Raising the Game

Building a more competitive economy in Bournemouth, Dorset & Poole

Economic Development Strategy 2005-2016

Bournemouth Dorset & Poole Economic Partnership
November 2005

Contents

EXECUTIVE SUMMARY

The Bournemouth, Dorset and Poole Economic Partnership working together with the three Local Strategic Partnerships (Bournemouth Partnership, Dorset Strategic Partnership and the Poole Partnership) and its partners has produced 'Raising the Game' as the first economic development strategy for the whole sub-region. Raising the Game has been developed to sharpen the focus of partner organisations, regional agencies and government on the economic needs and priorities of Bournemouth, Dorset and Poole in the period 2005-2016. It offers a collaborative and long-term approach to economic development.

This strategy has been produced because the area is perceived by many to be 'jogging along', lacking a coherent voice and too easily dismissed by national and regional agencies as not being 'up for it (economic development)'. Raising the Game sets out to address these perceptions as follows:

- Section 1 identifies a single vision for the sub-region;
- Section 2 looks at how well the local economy is performing;
- Section 3 considers the potential of the economy;
- Section 4 suggests what collective action we need to take to improve the economy;
- Section 5 demonstrates how we can work together to achieve our economic aspirations and priorities, and;
- Section 6 proposes an action plan for all partners to unite behind and, based on the evidence, identifies 5 priorities for action: physical infrastructure and transport connectivity; affordable housing; skills and workforce development; business competitiveness, enterprise and innovation; and effective partnership working.

There is a compelling case for Raising the Game in a way that builds greater business confidence, strengthens the urban and rural economy and creates an economy that delivers greater value for local people in terms of the quality of jobs available to them. What is required, as this strategy proposes, is a 'quest for quality' in terms of the business environment and local employment opportunities that will deliver better economic performance and a better quality of life.

Raising the Game is critically important if the sub-region is to successfully contribute to shaping the Regional Spatial Strategy and the Regional Economic Strategy (currently, both strategies are in the process of being reviewed), and be in a position to seize opportunities such as those offered by the Olympic Games in 2012. It is ambitious in its long-term targets and the economic changes required to fulfil the vision are challenging. The strategy will be regularly reviewed to ensure that it continues to reflect the sub-region's economic aspirations, remains relevant to partners and is based on up-to-date evidence.

The Bournemouth, Dorset and Poole Economic Partnership would like to acknowledge the contribution of all its partners including the South West of England Regional Development Agency Area Team in the production of this document. Members of the economic partnership are listed in Appendix A.

1. A Single Vision for the Bournemouth, Dorset & Poole Sub-Region

Developing a clear, unified and long-term vision for the Bournemouth, Dorset and Poole sub-region is critical if the area's true economic potential is to be realised. Each of the three Local Strategic Partnerships (LSPs) has already developed its own vision at a more local level but identifying a single vision will send a clear message to the government, regional agencies and the global business community that Bournemouth, Dorset and Poole knows where it is heading in the future.

The sub-region needs to have a clear vision if it is to make its full contribution to the national and regional economy. The development of a vision is particularly important now in 2005 timed as it is to coincide with the developing Regional Spatial Strategy (RSS) and Review of the Regional Economic Strategy (RES) which offer the sub-region the opportunity to align its planning and economic policies in a way that will deliver sustainable development[1] in the best interests of the area. Furthermore, hosting the Olympic Games in 2012 with sailing events in Weymouth and Portland will provide a catalyst for opportunity for everyone in the sub-region and the nation as a whole.

Therefore, the shared vision for the sub-region in the context of economic development is:

> **"Develop a thriving, competitive business environment that delivers better quality employment opportunities and a better quality of life for local people in Bournemouth, Dorset and Poole"**

Agreeing the vision represents the beginning of a new, more integrated approach to economic development in the sub-region. It is not the end of the process. This approach is intended to provide a much sharper focus on the economic needs and priorities of the area and strengthen sub-regional dialogue and action.

This vision recognises the extensive work on the local economy that has been undertaken by the three LSPs during the last three years and builds upon the foundations laid by them:

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[1] The term sustainable development first came to prominence in 1987 when the World Commission on Environment and Development (the Brundtland Commission) produced a report for the United Nations called 'Our Common Future'. Its definition of sustainable development - "development which meets the needs of the present without compromising the ability of future generations to meet their own needs" – is commonly referred to as the 'original' or 'classic' formulation of the term.

- The vision of the Bournemouth Partnership is:

  “To bring about the sustainable development of Bournemouth - enabling all in the town to have a good quality of life now, whilst ensuring the same for future generations.” The partnership has also adopted two quality of life indicators that relate to strengthening the economy i.e. the percentage of working age people in work and the percentage of unemployed people claiming benefit for more than one year.

- The vision for Dorset articulated in the Community Strategy for Dorset, 2004 is:

  “A living thriving Dorset where everyone has a part to play in creating a better quality of life.”

- The vision for Poole was launched in November 2002 in ‘Shaping Poole’s Future.’ It is to develop:

  “A place that we are proud of; we want to maintain its beauty, shape its development and tackle its problems.” With reference to the economy, the vision is to develop “…a robust economy where innovation is supported, where businesses prosper and contribute to the well-being of the town.”

All these vision statements share a commitment to develop a thriving economy in a sustainable way that contributes to a better quality of life for all the sub-region’s residents. This is important because they recognize it is essential for the right balance to be struck between the economic, social and environmental needs of the area.

In particular, economic development in the sub-region needs to take into account the coastal and rural nature of the area. With its outstanding natural environment and high grade landscape Dorset has more international and national designations (World Heritage Coastline, Ramsar, Special Protection Areas, Special Areas of Conservation, National Nature Reserves, Sites of Special Scientific Interest, Local Nature Reserves, Non-Statutory Nature Reserves, County Wildlife and Geological Sites, and Areas of Outstanding Natural Beauty) covering its landscape than any other English county. The sub-region also benefits from a number of significant historic and cultural assets such as Corfe Castle, Kingston Lacy House and the Bournemouth Symphony Orchestra which contribute to its special character and distinctiveness.

The challenge is to create the conditions that enable businesses to thrive local people to compete for the jobs on offer in a highly competitive 21st century global marketplace, contributing to well-being whilst protecting the beauty of the natural environment which is a source of competitive advantage for the sub-region.

The evidence base shows the economy has grown significantly in recent decades especially in the conurbation, unemployment is low and economic activity rates are high and all this has been achieved within the environmental constraints that exist. There are, however, some serious socio-economic issues to be addressed as the following sections of this strategy demonstrate. We are:

- not sufficiently recognised by regional agencies as a driver for economic growth;
- not as productive as we should be;
- a relatively low wage economy;
- experiencing significant skills gaps and shortages that may be made worse by a rapidly ageing population and out migration of young people;
- one of the least affordable sub-regions in England in terms of the ratio of house prices to incomes;
- coming under increasing pressure from the business community to enhance the sub-region's infrastructure, facilities and services so that it remains an attractive location for investment;
- Striving to tackle the causes of multiple deprivation in both urban and rural areas.

Consequently, there is a compelling case for 'raising the game' in a way that builds greater business confidence, strengthens the economy and creates an economy that delivers greater value for local people in terms of the quality of jobs available. What is required is a 'quest for quality' in terms of the business environment and local employment that will deliver better economic performance and a better quality of life.

The sub-regional economy has the potential to perform much better than it does today. It contains the second largest urban area in the South West close to the World Heritage coastline and outstanding rural landscape. The sub-region is relatively close to London and the South East and benefits from a growing regional airport, three ports, an expanding Higher and Further Education sector, and growing concentrations of businesses in marine, high technology manufacturing, financial and business services, food and drink, high value tourism and leisure, environmental technologies, and creative industries. Overall, many of the key ingredients are in place to build one of the most successful knowledge-based economies in Europe and to seize such opportunities as those offered by the Olympic Games in 2012.

2. How Well Does the Economy Perform?

The local economy can be judged on its productivity, personal incomes, levels of employment generated, and the extent of the deprivation that exists in the sub-region. Although these measures are inevitably crude and reflect the general character of the area, including the age structure within the sub-region, they paint a picture of a local economy with high employment levels and relatively low incomes; an economy less productive than it should be; and one which is characterised by significant inequality.

Productivity

Economic growth depends on business competitiveness which is influenced by the productivity of local businesses. Productivity is measured by Gross Value Added (GVA)[2] and the latest figures for the sub-region are shown in Table 1, Appendix B. Whilst the Bournemouth/Poole urban area (£15,114) exceeded the performance of the region (£14,286), GVA per resident in the rest of the sub-region, was less than the regional average.

Earnings

Taking residence based data for 2004, East Dorset and Christchurch exceeded the national average for all income with all other local authority areas below the regional average. If workplace based data is used, the sub-region performed worse; indeed the regional average was only exceeded in Christchurch and Poole (See Tables 2 & 3, Appendix B).

Employment levels

Employment rates for 2004 were healthy, the best performing areas being Christchurch (86.3%), North Dorset (82.6%) and West Dorset (80.2%). All parts of the sub-region performed better than the national average (74.3%), (See Table 4, Appendix B). However, there is still considerable scope to reduce the number of people receiving State registered benefits by providing appropriate training and employment opportunities in specific localities.

Deprivation

The Indices of Multiple Deprivation for England in 2004 show that there are continuing problems in Boscombe and Weymouth & Portland with both

[2] Gross Value Added (GVA) measures the contribution to the economy of each individual producer, industry or sector in the UK by estimating the value of its outputs (goods and services), less purchases and less net spending taxes.

areas at or below the 35th percentile (The Office of National Statistics ranks the country by 354 Unitary Authority and district areas with 1 as the most deprived and 354 the least deprived area). All other parts of the sub-region are comfortably placed in national terms although pockets of high deprivation also exist especially in Christchurch and Poole. It is worth noting that indices of deprivation tend to be masked in rural areas due to the effect of sparcity of population on the statistics. In addition, in many rural areas pockets of deprivation exist which are exacerbated by poor access to employment and services (See Table 5, Appendix B).

3. The Potential of the Local Economy

'Investability', or the attractiveness of an area to investors, is increasingly seen as the key to promoting a competitive local economy. Six factors largely determine the potential of an area. They are: diversity; a skilled workforce; physical infrastructure and transport connectivity; the knowledge base and innovation levels; quality of life; and strategic decision-making capacity.

The evidence suggests these factors will play a crucial role in determining how far the sub-region will be able to support businesses and take advantage of new opportunities when they arise. Hence, they are they are particularly significant in the context of the sub-region's response to the Weymouth and Portland National Sailing Academy's involvement in the Olympic Games in 2012.

To realise the potential of the local economy it is proposed that an approach needs to be adopted that addresses the need to both raise business competitiveness (demand-side) and the skills and competitiveness of the workforce (supply-side). Accordingly, it is important to recognise the inter-dependencies that exist in relation to the factors outlined above, including cross-border connections outside the sub-region i.e. Salisbury, Southampton and Yeovil, and their impact on these demand and supply-side relationships.

Diversity

A sustainable competitive economy needs diversity and depth without being over-reliant on a single sector and to build clusters of excellence that will grow to add value to the economy. The sub-region has around 24,000 businesses, excluding the self-employed, and 86% are micro-businesses employing less than 10 people in line with the national and regional pattern.

The sectoral profile of the sub-regional economy in Figure 1, Appendix B generally matches that of the region as a whole and demonstrates the economy is diverse in terms of its employment structure. There are, however, some differences between the sub-regional and regional pictures in terms of the proportion of employment in manufacturing (this sector is less well represented in regional terms) and distribution, hotels and restaurants, tourism-related and financial, IT & other business activities (these sectors are well represented in regional terms).

These better performing sectors have experienced significant growth over the last five years. The strength of the financial, IT and other business activities sector is significant in the context of developing a more competitive economy as it is a relatively high value added sector. It is, however, important to understand why these sectors have performed well in the sub-region to ensure their continued success.

Emerging high value sectors that have the potential to add to the diversity of the economy include creative industries 'spinning out' of the sub-region's Higher and Further Education facilities. Their future development is dependent on the adequate provision of incubation and 'grow-on' space as well as appropriate business advice and mentoring and the availability of start-up and venture capital.

A major opportunity exists to build on the research and development specialisms of Qinetic, UKAEA and CEH at Winfrith Technology Centre. The site has recently been acquired by English Partnerships to develop a possible science park facility as a focus for knowledge-based jobs in South Dorset.

Whilst the national trend is for the manufacturing sector to continue to decline in terms of the proportion of employment in the economy overall, owing to competition from low cost economies worldwide, the concentrations of high technology manufacturing in Poole and East Dorset are still regionally significant and likely to remain so. In national terms the location quotient[3] for Poole is impressive at 1.49.

The commercial success of companies such as Cobham plc based in Wimborne is one of the key drivers of high technology manufacturing with 1800 suppliers within a 30 mile radius of the company's headquarters. Cobham's proposal to establish a national centre of vocational education in advanced engineering in Wimborne and the proposal to bring forward further development land at Bournemouth Airport present opportunities to meet critical skills gaps and grow the cluster of aerospace-related businesses in the sub-region.

There is also the opportunity for further growth of the marine sector in Poole and Weymouth and Portland around the success of Sunseeker International Ltd and Luhrs Marine Ltd. This will build on the establishment of the UK's first Marine Skills Centre in Poole, the provision of employment land and the Weymouth and Portland National Sailing Academy at Osprey Quay, Portland, the Full Sail Ahead regeneration scheme in Poole, and employment sites and deep-water harbour facilities at Portland Port. Of note, is that the Ministry of Defence still retains a significant marine related presence in the sub-region at Royal Marines Poole.

[3] Location quotients (LQ) measure the concentration of a sector in a given area relative to its concentration nationally. A LQ of 1 means the sector is as important to the regional economy as it is to the national economy. The higher the LQ the greater the relevance of the sector to the regional economy relative to the national average.

Tourism remains a vital industry sector across the sub-region. Although the ESF supported schemes for workforce development have made inroads, the industry still faces challenges associated with traditional perceptions of being low-skill, low-wage. The proposed Hotel School in Bournemouth and the 'drift to quality', most evident in the investment in Poole hotel and restaurant sector over recent years, has the potential to raise standards across the sub-region and help to attract further investment into the sector.

Employment projections for the tourism sector continue to show growth potential. The decision to hold the 2012 Olympic Games in London will bring considerable benefits to the sub-region as the sailing events will take place in Weymouth Bay and Portland Harbour. The base for these events, the Weymouth & Portland National Sailing Academy is already constructed and operational and providing services for thousands of visitors. The Olympic Games and the international attention that they will attract will provide growth opportunities for a wide range of businesses across the sub-region especially within the marine sector clustered around Poole and Weymouth & Portland. The event has the potential to leave a lasting legacy of increased confidence and economic activity.

There is also potential for the development of higher value tourism building on conference facilities centred on Bournemouth and Bournemouth's aspiration to be chosen as a large casino location. The language school and educational tourism sector attracts significant numbers of young and adult overseas people with expenditure impact being weighted towards direct income to 'host community' through 'home-stay' programmes. The designation of the Dorset & East Devon Coast World Heritage site provides further potential for tourism growth and the development of stronger marketing and branding of extensive fine sand beaches gives opportunity to destination marketing operations.

The expanding budget airline services into Bournemouth Airport and fast ferry services into Poole and Weymouth from France and Channel Isles are important assets. Improved road access to the airport and proposed deeper channel access to Poole Harbour will improve marketing opportunities and ease access to the sub-region.

Although agriculture is considered to have poor employment prospects, efforts to reduce 'food miles' and add value at the point of production are likely to generate new employment opportunities in food and drink production that will create greater economic diversity within the more rural communities. This has been recognised in the Community Strategy for Dorset and is reflected in the EU LEADER funded 'Chalk and Cheese' programme and such initiatives as the 'Direct from Dorset' brand.

All of these sectors with the exception of Financial and Business Services are already regarded as ‘priority sectors’ in the RES in terms of where intervention and business support activity will be concentrated. In view of the value added by Financial and Business Services and the regional growth prospects recently highlighted by Cambridge Econometrics, there is a case for reviewing the level of support to this sector in the RES.

As highlighted in the accompanying paper compiled by Bournemouth University (Appendix F), the public sector is an important generator of economic activity across the sub-region, with concentrations of activity occurring both in the South East Dorset conurbation and in the Dorchester and Weymouth travel-to-work area. Direct benefits include employment opportunities for professional/graduate workers. Indirectly, good public services (e.g. education and health) are increasingly seen as factors in attracting and retaining professional and managerial workers in an area. In view of size of the public sector within the sub-region and in the context of the government’s Lyons Review and Gershon agenda, safeguarding such employment is an important priority. Partners are also positioning the sub-region as an attractive location for specialist functions and investment by non-departmental agencies.

At the same time, it should be acknowledged that many support services such as healthcare, retail and leisure whilst not high value in themselves play an essential role in supporting the high value added sectors. Economic forecasts indicate there will be a continuing need for such work and workers who are both willing and able to do these types of jobs.

Skilled Workforce

The proportion of the working age population with NVQ4 level qualifications or higher is shown in Table 10, Appendix B. This indicator has been identified by Local Futures and others as being important in the context of the development of a modern knowledge-based economy. West Dorset performs well in regional terms but the performance in all other local authority areas lags behind.

The net outward migration of young people in the 15-24 age group and particularly those with graduate skills from the area gives particular cause for concern. The Institute of Employment Research identified this trend in their report commissioned by the Higher Education Regional Development Association South West in 2002. Local Futures in their report ‘The Knowledge Economy in the Bournemouth-Poole conurbation’ (July 2004) suggested the area could attract and retain graduates in the 20-44 age group although the area needs to attract and retain these graduates in sufficient numbers at the point they enter the labour market or in the early stages of their career. Amongst the graduate population the perception is that they need to leave the area to develop their careers.

Table 11 refers to the proportion of the working age population with NVQ level 3 or higher. Currently, the sub-region performs less well than the region as a whole. There are concerns amongst local employers especially in the manufacturing and retail sectors regarding skills gaps and shortages at this level. This view has been articulated at the employer-led Poole Partnership Labour Market/Skills Task Group. It is also an issue that emerged from the recent Bournemouth, Dorset and Poole Learning and Skills Council (LSC) Strategic Area Review (StAR).

The development of improved links between education and business, the brokerage of employer-led workforce development, the development of centres of vocational excellence, and encouraging employers particularly those running small businesses to invest in staff training and development are considered to be key parts of the solution.

Housing affordability is a major factor in ensuring the retention and recruitment of a skilled workforce. Rural Dorset is one of the least affordable parts of the UK in which to buy a house in terms of the ratio between house prices and income and this is demonstrated in para 3.7 – 3.9 below and tables 8 and 9 in Appendix B. For example, lack of affordable housing for key workers is already causing acute problems of service delivery.

Physical infrastructure and transport connectivity

No reliable data exists in order to benchmark the transport connectivity of the sub-region against other locations. Evidence gathered through consultation with the business community suggests that road infrastructure needs to be further improved.

A business survey undertaken by Dorset Business in 2004 identified the A31-Poole link as the top priority. Improvements to the A350, A31 East-West Corridor and airport links were also considered to be important, as were accessibility to services in rural areas. In view of the 2012 Olympic Games, existing plans to improve the road links to Weymouth and Portland will need to be started without delay. The improvement of infrastructure at the Port of Poole, including the deepening of the main shipping channel, is also seen as part of a strategically important package of 'corridor improvements' linking the port, the conurbation, Bournemouth Airport and the A31.

With regard to rail connections, the provision of faster and more frequent services between Weymouth and Waterloo are considered to be important. In addition, major capital expenditure is required on the Bristol to Weymouth and Exeter to Salisbury railway lines.

Bournemouth Airport is one of the fastest growing regional airports in the UK; new services to Paris, Amsterdam and other European destinations provide the opportunity for onward long haul connections to most parts of the world. This opens up opportunities for businesses operating in the global market and new tourism markets. Improved access to the A338 and better passenger facilities are key to unlocking this potential as well as bringing forward development at Aviation Park, which is identified as a regionally significant employment site in the Bournemouth Dorset and Poole Workspace Strategy.

The Workspace Strategy highlights the need to secure road and service infrastructure improvements to help bring forward development at other strategic employment sites within the Full Sail Ahead regeneration area in central Poole (dependent on the new 'Twin Sails' bridge), Winfrith Technology Centre, and Osprey Quay, Portland. Furthermore, the greater priority given to the proposed Weymouth Relief Road as a result of the Sailing Academy's involvement in the Olympic Games in 2012 will boost locally important employment sites such as Portland Port and Southwell Business Park, Portland in one of the most deprived areas of Dorset. In particular, Southwell Business Park has demonstrated that location is not necessarily the obstacle it is thought to be when cheap accommodation is combined with good IT and an excellent quality of life.

Also, the Workspace Strategy has identified that lack of high quality office space in Bournemouth and Poole will limit the scope of business growth in the financial, IT and business services sectors. This could be addressed through pump-priming investment by the public sector in central Bournemouth and central Poole and enhanced and more focused marketing of sites to stimulate demand. In particular, businesses have identified the availability of employment land as one of the main challenges facing the local economy.

Elsewhere, there is a need to ensure that the coastal and market towns have an adequate supply of sites and premises to ensure their role as local service centres, and to allow for the expansion of businesses located there which serve wider markets. Targeted public sector intervention will be needed to assemble land and contribute to site servicing. The public sector will also need to intervene directly or in joint ventures to ensure an adequate supply of workspace beyond the starter unit size in rural areas. Across the sub-region, the provision of further incubation and grow-on space is critical to the development of small businesses in emerging sectors such as creative industries and environmental technologies.

Access to broadband varies across the sub-region with the conurbation being the best served. In July 2005, however, BT announced the last exchange in the sub-region (Powerstock) was enabled for broadband high speed (2mb) services. A priority currently being pursued by the newly formed Dorset Broadband Partnership will be to develop the skills that enable businesses to make best use of this capability, and as a result increase their competitiveness and profitability.

Knowledge base and innovation

Knowledge-based employment (generally high value jobs in sectors characterised by a high level of know-how and innovation) is concentrated in the conurbation with levels in Christchurch approaching those in the South East region. This can be explained by the presence of employment in the aviation industries in East Dorset, Christchurch and Poole and a significant concentration of banking, finance and business services jobs in Bournemouth. Elsewhere, particularly in North Dorset, Weymouth and Portland, the sub-region performs poorly compared to the South East although Bournemouth, Poole and Christchurch outperform the South West region.

The basis of this analysis (see Table 6, Appendix B) has been to consider employment in knowledge-based *enterprises*. If health and Higher and Further education are taken into account, the knowledge economy is much larger than Table 6 shows. Further primary research, however, would be required to establish an appropriate baseline and make meaningful comparisons with other areas.

The RES identifies an important role for Higher and Further Education institutions in relation to encouraging innovation and technology transfer to develop knowledge based businesses. With its two Higher Education Institutions (Bournemouth University and the Arts Institute at Bournemouth) and three Further Education colleges (Bournemouth and Poole College, Kingston Maurward College and Weymouth College) the sub-region is relatively well placed to encourage and promote such innovation and technology transfer.

The South West of England Regional Development Agency's (SWRDA) Innovation Strategy (2001) highlighted the potential of the sub-region as one of only two areas in the South West likely to be capable of supporting a science park. Winfrith Technology Centre has the potential to develop as such a science park. It is noted that currently the site is the subject of two separate studies by GVA Grimley and Terence O'Rourke.

Quality of Life and Sustainable Communities

The South West region is ranked first among the regions in terms of the quality of the natural environment and the sub-region also scores highly with Purbeck, North Dorset and West Dorset being within the top 50 districts and boroughs nationally. Leisure opportunities are an important feature of living in this sub-region. This is likely to be a strong factor in supporting the recruitment and retention of higher skilled workers, as well as attracting visitors, and this represents an important comparative advantage (See Table 7, Appendix B).

The downside of this is the level of house prices in the area: taking the average house price of 4/5 room dwellings to working household income ratios (known as House Price to Working Household Income Ratio), the conclusion is that the South West region is the second least affordable in the country and less affordable than the South East. These ratios in the sub-region are extremely high and those seeking to enter the housing market are likely to experience great difficulty doing so. Also, every one of the Dorset districts appear in the table of the 40 least affordable in the country and two of them, Purbeck and East Dorset, are in the top 10 (The others in the top 10 are all in London. See Tables 8 & 9, Appendix B).

In both urban and rural areas across the sub-region a better balance between housing and jobs needs to be achieved to build sustainable communities. We need to recognise and better understand the contribution the 'third sector' can play in promoting economic inclusion and sustainable communities. The third sector describes the range of institutions which occupy the space between the State and the private sector. These include small local community and voluntary groups, registered charities both large and small, foundations, trusts, and the growing number of social enterprises and co-operatives. Third sector organisations share common characteristics in the social, environmental and cultural objectives they pursue; their independence from Government; and in their reinvestment of surpluses for those same objectives. There are a range of such organisations operating within the sub-region and they make a very positive, although frequently unrecognised, contribution towards regeneration and economic development at the local level. In essence, these third sector organisations meet the needs of their communities by providing services where the private and public sectors either cannot trade profitably or would have to pay much higher costs.

Culture, in the broadest sense, also makes a significant contribution to our quality of life, well-being and sense of identity in the sub-region. The area is a rich source of cultural opportunities ranging from the World Heritage Coastline to historical sites and the Bournemouth Symphony Orchestra which is known throughout the world. These cultural opportunities, often with the support of local businesses, are valuable assets which directly benefit the economy.

Strategic Decision Making Capacity

"The importance of this factor is matched by its relative intangibility. Processes of strategy development and implementation, relationships between key players in public and private sectors, political leadership in making effective alliances at national and regional levels, and the ability to sustain commitment and motivation for the long term all matter a lot." (Source: Our Cities Are Back – Competitive Cities Make Prosperous Regional & Sustainable Communities, Core Cities Working Group for ODPM)

It must be acknowledged that strategic decision-making capacity is a very important weakness of the sub- region. Just outside the South East, on the periphery of the South West, and a resident population with conflicting interests, the sub-region sends a very mixed message to national and regional agencies. Too easily dismissed as not being 'up for it' by those agencies, the sub-region has yet to find a clear voice with which to reconcile all its aspirations. The institutional arrangements alone underline the difficulties entailed in finding that voice. The significance of this cannot be overestimated; if it is not addressed the likely outcome will be a recipe for 'jogging along' and missed opportunities.

4. What can we do?

The *do nothing* option is not in the best interests of the sub-region. A good deal is already being done. We are:

- Actively participating in the developing Regional Spatial Strategy, South East Dorset Joint Study Area and contributing to the Review of the RES;
- Making better use of urban land, with much new development on brown field land;
- Using planning policy to secure affordable housing;
- Proactively promoting regeneration schemes such as those at Osprey Quay in Portland and Full Sail Ahead in central Poole, ensuring that employment generation features strongly in both;
- Promoting rural development through Rural Renaissance in Dorset and the LEADER+ Programme ('Chalk & Cheese');
- Working together in the production of Local Transport Plans, designed to secure necessary major capital projects as well as minimise congestion and improve accessibility; and
- Protecting the stock of scarce employment land and intervening in the market to ensure that sites and premises are available to meet demand offering businesses the scope for start-up or expansion.

In addition, partners in the sub-region are engaged in activities that are designed to improve economic performance. These include:

- Learning and skills programmes including sector specific Centres of Vocational Excellence such as the Marine Skills Centre and other education initiatives;
- Support for incubation centres;
- Business start-up and mentoring programmes;
- The provision of business information, advice, management development and business networking programmes;
- Promotion of the sub-region as a business location and visitor destination;
- Support for the Dorset Broadband Partnership programme to improve business performance through better use of ICT;
- Encouraging economic inclusion for economically under represented groups through regeneration activities and social enterprise; and
- Property Pilot/Evolutive monitoring and providing information on the availability of sites and premises for local businesses and inward investment enquiries.

There are, however, serious risks if we do not 'raise our game':

- The attractiveness of the area as a place to live, combined with the high proportion of new residential developments coming forward, often in the form of high cost accommodation, will promote the continued growth of communities as second home and retirement locations;

- The problem of housing affordability will not be addressed;
- There will be continuing difficulties in recruiting and retaining young people in the workforce;
- The area's reliance on low skill employment will continue, whilst 'knowledge based', or high level, employment could fall as a proportion of total employment;
- The wide disparity between those on higher and lower incomes will continue or worsen;
- The sub-region could become even less competitive as a business location when compared to others in the UK and Europe;
- We will miss the opportunity to maximise the benefits of a high quality environment at a time when businesses are increasingly footloose and able to choose where they wish to locate, and technology offers increasing opportunities for many small businesses to be home-based.

If we are to grow a more competitive and dynamic economy, we must address the key issues that arise from the analysis in sections 2 –4. These issues are the need to:

- Provide the necessary physical infrastructure for business, including making adequate land available and improving connectivity;
- Nurture existing and growing businesses;
- Support appropriate business clusters;
- Ensure adequate provision of affordable housing for workforce reasons;
- Improve the skill levels of the working population;
- Achieve an increase in economic activity rates in specific areas;
- Develop the skills of local business managers and ensure that the right facilities and services are in place to support the start-up and development of local business and the levels of innovation required to compete in global markets;
- Target specific areas within the sub-region that are experiencing poverty and multiple deprivation;
- Support new and existing social enterprises and charities which deliver public services;
- Ensure that partnership working in the sub-region is effective in dealing with external agencies, being clear about the vision, aspirations and signing up to what needs to be done;
- Keep ahead of the game in responding to new opportunities, changing markets and innovation.

These issues are addressed in Section 5.

5. Working Together: Aspirations and Priorities

For an area that is perceived as lacking a coherent voice, there is a welcome unity in terms of understanding the weaknesses of the sub-region, the issues to be addressed and the opportunities to be exploited. In particular, these issues and 'deficits' have been brought into sharper focus as a result of developing the Regional Spatial Strategy, South East Dorset Joint Study Area and reviewing the RES. Significantly, all three LSPs have identified a vibrant economy as a key aspiration, and have recognised the importance of accessibility, infrastructure, education and skills development, and affordable housing in their strategies.

Accepting that there is widespread agreement on the issues and drawing on the analysis in this document, Bournemouth Dorset and Poole Economic Partnership's (BDPEP) original Draft Action Plan published in 2004 and the Community Strategy documents of the three LSPs (see appendices) it is proposed the following should be priorities for action:

- **Physical infrastructure and transport connectivity**
- **Affordable housing**
- **Skills and workforce development**
- **Business competitiveness, enterprise & innovation**
- **Effective partnership working**

5.3 The following **indicators** and their associated **targets** will indicate whether we are making the necessary progress in the period to 2016:

Indicator	Sub-regional baseline	Sub-regional target
Skill levels: percentage population with NVQ Level 2 or equivalent qualifications - BDP residents by age 19: - BDP residents and economically active adults (aged 18-64 male and 18-59 female):	72% 72.8%	Stretch beyond regional average (currently 70%) Stretch beyond regional average (currently 72.4%)
Skill levels: percentage of working age population with NVQ Level 3 qualifications or equivalent	43.6%	Exceed regional average (currently 45.6%)

Skill levels: percentage of working age population with NVQ Level 4 qualifications or equivalent	24.2%	Exceed regional average (currently 26.1%)
Productivity (GVA per capita)	£12,939	Exceed regional average (currently £14,286)
Earnings (gross weekly earnings per capita: workplace-based)	84.5% of GB average	Exceed regional average (currently 91.3%)
Knowledge-based employment (%age of workforce in KBE)	18.2%	Achieve at least South East average (currently 26.9%)
Affordable Housing for Key Workers	Tbc	Tbc following report by Commission to Examine Affordable Rural Housing (due March 2006)

6.0 Action Plan

The actions required to achieve the aspirations of the Bournemouth, Dorset and Poole sub-region are set out in Annex A. This is a revision of the BDPEP earlier draft Action Plan and also takes into account the actions developed by the various economy sub-groups of the three LSPs (Appendices C, D & E).

Two fundamental issues must be addressed if the vision is to be realised: the development strategy we pursue and; the way in which we work together:

Development Strategy: The emerging Regional Spatial Strategy will establish a vision for the long term to 2026, and will underpin decisions about capital investment in transport, housing and economic development for that period. It is essential that our development strategy and our economic aspirations are complementary.

Developing a more competitive business environment will involve creating capacity for the business sectors that have the potential to grow. In South East Dorset, the proposal is to concentrate new employment activity at Bournemouth Airport and in the central areas of Poole and Bournemouth with some limited urban extensions to be identified through the planning process. Details of the sub-region's proposals are contained in Appendix F.

In order to achieve the vision identified in this Sub-Regional Economic Development Strategy issues such as providing opportunities for high quality employment uses, training facilities and access to employment will need to take a high priority in Local Development Frameworks. This will necessitate a thorough assessment of the property needs of business and the Higher and Further Education sectors in the context of Employment Land Reviews and due regard for sustainable community issues

Working Together: If we are to improve the sub-region's decision-making capacity and maintain the commitment necessary into the long term, the institutional arrangements for partnership working need to be addressed. It is recommended that the strengthened BDPEP, SWRDA's sub-regional partner, should fulfil the role of over-arching body for the economic work of the area's three LSPs.

This would:

- Promote the clarity of purpose that has been lacking;
- Facilitate the rationalisation of LSP groups and working; and
- Require changes to the composition of the BDPEP Board (the need for this has already been acknowledged by the Board).

The partnership would then be in a strong position to:

- ➢ Identify economic priorities
- ➢ Promote agreed actions by delivery partners
- ➢ Monitor progress in achieving agreed objectives and hold accountable lead partners or organisations
- ➢ Ensure the necessary integration between ‘Raising the Game’ and the three LSPs’ approaches to economic development in Bournemouth Dorset and Poole

‘RAISING THE GAME’ ACTION PLAN **ANNEX A**

The strategic actions for Bournemouth, Dorset and Poole are:

PRIORITIES	**STRATEGIC ACTIONS**	**LINK WITH STRATEGIC ACTIONS IN REGIONAL ECONOMIC STRATEGY (RES) & SOUTH WEST FRAMEWORK FOR REGIONAL EMPLOYMENT & SKILLS ACTION (FRESA)**	**LEAD PARTNER/KEY DELIVERY ORGANISATION(S)**
To improve physical infrastructure and transport connectivity	P1 Deliver the Bournemouth Dorset and Poole Workspace Strategy: (a) help bring strategic employment sites to market at: Bournemouth Airport Winfrith Technology Centre Central Poole (Full Sail Ahead) Central Bournemouth Former defence site – Portland (b) ensure there is an adequate supply of land and workspace to meet the expansion needs of local firms (c) secure the development of business incubators and grow-on space across the sub-region	RES 1.3, 2.2, 3.1 & 3.2	Lead: Local Authorities BIA, LSPs, Joint SWRDA/ BDPEP Key Sites Group supported by Conurbation Sites Task Group, WTC, and Private Developers
	P2 Lobby for and implement the following strategic transport projects: (a) improvements to the transport	RES 3.1	Lead: BDPEP Local Authorities (via Regional Transport Strategy and Local Transport Plan process), Dorset Business, LSP Economy

To improve physical infrastructure and transport connectivity	infrastructure linking the Port of Poole, conurbation and Bournemouth Airport to the A31 including improvements to the Port of Poole and Twin Sails Bridge (b) improvements to intra-regional road links including A31 and A35 'corridors' and A350 (c) Weymouth Relief Road (d) public transport improvements across the sub-region (e) improved passenger facilities at Bournemouth Airport (f) improved frequency and speed of rail services from Weymouth to London (Waterloo) (g) improvements on the Bristol-Weymouth railway line (h) improvements on the Exeter-Salisbury railway line		Groups, FSB, IoD, and SWRDA
To increase the provision of affordable housing for 'key workers'[4]	H1 Deliver strategic actions emerging from Bournemouth Dorset and Poole Affordable Housing Task Group and the developing Local Area Agreements	RES 2.2	Lead: BDP Affordable Housing Task Group **Local Authorities, LSPs, and Private Developers** (Note: Commission to Examine Affordable Rural Housing due to report in March 2006)

[4] The meaning of 'key worker' here is used in the context of a key worker for the local economy.

To raise skills and workforce development	S1 Improve skills and learning in the workplace by brokering employer-led training S2 Put in place progression pathways to raise the standard of basic skills across all age groups S3 Promote closer links between HE/FE and businesses to support manage-ment development, foundation degrees and technology transfer S4 Develop a 14-19 strategy that improves collaboration between education and business, improves awareness of local business, increases participation in vocational education and encourages enterprise as a viable career choice S5 Promote the development of centres of vocational excellence S6 Address barriers to employment through progression pathways especially in areas of poverty and multiple deprivation	RES 1.2 & 2.1 & FRESA 1.1, 1.2, 1.3, 1.4, 2.2, 2.3	**Lead: BDP Learning and Skills Council (S1-S5)/ Job Centre Plus (S6)** BDP Lifelong Learning Partnership, Business Link Wessex, Connexions, Dorset Business, FSB, Higher and Further Education Institutions, IoD, Local Authorities, Jobcentre Plus, RRi Partnership, Sector Groups, SWRDA, and TUC
To improve business competitiveness, enterprise and innovation	B1 Promote the development of clusters and supply chains in marine technologies, advanced engineering including aerospace, environmental technologies and food and drink B2 Support the development of year-round, high value tourism businesses B3 Promote the 'spin out' of creative/media businesses from specialist HE/FE courses locally	RES 1.1, 1.4, 3.1 & 3.3	**Lead: SWRDA/Business Link Wessex** Sector Groups, Dorset Broadband Partnership, Dorset Business, Dorset Community Action, Dorset and New Forest Tourism Partnership, FSB, Local Authorities, Higher and Further Education Institutions, IoD, LSP Economy Groups, RRi Partnership, SWRDA, and Private Sector

To improve business competitiveness, enterprise and innovation (cont'd)	B4 Develop facilities for rapid prototyping, lean manufacturing and other advanced manufacturing techniques B5 Improve take-up and effective use of broadband to improve business performance through the Dorset Broadband Programme B6 Encourage higher levels of business start-up and survival through appropriate training, mentoring and availability of start-up/venture capital B7 Develop a better understanding of the spectrum of needs to support innovation B8 Support international trade B9 Create and develop support for social enterprises		
To promote effective partnership working	PW1 Agree 'priority sectors' for the sub-region in which business support will be prioritised and develop clear plans PW2 Develop the image and identity of Bournemouth Dorset and Poole as a dynamic location to attract and retain private investment, public sector employment and skilled workers PW3 Adopt a 'Key Account Management'[5] approach to supporting key local businesses to which all partners are committed PW4 Ensure lead partner(s)/organisations are held accountable for the action(s) assigned to them		**Lead: BDPEP** All partners

[5] Key Account Management is an approach developed by Yorkshire First to build and maintain strategic relationships with the area's major indigenous and foreign owned businesses and to develop an intelligence system focusing on their business development plans.

APPENDIX A - LIST OF BOURNEMOUTH DORSET AND POOLE ECONOMIC PARTNERSHIP MEMBERS

Arts Institute at Bournemouth
Borough of Poole
Bournemouth Borough Council
Bournemouth Council for Voluntary Service
BDP Learning and Skills Council
BDP Lifelong Learning Partnership
Bournemouth & Poole College
BDP connexions
Bournemouth University
Business Link Wessex
Christchurch Borough Council
Dorset Business
Dorset Community Action
Dorset County Council
East Dorset District Council
Federation of Small Businesses
Institute of Directors (Wessex Branch)
Jobcentre Plus
Kingston Maurward College
North Dorset District Council
Poole Council for Voluntary Service
Purbeck District Council
South West of England Regional Development Agency
TUC: Amicus
West Dorset District Council
Weymouth College
Weymouth & Portland Borough Council
Weymouth & Portland Partnership

APPENDIX B – KEY ECONOMIC PERFORMANCE INDICATORS

Table 1. GVA (£ per head), 2002

Area	GVA
Bournemouth & Poole	£15,114 (97% of GB)
Dorset CC	£12,262 (72% of GB)
BDP sub-region	£12,939* (83% of GB)
South West	£14, 286 (91% of GB)
South East	£16,758 (107% of GB)
Great Britain	£15,614 (100%)

Source: NUTS3 GVA, Office for National Statistics; * DCC estimate

Table 2. Gross weekly full-time earnings (residence-based), 2004

Area	Median Score
Bournemouth UA	78.6
Christchurch	100.0
East Dorset	105.0
Poole UA	95.6
North Dorset	87.2
Purbeck	90.6
West Dorset	92.8
Weymouth and Portland	75.1
BDP sub-region	90.0
South West	94.2
South East	110.1
Great Britain	100.0

Source: Annual Survey of Hours and Earnings, 2004

Table 3. Gross weekly full-time earnings (workplace-based), 2004

Area	Median Score
Bournemouth UA	78.2
Christchurch	103.2
East Dorset	102.3
Poole UA	96.0
North Dorset	81.9
Purbeck	83.9
West Dorset	88.1
Weymouth and Portland	73.6
BDP sub-region	88.1
South West	93.1
South East	106.3
Great Britain	100.0

Source: Annual Survey of Hours and Earnings, 2004

Table 4. Employment Rates (%), 2004

Area	Emp. Rate
Bournemouth UA	75.2
Christchurch	80.0
East Dorset	79.3
Poole UA	78.5
North Dorset	82.4
Purbeck	79.2
West Dorset	81.3
Weymouth and Portland	78.3
BDP sub-region	78.3
South West	78.6
South East	78.9
Great Britain	74.4

Source: Labour Force Survey, June 2004-May 2005.
Employment rate is percentage of working age population.

Table 5a. Indices of Multiple Deprivation (IMD), 2004

Area	IMD score	Rank	Percentile
Bournemouth	23.7	95	27
Christchurch	12.6	247	69
East Dorset	8.2	325	92
Poole	14.3	225	63
North Dorset	11.4	271	76
Purbeck	12.6	248	70
West Dorset	13.3	235	66
Weymouth and Portland	21.2	125	35

Source: Office for National Statistics
Table shows the population weighted average of the combined scores of the Super Output Areas.

Table 5b. Proportion of Population Living in Most Deprived Areas of England

Area	Rate (%)
BDP sub-region	6.7
South West	8.5
South East	5.1
England	20.0

Source: ODPM

Table 6. Knowledge-based economy (KBE) (%age of workforce in KBE, 2003)

Area	Rate (%)
Bournemouth UA	24.6
Christchurch	26.2
East Dorset	16.4
Poole UA	21.1
North Dorset	11.3
Purbeck	17.3
West Dorset	15.4
Weymouth and Portland	13.8
Dorset sub-region	19.7
South West	20.3
South East	27.1

Source: Annual Business Inquiry, 2003

Table 7. Quality of the Natural Environment (England)

Area	Natural Env.	Rank	Percentile
BDP Sub-region	115.0	9	81
Bournemouth UA	67.1	144	59
Christchurch	62.0	159	55
East Dorset	96.2	89	75
Poole UA	70.8	132	63
North Dorset	145.2	49	86
Purbeck	176.1	43	88
West Dorset	251.0	28	92
Weymouth and Portland	63.9	155	56
South West	337.9	1	-
South East	154.8	2	-

Source: Local Futures Group, State of the Nation, 2005

Table 8. Housing affordability, England (2002 prices)

Region	HPWHIR*	Rank
North East	2.27	1
Yorkshire and Humberside	2.41	2
North West	2.42	3
West Midlands	2.96	4
East Midlands	3.02	5
Eastern	3.7	6
South East	3.96	7
South West	4.2	8
Greater London	4.79	9

Source: Joseph Rowntree Foundation

Table 9. Housing affordability in the sub-region (2002 prices)

UA/District	HPWHIR*
Bournemouth	5.08
Christchurch	4.76
East Dorset	5.45
Poole	5.06
North Dorset	
Purbeck	5.58
West Dorset	5.08
Weymouth and Portland	4.86

Source: Joseph Rowntree Foundation

* House Price Working Households Income Ratio

Table 10. Percentage of working age population with NVQ4+ qualifications (2004)

Area	NVQ4+ (%)
BDP Sub-region	**23.5**
Bournemouth	22.2
Christchurch	25.3
East Dorset	28.4
Poole	18.9
North Dorset	30.5
Purbeck	23.1
West Dorset	25.6
Weymouth & Portland	19.6
South West	26.0
South East	29.1
Great Britain	26.2

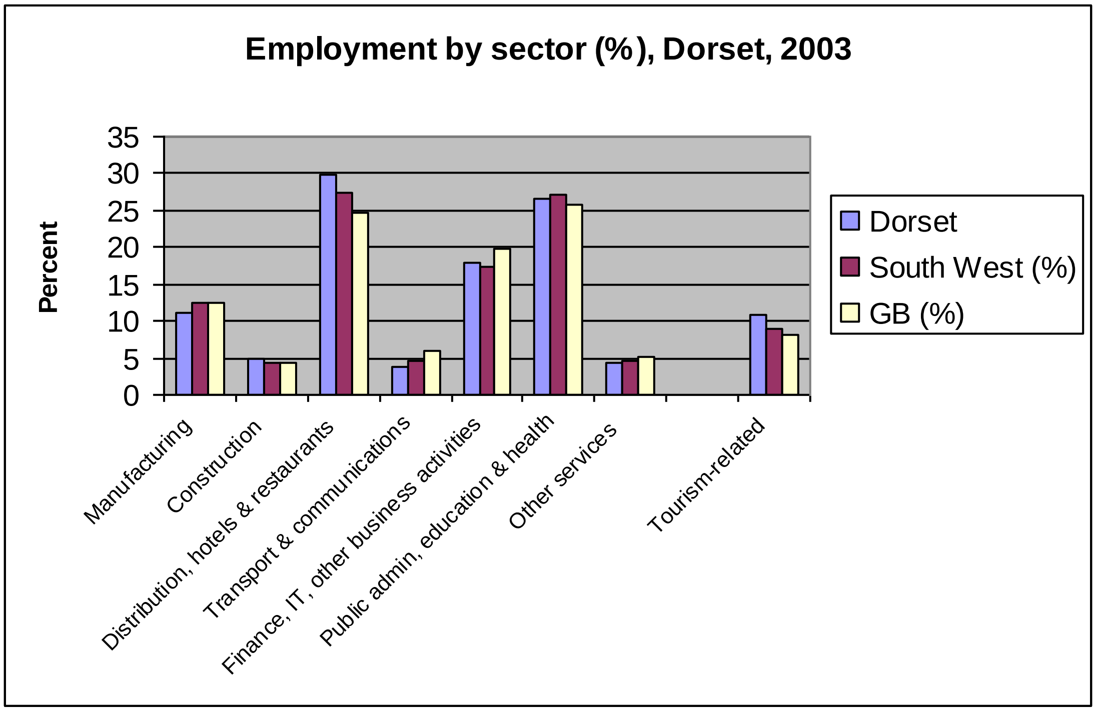
Source: Labour Force Survey, 2005 (June 2004 – May 2005)

Table 11. Percentage of working age population with NVQ3+ qualifications (2004)

Area	NVQ3+ (%)
BDP Sub-region	**45.7**
Bournemouth	45.6
Christchurch	43.9
East Dorset	51.3
Poole	39.1
North Dorset	54.7
Purbeck	47.0
West Dorset	53.0
Weymouth & Portland	35.3
South West	**46.6**
South East	**48.6**
Great Britain	**45.1**

Source: Labour Force Survey, 2005 (June 2004 – May 2005)

Figure 1



Source: Annual Business Inquiry, 2003
Dorset in this context refers to the Bournemouth Dorset and Poole sub-region

APPENDIX C - COMMUNITY STRATEGY FOR DORSET – ECONOMY ACTION PLAN

THEME: ECONOMY – Sustaining a prosperous and productive local economy.

NB: This table represents a first draft and should be amended in due course to reflect the actions of all partners. At that stage it will be easier to identify areas where additional, or re-focused, action is required to address DSP priorities, and formulate a more suitable programme/plan for the Economy Task Group.

Issues	Actions in Strategy	Tools/Action by Partners
Sustainable development: Encouraging a lasting prosperity that is mutually beneficial to the social, economic and environmental well-being of Dorset and that recognises new and existing sectors.	• Support key sectors: food & drink, environmental technologies, creative industries, tourism, printing & packaging, and construction. • Raise productivity, support SMEs, including social and community enterprises). • Encourage entrepreneurship and diversification. • Develop new Local Development Frameworks, and provide opportunities for economic growth. • Ensure adequate supply of employment land and premises. • Identify, and respond to, barriers to maintaining a good balance of generations. • Respond to aspirations of local community & parish plans.	▪ Rural Renaissance in Dorset – see attached sheet. ▪ LEADER+ 'Chalk & Cheese' – see attached sheet. ▪ Dorset Farming & Food Forum – developing Dorset Action Plan to mirror Regional Plan. ▪ Economic development strategies and action plans of partners – involvir extensive consultation with the business community. ▪ Entrepreneurship programmes – Enterprise Start, Women Into Business Workforce Development Programme. ▪ Local Development Frameworks – identifying employment sites. ▪ 'Property Pilot' – employment & commercial sites & premises database. ▪ Workspace provision initiatives – use of CPO powers when necessary. ▪ West Dorset DC – develop employment sites and premises where there established need, and opportunity allows, to BREEAM standards, particu the Dorchester Weymouth TTWA, and the north of the District. ▪ Use of CPO powers agreed by Purbeck DC supported by SWRDA to ensu early implement of allocation at Swanage. Infrastructure prerequisites a Winfrith and Holton Heath being addressed through Purbeck Transporta Study (PTS) and Local Transport Plan (LTP) process. ▪ Purbeck DC is supporting all communities in the District in undertaking community planning exercises with a target of 75% of population of Pur undertaking a parish plan by March 2005. The content of the Parish Plar

Issues	Actions in Strategy	Tools/Action by Partners
	• Support businesses in valuing all of their available resources, including people, natural resources and energy. • Links with urban areas.	work will form the basis of the Community Plan for Purbeck which is due drafted by June 2005. ▪ Some communities are already working towards an implementation stag Purbeck DC are assisting the Swanage Town partnership in developing a functional facility delivering child care, sports, learning, business suppor incubation space. ▪ Significant £3m+ rural regeneration project developed by the Purbeck Heritage Committee currently seeking HLF funding result due Sept. 04. T aim is rural regeneration through local innovations created by greater ac to Purbeck's significant natural industrial and cultural heritage. ▪ West Dorset DC – development of sector improvement groups to identif facilitate solutions to sector based problems (public admin., constructior distribution, hotel and catering, care). ▪ Dorset Renewable Energy Strategy & Action Plan currently in preparatio ▪ West Dorset DC - Identify and address barriers to maintenance of good balance of generations in communities; support schemes to encourage graduates into local businesses. ▪ Jobcentre Plus would seek to gain agreement across all agencies of key sectors. And lobby SWRDA to acknowledge these through BIG5 and BDF Skills & Workforce Development Group.
Skills & workforce development: Supporting innovation and workforce development that will equip people with the skills and adaptability needed to work and compete in a modern economic environment.	• Link – Learning & Knowledge; cultivate strong basic skills. • Enhance access to basic skills provision. • Implement new ways of providing neighbourhood learning. • Provide training responding to the needs of the local economy	▪ LEADER+ 'Chalk & Cheese'. ▪ Rural Renaissance in Dorset. ▪ Provision of local & community based learning. ▪ Jobcentre Plus – ensure national programmes dovetail into local delivery look at innovative ways to make basic skills accessible across Dorset. ▪ Provision of training based on identified need, such as the A3 programm Workforce Development Programme – issue of funding for programmes ▪ Jobcentre Plus – consider ring fencing District Manager Discretionary Fu pump prime or enhance provision that helps workless people remove ba

Issues	Actions in Strategy	Tools/Action by Partners
	and employers. • Identify, and respond to, unique requirements linked to Dorset's environmental & cultural heritage. • Up-date and up-grade skills to meet the needs of employers and modern business practices. • Identify opportunities for public sector to contribute to skills and development training. • Support opportunities to broaden skills and retrain.	and become economically active. ▪ Jobcentre Plus – work closely with LLSC on the Skills Strategy and STAR improve the training infrastructure. Potential for joint contracting and o customers progression routes to maximise their individual potential. Jobcentre Plus and LLSC will have closer links with Sector Skills Council ensure training is more relevant and industry focused. ▪ Jobcentre Plus – consider sponsoring/facilitating relevant job fairs and routeways within Health & Social Care in order to improve and enhance recruitment and skills entry level. ▪ Purbeck DC - Support for SWRDA initiated innovation Centre feasibility s at Winfrith Technology Centre. Site now passed to English Partnerships. ▪ Purbeck DC has led a partnership of service providers and community representatives who have looked into ways of delivering Advice, Learnin Knowledge and Information through new technology where possible, fro one easily accessible site within Wareham town centre.
Resources, communications and infrastructure: Developing and improving the physical, intellectual and financial resources that drive forward economic expansion and widen opportunities for growth.	• Develop way to provide infrastructure, sites, premises and finance to foster growth, productivity and prosperity. • Improve transport infrastructure, within and beyond Dorset. • Provide rural transport solutions to meet the local requirements of people and businesses. • Encourage investment in strategic technology & communications infrastructure, such as broadband. • Realise the economic generating potential of Dorset's	▪ Rural Renaissance in Dorset. ▪ Local Development Frameworks. ▪ Local Transport Plan – prepared by Dorset CC, to provide policy context proposals for actions to support local economy, and tourism activity in particular. ▪ Dorset Action for Rural Transport (DART) – seeking to improve and enh transport links for training and work purposes. Currently undertaking a research project on access to employment and training opportunities. ▪ 'Property Pilot'. ▪ Workspace provision strategy and initiatives (SWRDA and local partners ▪ Encourage take-up & effective use of broadband technology – prioritise local strategies and sub-regional funding bid being prepared for submis SWRDA from BDPEP. ▪ Tourism – strategic product development, such as Jurassic Coast. ▪ West Dorset DC – promote and support transport initiatives that integra

Issues	Actions in Strategy	Tools/Action by Partners
	environment. • Increase the value and impact of external funding coming into Dorset.	visitor attractions, including bus and rail links, cycling and walking netw ▪ BDPEP External Funding Group – identify opportunities for obtaining fun
Coastal & rural towns & countryside: Maintaining the viability and vitality of rural areas and local centres to sustain the distinctive quality and characteristics found in Dorset today.	• Add value to local products & resources. • Enhance role of market & coastal towns as service & employment centres. • Support growth of SMEs, and expansion of knowledge-based enterprise. • Support sustainable development of tourism, focusing on extending the season, product development and integration of services. • Nurture opportunities to support coastal enhancement.	▪ Rural Renaissance in Dorset. ▪ 'Direct from Dorset' product accreditation scheme. ▪ LEADER+ 'Chalk & Cheese'. ▪ Local procurement – identification and encouragement of opportunities local involvement and fulfillment in public sector contracts. ▪ Market & Coastal Towns Initiative – Bridport, Shaftesbury, and Sturmins Newton on programme, Swanage and Lyme Regis about to commence. Association for MCTI, and additional SWRDA project funding, about to b launched. ▪ Dorset & East Devon Coast World Heritage Site – Jurassic Coast Develo Programme prepared and being considered by potential funding partne addresses interpretation, marketing, education and transportation issue ▪ Dorset Farming and Food Forum. ▪ Vital Villages – or whatever may follow? ▪ Development of Dorset Destination Management Partnership. ▪ Olympic Bid Working Group contributing to National bid.
Economic inclusion & regeneration: Unlocking the potential of individuals and communities through neighbourhood renewal, working together, learning and sharing.	• Strengthen economic impact arising from community planning process. • Identify key issues to sustain economic well-being of local communities. • Consider new opportunities for partnership working and sharing	▪ Parish Plans & Appraisals, community planning. ▪ Vital Villages? ▪ Rural Renaissance in Dorset. ▪ LEADER+ 'Chalk & Cheese'. ▪ West Dorset DC – develop a pilot study on rural deprivation, based on t remote rural parishes around the Thornicombe area, to inform joint wor tackle rural deprivation.

Issues	Actions in Strategy	Tools/Action by Partners
	of resources. • Develop the potential for social enterprise to contribute to the local economy. • Promote merits of Dorset as a place to live and work, particularly for young people.	

Activity/Delivery mechanism	Rural Renaissance in Dorset	
DSP Key Issue(s)	▪ Culture & crafts ▪ Information & technology ▪ Skills & workforce development ▪ Resources, communications & infrastructure	▪ Access & rural issues ▪ Skills & sports ▪ Coastal & rural towns & countryside ▪ Economic inclusion & regeneration
Delivery Aims	▪ Create a culture of enterprise for the development & sustainability of small businesses (including social & community enterprises & co-operatives) with particular reference to promotion, productivity & competitiveness.	▪ Improve sustainable service accessibility & communications.
Structure	Partnership: Public, private & voluntary sector. DCC = Accountable Body	
Funding	Year 1: £380,000 Year 2: £855,000 Year 3: £665,000 Total: £1.9 million 50% from SWRDA, match funding from partners (DCC £150,000)	
Detailed activity	Projects approved:- ▪ 'Involve': return to work programme for individuals recovering from mental health problems. ▪ Swanage – Realising the Potential: Feasibility study re. Provision of childcare, managed enterprise units, learning, sport & recreation. ▪ Enhancing access to employment & training – Ferndown: employ accessibility co-ordinator for Ferndown/Uddens Industrial estates(350+ businesses). ▪ DART+ The role of transport in accessing employment & learning (research). ▪ Charmouth Heritage Coast Centre	Projects in development:- ▪ Rural Business Survey - FSB ▪ Dorset Agricultural Advice service ▪ Social Enterprise: Moving On ▪ Enterprising Charities ▪ DNF Business Advisor – Tourism Enterprises ▪ Dorset Coppice Group ▪ Bovington Community Centre ▪ Child Okeford Community Learning & Care Centre ▪ Whitecliff Farm, Shillingstone – workspace & enterprise centre
Progress/comment		
Lead/contact	Gareth Jones, Rural Development Officer Tel. 01305 228634 e-mail – gareth.jones@dorsetcc.gov.uk	

Activity/Delivery mechanism	LEADER+ Chalk & Cheese Local Action Group	
DSP Key Issue(s)	▪ Culture & crafts ▪ Information & technology ▪ Skills & workforce development ▪ Resources, communications & infrastructure	▪ Access & rural issues ▪ Skills & sports ▪ Coastal & rural towns & countryside ▪ Economic inclusion & regeneration
Delivery Aims	▪ Adding value to local products, in particular by facilitating access to markets for small production units via collective actions (to include the provision of appropriate training).	▪ Improving the quality of life.
Structure	Community led partnership: Public, private & voluntary sector. DCC = Accountable Body	
Funding	Total: £2.65 million over 6/7 years. EU funding £1.2 million DEFRA £.6 million Remainder – local partners including private sector (DCC £250,000)	
Detailed activity	Projects approved:- ▪ Wessex Ridgeway ▪ Long Crichel Community Organics ▪ Purple People Eater ▪ First Dorset Credit Union ▪ Springhead Sustainable Sewage System ▪ Open Churches ▪ Fruit Swap Project ▪ Wessex Ridgeway Crafts Today ▪ Rustic Films ▪ Farmers Radio ▪ Blackmore Vale Credit Union ▪ Dorset Centre for Rural Skills ▪ Community Movies ▪ Magdalen Tipi ▪ Chalk & Hawks ▪ Grow It, Cook It, Eat It! ▪ Village Voices ▪ Dorset Woodland Project ▪ Farm Paths	Projects in development:- ▪ Dorset Food Moves ▪ Hidden Dorset ▪ Heritage Orchards ▪ Dorset Man
Progress/comment		
Lead/contact	Sarah Watson, Partnership Manager Tel. 01305 22853 e-mail: s.watson@dorsetcc.gov.uk	

APPENDIX D – BOURNEMOUTH ECONOMY FORUM CHALLENGES, OBJECTIVES AND TARGETS

CHALLENGES:

The Economy Forum is directing attention towards a small number of action areas to tackle the following three challenges in developing and sustaining the economy:

1 – Space to accommodate new and growing businesses: the Forum will consider the development of Bournemouth International Airport as a key employment site for the conurbation, maximising the associated transport benefits of improved road access, air traffic and public transports links, whilst taking account of issues of sustainability.

2 – Transport within and around the conurbation: to remove barriers to economic success by addressing congestion, travel to work issues and enhancing access to the conurbation.

3 – Tourism: to develop a 10 year vision for tourism (including business and education sub-sectors) in Bournemouth and ensure appropriate actions are in place for marketing and product development.

OBJECTIVES:

1. Providing more and better quality employment for the residents of Bournemouth.

2. Retaining and supporting existing employers, and working to attract new private sector investment and community businesses.

3. Ensuring a positive image for Bournemouth as the UK's first world class resort and premier centre of conference, education and commerce and positioning Bournemouth as part of a cluster of Central South Coast centres with good communication and knowledge based companies.

4. Working to secure the economic regeneration of areas in the town with significant deprivation or unemployment levels, and helping to alleviate poverty.

5. Maximising the economic benefit to Bournemouth of all employment sectors.

6. Developing opportunities for residents and visitors to access quality recreational, sports and cultural services.

TARGETS:

1. Increase the Gross Value Added (GVA) at a rate above the south west regional level each year.

2. Achieve unemployment levels within Bournemouth below the south west regional average between April 2000 and April 2005.

3. Increase retail customer flow in Bournemouth Borough by at least 1% per year.

4. Achieve a real increase in visitor spend of 5% between April 2002 and April 2005.

5. Increase market share of out-of-season tourism and language school attendance by 5% between April 2000 and April 2005.

6. Increase the percentage of 19 year olds in Bournemouth, Dorset and Poole with a level 2 qualification each year and increase the percentage of economically active adults in Bournemouth, Dorset and Poole with a level 3 qualification each year.

7. From 2003 125 organisations achieving Investors in People status within the Dorset sub-region by April 2005.

8. Support and provide training support for 50 additional small businesses each year.

9. Increase the number of people taking part in cultural and recreational activities by 3% per year.

10. Reduce the levels of economic deprivation through regeneration activity within Bournemouth between April 2002 and April 2006.

11. Increase employment opportunities consequent upon raising the number of conference visitors to the town.

12. Improve the skill and training level amongst local businesses – see target above.

Source:- Bournemouth Community Plan 2004

APPENDIX E – POOLE PARTNERSHIP – 'MAKING POOLE A BETTER PLACE TO DO BUSINESS'

ENTERPRISE AND ECONOMIC DEVELOPMENT

Poole Partnership aim	Making Poole a Better Place to do Business
Vision	A place with a robust economy where innovation is promoted and supported and where businesses prosper and contribute to the well being of the town
Aspirations	*Poole people want dynamic businesses which provide security and prosperity for the town* *Poole people want businesses to play a key role in developing a thriving community*
On-going consultation	Work closer with Bournemouth Partnership on cross conurbation issues and have shared agreement on the vision for a vibrant business economy and key areas to address Business led task groups have identified skills, sites and premises as key issues to address Raise the profile of the conurbation as the second largest urban area in the south west and the potential to be a better performing economy Need for improved transportation links within and outside Poole Cost of housing is an issue in retaining and recruiting staff Make Poole attractive to employers and a younger workforce Improve the employability of those seeking work and remove barriers to employment Local people to be equipped for the jobs on offer now and in the future Starter business units proposed in central area regeneration Maintain mixed economy Accommodation for middle sized businesses
Evidence base	The GVA per head of working age population in Poole is £13,693 in comparison to the UK average of £14,400 82.1 % of the working age population of Poole are economically active Wage levels and cost of living highlighted as priorities in POP 2003
Lead Partnership	Making Poole a Better Place to do Business (Skills Task Group, Sites Task Group, Transport Task Group) Bournemouth, Dorset & Poole Economic Partnership
Priorities for action	• Improve transportation links, particularly the A31 – Poole link • More quality sites and premises, including employment in the central area and incubation and 'move on' premises • Develop a higher skilled workforce, including business managers • Agencies to work together to remove barriers to work (e.g. transport, benefits, childcare, skills and 'know how') and bring more people into work (e.g. people with disabilities, women returners, people from BME groups etc) • Improve recruitment and retention of labour • Encourage and support a more competitive local economy, e.g. by developing thriving clusters of businesses in which larger businesses encourage up-skilling and development of smaller businesses • More affordable housing • Greater links between colleges and university and business / employees • Develop cultural, shopping & leisure facilities

Presented at the Poole Partnership State of the Area Debate, 12 July 2005

APPENDIX F – AN OVERVIEW OF THE ECONOMY OF THE BOURNEMOUTH, DORSET AND POOLE SUB-REGION AND FUTURE CHALLENGES

Introduction and aim

This paper offers an overview of the economy of Bournemouth, Dorset and Poole. The paper has been informed by detailed analysis[6] and offers a future direction for economic development and policy.

The paper is the result of detailed discussion and development by the Executive Group and has been endorsed by the Partnership Board.

Current economic context

The sub-region is located within the South West region of England, and with the exception of the South East Dorset conurbation[7] and a number of market towns is predominately rural.

There are differences between the urban and rural areas of the sub-region, although equally there are important inter-linkages between the main South East Dorset conurbation and its surrounding rural hinterland. As a general statement, there is a tendency for economic prosperity within the sub-region to decline as the travelling time from the South East Dorset conurbation increases.

Whilst strong functional links exist with the adjacent South East region, there is no evidence that the area's competitive advantage would be enhanced by being in a different region. Existing regional boundaries are unlikely to change and strategically the area has the opportunity of positioning itself as offering the benefits of being located in the South West, whilst being accessible to London and the South East.

The indigenous industrial base for much of the area is orientated towards low-value land-based and tourism/leisure industries. The area contains few large businesses, and many of these, especially in manufacturing, have downsized over the last five years, with further job losses expected. There are a number of significant financial services companies located in the South East Dorset conurbation, but a significant proportion of the sector's employment is, for the sector, in lower value-added call-centre work or operations. Relatively few jobs are in the sector's higher value-added activities.

[6] The paper is based upon extensive primary and secondary research, although the process of developing the paper has also identified areas for further work e.g. work to be undertaken by the Economic Intelligence Advisory Group as to which regions/sub-regions should BDPEP use for the purposes of benchmarking.

[7] For the purposes of this paper the South East Dorset conurbation is taken as the area contained by the Bournemouth and Poole travel-to-work areas.

Few large companies have their headquarters in the area, leading to a risk of the operations of the larger companies being seen as ‘branch’ and therefore more susceptible to relocation or closure.

There are significant inhibitors to inward investment across the sub-region, and indeed differences within the sub-region as to the need for this type of investment.

The public sector is an important generator of economic activity across the sub-region, with concentrations of activity occurring both in the South East Dorset conurbation and in the Dorchester and Weymouth travel-to-work area. The public sector brings important direct and indirect benefits to the economy. Direct benefits include offering a significant number of employment opportunities for professional/graduate workers. Indirectly, good public services (e.g. health and education) are increasingly seen as factors in attracting and retaining professional and managerial workers in an area. Purchasing and supply chain links between the public and private sectors are also an important aspect of the economy.

In addition to the private and public sectors, the voluntary sector and the wider social economy play an important and growing economic role, both directly in terms of income and employment, and indirectly through, for example, working with socially excluded groups and individuals.

The area offers a high-quality natural environment, which despite poor transport links to most areas of the United Kingdom; many professional workers find it an attractive place to live. Inward migration has been a major influence on population growth and this is expected to continue for the future.

The net outward migration of young people in the 15-24 age group and particularly those with graduate skills from the area are concerns. The dominant factor driving the outward migration, at least at the graduate level, is the perception of poor employment prospects and the consequential difficulty of finding attractive employment and salary levels. Salary levels generally across the sub-region are low. Relatively low salary levels are exacerbated by the high ratio of house prices to earnings, and lack of affordable housing.

Outside of the South East Dorset conurbation, lower productivity levels depress salary levels further, and the absence of broadband connectivity to many locations undermines business competitiveness.

Start-up rates show marked variation, with generally higher rates in the east of the sub-region than the north or the west. Even where start-up rates tend to be high, failure rates are also high so that the net change in the business stock is at best only slightly positive. There is little evidence that amongst the start-ups there are sufficient numbers of high-growth knowledge-based businesses that nationally tend to be responsible for a disproportionate share of growth.

Economic decline in some industries has been masked by the diversified economic base avoiding high levels of general unemployment. The area currently enjoys full employment, although a daily net outward migration of mainly higher skilled labour employed from South East Dorset into adjoining regions (e.g. Southampton/Portsmouth) takes place.

One of the disadvantages of a diversified business base is fewer inter-firm sector networks, either formal or informal, exist and there is a lack of institutional structures to support the needs of specific sectors e.g. sector bodies, training provision, specialist research institutes, etc. Broadly based business clubs do exist and are an important feature particularly in the rural areas in providing networking opportunities.

The high-quality natural environment and continuing inward migration of population create major pressures on the already scarce supply of development land and risk the area having a population profile increasingly skewed to those of retirement age. A key economic challenge is thus to ensure the economic base is vibrant, and increases its ‘absorptive capacity’ in respect of higher skilled workers. At the same time, the profile of skills within the sub-region reveals a significant proportion of the workforce with at best basic skills. The skill base of these workers needs to be improved to ensure they can meet employers needs in the foreseeable future.

Looking to the future

Although current levels of employment encourage a positive view of the sub-region’s economy, the daily net outflow of workers from the south eastern end of the sub-region and loss of graduates point to structural weaknesses. Indeed, the sub-region would appear to be under-performing when compared to its potential.

Looking to the future, it is difficult to see any significant acceleration in the level of the sub-region’s trend rate of economic growth, given the present business structure and forecast growth patterns.

The most likely future scenario is that the sub-region (with considerable intra-area variation) will continue to exhibit productivity levels which lag behind London and the South East and the more prosperous areas of the South West (e.g. Swindon, Bristol and Gloucestershire).

Policy choices: the ‘do nothing’ scenario

Given the above scenario the questions are: (1) should something be done? And, if so, (2) what can be done?

On the first question there are risks to the future vibrancy of the sub-region if action is not taken. Broadly the sub-region could become a largely retirement location, with productivity and GDP per head falling further behind other areas of the country, and employment prospects for many becoming even more limited. In these circumstances continued net outward migration of the better-qualified young people will take place. In these senses the area's sustainability is threatened.[8]

On the second question the contention of this paper is that something can be done, but that influencing the nature of the business base and the consequent growth of the area requires long-term and consistent intervention. The starting point is to have a broad consensus to which all key stakeholders can agree.

This might begin by agreement on the following:

1. A first step towards strengthening the business base could be to develop an image for the sub-region that reflects the area's natural environment (scenery, quality of life, climate, etc.), but equally provides a clear commitment to supporting the development of new and existing businesses.

2. Recognition of the sub-region's role and importance within the South West region by key regional stakeholders should be strengthened.

3. In order to improve the performance of the economic base and ensure sustainability the need is to re-balance the economy towards higher skilled, higher productivity businesses.

4. For (3) to happen the need is to take action which supports the growth and development of appropriate new knowledge-based business from three sources: (a) existing business (organic growth), (b) new business formation and (c) realistic inward investment opportunities from within the UK and internationally.

5. In order to focus resources and secure a greater chance of success there is a strong argument for building support around the development/ strengthening of number of existing/potential business clusters. However whilst advocating the adoption of a sector focused approach this is not exclusive, and there is also a need to take a broader stance (see, for example, point 9 below) on a range of issues at the same time.

[8] It is important to recognise that the sustainability of the sub-region is dependent upon three inter-related factors: environment, economy and social. Failure to recognise the social dimension risks the exclusion of specific groups, their alienation from society, and the failure to utilise part of the potential resource base for the purposes of wealth generation and the improvement of society.

6. Identifying which sectors to encourage and support should be informed by the extent to which they can be successfully developed; offer future growth prospects; and whether they can benefit from, and co-exist with, the area's environment. Indeed, if the sectors are chosen carefully there is less likelihood of major conflicts between economic growth and the natural environment in pursuit of the overall sustainability of the sub-region.

7. Sector support might, for example, focus on the following:

- Helping existing businesses move up the value chain by re-positioning existing sectors e.g. tourism and leisure linked to the Jurassic Coast; more generally placing emphasis on exceptional customer service and local cuisine. Further developing high quality recreational facilities to reflect current and emerging lifestyles.
- Looking to see if there are opportunities for existing concentrations of businesses – e.g. financial services – to be scaled up to become a nationally recognised business cluster.
- Supporting embryonic business clusters e.g. local food, creative industries/digital media which draw on local strengths, or relate to the area's higher and further education institutions, and have a low impact on the environment. Some aspects of the creative industries will also enhance the cultural dimension, which is a factor in attracting and retaining professional staff.

8. New businesses will be crucial if the sub-region's aspiration of becoming a knowledge-based economy is to be realised. Other types of new business formation also have important roles to play e.g. social enterprises. More generally, survival rates need to be improved.

9. Whilst adopting a strong sector focus, improving the dynamics of the economy combined with a high-quality natural environment offers the prospect of attracting 'footloose' entrepreneurs working in a variety of industries. These businesses in turn will add 'weight' to the economic base.

10. As well as the sector focused activities detailed above considerable effort will need to be aimed at improving the position in respect of a range of factors which have a broad impact on the sub-region. These include, for example, improving the transport infrastructure, broadband connectivity and usage, employment sites, and the availability of housing which is affordable both to rent and to buy.