

Summary of Local Economic Assessment

Business & Enterprise

- The diversity and historical development of the economy needs to be recognised in strategy and policy development, building on traditional strengths where relevant and focusing on how these can be adapted to the future economic needs of the area; different approaches are required for different parts of the Borough, such as delivering the spatial priorities or Crewe and Macclesfield
- Increasing global competition will increase the potential for international companies to outsource jobs and/or shift production to lower cost locations. This suggests Cheshire East needs to further enhance the sectors in which it holds a comparative advantage and diversify into new high value added growth sectors.
- Cheshire East's businesses need to be in a position to embrace and exploit opportunities presented by new technology – high speed broadband is likely to have the most impact.
- Macclesfield is an important economic driver for the south Manchester area, with a high level of employment in knowledge industries. To avoid over-dependence on a few larger businesses there is a need to encourage a more diverse economy/higher value jobs, including creative, digital and IT industries to take advantage of a location close to MediaCityUK in Salford Quays
- Crewe has a low skilled workforce in comparison to other parts of Cheshire East, and increasing school attainment levels and aligning further and higher education provision to the needs of growth sectors is central to raising the aspirations of the area and attracting knowledge based industries. However to reposition the town as a focus for development and growth also needs a major uplift in the profile and image of the area and development of key sites. The 'All Change for Crewe' initiative will address these issues.
- Congleton has witnessed a marked reduction in manufacturing employment but it is still over-represented compared to the UK average. The resident population is highly qualified and well paid – however banking, finance and insurance and other knowledge sector employment is under represented, hence the significant commuter flows to NE Cheshire towns and Greater Manchester. How to foster a more sustainable local economy is a major issue for the town. Business birth rates and stock suggest an entrepreneurial culture and supporting this is key to sustainable growth.
- There is a need to support the agriculture sector and rural enterprises and communities. Farm diversification is one of the key options available to help sustain farm enterprise and business activity, making rural areas more sustainable. There is a need to encourage farm businesses to develop and grow a secondary income stream by diversifying into a range of activities

eg retailing and manufacturing, tourism, environmental technologies and renewable energy. The provision of superfast broadband would make them more attractive for business start-ups and home working opportunities.

Economic Geography

- Shopping and leisure patterns suggest a need to bolster town centre investment particularly in Crewe and Macclesfield to claw back leakage of expenditure to other areas.
- As well as Manchester Metropolitan University and successful local FE Colleges, Manchester, Keele and Chester universities represent strong opportunity for Cheshire East's businesses and the public sector organisations to develop greater links with the HE sector, share knowledge and resources, and encourage graduate retention.
- Strategies pursuing a growth agenda in the Crewe area raise implications in relation to urban regeneration efforts in North Staffordshire and rural regeneration in North Shropshire.

Environmental Sustainability

- Cheshire East's natural environment is both an asset and a constraint to future economic growth, suggesting a need to maintain a balance between protecting the environment and promoting economic development, recognising that parts of the area need growth to support viable communities and regenerate areas in decline.
- The co-location of new employment and housing is vital to minimise the need to travel. Digital connectivity also has the potential to contribute to low carbon economic growth by encouraging home working and reducing traffic movements.
- Cheshire East Council has developed a Local Air Quality Strategy which intends to outline high level, broad commitments across the Council aimed at improving Air Quality. The Strategy is aligned to the Local Transport Plan and will help to ensure that complimentary initiatives identified with the Air Quality Action Plan, Climate Change Action Plan and Local Transport Plan are delivered in a coordinated way.
- Cooperation with partners in adjacent authorities is needed on carbon management, especially in relation to climate change adaptation to mitigate the risks to communities and businesses of changing weather patterns.
- The pressure from demand for resources will create major new opportunities for growth. In energy, the need to diversify away from fossil fuels will continue, creating new opportunities for renewables and micro generation. The first big wave of electric vehicles is upon us as government looks to cut emissions and make public and private transport greener and cleaner.

- Many local firms and employees have advanced engineering skills which will be valuable in developing renewable energy schemes and other green technology. Some new employment land developments also present an opportunity for creating areas of expertise in green technology.
- Realising renewable energy installations through location on strategic sites could contribute to a greater awareness and therefore acceptance of the potential for renewable energy technologies.

People and Communities

- People in Cheshire East generally have high earnings and qualification levels; education standards are higher and unemployment and other measures of deprivation are lower than national levels. However the demographics of the area are changing with an ageing population and a working age population decreasing as a proportion of the total population. The Borough must attract the most highly qualified and skilled young people to retain a competitive local economy and continue to generate business growth opportunities
- An ageing population will have serious implications for the provision of public services. However in terms of growth opportunities this group will look for new healthcare products - eg diagnostics to predict and prevent illness, new financial products to access equity and cash more easily for later life, and more opportunities for travel and tourism.
- Future job growth will be largely generated by those sectors that demand the highest skill requirements. This will disadvantage areas where there are significant levels of deprivation such as Crewe, where lower-skilled occupations are currently sought (issues of low ambition and attainment) - however, the decline of traditional industries has resulted in a reduction in the number of these employment opportunities. This emphasises the need to provide a step change in the educational aspirations of residents in these areas, together with the improvements to the infrastructure and physical environment necessary to attract higher skilled employers.

Regeneration

- Crewe has major opportunities to build on its transport connectivity, considerable development land opportunities and proximity to some of the most affluent areas of the region. Macclesfield is also the subject of some potential major regeneration schemes. Both town centres require investment to improve their image and vitality, at a time of reducing public expenditure.
- New or emerging sites, such as Basford, may face a challenge in attracting businesses and creating jobs, because of competition from existing sites (and indeed from each other). Some regeneration projects may not now be realised, while others may proceed, but not on the scale originally envisaged. The Infrastructure Plan being prepared to support the LDF will need to consider how the Community Infrastructure Levy can be used to help facilitate development.

- As for the regeneration of smaller towns and rural areas, key opportunities are to build on local partnership activity and deliver growth programmes that focus on providing sustainable communities and a sense of place

Transport and connectivity

- There is a need to tackle the high number of commuter trips by encouraging modal switch where possible and by locating new employment sites in locations accessible by non car means, together with improving facilities for cycling and walking,
- The development of universal next generation broadband infrastructure is critical to the economic growth potential of the area and may need complementary action with neighbouring authorities and partner organisations.
- While recognising its contribution to the wider economy, the expansion of the Airport will require a balance to be struck between the wider economic benefits and the ongoing mitigation of its local environmental impacts.