

RIBBLE VALLEY BOROUGH COUNCIL ECONOMIC DEVELOPMENT COMMITTEE

Agenda Item No.

meeting date: 14 JUNE 2018
title: ECONOMIC EVIDENCE BASE – CONSULTANT’S REPORT
submitted by: CHIEF EXECUTIVE
principal author: COLIN HIRST, HEAD OF REGENERATION AND HOUSING

1 PURPOSE

1.1 To consider the consultant’s report on the economic evidence baseline.

1.2 Relevance to the Council’s ambitions and priorities

- Community Objectives - To deliver a sustainable local economy
- Corporate Priorities - To undertake relevant economic activities to secure economic growth and to maintain a healthy local economy.
- Other Considerations - The work the subject of this report will support the delivery of economic activity and contribute to the forthcoming Local Plan review.

2 BACKGROUND

2.1 The Council holds and can access a range of information to inform its work in relation to economic development using a number of sources. Members will recall that as part of the evidence base to inform the Economic and the Core Strategies, reports were commissioned to inform the Council’s work.

2.2 The Council first commissioned a broad report jointly funded by the Council, Lancashire County Council and the Ribble Valley Strategic Partnership. That report entitled Ribble Valley Employment Land and Retail Study (2008) provided a combined assessment of a number of issues. It combined the need for a review of the supply and demand for employment land and premises with a retail health check of each of the main centres and was intended to provide a baseline for economic projects and to inform the Core Strategy. It also served to identify opportunities supported by economic evidence of public sector interventions to promote a sustainable local economy.

2.3 This work was refreshed as part of the Core Strategy evidence base in 2013 and expanded to incorporate other areas required to address issues at the Examination in Public for the Core Strategy such as the need to have evidence on the leisure economy in addition to retail to meet planning requirements.

2.4 All of these key areas of evidence are considered to be in need of updating and will be key to progressing both economic development functions and the review of the Local Plan.

2.5 Members will recall from the previous meeting of this Committee it was resolved to commission consultants to undertake a baseline evidence review, (Minute 584 refers) and to undertake a business survey to inform committee’s work on both the review of the Economic Strategy and to provide evidence for the Local Plan review.

3. BUSINESS SURVEY

- 3.1 A Business Survey has been commissioned and is in the process of being undertaken. The information from this survey will be reported to Members at the next meeting.
- 3.2 The survey was originally produced with the partnership research agency Infusion. Members may be aware that Infusion no longer operates and the work has now been commissioned through consultancy resource which is taking forward the work already developed with the former Infusion group. The cost of the work has been contained within existing revenue budgets. The survey is based online and is targeted across a wide business base within Ribble Valley. The survey will gather information on a range of key matters including premises, business confidence and growth aspirations, location and environment issues and skills and staff recruitment amongst others in order to build a picture of current conditions.

4 CONSULTANT'S REPORT – BASELINE

- 4.1 The Council commissioned Turley Associates under the Council's procurement procedures to prepare the baseline evidence review in accord with the Committee decision and they have now produced the study.
- 4.2 Members of the Economic Development Committee were invited to a detailed briefing on the report which generated wide ranging discussion on the findings. As the work also related to the Local Plan evidence base the Chair of Planning and Development Committee was also invited to the briefing. Members had the opportunity to seek clarification on issues and to discuss with the consultants the key matters raised in the report, generating a wide ranging discussion.
- 4.3 A printed copy of the consultant's report is attached at Appendix 1 for Members of this Committee only and a copy has been placed in the Members Room on Level C for reference. An electronic copy of the report is available with the report online.
- 4.4 Members will note from the report that the consultants have provided what is in effect an up to date portrait of the local economy with an analysis of our functional economic area and a swot analysis that indicates areas for the Council to explore further in its economic work.
- 4.5 The report's analysis defines the Functional Economic Market Area (FEMA) as that area relating to Pennine Lancashire. Section 3 of the attached report provides the detail. The FEMA comprises strongest economic relationships with Pendle, Burnley, Hyndburn and Blackburn with Darwen, however the report also recognises overlap with other areas including central Lancashire as well as with parts of Wyre.
- 4.6 Appendix 2 to this report draws out the key messages from the consultant's analysis which are set out for ease of reference against the headings of Employment and Productivity, Business Base, Population and Labour Force, Property Market and Employment Lane. The messages taken from the report have been utilised initially to undertake the baseline swot analysis which will be utilised to inform the review of the Council's economic strategy going forward and to align development policies through the local planning review. At this stage, attention is drawn to the identified threats highlighted in the consultant's report at page 77 but also to the opportunities facing the Council in relation to growth as set out on page 76 of the consultant's report.

4.7 Much of the Council's current economic development activity is targeted towards addressing the identified opportunities such as delivery of sites for growth and diversification with efforts being made to bring sites forward. Business support to encourage diversification and business base growth is being delivered primarily through support work in conjunction with Regenerate Lancashire, Boost and the services provided via the LEP and LCC, however the opportunities identified do highlight areas where work can be further developed to support appropriate economic growth which will be explored further in the economic strategy review.

5 RISK ASSESSMENT

5.1 The approval of this report may have the following implications

- Resources – The cost of the business survey and the baseline report have been contained within existing budgets. There are no specific resource implications as a result of this report. Any programmes or interventions developed within the review of the economic strategy will be subject of further reports and the Council's budgetary processes.
- Technical, Environmental and Legal – The Council is expected to monitor the local economy and its health and identify any actions needed.
- Political – The Council has identified economic development as a key political priority.
- Reputation – The work discussed in this report will assist the Council in demonstrating it is a well-run Council that seeks to identify local economic aspirations.
- Equality & Diversity – The work will support the Council's aim in delivering a sustainable local economy to the benefit of all its community.

6 RECOMMENDED THAT COMMITTEE

6.1 Note the report and agree that the baseline evidence report be published as part of the Economic and Local Plan review evidence bases and that the findings are taken into consideration in preparing the review of the Council's economic strategy and Local Plan accordingly.

6.2 Ask the Chief Executive to report back to this Committee the findings of the business survey at the next available meeting.

COLIN HIRST
HEAD OF REGENERATION AND HOUSING

MARSHAL SCOTT
CHIEF EXECUTIVE

BACKGROUND PAPERS

Economic Evidence Base documents

For further information please ask for Colin Hirst, extension 4503.

Economic Evidence Base – Baseline Report

Ribble Valley Borough Council

May 2018

Contents

1.	Introduction	1
2.	Policy and Strategy Review	3
3.	Defining the Functional Economic Market Area	16
4.	Employment and Productivity	25
5.	Business Base	41
6.	Population and Labour Force	51
7.	Property Market and Employment Land	59
8.	Strengths, Weaknesses, Opportunities and Threats	73

Contact

Gavin Amos
gavin.amos@turley.co.uk

May 2018

1. Introduction

- 1.1 This Baseline Report has been prepared by Turley Economics on behalf of Ribble Valley Borough Council ('the Council') to update the economic evidence base which will be used to underpin and inform the borough's economic strategy and Local Plan.

Context for the Research

- 1.2 Ribble Valley formally adopted its original Economic Strategy in 2009. The strategy covered the period from 2009-2014 and was reviewed in 2012 in response to changes in Government and policy, to provide a focus for service delivery and to ensure Ribble Valley remained a strong and prosperous area. The adoption of the Ribble Valley Core Strategy followed in December 2014 and the Council has subsequently progressed its Housing and Economic Development DPD (HED DPD) to examination.
- 1.3 The Council's current evidence is primarily represented by the suite of studies prepared to inform the Core Strategy. It is notable that the wider political and economic context has moved on considerably over subsequent years, resulting in much of this evidence now being comparatively dated. Ribble Valley now also forms a component part of the macro-economic ambition established through the Government's Industrial Strategy and Northern Powerhouse initiative. It is vital, therefore, that future growth prospects are understood within the context of these national and regional policies, in addition to those of the Lancashire Enterprise Partnership, which in combination place a strong emphasis on boosting productivity, enhancing prosperity and creating a resilient economy in the face of Brexit.
- 1.4 Within this context, the Council needs to plan positively to support the continued economic growth of the borough. This includes, for example, maximising opportunities for employment and productivity growth at strategic sites such as the Barrow Enterprise Site and Samlesbury Enterprise Zone, whilst at the same time addressing issues that affect business performance, growth and investment and the wider labour market.

Structure of the Report

- 1.5 This Baseline Report provides an up-to-date portrait of the local economy and is structured as follows:
- **Section 2 – Policy and Strategy Review** – relevant national, sub-regional and local economic policies and strategies are introduced;
 - **Section 3 – Defining the Functional Economic Market Area** – the economic relationships shared between Ribble Valley and its neighbouring areas are considered, in order to define the likely extent of the commercial property market;
 - **Section 4 – Employment and Productivity** – historic trends in employment and productivity are reviewed to highlight growth patterns in the local economy and the respective role of different industrial sectors;

- **Section 5 – Business Base** – the business base is profiled to understand recent change and the size of individual businesses;
- **Section 6 – Population and Labour Force** – the composition of the labour force and its characteristics are assessed;
- **Section 7 – Property Market and Employment Land** – a property market baseline is established by profiling key indicators relating to the supply of and demand for commercial premises in Ribble Valley; and
- **Section 8 – Strengths, Weaknesses, Opportunities and Threats** – the evidence is drawn together within a framework which identifies local economic strengths, underlying weaknesses, emerging opportunities and competitive threats.

2. Policy and Strategy Review

2.1 This section presents an overview of the strategic economic context and policy relevant to Ribble Valley. Recognising that Ribble Valley forms a component part of the macro-economic ambition established through the Government's Industrial Strategy and Northern Powerhouse initiative, consideration is first given to these national and regional policy and strategy contexts. This is followed by further consideration of key policy and strategy drivers at a sub-regional and local level.

National Policy Context

Industrial Strategy

2.2 The UK Government published its Industrial Strategy white paper in November 2017¹, aimed at boosting productivity and earning power throughout the UK, with planning policy and decisions expected to be cognisant and supportive of the Government's economic priorities.

2.3 The white paper seeks to build upon existing economic strengths while addressing underlying weaknesses, focusing on five "*essential attributes of every successful economy*", including:

- Ideas, applying the UK's strengths in science and research to industrial and commercial practices and, in doing so, increase productivity;
- People, addressing challenges in meeting businesses' needs for talent, skills and labour. There is a stated aim of ensuring that people are capable of improving skills throughout their lives, enabling them to increase earnings power and realise employment opportunities;
- Infrastructure, seeking to drive a major upgrade to infrastructure to reflects its integral position underpinning our lives, work and future prosperity;
- Business Environment, aiming to position the country in the global market as an attractive place to start a business, to spread the good practices of the county's most productive businesses and to attract investment; and
- Places, with the aim of promoting economic prosperity in communities throughout the UK. It is acknowledged that every region has a role to play in boosting the national economy.²

2.4 The Strategy outlines the way in which the government will aim to "*help businesses create better, higher-paying jobs in every part of the United Kingdom with investment in the skills, industries and infrastructure of the future*"³. It is recognised that a focus on improving the country's lagging productivity rates will be essential towards achieving the Strategy's objectives.

¹ HM Government (2017) 'Industrial Strategy'

² Ibid. p. 14

³ Ibid. p. 12

- 2.5 The People strand of the Strategy emphasises that “*disparities in education and skills are the biggest drivers of regional variation in productivity*”⁴ and that it is therefore paramount that “*entrenched regional disparities*”⁵ in education and skill levels, recorded most significantly between the north and south of the country, are tackled.
- 2.6 The strategy highlights transport as playing a significant role in meeting its aims, stating that the enhancements of Local Enterprise Partnerships (LEPs) and the development of Local Industrial Strategies will “*further strengthen the capabilities of communities to identify their infrastructure needs and to work with central government to deliver them*”⁶. Transport for the North’s confirmation as a statutory body is identified as a means of ensuring that faster transport links are developed between northern cities and that they benefit from connections with HS2 infrastructure.
- 2.7 The Strategy states the Government has had success with a bespoke partnership with the aerospace industry, the Aerospace Growth Partnership (AGP), highlighting that the sector’s strengths in productivity and innovation give the UK the ability to secure a share of a significant and growing global market. The Government’s latest decade-long funding commitment to the deal is intended to give the industry confidence to invest for the long term, with such partnership supporting technological innovation, promoting competitiveness, and anchoring key manufacturers in the UK⁷.
- 2.8 A number of key sectors are identified in the Strategy as those which will benefit from ‘Sector Deals’; partnerships between the government and industry on sector-specific issues to create opportunities to boost productivity, employment, innovation and skills. It is the Government’s aim that these partnerships have the same level of success as that with aerospace outlined above. The announced sector deals include:
- Life Sciences, through increasing investment into research and development and supporting the growth in manufacturing, skills levels and clusters (including in the north via the Northern Health Science Alliance);
 - Construction, through investing in programmes bringing together the construction, digital technology, manufacturing, materials and energy sectors to develop and commercialise digital and offsite manufacturing technologies and also driving increased investment in skills development;
 - Artificial Intelligence, with the Government working with industry to establish data trusts , stimulating fair, safe and equitable data sharing between parties
 - Automotive, aiming maximise opportunities in the transition to electric, connected and autonomous vehicles. It also seeks to boost the manufacturing sector through rolling out an industry-led supplier improvement programme to target areas where businesses need to improve, providing bespoke training and

⁴ Ibid. p. 98

⁵ Ibid.

⁶ Ibid. p. 138

⁷ Ibid. p. 193

enhanced business practices to manufacture the future generation of vehicles at volume⁸.

- Creative Industries, by creating and supporting creative clusters through a Cultural Development Growth Fund, working to forge links between businesses and education providers, and enabling businesses to get access to finance for research and development⁹

2.9 Furthermore, the Strategy states that Sector Deals for the Industrial Digitalisation (i.e. enhancing the incorporation of new technology into manufacturing practices) and Nuclear industries are at advanced stages of discussion.

2.10 The publication of the Industrial Strategy preceded the opening of consultation on the draft revised text of the National Planning Policy Framework (NPPF)¹⁰. The draft revised NPPF outlines the Government's intentions to incorporate the aims and objectives of the national Industrial Strategy into local policy, stating that planning policies should:

*"Set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration"*¹¹

2.11 This gives clear indication that local authorities should seek to capitalise on local strengths (particularly those highlighted in the Industrial Strategy) in order to drive productivity.

Regional Policy Context

Northern Powerhouse Strategy

2.12 The Northern Powerhouse Strategy was published by the government in November 2016 and seeks to achieve the vision of a vibrant and growing economy, characterised by a flourishing private sector and a skilled population¹².

2.13 Attracting inward investment is stated as one of the strategy's key objectives, with the government providing funds to establish a Northern Powerhouse Investment Taskforce with the aim of bringing together the local authorities and businesses of the North in order to present a single internationally competitive investment-attracting offer¹³.

2.14 In terms of regional strengths, the strategy states that a quarter (£46 billion in 2014) of the UK's total manufacturing output comes from the North, and that the strong performance of the sector is one which should be built on to drive regional economic growth¹⁴. The manufacture of pharmaceutical products is highlighted as a strong and growing industry in the North, accounting for 45% of the UK's total medicinal exports. Energy production is also identified as a local strength, with the Northern Powerhouse

⁸ Ibid. p. 194-202

⁹ HM Government (2018) 'Industrial Strategy: Creative Industries Sector Deal'

¹⁰ Ministry of Housing, Communities & Local Government (2018) National Planning Policy Framework: Draft text for consultation

¹¹ Ibid. p. 22

¹² HM Government (2016) 'Northern Powerhouse Strategy'

¹³ Ibid. p. 21

¹⁴ Ibid. p.6

area generating 31% of the UK's total renewable energy in 2015. In terms of the digital economy, it is also stated that the North is home to seven of the UK's 27 key tech clusters.

- 2.15 In terms of barriers to productivity, the area's poor transport connectivity is identified as a major hindrance to economic growth, as the labour markets of northern cities are more limited than in areas around London. Skills and enterprise deficits are also highlighted, with the north having a lower proportion of graduates than the UK average, alongside a lower rate of patents and lower number of businesses per head. The North is also stated as attracting a far lower number of foreign direct investment projects per head than in London and the South East.
- 2.16 The Strategy's objectives therefore centre around addressing the above barriers, through investing in the North's transport infrastructure to improve connections between and within the North's towns and cities, improving the skills system at all ages, building on the North's existing science strengths, and continuing to promote the North to foreign markets and investors¹⁵.

Northern Powerhouse Independent Economic Review

- 2.17 In 2016, Transport for the North commissioned SWQ Consulting and Cambridge Economics to publish an Independent Economic Review of the Northern Powerhouse (NPIER) in order to characterise the North's economic position and the drivers underpinning its performance, and identify opportunities where pan-Northern drivers and collaboration can support local activities¹⁶.
- 2.18 In judging the North's competitive advantages, sector strengths and distinctive capabilities, the report aimed to primarily focus on highly productive sectors which can help to close the North's productivity gap with the wider economy.
- 2.19 The NPIER identified four prime capabilities of the North which are highly productive and can compete on the national and international stage, including:
- Advanced manufacturing, with a particular emphasis on materials and processes;
 - Energy, in particular expertise around generation, storage and low carbon technologies, especially nuclear and off-shore wind;
 - Health innovation, with a focus on Life Sciences, Medical Technologies/Devices, e-health, and emerging new models of service provision; and
 - Digital, focusing particularly on computation, software tools/design and content, data analytics and simulation modelling, and wider media strengths
- 2.20 These are supported by three enabling capabilities, which can play a crucial role in supporting growth and development in the North, including:
- Financial and Professional services, which provide essential services to the 'prime' economic capabilities, while also possessing the potential to generate

¹⁵ Ibid. p. 8

¹⁶ SWQ and Cambridge Economics (2016) 'The Northern Powerhouse Independent Economic Review'

employment via ‘re-shoring’ activities currently out-sourced abroad, and ‘north-shoring’ where services move to the North from London and the South East;

- Logistics, which allow the proposed prime capabilities to realise their potentials in overseas markets ; and
- Education (primarily Higher Education), which not only provides the research capability and knowledge excellence that underpins the ‘prime’ capabilities above, but also by virtue of its intrinsic quality offers serious potential for the internationalisation of activity, both through students, university-university links, and collaborations with global businesses¹⁷.

2.21 It is stated that substantial growth in the above prime and enabling capabilities is the means by which growth in the North should be driven over the next 30-35 years, with this being achieved through the positive consequent impacts on local suppliers, employment and productivity, the agglomeration effects arising from faster connections between areas of employment and activity density in the North and the development of the private and public services which serve a higher income population¹⁸.

Transport for the North – Draft Strategic Transport Plan

2.22 In January 2018, Transport for the North (TfN) published the consultation draft of their Strategic Transport Plan, which sets out the case for the region’s strategic transport infrastructure investment through to 2050¹⁹, in order to support its vision of a *“thriving North of England, where modern transport connections drive economic growth and support an excellent quality of life”*²⁰.

2.23 The report states that *“transport investment can act as a key enabler to support the growth of the economy of the North”*²¹ through facilitating the exchange of goods, services, knowledge and skills, also highlighting that transport investment must seek to support the prime and enabling capabilities identified by the NPIER.

2.24 An important aspect of the outlined strategy to drive growth and productivity is enhanced connectivity, economic contribution, and qualities of rural areas, with such areas housing 14% of the North’s population and over 121,000 businesses²².

2.25 The Strategy also includes a map which indicates that, if its ‘transformational growth’ scenario is realised, Ribble Valley could see an increase in GVA of £2,000-£3,000 per person per annum by 2050, compared to the ‘business as usual’ scenario²³.

2.26 The Strategy defines seven ‘Strategic Development Corridors’ (SDCs), each of which span areas of the North where evidence suggests that progress towards the Strategy’s transformational growth scenario would be made by bringing forward major, strategic

¹⁷ Ibid. pp. 14-15

¹⁸ Ibid pp. 17-18

¹⁹ Transport for the North (2018) ‘Strategic Transport Plan: Draft for public consultation’

²⁰ Ibid. p. 12

²¹ Ibid. p. 22

²² Ibid. p. 23

²³ Ibid. p. 25

connecting rail and road investment²⁴. Clitheroe is identified as an 'important economic centre' in terms of its function within both the Central Pennines and the 'North West to Sheffield City Region' SDCs²⁵.

Sub-regional Policy Context

Lancashire Local Enterprise Partnership – Strategic Economic Plan

- 2.27 In 2014, Lancashire Enterprise Partnership (LEP) published their Strategic Economic Plan (SEP), setting out its growth ambitions for the next ten years, with a focus on realising the potential of the whole of Lancashire²⁶. The SEP aims to provide the framework for the area's Growth Deal with Government (covered below at Paragraph 2.30) and will direct the resources within their agreed European Structural Investment Fund (ESIF) Strategy (covered below at Paragraph 2.33).
- 2.28 The SEP identifies the key local priorities and programmes which will receive support and funding commitments. Key programmes and policy goals outlined in the SEP include:
- A sector development programme seeking £11m in competitive Growth Deal funding to improve the capability and capacity of Lancashire's competitive strengths in advanced manufacturing - especially in aerospace, automotive and energy;
 - A skills for growth programme seeking £47m in competitive Growth Deal funding, underpinned by a capital investment strategy consistent with agreed economic priorities, including a new Apprenticeship Hub to drive-up SME engagement and the local take-up of apprenticeships as career pathways;
 - An enhanced business growth hub requiring £12.8m in competitive Growth Deal funding to strengthen the support Boost can deliver to high growth SMEs;
 - An enhanced Growing Places investment fund seeking £30m in competitive Growth Deal funding to enable the LEP to continue unblocking stalled development opportunities critical to the economic regeneration of Lancashire;
 - A strategic transport programme seeking £195.7m in competitive Growth Deal funding to release the economic and housing growth potential of Preston, East Lancashire, Lancaster, and Skelmersdale in West Lancashire, strengthen cross-boundary connectivity with neighbouring city regions, and maximise the local advantage of national infrastructure initiatives such as HS2²⁷;

²⁴ Ibid. p. 61

²⁵ Ibid. pp. 66, 70

²⁶ Lancashire Enterprise Partnership (2014) 'Lancashire Strategic Economic Plan: A Growth Deal for the Arc of Prosperity'

²⁷ Ibid. pp. 4-5

2.29 Rail improvements in the Clitheroe to Manchester corridor are identified in the SEP as among those which are underway or programmed and will improve East Lancashire's strategic transport network²⁸.

Lancashire Growth Deal

2.30 The Lancashire Growth Deal is a £320 million allocation from Government's Local Growth Fund, secured by the LEP, which aims to realise the growth potential of the whole of Lancashire, building on key local economic assets including education and research centres, the Enterprise Zone, the Preston-South Ribble-Lancashire City Deal and other high-value business clusters across the county²⁹.

2.31 The LEP state that the deal will help to create up to 11,000 jobs, deliver 3,900 new homes and attract £1.2 billion of new private sector investment to Lancashire.

2.32 A number of key priorities are identified, which are generally pan-Lancashire in scope, and are rooted in maximising the area's competitive economic strengths. These include:

- Releasing Growth Potential – through transport improvements to motorway junctions and railway lines as well as building new roads to support job creation and enable the release of more land for homes and businesses;
- Growing the local skills and business base - with a £10m 2015/16 skills allocation, including £400k revenue to support Lancashire's Business Growth Hub; and
- Innovation and Manufacturing Excellence - maximise the economic value of Lancashire's centres of research and innovation excellence and globally competitive business clusters³⁰. Such clusters include those within the Lancashire Enterprise Zone, such as BAE Systems' operations at Samlesbury in Ribble Valley (profiled below at Paragraph 2.51).

Lancashire European Structural Investment Fund Strategy

2.33 A November 2017 report published by the LEP outlines the current position regarding the Lancashire European Structural and Investment Funds (ESIF), including details on current programme performance and commitment levels with information on planned future activity³¹. The EU Growth Plan is worth approximately £5bn in England, with Lancashire having an indicative allocation of £216m (the 6th largest allocation in England and largest Transition Area allocation), with a requirement for at least £144m of match funding.

2.34 At the time of the report's publication, £95m had been contracted, with another £30m of projects currently in appraisal, and up to £50m of calls planned to be issued in November 2017. This leaves approximately £47m of funds (21% of the programme total) possibly 'at risk' if not committed to projects prior to Brexit (March 2019).

²⁸ Ibid. p. 68

²⁹ Lancashire Local Enterprise Partnership (2014) 'Lancashire Growth Deal'

³⁰ Ibid.

³¹ Lancashire Local Enterprise Partnership (2017) 'Lancashire European Structural and Investment Fund (ESIF) programme - Update on Performance and Future Planning'

- 2.35 There are three separate European Funds combined within the ESIF, these being:
- European Regional Development Fund (ERDF);
 - European Social Fund (ESF); and
 - European Agricultural Fund for Rural Development (EAFRD).
- 2.36 Whilst there are currently no calls open for applications for the ERDF and ESF, there are three EAFRD calls open for applications, these being:
- Food Processing;
 - Rural Tourism; and
 - Business Development³².
- 2.37 LEP's draft EU Structural and Investment Funds Strategy for Lancashire 2014-20³³ sets out the ESIF can support economic development in the area, although it should be noted that the strategy will remain a draft until Lancashire's programme outputs have been agreed and this is approved by the National ESIF Growth Board.
- 2.38 The report states that Lancashire's key sectors have the potential to deliver a scale of growth which will have a transformational effect on the local economy and that Lancashire has core capabilities from which to sustain the existing economic base and underpin new growth and investment.
- 2.39 Key Sectors as outlined by the strategy include:
- Advanced Manufacturing;
 - Aerospace and Aviation;
 - Automotive Manufacturing;
 - Creative, Digital, ICT and New Media;
 - Energy Generation and Environmental Technology;
 - Business, Professional and Health Services;
 - Visitor Economy;
 - Food and Drink including agri-tech; and
 - Rural Growth³⁴

³² Lancashire Local Enterprise Partnership (2018) 'The European Structural and Investment Funds (ESIF)'

³³ Lancashire Enterprise Partnership (2015) 'Draft EU Structural and Investment Funds Strategy for Lancashire 2014-20'

³⁴ Ibid. p. 5

- 2.40 The Strategy states that the sectors that provide the best platform for growth include Advanced Engineering and Manufacturing (Aerospace & Automotive), Energy (Nuclear, Renewable & Generation) as well as Chemical and Polymers. Others that offer clear potential for economic growth include the developing Creative and Digital sectors, Food and Drink and the strong local Visitor Economy and Social Enterprise sectors.
- 2.41 Alongside this, it is stated that Lancashire needs to address its skills deficit developing the capacity and expertise of its residents. This is particularly important in those areas, and for those groups, already suffering from economic exclusion and living in places where employment growth is predicted to be limited for those with lower skills or suffer from other barriers to economic activity³⁵.
- 2.42 Projects relating to the above sectors are therefore identified as those which should be prioritised when allocating funding from the ESIF in Lancashire.

Lancashire Skills and Employment Strategy Framework 2016-2021

- 2.43 In February 2016, Lancashire Enterprise Partnership published its Skills and Employment Strategic Framework (SESF), aiming to make the skills and employment system more responsive to the needs of Lancashire, and provide the necessary foundations for achievement of the LEP's SEP³⁶. The stated purposes of the SESF are to:
- Increase prosperity and economic growth;
 - Deliver SEP Priorities;
 - Address issues of unemployment and economic inactivity; and,
 - Promote social inclusion, social cohesion, and equality and diversity.
- 2.44 It is stated that growth sectors in the Lancashire economy will create circa 45,000 jobs over the next ten years, and this will increase to over 55,000 if the LEP's ambitions for economic growth are met. Forecasts indicate that the logistics and distribution, the visitor economy and the leisure sectors will see increases in employment, with local residents able to benefit from such jobs if provided with the relevant occupational training³⁷.
- 2.45 However, it is judged that the required increase in employment in the construction sector is likely to be inhibited by skills and recruitment challenges, with a limited pool of labour of well qualified younger people also having the potential to affect growth in business and professional services and ICT related business³⁸.
- 2.46 Whilst the SESF quotes forecasts which anticipate manufacturing employment to decline by circa 10,000 jobs over the next ten years, it states that this impact can be greatly reduced through the drawing in of new inward investment linked to Lancashire manufacturing specialisms and supply chain, the continued up-skilling of the

³⁵ Ibid. p. 42

³⁶ Lancashire Enterprise Partnership (2016) 'The Lancashire Skills and Employment Strategic Framework 2016-2021'

³⁷ Ibid. p. 9

³⁸ Ibid. p. 9-10

workforce, and provision of long-term programmes to bring new apprentices and graduates into the industry.

- 2.47 The above is not, however, limited to the manufacturing sector – due to Lancashire’s aging population, the Strategy recommends that the area must develop high class apprenticeships and graduate retention programmes for all key employment sectors in order to forge a more educated, and ultimately productive, workforce³⁹.

Lancashire Strategic Transport Prospectus

- 2.48 Lancashire Strategic Transport Prospectus was published by LEP in 2016, and identifies the area’s long-term strategic transport requirements and the opportunities and constraints on growth over the next twenty years, as well as the more immediate interventions required to stimulate growth⁴⁰.
- 2.49 Drawing on the LEP’s SEP, the Prospectus outlines that Lancashire’s sector strengths include the aerospace and automotive industries, energy and power generation, the visitor economy, professional and business services, and logistics⁴¹.
- 2.50 The Prospectus outlines an ‘Arc of Prosperity’, which extends across Lancashire and incorporates key sector priorities of national and international significance, strategic sites, clusters of high value activity and internationally recognised centres of excellence in research and innovation. The ‘Arc’ also incorporates key assets and other sectors including quality of life and housing growth offers, a significant tourism and visitor economy, health, digital services and food manufacturing⁴². The ‘Arc’ is therefore the area in which investment will be focused in order to drive the sub-region’s economic growth. The ‘Arc’ passes across the southern part of Ribble Valley, encompassing the borough’s main towns of Clitheroe, Whalley and Longridge and many of its major employment sites, including the Enterprise Zone site at Samlesbury.

Lancashire Enterprise Zone

- 2.51 Lancashire Enterprise Zone aims to form a centre of excellence for high technology manufacturing, seeking to generate wealth-creating benefits for the whole county.
- 2.52 The Enterprise Zone is being developed at two sites, Samlesbury Aerodrome in Ribble Valley and Warton in Fylde, both owned and operated by BAE Systems⁴³, and where Britain’s next-generation combat aircraft, the Lockheed Martin F-35 will be manufactured over the next 25 years.
- 2.53 Importantly, the Enterprise Zone represents the UK’s single largest aerospace concentration. BAE also currently contract with 500 companies in the supply chain across Lancashire, generating revenue of £300m a year. Other major employers in Samlesbury also include Rolls Royce, Aircele, Kaman, Senior, RLC and Magellan⁴⁴.

³⁹ Ibid. p. 10

⁴⁰ Lancashire Enterprise Partnership (2016) ‘The Lancashire Strategic Transport Prospectus’

⁴¹ Ibid. pp. 8-12

⁴² Ibid. pp. 18-19

⁴³ Lancashire Enterprise Partnership (2018) Lancashire Enterprise Zone

⁴⁴ <http://samlesburyaerospaceez.com/home/>

- 2.54 Lancashire’s aerospace & supply chain industry employs more than 30,000 people Looking ahead the LEP states that up to 6,000 high-skilled jobs will be created directly, plus a further 5,000-7,000 in the local supply chain⁴⁵.

Samlesbury Aerospace Enterprise Zone

- 2.55 The Samlesbury Aerospace Enterprise Zone, now on-site, sits on the border of both Ribble Valley and South Ribble boroughs. When developed out, the site will provide B1, B2 and B8 units from 2,500 sq ft to 350,000 sq ft and will be a national centre of excellence for advanced engineering and manufacturing related companies including those operating in manufacturing, specialist logistics and professional support services⁴⁶.

Growth Lancashire Business Plan 2017-2018

- 2.56 Growth Lancashire is a business support and economic development company which aims to grow jobs, prosperity and skills across the county. Growth Lancashire’s Business Plan 2017-2018⁴⁷ states the company’s aim to handle in the region of 1,600 business enquiries, and to convert 1,200 of these into referrals to either Boost Business Lancashire(the county’s business growth hub) , to ESIF-commissioned programmes, to National Business Support Programme or to another relevant commercial business support solution. This will be achieved through Growth Lancashire’s operation of a Support Finder tool, which provides an up-to-date resource of local and national publicly funded business support products.

- 2.57 Growth Lancashire will also support the administration of the Boost Lancashire Growth Voucher scheme. Growth Vouchers can be used to purchase private sector support, such as prototype development, commissioning intellectual property advice, and website and software development. In partnership with Lancashire County Council, Growth Lancashire aims to support 230 businesses to access a total pot of £580,000⁴⁸.

Local Policy Context

Ribble Valley Adopted Core Strategy

- 2.58 Ribble Valley’s Core Strategy was adopted in December 2014, and, covering the period up to 2028, aims to achieve the vision of Ribble Valley as

“an area with an exceptional environment and quality of life for all, sustained by vital and vibrant market towns and villages acting as thriving service centres, meeting the needs of residents, businesses and visitors”⁴⁹

- 2.59 Key objectives of the plan are centred around respecting and enhancing the local natural environment; providing suitable levels and ranges of housing options, increasing the supply of affordable homes; improving the competitiveness and productivity and of local businesses and promoting local employment opportunities; promoting cohesive communities; supporting and enhancing the local retail offer; co-ordinating and diversifying sustainable tourism; improving accessibility to rural

⁴⁵ Lancashire Enterprise Partnership (2018) Lancashire Enterprise Zone

⁴⁶ <http://samlesburyaerospaceez.com/home/>

⁴⁷ Growth Lancashire (2017) ‘Business Plan 2017-2018’

⁴⁸ Ibid. p.11

⁴⁹ Ribble Valley Borough Council (2014) ‘Core Strategy 2008 – 2028: A Local Plan for Ribble Valley’, p. 31

locations and contributing to local, regional and wider sustainable development, including addressing and mitigating against the impacts of climate change⁵⁰.

Ribble Valley Housing and Economic Development Plan Document

- 2.60 Ribble Valley Borough Council is currently preparing a Housing and Economic Development Plan Document (HED DPD). The DPD has been submitted to the Secretary of State to be examined in public by the Planning Inspectorate. The HED DPD sets out the detailed policy coverage for matters relating to housing and economy to fully implement the policies of the Core Strategy⁵¹.
- 2.61 As was set out in the Core Strategy, the HED DPD outlines that the majority of new housing development will be concentrated within an identified strategic site located to the south of Clitheroe towards the A59 and at the principal settlements of Clitheroe, Longridge and Whalley. Strategic employment opportunities will be promoted through the development of the Barrow Enterprise Site and Samlesbury Enterprise Zone as the main locations of employment⁵².

Ribble Valley Employment Land Study

- 2.62 Ribble Valley Employment Land Study was refreshed in 2013, and assesses the supply, need and demand for employment land and premises (use class B) in Ribble Valley⁵³. It was conducted in order to provide an evidence base to underpin Ribble Valley Borough Council's local plan covering the period to 2028.
- 2.63 The study found that, as the least deprived local authority area in Lancashire, Ribble Valley is affluent with a highly-skilled population, as evidenced by the high proportions of people who work in managerial and professional occupations in the Borough. Despite the low levels of inward investment attracted by the borough and the fact that property professionals consider there to be an local oversupply of both office and industrial property, the study found that Ribble Valley's rural business centres perform well, having wide catchment areas for occupiers⁵⁴.
- 2.64 The report recommended that the borough required another 8ha employment land up to 2028. It is stated that this should be achieved through designating the following six key employment sites as areas to be safeguarded for B Class Uses and other employment uses which achieve economic enhancement:

- Barrow Brook Business Park, Barrow
- Samlesbury Aerodrome
- The Sidings, Whalley
- Salthill Industrial Estate, Clitheroe
- Shay Lane Industrial Estate, Longridge

⁵⁰ Ibid. pp. 33-34

⁵¹ Ribble Valley Borough Council (2017) 'Housing and Economic Development Plan Document'

⁵² Ibid. p. 7

⁵³ Ribble Valley Borough Council (2013) Employment Land Study Refresh

⁵⁴ Ibid. p. 2

- Time Technology Park, Simonstone⁵⁵

2.65 For other employment areas, it was acknowledged that a more flexible approach could be taken to help facilitate a broad range of economic development, with more intensive mixed-use schemes in some case being of greater benefit to the local community than sites retained solely for employment use⁵⁶.

⁵⁵ Ibid. pp. 3-4

⁵⁶ Ibid. pp. 3-4

3. Defining the Functional Economic Market Area

- 3.1 Ribble Valley is situated in north east Lancashire. By area, the borough is the largest in the county of Lancashire, measuring 585 square kilometres, with a population of roughly 58,850 residents⁵⁷. This equates to a relatively low population density of one person per hectare, and the borough is therefore predominantly rural in nature, with over 70% of land being designated as an Area of Outstanding Natural Beauty⁵⁸.
- 3.2 The main population and economic centres in Ribble Valley are the towns of Clitheroe (the administrative centre) and Longridge. The area's more rural villages range in size, with those such as Whalley being to the larger end of the scale.
- 3.3 Whilst the vast majority of businesses in Ribble Valley are micro-businesses, the borough houses a number of large employers, including BAE Systems at their Samlesbury site, and has historically had low levels of unemployment, with manufacturing representing a significant proportion of the workforce, alongside rural industries. Ribble Valley's workforce is also relatively high educated, with local wages generally being higher than in surrounding areas.
- 3.4 The area has a number of road and rail transport links connecting the area with the rest of the North West, including the A59 linking with the M6 motorway and rail services from Clitheroe to Preston and Manchester. The borough's rural nature means that over half of its residents commute out of the borough to work.

Functional Economic Market Areas

- 3.5 Local authority boundaries are rarely representative of the full extent of functional economies, or the commercial property markets in which businesses' needs are met through supply. It is therefore important to understand the economic geography within which Ribble Valley is located, typically referred to as the functional economic market area⁵⁹ (FEMA).
- 3.6 Planning Practice Guidance (PPG) recognises that *'there is no standard approach to defining a functional economic market area'*⁶⁰, although it lists a range of spatial factors which can be taken into account in defining such areas. This includes:
- Local Enterprise Partnerships;
 - Travel to work areas;
 - Housing market areas;
 - Administrative geographies; and

⁵⁷ ONS via NOMIS (2018) Mid-year population estimates

⁵⁸ Ribble Valley Borough Council (2014) Core Strategy 2008 – 2028: A Local Plan for Ribble Valley – Adoption Version, p. 18.

⁵⁹ PPG Reference ID 2a-012-20140306

⁶⁰ *Ibid*

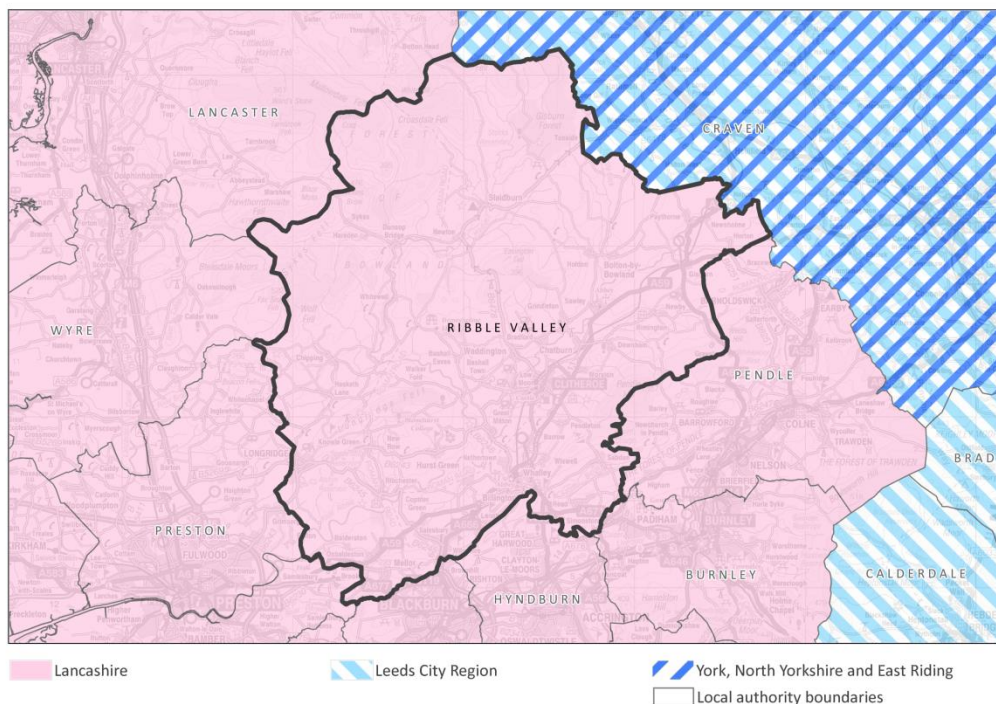
- The transport network.

3.7 These spatial geographies are reviewed within this section in order to define an appropriate FEMA for Ribble Valley. The economic characteristics of the wider FEMA also provide context within the later sections of this report.

Understanding Existing Geographies

- 3.8 The extent to which Ribble Valley forms part of existing partnerships provides important context when defining an appropriate FEMA, reflecting the guidance introduced above.
- 3.9 The PPG specifically cites Local Enterprise Partnerships as a relevant geography which can be taken into account. As highlighted in section 2, Ribble Valley forms part of the Lancashire Enterprise Partnership, which extends to cover the whole county including the unitary authorities of Blackpool and Blackburn with Darwen. This captures most of the authorities which directly border Ribble Valley, as illustrated at Figure 3.1 overleaf.

Figure 3.1: Local Enterprise Partnerships



Source: ONS

- 3.10 Craven is the only neighbouring authority which falls within a different LEP geography, and indeed the district forms part of two separate LEPs. This includes the York, North Yorkshire and East Riding Enterprise Partnership and the Leeds City Region Enterprise Partnership. This suggests that Craven primarily partners with authorities to its east and south east, which fall within the county of Yorkshire.
- 3.11 Indeed, administrative geographies in the area are heavily influenced by county boundaries, namely the border between Yorkshire and Lancashire to the north east of

Ribble Valley. From an administrative perspective, the borough is therefore orientated towards other parts of Lancashire.

- 3.12 More specifically, Ribble Valley has historically collaborated with Blackburn with Darwen, Burnley, Hyndburn, Pendle and Rossendale in developing an integrated economic strategy for Pennine Lancashire⁶¹. Regenerate Pennine Lancashire was established in 2011 to support businesses and economic development across this area, although it has since expanded – and been renamed to Growth Lancashire – to provide business support across the county⁶².

Travel to Work Areas

- 3.13 Travel to work areas (TTWAs) are defined by the Office for National Statistics⁶³ (ONS) to identify ‘self-contained areas in which most people both live and work’. The latest published TTWAs take account of 2011 Census data, and aim to define statistical areas – as opposed to administrative geographies – where:

“At least 75% of the area’s resident workforce work in the area and at least 75% of the people who work in the area also live in the area. The area must also have an economically active population of at least 3,500. However, for areas with a working population in excess of 25,000, self-containment rates as low as 66.7% are accepted as part of a limited “trade-off” between workforce size and level of self-containment”⁶⁴

- 3.14 These criteria result in the bisection of Ribble Valley, as illustrated in the plan below. The western edge of the borough – including the principal settlement of Longridge – fall within the Preston TTWA, while the remainder is covered by the Blackburn TTWA. The extent of each of these geographies terminates at the northern edge of Ribble Valley, suggesting limited overlap with authorities to the north.

⁶¹ Pennine Lancashire authorities (2008) An Integrated Economic Strategy for Pennine Lancashire

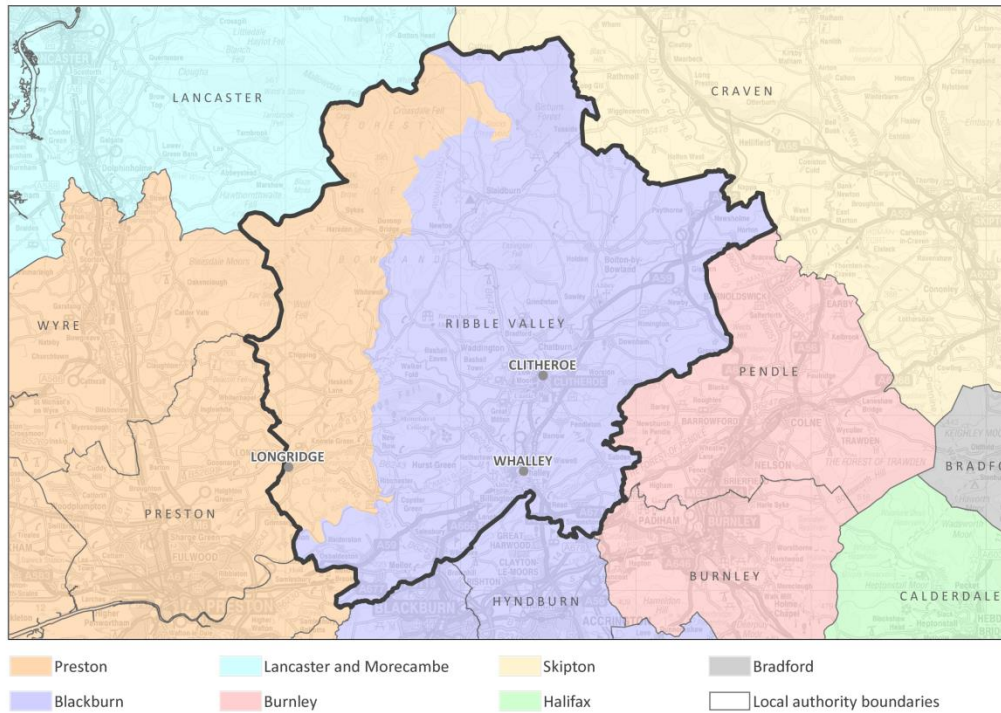
⁶² Growth Lancashire Limited (30 August 2016) Regenerate Pennine Lancashire to become Growth Lancashire

⁶³

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/traveltoworkareaanalysinggreatbritain/2016>

⁶⁴ *Ibid*

Figure 3.2: Travel to Work Areas 2011



Source: ONS, 2015

- 3.15 This illustrates the extent to which proximate economic centres draw labour from Ribble Valley, as recorded by the 2011 Census. The same underlying data can, however, also be used to further understand where the borough's employed residents work.
- 3.16 As shown in the following table, around 43% of Ribble Valley's employed residents worked in the borough at the 2011 Census, indicating that more than half commuted elsewhere. Blackburn with Darwen represented the main commuting destination, followed by Preston and Hyndburn. It is notable that authorities which border Ribble Valley to the north – namely Lancaster and Craven – do not feature amongst the top ten destinations listed.

Table 3.1: Main Places of Work for Ribble Valley Residents 2011

Place of work	Total	% of Ribble Valley residents
Ribble Valley	9,896	43.4%
Blackburn with Darwen	3,126	13.7%
Preston	2,155	9.5%
Hyndburn	1,433	6.3%
Burnley	1,173	5.1%
Pendle	645	2.8%
South Ribble	564	2.5%
Fylde	358	1.6%
Manchester	321	1.4%
Wyre	308	1.4%

Source: Census 2011

- 3.17 While the above focuses on the place of work for residents of Ribble Valley, the main places of residence for its workforce can similarly be established through the 2011 Census. The following table shows that Ribble Valley residents account for 41% of the borough's workforce. Neighbouring Blackburn with Darwen, Hyndburn and Preston collectively accommodated almost a quarter (24%) of those working in Ribble Valley in 2011.

Table 3.2: Main Places of Residence for Ribble Valley Workforce 2011

Place of residence	Total	% of Ribble Valley workforce
Ribble Valley	9,896	41.2%
Blackburn with Darwen	1,942	8.1%
Hyndburn	1,923	8.0%
Preston	1,891	7.9%
South Ribble	1,298	5.4%
Burnley	1,187	4.9%
Pendle	1,108	4.6%
Chorley	637	2.7%
Wyre	451	1.9%
Fylde	412	1.7%

Source: Census 2011

Housing Market Area

- 3.18 The publication of the NPPF in March 2012 introduced a requirement to meet objectively assessed housing needs within housing market areas⁶⁵. The subsequent publication of the PPG in March 2014 provided further guidance on how such areas should be defined, and how authorities found to share a housing market area should work together under the Duty to Co-operate⁶⁶.
- 3.19 The submission and examination of the Ribble Valley Core Strategy predated the publication of the PPG, and submission was only six months after the NPPF was published. Its underpinning housing evidence was therefore largely prepared in the context of earlier guidance, and did not explicitly seek to define an appropriate housing market area for the purposes of assessing housing needs. As such, the geographic scope of this evidence was limited to Ribble Valley⁶⁷.
- 3.20 Neighbouring authorities have not included the borough within the housing market area definitions since established in respectively commissioned evidence, as:
- **Lancaster** and **Craven** have been found to individually represent self-contained housing market areas⁶⁸;
 - **Preston** and **South Ribble** have been found to share the Central Lancashire housing market area, which also includes Chorley⁶⁹;
 - **Wyre** forms part of the Fylde Coast housing market area⁷⁰;
 - **Blackburn with Darwen** and **Hyndburn** share a housing market area⁷¹; and
 - **Burnley** and **Pendle** share a housing market area⁷².
- 3.21 Whilst the NPPF introduced new requirements in terms of co-operation within housing market areas, the concept of housing market areas predates its publication. The North West Regional Spatial Strategy⁷³ (RSS) was required to understand sub-regional and local housing markets, in order to comply with guidance at the time.
- 3.22 The RSS highlighted Ribble Valley's location within the Central Lancashire City Region, mainly shaped around the city of Preston and the towns of Blackburn, Blackpool and

⁶⁵ DCLG (2012) National Planning Policy Framework, paragraph 47

⁶⁶ PPG Reference ID 2a-010-20140306; PPG Reference ID 2a-011-20140306

⁶⁷ NLP (2013) Ribble Valley Housing Requirement Update; NLP (2011) Ribble Valley Housing Requirement

⁶⁸ Turley (2015) Lancaster Independent Housing Requirements Study; Arc4 (2017) Craven Strategic Housing Market Assessment Update

⁶⁹ GL Hearn (2017) Central Lancashire Strategic Housing Market Assessment

⁷⁰ Turley (2013/14) Fylde Coast Strategic Housing Market Assessment

⁷¹ NLP (2014) Strategic Housing Market Assessment and Housing Needs Study – Blackburn with Darwen and Hyndburn

⁷² NLP (2013) Burnley and Pendle Councils Housing Needs Study and SHMA

⁷³ Government Office for the North West (2008) North West of England Plan Regional Spatial Strategy to 2021

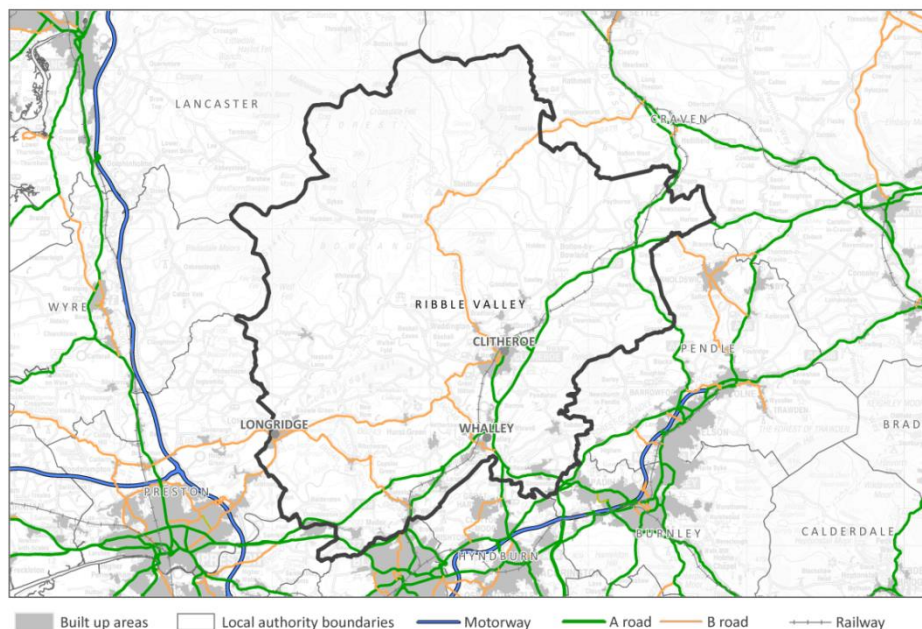
Burnley⁷⁴. This geography covered the county of Lancashire, inclusive of unitary authorities but excluding West Lancashire and Lancaster.

- 3.23 Below this strategic level, shared priorities and functional linkages were identified between the “Central East Lancashire” authorities of Ribble Valley, Hyndburn and Blackburn with Darwen⁷⁵. These authorities were also found to share some characteristics with Pennine Manchester – comprising Oldham, Rochdale and Tameside – and East Lancashire, namely Burnley, Pendle and Rossendale⁷⁶.

Transport Network

- 3.24 The location of existing transport infrastructure also provides important context when defining FEMAs, given that the availability of transport connections – or lack thereof – can influence economic relationships between different areas.
- 3.25 The plan below illustrates major road and rail infrastructure in Ribble Valley and surrounding areas, with built-up areas – defined by the ONS – overlaid for context. This shows that the principal settlements of Clitheroe, Whalley and Longridge provide a focus for major road infrastructure in Ribble Valley. Clitheroe and Whalley are also located on the railway line, which provides services south to Manchester via Blackburn. Although the railway continues north to Hellfield in Craven, services in this direction are infrequent and unsuitable for commuting⁷⁷.

Figure 3.3: Transport Infrastructure



Source: Turley

⁷⁴ *Ibid*, section 12

⁷⁵ *Ibid*, Table 7.1

⁷⁶ *Ibid*, p71

⁷⁷ It is understood that only two passenger services run north from Clitheroe each week, exclusively on Sundays

Defining an Appropriate FEMA

- 3.26 The analysis in this section clearly illustrates the extent to which the economy of Ribble Valley is influenced by surrounding areas, and the borough therefore cannot therefore be considered to operate as a self-contained functional economic geography.
- 3.27 In defining an appropriate FEMA for the borough, it is beneficial to understand existing definitions established through neighbouring authorities' evidence. In summary:
- **Preston and South Ribble** – as well as Chorley – form part of the Central Lancashire FEMA defined through the joint Employment Land Study⁷⁸. The study concludes that this FEMA also extends to include the Fylde Coast authorities of Blackpool, Fylde and Wyre, given their strong links to Preston via the M55 and A583. Additionally, it notes that '*Blackburn with Darwen and Ribble Valley...fall within the economic catchment area of Preston*'⁷⁹, although this is found to be partially reflective of movements within Longridge which is located at the authority boundary⁸⁰;
 - Evidence commissioned for **Wyre** concluded that the borough '*forms part of a larger travel-to-work area, which includes Fylde and Blackpool*' given that 86% of residents live and work in the Fylde Coast⁸¹;
 - **Hyndburn** demonstrates relatively low levels of self-containment, although 84% of its residents work within Pennine Lancashire. This geography was therefore defined as the appropriate FEMA for the borough, extending to incorporate the local authority areas of Blackburn with Darwen, Burnley, Ribble Valley, Rossendale and Pendle⁸²;
 - **Burnley** does not represent a FEMA in isolation, but can be described as a self-contained geography when grouped with neighbouring Pendle. Across this combined area, residents account for 73% of the combined workforce, and 68% of residents work within one of the two authorities⁸³; and
 - Evidence documents independently commissioned for **Lancaster, Pendle and Blackburn with Darwen** do not explicitly define a FEMA, with the geographic scope of their analysis limited to individual authority areas.
- 3.28 There is evidently some overlap between the FEMAs defined by neighbouring authorities, most notably in Central Lancashire and Pennine Lancashire. These strategic geographies evidently contain groups of authorities which collectively operate as relatively distinct and self-contained economies. For example, Burnley and Pendle represent a relatively distinct local economy – and indeed form the basis of a TTWA defined by Government – within the wider geography of Pennine Lancashire.

⁷⁸ BE Group (2017) Central Lancashire Employment Land Study

⁷⁹ *Ibid*, paragraph 7.18

⁸⁰ *Ibid*, paragraph 7.8

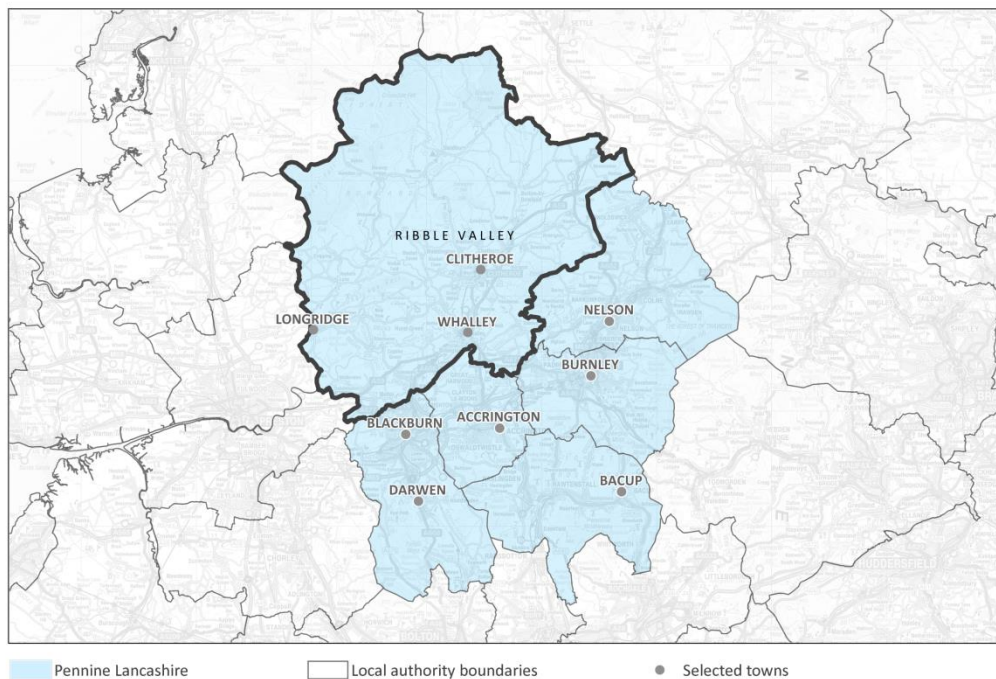
⁸¹ NLP (2015) Wyre Employment Land Study Update, paragraph 3.32

⁸² Turley (2016) Hyndburn Borough Council Employment Land Study, paragraph 2.8

⁸³ NLP (2016) Burnley Employment Land Demand Study, paragraph 2.31

- 3.29 The economic relationship between Ribble Valley and Preston has been acknowledged within the latter’s evidence, and is also shown through the commuting analysis presented in this section. This influence is stronger in western parts of the borough, however, with other areas – and indeed the borough as a whole – sharing a stronger relationship to the south with Blackburn when considering commuting patterns and transport connections. Both Ribble Valley and Blackburn with Darwen form part of Pennine Lancashire, which is an established group of six authorities and indeed forms the basis for the FEMA defined for neighbouring Hyndburn.
- 3.30 On this basis, **Pennine Lancashire⁸⁴ is considered to represent an appropriate FEMA for Ribble Valley.** In total, this geography accommodated over two thirds (68%) of the borough’s workforce at the 2011 Census, and covers an area in which 72% of its employed residents work. It will, however, remain important for the Council to also consider its economic relationship with the Central Lancashire authorities, and Preston in particular.
- 3.31 The extent of the FEMA and the location of key towns relative to Ribble Valley’s principal settlements are illustrated in the plan overleaf.

Figure 3.4: Functional Economic Market Area



Source: Turley

- 3.32 The following sections of this report profile Ribble Valley within the context of the FEMA, as well as wider Lancashire as the relevant LEP geography.

⁸⁴ Local authority areas of Blackburn with Darwen, Burnley, Hyndburn, Ribble Valley, Rossendale and Pendle

4. Employment and Productivity

4.1 The following four sections of the report assess the current composition of Ribble Valley's economy and its performance against a number of key economic and labour market indicators. Focusing on employment and productivity, this section first includes a review of historic trends relating to employment based on jobs held by people working in the authority, and the sectors that they work in. Economic output is then analysed in order to assess the overall productivity of each sector. This enables the identification of local drivers of change and an assessment of the area's track record in delivering growth.

Employment Trends

- 4.2 Understanding historic growth trends and the current structure of the economy provides an indication of how the local economy has changed over recent years, and also suggests how employment growth may be achieved in future.
- 4.3 Data from the Business Register and Employment Survey (BRES) shows the number of workers employed in Ribble Valley and how this has changed over time, with the most recent dataset being published in 2016. This data is illustrated in the below chart. As can be seen, the number of employees in Ribble Valley decreased by roughly 2,000 (circa 6.7%) between 2009 and 2016. It should, however, be noted that employment has grown by 2,000 since hitting a low of 26,000 in 2014 and currently stands at around 28,000.

Figure 4.1: Change in number of employees in Ribble Valley, 2009-2016

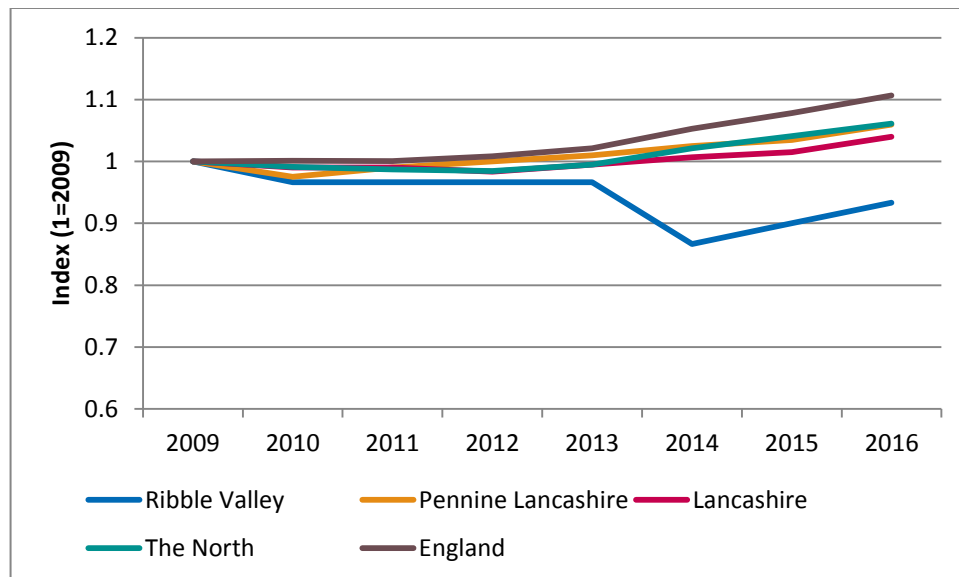


Source: BRES

- 4.4 The below chart compares this to Pennine Lancashire, the geography considered as Ribble Valley's functional economic market area (FEMA), the Lancashire LEP area, the North of England (comprising of the North West, the North East and the Yorkshire & The Humber regions) and England as a whole, with change being indexed to 2009. This

illustrates that the number of employees in the borough has grown at a slower rate than the comparator geographies. It is notable, however, that the growth in employees recorded since 2014 has helped to close the gap between Ribble Valley and these areas.

Figure 4.2: Indexed change in number of employees in Ribble Valley and comparator geographies, 2009-2016



Source: BRES

- 4.5 Change broken down by sector is summarised in the following table, based on the 2007 Standard Industrial Classification (SIC). The table indicates that, over the five years 2011 to 2016, Ribble valley saw significant growth in employee numbers in the accommodation & food services industry, with proportionate growth above that recorded across the FEMA, LEP, regional and national comparator geographies.
- 4.6 Similarly, health, transport & storage, property and finance & insurance are examples of other industries where employment has grown at a faster rate than the wider comparator geographies. Whilst employment in the professional, scientific & technical industries grew by a quarter in the 5 years to 2016 in Ribble Valley, this falls some way behind rate recorded at wider geographic levels, particularly in the Lancashire LEP area, where employment in the sector grew by almost 40%. The borough experienced a significant loss of circa 4,750 jobs in wholesale over the period 2011 to 2016, this accounting for over half of the sector's loss of jobs in the Lancashire LEP area⁸⁵. This is a major contributor to the fact that the total number of jobs in Ribble Valley decreased by 1,000 over this period (a 3.4% reduction) in comparison with the positive growth in job numbers recorded at wider geographies.

⁸⁵ These job losses have been identified primarily in the LSOA that accommodates BAE Systems' Samlesbury employment site. The Council is not aware of substantial job losses over this period, and as a result, this could be a discrepancy in the BRES data. The ONS Quality and Methodology Information Paper for the BRES states that "BRES is subject to discontinuities caused by Standard Industrial Classification change, reference date change and source data change, potentially making any time series analysis difficult", indicating that a reclassification of the SIC codes for wholesale employment may be behind the apparent loss of jobs.

Table 4.1: Change in employment by broad industrial group, 2011-2016

Industry	Ribble Valley		Pennine Lancashire		Lancashire		The North	England
	Ab.	%	Ab.	%	Ab.	%	%	%
Accommodation & food services	1,000	33.3%	2,600	24.4%	9,000	22.0%	18.2%	19.6%
Health	500	16.7%	1,500	4.9%	3,000	3.1%	9.8%	10.7%
Transport & storage (inc postal)	300	60.0%	2,450	45.0%	8,000	44.4%	18.4%	19.0%
Retail	250	14.3%	3,500	17.7%	4,000	6.6%	3.8%	2.7%
Professional, scientific & technical	250	25.0%	2,200	27.2%	11,000	39.3%	28.2%	31.8%
Education	250	12.5%	2,500	12.8%	5,000	8.9%	6.5%	4.0%
Mining, quarrying & utilities	200	100.0%	1,025	97.6%	1,000	14.3%	7.8%	8.4%
Property	150	60.0%	400	17.4%	1,000	14.3%	23.2%	17.2%
Financial & insurance	125	55.6%	-25	-0.8%	-1,000	-9.1%	-9.7%	-0.8%
Arts, entertainment, recreation & other services	100	14.3%	-1,600	-18.7%	-1,000	-4.2%	7.6%	10.9%
Agriculture, forestry & fishing*	45	150.0%	145	193.3%	500	100.0%	26.2%	4.7%
Manufacturing	0	0.0%	500	1.2%	0	0.0%	-0.4%	2.1%
Construction	0	0.0%	-1,300	-16.3%	-6,000	-16.2%	-8.1%	10.7%
Motor trades	-50	-12.5%	-125	-4.1%	-1,000	-10.0%	8.4%	11.2%
Business administration & support services	-100	-10.0%	3,900	41.1%	6,000	16.7%	25.1%	22.2%
Information & communication	-150	-30.0%	950	16.7%	-1,000	-5.9%	-2.2%	17.1%
Public administration & defence	-200	-25.0%	250	3.6%	-3,000	-8.6%	-13.9%	-11.0%
Wholesale	-4,750	-79.2%	-6,000	-39.3%	-8,000	-25.8%	2.0%	6.4%
Total employment	-1,000	-3.4%	14,000	7.0%	30,000	5.0%	7.5%	10.6%

* These figures exclude farm agriculture (SIC subclass 01000)

Source: BRES

Current Employment

- 4.7 The table below summarises current employment in Ribble Valley and comparator geographies, displaying the proportion of workers employed in each industrial sector.
- 4.8 It shows that the largest sector by employment in the borough is manufacturing, employing a quarter of the workforce, a larger proportion than in all comparator geographies. Accommodation & food services accounts for the next largest share of employees, with the percentage of workers employed in the sector being roughly double that seen at wider geographic levels.
- 4.9 Whilst health and education are the third and fourth largest sectors by number of employees in Ribble Valley, their contribution to the borough's overall workforce is lower than recorded in the FEMA, LEP area, regionally and nationally.
- 4.10 As raised in the above analysis of change in employee numbers, the proportion of workers employed in professional, scientific & technical industries is low relative to wider areas. Despite the reduction in wholesale jobs discussed above, the sector still employs proportionally more workers than in the wider comparator geographies.

Table 4.2: Employment by broad industrial group, 2016

Industry	Ribble Valley		Pennine Lancashire		Lancashire		The North	England
	Ab.	%	Ab.	%	Ab.	%	%	%
Manufacturing	7,000	25.0%	42,000	19.7%	84,000	13.4%	10.2%	8.0%
Accommodation & food services	4,000	14.3%	13,250	6.2%	50,000	7.9%	7.3%	7.3%
Health	3,500	12.5%	32,000	15.0%	99,000	15.7%	14.7%	12.8%
Education	2,250	8.0%	22,000	10.3%	61,000	9.7%	9.4%	9.0%
Retail	2,000	7.1%	23,250	10.9%	65,000	10.3%	9.9%	9.4%
Wholesale	1,250	4.5%	9,250	4.3%	23,000	3.7%	3.8%	4.1%
Professional, scientific & technical	1,250	4.5%	10,300	4.8%	39,000	6.2%	7.3%	9.0%
Construction	1,000	3.6%	6,700	3.1%	31,000	4.9%	4.3%	4.5%
Business administration & support services	900	3.2%	13,400	6.3%	42,000	6.7%	8.5%	9.2%
Transport & storage (inc postal)	800	2.9%	7,900	3.7%	26,000	4.1%	5.2%	5.0%
Arts, entertainment, recreation & other services	800	2.9%	6,950	3.3%	23,000	3.7%	4.0%	4.5%
Public administration & defence	600	2.1%	7,100	3.3%	32,000	5.1%	4.7%	4.0%
Mining, quarrying & utilities	400	1.4%	2,075	1.0%	8,000	1.3%	1.3%	1.1%
Property	400	1.4%	2,700	1.3%	8,000	1.3%	1.5%	1.7%
Motor trades	350	1.3%	2,950	1.4%	9,000	1.4%	1.7%	1.8%
Information & communication	350	1.3%	6,650	3.1%	16,000	2.5%	2.7%	4.4%
Financial & insurance	350	1.3%	2,925	1.4%	10,000	1.6%	2.8%	3.6%
Agriculture, forestry & fishing*	75	0.3%	220	0.1%	1,000	0.2%	0.6%	0.6%
Total employment	28,000	100%	213,000	100%	629,000	100%	100%	100%

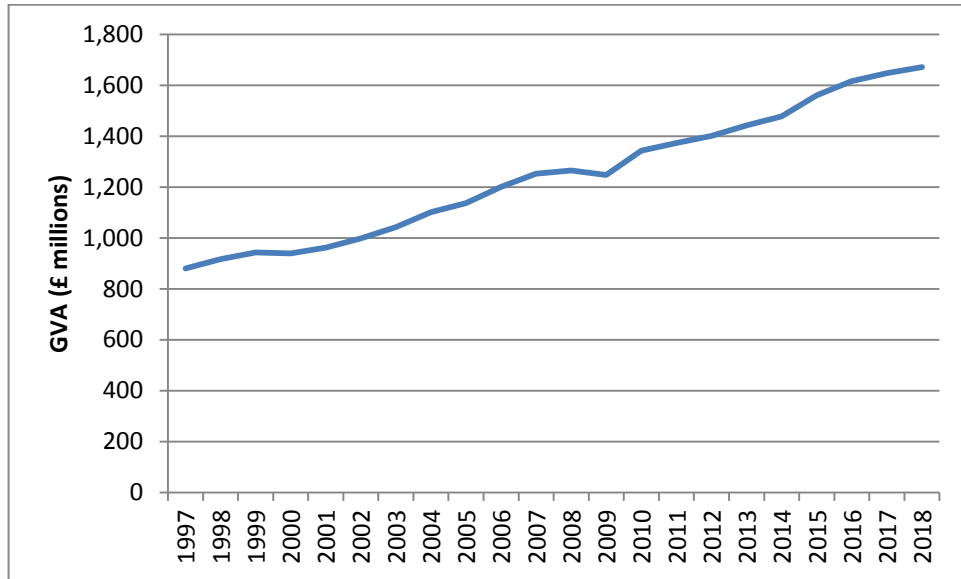
* These figures exclude farm agriculture (SIC subclass 01000)

Source: BRES

Productivity – Gross Value Added (GVA)

4.11 Gross value added (GVA) is a key measure of productivity in the local economy, and analysis of Experian data⁸⁶ is able to show how this has changed historically in Ribble Valley. As the following graph shows, there has been steady, consistent growth in GVA since 1997 in the borough. It is also evident that the local economy has recovered well from the financial crisis which saw successive annual declines in productivity between 2008/09 and 2009/10.

Figure 4.3: Historic change in GVA in Ribble Valley, 1997-2018 (£ millions)

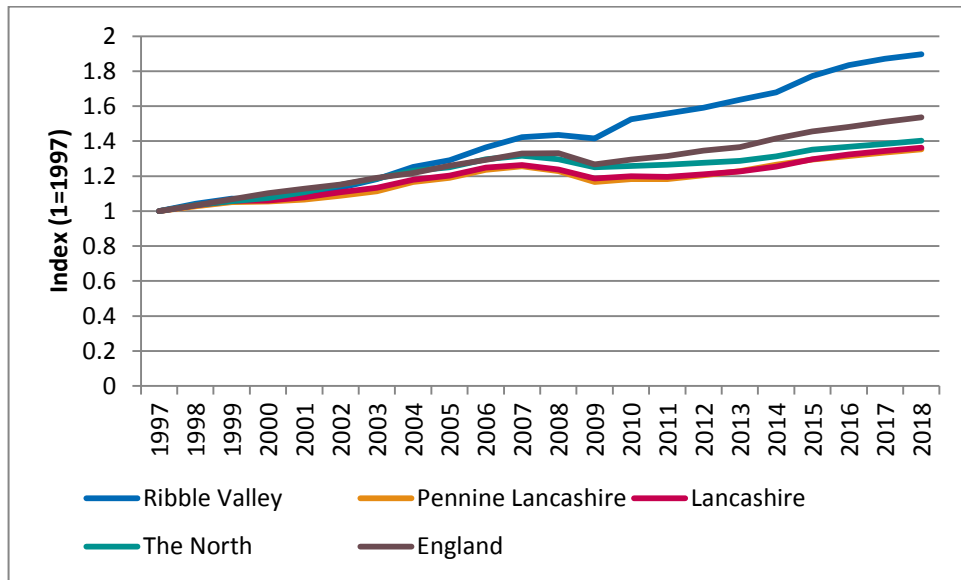


Source: Experian

4.12 The below chart compares the economic output of Ribble Valley to wider comparator geographies, with change being indexed to 1997. This analysis indicates that the local economy of Ribble Valley proportionally outperformed all comparator areas over this period, with productivity growing at a faster rate in the borough than in wider geographies particularly after 2009.

⁸⁶ Experian (March 2018) Local Market Forecasts Quarterly

Figure 4.4: Indexed change in GVA in Ribble Valley and comparator geographies, 1997-2018



Source: Experian

- 4.13 Between 2013 and 2018, the local economy has grown by approximately £229.1 million, with this 15.9% rate of growth outstripping that seen in the FEMA, the LEP area, the North and England as a whole. The £172.9 million (37.2%) growth in the output of the manufacturing sector contributed to this significantly, accounting for more than half of overall growth in GVA in the borough. Across the Lancashire LEP area, the economic output from extraction and mining more than doubled over this five year period, with an even greater rate of growth of 320% being estimated for the sector in Ribble Valley.

Table 4.3: Change in GVA by broad industrial sector, 2013-2018 (£ millions)

	Ribble Valley		Pennine Lancashire		Lancashire		The North	England
	Ab.	%	Ab.	%	Ab.	%	%	%
Manufacturing	172.9	37.2%	357.3	14.7%	857.1	18.1%	7.7%	8.6%
Professional & Other Private Services	18.0	7.5%	82.5	3.7%	409.0	6.1%	12.3%	16.6%
Accommodation, Food Services & Recreation	14.6	18.0%	25.7	6.8%	114.1	8.4%	7.6%	11.6%
Information & communication	7.6	29.7%	48.0	13.9%	187.8	18.7%	18.8%	21.8%
Construction	5.7	6.5%	47.4	9.9%	374.7	18.0%	15.1%	24.1%
Extraction & Mining	4.8	320.0%	6.3	252.0%	40.8	201.0%	102.0%	63.1%
Agriculture, Forestry & Fishing	3.0	14.6%	5.1	13.4%	13.1	7.2%	1.7%	4.0%
Utilities	1.8	9.1%	26.9	18.6%	112.9	13.4%	-4.4%	4.1%
Public Services	1.5	0.7%	124.7	6.5%	411.4	6.7%	3.7%	4.6%
Transport & storage	0.6	2.1%	23.4	9.4%	63.1	7.3%	10.8%	10.2%
Wholesale & Retail	0.6	0.2%	257.1	19.2%	688.4	19.1%	15.7%	19.3%
Finance & Insurance	-2.0	-10.8%	-20.9	-10.1%	-139.2	-16.1%	-6.1%	-1.8%
Total GVA	229.1	15.9%	983.5	10.1%	3,133.2	11.0%	9.0%	12.4%

Source: Experian

4.14 The table below summarises the proportionate contribution made by each industrial sector to total GVA in Ribble Valley and the wider comparator geographies. Ribble Valley's total GVA is estimated as circa £1.67 billion in 2018. Representing over 38% of this total output, the manufacturing sector constitutes a larger proportion of Ribble Valley's economy than recorded at all wider comparator areas, and so represents a considerable local strength. Professional & other private services is the second largest contributor to Ribble Valley's economy, although, as was seen above with employment levels, the sector lags proportionally behind comparator areas in terms of contribution to total GVA.

Table 4.4: GVA by broad industrial sector, 2018 (£ millions)

Industry	Ribble Valley		Pennine Lancashire		Lancashire		The North	England
	Ab.	%	Ab.	%	Ab.	%	%	%
Manufacturing	637.9	38.2%	2,793.0	26.0%	5,589.9	17.7%	14.7%	9.7%
Professional & Other Private Services	257.5	15.4%	2,284.7	21.3%	7,126.5	22.6%	26.0%	29.9%
Wholesale & Retail	248.1	14.8%	1,596.3	14.9%	4,297.8	13.6%	11.6%	11.2%
Public Services	209.0	12.5%	2,045.6	19.1%	6,586.0	20.8%	20.5%	16.9%
Accommodation, Food Services & Recreation	95.5	5.7%	405.3	3.8%	1,480.2	4.7%	4.3%	4.5%
Construction	92.9	5.6%	525.4	4.9%	2,458.4	7.8%	6.2%	6.3%
Information & communication	33.2	2.0%	392.9	3.7%	1,192.9	3.8%	4.6%	6.9%
Transport & storage	28.9	1.7%	272.9	2.5%	928.1	2.9%	4.4%	4.5%
Agriculture, Forestry & Fishing	23.5	1.4%	43.2	0.4%	194.9	0.6%	0.6%	0.5%
Utilities	21.6	1.3%	171.4	1.6%	958.5	3.0%	2.7%	2.5%
Finance & Insurance	16.5	1.0%	185.9	1.7%	727.7	2.3%	4.2%	6.8%
Extraction & Mining	6.3	0.4%	8.8	0.1%	61.1	0.2%	0.3%	0.2%
Total	1,670.9	100%	10,725.4	100%	31,602.0	100%	100%	100%

Source: Experian

Job Density

- 4.15 The ONS published job density estimates for 2016. The rate is defined as the number of jobs in an area divided by the resident population aged 16-64 in that area. For example, a job density of 1.0 would mean that there is one job for every resident aged 16-64. Job density figures for Ribble Valley and comparator areas are published in the below table⁸⁷. As can be seen, Ribble Valley has a higher density of jobs than recorded in all other analysed areas (for some significantly so), and is also some way above the national rate.

Table 4.5: Job density in Ribble Valley and comparator geographies, 2017

Area	Job Density
Ribble Valley	0.96
England	0.85
Blackburn with Darwen	0.81
Burnley	0.81
North West	0.81
Yorkshire and The Humber	0.80
Lancashire LEP	0.79
North East	0.71
Hyndburn	0.67
Pendle	0.62
Rossendale	0.57

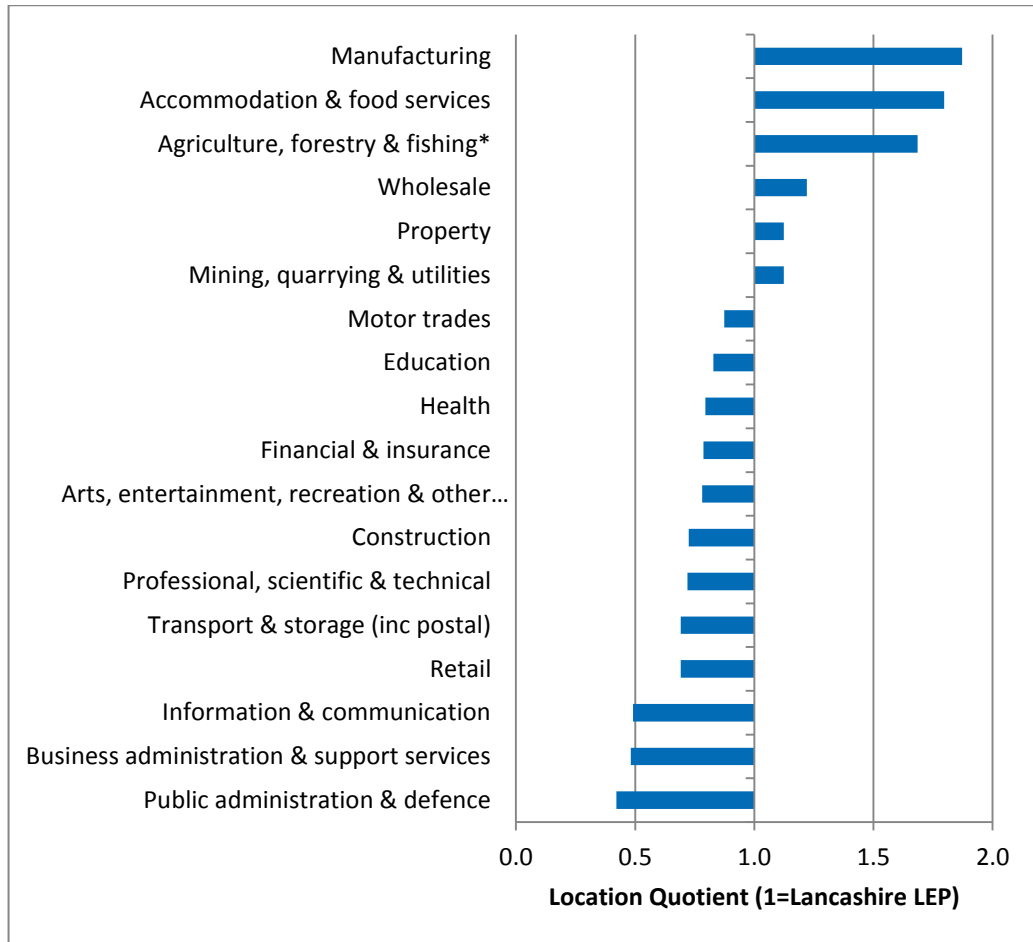
Source: Job Density

Location Quotient

- 4.16 It is beneficial to understand how sectors are represented in Ribble Valley relative to the wider regional economy. The following charts present location quotients for the borough by sector, showing how the proportionate contribution of each sector in Ribble Valley compares to the economy of the wider Lancashire LEP area in terms of employment. A quotient greater than 1 suggests that a sector is over-represented (specialised) relative to the wider area and a quotient less than 1 suggests under-representation.
- 4.17 This analysis shows that Ribble Valley has a particular specialism in the manufacturing, accommodation & food services and agriculture, forestry & fishing, industries, with smaller local over-representations of the wholesale, property and mining qualities & utilities industries. Conversely, public administration & defence, business administration & support services and information & communication are industries that are under-represented in the Ribble Valley economy.

⁸⁷ Note that whilst job density figures are not published for the Pennine Lancashire FEMA and the North of England as a whole, the administrative geographies that make up these geographies are included individually in the table.

Figure 4.5: Location quotients in Ribble Valley and Lancashire LEP, 2016



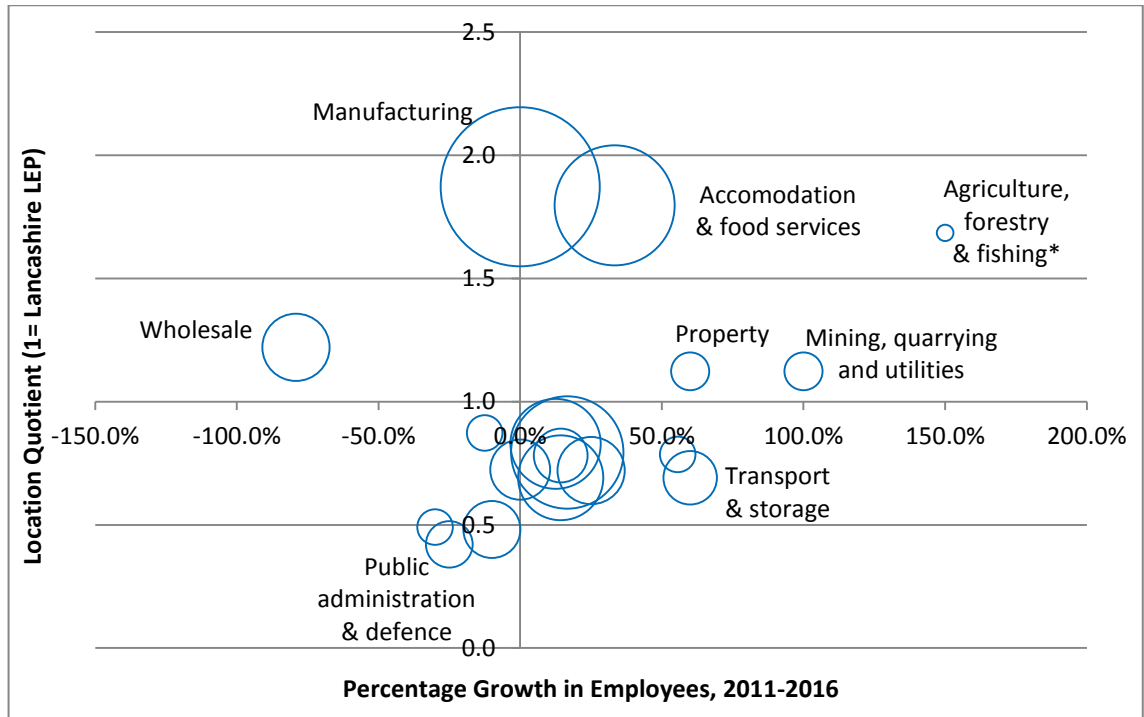
* These figures exclude farm agriculture (SIC subclass 01000).

Source: BRES

4.18 The following chart builds on this analysis, factoring in growth in employees over the period from 2009 to 2016. This analysis is beneficial in understanding growing sectors which may either be over or under-represented compared to the wider Lancashire LEP economy. The x-axis shows a sector's growth in employee numbers between 2011 and 2016, and the y-axis the sector's Ribble Valley 2016 location quotient relative to the Lancashire LEP, whilst the size of the circle denotes the overall size of the sectors workforce as of 2016.

4.19 Building on the analysis presented above, this highlights that although manufacturing is a sector which is both a local specialism and employs a large number of workers, employee numbers did not increase between 2001 and 2016. Agriculture, forestry and fishing on the other hand has a smaller workforce, but is a specialism that has experienced the highest level of growth in employees of all sectors over the same period. In contrast, the wholesale sector has a workforce to the larger end of the scale, and is slightly over-represented in Ribble Valley, but experienced a significant proportionate reduction in employee numbers over the 5 years to 2016.

Figure 4.6: Growth and specialisation in Ribble Valley, 2009-2016



* These figures exclude farm agriculture (SIC subclass 01000)

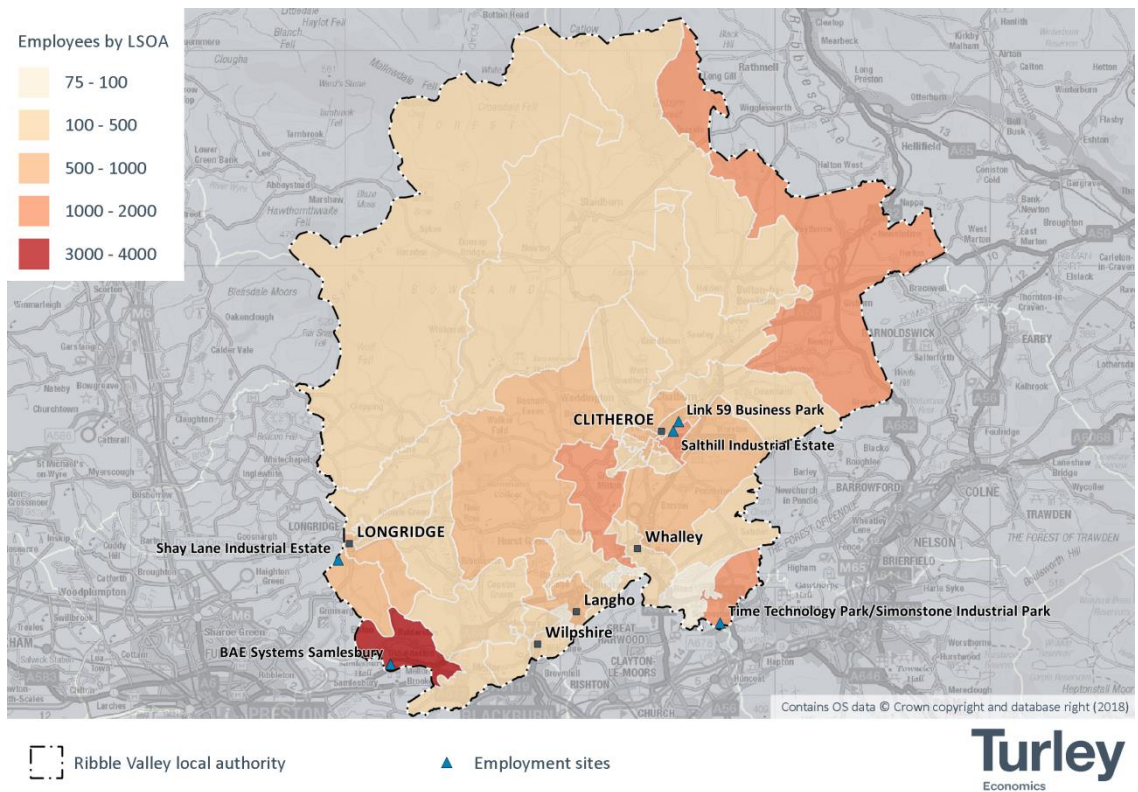
Source: Turley analysis of BRES data

Spatial Distribution of Employment

4.20 Evidence from BRES breaks down the number of employees by lower layer super output area (LSOA) in Ribble Valley, as presented in the following plan for the authority. The area's major settlements and principal employment sites⁸⁸ are also illustrated for context. As can be seen, employment is generally clustered around the major settlement of Clitheroe, BAE at Samlesbury and also to the southern and eastern edges of the borough, closer to neighbouring authority areas such as Blackburn and Burnley to the south and the connecting road networks.

⁸⁸ As outlined by Ribble Valley Borough Council's Employment Land Study Refresh (2013, p. 7)

Figure 4.7: Ribble Valley employees by LSOA, 2016



Source: Turley, BRES

- 4.21 Closer analysis of BRES data for the LSOA housing BAE Systems' Samesbury employment site to the south west of Ribble Valley shows that the main industry of employment is 'manufacture of transport equipment', with the next most significant industries, 'wholesale of machinery and equipment' and 'land transport and transport via pipelines' (in particular road freight), likely to represent employment involved in the site's supply chain. This demonstrates the importance that large-scale employment sites have in sustaining employment and growing the local economy beyond their immediate operations. The proportions of employees by industry in this LSOA is shown in the below table.

Table 4.6: Employment in Ribble Valley LSOA 008D, 2016

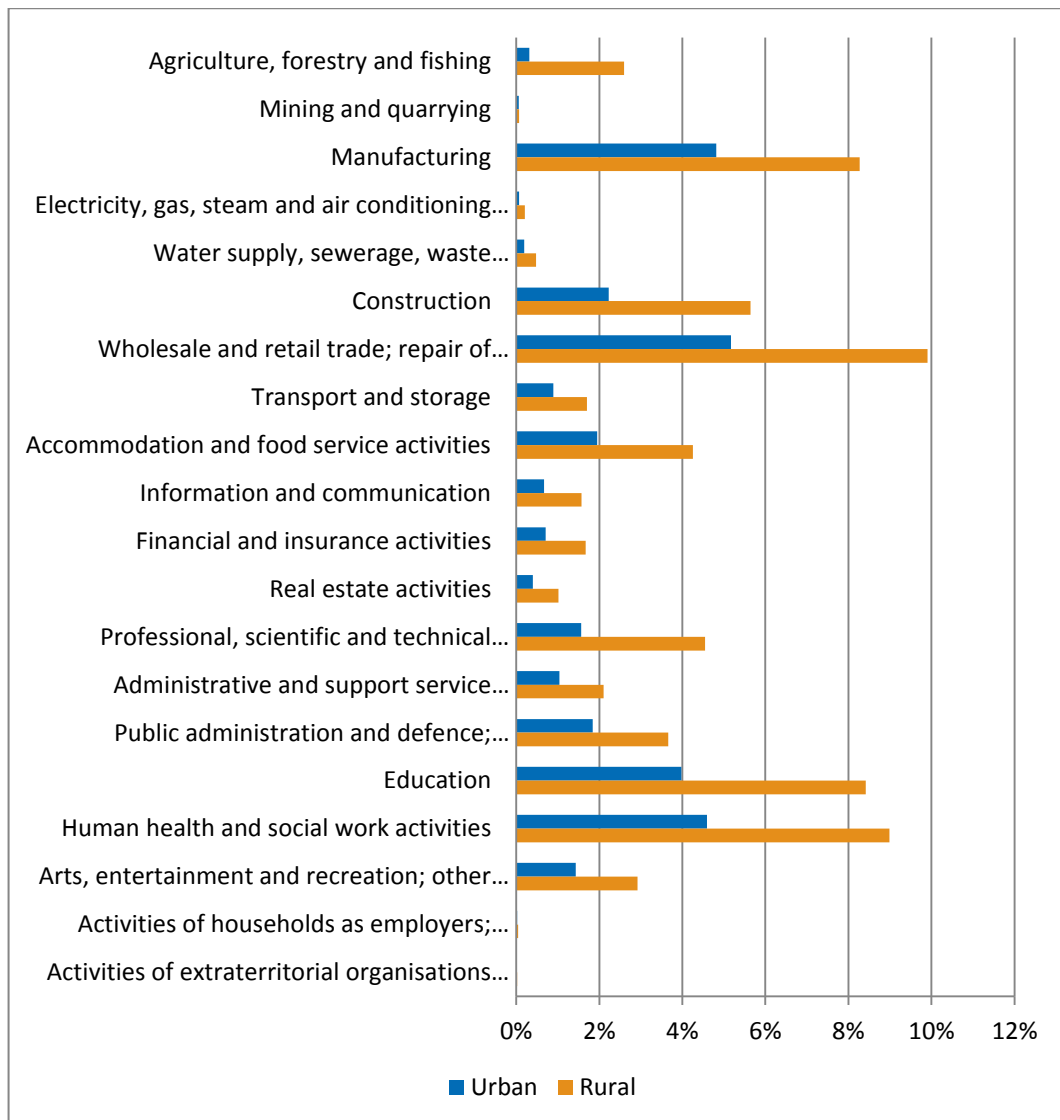
Industry	% of employment
Manufacture of transport equipment	86.7%
Wholesale of machinery and equipment	3.3%
Land transport and transport via pipelines	2.2%
Services to buildings and landscape activities	2.2%
Food and beverage service activities	1.6%
Education	1.1%
Waste collection, treatment and disposal activities; materials recovery	0.4%
Accommodation	0.4%
Computer programming, consultancy and related activities	0.4%
Social work activities without accommodation	0.4%
Sports activities and amusement and recreation activities	0.4%
Specialised construction activities	0.2%
Retail trade, except of motor vehicles and motorcycles	0.2%
Rental and leasing activities	0.2%
Activities of head offices; management consultancy activities	0.1%
Architectural and engineering activities; technical testing and analysis	0.1%

Source: BRES

Industry of Urban and Rural Employment

- 4.22 While BRES provides an indicator of overall employment in different areas of Ribble Valley, the 2011 Census provides further evidence on prevalent industries in rural areas of the authority. This is based on the rural/urban classification applied by ONS, which indicates that 68.1% of employed residents in Ribble Valley live in rural areas.
- 4.23 As such, the following chart highlights that there are no sectors of employment in the borough where the number of urban-dwelling workers outnumber rural workers. Particularly prominent sectors of employment for rural workers are manufacturing, wholesale, education and human health and social work activities.

Figure 4.8: Industry of urban and rural employment in Ribble Valley, 2011



Source: 2011 Census

Key Messages

4.24 To summarise:

- Although total employment in Ribble Valley fell by roughly 2,000 between 2009 and 2016, the most **recent data indicates rising employment**. The **rate of employment growth** in the borough was, however, **consistently slower than that recorded at wider comparator geographies** over this period;
- Between 2011 and 2016 the **fastest-growing sector of employment** in Ribble Valley was **accommodation & food services**. As of 2016, however, **manufacturing remained the largest sector of employment**, supporting the jobs of 7,000 workers, 25% of the workforce;

- Ribble Valley's **economic output**, measured in GVA, has **increased steadily** since 1997, and **at a faster rate than wider comparator geographies**;
- Again, the **manufacturing sector** makes the **largest contribution to the borough's economic output**, accounting for 38.2% of Ribble Valley's estimated £1.67 billion GVA in 2018. The sector's GVA output also grew by 37.2% in the 5 years to 2018;
- **Job density is higher in Ribble Valley than in all wider comparator geographies**, including the average national rate;
- **Local specialisms** in terms of employment levels include, manufacturing, accommodation & food services, agriculture, forestry & fishing;
- **Employment is clustered to the southern and eastern edges of the authority**, close to nearby major settlement and connecting transport links; and
- **The majority of employed residents live in rural areas.**

5. Business Base

- 5.1 An analysis of the business base in Ribble Valley is important in providing an indication of how this has changed over time, highlighting local strengths and opportunities and the extent to which Ribble Valley provides a positive environment in which to start a business.

Industries of Businesses

- 5.2 In order to assess the characteristics of the areas business base, 2017 evidence provided by ONS has been utilised. The 'UK Business: Activity, Size and Location' dataset provides information on the total number of businesses in the whole UK economy in March 2017, broken down by industry and local authority. This provides a measure of businesses which complements the earlier analysis of employees, with different trends possibly emerging if industries are dominated by larger employers, for example.
- 5.3 The data shows that in March 2017 there were a total of 3,330 businesses in Ribble Valley. With 550 businesses (representing 16.5% of all local enterprises), the industry with the greatest number of businesses in Ribble Valley is agriculture, forestry & fishing, followed by professional, scientific & technical and construction. The fact that these industries were not particularly well represented in terms of their contribution to the authority's total employee numbers (see Table 4.2), strongly indicates that they are those which are predominantly made up of smaller scale enterprises.
- 5.4 Conversely, whilst the manufacturing sector employs the largest number of workers and contributes the largest proportion of the authority's GVA, it is towards the middle of the range in terms of number of enterprises, indicating that the sector in the authority is dominated by larger-scale employers.

Table 5.1: Number of enterprises by sector, 2017

	Ribble Valley		Pennine Lancashire		Lancashire		The North	England
	Ab.	%	Ab.	%	Ab.	%	%	%
Agriculture, forestry & fishing	550	16.5%	1,065	5.8%	3,180	7.3%	5.3%	4.3%
Professional, scientific & technical	450	13.5%	2,200	12.0%	6,045	13.9%	16.0%	18.5%
Construction	360	10.8%	2,040	11.2%	5,445	12.5%	11.8%	12.0%
Retail	275	8.3%	1,875	10.3%	3,940	9.0%	8.8%	7.3%
Accommodation & food services	220	6.6%	1,205	6.6%	2,690	6.2%	6.7%	5.4%
Business administration & support services	220	6.6%	1,405	7.7%	3,300	7.6%	8.2%	8.9%
Manufacturing	190	5.7%	1,725	9.4%	3,155	7.2%	6.5%	5.5%
Arts, entertainment, recreation & other services	190	5.7%	1,150	6.3%	2,715	6.2%	6.3%	6.3%
Wholesale	160	4.8%	1,020	5.6%	2,000	4.6%	4.1%	4.0%
Property	130	3.9%	605	3.3%	1,495	3.4%	3.4%	3.6%
Information & communication	120	3.6%	695	3.8%	2,185	5.0%	5.5%	8.6%
Health	115	3.5%	1,020	5.6%	2,055	4.7%	5.0%	4.6%
Motor trades	110	3.3%	770	4.2%	1,715	3.9%	3.3%	2.8%
Transport & Storage (inc postal)	105	3.2%	765	4.2%	1,910	4.4%	5.0%	4.2%
Finance & insurance	65	2.0%	400	2.2%	870	2.0%	2.2%	2.1%
Education	60	1.8%	285	1.6%	720	1.7%	1.8%	1.9%
Public administration & defence	10	0.3%	40	0.2%	130	0.3%	0.3%	0.3%
Total	3,330	100%	18,265	100%	43,550	100%	100%	100%

Source: UK Business: Activity, Size and Location

Size Profile of the Business Base

5.5 The below table outlines the ONS’s classification of enterprise type by size band, based on the number of employees.

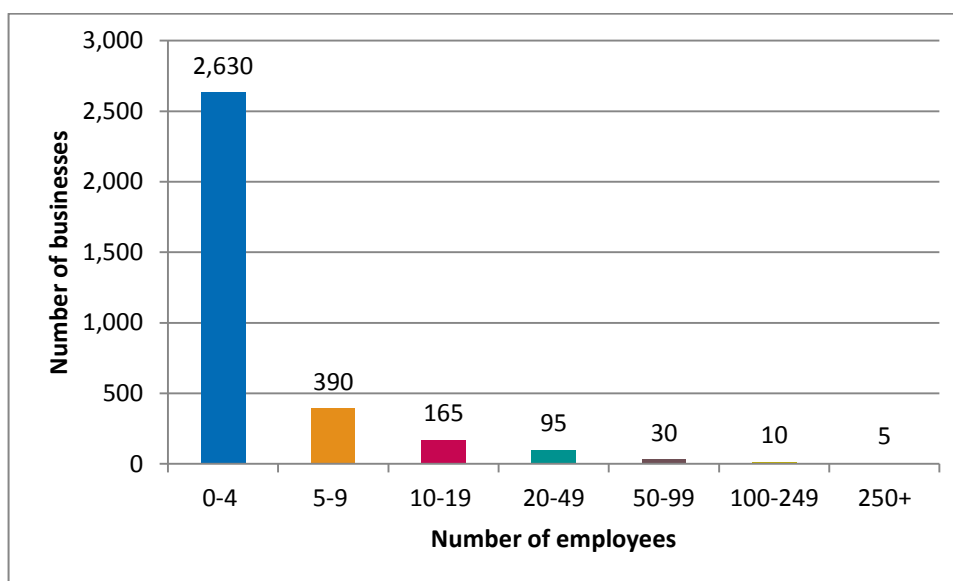
Table 5.2: Enterprise type by size band

Enterprise Type	Number of Employees
Micro	0-4
	5-9
Small	10-19
	20-49
Medium-Sized	50-99
	100-249
Large	250+

Source: ONS via Nomis

5.6 Data regarding the size profile of Ribble Valley’s business base as of March 2017 is also available through the ‘UK Business: Activity, Size and Location’ dataset. As can be seen from the below chart, the borough’s 2,630 micro businesses (i.e. those with four or fewer employees) account for the vast majority of local enterprises. In contrast there are just fifteen businesses in Ribble Valley employing over 100 workers, including 5 with 250 or more employees. These businesses include BAE Systems, Tarmac, Ultraframe, Johnson Matthey and Hanson Cement.

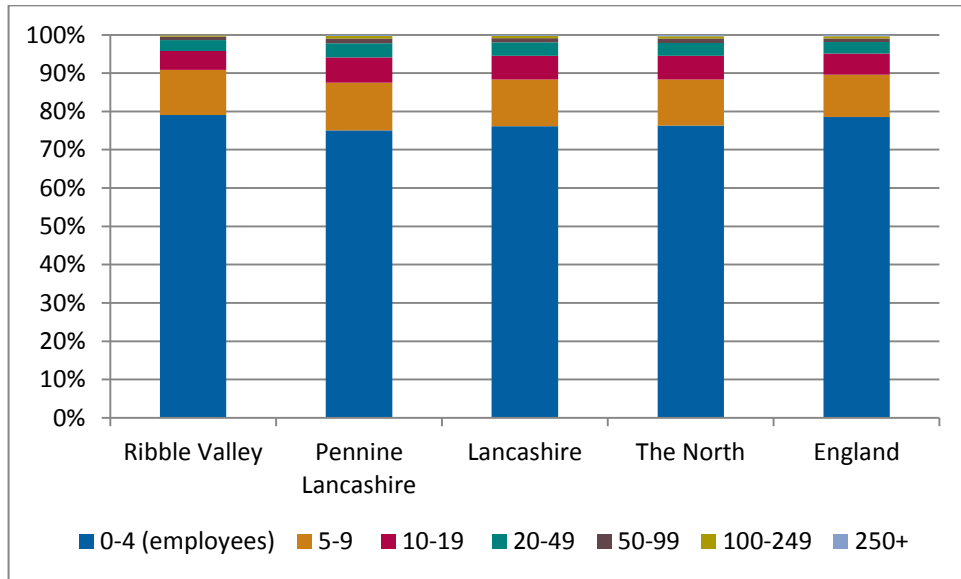
Figure 5.1: Number of enterprises by size band in Ribble Valley, 2017



Source: UK Business: Activity, Size and Location

5.7 The below chart shows how Ribble Valley compares against wider comparator geographies in terms of the size profile of its business base. Whilst micro-businesses with fewer than ten employees are the most prevalent size across all geographies, they are proportionally slightly more so in Ribble Valley. Conversely, a smaller proportion of the authority's business base falls within the 10-19 employees size-band.

Figure 5.2: Proportion of enterprises by size band in Ribble Valley and comparator geographies, 2017



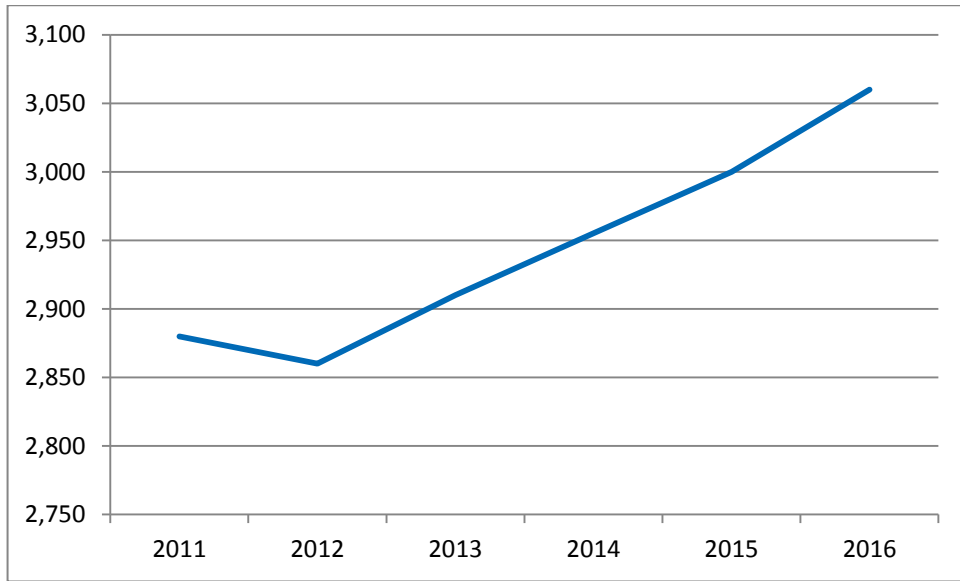
Source: UK Business: Activity, Size and Location

Business Growth

5.8 It is also important to understand the historic change in the area's business base. The Business Demography statistical dataset published by ONS provides information on registered active UK enterprises and the births and deaths of enterprises.

5.9 According to Business Demography statistics, in 2016 there were 3,060 active businesses in Ribble Valley. Over the period from 2011 to 2016, the number of businesses Ribble Valley increased by 180, a growth of 6.3%. This is displayed in the below chart, demonstrating that after a fall in the number of local businesses between 2011 and 2012, the number of businesses has increased steadily thereafter.

Figure 5.3: Number of active enterprises in Ribble Valley, 2011-2016



Source: Business Demography

5.10 Growth over this same period in the number of businesses in the authority in comparison with wider geographies is set out in the below table. The data shows that the borough's business base grew at a slower rate than all comparator areas. It is also notable, however, that the number of businesses in the Lancashire LEP area also increased to a lesser extent than in the North as a whole and nationally.

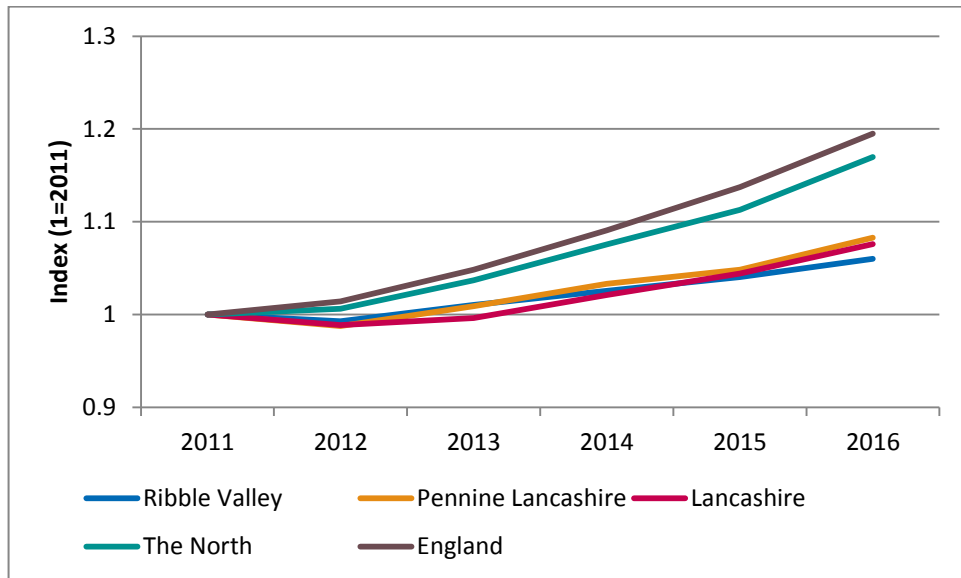
Table 5.3: Business growth, 2011-2016

	2011	2016	Change	% Change
Ribble Valley	2,880	3,060	180	6.3%
Pennine Lancashire	17,485	19,005	1,520	8.7%
Lancashire	41,480	44,775	3,295	7.9%
The North	459,005	546,360	87,355	19.0%
England	2,040,980	2,499,060	458,080	22.4%

Source: Business Demography

5.11 The same data is replicated visually in the graph below, with growth in business numbers indexed to 2011.

Figure 5.4: Indexed number of active enterprises in Ribble Valley and comparison geographies, 2011-2016

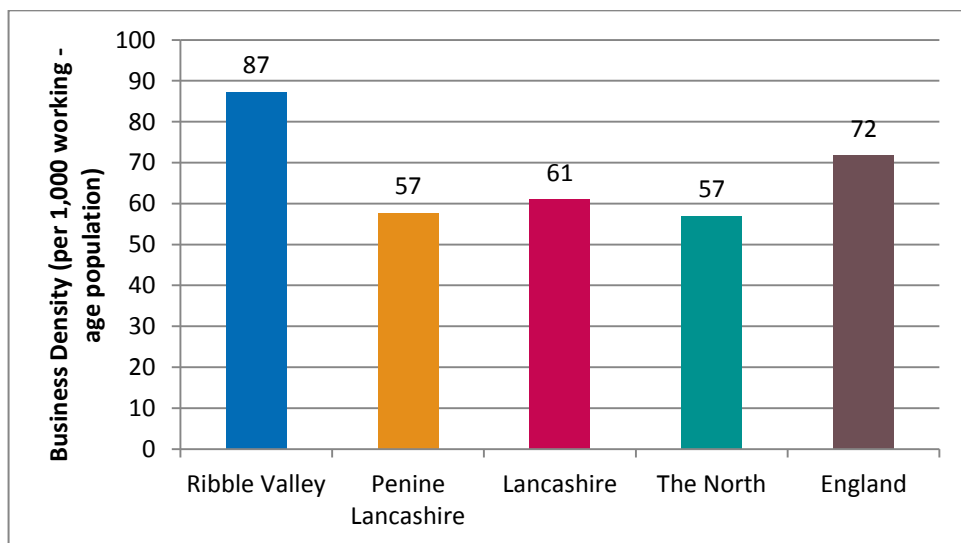


Source: Business Demography

Business Density

5.12 Despite the slow growth in the number of local businesses between 2011 and 2016 outlined above, Ribble Valley has a high business density relative to comparator areas. Analysis of aforementioned Business Demography data in combination with the 2016-based Sub-national Population Estimates indicates that there are circa 87 businesses per 1,000 working-age (aged between 16 and 64) residents in the borough, this figure being significantly higher than the averages recorded across the wider comparator areas.

Figure 5.5: Business Density, 2016



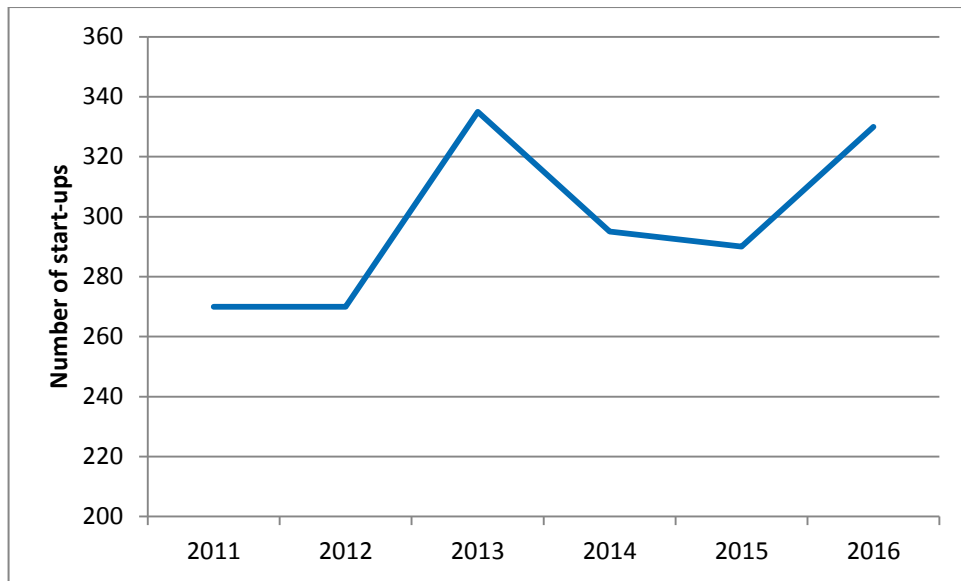
Source: Business Demography and Sub-national Population Estimates

- 5.13 The high business density in Ribble Valley again suggests that there are lower levels of medium and large companies and a higher number of smaller businesses within the area, compared to the wider areas.

Business Start-ups and Survival Rates

- 5.14 Over the period from 2011 to 2016, the number of business start-ups fluctuated in Ribble Valley, from a high of 335 in 2013 after lows of 270 in 2011 and 2012. The most recent data, from 2016, shows the borough achieving a near-five-year high of 330 start-ups. This is displayed in the below table.

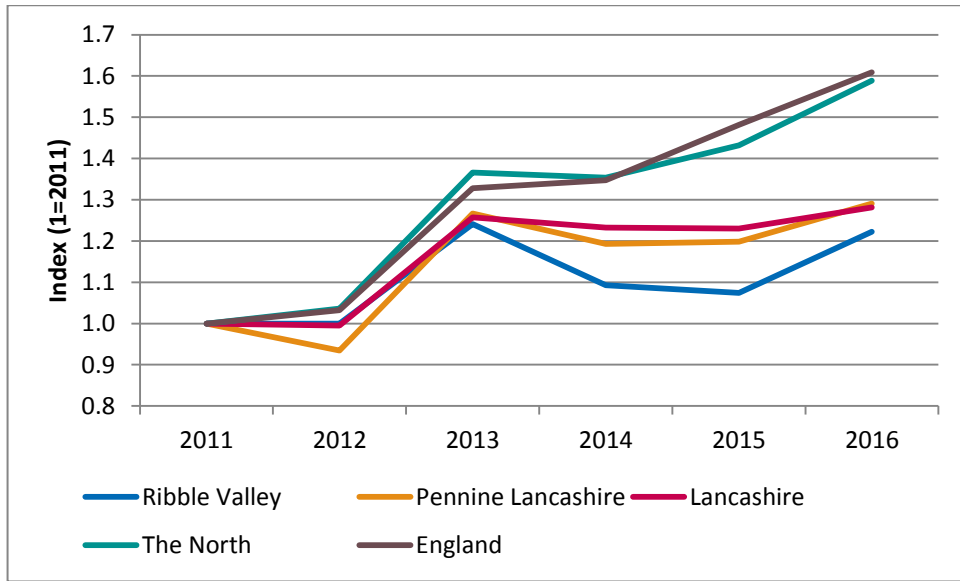
Figure 5.6: Number of business start-ups, 2011-2016



Source: Business Demography

- 5.15 As can be seen in the below chart, the rate of business start-ups in Ribble Valley has been outstripped by comparator geographies in recent years, with Pennine Lancashire and Lancashire LEP as a whole lagging some way behind rates for the North and England and a whole.

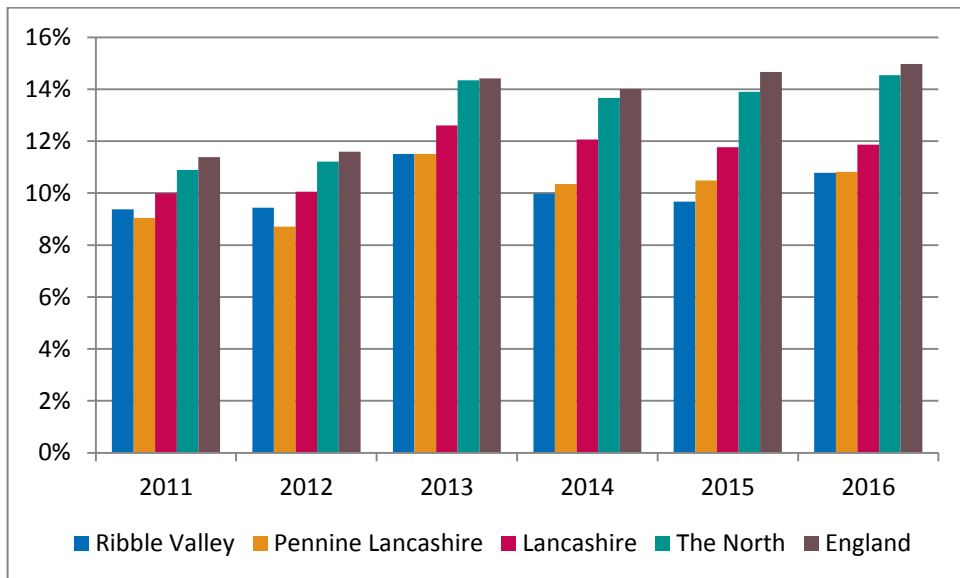
Figure 5.7: Indexed business start-ups, 2011-2016



Source: Business Demography

5.16 As a result, start-ups in Ribble Valley consistently represent a smaller proportion of the existing business base than is recorded at wider geographies. This is displayed in the below table.

Figure 5.8: Number of start-up enterprises per annum as a proportion of existing enterprises, 2011-2016



Source: Business Demography

Business Survival Rates

- 5.17 The below table sets out the 5-year survival rates of businesses that were started up in 2011. This suggests that the survival rates of businesses in years 1 to 5 in both Ribble Valley are higher at every annual milestone than the average business survival rates in Pennine Lancashire, Lancashire LEP, the North and England. This indicates that Ribble Valley generally provides a positive environment within which to start and grow a business.

Table 5.4: 2011's new businesses survival rates, 2011-2016

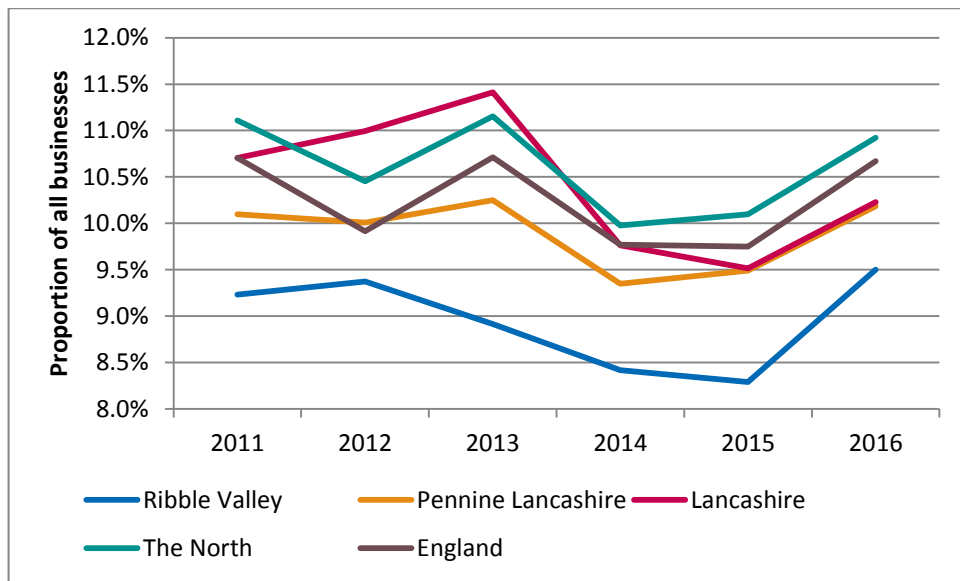
	No. business births 2011	1 year survival	2 year survival	3 year survival	4 year survival	5 year survival
Ribble Valley	270	94.4%	77.8%	64.8%	53.7%	48.1%
Pennine Lancashire	1,840	94.3%	75.3%	59.5%	48.9%	42.9%
Lancashire	4,145	93.6%	74.8%	59.3%	49.5%	42.1%
The North	50,000	92.8%	74.6%	59.4%	49.6%	42.8%
England	232,460	93.1%	75.5%	60.4%	50.8%	44.0%

Source: Business Demography

Business Deaths

- 5.18 Business closures data (otherwise known as 'business deaths') published by ONS identifies businesses no longer active in a given year, having been classified as active in the preceding year. This is based on information held by HM Revenue and Customs and Companies House in relation to VAT and Pay as You Earn. This provides an indication of the number of businesses ceasing to operate and contribute to the local economy on an annual basis.
- 5.19 Business death rates in Ribble Valley have fluctuated, though (as indicated by the strong start up survival rates highlighted above) have remained consistently lower than in all wider comparator geographies over the five years to 2016. Whilst the closing of 9.5% of all Ribble Valley's businesses in 2016 represented a 5-year business death high in the borough, this followed a five-year low of 8.3% in 2015, this being a trend which was observed across all comparator areas. This is illustrated by the below chart.

Figure 5.9: Business death rate, 2011-2016



Source: Business Demography

Key Messages

5.20 To summarise:

- **Agriculture, forestry & fishing** is the sector with the **most individual businesses**, followed by the professional, scientific & technical sector;
- **The vast majority of businesses in Ribble Valley are micro-businesses**, with this businesses size being proportionally slightly more prominent in the authority than in wider comparator geographies;
- Between 2011 and 2016, the **number of businesses in Ribble Valley grew at a slower rate** than in all other comparator areas. However, if measuring the number of businesses against the size of the working-age population, **Ribble Valley has a higher business density** than these wider areas; and
- In addition, **the survival rate for new businesses has been consistently higher in Ribble Valley** than at these comparator geographies. Similarly, over the past five years, **Ribble Valley has seen lower closure rates amongst its overall business base.**

6. Population and Labour Force

- 6.1 The scale, quality and efficiency of the local labour market are key factors that will influence of Ribble Valley to capture economic growth. Having access to a pool of suitably qualified and experienced workers is also important to both new and existing businesses, including those who are well established within an area seeking to grow.

Population and Age Structure

- 6.2 An assessment of population provides a valuable indicator of the socio-economic vitality of an area, highlighting growth or decline which would impact upon the size of the labour force in Ribble Valley. As displayed in the below table, annual mid-year population estimates published by the ONS show how the population of Ribble Valley has changed over the past decade. Whilst the 2,200 additional residents has boosted the population of Ribble Valley at a faster rate than both Pennine Lancashire and the Lancashire LEP area, the borough's population has increased to a lesser extent than in the North, and lesser still than England as a whole.

Table 6.1: Population change, 2006-2016

	2006	2016	Change	% Change
Ribble Valley	56,664	58,864	2,200	3.9%
Pennine Lancashire	523,898	535,516	11,618	2.2%
Lancashire	1,159,140	1,195,418	36,278	3.1%
The North	14,588,169	15,285,920	697,751	4.8%
England	50,965,186	55,268,067	4,302,881	8.4%

Source: Mid-year Population Estimates

- 6.3 Age is an important indicator in determining the socio-economic structure of the population, and particularly the number of residents of working age who can contribute to the labour force and potentially be available for employment. As can be seen from the below table, the borough has a smaller proportion of residents between the ages of 16 and 64 than wider comparator geographies, with the representation of this age-group also being lower in the Lancashire LEP area as a whole in comparison with the North and nationally. This is further illustrated by the fact that Ribble Valley has a smaller proportion of residents within the under-50 age-brackets than all other comparator geographies, with over 50s making up a larger proportion of the borough's population than in wider areas.

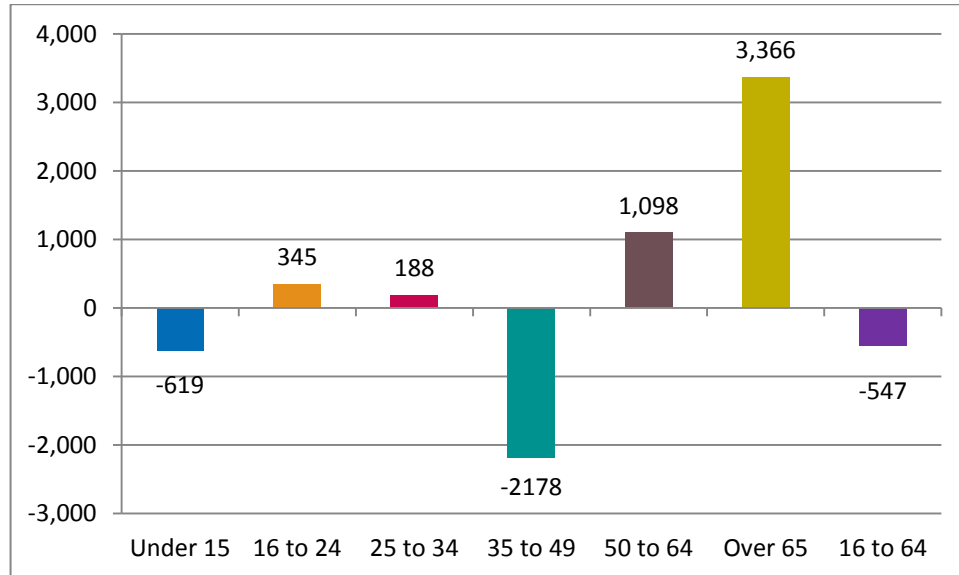
Table 6.2: Age profile, 2016

	Under 15	16 to 24	25 to 34	35 to 49	50 to 64	Over 65	16 to 64
Ribble Valley	17.3%	9.2%	9.2%	18.9%	22.3%	23.1%	59.6%
Pennine Lancashire	20.9%	10.4%	12.8%	19.5%	18.8%	17.6%	61.5%
Lancashire	18.3%	11.3%	11.8%	18.7%	19.6%	20.2%	61.4%
The North	18.7%	11.6%	13.1%	19.0%	19.1%	18.4%	62.8%
England	19.1%	11.1%	13.7%	19.9%	18.4%	17.9%	63.1%

Source: Mid-year Population Estimates

- 6.4 The age profiles have been partially driven by recent trends. As shown in the following graph, over the past decade, Ribble Valley has experienced sizeable growth in older age groups, with more limited growth in younger age groups. In addition to the limited growth amongst those aged between 16 and 35, there has been a notable decline in the number of residents aged between 35 and 49 in the borough, which has driven the decline in the number of working-age residents.

Figure 6.1: Change in Ribble Valley’s population by age, 2006-2016



Source: Mid-year Population Estimates

- 6.5 Whilst this trend is linked in part to the availability of suitable employment opportunities, housing affordably is another key driver, with the borough representing and comparatively less affordable option for some younger and family households.

Economic Activity and Employment

- 6.6 A person is deemed economically active if they are either in employment, or not in employment but seeking work and ready to start within two weeks, or waiting to start a job already obtained. Similarly, economic inactivity can be a measure of the number of residents not in employment, or not actively looking for employment.
- 6.7 Local data on economic activity can be compared to national and regional benchmarks to determine whether there is a high or low rate of activity, highlighting the size of latent labour force either currently employed or available to start work immediately.
- 6.8 The Annual Population Survey (APS) provides an indicator of the number of economically active residents in an area based on responses received during the January 2017 to December 2017 period, and considers the economic activity and employment rate for all residents aged 16 to 64. Additionally, the APS records the proportion of people who are self-employed, which can help provide an indication as to the levels of entrepreneurship in the local economy. The number of people claiming Jobseekers Allowance (JSA) indicates the proportion of people who are unemployed and looking for work in an area, with data being drawn from statistics published on a monthly basis by the ONS.
- 6.9 The information outlined above is presented in the below table. It can be seen that rates of economic activity and employment are higher in Ribble Valley than in the comparator geographies, the APS's model-based figures indicating that, of the borough's economically active residents, the unemployment rate is extremely low. This is supported by ONS claimant count data, which shows that circa 0.5% of Ribble Valley's population are claiming JSA in March 2018, a rate which is less than half of that which was recorded for all wider analysed geographies.

Table 6.3: Economic activity and employment , residents aged 16-64

	Ribble Valley		Pennine Lancashire		Lancashire		The North	England
	No.	Rate	No.	Rate	No.	Rate	Rate	Rate
Economically Active	28,400	82.1%	242,600	75.3%	704,900	78.4%	76.6%	78.6%
Employed	28,400	82.1%	232,000	72.0%	676,000	75.2%	72.7%	75.1%
Self-employed	3,600	10.4%	22,700	7.0%	79,500	8.8%	9.0%	10.9%
Economically Inactive	6,200	17.9%	79,700	24.7%	194,600	21.6%	23.4%	21.4%
JSA Claimants	179	0.5%	3,958	1.2%	10,111	1.1%	1.3%	1.1%

Source: Annual Population Survey, Claimant Count

Home Working

- 6.10 The 2011 Census identified 4,175 residents in Ribble Valley who worked mainly at or from home, who were aged 16 or over, this representing 14.4% of the total workforce. The number of residents working from home increased over the decade to 2011, with the 2001 Census recording 3,425 people (13.0% of the workforce) in Ribble Valley mainly working from home.
- 6.11 Of those working from home in 2011, it is possible to identify the industry of occupation. The below table summarises the main industries of employment of those working mainly from home, ranking industries both in terms absolute number of home workers and the proportion of that industry's workers who are home workers. The number and proportion of those working in agriculture, forestry and fishing who work from home is high. It can also be seen that professional, scientific & technical industries have a significant levels of home working.

Figure 6.2: Top 5 Industries of Residents Working from Home in Ribble Valley, 2011

Absolute Rank			Proportionate Rank		
	No.	Rate		No.	Rate
Agriculture, forestry & fishing	618	70.8%	Agriculture, forestry & fishing	618	70.8%
Wholesale & retail trade; repair of motor vehicles & motor cycles	510	11.7%	Information & communication	198	30.5%
Construction	475	20.9%	Professional, scientific & technical activities	416	23.6%
Professional, scientific & technical activities	416	23.6%	Electricity, gas, steam & air conditioning supply	18	22.8%
Manufacturing	343	9.0%	Construction	475	20.9%

Source: Census 2011

Qualifications and Skills

- 6.12 Whilst skills requirements differ by business sector and occupational groups, being able to access a pool of suitably qualified and experienced workers is important to both new and existing businesses, including those who are well established within an area and seeking to grow. It is also likely to influence the type of businesses attracted to Ribble Valley, in addition to the type of employment land that is required.
- 6.13 It is therefore, important to understand the skills profile of the local labour force, which is recorded in the 2011 Census.

6.14 The Census identifies the highest level of qualification, standardised as follows:

- No qualifications;
- Level 1 qualification – 1+ ‘O’ level passes, 1+ CSE/GCSE any grades, NVQ level 1, or Foundation level GNVQ;
- Level 2 qualification – 5+ ‘O’ level passes, 5+ CSE (grade 1), 5+ GCSEs (grade A – C), School Certificate, 1+ ‘A’ levels/ ‘AS’ levels, NVQ level 2, or Intermediate GNVQ;
- Apprenticeship;
- Level 3 qualification – 2+ ‘A’ levels, 4+ ‘AS’ levels, Higher School Certificate, NVQ level 3, or Advanced GNVQ;
- Level 4/5 qualification – first degree, higher degree, NVQ levels 4 and 5, HNC, HND, qualified teacher, medical doctor, dentist, nurse, midwife or health visitor; and
- Other qualification – vocational/Work-related Qualifications, Qualifications gained outside the UK (Not stated/ level unknown).

6.15 The below table shows the highest level of qualification of the local labour force, which consists of residents aged 16 and over. Ribble Valley has a low level of residents with no qualifications in comparison to wider comparator areas, and a significantly greater proportion of those possessing a degree level qualification or higher (Level 4/5).

Table 6.4: Highest level of qualification, 2011

	Ribble Valley	Pennine Lancashire	Lancashire	The North	England
No Qualifications	18.3%	26.8%	24.8%	25.4%	22.5%
Level 1	11.1%	13.7%	13.4%	13.6%	13.3%
Level 2	15.3%	15.6%	15.9%	15.7%	15.2%
Apprenticeship	5.0%	4.6%	4.4%	4.2%	3.6%
Level 3	12.5%	12.3%	13.2%	12.9%	12.4%
Level 4+	34.0%	21.8%	23.6%	23.6%	27.4%
Other	3.7%	5.2%	4.7%	4.6%	5.7%

Source: Census, 2011

6.16 It should also be noted that the most recent data from the APS (covering the period January 2017 to December 2017) indicates that the skills profile of Ribble Valley has further developed since the 2011 Census, the survey recording that circa 46.5% of the borough’s residents aged between 16 and 64 possess qualifications of degree level and above.

Occupation

6.17 The occupational profile shows the types of jobs held by residents. This is sourced from the APS for the period from January 2017 to December 2017, with the analysis based upon the nine major groups of the Standard Occupational Classifications (SOC).

6.18 This is presented in the table below, with data showing that a relatively high proportion of Ribble Valley's workers are employed as managers, directors and senior officials, in administrative and secretarial occupations and elementary occupations. In comparison with other authorities in the Pennine Lancashire FEMA and the wider Lancashire LEP, a high proportion of Ribble Valley's workers are employed in professional occupations, with rates in the borough comparable to those recorded in the North as a whole, albeit slightly lower than national rates. Conversely, a relatively low proportion of the borough's workers are employed within skilled trades or in caring, leisure and other service occupations.

Table 6.5: Residents' occupation of employment (Jan 2017-Dec 2017)

	Ribble Valley	Pennine Lancashire	Lancashire	The North	England
Managers, directors and senior officials	16.5%	11.4%	9.7%	9.6%	11.2%
Professional occupations	18.7%	11.4%	17.1%	18.5%	20.3%
Associate prof & tech occupations	*	9.2%	12.0%	13.1%	14.6%
Administrative and secretarial occupations	18.0%	11.0%	12.0%	10.4%	10.3%
Skilled trades occupations	7.1%	11.2%	10.4%	10.8%	10.2%
Caring, leisure and other service occupations	8.5%	10.4%	11.4%	9.7%	9.0%
Sales and customer service occupations	*	9.2%	9.1%	8.5%	7.4%
Process, plant and machine operatives	6.8%	7.7%	7.2%	7.2%	6.2%
Elementary occupations	15.6%	10.9%	10.9%	11.6%	10.4%

* Data unavailable due to small group sample size (figures do not therefore sum due to unavailable data.)

Source: Annual Population Survey

Earnings

- 6.19 Income provides an indication of the strength of the local economy, given their relationship with wider economic factors such as gross value added (GVA) and productivity. Earnings levels also have a relationship with prosperity, and as such the economic wellbeing of residents.
- 6.20 The below table summarises median gross annual earnings for full-time workers in Ribble Valley and wider comparator areas, based on the provisional results of the 2017 Annual Survey of Hours and Earnings (ASHE). Both residence-based and workplace-based earnings are presented, in order to establish variance between the labour force who may work elsewhere, and those working in the area in question.
- 6.21 Residence-based earnings in Ribble Valley are higher than the averages recorded for Pennine Lancashire, Lancashire and the North as a whole, though are lower than the national average. Workplace-based earnings in the borough, however, surpass all other comparator geographies, indicating that Ribble Valley supports significant levels of high-paying jobs which attract people to the borough from other authorities.

Table 6.6: Median gross annual earnings, 2017

	Residence-based earnings	Workplace-based earnings
Ribble Valley	£27,951	£31,916
Pennine Lancashire	£24,679	£24,687
Lancashire	£25,821	£25,726
The North	£26,320	£26,303
England	£29,085	£29,079

Source: Annual Survey of Hours and Earnings

Key Messages

- 6.22 To summarise:
- Whilst over the past decade **Ribble Valley's population grew at a greater rate than in Pennine Lancashire and Lancashire LEP area**, this rate of growth was **slower than in the North and in England as a whole**;
 - In comparison with wider geographies, a **lower proportion of Ribble Valley's population are of working age** – over the past decade the authority has experienced **strong growth in the number of residents over the age of 65s** and a **reduction in the number of 25-29 year olds**;
 - Ribble Valley records **high economic activity and employment rates** relative to wider areas. The number of people who are **self-employed in the area also outstrips the sub-regional and Northern rates**, broadly aligning with national rates;

- **A Low proportion of people in Ribble Valley are claiming jobseekers allowance** at latest count;
- **The agriculture, forestry & fishing, information and communication, wholesale & retail trade and professional, scientific & technical activities sectors are those in which significant levels of workers work mainly from home;**
- **Ribble Valley residents are more likely to be educated to degree level and above** than wider comparator authorities, with latest evidence suggesting that this position has further strengthened in recent years;
- **Ribble Valley residents are more likely to be employed in typically higher-earning occupations** than in comparator geographies, particularly in comparison with the wider sub-region; and

As such, **resident earnings in Ribble Valley are higher on average than in the sub-region and North as a whole.** Workplace-based earnings are higher still (and above the national average), indicating that people commute into the authority for higher-paid jobs.

7. Property Market and Employment Land

7.1 This section considers the current composition and changes in the existing stock of employment floorspace in Ribble Valley, in addition to past development rates drawing on Council monitoring data.

Rateable Properties

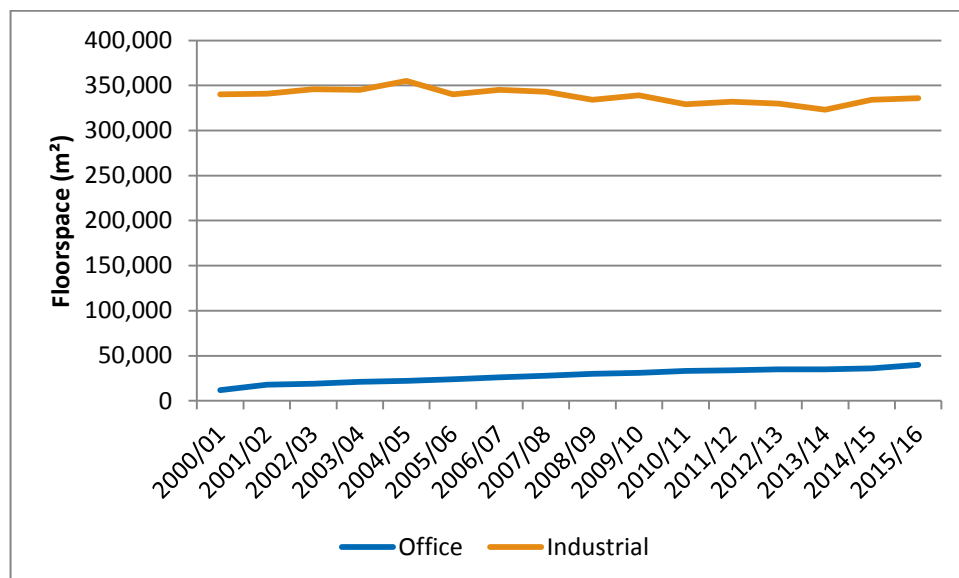
Quantity and Type of Floorspace

7.2 Statistics are published by the Valuation Office Agency (VOA) which can be used to understand how the amount of business floorspace in Ribble Valley has changed, based on analysis of properties liable for business rates. The latest statistics were published in March 2016, and are shown in the following graph.

7.3 Industrial premises occupy the greatest amount of floorspace in Ribble Valley, reflecting the larger size requirements of industrial occupiers. Although the amount of industrial floorspace has fluctuated since 2000/01, there has been an overall reduction of around 4,000 sq m over the period to 2015/16. It should, however, be noted that between 2012/13 and 2015/16, the amount of industrial floorspace has actually increased by 14,000 sq m.

7.4 The quantity of office space in Ribble Valley increased more than threefold between 2000/01 and 2015/16, from circa 12,000 sq m to roughly 40,000 sq m, with there having been steady growth in the borough's supply of this kind of space throughout the period.

Figure 7.1: Office and industrial floorspace in Ribble Valley, 2000/01-2015/16



Source: VOA

- 7.5 This analysis can be brought up to date through a review of business premises as of April 2018, based on CoStar data. Potential discrepancies have been checked with the Council, and where appropriate removed from the analysis.
- 7.6 Table 7.1 shows the number of employment properties identified Ribble Valley, alongside an indicative average size for each employment type. This further demonstrates that industrial occupiers have larger floorspace requirements, with office users typically occupying around 450 sq m in each authority.

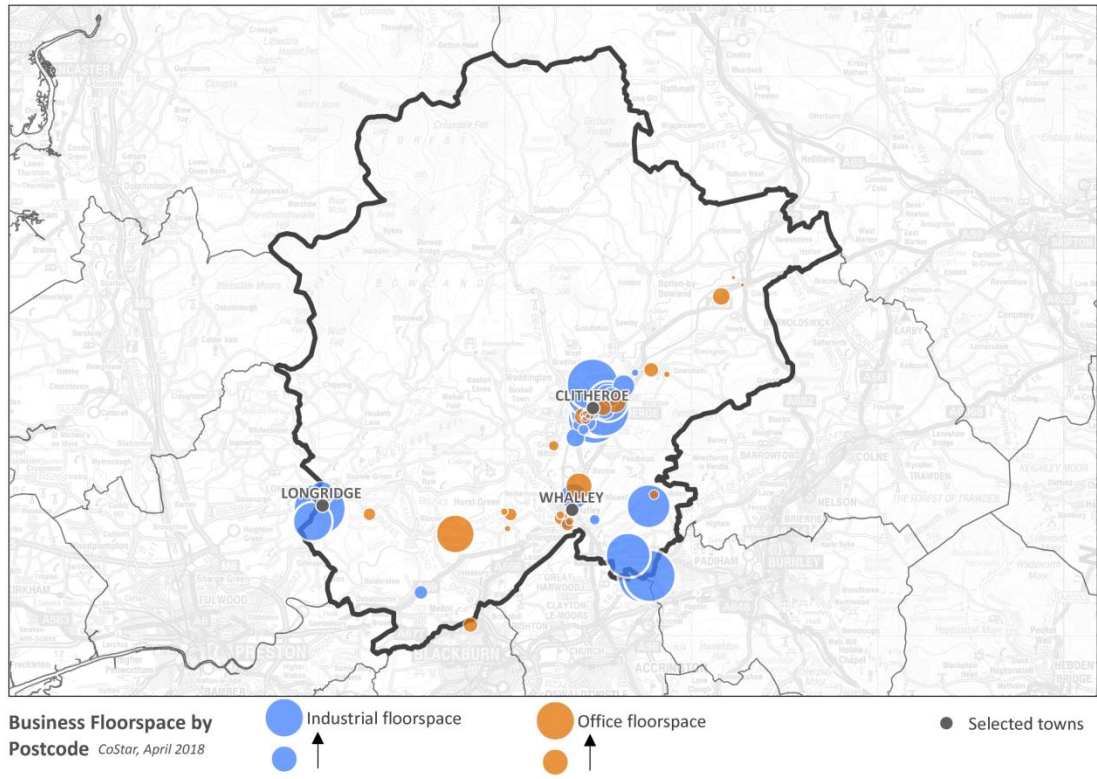
Table 7.1: Business premises by type and size in Ribble Valley, April 2018

Type	Number of Properties		Total Floorspace (sq m)		Average Property Size (sq m)
	Ab.	%	Ab.	%	
Industrial	52	48.1%	200,539	85.3%	3,766
Light Industrial	5	4.6%	10,622	4.6%	2,124
Office	51	47.2%	23,092	910.1%	453
Total	108	100.0%	229,526	100.0%	2,125

Source: Turley analysis of CoStar data

- 7.7 Business premises Ribble Valley are presented in the following plan – again broken down by type – in order to profile the existing supply across the authority. This is aggregated by postcode to highlight the areas in which the greatest supply of business space exists.
- 7.8 This highlights concentrations of employment premises around the main towns of Clitheroe and Longridge, and to a lesser extent Whalley, where there is a concentration of office premises. A number of larger industrial premises are also evident in the south of the borough close to the border of neighbouring Blackburn.

Figure 7.2: Business floorspace in Ribble Valley by type and postcode – April 2018

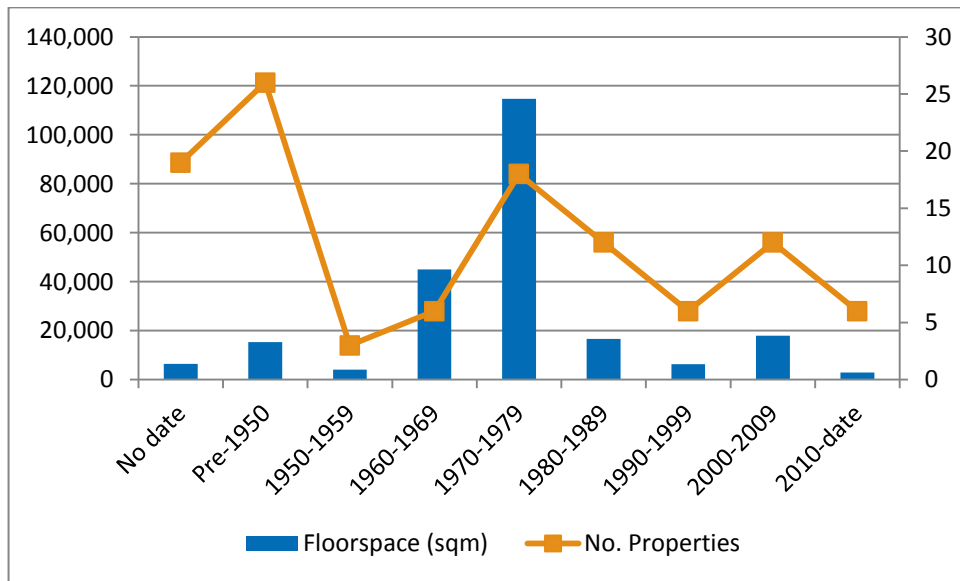


Source: Turley analysis of CoStar data

Age of Premises

7.9 The age of commercial premises can also be established using CoStar, as summarised in the following graph. While age is not recorded for some properties, this suggests that Ribble Valley has a comparatively large number of commercial properties built before 1950, although the quantum of floorspace provided by these properties is relatively low. The largest proportion (49.0%) of the borough’s employment floorspace comprises properties built in the 1970s.

Figure 7.3: Proportion of employment floorspace stock by age in Ribble Valley, April 2018



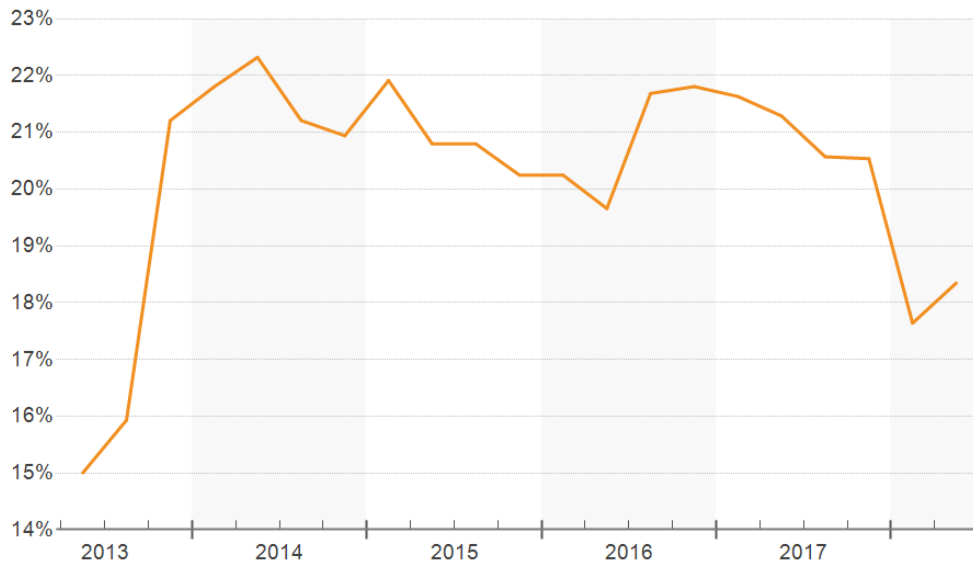
Source: Turley analysis of CoStar data

Supply of Floorspace

7.10 CoStar data allows analysis to be conducted of the quantum and characteristics of commercial space which is available. Over the 5 years to April 2018, availability of business premises has fluctuated, from a low of around 15% in 2013, to over 22% the following year. The current availability rate of 16.7% is a lower level than that seen over much of the past 5 years, though has risen slightly since the start of 2018. The below graph charts the availability of space in Ribble Valley over the past 5 years⁸⁹.

⁸⁹ Note that the CoStar data upon which this chart is based includes c.4,725 of available land at the Kirk Mill site in Malt Kiln Brow, Chipping, which has approval to be converted into a hotel (Ribble Valley planning application: APP/T2350/W/15/3119224) which pushes the availability rate shown in the chart up to 18.3%. All other tables and employment land figures in this report remove the Kirk Mill site from their calculations. Despite this, the chart at Figure 7.4 nonetheless provides an effective illustration of proportionate availability of commercial space over time.

Figure 7.4: Business floorspace availability in Ribble Valley, April 2013-2018



Source: CoStar

- 7.11 As stated above, CoStar data indicates that 16.7% of floorspace is currently available in Ribble Valley, with a slightly greater proportion of total industrial land being available (17.6%) in comparison with office space (16.7%). Representing a significantly larger proportion of the total commercial land, industrial floorspace accounts for 89.9% of total available commercial floorspace, with the vast majority (c.30,000 sq m) associated with vacant floorspace at Time Technology Park in Simonstone. Excluding this vacant floorspace from the calculations would reduce the availability to rate to 4.1%.
- 7.12 Notwithstanding this, there is a notable shortage of available light industrial space. It is also likely, in light of the age of the stock analysis presented above, that a proportion of the available floorspace is older stock that may be less attractive to the market. This is displayed in the table overleaf.

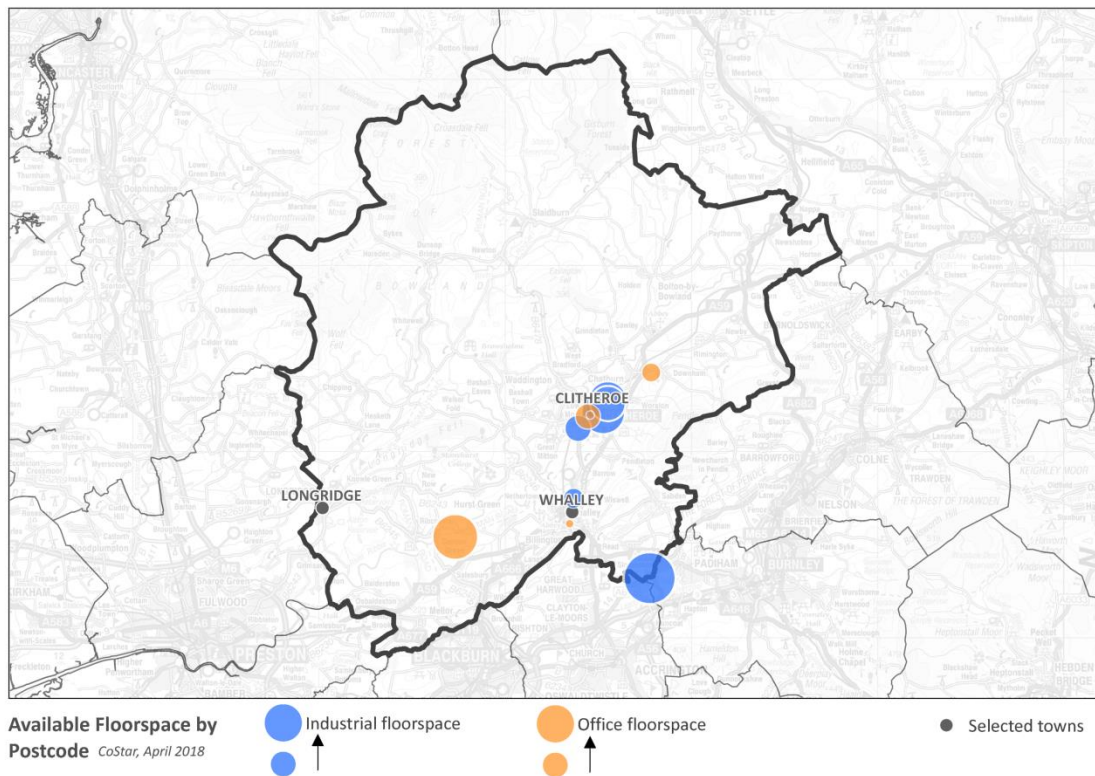
Table 7.2: Business floorspace availability in Ribble Valley by type, April 2018

Type	Total Floorspace (sq m)	Available Floorspace (sq m)	% of type available	% of total available
Industrial	195,812	34,366	17.6%	89.9%
Light Industrial	10,622	0	0.0%	0.0%
Office	23,092	3,855	16.7%	9.0%
Total	229,526	38,221	16.7%	100.0%

Source: Turley analysis of CoStar data

7.13 The below plan shows the spatial distribution of floorspace availability in Ribble Valley. It can be seen that the Time Technology Park in Simonstone accounts for a large proportion of industrial space, with a concentration of available office space also recorded to the south of the borough. There are also concentrations of both office and industrial space in and around Clitheroe.

Figure 7.5: Business floorspace availability in Ribble Valley by type and postcode – April 2018

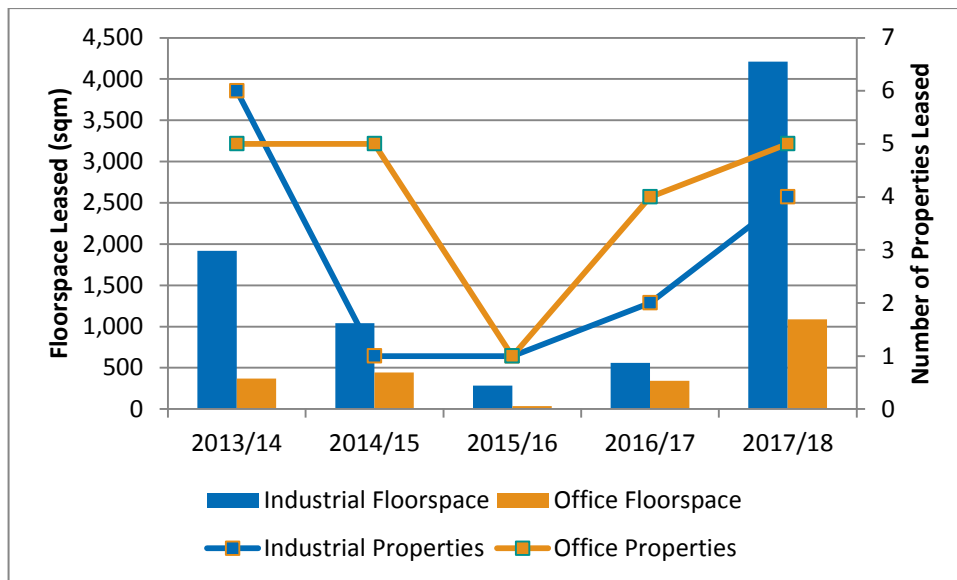


Source: Turley analysis of CoStar data

Take up of Floorspace

- 7.14 CoStar data also enables analysis of take-up of commercial properties. The chart below plots the quantity of floorspace and number of properties leased in Ribble Valley over the past 5 years. As can be seen, the number of office properties leased generally outnumbers that of industrial in the borough, although, as discussed above, industrial properties are generally of larger size.
- 7.15 The past year has seen that greatest quantity of floorspace leased for both office and industrial property over the last five years. The level of industrial space leased was particularly high, totalling more than the previous four years combined.

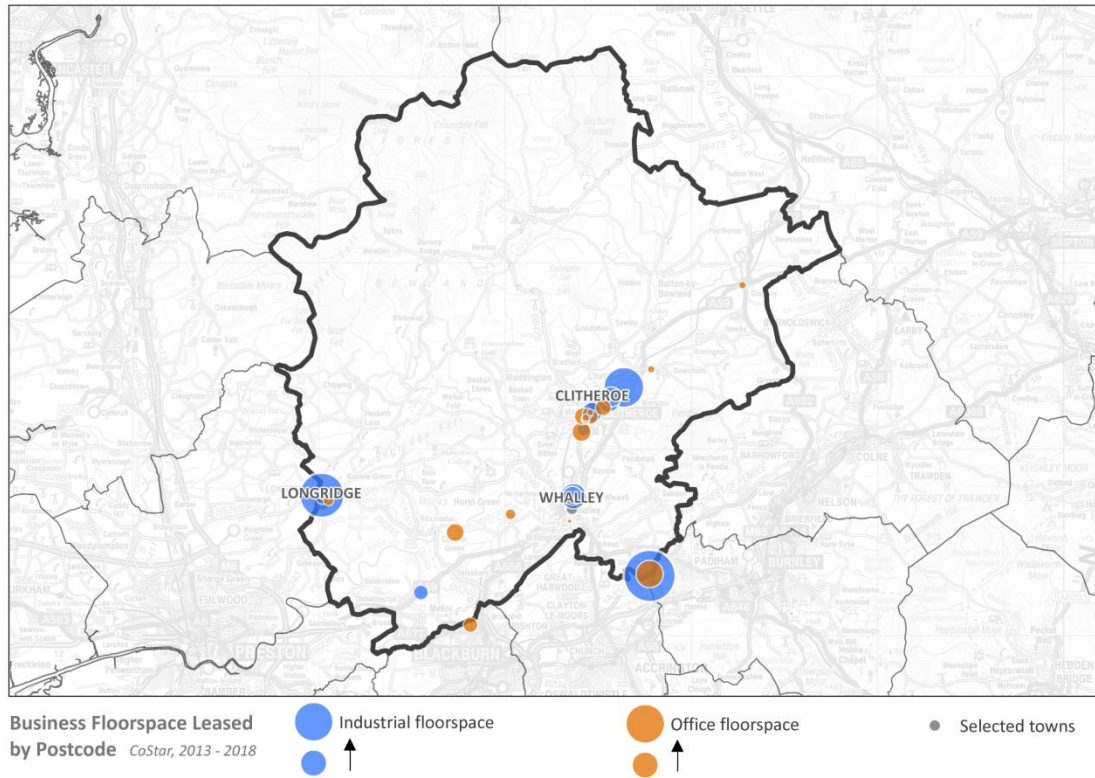
Figure 7.6: Business floorspace leased in Ribble Valley by type, 2013/14-2017/18



Source: Turley analysis of CoStar data

7.16 The take up of office and industrial floorspace over the past five years is shown in the map below, distributed by postcode. It can be seen that office floorspace has mainly been leased in and around Clitheroe and to the borough's southern border. Industrial floorspace follows much the same trend, with particularly large concentrations of this type of floorspace also leased in Longridge.

Figure 7.7: Business floorspace leased in Ribble Valley by type and postcode, 2013/14-2017/18



Source: Turley analysis of CoStar data

Past Development Rates

7.17 The remainder of this section considers past development rates drawing on Ribble Valley Borough Council monitoring data.

Completions

7.18 Monitoring undertaken by the Council allows an understanding of recent completions and losses of B Use Class employment floorspace since 2006/07. As shown in Table 7.2 a total of 92,417 sq m of floorspace was completed over the 10 year period to 2016/17, with the largest proportion of this comprising floorspace for B1a use, making up 39.7% of completed floorspace during the period. B2 floorspace accounts for the second-largest proportion, at 33.1%.

Table 7.3: Completed employment floorspace (sq m) – Gross gains by use class, 2006/07-2016/17

	B1a	B1b	B1c	B1 total	B2	B8	Mixed	Total
2007/08	*	*	*	1,509	7,186	2,295	1,609	12,599
2008/09	1,575	0	2,691	4,266	6,312	0	897	11,475
2009/10	19,975	0	2,094	22,069	7,859	985	0	30,913
2010/11	450	0	655	1,105	515	2,238	216	4,074
2011/12	1,434	0	320	1,754	0	2,834	83	4,671
2012/13	1,638	1,360	1,088	4,086	863	295	0	5,244
2013/14	738	125	116	979	55	0	428	1,462
2014/15	403	0	0	403	7,181	1,737	700	10,021
2015/16	6,818	60	541	7,419	615	91	0	8,125
2016/17	3,666	0	0	3,666	0	167	0	3,833
Total	36,697*	1,545*	7,505*	47,256	30,583	10,642	3,933	92,417

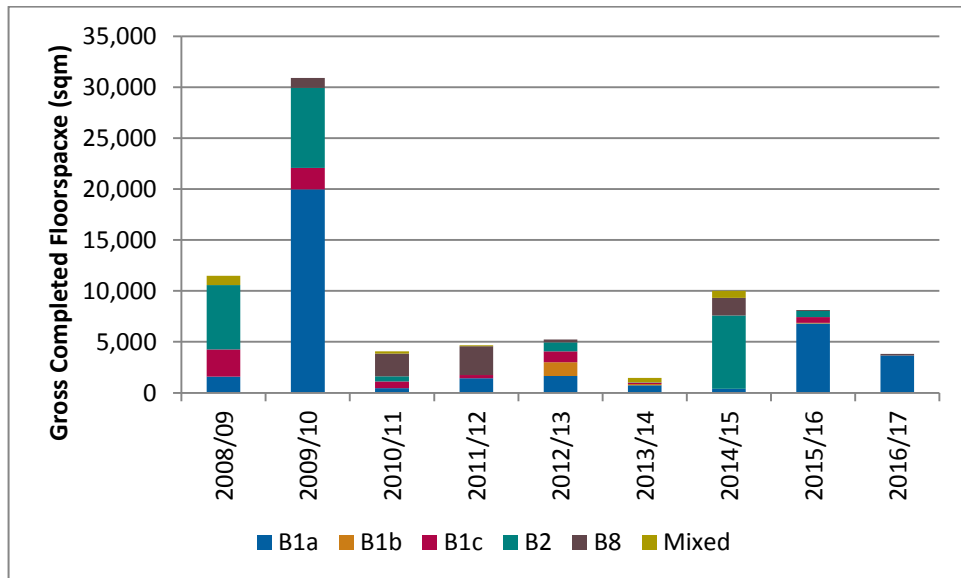
* B1 uses presented only as an aggregate figure in the 2006/07 and 2007/08 AMRs

Source: Ribble Valley Borough Council

7.19 In absolute terms, the highest rate of completion took place in 2009/10 when circa 31,000sqm floorspace was completed, however this high represents something of an outlier, given that the peak completion of all other years during the period was circa 12,600 sq m (in 2007/08) and 2013/14 saw gross completion of circa 1,500 sq m.

7.20 The below chart presents a visual analysis of the above data, clearly showing that in the past two years employment floorspace completions have been mainly made up of office space. Completions in the year prior to this were however predominately for B2 industrial floorspace.

Figure 7.8: Completed employment floorspace (sq m) gross gains, 2008/09-2016-17



Source: Ribble Valley Borough Council

Floorspace Losses

7.21 It is also important to consider pressure on existing floorspace and the amount of employment floorspace being lost to alternative uses. This is illustrated in the below table, and shows that, over the ten-year period from 2007/08, the area has lost 24,130 sq m (gross) of employment floorspace. The greatest reported losses were in 2012/13 when 11,321 sq m were lost.

Table 7.4: Completed floorspace (sqm) – Gross losses, 2007/08-2016/17

	B1a	B1b	B1c	B1 total	B2	B8	Mixed	Total
2007/08	*	*	*	0	207	0	250	457
2008/09	0	0	0	0	7,200	0	0	7,200
2009/10	389	0	0	0	120	0	0	509
2010/11	410	0	1,454	1,854	0	53	0	1,917
2011/12	**	**	**	**	**	**	**	1,461
2012/13	526	0	1,225	1,751	6,485	3,085	0	11,321
2013/14	120	0	275	395	705	165	0	1,265
2014/15	0	0	0	0	0	0	0	0
2015/16	0	0	0	0	0	0	0	0
2016/17	0	0	0	0	0	0	0	0
Total	2,879**	0	3,274**	6,153**	14,717**	6,137	333	24,130

* B1 uses presented only as an aggregate figure in the 2006/07 and 2007/08 AMRs

**AMR loss data not available for 2011/12. Loss has been calculated using the difference between the baseline March 2012 estimated employment land supply figure from RVBC's 2013 Employment Land Study Refresh⁹⁰ and the 2012/13 AMR employment land supply figure.

Source: Ribble Valley Borough Council

Net Additional Floorspace

- 7.22 The net effect of these losses is outlined in the table below, and shows that over the 10-year period from 2007/08 the area experienced a net gain of 68,287sqm of B Use Class employment floorspace.
- 7.23 The authority has posted net gains of employment floorspace in almost every year over this period – the sole year where a net annual decrease was experienced was 2012/13, when circa 6,100sqm was lost.
- 7.24 In terms of use class, the greatest gains were seen in B1a floorspace over the 10-year period to 2016/17, with the lowest gains seen in space for B1b use. B1c B8 and mixed floorspace also saw relatively small net gains in comparison with B1a and B2 floorspace.

⁹⁰ Ribble Valley Borough Council (2013) Employment Land Study Refresh, pp. 85-86

Table 7.5: Completed floorspace (sqm) – Net addition by use class, 2007/08-2016/17

	B1a	B1b	B1c	B1 Total	B2	B8	Mixed	Total
2007/08	*	*	*	1,509	6,979	2,295	1,359	12,142
2008/09	1,575	0	2,691	4,266	-888	0	897	4,275
2009/10	19,586	0	2,094	22,069	7,739	985	0	30,404
2010/11	40	0	-799	-759	515	2,185	216	2,157
2011/12	**	**	**	**	**	**	**	3,210
2012/13	1,112	1,360	-137	2,335	-5,622	-2,790	0	-6,077
2013/14	618	125	-159	584	-650	-165	428	197
2014/15	403	0	0	403	7,181	1,737	700	10,021
2015/16	6,818	60	541	7,419	615	91	0	8,125
2016/17	3,666	0	0	3,666	0	167	0	3,833
Total	33,818**	1,545**	4,231**	41,103**	15,869**	4,505**	3,600**	68,287

* B1 uses presented only as an aggregate figure in the 2006/07 and 2007/08 AMRs

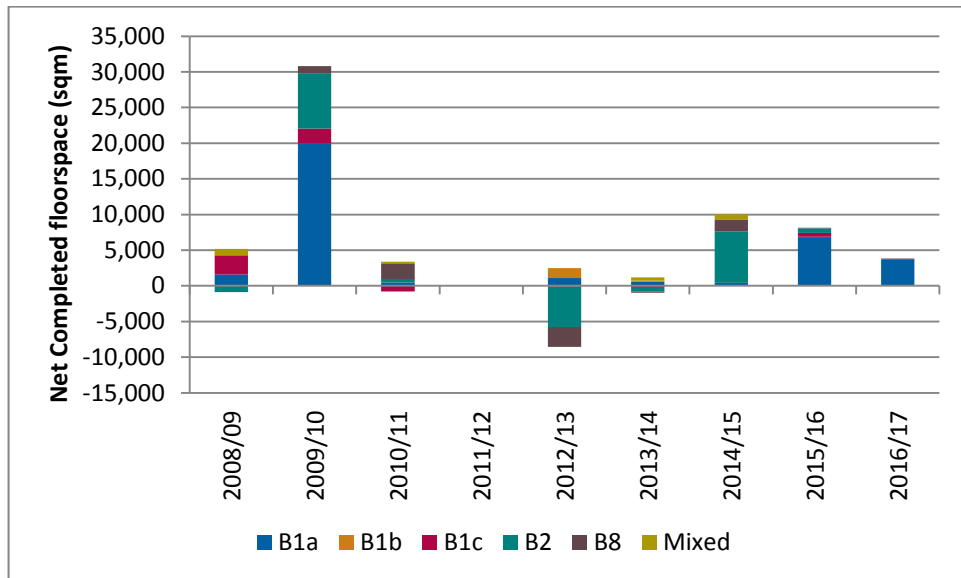
**AMR net addition data not available for 2011/12. Net addition has been calculated using the difference between the baseline March 2012 estimated employment land supply figure from RVBC's 2013 Employment Land Study Refresh⁹¹ and the 2012/13 AMR employment land supply figure.

Source: Ribble Valley Borough Council

7.25 Net change in employment floorspace is demonstrated visually in the below chart. As with gross gains, net gains in recent years have been driven by B1a uses. The net addition of B8 floorspace in 2014/15 helped counter the reductions experienced in this use class during the previous two years.

⁹¹ Ribble Valley Borough Council (2013) Employment Land Study Refresh, pp. 85-86

Figure 7.9: Net change in completed floorspace (sqm) by use, 2008/09-2016/17

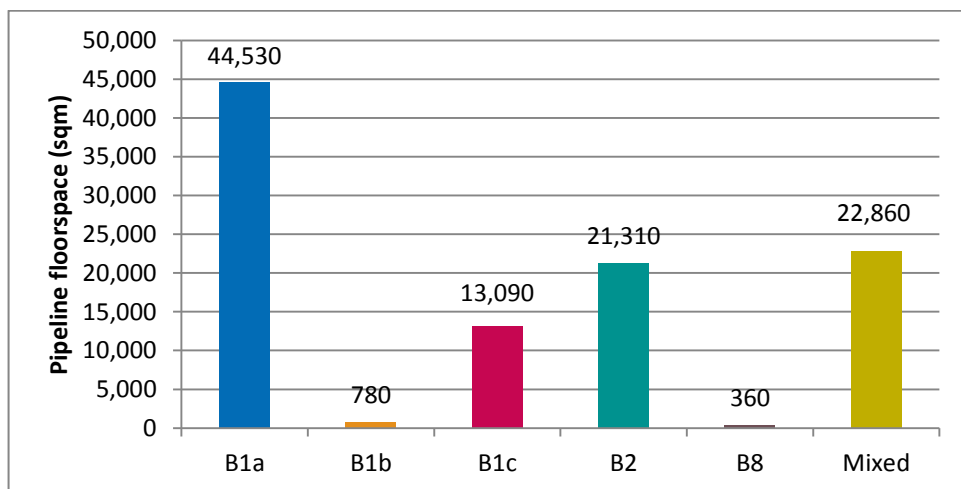


*AMR net addition data not available for 2011/12.

Source: Ribble Valley Borough Council

7.26 Analysis of schemes with planning permission that are either under construction or not started reveals that the provision of B-class employment space is expected to be dominated by B1a in Ribble Valley. The borough is anticipated to gain circa 80,100sqm of employment floorspace through permitted schemes, with over half (55.6%) of permitted developments comprising of B1a employment floorspace. With only 360sqm of floorspace due to come forward (according to the Council’s latest Authority Monitoring Report), land for B8 industrial is set to account for just 0.4% of Ribble Valley’s employment land addition.

Figure 7.10: Existing permission of floorspace by use class, 2017



Source: Ribble Valley Borough Council

Key Messages

7.27 To summarise:

- Whilst **Industrial uses account for the majority of total b-class floorspace in Ribble Valley**, there is a **fairly even split between the number of office and industrial premises**;
- Roughly half of Ribble Valley's employment floorspace was constructed during the 1970s;
- **Business floorspace availability is currently at a lower level** than seen for a number of years, with a slightly **higher proportion of the borough's industrial floorspace being available than its office floorspace**;
- **Take up of both office and industrial property has been particularly high over the past year**;
- **Past completion of employment floorspace has fluctuated**, with the greatest annual total completion being recorded in 2007/08 (of which just under half was for industrial use);
- **Over half of completed floorspace since 2007/08 has been for B1 uses**;
- **Industrial floorspace represents over half of the lost floorspace since 2007/08**;
- **No B-class floorspace has been lost over the past three years**; and
- Despite the fact that the borough maintains a higher quantity of industrial than office floorspace, **over half of employment land with planning permission is for B1a use**, with this figure being over double than that coming forward for B2 uses.

8. Strengths, Weaknesses, Opportunities and Threats

- 8.1 This report includes a substantial body of evidence on the current profile and performance of the Ribble Valley economy.
- 8.2 Looking ahead, the competitiveness of the borough, and its subsequent ability to support further economic growth, will be influenced by a range of factors, including its location, business base, labour force, knowledge resources and the availability of commercial premises, amongst others.
- 8.3 Drawing this evidence together, this final section provides an objective assessment of the borough's key strengths, weaknesses, opportunities and threats in economic terms. This is intended to assist the Council in identifying opportunities for economic growth and areas for potential focussed interventions.

Strengths

- 8.4 Ribble Valley provides a high-quality environment within which to live and work, with its population, which currently stands at around 58,864, experiencing higher rates of growth over recent years than across Lancashire more widely. The main settlements of Clitheroe, Longridge and Whalley are popular residential locations and the borough as a whole has many place-based strengths and attributes.
- 8.5 From an economic perspective, the following strengths, which represent points of competitive advantage for Ribble Valley, are also of particular note:
- **The borough's strategic location** – including its location and accessibility to the strategic road network (M6, M65 & A59) and natural environment afforded by its rural setting and character.
 - **The borough's established manufacturing base** – currently employing 7,000 people, a quarter of the borough's workforce, manufacturing accounts for the largest share of employment in Ribble Valley. The sector is also productive – its GVA output is forecast to have grown by 37.2% in the 5 years to 2018.
 - **A growing aerospace cluster anchored by BAE Systems** – the borough hosts one of the largest clusters of aerospace and advanced manufacturing activity in the country, with 4000+ employees engaged in the manufacture of aircraft at BAE in Samlesbury. Advanced Manufacturing, particularly in the aerospace sector, is highlighted in the Government's Industrial Strategy and in the Lancashire LEP's Strategic Economic Plan as a highly productive industry in which the UK can take a significant share of the global market, and the Government has committed to supporting the sector over the long term to drive productivity growth.

- **A growing visitor economy** - the visitor economy is a growing industry and key strength of the borough. The sector supports significant levels of employment in the accommodation and food sector in particular, with this sector alone accounting for a 14.3% share of all employment in the borough, second only to manufacturing.
- **A dominant private sector** - it is widely acknowledged that the private sector will be the main source of new employment creation in the UK over the next 5 to 10 years. In contrast employment in public administration is anticipated to fall. This provides an important context for Ribble Valley which historically has had less reliance on public sector employment than comparator areas. A large number of Ribble Valley's businesses are also family run and well established, making them less likely to leave the borough in search of new premises.
- **A buoyant and growing economy** – Ribble Valley's economic output, measured in GVA, has increased steadily since 1997, and recently at a fast rate than wider comparator areas. It is notable, that the manufacturing sector has contributed significantly to this growth, and in 2018 is forecast to account for 38.2% of the borough's estimated £1.67 billion GVA. Although growing in productivity terms, the economy remains comparatively small in the wider Lancashire context, with the latest forecasts indicating that borough will account for just over 5% of Lancashire's total £31.6 billion GVA output in 2018.
- **Above average rates of business survival** - Analysis of business registrations and de-registrations show that the borough is characterised by fewer de-registrations than registrations. Survival rates of businesses in years 1 to 5 are also higher than comparator areas, indicating that the borough provides a positive environment within which to start and grow a business.
- **High rates of economic activity** – the borough is characterised by high rates of economic activity, with corresponding high rates of employment and low levels of unemployment amongst the local working age population. The borough's economically active workforce is also highly skilled and well paid, with the latest data showing that nearly half (46.5%) of those aged 16-64 possess a degree, or higher level qualification.
- **A relatively healthy employment land market** – Authority Monitoring reports show that there has historically been supply of net additional employment space in Ribble Valley. The majority of completed land over the past decade and pipeline employment land coming forward is for office space, which will be important to sustain if the borough is to increase its proportion of jobs and businesses in the professional and other private services sector.

Weaknesses

8.6 Whilst the borough shows strengths in a number of areas it also shows a number of weaknesses which are adversely impacting the performance of the local economy. These can be summarised as follows:

- **Variable levels of employment growth** – Ribble Valley has been less successful than comparator areas in growing its employment base. Although increasing between 2014 and 2016, levels of employment remain below pre-recession levels.
- **Low representation of high value sectors** - whilst a number of sectors have shown signs of growth, it is evident that they have yet to gain a strong enough foothold to significantly diversify the borough’s employment and business base. For example, the professional and other private services sector, which although being the second largest contributor to the Ribble Valley economy, lags proportionally behind comparator areas in terms of its contribution to total GVA.
- **Low rates of new business formation** – although business survival rates are good, the rate of start-ups (VAT registered businesses) remains low compared to other areas. Critically, with fewer start-ups, future employment creation is more likely to be constrained.
- **An ageing workforce and population** – whilst the population has grown, so has the proportion of in older age groups. This is a key issue for two reasons. Firstly, there is a risk that the labour market will not be of a sufficient scale to support and maximise economic growth. A lack of young and skilled people will also result in businesses finding it increasingly difficult to attract and/or retain the right calibre of staff. As one of the key factors that attracts and retains businesses, ensuring that the full potential of the labour market is realised and the supply of labour is able to meet demand arising from new and growing businesses represents a key issue for future strategy.
- **A mismatch between labour demand and supply** - when the number of jobs in Ribble Valley is compared to the size of the working age population, it shows that the area has a higher job density than the national average. Although this is generally a positive trend, the evidence of commuting patterns indicates that over half of Ribble Valley’s residents (56.6%) commute outside of the borough for work. Evidently, a large proportion of the borough’s jobs are also being taken by residents who live outside of the borough. This suggests that labour demand for the roles on offer is higher than the supply of appropriately skilled labour within the borough, in turn contributing to higher levels of inward commuting from neighbouring authorities.

Opportunities

8.7 The following considers the key opportunities for growth that have emerged through the baseline study which are considered to be integral to the creation of a prosperous borough:

- **Supporting growth and investment in highly productive sectors** – Growing the borough’s advanced manufacturing sector in the context and major investment taking place at the Samlesbury Aerodrome Enterprise Zone, but also changing trade agreements that could emerge following Brexit.
- **Capitalising on the growth of the aerospace industry and advanced manufacturing supply chain** – investment in new fighter jets at BAE is expected to create up to 7,000 additional jobs to within the Samlesbury and Warton site supply chains over the next 25 years.
- **Growing the local supply chain** - through the provision of support and employment land for second tier suppliers i.e. those businesses wanting to be located near but not within the Enterprise Zone.
- **Developing sectors with growth potential** – with a particular focus on sectors being targeted through policy, and which have representation in Ribble Valley, including the visitor economy/rural tourism and more knowledge based sectors including professional and other services.
- **Enabling more business start-ups** – Encouraging more start-ups and supporting existing businesses to grow and prosper through the provision of required support and infrastructure. Indeed, addressing the deficiency in business start-up rates will be important for providing a strong enough platform from which to elevate private sector employment creation beyond past trends.
- **Growing the local skills base** - retaining talent and developing the skills base in order to meet the demand and needs of the borough’s employers and in key growth sectors being targeted through policy. At the same time there is a need to promote local entrepreneurship by seeking to attract and retain those with entrepreneurial ability and outlook to help grow and diversity the business base.
- **Directly or indirectly benefit from investment in the North** – the Government has expressed its commitment to growing the Northern Powerhouse, with plans for significant investment in transport infrastructure in particular to address this recognised barrier to transformational economic growth. This suggests that Government will be generally supportive of interventions which contribute towards realising its vision for the Northern Powerhouse, creating an opportunity to clearly position Ribble Valley and communicate its envisaged role within this geography.

Threats

8.8 The following represent the most significant threats to the borough reaching its full economic potential:

- **Brexit / macro-economic uncertainty** – Slowing GDP growth nationally leading reduced demand and continuing cost / competitive pressures on the boroughs manufacturing and agriculture based businesses. The North West as a whole has been identified as being particularly vulnerable with an assessment of Brexit deals on economic growth over 15 years compared to current GDP forecasts indicating potential reductions in GDP of between -2.5% and -12% across the range of scenario considered .
- **An over-reliance on manufacturing** - The dominance of the manufacturing sector, although a key strength of the borough's economy, also represents a threat insofar as the borough will be more exposed to the trading performance, and any corresponding fluctuations in labour demand arising from changing macroeconomic conditions or trade agreements.
- **Under-representation of target sectors** – the borough exhibits a comparative under-representation of businesses operating in other higher value, highly productive sectors being targeted through policy – including professional services, health, energy and digital, could result in investment being diverted to other parts of Lancashire and the north of England.
- **Constrained labour force** – the continued contraction of the borough's working age population means that there is a risk that Ribble Valley will undersupply labour, ultimately constraining business growth and investment. Enhanced rail connectivity between Clitheroe and Manchester, although positive, could also encourage more out-commuting, compounding the issue and leading to worsening levels of self-containment.
- **Non-delivery of employment sites and premises beyond the Enterprise Zone** – leading to insufficient employment land/floorspace to meet future business and development needs, potentially resulting in the loss of existing businesses looking to expand or inadvertently constraining the growth of those wishing to stay.

Turley
1 New York Street
Manchester
M1 4HD

T 0161 233 7676

Economic Evidence Base – Baseline Report

Key Messages - May 2018

Employment and Productivity

Key Messages

- Although total employment in Ribble Valley fell by roughly 2,000 between 2009 and 2016, the most **recent data indicates rising employment**. The **rate of employment growth** in the borough was, however, **consistently slower than that recorded at wider comparator geographies** over this period;
- Between 2011 and 2016 the **fastest-growing sector of employment** in Ribble Valley was **accommodation & food services**. As of 2016, however, **manufacturing remained the largest sector of employment**, supporting the jobs of 7,000 workers, 25% of the workforce;
- Ribble Valley's **economic output**, measured in GVA, has **increased steadily** since 1997, and **at a faster rate than wider comparator geographies**;
- Again, the **manufacturing sector** makes the **largest contribution to the borough's economic output**, accounting for 38.2% of Ribble Valley's estimated £1.67 billion GVA in 2018. The sector's GVA output also grew by 37.2% in the 5 years to 2018;
- **Job density is higher in Ribble Valley than in all wider comparator geographies**, including the average national rate;
- **Local specialisms** in terms of employment levels include, manufacturing, accommodation & food services, agriculture, forestry & fishing;
- **Employment is clustered to the southern and eastern edges of the authority**, close to nearby major settlement and connecting transport links; and
- **The majority of employed residents live in rural areas.**

Business Base

Key Messages

- **Agriculture, forestry & fishing** is the sector with the **most individual businesses**, followed by the professional, scientific & technical sector;
- **The vast majority of businesses in Ribble Valley are micro-businesses**, with this businesses size being proportionally slightly more prominent in the authority than in wider comparator geographies;
- Between 2011 and 2016, the **number of businesses in Ribble Valley grew at a slower rate** than in all other comparator areas. However, if measuring the number of businesses against the size of the working-age population, **Ribble Valley has a higher business density** than these wider areas; and

- In addition, **the survival rate for new businesses has been consistently higher in Ribble Valley** than at these comparator geographies. Similarly, over the past five years, **Ribble Valley has seen lower closure rates amongst its overall business base.**

Population and Labour Force

Key Messages

- Whilst over the past decade Ribble Valley's population grew at a greater rate than in Pennine Lancashire and Lancashire LEP area, this rate of growth was slower than in the North and in England as a whole;
- In comparison with wider geographies, a lower proportion of Ribble Valley's population are of working age – over the past decade the authority has experienced strong growth in the number of residents over the age of 65s and a reduction in the number of 25-29 year olds;
- Ribble Valley records high economic activity and employment rates relative to wider areas. The number of people who are self-employed in the area also outstrips the sub-regional and Northern rates, broadly aligning with national rates;
- A Low proportion of people in Ribble Valley are claiming jobseekers allowance at latest count;
- The agriculture, forestry & fishing, information and communication, wholesale & retail trade and professional, scientific & technical activities sectors are those in which significant levels of workers work mainly from home;
- Ribble Valley residents are more likely to be educated to degree level and above than wider comparator authorities, with latest evidence suggesting that this position has further strengthened in recent years;
- Ribble Valley residents are more likely to be employed in typically higher- earning occupations than in comparator geographies, particularly in comparison with the wider sub-region; and

As such, resident earnings in Ribble Valley are higher on average than in the sub-region and North as a whole. Workplace-based earnings are higher still (and above the national average), indicating that people commute into the authority for higher-paid jobs.

Property Market and Employment Land

Key Messages

- Whilst Industrial uses account for the majority of total b-class floorspace in Ribble Valley, there is a fairly even split between the number of office and industrial premises;
- Roughly half of Ribble Valley's employment floorspace was constructed during the 1970s;
- Business floorspace availability is currently at a lower level than seen for a number of years, with a slightly higher proportion of the borough's industrial floorspace being available than its office floorspace;

- Take up of both office and industrial property has been particularly high over the past year;
- Past completion of employment floorspace has fluctuated, with the greatest annual total completion being recorded in 2007/08 (of which just under half was for industrial use);
- Over half of completed floorspace since 2007/08 has been for B1 uses;
- Industrial floorspace represents over half of the lost floorspace since 2007/08;
- No B-class floorspace has been lost over the past three years; and
- Despite the fact that the borough maintains a higher quantity of industrial than office floorspace, over half of employment land with planning permission is for B1a use, with this figure being over double than that coming forward for B2 uses.