

Cheshire East Economic Profile

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Cheshire East Economic Profile

Please note:

- Many of statistics in this profile are from surveys or are modelled estimates, so they are somewhat less accurate than, for example, Census data; the survey data and modelled data also tend to be less accurate for smaller geographical areas or smaller industries and occupations than for larger ones. It is partly because of this reduced accuracy that the survey data and estimates for local authorities such as Cheshire East often show more volatility over time than the equivalent statistics for the North West region or the whole country.
- For consistency, national comparisons are generally with the UK. However, for those data sources for which comparable UK data are not available, the nearest equivalent country (England, England & Wales or Great Britain) is generally used. However, for house prices, England is used as the national comparison area, given that Northern Ireland's housing market is so geographically and economically separate from the rest of the UK and that some housing market data is more readily available for England than for England & Wales or Great Britain.
- Throughout this profile, the geographical definitions used for each town or smaller settlement are those set out in Appendix 6 of the Cheshire East 'LDF Background Report: Determining the Settlement Hierarchy', Cheshire East Council, November 2010:
http://www.cheshireeast.gov.uk/planning/spatial_planning/research_and_evidence/settlement_hierarchy_study.aspx. Annex 1 of this profile contains a map which labels each of these settlements and shows their boundaries.

Population¹

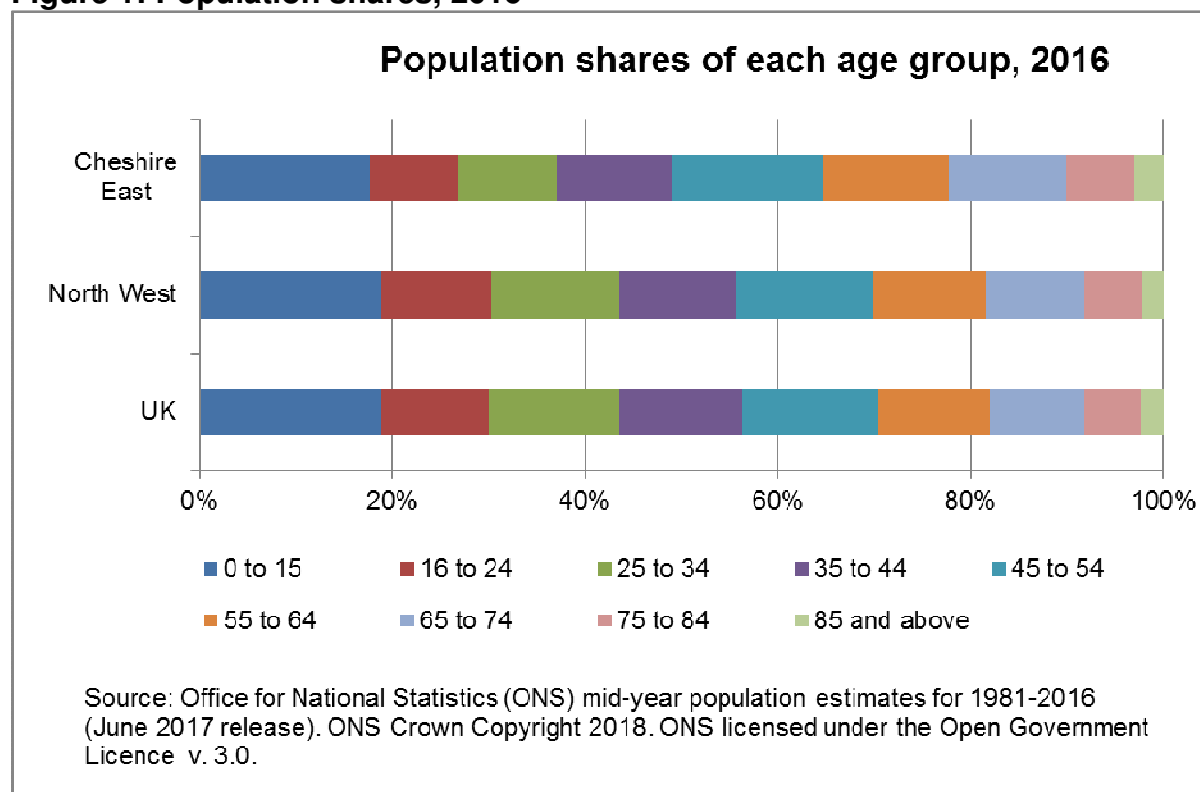
The Office for National Statistics' (ONS) 2016 mid-year population estimates put Cheshire East's total population at 376,700, making it the third largest unitary or district authority in the North West after Manchester and Liverpool. Of this total population, 60.0% (226,100) were of working age (age 16 to 64). This is significantly lower than the equivalent figures for the North West (62.8%) and the UK (63.1%). 9.2% of the Borough's residents are in the 16-24 age group, 22.2% are between 25 and 44, and 28.6% are between 45 and 64. 0-15 year-olds make up 17.7% of the population (lower than the UK figure of 18.9%) and those aged 65 and above account for the remaining 22.3% (much higher than the UK average of 18.0%).

As indicated in Figure 1, the proportions of the population in all older age groups (45-54, 55-64, 65-74, 75-84 and 85 and above) are all higher in Cheshire East than in the North West or the UK as a whole. 3.1% of the Borough's residents are aged 85 and above, compared to a UK average of 2.4%. Conversely, all the younger age groups (0-15, 16-24, 25-34 and 35-44) make up a lower share of the population in

¹ Except where specified otherwise, the source is Office for National Statistics (ONS) mid-year population estimates for 1981-2016 (June 2017 release). ONS Crown Copyright 2018. ONS licensed under the Open Government Licence v. 3.0.

Cheshire than in the North West or UK; this is particularly so for the 16-24 and 25-34 bands.

Figure 1: Population shares, 2016



The population in Cheshire East has increased by 14.7% over the past few decades, from 328,500 in 1981 (to 376,700 in 2016, as stated above). The age structure of the Borough's population has also changed since 1981, as Figure 2 shows:

- Although the number of children (aged 0-15) fell by 8.2% and now stands at 66,700 (against 72,700 in 1981), it has stayed relatively stable (between 65,000 and 69,000) since 1983.
- The proportion aged 16-24 has decreased by 18.1% since 1981, from 42,100 to 34,500, but has stayed in the 34,000-37,000 range since 2006.
- The number of 25-44 year-olds rose from 90,200 (1981) to a peak of 100,200 (1998), but has fallen in each subsequent year and is now 83,700 (down 7.3% on the 1981 figure). The number of 25-34 year-olds (45,500 in 1981) rose to a peak of 50,700 in 1995, but then declined to 38,300 (15.8% below its 1981 level) by 2016. The number of people aged 35-44 (44,700 in 1981) peaked at a much later date (reaching 57,200 in 2006), but has since contracted in each successive year, falling to 45,400 by 2016.
- The 45-64 population has grown almost continuously, from 75,600 (1981) to 107,900 (2016) – an increase of 42.8%.

- The number of older people (aged 65 and above) has increased by 75.3%, rising in almost every consecutive year, from 47,900 in 1981 to 83,900 in 2016.
- The total working age (16 to 64) population increased by 8.7% between 1981 and 2016, rising from 207,900 (1981) to a peak of 233,700 (2008), but then contracting in nearly every year since then, to reach 226,100 in 2016.

Figure 3 shows how Cheshire East compares to the UK in terms of 2001-16 population trends for broad age groups (0-15, 16-64 and 65 and above) and the total population. As it indicates, the Borough's 65+ population has grown much faster than at UK level, but the declines (since 2008) in Cheshire East's working age population and its number of 0-15 year-olds are in contrast to the trend for the UK (which has seen both age groups growing steadily in number in recent years).

Figure 2: Population change in Cheshire East, by age group, 1981-2016

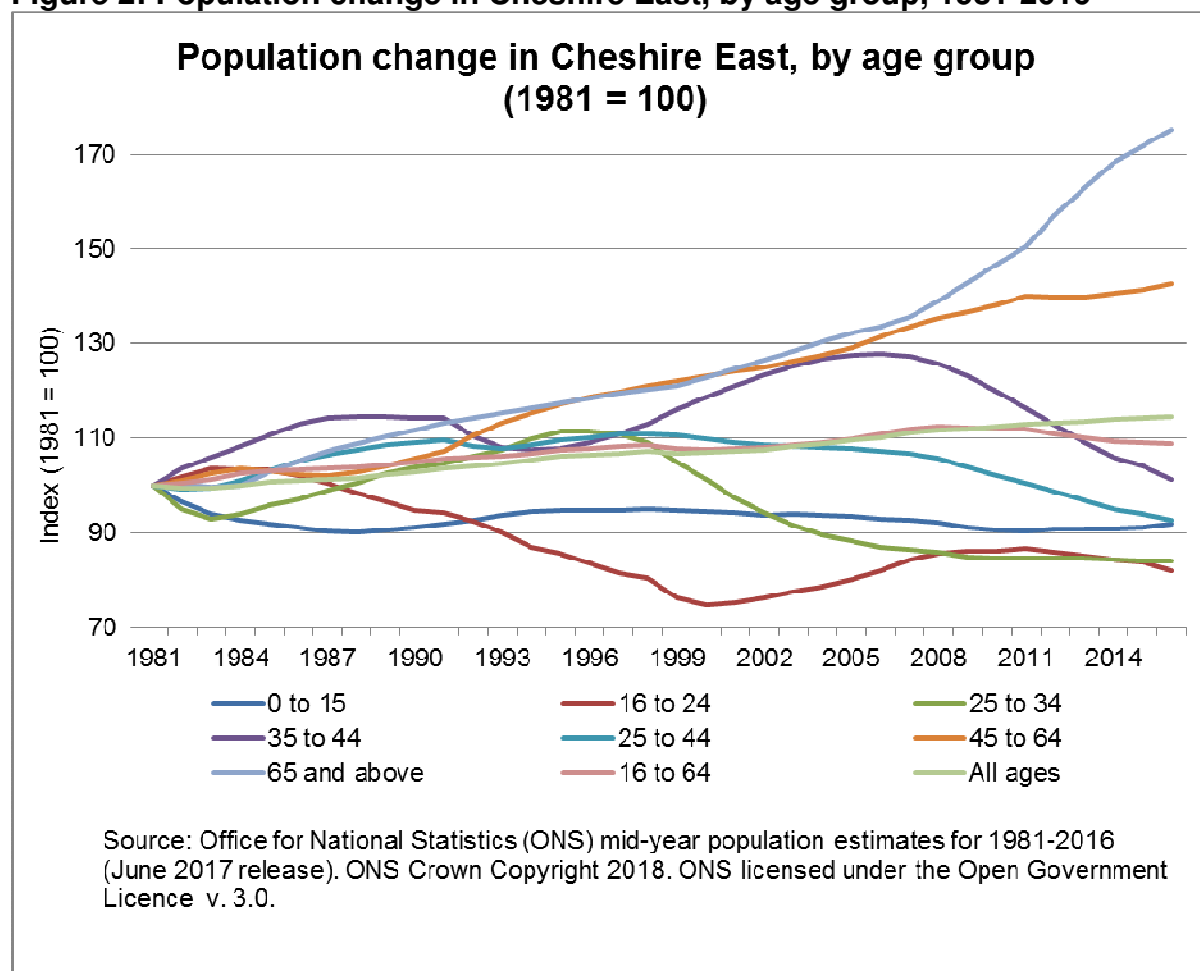
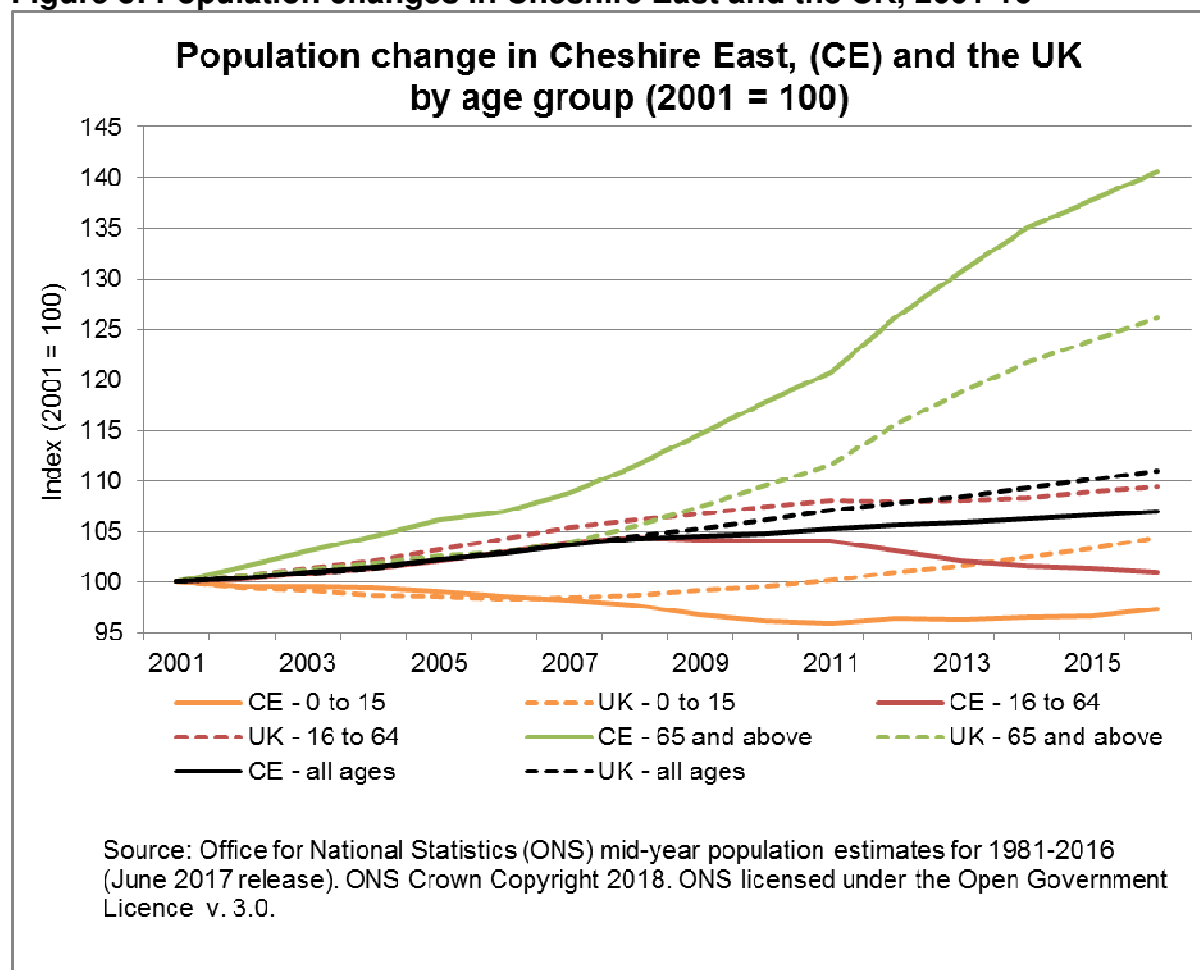


Figure 3: Population changes in Cheshire East and the UK, 2001-16



The average annual rate of population growth has varied over this time, picking up in the early 2000s, but then slowing down. For 1981-2001, it averaged 0.3% per annum (pa), but was higher during 2001-6 (0.6% pa) and 2006-11 (0.5% pa) before slowing again during 2011-16 (to 0.3% pa). For 2001-16 as a whole, the average was 0.5% pa.

As Table 1 shows, the sharpest decline over the 1981-2001 period occurred in the 16-24 age group, but in 2001-6 the fastest contraction was amongst 25-34s. From 2006 onwards it was 35-44s whose numbers decreased at the quickest rate, with this group's rate of decline accelerating (from an average of 1.8% pa during 2006-11 to an average of 2.7% pa over the 2011-16 period). Table 1 also shows that the number of 45-64s continued to grow between 2011 and 2016, but at a much slower rate than before (0.4% pa, compared to over 1% pa for previous five-year periods). It appears that, as time goes on, the fastest declines are concentrated in older age groups than before and that the 45-64 age band could soon be the one facing rapid population decrease. It is also notable that the contraction of the 25-34 population has almost come to a standstill (with an average decline of 0.1% pa between 2011 and 2016).

It may be that in-migration explains some of these trends: for example, if recent in-migrants are predominantly young or if recent out-migrants are predominantly middle-aged or old, that could account in part for population decline becoming more prevalent among older age groups. However, more analysis would be needed to support or refute this possible explanation.

Table 1: Average population growth per annum (%) in Cheshire East, by age group

Period	All ages	0 to 15	16 to 24	25 to 34	35 to 44	45 to 64	65 and above
1981-2001	0.3	-0.3	-1.4	-0.1	1.0	1.1	1.1
2001-6	0.6	-0.3	1.8	-2.2	1.1	1.1	1.4
2006-11	0.5	-0.6	1.1	-0.5	-1.8	1.3	2.4
2011-16	0.3	0.3	-1.1	-0.1	-2.7	0.4	3.1

Source: Office for National Statistics (ONS) mid-year population estimates for 1981-2016. ONS Crown Copyright 2018. ONS licensed under the Open Government Licence v. 3.0.

Yellow = decline of less than 1.0% pa; orange = decline at least 1.0% pa.

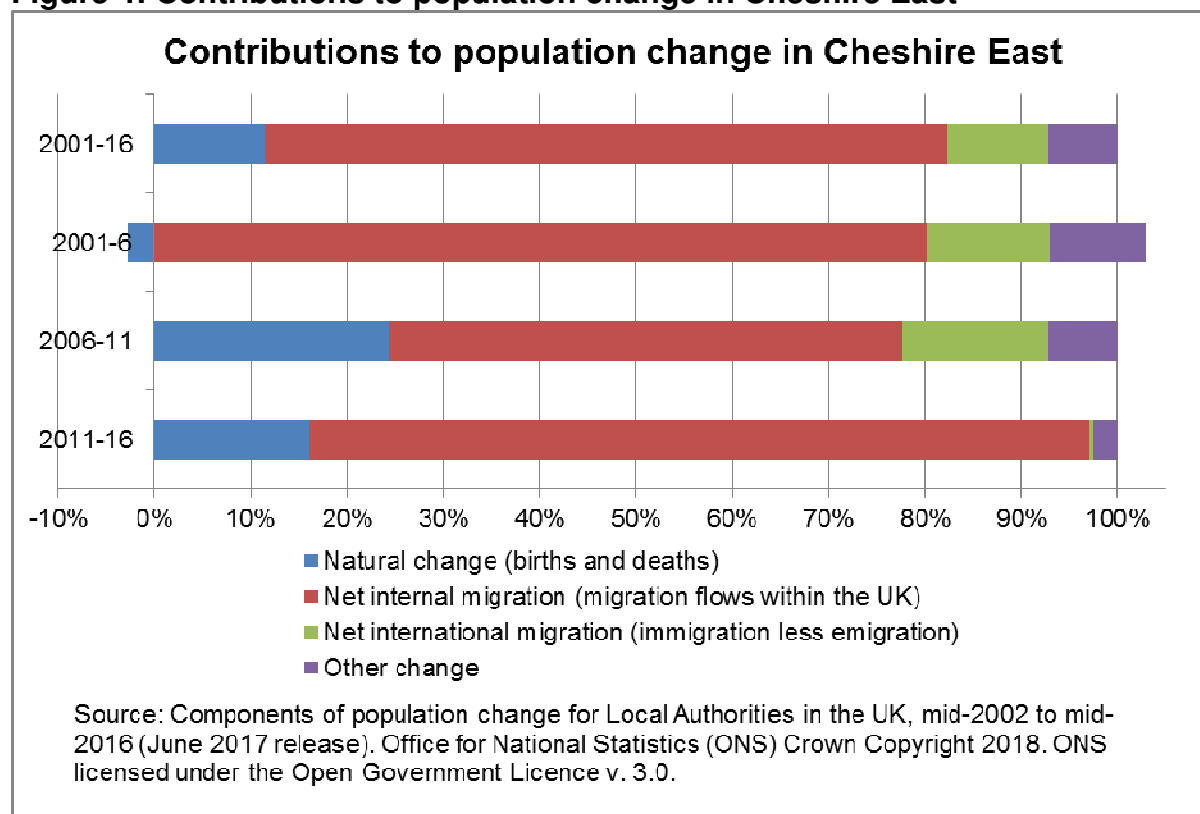
For the more recent part of this period (2001-16) at least, net inward migration has been the main contributor to population growth, as indicated by Figure 4. Over this fifteen-year period, the Borough's population increased by 24,600, with net internal migration (people moving between Cheshire East and another part of the UK) accounting for 17,400 (71%) of this change and net international migration (people moving between Cheshire East and a foreign country) for a further 2,600 (11%). Altogether, therefore, net migration added 20,000 to the Borough's population total over the 2001-16 period and this equates to 81% of the total population change. Natural change (births net of deaths) contributed an additional 2,800 (11%) and other change contributed the remaining 1,800 (7%). For the latter five years of this period (2011-16), net migration also accounted for 81% of population change, but this was virtually all due to net internal migration (which increased the population by 4,800, whereas net international migration added less than 50).²

The latest population projections – which were produced for Cheshire East's Local Plan and which cover the full Plan period of 2010-30 – point to population growth of 15.7% between 2010 and 2030. These projections suggest there will be an increase for all broad age groups, but with much faster growth in the population aged 65 and above (up 64.9% between 2010 and 2030) than in the number aged 0-15 (up 12.0%) or 16-64 (up 1.9%). Population growth is projected to be particularly high for the 85 and above age group (133.8%).³

² Components of population change for Local Authorities in the UK, mid-2002 to mid-2016 (June 2017 release). Office for National Statistics (ONS) Crown Copyright 2018. ONS licensed under the Open Government Licence v. 3.0.

³ Population forecasts produced by Opinion Research Services (ORS) for the Cheshire East Housing Development Study 2015, ORS, June 2015, Local Plan Examination Library Reference PS E033: <http://cheshireeast-consult.limehouse.co.uk/portal/planning/cs/library>

Figure 4: Contributions to population change in Cheshire East



Principal concentrations of population (based on the 2016 mid-year population estimates) are in the towns of Crewe (73,900), Macclesfield (52,400), Congleton (26,700) and Wilmslow (24,500).⁴ The Borough's other main towns – each with a population between 10,000 and 20,000 – are Alsager (11,700), Knutsford (13,300), Middlewich (14,200), Nantwich (18,600), Poynton (12,800) and Sandbach (19,000).⁵

The map in Figure 5 shows how 0-15 year-olds' share of the population varies by settlement, as of 2016; Figures 6 and 7 present the same kind of information, but for 16-64 year-olds and those aged 65 and above.

As these maps demonstrate, the settlements with the highest concentrations of 0-15s are the Borough's two largest towns, along with some of its smaller towns (Knutsford, Middlewich and Wilmslow); in contrast, all the areas with the lowest proportions of 0-15s are villages and rural locations (Figure 5).

⁴ As stated at the start of this Economic Profile, the geographical definitions used for each town or smaller settlement are those set out in Appendix 6 of the Cheshire East 'LDF Background Report: Determining the Settlement Hierarchy', Cheshire East Council, November 2010: http://www.cheshireeast.gov.uk/planning/spatial_planning/research_and_evidence/settlement_hierarchy_study.aspx

⁵ Office for National Statistics (ONS) 2016 mid-year population estimates for small areas (October 2017 release). ONS Crown Copyright 2018. ONS licensed under the Open Government Licence v. 3.0.

The working age population, 16-64 year-olds, forms a relatively large share of the population in Crewe, Macclesfield and Middlewich. 16-64s are least well represented in some of the smaller settlements, but also in the towns of Poynton and (to a lesser extent) Alsager and Knutsford (Figure 6).

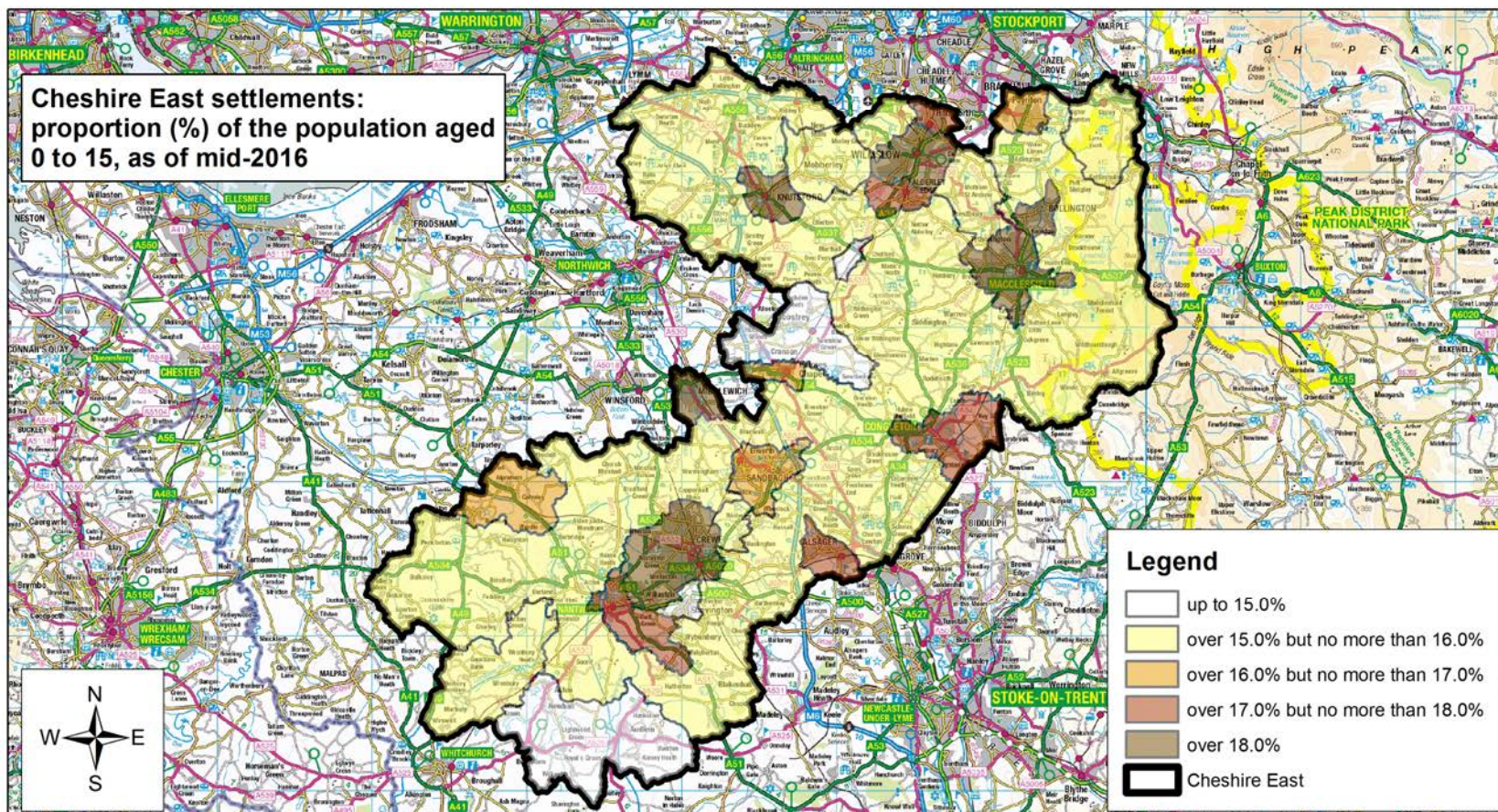
It follows from this that people aged 65 and above make up a low proportion of the total population in Crewe, Macclesfield and Middlewich; the same is also true for Wilmslow. This age group's population share is greatest in some of the Borough's villages, but also (to a lesser extent) in Alsager and Poynton (Figure 7).

In general, therefore, the larger the settlement, the younger its population tends to be, with Crewe and Macclesfield – and also the smaller towns of Middlewich and Wilmslow – having particularly high proportions of under-65s. The oldest populations are found in small settlements, but also in Alsager and Poynton; these locations (and Knutsford) are the ones where the working-age population accounts for a relatively low share of the total.

As of 2016, more than a third (37.1%, or 139,800) of the population lives in areas that are classified as being more rural than urban. The rural population is more heavily concentrated in older age groups: for example, 57.1% of rural residents are aged 45 and above, whereas only 47.3% of urban residents fall into this broad age group.⁶

⁶ [1] Office for National Statistics (ONS) 2016 mid-year population estimates for small areas (October 2017 release). ONS Crown Copyright 2018. ONS licensed under the Open Government Licence v. 3.0. [2] 2015 Rural-Urban Classification for Cheshire East (at Lower Layer Super Output Area level), Research & Consultation Team, Cheshire East Council.

Figure 5: Proportion (%) of population aged 0 to 15, by settlement



Map produced by the Spatial Planning Team, Cheshire East Council. Version No. 1 (production date: 16/2/18).

Source: Office for National Statistics (ONS) 2016 mid-year population estimates for small areas (October 2017 release). ONS Crown Copyright 2018. ONS licensed under the Open Government Licence v. 3.0.

Note: The geographical definitions used for each settlement are those set out in Appendix 6 of the Cheshire East 'LDF Background Report: Determining the Settlement Hierarchy', Cheshire East Council, November 2010.

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Figure 6: Proportion (%) of population aged 16 to 64, by settlement

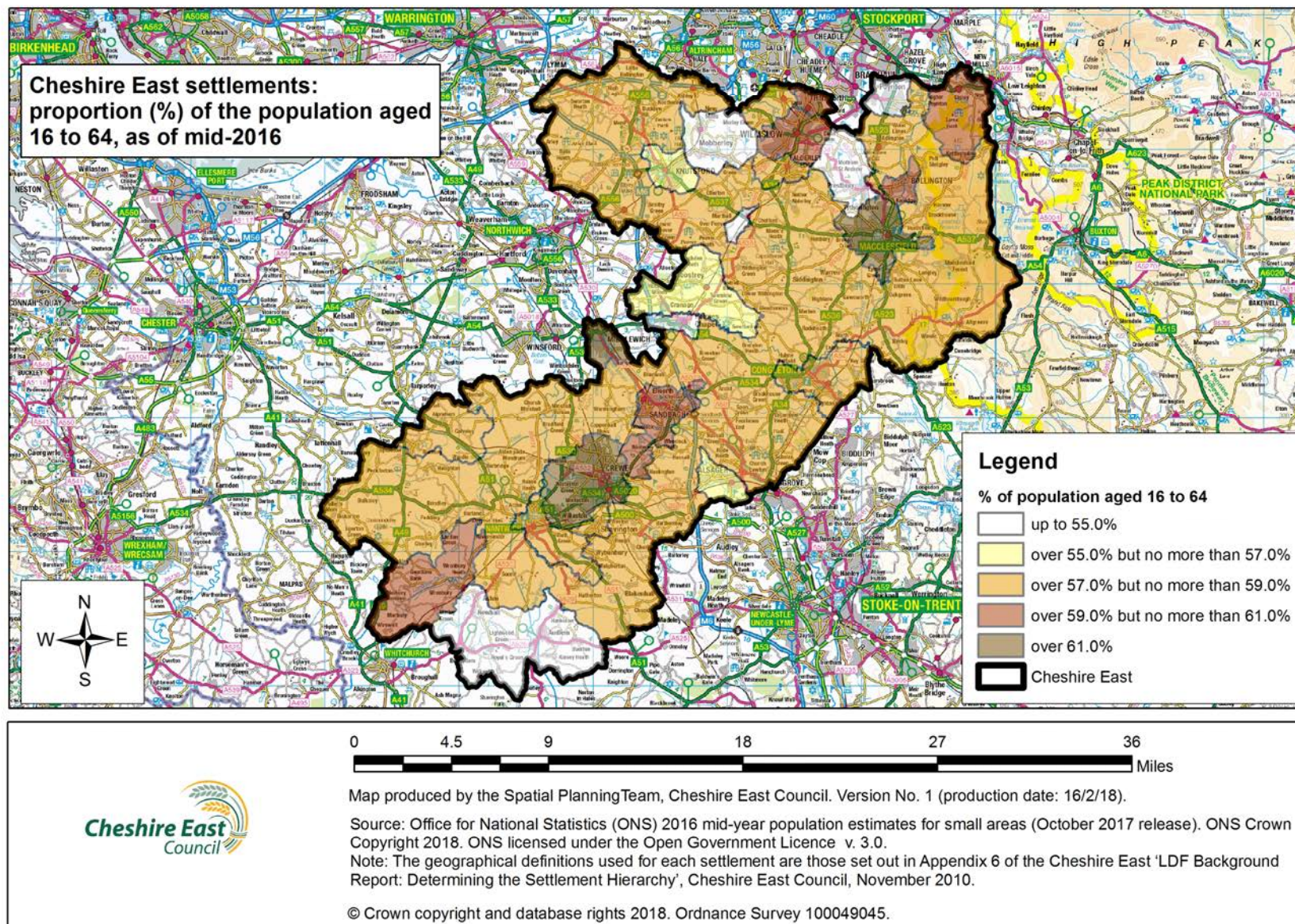
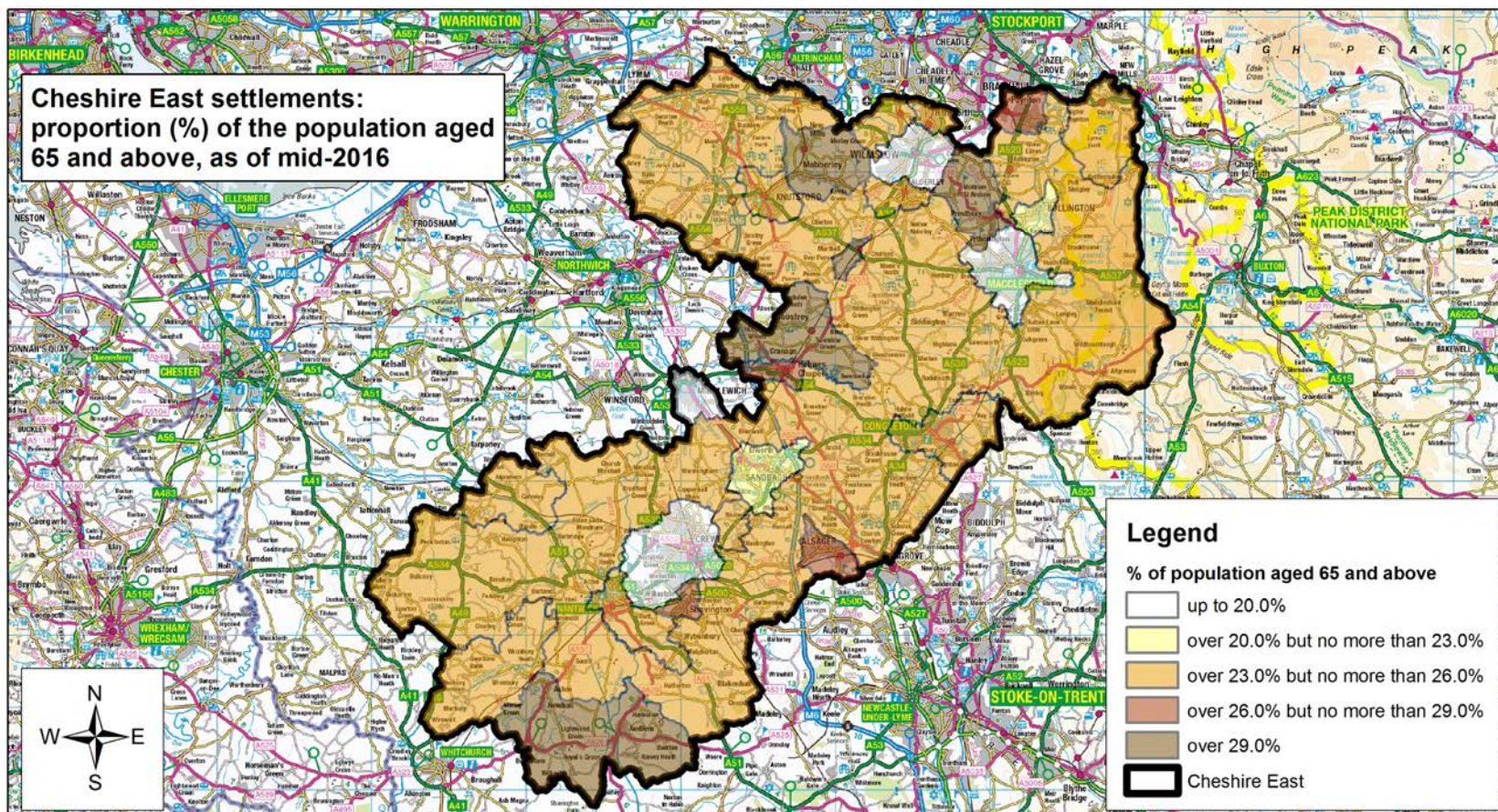


Figure 7: Proportion (%) of population aged 65 and above, by settlement



0 4.5 9 18 27 36
Miles



Map produced by the Spatial Planning Team, Cheshire East Council. Version No. 1 (production date: 16/2/18).

Source: Office for National Statistics (ONS) 2016 mid-year population estimates for small areas (October 2017 release). ONS Crown Copyright 2018. ONS licensed under the Open Government Licence v. 3.0.

Note: The geographical definitions used for each settlement are those set out in Appendix 6 of the Cheshire East 'LDF Background Report: Determining the Settlement Hierarchy', Cheshire East Council, November 2010.

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Migration

In the years following the 2004 EU expansion, there were large inflows of migrant workers from Eastern Europe, many of whom have remained within Cheshire East. This is demonstrated by 2011 Census data, which indicate that 3,900 Cheshire East residents (1.0% of all the Borough's residents) were born in Poland. This represents a dramatic increase on the number of Polish-born residents at the time of the 2001 Census (200). The 2011 Census also indicates that a total of 20,300 people (5.5% of Cheshire East residents) were born outside the UK (up from 13,000 in 2001), with Poland accounting for the largest number of non-UK births, followed by Ireland (1,800), India (1,400) and Germany (1,200).⁷

Economic output⁸

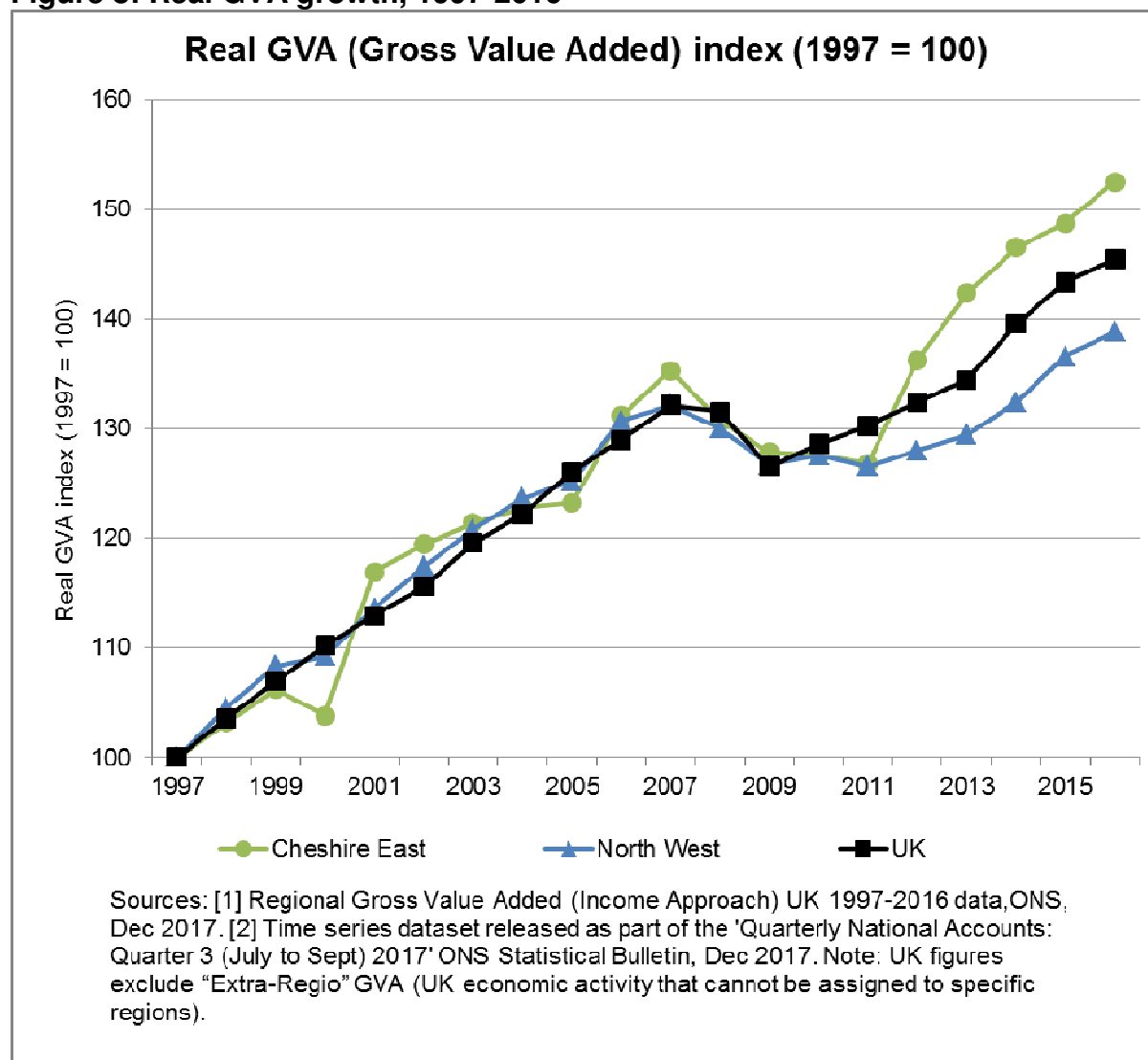
Cheshire East's total Gross Value Added (economic output) was estimated to be £12.2bn in 2016. Between 1997 and 2016, the Borough's GVA growth averaged 2.2% a year in real (inflation-adjusted) terms, which is significantly faster than the growth rates for the North West (1.7%) and the UK (2.0%) over the same period. Figure 8 shows how the real GVA growth rates in these three geographical areas broadly matched each other up until about 2011; since then, however, Cheshire East's growth rate has significantly outpaced that of the UK, which in turn outperformed the North West region. More specifically, for the 2011-16 period, the Borough's real GVA growth averaged 3.8% per annum, far exceeding the rates achieved in the North West (1.9%) and the UK (2.2%). Whilst this suggests Cheshire East is, overall, enjoying a period of strong economic expansion, GVA and other economic output measures are notoriously difficult to estimate - particularly so for smaller geographical areas - and therefore the size of the growth rate gap (between Cheshire East and the region or the UK) should be regarded with some caution.

In 2016, Cheshire East's GVA per head was £33,300, or 26.4% above the UK average (£26,300) and further above the North West (£22,900). The gap between Cheshire East and the UK has generally widened since 1997 (when Cheshire East exceeded the UK average by 15.0%). This is partly a consequence of total GVA growth during 1997-2016 being faster in Cheshire East than in the UK, although differences between local and national population growth will also be a factor.

⁷ 2011 Census (Table QS203EW) and 2001 Census (Table S015), ONS. Crown Copyright 2018.

⁸ [1] Regional Gross Value Added (Income Approach) UK 1997-2016 data, Office for National Statistics (ONS), December 2017. [2] Data series ABML and ABMM, from the time series dataset released as part of the 'Quarterly National Accounts: Quarter 3 (July to Sept) 2017' ONS Statistical Bulletin, Dec 2017. Notes: [1] The monetary figures quoted above are in 2016 prices; figures for GVA are rounded to the nearest £0.1bn and figures for GVA per head are rounded to the nearest £100. However, the underlying calculations are based on unrounded data. [2] "Extra-Regio" GVA (UK economic activity that cannot be assigned to specific regions, e.g. the activities of foreign embassies) is excluded from the UK figures/ comparisons reported above.

Figure 8: Real GVA growth, 1997-2016

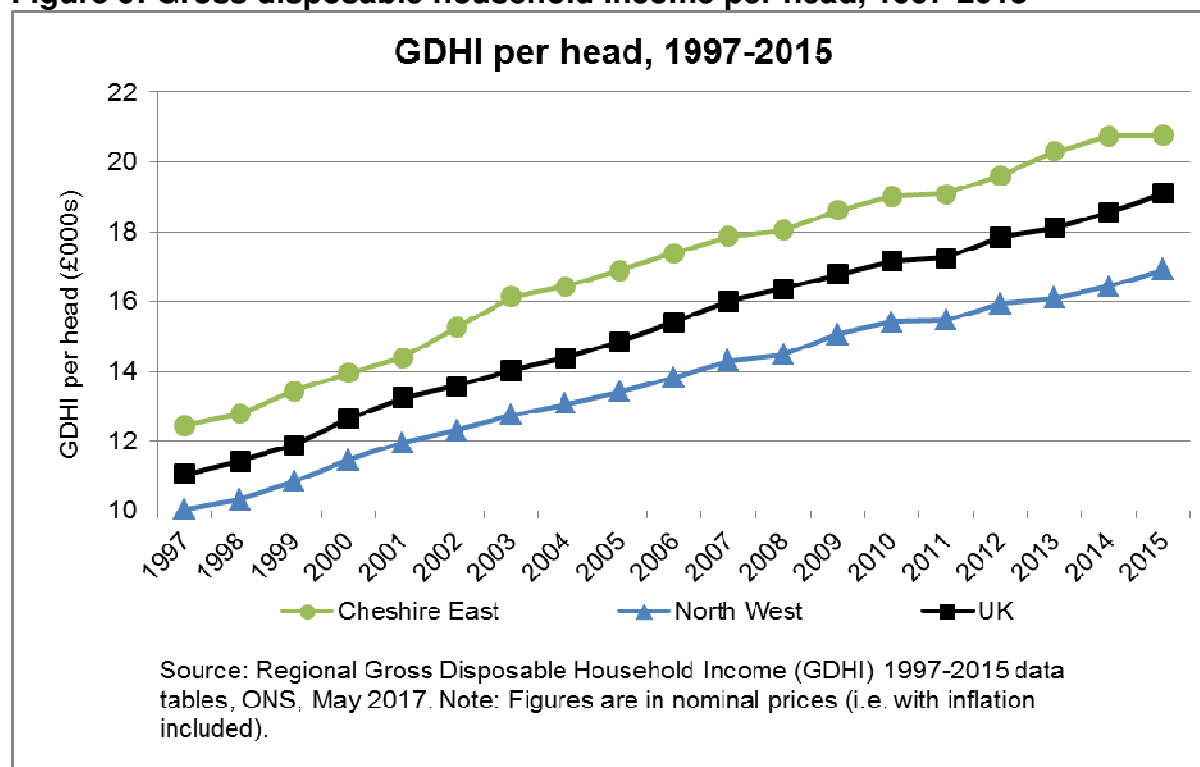


Income

Average household income is also high compared to the region and UK. Gross disposable household income (GDHI) per head of population was £20,800 in 2015 – 8.6% higher than in the UK as a whole (£19,100) and even further above the North West average (£16,900). Since 1997, Cheshire East's GDHI per head has stayed consistently above the UK average (see Figure 9), although the gap has varied between 8.6% (2015) and 15.0% (2003) over that time and not followed any clear long-term trend.⁹

⁹ Regional Gross Disposable Household Income (GDHI) 1997-2015 data tables, Office for National Statistics (ONS), May 2017. Note: Figures are in 2015 prices.

Figure 9: Gross disposable household income per head, 1997-2015



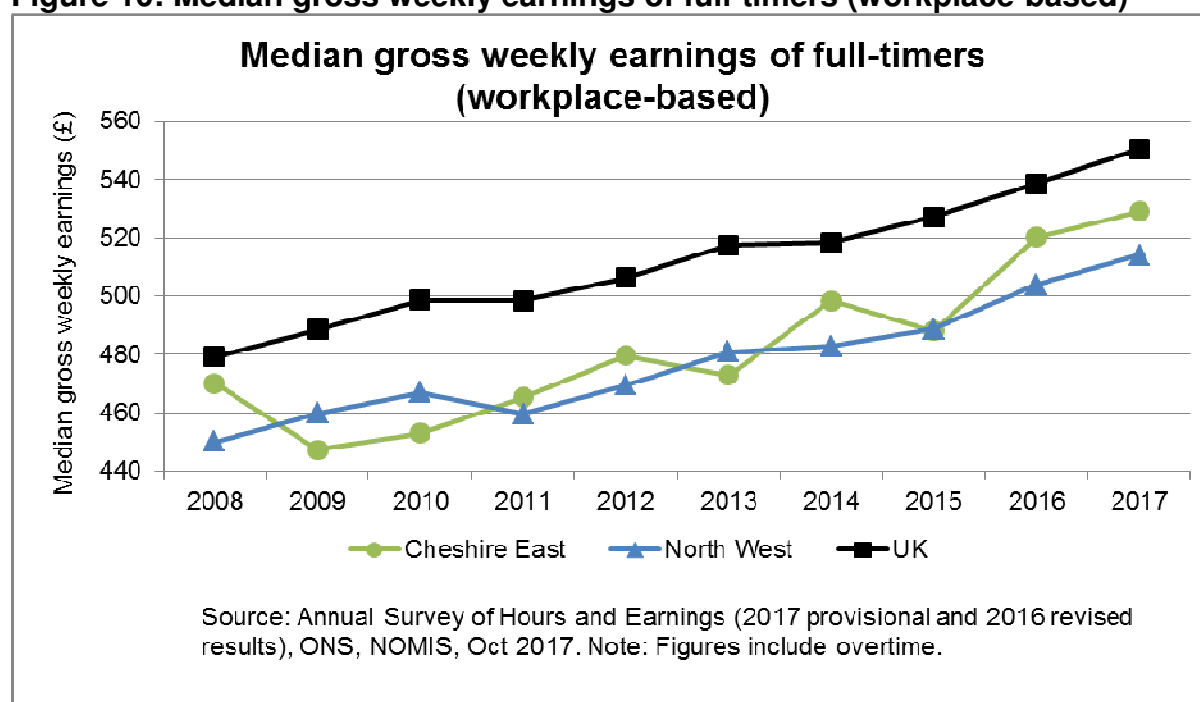
Household income data for 2017 are also available both for Cheshire East as a whole and for smaller geographical areas, such as settlements and wards. These figures¹⁰ (which are per household, rather than per head) put the Borough's median household income at £35,800, or 16.2% above the UK median (£30,800) and 31.7% higher than the North West (£27,200). However, at settlement level, income is below the UK median in two of the Borough's 24 main towns and settlements: Crewe (£26,300, or 14.7% below the UK and 26.6% below the Cheshire East median) and Handforth (£30,300, or 1.8% less than the UK and 15.5% short of the Cheshire East median). At the other end of the spectrum, median household income exceeds £55,000 in three of these 24 towns and settlements: Prestbury (£65,100, or 81.7% above the Cheshire East median), Alderley Edge (£59,000) and Goostrey (£56,200). Median household income is also relatively high (£46,200, or 29.0% above the Cheshire East median) in the less densely populated areas outside the Borough's main 24 settlements.

¹⁰ Source: PayCheck data, © Copyright 1996-2017 CACI Limited. This Report shall be used solely for academic, personal and/or non-commercial purposes. Note: The figures for settlements are pseudo medians, rather than true medians. The pseudo medians are calculated by creating an array for each geographical area. The array is produced by duplicating the median income at postcode level n times, where n is the number of households with that postcode, and then repeating this process for each postcode within the geographical area. For example, if a certain postcode contained eight households and these had a reported median income of £35,186, this would result in the figure £35,186 being listed eight times in the array (or more than eight times if other postcodes happened to have exactly the same median figure). The pseudo median is then the median figure of this array. A true median would be calculated using a separate household income figure for each household; however, the income data are available only down to postcode level, not for individual households.

Earnings¹¹

For full-time employees working in Cheshire East, median gross weekly pay was estimated at £529.00 as of 2017: this exceeds the North West average (£514.00), but is significantly less than for the UK as a whole (£550.40). For this measure of earnings, Cheshire East's position relative to the UK has not changed dramatically over the last decade, as Figure 10 shows.

Figure 10: Median gross weekly earnings of full-timers (workplace-based)



However, for those full-time employees who live in the Borough, median gross weekly earnings (£562.10) are slightly higher the equivalent figure for the UK (£550.40) and much higher than those of full-timers living in the North West (£514.50). For this residence-based earnings measure, Cheshire East has generally matched or (slightly) exceeded the UK median over the last ten years, as shown in Figure 11.

Since 2008 (the earliest year for which figures are available), the earnings of full-timers living in the Borough have been consistently above (between 4.2% and 13.0% higher than) those of full-time employees who work in Cheshire East (although this differential between residence- and workplace-based earnings has not followed any obvious trend during that period). In other words, people who work in Cheshire East earn more, on average, than the people who live here.¹²

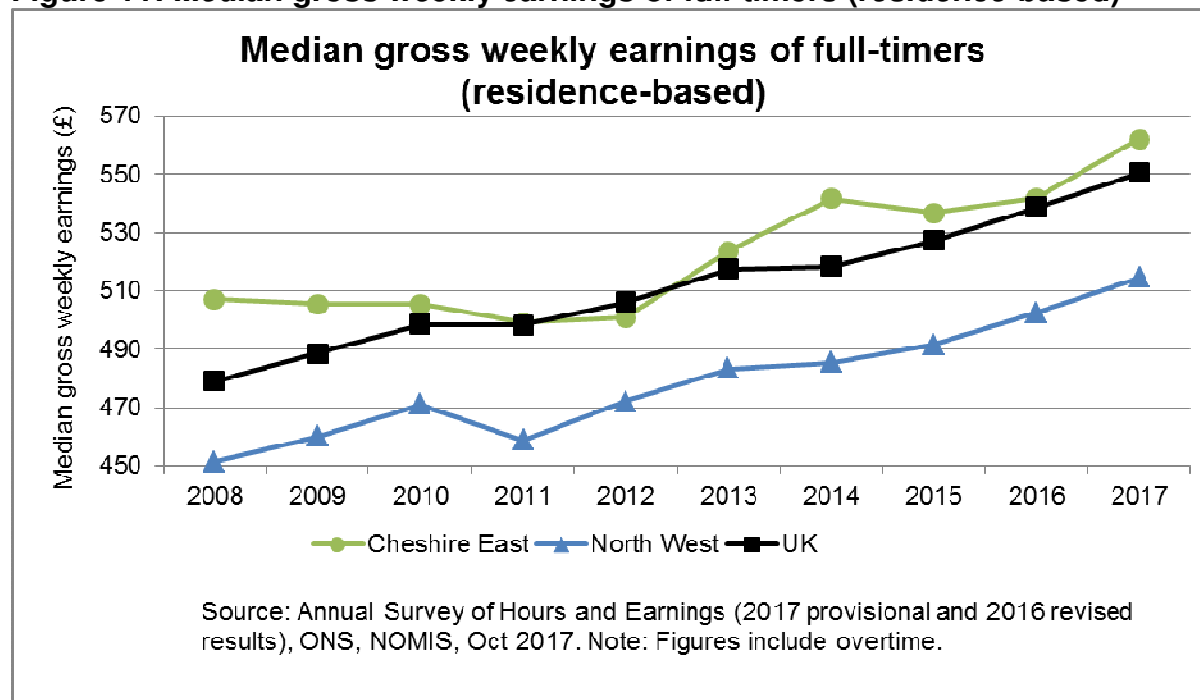
Between 2008 and 2017, the median gross weekly pay of full-time employees working in the Borough increased by an average of 1.3% per annum, which was lower than the equivalent growth rates for the North West (1.5% pa) and UK (1.6%

¹¹ Annual Survey of Hours and Earnings: 2017 provisional and 2016 revised results, Office for National Statistics (ONS), NOMIS. Note: Figures include overtime.

¹² But obviously the two groups partly overlap.

pa). Full-time employees living in Cheshire East saw their median gross weekly earnings rise by an average of 1.2% pa over this time.

Figure 11: Median gross weekly earnings of full-timers (residence-based)



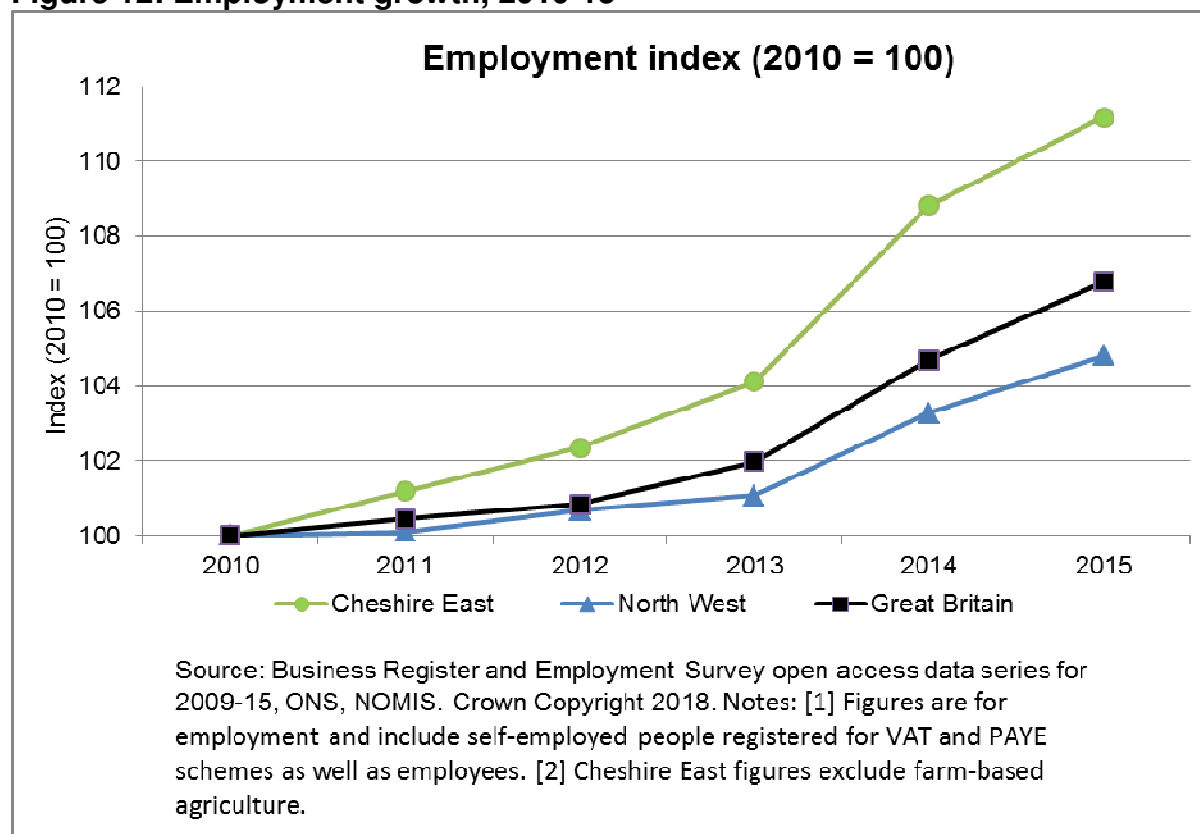
Employment

Employment trend and employment by status and gender¹³

By 2016, there were an estimated 195,000 people working in Cheshire East, according to the Office for National Statistics' (ONS) Business Register and Employment Survey (BRES). This total grew by an estimated 11.2% between 2010 and 2015, which exceeds the reported employment growth rates for the North West and Great Britain over the same time period (4.8% and 6.8% respectively), as shown in Figure 12.

¹³ Except where otherwise specified, the sources used are the Business Register and Employment Survey (BRES) open access data series for 2009-15 (which excludes business units registered for PAYE only) and 2015-16, Office for National Statistics (ONS), NOMIS. Crown Copyright 2018. Notes: [1] Except where specified otherwise, the BRES figures are for employment and they include working owners - self-employed people registered for VAT and PAYE schemes - as well as employees. Self employed people not registered for these schemes, along with HM Forces and Government supported trainees, are excluded. Working owners are typically sole traders, sole proprietors or partners who receive drawings or a share of the profits. [2] The BRES figures for Cheshire East exclude farm-based agriculture.

Figure 12: Employment growth, 2010-15



Between 2015 and 2016, Cheshire East's employment total increased by a further 2.6%, which was higher than the 2015-16 employment growth seen in the region (2.3%) and Great Britain (1.6%).

Of those employees working in Cheshire East in 2016, around two thirds (67.4%) had full-time posts (with the rest being part-time). This proportion is very similar to the averages for the region (67.0%) and Great Britain (67.8%).

2011 Census data indicate that, of those people working in Cheshire East, the majority (52.8%) are male. The Census results also indicate that a majority of both female employees (57.3%) and particularly male employees (89.5%) work full-time as opposed to part-time.¹⁴

Employment by industry

Table 2 lists the proportion of Cheshire East-based employment in each broad industrial group, whilst Figure 13 presents the same data in chart form. As they show, Manufacturing is estimated to account for more than a tenth (11.3%) of jobs in the Borough, as do Wholesale & Retail (14.4% share), Professional, Scientific & Technical Services (12.8%) and the Health & Social Work sector (11.8%).

¹⁴ 2011 Census (Tables KS601EW, KS602EW & KS603EW), Office for National Statistics. Crown Copyright 2018.

Table 2: Employment shares (%) by broad industrial group, in 2016

UK Standard Industrial Classification 2007 (SIC2007) description and Section code(s)	Cheshire East	North West	Great Britain
Agriculture, Forestry & Fishing; Mining & Quarrying; Utilities (A, B, D and E)	1.8	2.4	2.8
Manufacturing (C)	11.3	9.7	7.9
Construction (F)	3.6	4.1	4.7
Wholesale & Retail (G)	14.4	15.3	15.2
Transport & Storage (H)	5.6	5.5	4.8
Accommodation & Food Services (I)	8.7	7.9	7.4
Information & Communication (J)	3.6	2.7	4.1
Financial & Insurance (K)	4.6	2.9	3.5
Property (L)	1.5	1.7	1.7
Professional, Scientific & Technical Services (M)	12.8	8.5	8.7
Business Administration & Support Services (N)	7.2	8.4	8.8
Public Administration & Defence (O)	2.1	4.3	4.2
Education (P)	7.2	8.7	8.6
Health & Social Work (Q)	11.8	14.1	13.0
Arts, Entertainment & Recreation (R)	2.1	2.2	2.5
Other Service Activities (S,T and U)	1.8	1.6	2.1

Source: Business Register and Employment Survey open access data series for 2015-16, Office for National Statistics (ONS), NOMIS. Crown Copyright 2018. Notes: [1] Figures are for employment and include self-employed people registered for VAT and PAYE schemes as well as employees. [2] Cheshire East figures exclude farm-based agriculture.

There are two broad industrial groups that account for a much larger employment share in Cheshire East than they do at national (Great Britain) level, namely Manufacturing (11.3% locally, versus 7.9% for Great Britain), and Professional, Scientific & Technical Services (12.8% versus 8.7%). This in part reflects the presence of major manufacturing sites such as those operated by car manufacturer Bentley (Crewe)¹⁵, the pharmaceuticals firm AstraZeneca (Macclesfield)¹⁶, engineering company Siemens (Congleton)¹⁷, the defence contractor BAE Systems (at Radway Green, near Alsager)¹⁸ and the pharmaceuticals business Sanofi (Holmes Chapel)¹⁹. It also reflects the historic strength of Research & Development activity in Cheshire East, most obviously in the form of AstraZeneca's Alderley Park site.

¹⁵ Bentley Motors website: <https://www.bentleymotors.com/en/world-of-bentley/our-story/crewe/how-to-find-us.html>

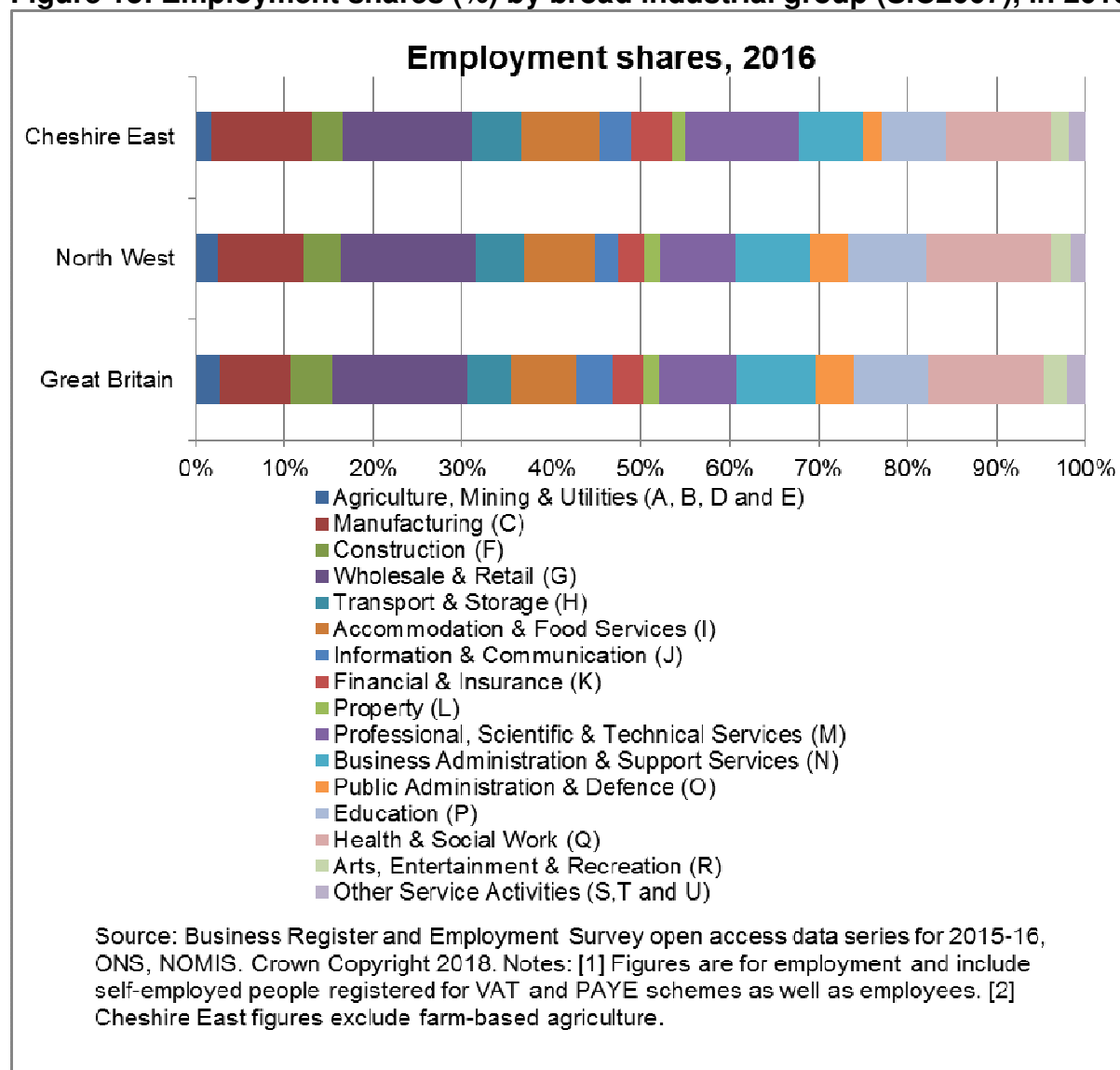
¹⁶ AstraZeneca UK website: <https://www.astrazeneca.co.uk/about-us.html>

¹⁷ Siemens UK website: http://www.siemens.co.uk/en/about_us/index/uk-manufacturing.php

¹⁸ BAE Systems website: <http://www.baesystems.com>

¹⁹ Sanofi UK website: <http://www.sanofi.co.uk/l/gb/en/layout.jsp?scat=C5086464-33BF-4E42-8A1F-8D9BAE7F7FB6>

Figure 13: Employment shares (%) by broad industrial group (SIC2007), in 2016



Until recently, Alderley Park was AstraZeneca's main global R&D facility and the firm's Macclesfield (Hurdsfield Industrial Estate) manufacturing plant, where 1,800 people work, is another major local employer. However, in 2013, the firm announced that it would cease R&D operations at Alderley Park by 2016. About 1,600 jobs were to be transferred: most of these were to be moved to a new global R&D centre and corporate HQ in Cambridge (which became the company's global HQ in May 2016); and the rest either to the firm's Macclesfield site or abroad. At least 700 jobs were due to stay at Alderley Park, but these do not involve R&D work. However, the company sold the site to Manchester Science Partnerships, a public-private partnership which is keen to ensure that the site remains a key centre for life science, pharmaceutical and biotechnology activity and which has set up a BioHub at Alderley Park.²⁰

²⁰ [1] <https://www.astrazeneca.co.uk/about-us.html> [2] AstraZeneca press release, 18th March 2013: <https://www.astrazeneca.com/media-centre/press-releases/2013/astrazeneca-research-development->

The Bentley site, where about 4,000 people work, is also of major significance.²¹ In addition, Cheshire East is now a key global centre for mass spectrometry – a laboratory technology for analysing the composition of very small quantities of matter - following the opening of Waters Corporation's new Wilmslow facility in 2014. The new site employs more than 500 people.²²

Some other sectors also have an employment share that is higher locally than nationally, namely Transport & Storage (5.6% share in Cheshire East), Accommodation & Food Services (8.7%) and the Financial & Insurance sector (4.6%). The latter sector includes some large local employers, such as Royal London - which currently employs around 1,200 people at its main office in Wilmslow (but is relocating to nearby Alderley Park)²³ - and Barclays' technology centre at Radbroke Hall (near Knutsford)²⁴.

At a more detailed sector level, the Office for National Statistics' latest (2016) data from its BRES survey²⁵ indicate that Pharmaceuticals manufacturing²⁶ accounts for 1.5% of Cheshire East's employment, or fifteen times the sector's employment share (0.1%) at national (Great Britain) level. The same data suggest that motor vehicle manufacturing makes up 2.6% of the Borough's employment, which is five times higher than that sector's share (0.5%) of Great Britain's employment total.²⁷ This evidence reflects the major contribution that AstraZeneca, Sanofi and Bentley make to Cheshire East's employment base.

centres-innovation-pipeline-18032013.html# [3] <https://www.astrazeneca.com/our-science/cambridge.html> [4] <http://www.biocity.co.uk/biocity/alderley-park> [5] Manchester Science Partnerships website: <https://mspl.co.uk/campuses/>

²¹ News article, 18th February 2016, Bentley website: <http://www.bentleymotors.com/en/world-of-bentley/our-story/news/2016/top%20employer-award-for-Bentley-2016.html>

²² Waters Corporation press release, businesswire.com, 11th September 2014: <http://www.businesswire.com/news/home/20140911005198/en/Waters-Unveils-Global-Mass-Spectrometry-Headquarters-UK%E2%80%99s#.VBGDOWOGetM>

²³ [1] Cheshire East Council press release, 19th June 2017: <http://www.cheshireeast.gov.uk/council-and-democracy/council-information/media-hub/media-releases/consultation-begins-on-royal-london-development-in-wilmslow.aspx> [2] BBC News, 20th October 2017: <http://www.bbc.co.uk/news/uk-england-manchester-41688619>

²⁴ Barclays website: <https://www.home.barclays/careers/our-roles/technology.html>

²⁵ Business Register and Employment Survey open access data series for 2015-16, Office for National Statistics (ONS), NOMIS. Crown Copyright 2018. Notes: [1] Figures are for employment and include self-employed people registered for VAT and PAYE schemes as well as employees. [2] Cheshire East BRES figures exclude farm-based agriculture from the employment total.

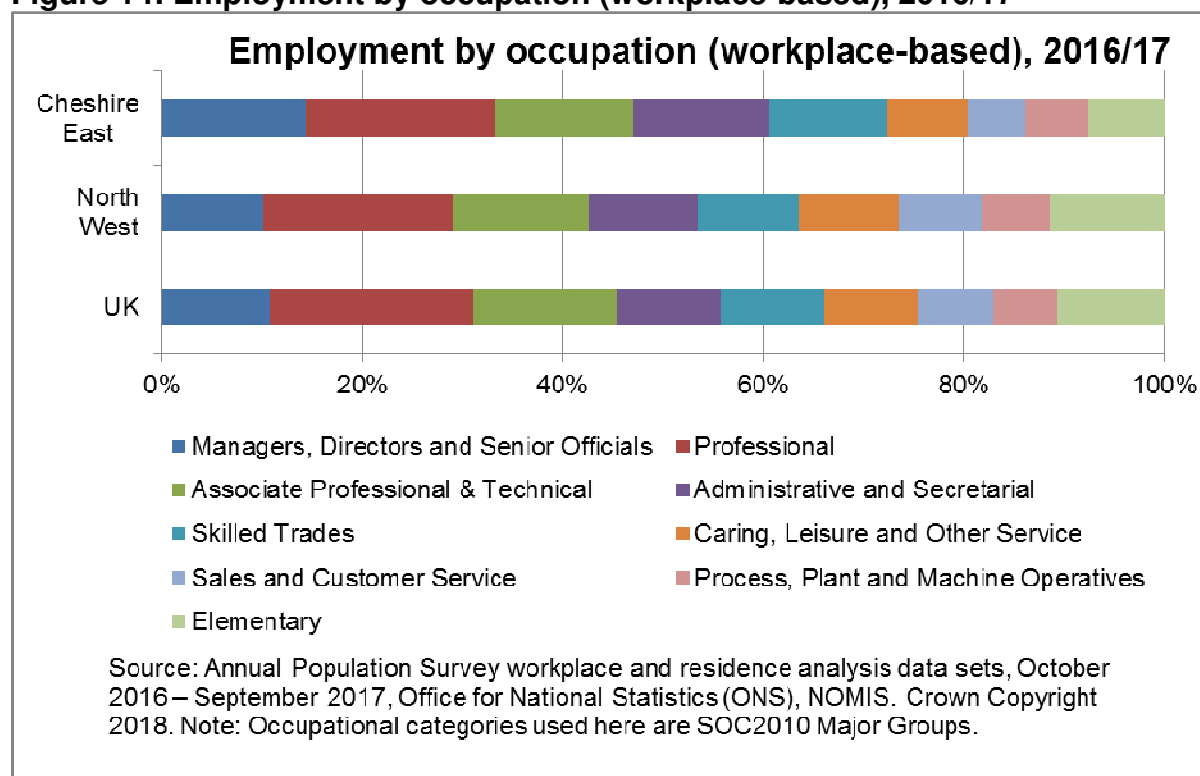
²⁶ In other words, these figures exclude Pharmaceuticals R&D.

²⁷ Pharmaceuticals manufacturing is defined for the purposes of these statistics as all activities that fall under the UK Standard Industrial Classification 2007 (SIC2007) code 21 and motor vehicle manufacturing as all activities within SIC2007 code 29.

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Employment by occupation²⁸

Figure 14: Employment by occupation (workplace-based), 2016/17



Of those people working in the Borough in 2016/17, nearly half (47.1%) were employed in high-skill occupations (managerial, professional and associate professional/ technical occupations). This proportion is slightly above the UK average (45.4%). Breaking this broad occupational grouping down further (as shown in Figure 14), 14.5% of those working in Cheshire East are managers, directors or senior officials (10.9% for the UK), 18.7% are in professional occupations (20.2% for the UK) and the other 13.9% work in associate professional/ technical occupations (14.2% for the UK).²⁹

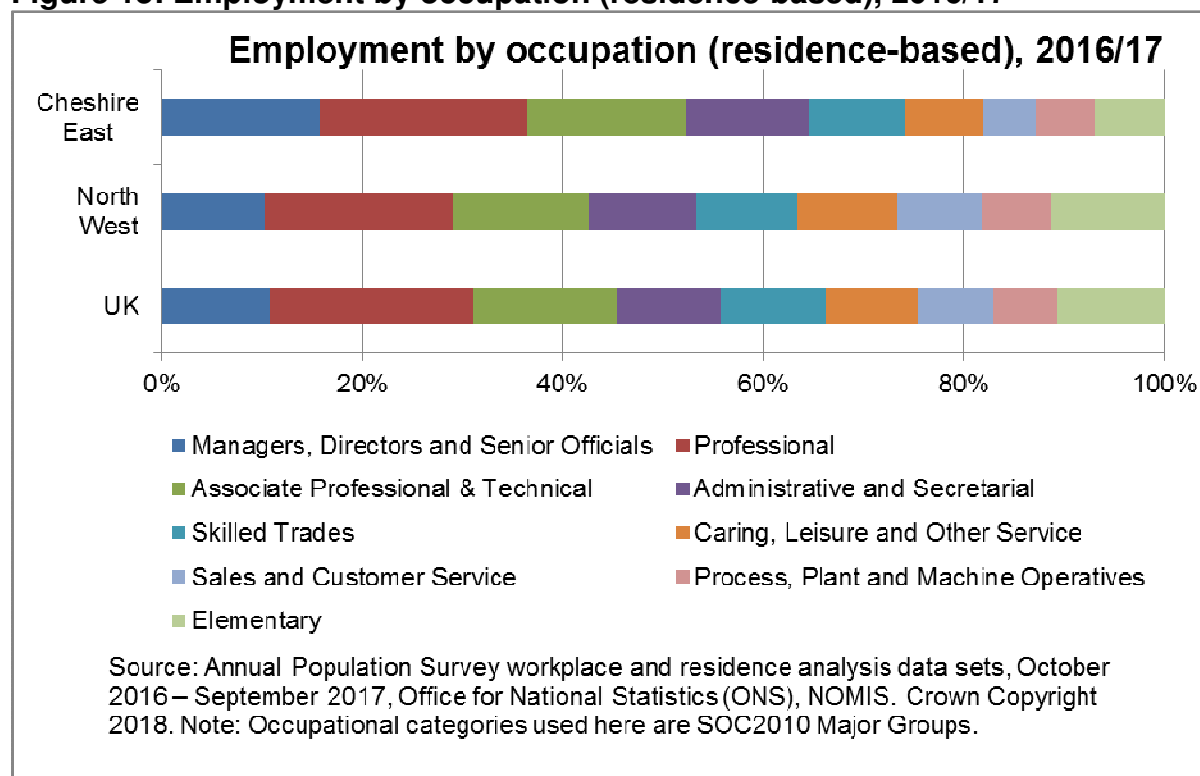
The proportion working in administrative & secretarial jobs (13.5%) is also above the national average (10.4%), as is the share contributed by skilled trades occupations (11.8% locally and 10.4% in the UK). Conversely, only 13.9% work in low-skill or elementary occupations (against 17.0% for the UK) and only 13.8% are employed in caring, leisure, sales and customer service occupations (compared to 16.8% nationally).

²⁸ Annual Population Survey workplace and residence analysis data sets, October 2016 – September 2017, Office for National Statistics (ONS), NOMIS. Crown Copyright 2018. The analysis described above is based on ONS' Standard Occupational Classification 2010 (SOC2010) Major Groups: "high-skill" occupations means SOC2010 Major Groups 1-3 and "low-skill or elementary occupations" means Major Groups 8-9, whilst "caring, leisure, sales and customer service occupations" means Major Groups 6-7; "administrative & secretarial" is Major Group 4 and "skilled trades occupations" is Major Group 5.

²⁹ These narrower groups are, respectively, SOC2010 Major Groups 1, 2 and 3.

Among employed people who live in Cheshire East, high-skill occupations are even more prevalent (52.3% share, compared to the UK's 45.4%). At a more detailed level, as Figure 15 shows, 15.7% of employed residents are managers, directors or senior officials – more than the UK average (10.9%) – and the proportion in professional occupations (20.7%) is on a par with the UK (20.3%).

Figure 15: Employment by occupation (residence-based), 2016/17



Jobs density

Jobs density is defined as the number of filled jobs in an area divided by the number of working-age residents in that area. High job densities indicate that demand for labour exceeds supply. The shortfall may be met by inward commuting. Conversely, many of those living in areas with a low jobs density may have to commute to work in other areas. The latest (2016) figures put the Borough's jobs density at 0.98, which is considerably higher than the densities for the North West (0.81) and the UK (0.84). Cheshire East's jobs density has also risen sharply in recent years: between 2000 and 2012, it stayed between 0.80 and 0.85, but then grew significantly in 2013 (to 0.88), 2014 (0.91) and 2015 (0.96) and rose again in 2016.³⁰

Table 3 uses a different measure of jobs (employment statistics from the Office for National Statistics' Business Register and Employment Survey) to estimate jobs density at settlement level. (However, because of its use of different data, the density

³⁰ Jobs density data, Office for National Statistics (ONS), NOMIS. Crown Copyright 2018.

figures in this table should not be directly compared to the Cheshire East, North West or UK statistics quoted in the previous paragraph.)

As Table 3 shows, some of the Borough's towns have a relative abundance of jobs, most notably Knutsford, which has the highest jobs density of any Cheshire East settlement (1.60). Handforth also hosts significantly more jobs than working-age residents, as do the smaller settlements of Alderley Edge and Bunbury and the "Other" area (the area consisting of even smaller settlements and more rural parts of the Borough). However, some Cheshire East towns have a substantial shortage of jobs, particularly Alsager (jobs density of 0.46), Congleton (0.58), Middlewich (0.67), Poynton (0.50) and Sandbach (0.70), along with some smaller settlements.

Figure 16 presents the same jobs density data in map form. As it shows, the settlements with relatively high densities are predominantly in the north of the Borough (in an arc stretching from Knutsford to Macclesfield) or in the south (Crewe, Nantwich and Bunbury). In contrast, almost all of the settlements in between – Alsager, Congleton, Goostrey, Haslington, Holmes Chapel, Middlewich and Sandbach – have relatively low densities.

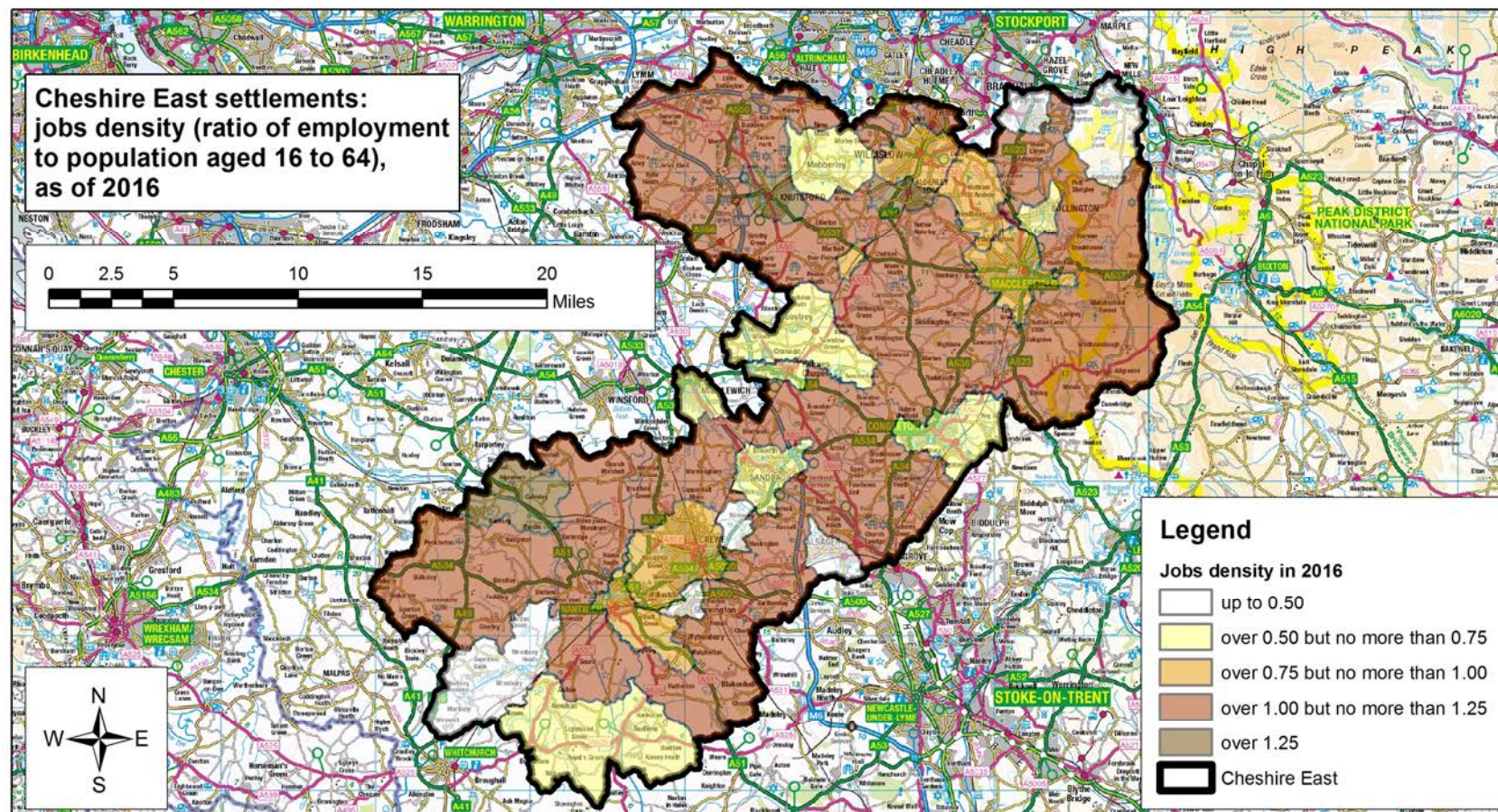
Table 3: Employment, 16-64 population and jobs density, by settlement, 2016

Settlement name	Employment, 2016	Working-age (16-64) population, 2016	Jobs density, 2016	% share of Cheshire East employment total
Alderley Edge	4,000	3,200	1.27	2.1
Alsager	3,000	6,500	0.46	1.5
Audlem	1,250	2,300	0.55	0.6
Bollington	3,500	4,700	0.75	1.8
Bunbury	1,750	1,200	1.42	0.9
Chelford	500	600	0.78	0.3
Congleton	9,000	15,500	0.58	4.6
Crewe	40,000	46,900	0.85	20.5
Disley	1,000	2,800	0.36	0.5
Goostrey	1,500	2,100	0.72	0.8
Handforth	5,000	4,000	1.25	2.6
Haslington	900	2,900	0.31	0.5
Holmes Chapel	2,250	3,100	0.72	1.2
Knutsford	12,000	7,500	1.60	6.2
Macclesfield	28,000	32,700	0.86	14.4
Middlewich	6,000	8,900	0.67	3.1
Mobberley	1,250	1,700	0.74	0.6
Nantwich	9,000	10,900	0.82	4.6
Other	37,000	29,900	1.24	19.0
Poynton	3,500	7,000	0.50	1.8
Prestbury	1,750	1,900	0.94	0.9
Sandbach	8,000	11,500	0.70	4.1
Shavington	800	2,200	0.36	0.4
Wilmslow	14,000	14,700	0.95	7.2
Wrenbury	450	1,200	0.37	0.2

Sources: [1] BRES 2015-16 open access data series, Office for National Statistics (ONS), NOMIS. Crown Copyright 2018. [2] ONS 2016 mid-year population estimates for small areas (October 2017 release). ONS Crown Copyright 2018. ONS licensed under the Open Government Licence v. 3.0.

Notes: [1] BRES (and hence jobs density) figures include working owners - self-employed people registered for VAT and PAYE schemes - as well as employees, but exclude farm-based agriculture. Self employed people not registered for these schemes, along with HM Forces and Government supported trainees, are excluded. [2] Population estimates are rounded to the nearest 100, jobs densities to 2 decimal places and employment numbers according to ONS BRES rounding rules. The jobs densities were calculated using the rounded employment numbers.

Figure 16: Jobs densities in Cheshire East settlements, 2016



Map produced by the Spatial Planning Team, Cheshire East Council. Version No. 1 (production date: 16/2/18).

Sources: [1] Business Register and Employment Survey open access data series for 2015-16, Office for National Statistics (ONS), NOMIS. Crown Copyright 2018. [2] ONS 2016 mid-year population estimates for small areas (October 2017 release). ONS Crown Copyright 2018. ONS licensed under the Open Government Licence v. 3.0.

Notes: [1] Figures are for employment and include self-employed people registered for VAT and PAYE schemes as well as employees. [2] Figures exclude farm-based agriculture. [3] The geographical definitions used for each settlement are those set out in Appendix 6 of the Cheshire East 'LDF Background Report: Determining the Settlement Hierarchy', Cheshire East Council, November 2010.

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Commuting flows

In 2011, the largest commuting inflows into Cheshire East were from Cheshire West & Chester (around 9,050) and Stockport (around 8,550), as Table 4 shows. Several other local authorities also accounted for inflows of over 3,000, namely Manchester, Newcastle-under-Lyme, Staffordshire Moorlands and Stoke-on-Trent. In other words, Cheshire West & Chester, the southern part of Greater Manchester and Stoke/ North Staffordshire are the Borough's primary sources of imported labour.

The largest outflows were to Manchester (about 9,450), Cheshire West & Chester (8,000) and Stockport (6,800). Two other local authorities also received over 3,000 inward commuters from Cheshire East, namely Trafford and Stoke-on-Trent. Hence Cheshire West & Chester, the southern part of Greater Manchester and Stoke/ North Staffordshire are the primary destinations for Cheshire East's outward commuters – so the travel-to-work flows between Cheshire East and these neighbours are very significant in both directions.

In terms of net flows involving Cheshire East, the net flow to Manchester was by far the greatest, with outflows (from Cheshire East) exceeding inflows (to Cheshire East) by 5,300. Cheshire East had no other net outflows in excess of 1,000. However, there were net inflows of over 1,000 from four neighbours: Cheshire West & Chester (1,050), Stockport (1,750), Newcastle-under-Lyme (1,900) and Staffordshire Moorlands (2,800).

The largest 2001-11 change in commuting flows involved Manchester, as Table 5 shows. Between 2001 and 2011, the number of inward commuters from Manchester rose by 1,600 - the greatest change in inflows from any neighbouring authority (the next largest change was a 1,000 increase in inflows from Stoke-on-Trent). The number of Cheshire East residents commuting to a Manchester workplace fell by 600 – which again was larger (albeit slightly) than the change in outflows to any other neighbour.

Hence the net outflow to Manchester, although still high in 2011, declined by 2,200 between 2001 and 2011. The net inflow from Newcastle-under-Lyme increased by 1,200, but for all other the net flows involving neighbours, the 2001-11 change was 750 or less.

The 2001-11 change analysis also shows that, for almost all of the neighbouring authorities, there was an increase – often a substantial increase - in net inflows into Cheshire East. In other words, the Borough was a much greater net importer of labour from its neighbours in 2011 than it was in 2001.

Adding all commuting flows together (whether they involved neighbouring authorities or not), there was a net outflow of 4,100 (from Cheshire East to other workplaces) in 2001, but by 2011 this had changed to a net inflow of 1,400. In other words, over the 2001-11 period, Cheshire East shifted from being an overall net exporter of labour to being an overall net importer.³¹

³¹ Figures based on the data sources listed below Table 5.

Table 4: Largest commuting flows to and from Cheshire East, 2011

Region	Local Authority (LA)	Gross inflow into Cheshire East (from the LA in question)	Gross outflow from Cheshire East (to the LA in question)	Net inflow into Cheshire East (from the LA in question)
East Midlands	High Peak	1,700	850	850
North West	Cheshire West and Chester	9,050	8,000	1,050
North West	Halton	500	700	-200
North West	Manchester	4,150	9,450	-5,300
North West	Salford	750	1,250	-550
North West	Stockport	8,550	6,800	1,750
North West	Tameside	1,150	600	500
North West	Trafford	2,800	3,500	-700
North West	Warrington	2,000	2,050	-50
North West	Wigan	650	300	350
West Midlands	Newcastle-under-Lyme	4,550	2,650	1,900
West Midlands	Shropshire	1,100	850	250
West Midlands	Staffordshire Moorlands	3,650	850	2,800
West Midlands	Stoke-on-Trent	3,750	4,050	-300

Source: Table WU01UK (Location of usual residence and place of work by sex), Origin Destination Tables, 2011 Census, Office for National Statistics (ONS), NOMIS. Crown Copyright 2018. Notes: [1] Figures relate to all usual residents aged 16 and over in employment. [2] To protect against disclosure of personal information, ONS has swapped some records between different geographic areas. Some counts will be affected, particularly small counts for small areas. [3] Figures rounded to nearest 50. [4] This table covers all those neighbouring or nearby authorities for which either the gross inflow or the gross outflow is at least 500 (before being rounded off).

Table 5: Change in commuting flows to and from Cheshire East, 2001-11

Region	LA	2001-11 change in gross inflow into Cheshire East (from the LA in question)	2001-11 change in gross outflow from Cheshire East (to the LA in question)	2001-11 change in net inflow into Cheshire East (from the LA in question)
East Midlands	High Peak	100	250	-150
North West	Cheshire West and Chester	600	550	50
North West	Manchester	1,600	-600	2,200
North West	Oldham	100	100	-50
North West	Salford	150	-150	300
North West	Stockport	200	-450	650
North West	Tameside	200	-100	300
North West	Trafford	350	50	300
North West	Warrington	250	50	200
West Midlands	Newcastle-under-Lyme	700	-500	1,200
West Midlands	Shropshire	250	250	0
West Midlands	Staffordshire Moorlands	100	100	50
West Midlands	Stoke-on-Trent	1,000	250	750
Yorkshire and The Humber	Sheffield	100	-50	150

Sources: [1] Table WU01UK (Location of usual residence and place of work by sex), Origin Destination tables, 2011 Census, Office for National Statistics (ONS), NOMIS. ONS Crown Copyright 2018. [2] Table T107, UK travel flows (local authority) tables, 2001 Census, ONS, NOMIS. ONS Crown Copyright 2018. Notes: [1] The underlying 2011 commuting flows figures relate to all usual residents aged 16 and over in employment, but the underlying 2001 figures relate only to employed residents aged 16 to 74. [2] To protect against disclosure of personal information, ONS has swapped some records between different geographic areas. Some counts will be affected, particularly small counts for small areas. [3] Figures rounded to nearest 50. [4] This table covers all those neighbouring or nearby authorities for which either the gross inflow or the gross outflow changed by at least 100 (before rounding) between 2001 and 2011.

Out-of-work benefits and unemployment

Claimant count³²

3,070 of Cheshire East's residents were claiming out-of-work benefits as at January 2018. This equates to 1.4% of the Borough's working-age (16-64 year-old) population – a claimant rate which is somewhat lower than in January 2013 (2.5%), but higher than in the same month of 2015 (1.2%), 2016 (1.1%) and 2017 (1.1%). However, the current Cheshire East rate is significantly lower than those for the North West and UK (2.5% and 2.0% respectively).

Of the Borough's five parliamentary constituencies, Crewe & Nantwich (1.9%) has the highest rate. In Congleton (1.2%), Eddisbury (1.3%), Macclesfield (1.4%) and Tatton (0.8%), the rates are at or below the Borough average.³³

At settlement level, three of the Borough's towns - Crewe (2.4%), Macclesfield (1.8%) and Alsager (1.5%) - are the only settlements with claimant rates above the Cheshire East average. These three are also the only towns that have any Lower Layer Super Output Areas (LSOAs)³⁴ with claimant rates that exceed 4% (though all of these LSOAs' rates are below 8%).

For the Borough's 18-24 year-olds, the claimant rate is 2.1%. This is higher than for other age groups (0.1% for 16-17 year-olds, 1.5% for 25-49s and 1.1% for 50-64s) and is slightly greater than the January 2017 rate (1.9%), but is below the current rates for the North West (3.4%) and the UK (2.7%).

As of January 2018, 32% of Cheshire East JSA (Jobseeker's Allowance) claimants had been claiming JSA for a year or more, which compares favourably to the North West (34%) and the UK (35%).³⁵

Unemployment³⁶

The official measure of unemployment covers all those who are not employed, but who are available for and actively seeking work. In other words, it covers both jobseekers who are claiming out-of-work benefits, and those jobseekers who are not claiming such benefits. The latest estimate – averaged over the twelve-month period

³² Sources: [1] Claimant Count, Office for National Statistics (ONS), NOMIS. Crown Copyright 2018. Figures relate to January 2018, except where otherwise specified. [2] ONS mid-year population estimates for 2016. Crown Copyright 2018. ONS licensed under the Open Government Licence v. 3.0. Note: Because this relatively new claimant measure includes all out-of-work Universal Credit (UC) claimants as well as all Jobseeker's Allowance (JSA) claimants, it results in higher claimant counts and rates than the previous measure (which covered JSA alone).

³³ Parts of Eddisbury (including Winsford, its largest settlement) and Tatton are in the Borough of Cheshire West & Chester.

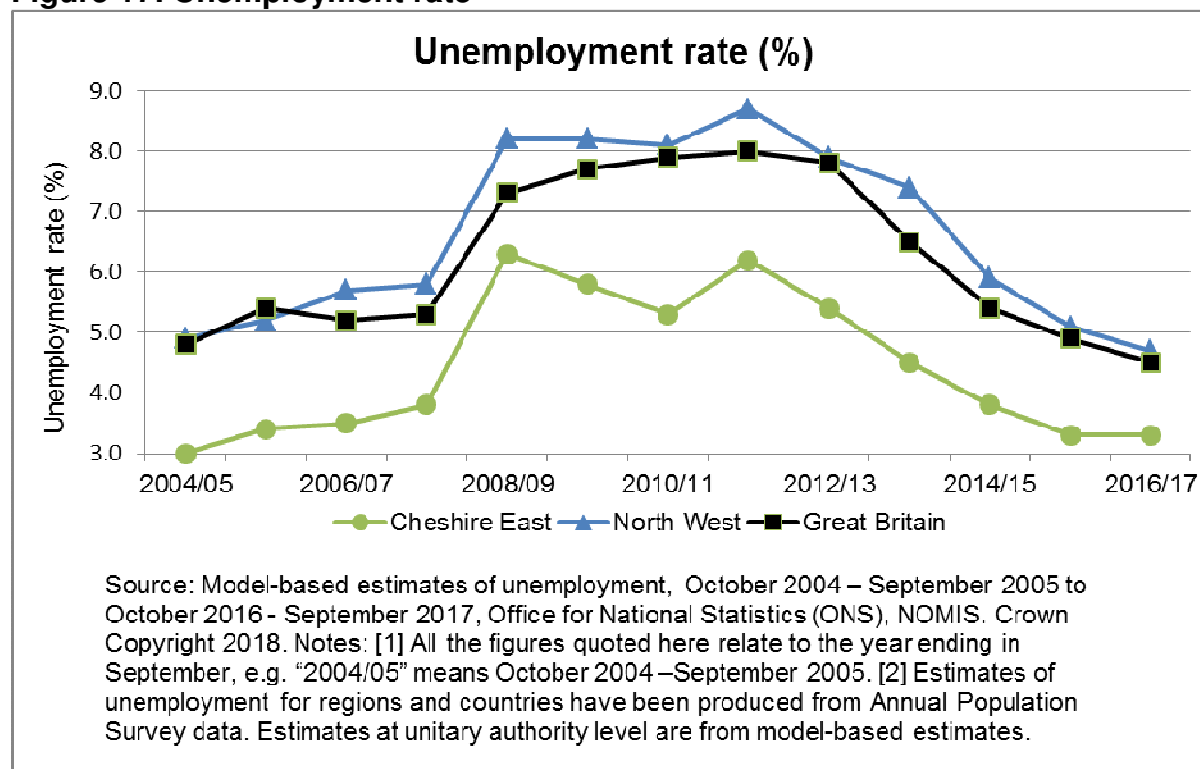
³⁴ LSOAs are sub-ward areas which the Office for National Statistics created for statistical purposes. They are intended to be of roughly equal size (in terms of population). Cheshire East contains 234 LSOAs.

³⁵ Jobseeker's Allowance Count, Office for National Statistics (ONS), NOMIS. Crown Copyright 2018.

³⁶ Model-based estimates of unemployment, October 2004 – September 2005 to October 2016 – September 2017, Office for National Statistics (ONS), NOMIS. Crown Copyright 2018. Notes: [1] All the figures quoted here relate to the year ending in September, e.g. "2004/05" means October 2004 – September 2005. [2] Estimates of unemployment for regions and countries have been produced from Annual Population Survey data. Estimates at unitary authority level are from model-based estimates.

October 2016 to September 2017 – puts Cheshire East's unemployment total at 6,000. This equates to 3.3% of the economically active (employed or unemployed) population aged 16 and above, which is a considerable reduction from the peaks reached in 2008/09 (6.3%) and 2011/12 (6.2%), but is still marginally higher than in 2004/05³⁷ (3.0%) and represents no change from the 2015/16 rate (see Figure 17).

Figure 17: Unemployment rate



As with the claimant count measure, Cheshire East's current unemployment rate is significantly below the regional and national averages (4.7% for the North West and 4.5% for Great Britain, as of 2016/17). In the region and Great Britain, rates have also dropped significantly in recent years - in 2011/12, they were 8.7% and 8.0% respectively – and in 2016/17 they fell to a level last achieved before 2004/05.

Qualifications³⁸

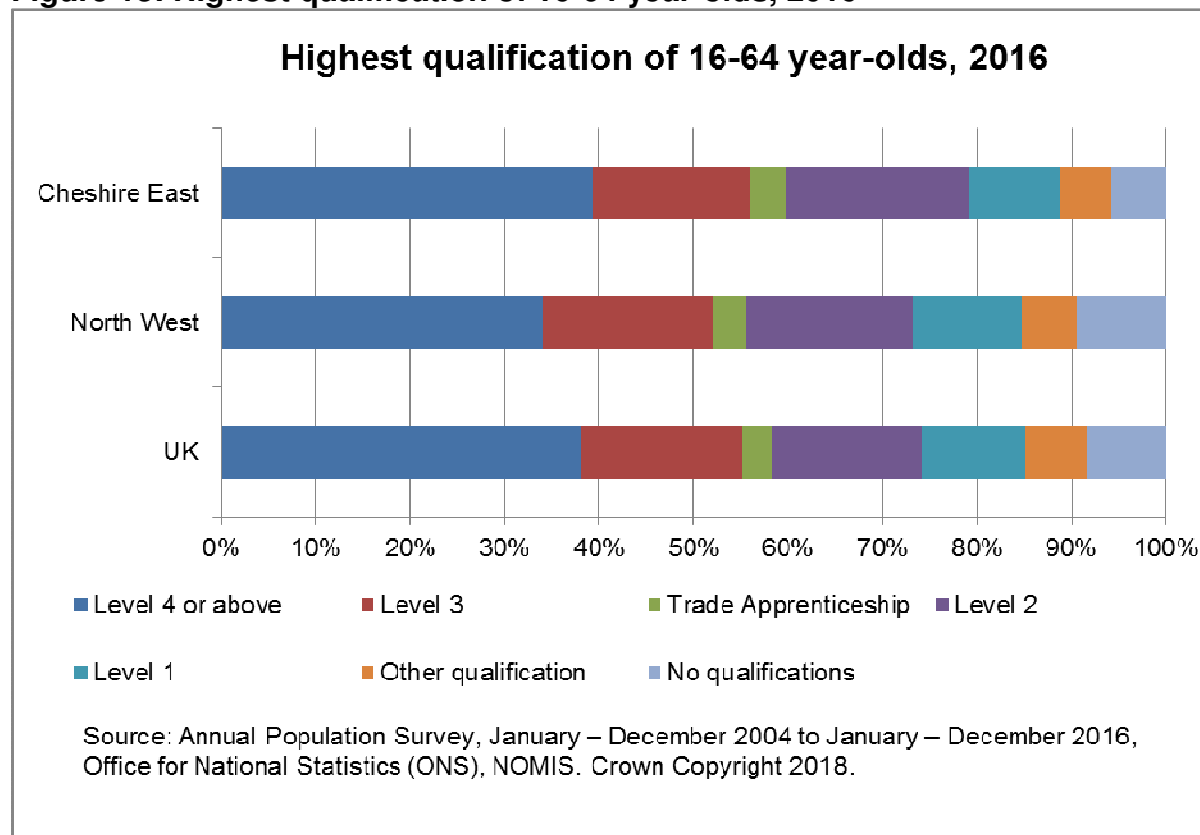
Working-age residents' qualification levels compare well to the region and the UK, as indicated in Figure 18. Survey data for 2016 suggest that nearly two fifths (39.4%, or about 88,500) of Cheshire East's 16-64 year-olds have a qualification at Level 4 (first degree level or equivalent) or above, a proportion that exceeds the figures for the North West (33.9%) and the UK (38.0%), although the difference between the Borough and the UK is not statistically significant. At both local and national level, this proportion has increased substantially since 2004, though the Cheshire East percentage has remained consistently above the UK (and North West) average over

³⁷ Comparable data not available for earlier (pre-2004/05) years.

³⁸ Annual Population Survey, January – December 2004 to January – December 2016, Office for National Statistics (ONS), NOMIS. Crown Copyright 2018.

that time, as Figure 19 shows. However, small survey samples mean that the 2004-16 change in Cheshire East is not statistically significant.

Figure 18: Highest qualification of 16-64 year-olds, 2016



In 2016, an estimated 79.1% (around 177,700) of Cheshire East's 16-64 year-olds were qualified to Level 2 (equivalent to 5 GCSEs at grades A*-C) or above, which exceeded the UK average (74.2%) by a statistically significant margin. As with the Level 4 statistics, the Cheshire East Level 2 percentage has stayed consistently above the national and regional averages since 2004 (Figure 20).

The same survey data also suggest (see Figure 18 again) that 5.9% (around 13,200) of 16-64 year-olds lacked any qualifications (compared to 9.5% and 8.3% for the region and the UK respectively).

Figure 19: 16-64 year-olds with a qualification at or above Level 4

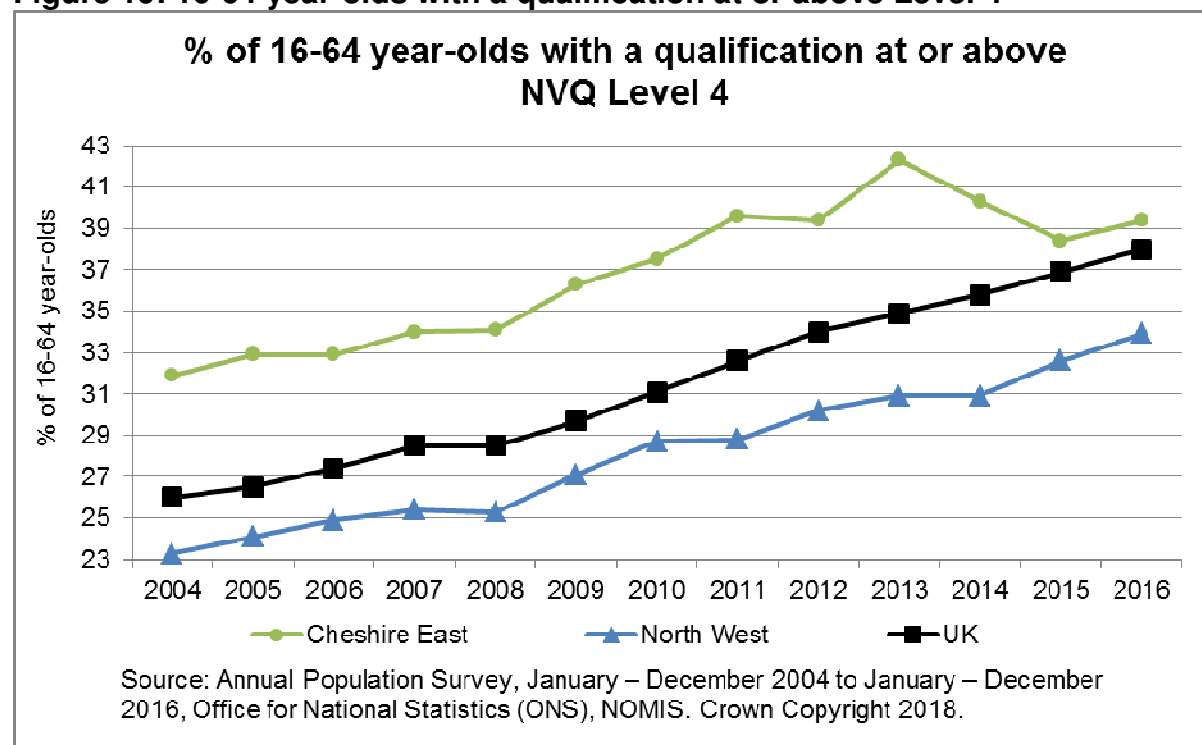
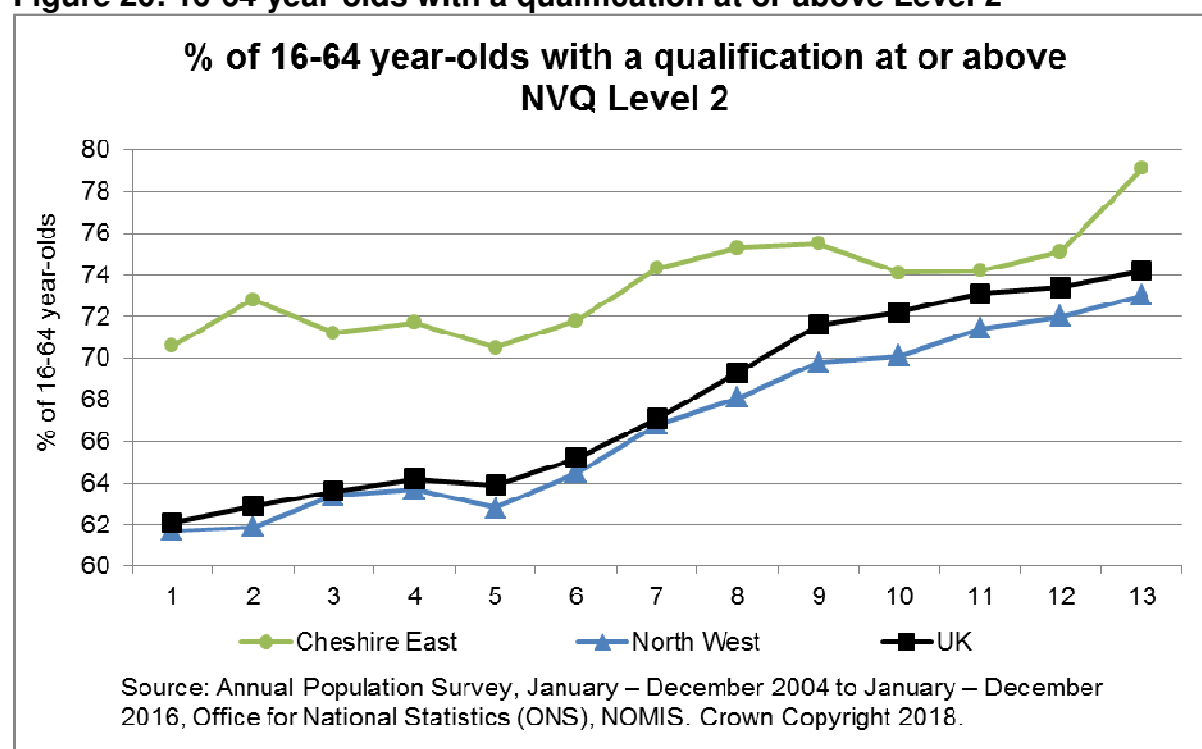


Figure 20: 16-64 year-olds with a qualification at or above Level 2



Self-employment³⁹

Of those Cheshire East residents aged 16 and above who have a job, an estimated 16.5% (29,100) are self-employed, according to the latest (2016/17) survey data. Within the last five years, this self employment rate has been as high as 18% to 19% (2011/12 and 2015/16), but these differences are not statistically significant and may be due to survey sampling error rather than an indication of a “real” change in people’s employment patterns. The 2016/17 self-employment rate is above both the North West average (13.5%) and the UK figure (15.2%), but is not significantly different (in a statistical sense) from either, so the difference may again be a result of survey sampling error.

In both the region and the UK, the self-employment rate has increased fairly steadily since 2004/05 (from rates of 11.0% in the North West and 12.8% in the UK). The trend within Cheshire East is less clear cut – which partly reflects the lower degree of accuracy of the estimates at local authority level – but, with the exception of 2005/06 (16.1%), rates have generally been higher during the period from 2009/10 onwards (ranging from 15.3% to 18.4%) than during 2004/05 to 2008/09 (12.7% to 13.5%). It may be that, in Cheshire East, the 2008-9 recession prompted a relatively large proportion of employees who had lost their jobs to start up their own businesses, thus significantly raising the self employment rate – but it would be difficult at best to obtain evidence to confirm this.

Business demography⁴⁰

In 2016, there were 2,770 new business births in Cheshire East – the highest number of births in Cheshire East in recent years (2010 onwards) and more than in any other North West unitary or district authority, except for Manchester. The number of births in Cheshire East in 2016 was up 60% on the 2010 figure and 15% above its 2015 level.

The 2,770 figure equates to a birth rate (the number of births per 10,000 residents aged 16 and above) of 89 for Cheshire East. As in previous years (see Figure 21), this is considerably higher than the birth rates for the North West (72 in 2016) and the UK (78 in 2016).

By the end of 2016, the Borough’s total stock of businesses stood at 20,230 – which again is the highest figure in recent years and exceeds that of all North West unitary and district authorities, apart from Manchester. Cheshire East’s business stock remained virtually static (staying between 17,500 and 17,700) between 2010 and 2012, but is now 15% higher than in 2010 and 5% up on 2015 (although, as Figure

³⁹ Annual Population Survey, October 2004 – September 2005 to October 2016 - September 2017, Office for National Statistics (ONS), NOMIS. Crown Copyright 2018. Note: All the figures quoted here relate to the year ending in September, e.g. “2004/05” means October 2004 –September 2005.

⁴⁰ Sources (except where otherwise specified): [1] Business Demography – 2016: Enterprise Births, Deaths and Survivals, Office for National Statistics (ONS), November 2017. [2] National Statistics (ONS) mid-year population estimates (June 2017 release). ONS Crown Copyright 2018. ONS licensed under the Open Government Licence v. 3.0. Note: Business demography data published only for 2010 onwards.

22 shows, the 2010-16 percentage growth in business stock is slightly lower than for the North West or the UK). The Borough's business density (the stock of businesses per 10,000 residents aged 16 and above) is 653 for 2016; as for 2010-15 (see Figure 23), this is significantly better than in the UK (532 in 2016) or the North West (472).

Figure 21: Business birth rates

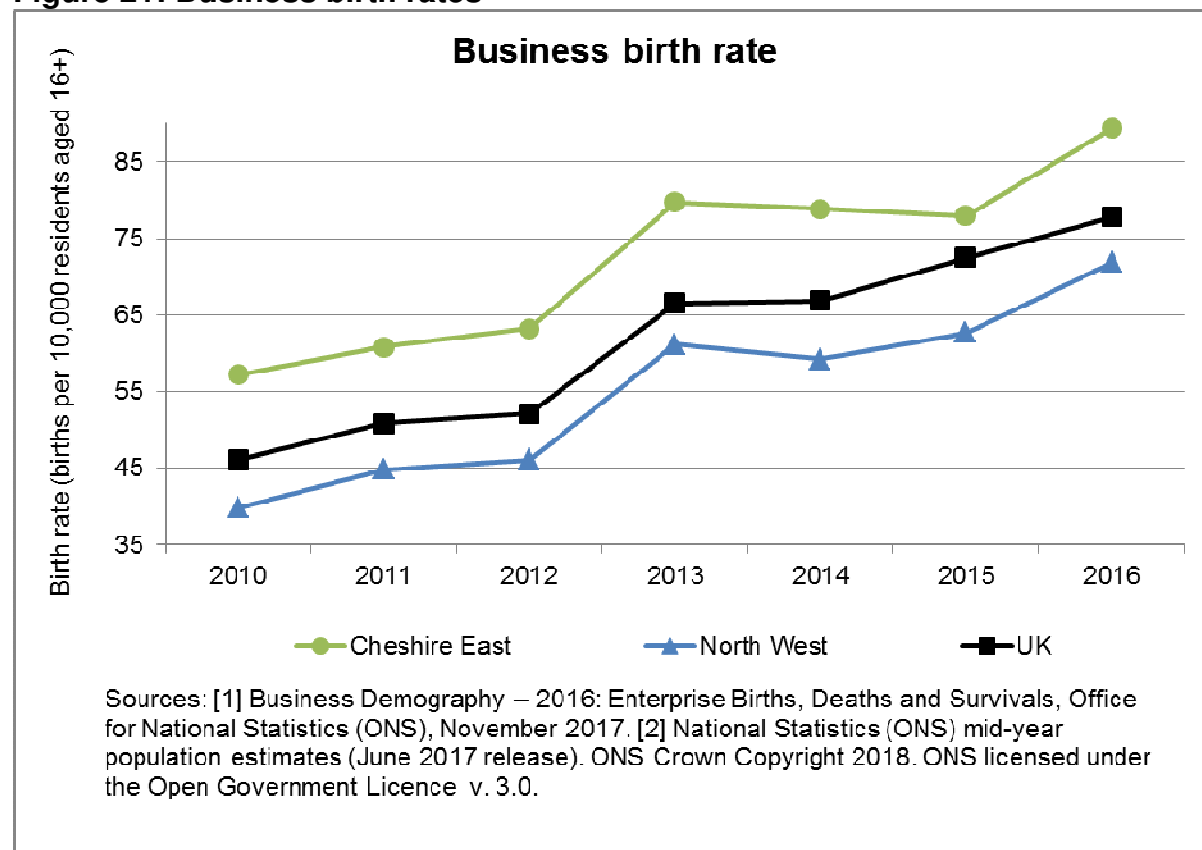


Figure 22: Business stock

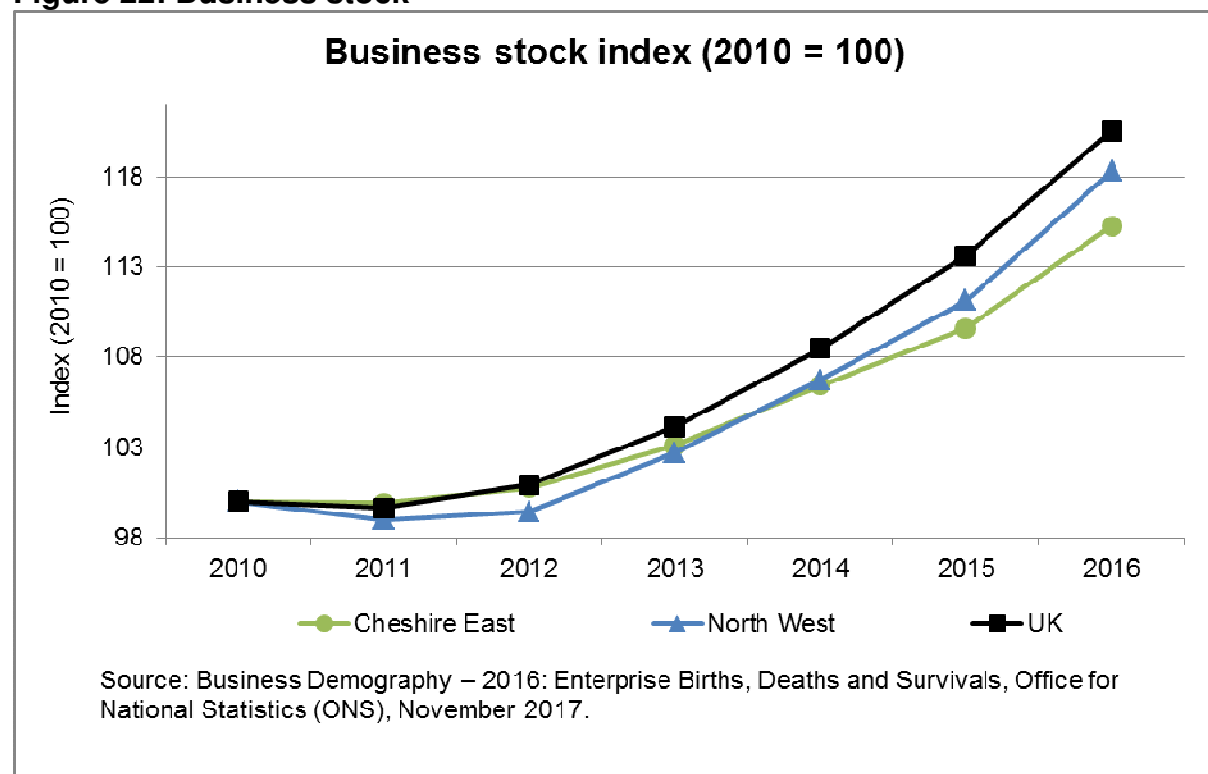
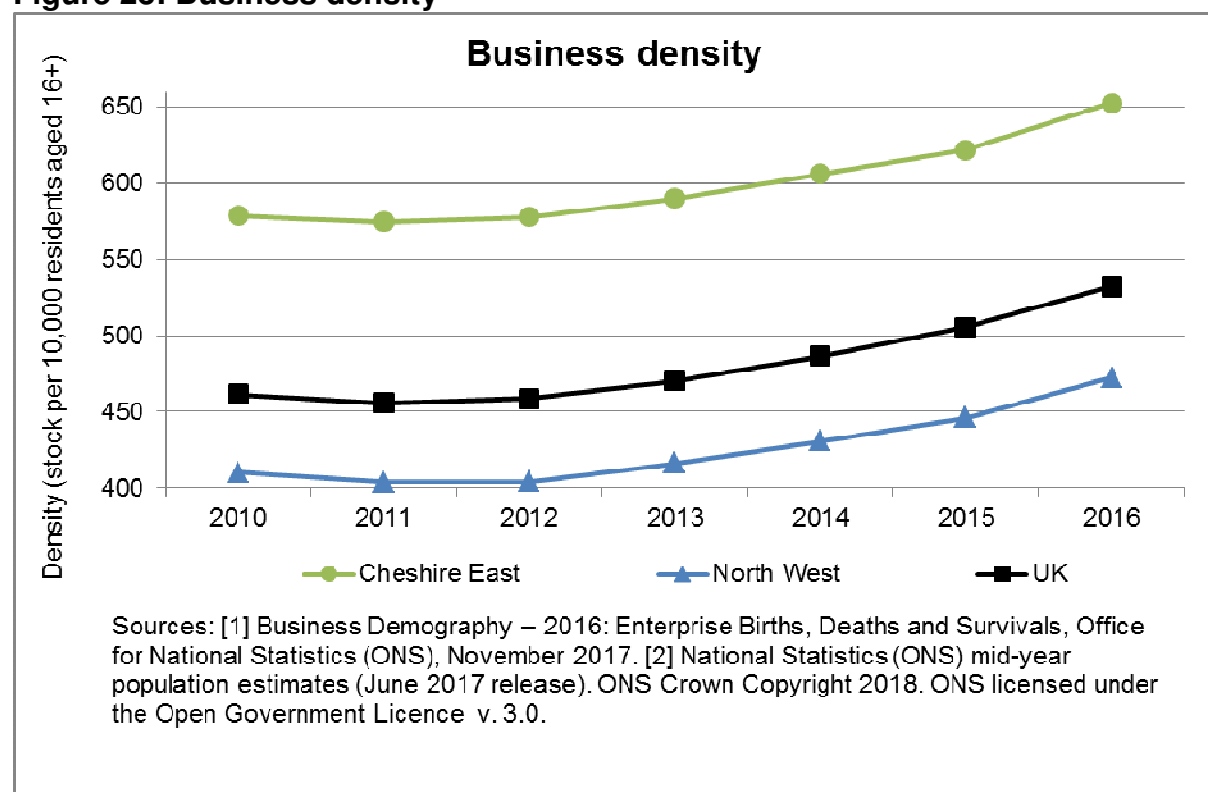
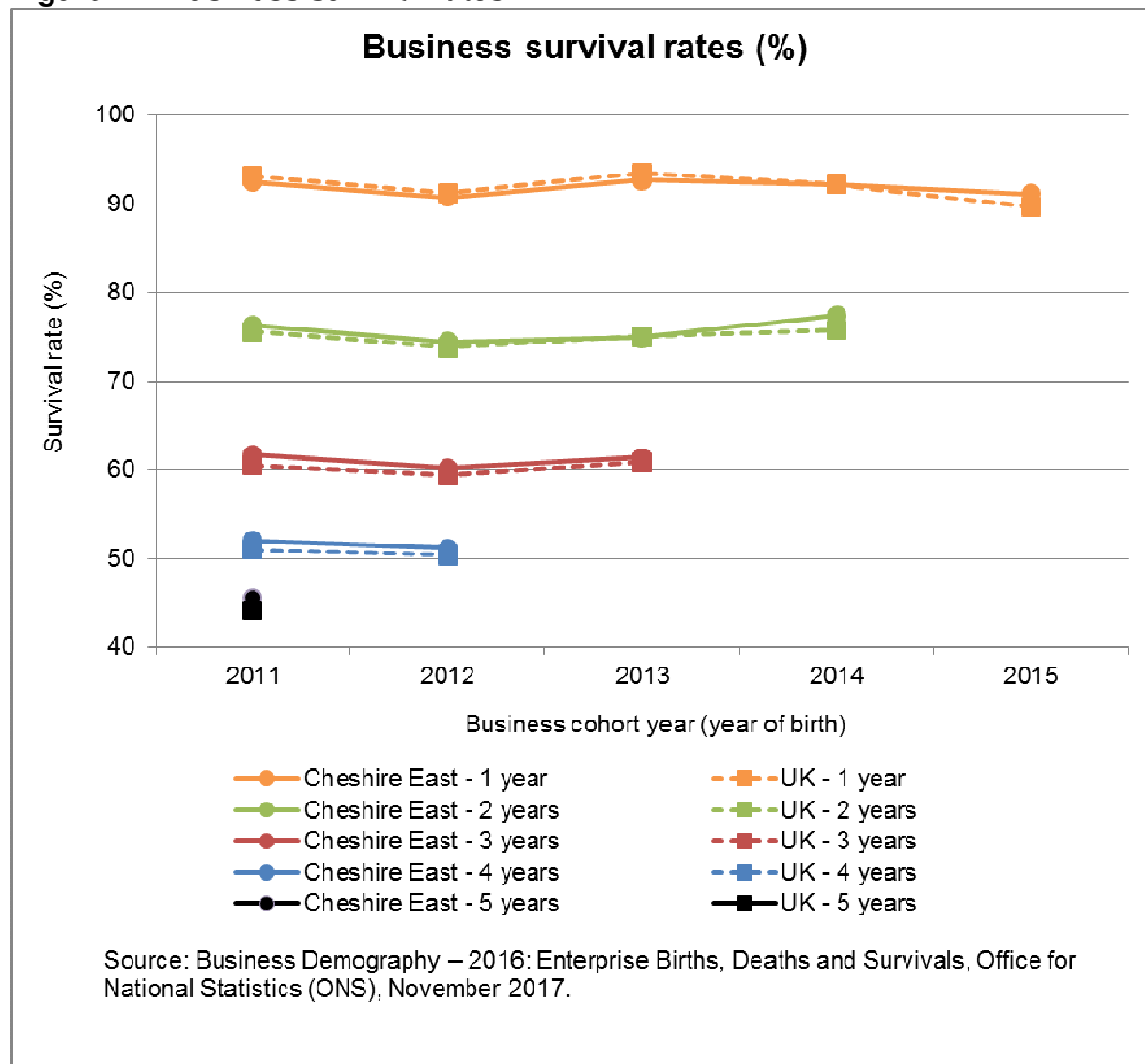


Figure 23: Business density



Business survival prospects are also good, as Figure 24 demonstrates. Of those which started up in 2015, 91.1% survived their first year. For the most recent cohorts of businesses for which data are available (those born between 2010 and 2015), the first year survival rate has remained between 90% and 93%. The latest rate (the 91.1% for the 2015 birth cohort) exceeds the UK rate (89.7%) for the first time in recent years. However, this is because the rate has declined more sharply in the UK (from a 2013 peak of 93.5%) than in Cheshire East (down from 92.6% in 2013).

Figure 24: Business survival rates

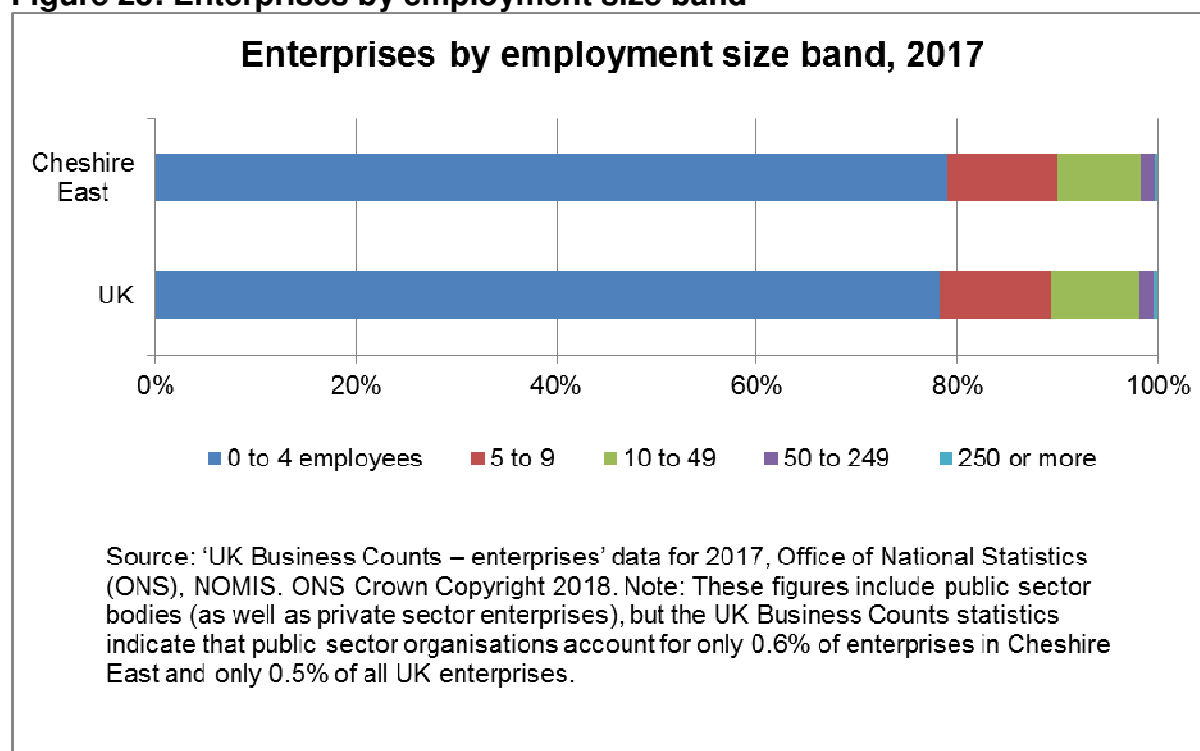


77.4% of the Borough's businesses currently survive for two years (based on the performance of those which started up in 2014). This is above the current UK rate (75.7%), although Cheshire East's previous (2013) birth cohort fared marginally worse than the UK average (74.8% versus 75.0%). However, the latest available figures (those for businesses born between 2011 and 2013) show Cheshire East consistently outperforming the UK on longer term survival rates, with the Borough's

three, four and five year survival rates (for which the latest figures are 61.3%, 51.2% and 45.6% respectively) exceeding those for the UK (60.8%, 50.4% and 44.1%).⁴¹

The overwhelming majority of Cheshire East enterprises are small. According to the latest (2017) UK Business Counts data published by the Office for National Statistics⁴², 78.9% of enterprises⁴³ have less than 5 employees and 11.1% employ 5-9 staff; a further 8.2% have a workforce of between 10 and 49. Only 1.4% have 50-249 employees and only 0.3% employ 250 or more. These proportions are virtually the same as those at UK level, as Figure 25 shows.⁴⁴

Figure 25: Enterprises by employment size band



Turnover statistics (also from the UK Business Counts data series) present a similar picture: as of 2017⁴⁵, 41.1% of Cheshire East enterprises had an annual turnover of

⁴¹ For the purposes of these survival statistics, references to the “latest” figures mean those showing performance up to 2016: for example, the latest one-year survival rates are for businesses born in 2015, but the latest three-year survival rates are for those born in 2013.

⁴² 'UK Business Counts – enterprises' data for 2017, Office of National Statistics (ONS), NOMIS. ONS Crown Copyright 2018. Note: These figures include public sector bodies (as well as private sector enterprises), but the UK Business Counts statistics indicate that public sector organisations account for only 0.6% of enterprises in Cheshire East and only 0.5% of all UK enterprises.

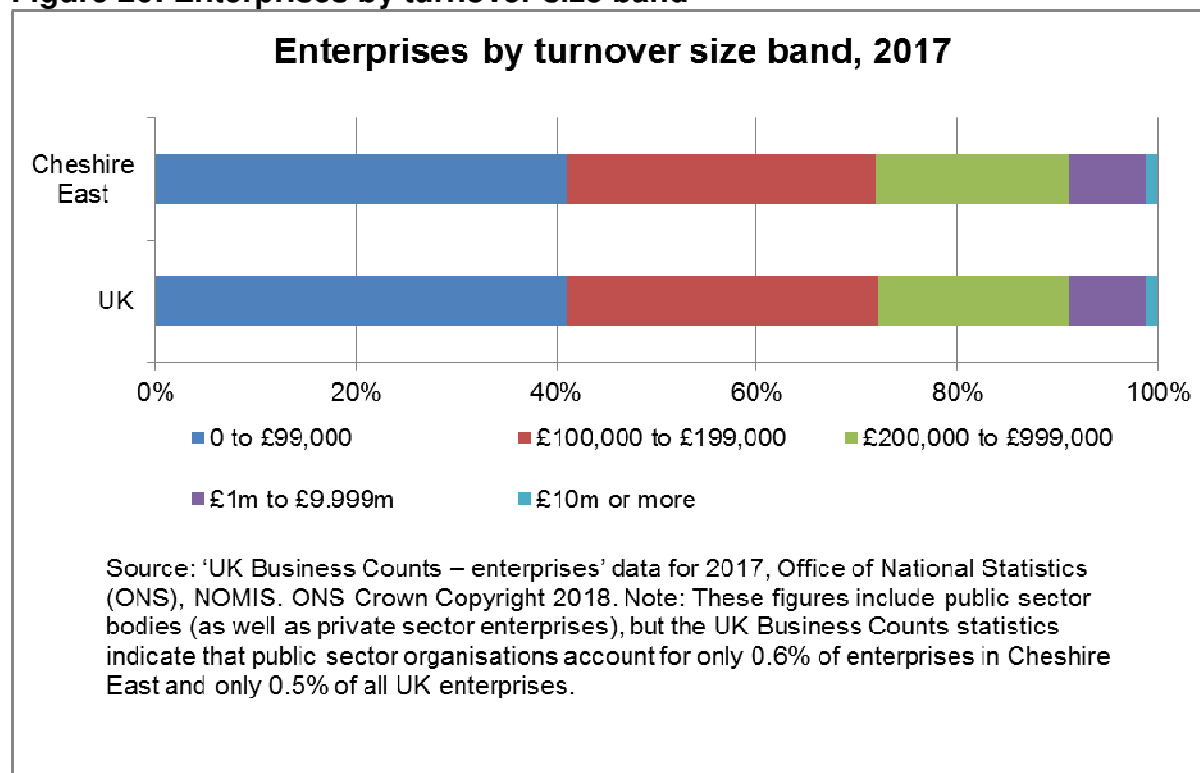
⁴³ According to the Office for National Statistics/ NOMIS technical information on the UK Business Counts data series, “An enterprise can be thought of as the overall business, made up of all the individual sites or workplaces. It is defined as the smallest combination of legal units (generally based on VAT and/ or PAYE records) that has a certain degree of autonomy within an enterprise group.”

⁴⁴ For the UK, the respective figures for each of these employment bands are 78.2%, 11.2%, 8.7%, 1.5% and 0.4%.

⁴⁵ The turnover data provided for the majority of traders is based on VAT returns for a twelve month period. For “2017”, this relates to a twelve month period covering the financial year 2015/2016. For

less than £100,000 and 30.7% were in the £100,000 to £199,000 range; for a further 19.2%, turnover was between £200,000 and £999,000. Only 7.7% had a turnover of £1m to £9.999m and just 1.2% had a turnover of £10m or more. Again, these proportions are almost identical to those at UK level (Figure 26).⁴⁶

Figure 26: Enterprises by turnover size band



Business Survey (2017)⁴⁷

At the end of 2016, the Cheshire Local Authorities, the Cheshire East Skills & Growth Company and the Cheshire & Warrington Local Enterprise Partnership (LEP) commissioned a new business survey. The survey was managed by Cheshire East Council and undertaken by BMG Research, and was only the second large-scale local survey of businesses in recent years (the first one having been undertaken in 2011).

The survey covered a sample of 1,502 businesses across Cheshire and included almost equal numbers of businesses from each of the two Cheshire Authorities (752 from Cheshire East and 750 from Cheshire West & Chester). The survey sample was selected to be representative of the local business population in terms of

traders who have registered more recently, turnover represents the estimate made by traders at the time of registration.

⁴⁶ For the UK, the respective figures for each of these turnover bands are 41.1%, 31.0%, 19.0%, 7.8% and 1.2%.

⁴⁷ Cheshire Business Survey 2017 final reports, August 2017. Survey undertaken by BMG Research on behalf of the Cheshire Local Authorities, the Cheshire East Skills & Growth Company and the Cheshire & Warrington Local Enterprise Partnership.

business sector (i.e. industry) and size. It covered only private sector organisations and excluded those with no employees. Interviews were conducted by phone and took place between January and March 2017. Key findings from the survey are reported below, but more detailed information can be found in the survey reports on the Cheshire East Council 'Business' web pages.⁴⁸

Workforce and skills issues

- 26% of establishments said the size of their workforce had grown in the twelve months prior to the survey (i.e. the period between January-March 2016 and January-March 2017), but only 15% reported a contraction in their workforce. This represents an improvement on 2011, when they were more likely to report contraction (as 19% did then) than growth (16%).
- Just over a fifth (22%) of businesses employ some staff on temporary, fixed term contracts and 9% make use of zero hours contracts.
- Nearly half (46%) had had any vacancies in the previous twelve months. 22% of all the Cheshire East respondents (49% of those with vacancies in the last twelve months) reported some of their vacancies were hard to fill (whereas only 9% of all respondents said this in 2011). By sector, Wholesale & Transport businesses are most likely to report hard-to-fill vacancies.
- The most commonly-cited reasons for vacancies being hard to fill were: a low number of applicants with the required skills (mentioned by 81% of those with hard-to-fill vacancies), candidates lacking appropriate experience (49%), a lack of interest in that type of job (48%) and lack of required qualifications (32%).
- Two thirds (68%) said there are skills needs or gaps within their existing workforce (similar to the 2011 figure of 66%). When asked what specific skills gaps they had, the most frequently-cited skills are technical, specialist or job specific skills (35%), sales & marketing skills (32%) and IT skills (31%).
- Only 7% said they employ any migrant workers (defined in the questionnaire as "workers who have recently moved to the UK from another country"), but this proportion is much higher amongst larger businesses. Of those with migrant workers, 91% employ some EU migrants and 37% have some non-EU migrants (and some of these firms employ both). EU workers account for the vast majority (85%) of all the migrants employed by Cheshire East businesses.
- 25% of businesses said that the National Living Wage had had an impact on their wage bill. Larger firms and those in the Wholesale & Transport and Education, Health & Other Services sectors were much more likely to report such an impact.

⁴⁸ These reports and a final presentation can be found at http://www.cheshireeast.gov.uk/business/business_information/cheshire-business-survey-2017.aspx .

Training and apprenticeships

- Half of businesses (47%) have a training plan at their site and 29% have a training budget. Both these figures are significantly higher than in 2011 (when they were 40% and 21% respectively). 16% have an internal training department, but this percentage increases with the size of the firm.
- 43% have a training and development strategy and 36% offer work placements to school pupils or other young people; again, these proportions are higher for larger firms (and, in the latter case, for Education, Health & Other Services firms).
- 56% had arranged or funded at least some training in the previous twelve months (once again, larger firms are more likely to make such arrangements than smaller ones). However, this is slightly lower than the 2011 figure (60%).
- Of those that had arranged or funded such training, 86% had used external providers. They are most likely to have used private training organisations (58%) or specialist organisations (51%); 22% had employed FE colleges for this purpose.
- 23% have employed apprentices at some point in the last five years (more specifically, 11% had apprentices at the time of the survey; a further 12% did not, but had used apprentices in the previous five years). Not surprisingly, the larger the business, the greater its propensity to currently employ apprentices.

Customers and suppliers

- 84% purchase at least some supplies from firms in the Cheshire & Warrington area. 61% use Greater Manchester-based suppliers and 46% source inputs from the Potteries area, but (as might be expected) they are much less likely to buy goods and services from Merseyside (27% do) or North Wales (15%).
- 25% import some of their supplies; 20% import from EU countries and 11% make purchases from non-EU businesses (and some of these buy from both EU and non-EU countries). Production & Construction and Wholesale & Transport firms are more likely to import than those from other sectors.
- 73% sell some of their goods and services to customers based in Cheshire & Warrington; 32% make all their sales within this area. 32% sell to Greater Manchester customers and 25% to the Potteries; unsurprisingly, many fewer Cheshire East firms do business with clients in Merseyside (16% do) or North Wales (13%).
- 20% of all Cheshire East businesses are exporters (up from 13% in 2011); 17% export to EU countries and 13% sell to customers outside the EU (and some of these export to both). 7% of all Cheshire East firms export only to the EU and 3% export only outside the EU. 6% of all Cheshire East businesses' sales are exported (4% to the EU and 2% to non-EU countries).

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Business performance and future outlook

- Over-regulation and red tape (cited by 51% of respondents in 2017), tax rates (48%, but down from 57% in 2011) and increasing labour costs (45%, which is up from 35% in 2011) are the most often mentioned barriers to the business' growth over the next three years, followed by energy costs⁴⁹ (41%). The vast majority (88%) identify at least one barrier to growth.
- Larger companies were more likely (than smaller ones) to mention barriers relating to skills and labour, energy costs, market size, transport infrastructure, planning permission and availability of land/ premises.
- When asked about plans for the next twelve months, relatively large proportions said they intended to increase their staffing levels (cited by 44%), their investment in equipment/ machinery (42%) or their investment in training (42%). 37% planned to expand the size of their geographic market and 26% intended to export more. 26% said they were going to engage in more research & development. Very few (less than 5%) reported a planned reduction in any one area of activity.
- 30% thought "Brexit" would have a negative impact on their business over the next three years and only 15% anticipated a positive impact. 39% thought there would be no impact and 16% didn't know what the effect might be. When asked how Brexit would affect the Cheshire economy, the results were very similar (14% positive and 30% negative), but with more "don't knows" (23%) and fewer (32%) expecting zero impact.

Business land and premises

- 16% of businesses think they are likely to relocate in the next five years. Smaller businesses are much more likely to anticipate relocating than larger ones are: for example, 17% of those with 1-10 employees expect to move, but only 6% of those with 50+ employees expect to do so.
- Of those likely to relocate, 50% cite a need for larger premises. Other common reasons – the need for a more suitable site; rising costs/ the need to find a cheaper site; poor infrastructure/ lack of parking facilities; and the end of lease/ a landlord forcing a move – are each cited by roughly a tenth of likely movers.

IT infrastructure

- 97% of all Cheshire East businesses have internet access (91% did in 2011) and 95% have broadband (88% in 2011). Only around half (54%) have superfast broadband, but this proportion is up dramatically on 2011 (18%). The proportion of firms with a website has also increased significantly, from 76% (2011) to 88% (2017).

⁴⁹ Includes transport fuel costs.

- Satisfaction with broadband coverage has gone down substantially, from 66% in 2011 to 54% in 2017. However, this probably reflects in part the higher expectations and greater demands that today's broadband users have.
- Dissatisfaction with broadband coverage is far more prevalent in rural areas (20% very dissatisfied, whereas only 7% of urban businesses are) and among businesses with no superfast broadband (21% very dissatisfied, whereas only 4% of other businesses are).

Business support and regulation

- 50% of businesses had sought independent advice in the previous twelve months (compared to 53% in 2011). This was most likely to be about IT issues other than social media (cited by 49% of those seeking advice), legislation (40%), workforce skills and training (39%), use of social media (38%), marketing (37%) and general business planning (36%).
- The four most common sources for such advice were accountants (83%), business associates/ friends/ family (47%), banks (44%) and solicitors (38%). Only 14% had approached Cheshire East Council (the joint fifth most common source) for advice; for the Cheshire East Skills & Growth Company (2%), the Cheshire & Warrington LEP (2%) and the Cheshire & Warrington Growth Hub (less than 0.5%), the figures were much smaller (though 24% had heard of the Growth Hub).
- 38% pay for advice to support inspections, standards, licences or permits. Firms in the Production & Construction sectors are much more likely to pay for such advice, as are larger employers. Businesses are most likely to require paid advice on the issues of health & safety (23% of all Cheshire East establishments do so) or licences and permits (17%).

Environmental improvement

- 72% of businesses have undertaken at least one action to improve their environmental performance (such as recycling, waste reduction, cutting their energy or water use or purchasing environmentally friendly products). This was similar to the 2011 figure (71%). The most commonly-cited forms of environmental improvement were the adoption of a recycling or waste minimisation scheme (46%), introducing/ purchasing environmentally friendly products (39%) and measures to reduce energy costs or increase energy security (34%).
- Only 15% have plans for further environmental improvements, which is down sharply on 2011 (27%).

Business location

- When asked about the benefits of Cheshire East as a business location, firms' most frequent responses were the overall attractiveness of the area (cited by

66%), access to road links (60%) and access to markets/ neighbouring cities (55%). 93% could identify at least one benefit.

- 52% could name at least one disadvantage, most commonly traffic congestion (raised by 14% of Cheshire East businesses), followed by (inadequate) broadband coverage (7%), business rates (also 7%) and the cost of business land/ premises (also 7%).

Tourism and visitor attractions

Cheshire East has a number of tourism attractions that are of regional or national importance.

The Borough's most-visited attraction is Tatton Park, which received 805,000 visitors in 2016, making it the fifth largest attraction in the North West and the third largest "paid" attraction. Since 2011, the annual number of visitors to Tatton has stayed between 775,000 and 875,000. The North West regional list of top 20 paid attractions includes four other locations in Cheshire East: Little Moreton Hall & Gardens (9th, with 250,000 visitors in 2016), which is between Alsager and Congleton; Quarry Bank Mill and Garden, which is near Wilmslow (12th, with 213,000); the Jodrell Bank Discovery Centre (15th, with 143,000) near Holmes Chapel; and Lyme Park & Gardens near Disley (16th, with 134,000). The region's 20 most-visited free attractions included Astbury Mere Country Park, in Congleton (19th, with 245,000 in 2016). Whilst the number of visits to some of these attractions has remained reasonably static over time, Little Moreton Hall & Gardens' visitor numbers for 2015 and 2016 were up dramatically on earlier years and some other attractions – most notably Quarry Bank Mill and Garden and Jodrell Bank Discovery Centre – have seen strong year-on-year growth (Figure 27).⁵⁰

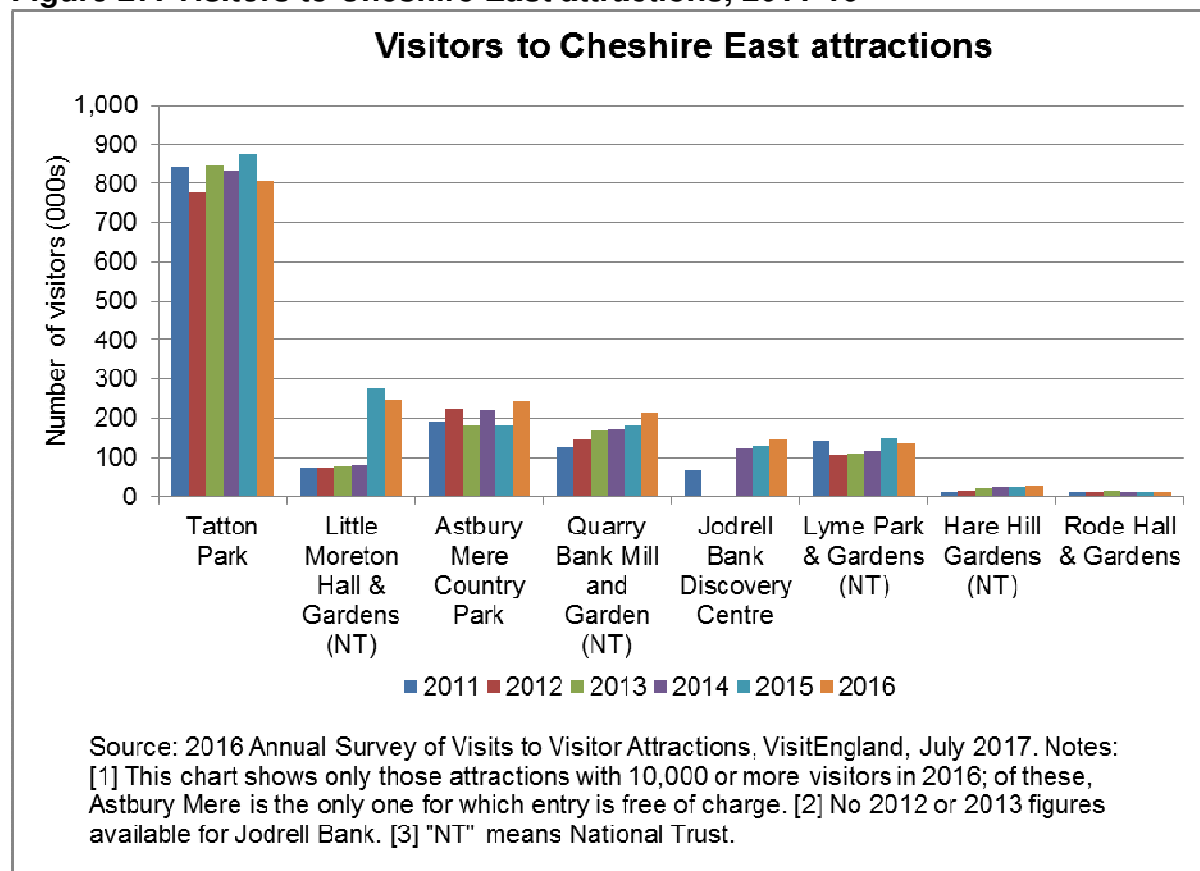
Other major attractions for visitors include the Peak District National Park (part of which lies within Cheshire East), Tegg's Nose Country Park and Cholmondeley Castle.

The Jodrell Bank Discovery Centre is part of the Jodrell Bank Observatory site and includes the world-famous Lovell Radio Telescope. The Jodrell Bank Centre for Astrophysics (which operates at the Observatory and in Manchester) carries out world-renowned radio astronomy research and development, as well as research into the rest of the electromagnetic spectrum and theoretical physics. The Observatory forms part of the UK's network of radio telescopes (e-MERLIN) and is the headquarters for the Square Kilometre Array (SKA) Organisation. The SKA is undertaking a project to build the world's largest radio telescope.⁵¹

⁵⁰ 2016 Annual Survey of Visits to Visitor Attractions, VisitEngland, July 2017. Figures quoted above are rounded to the nearest 1,000, but the VisitEngland data in some cases reports visitors to a greater degree of precision than this.

⁵¹ Jodrell Bank Centre for Astrophysics (<http://www.jodrellbank.manchester.ac.uk/about-us/>), Jodrell Bank Discovery Centre (<http://www.jodrellbank.net/>), e-MERLIN (<http://www.e-merlin.ac.uk/summary.html>), MERLIN (<http://www.merlin.ac.uk/>) and SKA project (<http://skatelescope.org/ska-organisation/>) web pages, September 2017.

Figure 27: Visitors to Cheshire East attractions, 2011-16



Tourism revenue accounted for an estimated £895m of Cheshire East's economy in 2016. In that year, 16.0m tourists visited Cheshire East, and these people spent a total of 17.7m days in the Borough.

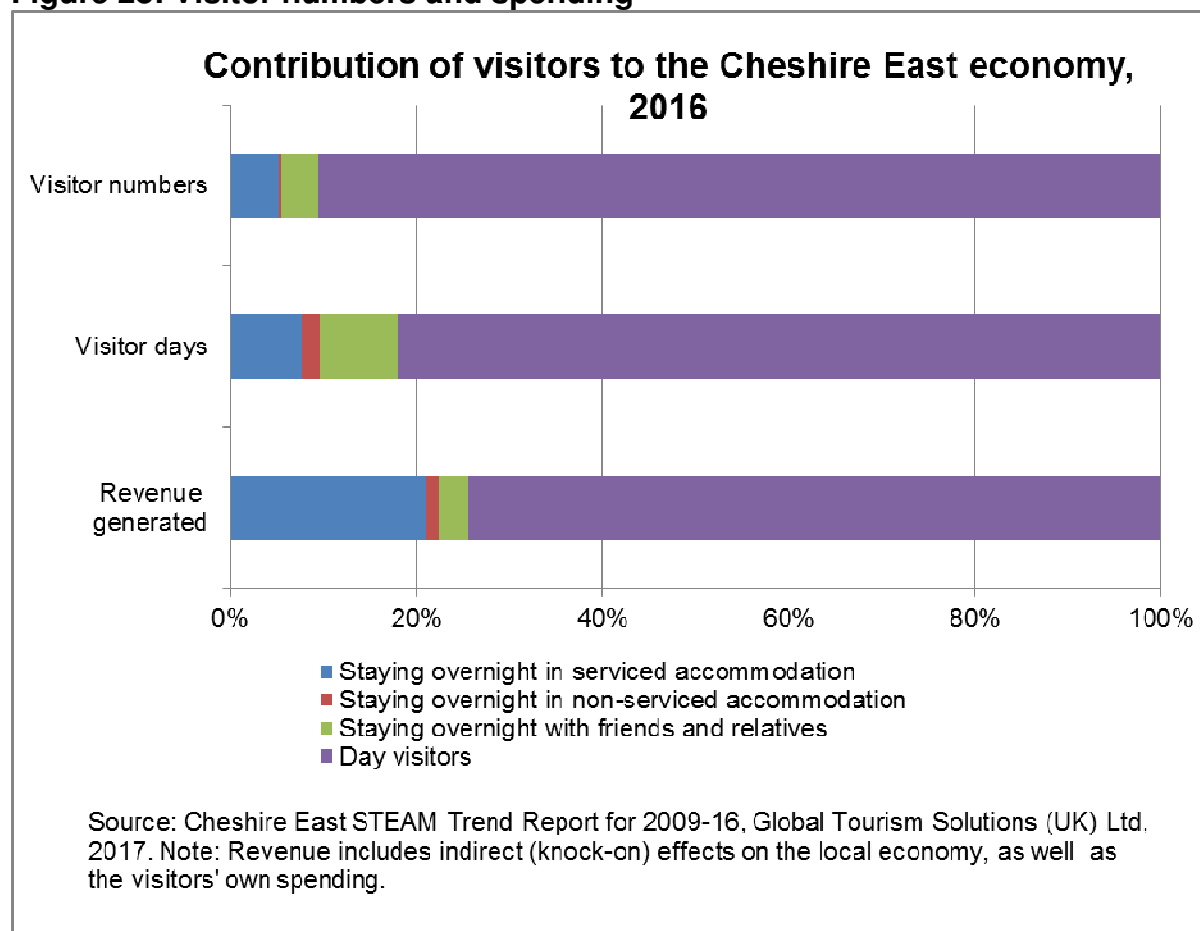
The overnight visitor market makes a major contribution to the Cheshire East economy. In 2016, only 9% of visitors stayed overnight (in serviced or non-serviced accommodation, or with friends/ relatives), but this relatively small proportion of visitors accounted for 26% (£229m) of all tourism revenue (see Figure 28). Those who stayed in serviced accommodation (5% of all visitors) accounted for the vast majority of this (£188m, or 21% of all tourism revenue); the 4% who stayed with friends/ relatives were responsible for 3% of revenue and those in non-serviced accommodation made up less than 0.5% of visitors, but contributed 2% of revenue.

Day visitors (91% of all visitors) accounted for the other 74% (£666m) of the visitor economy.

It is estimated that, in 2016, Cheshire East's visitor economy supported 11,500 jobs (9,100 of them directly and a further 2,400 indirectly).⁵²

⁵² The figures for tourism revenue, overall visitor numbers/ visitor days and jobs supported by tourism are from the Cheshire East STEAM Trend Report for 2009-16, Global Tourism Solutions (UK) Ltd, 2017. Monetary figures are in 2016 prices.

Figure 28: Visitor numbers and spending



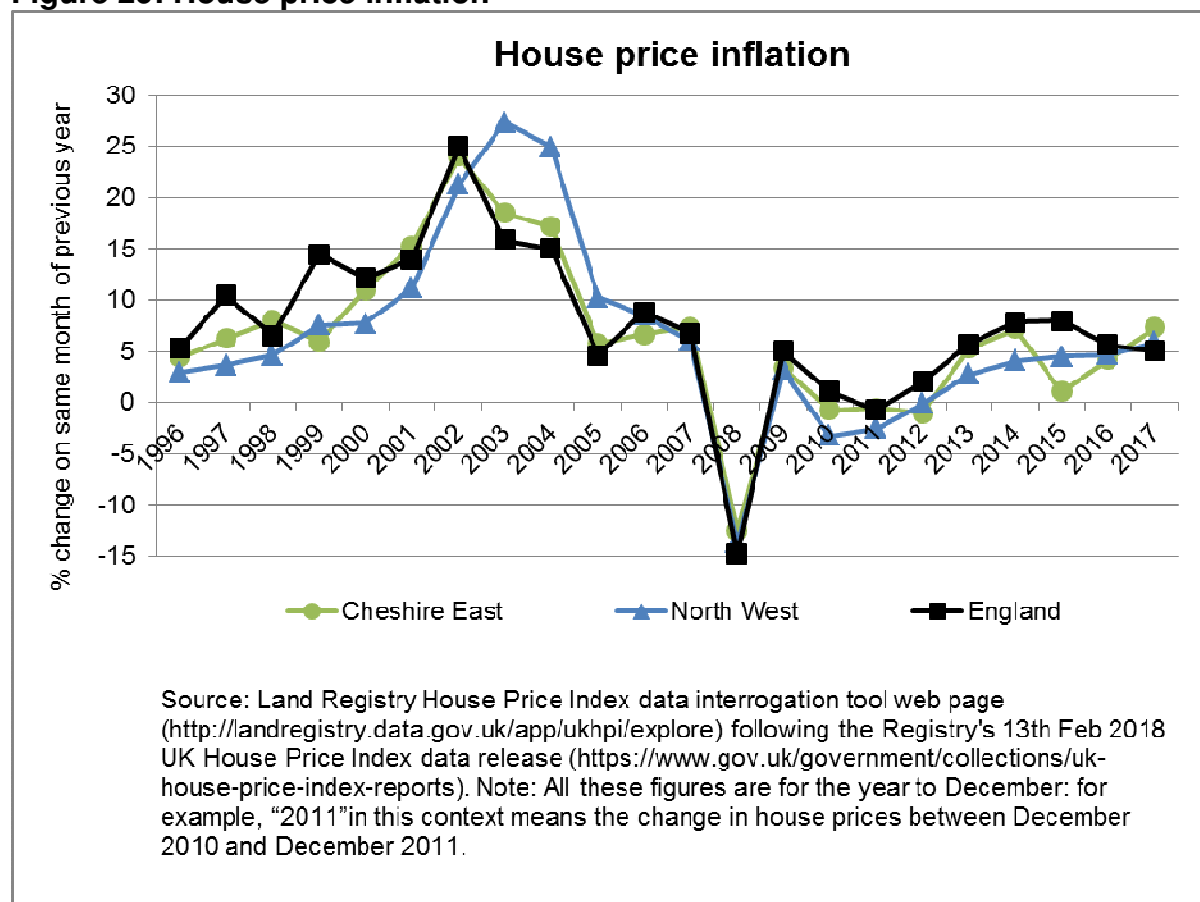
Housing market

House prices

According to the Land Registry's latest monthly data⁵³, average (mean) house prices in Cheshire East rose by 7.3% in the year to December 2017 – a broadly similar rate of growth to the North West (up 5.9% from December 2016) and England (up 5.0%). As Figure 29 shows, the Borough's annual house price inflation peaked at over 20% in 2002 (as it did in England and the North West around the same time), but prices dropped by over 12% in the year to December 2008 (and by an even greater proportion in England and the North West). 2010, 2011 and 2012 saw further (slight) contractions in Cheshire East's house prices, but annual house price inflation has remained in the 1% to 8% range since then (not much different to England & Wales' 5% to 8% range for the same time period and the North West's 2% to 6% range).

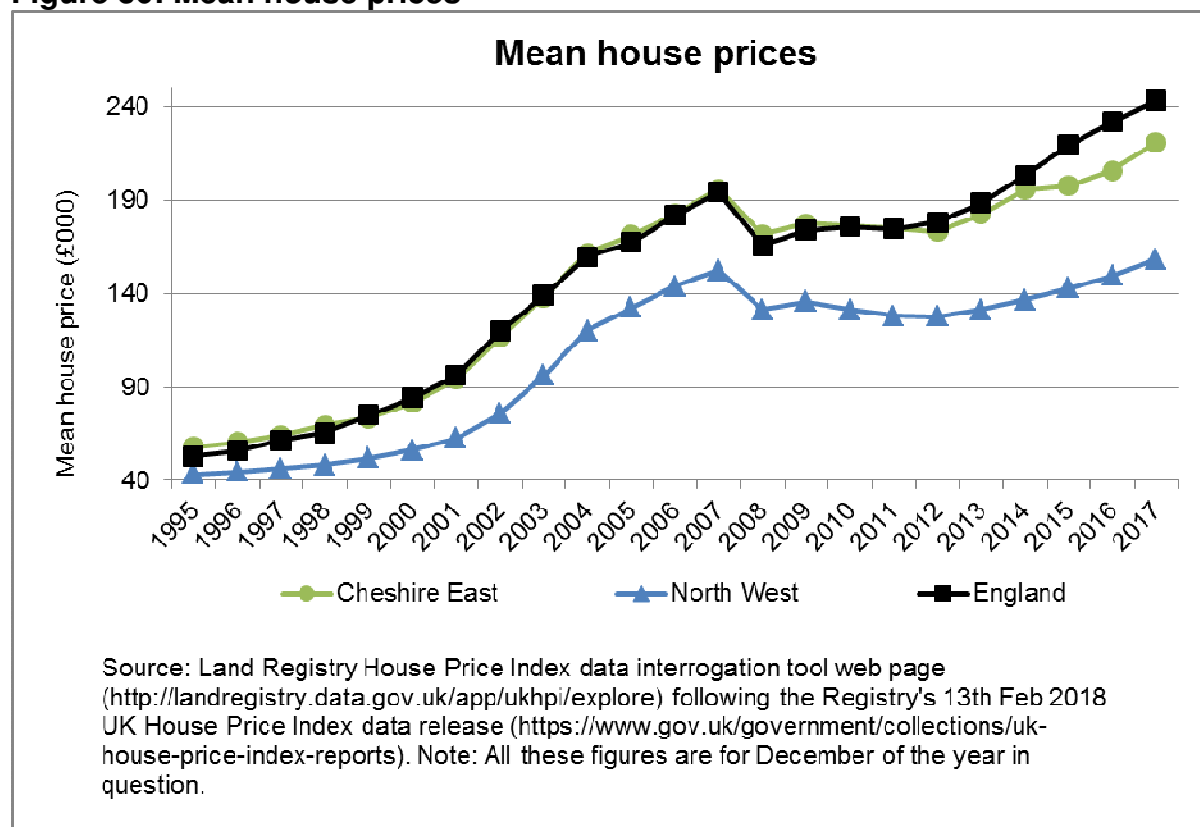
⁵³ Source: Land Registry House Price Index data interrogation tool web page (<http://landregistry.data.gov.uk/app/ukhpi/explore>) following the Registry's 13th February 2018 UK House Price Index data release (<https://www.gov.uk/government/collections/uk-house-price-index-reports>). Note: All the house price inflation figures are for the year to December: for example, "2011" in this context means the change in house prices between December 2010 and December 2011.

Figure 29: House price inflation



From 1995 (the earliest year for which this data series is available) to 2014, Cheshire East's mean house price was close to the England average, though well above the North West (see Figure 30). However, the average (mean) house price in Cheshire East (£221,200 in December 2017) is currently 9.2% below the England average (£243,600). This contrasts with December 1995, when the average Cheshire East property price was 9.4% above the England figure. This divergence is due to Cheshire East's house price inflation rate generally matching or (particularly in 2015) falling short of the England rate over the last two decades, but rarely exceeding it (see Figure 30 again).

Figure 30: Mean house prices



Land Registry Price Paid Data, which can be broken down to settlement level (as shown in Table 6) put the Borough's median house price at £206,000, although the cheapest 25% sell for under £138,000 and the most expensive 25% for over £317,000. The cheapest 10% sell for under £100,000, whilst the highest-valued 10% are sold for over £495,000.

The same data show that, among the Borough's towns, Crewe has (by some distance) the lowest median price (£130,000), followed by Middleswich (£163,000) and Macclesfield (£170,000); median prices in Congleton (£185,000), Nantwich (£193,000), Alsager (£195,000) and Sandbach (£200,000) are closer to the overall Cheshire East median, but still below it. In contrast, median prices are far above the overall Cheshire East figure in Wilmslow (£355,000), Knutsford (£321,000) and Poynton (£290,000). For smaller settlements, median prices range from under £185,000 in Haslington and Shavington to £400,000 or more in Goostrey, Alderley Edge, Bunbury and Prestbury. The median house price in Prestbury (£708,000) is far higher (over £250,000 higher) than in any of the other 24 settlements. Outside the 24 main settlements, where the population tends to be more sparsely distributed, the median price is well above the overall Cheshire East figure, at £280,000.

In the Borough's rural areas, median house prices (£268,000) are much greater than in its urban areas (£172,000).⁵⁴

⁵⁴ [1] Source: Land Registry Price Paid Data. Data produced by HM Land Registry © Crown copyright 2018. Data obtained via the Land Registry website Price Paid data web pages on 26/1/18. See also

Table 6: House prices in Cheshire East, by settlement, 1/12/16 to 30/11/17

	House price (£000)					Number of transactions
	Bottom decile	Lower quartile	Median	Upper quartile	Top decile	
Settlement						
Alderley Edge	135	269	410	734	1,050	123
Alsager	120	153	195	277	356	223
Audlem	156	205	292	399	506	68
Bollington	145	173	223	322	420	142
Bunbury	256	339	448	494	625	30
Chelford	210	244	383	427	474	18
Congleton	103	129	185	255	317	541
Crewe	77	99	130	173	243	1,264
Disley	121	146	218	384	602	80
Goostrey	194	316	400	575	745	73
Handforth	115	153	202	285	360	126
Haslington	125	155	178	244	283	76
Holmes Chapel	96	160	240	314	376	139
Knutsford	154	232	321	480	625	239
Macclesfield	93	125	170	250	395	1,003
Middlewich	99	128	163	220	270	313
Mobberley	156	250	310	500	712	53
Nantwich	108	145	193	275	375	384
Other	150	195	280	450	703	976
Poynton	182	240	290	398	500	220
Prestbury	310	445	708	1,115	1,927	87
Sandbach	121	153	200	271	368	554
Shavington	80	139	183	230	255	146
Wilmslow	150	239	355	560	742	529
Wrenbury	175	203	376	563	710	30
Cheshire East	100	138	206	317	495	7,437

Source: Land Registry Price Paid Data published by the Registry under the terms of the Open Government Licence. Data downloaded (during the week commencing 22/1/18) from the Land Registry website's Price Paid Data yearly files for 2016 and 2017.

Notes: [1] The Land Registry data relates to the prices paid for residential property sales. It covers sales completed between 1 December 2016 and 30 November 2017. It should be noted that, even for this period, the statistics for some of the smaller settlements are based on a relatively small number of completions (fewer than 50 in three settlements: only 30 in Bunbury and Wrenbury and only 18 in Chelford) and hence the figures for smaller settlements should therefore be treated with particular caution. [2] These figures relate to the number of transactions, not to the number of properties sold. For example, a property that exchanged hands twice during the year to November 2017 would appear twice in the data, not once. [3] On its Price Paid Data guidance web page, the Land Registry states that the Price Paid data "is property price information for all single residential property sales in

the technical notes below Table 6. [2] 2015 Rural-Urban Classification for Cheshire East (at Lower Layer Super Output Area level), Research & Consultation Team, Cheshire East Council.

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England and Wales sold for full market value, that are lodged with us for registration". However, the downloaded data included some transactions which involved business premises (e.g. hotels, pubs, supermarkets), communal establishments (e.g. care homes), public facilities or services buildings (e.g. community centres, medical centres, public conveniences) or garages, or which (judging from the property address details) appeared to do so. Therefore online searches were made by Cheshire East Council to check the usage of all properties that either: (a) sold for at least £2.5m; or (b) sold for no more than £50,000 or no less than £1m and whose name or address implied they might not be home to a single household. The analysis shown above excludes all transactions (49 in total) identified through these searches as business premises (apart from farms), communal establishments, public facilities or services buildings, or garages. However, to limit the time involved in checking long lists of records, it has been assumed that all properties selling for more than £50,000 but less than £1m are single residences.

Housing affordability⁵⁵

Housing affordability is commonly measured by calculating the ratio of house prices to earnings. Office for National Statistics data indicate that, as of 2016, the median house price in Cheshire East was 7.36 times the median gross annual earnings of full-time employees who work in the Borough (up from 7.05 in 2008). This measure gives us an idea as to how affordable housing is for those who work in – or who may be planning to move to and work in - the Cheshire East area. Being based on median values, it is also a useful guide to housing affordability for the “average” person or “average” household. Between 2008 and 2014, this Cheshire East ratio consistently matched or exceeded the England average (pre-2008 data are not available for the Borough). The 2015 and 2016 data suggest that Cheshire East has now fallen below the England ratio (which increased from 6.95 in 2008 to 7.72 by 2016), as shown in Figure 31. However, Cheshire East remains significantly higher than the North West average (5.62 in 2016).

The ratio of the lower quartile house price to lower quartile gross annual full-time employee earnings (again based on employees working in the geographical area in question) is an indicator of housing affordability for the less well off. In Cheshire East, this ratio was fractionally lower in 2016 (7.01) than in 2008 (7.06), but, again, it has gone from being slightly above the England average (6.91 in 2008 and 7.16 in 2016) to slightly below (Figure 32). However, once again, the Cheshire East ratio is still much higher than that for the North West (5.42 in 2016).

Overall, therefore, housing affordability for the “average” person working in Cheshire East has worsened over the 2008-16 period, but has worsened at a slower rate than in England as a whole, whilst affordability for the less well off worker has changed little over this time, either locally or nationally.

⁵⁵ Except where specified otherwise, the data sources are the ‘Ratio of house price to workplace-based earnings (lower quartile and median), 1997 to 2016’ and ‘Ratio of house price to residence-based earnings (lower quartile and median), 2002 to 2016’ data tables, ONS, March 2017.

Figure 31: Ratio of median house prices to the median earnings of full-time employees (workplace-based measure)

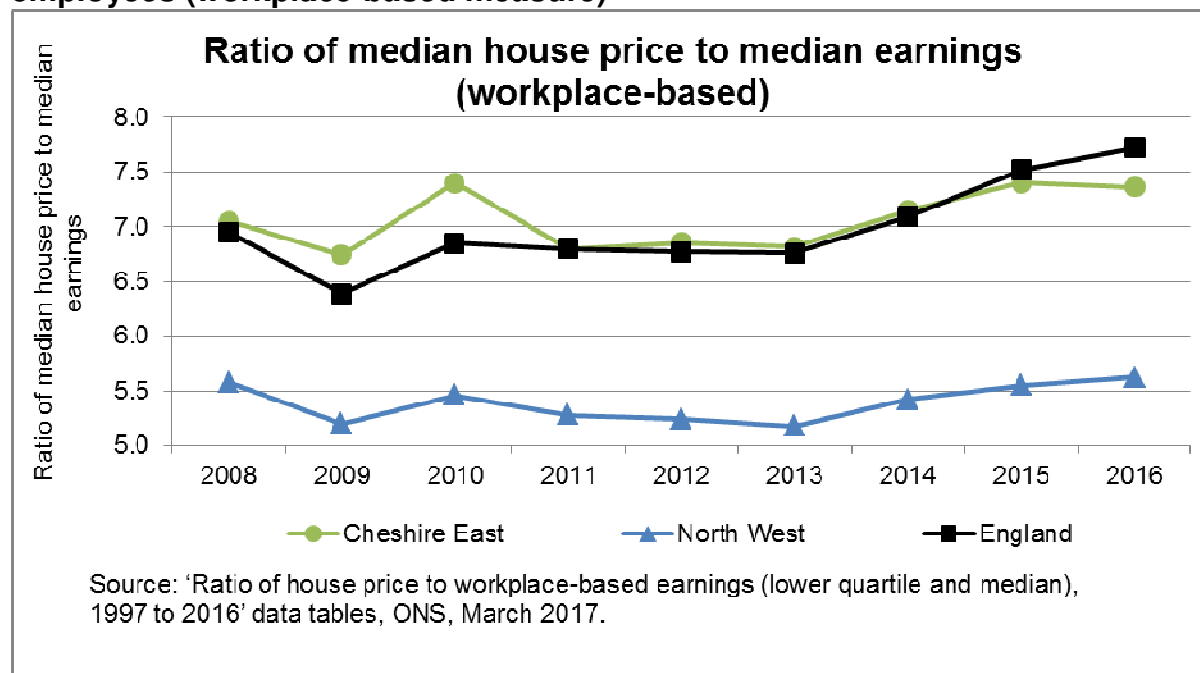
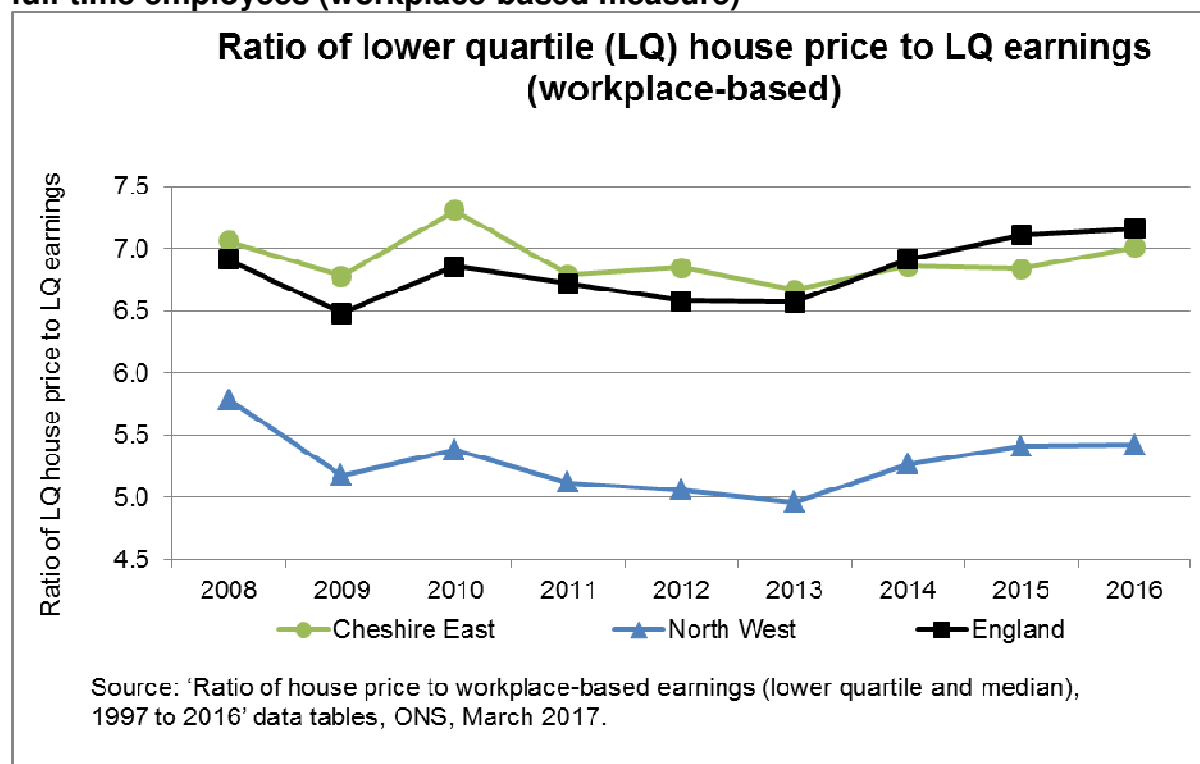


Figure 32: Ratio of lower quartile house prices to the lower quartile earnings of full-time employees (workplace-based measure)



The Office for National Statistics also publishes housing affordability ratios that are residence-based: that is, based on the gross annual full-time earnings of employees who live (but do not necessarily work) in the geographical area in question. These

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figures give us an indication of how affordable housing is for those who live locally. They show the ratio of median house price to median earnings (7.02 in Cheshire East in 2016) being consistently below the England average (currently 7.72) since 2008 (see Figure 33), but well above the North West figure (currently 5.62). Similarly, the residence-based ratio of lower quartile prices to lower quartile earnings in Cheshire East (6.99 in 2016) has stayed below the England average (7.16 in 2016) for six consecutive years, but once again exceeds the North West ratio (5.42 in 2016) by a considerable margin (Figure 34).

Figure 33: Ratio of median house prices to the median earnings of full-time employees (residence-based measure)

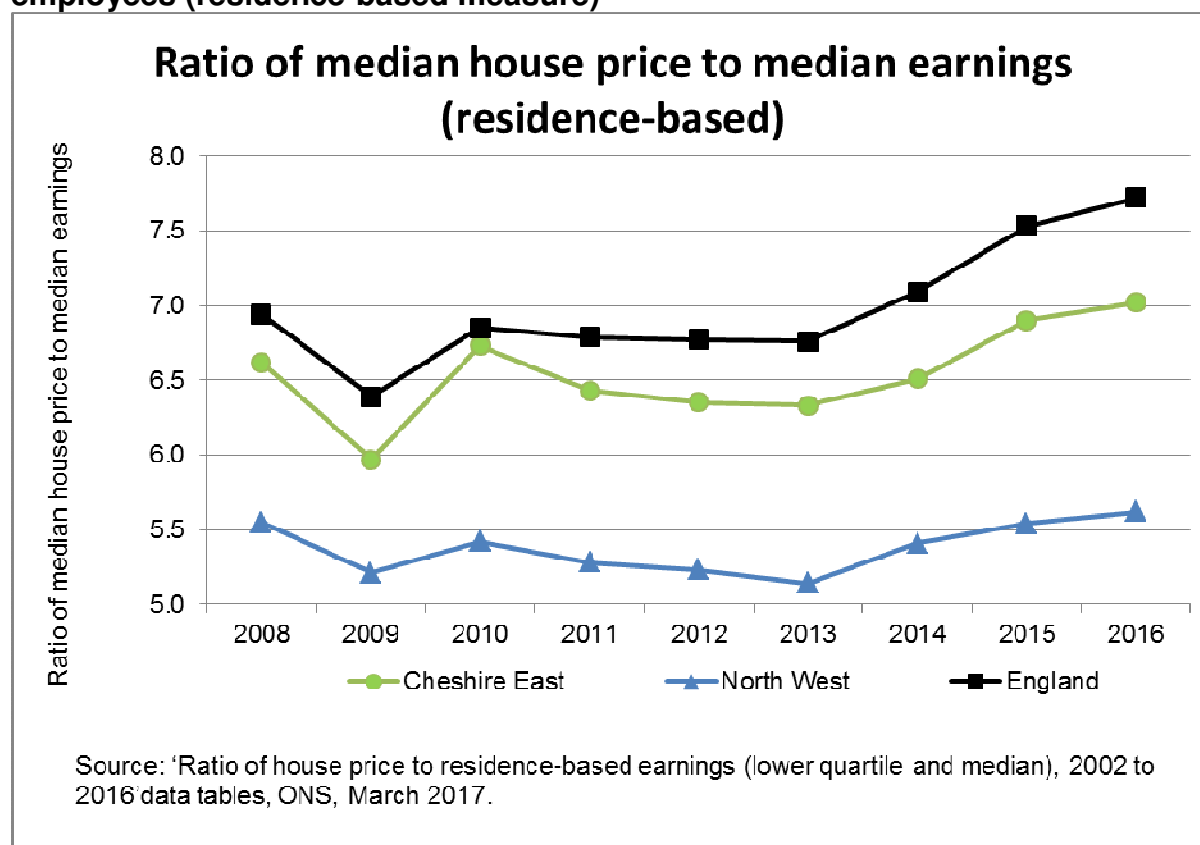
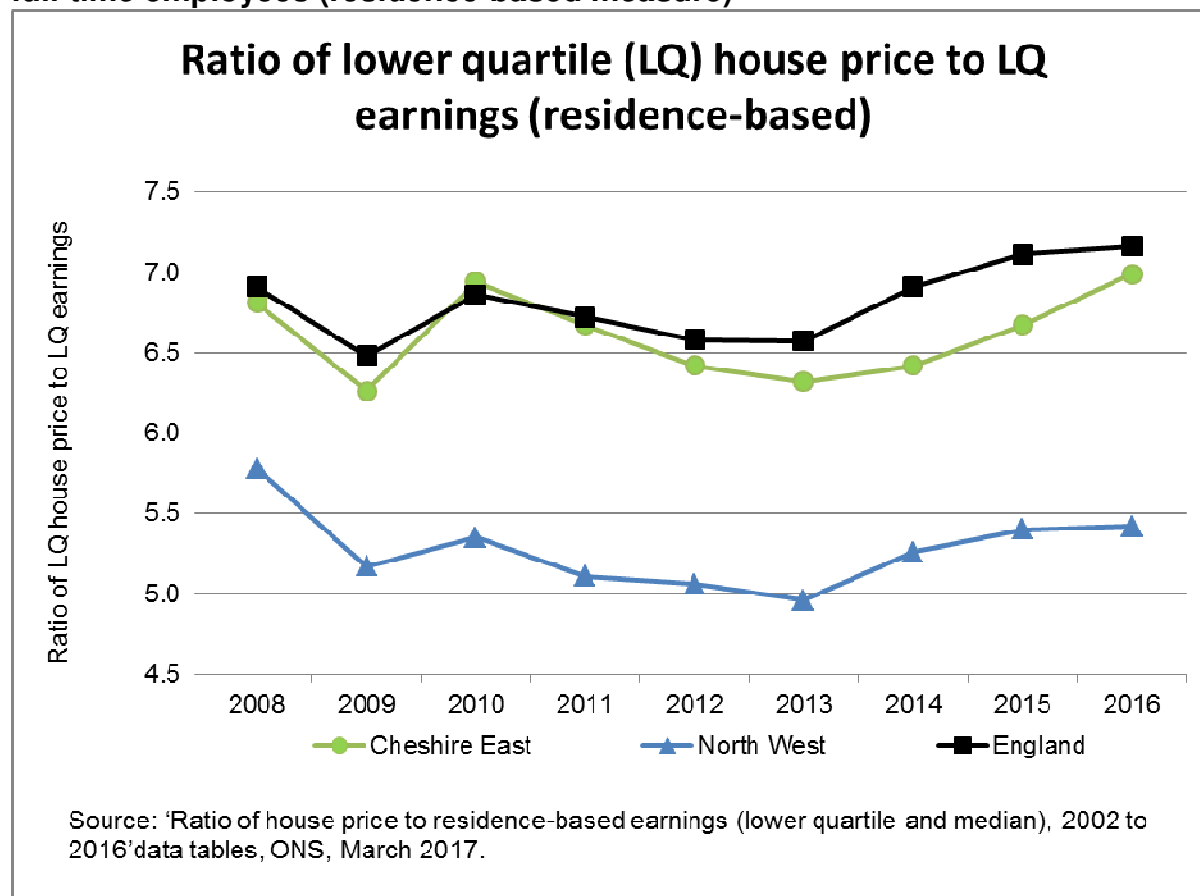


Figure 34: Ratio of lower quartile house prices to the lower quartile earnings of full-time employees (residence-based measure)

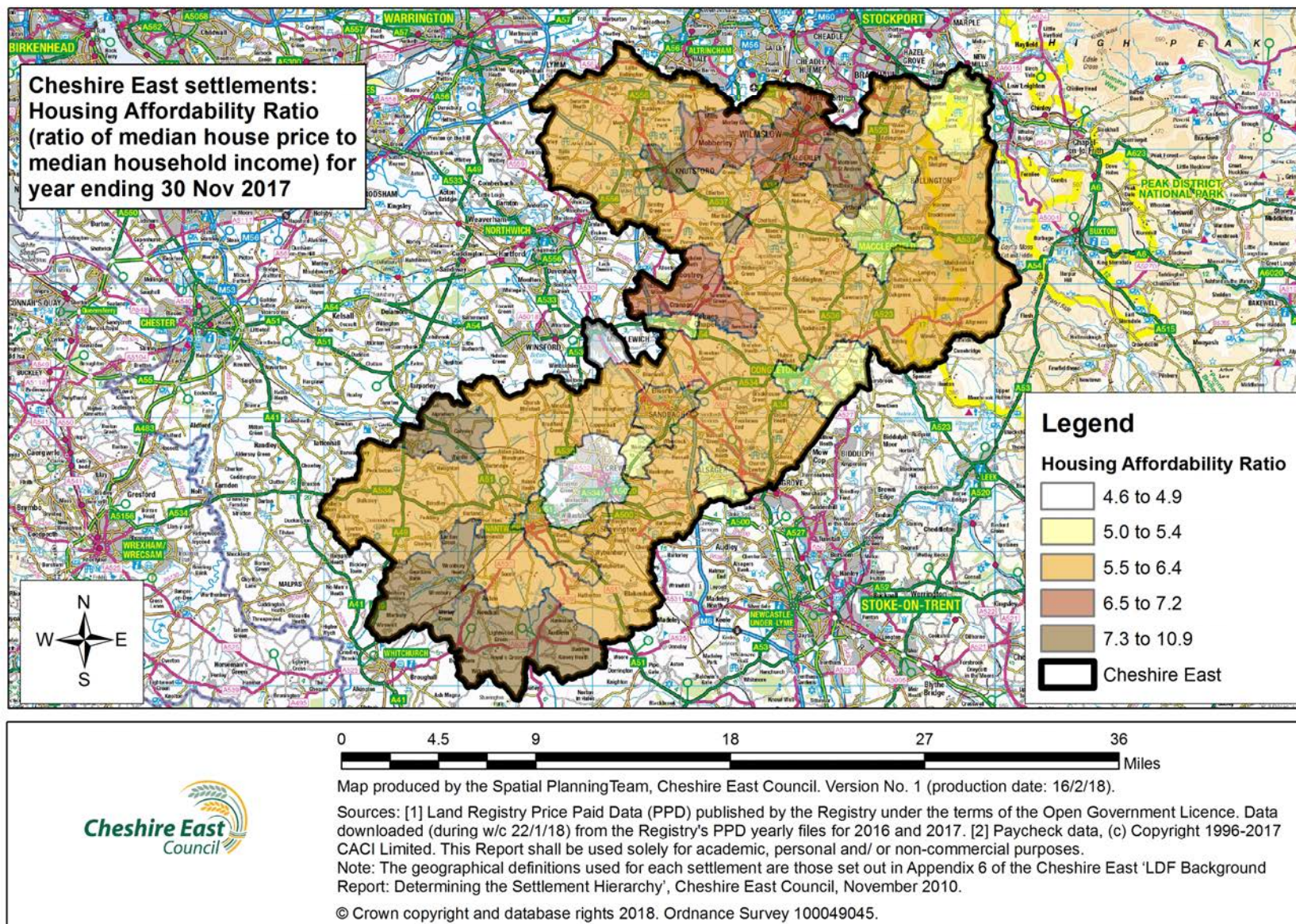


At settlement level, 2017 data on household income, together with Land Registry data on house prices⁵⁶, can be used to estimate the ratio of median house prices to median household income, which is another measure of housing affordability. The resulting affordability ratios put the Borough-wide ratio at 5.8 and suggest that, focusing only on towns, housing is least affordable (with ratios above 6) in Knutsford (which has the highest ratio of any town, at 7.3), Poynton (6.2) and Wilmslow (6.6). By contrast, housing is most affordable (with ratios below 5.5) in the towns of Alsager, Congleton, Crewe, Macclesfield and Middlewich (which has the lowest ratio of any settlement, at 4.6). Among smaller settlements, the ratio varies widely, from under 5.5 in Bollington, Disley, Haslington and Holmes Chapel to more than 9 in Bunbury, Prestbury (which has the highest ratio of all settlements, at 10.9) and Wrenbury. In the more sparsely populated areas (outside the Borough's 24 main settlements), housing is slightly more unaffordable than the Borough average, with a

⁵⁶ Sources: [1] PayCheck data, © Copyright 1996-2017 CACI Limited. This Report shall be used solely for academic, personal and/or non-commercial purposes. The figures for settlements are pseudo medians, rather than true medians. See the "Income" section of this Profile for further information about how the pseudo medians were calculated. [2] Land Registry Price Paid Data published by the Registry under the terms of the Open Government Licence. Data downloaded (during the week commencing 22/1/18) from the Land Registry website's Price Paid Data yearly files for 2016 and 2017. See Notes [1] to [3] below Table 6 for further information and caveats about these data.

ratio of 6.1. The map in Figure 35 shows these geographical variations in affordability and it can be seen that the areas where housing is least affordable are mainly settlements in the northwest of the Borough or at its southwestern edge, while housing is most affordable in Crewe, Middlewich and some of the easternmost settlements that are close to the Potteries or north Derbyshire.

Figure 35: Housing affordability ratios by settlement, 2016/17



Deprivation

Eighteen of Cheshire East's 234 Lower Layer Super Output Areas (LSOAs) are among the 20% most deprived in England, according to the most recent (2015) Index of Multiple Deprivation (IMD), which is up from sixteen in the previous (2010) IMD. Most (thirteen) of these eighteen areas are in Crewe, though there are others in Macclesfield (two) and in Alsager, Congleton and Wilmslow (one each), as can be seen from Figure 36. Six LSOAs, all of them in Crewe, rank among England's top (most deprived) 10%. One of these is in the top (most deprived) 5% nationally, though it is outside England's top 4%.⁵⁷

Several of the Borough's other towns and larger settlements – Handforth, Knutsford, Middlewich, Nantwich and Sandbach – each have a single LSOA that is outside England's most deprived 20% of LSOAs, but inside its most deprived 30%. Several Crewe LSOAs and one in Macclesfield also fall within this range. Poynton is the only Cheshire East town whose LSOAs all lie outside England's most deprived 30%.

The IMD in turn consists of several deprivation domains, as shown in Table 7.⁵⁸ Although, on the whole, deprivation is much less severe in Cheshire East than in most of England, some specific types of deprivation are more concentrated in Cheshire East than in England as a whole, as Table 7 demonstrates. In particular:

- 13 (5.6%) of Cheshire East's LSOAs rank among England's most deprived 5% for Living Environment deprivation, including 4 (1.7%) that are among the top 1% nationally;
- in the Geographical Barriers sub-domain, 74 (31.6%) of Cheshire East's LSOAs are among England's most deprived 20%, including 24 (10.3%) that are among the top 5% nationally.

As Table 7 also shows, there are some other deprivation indices, domains or sub-domains in which Cheshire East features in the national 1% - namely the index for Income Deprivation Affecting Children, the IMD Crime domain and the Living Environment "Indoors" sub-domain – whilst Employment is the only IMD domain that has no Cheshire East LSOAs in its top 5%.

⁵⁷ English Indices of Deprivation 2015, Department for Communities and Local Government (DCLG) (now the Ministry of Housing, Communities and Local Government), September 2015.

⁵⁸ Some of these IMD domains and sub-domains require further explanation to be clearly understood. The Education, Skills & Training domain, which measures the lack of attainment and skills in the local population, is split into two sub-domains, one relating to the attainment and educational performance of children and young people and the other to adult skills. The Barriers to Housing & Services domain estimates the accessibility of services (such as schools, general stores/ supermarkets and housing), both physically and financially: its Geographical Barriers sub-domain measures the proximity of services and the Wider Barriers sub-domain covers issues such as housing and affordability. The Living Environment domain covers the quality of the local environment, with its Indoors sub-domain focusing on the quality/ condition of local housing and the Outdoors sub-domain on the quality of the external environment (using data on air quality and road traffic accidents). (Source: The English Indices of Deprivation 2015 – Technical report, DCLG, September 2015.)

Figure 36: Index of Multiple Deprivation, Cheshire East, 2015

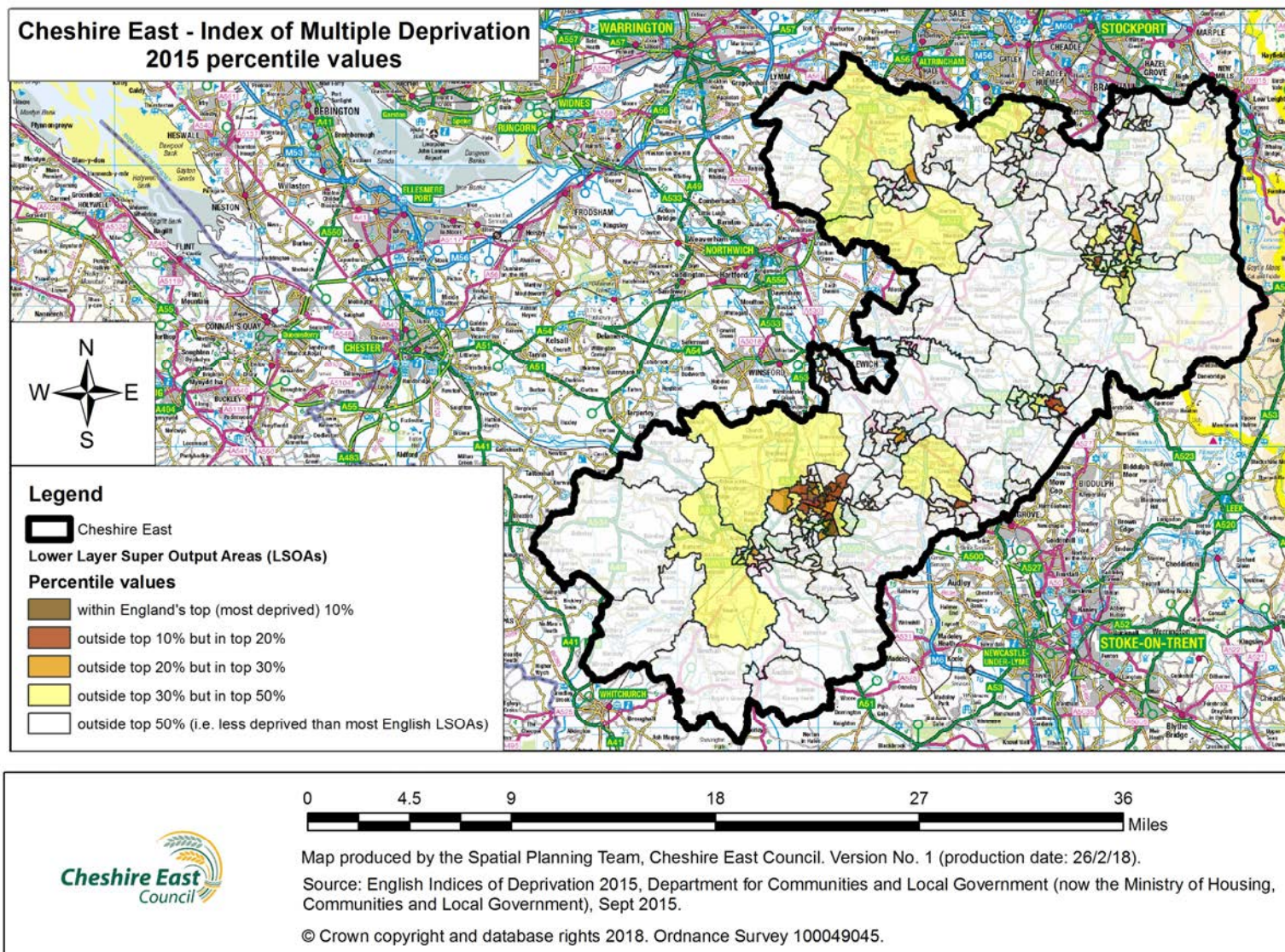


Table 7: Number of deprived Lower layer Super Output Areas in Cheshire East, by Index/ Domain, 2015

	Within England's top (most deprived)...	...1%	...5%	...10%	...20%
Indices	Index of Multiple Deprivation (IMD)	0	1	6	18
	Income Deprivation Affecting Children Index (IDACI)	1	2	5	14
	Income Deprivation Affecting Older People Index (IDAOPI)	0	0	0	10
IMD Domains	Income	0	1	4	16
	Employment	0	0	3	18
	Education, Skills & Training	0	3	9	26
	Health Deprivation & Disability	0	2	9	22
	Crime	1	5	12	21
	Barriers to Housing & Services	0	6	15	31
	Living Environment	4	13	20	37
Education, Skills & Training Sub-domains	Children and Young People	0	5	15	35
	Adult Skills	0	1	4	19
Barriers to Housing & Services Sub-domains	Geographical Barriers	2	24	42	74
	Wider Barriers	0	0	0	0
Living Environment Sub-domains	Indoors	1	15	23	46
	Outdoors	0	1	6	17

Source: English Indices of Deprivation 2015, Department for Communities and Local Government (DCLG) (now the Ministry of Housing, Communities and Local Government) , September 2015.
 Yellow = proportion of LSOAs in this category is greater than (i.e. worse than) England average.

At settlement level, most of the Borough's settlements have at least one LSOA that falls within the top 20% of the IMD domains. However, only a few have two or more LSOAs in any one domain. These are:

- Audlem (2 of whose LSOAs are in the top 20% of the Living Environment domain);
- Congleton (2 LSOAs in the top 20% of the Education, Skills & Training domain and 3 under the Crime domain);
- Crewe (10 in the Income domain, 9 under Employment, 16 under Education, Skills & Training, 10 in Health Deprivation & Disability, 15 under Crime and 17 in the Living Environment domain);

- Macclesfield (2 under the Income domain, 3 within Employment, 4 within Education, Skills & Training, 5 under Health Deprivation & Disability and 6 under Living Environment);
- Nantwich (2 within the Living Environment domain);
- Wilmslow (3 within the Barriers to Housing & Services domain);
- the “Other” area (small settlements and more rural locations), which has 20 LSOAs in the Barriers to Housing & Services domain and 8 under Living Environment. However, in general, public services and local amenities tend to be less prevalent in and more distant from smaller settlements, so it is not surprising that many of these more rural areas appear in the upper (more deprived) reaches of the Barriers to Housing & Services domain.

Crewe also has multiple LSOAs within the top 20% of the indices for Income Deprivation Affecting Children (9) and Income Deprivation Affecting Older People (5).

Transport

Cheshire East benefits from having strong road and rail links. The M6 runs along the western side of the Borough, connecting the area to Staffordshire, Birmingham and the rest of the West Midlands conurbation, Lancashire and Cumbria, whilst the M56 provides access to Greater Manchester, Merseyside and North Wales. Most of Cheshire East's towns are relatively close to one of these motorways.

Cheshire East's most strategically important rail station, Crewe, is at the junction of six main rail lines. Crewe provides access to the West Coast Main Line (London - Scotland) and TransPennine services (Liverpool-Manchester-Leeds-Hull-Newcastle).⁵⁹ There is a direct service to London from Crewe, and also from Macclesfield, Wilmslow and Alsager.⁶⁰

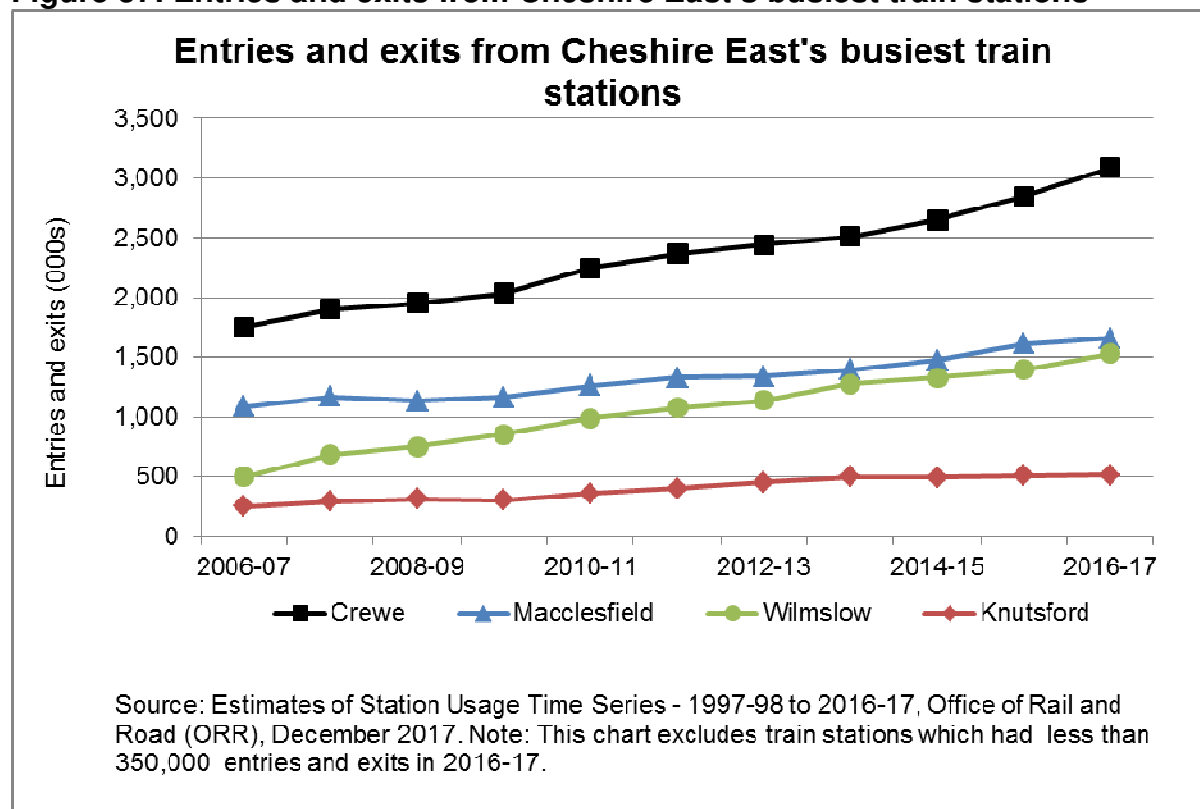
In terms of footfall, Crewe is the busiest of the Borough's train stations, with an estimated 3,086,000 entries and exits in 2016/17 – up 76% on 2006/07 and up 31% on 2011/12. (However, changes in station entries and exits over time may in part be due to changes in the estimation methodology, rather than just a real increase in the numbers of rail travellers.) The next three largest stations are Macclesfield (1,661,000 entries and exits in 2016/17, up 53% on 2006/07), Wilmslow (1,531,000, up 207%) and Knutsford (513,000, up 106%). As Figure 37 shows, activity at Wilmslow lagged far behind Macclesfield in 2006/07, but the two towns now host similar levels of rail passengers. The towns of Nantwich (up 273% between 2006/07 and 2016/17), Alsager (245%) and Sandbach (231%) saw even faster growth during this ten-year period, as did the smaller settlements of Alderley Edge (213%) and Disley (207%); the growth at Alsager might be explained in part by the station's

⁵⁹ National Rail maps at http://www.nationalrail.co.uk/stations_destinations/maps.aspx

⁶⁰ www.nationalrail.co.uk, July 2017.

direct connection to London. However, all the Borough's 22 stations saw entries and exits rise very substantially (by more than a quarter) over the 2006/07 to 2016/17 period. In the last year of this period, 2015/16 to 2016/17, entries and exits at Sandbach (up 22%) rose by more than at any of Cheshire East's other stations.⁶¹

Figure 37: Entries and exits from Cheshire East's busiest train stations



Of Cheshire East's other towns, Congleton and Poynton also have a train station, but Middlewich does not.

Climate change⁶²

In 2017, DBEIS (the Department for Business, Energy & Industrial Strategy) published its latest estimates of sub-national CO₂ emissions. These suggest that, in 2015, total domestic emissions in Cheshire East were 753,000 tonnes, down 27.6% on 2005. Over the same ten-year period, similar falls occurred across the North West (down 31.2%) and the UK (30.1%).

⁶¹ Estimates of Station Usage Time Series - 1997-98 to 2016-17, Office of Rail and Road (ORR), December 2017. Notes: [1] As Britain does not have a fully gated rail network, a complete recording of passenger flows through stations is not possible. Therefore these figures are estimates (based on ticket sales). [2] A number of improvements to the methodology have been implemented over recent years. These changes should be taken into account when considering changes in usage between years, as it may be a result of improved methodology, rather than reflecting an actual change in demand at the station.

⁶² UK local authority and regional carbon dioxide emissions national statistics: 2005-2015, Department for Business, Energy & Industrial Strategy, June 2017.

Cheshire East's domestic emissions per capita have also fallen during this time (from 2.9 tonnes in 2005, to 2.0 by 2015). However, they remain higher than in the region (1.7 tonnes in 2015) or the UK (1.6).

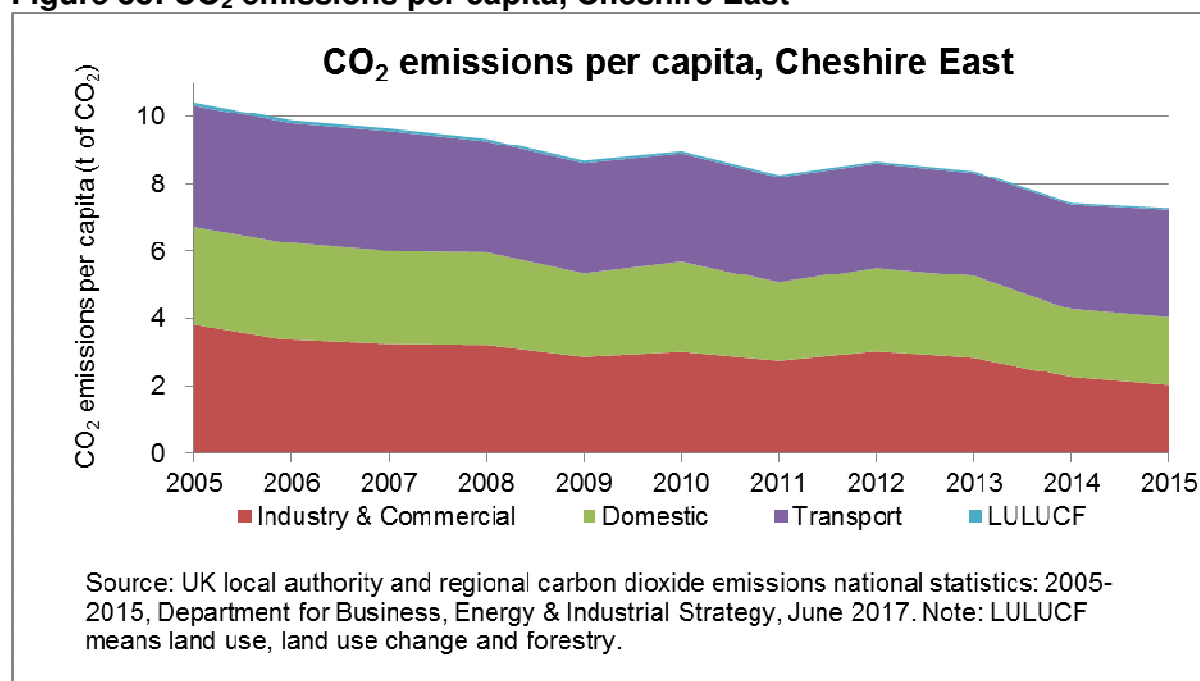
Emissions from Industry & Commercial activity fell by 44.6% during 2005-15, to reach 763,000 tonnes. There was also a decrease (of 7.0%) in emissions from transport (now 1.208m tonnes). Other non-domestic emissions⁶³ fell by 49.5% (to 17,000 tonnes), but are a small part of the overall total.

Total emissions (including the domestic sector) declined by 26.9%, to 2.741m tonnes, between 2005 and 2015. In the North West and the UK, similar percentage reductions also occurred (of 31.4% and 27.2% respectively).

By 2015, Cheshire East's total emissions per capita were 7.3 tonnes, down significantly from the 2005 figure (10.4), as Figure 38 demonstrates. There were similar falls in the North West (from 8.6 to 5.7) and – as shown in Figure 39 – in the UK (from 8.8 to 5.9).

However, the Borough's total emissions fell only 1.7% between 2014 and 2015 – the slowest rate of decline since 2007; during that one-year period, there was minimal change in domestic emissions (down a mere 0.1%) and 3.3% growth in transport emissions (which rose for the second consecutive year). As can be seen from Figure 40, both Cheshire East's and the UK's transport-related emissions were no lower in 2015 than they were back in 2008-10.

Figure 38: CO₂ emissions per capita, Cheshire East



⁶³ Emissions relating to land use, land use change and forestry.

Figure 39: Total CO₂ emissions per capita, UK

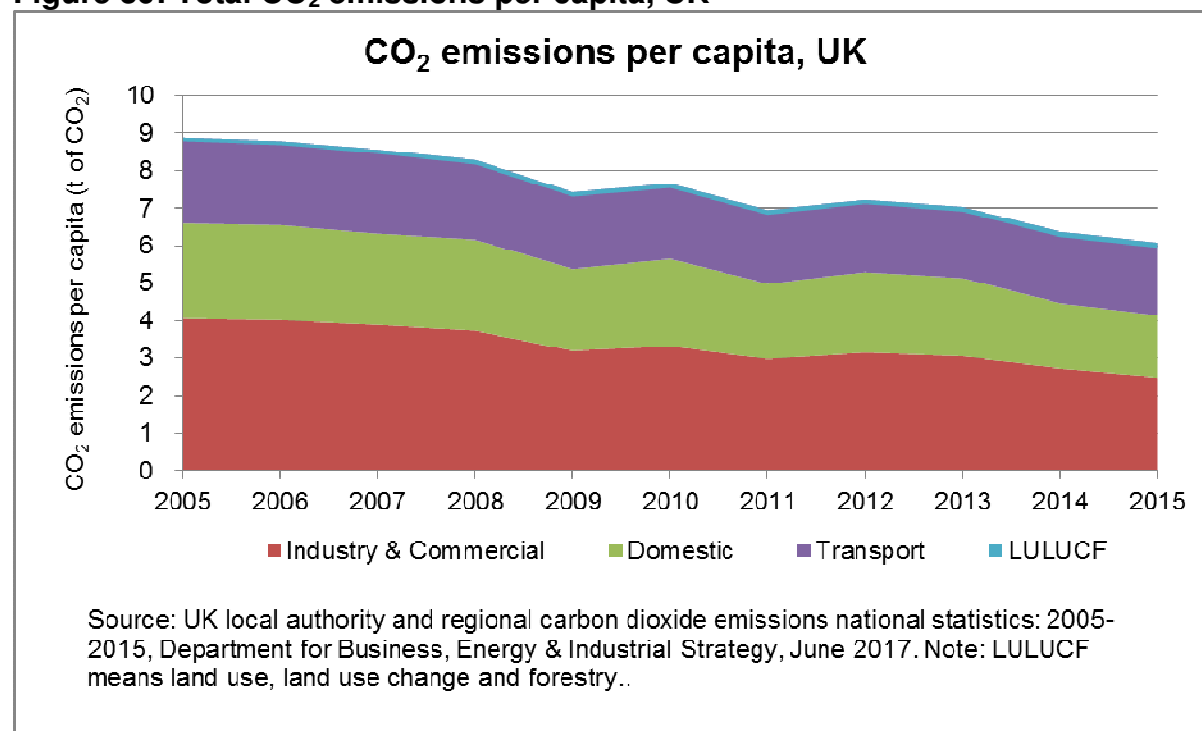
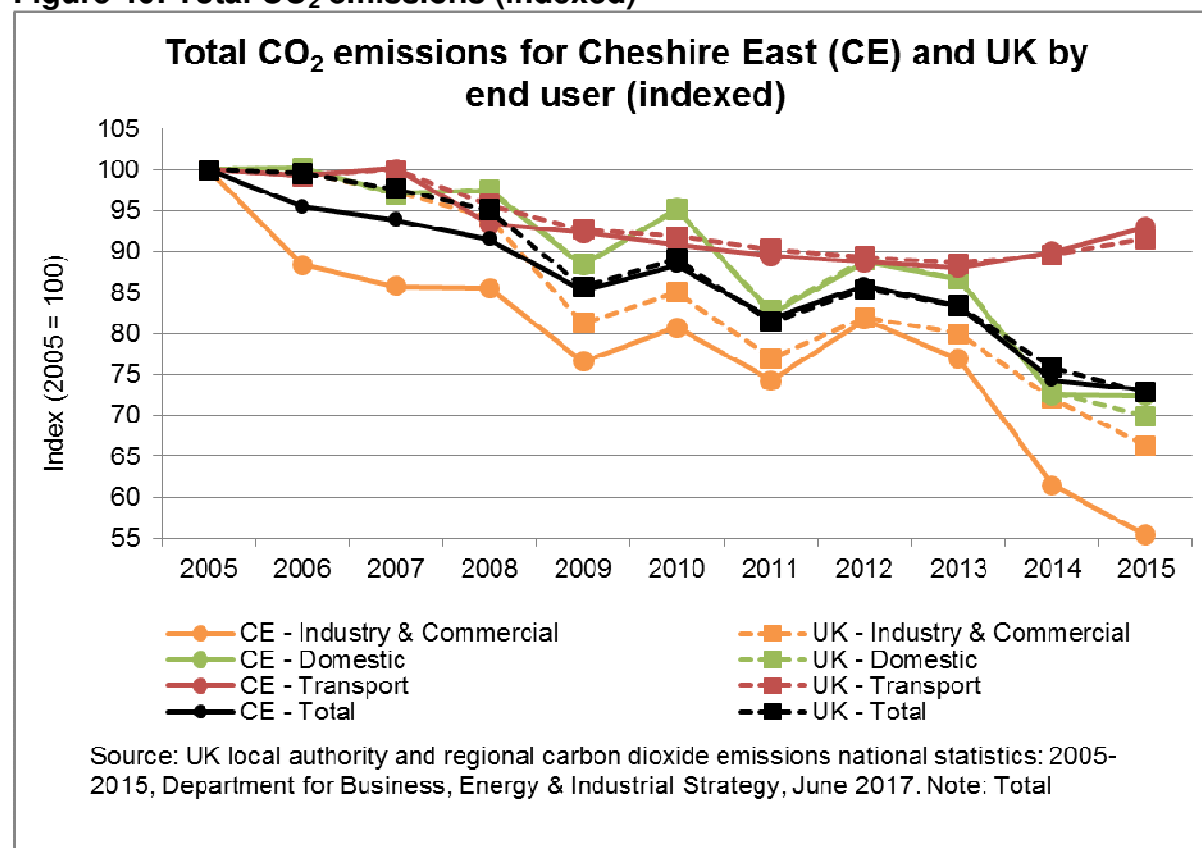


Figure 40: Total CO₂ emissions (indexed)

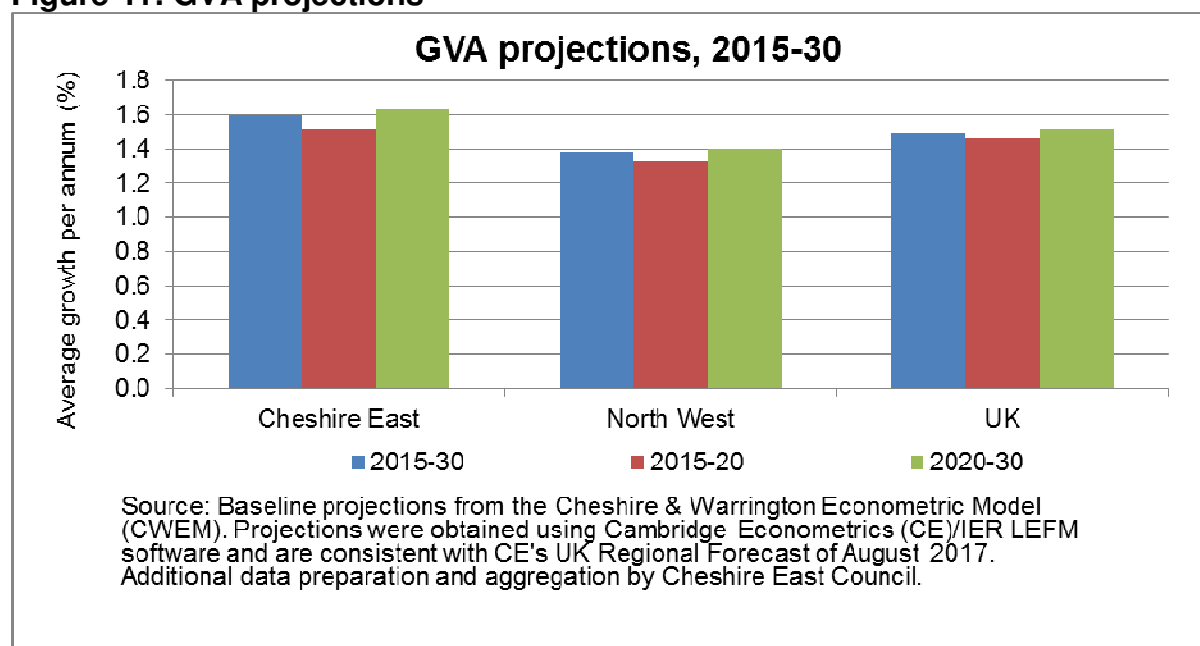


Economic projections⁶⁴

Over the 2015-30 period, Cheshire East's Gross Value Added (GVA) is expected to grow by an average of 1.6%⁶⁵ a year in real terms (i.e. with the effects of inflation stripped out). This rate is slightly higher than those predicted for the North West and the UK (1.4% and 1.5% respectively), as Figure 41 indicates.

Cheshire East's GVA growth is projected to be a little greater during 2020-30 (an average of 1.6% a year) than during 2015-20 (1.5%); the same is also true for the North West and UK.

Figure 41: GVA projections



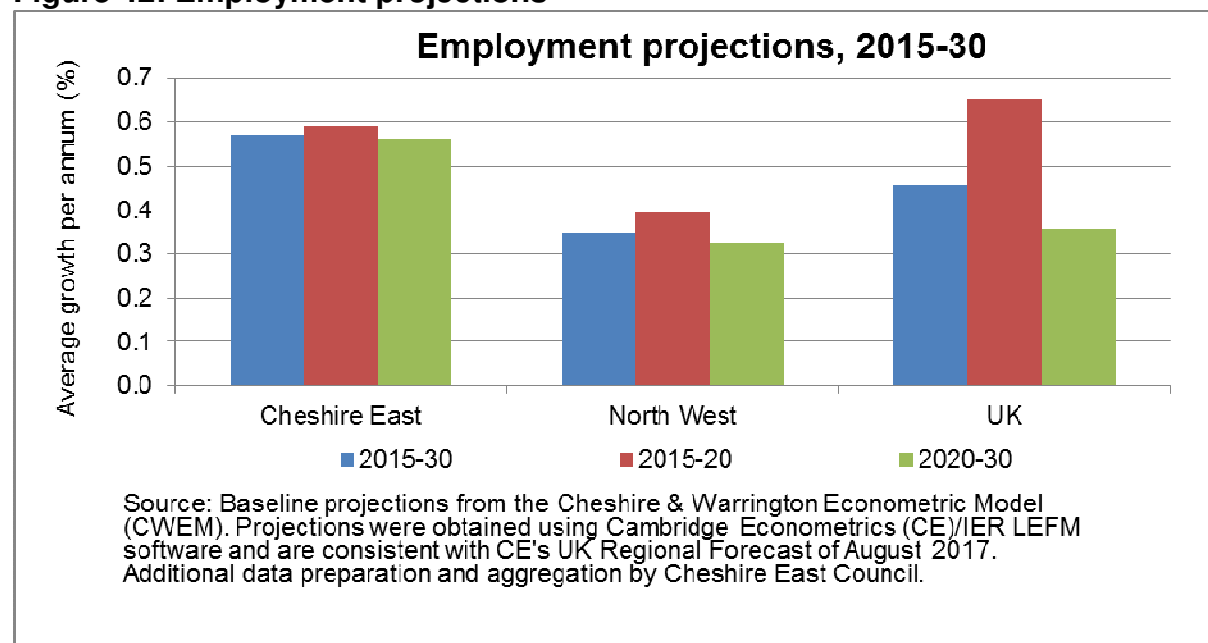
The CWEM projections suggest that Cheshire East's employment will increase by an average of 0.6% a year between 2015 and 2030, exceeding the predicted performance of the North West (0.3%) and the UK (0.5%), as Figure 42 shows. For Cheshire East, there is no difference between the expected growth rate for 2015-20 and that anticipated for 2020-30 (both 0.6%). This is in contrast to the UK, where employment growth is predicted to slow down in the 2020s (averaging 0.7% per year during 2015-20, but only 0.4% for 2020-30). According to the CWEM, the North West

⁶⁴ Source: Baseline projections from the Cheshire & Warrington Econometric Model (CWEM). Projections were obtained using Cambridge Econometrics (CE)/IER LEFM software and are consistent with CE's UK Regional Forecast of August 2017. Additional data preparation and aggregation by Cheshire East Council. Note: The level of housing provision set out in the Cheshire East Local Plan is based (in part) on jobs projections from a previous (2014) update of the CWEM model; the subsequent (2016 and 2017) CWEM updates were not available at the time of the Local Plan modelling work. However, the economic projections from the 2016 and 2017 CWEM updates take account of the level of housing development and population growth that the Local Plan provides for.

⁶⁵ The figures quoted in this section are given to the nearest 0.1%, but the bars in the accompanying charts are derived from unrounded data.

will also see slower growth over the 2020-30 period (0.3% per year) than between 2015 and 2020 (0.4%).

Figure 42: Employment projections



Profile produced by the Cheshire East Council Spatial Planning Team and last updated in February 2018.

Annex 1: Map of Cheshire East settlements

