

Report for Lostwithiel Forum on  
Employment and Housing Prospects in Lostwithiel October 2003

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**CONTENTS**

EXECUTIVE SUMMARY .....	3
1. A Global Context .....	3
2. A Government Context .....	5
3. Regional Plans .....	6
4. The Local Plan .....	10
5. Potential for Expansion in Existing Employment Areas .....	20
6. Self Employment in Lostwithiel.....	26
7. Existing Enterprise and Business Advice and Support Organisations Regionally:.....	27
8. Grant or Loan Aid for Business Start-ups .....	29
9. Survey of Affordable Housing in Lostwithiel.....	31
10. Housing in Lostwithiel .....	33
References: .....	37
Appendices .....	37

## EXECUTIVE SUMMARY

This report puts Lostwithiel in a global, national, regional and context in 'sustainable economics'. It presents existing plans and information about the economic life of the town. It indicates areas for development in local economic affairs. It identifies grant, loan, education and information services for stimulating small enterprise locally.

The report compiles existing information and opinion on housing in the town. It identifies potential 'infil' sites for local development. It presents options to ameliorate the problem of shortage of affordable housing for local people.

### 1. A Global Context

In the best tradition of 'think global - act local' this report starts with a global context. One effect of a global economy is that industry shifts to the places where workers are cheapest because it is driven by multinational industries acting for profit. As a result in 'first world' countries, manufacturing industry has been on the decline for a while. Industry is leaving the first world for the third world where workers are cheap.

'Offshoring' is this decade's recession buster and it no longer applies to just manufacturing: finance sector jobs, call centres, legal work and research, education services, they are all cheaper in Bangalore. The real effect of this outsourcing, especially in the industries mentioned above, is only just beginning to bite.

Cornwall's past has been based mainly on fishing, farming and mining and what remains of these is just an echo of former glories. Cornwall has never had the manufacturing industries found elsewhere. On a 'first in first out' (of the Industrial Revolution) Cornwall is not going to have to de-industrialise to the extent of other regions, which does offer some advantages, not least our stunning and unsullied natural environment and the quality of life this offers. Cornwall's past peripherality as an industrial zone is now a positive factor, as people want to live here.

Western culture is realising that the drive towards GDP (Gross Domestic Product) increase does not improve our wellbeing, but other countries are gagging for the want of our externally attractive consumer culture. For example Chinese President Jiang Zemin recently exhorted China to *quadruple* its GDP by 2020, mainly through consumer spending.

The G7 countries (America, Britain, France, Japan, Germany, Italy and Canada) have recently developed an 'agenda for growth'. Specific policy actions were set out for each country, including measures to raise skill levels and productivity in Britain. All mainstream political parties continue to make economic growth the central tenet of their electoral manifesto. Our prosperity is linked to GDP and material possessions. Prosperity in real terms also includes things like clean air and water, good health, or a thriving natural environment. People are flocking to Cornwall where these things are abundant.

Despite astonishing technological advancement and a far higher standard of living in the first world we are much more likely to be depressive, compulsive and violent when compared with the 1950's (see appendix 1). The economic system we have had since then requires that our needs keep multiplying. Economic growth has accelerated on an almost unbelievable scale, but is based on keeping us in a permanent state of wanting things we have not got.

Economy values what is scarce and what makes money. It devalues what is universal - what every human being has - the ability to care, love, share, rear children, take care of loved ones, be a good neighbour, be a citizen striving for a better world. In other words the core characteristics of our humanity are worthless in market terms. Yet these are the characteristics that have enabled us to survive as a species, that evolution determined were the characteristics that enabled us to avoid extinction in a hostile world.

The contradictions implicit in a conspicuous consumer culture are evident to increasing numbers of people. The shortcomings of an economic system that uses its assets (the Earth's resources) as income, are plainly visible and utterly unsustainable. To maintain our economic system we have stored up damage in the environment, in effect pushing our problems onto our grand children and their grandchildren for several generations.

Despite increased economic activity, on average each household in this country presently owes £45,000. Our macro-economic system hides a black hole at its heart in the form of derivative trading. This is essentially when you make a deal and pay for it later. The most recent value put on outstanding derivatives is \$130 trillion, which is four and a half times the annual income of the world.

Our governments are recognising that legislation is needed to control the breakdown associated with rampant consumer capitalism and are developing strategies. At the Earth Summit conference at Rio de Janeiro in 1992, 170 nations signed a worldwide action plan called 'Agenda 21'. The effects of this agreement are increasingly visible at national, regional and local levels.

'Sustainability' (as first used in the 1987 Brundtland Report) originally meant *'development that meets the needs of the present without compromising the ability of future generations to meet their own needs'*.

Another definition is: *"improving the quality of human life while living quietly within the carrying capacity of supporting eco-systems"*. Its use has corrupted to *'something we can keep going'* in general business terms. Sustainability, in its original sense, is an issue that is central to any modern day development, and particularly important for Cornwall.

## 2. A Government Context

The Government's central economic objective is to provide a stable economic environment by:

- maintaining economic stability
- increasing employability (and decreasing unemployment)
- improving productivity
- ensuring responsibility in wage bargaining
- achieving regionally balanced growth

To implement these policies the government has produced a series of Acts and White Papers that have a significant impact on economic development in Cornwall (see appendix 2). In his forward to the 1999 'Sustainable Development Strategy' the Prime Minister wrote:

*"Real progress cannot be measured by money alone. We must ensure that economic growth contributes to our quality of life rather than degrading it."*

More recently the Treasury has decided to expand its current aim:

*"...to raise the rate of sustainable growth and achieve rising prosperity..."* by  
*"...reflecting the Government's overall commitment to sustainable development, incorporating a reference to achieving a better quality of life."*

This creates problems for anyone trying to work out whether genuinely sustainable development can ever be delivered alongside a 'business as usual' promotion of economic growth, or whether it needs a complete rethink.

The problem is neatly encapsulated in the British Government's four sustainable development objectives, on which the whole of its sustainability strategy depends:

- social progress which meets the needs of everyone
- effective protection of the environment
- prudent use of natural resources
- maintenance of high and stable levels of economic growth and employment

In broad policy terms the Government's strategy for maintaining high and stable levels of economic growth is to improve resource productivity. This means getting more economic value from each 'unit of production' and decoupling economic growth from increased resource use. Whilst promoting 'doing more with less' or 'voluntary simplicity' are positive aims, the fuel tax protests of 2000 demonstrate the reality of employing an 'eco-instrument' punitively. The practicalities of how we can grow an economy sustainably are in the process of being discovered.

It took the best of 20 years to show that economic growth and increased energy consumption were not inexorably linked, and that it is possible to produce more economic growth without using more energy. What is likely is that it will take another 20 years to persuade politicians that one can decouple improved societal wellbeing and individual happiness from high levels of consumption.

In the mean time Cornwall is under increasing pressure to 'develop'.

### 3. Regional Plans

#### The 5b Rural Development Plan

The economic problems experienced by Cornwall were clearly described in the Rural Development Plan 5(b) from the 1990's. Following are some excerpts from the development plan which describe:

*“problems associated with declining economic activities, peripherality and inadequate economic structure together with related social and cultural activities”*. (1.3)

The main issues to be addressed may be summarised as follows:

- decline in major employment sectors
- low presence of modern industries and R&D
- low levels of motivation and awareness of skills and enterprise needs for SMEs and individuals
- problems of remoteness and accessibility, low wages, poor child care facilities, limited public transport facilities
- need to balance development and the quality of environment
- changing population structure and work patterns
- high unemployment rates and low economic activity rates
- increase in the level of inward investment. (3.8)

The Plan sought:

*“to bring hope and a sense of vision for the inhabitants of Cornwall, the Isles of Scilly, a more competitive economy, based on dynamic and thriving small and medium sized enterprises, in a region which remains environmentally attractive as a place to live and work”*. (1.7)

It also stated that:

*“Co-operation and competition are both very important concepts for achieving economic and environmental goals”*.

The plan identified social and economic trends, problems, strengths and possible strategies. Trends indicate an increase in part-time work above full-time.

*“Much of the increase has been in part time employment, up by 67% compared to an increase in full-time employment of 13%”*.

Barriers to taking on additional workers to meet growth or development needs include:

- the lack of required skills or qualifications
- the lack of basic employment skills or working experience
- transport and access to work location problems
- the lack of suitable accommodation for expansion (3.3)

Section 3.6 concluded a major asset of the region:

*“...it must make full use of the potential of its most valuable resource, its people, and create a more highly skilled and capable employment base”*.

Emerging trends reflect the same picture with additional shortages in the areas of diagnostic, entrepreneurial, IT and communication skills....increasing emphasis on customisation of products and services for specialist markets and increasing emphasis on strategic alliances between business units to respond to market opportunities.

### **Cornwall and Isles of Scilly Economic Forum**

More recently the Cornwall and Isles of Scilly Economic Forum have launched a 'Strategy and Action' document. This sets out the top ten priorities the forum sees as critical to the regeneration of Cornwall during the next decade:

1. Strategic transport infrastructure - with emphasis on the A30 at Goss Moor, key railway line improvements, scheduled air services and improved sea links to the Isles of Scilly
2. Employment space - such as business and science parks
3. ICT infrastructure - including affordable access to broadband for 80% of Cornwall
4. Emerging clusters of firms - develop creative, environmental, technology, chemistry, medical and food clusters
5. Combined University in Cornwall (CUC) - completion of phase 2
6. Business support - targeted support programmes for high-growth business and enhance quality of business support
7. Appropriate quality and flexible workforce development
8. Strengthen local partnerships in town and rural areas
9. Co-ordination of local supply chain development
10. Enhance distinctiveness and marketing of Cornwall

The Economic Forum's report tells us that Cornwall and the Isles of Scilly have approximately 18,500 businesses, employing some 158,000 people. There are 21% more businesses per head of population than the UK average. The businesses are typically very small with 35% having a turnover of less than £500,000 and 90% with less than 10 employees. A high proportion (16% compared to 10% UK - 2001) of the population are self-employed which owes itself to spacial, historical and cultural aspects of Cornwall.

Cornwall has the lowest GDP per capita in England at 67% of the EU average (65% of UK av.). This manifests itself in low wages and low household income (av. weekly wages in 2002 were £387). This is 28% below UK average. Low wages are associated with low skilled, part-time jobs. Cornwall has comparatively high employment in various low wage professions. Jobs in some service industries account for a high proportion of all employment and seasonal variations in employment can be marked.

Cornwall's population has seen significant and sustained growth since 1981, with an expansion of 20% in total numbers. This expansion is mostly through inward migration, two thirds of which has been people of working age. This expansion masks an outward migration of younger 'local' people 18-30 years, who move away for educational or work opportunities, and rarely come back.

'Sound bites' from the Forum:

*“ Cornwall was a very different place in 1999. There was a lack of confidence, marked by failure in the marketplace and an inclination to look on the bad side. Four years later there is a real ‘can do’ attitude. Business now has a seat at the table.”*

Carleen Kleeman, director of Objective One Partnership.

*“Economic regeneration has visibly begun. Such icons as the Eden Project, Combined Universities in Cornwall and the Peninsula Medical School have raised our profile both nationally and internationally. We must now forge ahead...Cornwall is already on the runway. It must now progress towards take-off.”*

Thelma Sorenson - Chair of Forum

*“Smart counties invest in their people. Cornwall has a lot of ground to make up. To catch up, education and business must work together.”*

Alan Livingstone - Learning and Skills steering group

*“In Cornwall we have something really interesting...If we celebrate what is truly distinctive about Cornwall, we will add value to all sectors of the community.”*

Richard Glover - chief executive Truro Cathedral

### **Prince Charles**

Prince Charles has long involvement with regeneration issues in rural community, and has a special link with Cornwall, his Duchy. He recently held a meeting with 200 captains of industry to promote their involvement in three major targets concerning rural economy:

- a) Strengthening the well-being of market towns by attracting new commerce and regeneration
- b) Promoting the local sourcing of food and produce of all kinds
- c) Supporting rural enterprises - particularly the role of women entrepreneurs in cottage industries

These aims demonstrate a mix of economic development and regeneration issues. They certainly fall within the remit of Objective 1 and Local Agenda 21 values. As Lostwithiel is primarily a 'local' market town and the ancient capital of the Duchy of Cornwall, (with a strong W.I.) - there should be the possibility of a link here.

### **Objective One**

The Objective One programme for Cornwall and Scilly is providing around £314 million in European grant aid between 2000 and 2006, via 4 European funds:

- European Regional Development Fund (ERDF - £189 million)
- European Social Fund (ESF - £62.6 million)
- European Agricultural Guidance and Guarantee Fund (£51.3 million)
- Financial Instrument for Fisheries Guidance

The Euro-funds are expected to attract £314 million matched funding from the public sector, plus an additional £126 million from the private sector to create a total investment package of £754 million.

The flow of investment is expected to provide:

- 14,800 new or safeguarded jobs;
- 31 people trained
- £420 million of sales created or safeguarded
- 26,900 sq metres of workshop space created
- 32,000 businesses assisted, many through more than one project application

The Objective One programme has invested in over 350 projects in the first three years. Objective One is of particular relevance to the private sector. It has helped to modernise fisheries and agricultural sectors and provided help and advice to small businesses through umbrella funds and initiatives such as the South West Investment Group (SWIG).

## 4. The Local Plan

### The Restormel Vision:

*“A sustainable Restormel valued for the beauty of its coast and countryside, where people enjoy good quality of life in vibrant towns, villages and rural areas”*

The Borough of Restormel, situated in mid Cornwall, is one of six Districts in the County. It covers an area of some 45,160 hectares (174 square miles), stretching from the Atlantic coast in the north to the Channel coast in the south. Scenically, Restormel is immensely varied, ranging from the rugged north coast with its spectacular sandy beaches, through the central Restormel area, which is dominated by the industrial landscape of the china clay industry with its spoil tips, to the soft undulating landscape of the south coast, with its picturesque coastal towns and villages.

Restormel is well served by east and west transportation routes, providing good communications with the rest of Britain. Both the A30 trunk road and A390 road pass through the Borough and provide good access to Exeter (1.5 hours driving time) and Plymouth (45 minutes). From Plymouth the A38 dual carriageway links with the M5 and the national motorway network at Exeter. London and the Midlands can be reached in 4/5 hours. Intercity rail services link St Austell with Plymouth and London etc, this route also includes Exeter and Bristol. The only civil air terminal in the County is located in the northern part of the Borough at St Mawgan, nr Newquay and operates a daily service to Heathrow (1 hour 15 min).

Restormel has a wealth of industrial businesses and are entirely devoted to increasing the output and commerce throughout the Borough with any ideas for business they receive. Restormel also has a thriving tourism industry, which can only be strengthened by ventures such as the Eden Project. St. Austell town centre is the latest area to be receiving interest due to the exciting redevelopment plans that are currently circulating. Newquay is fast becoming a large Tourist area with the attraction of many prestigious events including World Surfing Competitions, national car rallies and many other events.

Restormel Borough Council has developed the Restormel Local Plan. This more fully incorporates issues of sustainability and the results of Local Agenda 21 influences. The Local Plan is the key document for setting out policies and proposals for new housing, employment and other land use proposals. It provides the framework for determining planning applications.

It is intended to 'roll forward' the timescale of the current plan (started 2001) from an end date of 2011 to 2016. In response to the governments modernising planning proposals it is anticipated that the current plan will be replaced with a 'Local Development Document' which will be a new streamlined type of plan. The key themes and issues which have emerged and are considered in this report are:

*A Vision for Restormel* - the need to make sure the new plan is consistent with the emerging Community Strategy for the Borough

*The Plan Strategy* - views are sought on the key themes for the new Plan Strategy including sustainable development and regenerating the town centres of St Austell and Newquay

*A Decent Home for Everyone?* - the need to provide affordable housing and the location of new housing sites including the future of the Newquay Growth Area

*Environment Matters!* - effective protection of the environment and heritage of the Borough - the move towards a 'character' approach to assessing new development

*Employment & Regeneration* - views are sought on the need to provide new employment sites, particularly for St Austell and other key sites in the Borough for regeneration

*Transport and Movement* - addressing traffic congestion and new transport proposals

*Community Facilities* - the need to ensure that essential infrastructure is provided to accompany new development

*St Austell* - the identification of sites for regenerating the town, building on the town centre redevelopment - relocation of the college

*Newquay* - the identification of sites for regenerating the town

*Vital villages - countryside issues* - diversifying the rural economy and maintaining the vitality of village facilities

The emerging themes identified for the Community Strategy so far, and their relationship to land use planning are as follows: -

- *Natural Environment* - an important land use consideration, planning policies are critical in protecting the Boroughs coast and countryside, built heritage and wildlife sites. Helping to reduce the impact from pollution of new developments also an important issue.
- *Isolation and Accessibility* - planning can help to ensure that new facilities are accessible by walking and cycling and are well related to public transport networks.
- *Young People and Childcare* - the Local Plan can help to meet the needs of young people by facilitating new developments to meet their needs, and by ensuring accessibility.
- *Older people* - planning has a role in providing new facilities which meet the needs of the elderly and providing a mix of new housing to meet all needs.
- *Housing* - the provision of affordable housing has been identified as a key Issue and is considered extensively in this Issues / Options Paper.
- *Transport* - another key theme identified for the Local Plan Review as well. The reviewed Local Plan will need to assess the traffic implications of new developments and integrate with the County Councils Local Transport Plan proposals.
- *Community Safety* - creating safe environments is an important design consideration in considering planning applications both in respect of traffic safety and in designing out crime.
- *Deprivation* - planning has a role in facilitating new job creation.
- *Health* - planning can help to facilitate new healthcare facility provision.
- *Education* - planning can also help to facilitate new education provision.
- *Culture* - 'local distinctiveness' can be encouraged in new design, whilst the plan can help facilitate new cultural facilities.

As well as the work being done on the Community Strategy we have also taken into account other Council strategies either already existing, or in preparation to inform the themes addressed in this Issues / Options report. These include the Corporate Strategy, the Local Agenda 21 Strategy 'Taking Stock', the Councils Housing Strategy and various regeneration plans.

### **Sustainable development**

The national context for addressing sustainable development in the United Kingdom is set out in the White Paper 'A Better Quality Of Life - The U.K. Sustainable Development Strategy', which was published by the government in May 1999. The Restormel Plan expands on the four main themes identified as a government framework for sustainable economic development.

*Social progress which recognises the needs of everyone.* It is not enough to focus on economic and environmental policies if whole groups in society, or parts of the country, are excluded. Poverty, poor housing, unemployment and pollution can harm our health and we have to look at ways of improving them. The government strategy points out that our key objective should be for everyone to live in a clean and safe environment. This should not however mean that policies we adopt prevent people from being able to afford the basic services they need, nor should our needs be met by treating others elsewhere in the world unfairly.

*Effective protection of the environment.* The strategy points out that this means us taking action to limit global environmental threats, such as climate change, to protect human health and safety from such hazards as poor air quality and toxic chemicals; and to protect things which people need or value, such as wildlife, landscapes and historic buildings.

*Prudent use of natural resources.* This means that when we use non-renewable resources such as oil and gas, we need to make sure they are used efficiently and that alternatives are developed to replace them in due course. Renewable resources, such as water, should be used in ways that do not endanger the resource or cause serious damage or pollution.

*Maintenance of high and stable levels of economic growth.* This is necessary so that everyone in Britain can share in high living standards and greater job opportunities. The UK is a trading nation in a rapidly changing world. For our country to prosper, our businesses must produce the high quality goods and services that consumers throughout the world want, at prices they are prepared to pay. To achieve that, we need a workforce that is equipped with the education and skills for the 21st century. And we need businesses ready to invest, and an infrastructure to support them.

### *Employment and Regeneration Issues Emerging*

- Positive Impact of the Eden Project
- Need to identify sites for regeneration
- Need to review employment allocations
- Job creation
- Diversifying the rural economy
- Need to tackle seasonal employment - particularly in Newquay

- Opportunities for new high quality tourism development

### *Analysis*

Regeneration is a key theme of the Councils Corporate Plan and Restormel is entering an exciting period of opportunity in which interest in investing in the area has never been greater. The success of the Eden Project has been a key factor in this, but other important developments such as Ryanair services to Newquay have helped to put the area on the front pages of the newspapers nationally. The challenge for the new plan will be to help convert this attention into investment in the area and to manage this in the public interest. In the future, employment opportunities will not necessarily all be found on the traditional industrial estate and the planning system will need to be flexible to cater for innovative ideas. Increasingly mixed-use redevelopments will be sought to create interesting environments where perhaps people can live and work.

There will still be a role for the traditional business space and both of the main towns are in desperate need of new employment land. The planning policy section has been working closely with officers from the Councils Regeneration team to ensure that new employment proposals can be identified and funding sought.

Regenerating our existing town centres is identified as a key theme for the new plan to address. In terms of general policies Government guidance sets out that in considering shopping proposals for instance a 'sequential test' should be applied to ensure that town centre locations are fully explored first. This policy approach will be maintained in the new plan, and expanded to cover other appropriate town centre uses such as leisure.

Work being undertaken by the Regional Development Agency on employment space indicates the need for new rural workshops in some areas, particularly in the China Clay Area and at Fowey. Views are sought on possible locations for these and elsewhere within the Borough.

With the success of the Eden Project there has been a welcome upturn in the tourism economy in the last couple of years with renewed interest in developing tourism facilities such as hotels. Significant new tourism development was not anticipated when the current plan was drawn up and it is considered that a fuller policy section will be required in the revised plan. As an interim measure the council has recently consulted on Supplementary Planning Guidance to deal with such issues in the St Austell area. That guidance could form the basis for a new Local Plan policy framework. Protecting the landscape and minimising traffic growth are considered to be key factors in assessing new proposals.

A key general objective for the tourism industry will be that of broadening the season and encouraging quality development.

### **Restormel Borough Council plans for Lostwithiel**

*Employment and regeneration in Lostwithiel* (Chapter Thirty Six from the Local Plan)

36.20 The numbers of economically active people in the parish increased by about 45% between 1981 and 1991 (from around 800 to 1150 people). This growth is substantially higher than the Borough average. Clearly many of these, probably about half, had jobs outside the parish. The numbers of unemployed were higher in 1991

than 1981, and the situation has worsened since. In order to maintain the town of Lostwithiel as a relatively self contained settlement consistent with the Plan's sustainability objectives it is considered vital to promote more local jobs in this Plan.

### Policy R23

(1) Land south of Liddicoat Road, west of the railway line and east of the river is proposed for new business industrial and warehousing uses (3.05 hectares).

(2) Proposals to redevelop part of the site for small workshop units will be permitted.

(3) In assessing proposals under R23(1) the Council will seek the provision of the footpath proposed in Policy R25 by means of a planning obligation. 36.21 The redevelopment and/or refurbishment of this land for class B1, B2 and B8 uses is considered vital for the future of Lostwithiel as a sustainable community. Some other small towns and large villages in the Borough have grown and retained a good balance between homes and jobs (e.g. St Columb and Roche). Lostwithiel runs the risk of losing this balance if this site is not developed in the first five years of the plan period. Public funds have been available to help with the regeneration of this site and the Council will continue to press for a positive and comprehensive programme for the site from the owners. Land reclamation grants are likely to be available to help this process.

36.22 The site is in a good sustainable location next to the railway line and station to help meet long term objectives of greater use of rail for freight movements and could attract employees from the St. Austell and Plymouth direction who could commute in by rail.

36.23 Proposals involving shopping use will not be accepted on this site. Such proposals would be contrary to the shopping policies of the Structure Plan and this Plan and completely out of scale with the Lostwithiel town centre which could be seriously undermined.

36.24 There has been a longstanding ambition to provide further small workshops in Lostwithiel through the Rural Development Area Workshops Programme but no suitable site has been found. Land covered by Policy R22 is considered to be eminently suitable as no sensitive location outside the town is proposed. There may be scope under the General Policies for conversion of buildings (see Chapter 5 of Part 1) to create suitable employment opportunities outside the town.

36.25 Any development of this site will need to be of good quality because of being adjacent to the town Conservation Area and the river where this Plan is promoting wildlife Conservation Corridors and footpath and recreation links. Retention of the trees and landscaping along the river is crucial. These are protected from removal and lopping by virtue of being in the town Conservation Area.

### **The Lostwithiel economy**

There is little specific information on the Lostwithiel economy available from official sources. Appendix 3 lists businesses found presently in the town through observation. These are the businesses that are readily identifiable. However there are other 'invisible businesses' and economically active individuals in the town, so this list does not yet present a full picture.

The Lostwithiel survey reveals that of the returns made, 21% of those already in employment said that they work from home. This reveals a statistical anomaly if those people are self-employed. National rates of 'self employed' people are 10%, and Cornish rates are 16% on average. This shows Lostwithiel to have a much higher number of self employed people working from home than is the norm.

41.2% of people living in Lostwithiel work within 5 miles of home. There are several large employers in the area, most notably the Eden Project. St. Austell and Bodmin are both within 5 miles. Imerys also employs people in the town. 15% said they worked more than 10 miles from home.

Substantial numbers said that low wages, lack of suitable jobs nearby and lack of personal expertise were major drawbacks to employment. 23% of replies said that they would consider self-employment if they could get help with start-up finance, book keeping and tax issues, and marketing; suitable premises are a problem.

Statistics from our town 'snapshot', provided by Hannah Reynolds Associates, indicate that workers living in the town are employed in the following areas:

- manufacturing - 38%
- hotels, services and tourism - 22%
- public sector - 20%
- financial - 10%
- agriculture - 0.1%

61 shops were found in the town, with only two vacant. 17 of these are service businesses, 14 are food and drink suppliers, 2 were light industry and 5 were food and 'soft goods'. There are 9 antique shops, 4 art galleries and 20 'others'. It should be noted that several shops, particularly in North Street have been converted to living accommodation.

Planning jargon defines most businesses in Cornwall as SME's, (Small or Medium Enterprises). A small business in this terminology is one that employs under 50 people. Data from 'Enterprise Edge' is based on a 1999 survey carried out by Business Link and this is the most recent official research.

Enterprise Edge holds details on 11,000 businesses in Cornwall and this information is voluntarily provided by the businesses so is not a complete picture. Enterprise Edge hold information on 98 businesses in Lostwithiel and break down the employment information as follows:

29 businesses with 1 or less employees	1 business with 13 employees
15 businesses with 2 employees	3 businesses with 15 employees
6 businesses with 3 employees	1 business with 18 employees
8 businesses with 4 employees	1 business with 19 employees
11 businesses with 5 employees	1 business with 24 employees
7 businesses with 6 employees	1 business with 25 employees
4 businesses with 7 employees	1 business with 27 employees
1 business with 8 employees	2 businesses with 30 employees
1 business with 10 employees	1 business with 36 employees
1 business with 12 employees	1 business with 42 employees

1 business with 50 employees

This means that Lostwithiel had no medium sized enterprises, with the exception of the ‘milk factory’, presumed to be the largest business in the town at that time. The Restormel Industrial Estate presently has 28 businesses (not including milk distribution):

*“some manufacturing some offices, a children's nursery and a number of businesses breaking bulk and selling i.e. warehouse distribution.*

*The number of employees per sector is as follows:-*

*manufacturing -54*

*offices -12*

*children's nursery - 6*

*warehouse distribution - 34”*

There is a case for attracting light or service industry into the area if access is non damaging. Recent problems with lorry access to Lostwithiel Co-op demonstrate that traffic management is an increasing problem. The Lostwithiel town survey shows that over three quarters of respondents think there is a need for better job opportunities through the encouragement of light industry (58.9%), tourism (56.25%), retail trade (40.4%) and manufacturing (27.8%). Thirty five people (10%) said there should be no more economic development in the town.

Land availability studies from Restormel Borough council show constraints to the development of employment land in Lostwithiel. The Cornwall Structure Plan Monitoring & Review Paper No 8, (February 2001) highlights that Restormel has almost twice as many employment sites that have constraints to development than any other district. Constraints can provide a serious threat to development taking place on site and may lead to these sites being re-assessed for their suitability.

Constraints can take many forms such as geographic, site contamination, ownership or restricted planning permission. Nevertheless the re-use of these sites are important in guiding development that reduces the need to travel, reclaims past dereliction, improves and redevelops old/outworn buildings.

The two employment sites in the Lostwithiel sub-area are well located within the town of Lostwithiel and consist of nearly 3 hectares of occupied, developed land and half a hectare of vacant developed land. There are a further 0.27 hectares of land that is unserviced with planning permission available at the Great Western site, however both of these sites suffer from some form of constraints, listed as ‘ownership’.

*Table 1. Summary of Employment Land Availability in the Lostwithiel Sub-Area*

	Occupied	Vacant	Unserv with PP
Great Western	0.10	0.10	0.27
Restormel Estate	Ind 2.67	0.32	-
<b>Total (Hectares)</b>	<b>2.77</b>	<b>0.42</b>	<b>0.27</b>

Source: Restormel Borough Council, 2001

Given the small amount of development room in the town and the particular nature of

Lostwithiel, any industrial development needs to be carefully selected. The management of Restormel Industrial Estate, was asked for views on development:

*“At the present time I have no plans because of the large volume of traffic on the A390 which is avoiding the Glynn valley. Ultimately I would like to build on the 4 acre site north of the A390 where my waste treatment works is. I have drawn up plans for a 12,000 sq ft building divided into four 3,000 sq ft units. Other buildings are on site and can be converted. On the main estate I would find it difficult to construct more units as I must leave room for access and parking”.*

Views on potential development in Lostwithiel -

*“with all but Restormel Industrial Estate being developed then green field sites are only available. I would like to see the milk tankers relocate and Lostwithiel bypassed as priorities. Demand for industrial premises has tailed off at the moment and now is probably the time to construct more.”*

The Great Western Estate is currently under development and the old building retains listed building status and its allocation of industrial space. As this is now next to a housing development, the upgraded building will be for light (rather than manufacturing) industry, services and offices.

### **Conclusions:**

The 4 acre site north of Liddicoat Rd. and opposite the Restormel Industrial Estate is presently outside of the Lostwithiel development envelope, and in a conservation corridor linking river valley sites. Although grant aid is available for land reclamation at this site, the present plan (running to 2016) will not allow for building.

There is some potential expansion room on the milk factory estate, which is poorly laid out. If products can arrive here or be distributed by rail it will take freight off the roads and add to sustainable practice. Brown site land at Mill Hill has potential for employment land but access is fraught with problems. Redevelopment as a housing estate has recently been denied because of the potential traffic it would generate up Mill Hill (250 cars a day). The developers are now looking for ways to take a road in through the Fiat Garage land allowing access parallel to the railway.

According to the local plan increased employment is presently a more important issue than additional housing in Lostwithiel. The Mill Hill estate hosts three highly successful and 2 long standing local businesses employing 14 local people. There is development room on this site to expand the businesses already there, and build small workshops, but it is not designated as employment land.

The Restormel local plan notes that Lostwithiel has under one hectare of formal, open space per 1000 people. The standard allocation is 2.43 hectares per 1000 people. The plan is keen to promote more applications for informal recreation and footpath links, especially facilities for older children and picnic areas. The river is increasing in its environmental importance and attraction as a tourist destination, it has recently had sections designated as Sites of Important Nature Conservation (SINCs). The river in Lostwithiel is a conservation corridor between SINCs, which causes serious constraints to any development.

In addition to residents affected by Co-op lorries in North Street, people living in Grenville Road, the main access road to the Bridgetown side of Lostwithiel are complaining about traffic. The present owner of the milk factory estate does not want traffic brought in through there as it will disturb the businesses. Land to the east of the railway seems too low to bring access in from the main road. Lostwithiel is particularly sensitive to traffic so sites outside the town need to be explored for anything on an industrial / manufacturing scale. The impact of traffic in the town from new housing and industry at the Great Western Site has yet to be seen.

The last 20 years changes in Lostwithiel have brought an influx of retired people and young families but without new jobs or services to support them. In recent years infill in the town has been fast paced with potential workshop / housing sites such as the schools or old cinema or fire station being quickly developed for private housing. Unconverted housing is snapped-up and improved for fresh markets as house prices continue to rise more steeply than in other parts of the country. The town has more than doubled in size during the last 100 years and is right up to the edge of its development envelope (see diagram 1).

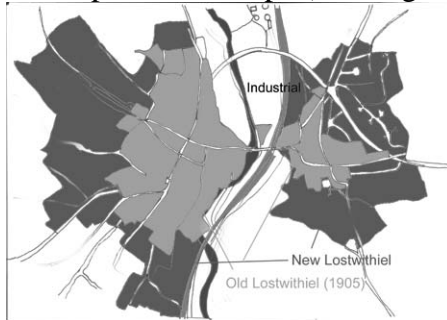


Diagram 1: The shape of Lostwithiel 1905 and present day

The town has a number of public rooms: The Community centre, the Church Rooms, the Drill Hall, the Scout hut, St. John's Ambulance, The Social Club, Duchy Palace - all of which are working at below operational capacity. Some consolidation of public rooms might release development space for local housing, studio or embryonic workshops in the town. The town also supports a healthy number of public houses and inns, some of which, such as the Talbot, are already used in the local accommodation rental sector. Others, such as upstairs at the back of the King's Arms, remain little used.

Increasingly a way of finding places for local people to live and work in Cornwall depends on buying up public buildings, such as chapels, if they come on the market and developing them specifically for local use.

There are few potential development sites for housing or 'cottage industry' employment (or a mixture of the two) in town. The local plan gives priority to job creation and open spaces over housing. All potential sites have constraints:

- land at Mill Hill (housing refused with current access)
- collapsing sheds on the right of the entrance to Coulson park (Duchybus)
- barn at the back of the church rooms next to Jeffrey's salerooms
- land behind the garage at Downend
- industrial land at Higher Polscoe (very high visibility)

If Lostwithiel is to take the route of attracting industry over promoting what is already here, then it needs to think carefully about what sort of industry suits the town, and promote reasons for the businesses to move here. Careful target marketing of possible employers, rather than 'broadband' unfocused campaigns will work better, (if we can find somewhere to put them)! This selection process is certainly part of developing Lostwithiel's 'public image' and focusing on what it has to offer potential employers.

Lostwithiel town is ideal for low impact industries such as telephonics, media, computing and services which create little traffic, noise or pollution but regional skill levels in these industries are low. People employed in these industries can often work flexible hours from home but as mentioned previously, these types of industry are increasingly subject to 'offshoring'.

## 5. Potential for Expansion in Existing Employment Areas

One method of finding ways to develop the economy is to see what's working and make it work better. This strategy is completely within sustainable practice. Looking at our natural resources, existing industries and services, within the context of national, regional and local plans, there is a great deal of potential for the development of the local economy. The table below lists some areas of present employment and suggests ways that they might be developed.

Wood	<p>Wood is a theme of Lostwithiel. Its name developed from 'Tail-end of the Woods'. It sits in a corridor of prime woodland and exquisite countryside that stretches from Cardinham to Fowey. Wooden antiques play a large part in the local economy, as do Duchy Timber, Duchy Nurseries and Duchy Sawmills.</p> <p>The local woods are full of potential for furniture making and art and craft objects. It has been estimated that the 'art' treatment of wood can reveal an 8,000% added value to the firewood it is usually chopped up for. A Draft Final Report for a 'Cornish Woodlands Economic, Environmental and Social Study' does not identify this as a resource for 'modern antiques making'.</p> <p>The expansion of Duchy Sawmills seems likely from the above report which may provide additional local jobs. With Lostwithiel already an antiques centre and arts centre, the creative use of wood in art, sculpture, craft and furniture can provide additional employment and takes little space to 'manufacture' given the cooperation of sawmills to cut it into size. It is an ideal link in a town that offers both antiques and art.</p>
Antiques	<p>Ten or so independent antique dealers trade in the town. With the help of digital photography and internet services, sales could be increased by auctions on e-bay and other international marketing methods. Further collective marketing could attract more people to this important aspect of the town. For example hosting the 'Antiques Road Show' in Lostwithiel would attract attention and create publicity and raise our profile as an antiques centre.</p>
Tourism	<p>Tourism is a major asset for the area, but has its risks. The Fowey Valley is one of the last wildernesses and is rightfully designated as a conservation area. Local plans from Restormel wish to see an expansion of the tourist season. According to the TIC in Lostwithiel, the season starts around Easter school holidays and then drops a bit until summer. September on brings non-family visitors. Already guided holidays are using our landscape (see enclosed leaflet) and there is potential for accommodation providers to work together for 'off-peak season' activity based breaks of many kinds.</p> <p>Eco-tourism is increasingly recognised as a way to offer 'sustainable' tourism. This can incorporate walking holidays (where luggage is 'moved on'), kayaks, cycling, art and craft</p>

based holidays, educational or health holidays. For an area so rich in natural resources there are many possibilities.

A company called 'greenleisure.co.uk' was recently selected as The Green Consumer Guide's exclusive national supplier for leisure activity experiences, and they are based in Restormel.

**The Eden Project** The Eden project has led to the creation of over 3,800 jobs in Cornwall and contributed (directly and indirectly) £138.6 million to the local economy. Objectors will say that 5,205 tonnes of carbon have been 'spewed into the air' from cars visiting Eden. The Eden Project encapsulates several conflicts contained within 'sustainable economic development' but there is no doubt it has brought benefit to the area.

With The Eden Project on our doorstep, residents have noticed the increase of traffic and visitors in the town. Eden policy states that it seeks a reciprocal relationship with local people. Given the above in 'tourism' perhaps there is an opportunity here to get help with eco-tourism around Lostwithiel as an extension to the Eden experience, which primarily promotes sustainability and ecology as key themes.

Part of the Eden Project's contribution to improving local infrastructure is the buses they provide. These sadly remain mostly unused. A developed relationship between Eden and Lostwithiel might bring visitors by bus from Eden (where they have left their cars) to areas in the valley as part of an integrated eco-tour. After all, on a bus you can see over the hedgerows!

**Elderly people** Lostwithiel has at least three homes for the elderly and many others have (and are) retiring here. Increasing age brings its own needs and there is opportunity to service these, for example in complementary health or home help, management, disability, financial or other services.

People early retiring, looking for a 'country life', wanting to be part of a community, are a great new resource for this area which is yet to be tapped. They bring with them not only the skills, knowledge and wisdom won by many years, but also disposable income, equity freed from even more expensive houses up-country. It may well turn out that inward investment in their town is a better investment than the present world banking system.

**Arts, music and Crafts** Lostwithiel has quite a few artists, in addition to two new art galleries. Exhibitions at Taprell House are becoming more frequent. There are potters, turners, weavers, kite-makers etc in the town. Each individual has to market themselves. More prominence given to co-ordinated actions such as 'collective marketing', parallel exhibitions (eg many at one time to attract audience from the Daphne de Maurier Festival) would help to increase economic activity. Collective resourcing would also help with costs. Promoting Lostwithiel as an Arts and Heritage centre

will add value to local business and help to create others.

- Farmers markets These take place every fortnight at the Community Centre. Although they have had a mixed response in the town, many people shop at them. Local produce sold in local places cuts down on traffic and contributes towards sustainable practice. Our present resource management shows for example that fish caught and sold in Cornwall, may well have been to London and back! Promoting these markets to a wider section of the community helps money get spent locally and supports local economic activity. Regional plans show a movement towards promoting local food products, for which there are grants available.
- Farmers Our farmers have had an appalling ten years. The message seems to be: specialise, diversify or go bust. Farmers have little group identity and are particularly important as stewards of this unique land. Estimates show about 80 farms within a few miles of Lostwithiel. National figures show:
- there are 230,000 farms in Britain
  - 25% of farms produce about 80% of agricultural output; 50% of farms produce less than 3%
  - 50% of farms are held by people who have alternative income. Two thirds of farms bought between April and June this year were bought by non-farmers
  - On average 1,000 farms a year go bust or are bought-up
  - Farming now accounts for just 4% of economic activity in rural areas, and 4% of employment
  - Earnings from farming have fallen 70% in the past decade and 33% in the past five years
  - The number of organic farms has doubled in one year
- (NB: Presently organic vegetable boxes delivered to the town come from Riverford near Totnes).
- Our town snapshot shows only 0.1% of the population involved in agriculture in Lostwithiel, whereas the national average is 4%. As farmers are notoriously hard to contact as a group, primary research is essential to assess their needs. There are certainly opportunities in organic or specialist farming and local food based products, in addition to allowing access to land based leisure, recreation and health pursuits.
- Given the movement towards specialist food products in regional grant aid, getting people onto land to make value added food products is a central part of the reconstruction of rural culture and economy.
- Cottage industry Cornwall has long been a base for entrepreneurs. Due to the conditions identified in the Restormel 5b Plan above, many have moved away to fulfil their dreams and Cornwall suffers a serious 'enterprise leakage' in losing local 18-30 year olds. The quality of life in Cornwall also attracts and inspires the creative type of

person. The potential for many new products already exists at the level of 'home based creativity' in Lostwithiel, but is frustrated by the constraints identified in the Lostwithiel survey (start-up finance, book keeping and tax issues, and marketing) and often by the lack of work space needed to make a hobby or interest into a product. Local planning authorities have, in the past, put little attention into developing small businesses in Cornwall. A collective approach to fostering, resourcing and developing new businesses would help stimulate local economic activity, especially if these businesses were owned by the community. It should be recognised that industry often starts 'at the kitchen table', and support should be offered from this stage on.

- Boats One successful local business wishing to expand in Lostwithiel is 'Outboard Services and Marine Ltd'. It is a specialist business that people travel to, even though it is out of sight on the Mill Hill 'brown' site and little known in the town. Lostwithiel's long association with the river and its ideal conditions for kayaking could be exploited more, (hopefully without increasing the noise and pollution caused by motors on the river). Sailing kayaks (Triaks) and ocean going kayaks are an emerging trend and the making of them and other boats could provide good business in Lostwithiel.
- Du Maurier The connection between Fowey and Lostwithiel is as ancient as the towns themselves. In the 17th century Lostwithiel was presented with a silver oar by Silas Titus, giving it dominion over the whole waters of the Fowey (although we later gave them back). The Du Maurier festival reported a £70,000 loss this year and has problems with accommodation. Perhaps with the wealth of public rooms we have in Lostwithiel we could become more part of this event. With new galleries and antique shops Lostwithiel is certainly developing an 'arts' face that could be promoted more.
- Fowey Passenger liner visits to Fowey are a regular event in the Summer. River trips from there to Lostwithiel stopped a couple of years ago. There are no organised events that bring visitors from Fowey up to Lostwithiel.  
A rail journey from Lostwithiel to Fowey docks and back proved popular but was unviable last time it was tried. The journey also misses a getting off point in Fowey. Any plans for Fowey might include the preparation of this rail link for a link with Lostwithiel. It would provide an ideal way for visitors to see the river in safety and comfort, with minimal increased impact in a unique environment.
- The River Fowey The Fowey Estuary Partnership has taken initiative in protecting this valuable asset and it should be viewed as a partner

organisation in any developments. Many possibilities exist to exploit this river, but it is a most special and sensitive environment. Already jetskis have been seen on St. Winnow Pool. Conservation of the river is as, if not more, important than development given the likely popularisation of this valley. The Lostwithiel survey shows that the river is much used by walkers. Any developments that are invasive should be rejected. As a consultancy company has been employed to explore this issue this report need only mention the river as an asset which may be the basis of employment.

#### Retail

Lostwithiel has been nominated 'Antiques Town' by a certain faction in the town. There are other local shops and the potential exists for expansion. Some individuals are exploring the possibility of opening a delicatessen for example. Unsubstantiated figures suggest that local shopping has increased by about 20% due to the new Co-op.

A gentleman's hairdresser, a kind of 'economic indicator' of shop feasibility in the town seems to be surviving. Promoting shopping in the town helps money to get spent here twice, supports local retail and cuts cars on the road. However when the traffic is busy in Fore Street it makes Lostwithiel unpleasant for shoppers. Experiments in Lampeter (Wales) show that local loyalty cards can increase local shopping.

#### Communications

A computer shop in the town is evidence of increasing use of technology. There are an unknown number of people using these, and telephones, for economic purposes. Lostwithiel has authors, copywriters, designers, media workers and musicians who use technology. Broadband is an urgent issue for this aspect of employment in the town, and attracting new industry of this type, which is ideal given the lack of space here. Presently the campaign to bring broadband to Lostwithiel is being managed by a 12 year old boy who wants more bandwidth for his online gaming.

#### Cornish

Local authorities are realising that the distinctive elements of Cornwall are central to promoting its identity. The flag of St. Piran on road signs replacing the Tudor Rose was an important event for Cornish identity. Cornwall has a long history of isolated, self-supporting and self-sustaining communities and there is much we can learn from the remaining Cornish.

There is also a culture and 'way' about the Cornish that is unique. Despite their general tendency not to get involved with 'English' affairs (NB read 'Our Future is History' by John Angarrack to find out why), the 'Cornish way' has many elements that are at the heart of sustainability, and the identity of this ancient land. Across the world there is a revival of interest in things Celtic. Heritage has an increasing role in the development of local

identity and it often stimulates tourism. The town of Lostwithiel and the River Fowey have a fascinating history spanning the last 2000 years.

Social  
community  
enterprises

or Social Enterprises are being increasingly seen as ways to directly stimulate local culture and economy. Credit Unions for example have been shown to increase local involvement and inward investment, keeping and using money in the local economy. They can help the development of community enterprises, local business and housing. They offer much more than the banks as members can actually see, and contribute to, their investment in real terms.

Sixty people in Lostwithiel have already experimented with LETS (Local Exchange Transfer System) and more recently Bartercard', both socio-economic improvers.

Worker cooperatives are another option or community owned businesses offering 'start-up packs' (ready to run bespoke businesses) are a positive intervention in a 'stakeholder community'.

Development Trusts, Social Firms, Trading arms of charities and intermediate labour market projects are also forms of social enterprise.

Social entrepreneurs has been viewed negatively in the past but are an increasingly important way to help communities respond to changing conditions. Funding authorities are realising this and finding ways to support people who act independently and collectively to improve local conditions.

Social Enterprises however, are based on co-operation within a defined common purpose and ethical framework, which will be a new thing for Lostwithiel.

Other

Another method of finding potential businesses for Lostwithiel involves seeing what works well elsewhere and emulating that. Could Lostwithiel host a festival like Fowey, could it become a cultural or heritage centre for Cornwall, a specialist theme town like Hay on Wye or an educational centre like Dartington at Totnes? Ideas need to be collected and their feasibility studied. Objective 1 gives us a unique opportunity to get the town on a firm footing for the the 21st Century - but time is running out as grant aid ends in 2006.

## **6. Self Employment in Lostwithiel**

In addition to 'employed people' in Lostwithiel, the town is a relative hot-bed of entrepreneurs. There are about 1.6 million self employed workers in Britain and the number is expected to rise to 3.2 million by 2010, a 100% increase in 7 years. Due in part to its geographical peripherality Cornwall has a long history of small enterprise. Figures show that there are three times as many self employed people, sole traders and small businesses when compared to statistics from England. Historically, local authorities have consistently refused to even notice this.

Unfortunately self-employed individuals seem all but invisible to statistics. The obvious source for existing numbers on self-employed and sole traders in Lostwithiel, the Inland Revenue, seemed quite shocked to be asked for such information.

Partly because of the lack of research, in the past much local government activity has been based on attracting industry into Cornwall rather than developing the self-employment potential that is here. There is far more kudos involved in 'landing a factory' than in 'helping the little people'.

21% of respondents to the Forum questionnaire stated that they work from home, this statistic is not evident from the list of businesses in Lostwithiel (appendix 1), or the snapshot provided to the town forum. Given that Lostwithiel has reached the edge of its development envelope, has little space for industrial development, and 23% of respondents to the Forum's survey want to become self employed, this strand of the local economy is potentially our richest.

One effect of globalisation is the increased development of communications technology. The development of modern communications opens a global market that can overcome the disadvantages of Cornwall's geographic peripherality and offer its unique elements to the world. There are already a number of people in the town employed in such activity. We know that craft workers, media workers, authors, artists and musicians work in the town. Evidently there are other home based workers and the need for primary research into this is urgent.

There is increasing support available for those in self employment, but not from within the town. An attempt was made in 1999 to incorporate business and education services into the local Community Centre but it did not work out.

## **7. Existing Enterprise and Business Advice and Support Organisations Regionally:**

*CASCADE* - Truro College Business Centre offers one-to-one business mentoring and business support. It is a free service but customers are asked to keep a record of events for use as 'outputs' for the European Social Fund. The service offers membership of a business club and options on training.

Telephone: (01872) 267124 for a business advisor. Truro College website: [www.trurocollege.ac.uk](http://www.trurocollege.ac.uk)

*Haven House*, an annexe of Truro College offers an innovative course in 'Preparation for Business' (NCFE approved). It includes personal profiling, preparing and making a business plan in addition to legal and statutory requirements for business. This course is regionally unique in engaging with the students aspirations, working at the level of profiling to inform people of their own strengths and weaknesses as self-employed people. Cornwall Business School in St Austell hopes to offer a similar course by 2004.

### *Business Link - Devon and Cornwall*

This government funded agency offers business information and advice. It can help with putting a business plan together, forecasting and pricing, also training. They are willing to help with developing a business idea into a plan. It acts as a feeder organisation for local enterprise agencies in Bodmin, St. Austell and Liskeard (locally). Telephone: 0845 600 9966

### *Mid Cornwall Enterprise Trust*

The Enterprise Agency service offers free, independent information and confidential advice to anyone who is already running, or thinking about starting up their own business. Based at Par Moor Road.

Telephone: (Alan Moore) (01726) 813079 website: [www.mcet.co.uk](http://www.mcet.co.uk)

### *Enterprise Edge*

This business information service is dedicated to supporting SMEs in Cornwall. Their objective is to provide the widest possible range of information to enable new businesses to launch efficiently and existing businesses to develop their own potential. They are a member of the Business Link Network and are based in Truro. Freephone: 0800 052 3942 website: [www.enterprise-edge.co.uk](http://www.enterprise-edge.co.uk)

### *Business in the Community - Plymouth*

This is a charity that engages corporate responsibility and brokers professionals for pro-bono work for communities. It works through grouping SMEs for increased efficiency. Telephone: 01752 510410

### *BVMA - Business Volunteer Mentor Association (Devon and Cornwall)*

The BVMA is a programme to provide small businesses access to a range of business specialists that can help support the survival and growth of the business. In Devon and Cornwall it is operated by Enterprise Plymouth Ltd (EPL). Telephone: (01752) 211211 website: [www.bvma.co.uk](http://www.bvma.co.uk)

### *Learn Direct*

Available nationally on the internet, Learn Direct offer some introductory courses in business management. website: [www.learndirect.co.uk](http://www.learndirect.co.uk)

*Learning and Skills Council (LSC)*

The Learning and Skills Council took over the role of the Further Education Funding Committee (FEFC) several years ago. It is this body that is primarily 'in charge' of the funding and curriculum for mainstream adult education. The Learning and Skills Council have 5 key tasks:

- To raise participation and achievement by young people
- To increase demand for learning by adults and equalise opportunities through better access to learning
- To raise skills levels for national competitiveness
- To improve the quality of education and training delivery
- To improve effectiveness and efficiency

Outputs for the LSC are based on units of Gross Domestic Product. Their involvement in providing education for 'the development of human potential' is negligible, but its as close as its ever been.

## **8. Grant or Loan Aid for Business Start-ups**

### *Prince's Trust*

This scheme focuses on young people age 14-30 without access to any other funding. It is aimed at under privileged persons, including unemployed, under employed, disabled or with limited means. It will grant up to £250 for testing markets, a maximum of £1500 - £3000 to cover start-up costs and up to £5000 for low-cost loans.

Telephone: (020) 75431234 website: [www.princes-trust.org.uk](http://www.princes-trust.org.uk)

### *Shell Livewire*

For ages 16 - 30, needs a viable business idea and supplies quality business management training. Application is through informal interview. It is linked to the Young Entrepreneur awards.

Telephone: (0191) 2615584 website: [www.shell-livewire.org](http://www.shell-livewire.org)

### *Cornwall Business Grant and Loan Fund*

Funding for businesses unable to find traditional finance for start-up, or existing businesses seeking to develop and expand. Loans between £3000 and £25000 (60%). Interest free for businesses with less than 5 employees. Projects must demonstrate sustainability and viability. Priority is given to emerging growth sectors in the Cornish economy. Applications admitted through an approved business advisor. Small admin fee. South West Investment Group also run regular seminars for business people.

Telephone: (01872) 223883 website: [www.southwestinvestmentgroup.co.uk](http://www.southwestinvestmentgroup.co.uk)

### *Business Enterprise Fund*

An interest free loan repayable over 3 to 5 years on a 60 / 40% basis. The money is released at key milestones and there is an administration fee of 5%. It can be used for equipment, marketing, consultancy, services, software or the purchase or adaptation of buildings.

Telephone: (01872) 223883

### *Prime*

Business loans for the over 50's, without paid work and with a business plan. Applicants need refusal from 2 banks. Up to £5000 for eligible individuals or £10000 for business with 2 or more eligible partners. Website: [www.primeinitiative.org.uk](http://www.primeinitiative.org.uk)

### *Finance Cornwall*

£20 million has been allocated for small businesses in Cornwall. This is a loan fund that operates on a 50/50 basis from a minimum amount of £5000.

Telephone (01872) 272288 website: [www.financecornwall.co.uk](http://www.financecornwall.co.uk)

### *Arts Council*

The Arts Council has now grants accessible by individual artists.

### *Craft Council Setting Up Scheme*

A 50 /50 arrangement that can loan up to £2500 for maintenance or £5000 for new equipment. website: [www.craftscouncil.org.uk](http://www.craftscouncil.org.uk)

*Small Firms loan guarantee scheme*

This is for slow start-ups and is guaranteed by the government. Loans start at around £50,000 up to £250,000 using venture capital.

*Local District and Town Councils*

These sometimes have small pots of money that are available for resource and feasibility studies, marketing or community enterprise.

*Cornwall Church Action Group for the Unemployed*

This group offers £250 - £300 grants for those on New Deal providing they can show matched funding.

*Bellamy Trust*

Grants up to £500 primarily to help disadvantaged people into training or employment.

*Banks*

High street banks have a business / enterprise section and will match funds with a viable business, often to 50% of the costs of assets taken into the business. Business advice and much printed information on business subjects and constraints is available.

*New Deal action fund*

Financial help for getting into employment or business is available on the New Deal.

## 9. Survey of Affordable Housing in Lostwithiel

### Vital Villages & Countryside Issues (extract from the Restormel Local Plan)

#### *Issues Emerging*

- Affordable Housing
- Loss of village facilities
- Maintaining the character of village life
- Farm diversification

#### *Analysis*

Maintaining the vitality of the boroughs smaller towns and villages is a key theme which has emerged from the Stakeholder consultation. To address these issues the Local Plan can help to protect local facilities and encourage local employment which meets the needs of residents. In the wider countryside the diversification of farming can be supported.

Initial work on the level of facilities provided by settlements has indicated that the small towns and villages identified in the current plan, namely St Blazey /Par area, Mevagissey, Fowey, Lostwithiel, St Stephen, St Dennis, Indian Queens /Fraddon and Roche score best, but also that Bugle would appear to merit key village status.

Under the emerging County Structure Plan the amount of new general housing within villages would be limited, with new provision pretty well exclusively limited to 'exceptions sites' for affordable housing. Views are sought on the deletion of the remaining 'greenfield' housing allocations in the rural parishes.

At the moment the local; plan would only allow exceptions in larger villages which have development envelopes (the key ones referred to above and villages like Crantock, Foxhole, Grampond, Sticker and Luxulyan etc). Views are sought as to whether this policy should be extended to smaller villages such as St Wenn, Golant, Gorran Churchtown, Lanlivery and St Ewe. Views are sought as to what level of community facilities villages where the policy is applied should have.

Current policies do allow 'infil' housing development within villages, both in those larger villages with a development envelope (where the proposal would need to be inside the boundary), but also in smaller settlements where the proposal would need to be 'clearly within the built up part of the settlement'. This latter policy has been criticised as unclear as to where it would apply and the Council would welcome views as to whether an approach which identified all the villages where 'infil' would apply should be adopted. Views are also sought as to whether relevant villages should have a minimum range of community facilities.

Under the Governments proposals for Local Development Documents the Council would be producing a more streamlined plan. It would probably also be able, however, to produce detailed 'Action Plans' for villages and the Council would welcome expressions of interest from local communities interested in developing a plan for their village.

*Future Options*

Significant amounts of new housing in the countryside would be counter to the principles of sustainable development which seek to reduce the need to travel. Limited further housing in line with the Structure Plan is considered the preferred option.

To protect village facilities the Council considers that a stronger policy framework which identifies and protects for commercial use existing businesses such as garages could be included in the new plan. Additionally in considering the change of uses of redundant community facilities such as chapels policies could seek the investigation of community uses as a first priority.

## 10. Housing in Lostwithiel

According to the latest census there are 1006 households in Lostwithiel. During the period April 1991 to April 2002 planning permission was granted for 151 new homes. Since April 2002 there are 84 new homes with planning permission or under construction. There are no further proposed sites in the plan but there is an allowance for 33 unidentified sites which includes 'infil' and change of use, for example from a shop to a home.

Not including unidentified sites this gives a figure of 23% increase in homes in Lostwithiel for 1991 - 2002. In total it means that since April 1991 through to the 'end of plan' Lostwithiel will have 268 new homes. A 'guesstimate' from Jefferys Estate Agents suggests that about 10% of the houses in Lostwithiel are presently holiday or second homes.

In 1995 the Town Council undertook a 'housing need survey' with Cornwall Rural Community Council. This survey recommended that a working party be formed to ensure that local housing met the needs of local people.

The provision of affordable housing is now a key theme of the Restormel Local Plan and an issue of increasing urgency all over Cornwall. The Council's definition of affordable housing is set out in the housing chapter of the plan. The definition used is *'housing not more expensive than that able to be purchased (or the rental equivalent) with a 90% mortgage equivalent to 2½ times the average male full time earnings for Cornwall...'*.

At 2000 earnings levels this would constitute a house at £49,024. Their estimate of a local wage at 28% less than in England is about £400 per week, which is more than is commonly found in Lostwithiel. More usual is about £250 a week, or even less, giving an affordable housing ceiling of only £27,000 for single people living and working in the town.

Affordable Housing schemes worth £25 million across the South West have recently been put on hold. This is due to the axing of funds for affordable housing to local authorities through the Local Authority Social Housing Grant (LASHG).

Affordable housing is identified by some as the 'number one' political issue in the West Country. Our as yet unspoiled environment attracts many people, not least the early retired with disposable income (the 'grey pound'), which might certainly be an asset if we are looking for people to invest in Lostwithiel. But it does drive-up house prices. The planning system we have does not differentiate between land for executive residential development and land for affordable housing. This means that new affordable housing becomes more expensive.

This inflation in the private sector coincides with problems in the supply of social housing. The late 1980's and early 1990's saw council houses sold off through the 'right to buy' scheme, without any significant investment in new building. Although the government has earmarked £22 billion for the problem, nearly all of this is going to the South East. The government has legislated to end the 50% Council Tax discount for second home owners and councils will soon be able to charge 90% of the full rate, but where this money will go is anybody's guess.

In the mean time local people are increasingly ghettoised into sub-standard or heavily subsidised (by the taxpayer) accommodation, if they can afford any at all. Local young people are forced to either live at home until well into their twenties, or seek a future elsewhere, rarely returning to the land of their birth.

According to Jefferys Estate Agents, the cost of houses in Lostwithiel has more than doubled in the last 4 years. Typical 'starter homes' cost from about £100,000 (unconverted) or £125,000 for something ready to move into. A typical, local, first-time buyer will now be in their middle to late 30's. Local wages are low and young people working here simply cannot afford to buy homes on their income.

Lostwithiel is proving a popular place for people to move to and houses are presently bought up mainly within three markets.

- People moving here (typically early retired from London and the home counties)
- People buying second homes
- Private investors within and from outside the town

One local developer explained how he almost fell into the opportunity to upgrade local buildings to accommodation. Partly responsible for the developments at the old fire station, the cinema and the present Co-op site, he originally bought them as somewhere to store cars.

Some people who presently own property in Lostwithiel have noticed this and are re-mortgaging their houses and buying second houses (to improve) for the rental market. With rents on a 2 bedroom property starting at £400 a month and an overheated property market this is a good investment. The cheapest rents (excepting 'social rents' at about £240), start at about £280 a month for a bedsit up to £400 for a one bedroom cottage, averaging £350 - £450 a month.

In 2001/02 Restormel Borough Council transferred its housing stock to Restormel Housing Trust. However the Authority still retains its statutory and strategic responsibility for identifying and responding to the housing needs of the Borough. The Council's principle strategic housing services are:

- Provision of a Housing Strategy
- Homelessness Service
- Housing Register
- Housing Advice
- Private Sector Housing Renovation and Energy Efficiency Grants
- Private Sector Housing Conditions and Enforcement
- Provision of new affordable housing opportunities

There is little housing association stock as people have taken advantage of reasonable rates to buy their own homes. 90% (36,900) of the Borough of Restormel's housing is owner-occupied or privately rented. It is estimated that around 20% (8,200) of these properties are unfit or in serious disrepair. Furthermore these dwellings are likely to be occupied by households who are vulnerable and on a low income and therefore are least able to afford the cost of repair and maintenance. It is estimated that the overall cost of making these properties fit to a decent standard is around £70-£117million (£9,000-£15,000 per property).

Lostwithiel has 87 houses owned by Restormel Housing Trust, and a few owned by Devon and Cornwall Housing Association. Within this there are 14 one bedroom, 25 two bedroom, 43 three bedroom and 1 four bedroom properties. Rents for these are well below the market average and are classed as a social rent. There are no plans to buy up any new stock. Turnover is very slow with great demand.

In response to the high levels of demand, new Social Housing Schemes have adopted an approach which ensures that there is a percentage of 'local people allocated housing' which produces a more balanced community. For example an allowance of 7 'affordable homes' was allocated to the new development at the Great Western Estate, but these are priced well outside anything actually affordable by local first time buyers.

The local plan states that there has been much housing development in Lostwithiel, but with one major employer in the town gone. The key objectives in the plan regarding Lostwithiel are to obtain further jobs and consolidate housing growth. There are no further housing sites proposed in the life of this plan.

Key factors in assessing Lostwithiel's housing needs are:

- growth of people over 75 years (80% between 1981 and 1991) third highest in borough
- higher than average growth in young people of working age (20 - 34) 44%, highest in borough (the plan notes that these people may be lost to the area unless local jobs are replaced)
- good stock of rented housing association properties (18% of the borough at the time of making local plan)
- highest growth in the borough of owner occupied dwellings 1981 - 1991, up 55%

The statistics above show that between 1981 and 1991 there was an influx of people over 75, who would now be in their late 80's. This growth is consistent with a rise of owner occupied dwellings over the same period. Some of these properties are presently coming on to the market.

There is an exception scheme that allows for dwellings 'built to meet local need' outside, but adjoining a development envelope. With Lostwithiel in a belt of outstanding countryside it may be difficult to identify such sites for local affordable housing. Some suggestions have been made as to the development of land on the Downend garage site adjacent to Duchy Timber, which is about a mile from the town.

### **Conclusions**

Affordable housing for local people is not just an issue in Lostwithiel, it is nationwide, although Cornwall is presently under higher than average pressure due to its popularity and low wages. There are options to housing people that ease the pressure in the short term. To solve the problem though we either have to pay local workers more so that they can afford housing, or provide housing at a rate they can afford.

One solution emerging is the idea of 'shared equity' in which the purchaser pays only a percentage of the initial value of the property and rent on the rest. On selling, any

increase in the property's value is shared between the part owners. This would certainly work if there were a local source of investors willing to put money into property. Although anyone who got caught in the negative equity trap of the 1980's will see the dangers in this.

Shared purchase or rental is often used in the singles property market, and shared houses already exist within the private rental market in Lostwithiel. It wouldn't take a lot of organisation to create a register for single people looking to share rented or purchased accommodation. In effect conversions of larger buildings such as the old schools in Lostwithiel do this already.

Jeffery's Estate Agents state that locally farmers are selling off small parcels of land and outbuildings rather than 'cashing in' their farms. Planning policy suggests that these might be used for local accommodation or enterprise, creating an additional income stream for the farm owners without losing bits of it. In fact planning policy relaxes when it comes to housing 'land workers'. Farms are a key asset in the Lostwithiel area and figures from our town snapshot show that agricultural workers are only 0.1% of the employed here compared to a national rate of 4%, which is certainly a curious figure.

With some of the houses in Lostwithiel owned by the elderly there are bound to be people with more space than they need. Perhaps there is a way that people with 'too much property' might be persuaded to share it?

Home working is part of a sustainable future. It takes cars off the road at often the busiest periods of day. It helps families to develop a home based life. According to figures presented in this report, Lostwithiel has double the home workers found in England and considerably more than are normally found in Cornwall. Some residents in the town are lucky enough to have accommodation they can work from. When affordable housing for local people is identified, local enterprise could be encouraged if home working facilities were included in any plans.



This report was researched, compiled and written by Simon Mitchell BA(Hons) Cert.Ed. FE under the auspices of Lostwithiel Forum with the part-assistance of grant-aid from the Marketing and Coastal Towns Initiative in Cornwall.

A digital version of this report is available free to download at 'www.aplus1.co.uk' - look for 'Lostwithiel Report'.

## References:

Extracts from the Restormel Local Plan with kind permission of Restormel Borough Council Legal Department.

Source material from: Edgar Cahn, Jonathon Porrit (Resurgence), Hannah Reynolds Associates, Andrew Shadrake, The County Structure Plan, Ian Bignall (Jefferys), John Barley, Michael Fitzgerald (Restormel Industrial Estate), The Lostwithiel Forum Survey, Restormel Housing Trust, Wombwell Homes, 5b Economic Regeneration plan, Cornwall and Isles of Scilly Economic Forum report, Cornwall Agricultural Council report '*Cornish Woodlands Economic, Environmental and Social Study*', Business Link service, Enterprise Edge, Cornwall Rural Community Council, South West Investment group, Cornish Guardian, Western Morning News, The Cornwall census, Truro College, The Learning and Skills Council, The Sunday Times.

## Appendices

### *Appendix 1: Health in the Western World*

Analysis by leading American psychiatrist Gerald Klerman examined the minds of people from eight nations. It concluded that today's 25 year olds are three times more likely to suffer serious depression than their 1950's predecessors. In America the rate is ten times higher. In Britain depression had risen from 22% to 31% in nine years from 1977 to 1986.

A 1992 study by psychiatrist Lee Robins shows that 20% of the general population suffered from full-scale mental illness in any given year, and many more with minor ailments.

In 1950, 6,000 cases of violence against the person were recorded. By 1997, 253,000 cases were recorded - 42 times more. Three quarters of convicted violent men were found to suffer from depression.

### *Appendix 2: Government Policy documents since 1999*

'A Better Quality Of Life - The U.K. sustainable development strategy ': (1999)

'Our Towns and Cities: The Future' (2000):- Urban White Paper

'Our Countryside: The Future' (2000):- Rural White Paper

'Food and Farming: A Sustainable Future' (2002); The Curry Report

'The Strategy for Sustainable Farming and Food - Facing the Future'

'Learning and Skills Act' (2000)

'Opportunity for all in a World of Change' (2001)

'Planning: Delivering a Fundamental Change' (2002)

'Manufacturing Strategy' (2002)

'The Future of Aviation' (2000)

### *Appendix 3: Businesses in Lostwithiel.*

Since this report calls for a compilation of existing information, this list is compiled from existing lists, but with some primary research to check its validity. It is by no means a full picture as some businesses have not been spotted and individuals working from home are 'invisible'.

Anns Gallery - 2

Baldry hearing services

Barclays Bank

Bakery

Barber

Bed and Breakfast accommodation not

Report for Lostwithiel Forum on  
Employment and Housing Prospects in Lostwithiel October 2003

Bed and Breakfast accommodation registered with TIC - 36 with 373 beds	registered with TIC 10-12 (estimate)
Boconnoc Estate	Blackwell & Bute accountants and tax advisors
Bright side of the Road art gallery	Bookshop
Buttercups Nursery	Butchers
Carpet Gallery	C.R.John - author
Caravan sales - Mill Hill	Keltec Brewery
Chimes Nursery	Church Rooms
Churches of Lostwithiel	Community Centre
Conservative Club	Coronet hairdressers
Country Flowers	Dairy
Darley couches	Dave Abbiss - carpenter/builder
Dave Maclennan - electrician	Deja-Vu antiques
Dentist	Don Breckon - Artist
Dower House antiques	Downend garage
Drill Hall	Drill Hall
Duchy Coffee shop	Duchy Nurseries
Duchy Nursery	Duchy sawmills
Duchy timber	Duchybus
Earl of Chatham public house	Egghead publications
Farms - It is estimated there are about 80 farms in the Lostwithiel area	Fire services
Fish and Chip shop	Fish Van
Fitness League	Florentine Design - Mill Hill
Furniture Store	Fowey Fluid Power
Globe public house	Gallery 8 art gallery
Golf Club	Golden Dynasty Chinese takeaway
	Grapevine restaurant
	Helman parcel delivery
Gregory distribution (milk)	Higgins Press - antiques
Industrial units on milk factory estate - 28	Ivy Leaf
Jefferys Estate Agents	Jefferys Salerooms
Jock's Cafe and emporium	John Bragg Antiques
John Keast Surveyor	John Webb - Potter
Julian Diggle - musician	Kez Stone - musician
Keltec brewery	
Lanhydrock Accountancy Practice	Lanhydrock Estate
Leanne Davies - reflexology/massage	Lloyds TSB
Londis	Lostwithiel Co-op
Lostwithiel Library and Taprell House	Lostwithiel Museum
Lostwithiel Roofing Contractors	Lostwithiel Schools (Bodmin Hill & Downend)
	Lostwithiel taxi service
Lostwithiel Social club	Margot Hartley - jewellery
M.V.Lewis builders	Matt Ruglys - wildlife camera
Masonic Hall	Milklink
Mike Marshall - sculptor	Muffins
Mountchase Pharmacy	Nigel Ayers - musician
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Report for Lostwithiel Forum on  
Employment and Housing Prospects in Lostwithiel October 2003

Old Palace Antiques	Old people's homes - 3 (?)
Oscar Morse - reporter	Outboard Services and Marine - Mill Hill
Palace printers	Paraphernalia antiques
Parkside Garage	Pelyn Estate
Pelyn vets	Penhaligons newsagents
Pets Pals	Piano - keyboard - singing lessons, E. Nichols
	Post Office
Piggy Pc's	Pure Picture Company
Property Shop	Railways
R.Rowent architectural services	Restormel Castle
Ralph Broad accountants	Restormel Insurance Services
Restormel Housing Trust	River Brasserie
Restormel Lodge Hotel	Social Club
Royal Oak public house	St. Johns Ambulance
St. John's Ambulance centre	Stick
Steve Williams - builder	Surgery
Sue Vague - handmade cards	SWW
SWEB	Tawny Owl
Talbot public house	Trewithen Restaurant
Tom Lander - framing	Wombwell Homes office
Uzella Court Antiques	
Yesterdays antiques	