

# Ashfield and Mansfield City Relationships

A report prepared for Ashfield and Mansfield District Councils

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## Summary

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### ***The project***

This research project seeks to build understanding of Ashfield and Mansfield's economic links with surrounding areas, applying the research framework developed as part of the *City Relationships*<sup>1</sup> study.

Together Ashfield and Mansfield are the second largest conurbation in Nottinghamshire, behind Nottingham, and the fifth largest in the East Midlands. Ashfield and Mansfield are also well connected to the wider region as well as the rest of the country, with 70% of the nation's population residing within less than three hours drive.

Strengthening the economic links between Ashfield and Mansfield and the surrounding areas has the potential to lead to greater economic growth, increasing individual prosperity, reducing deprivation and providing benefit to the region as a whole. But fostering more complementary relationships requires a greater understanding of how the two places function now and the relationships that already exist.

### ***Economic background***

Ashfield and Mansfield have become more economically diversified over recent years, although much of the employment growth in the area has been driven by the public sector. Ashfield and Mansfield share a common industrial past with their surrounding districts and manufacturing remains an important source of employment across the study area. The business services sector saw the highest growth within the private sector.

The overall industrial profile of Ashfield and Mansfield, which is less knowledge-intensive, is reflected in the economic productivity of the area which is lower than both the regional and national averages.

The nature and scale of the impacts of the recession have been driven to a significant degree by workforce skills and industrial profile: Mansfield and Ashfield areas which have a high proportion of manual and less skilled jobs and concentration of manufacturing firms have been hit hard.

Both remain important employment centres within the sub region, although smaller in scale and less diverse than the region's key cities. Recognising shared challenges and opportunities and the mutual benefits that can be derived, local authorities in the area are increasingly working together in collaboration.

### ***Economic Relationships between Ashfield and Mansfield***

Within Ashfield and Mansfield local authority areas, there are clear interdependencies between Sutton-in-Ashfield and Mansfield town. The strong labour market links across a range of occupations are a reflection of these links and there are also potential firm links between the two towns. The level of interdependency between the two areas at district level is less strong, with Ashfield's economic relationships pulling south as well as towards Mansfield.

### ***Wider Labour Market Relationships***

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<sup>1</sup> Full report available at <http://www.thenorthernway.co.uk/page.asp?id=795>

Commuting patterns across the wider East Midlands highlight the polycentric nature of the region, as well as the significance of the five largest cities as employment centres. At the regional level, a map of commuting links illustrates the interdependency between Ashfield and Mansfield in labour market terms, but it is also clear that the two districts do not have the same labour market pull as some of the region's larger cities. Yet the relative economic strength of local authority areas surrounding Ashfield and Mansfield mean that some areas, such as Bolsover, are more dependent on Ashfield and Mansfield for employment.

The variation in the **housing and quality of life offer** influences choices made by knowledge workers, internal migration patterns, and therefore the supply of highly skilled labour, which is predominantly based in the south east of the sub region. The housing and quality of life offer elsewhere in the region creates challenges in terms of attracting knowledge workers and knowledge intensive businesses.

**Transport** is another important factor contributing to relationships between places. Overall Ashfield and Mansfield's transport links are reasonably supportive of links between places, but somewhat inhibited by the largely rural nature of the sub-region and low levels of car ownership. Yet even the strongest transport networks, whilst they can underpin complementary economic relationships, are not the only condition on which complementary relationships depend. Complementary relationships are also affected by wage differentials, access to employment opportunities or patterns of sectoral specialisation. More highly skilled workers, for example, often find a way to overcome transport barriers if they need to. In contrast, lower skilled workers who cannot access higher paid jobs by travelling will often not take advantage of very strong transport networks (London is a good example of this); merely providing transport links will not necessarily improve the local economy. For transport improvements to be most effective, they should therefore go hand-in-hand with other policy initiatives strengthening local demand for labour or fostering local supply chains.

### ***Firm Relationships***

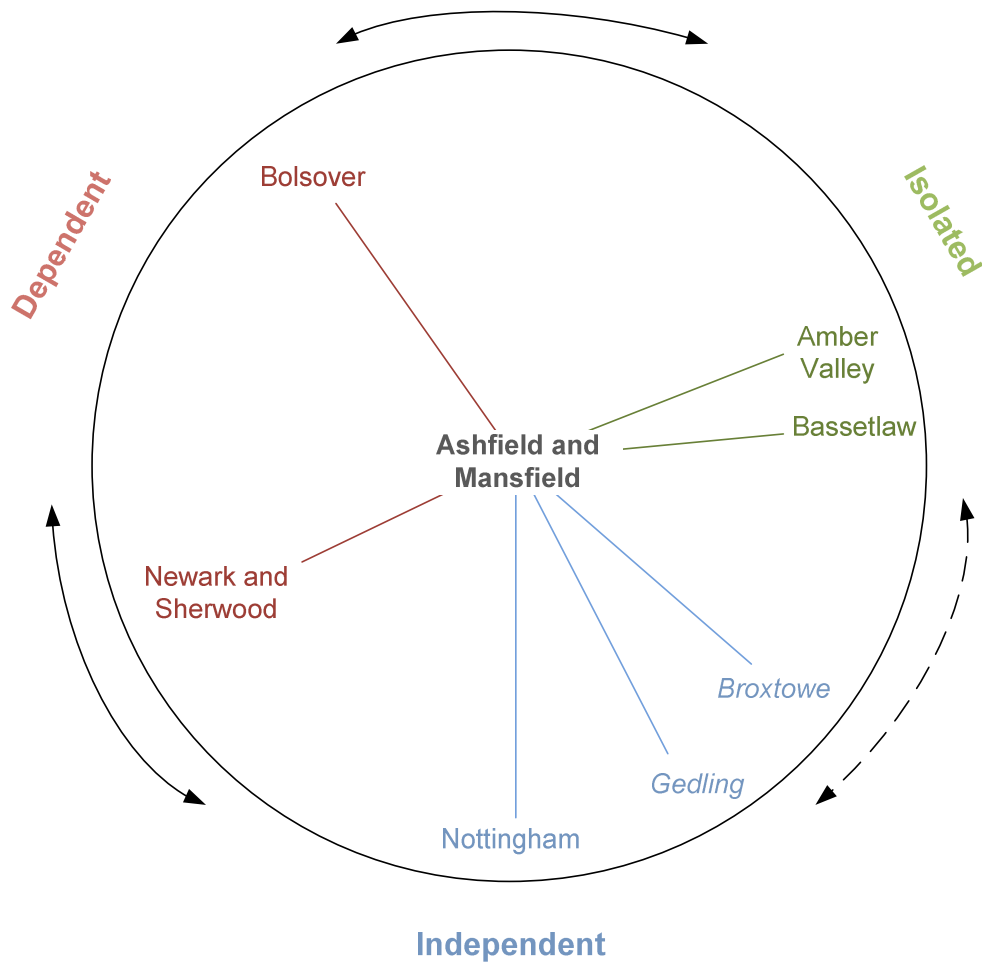
Shared industrial histories mean that local authorities across the sub region have similar sector specialisations; many have concentrations of employment in engineering and manufacturing. The sub region's central location, land availability and transport connectivity has led to a concentration of employment in the logistics industry. The nature of sector specialisation across the sub region means that businesses in areas outside Nottingham are less likely to benefit from agglomeration although there may be opportunity to strengthen supply chains and increase the value added of sectors.

The **business services sector** has been identified as a key growth sector in Ashfield and Mansfield, although in Mansfield employment in the sector tends to be of lower value, which to an extent reflects the skills profile of the area. The spatial distribution of business services is uneven with different areas specialising in different sub sectors: higher value business services such as accounting and IT are concentrated in business parks and innovation centres throughout the sub region. Nottingham acts as a hub for business services. Ashfield and Mansfield are both well placed to complement Nottingham and act as locations for spin off businesses and outsourcing policies. The supply chains of businesses within the sector tend to be local and there may be potential to extend these by increasing the reach of local business networks and support organisations. There is also opportunity to build on the work of learning providers and to support businesses in the upskilling of current and potential employees.

The **healthcare sector** in Ashfield and Mansfield is primarily public sector driven: the King Mills Hospital is one of the largest employers in the area. The Kings Mill Hospital is a key 'anchor institution' and attempts are being made to maximise the economic impact in the local area. Crucial here will be addressing the potential under-supply of nurses to the hospital from the local area following requirements for level 4 qualifications. There are also a number of private enterprises in

the healthcare sector located in Ashfield and Mansfield. With one of the largest healthcare clusters in Europe located in Nottingham and medical technology and specialist services a key sector for the East Midlands there may be opportunities to further develop supply chain linkages building on work that is already ongoing in the area, with organisations such as Medilink East Midlands.

**Ashfield and Mansfield's Economic Relationships**



- **Amber Valley is relatively ‘isolated’ in labour market terms from Ashfield and Mansfield.** The district has a less diverse economy, a reasonably high dependency on the public sector and a relatively poor skills profile. Amber Valley looks more south to Derby with 18% of residents commuting to work in the city.
- **Bassetlaw, with high levels of self-containment, is relatively ‘isolated’ from Ashfield and Mansfield due to its skills profile and labour demand in the area.** Employment in the district is still to a large extent based on traditional industries and whilst the skills profile is not strong, jobs based in Bassetlaw offer reasonably high wages.
- **Bolsover, without a strong employment base of its own, is ‘dependent’ on Ashfield and Mansfield in labour market terms.** 12.4% of residents in Bolsover commute to work in either Ashfield or Mansfield. It is characterised as ‘dependent’ on Ashfield and Mansfield but close to ‘isolated’ because of the skills profile and level of deprivation in the district.
- **Broxtowe is relatively ‘independent’ of Ashfield and Mansfield as it has a high dependency on Nottingham as an employment centre.** The housing and quality of life offer

in Broxtowe means that it is an attractive residential area for knowledge workers commuting to Nottingham to work.

- **Gedling is also relatively ‘independent’ of Ashfield and Mansfield because of its strong labour market relationship with Nottingham.** Almost half of all knowledge workers resident in the district commute to Nottingham to work. Gedling has a reasonably strong quality of life offer but is more affordable than other districts in the south east of the study area.
- **Whilst Newark town is an employment centre in its own right, Newark and Sherwood is relatively ‘dependent’ on Ashfield and Mansfield in labour market terms.** Labour markets links with Ashfield and Mansfield are relatively strong in the western part of the district and overall 12% of Newark and Sherwood’s residents commute to work in the two districts.
- **Nottingham, a strong regional economic driver, is ‘independent’ of Ashfield and Mansfield in labour market terms.** Nottingham is highly self-contained (79% live and work in the city) and also acts as the main employment centre for many districts in the study area, attracting a high proportion of knowledge workers from its surrounding districts.

### ***Conclusions and policy recommendations***

- **The labour market links between Ashfield and Mansfield, and the surrounding local authorities, reflect the industrial and skills profiles of different areas, but also the relative strength of the economies.** The strength of Ashfield and Mansfield’s economies has a significant impact on their relationships with surrounding areas. The ‘pull’ of Nottingham also shapes these economic relationships. Different urban centres within Ashfield and Mansfield have different economic relationships with surrounding areas.
- **The lack of public transport integration and low car ownership in Ashfield and Mansfield raises issues over employment accessibility.** Adequate provision of public transport is crucial in an area with low wages and high levels of worklessness. At a time when unemployment is continuing to rise, job searches will be limited by a lack in public transport service provision, as well as a lack of integration across services.
- **There may be opportunities for Ashfield in particular to build more complementary economic relationships with Nottingham.** The skills profile of the area suggests that Ashfield’s residents may not have the same access to the higher value jobs that Nottingham has to offer as other areas falling within the city’s hinterland.

**Recommendation 1:** Addressing the skills gap and high levels of worklessness should continue to be a priority for Ashfield and Mansfield, with the opportunity of both improving labour relationships, particularly with Nottingham, and enhancing the productivity of the area.

**Recommendation 2:** Ensuring that partners are clear on where the greater opportunities to build economic links lie, and what the benefits of this are likely to be, is vital to successful partnership working in a climate of constrained expenditure.

**Recommendation 3:** Ashfield and Mansfield should explore where lessons might be learnt from areas that have built mutually beneficial relationships with large economic centres, e.g. Rotherham-Sheffield.

**Recommendation 4:** Policy makers should consider how public transport could potentially address issues around employment access, although any attempt to connect more isolated

communities by public transport should be part of an integrated approach with policies to address other barriers such as low skills.

- **Perceptions of Ashfield and Mansfield as a business location and a place to live are influenced by the legacy of industrial decline and high levels of deprivation.** Whilst good transport links and land availability have been frequently cited as locational advantages in Ashfield and Mansfield, the poor skills profile and patchy quality of life offer can act as a disincentive for potential investors or residents.

**Recommendation 5:** Ashfield and Mansfield should continue to work collaboratively and with surrounding areas to lever inward investment into the area, building on the work of Alliance North Midlands.

- **Firm links in the business services sector in Ashfield and Mansfield and the surrounding areas tend to be locally based.** Both supply chains and strategic connections within the sector can be limited and do not tend to extend outside the local area. This may in part be due to ‘parochialism’ but also because the sector is not strongly embedded in the area. The disparate location of businesses in the sector may also make it difficult to foster economic relationships. If the sector is to become more productive it is vital that skills within the sector are raised and access to skills is improved.
- **The significance of the healthcare sector in Ashfield and Mansfield combined with clusters of employment in the sector elsewhere in the wider region means there may be opportunities to build on the work of existing networks to develop supply chain linkages.** Ensuring that Ashfield and Mansfield maximise the employment supply chain opportunities that the Kings Mill Hospital can offer is also crucial.

**Recommendation 6:** Policy makers should seek to support the private sector in Ashfield and Mansfield in developing business links beyond the local area, particularly in the business services sector where no business services networks currently exist.

**Recommendation 7:** At a time of constrained public spending it is vital that Ashfield and Mansfield seek to maximise the local benefits of their anchor institutions, including the West Nottinghamshire College and the Kings Mill Hospital.

**Recommendation 8:** Policy makers should also continue to strengthen the areas’ traditional industrial sectors, seeking to move them up the value chain, as manufacturing in particular remains an important sector within the area.

## 1.0 Introduction

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**Together Ashfield and Mansfield are the second largest conurbation in Nottinghamshire, behind Nottingham, and the fifth largest in the East Midlands. Ashfield and Mansfield are also well connected to the wider region as well as the rest of the country, with 70% of the nation's population residing within less than three hours drive. Strengthening the economic links between Ashfield and Mansfield and the surrounding areas has the potential to lead to greater economic growth, increasing individual prosperity, reducing deprivation and providing benefit to the region as a whole. But strengthening these links requires a greater understanding of how the two places function now and the relationships that already exist.**

**Over the last two decades, the economies of Ashfield and Mansfield have diversified away from their traditional industrial base.** Whilst manufacturing remains an important part of the economic base, Ashfield and Mansfield have a growing service sector. The business services sector now makes a significant contribution to employment and economic output. Overall, however, Ashfield and Mansfield's economies are characterised by low wage, low skill jobs in retail, construction, logistics and warehousing. Both Ashfield and Mansfield are also relatively dependent on the public sector as a source of employment. Both also face challenges around skills and worklessness, with high levels of unemployment and economic inactivity.

**As former coal mining areas, many of the communities in the wider Nottinghamshire area share common characteristics with Ashfield and Mansfield.** Manufacturing, construction, logistics are key sectors in a number of the areas surrounding the two districts and the public sector is also a significant employer. The legacy of the former coal mining industry means that there are pockets of high deprivation within the sub-region, although areas such as Gedling and Newark and Sherwood have become attractive residential areas for knowledge workers. Ashfield and Mansfield are also in close proximity to Nottingham, the largest economic centre in the East Midlands, with a strong retail and business services base, home to several world class companies and one of the largest centres for bioscience in Europe. To the north of Ashfield and Mansfield is Sheffield City Region with a growing knowledge intensive economy and specialisms in advanced manufacturing.

**Ashfield and Mansfield's local authorities recognise that local economies are shaped by their economic relationships with other areas** – the connections and flows of people to and from home, work and leisure, as well as firm relationships and supply chains. The two local authorities have been increasingly working in partnership, as their joint Masterplan scoping report states: "there is clear evidence to support the view that the Ashfield and Mansfield conurbation combined could be considered as the most appropriate spatial level over which to deliver economic development activity. This is also backed up by the cultural and historical connections between the two areas, driven by their common industrial heritage as well as their interdependence".<sup>2</sup>

**Strengthening economic links between places has been demonstrated elsewhere to have the potential to generate benefits for both local areas.** For example, in the greater South East, London's success has benefited nearby cities and towns such as Reading.<sup>3</sup> Particular benefits are associated with building links between economic centres, which contain higher levels of employment and firms in diverse sectors, and surrounding towns and cities.<sup>4</sup>

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<sup>2</sup>Ashfield and Mansfield Economic Masterplan Scoping Report

<sup>3</sup> Reading has strong firm links with, and provides labour to, London, as well as having developed its own specialised industrial base, creating a strong labour market of its own that benefits nearby residents. See Hall, P. & Pain, K. (2006) *The Polycentric Metropolis: Learning from Mega-City Regions in Europe*: Earthscan

<sup>4</sup> Philip McCann (June 2008) 'Globalization and economic geography: the world is curved, not flat' in *Cambridge Journal of Regions, Economy and Society*, p.363

**Some places, however, have more mutually beneficial – or complementary<sup>5</sup> – relationships than others.** The success of Manchester and Leeds, for example, has not spread to neighbouring areas in the same way that the success of London has benefitted surrounding areas.<sup>6</sup> Policy makers in Ashfield and Mansfield felt that investigation of complementary relationships between places in the wider region would support their work on future economic strategies for the area, and wished to learn lessons from an earlier project on *City Relationships*, the findings of which are set out below.

### 1.1 Drawing on the findings of the first *City Relationships* project

The *City Relationships* project was a study for the Northern Way and the Department for Communities and Local Government. It investigated the factors that contribute to mutually beneficial relationships between places and found that the extent to which relationships between places are complementary is affected by a wide range of factors:

- **Skills** is the most important: areas with higher levels of resident skills tend to benefit more from links with neighbouring economic centres than those with lower levels of skills. This is because of the wage benefits associated with higher skills, as well as the additional incentive to travel in order to gain a higher wage;

Other factors that are also critical are:

- **The ‘pull’ of the economic centre** influences economic relationships. Stronger economic centres, such as London, Leeds and Manchester, tend to have stronger labour market and firm links with neighbouring areas. Less strong economic centres, such as Sheffield, tend to be more self-contained. The strength of a centre’s economy has a significant impact upon its relationship with neighbouring areas.
- **Transport** links affect labour market and firm links – although simply having good transport links does not automatically mean these are used, particularly if there is little economic benefit gained from travelling or there is a culture of working locally. Those with higher levels of skills are more likely to overcome transport barriers;
- **Links between firms in sectors that are embedded within a functional economic area** are also important: in areas such as Liverpool City Region, with its long history of maritime, links between places are shaped by links between maritime and logistics supply chains;
- **Industrial history** shapes economic links, with more knowledge intensive industries being more likely to forge and benefit from economic links within a geographical area than others;
- **Quality of place** matters: areas with higher quality housing, schools and quality of life are more likely to attract highly skilled individuals, and more likely to have mutually beneficial economic relationships with neighbouring areas. These areas will also benefit from the higher wages its residents bring home, of which a large percentage is spent in the local economy.

The research showed that different places have different roles in relation to economic centres, depending on these factors and the resulting nature of their labour market and firm links. The *City*

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<sup>5</sup> Overman, H. et al (2007) *Economic Linkages Across Space*, CEP Discussion Paper No 805, London School of Economics: London.

<sup>6</sup> IPEG and CUPS (2008) *The Northern Connection*, The Northern Way: Jones et al. (2008) *How Can Cities Thrive in the Changing Economy?*, The Work Foundation

*Relationships* study identified four typologies of places within five City Regions in the North with one or more strong economic centres, based on their labour market relationships with the economic centre. These typologies are: independent, isolated, dependent and interdependent. They were used to characterise labour market relationships between economic centres and surrounding towns and cities.

The study also found that labour market links were a stronger indicator of relationships between places than firm links. This is because many firms have national or international supply chains and their primary interaction with the local area is through the labour market – although for sectors with a strong local economic geography, local supply chains may inform links between places. Barriers to more complementary relationships included governance arrangements and poor public perceptions of a place.

### **1.2 Applying the City Relationships framework to Ashfield and Mansfield**

This research project, reviewing ‘City Relationships’ in Ashfield and Mansfield, was commissioned as part of the two local authorities’ joint economic master planning. It seeks to build understanding of the economic links between places in Ashfield and Mansfield, as well as the surrounding areas in the wider Nottinghamshire area. It is designed to complement the economic assessments being undertaken over the next few months by the two local authorities.

This study has investigated economic relationships through:

- Analysis of the economic relationships between Ashfield and Mansfield, looking in particular at labour market linkages and the connections between businesses;
- Analysis of the economic relationships between Ashfield and Mansfield and surrounding areas in the wider Nottinghamshire area.

The work has drawn on detailed literature reviews, secondary data analysis and spatial mapping for each area and sector included in the analysis, as well as interviews with key stakeholders, local businesses and experts. For more detailed analysis of supply chains and business relationships we have focused on two sectors, selected in consultation with local stakeholders: business services and healthcare.

The report is structured as follows:

- Section 2 sets out some background information on Ashfield and Mansfield and the wider area;
- Section 3 explores the labour market links and the role of housing and transport in Ashfield and Mansfield and the wider area;
- Section 4 details the findings of the firm links and supply chain analysis;
- Section 5 applies the ‘City Relationships’ typologies to the study area;
- Section 6 sets out the conclusions and policy recommendations.



smaller proportion of employment (10.9%) than the national average (15.2%). Mansfield is a sub-regional centre for retail and services, contributing to employment in these sectors. The public sector also makes a significant contribution to the employment base in both Ashfield and Mansfield.

**Employment growth in Ashfield and Mansfield has been dominated by the public sector over the last decade.** Employment in health, education and public administration grew by 32% between 1998 to 2008 (compared to 15% in Nottinghamshire), whereas employment growth in the private sector over the same time period was only 3.2% in Ashfield and Mansfield (compared to 11% in Nottinghamshire). In all regions outside London and the south east, however, the majority of new jobs have been in the public sector.<sup>9</sup> Health and social care is the largest public sector within Ashfield and Mansfield, accounting for a larger share of total employment in Ashfield and Mansfield (15.2%) than Great Britain (12.4%) and Nottinghamshire (12.8%) in 2008. The rate of increase in employment in health and social care over the past decade in Ashfield and Mansfield (44.7%) was also highest in the study area.

**The largest employment growth within the private sector has come from the business services sector.** Whilst starting from a relatively small base, employment growth between 1998 and 2008 was 119% in Ashfield and Mansfield compared to 74.3 % in Nottinghamshire and 37.2% in Great Britain. This was dominated by employment growth in Ashfield; 203%, which is likely to have been driven by the development of business parks in the district and its proximity to Nottingham, where over half of all business services jobs in the study area are based.<sup>10</sup>

**Employment in manufacturing has fallen at a faster rate than the national and regional averages.** Manufacturing remains a key employer in Ashfield and Mansfield but it saw a 42% fall in employment between 1998 and 2008, compared to a fall in manufacturing employment of 33% nationally.

### *Economic Growth*

**Economic output in both Ashfield and Mansfield is relatively low (see Figure 2.2); GVA per head falls well below both the national and regional averages.** Economic output per head is far lower in Ashfield and Mansfield than Nottingham, which has seen strong growth in comparison to the two districts. GVA per head has fallen significantly in Ashfield relative to Nottingham and the UK average. This may be due to the continued historic reliance on the manufacturing sector as a source of output, a sector that has seen huge declines in employment in the area over the last decade. Over 27% of economic output in Ashfield is accounted for by the manufacturing sector, compared to 12.9% in Mansfield and 11.3% nationally.

**The recent global economic downturn (which has been the most severe since the 1930s depression) has also negatively impacted upon Ashfield and Mansfield.** Measured by 2009 change in GVA, Ashfield, Bassetlaw and Nottingham have been the worst affected local authorities in the county. In Bassetlaw and Ashfield this is likely to be related to the greater share of firms in traditional manufacturing industries, a sector which has been hit particularly hard by the recession.<sup>11</sup>

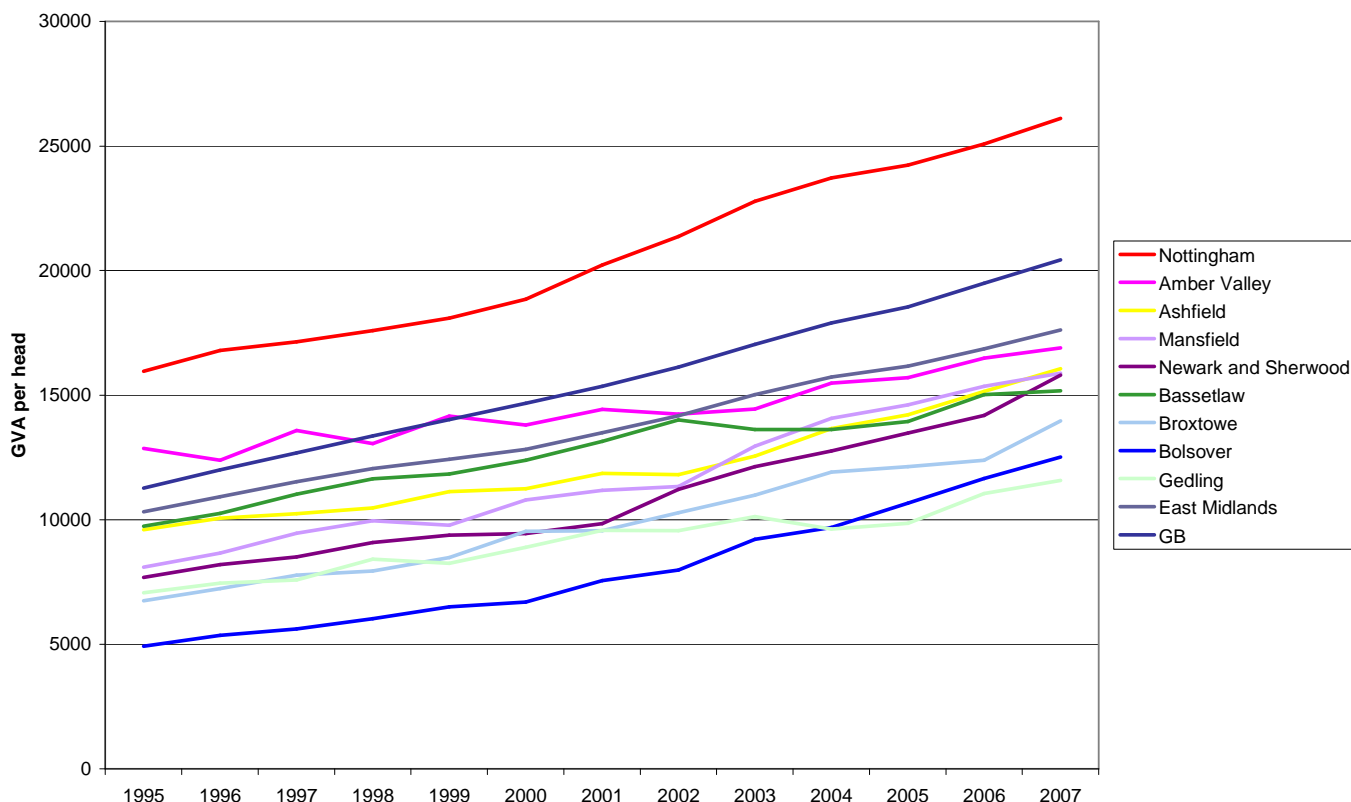
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<sup>9</sup> Cut, Tax, Growth

<sup>10</sup> Reference area includes Nottingham and Nottinghamshire

<sup>11</sup> Nottinghamshire City and County Employment and Skills Board. (2010) *Nottinghamshire - working and skilled: the strategic plan for the Nottinghamshire city and county Employment and Skills Board 2010 to 2015* (consultative draft)

**Figure 2.2: GVA per capita, 1995-2007**



Source: ONS, 2010

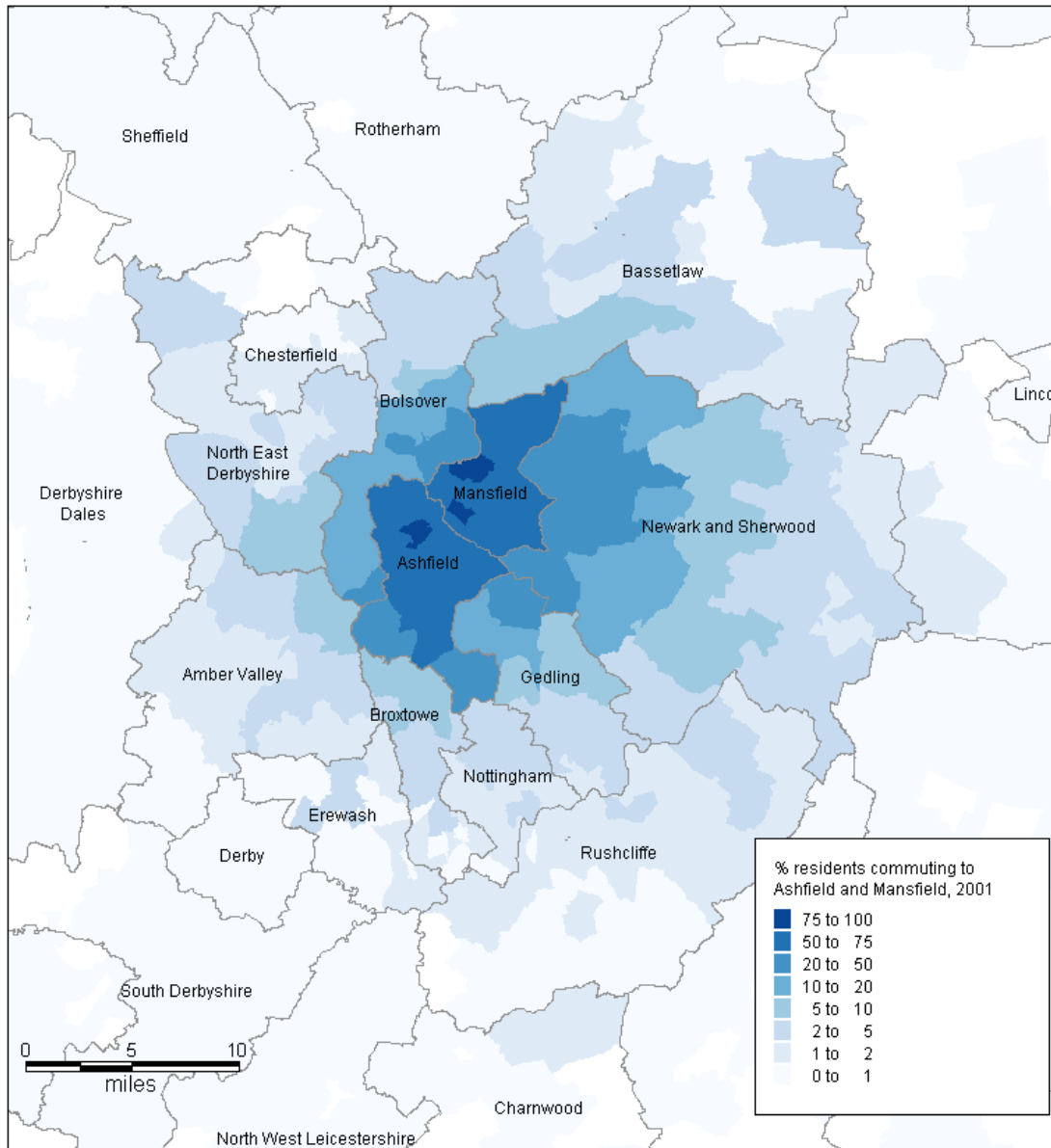
**Economic output per head in Ashfield and Mansfield is higher than in some surrounding areas**, including Gedling, Bolsover, Broxtowe and Bassetlaw. In some cases this is a reflection of the residential status of these areas and in others the industrial profile. However, both Ashfield and Mansfield are in close proximity to Derby and Nottingham, both strong economic centres, which may be attractive to more mobile workers as they offer higher wages.

**Ashfield’s average weekly workplace earnings are amongst the highest within the sub-region.** They are also higher than the regional average, making it a relatively attractive place to work in the area. Workplace based earnings in Mansfield, on the other hand, are only 82% of the national average and 88% of the East Midlands average and are the lowest in the study area.

*Travel-to-work area*

**Whilst not on the scale of Nottingham, Ashfield and Mansfield act as an important employment centre in the wider Nottinghamshire and Derbyshire area.** Mansfield is a net importer of labour. The travel-to-work area of the combined conurbation stretches to the south of the Sheffield City Region, encompassing areas of Bolsover, Chesterfield and North East Derbyshire, towards the Derbyshire Dales to the west, east to Lincolnshire and south past Nottingham.

**Figure 2.3: Ashfield and Mansfield’s travel to work area (ward level), 2001**



Source: Census 2001

**As a significant employment centre, Mansfield is both a relatively self-contained area (meaning most of its residents also work there) and a net importer of labour from neighbouring areas.** 61% of residents in Mansfield live and work in the district, although this is lower than in Nottingham (79%) and Chesterfield (68%).<sup>12</sup> Nearly half (45%) of Mansfield’s knowledge workers live and work in the area.<sup>13</sup>

**Despite having higher average workplace earnings, Ashfield is a net exporter of labour and is less self-contained.** Just 46% of residents live and work in Ashfield and, as discussed in the next section, the district has strong labour market links with Nottingham.

***Resident population – employment and skills***

<sup>12</sup> Source: Annual Population Survey, 2004

<sup>13</sup> Source: Census 2001

**Employment rates in Ashfield and Mansfield have climbed above the national average over the last decade, although employment in the area is still characterised by low wage, low skill jobs.** Employment rates within Ashfield and Mansfield prior to the recession were higher than the national average (74.5% and 77% respectively compared to the national average of 74%), with an 8 percentage point increase in Mansfield over the last 10 years. However, the majority of this employment is in low skilled elementary occupations and low paid sectors, and the economic inactivity rate is high (there are a large number of incapacity benefit claimants within the districts).<sup>14</sup> The impacts of industrial change are still very apparent across the area with pockets of high unemployment and deprivation especially prevalent within Mansfield, impacting on the overall economic performance of the district.

**During the course of the recession, Ashfield and Mansfield have seen significant increases in unemployment and the proportion of residents claiming unemployment benefit.**

Unemployment in September 2009 stood at 7.5% in Ashfield and 8.2% in Mansfield compared to 7.2% across the East Midlands and 7.4% across Great Britain as a whole.<sup>15</sup> From April 2008, when the first signs of the recession were apparent in the labour market at a national level, to April 2010, the claimant rate has increased by 2.3 percentage points in Ashfield and 1.9 percentage points in Mansfield. The claimant rate in both districts stands well above the national average but the claimant rate started to rise in Mansfield prior to April 2008, which may account for a smaller increase over the two-year reference period. The employment rate now stands at 70% and 69% in Ashfield and Mansfield respectively, compared to the regional average, 74% and national average, 73%. The severity of the impact of the recession on Ashfield and Mansfield is partly due to the large manufacturing sector in Ashfield and Mansfield, as well as the areas' skills profile.<sup>16</sup>

**Ashfield and Mansfield both have a relatively low skills profile (see Figure 1.2).** Just 19% of the working age population in Mansfield, and 16% in Ashfield have degree level qualifications compared to the national average of 29%. The number of people with low or no qualifications has dropped over the last decade, however. The relatively low average resident based earnings in Ashfield and Mansfield (£410 and £422 respectively, compared to £461 in the East Midlands and £491 nationally) are reflective of the low skills in the area: residents are less likely to be able to access the more highly skilled, higher value and higher paying jobs within Ashfield and Mansfield and the surrounding areas.

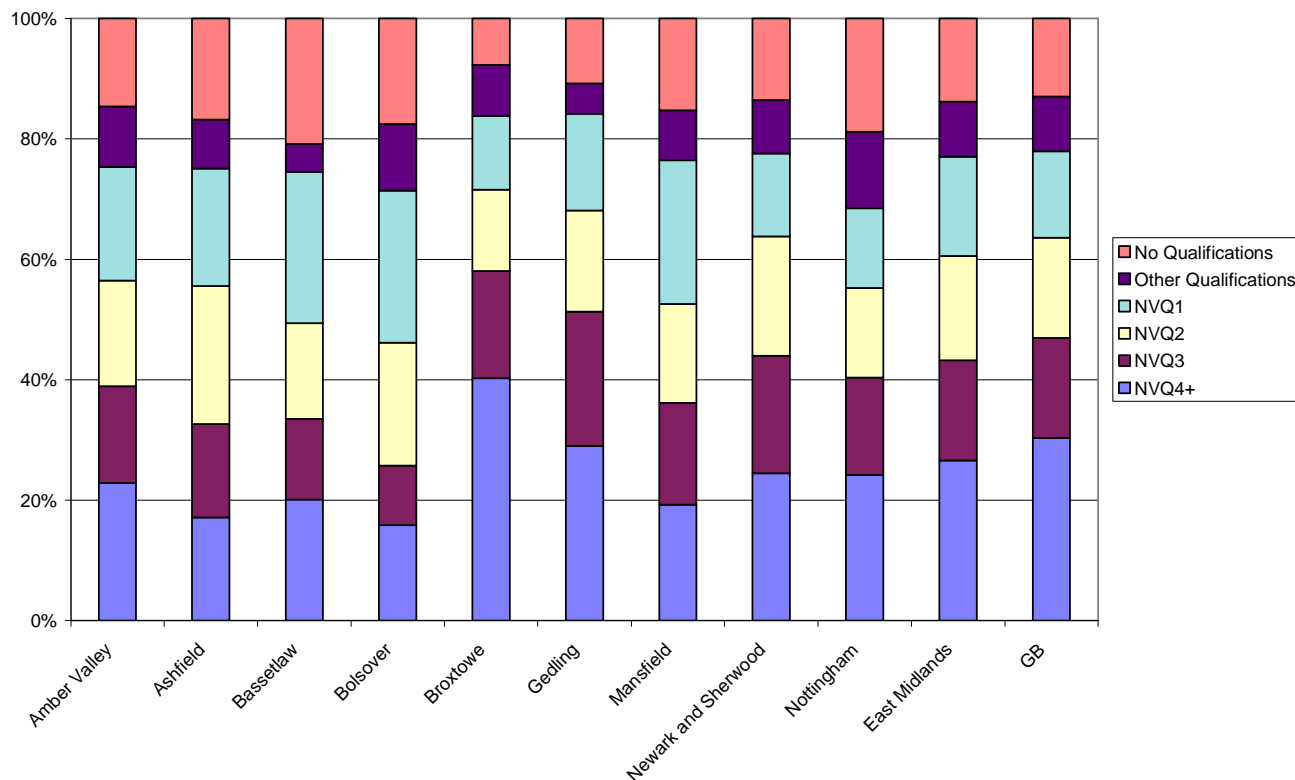
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<sup>14</sup> Ashfield District Council. (2006) *Economic Regeneration Strategy* (consultation draft, 2007-2012)

<sup>15</sup> Model-based estimates from the Annual Population Survey (ILO definition of unemployment)

<sup>16</sup> ADD REF

**Figure 2.4: Qualifications, 2008**



Source: Annual Population Survey, 2008

***The apparent paradox between earnings and commuting patterns in Ashfield and Mansfield***

**Differences in workplace and resident based data seem to contradict overall commuting patterns to and from both Ashfield and Mansfield.** Unusually for an area that is a net importer of labour, average resident based earnings in Mansfield are higher than average workplace earnings. The reverse is true in Ashfield, a net exporter of labour, with higher average workplace earnings and lower resident based earnings. These differences in earnings have existed over the longer term which suggests that the finding is unlikely to be due to inaccuracies in the survey data.

**Commuting data suggests that a higher proportion of residents in Mansfield travel outside the district to work in more knowledge-intensive, higher wage occupations.** 36% of knowledge workers living in Mansfield travel to work outside the district compared to 34% in Ashfield. In addition, a higher proportion of total residents in Mansfield are knowledge workers. This is consistent with the differences between the skills profiles of the two areas, with a higher proportion of graduates residing in Mansfield meaning that its residents are likely to be more mobile and able to access higher value jobs within the district and beyond. This explains the higher resident earnings.

**In Ashfield, commuting and earnings patterns, combined with the skills profile of the area, suggest that a higher proportion of those working in the district’s higher value jobs commute from outside the district.** Compared to Mansfield a far lower proportion of knowledge worker jobs in Ashfield are taken up by residents: 38% of knowledge worker jobs in Ashfield are taken up by residents who live in the district, compared to 45% in Mansfield and a lower proportion of residents commuting out of the district to work are knowledge workers. This suggests that it is Ashfield’s lower skills profile and its reliance on commuters to fill knowledge jobs that contributes to it having higher workplace earnings than resident earnings.

## 2.3 Historic relationships and partnerships

**Ashfield and Mansfield have a distinctive and historic economic geography which has shaped their contemporary economies and partnership working within the region.** Mansfield was a historic market town with its open market dating back 700 years. In more recent times, coal mining, textiles and engineering have all been integral to the local area, building linkages between people and places over many years (Nottingham had people working in every mine in the county<sup>17</sup>). This is based primarily on the abundance of natural resources which supported the development of these traditional industries (deep mined coal and Sherwood sandstone). In 1908, 37,000 men were employed in coal mining in Nottinghamshire and this industry remained at the heart of the region's economy until industrial decline in the latter part of the twentieth century. The nature of the past industrial base in the two areas, however, meant that many people would live and work locally and there was little labour market interaction between neighbouring areas. This led to cultural differences between areas and a degree of parochialism.

**As with many communities across the UK that were based upon traditional industries, the collapse of manufacturing during the 1980s and 1990s resulted in a shared economic geography of job loss and deprivation.** In 1995, the unemployment rate of the Travel-to-Work Area of Mansfield reached 14.8%; the highest in Nottinghamshire.<sup>18</sup> Ashfield and Mansfield and the surrounding area (especially districts such as Bolsover) all suffered increased unemployment. The region's industrial 'dependency' on coal mining has also been identified as a barrier to enterprise and innovation (which conversely flourished in places such as the South East of England during this time): the region has low numbers of business start ups, a low skilled workforce and, on average, low educational attainment. Due to Ashfield and Mansfield's shared industrial challenges, both areas have been allocated public funding to solve shared problems.

**There are many common issues between Ashfield and Mansfield based on their shared historical and economic backgrounds: these are beginning to be addressed through joint project working and partnerships.** Collaboration at a strategic level between Ashfield and Mansfield and the wider region is a relatively new development. Perhaps the most successful example of partnership working has been the Local Enterprise Organisation, which has aimed to improve entrepreneurship by linking young people to businesses in deprived parts of Ashfield, Bolsover and Mansfield Districts. A lack of enterprise in the area has been a constraint upon greater economic growth and the organisation was regarded as important to overcoming this barrier: the Districts were successful in winning a collaborative bid of £7.2 million from the Local Enterprise Growth Initiative.

**The delivery of the regional economic strategy for the East Midlands through sub-regional strategic partnership plans has brought local authorities together on a wide range of issues.** Until April 2009, the Alliance Sub-Regional Strategic Partnership (SSP) operated in North Nottinghamshire and included Ashfield and Mansfield<sup>19</sup>. On the 1<sup>st</sup> April 2009 the responsibilities of the sub regional strategic partnership were transferred to Nottinghamshire County Council and to the Derby and Derbyshire Economic Partnership. A transitional partnership arrangement was put in place in north Nottinghamshire which involves the public, private and voluntary sectors; the Interim Nottinghamshire Economic Development Partnership. Some Alliance projects such as Alliance North Midlands remain; a marketing brand to attract and retain businesses in North Nottinghamshire – including Newark and Sherwood, Bassetlaw, Bolsover – and parts of Derbyshire which has contributed to developing key business and innovation sites in the region such as the Mansfield i-centre.

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<sup>17</sup> Interview

<sup>18</sup> [www.mansfield.gov.uk](http://www.mansfield.gov.uk)

<sup>19</sup> Sub-regional partnerships tend to overlap, however, reflecting the different relationships between different areas, and wards within Hucknall in Ashfield are part of the Greater Nottingham Partnership (which includes the city of Nottingham, Broxtowe, Gedling and Rushcliffe).

**Sherwood Growth Zone and the Mansfield Ashfield Regeneration Route, which opened in 2004 as the ‘biggest ever regeneration project set up by the council’<sup>20</sup>**, is another example of successful partnership working. By 2009, £480 million had been invested and nearly 2000 jobs had opened up along what is now called Sherwood Way. Sherwood Growth Partnership involves Mansfield, Ashfield and Newark and Sherwood District Councils, Nottinghamshire County Council and West Nottinghamshire College.

**Mansfield and Ashfield have worked with both Newark and Sherwood and Bolsover on housing issues.** Mansfield, Ashfield and Newark and Sherwood worked together on a joint housing strategy. A strategic housing market assessment demonstrates that a housing market exists in the area (the ‘Nottingham Outer Housing Area’), and Ashfield and Mansfield run a joint Home Improvement Agency. Mansfield is also working on a housing project with Bolsover District Council. The Meden Valley Making Places project, which began in 2000 involving 11 neighbourhoods across the two districts, focuses on local community regeneration.

**At a more macro level, Ashfield and Mansfield work together with other authorities in Nottinghamshire on a range of issues within the Local Area Agreement (LAA).** Ashfield, Bassetlaw, Mansfield and Newark and Sherwood District Councils, Broxtowe and Gedling Borough Councils, Nottinghamshire County Council and EMDA are all partners (amongst other local authorities, public, private and voluntary organisations) of the Nottinghamshire Partnership LAA, which works together to “build a strong and sustainable as well as socially just economy within Nottinghamshire”. The partnership also includes the Ashfield Partnership and the Mansfield Area Strategic Partnership and demonstrates the degree to which each Local Authority in the region overlaps at a strategic level. Ashfield and Mansfield are also a strategy area for the North Nottinghamshire Local Transport Plan.

#### **Box A: Summary of projects and partnerships**

- **Local Enterprise Growth Initiative** is being taken forward in a partnership between Bolsover, Mansfield, and Ashfield aiming to release the productivity and economic potential of the local area through enterprise and investment.
- **Alliance North Midlands** is a marketing brand for the North Midlands, a legacy of the Alliance SSP and its predecessor, the Coalfields Alliance.
- **Greater Nottingham Partnership** manages the Single Programme Funding, which covers Nottingham and the surrounding districts of Gedling, Broxtowe, Rushcliffe and Hucknall in Ashfield. In 2001 the partnership took on the EMDA sub-regional role.
- **Interim Nottinghamshire Economic Development Partnership** is responsible for managing the transition of responsibilities and functions of the Alliance SSP to North Nottinghamshire.
- **Mansfield Ashfield Regeneration Route** is the largest joint regeneration project undertaken in the sub region and links Newark and Sherwood to Ashfield and Mansfield through the regeneration route.
- **Sherwood Growth Zone Partnership** preceded the MARR partnership.
- **Meden Valley Making Places** is a jointly run initiative by the Homes and Communities Agency, EMDA (East Midlands Development Agency), Bolsover District Council and Mansfield District Council to regenerate the area.
- **Nottinghamshire Partnership Local Area Agreement** brings together Ashfield, Mansfield and its surrounding districts to support holistic economic development.

## **2.4 Summary**

<sup>20</sup> [www.nottinghamshire.gov.uk](http://www.nottinghamshire.gov.uk)

Ashfield and Mansfield have become more economically diversified over recent years, although much of the employment growth in the area has been driven by the public sector. Ashfield and Mansfield share a common industrial past with their surrounding districts and manufacturing remains an important source of employment across the study area. The business services sector saw the highest growth within the private sector. The overall industrial profile of the area, which is less knowledge-intensive, is reflected in the economic productivity of the area which is lower than both the regional and national averages. The nature and scale of the impacts of the recession have been driven to a significant degree by workforce skills and industrial profile: Mansfield and Ashfield areas which have a high proportion of manual and less skilled jobs and concentration of manufacturing firms have been hit hard. Both remain important employment centres within the sub region, although smaller in scale and less diverse than the region's key cities. Recognising shared challenges and opportunities and the mutual benefits that can be derived, local authorities in the area are increasingly working together in collaboration.

### 3.0 Economic links between Ashfield and Mansfield

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**Before examining Ashfield and Mansfield's economic links with surrounding areas, this section focuses on the economic links between the main urban centres within Ashfield and Mansfield.** As seen in the previous section Ashfield and Mansfield clearly have many common characteristics, both positive and negative. Within Ashfield and Mansfield, Mansfield town and Sutton-in-Ashfield can almost be considered as part of the same contiguous built-up area, with an unbroken chain of economic activity between the two. However, other areas within Ashfield and Mansfield have less strong connections. With examination of the labour market links and potential firm links at the level of individual urban centres, it is possible to develop a more detailed picture of the economic relationship between Ashfield and Mansfield.

#### 3.1 Commuting links between Ashfield and Mansfield

**Analysis of Mansfield residents travelling to work outside the district shows that the highest proportion commute to Ashfield (14%).**<sup>21</sup> As might be expected given its close proximity, the majority of Mansfield's residents working in Ashfield work in Sutton-in-Ashfield (72% of those commuting to Ashfield, or nearly 11% of total residents).<sup>22</sup> A smaller proportion of Mansfield's residents work in Kirkby-in-Ashfield (18%) and Mansfield also has some labour market links with Newark and Nottingham.

**Mansfield's residents commute to work in Ashfield in a range of occupations.** A high proportion of those commuting to Sutton, for example, work as process, plant and machine operatives. In contrast, a high proportion of commuters to Kirkby work in skilled trades and as process, plant and machine operatives. This is perhaps related to the skills profile of the area, but it is also a reflection of the interdependencies and proximity between the two economies; each is specialising in different industries.

**Analysis of knowledge workers commuting into Ashfield shows that the highest number travel from Mansfield.** A high proportion of knowledge workers commuting from Ashfield to Mansfield are associate professionals. The breakdown of those commuting from Ashfield and Mansfield by industry shows that a high proportion work in the manufacturing sector (and primary industries) and health and social work. In the latter sector, the majority are likely to be travelling to work at the King's Mill Hospital. Given the occupational profile of commuters and the high percentage of associate professionals, a large number of these are likely to be nurses.

**Ashfield is less self contained than Mansfield and has strong labour market links to Mansfield.** Nearly 6000 people commute to work in Mansfield or 11.3% of total residents. Again reflecting the interdependencies between the two districts, residents commute to work in a range of occupations and industries. Just under a third of residents commuting to Mansfield from Ashfield are knowledge workers and, of the other occupations, a slightly higher proportion work in administrative or skilled trades occupations. The highest proportion of those commuting to Mansfield from Ashfield work in the manufacturing sector (and primary industries) and retail and wholesale.

**A large proportion of Ashfield's residents commuting to Mansfield work in either Portland (33%) or Sherwood (14%) wards, which include Mansfield town and the main retail area.** Of those working in Portland, a relatively high proportion (compared to the national average) work in administrative, skilled trades, process, plant and machine operatives, and elementary occupations. Of those working in Sherwood, a relatively high proportion work in administrative and sales and customer service occupations (perhaps in the town centre).

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<sup>21</sup> Annual Population Survey, 2004

<sup>22</sup> Census 2001

**Ashfield also has strong labour market links to Nottingham with 18% of residents commuting to work in the city.** These links are particularly strong in the southern part of the district around Hucknall, which is part of the Greater Nottingham Partnership. Recent improvements in transport infrastructure such as the Robin Hood train line and tramway system have facilitated these labour market linkages. Hucknall also falls within the city's housing market planning area.

### 3.2 Potential firm links between Ashfield and Mansfield

In order to assess the potential firm links between Ashfield and Mansfield, this section examines patterns of sectoral specialisation<sup>23</sup> and employment at ward level within the main urban centres.

**In terms of sector specialisation the greatest similarities are between Mansfield town<sup>24</sup> and in Sutton-in-Ashfield.<sup>25</sup>** Both are centres for retail: 44% of employment in Mansfield town and 27% of employment in Sutton-in-Ashfield is within the retail sector. Both towns have concentrations employment within the manufacturing sector too, although Sutton-in-Ashfield has a larger concentration of employment in a more diverse range of sub-sectors (food, metals, textiles, plastics). Both centres have employment in the manufacture of electrical equipment. Construction is also a key sector in both centres. There may be opportunities, then, to develop firm links between the two centres.

**Kirkby-in-Ashfield is less similar to Mansfield town but there may be opportunities to develop firm links with Sutton-in-Ashfield.** Both Sutton-in-Ashfield and Kirkby-in-Ashfield have clusters of employment in the metals manufacturing industry and logistics which could facilitate supply chains and firm relationships. Kirkby-in-Ashfield also has a concentration of employment in wholesale which may complement retail activities in both Sutton-in-Ashfield and Mansfield town, also potentially strengthening firm relationships.

**Sector specialisation in Annesley and Hucknall in the south of the Ashfield district, is more similar to specialisations found in Nottingham.** There is a concentration of higher value business services in Annesley including accountancy, IT and head offices and Nottingham is a hub for these types of business activity within the sub region. In addition, there are concentrations of employment in advanced manufacturing in both Annesley and Hucknall (in the manufacture of aircraft and spacecraft) and there is some employment in this sector in Nottingham. The University of Nottingham is also one of the top academic institutions in the UK for aeronautical engineering. To a degree the similarities in sector specialisation demonstrate the connections between areas within the south of Ashfield and Nottingham. It is also important to consider the potential linkages that Hucknall and Annesley have with Derby due to its Rolls Royce plant.

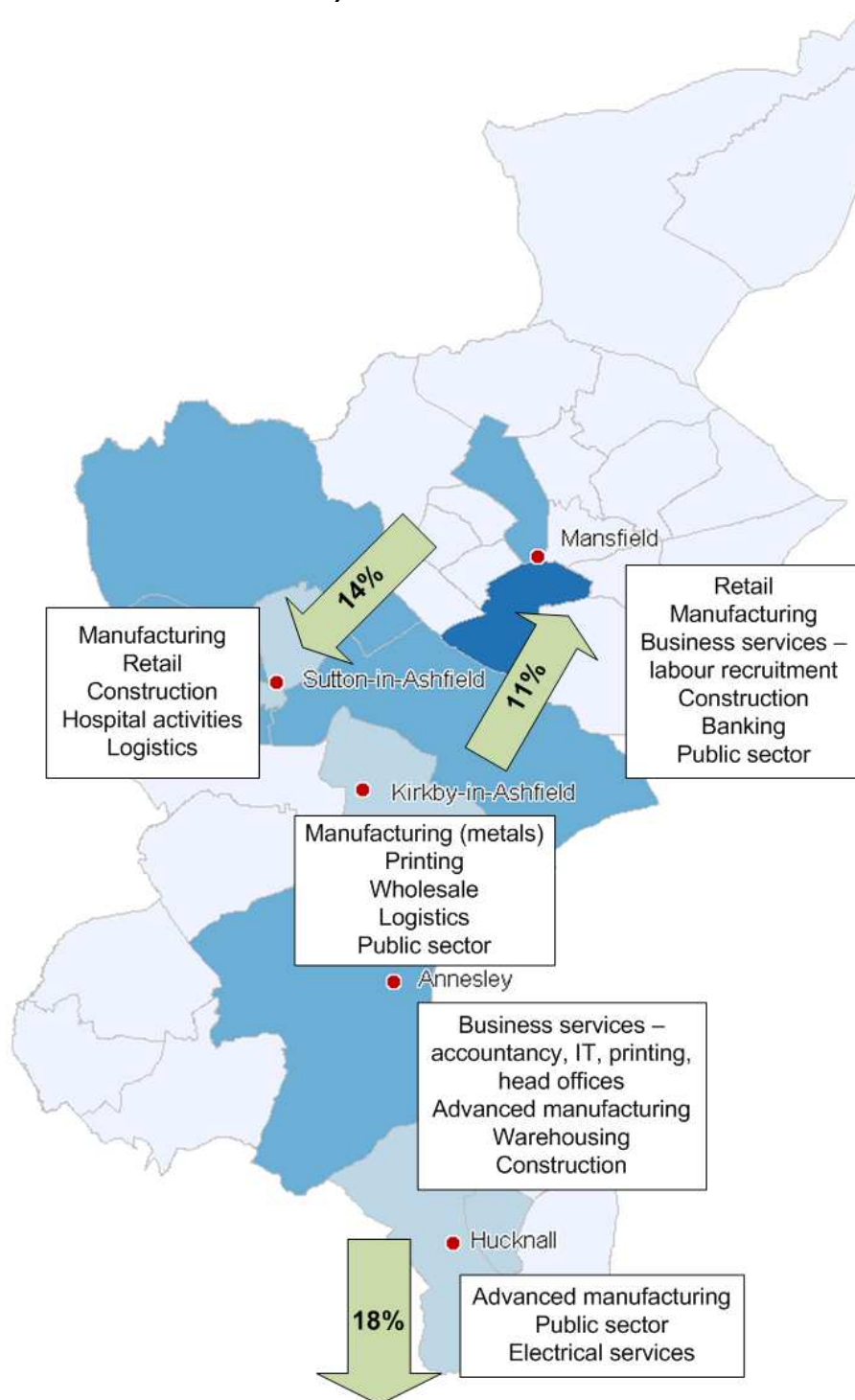
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<sup>23</sup> Sectoral specialisation is identified using location quotients

<sup>24</sup> Mansfield town is defined as Portland and Sherwood wards

<sup>25</sup> Sutton-in-Ashfield is defined as Sutton in Ashfield Central, Sutton in Ashfield East, Sutton in Ashfield North, Sutton in Ashfield West wards

**Figure 3.1: Economic Relationships between Ashfield and Mansfield (with strongest labour market links at district level)**



Source: ABI 2008 and APS 2004

### 3.3 Summary

Within Ashfield and Mansfield local authority areas, there are clear interdependencies between Sutton-in-Ashfield and Mansfield town. The strong labour market links across a range of occupations are a reflection of these links and there are also potential firm links between the two towns. The level of interdependency between the two areas at district level is less strong, with

## Ashfield and Mansfield City Relationships

Ashfield's economic relationships pulling south as well as towards Mansfield. The following sections look in more detail at Ashfield and Mansfield's relationships with the surrounding areas.

## 4.0 Wider Labour Market Links

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**Commuting patterns across the wider East Midlands highlight the polycentric nature of the region, as well as the significance of the five largest cities as employment centres.**

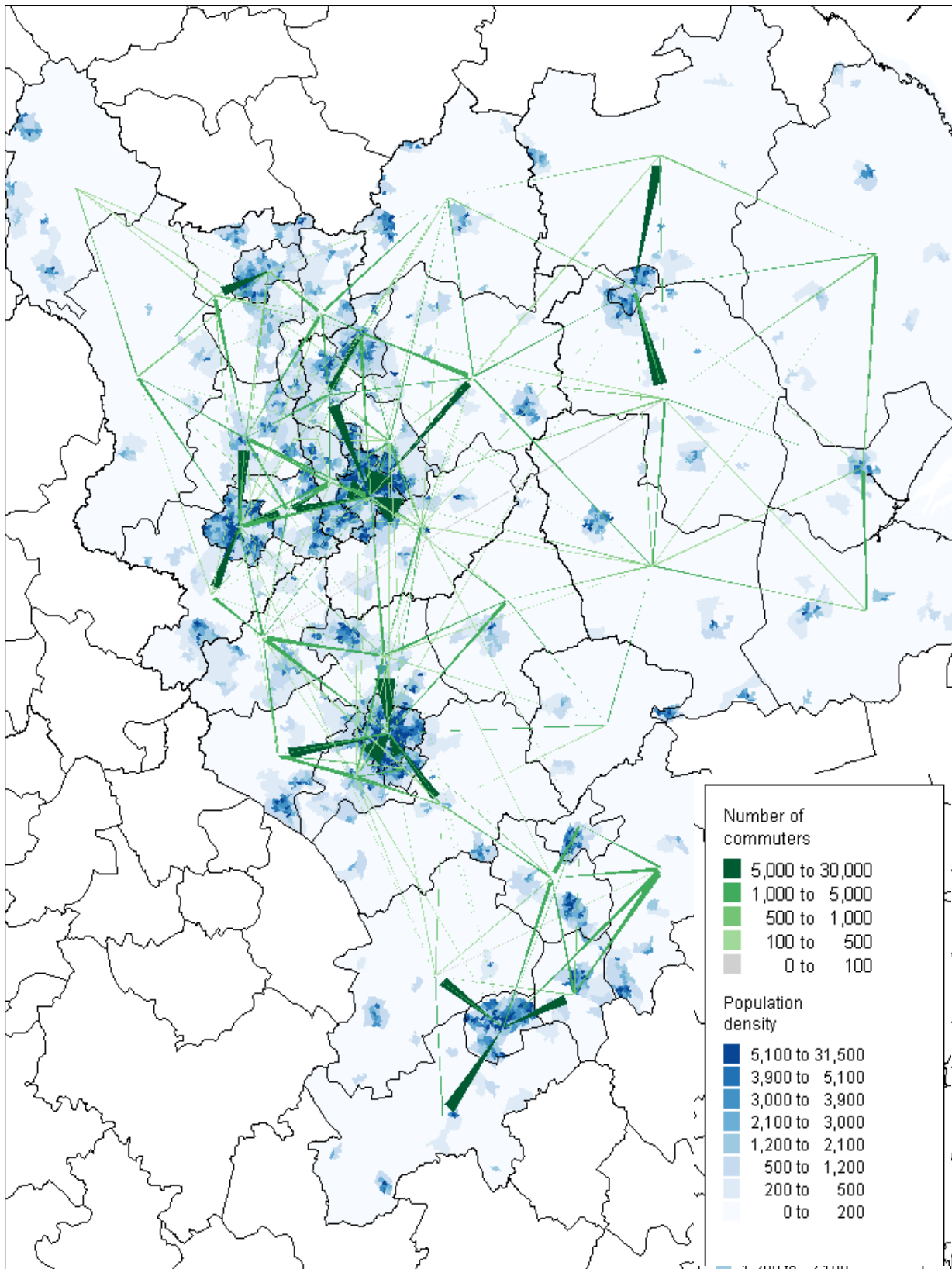
Nottingham, Leicester, Derby, Northampton and Lincoln all experience the highest net in-commuting in the region (see Figure 4.1). A reflection of its comparative economic strength, Nottingham experiences the highest levels of in-commuting both in absolute terms, and as a proportion of employment in the city.<sup>26</sup> In contrast, net out-commuting is highest in some of the areas surrounding Ashfield and Mansfield, including Gedling, Rushcliffe and Bolsover. Many of these areas send workers to Nottingham: the majority of workers living in Gedling commute to work in Nottingham (53% of total commuters). Other districts in the south east of the study area also have strong labour market links with Nottingham, including Broxtowe (36% commute to Nottingham) and Newark and Sherwood (12.6% commute to Nottingham).

**At the regional level, a map of commuting links illustrates the interdependency between Ashfield and Mansfield in labour market terms, but it is also clear that the two districts do not have the same labour market pull as some of the region's larger cities.** Mansfield is a net importer of labour, but not on the same scale as Nottingham. Of the surrounding areas' resident populations, the highest proportions commuting to work in Mansfield travel from Ashfield (11.3% of total residents), Newark and Sherwood (9.2% of total residents), and Bolsover (6.3% of total residents). Whilst net out-commuting is higher in Ashfield, the district still provides employment for a significant proportion of residents in Mansfield (13.5% of total residents) and Bolsover (6.1% of total residents). Levels of self-containment and commuting into Ashfield have dropped, however, indicating a fall in labour demand over the last two years of the economic downturn.

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<sup>26</sup> East Midlands Development Agency, The East Midlands in 2009

Figure 4.1: Commuting in the East Midlands, 2004



Source: Annual Population Survey and Neighbourhood Statistics, 2004

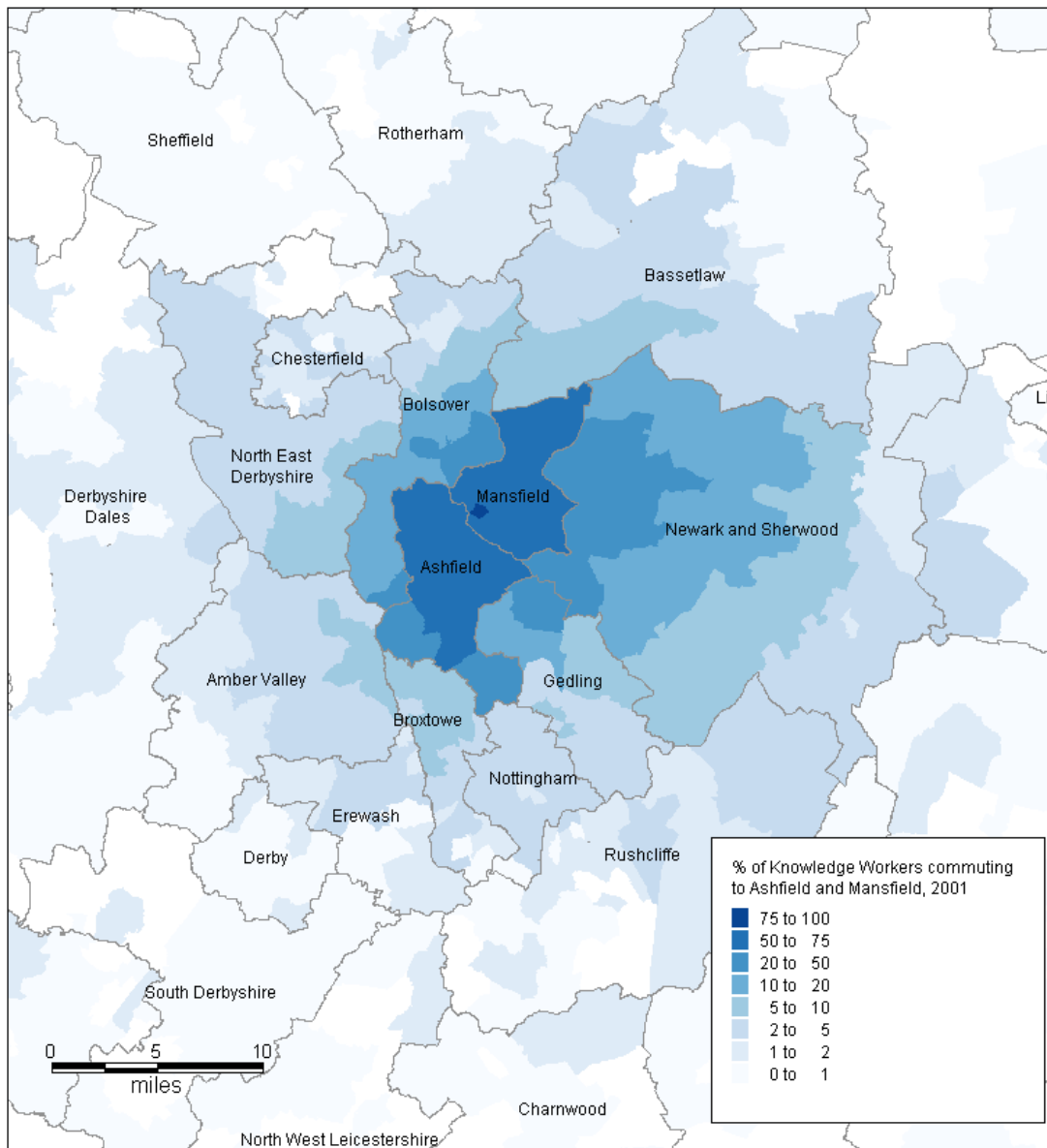
#### 4.1 Knowledge worker travel-to-work patterns

**Labour market links are not only influenced by socio-economic characteristics but also by the characteristics of the built environment, the quality of life offer and the quality of transport links.** Skilled workers themselves base their location decisions not only on job opportunities but also on the availability of adequate housing and amenities. Understanding local and regional imbalances in housing and workplace earnings and how this affects location decisions is critical to understanding how neighbouring cities and towns interact with each other. These place attributes will affect both commuting patterns and migration patterns across the study area.

**Knowledge workers tend to be more mobile and this is reflected in the commuting patterns into Ashfield and Mansfield.** Figure 4.2 below illustrates the travel-to-work area for knowledge workers employed in Ashfield and Mansfield. Compared to the map of overall levels of in-commuting (see Figure 1.3), the footprint extends further east into Newark and Sherwood, and to the south and south west to Amber Valley and Broxtowe. The map illustrates that people on higher incomes tend to be willing to commute longer distances to access the housing and quality of life they desire. These patterns are also evident when looking at knowledge worker commuting patterns to Nottingham, which employs a larger number of people in knowledge-intensive jobs; areas such as Broxtowe are also attractive to knowledge workers commuting to the city.

**Of the knowledge workers in the districts surrounding Ashfield and Mansfield, the highest proportion travelling to work in either Ashfield or Mansfield live in Bolsover (5.9% of knowledge workers travel to Mansfield) and Newark and Sherwood (6.3% travel to work in Mansfield).** The latter, with a strong housing and quality of life offer, is also an attractive location for knowledge workers commuting to work in Nottingham (14% of knowledge workers resident in Newark and Sherwood commute to work in the city). Knowledge workers in Bolsover are more dependent on surrounding areas for higher value, knowledge-intensive jobs than in other parts of the East Midlands (only 30% of knowledge workers live and work in the district, compared to 46% in Newark and Sherwood). Examining the occupational breakdown of those travelling to Ashfield and Mansfield, a high proportion travelling from Broxtowe and Gedling to work in the two districts are knowledge workers, reflecting the skills profile and the quality of life offer in the two districts.

**Figure 4.2: Ashfield and Mansfield’s travel-to-work area for knowledge workers (ward level), 2001**



Source: Census 2001

## 4.2 Role of housing and quality of place offer

### Housing

**There is a clear divide between the housing and quality of life offer in the south east and the north west of the sub-region.** The sub-region varies from “the ‘rural idyll’ of some of the villages in the south and east of the county to the industry-affected settlements in the north and west”.<sup>27</sup> House prices are highest in the south and east (Amber Valley, Broxtowe, Gedling, Newark and Sherwood), reflecting higher demand and a higher quality of stock. These areas also have the highest proportion of owner occupied housing and the highest proportion of detached housing.

<sup>27</sup> The North Nottinghamshire Local Transport Plan

**In contrast to the south east of the area, and reflected in the average house prices, the supply of housing in the north and west (Bolsover, Bassetlaw, Ashfield, Mansfield and Nottingham) is of lower quality.** This is reflected in the East Midlands Housing Strategy 2004-2010, which states that: “the process of industrial decline has left the sub-region with an oversupply of housing, particularly of social housing and traditional terraced housing which is often in poor condition and contributes to unattractive environments, and renting is also proportionally higher. There is a lack of higher quality housing in the area”.<sup>28</sup> Within the north west of the sub-region, Bassetlaw, Bolsover and Mansfield have the highest rates (all above the national average) of local authority dwellings falling below the ‘decent home standard’.

**Ashfield and Mansfield have the lowest priced housing in the study area.** Average house prices in Ashfield (£119,413) and Mansfield (£120,428) are much lower than the national average (£220,310) and the two areas have the lowest house prices in the wider region.<sup>29</sup> Several interviewees highlighted that the housing and quality of life offer in the two districts – with the exception of areas such as Berry Hill in Mansfield – does present a challenge in attracting knowledge workers to the area. Whilst housing is more affordable in Ashfield and Mansfield, low house prices also reflect the supply of housing which may be less attractive to more mobile knowledge workers.

### *Quality of Life*

**Although the price and quality of housing can play a significant role in influencing where people want to live and work, there are wider quality of life variables, such as crime, the quality of schooling and health, that can play an equally influential role.**

**The area offers good access to countryside and attractive places to live, with North Nottinghamshire in particular having good access to the Peak District National Park and the Sherwood Forest.** The sub region is predominantly rural and this can be particularly attractive to individuals with young children. The East Midlands is also home to England’s largest site of specific scientific interest (the Wash), areas that represent the country’s very best wildlife and geographical sites, and 10% of the region’s land is covered by a designated area. There are also above average visits to heritage sites in the East Midlands.<sup>30</sup>

**However, the area faces challenges to its quality of life. For example, analysis of the Index of Multiple Deprivation in 2007 shows that Ashfield and Mansfield are amongst the most deprived local authorities in the country.** Nottingham, however, as the 13<sup>th</sup> most deprived local authority in the country, has higher levels of deprivation. Within the region 16.6% of the regional population live in deprived areas compared to the English average of 20%<sup>31</sup>, but a north/ south split can be observed (the north being the most deprived). This is also true of the study area. Mansfield (where 42.4% of the LSOAs are in the most deprived 20% of LSOAs in England) and Bolsover (31.3%) in the north are more deprived than the districts in the south such as Gedling (2.6%). Within the East Midlands, pockets of higher deprivation are concentrated around the larger towns and the coalfields areas. In contrast Blaby, Rushcliffe, Rutland, Harborough and South Normanton - all falling outside of the study area - are amongst the least deprived districts in England.<sup>32</sup>

**The East Midlands as a whole also has higher rates of poverty than the national average (with 20% of residents living in poverty in 2006/2007).** Child poverty is higher in the East Midlands too. In 2007 the proportion of children living in households where out-of-work benefits are received was significantly higher in parts of Nottingham, Derby and Leicester, and in

<sup>28</sup> <http://www.gos.gov.uk/497296/docs/191913/232488/288818/strategy>

<sup>29</sup> Land Registry 2009

<sup>30</sup> EMDA, The East Midlands in 2009

<sup>31</sup> EMDA, The East Midlands in 2009

<sup>32</sup> EMDA, The East Midlands in 2009

Bassetlaw, Bolsover and Mansfield.<sup>33</sup> The life opportunities of younger people in the region are further constrained by relatively low educational achievement and participation. On average, 47.2% of pupils in Nottinghamshire secondary schools scored 5 GCSEs at A\* to C including English and Mathematics, less than the national average of 49.8%. Nearly six in ten (57.4%) of secondary schools with over 30 pupils in Nottinghamshire failed to achieve the national average.<sup>34</sup> Only 67% of 16 and 17 year olds in the East Midlands were in full time education in 2006 compared to the national average of 72%. Despite this, the regional average for NEETs was lower in 2008 than national levels.

**Crime is another challenge to quality of life in the Ashfield and Mansfield area, with higher crime rates in Nottinghamshire than the national average.** The risk of household crime in 2007/2008 was 21% in Nottinghamshire, compared to the national average of 17%. Within the East Midlands, household crime rates are highest in Northamptonshire at 21%, compared to the regional average of 17%. The highest offences rate against property and possession are in Nottinghamshire, however (90 per 1000 population).<sup>35</sup>

**Access to public services is also an issue for Ashfield and Mansfield when seeking to attract residents.** Research conducted by the National Centre for Social Research in 2009 demonstrates that access to key services is limited in the East Midlands. Smaller proportions of the residents of the East Midlands live within 15 minutes journey time of the nearest chemist or GP surgery compared to national averages. This is in part due to the remote rural nature of many parts of the region, which are less well linked to the main road network.<sup>36</sup>

**In addition, whilst the East Midlands as a whole has relatively low levels of health deprivation, Mansfield, Nottingham and Bolsover are amongst the most health deprived areas in England.** 69.3% of the LSOAs in Nottingham, 57.6% of the LSOAs in Mansfield and 56% of the LSOAs in Bolsover are among the most health deprived 20% of English LSOAs. The East Midlands as a whole has just 18% of the most health deprived LSOAs in the country. The three local authority areas are 'the most health deprived areas where wider determinants of health such as poverty, poor educational outcomes, unemployment, poor housing, and the problems of disadvantaged neighbourhoods appear also to be concentrated'.<sup>37</sup> Nottingham, Bolsover, Lincoln, Leicester and Corby are also part of the Spearhead group (among the worst quintile in England for at least 3 of 5 selected indicators: male and female life expectancy; death rates in people aged less than 75 years for cancer and circulatory disease, and the Index of Multiple deprivation for 2004<sup>38</sup>). Ill health in the East Midlands has an economic impact as well as a social impact: 'in 2006/2007, productivity losses due to ill health were estimated to be £802 million in the East Midlands'.<sup>39</sup>

### *Migration*

**The housing and quality of life offer, combined with the employment offer, influences migration patterns, as well as commuting patterns.** Between 2007 and 2008 both Ashfield and Mansfield experienced a small net inflow of people. There was a net outflow of 16-24 year olds from the districts surrounding Ashfield and Mansfield: Amber Valley, Bassetlaw, Broxtowe, Gedling, and Newark and Sherwood. Amongst this age group, migration out of Ashfield and Mansfield appears to be balanced by migration into the two areas. Nottingham (with two universities) was the only local authority that saw a net inflow of 16-24 year olds, despite it also

<sup>33</sup> EMDA, The East Midlands in 2009

<sup>34</sup> Based on the secondary school league table for 2009

<sup>35</sup> EMDA, The East Midlands in 2009

<sup>36</sup> EMDA, The East Midlands in 2009

<sup>37</sup> EMDA, The East Midlands in 2009

<sup>38</sup> EMDA, The East Midlands in 2009

<sup>39</sup> EMDA, The East Midlands in 2009

being the only local authority that saw an overall net outflow. Nottingham may then act as a magnet for young people within the sub region. Reflecting labour market demand and the quality of the housing offer, the highest migration inflows were into Nottingham (19,600), Broxtowe (6000), Gedling (5,500) and Newark and Sherwood (5,000). As people climb up the career ladder they may move out of Ashfield and Mansfield to areas that offer a higher quality of life, such as Broxtowe, Gedling and Newark and Sherwood.

#### 4.5 Role of transport

**In terms of transport, north and south connections from Ashfield and Mansfield are particularly strong, partly a result of the proximity to the M1 motorway.** These connections are supported by a rail service along the Robin Hood Line from Nottingham to Worksop, where train times are approximately 30 minutes between Nottingham and Sutton/ Mansfield, and a tram system linking Hucknall in Ashfield with Nottingham. In recent years, developments such as the Mansfield Ashfield Regeneration Route have improved links between the M1 and A1. The proposed development of the Mansfield interchange will facilitate greater linkages with surrounding areas. The travel time from both Sutton-in-Ashfield (Ashfield) and Mansfield town (Mansfield) to East Midlands International airport is approximately 30 minutes and train services connect these towns to the city of Nottingham and smaller settlements within the region.

**East and West transport connections from Ashfield and Mansfield, on the other hand, are relatively poor.** Travel by train between Newark and Mansfield can take up to 95 minutes, and 85 minutes between Alfreton and Sutton-in-Ashfield.

**Table 4.1: Journey Times – Sutton in Ashfield**

	Travel Time by Train to Sutton in Ashfield	Travel Time by car to Sutton in Ashfield	Distance to Sutton in Ashfield	Travel Time by Car to East Midlands Airport
Amber Valley (Alfreton)	72 - 85 mins	12 mins	10.1 km	33 mins
Bassetlaw (Worksop)	37 - 38 mins	30 mins	28.3 km	54 mins
Bolsover	n/a	22 mins	15.8 km	46 mins
Broxtowe (Beeston)	49 - 69 mins	28 mins	30.9 km	22 mins
Gedling	n/a	30 mins	26.7 km	37 mins
Hucknall	11 - 13 mins	22 mins	17.4 km	33 mins
Kirkby in Ashfield	3 mins	6 mins	3.4 km	33 mins
<b>Mansfield</b>	5 mins	8 mins	6.1 km	37 mins
Newark and Sherwood (Newark)	77 - 89 mins	35 mins	36.9 km	49 mins
Nottingham	27 - 33 mins	26 mins	27 km	24 mins

Source: National Rail and AA Route Planner, 2010

**Table 4.2: Journey Times - Mansfield**

	Travel Time by Train to Mansfield	Travel Time by car to Mansfield	Distance to Mansfield	Travel Time by Car to East Midlands Airport
Amber Valley (Alfreton)	82 - 84 mins	16 mins	16.3 km	33 mins
Bassetlaw (Worksop)	31-32 mins	23 mins	23 km	54 mins
Bolsover	n/a	19 mins	13.4 km	46 mins
Broxtowe (Beeston)	58 - 75 mins	31 mins	30.6 km	22 mins
Gedling	n/a	28 mins	24.1 km	37 mins
Hucknall	16 - 18 mins	21 mins	14.2 km	33 mins
Kirkby in Ashfield	8 mins	9 mins	8.5 km	33 mins
Newark and Sherwood (Newark)	82 - 95 mins	32 mins	32 km	49 mins
Nottingham	34 - 39 mins	24 mins	23.8 km	24 mins
<b>Ashfield (Sutton in Ashfield)</b>	5 mins	8 mins	6.1 km	33 minutes

Source: National Rail and AA Route Planner, 2010

**There is a high dependency on the car for travel in Ashfield and Mansfield.** Of the working population in 2001, the favoured method of travel to work in Mansfield and Ashfield was by car or van (61.6% of Mansfield's residents and 60.6% of Ashfield's residents). This is similar to the East Midlands average and is much higher than national levels (54.9%), again likely to be partly because of the relatively rural nature of the region. Interestingly, a greater proportion of Mansfield's (9.2%) and Ashfield's (8.1%) working population travel to work as a 'passenger in a car or van' compared to both regional and national averages.

**One of the reasons for high numbers of passengers may be because, whilst car dependency is high, car ownership in Ashfield and Mansfield is low. This raises questions about the accessibility of employment in the area.** Although the proportion of households with no car or van in the East Midlands as a whole (24.3%) was lower than the English average (26.8%), the picture is quite different in Ashfield and Mansfield. In 2001, 29.3% of households in Mansfield and 28% of households in Ashfield had no car or van. These figures appear to contradict the observation that higher proportions of people travel to work by car or van in these districts but are perhaps consistent with the higher proportion of people travelling as a passenger. Another explanation is that a lower proportion of Mansfield and Ashfield residents who work, work 'at or from home' compared to regional and national averages, meaning more people are travelling to work (the majority by car). In a region in which worklessness is higher than average, it may be that many of those already out of work do not own a car, which would create a further barrier to accessing employment in the area.

**Train and public transport usage is lower in Mansfield and Ashfield compared to the national average.** For example less than 1% of Mansfield's working residents travelled to work by train in 2001 compared to 4.2% in England. Despite buses being the most widely used method of public transport for local journeys across the country, the East Midlands has one of the lowest regional proportions of households within a 13 minute walk of the nearest bus stop (again, down to the rural and remote nature of large parts of the area).<sup>40</sup> However 48% of the population travelling to work in the East Midlands do so in less than 20 minutes<sup>41</sup>, suggesting that there is a preference for working relatively locally and that this is likely to influence relationships between places.

**Access to public transport is limited in parts of the sub region, impacting particularly on those on lower earnings.** The North Nottinghamshire Accessibility strategy states that 'fare levels

<sup>40</sup> National Travel Survey.

<sup>41</sup> EMDA, The East Midlands in 2009

and a lack of integrated ticketing within North Nottinghamshire are a significant constraint for some people on lower incomes'. The strategy suggests that within North Nottinghamshire demand for public transport is highest in Ashfield, parts of Mansfield, and large parts of Bolsover and Bassetlaw. This demand is based on low levels of car ownership and higher rates of deprivation. In terms of supply of public transport, services in the south of Bolsover, north and west Newark and Sherwood, and large parts of Bassetlaw do not meet the Rural White paper standard. There are also no services or bus stops within parts of Mansfield, Newark and Retford. County support for the bus network has improved the supply of public transport in North Nottinghamshire<sup>42</sup> but commercial bus supply is sparser on Sundays, with county supported services providing the majority of service in rural areas and services to Retford, Newark and Worksop.<sup>43</sup> Despite parts of the study area receiving a less than adequate supply of public transport, North Nottinghamshire on a whole performs better than the national average when comparing the percentage of households within 800 metres walk of a bus stop with at least an hourly bus service on weekdays.<sup>44</sup>

#### Method of Travel to Work - Resident Population, 2001

##### Percentage

	Mansfield	Ashfield	East Midlands	England
<b>Works mainly at or from home</b>	7.09	7.15	9.04	9.16
<b>Underground, metro, light rail or tram</b>	0.02	0.03	0.07	3.16
<b>Train</b>	0.97	1.28	0.98	4.23
<b>Bus, minibus or coach</b>	7.01	7.31	6.98	7.51
<b>Taxi or minicab</b>	0.60	0.44	0.41	0.52
<b>Driving a car or van</b>	61.63	60.58	60.38	54.92
<b>Passenger in a car or van</b>	9.18	8.08	6.95	6.11
<b>Motorcycle, scooter or moped</b>	1.02	1.17	1.04	1.11
<b>Bicycle</b>	1.73	2.82	3.27	2.83
<b>On foot</b>	10.38	10.83	10.49	9.99
<b>Other</b>	0.37	0.31	0.39	0.46

**Congestion is also a challenge for some areas: despite commuting accounting for 15% of all journeys in the East Midlands<sup>45</sup>, congestion in North Nottinghamshire can be a problem** particularly in the built up areas and on the A611 (linking Mansfield to Annesley) and A38 (linking Mansfield to junction 28 of the M1 and running through Ashfield) during rush hours. The average number of road trips per person per year in the East Midlands is above the English average<sup>46</sup> and there was an 18% increase in traffic on major roads in the region between 1996 and 2006.<sup>47</sup> A study by Atkins in 2007 on the economic costs of congestion in the East Midlands found that it was around £935 million per annum. There is also relative overcrowding on the rail lines connecting Nottingham to the north of the region<sup>48</sup> (rail patronage in the East Midlands increased by 60% between 1995/1996 and 2005/2006 and the lines<sup>49</sup> are projected to become more overcrowded). This is likely to be due to the relatively lower number of journeys per day compared to other routes in the region. Overall these congestion challenges mean that some individuals and firms may be discouraged from travelling or forming supply chain links within the local area.

## 4.6 Summary

<sup>42</sup> North Nottinghamshire Accessibility Strategy

<sup>43</sup> North Nottinghamshire Accessibility Strategy

<sup>44</sup> North Nottinghamshire Accessibility Strategy

<sup>45</sup> EMDA, The East Midlands in 2009

<sup>46</sup> Department for Transport, 2008, National Travel Survey 2007

<sup>47</sup> EMDA, The East Midlands in 2009

<sup>48</sup> The Rail Utilisation Survey shows that rail lines such as the Robin Hood Line are running at up to 120% load factor and these figures are forecast to increase

<sup>49</sup> EMDA, The East Midlands in 2009

The relative economic strength of local authority areas surrounding Ashfield and Mansfield mean that some areas, such as Bolsover, are more dependent on Ashfield and Mansfield for employment. The variation in the housing and quality of life offer influences choices made by knowledge workers, internal migration patterns, and therefore the supply of highly skilled labour, which is predominately based in the south east of the sub region. The housing and quality of life offer elsewhere in the region creates challenges in terms of attracting knowledge workers and knowledge intensive businesses.

Overall Ashfield and Mansfield's transport links are reasonably supportive of links between places, but somewhat inhibited by the largely rural nature of the sub-region and low levels of car ownership. Yet even the strongest transport networks, whilst they can underpin complementary economic relationships, are not the only condition on which complementary relationships depend. Complementary relationships are also affected by wage differentials, access to employment opportunities or patterns of sectoral specialisation. More highly skilled workers, for example, often find a way to overcome transport barriers if they need to. In contrast, lower skilled workers who cannot access higher paid jobs by travelling will often not take advantage of very strong transport networks (London is a good example of this); merely providing transport links will not necessarily improve the local economy. For transport improvements to be most effective, they should therefore go hand-in-hand with other policy initiatives strengthening local demand for labour or fostering local supply chains.

## 5.0 Firm Links

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**Labour market links provide strong insights into relationships between Ashfield and Mansfield but the other key feature of the economic relationships between Ashfield and Mansfield and surrounding areas are the linkages developed by firms as they undertake their business activities.**

**One way of examining current complementarities is to examine how patterns of sectoral specialisation vary across areas and how they have changed over time and to assess where there may be potential to foster greater economic relationships.**<sup>50</sup> This section examines patterns of sectoral specialisation and employment in Ashfield and Mansfield and the wider study area (Broxtowe, Bassetlaw, Gedling, Nottingham, Amber Valley, Bolsover, and Newark and Sherwood) to assess where there is greater potential for complementary links. For example, if an area has become increasingly specialised in advanced producer services or producer services likely to have supply chain relationships, this suggests there is potential for the two areas to foster stronger economic relationships.

**Using analysis of sector specialisation indicates possible links but does not confirm that these opportunities have been capitalised upon; this is why we have investigated two sectors in more detail through interviews: business services and healthcare.** These sectors were chosen in consultation with Ashfield and Mansfield local authorities and according to several criteria, including potential future growth or importance in terms of employment. Within each of these sectors we have held business interviews with the aim of understanding current business linkages better and gaining a more detailed understanding of the external business environment.

**In terms of growth opportunities, business services and healthcare have been identified as key sectors for both Ashfield and Mansfield.** The health sector in both Ashfield (10.2% of total output) and Mansfield (8%) makes up a greater share of the local economy than the national average (7%), whilst business services are forecast to 'play an increasing role' in Ashfield and Mansfield.<sup>51</sup> In 2006 business services (12.4%) made up the largest proportion of output in Mansfield and health was the second largest sector by output in Ashfield.<sup>52</sup>

### 5.1 Sector specialisation

**The economic history of Mansfield and Ashfield and its surrounding area (dominated by coal mining and textiles) has influenced its current industrial profile and the sector specialisations that exist therein.** In terms of employment in 2008, construction and manufacturing made up a large share in Ashfield. Mansfield has a large employment share in retail, construction and public administration, and there are considerable logistics operations embedded within the surrounding area, which are heavily promoted due to its central location and access to key transport arteries. Another economic characteristic is the presence of a large SME base.

**Due to the nature of the economic activity in the study area, and the consequential dispersal of employment around the area, the potential to derive agglomeration benefits is relatively limited.** Sector specialisations in Ashfield and Mansfield are not particularly 'agglomeration sensitive', meaning they derive below average benefits from being located in or

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<sup>50</sup> This section draws on Tables 8-14 in the Annex that detail 4-digit SIC code sectors in which each of the seven local authorities had over 500 employees at three distinct points in time. They also indicate if the local authorities were specialised (compared to the GB average) in that sector at that point in time.

<sup>51</sup> Experian. (2009) *Ashfield and Mansfield: economic analysis*

<sup>52</sup> *ibid*

near a big city. Ashfield and Mansfield score lower than the national average for employment in sectors that are significantly responsive to agglomeration and well above the national average for sectors that respond negatively to agglomeration. Within the surrounding area only Bolsover has a higher score than Ashfield for employment in sectors that do not benefit from agglomeration.

**Despite the fact that even today there are a relatively low number of four-digit SIC code sectors employing over 500 people, the economies of Mansfield and Ashfield have diversified in recent years.** For example, Mansfield has become a sub regional centre for the retail sector. Mansfield has specialisations in the installation of electrical fittings, and regulation activities, and a longer standing specialisation in technical and vocational secondary education. Ashfield (the more diverse of the two districts) has some growing specialisations in accounting and book keeping, light manufacturing, the installation of electrical fittings, distribution of electricity and printing, and longer standing specialisations in advanced manufacturing (indeed Rolls Royce is located in Hucknall) as well as logistics.

Bolsover has diversified in recent years away from traditional industry. A corridor of warehouses has developed between Ashfield and the M1 that has led to specialisations in freight transport in Bolsover, and new businesses have located in the district such as the headquarters of SportsDirect. More recent specialisations also include general construction and engineering. Longer standing specialisations in the district include the wholesale of pharmaceutical goods which could be indicative of a healthcare cluster in the area (with links to Ashfield). There may also be opportunity to foster complementary links with Ashfield in advanced manufacturing (aircraft and spacecraft) as there is a long standing presence of the sub-sector in Bolsover.

Nottingham is the largest and most diverse employment centre within the surrounding area of Ashfield and Mansfield, and is an economic centre in its own right for the East Midlands. As a 'science city' there are key clusters in pharmaceuticals, science and biotechnology sectors, meaning there are potential complementarities with advanced manufacturing in Ashfield. There is a large business services sector with a growing specialisation in labour recruitment. More recent specialisations include distribution of electricity, insurance, construction, manufacture and production of foods, wholesale, and the city has also retained specialisations in higher education (based on its university presence), data processing, manufacture of games and toys and manufacture of tobacco products.

The district of Newark and Sherwood makes up a large part of Mansfield's travel-to-work area. Although it has its own sub regional centre to the east of the district (Newark), there are similarities based on its shared economic history with Mansfield and Ashfield. Indeed there still remain specialisations in the mining and agglomeration of hard coal. Manufacturing and construction are also dominant in Newark and Sherwood and there are more recent specialisations in health and social work, logistics (61% of employment in this sector made up by freight transport), telecommunications, and sale of motor vehicles.

Bassetlaw to the north of Mansfield is a predominantly rural district and has a similar economic profile, formerly based on collieries. Again, mining remains a specialisation as well as manufacturing, although there are other historic specialisations such as judicial activities, and technical and vocational secondary education. There are more recent specialisations in retail and logistics.

There are no specialisations (based on location quotients) in the Derbyshire district of Amber Valley but there is significant employment in the retail and food manufacture sectors. There is also a large presence in construction and logistics (mainly freight transport). Although there may be

some cross business links with Mansfield and Ashfield in niche manufacturing<sup>53</sup>, businesses in Amber Valley are also pulled to the south of the county (especially to Derby).

Although Broxtowe is a commuter district of Nottingham, long standing specialisations exist in manufacturing (toiletries and food manufacture) and national post activities. There is also a growing specialisation in the wholesale of pharmaceutical goods.

As with Broxtowe, Gedling is a commuter district, situated to the east of Nottingham. Manufacturing, and public security, law and order activities are historic specialisations but there have been some recent specialisations in security based business service activities, regulation activities and plumbing.

### 5.2 Business services

**Business services have been identified as a key growth sector for both Mansfield and Ashfield.** It encompasses a relatively broad set of activities, and for the purposes of this study it has been defined by the 2003 2-digit SIC codes 'computer and related activities' and 'other business activities'. Its share of total output in the Mansfield economy (12.4%) in 2006 was larger than the East Midlands average of 11.9% but lower than the national average. The proportion of total output in Ashfield was 8.2% for business services and the proportion of employment in the sector was lower than both regional and national averages.

**Although business services contribute to a larger share of Mansfield's output than of Ashfield's, it is focussed on less productive sub sectors in Mansfield.** The business services sector grouping is inclusive of both higher value activities such as legal work, and lower value activities such as back office work. In Mansfield, a much higher proportion of employees are found in labour recruitment (51.1% of the total employment for business services) and packaging compared to the regional and national averages. There is a weak presence in computer related activities, management consultancy and advertising but there are no sector specialisations related to business services activities in the district.

**Despite having a relatively smaller presence than in Mansfield, employment in business services in Ashfield tends to be in higher value sub sectors.** In terms of employment, IT and computer industries, and accounting and book keeping services are well represented compared to regional and national averages. However, employment in legal activities, management consultancy, advertising and labour recruitment within the sector make up a smaller presence than the regional and national averages. Accounting, book-keeping and auditing activities have recently become a sector specialisation for Ashfield based on location quotient analysis.

#### 5.2.1 Economic geography

**The geographical distribution of business services within Ashfield and Mansfield and its surrounding area is by no means evenly spread.** Figure 5.2 demonstrates that employment is concentrated in particular in Nottingham City centre, Mansfield town, Newark, and parts of Ashfield and Bolsover.

**This economic geography can be explained by the presence of lower value services such as labour recruitment being commonly found in high street locations, and pockets of higher value business services such as accounting and IT in business parks and innovation centres throughout the sub region.** There is a concentration of employment in accounting and book keeping in the centre of Ashfield (the ward of Woodhouse) which is the location of Sherwood Business Park (at Annesley). This location, as well as the Mansfield Innovation Centre, have been

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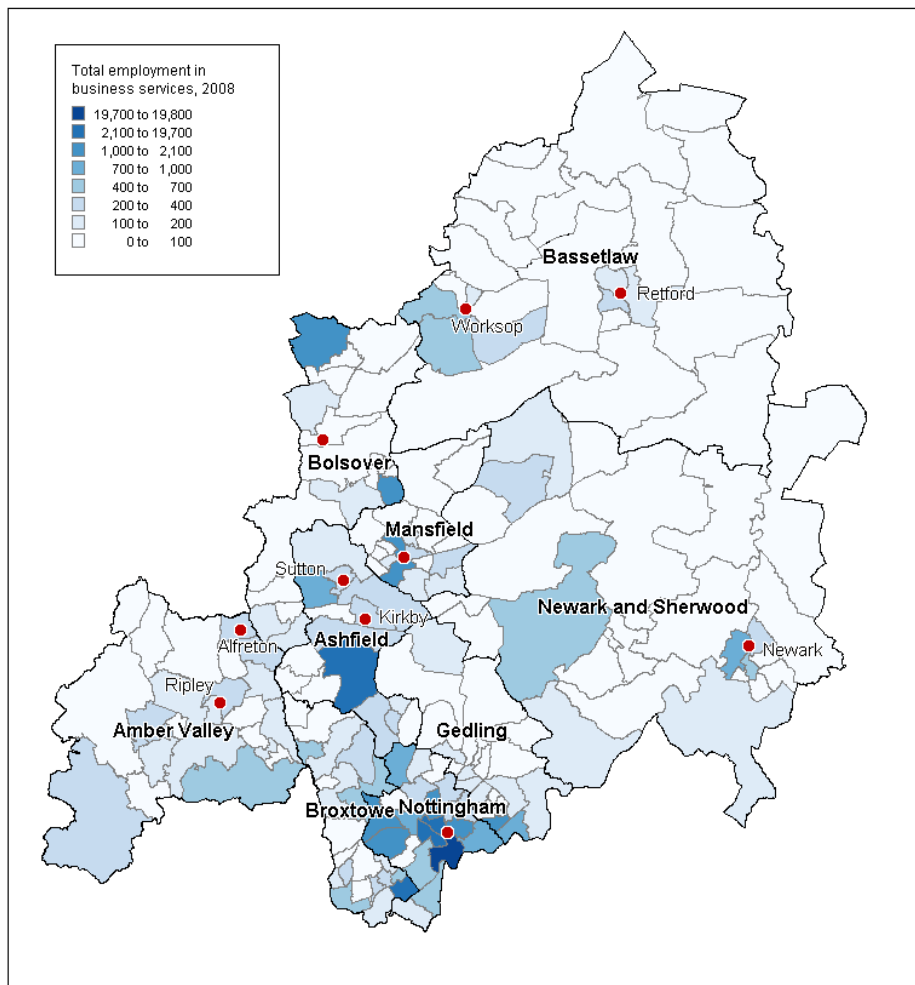
<sup>53</sup> interview

identified as key strategic nodes for ‘spin-off businesses or outsourcing policies’ and for ‘fostering entrepreneurship’, especially given Ashfield and Mansfield’s central location within the country and between major cities such as Sheffield, Nottingham and Derby.<sup>54</sup>

**Of Mansfield and Ashfield’s surrounding area, Nottingham has the highest employment in business services.** The largest sub sectors by employment in the city are labour recruitment and the provision of personnel but there is also a concentration of employment in higher value added sectors including legal activities and computing. Elsewhere in the study area, Bolsover, located to the north of Ashfield has a specialisation in the management activities of holding companies. The second largest concentration of employment in business services by district in the study area is Broxtowe. However employment in the district is dominated by low value added sub sectors such as labour recruitment (38%). Labour recruitment (36%) is again relatively dominant in Gedling but there is a growing sectoral specialisation in ‘investigation and security’ activities (19%).

**Architectural/engineering related business services and technical consultancy are well represented, which may be related to the industrial heritage of the area.** There is minimal employment in business services within Amber Valley, Bassetlaw and Newark and Sherwood although Amber Valley has a relatively high share of employment in software activities and all three districts have concentrations of employment in ‘architectural/engineering activities and technical consultancy’.

**Figure 5.2: Distribution of employment in business services, 2008**



<sup>54</sup> Experian, 2009, Ashfield and Mansfield: Economic Analysis

Source: Annual Business Inquiry, 2010

### 5.2.2 Supply chain linkages

**Ashfield and Mansfield are well placed both within the region and the country to play strategic roles as locations for spin off businesses and outsourcing policies.** There are a number of business parks in the sub region that can play a role in such activities. Sherwood Business Park for instance is considered a hub for knowledge-intensive businesses and its proximity to Nottingham may be beneficial in terms of developing greater supply chain linkages. Evidence from the interviews revealed that being located in innovation centres such as the Mansfield Innovation Centre is beneficial for building contacts and fostering supply chain linkages.

**Supply chains in business services in Mansfield and Ashfield tend to be local.** The supply chain hinterland for business services interviewed for this report extended to Derby, Nottingham and Sheffield, including marketing and design, printing and IT activities. Customers tended to be more locally based, situated either in Ashfield or Mansfield, however some of the larger companies had customers based outside of the region (London and the south east) because 'not many companies in the region are large enough'.

### 5.2.3 Strategic connections

**The local nature of supply chains in Ashfield and Mansfield is in part due to the relatively 'parochial' business links.** There is a relatively small business community with good internal links in Mansfield, but supply chain linkages tend not to be very strong outside of the local area. Mansfield 2020, for example although responsible for fostering strong relationships between businesses in Mansfield, has limited links with clubs and networks outside of the district. The interviews recognised that informal networking was also key to building supply chains. There are strong informal networks within the private sector with some larger firms relying on local business referral.<sup>55</sup>

**Whilst there is no network with a specific focus on the business services sector there are a number of business networks in the area aiming to support enterprise.** The LEGI partnership between Ashfield, Mansfield and Bolsover, for example, has started to bring small enterprises together, encouraging and highlighting procurement opportunities in the area. This has the potential to have positive effects for the business services community, especially those based in design, marketing, and related activities. There are also a growing number of opportunities for small businesses and business service activities due to the districts' involvement in LEGI with Mansfield and Ashfield; the Greenhouse Project aims to grow small creative and design businesses in the area.

Networks and business clubs within Ashfield and Mansfield, as well as the wider sub region include:

- At a local and more general level, Mansfield 2020 is a business club (originally set up in response to the closure of the pits) that encourages local people to work together and rebuild the town. Although meetings are attended by businesses from the surrounding districts, the only companies to hold membership are those from Mansfield.<sup>56</sup> Some interviewees consider it to be quite 'inward looking'.<sup>57</sup>
- There is a Newark and Sherwood business club, although the network of businesses are not as strong as in Mansfield.

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<sup>55</sup> Interviewee

<sup>56</sup> Interviewee

<sup>57</sup> Interviewee

- The Mansfield Chamber of Commerce is relatively small and attendance at meetings is weak (it was suggested in the interviews that the presence of multiple clubs and networks has diluted connections between businesses).
- Nottinghamshire and Derbyshire Federation for Small Businesses which encompasses 6000 businesses.
- The Nottinghamshire and Derbyshire Chamber of Commerce which is the 3<sup>rd</sup> largest chamber on the country. However, there is only modest membership from businesses within Ashfield and Mansfield, and the two local authorities do not hold membership.

### 5.2.4 Access to labour

**The poor skills profile of Mansfield and Ashfield has made it difficult for local business services to recruit staff.** One local business stated that the labour supply in Mansfield ‘does not offer the skills I need’. In general the majority of support staff positions tend to be recruited from the local area whereas the more specialist and ‘qualified’ positions tend to be taken from people living outside of Mansfield and Ashfield; in some cases Rotherham and Derby. Poor aptitude and attitude inhibit the local labour supply and are given as an explanation for why ‘business services tend to be skewed more towards lower-end activities rather than those requiring cutting-edge technology or knowledge.’<sup>58</sup>

**Both learning providers and employers in the area are working to upskill the existing labour supply to better meet demand.** West Nottinghamshire College is working with some local businesses to raise local talent, actively supporting EMDA’s ‘key drivers’ and sitting on a number of networking partnerships such as Mansfield 2020. Local businesses are also training their own staff in the necessary skills needed (one business in particular stating that the chances of their employees gaining employment elsewhere in the local area are greatly increased after leaving the company).

### 5.2.5 Role of transport

**Mansfield and Ashfield’s central location and transport connections have been identified as important for the success of local business services and developing complementary economic relationships.** From the business perspective, the A1, M1 and rail links allow customers to be reached with relative ease, and the location of certain business services in out of town business parks or innovation centres is beneficial to customers visiting local companies; compared to central Nottingham, congestion is relatively limited. Links between Nottingham (a regional economic centre) and Mansfield have been strengthened by the Robin Hood Line and Tram line. The opening of the MARR in 2004 has been cited by many local stakeholders as key to unlocking the potential of local businesses and attracting investment from enterprises into the area.

## 5.3 Healthcare

**Healthcare has been identified as a key growth sector for Mansfield and Ashfield with output for the sector (as a proportion of total output) making up a greater proportion of the local economy than the regional and national averages.**<sup>59</sup> In employment terms, healthcare (in 2006) made up a larger proportion of total employment than both the regional and national averages, and was the second largest employer in Ashfield (14.3%). The Regional Economic Strategy for the East Midlands 2006-2020 has also identified healthcare as one of four key sectors that are expected to make the greatest contribution to the regional economy (at a regional level

<sup>58</sup> Experian, 2009, Ashfield and Mansfield: Economic Analysis

<sup>59</sup> Experian, 2009, Ashfield and Mansfield: Economic Analysis

healthcare and biosciences accounts 'for 6.9% of GVA, 9.7% of employment, and having a forecasted employment growth of 18.1% and output growth of 47.1%'.<sup>60</sup>

**There is a high concentration of hospital activities in Ashfield and Mansfield.** As with business services, healthcare is broadly defined, comprising of pharmaceuticals, medical technology, red biotechnology and specialist supporting services.<sup>61</sup> The structure of the sector in the East Midlands is reflective of the rest of the UK although there is a larger proportion in the medical technology and specialist services fields.<sup>62</sup> At a more local level it is hospital activities (30.4% of those employed in the sector) and social work that constitute the greatest share of health care services in Mansfield, and there is a larger concentration of employment in medical practice activities compared to the UK average. In contrast, 64.8% of those employed in healthcare in Ashfield work in hospital activities (compared to the UK average of 45.7% in 2006)<sup>63</sup> most likely as a result of the Kings Mill Hospital being located in the district and providing 4000 jobs.

**There is also a concentration of employment in pharmaceuticals in Ashfield and Mansfield.** A much larger proportion of those employed in wholesale in Ashfield are employed in the wholesale of pharmaceutical products compared to Mansfield. There is potential for this sort of activity to link with bioscience activities and associated research which is strong elsewhere in the study area.

**Mansfield and Ashfield, with its abundant land supply and relatively low cost and large labour supply, could be well placed to support both regional and sub regional growth within the health care sector.** Locations such as the Sherwood Business Park and the Mansfield I-centre have the potential to play a role in this development, with the West Nottinghamshire College and Nottinghamshire PCT on Mansfield and Ashfield's patch.

### **5.3.1 Economic geography**

**Within the East Midlands, approximately 80% of healthcare related business is located within the Nottingham, Derby and Leicester triangle.**<sup>64</sup> The geographical profile within the region is characterised by the presence of larger pharmaceutical companies in the south (such as AstraZeneca at Loughborough), supply distribution around Northampton, and consumer healthcare in Nottingham (such as the Boots headquarters). Smaller medical technologies and engineering companies are more likely to be found in the north (Ashfield and Mansfield) influenced by locations such as the I-centre.

**There are key employment sites located across the study area, although Nottingham can be seen as the key driver of the sector both locally and regionally.** Figure 5.3 shows the distribution of healthcare employment in Mansfield and Ashfield and the surrounding area. Key employment sites include hospitals such as Kings Mill Hospital (approximately 4000 employees) in Ashfield, Rampton Hospital (approximately 1900 employees) in Bassetlaw, Bassetlaw Hospital in Worksop, and the Nottingham University Hospitals; but Nottingham can be seen as the key driver of the sector within the region; the 'science city' being home to locations such as Biocity (an incubation centre in central Nottingham of approximately 60 health and bioscience companies). Fresenius Medical Care in Ashfield employs over 500 people in the manufacture of

<sup>60</sup> East Midlands Healthcare and Bioscience Sector Strategy, 2007.

<sup>61</sup> For the purposes of this study the healthcare sector has been defined using the following 2007 SIC codes: 21– Manufacture of basic pharmaceutical products; 32:50 – Manufacture of medical and dental instruments and supplies; 46:46 – Wholesale of pharmaceutical goods; 47:73 – Dispensing chemist in specialist stores; 47:74 – Retail of medical and orthopaedic goods; 72:11 – Research and experimental development on biotechnology; 86 – Human health activities; 87 – Residential care activities; 88 – Social work activities without accommodation

<sup>62</sup> East Midlands Healthcare and Bioscience Sector Strategy, 2007

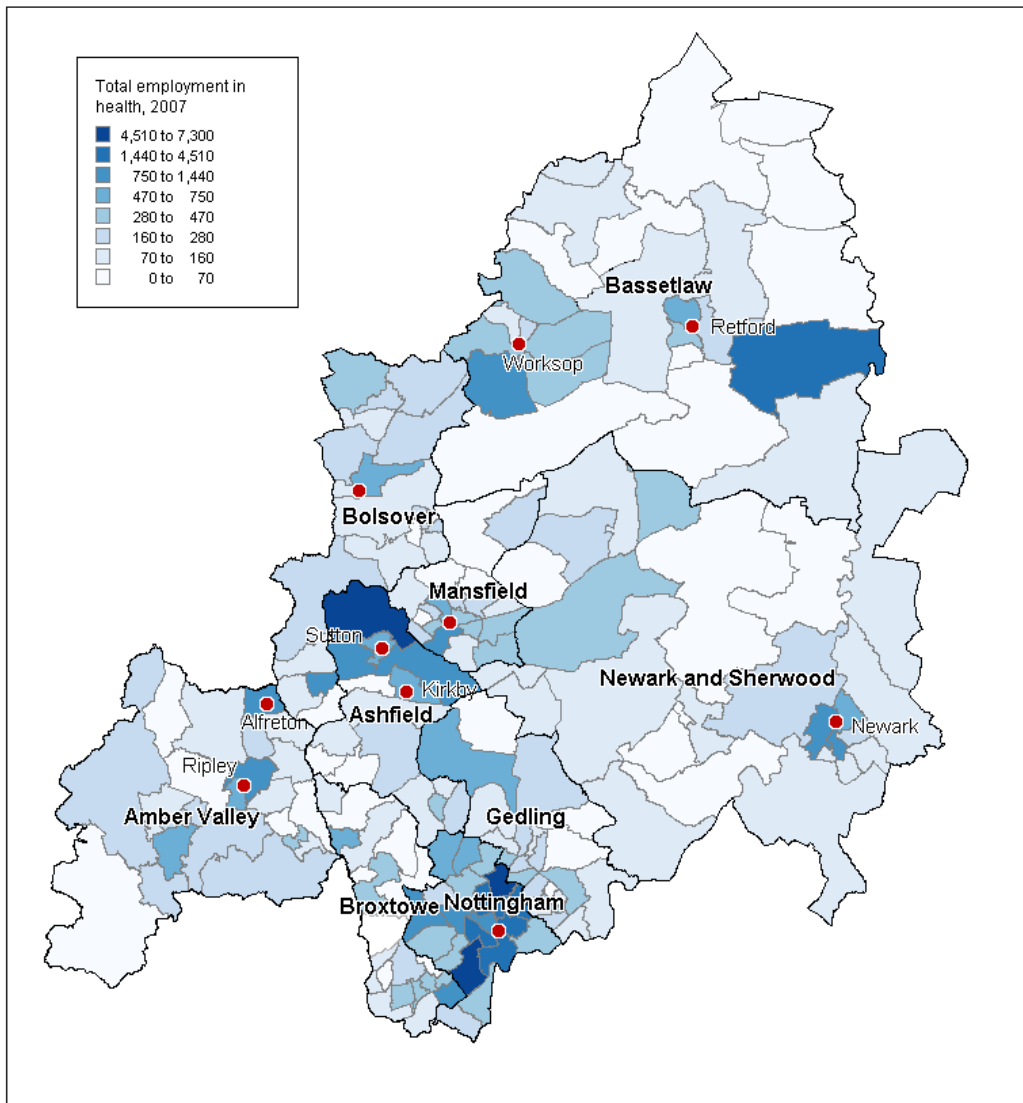
<sup>63</sup> Experian, 2009, Ashfield and Mansfield: Economic Analysis

<sup>64</sup> interview

pharmaceuticals and may be an explanation for the higher than average proportion of employment in the wholesale of pharmaceuticals. The Nottinghamshire PCT is located in Mansfield and the universities of Nottingham and Nottingham Trent, Derby and Leicester provide valuable research capacity in the wider region.

**In general, health and social care are public sector driven but there is some private enterprise in this sub sector and primary care is becoming increasingly driven by the private sector.** Within the study area, Bassetlaw is the 3<sup>rd</sup> highest employer in the health care sector, with 46% of employment in hospital activities. Hospital activities are large employers in Gedling and Nottingham, but social work is the largest sub sector in Amber Valley, Bolsover, Broxtowe (55% of total employment in the health and social work sector compared to the UK average of 36%) and Newark and Sherwood (54%) which is also the 4<sup>th</sup> largest healthcare employer in the study area.

**Figure 5.3: Distribution of employment in the healthcare sector, 2008**



Source: Annual Business Inquiry, 2010

### 5.3.2 Supply chain linkages

**There are clearly opportunities for Ashfield and Mansfield to take advantage of the growing and diverse healthcare sector in the East Midlands, as discussed in the previous section.**

Biocity in Nottingham for example is one of the largest healthcare clusters in Europe and Ashfield and Mansfield is an ideal location for small businesses to grow (low cost land and good connections). There is also opportunity to build on existing supply chains within the sub region and wider region.

**The Kings Mill Hospital is perhaps the most influential healthcare organisation in Ashfield and has the potential to influence supply chains through local procurement.** The recent redevelopment of the hospital presented opportunities ‘for local firms to deliver goods and services around construction and hospital consumables’<sup>65</sup>. Indeed West Nottinghamshire College worked with the hospital and SKANSKA to provide construction jobs for local people. However, although Ashfield District and the surrounding area have employment in the manufacture and wholesale of pharmaceuticals, procurement for pharmaceuticals is centralised (coordinated by NHS logistics), rather than being locally tendered. The Hospital has a big impact on the local economy and attempts are being made to maximise its contribution. One way to do this may be through its Research and Development operations and links to the regional health sector.<sup>66</sup>

**There may also be opportunities to develop supply chain linkages in other parts of the healthcare sector.** Within the East Midlands there is a particularly strong supply chain operating in the development of respiratory drugs (formulation, development and clinical trials). However, one interviewee pointed out that there is a challenge in developing supply chains in the short term within the pharmaceuticals and bioscience sub sectors because developments within these sorts of activities take longer to get to market.

### **5.3.3 Strategic connections**

**Unlike the business services sector, there are relatively strong strategic connections within the healthcare sector that promote the development of local supply chains.** Medilink East Midlands, for example, is a non for profit membership organisation offering business support to the healthcare sector in the East Midlands, facilitating contact making and a network for innovation. The 165 member strong organisation is also part of the Nottinghamshire and Derbyshire Chamber. Medilink supports regional supply chains (an example being intervention around the supply of engineers for AstraZeneca), although it tends to work with smaller companies (which are more common in Ashfield and Mansfield). There is an East Midlands Regional Procurement Hub (re:source) that operates to strengthen supply chains within the local area presenting an opportunity for small healthcare businesses in Mansfield and Ashfield to connect to other local companies (generally the smaller trusts).

**Nottinghamshire County Council is also encouraging local procurement opportunities to maximise local benefits and the LEGL partnership includes activities that encourage local firms to exploit public procurement.** As healthcare is deemed a key driver of the regional economy by EMDA, the sector is promoted at West Nottinghamshire College. It has a role to play in linking local supply chains in this sector which was practically demonstrated by its work with sub contractor SKANSKA during the redevelopment of the Kings Mill Hospital

### **5.3.4 Access to labour**

**Employers reported difficulties in recruiting locally for more specialist positions in the healthcare sector.** Of those that work in the healthcare sector in the East Midlands ‘there is a smaller proportion of workers with higher degrees...relative to the national average’ although ‘it has

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<sup>65</sup> Redevelopment of Kings Mill hospital Economic Assessment paper (2006)

<sup>66</sup> Experian, 2009, Ashfield and Mansfield: Economic Analysis

a relatively higher proportion qualified to GCSE level'.<sup>67</sup> However, the above analysis has demonstrated that it is the higher skilled activities (such as those demanded in places such as Biocity and pharmaceuticals manufacture) that have the potential to drive the growth of the economy, and interviews with local stakeholders emphasised the challenge to recruit locally for the more specialist positions (there are local skills shortages for technician level positions).

Nottingham university school of pharmacy is one of the leading departments in the country but the major employment opportunities in the sector are currently found in the larger companies to the south of the region and around Nottingham, rather than Mansfield and Ashfield.

**Recent requirements for higher qualifications amongst nursing staff may lead to an under-supply of nurses to the hospital from the local area.** Kings Mill Hospital situated in Ashfield, employs approximately 4000 (occupations ranging from medical staff to caterers, from facilities management to finance teams). Approximately 1800 are employed as nurses and they are nearly all residents of Mansfield and Ashfield. Recruiting for the non professional positions is relatively easy but people travel from further distances for the more specialist positions. Traditionally, nurses needed to be qualified to diploma level and the Kings Mill Hospital provided its own teaching. However degree level qualifications are now being demanded potentially resulting in an undersupply of local employees (as low attainment is a characteristic of the area). In order for the Hospital to operate effectively and contribute to the growth of the local economy in the future, there needs to be engagement with the young people of Mansfield and Ashfield who are currently underrepresented in the employment profile.

### 5.3.5 Role of transport

**Good transport infrastructure is important to the healthcare sector, and this may make Ashfield and Mansfield attractive to companies considering investing in the region.** Medical professionals need to be very mobile and one interviewee stated that transport was more important than quality of life for the sector. Clearly efficient and well connected transport roads are vital to the supply and distribution of medical products and the location of the M1, next to both Ashfield and the East Midlands, is critically important for this. Although Biocity is easily accessible by public transport and train, its location in central Nottingham makes it more difficult to reach by car. The North Nottinghamshire sub region has an abundance of land available as well as sites such as the Sherwood Business Park and the Mansfield I-centre that could accommodate expanding medical companies but provide uncongested access.

## 5.4 Summary

Shared industrial histories mean that there is a degree of commonality across the current sector specialisations within the sub region's local authority areas; many have concentrations of employment in engineering and manufacturing. The sub region's central location, land availability and transport connectivity has led to a concentration of employment in the logistics industry. The nature of sector specialisation across the sub region means that businesses in areas outside Nottingham are less likely to benefit from agglomeration although there may be opportunity to strengthen supply chains and increase the value added of sectors.

The business services sector has been identified as a key growth sector in Ashfield and Mansfield, although in Mansfield employment in the sector tends to be of lower value, which to an extent reflects the skills profile of the area. The spatial distribution of business services is uneven with different areas specialising in different sub sectors: higher value business services such as accounting and IT are concentrated in business parks and innovation centres throughout the sub region. Nottingham acts a hub for business services. Ashfield and Mansfield are both well placed

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<sup>67</sup> Experian, 2009, Ashfield and Mansfield: Economic Analysis

to complement Nottingham and act as locations for spin off businesses and outsourcing policies. The supply chains of businesses within the sector tend to be local and there may be potential to extend these by increasing the reach of local business networks and support organisations. There is also opportunity to build on the work of learning providers and to support businesses in the upskilling of current and potential employees.

The healthcare sector in Ashfield and Mansfield is primarily public sector driven: the King Mills Hospital is one of the largest employers in the area. The Kings Mill Hospital is a key 'anchor institution' and attempts are being made to maximise the economic impact in the local area. Crucial here will be addressing the potential under-supply of nurses to the hospital from the local area following requirements for level 4 qualifications. There are also a number of private enterprises in the healthcare sector located in Ashfield and Mansfield. With one of the largest healthcare clusters in Europe located in Nottingham and medical technology and specialist services a key sector for the East Midlands there may be opportunities to further develop supply chain linkages building on work that is already ongoing in the area, with organisations such as Medilink East Midlands.

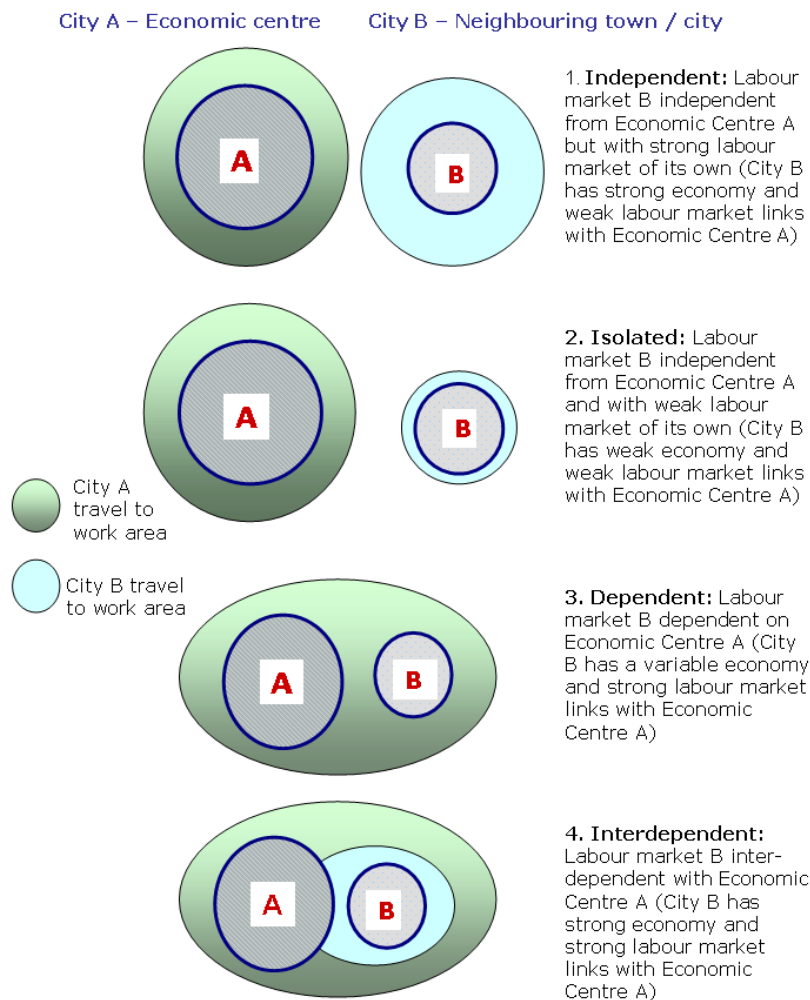
## 6.0 Applying the City Typologies

### 6.1 Overview of City Typologies

Our analysis of economic relationships within the original *City Relationships* work identified four typologies of places within a functional economic area, based in particular on their labour market relationships with the economic centre. These typologies are helpful in understanding how places currently relate to each other economically within a functional economic area context and the factors which influence the nature of these relationships. This analysis helps to shape thinking about how future economic development strategy could support more effective and complementary economic relationships between places.

The broad typologies are illustrated in the diagram below.

**Figure 5.1: Roles of cities – labour markets and city typologies**



These typologies, which focus particularly on labour market relationships, enable us to capture two characteristics of places. First, the roles which places play in a city region based on their relationship with the economic centre. Places are described as being in one of the four typologies based on: commuting patterns; skills; earnings (resident and workplace); sectoral mix; and house prices. Second, the typologies provide a way of assessing the extent to which places

benefit from their economic relationships by identifying different categories within the four typologies.

**The table below shows how we have categorised relationships between places in different ways.** The traffic lights system indicates high (green), average (amber) or low (red) on a series of different indicators that our research indicated were important to more complementary relationships between places. Within certain typologies, we also noted that relationships could be more or less complementary depending upon levels of skills, earnings, sector specialisation and the quality of life offer.

**The framework has been adapted in the case of Ashfield and Mansfield due to the relative strength of their economies compared to economic centres previously studied.** As Ashfield and Mansfield are smaller, less diverse economic centres compared to say Manchester and Sheffield they cannot have ‘interdependent’ relationships with surrounding areas in the same way these cities can.

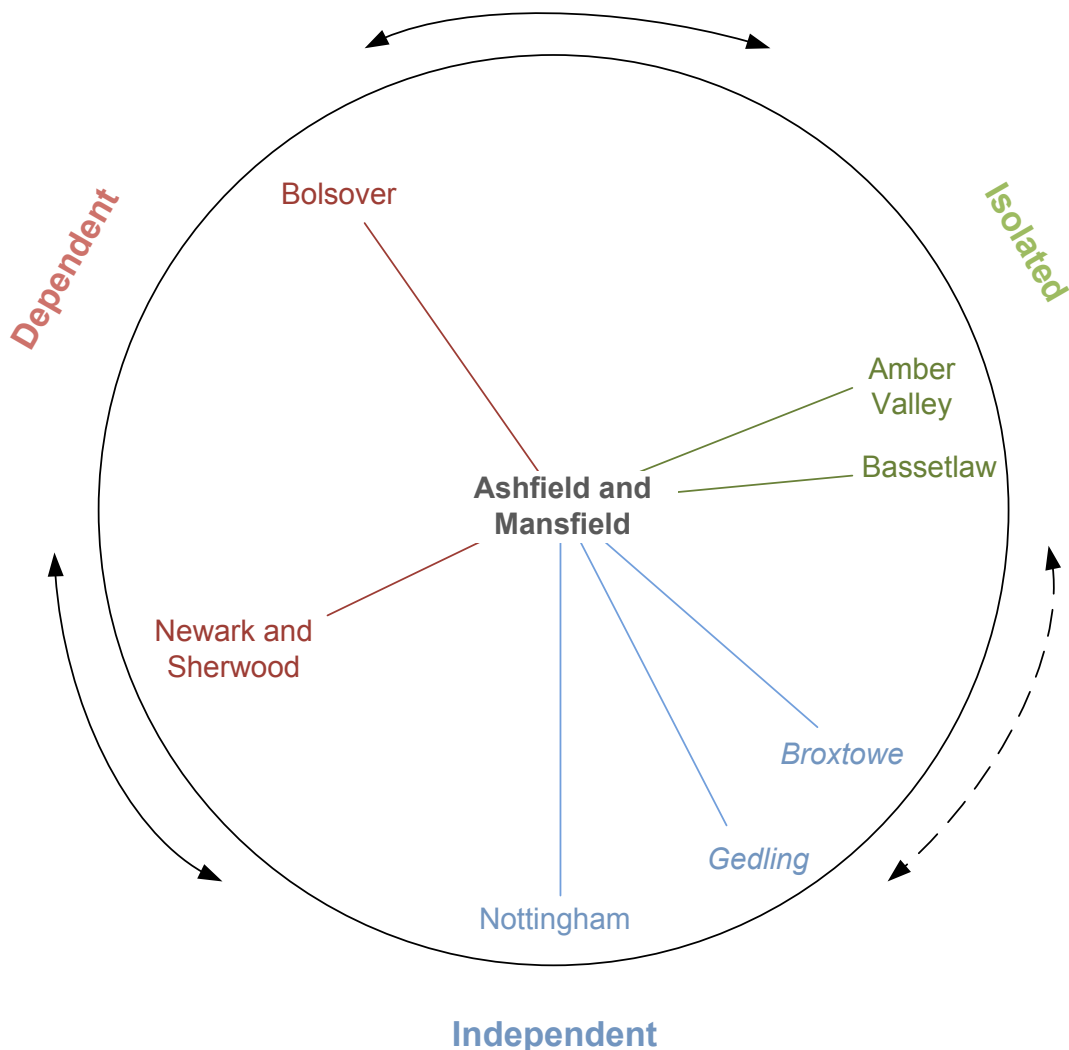
**Figure 5.2: Framework for City Typologies**

City Relationships Family: Labour Market Links	Skills	Earnings		Sector	House prices	Deprivation
		Resident	Workplace			
Isolated	●	●	●	Traditional	●	Poor scores
Independent	●	●	●	Diverse	●	Good scores
	●	●	●	Mix	●	Mixed scores
Interdependent	●	●	●	Complementary	●	Good scores
	●	●	●	Mix	●	Mixed scores
Dependent	●	●	●	Complementary	●	Good scores
	●	●	●	Mix	●	Mixed scores
	●	●	●	Traditional	●	Poor scores

## 6.2 Ashfield-Mansfield and the surrounding area – City Typologies

This section reviews the characteristics of each of the urban centres within the study area according to the ‘City Relationships’ typologies.

**Figure 5.3: Ashfield-Mansfield Typologies**



**Amber Valley**

Amber Valley (population 120,400) is relatively **‘isolated’** in labour market terms from Ashfield and Mansfield. Amber Valley is more self-contained than Ashfield: 55% live and work in the district. Amber Valley has strong labour market links with Derby; 18% of residents in Amber Valley commute to Derby. Just over 6% commute to Nottingham. There is limited movement into Ashfield or Mansfield for work (1.8% and 1.1% commute from Amber Valley to Ashfield and Mansfield respectively). Commuting patterns of knowledge workers follow wider labour market patterns. But there are reasonably strong links with Bolsover (9.4% of Bolsover’s residents commute to Amber Valley and 4.3% of Broxtowe’s residents commute to Amber Valley. The district demonstrates some of the characteristics of “independent”.

- **Skills profile:** Amber Valley has a poor skills profile compared to the national average but a higher proportion of graduates than Ashfield and Mansfield, 21.5% of the population have a degree level qualification or higher compared to 18.9% in Mansfield and 16.4% in Ashfield. Those who do have higher level qualifications are more likely to access higher value employment in Derby.
- **Earnings:** Average workplace and resident based earnings are broadly similar in the district, partly a reflection of the level of self-containment in the area. Reflecting the slightly

stronger skills profile, resident based earnings (£454) are higher than Mansfield (£422) and Ashfield (£410), whilst workplace earnings (£456) are slightly lower than in Ashfield (£459).

- **Sector specialisation:** Amber Valley has significant proportions of employment in education, health and social work, construction, logistics, hospitality, manufacturing and IT within which there is the potential for firm links with Ashfield and Mansfield.
- **Housing:** Average house prices in the district are lower than both the regional and national averages, although higher than in Ashfield and Mansfield (£156,250 compared to £119,413 and £120,428 respectively). Amber Valley has the highest proportion of RSL dwellings and the third highest proportion of owner occupied and private rented stock. Amber Valley has the third highest proportion of detached in the study area.
- **Deprivation:** The district is the fourth least deprived within the study area. Just 7% of LSOAs in Amber Valley are in the top 20% most deprived and 12% of LSOAs are in the top 20% least deprived. It is therefore less deprived than Ashfield or Mansfield.

### **Bassetlaw**

Despite high levels of self-containment, Bassetlaw (population 111,700) is relatively '**isolated**' from Ashfield and Mansfield due to its skills profile and labour demand in the area. High levels of self-containment (71% live and work in Bassetlaw) may be related to the size of the district and type of employment in Bassetlaw. However, Bassetlaw is a net importer of labour and the district has the strongest links with Bolsover, with 9% of residents from Bolsover commuting to the Bassetlaw district. The highest levels of out-commuting to districts in the study area are to Newark, although just 3.3% of Bassetlaw's residents commute to work in the district. Outside of the study area, 6.1% of Bassetlaw's residents commute to Doncaster and 7.2% commute to Sheffield and Rotherham. The district demonstrates some 'independent' characteristics.

- **Skills profile:** Bassetlaw has a similar skills profile to Mansfield, with a lower proportion of graduates than the regional and national averages. There is a higher proportion of residents with no qualifications, 20%, which may be a legacy of the coal mining industry.
- **Earnings:** The district has the 3<sup>rd</sup> highest resident based earnings in the study area, which is relatively high given its skills profile. Bassetlaw has lower workplace earnings than Ashfield (£438 compared to £459) but they are still 8% higher than Mansfield's.
- **Sector specialisation:** Bassetlaw has long standing specialisations in food manufacture, mining, secondary education, and justice and judicial activities, and more recent specialisations in logistics, retail of household articles, and the production of electricity.
- **Housing:** Average house prices are relatively low (£149,825) in Bassetlaw. The district has the highest proportion of LA dwellings that fall below the 'decent home standard' in the study area (58.5%).
- **Deprivation:** Bassetlaw is the fifth most deprived area in the study area and the 94<sup>th</sup> in the country. 24% of LSOAs in Bassetlaw are in the top 20% most LSOAs nationally. It is less deprived than Mansfield or Ashfield, although overall the quality of life offer in Bassetlaw is relatively poor.

### **Bolsover**

Bolsover (population 74,200) is highly '**dependent**' on surrounding areas for employment and to an extent on Mansfield and Ashfield, with 12.4% commuting into the two districts. Due to Bolsover's skills profile and levels of deprivation, it is characterised as 'dependent' on the Ashfield and Mansfield in labour market terms but close to 'isolated'. Bolsover has a high proportion of out-commuting to surrounding districts: Bassetlaw (9%), Ashfield (6%), Mansfield (6.3%), Amber Valley (9%), Chesterfield (12%). There are similar patterns of out-commuting amongst knowledge workers.

- **Skills profile:** Bolsover has the lowest number of graduates amongst its resident population and there is a high proportion without NVQ2 level qualifications meaning that residents are likely to be less mobile than in other areas of the sub region.
- **Earnings:** Both resident and workplace based average earnings are low in Bolsover, which is a reflection of its skills profile and labour demand within Bolsover.
- **Sector specialisation:** Long standing specialisations in the wholesale of pharmaceutical goods, in the manufacture of plastic, and the manufacture of aircraft and spacecraft, and more recent specialisations in management activities, construction, logistics and education. The similarity between the industrial profile of Bolsover with Ashfield and Mansfield's means that there is the potential for firm links.
- **Housing:** Average house prices are relatively low and have historically been the lowest in the study area, although they have increased in recent years to £128,776 in Bolsover compared to £119,413 in Ashfield. Bolsover has the 2nd highest proportion of terraced housing in the study area.
- **Deprivation:** Over 31% of LSOAs in the district fall into the top 20% most deprived LSOAs in the country, with none in the 20% least deprived. Overall Bolsover is the third most deprived area within the study area and the 34<sup>th</sup> in the country. Bolsover is likely to face difficulty, therefore, in attracting highly skilled individuals to live in the area.

### **Broxtowe**

Broxtowe (population 110,900) is relatively '**independent**' of Ashfield and Mansfield in labour market terms, with a high dependency on Nottingham as an employment centre. There is a high level of out-commuting but limited travel to work in districts in the study area, with the exception of Nottingham (35.5% work in Nottingham and 38% of knowledge workers). There are limited labour market links to Amber Valley (4.3%) and Ashfield (2.6%). However the district displays some characteristics of an 'isolated' area.

- **Skills profile:** Broxtowe has a strong skills profile with a high proportion of graduates (37.8% compared to 29% nationally) and few people living in the district have no qualifications (7.2% compared to 12.4% nationally). This means that the resident population is likely to be highly mobile with greater access to higher value jobs.
- **Earnings:** The district has higher average resident earnings than the national and regional averages, and the highest resident based earnings of the comparator areas (£499 compared to £491 nationally and £461). Workplace earnings are below the regional and national averages, although higher than Mansfield (£443 compared to £404 in Mansfield), but lower than Ashfield (£459). The difference in workplace and resident based earnings reflects net out-commuting in the area.
- **Sector specialisation:** Broxtowe has long standing specialisations in the manufacture of toiletries, national post activities, food manufacture, the installation of electrics, and more recent specialisations in the wholesale of pharmaceutical goods and retail of household goods.
- **Housing:** Average house prices are lower than other areas in the south east of the study area (£154,210 compared to £173,461 in Newark and Sherwood) but the third highest altogether. The district has the third highest proportion of detached housing (36%) and the third lowest proportion of terraced housing in the study area. Broxtowe seems to have a more affordable, high quality housing offer than other areas within the south east.
- **Deprivation:** Broxtowe is the least deprived district in the study area and ranks 226th nationally. Over 20% of LSOAs in Broxtowe fall into the top 20% least deprived, whilst less than 3% fall into the top 20% most deprived.

## Gedling

Gedling (population 111,700) is the highest exporter of labour of the districts in the study area. The district is relatively **'independent'** of Ashfield and Mansfield in labour market terms, with high levels of commuting to Nottingham (53%). Almost half of all knowledge workers in the district commute to Nottingham to work, with 3.7% commuting to Ashfield and 2.4% commuting to Mansfield. However there are many 'isolated' aspects of the district. The highest proportional in-commuting within the study area is from Nottingham (2.9%).

- **Skills profile:** Gedling has a relatively high proportion of graduates compared to other districts in the study area (27.5%), as well as a relatively high proportion of people with NVQ level 3 qualifications. The skills profile is stronger than Ashfield and Mansfield's, meaning that residents are likely to travel further to access high wage jobs.
- **Earnings:** Resident based average earnings in the district are above the regional average (£479 compared to £461 in the East Midlands). Workplace average earnings are amongst the highest of the comparator areas, with earnings above both Ashfield and Mansfield's and the regional average (£462 compared to £459 in Ashfield and £404 in Mansfield).
- **Sector specialisation:** Gedling has long standing specialisations in public security and textiles manufacture and more recent specialisations in the regulation of agencies and plumbing. As a small employment centre, the public sector is likely to push up average workplace earnings in the district.
- **Housing:** Gedling has relatively high average house prices (£151,094; the second highest in the study area), although it is more affordable than other areas in the south east of the study area. The district has the highest proportion of detached housing (39%), and the highest proportion of owner occupied and private rented dwelling stock in the study area.
- **Deprivation:** 22% of LSOAs in the district fall into the 20% least deprived nationally and under 3% into the most deprived. It is the second least deprived district in the study area and the 208th in the country.

## Newark and Sherwood

Newark and Sherwood is relatively **'dependent'** on Ashfield and Mansfield in labour market terms with 12% commuting into the districts. However Newark provides more employment opportunities for its residents than some adjacent districts (54% live and work in Newark) and pushes the relationship towards 'independent'. It also has strong labour market links with Nottingham (13% commute to work in the city).

- **Skills profile:** Newark has a weaker skills profile than the regional average, with 23% of the population holding degree level qualifications or higher compared to 25.4% across the East Midlands as a whole. The district does, however, have a higher proportion of graduates than Ashfield or Mansfield and to a degree employers in Ashfield and Mansfield will rely on Newark and Sherwood for high skilled labour.
- **Earnings:** Average resident earnings in the district are below the regional and national averages (£450 compared to £461 and £491 respectively) but above the averages in both Ashfield and Mansfield. Workplace earnings are relatively low (£426 compared to £459 in Ashfield).
- **Sector specialisation:** Newark has long standing specialisations in hospitality, manufacture of foods, metal work and mining, and more recent specialisations in social work, logistics, telecommunications and the sale of motor vehicles.
- **Housing:** Newark and Sherwood has the highest average house prices in the study area, £173,461 compared to £163,293 across the East Midlands. The district has the second

highest proportion of detached housing (37%) and the second lowest proportion of terraced housing (16%) in the study area.

- **Deprivation:** Within Newark and Sherwood 19% of LSOAs fall within the top 20% least deprived LSOAs nationally, although 12% fall within the top 20% most deprived. It is the third least deprived district in the study area and ranks 163<sup>rd</sup> nationally.

### **Nottingham**

Nottingham (population 288,700), a strong regional economic driver, is '**independent**' of Ashfield and Mansfield in labour market terms. Nottingham is highly self-contained (79% live and work in the city) and also acts as the main employment centre for many districts in the study area, attracting a high proportion of knowledge workers from its surrounding districts. Parts of Ashfield, particularly around Hucknall are 'dependent' on Nottingham in labour market terms.

- **Skills profile:** Nottingham has a relatively polarised skills profile, not uncommon in large cities, with a higher proportion of graduates compared to Ashfield and Mansfield (although lower than the regional or national average) and a high proportion of residents with no qualifications.
- **Earnings:** Average resident based average earnings are below both the regional and national averages in Nottingham, whilst workplace earnings are the highest amongst the surrounding areas and well above the regional average (£481 compared to £457 in the East Midlands). This reflects the high level of in-commuting into Nottingham. The skills profile of Nottingham and levels of deprivation mean that its residents are less likely to be able to access the high value jobs the city has to offer.
- **Sector specialisation:** Nottingham has the most diverse industrial profile within the study area. The city has long standing specialisations in higher education, IT and gaming, and tobacco. More recent specialisations include labour recruitment, distribution of electricity, insurance, construction, manufacture of foods, and wholesale.
- **Housing:** Nottingham's surrounding areas have higher quality housing stocks and as a result average house prices are relatively low (£125,021 compared to 163,293 across the East Midlands). The city has the highest proportion of Local Authority dwelling stock in the study area and the highest proportion of Local Authority dwellings requiring investment (67.9%).
- **Deprivation:** Nottingham is the most deprived area in the study area and one of the most deprived areas nationally, ranking 13<sup>th</sup> amongst all local authority districts in England. Over 60% of LSOAs in the city fall into the top 20% most deprived LSOAs nationally.

These individual relationships have an impact on the dynamics across the sub-region as a whole, and are affected by the characteristics of the built environment, the quality of life offer and the quality of transport links.

### **6.3 The influence of Nottingham within the study area**

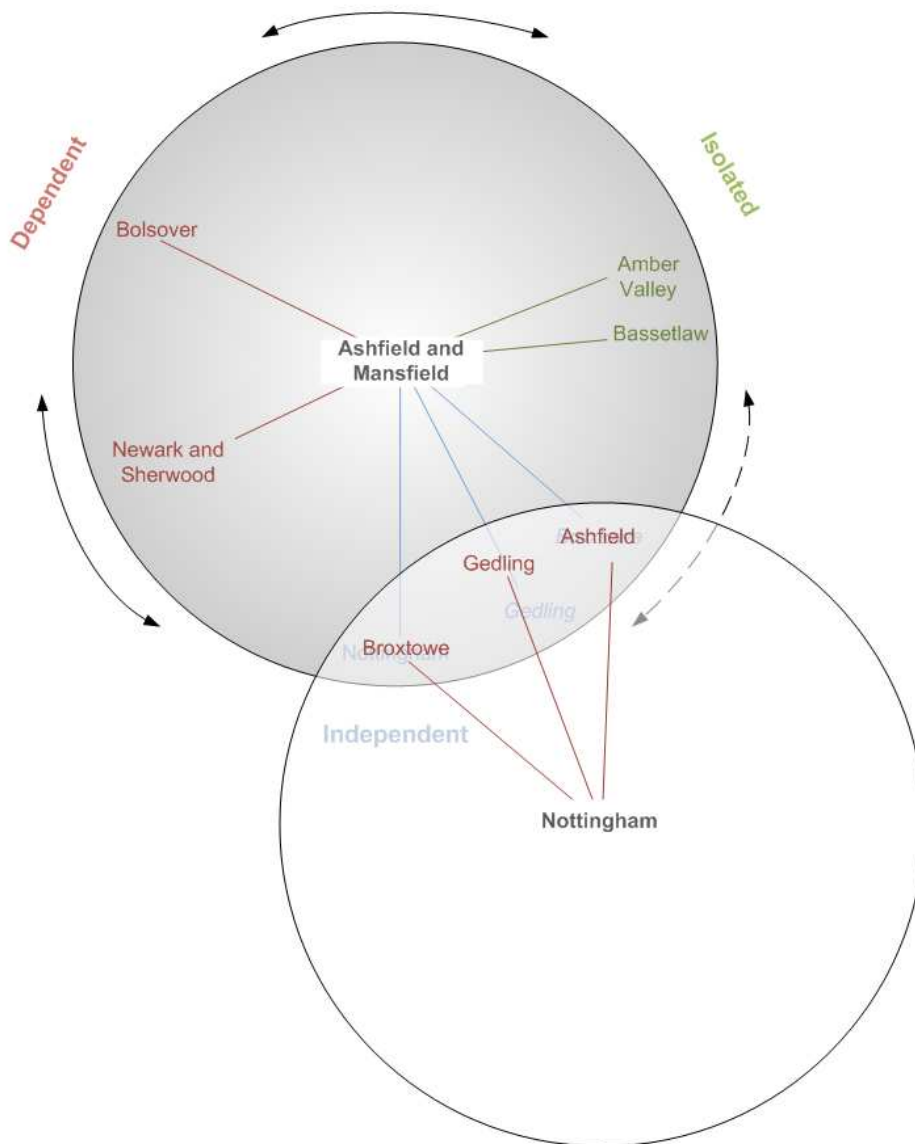
Ashfield and Mansfield are also quite different to other centres previously studied within the *City Relationships* framework as they are in such close proximity to a large city. It is important to consider how this affects Ashfield and Mansfield's economic relationships and as such we have applied the typologies to areas in the study area that fall within Nottingham's hinterland: Ashfield, Broxtowe and Gedling.

- Ashfield is 'dependent' on Nottingham in labour market terms, with 10% of its population travelling to work in the city. The skills and earnings profile of Ashfield suggests that its residents are less likely to access the higher value, more knowledge-intensive jobs that

Nottingham has to offer compared to other districts with a more highly skilled resident population.

- Broxtowe is also 'dependent' on Nottingham in labour market terms, with 36% of its resident population commuting to work in Nottingham. It is this relationship - with Nottingham acting as the major employment centre for residents in Broxtowe - which means the district is 'independent' from Ashfield and Mansfield. Broxtowe's quality of housing and place offer means that it is an attractive place to live for knowledge workers who are employed in Nottingham.
- Similarly, Gedling also has a 'dependent' relationship with Nottingham making it 'independent' from Ashfield and Mansfield. It is an attractive residential area and, although it has slightly stronger labour market links with Ashfield and Mansfield, the pull of Nottingham as an employment centre is greater and 53% of residents commute to work in the city.

**Figure 5.4: The role of Nottingham and the ‘City Typologies’**



#### 6.4 Summary

Several local authority areas within the study are ‘isolated’ from Ashfield and Mansfield, partly because of the skills profiles and low mobility of residents. The economic strength of Ashfield and Mansfield and employment opportunities on offer will also affect these relationships. Nevertheless both districts act as important employment centres for Bolsover and Newark and Sherwood. Nottingham, on the other hand, has the highest wages in the study area and, as a regional economic centre, has a larger ‘pull’ factor. Gedling and Broxtowe are ‘independent’ of Ashfield and Mansfield in labour market terms because of their strong labour market links with Nottingham. Indeed, Ashfield has a ‘dependent’ relationship with Nottingham, reflecting the importance of Ashfield’s proximity to high value jobs in a larger conurbation.

## 7.0 Conclusions and Policy Recommendations

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### 7.1 Conclusions

**Building on their strengths, Ashfield and Mansfield's economies have diversified in recent years.** Together Ashfield and Mansfield act as significant employment and business hubs in the East Midlands. The two districts have seen significant growth in business services, whilst good transport and land availability in Ashfield and Mansfield has proved attractive to businesses in the construction and logistics sectors.

**Yet both face significant challenges around skills and worklessness and increasing the value added of existing sectors in the area.** The skills, occupational and industrial profiles of Ashfield and Mansfield have meant the area has been more vulnerable to job losses and falls in economic output in the recession. Both Ashfield and Mansfield now face the dual challenge of tackling longer term issues of economic inactivity and worklessness, and getting the more recently unemployed back into work.

**The labour market links between Ashfield and Mansfield, and the surrounding local authorities, reflect the industrial and skills profiles of different areas, but also the relative strength of the economies.** Many of the surrounding areas are isolated from Ashfield and Mansfield, partly because of the skills profiles and low mobility of residents but also because Ashfield and Mansfield are not a sufficiently strong economic centre and do not have the employment required to attract workers. Nottingham, on the other hand, has the highest wages in the study area and, as a regional economic centre, has a larger 'pull' factor. Indeed, Ashfield has a 'dependent' relationship with Nottingham, reflecting the importance of Ashfield's proximity to high value jobs in a larger conurbation.

**There may be opportunities for Ashfield in particular to build more complementary economic relationships with Nottingham.** Strong transport links between Ashfield and Nottingham provide Ashfield's residents with access to employment opportunities in Nottingham. The skills profile of the area suggests, however, that Ashfield's residents may not have the same access to the higher value jobs that Nottingham has to offer as other areas falling within the city's hinterland. This suggests that investment in skills should be a priority for Ashfield if it is to forge stronger links with Nottingham.

**The lack of public transport integration and low car ownership in Ashfield and Mansfield raise issues over employment accessibility.** Adequate provision of public transport is crucial in an area with low wages and high levels of worklessness. At a time when unemployment is continuing to rise, job searches will be limited by a lack in public transport service provision, as well as a lack of integration across services.

**Perceptions of Ashfield and Mansfield as a business location and a place to live are influenced by the legacy of industrial decline and high levels of deprivation.** Whilst good transport links and land availability have been frequently cited as locational advantages in Ashfield and Mansfield, the poor skills profile and patchy quality of life offer can act as a disincentive for potential investors or residents. Within Ashfield and Mansfield there are pockets of higher quality housing and certainly some of the surrounding areas do offer the quality of life that may be more attractive to knowledge workers. Firms within Ashfield and Mansfield are also able to access some of the higher skilled labour that surrounding areas offer. Yet currently there is little promotion of the strengths that Ashfield and Mansfield, in the context of their surrounding areas, offer to investors and individuals, meaning that the two areas may not be capitalising effectively upon some of their key strengths.

**Firm links in the business services sector in Ashfield and Mansfield and the surrounding areas tend to be locally based.** Both supply chains and strategic connections within the sector can be limited and do not tend to extend outside the local area. This may in part be due to 'parochialism' but also because the sector is not strongly embedded in the area. The disparate location of businesses in the sector may also make it difficult to foster economic relationships. If the sector is to become more productive it is vital that skills within the sector are raised and access to skills is improved.

**Healthcare is both a key sector within Ashfield and Mansfield, and also the wider region.** Employment in the sector is generally public sector driven, with the Kings Mill Hospital acting as a key employment site and procurer within Ashfield and Mansfield. It is important that the benefits of the hospital, a local anchor institution, are maximised. This means ensuring that residents are equipped with the right skills to be able to access the job opportunities the hospital has to offer. There is some private sector enterprise, with firms like Fresenius Medical Care located in the area, and this may mean there is opportunity to foster linkages with Nottingham Biocity, one of the largest healthcare clusters in Europe.

## 7.2 Policy recommendations

**Addressing the skills gap and high levels of worklessness should continue to be a priority for Ashfield and Mansfield, with the opportunity of both improving labour relationships, particularly with Nottingham, and enhancing the productivity of the area.** The area faces somewhat of a chicken and egg situation when it comes to attracting high skilled individuals and knowledge intensive businesses (in other words, it needs high skilled individuals in order to attract the businesses, but without the businesses and associated jobs, it is difficult to attract high skilled individuals). It is important for strategies to be aspirational but realistic, and to 'build on what's there'. In order to break down the employment and earnings barriers faced by residents in Ashfield and Mansfield, it is vital that policymakers seek to upskill the existing population. Policy makers also need to consider solutions that take account of both the demand for and supply of labour. Job matching will in the majority of cases be dictated by local conditions and skills and training provision is most effective when tailored to the needs of local employers. It is also important to build on the lessons from successful programmes such as LEGI, which have promoted enterprise in the area.

**Investment in a more integrated public transport will be vital for ensuring that Ashfield and Mansfield residents are able to access employment opportunities.** Policy makers should consider how public transport could potentially address issues around employment access, although any attempt to connect more isolated communities by public transport should be part of an integrated approach with policies to address other barriers such as low skills.

**At a time of constrained public spending it is vital that Ashfield and Mansfield seek to maximise the local benefits of their anchor institutions, including the West Nottinghamshire College and the Kings Mill Hospital.** These anchor institutions contribute to the 'civic, cultural, social and economic vitality of cities'. Their scale, rootedness and community links mean that they play a key role in local development and economic growth; as institutions they also benefit from their local area having a strong reputation, strong economy and good quality of life<sup>68</sup>. Ensuring that these roles are recognised by all parties and reviewing how partnership working could make best use of available funds and enhance the local area could lead to greater mutual benefit and more effective use of resources.

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<sup>68</sup> This can help these organisations attract staff, students, visitors or investment, depending on their primary purpose.

**Ashfield and Mansfield should continue to work collaboratively and with surrounding areas to lever inward investment into the area.** Building on the distinctive strengths and the roles of the different areas in the study area local authorities should ensure that the work of organisations such as Alliance North Midlands continues and that local authorities collaborate rather than compete, playing to their strengths. Ashfield and Mansfield are unlikely, for example, to compete with Nottingham for higher value business activities as they do not offer the same agglomeration benefits. They do, however, offer a large pool of labour, land and good transport connections which may be attractive for the back office functions of businesses primarily investing in Nottingham. Their strengths as a location, with proximity to areas offering high quality of life, should be promoted jointly to encourage investors and new residents.

**Interdependencies between Ashfield and Mansfield are stronger between particular centres and policy makers should ensure that this is taken into account when trying to foster links between the two areas.** Ensuring that partners are clear on where the greater opportunities to build economic links lie and what the benefits of this are likely to be is vital to successful partnership working in a climate of constrained expenditure.

**Ashfield and Mansfield should explore where lessons might be learnt from areas that have built mutually beneficial relationships with large economic centres, e.g. Rotherham-Sheffield.** Policy makers in Ashfield and Mansfield should seek to learn lessons on how to build both more complementary firm and labour market links with Nottingham. Past studies have shown that this can lead to greater economic benefit, increased individual prosperity and reduced deprivation.

**Policy makers should seek to support the private sector in Ashfield and Mansfield in developing business links beyond the local area, particularly in the business services sector where no business services networks currently exist.** Past studies have shown that private sector-led networks tend to be more beneficial, suggesting a need for a review of existing business networks and an assessment of whether all existing networks are needed – especially the ones that are publicly funded. Interviews also suggest that the area should aspire to be more outward-looking, seeking to forge links with companies and areas in the wider East Midlands and beyond.

**Policy makers should also continue to strengthen the areas' traditional industrial sectors, seeking to move them up the value chain.** Manufacturing remains an important sector within the area and with the rise of “manu-services”, there is an opportunity for the area to generate higher value employment that will also make companies more money. Policymakers should seek to support the sector to maximise employment opportunities and value added. There is also an opportunity to build on the sub-region's specialisations in advanced manufacturing and the presence of world class companies such as Rolls Royce.

**Overall there are clear opportunities for Ashfield and Mansfield to work together to make the most of their existing economic relationships, to ensure they are more mutually beneficial, and to forge new relationships.** As we move into a challenging decade of economic recovery and public expenditure constraints, these relationships create new opportunities for the local areas to strengthen their economies and to enhance the life chances of their residents.