5%) levels.
- 5.2 A continuing disparity between growth rates in North and South Central Bedfordshire is present. Between 2002 and 2009, the North grew by 855 (14%) businesses compared to 400 (8%) in the South.
- 5.3 Industries in Central Bedfordshire with the greatest number of 'data units' (similar to workplaces) are banking, finance and insurance; distribution, hotels and restaurants; and construction

Business Size

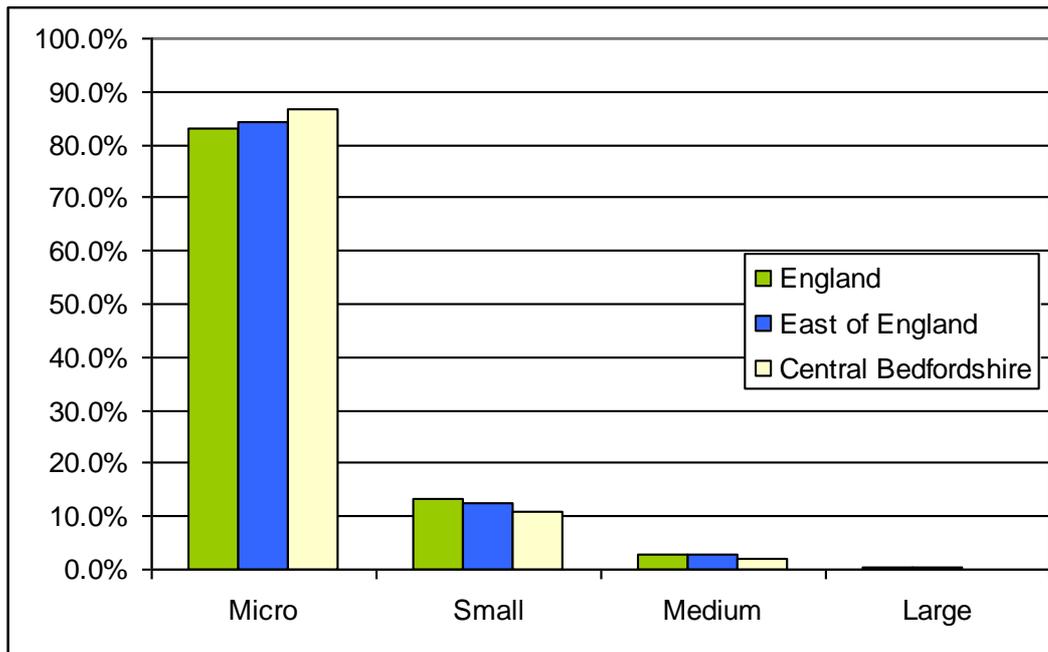
- 5.4 Business size can be defined in a number of ways, including number of employees and turnover. Statistically the number of employees is most often used to define business size. A small enterprise is defined as one with fewer than 50 employees, with micro-enterprises having fewer than 10 employees. A medium enterprise is defined as one with 50 or more employees, but fewer than 250, and a large enterprise as one having 250 or more employees.

Number of employees	Number of Business	% of all Businesses
0-4	8,795	74%
5-9	1530	13%
10-19	825	7%
20- 49	480	4%
50-99	170	1.4%
100-249	80	0.7%
250 -499	20	0.17%
500-999	5	0.04%
1000+	5	0.04%
Total	11,910	

Source: Office for National Statistics, Annual Business Inquiry 2009,

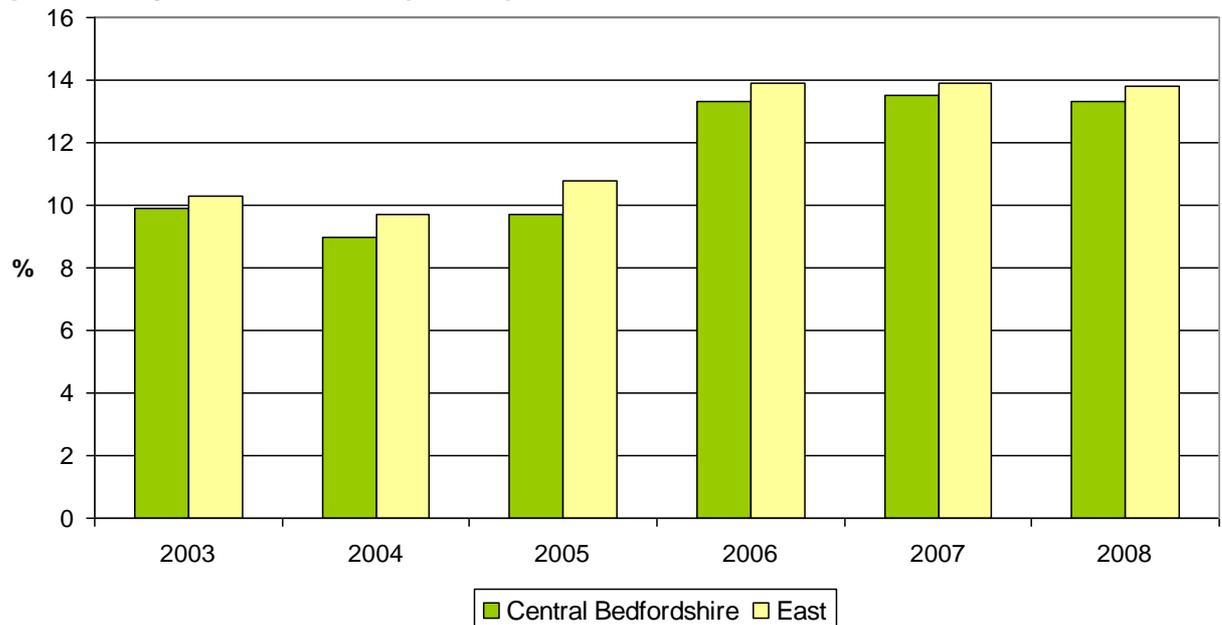
- 5.5 86.7% of businesses in Central Bedfordshire were micro, a higher level than regional (84.3%) and national (83.2%) levels. Furthermore small business account for a further 11% of business, indicating that 97.7% of businesses in Central Bedfordshire employ less than 50 people. This highlights the differing types of support that will need to be provided in Central Bedfordshire to assist the growth of businesses of all sizes, which will in many cases have significantly different needs.

Business Size



- 5.6 Data indicates that within Central Bedfordshire there is a higher level of micro businesses in North Central Bedfordshire (88%) while there is a marginally higher proportion of medium and large enterprises in South Central Bedfordshire.
- 5.7 In 2008, 13.3% of small businesses in Central Bedfordshire increased their number of employees. These figures were slightly below both the regional average (13.8%) and the national average (14.2%).
- 5.8 Employment growth in Central Bedfordshire over the last six years has been at a similar level to that experienced in the region, as shown in the chart below. (Source: Office for National Statistics analysis of the Inter-departmental Business Register.)

Percentage of small businesses showing employment growth over the previous year, 2003-2008 (NI 172)



5.9 Data on business turnover highlights that business turnover is increasing faster in Central Bedfordshire than regional and national levels as shown below. Total business turnover in Central Bedfordshire in 2009 was £ 10,130, 576,000. This is a 49% increase from 2001 levels and a 7% increase from 2008 levels. The average turnover per enterprise in Central Bedfordshire was £962,525. This is lower than regional and national levels, and per enterprise turnover was lower in North Central Bedfordshire (£803,718) than South Central South Bedfordshire (£1,166,681). This reflects the high proportion of smaller businesses in North Central Bedfordshire.

Percentage growth in Business Turnover 2001 to 2009



Source (IDBR 2009)

Social Enterprise

- 5.10 Data from the 2008 *Social What? Mapping Social Enterprise in Bedfordshire* (Voluntary and Community Action South Bedfordshire) indicates that there were some 165 organisations identified as operating, emerging or potential social enterprises.

A social enterprise is defined as:

“a business or service with primarily social objectives whose surpluses are principally reinvested for that purpose in the community, rather than being driven by the need to maximise profit for shareholders and owners”

- 5.11 Social enterprises tackle a wide range of social and environmental issues and operate in all parts of the economy, including health and social care, arts and design, childcare, sport and leisure, finance and transport. By using business solutions to achieve public good, the Government believes that social enterprises have a distinct and valuable role to play in helping create a strong, sustainable and socially inclusive economy. The importance of a thriving voluntary and community sector in Central Bedfordshire is highlighted in the Sustainable Community Strategy goal:

“Ensuring that housing and economic growth is accompanied by adequate social infrastructure and supports the development of strong and vibrant communities.”

- 5.12 With the growth of the social enterprise sector comes the need for increased development support. The successful development of social enterprises requires an understanding of how they differ from traditional small firms as well as their similarities. It also requires an understanding of social entrepreneurs and team enterprises, which are built by tapping members' skills and loyalty. In addition, social enterprises often reach out and include people bypassed by traditional business support programmes. Understanding the needs of these individuals is crucial in many social enterprises.
- 5.13 In May 2010 the new Government made early announcements designed to put social enterprises at heart of public service reforms and encourage more voluntary and community sector organisations to play a major role in public service provision. These announcements also highlighted the need for organisations to be provided with appropriate support.
- 5.14 Voluntary and Community Action's latest annual User Survey (January 2010) showed that 47% of local voluntary, community and social enterprise organisations had prioritised sustainable funding as their priority for 2010. Social enterprise and procurement is an essential ingredient of developing sustainable approaches to funding.

5.15 Research and consultation with stakeholders in March 2008 (*Social What? Mapping Social Enterprise in Bedfordshire*) showed there is a need for us to support one or more potential, emerging and operating social enterprises with the following support needs:

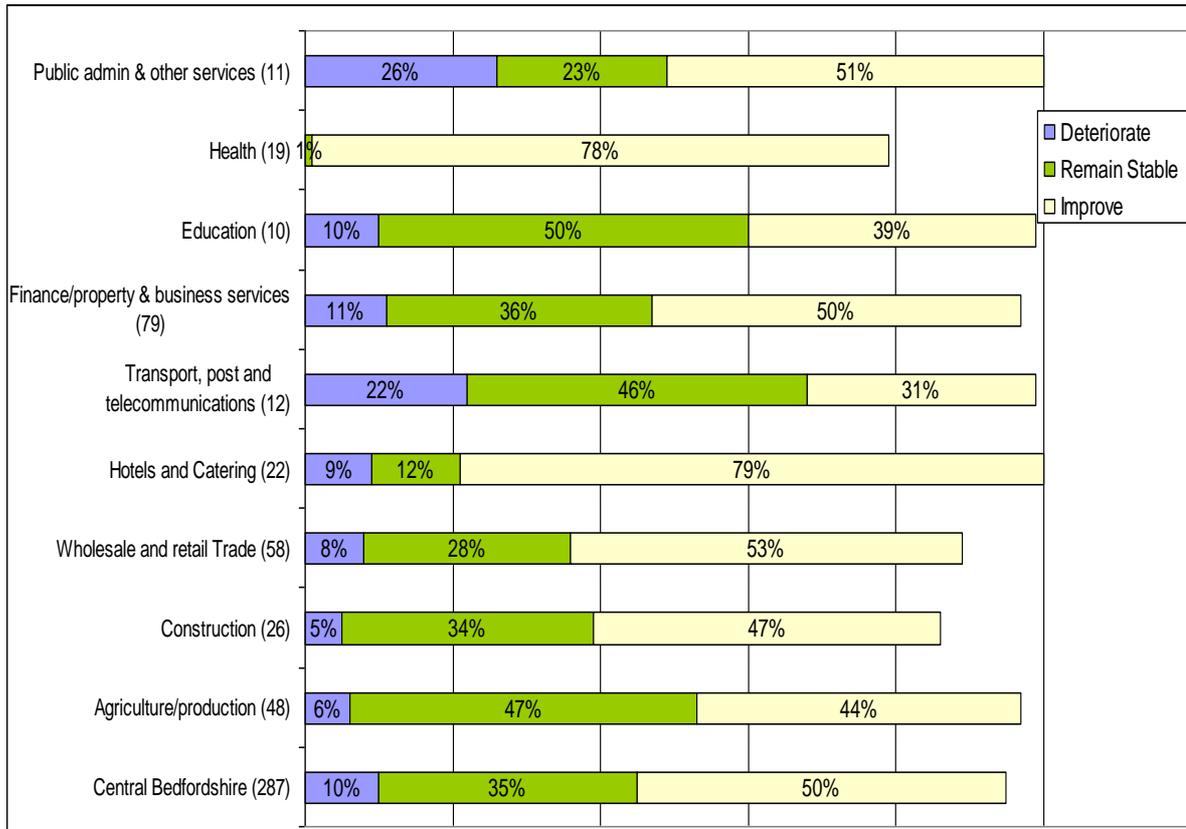
- Marketing and promotion (62%)
- Partnership/Collaborative working (42%)
- Social enterprise activity and trading (35%)
- Business plan development (30%)
- Public sector contracting and procurement (29%)
- Financial management (25%)
- Full Cost Recovery (25%)
- Constitutions and governing documents (12%)
- Company registration (7%)

Business Views

5.16 As part of the LEA the Bedfordshire and Luton Business Survey 2010 was commissioned by Central Bedfordshire Council in partnership with Luton Borough and Bedford Borough Council and conducted in April 2010. This was part funded by East of England Development Agency (EEDA). Overall, 861 interviews were completed across Bedfordshire. 287 were completed in Central Bedfordshire across a range of business sectors and size.

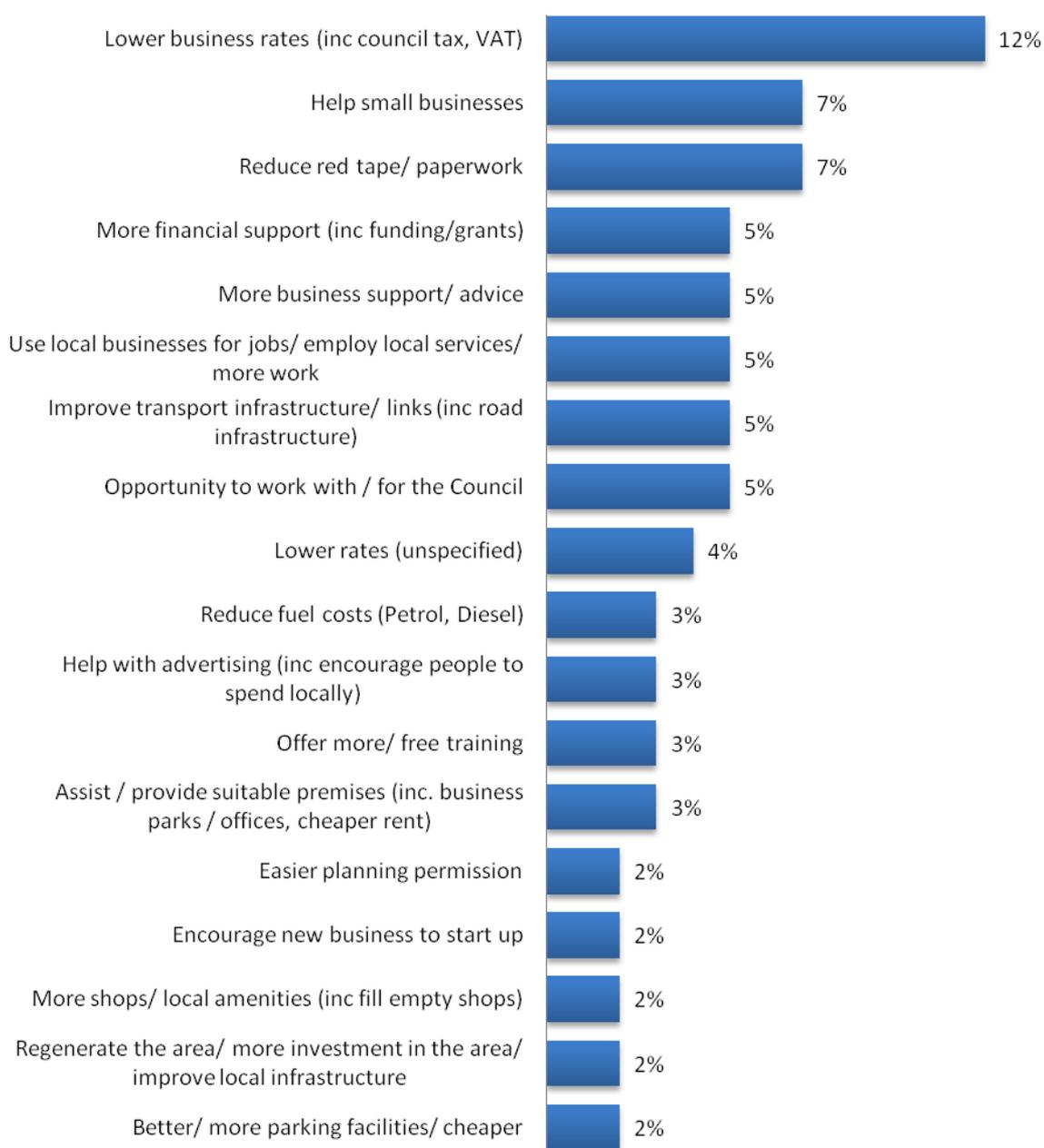
5.17 The survey indicates 32% of Central Bedfordshire businesses report an improvement in their business performance in the last 12 months. Over a quarter (28%) report some deterioration in that time. Business performance in Central Bedfordshire is on a par with the Bedfordshire and Luton average, where 30% of businesses report an improvement and 29% report some deterioration. Furthermore, there is considerable optimism amongst local businesses for future growth, with 50% anticipating an improvement in performance and one in ten anticipating some deterioration in the next 12 months. This improving optimism is consistent with county, regional and national patterns. The most optimistic businesses are to be found in the health and hotels and catering sectors and deterioration is most likely to be expected within public administration (private sector businesses providing services to the public sector) and other services and transport, post and telecommunications.

Business Performance



- 5.18 Over three-quarters of respondents (77%) were able to cite factors that would allow for further business growth. The most frequently cited was that of new/more customers (including an improved customer base, more work, account, sales etc) (20% of all respondents). Almost one in seven (13%) cited an improved/stronger economy.
- 5.19 47% of businesses cite over-regulation/red tape and 49% cite transport costs (e.g. fuel) as their biggest barriers to growth. This is slightly higher than the Bedfordshire average of 45% for each barrier. Other Issues within Central Bedfordshire highlighted by businesses as potential weakness of the area as a place to do business were traffic congestion (11%) poor road Infrastructure (7%) poor parking facilities (6%) poor public transport (6%).
- 5.20 The Business Survey sought views on what the three most important things the local Council and other public sector organisations should do to help them grow their business Nearly two-thirds of respondents (62%) had a view on this and were most likely to cite lower business rates (12%) as highlighted below.

Support for Business



5.21 As part of the business survey, businesses were asked how well they felt that Central Bedfordshire Council engages with them. In the majority of cases Central Bedfordshire performed worse than our partner authorities in terms of business engagement (61% found this to be poor across Council services) and the perceived amount of red tape in dealing with the Council is more difficult to deal with, despite the fact that the majority of activities are exactly the same across local authorities.

- 5.22 When asked how the council could improve business engagement, the most cited improvement, mentioned by more than one in ten businesses, was for greater communication/engagement with them, for example via meetings (11%). Other suggestions from local businesses include:
- Networking conferences / seminars / forums
 - More support for small businesses
 - Reduce rates / costs
 - Provide information of developments / changes / business opportunities
 - Better road maintenance
 - More help / support generally
 - Better understanding of individual business needs and the market
 - Make us aware of what is available / what they offer for businesses
- 5.23 The findings of the survey and need to support businesses reiterate the importance of the council proactively engaging with business. The council is working towards an enabling model of business engagement, by joining-up council delivered business services, such as trading standards and economic development, shifting our enforcement activity towards proactively enabling business growth to create and retain jobs in the area. This aims:
- to improve the business customer experience;
 - to embed Central Bedfordshire Council's role as an enabler and 'can do' Council,
 - to encourage greater business engagement with Central Bedfordshire policy development;
 - to increase awareness and where appropriate uptake of services provided by the Council and partners;

New businesses and survival rates

- 5.24 In 2008, there were 1,260 business 'births' in Central Bedfordshire. This equates to 61.5 new businesses per 10,000 residents aged over 16 (NI 171), higher than both the regional (56.4 per 10,000) and national (57.2) figures. In 2008, there were also 960 business 'deaths', giving a net increase of 300 new businesses in the year. (Source: Office for National Statistics, Business demography, 2008)
- 5.25 Figures for VAT registrations and deregistrations showed that 980 new enterprises registered for VAT in Central Bedfordshire in 2007. A business is legally required to register for VAT when its annual turnover reaches a certain threshold, but may choose to do so anyway. This threshold changes year on year, but was £68,000 annually as of February 2010. Of the estimated 4.3 million UK businesses only 1.9 million are registered for VAT.

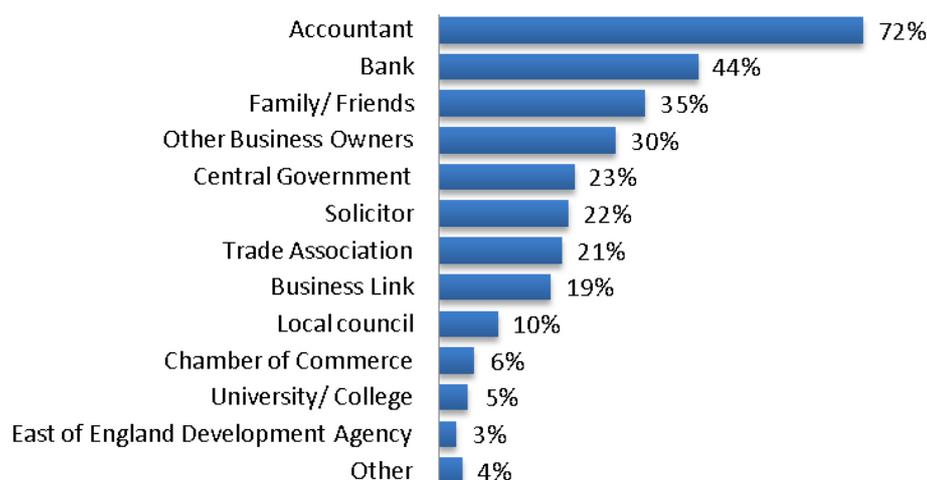
- 5.26 There were 645 deregistrations, resulting in a net increase of 335 VAT registrations for the year, and a total stock of 10,045 enterprises registered for VAT at the end of 2007. (Source: Office for National Statistics, VAT Registrations and Stocks, 2007, via Nomis). Between 2000 and 2007, the total number of VAT-registered businesses increased by 17.8% in Central Bedfordshire. This is greater than the rate of increase for both the East (13.8%) and England (14.6%). (Source: Office for National Statistics, VAT Registrations and Stocks, 2000-2007, via Nomis).
- 5.27 The five year survival rate for new businesses in Central Bedfordshire was 50.1% in 2007 (based on businesses started in 2003). This was the third highest rate in the region (among top tier authorities), and above the regional (49.1%) and national averages (UK 46.6%). The table below indicates that Business survival rates were higher than regional and national levels at all age of business with one year business survival rates of 93% Central Bedfordshire Business survival rates are broadly similar those in Bedford and consistently higher than those in Luton.

	One Year Survival rate %	Two Year Survival rate %	Three Year Survival rate %	Four Year Survival rate %	Five Year Survival rate %
UK	92.6	78	63.6	54.3	46.6
East Of England	92.9	79.2	65.8	56.9	49.1
Central Bedfordshire	93	80.9	67.8	59.3	50.1
Bedford	95.9	80	68.3	59.3	53.8
Luton	92.1	76.4	59.3	50	42.9

- 5.28 Data from Business Link East highlights that the level of business and individuals supported has increased (6%) from 3,359 in 2008/09 to 3,556 in 2009/10. This is a rate of increase greater than other Bedfordshire authorities. However, 3,556 business and individuals supported represents some 30% of the number of businesses in Central Bedfordshire. This is comparable with Bedford levels but below those in Luton (37%).
- 5.29 Some 3.85% of business start up support and 4.92% of support to existing business was to BME owned businesses. This is consistently lower than Bedfordshire averages of 18.75% for start up and 9.48% for existing businesses and below the BME % of population in Central Bedfordshire. 44.23% of support to business start ups was to women, a level above the Bedfordshire average of 41.41%.

- 5.30 However, the level of existing business support to women was lower than the Bedfordshire average, at 14.99% and 17.57% respectively. This highlights the ongoing need to promote and develop bespoke business support services to BME communities.
- 5.31 The Bedfordshire and Luton Business Survey highlights that 89% of businesses surveyed in Central Bedfordshire have used some form of business advice or support in the past 12 months. The propensity to have used support and or advice does not vary by business size, but the sources used does. Larger businesses are more likely to use the local Council, Central Government and the East of England Development Agency, whilst smaller businesses are more likely to rely on their accountants and family and friends.
- 5.32 In line with the high proportion of small and medium sized businesses in the Central Bedfordshire economy, businesses are most likely to have used an accountant (72%) and/or bank (44%) for business advice or support. Sources used are very similar to those used across the county.

Sources of business advice or support used in the last 12 months (all respondents)



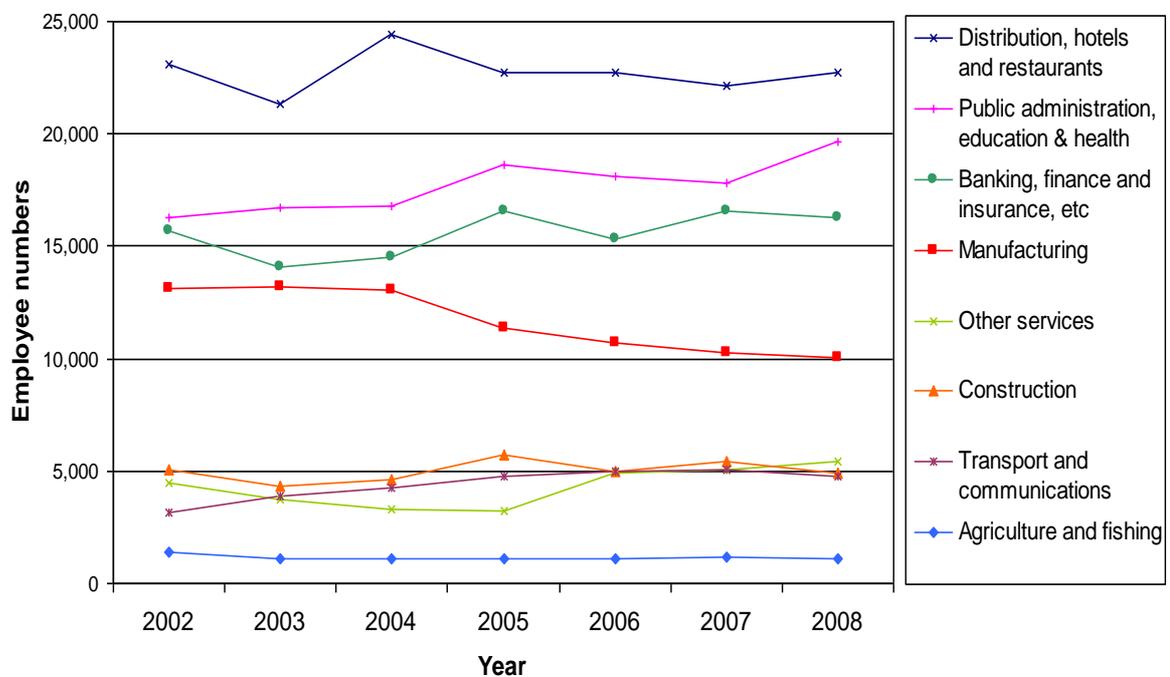
- 5.33 Continuing to promote business start up and support will be essential if Central Bedfordshire is to maximise economic growth. Based on restrictions to public funding together with the wide variety of sources of support, it will be important for the council and its partners to work with the private sector in delivering carefully targeted business support. This will need to identify innovative means of supporting financial, legal and technical support to add value to core business support offers that are accessible to Central Bedfordshire businesses. This must be considered in light of the predominantly small size of businesses and the particular difficulties these businesses face in terms of accessing support and networking opportunities, in terms of the time away from the business and resulting loss of earnings.

Business Sectors

5.34 Central Bedfordshire is home to world leading companies such as B/E Aerospace, Lockheed Martin, Nissan Technical Centre Europe, Amazon and Jordans Cereals. The largest employer in the area is Central Bedfordshire Council, including education/ school based employment. Other large employers in the area are shown below:

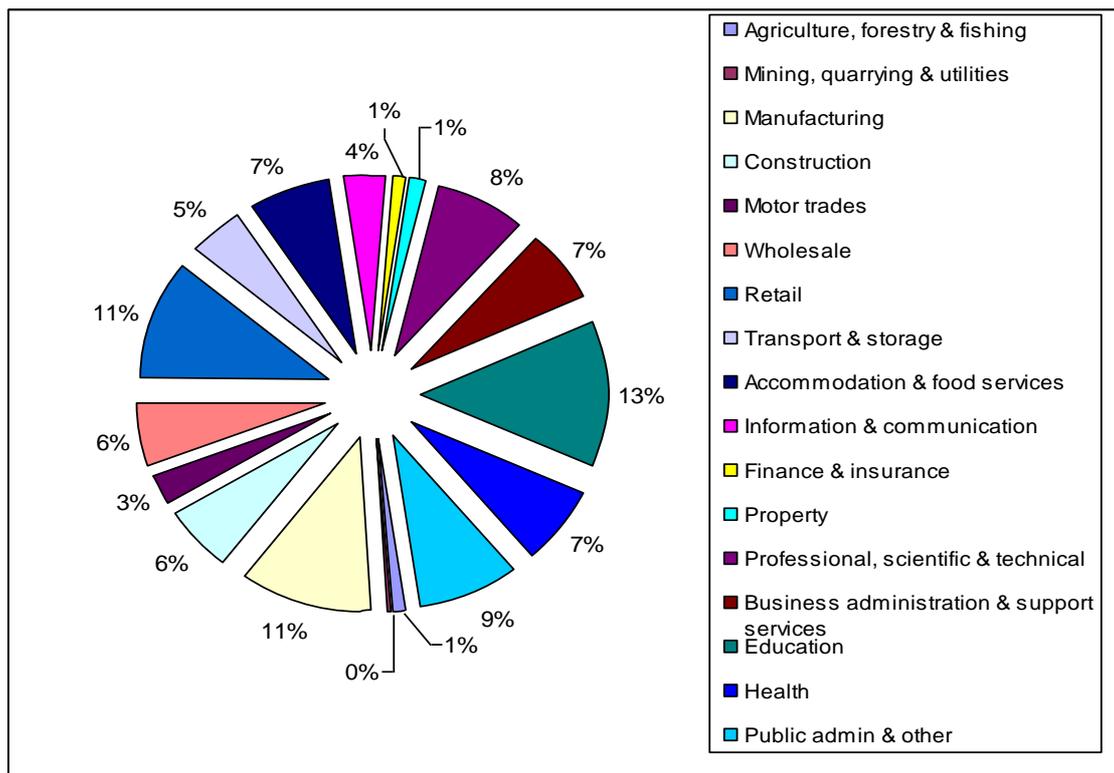
5.35 The main sectors in Central Bedfordshire, in terms of employee numbers, are distribution, hotels and restaurants; public administration, education and health; and banking, finance and insurance. (Source: Office for National Statistics, Annual Business Inquiry (Employee Analysis), 2008, via Nomis)

Number of employees by industry in Central Bedfordshire, 2002-2008



Source: Office for National Statistics, Annual Business Inquiry (Employee Analysis), 2002-08, via Nomis

5.36 Further more detailed analysis of the types of activity that make up these broad sectors highlights that the Central Bedfordshire economy is varied, with the largest number of people employed in the education sector (13,300) followed by Manufacturing (9,700) and Retail (9,400). The education sector employment is made up of, Primary Education (5,300), Secondary Education (3,300) and Higher Education. In part this reflects the presence of Cranfield University, University of Bedfordshire, Central Bedfordshire College, Bedford College and other educational institutions in Central Bedfordshire and the surrounding area.



Source Annual Business Inquiry 2008 SIC 2007)

Public Sector Employment

5.37 A key consideration within the current economic climate is the challenge facing public sector employment, given the need to reduce the UK deficit. Based on analysis of the Annual Population Survey (December 2008) Central Bedfordshire has approximately 16.5% of people employed in the public sector, defined as that owned, funded or run by central or local government, and 83.5% in the private sector. This percentage is lower than UK (24.1%) East of England (21.8%) and neighbouring authorities Luton (26.9%) and Bedford (23.3%).

Knowledge Economy

5.38 Of growing importance in the globalised economy is the level of knowledge driven activity or knowledge economy. The knowledge economy is usually associated with high value employment, high Gross Value Added and high skills levels. The knowledge economy has most commonly been defined in terms of technology and knowledge based industries reflecting R&D intensities, high ICT usage, and the deployment of large numbers of graduates and professional and associated professional workers. An industry-based definition is not entirely satisfactory because the knowledge economy applies across activities and processes in all industries.

5.39 However to provide analysis of the level of the knowledge economy in Central Bedfordshire the widely used Eurostat definition of knowledge intensive services has been used. This includes the Standard Industrial Classification (SIC) 2003 codes:

61 Water transport, 62 Air transport, 64 Post and telecommunications, 65 to 67 Financial intermediation, 70 to 74 Real estate, renting and business activities, 80 Education, 85 Health and social work, 92 Recreational, cultural and sporting activities

5.40 Based on this definition, in 2008 there were some 3,100 businesses operating in the knowledge economy employing 16,200 people or 19% of all employment in Central Bedfordshire (Source: Annual Business Enquiry 2008) This is a growth in the rate of people employed in the knowledge economy of 1,400 people or 9.5% since 2003. This is in excess of national (9%) and regional (5.2%) and demonstrates the strength and diversity of the Central Bedfordshire economy, and the ongoing importance of promoting knowledge transfer and building on the area's world leading education institutes. However, when considering Location Quotient analysis (a measure of the rate of employment in a sector locally compared to that which is in the sector nationally or regionally) of employment in the Knowledge Economy, Central Bedfordshire is relatively unspecialised in the Knowledge Economy sector compared to the UK or East of England as a whole.

Tourism

5.41 Tourism is a major growth sector in Central Bedfordshire. The area is home to major attractions such as ZSL Whipsnade Zoo, Woburn Safari Park, and a raft of historic towns and villages, country houses, local attractions and activities for people of all ages.

- 5.42 Central Bedfordshire's natural environment, such as the Dunstable Downs, combined with the area's attractions attracts some 4,991,800 day and staying trips to the area in 2008 (Source East of England Tourism, Economic Impact of Tourism in Central Bedfordshire 2008) .
- 5.43 This consisted of 4,535,000 day trips and 456,800 staying trips. Of these staying trips 108,800 were from overseas visitors, and in total accounted for 1,759,000 nights stayed in central Bedfordshire. These visits and associated spend, accounted for £249,629,000 visitor spend in Central Bedfordshire in 2008. When added to supplier and income induced spend related to the visitor economy, the total value of tourism in Central Bedfordshire in 2008 was £294,857,000. The tourism economy in Central Bedfordshire supports some 5,723 jobs (4,991 direct and 733 indirect). This accounts for some 4.7% of total employment in Central Bedfordshire.
- 5.44 Major new attractions such as Centre Parcs and Nirah will significantly add to the Central Bedfordshire tourism offer and create thousands of new employment opportunities. Activities are underway to maximise the benefit to the local economy of such exciting opportunities, through activities such as local procurement and training. Central Bedfordshire currently works in partnership with Bedford Borough and Luton Borough Councils in developing the Experience Bedfordshire partnership which focuses on developing marketing campaigns and business networks for this sector.
- 5.45 The future development of existing and new exemplars in nurturing innovation will be essential if Central Bedfordshire business are continue to remain competitive and grow. Continuing to support our innovation assets development will also be an important part in creating the conditions to attract new high value business investment into the area.

Creative Industries

- 5.46 Another important growth area the government sees in rebalancing the national economy is the creative industries sector. Again activity in this sector is not ideally suited to measurement using standard economic tools, as many activities cross over industries and may not be adequately reflected in statistical analysis. Despite this the Department for Culture Media and Sport utilises the below SIC 2003 codes and a weighting process to define the industry:
- SIC codes 17.71, 17.72, 18.10, 18.21, 18.22, 18.23, 18.24, 18.30, 19.30, 22.11,22.13 22.15, 22.15, 22.31, 2.32,22.33,52.48,52.50,72.21, 72.22, 74.20,74.40,74.81 92.11,92.12,92.13, 92.20, 92.31, 91.32, 92.34, 92.40 92.72,

- 5.47 Using this analysis there were 1,034 businesses in the creative industries sector employing some 3000 people. This level of employment has decreased by 1.7% since 2006. This is in contrast to the positive levels of growth experienced at regional and national levels of 3.9% each. When consider Location Quotient Analysis, this shows that while Central Bedfordshire is not particularly specialised in comparison to national employment in the sector, it does have a specialism within the East of England.
- 5.48 Sectors within the Creative Industries that have grown in employment between 2006 and 2008 in Central Bedfordshire were Entertainment Activities (67% growth), Recreational Activities (56%) Motion Picture and Video Production (55%), Sound Recording (53%) and News Agency Activities (50%).
- 5.49 Conversely the sectors who contracted employment by the largest are retail sale in specialised stores (-72%) and Publishing of journals and periodicals (-52%).
- 5.50 Based on the above analysis there is a clear need to support business and employment growth in the sector, potentially linked to limited supply of specific business premises and start up activity.

Sector Specialism

- 5.51 The above analysis focuses on the total level of employment in an industry. However, it is also important to analyse the share of employment in a sector within Central Bedfordshire, compared to the share of employment throughout the UK or region. Location quotients are used for this analysis and indicate how important a sector is to local employment – in other words, how specialised Central Bedfordshire is in a particular sector.
- 5.52 Location Quotients (LQ) can be interpreted as follows:
- if the location quotient is equal to 1 then the local area has an average share of employment
 - if it is less than 1 then the area is relatively unspecialised in that sector compared to the UK as a whole
 - If it is greater than 1 then the area is relatively specialised in that sector.

SIC 2007 Industry	Nation LQ	Regional LQ
Agriculture, forestry & fishing	1.4	0.8
Mining, quarrying & utilities	0.4	0.5
Manufacturing	1.2	1.2
Construction	1.2	1.1
Motor trades	1.5	1.2
Wholesale	1.4	1.2
Retail	1.0	0.9
Transport & storage	1.0	1.0

Accommodation & food services	1.0	1.2
Information & communication	0.9	1.1
Finance & insurance	0.3	0.4
Property	1.0	1.1
Professional, scientific & technical	1.1	1.1
Business administration & support services	0.8	0.8
Education	1.4	1.3
Health	0.6	0.6
Public admin & other	0.9	1.0

5.53 The table above highlights that Central Bedfordshire has a number of specialisms, at broad industrial level. Further detailed analysis, highlights the following sub specialisms.

- Manufacture of weapons and ammunition (LQ 7)
- Veterinary activities (LQ 4)
- Manufacture of articles of concrete, cement and plaster (LQ 4)
- Manufacture of paper and paper products (LQ 4.0)
- Manufacture of rubber products (LQ 3)
- Amusement and recreation activities (LQ 2.5)
- Manufacture of parts and accessories for motor vehicles (LQ 3)
- Libraries, archives, museums and other cultural activities (LQ 2.3)
- Data processing, hosting and related activities; web portals (LQ 2)
- Technical testing and analysis (LQ 2)
- Manufacture of furniture (LQ 2)
- Support activities to agriculture (LQ 2)
- Repair of computers and personal and household goods (LQ 2)
- Manufacture of fabricated metal products (LQ 1.8)
- Rental and leasing activities (LQ 1.6)
- Information service activities (LQ 1.5)
- Architectural and engineering activities; technical testing and analysis (LQ 1.5)
- Activities of head offices; management consultancy (LQ 1.5)
- Printing and reproduction of recorded media (LQ 1.4)
- Manufacture of food products (LQ: 1.4)
- Education (LQ 1.4)

5.54 These specialisms reflect Central Bedfordshire existing strengths in the high performance engineering/ manufacturing sectors as well as indicating the continued importance of the rural economy, particularly through leisure and tourism based activities. Data also indicates a potential underrepresentation in certain sectors, notably business services and finance and insurance.

- 5.55 When considering future employment sectors the East of England Forecasting Model (Autumn 09 RSS version) highlights the following key growth sectors in Central Bedfordshire from 2010 to 2031:
- Business services (circa 5,000 new Jobs)
 - Education (3,500 new jobs)
 - Construction (2,900 new jobs)
 - Hotels & restaurants (2,300 new jobs)
 - Health (2,900 new jobs)
- 5.56 As in all models, forecasts are subject to margins of error which increase at more detailed geographical levels. In addition, the EEFM relies heavily on published data, with ABI employment data in particular containing errors at local sector level (though the Model does attempt to correct for these through expert local knowledge).
- 5.57 The MKSM Economic Development Implementation Plan highlights the following sectors as supporting the majority of employment growth in the MKSM to 2021:
- High performance engineering (HPE)
 - Sustainable construction and the built environment
 - Creative industries
 - Logistics
- 5.58 Further work has been commissioned to identify specific growth sectors within Central Bedfordshire, based on the above analysis and develop specific growth delivery plans for detailed sectors as they are defined.
- 5.59 When considering key sectors, Central Bedfordshire has a particular strength in Low carbon Vehicles. Central Bedfordshire is also home to Millbrook, one of Europe's leading locations for vehicle testing and certification, and Nissan Research and Development Centre Europe. These existing commercial strengths, aligned with the area's research and high skills base, including Cranfield University and the University of Bedfordshire provides Central Bedfordshire with a real opportunity to be at the forefront of low carbon vehicle research and commercialisation.

Innovation

- 5.60 Data from the Business Survey highlights that over a quarter of businesses in Central Bedfordshire (26%) have introduced a new product and a slightly lower proportion (23%) has significantly improved a process in the last 12 months. These proportions are similar with those of Bedfordshire county (23% having introduced a new product and 22% significantly improving a process). The larger the business, the more likely they are to innovate and this is also true of businesses with international customer bases.

- 5.61 Innovation amongst businesses is set to remain at similar levels in the next 12 months. One in four Central Bedfordshire businesses (25%) expects to introduce a new product in the next 12 months while over one in five (21%) expects to significantly improve a process within this time frame. These figures are in line with county average; 26% of businesses across Bedfordshire expect to introduce a new product and 22% expect to significantly improve a process in the next 12 months. Once again, the likelihood of innovation will increase by business size. Innovation is least likely to occur in the health and education sectors in the next 12 months.
- 5.62 Central Bedfordshire has a wealth of existing innovation assets, including our universities and education base. For example Cranfield University continues to have, by far, the strongest level of product and ideas licensing in the East of England (accounting for 55 per cent of licenses issued by East of England Higher Education Institutions (HEIs), unique testing and designing facilities at Milbrook and world leading companies with high R&D activity, such as BAE, Lockheed Martin and Nissan Technical Centre Europe.
- 5.63 However, the UKBI report (A Study for the Provision of Premises for Start up, Small and Growing Firms in Central Bedfordshire, March 2010) highlights that there is an existing supply of managed workspace and business incubation premises within the wider region (i.e. the County of Bedfordshire, the neighbouring large commercial centres of and sectoral workspace (i.e. aimed at specific industry sectors) for technology businesses around Cranfield University.
- 5.64 Despite this, the report highlights that with the exception of CUBIC located on Cranfield Technology Park, no 'true' business incubation facilities were identified in the area despite a latent demand for such facilities.

Economic Resilience

- 5.65 The variety of employment across a range of sectors is an indicator of the resilience to economic shocks of the Central Bedfordshire economy. It is generally accepted that the more diverse the nature of employment the more resilient a local economy is to economic shocks, such as large employer closures and global economic conditions.
- 5.66 The Central Bedfordshire economy is considered to be well placed to continue to perform strongly and be resilient to future economic shocks. This is based on factors such as high sector diversity in line with the area's strong skills profile, high level of employees in professional occupations, high levels of business start up and growth and economic assets, such as its higher and further education facilities, transport infrastructure and future growth plans.

- 5.67 Central Bedfordshire's Economic Resilience can also be seen in the UK competitiveness Index. This is an index that reflects a measurable criteria of place competitiveness. These are Input factors such as economic activity rates, business start up, proportion of the workforce with NVQ level 4 or higher and proportion of knowledge based businesses, and out put factors of Gross Value added per head, out put per hour worked and employment rate and out come factors gross weekly pay and unemployment rate.
- 5.68 Based on these measures Central Bedfordshire is 134th out of 379 most competitive local authorities in the UK, placing it in the top 40%. However, this represents a fall from its position in 2009 where it was ranked 116th. By comparison with its neighbours Central Bedfordshire ranks higher than Luton (226th) and is comparable with Bedford (132nd).
- 5.69 The East of England is ranked as the 3rd most competitive region in the UK, behind London (1st) and the South East. Of the factors that constitute the index, Central Bedfordshire performs strongly on Input factors, where it is ranked 108th of all authorities, compared to output factors where it ranks 208th.
- 5.70 Given the economic assets of the area (businesses, and education institutions) it will be important for Central Bedfordshire to increase its economic competitiveness, particularly around improving economic productivity.
- 5.71 The BBC commissioned Experian to undertake analysis of the potential impact of public sector cuts on the economy by Local Authority (September 2010) This research highlighted that Central Bedfordshire ranks 133rd of 324 Local Authorities. This is based on the areas rankings in four broad criteria. In these we score
- Business 149th
 - Place 139th
 - Community 184th
 - People 61st.
- 5.72 The research highlights that Central Bedfordshire scores particularly well in terms of:
- Exporting businesses ranked 1st of all 324 Local Authorities
 - Proportion with no Qualifications 45th
 - Employees vulnerable to Long Term Unemployment 63rd
 - Proportion of Growth Sectors 76th
- 5.73 The report highlights that the area performs least well in:
- Adaptive Capability of Business (based on Experian data on businesses previous financial activities and how the responded to financial difficulties) ranked 256th of all 324 Local Authorities

- People vulnerable to declines in disposable income 255th
- Jobs density 235th
- Number of Pupils receiving 5 A-C at GCSE 211th

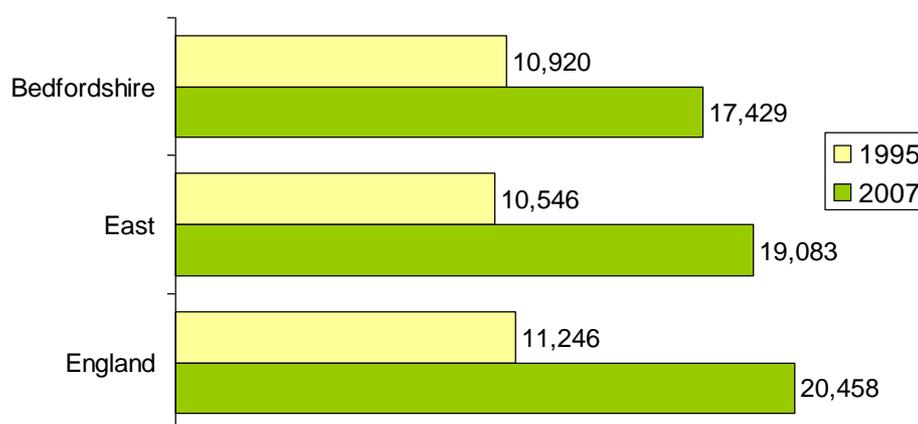
Productivity

5.74 Gross Value Added (GVA) and services produced in the economy are measured both as total value and a per employee calculation. The total GVA of the Bedfordshire economy was £7,093,000,000 in 2007. This was an increase of 36% since 2001. GVA in Bedfordshire accounts for some 6.6% of the total GVA in the East of England and 0.7% of the total GVA in England as a whole.

5.75 Per employee GVA calculations are often used as a measure of the productivity of the local labour market. In terms of GVA per head, the economy of the former Bedfordshire county area is growing at a slower rate than regional and UK averages.

5.76 Between 1995 and 2007 GVA increased by 59.6% in Bedfordshire, compared with 81.0% in the East of England and 81.9% in England. Figures for Central Bedfordshire are not yet available, though changes in the EU Nomenclature of Units for Territorial Statistics (NUTS) will potentially provide data for Central Bedfordshire from 2013.

Gross value added (GVA) per head (£) 1995-2007 (at current basic prices)



Source: Office for National Statistics, Gross Value Added per head by NUTS3 area at current basic prices by Region, 1995-2007.

5.77 Data from the East of England Forecasting Model⁴ estimates GVA of £4,352,000,000. This is 60% of the GVA in Bedfordshire. GVA per head for Central Bedfordshire is forecast at £17,500 per employee, again below regional and national levels.

⁴ Autumn 2009 model

5.78 While this low level of GVA can be explained to some extent by rapid population growth compared to business growth, relative to other areas, and high levels of out commuting of highly skilled occupations, a key goal will be to increase the productivity of the Central Bedfordshire economy, particularly through supporting business growth, attracting new high value activity investment into the area and supporting business and labour market skill development.

The Rural Economy

5.79 58% of VAT registered businesses in Central Bedfordshire are in wards that are classed as rural. Recent national reports have proposed that rural areas have the capacity to develop their employment function through diversification of the economy and by supporting more live/work units (Taylor 2008). These reviews have also argued that rural areas are suitable locations for nearly all types of businesses and have called on planning policy to support this.

5.80 Information from Bedfordshire Rural Communities Charity (BRCC) highlights a number of potential barriers to rural businesses. These include:

- The need for flexible planning policies to support live work units and support diversification of land uses to support local employment opportunities. BRCC⁵ states that 34% of the commercial property in the area is located in rural wards, potentially leading to rural businesses having difficulties in accessing suitable premises.
- A need for high levels of business support particularly at the pre start level and supporting diversification activities. Often this will need to be locally provided support, building on trusted sources and delivered in ways which are accessible to rural communities, addressing barriers such as distance from major population centres and time constraints.
- The need for greater business networking opportunities between rural businesses to support local business collaboration and new development opportunities.
- Lower levels of access to high speed broadband and limited commercial viability for rolling out next generation broadband.
- Generally higher barriers to accessing services, both as business and employees, for example business and skills support. This is aligned to poor access to public transport.
- Difficulties in recruiting skilled workers, due to migration to urban areas with increased employment opportunities and housing availability.

5.81 BRCC also highlight a number of opportunities for growing the rural economy and supporting business diversification. These include:

⁵ Rural Central Bedfordshire: An Overview of Evidence 2009

- Supporting Local Asset backed vehicles, such as Social Enterprises and Community Interest Companies to empower local communities to deliver services, such as shops and post offices. This would require both the use of public sector assets and supporting the capacity of such organisations to develop including training and support in developing appropriate company ownership structures.
- Growing the visitor economy. The Greensands Ridge and Chilterns Rural Development Program for England (RDPE), have funding streams to extend the areas visitor offer from the areas major attractions to small and medium enterprises. Further activities include joined up marketing and promotion activities to generate higher visitor footfall to the area.
- Local procurement and supply chain development opportunities, to promote rural business collaboration and promote local high quality food and drink.
- Maximising the use of the area's woodland as a resource for visitors, enhancing the environment, but also as a source of energy such as wood fuel.

5.82 The Bedfordshire and Luton Business Survey 2010 noted that there were few statistically significant differences in the responses from urban and rural based businesses. The exception to this was that rural businesses are more likely to be satisfied with rent and rates and the attractive surroundings of Central Bedfordshire, while urban businesses are more likely to be satisfied with public transport. However, urban businesses are more likely to be dissatisfied with the local road and rail networks than rural businesses.

5.83 Further highlighting the varied challenges and opportunities of the rural economy, the East of England Rural Forum⁶ highlights the following particular needs:

- **digital inclusion** so that rural areas benefit from the opportunities presented by the web to address skills, employment, access to services and social issues
- **rural economic growth** so that rural areas can match the ongoing increase in the rural population with new sustainable jobs in high value sectors
- **a positive approach to demographic change** by ensuring that housing, services and economic opportunity allow people of all ages, backgrounds and skills to thrive in rural communities

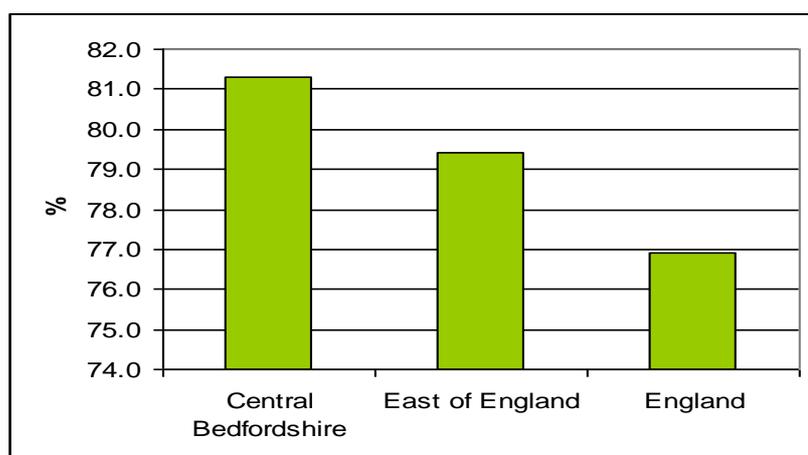
⁶ Vibrant Rural Communities Unlocking the Potential of the East of England's Rural Areas, September 2010

- 5.84 It is well documented that the use of the Indices of Multiple Deprivation (IMD), an area-based approach based on Lower Super Output Areas (LSOA), has led to rural deprivation being largely overlooked due to being more dispersed. As the OCSI has identified, “area-based information only tells part of the story”, since the majority of deprived people do not actually live in highly deprived areas (Deprivation in rural areas: Quantitative analysis and socio-economic classification, OCSI 2008).
- 5.85 An OCSI (Oxford Consultants for Social Inclusion) report from 2010 (‘Deprived rural areas in Central Bedfordshire’) showed that only one LSOA in Central Bedfordshire (E01017562, in Caddington) fell within the top 50% nationally. At the more detailed Output Area level, however, five areas fell within the top 30% nationally (parts of Eaton Bray, Caddington, Kensworth, Marston Moretaine and Studham).
- 5.86 According to a related OCSI report (‘the rural share of deprivation in Mid Bedfordshire’), 45.2% of income deprived people in the north of Central Bedfordshire, and 47% of those on out-of-work benefits, live in rural areas (based on the Defra classification, which classifies 52% of the population as rural). The figures for the south of Central Bedfordshire are 18.2% and 16.5% in rural areas, with 23.2% of the overall population living in these areas. (The Defra classification excludes a number of areas that might be considered rural such as Sandy, Ampthill and Shefford).

Labour Market

- 6.1 As of December 2009 there were some 139,500 people economically active in the Central Bedfordshire economy out of a total working age population (aged 16 to 64) of 167,200. This is an economic activity rate of 81.3%. This is above regional (79.4%) and national (76.9%) and demonstrates that there are high levels of participation in the labour market. A person is defined as economically active if they are either employed or unemployed and seeking work in a particular period.

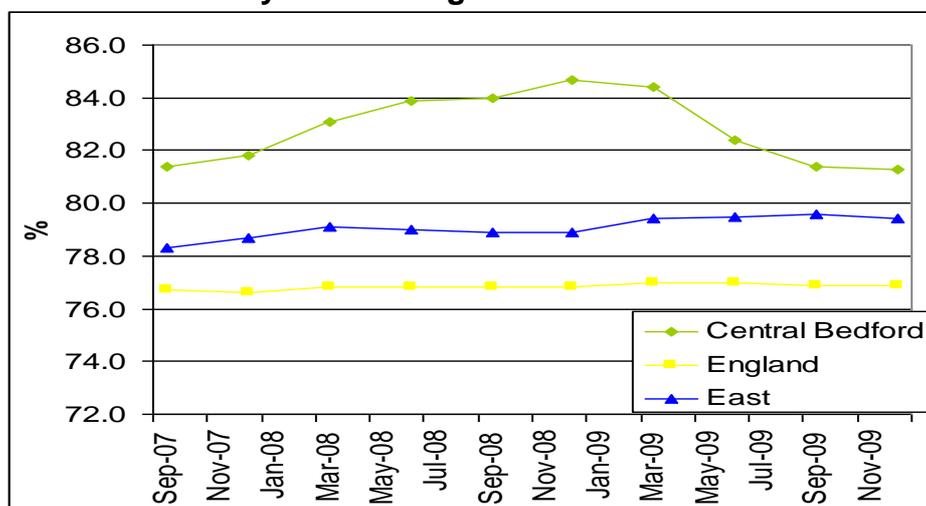
Economic Activity Rate



Source Annual Population Service: Nomis

- 6.2 However, in line with national patterns the economic activity rate has reduced in Central Bedfordshire due to the recession. The above figure highlights that while the economic activity rate is still above national and regional levels, the rate has fallen more steeply in Central Bedfordshire, reflecting the high impact of the recession on the Central Bedfordshire economy.

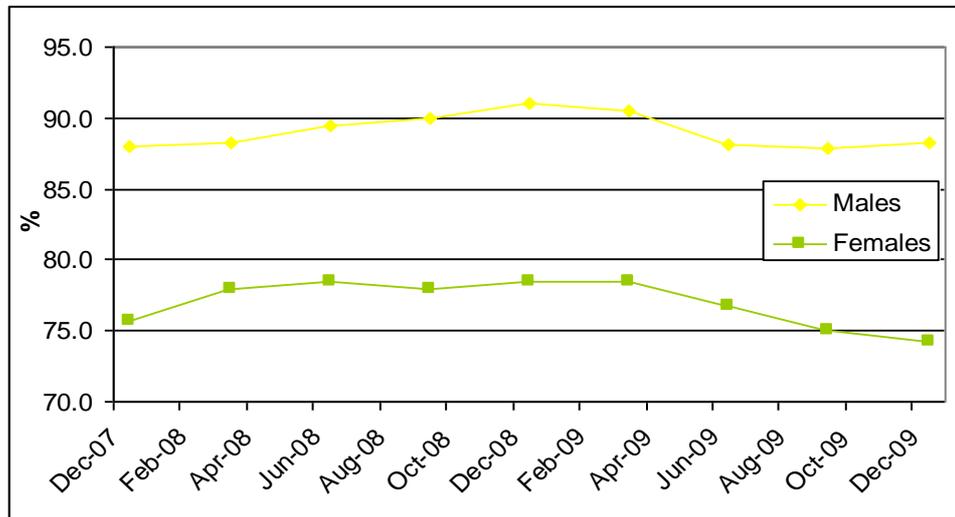
Economic Activity Rate Change over time



Source Annual Population Service: Nomis

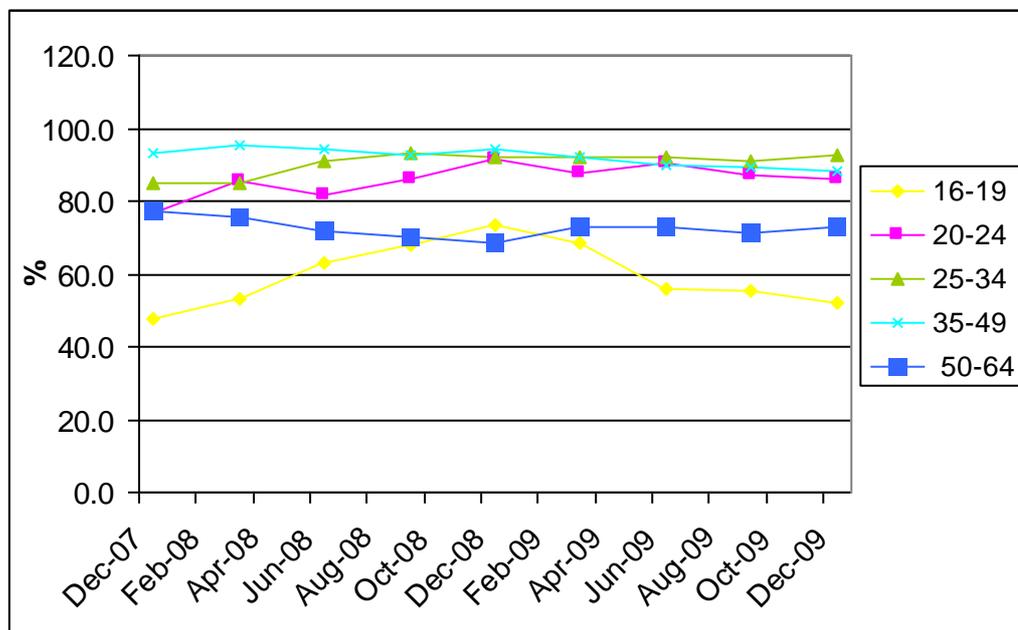
6.3 The economic activity rate between males and females varies significantly within Central Bedfordshire, with male economic activity rate consistently being higher than female. This is true at regional and national levels, with both male and female rates consistently higher in Central Bedfordshire than national, regional and rates.

Economic Activity Rate by Gender



Source Annual Population Survey: NOMIS

Economic Activity Rate by Age Band



Source Annual Population Survey: NOMIS

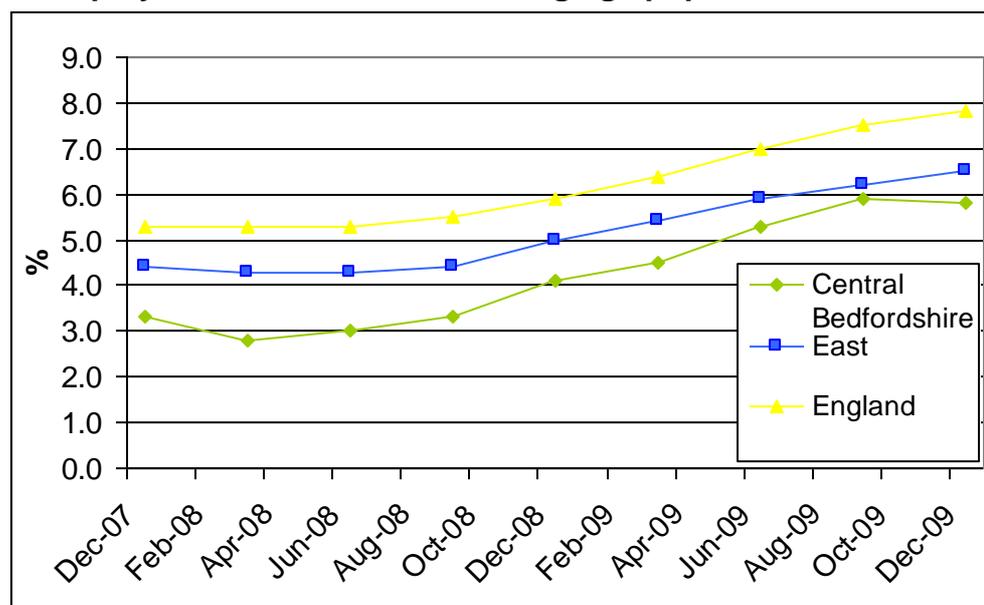
6.4 In addition to significant differences in the economic activity of Central Bedfordshire by gender, it is clear that the 16-19 age group has also witnessed a significant decrease in economic activity during the economic recession.

- 6.5 The fall in economic activity rates in Central Bedfordshire is of concern, particularly given the recent falls in unemployment and Job Seekers Allowance claimant count. This means that there are an increasing number of people who are not engaged with the labour market or skills improvement. Very little data is available on these individuals as they are not likely to be accessing services to support employment or training. It will be important for Central Bedfordshire to counter this trend and maximise engagement in the economy, through not only employment but also through volunteering and social enterprise routes.
- 6.6 The employment rate in Central Bedfordshire in December 2009 was 76.6%. Again this is above regional (74.3%) and national (70.9%) rates. This high employment rate was also above Luton (66.1%) and Bedford (73.8%). Like the Economic Activity rate, the employment rate of Central Bedfordshire has fallen during the recession, falling from a high of 81.4% in June 2008. Again employment rates are higher amongst males (83.1%) compared to females (70%).

Unemployment

- 6.7 Unemployment levels and rates from the Annual Population Survey are measured following the internationally agreed definition recommended by the International Labour Organisation (ILO). The ILO definition of unemployment covers people who are:
- without a job, want a job, have actively sought work in the last four weeks and are available to start work in the next two weeks
 - out of work, have found a job and are waiting to start it in the next two weeks
- 6.8 Unemployment in Central Bedfordshire has consistently been lower than national and regional levels and as of December 2009 stood at 7,800 (5.8%). However, the impact of the recession has been hard felt in Central Bedfordshire with the level of unemployment increasing by 105% between a low in March 2008 and a high in September 2009. This compares to a national increase of 43% over the same period.

Unemployment as a % of the working age population



Source Annual Population Survey: NOMIS

6.9 Generally the level of Unemployment in Central Bedfordshire has been higher in males, though recently the gap between males and females has reduced. The rate of increase in unemployment in females in Central Bedfordshire since June 2008 (97%) has been faster than regional (34%) and national (33%) levels. While in all cases absolute numbers are lower in Central Bedfordshire, this further demonstrates the severe impact of the recession on the Central Bedfordshire labour market and the need to continue to support new employment opportunities.

6.10 Despite the relatively low unemployment rates in Central Bedfordshire, there are several groups who face difficulty in entering and retaining employment. These include disabled people, people from ethnic minorities and people over 50.

Comparison of Central Bedfordshire employment rates among disadvantaged groups (working age population 16-59 female/16-64 male)

Group	Employment Rate (%)
All working age people	76.6
All people aged 50 – state pension age	69.9
All males aged 50 +	53.9
Non-white	67.8
Disabled people*	59.1
Black/ Black British	59.1
Non-white females	46.2

*The definition of 'Disabled' is complex – full details are available from the ONS Labour Force Survey Guide.

Source: Annual Population Survey, December 2009, ONS via NOMIS.

6.11 At the 2001 Census, the unemployment rate for BME groups was 2.7%, higher than that for 'White British' (2.1%). It is not possible to show unemployment rates for individual BME groups in Central Bedfordshire, due to the small numbers of people. In terms of JSA claimant count data (source July 2010) NOMIS Claimant Count, Crown Copyright) shows that the 'Ethnic Minority' group Claimant Count makes up 5.1% (200 People) of the Central Bedfordshire Claimant Count. Of this group the "Black or Black British" group accounts for the largest percentage.

Central Bedfordshire Ethnic Group claimant count unemployment, as a percentage of 'Ethnic Minority' Claimant Count July 2010

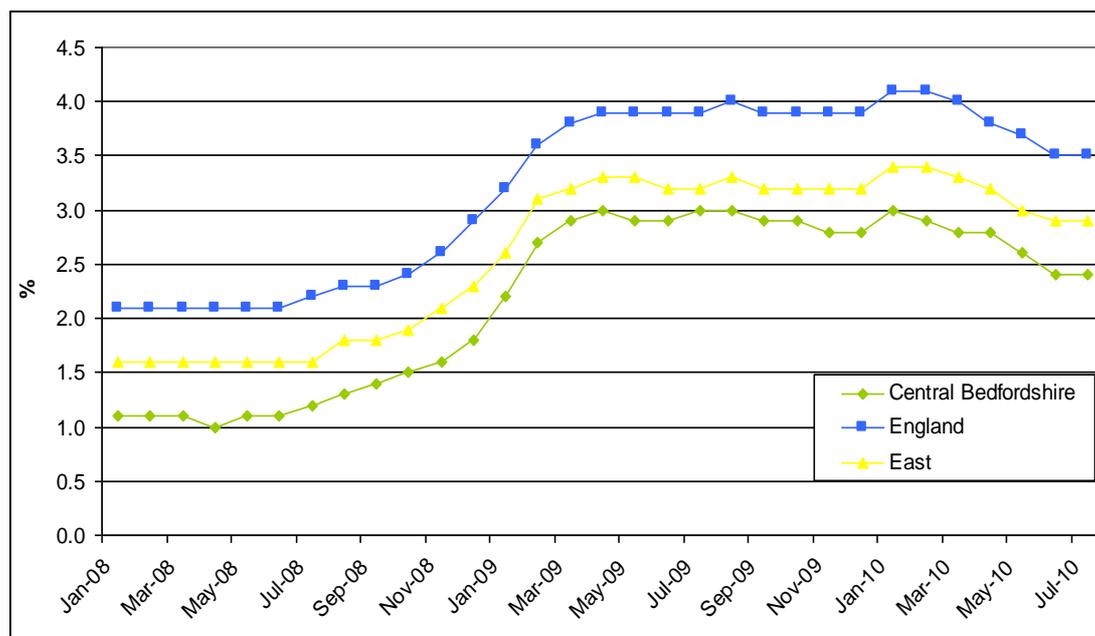
Ethnicity	%
"Mixed"	22.5%
"Asian or Asian British"	30.5%
"Black or Black British"	37.5%
"Chinese or Other Ethnic Group"	10.0%

Source: Office for National Statistics, Claimant count unemployment.

Claimant Count and Vacancies

6.12 The total claimant count for Job Seekers Allowance (JSA) in Central Bedfordshire was 3,960 people (July 2010) which accounted for 2.4% of the resident working age population. This rate is below regional (2.9%), national (3.5%) levels. The Central Bedfordshire Claimant Count is also below Luton (4.6%) and Bedford (3.6%) levels.

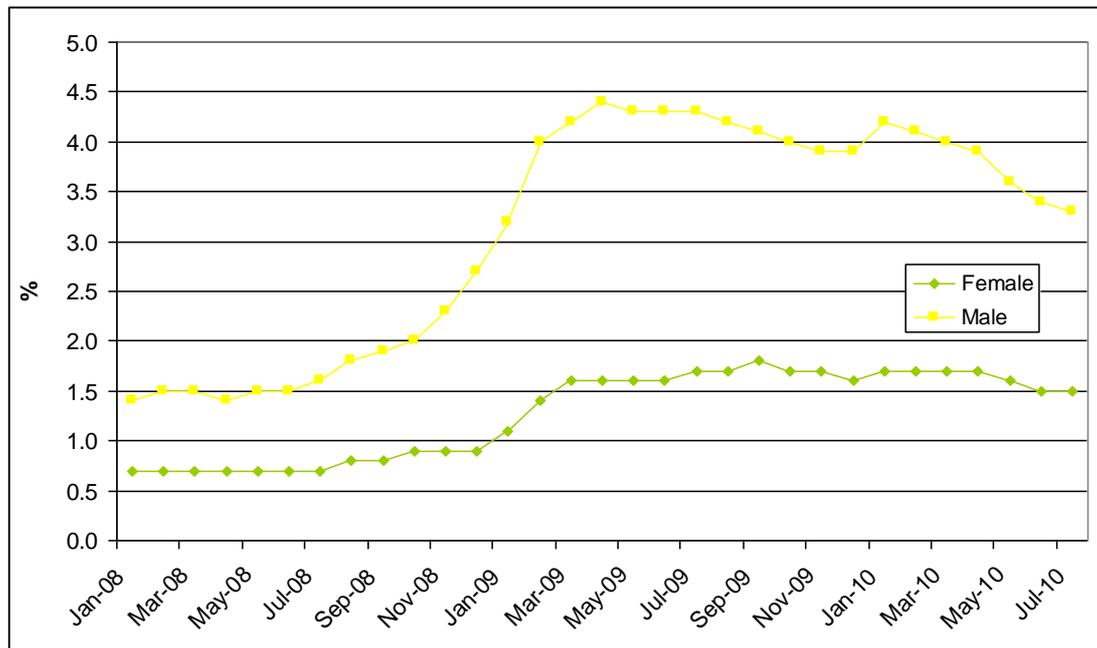
JSA claimant Count as % of Resident Workforce



Source: Office of National Statistics NOMIS

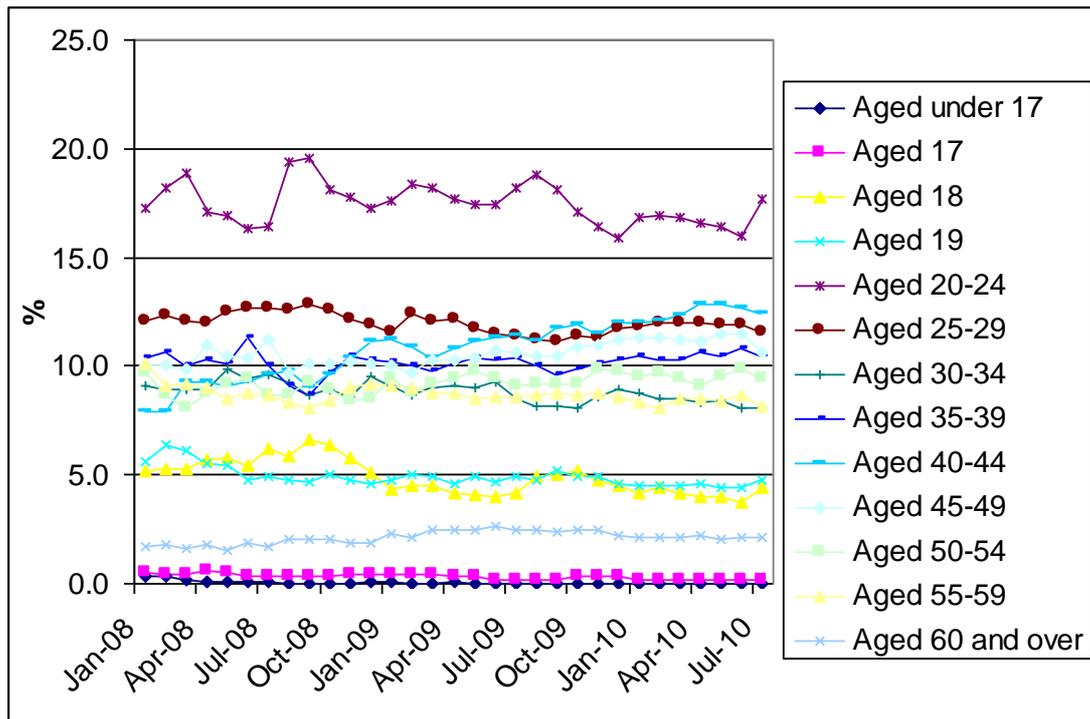
6.13 While the level of claimants has reduced since the height of recession, 4,940 claimed JSA in April 2009, the level still remains above the historic low levels of claimant count in Central Bedfordshire. Furthermore, the recession has had a proportional harder impact on the Central Bedfordshire labour market, demonstrated in the 128% increase in claim count from January 2008 to July 2010, compared to regional (82%) and national (71%) increases. The level of claimant count is higher amongst males (3.3%) compared to females (1.5%). Unlike trends in economic activity and unemployment the increase in claimant count has been greatest amongst males and the gap between genders has widened.

JSA Claimant by Gender



Source: Office of National Statistics NOMIS

Proportion of JSA by Age



6.14 Unemployment among young people is generally higher than among adults as a whole. In July 2010, 1,065 people aged 18-24 were claiming JSA in Central Bedfordshire, this equates to 27.1% of all JSA claimants. The age group with the highest proportionate increase in JSA claimants in Central Bedfordshire between January 2008 and July 2010 was the 40-44 age group, which saw a 229% increase. The 18-24 age group saw a 99% increase over the same period.

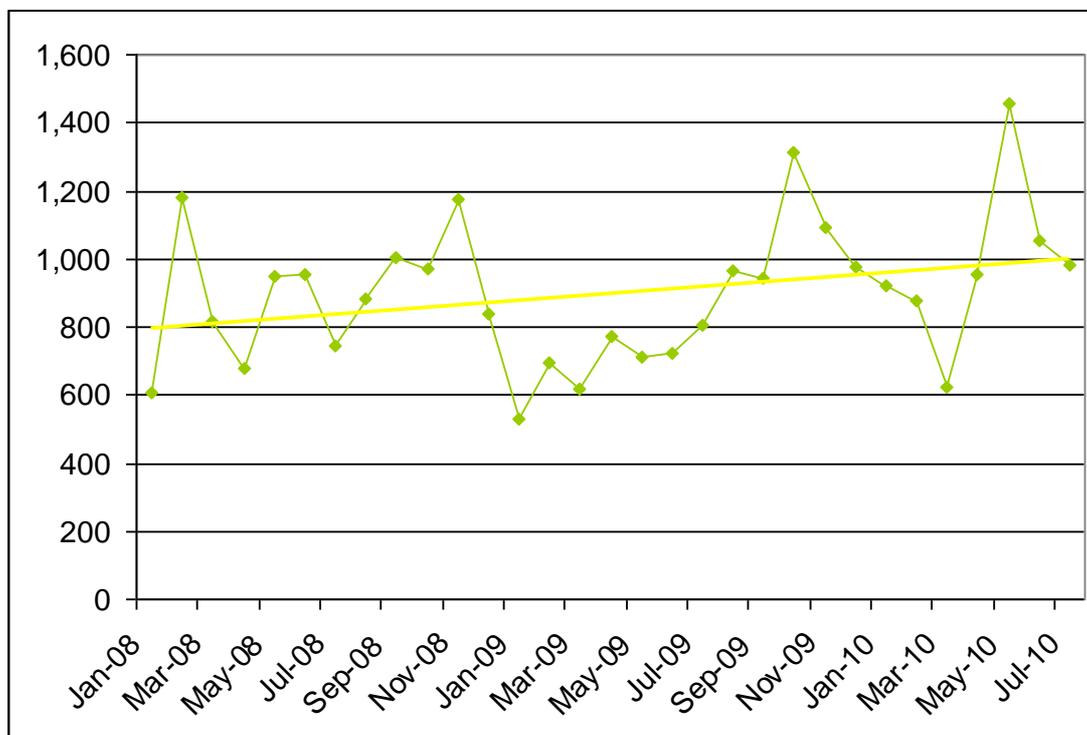
6.15 During the recent economic recession there are still a number of vacancies being reported to the Job Centre. The level of vacancies fluctuates significantly, though the trend line indicates a gradual increase in the level of vacancies through the economic recession. It must be noted that these vacancies only include those notified to the Job Centre Plus and as such does not fully reflect the total number of vacancies or demand for labour in the Central Bedfordshire Economy

JSA by Location

6.16 The below wards all have JSA claimant counts higher than the Central Bedfordshire average. Manshead and Tithe Farm are classified as unemployment hotspots, being 1.5% points above the national average.

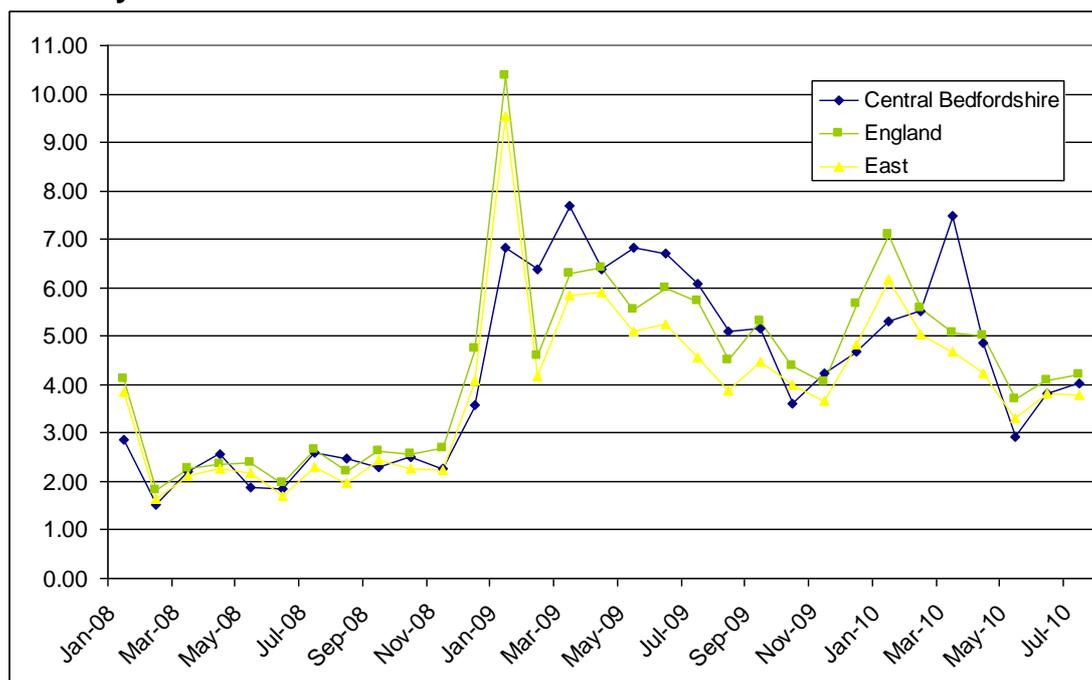
Ward name	%
Manshead	5.8
Tithe Farm	5.6
Parkside	4.8
Northfields	4.2
Dunstable Central	3.8
Houghton Hall	3.7
All Saints	3.6
Sandy Pinnacle	3.2
Planets	3.0
Plantation	2.9
Arlesey	2.8
Linslade	2.7
Biggleswade Ivel	2.7
Grovebury	2.6
Watling	2.6
Central Bedfordshire	2.4

Notified vacancies in Central Bedfordshire



Source: Office of National Statistics NOMIS

Vacancy Ratio



Source: Office of National Statistics NOMIS

6.17 The ratio of vacancies to those claiming Job Seekers Allowance can also be a factor in the level of worklessness, with higher ratios reflecting both increased competition for jobs and potential lower levels of vacancies in an area.

6.18 As with national, regional and local comparators, the ratio in Central Bedfordshire has increased over the past two years, in line with the economic recession. Central Bedfordshire has a ratio of 4.02 Claimants to 1 Job Centre Plus Vacancy. This is inline with the national average (4.21), slightly greater than the regional average (3.78) and below Bedford (5.81) and Luton (4.66). However, as with the rate of change in overall claimant count, the ratio has increased by 41% since January 2008. This is considerably greater than regional, national and local rates.

6.19 Information from Job Centre Plus indicates a mismatch between the type of vacancy sought and vacancy notified from Job Centres. Currently (February 2010) the major vacancies notified by occupation are:

- Process, Plant and Machine Operatives (26%)
- Personal Service Occupations (21%)
- Elementary Occupations (19%)
- Administrative and Secretarial Occupations (12%)

6.20 There is considerable variation over time between the type of vacancies notified, though Personal Service Occupations and Elementary Occupations are consistently high.

Local Considerations

6.21 Information from JobCentre Plus advisors, highlights that major barrier to supporting unemployed people into employment as:

Biggleswade

- Transport seems to be the biggest barrier for customers. Those customers that live in the outer areas are unable to access some childcare and also travel to work for a reasonable start time due to the lack of rural transport.
- Lack of general unskilled work in the area.
- Employers tend to advertise for experienced staff and are reluctant to recruit someone with no experience.
- Customers are looking for training in trade roles e.g. plumbing, electrician as they see these are positive opportunities in finding work.

Dunstable

- Lack of local jobs, the area no longer has the manufacturing, offices or retail that it used to have due to the decline of the town.
- A number of the clients are unskilled and timescales prevent these being addressed in order for them to apply for the vacancies available.
- Customers are unwilling to travel to nearby towns for employment and are therefore maybe "comfortable" on benefits.
- Public transport "isn't great" for rural customers, buses can be infrequent and this makes it difficult for those travelling out with the town to jobs with early starts.

Leighton Buzzard

- Leighton Buzzard customers have mainly the same issues as Dunstable with the main barrier being transport for those in rural areas.

6.22 When considering employment deprivation, data from the Indices of Multiple Deprivation 2007, highlights that Central Bedfordshire generally performs well against regional and national levels. However, there continue to be pockets of higher deprivation, particularly around Dunstable and Houghton Regis, where parts of Manshead, Parkside and Northfields wards are all in the top 10% of the most deprived wards by income in the East of England.

LSOA Identifier	Old ward name	New ward name	England Ranking*	East of England	Central Beds overall IMD
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				Ranking*	ranking
594	Manshead	Dunstable Downs	4863	148	1
602	Parkside	Houghton Regis	5893	206	2
596	Northfields	Northfields	7791	353	3
400	Flitwick East	Flitwick East	7988	369	4
618	Tithe Farm	Houghton Regis	8820	435	5
555	All Saints	Leighton Linslade Central	9464	485	6
601	Parkside	Houghton Regis	9797	519	7
609	Plantation	Plantation	10033	538	8
440	Sheff,Camp,Grav	Shefford	10574	599	9
619	Tithe Farm	Houghton Regis	11573	690	10

Worklessness

6.23 An estimated 39,100 of Central Bedfordshire's working age population of 167,200 in 2008/09 were workless. This equates to 23% of the working age population.⁷

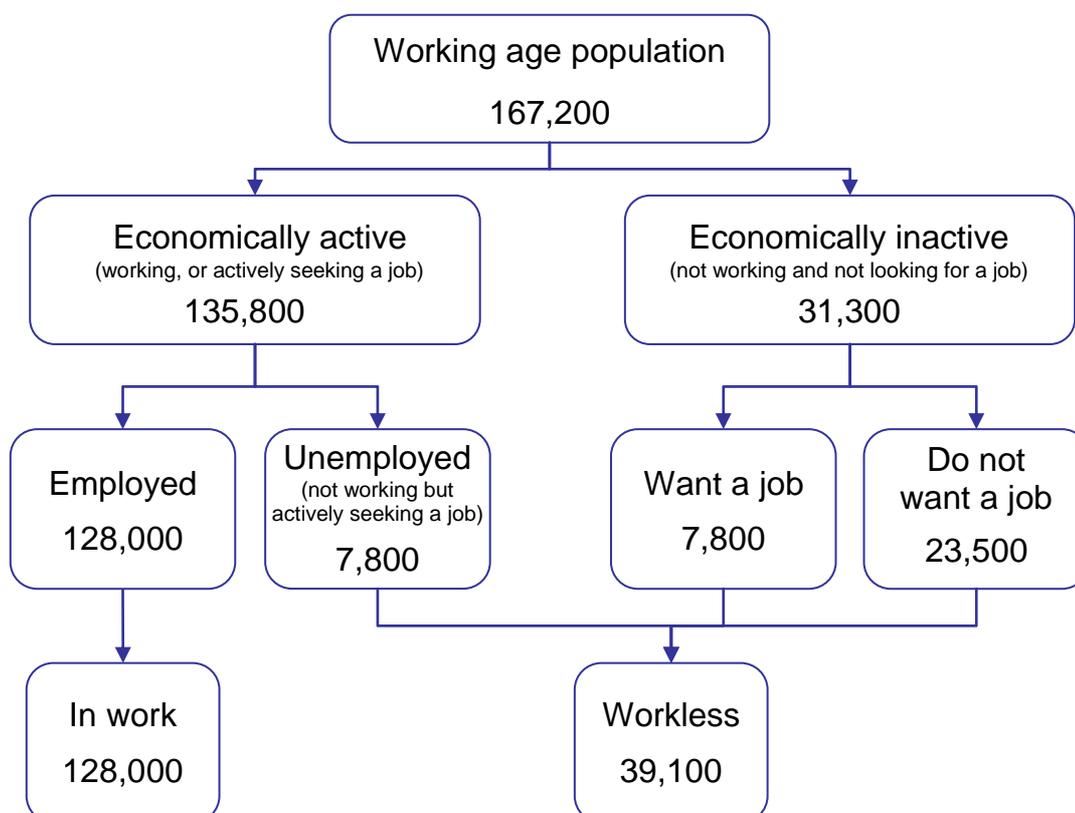
6.24 Worklessness' is used to describe people of working age who are not in work and includes:

- unemployed people actively seeking work
- people who are not working and are not looking for a job - these comprise people who want a job and those who don't want a job. This includes people who:
 - are not in full-time education or training and are not actively seeking work;
 - choose not to work because of family responsibilities or have retired early for example;
 - are out of work due to work limiting illness;
 - are caught in the 'benefit trap';
 - are low skilled;
 - lack affordable child care;
 - feel they do not have the right incentives to work.

6.25 While a majority of those who are economically inactive do not want a job, more than 7,800 people who are not working and are not actively looking for a job *do* actually want a job. Combined with the 7,800

⁷.Source: Annual Population Survey, Oct 2008-Dec 2009, ONS via NOMIS)

people who are unemployed and actively seeking work, 15,600 of the 39,100 workless (39.9%) do want to work.



Source: Annual Population Survey, December 2009, ONS via NOMIS

6.26 There are a significant number of people in Central Bedfordshire who are economically inactive as a result of a work-limiting illness. In August 2009, there were 4810 Incapacity Benefit or Severe Disablement Allowance claimants (IB/SDA) in Central Bedfordshire, equating to 2.9% of the area's working age population. Of those claiming IB/SDA some 87.5% (4,210) claimed Incapacity Benefit. The prime reasons for claiming IB/SDA are Mental Health (1,850 claimants or 38.5% of the total) and musco-skeletal disorders (810, 16.8%). The majority of IB/SDA claimants are long-term claimants with 63.8% having claimed for 5 years or more, and 89.8% claiming for more than 2 years.⁸ The age group with the highest level of IB/SDA was the 35-44 age group accounting for 21.4% of all claims.

6.27 Only 36% of people in Central Bedfordshire aged 16-74 with a limiting long term illness are economically active, compared to 74% of the overall population and 79% of those without a long-term illness.⁹

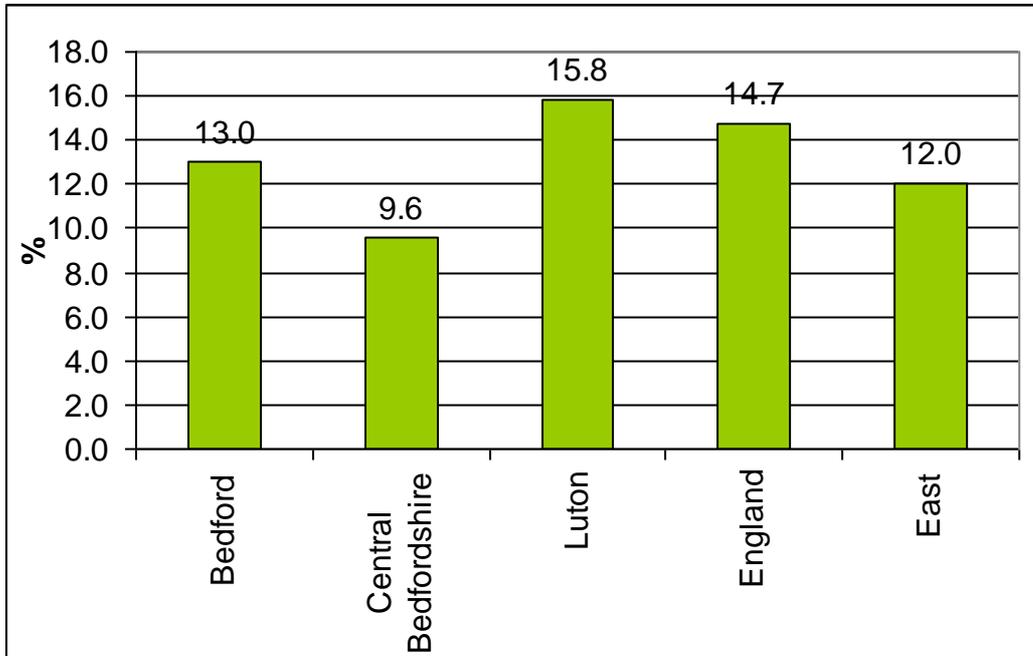
⁸ Source: Department for Work and Pensions, February 2010, via NOMIS

⁹ Source: 2001 Census, Table ST021

Benefits Claimed

6.28 When considering working benefits claimed in Central Bedfordshire as of February 2010 (Nomis) there were 15,840 people claiming benefits. This equates to 9.6% of the resident working age population. Central Bedfordshire has a significantly lower proportion of the working age population claiming benefits than national and regional levels.

Working Benefits Claimed as % of working age people



6.29 However, since February 2008 the number of people claiming benefits has increased by some 25.3%. This is above national (15.2% increase), regional (18.6% increase), Bedford (18.7%) and Luton (17.6%) levels. Again this pattern reflects the proportionately high impact of the recession on the Central Bedfordshire labour market.

6.30 This data is not the same as NI 152 which shows a similar pattern of work related benefits, where 8.2.% of the resident working age population were claiming benefits, as calculated using the National indicator 152 definition. Again performance relative to the national and regional rates has deteriorated recently, despite remaining above region and national levels overall.

Volunteering

6.31 In line with National trends Volunteering has seen a marked increase in take up as a result of the recession. Volunteering can be another route to the labour market, building individuals self confidence, improving job skills and providing relevant work experience.

- 6.32 For the nine months July 2009-March 2010, the two Volunteer Centres covering Central Bedfordshire (at Bedford and Leighton Buzzard) have therefore seen/worked with an additional 161 people from Central Bedfordshire who declared themselves as unemployed and who were looking for volunteering opportunities, compared with the previous nine months. This represents an increase of 144%.
- 6.33 The Local Area Agreement 1 Volunteering Survey (March 2010) showed that 24% of the working age population volunteered at least two hours or more per week and that a further 15% of the working age population volunteered at least once a month. The estimated value of this (based on the minimum wage) is in excess of £27 million per annum.
- 6.34 Concern has been identified by Volunteer Centre Central Bedfordshire of the difficulty of fitting the supply of volunteering opportunities to demand from would-be volunteers. Thousands of people may be turned off volunteering because when they seek to offer themselves resources dictate that it can be difficult to make the time to talk or find them an opportunity. Others may be taken on to under-resourced programmes which leave them dissatisfied and less likely to volunteer again. The increased demand for services are producing major stresses in volunteering systems, as funding has remained level or been reduced

Indices of Deprivation

- 6.35 The prevalence of Worklessness is often concentrated in areas of multiple deprivation. Central Bedfordshire already has a policy of targeting Priority Wards, considered to be the most affected by the problems of multiple deprivation. Existing priority neighbourhoods are located in the Parkside and Tithe Farm areas of Houghton Regis, and the Downside area of Dunstable. Tithe Farm and Parkside each consist of three Lower Super Output Areas (LSOAs) and Downside falls within one LSOA. LSOAs are a statistical geography used nationally. There are 154 LSOAs in Central Bedfordshire, each containing an average of 1,500 people.
- 6.36 Using the 2007 Index of Multiple Deprivation (IMD), Parkside, Tithe Farm and Downside contain the five most deprived LSOAs in Central Bedfordshire; these are all within the 20-30% most deprived LSOAs in England, and the most deprived 15% in the East of England.
- 6.37 These five LSOAs are each in the most deprived 20% in the East of England for at least four of the seven individual domains of the Indices of Deprivation. The seven domains are weighted and combined to create the overall IMD. The biggest issues exist around the education, skills and training domains and the crime and disorder domain, where some of the five LSOAs show up in the most deprived 10% in England.

6.38 Two LSOAs in Tithe Farm and one in Parkside are in the 10% most deprived LSOAs in England for education. These three LSOAs are the three most deprived in the whole of Central Bedfordshire for this domain. The two other LSOAs are in the 20% most deprived in England for education. Under the crime domain the two most deprived LSOAs in Central Bedfordshire are in Parkside. These are both within the 5% most deprived in England for this domain.

New Priority Neighbourhoods

6.39 Looking beyond these five LSOAs, we can begin to identify other neighbourhoods that are likely to have conditions that may lead to high levels of worklessness. The following table lists all of the LSOAs in Central Bedfordshire that are within the 20% most deprived in the East of England according to the 2007 IMD.

Index of Multiple Deprivation 2007 by Central Bedfordshire LSOAs

LSOA Identifier	New ward name	Old ward name	England Ranking*	East of England Ranking*
602	Houghton Regis	Parkside	6,713	238
594	Dunstable Downs	Manshead	6,717	239
601	Houghton Regis	Parkside	7,549	300
618	Houghton Regis	Tithe Farm	8,507	397
619	Houghton Regis	Tithe Farm	9,739	482
596	Northfields	Northfields	10,053	511
609	Plantation	Plantation	10,055	512
400	Flitwick East	Flitwick East	10,335	530
433	Sandy	Sandy Pinnacle	10,860	580

* A lower number means higher levels of deprivation. England has 32,482 LSOAs; the East of England has 3,550.

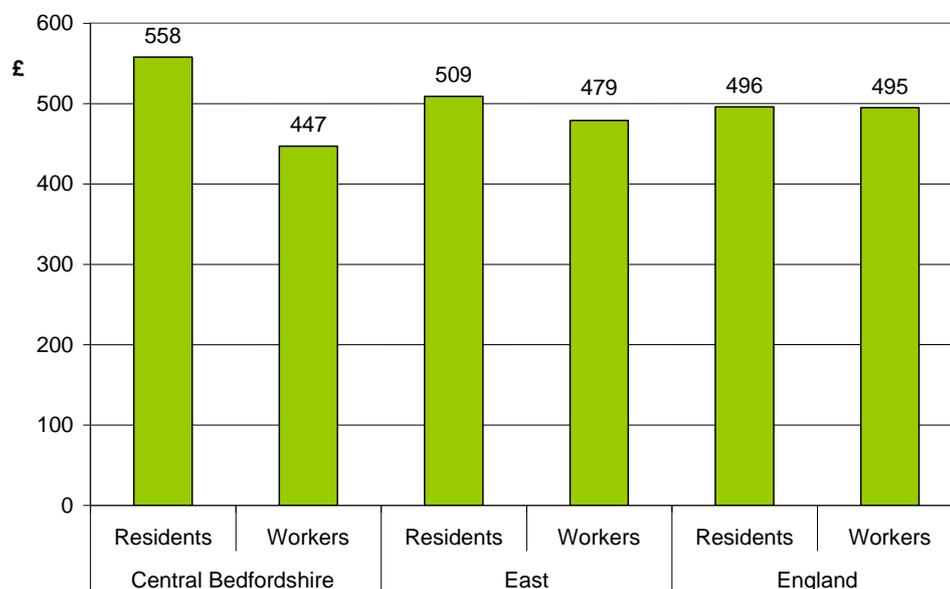
6.40 The first five LSOAs are those referred to above, in Parkside, Downside (Manshead) and Tithe Farm. The next four LSOAs, all in the 20% most deprived in the East of England, are located in Dunstable, Leighton Linlade, Flitwick and Sandy, respectively. The LSOAs in Leighton Linlade, Flitwick and Sandy are surrounded by other LSOAs that are considerably less deprived, suggesting that these are 'pockets' of deprivation. These three LSOAs plus the one in Northfields are in the 20% most deprived in the East for at least three of the seven domains, including income, employment and health.

Earnings and Income

6.41 Average earnings for Central Bedfordshire residents are higher than in the East of England. Income for people who work in Central Bedfordshire is lower than that of residents, reflecting the relatively lower paid nature of jobs in Central Bedfordshire, and the number of residents who commute to higher paying jobs outside the area.

6.42 The gap between earnings for residents and workers is greater in Central Bedfordshire than regionally or nationally.¹⁰

Median average gross weekly earnings, 2009



Source: Office for National Statistics, Annual Survey of Hours and Earnings, 2009, via Nomis

6.43 While the median earnings of Central Bedfordshire residents may compare favourably with other authorities in the region, many earn well below the average and might be categorised as 'working poor'. For example, 20% of male full-time workers resident in Central Bedfordshire have gross weekly pay of under £403, and 20% of female full-time workers earn under £325 per week.

Gross weekly earnings of Central Bedfordshire residents, 2009, full-time workers only (includes overtime)

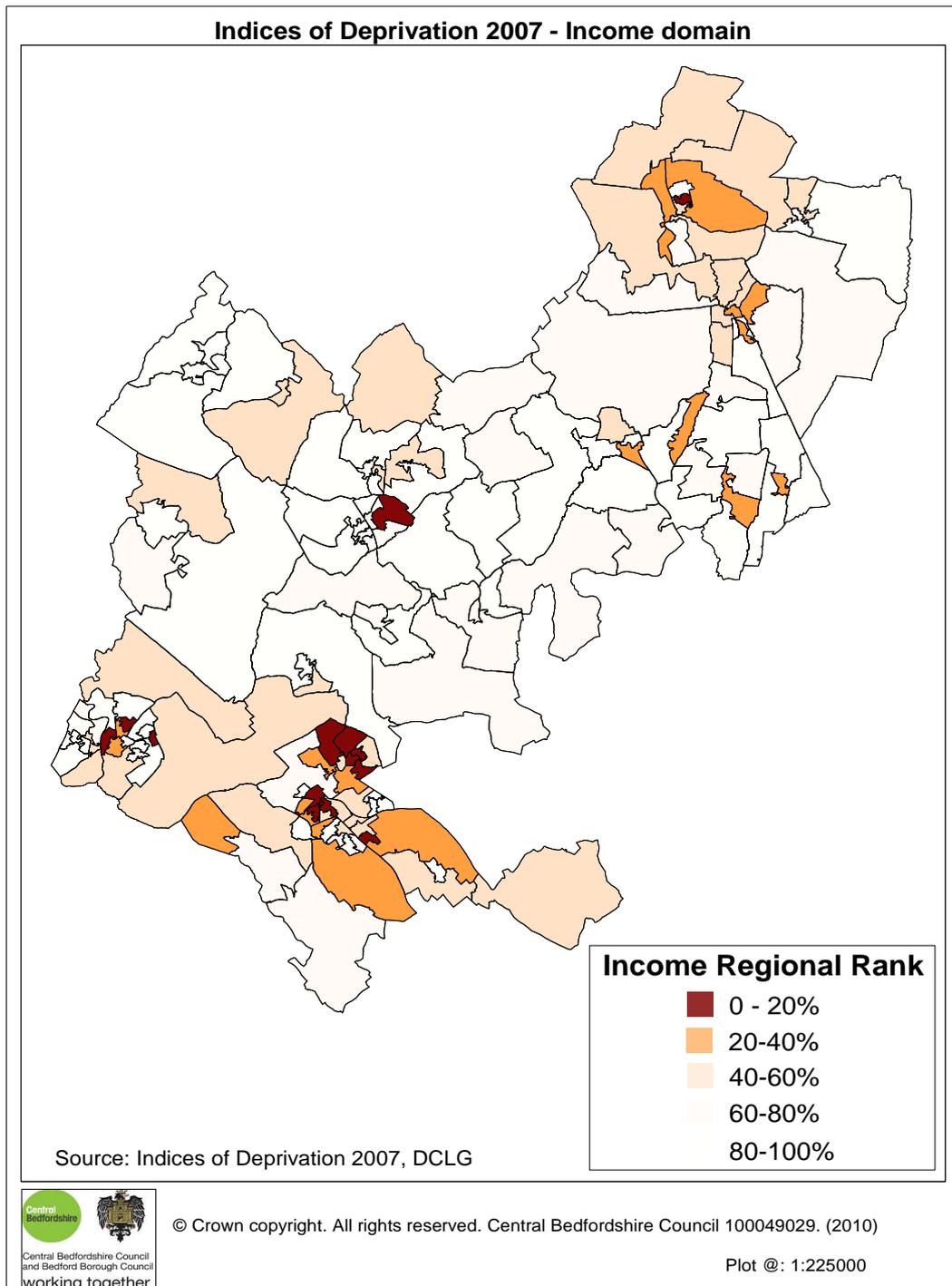
Percentile	Gross Weekly Earnings (£), full-time workers		
	Male	Female	All
10 percentile	339	276	313
20 percentile	403	325	368
30 percentile	459	367	412
40 percentile	556	402	480
50 percentile	653	470	558
60 percentile	731	527	651
70 percentile	835	587	740
80 percentile	998	690	878
90 percentile	Not available	Not available	Not available

¹⁰ Source: Office for National Statistics, Annual Survey of Hours and Earnings, 2009, via Nomis

- 6.44 Many part-time workers and many people who are wholly or largely reliant on benefits will have even lower incomes. As the table above shows, earnings for men are higher than those for women at every earnings level. The gap in earnings between men and women is higher in Central Bedfordshire than in the East or in England.
- 6.45 Another measure of income is Gross Disposable Household Income (GDHI). This is a measure of the amount of money that individuals (i.e. the household sector) have available for spending or saving. This is money left after expenditure associated with income, e.g. taxes and social contributions, property ownership and provision for future pension income. It is calculated gross of any deductions for capital consumption: it does not take account of reductions in the value of goods, including houses. Data on GDHI is available at NUTs 3 level (Bedfordshire only). In December 2008 GDHI was £15,572 per head in Bedfordshire. This is above regional (£15, 509) and England (£15,090). The level of GDHI has increased some 21% in Bedfordshire since 2001, a level which while broadly in line with the East of England is below the England level of growth of 25%.
- 6.46 When considering income deprivation, data from the Indices of Multiple Deprivation 2007, highlights that Central Bedfordshire, generally performs well against regional and national levels. However, there continue to be pockets of higher deprivation, particularly around, Dunstable, Houghton Regis Leighton Linlade, Sandy and Flitwick. The top seven most deprived wards by income are in the top 10% of the most deprived wards by income in the East of England.

LSOA Identifier	Old ward name	New ward name	England Ranking*	East of England Ranking*	Central Beds overall IMD ranking
594	Manshead	Dunstable Downs	3553	131	1
618	Tithe Farm	Houghton Regis	5462	238	2
601	Parkside	Houghton Regis	6408	301	3
609	Plantation	Plantation	6879	345	4
400	Flitwick East	Flitwick East	6904	347	5
602	Parkside	Houghton Regis	6924	350	6
619	Tithe Farm	Houghton Regis	6940	351	7
433	Sandy Pinnacle	Sandy	7711	412	8
596	Northfields	Northfields	8422	478	9
580	Houghton Hall	Houghton Regis	8630	500	10

Financial Exclusion



6.47 The Index of income deprivation is closely correlated to data on the level of financial exclusion in Central Bedfordshire. Financial Inclusion in the East of England (EEDA, 2008) defines social exclusion as the inability of individuals to access mainstream financial products such as bank accounts and low cost loans.

6.48 The study used the below criteria to determine financial exclusion hotspots:

- No savings
- No current account
- Difficulty in accessing affordable credit
- No home contents insurance
- No credit card

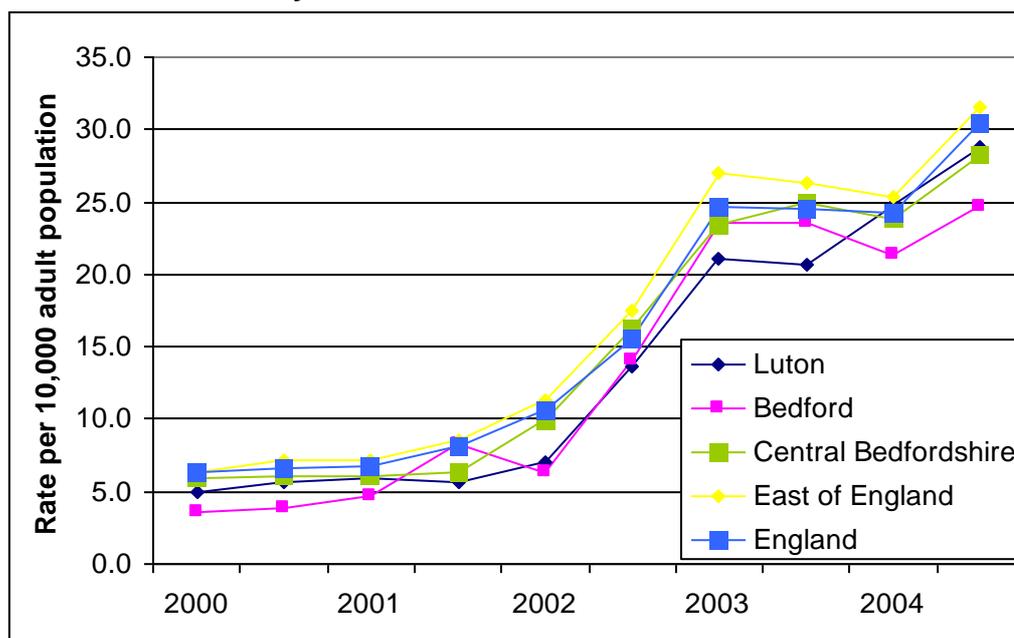
6.49 Within Central Bedfordshire, again the most excluded areas lie within the Dunstable and Houghton Regis areas, though Flitwick East is highlighted as an excluded area. The Commission for Rural Communities suggests that the accessibility of banks and building societies has reduced in rural areas, alongside a trend towards fee-charging cash machines, which may lead to rising levels of financial exclusion in Central Bedfordshire's many rural wards.

6.50 The significant role of the rural economy and the challenges this faces must also be considered. The Commission for Rural Communities has today (23 November 2010) published a report ("A minimum income standard for rural households") demonstrating that people in rural areas in England need to take home up to 20% more than those in urban areas to reach an acceptable living standard. It means a villager must earn about 50% above the minimum wage of £5.93 an hour to reach a minimum living standard.

Insolvency

6.51 The level of insolvency in an area is another indicator of financial exclusion and potential poverty. Within Central Bedfordshire the level of new personal insolvency cases, including Bankruptcy Orders, Individual Voluntary Arrangements and Debt Relief Orders, has increased by some 380% since 2000. This represents an increase from 5.9 new cases of personal insolvency per 10,000 residents to 28.3 cases per 10,000 residents in 2009. (Source The Insolvency Service) Despite this significant increase the rate of new cases growth is below regional (31.5 per 10,000 residents) and national (30.4) rates as shown below.

Personal Insolvency Rates



Child Poverty

- 6.52 The Joseph Rowntree Foundation estimates that Child Poverty costs the country at least £25 billion a year, including £17 billion that could accrue to the Exchequer if child poverty were eradicated. Moving all families above the poverty line would not instantly produce this sum.
- 6.53 However, in the long term, huge amounts would be saved from not having to pick up the pieces of child poverty. The coalition government has 'signed up' to the Child Poverty Act and its target to eradicate Child Poverty by 2020 (for statistical purposes eradication means less than 10%).
- 6.54 The Child Poverty Act places new duties on Local Authorities to co-operate with key partners to reduce Child Poverty in their area, to carry out a Child Poverty Needs Assessment and to produce a local Child Poverty Strategy. Local authorities also have to take their duty to reduce Child Poverty into account when preparing or revising their Sustainable Communities Strategy. The Partners with whom the local authority must co-operate in this task are laid down by statute and include:
- The police, youth offending teams, and probation service.
 - Transport Authorities
 - Primary Care Trusts and Strategic Health Authorities.
 - Jobcentre Plus
 - Other relevant partners should also be involved as the local authority sees fit

6.55 In Central Bedfordshire 11.8% of children under 16 and 16-19's (unless in work or married) are living in Poverty. Total number of children under 19 is 62,300 so 11.8% represents 7,351 children. The areas within Central Bedfordshire with the highest overall levels of poverty are:

Ward	%
Tithe Farm	32.8%
Manshead	27.4%
Parkside	27.0%
Northfields	23.8%
Houghton Hall	23.6%
All Saints	17.0%
Plantation	17.0%
Stanbridge	16.8%
Dunstable Central	16.6%
Sandy Pinnacle	16.1%

Further investigation by the council has also highlighted that Flitwick East has high levels of Child Poverty.

Occupation

6.56 Central Bedfordshire's economic strength is further highlighted by the higher than national and regional levels of those classified as managerial, professional or skilled.

6.57 In December 2009 58.2% of the labour force were classified in these categories, representing high level of skills and productivity. This is above regional (56.4%) and national (54.9%) levels. Furthermore, the rate of growth in these skilled categories at 8.8% since December 2007 has been faster than regional (2.4%) and national (1.5%) levels.

Occupational structure (%)

	Central Bedfordshire	East	England
Managers and senior officials	19.3	17.5	16.1
Professional occupation	12.2	13.5	13.7
Associate professional and technical	15.1	14.2	14.8
Administrative and secretarial	8.9	11.0	11.2
Skilled trades occupation	11.6	11.2	10.3
Personal service occupation	8.9	7.9	8.5
Sales and customer services occupations	7.2	7.0	7.3
Process plant and machine operatives	5.6	6.2	6.6
Elementary occupations	11.1	11.3	11.2

Source: Office for National Statistics, Annual Population Survey, December 09

Job Growth

6.58 In 2008, there were 85,100 jobs in Central Bedfordshire. The number of jobs had increased by 6,700 or 8.5 per cent between 2003 and 2008. This is a growth rate of some 1,340 per year or a compound growth rate of 1.65% per year. The total percentage increase over the period is above the 3.8 per cent increase across the East of England and Great Britain. There are also ongoing disparities between North and South Central Bedfordshire. ABI data indicates that between 2003 and 2008 jobs grew by 4,800 in North Central Bedfordshire and by 1,900 in South Central Bedfordshire. This represents an improvement in historic performance in the South.

Largest changes in sector employment in Central Bedfordshire

Industry	Change 2003-2008
Other Business Activities	2,306
Hotels and Restaurants	1,266
Health and Social Work	928
Recreational and Sporting Activities	833
Manufacture of rubber and plastic products	-742
Manufacture of machinery and equipment	-581
Retail trade, except of motor vehicles and motorcycles; repair of personal and household goods	-577
Publishing, printing and reproduction of recorded media	-504
Research and Development	-485

6.59 Based on the information contained in the adopted and emerging Core Strategies Central Bedfordshire is planning for approximately 27,000 new jobs from 2011 to 2026. This is jobs growth rate of approximately 1,800 per year and represents a 34% increase from current growth rates. Achieving this level of growth will require a series of activities to stimulate jobs growth, such as increasing business start ups, supporting indigenous business growth and attracting new inward investment.

6.60 Further to this, data analysed does not yet account for the full impact of the recession. The East of England Forecasting Model predicts that this will be in the region of 5% or 2,000 jobs for the Central Bedfordshire economy, and would also mean lower growth rates until 2013. The need to replace these jobs and increase the economic growth rate would need to be factored in, additionally to the analysis presented.

6.61 Self employment is high within Central Bedfordshire. In the year ending December 2009, 15.5% of the working age population in Central Bedfordshire were self-employed (20,200 people), this is above regional and national levels. There are significant differences between self employment by gender, with males having self employment rate of 20.7% compared to female of 9.1%.

- 6.62 The level of female self employment has dropped from 11.1% in December 2007, compared to an increase in male self employment over the same period. While female self employment rates are higher than national regional rates this falling trend is not inline with national trends which saw a 0.2% point increase.
- 6.63 22% of those in employment work part time in Central Bedfordshire, compared to 24.9% regionally and 25.3% nationally. The level of part time working has increased from 20.2% in December 2007 and is significantly higher amongst females (40.2%) compared to males (6.8%).
- 6.64 Despite the strong levels of job growth in Central Bedfordshire, job density (0.67) is the lowest in the East of England, and lower than the England average (0.83). Job density is a measure of the total number of filled jobs in an area compared to the resident working age population. It reflects the degree to which employment opportunities are available locally. In Central Bedfordshire, the ratio shows that there are 0.67 jobs for every working age resident, or two jobs for every three people¹¹. This further reinforces the highly mobile nature of the Central Bedfordshire Labour Market in terms of high levels of out commuting to high value jobs.

Job density, Central Bedfordshire, 2001-2008

	2001	2002	2003	2004	2005	2006	2007	2008
Central Bedfordshire	0.66	0.65	0.65	0.66	0.67	0.66	0.66	0.67
East	0.81	0.81	0.82	0.80	0.82	0.82	0.81	0.81
England	0.83	0.84	0.84	0.84	0.84	0.83	0.84	0.83

Source: Office for National Statistics, Jobs density 2001-08, via Nomis

¹¹ Source: Office for National Statistics, Jobs density, via Nomis)

Skills

- 7.1 In an increasingly competitive and globalised economy, the importance of having a strong skills base, both from an individual perspective in relation to employment opportunities, and for the wider Central Bedfordshire economy to attract and retain business investment, is critical. The importance of ensuring all have the skills to prosper is widely recognised. HM Treasury note the role of skills as a key driver of economic productivity while The Leitch Review of skills (*Prosperity for all in the global economy – world class skills, 2006*) states that:

“To achieve world class prosperity and fairness in the new global economy, the UK must achieve world class skills. Without world class skills, UK business will find it increasingly difficult to compete and innovate. The employment opportunities of the lowest skilled will continue to decline, risking a lost generation, cut off permanently from labour market opportunity. The Review has concluded that, where skills were once a key driver of prosperity and fairness, they are now the key driver. Achieving world class skills is the key to achieving economic success and social justice in the new global economy.”

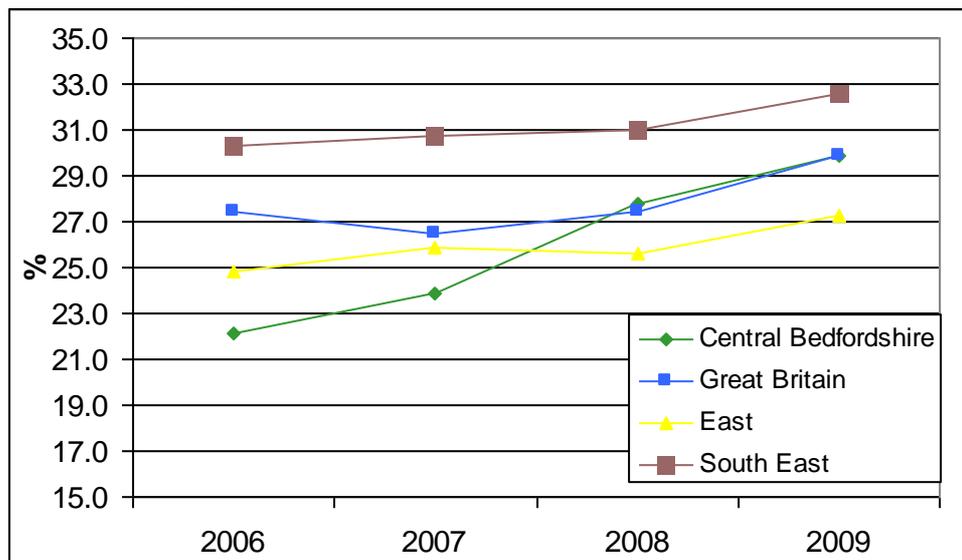
- 7.2 Central Bedfordshire has a major strength in supporting skills development in the number of existing high quality education institutions in the area including Cranfield University, the University of Bedfordshire and Central Bedfordshire College, Shuttleworth College (part of Bedford College). These offer a range of services including internationally recognised degree and higher qualifications, technical and vocational learning and business focused research and development. Barnfield College and Bedford College neighbour Central Bedfordshire and offer a wide range of opportunities. Many of these facilities have exciting development proposals, providing both academic and important vocational learning opportunities. Continuing to develop and support these considerable assets and investigating new opportunities for industry collaboration will be a key priority for the area in terms of ensuring that people have the skills to prosper.
- 7.3 However, the Bedfordshire and Luton Business Survey 2010 highlights that only 6% of businesses in Central Bedfordshire have links with universities or colleges for research and development purposes. This compares with 9% across the county of Bedfordshire. This proportion increases to 10% of businesses with 10 or more employees and 26% of those with 50 or more employees. The proportion is higher than average in the health sector (24%) and in businesses serving international markets (17%). The survey highlights that within Central Bedfordshire, businesses are most likely to have a relationship with Cranfield University (48%). One in seven with links to universities does so with the University of Bedfordshire (14%), 12% do so with Warwick University, Barnfield College (10%) and Cambridge University (2%).

7.4 The National Employer Skills Survey (NESS) 2009 highlights that in Bedfordshire 52.9% of business responding to the survey stated the reason for not using the teaching or training services of universities in past 12 months was that the courses they provide are not relevant. 8.4% preferred to train through FE colleges / other providers, 7.3% of business responded that they preferred to train in-house, while another 7.3% did not identify any training need.

Skills Levels

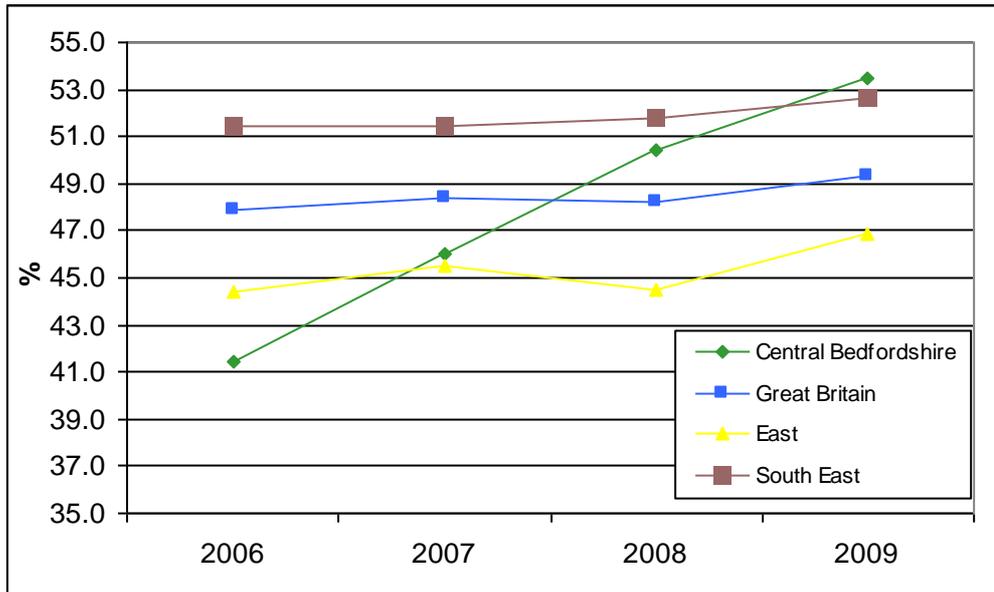
7.5 The level of qualification is an often used proxy for the level of skills in a workforce. While this data is readily available, it does not necessarily reflect the range of skills individuals may possess, as data reflects academic attainment only. Available data highlights that Central Bedfordshire generally performs well with respect to qualifications. 29.9% of the Resident working Age Population hold a level 4 Qualification (Degree equivalent) in Central Bedfordshire. While greater than the regional level (27.3%) and equal to national levels, it is lower than the South East regional average, an area that in many respects Central Bedfordshire is aligned to and competes with for investment. This is of particular concern when considering Central Bedfordshire's wider economic performance and growth aspirations.

% of working age with Level 4 Qualification



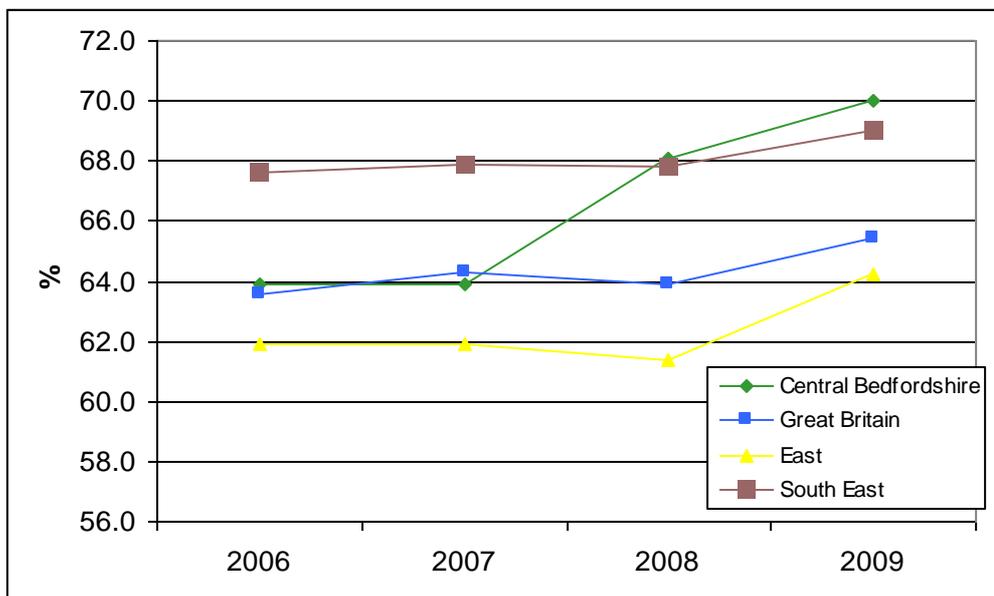
Source: NOMIS

% of working age with Level 3 Qualification



Source: NOMIS

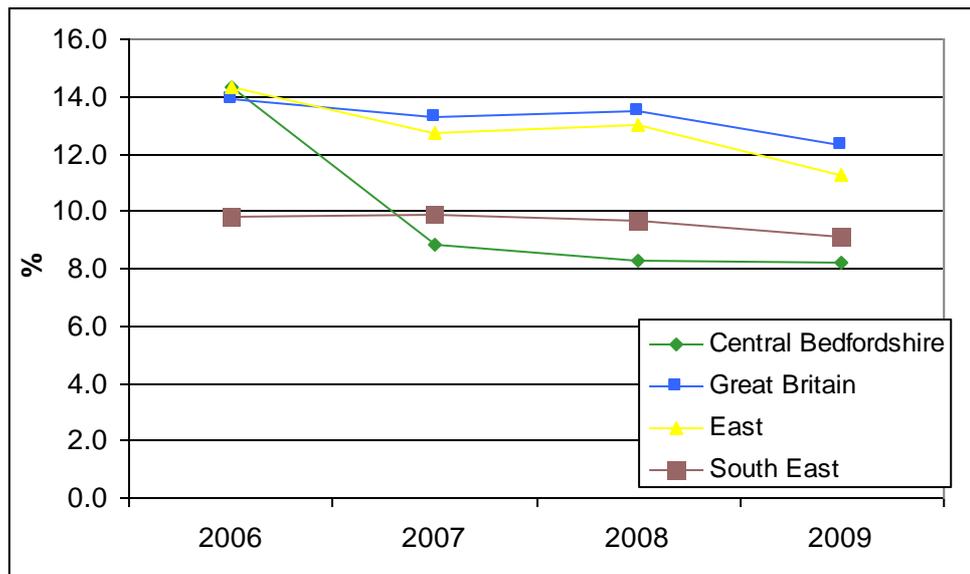
% of working age with Level 2 Qualification



Source: NOMIS

7.6 At NVQ level 3 and 2 Central Bedfordshire performs higher than national and regional levels. The proportion in Central Bedfordshire residents with no qualifications (8.2.%) was lower than the regional (East of England 11.3%) and national (12.3%) averages as shown below. This survey does not allow analysis of qualifications by ethnic origin.

% of working age with no Qualifications



- 7.7 While Central Bedfordshire performs strongly with respect to adult skills, the challenges faced as part of a more competitive labour market will continue to require Central Bedfordshire to further enhance its skills base. In achieving the area's economic powerhouse potential, Central Bedfordshire must continue to increase the proportion of the workforce with recognised qualifications and support those without recognised skills into vocational and academic opportunities.
- 7.8 The 2001 Census showed that some BME communities, particularly Chinese, White Irish and Pakistani, were more likely to have no qualifications than the overall population of Central Bedfordshire. There are also significant variations in educational and skills attainment within Central Bedfordshire.
- 7.9 There are 11 LSOAs in Central Bedfordshire ranked within the most deprived 20% in England for education, more than any of the other domains of the Index of Multiple deprivation.

Education, Skills and Training domain 2007, by Central Bedfordshire LSOAs

LSOA Identifier	New ward name	Old ward name	England Ranking*	East of England Ranking*	Central Beds overall IMD ranking
618 [†]	Houghton Regis	Tithe Farm	1,978	108	4
601 [†]	Houghton Regis	Parkside	2,183	120	3
619 [†]	Houghton Regis	Tithe Farm	2,314	132	5
609 [†]	Plantation	Plantation	2,569	148	7
433 [†]	Sandy	Sandy Pinnacle	3,167	196	9
605	Leighton Linlade Central	Planets	4,442	312	10
596	Northfields	Northfields	4,552	322	6
400	Flitwick East	Flitwick East	5,084	370	8
602	Houghton Regis	Parkside	5,244	389	1
594	Dunstable Downs	Manshead	5,273	394	2
595	Northfields	Northfields	6,047	482	13

* A lower number means higher levels of deprivation. † LSOA is in the most deprived 10% in England

- 7.10 This domain is calculated using a number of indicators including pupil test scores at Key Stages 2-4, rates of higher education, secondary school absence rate, and adult qualification levels. Using local data we can do some basic checks to give us an idea of how some areas fare with parts of these measurements.
- 7.11 The ward of Houghton Regis, which contains some of the worst LSOAs, has a noticeably higher proportion of people with no qualifications than the Central Bedfordshire average (the second highest in Central Bedfordshire, after Northfields). Also, just 34.2% of students achieved five GCSEs grades A*-C including Maths and English in 2008, well below the Central Bedfordshire average of 51.0%. Tackling these geographic disparities in our priority wards will continue to be a requirement.
- 7.12 Raising qualification levels is critical to individual employment prospects because there is a strong correlation between the qualification attained and the employment rate. Those with no qualifications are far less likely to be in employment, as shown in the table below:

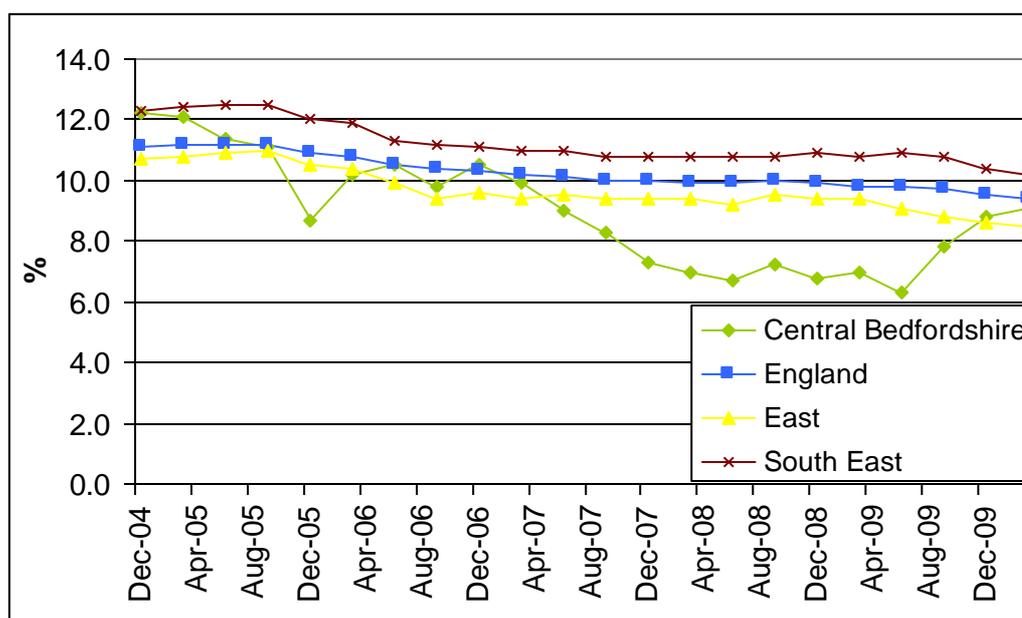
Employment rate of working age population (16-59/64) by highest qualification (2005-07)

Highest Qualification	England	East	Bedfordshire and Luton Learning Partnership
Level 4	86.8	87.4	89.4
Level 3	77.0	80.2	80.4
Level 2	74.3	77.3	76.7
Below Level 2	71.7	75.4	74.2
No Qualifications	48.0	56.3	50.2

Source: Department for Innovation, Universities and Skills (2008)

7.13 Central Bedfordshire residents appear to receive less job-related training than those regionally or nationally. 9.1% of Central Bedfordshire's working age population had some form of job related training in the last four weeks to March 2010. This has recently surpassed the rate of the East (8.5%) but is lower than both the England (9.4%) and South East levels England (10.2%).

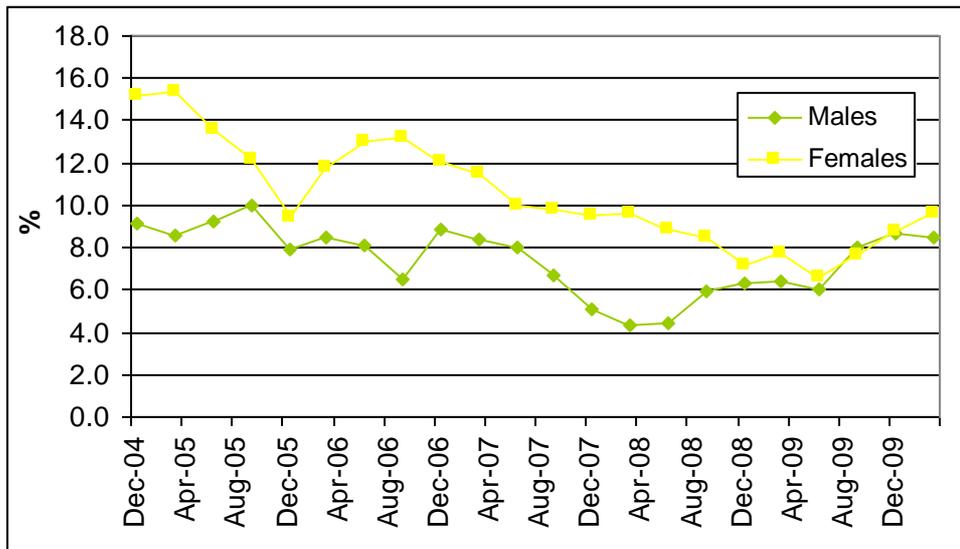
% of working age people who have had job related training in the past four weeks



Source: Office for National Statistics, Annual Population Survey , via Nomis

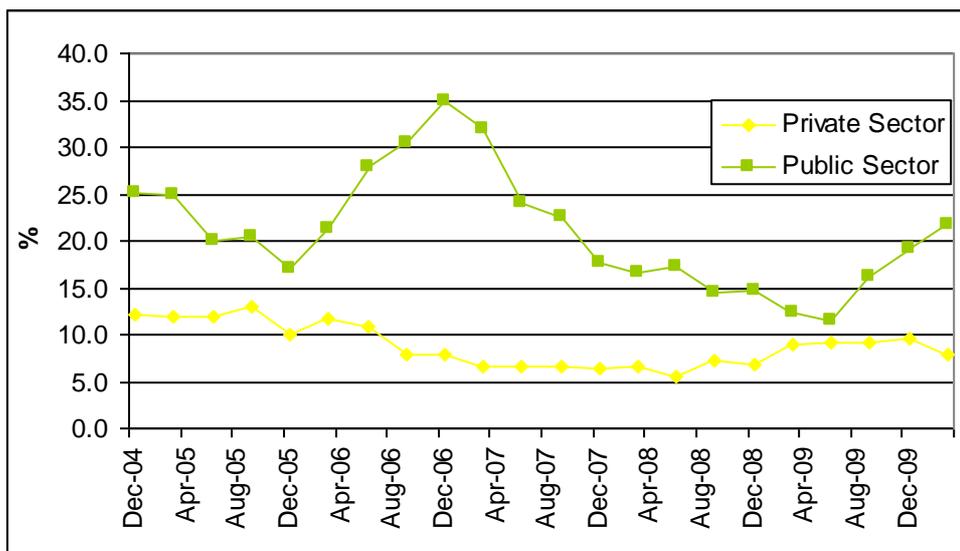
7.14 Further analysis highlights differentials in work related training between gender, and sector of employment. The figure below highlights that, historically, female residents of working age population have tended to receive more work related training than males. This is a trend true at both regional and national levels. However, the level of females receiving work related training has dramatically reduced in Central Bedfordshire, decreasing some 52% from 2005 to 2009 compared to Males receiving training, which fell 8% over the same period.

% of working age people who received job related training in last 4 weeks



Source: NOMIS

% of working age people who received job related training in last 4 weeks



Source: NOMIS

7.15 The figure above shows that training has consistently been higher in the public sector compared to the private sector.

7.16 The NESS 2009 highlights that despite the economic recession, 70.5% of business surveyed in Bedfordshire reported that their spending on training stayed the same. This compares to 20.9% that stated spending had decreased and 6.8% of business where spending had increased.

- 7.17 A recent sector skills council report¹² found that employers are managing down their training budgets by focusing on very specific business needs:
- mandatory training
 - up-skilling individuals who are taking on additional job roles
 - bite-sized learning which is bespoke to the needs of the business
 - learning to support the growth and/or diversification of the business
- 7.18 As part of the Bedfordshire and Luton Business Survey, businesses were asked if their business over the past 12 months has funded or arranged any off-the-job training or development for employees at that site. Off-the-job training was defined as training away from the individual's immediate work position, whether on their premises or elsewhere. Over a third of businesses in Central Bedfordshire (37%) stated they have funded or arranged any off-the-job training or development in the past 12 months.
- 7.19 This is the same proportion as experienced across the whole of Bedfordshire (37%). This compares to NESS 2009 data which indicated 47.9% of business had provided off the job training. The difference is likely to be due to differing methodologies used in the surveys. However, both surveys show the considerable potential to increase the level of training within Central Bedfordshire businesses.
- 7.20 Data from the Bedfordshire and Luton Survey suggests that the propensity to fund or arrange off-the-job training is most likely to occur in organisations with 10-49 employees. Training is most likely to be funded in the hotels and catering sector (56%) and lowest in the transport, post and telecommunications sector (4%). Just under two-fifths of Central Bedfordshire businesses (40%) have funded or arranged on-the-job training, which, again, is similar to businesses across Bedfordshire as a whole (41%). Central Bedfordshire businesses with international customer bases are significantly more likely (84%) to have not funded or arranged any off-the-job training or development for employees in the last 12 months, compared to businesses with any other type of customer base. However, there were no significant differences between North and South Central Bedfordshire.
- 7.21 NESS 09 data indicates that the main reason why companies did not invest in training was that 60.2% of business stated that staff were already fully proficient. 8.7% of business stated that external courses were too expensive, while 5.9% suggested that the courses they were interested in are not available locally.

¹² (The impact of the economic downturn on business and skills in England', Alliance of Sector Skills Council (May 2009

- 7.22 Based on analysis of on and off job training there is clear scope to increase the levels of business training in Central Bedfordshire. There are significant differences in the nature of businesses undertaking funding and the type of skills they require.
- 7.23 There is a clear need to increase the level of training undertaken by small businesses, and this will require a change in the nature of training activities to align with working practices of small businesses and also additional activity to promote the value of skills development to small businesses.
- 7.24 In addition to overall skills levels, data is available on the nature of skills the business community requires. The Bedfordshire and Luton Survey highlighted that 27% of business had skills shortages and that around 1 in 5 businesses find difficulty in the following areas:
- Technical
 - Practical or job specific skills,
 - Problem solving skills,
 - Knowledge of English among non-native speakers, foreign languages
 - Customer service skills,
 - Communications skills, technical skills, managerial skills and literacy
- 7.25 While skill shortages involve skills that are difficult to obtain from outside the organisation, skill gaps are those that are lacking in the existing workforce. Respondents were asked if they could identify any of a range of skill gaps within their existing workforce that restrict their business performance. Almost a third of Central Bedfordshire businesses (32%) identify any such skill gaps. This compares with 33% across Bedfordshire. NESS 09 data indicates that in Bedfordshire the skills that businesses suggest need to be improved are:
- Technical, practical or job-specific skills (58%)
 - Customer handling skills (58%)
 - Team working skills (52%)
 - Problem solving skills (52%)
 - Oral communication skills (51%)
 - Management skills (47%)
- 7.26 Education results for Central Bedfordshire are similar to the England average but below statistical neighbours. Performance at key stage 4 decreased from 51.0% of Central Bedfordshire children in 2007/08 achieving 5+ A*-C grades (including English and Maths), to 50.0% in 2008/09. This is slightly above the national average (49.8%), but below the average of our statistical neighbours (53.8%).

GCSE (key stage 4), 2009

	5+ GCSEs grades A*-C %	5+ GCSEs grades A*-C (incl. English & Maths) %
Central Bedfordshire	66.5	50.0
Statistical neighbours	70.2	53.8
National	70.0	49.8

Source: Central Bedfordshire Council Performance Team

- 7.27 There are also differences in performance across Central Bedfordshire, with children in the south performing less well than in the other areas. Central Bedfordshire council recognises the importance of increasing educational attainment as a priority and has developed an Educational vision to achieve this.
- 7.28 The provision of early years education is assessed through formal inspections with 74.6% of settings assessed as good or better compared with 68.6% for statistical neighbours. Achievement at key stage 1 is generally above national and statistical neighbours but progress between key stages 1 and 2 in maths are below national and statistical neighbour average.
- 7.29 We want every child in Central Bedfordshire to enjoy their childhood and have the best possible start in life. We want every child to do well at school, make friends and build strong relationships with their family. By the age of 19 we want every young person to have the knowledge, skills and qualifications that will give them the best chance of success, so that they are prepared to take their full place in society as happy, healthy, contributing and confident citizens.
- 7.30 We will encourage high participation in both Further and Higher Education. The vision for Central Bedfordshire is driven by seven guiding principles:
- The need to raise standards and improve outcomes for young people.
 - To ensure there is continuity of provision across the 0 to 19 age range so there is a 'one phase' approach to learning.
 - Schools should be based around communities and their needs.
 - That what is best for children and families should be at the centre of any change.
 - That as far as possible services should be delivered locally.
 - New models of leadership and governance for schools should be considered.
 - That the vision should reflect recent curriculum reform.

NEET

- 7.31 In April 2010, 302 young people aged 16-18 were Not in Education, Employment or Training (NEET) in Central Bedfordshire, giving a 16-18 NEET rate of 5.4%. This is slightly above the mean for Central Bedfordshire's statistical neighbours of 5.3%, above Bedford Borough (5.3%) but below Luton Borough (7.1%).
- 7.32 NEET rates vary throughout the year and reach their peak in September when the new academic year begins. During the 12 months ending March 2010, the monthly NEET rate ranged from 5.5% to 8.4%, with an average of 6.4% for the year (347 young people). Most of the young people in the NEET group (69%) are seeking employment, education or training. When considering the geographical occurrence of NEET, the highest numbers are in:
- Manshead
 - Northfields
 - Sandy Pinnacle
 - Parkside
 - Planets
 - Tithe Farm
 - Dunstable Central
- 7.33 The sector skills council review into the impact of the recession also found that many employers have reduced their number of apprentices. This will clearly impact on the employment prospects of young people who are already suffering disproportionately from the weak labour market.
- 7.34 Tackling the level of NEET in Central Bedfordshire will be vital as we move towards 2013 and the raising of the school leaving age when every young person up to the age of 18 must be in education work or training. Changes to adult and skills funding programs and changes within employment support activities, will require new partnership working between training deliverers, the local authority and business to ensure a wide range of options are available (both academic, vocational and employment).

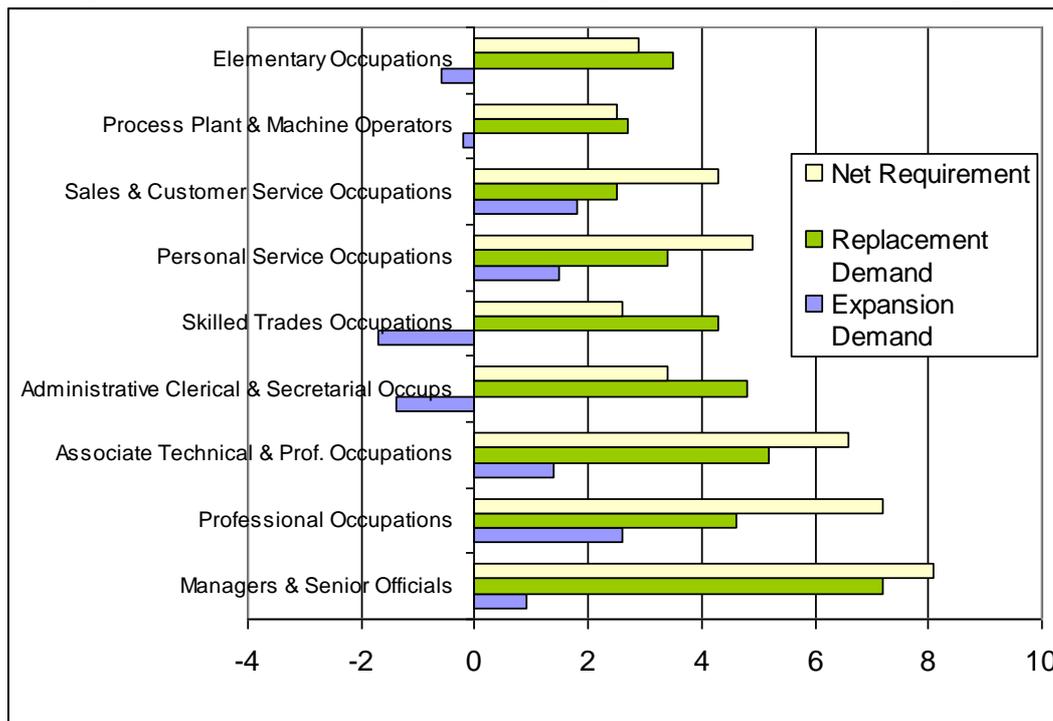
Future Skills Demand

- 7.35 Future demand for skills will be based on many factors, including structural changes to the economy and the emergence of new sectors of activities, which will constantly change and be driven by employer demand. However, utilising the East of England Forecasting model Insight East has forecast future skills requirements within the region from 2008 to 2018. This is based on the changing nature of sectors and occupations ultimately leading to demand for new qualifications.

7.36 Occupation demand arises from new jobs being created in an area, but it also results from existing employees retiring or otherwise leaving the labour market, measured as “replacement demand.” The vast majority (90 per cent) of occupation demand forecast to arise in Central Bedfordshire during 2008-18 is as a result of replacement demand.

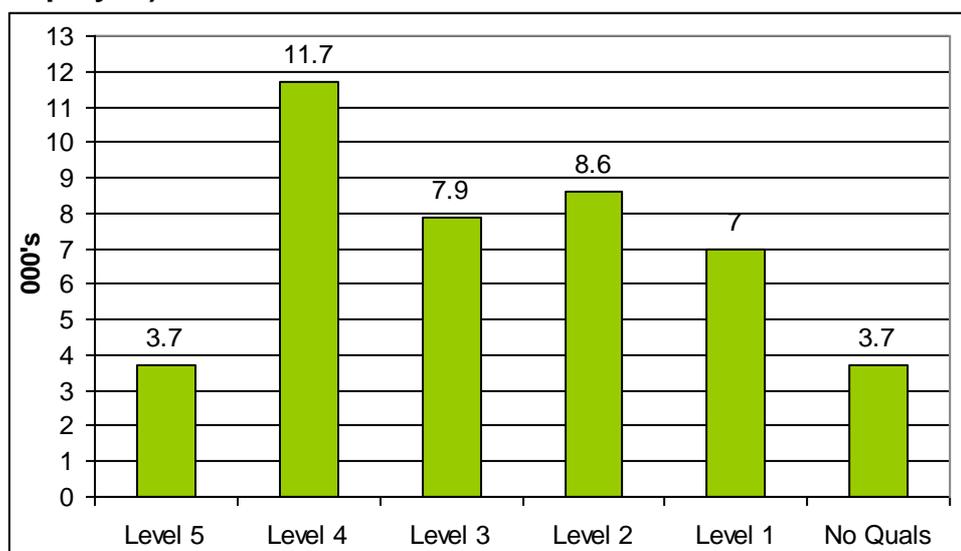
7.37 The figure below highlights the change in forecasted occupation change. When considering occupations that are forecast for expansion, Managers & Senior Officials, Professional Occupations, Sales & Customer Service Occupations, Personal Service Occupations and Associate Technical & Professional Occupations are all forecast to grow. Those occupations forecast to grow most rapidly are Teaching/Research Professionals, Caring Personal Service Occupations and Corporate Managers and Sales Occupations. Conversely, demand for administrative, clerical, Skilled Trades, Administrative Clerical & Secretarial Occupations and elementary occupations are forecast to decline. However, high forecast levels of replacement demand in all occupations will mean that there will be a positive net forecast growth in all occupations.

Change in forecasted occupation change 2008-18 (000's employed)



Source: Occupation Demand Forecasts for the East of England, 2008-18, Insight East

Forecast change in employment growth by qualification (000's employed)



Source: Qualification Demand Forecasts for the East of England, 2008-18, Insight East

7.38 The above figure highlights the importance of ensuring that Central Bedfordshire continues to increase level 4 attainment as employers will increasingly be demanding higher levels skills. Conversely, the future demand for workers with Level 1 qualifications, or none at all, is proportionately lower than the current supply of these workers. However, these forecasts essentially project current local labour force qualification profiles forward into the future and do not take account of the council's vision to ensure all have the skills to prosper. These factors highlight the need to continue to up skill the existing workforce at all levels with a particular focus on higher level skills.

Apprenticeships

7.39 A major part of national activity to support skills development and improve employability is through the Apprenticeship program. This seeks to provide vocational training and skills development for young people and adults alike. There were approximately 1000 apprenticeships started in Central Bedfordshire in 2008/09. This is an increase of 11% since 2005/06. However, this rate of increase is well below regional (26%) and England (23%).

7.40 Data from the National Apprenticeship Service (2010) on the types of apprenticeship undertaken (a different data source from that considered above) highlights that the sectors with the highest number of apprenticeships are Hairdressing (46 in 2009/10), Business Administration (37) and Construction (33).

- 7.41 There have been considerable changes in the take of off apprenticeships between sectors. There has been growth from 2006/07 to 2009/10 in Business Administration (76%), Retail (20%) and Industrial Activities (4%). Conversely, there has been a decrease in a number of sectors, the most significant of which are Construction (50%), Hairdressing (40%) and Engineering (59%).
- 7.42 Emerging national policy is for an increase in technician qualifications (level 3 NVQ). This is also recognised by the Bedfordshire and Luton Chamber of Commerce. It will be important that new apprenticeships provide progression routes up to and beyond level 3 qualifications, to meet employer requirements and also support productivity growth in the Central Bedfordshire economy. The influence of Sector Skills Council and other sector skills bodies will increase as only vocational qualifications recommended for approval by them will be eligible for public funding. It will be essential for Central Bedfordshire to work with sector skills councils to continue to enhance and develop the range of apprenticeship opportunities to both young and adult groups, working with business and providers alike to promote opportunities.
- 7.43 The Chamber of Commerce also state that the developing entrepreneurial skills would be of major benefit to the local economy. Promoting entrepreneurial activity through schools and the curriculum, in addition to providing role models and mentoring from existing successful business will be an important part of raising aspirations as part of driving improved education performance.
- 7.44 Closely aligned to this is the need to ensure the provision of joined up delivery of adult and young persons skills provision. The Council is currently investigating the potential for an all age skills strategy which would consider how best to deliver services to ensure existing and future generations have the skills to prosper. Based on this, current priorities for developing the skills agenda within Central Bedfordshire could focus on the need to:
- increase our stock of skilled people
 - ensure participation by all
 - support business resilience, growth and enterprise
 - match our skills needs to our growth agenda

Priority 1 - to increase to overall stock of skilled people in Central Bedfordshire, driving towards being recognised as a high skilled knowledge led economy.

By:

- Building on the area's existing strong performance at levels 2 and 3 and in particular increase level 4 attainment in Central Bedfordshire and reducing the level with no qualifications

- Increasing the level of apprenticeship take up in Central Bedfordshire (countering lower than national and regional growth)
- Delivering training that supports a focus on skills needs identified by business:
 - Technical, practical or job-specific skills
 - Customer handling skills
 - Team working skills
 - Problem solving skills
 - Oral communication skills
 - Management skills
- Developing employability or job readiness skills, based on both academic skills but importantly by promoting enterprising capabilities through academic and work based training.

Priority 2. to improve the employment prospects and life chances for those not in employment, particularly in our priority neighbourhoods.

- By continuing to reduce the level of NEET through the delivery of the NEET strategy - particularly in our priority estates
- Being proactive to the changing nature of the NEET cohort, in particular rising ages and higher skills level of individuals entering the NEET group

Priority 3. to support local business resilience, growth and enterprise

- By ensuring greater business engagement with skills through offering a broad range and type of skills provision, in particular supporting
 - Teaching/Research Professionals
 - Caring Personal Service Occupations
 - Corporate Managers and Sales Occupations

Priority 4. ensure that the labour market is matched to our growth agenda

- By aligning young person and adult skills activities with growth sectors to provide a seamless service to allow all to prosper

Environment and Economy

- 8.1 One of the priorities of the Central Bedfordshire Sustainable Community Strategy is caring for a green and clean environment. This seeks to protect and enhance the area's high quality environment and recognises multiple benefits that high a quality environment can have, in terms of supporting and attracting inward investment and the visitor economy, as well as numerous positive health and wellbeing effects on the labour market. Protecting and enhancing the environment to meet the needs of housing and employment growth through providing a multifunctional network of green infrastructure is a key driver for Central Bedfordshire and will play an important part locally in mitigating against climate change. Climate change will have a range of impacts on how we live in Central Bedfordshire, including:
- Increased pressure on water resources in what is already one of the driest areas in the UK.
 - Increased risk of flooding and severe weather events.
 - An increase in heat-related illness, particularly affecting the vulnerable and an increased risk of skin cancer/sunburn and cases of food poisoning.
 - A decrease in winter deaths due to milder winters.
 - An improved summer climate will provide greater potential for outdoor living and an increase in the potential for local tourism.
 - Increased risk of subsidence as soils shrink in hotter, drier summers damaging buildings and roads. Given the geology of the Central Bedfordshire area this is something that we may be particularly prone to
- 8.2 By tackling the climate change agenda and embracing the move to a low carbon economy, Central Bedfordshire will be at the forefront of sustainable growth and the green economy. This will support us to achieve our vision for the area and benefit from the considerable opportunities arising from new environmental technologies and growth.
- 8.3 Central Bedfordshire is a mainly rural location and is a highly desirable place to both live and work, benefiting from a high quality built and natural environment. Much of the area has either a suburban or rural feel, with picturesque villages, beautiful hamlets and historic market towns Central Bedfordshire has some 32 sites of special scientific interest (SSSI) including Dunstable and Whipsnade Downs, Sundon Chalk Quarry, Marston Thrift, Flitwick Moor, Southill Lake and Woods and Sandy Warren. There are also three national nature reserves at Barton Hills, Knocking Hoe (Shillington) and King's Wood (Heath and Reach), as well as 11 local nature reserves. There are also a wide range of other sites ensuring that our residents have access to green spaces. These include:

- Amenity open space
 - Large urban parks and gardens
 - Registered commons and villages and town greens
 - Natural and semi-natural habitat for wildlife
 - Waterways and water bodies, including flooded quarries
 - Public rights of way, cycleways and other recreational routes.
- 8.4 The area's sense of place owes much to its heritage; people have been living in Central Bedfordshire for over 125,000 years, and have left behind a physical record of their lives and stories. Central Bedfordshire's historic environment comprises landscapes, towns, villages, individual buildings and archaeological sites and features. The area's heritage is noted for its richness and variety, such as buildings in different types and colours of local brick, clunch and flint and timber framing. Other important features include remains of Prehistoric and Roman settlements in the river valleys, mediaeval earthworks, large country houses with historic parks and gardens, estate villages, ancient woodlands on the Greensand Ridge, and the legacy of extractive industries, such as the brickworks in the Marston Vale.
- 8.5 Major geographical features in the area are the Chiltern Hills, an area of outstanding natural beauty, which forms a major feature in the south west, the Greensand Ridge runs east to west through the area, and the Forest of Marston Vale provides over 30 square miles newly planted woodlands in the north west, regenerating a landscape of brick making and landfill. Both the Chilterns and Greensand Ridge are designated areas under the Rural Development Program for England (RDPE). This is a £3.9 billion, seven year (2007-13) rural investment programme jointly funded by the European Union and United Kingdom.
- 8.6 The vision for the Greensand Ridge area is for it to act as a 'green lung' for the people of Bedfordshire and surrounding area. The area will offer environmentally-friendly tourism and leisure opportunities to millions of people within a short journey, as well as high-quality locally produced food. Its farms, woodlands and associated businesses will supply renewable energy and sustainable construction materials, while becoming exemplars in resource efficiency. To achieve this a range of actions are being developed around the following themes:
- Increasing opportunities for 'green' tourism and leisure activities in the Greensand Ridge
 - Helping local farmers and foresters to diversify into new markets, particularly connected to carbon reduction
 - Growing the market for locally sourced food and drink products
 - Supporting local small business growth and community enterprise solutions to service provision

- 8.7 The Local Development Strategy (LDS) for the Chilterns identified a range of specific objectives for the area that would be met during the life of this programme. They can be summarised as:-
- Improved management of woodlands - restoring productive uses
 - Improved profitability for farmers and food producers
 - Enhanced environmentally sustainable tourism
 - Better conservation of the environmental and cultural heritage
 - The challenges and opportunities of climate change met and addressed
 - Better and stronger communities
- 8.8 It will be important for Central Bedfordshire to maximise take up of these programs, to diversify rural economic activity in these areas, provide sustainable employment opportunities and enhance the environment. The importance of the environment to people and the economy is reflected by the measurement of National Indicator 197; Enhancing our green infrastructure and biodiversity. This indicator measures the percentage of all local sites in the local authority area where positive conservation management has taken place up to five years prior to the end of the year in question. The indicator is assessed by local authorities considering whether positive conservation management has been or is being implemented on a local site. The Central Bedfordshire target for this is 127 sites (48.3% of the local wildlife sites in Central Bedfordshire). Current performance against this indicator has been very strong, with 144 (54.75%) of sites having implemented positive conservation management activities. This has been supported by activities led by the voluntary sector, and by working with private sector land owners and managers.
- 8.9 In addition to improving the management of existing sites, the council and partners have been able to purchase new sites for biodiversity and recreation, often supported by investment from the growth area fund, and a key priority for the council and partners will be to consider the ongoing management and development of these facilities, including identifying funding sources for positive conservation action on new sites.

Carbon Emissions

- 8.10 A major factor of climate change is increasing carbon emissions. Reducing carbon emissions is both a challenge, but also an economic opportunity, in terms of commercial opportunities in new technologies and business processes.

Central Bedfordshire's CO₂ emissions for the period 2005 to 2007 as measured under NI186: *Per Capita CO₂ reduction from the LA area*

Year	Industry & Commercial (kt of CO ₂)	Domestic (kt of CO ₂)	Road Transport (kt of CO ₂)	Total (kt of CO ₂)	Per Capita Emissions (tonnes)	Change in emissions from 2005 baseline
2005	488	602	460	1,549	6.30	-
2006	482	613	453	1,548	6.21	↓ -1.58%
2007	476	598	458	1,532	6.08	↓ -3.17%

Source: Department for Energy and Climate Change (2010)

8.11 It is widely accepted that the recession will reduce emissions further, due to lower demand for goods and services and resulting lower levels of production. Initial figures indicate that 2008 saw a 2% reduction in CO₂ emissions nationally. Central Bedfordshire has performed strongly against National Indicator 186 (Per capita CO₂ emissions in the LA area) and is below national levels (7.10 tonnes per person in 2007). This is still more than four times that of people living in developing countries.

8.12 A testing target to reduce carbon emissions by 10.7% by 2011 (National Indicator 186) is part of the Central Bedfordshire Local Area Agreement. The first year of this work towards this target saved an estimated 7,600 tonnes of CO₂ emissions (around 30.5 kg CO₂ per resident) in Central Bedfordshire, and included work by the Green Business Network with businesses in Central Bedfordshire to increase energy and resource efficiency, saving more than 80 tonnes of CO₂.

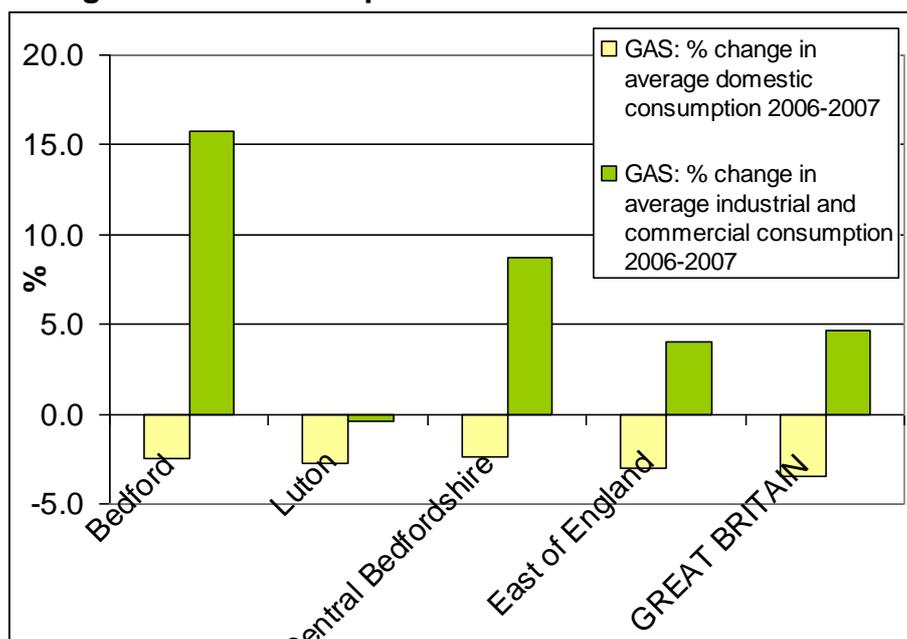
8.13 To understand the main sources of CO₂ emissions from the Council as an organisation a carbon footprint was compiled. This was based on the requirements of NI185: *Percentage CO₂ reduction from LA operations*. The Council's carbon footprint in 2008/09 was 33,700 tonnes of CO₂. The Council's vision is to deliver a robust, cohesive and actionable response to mitigating and adapting to climate change across the authority and Central Bedfordshire area. To achieve this, the Council's strategic goals will be to:

- Make the Council more efficient in terms of energy and fuel use, and embed carbon reduction into how the Council operates and the services provided, recognising that this will in turn reduce waste and cut emissions.

- Use the climate change agenda as a positive mechanism to make the lives of Central Bedfordshire's residents better by supporting them to reduce their household energy costs and live more sustainable and active lifestyles.
- Embrace the challenges that growth in the Central Bedfordshire area gives and use this as a catalyst to make homes in the area more energy efficient, help businesses to thrive in a future low carbon economy and ensure that Central Bedfordshire realises fully the benefits of being a more sustainable and greener place to live and work.
- Work in partnership with other organisations and businesses to reduce their own carbon footprints, to jointly benefit from being more efficient, and to also ensure that all are prepared and resilient to the impacts of the changing climate.

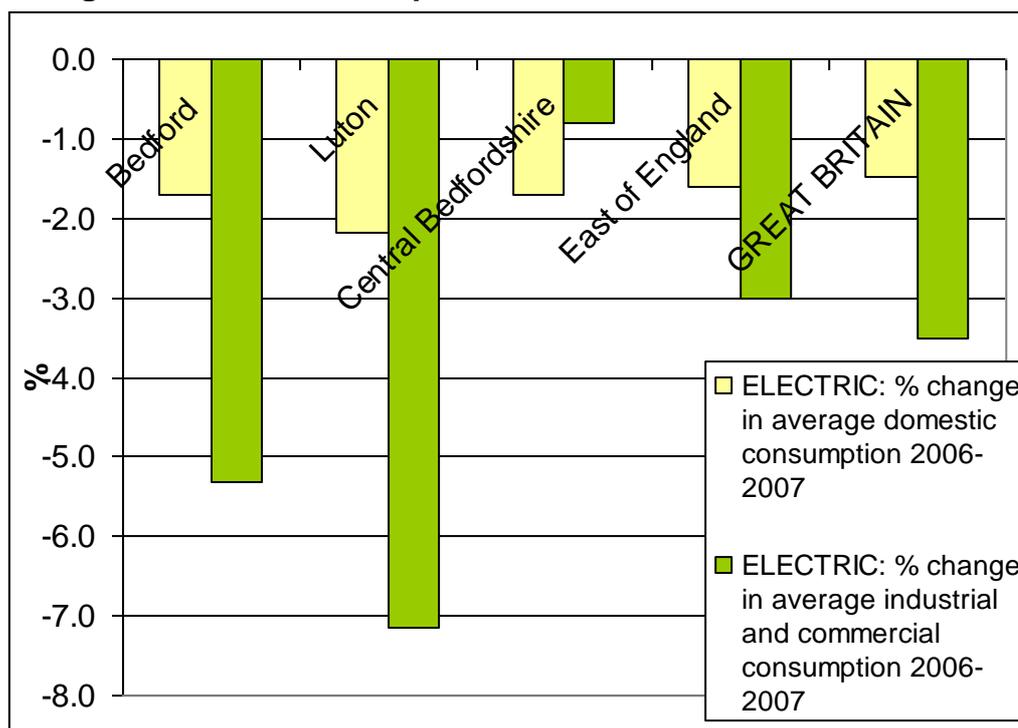
8.14 There are significant differences between energy consumption within Central Bedfordshire, particularly between commercial and residential performance. There have been reductions in domestic and commercial use of electricity and gas from residential users, but in comparison there was an 8.7% increase in the commercial use of gas between 2006 and 2007. This is a rate well in excess of regional (4%) and national levels (4.7%). The reduction in commercial electricity usage at 0.8% is well below regional (-3%) and national reductions (-3.5%). These factors demonstrate the considerable scope to work with commercial users to maximise the potential for energy efficiency practices, having the effect of both reducing the carbon footprint of Central Bedfordshire and supporting business productivity. This is aligned to the business survey finding that 31% of businesses responding stated that high energy costs were a barrier to growth.

Change in Gas Consumption



Source: Department for Energy and Climate Change (2010)

Change in Electric consumption



Source: Department for Energy and Climate Change (2010)

Energy generation and waste arising

8.15 The East of England is the leading region in the United Kingdom for generation of renewable energy. The total installed capacity from both on and off-shore sources rose by 31% over the six months to December 2009 from 504 MW to 659 MW, due to an increase in offshore wind generation. This is equal to about 2696 GWh/yr of renewable electricity, saving 1,059,700 tonnes of CO₂ emissions (Renewables East 2009) The target is now for 14% of the East of England region's electricity to come from renewable sources including offshore) in 2010.

Installed generating capacity (MW) from renewable sources as at December 2009

	Bedfordshire	East of England
On-shore wind	-	123.25
Biomass	0.786	115.499
Landfill Gas	49.208	191.388
Sewage Gas	0.555	5.855
Microgeneration (<50kW)	0.019	0.543
On-shore totals	50.568	436.535
Off-shore wind	-	222
	50.568	658.535

- 8.16 In 2008 waste was responsible for the creation of 4% of the UK total of carbon emissions but 43% of the UK methane emissions. In 2008/09, 119,000 tonnes of household waste were collected in Central Bedfordshire, of which 47% was recycled or composted, and a further 3% was 'recovered' for energy. The table below shows the amount of household waste collected in Central Bedfordshire in 2008/09, and whether this was recycled, composted, recovered or landfilled.

Waste performance figures, 2008/09

	Tonnes
Recycled	33,500
Composted	22,700
Recovered	3,300
Landfilled	59,400
Total household waste	119,000
<hr/>	
Household waste sent for re-use, recycling or composting (NI 192)	47.3%
Municipal Waste Landfilled* (NI 193)	48.3%

- 8.17 Continuing to work with the commercial sector to reduce waste will also be a priority for the council. This can be achieved through "cut waste improve efficiency" projects, which can both benefit the environment, by reducing waste generation but also improve business productivity, reducing the financial cost of dealing with waste and making best use of finite resources.
- 8.18 A key project within Central Bedfordshire that will impact on waste and energy generation is the Central Bedfordshire Energy and Recycling (BEaR) project. This project aims to deliver an alternative waste disposal solution to landfill that creates energy as a by-product in the form of electricity and/or heat. Energy production from the waste can mostly be considered renewable. Energy production would also offset the requirement for the use of fossil fuels.
- 8.19 The BeAR project also has the potential to support attracting wider low carbon business to the area. By supporting clustering activities for businesses engaged with waste processing and resource recovery and promoting low carbon energy the BEaR project has the potential to act as a catalyst to attract additional business investment.

Low Carbon Business

- 8.20 For much of the 19th and 20th Centuries, the market for traditional environmental goods and services (e.g. air and water pollution control, waste management) was driven primarily by legislation, both international and national.

- 8.21 More recently climate change has become a key and growing influence on legislation through international mechanisms such as the Kyoto Protocol and the EU Emissions Trading System and UK responses such as the Climate Change Bill. This has stimulated new and emerging business sectors focusing on lowering carbon emissions and a growing financial sector focused on investment in low carbon markets and trading new environmental commodities.
- 8.22 The East of England Low Carbon Innovation Evidence base 2010 (East of England Development Agency) states that the global market size in 2008/09 for the Low Carbon and Environmental Goods and Services (LCEGS) was £4.3 Trillion. The top 6 countries account for about 50% of the global market value. The global employment numbers are estimated to be 56 million for the full sector definition and 27 million for the LCEGS definition. The global growth last year was between 4-5%. Forecast growth is between 4 and 6% annually for the next 5 years. The UK market value is £140 billion with about 1.1 million employees and 63,500 companies including the supply chain. The key sub sectors by market value are alternative fuels, building technologies, alternative fuel vehicles, cleaner technologies and processes and wind energy.
- 8.23 The East of England Low Carbon Innovation Evidence base 2010 states that the East of England has a number of areas where it has both economic and academic research strengths, some with a UK leading position. These include biofuels, bioenergies, crop development, low carbon vehicles, recovery and recycling and carbon capture and storage. Furthermore, there also exist market opportunities for development including offshore wind energy and building technologies sectors. Feed in Tariffs also create business opportunities for small scale renewables installations) and initiatives, like the Pay as You save scheme– will also provide opportunities for companies that install insulation and other green technologies on a domestic scale.
- 8.24 Central Bedfordshire has a strong and growing reputation in the field of low carbon technologies, and is well placed to benefit from the forecast growth in the sector. Of particular strength is the areas academic research base. Cranfield University is one of the UK's top 5 research institutions with a very strong automotive research department which has delivered projects on lightweighting of vehicles, powertrains, fuel cell technologies, electric and hybrid vehicles. Key Research Areas include:
- Energy and Power Generation
 - Engineering
 - Offshore Technologies
 - Biomass and Biofuels
 - Renewable Energy Technologies
 - Water
 - Environmental
 - Automotive Engineering

- 8.25 There are a number of test and demonstration facilities at Cranfield University which provide support for the research centres. There are 25 postgraduate courses in the low carbon sectors with key areas of energy/power generation, water supply and wastewater treatment, waste management and offshore technologies. There are also 94 short courses covering subject areas related to the environmental economy including hybrid and low carbon vehicles and soil management. The University of Bedfordshire has existing and developing strengths in research areas including sustainable technologies and applied natural sciences. Undergraduate courses include those focusing on sustainable construction and building design/technologies.
- 8.26 Central Bedfordshire has a particular strength in low carbon vehicles. The area is home to Millbrook, one of Europe's leading locations for vehicle testing and certification, and Nissan Research and Development Centre Europe. These existing commercial strengths, aligned with the areas research and high skills base, provides Central Bedfordshire with a real opportunity to be at the forefront of low carbon vehicle research and commercialisation. The council is also working with partners across the East of England and with Milton Keynes Council on a plugged in places project which seeks to put in place electric vehicle charging infrastructure. Such infrastructure would further enhance the area's attractiveness in securing investment in the low carbon vehicle sector.
- 8.27 With respect to building technologies, Central Bedfordshire is part of the largest growth area in the UK as part of the Sustainable Communities Plan growth agenda. This represents a significant opportunity to both maximise energy efficiency from new housing and business growth, and maximise the potential for commercial investment into building technologies. This could be through both the use of the council planning powers to promote high environmental standards, but also seek to work with the commercial sector to support innovative new construction methods and technologies.
- 8.28 Central Bedfordshire is also home to a number of projects that can positively enhance the environment and bring new employment and investment to the area.
- The Bedford & Milton Keynes Waterway is an ambitious project to connect the Grand Union Canal at Milton Keynes with the Great Ouse river at Bedford, creating Britain's first major waterway in a century and providing a cross-country link that connects east and west, opens up new leisure and tourism opportunities in the Marston Vale. The project has the potential to create significant employment opportunities and over a ten year period bring in an estimated net annual spend of between £112 and £167 million to the local economy.

- Nirah is an ambitious new project that aims to promote understanding of the connection between freshwater and life. The Nirah project will include the largest freshwater aquariums in the world set inside a tropical biotope, the largest indoor water park in the UK and a Research Institute and Conservation Trust to be funded by a charitable trust. Nirah will play an important part in academic research and conservation activities into fresh water habitats and will attract over 3 million visitors per annum to the site.

8.29 The economic potential of these and other environmental projects must continue to be supported to enhance the environment of Central Bedfordshire and create sustainable employment opportunities. It will be important for the council and partners to continue to explore new opportunities for maximising environmental economic activity.

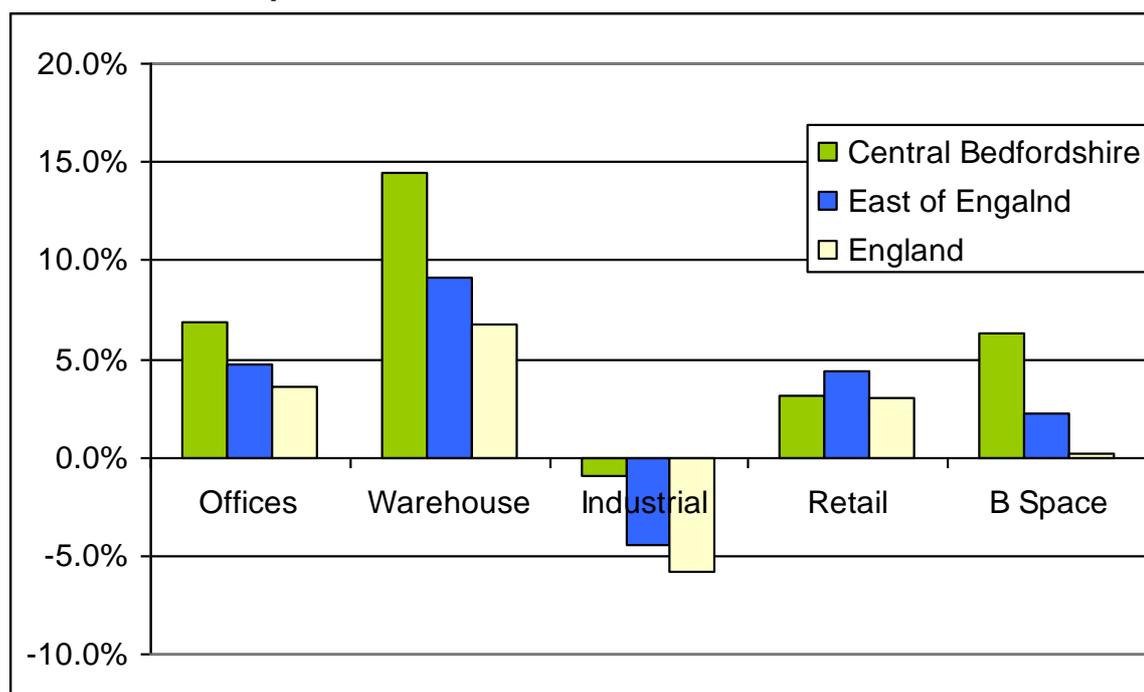
Infrastructure

- 9.1 The Council has produced a Local Investment Plan (LIP) which brings together our immediate priorities for infrastructure investment to support the planned jobs and housing growth in Central Bedfordshire. The LIP considers infrastructure required to support growth in a range of areas, including affordable housing, transport and community social infrastructure.
- 9.2 The LEA and the LIP have been produced in conjunction to ensure alignment of economic policy and infrastructure needs. With regard to economic growth a key focus of the LIP is to provide high quality employment sites and premises to support existing business growth and attract new investment. The LEA has also been developed in line with the Council's statutory housing, planning and transport strategies reflecting the importance of these areas in delivering a successful economy.
- 9.3 The 2010 Bedfordshire and Luton Business survey highlights that while 66% of businesses rate Central Bedfordshire as a good place to do business, the least favourable aspects in terms of a location to do business were the lack of good value rents and rates, local support available to business, support for planning and public transport. Providing an increased range of quality and type of business sites and premises is seen as necessary to both increase the supply of business accommodation and increase competition in the supply of premises. The findings of the survey further highlight the need for investment in the areas transportation infrastructure and wider business support activities.

Commercial Floor Space

- 9.4 There were 2,305,000 Square Meters (sqm) of B use (B1: Office, B2: Industrial, B8: Warehousing) commercial floor space in Central Bedfordshire in 2008. This is an increase of 6% since 2005, a rate of growth far in excess of regional (2.2%) and national (0.24%) levels. The B8 sector has witnessed the greatest increase in floor space (14%, 130,000 sqm) and while industrial floor space decline, reflecting losses of employment in this sector, the reduction in Central Bedfordshire was considerably less than that witnessed at regional and national levels

Growth in Floor Space 2005 to 2008



Source: CLG

9.5 Core Strategies and Development Plan Documents will identify specific new employment sites to meet Central Bedfordshire's growth requirements. Through this process it is estimated that in the region of 200 hectares of new employment land will need to be brought forward to meet planned growth levels in the Mid Bedfordshire and Luton and South Bedfordshire growth areas. The table below shows the land allocations specified for housing across Central Beds.

Group	Settlement	Housing Allocated within Site Allocations DPD (or Draft Joint Core Strategy DPD)	Employment Allocated (ha)
Major Service Centres	Biggleswade	373	15
	Sandy	110	10.5
	Ampthill	450	9.12 (inc 1.8 in Maulden)
	Flitwick	535	
	Wixams		
	North Houghton Regis	5,150	27
	North Luton	1,800	8
	East of Leighton Lindslade	2,500	16

Minor Service Centres	Cranfield	160	5
	Marston	125	7
	Potton	240	1
	Shefford	249	2
	Stotfold	177	5
Rural Areas	Arlesey	1000+	10
	Silsoe	380	1.2

9.6 There are also a number of existing employment sites which are not currently delivering to their full potential. The council has reviewed 22 such sites and has identified a range of barriers that will need to be overcome to bring forward these sites. These include:

- Sites where infrastructure costs, particularly when considering wider strategic infrastructure needs, may act as a barrier
- Sites in multiple ownership, where action is need to assemble larger economically viable sites
- Sites where developers are unwilling/unable to develop due to current economic conditions

9.7 A range of activities will be required to address these including:

- Forward funding of infrastructure
- Direct development of sites
- Planning and development briefs, to provide clear guidance on development intentions and opportunities
- Marketing and promotional activities for sites and the wider area
- Strategic land acquisition
- Targeted support for schemes, including redevelopment costs and remediation activities

9.8 The growth in retail floor space (3%) while in line with national levels is below the regional average (4%) and combined with the significant level of retail and leisure spend leakage from Central Bedfordshire, reflects the opportunity to enhance the retail offer, particularly in Central Bedfordshire's town centres.

9.9 The LIP notes that town centres are at the heart of our communities, where people go to shop, for leisure trips, to access services and to work. In recognition of the opportunity to improve town centre performance and their importance both to the existing communities and to support the new growth, the Council has embarked on an ambitious programme of initiatives to regenerate, renew, and redevelop the main town centres. The focus of the Council is:

Dunstable Town Centre	Masterplan due for completion at the end of 2010, moving to delivery plan implementation and quick wins in 2011
Houghton Regis Town Centre	Masterplan Adopted, and now in implementation stage
Leighton Buzzard Town Centre Opportunity Sites Briefs	Due for completion early 2011, followed by implementation
Biggleswade Town Centre	Masterplan due for completion early 2011, moving to delivery plan implementation and quick wins in 2011
Flitwick Town Centre Development	Review of development options and acquisition of key land parcel by the Council in 2010, followed by joint venture development with key partners

Transport

- 9.10 Central Bedfordshire Council occupies a strategic location with excellent transport links to Milton Keynes, Bedford & Luton. The M1 and A1 roads both run through Central Beds creating strategic corridors which have major benefits for housing growth, businesses and connectivity. Other main A and B roads lead to major service centers offering the community of Central Bedfordshire an excellent road network. The West Coast Main Line, Midland Main Line and East Coast Main Line provide good rail links down to London and through the Midlands. The Bus network also offers another form of public Transport which serves a large part of the population and fosters inter-connectivity between settlements within Central Beds but also out to Bedford, Luton & Milton Keynes.
- 9.11 Transport Infrastructure requirements and priorities of the council are developed through the Local Transport Plan (LTP). Our Current Transport Priorities are
- Preparing for Growth
 - Developing the Economy
 - Asset Management
 - Managing Congestion
 - Accessibility
 - Safer Travel
 - Air Quality & the Environment
- 9.12 A key infrastructure requirement noted by the LIP is the A5/M1 link road and new M1 Junction 11a promoted by the Highways Agency. This is crucial for this area in terms of growth, reducing traffic congestion, improving connectivity and economic prosperity. The A5/M1 link road is a pivotal part of the Council's growth agenda as the

development at land north of Houghton Regis which seeks to deliver 7,000 homes by 2026.

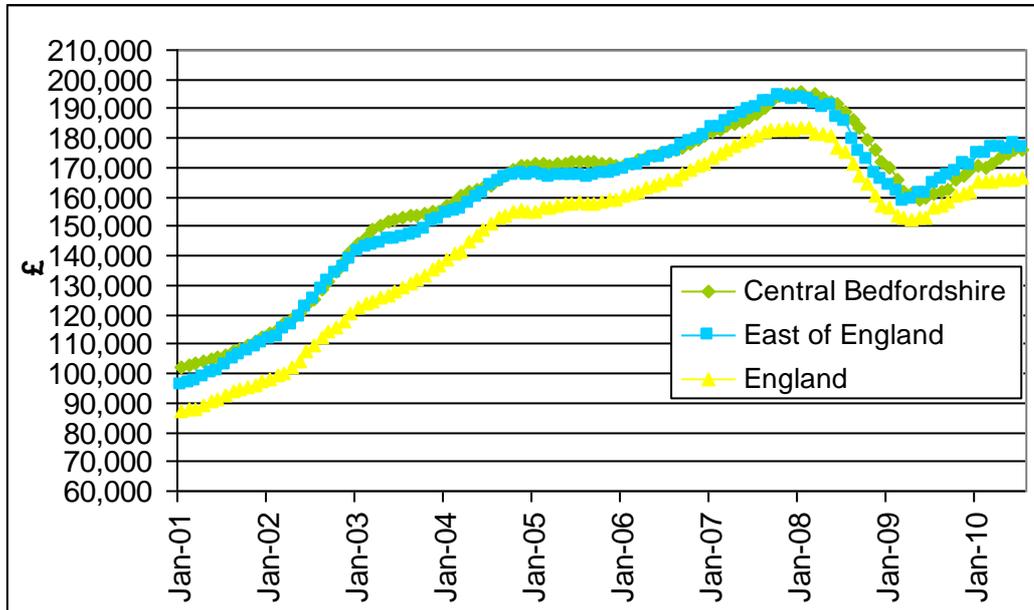
Broadband

- 9.13 The recent Bedfordshire and Luton Business Survey questioned broadband availability and future needs. The results of this seem to highlight the potential for increased business opportunities arising from superfast or Next Generation Broadband (NGB) Results showed that 90% of all business surveyed have access to broadband. 60% of businesses who already have broadband stated a higher speed broadband service would support their business processes better. However, of the 10% of Central Bedfordshire businesses that responded as not having access to broadband only 17% of these suggested that higher speed broadband would support their business.
- 9.14 Broadband provision within Central Bedfordshire is roughly comparable with that in similar shire counties but a little short of that in a major city. However, 'slow spots' (with speeds under 2mbps, sometimes considerably less) have been reported in rural areas across Central Bedfordshire,
- 9.15 According to the Commission for Rural Communities (*Mind the Gap*, 2009), there are a number of rural areas where ADSL broadband services are likely to fall short of the proposed 2 Mbps USC (and where there is no mainstream alternative such as Virgin Media cable services). Looking at the CRC's map, this appears to include parishes east of Biggleswade (Sutton, Eyeworth, Dunton, Edworth); around Shefford (Campton & Chicksands, Southill, Old Warden); to the north of Luton (Sundon, Streatley, Harlington); and west of Ampthill (Millbrook, Lidlington, Ridgmont, Brogborough).
- 9.16 The council is working with a range of partners to promote NGB in the area, in particular working as part of the MKSM broadband working group to investigate the potential for NGB (circa 100mb per sec) rollout. There will be a particular need to ensure that Central Bedfordshire's rural communities benefit from commercial plans to roll out NGB.
- 9.17 Promoting the demand for and services delivered by broadband will be an important consideration for the Central Bedfordshire. For example, data from the use of the EEDA EREBUS project (an online resource for public and private business and individuals to reregister their desire for Broadband) shows that of all the responses in the region only 3% have been from Bedfordshire.

Housing

- 9.18 Affordable housing is clearly a key element of Central Bedfordshire's growth. The average house price in Central Bedfordshire was £175,959. This is above the national average £166,798 and slightly below

the regional average £177,069. Source HM Land Registry July 2010). This represents a 73% increase in house prices since January 2001. This rate of growth is lower than regional (85%) and national (91%) levels.



9.19 However, despite recent increases in average house prices, during the period of the economic recession house prices dropped 10.1% in Central Bedfordshire, compared to an 8.7% regional decrease and 9% national decrease.

	Average house prices (Q1 2008)	Average Incomes (Fmr Mid & South Beds Housing Needs Surveys)	Affordability Ratio
North CBC	£235,641	£34,600	6.8:1
South CBC	£204,671	£31,200	6.5:1

Source: Strategic Housing market Assessment 2010

9.20 The table above illustrates the difficulty many residents of Central Bedfordshire face when striving for home ownership. For a large proportion of our residents, this is simply un-affordable. These issues highlight the increasingly urgent need for affordable housing.

9.21 The Strategic Housing Market Assessment (SHMA) highlighted rural housing as one of four key themes for the sub-region. Northern Central Bedfordshire is classified by DEFRA as 'Rural 80' meaning over 80% of the population live in rural settlements and market towns

9.22 Issues affecting rural communities include high house prices, lack of new affordable housing supply, and non-decent existing housing. This combination of factors produces a particularly important housing need which will equally need a combination of measures to address it.

9.23 Our Priorities for Housing are:

- Meeting the accommodation and support needs of elderly and vulnerable People
- Economic development and sustainable communities
- Using council controlled land assets to aid the delivery of growth and housing
- Providing housing options for the whole community

Social and Community Infrastructure

9.24 *Social and community infrastructure is defined as: those facilities and activities that support a community's need for social interaction. These include community development, childcare, education and training, libraries, arts and culture, sports and leisure, places of worship, health services, emergency services, utilities* Social and community infrastructure is especially important in supporting the areas growth. The services and facilities supporting employment and housing growth makes for a more sustainable environment and adds to the place shaping agenda. Therefore, the Council is strategically developing leisure and open space infrastructure to support population growth. In particular, open spaces, sport and recreation all underpin people's quality of life. Well designed and implemented open space, sport and recreation are therefore fundamental to delivering the following objectives;

- Supporting urban and rural renaissance - local networks of high quality and well managed and maintained open spaces, sports and recreational facilities help create environments that are attractive, clean and safe. Green spaces perform vital functions as areas for nature conservation and biodiversity, by acting as 'green lungs' and can assist in meeting objectives to improve air quality. The countryside can provide opportunities for recreation and visitors can play an important role in the regeneration of the economies of rural areas. Open spaces within rural settlements and accessibility to local sports and recreational facilities contribute to the quality of life and well being of people who live in rural areas.
- Promotion of social inclusion and community cohesion – social infrastructure plays an important role in the creation of strong, vibrant, healthy and sustainable communities. Investment is needed in building the social fabric of our new and existing communities by enabling the activities, resources and support that is needed to strengthen the skills, abilities and confidence of people and community groups to take effective action in the development of their communities. Well planned and maintained sports and recreational facilities, community centres (including interim community facilities) and open spaces; along with community development activity to

create, run and sustain the community groups, volunteering and social networks; will help create a sense of place and provide a focal point for community activities, address social isolation and provide people with opportunities for social interaction and participation in their local community.

- Health and well being - open spaces, sports and recreational facilities have a vital role to play in promoting healthy lifestyles and preventing illness, and in the social development of children of all ages through play, sporting activities and interaction with others.
- Promoting more sustainable development - by ensuring that open space, sports and recreational facilities are easily accessible by walking and cycling and well served by public transport.