

2. PROMOTING A SUSTAINABLE ECONOMY

2.0 Introduction

A key component of sustainability is sustainable economic and employment growth. This includes wider aspects of social progress and sustainability, including type of employment, the local economy, unemployment and earnings. A major sustainability issue for Monmouthshire is the high level of out-commuting and the need to match future housing development with employment opportunities, the take up of employment land in the past having been extremely slow. Given the County's rural character, there is also a need to sustain and regenerate its rural economy, particularly given the decline in the agricultural industry. Tourism plays a small but significant part in rural diversification, visitors being attracted by the County's landscape and cultural heritage and extensive network of public rights of way. Minerals extraction plays a very limited role in the economy of Monmouthshire itself but ensuring a sustainable supply of aggregates is important for the South Wales economy and the County has sufficient reserves to enable it to provide more than its per capita contribution to the region, but there is a need to balance this against environmental consequences, two of its existing mineral extraction sites lying in sensitive areas – Livox Quarry in the Wye Valley AONB and Bedwin Sands in the Severn Estuary.

Employment and Economic Development

2.1 Employment Land & Vacancy Rates

A significant issue for Monmouthshire in the past has been the slow uptake of allocated employment land, which has led to pressure for it to be used for other purposes such as housing and retail. Development rates have been more rapid in the last year or so, however, and Table 10 indicates the current situation. The County, however, still has a large bank of vacant industrial land available for development, 43% of the total area of industrial and business sites identified in the Unitary Development Plan were classified as undeveloped in December 2007. There are also a large number of vacant units available on existing developments as shown in Table 11.

Table 10: E1 Identified Industrial and Business Sites

Site Ref.	Site Name	Area (Ha)	Remaining land at site (approx Ha)	Use Class
E1a	Thornwell (A), Chepstow	3.4	0.3	B1
E1c	Severnlink, Chepstow	1.2	0	B1, B8
E1d	Newhouse Park (A), Chepstow	6.6	0	B1
E1e	Newhouse Park (B), Chepstow	3.7	0	B8
E1f	Crick Road, Portskewett	11.0	Whole site	B1
E1g	Severnbridge – Lodge Way, Caldicot	0.4	0	B1, B8
E1h	Severnbridge – Central, Caldicot	3.2	0.33	B1, B8
E1i	Pill Row, Caldicot	1.0	Whole site	B1, B8
E1j	Magor Business Park	6.9	Whole site	B1 (B2, B8)
E1k	Quaypoint, Magor	19.2	0	B1, B2, B8
E1l	Gwent Europark, Magor	12.9	5.7	B8
E1m	Former Railway Goods Yard, Woodside, Usk	0.8	?	B1, B8
E1n	South Woodside, Usk	1.3	Whole site	B1
E1o	Mamhilad, Near Pontypool	3.6	2.1	B1, B8
E1p	Grove Farm, Llanfoist	5.0	0	B1, B2, B8
E1q	Ross Road Yard, Abergavenny	1.5	Whole site	B1, B2, B8
E1r	Cuckoos Row, raglan	0.5	Whole site	B1
E1s	Wonastow Road – Phase 1, Monmouth	2.3	Whole site	B1, B2
E1t	Wonastow Road – Phase 2, Monmouth	1.2	Whole site	B1, B8
E1u	Wonastow Road – Phase 3, Monmouth	3.0	Whole site	B1, B8
E1v	Wonastow Road – Plots 9/9a, Monmouth	1.3	Whole site	B1

Source: Monmouthshire Unitary Development Plan







 Vacant	 Under Construction	 Partially Developed
 Developed	 With p/p	 Partially Committed

Table 11: Vacant industrial units and office premises (Jan – Feb 2008)

Town	Square metres	%
Abergavenny		
Vacant industrial units	3,709	11.3
Vacant office space	1,470	6.9
Caerwent		
Vacant industrial units	30	0.1
Caldicot		
Vacant industrial units	13,479	40.9
Vacant office space	10,422	49.2
Chepstow		
Vacant industrial units	8,279	25.1
Vacant office space	4,543	21.5
Monmouth		
Vacant industrial units	7,339	22.3
Vacant office space	4,483	21.2
Tintern		
Vacant industrial units	84	0.3
Usk		
Vacant office space	245	1.2
Total		
Vacant industrial units	32,920	60.9
Vacant office space	21,163	39.1

Source: Monmouthshire County Council Office Availability Register and Vacant Industrial Units Register

2.2 Business Registrations

Table 12: VAT registered businesses per 10,000 resident adults (2005)

	Monmouthshire (number)	Monmouthshire (%)	Wales (%)
Registrations	260	7.2	7.9
De-registrations	265	7.4	6.8
Stock (at end of year)	3,590	-	-

Source: <http://stats.berr.gov.uk/ed/vat/> (Accessed 23/10/2007)

Note: % figures are the proportion of stock at the end of the year

Business de-registrations per 10,000 resident adults were marginally above the level of business registrations in Monmouthshire during 2005. This has been a longer term trend over the past 10 years. The level of registrations has also lagged behind some of the 7 neighbouring authorities both Welsh and English. In terms of the level of business registrations, of the 8 authorities Monmouthshire is in fifth place. However, in terms of business de-registrations Monmouthshire is placed fourth indicating a higher rate of business de-registration.

2.3 Businesses in Monmouthshire by size and industrial sector

Table 13: Percentages of businesses by size and Industrial sector

Industrial Sector	1-10 employees	11-49 employees	50-199 employees	200+ employees	All businesses
Agriculture & fishing	0.8	0.3	1.4	0	0.8
Energy & water	0.2	0.3	0	0	0.2
Manufacturing	5.1	5.6	14.9	26.1	5.4
Construction	9.8	3.2	1.4	4.3	9.0
Distribution, hotels and restaurants	28.4	40.4	23	30.4	29.5
Transport & communications	4.6	3.7	6.8	0	4.5
Banking, finance & insurance	36.1	12.8	4.0	8.7	33.1
Public admin, education & health	6.3	27.0	43.2	30.4	9.1
Other services	8.8	6.7	5.4	0	8.5
	100.0	100.0	100.0	100.0	
All Sectors	87.8	9.7	1.9	0.6	100.0

Source: Annual Business Inquiry workplace analysis, 2006

Nearly 88% of businesses in Monmouthshire employ less than 10 people. The highest percentage of businesses are accounted for by banking, finance and insurance (33.1%), followed by distribution, hotels and restaurants (29.5%).

2.4 Working Age Population

Monmouthshire has a lower percentage of its population at working age (16-64 for males and 16-59 for females) than Wales as a whole. At the time of the 2001 Census 59.2% of Monmouthshire's population was of working age compared to the Welsh average of 59.7%, indicating that whilst Monmouthshire's working age population has declined during this period that for Wales as a whole has increased.

Table 14: Working age population (2006)

	Monmouthshire (numbers)	Monmouthshire (%)	Wales (%)
All people – working age	51,400	58.5	60.4
Males – working age	27,100	62.8	64.3
Females – working age	24,300	54.3	56.2

Source:

<https://www.nomisweb.co.uk/reports/lmp/la/2038432111/report.aspx#tabrespop>

(Accessed 23/10/2007)

2.5 Economic Activity

Table 15: Economically active (Jan 2006 – Dec 2006)

	Economically active ⁽¹⁾	In employment ⁽¹⁾	Employees ⁽¹⁾	Self employed ⁽¹⁾	Model-based unemployed ⁽²⁾
Monmouthshire	81.4	77.9	66.7	10.9	3.7
Newport	77.6	72.6	65.8	6.6	5.9
Torfaen	73.6	69.9	61.0	7.9	5.1
Blaenau Gwent	71.3	65.1	57.5	6.2	7.5
Powys	79.7	77.6	60.5	16.7	3.5
Wales	75.1	71.1	62.0	8.6	5.2

Table 16: Economically Inactive (Jan 2006 – Dec 2006)

	Economically Inactive	Wanting a job	Not wanting a job
Monmouthshire	18.6	3.2	15.4
Newport	22.4	5.6	16.8
Torfaen	26.4	5.4	21.0
Blaenau Gwent	28.7	8.2	20.5
Powys	20.3	3.6	16.8
Wales	24.9	5.8	19.1

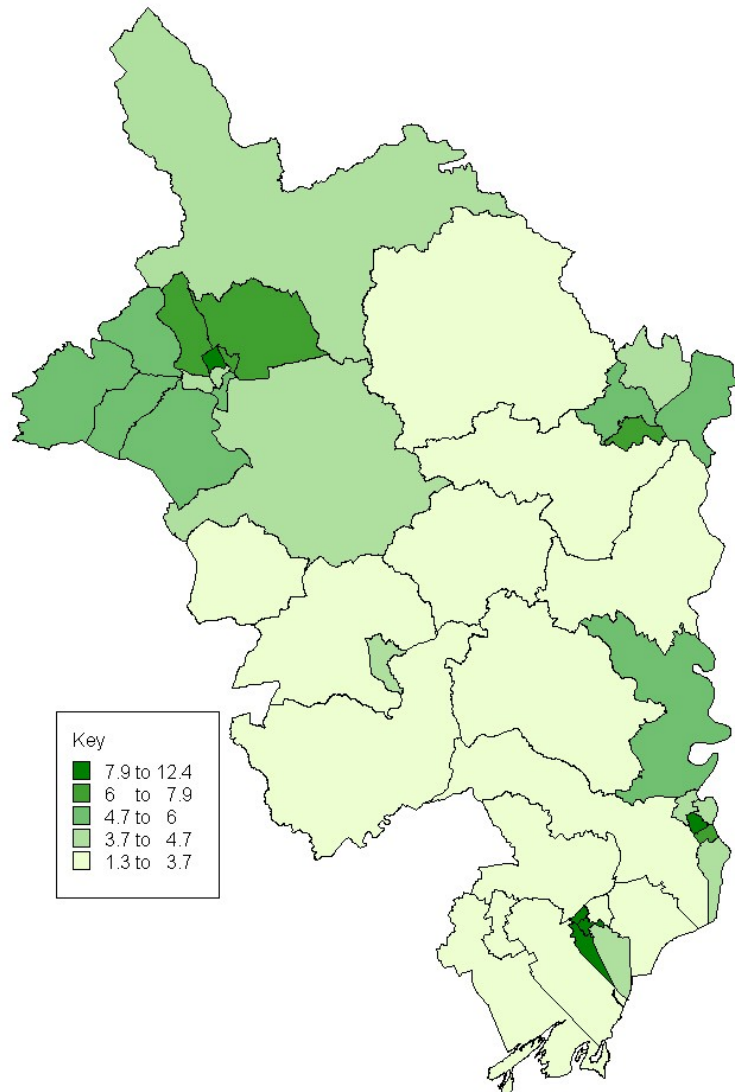
Source: ONS annual population survey

(1) numbers are for those aged 16 and over, % are for those of working age (16-59/64)

(2) numbers and % are for those aged 16 and over. % is a proportion of economically active

Monmouthshire has a higher percentage of the working age population economically active than in surrounding authorities or in Wales as a whole. However, there are pockets of higher unemployment within the County. At the time of the 2001 Census 4.4% of the working age population were unemployed which was at a higher level than that recorded in 2006. The highest levels of unemployment were recorded in the wards of Green Lane, Dewstow, West End, Larkfield, Lansdown and Mardy, who all recorded levels of unemployment above 7% (Map 10).

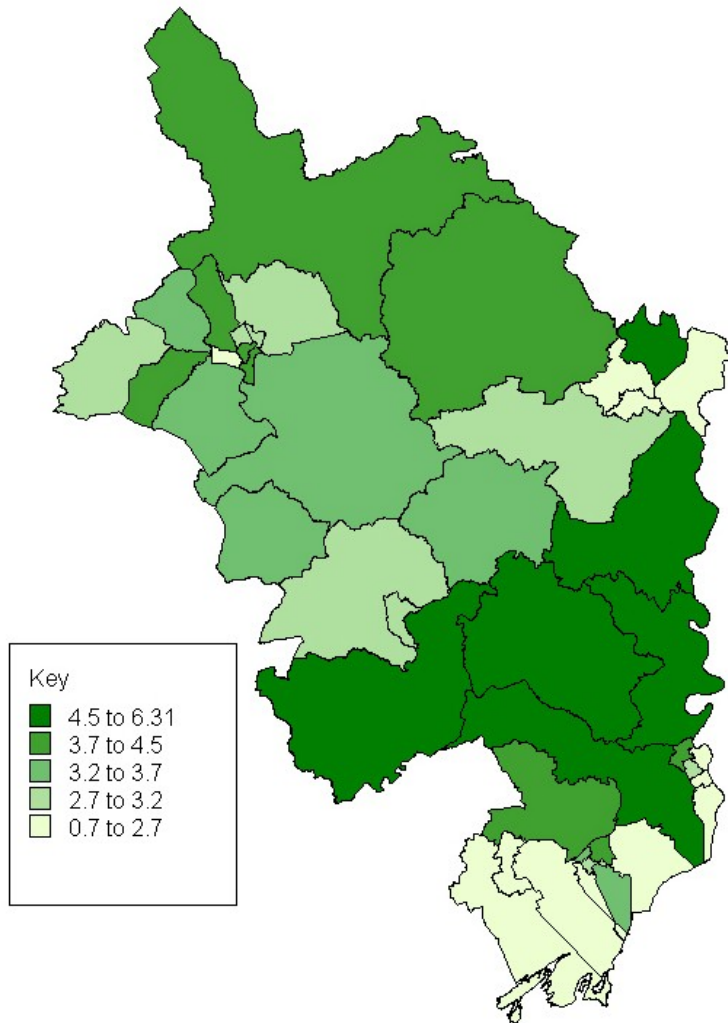
Map 10: % of working age population unemployed (2001)



Source: ONS Census 2001

- 2.6 The economically inactive are made up by a number of different groups, including the retired, students, permanently sick/disabled and those looking after the home and family. At the time of the 2001 Census Monmouthshire had a higher percentage of retired in this group than surrounding authorities or Wales, with the exception of Powys. At the time of the 2001 Census the highest percentages of retired were found in the southern rural wards of the County (Map 11).

Map 11: % of working age population who are retired (2001)



Source: ONS Census 2001

2.7 Whilst Monmouthshire has a smaller percentage of its working age population claiming key benefits, in common with the surrounding authorities and Wales as a whole the largest group are those on incapacity benefits (Table 17). The percentage of the working age population claiming benefits has declined in Monmouthshire since 2000 with the greatest decline being for those claiming job seekers allowance.

Table 17: Working-age key benefit claimants (February 2007)

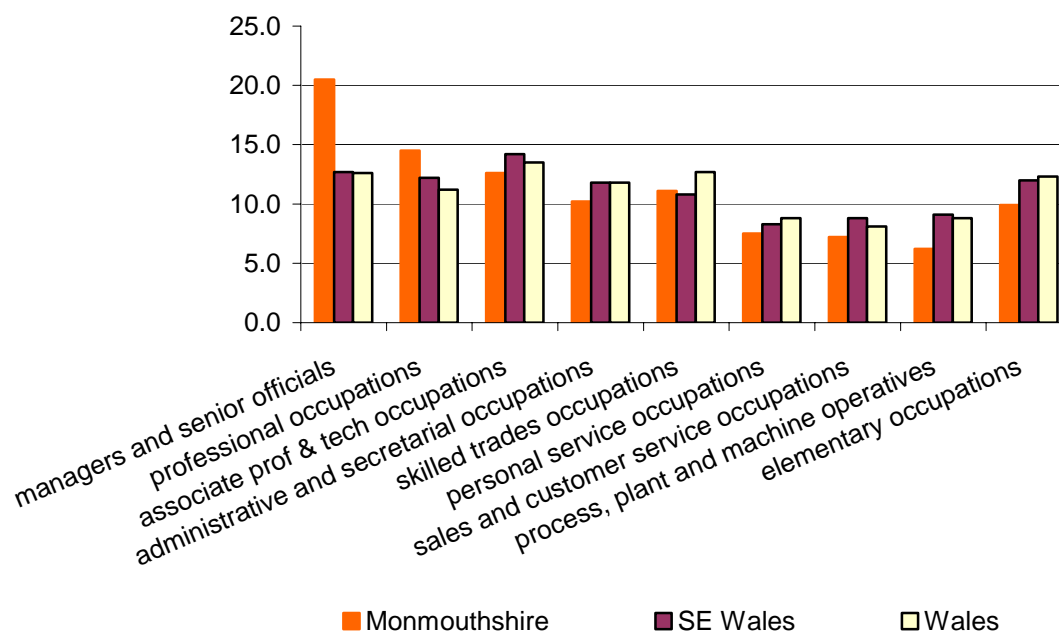
	Monmouthshire	Torfaen	Blaenau Gwent	Newport	Powys	Wales
Total	12.7	21.3	28.8	19.6	13.6	19.3
Job seekers	1.6	2.9	4.6	3.3	1.8	2.6
Incapacity benefits	7.0	12.0	17.4	9.9	7.5	11.1
Lone parents	1.2	2.6	2.9	3.0	1.3	2.2
Carers	1.1	1.7	1.7	1.4	1.2	1.4
Others on income related benefits	0.3	0.4	0.4	0.5	0.4	0.4
Disabled	1.1	1.4	1.5	1.2	1.1	1.2
Bereaved	0.4	0.3	0.3	0.3	0.4	0.3

% is a proportion of resident working age population

Source: <https://www.nomisweb.co.uk/reports> (Accessed 08/10/2007)

2.8 Employment by Standard Occupation Classification

Chart 13: Employment by SOC 2000 major group (Jan 2006-Dec 2006)



Source: ONS annual population survey

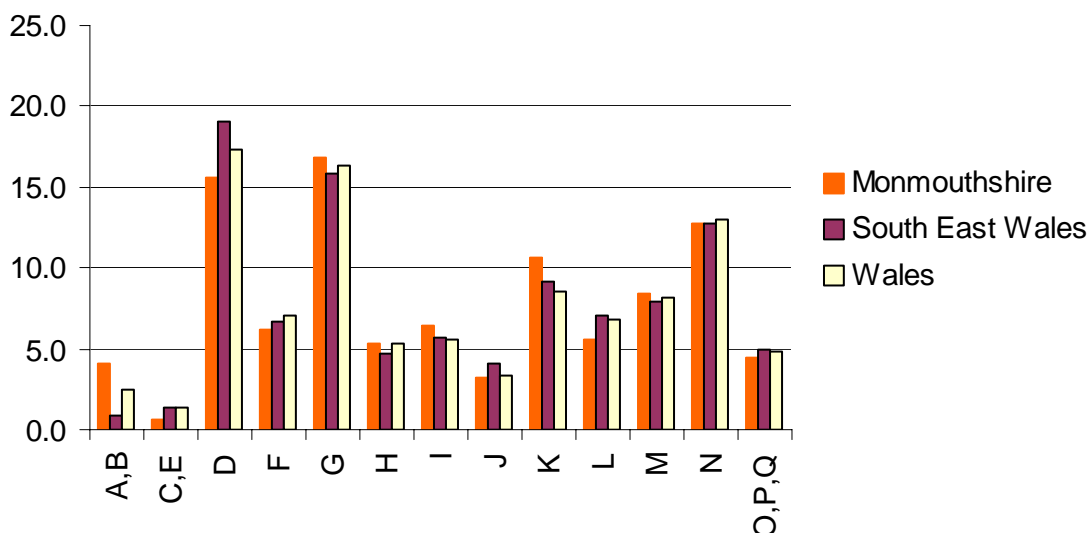
Monmouthshire has a higher percentage of its working population in the standard occupation classifications 1 and 2, i.e. managers and professional occupations than the South East Wales area or Wales as a whole. The differential has increased since the 2001 Census, with a growth of 4.2

percentage points in these two groups in Monmouthshire compared to 2.4 percentage points in South East Wales and 1.2 percentage points in Wales. In contrast in the standard occupation classifications 8 and 9, i.e. process, plant and machine operatives and elementary occupations, there has been a decline in the percentage of the working population employed in these sectors. This decline is greatest in Monmouthshire, 4.2 percentage points, compared to South East Wales 2.4 percentage points and Wales 1.2 percentage points.

2.9 Employment by Sector

The largest employment sector in Monmouthshire is the wholesale and retail trade accounting for 16.8% of all employment, this is followed by the manufacturing sector which accounts for 15.6% of all employment. As a rural authority it is not surprising that Monmouthshire has more people employed in farming and forestry (4%) than either South East Wales (0.8%) or Wales as a whole (2.5%). However this has declined, at the time of the 1991 Census 5.7% of Monmouthshire's working population were employed in this sector.

Chart 14: Employment by Sector 2001



A,B - Agriculture, hunting, forestry and fishing, C, E – Mining and quarrying, D – Manufacturing, F – Construction, G – Wholesale and retail trade, H – Hotels and restaurants, I – Transport, storage and communication, J – Financial intermediation, K - Real estate, renting and business activities, L – Public administration and defence, social security, M – Education, N – Health and Social Work, O,P,Q - Other

Source: ONS Census 2001

2.10 Employee Jobs in Monmouthshire

In comparison to Wales as a whole Monmouthshire has a higher proportion of employee jobs accounted for by part-time employment. Service jobs account for the highest proportion of total employee jobs in the County. Within this sector distribution, hotels and restaurants and tourism-related jobs, in particular, account for a higher percentage (42.4%) than in Wales as a whole (32.3%).

Table 18: Employee Jobs (2006)

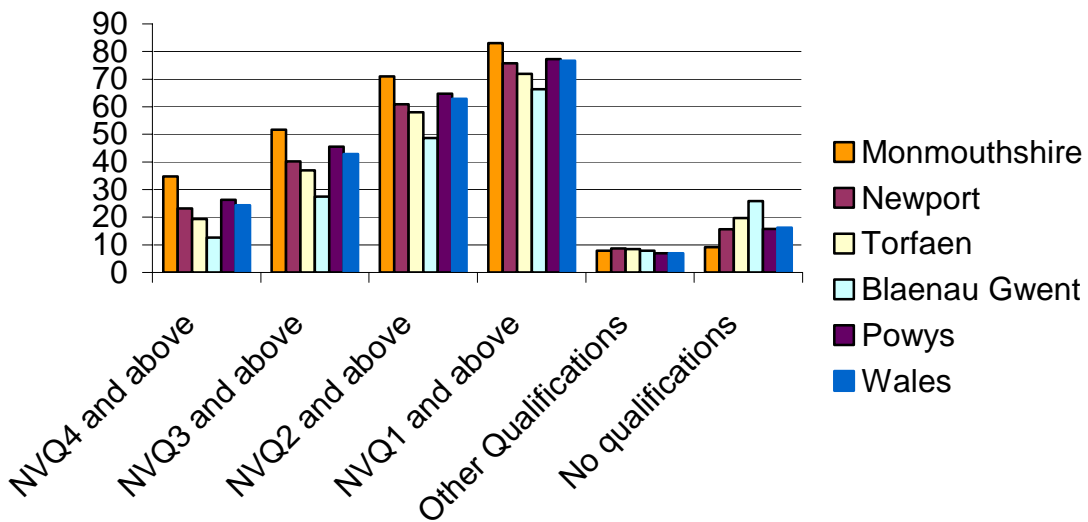
	Monmouthshire (employee jobs)	Monmouthshire %	Wales %
Total employee jobs	35,200		
Full-time	22,200	63.2	67.0
Part-time	13,000	36.8	33.0
Employee jobs by industry			
Manufacturing	4,100	11.7	13.4
Construction	1,700	4.8	5.3
Services	29,100	82.8	79.6
Distribution, hotels & restaurants	11,300	32.1	23.4
Transport & communications	1,100	3.2	4.3
Finance, IT, other	4,500	12.7	14.2
Public admin, education & health	10,400	29.6	32.2
Other Services	1,800	5.2	5.5
Tourism related	3,600	10.3	8.9

Source: ONS annual business inquiry employee analysis

2.11 Qualifications

Monmouthshire has a higher percentage of its working age population qualified to NVQ4 and above than in surrounding authorities or for Wales as a whole. It also has a much lower percentage of its working age population with no qualifications. Whilst Monmouthshire does have a lower percentage of its working age population without qualifications there are wards within the authority with higher concentrations, noticeably within the towns. The wards with the highest percentage of their working age population without qualifications are Green Lane, Dewstow, Lansdown and Overmonnow

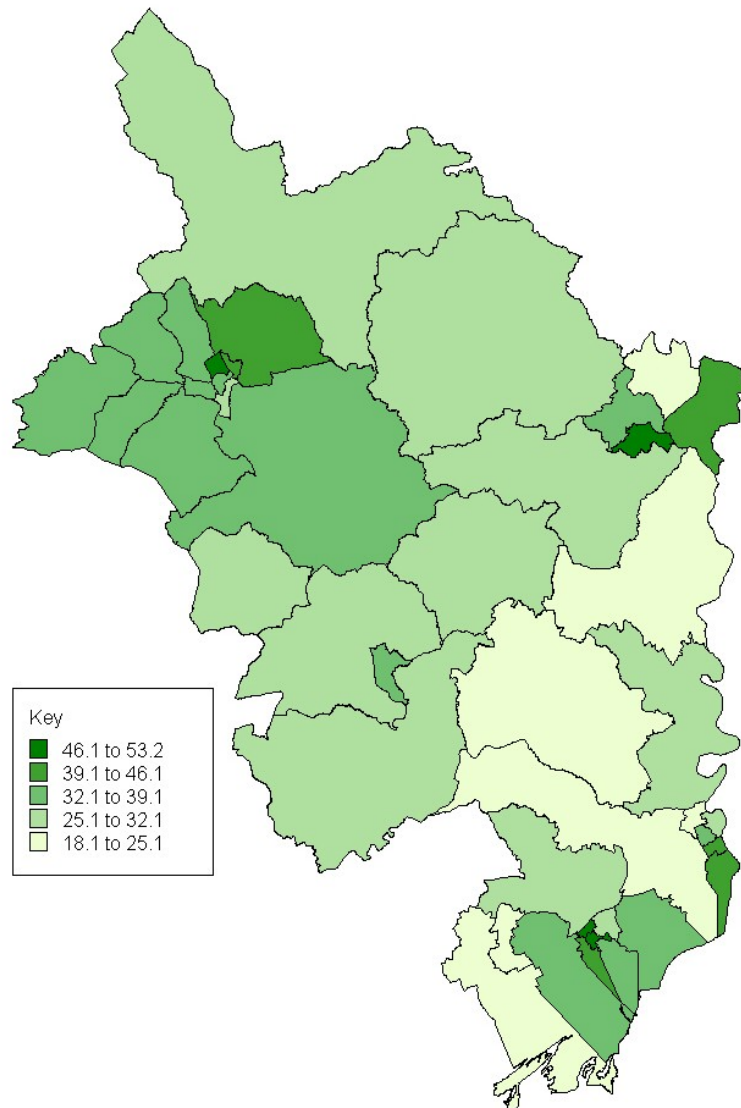
Chart 15: Qualifications as % of working age population



Source: ONS annual population survey

- 2.12 Monmouthshire has only one higher educational establishment within its boundary, Coleg Gwent at Usk, which runs courses in farming, horticulture, equestrianism, rural activities and animal care.

Map 12: % of working age population with no qualifications or where the qualification level is unknown



(2001)

Source: ONS Census 2001

2.13 Average Earnings

The average (mean) annual wage for a full time worker in Monmouthshire in 2006 was £30,878 compared with £24,759 for Wales as a whole. The median wage at £24,357 is only 79% of the mean, for Wales the figure stands at 86%, this appears to indicate a degree of income inequality in Monmouthshire (there are a small number of high earners with the majority of workers earning less than average). Average earnings in Monmouthshire for full time employment increased by 11.1% between 2004 and 2006 against a Welsh increase of 8.5%.

At the same time the total number of full time jobs in Monmouthshire increased by 14.3% compared to an increase of 7.4% for Wales as a whole. Average earnings for part time employment in Monmouthshire has also grown at a faster rate than for Wales as a whole, between 2004 and 2006 the average part time annual wage increased by 26.9% against a Welsh average increase of 11%. From Table 19 it can be seen that the average annual earnings in Monmouthshire also exceed those of surrounding local authorities.

Table 19: Average annual earnings for both full time and part time employment 2006 (by place of residence)

	No of Jobs (Thousand)	Median income £	Annual % change	Mean income £	Annual % change
Wales	904	17,683	2.5	20,760	3.1
Monmouthshire	32	20,670	2.8	25,283	0.3
Newport	44	19,043	6.6	24,142	9.0
Torfaen	28	18,905	-4.2	20,971	-2.2
Powys	34	17,509	3.2	18,581	1.2
Blaenau Gwent	19	16,697	6.4	18,079	9.7
S Gloucs	97	20,860	7.7	23,240	5.6
Forest of Dean	21	x		22,811	-2.8
Herefordshire	54	15,581	2.9	19,208	-0.4

Source: <http://www.statistics.gov.uk/STATBASE/Product.asp?vlnk=13101>
(Accessed 22/10/2007)

2.14 Commuting

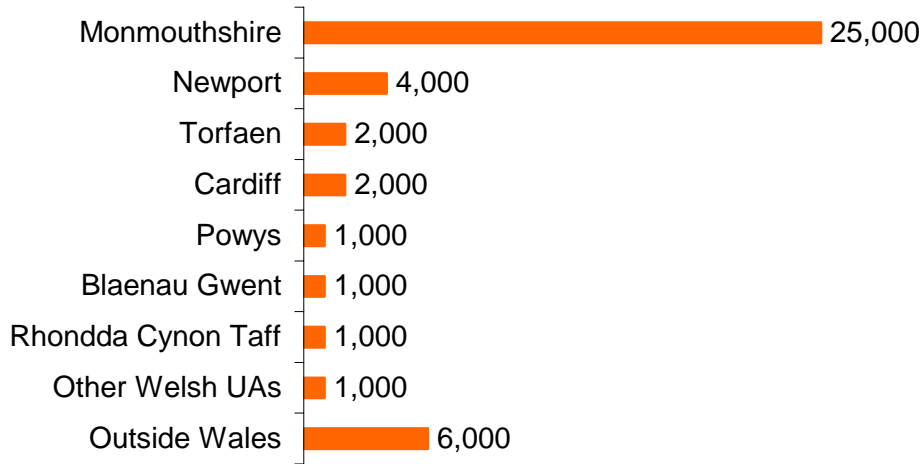
Table 20: Summary Commuting Statistics 2005

Area of residence	% residents working in Wales	% residents working in area of residence	Commuting		
			Out of authority (thousands)	Into the authority (thousands)	Net inflow
Monmouthshire	86	58	17.6	18.3	0.7
Torfaen	96	65	13.3	10.6	-2.7
Newport	95	69	18.5	27.8	9.4
Powys	90	81	11.3	7.2	-4.1
Blaenau Gwent	97	63	9.9	6.1	-3.7
Wales	94	72	73.7	50.5	-23.2

Source: National Assembly for Wales Statistical Bulletin SB 76/2006

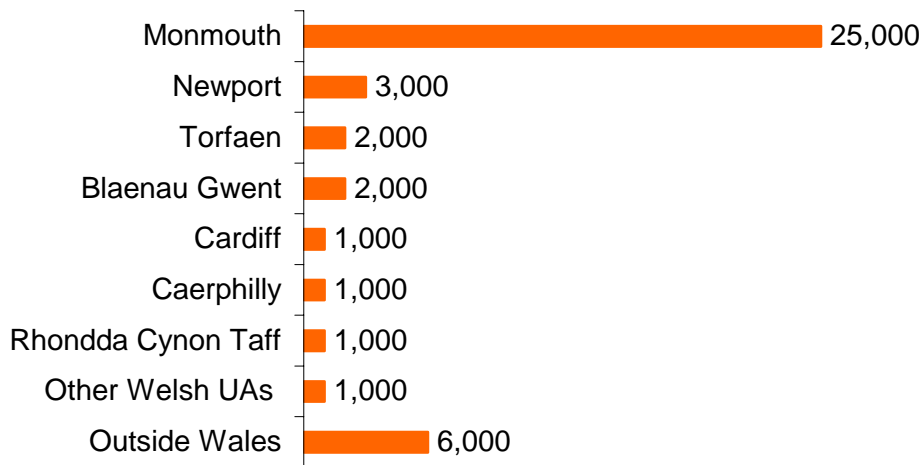
As a border authority a smaller proportion of Monmouthshire residents work in Wales than in the neighbouring authorities. There is also a smaller proportion of residents working within Monmouthshire itself.

Chart 16: Where residents of the authority work



Source: National Assembly for Wales Statistical Bulletin SB 76/2006

Chart 17: Origin of those working in the authority



Source: National Assembly for Wales Statistical Bulletin SB 76/2006

- 2.15 ONS have produced travel to work areas (TTWAs) based on the 2001 Census. The 243 current TTWAs were defined in 2007 using 2001 Census information on home and work addresses. From this data it can be seen that there has been a reduction in the number of TTWAs in the UK as a whole as the trend in more and longer distance commuting increases: in 1991 there were 314 TTWAs and in 1981, 334. The extract in Map 13 shows the TTWAs for the South East Wales region and Monmouthshire, from this the extent of the cross border and inter- authority commuting is shown.

Map 13: Travel to Work Areas



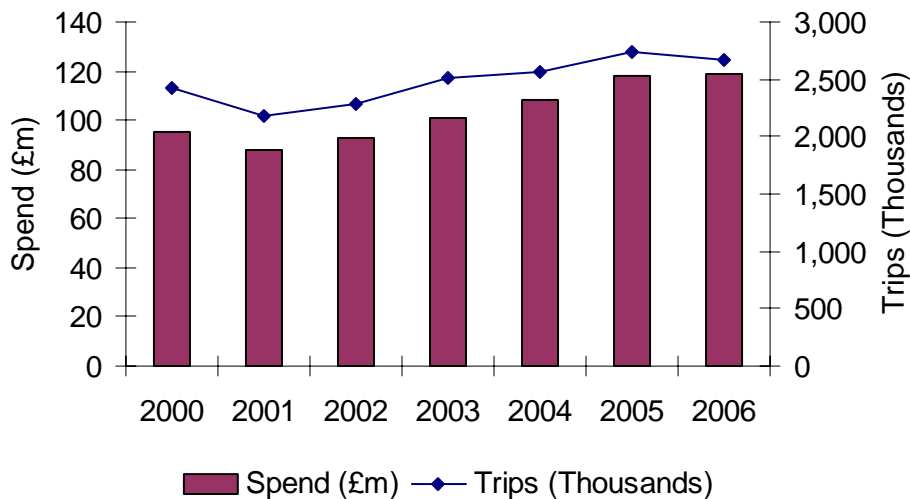
Source: ONS Census 2001

Tourism

2.16 Tourism Expenditure

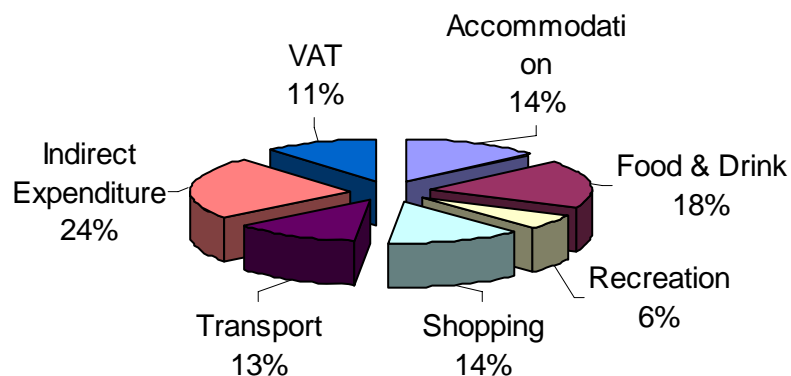
Tourism is an important sector of the economy of Monmouthshire. In 2006, there were nearly 2m visitors to the County and tourist expenditure amounted to £118.7m, thereby supporting 2,559 jobs (STEAM Report 2006). From the yearly STEAM Report, however, it can be seen that whilst tourist expenditure has increased in recent years between 2005 and 2006 there was actually a small decline in the number of tourist trips to the County (Chart 18). The majority of direct tourist expenditure in Monmouthshire is accounted for by food and drink, this is closely followed by accommodation and shopping (Chart 19).

Chart 18: Total Tourist Expenditure



Source: Monmouthshire County Council STEAM Report

Chart 19: Tourist Expenditure by Sector 2006



Source: Monmouthshire County Council STEAM Report

2.17 Tourist Accommodation

Chart 20: Bedstock in Monmouthshire 2004



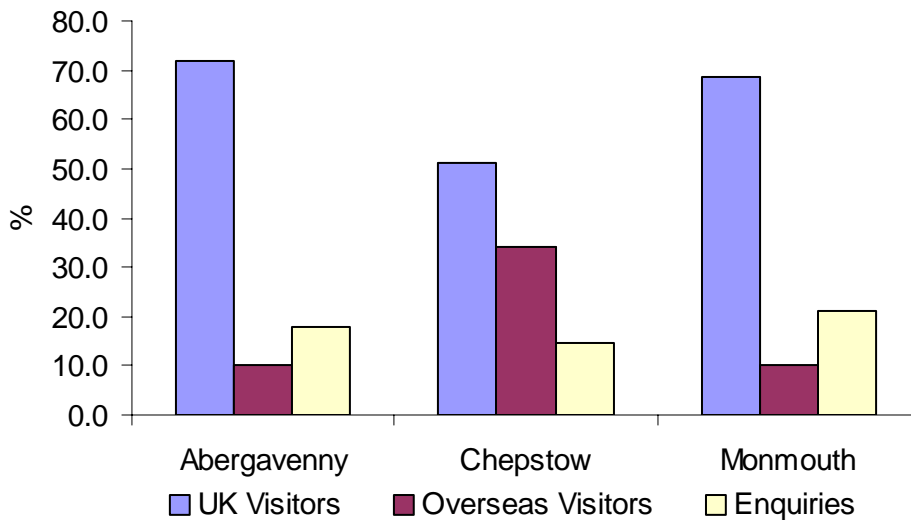
Source: Accommodation Stock Survey, Prepared for Adventa 2004

In total, the bedstock for Monmouthshire is 6,627 bedspaces. Over one third (36%) of these are serviced bedspaces, 14% are self-catered with the remaining 50% being caravan and camping bedspaces. The number of bedspaces declined by nearly 14% between 2002 and 2004. This decline is due partly to a number of operators closing but also to some double counting on the previous survey. The only sector to show an increase during this period is the self-catered accommodation, up by 16% over the 2002 figure. Whilst the number of bed spaces showed an increase the number of accommodation providers actually showed a decline. There are indications that this is due to a decrease in land accommodation stock, such as houses, bungalows and cottages, with an increase in water based stock such as boats and barges.

2.18 Tourist Information Centres

Monmouthshire has three Tourist Information Centres (TICs) within the County, one in each of the main market towns of Abergavenny, Chepstow and Monmouth. In 2006 the TIC situated in Chepstow received the most visitors overall, and has the most overseas visitors when compared to the other two offices.

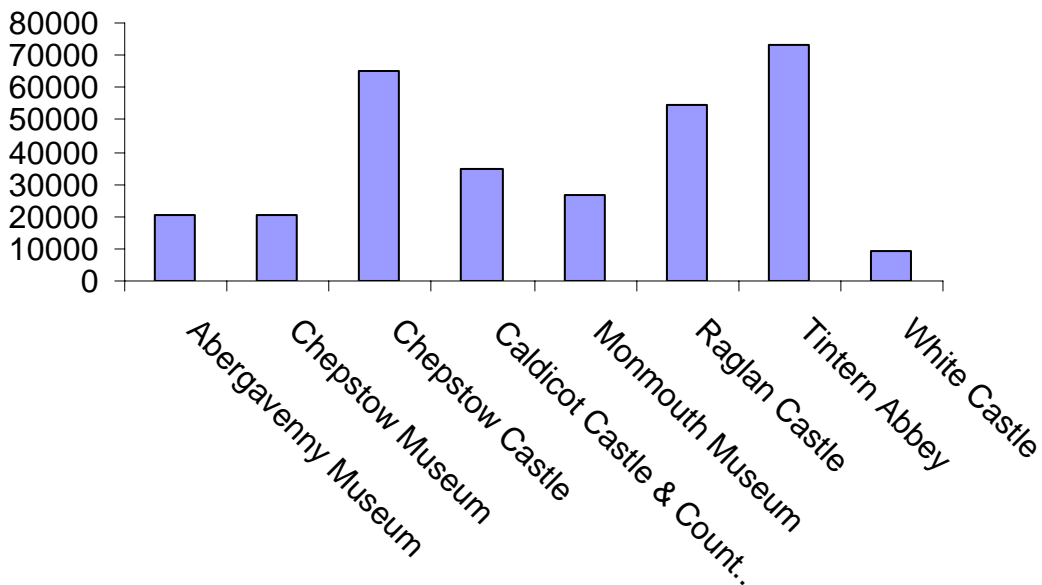
Chart 21: Tourist Information Centres – Level of use 2006



Source: <http://www.ticwales.com/server.php?show=nav.5772> (Accessed 15/11/2007)

2.19 Visitor Attractions

Chart 22: Visitor Figures 2005



The most popular attraction in Monmouthshire with more than 73,000 visitors in 2005 was Tintern Abbey followed by Chepstow Castle with nearly 65,000 visitors.

2.20 Marine Aggregates

Compared with other regions of England and Wales, South Wales ranks third (after South East and London) in terms of the volume of marine sand and gravel landed. The region is dependent to a far greater extent than any other upon marine sources for sand; here it typically represents 80 – 90% of the total sand consumption (and up to 95% in the south east of the region). In 2005 it was over 78% of the regional consumption. All of the marine aggregate landed in the South Wales region comprises sand and this fulfils a demand for the fine component in concrete and building sand. There is a severe shortage of suitable concreting sand from land-based resources. This situation has driven the continuation of aggregate dredging activities for over 40 years and enables large volumes of bulk material to be transported and delivered into coastal ports, very close to the point of end use in most of the main markets. This, together with the high quality and the need for only minimal processing mean that it is particularly energy efficient and an environmentally highly sustainable source of supply, especially when compared to other aggregates. The principle deposits are in the Bristol Channel and Severn Estuary, estimates of the marine aggregate resources of the Severn Estuary / Bristol Channel vary greatly but are considerable. Demand is expected to grow in line with construction trends.

2.21 A number of different pre - Carboniferous sandstones exist in Monmouthshire but most are not suitable for aggregates. There are extensive potential resources of river valley sand and gravel deposits along the Usk, but the quality and quantity is unknown in detail. Almost all of this material has low environmental capacity. There are no permitted land based sand and gravel sites in Monmouthshire, and there is only one marine sand-dredging site at Bedwin sands. The operator has planning permission to dredge up to 150,000 tons per year up until 30th June 2013. The majority is landed at North Dock in Newport with the rest landed at Fairfield's Wharf in Chepstow. Limestone and land won sand and gravel is also imported from England.

Table 21: Landings of Marine Dredged Aggregate: South Wales (M Tonnes)

M Tonnes	2000	2001	2002	2003	2004	2005	2006
Crown Estate	1.058	1.002	0.972	0.981	1.071	1.002	0.943
Swangrove Estate	0.150	0.150	0.150	0.150	0.150	0.150	0.150
Total	1.208	1.152	1.122	1.131	1.221	1.152	1.093

Source: Draft Regional Technical Statement (August 2007) South Wales Regional Aggregates Working Party

2.22 Crushed Rock Aggregates

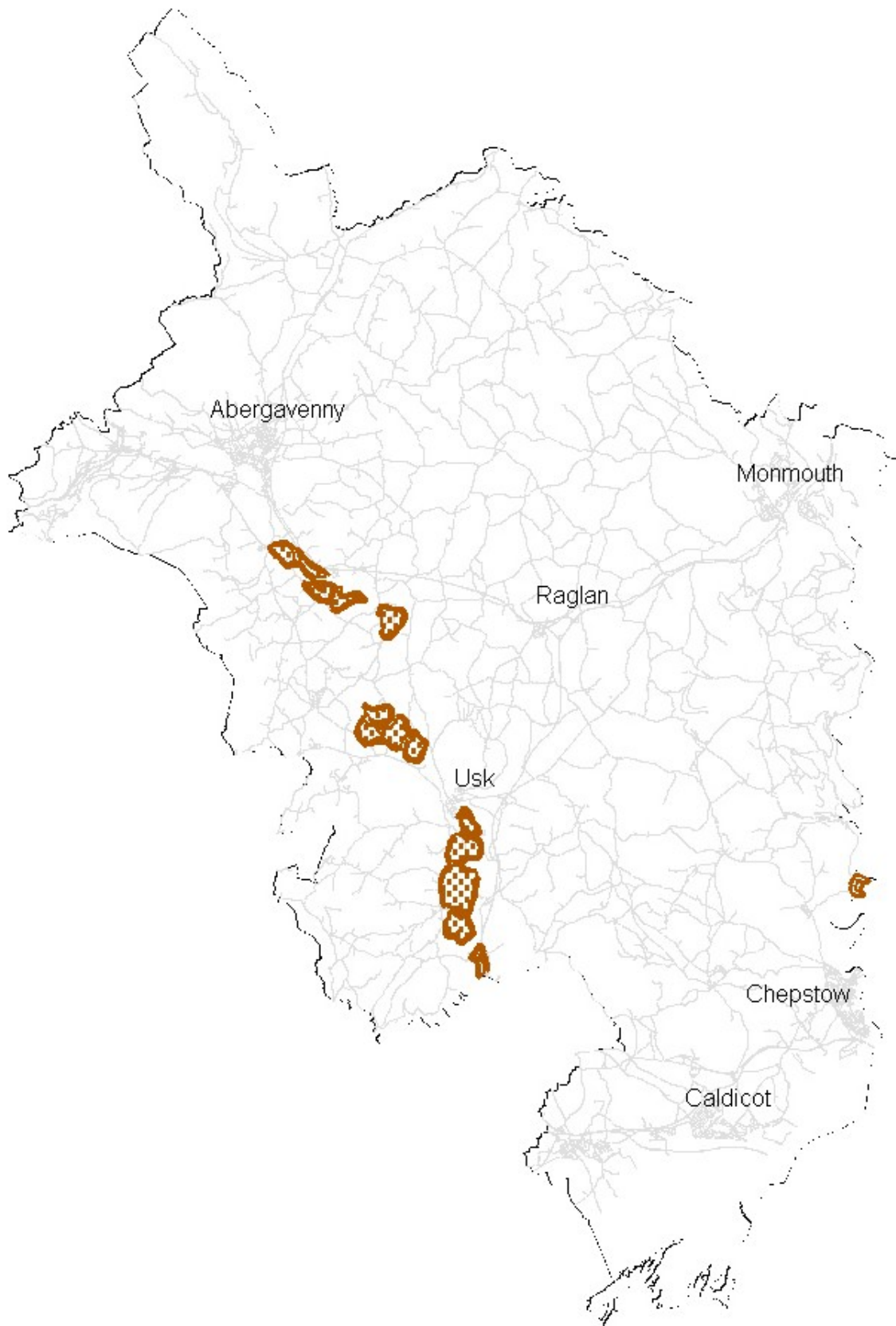
South Wales is well-endowed with aggregate resources and it has inherited over time a substantial volume of permitted reserves, although the reserves are often variable in terms of quality and location. This is the sector of the minerals industry where there is a greater direct engagement with the planning system

and which exhibits the most contentious issues – not only in operational terms, but in respect of transport, exports, specialist requirements and its environmental implications are those most readily apparent to the public. There are two recently active limestone quarries within Monmouthshire, the Livox and Ifton Quarries. Additional limestone resources exist in the southern part of the County, but in general, the area is sensitive in terms of environmental capacity. Furthermore some parts of the limestone resource lie within the Wye Valley AONB; MTAN1 (paragraph 49) indicates that no allocations should be made in respect of such areas. There are no significant sources of secondary aggregates in the area. Based either on the existing situation or a per capita approach reserves in Monmouthshire exceed a 15 year requirement.

2.23 Minerals Safeguarding

Under the Adopted Monmouthshire Unitary Development Plan Policy MN6 Aggregates: Sand 14 safeguarding zones are identified within the County. Safeguarding zones are designated for blocks 2N, 2P, 2U, 2W and 2X (identified as high priority for safeguarding in the 'Monmouthshire UDP: Safeguarding Potential Sand & Gravel Mineral Resources' 2004 Report) and blocks 2H, 2L, 2Q and 2V (identified as offering the prospect of good quantities of mineral but likely to be more clayey than the high priority group). Five blocks in the Lower Usk Valley (Blocks 11A – 11E) are also safeguarded as they are identified in the 2004 Report as 'potentially useful prospects'. The safeguarding areas include 100 metre buffer zones as required by paragraph 40 of MPPW and paragraphs 70-72 of MTAN1. In addition a Minerals Safeguarding Area (MSA) is defined for Livox Quarry under Policy MN2 Protection of Commercial Minerals Resources.

Map 14 : Minerals Safeguarding Areas



Source: Monmouthshire Unitary Development Plan