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Stratford-on-Avon District Employment Land Study

Final Report

August 2011

PREPARED BY

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Date: August 2011
Ref: J:\Planning\Job Files\J025425 - Employment Land Study, Stratford on Avon\Reports\Employment Land Study Final Report (16-08-11) SB.docx

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DATE	ORIGINATORS	APPROVED
16.8.11	Nick Ireland Planning Associate Director	Stuart Baillie Planning Associate Director

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0 EXECUTIVE SUMMARY

INTRODUCTION

0.1 The Employment Land Study has been prepared by GL Hearn and Regeneris Consulting for Stratford-on-Avon District Council. The Study considers and makes recommendations regarding the level of future employment land provision and potential broad locations for future employment development within the District. These will be used to inform the Council's employment policy decisions for the Plan Period 2008-28.

0.2 The Study focuses on 'B class' uses, which cover office, industrial and warehouse/distribution floorspace.

0.3 The Employment Land Study comprises three stages as identified in Figure 0.1 below.

Figure 0.1: Overview of Study Approach

0.4 GL Hearn also produced the Housing Provision Options Study for Stratford-on-Avon District Council and this has informed the detailed economic forecasting and scenario development undertaken as part of the Employment Land Study.

SETTING THE CONTEXT

0.5 The Study takes account of the national policy context including the Coalition Government's ***The Plan for Growth*** and relevant Planning Policy Statements. These aim to support economic recovery and growth.

0.6 The Sub Regional Context is also considered and includes consideration of the vision and aims of the Coventry and Warwickshire Local Enterprise Partnership and an understanding of the Sub-Regional Economy where Stratford-on-Avon District is associated with Coventry, Solihull and Warwickshire.

0.7 At a Sub-Regional level, the following key sectors have been identified:

- Core Sectors - Care Sector; Construction; Distribution & Storage; and Retail.
- Key Strength Sectors – Automotive Manufacturing; Computing, Software & Electronics; Creative & Cultural Industries; and Specialist Business Services.
- Aspirational Sectors – Ultra Low Carbon Vehicles; Sustainable Construction; elements of Advanced Manufacturing; and elements of Applied Design & Engineering.

0.8 The Coventry and Warwickshire LEP has stated three priorities to achieve its five year strategy 2011-16, which are to:

- Create an environment where it is easy for businesses to start, locate and thrive
- Accelerate economic growth through targeted support in key strategic sectors
- Tackle the skills problem by aligning support and demand

0.9 At a local level, the context for this Study is informed by Stratford-on-Avon District Council's Corporate and Sustainable Communities Strategies and by saved policies in the Local Plan. The Stratford-on-Avon District Council Business Survey (Spring 2011) has also informed the Study.

0.10 In addition to statistical analysis and site visits, the Study has been further informed by consultations with Coventry & Warwickshire Local Enterprise Partnership; Coventry and Warwickshire Chamber of Commerce; Stratford Business Forum; Alcester Chamber of Commerce; Stour United Business; Stratford-on-Avon District Council; and, Warwickshire County Council.

0.11 Six local businesses have also been consulted and these include an innovation centre manager; two businesses operating in professional and financial sectors; one business operating manufacturing/distribution; and two of the larger automotive manufacturers.

THE DISTRICT'S ECONOMY

0.12 The Employment Land Study includes an assessment of the District's economy. Figure 0.2 (below) identifies the comparator geographies that have been used in the Study.

Figure 0.2: Geographical Hierarchy of Analysis

	Local Geographies[1]	District Geographies	Wider Geographies
Stratford Geographies	• Alcester • Bidford on Avon • Henley in Arden • Kineton • Rural • Shipston on Stour • Southam • Stratford-upon-Avon • Studley • Wellesbourne	• Stratford-on-District	• None
Comparator Geographies	• None	• Warwick District, • Daventry District • Redditch Borough	• West Midlands • Great Britain

[1]Note: The local geographies are based on wards and therefore do not compare directly to settlements

0.13 Overall, Stratford-on-Avon District contributes around £2.4 billion to the national economy. Levels of productivity are close to the national average.

0.14 Stratford-on-Avon District contains around 53,900 jobs. Within the district, Stratford-upon-Avon town is the main employment centre, containing around 17,500 jobs. Rural parts of the district contain a further 14,700 jobs. Overall recent employment losses have been distributed relatively evenly across locations within the district.

0.15 Stratford-on-Avon District has a strongly performing business base containing around 8,100 businesses – at a very high density of around 120 per businesses per working age population. Business base growth between 2003 and 2008 has been replaced more recently by a small decline in the number of businesses.

0.16 Partly reflected by high levels of business density, levels of enterprise locally are very strong. Over the past decade, the area has seen high business start-up rates, and stronger than average survival rates. The self employment rate is also high. Over the past year, however, the business death rate has risen above the business birth rate. This trend has also been seen in comparator areas and is likely to reflect the macro-economic context.

0.17 Reflecting the strong enterprise culture, the District contains a higher proportion of small (less than 50 employees) businesses than is average elsewhere.

0.18 Employment activity in the District is spread across a relatively broad range of sectors. The top four employment sectors district wide are accommodation and food services; professional; scientific and technical; manufacturing; and, education. Around a quarter of businesses in the district are classified as being knowledge-based.

DEMOGRAPHIC & LABOUR MARKET CHARACTERISTICS

0.19 Stratford-on-Avon District had a population of around 118,900 in 2009. As a whole, the District has experienced relatively strong population growth of 7% (7,300 people) since 2001. Some localities, however, such as Alcester and Studley have experienced a falling population in part influenced by levels of development. Stratford-upon-Avon has seen a large increase in population.

0.20 At 57% of all residents, the District's working age population is relatively small. This is a function of the District's age structure with an above average proportion of residents aged over 45. The proportion of older residents is higher than regional and national average throughout the District – and is particularly high in Henley (34%) and Shipston (28%).

0.21 Across the District, the working age population has increased at a relatively slow rate in recent years. In many of the localities within the District the working age population has actually fallen in recent years. This could cause recruitment difficulties for businesses, or lead to longer-distance commuting to employment.

0.22 Levels of labour market skills are relatively high in Stratford-on-Avon District. Economic activity and employment rates are also high.

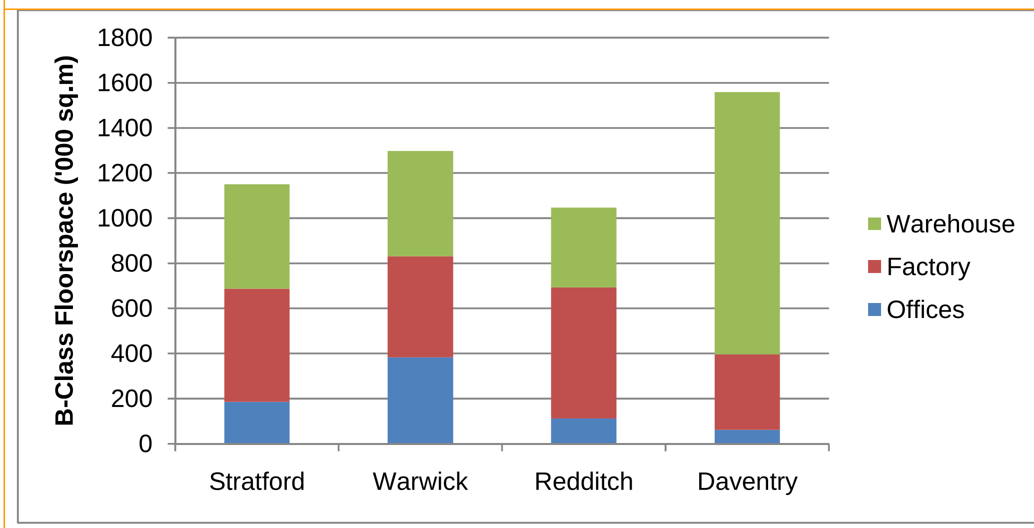
0.23 Levels of worklessness in the District are relatively low. Overall, the area has recovered strongly since the recessionary period, with the claimant count rate falling across all parts of the District from mid 2009 onwards.

0.24 Stratford-on-Avon District experiences large daily commuter flows. Overall, there is a daily net outflow of commuters to surrounding areas of around 3,600 people. On average, those commuting out of Stratford-on-Avon are more highly skilled than those commuting into the area.

COMMERCIAL MARKET PERFORMANCE

0.25 Stratford-on-Avon District contains a total of 1,389,000 sq.m of commercial floorspace, of which 1,150,000 sq.m is in B-class use (ie office, factory or warehouse). It has a higher volume of office space than either Redditch or Daventry Districts but just under half the level in Warwick District which has a number of established business parks close to the M40 plus town centre floorspace in Leamington Spa and Warwick. The composition of commercial floorspace is illustrated in Figure 0.3.

Figure 0.3: Composition of Commercial Floorspace, 2008

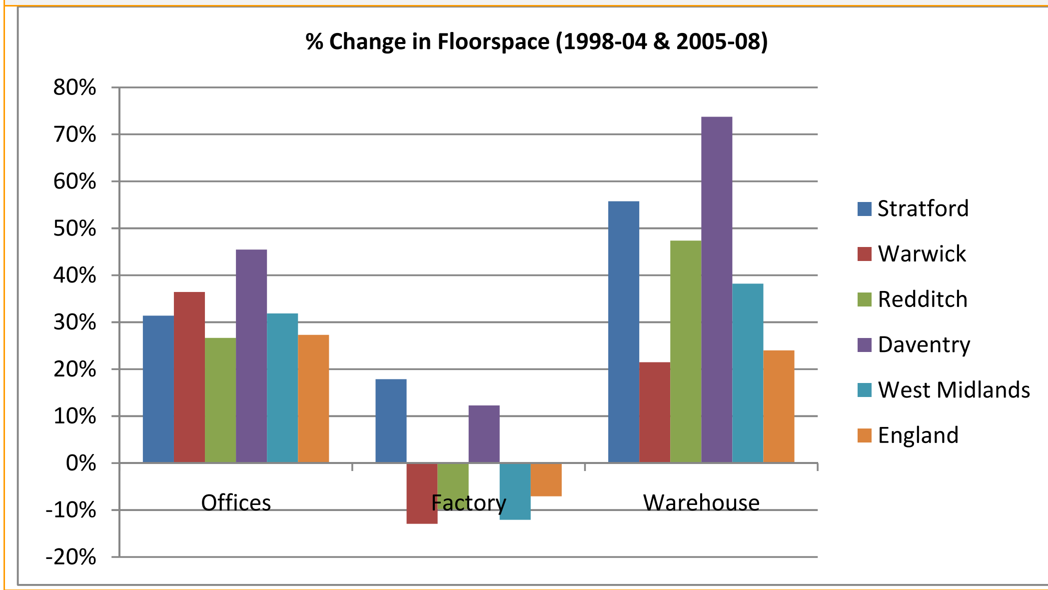


Source: CLG/ VOA

0.26 The strength and potential growth of the office market in Stratford-upon-Avon is affected by its proximity to Warwick and Leamington Spa which have a greater critical mass of occupiers, a larger workforce catchment and greater rail and highway network accessibility.

0.27 Figure 0.4 outlines changes in commercial floorspace by use class from 1998-08. Stratford-on-Avon District experienced net growth of 31% in office floorspace (similar to the national average of 32%). In contrast to regional and national trends, the District experienced 18% growth in industrial (factory) floorspace, in part influenced by new development at the Gaydon Proving Ground. There was also a strong growth in warehouse floorspace which increased by 56% over the decade.

Figure 0.4: Change in Commercial Floorspace, 1998 – 2008



Source: CLG/ VOA

The Office Market

0.28 While Stratford-on-Avon District has a reasonable level of office floorspace, the market is focused on small and medium-sized premises and relatively local occupiers. There are few large corporate occupiers within the District.

0.29 In terms of office take-up rates there appears to have been a relatively strong level of activity in 2009 and 2010, which is stronger than the preceding years 2005-08 and influenced by delivery of new office development in Stratford-upon-Avon.

0.30 Headline rents for office space in Stratford-upon-Avon are currently around £16 per square foot. This is insufficient to support larger speculative office developments (which would likely require levels of £20+ psf). Other towns in the District such as Henley-in-Arden achieve £14 psf on good quality office space.

0.31 The viability of office space is likely to improve over time as market conditions improve and the overhang of vacant new build space fills.

The Industrial Market

0.32 The industrial market in the District is focused on small and medium sized properties. There is limited demand for or supply of large warehouse/distribution sheds. Industrial floorspace is focused on small and medium sized sites within the District, primarily in or close to Stratford-upon-Avon or the other towns in the District.

0.33 Over the last five years, take up of industrial properties has increased year on year, other than 2009 when there was a slight dip. Take up has grown within a number of property size bands and in particular take up in larger industrial properties (1850+ sq.m).

0.34 Conversely, property deals are dominated by properties of less than 465 sq.m which account for the majority of deals. The number of deals for larger properties has been falling for the past three years whilst the market activity for smaller industrial properties has been increasing.

DEMAND FORECASTING

0.35 Employment floorspace forecasting has been considered in the context of four distinct economic scenarios. This scenarios-based approach recognises uncertainties relating to the future economic and commercial property market performance as the UK emerges from recession.

0.36 The first three scenarios are set within the context of a Labour Demand Model which projects the total number of jobs in Stratford-on-Avon District to 2028.

- Scenario 1 is a *Base Scenario* driven by the West Midlands Integrated Policy Model, developed by Cambridge Econometrics.
- Scenario 2 is the *Austerity Scenario* which assumes a slower growth rate for public sector employment than that set out under the Base Scenario.
- Scenario 3 is the *Convergence Scenario* which has been developed to focus on aspirational economic growth and broadly aligns with the emerging strategy of the LEP and with the draft National Planning Policy Framework.

0.37 The final scenario is based upon a Labour Supply Model which assesses the future employment implications of projected population trends which gives us:

- Scenario 4 the *Labour Supply Base Scenario*.

0.38 Under the **labour demand model**, overall employment growth is projected between 2008 and 2028 under the Base scenario (a small increase of 197 FTEs) and the Convergence scenario (+2,078 FTEs). Conversely, a small decline in employment is projected under the Austerity scenario (-133 FTEs) as FTE employment doesn't recover to pre-recession levels by 2028.

0.39 Under the **labour supply model**, an overall decline of around 707 positions is projected for the period to 2008-2028. This reflects the projected decline in the overall number of Stratford-on-Avon District residents in employment largely due to an ageing population.

0.40 Figure 0.5 compares the Total Employment Summaries to 2028 for each of the four scenarios.

Figure 0.5: Total Employment Summary, All Scenarios. 2008-2028

		2008	2013	2018	2023	2028
Labour Demand Model	**Base Scenario**	52,122	49,256	50,054	51,042	52,319
	SQW Based Austerity Scenario	52,122	49,151	49,780	50,704	51,989
	Regeneris Based Convergence Scenario	52,122	49,839	51,147	52,565	54,199
Labour Supply Model	**Supply Scenario**	44,817	44,643	44,829	44,615	44,110

Source: Regeneris Consulting Assumptions and Calculations; Integrated Policy Model (IPM) Forecasts produced by Cambridge Econometrics; GL Hearn Assumptions and Calculations

Relationship between Employment Land Study Scenarios and the Housing Provision Options

0.41 GL Hearn has worked with the District Council in preparing a Housing Provision Options Study (GL Hearn, July 2011). This was prepared in advance of and has therefore informed the detailed economic forecasting and scenario development undertaken as part of this Employment Land Study.

0.42 Of the scenarios developed, the Labour Supply Base Scenario in the Employment Land Study is based on Option 1 within the Housing Provision Options Study and is consistent with it.

0.43 The level of growth in labour supply in Option 2 in the Housing Provision Options Study is akin to the Convergence Scenario in the Employment Land Study.

0.44 Within the Employment Land Study, the Austerity Scenario tests downside risks (i.e. a reduced public sector and lower employment growth) to the base scenario. It does not seem appropriate to test the implications of a much more significant reduction in employment over the plan period as this would not accord with national planning policy which expects the planning system to support economic growth. Thus, there is not a specific scenario within the Employment Land Study which aligns to Option 3 in the Housing Provision Options Study.

Forecasts of Past Employment Land Take-Up

0.45 The Study also takes consideration of past employment land take-up to take account of market factors and evidence. This provides a cross check against future forecasts. However, a degree of caution must be exercised here as economic demand moving forward may well differ from past trends. This information has been used to identify a Net Floorspace Forecast illustrated in Figure 0.6.

Figure 0.6: Net Floorspace Forecast based on Past Completions, 2008-28

	B1a & B1b (sq m)	B1c & B2 (sq m)	B8 (sq m)	Total
Net Completions, 2000 - 2010 – PA	**5,775**	**-2,679**	**2,089**	**12,127**
Plan Period: Years	**20**	**20**	**20**	**20**
Forecast Floorspace Requirement, 2008-28	**115,500**	**-53,580**	**41,780**	**242,540**

Source: GL Hearn

Comparing the Forecasts

0.46 Figure 0.7 outlines the floorspace forecasts derived for each scenario. Over the 2008-28 plan period, there is a net requirement for between 38,800 – 79,200 sq.m of employment floorspace based on the economic scenarios developed, and 103,700 sq.m based upon an assessment of past completions.

Figure 0.7: Final Floorspace Forecasts, 2008-28

Revised Floorspace Requirements	B1a & B1b (sq m)	B1c & B2 (sq m)	B8 (sq m)	Total (sq m)
Base Scenario	**50,279**	**-20,668**	**15,326**	**44,937**
Austerity Scenario	**49,240**	**-20,129**	**15,434**	**44,546**
Convergence Scenario	**82,045**	**-18,616**	**15,738**	**79,166**
Labour Supply Scenario	**42,850**	**-14,937**	**10,907**	**38,821**
Past Completions Scenario	**115,500**	**-53,580**	**41,780**	**103,700**

Source: GL Hearn

0.47 Using standard plot ratios, Figure 0.8 converts floorspace forecasts into employment land requirements measured in hectares.

Figure 0.8: Final Floorspace Forecasts, 2008-28				
Land Requirements (Ha)	**B1a & B1b**	**B1c & B2**	**B8**	**Total**
Base Scenario	**17**	**-5**	**4**	**15**
Austerity Scenario	**16**	**-5**	**4**	**15**
Convergence Scenario	**27**	**-5**	**4**	**27**
Labour Supply Scenario	**14**	**-4**	**3**	**13**
Past Completions Scenario	**39**	**-13**	**10**	**36**
Source: GL Hearn				

0.48 GL Hearn considers that it is likely that the requirement for employment floorspace will be more moderate than that indicated by past completions. However, it is important that land supply does not constrain economic growth.

0.49 On this basis the Study concludes that it would be appropriate to plan for provision of 25-30 ha (net) of employment land provision over the plan period to 2028.

EMPLOYMENT LAND SUPPLY

0.50 The Employment Land Study also considers the existing supply of employment land within Stratford-on-Avon District. The assessment is based upon a survey of 32 sites, analysis of planning consents, site allocations, marketed premises and monitoring information on completion rates supplied by Stratford-on-Avon District Council.

0.51 The surveys were undertaken by GL Hearn staff in June 2011. Other information was accurate as at June 2011. The aforementioned sources enable calculation of the following:

- Marketed premises, total vacant office floorspace: **26,983 sq.m** (Gross External Area))
- Marketed premises, total vacant industrial floorspace: **120,273 sq.m** (GEA)
- Vacant plots on surveyed existing employment sites, total: **25,883 sq.m** (GEA)
- Development pipeline (ie planning consents), total: **67,730 sq.m** (GEA)
- Capacity within outstanding employment allocations in the Saved Local Plan, total: **30,050 sq.m** (GEA)
- Net completions between 2008-10, total: **18,283 sq.m** (GEA)

0.52 This information has been used to calculate an **estimated land supply in Stratford-on-Avon District of 49 hectares** as set out in Figure 0.9.

Figure 0.9: Total Land and Floorspace Capacity, July 2011		
Source of Supply	**Land Area (ha)**	**Floorspace Capacity (sqm)**
Vacant Office Premises		26983
Vacant Industrial Premises		120272
Completions 2008-10	5.8	18283
Vacant Plots on Existing Sites	7.2	25,883
Development Pipeline	27.5	67,730
Oustanding Allocations	8.5	30050
TOTAL	49	289,250
Source: GL Hearn		

QUANTITATIVE SUPPLY- DEMAND BALANCE

(a) Office and R&D Activities (Use Classes B1a and B1b)

0.53 In order to provide a robust assessment of future employment land for office and R&D activities over the plan period, the economic scenario based forecasts and completion rate (past trend) forecasts must be discounted against (i) completed schemes since 2008, and (ii) current vacant office floorspace.

0.54 This results in a residual employment land requirement to support Office and R&D Activities (Use Classes B1a and B1b) for the period 2011-28:

- Economic Scenarios generate a land requirement of between 7-18 ha.
- Past Trend Scenario generates a land requirement of 29 ha.

(b) Industrial and Warehouse Activities (Use Classes B1c, B2 and B8)

0.55 The forecasts developed indicate a negative requirement for industrial/warehouse floorspace, in use classes B1c, B2 and B8 for the period 2008-28 of between -2,900 to -4,700 sq.m based on the economic scenarios, and of -11,800 sq.m based on past rates of development (net).

0.56 An estimated 8,300 sq.m of new-build space has been completed and occupied since 2008. This increases the over-provision to between 11,200 – 13,000 sq.m. There is also an estimated 120,300 sq.m of vacant industrial premises within the District.

0.57 Our assessment therefore indicates a potential surplus of Industrial and Warehouse Activities (Use Classes B1c, B2 and B8) for the period 2008-28 of between 32.5 - 35 hectares.

RECOMMENDATIONS

0.58 The following is a summary of the key recommendations for Stratford-on-Avon District Council from the Employment Land Study:

i. Address weaknesses in the economy namely housing supply / affordability and transport infrastructure (highways and public transport).

ii. Prepare a strategy for economic development to create the conditions to allow businesses to prosper and grow. This will require a combination of measures addressing skills and labour supply; the commercial property offer; wider infrastructure; business support measures; ICT infrastructure and cluster and supply-chain development. Those issues relating to land-use planning should be addressed in the LDF Core Strategy.

iii. Work proactively with partners, including through the LEP, to support and nurture businesses with growth ambitions and potential.

iv. Support key higher value-added sectors in which there is evident growth potential in the District including advanced engineering and high-value manufacturing; automotive and low carbon mobility; business and professional services; computing, software and electronics; creative and cultural industries; and low carbon technologies.

v. Acknowledging the role of small and home based businesses within the District, it is recommended that planning policy supports the conversion of residential and garage space within a dwelling to commercial use (where not permitted development) and the Council should consider favourably the conversion of farm or other rural buildings for employment generating uses.

vi. Support the LEP in lobbying telecommunications providers to promote the roll out of high speed broadband infrastructure across the District.

vii. Increase the provision of managed workspace or incubation space for small businesses.

viii. Plan for the provision of 25-30 hectares (net) of employment land provision over the plan period to 2028.

ix. Given that there is a potential surplus of between 44.5 – 69 hectares of land across the District for the plan period to 2028 and this is primarily for industrial activities, limited additional employment allocations are appropriate to support higher value economic growth in B1a and B1b sectors over the plan period.

x. Planning Policy should recognise that the Gaydon Proving Ground does represent a strategic employment site of regional and national significance for specific purposes.

xi. Implement a criteria-based policy for release of industrial sites.

xii. Address the ongoing need for monitoring and review of employment land availability and trends.

xiii. Record data relating to completions and loss of employment land and floorspace

Area Based Recommendations

Alcester

- Recommend a 5 hectare extension to the Arden Forest Industrial Estate for B1, B2 and a limited amount of B8 uses. A larger allocation might be justifiable depending on the scale of housing development in the town.

Studley

- A case could be made for further employment allocations, such as an extension to Birmingham Road, but this will depend on housing provision proposals.

- Selective release of employment sites in Studley may be reasonable, with potential for redevelopment of Troy Industrial Estate, Sambourne (0.9ha) for instance for nursing/residential care or residential development.

Henley-in-Arden

- Development of small workspace within the town should be supported, but this is not likely to require an employment allocation.

Southam

- Rationale for a further large employment allocation is questionable unless there is significant housing growth.

- Provision of small business floorspace on existing sites should be encouraged.

- The possibility of multi-modal use of the Former Harbury Cement Works at Bishop's Itchington should be considered.

Stratford-upon-Avon

- Recommend that an additional 5-10 ha of land is allocated at Stratford-upon-Avon for B1 uses for development within the 2008-28 plan period. This would be in the form of a business park for B1 uses.

- There is potential for selective release of existing poorer quality employment land in Stratford-upon-Avon. Mixed-use redevelopment of poorer quality, older stock on Masons Road and within the Western Road Industrial Estate should be considered.

Kineton

- The Gaydon Proving Ground site to be identified as being of strategic regional and national significance for high-tech research and development/ engineering activities. There is potential for higher value R&D uses in a wider spectrum of sectors than permitted by the current policy. The Council should consider reviewing its policy to allow wider research and development activities within use class B1b.

- The Council should also consider supporting further employment development beyond the existing policy envelope of the Gaydon site, guided by a comprehensive masterplanning process.

- No further provision of land is required within Kineton itself.

Wellesbourne

- There is a need to improve the intensity of use of the M40 Distribution Park, and policy should support a wider range of employment-generating uses.
- The potential for small-scale B1 development in Wellesbourne to support small businesses and help diversify the economic base should be considered, particularly if housing growth is proposed.

- The current Local Plan contains 5.5 hectares of land at Loxley Road and Wellesbourne Airfield which has not been delivered. In light of demand and vacancy levels within the M40 Distribution Park, the scale of land allocation for future employment needs could be rationalised down.

Bidford on Avon

- Existing employment provision should be protected. Additional provision of employment land is not required unless there is to be a large-scale housing development in the village.

Shipston on Stour

- There is 1.9ha of land available for employment development at Tilemans Lane which would appear adequate to support the settlement.
- A mixed-use redevelopment of the site on Campden Road is a realistic scenario to avoid attracting investment away from Tilemans Lane.

Long Marston Depot

- Industrial development at this site is a special case. There is a considerable level of employment floorspace at this relatively rural location and one which does not benefit from strong strategic accessibility by road. It is likely that an element of demand might be attracted by the rail access, however there is some risk to the level of demand for employment space which can be attracted.

Rural Sites

- It is not recommended that an allocation of additional land be made in rural areas. Planning policy should support and protect the continuing employment use of rural sites and the Council should support intensification of use within existing site boundaries.

1 INTRODUCTION

1.1 Stratford-on-Avon District Council commissioned GL Hearn and Regeneris Consulting to prepare this Employment Land Study. The Study considers demand for and supply of employment sites and premises within Stratford-on-Avon District.

1.2 The Study is intended to inform employment policies within the Council's Local Development Framework. It considers the stock and use of existing employment land in the District, the need for and role of additional employment land, and the most appropriate broad locations for future employment development. It focuses on 'B class' uses which are office, industrial and warehouse/distribution floorspace, but includes 'sui generis' uses which are similar in nature such as waste and recycling uses and car showrooms.

1.3 The Study approach and methodology is informed by and compliant with Government Guidance on *Employment Land Reviews*[1]. It has been broadly structured around three themes of work:

1. **Taking Stock of the Existing Situation**: Profiling the performance of the District's economy, labour market and commercial property markets; and assessing the 'fitness for purpose' of the current portfolio of employment sites in the District (considering both existing employment sites and land allocated for employment development);

2. **Considering Future Requirements**: Establishing the scale and nature of likely demand for future employment land and premises (through both taking account of trends in employment development in the District and considering scenarios for future economic performance); and considering the influence of potential future policies regarding housing supply on the economy; and

3. **Bringing Together the Work Undertaken**: Drawing the analysis together to consider the balance between supply and demand for employment sites, both in terms of the amount of floorspace and land and the quality of employment sites and premises. This forms the basis for considering what portfolio of employment sites should be taken forward through the Local Development Framework, considering whether any existing employment sites might be released for alternative uses, or whether there is a need to identify additional employment sites to support the District's economy.

[1] ODPM (2004) *Employment Land Reviews: Guidance Note*

1.4 These stages are summarised in Figure 1.1:

Figure 1.1: Overview of Study Approach

1.5 The Study considers and makes recommendations regarding potential broad locations for future employment development within the District. It does not however make policy decisions regarding the allocation of employment sites.

1.6 As part of the Study, GL Hearn has visited and assessed all existing allocated employment sites in the District. This included 17 existing employment sites within the urban areas of the District, and 12 employment sites in rural locations. A further four sites which have either existing commitments for employment development or are allocated employment land in the District Local Plan have been assessed. In addition to these sites, the suitability of a further nine locations for future employment development has been considered.

1.7 A programme of consultation with key stakeholders, local businesses and property agents has informed the Study. A list of consultees is included in Section 6.

REPORT STRUCTURE

1.8 The remainder of this report is structured as follows:

Chapter 2: Policy & Research Review

Chapter 3: Understanding the District's Economy

Chapter 4: Demographic and Labour Market Characteristics

Chapter 5: Commercial Market Performance

Chapter 6: Business Survey & Stakeholder Engagement

Chapter 7: Strengths, Weaknesses, Opportunities, Threats

Chapter 8: Demand Forecasting

Chapter 9: Employment Land Supply

Chapter 10: Bringing together the Supply & Demand Assessments

Chapter 11: Conclusions and Recommendations

2 POLICY & RESEARCH REVIEW

2.1 In this section we review the policy context to setting out policies for employment land provision at national, sub-regional and local levels. We also consider the findings of relevant research studies, and past Employment Land Studies, which help to provide a context to this Study.

NATIONAL POLICY FRAMEWORK

The Plan for Growth

2.2 The most recent national policy statement on economic development is **The Plan for Growth** published by HM Treasury and the Department for Business, Innovation and Skills (BIS) in March 2011. This sets out the Coalition Government's overarching goals for economic development against the context of the recent economic recession and substantial fiscal deficit which is to achieve strong, sustainable and balanced growth that is more evenly shared across the country and between industries.

2.3 The Plan for Growth sets out the Government's view that over the last decade the UK economy has become seriously unbalanced and heavily indebted, masking a decline in underlying economic competitiveness. Growth was concentrated in a few sectors of the economy, and in a few regions of the country; with others becoming increasingly reliant on the public sector. Moving forward it sets out four key ambitions:

1. To create the most competitive tax system in the G20;
2. To make the UK one of the best places in Europe to start, finance and grow a business;
3. To encourage investment and exports as a route to a more balanced economy; and
4. To create a more educated workforce that is the most flexible in Europe.

2.4 These are supported by action on a number of fronts including in seeking to reduce regulation and through targeted investment. The Government intends to reduce the costs of doing business through a reduction in Corporation Tax, simplification of the tax system and the review/ roll-back of regulations. It intends to make Britain more business friendly, encouraging investment and business start-ups through a range of measures including tax reliefs and planning reforms. It also wants to encourage investment and exports and is implementing a number of measures to achieve this, including allowances for new capital investment, setting up a number of new Enterprise Zones and a Green Enterprise Bank, as well as a network of Technology & Innovation Centres and reform of inward investment activity. To improve skills it supports additional work experience and apprenticeship places and establishment of new

University Technical Colleges. Additional measures are outlined to support the housing market (and thus the construction sector).

2.5 The Plan also identifies a number of key sectors which the Government wishes to support, which so far include: healthcare and life sciences; advanced manufacturing; construction; digital and creative industries; retail; professional and business services; the space industry; and tourism. The ambition is clearly for private sector-led growth and across a greater spread of sectors relative to the last decade.

2.6 The Plan confirms the Government's expectation that local planning authorities in granting development consents should prioritise growth and jobs (as announced by Ministerial Statement on 23rd March 2011). It intends to introduce a presumption in favour of sustainable development. Government also intends to legislate through the Localism Bill to enable businesses to bring forward neighbourhood plans and neighbourhood development orders. The Plan for Growth also sets out that Government may extend permitted development rights to make it easier to convert commercial premises to residential.

2.7 Government intends in due course to consolidate national planning policy into a 'more focused and inherently pro-growth' National Planning Policy Framework (NPPF). Its current aim is that the NPPF will be finalised by the end of 2011. However in the meantime, specific national policies for economic development are set out in Planning Policy Statement 4: Planning for Sustainable Economic Growth.

National Planning Policy

2.8 **Planning Policy Statement 1** defines the overarching goal of the planning system to deliver sustainable development, defined as development which meets the needs of the present without compromising the ability of future generations to meet their own needs. The four aims for sustainable development are to achieve social progress, effective protection of the environment, prudent use of natural resources, and the maintenance of high and stable levels of economic growth and employment. Its sets out that the Government is committed to promoting a strong, stable and productive economy that brings jobs and prosperity for all, and that planning authorities should ensure that suitable locations are available for industrial, commercial, retail, public sector, tourism and leisure developments so that the economy can prosper. They should actively promote good quality development, which is sustainable and consistent with their plans; and identify opportunities for future investment to deliver economic objectives.

2.9 **Planning Policy Statement 4** defines economic development as including B-class uses, public and community uses and main town centre uses as well as other uses which provide employment or generate wealth (excluding housing development). It confirms the Government's commitment to sustainable economic growth.

2.10 Policy EC1 sets out that evidence should be used to plan positively. At the local level this should include assessments of need for land or floorspace for economic development, including for all main town centre uses over the plan period; and of the existing and future supply of land for economic development. It sets out that such assessments should include existing site allocations particularly if they are for single or restrictive uses.

2.11 Policy EC2 sets out national policies relating to preparation of development plans. It outlines that these should set out a clear economic vision and strategy for the area which positively and proactively encourages sustainable economic growth. They should take account of expansion or contraction of existing business sectors, and identify and plan where possible for new or emerging sectors likely to locate in the area. However policies should be flexible enough to accommodate sectors not anticipated in the plan. Positive planning for the location, promotion and expansion of clusters or networks of knowledge-driven or high-technology industries is encouraged.

2.12 The policy sets out that plans should seek to make the most efficient and effective use of land, prioritising previously-developed land and vacant/ derelict buildings which are suitable for re-use. It also outlines that plans should address the delivery of sustainable transport and other infrastructure needed to support their planned economic development. It encourages the allocation or safeguarding of a range of sites to facilitate a broad range of economic development activities, including mixed use sites. Allocated sites however should have a reasonable prospect of their take-up during the plan period.

2.13 Office development is regarded within the PPS as a main town centre use. Policy EC5 sets out that sites for these uses should be considered using a sequential approach to site selection (prioritising locations within centres followed by edge-of-centre locations), and taking account of the impact of development sites on existing centres. Sites which best serve the needs of deprived areas are given preference.

2.14 National policy recognises that functional economies transcend local authority administrative boundaries. Responsibilities for coordinating economic development activities now rest with the newly-established **Local Enterprise Partnerships**.

SUB-REGIONAL POLICY & RESEARCH

2.15 The main influence for economic development in Stratford-on-Avon District comes from the Coventry and Warwickshire Local Enterprise Partnership (CW LEP). The Local Enterprise Partnership covers the Warwickshire County Council and Coventry Unitary Authority areas.

Warwickshire comprises the district councils of Stratford-on-Avon, Rugby, Nuneaton and Bedworth, North Warwickshire and Warwick.

2.16 Local Enterprise Partnerships are a government initiative aimed at recognising functional economic areas and enabling private sector partners within them to identify economic priorities. Business Secretary Vince Cable announced that the CW LEP was approved in Autumn 2010.

2.17 The vision, aims and priorities of CW LEP were informed by the preceding Local Economic Assessment (LEA) produced by Warwickshire County Council. The LEPs, LEA and supporting topic papers are reviewed within this section.

Understanding the Sub-Regional Economic Geography

2.18 Topic Paper 1 assesses the functional economic geographies covering Coventry, Solihull and Warwickshire. Overall the Coventry and Warwickshire sub-region is a well contained sub-region in terms of labour movement and commuting; housing markets; retail and leisure activity. The sub-region also contains numerous economic similarities, which means that the area is commonly recognised as functional economic area.

2.19 More detailed consideration of these different elements has identified a core and wider sub-region:

- **The "core" sub-region** consists of the southern part of North Warwickshire Borough, Nuneaton & Bedworth Borough, Coventry, Rugby Borough, Warwick District, and the **majority of Stratford-on-Avon District**. This core area has very strong levels of self-containment in terms of commuting, and a well-contained housing market.
- **The wider sub region** consists of the northern part of North Warwickshire, the **north-western part of Stratford-on-Avon District** and all of Solihull actually have stronger connections in terms of commuting flows, housing markets, retail and leisure activities with the wider Birmingham sub-region. However, given the strong economic similarities between these areas and the core sub-region, along with a history of joint working, a wider functional sub-region beyond this close core is identified. In addition, consideration of physical connectivity and shock sensitivity would suggest that it is important to consider this wider sub-region when making significant decisions on economic matters. **This wider sub-region is the whole of the Coventry, Solihull and Warwickshire (including all districts/boroughs) area**.

2.20 The work undertaken highlights that Stratford-on-Avon District forms part of a wider Coventry and Warwickshire sub-regional economy, but that links between the north-western parts of the District to the Birmingham sub-region should be recognised. It is important to understand this functional geography and to set out understanding of economic strengths and weaknesses, and commercial property offer, within this context.

Understanding the Sub-Regional Economy

2.21 The Local Economic Assessment (LEA) has profiled economic characteristics within the Coventry and Warwickshire sub-region. Across the sub region there has been slower than average growth of the economy in recent years and productivity levels have been falling. Whilst the factors behind this performance are complex, they include: a lack of growing businesses, a lack of knowledge intensive activity, below average take up of innovation, poor transport connections from north to south (within the sub region) and a lack of higher level skills.

2.22 However, these trends mask significant variation in economic performance, prosperity, vulnerability and resilience within the sub-regional economy. The south of the sub-region (which includes Stratford-on-Avon District) typically performs more strongly than the north across a range of indicators – and overall economic performance has been stronger than average in the south in recent years.

2.23 **Reflecting this, Stratford-upon-Avon and Warwick are in the top quintile of UK location in terms of economic competitiveness.** These two also perform well in terms of ‘economic resilience’ – reflecting lower levels of ‘vulnerability’ and higher levels of ‘adaptability.’ This is influenced by higher levels of enterprise, skills and more knowledge intensive activity).

2.24 The disparity in economic performance within the sub-region can be explained by a number of factors related to the mining and manufacturing legacy in central and northern parts of the sub region:

- Economic Structure and clustering – the central and northern parts of the sub region are characterised by low levels of knowledge intensive activity, whilst areas such as Warwick and Stratford-upon-Avon have seen growth in higher value added sectors (such as business services and computing and software over the past ten years).
- Persisting high levels of worklessness, unemployment and deprivation - especially in areas such as Nuneaton and Coventry. Evidence suggests that worklessness and deprivation will continue to limit the potential for economic growth in these areas in future years.
- Commuting patterns - these have an important impact on local economic performance, with those areas struggling to achieve economic growth typically experiencing net

outflows of commuters. The 'dormitory role' of these areas will continue to affect their economic growth potential.

2.25 The LEA sets out a number of key challenges and issues going forward for the sub region. These include:

- **Population Growth and Employment Growth –** The south of the sub-region (Warwick & Stratford-on-Avon) is expected to see much stronger growth in terms of population and employment in future years than the rest of the sub-region. This is likely to put pressure on housing, employment supply, and transport networks.
- **Demographic Change –** Areas such as Stratford-on-Avon and North Warwickshire are set to have a much faster ageing population than is average across the sub region, whilst Coventry has a much younger population. There are important policy implications of such demographic considerations.
- **Business Sectoral Change –** the recent past has seen a strong growth in business services, transport & storage, distribution, and the public sector. Looking forward, forecasts suggest that financial and business services will continue to see the strongest growth in the sub-region, while manufacturing will continue to contract. Distribution and transport businesses are also expected to see continued good growth, along with the construction industry. Retail will see low but steady growth over the next twenty years. Given the significant recent cuts in public spending, this sector will see a contraction in the short-term, which will probably steady out in the medium-term. Research has been conducted to understand which sectors should be supported by policy – this is summarised below.
- **Occupational Change –**Strong growth in "higher" level occupations is forecast, along with a general reduction in employment in middle and lower level occupations – especially in areas such as Stratford-on-Avon and Warwick. This pattern is very similar to that of England as a whole, and reflects the increasing requirement for high level skills and knowledge-based business activity to drive future economic growth. There are important skills supply challenges here.
- **Low Carbon Economy –** The key question for the sub-region in this respect is how quickly the transition to a low carbon economy can be made relative to competitors, and how can business opportunities that will arise from the shift to a low carbon economy be best exploited.
- **Increasing Globalisation –** Globalisation creates both challenges and opportunities for the sub-region. The challenge is to maintain a comparative advantage over other economies in the world (based on knowledge and ideas, rather than cost or natural resources). The opportunity is through the rapidly growing, and increasingly wealthy, global economy – particularly BRIC countries that can provide market opportunities for the sub-region's businesses.
- **Rebalancing the economy** – national policy is currently clearly directed at helping rebalance the economy away from the public sector and more towards private sector enterprise. This will be more of a challenge for the north and centre of the sub region than the south.

Enterprise and Innovation Performance

2.26 Topic Paper 2 deals with enterprise and business growth. Within Coventry and Warwickshire, there is a clear north/south divide in terms of business start-up rates – with districts in the south such as **Stratford-on-Avon and Warwick amongst the best performing areas nationally in terms of enterprise**. However, despite strong start-up rates in the south of the sub-region**, there is below average levels of business growth** (in terms of numbers employed). This may be through choice ("lifestyle businesses"), or through particular barriers.

2.27 The paper suggests a number of policy implications. It identifies that high-growth companies are likely to be larger and more established. Focussed support on companies with these characteristics (hitherto overlooked by most business support programmes) may therefore pay dividends. These have fed into the LEP's 5-Year Strategy.

2.28 Topic Paper 3 deals with innovation. There are a range of 'innovation' assets distributed throughout the Coventry and Warwickshire sub region – including universities, centres of research and development and incubation / innovation centres. Locally, businesses and skills are also important innovation assets. Overall, the sub-region has slightly above average levels of knowledge-based occupations (Coventry, Stratford-on-Avon and Warwick districts have particularly high levels). Between them, these assets are important factors in helping to access and anchor new information in the area.

2.29 The note concludes that further work is required to better understand the local innovation system in the sub-region, and that greater focus and attention to the mechanisms to drive and enhance innovation are required, especially with respect to local business networks and external connectivity.

Key Sectors for the Sub-Regional Economy

2.30 Paper 4 addresses key sectors in the sub-regional economy and sectors with growth potential. It builds upon research conducted by NESTA which suggests that over 50% of new jobs created in the economy are made by a small minority of "high-growth businesses" (defined as those who experience average annual growth in employment of 20% or more over a three year period). These high-growth businesses can and do occur in any sector, and in any location.

2.31 The paper notes that sub-regional partners must act to create an economic environment which facilitates and supports the development of these high-growth companies. As such, to work towards this, policies should include – re-balancing more business support and engagement towards larger companies in the sub-region; Improving access to finance; remove barriers that prevent rapid growth; fostering and developing an innovation system in the sub-region; and creating stronger leaders and managers.

2.32 The paper highlights a number of priority sectors going forward, under three headings:

- **"Core Sectors"** – already have a strong presence within the sub-regional economy and are likely to remain key components of the future. These are the **Care Sector, Construction, Distribution & Storage, and Retail**.
- **"Key Strength Sectors"** – sectors with clear specialisms and, in many instances, already have a strong presence in the sub-regional economy. These are **Automotive Manufacturing; Computing, Software & Electronics; Creative & Cultural Industries; and Specialist Business Services**.
- **"Aspirational Sectors" –** sectors with a current limited presence but which should aim to grow and which have potentially large future market opportunities to exploit. The sectors are: **Ultra Low Carbon Vehicles; Sustainable Construction; elements of Advanced Manufacturing** (particularly building on the relative small, but significant, strength in aerospace), and **elements of applied design & engineering** (i.e. adaptive medical technologies and environmental technologies)

2.33 Cross sector linkages are also potentially important going forward. The sub-region is well placed to exploit the linkages between knowledge intensive services and manufacturing/engineering (placed between the more knowledge-based service industry of the wider South East, and the strong manufacturing base of the Midlands). Combined with the local innovation assets, there is potential to develop and exploit opportunities around the practical application of ideas and research to provide new products and services. This can be in range of areas, including adaptive technologies for people with health problems; the use of "serious gaming"; and low-carbon goods and services.

Coventry and Warwickshire Local Enterprise Partnership: 5 Year Strategy (2011-2016)

2.34 The conclusions of the Local Economic Assessment, as described above, have informed the LEP's 5 year strategy.

2.35 The LEP Strategy sets the overarching vision that, "by 2016, through strong private-public sector collaboration, Coventry and Warwickshire will be regarded as one of the best and easiest places in the country to establish, run and grow strong and successful businesses; generating significant new employment and skills opportunities in the area."

2.36 In order to achieve this vision, the strategy states three priorities:

1. **Create an environment where it is easy for businesses to start, locate and thrive** – including through developing a single, accessible 'business growth' offer linking local and

national support; identifying and tackling obstacles to business growth; development of an Infrastructure Delivery Strategy to support economic growth; promoting the LEP area as a good place to invest and do business; and increasing opportunities for local procurement activity.

2. **Accelerate economic growth through targeted support in key strategic sectors** – through understanding and mapping sectoral specialisms and niche strengths; focused business engagement, support and inward investment activity around these areas; ensure the relevant sites, premises and infrastructure provision is available to support these sectors; as well as local skills and training systems; and work to maximise the benefits of R&D and innovation assets, particularly the new Technology Innovation Centre for High Value Manufacturing. Growth in related sectors is also encouraged.

   The priority sectors are: Advanced engineering and high-value manufacturing; Automotive and low carbon mobility; Business & professional services; Computing & gaming; Creative & cultural industries; Low carbon technologies; Sustainable construction; and Tourism.

3. **Tackle the skills problem by aligning support and demand** – including through collaboration of businesses, training providers and local authorities; increasing the uptake of apprenticeships; improving graduate retention and development; addressing the business content and focus of education; and better equipping the longer-term unemployed in the area with the skills, experiences and aptitude for employment.

2.37 These priorities provide a framework for investment and activity of the LEP.

LOCAL POLICY

Corporate & Sustainable Communities Strategies

2.38 Within Stratford-on-Avon District more specifically, the **Sustainable Communities Strategy**, prepared by the Stratford District Partnership, sets out a suite of overarching policy objectives. Its vision is that by 2026 the quality of life will have improved for *everyone* living in the District. A specific economic vision is defined:

> *By 2026, all sectors of the local economy will be thriving throughout our District. Children, young people and older workers will have access to the first-class education and training they need to qualify for better paying new jobs within our District. Stratford-upon-Avon will be established as a world-class town to live, work and visit,*

competing with the best in Europe and beyond our rural areas will be providing more businesses and jobs more tourists will be visiting the whole District, staying longer and spending more.

2.39 The Strategy seeks to encourage economic growth and change through attracting new high value jobs and firms, supporting business start-ups, improving the vitality of the main rural centres, and promoting and encouraging business diversification. It seeks to increase the value of tourism, including through encouraging a wider range of hotels, conference facilities and attractions and promotional activities. It also seeks to improve qualifications and skills by working with firms to improve training, increase take-up of science, technology, engineering and maths in schools, and working with employers to develop apprenticeship programmes.

2.40 The District's **Corporate Strategy 2011-15** is structured around four key aims which include 'a district where business and enterprise can flourish.' This seeks to increase the proportion of residents who are able to find work within the District (reducing out-commuting) and increasing economic vitality. A number of priorities to achieve this are defined including working to improve the prospects of rural businesses (including through roll out of high-speed broadband), promoting local supply chains, and the use of the Council's land and property assets.

Stratford-on-Avon District Local Plan Review

2.41 Current local planning policies on employment land provision are contained within the Stratford-on-Avon District Local Plan Review 1996-2011. This was adopted by the District Council in July 2006. A number of policies have been 'saved' and are considered herein.

2.42 The saved Local Plan is structured around an overall goal to 'make a significant contribution to the UK's Sustainable Development Strategy by meeting the social and economic needs of communities throughout Stratford-on-Avon District whilst maintaining effective protection and enhancement of the environment and ensuring the prudent use of natural resources.' Satisfying employment needs is one of the defined objectives of the saved Local Plan.

2.43 The spatial strategy of the saved Local Plan is structured around directing development firstly to Stratford-upon-Avon then the main rural centres of Alcester, Bidford-on-Avon, Henley-in-Arden, Kineton, Shipston-on-Stour, Southam, Studley and Wellesbourne.

2.44 Proposals for employment development within the saved Local Plan were guided by the (gross) requirement in the Warwickshire Structure Plan (WASP) for 81 hectares of industrial land to be provided (for B class uses) for the 1996-2011 plan period.

2.45 Policy STR.4 sought to direct development towards previously-developed land, and required that sites currently or formerly in industrial or commercial uses should remain substantially in this type of use, and that any redevelopment of employment sites should result in no reduction in local employment opportunities, nor lead to a requirement for greenfield land release to support employment.

2.46 This policy is reinforced by Policy COM.16 which supports the expansion of existing firms on their existing sites, so long as the scale and nature of the activity would not lead to an unacceptable environmental impact. It also seeks to restrict the redevelopment or conversion of employment sites or premises for alternative uses, except where the activity represents a ‘bad neighbour’ use or where identified for redevelopment within the saved Local Plan. In regard to vacant employment land, Policy COM.16 allows redevelopment only where there is clear evidence that an alternative business use cannot be attracted.

2.47 Policy COM.17 supports the provision of new employment opportunities in the rural parts of the District on allocated sites in the Main Rural Centres, through small scale schemes supported by a local community in accordance with the saved Local Plan’s local choice policy (COM1) or through the conversion of rural buildings or expansion of existing groups of rural buildings. In all cases the impact on local character and the accessibility of the site are relevant planning considerations. Policy COM.18 specifically supports home-working. Policy CTY.2 supports the conversion of rural buildings for employment uses in appropriate circumstances, with further support to farm diversification provided in Policy CTY.4.

2.48 The saved Local Plan then allocates a number of sites for employment or mixed-use development. These are as follows:

Stratford-upon-Avon

- SUA.I: Cattle Market, Alcester Road, Stratford-upon-Avon: 2.4ha site allocated for mixed-use development and bus/rail interchange. To include residential and a significant amount of Class B1a and B1b floorspace and 140 car park spaces. Other acceptable uses include commercial leisure and small scale A1 and A3 units.
- SUA.J: Arden Street, Stratford-upon-Avon: 0.5ha site allocated for mixed use development. To include residential and a significant amount of Class B1a and B1b floorspace.
- SUA.V: Banbury Road, Stratford-upon-Avon: 1.5ha site allocated for Class B1a and B1b development, as an extension to the Stratford-on-Avon Business Park.

Main Rural Centres

- HEN.C: Cattle Market, Warwick Road, Henley-in-Arden: 1.2ha site allocated for mixed-use development. To include residential, Class B1a and B1b floorspace, and a small-scale retail use.
- SHIP.B: Darlingscote Road, Shipston-on-Stour: 3.2ha site allocated for Class B1, B2 and B8 development.
- WELL.C: Loxley Road, Wellesbourne: 2.8ha site allocated for Class B1, B2 and B8 development.

Rural Areas

- CTY.F: Napton Brickworks: 6.0ha site allocated for mixed-use development to incorporate Class B1 development, residential units specifically tied to businesses on the site, holiday accommodation and canal-based recreation.

2.49 In addition to these sites, the saved Local Plan includes specific policies regarding development on a number of existing sites in rural areas. These are as follows:

- CTY.16: Gaydon Site: The policy restricts expansion of the operations at the Gaydon site to research, design and testing of motor vehicles and ancillary activities, and states that the manufacture and assembly of motor vehicles would not be appropriate unless it is of a scale and nature which reasonably relates to the established uses on the site.

- CTY.18: Engineer Resources Depot, Long Marston: The policy supports comprehensive redevelopment of the site, through a masterplan approach. It is considered suitable for a major leisure village. Residential and employment development ‘consistent with the needs of the local population’ or ancillary to other development would be supported.

- CTY.19: Southam Cement Works, Long Itchington: This site is considered suitable for general industrial, leisure, tourism and recreational uses with the expectation that new buildings should be restricted to the previously-developed parts of the site and that development would be guided by a masterplan.

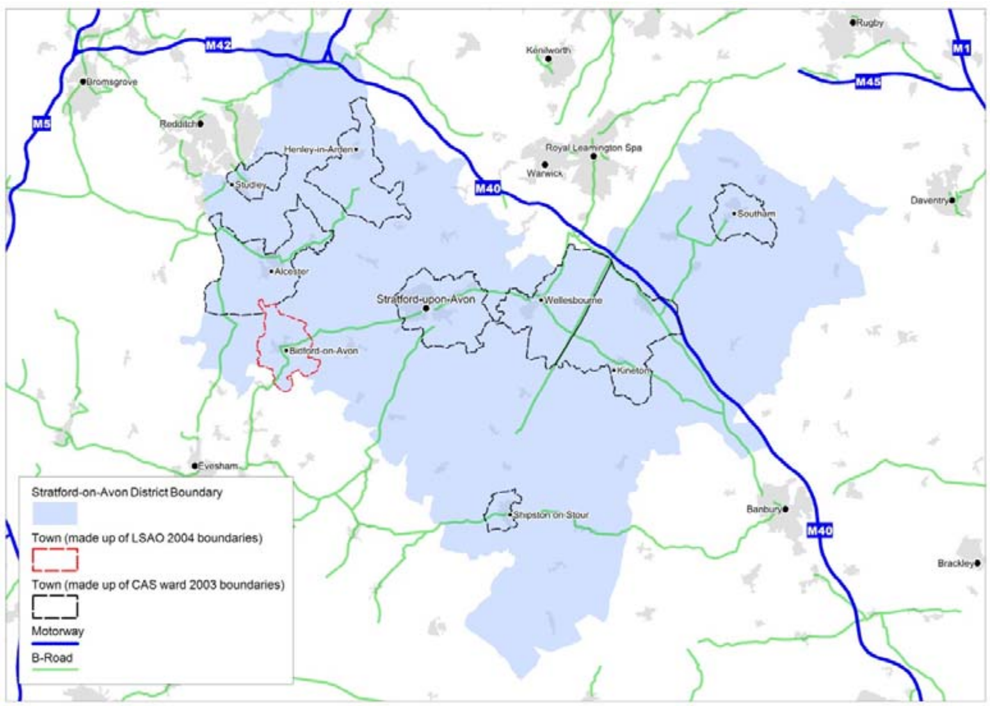
2.50 In each of these cases, the existing planning policies also list a number of other factors which would be taken into account in determining planning applications, to ensure that development is appropriate in character and its impact is minimised.

3 UNDERSTANDING THE DISTRICT'S ECONOMY

3.1 This section draws on a broad range of indicators to provide an analysis of the current socioeconomic characteristics, issues and opportunities for Stratford-on-Avon District.

3.2 To provide a comprehensive picture of the District, the analysis undertaken has considered performance for Stratford-upon-Avon, the main rural centres (as defined in the saved Local Plan) and the rural areas alongside the District as a whole. A range of comparator geographies are also used to benchmark and put into context local performance. The geographic location of these areas is mapped below.

Figure 3.1: Context Map showing Geographies of Analysis



3.3 Detailed geographic definitions of each area are included in Appendix A.

3.4 An economic profile has been developed for each of the main towns within the District. These are included in Appendix B.

Figure 3.2: Geographical Hierarchy of Analysis

	Local Geographies[1]	District Geographies	Wider Geographies
Stratford Geographies	• Alcester • Bidford on Avon • Henley in Arden • Kineton • Rural • Shipston on Stour • Southam • Stratford-upon-Avon • Studley • Wellesbourne	• Stratford-on-District	• None
Comparator Geographies	• None	• Warwick District, • Daventry District • Redditch Borough	• West Midlands • Great Britain

[1]Note: The local geographies are based on wards and therefore do not compare directly to settlements

Headlines

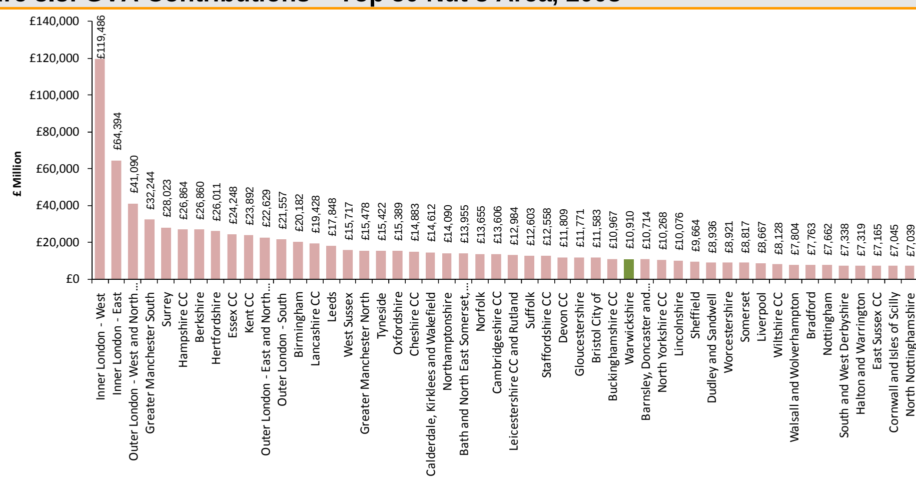
- Overall, Stratford-on-Avon District contributes around £2.4 billion to the national economy. Levels of productivity are close to the national average
- Stratford-on-Avon District contains around 53,900 jobs. There was strong employment growth between 2003 and 2008, but employment declines more recently (in line with performance seen elsewhere)
- Within the district, Stratford-upon-Avon town is the main employment centre, containing around 17,500 jobs. Rural parts of the district contain a further 14,700 jobs. Overall recent employment losses have been spread distributed relatively evenly across locations within the district.
- Stratford-on-Avon district has a strongly performing business base. The district contains around 8,100 businesses – at a very high density of around 120 per businesses per working age population. Again, business base growth between 2003 and 2008 has been replaced more recently by (small) declines in the number of businesses. Within the district, Stratford-upon-Avon town and rural areas contain a large share of all businesses. Business density is higher than average throughout the district – but particularly so in Henley, Alcester, rural areas and Stratford-upon-Avon town.
- Partly reflected by high levels of business density, levels of enterprise locally are very strong. Over the past decade, the area has seen high business start up rates, and stronger than average survival rates. The self employment rate is also high. Over the past year, however, the business death rate has risen above the business birth rate. This trend has also been seen in comparator areas and is likely to reflect the macro-economic context.
- Reflecting the strong enterprise culture, the area contains a higher proportion of small (less than 50 employees) businesses than is average elsewhere.
- Employment activity in Stratford-on-Avon (district) is spread across a relatively broad range of sectors. The top four employment sectors district wide are accommodation and food services; professional; scientific and technical; manufacturing; and, education. Around a quarter of businesses in the district are classified as being knowledge based.

ECONOMIC PERFORMANCE

Average Levels of Productivity...

3.5 Warwickshire as a whole contributes around £10.9 billion to the UK economy (2008) – equating to average GVA per employee of around £43,103. This figure is above the regional average (£40,128) but below the national average (£47,244). The Warwickshire GVA contribution has risen by around 66% over the past decade – a similar figure to the national average but and higher than the average increase across the West Midlands.

Figure 3.3: GVA Contributions – Top 50 Nut 3 Area, 2008



Source: ONS, Regional Accounts

3.6 GVA figures are not available below county (NUTS3) levels. However, it is possible to roughly estimate more local GVA contributions based upon employment density. Estimates suggest that Stratford-on-Avon district contributes around £2.4 billion to the national economy.

Figure 3.4: Estimated Local Authority GVA Contribution, 2008

	GVA 2008 (million)	GVA per Employee	GVA change 1998-2008
Stratford-on-Avon	£2,410	£43,103	68%
Warwick	£3,297	£43,103	66%
Warwickshire	£10,910	£43,103	66%
West Midlands	£93,755	£40,128	48%
England	£1,083,289	£47,244	65%

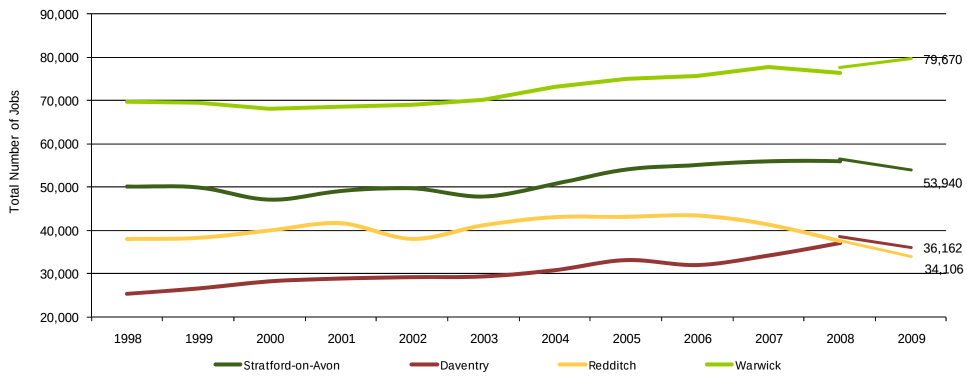
NOTE: GVA figures for Stratford-on-Avon and Warwick (districts) have been estimated according to employment density

Source: ONS, Regional Accounts

Strong Employment Growth Over the Decade but Recent Job Losses...

3.7 Stratford-on-Avon district as a whole contains around 53,900 jobs. Performance has been variable in recent years. Between 1998 and 2008 the district experienced strong employment growth of around 12% (5,800 jobs in absolute terms). Performance during this period was stronger than in neighbouring Warwick district, and also stronger than average regionally and nationally. However, between 2008 and 2009, there was a relatively sharp employment decline of 5% (a loss of around 2,600 jobs). This is a trend which was also seen across many of the benchmark geographies and is likely to partly reflect the global recession and associated economic downturn experienced throughout the UK.

Figure 3.5: Overview of Employment Performance, 1998-2009



NOTE: Due to changes in data collection, it is not possible to measure trends continuously from 2003 to 2009. Data from 2003 to 2008 is provided by the ABI, whilst the 2008-2009 period is covered by the BRES

Source: Business Register and Employment Survey and Annual Business Inquiry

3.8 Within the district the largest employment centre is Stratford-upon-Avon, which contains around 17,500 jobs (around a third of jobs in the district). Performance has been fairly static in recent years – with jobs gained between 2003-8 largely matched by jobs lost between 2008-9.

3.9 Of the other markets towns, Alcester and Kineton are the largest employment centres, both accounting for over 5,000 jobs. The latter of these areas experienced particularly strong growth between 2003-2008 (2,600 jobs; increase of 95%) due to the presence of Jaguar Land Rover and Aston Martin at Gaydon. Significantly, employment losses have been experienced across all the market towns between 2008 and 2009.

3.10 Those parts of Stratford-on-Avon district outside the market towns contain around 14,700 jobs, having experienced strong growth (2,000 jobs) between 2003 and 2008.

Figure 3.6: Overview of Employment Performance							
		2009	**Change 2003-8**		**Change 2008-9**		**General Trend**
		Number	**Absolute**	**%**	**Absolute**	**%**	
Sub Areas within Stratford-on-Avon District	**Alcester**	5,100	1,300	32%	-200	-4%	↑
	Bidford on Avon	1,500	<50	-1%	-100	-6%	↓
	Henley in Arden	1,800	400	24%	-100	-7%	↑
	Kineton	5,100	2,600	95%	-400	-7%	↑
	Rural	14,700	2,200	17%	-500	-3%	↑
	Shipston on Stour	1,400	<50	-3%	-200	-11%	↓
	Southam	2,900	500	19%	-100	-4%	↑
	Stratford upon Avon	17,500	500	3%	-300	-2%	→
	Studley	1,600	300	15%	-400	-19%	↓
	Wellesbourne	2,600	600	25%	-300	-11%	↑
Districts	**Stratford on Avon**	53,900	8,100	17%	-2,600	-5%	↑
	Daventry	34,100	7,800	26%	-3,500	-9%	↑
	Redditch	36,200	-3,600	-9%	-2,400	-6%	↑
	Warwick	79,700	6,200	9%	2,100	3%	↑
Wider Geography	**West Midlands**	2,263,500	28,000	1%	-123,500	-5%	↓
	Great Britain	26,206,100	940,800	4%	-783,500	-3%	↑
NOTE: Due to changes in data collection, it is not possible to measure trends continuously from 2003-9. Data from 2003 to 2008 is provided by the ABI, whilst the 2008-2009 period is covered by the BRES							
Source: Business Register and Employment Survey and Annual Business Inquiry							

Strong Business Base Performance....

3.11 Stratford-on-Avon district has a strongly performing business base. In total, the district contains around 8,100 businesses, with a business density of 120 businesses per 1,000 (working age) population – significantly higher than that seen across all benchmark geographies.

3.12 Whilst business base performance was strong between 2003 and 2008, the 2008 to 2010 period has seen a decline of around 3% (around 200 businesses). This performance, however, reflects performance seen across other geographies during the same time period.

Figure 3.7: Business Base Performance, 2008-2010

	Number 2010	Business Density (firms per 1,000 pop)	Change 2003-8	Change 2008-2010	
			General Trend	Number	%
Stratford-on-Avon	8,100	120	↑	-200	-3%
Daventry	4,400	90	↑	-100	-3%
Redditch	3,100	62	↑	-200	-5%
Warwick	7,500	85	↑	-300	-4%
West Midlands	210,100	64	↑	-8,400	-4%
England	2,183,800	68	↑	-60,400	-3%

NOTE: Whilst data for 2008-10 is taken from the ONS Business datasource, data for 2003-8 is only available from the ABI. It is not possible to directly compare figures from the two datasets.

Source: ONS

3.13 The ABI allows for analysis of business base performance at a more local level. However, the last data release is for 2008, and as such it is important to note that the figures do not take into account the impacts of the economic downturn.

- Stratford-upon-Avon town contains the largest share of businesses locally, with around 1,800 in total (business density of 117 per 1,000 working age population). Business density is also particularly high in Henley, Alcester, Bidford and Kineton.

- However, the largest share of Stratford-on-Avon district's businesses are contained within those parts of the district not covered by the market towns (i.e. more rural areas). Here, there are around 3,100 businesses at a density of 121 per 1,000 working age population.

- Studley experienced a small decline in the size of its business base between 2003 and 2008. Studley aside, all other areas of Stratford-on-Avon district experienced business base growth between 2003 and 2008.

Figure 3.8: Overview of Business Base Performance

		Number 2008	**Business Density (per 1,000 pop)**	**Change 2003-8**	
				Absolute Change	**%**
Sub Areas within Stratford-on-Avon District	**Alcester**	600	122.6	100	13%
	Bidford on Avon	300	104.9	<50	9%
	Henley	400	174.4	100	17%
	Kineton	300	103.7	100	28%
	Rural	3,100	120.5	500	18%
	Shipston on Stour	300	95.0	<50	16%
	Southam	400	95.8	<50	10%
	Stratford upon Avon	1,800	116.8	200	11%
	Studley	300	82.1	<50	-5%

	Wellesbourne	300	80.9	<50	5%
Districts	**Stratford –on-Avon**	7,600	111.7	900	14%
	Daventry	4,100	84.4	500	15%
	Redditch	3,200	65.1	300	9%
	Warwick	7,600	85.4	1,000	15%
Wider Geographies	**West Midlands**	207,000	62.9	18,900	10%
	Great Britain	2,446,000	65.9	234,200	11%
Source: Annual Business Inquiry					

3.14 Stratford-on-Avon district contains a relatively large proportion of smaller businesses. Around 89% of local businesses have 1-10 employees, compared to an average of 84% regionally and 85% nationally.

3.15 Average business size structures vary within the district. Bidford, Henley and the rural areas all have a high proportion of micro sized businesses. In Stratford-upon-Avon town and Southam, the business base size structure is more similar to regional and national averages (with a higher number of larger businesses).

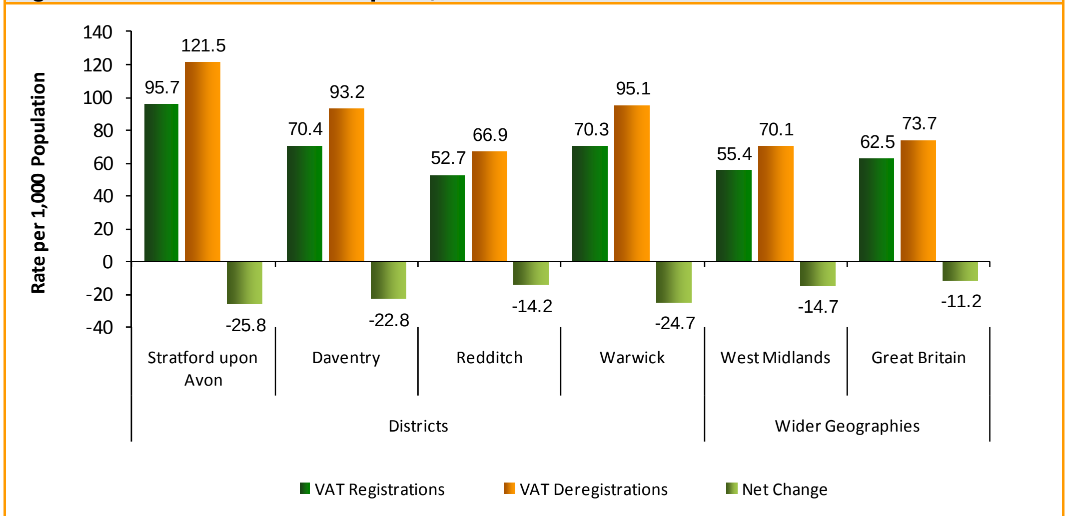
Figure 3.9: Overview of Business Base Size Structure

		1-10		**11-50**		**51-200**		**200+**	
		No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
Sub Areas within Stratford District	**Alcester**	500	86%	100	11%	<50	3%	<50	1%
	Bidford on Avon	300	91%	<50	9%	<50	1%	<50	0%
	Henley in Arden	400	93%	<50	5%	<50	1%	<50	0%
	Kineton	200	89%	<50	8%	<50	2%	<50	1%
	Rural	2,900	92%	200	7%	<50	1%	<50	0%
	Shipston on Stour	200	89%	<50	8%	<50	2%	<50	0%
	Southam	300	83%	<50	14%	<50	4%	<50	0%
	Stratford upon Avon	1,500	83%	200	13%	100	3%	<50	0%
	Studley	200	89%	<50	7%	<50	3%	<50	0%
	Wellesbourne	300	89%	<50	8%	<50	3%	<50	1%
Local Authorities	**Stratford-on-Avon**	6,700	89%	700	9%	100	2%	<50	0%
	Daventry	3,600	88%	400	10%	100	2%	<50	1%
	Redditch	2,600	82%	400	13%	100	4%	<50	1%
	Warwick	6,600	87%	700	10%	200	3%	100	1%
Wider Geographies	**West Midlands**	174,400	84%	24,800	12%	6,400	3%	1,500	1%
	Great Britain	2,078,700	85%	282,100	12%	69,300	3%	16,000	1%
Source: Annual Business Inquiry									

High levels of Enterprise Locally

3.16 Levels of enterprise in Stratford district are high. In 2009 there were an average of 97 business births per 1,000 population – significantly higher than the average seen in any of the benchmark geographies. However, reflecting the challenging economic context, rates of business deaths were also high in 2009 – 122 per 1,000 population. As a result, there was a net change of around -25 businesses per 1,000 population. The figure for net change was also negative across all the benchmark geographies in 2009.

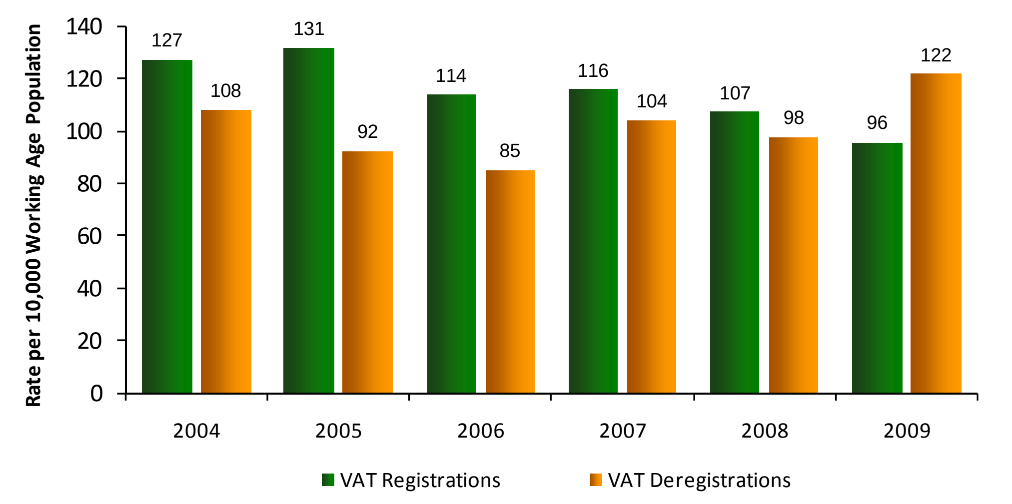
Figure 3.10: Overview of Enterprise, 2009



Source: ONS Business Demography

3.17 As highlighted below, recent years have seen a falling business birth rate in Stratford-on-Avon district and a largely fluctuating business death rate. However, 2009 is the first year in which the figure for net change has been negative. The high business death rate seen in 2009 is likely to partly reflect the economic downturn.

Figure 3.11: Overview of Enterprise Performance – 2004-2009, Stratford-on-Avon District



Source: ONS Business Demography

3.18 Stratford-on-Avon District has experienced relatively strong business survival rates in recent years. Average survival rates have been consistently higher than regional and national averages. However, figures are not available for the period since the economic downturn. Evidence (including that above) suggests that survival rates are likely to have fallen during the recessionary period.

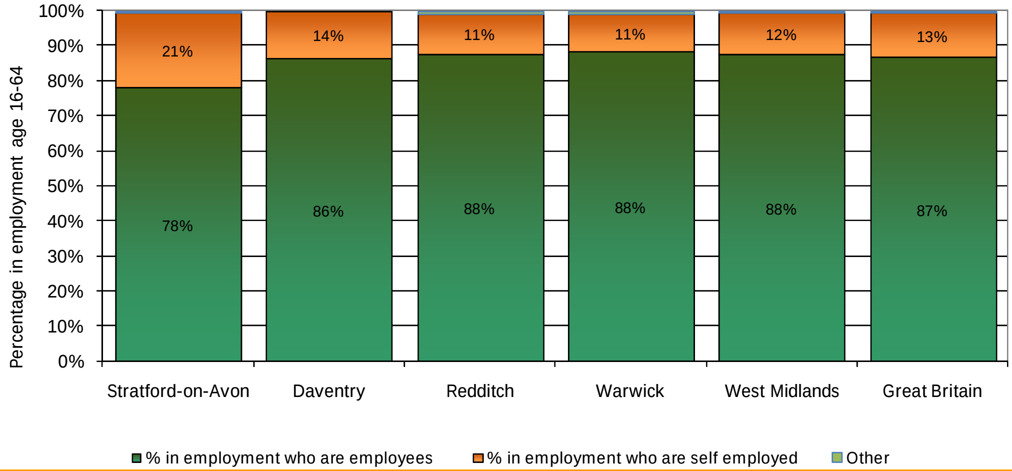
Figure 3.12: Overview of Business Survival Rates, 2004-2008

			Survival				
		Births	**1 Year per cent**	**2 Year per cent**	**3 Year per cent**	**4 Year per cent**	**5 Year per cent**
2004	Stratford-on-Avon	855	96	84	72	61	51
	Daventry	440	95	82	70	61	53
	Redditch	290	93	74	60	52	41
	Warwick	860	95	81	68	57	48
	West Midlands	23,010	94	79	66	55	47
	Great Britain	274,350	94	79	65	55	47
2005	Stratford-on-Avon	890	95	84	70	59	
	Daventry	435	94	80	66	56	
	Redditch	390	94	81	65	54	
	Warwick	870	96	86	72	60	
	West Midlands	23,115	94	80	65	54	
	Great Britain	269,220	94	80	65	54	
2006	Stratford-on-Avon	775	97	83	72		
	Daventry	455	100	85	71		
	Redditch	305	97	84	67		
	Warwick	775	98	85	72		
	West Midlands	21,025	97	81	67		
	Great Britain	249,950	96	81	66		
2007	Stratford-on-Avon	795	97	85			
	Daventry	455	99	85			
	Redditch	315	98	87			
	Warwick	890	96	85			
	West Midlands	22,805	95	82			
	Great Britain	274,770	95	81			
2008	Stratford-on-Avon	735	94				
	Daventry	425	94				
	Redditch	325	95				
	Warwick	795	94				
	West Midlands	20,585	94				
	Great Britain	261,790	92				

Source: ONS Business Demography

3.19 A further indicator of enterprise is self employment. Again, self employment rates for Stratford-on-Avon district are high. Around 22% (12,300 people) of those in employment are self employed. The regional and national averages are 12% and 13% respectively.

Figure 3.13: Overview of Self Employment, 2009



Source: Annual Population Survey

3.20 Self employment rates have increased strongly in Stratford-on-Avon district in the period since 2004.

Figure 3.14: Overview of Self Employment, 2004-2009				
	Number	%	Change 2004-09	
			% Change	% Point Change
Stratford-on-Avon	12,300	21%	60%	8%
Daventry	5,400	14%	-5%	-2%
Redditch	4,300	11%	-2%	0%
Warwick	7,000	11%	-15%	-2%
West Midlands	279,800	12%	6%	1%
Great Britain	3,458,200	13%	6%	1%
Source: Annual Population Survey				

Employment Activity Spread Across A Relatively Broad Range of Sectors...

3.21 Activity in Stratford-on-Avon district is spread relatively broadly across of range of broad industrial sectors. Key headlines include:

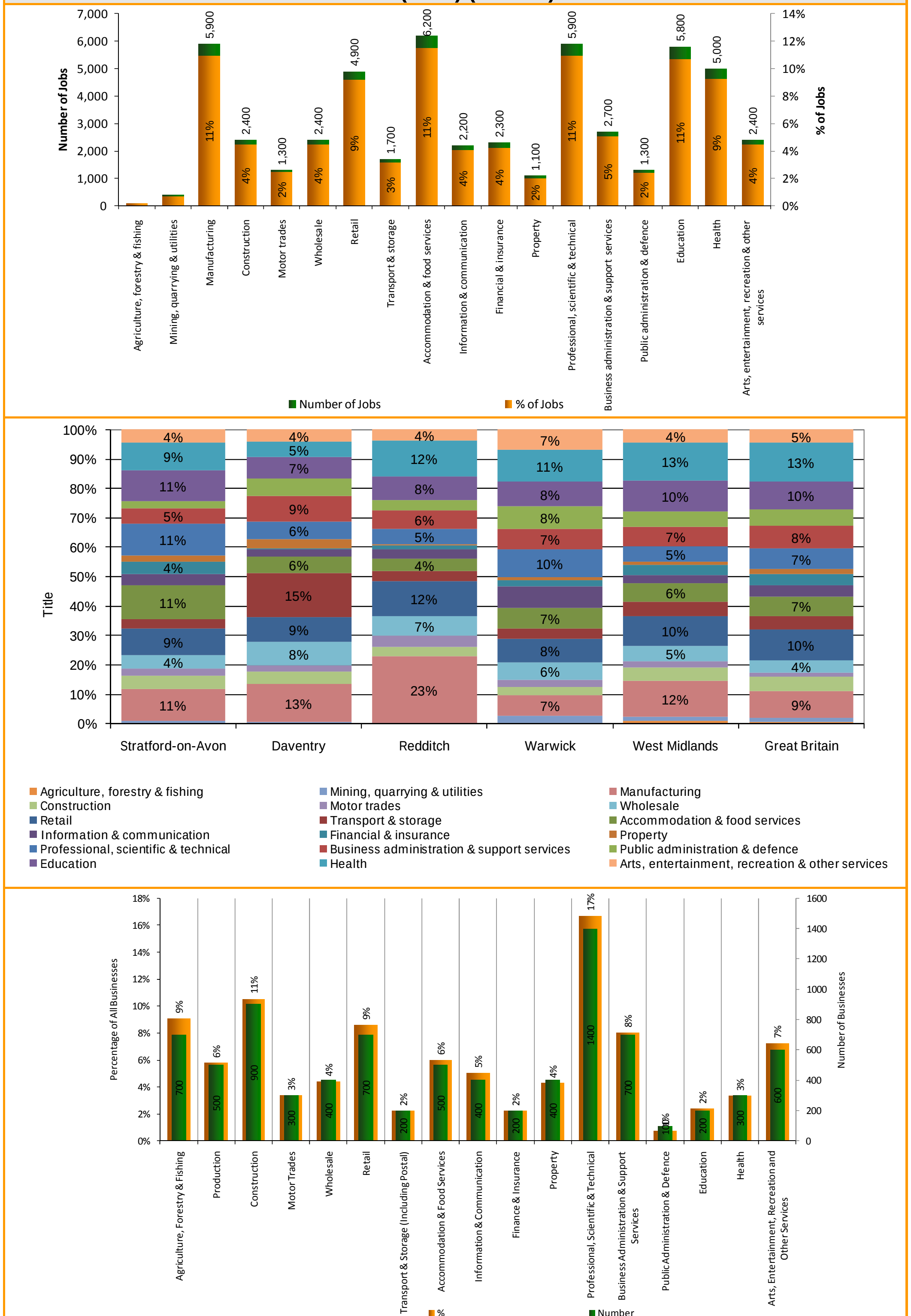
- The breadth of employment activity is highlighted by the top four broad employment sectors – accommodation and food services; professional; scientific and technical; manufacturing; and, education. These four diverse sectors each account for around 11% of jobs in the district and the former two are strongly concentrated locally compared to the national average.

- Evidence suggests that Stratford-on-Avon district benefits from a strong private sector economy. Employment in largely public sectors activities such as public administration and health, are under-represented locally compared to the national average.

- Across Stratford-on-Avon district, around 17% of all businesses (1,400 in total) are in the professional, scientific and technical sector. Construction accounts for 11% of businesses, whilst agriculture and retail both account for around 9% of businesses.

- Information from the UK Competitiveness Index 2010 suggests that in 2008 25.5% of all Stratford-on-Avon district businesses were classified as knowledge based businesses (an increase from 23.9% in 2007). This represents a higher proportion than in neighbouring areas and the 72nd highest rate amongst all local authorities (second decile).

Figure 3.15: Broad Industrial Sectors of Activity, 2009 – Stratford-on-Avon District Employment (top); Local Authority and Wider Geographies Employment (middle) and Stratford-on-Avon district businesses (2010) (bottom)



Source: BRES, ONS

3.22 A previously discussed, Stratford-on-Avon district lost around 2,600 jobs between 2008 and 2009. These jobs losses reflect contrasting performance across a range of sectors. Manufacturing and businesses administration and support services have both lost over 1,000 jobs, whilst the arts, entertainment, recreation and other services sector has lost around 900 jobs. In contrast, there has been strong performance in the accommodation and food services sector, with growth of around 700 jobs.

Figure 3.16: Overview of Employment, Stratford-on-Avon District

	Number	%	LQ	General Trend 2003-8	Change 2008-9	
					Absolute Change	% Change
Agriculture, forestry & fishing	100	0%	0.3	↓	100	192%
Mining, quarrying & utilities	400	1%	0.6	↓	200	71%
Manufacturing	5,900	11%	1.2	↑	-1,100	-15%
Construction	2,400	4%	0.9	↓	-100	-5%
Motor trades	1,300	2%	1.5	↑	-100	-10%
Wholesale	2,400	4%	1.1	→	-200	-7%
Retail	4,900	9%	0.9	↑	-300	-6%
Transport & storage	1,700	3%	0.7	↑	-200	-9%
Accommodation & food services	6,200	11%	1.7	→	700	13%
Information & communication	2,200	4%	1.1	↓	100	3%
Financial & insurance	2,300	4%	1.1	↓	400	25%
Property	1,100	2%	1.3	↑	-400	-27%
Professional, scientific & technical	5,900	11%	1.6	↑	-500	-8%
Business administration & support services	2,700	5%	0.7	↑	-1,000	-26%
Public administration & defence	1,300	2%	0.4	↑	100	11%
Education	5,800	11%	1.1	↑	<50	1%
Health	5,000	9%	0.7	↑	500	12%
Arts, entertainment, recreation & other services	2,400	4%	1.0	↑	-900	-26%
All Sectors	**53,900**	**100%**	**1.0**	↑	**-2,600**	**-5%**

NOTE: Due to changes in the SIC Code classification system between 2003 and 2007, it is not possible to directly compare sectoral change before and after 2008

Source: BRES and Annual Business Inquiry

3.23 More detailed analysis of the top employment activities locally is presented in the table below.

- The top two employment sectors are retail and wholesale trade. These sectors provide 2,900 and 2,700 jobs respectively and the latter is strongly concentrated locally relative to the national average.

- Postal and courier activities provide around 2,400 locally and are highly concentrated relative to the national average (LQ=6.7).

- Manufacturing is relatively concentrated across Stratford-on-Avon district. In particular, manufacturing of motor vehicles and manufacturing of machinery and equipment are both strongly over represented compared to the national average and contribute 900 and 1,000 jobs respectively.

Figure 3.17: Top Ten Employment Sectors

Top Sectors by Volume of Jobs						Top Sectors by Concentration of Activity					
	No.	%	LQ	General Trend 03-08	Absolute Change 2008-9		No.	%	LQ	General Trend 03-08	Absolute Change 2008-9
Retail trade	2,900	9%	0.8	↑	-300	Postal and courier activities	2,400	7%	6.7	↓	<50
Wholesale trade	2,700	8%	1.9	→	-200	Manufacture of motor vehicles	900	3%	5.4	↑	-100
Education	2,500	7%	0.8	↑	<50	Manufacture of machinery &equip	1,100	3%	4.7	↓	<50
Postal and courier activities	2,400	7%	6.7	↓	<50	Manufacture of electrical equipment	300	1%	3.2	↓	<50
Public administration and defence	2,000	6%	1.0	↑	100	Creative, arts and entertainment	200	1%	2.9	↑	-500
Food and beverage service activities	1,500	4%	0.8	→	400	Manufacture of wearing apparel	100	0%	2.7	↑	<50
Land transport and transport	1,400	4%	2.3	↑	-200	Warehousing for transportation	1,200	4%	2.6	↓	<50
Services to buildings and landscape	1,400	4%	1.8	↓	100	Land transport	1,400	4%	2.3	↑	-200
Warehousing activities for transportation	1,200	4%	2.6	→	<50	Real estate activities	1,000	3%	2.0	↑	-400
Manufacture of machinery & equip	1,100	3%	4.7	↓	<50	Wholesale trade	2,700	8%	1.9	→	-200
Employment activities	1,100	3%	1.2	↑	-600	Services to buildings activities	1,400	4%	1.8	↓	100
Real estate activities	1,000	3%	2.0	↑	-400	Manufacture of chemicals	200	1%	1.7	↑	<50
Manufacture of motor vehicles	900	3%	5.4	↑	-100	Advertising and market research	300	1%	1.6	↓	300

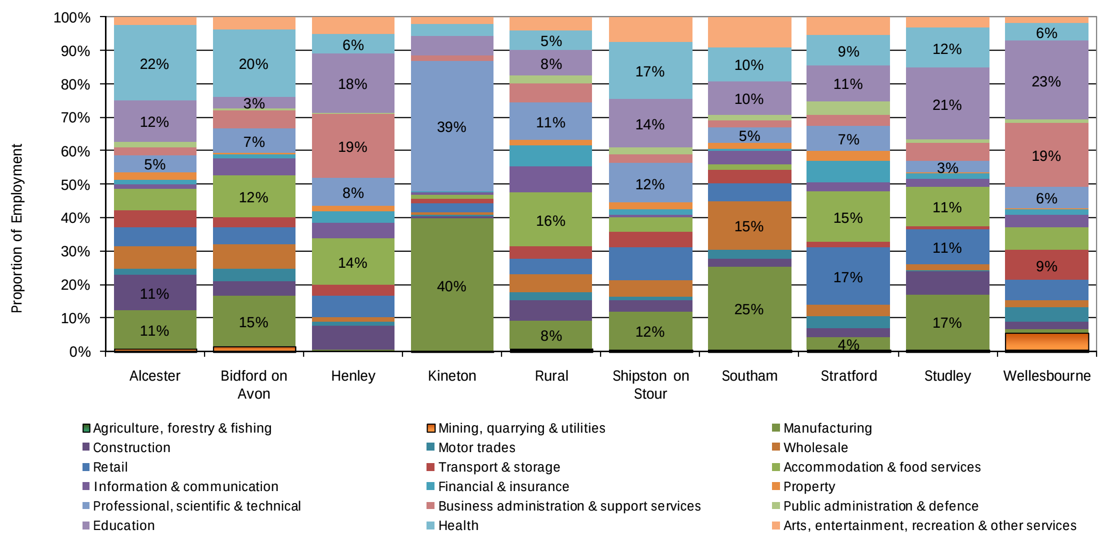
NOTE: Due to changes in the SIC Code classification system between 2003 and 2007, it is not possible to directly compare sectoral change before and after 2008

Source: Business Register and Employment Survey

3.24 Detailed analysis of the top employment activities in each market town is presented later in this report. However, the chart below presents a broad overview of the sectoral profile of each market town:

- Retail and accommodation and food services are the top employment sectors in Stratford-upon-Avon town, accounting for 17% and 15% of employment respectively.
- In Kineton, 80% of employment is contributed by two sectors – manufacturing and professional, scientific and technical employment due to Jaguar Land Rover and Aston Martin. Southam also contains a high proportion of manufacturing employment (25%).
- High proportions of education employment are found in Henley, Studley and Wellesbourne. Henley and Wellesbourne also contain high proportions of business administration and support services employment.
- Health employment accounts for 22%, 20% and 17% of all employment in Alcester, Bidford and Shipston.

Figure 3.18: Overview of Sectoral Breakdown Employment in Market Towns



Source: BRES

4 DEMOGRAPHIC & LABOUR MARKET CHARACTERISTICS

4.1 In this section we consider the labour market characteristics of Stratford-on-Avon District, addressing first population and demography before considering wider labour market characteristics.

DEMOGRAPHIC CHARACTERISTICS

Headlines – Demographic Characteristics

- Stratford-on-Avon District had a population of around 118,900 in 2009. Within the District, Stratford-upon-Avon (town) and the rural areas contain the largest populations.
- As a whole, the District has experienced relatively strong population growth of 7% (7,300 people) since 2001. Some localities, however, such as Alcester and Studley have experienced a falling population in part influenced by levels of development. Stratford-upon-Avon has seen a large increase in population.
- At 57% of all residents, the District's working age population is relatively small. This is a function of the District's age structure with an above average proportion of residents aged over 45.
- The proportion of older residents is higher than regional and national average throughout the District – and is particularly high in Henley (34%) and Shipston (28%).
- Across the District, the working age population has increased at a relatively slow rate in recent years. In many of the localities within the District the working age population has actually fallen in recent years. This could cause recruitment difficulties for businesses, or lead to longer-distance commuting to employment.

A Relatively Small Working Age Population...

4.2 Stratford-on-Avon District has a population of around 118,900 in 2009, having experienced relatively strong population growth of 7% (7,300 people) since 2001. However, at 57% of all residents, the District's working age population is relatively small (compared to the regional and national averages of 61% and 62%).

4.3 Recent growth in the working age population has also been relative low with only 1% growth since 2001. These factors have direct implications in terms of the size of the local labour market.

4.4 Within Stratford-on-Avon District:

- The largest populations are found in rural areas (46,400 people) and in Stratford-upon-Avon town (26,400 residents).

- The rural areas, along with market towns such as Henley and Shipston contain relatively small working age populations – even compared to the average figure for the District.

- Stratford-upon-Avon (town) has seen a high level of population growth since 2001 (19%). However, during the same time period, many of the larger rural settlements have experienced trends of declining working age populations.

Figure 4.1: Overview of Population

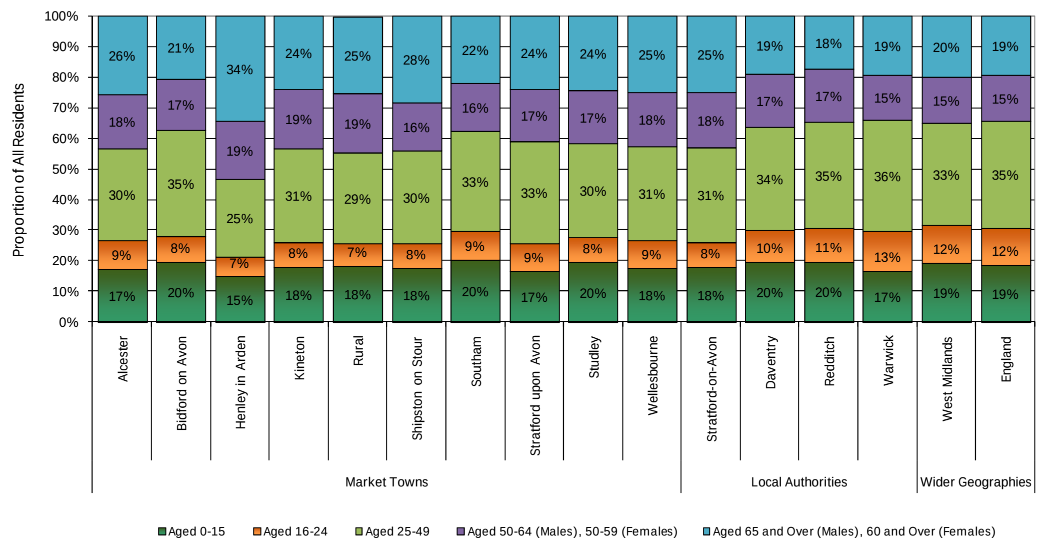
		Total Population			Working Age Population		
		2009	Change 2001-9				
			Absolute	%	Number	%	% Change
Sub Areas within Stratford-on-Avon District	**Alcester**	8,000	-200	-2%	4,600	57%	-8%
	Bidford on Avon	5,400	400	9%	3,200	60%	4%
	Henley in Arden	4,300	100	2%	2,200	51%	-4%
	Kineton	4,300	50	1%	2,500	58%	-7%
	Rural	46,400	2,200	5%	26,100	56%	-2%
	Shipston on Stour	4,900	500	11%	2,700	54%	7%
	Southam	6,500	<50	0%	3,800	58%	-7%
	Stratford upon Avon	26,400	4,300	19%	15,700	59%	17%
	Studley	5,800	-200	-3%	3,200	56%	-11%
	Wellesbourne	6,900	100	2%	4,000	58%	-6%
Local Authorities	**Stratford-on-Avon**	118,900	7,300	7%	67,900	57%	1%
	Daventry	78,900	6,900	10%	48,300	61%	7%
	Redditch	78,700	-100	0%	49,300	63%	-3%
	Warwick	139,000	12,900	10%	88,900	64%	12%
Wider Geographies	**West Midlands**	5,431,100	150,400	3%	3,292,300	61%	3%
	England	51,809,700	2,360,000	5%	32,083,300	62%	5%

Source: ONS Mid Year Population Estimates

4.5 As discussed above, overall Stratford-on-Avon District has a relatively small working age population and one which has been seen very limited growth. This is largely the result of a large older population locally. Around a quarter of residents are in the male over 65 / female over 60 age group compared to 19% nationally.

4.6 The proportion of older residents is higher than regional and national average in all of the market towns – and is particularly high in Henley (34%) and Shipston (28%).

Figure 4.2: Population by Age Group, 2009



Source: ONS Mid Year population Estimates

4.7 ONS population projections suggest that future years will see the existing demographic profile of Stratford-on-Avon district being further emphasised. In the period to 2031, it is projected that the population will grow by around 25,000 – overall growth of 21%. Significantly, around 80% of this growth is expected in the 65+ age group (20,000 people). Such a change would have important implications on the local economy and hence on demand for employment land.

4.8 There is a likely to be a strong relationship between future levels of housing provision, growth in the population and changes in the size of the labour force. This has been considered in detail in the Housing Provisions Options Study prepared by GL Hearn. We consider these inter-relationships in further detail in Section 8.

LABOUR MARKET CHARACTERISTICS

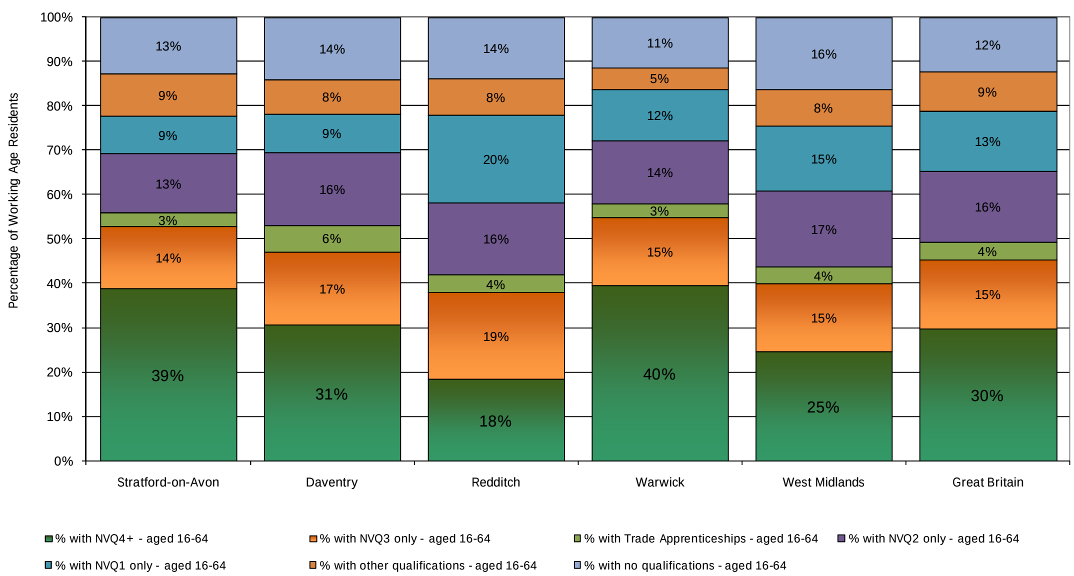
Headlines

- Levels of labour market skills are relatively high in Stratford-on-Avon District.
- Economic activity and employment rates are also high.
- Levels of worklessness in the District are relatively low. Overall, the area has recovered strongly since the recessionary period, with the claimant count rate falling across all geographies from mid 2009 onwards.
- Stratford-on-Avon District area experiences large daily commuter flows. Overall, there is a daily net outflow of commuters to surrounding areas of around 3,600 people. On average, those commuting out of Stratford-on-Avon are more highly skilled than those commuting into the area.
- Within the district, Stratford-upon-Avon town, Alcester and Kineton experience net inflows of labour on a daily basis.

High Levels of Skills in the Labour Market...

4.9 Whilst data is not available at a very local level, the Annual Population Survey provides up to date information on skills levels of the adult population.Overall, levels of labour market skills across Stratford-on-Avon district are high. In Stratford-on-Avon, around 39% of working age residents are qualified to degree level or above (NVQ4+), whilst around 13% have no qualifications. Across the West Midlands as a whole, around 25% of the population has degree or higher level qualifications, whilst 16% of the working age population has no qualifications.

Figure 4.3: Overview of Resident Qualification, 2009



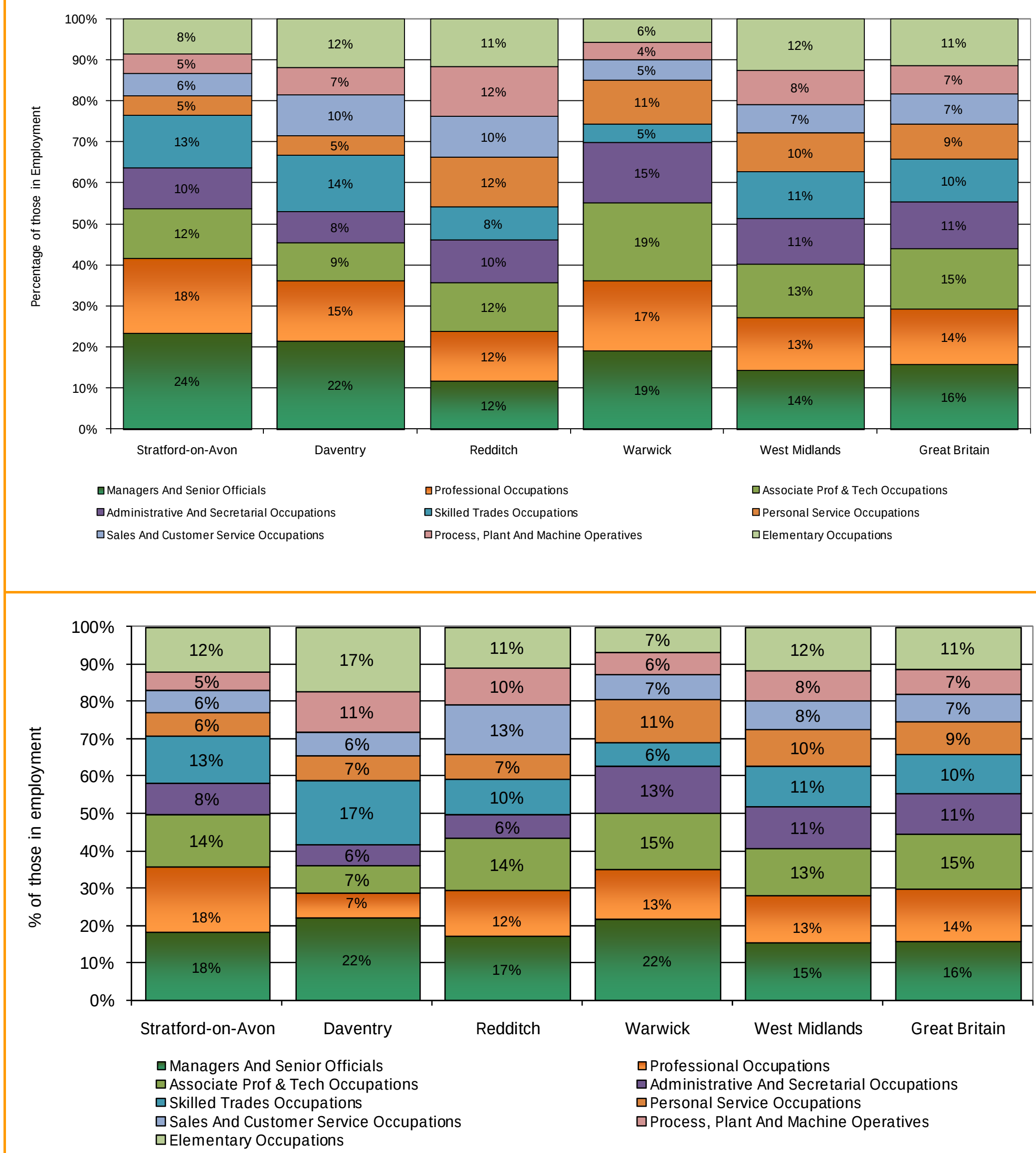
Source: Annual Population Survey

4.10 These skills trends are reflected by analysis of the occupational structure of the area – relative to regional and national averages (and also compared to neighbouring areas such as Redditch and Daventry) a relatively high proportion of residents are employed in higher skilled occupations such as managerial and professional occupations, whilst a relatively low proportion of working age residents are employed in occupations deemed to require lower levels of skills.

4.11 It is interesting to note disparities between the occupational structure of those who live in the district and that of those who work in the district. On average, those who work in Stratford-on-Avon district are more highly skilled than is average regionally and nationally. However, skills levels of those working in the district are also slightly lower than those who live in the district.

This suggests that there is an overall trend of some residents commuting out of the district to work in more highly skilled jobs. This trend is examined in more detail later in this section.

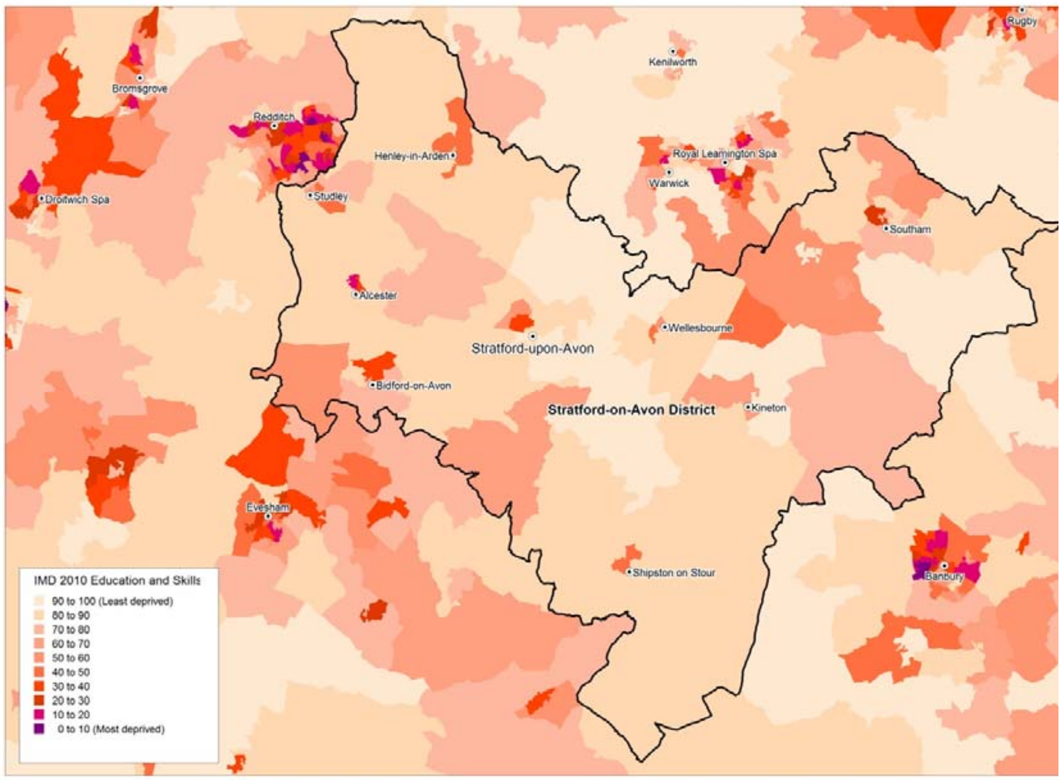
Figure 4.4: Overview of Occupations, 2009: Occupations of Residents (top); Occupations of Workforce (bottom)



Source: Annual Population Survey

4.12 More local detail on levels of education and skills within Stratford-on-Avon District can be gained by examining deprivation relating to education, skills and training. Areas of darker shading on Figure 4.5 represent areas which suffer from higher levels of multiple deprivation in relative terms. Whilst higher concentrations of deprivation relating to education and skills exist around several of the district's market towns, overall levels of deprivation are relatively low (especially in relation to that observed in towns in neighbouring areas such as Redditch, Banbury and Evesham).

Figure 4.5: Index of Multiple Deprivation 2010 – Education, Skills and Training Domain



Source: Indices of Multiple Deprivation, CLG

High Levels of Economic Activity and Employment....

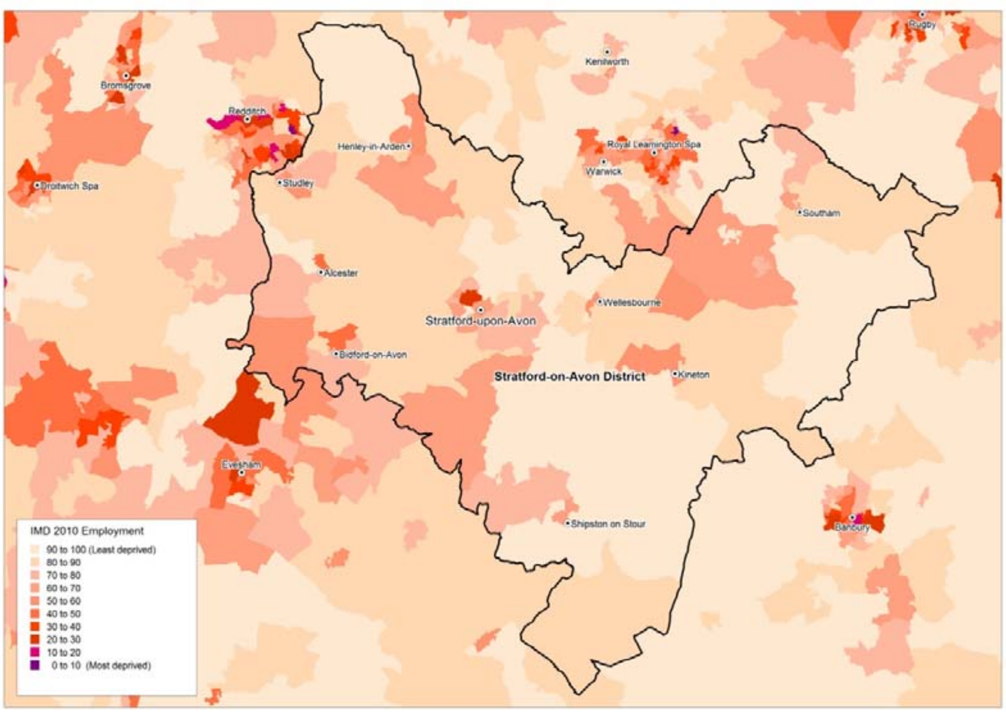
4.13 Stratford-on-Avon district has a relatively high economic activity rate. Across the district around 85% are classified as economically active (ten percentage points above the regional average). The Stratford-on-Avon district economic activity rate has also increased in recent years – stronger performance than seen in the comparator areas.

4.14 Stratford-on-Avon district also has a strong employment rate. At around 80% this is again above that observed across the comparator areas. In recent years, performance has remained relatively stable – at a time when employment rates regionally and nationally have fallen.

Figure 4.6: Overview of Economic Activity and Employment Rates, 2009						
	Economic activity rate - aged 16-64			**Employment rate - aged 16-65**		
	Number	%	Rate Change 2004-09	Number	%	Rate Change 2004-09
Stratford-on-Avon	61,200	85%	3.4	57,500	80%	0.3
Daventry	41,800	81%	1.0	40,000	78%	0.3
Redditch	41,400	78%	-2.4	38,200	72%	-4.9
Warwick	70,400	76%	0.0	66,100	71%	-2.6
West Midlands	2,586,500	75%	-0.2	2,339,400	68%	-3.4
Great Britain	29,632,100	77%	0.4	27,318,600	71%	-1.9
Source: Annual Population Survey						

4.15 More local detail on levels of employments within Stratford-on-Avon district can be gained by examining deprivation relating to employment. Again, levels of deprivation are relatively low, especially in comparison to towns in neighbouring area such as Redditch and Banbury.

Figure 4.7: Index of Multiple Deprivation 2010 – Employment



Source: Indices of Multiple Deprivation, CLG

Low Levels of Worklessness in Stratford-on-Avon...

4.16 Worklessness is a term used to describe those without a job. It includes working age people (not in full time education or training) who are:

- Economically Inactive – those without work and not actively seeking work; or
- Unemployed – those without work and actively looking for a job

4.17 The workless group includes those who work in the informal economy and those who claim benefits as well as those who do not. Many of those who are economically inactive are outside of the labour market voluntarily, because of family responsibilities or early retirement for example. Many others may have withdrawn from the labour market due to discouragement and would work if they had the right opportunity, incentive or path back to employment.

4.18 Workless residents face multiple barriers hindering them from finding work. These barriers may include – the institutional benefits trap; low skill levels; poor language skills; poor health; psychological barriers; poor transport links and other local barriers. Typically many people face multiple barriers. These reinforce each other and make return to work harder to achieve.

4.19 As suggested by the high levels of economic activity and employment described above, levels of worklessness in Stratford-on-Avon district are relatively low. There are around 10,900 people classified as economically inactive across the district – a rate of 15%. The district also contains around 3,600 people who are classified as unemployed (a rate of 6%) again below regional and national averages.

Figure 4.8: Overview of Economic Inactivity and Unemployment Rates, 2009

	Economic Inactivity rate - aged 16-64			**Unemployment rate - aged 16-65**		
	Number	%	Rate Change 2004-09	Number	%	Rate Change 2004-09
Stratford-on-Avon	10,900	15%	-3.4	3,600	6%	3.4
Daventry	9,700	19%	-1	1,900	4%	0.9
Redditch	11,600	22%	2.4	3,200	8%	3.4
Warwick	22,500	24%	0	4,300	6%	3.5
West Midlands	847,800	25%	0.2	247,100	10%	4.4
Great Britain	9,004,800	23%	-0.4	2,313,400	8%	3.0

Source: Annual Population Survey

4.20 Further evidence regarding levels of worklessness can be gained by examining data about those claiming benefits.

4.21 The proportion of those claiming benefits in Stratford-on-Avon district is low relative to comparator averages at around 8% (just under 6,000 people in real terms). Of those claiming benefits, around three quarters are claiming out of work related benefits (a rate of around 6%).

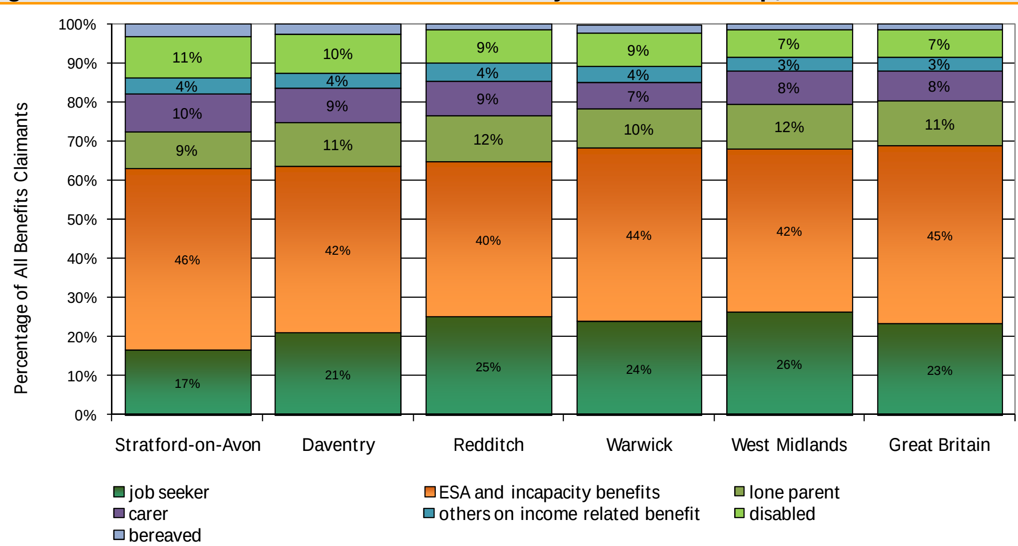
Figure 4.9: Overview of Benefits Claimants, 2010

	All Claimants				Out of Work Benefits		
	Number	%	Absolute Change (%)	% Point Change	Number	%	% Point Change
Stratford-on-Avon	5,950	8.2	12.5%	0.8	4,570	6.3	0.7
Daventry	4,430	8.7	21.0%	1.2	3,490	6.8	0.9
Redditch	7,800	15.0	20.7%	2.6	6,310	12.1	2.2
Warwick	8,000	8.6	13.3%	0.6	6,590	7.1	0.5
West Midlands	562,940	16.3	11.9%	1.5	467,940	13.5	1.1
Great Britain	5,669,370	14.5	8.0%	0.5	4,745,300	12.2	0.3

Source: DWP Benefits

4.22 The chart below presents a breakdown of those claiming benefits by statistic group. The chart highlights that as is the case across all comparator geographies, those claiming Employment and Support Allowance and incapacity benefits account for the largest proportion of benefits claimants (46%). Those registered as job seekers account for a further 17% of claimants. Compared to regional and national comparator areas, Stratford-on-Avon district has a relatively high proportion of people in the carer and disabled statistical benefits groups.

Figure 4.10: Breakdown of Benefits Claimants by Statistical Group, 2010



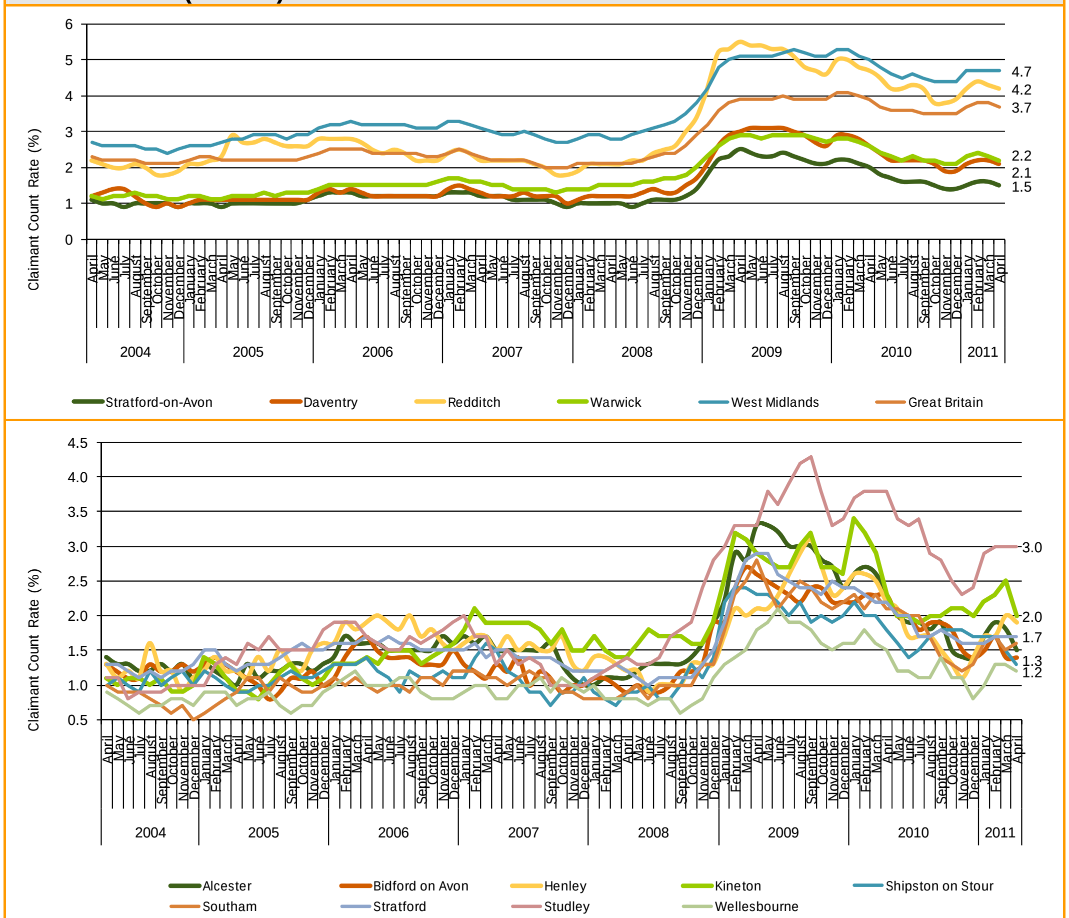
Source: DWP Benefits

4.23 Analysis of the claimant count unemployment rate reinforces the trends discussed above. The claimant count rate stands at 1.5% in Stratford-on-Avon district – lower than all comparator areas (including less than half of the national rate and less than a third of the regional rate).

4.24 Claimant count rates are below regional and national averages in all geographies within Stratford-on-Avon district. However, relatively speaking the claimant count rate is noticeably high in Southam (3%) and Kineton (2%).

4.25 The impact of the recent economic downturn on local unemployment figures is clear to see, with a sharp rise in claimant count unemployment from late 2008 to mid 2009 across all geographies. Since then, claimant count rates typically fell steadily to the end of 2010, before rising slightly at the start of 2011.

Figure 4.11: Overview of Claimant Count Rate Trends, 2004-2011 – Districts (top), Market Towns (bottom)



NOTE: Due to data constraints, in this table Bidford-on-Avon refers to the ward Bidford and Salford as opposed to the LSOA definition used elsewhere

Source: ONS Claimant Count

Strong Commuter Flows....

4.26 Analysis of travel to work patterns is important in gaining an insight into dynamics affecting local labour market and hence the functionality of local economies. Although now relatively dated, information from the 2001 Census provides the most comprehensive coverage of travel to work patterns.

4.27 As a whole, Stratford district experiences a daily net outflow of around 3,600 people. This net outflow comprises 18,900 people commuting into the district and 22,500 people commuting out.

4.28 Within the District:

- As would be expected given its status as the main local employment centre, Stratford town experiences a daily net inflow of around 12,500 people. Alcester, Kineton and to a much lesser extent Henley also all experience daily net in-flows of residents
- By contrast, there are daily net outflows of people from Shipston, Southam, Studley and Wellesbourne

Figure 4.12: Summary of Travel to Work Flows

		In Commuting	Out Commuting	Net Flow
District	**Stratford-on-Avon**	18,852	22,455	-3,603
Market Towns and other Large Rural Centres	**Stratford upon Avon**	16,766	4,238	12,528
	Alcester	4,407	2,409	1,998
	Bidford-on-Avon	1,420	2,254	-834
	Henley-in-Arden	1,373	1,266	107
	Kineton	2,799	1,471	1,328
	Shipston-on-Stour	834	1,218	-384
	Southam	1,707	2,282	-575
	Studley	1,437	2,215	-778
	Wellesbourne	1,260	2,374	-1,114

NOTE: Due to data constraints, in this table Bidford-on-Avon refers to the ward Bidford and Salford as opposed to the LSOA definition used elsewhere

Source: ONS Census Origin Destination Statistics

4.29 More detailed analysis of commuter trends affecting the market towns is presented at the end of this section.

4.30 The table below highlights the main destinations and origins of those commuting into and out of Stratford-on-Avon district. As would be expected, the top origin and destinations of commuters are the major towns and cities in neighbouring areas and the wider sub-region. It is interesting to note that on average, those who commute out of the district are typically more highly skilled than those who commute into the district. This is more likely to reflect the high levels of skills in the resident population described earlier than a deficit in highly skilled jobs within the District.

Figure 4.13: Summary of Travel to Work Flows including Occupation

District - Out Commuting Top 10 Destinations					District - In Commuting Top 10 Destinations				
	People	Occupation Level				People	Occupational Level		
		Higher	Middle	Low			Higher	Middle	Low
Warwick	6,510	49.6%	19.9%	27.8%	**Warwick**	3,348	52.2%	13.1%	32.4%
Birmingham	2,653	75.9%	13.4%	10.1%	**Redditch**	2,899	29.0%	16.2%	50.7%
Coventry	2,019	74.8%	10.5%	13.6%	**Wychavon**	2,264	42.0%	16.6%	39.4%
Redditch	1,827	46.3%	16.0%	35.7%	**Birmingham**	1,371	47.7%	12.5%	37.0%
Solihull	1,461	69.4%	14.2%	15.4%	**Solihull**	1,190	55.0%	18.0%	24.4%
Cherwell	1,189	54.1%	15.1%	29.4%	**Coventry**	1,065	53.1%	10.8%	33.1%
Wychavon	746	38.6%	18.5%	40.8%	**Cherwell**	653	48.1%	13.6%	36.4%
Cotswold	633	38.7%	23.4%	35.4%	**Cotswold**	630	39.4%	21.1%	37.6%
Rugby	587	49.2%	14.0%	35.8%	**Bromsgrove**	621	49.0%	15.6%	32.5%
All	**22,455**	**60.2%**	**15.3%**	**22.9%**	**All**	**18,852**	**48.1%**	**14.1%**	**34.8%**

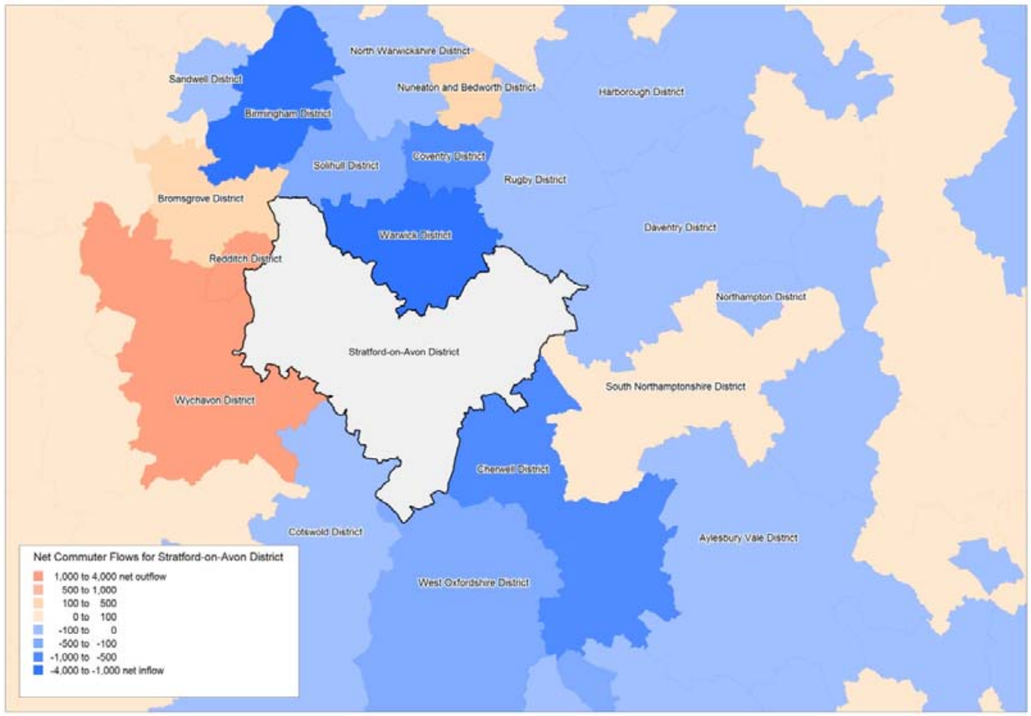
Note: Occupation groups complied from SOC Codes – Higher Skilled incorporates higher managerial occupations, Higher professional occupations and Lower managerial and professional occupations; Intermediate Skills incorporates Intermediate occupations, Small employers and own account workers, and Lower supervisory and technical occupations; Lower Skilled Occupations incorporates Semi Routine and Routine Occupations.

Source: ONS Census Origin Destination Statistics

4.31 The origins and destinations of Stratford-on-Avon district commuters are illustrated graphically below:

- Areas in orange / red– those areas from where there is a daily net flow of commuters into Stratford-on-Avon district including Wychavon and Redditch
- Areas in blue – those areas which receive a daily net flow of commuters from Stratford-on-Avon. These areas include Warwick, Birmingham, Coventry and Cherwell.

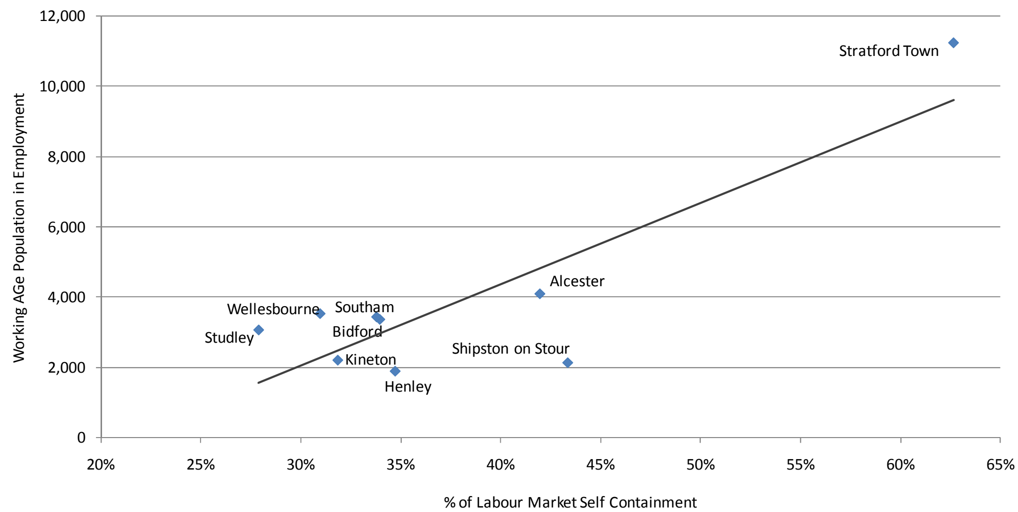
Figure 4.14: Summary of Travel to Work Flows Affecting Stratford-on-Avon District



Source: ONS Census Origin Destination Statistics

4.32 As would be expected, levels of local labour market self containment – the proportion of residents who live and work in the same area – varies according to the settlement size within Stratford-on-Avon district. As highlighted by the chart below, there is a broad correlation between size of settlement and the level of labour market containment. A relatively large town such as Stratford-upon-Avon is able to provide more jobs and as such, labour market containment is relatively high (around 65% of residents also work in the town). In the smaller settlements within the district, the quantum of jobs in offer is lower and as such levels of labour market containment are also lower.

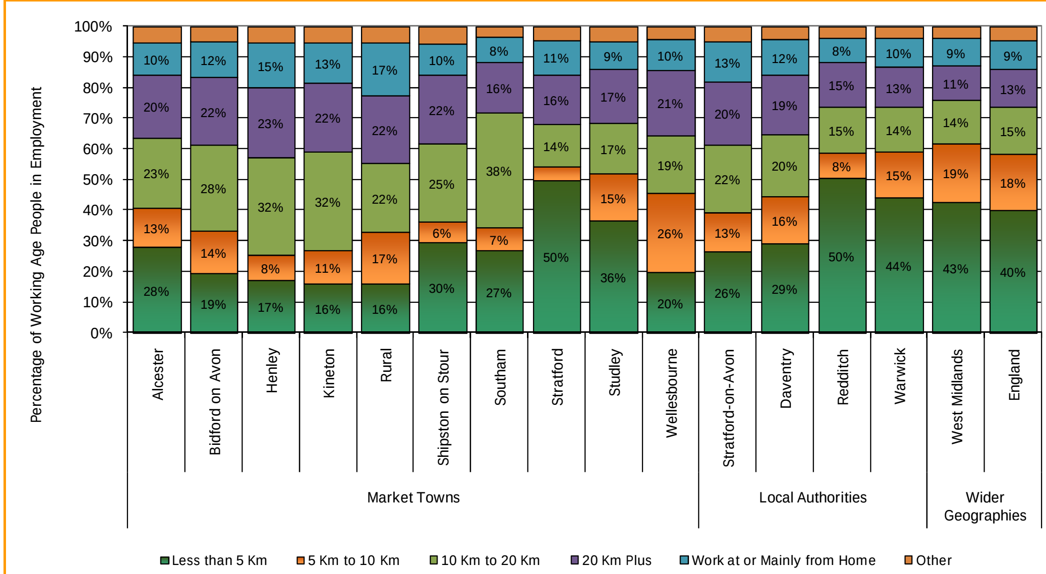
Figure 4.15: Summary of Labour Market Self Containment Relative to Settlement Population Size



Source: ONS Census Origin Destination Statistics

4.33 These trends described above are emphasised by analysis of the average distances travelled to work by residents of the various settlements in Stratford-on-Avon. Reflecting lower levels of labour market self containment, distances travelled to work by residents of the smaller settlements in the district, are on average higher than in Stratford upon Avon (town). Across the district, distances travelled to work are higher on average than across comparator areas – this largely reflects the relatively rural nature of Stratford-on-Avon district when compared to districts such as Redditch.

Figure 4.16: Summary of Average Distance Travelled to Work by Stratford-on-Avon **Residents**



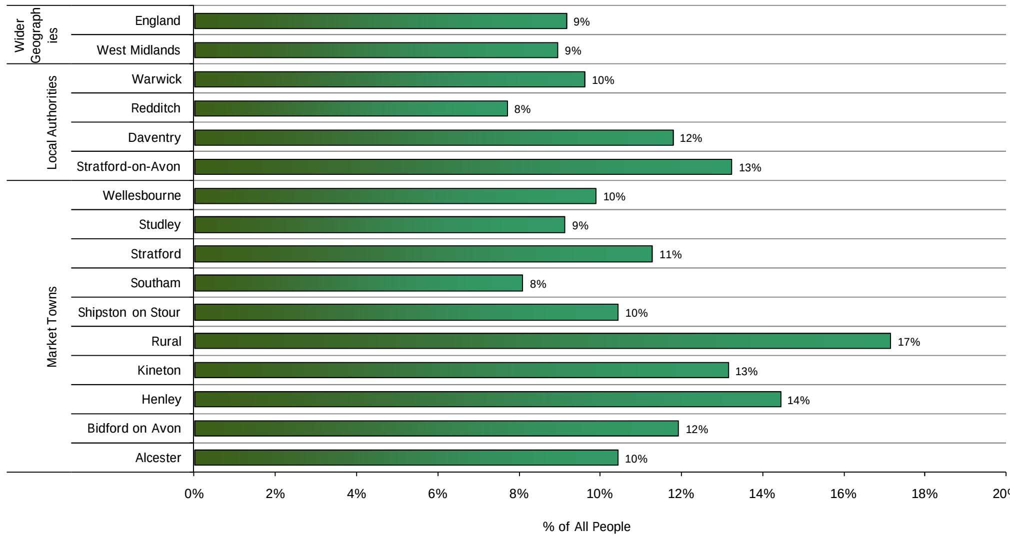
Source: ONS Census Statistics, 2001

4.34 Alongside those travelling to work, anecdotal evidence suggests that there has been a growing proportion of people in employment who work from home. This has obvious and important implications in an employment land review.

4.35 Consideration of home working trends are particularly important in this context given the strong entrepreneurial culture in Stratford-on-Avon discussed previously. The most recent data on home working is from the 2001 Census. Whilst this dataset is now relatively dated, it is still useful for gaining a broad indication of the key trends.

4.36 In 2003, around 13% of those in employment in Stratford-on-Avon district worked mainly from home – a higher rate than in any benchmark geography. Within Stratford district, home working rates are particularly high in rural areas (17%) and in Henley (14%).

Figure 4.17: Overview of Home Working Trends, 2001



Source: ONS Census Travel to Work

A Note on Changing Working Patterns

- New patterns of working are finding their way into our lifestyles. This is a result of increased choice amongst employees, whether due to seniority and higher qualifications and/or a reaction to the availability of advanced communication technologies which allow individuals and business start-ups to access a wider market that was once unavailable.
- New advancements in ICT are also influencing these changes, while increasingly blurring the boundaries between home and work. New technologies and advancements in ICT mean that work no longer needs to be carried out in centralised factories and offices.
- These changes have a number of perceived benefits which not only improve employees' work-life balance, but also allow flexible working, increase productivity, reduce absenteeism, encourage a happier and better motivated workforce, allow for the cost-effective use of office space, and reduce negative impacts on the environment.
- Changing work patterns are increasingly being acknowledged, and the Government's *Planning Policy Statement 4, Policy EC2: Planning for Sustainable Economic Growth* recommends that local planning bodies should encourage and facilitate new working practices such as live/work.
- Home working is a form of employment where individuals work from their homes. Both home working and live/work properties (as suggested in PPS4) look set to become much more commonplace in the UK. Nevertheless, these changes are changing the need for employment land, and housing requirements.
- There are still several barriers to home working. One of these involves social landlords who are proving to be a barrier to home working through tenancy agreements that prohibit the use of their property for business.
- Virtual working allows employees to work outside of the traditional company space, and it can help employees to "revolutionise" service delivery, reduce paperwork and increase response times through a more mobile and flexible workforce.
- Virtual and remote working also presents companies with the opportunity to increase their

staff's productivity levels, as well as maximising their working day.

- Hot desking enables businesses to upkeep expensive office spaces, and rotates workers operating between home and work. As a result offices can be set-up more flexibly, allowing not only improvements in both ways of working and in working environments, but also in significantly reducing premises costs.

QUALITY OF LIFE & LIVING ENVIRONMENT

4.37 In this section we consider indicators of quality of life, which is a factor which can affect business investment, as well as accessibility and earnings.

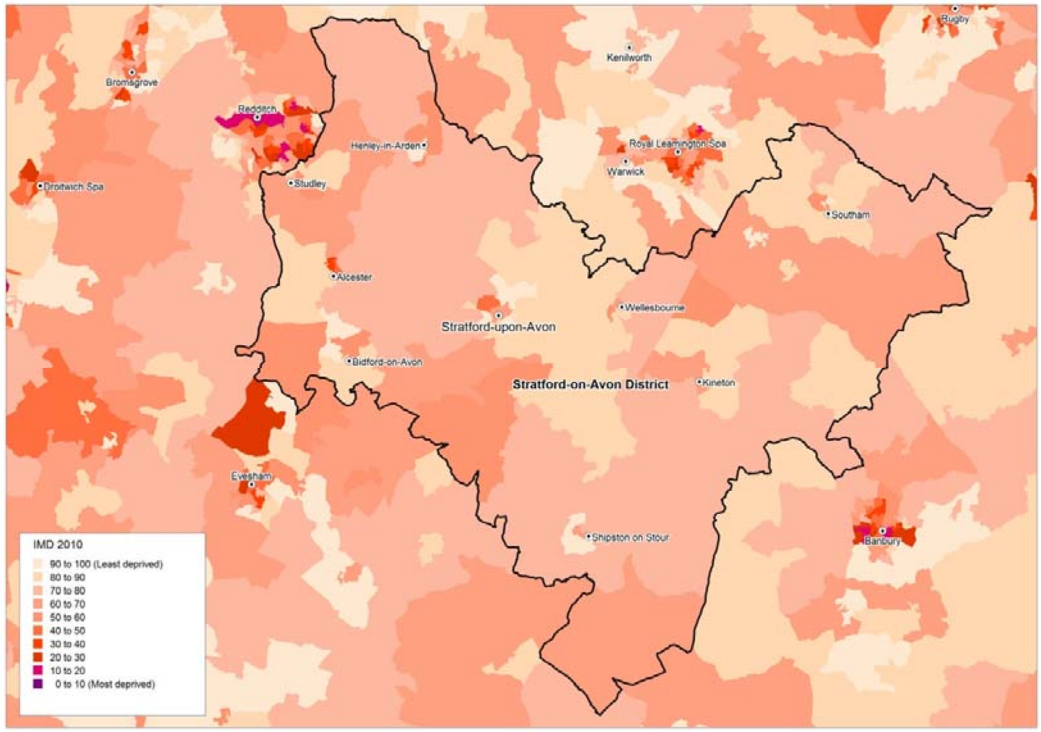
Headlines

- As a whole, Stratford-on-Avon district is characterised by low levels of relative multiple deprivation (across a broad spectrum of indicators)
- Evidence suggests levels of income and earnings in Stratford-on-Avon district are above the regional average and broadly similar to the national average.
- Given the largely rural nature of the district, transport and accessibility remains an important issue. However, the district (and locations within it) benefit from proximity to the motorway network, access to a number of railway stations and relative proximity to Birmingham Airport. Such infrastructure facilitates the strong commuter flows described previously and suggests that the district as a whole benefits from good levels of accessibility. However, it is important to note that given the rural nature of the area accessibility remains a key issue for some localities.

4.38 The Index of Multiple Deprivation 2010 provides the most recent assessment of deprivation at district and SOA level across England. The index is compiled using seven deprivation 'domains' - Income, Access to Housing and Services, Crime, Employment, Education and Training, Health and Living Environment. Evidence provided by these deprivation domains is referred to throughout this section.

4.39 Overall, levels of deprivation in the local area are relatively low – as a whole, Stratford-on-Avon district is ranked 271st out of 326 local authorities nationally (in the 8th decile).

Figure 4.18: Index of Multiple Deprivation 2010



Source: Indices of Multiple Deprivation, CLG

Relatively Low Income and Earnings...

4.40 There is an obvious connection between earnings and quality of life. People with higher earnings are likely to have access to a higher quality of life.

4.41 Data on earnings can be analysed at both residence and workplace based levels using ONS Annual Survey of Hours and Earnings. Available only at district level, the data highlights that average earnings across Stratford-on-Avon district are above the regional average and similar to the average for England:

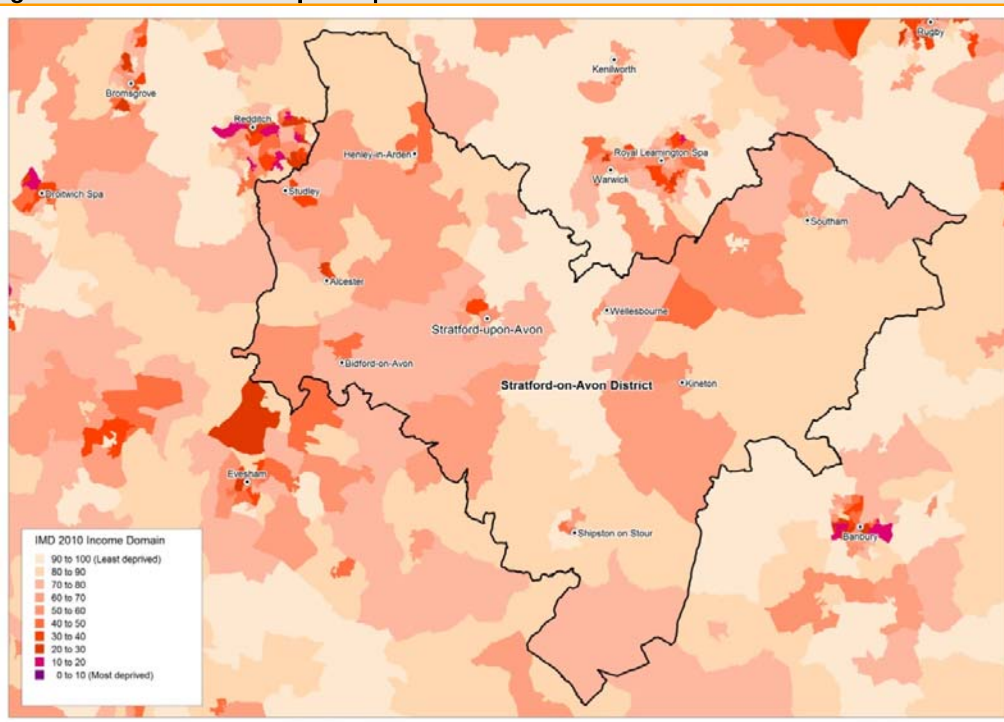
- The average gross weekly pay for Stratford-on-Avon residents is £503 – compared to £469 across the West Midlands and £502 across England.
- Earnings are slightly lower for people who work in Stratford-on-Avon than those who just live there – on average Stratford-on-Avon residents earn £5 per week more than those who work in the area. Again, Stratford-on-Avon workplace earnings, are above the regional average and similar to the national average. This reflects the trends discussed previously regarding the trend of those who commute out of Stratford-on-Avon district being more highly skilled than those who commute into the district.

Figure 4.19: Overview of Resident and Workplace Based Earning, 2009

Source: Annual Survey of Hours and Earnings

4.42 The worklessness trends described previously indicated that levels of income in Stratford-on-Avon district are likely to be above average. This is confirmed by analysis of deprivation relating to income. As can be seen from the map below, levels of relative multiple deprivation relating to income are relatively low across Stratford-on-Avon district.

Figure 4.20: Index of Multiple Deprivation 2010 – Income Domain



Source: Indices of Multiple Deprivation, CLG

Relatively Strong Local Transport Linkages....

4.43 Stratford-on-Avon District is located in close proximity to the UK motorway network (M40 and M42), which facilitate relatively easy and swift access to towns and cities throughout the region, to Birmingham Airport and to locations further afield.

4.44 Rail infrastructure also allows easy access to Birmingham, Warwick and further afield, including London. However, whilst the district benefits from nine rail stations, only two of these – Henley and Stratford-upon-Avon – are located in the main settlements of the district. As highlighted below, both these stations account for the majority of station entries and exits in the district – and overall there has been a trend of increasing station usage in recent years.

4.45 In addition to those stations located within the district, there are also a number of other mainline stations located just outside the district – including Warwick Parkway and Banbury. Anecdotal evidence suggests that these stations are used by Stratford-on-Avon district residents to commute to work and for leisure purposes. Strong increases in passenger numbers at these stations in recent years are likely to reflect improved travel times and frequency of services on the mainline.

Figure 4.21: Overview of Local Station Usage, 2004/5 – 2009/10

		All Entries & Exits 04/05	09/10 Entries & Exits	Change 04/05-09/10	
				Number	%
Stratford-on-Avon District	Bearley	1,462	1,212	-250	-17%
	Claverdon	1,718	2,006	288	17%
	Danzey	5,009	7,664	2,655	53%
	Henley-In-Arden	74,930	95,380	20,450	27%
	Stratford-Upon-Avon	527,119	643,476	116,357	22%
	The Lakes	10,210	11,850	1,640	16%
	Wilmcote	16,777	16,218	-559	-3%
	Wood End	12,563	12,806	243	2%
	Wootton Wawen	7,726	9,706	1,980	26%
Surrounding Areas	Banbury	1,137,434	1,706,264	568,830	50%
	Leamington Spa	1,198,749	1,772,398	573,649	48%
	Warwick	357,405	491,720	134,315	38%
	Warwick Parkway	352,146	460,556	108,410	31%

Source: Office for Rail Regulation

4.46 Despite these linkages, it is important to note that given the rural nature of Stratford-on-Avon district, accessibility remains a real issue locally – and in some cases constraint – for some localities within the district.

5 COMMERCIAL MARKET PERFORMANCE

5.1 This section provides an assessment of the performance of the office and industrial property markets in Stratford-on-Avon District. It considers demand and supply trends for office, industrial and warehouse/distribution floorspace.

MACRO-ECONOMIC CONTEXT

5.2 The UK economy has continued in recent quarters to shrug off the recent economic recession; with a fall of 0.5% in GDP in the final quarter of 2010 mirrored by 0.5% growth in Q1 2011, meaning that the economy has been broadly flat lining since Q3 2010. The overall picture is of reasonably strong performance in manufacturing and exports, with a positive net trade balance (with the value of exports exceeding imports), but relatively modest growth in services and erratic performance in construction.

5.3 Consumer and business confidence remains relatively fragile, with risks associated with economic weaknesses in countries elsewhere in the Eurozone (as a major export market for UK businesses) and vulnerability to further financial shocks affecting the global banking system and capital markets resulting in further lending constraints and potentially further Government borrowing.

5.4 PriceWaterhouseCooper's (PWC's) latest 'principal' forecasts[2] (July 2011) are for output (GDP) growth of a modest 1.3% in 2011 and 2.2% in 2012. These are similar to HM Treasury's survey of economic forecasts in June 2011 which showed average projections for real GDP growth of 1.5% in 2011 and 2.1% in 2012. However recognising the uncertainties to performance, even in the short-term, PWC highlight two alternative growth scenarios:

- A 'strong recovery' scenario - in which business and consumer confidence picks up and credit constraints on businesses and households begin to ease over the next year. Coupled with strong global growth and rapid restocking, this results in UK GDP growth of around 2% in 2011 and close to 4% in 2012;

- A 'double dip' scenario – resulting from further financial shocks and tightening of credit conditions and leading to reductions in consumer confidence and business investment and exports. In this scenario a widening budget defecit could lead to further spending constraints and reductions in economic output through 2011 and into early 2012.

[2] http://www.pwc.co.uk/eng/publications/uk_economic_outlook.html

5.5 This highlights the current uncertainty regarding macro-economic conditions which increases the risk associated with any predictive modelling.

5.6 In the principal forecasts, PWC expect business investment to bounce back in 2012 and this may support property market activity, although there are uncertainties associated with how far recovery could be constrained by the availability of credit, particularly for small and medium-sized businesses that rely more heavily on bank lending.

5.7 In terms of the labour market, unemployment is expected to edge down moving forwards, but the pace of improvement overall (linked to rates of employment growth) is expected to be dampened significantly by public sector job cuts and the knock-on supply chain impacts.

5.8 Looking to the medium term, HM Treasury's May 2011 survey of independent forecasts indicated projected growth between 2012-15 of around 2.4% which is close to long-term trends, but is relatively moderate set against the bounce-back in economic performance seen after previous recessions. In the medium term, consumer spending is expected to be constrained by a combination of tax rises, and relatively modest earnings and employment growth; whilst public sector spending will be constrained; and there is a risk that modest growth rates in the US and Europe could constrain export performance. Again there is a high degree of risk associated with these forecasts.

NATIONAL & REGIONAL PROPERTY MARKETS

5.9 Turning to the UK property market, occupier demand continues to recover. The market in London, particularly for offices, appears to be recovering strongly; however outside of this progress has been slow and confidence remains fragile – reflecting the macro-economic risks described above. In terms of rental values, moderate growth is expected in office rents, with the outlook for the industrial sector only moderately positive to 2013 according to GVA[3].

5.10 In the business park market, occupier demand remained well below average in 2010 linked to business confidence and lack of activity by public sector organisations. A modest decline in prime rents was recorded in the West Midlands, although at a decreasing rate, but generous incentives packages continue to be offered to tempt occupiers. Construction activity was at its lowest for over 15 years, according to GVA, with the majority of development dependent on pre-lets. Despite this, availability continued to rise to double the 2006 level in the region at 3 million sq.ft. Prime out-of-town rents in Coventry stood at £16.00 and in Redditch at £12.00 psf.

[3] UK Economic Property Market Review, GVA, 2010

5.11 Looking forward, public sector demand can be expected to remain subdued but this should be offset by demand from advanced manufacturing, pharmaceuticals and low carbon businesses – key sectors identified in the Government's Plan for Growth (March 2011).

5.12 The outlook for the industrial and distribution market is more positive. Nationally, industrial take-up grew 18.5% in 2010 on the previous year. Take-up in the West Midlands bounced back to exceeded 14 million sq.ft – the highest of any UK region. A lack of development in 2009 and 2010 has contributed to an emerging shortage of prime space with Lambert Smith Hampton expecting a return to speculative development in late 2011/early 2012. Development interest in the industrial sector in the short-term is supported by the relatively lower costs of construction (and thus finance requirements) for industrial space relative to office development. However, Lambert Smith Hampton record a continuing high vacancy rate in the West Midlands region at 21%, an increase of a third on 2009 and weighted towards smaller, low quality units. This could result in further rental falls for this type of stock.

5.13 Looking more specifically at the distribution sector, take-up was strong in 2010 at over 30 million sq.ft nationally for large buildings (> 100,000 sq.ft). However vacancy rates in the West Midlands for large buildings have been growing and remain some of the highest at 15.5%. For medium-sized properties, take-up totalled 28.2 million in 2010 and was strongest in the North West and West Midlands. Again vacancy rose. Within the small business sector (< 10,000 sq.ft) take-up totalled 28.2 million in 2010, a moderate increase of 12% on the previous year and focused on second-hand space according to Lambert Smith Hampton.

5.14 Overall industrial take-up in the West Midlands, according to Lambert Smith Hampton, has been growing year-on-year over the last three years and in 2010 was above 2006 levels. However availability continues to increase due to the release of second-hand stock onto the market. At a sub-regional level there remains a reasonable supply of stock in Coventry, including at ProLogis Park and Lyons Park.

COMPOSITION OF COMMERCIAL FLOORSPACE

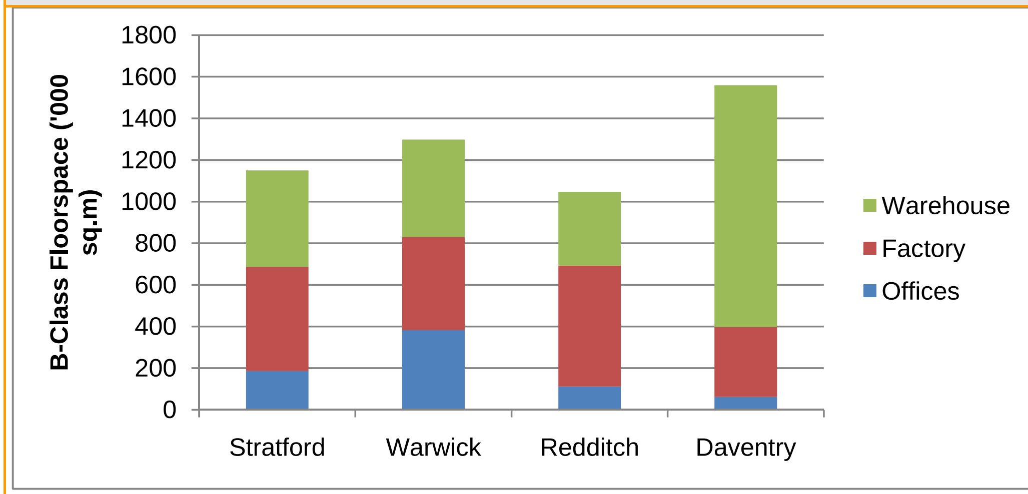
5.15 Stratford-on-Avon District contains a total of 1,389,000 sq.m of commercial floorspace[4] of which 1,150,000 sq.m was in B-class use[5]. This represents 2% of employment floorspace in the West Midlands region.

5.16 The composition of B-class floorspace is analysed in Figure 5.1 below. Stratford-on-Avon District has 10% more B-class floorspace than Redditch, but 11% less than Warwick District.

[4] CLG Commercial & Industrial Floorspace Statistics, April 2008 (based on VOA data)
[5] B Class Uses comprise offices, factories and warehouses

It has a higher volume of office space at 186,000 sq.m than Redditch and Daventry, but this remains just under half the level in Warwick District which has a number of established business parks close to the M40 as well as town centre floorspace in Leamington Spa and Warwick.

Figure 5.1: Composition of Commercial Floorspace, 2008



Source: CLG/ VOA

5.17 The level of industrial floorspace in the District, at 501,000 sq.m is above levels in either Warwick or Daventry, but below the 581,000 sq.m in Redditch. Daventry is a nationally-recognised logistics/ distribution hub and as such contains a high level of warehouse floorspace. The volume of warehouse floorspace in Stratford-on-Avon District is similar to both Warwick and Redditch.

5.18 Figure 5.2 compares the proportion of B-class floorspace by use in these areas with wider benchmarks. It indicates that the profile of employment floorspace by use class is fairly similar to wider benchmarks, with a slightly higher proportion of warehouse floorspace (B8). The proportion of office floorspace falls between the national and regional levels.

Figure 5.2: Composition of B-Class Floorspace by Use Class, 2008

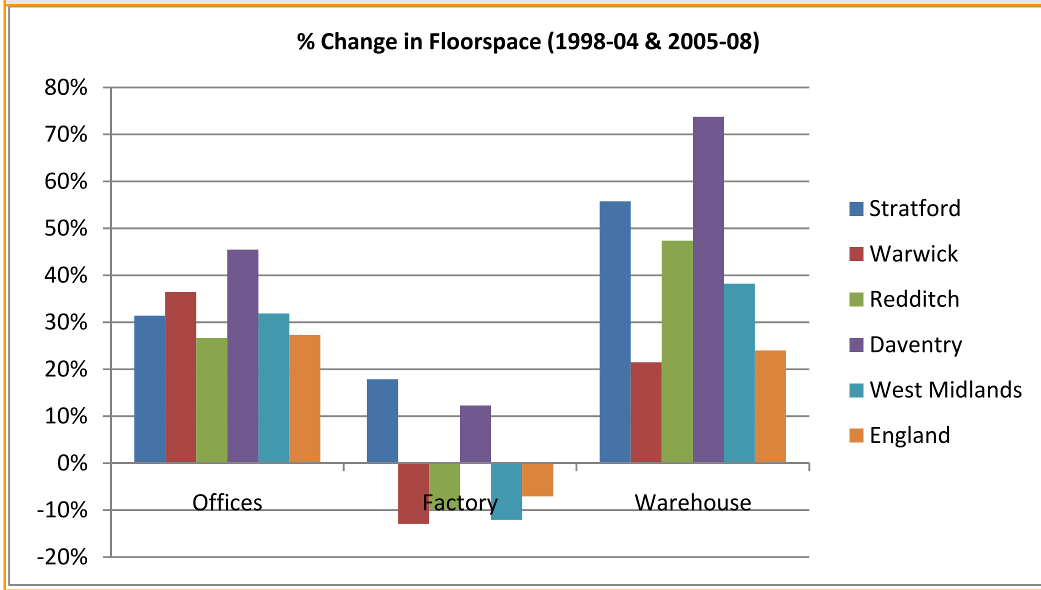
Source: CLG/ VOA

5.19 The strength and potential growth of the office market in Stratford-upon-Avon is affected by its proximity to Warwick/Leamington Spa which has a greater critical mass of occupiers, a larger workforce catchment and is more accessible both by rail and from the M40.

5.20 Over the decade between 1998-2008, employment floorspace in B-class uses in Stratford-on-Avon District increased by 34% - performing strongly relative to the 7% growth achieved across the West Midlands and 9% nationally. Growth in employment floorspace outperformed Redditch and Warwick districts (which achieved 7% and 9% growth respectively).

5.21 Figure 5.3 outlines changes in commercial floorspace by use class. Over the decade to 2008, the District saw a net growth of 31% in office floorspace, marginally below the 36% achieved in Warwick District (from a higher base) but similar to regional and national averages (at 32% and 27% respectively).

Figure 5.3: Change in Commercial Floorspace, 1998 – 2008



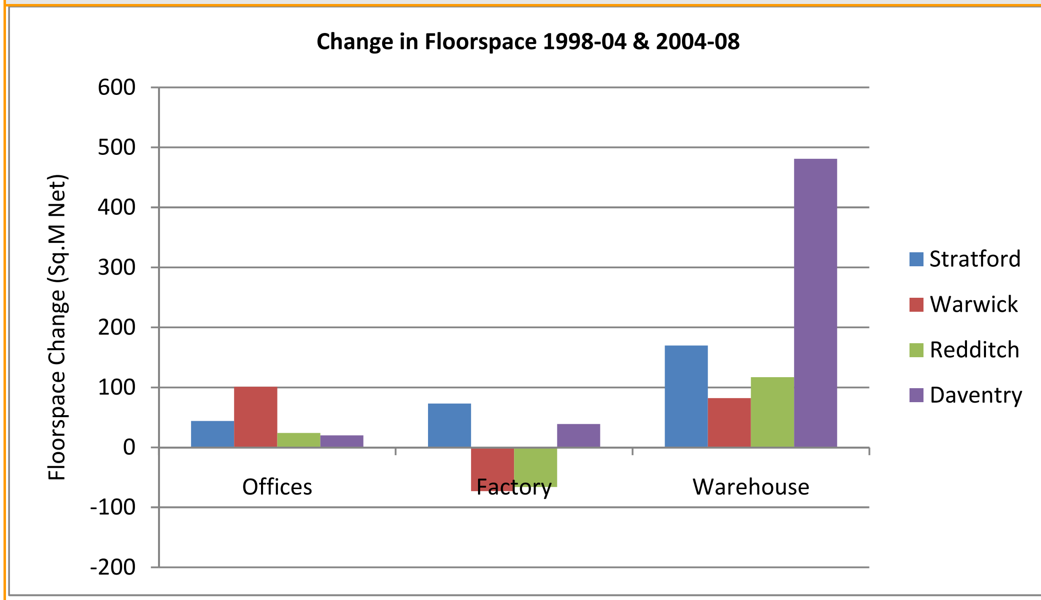
Source: CLG/ VOA

5.22 In contrast to regional and national trends, where there was a net decline in industrial floorspace between 1998 – 2008, Stratford-on-Avon District saw a growth in industrial floorspace of 18%. This was higher than in any of the comparator geographies examined.

5.23 Stratford-on-Avon District also experienced strong growth in warehouse floorspace over the decade to 2008. The stock of warehouse floorspace increased by 56% over the decade – higher than in any of the other areas examined except Daventry which is a national logistics/distribution hub. In comparison growth of warehouse floorspace across the West Midlands was 38% and nationally 24%.

5.24 These proportional trends are partly influenced by the base position in terms of the stock of floorspace in 1998. Figure 5.4 considers actual levels of change in B-class employment floorspace by use. This indicates that the greatest growth between 1998-2008 has been in warehouse floorspace (by 170,000 sq.m) but that office and industrial floorspace have also grown (by 44,000 sq.m and 73,000 sq.m respectively).

Figure 5.4: Change in Commercial Floorspace, 1998 – 2008



Source: CLG/ VOA

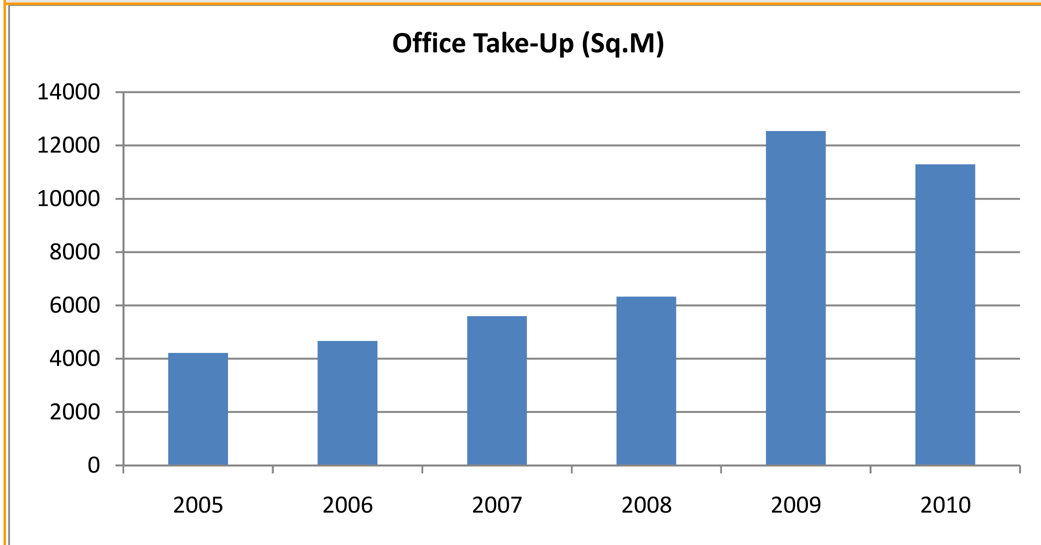
OFFICE MARKET

5.25 While Stratford-on-Avon District has a reasonable level of office floorspace, the market is focused on small and medium-sized premises and relatively local occupiers. There are few corporate occupiers.

5.26 We have analysed take-up of B-class floorspace within the District by collating information from two commercial property databases, CoStar Focus and Estates Gazette Interactive (EGi). It is unlikely that these databases will record all transactions, but they should provide a good picture of trends in commercial property take-up. Take-up includes both new-build and second hand floorspace.

5.27 Figure 5.5 outlines trends in office take-up between 2005-2010. Over this six year period, office take-up averaged 7440 sq.m (80,000 sq.ft)

Figure 5.5: Office Take-Up in Stratford-on-Avon District, 2005-2010



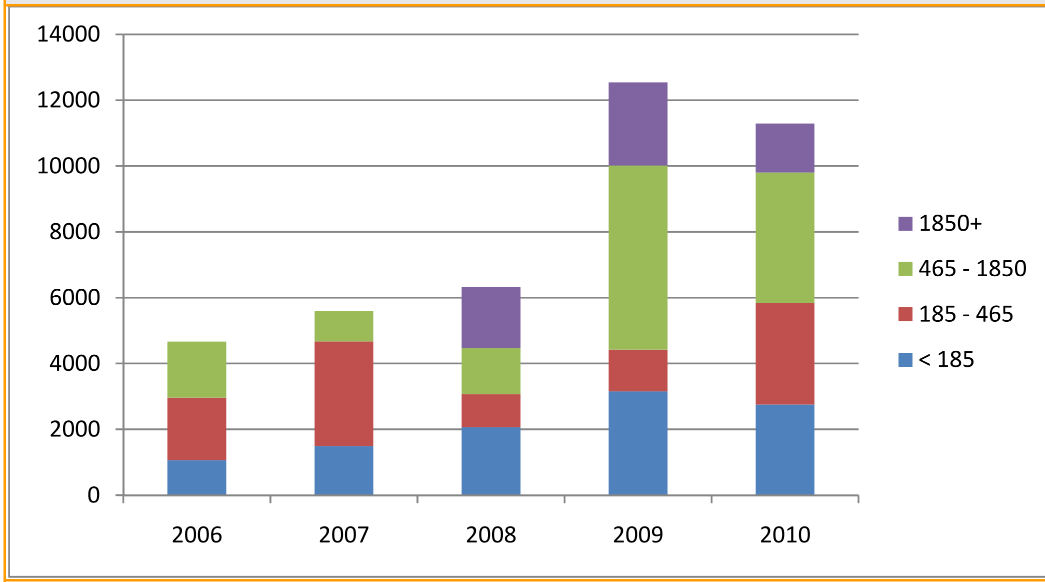
Source: GLH Analysis of EGi and Focus Deals

5.28 Within the local market, there appears to have been a strong level of activity in 2009 and 2010, in part influenced by new supply coming onto the market in Timothys Bridge Road in Stratford-upon-Avon. The largest deals in 2010 were lettings of 1,486 sq.m (16,000 sq.ft) to ITC Limited at the Louis Building in Timothys Bridge Road, 521 sq,m (5,600 sq.ft) to Cala Management Limited at Brook House and 540 sq.m (5,800 sq.ft) at Liveridge House, both in Henley-in-Arden. In 2009, take-up was influenced by a number of freehold sales including of 2,525 sq.m (27,200 sq.ft) on Arden Street and 911 sq.m (9,800 sq.ft) at Trinity House on Aintree Road in Stratford-upon-Avon. There were also some sizeable lettings including 936 sq.m (10,070 sq.ft) at the Court on Timothys Bridge Road to CCL Forensics, and of 1,526 sq.m (16,425 sq.ft) on Scholars Lane to NFU Mutual, again both within Stratford-upon-Avon.

5.29 Figure 5.6 profiles deals by size band. The majority of deals have been for small office suites of less than 185 sq.m (1990 sq.ft). The number of deals in the largest size band, over 1850 sq.m, is minimal and the focus of the office market is on small and medium-sized premises.

5.30 The ‘high’ volume of take-up in 2009 and 2010 was influenced by a number of deals for over 465 sq.m. This reflects a combination of new supply coming on stream, particularly at Timothys Bridge Road in Stratford-upon-Avon; and companies looking to either reduce their property costs or take advantage of incentives offered for new space in a relatively depressed market.

Figure 5.6: Office Take-Up by Size Band, 2006-2010



Source: GLH Analysis of EGi and Focus Deals

5.31 The largest deal so far in 2010 has been a letting of 2,700 sq.m (29,000 sq.ft) to MBA International on the High Street in Henley-in-Arden.

5.32 Headline rents for office space in Stratford-upon-Avon are currently around £16 per square foot. This is insufficient to support larger speculative development schemes (which would likely require rental levels of £20 psf plus). In Henley-in-Arden, rental levels for good quality space are around £14 psf.

5.33 There have been recent developments schemes in Stratford-upon-Avon, including the Shottery Business Park, targeted at SME occupiers. The viability of office development is likely to improve over-time as market conditions improve and the overhang of vacant new-build space falls.

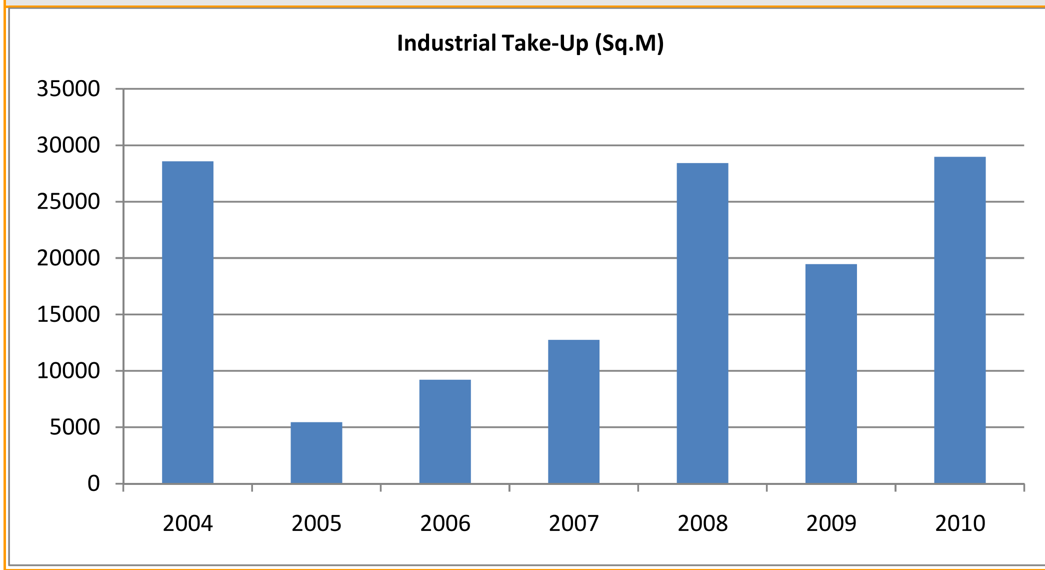
INDUSTRIAL MARKET

5.34 The industrial market in the district is focused on small and medium-sized properties, with limited demand for or supply of large warehouse/distribution sheds. Industrial floorspace is focused on small and medium-sized sites within the District, primarily in or close to Stratford-upon-Avon and the other towns in the District.

5.35 GL Hearn has analysed industrial take-up using data from commercial property databases, CoStar Focus and Estates Gazette Interactive (EGi), as with office floorspace. It is unlikely that these databases will record all transactions, but they should provide a good picture of trends in commercial property take-up. Take-up includes both new-build and second hand floorspace.

5.36 Industrial take-up in the District over the last five years (2006-10) has averaged 19,800 sq.m (212,800 sq.ft). Figure 5.7 indicates performance year-on-year. There has generally been an upward trend in take-up since 2005 with take-up exceeding 28,000 sq.m in 2004, 2008 and 2010.

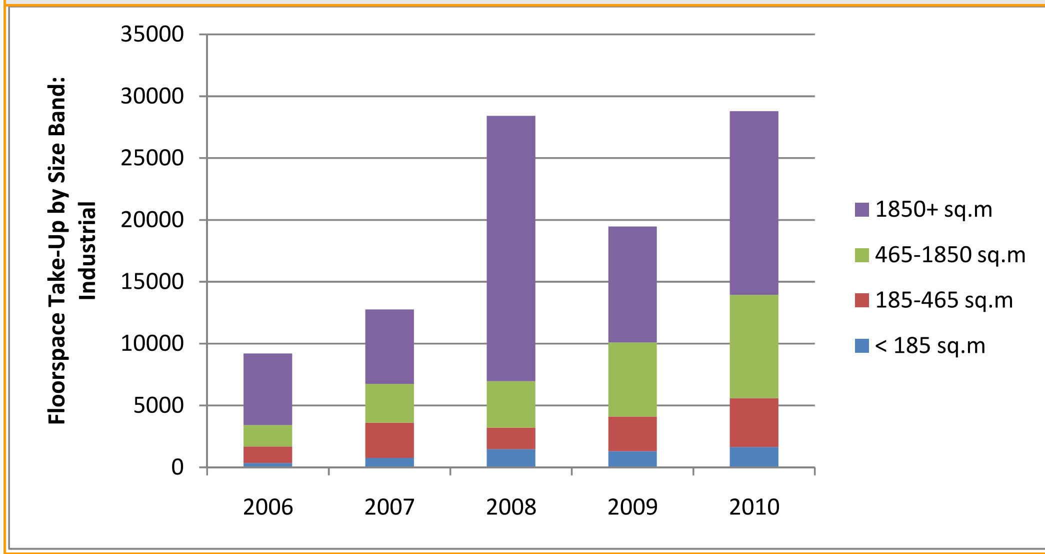
Figure 5.7: Industrial Take-Up in Stratford-on-Avon District, 2005-2010



Source: GLH Analysis of EGi and Focus Deals

5.37 Figure 5.8 analyses take-up by property size. It indicates that over the last five years, take-up has grown across a number of size bands, but that overall take-up figures are particularly influenced by deals for larger units of over 1850 sq.m in size.

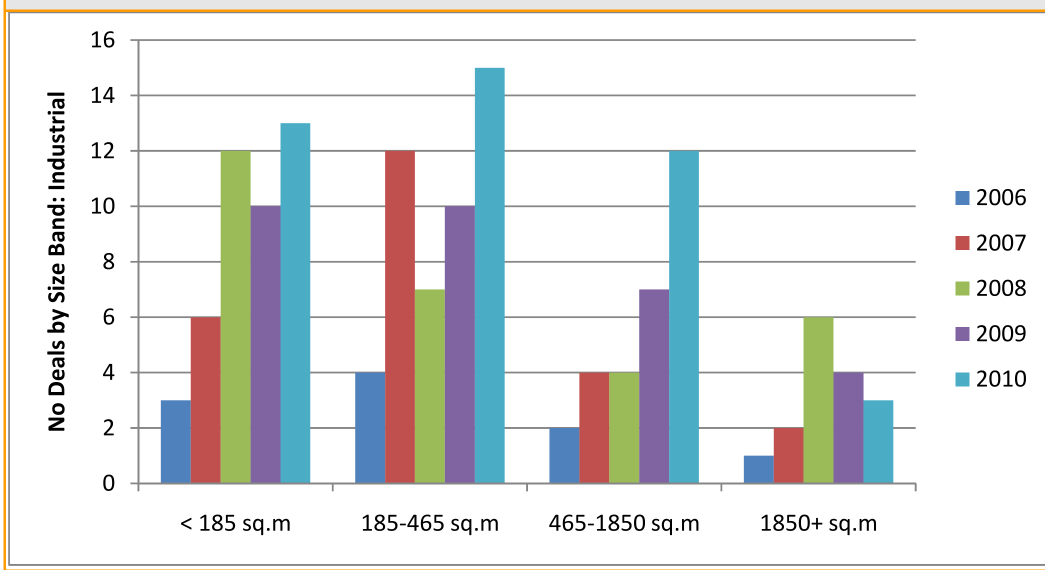
Figure 5.8: Industrial Take-Up by Size Band, 2006-2010



Source: GLH Analysis of EGi and Focus Deals

5.38 However overall, a sizeable share of demand is for properties of less than 465 sq.m which account for the majority of deals.

Figure 5.9: Industrial Deals by Size Band, 2006-2010



5.39 The number of deals for larger properties has been falling over the past three years, whilst for smaller industrial properties levels of market activity have been increasing.

5.40 The largest recent deals in the District include Louis Group taking 2,540 sq.m (27,330 sq.m) and the Royal Shakespeare Company 2,920 sq.m (31,430 sq.ft) on Masons Road in Stratford-upon-Avon, and a letting of 2,600 sq.m (28,000 sq.ft) at Unit 20, Wellesbourne Distribution Park. Headline rents in Stratford-upon-Avon are around £7 psf.

6 BUSINESS SURVEY & STAKEHOLDER ENGAGEMENT

6.1 This chapter explores views of the local area as a business location from the perspective of businesses, the District and County Council and business representatives (such as Chambers of Commerce).

6.2 On the whole the findings support those identified in the preceding sections and provide more detail on certain issues.

Stratford-on-Avon District Business Survey[6]

SUMMARY

- Stratford-on-Avon District is dominated by the town of Stratford upon Avon in the centre. Stratford-upon-Avon town is the major preferred location for businesses within the district.
- The eight small towns and large villages of Alcester, Bidford-on-Avon, Henley-in-Arden, Kineton, Shipston-on-Stour, Southam, Studley and Wellesbourne provide additional employment locations within the district.
- A total of 19.6 percent of the businesses in Stratford-on-Avon district are located in more rural locations.
- The majority of businesses surveyed are independent with no other branches elsewhere. Only 12.4 percent of businesses within the district are subsidiaries of larger brands.
- Retail is the major business activity within the district encompassing 23.3 percent of all businesses surveyed. Office activity is also important, as are accommodation, restaurant and pub activity, and tourism-related industries.
- According to the survey the majority of businesses in the district are micro businesses (up to 10 employees), with 71.6 percent employing one to five full-time employees. Businesses employing more than 20 people employ only 8.1 percent of full-time workers within the district.
- Almost half (48.3 percent) of the businesses surveyed have been located in the district for over 10 years, while only 6.4 percent of those surveyed having located in Stratford-on-Avon between 2010 and 2011.
- Businesses seem to exhibit a very strong identity with the district with over 60.0 percent of those surveyed having always been located at their current location. An additional 21.0 percent moved to their current location from another site within the district.
- Around 56.0 percent of businesses surveyed claimed that the nature of their site and premises was one of the main reasons why they were located in the district, followed by the need to be located close to their customers.
- The majority of businesses in Stratford-on-Avon have a total site area of less than 0.2 hectares, whereas 47.2 percent of businesses surveyed have less than 250 sq. m of total floor space.
- About 88.0 percent of those surveyed believed that their existing premises are suitable for their current or likely future needs. Similarly 73.2 percent think that their floor space

[6] Survey undertaken by Stratford-on-Avon District Council in Spring 2011

requirements of the next ten years will not be significantly changed.

- An overwhelming 71.8 percent of businesses surveyed showed their intent to stay within the district, whereas a further 16.3 percent expressed their desire to expand on their current site.
- Of those showing interest to relocate, 65.9 percent wish to stay within the same town or village in which they are currently located.
- Over half of the businesses wishing to relocate believe that the district does not have suitable sites or premises available for their needs. When asked where suitable sites should be located, 46.7 percent suggested that sites should be provided in or on the edge of Stratford-upon-Avon town.
- Some of the problems faced by businesses include rising costs, market demand and competition. Around nine percent of the businesses surveyed referred to the lack of suitable premises as one of the key problems.
- Twelve percent of the businesses surveyed regarded the provision of more employment land as a way to assist businesses and the economy.
- Tourism plays an important role in Stratford-on-Avon's economy, with 35.2 percent of the businesses surveyed supplying goods and/or services to the tourism industry. Of these 57.8 percent consider their contribution in the tourism supply chain as being either very or quite important to their business.

6.3 The following section analyses the business survey commissioned by Stratford-on-Avon District Council in 2011. This overview starts with a general introduction of the location and status of companies as well as their main business activities taking place within the district.

6.4 This is followed by a deeper analysis of business location including their reasons for locating in the district as well as the length of their stay. In addition, this section looks at businesses' floor space, future land requirements, problems with their current site and their future plans.

6.5 The final part of this analysis looks at Stratford-on-Avon District as a place for business and looks at some of the improvements required to better assist businesses and the economy, as well as the overall rating of Stratford-on-Avon as a place to do business. Finally we look at the role tourism plays in the local economy, especially for businesses which form part of its supply chain.

6.6 While Employment Land Reviews refer to only B use classes it must be acknowledged that this survey was sent to around 4,000 businesses across a range of sectors including tourism and retail and as such not all respondents would fall within B use classes. For the purposes of this Employment Land Study we have not extrapolated this information by B use class only, however, the general trends are still meaningful and help inform the wider employment considerations.

Business Characteristics

6.7 Stratford-on-Avon District is dominated by the town of Stratford upon Avon in the centre as the preferred location for businesses within. About 32.5 percent of those surveyed were located in Stratford upon Avon, followed by 10.6 and 9.1 percent in the two smaller towns of Alcester and Southam respectively. Another 28 percent of the businesses were relatively evenly located in the six settlements of Bidford-on-Avon, Henley-in-Arden, Kineton, Shipston-on-Stour, Studley, and Wellesbourne. The remainder (19.6 percent) are found elsewhere in the district, in more rural locations.

Figure 6.1: Q1 – Where is your company located?	
Stratford upon Avon	32.5 %
Alcester	10.6 %
Bidford-on-Avon	5.1 %
Henley in Arden	4.4 %
Kineton	2.6 %
Shipston-on-Stour	6.3 %
Southam	9.1 %
Studley	6.2 %
Wellesbourne	3.6 %
Elsewhere	19.6 %
Source: Stratford-on-Avon District Council Business Survey 2011	

6.8 The majority of businesses surveyed within the district (75.9 percent) are independent, with no other branches elsewhere. This suggests that Stratford-on-Avon's economy is largely autonomous of larger subsidiaries of brands found elsewhere, with only 12.4 percent of such businesses found in the district. On the other hand 5.8 percent of the businesses located within Stratford-on-Avon carry "Head Office" activities whereas only 0.6 percent of the businesses were within the public sector.

6.9 Retail is the major activity for businesses within the district with 23.3 percent of all businesses in the industry. Office activity is also important in Stratford-on-Avon comprising 18.2 percent of all businesses in the district. Manufacturing activity makes up 9.7 percent of the businesses which responded, whereas storage and distribution make up about 4.5 percent of respondees.

6.10 Accommodation, restaurant and pub activity, and tourism-related activity jointly make up around 19.1 percent of the businesses responses. These activities reflect Stratford's dependence on tourism, especially in Stratford upon Avon.

Figure 6.2: Q3 – What is the main business activity at this location?[7]	
Agriculture	2.3 %
Manufacturing	9.7 %
Research	0.8 %
Office	18.2 %
Retail	23.3 %
Hotel / Guest House / B&B / Self-Catering	9.7 %
Restaurant / Cafe / Pub	7.7 %
Tourism *(not accommodation or eating house)*	1.7 %
Storage / Distribution	4.5 %
Public Sector	1.7 %
Other	22.9 %
Source: Stratford-on-Avon District Council Business Survey 2011	

6.11 According to the survey a large proportion of businesses in Stratford are micro businesses (up to 10 employees) with the majority (71.6 percent) employing one to five full-time employees. In turn 81.3 percent of all businesses employ less than five part-time employees. Businesses employing over 20 people are relatively few in Stratford-on-Avon with only 8.1 percent of all full-time employees in the district employed by them. Businesses employing more than 20 people only employ 3.4 percent of all part-time workers in Stratford.

Location of Businesses

6.12 As mentioned above, the majority of businesses surveyed were located in Stratford-upon-Avon town with the rest spread around the district's eight smaller towns and large villages. When asked for how long businesses have been located at their current addresses, almost half (48.3 percent) were located in the district for over 10 years.

6.13 On the other hand 19.5 percent of businesses surveyed have been located in the district between six to ten years, while only 6.4 percent of the businesses participating in this business survey have been located in the district for less than a year.

6.14 Businesses in Stratford-on-Avon seem to exhibit a very strong identity with the district with about 61.5 percent of those surveyed having always been located at their current location. An additional 21.0 percent of businesses surveyed have moved to their current location from another site within the district. Only 17.5 percent have recently relocated to the district from elsewhere.

6.15 This suggests that the majority of businesses in Stratford-on-Avon have historic ties with the district. This is further mirrored by 55.6 percent of businesses claiming that the nature of the site and premises is one of the main reasons why they are located there, followed by the

[7] Total of *Q3 - What is the main business activity at this location?* Adds up to more than 100%

need to be located close to their customers. In turn 15.7 percent of the businesses argued that the nature of the local economy as well as the quality of the environment (16.5 percent) makes Stratford-on-Avon a preferred location for them to do business. Access to main roads was only regarded important by 11.9 percent of the businesses surveyed.

Figure 6.3: Q8 – What are the main reasons why the business is located here (Stratford-on-Avon)?	
Availability of suitable workforce	8.7 %
Nature of local economy	15.7 %
Proximity of suppliers	2.1 %
Proximity to customers	30.3 %
Quality of the environment	16.5 %
Nature of the site/premises	55.6 %
Availability of local housing	2.7 %
Availability of local facilities	3.2 %
Access to main road network	11.9 %
Availability of broadband	1.3 %
Other	15.2 %
Source: Stratford-on-Avon District Council Business Survey 2011	

Sites and Premises

6.16 The majority of businesses in Stratford-on-Avon (71.8 percent) have a total site area of less than 0.2 hectares, whereas 13.5 percent have a site between 0.2 to 0.4 hectares. In addition, the total floor space on the site varied greatly. Nevertheless there was a clear pattern with 47.2 percent of the businesses surveyed having less than 250 sq. m and only 4.9 percent of businesses having more than 5,000 sq. m total floor space.

6.17 The majority (88.2 percent) of the businesses surveyed believe that their existing premises are suitable for their current or likely future needs. Similarly, 73.2 percent of the businesses think that their floor space requirements over the next ten years will not be significantly changed. Conversely around 18.0 percent believe that their floor space requirements will increase between 10 to 100 percent over this period. Interestingly, an additional 5.5 percent feel that over the next ten years their floor space requirements will increase by more than 100 percent.

6.18 Businesses' intentions with regards to their current location were overwhelmingly characterised by 71.8 percent who expressed their intent to stay within the district. Additionally, 16.3 percent of businesses surveyed showed intent to expand on their current site, whereas 11.6 percent were aiming to relocate elsewhere.

Figure 6.4: Q13 – What are your company's intentions with regard to this location?[8]	
Expand	16.3 %
Stay the same	71.8 %
Contract	1.8 %
Relocate	11.6 %
Source: Stratford-on-Avon District Council Business Survey 2011	

6.19 Of those showing interest to relocate, 65.9 percent wish to relocate within the same town or village in which they are currently located. A further 17.1 percent wished to relocate to somewhere else within the district. This suggests that businesses in Stratford-on-Avon feel great attachment with the district and their location within it.

6.20 Over half (57.8 percent) of the businesses wishing to relocate believe that Stratford-on-Avon does not have suitable sites or premises available for their needs. Furthermore, when asked about where suitable sites should be located, 46.7 percent suggested that sites should be provided in or on the edge of Stratford upon Avon town. This reflects the fact that Stratford upon Avon has the majority of businesses found in district. On the other hand 33.6 percent suggested that suitable sites should also be provided in or on the edge of the district's large rural towns and villages.

6.21 Some of the problems faced by businesses surveyed included rising costs, market demand and competition, as well as legislation or red tape. A total of 16.4 percent of the businesses surveyed mentioned the cost of suitable premises as one of the main problems faced at their current location. Road and traffic congestion, the need for improved marketing, as well as planning constraints were also high on the businesses' list. Only 8.5 percent of the businesses surveyed referred to the lack of suitable premises as one of the key problems.

Figure 6.5: Q14 – What are the main problems faced by your company at this location?	
Rising Costs	66.9 %
Currency exchange rate	5.5 %
Market demand / competition	27.9 %
Legislation / red tape	21.7 %
Staff recruitment / retention	9.2 %
Shortage of skilled staff	8.5 %
Lack of suitable premises	8.5 %
Cost of suitable premises	16.4%
Planning constraints	11.7 %
Investment constraints	4.2 %
High labour costs	7.0 %
Need for improved marketing	11.0 %
Access to appropriate advice	1.2 %
Road / traffic congestion	12.4 %
Infrastructure problems	4.7 %
Other	15.9 %

[8] Total of Q13 – *What are your company's intentions with regard to this location?* adds up to 101.5%

Source: Stratford-on-Avon District Council Business Survey 2011

Stratford as an Area for Business

6.22 When asked how Stratford-on-Avon can be improved to assist businesses and the economy, 81.3 percent of businesses suggested that one of the changes that can be introduced is the reduction of business rates and other charges. Other improvements mentioned by more than a quarter of respondents were enhancements to the public transport, the road network and improvements to broadband internet connections. Furthermore, the provision of more employment land was referred to by 11.9 percent of businesses surveyed.

Figure 6.6: Q18 - How can the area be improved to assist businesses and the economy?

Provide more employment land	11.9 %
Provide more housing	16.9 %
Improve the road network	28.0 %
Improve public transport	32.4 %
Improve the local environment	22.3 %
Improve broadband connections	26.9 %
Reduce business rates and other charges	81.3 %
Provide more business advice	13.8 %
Improve training and skills	14.5 %
Other	12.1 %

Source: Stratford-on-Avon District Council Business Survey 2011

6.23 An overwhelming 80.6 percent of the businesses surveyed rate Stratford-on-Avon district as a good or average place to do business. While 14 percent of the businesses consider the district as being very good for business, only 1.7 percent of the businesses surveyed consider it as being very poor.

6.24 Tourism plays a significant role in Stratford-on-Avon's economy. This is reflected by the fact that 35.2 percent of the businesses surveyed supply goods and/or services to the tourism industry. Of the businesses which form part of the tourism supply chain in Stratford-on-Avon district, 57.8 percent consider their contribution to the tourism industry as being either very or quite important to their businesses.

Consultation Findings

6.25 We have undertaken consultation with the following:

- Five consultations with representative business organisations: Coventry and Warwickshire Local Enterprise Partnership; Coventry and Warwickshire Chamber of

Commerce (South Warwickshire branch); Stratford Business Forum; Alcester Chamber of Commerce and Stour United Business.

- Two consultations with key staff at Stratford-on-Avon District Council (Dave Webb, Head of Business, Housing and Revenue) and Warwickshire County Council (Dave Hill, Economic Strategy Advisor)

- Six business consultations including an innovation centre manager, two businesses operating in professional and financial sectors, one business in manufacturing/distribution as well as consultations with Jaguar Land Rover and Aston Martin as key larger higher value-added employers.

Figure 6.7: Main Findings from Stakeholder and Business Consultations

	Economic characteristics	Business characteristics	Sites and Premises
	• *Strengths/weaknesses* • *Commuting*	• *Size* • *Sectors* • *Growth sectors* • *Start ups*	• *Locations* • *Supply* • *Demand* • *Sites/locations for development* • *Connectivity*
Stakeholders 7 stakeholders including: WCC and SDC economic development officers Coventry and Warwickshire LEP Chambers of Commerce Business forums	• Quality of life is key offer of area. • Mismatch between demand for lower skills levels and high cost of living in area – encourages wide commuting area. • Future growth in demand for mid and lower level occupations is anticipated. This is unlikely to be met by local supply. • The population is ageing which will result in increased demand for businesses operating in social care and health service provision. A low skilled labour force will be important in meeting this need.	• Very small (micro, up to 10 employees) and medium/large (51 + employees) businesses with less at small sizes (11-50 employees). • Key sectors locally include automotive manufacturing, computing/IT, business services and distribution. • Start ups/entrepreneurs are particularly notable in the south of the district and operate across a wide range of sectors including professional services and hospitality (B&Bs for example). • Lifestyle businesses are unlikely to see much employment growth but small high growth businesses (across a range of sectors) should be supported in their growth through appropriate employment space provision such as move on space (serviced office and light industry premises) as well as subsequently larger stand alone sites on existing employment land (unlikely to need large scale additional land provision). This will also provide more jobs locally and potentially reduce out-commuting.	• Stratford-upon-Avon, Kineton (due to Jaguar Land Rover and Aston Martin in Gaydon) and Alcester are the main employment locations in the district. Southam is also important. • Variations in transport connectivity across district. Stratford-upon-Avon/Alcester good connectivity. Locations such as Shipston-on-Stour are less well connected. • Broadband connectivity could be improved and is important in supporting business growth. • Council could encourage agglomeration of businesses in sustainable, existing locations. • Lack of expansion space for larger businesses and move on space for micro businesses (light industrial/office). • Additional business centres/innovation centres could be provided speculatively (e.g. in market towns) due to large number of entrepreneurs.

Businesses 6 businesses including: 1 incubation centre representing micro and small businesses in Alcester 2 large professional/financial businesses in Stratford-upon-Avon 1 medium manufacturing/distribution business in Alcester 1 medium automotive manufacturing business in Gaydon 1 large automotive manufacturing business in Gaydon Other business views are represented through the stakeholder findings above	• Quality of life is a key benefit of the area, attracting skilled residents. But supply of more affordable housing is needed to reduce in-commuting. • Contact between businesses and the council could be improved to help inform public sector on issues faced, esp. around premises. • Businesses tend to be located in area for historic reasons. Retaining these businesses will be important. • Significant in-commuting of employees.	• Large employment catchment areas (Redditch, Birmingham etc) means accessing various skills levels is possible. • Professional and financial services are confident about future employment, though will not lead to immediate need for additional employment space. • Significant growth projected (for both Jaguar Land Rover and for Aston Martin). • Opportunities to diversify offer in high tech manufacturing and R&D and encourage complementary businesses to co-locate.	• Good transport connectivity around Stratford upon-Avon/Alcester with M40/M42 giving good links to Heathrow and Birmingham airports. • High degree of car reliance and associated issues with congestion and car parking. • Poor train and bus connectivity. • Expansion at current site (Gaydon) restricted by Planning Policy. No suitable alternative sites have been found within the District.

7 STRENGTHS, WEAKNESSES, OPPORTUNITIES & THREATS

7.1 In this section we present an analysis of the strengths and weaknesses of the Stratford-on-Avon District economy, as well as potential opportunity and threats to economic growth. The analysis draws together the findings of Sections 2-6 of the Study.

STRENGTHS

7.2 Stratford-on-Avon District forms part of a wider South Warwickshire economy, which includes most of Stratford-on-Avon and Warwick Districts. This is one of the strongest and most growth-orientated economies within the West Midlands.

7.3 The District demonstrated strong growth in economy and employment pre 2008 and this was particularly strong in Stratford-upon-Avon and Alcester. Whilst the global recession has at best stalled growth nationally, there are promising signs of recovery and business confidence within the District.

7.4 Stratford-on-Avon District has an economic structure which demonstrates a high level of economic resilience. It has a low reliance on public sector employment and a broad-based economic structure.

7.5 The top four sectors by employment are accommodation & food services; professional services; scientific & technical; manufacturing; and, education. There is a concentration in manufacturing and a strong niche in automotive manufacturing with key employers being Jaguar Land Rover (JLR) and Aston Martin Lagonda (AML). Tourism, generally, is a strong economic driver for the District and particularly Stratford-upon-Avon.

7.6 There is a particular strength in knowledge intensive activities and the District is the 72nd highest local authority in England for knowledge based occupations with almost 25% of businesses in the district being classed as being knowledge based.

7.7 The District is a very entrepreneurial area. Self-employment in the District is almost twice the regional and national averages. There are higher than average incidences of business births and relatively strong business survival rates within the District. The business density in the District is higher than average and this is particularly high in rural areas, a reflection of the high numbers of micro-businesses and lifestyle businesses primarily located in more rural areas.

7.8 Levels of enterprise are related to the quality of life and environment which the District offers.

7.9 The District also has strong labour market characteristics – with high levels of economic participation and skills. 39% of the employment age population qualified to degree level or above (9% ahead of the British average). The employment rate is higher than regional and national benchmarks. Economic inactivity and benefit claimant rates are significantly lower than regional and national rates.

WEAKNESSES

7.10 The District's economy is affected by the nature of the area, such that it does not contain any particularly large employment centres with a critical mass of employment floorspace and associated established commercial market. This contrasts to Warwick and Leamington Spa in the office market, and to Coventry and Daventry for industrial and warehouse floorspace.

7.11 The accessibility of the motorway network, particularly in comparison with Warwick/Leamington, is also a constraint and affects commercial demand. Public transport accessibility is also relatively weak.

7.12 While levels of enterprise are high, the emergence of so called 'lifestyle' businesses as a strong component of the employment market potentially restricts future growth as these businesses do not tend to expand significantly or increase employment. Conversely, there is a strong reliance upon a relatively small number of high growth businesses. The District has a higher than average number of business deaths, however, this should be considered in the context of a particularly high number of business births which is a strength.

7.13 Few businesses within the District are seeking to relocate to larger sites but of those that are, 57.8% believe that the District does not have suitable sites or premises available to meet their needs.

7.14 Out-commuting is higher than in-commuting to the District but Stratford-upon-Avon and Alcester contradict the trend. Evidence does indicate that some of the higher skilled individuals, in particular, commute out of the District for work.

7.15 Nearby Warwick and Leamington Spa have larger more established office markets than Stratford-upon-Avon which is focused on small and medium sized premises rather than larger corporates. The resultant low rent for office stock in the District discourages speculative office development, albeit that this is partly influenced by current market conditions.

OPPORTUNITIES

7.16 The District is well positioned to capture investment and growth in key higher-value added sectors with growth potential in the sub-region, as identified by the LEP. There are a number of larger businesses with growth potential including the National Farmers Union and Jaguar Land Rover.

7.17 The shift to a low carbon economy is an opportunity for local businesses to diversify into these technologies, however, it also presents a challenge to existing businesses to meet low carbon targets.

7.18 Some economic opportunities may be supported by population growth, such as employment in consumer-related services, albeit that future population growth will be influenced by housing supply policies. There will be specific service sector requirements relating to the expanding elderly population which should be a good opportunity for some local businesses.

THREATS

7.19 Whilst the District is performing relatively well economically, the sub region within which it sits (the CSW area) faces a number of challenges resulting from slower than average growth and falling productivity levels. The District needs to be alive to the possibility that sub regional policies and interventions from the Local Enterprise Partnership may prioritise struggling areas.

7.20 There is a clear risk that population dynamics, with an ageing population (80% of the projected 21% population increase will be in the 65+ age range), could result in a contraction in labour supply. This could drive wage inflation or result in unsustainable longer-distance commuting. Moreover there is a risk that access to affordable housing could constrain the ability of businesses to recruit suitable staff. The business consultations associated with this Study identify a need for a greater numbers of lower to medium skilled labour and affordable housing to meet future business needs.

7.21 If implemented, the Coalition Government's proposal to amend the Use Classes Order so that employment land-use can transfer to alternative land-uses could result in unplanned losses of employment land within the District.

7.22 It is also important to understand the potential for commercial development in a sub-regional context. Larger commercial development schemes in the District are likely to compete with established business parks in Warwick District which are close to the M40.

7.23 The business consultations also identified an over reliance upon car based travel and the need for continued investment in infrastructure.

8 DEMAND FORECASTING

8.1 Against the current economic backdrop whereby the economy is just emerging from recession, set against a number of macro-level risks to future economic and commercial property market performance (as described in Section 7), it is appropriate to adopt a 'scenarios-based' approach to demand forecasting.

8.2 In this section we consider alternative demand-based forecasts, considering a number of scenarios for employment growth (labour demand forecasts), as well as the impact of trends in labour supply (the size of the workforce) on potential future employment growth. These are considered by constructing a number of employment scenarios and working this through to identify net changes in employment floorspace.

8.3 We also consider trends in past take-up of employment floorspace and land within Stratford-on-Avon District. The employment-driven scenarios are compared to this to provide a synthesis forecast of floorspace and land for strategic planning purposes.

SUMMARY OF FUTURE EMPLOYMENT SCENARIOS

8.4 This section presents analysis in relation to two future employment models – a labour demand model and a labour supply model. These two models incorporate four different employment scenarios. These are summarised in the table below.

Figure 8.1: Summary of Employment Scenarios 2008-2028

Forecast Type	Scenario	Source	Description
Labour Demand Side	Scenario 1 – Base	Integrated Policy Model (IPM) Forecasts produced by Cambridge Econometrics; Regeneris Consulting Assumptions	The IPM base forecast for 2008-2028 produced by Cambridge Econometrics
	Scenario 2 – Austerity	IPM Forecasts produced by Cambridge Econometrics; Regeneris Consulting Assumptions; and SQW/ Cambridge Econometrics data produced for *The Economic Demand for Housing in the West Midlands 2006-2026*	A low growth scenario based on knock on effects of public sector cuts on public sector employment[9].
	Scenario 3 – Convergence	IPM Forecasts produced by Cambridge Econometrics; Regeneris Consulting Assumptions	A high growth scenario in which employment in higher value added sectors increases at a higher rate

[9] Note – this does not include the implications of public sector cuts on private sector employment as the likely nature of the impact is not yet clear

			than projected under the base scenario.
Labour Supply Side	Scenario 4 – Supply Base	Regeneris Consulting calculations based on projections of labour supply from the Housing Provision Options Study[10]	Analysis of future employment likely to arise from projected housing change and associated population change.

The Labour Demand Model

8.5 The labour demand model is based upon the Integrated Policy Model (IPM) – an econometric forecasting model, developed by the West Midlands Regional Observatory in partnership with Cambridge Econometrics (CE). The model looks specifically at the inter-relationships between the economy, housing, population and the environment and projects the total number of jobs in Stratford-on-Avon (and other Warwickshire districts) in the period to 2030.

8.6 Data presented herein relates to the IPM model as run in July 2010. A number of assumptions and adjustments have been made to the raw forecasts from the IPM. Most significantly, IPM data has been adjusted to exclude self-employment and has also been adjusted to assume a figure for FTE employment rather than the total number of jobs (to ensure compatibility with standard employment densities)[11]. The result of these adjustments is the labour demand model Base Scenario.

8.7 Further adjustments and assumptions have then been applied to the Base Scenario to develop the Austerity and Convergence Scenarios:

- **The Austerity Scenario** – This scenario assumes a slower growth rate for public sector employment than that set out under the Base Scenario. The scenario has been developed drawing on data and analysis from a research project undertaken by SQW and Cambridge Econometrics examining the economic demand for housing in the West Midlands 2006-2026[12]. Regeneris has rebased this using the CE 2010 forecasts;

- **The Convergence Scenario** – this scenario has been developed by Regeneris Consulting. The scenario focuses on aspirational growth and examines implications if future employment performance in Stratford-on-Avon District was to more closely reflect performance in the top performing district in the sub-region (nearby Warwick). To this end, the scenario applies 2008-2028 employment growth rates for Warwick in a number

[10] GL Hearn (July 2011) *Stratford-on-Avon District Housing Provision Options Study*
[11] An average figure of 6% across all sectors has been assumed for self employment, whilst a conversion ratio of 84% has been assumed to covert total jobs into FTE jobs. Both these figures are based upon latest data from the Business Register and Employment Survey.
[12] SQW & Cambridge Econometrics (February 2010) *The Economic Demand for Housing in the West Midlands 2006-2026 – A report to the West Midlands Regional Assembly*

of high value added sectors – Mechanical Engineering, Banking and Finance, Insurance, Computing Services and Professional Services – to the Stratford-on-Avon Base Scenario[13].

The Labour Supply Model

8.8 The labour supply model assesses the likely future employment implication of projected changes in population. Projections for the future number of working age Stratford-on-Avon District residents in employment have been sourced from trend-based population projections developed by GL Hearn and JGC as part of the Stratford-on-Avon District Housing Provision Options Study[14]. Again, adjustments have been made to these figures to exclude self employment and to assume a figure for FTE employment (rather than the total number of jobs). An adjustment has also been made to take into account commuting flows affecting the district[15]. The result of these assumptions and adjustments is the labour supply model Supply Scenario.

Relationship between Employment Scenarios and Housing Provision Options

8.9 A scenarios-based approach has been used to assess housing need/demand and future employment growth in these two studies. Both studies recognise that there is a relationship between housing need/demand and employment growth.

8.10 The three labour demand scenarios presented in the Employment Land Study are based on an economic-driven assessment of future demand for employment in Stratford-on-Avon District. They have been based on existing information where possible, aiming to limit the amount of assumptions used within the forecasting including in distributing growth across different economic sectors.

8.11 GL Hearn has worked with the District Council in preparing a Housing Provision Options Study (GL Hearn, July 2011). This was prepared in advance of and has therefore informed the detailed economic forecasting and scenario development undertaken as part of this Employment Land Study.

8.12 The Housing Provision Options Study focuses on establishing housing need/demand. It recognises that there are a number of drivers of need/demand including population and

[13] Projected growth rates for other locally important and high value added sectors – such as Motor Engineering, Engineering and Other Business Services – have not been altered due to existing favourable performance in comparison to Warwick.
[14] GL Hearn (July 2011) *Stratford-on-Avon District Housing Provision Options Study.* PROJ1 the main trend-based projection has been used, which would relate to delivery of 515 dwellings per annum
[15] The same assumptions for Self Employment and FTE employment have been applied above. To reflect the overall pattern of net out commuting from the district based on the 2001 Census, a figure of 6% has been deducted from the employment total.

demographic trends, economic performance and quality of life. It includes three principal economic-driven projections.

- PROJ 6 Trend-based growth in Labour Demand
- PROJ 7 Growth of 5% in Labour Demand 2008-28
- PROJ 8 Growth of 10% in Labour Demand 2008-28

8.13 PROJ 6 is taken forward and forms the basis of Option 2 (13,000 homes) in the Housing Provision Options Study.

8.14 The Housing Provision Options Study presents three options relating to future housing provision within Stratford-on-Avon District and assesses the implications on changes in labour supply over the 2008-28 plan period:

- Option 1 proposes delivery of 10,350 homes between 2008-28 based on past demographic trends. This is modelled to result in a reduction in labour supply of -960 (-1.6%) on 2008 levels. The reduction in labour supply is principally linked to the changing age structure of the population.
- Option 2 proposes delivery of 13,000 homes between 2008-28. This is based on expectations of labour demand. This is modelled to result in a growth in labour supply of 2,490 (4.1%) on 2008 levels.
- Option 3 proposes delivery of 8,200 homes between 2008-28. This is based on achieving a 25% reduction in levels of net in-migration, and would be to a degree 'policy-led.' As in-migration is lower still relative to the other options, this results in a reduction in labour supply of -3,675 (-6.0%) on 2008 levels.

8.15 The options demonstrate that the level of housing provision should have a notable effect on available labour supply within the District. Labour supply will potentially constrain employment growth where job opportunities cannot be filled. It could also contribute to wage inflation (as companies compete for employees).

8.16 However, the labour market is not constrained by the local authority boundary, and a decrease in the workforce in Stratford-on-Avon District (as in Options 1 and 3) could equally result in a reduction in out-commuting (particularly where similar paid/skilled jobs are created locally to those people who are currently commuting out) or an increase in in-commuting to the District to work from surrounding areas (or a combination of the two).

8.17 Of the scenarios developed, **the Labour Supply scenario in the Employment Land Study is based on Option 1 within the Housing Provision Options Study and is consistent with it.**

8.18 It is important that, as well as considering labour supply, consideration is also given to labour demand (and the influence of this on commercial demand for employment premises and land). This is the basis of the labour demand scenarios.

8.19 The Baseline Scenario in the Employment Land Study is driven by the IPM forecast from Cambridge Econometrics. This is a forecast of employment demand. However while a reduction in employment within the District of around 4000 jobs between 2008-13 was projected in the forecasts, labour market indicators do not suggest that the employment rate (a labour supply indicator) has reduced by anything like this degree – indeed data from the Annual Population Survey suggest it increased between 2008-10. This suggests that while employment within the District may have dropped, residents have been able to find jobs elsewhere (including by commuting).

8.20 On this basis the forecast in the Housing Provision Options Study, which is for labour supply, was modified to assume that this grows by c. 2,500 over the 2008-28 period in Option 2. For the purposes of demographic modelling, this still seems a reasonable assumption to make given the labour market evidence.

8.21 The Employment Land Study models sensitivities around the base forecast, recognising that there are both upside and downside risks to the base IPM forecast.

8.22 **Thus, the level of growth in labour supply in Option 2 in the Housing Provision Options Study is akin to the Convergence Scenario in the Employment Land Study.** This option is focused on supporting economic growth and broadly aligns with the emerging strategy of the LEP and with the draft National Planning Policy Framework.

8.23 Within this Study, the Austerity Scenario tests downside risks (i.e. a reduced public sector and lower employment growth) to the base scenario. It does not seem appropriate to test the implications of a much more significant reduction in employment over the plan period as this would not accord with national planning policy which expects the planning system to support economic growth. **Thus there is not a specific scenario within the Employment Land Study which aligns to Option 3 in the Housing Provision Options Study.**

Converting Employment Projections into Floorspace Requirements

8.24 Future employment projections for Stratford-on-Avon have been converted into future employment floorspace requirements using Regeneris Consulting's bespoke employment floorspace model. This model assesses average levels of activity across each employment use class for each employment sector. It then allocates employment to each use class accordingly. Based upon this, employment floorspace requirements are calculated using standard employment densities[16].

8.25 This model relates net changes in employment by sector to net changes in employment floorspace. However there will be a requirement for additional employment floorspace provision arising as a result of churn within a local market, as existing occupiers move premises for a range of reasons, and to provide a choice of premises within the local marketplace. Thus an allowance has been included to cater for this.

8.26 Forecasts of employment land and floorspace requirements (expressed in net terms) derived from this approach have been assessed against past trends in development (completions) of employment floorspace. This scenario based approach provides a forecast range, which is interpreted to derive conclusions on future floorspace and land requirements.

Caveats to Methodology

8.27 It is important to note that there are numerous caveats associated with the use of employment forecasts. Some of the key considerations in this respect are set out in the box below.

A Cautionary Note on Forecasting

It is difficult to predict with any certainty the levels of future employment growth in a particular area and therefore care should be taken when interpreting employment forecasts. Forecasts can vary depending on their source – Cambridge Econometrics, Oxford Economics and Experian are some of the key firms which produce employment forecasts and each of these adopt varying approaches and will produce slightly different results.

It is difficult to predict future trends at any time but when there have been significant economic (e.g. recession) and political changes, it is even more difficult to produce forecasts which are reliable. We described a number of macro-risks in Section 7. Forecasts for individual districts and sectors are usually extrapolated from regional growth forecasts and there are difficulties in preparing forecasts to this level of detail.

Forecasts can provide an indication of what might happen in terms of future employment growth but are not definitive.

8.28 The risks associated with predictive forecasting have informed the selection of a scenario-based approach to consider future employment land requirements in this Study.

[16] Employment Densities Guide (2010), OffPat and HCA, accessed at http://www.homesandcommunities.co.uk/sites/default/files/our-work/employ-den.pdf

Employment Implications

8.29 Under the Base Scenario, the number of FTE jobs in Stratford-on-Avon is projected to increase from 52,122 in 2008 to 52,319 in 2028 – a small overall increase of around 0.4%. Within this timeframe, a decline in the number of jobs of around 4% is expected in the period to 2018, before a growth in the number of jobs of around 4.5% between 2018 and 2028. As such, employment performance going forward is projected to be relatively weak in comparison to performance observed over the last decade (between 1998 and 2008, the number of jobs of has increased by around 33%).

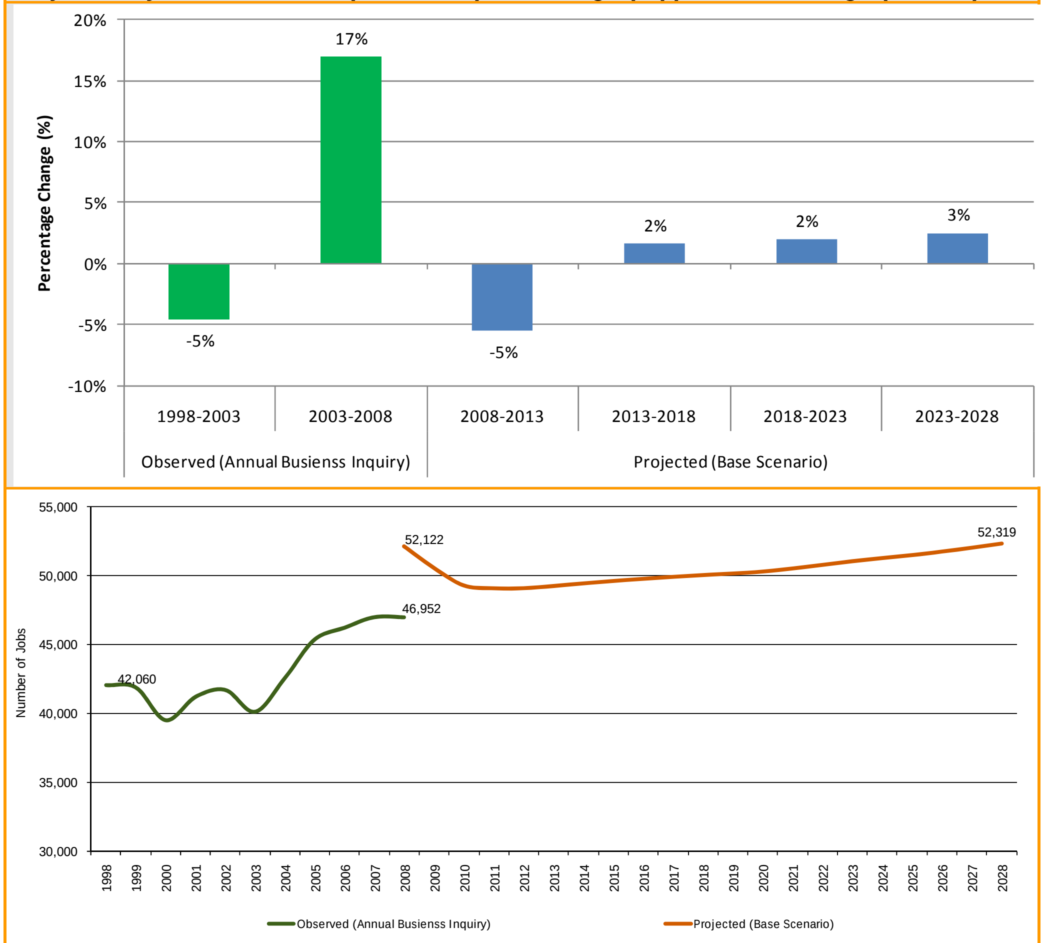
Figure 8.2: Employment Change in Stratford-on-Avon District – Observed (1998-2008) and Projected (2008-2028)

		Absolute Change	% Change	Average Annual Change (%)
Observed (ABI)	1998-2008	13,860	33.0%	3.3%
Projected (Base Scenario)	2008-2018	-2,068	-4.0%	-0.4%
	2018-2028	2,265	4.5%	0.5%
	2008-2028	**197**	**0.4%**	**0.02%**

Source: Annual Business Inquiry, Regeneris Consulting Assumptions and Calculations; Integrated Policy Model (IPM) Forecasts produced by Cambridge Econometrics

8.30 These trends are examined in more detail in the charts below which compare recently observed employment performance in Stratford to projected employment performance over the next two decades.

Figure 8.3: Employment Change in Stratford-on-Avon – Observed (1998-2008) and as Projected by Base Scenario (2008-2028): % Change (top), Actual Change (bottom)



NOTE: The difference between the observed and projected employment figures for 2008 reflect the use of two different data sources and hence different assumptions taken into account in producing the employment figures

Source: Annual Business Inquiry, Regeneris Consulting Assumptions and Calculations; Integrated Policy Model (IPM) Forecasts produced by Cambridge Econometrics

8.31 The employment implications under each of the future employment scenarios are summarised in the table below, Figure 8.4.

8.32 Under the labour demand model, the overall number of FTE jobs (excluding self employment) in Stratford-on-Avon d is estimated at 52,122 in 2008. As discussed above, under the Base scenario, it is projected that FTE employment will total 52,319 by 2028 (a small increase from the 2008 figure of just under 200 jobs. Under the Austerity and Convergence scenarios, by 2028 employment is expected to reach 51,989 and 54,199 respectively.

8.33 Under the labour supply model, the overall number of FTE jobs (excluding self employment) in Stratford-on-Avon is estimated at 44,817[17] in 2008.

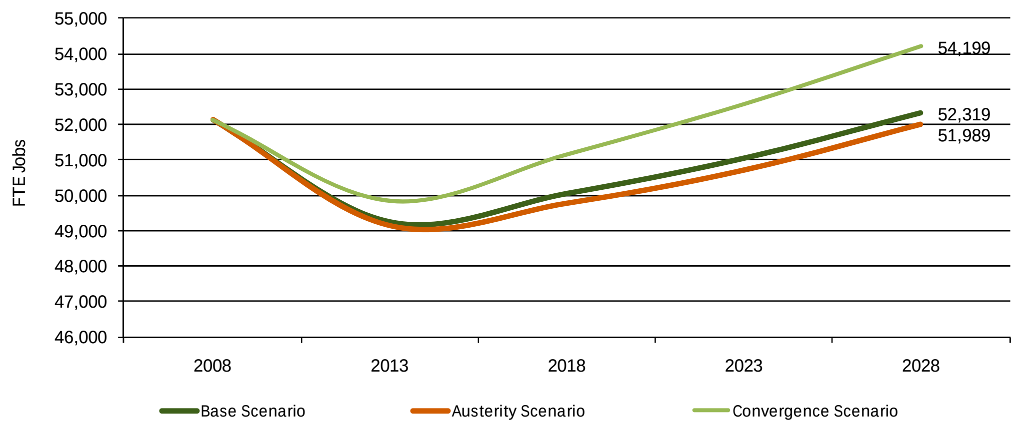
Figure 8.4: Total Employment Summary, All Scenario's. 2008-2028

		2008	2013	2018	2023	2028
Labour Demand Model	**Base Scenario**	52,122	49,256	50,054	51,042	52,319
	SQW Based Austerity Scenario	52,122	49,151	49,780	50,704	51,989
	Regeneris Based Convergence Scenario	52,122	49,839	51,147	52,565	54,199
Labour Supply Model	**Supply Scenario**	44,817	44,643	44,829	44,615	44,110

Source: Regeneris Consulting Assumptions and Calculations; Integrated Policy Model (IPM) Forecasts produced by Cambridge Econometrics; GL Hearn Assumptions and Calculations

8.34 The broad trajectory of 2008 to 2028 employment change under the three labour demand model scenarios is mapped in the chart below. The chart highlights the decline in employment projected to occur in the period to 2013 and the recovery (employment growth) thereafter.

Figure 8.5: Labour Demand Model – Employment Projections by Scenario, 2008-2028



Source: Regeneris Consulting Assumptions and Calculations; Integrated Policy Model (IPM) Forecasts produced by Cambridge Econometrics

8.35 The implications of the above table and chart in terms of future employment change are presented in Figure 8.6.

[17] The difference between the 2008 employment figure under the labour supply and labour demand models is partly explained in the different methodologies used to arrive at the figure.

Figure 8.6: Projected Change in Number of Jobs, 2008-2028											
		2008-2013		**2013-2018**		**2018-2023**		**2023-2028**		**2008-2028**	
		Number	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**
Labour Demand Model	**Base Scenario**	-2,866	-5%	798	2%	988	2%	1,277	3%	197	0.4%
	SQW Based Austerity Scenario	-2,971	-6%	629	1%	924	2%	1,285	3%	-133	-0.3%
	Regeneris Based Convergence Scenario	-2,283	-4%	1,308	3%	1,418	3%	1,634	3%	2,078	4.0%
Labour Supply Model		-174	0%	186	0%	-215	0%	-505	-1%	-707	-1.6%

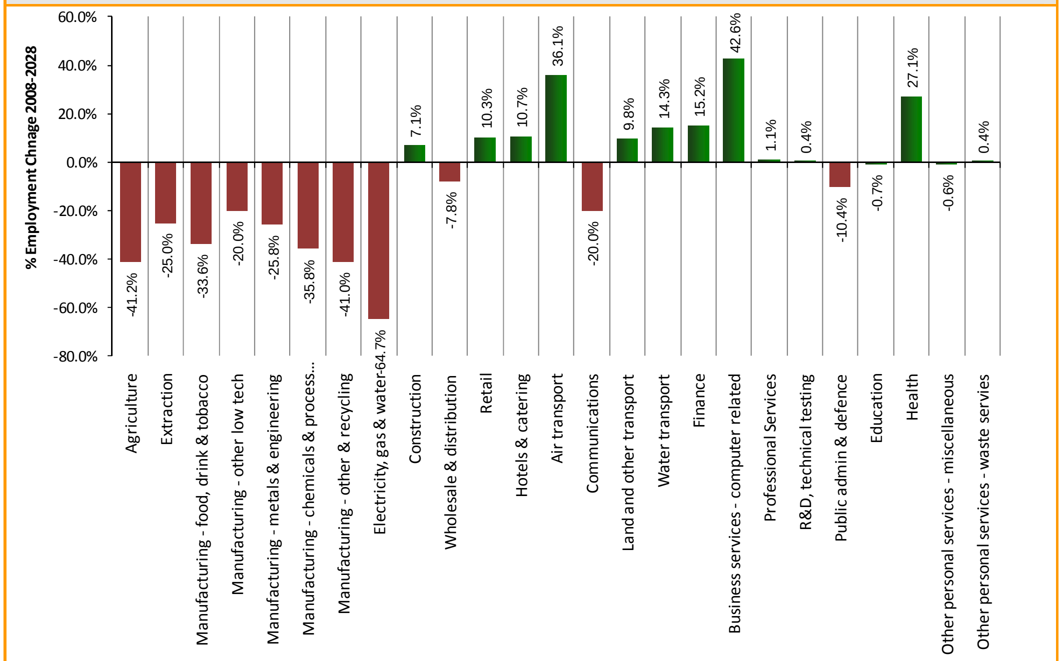
Source: Regeneris Consulting Assumptions and Calculations; Integrated Policy Model (IPM) Forecasts produced by Cambridge Econometrics; GL Hearn Assumptions and Calculations

8.36 Under the **labour demand model**, overall employment growth is projected between 2008 and 2028 under the Base scenario (a small increase of 197 FTEs) and the Convergence scenario (+2,078 FTEs). Conversely, a small decline in employment is projected under the Austerity scenario (-133 FTEs) as FTE employment doesn't recover to pre-recession levels by 2028.

8.37 Under the **labour supply model**, an overall decline of around 707 positions is projected for the period to 2008-2028. This reflects the projected decline in the overall number of Stratford-on-Avon residents in employment largely due to an ageing population.

8.38 The chart below gives an indication of how individual employment sectors are projected to perform in the period to 2028 under the Base Scenario. The chart highlights that under the Base Scenario, employment is projected to decline in manufacturing industries, whilst employment growth is projected to occur mainly in service, professional and public sector type activities.

Figure 8.7: Labour Demand Model, Base Scenario – Projected Employment Change by Sector. 2008-2028



Source: Regeneris Consulting Assumptions and Calculations; Integrated Policy Model (IPM) Forecasts produced by Cambridge Econometrics; GL Hearn Assumptions and Calculations

8.39 There are a number of differences to note between projected sectoral performance under the Base Scenario and projected sectoral performance under the Austerity and Convergence Scenarios:

- The **Austerity Scenario** projects weaker performance in public sector related employment (public administration, education and health). Under the Austerity Scenario, average 2008-2028 employment change is 8% for these sectors rather than 10% under the Base Scenario. Performance under all other sectors is broadly comparable to the Base Scenario.

- The **Convergence Scenario** projects stronger performance in the following sectors – 'Manufacturing – Metals and Engineering' (-24.5% employment change 2008-2028, compared to -25.8% under the Base Scenario), 'Finance' (+31% employment change 2008-2028, compared to +15% under the Base Scenario), 'Business related services – computer related' (+75% employment change 2008-2028, compared to +43% under the Base Scenario), and 'Professional Services' (+12% employment change 2008-2028, compared to +1% under the Base Scenario). Performance under all other sectors is broadly comparable to the Base Scenario.

- Projected sectoral performance under the **Supply Side Scenario** broadly mirrors that under the Base Scenario. This reflects the fact that the Supply Side Scenario has been developed utilising the projected sectoral profile of Base Scenario.

EMPLOYMENT FLOORSPACE IMPLICATIONS

8.40 Using the Regeneris Consulting employment floorspace model, the above employment projections have been assessed in relation to B use classes.

8.41 Over the period to 2028, the table below highlights increasing levels of employment relating to B1 uses, but decreasing quantums of employment relating to B2 and B8 uses[18]. Broadly speaking, these trends reflect the projected sectoral changes in employment discussed above.

Figure 8.8: Projected Change in Number of Jobs by Use Class, 2008-2028

		B1a & B1b (Jobs)	B1c & B2 (Jobs)	B8 (Jobs)
2008 - 2013	**Base Scenario**	-1,150	-831	-293
	SQW Based Austerity Scenario	-1,165	-831	-293
	Regeneris Based Convergence Scenario	-601	-801	-289
	Labour Supply Scenario	-372	-499	24
2013 - 2018	**Base Scenario**	659	-137	37
	SQW Based Austerity Scenario	631	-134	37
	Regeneris Based Convergence Scenario	1,166	-134	37
	Labour Supply Scenario	448	-173	-31
2018 - 2023	**Base Scenario**	778	-232	-3
	SQW Based Austerity Scenario	759	-223	-2
	Regeneris Based Convergence Scenario	1,200	-226	-3
	Labour Supply Scenario	379	-299	-132
2023 - 2028	**Base Scenario**	893	-263	-30
	SQW Based Austerity Scenario	894	-263	-30
	Regeneris Based Convergence Scenario	1,239	-253	-29
	Labour Supply Scenario	297	-354	-210
2008 - 2028	**Base Scenario**	**1,179**	**-1,464**	**-290**
	SQW Based Austerity Scenario	**1,120**	**-1,451**	**-288**
	Regeneris Based Convergence Scenario	**3,005**	**-1,414**	**-284**
	Labour Supply Scenario	**752**	**-1,326**	**-348**

Source: Regeneris Consulting Assumptions and Calculations; Integrated Policy Model (IPM)

[18] The decrease in employment in B8 Uses relates mainly to projected employment losses in the Wholesale and Distribution sector. To a lesser extent is also reflects projected employment losses in manufacturing industries such as metals and engineering which are assumed to have a small level of activity in B8 Uses.

Forecasts produced by Cambridge Econometrics; GL Hearn Assumptions and Calculations

8.42 The implications of the above employment projections in terms of future employment floorspace requirements are set out in the table below:

Figure 8.9: Projected Change in Floorspace Requirements, 2008-2028

		B1a & B1b (sq m)	B1c & B2 (sq m)	B8 (sq m)
2008-2013	**Base Scenario**	-20,018	-34,495	-21,946
	SQW Based Austerity Scenario	-20,268	-34,495	-21,946
	Regeneris Based Convergence Scenario	-10,453	-33,255	-21,697
	Labour Supply Scenario	-6,469	-20,726	1,814
2013-2018	**Base Scenario**	11,474	-5,703	2,759
	SQW Based Austerity Scenario	10,985	-5,541	2,792
	Regeneris Based Convergence Scenario	20,297	-5,582	2,784
	Labour Supply Scenario	7,795	-7,171	-2,305
2018-2023	**Base Scenario**	13,533	-9,619	-261
	SQW Based Austerity Scenario	13,209	-9,246	-186
	Regeneris Based Convergence Scenario	20,889	-9,358	-208
	Labour Supply Scenario	6,603	-12,425	-9,872
2023-2028	**Base Scenario**	15,531	-10,932	-2,267
	SQW Based Austerity Scenario	15,554	-10,927	-2,266
	Regeneris Based Convergence Scenario	21,552	-10,501	-2,180
	Labour Supply Scenario	5,161	-14,695	-15,770
2008-2028	**Base Scenario**	**20,519**	**-60,748**	**-21,714**
	SQW Based Austerity Scenario	**19,480**	**-60,209**	**-21,606**
	Regeneris Based Convergence Scenario	**52,285**	**-58,696**	**-21,302**
	Labour Supply Scenario	**13,090**	**-55,017**	**-26,133**

Source: Regeneris Consulting Assumptions and Calculations; Integrated Policy Model (IPM) Forecasts produced by Cambridge Econometrics; GL Hearn Assumptions and Calculations

8.43 These forecasts are of floorspace requirements to support net changes in employment forecast over the period to 2028.

8.44 While employment growth will result in demand for additional floorspace, it is also true that an element of demand will arise from existing companies moving premises. This can occur for a range of reasons, including due to obsolescence of their existing property, desire for higher quality or lower cost of premises, for improved amenities or simply for strategic reasons. This form of demand is called 'churn' and reflects the general turnover of businesses within the market.

8.45 Moreover, for an economy to be successful and to ensure that demand for property is met, a degree of flexibility in the supply of land and premises is required. This is essential to provide businesses with a choice of locations and reflects a risk that some non B-class development may take place on employment land.

8.46 Making provision for churn and providing flexibility have an upward impact on requirements for employment floorspace and land.

8.47 Estimating churn and its relationship to employment-driven demand (as presented in the forecasts) is not straightforward. To estimate churn, GL Hearn has both considered assumptions adopted in surrounding areas including Warwick District and Redditch and analysed the relationship between employment take-up in Stratford-on-Avon District between 2005-10 as a proportion of existing employment stock, and made some adjustments on this basis. On this basis we have assumed a churn factor of 0.4% per year for industrial and warehouse floorspace and a higher 0.8% per year for office floorspace.

Figure 8.10: Assumptions on Demand arising from Churn, 2008-28

	B1a & B1b (sq m)	B1c & B2 (sq m)	B8 (sq m)
Current Stock	**186,000**	**501,000**	**463,000**
Adjustment: Churn per Annum	**0.80%**	**0.4%**	**0.4%**
Adjustment for Churn (20 Years)	**29,760**	**40,080**	**37,040**

Source: GL Hearn

8.48 Taking account of the adjustments for flexibility/churn, the final floorspace forecasts for each of the scenarios are set out in Figure 8.11 below.

Figure 8.11: Final Floorspace Forecasts, 2008-28

Revised Floorspace Requirements	B1a & B1b (sq m)	B1c & B2 (sq m)	B8 (sq m)	Total (sq m)
Base Scenario	**50,279**	**-20,668**	**15,326**	**44,937**
SQW Based Austerity Scenario	**49,240**	**-20,129**	**15,434**	**44,546**
Regeneris Based Convergence Scenario	**82,045**	**-18,616**	**15,738**	**79,166**
Labour Supply Scenario	**42,850**	**-14,937**	**10,907**	**38,821**

Source: GL Hearn

8.49 The forecasts for employment floorspace vary between 39,000 sq.m for the labour supply scenario to 79,000 sq.m for the convergence scenario. This particularly reflects differences in forecast requirements for B1 a & B1b floorspace which range from 43,000 in the labour supply scenario through to 82,000 in the convergence scenario over the 2008-28 plan period.

8.50 While there is a positive requirement for warehouse/ distribution floorspace, this is largely cancelled out by a projected negative requirement for industrial floorspace in all scenarios.

8.51 We have assumed an average plot ratio of 0.3 for B1a and B1b development and 0.4 for industrial and warehouse development, taking account both of *Guidance on undertaking Employment Land Reviews* and an analysis of the density of development in Stratford-on-Avon District based on completions over the past 10 years. Using these plot ratios, land requirements for employment are estimated in the table below.

Figure 8.12: Net Employment Land Requirements, 2008-28

Land Requirements	B1a & B1b (ha)	B1c & B2 (ha)	B8 (ha)	Total (ha)
Base Scenario	**17**	**-5**	**4**	**15**
SQW Based Austerity Scenario	**16**	**-5**	**4**	**15**
Regeneris Based Convergence Scenario	**27**	**-5**	**4**	**27**
Supply Scenario	**14**	**-4**	**3**	**13**

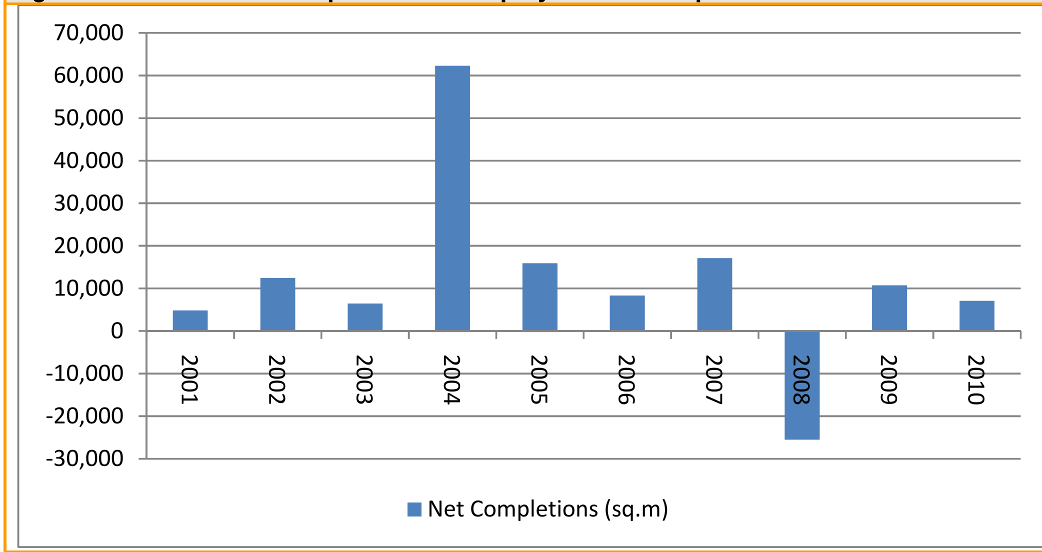
Source: GL Hearn

FORECASTS OF PAST EMPLOYMENT LAND TAKE-UP

8.52 It is important to prepare forecasts of land and floorspace take-up to take account of market factors and evidence in planning for future employment land provision, and as a cross-check against past performance. This said the forecasts based on past take-up should be interpreted with caution as economic demand moving forwards may differ from trends in the recent past.

8.53 The District Council monitors information on net completions of employment floorspace on sites of 0.2 hectares or greater and has provided information on net completions between 2000 – 2010. Figure 8.13 provides an analysis of past net completions in the District over the last 10 years. The high level of floorspace completed in 2004 reflects the completion of the Aston Martin factory at Gaydon (43,000 sq.m).

Figure 8.13: Past Net Completions of Employment Floorspace



Source: GLH Analysis of Stratford-on-Avon District Council Data. Note, only includes figures for sites of 0.2ha or greater.

8.54 Over the last 10 years, a total of 201, 650 sq.m of employment floorspace was completed (net) equivalent to 20,165 sq.m per annum.

8.55 As a number of development schemes are granted open B1 consents or a consent relating to a number of B class uses, it not possible to accurately disaggregate the information for completions for office, industrial and warehouse floorspace for undeveloped schemes as they could provide for a mixture of B use classes.

Figure 8.14: Net Completions on Sites over 0.2ha by Use Class, 2000-2010

Use Class	B1a	B1 (Open)	B2	B8	Mixed	Total
Net Completions, 2000-10	39,970	17,780	16,210	101,270	26,420	201,650

Source: Stratford-on-Avon District Council Monitoring Data, 2011

8.56 The completions figures are particularly influenced by a small number of larger developments, including of the Aston Martin facility at Gaydon in 2003-4, redevelopment of 5 hectares of land at Birmingham Road, Stratford-upon-Avon in 2007-8, and the consent granted for employment use of former MOD buildings at the Long Marston depot in 2009-10. Excluding these sites, net completions were 108,870 sq.m (net).

8.57 We have developed a linear forecast based on past employment take-up based on these figures. We do not have information on the types of activities taking place on schemes granted a mixed or open B1 consent. We have therefore had to make some assumptions on the mix of uses. Of open B1 consents we have assumed 75% is B1a or B1b and 25% B1c floorspace. We have floorspace with consent for more than one use we have generally assumed an even split of floorspace between these uses. We have excluded the consent for development at Long Marston Storage depot for 80,380 sq.m of B8 uses as this is a unique case and would dramatically skew the figures for B8.

Figure 8.15: Net Floorspace Forecast based on Past Completions, 2008-28				
	B1a & B1b (sq m)	B1c & B2 (sq m)	B8 (sq m)	Total (sq m)
Net Completions, 2000 - 2010 - PA	**5,775**	**-2,679**	**2,089**	**12,127**
Plan Period: Years	**20**	**20**	**20**	**20**
Forecast Floorspace Requirement, 2008-28	**115,500**	**-53,580**	**41,780**	**242,540**

Source: GL Hearn

8.58 Using a consistent set of assumptions on plot ratios (0.3 for B1a and B1b development and 0.4 for industrial and warehouse development), we can calculate the Net Land Requirements Forecast as set out in Figure 8.16.

Figure 8.16: Net Land Requirements Forecast, based on Past Completions, 2008-28				
	B1a & B1b (sq m)	B1c & B2 (sq m)	B8 (sq m)	Total (sq m)
Land Requirement (Ha), 2008-28	39	-13	10	36

COMPARING THE FORECASTS

8.59 Figure 8.17 below outlines the floorspace forecasts derived for each scenario. Over the 2008-28 plan period, there is a net requirement for between 38,800 – 79,200 sq.m of employment floorspace based on the economic scenarios developed, and 103,700 sq.m based on an assessment of past completions.

Figure 8.17: Final Floorspace Forecasts, 2008-28				
Revised Floorspace Requirements	**B1a & B1b (sq m)**	**B1c & B2 (sq m)**	**B8 (sq m)**	**Total (sq m)**
Base Scenario	**50,279**	**-20,668**	**15,326**	**44,937**
Austerity Scenario	**49,240**	**-20,129**	**15,434**	**44,546**
Convergence Scenario	**82,045**	**-18,616**	**15,738**	**79,166**
Labour Supply Scenario	**42,850**	**-14,937**	**10,907**	**38,821**
Past Completions Scenario	**115,500**	**-53,580**	**41,780**	**103,700**

Source: GL Hearn

8.60 The range of figures presented reflects differences in the forecast methodologies combined with uncertainty regarding economic performance and trends in the forthcoming economic cycle.

8.61 Using standard plot ratios, Figure 8.18 below calculates resultant employment land requirements.

Figure 8.18: Final Floorspace Forecasts, 2008-28

Land Requirements (Ha)	B1a & B1b	B1c & B2	B8	Total
Base Scenario	17	-5	4	15
Austerity Scenario	16	-5	4	15
Convergence Scenario	27	-5	4	27
Labour Supply Scenario	14	-4	3	13
Past Completions Scenario	39	-13	10	36

Source: GL Hearn

8.62 We consider that it is likely, given the economic context, that employment floorspace and land take-up will be more moderate than indicated by the past completions scenario; based on the expectations of future economic growth relative to performance in the pre-recession decade. Employment growth of 4% is expected in the Convergence Scenario over 20 years compared to the 12% employment growth achieved between 1998-2008. It is not unreasonable to assume that land take-up in the District over the plan period will be lower than has occurred over the past 10 years based on:

- Differences in the economic outlook, taking account of the impact of the economic recession and expected macro-level growth rates in the short-term;
- The impacts of the district's demographic structure and projected growth in labour supply on the local economy;
- The differentials between commercial development trends in the district (considering net floorspace trends) as against wider regional and national trends, particularly in respect of industrial floorspace (which grew in the District but declined across wider areas);
- Major supply proposals for development in surrounding areas, particularly office/ business park schemes around Warwick and Leamington Spa and the Enterprise Zone proposals at Coventry.

8.63 Whilst it is necessary for the District Council to positively plan for the release of employment land, it is important that land supply forecasting does not constrain economic growth and thus some caution should be exercised.

8.64 On this basis we consider that **it would be appropriate to plan for provision of 25-30 hectares (net) of employment land provision over the plan period to 2028**.

9 EMPLOYMENT LAND SUPPLY

9.1 In this section we consider the supply of employment land in Stratford-on-Avon District. The assessment is based upon a survey of key employment sites undertaken by GLH staff in June 2011, and draws on data on employment floorspace from the Valuation Office Agency (VOA).

9.2 The assessment considers all of the employment areas identified within the Council's 2006 Local Plan Review. It also considers a number of potential locations which might be considered for future allocation for employment land provision.

SITE ASSESSMENT CRITERIA

9.3 Site surveys were undertaken by senior staff from GL Hearn in June 2011 using a site assessment pro forma (Appendix C). The site assessments addressed:

- The nature and intensity of use of the employment site;
- Road access, including access by HGVs and servicing of existing businesses;
- Access to local services/ amenities for employees;
- Physical constraints to the development and use of this site;
- Nature of any bad neighbour or adjacency issues;
- The age and quality of existing buildings;
- Public transport accessibility and adequacy of parking provision.

9.4 A general description of each employment site was prepared. The site survey included specific consideration of the quality of sites and floorspace and their future suitability to meet market demand.

9.5 Vacant land and floorspace on existing sites was recorded. Where development opportunities were identified, information was collected regarding the existing nature of use of the site and its suitability for development/redevelopment, its potential availability, market attractiveness, and any known constraints (including infrastructure) which might impact upon the deliverability of development.

9.6 The assessment comes with the caveat that neither a detailed investigation of landownership and lease structures nor detailed development appraisals to assess viability at a site-specific level (in the absence of a development scheme) have been undertaken to inform conclusions on developability. GL Hearn advises that the District Council liaises with landowners and developers to consider these issues in detail to inform any site allocations.

Overview of Site Assessments

9.7 We set out below a number of summary tables which assess the quality of employment sites in Stratford-on-Avon District.

Figure 9.1: Quality of Stock and Environment

	Quality of Stock			Quality of Environment		
	> 60% Good	Average	> 60% Poor	Good	Reasonable	Poor/ Very Poor
A. Stratford-on-Avon						
Masons Road			x		x	
Timothy's Bridge Road		x		x		
Shottery Brook Business Park	x			x		
Avenue Farm, Birmingham Road		x			x	
Stratford Business & Technology Park	x			x		
Western Road Industrial Estate			x			x
B. Market Towns - North						
West of Kineton Road/ Holywell, Southam	x			x		
East of Kineton Road, Southam	x			x		
Brookhampton Lane/Plantagenet Industrial Estate, Kineton		x		x		
M40 Distribution Park, Wellesbourne		x			x	
Dene Park Industrial Estate, Wellesbourne	x			x		
Arden Road/Arden Forest, Alcester	x			x		
Birmingham Road, Studley		x			x	
Brickyard Lane, Studley	x			x		
Bromsgrove Road/Green Lane, Studley		x			x	
C. Rural Sites - North						
Goldicote Business Park	x			x		
Ryon Hill Business Park	x			x		
Gaydon Proving Ground	x			x		
Long Itchington Industrial Estate		x			x	
Long Itchington Cement Works		x				x
Blue Lias Industrial Estate		x		x		
Former Harbury Cement Works			x			x
Troy Industrial Estate/Chestnut Court, Sambourne		x		x		
D. Market Towns - South						
Waterloo Road/Bidavon, Bidford-on-Avon		x			x	

Tilemans Lane, Shipston-on-Stour		x			x	
E. Rural Sites - South						
Former Engineer Resources Depot, Long Marston			x		x	
Bird Industrial Estate, Long Marston			x			x
Alscot Estate		x		x		
Clifford Park Business Centre	x			x		
Bomford Turner, Salford Priors		x			x	
Brailes Industrial Estate		x			x	
Blackwell Business Park	x			x		

Figure 9.2: Accessibility of Sites

	Strategic Road Access			**Internal Road Access**		**Public Transport Provision**		
	Good	Average	Weak	Adequate	Inadequate	Good	Reasonable	Poor
A. Stratford-on-Avon								
Masons Road		x		x		x		
Timothy's Bridge Road	x			x		x		
Shottery Brook Business Park	x			x		x		
Avenue Farm, Birmingham Road	x			x		x		
Stratford Business & Technology Park	x			x				x
Western Road Industrial Estate		x		x		x		
B. Market Towns - North								
West of Kineton Road/ Holywell, Southam	x			x			x	
East of Kineton Road, Southam	x			x			x	
Brookhampton Lane/Plantagenet Industrial Estate, Kineton		x		x			x	
M40 Distribution Park, Wellesbourne	x			x				x

Dene Park Industrial Estate, Wellesbourne	x			x				x
Arden Road/Arden Forest, Alcester	x			x		x		
Birmingham Road, Studley		x		x			x	
Brickyard Lane, Studley	x			x			x	
Bromsgrove Road/Green Lane, Studley	x			x			x	
C. Rural Sites - North								
Goldicote Business Park	x			x				x
Ryon Hill Business Park	x			x				x
Gaydon Proving Ground	x			x				x
Long Itchington Industrial Estate		x		x			x	
Long Itchington Cement Works	x			x			x	
Blue Lias Industrial Estate	x			x				x
Former Harbury Cement Works		x		x				x
Troy Industrial Estate/Chestnut Court, Sambourne	x			x				x
D. Market Towns - South								
Waterloo Road/Bidavon, Bidford-on-Avon		x		x				x
Tilemans Lane, Shipston-on-Stour		x		x			x	
E. Rural Sites - South								
Former Engineer Resources Depot, Long Marston			x	x				x
Bird Industrial Estate, Long Marston			x	x				x
Alscot Estate			x		x			x
Clifford Park Business Centre			x	x				x

Bomford Turner, Salford Priors	x			x			x	
Brailes Industrial Estate			x		x			x
Blackwell Business Park			x	x				x

Figure 9.3: Servicing & Access to Amenities

	Adequate Servicing		**Access to Amenities**		
	Yes	No	Good	Average	Poor
A. Stratford-on-Avon					
Masons Road	x		x		
Timothy's Bridge Road	x		x		
Shottery Brook Business Park	x		x		
Avenue Farm, Birmingham Road	x		x		
Stratford Business & Technology Park	x				x
Western Road Industrial Estate	x		x		
B. Market Towns - North					
West of Kineton Road/ Holywell, Southam	x			x	
East of Kineton Road, Southam	x			x	
Brookhampton Lane/Plantagenet Industrial Estate, Kineton	x		x		
M40 Distribution Park, Wellesbourne	x			x	
Dene Park Industrial Estate, Wellesbourne	x			x	
Arden Road/Arden Forest, Alcester	x			x	
Birmingham Road, Studley	x		x		
Brickyard Lane, Studley	x			x	
Bromsgrove Road/Green Lane, Studley	x			x	
C. Rural Sites - North					
Goldicote Business Park	x				x
Ryon Hill Business Park	x				x

Gaydon Proving Ground	x				x
Long Itchington Industrial Estate	x		x		
Long Itchington Cement Works	x			x	
Blue Lias Industrial Estate	x				x
Former Harbury Cement Works		x			x
Troy Industrial Estate/Chestnut Court, Sambourne	x				x
D. Market Towns - South					
Waterloo Road/Bidavon, Bidford-on-Avon	x				x
Tilemans Lane, Shipston-on-Stour	x			x	
E. Rural Sites - South					
Former Engineer Resources Depot, Long Marston	x				x
Bird Industrial Estate, Long Marston	x				x
Alscot Estate		x			x
Clifford Park Business Centre	x				x
Bomford Turner, Salford Priors	x			x	
Brailes Industrial Estate	x				x
Blackwell Business Park		x		x	

NORTH OF THE DISTRICT

Stratford-upon-Avon

1. Mason's Road, Stratford-upon-Avon

9.8 Mason's Road is a medium-sized industrial estate of varying quality. It includes an above average proportion of older units dating primarily from the 1970s and has an above average vacancy rate. Key occupiers include ADG Equipment Limited (who supply cranes), Porter Precision Products, Pashey Cycles, Graham Plumbers Merchants and Listers car dealership. Environmental quality is reasonable.

9.9 The focus of the estate is on light industrial uses as it fronts onto residential properties. The adjacency of residential properties constrains activities on the site.

9.10 There are a number of vacant sites, including the former Edward Fox Printers site (1658 sq.m floor area) and a hybrid unit with yard to rear adjacent to Press Avon (870 sq.m). In addition there is some vacant office floorspace within the 1970s built Arden House, office, workshop and warehouse floorspace at the Precision Business Centre and the industrial unit to the rear (2950 sq.m), the former Mckechnie Building.

9.11 In general the quality of stock in this employment area is sub-standard, and the use of sites is restricted by the adjacency of residential development. **We consider that there is potential for mixed use redevelopment of sites in this employment area over the plan period to 2028.**

2. Timothy's Bridge Road, Stratford-upon-Avon

9.12 Timothy's Bridge Road provides a mix of office, industrial and warehouse accommodation of varying ages. It accommodates some of the town's larger employers.

9.13 Within the site, new office space has been developed at Cygnet Court by Gladman, providing small and medium-sized premises, of which nearly three quarters had been let or sold at the time of the survey. Occupiers include BCW Group, Chase Meadow and Bigred Recruitment. Other recent development includes the Courtyard, a development of 17 units of self-contained office space. Four units are currently vacant providing 911 sq.m of floorspace in units of between 200 – 300 sq.m.

9.14 Larger plots within this site contain a 1970s office block, occupied by Morgan Sindall, as well as manufacturing and distribution premises for DCS Europe. There are a number of older industrial units as well as light industrial space, including good quality units at the Bridge Business Centre.

9.15 There are a number of vacant plots, including the frontage plot to the Bridge Business Centre, and small plots adjacent to the Cygnet Court and Shottery Brook development schemes.

9.16 Overall the site is of a good quality and well located in respect of the A46 and Town Centre. It benefits from a regular bus service. A high proportion of the office floorspace is modern. There are a number of smaller plots available for development which are suitable for B1 uses. **The use of land in this area should be protected for employment development.**

3. Shottery Brook Business Park, Stratford- upon-Avon

9.17 This site has been developed in the last few years and comprises modern B1 office accommodation in units of generally less than 350 sq.m. The site benefits from high quality landscaping and build quality, and is generally well occupied. It is close to the A46. There were two vacant units of 200 – 300 sq.m each at the time of the survey. **The site provides good quality office space, and planning policy should continue to support B1a use**.

4. Avenue Farm, Birmingham Road, Stratford- upon-Avon

9.18 This is a medium sized industrial park located close to Stratford-upon-Avon Town Centre. Other than a large car dealership at the entrance to the park, there are a range of B2 and B8 uses on the site including a large Stagecoach Depot. There are a range of small and medium sized units, the majority of which are in reasonable condition.

9.19 There are at least four vacant units within the estate, three of these being on the main access road (Avenue Farm) and the fourth being in one of the smaller units on the self-contained Avenue Field section of the estate.

9.20 Adjacent to the site (southeast of the site) is a large vacant plot, accessed from Hamlet Way. This site is being prepared for a mixed use development of retail, B1 and residential uses. **This should remain in employment use.**

5. Stratford Business & Technology Park, Stratford-upon-Avon

9.21 This is a high quality medium sized business park situated south east of Stratford-upon-Avon. The park comprises five buildings. The existing uses are primarily B1 and occupancy levels appear to be high. Key occupiers are Listers Group, Valpac and St Jude Medical.

9.22 Employees appear to be reliant upon car based travel and there is ample car parking within overspill parking on the remaining development plot.

9.23 There is a vacant 1.9 ha plot of land to the front of the site which would be appropriate for further expansion to accommodate complimentary B1 uses**. It is recommended that this remains a committed employment site.**

6. Western Road Industrial Estate, Stratford-upon-Avon

9.24 This industrial estate comprises primarily car dealerships and repair (sui generis uses). Environmental quality is below average and the quality of the building stock varies. There were a number of vacant light industrial units at the time of the survey, vacant office space on the frontage to the site as well as a workshop and storage unit. Overall, the quality of the estate is below average and it is in need of investment.

9.25 **The potential for mixed-use redevelopment should be considered.** There is potential for delivery of office floorspace and other land uses on this site, which is close to Stratford-upon-Avon Town Centre.

Southam

7. West of Kineton Road/ Holywell Business Park, Southam

9.26 This is a large existing employment site with a mixture of B1, B2 and B8 uses. The site is split into two components, the larger northern component accessible from Northfield Road and the smaller southern component having a separate access from Kineton Road.

9.27 Businesses located within the park include VMC, JML Engineering, Alko, Nakamura-Tome and Chiran.

9.28 The business park has recently been expanded with a mix of uses introduced to the site, including a Tesco supermarket. Some of the new units to the northwest are yet to be let and there is a vacant plot which is marketed for business park development of 2.4 hectares. This has planning consent for B1, B2 and B8 uses. **This entire site should remain in employment use.**

8. East of Kineton Road, Southam

9.29 This is a large established employment area containing some major employers such as Scholastic, Royal Mail and Laser Hand Tools. There are a variety of unit sizes and the estate is generally well occupied and environmental quality is good.

9.30 The potential land to the south of the existing employment site and fronting onto Kineton Road has been considered for future employment development in the District Council's Consultation Draft Core Strategy (February 2010). **We consider that this should be considered for employment development in the medium-term** but most likely towards the back of the plan period 2008-28 given the vacancies and development plot on West of Kineton Road/Holywell Business Park.

Kineton

9. Brookhampton Lane/ Plantagenet Industrial Estate, Kineton

9.31 This is a medium-sized site of 3.0 ha located on the edge of Kineton comprising a variety of small to medium sized units in B1 and B2 uses. Occupiers include Sicamore, McGurk and a variety of car repairers.

9.32 Vacancy levels are above average. Given limited provision of employment land in Kineton, **we would recommend that the site is retained in employment use.**

Wellesbourne

10. M40 Distribution Park, Wellesbourne

9.33 This is a medium-sized distribution park located on the edge of Wellesbourne, containing mainly warehouse units and open storage land. Key occupiers include NFU Mutual, Geberit, and 360 Creative. While environmental quality is reasonable, the stock of buildings is of varying quality and there is a reasonable level of vacant land and premises. Access to the strategic road network is reasonable, with the A429 connecting to the M40 at Junction 15. Public transport accessibility is weak.

9.34 This is a large site with significant development potential, and land should be retained for employment uses. **Given the excellent highway links and accumulation of employment uses we would however recommend that a greater mix of employment uses is permitted on the site (within B1, B2 and B8 class uses) to ensure that the site remains attractive and competitive to the widest possible market.**

11. Dene Park Industrial Estate, Stratford Road, Wellesbourne

9.35 This is a good quality modern industrial estate, comprising B8 uses, open storage and hybrid units (with office and industrial floorspace). It has been developed relatively recently and benefits from good internal access and strategic road access via the A429 to the M40. The quality of environment is generally good, although public transport accessibility is limited. There is no evident further development potential within the site boundary. The site should be retained for employment uses.

9.36 Within Wellesbourne there are outstanding Local Plan allocations at Loxley Road (2.8 ha) and at Wellesbourne Airfield (2.7ha). **We consider that the scale of land allocation for future employment needs is sufficient and given the vacancies at nearby M40 Distribution Park, these additional employment land allocations should be rationalised down.**

Alcester

12. Arden Road/ Arden Forest, Alcester

9.37 This is one of the larger employment sites in the District, totalling 26 hectares in size. There are a variety of B1, B2 and B8 uses in generally medium to larger sized premises.. There is limited vacancy, and no identifiable development sites. Existing occupiers include Propak, Jigsaw, SwiftPack.

9.38 This is a successful site, and **we would recommend the Council allocates a further 5.0 hectares of land north of the site for employment development, as an extension to the existing site, and takes a longer-term view regarding the possibility of further**

employment development of the remaining 6.9 hectares of land to the north of the existing estate.

Studley

13. Birmingham Road, Studley

9.39 This medium-sized site of site of 6.9 hectares is of varying quality. It includes a vacant plot of 0.3ha. There is also 9,000 sq.m of vacant space, primarily comprising office floorspace within Studley Point. Having consulted them during this process, there was some uncertainty about Ricor, the largest occupier, wishing to remain at this location although this decision has not been confirmed.

9.40 Given the level of vacancy on the existing site and nature of the local market, **we do not consider it appropriate to allocate further greenfield land at Studley for employment development (east of Redditch Road).**

14. Brickyard Lane, Studley

9.41 This site is generally well occupied and of a reasonable quality. It is situated in the midst of a residential area. It is generally separated into three distinct parcels, the first a large depot operated by Sibcas; the second part comprises two buildings operating as a printworks; and the third is occupied by Hopkins & Holloway. **We would recommend that the site is retained in employment use, however, it is understood that the largest occupier, Sibcas, may be considering relocating from this site and alternative uses may need to be considered in this eventuality.**

15. Bromsgrove Road/ Green Lane, Studley

9.42 This is a large industrial park located in Studley. The effectively operates as two distinct employment areas, the western part having private access onto Bromsgrove Road (A448) and being given over to Alleyls a haulage and distribution operator. The eastern component of the site is a mixture of B1, B2, B8 uses. **The site provides an important local employment need and should be retained as an employment allocation.**

Rural Sites

16. Goldicote Business Park, Banbury Road (near Stratford-upon-Avon)

9.43 This is a medium-sized local industrial estate for a rural area, which contains a mix of industrial and warehouse floorspace of varying ages. It is generally of reasonable quality and well occupied. It is located on the A422 and access is adequate, although the site offers limited access to services. We recommend that it should be retained as an employment site.

17. Ryon Hill Business Park, Warwick Road (near Stratford-upon-Avon)

9.44 Ryon Hill is the headquarters of NFU Mutual and is a private single user business park affording high quality office accommodation within a private landscaped environment. It is however remote from local facilities. The site has good highways access on to the A46 and the M40. A private bus service also operates from the site.

9.45 **This should remain in employment use.**

18. Gaydon Site

9.46 This site is of strategic national significance. There is potential for higher value R&D uses in a wider spectrum of sectors than permitted by the current saved Local Plan policy. The District Council should consider reviewing its policy to allow wider research and development activities within use class B1b. **The District Council should consider supporting further employment development beyond the existing developable boundary, guided by a comprehensive masterplanning process led by the landowner in consultation with the District Council which addresses the quantum of development and associated access and infrastructure improvements.**

19. Long Itchington Industrial Estate, Long Itchington

9.47 This site is a small industrial estate. Current occupiers include a barge making and engineering company and car repair activities. It is generally well used. **It should be retained in employment use.**

20. Blue Lias Industrial Estate, Rugby Road, Stockton (near Long Itchington)

9.48 This site comprises a marina/ boatyard and associate workshop and light industrial space. It is well-occupied. The site has direct access onto the Grand Union Canal and primarily operates as a barge hire and maintenance centre. **The site should be retained for employment and related uses.**

21. Former Harbury Cement Works, Bishop Itchington

9.49 This site, 4.9 hectares in size, is a vacant former cement works. It was not possible to gain access to the site. **It is adjacent to the Chiltern main rail line, and as such could offer**

potential for multi-modal employment development accessed by rail and road. Clearly this is subject to the viability of site preparation and remediation and infrastructure provision.

22. Troy Industrial Estate/ Chestnut Court, Jill Lane, Sambourne

9.50 The character of this estate is mixed, including high quality recent development/conversion for office and small business space at Chestnut Court; while Troy Industrial Estate at the time of the site survey was completely vacant.

9.51 Troy Industrial Estate, comprising 0.9 ha of land, should be considered as a development site. Given the location and supply of good quality business space at Chestnut Court, **we consider that the Troy Industrial Estate has the potential to be considered for alternative uses.**

SOUTH OF THE DISTRICT

Bidford-on-Avon

23. Waterloo Road/Bidavon, Bidford-on-Avon

9.52 This is a large employment estate of varying quality. It is surrounded by farmland on the edge of Bidford-on-Avon. The estate effectively functions in two parts. Bidavon Industrial Estate is the smaller of the two, it has smaller, more modern units but does not have particularly good internal circulation. The larger Waterloo Road Estate is ageing but still serviceable and has a mixture of unit types and sizes.

9.53 **There is a 1.0 hectare site occupied by a large derelict warehouse which should be allocated for employment development. High quality employment development should be encouraged given the site's gateway location.**

9.54 **We would recommend that the vacant plot within the existing employment site is brought forward in advance of any extension of the site to the east (Smith Farm). The extension of the site could be considered in the longer-term.**

Shipston-on-Stour

24. Shipston Industrial Estate, Tilemans Lane, Shipston-on-Stour

9.55 This is a medium-sized local industrial estate containing manufacturing and distribution units and open storage. Some trade counter occupiers are present. It is generally well-occupied but the intensity of use is lower than at other sites surveyed. Occupiers include McNicholas, Process Link, Europipes and Fossway Hire. The site lacks good access to the strategic road network. However it is located close to Shipston Town Centre and environmental quality is reasonable.

9.56 There is vacant land at the rear of the site which has yet to be developed, totalling 2.9 hectares. 0.5ha has been granted planning consent for a non B-class use. **We recommend that the site should be retained for employment-generating uses and the remaining land allocated for employment development (1.9 ha).**

Rural Sites

25. Former Engineer Resources Depot, Long Marston

9.57 This site is a very large former MOD site in a rural location to the south of Stratford-upon-Avon. Since rail privatisation in the mid 1990s the site has been used as a storage area by the rolling stock companies for out-of-lease rail stock. The site is secure and secluded. It is now owned by St Modwen Properties, who are demolishing a number of former buildings but also letting a number of warehouse units. Permanent permission was granted for employment use of these units totalling 80,380 sq.m in 2010 and a number of units are now being marketed. The age and quality of buildings is sub-standard. Moreover the site is at some distance from the motorway network, with road access via the B4632. Given its location and scale, this site is a special case. **We recommend that the District Council liaises with the landowners and consideration be given to the viability of employment use on this site. If the landowner demonstrates that purely employment use on this site is not viable then a masterplanning approach will be required to demonstrate what mix of uses could be introduced to the site.**

26. Bird Industrial Park, Long Marston

9.58 This is a small local industrial estate containing a mix of B1, B2 and hybrid units, constructed mainly during the 1990s. Occupiers include Prior Products and McMahan. It is accessed from the B4632. The quality of environment is good and buildings is good, but access to services and public transport accessibility are relatively poor. Thee is limited evident development potential, although part of the site is used as lorry parking. **The site should be retained as an employment site.**

27. Alscot Estate, Shipston Road

9.59 The estate comprises a number of small, discrete employment sites of varying quality surrounded by farmland. In total these comprise 12.2 ha of land. It contains a mix of small-scale office, industrial and warehouse uses. The quality of buildings varies between sites. Accessibility is relatively weak, with access for HGVs limited to some sites, and topography varies. Public transport accessibility is poor.

9.60 **The District Council should support redevelopment or conversion of buildings for continuing employment generating uses. The Council may consider alternative uses for older buildings and this could include residential, hotel or restaurant.**

28. Clifford Park Business Centre, Campden Road

9.61 This is a good quality rural site, with evidence of current development. There are a number of converted former farm/agricultural buildings now in B1/B2 use with additional buildings being constructed at present. The quality of access is poor. **Planning policy should seek to maintain employment uses on the site.**

29. Bomford Turners, Salford Priors (near Bidford-on-Avon)

9.62 This is a single user site at an accessible location. There are a variety of buildings across the site including B1, B2 and B8 uses associated with the occupiers' production of agricultural and municipal machinery. **The continued employment use of this site should be supported.**

30. Brailes Industrial Estate (near Shipston-on-Stour)

9.63 This is a local industrial estate on the edge of Brailes. Key occupiers include Cotswold Marquees and W Clarke (drainage). It hosts buildings of a mix of ages, but is generally a reasonable quality site catering mainly for B1c and B2 occupiers. Some land is used for open storage. Levels of activity at the time of the survey were limited relative to other sites. Access to the strategic road network, particularly for HGVs, is more limited and the site is moderately sloped. Public transport access is poor. One unit was vacant at the time of the survey, but with no evidence of active marketing.

9.64 **While the quality of the site is lower than a number of other employment sites surveyed, it supports employment in a rural location and is reasonably well occupied and should therefore remain in employment use.**

31. Blackwell Business Park (near Shipston-on-Stour)

9.65 This is a small local business park, comprising small B1c and hybrid units constructed in the 1990s It is generally a good quality site, with high environmental quality and is well occupied, despite is relative inaccessibility. Access is unsuitable for HGVs and there are residential uses adjacent. Public transport accessibility is poor. Two units were vacant at the time of the survey. There is some potential for further development within the site boundary on a vacant plot of 0.2ha**. Planning policy should seek to maintain employment uses on the site.**

10 BRINGING TOGETHER THE SUPPLY & DEMAND ASSESSMENTS

10.1 In this section we consider the balance between supply and demand for employment land and premises in qualitative terms. A qualitative assessment of future employment land requirements is included within Section 11.

SUPPLY OF EMPLOYMENT FLOORSPACE

10.2 We have drawn together an assessment of the capacity of existing employment sites, in terms of both vacant employment floorspace and vacant land with development potential, with details of schemes in the development pipeline to estimate the supply of employment land and floorspace.

10.3 This analysis draws on advertised property on commercial property databases CoStar Focus and Estates Gazette Interactive (EGi) as well as the site survey undertaken in June and July 2011.

Vacant Floorspace

10.4 Figure 10.1 below indicates vacant office floorspace as at July 2011. We estimate vacant floorspace within the District at 22486 sq.m net internal area (NIA). Adding 20% to convert the net internal area (NIA) to a gross external area (GEA) in accordance with the HCA guidance, this equates to **26,983 sq.m of vacant office floorspace**.

Figure 10.1: Vacant Office Floorspace, July 2011

Building, Site	Street Name	Town	Postcode	Sq M Available
Units Longbarn Village	Alcester Heath	Alcester	B49 5JJ	66
The Glass House Longbarn Village	Alcester Heath	Alcester	B49 5JJ	79
Offices	Arden Road	Alcester	B49 6HN	32
Offices	Arden Road	Alcester	B49 6HN	35
Unit 4 Arrow Court	Arden Road	Alcester	B49 6PU	219
5a	High Street	Alcester	B49 5AE	74
5c	High Street	Alcester	B49 5AE	95
3b-3c	High Street	Alcester	B49 5AE	141
31a	High Street	Alcester	B49 5AF	27
37a	High Street	Alcester	B49 5AB	131
The Sheep Dip, Longbarn Village		Alcester	B49 5JJ	29
Longbarn Village		Alcester	B49 5JJ	79
Longbarn Village		Alcester	B49 5JJ	66
Plestowes Barn	Hareway Lane	Barford	CV35 8DD	259

Unit 2, Block A,The Barford Exchange	Wellesbourne Road	Barford	CV35 8AQ	107
Former Airfield Site	Snitterfield Road	Bearley	CV37 0TY	845
Bank Square	High Street	Bidford On Avon	B50 4NL	324
The Old Barn, Churchlands Business Park	Ufton Road	Harbury	CV33 9GX	123
Russell House	Doctors Lane	Henley In Arden	B95 5AW	187
Welch House	High Street	Henley In Arden	B95 5BY	24
Unit 7 Ardent Court	High Street	Henley In Arden	B95 5AD	114
47	High Street	Henley In Arden	B95 5AA	90
Rear Of Neville House	High Street	Henley In Arden	B95 5BX	63
Haven Pastures	Liveridge Hill	Henley In Arden	B95 5QS	67
Office Suite	Gaydon Road	Leamington Spa	CV47 2QZ	156
18	High Street	Napton On The Hill	CV47 8NB	84
Exchange	Mill Lane	Newbold On Stour	CV37 8DR	102
The Old Chapel	Stratford Road	Newbold On Stour	CV37 8TY	94
Warwick House, Warwick House Business Park	Banbury Road	Southam	CV47 2PT	306
Aldine House	Coventry Street	Southam	CV47 0EP	287
Vivian House	Market Hill	Southam	CV47 8JJ	57
6	Southfield Road	Southam	CV47 0FB	284
Holywell Business Park		Southam	CV47 0RE	141
Holywell Business Park		Southam	CV47 0RE	281
Holywell Business Park		Southam	CV47 0RE	338
2 Elm Court	Arden Street	Stratford Upon Avon	CV37 6PA	181
4 Elm Court	Arden Street	Stratford Upon Avon	CV37 6PA	180
Arden Court	Arden Street	Stratford Upon Avon	CV37 6NT	481
11 Elm Court	Arden Street	Stratford Upon Avon	CV37 6PA	648
3 Elm Court	Arden Street	Stratford Upon Avon	CV37 6PA	181
Unit 8a Grove Business Park	Atherstone On Stour	Stratford Upon Avon	CV37 8DX	35
Unit 2b Grove Business Park	Atherstone On Stour	Stratford Upon Avon	CV37 8DX	45
Unit 1a Atherstone Hill Atherstone Hill Farm	Atherstone On Stour	Stratford Upon Avon	CV37 8NF	233
Ordnance Depot	Banbury Road	Stratford Upon Avon	CV37 7HX	129
King Lear House, Stratford Business & Technology Park	Banbury Road	Stratford Upon Avon	CV37 7GZ	465
Othello House, Stratford Business & Technology Park	Banbury Road	Stratford Upon Avon	CV37 7GY	929
Capulet House, Stratford Business & Technology Park	Banbury Road	Stratford Upon Avon	CV37 7GX	929
Upper Billesley Craft Centre	Billesley Road	Stratford Upon Avon	CV37 9RA	110
Conrad House	Birmingham Road	Stratford Upon Avon	CV37 0AA	463
Falstaff House	Birmingham Road	Stratford Upon	CV37 0AA	75

		Avon		
Porton House	Birmingham Road	Stratford Upon Avon	CV37 0AQ	93
Elta House	Birmingham Road	Stratford Upon Avon	CV37 0AQ	319
Progress House, Avenue Farm Industrial Estate	Birmingham Road	Stratford Upon Avon	CV37 0HR	95
Unit 727 Long Marston Business Park	Camden Road	Stratford Upon Avon	CV37 8QR	302
Elizabeth House	Church Street	Stratford Upon Avon	CV37 6EP	1,959
Clifford Mill	Clifford Lane	Stratford Upon Avon	CV37 8HW	142
Clifford Mill	Clifford Mill	Stratford Upon Avon	CV7 8HW	56
Russell House	Ely Street	Stratford Upon Avon	CV37 6LW	268
36	Greenhill Street	Stratford Upon Avon	CV37 6LE	92
25-26	Greenhill Street	Stratford Upon Avon	CV37 6LE	44
Swan House	Guild Street	Stratford Upon Avon	CV37 6RE	109
16	Guild Street	Stratford Upon Avon	CV37 6UD	133
13	John Street	Stratford Upon Avon	CV37 6UB	43
1	John Street	Stratford Upon Avon	CV37 6AB	291
Arden House	Masons Road	Stratford Upon Avon	CV37 9YW	381
Unit A3, Precision Business Centre	Masons Road	Stratford Upon Avon	CV37 9NU	232
7	Rother Street	Stratford Upon Avon	CV37 6LU	484
Hatton Rock	Stratford Road	Stratford Upon Avon	CV37 0NQ	98
Office Development Site	Timothy's Bridge Road	Stratford Upon Avon	CV37 9NJ	851
Unit 62 Cygnet Court	Timothys Bridge Road	Stratford Upon Avon	CV37 9NQ	154
Unit 58 Cygnet Court	Timothys Bridge Road	Stratford Upon Avon	CV37 9NQ	154
Unit 54 Cygnet Court	Timothys Bridge Road	Stratford Upon Avon	CV37 9NQ	206
Unit 42 Cygnet Court	Timothys Bridge Road	Stratford Upon Avon	CV37 9NQ	86
Unit 64 Cygnet Court	Timothys Bridge Road	Stratford Upon Avon	CV37 9NQ	154
Unit 60 Cygnet Court	Timothys Bridge Road	Stratford Upon Avon	CV37 9NQ	171
Unit 66 Cygnet Court	Timothys Bridge Road	Stratford Upon Avon	CV37 9NQ	206
Unit 12 Courtyard	Timothys Bridge Road	Stratford Upon Avon	CV37 9NP	220
Unit 11 Courtyard	Timothys Bridge Road	Stratford Upon Avon	CV37 9NP	214
Courtyard	Timothys Bridge Road	Stratford Upon Avon	CV37 9NP	263
Unit 10 Courtyard	Timothys Bridge Road	Stratford Upon Avon	CV37 9NP	214

18 Shottery Brook Office Park	Timothys Bridge Road	Stratford Upon Avon	CV37 9NR	208
7-9	Union Street	Stratford Upon Avon	CV37 6QT	525
Unit 6	Windsor Court	Stratford Upon Avon	CV37 0SA	65
Central Chambers	Wood Street	Stratford Upon Avon	CV37 6JQ	805
1	Wood Street	Stratford Upon Avon	CV37 6JE	59
Hatton Rock Business Centre		Stratford Upon Avon	CV37 0NQ	82
Studley Point	Birmingham Road	Studley	B80 7AS	791
Belmont House	High Street	Studley	B80 7HJ	160
Wellesbourne House	Walton Road	Wellesbourne	CV35 9JB	1,267
TOTAL VACANT OFFICE FLOORSPACE (SQ.M)				**22486**
Source: Focus, EGi and Site Surveys				

10.5 We have undertaken a similar exercise with industrial/warehouse floorspace. We estimate vacant industrial floorspace at 114,545 sq.m GIA. Adding 5% to this we estimate that this equates to **total vacant industrial floorspace of 120, 273sq.m GEA**.

Figure 10.2: Vacant Industrial/Warehouse Floorspace, July 2011

Building Park	Street Name	Town	Postcode	Sq M Available
Unit 2 Springfield Business Park	Adams Way	Alcester	B49 6PU	339
Unit 1 Springfield Business Park	Adams Way	Alcester	B49 6PU	344
6c Springfield Business Park	Arden Road	Alcester	B49 6PU	429
6b Springfield Business Park	Arden Road	Alcester	B49 6PU	431
6a Springfield Business Park	Arden Road	Alcester	B49 6PU	429
Unit 17	Kinwarton Farm Road	Alcester	B49 6EH	446
Maudsley Park	Park Lane	Alcester	B49 6HX	31,586
5-6 Arden Forest Industrial Estate	Tything Road	Alcester	B49 6EU	1,786
Unit 25 & 25a Arden Forest Industrial Estate	Tything Road	Alcester	B49 6EX	1,969
Unit 11	Tything Road East	Alcester	B49 6ES	44
Unit 28 Arden Forest Industrial Estate	Tything Road West	Alcester	B49 6EP	389
2 Ettington Park Business Centre	Ettington Park	Alderminster	CV37 8BT	86
Whitehill Farm	Whitehill	Atherstone On Stour	CV37 8NF	711
Unit 4 Waterloo Industrial Estate	Beechtree Park	Bidford On Avon	B50 4JH	110
Units 20-24 & 32 Bidavon Industrial Estate	Waterloo Road	Bidford On Avon	B50 4JN	1,893
Unit 5 Waterloo Park	Wellington Road	Bidford On Avon	B50 4JH	310
Unit & Yard Haven Pastures	Liveridge Hill	Henley In Arden	B95 5QS	105
Unit 3 Brook Business Park	Brookhampton Lane	Kineton	CV35 0JA	475

Unit 10 Dene Valley Business Centre	Brookhampton Lane	Kineton	CV35 0JA	203
Unit 1 & 2 Dene Valley Business Centre	Brookhampton Lane	Kineton	CV35 0JD	361
Unit 2a/3 Dene Valley Business Centre	Brookhampton Lane	Kineton	CV35 0JD	355
Unit 4	Brookhampton Lane	Kineton		542
Unit 11	Brookhampton Lane	Kineton		303
Units 1 - 2 Chesterton Industrial Yard	Banbury Road	Lighthorne	CV35 0AJ	1,649
Building 33 Long Marston Business Park	Station Road	Long Marston	CV37 8RP	2,264
Building 23 Long Marston Business Park	Station Road	Long Marston	CV37 8RP	8,175
Boughton Unit Coventry Bridge Yard	Tomlow Road	Napton On The Hill	CV47 8HX	407
Ettington Park Business Centre	Ettington Park	Newbold On Stour	CV37 8BU	251
Unit 5 Brailes Industrial Estate		Brailes		394
8 Shipston Industrial Estate	Darlingscote Road	Shipston On Stour	CV36 4PR	87
	Darlingscote Road	Shipston On Stour	CV36 4PR	538
Unit 10-11 Warwick House Industrial Park	Banbury Road	Southam	CV47 2PT	223
Unit 8 Warwick House Industrial Park	Banbury Road	Southam	CV47 2PT	111
Unit 19 Holywell Business Park	Northfield Road	Southam	CV47 0RE	275
Unit 18 Holywell Business Park	Northfield Road	Southam	CV47 0RE	137
Unit 15 Holywell Business Park	Northfield Road	Southam	CV47 0RE	275
Unit 13 Holywell Business Park	Northfield Road	Southam	CV47 0RE	458
Unit 12 Holywell Business Park	Northfield Road	Southam	CV47 0RE	341
Unit 11 Holywell Business Park	Northfield Road	Southam	CV47 0RE	227
Kineton Industrial Estate	Northfield Road	Southam	CV47 2DG	2,021
Unit 5c Kineton Road Industrial Estate	Southfield Road	Southam	CV47 0FB	202
	Southfield Road	Southam	CV47 0FB	73
Holywell Business Park		Southam	CV47 0RE	289
The Workshop	Rugby Road	Stockton	CV47 8HS	37
Unit 2 Blue Lias Industrial Estate	Rugby Road	Stockton	CV47 8HN	322
Unit 1 Blackhill Industrial Estate	Warwick Road	Stratford Upon Avon	CV37 0PT	521
Unit 14 Swan Development	Birmingham Road	Stratford Upon Avon	CV37 0AZ	249
13 Swan Development	Birmingham Road	Stratford Upon Avon	CV37 0HS	249
2 Swan Development	Birmingham Road	Stratford Upon Avon	CV37 0HS	249
Unit 3 & 4 Avenue Field Industrial Estate	Birmingham Road	Stratford Upon Avon	CV37 0HT	204
Unit 2 Avenue Farm Industrial Estate	Birmingham Road	Stratford Upon Avon	CV37 0HA	490
Unit 6 Avenue Farm Industrial Estate	Birmingham Road	Stratford Upon Avon	CV37 0HR	355
Unit 5 Avenue Field Industrial Estate	Birmingham Road	Stratford Upon Avon	CV37 0HT	100
Avenue Field Industrial Estate	Birmingham Road	Stratford Upon Avon	CV37 0HT	457
Former Edward Fox & Sons Ltd	Masons Road	Stratford Upon Avon	CV37 9NB	1,658

Former Mckechnie Building	Masons Road	Stratford Upon Avon	CV37 9NF	2,949
	Masons Road	Stratford Upon Avon	CV37 9NF	870
Unit 3 Avenue Farm Industrial Estate	Off Birmingham Road	Stratford Upon Avon	CV37 0HR	165
Unit 41 Long Marston Business Park	Station Road	Stratford Upon Avon	CV37 8QR	6,974
Unit 21 Long Marston Business Park	Station Road	Stratford Upon Avon	CV37 8QR	3,885
Former Stomps Unit	Timothys Bridge Road	Stratford Upon Avon	CV37 9NQ	1,059
11 Western Road Industrial Estate	Western Road	Stratford Upon Avon	CV37 0AH	188
13 Western Road Industrial Estate	Western Road	Stratford Upon Avon	CV37 0AH	203
	Western Road	Stratford Upon Avon	CV37 0AH	1086
Unit 16 Goldicote Business Park		Stratford Upon Avon		482
Unit 20 Goldicote Business Park		Stratford Upon Avon		604
Unit 21 Goldicote Business Park		Stratford Upon Avon		351
Victoria Works	Birmingham Road	Studley	B80 7AP	126
Victoria Works	Birmingham Road	Studley	B80 7AP	259
Victoria Works	Birmingham Road	Studley	B80 7AP	128
	Bromsgrove Road	Studley		617
Grain Barn	Off A425	Ufton	CV33 9PF	434
Unit 5 M40 Distribution Park	Loxley Road	Wellesbourne	CV35 9JY	2,694
Unit 16-17 Wellesbourne Distribution Park	Loxley Road	Wellesbourne	CV35 9JY	1,603
Unit 6 M40 Distribution Park	Loxley Road	Wellesbourne	CV35 9JY	5,747
Unit 18 Wellesbourne Park	Loxley Road	Wellesbourne	CV35 9JY	858
Units 4a-d M40 Distribution Park	Loxley Road	Wellesbourne	CV35 9JY	66
Units 4a-d M40 Distribution Park	Loxley Road	Wellesbourne	CV35 9JY	33
Unit 9 Wellsbourne Distribution Park	Loxley Road	Wellesbourne	CV35 9JY	8647
Unit 7 Wellesbourne Distribution Park	Off A429	Wellesbourne	CV35 9JY	7,341
Unit 4 Blackwell Business Park		Armscote		104
Units 25-27 Blackwell Business Park		Armscote		138
TOTAL VACANT INDUSTRIAL FLOORSPACE (SQ.M)				**114,545**

Source: Focus, EGi and Site Surveys (NB. Excludes Campden Road Factory Complex, Shipston on Stour)

Vacant Plots on Existing Employment Sites

10.6 The site survey has identified a number of vacant plots on existing employment sites with development potential, excluding those identified in the vacant floorspace schedules and sites with planning consent. These are outlined in Figure 11.3 below. We have estimated the development potential of these plots based on standard employment densities.

Figure 10.3: Vacant Plots on Existing Employment Sites

Site	Site Area (Ha)	Floorspace Capacity (Sq.M)	Use Class
Blackwell Business Park, Blackwell	0.16	494	B1
Troy Industrial Estate, Sambourne	0.92	2773	B1, B2
M40 Distribution Park, Wellsbourne	3.25	13012	B8
Waterloo Road, Bidford-on-Avon	0.98	3903	B1, B2, B8
Stratford Business & Technology Park	1.9	5,700	B1
TOTAL	7.22	25,883	

Source: Site Surveys, July 2011

10.7 This analysis excludes employment land allocations and sites with planning consent for development or redevelopment.

10.8 These sites total 7.2 hectares in size. Using standard employment densities, **we calculate a floorspace capacity on these sites of 25,883 sq.m (GEA).**

Development Pipeline

10.9 The development pipeline for employment development in Stratford-on-Avon District in June 2011 totals 67,730 sq.m of employment floorspace and 27.5 hectares of land (net of losses). This comprises the schemes set out in Figure 10.4 below.

Figure 10.4: Employment Schemes with Planning Permission, June 2011

Site	Site Area (Ha)	Floorspace Capacity (Sq.M)	Use Class
Cattle Market, Stratford-upon-Avon	0.4	3,800	B1a/b
Banbury Road, Stratford-upon-Avon	2.8	7,400	B1a/b
Birmingham Road, Stratford-upon-Avon	0.7	3,700	B1a
Darlingscote Road, Shipston	2.6	6,480	B1/B2/B8
Arden Road, Alcester	0.5	1,890	B1
Kineton Road, Southam	2.4	12,850	B1/B2/B8
Birmingham Road, Studley	0.7	2,300	B1a
Gaydon Proving Ground (Jaguar Landrover)	14.9	23,550	B1

Glebe Farm, Sambourne	0.4	550	B1
College Farm, Bearley	0.5	1,200	B1
New Enclosure Farm, Combook	0.5	480	B1
Welsh Road East, Southam	2.1	6,530	B1/B2
Tilemans Lane, Shipston-in-Stour	-1	-3,000	B1/B2
TOTAL	**27.5**	**67,730**	
Source: Planning Department Monitoring Records			

10.10 We estimate that this development pipeline provides potential for 45,000 sq.m of B1a and B1b floorspace and for 22,900 sq.m of floorspace in B1c, B2 and B8 uses.

Outstanding Employment Allocation

10.11 There are also a number of outstanding employment allocations which do not have planning consent. This source of supply provides 8.5 hectares of land. Using plot ratios consistent with the density of development in the surrounding area, we have **estimated the capacity of these sites for 30,050 sq.m of employment floorspace** (GEA). However these existing allocations should not necessarily be rolled forward *per se* as part of future supply.

Figure 10.5: Capacity of Outstanding Employment Allocations

Site	Site Area (ha)	Plot Ratio	Floorspace Capacity (Sq.M)	Use Class
Arden Street, Stratford-upon-Avon	0.2	0.5	1000	B1a
Loxley Road, Wellesbourne	2.8	0.35	9800	B1, B2, B8
Wellesbourne Airfield	2.7	0.35	9450	B1, B2, B8
Tilemans Lane, Shipston-on-Stour	2.8	0.35	9800	B1, B2, B8
TOTAL	8.5		30050	
Source: GL Hearn				

Completions 2008 – 2010

10.12 Completions between 2008-10 (excluding Long Marston Depot which is included as existing occupied floorspace or within vacant floorspace) is estimated at 19,260 sq.m and 5.8ha of land.

Figure 10.6: Completions, 2008-2010			
Site	**Site Area (Ha)**	**Floorspace Capacity (Sq.M)**	**Use Class**
Darlingscote Road, Shipston-on-Stour	0.6	1,550	B1/B8
Ryon Hill, Stratford-upon-Avon	0.9	6,000	B1a
Chestnut Farm, Sambourne	0.9	1,700	B1a
Bearley Airfield	0.5	1,550	B8
Timothy's Bridge Road, Stratford-upon-Avon *Of which remains vacant*	0.7	1,960 -977	B1a
Harp Farm, Southam	0.6	1,540	B2/B8
Ford Farm, Southam	0.6	1,300	B1/B8
Blackhill, Snitterfield	1	3,660	B1/B2/B8
TOTAL	5.8	18,283	
Source: GL Hearn			

10.13 We estimate that net completions equate to delivery of around 10,000 sq.m of B1a and B1b floorspace, and to 8,300 sq.m of floorspace in use classes B1c, B2 and B8.

Assessment of Total Employment Floorspace Capacity

10.14 Drawing together information from the various sources of capacity identified, we can identify total floorspace capacity. This is shown in Figure 10.6. There is an estimated capacity for 289,250 sq.m of employment development taking account of existing vacant premises, vacant plots on existing sites together with allocated and consented development land and completions between 2008-10.

Figure 10.7: Total Land and Floorspace Capacity, July 2011		
Source of Supply	**Land Area (ha)**	**Floorspace Capacity (sqm)**
Vacant Office Premises		26,983
Vacant Industrial Premises		120,272
Completions 2008-10	5.8	18,283
Vacant Plots on Existing Sites	7.2	25,883
Development Pipeline	27.5	67,730
Oustanding Allocations	8.5	30,050
TOTAL	49	289,250
Source: GL Hearn		

10.15 There is an estimated land supply of 49 hectares.

QUANTITATIVE SUPPLY-DEMAND BALANCE

10.16 In this section we bring together the qualitative and quantitative assessments to consider future employment land requirements.

Office and R&D Activities (Use Classes B1a and B1b)

10.17 The forecasts developed indicate office floorspace requirements for between 50,000 – 82,000 sq.m (net) over the plan period to 2028 based on the economic scenarios, and 115,500 sq.m based on past rates of development (net completions).

10.18 An estimated 10,000 sq.m of new-build space has been completed and occupied since 2008. This reduces the requirement to between 40,000 – 105,500 sq.m.

10.19 There is an estimated 27,000 sq.m of vacant office floorspace in the District at the time of the survey. The quality of this varies and we have thus assumed that 70% of this can contribute to meeting future employment needs. Vacant floorspace could thus potentially contribute 18,900 sq.m.

10.20 There is thus a residual requirement for between 21,100 – 53,000 sq.m of office floorspace to be delivered through new development based on the economic scenarios and 86,200 sq.m based on past rates of development. Applying a plot ratio of 0.3, this results in **an employment land requirement for between 7-18 ha based on the economic scenarios and 29ha based on past development trends.** This assessment is of the residual employment land and floorspace from 2011-2028.

Industrial and Warehouse Activities (Use Classes B1c, B2 and B8)

10.21 The forecasts developed indicate a negative requirement for industrial/warehouse floorspace, in use classes B1c, B2 and B8 between 2008-28 of between -2,900 to -4,700 sq.m based on the economic scenarios, and of -11,800 sq.m based on past rates of development (net).

10.22 An estimated 8,300 sq.m of new-build space has been completed and occupied since 2008. This increases the over-provision to between 11,200 – 13,000 sq.m. There is also an estimated 120,300 sq.m of vacant industrial premises within the District. **Our assessment therefore indicates a potential surplus of between 130,000 – 140,000 sq.m of industrial floorspace over the plan period to 2028. This equates to a surplus of between 32.5 - 35 hectares**.

10.23 In the next section we consider the scope for future employment land allocations, and policies for the release of industrial land, drawing together the qualitative assessment of employment sites to make recommendations regarding the future portfolio of land and premises.

11 CONCLUSIONS & RECOMMENDATIONS

11.1 This section presents the conclusions and recommendations of the Employment Land Review.

ECONOMIC PROSPECTS

11.2 The Employment Land Study indicates that employment growth within Stratford-on-Avon District over the 20 year plan period, 2008-28, is unlikely to match the levels achieved over the previous decade. Between 1998-2008 employment in the District grew by 12% (5,800 jobs in absolute terms), and was stronger than regional and national trends. Over the 2008-28 period, the base forecast indicates that employment will increase by just 0.4% (250 jobs) although this arises largely as a result of the time period used. Employment is expected to increase from a 2011 base to 2028 by 6.6% (4090 jobs).

11.3 There are both upside and downside risks to the forecast. The downside risks relate particularly to continuing weak economic performance at the macro-level and to public sector austerity measures. The UK economy at the time of writing is effectively flat lining, and output has not yet recovered to pre-recession levels. We are not seeing the strong growth rates achieved as the economy has emerged from previous recessions. This is linked particularly to public spending constraints which are a key downside risk. The upside risks, particularly in the medium- and longer-term relate to the potential for stronger growth in a number of higher value-added sectors. The upside forecast results in employment growth of 4.0% (2,635 jobs) on a 2008 base. This uncertainty has influenced the decision to adopt a scenarios-based approach in this Study.

11.4 Over the longer-term, Stratford-on-Avon District is considered to be relatively well positioned. It lies within one of the most economically dynamic parts of the West Midlands located close to the M40 corridor that connects London and Birmingham. It benefits from a high quality of life and environment, a strong skills base and high levels of economic participation. It is entrepreneurial, with higher than average business births, relatively strong business survival rates and self-employment almost twice regional and national averages. Whilst recognising macro-level risks, the District's economic structure means we would expect it to be more economically resilient that many others.

11.5 The potential for growth in commercial floorspace needs however to be considered with reference to the wider sub-regional market. There is a larger and more established office market in Warwick and Leamington Spa which offers better accessibility by rail and road and draw on a larger labour force within the local catchment than Stratford-upon-Avon. Similarly the market for industrial and distribution space in the District is of a smaller and more localised scale than for instance Coventry and Daventry which are established national centres for these activities respectively.

11.6 Economic weaknesses or threats include housing supply/affordability, which if not addressed could result in longer distance commuting and could potentially constrain economic growth; as well as transport links (in terms of both highways and public transport).

SUPPORTING KEY BUSINESSES & SECTORS

11.7 Emerging national planning policies, as contained within the draft National Planning Policy Framework, are strongly supportive of sustainable economic growth setting out that planning must operate to encourage growth and not act as an impediment.

11.8 An appropriate strategy for economic development should look to create the conditions to allow businesses to prosper and grow. This will require a combination of measures addressing skills and labour supply; the commercial property offer; wider infrastructure; business support measures; ICT infrastructure and cluster and supply-chain development. Stratford-on-Avon District Council is well-placed to take forward key aspects of this through the development of its LDF Core Strategy, particularly in providing a framework for ensuring that the commercial property offer meets identified needs and demand. In working with wider partners through the LEP, it can work to support action on the other fronts.

11.9 The Local Enterprise Partnership has developed a five year strategy which sets out a strong framework for investment and economic development activity in the short-term, and one which is relevant to Stratford-on-Avon District. This focuses on supporting enterprise and business growth, targeted support for key sectors, and improving skills. In Stratford-on-Avon District levels of enterprise are strong, supported by the quality of life offer. Some of these are lifestyle businesses, and it will be important that support is targeted at businesses with growth ambitions and potential.

11.10 Stratford-on-Avon District Council should work proactively with partners, including through the LEP, to support and nurture businesses with growth ambitions and potential. As the LEP has set out, some of the strongest growth potential (at least in terms of higher value-added jobs) lies with the larger businesses.

11.11 At a sector level, key higher value-added sectors in which there is evident growth potential in the District include advanced engineering and high-value manufacturing; automotive and low carbon mobility; business and professional services; computing, software and electronics; creative and cultural industries; and low carbon technologies.

SUPPORTING ENTERPRISE & INNOVATION

11.12 Against a context of increasing international and domestic competition, innovation will be critical to maintaining and improving performance of both the manufacturing and service sectors. Research and innovation, business-to-business collaboration and knowledge sharing are critical to this.

11.13 The Council should work proactively to support these and ensure that planning is not an impediment to business growth and innovation.

11.14 It is likely that the District's geography and quality of life will support further growth of small and home-based businesses, including within rural areas. There is potential for both home and remote working to increase and for growth of home-based businesses over the plan period. It is important that the local authority works to provide support to the small business base in these areas. Many embryonic businesses will be run from home and may require little in the way of physical infrastructure or premises. However access to tailored support, business-to-business networking and key facilities will be important if these businesses are to thrive and grow. It will also be important that good quality telecommunications infrastructure is provided, particularly high-speed broadband.

11.15 Planning policy should support the conversion of residential and garage space within a dwelling to commercial use (where not permitted development) and should consider favourably the conversion of farm or other buildings in rural areas for employment-generating activities. Working through the LEP, the Council should lobby telecommunications providers to promote roll-out of high speed broadband infrastructure across the District, including in rural areas.

11.16 Providing appropriate employment space for small businesses will also be important. The district is evidently a very entrepreneurial area, and it will be important that this is nurtured and encouraged. Stakeholder consultation undertaken as part of this Study has highlighted a need to develop provision of managed workspace or incubation space for small businesses, particularly targeted at high growth rather than lifestyle businesses. It will be important to provide a suite of property options to meet the needs of small businesses, including incubation/ start-up space and move-on space. There are some existing facilities in the District targeted at this market (including Minerva Mill in Alcester and the Mansley Centre in Stratford-upon-Avon and Shipston Innovation Centre).

11.17 A new Innovation Centre has recently been delivered at Shipston-on-Stour. The success of this should be monitored to consider whether provision elsewhere in the District would be appropriate. We would see the potential to deliver a further scheme, potentially at Stratford-upon-Avon to serve the north of the District in the medium-term subject to comprehensive feasibility testing either by the District Council or by partner organisations.

EMPLOYMENT FLOORSPACE & LAND REQUIREMENTS

11.18 Within this report we have forecast future requirements for employment land and floorspace. Forecasts have been derived from a number of economic scenarios, as well as based on past take-up.

11.19 Figure 11.1 below outlines the floorspace forecasts derived for each scenario. Over the 2008-28 plan period, there is a net requirement for between 38,800 – 79,200 sq.m of employment floorspace based on the economic scenarios developed, and 103,700 sq.m based on an assessment of past completions.

Figure 11.1: Final Floorspace Forecasts, 2008-28

Revised Floorspace Requirements	B1a & B1b (sq m)	B1c & B2 (sq m)	B8 (sq m)	Total (sq m)
Base Scenario	50,279	-20,668	15,326	44,937
Austerity Scenario	49,240	-20,129	15,434	44,546
Convergence Scenario	82,045	-18,616	15,738	79,166
Labour Supply Scenario	42,850	-14,937	10,907	38,821
Past Completions Scenario	115,500	-53,580	41,780	103,700

Source: GL Hearn

11.20 The range of figures presented reflects differences in the forecast methodologies combined with uncertainty regarding economic performance and trends in the forthcoming economic cycle.

11.21 Using standard plot ratios, Figure 11.2 below calculates resultant employment land requirements.

Figure 11.2: Final Employment Land Forecasts, 2008-28

Land Requirements (Ha)	B1a & B1b (ha)	B1c & B2 (ha)	B8 (ha)	Total (ha)
Base Scenario	17	-5	4	16
Austerity Scenario	16	-5	4	15
Convergence Scenario	27	-5	4	26
Labour Supply Scenario	14	-4	3	13
Past Completions Scenario	39	-13	10	36

Source: GL Hearn

11.22 We consider that it is likely, given the economic context, that employment floorspace and land take-up will be more moderate than indicated by the past completions scenario; based on the expectations of future economic growth relative to performance in the pre-recession decade. Employment growth of 4% is expected in the Convergence Scenario over 20 years compared to the 12% employment growth achieved between 1998-2008. It is not unreasonable to assume that land take-up in the District over the plan period will be lower than has occurred over the past 10 years. However it is important that land supply does not constrain economic growth.

11.23 On this basis we consider that **it would be appropriate to plan for provision of 25-30 hectares (net) of employment land provision over the plan period to 2028**.

11.24 The forecasts developed indicate requirements for B1a and B1b floorspace (office and R&D) for between 50,000 – 82,000 sq.m (net) over the plan period to 2028 based on the economic scenarios, and 115,500 sq.m based on past completions. An estimated 10,000 sq.m of new-build space has been completed and occupied since 2008. It is assumed that vacant floorspace can contribute 18,900 sq.m to meeting forecast requirements. There is thus a residual requirement for between 21,100 – 53,000 sq.m for B1a and B1b floorspace based on the economic scenarios, and 86,200 sq.m based on past rates of development. This results in an employment land requirement for between 7 – 29 hectares of employment land particularly to provide for these types of businesses.

11.25 In regard to industrial and warehouse floorspace, in use classes B1c, B2 and B8, the forecasts indicate a moderate surplus of floorspace of between 2,900 to 4,700 sq.m based on the economic scenarios and 11,800 based on past rates of development. An estimated 8,300 sq.m of new-build space has been completed and occupied since 2008. This increases the over-provision to between 11,200 – 13,000 sq.m. There is also an estimated 120,300 sq.m of vacant industrial premises within the District. Our assessment therefore indicates a potential surplus of between 130,000 – 140,000 sq.m of industrial floorspace. This equates to a surplus of between 32.5 – 35 hectares over the period to 2028.

11.26 Sites with planning consent for employment development, outstanding employment land allocations and vacant plots on existing employment sites collectively provide a supply of 41 hectares of land. This includes 15ha of land at Gaydon Proving Ground.

11.27 **In overall land terms, there is a potential surplus of between 44.5 – 69 hectares of land across the District for the plan period to 2028. This is primarily for industrial activities. We consider that limited additional employment allocations are appropriate to support higher value economic growth in B1a and B1b sectors over the plan period.**

QUALITATIVE ASSESSMENT AND SITE-BASED CONCLUSIONS

11.28 The quantitative assessment relates to the overall supply of employment land and floorspace at a district-wide level. Through the site assessments, a detailed assessment of the quality of the existing main employment sites and premises in the District has been undertaken. This has been used to derive qualitative conclusions regarding the portfolio of employment sites in the District, and to make recommendations for limited future allocations of land to support economic development and the sustainability of settlements. A number of existing employment areas have also been identified as possibly being appropriate for redevelopment to other uses.

11.29 Our conclusions are structured around clusters of settlements in the North West, North East, East and South of the District, smaller rural sites, and Stratford-upon-Avon, aiming to deliver an appropriate supply of employment sites to meet the needs of all parts of the District. In drawing conclusions we have sought to consider issues related to settlement sustainability, and to consider how employment provision might link, where appropriate, to future housing provision.

North-West of the District - Alcester, Henley-in-Arden, Studley

11.30 **Alcester** is the largest settlement in the north-west of the District, and benefits from economic self-containment which is marginally above average for the settlement size and a high business density. It experiences net in-commuting. The Arden Forest Industrial Estate in Alcester is the largest employment site in the north-west of the District. It is a good quality site which is well occupied and is accessible from the A46, M40 and M5.

11.31 In light of the locational benefits and performance of this site, **we recommend a 5 hectare extension to the Arden Forest Industrial Estate for B1, B2 and a limited amount of B8 uses**. A larger allocation might be justifiable depending on the scale of housing development in the town.

11.32 Self-containment in **Studley** is relatively low according to the 2001 Census (relative to the settlement size) albeit that there are a number of employment sites within the area. It has a low business density and experiences net out-commuting. Studley contains three main employment sites, which were surveyed. Availability within Birmingham Road is high. The settlement is very close to Redditch and employment sites therein (such as Park Farm and Washford Industrial Estate). However unemployment is above average. While a case could be made for further employment allocations (an extension to Birmingham Road), the rationale for this would depend on housing provision proposals.

11.33 Instead selective release of employment sites in Studley may be reasonable, with potential for redevelopment of Troy Industrial Estate, Sambourne (0.9ha) for instance for nursing/residential care or residential development.

11.34 **Henley-in-Arden** has limited employment provision (in terms of identified sites) although there is office floorspace on the High Street. Overall there is a net in-commuting to the settlement and it has a very high business density. However it is a small settlement. If the settlement was to grow significantly additional employment provision might be considered, but this isn't one of the main towns. Development of small workspace within the town should be supported, but this is not likely to require an employment allocation.

North-East of the District – Southam, Long Itchington, Bishop Itchington

11.35 **Southam** has an average business density, and net out-commuting (likely reflecting its proximity to Warwick/Leamington). There is 2.4ha of land which has planning consent for employment. The rationale for a further large employment allocation is questionable, unless there is significant housing growth, taking into account the pipeline of employment development around Warwick/Leamington. However provision of small business floorspace on existing sites should be encouraged.

11.36 The possibility of multi-modal use of the Former Harbury Cement Works at Bishop's Itchington should be considered, including through liaison with the landowner. Major employment development at this site should be associated with use of the rail network for freight movement subject to market demand. The provision of land for rail freight interchanges is supported by the draft National Planning Policy Framework.

11.37 The cement works at **Long Itchington** is still mainly operational. Should the site become available, we would anticipate significant site preparation costs to bring forward a redevelopment scheme. In such circumstances, we would recommend that a flexible approach be adopted by the Council to bring forward a mixed-use redevelopment scheme.

Stratford-upon-Avon

11.38 Stratford-upon-Avon is the largest town in the District, offers a high quality of life and has a strong brand and image. It has a strong net inflow of commuters and a high business density, and the critical mass supports deliverability of new employment development. We would also expect significant housing growth in the town. The focus should be firmly on attracting higher value-added employment.

11.39 In the short-term, as a significant volume of new office floorspace has come forward there is a localised oversupply. But the plan is looking 20 years hence.

11.40 We would **recommend that an additional 5-10 ha of land is allocated at Stratford-on-Avon for B1 uses for development within the 2008-28 plan period**.

11.41 National planning policy supports focusing high trip-generating uses, including office development, within town centres. However, in the case of Stratford-upon-Avon, physical and heritage constraints mean that there is very little scope for providing large-scale office developments in the town centre itself. There is an existing employment allocation for land at Arden Street for B1a use which should be retained. A number of sites within and close to the Town Centre have planning consent for employment development, including land at the Cattle Market and Birmingham Road. Viability issues may inhibit delivery in the short-term however we consider that these sites would be brought forward in the medium-term given the high quality environment which the town offers. While these sites are close to the town centre and rail station, it will be important that adequate parking is provided to attract occupiers.

11.42 We consider that there is potential for selective release of existing poorer quality employment land in Stratford-upon-Avon. We would recommend that mixed-use redevelopment of poorer quality, older stock on Masons Road and within the Western Road Industrial Estate is considered. Further guidance is provided on criteria for the release of employment land later in this section. We would expect provision of some employment floorspace through redevelopment of these sites, particularly given the proximity of the Western Road Estate to the town centre.

11.43 We consider however that there is a need for allocation of additional employment land in the form of a business park for B1 uses at Stratford-upon-Avon. This should be at around 5 hectares in size. The best location for new employment development would be close to the A46 and the proposed Stratford Parkway Station. If a site with prominence from the A46 could be achieved or depending on the scale of housing provision, an allocation of over 5 ha might be justified. The phasing of development vis-à-vis town centre sites should be considered further through the Local Plan development process.

East of the District – Kineton, Wellesbourne, Gaydon

11.44 The **Kineton/Gaydon** area has a business density which is above average and net in-commuting linked in part to employment at the Gaydon Proving Ground. Kineton itself is relatively small and already has an established industrial estate which should be retained. No further provision is require within Kineton.

11.45 We consider the Gaydon Proving Ground site to be of strategic regional and national significance for high-tech research and development/ engineering activities. There is potential for higher value R&D uses in a wider spectrum of sectors than permitted by the current policy.

The Council should consider reviewing its policy to allow wider research and development activities within use class B1b.

11.46 The Council should also consider supporting further employment development beyond the existing policy envelope of the Gaydon site, guided by a comprehensive masterplanning process which addresses the quantum of development and associated access and infrastructure improvements. While recognising the commercial sensitivities associated with activities taking place on the site, there is potential for co-location of associated companies with an R&D focus which might benefit from synergies/ information exchange. We recommend that the Council, Jaguar Land Rover and Aston Martin work together in this regard.

11.47 There is reasonably significant net out-commuting from **Wellesbourne** to work (1100 per day in 2001) and the business density is lower than in other settlements. Dene Park is a good quality site. However there is a need to improve the intensity of use of the M40 Distribution Park, and policy should support a wider range of employment-generating uses. The potential for small-scale B1 development in Wellesbourne to support small businesses and help diversify the economic base should be considered, particularly if housing growth is proposed.

11.48 The current Local Plan contains 5.5 hectares of land at Loxley Road and Wellesbourne Airfield which has not been delivered. In light of demand and vacancy levels within the M40 Distribution Park, we consider that the scale of land allocation for future employment needs could be rationalised down.

South of the District

11.49 **Bidford on Avon** has a business density slightly above average, but in 2001 experienced net out-commuting. Self-containment is slightly below average for the settlement size. Waterloo Road is a large employment site with 1.0ha vacant with development potential. Employment provision should be protected. Additional provision of employment land is not required unless there is to be a large-scale housing development in the village.

11.50 **Shipston on Stour** already has a relatively high self-containment for a settlement of its size, although there is net out-commuting. Its remoteness from the motorway network and larger settlements affect its commercial attractiveness, albeit that quality of place is high. There is 1.9ha of land available for employment development at Tilemans Lane which would appear adequate to support the settlement.

11.51 The 5.3 ha site north of Campden Road in Shipston is being marketed for employment use; however we would attach a degree of risk to attracting an occupier and consider that mixed-use redevelopment is a more realistic scenario for the site. There is a risk that a significant employment component could attract investment away from Tilemans Lane.

11.52 Industrial development at **Long Marston** is a special case. There is a considerable level of employment floorspace at this relatively rural location and one which does not benefit from strong strategic accessibility by road. It is likely that an element of demand might be attracted by the rail access, however we would attach some risk to the level of demand for employment space which can be attracted.

Rural Sites

11.53 The rural sites in the district included within the site survey are generally well occupied and actively used, and play an important role in supporting the rural economy. As we have discussed, planning policy should support the sustainability of the rural economy in permitting the re-use and possible redevelopment of farm buildings for employment-generating activities.

11.54 As part of the site survey we visited a number of vibrant and successful local employment sites in rural areas, including Goldicote Business Park near Stratford-upon-Avon, Brailes Industrial Estate and Blackwell Business Park in the south of the District. While we do not recommend allocation of additional land, we consider that planning policy should support the continuing employment use of these sites and protect this, and that the Council should support intensification of use within existing site boundaries.

Strategic Employment Development

11.55 We foresee limited potential for ‘strategic’ employment development within the District, reflecting in part the modest size of the main settlements, strategic road and rail accessibility, as well as the substantial pipeline of employment development within Warwick District (particularly the Gallagher Business Park and Tournament Fields) and at Coventry (including potentially the Enterprise Zone proposals). We would consider that additional employment provision will largely be targeted at a ‘local’ market. This said, planning policy should recognise that the Gaydon Proving Ground does represent a strategic employment site of regional and national significance for specific purposes.

CRITERIA FOR RELEASE OF INDUSTRIAL LAND

11.56 We would recommend implementing a criteria-based policy for release of industrial sites. This might be through identification of the better quality employment sites that should be protected within the Local Plan, together with implementation of a set of criteria guiding the release of employment sites. The CSW Sub-Region Employment Land Study produced by DTZ provided a suitable set of 'tests' which we consider remain relevant. Drawing on this, we consider the following tests appropriate to assessing the potential for release of employment land:

A. Is the site allocated for employment land? The assumption is that allocated sites are protected.

B. Is there an adequate supply of allocated employment sites of sufficient quality in the locality (the relevant sector of the District) to cater for a range of business requirements?

C. Is the site capable of being serviced by a catchment population of sufficient size? What is the balance between population and employment in the relevant area settlement? What might be the impact of employment loss on commuting patterns? Would there be a detrimental impact on the local economy from loss of the employment land?

D. Is there evidence of active marketing? We would recommend a requirement for active marketing for 2 years. How does the size and quality of space provided match local demand, taking account of market conditions and expected future economic trends?

E. Could employment redevelopment be brought forward, taking account of site characteristics (including physical factors, accessibility and neighbouring uses) and would redevelopment be viable? If employment redevelopment is not viable, could mixed use redevelopment be brought forward?

F. If firms are likely to be displaced through redevelopment, is there a supply of alternative suitable accommodation in the locality to help support local businesses and jobs? Would this promote or hinder sustainable communities and travel patterns?

GUIDANCE ON MONITORING & REVIEW

11.57 This Employment Land Study has been produced against a context of macro-economic uncertainty regarding both the pace and nature of economic recovery. This has been addressed through the Study through a scenarios-based approach to demand forecasting. National planning policy recognises that there is an extent to which local planning policies can predict the future of their local economies. While there are both upside and downside risks to the base employment forecast, the approach adopted has erred on providing sufficient floorspace and land for employment use such that this does not unduly constrain economic recovery and future growth.

11.58 There is however an ongoing role for monitoring and review, considering the quality and quantity of available land and premises, trends in take-up and availability, and rental trends;

as well as economic indicators linked to economic growth, sectoral performance and skills. These should be considered alongside recording of completions and losses of employment land and floorspace. Decision-making on future employment provision and losses of sites should be informed by a 'plan, monitor and manage' approach.

APPENDIX A - Economic Geographies

This Appendix presents the adopted definitions of the settlements in Stratford-on-Avon district used for baseline socio-economic analysis. Definitions were agreed at inception with the project steering group.

Stratford-upon-Avon
Four wards – Stratford Mount Pleasant, Stratford Avenue and New Town, Stratford Guild and Hathaway, Stratford Alveston

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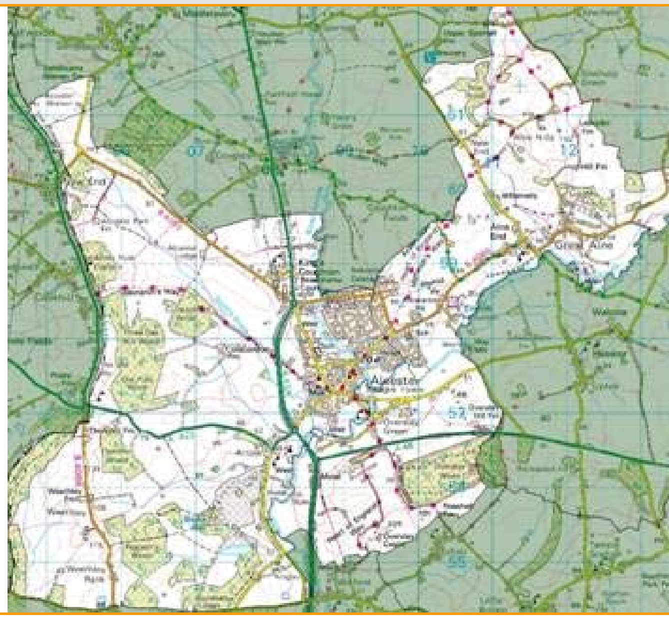
Alcester
One Ward: Alcester and Kinwarton



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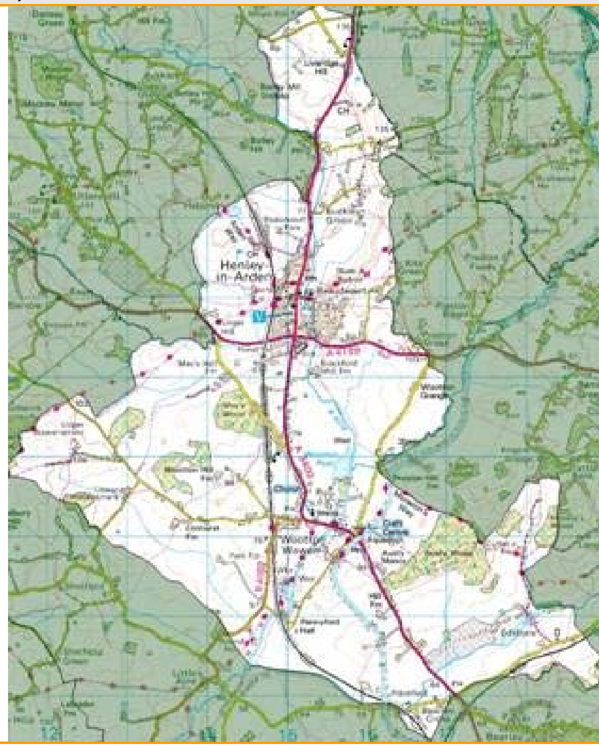
Bidford-on-Avon – 2 definitions used:
Top – Used where data available (three LSOAs – Stratford 12 B, C and D)
Bottom –used for Commuting Analysis (one Ward – Bidford and Salford)

Henley-in-Arden

One Ward: Henley in Arden



Kineton

One Ward: Kineton

Shipston-on-Stour

One Ward: Shipston-on-Stour

Southam

One Ward: Southam

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Studley
One Ward: Studley

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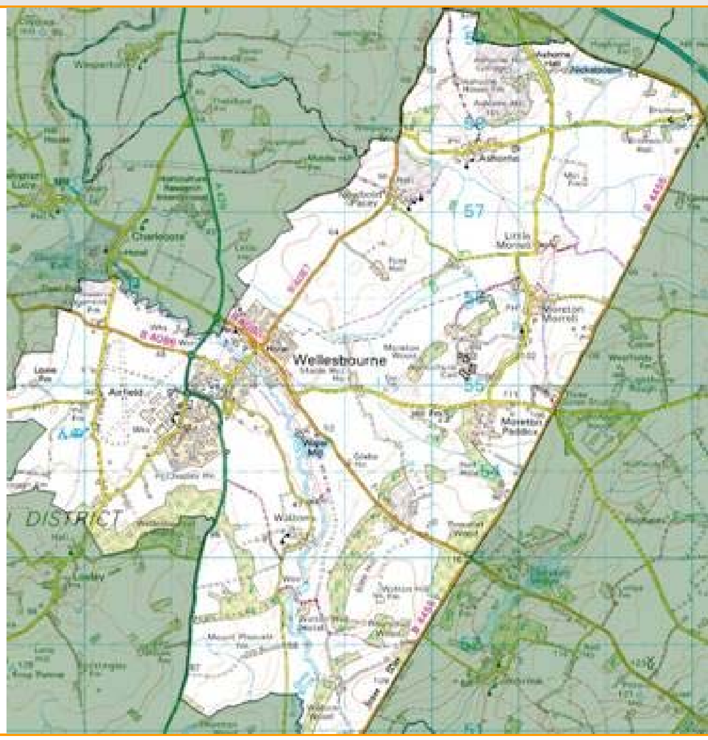
Wellesbourne
One Ward: Wellesbourne



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APPENDIX B - Economic Baseline

Introduction

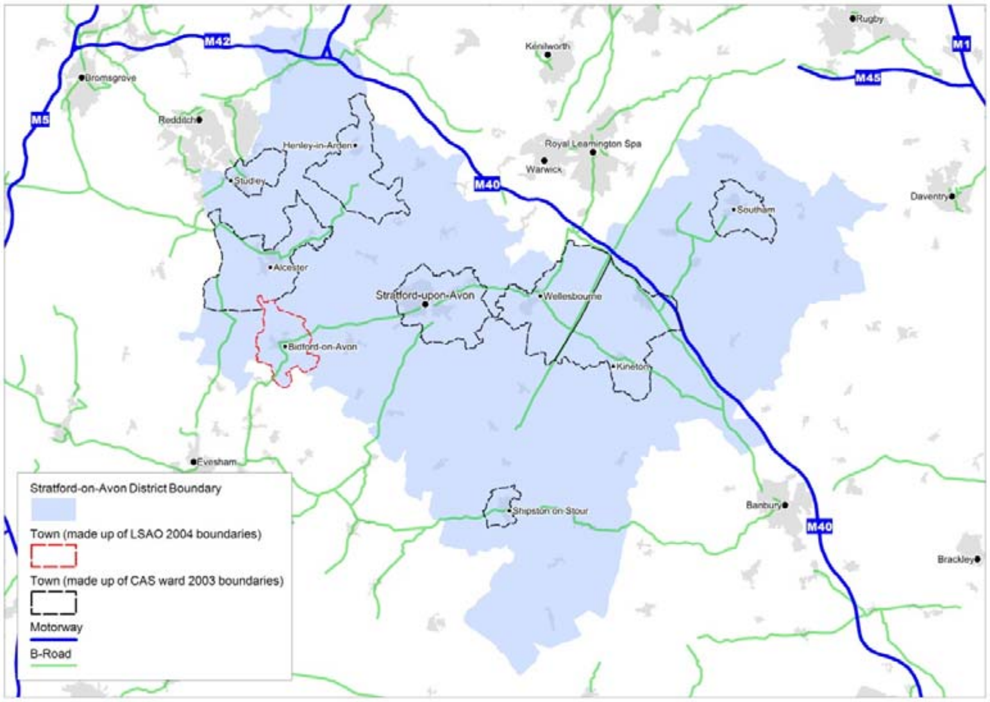
1.1 This section draws on a broad range of indicators to provide an analysis of the current socioeconomic characteristics, issues and opportunities for Stratford-on-Avon. A full review of official datasets has been carried out and this section summarises the key points from this review.

1.2 To ensure a thorough understanding of the Stratford-on-Avon socio-economic context, analysis throughout on a number of localities at a range of geographical scales. In addition to specific Stratford-on-Avon geographies, a range of comparator geographies are also used to benchmark and put into context local performance.

	Local Geographies	District Geographies	Wider Geographies
Stratford Geographies	• Alcester • Bidford on Avon • Henley in Arden • Kineton • Rural • Shipston on Stour • Southam • Stratford upon Avon • Studley • Wellesbourne Note: these geographies are based on wards and therefore do not compare directly to settlements. See Appendix A for areas covered.	• Stratford District	• None
Comparator Geographies	• None	• Warwick District, • Daventry District • Redditch Borough	• West Midlands • Great Britain

1.3 The geographic location of these areas is mapped below. Detailed geographic definitions of each area are included in Appendix A.

Stratford-on-Avon – Context Map



Local Economy

Headlines

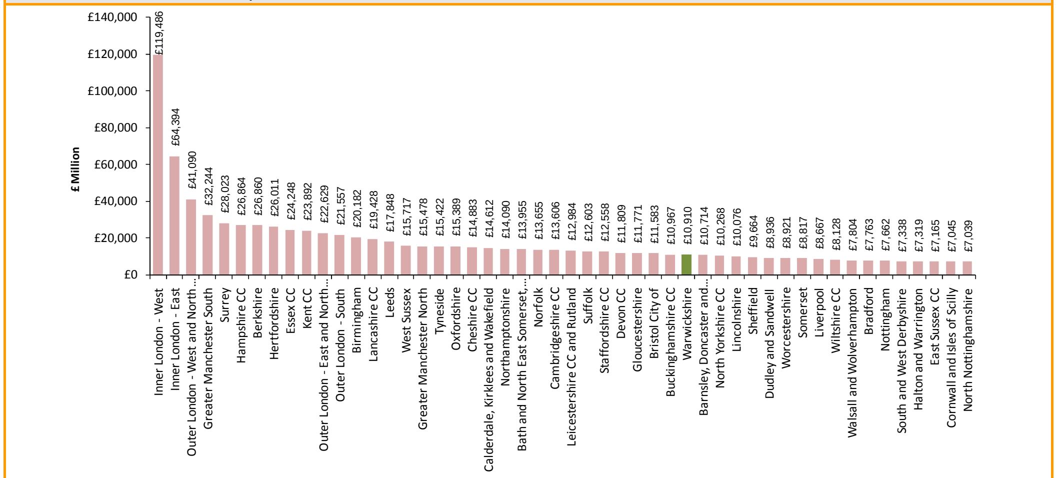
- Overall, Stratford-on-Avon (district) contributes around £2,410 million to the national economy. Levels of productivity are close to the national average
- Stratford-on-Avon contains around 53,900 jobs. There was strong employment growth between 2003 and 2008, but employment declines more recently (in line with performance seen elsewhere)
- Within the district, Stratford-upon-Avon town is the main employment centre, containing around 17,500 jobs. Rural parts of the district contain a further 14,700 jobs. Overall recent employment losses have been spread distributed relatively evenly across locations within the district.
- Stratford-on-Avon district has a strongly performing business base. The district contains around 8,100 businesses – at a very high density of around 120 per businesses per working age population. Again, business base growth between 2003 and 2008 has been replaced more recently by (small) declines in the number of businesses. Within the district, Stratford-upon-Avon town and rural areas contain a large share of all businesses. Business density is higher than average throughout the district – but particularly so in Henley, Alcester, rural areas and Stratford-upon-Avon town.
- Partly reflected by high levels of business density, levels of enterprise locally are very strong. Over the past decade, the area has seen high business start up rates, and stronger than average survival rates. The self employment rate is also high. Over the past year, however, the business death rate has risen above the business birth rate. This trend has also been seen in comparator areas and is likely to reflect the macro-economic context.
- Reflecting the strong enterprise culture, the area contains a higher proportion of small (less than 50 employees) businesses than is average elsewhere.
- Employment activity in Stratford-on-Avon (district) is spread across a relatively broad range of sectors. The top four employment sectors district wide are accommodation and food services; professional; scientific and technical; manufacturing; and, education. Around a quarter of

businesses in the district are classified as being knowledge based.

Average Levels of Productivity...

1.4 Warwickshire as a whole contributes around £10.9 billion to the UK economy (2008) – equating to average GVA per employee of around £43,103. This figure is above the regional average (£40,128) but below the national average (£47,244). The Warwickshire GVA contribution has risen by around 66% over the past decade – a similar figure to the national average but and higher than the average increase across the West Midlands.

GVA Contributions – Top 50 Nut 3 Area, 2008



Source: ONS, Regional Accounts

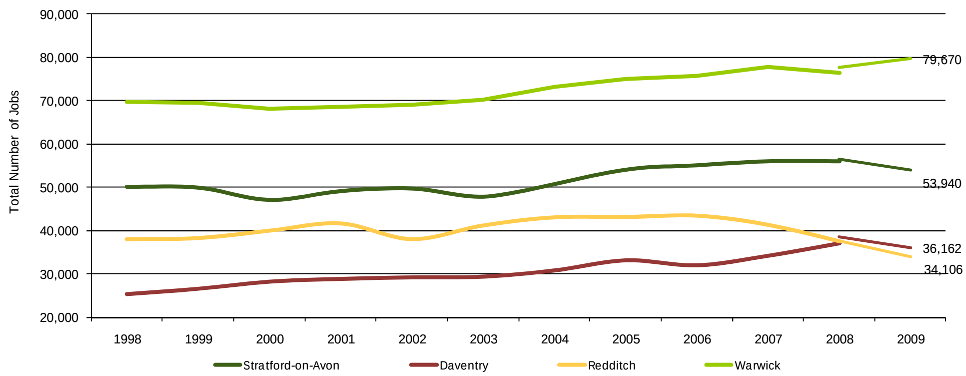
1.5 GVA figures are not available below county (NUTS3) levels. However, it is possible to roughly estimate more local GVA contributions based upon employment density. Estimates suggest that Stratford-on-Avon district contributes around £2.4 billion to the national economy.

Estimated Local Authority GVA Contribution, 2008			
	GVA 2008 (million)	**GVA per Employee**	**GVA change 1998-2008**
Stratford-on-Avon	£2,410	£43,103	68%
Warwick	£3,297	£43,103	66%
Warwickshire	£10,910	£43,103	66%
West Midlands	£93,755	£40,128	48%
England	£1,083,289	£47,244	65%
NOTE: GVA figures for Stratford-on-Avon and Warwick (districts) have been estimated according to employment density			
Source: ONS, Regional Accounts			

Strong Employment Growth Over the Decade but Recent Job Losses...

1.6 Stratford-on-Avon district as a whole contains around 53,900 jobs. Performance has been variable in recent years. Between 1998 and 2008 the district experienced strong employment growth of around 12% (5,800 jobs in absolute terms). Performance during this period was stronger than in neighbouring Warwick district, and also stronger than average regionally and nationally. However, between 2008 and 2009, there was a relatively sharp employment decline of 5% (a loss of around 2,600 jobs). This is a trend which was also seen across many of the benchmark geographies and is likely to partly reflect the global recession and associated economic downturn experienced throughout the UK.

Overview of Employment Performance, 1998-2009



NOTE: Due to changes in data collection, it is not possible to measure trends continuously from 2003 to 2009. Data from 2003 to 2008 is provided by the ABI, whilst the 2008-2009 period is covered by the BRES

Source: Business Register and Employment Survey and Annual Business Inquiry

1.7 Within the district the largest employment centre is Stratford-upon-Avon, which contains around 17,500 jobs (around a third of jobs in the district). Performance has been fairly static in recent years – with jobs gained between 2003-8 largely matched by jobs lost between 2008-9.

1.8 Of the other markets towns, Alcester and Kineton are the largest employment centres, both accounting for over 5,000 jobs. The latter of these areas experienced particularly strong growth between 2003-2008 (2,600 jobs; increase of 95%) due to the presence of Jaguar Land Rover and Aston Martin at Gaydon. Significantly, employment losses have been experienced across all the market towns between 2008 and 2009.

1.9 Those parts of Stratford-on-Avon district outside the market towns contain around 14,700 jobs, having experienced strong growth (2,000 jobs) between 2003 and 2008.

Overview of Employment Performance

		2009	Change 2003-8		Change 2008-9		General Trend
		Number	Absolute	%	Absolute	%	
Sub Areas within Stratford-on-Avon District	**Alcester**	5,100	1,300	32%	-200	-4%	↑
	Bidford on Avon	1,500	<50	-1%	-100	-6%	↓
	Henley in Arden	1,800	400	24%	-100	-7%	↑
	Kineton	5,100	2,600	95%	-400	-7%	↑
	Rural	14,700	2,200	17%	-500	-3%	↑
	Shipston on Stour	1,400	<50	-3%	-200	-11%	↓
	Southam	2,900	500	19%	-100	-4%	↑
	Stratford upon Avon	17,500	500	3%	-300	-2%	→

	Studley	1,600	300	15%	-400	-19%	↓
	Wellesbourne	2,600	600	25%	-300	-11%	↑
Districts	**Stratford on Avon**	53,900	8,100	17%	-2,600	-5%	↑
	Daventry	34,100	7,800	26%	-3,500	-9%	↑
	Redditch	36,200	-3,600	-9%	-2,400	-6%	↑
	Warwick	79,700	6,200	9%	2,100	3%	↑
Wider Geography	**West Midlands**	2,263,500	28,000	1%	-123,500	-5%	↓
	Great Britain	26,206,100	940,800	4%	-783,500	-3%	↑
NOTE: Due to changes in data collection, it is not possible to measure trends continuously from 2003-9. Data from 2003 to 2008 is provided by the ABI, whilst the 2008-2009 period is covered by the BRES							
Source: Business Register and Employment Survey and Annual Business Inquiry							

Strong Business Base Performance....

1.10 Stratford-on-Avon district has a strongly performing business base. In total, the district contains around 8,100 businesses, with a business density of 120 businesses per 1,000 (working age) population – significantly higher than that seen across all benchmark geographies.

1.11 Whilst business base performance was strong between 2003 and 2008, the 2008 to 2010 period has seen a decline of around 3% (around 200 businesses). This performance, however, reflects performance seen across other geographies during the same time period.

Business Base Performance, 2008-2010					
	Number 2010	Business Density (firms per 1,000 pop)	Change 2003-8	Change 2008-2010	
			General Trend	Number	%
Stratford-on-Avon	8,100	120	↑	-200	-3%
Daventry	4,400	90	↑	-100	-3%
Redditch	3,100	62	↑	-200	-5%
Warwick	7,500	85	↑	-300	-4%
West Midlands	210,100	64	↑	-8,400	-4%
England	2,183,800	68	↑	-60,400	-3%
NOTE: Whilst data for 2008-10 is taken from the ONS Business datasource, data for 2003-8 is only available from the ABI. It is not possible to directly compare figures from the two datasets.					
Source: ONS					

1.12 The ABI allows for analysis of business base performance at a more local level. However, the last data release is for 2008, and as such it is important to note that the figures do not take into account the impacts of the economic downturn.

- *Stratford-upon-Avon town contains the largest share of businesses locally, with around 1,800 in total (business density of 117 per 1,000 working age population). Business density is also particularly high in Henley, Alcester, Bidford and Kineton.*

- *However, the largest share of Stratford-on-Avon district's businesses are contained within those parts of the district not covered by the market towns (i.e. more rural areas). Here, there are around 3,100 businesses at a density of 121 per 1,000 working age population.*

- *Studley experienced a small decline in the size of its business base between 2003 and 2008. Studley aside, all other areas of Stratford-on-Avon district experienced business base growth between 2003 and 2008.*

Overview of Business Base Performance					
		Number 2008	**Business Density (per 1,000 pop)**	**Change 2003-8**	
				Absolute Change	**%**
Sub Areas within Stratford-on-Avon **District**	**Alcester**	600	122.6	100	13%
	Bidford on Avon	300	104.9	<50	9%
	Henley	400	174.4	100	17%
	Kineton	300	103.7	100	28%
	Rural	3,100	120.5	500	18%
	Shipston on Stour	300	95.0	<50	16%
	Southam	400	95.8	<50	10%
	Stratford upon Avon	1,800	116.8	200	11%
	Studley	300	82.1	<50	-5%
	Wellesbourne	300	80.9	<50	5%
Districts	**Stratford –on-Avon**	7,600	111.7	900	14%
	Daventry	4,100	84.4	500	15%
	Redditch	3,200	65.1	300	9%
	Warwick	7,600	85.4	1,000	15%
Wider Geographies	**West Midlands**	207,000	62.9	18,900	10%
	Great Britain	2,446,000	65.9	234,200	11%
Source: Annual Business Inquiry					

1.13 Stratford-on-Avon district contains a relatively large proportion of smaller businesses. Around 89% of local businesses have 1-10 employees, compared to an average of 84% regionally and 85% nationally.

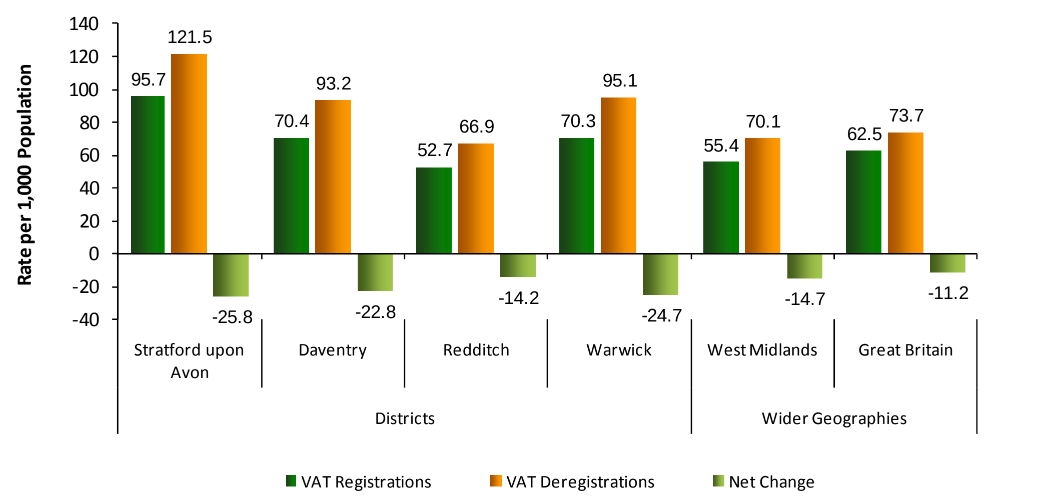
1.14 Average business size structures vary within the district. Bidford, Henley and the rural areas all have a high proportion of micro sized businesses. In Stratford-upon-Avon town and Southam, the business base size structure is more similar to regional and national averages (with a higher number of larger businesses).

Overview of Business Base Size Structure										
		1-10		**11-50**		**51-200**		**200+**	
		No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
Sub Areas within Stratford-on-Avon District	**Alcester**	500	86%	100	11%	<50	3%	<50	1%
	Bidford on Avon	300	91%	<50	9%	<50	1%	<50	0%
	Henley in Arden	400	93%	<50	5%	<50	1%	<50	0%
	Kineton	200	89%	<50	8%	<50	2%	<50	1%
	Rural	2,900	92%	200	7%	<50	1%	<50	0%
	Shipston on Stour	200	89%	<50	8%	<50	2%	<50	0%
	Southam	300	83%	<50	14%	<50	4%	<50	0%
	Stratford upon Avon	1,500	83%	200	13%	100	3%	<50	0%
	Studley	200	89%	<50	7%	<50	3%	<50	0%
	Wellesbourne	300	89%	<50	8%	<50	3%	<50	1%
Local Authorities	**Stratford-on-Avon**	6,700	89%	700	9%	100	2%	<50	0%
	Daventry	3,600	88%	400	10%	100	2%	<50	1%
	Redditch	2,600	82%	400	13%	100	4%	<50	1%
	Warwick	6,600	87%	700	10%	200	3%	100	1%
Wider Geographies	**West Midlands**	174,400	84%	24,800	12%	6,400	3%	1,500	1%
	Great Britain	2,078,700	85%	282,100	12%	69,300	3%	16,000	1%
Source: Annual Business Inquiry										

High levels of Enterprise Locally

1.15 Levels of enterprise in Stratford-on-Avon district are high. In 2009 there were an average of 97 business births per 1,000 population – significantly higher than the average seen in any of the benchmark geographies. However, reflecting the challenging economic context, rates of business deaths were also high in 2009 – 122 per 1,000 population. As a result, there was a net change of around -25 businesses per 1,000 population. The figure for net change was also negative across all the benchmark geographies in 2009.

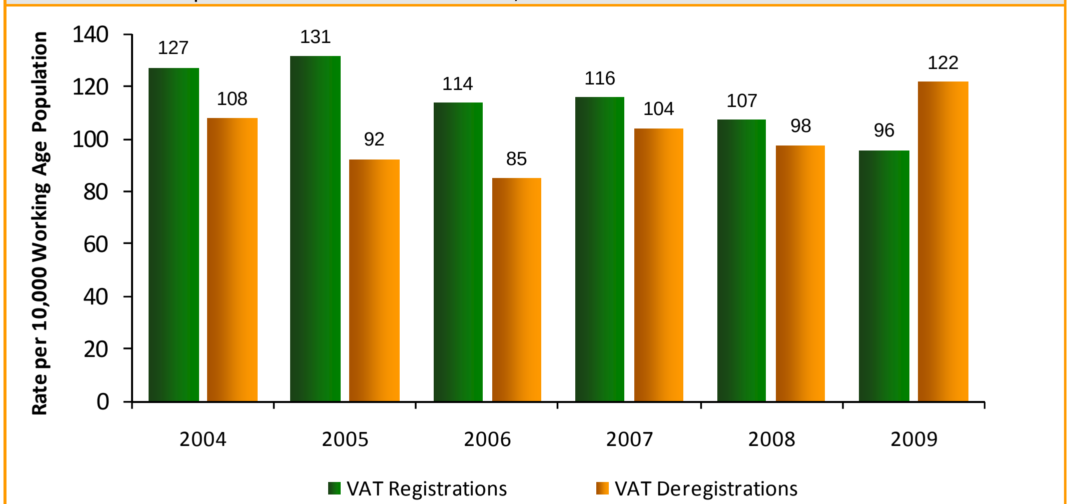
Overview of Enterprise, 2009



Source: ONS Business Demography

1.16 As highlighted below, recent years have seen a falling business birth rate in Stratford-on-Avon district and a largely fluctuating business death rate. However, 2009 is the first year in which the figure for net change has been negative. The high business death rate seen in 2009 is likely to partly reflect the economic downturn.

Overview of Enterprise Performance – 2004-2009, Stratford District



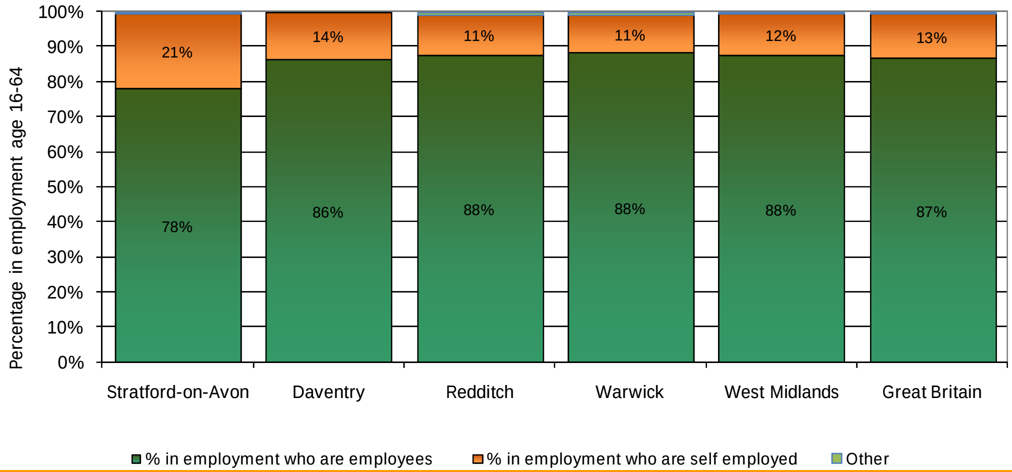
Source: ONS Business Demography

1.17 Stratford-on-Avon district has experienced relatively strong business survival rates in recent years. Average survival rates have been consistently higher than regional and national averages. However, figures are not available for the period since the economic downturn. Evidence (including that above) suggests that survival rates are likely to have fallen during the recessionary period.

Overview of Business Survival Rates, 2004-2008								
		Births	Survival				
			1 Year per cent	**2 Year per cent**	**3 Year per cent**	**4 Year per cent**	**5 Year per cent**
2004	Stratford-on-Avon	855	96	84	72	61	51
	Daventry	440	95	82	70	61	53
	Redditch	290	93	74	60	52	41
	Warwick	860	95	81	68	57	48
	West Midlands	23,010	94	79	66	55	47
	Great Britain	274,350	94	79	65	55	47
2005	Stratford -on-Avon	890	95	84	70	59	
	Daventry	435	94	80	66	56	
	Redditch	390	94	81	65	54	
	Warwick	870	96	86	72	60	
	West Midlands	23,115	94	80	65	54	
	Great Britain	269,220	94	80	65	54	
2006	Stratford	775	97	83	72		
	Daventry	455	100	85	71		
	Redditch	305	97	84	67		
	Warwick	775	98	85	72		
	West Midlands	21,025	97	81	67		
	Great Britain	249,950	96	81	66		
2007	Stratford -on-Avon	795	97	85			
	Daventry	455	99	85			
	Redditch	315	98	87			
	Warwick	890	96	85			
	West Midlands	22,805	95	82			
	Great Britain	274,770	95	81			
2008	Stratford -on-Avon	735	94				
	Daventry	425	94				
	Redditch	325	95				
	Warwick	795	94				
	West Midlands	20,585	94				
	Great Britain	261,790	92				
Source: ONS Business Demography								

1.18 A further indicator of enterprise is self employment. Again, self employment rates for Stratford -on-Avon district are high. Around 22% (12,300 people) of those in employment are self employed. The regional and national averages are 12% and 13% respectively.

Overview of Self Employment, 2009



Source: Annual Population Survey

1.19 Self employment rates have increased strongly in Stratford-on-Avon district in the period since 2004.

Overview of Self Employment, 2004-2009				
	Number	%	Change 2004-09	
			% Change	% Point Change
Stratford-on-Avon	12,300	21%	60%	8%
Daventry	5,400	14%	-5%	-2%
Redditch	4,300	11%	-2%	0%
Warwick	7,000	11%	-15%	-2%
West Midlands	279,800	12%	6%	1%
Great Britain	3,458,200	13%	6%	1%
Source: Annual Population Survey				

Employment Activity Spread Across A Relatively Broad Range of Sectors...

1.20 Activity in Stratford-on-Avon district is spread relatively broadly across of range of broad industrial sectors. Key headlines include:

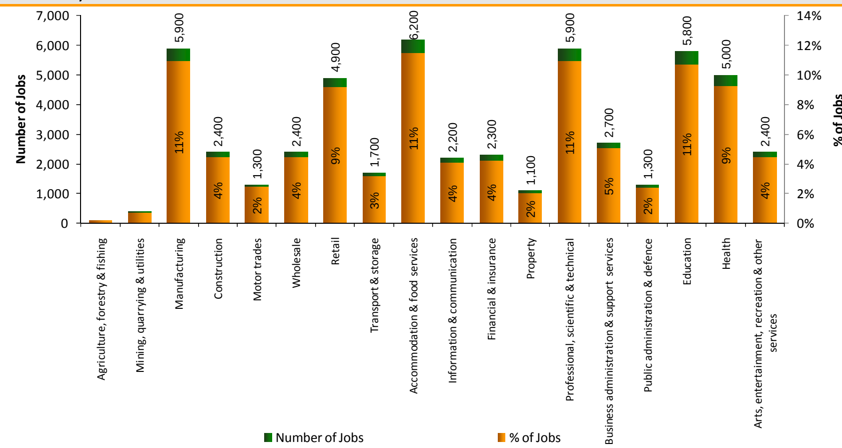
- *The breadth of **employment activity** is highlighted by the top four broad employment sectors – accommodation and food services; professional; scientific and technical; manufacturing; and, education. These four diverse sectors each account for around 11% of jobs in the district and the former two are strongly concentrated locally compared to the national average.*

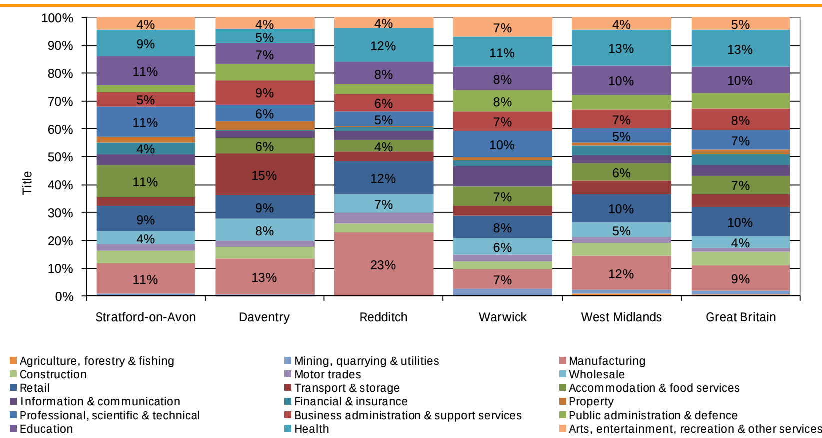
- *Evidence suggests that Stratford-on-Avon district benefits from a strong private sector economy. **Employment** in largely public sectors activities such as public administration and health, are underrepresented locally compared to the national average.*

- *Across Stratford-on-Avon district, around 17% of all **businesses** (1,400 in total) are in* *the professional, scientific and technical sector. Construction accounts for 11% of businesses, whilst Agriculture and Retail both account for around 9% of businesses.*

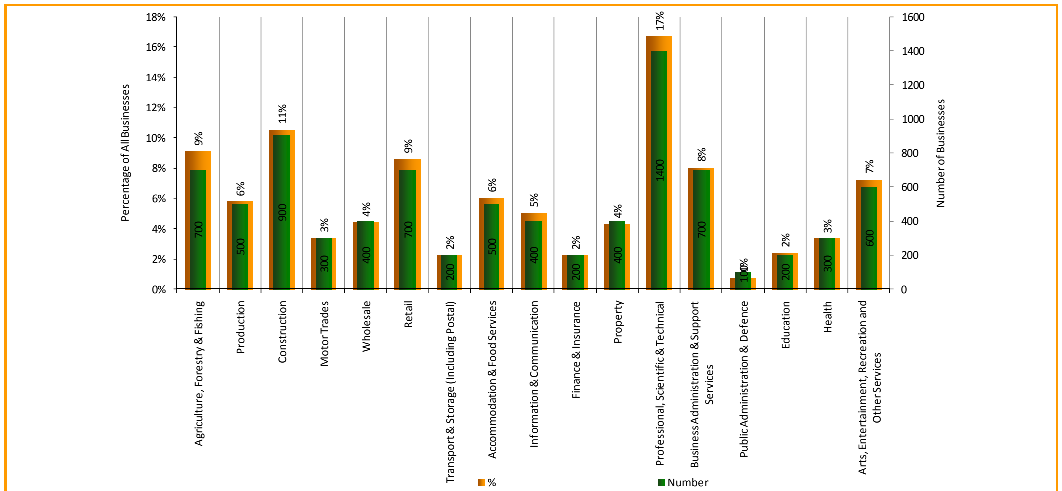
- *Information from the UK Competitiveness Index 2010[19] suggests that in 2008 25.5% of all Stratford-on-Avon district businesses were classified as knowledge based businesses (an increase from 23.9% in 2007). This represents a higher proportion than in neighbouring areas and the 72nd highest rate amongst all local authorities (second decile).*

Broad Industrial Sectors of Activity, 2009 – Stratford-on-Avon District Employment (top); Local Authority and Wider Geographies Employment (middle) and Stratford-on-Avon district businesses (2010) (bottom)





[19] UK Competitiveness Index 2010, Centre for International Competitiveness, accessed from http://www.cforic.org/downloads.php



Source: BRES, ONS

1.21 A previously discussed, Stratford-on-Avon district lost around 2,600 jobs between 2008 and 2009. These jobs losses reflect contrasting performance across a range of sectors. Manufacturing and businesses administration and support services have both lost over 1,000 jobs, whilst the arts, entertainment, recreation and other services sector has lost around 900 jobs. In contrast, there has been strong performance in the accommodation and food services sector, with growth of around 700 jobs.

Overview of Employment, Stratford-on-Avon District

	Number	%	LQ	General Trend 2003-8	Change 2008-9	
					Absolute Change	% Change
Agriculture, forestry & fishing	100	0%	0.3	↓	100	192%
Mining, quarrying & utilities	400	1%	0.6	↓	200	71%
Manufacturing	5,900	11%	1.2	↑	-1,100	-15%
Construction	2,400	4%	0.9	↓	-100	-5%
Motor trades	1,300	2%	1.5	↑	-100	-10%
Wholesale	2,400	4%	1.1	→	-200	-7%
Retail	4,900	9%	0.9	↑	-300	-6%
Transport & storage	1,700	3%	0.7	↑	-200	-9%
Accommodation & food services	6,200	11%	1.7	→	700	13%
Information & communication	2,200	4%	1.1	↓	100	3%
Financial & insurance	2,300	4%	1.1	↓	400	25%
Property	1,100	2%	1.3	↑	-400	-27%
Professional, scientific & technical	5,900	11%	1.6	↑	-500	-8%
Business administration & support services	2,700	5%	0.7	↑	-1,000	-26%
Public administration & defence	1,300	2%	0.4	↑	100	11%
Education	5,800	11%	1.1	↑	<50	1%
Health	5,000	9%	0.7	↑	500	12%
Arts, entertainment, recreation & other services	2,400	4%	1.0	↑	-900	-26%
All Sectors	**53,900**	**100%**	**1.0**	↑	**-2,600**	**-5%**

NOTE: Due to changes in the SIC Code classification system between 2003 and 2007, it is not possible to directly compare sectoral change before and after 2008

Source: BRES and Annual Business Inquiry

1.22 More detailed analysis of the top employment activities locally is presented in the table below.

- *The top two employment sectors are retail and wholesale trade. These sectors provide 2,900 and 2,700 jobs respectively and the latter is strongly concentrated locally relative to the national average.*

- *Postal and courier activities provide around 2,400 locally and are highly concentrated relative to the national average (LQ=6.7).*

- *Manufacturing is relatively concentrated across Stratford-on-Avon district. In particular, manufacturing of motor vehicles and manufacturing of machinery and equipment are both strongly over represented compared to the national average and contribute 900 and 1,000 jobs respectively.*

Top Ten Employment Sectors												
Top Sectors by Volume of Jobs						**Top Sectors by Concentration of Activity**						
	No.	%	LQ	General Trend 03-08	Absolute Change 2008-9		No.	%	LQ	General Trend 03-08	Absolute Change 2008-9
Retail trade	2,900	9%	0.8	↑	-300	Postal and courier activities	2,400	7%	6.7	↓	<50
Wholesale trade	2,700	8%	1.9	→	-200	Manufacture of motor vehicles	900	3%	5.4	↑	-100
Education	2,500	7%	0.8	↑	<50	Manufacture of machinery &equip	1,100	3%	4.7	↓	<50
Postal and courier activities	2,400	7%	6.7	↓	<50	Manufacture of electrical equipment	300	1%	3.2	↓	<50
Public administration and defence	2,000	6%	1.0	↑	100	Creative, arts and entertainment	200	1%	2.9	↑	-500
Food and beverage service activities	1,500	4%	0.8	→	400	Manufacture of wearing apparel	100	0%	2.7	↑	<50
Land transport and transport	1,400	4%	2.3	↑	-200	Warehousing for transportation	1,200	4%	2.6	↓	<50
Services to buildings and landscape	1,400	4%	1.8	↓	100	Land transport	1,400	4%	2.3	↑	-200
Warehousing activities for transportation	1,200	4%	2.6	→	<50	Real estate activities	1,000	3%	2.0	↑	-400
Manufacture of machinery & equip	1,100	3%	4.7	↓	<50	Wholesale trade	2,700	8%	1.9	→	-200
Employment activities	1,100	3%	1.2	↑	-600	Services to buildings activities	1,400	4%	1.8	↓	100
Real estate activities	1,000	3%	2.0	↑	-400	Manufacture of chemicals	200	1%	1.7	↑	<50
Manufacture of motor vehicles	900	3%	5.4	↑	-100	Advertising and market research	300	1%	1.6	↓	300
NOTE: Due to changes in the SIC Code classification system between 2003 and 2007, it is not possible to directly compare sectoral change before and after 2008												
Source: Business Register and Employment Survey												

1.23 Detailed analysis of the top employment activities in each market town is presented later in this report. However, the chart below presents a broad overview of the sectoral profile of each market town:

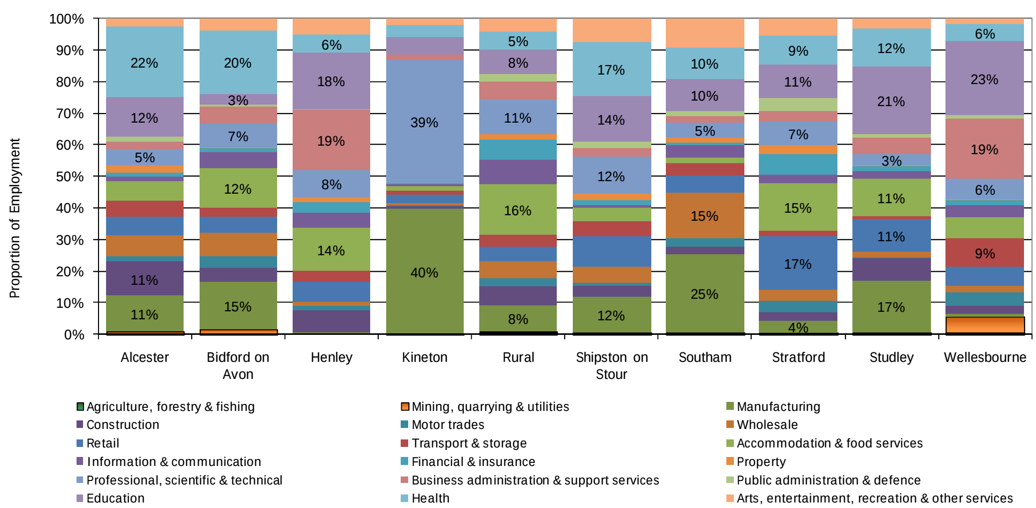
- *Retail and accommodation and food services are the top employment sectors in Stratford-upon-Avon town, accounting for 17% and 15% of employment respectively.*

- *In Kineton, 80% of employment is contributed by two sectors – manufacturing and professional, scientific and technical employment due to Jaguar Land Rover and Aston Martin. Southam also contains a high proportion of manufacturing employment (25%).*

- *High proportions of education employment are found in Henley, Studley and Wellesbourne. Henley and Wellesbourne also contain high proportions of business administration and support services employment.*

- *Health employment accounts for 22%, 20% and 17% of all employment in Alcester, Bidford and Shipston.*

Overview of Sectoral Breakdown Employment in Market Towns



Source: BRES

Population and Demography

Headlines

- Stratford-on-Avon district had a population of around 118,900 in 2009. Within the district, Stratford-upon-Avon (town) and the rural areas contain the largest populations.
- As a whole, the district has experienced relatively strong population growth of 7% (7,300 people) since 2001. Some localities, however, such as Alcester and Studley have experienced a falling population. Stratford-upon-Avon town has seen a large increase in population.
- At 57% of all residents, the district's working age population is relatively small. Across the district, the working age population has increased at a relatively slow rate in recent years. In many of the localities within the district the working age population has actually fallen in recent years.
- The proportion of older residents is higher than regional and national average throughout the district – and is particularly high in Henley (34%) and Shipston (28%).
- ONS population projections suggest that in the period to 2031 the population will grow by around 25,000 – overall growth of 21%. Significantly, around 80% of this growth is expected in the 65+ age group.

A Relatively Small Working Age Population...

1.24 Stratford-on-Avon district has a population of around 118,900, having experienced relatively strong population growth of 7% (7,300 people) since 2001.

1.25 However, at 57% of all residents, the district's working age population is relatively small (compared to the regional and national averages of 61% and 62%). Recent growth in the working age population has also been relative low – only 1% since 2001. These factors have direct implications in terms of the size of the local labour market.

1.26 Within Stratford-on-Avon district,

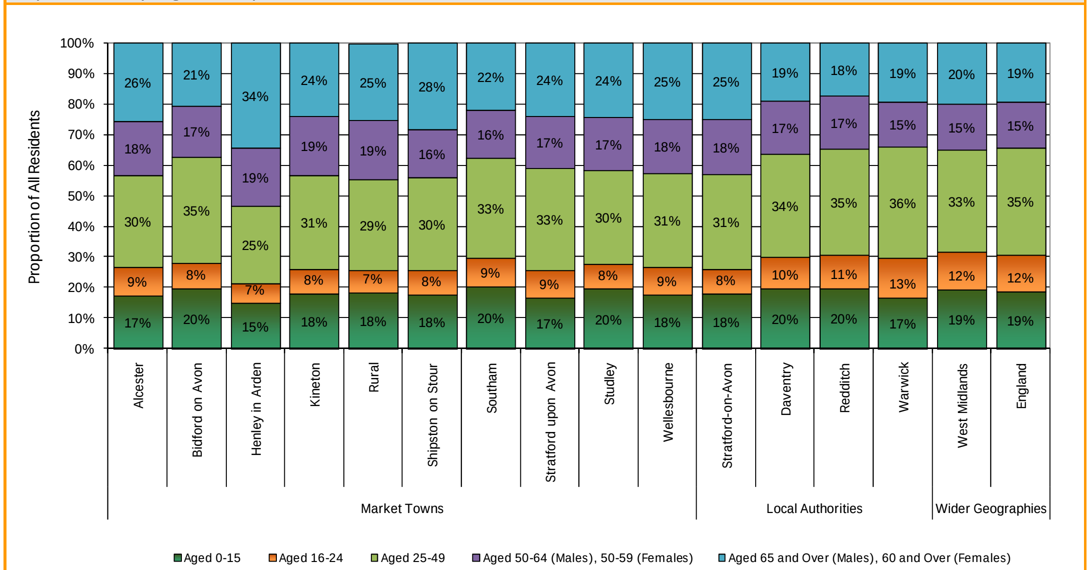
- *The largest populations are found in rural areas (46,400 people) and in Stratford-upon-Avon town (26,400 residents).*
- *The rural areas, along with market towns such as Henley and Shipston contain relatively small working age populations – even compared to the average figure for the district.*
- *Stratford-upon-Avon town has seen a high level of population growth since 2001 (19%). However, during the same time period, many of the larger rural settlements have experienced trends of declining working age populations.*

Overview of Population								
		Total Population			Working Age Population		
		2009	Change 2001-9				
			Absolute	%	Number	%	% Change
Sub Areas within Stratford-on-Avon District	**Alcester**	8,000	-200	-2%	4,600	57%	-8%
	Bidford on Avon	5,400	400	9%	3,200	60%	4%
	Henley in Arden	4,300	100	2%	2,200	51%	-4%
	Kineton	4,300	50	1%	2,500	58%	-7%
	Rural	46,400	2,200	5%	26,100	56%	-2%
	Shipston on Stour	4,900	500	11%	2,700	54%	7%
	Southam	6,500	<50	0%	3,800	58%	-7%
	Stratford upon Avon	26,400	4,300	19%	15,700	59%	17%
	Studley	5,800	-200	-3%	3,200	56%	-11%
	Wellesbourne	6,900	100	2%	4,000	58%	-6%
Local Authorities	**Stratford-on-Avon**	118,900	7,300	7%	67,900	57%	1%
	Daventry	78,900	6,900	10%	48,300	61%	7%
	Redditch	78,700	-100	0%	49,300	63%	-3%
	Warwick	139,000	12,900	10%	88,900	64%	12%
Wider Geographies	**West Midlands**	5,431,100	150,400	3%	3,292,300	61%	3%
	England	51,809,700	2,360,000	5%	32,083,300	62%	5%
Source: ONS Mid Year Population Estimates								

1.27 As discussed above, overall Stratford-on-Avon district has a relatively small working age population. Further interrogation of the population profile highlights that this is largely the result of a large older population locally. Around a quarter of residents are in the male over 65 / female over 60 age group – compare to 19% nationally.

1.28 The proportion of older residents is higher than regional and national average in all of the market towns – and is particularly high in Henley (34%) and Shipston (28%).

Population by Age Group, 2009



Source: ONS Mid Year population Estimates

1.29 ONS population projections suggest that future years will see the existing demographic profile of Stratford-on-Avon district being further emphasised. In the period to 2031, it is projected that the population will grow by around 25,000 – overall growth of 21%. Significantly, around 80% of this growth is expected in the 65+ age group (20,000 people).

1.30 Such a change would have important implications on the local economy and hence on demand for employment land.

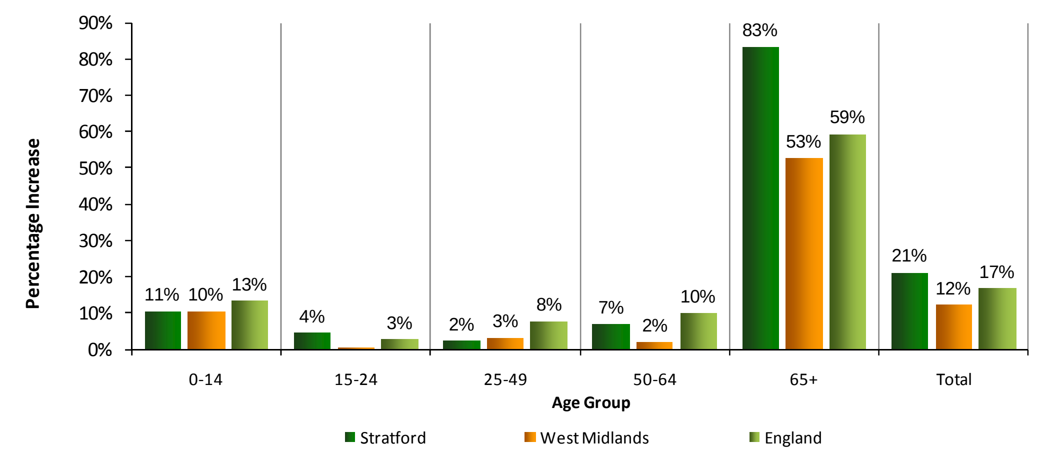
Population Projections, 2008-2031, Stratford-on-Avon District

	Population (000s)						Change 2008-2031	
	2008	2011	2016	2021	2026	2031	Absolute Change	% Change
0-14	20	20	21	22	22	22	2	11%
15-24	11	11	11	11	11	12	1	4%
25-49	37	37	37	36	37	38	1	2%
50-64	26	27	28	30	30	28	2	7%
65+	24	27	32	35	39	44	20	83%
Total	119	122	128	134	139	144	25	21%

Source: ONS

1.31 As highlighted below, large increases in the older population group can be expected across the West Midlands and England – reflective of the general ageing population trend. Overall, however, population growth is expected to be higher than average in Stratford-on-Avon district.

Population Projections, Percentage Change by Age Group, 2008-2031



Source: ONS

Local Labour Market

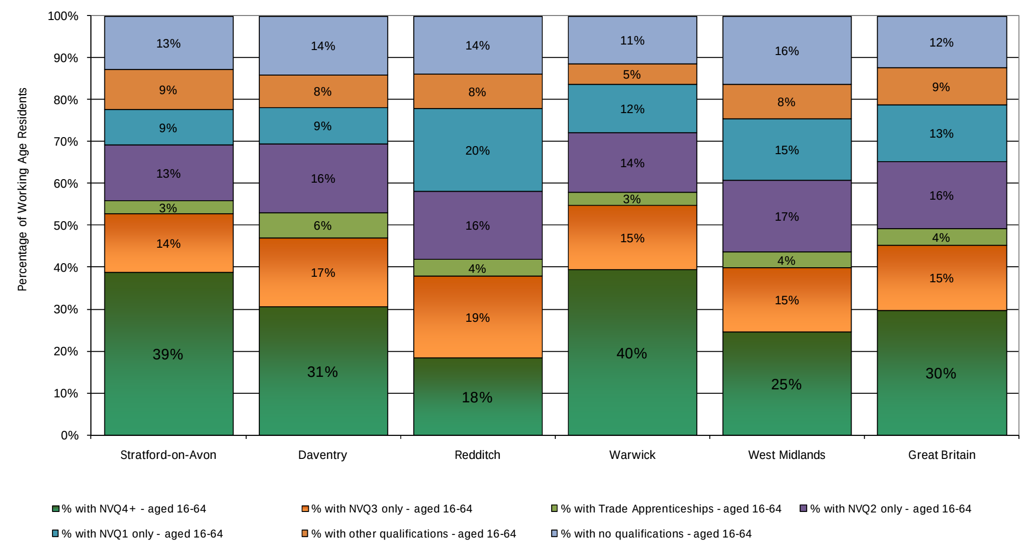
Headlines

- Levels of labour market skills are relatively high in Stratford-on-Avon district.
- Economic activity and employment rates are high in Stratford-on-Avon district.
- Levels of worklessness in Stratford-on-Avon district are relatively low. Overall, the area has recovered strongly since the recessionary period, with the claimant count rate falling across all geographies from mid 2009 onwards.
- Stratford-on-Avon district area experiences large daily commuter flows. Overall, there is a daily net outflow of commuters to surrounding areas of around 3,600 people. On average, those commuting out of Stratford are more highly skilled than those commuting into the area.
- Within the district, Stratford-upon-Avon town, Alcester and Kineton experience net inflows of labour on a daily basis.

High Levels of Skills in the Labour Market...

1.32 Whilst data is not available at a very local level, the Annual Population Survey provides up to date information on skills levels of the adult population.Overall, levels of labour market skills across Stratford-on-Avon district are high. In Stratford-on-Avon, around 39% of working age residents are qualified to degree level or above (NVQ4+), whilst around 13% have no qualifications. Across the West Midlands as a whole, around 25% of the population has degree or higher level qualifications, whilst 16% of the working age population has no qualifications.

Overview of Resident Qualification, 2009

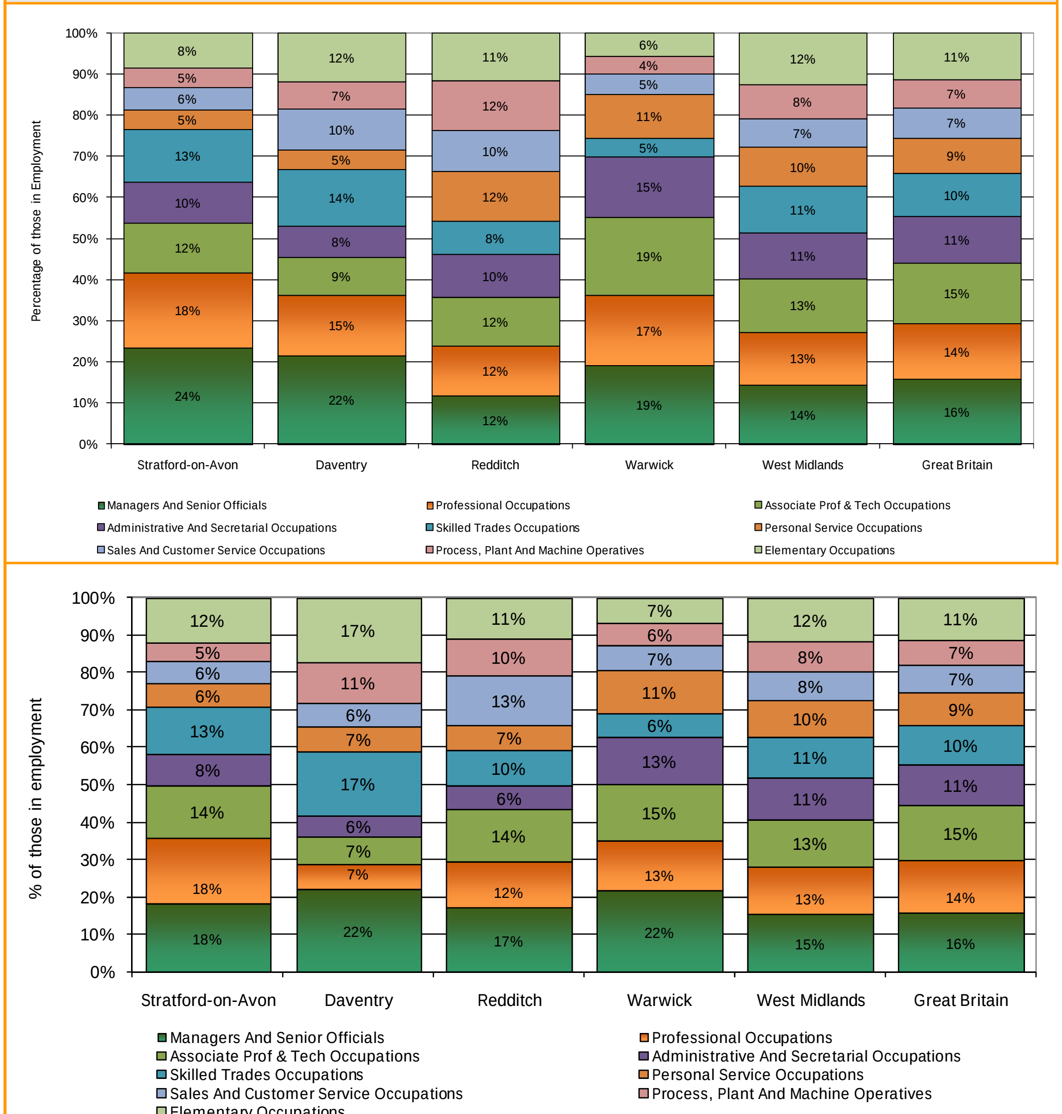


Source: Annual Population Survey

1.33 These skills trends are reflected by analysis of the occupational structure of the area – relative to regional and national averages (and also compared to neighbouring areas such as Redditch and Daventry) a relatively high proportion of residents are employed in higher skilled occupations such as managerial and professional occupations, whilst a relatively low proportion of working age residents are employed in occupations deemed to require lower levels of skills.

1.34 It is interesting to note disparities between the occupational structure of those who live in the district and that of those who work in the district. On average, those who work in Stratford-on-Avon district are more highly skilled than is average regionally and nationally. However, skills levels of those working in the district are also slightly lower than those who live in the district. This suggests that there is an overall trend of some residents commuting out of the district to work in more highly skilled jobs. This trend is examined in more detail later in this section.

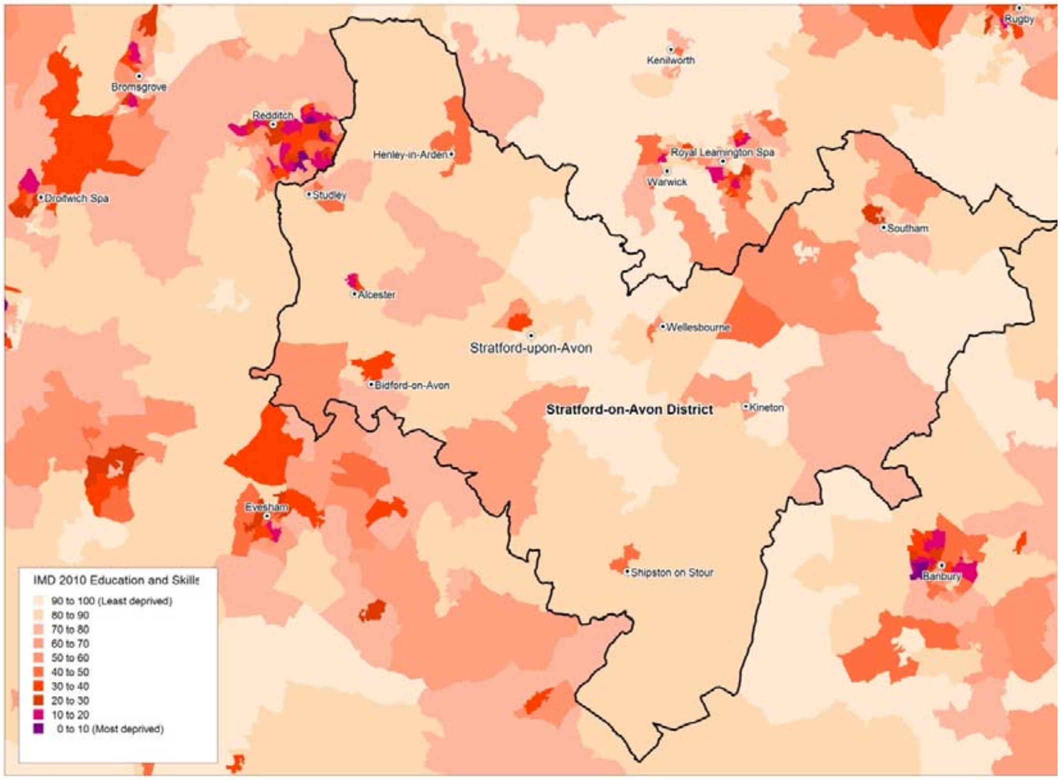
Overview of Occupations, 2009: Occupations of Residents (top); Occupations of Workforce (bottom)



Source: Annual Population Survey

1.35 More local detail on levels of education and skills within Stratford district can be gained by examining deprivation relating to education, skills and training. Areas of darker shading represent areas which suffer from higher levels of multiple deprivation in relative terms. Whilst higher concentrations of deprivation relating to education and skills exist around several of the Stratford market towns, overall levels of deprivation are relatively low (especially in relation to that observed in towns in neighbouring areas such as Redditch, Banbury and Evesham).

Index of Multiple Deprivation 2010 – Education, Skills and Training Domain



Source: Indices of Multiple Deprivation, CLG

High Levels of Economic Activity and Employment....

1.36 Stratford district has a relatively high economic activity rate. Across the district around 85% are classified as economically active (ten percentage points above the regional average). The Stratford district economic activity rate has also increased in recent years – stronger performance than seen in the comparator areas.

1.37 Stratford district also has a strong employment rate. At around 80% this is again above that observed across the comparator areas. In recent years, performance has remained relatively stable – at a time when employment rates regionally and nationally have fallen.

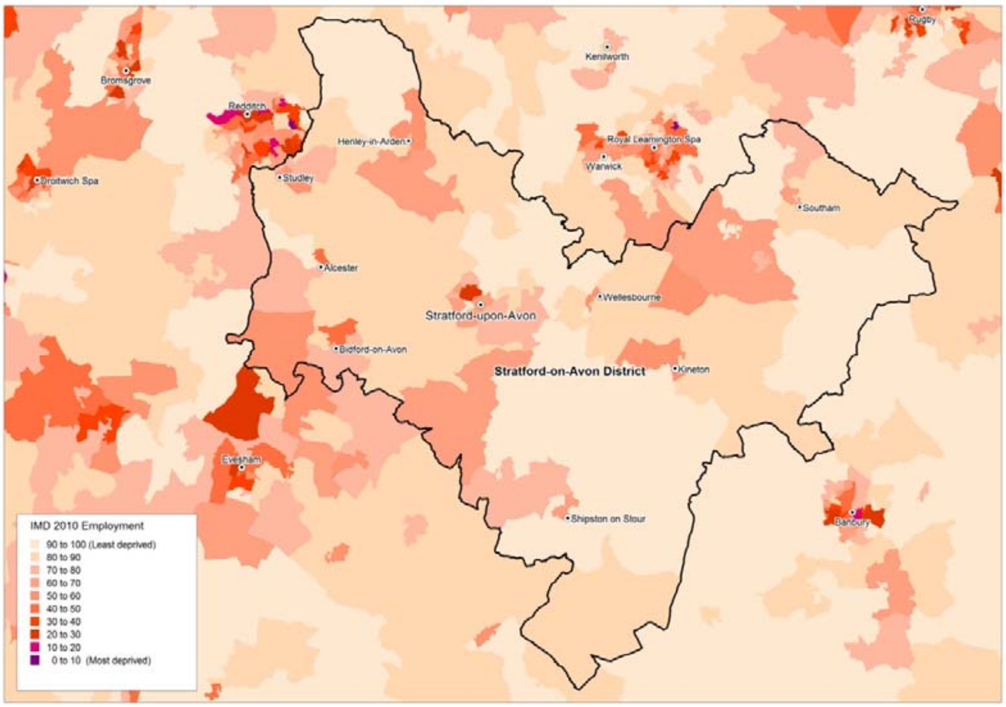
Overview of Economic Activity and Employment Rates, 2009

	Economic activity rate - aged 16-64			**Employment rate - aged 16-65**		
	Number	%	Rate Change 2004-09	Number	%	Rate Change 2004-09
Stratford-on-Avon	61,200	85%	3.4	57,500	80%	0.3
Daventry	41,800	81%	1.0	40,000	78%	0.3
Redditch	41,400	78%	-2.4	38,200	72%	-4.9
Warwick	70,400	76%	0.0	66,100	71%	-2.6
West Midlands	2,586,500	75%	-0.2	2,339,400	68%	-3.4
Great Britain	29,632,100	77%	0.4	27,318,600	71%	-1.9

Source: Annual Population Survey

1.38 More local detail on levels of employments within Stratford-on-Avon district can be gained by examining deprivation relating to employment. Again, levels of deprivation are relatively low, especially in comparison to towns in neighbouring area such as Redditch and Banbury.

Index of Multiple Deprivation 2010 – Employment



Source: Indices of Multiple Deprivation, CLG

Low Levels of Worklessness in Stratford-on-Avon...

1.39 Worklessness is a term used to describe those without a job. It includes working age people (not in full time education or training) who are:

- *Economically Inactive – those without work and not actively seeking work; or*
- *Unemployed – those without work and actively looking for a job*

1.40 The workless group includes those who work in the informal economy and those who claim benefits as well as those who do not. Many of those who are economically inactive are outside of the labour market voluntarily, because of family responsibilities or early retirement for example. Many others may have withdrawn from the labour market due to discouragement and would work if they had the right opportunity, incentive or path back to employment.

1.41 Workless residents face multiple barriers hindering them from finding work. These barriers may include – the institutional benefits trap; low skill levels; poor language skills; poor health; psychological barriers; poor transport links and other local barriers. Typically many people face multiple barriers. These reinforce each other and make return to work harder to achieve.

1.42 As suggested by the high levels of economic activity and employment described above, levels of worklessness in Stratford-on-Avon district are relatively low. There are around 10,900 people classified as economically inactive across the district – a rate of 15%. The district also contains around 3,600 people who are classified as unemployed (a rate of 6%) again below regional and national averages.

Overview of Economic Inactivity and Unemployment Rates, 2009						
	Economic Inactivity rate - aged 16-64			**Unemployment rate - aged 16-65**		
	Number	%	Rate Change 2004-09	Number	%	Rate Change 2004-09
Stratford-on-Avon	10,900	15%	-3.4	3,600	6%	3.4
Daventry	9,700	19%	-1	1,900	4%	0.9
Redditch	11,600	22%	2.4	3,200	8%	3.4
Warwick	22,500	24%	0	4,300	6%	3.5
West Midlands	847,800	25%	0.2	247,100	10%	4.4
Great Britain	9,004,800	23%	-0.4	2,313,400	8%	3.0
Source: Annual Population Survey						

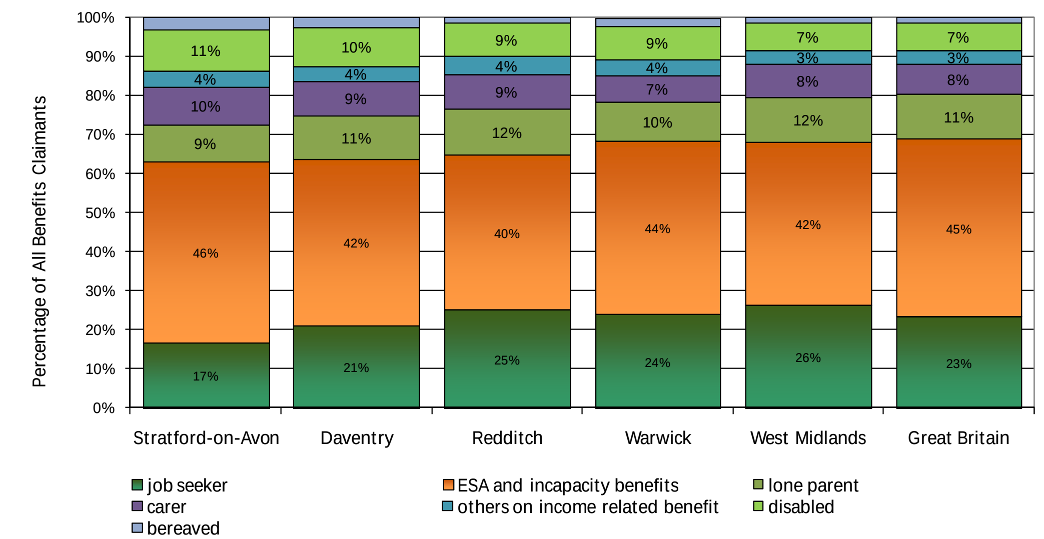
1.43 Further evidence regarding levels of worklessness can be gained by examining data about those claiming benefits.

1.44 The proportion of those claiming benefits in Stratford-on-Avon district is low relative to comparator averages at around 8% (just under 6,000 people in real terms). Of those claiming benefits, around three quarters are claiming out of work related benefits (a rate of around 6%).

Overview of Benefits Claimants, 2010							
	All Claimants				Out of Work Benefits		
	Number	%	Absolute Change (%)	% Point Change	Number	%	% Point Change
Stratford-on-Avon	5,950	8.2	12.5%	0.8	4,570	6.3	0.7
Daventry	4,430	8.7	21.0%	1.2	3,490	6.8	0.9
Redditch	7,800	15.0	20.7%	2.6	6,310	12.1	2.2
Warwick	8,000	8.6	13.3%	0.6	6,590	7.1	0.5
West Midlands	562,940	16.3	11.9%	1.5	467,940	13.5	1.1
Great Britain	5,669,370	14.5	8.0%	0.5	4,745,300	12.2	0.3
Source: DWP Benefits							

1.45 The chart below presents a breakdown of those claiming benefits by statistic group. The chart highlights that as is the case across all comparator geographies, those claiming Employment and Support Allowance and incapacity benefits account for the largest proportion of benefits claimants (46%). Those registered as job seekers account for a further 17% of claimants. Compared to regional and national comparator areas, Stratford-on-Avon district has a relatively high proportion of people in the carer and disabled statistical benefits groups.

Breakdown of Benefits Claimants by Statistical Group, 2010



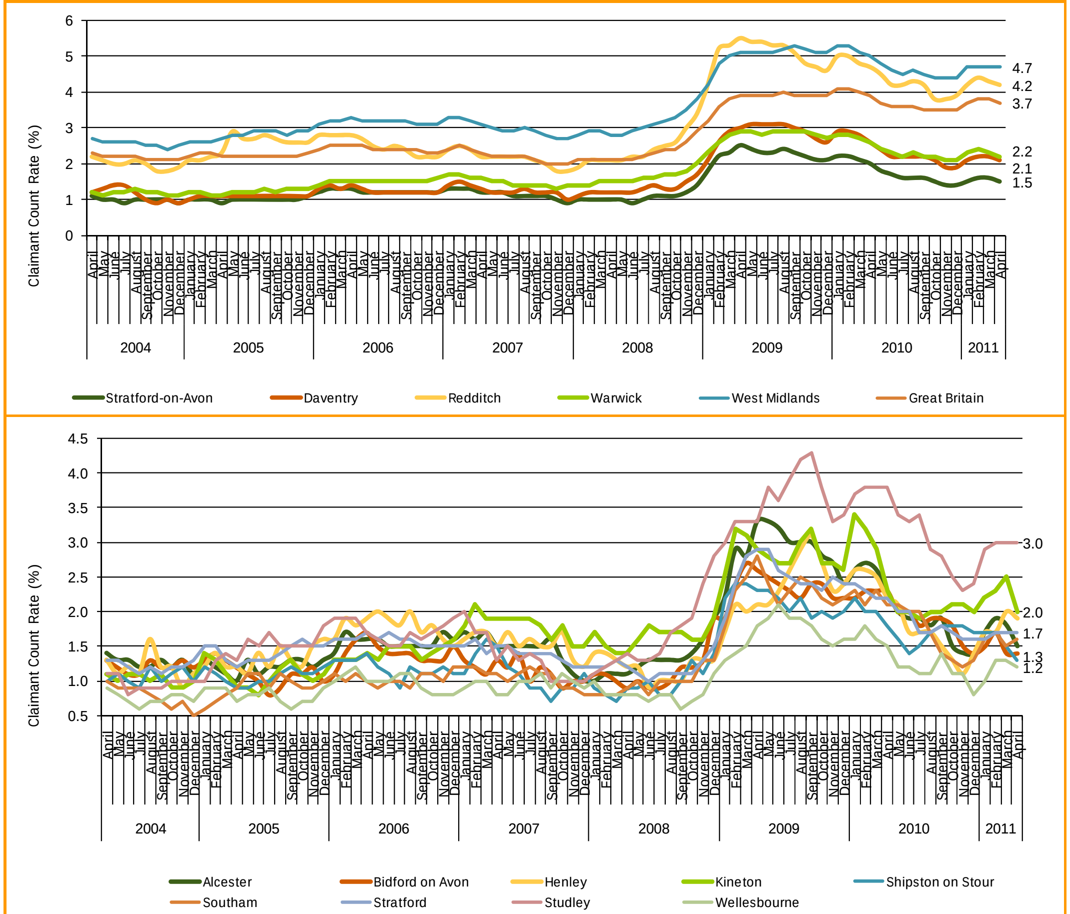
Source: DWP Benefits

1.46 Analysis of the claimant count unemployment rate reinforces the trends discussed above. The claimant count rate stands at 1.5% in Stratford-on-Avon district – lower than all comparator areas (including less than half of the national rate and less than a third of the regional rate).

1.47 Claimant count rates are below regional and national averages in all geographies within Stratford-on-Avon district. However, relatively speaking the claimant count rate is noticeably high in Southam (3%) and Kineton (2%).

1.48 The impact of the recent economic downturn on local unemployment figures is clear to see, with a sharp rise in claimant count unemployment from late 2008 to mid 2009 across all geographies. Since then, claimant count rates typically fell steadily to the end of 2010, before riding slightly at the start of 2011.

Overview of Claimant Count Rate Trends, 2004-2011 – Districts (top), Market Towns (bottom)



NOTE: Due to data constraints, in this table Bidford-on-Avon refers to the ward Bidford and Salford as opposed to the LSOA definition used elsewhere

Source: ONS Claimant Count

Strong Commuter Flows....

1.49 Analysis of travel to work patterns is important in gaining an insight into dynamics affecting local labour market and hence the functionality of local economies. Although now relatively dated, information from the 2001 Census provides the most comprehensive coverage of travel to work patterns.

1.50 As a whole, Stratford-on-Avon district experiences a daily net outflow of around 3,600 people. This net outflow comprises 18,900 people commuting into the district and 22,500 people commuting out.

1.51 Within the district,

- *As would be expected given its status as the main local employment centre, Stratford-upon-Avon town experiences a daily net inflow of around 12,500 people. Alcester, Kineton and to a much lesser extent Henley also all experience daily net in-flows of residents*

- *By contrast, there are daily net outflows of people from Shipston, Southam, Studley and Wellesbourne.*

Summary of Travel to Work Flows				
		In Commuting	**Out Commuting**	**Net Flow**
District	**Stratford-on-Avon**	18,852	22,455	-3,603
Market Towns and other Large Rural Centres	**Stratford upon Avon**	16,766	4,238	12,528
	Alcester	4,407	2,409	1,998
	Bidford-on-Avon	1,420	2,254	-834
	Henley-in-Arden	1,373	1,266	107
	Kineton	2,799	1,471	1,328
	Shipston-on-Stour	834	1,218	-384
	Southam	1,707	2,282	-575
	Studley	1,437	2,215	-778
	Wellesbourne	1,260	2,374	-1,114
NOTE: Due to data constraints, in this table Bidford-on-Avon refers to the ward Bidford and Salford as opposed to the LSOA definition used elsewhere				
Source: ONS Census Origin Destination Statistics				

1.52 More detailed analysis of commuter trends affecting the market towns is presented at the end of this section.

1.53 The table below highlights the main destinations and origins of those commuting into and out of Stratford-on-Avon district. As would be expected, the top origin and destinations of commuters are the major towns and cities in neighbouring areas and the wider sub-region. It is interesting to note that on average, those who commute out of the district are typically more highly skilled than those who commute into the district. This is more likely to reflect the high levels of skills in the resident population described earlier than a deficit in highly skilled jobs within the district.

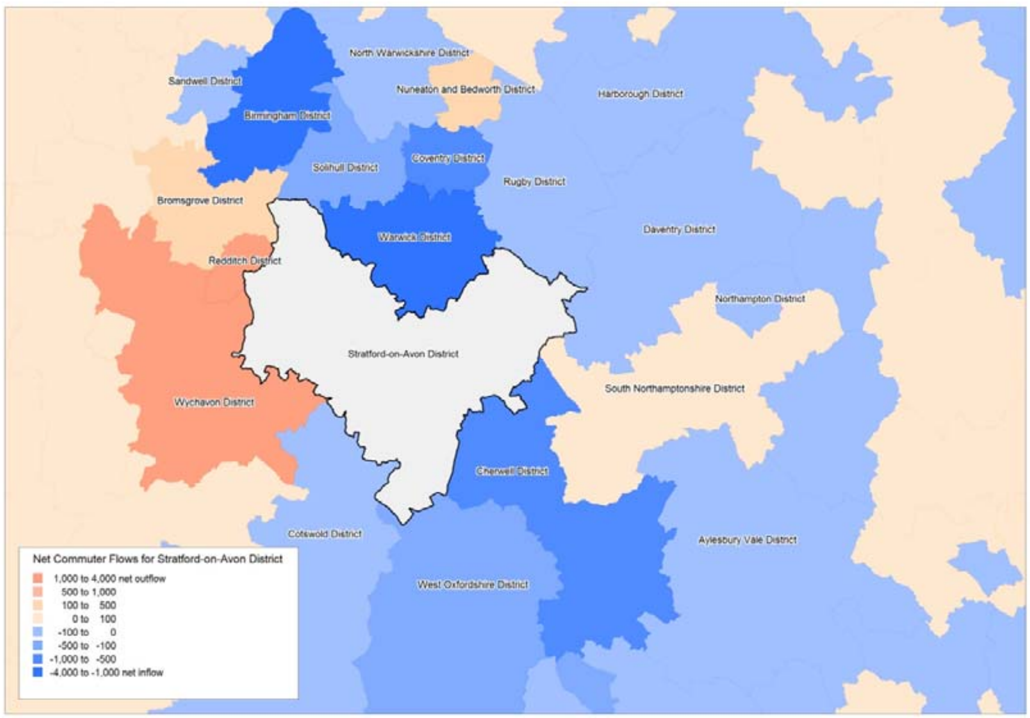
Summary of Travel to Work Flows including Occupation									
District - Out Commuting Top 10 Destinations					**District - In Commuting Top 10 Destinations**				
	People	**Occupation Level**				**People**	**Occupational Level**		
		Higher	**Middle**	**Low**			**Higher**	**Middle**	**Low**
Warwick	6,510	49.6%	19.9%	27.8%	**Warwick**	3,348	52.2%	13.1%	32.4%
Birmingham	2,653	75.9%	13.4%	10.1%	**Redditch**	2,899	29.0%	16.2%	50.7%
Coventry	2,019	74.8%	10.5%	13.6%	**Wychavon**	2,264	42.0%	16.6%	39.4%
Redditch	1,827	46.3%	16.0%	35.7%	**Birmingham**	1,371	47.7%	12.5%	37.0%
Solihull	1,461	69.4%	14.2%	15.4%	**Solihull**	1,190	55.0%	18.0%	24.4%
Cherwell	1,189	54.1%	15.1%	29.4%	**Coventry**	1,065	53.1%	10.8%	33.1%
Wychavon	746	38.6%	18.5%	40.8%	**Cherwell**	653	48.1%	13.6%	36.4%
Cotswold	633	38.7%	23.4%	35.4%	**Cotswold**	630	39.4%	21.1%	37.6%
Rugby	587	49.2%	14.0%	35.8%	**Bromsgrove**	621	49.0%	15.6%	32.5%
All	**22,455**	**60.2%**	**15.3%**	**22.9%**	**All**	**18,852**	**48.1%**	**14.1%**	**34.8%**
Note: Occupation groups complied from SOC Codes – Higher Skilled incorporates higher managerial occupations, Higher professional occupations and Lower managerial and professional occupations; Intermediate Skills incorporates Intermediate occupations, Small employers and own account workers, and Lower supervisory and technical occupations; Lower Skilled Occupations incorporates Semi Routine and Routine Occupations.									

Source: ONS Census Origin Destination Statistics

1.54 The origins and destinations of Stratford-on-Avon district commuters are illustrated graphically below:

- ***Areas in orange / red***– *those areas from where there is a daily net flow of commuters into Stratford-on-Avon district including Wychavon and Bromsgrove*
- ***Areas in blue*** – *those areas which receive a daily net flow of commuters from Stratford-on-Avon. These areas include Warwick, Birmingham, Coventry and Cherwell.*

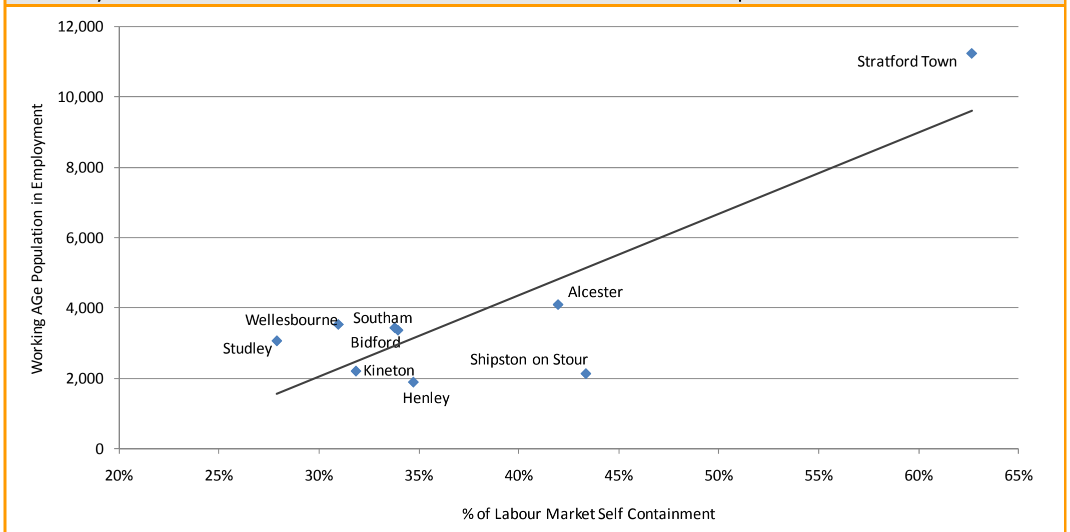
Summary of Travel to Work Flows Affecting Stratford District



Source: ONS Census Origin Destination Statistics

1.55 As would be expected, levels of local labour market self containment – the proportion of residents who live and work in the same area – varies according to the settlement size within Stratford-on-Avon district. As highlighted by the chart below, there is a broad correlation between size of settlement and the level of labour market containment. A relatively large town such as Stratford-upon-Avon is able to provide more jobs and as such, labour market containment is relatively high (around 65% of residents also work in the town). In the smaller settlements within the district, the quantum of jobs in offer is lower and as such levels of labour market containment are also lower.

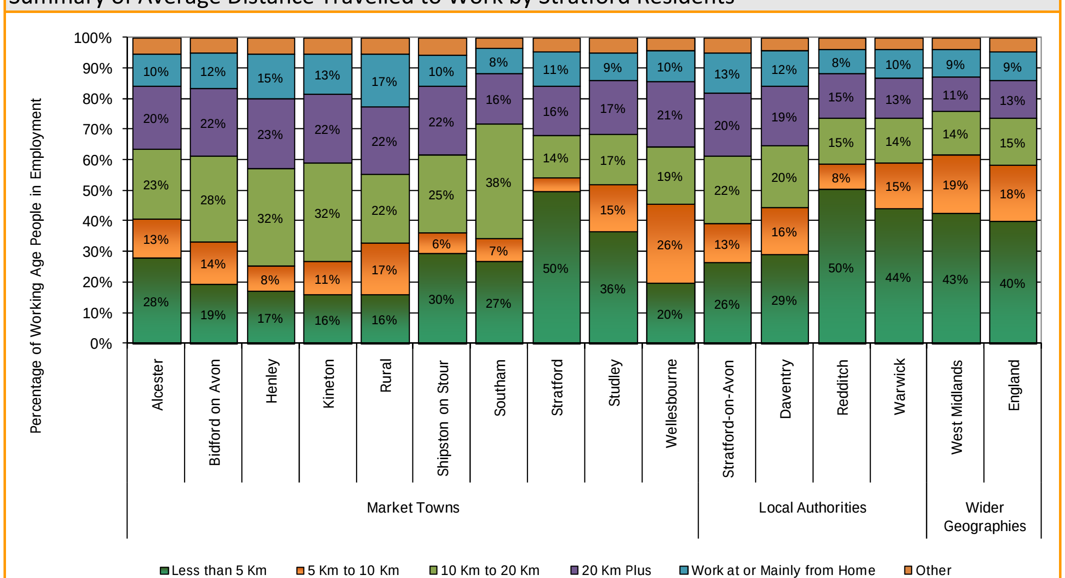
Summary of Labour Market Self Containment Relative to Settlement Population Size



Source: ONS Census Origin Destination Statistics

1.56 These trends described above are emphasised by analysis of the average distances travelled to work by residents of the various settlements in Stratford-on-Avon. Reflecting lower levels of labour market self containment, distances travelled to work by residents of the smaller settlements in the district, are on average higher than in Stratford upon Avon (town). Across the district, distances travelled to work are higher on average than across comparator areas – this largely reflects the relatively rural nature of Stratford-on-Avon district when compared to districts such as Redditch.

Summary of Average Distance Travelled to Work by Stratford Residents



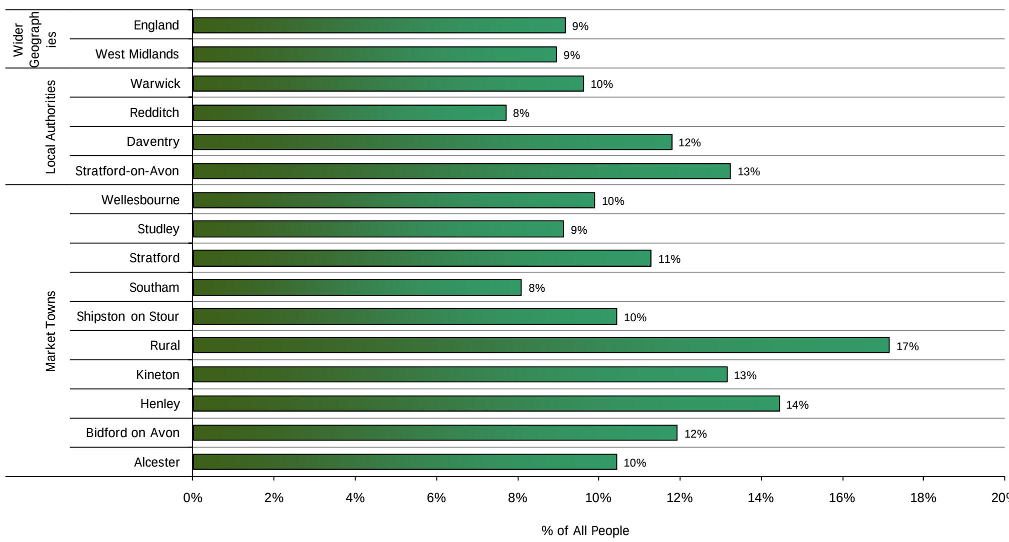
Source: ONS Census Statistics, 2001

1.57 Alongside those travelling to work, anecdotal evidence suggests that there has been a growing proportion of people in employment who work from home. This has obvious and important implications in an employment land review.

1.58 Consideration of home working trends are particularly important in this context given the strong entrepreneurial culture in Stratford-on-Avon discussed previously. The most recent data on home working is from the 2001 Census. Whilst this dataset is now relatively dated, it is still useful for gaining a broad indication of the key trends.

1.59 In 2003, around 13% of those in employment in Stratford-on-Avon district worked mainly from home – a higher rate than in any benchmark geography. Within Stratford-on-Avon district, home working rates are particularly high in rural areas (17%) and in Henley (14%).

Overview of Home Working Trends, 2001



Source: ONS Census Travel to Work

A Note on Changing Working Patterns

- New patterns of working are finding their way into our lifestyles. This is a result of increased choice amongst employees, whether due to seniority and higher qualifications and/or a reaction to the availability of advanced communication technologies which allow individuals and business start-ups to access a wider market that was once unavailable.
- New advancements in ICT are also influencing these changes, while increasingly blurring the boundaries between home and work. New technologies and advancements in ICT mean that work no longer needs to be carried out in centralised factories and offices.
- These changes have a number of perceived benefits which not only improve employees' work-life balance, but also allow flexible working, increase productivity, reduce absenteeism, encourage a happier and better motivated workforce, allow for the cost-effective use of office space, and reduce negative impacts on the environment.
- Changing work patterns are increasingly being acknowledged, and the Government's *Planning Policy Statement 4, Policy EC2: Planning for Sustainable Economic Growth* recommends that local planning bodies should encourage and facilitate new working practices such as live/work.
- Home working is a form of employment where individuals work from their homes. Both home working and live/work properties (as suggested in PPS4) look set to become much more commonplace in the UK. Nevertheless, these changes are changing the need for employment land, and housing requirements.
- There are still several barriers to home working. One of these involves social landlords who are

proving to be a barrier to home working through tenancy agreements that prohibit the use of their property for business.

- Virtual working allows employees to work outside of the traditional company space, and it can help employees to "revolutionise" service delivery, reduce paperwork and increase response times through a more mobile and flexible workforce.
- Virtual and remote working also presents companies with the opportunity to increase their staff's productivity levels, as well as maximising their working day.
- Hot desking enables businesses to upkeep expensive office spaces, and rotates workers operating between home and work. As a result offices can be set-up more flexibly, allowing not only improvements in both ways of working and in working environments, but also in significantly reducing premises costs.

Quality of Life and Living Environment

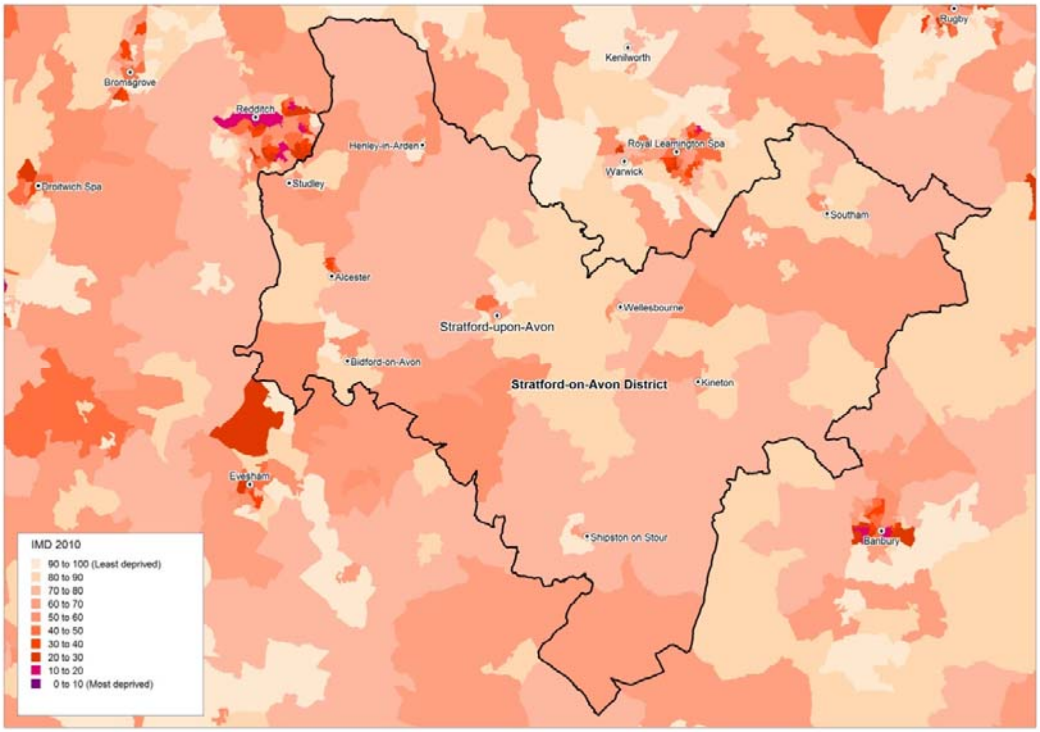
Headlines

- As a whole, Stratford-on-Avon district is characterised by low levels of relative multiple deprivation (across a broad spectrum of indicators)
- Evidence suggests levels of income and earnings in Stratford-on-Avon district are above the regional average and broadly similar to the national average.
- Given the largely rural nature of the district, transport and accessibility remains an important issue. However, the district (and locations within it) benefit from proximity to the motorway network, access to a number of railway stations and relative proximity to Birmingham Airport. Such infrastructure facilitates the strong commuter flows described previously and suggests that the district as a whole benefits from good levels of accessibility. However, it is important to note that given the rural nature of the area accessibility remains a key issue for some localities.

1.60 The Index of Multiple Deprivation 2010 provides the most recent assessment of deprivation at district and SOA level across England. The index is compiled using seven deprivation 'domains' - Income, Access to Housing and Services, Crime, Employment, Education and Training, Health and Living Environment. Evidence provided by these deprivation domains is referred to throughout this section.

1.61 Overall, levels of deprivation in the local area are relatively low – as a whole, Stratford-on-Avon district is ranked 271st out of 326 local authorities nationally (in the 8th decile).

Index of Multiple Deprivation 2010



Source: Indices of Multiple Deprivation, CLG

Relatively Low Income and Earnings...

1.62 There is an obvious connection between earnings and quality of life. People with higher earnings are likely to have access to a higher quality of life.

1.63 Data on earnings can be analysed at both residence and workplace based levels using ONS Annual Survey of Hours and Earnings. Available only at district level, the data highlights that average earnings across Stratford-on-Avon district are above the regional average and similar to the average for England:

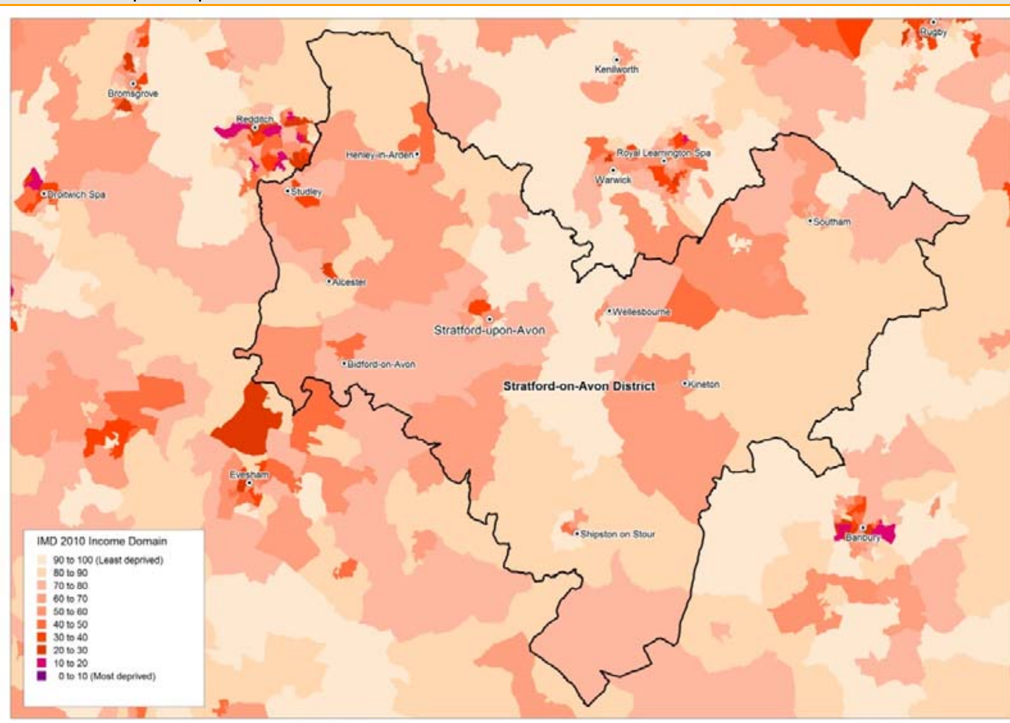
- *The average gross weekly pay for Stratford-on-Avon residents is £503 – compared to £469 across the West Midlands and £502 across England.*
- *Earnings are slightly lower for people who work in Stratford-on-Avon than those who just live there – on average Stratford-on-Avon residents earn £5 per week more than those who work in the area. Again, Stratford-on-Avon workplace earnings, are above the regional average and similar to the national average. This reflects the trends discussed previously regarding the trend of those who commute out of Stratford-on-Avon district being more highly skilled than those who commute into the district.*

Overview of Resident and Workplace Based Earning, 2009

Source: Annual Survey of Hours and Earnings

1.64 The worklessness trends described previously indicated that levels of income in Stratford-on-Avon district are likely to be above average. This is confirmed by analysis of deprivation relating to income. As can be seen from the map below, levels of relative multiple deprivation relating to income are relatively low across Stratford-on-Avon district.

Index of Multiple Deprivation 2010 – Income Domain



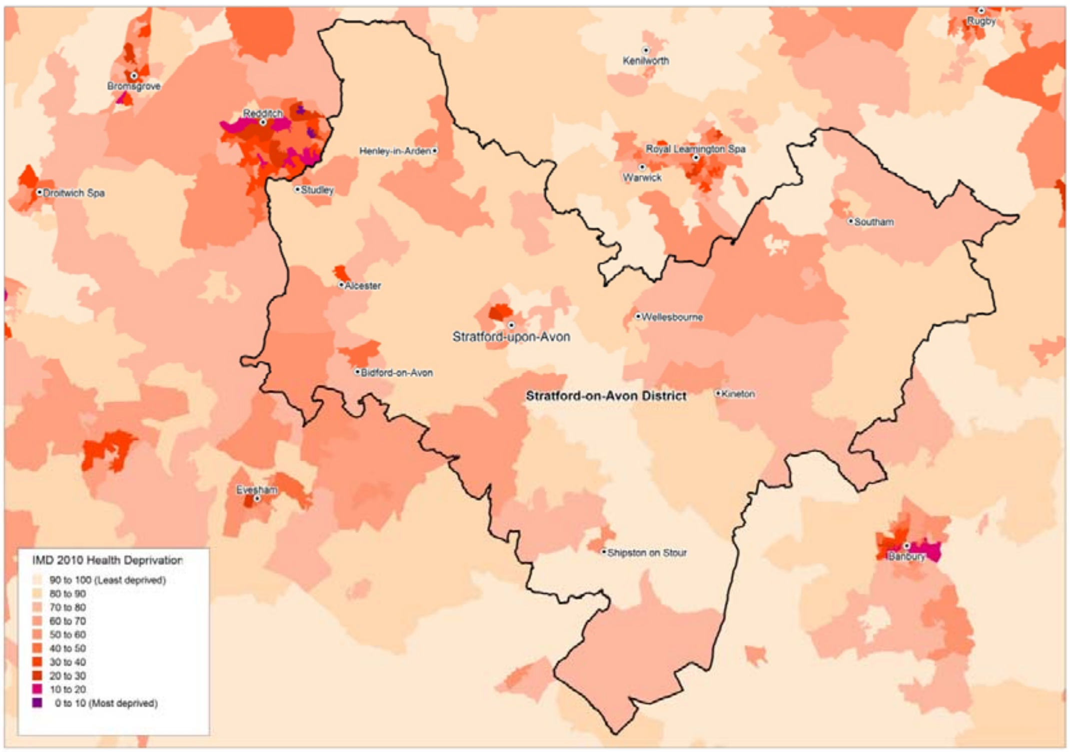
Source: Indices of Multiple Deprivation, CLG

Relatively Low Levels of Deprivation Relating to Health and Crime...

1.65 A number of health indicators have already been considered. Incapacity Benefit / Severe Disablement Allowance data highlighted relatively low levels of these claimants in Stratford - on-Avon district.

1.66 More local detail on levels of health in the local impact area can be gained by examining health related deprivation. As can be seen from the map below, levels of relative multiple deprivation relating to health are relatively low throughout Stratford-on-Avon district.

Index of Multiple Deprivation 2010 – Health Domain

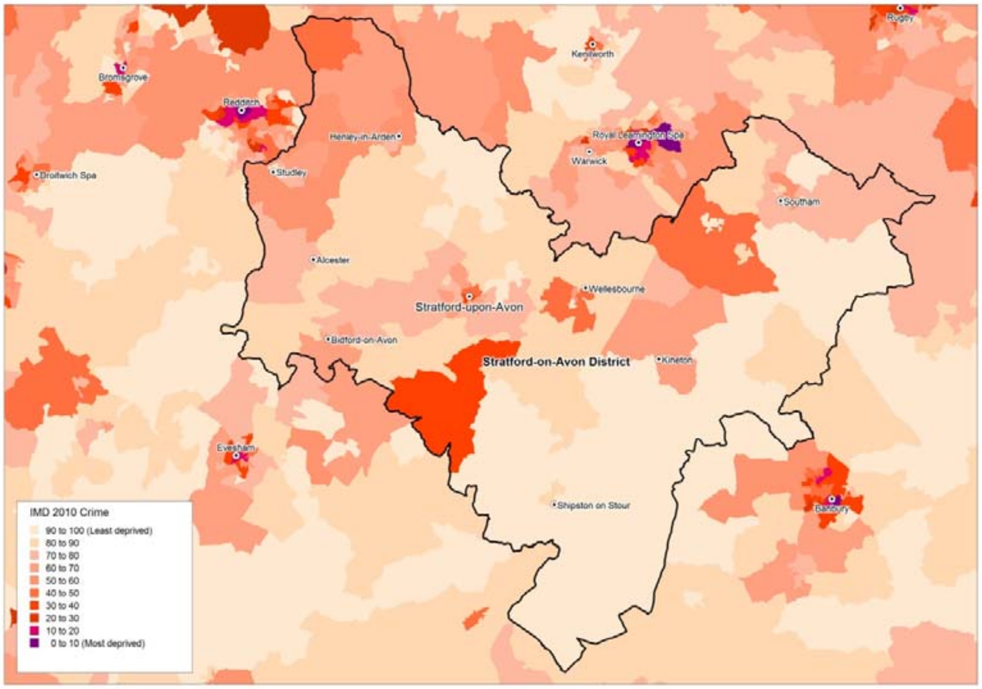


Source: Indices of Multiple Deprivation, CLG

1.67 Levels of crime can be closely correlated to Quality of Life. An area with high levels of crime and a bad reputation for crime is likely to hold less appeal to a highly skilled workforce and potential investors.

1.68 Again, levels of relative multiple deprivation relating to crime in Stratford-on-Avon district are low, although there are several localities where relative concentrations of crime related deprivation are higher.

Index of Multiple Deprivation 2010 – Crime Domain



Source: Indices of Multiple Deprivation, CLG

Relatively Strong Local Transport Linkages....

1.69 Stratford-on-Avon district is located in close proximity to the UK motorway network (M40 and M42), which facilitate relatively easy and swift access to towns and cities throughout the region, to Birmingham Airport and to locations further afield.

1.70 Rail infrastructure also allows easy access to Birmingham, Warwick and further afield, including London. However, whilst the district benefits from nine rail stations, only two of these – Henley and Stratford-upon-Avon – are located in the main settlements of the district. As highlighted below, both these stations account for the majority of station entries and exits in the district – and overall there has been a trend of increasing station usage in recent years.

1.71 In addition to those stations located within the district, there are also a number of other mainline stations located just outside the district – including Warwick Parkway and Banbury. Anecdotal evidence suggests that these stations are used by Stratford-on-Avon district residents to commute to work and for leisure purposes. Strong increases in passenger numbers at these stations in recent years are likely to reflect improved travel times and frequency of services on the mainline.

Overview of Local Station Usage, 2004/5 – 2009/10					
		All Entries & Exits 04/05	09/10 Entries & Exits	Change 04/05-09/10	
				Number	%
Stratford-on-Avon District	Bearley	1,462	1,212	-250	-17%
	Claverdon	1,718	2,006	288	17%
	Danzey	5,009	7,664	2,655	53%
	Henley-In-Arden	74,930	95,380	20,450	27%
	Stratford-Upon-Avon	527,119	643,476	116,357	22%
	The Lakes	10,210	11,850	1,640	16%
	Wilmcote	16,777	16,218	-559	-3%
	Wood End	12,563	12,806	243	2%
	Wootton Wawen	7,726	9,706	1,980	26%
Surrounding Areas	Banbury	1,137,434	1,706,264	568,830	50%
	Leamington Spa	1,198,749	1,772,398	573,649	48%
	Warwick	357,405	491,720	134,315	38%
	Warwick Parkway	352,146	460,556	108,410	31%
Source: Office for Rail Regulation					

1.72 Despite these linkages, it is important to note that given the rural nature of Stratford-on-Avon district, accessibility remains a real issue locally – and in some cases constraint – for some localities within the district.

Settlement Profiles

1.73 This section focuses on each of the main settlements within Stratford-on-Avon district, considering performance across a range of the socio-economic indicators discussed above, plus an assessment of the rural parts of the district as a whole.

1.74 Each geography is based on ward boundaries and therefore does not compare directly to settlements. See Appendix A for areas covered.

1.75 The following bullets provide a snapshot of the key points of difference in comparison with the district average for each of the areas:

- *Alcester*
- *Bidford on Avon*
- *Henley in Arden*
- *Kineton*
- *Shipston on Stour*
- *Southam*

- *Stratford upon Avon*
- *Studley*
- *Wellesbourne*
- *Rural area*

Focus on... Alcester[20]

1.76 **Total Employment and Recent Trends** – Alcester contains around 5,100 jobs. Employment performance has been stronger than the district average in recent years – with strong employment growth between 2003 and 2008, loss of 200 jobs since 2008

1.77 **Sectoral Breakdown of Employment** – Education and social work account for 600 and 800 jobs respectively. Strong concentration of activity in social work, specialised construction, land transport and manufacturing (machinery and equipment and transport equipment).

Overview of Main Sectors of Employment – Alcester, 2009						
	Number	%	LQ	General Trend 03-08	Change 2008-9	
					Absolute Change	% Change
Social work activities without accommodation	800	16%	4.7	↑	100	15%
Education	600	12%	1.3	↑	100	23%
Specialised construction activities	500	9%	3.4	↑	300	165%
Wholesale trade	300	6%	1.6	↓	<-50	-2%
Retail trade	300	6%	0.6	→	<-50	-11%
Food and beverage service activities	300	6%	1.0	↑	<50	2%
Land transport and transport via pipelines	200	4%	2.3	↓	<-50	-9%
Human health activities	200	4%	0.5	↑	100	87%
Manufacture of machinery and equipment n.e.c.	200	3%	4.9	↓	<-50	-8%
Manufacture of other transport equipment	200	3%	6.1	↑	200	-
Source: BRES and ABI						

1.78 **Business base and Recent Trends** – Around 600 businesses in total, at a higher than district average business density of 123 per 1,000 working age population. Growth in recent years.

1.79 **Population –** Total population of around 8,000, 57% of which is of working age. Large decline in working age population in recent years.

1.80 **Worklessness** – Claimant count rate of 1.5% (the same as the district average), having fallen from a peak of 3.3% in May 2009

[20] Covers the wards of Alcester and Kinwarton.

1.81 **Travel to work –** Daily inflow of around 4,400 people and outflow of 2,400 people, resulting in an overall net inflow of 2,000 people. Areas in orange / red opposite indicate those areas from where there is a daily net flow of commuters into Alcester; areas in blue indicate those areas which receive a daily net flow of commuters from Alcester.

Overview of Travel to Work Patterns, Alcester

Source: ONS Census, 2001

Focus on...Bidford on Avon[21]

1.82 **Total Employment and Recent Trends** – Bidford contains around 1,500 jobs. Overall employment decline between 2003 and 2009 (contrary to the district average).

1.83 **Sectoral Breakdown of Jobs** – Social work and food & drink services account for 300 and 200 jobs respectively. Strong concentration of activity in these sectors, along with ‘other manufacturing’, wholesale trade, computer programming and architecture & engineering.

Overview of Main Sectors of Employment – Bidford, 2009

	Number	%	LQ	General Trend 03-08	Change 2008-9	
					Absolute Change	% Change
Social work activities without accommodation	300	16%	5.0	↑	200	210%
Food and beverage service activities	200	12%	2.2	↑	100	37%
Other manufacturing	100	4%	12.0	↓	-100	-63%
Wholesale and retail trade and repair of motor vehicles	100	4%	2.4	→	<50	5%
Wholesale trade, except of motor vehicles and motorcycles	100	7%	1.8	↓	<-50	-7%
Retail trade, except of motor vehicles and motorcycles	100	5%	0.5	↓	<50	9%
Computer programming, consultancy and related activities	100	5%	2.8	↑	<50	27%
Architectural and engineering activities; technical testing	100	4%	2.3	↑	<50	72%
Human health activities	100	4%	0.5	↓	<50	0%

Source: BRES and ABI

1.84 **Business base and Recent Trends** – Around 300 businesses in total. Business density is lower than the district average but still relatively high at 105 per 1,000 working age population. Strong growth in recent years.

[21] NOTE: Due to data constraints, for travel to work and claimant count rate data, Bidford-on-Avon is defined as the ward Bidford and Salford as opposed to the LSOA definition used elsewhere

1.85 **Population –** Total population of around 5,400, 60% of which is of working age. Population growth in recent years.

1.86 **Worklessness** – Claimant count rate of 1.4% (compared to district average of 1.5%), falling from a peak of 2.7% in March 2009.

1.87 **Travel to work –** Daily inflow of around 1,400 people and outflow of 2,300 people, resulting in an overall net outflow of 800 people.

1.88 Areas in orange / red opposite indicate those areas from where there is a daily net flow of commuters into Bidford; areas in blue indicate those areas which receive a daily net flow of commuters from Bidford.

Overview of travel to Work Patterns, Bidford

Source: ONS Census, 2001

Focus on...Henley in Arden

1.89 **Total Employment and Recent Trends** – Henley contains around 1,800 jobs. Overall employment growth between 2003 and 2009 (despite a small loss of jobs 2008-9) – slightly stronger performance than the district average.

1.90 **Sectoral Breakdown of Jobs** – Education, food and beverage services and travel agencies are the top employment sectors. Strong concentration of activity in each of these sectors, along with in computer programming and architecture and engineering, and construction.

Overview of Main Sectors of Employment – Henley, 2009

	Number	%	LQ	General Trend 03-08	Change 2008-9	
					Absolute Change	% Change
Education	300	18%	1.9	↑	<-50	-12%
Food and beverage service activities	200	11%	2.1	↓	100	38%
Travel agency, tour operator etc	200	12%	37.7	↑	<-50	-2%
Retail trade, except of motor vehicles and motorcycles	100	6%	0.6	→	<-50	-1%
Specialised construction activities	100	4%	1.3	→	0	0%
Computer programming, consultancy and related activities	100	4%	2.4	→	<50	50%
Architectural and engineering activities; technical testing	100	4%	2.8	↑	<50	27%
Construction of buildings	100	3%	2.5	→	<-50	-29%
Employment activities	100	3%	1.1	↑	-100	-65%
Human health activities	100	3%	0.5	↓	<50	44%

Source: BRES and ABI

1.91 **Business base and Recent Trends** – Around 400 businesses in total, at a very high business density (compared to district average) of 174 per 1,000 working age population. Strong growth (17%) in recent years.

1.92 **Population –** Total population of around 4,300, 51% of which is of working age. A large 'older' population. Population growth in recent years, but decline in working age population.

1.93 **Worklessness** – Claimant count rate of 1.9% (compared to district average of 1.5%), falling from a peak of 2.9% in August 2009.

1.94 **Travel to work –** Daily inflow of around 1,400 people and outflow of 1,300 people, resulting in an overall net inflow of 100 people.

Areas in orange / red opposite indicate those areas from where there is a daily net flow of commuters into Henley; areas in blue indicate those areas which receive a daily net flow of commuters from Henley.

Overview of travel to Work Patterns, Henley

Source: ONS Census, 2001

Focus on...Kineton[22]

1.95 **Total Jobs & Recent Trends** – Kineton contains around 5,100 jobs. Very strong employment growth (compared to district average) between 2003 and 2008 (but a loss of jobs 2008-9).

1.96 **Sectoral Breakdown of Employment** – Manufacture of motor vehicles and architecture and engineering are the top employment sectors – both these sectors have extremely high levels of concentration locally compared to the national average.

Overview of Main Sectors of Employment – Kineton, 2009

	Number	%	LQ	General Trend 03-08	Change 2008-9	
					Absolute Change	% Change
Manufacture of motor vehicles, trailers and semi-trailers	1,900	38%	75.0	↑	-200	-9%
Architectural and engineering activities; technical testing	1,900	38%	24.8	↑	<-50	-1%
Education	300	5%	0.6	↑	<50	1%
Retail trade, except of motor vehicles and motorcycles	100	3%	0.3	↑	<-50	-12%
Residential care activities	100	2%	0.9	→	<50	15%
Warehousing and support activities for transportation	100	1%	0.8	→	100	-
Food and beverage service activities	100	1%	0.2	↑	-100	-46%
Services to buildings and landscape activities	100	1%	0.6	↑	<50	64%

Source: BRES and ABI

1.97 **Business base & Recent Trends** – Around 300 businesses in total. Business density lower than district average but still relatively high at 103 per 1,000 working age population. Strong

[22] Ward covers Gaydon Parish in which Jaguar Land Rover and Aston Martin are located. Figures reflect this employment.

growth (28%) in recent years.

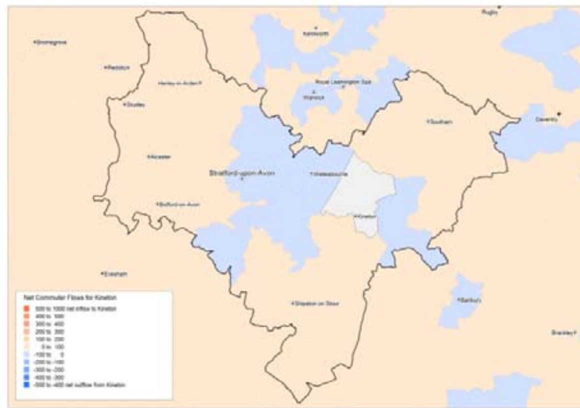
1.98 **Population –** Total population of around 4,300, 58% of which is of working age. Overall population has been stable in recent years, but large decline in the working age population.

1.99 **Worklessness** – Claimant count rate of 2.0% (compared to district average of 1.5%), falling from a peak of 3.4% in January 2010.

1.100 **Travel to work –** Daily inflow of around 2,800 people and outflow of 1,500 people, resulting in an overall net inflow of 1,300 people.

1.101 Areas in orange / red opposite indicate those areas from where there is a daily net flow of commuters into Kineton; areas in blue indicate those areas which receive a daily net flow of commuters from Kineton.

Overview of travel to Work Patterns, Kineton



Source: ONS Census, 2001

Focus on...Shipston on Stour

1.102 **Total Employment and Recent Trends** – Shipston contains around 1,400 jobs. Employment decline in recent years (2003-8 and 2008-9) – contrary to district average.

1.103 **Sectoral Breakdown of Employment** – Education accounts for the highest number of jobs locally. High concentrations of employment activity in education, manufacturing of machinery, residential care, other professional service activities, other personal services and postal and courier activities.

Overview of Main Sectors of Employment – Shipston, 2009

	Number	%	LQ	General Trend 03-08	Change 2008-9 Absolute Change	Change 2008-9 % Change
Education	200	14%	1.5	↑	<50	13%
Retail trade, except of motor vehicles and motorcycles	100	10%	0.9	↓	<-50	-8%
Human health activities	100	9%	1.2	↑	<-50	-12%
Manufacture of machinery and equipment n.e.c.	100	7%	10.1	→	100	-
Residential care activities	100	6%	2.7	→	<50	5%
Wholesale trade, except of motor vehicles and motorcycles	100	5%	1.3	↓	<50	21%
Other professional, scientific and technical activities	100	5%	9.3	↑	<50	15%
Other personal service activities	100	5%	4.1	↑	<-50	-5%
Food and beverage service activities	100	4%	0.8	↓	<-50	-5%

Postal and courier activities	100	4%	3.4	→	<50	85%
Source: BRES and ABI						

1.104 **Business base and Recent Trends** – Around 300 businesses in total. Business density lower than district average but still relatively high at 95 per 1,000 working age population. Strong growth (16%) in recent years.

1.105 **Population –** Total population of around 4,900, 54% of which is of working age. Overall population growth in recent years.

1.106 **Worklessness** – Claimant count rate of 1.3% (compared to district average of 1.5%), falling from a peak of 2.4% in February 2009.

1.107 **Travel to work –** Daily inflow of around 800 people and outflow of 1,200 people, resulting in an overall net outflow of 400 people.

1.108 Areas in orange / red opposite indicate those areas from where there is a daily net flow of commuters into Shipston; areas in blue indicate those areas which receive a daily net flow of commuters from Shipston.

Overview of travel to Work Patterns, Shipston

Source: ONS Census, 2001

Focus on...Southam

1.109 **Total Employment and Recent Trends** – Southam contains around 2,900 jobs. Employment increased between 2003 and 2008, before a small loss of jobs between 2008 and 2009. Similar performance in this respect to the district average.

1.110 **Sectoral Breakdown of Jobs** – Wholesale trade, Education and manufacturing of Motor Vehicles account for the highest number of jobs locally. High concentrations of employment these sectors, along with manufacture of fabricated metal products, residential care, repair of computers, manufacture of food products and publishing activities.

Overview of Main Sectors of Employment – Southam, 2009

	Number	%	LQ	General Trend 03-08	Change 2008-9	
					Absolute Change	% Change
Wholesale trade, except of motor vehicles and motorcycles	400	15%	3.6	↑	-100	-19%
Education	300	10%	1.1	↑	-100	-18%
Manufacture of motor vehicles, trailers and semi-trailers	300	9%	18.0	↓	100	26%
Manufacture of fabricated metal products,	200	7%	5.6	↑	100	56%
Retail trade, except of motor vehicles and motorcycles	200	5%	0.5	↓	<50	6%
Residential care activities	100	5%	2.1	↑	<-50	-12%

Repair of computers and personal and household goods	100	4%	28.0	↑	<50	20%
Manufacture of food products	100	4%	2.9	↓	<50	6%
Human health activities	100	3%	0.4	↑	<50	4%
Publishing activities	100	3%	4.9	→	100	592%
Land transport and transport via pipelines	100	3%	1.5	↓	<-50	-13%
Wholesale and retail trade and repair of motor vehicles	100	3%	1.6	↑	<-50	-20%
Source: BRES and ABI						

1.111 **Business base and Recent Trends** – Around 400 businesses in total. Business density lower than district average but still relatively high at 96 per 1,000 working age population. Strong growth (10%) in recent years.

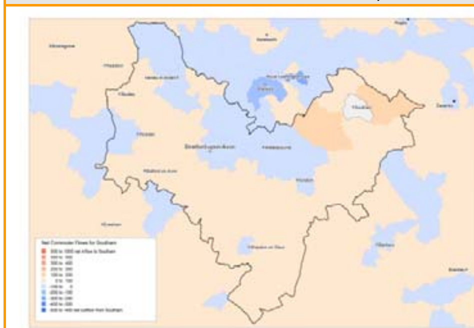
1.112 **Population –** Total population of around 6,500, 58% of which is of working age. Overall stable population in recent years but population decline in working age population.

1.113 **Worklessness** – Claimant count rate of 1.6% (compared to district average of 1.5%), falling from a peak of 2.8% in April 2009.

1.114 **Travel to work –** Daily inflow of around 1,700 people and outflow of 2,300 people, resulting in an overall net outflow of 600 people.

1.115 Areas in orange opposite indicate areas from where there is a daily net flow of commuters into Southam; areas in blue indicate areas which receive a daily net flow of commuters from Southam.

Overview of travel to Work Patterns, Southam



Source: ONS Census, 2001

Focus on...Stratford upon Avon (town)

1.116 **Total Employment and Recent Trends** – Stratford-upon-Avon (town) contains around 17,500 jobs. Employment increased between 2003 and 2008, but declined between 2008 and 2009. Performance has been slightly below the district average in this respect.

1.117 **Sectoral Breakdown of Jobs** – Education, Retail trade, and food & beverage service activities account for the highest number of jobs locally. High concentrations of employment activity in the latter two of these sectors, along with in accommodation, insurance, reinsurance and pension funding, wholesale and retail trade of motor vehicles, real estate and advertising.

Overview of Main Sectors of Employment – Stratford upon Avon (town), 2009						
	Number	%	LQ	General Trend 03-08	Change 2008-9	
					Absolute Change	% Change

Retail trade, except of motor vehicles and motorcycles	3,100	17%	1.7	↓	-200	-6%
Education	1,900	11%	1.1	↑	-100	-4%
Food and beverage service activities	1,700	10%	1.8	↓	300	23%
Accommodation	900	5%	3.6	↑	<-50	-2%
Insurance, reinsurance and pension funding,	800	5%	11.1	↓	100	20%
Public administration and defence; compulsory social security	700	4%	0.7	↑	100	13%
Human health activities	700	4%	0.5	↓	400	124%
Wholesale and retail trade and repair of motor vehicles	600	3%	2.0	↑	<50	4%
Wholesale trade, except of motor vehicles and motorcycles	600	3%	0.8	↑	<50	5%
Real estate activities	600	3%	2.1	↑	-100	-12%
Source: BRES and ABI						

1.118 **Business base and Recent Trends** – Around 1,800 businesses in total, at a high (relative to district average) business density of 117 per 1,000 working age population. Strong growth (11%) in recent years.

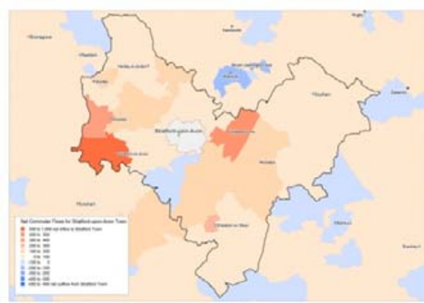
1.119 **Population –** Total population of around 26,400, 59% of which is of working age. Very strong population growth since 2003, especially in Alveston area (including among working ages).

1.120 **Worklessness** – Claimant count rate of 1.7% (compared to district average of 1.5%), falling from a peak of 2.9% in May 2009.

1.121 **Travel to work –** Daily inflow of around 16,800 people and outflow of 4,200 people, resulting in a strong overall net inflow of 12,500 people.

1.122 Areas in orange / red opposite indicate those areas from where there is a daily net flow of commuters into Stratford-upon-Avon (town); areas in blue indicate those areas which receive a daily net flow of commuters from Stratford-upon-Avon

Overview of travel to Work Patterns, Stratford



Source: ONS Census, 2001

Focus on...Studley

1.123 **Total Employment and Recent Trends** – Studley contains around 1,600 jobs. Employment increased between 2003 and 2008, but declined relatively sharply between 2008 and 2009. Performance has been below the district average in this respect.

1.124 **Sectoral Breakdown of Employment** – Education, manufacture of fabricated metal products and retail trade account for the highest number of jobs locally. High concentrations of employment activity in the former two of these sectors, along with in food and beverage activities, residential care activities, accommodation and specialised construction activities.

Overview of Main Sectors of Employment – Studley, 2009						
	Number	%	LQ	General Trend	Change 2008-9	
					Absolute	%

				03-08	Change	Change
Education	300	21%	2.3	↑	<50	14%
Manufacture of fabricated metal products,	200	13%	10.8	↓	<50	2%
Retail trade, except of motor vehicles and motorcycles	200	11%	1.0	↓	<50	18%
Food and beverage service activities	100	7%	1.4	↓	<-50	-2%
Residential care activities	100	5%	2.3	→	<-50	-3%
Accommodation	100	4%	2.9	↑	<50	57%
Specialised construction activities	100	4%	1.5	→	<50	26%
Human health activities	100	3%	0.5	→	<50	51%
Social work activities without accommodation	100	3%	0.9	↑	<50	16%
Source: BRES and ABI						

1.125 **Business base and Recent Trends** – Around 300 businesses in total. Business density lower than district average at 82 per 1,000 working age population. Business base decline (-5%) in recent years.

1.126 **Population –** Total population of around 5,800, 56% of which is of working age. Population decline since 2003, particularly amongst working age groups).

1.127 **Worklessness** – Claimant count rate of 3.0% (compared to district average of 1.5%), falling from a peak of 4.3% in September 2009.

1.128 **Travel to work –** Daily inflow of around 1,400 people and outflow of 2,200 people, resulting in an overall net outflow of 800 people.

1.129 Areas in orange / red opposite indicate those areas from where there is a daily net flow of commuters into Studley; areas in blue indicate those areas which receive a daily net flow of commuters from Studley.

Overview of travel to Work Patterns, Studley

Source: ONS Census, 2001

Focus on...Wellesbourne

1.130 **Total Employment and Recent Trends** – Wellesbourne contains around 2,600 jobs. Employment increased strongly (above district average) between 2003 and 2008 (25%), but declined relatively sharply (again, above district average) between 2008 and 2009 (-11%).

1.131 **Sectoral Breakdown of Employment** – Education accounts for the highest number of jobs locally. High concentrations of employment activity in education, warehosuing, employment activities, office administration, electricity, gas, steam and air conditioning, wholesale and retail trade of motor vehicles, accommodation, computer programming and architecture and engineering.

Overview of Main Sectors of Employment – Wellesbourne, 2009						
	Number	%	LQ	General Trend	Change 2008-9	
					Absolute	%

				03-08	Change	Change
Education	600	23%	2.5	↑	200	33%
Warehousing and support activities for transportation	200	9%	6.6	↓	<-50	-14%
Employment activities	200	9%	3.1	↑	-100	-39%
Office administrative, office support and other business support	200	8%	7.3	↑	<-50	-11%
Retail trade, except of motor vehicles and motorcycles	200	6%	0.6	↑	<-50	-11%
Electricity, gas, steam and air conditioning supply	100	5%	11.7	↓	100	1025%
Wholesale and retail trade and repair of motor vehicles	100	4%	2.6	→	<-50	-6%
Accommodation	100	4%	3.0	→	100	-
Computer programming, consultancy and related activities	100	4%	2.1	↓	<50	7%
Source: BRES and ABI						

1.132 **Business base and Recent Trends** – Around 300 businesses in total. Business density lower than district average at 81 per 1,000 working age population. Business base growth (5%) in recent years.

1.133 **Population –** Total population of around 6,900, 58% of which is of working age. Population growth overall since 2003, but population decline amongst working age groups.

1.134 **Worklessness** – Claimant count rate of 1.2% (compared to district average of 1.5%), falling from a peak of 2.1% in June 2009.

1.135 **Travel to work –** Daily inflow of around 1,300 people and outflow of 2,400 people, resulting in an overall net outflow of 1,100 people.

Areas in orange / red opposite indicate those areas from where there is a daily net flow of commuters into Wellesbourne; areas in blue indicate those areas which receive a daily net flow of commuters from Wellesbourne.

Overview of travel to Work Patterns, Wellesbourne

Source: ONS Census, 2001

Focus on...Rural Stratford-on-Avon District

1.136 **Total Employment and Recent Trends** – Rural Stratford-on-Avon contains around 14,700 jobs. Employment increased strongly between 2003 and 2008 (17%), but declined between 2008 and 2009 (-3%). Performance has been similar to the district average in this respect.

1.137 **Sectoral Breakdown of Employment** – Food and beverage activities, Education and Computer Programming account for the highest number of jobs locally. High concentrations of employment activity in education, computer programming, wholesale trade, accommodation, insurance and reinsurance, activities of head offices, activities auxiliary to financial services and architecture and engineering.

Overview of Main Sectors of Employment – Rural Areas, 2009						
	Number	%	LQ	General Trend	Change 2008-9	
					Absolute	%

				03-08	Change	Change
Food and beverage service activities	1,700	12%	2.2		100	9%
Education	1,200	8%	0.8	↑	-100	-8%
Computer programming, consultancy and related activities	1,000	7%	4.0	↑	200	23%
Wholesale trade, except of motor vehicles and motorcycles	800	5%	1.4	↓	<-50	-5%
Retail trade, except of motor vehicles and motorcycles	700	5%	0.5	↑	-100	-9%
Accommodation	600	4%	3.1	↓	200	47%
Specialised construction activities	600	4%	1.4	↑	-100	-11%
Land transport and transport via pipelines	500	3%	1.6	↑	-100	-18%
Architectural and engineering activities; technical testing	500	3%	2.0	↑	100	43%
Insurance, reinsurance and pension funding,	400	3%	7.5	↑	<-50	-2%
Activities of head offices; management consultancy activities	400	3%	1.5	-	-200	-30%
Activities auxiliary to financial services and insurance activities	400	2%	1.7	→	300	1041%
Public administration and defence; compulsory social security	300	2%	0.4	↑	<-50	-4%
Source: BRES and ABI						

1.138 **Business base and Recent Trends** – Around 3,100 businesses in total, at a high (relative to the district average) business density of 121 per 1,000 working age population. High business base growth (18%) in recent years.

1.139 **Population –** Total population of around 46,400, 56% of which is of working age. Population growth overall since 2003, but population decline amongst working age groups.

Emerging Implications

Theme	Characteristic	Implication for Employment Land Review
Economy	• Recent (2008-9) employment declines	• Whilst also seen in other geographies and likely to reflect impact of recession, how is this trend likely to develop, and what is the impact on future employment levels?
	• Stratford-upon-Avon town and rural areas as the main centres of employment. However, employment and businesses are spread throughout the district	• A need to understand employment supply and demand and resultant business needs throughout the district – not just in the main centres
	• The district contains around 8,100 businesses – at a very high density of around 120 per businesses per working age population. Smaller than average businesses	• A clear need to understand the specific and localised characteristics of the Stratford-on-Avon district business base, which has implications on types of business need
	• Historic strong performance in terms of enterprise. However, recent dip in performance	• A need to understand reasons for recent dip in enterprise performance, extent to which trends are likely to continue and implications in terms of business needs (e.g. more incubation space?)
	• Employment activity in Stratford-on-Avon (district) is spread across a relatively broad range of sectors.	• Balancing needs (including land/ accommodation) of a diverse range of sectors – from tourism to manufacturing for example
Demography and Labour Market	• High population growth in Stratford-upon-Avon town recently, but falling population in some other places	• A need to monitor population changes and understand implications in terms of supply of and demand for labour
	• Relatively small working age population (falling in some places) labour market. Majority of future growth likely to come in older age groups	• Implications for the size of local labour market. Implications both for the ability of the area to attract and retain businesses and in terms of labour market containment
	• The continuing fallout of the recession on labour market performance in Stratford-on-Avon	• Area seems to have recovered well according to unemployment statistics, but a need to continue to monitor this to assess emerging trends in employment locally
	• Large and complex travel to work flows affecting localities throughout the district in different ways	• Current strong flows are likely to fluctuate further in the future according to performance of local business base, performance of neighbouring areas and extent to which area continues to attract high skilled residents.
	• Relatively high levels of home working in the local area	• Evidence suggests these trends are likely to develop further in coming years – given increasing flexibility in business structure, improved communication and the increasing cost of travel. Obvious implications on demand for employment land and infrastructure (including the type

		of premises) – virtual office etc

APPENDIX C – Site Assessment Pro Forma

(The completed surveys are included in a separate Technical Appendix – ELS Site Surveys)

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Q1. DETAILS OF EMPLOYMENT AREA (EA)

EA REFERENCE: ____________ EA NAME & LOCATION: ____

EA SIZE (HA): ____________ POSTCODE: __________________ SURVEY DATE: __________________________

PHOTOGRAPH NUMBERS: __________ / __________ / __________ / __________ / __________ / __________

Q2: USE OF EMPLOYMENT AREA

THE EMPLOYMENT AREA IS BEST DESCRIBED AS:

☐ Business Park
☐ Mixed Employment Site
☐ Local Industrial Estate
☐ Town Centre Quarter
☐ Local Shopping Centre
☐ Small-Scale Office
☐ Small-Scale Industrial
☐ Single User Site
☐ Car Hire/ Sale
☐ Waste/ Recycling
☐ Other Sui Generis (specify)
____

REVIEW AND AMEND SCHEDULE OF FLOORSPACE AND OCCUPIERS

IDENTIFY VACANT LAND AND BUILDINGS ON PLAN

IDENTIFY AREAS FOR POTETNIAL REDEVELOPMENT/ INTENSIFICATION ON SITE PLAN ANDNOTE STOREYS & EXISTING PLOT RATIO.

General Description of Employment Area

Q3: PHYSICAL CHARACTERISTICS

3.1 ROAD ACCESS IS:

☐ Adequate for existing users
☐ Not adequate for existing users

☐ There are sites with limited HGV access

Assess external and internal access and circulation for vehicles

Describe strategic (truck road) access

3.2 THE SITE IS IN CLOSE PROXIMITY TO:

☐ Residential Areas
☐ Town/ Local Centre
☐ Local Parade of Shops
☐ Open Space/ Park/ Watercourse
☐ Other ________________________________

Assess access to local services / amenities and area character

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3.3 BUSINESSES IN THE EMPLOYMENT AREA CAUSE:

Identify nature/ impact of bad neighbour uses

- ☐ Noise pollution
- ☐ Smell/ Air Pollution
- ☐ HGV Traffic
- ☐ Significant Car Traffic
- ☐ Other ______________________

3.4 PHYSICAL CONSTRAINTS ARE:

Identify physical constraints to existing use and/or development

- ☐ Topography
- ☐ Flooding
- ☐ Ecology/ Environmental Designations
- ☐ Neighbouring Uses
- ☐ Contamination

3.5 ESTIMATED AGE OF BUILDINGS (%)

______ *% PRE-1940* ______ *% 1940 – 1969* ______ *% 1970 – 1989* ______ *% 1990 - 1999* ______ *% 2000+*

3.6 QUALITY OF BUILDINGS (%)

______ *% VERY GOOD* ______ *% REASONABLE* ______ *% POOR* ______ *% VERY POOR*

3.7 QUALITY OF ENVIRONMENT

Describe quality of environment (identify key characteristics/ issues)

- ☐ Very Good
- ☐ Reasonable
- ☐ Poor
- ☐ Very Poor

3.8 PARKING PROVISION

Describe quality of environment (identify key characteristics/ issues)

- ☐ Businesses have dedicated on-site parking
- ☐ On-street parking available within area
- ☐ Overspill parking in adjacent streets
- ☐ Car parks available nearby
- ☐ Free parking available for employees
- ☐ Parking provision adequate for existing businesses

3.9 SUSTAINABLE ACCESS

THE LOCATION IS:

- ☐ Served by Quality Bus Service
- ☐ Served by Local Bus Service
- ☐ Walking Distance from Rail Station
- ☐ Bus Service at Peak Hours Only
- ☐ Served by Cycle Route

PUBLIC TRANSPORT ACCESSIBILITY IS:

- ☐ Very Good
- ☐ Reasonable
- ☐ Poor
- ☐ Very Poor

3.10 SERVICING

Adequacy of servicing for existing businesses

- ☐ Road Site Loading/ Unloading
- ☐ Off-Road Loading/ Unloeading
- ☐ Loading Bays

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Q4. DEVELOPMENT OPPORTUNITIES

IDENTIFY OPPORTUNITIES FOR DEVELOPMENT OR REDEVELOPMENT ON PLAN. COMPLETE THIS ELEMENT OF THE QUESTIONNAIRE FOR EACH SITE IDENTIFIED.

4.1 NATURE OF THE SITE: THE SITE IS:

☐ Existing Allocation	☐ Serviced	☐ Vacant	☐ Previously-Developed
☐ Extant Consent	☐ Unserviced	☐ Occupied	☐ Greenfield
☐ Under Construction		☐ Part Occupied	
☐ Potential Land			

☐ Opportunity for Redevelopment/ Intensification

Describe nature of development opportunity. Mark on plan existing vacant land/ buildings, and note details of any active marketing of opportunities (building, type of premises, floorspace, agent).

4.2 SUITABILITY ASSESSMENT

Describe key physical and environmental characteristics (existing land use, topography, environmental quality, accessibility etc.)

4.2 NATURE OF POTENTIAL BUSINESS USE

☐ General Manufacturing/ Industrial	☐ HQ/ Prestige Office Functions	☐ Small-scale/ Start-Up Businesses
☐ High-tech Manufacturing	☐ General Office	☐ Processing Industries
☐ Large Warehouse/ Distribution	☐ Other ____________________	

4.3 AVAILABILITY ASSESSMENT

☐ Likely Single Ownership	☐ Evidence of Active Marketing
☐ Likely Multiple Ownership	☐ Potential Multiple Existing Leases

Comment on availability for development (ownerships, leases, access)

4.4 MARKET ATTRACTIVENESS

Access to Facilities/ Amenities	☐ High	☐ Medium	☐ Low
Accessibility of Location	☐ High	☐ Medium	☐ Low
Quality of Environment	☐ High	☐ Medium	☐ Low
Overall Market Attractiveness	☐ High	☐ Medium	☐ Low

Comment on quality and market attractiveness of site

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4.5 DELIVERABILITY

□ Deliverable (0-5 Years) □ Developable (5-10 Years) □ Developable (11-15 Years) □ Developable (15+ Years)

□ Not Considered Suitable □ Not Considered Viable

□ Dependent on Infrastructure

Identify infrastructure requirements or other actions necessary to support delivery. Justify preferred phasing approach