

## **EXECUTIVE SUMMARY**

### **Changing Places: An Economic Vision Statement for 2021**

By 2021, the Bedford Area – that is the Borough of Bedford and the adjoining area of the Northern Marston Vale - will look like a very different place than it does today. Population, housing and employment growth will have increased substantially. More significantly Bedford will have reclaimed its role as a regional centre of one of the fastest growing sub-regions with one of the most dynamic economies in Europe. The Milton Keynes - South Midlands (MKSM) Growth Area will have already undergone a demographic and economic change comparable with the changes that brought the New Towns around London fifty years earlier and there will be more growth on the same scale to come before 2031. The existing relationships with other centres in the sub-region and Oxford to Cambridge (O2C) Arc will change. Each centre will find a distinctive rather than a competitive role in the knowledge-based economy of the Arc. As Luton builds on the industries skills that make a modern, technological driven economy “work” and Milton Keynes consolidates on the investment attracted in the 1980’s and 1990’s, the Bedford Area will become MKSM’s principal regional business and cultural centre. Much of this business growth will focus on innovation in, and servicing of, knowledge based industries in services such as ICT, creative media and consulting. Much of this will be provided by small and medium size enterprises supported by the quality higher education and training institutions in the area, which are nationally recognised for excellence. Stakeholders have acknowledged that Bedford must move beyond a certain passivity and complacency about change and “refocus its renaissance around the change agenda itself”. By 2021 the Bedford Area will have made a virtue out of being one of the region’s and one of the country’s most “changing places”

#### **“Changing Places”**

The vision of the Bedford Area as a “changing place” is based firstly on the renaissance of Bedford itself – as its present branding implies – as “Central for Business”. The economic development strategy for the area will strengthen the business economy in the quality retailing, business services, culture and tourism, and leisure and entertainment sectors. The focus for urban renaissance and environmental improvement will be the town centre itself which will re-establish its identity and role as a vibrant, attractive and convenient centre of distinction. The physical environment of the centre is already being improved but will be transformed by signature environmental improvements to the public infrastructure and to the design and quality of new buildings. Bedford’s reputation and “brand” will be enhanced as a centre for culture, the arts and entertainment with a vibrant evening economy. The town will not only attract and accommodate a high proportion of the growing numbers of visitors to the South Midlands but will also retain and attract entrepreneurs and workers in the creative industries and consulting who value a high quality live/work environment. Residential and commercial property developments in the centre will specifically target these people.

### **Building on Existing and New Investment**

New investment and development will change the economic profile of the area by attracting more knowledge based industry. Firms will be connected by commercial and partnership relations with those in the Arc, primarily through networking. This will be supported by the educational and research capability of the HE institutions such as Cranfield. Increasingly business tailored courses, outreach and CPD activities, will define the role of the educational sector in the sub-region. At the same time, the change that the area will undergo will itself provide new opportunities. The development and infrastructure industry will have to become a hot-house of ideas for innovative design, construction and funding techniques if challenging housing and economic growth targets are to be met. Innovative environmental programmes such as the Forest of Marston Vale already make the area a leader in green infrastructure and environmental technologies and these sectors will enjoy significant market growth. These sectors will provide not only new direct employment opportunities but also provide the basis to disseminate and export this expertise nationally and internationally. Of course, no economic vision can rely on change alone. Existing economic strengths of the area including its central location and proximity to the national motorway network will be further improved and sectors such as transport and logistics will continue to grow and innovate. These are expected to provide growth for ICT and business services in the area. Bedford’s location will also attract service-cum-administrative functions such as back office and head quarter functions for major companies and, potentially, for public service decentralisation, for example in the health sector where the area is already strong. Competitiveness in these sectors will be improved by regional rail improvement to London and the Midlands.

### **Overcoming Constraints and Delivering Change**

Most importantly, the realisation of the vision - and an important part of the culture of change recognised by stakeholders - is the removal of blockages to investment. In particular the vision recognises land and institutional constraints on delivery of the strategy. Indeed the two are closely linked. In order to achieve the development targets of the Growth Area a combination of land will have to be assembled, reclaimed and serviced, and development planned and funded and delivered more efficiently and effectively than today. This must be achieved without compromising environmental and planning standards – indeed the quality of development must improve – and must be sustainable by ensuring that both employment and residential land is available and attractive for development and that both brownfield and greenfield land use targets are met. The land and economic development process will be improved by increasing the capacity and resources available for economic development and regeneration and creating a new body with the determination and remit to work in partnership with private investors and developers on equal terms. The changing vision is for the area to be characterized by effective “Government for Growth” by 2007 through the creation of a “Growth Partnership” charged with achieving sustainable growth and development through its partners including Bedford Borough Council.

This summary presents the results of a study prepared for Bedford Borough Council, Mid Bedfordshire District Council, Bedfordshire County Council, EEDA, English Partnerships (EP) and GO-East. The aims of the study were to prepare an economic vision and strategy for the Bedford Area, in order to achieve an accelerating rate of growth necessary to deliver the Sustainable Communities Plan in this part of the sub-region in the period to 2021.

Specifically, the study objectives were to:

- Develop a strategy which will achieve a step-change in economic performance and a proactive approach to economic growth
- Engage and commit appropriate agencies and service providers, influencing their resource allocations and service provision levels
- Elaborate a programme for multi-agency cooperation in the provision of services and facilities
- Provide outputs which will contribute to and support emerging Local Development Documents
- Produce a strategy and programme that would work across administrative boundaries.

The study approach also recognised the wide range of existing economic development initiatives underway in the area and the need for understanding stakeholder capacities, ensuring there is alignment among them in relation to the strategy and implementation requirements.

### ***The Area Today: The Context for Economic Development***

The existing social and economic conditions were analysed to identify main drivers of change, including people, skills, economic structure and performance. Selected existing initiatives and economic development projects and programmes, including delivery arrangements, were reviewed to examine potential resources and building stones for the strategy.

The study area includes the Borough of Bedford and parts of the Marston Vale in Mid Beds district with a total of 170,000 residents in 2001. Of these around 130,000 people lived in what can be defined as the Bedford Growth Area.

Key findings from the social and economic analysis:

- The area has a growing, but aging population.
- Bedfordshire is a prosperous area, but deprivation in terms of income, education and housing affects parts of urban Bedford.
- There are high levels of economic activity, and good skill and qualification levels among residents; a higher share of degree-level qualified residents.

- More jobs have become available to local residents, but there has been a greater need and/or demand for out-commuting. Commuting patterns are characterised by greater car use and low use of public transport.
- Skills shortages exist, but are nation-wide issues rather than specific to local economy. Most significant gap is for technician skills at NVQ level 4.
- Following structural change, the economy is diverse, with comparative advantage in a number of sectors including waste and water management, research and development, although there is some reliance on larger employers.
- Employment growth has so far lagged behind the regional and national average; but this has picked up in recent years and forecasts expect the area to grow further. The economy has a higher proportion of activity within the services sector compared to the region and nationally.
- The main growing sectors are retail, hotel and catering, infrastructure services (incl. water and waste), business services, health and social services and education.

Development and regeneration is already the aim of a range of initiatives developed in the area, delivered by agencies such as the local authorities, EEDA, business organisations and community-based groups. They include town centre development, business support, skills, innovation, arts, recreation and tourism initiatives.

The Bedford area has undergone recent institutional changes to assist in championing economic development in the Growth Area, which requires the step change set out in the Sustainable Communities Plan. The main central, regional and local government partners formed an “Informal Partnership”, entitled the Bedford Growth Partnership (BGP).

### ***The Growth Area Tomorrow***

The main push factor for development change in the Bedford area in the future period to 2021 will be the growth in population required in the area as a result of the challenging housing growth targets set by existing plans and underlined by the Government in the Sustainable Communities Plan. It is recognised that this growth must be accompanied by and, indeed, will not happen without growth in the area’s economy. This strategic planning context is currently being set out at the regional, sub-regional and local level by a series of planning and economic studies and strategies that will shape any vision for the future of the Bedford Area. This includes:

- The Sustainable Communities Plan and Regional Spatial Strategy process need to reflect economic development potentials and constraints rather than be led by the need to achieve housing growth targets. At the Regional level there are, as yet, no mechanisms built into strategies that would provide a proactive stimulus to economic growth. Thus the RES Review provides a context for economic expansion, successive EEDA Corporate Plans will need to focus on the Growth Areas and prioritise initiatives in areas requiring greatest support.

- The directions for the growth of MKSM and Bedford are set by the need for South East and London based expansion rather than the economic development aspirations of the Regional Economic Strategy. The peripherality of the Bedford area may compound this as a problem, being located between three regions competing for space for growth, and overshadowed by Luton, Milton Keynes and Northampton which have benefited from locational advantages and investment.
- Bedford’s economy has under-performed in comparison to elsewhere with slower growth or declines in the regions’ growth sectors. There is a need to clarify Bedford’s economic role in the sub-region;
- The achievement of higher growth employment levels will require significant redistribution of economic growth from where it will occur naturally. This, which will need positive action to bring this about, including vigorous pursuit of existing initiatives such as the Oxford to Cambridge Arc (O2C) initiative; early implementation of transport proposals on the strategic and urban network; stimulation of speculative and or pre-let commercial office development; improvements to quality of life factors, such as housing, services and the urban environment, to make Bedford attractive to employees; and a marketing campaign aimed at changing perceptions of Bedford.

The employment forecasts produced for the Bedford Area by the MKSM Study (2002) and the RES sub-regional study (2003) were reviewed and the study has made its own estimates. The Sub-regional Strategy for MKSM has now recommended that an employment target of 19,800 additional jobs to 2021 should be met.

A preliminary estimate suggests that an additional 85 – 110 hectares of B1 (67% of the total) and B8 (33% of the total) may be required in Bedford Borough by 2021 to meet target and projected growth under the various enhanced investment scenarios advocated in the Growth Area. Some studies have suggested that employment land supply appears to exceed the projected net increase in requirements to 2021 in quantitative terms but this takes no account of the quality of the supply and its acceptability to the market for modern investment needs.

### ***An Economic Vision for the Bedford Area***

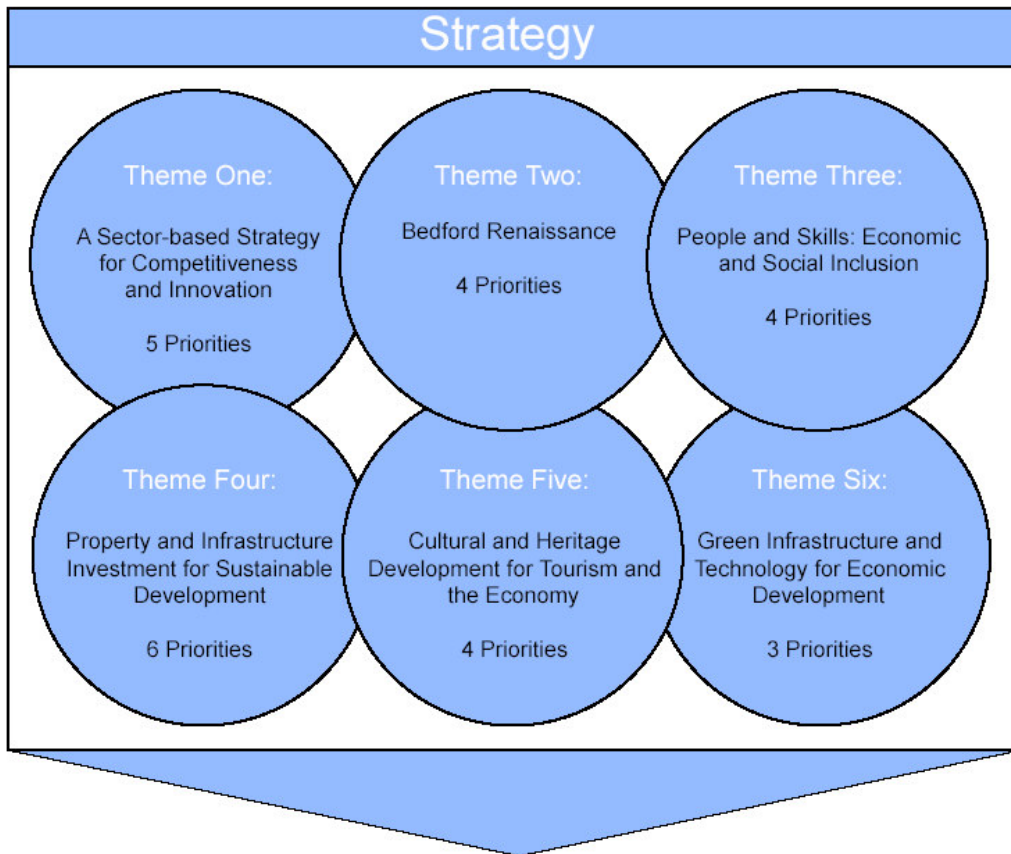
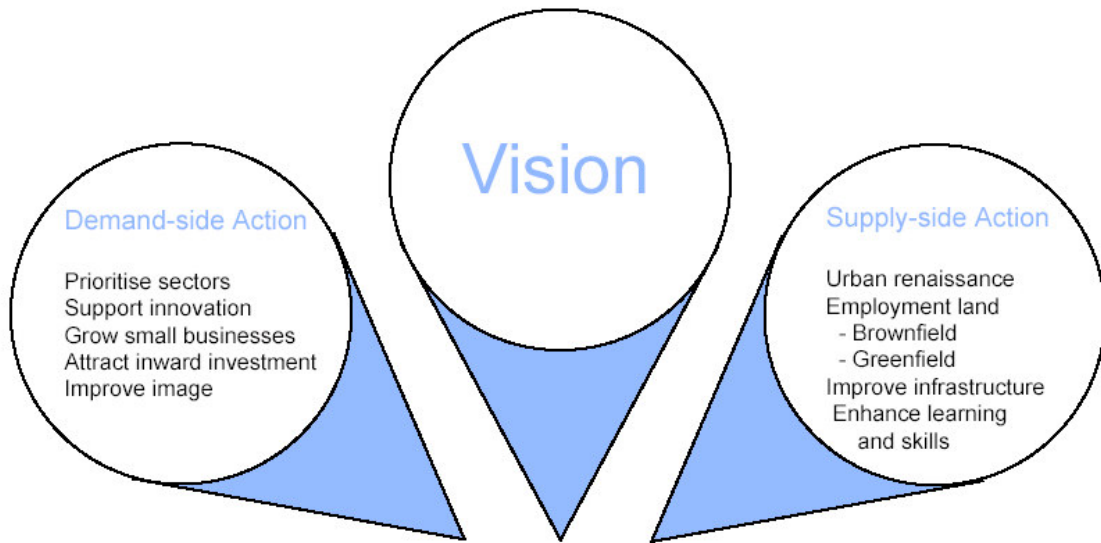
At the beginning of this summary is an economic vision for the Bedford Growth Area. The creation of a sustainable economic vision is an attempt to address the issues raised in the area analysis, the stakeholder consultations and the summary of the strengths, weaknesses opportunities and threats. In particular it seeks to position the area, by 2021, to cope with, and benefit from, the rapid social and economic **change** which it will undergo. The preferred scenario is thus a statement of where key stakeholders in the Bedford and Marston Vale area would wish to see the economy of the area be by 2021. It expresses the ambitions for the area but also is realistic about the difficulties of delivering this scale of change.

Above all however, the Economic Vision is underpinned by the idea of “**change**”. Overwhelmingly, stakeholders have recognised the need for and benefits of change and that coming to terms with this should be the main driver of the vision. They expect this change to provide the opportunity, resources and processes to stimulate **a step change in Bedford’s role and place within the region**. We have therefore called this vision for the Bedford Growth area “**Changing Places**”. Some targets for this vision have been set out below.

**Table E1: Vision Targets**

Key Indicators	2001 Baseline	Targets for 2021
<b>Population</b>	130,000	175,000 <sup>(1)</sup>
<b>Employment</b>	59,000	73,000 <sup>(2)</sup>
<b>Net Change in employment by sector</b>		Fin. & Bus. Services: +48% Manufacturing: -30% Public Services: +19% Distribution: +11% Other: +13%
<b>GVA per capita</b>	£12,980 <sup>(3)</sup>	= regional average (£13,909 in 2001)
<b>Business registration rate as proportion of business stock</b>	10%	15%
<b>Qualification levels</b>	42% no or low (level 1) qualifications 22% highest qualifications (level 4/5)	35% level 1 or less 25% level 4/5
<b>No of new houses by 2021</b>	643 per annum	1,050 per annum
<b>Employment land</b>		85 -110 hectares for B1 and B8
<b>Infrastructure improvements</b>	N/a	Town centre improvements East-West Link Thameslink 2000 Road improvements (A421, Western Bypass)

(1) Current baseline plus additional dwellings (19,500, average household size 2.3 persons); (2) Current baseline plus additional 14,000 jobs; (3) Bedfordshire



Action Plan for:	
Existing initiatives to be extended	New initiatives

The above figure provides a conceptual framework which suggests that, to achieve these objectives, any regional economic development strategy must combine action to prioritise and support business investment and competitiveness (the “demand side”) with action to support and provide human capital and infrastructure (the “supply side”) within the overall economic development framework and a series of individual integrated strategy “Themes” which make up the framework.

These themes and priorities are reproduced in the **appendix**.

These measures comprise a strategy framework which will be delivered through an early action plan, the key role of the local authorities in economic development activity and the establishment of a new delivery vehicle for the Bedford and Marston Vale Growth Area. It is proposed that the strategy is supported in the first three years by a short-term action plan of targeted actions including retargeting of existing initiatives and new initiatives

### Early Action Plan

Strategy Theme / Priority	Project / Initiative Title	Implementation Period S –short term M – medium term L – long-term	Delivery Agency	Funding Responsibilities
1.2	Support expansion of existing innovation parks	S	BGP,EEDA, HEI, Private sector and BBC	BGP,EEDA, HEI, Private sector, ODPM
1.2	Identification and support implementation of major research/technology park	M	BGP, EEDA, HEI and BBC	BGP, EEDA, HEI
1.3	Promotion of innovation & entrepreneurship in small service sector business	S	BBC, Chamber Business	Chamber Business
1.4	High-quality office development for inward investment	M	BGP, Local Authorities	EEDA, EP
1.4	Strengthen role of BDA re: inward investment	S	BBC, BDA	BGP
1.5	Branding Programme (campaigns re: O2C Arc, Lyons Report)	S	BGP, O2C, BBC, BDA	BGP
1.5	Landmark development	L	Local authorities	ODPM, EP, EEDA
2.1	Key Site Project: Bus Station	S	Bedford Borough Council	
2.1	Key site projects: Riverside Square, Castle Lane	M	Bedford Borough Council	
2.1	Key public realm projects	M	Local Authorities	
2.1. 2.4	Design guide on building design and trading format/layout	S	Bedford Borough Council	Bedford Borough Council
2.2	Support BID	S	Bedford Town Centre Company	Bedford Town Centre Company, Bedford Borough Council, Bedfordshire County Council, Chamber Business, private sector
2.5	Support physical development of cultural strategy		BBC and EEDA	
3.1	To support outcome from LSC StaR review	M	LSC	

Strategy Theme / Priority	Project / Initiative Title	Implementation Period S –short term M – medium term L – long-term	Delivery Agency	Funding Responsibilities
3.2	Specific projects with FE/HE institutions	M	BGP, BDA, Bedford College, De Montfort University, LSC	BGP
3.3	Community support project	S	EEDA, BLEDP, BBC, BKRP	EEDA
4	Early Implementation of Western Bypass	S	EP, BBC	Private Developers
4	Early Implementation of A421 dualling – M1J13	S	Highways Agency, BBC, BGP	Highways Agency
4	Estate Modernisation	S	Bedford Borough Council	BGP, EP, ODPM
4.6	Town centre transport improvements	S	Local authorities	EEDA/EP, local authorities
5.1	Support for river & water related sports, leisure and tourism project	S	BGP, British Waterways, EEDA and local authorities	
5.1	Development of cultural/tourism strategy	S	Local Authorities	
5.2	Develop major media space	M	BBC, BGP	
5.3	Develop Events programme	S	Bedford Borough Council	BTCC, Bedford Borough Council
5.4	Key town centre projects		Bedford Borough Council	Private Developers, EP
6.1	Promoting work of Green Infrastructure Consortium	S	Green Infrastructure Consortium	Local authorities
6.2	Sustainable Housing Construction Best Practice programme	S	BBC, EEDA, Private sector, developers, EP	EEDA, EP
6.3	Waterbased demonstration projects in/by Forest of Marston Vale	M	Forest of Marston Vale Trust	

## Appendix

# ECONOMIC STRATEGIC FRAMEWORK STRATEGY THEMES AND PRIORITIES

Strategy Themes	Theme Priorities
<p>Theme One:</p> <p><b>A Sector-based Strategy for Competitiveness and Innovation</b></p>	<p>P1 - Sectoral Diversity</p> <p>P2 - Innovation in the O2C Arc</p> <p>P3 - Promoting entrepreneurship and innovation in businesses and communities</p> <p>P4 - Attracting Inward Investment</p> <p>P5 - Branding : Central for Business</p>
<p>Theme Two:</p> <p><b>Bedford Renaissance</b></p>	<p>P1 - Town centre regeneration</p> <p>P2 - A Business Improvement District</p> <p>P3 - Safety and security</p> <p>P4 - Culture and heritage quarter</p>
<p>Theme Three:</p> <p><b>People and Skills: Economic and Social Inclusion</b></p>	<p>P1 - Improve the quality of post-16 learning</p> <p>P2 - Increase the supply of higher-level skills in the workforce</p> <p>P3 - Develop skills to increase employability</p> <p>P4 - Promote increased workforce development</p>
<p>Theme Four:</p> <p><b>Property and Infrastructure Investment for Sustainable Development</b></p>	<p>P1 - Allocating and securing employment land</p> <p>P2 - Powers for land assembly and preparation</p> <p>P3 - Planning agreements and funding for development</p> <p>P4 - Delivering committed strategic highway improvements</p> <p>P5 - Support for implementation of sub-regional East-West links</p> <p>P6 - Town Centre Transport Improvements</p>
<p>Theme Five:</p> <p><b>Cultural and Heritage Development for Tourism and the Economy</b></p>	<p>P1 - A strategy for developing Bedford’s culture and heritage</p> <p>P2 - Creative arts and media cluster development</p> <p>P3 - Culture and heritage tourism development</p> <p>P4 - Improving the riverside environment</p>
<p>Theme Six:</p> <p><b>Green Infrastructure and Technology for Economic Development</b></p>	<p>P1 - Providing “green infrastructure”</p> <p>P2 - An exemplar in water, land and waste resource technologies</p> <p>P3 - Marston Vale Forest</p>