STOCKPORT METROPOLITAN BOROUGH COUNCIL

ECONOMIC PLAN

EVIDENCE BASE

HATCH

Evidence **Base Contents**

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Introduction

Evidence base **function**

Delivering an evidence-led economic strategy…

This baseline forms the first stage of the Stockport Economic Plan (SEP). The role of the evidence base within the SEP is visualised through the diagram to the right. It identifies key challenges and opportunities facing Stockport to pinpoint priority intervention areas to be addressed through the Economic Plan. **Phase 1** of the approach collects a broad range of intelligence on the performance of Stockport's economy and society. It draws on a range of socio-economic datasets and sources to provide a holistic view of the borough's inclusivity and prosperity.

The socio-economic evidence presented here will be complemented with in-depth consultation with key stakeholders undertaken (**Phase 2**) by Forever Consulting. This will ensure the evidence base gets 'under the skin' of the data – providing local nuances and deeper understanding of the lived experience of Stockport's residents. The first two phases will enable **Phase 3** – identifying priority intervention areas for the strategy to tackle.

The Evidence base has been informed by the following four principles:

1. Fusing quantitative and qualitative insight. Evidence marries robust quantitative socio-economic data with a rich qualitative review of local challenges and opportunities to obtain a holistic picture of place performance;

2. Contextualising the role of Stockport within the wider regional economy. The data simultaneously unpicks the challenges and opportunities both at neighbourhood and local authority level to understand the role and function of Stockport within the wider local, regional and national socio-economic context; and,

3. Focused on implications for Stockport. All analysis is action-orientated and creates a compelling narrative for place. This focuses on the policy implications for the Borough Council and its partners to ensure the Economic Plan is evidence-led.

4. Delivering a better understanding of inclusive growth. We know that on the surface, Stockport performs relatively strongly across a range of social and economic indicators. However, the overall picture can mask deeply embedded challenges that shape the lived experiences of thousands of Stockport's residents. Intra-borough disparities will be understood through mapping all key data to identify target areas for intervention through the SEP.

Purpose of the evidence base within the SEP

Evidence Base **Structure**

Introducing Stockport's evidence base:

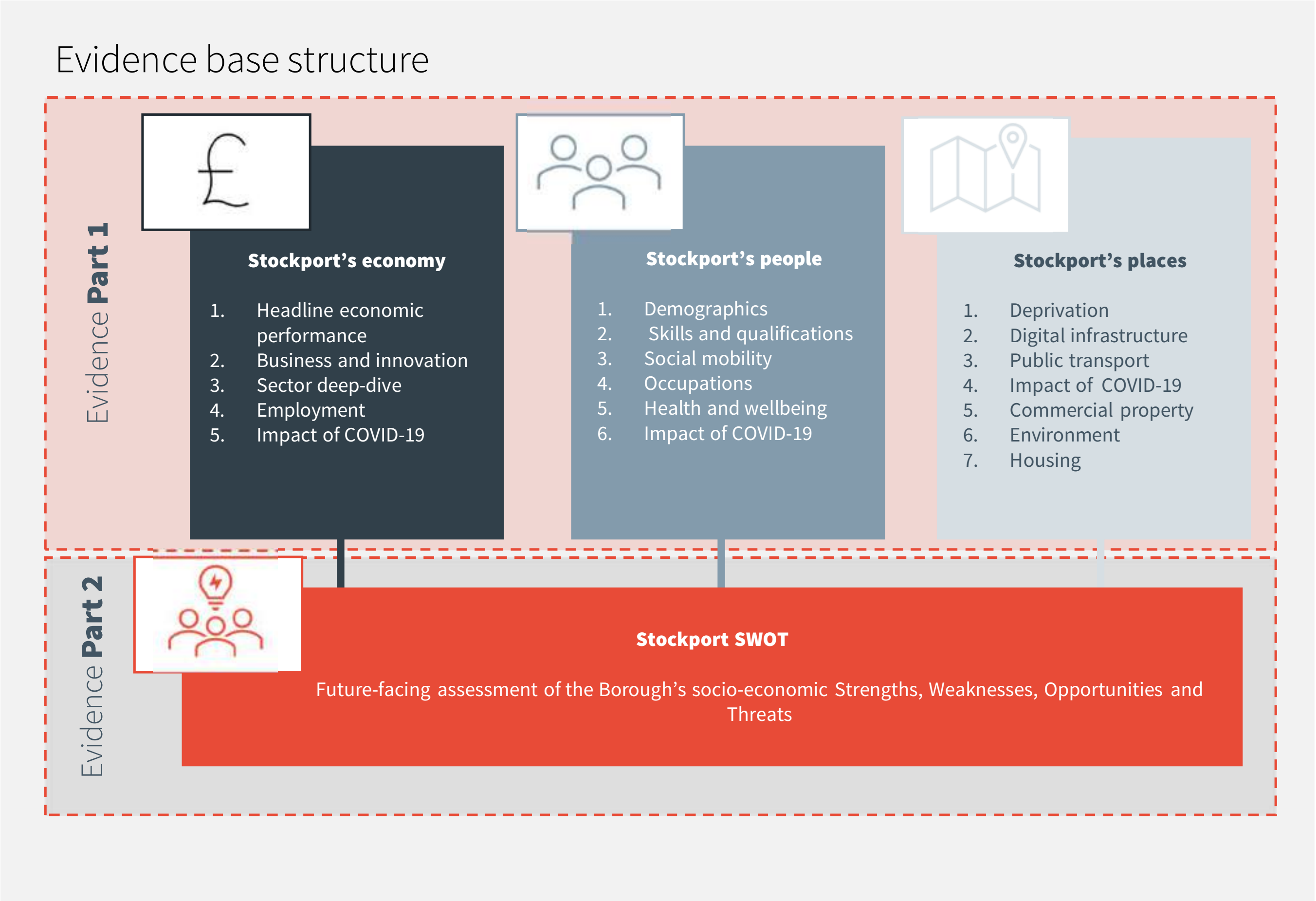
To provide an action-orientated view of the Stockport economy, the evidence base has been split into two parts.

Part 1 provides a robust baseline socio-economic assessment of a range of factors affecting Stockport's prosperity. This part assesses:

+ **Stockport's economy:** *understanding Stockport's business landscape, employment characteristics and specialisms;*
+ **Stockport's People:** *understanding Stockport's resident and worker population to ensure that the local economy meets their needs and aspirations; and,*
+ **Stockport's Places:** *understanding the spatial, social and environmental factors affecting the prosperity and vitality of Stockport's places.*

Part 2 will synthesize the evidence presented in Part 1 of the evidence base provide a future-facing assessment of the Borough's Strengths, Weaknesses, Opportunities, and Threats. This will identify key topics to explore through help to define strategic priorities for intervention.

All raw data collected as part of this baseline will be shared with the council's data team. This will allow evidence to be replicated and updated in perpetuity – enabling monitoring of change over time and progress and key performance metrics.



Comparator **geographies**

Contextualising the performance of Stockport:

To contextualise the socio-economic performance of the Borough across a range of key metrics, the study includes several comparator areas.

To obtain a better understanding of the performance of Stockport, the study has benchmarked performance against Greater Manchester and England. The comparator North West local authorities below have selected on the following basis:

+ **Trafford, Greater Manchester:** *Trafford is a relevant geographic and statistical comparator to Stockport. Trafford performs strongly against a range of socio-economic prosperity indicators.*

+ **Bury, Greater Manchester:** *Bury is already used by Stockport's data team as a close statistical comparator to the Borough.*

+ **Cheshire East, Cheshire:** *Cheshire East has been selected as Stockport's economic geography is strongly influenced by activity to its southern border as well as towards Manchester (see page 14). Around 15,000 residents move between the two local authority areas for work – meaning that economic prosperity of the two local authority areas is intrinsically linked.*

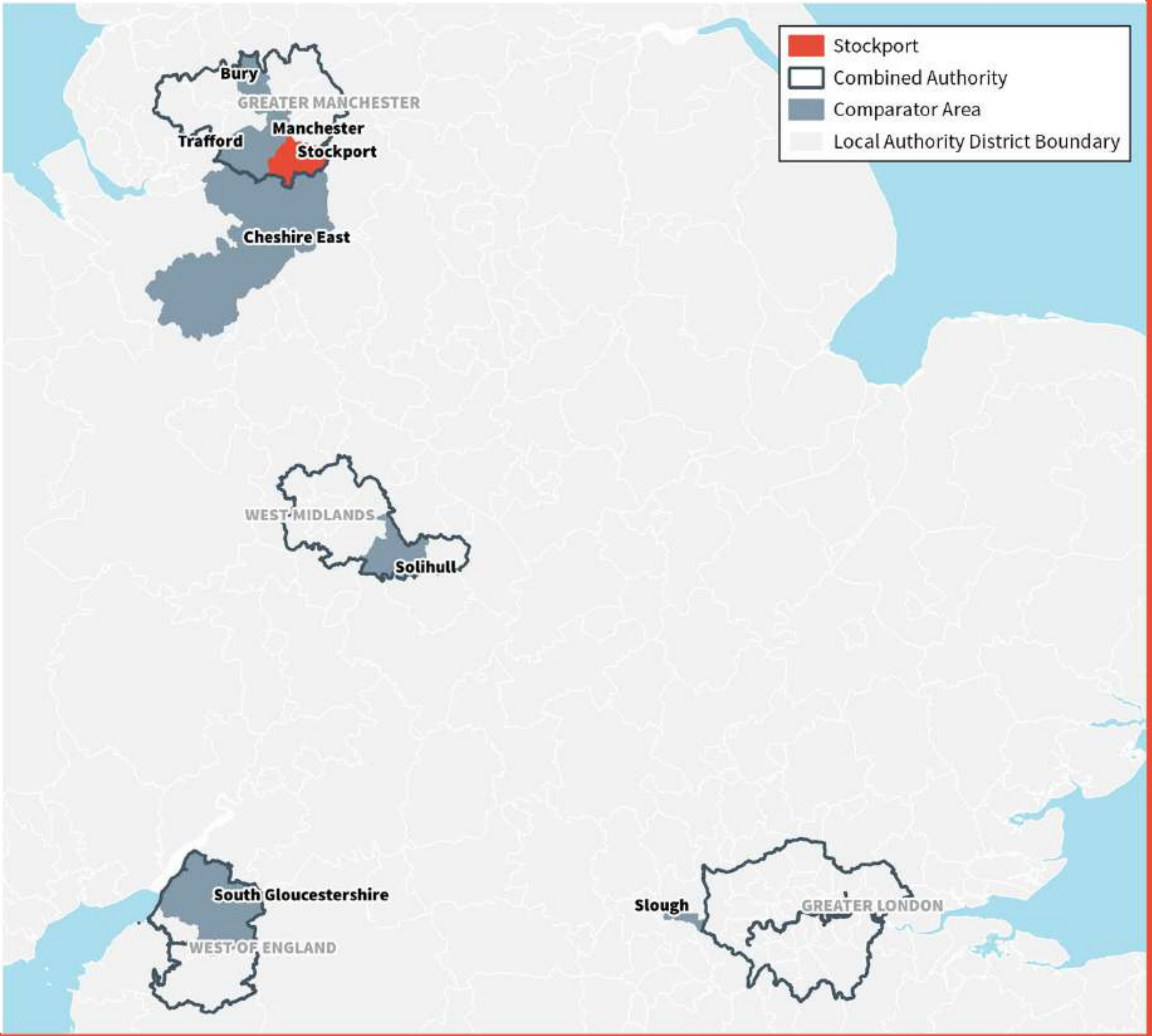
In addition to the North-west, local authority areas from regions across the UK have also been selected on the following basis:

+ **Solihull:** *Already a statistical comparator used by Stockport MBC. Its location in Greater Birmingham and perceptions of affluence make it a relevant comparator to Stockport.*

+ **South Gloucestershire:** *Similarly, South Gloucestershire's proximity to the Bristol city region makes it an interesting and relevant statistical comparator.*

+ **Slough:** *Slough is located on the outskirts of Greater London, However, it is a major economic driver in its own right. Slough has also been selected as an 'aspirational' comparator as it was recently identified in a Centre for Cities report as the most productive local authority area in the country.*

Stockport's comparator areas

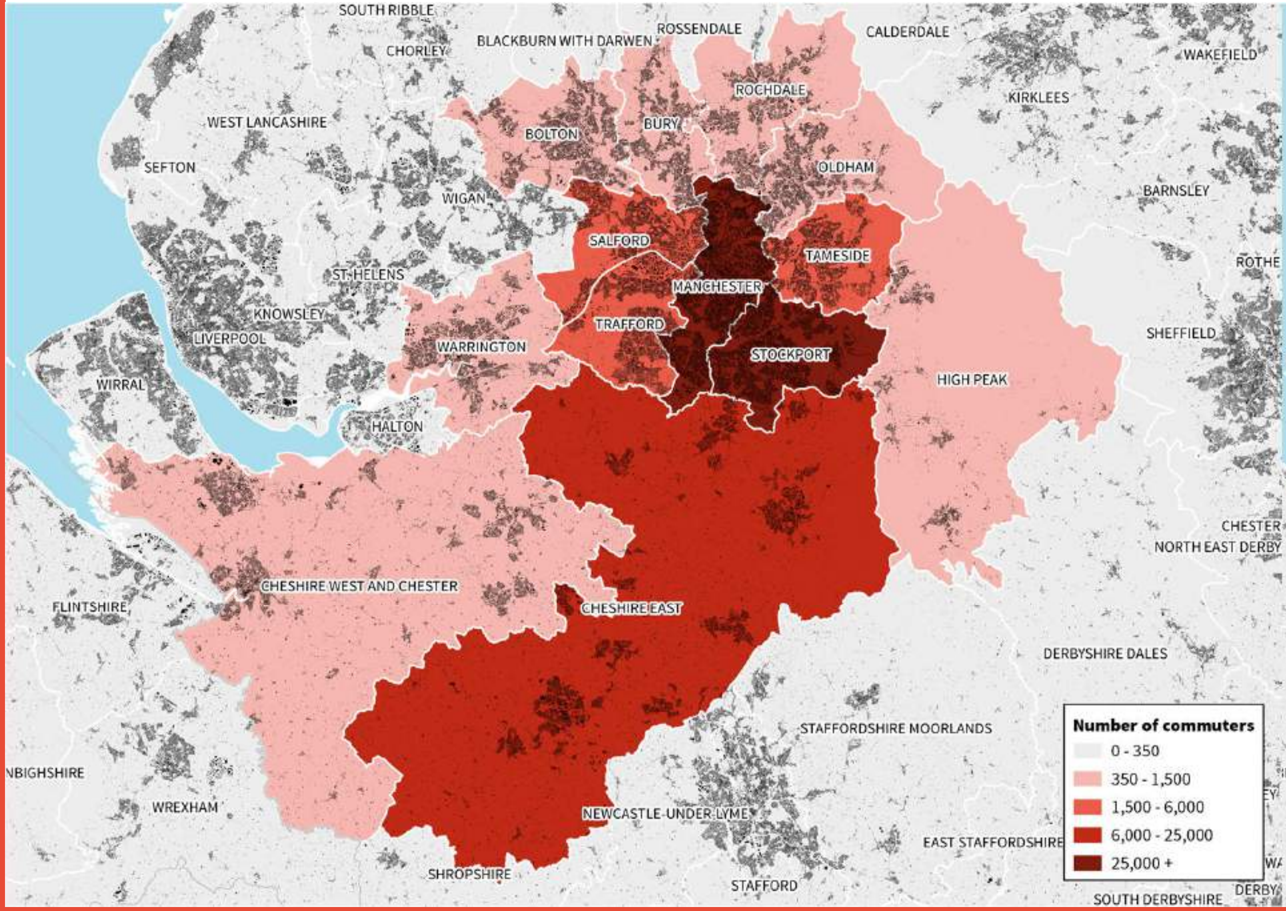


Commuting **patterns**

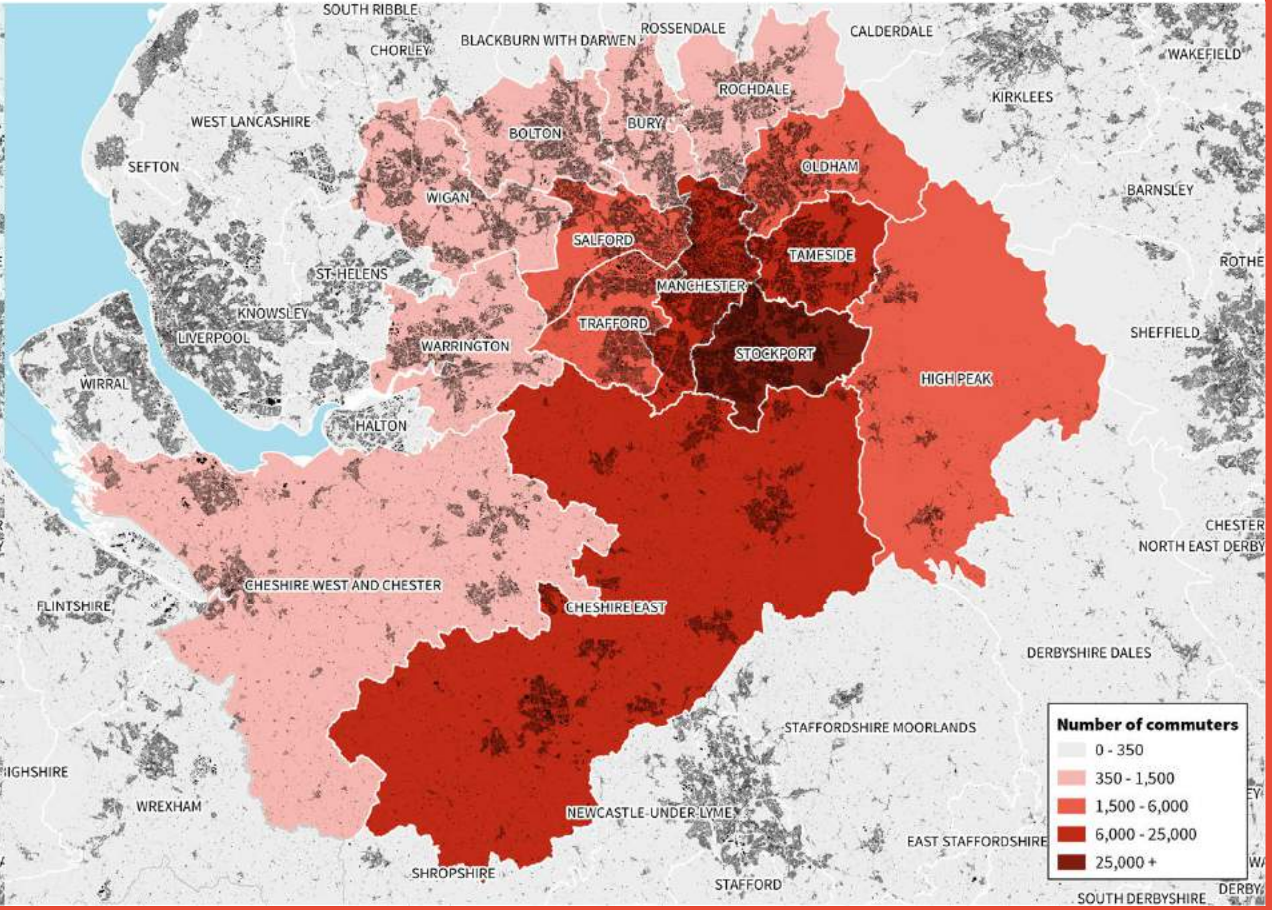
Relationship to neighboring authorities as important as relationship to the city...

Stockport has a relatively contained labour market, with the largest transfer of workers occurring within adjacent local authority areas. The maps below show that whilst connections to Manchester as the North West's principle economic centre is vital to the borough's prosperity, Cheshire East, Tameside, and High Peak are also key to Stockport's economic geography.

Employment destinations for Stockport's residents



Stockport's labour pool



Commuting **patterns**

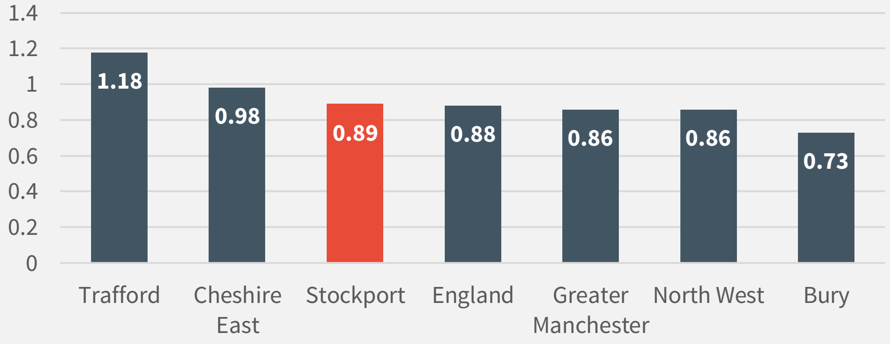
Stockport is a net exporter of labour…

According to the most recently available Census (2011) around 103,000 people commute into Stockport for work. However, 114,000 people commute out of the borough, meaning Stockport has a net outflow of 11,000 people.

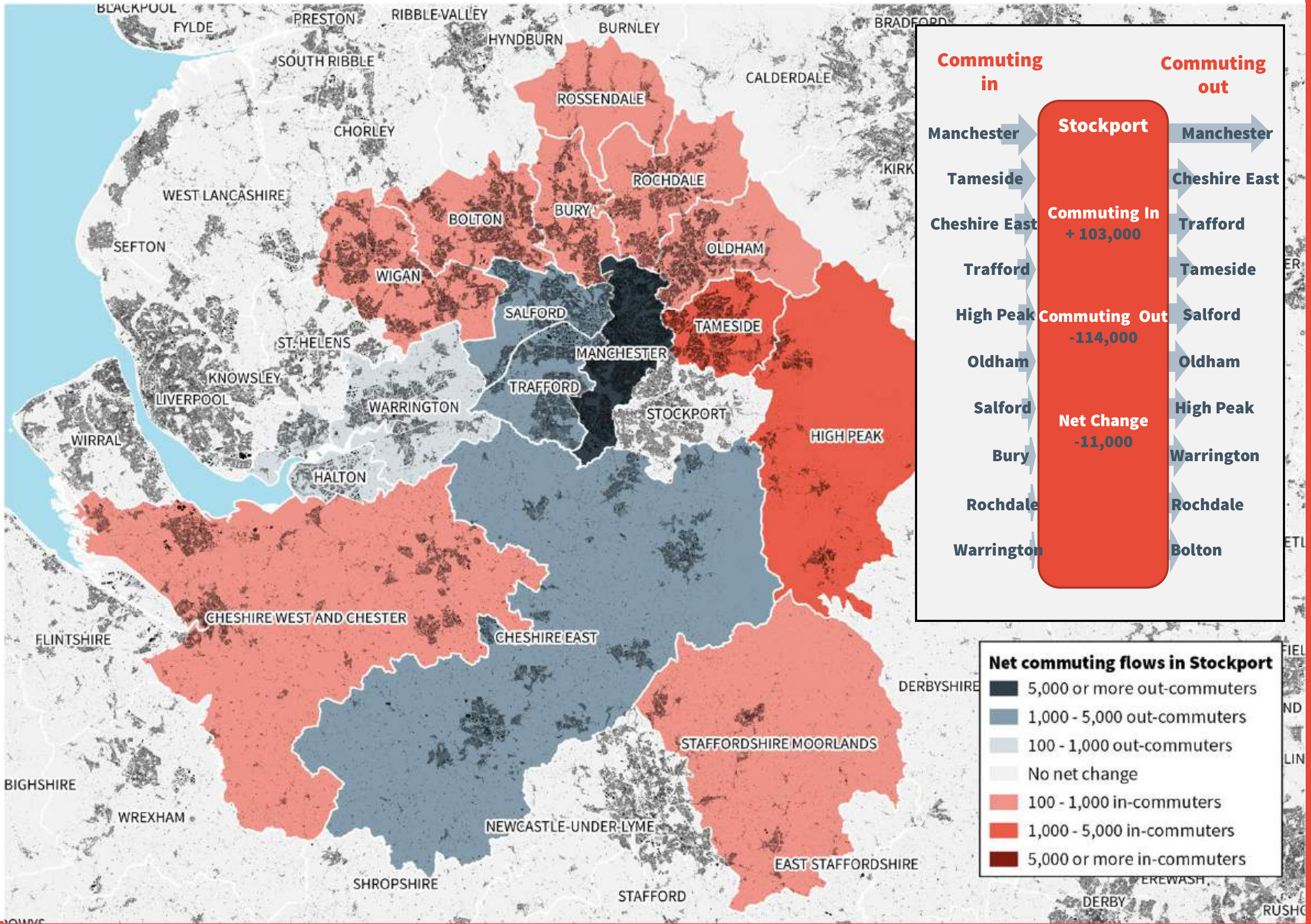
There is potential to retain these workers locally by providing enhanced employment and commercial space opportunities within the district.

Job density referrers to the number of jobs per resident of working age (male and female: 16-64). Stockport's job density is 0.89, meaning that there is enough jobs within the local authority to provide work to 89% of working-aged residents. Although this is slightly above the national average (88%), Stockport performs poorly against local comparators such as Trafford (1.18) and Cheshire East (0.98) which retain some of the highest job densities in the country.

Stockport's job density



Stockport's net commuting flows



Local Policy **Context**

There are three overarching council documents that will shape and interface closely with the Economic Plan – the **One Stockport Borough Plan, Climate Change Strategy, and the Stockport Local Plan**. These will influence the priorities of the Economic Plan to define the sort of growth and economy the council wants to support in the borough. There are other existing local policies, strategies and programmes that will shape the prosperity of Stockport's economy, people, and places and these are included within the relevant sections of the evidence base.

Document	**Relevance to Stockport Economic Strategy**
One Stockport Borough Plan	The One Stockport Borough Plan identifies the following priority areas for action • Support the development of the green economy and create a broader framework for defining what we mean by inclusive growth • Create new innovation and start-up space in the Town Centre • Commits to developing a new skills and employment programme to ensure the right training, opportunities and qualifications are available locally. The Economic baseline can get under the skin of existing provision and how it aligns to Stockport's growth sectors • Council will continue to promote apprenticeships as a key route into the labour market • Focus on retraining and life-long learning enabling those from all ages to get back into employment • Become a digitally inclusive and radical borough by ensuring digital literacy and leading digital connectivity

Stockport Local Plan	• The Local Plan will be informed by the following key principles:
	  • build our plan around our neighbourhoods, celebrating and reflecting what makes our communities unique
	  • take a Brownfield first approach to development, protecting our greenspaces as much as possible
	  • be design-led, aiming to achieve the highest quality of design for Stockport
	  • put local infrastructure and communities at the heart of our approach, recognising the needs of our neighbourhoods and areas
	  • ensure everything we do contributes to Stockport's response and resilience to the Climate Emergency
	  • contribute to the good health and wellbeing of our communities
	• The Economic Plan will interface closely with the forthcoming Local Plan to ensure economic priorities are reflected spatially and the evidence base provides intelligence to inform the plan's development.

Climate Action Now	• Strategy sets out the initial actions that Stockport Council will take to make a difference on climate change over the next five years as we begin our journey to net- zero 2038. • Council have committed to incorporate climate impact assessment into everything we do by incorporating it into decision making, report templates and all key strategies. • All future development within the borough will need to respond to this strategy if the authority is to meet net zero targets. All future development will need to be future-proofed.

Executive **Summary: Part 1**

Stockport's economy

- Stockport's economy **has grown by 92%** since 1998 which is lower than the Greater Manchester and England averages
- Stockport is dominated by micro-enterprises. **74% of Stockport's businesses** employ less than 4 people.
- Stockport's recent business growth has been slow. Over the last decade, **the number of businesses in Stockport has grown by 21%** compared to 33% nationally.
- However, employment growth has been strong. Between 2014 and 2019, the **number of jobs in Stockport increased by 13%** compared to 11% in Greater Manchester and 5% in England
- Stockport is home to business specialisms in **Creative Manufacturing, Higher Tech Manufacturing, Other Services, and Wholesal**e. Stockport has employment specialisms in **Warehousing and Logistics, Creative Manufacturing, Utilities and Waste, and Warehousing and Logistics.**
- Economic forecasts suggest that several key employment sectors could decline over the next 2 decades. Across Manufacturing; Electricity, Gas Steam, and Air, there is forecast to be a **loss of over 5,600 jobs by 2040**
- **Stockport has received just under 7,000 economic migrants since 2012,** however is less reliant on migration from the EU compared to other local authority areas.
- **Stockport's economy lost an estimated £700m** as a result of the COVID-19 pandemic in 2020 – equivalent to 10% of total output. Accommodation and Food Services were the most significantly affected sectors – losing an estimated £100m of output in 2020.

Stockport's places

- Stockport has concentrated pockets of deprivation and **26% of neighbourhoods are within the most deprived 30% LSOAs** nationally.
- Digital connectivity in Stockport is good. **99% of Stockport's premises can get Superfast broadband**, compared to 98% in Greater Manchester and 95% in England.
- Mobility has been severely impacted by the COVID-19 pandemic – potentially changing the future of work forever.
- **Office vacancies have increased to 7% during the last year**, deals and leases have remained consistent with previous years.
- **The quality of commercial space is poor which will affect the Stockport's competitiveness.** Currently, only 12% of office space is Grade A or B, meaning most space is of poor quality.
- In 2020, house prices were 8 times annual salary compared to the GM average of 6.4%. This has been exacerbated during the pandemic, with **house prices in Stockport rising by 14% over the last 12 months.**
- Whilst crime is low, it is concentrated in the town centre. **Last year there were 104 crimes per 1,000 residents in Stockport compared to 149 in Greater Manchester.**
- **Many of Stockport's neighbourhoods do not have the social and community infrastructure to support healthy communities.** Almost two thirds of Stockport's adult population (65%) are classified as overweight or obese which is above the England average (63%).

Stockport's people

- **Stockport has an ageing population with a paucity of young professionals.** Ageing population is concentrated towards the north of the borough and deprivation is highest in Stockport's youngest neigbourhoods.
- This is forecast to continue with the **number of residents aged 60+ due to increase by 13% by 2030.** This will affect the function and role of Stockport town centre and the borough's neighbourhood centres.
- **Overall Higher Education participation, masks significant variances in aspiration and participation.** HE participation in Stockport's suburbs is significantly higher than in the north of the borough.
- Stockport's young people are less likely to continue to sustained education at higher level. **A higher proportion of young people enter employment in Stockport (5%) than is seen at the national level (3%) following completion of KS4.**
- Apprenticeship starts are well aligned to support Stockport's future growth. **The highest apprenticeship starts in Stockport include business and administration (33%), health (18%) and engineering and manufacturing (16%)**
- **Stockport ranks 202nd out of 343 local authorities nationally** for social mobility for the early years life stage which covers the quality of nursery provision.
- COVID-19 has increased Stockport's claimant count, however the **impact is most severe in areas of high deprivation**. Early career and older workers have also been significantly impacted by COVID-19

Executive **Summary: Part 2**

S — Strengths

- **Strong employment growth.** Since 2015, Stockport's employment base has grown by 13% - which is faster than the national and Greater Manchester averages.
- **Nationally significant employment and business specialisms.** Stockport retains specialisms above the national average across a range of sectors such as Manufacturing, Wholesale, and Logistics.
- **Home to a diverse range of businesses that can support the UK's net zero ambitions.** Several interesting businesses to retain and grow in Stockport in the green economy ranging from environmental consultancy services to Providers of Solar Power, EV Chargers, Heat Pumps and Battery Storage.
- **Stockport's digital and physical connectivity are at the heart of its growth opportunity and post-COVID offer.**
- **Intersectional analysis shows less employment inequality in Stockport compared with the wider GM and England pictures.**
- **Resilient commercial property market throughout the pandemic.** Sales and lease deal flows have remained consistent throughout 2020 despite uncertainty surrounding the future of work.
- **Less reliant on international migration.** EU migration over the last decade has been considerably lower in Stockport than other comparator local authorities – making Stockport potentially more resilient to macro economic changes, such as restrictions on movement and ongoing supply chain challenges.

W — Weaknesses

- **Overall strong performance against a range of socio-economic indicators (especially against Greater Manchester averages) masks Stockport's inclusive growth challenge.**
- **High average income figures hide issues of low earnings.** It is estimated that over 9,000 residents in Stockport are either on the National Living Wage or National Minimum Wage.
- **Lack of business dynamism and poor survival rates means that Stockport is increasingly reliant on a small group of major employers**
- **Economic impacts of COVID-19 have disproportionally impacted the borough's most disadvantaged residents.**
- **Significant intra borough inequality in terms of educational outcomes and aspiration.** Stockport's young people are less likely to continue sustained education at higher levels and residents from disadvantaged areas are more likely to attend a poor-performing school.
- **Social mobility is lowest at the most critical formative life stage.** Stockport ranks 202nd out of 343 local authorities nationally for early years social mobility.
- **Health, social, and community infrastructure provision is failing to support healthy lifestyles across most of Stockport's neighbourhoods.** Health and wellbeing could form important measures of economic prosperity in future in addition to pure economic metrics.
- **Bus provision nationally and local railway network capacity within the borough is poor.** Whilst north south connectivity is extremely strong, the local railway network is struggling to keep pace with demand. Stockport also suffers from long east-west bus journeys, with inadequate provision for local residential areas.

O — Opportunities

- **Areas of most significant deprivation are where the borough's most significant economic assets and growth opportunities are located.** The SEP should identify interventions to ensure local people and existing residents are the primary beneficiaries of the economic opportunities created through regeneration and development – especially in Bredbury, Brinnington, Reddish and Town Centre.
- **Capturing significant future growth in high value sectors.** Most of Stockport's growth is forecast to be within high value, knowledge intensive, and office-based employment.
- **Diversity of 'green economy' can benefit different parts of the borough.** Stockport's diverse commercial property offer and business base could attract businesses spatially in the green economy to different parts of the borough.
- **Understanding existing business capabilities to drive forward Stockport's Climate action plan.** The evidence base shows a number of major employers (such as Cheshire Gas) operating within Stockport which could have the skills and capabilities to grow the borough's net zero economy.
- **Retaining nascent wealth within the Stockport economy.** There is the potential to capture the wealth that exists in Stockport's affluent suburbs locally.
- **Tackle ageing population across the borough through new developments.** Providing a mix of housing across a range of tenures and price points can address Stockport's demographic challenges.
- **'In housing' of local bus services can help to increase accountability, reliability and affordability.** Opportunity to work with Transport for Greater Manchester to improve local connections to better link neighbourhood centres.
- **Government investment and Mayoral Development Corporation can be the catalyst for renewal.**

T — Threats

- **Existing employment specialisms are forecast to decline by 2040.** Manufacturing and utilities employment are forecast to shrink by over 5,000 jobs over the next two decades
- **COVID has wiped £700m from the Stockport economy and has had most significant impact on the sectors with high placemaking value.** The Accommodation and Food services sector lost an estimated £100m in 2020 which could directly affect the survival of these sectors.
- **Quality of commercial property could limit high value job creation.** Currently, only 12% of office space is graded A or B, with the rest low quality. This is likely to impact Stockport's competitiveness amongst knowledge-intensive businesses.
- **Ageing workforce and indirect challenges of COVID-19 could affect economic participation.** Whilst government's focus has been on early career professionals via the Kickstart programme, the claimant count of older workers in Stockport has increased significantly since the start of the pandemic.
- **Economic and housing growth could lead to increased congestion.** Journey times by road into Manchester city centre are already slow – increases to this through population growth could negate Stockport's strategic transport competitive advantage.
- **Housing affordability challenges could limit wealth retention.** Housing affordability is a particular threat to future economic growth if the Borough is unable to have a supply of enough affordable housing in various tenures to meet the economic aspirations and housing needs of those wanting to live and work locally.

1.2

Stockport’s economy

Economy **Summary**

Stockport's economy

- **Sluggish economic growth which is forecast to continue without proactive intervention.** Stockport's economy grew by 92% between 1998 and 2018, which was below both the national (+115%) and Greater Manchester (+116%) averages. Oxford Economics forecasts suggest that Stockport will continue to grow behind national and regional averages up to 2040.
- **Stockport is home to a micro-business dominated, but slow-growing business base.** Almost three quarters (74%) of Stockport's businesses employ less than 4 people, however there is little evidence of the business dynamism often seen in small business ecosystems – where there is often high business churn. Since 2010, business growth in Stockport was only 21% compared to 33% in England.
- **Despite this, employment growth has been strong, indicating the importance of key anchor employers.** Between 2014 and 2019, the number of jobs in Stockport increased by 13% compared to 11% in Greater Manchester and 5% in England. This - coupled with slow business growth - suggests that employment is concentrated amongst several large employers that are integral to Stockport's prosperity.
- **Reorientation and diversification required to respond to policy and macro economic changes.** Several of Stockport's specialised business and employment sectors (such as utilities and manufacturing) are forecast to decline significantly in recent years. Conversely, the growth of knowledge intensive industries is likely to continue which will shape demand across the borough's commercial property markets.
- **Strong employment and business presence across a range of key future growth sectors.** Existing business and employment specialisms in sectors such as Low Carbon can be leveraged to support economic growth and net zero ambitions.
- **Low reliance on international and EU migration can reduce Stockport's exposure to Brexit impact.** Of the 7,000 international National Insurance registrations in Stockport since 2012, only 56% were from the EU. This can protect the Borough's exposure due to future restrictions on freedom of movement from member countries.
- **Heavily impacted by COVID-19.** Using the OBR Coronavirus Reference Scenario suggests that £700m of output was lost during 2020 as a result of national and local restrictions – equivalent to c. 10% of total output.
- **Sectors most exposed to lockdown and social distancing restrictions most severely impacted which could exacerbate low business survival challenges.** Accommodation and Food Service Activities was the borough's worst affected sector, losing an estimated £100m in 2020. Going into the pandemic, Stockport already had low business survival rates – only 41% of businesses survive their first five years. This challenge could be heightened by the challenging economic climate.

Considerations for Stockport's Economic Plan

- Do we care about measures such as GVA and output? Is it something we want to measure and is it compatible with net zero aspirations?
- What needs to happen to build on spatial growth areas of Bredbury and Stockport town centre to address socio-economic inequality in the borough?
- How is Stockport going to prioritise its business support offer? *i.e. should this be deeper relationships with the borough's major employers or increased support for micro and community business?*
- What does Stockport's small business ecosystem need to do to grow and become more productive?
- How can the Economic Plan support/harness existing skill set to retain skills locally to support net zero ambitions?
- How can the borough ensure the right employment spaces are coming forward to meet the needs of Stockport's economy in 2040 and beyond?
- How will Stockport support the sectors worst impacted by the COVID-19 pandemic on an ongoing basis?

Economy Policy **Context**

Document	Relevance to Stockport Economic Strategy
Greater Manchester Local Industrial Strategy	• Strategic response to the UK Government's national Industrial Strategy. Whilst the Industrial Strategy is the policy of the previous administration, the LIS provides a useful synopsis of regional priorities for GM. This includes the following sectoral focus: • Enabling Greater Manchester to be a global leader on health and care innovation whilst also building on expertise in advanced manufacturing, and digital, creative and media. This is underpinned by an ambition for carbon neutral living in the City region by 2038. • The recent GM Living with Covid Resilience Plan also includes an action for Targeted support to sectors facing lasting impacts from Covid, and growing sectors with investment where they can exploit new opportunities. This includes urgent support for sectors such as hospitality and retail.

Greater Manchester CA Strategy: Our People Our Place	• The Economic Plan will help to advance two of the priorities outlined in the Combined Authority's overarching strategy for GM:
	• *"A thriving and productive economy in all parts of Greater Manchester".* This focuses on improving productivity and pay. Commits to working with the private sector, VCSE sector and universities to facilitate the development of high value, private sector driven clusters in our prime capability sectors, including:
	    • Business, finance and professional services – building on our strengths in legal and accounting, insurance, and business services;
	    • Manufacturing – building on our strengths in advanced materials, textiles, chemicals, and food and drink, and GMfirms' role in national supply chains;
	    • Health innovation – building on our strengths in life sciences, medical technology/devices, health services, and devolution; and
	    • Digital – building on our strengths in ecommerce, cyber security, media/creative and data analytics
	• *"Good jobs, with opportunities for people to progress and develop".* This priority involves working with employers, colleges and other agencies to make sure people can get the skills and qualifications that businesses and employers in Greater Manchester really want. That will mean more local people can get and keep better-paid, suitable jobs. For people who are keen to get back into work, the CA have prioritised giving them the support and training they need.

Previous Economic Strategy – Stockport Economic Alliance (2012-17)	• The previous economic strategy sought to tackle some of the challenges which will still be relevant in the SEP. It was centered on the following three themes:
	    • Business: This theme considered the role of business in the economy and how existing activity can be developed to ensure future economic growth; how to support and grow a high value/high growth business base; how to support enterprise and inward investment; how to ensure sustainable development; and how to maximise Stockport's position within Greater Manchester.
	    • Place: Stockport's buildings and infrastructure are crucial to ensuring the borough is able to meet the needs of a growing and changing business base. It focused on the need to raise the profile and potential of Stockport as a business destination, improve the quality of the town centre and promote sites with strategic development potential. This theme also considers enablers of growth such as communications and transport networks, and housing.
	    • People: The quality of skills held by Stockport's resident population is a major asset to Stockport's economy. However, the development of skills needs to continue across all sectors of the population to ensure all residents have an opportunity to access employment. This theme concentrated on harnessing and supporting the existing skilled population to enable growth; whilst also improving the economic and life chances of its residents facing economic inequalities.

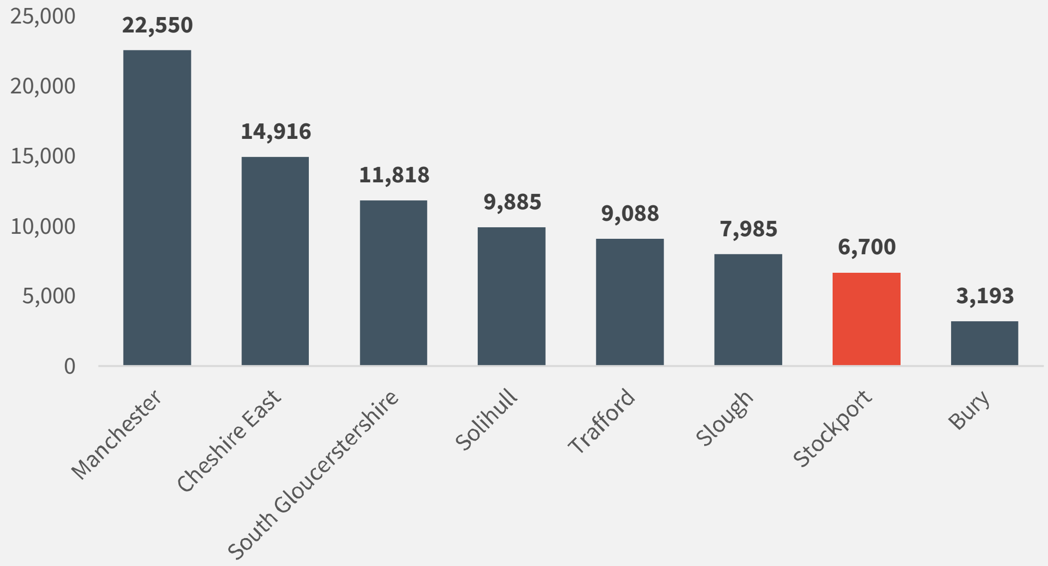
Stockport's **headline performance**

Economic growth has lagged behind the national and regional averages...

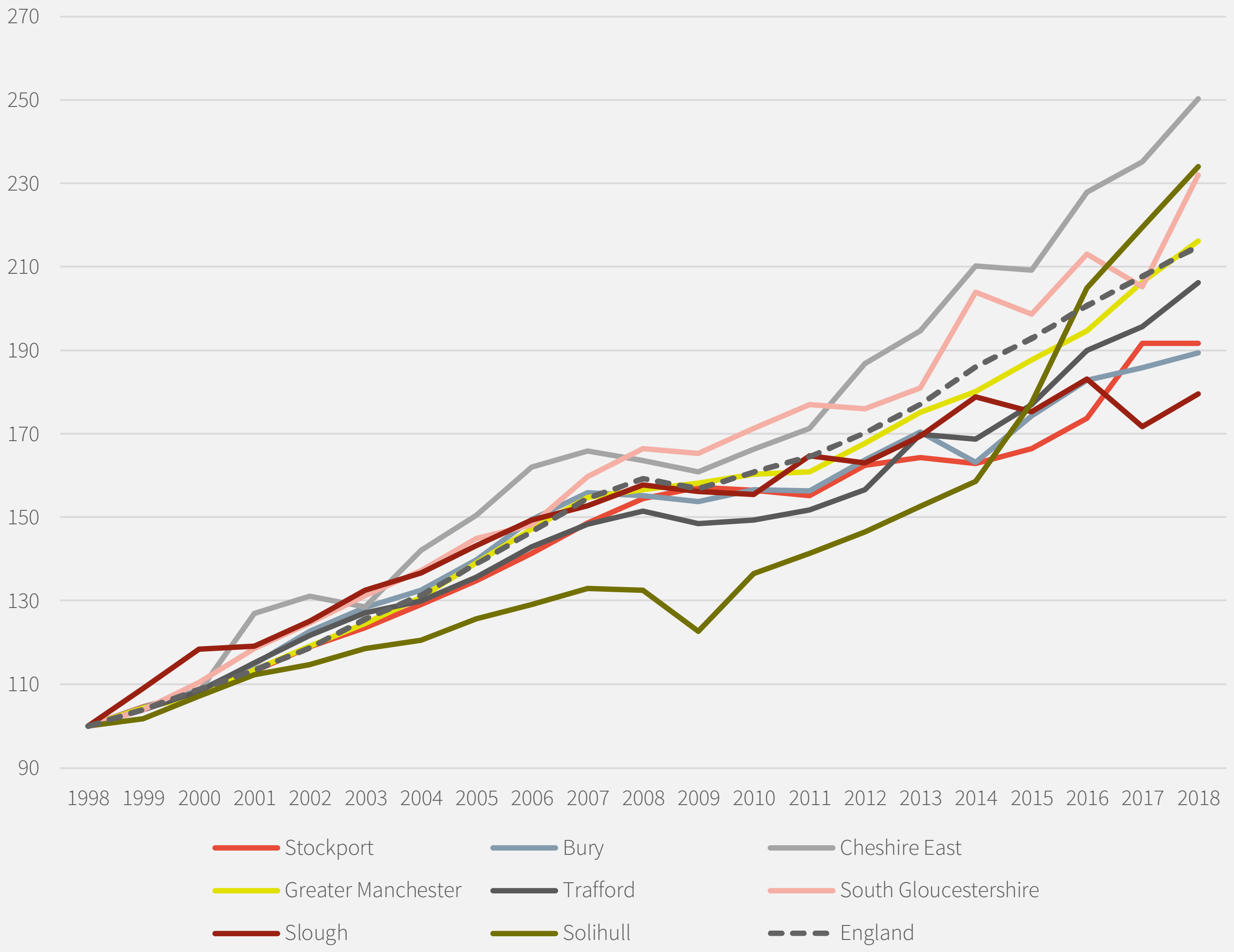
Stockport contributed around £6.7 billion to UK PLC in 2019.

Over the past 2 decades, only Bury and Slough have experienced slower GVA growth than Stockport of all the comparator local authority areas. Stockport's economy has grown by 92%, which is significantly lower than the England (+115%) and GM averages (+116%).

Stockport's GVA (£m), 2018



Indexed GVA growth (1998-2018), 1998=100



Source: GVA Regional Accounts

Headline performance: **Economic Forecast**

Slower growth forecast than the national and Greater Manchester averages…

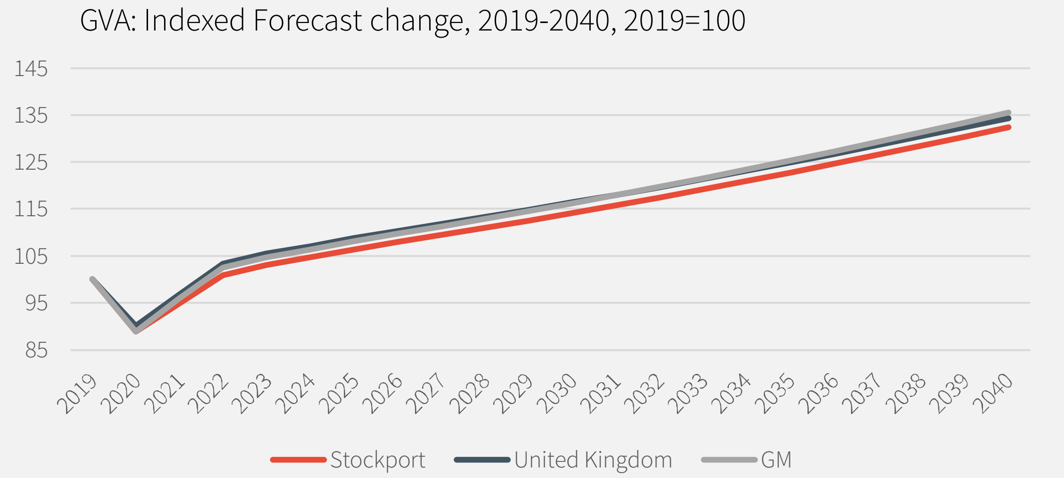
Using Oxford Economics' UK Local Forecasting Service, it is possible to take a long-term view of potential changes and shape to Stockport's future growth trajectory. Oxford Economics forecast methodology is based upon macro economic trends, economic interrelationships (for example the link between incomes and consumer spending reliant sectors) and past trends. Supply side factors such as skills and land are only a factor in so much as they have been in the past.

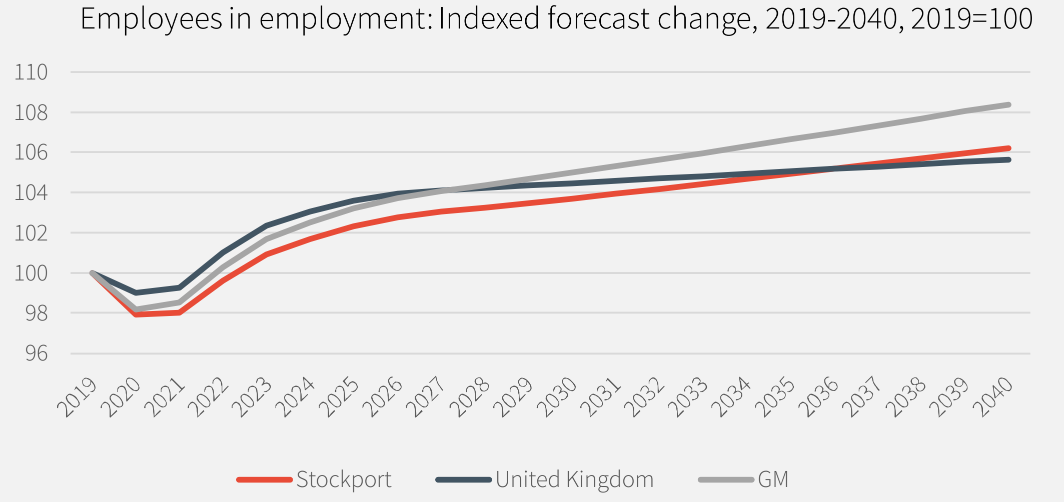
These forecasts show that between 2019 and 2040, the size of the Stockport economy in GVA terms), will grow at a slower rate than the UK averages. Similarly, by 2040, the number of employees in employment will grow at a slower rate than the Greater Manchester average.

By 2040, it is forecast that Stockport:

– There will be an additional **8,600 employees** in employment in the borough (an increase of 6% vs. 2019 levels)

– The size of Stockport's **economy will increase by 32%** between 2019 and 2040; equating to over £2bn in GVA growth





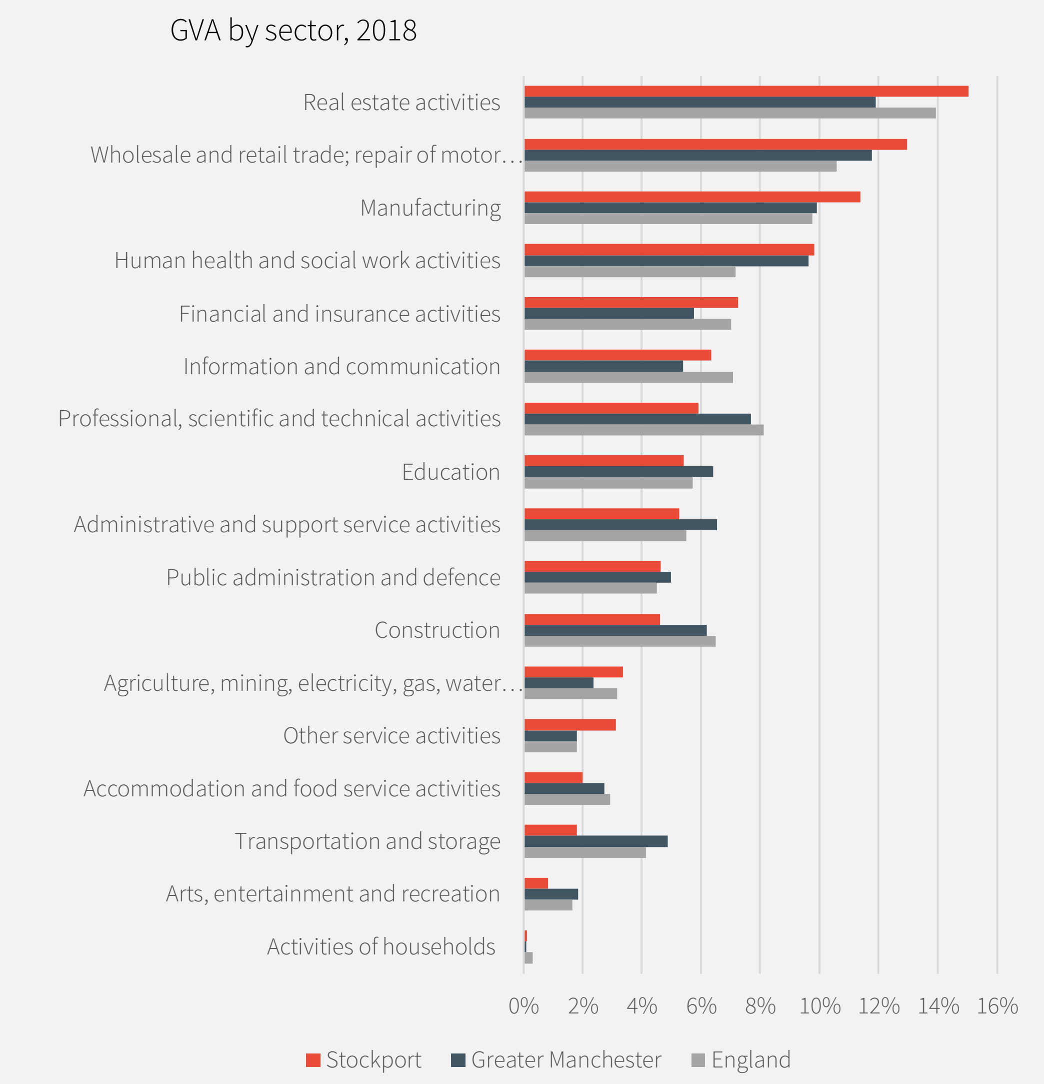
Source: Oxford Economics

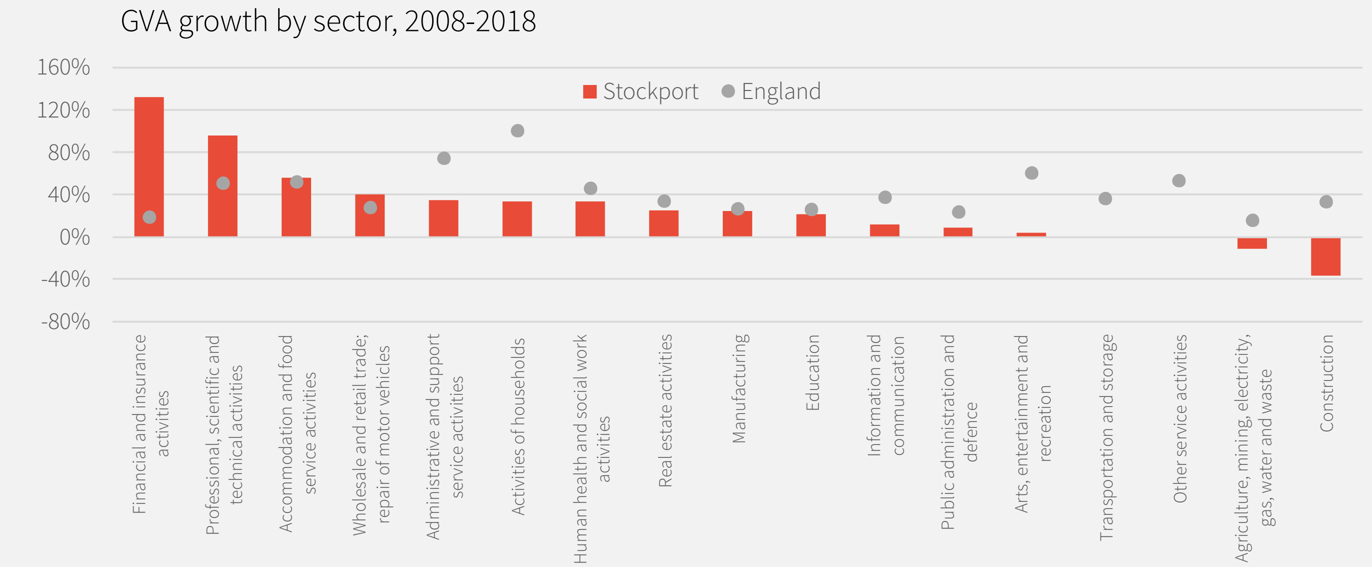
Stockport's **economic output by sector**

Real estate activities are integral to Stockport's economy but fastest growth is in financial and insurance activities ...

Real estate is the largest contributor to Stockport's economic output, equivalent to £1bn per annum and accounting for 15% of total GVA in 2018. Other important sectors include wholesale and retail, manufacturing and human health and social work activities. Over the past decade, financial services (+132%) and professional, scientific and technical activities (+96%) have experienced the strongest productivity growth. Some of Stockport's largest contributors (specifically Real Estate and Manufacturing) have experienced weaker growth (+25% and 24% respectively).

Overall, Stockport and England contribute similar amounts to each industry (Real Estate 15% Stockport 14% England and Manufacturing 11% Stockport 10% England). However, Stockport has seen much greater growth in sectors such as Finance +132% compared to +19% for England and technical activities +96% compared to +51%. England surpassed growth of Stockport in such industries Activities of household +33% compared to +100% for England and Recreation +4% compared to +61%.





Source: GVA Regional Accounts

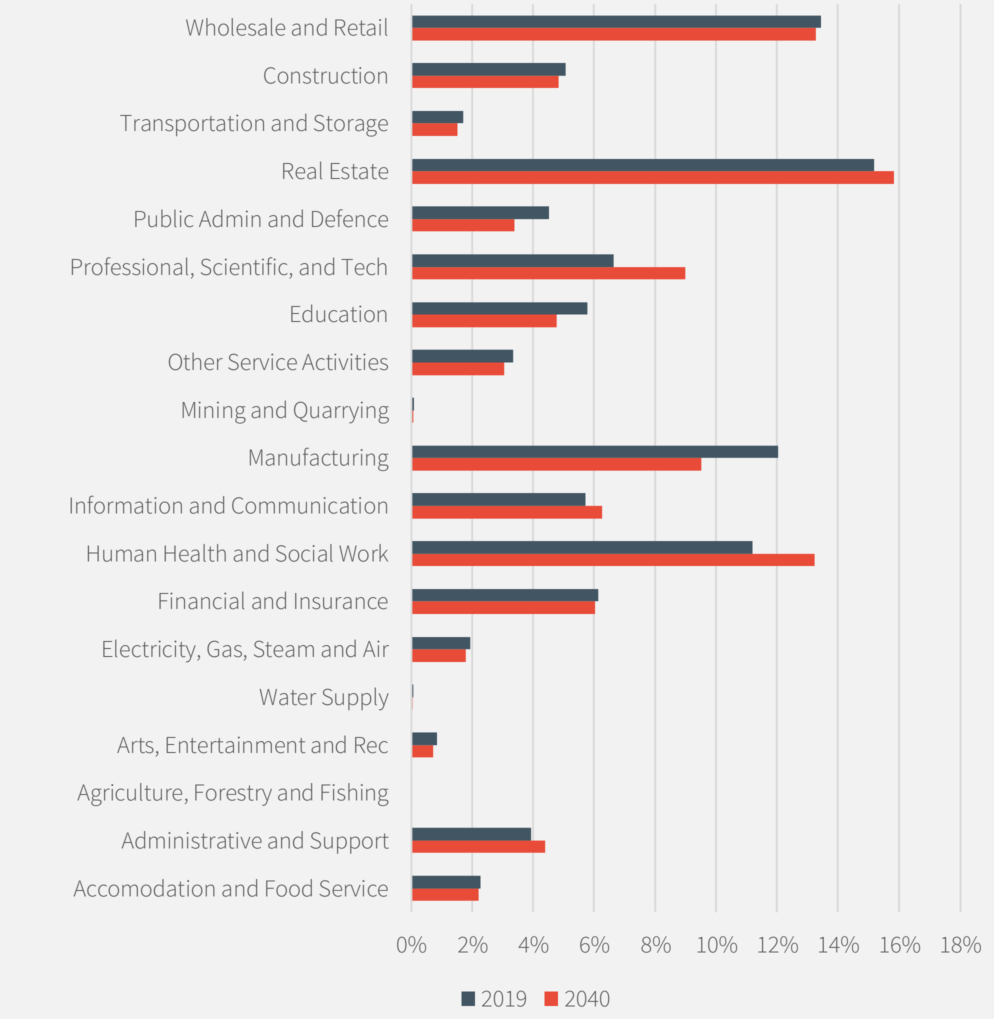
Sector change: **Output**

Service sectors forecast to dominate future GVA growth…

The Oxford Economics Local Forecasting Service also assess potential changes in GVA at a local authority level. This shows a significant reprofiling of the Stockport economy over the next two decades away from elementary occupations into knowledge-intensive sectors. The following sectors are forecast to experience the largest absolute growth in terms of economic output:

+ Human Health and Social Work **(+£431m)**
+ Real Estate **(+£394m)**
+ Professional, Scientific, and Tech **(+£357m)**

Forecast % of total GVA output: 2019 vs 2040



Top/bottom 3: GVA change, 2019-2040

Growth

+79% Professional, Scientific, and Tech vs. 68% in the UK and 85% in GM

+57% Human Health and Social work vs. 51% in the UK and 58% in GM

+48% Administrative and Support vs. 52% in the UK and 55% in GM

Decline

-12% Agriculture vs. -8% in the UK and -11% in GM

-8% Mining and Quarrying vs. -45% in the UK and -17% in GM

-1% Public Admin and Defence vs. 0% in the UK and 0% in GM

Source: Oxford Economics

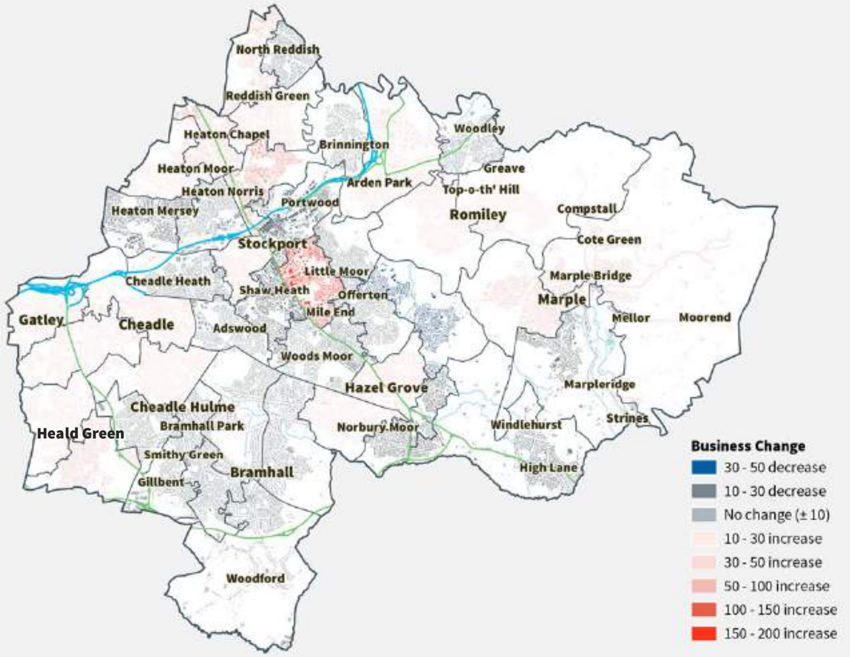
Stockport's **business growth**

Stockport's business base is characterised by slow growth and is dominated by micro enterprises….

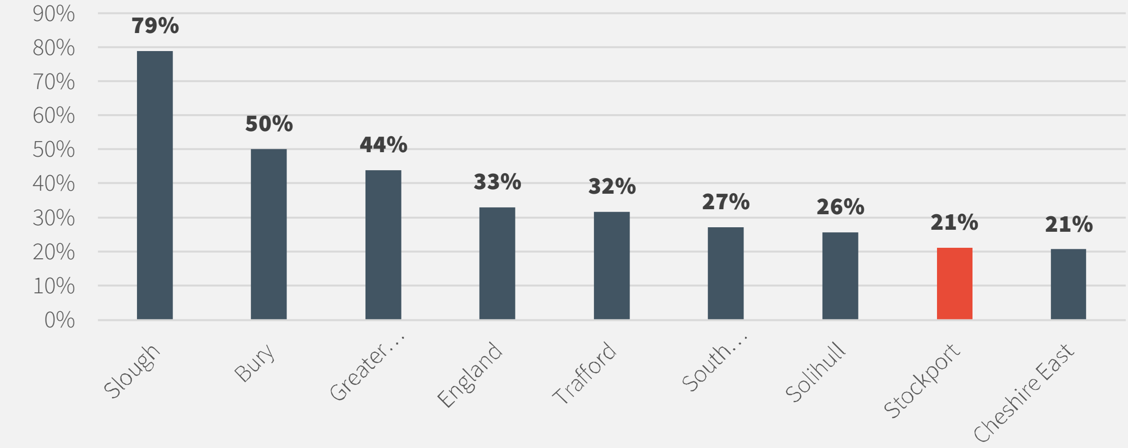
Over the last decade, Stockport's business growth has consistently been outstripped by the England and Greater Manchester averages. Stockport had an additional 2,000 businesses in 2020 compared to 2010 (+21%). Of the 11,900 businesses based in the borough, 79% employ less than 4 people. Supporting Stockport's micro-business dominated economy to survive and grow will be integral to the borough's long-term economic prosperity.

Business data is only available at MSOA level from 2016. This shows that the majority of this growth is concentrated to the south of Stockport town centre – with many neighbourhood centres to the south of the borough experiencing a net loss of businesses since 2016. This is likely to influence the economic function and role of these centres going forward as discussed in the following chapters.

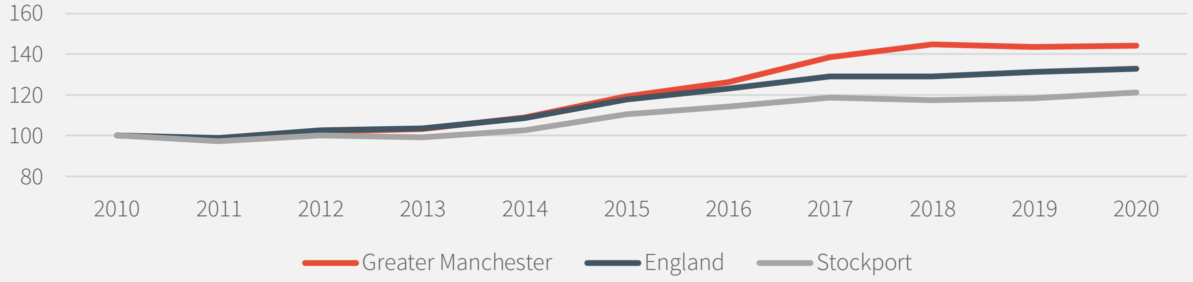
Absolute business change by MSOA, 2016-2020



Business change, 2010-2020



Indexed business change, 2010-2020, 2010=100



Source: ONS Business Counts

Stockport's **business profile**

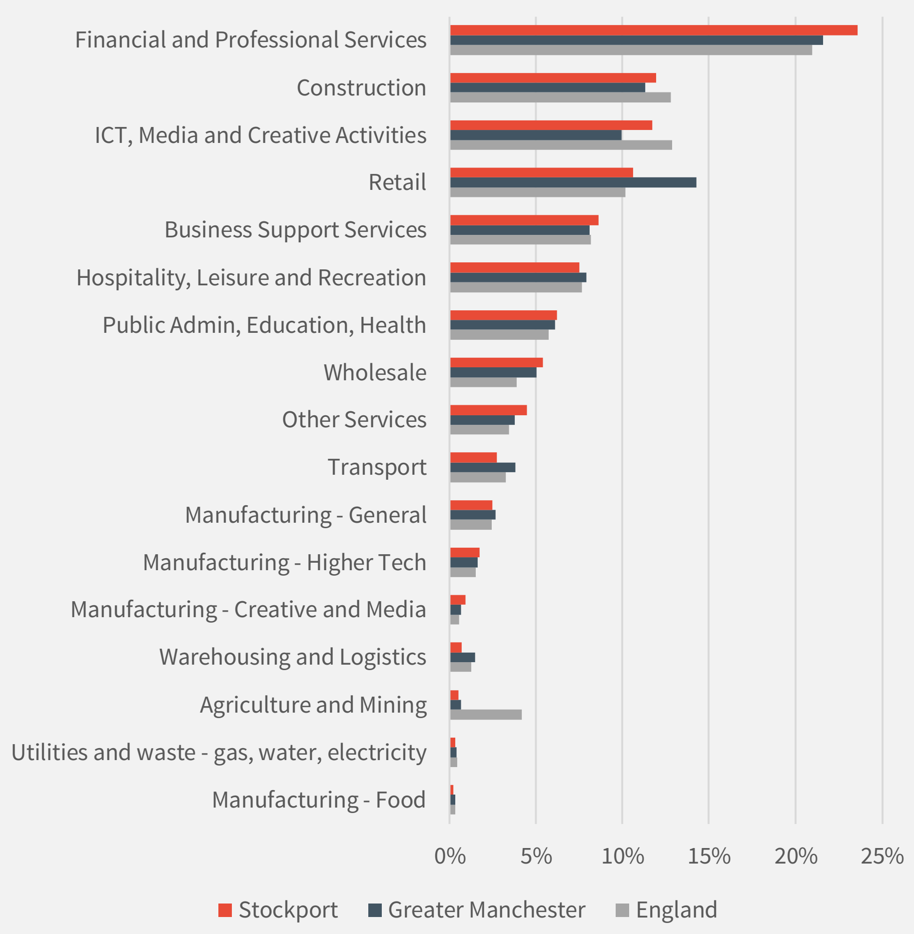
Stockport is home to significant business specialisms….

Sectors with the greatest number of businesses in Stockport include financial and professional services (24% of all businesses), construction (12%) and ICT, Media and Creative Activities (12%).

There are also four sectors in Stockport that are business 'specialisms'. A sector is considered specialised if it has a Location Quotient (LQ) over 1.2. LQ is a method of quantifying how concentrated a particular industry is in a region as compared to the nation. It can reveal what makes a particular region "unique" in comparison to the national average.

Stockport's four specialised business sectors have been explored in more detail on the following pages.

Proportion of businesses by sector, 2019



Sector profile of Stockport's businesses: change, Location Quotient, size

	5-year change (2014-2019)	**LQ 2019**	**Sector size 2019**
Agriculture and Mining	-7%	0.1	65
Business Support Services	18%	1.1	1,020
Construction	21%	0.9	1,415
Financial and Professional Services	5%	1.1	2,790
Hospitality, Leisure and Recreation	16%	1.0	890
ICT, Media and Creative Activities	9%	0.9	1,385
Manufacturing - Creative and Media *	0%	1.6	110
Manufacturing - Food	-14%	0.7	30
Manufacturing - General	-11%	1.0	295
Manufacturing - Higher Tech	11%	1.2	210
Other Services	5%	1.3	530
Public Admin, Education, Health	4%	1.1	735
Retail	7%	1.0	1,255
Transport	76%	0.8	325
Utilities and waste - gas, water, electricity	14%	0.7	40
Warehousing and Logistics	21%	0.6	85
Wholesale	-4%	1.4	640
Total	9%	1.0	11,820

*Red denotes sector specialism

Source: ONS Business Count

In focus: **Manufacturing – Creative/Media**

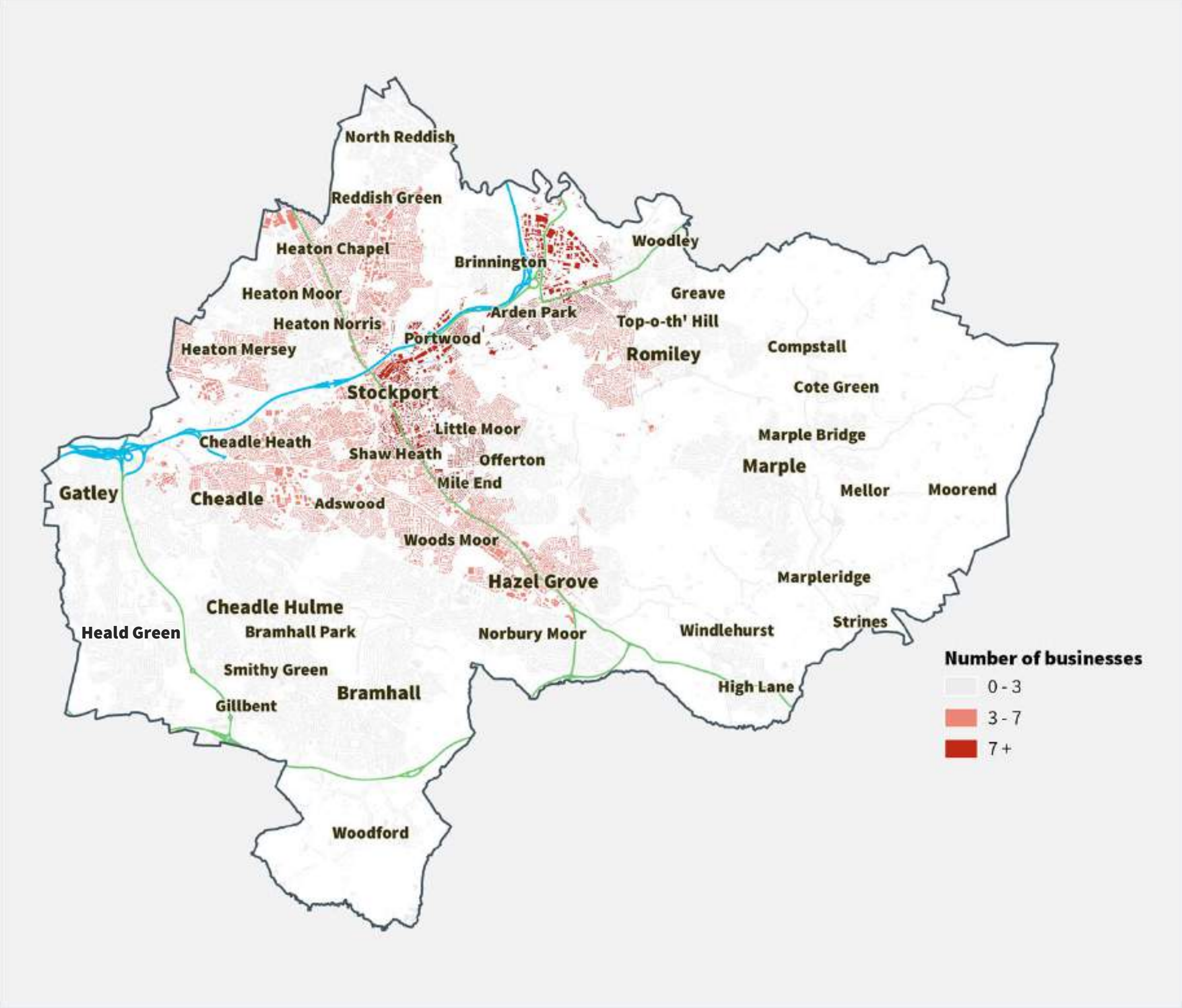
Manufacturing – Creative Analysis

Sub sector	Total businesses (2020)	Growth (2015-20)	LQ
Printing	70	-5	1.9
Pre-press and pre-media services	10	-10	1.9
Manufacture of other wearing apparel and accessories	10	10	2.0

Manufacturing – Creative/Media Businesses by size band (number of employees), 2020

	Total Businesses	Micro (0-9)	Small (10-49)	Medium (50-249)	Large (250+)
Stockport	510	475	30	5	0
Greater Manchester	3,570	3,270	260	35	0
England	72,775	67,640	4,210	765	145

Concentrations of manufacturing Creative/media businesses across Stockport



Source: ONS Business Count

In focus: **Higher Tech Manufacturing**

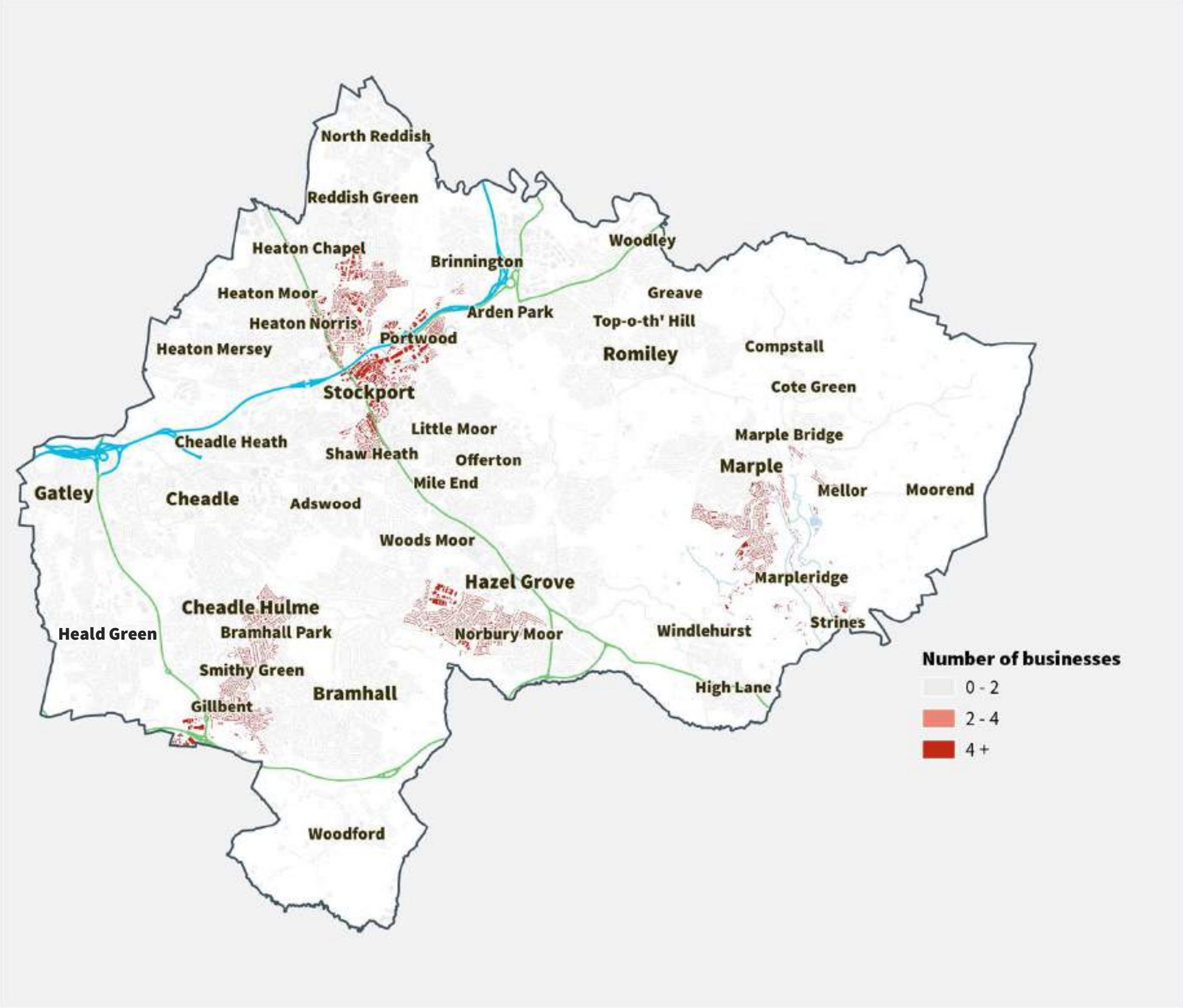
Higher Tech Manufacturing Analysis

Sub sector	Total businesses (2020)	Growth (2015-20)	LQ
Repair of Machinery	20	0	1.0
Manufacture of electronic instruments and appliances for measuring, testing, and navigation, except industrial process control equipment	15	10	2.4
Manufacture of medical and dental instruments and supplies	15	15	1.7

Higher Tech Manufacturing Businesses by size band (number of employees), 2020

	Total Businesses	Micro (0-9)	Small (10-49)	Medium (50-249)	Large (250+)
Stockport	430	320	40	5	0
Greater Manchester	3,300	2,440	680	115	5
England	64,745	49,135	12,495	2,585	505

Concentrations of Higher Tech Manufacturing businesses across Stockport



Source: ONS Business Count

In focus: **Other Services**

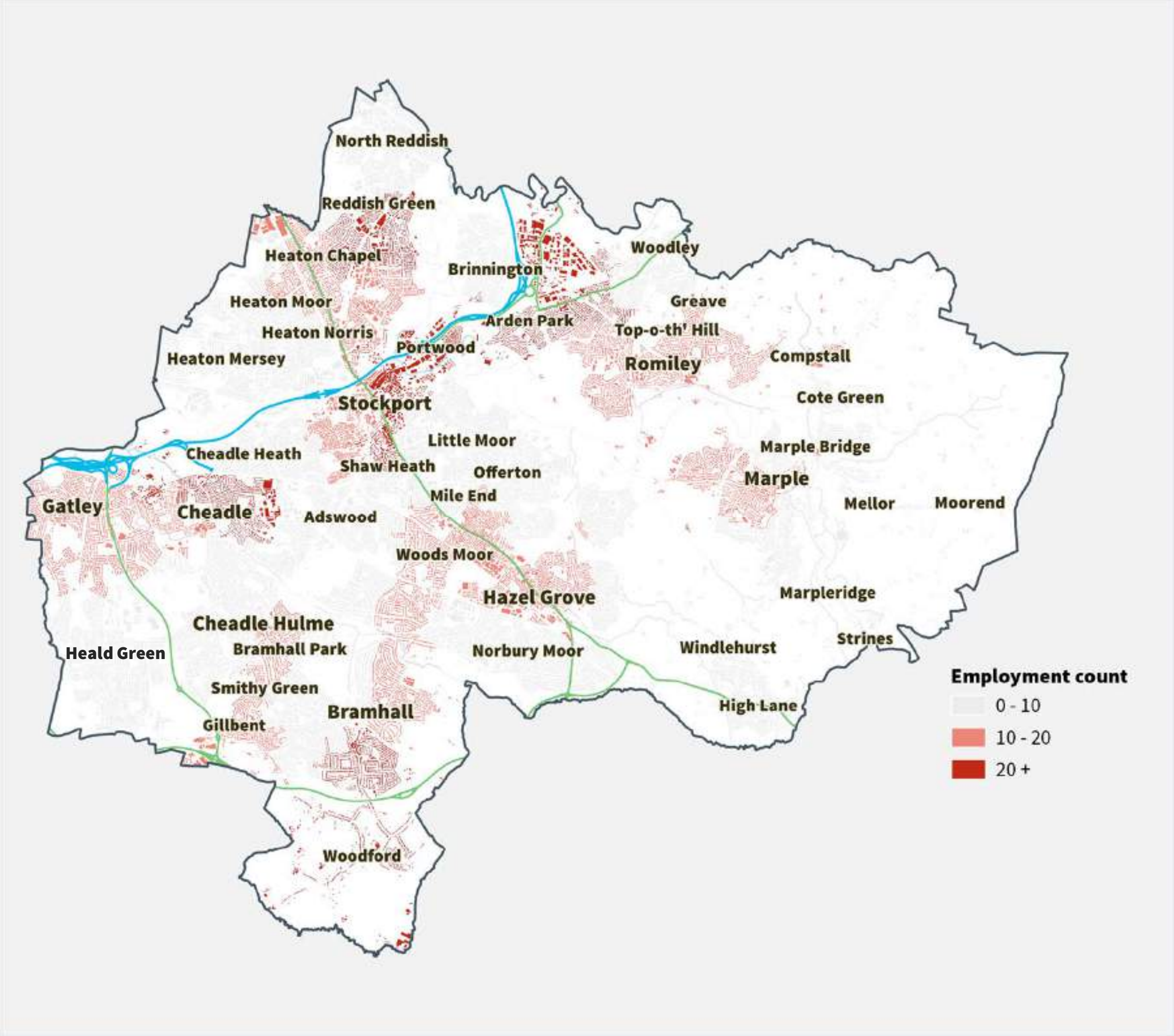
Other Services Analysis

Sub sector	Total businesses (2020)	Growth (2015-20)	LQ
Hairdressing and other beauty treatment	255	55	1.4
Other personal service activities nec	125	65	1.3
Renting and leasing of cars and light motor vehicles	25	5	1.6

Other Services Businesses by size band (number of employees), 2020

	Total Businesses	Micro (0-9)	Small (10-49)	Medium (50-249)	Large (250+)
Stockport	530	495	30	28	0
Greater Manchester	3,965	3,670	255	10	5
England	82,375	75,245	6,510	70	85

Concentrations of Other Services businesses across Stockport



Source: ONS Business Count

In focus: **Wholesale**

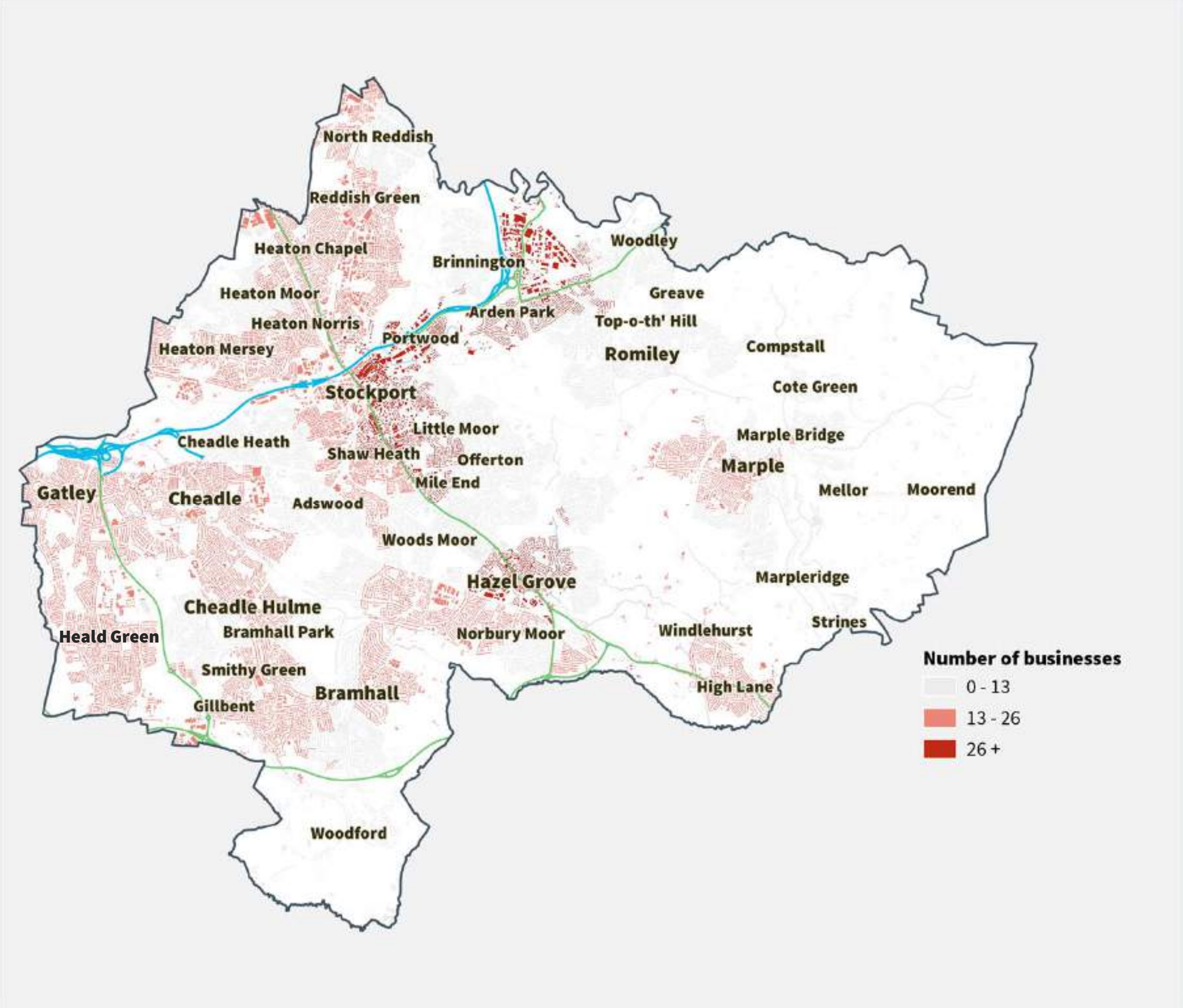
Wholesale Analysis

Sub sector	Total businesses (2020)	Growth (2015-20)	LQ
Non-specialised wholesale trade	75	75	1.4
Wholesale of other machinery and equipment	60	-5	1.8
Wholesale of clothing and footwear	45	15	2.1

Wholesale Businesses by size band (number of employees), 2020

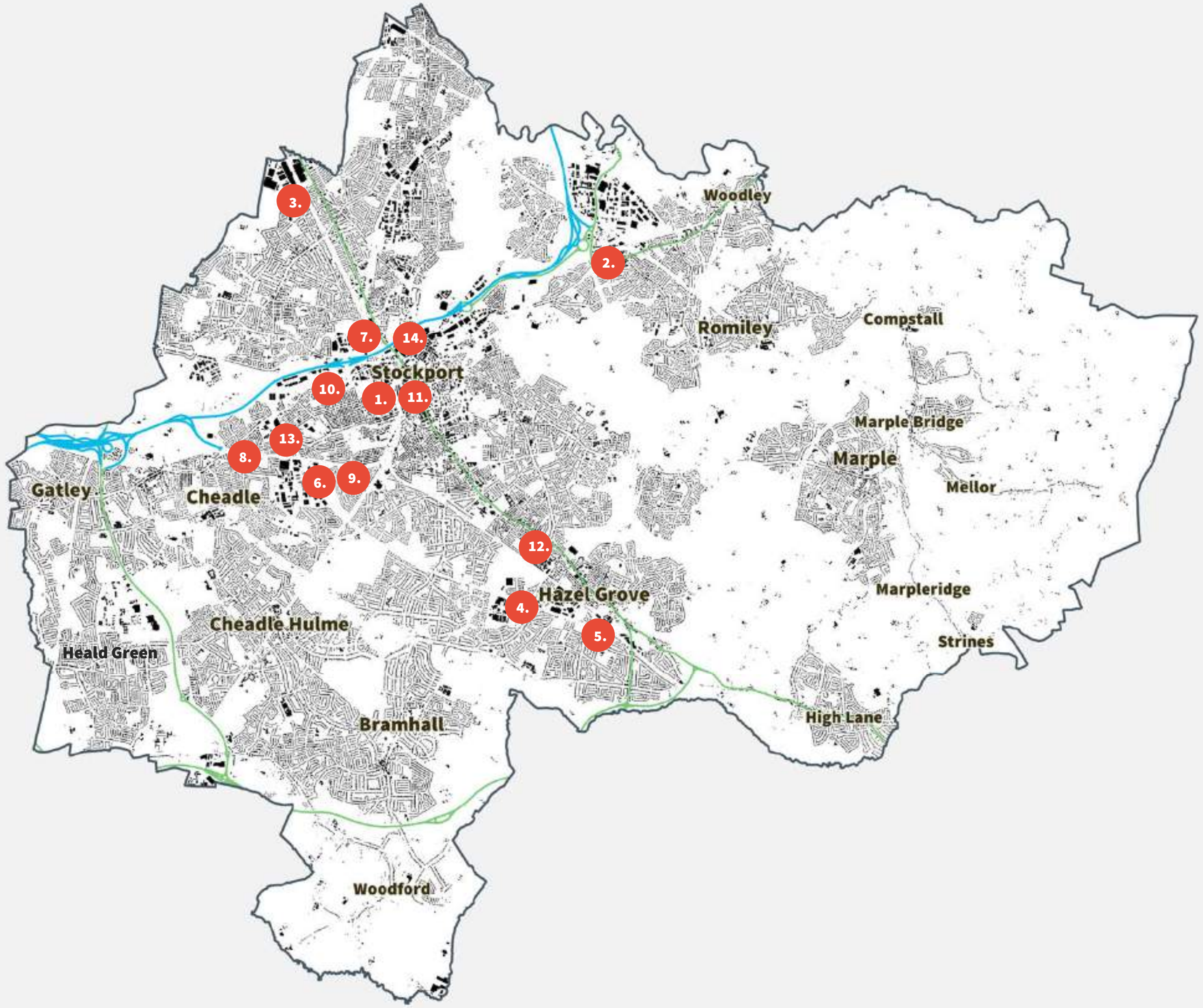
	Total Businesses	Micro (0-9)	Small (10-49)	Medium (50-249)	Large (250+)
Stockport	640	515	90	10	0
Greater Manchester	5,265	4,310	770	150	15
England	93,490	76,555	13,960	2,520	475

Concentrations of Wholesale businesses across Stockport



Source: ONS Business Count

Stockport's **key employers**



Using Companies House data, some of Stockport's largest employers have been mapped.

The analysis has excluded businesses which have their registered address in Stockport, but do not have employees based on site. Typically, this includes recruitment agencies or cleaning businesses which are registered to a residential address.

Key employers

1. BASF Plc
2. Adidas UK
3. United Biscuits Ltd
4. Nexperia UK
5. MAN Energy Solutions UK Ltd
6. Thales UK
7. Stockport Metropolitan Borough Council
8. The AA
9. Bosch
10. CDL
11. musicMagpie (Entertainment Magpie)
12. Stepping Hill Hospital
13. Greater Manchester Police
14. Stockport College

Source: Companies House

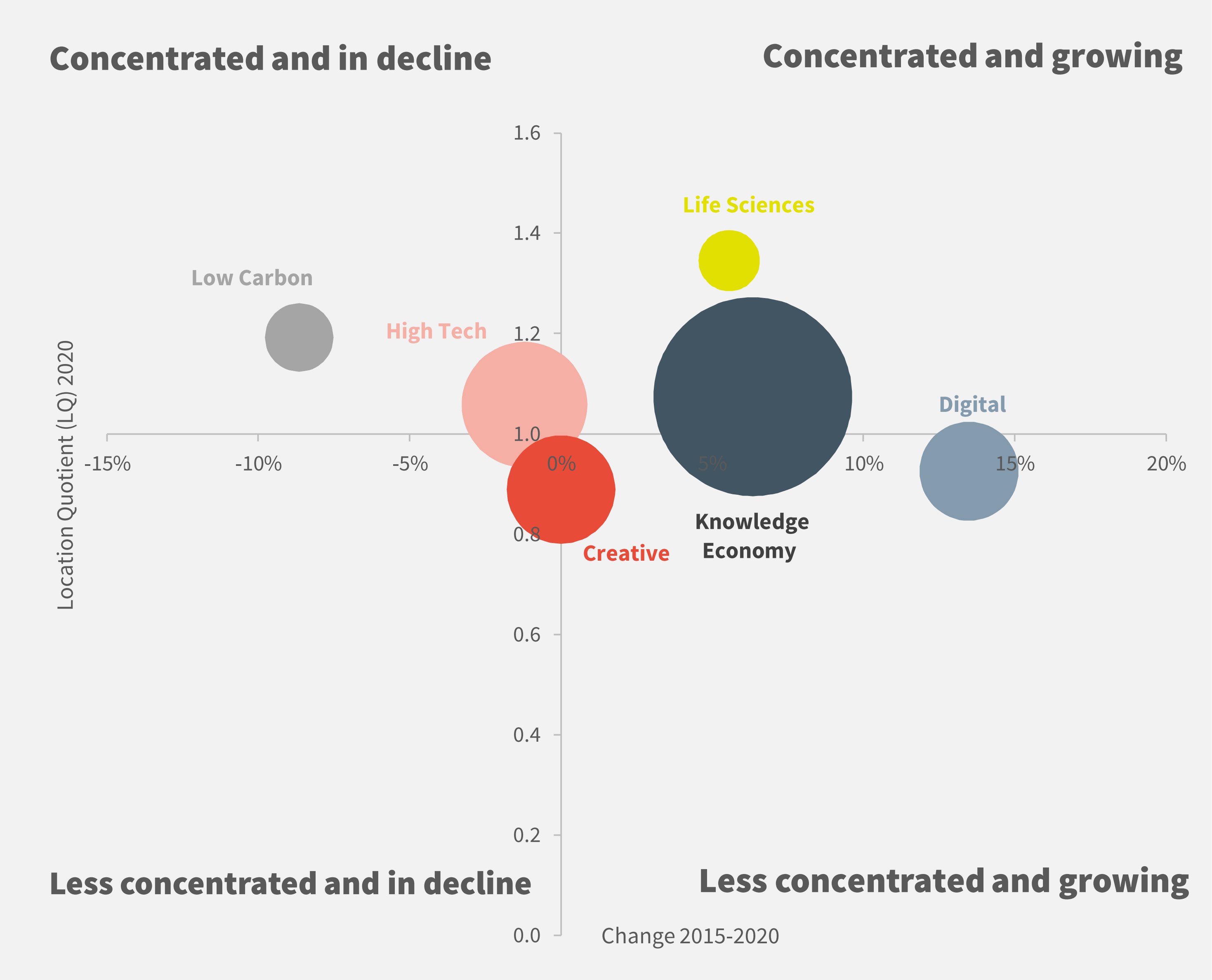
Business: **future growth sectors**

Significant knowledge economy employment which could define Stockport's future prosperity...

Future growth sectors have been selected based on their recent growth nationally, forecast growth, and sectors that will be important to deliver commitments such as net zero obligations. Sectors have been defined using Standard Industrial Classifications (SIC codes) which are used by government to define the broad activities a business undertakes. The limitations associated with this approach are discussed further on Page 37.

Life Science and Knowledge Economy businesses are both concentrated and growing within the borough. Knowledge economy businesses comprise a broad range of professional and technical occupations including consultancy and business support services. Life Sciences incorporates activities ranging from research to human health activities. More detail on these sectors can be found on the following two pages.

Attracting more of these businesses to locate and cluster within Stockport can help to grow the borough's economy and provide more high quality employment opportunities for local residents.



Source: ONS Business Count

In focus: **Life sciences**

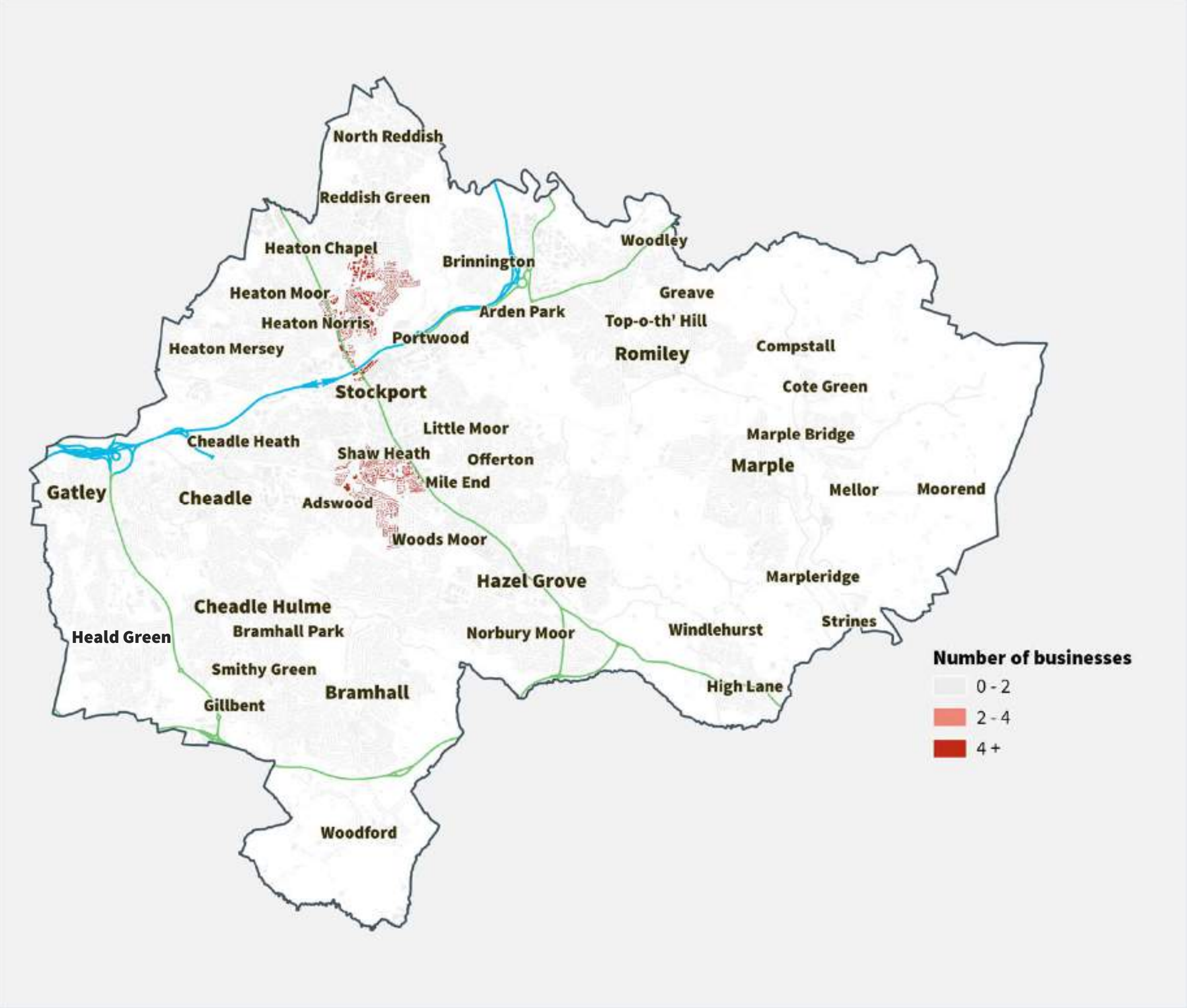
Life Sciences Analysis

Sub sector	Total businesses (2020)	Growth (2015-20)	LQ
Other human health activities	120	80	1.5
General medical practice activities	105	10	1.4
Dental practice activities	70	10	1.1

Life Sciences Businesses by size band (number of employees), 2020

	Total Businesses	Micro (0-9)	Small (10-49)	Medium (50-249)	Large (250+)
Stockport	205	150	35	5	0
Greater Manchester	1,695	1,205	430	35	15
England	32,010	22,670	7,990	1,020	345

Concentrations of Life Sciences businesses across Stockport



Source: ONS Business Count

In focus: **Knowledge Economy**

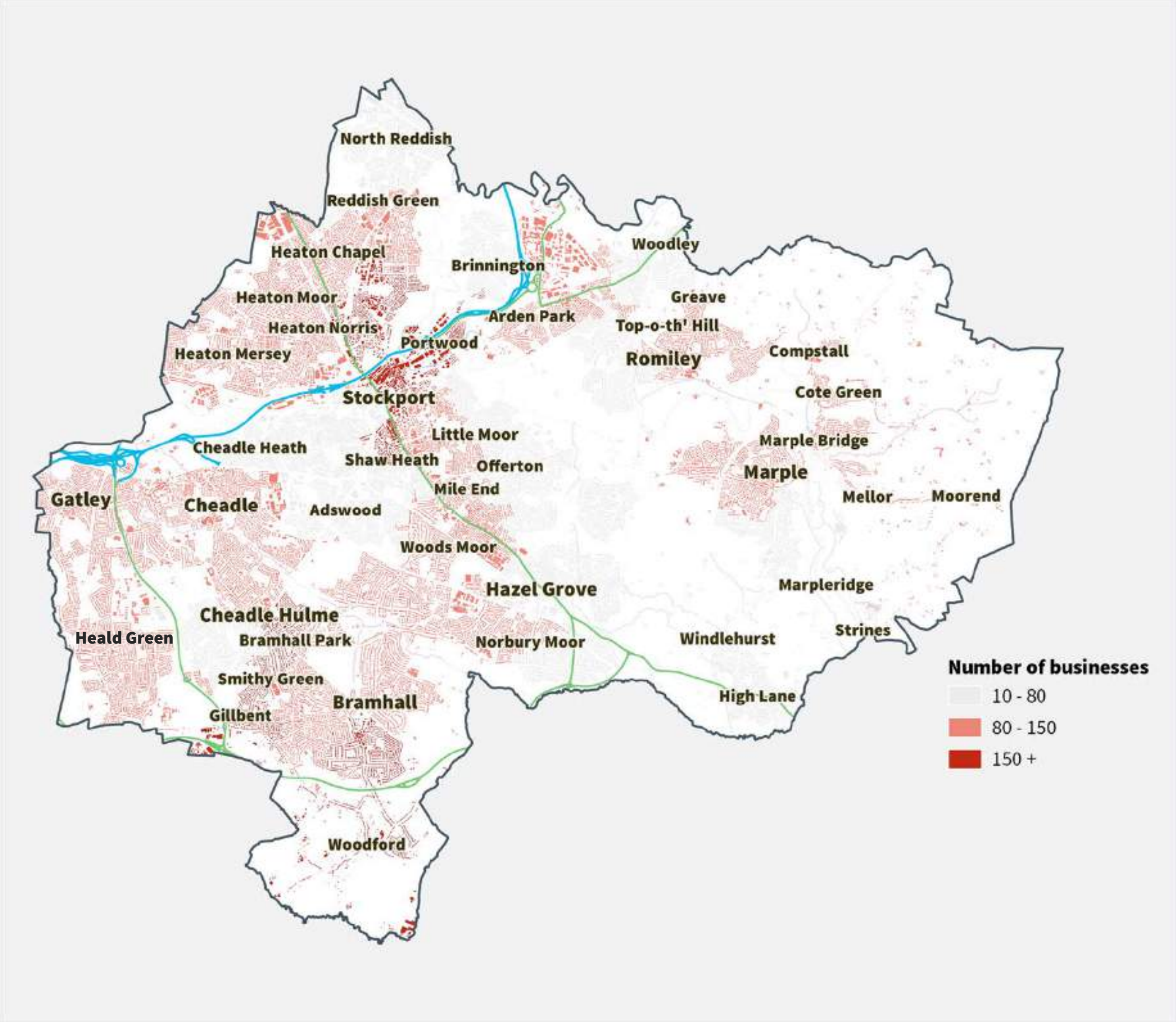
Knowledge Economy Analysis

Sub sector	Total businesses (2020)	Growth (2015-20)	LQ
Management consultancy activities (other than financial management)	725	30	1.0
Other business support service activities nec	460	60	1.0
Computer consultancy activities	435	65	0.8

Knowledge Economy Businesses by size band (number of employees), 2020

	Total Businesses	Micro (0-9)	Small (10-49)	Medium (50-249)	Large (250+)
Stockport	3,895	3,645	155	15	0
Greater Manchester	30,450	28,300	1,750	285	40
England	741,360	696,125	36,575	6,940	1,705

Concentrations of Knowledge Economy businesses across Stockport



Source: ONS Business Count

In focus: **Stockport's green economy**

Growing and retaining companies to drive green growth…

As outlined on Page 37, SIC codes represent a blunt instrument to define high-tech and rapidly evolving sectors. As a result, we have used Companies House records to supplement the 'Low Carbon' analysis and understand the types of businesses that are currently operating within Stockport's green economy.

The businesses identified in the table to the right show the breadth of businesses that are operate in the 'green economy' – ranging from food production and agriculture, to environmental consulting. To inform the development of the SEP, these businesses have been categorised in the following way :

- **Retain** – good larger 'green' businesses that we need to keep in Stockport
- **Grow** – smaller, interesting firms that could underpin a future green economy
- **Attract** (see page 44) – interesting example companies from elsewhere that might want to locate somewhere like Stockport

It will be important that the consultation phase engages existing businesses operating within this space to understand their growth ambitions and how the council can support this through the SEP.

Green businesses to retain and grow

Business Name	Employees	Description	SIC code & Industry	Location	Retain/Grow
Kast Renewable Energies	1-10	Renewable Energies Company	46690 – Wholesale of other machinery and equipment	Town Centre	Grow
Wilde Analysis	11-50	Operates in nuclear and renewable energy and helps companies to improve manufacturing processes using simulation software	71122 - Engineering related scientific and technical consulting activities	Town Centre	Grow
Renewable Planet	1-10	Provider and installer of low-carbon technologies	74901 - Environmental consulting activities	Cheadle Hulme	Grow
Cactus Energy	1-10	Provides Solar Power, EV Chargers, Heat Pumps and Battery Storage	74901 - Environmental consulting activities	Cheadle Hulme	Grow
Woodbank Community Food Hub (Kindling Trust)	11-50	Offers FarmStart programme – a year long course that teaches people to become commercial organic growers.	01130 - Growing of vegetables and melons, roots and tubers	Town Centre	Grow
The Organic Food Store	1-10	Organic shop with zero-waste food dispensers and liquid refill stations	56290 - Other food services	Romiley	Grow
Elsa Recycling Group	51-200	Recycles Cardboard, plastic and paper	46770 - Wholesale of waste and scrap	Town Centre	Retain
R4GM/Suez – Adswood Household Waste and Recycling Centre	51-200 (Suez – 10,000+)	Provides water, waste and management solutions	46770 - Wholesale of waste and scrap	Cheadle Hulme	Retain
Water & Air Management Limited	1-10	Monitors and implements solutions to improve air quality and maintain higher standards of water hygiene	36000 – Water collection, treatment and supply	Town Centre	Grow
Hydraclean	51-200	Legionella compliance, engineering services and water hygiene services	36000 – Water collection, treatment and supply	Bredbury	Retain
Green Energy International	11-50	Operates in the renewable energy market specializing in solar energy development	35110 - Production of electricity	Hazel Grove	Retain
iGen	1-10	Designs, supplies and installs solar PV systems	35110 - Production of electricity	Reddish	Grow
Green Horizon Energy Solutions	1-10	Installs effective insulation solutions and eco-friendly technologies	74901 - Environmental consulting activities	Bramgall	Grow

Source: Companies House

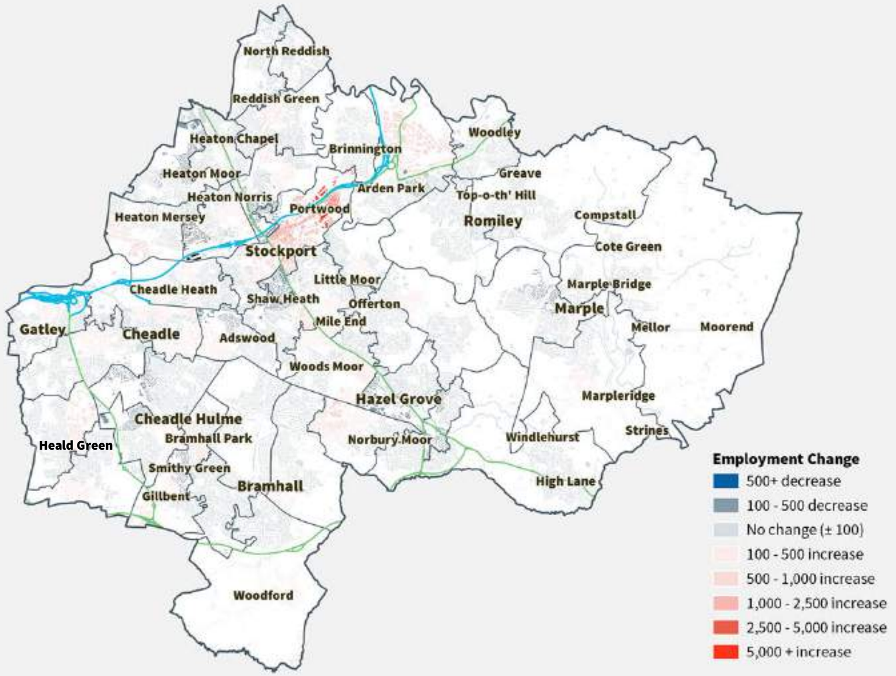
Stockport's **employment growth**

Strong recent employment growth suggests reliance on major employers…

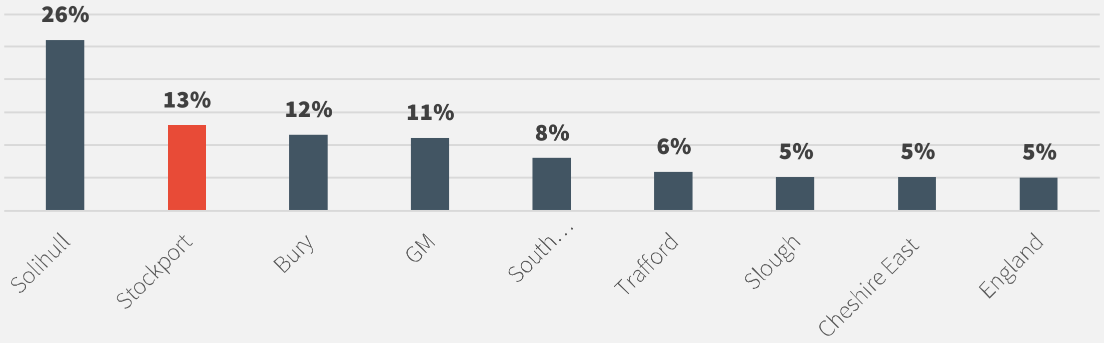
There were 139,000 jobs in Stockport in 2019. Over the last five years the number of jobs within Stockport has increased significantly. Since 2014, the number of jobs in Stockport have increased by 13%, which is higher than the Greater Manchester (+11%) and significantly higher than the national average (+5%). In total, the number of jobs across Stockport has increased by 16,000.

Like business growth, employment growth has become increasingly concentrated to the north of the borough. The greatest growth has occurred adjacent to the M60 to the East of the town centre and around Bredbury. This is likely to accelerate with large businesses such as the global chemical company, BASF moving its headquarters to Stockport town centre. Prioritising Bredbury as a key economic driver for the borough will be important to address social and economic challenges facing the north east of the borough. These are explored further in the people and place sections.

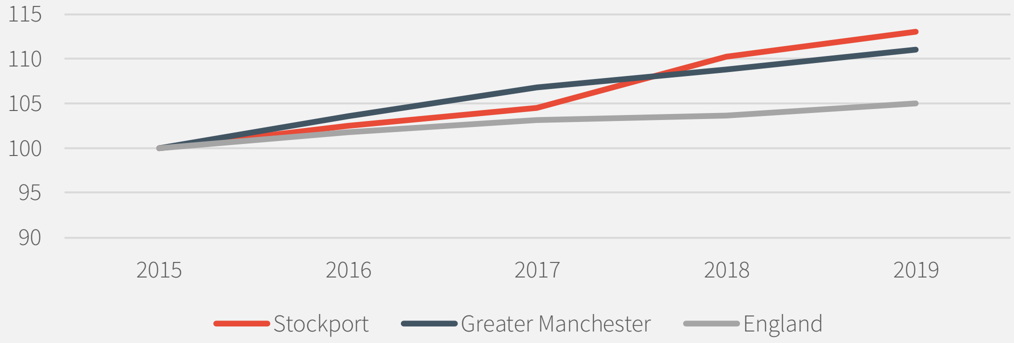
Employment change by MSOA, 2014-2019



Employment change, 2014-2019



Indexed employment change, 2015-2019, 2015=100



Source: ONS BRES

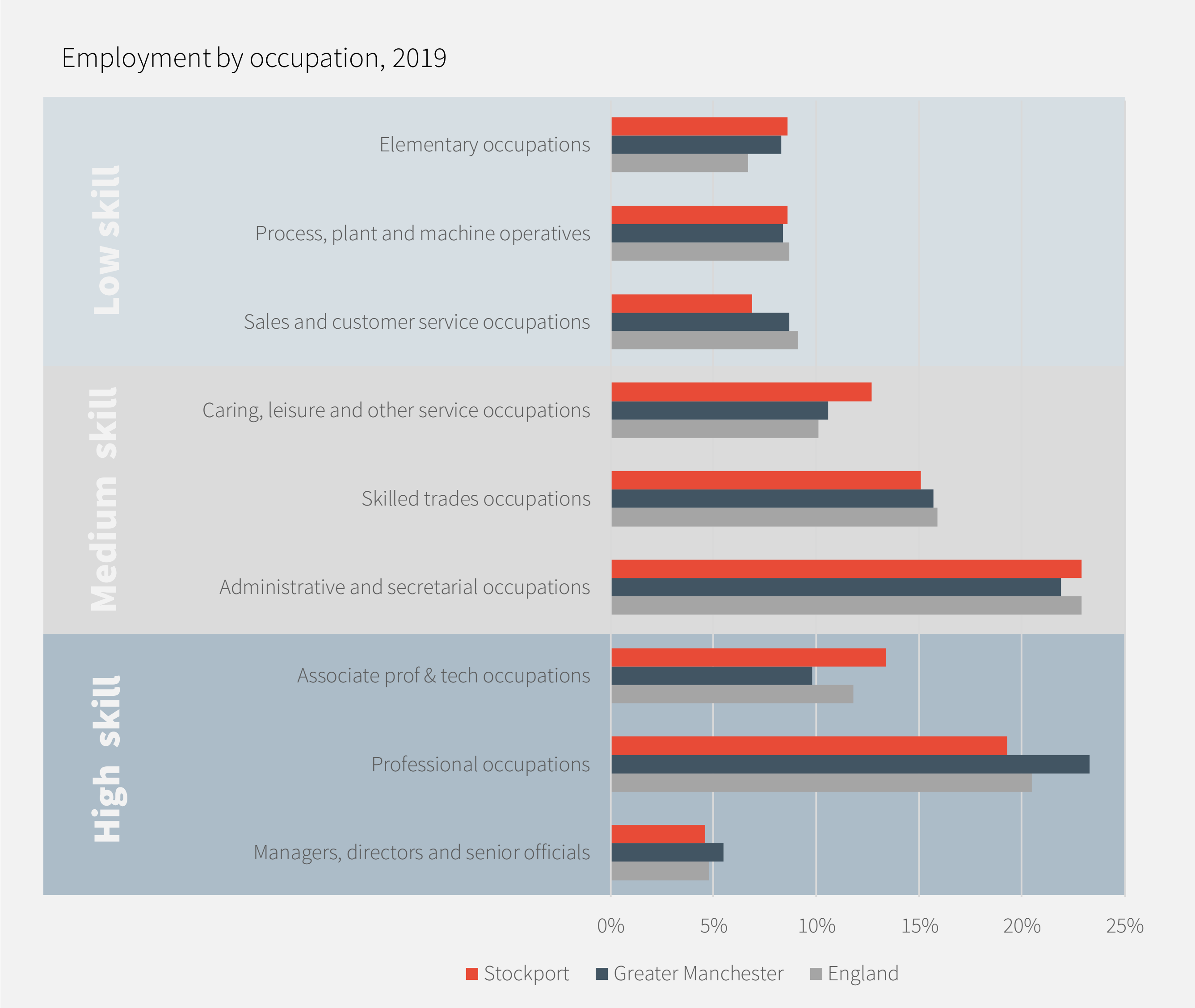
Stockport's **Occupational profile**

Most of Stockport's residents work in medium skill occupations…

Using Standard Occupation Classifications (SOC) from the ONS, it is possible to use the occupational profile to obtain an approximation of jobs that are typically considered to be high, medium and low skill:

- High skill (SOC 1-3): these roles generally require graduate level education to access.
- Medium skill (SOC 4-6): mostly require a level 3-5 qualification.
- Low skill (SOC 7-9): mostly qualification level 2 and below.

This is significant when analysing the types of roles Stockport's job seekers are currently looking and the skills employers are requiring for which is discussed further on page 83.



Source: Annual Population Survey

Stockport's **employment profile**

While office-based jobs account for the largest proportion of Stockport's jobs, the borough's specialisms and fastest growing sectors are in industrial and logistics roles…

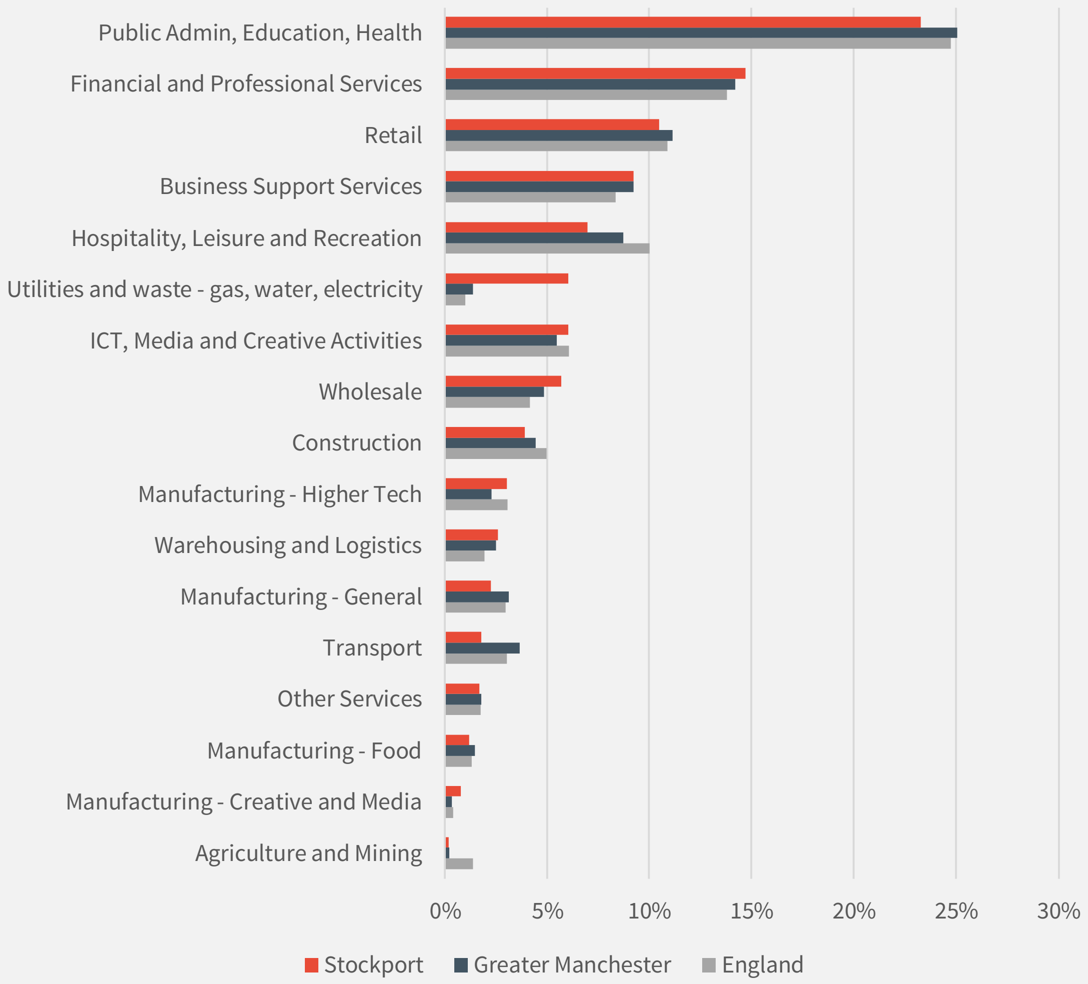
Public Admin, Education, and Health; and Financial and Professional services account for over 1 in 3 jobs in Stockport (38%). Despite this, the fastest growth has been within Warehousing and Logistics (+243%) and Utilities and Waste (+143%). This growth has cemented these sectors as significant local employment specialisms – with Stockport retaining higher concentrations of industrial and logistics employment than the national average. Stockport's employment sector specialisms are explored in more detail on the following pages.

Sector profile of Stockport's employment: change, Location Quotient, size

	5-year change (2014-2019)	LQ 2019	Sector size 2019
Agriculture and Mining	3%	0.2	310
Business Support Services	29%	1.1	13,465
Construction	0%	0.8	5,720
Financial and Professional Services	20%	1.1	21,465
Hospitality, Leisure and Recreation	5%	0.7	10,180
ICT, Media and Creative Activities	38%	1.0	8,815
Manufacturing - Creative and Media	-16%	1.9	1,155
Manufacturing - Food	0%	0.9	1,750
Manufacturing - General	-6%	0.8	3,290
Manufacturing - Higher Tech	24%	1.0	4,460
Other Services	6%	1.0	2,505
Public Admin, Education, Health	9%	0.9	33,995
Retail	-1%	1.0	15,295
Transport	22%	0.6	2,645
Utilities and waste - gas, water, electricity	143%	5.9	8,825
Warehousing and Logistics	243%	1.3	3,820
Wholesale	16%	1.4	8,345
Total	19%	1.0	146,040

*Red denotes sector specialism

Proportion of employment by sector, 2019



Source: ONS BRES

In focus: **Manufacturing – Creative/Media**

Creative/Media Manufacturing Analysis

Sub sector	Total employment (2019)	Growth (2014-19)	LQ
Printing (other than printing of newspapers and printing on labels and tags) nec	1,000	1,000	2.7
Pre-press and pre-media services	75	50	2.0
Manufacture of printed labels	40	-10	2.5

Example employer	Description	Location
Vista Labels Ltd	Label printers established and operating in Stockport since 1974.	Offerton
Triple P Marketing Ltd	Printing and media production for specialized design, events and consultation work.	Reddish
Create8	Creative design agency across branding, web design and digital marketing.	Central Stockport

Creative Manufacturing Employment by LSOA, 2019

Source: ONS BRES

In focus: **Utilities and Waste**

Utilities and Waste Analysis

Sub sector	Total employment (2019)	Growth (2014-19)	LQ
Trade of gas through mains	8,000	8,000	84.4
Collection of non-hazardous waste	450	250	1.3
Distribution of electricity	150	150	0.7

Example employer	Description	Location
Cheshire Gas	Bottled gas supplier	Portwood
United Junk Ltd	Specialist skip hire and waste disposal across GM and NW region	Bredbury

Utilities and Waste Employment by LSOA, 2019

Source: ONS BRES

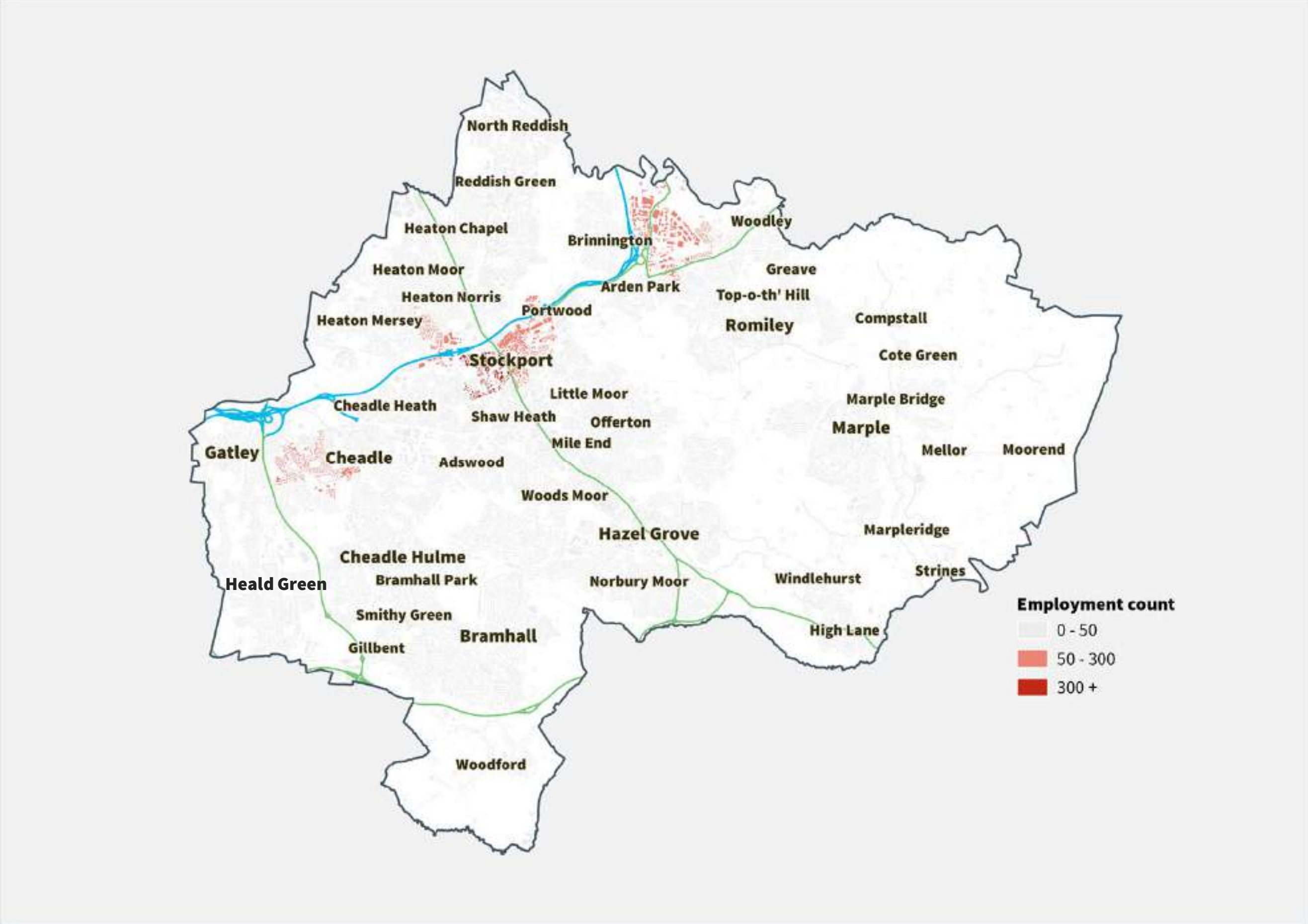
In focus: **Warehousing and Logistics**

Warehousing and Logistics Analysis

Sub sector	Total employment (2019)	Growth (2014-19)	LQ
Postal activities under universal service obligation	3,000	2,200	4.6
Unlicensed Carriers	500	500	1.0
Operation of warehousing and storage facilities for land transport activities of division	300	100	0.2

Example employer	Description	Location
P&P Mailing and Distribution Services Ltd	Established in 1990, P&P Mailing continue to innovate in distribution, with a recent investment in a digital colour machine allowing the company to keep work in-house	Reddish
Belle Vue (Manchester) Ltd	Coach hire	Heaton Chapel
Adidas (UK) Ltd	Wholesale and retail of sports clothing and footwear	Bredbury

Warehousing and Logistics Employment by LSOA, 2019



Source: ONS BRES

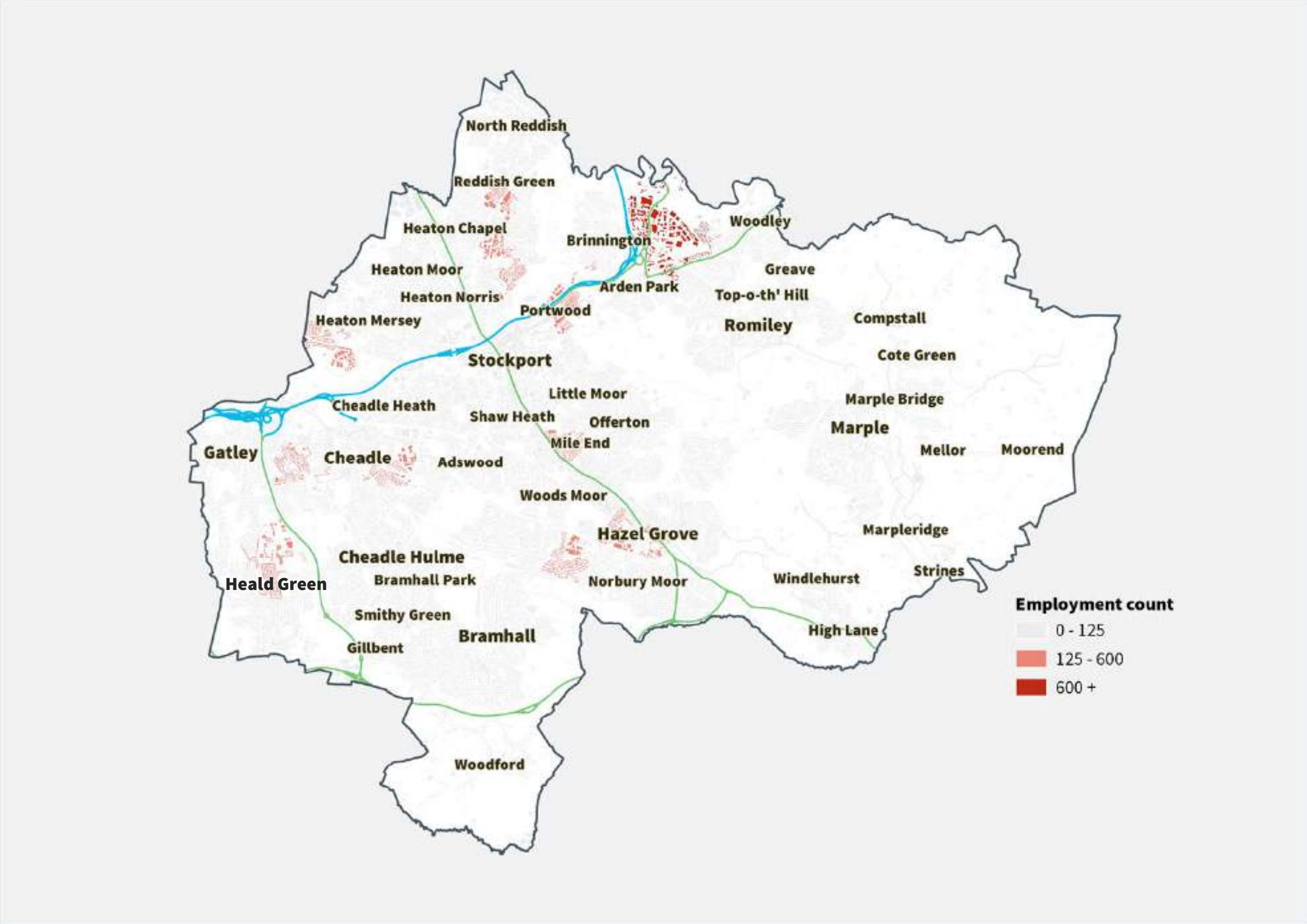
In focus: **Wholesale**

Wholesale Analysis

Sub sector	Total employment (2019)	Growth (2014-19)	LQ
Wholesale of other machinery and equipment	1,500	1,250	2.7
Wholesale of wood, construction materials and sanitary equipment	800	200	1.3
Non-specialised wholesale trade	700	250	1.8

Example employer	Description	Location
Euro Industrial Engineering Ltd	Manufacturer and supplier of electrical drives and cable protection	Cheadle Hulme
Associated Compressor Engineers Ltd	Wholesale and repair of workshop related equipment	Heaton Norris
The Splash lab (Lovair)	Modular bathroom design innovation hub and sales	Hazel Grove

Wholesale Employment by LSOA, 2019



Source: ONS BRES

Forecast Sector Change: **Employment**

Decline forecast across Stockport's key employment sectors to necessitate economic diversification and reorientation…

The Oxford Economics Forecasting model suggests a large fall across several of Stockport's current employment specialisms which is likely to require economic reorientation to protect jobs and livelihoods over the long-term. Across Manufacturing; Electricity, Gas Steam, and Air, there is forecast to be a loss of over 5,600 jobs by 2040. Simultaneously, there is forecast to be significant employment gains across a range of knowledge intensive roles including Professional, Scientific, and Tech (+5,080), and Human Health and Social Work (+5,280).This is likely to dictate the demand for future commercial space and should be considered through the forthcoming Local Plan.

Top/bottom 3: Employment change, 2019-2040

Growth

+36% Professional, Scientific, and Tech vs. 25% in the UK and 37% in GM

+29% Human Health and Social work vs. 23% in the UK and 29% in GM

+19% Arts, Entertainment and Recreation vs. 18% in the UK and 21% in GM

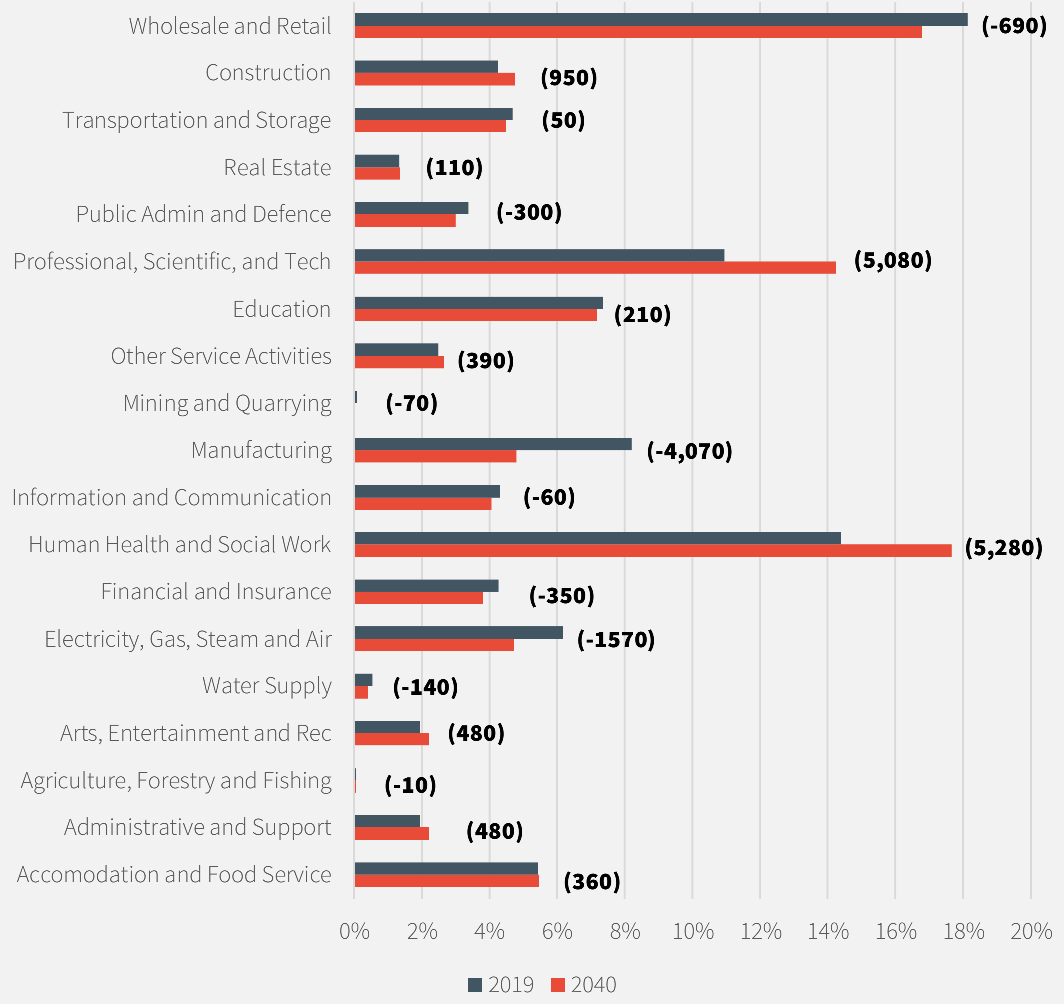
Decline

-58% Mining and Quarrying vs. -54% in the UK and -53% in GM

-39% Manufacturing vs. -38% in the UK and -40% in GM

-20% Electricity, Gas, Steam and Air vs. -14% in the UK and -20% in GM

% of total employment by sector, 2019 vs 2040 (absolute change)



Source: Oxford Economics

Employment: **future growth sectors**

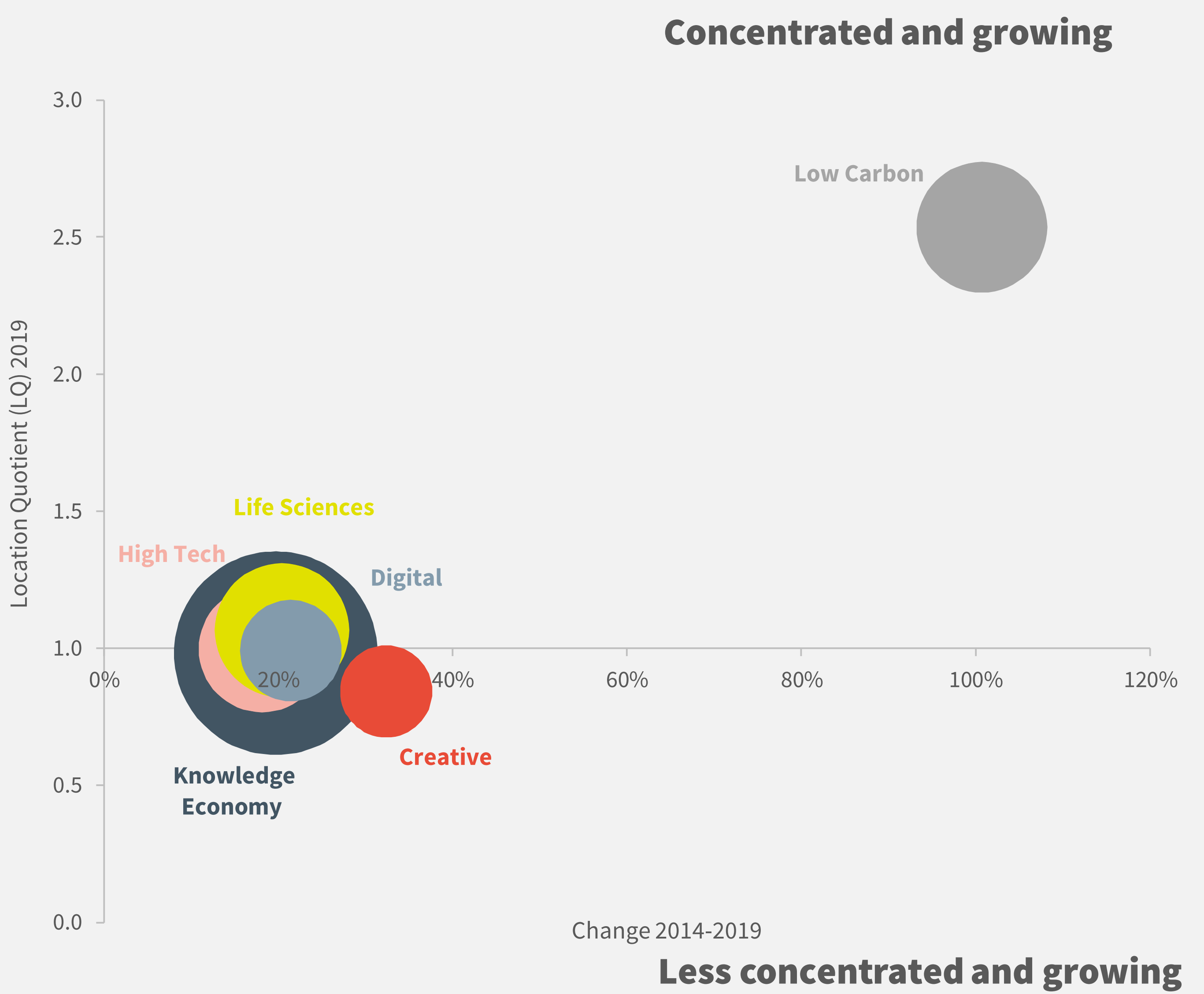
Potential to take advantage of existing specialisms to reorientate Stockport's economy …

Auditing of Stockport's employment in future growth sectors demonstrates that there is high potential in the Low Carbon sector, which is 2.5 times more specialised than that seen nationally and has grown by around 6,000 jobs over the past 5 years. Due to the crude and antiquated nature of SIC code definitions, it is difficult to define the low carbon sector with perfect accuracy. However, the definition used here is taken from the London Low Carbon definition and includes activities such as the trade of gas. Therefore, whilst not necessarily indicating a strong presence of the net zero expertise at present, there are a range of skills located within Stockport which could be harnessed to grow the Low Carbon Economy within the borough as net zero gathers pace. Speaking to these companies about their transition plans should form a key part of the business engagement for the strategy.

All the other future growth sectors have experienced strong growth over the past five years. The Low Carbon and Life Sciences sectors have been explored in more detail on the following pages.

Employment within Stockport's potential future growth sectors

Growth Sector	Change (2014-2019)	Location Quotient	Employment (2019)
Low Carbon	+101%	2.5	11,910
Creative	+32%	0.8	5,870
Digital	+21%	1.0	7,115
Life Sciences	+20%	1.1	12,570
Knowledge Economy	+20%	1.0	29,050
High Tech	+18%	1.0	11,180



Source: ONS BRES

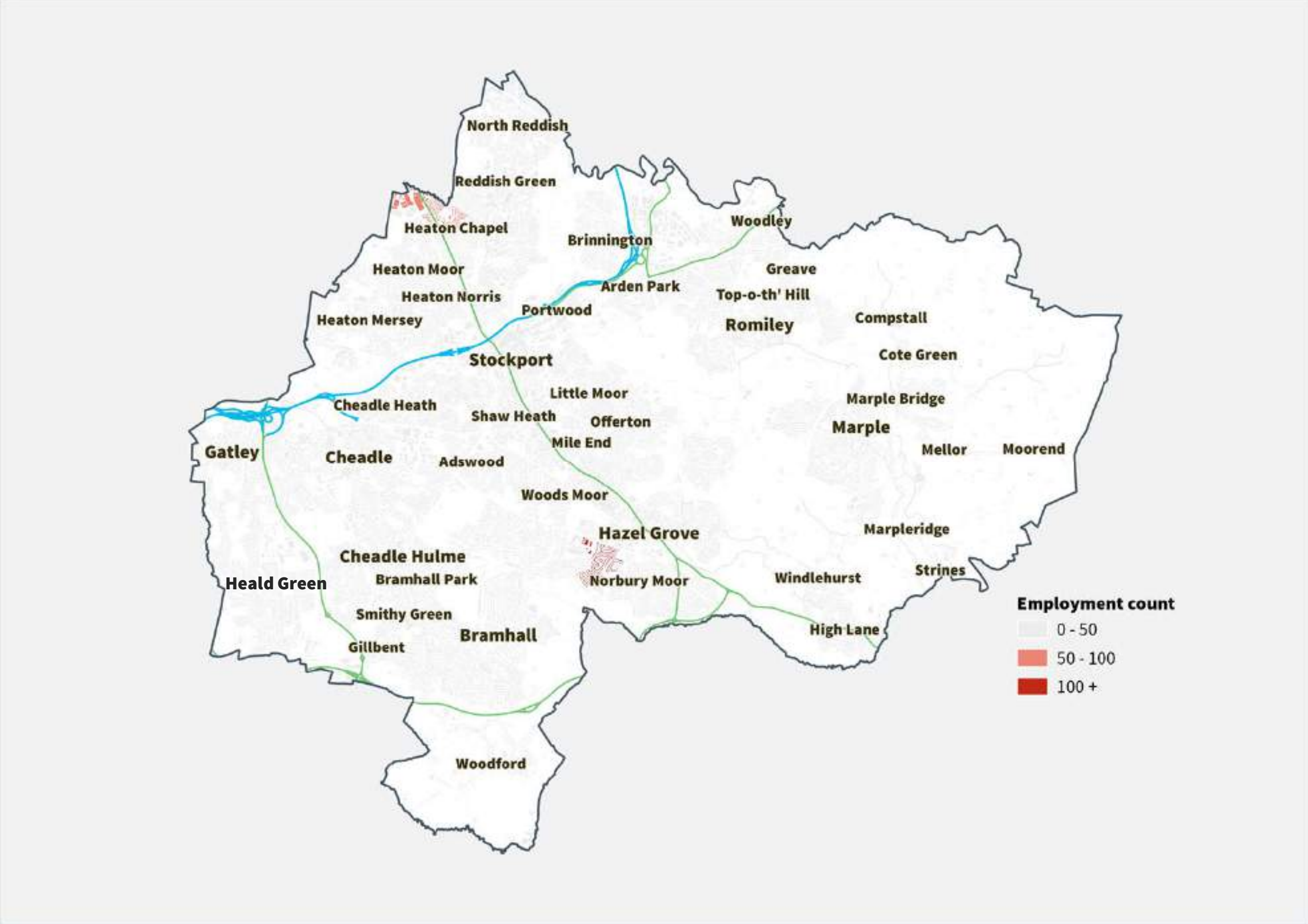
In focus: **Life Sciences**

Life Sciences Analysis

Sub sector	Total employment (2019)	Growth (2014-19)	LQ
Hospital activities	7,000	1,000	1.1
Other human health activities	3,000	1,000	1.5
General medical practice activities	1,500	1,000	1.4

Example employer	Description	Location
Solo Containment Ltd	Manufacturing of flexible containment for life sciences uses.	Hazel Grove
Apollo Scientific Ltd	Manufacture and supply of compounds with applications in chemicals, spectroscopy and the life sciences.	Bredbury
Starkey Hearing Technologies	Manufacture and repair of hearing aids.	Hazel Grove

Life Sciences Employment by LSOA, 2019



Source: ONS BRES

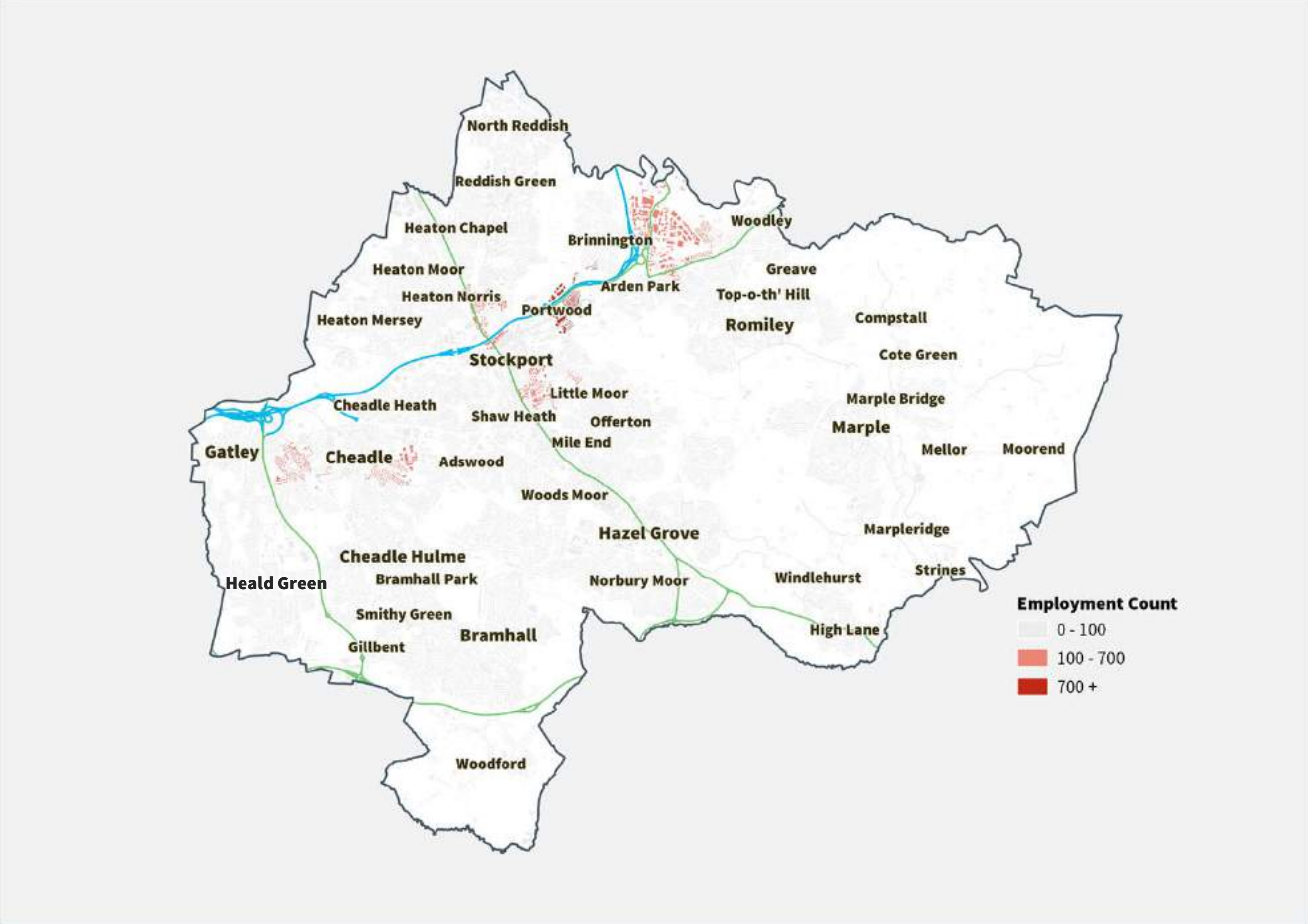
In focus: **Low Carbon**

Low Carbon Analysis

Sub sector	Total employment (2019)	Growth (2014-19)	LQ
Trade of gas through mains	8,000	8,000	84.4
Other engineering activities	2,250	1,750	1.8
Collection of non-hazardous waste	450	250	1.3

Example employer	Description	Location
KAST Energy Technologies Ltd	Renewable energy technologies consultant and distributor of low energy and sustainable technologies to commercial, industrial and residential markets.	Central Stockport
WPO UK Services Ltd	Asset management and specialist services for wind farms, solar parks, hydropower plants and battery storage sites.	Bramhall
Wilde Analysis Ltd	Engineering simulation consultancy improving efficiencies in manufacturing.	Central Stockport

Low Carbon Employment by LSOA, 2019



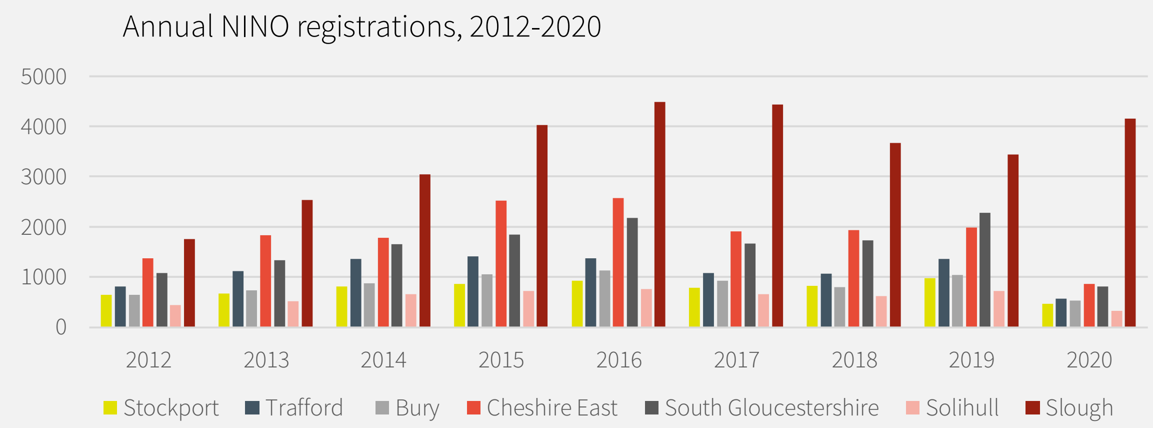
Source: ONS BRES

Brexit impact: Stockport's **migration**

Stockport potentially less exposed to reduction in EU migration post-Brexit…

Between 2012 and 2020, Stockport hosted almost 7,000 economic migrants*. This was significantly lower than adjacent local authorities such as Cheshire East (16,730).

Unlike many of the comparator local authority areas, EU migration only accounted for 56% of total NINO registrations. For context, over two thirds (68%) of Slough's international NI registrations were from the European Union. As a result, Stockport's labour market is potentially less exposed to potential future restrictions on the movement of people as a result of Brexit.



NINO registrations, 2012-2020

	Stockport	Trafford	Bury	Cheshire East	South Gloucestershire	Solihull	Slough
Total NINO registrations	6,937	10,092	7,667	16,730	14,547	5,374	31,532
NINO registrations from the EU (%)	3,869 (56%)	5,714 (57%)	4,224 (55%)	12,998 (78%)	9,320 (64%)	2,741 (51%)	21,468 (68%)
change in EU NINO registrations, 2019-2020 (% change)	-337(-75%)	-527 (-83%)	-304 (-73%)	-1,053 (-74%)	-1,047 (-78%)	-202 (-72%)	-1,693 (-74%)

Source: NINO Registrations, StatXplore

*Note: only includes migrants with a National Insurance number

COVID-19 impact: **economic output (1)**

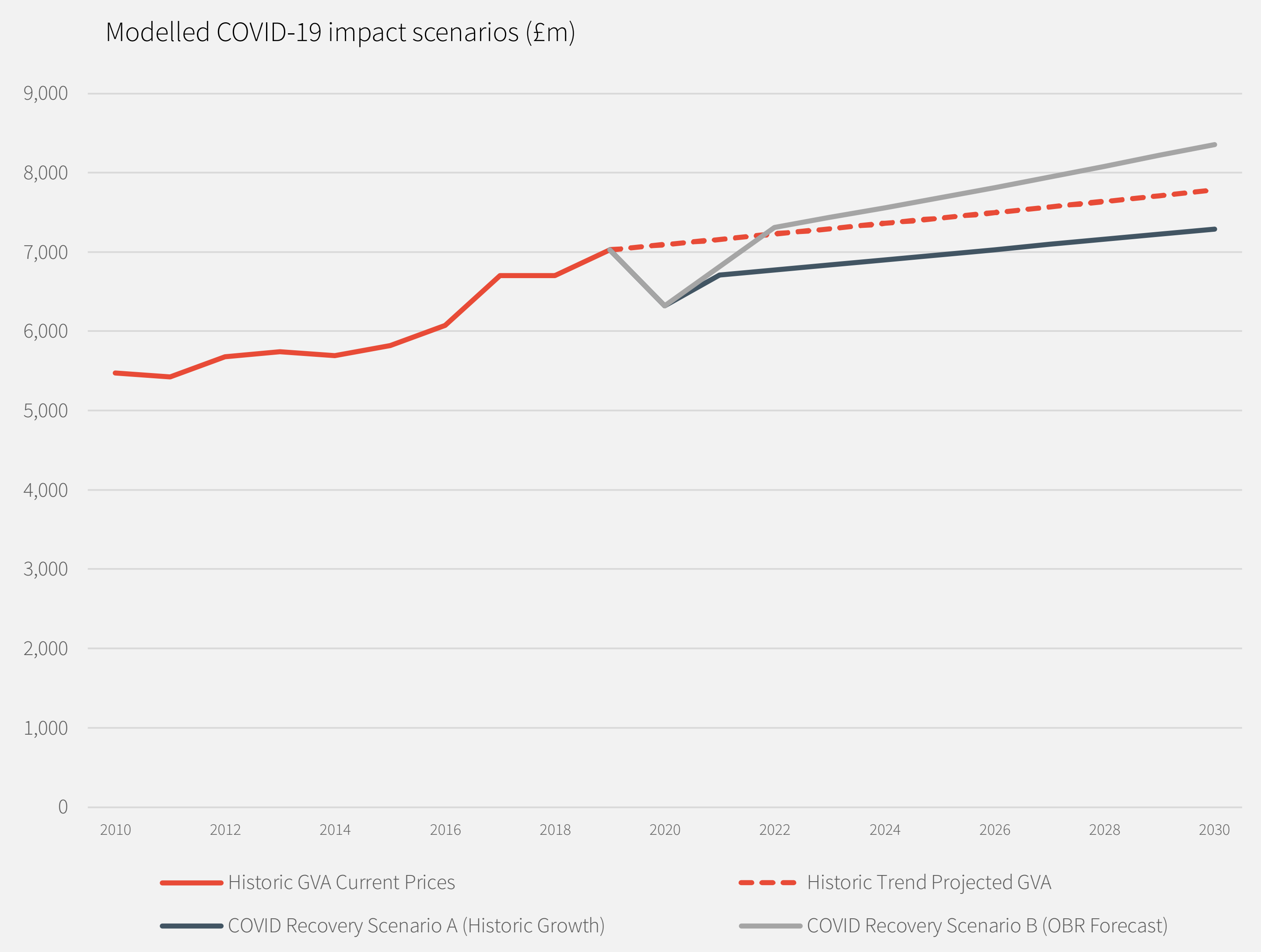
Stockport's economic output fell by an estimated 10% due to the impacts of COVID-19…

The latest Office of Budget Responsibility (OBR) sectoral impact estimates have been used to provide a central estimate of the impacts of COVID-19 on Stockport's economy.

It is estimated that Stockport's GVA was £7.03bn in 2019 and that £704m, or 10%, of that was lost during 2020 which is slightly higher than for the national economy.

The chart on the right shows two scenarios for recovery in Stockport - Scenario A is based on a historic 0.9% real growth rate per annum going forward whilst Scenario B is based on OBR's March growth forecast for the national economy. The OBR forecasts growth to be about 4% in 2021, 7% in 2022, then around 1.7% thereafter.

As the graph illustrates, Stockport needs to achieve a growth rate well above its historic rate to get back to its pre-COVID trajectory over the next decade.



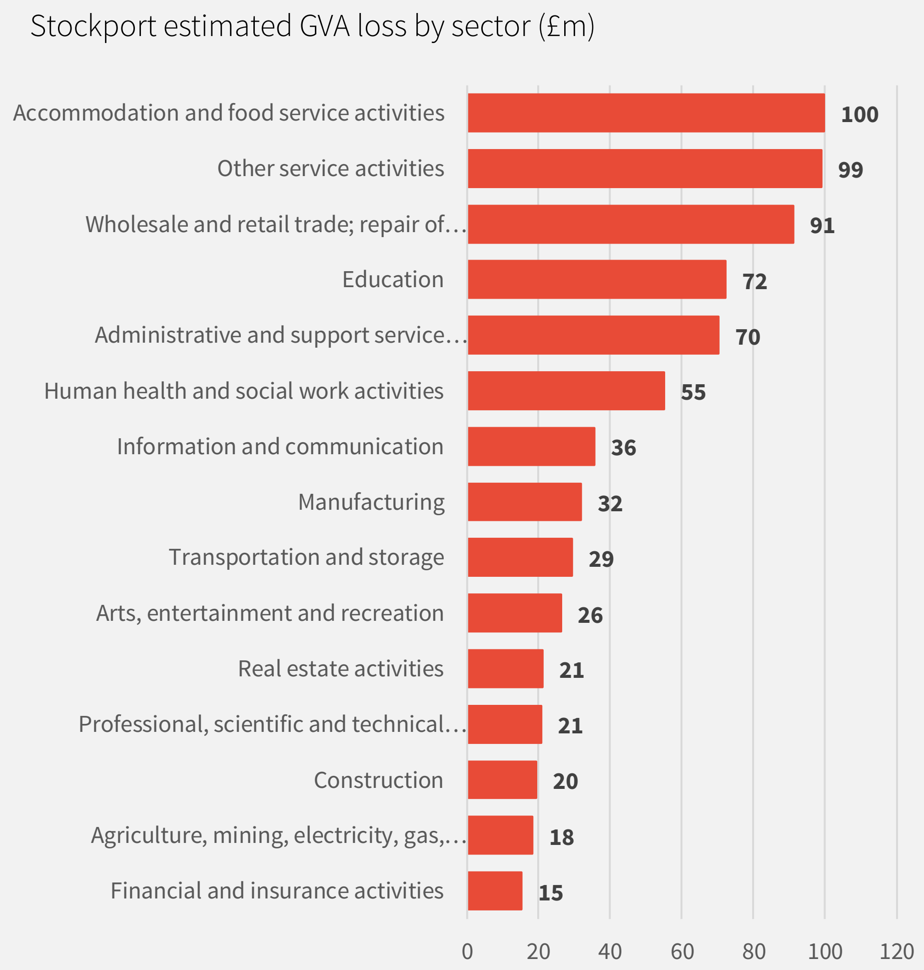
Source: Hatch analysis of OBR Economic and Fiscal Outlook, March 2021 and ONS Regional GVA by industry (2019)

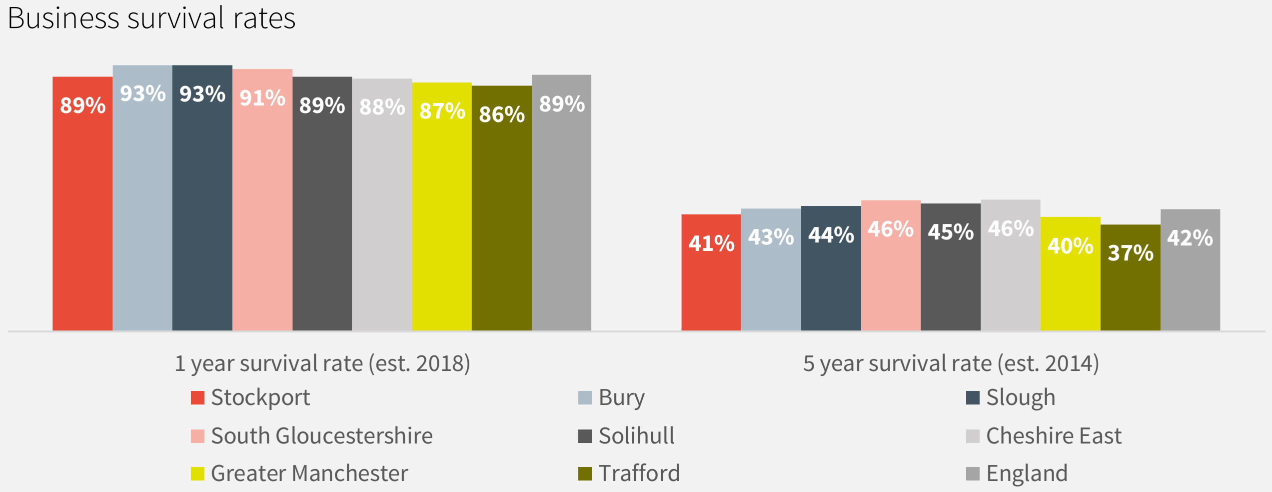
COVID-19 impact: **economic output (2)**

Losses were greatest for sectors most affected by social distancing and lockdown restrictions…

Applying the OBR Reference Scenario to Stockport's individual sectors shows that Accommodation and Food Services was the worst hit sector in 2020. The sector is modelled to have experienced an absolute loss of £100m, followed by Other Service Activities (-£99m) and Wholesale and Retail (-£91m). This reflects the significant contribution these sectors make to the area's GVA and the impact is likely to be accentuated by the additional local restrictions for Greater Manchester during the summer of 2020.

COVID-19 impacts could also exacerbate existing challenges in terms of business survival across the district. Before the pandemic, long-term business survival was low compared to other areas. Only 41% of Stockport businesses established in 2014 were still operating in 2019 compared to the England average of 42%. If Accommodation and Food Service businesses were unable to withstand the effects of the pandemic, this could affect the economic vitality of Stockport's centres as these businesses are more likely to have a visible high street presence.





Source: Hatch analysis of OBR Economic and Fiscal Outlook, March 2021 and ONS Regional GVA by industry (2019)

What **quantitative evidence can't tell us**

Economic issues and opportunities to be explored through the second phase of research…

Whilst the evidence presented within each section is comprehensive, there are a range of wider issues which impact on the future prospects of the economy which cannot be answered by quantitative data alone. The table presented below outlines the questions that we will seek to answer through the next phase of evidence. This collates a mix of questions raised by SMBC officers and members, and key statistics that require further investigation through phase 2 of the research.

Area of further exploration	Phase 2 evidence
Addressing the climate emergency	Business engagement with 2 types of businesses: (1) Existing 'green economy businesses (see page 40), and (2) the wider business base to understand their business plans to adapt to net zero through established forums such as Climate Action Now.
Future 'green' inward investment	Discussions with business representative groups, politicians, and officers to understand the green economy businesses that could be 'attracted' to locate in Stockport. From this prioritisation, evidence stage 3 will assess strategies for engaging these businesses and understand how different parts of the borough could support different segments of the green economy.
Business confidence and prospects	Understand the post-COVID confidence/needs of businesses to help them to recover and grow after the pandemic.
Public sector assets	Engagement with council officers to understand how Stockport can use their assets to create a more inclusive local economy and build the change we want to see across the borough. This could include social value leases for local companies who employ Stockport residents or more generous terms for 'green economy' businesses.

Using the consultation to fill gaps in the evidence

1.5

Stockport’s Places

Place Policy **Context**

Key Strategy/ projects/plans / programmes	Relevance to Stockport Economic Strategy
Stockport Mayoral Development Corporation and Town Centre West	• Greater Manchester's first Mayoral Development Corporation and the first in the country to focus on a town centre location. • Town Centre West will deliver a new 130 acre urban village of 3,500 new homes, 1,000,000sqft of employment space, open space, community facilities, and supporting infrastructure. Of this, the MDC has a target of delivering 1,000 new homes by 2023 and at least 250 new homes per year until 2026. • Focus on diversifying the housing typology in the borough – providing homes across a range of tenures and income groups. In addition to supporting principles of inclusive growth, providing a greater diversity of residential will be vital for addressing Stockport's demographic challenges identified in the previous section. • Focus on community, sustainability and innovation as Town Centre West's guiding principles. The economic strategy should inform how TCW can be economically as well as environmentally sustainable. The Economic Strategy should consider the types of employment growth that could be accommodated at TCW. • Likewise, the Rail Station Growth Prospectus sets out a vision for the long term redevelopment of Stockport Station to maximises its benefit to the town and to accommodate the extension of Metrolink to the Town Centre.

Institute for Place Management District Centres Review	• Ranked all of Stockport's district centres against IPM's 25 factors for place vitality. Common issues across all 8 district centres included:
	    • Lack of vision or strategy to improve the district centres
	    • Limited mechanism for stakeholders to engage and collaborate
	• Key recommendations/quick wins included establishing a stakeholder group to generate a joined up and collective approach to centre management, and track effectiveness of interventions against footfall data.

Ten Point Plan for a Green Industrial Revolution	• The Ten Point plan sets out the approach government will take to build back better, support green jobs, and accelerate the UK's path to net zero. This includes several 'points' that will have a direct implications for Stockport's places and approach to infrastructure. This includes:
	    • Point 5: Green Public Transport, Cycling and Walking: Commits the government to spend £5bn on buses, cycling and walking. Government will also public the first ever national bus strategy. Stockport should be looking to feed into this to understand how this can address poor bus connectivity between neighbourhood centres in the borough
	    • Point 7: Greener Buildings: Committed to a Public Sector Decarbonisation Scheme to reduce emissions in public buildings.

Housing Strategy Update (2021-24)	• Contains five key priorities which will have a direct read across to the Economic Plan. Of particular relevance are priorities 1 and 2:
	    • Priority 1: Investing in Growth: Increasing Housing Supply, Choice and affordability – this seeks to increase the provision of good quality housing and maintain a mix of sizes, types and tenures, particularly of affordable housing, to meet as wide a range of needs as possible, with a focus on delivery on brownfield sites.
	    • Priority 2: Investing in Growth: Regenerating neighbourhoods – Place making, strong communities. This will seek to improve the offer of the town centre as a business, retail, and cultural destination as a place to live; it also seeks to ensure that new build developments to exceed statutory energy efficiency requirements/achieve carbon neutrality and explore retrofit opportunities on existing developments.

Place **Summary**

Stockport's places

- **Stockport has concentrated pockets of deprivation and 26% of neighbourhoods are within the most deprived 30% of neighbourhoods nationally.** Areas of Stockport town centre, Brinnington, and Reddish contain some of the most deprived neighbourhoods nationally which affect the opportunity and prosperity in these places.
- **However, these areas are at the heart of Stockport's regeneration vision.** Areas such as Bredbury and Town Centre West are integral to the Council's growth ambitions, meaning the Economic Plan should focus on how these developments benefit, rather than displace, local communities.
- **High quality digital and transport infrastructure to underpin Stockport's knowledge economy and offer.** 99% of premises are able to get Superfast broadband, compared to 98% in Greater Manchester and 95% in England.
- **Mobility has been severely impacted by the pandemic – potentially changing the future of work forever.** Stockport's workplace mobility has been more significantly impacted than the national average, whilst residential mobility has increased. This suggests that many of Stockport's residents have been working remotely throughout the pandemic and changes to working patterns, and demand for commercial property is likely to change.
- **However, this offers a unique opportunity to support Stockport's future economic growth and commercial property offer.** Although office vacancies have increased to 7% during the last year, deals and leases have remained consistent with previous years – suggesting resilient demand. Stockport can capture 'urban exodus' trends by providing a commercial space offer closer to where people live whilst still retaining the benefits of being close to a key urban centre.
- **The quality of Stockport's commercial offer is likely to take on enhanced significance.** If Stockport is to cement its professional service offering in the borough, delivering the quality of office space should be a key focus. Currently, only 12% of office space is Grade A or B, meaning the majority of space is of poor quality.
- **Recent house price growth is making Stockport increasingly unaffordable for Stockport's most disadvantaged residents**. In 2020, house prices were 8 times annual salary compared to the GM average of 6.4%. This has been exacerbated during the pandemic, with house prices in Stockport rising by 14% over the last 12 months. The biggest increases have been to the north of the town centre – meaning the cost of living is rising for some of the borough's most deprived residents.
- **Whilst crime is low, it is concentrated in the town centre.** Last year there were 104 crimes per 1,000 residents in Stockport compared to 149 in Greater Manchester. The majority of crimes in Stockport are located in and around the town centre – suggesting that Enhanced safety features through Town Centre West could help to address this including better public realm and street lighting – enabling residents and visitors to feel safer.
- **Many of Stockport's neighbourhoods do not have the social and community infrastructure to support healthy communities.** Stockport has significant challenges around health and obesity which can be addressed through both social and health infrastructure. Almost two thirds of Stockport's adult population (65%) are classified as overweight or obese which is above the England average (63%).

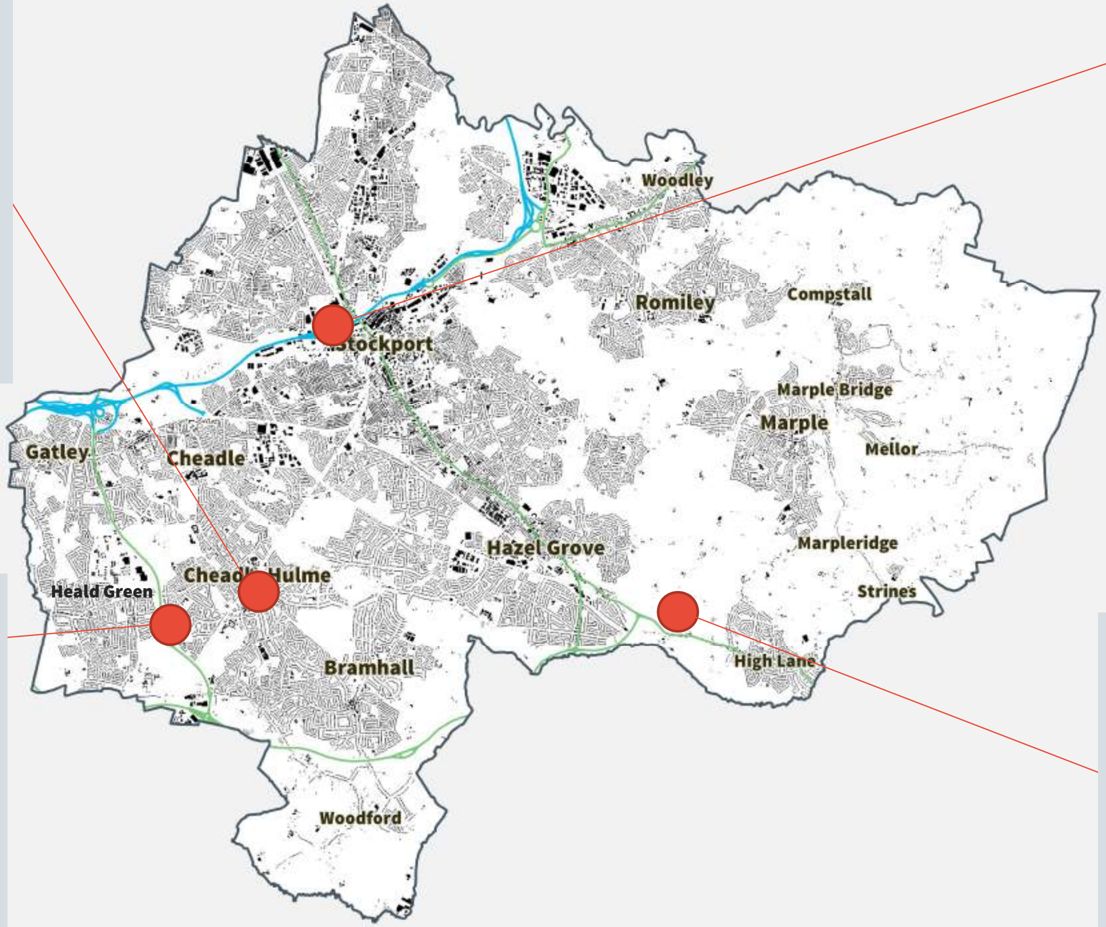
Considerations for Stockport's Economic Plan

- How does the Economic Plan put existing communities at the heart of the growth happening within the borough's most deprived neighbourhoods?
- How should we describe Stockport's unique place offer and how does infrastructure support this?
- How will we ensure that Stockport hosts the right quality, as well as quantum, of commercial space?
- How can Stockport position itself as a post-COVID borough of choice?
- What does this mean for future housing and commercial property demand?
- What is the function and role of Stockport's neighbourhood centres in supporting economic growth?
- What should the Economic Plan be saying about social and community infrastructure to support healthy, prosperous places?
- How can we incorporate wellbeing into our decision making and investments?

Stockport's key **transport projects**

Cheadle Train Station

£9m Towns Fund project to bring a train station back to Cheadle for the first time since the 1960s. It will join Cheadle to the wider public transport network, transforming accessibility to Stockport Town Centre and beyond. The TF bid also included comprehensive active travel proposals which include a network of new cycleways to link together residential, employment and transport destinations. Promoting health and reducing local congestion.



Stockport Interchange:

Major regeneration to turn Stockport bus station into a modern transport interchange. This will include a new park, 20 bus stands, cycle facilities and a fully accessible, and a covered passenger concourse in the interchange with seated waiting areas. The Council are also awaiting the outcome of a Levelling Up Fund bid which, if successful, will invest in upgrades to Stockport Train Station

A34 Corridor:

Progressed to outline business case stage for a package of cycling and walking and highways improvements along the A34 corridor. It is a key route connecting Stockport, Manchester and Cheshire East, and includes a mix of local and longer distance traffic. The route is identified as one of the most congested in the borough.

A6 corridor

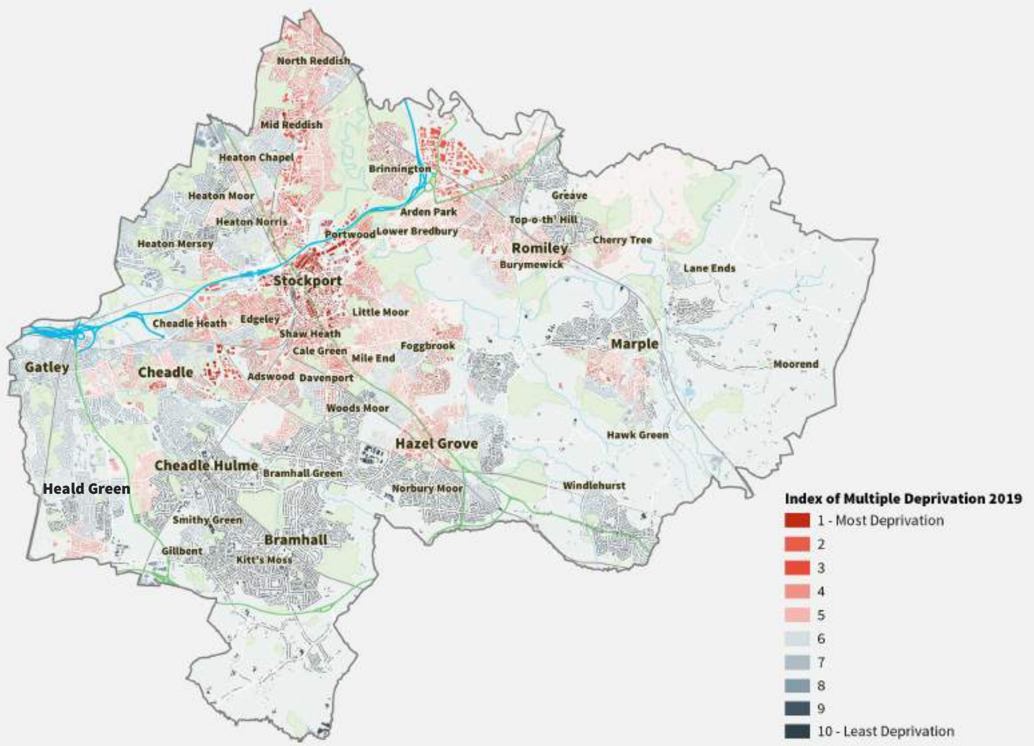
The A6 is one of the most congested corridors in the borough and a popular public transport, walking and cycling route. Multiple local authorities including Cheshire East Council, Derbyshire County Council and High Peak Borough Council are in the early stages of a project to deliver an end to end A6 corridor study and action plan.

Stockport's **deprivation**

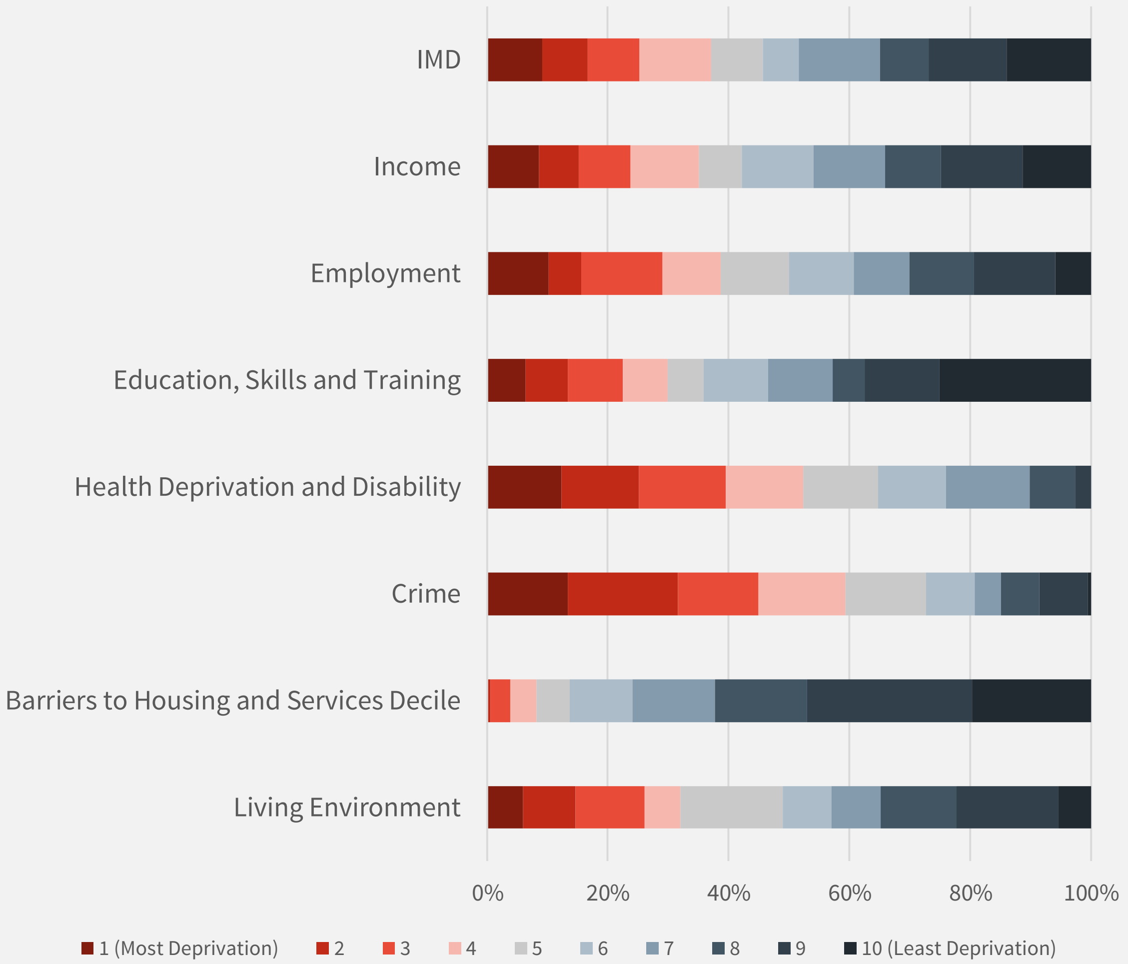
Concentrated deprivation challenges which directly affect the outcomes and prosperity of Stockport's residents…

Mapping of the IMD reinforces the borough's stark polarization challenges. Whilst Brinnington contains some of the most deprived neighbourhoods nationally, places such as Bramhall fall within the bottom 10% most deprived nationally. This also demonstrates the importance of inclusive economic growth for Stockport and the IMD is used throughout this evidence base to gain a more nuanced picture of intra-borough discrepancies.

IMD, 2019



IMD, rank of LSOAs by domain rating



Source: IMD

Digital infrastructure **in Stockport**

Strong digital infrastructure provision which will be integral to the borough's offer and competitiveness…

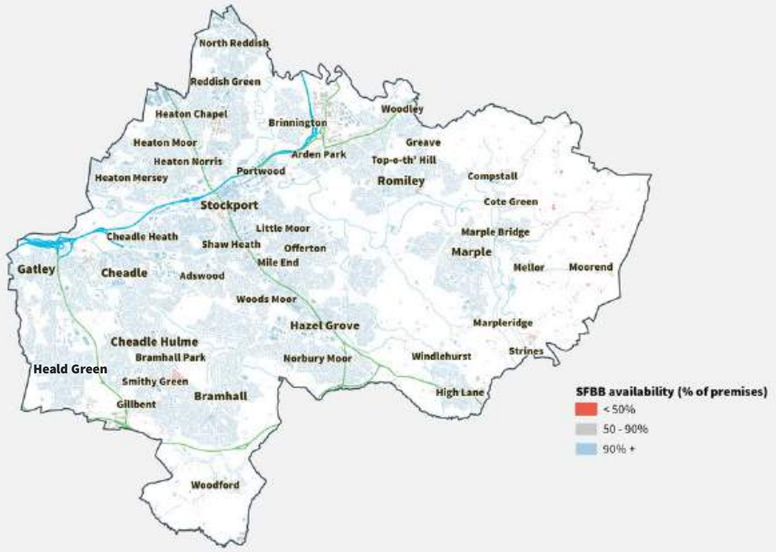
Digital connectivity across the borough is strong, with Superfast broadband coverage exceeding GM and national levels. Some rural parts of Marple do however lack sufficient Superfast coverage, with less than half of premises able to access Superfast broadband speeds.

The majority of Stockport is able to access even greater Ultrafast broadband speeds, although there are some gaps in accessibility in Stockport Town Centre, Bramhall, Hazel Grove and Marple.

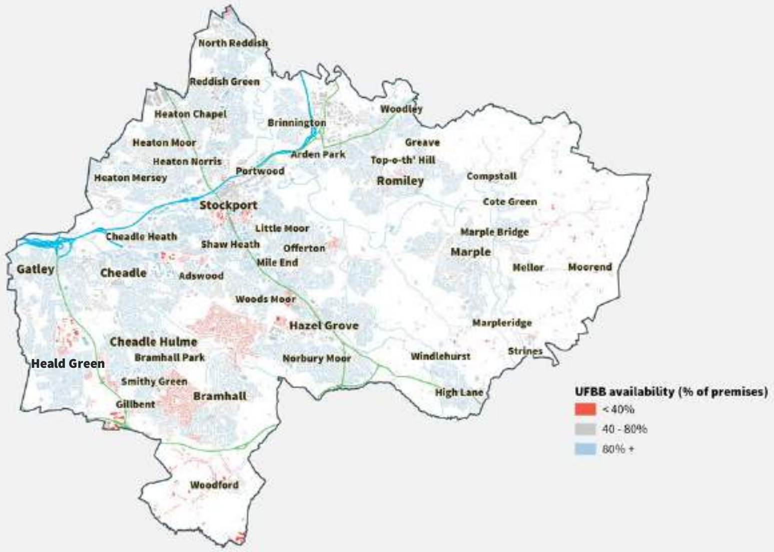
Stockport's digital connectivity performance, 2020

	Stockport	GM	England
% of premises with access to Superfast broadband	98.6%	97.7%	94.7%
% of premises with access to Ultra Fast Broadband	84.9%	75.9%	53.4%
% of places below the USO	0.2%	0.1%	0.7%

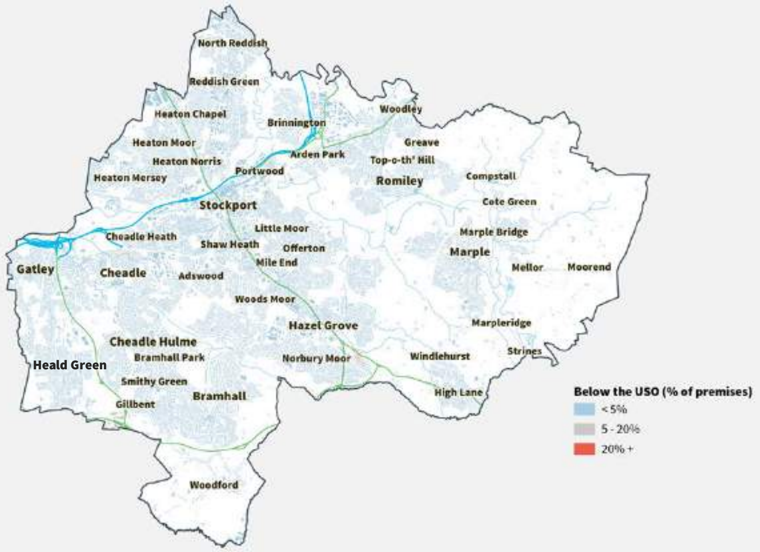
Superfast Broadband availability



Ultrafast Broadband availability



Premises below the Universal Service Obligation (USO)



Source: Connected nations

Public transport **in Stockport**

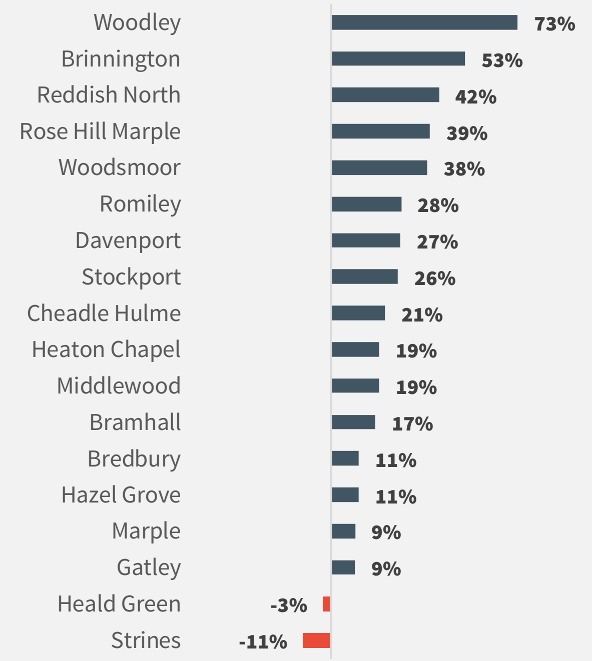
Stockport's transport connectivity is a major asset and competitive advantage…

A cumulative 10.4m entries and exits passed through Stockport's rail stations in 2019/20. Stockport is the borough's busiest station, accounting for 71% of all visits, followed by Cheadle Hulme (15%), Heaton Chapel (14%) and Hazel Grove (12%).

Stations that have seen the largest growth in passenger numbers over the last 5 years include Woodley (73%), Brinnington (53%) and Reddish North (42%). Conversely, both Strines (-11%) and Heald Green (-3%) have seen reduced passenger numbers over this same period.

Station Name	Entries and Exits 2019/20	Interchanges 2019/20
Stockport	4,305,068	774,083
Cheadle Hulme	908,988	7,177
Heaton Chapel	827,926	-
Hazel Grove	729,850	4,465
Marple	498,468	-
Heald Green	481,562	21
Romiley	394,352	12,806
Davenport	349,314	
Gatley	338,626	
Bramhall	311,620	
Woodsmoor	302,204	
Reddish North	242,326	
Bredbury	239,204	
Rose Hill Marple	215,270	
Brinnington	109,278	
Woodley	87,502	
Middlewood	30,876	
Strines	22,186	

Change in usage by station, 2014/15 to 2019/20

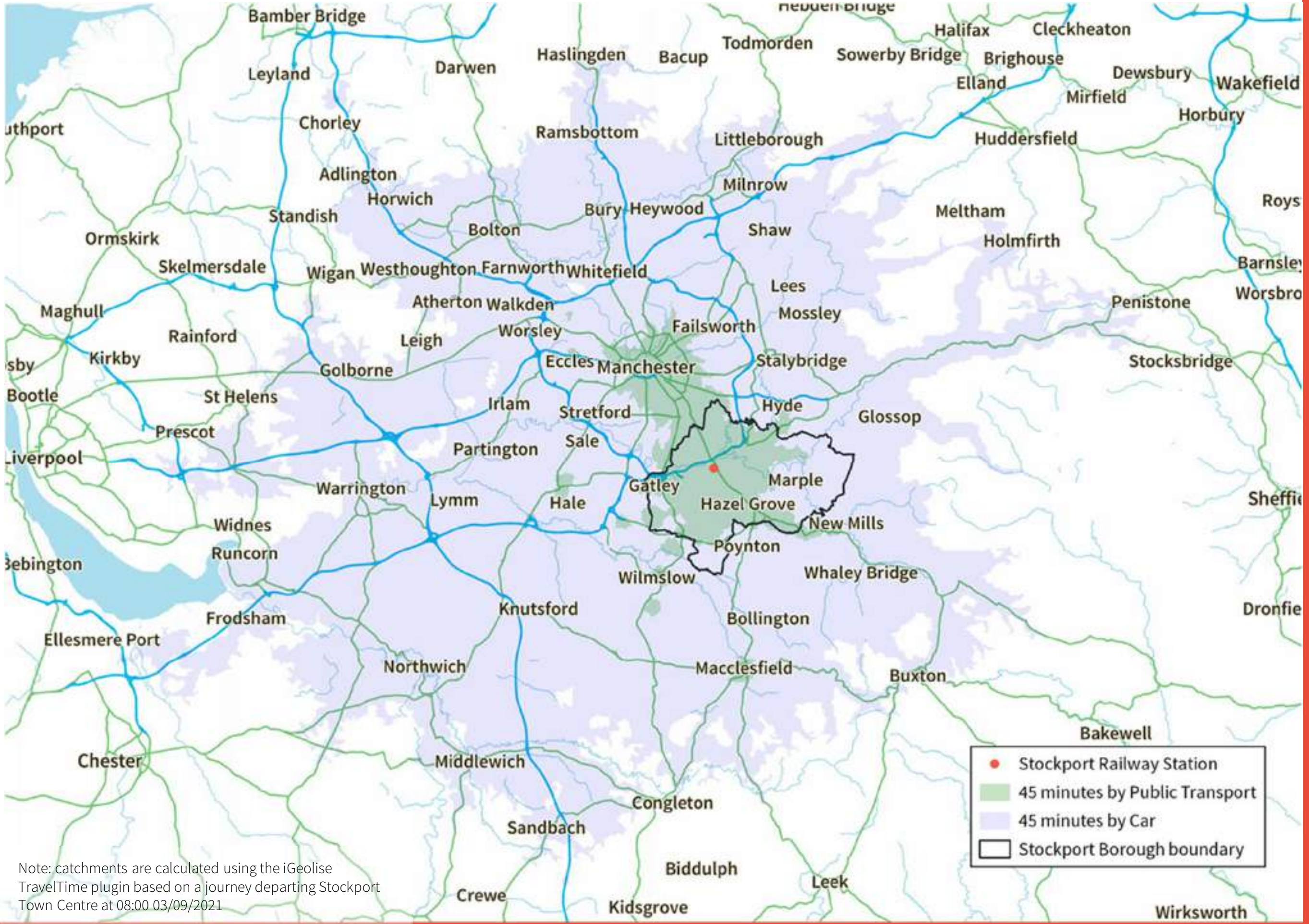


Population reached by 45-minute road and rail public transport travel time catchments

Public Transport
Population: 678,000
Working age population: 458,000

Car
Population: 3,795,000
Working age population: 2,394,000

45-minute road and rail public transport travel time catchments



Note: catchments are calculated using the iGeolise TravelTime plugin based on a journey departing Stockport Town Centre at 08:00 03/09/2021

Source: Office of Rail and Road, iGeolise

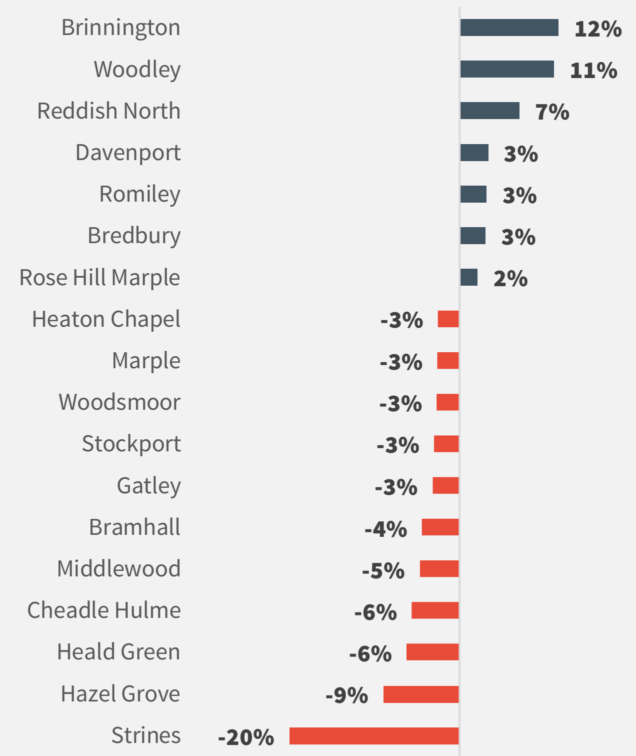
Note: Reddish South has been excluded due to low number of users

COVID-19 impact: **mobility (1)**

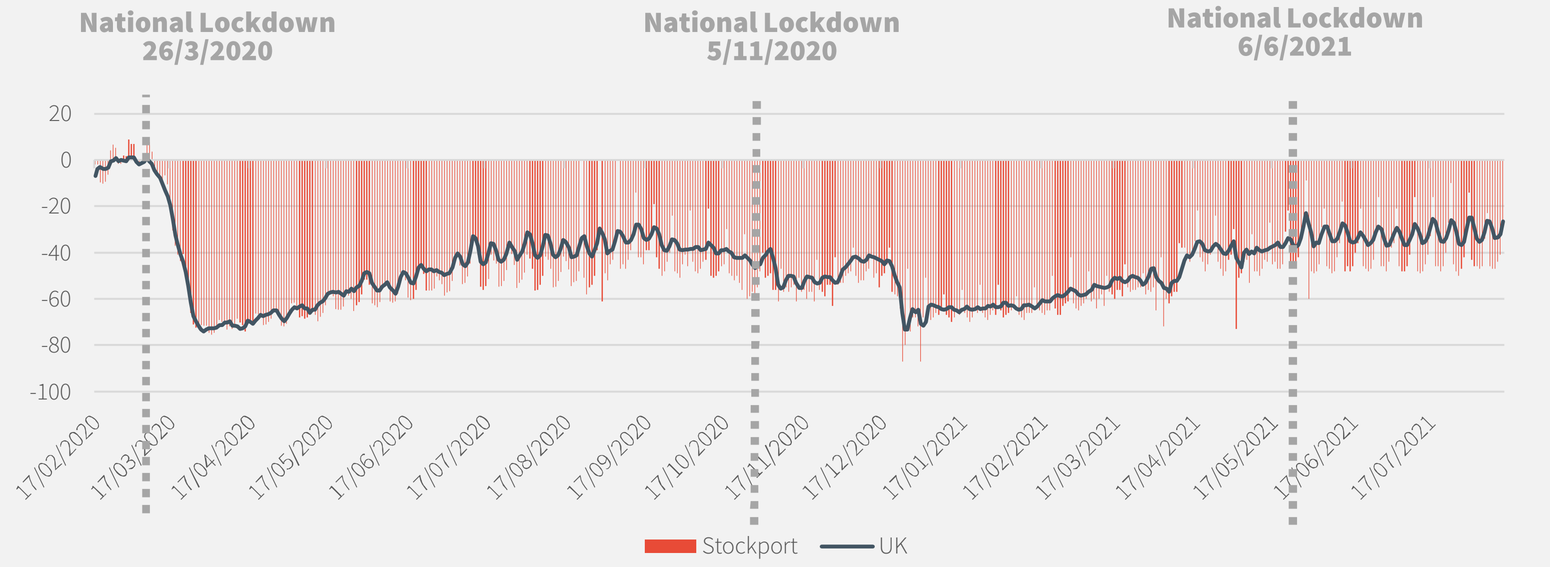
Mobility across transit stations was more impacted by lockdowns in Stockport than at the national level – however ridership increased in some of the borough's most disadvantaged communities …

Since February 2020, Google has recorded the daily movements of people to track the impacts of lockdown on mobility. The mobility statistics are measured against a baseline of zero, which is the median mobility value from the five-week period before COVID-19 (3 January – 6 February 2020). Mobility levels in transit stations provide an indication of public transport usage over the last 18 months. This data suggests public transport usage in Stockport has remained below the UK average. Change in year-on-year transit station usage also provides an indication of commuting patterns during the pandemic and the ability of residents to work from home. For example, Brinnington station saw a 12% increase in 2019/20 compared to the previous year whereas more affluent areas such as Hazel Grove saw a 9% decrease - indicating a larger proportion of residents who can work from home.

Change in usage by station, 2018/19 to 2019/20



Transit station mobility, 2020-2021



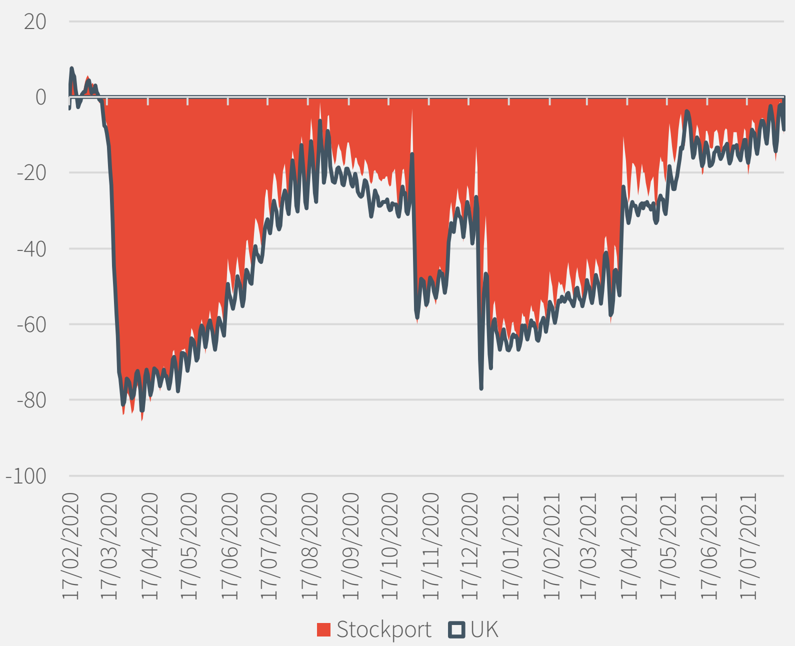
Source: Google COVID-19 Community Mobility Reports

COVID-19 impact: **mobility (2)**

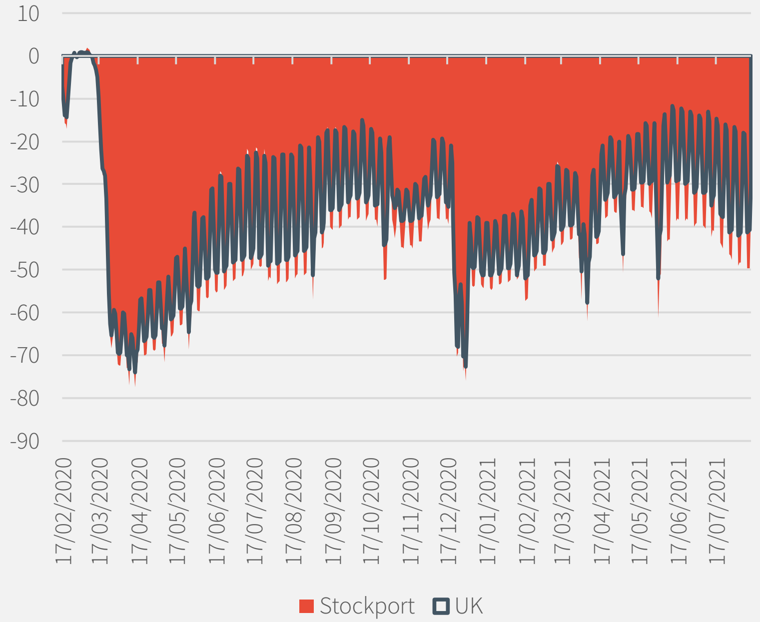
Workplace mobility was more affected than the national average, however retail and leisure usage recovered more quickly despite local restrictions…

Despite Greater Manchester having local restrictions throughout most of 2020, retail and leisure mobility recovered at a faster rate than the national average. However, the data also reveals fundamental shifts in the way GM residents work. Over the past 18 months, workplace mobility has been consistent lower than the UK average, whereas residential mobility has been higher. This shows that a significant proportion of Stockport's residents are still working remotely, which is likely to affect demand for commercial property and business behaviour into the medium term.

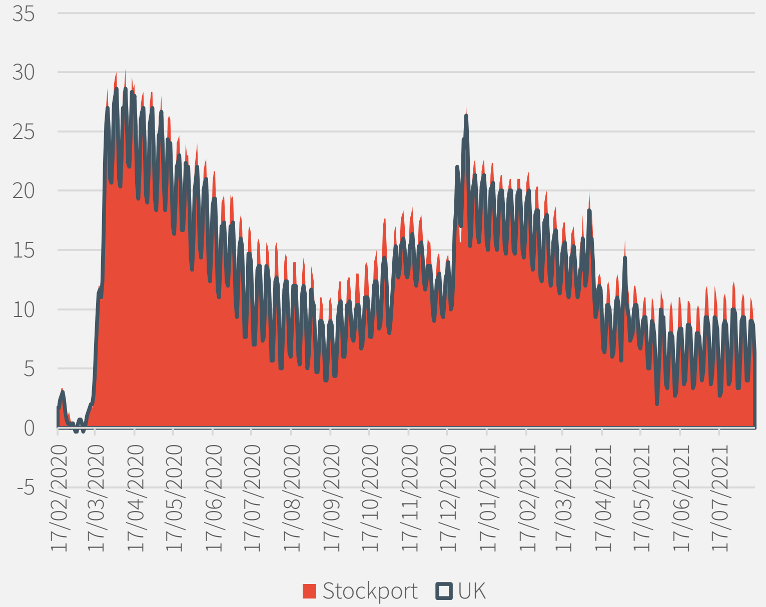
Retail and leisure mobility, 2020-2021



Workplace mobility, 2020-2021



Residential mobility, 2020-2021



Source: Google COVID-19 Community Mobility Reports

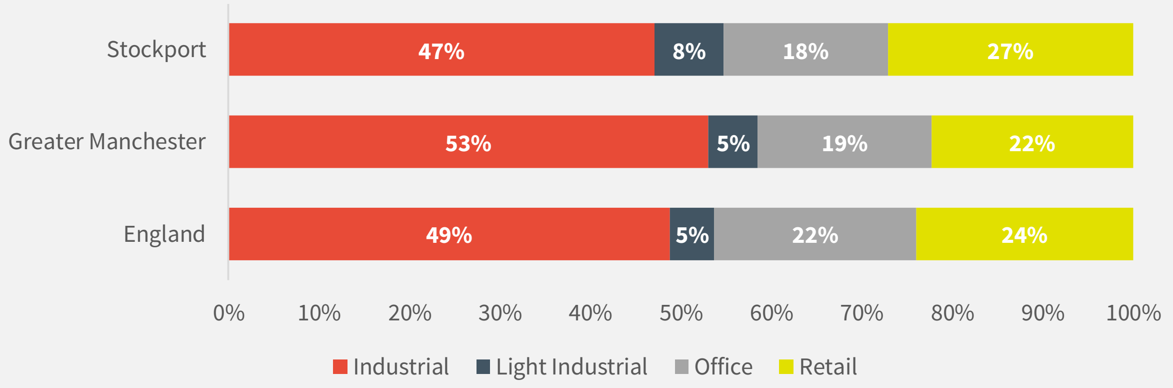
Stockport's **Commercial property**

Sharp rises in office vacancies in 2020, however the quality of space could define Stockport's future competitiveness…

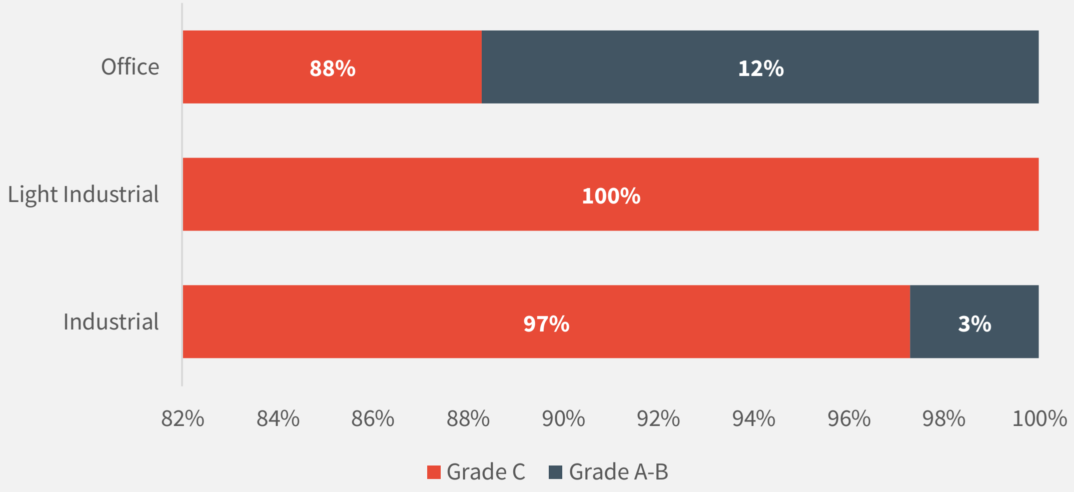
Almost half (47%) of Stockport's commercial property is comprised of industrial space. However, based on the borough's previous and forecast growth, it is likely to pivot towards office space in the future – with knowledge intensive businesses one of the borough's principal growth sectors. To enhance Stockport's competitiveness as a high value professional services destination, considering the quality as well as quantity will be critical across all space typologies. Currently, only 12% of Stockport's office stock is Graded A or B, whereas only 3% of industrial space is of high quality.

Commercial vacancy in Stockport had been consistently low and falling since 2011 across all property typologies. Despite this, office vacancy rose sharply in 2020, potentially driven by companies choosing not to renew leases until the future of work and space requirements become clearer.

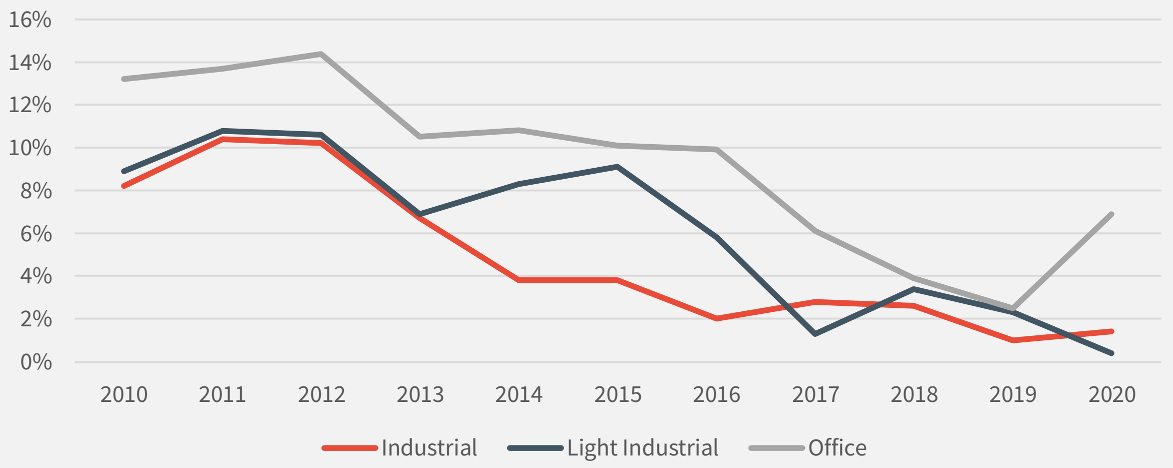
Commercial property inventory by type, 2020



Commercial property by quality, 2020



Vacancy rates by commercial property type, 2010-2020



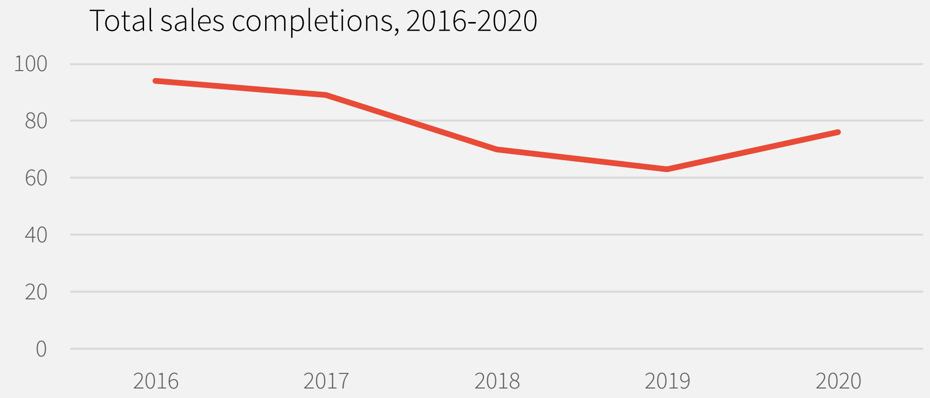
Source: Costar Note: retail vacancies have been excluded due to limitations with CoStar's retail inventory

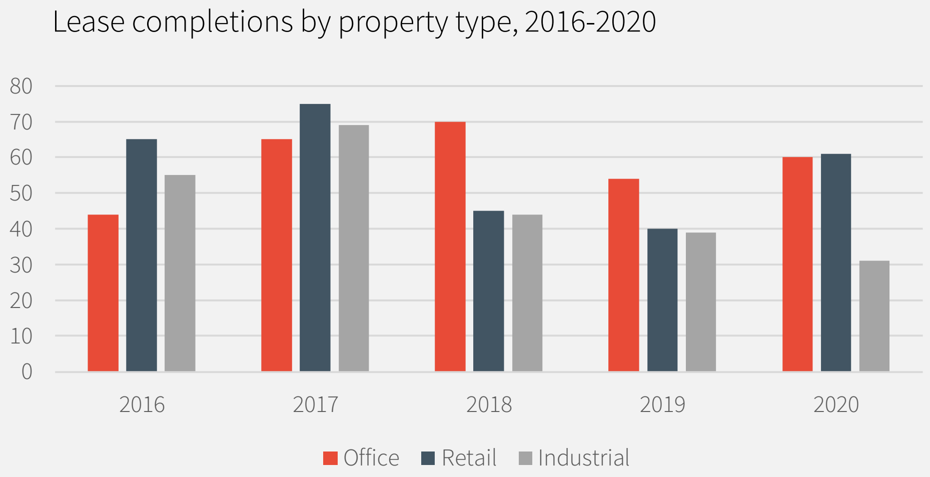
COVID-19 impact: commercial **deal flow**

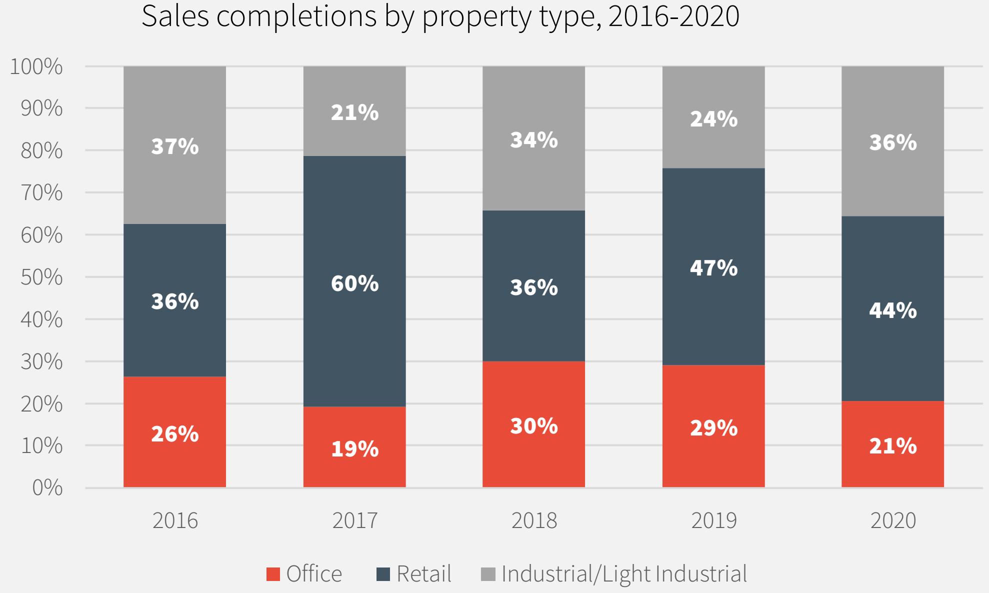
Whilst vacancies have increased, demand for property has remained largely unaffected - indicating a unique opportunity to capture post-COVID demand…

Despite the ongoing uncertainty regarding the future of work and rising vacancies, sales and leasing deal flows have remained consistent over the last five years – reflecting strong market confidence that Stockport will be able to bounce back quickly from the pandemic.

Steady lease and sales completions across all commercial typologies suggests that the impact on Stockport's commercial property market has been far less severe than what has been seen in city centres such as London, Manchester, and Birmingham. As a result, the Economic Plan should look to capitalise on this resilient demand and post-COVID trend on businesses seeking space outside (but still well connected to) city centres.







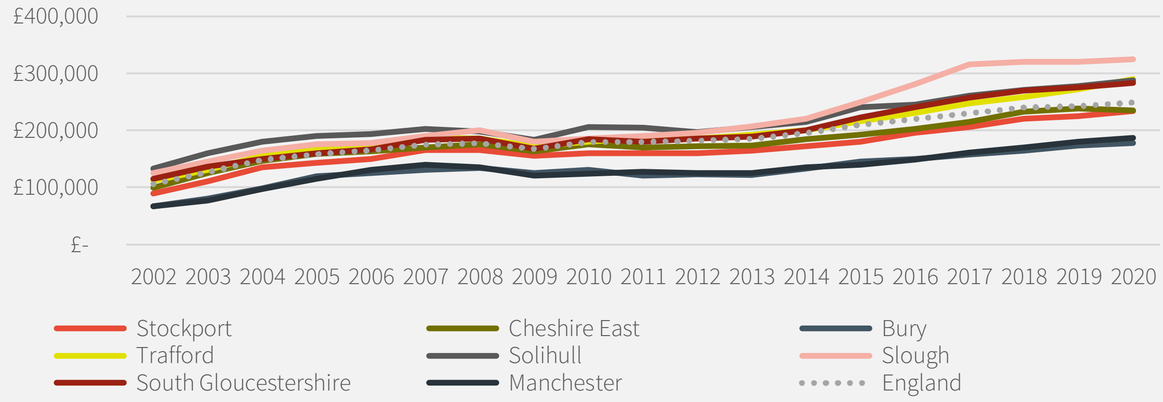
Source: Costar

Stockport's **housing**

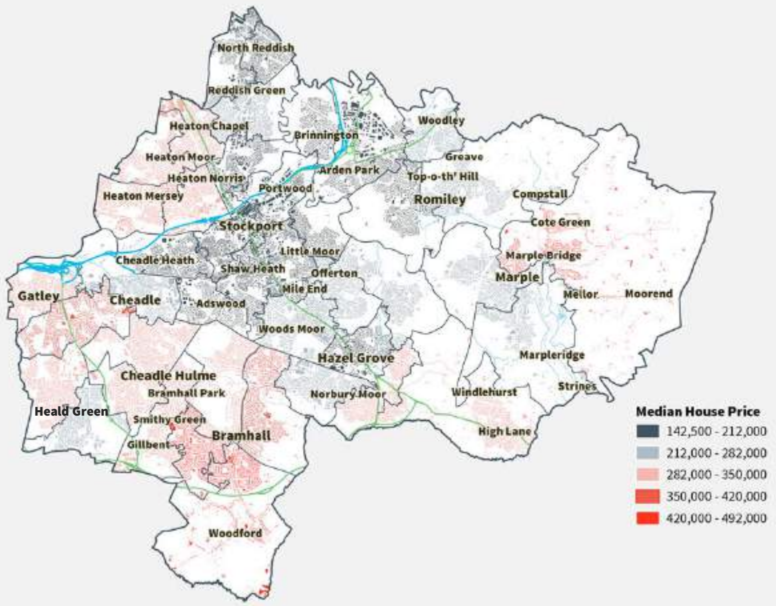
Average house price change across Stockport has been slower than GM and England, with house prices in Stockport's more rural areas growing fastest…

In 2019, median house prices in Stockport were £225,000 which was lower than the England average. However, as with social indicators, house prices vary significantly across the borough. Whilst longer term house price growth has been concentrated in Cheadle, Reddish and central Stockport, some of the highest levels of growth over the past year have been seen in Marple, Hazel Grove, High Lane and Cheadle Hulme.

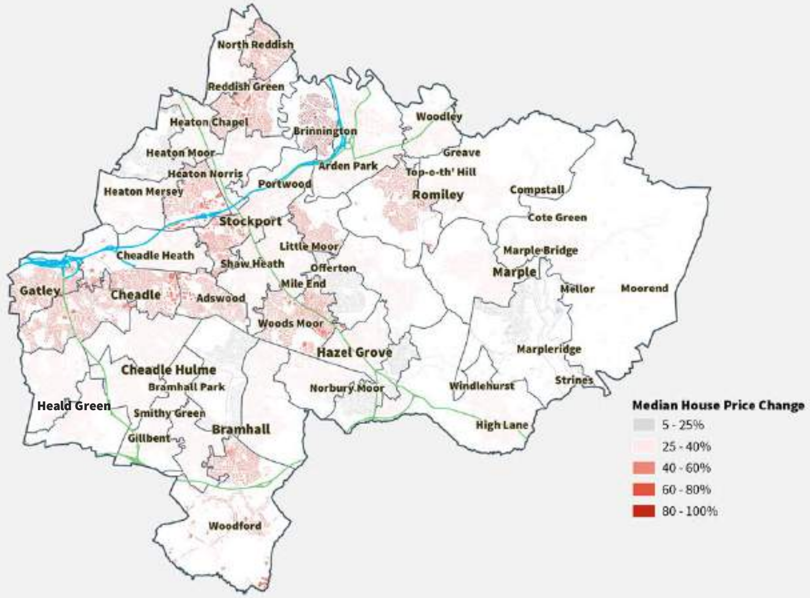
Median house price, June 2021



Median House Price by MSOA, December 2020



Median house price change, 2015-2020



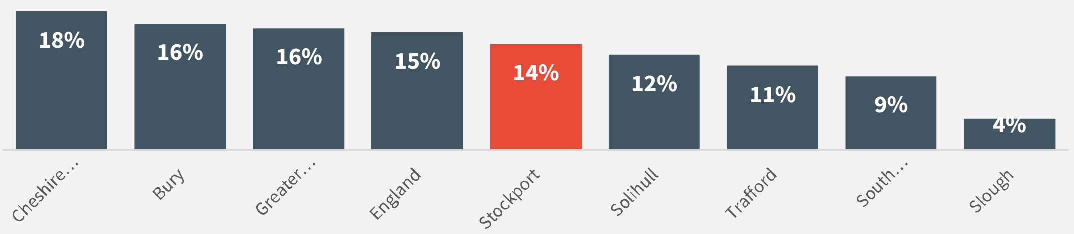
Source: UK House Price Index, HM Land Registry

COVID-19 impact: **housing**

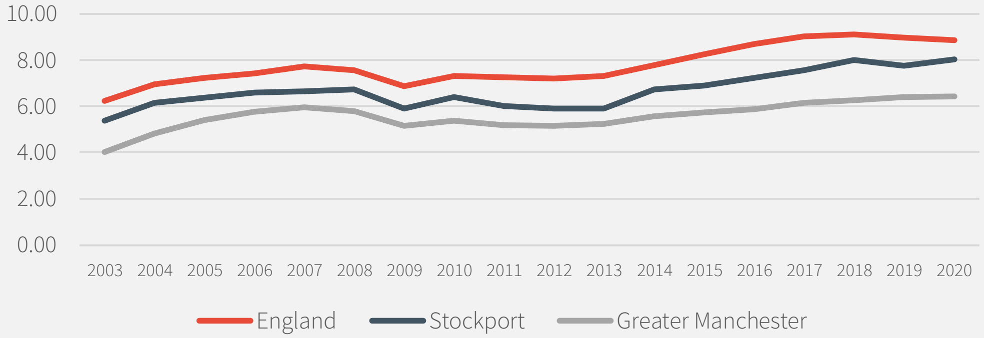
Significant house price growth over the past year could mean that Stockport is becoming increasingly unaffordable for the borough's most disadvantaged residents…

Stockport's median house price increased from £234,115 (Feb 2020) to £265,962 (June 2021) representing a 14% increase over this period. Whilst longer term house price growth has been concentrated in Cheadle, Reddish and central Stockport, some of the highest levels of growth over the past year have been seen in the town centre, Hazel Grove, High Lane and Cheadle Hulme. This is likely to mean that Stockport is becoming increasingly unaffordable in the areas worst economically impacted by the pandemic (see page 80).

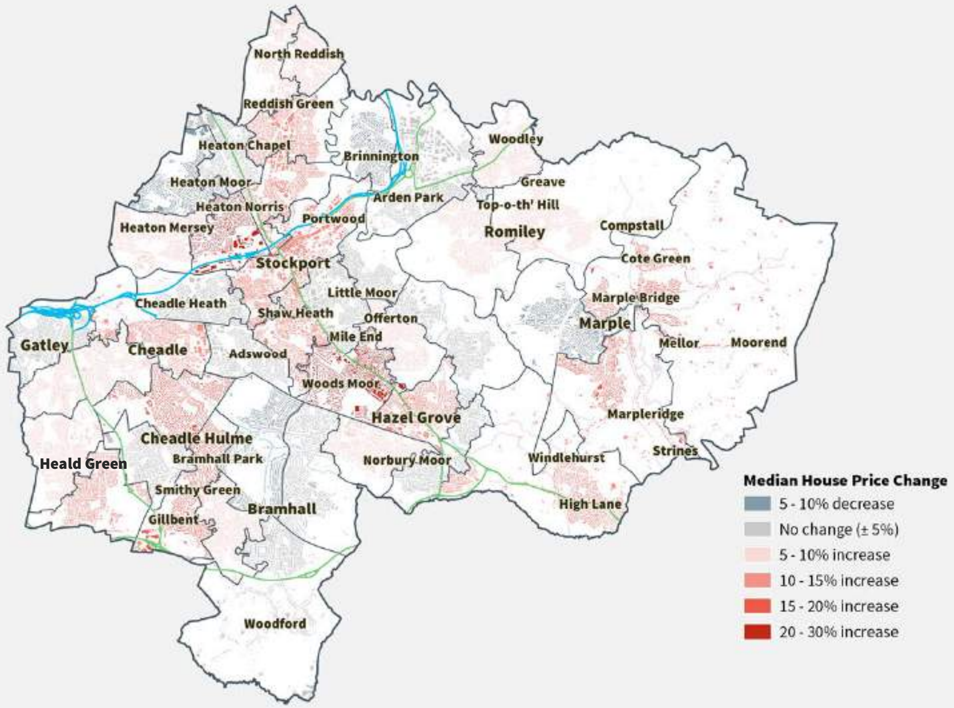
Median House Price Change, Feb 2020 – June 2021



Housing affordability ratios, 2003-2020



Median house price change, Dec 2019-Dec 2020



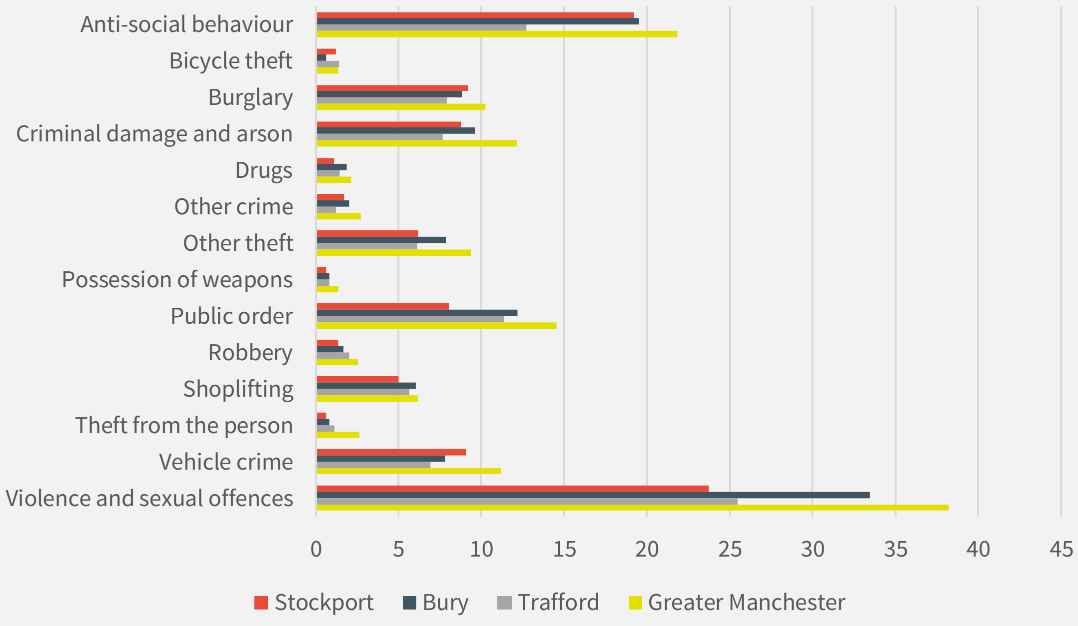
Source: UK House Price Index, HM Land Registry

Crime in Stockport

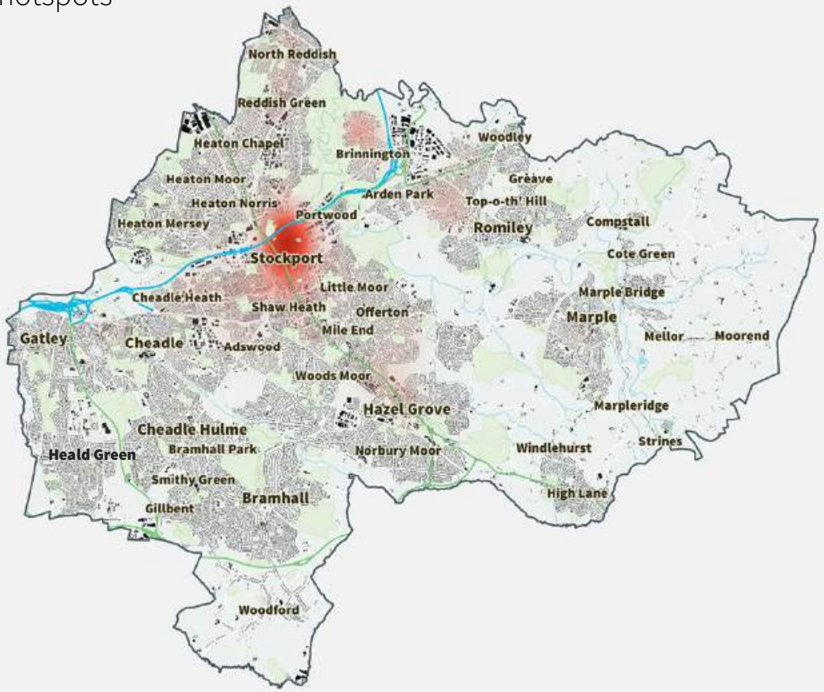
Stockport has a low overall crime rate, but challenges are concentrated in the town centre…

Stockport has a lower crime rate than the Greater Manchester average. In 2018/19, 104 crimes per 1,000 residents were committed which was significantly lower than the regional average (149). Violence and sexual offences and anti-social behaviour offences were the most common type of crime and the majority of crimes were committed within the town centre. Enhanced safety features through Town Centre West could help to address this including better public realm and street lighting – enabling residents and visitors to feel safer.

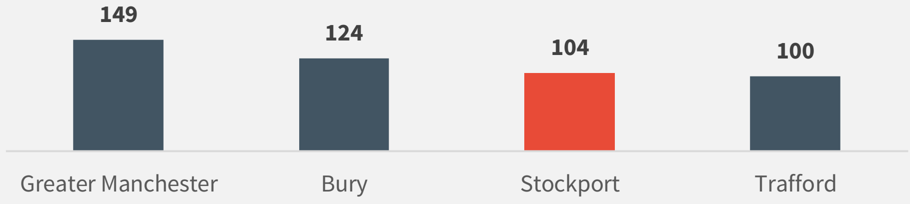
% of crime by type



Stockport's crime hotspots



Overall crime rate (per 1,000 residents)



Source: Police uk

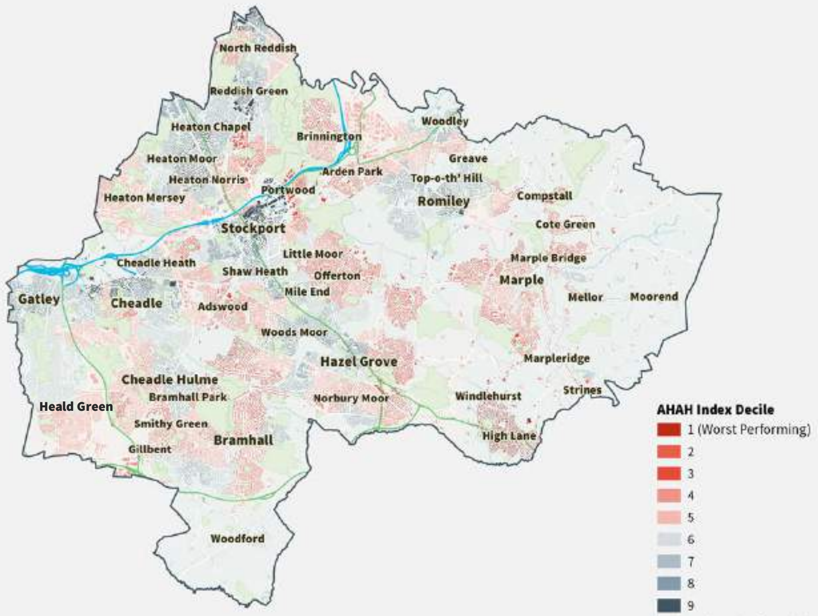
Note: Crime analysis for Stockport and comparator areas is based on August 2018-July 2019 due to data availability from Greater Manchester Police.

Access to **healthy assets**

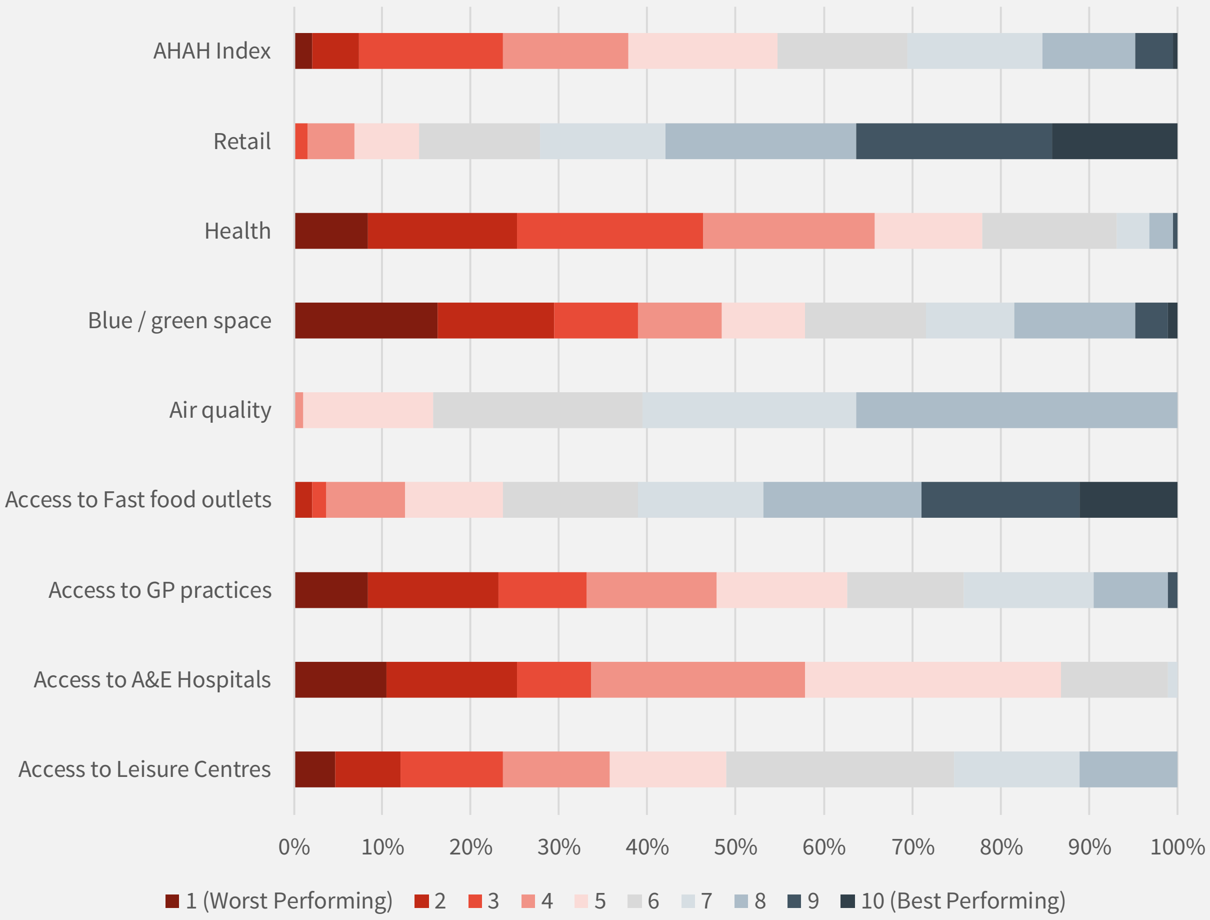
Providing community infrastructure is a vital component of creating balanced, healthy communities…

The AHAZ provides a score for every neighbourhood (Lower Super Output Area) based on a range of indicators contributing to resident health. The chart above shows the proportion of LSOAs in each decile for each measure. For example, the access to leisure centres domain shows that over 10% of neighbourhoods in Stockport are within the top 10% worst performing areas nationally. Sub domains are explored in more detail on the following slides, but providing social and health infrastructure, as well as economic infrastructure is vital for creating prosperous places.

Overall Access to Healthy Assets and Hazards Index



Access to Healthy Assets and Hazards Index, rank of LSOAs by index rating



Source: Access to Healthy Assets and Hazards Index

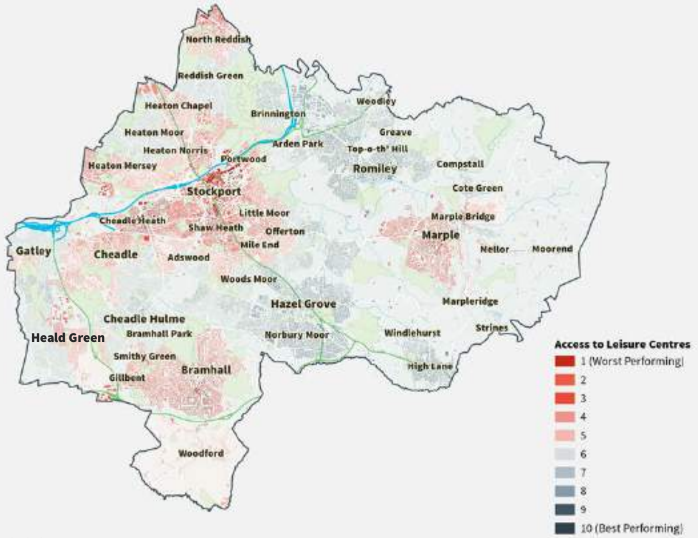
Stockport's **Health and wellbeing**

Significant challenges around health and wellbeing which have spatial and economic implications…

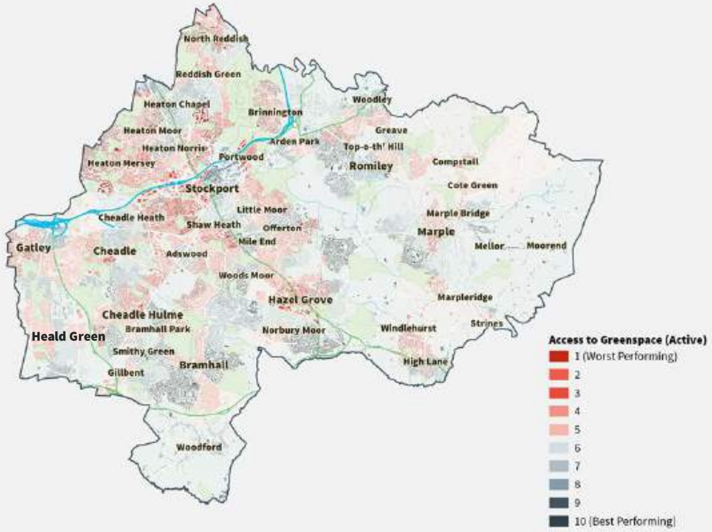
Stockport has significant challenges around health and obesity which can be addressed through both social and health infrastructure. Almost two thirds of Stockport's adult population (65%) are classified as overweight or obese which is above the England average (63%).

To create healthy, balanced communities, it is important residents have access to healthy infrastructure to support active lifestyles. Mapping of different AHAZ domains across Stockport shows the uneven access to healthy assets. For example, neighbourhoods in North Reddish are amongst the worst performing nationally for both access to leisure centres and green space – both key facilitating infrastructure to support healthy communities.

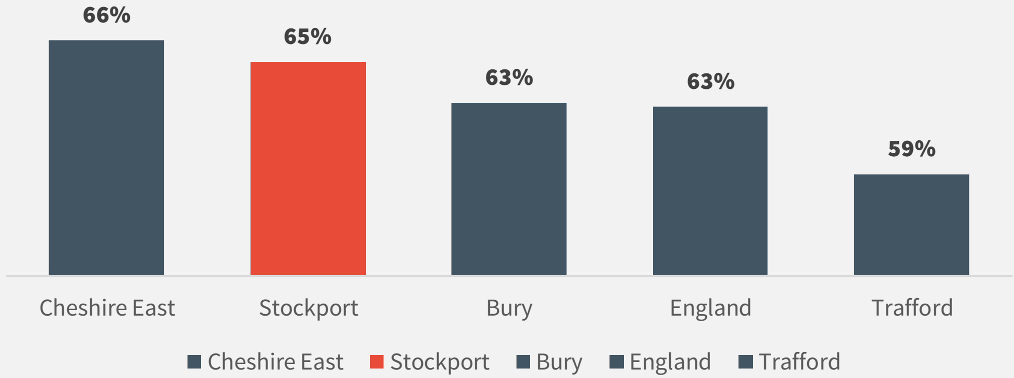
Access to Leisure Centres



Access to Active Greenspace



Percentage of adults (aged 18+) classified as overweight or obese 2018/19



Source: Access to Healthy Assets and Hazards Index and Public Health England

What quantitative **evidence can't tell us**

Place issues and opportunities to be explored through the second phase of research…

Whilst the evidence presented within each section is comprehensive, there are a range of wider issues which impact on the prosperity of Stockport's places which cannot be answered by data alone. The table presented below provides a mix of some of the questions that we will seek to answer through the next phase of evidence. This collates points raised by SMBC officers and members, and key statistics that require further investigation through stage 2 of the evidence.

Area of further exploration	Phase 2 evidence
Bus Services	There is a lack of data on local bus provision. Bus services provide important infrastructure to enable people to move around GM and within the borough – especially young, old, and low income residents. We need to engage with providers in GM and TfGM to understand ridership, COVID-19 recovery and provision plans in Stockport.
Business views of commercial property	Business engagement to understand local challenges in commercial property market relating to things like quality of space and availability of grow-on space.
COVID recovery support	COVID-19 impact data is fairly limited in its impact on business as the economy begins to reopen. The full extent of impact on survival rates will take years to filter through into ONS data. Therefore, it will be important to understand ongoing issues for businesses and potential role for SMBC in supporting businesses to recover.
Long-term mobility impacts	Discussion with businesses around their future working arrangements post-pandemic. This will affect both demand for commercial property and the future role of neighbourhood centres including what people need/want from them. Consultations could also test demand for things like 'touch down' shared workspaces in neighbourhood centres to bridge the gap between home and work life.

Using the consultation to fill gaps in the data

1.6

Stockport’s People

People **Summary**

Stockport's people

Stockport performs strongly across a broad range of socio-economic metrics which defines the prosperity and economic vitality of the borough's residents. However, this masks significant variances across the borough which affects Stockport's inclusivity. Issues of health, wellbeing, attainment and economic participation are shown to be particularly acute in the north of the borough. The evidence base deploys spatial data visualisation to get under the skin of these challenges and this should be explored further through the consultation to enable spatial targeting of interventions. The evidence shows:

- **Stockport's ageing population is a multi-faceted challenge.** Overall, Stockport has a paucity of young professionals. The population aged 16-39 accounts for 47% of people in Stockport compared to 50% in England. This will have significant implications for the role and function of Stockport's town and neighbourhood centres with many of the southern suburbs containing a significantly older median age population.
- **Population challenges forecast to become further entrenched.** Although Stockport's population is forecast to grow by over 5,000 people over the next five years, this is primarily forecast to be concentrated amongst retirees. Over the next ten years, the number of people aged over 60 is predicted to grow by forecast to increase by 13%. Conversely, school-aged children (-3%) and young professionals (-7%) are both forecast to shrink over the next decade without targeted intervention.
- **Stockport's worst performing secondary schools located in the borough's most deprived areas.** Stockport's worst performing secondary schools are located in the areas of highest deprivation.
- **This is limiting the life chances, potential, and aspiration for people living in these areas.** Whilst average HE participation across is amongst the highest in the country, participation within deprived neighbourhoods is amongst the lowest. Similarly, Stockport's young people are less likely to continue to sustained education at higher level. A higher proportion of young people enter employment in Stockport (5%) than is seen at the national level (3%) following completion of KS4. The gap between those undertaking further qualification versus alternative routes widens in Stockport for those post 16-18 qualifications. On completion of a Level 3 qualification, only 52% of students enter sustained education (compared to 61% in Greater Manchester) and a much higher proportion enter sustained apprenticeship at this level.
- **However, apprenticeship starts are well aligned to support Stockport's future growth.** Apprenticeship starts provide an overview of appetite for skills and careers across different sectors. Sectors with the highest apprenticeship starts in Stockport include business and administration (33%), health (18%) and engineering and manufacturing (16%) which is well aligned to the business and employment profile of the borough.
- **Social mobility lowest at the most important life stage.** Stockport ranks 202nd out of 343 for social mobility for the early years life stage which covers the quality of nursery provision. Poor social mobility in a child's formative years is likely to influence outcomes into adulthood.
- **COVID-19 has increased Stockport's claimant count, however the impact is most severe in areas of high deprivation.** Increases in claimant counts by neighbourhood shows that the largest increases over the past 12 months have been in areas with high levels of claimants going into the pandemic.
- **Early career and older workers have also been significantly impacted by COVID-19.** Aggregating claimant count data by age and gender shows that the biggest increases in claimants have been amongst younger and older workers. Whilst government has provided support for early career professionals through the Kickstart programme, the SEP might want to consider bespoke support for Stockport's older workforce.

Considerations for Stockport's Economic Plan

- How does the Economic and Local Plan support balanced communities within Stockport's neighbourhood centres as well as across the borough as a whole?
- How does the Economic Plan consider the needs and aspirations of the established as well as new communities?
- What do people already value about Stockport as a place to live and work and how can this be enhanced?
- What levers does the council have to pull to address attainment and aspiration challenges in Stockport's most deprived communities?
- What stage of education provision does the council believe to be most important to address through the Economic Plan?
- How should the Economic Plan seek to prioritise the needs of different age groups within the labour market? i.e. early career professionals vs. workers aged 50+
- How does education provision need to change to deliver a net zero economy in Stockport?

People Policy **Context**

Key Strategy/ projects/plans/ programmes	Relevance to Stockport Economic Strategy
GMCA: Skills for Growth	• £40m from the European Social fund to fill occupational skills gaps identified from employers, who have continually highlighted that they cannot find the technical skills in Greater Manchester required to support and grow their businesses. The programme will support more than 25,000 individuals and over 3,000 businesses over its duration. The skills delivery was expected to be commissioned in early 2021. • Support will be provided for technical and advanced skills, which will drive productivity and future economic growth across Greater Manchester. Employed people will be supported to increase their skills levels, enabling career progression and movement within the labour market.

Greater Manchester Living with COVID Resilience Plan	• The one-year Plan recognises that the pandemic is still ongoing in Greater Manchester and is likely to be so for some time. However Greater Manchester has been clear that the building back better phase of responding to Covid needs to start now. This includes the following actions related to the issues facing Stockport's residents:
	    • Significantly expand the GM Good Employment Charter to drive more secure work, higher pay and better employment standards
	    • Supporting successful return to school and college for all learners, with inclusion of catch up and wellbeing support if needed

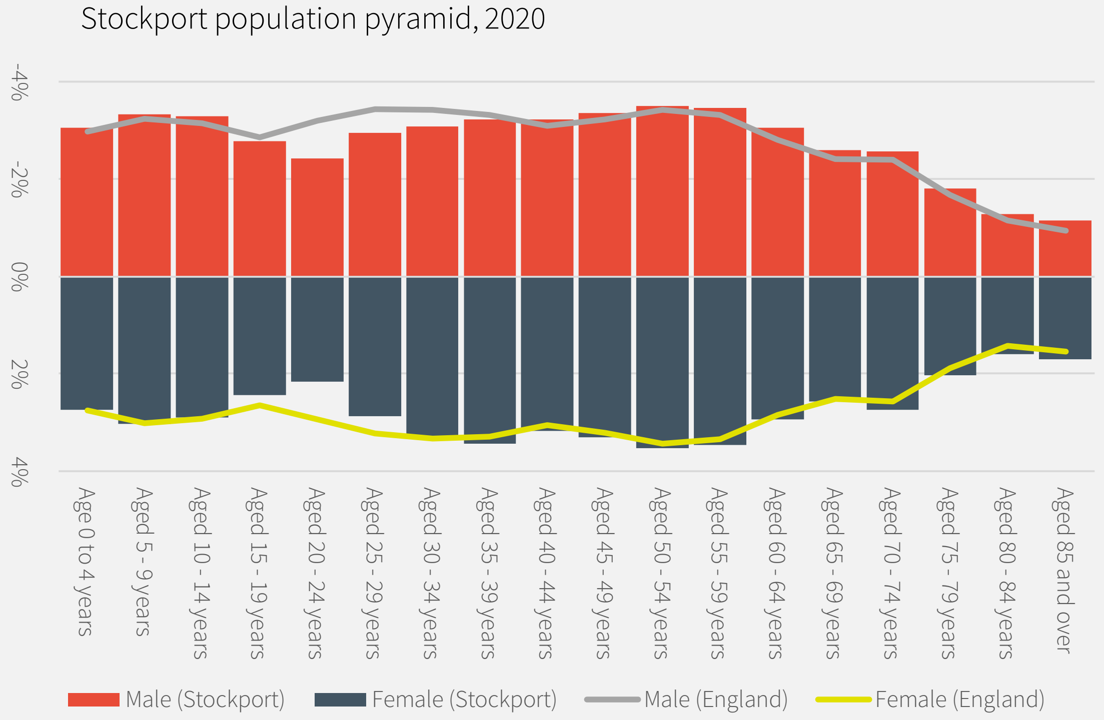
GM Local Skills Report and Labour Market Plan (March 2021)	• Greater Manchester's skills and employment strategy focuses on four central priorities:
	    • Young people leave education and training ready to succeed in the labour market, with a balance of academic, technical and 'life ready' skills
	    • Adults can acquire the skills, mindset and support they need to fulfil their career potential and adapt to changing employer needs throughout their lives, from entering employment for the first time through to highly skilled careers and training
	        • This can, in part, be achieved through the devolution of the Adult Education Budget. The GMCA have begun to shift the emphasis of AEB funded provision to ensure that it provides an entry point or development opportunity for adults looking to enter the labour market for the first time, or to return to it after a period of unemployment or economic inactivity, including the ability to add modules of advanced learning to intermediate programmes in order to support progression and up-skilling
	    • Employers have access to a system that is flexible, resilient and adaptable, and which meets their needs in the rapidly changing 21st century world of work, driving a sustainable economic future for GM in which companies compete on the basis of high productivity, good quality work, and excellent employment practices
	    • Residents are supported by a welfare system, under Universal Credit, that provides access to good work for those who can, support for those who could, and care for those who can't.

Stockport's **demographics (1)**

Lack of young adults and early-stage professionals living in the borough…

Stockport has a population structure that has direct implications for its current and future economic performance:

- The population aged 16-39 accounts for 47% of people in Stockport compared to 50% in England.
- Similarly, the working age population (aged 16-64) accounts for 60% of people in Stockport compared to 64% in Greater Manchester and 62% in England. This comparatively low proportion of working-age residents could affect the district's growth as some businesses base their decision to locate in an area based on local workforce availability .
- The working age population has also remained relatively stagnant over the last decade, with -1% change since 2010 in Stockport compared to 4% across Greater Manchester and 3% nationally.
- The population aged 65+ has increased at a slower rate (16%) than in Greater Manchester (17%) and nationally (22%) over this same period.
- The population aged 0 to 15 accounts for 20% of Stockport's population, which is slightly below Greater Manchester (21%) but above the national average (19%).



20% are 0-15 (19% in England as a whole)

60% are 16-64 (62% in England as a whole)

20% are 65+ (19% in England as a whole)

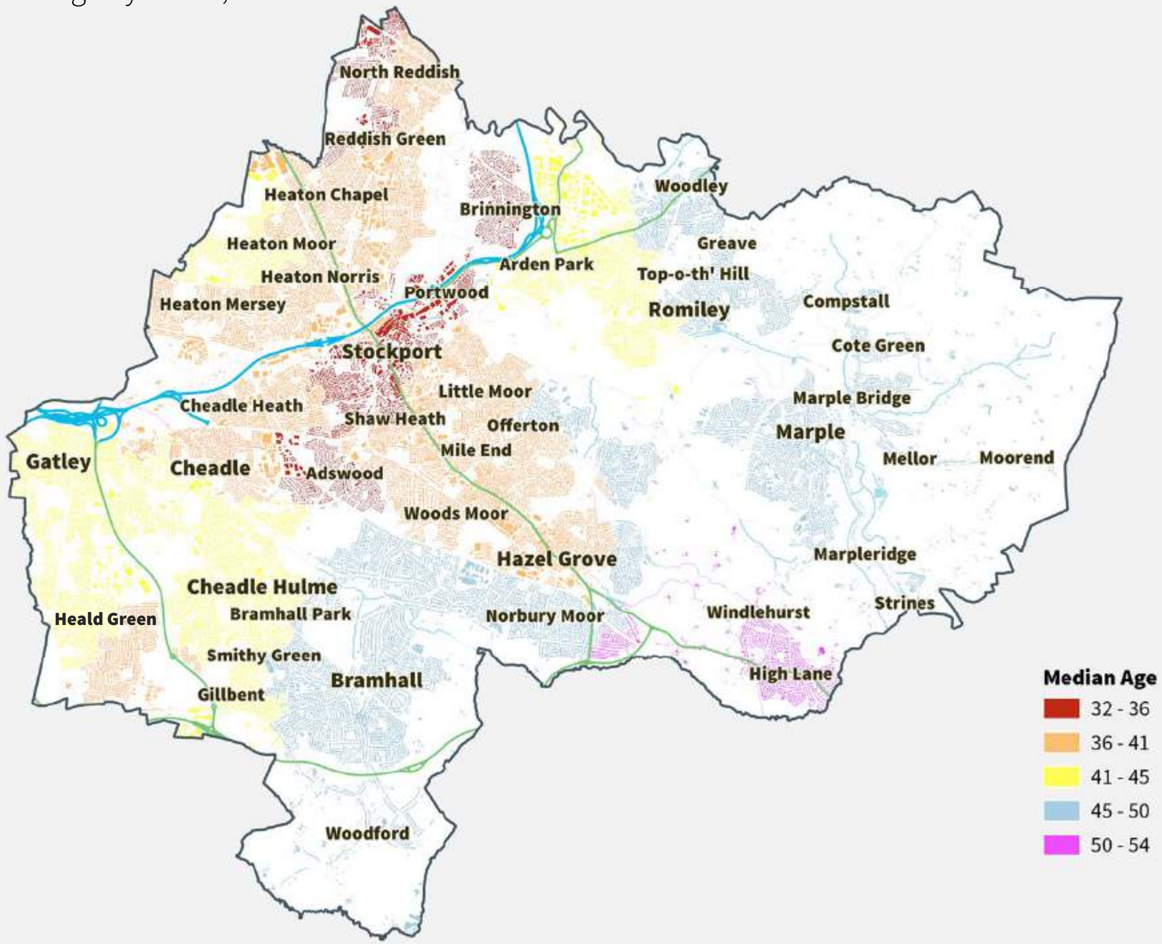
Source: ONS Mid Year Population Estimates

Mapping **Stockport's population (1)**

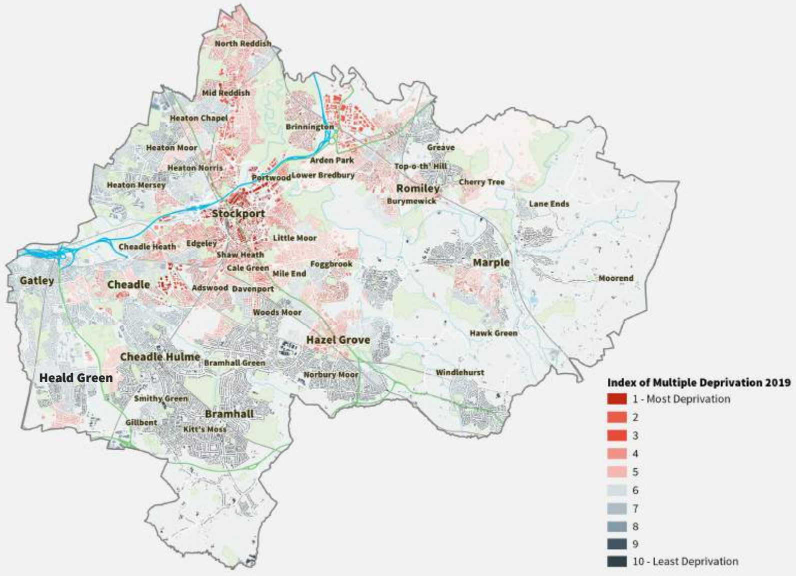
But the demographics within the borough vary significantly and young people are living in the most deprived neighbourhoods…

Using ONS Mid-Year Population Estimates it is possible to understand how Stockport's demographics are distributed across the borough. Stockport's ageing population is concentrated in the suburbs which is driving overall demographic challenges. Parts of Stockport town centre are up to 22 years younger than some of the borough's suburbs such as Windlehurst. The average age mirrors Stockport's deprivation patterns – with the most deprived neighbourhood's typically having the lowest median age.

Stockport median age by MSOA, 2021



IMD, 2019



Source: ONS Mid Year Population Estimates, IMD

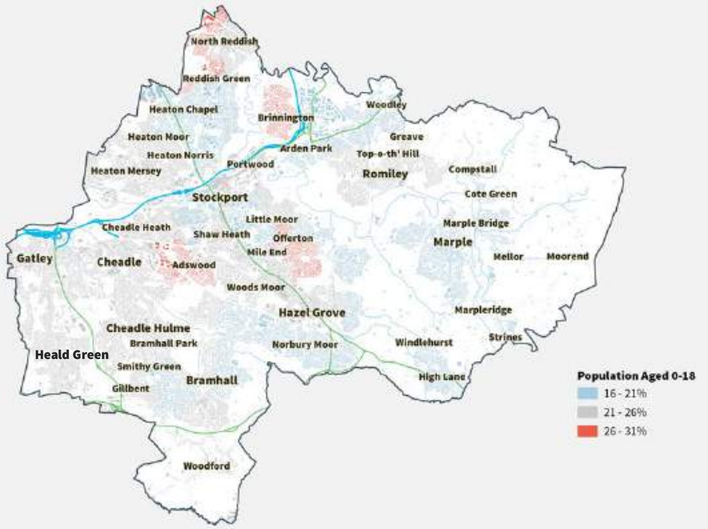
Mapping **Stockport's population (2)**

Ageing population could create an imbalanced economy and affect the vitality and viability of Stockport's neighbourhoods…

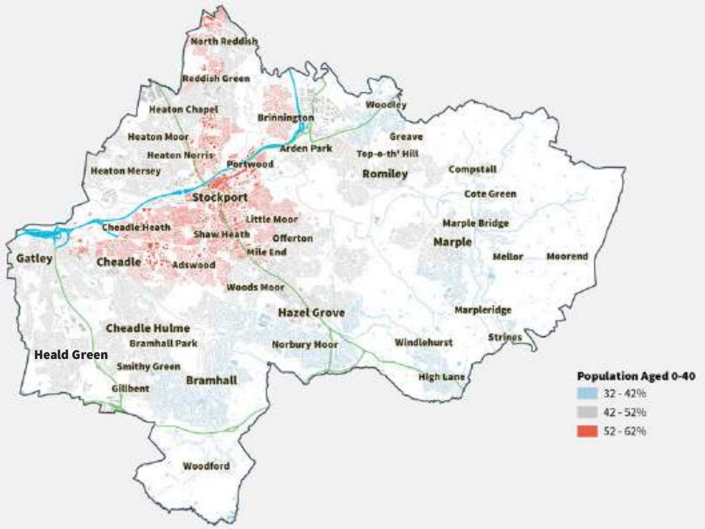
By building up the age brackets using the groupings below, it is possible to understand where Stockport's economically active population are concentrated. This shows that the north of the borough is significantly younger than the suburban centres to the south. These demographic factors help to provide a deeper understanding of the role and function of Stockport town centre and the neighbourhood centres.

Stockport's ageing population in the suburban district centres is likely to affect economic opportunity and function – both for the borough as a whole and the economic/spatial priorities for these centres. Whilst economic activity and business demand is likely to be stronger in areas with a younger population, the suburban centres provide placemaking value as hubs of community exchange – and are therefore important locations for targeting public service provision. The Economic Plan needs to manage this disparity – recognising the different function and economic contribution of different centres within the borough.

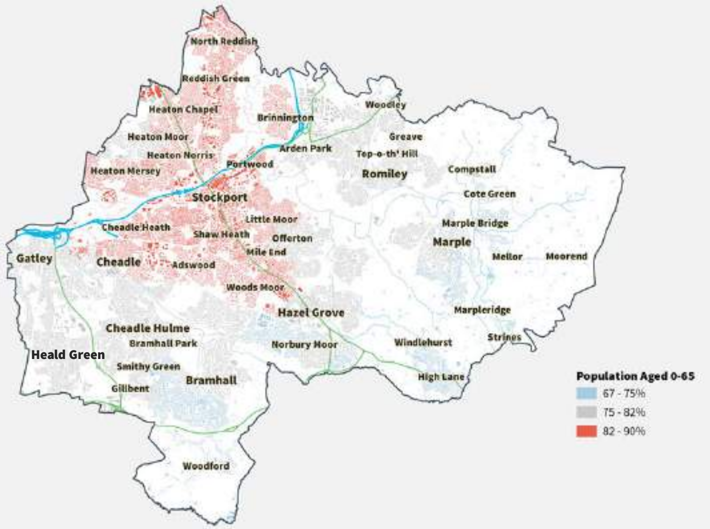
% Population Aged 0-18



Population Aged 0-40



Population Aged 0-65



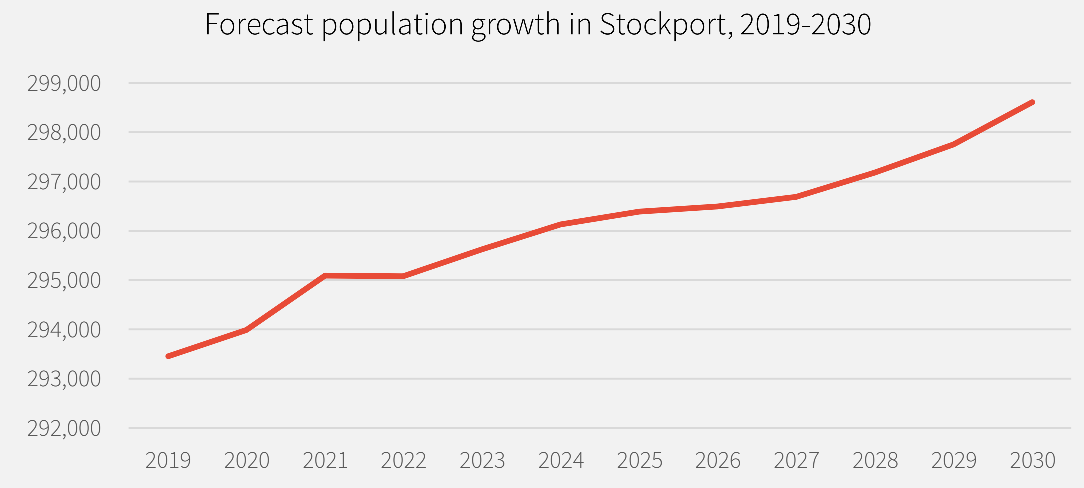
Source: ONS Mid Year Population Estimates

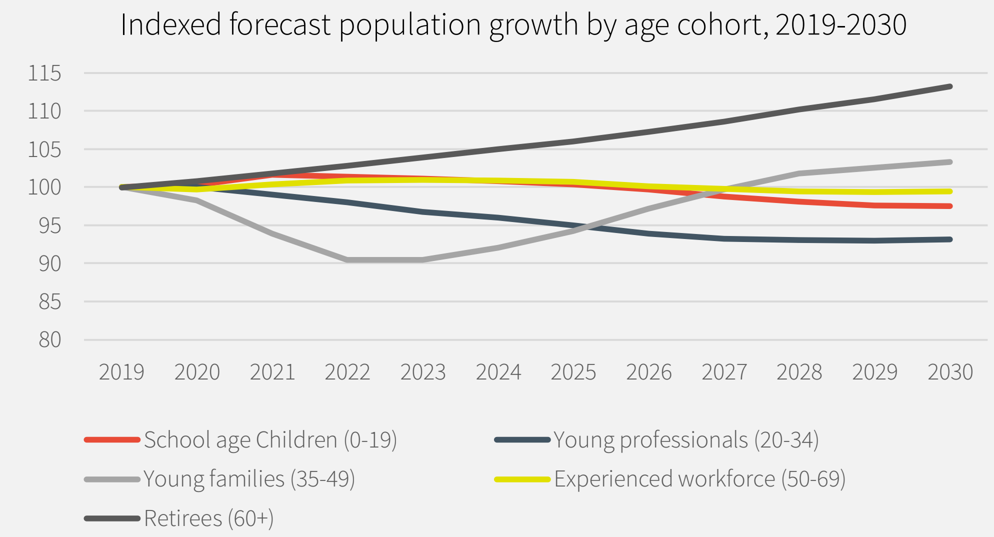
Stockport's future: **population**

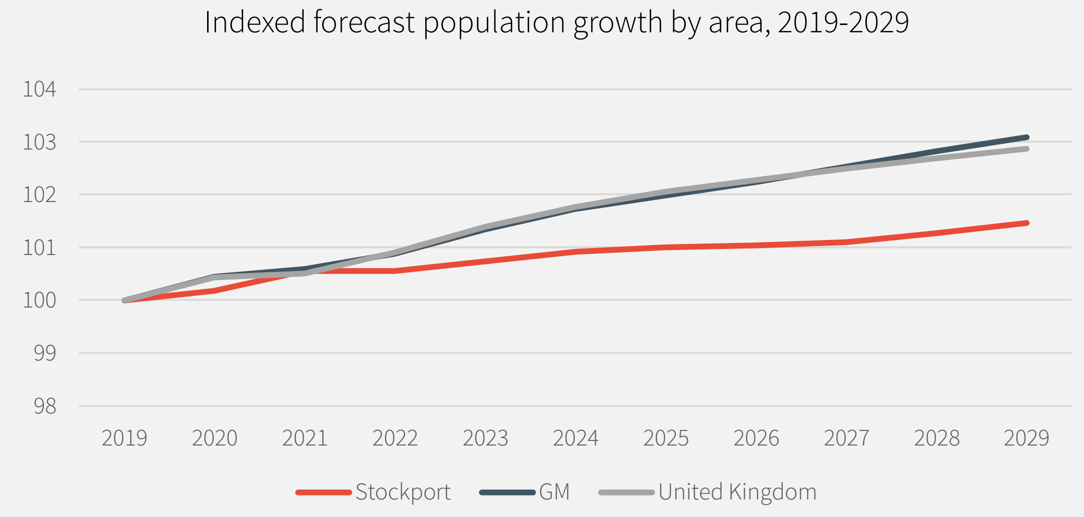
Demographic challenges forecast to become further entrenched, with future growth primarily driven by retirees…

Between 2019 and 2030, Stockport's population is forecast to grow by 5,200 people (1%). This is slower than both the forecast growth within Greater Manchester (3%) and the United Kingdom (3%) over the same period. Despite this, it is forecast that much of this growth will be concentrated amongst Stockport's over 60s.

By 2030, the over 60's population is forecast to increase by 13%. Conversely, school-aged children (-3%) and young professionals (-7%) are both forecast to shrink over the next decade without targeted intervention. Stockport's ageing population could also put increased pressure on public services and accelerate the economic dormancy of the borough.







Source: Oxford Economics

Stockport's **growth**

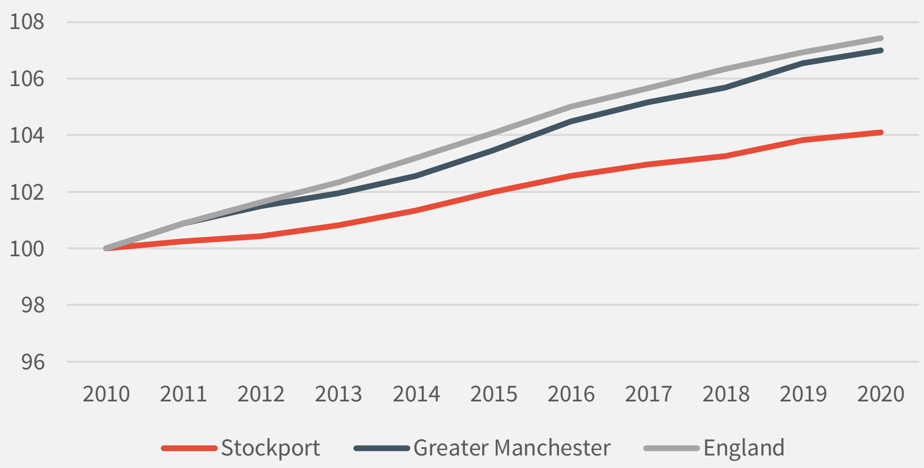
Historical population growth has lagged behind the national and regional averages...

In 2020, 294,000 people were living in Stockport. Stockport's population has grown at a significantly slower rate than both the England and Greater Manchester averages. Over the last decade, Stockport's population has increased by 11,600 residents (4%) which is lower than England (+7%) and Greater Manchester (+7%). Of all the comparator areas, only Bury (+3%) has had a slower growth rate.

Growing Stockport's population will therefore be an important component for addressing Stockport's ageing population challenge. This will be supported through the range of housing developments coming forward through Town Centre West which will deliver a mix of housing at different price points and tenures. As outlined in the Local Plan, the borough needs to understand how it can facilitate the delivery of a projected local housing need of 18,581 homes from 2021 to 2038.

To address the demographic disparities across Stockport, the Economic Plan and Local Plan may want to consider the distribution of future development to ensure balanced, productive communities are created.

Indexed Population Growth 2010-2020 (2010=100)



Key population statistics

	Change (%)	Change (no.)	Population 2020
South Gloucestershire	10%	+26,300	287,800
Slough	9%	+11,800	149,600
Trafford	6%	+12,400	237,600
Solihull	5%	+11,200	217,500
Cheshire East	5%	+17,600	386,700
Stockport	4%	+11,600	294,200
Bury	3%	+5,900	190,700

Source: ONS Mid Year Population Estimates

Stockport's **demographics (2)**

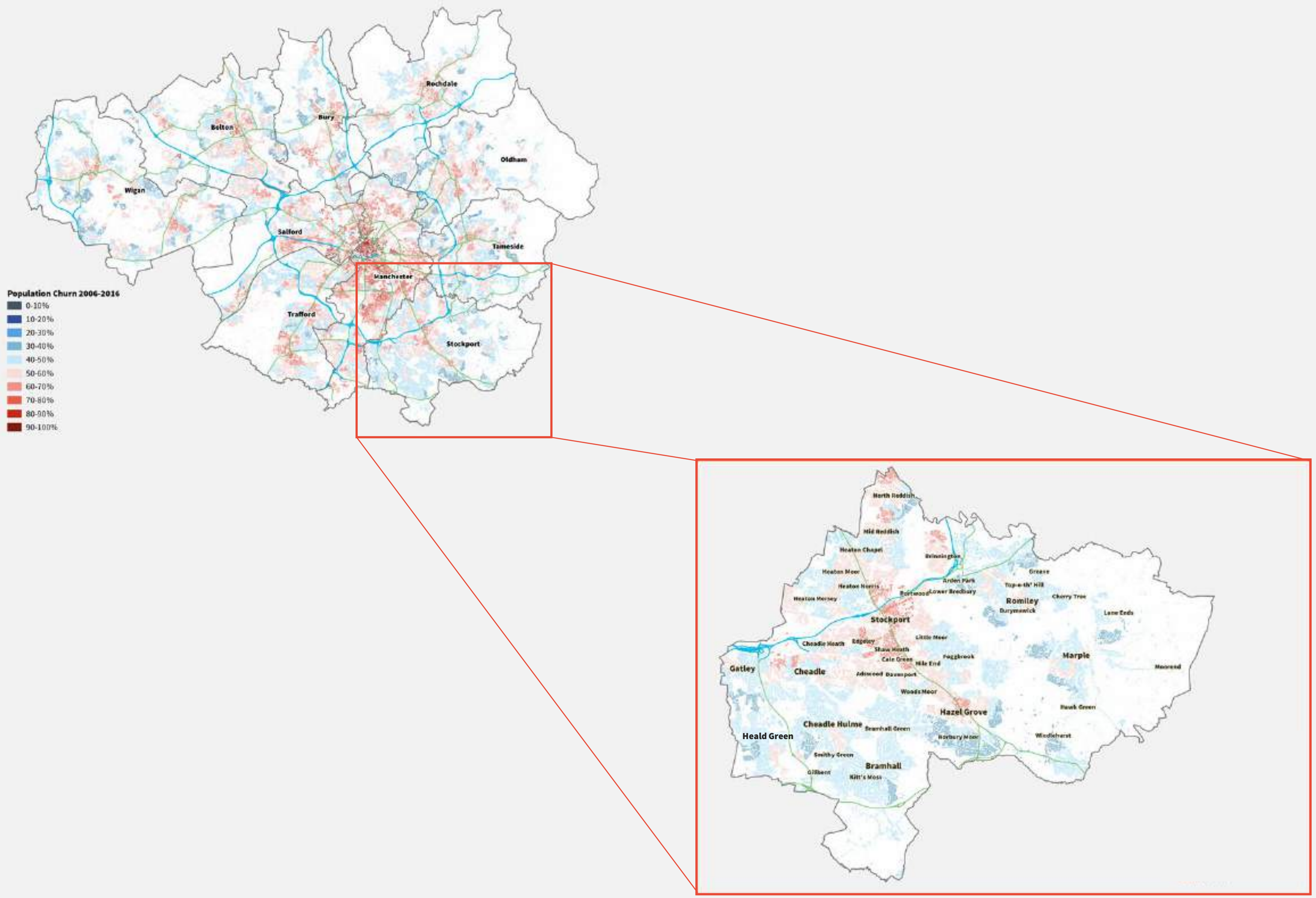
Home to stable communities, with the majority of growth concentrated around the town centre and A6 Corridor…

Population churn rates, defined as the percentage of households that appear to have changed occupier, offer insight into the stability of neighbourhoods. Data from the Consumer Data Research Centre shows the catchment is a mixture of high churn areas and more established communities.

This shows the differences within the borough and the region – with Stockport's suburban neighbourhood centres have the most stable communities with relatively low levels of population churn. Conversely, parts of the town centre and along the A6 corridor have seen high levels of churn, reflecting the relatively high levels of development in these areas in recent years.

Taking population data with this churn data, it is possible to suggest that Stockport has many long-term residents – especially in the suburbs. As a result, it will be important to understand what long-term existing residents think and value about Stockport as a place to live, work, and do business.

Population Churn in Greater Manchester and Stockport, 2006-2016



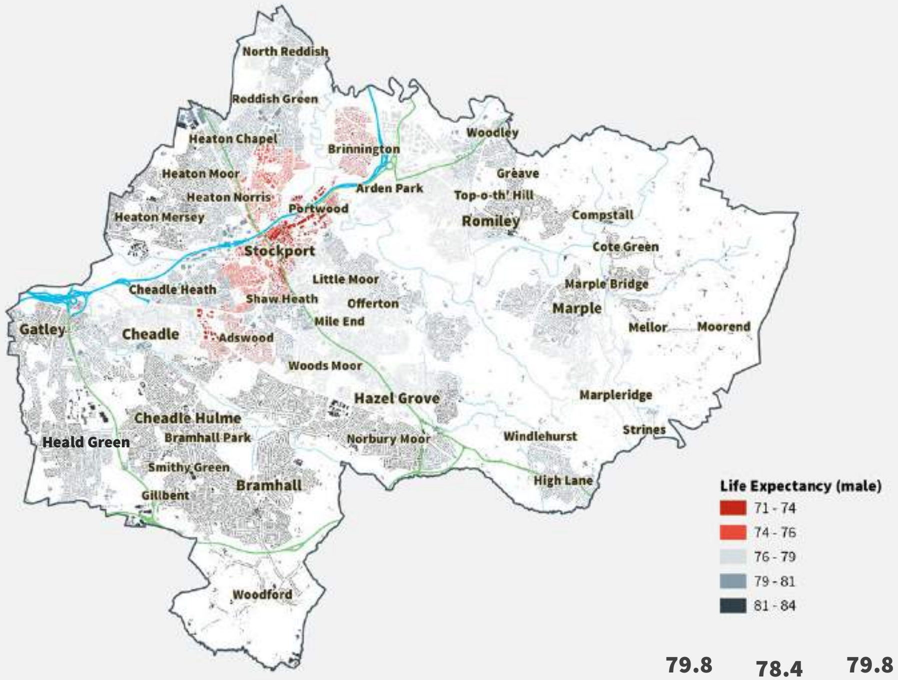
Source: CDRC

Stockport's **Life Expectancy**

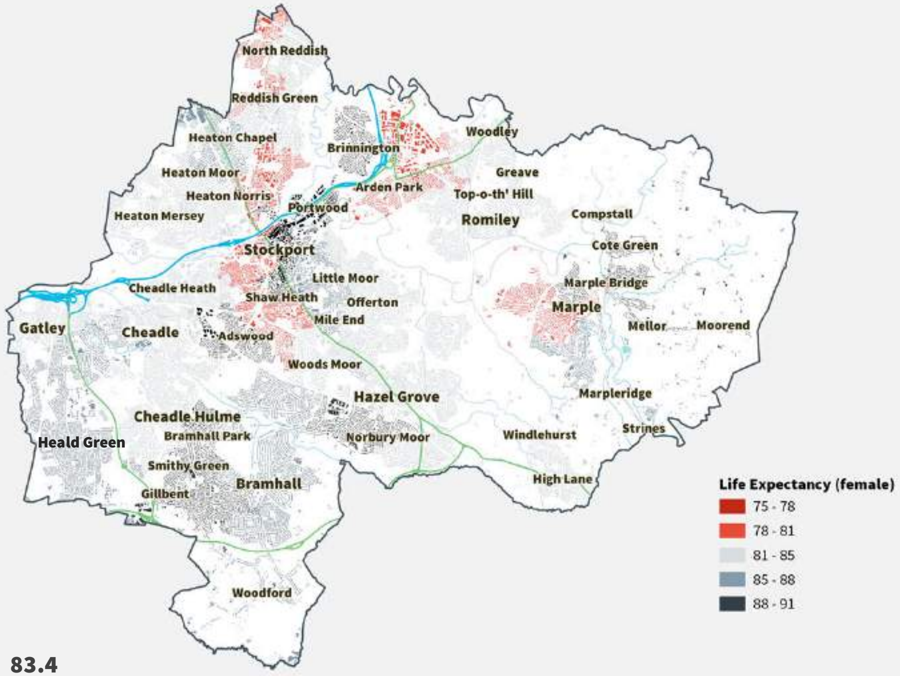
Overall figures mask significant variances in life expectancy within Stockport…

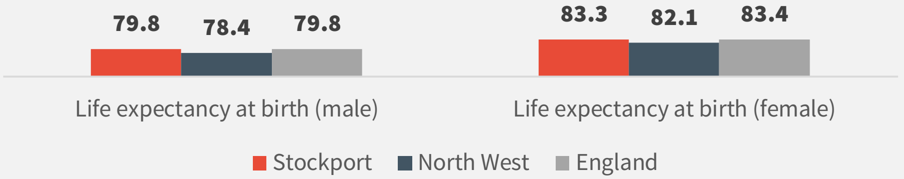
Whilst on the whole, Stockport performs in line with national and regional averages, life expectancy varies significantly across the borough and by gender. Although Stockport Town Centre has the highest life expectancy at birth for women, it has the lowest in the borough for men.

Life expectancy at birth (male)



Life expectancy at birth (female)





Source: Local Health, Public Health England

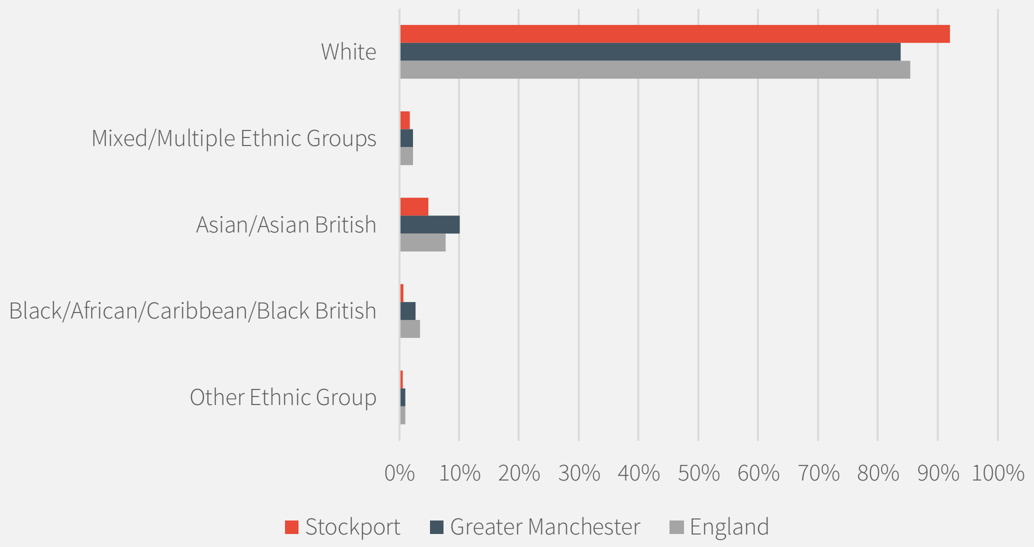
Stockport's **ethnicity**

The north and west of the borough are home to Stockport's most diverse neighbourhoods...

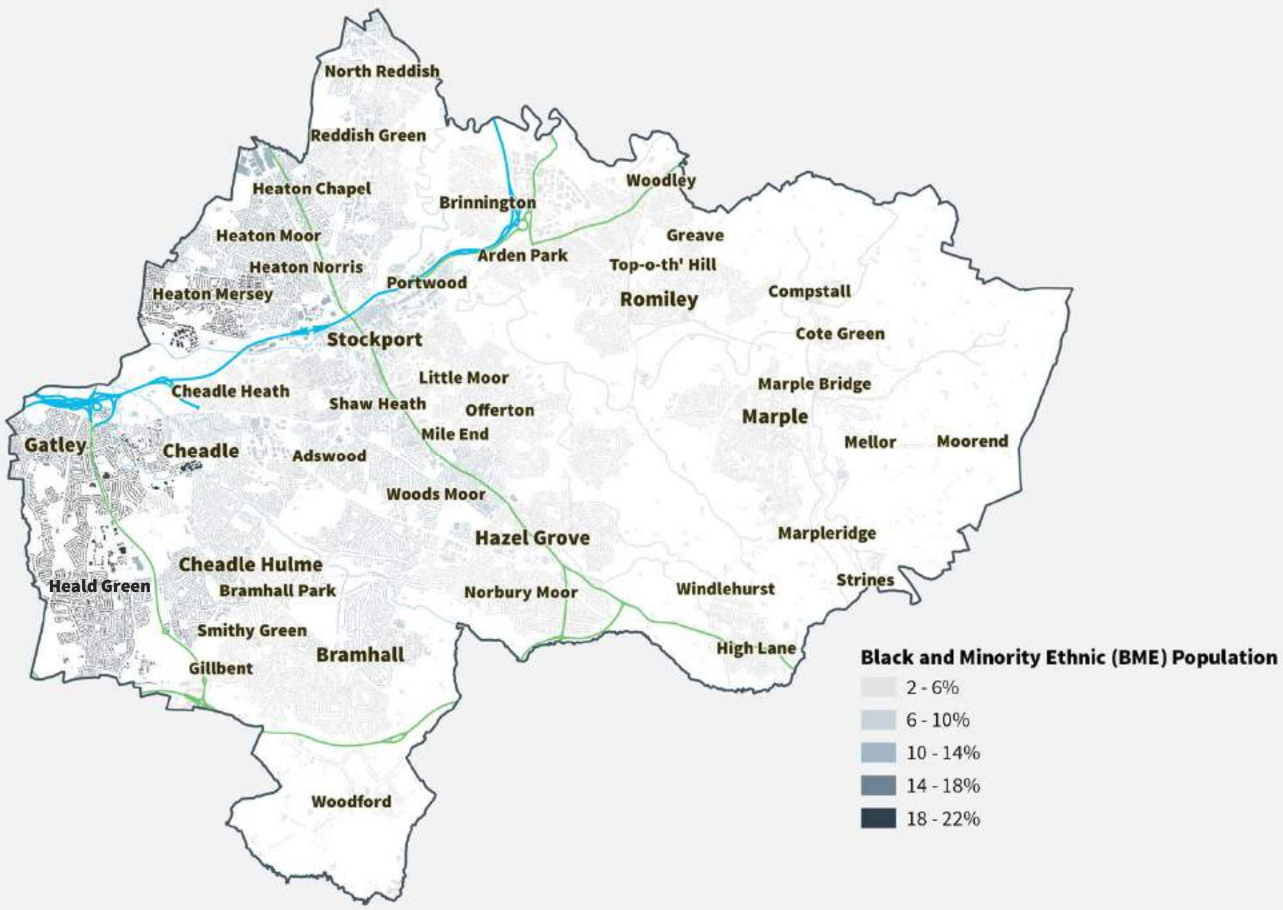
The 2011 Census provides the most robust data on ethnicity at a local level. This shows that overall, Stockport is less diverse than the England and greater Manchester averages. Over 92% of Stockport's population are white.

The most ethnically diverse neighbourhoods are to the north and west of the borough – with the highest concentrations of Black and Minority Ethnic Residents being in adjacent neighbourhoods to urban Manchester.

Ethnicity, 2011



Black and Minority Ethnic Population in Stockport, 2011



Source: Census 2011

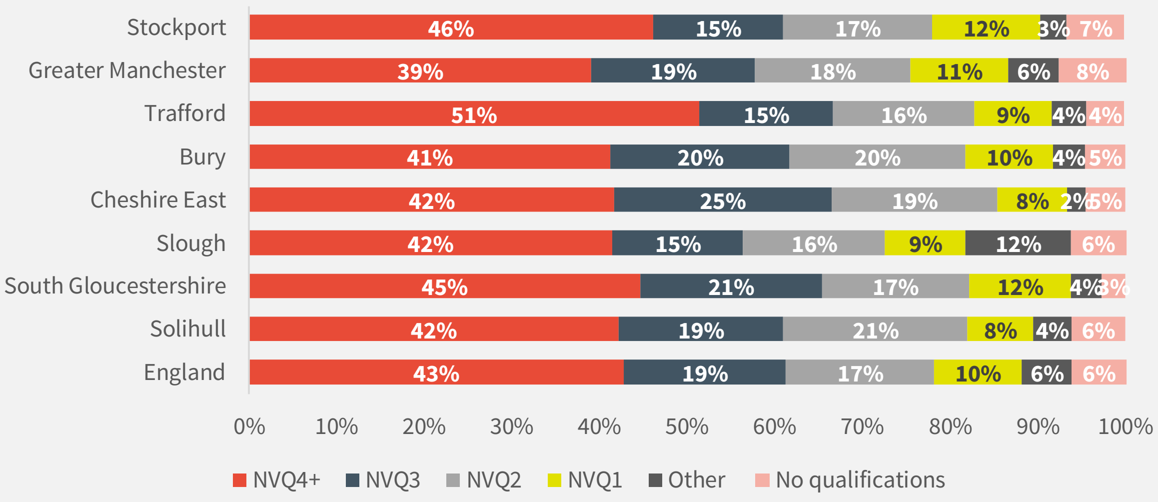
Skills levels **and qualifications (1)**

Overall picture masks clear spatial dimension to Higher Education aspiration and progression…

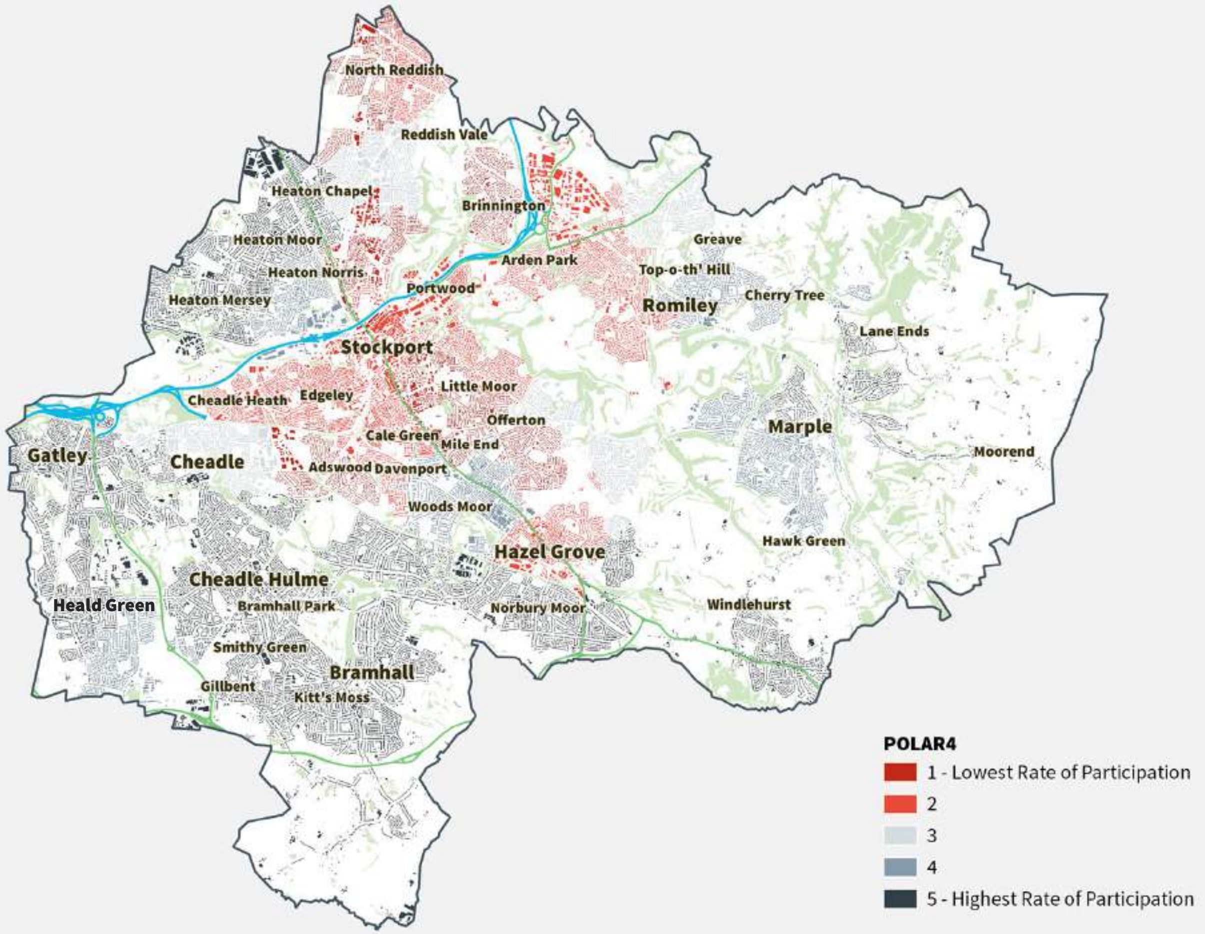
Stockport's residents hold higher levels of qualifications than their comparator areas and the level seen nationally. Almost half of residents (46%) are educated to degree level, compared to 43% in England as a whole.

However, the proportion of Stockport's young people progressing from A Levels through to Higher Education varies significantly in each neighbourhood. Whilst parts of Brinnington and Reddish have some of the lowest participation rates nationally; areas such as Bramhall, Marple and Cheadle Hulme have the highest rates of higher education participation.

POLAR 4 score: HE participation by LSOA



POLAR 4 score: HE participation by LSOA



Source: POLAR 4, Annual Population Survey

Skills levels **and qualifications (2)**

Stockport's young people are less likely to continue on to sustained education at higher levels…

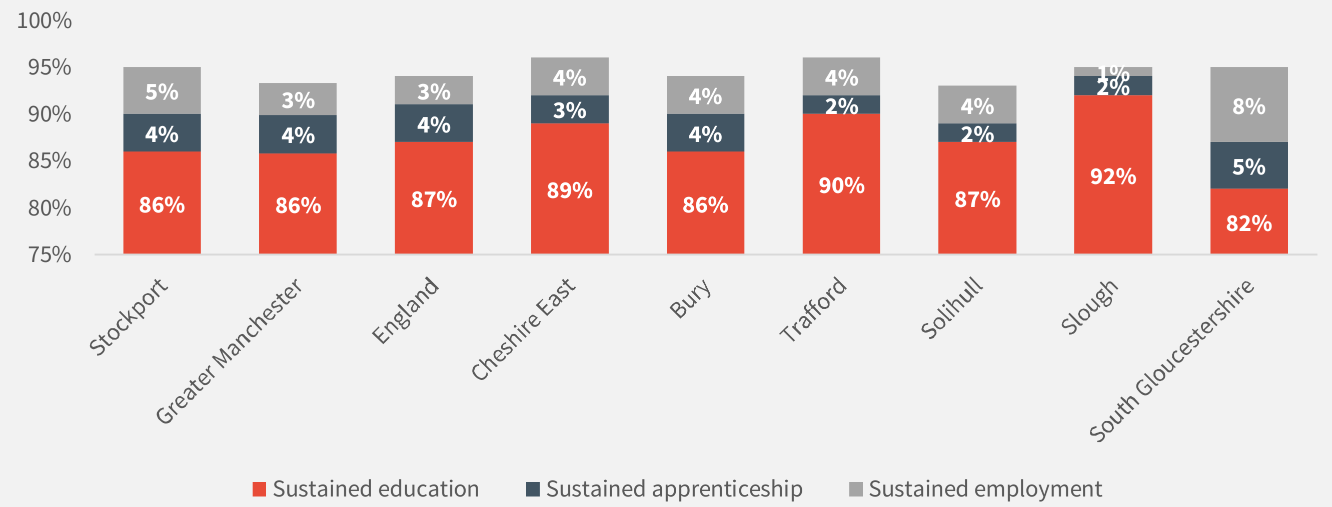
A higher proportion of young people enter employment in Stockport (5%) than is seen at the national level (3%) following completion of KS4. This translates to a slightly lower proportion of Stockport's young people continuing on to sustained education.

The gap between those undertaking further qualification versus alternative routes widens in Stockport for those post 16-18 qualifications. On completion of a Level 3 qualification, only 52% of students enter sustained education (compared to 61% in Greater Manchester) and a much higher proportion enter sustained apprenticeship at this level.

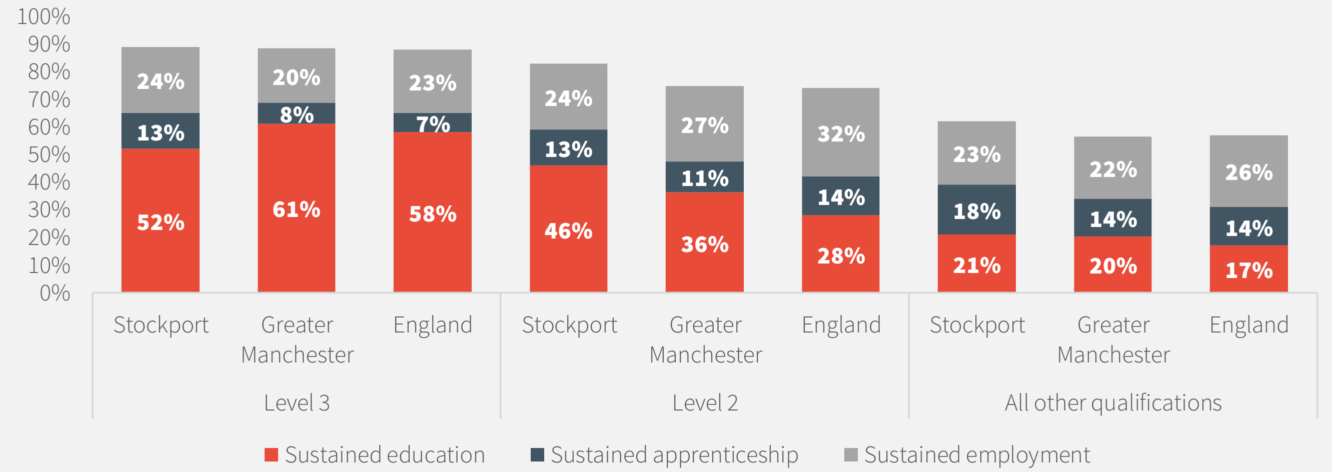
Those studying Level 2 qualifications in Stockport are more likely to enter sustained education (46%) than at the England level (28%) with a lower proportion entering employment in Stockport (24%) compared to 32% nationally.

Highest take-up of apprenticeships in Stockport occurs amongst those studying all other qualifications (18%) compared to 14% in Greater Manchester and England.

KS4 destinations



16-18 destinations



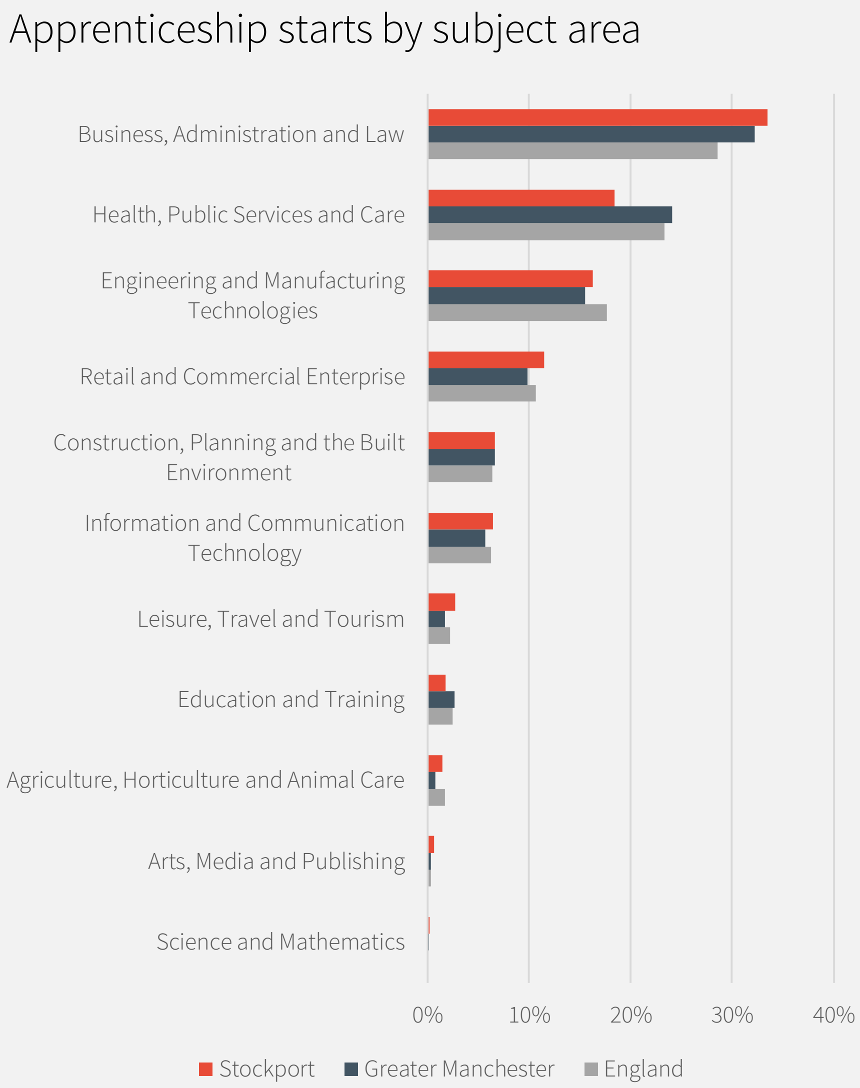
Source: HESA

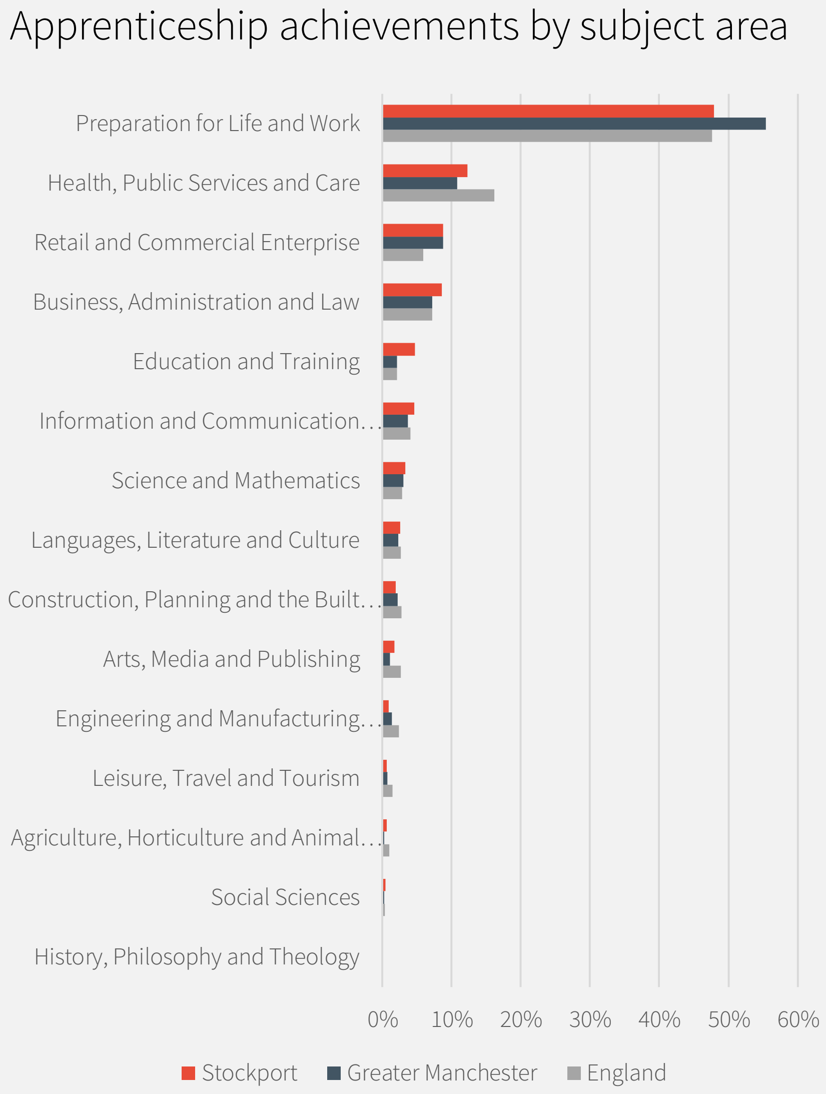
Skills levels **and qualifications (3)**

Business, health and engineering are leading Stockport's apprenticeship take-up and are well aligned to the borough's current and future economic need…

Apprenticeship starts provide an overview of appetite for skills and careers across different sectors. Sectors with the highest apprenticeship starts in Stockport include business and administration (33%), health (18%) and engineering and manufacturing (16%).

Apprenticeship achievements give an indication of retention and business demand across different sectors. Sectors accounting for the greatest proportion of achievements include health (12%), retail (9%) and business and administration (9%).





Source: HESA

Stockport’s **Social mobility**

Social mobility challenges mainly concentrated in early years life stage…

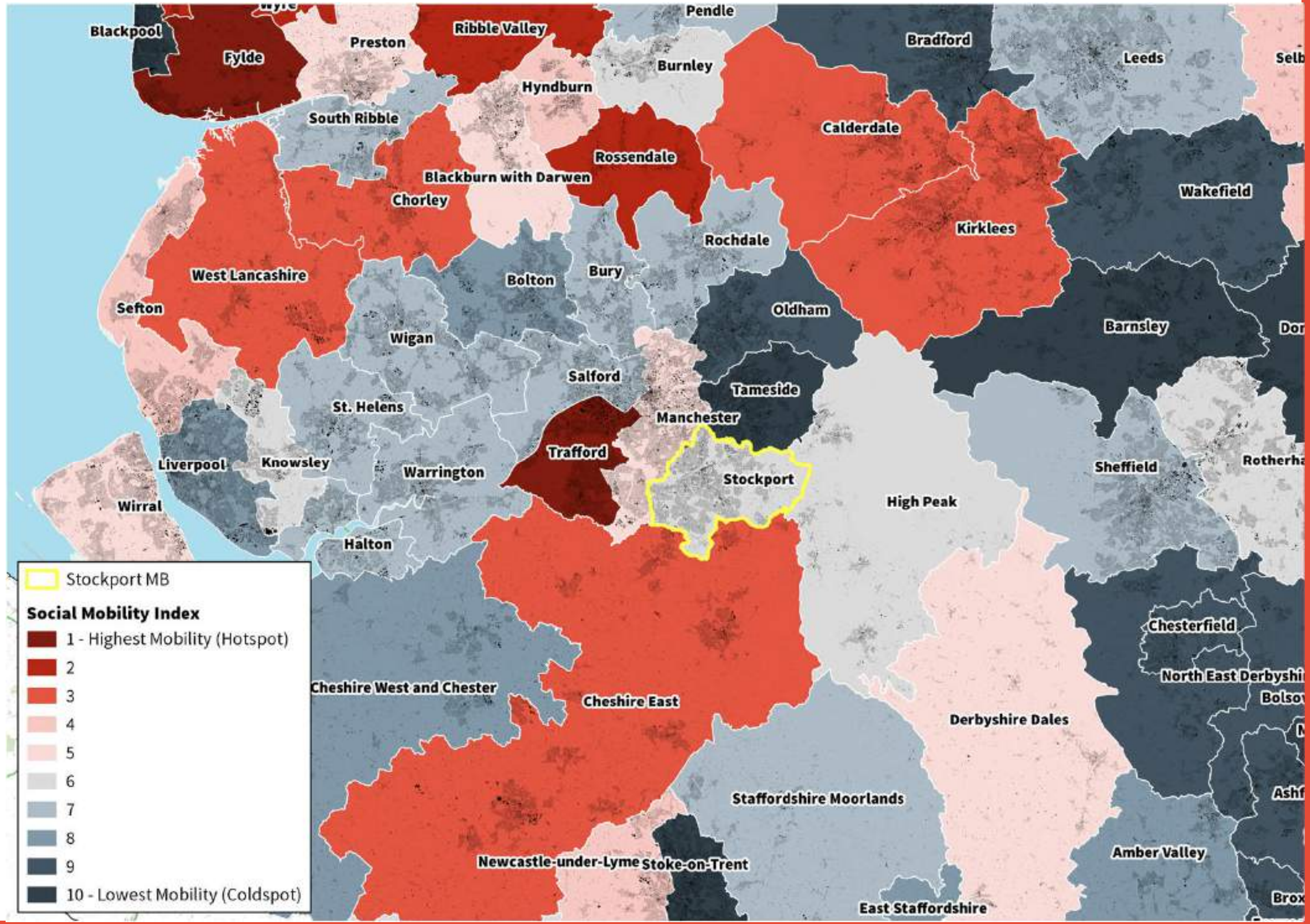
The Social Mobility Commission provides a view of social mobility in England in 2017. The index measures social mobility prospects in each local authority through 16 key performance indicators and compares the opportunities for young people from disadvantaged backgrounds to succeed based on where they live. The Index demonstrates which parts of the country have the best social mobility outcomes and highlights the presence of a social mobility cold spot in Stockport compared to the wider region, with Stockport ranking 183rd out of 324 local authorities in terms of performance.

The Index measures social mobility across all four life stages (early years, school, youth, and adulthood). Stockport performs strongly for social mobility at the adulthood life stage – ranking 49th of all local authorities nationally. This covers metrics such as occupations, salary, and percentages of home ownership.

Conversely, Stockport performs poorly in terms of Early Years social mobility – ranking 260th of all local authorities nationally. This is driven by the fact that Stockport ranks poorly across the following measures:

- % of nursery providers rated 'outstanding' or 'good' by Ofsted – **229th nationally**
- % of children eligible for FSM achieving a 'good level of development' at the end of Early Years Foundation Stage – **222nd nationally**

Social Mobility Index, 2017



Source: Social Mobility Index

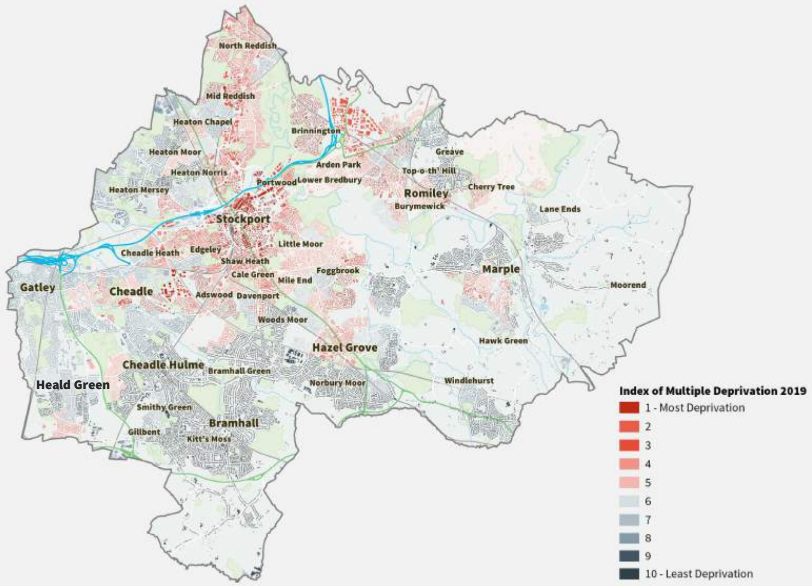
Education provision review: **Secondary**

Worst performing schools in neighbourhoods of highest deprivation – further entrenching social mobility challenges…

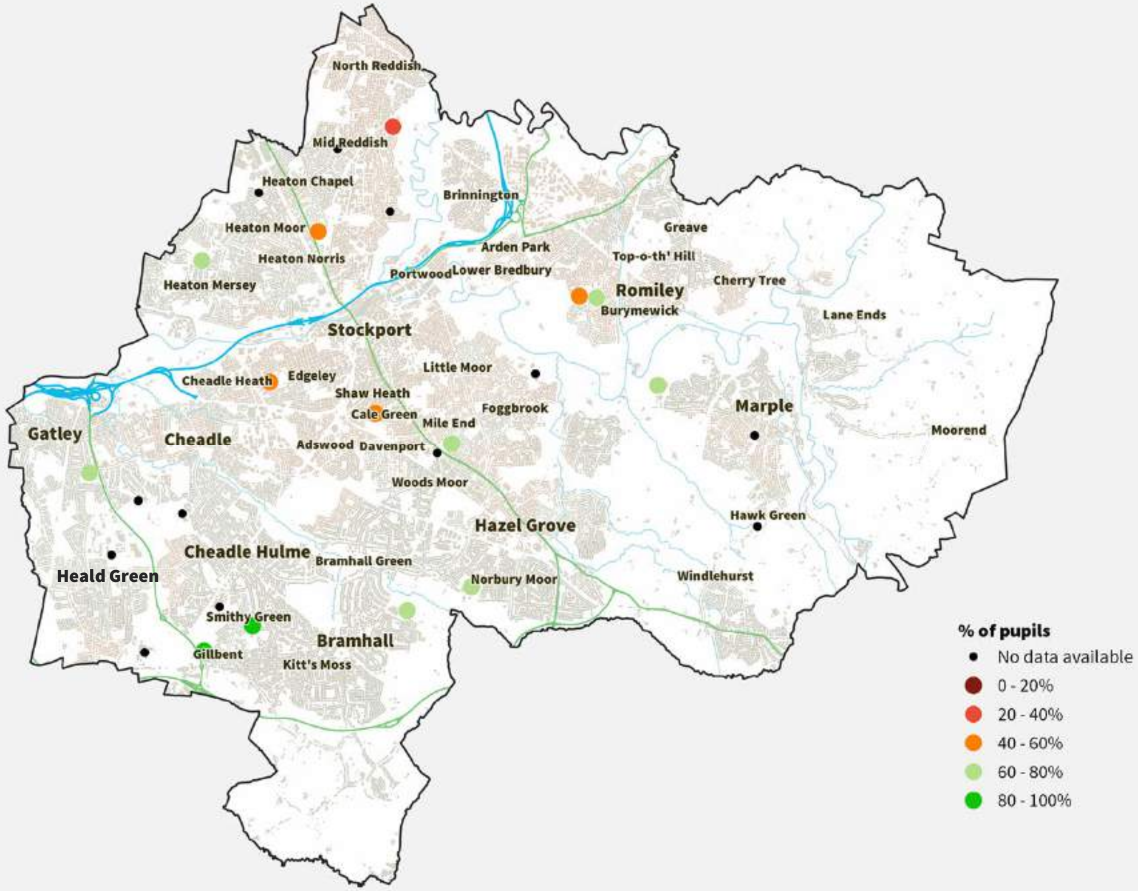
The new secondary school grading system is now numeric – replacing the A*-U. The highest grade is 9, while 1 is the lowest, not including a U (ungraded). Three number grades - 9, 8 and 7 - correspond to the two previous top grades of A* and A.

Mapping the performance of Stockport's secondary provision shows that the worst performing schools for English and Maths attainment are located in the areas with highest deprivation (see Reddish), whereas schools in Cheadle Hulme and Bramhall have over 80% of pupils achieving the equivalent of grade C or above in both English and Maths.

IMD, 2019



% of pupils achieving 9-4 in both English and Mathematics



Source: DfE, IMD

Education provision review: **FE**

FE Institution	Level	Specialisms	Future investments
STOCKPORT COLLEGE	Vocational courses and apprenticeships, pre-GCSE to degree level	Construction; Bricklaying; Plastering; Building Engineering; Carpentry; Art and Design; Hair and Beauty; Health and Social Care.	Plans for large scale redevelopment of the Campus. The project investing £24m will transform the college's town centre campus which will improve the landscape of Stockport. Plans include a new arts building, new teaching facilities for science, hairdressing and beauty.
THE CHEADLE COLLEGE MARPLE SIXTH FORM COLLEGE	Vocational courses and 19+ work related learning, A Levels, BTECs for those aged 16-19.	Math; Science; Social Science; Humanities; Accounting; and Employer Engagement programs.	At a strategic level, a merger consultation has commenced between Cheadle and Marple Sixth Form College and The Trafford College. Provisions will continue at both colleges but will seek to strengthen education and training opportunities for people in Stockport and Trafford.
aquinas COLLEGE	Limited number of GCSE subjects and Level 2, Foundation Maths and English, and A-Levels, Level 3 Vocational Courses.	Business Management and Business Law; Marketing; Financing and Banking.	N/a

Education provision review: **HE**

HE Institution	Level	Specialisms	Industry Partnerships	Future investments
The University of Manchester	Foundation, undergraduate, Masters, PhDs and degree apprenticeships.	Humanities, Science and Health, and Social Science.	Specialises in partnerships with Melbourne, Toronto and the Chinese University of Hong Kong. The University also offers a knowledge transfer partnership across public and private industry sectors.	10-year master plan investing £1 billion to improve university facilities. The investment will focus on areas such as: recruitment, employability and engineering. Projects include an engineering campus, extending the physics and astronomy building, and 2 new wings to the Whitworth gallery.
Manchester Metropolitan University	Foundation, undergraduate, Masters, PhDs and degree apprenticeships.	Technology, Business and Law; Arts and Design; and Social Sciences. Medical and Engineering (Chelmsford Campus). The University has the largest community of creative writing postgraduate students in the UK.	MMU works across public and private organisation with SMEs to multinationals.	Strategy for sustainability including a Carbon Management Plan; Fairtrade Policy; Ethical Investment Policy and Environmental Sustainability Strategy.
University of Salford Manchester	Foundation, undergraduate, Masters, PhDs and degree apprenticeships.	Nursing and Healthcare; Art and Media; Science; Engineering; Business and Built Environment.	Salford Business School collaborates with organisations including Salford Credit Unit and Salford Anti-Poverty Taskforce. The latter included in-depth research into lived experiences of poverty, led to the 'Place to Call Home' Commission and explored Fair Rents.	Green Campus Plan – working with the local council to deliver 2,500 new homes, green space, teaching spaces, renewable energy, restoring historic buildings and encouraging active travel; Smart Digital Campus – accommodating VR and tech; improved transport networks – helping those who live further such as Stockport.
University of Bolton	Foundation, undergraduate, Masters, PhDs and degree apprenticeships.	Vocationally focused and industry relevant taught degree courses.	The University of Bolton Group includes many local colleges and academies, overseas universities and companies such as Alliance Learning, the Anderton Centre and the Research Institute for Social Mobility & Education.	Strategic plan to build a new £10m National Centre for Motorsport Engineering, a campus for subjects allied to Biomedical Science and Dentistry, an Arts School and a law school.

While skills gaps in Stockport are not hindering recruitment in Stockport, notable skills gaps in its existing workforce may act as a constraint on long-term economic growth…

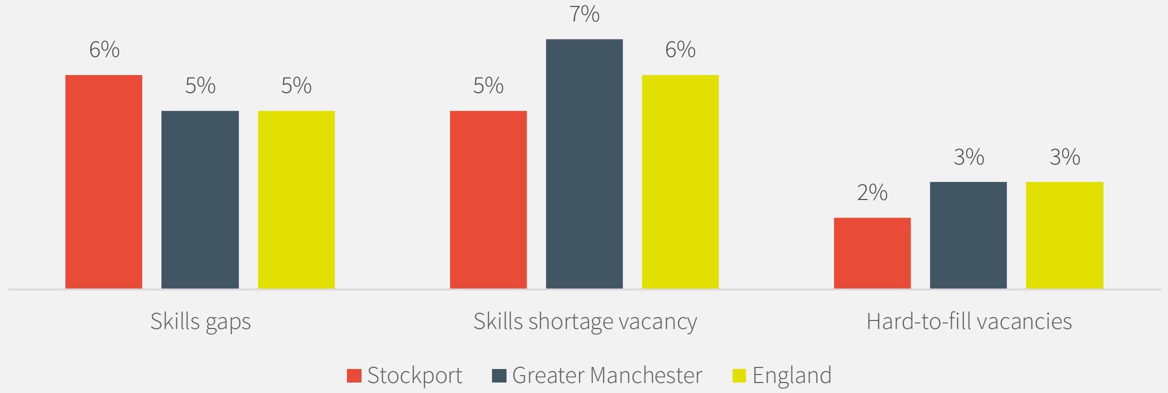
The Employer Skills Survey provides insight into skills supply and demand of employers UK-wide, covering recruitment difficulties, skills gaps (training of existing employees) and shortages (recruitment of more people) reported by employers, and sets out future skills development and training needs within the organisation.

A skills gap refers to an employee who is not fully proficient in their role. Understanding skills gaps and shortages can indicate where the balance of supply and demand is particularly skewed, leading to long-term recruitment challenges and acting as a constraint on growth. 6% of employers in Stockport reported that there were skills gaps in their workforce, which is higher than both GM (5%) and England averages (5%).

Skills gap density refers to the proportion of employees who are not proficient in their roles as a proportion of total employment. Skills gap density by occupation in Stockport indicates that there are particularly high skills gap densities in elementary, administrative/clerical and associate professional occupations – all of which are above the national average.

Despite higher than average levels of skills gaps in Stockport, the proportion of skills-shortage vacancies (vacancy caused by a shortage of skills that an employer looks for) in Stockport is lower than its comparator areas. Similarly, of employers reporting vacancies, lower proportions of employers in Stockport reported these vacancies as hard-to-fill (5%) compared to GM (7%) and England (6%). This suggests that while Stockport lacks difficulty in recruitment, there are skills gaps within Stockport's existing workforce which may act as a constraint on productivity and economic growth.

Skills gaps by type



Skills gap density by occupation

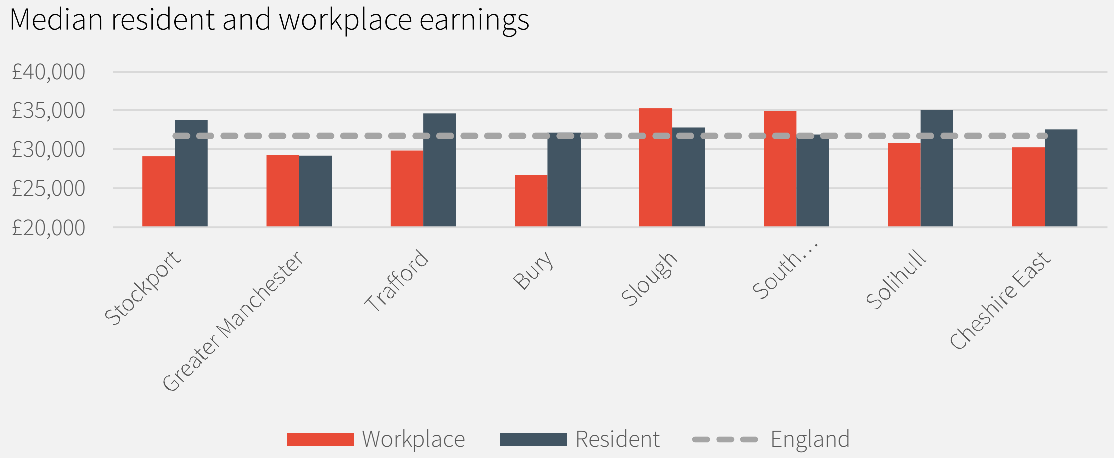
Source: Employer Skills Survey, ONS, 2019

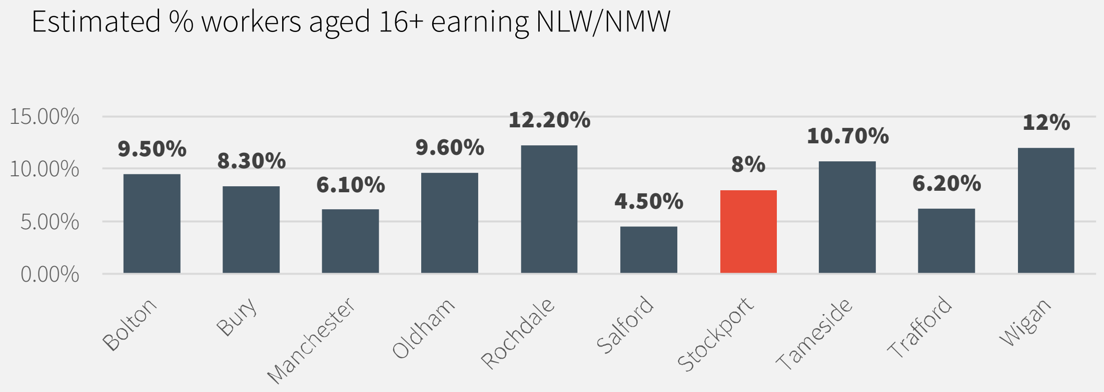
Stockport's **earnings**

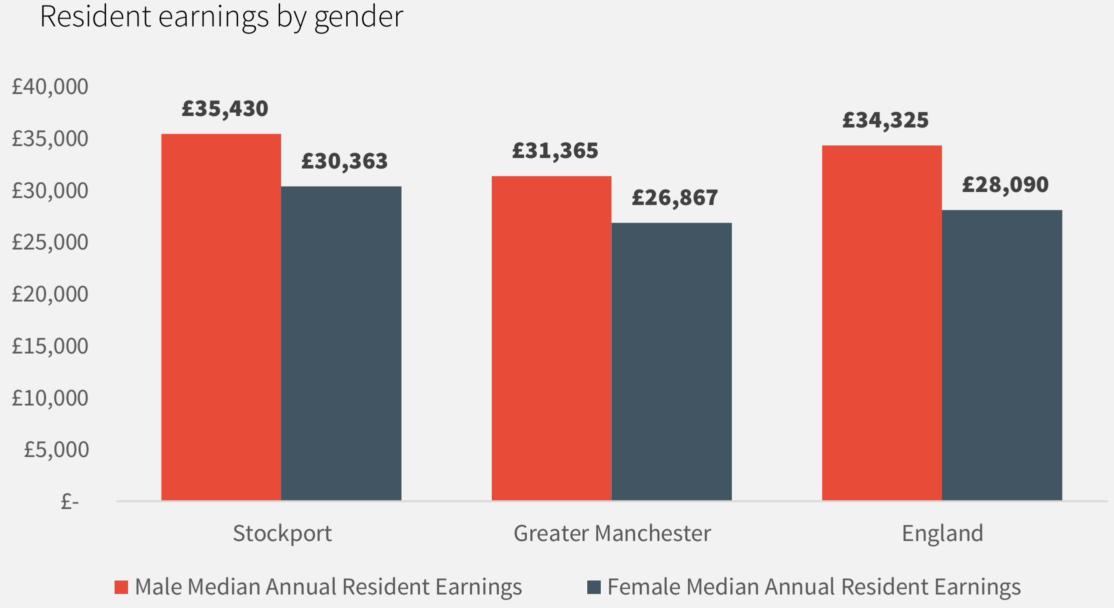
Resident earnings are significantly higher than workplace earnings – perpetuating challenges of a dual economy…

Resident earnings in Stockport are 16% higher than workplace earnings, reinforcing that many residents leave the borough to work to access high value employment opportunities in Manchester and the wider city region. Median male earnings are 17% higher than female earnings – however this disparity is not as vast as the England average (22% difference between median male and female averages). Data from Greater Manchester Poverty Action shows that Trafford, Stockport, and Bury are the only GM Boroughs with an average hourly pay above the national average.

The chart below shows the estimated proportion of workers aged 16+ earning the National Minimum Wage (NMW) or National Living Wage (NLW) in 2018 by Greater Manchester local authority from the Low Pay Commission. The chart shows that Salford has the lowest proportion of workers earning the NMW or NLW at 4.5%, with Rochdale having the highest proportion of workers earning the NMW or NLW at 12.2%. It is estimated that over 9,000 residents in Stockport are either on the National Living Wage or National Minimum Wage.







Source: Annual Survey of Hours and Earnings, GM Poverty Action

Child **poverty**

Child poverty most acute in Brinnington, Stockport, and Reddish...

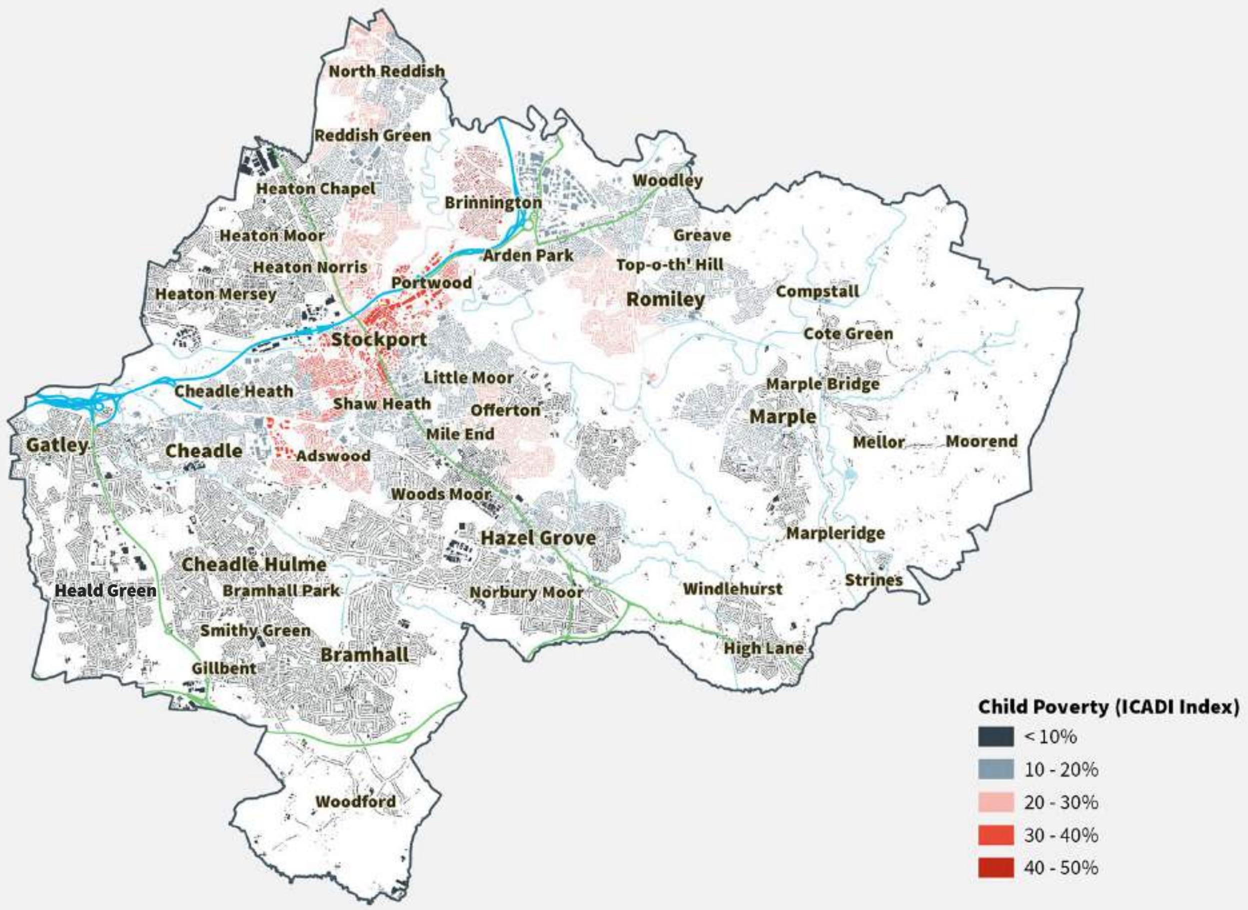
Around 200,000 children are living in poverty in Greater Manchester. According to data from the Greater Manchester Poverty Commission, Stockport has the second lowest child poverty rate of all GM Borough's after Trafford. Despite this, there are still one in four children (25.4%) living in poverty after housing costs. Spatially, the highest concentrateions of child poverty are in Brinnington, Stockport town centre and Reddish.

There are several ways in which living in poverty can lead to poorer health outcomes in children, as well as into adulthood.

Being exposed to some or all of the key factors below, as well as the accumulation of exposure over time, can adversely impact on child development and health outcomes.

- Limited money for everyday resources - including good quality housing.
- Stress of living in poverty.
- Unhealthy lifestyles.
- Poorer education and employment opportunities.

Child Poverty (Income Deprivation Affecting Children Index)

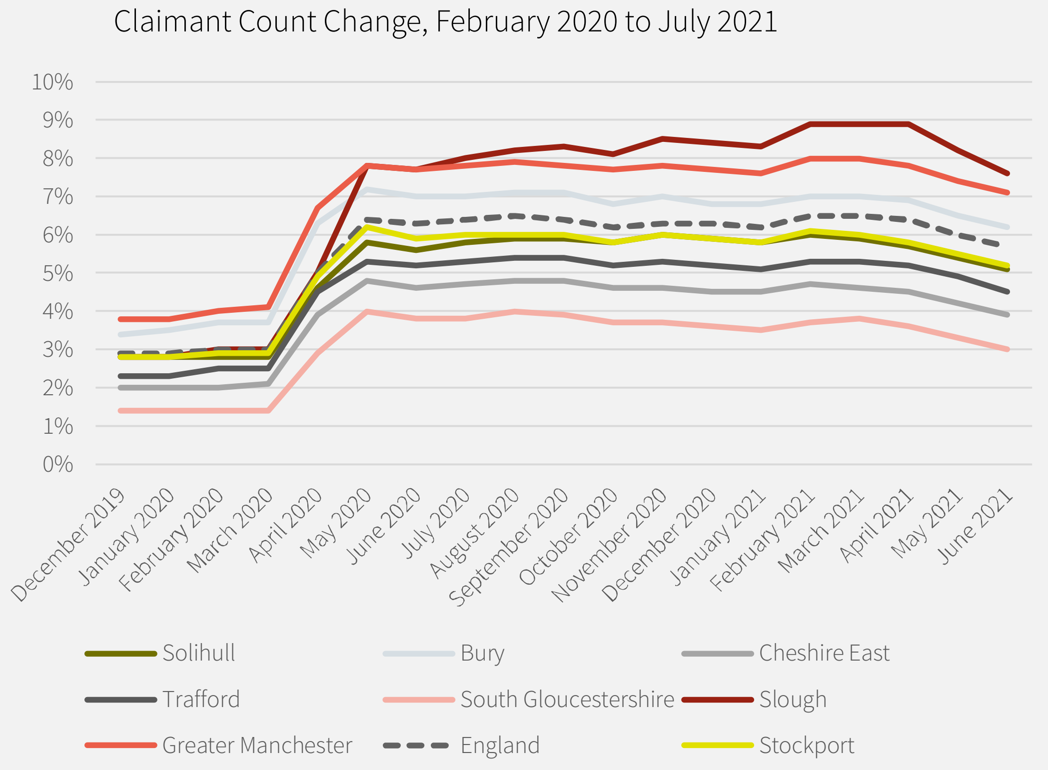


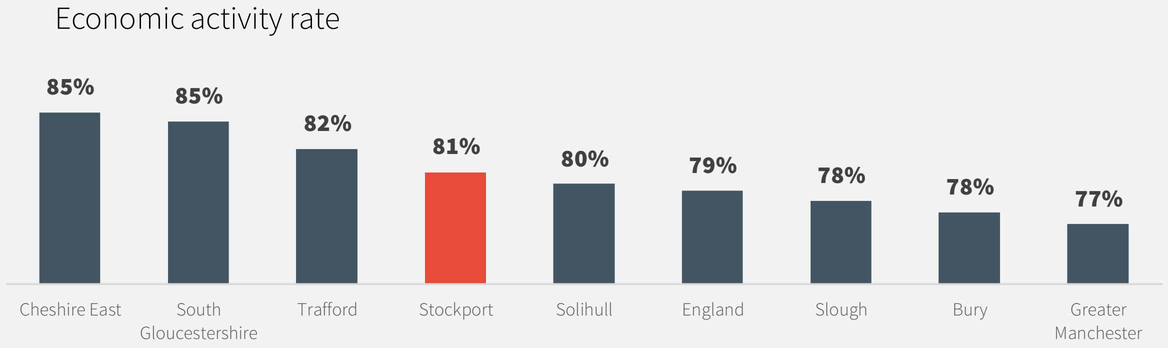
Source: Greater Manchester Poverty Commission

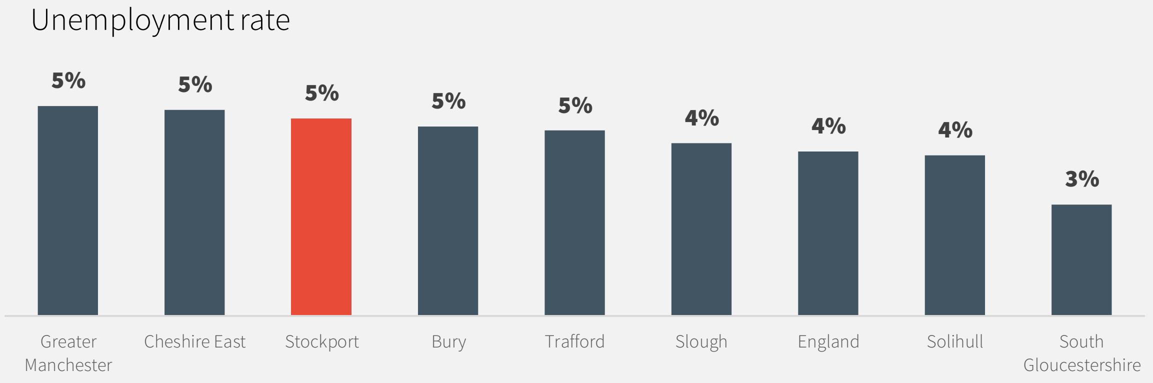
COVID-19 impact: **Claimant Count (1)**

Claimant count rose significantly during the pandemic and has remained high, exacerbating existing unemployment challenges…

The Claimant Count is a measure of the number of people claiming benefits principally for the reason of being unemployed, based on administrative data from the benefits system. The Claimant Count does not attempt to measure unemployment, which is a concept defined by the International Labour Organisation (ILO) as all those who are out of work, actively seeking work and available to start work. Therefore, claimant data also captures challenges such as underemployment. As of June 2021, there were an additional 4,000 claimants in Stockport compared to December 2019. This could lead to significant increases in Stockport's unemployment which was already higher than the England average going into the pandemic.







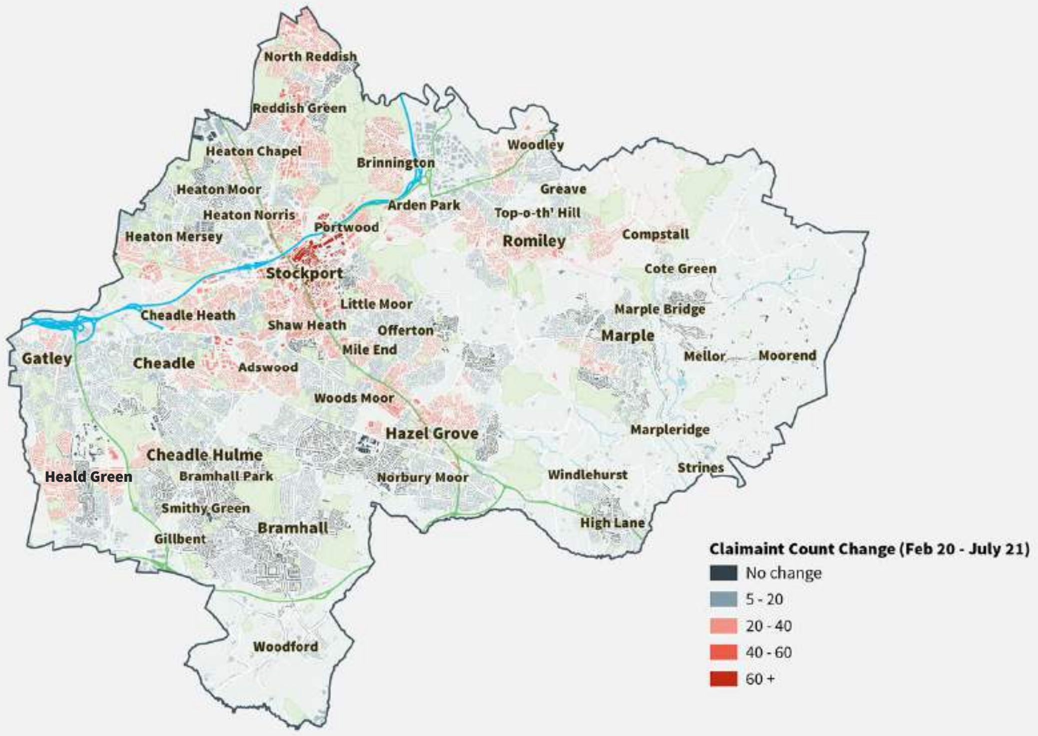
Source: ONS Claimant Count

COVID-19 impact: **Claimant Count (2)**

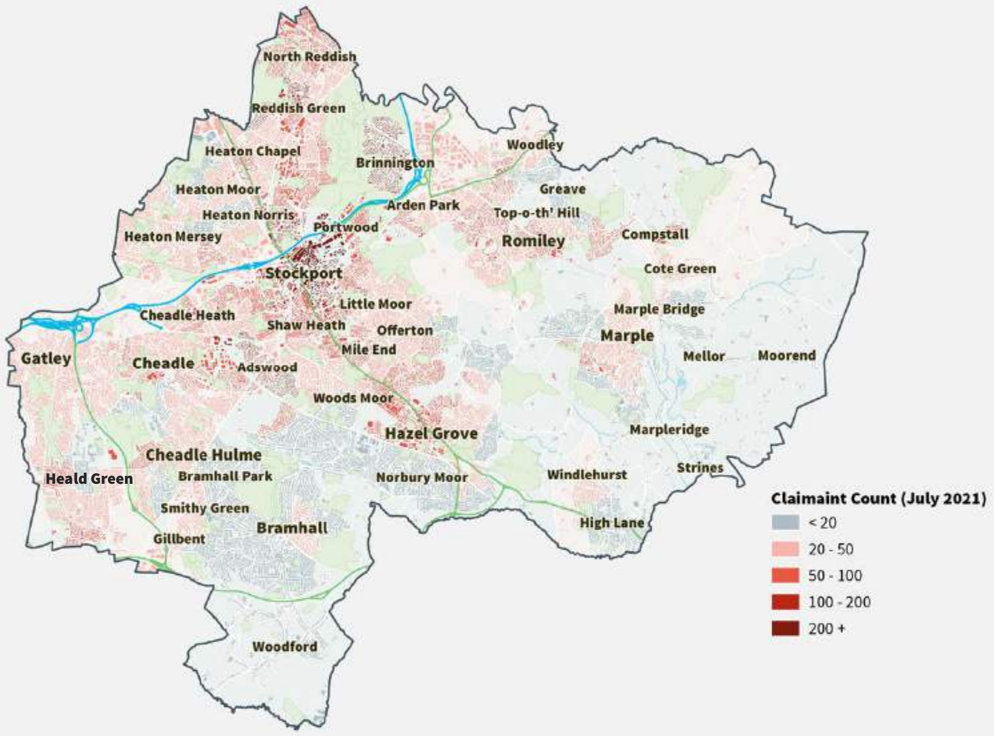
However, the impacts have not been evenly spread across the borough…

There is a clear spatial dimension to changes in claimant count, with most of the increases witnessed being concentrated within Stockport town centre, the A6 corridor and the north of the borough. Conversely, the borough's wealthier and less deprived neighbourhoods have seen little to no change in the number of claimants since the start of the pandemic. This is likely to be influence by the types of occupations and sectors these residents are employed in – with higher levels of professional services and home working.

Claimant Count Change, February 2020 to July 2021



Claimant Count, July 2021



Source: ONS Claimant Count

COVID-19 impacts: **claimant count (3)**

Younger and older workforce most significantly impacted by COVID-19…

Analysis of Claimant Count data by age and gender shows that the impact of the pandemic has not been evenly spread. The data shows that since the start of the pandemic, people just entering the workforce (aged 16-24) and older workers (aged 50+) have been hardest hit, compared to established professionals aged 25-49. In July 2021, the number of claimants over the age of 50 was 95% higher than it was in December 2019. This is potentially a significant challenge locally, as Age UK research from the previous recession showed that older workers were significantly more likely to be out of work for longer once made unemployed.

Similarly, there have been greater increases in the number of male claimants compared to female claimants – which has remained consistent throughout the pandemic. In July 2021, there was an additional 85% male claimants compared to pre-pandemic levels and an additional 74% female claimants. This is even more significant in absolute terms as visualized below.

Absolute Claimant Count Change, February 2020 to July 2021

+2,500 male claimants

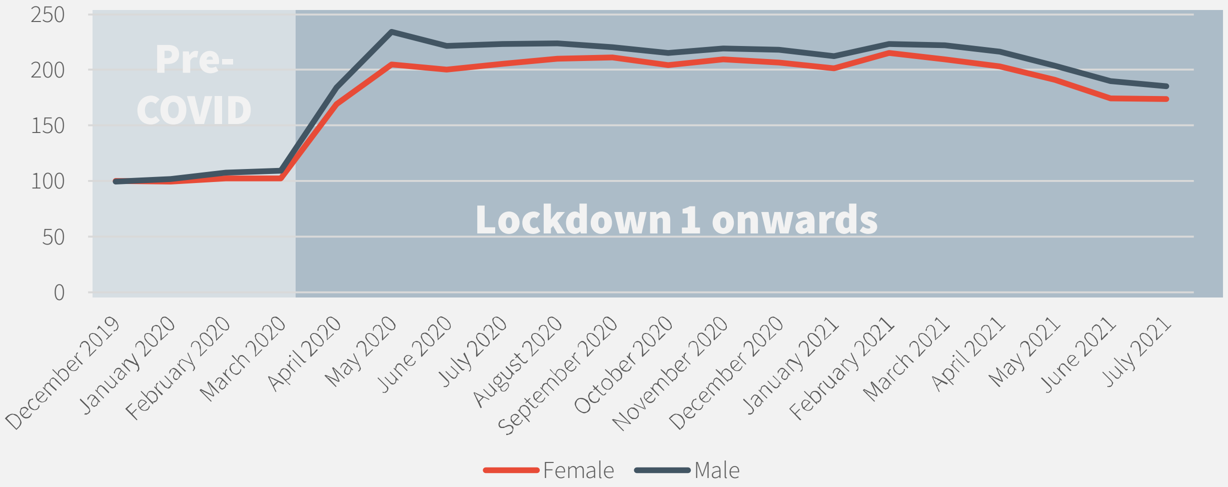
+1,500 female claimants

+800 aged 16-24

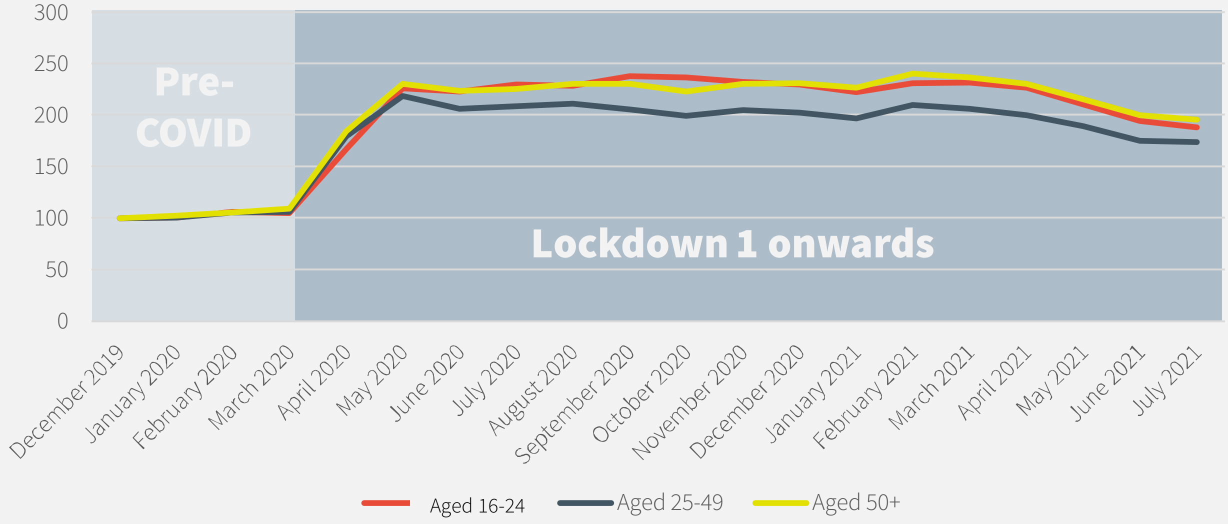
+2,200 aged 25-49

+1,000 aged 25-49

Indexed claimant count change by gender, 2019-2021, Dec 19 = 100



Indexed claimant count change by age group, 2019-2021, Dec 19 = 100



Source: ONS Claimant Count, Age UK

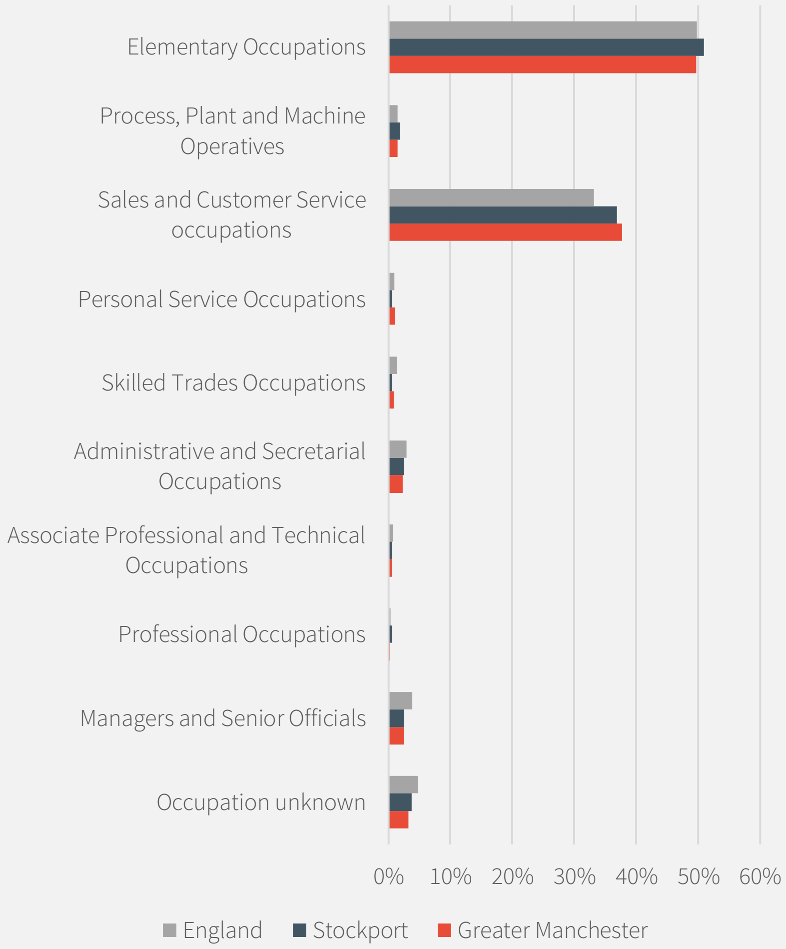
Stockport's **Jobseeker's Allowance**

Types of occupations sought heavily concentrated amongst low value occupations...

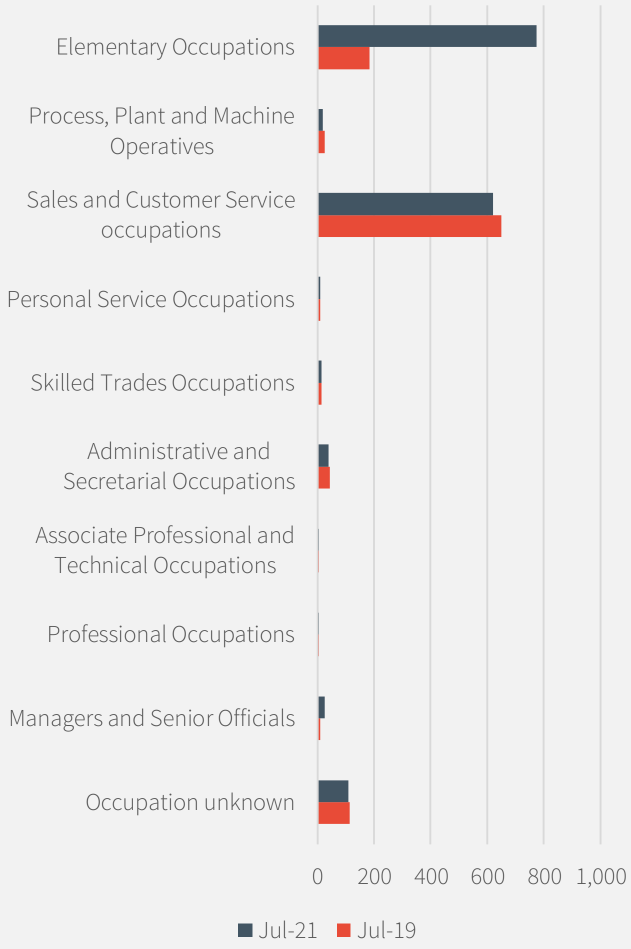
This data shows the Records the number of people claiming Jobseeker's Allowance (JSA) and National Insurance credits at Jobcentre Plus local offices. Whilst the Jobseeker's Allowance datasets only cover a subset of people claiming unemployment related benefits in comparison to Claimant Count data, it is useful for understanding the types of roles residents claiming JSA are seeking.

This shows that since July 2019, the number of people seeking low value employment has increased significantly in the Borough. In July 2021, there were an additional 319% more residents seeking employment in Elementary Occupations compared to the same month in 2019. This reinforces the insecurity of lower value employment in Stockport, with more residents seeking fewer jobs in Elementary Occupations.

Jobseeker's Allowance by sought occupation, July 2021



Jobseeker's Allowance by sought occupation in Stockport, July 2019 vs July 2021



Source: JSA Counts

Inclusive growth: **Disability**

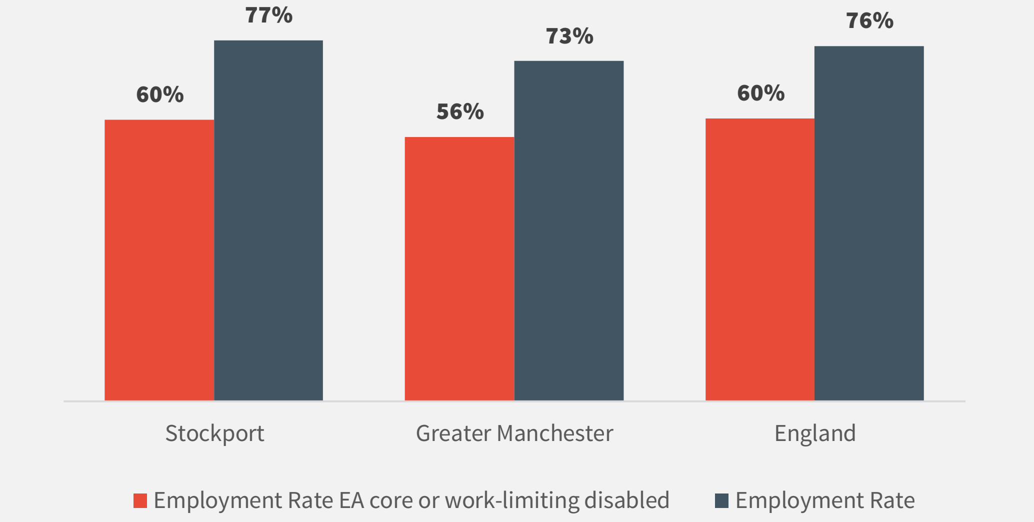
Disparity of employment outcomes for disabled residents less acute in Stockport than the national or regional averages...

The charts to the right show the economic activity and unemployment rate of people classified as 'equality Act core or work-limiting disabled' within the ONS' Annual Population survey.

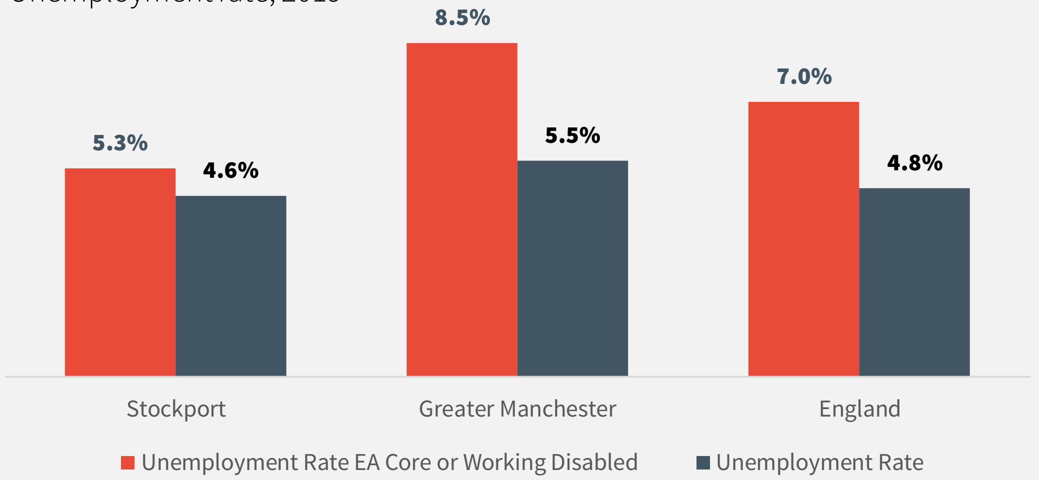
This shows that like Greater Manchester and England averages, the economic activity rate for Stockport's residents is lower than the population as a whole. 60% of disabled residents are economically active, and of this, a much higher proportion are in employment compared to the national and regional averages. This is shown by the fact that the unemployment rate of disabled Stockport residents (5.3%) is broadly in-line with the borough average (4.6%). This is not mirrored elsewhere, with the average unemployment rate of disabled residents in Greater Manchester 3% higher than the average unemployment rate.

The engagement exercise should explore any additional barriers to the labour market not covered by the data during the COVID-19 pandemic. This is likely to include the impact of remote working and other changes in working practices since the start of the pandemic.

Economic activity rate, 2019



Unemployment rate, 2019



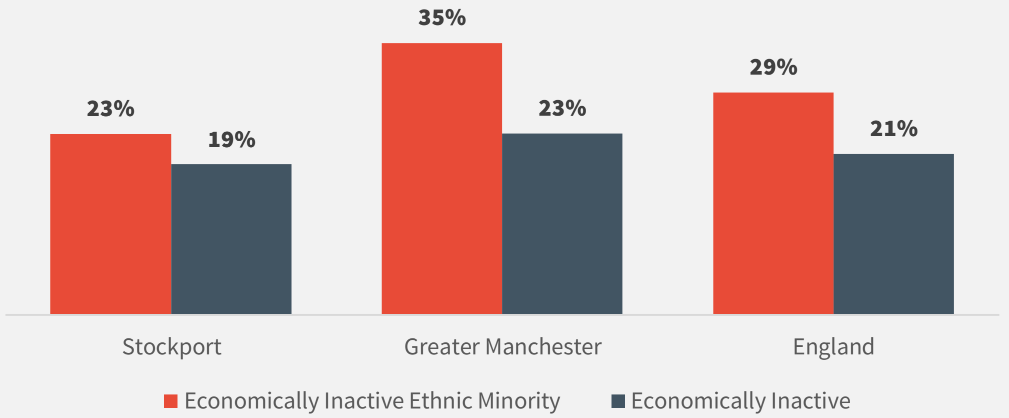
Economic participation **by ethnicity**

Ethnic minority unemployment rate is higher in Stockport than the national average, but the picture is nuanced…

Ethnic minorities in Stockport are more likely to be unemployed and economically inactive than the population as a whole. Despite this, the differences between rates of inactivity are less pronounced in Stockport than the regional and national picture where ethnic minority economic inactivity is significantly higher than the average.

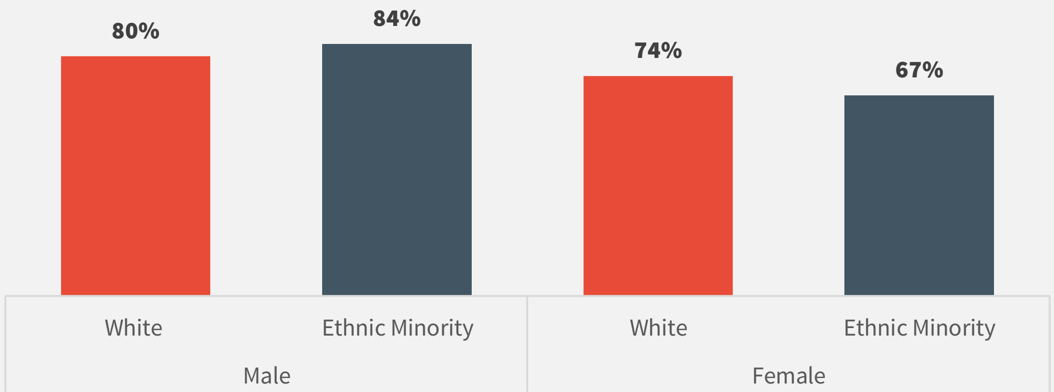
When employment rate data is aggregated by gender, it shows that male ethnic minorities are 4% more likely to be in employment than white males. Conversely, ethnic minority females in Stockport have the lowest employment rate of any group – with a 7% lower employment rate compared to white females in the borough. The engagement should seek to understand what the structural barriers to labour market participation in Stockport are for ethnic minorities who want a job.

Economically inactive rate, 2019



Unemployment rate, 2019

Aged 16-64 employment rate in Stockport, 2019



Source: Annual Population Survey

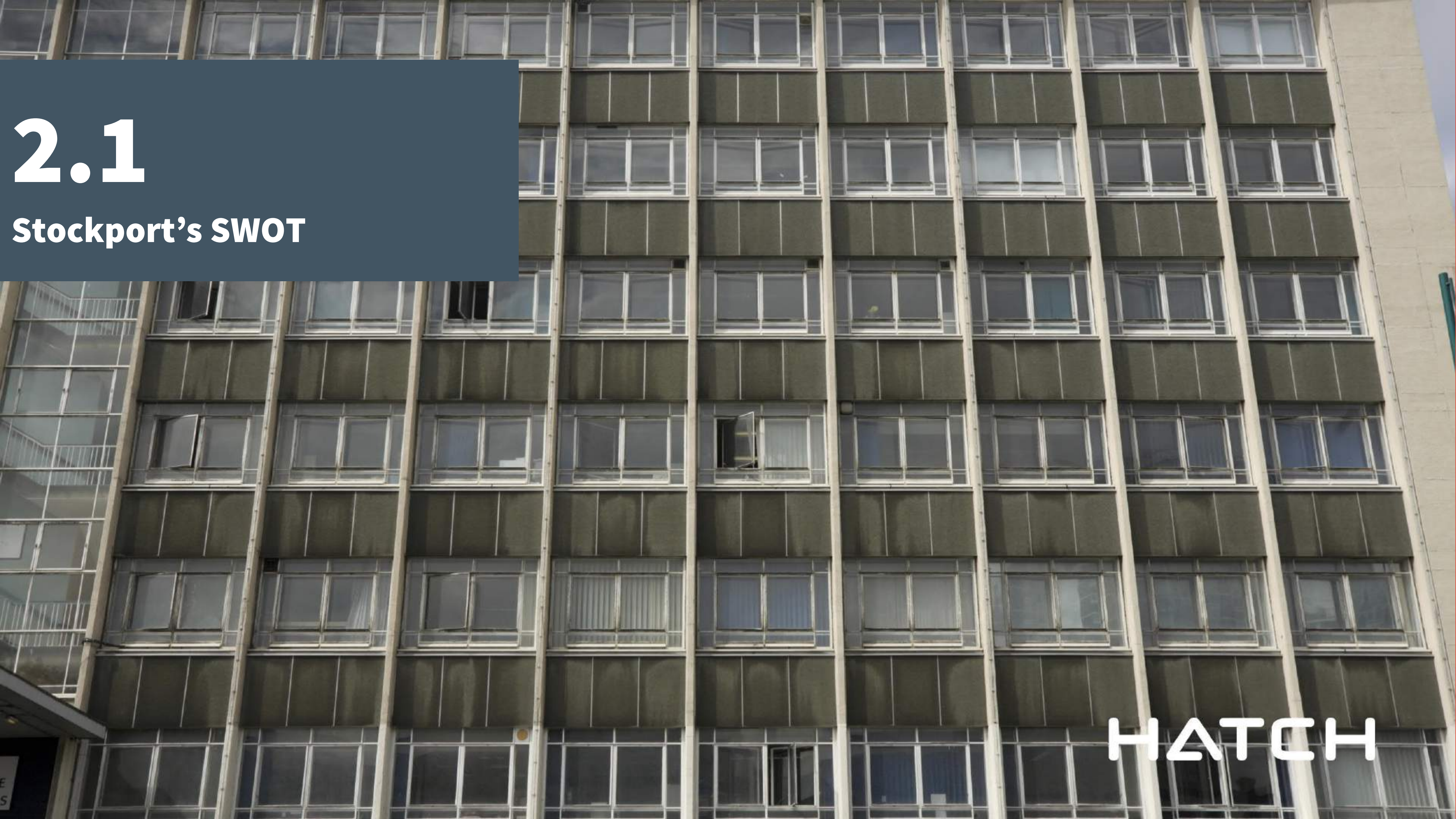
What quantitative **evidence can't tell us**

People issues and opportunities to be explored through the second phase of research…

Whilst the evidence presented within each section is comprehensive, there are a range of wider issues which impact on the prosperity of Stockport's people which cannot be answered by data alone. The table presented below provides a mix of some of the questions that we will seek to answer through the next phase of evidence. This collates a mix of questions raised by SMBC officers and members, and key statistics that require further investigation through phase 2 of the evidence gathering process.

Area of further exploration	Phase 2 evidence
Perspectives of young people	The second phase of the evidence will seek to get under the skin of the data to understand what it is like to be a young person in Stockport. This should seek to understand key barriers to progression, attainment, and labour marker participation. This should also focus on the spatial areas identified through the data where attainment and aspiration is lowest.
Employment support needs of different demographics	The research highlighted the particular impacts of the pandemic on different demographics. This showed that early career and older workers were particularly badly impacted. The second phase of the research should engage with organisations such as Job Centre Plus to understand the specific needs of each cohort and how the council could support these individuals back into the labour market.
HE/FE Provision	Engage with providers to understand how education can be aligned to the future needs of the Stockport/UK economy. This should include engaging with the Greater Manchester Combined Authority to understand how devolved funding such as the Adult Education Budget can be better aligned to the needs of Stockport's residents.

Using the consultation to fill gaps in the data



2.1

Stockport's SWOT

Stockport **SWOT analysis**

Delivering a practical, ambitious, and co-designed Economic Plan…

This evidence base represents the first phase of identifying priorities for the Stockport Economic Plan. It provides a robust quantitative assessment of the borough's Strengths, Weaknesses, Opportunities and Threats. However, data can only tell us so much – meaning the approach to evidence gathering will be supplemented by engagement and on-the-ground insight led by Forever Consulting to ensure that lived experience is included as a valuable source of intelligence.

The approach to engagement will utilise the findings presented within this evidence baseline to identify priority topics and demographics to steer the consultation. This second phase will then test and refine some of the key messages coming through this evidence base, before agreeing a set of key priority areas through intervention. This recognises that the council's resources are finite, and prioritisation will be vital if the SEP is going to have the desired impact.

The following two pages synthesises the evidence contained within this baseline document to define a set of opportunities and challenges to be explored through the next stages of this commission.

Stockport's **strengths and weaknesses**

S

Strengths

- **Strong employment growth.** Since 2015, Stockport's employment base has grown by 13% - which is faster than the national and Greater Manchester averages. Providing more high quality employment opportunities locally can help to retain wealth within Stockport and enhance the vibrancy and vitality of the town centre and neighbourhood centres.
- **Nationally significant employment and business specialisms.** Stockport retains specialisms across many critical foundational sectors such as utilities, logistics and manufacturing.
- **Home to a diverse range of businesses that can support the UK's net zero ambitions.** Several interesting businesses to retain and grow in the green economy ranging from environmental consultancy services to providers of Solar Power, EV Chargers, Heat Pumps and Battery Storage.
- **Stockport's digital and physical connectivity are at the heart of its growth opportunity and post-COVID offer.** High-quality connectivity will be important to attract new and retain existing businesses.
- **Intersectional analysis shows less employment inequality in Stockport compared with the wider GM and England pictures.** The employment outcomes of Stockport's ethnic minority and disabled residents are broadly in-line with the population as a whole. Despite this, economic participation of ethnic minority women in the borough is low and understanding potential barriers to labour market activity should be explored through the consultation.
- **Resilient commercial property market throughout COVID-19.** Unlike city centres such as Manchester and London, lease and sale deal flows remained consistently strong throughout 2020, indicating confidence in Stockport as a post-COVID business destination of choice.
- **Less reliant on international migration which can underpin the resilience of the Stockport economy.** EU migration over the last decade has been considerably lower in Stockport than other comparator local authorities – making Stockport potentially more resilient to restrictions on migration and ongoing supply chain challenges.

W

Weaknesses

- **Overall strong performance against a range of socio-economic indicators masks Stockport's inclusive growth challenge.** The SEP should seek to identify priority areas for intervention to ensure new development benefits long-term communities in the most deprived parts of the borough.
- **High average income figures mask issues of low earnings.** It is estimated that over 9,000 residents in Stockport are either on the National Living Wage or National Minimum Wage.
- **Lack of business dynamism and poor survival rates means that Stockport is increasingly reliant on a smaller group of major employers.** Despite hosting a micro-business dominated economy, there is little evidence of a strong entrepreneurial start-up culture. Stockport's economy is defined by sluggish business growth and poor 5-year business survival rates meaning that more could be done to support this part of the economy.
- **Impacts of COVID-19 have disproportionally impacted the borough's most disadvantaged residents.** Targeting employment support spatially could help address overall challenges.
- **Significant inequality in terms of educational outcomes and aspiration.** Stockport's young people are less likely to continue to sustained education at higher levels and residents from disadvantaged areas are more likely to attend a poor-performing school.
- **Social mobility is lowest at the most critical formative life stage.** Poor nursery provision could affect a child's life chances into adulthood.
- **Health, social, and community infrastructure provision is failing to support healthy lifestyles across most of Stockport's neighbourhoods.** Ensuring the borough's places are supporting resident wellbeing will be an important component of delivering an inclusive economy and taking a holistic approach to prosperity.
- **Mismatch between jobs sought and availability of employment.** Most of the jobs sought for residents on Job Seekers Allowance are in Elementary occupations which are typically low skill and low value.
- **Bus provision and local railway network capacity within the borough is poor.** Whilst north-south connectivity is extremely strong, the local railway network is struggling to keep pace with demand. Stockport also suffers from long east-west bus journeys, with many local residential areas under-served.

Stockport's **opportunities and weaknesses**

O

Opportunities

- **Areas of most significant deprivation are where the borough's most significant economic assets and growth opportunities are located.** Town Centre West and Bredbury developments will deliver significant growth and regeneration investment to two areas of high deprivation. As a result, the SEP should identify interventions to ensure local people and existing residents are the primary beneficiaries of the economic opportunities created through regeneration and development.
- **Capturing significant future growth in high value sectors.** The majority of Stockport's growth is forecast to be within high value, knowledge intensive, and office-based employment. The job of the economic plan should focus on marrying the hard (such as commercial property and transport) with the soft (career support/skills development) infrastructure to ensure all of Stockport's residents are able to benefit from the opportunities created.
- **Diversity of 'green economy' can benefit different parts of the borough.** Stockport's diverse commercial property offer could seek to attract businesses spatially in the green economy. From attracting knowledge-intensive climate consultancies to Town Centre West, to high-tech manufactures to Breadbury can spread future wealth and opportunity across the borough.
- **Understanding existing business capabilities to drive forward Stockport's climate action plan.** The evidence base shows a number of major employers (such as Cheshire Gas) operating within Stockport which could have the skills and capabilities to grow the borough's net zero economy. The engagement should seek to discuss transition plans with these companies to understand how they are preparing for a net zero future and how SMBC can support them to achieve this.
- **Retaining nascent wealth within the Stockport economy.** There is the potential to capture the wealth that exists in Stockport's affluent suburbs locally. The strategy will look at ways to understand how this can support local entrepreneurs and the vitality of neighbourhood centres.
- **Tackle ageing population across the borough through new developments.** Providing a mix of housing across a range of tenures and price points will be important to address Stockport's demographic challenges. However, planning should consider the location of these new developments to tackle the north/south divide in the borough.
- **'In housing' of local bus services can help to increase accountability, reliability and affordability.** Opportunity to work with Transport for Greater Manchester to improve local connections to better link neighbourhood centres.
- **Investment and governance structures to deliver transformational change.** The Mayoral Development Corporation can deliver transformational change in Town Centre West. Leveraging this, plus Stockport's recent success in bidding for government regeneration funding, can lay the foundations to address the borough's deep-rooted challenges.

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Threats

- **Existing employment specialisms are forecast to decline.** Key employment sectors such as manufacturing and utilities are forecast to shrink by over 5,000 jobs by 2040. Without economic reorientation, this could risk the economic vitality of the borough into the medium/long term.
- **COVID has wiped off £700m from the Stockport economy and has had most significant impact on the sectors with high placemaking value.** The Accommodation and Food services sector lost an estimated £100m in 2020 which could directly affect the survival of these sectors. These businesses are integral anchor businesses which make Stockport's centres good places to live, work, and visit. The SEP might want to consider how the council continues to support the borough's worst impacted sectors ongoing recovery.
- **Quality of commercial property could limit Stockport's post COVID appeal.** Currently, only 12% of office space is graded A or B, with the rest of it low quality. The quality of space is likely to impact Stockport's competitiveness amongst knowledge-intensive businesses.
- **Ageing population could affect the function and vitality of neighbourhood centres.** Suburban centres in the south of the borough have very low levels of economic activity meaning that Stockport's economic drivers are concentrated towards the north of the borough; potentially creating a dual economy and affecting the viability of neighbourhood centres.
- **Ageing workforce and indirect challenges of COVID-19 could affect economic participation.** Whilst government's focus has been on early career professionals via the Kickstart programme, the claimant count of older workers in Stockport has increased significantly since the start of the pandemic. The council may want to prioritise targeted local action to supplement government programmes.
- **Economic and housing growth could lead to increased congestion.** Journey times by road into Manchester city centre are already slow – increases to this through population growth could negate Stockport's strategic transport competitive advantage.
- **Housing affordability challenges could limit wealth retention**. Recent house price growth is making Stockport increasingly unaffordable for the borough's most economically disadvantaged residents. In 2020, house prices were 8 times annual salaries, and this has increased during the pandemic, with house prices rising by 14% over the last 12 months. Housing affordability is a particular threat to future economic growth if the Borough is unable to have a supply of enough affordable housing in various tenures to meet the economic aspirations and housing needs of those wanting to live and work locally.