Greater Manchester Local Economic Assessment: Trafford

A report for

Association of Greater Manchester Authorities

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1 INTRODUCTION

1.1 Trafford plays a central role in the economic renaissance of Greater Manchester. The home of the UK's first canal and first planned industrial estate at Trafford Park, the borough suffered from the effects of severe deindustrialisation during the 1970s and 1980s. It has since seen grown strongly, with both a highly skilled resident population supporting economic growth across Greater Manchester and its own strong and dynamic business base.

1.2 Indeed, Trafford is now the highest ranked local authority in the North of England on the UK Competitiveness Index (at 31)[1] – well above any other Greater Manchester district. The Index – which produces competitiveness scores based on a number of inputs based on the quality of the local business base and skills and productivity of residents – ranks Trafford (#67) alongside southern areas such as Bristol (#68), Crawley (#71) and West Oxford (#73).

Table 1: UK Competitiveness Index, 2010

	2009	RANK (379)	2010	RANK (379)
Trafford	108.7	60	107.5	67
Stockport	100.5	127	100.5	126
Manchester	100.1	133	100.4	127
Salford	94.0	208	93.5	214
Bury	89.0	275	88.2	287
Bolton	87.4	291	85.6	318
Tameside	85.3	331	85.4	325
Wigan	84.6	335	83.8	341
Rochdale	83.0	352	82.1	352
Oldham	82.0	358	81.2	363

Source: UKCI, 2010

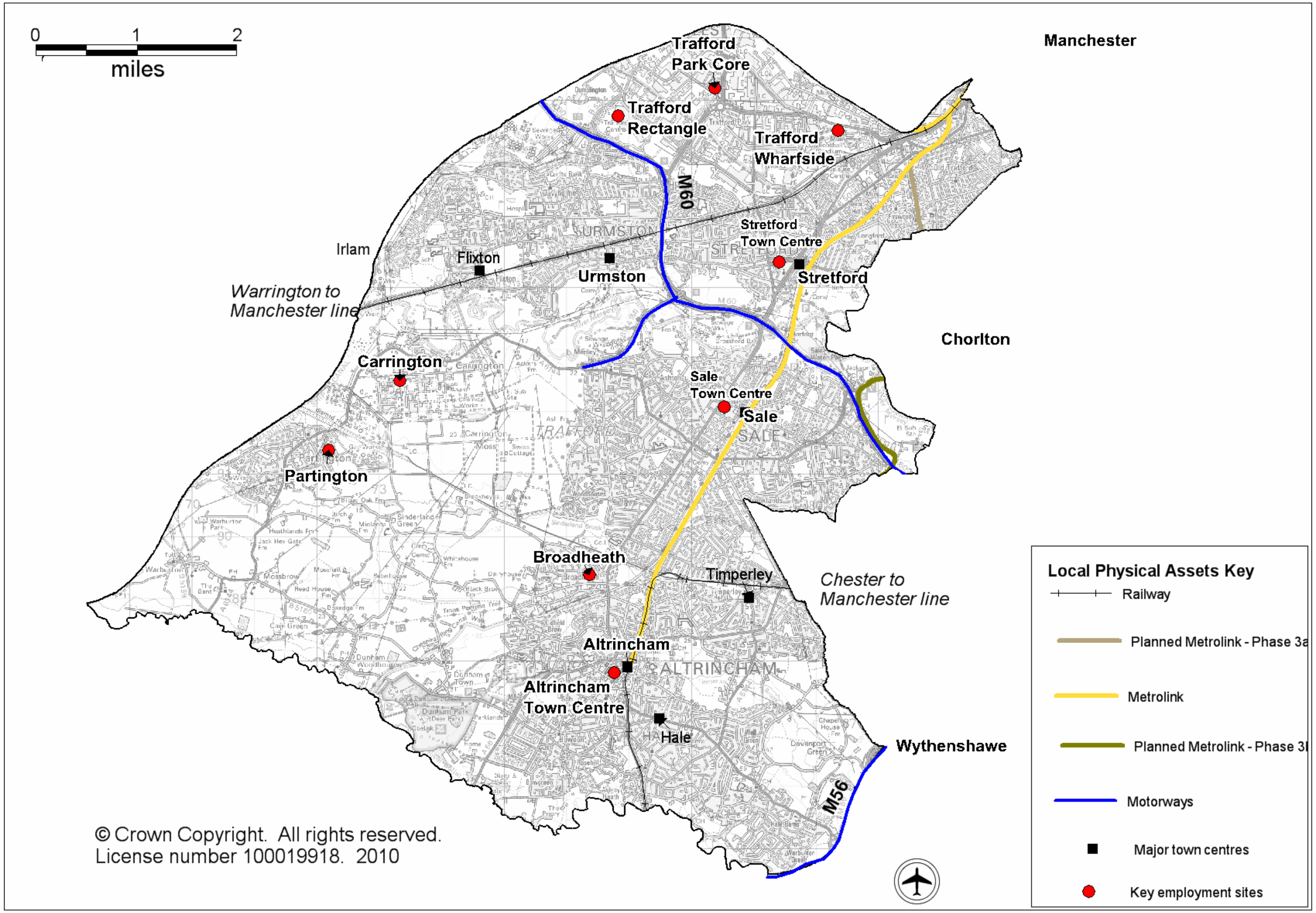
1.3 Much of Trafford's strength lies in its enviable location in GM South – the only NUTS 3 area outside of London to generate GVA of over £30bn (2007) – lying between the two cities of Manchester and Salford. The north of the borough sits within the city core and in close proximity to the central business district of the city centre. Transport connections running through and from the borough into the rest of Greater Manchester and beyond are also excellent, with light and heavy rail, the M60, M56 and access to the M6, plus proximity to Manchester Airport. The borough offers an attractive living environment and housing offer, with the south in particular – acting as an extension of the Cheshire Plain into Greater Manchester – having some of the most expensive property and the largest number of wealthy individuals in the city.[2] Old Trafford

[1] UK Competitiveness Index 2010, Centre for International Competitiveness, http://www.cforic.org/pages/ukci2010.php
[2] WA15 and WA14 are 1st and 2nd on Crain's List of House Prices in Greater Manchester by postcode (2009) and 2nd and 5th on the list of Millionaires.

is also the home to arguably Greater Manchester's biggest and most well-known international brand – Manchester United.

1.4 Whilst forecasts show Trafford has experienced a harsh recession, they also suggest that Trafford will continue to grow and make a significant contribution to Greater Manchester's economy and will experience strong growth in the medium to long-term, as sectors such as business services will be central to driving growth again. Therefore the challenge for the borough is to ensure that it continues to work strategically with the rest of Greater Manchester to ensure that Trafford maximises the benefit it brings to the city, both in supporting economic growth within the city core and creating economic opportunities internally for residents of Trafford and the rest of the city.

Figure 1: Trafford local physical assets, 2010



Source: GMPTE, 2010

BUSINESS BASE

1.5 Trafford is an enterprising area, and much of the borough's success over recent years has been driven by its growing local business base. Trafford has excellent business start up and survival rates, with start up rates per 10,000 of the population that are well above any other Greater Manchester district, and business survival rates that are also above the Greater Manchester average.

1.6 In absolute terms, the borough has the third largest business base (of over 8,800 registered enterprises) in Greater Manchester, giving it the highest business density rate (businesses per 10,000 of working age population) in the conurbation. And despite this strong base of new and small businesses, the borough actually has more large (200+ employees) and medium sized (50 to 199 employees) businesses than most other Greater Manchester districts – due to the strength of Trafford's economy and the presence of Trafford Park.

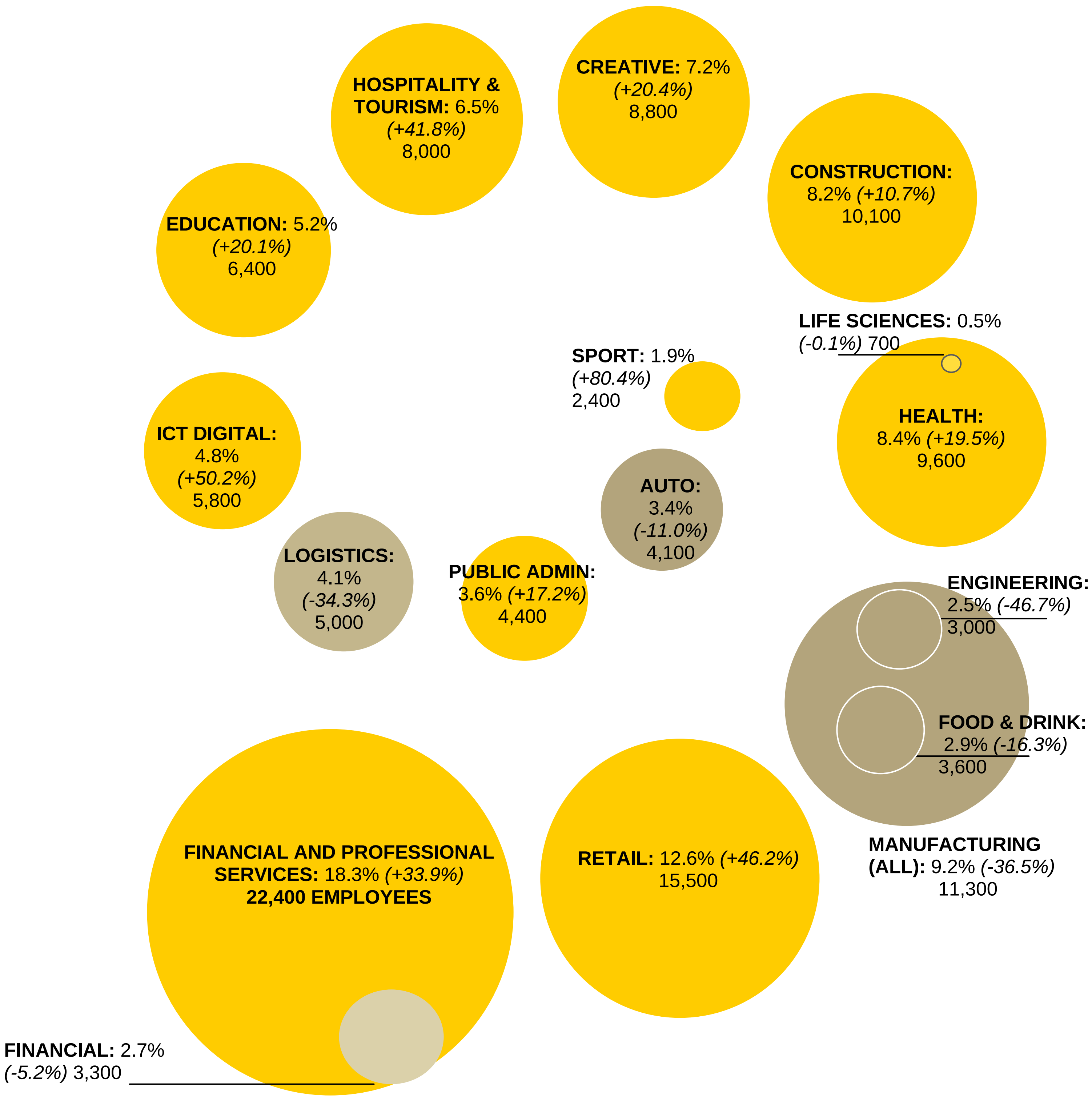
1.7 Trafford has the highest proportion of private sector employment (and the lowest public sector employment) in Greater Manchester – and the growth of Trafford's economy has been predominantly driven by this strong private sector base, with the private sector growing faster than Greater Manchester averages over the last decade.

1.8 In parallel with the conurbation core, Trafford has seen strong growth in financial and professional services (F&P), which have grown by a third in the last decade, and are by far the largest sector in the borough, accounting for nearly a quarter of all employment. Despite the recent economic downturn, which has particularly affected certain F&P services, forecasts show that F&P – and particularly professional services – will be key to the Greater Manchester and Trafford economies in the medium to long-term, and will therefore play a crucial part in driving the recovery. Retail and construction have also grown strongly, with the former now the borough's second largest employer, though further growth in these sectors is clearly uncertain in the current climate – although established retail centres such as the Trafford Centre will likely perform better than others. There has also been growth in the creative industries, hospitality & tourism and sport.

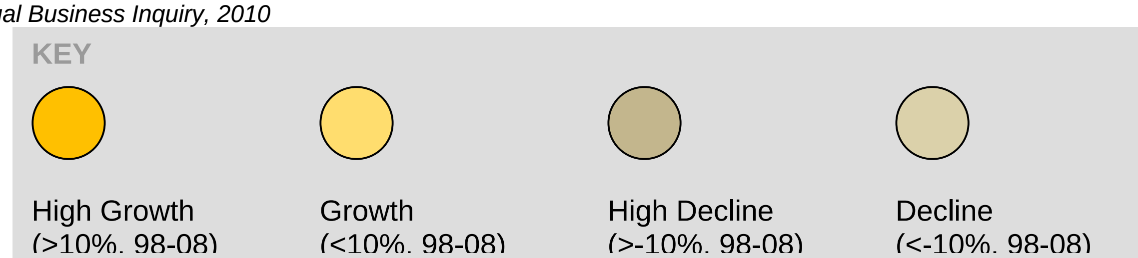
1.9 Although levels have fallen over the last 5 years (1.1 percentage point fall in knowledge-based sectors between 2003 and 2008), there remains a higher proportion of employment in these sectors in Trafford (20.1%) compared to the Greater Manchester (19.7%) and national averages (19.4%). As a result the borough has seen strong growth in GVA and earnings, in line with growth seen in the City of Manchester.

1.10 The flipside of this growth in services is that deindustrialisation remains an ongoing feature of Trafford's economy, with manufacturing employment shrinking by the third over the last decade. Nonetheless, Trafford Park remains the largest industrial estate in Europe, with manufacturing still accounting for almost a tenth of the borough's employment, and logistics remaining an economic specialisation within Trafford.

Figure 2: Trafford employment composition, 2008



Source: Annual Business Inquiry, 2010

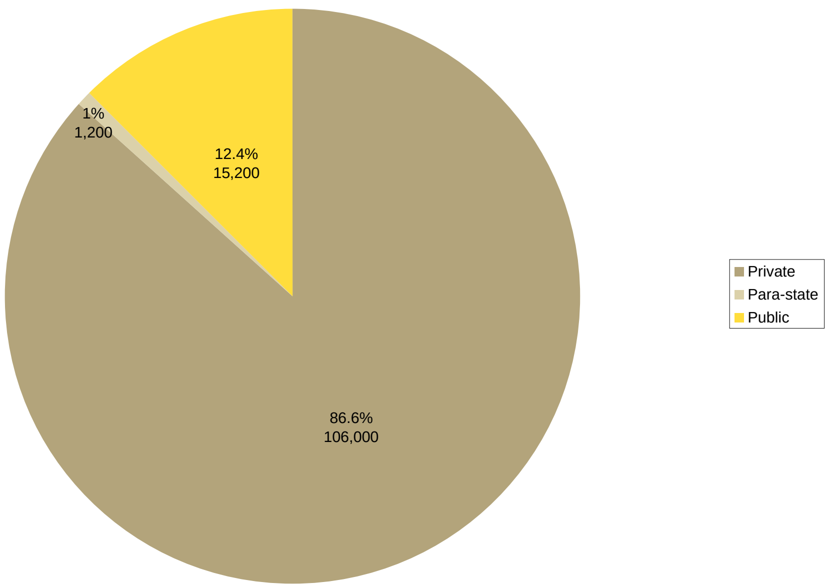


PUBLIC SECTOR

1.11 Trafford is home to the highest proportion of public sector employees in the city (resident based), suggesting that it is the location of choice for public sector workers from across Greater Manchester. Within the borough however, there is the lowest level of public sector employment in Greater Manchester, with a substantially higher proportion of jobs in the private sector than the national average. At 15,200 jobs, the public sector in Trafford accounts for 12.4% of total employment, compared to 20.6% in Greater Manchester and 20.4% nationally. This indicates a private sector that is likely to be able to absorb a large amount of the effects of public sector cuts.

1.12 Furthermore, within the borough there are an estimated 1,200 jobs (1% of total jobs) in the private sector where employment is dependent on government support (sometimes referred to as the "para-state" sector). This sector is made up of activities like rubbish collection, the post office and certain research facilities that are heavily reliant on public sector funding and thus may be particularly vulnerable to public sector cuts. This level employment is significantly smaller than the GM (1.7%) and national (1.6%) averages.

Figure 3: Public sector, para-state sector and private sector employment in Trafford

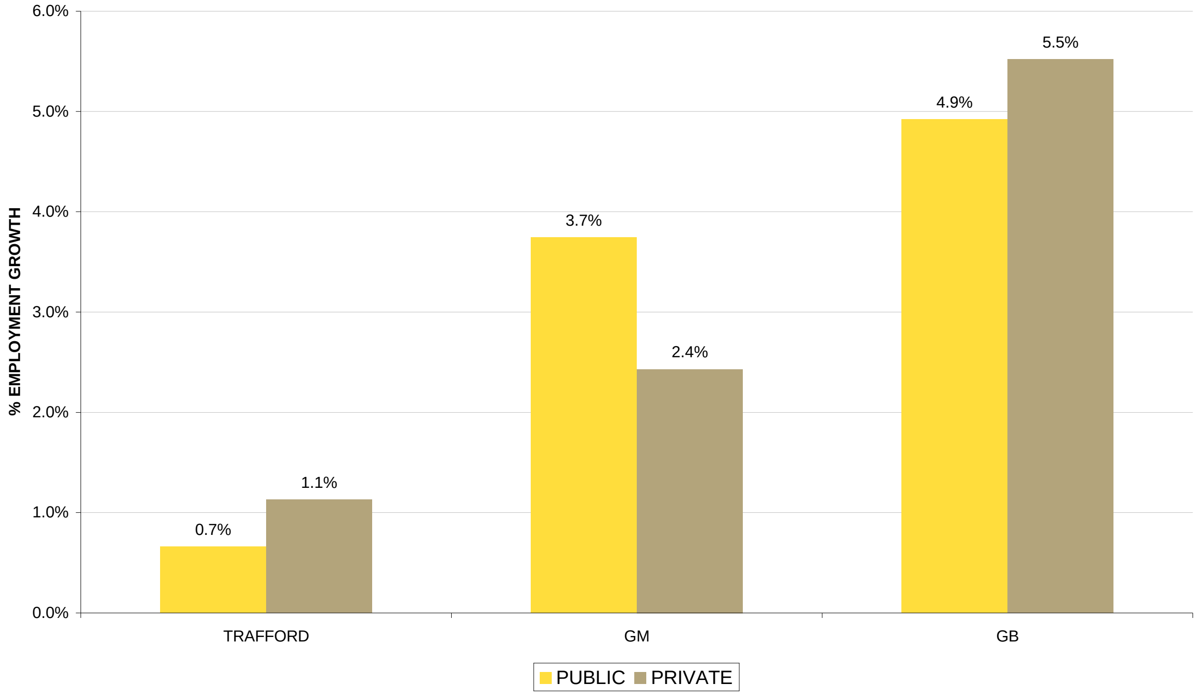


Source: ONS Sub-regional public and private sector Estimates, 2010

1.13 Trafford has only seen a slight increase in the public sector over the last five years, with employment increasing by just 1,300 jobs (0.7%). Public sector employment actually decreased significantly between 2003 and 2006, before rising again to just above 2003 levels in 2008. This increase was significantly lower than in GM (3.7%) or in Great Britain (4.9%)

1.14 Private sector employment has increased at a moderate rate, with a 1.1% rise in private sector employment, creating 1,200 more jobs. This was below the GM (2.4%) and GB (5.5%) averages, indicating a fairly slow growth in employment over the last five years – although it must be noted that this was from a very strong base, and strong growth in the early part of the decade.

Figure 4: Public sector and private sector growth in Trafford, Greater Manchester and Great Britain, 2003-2008



Source: ONS Sub-regional public and private sector Estimates, 2010

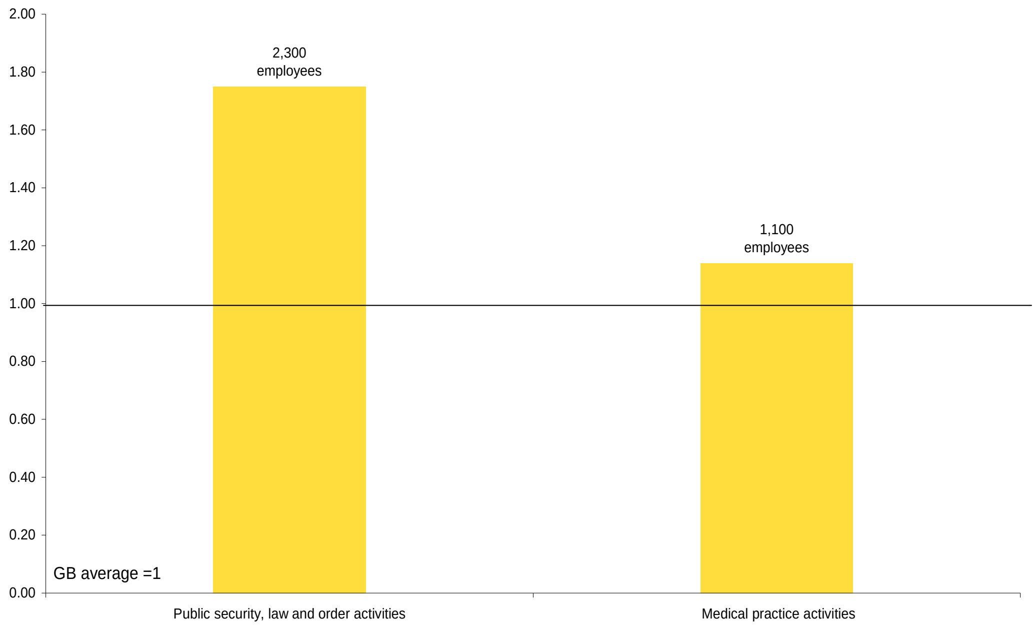
1.15 The (largely public) health sector has seen double-digit growth over the last decade, with Trafford hosting several large NHS sites. However, unlike other parts of Greater Manchester, employment elsewhere in the public sector actually declined in Trafford over the last decade, with both education and public administration activities representing a relatively small proportion of economic activity in the borough.

1.16 Trafford has a particularly large public security, law and order activities sub sector, with 2,300 employees making up 1.9% of total employment. This is 75% larger than the national average, and is likely due to the location of the Greater Manchester Police's administrative function in Trafford, which provides a considerable amount of the employment in this sector. This sector appears particularly vulnerable in the current climate – with the recent announcement of significant job cuts in GMP's back-office capacity.[3]

[3] http://menmedia.co.uk/manchestereveningnews/news/s/1369823_police_chief_warns_whole_units_of_back_office_staff_face_axe_?all_comments=1

1.17 Medical practice activities are the other large sub sector in Trafford, with 1,100 employees, making up 0.9% of total employment. This sub sector largely consists of GP surgeries and attached activities, indicating that Trafford has a particularly large amount of medical care that is provided outside of hospitals. With 14% more employment than the national average, this sub sector is an important contributor to public sector employment in Trafford.

Figure 6: Sub sectors of the Bury public sector with high levels of employment indexed against the national average

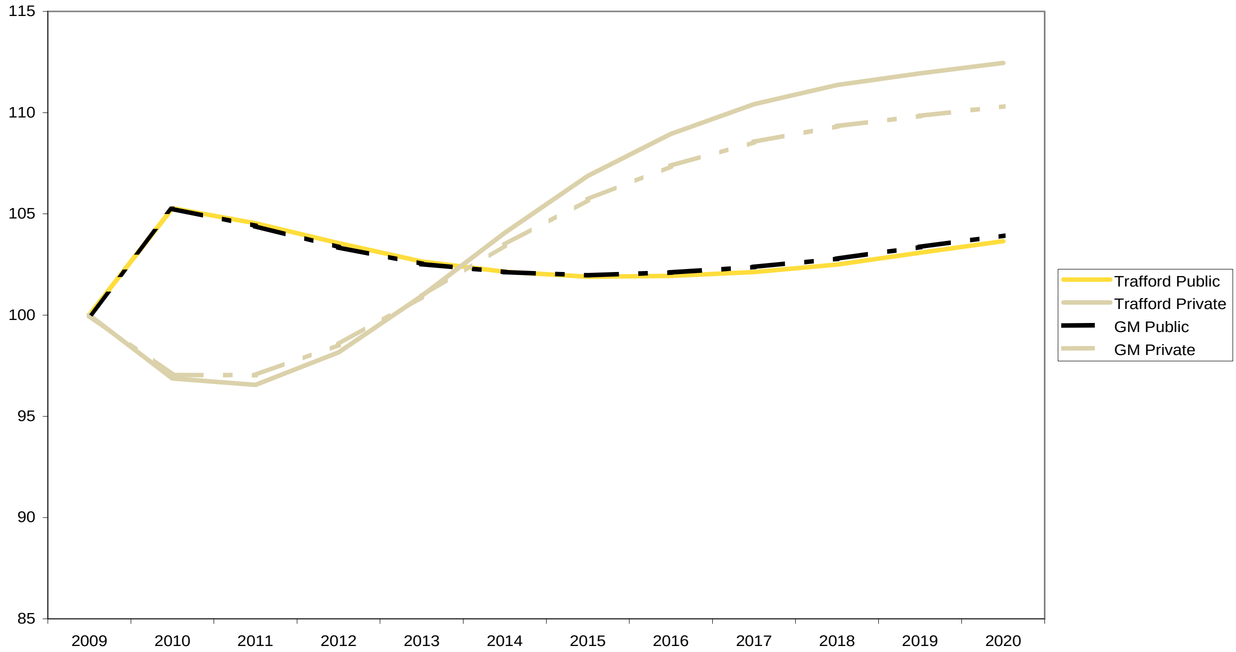


Source: ONS Sub-regional public and private sector Estimates, 2010

1.18 The Greater Manchester Forecasting model provides an indication of the likely employment growth in both the private and public sector in the future. Figure 7 shows that Trafford is forecast to see a decline in public sector employment between 2010 and 2015, with a reduction of 740 jobs, or 3.3%. This is roughly in line with both the Greater Manchester and UK averages. However, it is worth noting that this is not a particularly significant reduction in absolute terms, considering how small Trafford's public sector is already.

1.19 In comparison, private sector employment in Trafford is forecast to drop between 2010 and 2013, but then experience a recovery in the following years. By 2015, there are forecast to be 9,750 extra jobs in the private sector, an increase of 10.4% from 2010 levels. This increase is significantly larger than forecast for both GM and the UK, which are 8.9% and 6.9% respectively. This suggests that Trafford's private sector is in a good position to experience a rapid recovery, which should mitigate any negative effects brought about by public sector cuts.

Figure 7: Indexed public and private sector in Trafford growth forecasts 2009-2020



Source: GMFM, 2010

BUSINESS BASE SUMMARY

- Trafford is an enterprising area, and much of the borough's success over recent years has been driven by its growing local business base. In absolute terms, the borough has the third largest business base (of **over 8,800 registered enterprises**) in Greater Manchester, giving it the **highest business density rate** (businesses per 10,000 of working age population) in the conurbation.

- Trafford has **excellent business start up and survival rates**, with start up rates per 10,000 of the population well above any other Greater Manchester district, and survival rates above the Greater Manchester average.

- But despite this strong base of new and small businesses, the strength of Trafford's economy, and the presence of Trafford Park, mean the borough actually has more **large (200+ employees) and medium sized (50 to 199 employees) businesses** than most other Greater Manchester districts.

- The growth of Trafford's economy has been predominantly driven by this strong private sector base, with the private sector growing faster than Greater Manchester averages over the last decade. Trafford has the highest proportion of **private sector employment** (and the lowest public sector employment) in Greater Manchester.

- In parallel with the conurbation core, Trafford has seen strong growth in **financial and professional services** (F&P), which have grown by a third in the last decade, and are by far the largest sector in the borough, accounting for nearly a quarter of all employment. Despite the recent economic downturn, which has particularly affected certain F&P services, forecasts show that business services in particular will be key to the Greater Manchester and Trafford economies in the medium to long-term, and will therefore play a crucial part in driving the recovery.

- With the **smallest public sector in Greater Manchester** and robust levels of private sector growth over the last five years, Trafford is in a good position to weather public sector cuts in the long term. Forecasts suggest that Trafford will have above average levels of private sector growth after a slump in employment in the short term. This indicates that Trafford will be better equipped to replace jobs lost in the public sector than other areas of Greater Manchester.

- However, the borough is also home to the highest proportion of **public sector employees** in the conurbation (resident based), suggesting that it is the location of choice for public sector workers from across Greater Manchester – meaning that whilst the local business base may prove resilient, local residents may be more susceptible to cuts in the sector.

2 PEOPLE

2.1 Trafford is home to 215,300 people[4], with high economic activity rates and a strong skills profile, making it well placed to compete in an increasingly knowledge-based economy. The borough forms part of the conurbation core and at the heart of the fast growing southern half of the city, can be characterised as being 'interdependent' to the City of Manchester and the wider Greater Manchester economy – being both a provider of skilled labour to the rest of the conurbation and a creator of employment opportunities.[5]

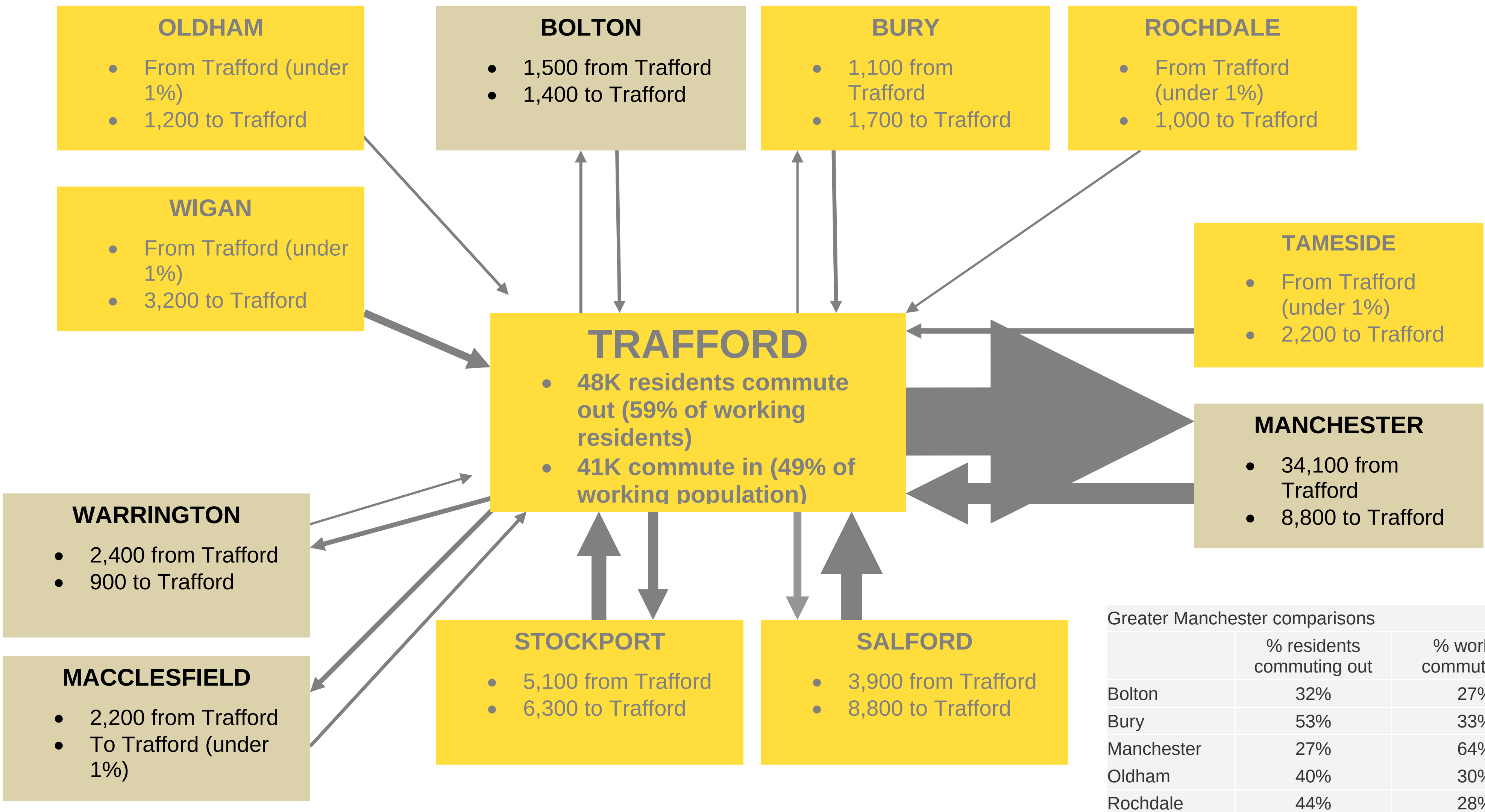
2.2 Trafford's population has the closest labour market links with the City of Manchester, with a third of Trafford's residents commuting to work in Manchester and a tenth of its employees coming from Manchester. Significantly, Trafford is the large single contributor of labour to the City of Manchester's economy (at just under 10%), reflecting the quality of its labour market and lifestyle offer – with workers from the conurbation core attracted to Trafford by its quality of life, housing and education offer. Overall Trafford imports approximately half of its workforce (49%), drawing in labour particularly from Manchester, Salford and Stockport.

2.3 The Manchester Independent Economic Review (MIER) found that high value jobs within the borough are a significant driver to attracting people to work in Trafford, and estimated that 7.5% of commutes in to Trafford can be attributed to wage differentials alone.[6]

2.4 Trafford's dual role as a high-value economic centre and contributor of skilled labour to the rest of Greater Manchester is underpinned by a strong skills base. Over a third of Trafford's residents are graduates (37.3%), by far the highest rate within Greater Manchester and well above UK levels. Furthermore, Trafford has the lowest proportion of residents with less than Level 2 qualifications. Trafford also has some of the UK's strongest performing schools, with the highest proportion of key stage 4 pupils in Greater Manchester achieving at least 5 GCSEs grades A*–C: (80.3% cf. GM 70.2%) and the highest proportion of key stage 4 pupils achieving at least 5 GCSEs grades A*–C that includes English and Maths: (63.3% cf. GM 48.8%).

[4] ONS (2010) Mid Year Population Estimates 2009
[5] Northern Way: City Relationships: Economic linkages in northern city regions, November 2009 http://www.thenorthernway.co.uk/downloaddoc.asp?id=707
[6] Manchester Independent Economic Review (2009), *Understanding Labour Markets and Skills*, http://www.manchester-review.org.uk/projects/view/?id=722

Figure 8: Travel to work flows for Trafford, 2008



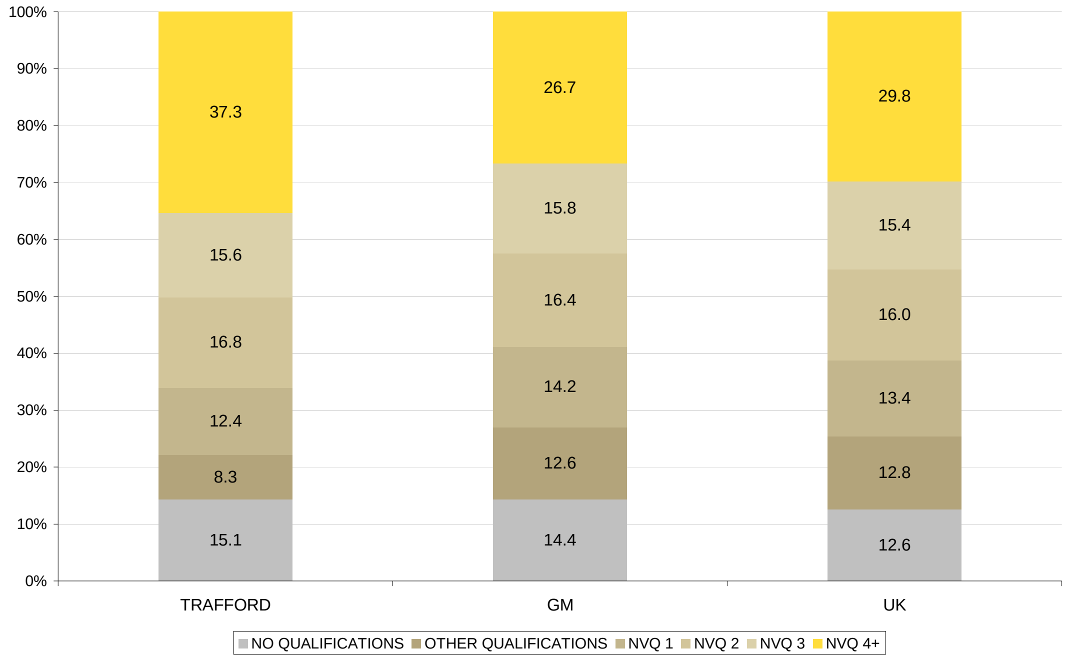
Greater Manchester comparisons

	% residents commuting out	% workers commuting in
Bolton	32%	27%
Bury	53%	33%
Manchester	27%	64%
Oldham	40%	30%
Rochdale	44%	28%
Salford	52%	50%
Stockport	47%	40%
Tameside	51%	30%
Trafford	59%	49%
Wigan	41%	21%

Source: ONS Annual Population survey
N.B. Only flows of 1% or more are shown.
Figures have been rounded.

Net exporter of labour to Trafford

Figure 9: Trafford resident skills profile, 2008



Source: Annual Population Survey, 2010

2.5 The high skills base and productive resident population means that Trafford is at the forefront of the move towards employment in knowledge-based sectors within Greater Manchester, with over a fifth of residents employed in knowledge-intensive businesses (KIBs), higher than the Greater Manchester and national averages – and only behind the Cities of Manchester and Salford within Greater Manchester. Nearly a fifth of Trafford employees are managers or senior professionals (18.8%), whilst only 4% are process, plant and machine operatives.

2.6 Whilst the borough's large private sector business base, a higher proportion of Trafford residents are employed in the public sector than any other Greater Manchester district. Although these residents may generally be employed in well-paid and skilled public sector jobs around Greater Manchester, this may be a concern in the immediate future as such jobs are likely to be increasingly vulnerable in the coming years.

2.7 Overall however, the skills and employment base that Trafford has is a key asset for Trafford and for the Greater Manchester economy. It means that its residents have the highest resident based earnings and employment rate within Greater Manchester, and are highly productive (£38,600 per employment) – more so than UK averages (£37,800 per employment) and significantly above Greater Manchester averages (£34,600) in 2007.

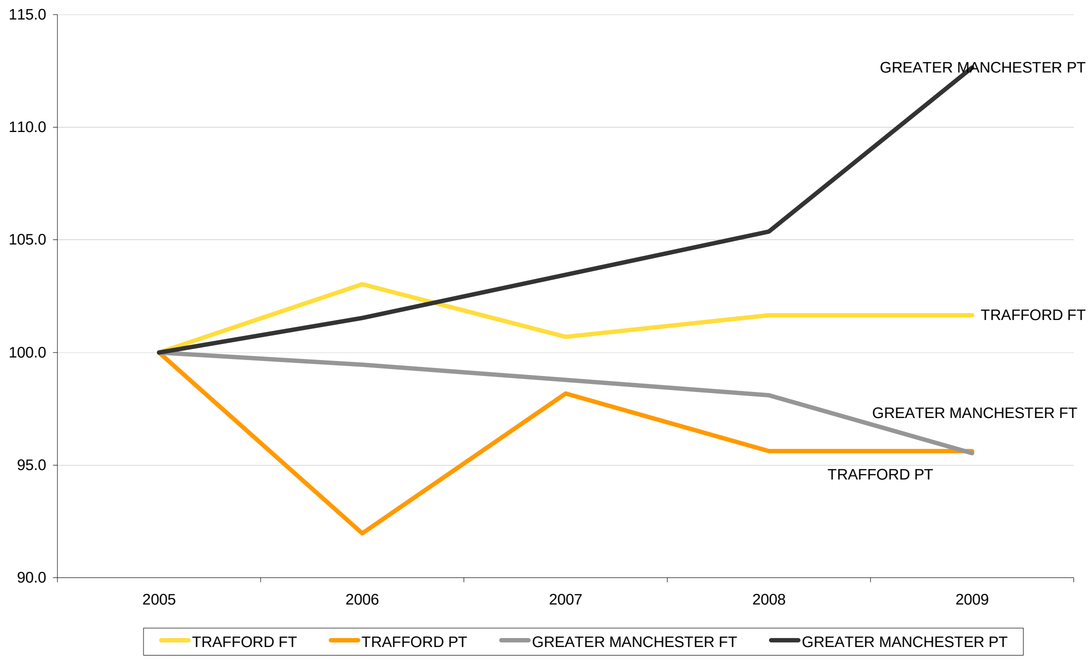
Table 2 Resident and workplace earnings, full-time workers, median wages, 2009

	RESIDENCE			WORKPLACE		
	ANNUAL	WEEKLY	PT HOURLY	ANNUAL	WEEKLY	PT HOURLY
BOLTON	23,164	423	7.5	21,447	408	7.3
BURY	26,056	505	7.8	24,558	448	7.0
MANCHESTER	23,054	448	7.1	26,674	514	8.1
OLDHAM	21,497	433	7.5	20,788	401	7.2
ROCHDALE	23,754	469	7.1	21,115	407	6.6
SALFORD	22,954	432	7.2	23,759	462	8.1
STOCKPORT	25,973	477	8.3	26,368	481	7.9
TAMESIDE	22,814	434	7.4	22,436	431	8.4
TRAFFORD	27,745	537	7.5	27,080	499	6.9
WIGAN	23,152	445	7.1	22,539	424	7.2
GREATER MANCHESTER	**24,016**	**460**	**7.4**	**23,676**	**447**	**7.5**
ENGAND	**26,148**	**496**	**7.9**	**26,138**	**495**	**7.9**
GREAT BRITAIN	**25,931**	**491**	**7.9**	**25,909**	**490**	**7.9**

Source: ASHE, 2010

2.8 Interestingly, Trafford is also the only district in Greater Manchester that hasn't seen an increase in the proportions of residents working part-time over the course of the recession (as illustrated in Figure 10 below) – again highlighting the strength of the local skills base.

Figure 10 Resident full-time and part-time workers, 2005 to 2009 (2005 = 100)



Source: APS, 2010

2.9 A number of statistics serve to further illustrate Trafford's relative success. For example, Trafford has:

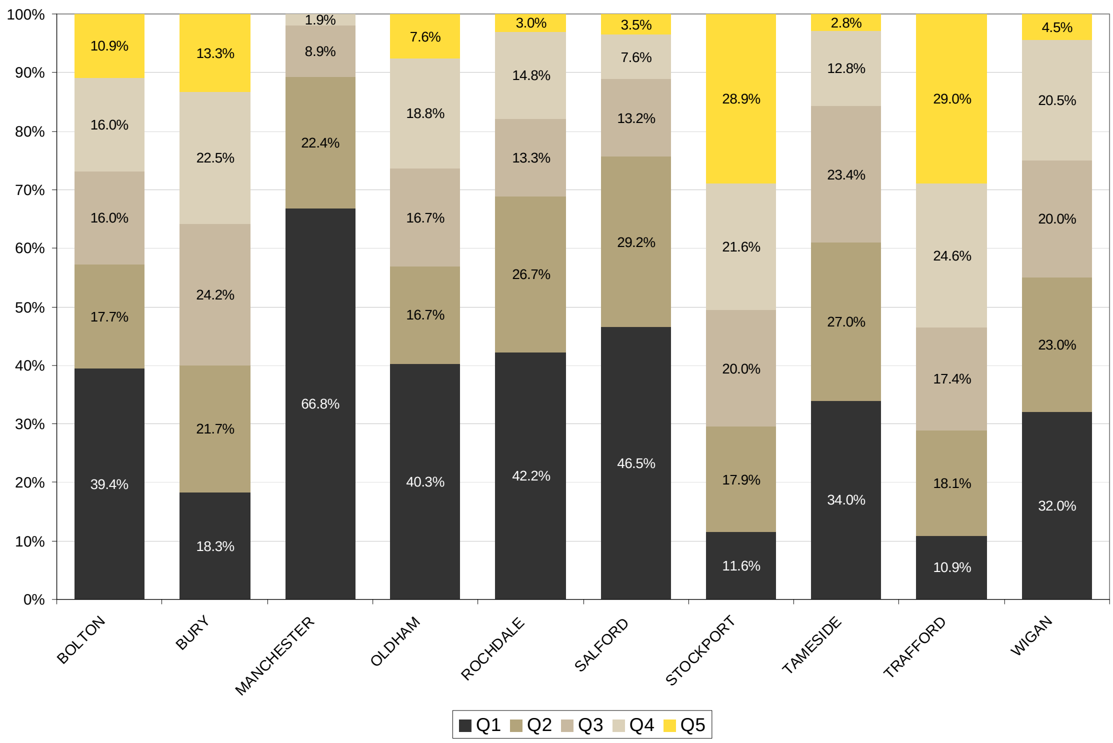
- the lowest spend on Incapacity Benefit (IB) claimants in Greater Manchester (at £68,085,000);
- the second lowest rate of child poverty in Greater Manchester (and below the GB average); and
- a high proportion of residents who say their health is good or very (at 78.4%).

2.10 The relatively affluent and prosperous nature of the borough is reflected in the fact that Trafford has a relatively older population in a Greater Manchester context. The average age of Trafford residents is expected to continue rise over the next 7 years, although there is also forecast to be strong growth in 20 to 29 year olds over the same period.

DEPRIVATION

2.11 It is important to note that not all Trafford residents share in the prosperity of the borough, and that there are certain neighbourhoods within Trafford that are of particular concern with regards to income, health and disability, and employment. These areas also see greater concentrations of people with low levels of skills and qualifications, which as a result experience difficulty entering and staying in the labour market.

Figure 12 Deprivation in Trafford 2007

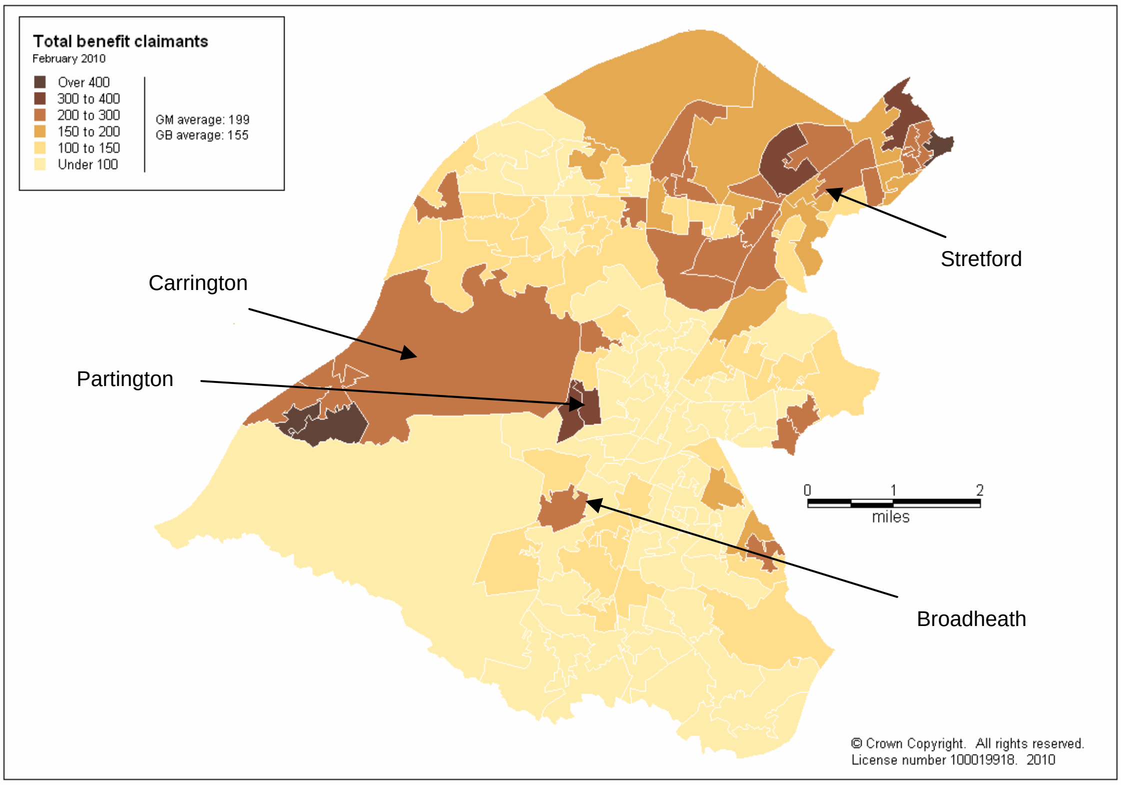


IMD (2007), 2010

2.12 Although just 10.9% of Trafford LSOAs lie within the 20% most deprived LSOAs, meaning deprivation in the borough is low in the Greater Manchester context, Trafford does suffer from pockets of acute deprivation at neighbourhood level, in wards such as Clifford, St Mary's and Bucklow St Martins. These areas have greater concentration of people with low levels of skills and qualifications, who as a result experience difficulty entering and staying in the labour market, leading to higher than average levels of worklessness, despite the economic opportunities available elsewhere within the borough and Greater Manchester as a whole.

2.13 In terms of benefit claimants, higher claimant concentrations (all claimants) are experienced in relatively small pockets – in comparison to Greater Manchester as a whole – towards the north of the borough, in areas close to Stretford and Gorse Hill, and in Broadheath. The greatest concentrations are around Partington and Carrington, with high proportions of benefit claimants and social housing. The more affluent southern areas of the borough – especially those bordering Cheshire East and Warrington – experience some of the lowest concentrations of claimants.

Figure 11 Total benefit claimants in Trafford by neighbourhood, 2009

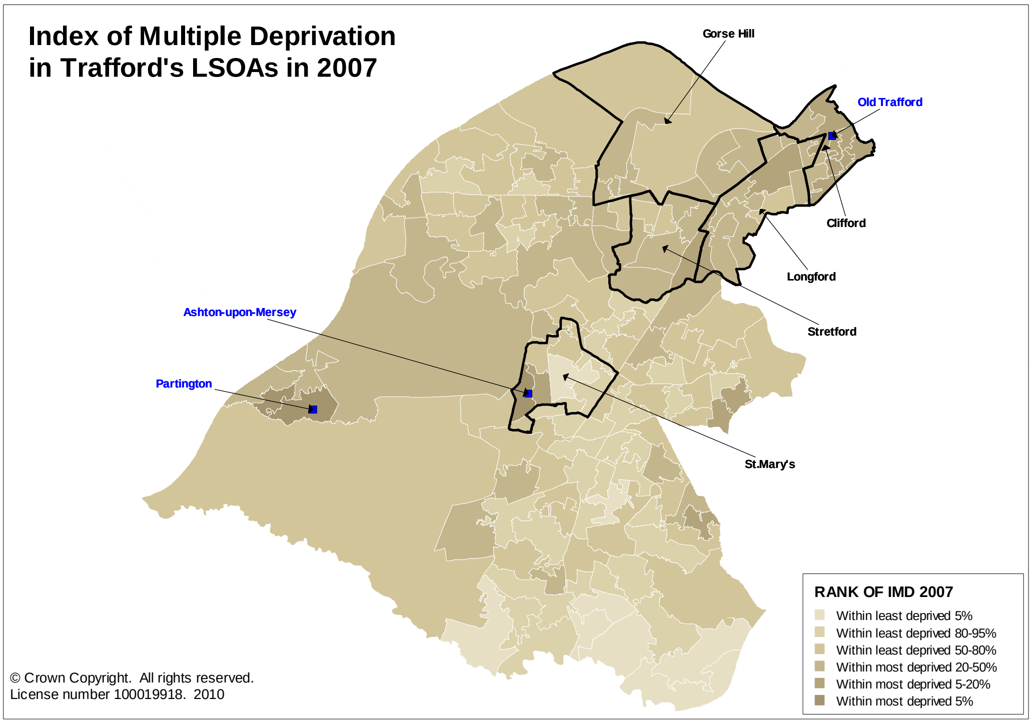


Source: DWP, Work and Pensions Longitudinal Survey, 2010

2.14 Between 2004 and 2007, the biggest improvements in reducing deprivation have occurred in Trafford. Nearly all LSOAs have shown an improvement since 2004. Just seven LSOAs now have lower numbered rankings (more deprived) but 131 LSOAs have a higher-numbered ranking (less deprived) since 2004. The average ranking of the LSOAs has changed quite significantly since 2004, indicating relative deprivation has reduced in recent years.

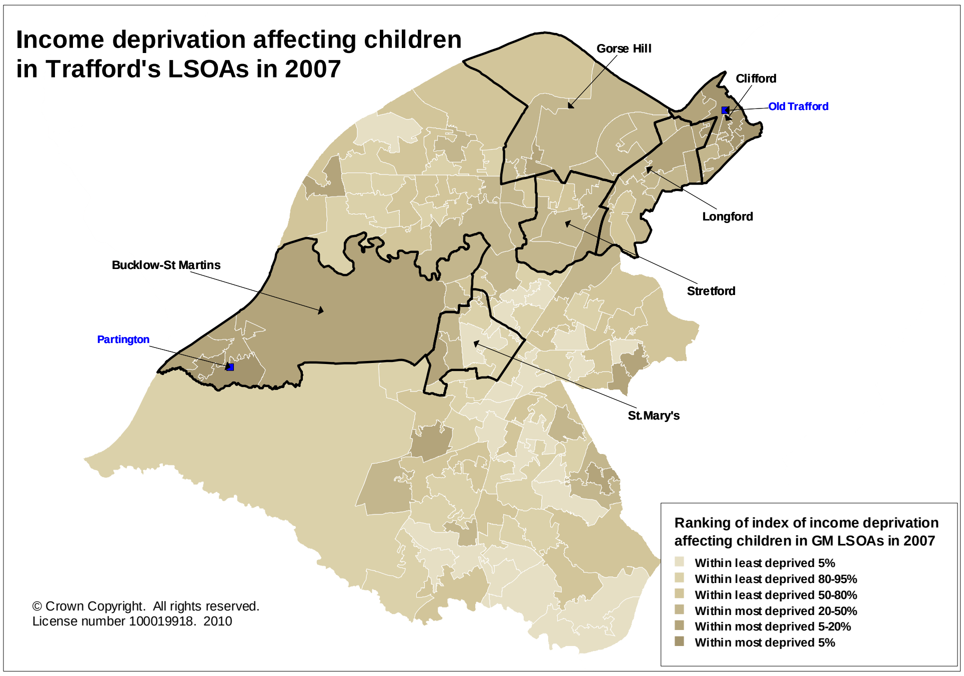
2.15 Trafford also scores well in the Index for income deprivation affecting children, particularly in the two least deprived deciles – the 9th and 10th deciles. Almost half of all LSOAs in Trafford are in these bands.

Figure 13 Deprivation in Trafford 2007



Source: IMD (2007), 2010

Figure 14 Income deprivation affecting children



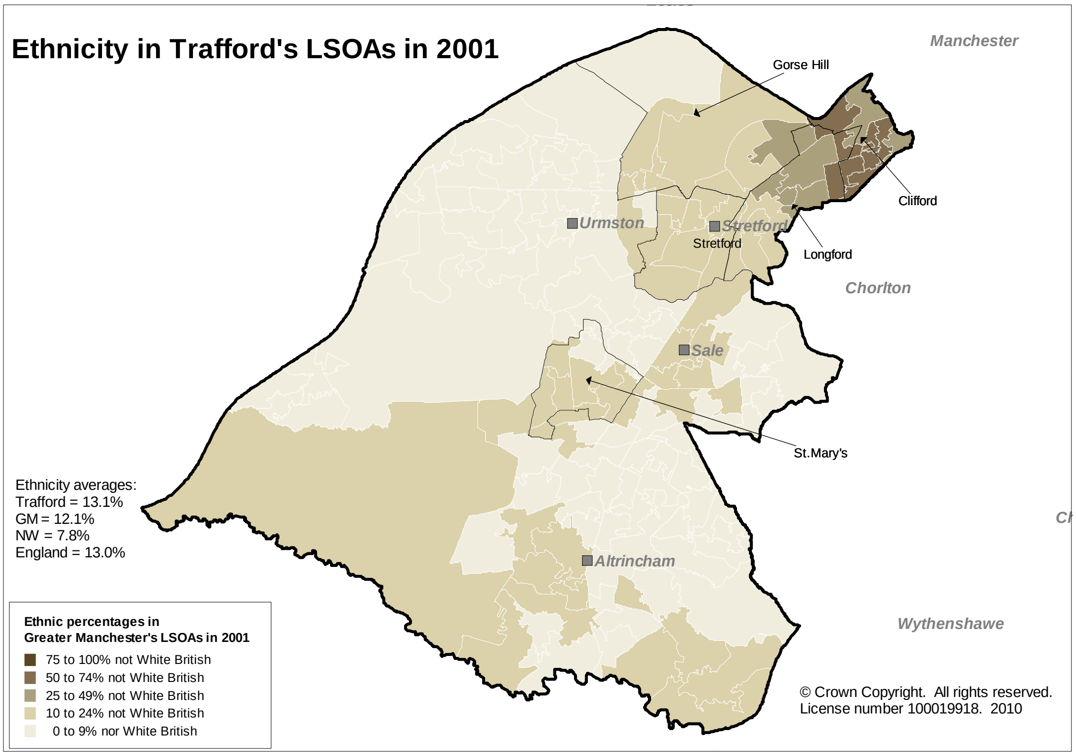
Source: IMD (2007), 2010

ETHNICITY

2.16 Trafford is a diverse borough with an ethnicity rate of 13.1%. Clifford ward has the third highest ethnicity rate at ward level with a rate of 60.9% not White British. Ethnic populations are concentrated in the north east of the district.

2.17 In the Longford ward, Irish residents account for 6.0% of the population. In Stretford ward 5% of the population are Irish. The Indian, Pakistani and black Caribbean communities are all concentrated in just two wards: Clifford and Talbot. 14.7% of Clifford's residents are Indian, 13.4% are Pakistani and a further 13.4% are Black Caribbean.

Figure 15: Ethnicity in Trafford LSOAs, 2001



Source: Census (2001), 2010

PEOPLE SUMMARY

- Trafford is home to over **213,500 people** with high economic activity rates and a strong skills profile, making it well placed to compete in an increasingly knowledge-based economy.

- Trafford has an **interdependent relationship with the conurbation core**, being a prime commuter location for people with skills but also have its own strong economy.

- Whilst Trafford is the large single contributor of labour to the City of Manchester's economy (at just under 10%) – with workers attracted by its excellent **quality of life, housing and education offer** – overall Trafford imports approximately half of its workforce (49%), drawing in labour particularly from Manchester, Salford and Stockport.

- Trafford's dual role as a high-value economic centre and contributor of skilled labour to the rest of Greater Manchester is underpinned by a strong skills base. Over a third of Trafford's residents are **graduates**, by far the highest within Greater Manchester, and Trafford has the lowest proportion of residents with less than Level 2 qualifications.

- The **high skills base** and productive resident population means that Trafford is at the forefront of the move towards employment in 'knowledge-based' service sectors, such as financial and professional services (and professional and business services in particular).

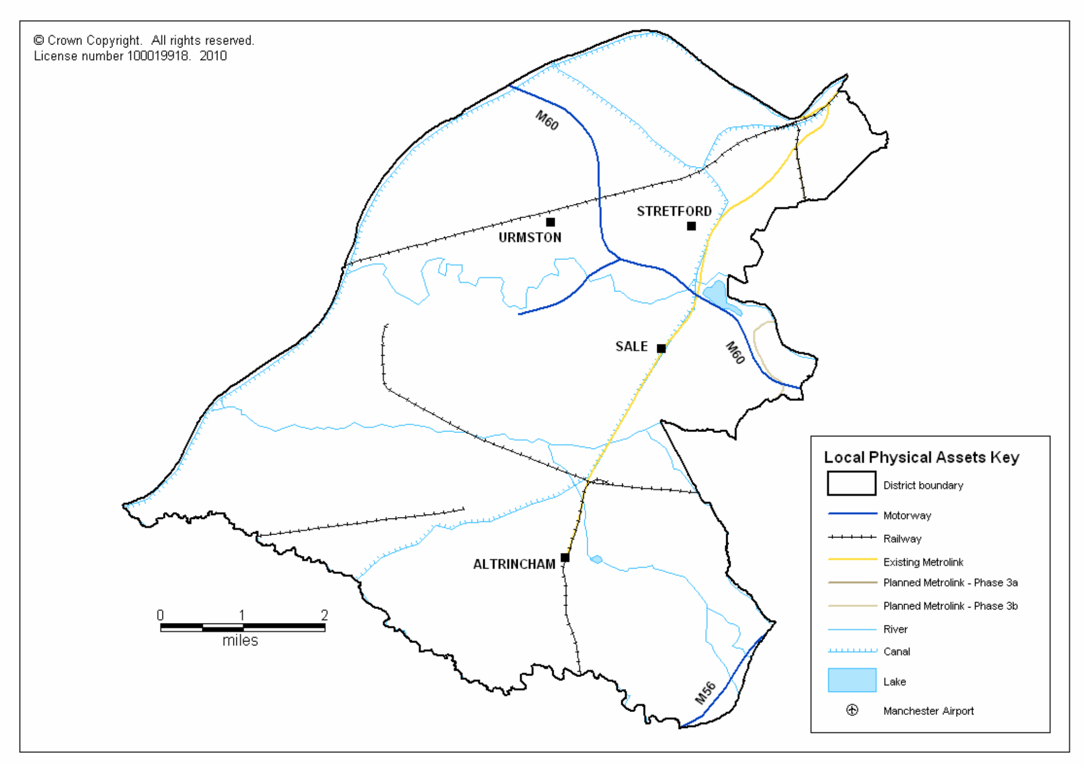
- As a whole, whilst Trafford has some pockets of deprivation and worklessness, **overall levels of deprivation are much lower than those elsewhere in Greater Manchester**:

  - Trafford's most deprived LSOA is relatively much less deprived than the most deprived in the rest of Greater Manchester
  - Trafford has the lowest spend on Incapacity Benefit (IB) claimants in Greater Manchester (at £68,085,000)
  - Trafford has the second lowest rate of child poverty in Greater Manchester (and below the GB average)
  - Nearly four-fifths of residents say their health is good or very good

3 PLACE

3.1 Much of Trafford's strength lies in its enviable location in GM South between the two cities of Manchester and Salford. The north of the borough sits within the conurbation core, with extensive retail, office, and industrial employment through the Trafford Park area. Transport connections running through and from the borough into the rest of Greater Manchester and beyond are also excellent with light and heavy rail, the M60, M56 and access to the M6, plus proximity to Manchester Airport. Figure 14 illustrates how well-connected Trafford is, particularly from Altrincham-northwards – something that is a significant asset for the borough. The M60 provides links with the rest of Greater Manchester, whilst the Metrolink provides commuters in Altrincham with easy, faster and frequent access to the conurbation core.

Figure 16 Trafford transport assets



Source: GMPTE, 2010

COMMERCIAL PROPERTY MARKET

3.2 The borough of Trafford is characterised by a series of market towns and suburbs, but also has one of Greater Manchester's largest and most important economic centres in Trafford Park (including the Trafford Centre). Trafford Park is the oldest and largest industrial park in Europe, and has been attracted national and international companies into Greater Manchester since the late 19th century – for example, the Ford Model T was first built in the UK on the Park. Although the Park has undergone a long period of restructuring and deindustrialisation, it is now home to 1,300 companies, employing 32,000 people, a third of all employment in the borough. Trafford Park is also home to three of Greater Manchester's largest and most iconic attractions in the Old Trafford stadia of Manchester United and Lancashire County Cricket Club, and the Imperial War Museum North.

3.3 The development of MediaCity, which includes development over the water at Trafford Wharfside – and the relocation of ITV's Manchester-based operation, including Coronation Street, to Trafford – also offers an excellent opportunity for this area of Trafford Park to develop into a mixed-use environment for digital and creative industries and other knowledge-based activities to thrive and grow.

3.4 Recent research on large employment sites within Greater Manchester suggests Carrington has the potential to compliment Trafford Park, particularly with logistics operations.[7] Logistics operations have struggled to find a home in South Manchester as a result of the lack of suitable sites and concerns over traffic congestion, and with logistics driven growth in the industrial sector, there is the opportunity for Carrington to provide a unique offer due to its unique combination of existing heavy infrastructure, scale and locational attributes:

> *"Although a number of key sites require remediation work, a phased approach to development, in accordance with a comprehensive masterplan and commercial delivery strategy, should ultimately capture footloose investment of a scale and diversity that cannot be achieved elsewhere in the City-Region. Carrington represents GM's opportunity to capture large scale investment projects. Its potential is enormous."*
>
> Jones Lang LaSalle (September 2010), Identification and Assessment of Large Employment Sites in Greater Manchester, p70

3.5 Other large and long-established industrial estates exist at Broadheath in the south of the district. Over recent years, Broadheath has been transformed from a traditional area of manufacturing into a more modern business area, increasing its attractiveness to the market, particularly office and more modern retail and leisure issues. This strong offer drives land values that are amongst the highest in the North of England. However, developers are currently

[7] Jones Lang LaSalle (September 2010), *Identification and Assessment of Large Employment Sites in Greater Manchester*

cautious about industrial and warehouse property, with sustained price slowdowns predicted in the present economic climate.

3.6 In 2009, the Trafford Centre was the highest rented retail centre in the North West, with its location on the M60 drawing in visitors from as wide catchment across Greater Manchester and much further afield. The Trafford Centre is not merely a shopping location, being a broader leisure and office destination in its own right, and as such as major employment location for the borough.

3.7 Trafford's existing town centres, particularly the largest, Altrincham, have been experiencing a more challenging climate in recent years – facilitated by broader retail trends such as the strengthening of the internet market and consolidation of traditional out-of-town centre retailing. A recent survey commissioned by the BBC highlighted the fact that Around 20% of shop units in Greater Manchester are vacant, with Altrincham being the worst affected at 29%, and nearby Hale having one of the lowest vacancy rates at 4.8%.[8] This is an obvious issue for Altincham – as it appears that the town centre has not been able to take advantage of a decade of economic growth and an affluent resident population.

3.8 However, it can also be noted that this is partly distorted by new development and the fact that the office market here is notably stronger than the retail market. Altrincham acts as an important office location outside of the conurbation core, especially for smaller units, meaning that current action to improve the town centre is important for the borough's continued long-term economic health. Other office markets of significance outside of the conurbation core include Sale, Stretford, and the larger but cost-effective office space available in the Old Trafford/Trafford Bar area adjacent to Trafford Park. Furthermore, Altrincham and Urmston appear to be increasingly popular locations for a number of businesses, particularly in IT and digital sectors, as well as finance and insurance.

HOUSING MARKET

3.9 The borough offers an attractive living environment and housing offer, with the south in particular – acting as an extension of the Cheshire Plain into Greater Manchester – having some of the most expensive property and largest number of wealthy individuals in the city.[9] Trafford has a thriving economy and a good lifestyle offer. It has a low-crime rate, strong educational offer and prosperous neighbourhoods that make it one of the most sought after locations to live in the north of England.

3.10 In 2010, overall house prices in Trafford remained the highest in Greater Manchester and above the national average, having also seen the greatest absolute increases between 2001 and 2009 (74.4%). However, it is also true that the percentage increases in prices in recent years and subsequent drop

[8] *High street winners and losers revealed in BBC survey*, http://news.bbc.co.uk/local/manchester/hi/people_and_places/newsid_9260000/9260726.stm
[9] WA15 and WA14 are 1st and 2nd on Crain's List of House Prices in Greater Manchester by postcode (2009) and 2nd and 5th on the list of Millionaires.

have been the lowest in Greater Manchester both cases (with an 8.6% fall in prices between 2007 and 2009 in Trafford). Despite these declines, Trafford still has the least affordable houses in Greater Manchester, with average prices being almost six-times that of average income.

3.11 High average house prices also reflect the large proportion of detached, semidetached, and executive homes available in the borough, the majority of which are owner occupied. The MIER identified numerous transit neighbourhoods within Trafford – young, newly established households coming from more comfortable backgrounds and starting on the housing ladder. This highlights Trafford's position as a place that people move to once their careers are developing and they are looking for family homes. It also serves to strengthen Trafford's labour market relationships with the economic centre of Greater Manchester by reinforcing the district's role as a centre of high skilled labour. It should also be noted that high average house prices mask low prices in certain more deprived neighbourhoods. Partington, Sale West and Old Trafford, for example, remain amongst the 10% most deprived in the country.

Figure 17 Dominant ACORN categories at ward level in Trafford, 2010

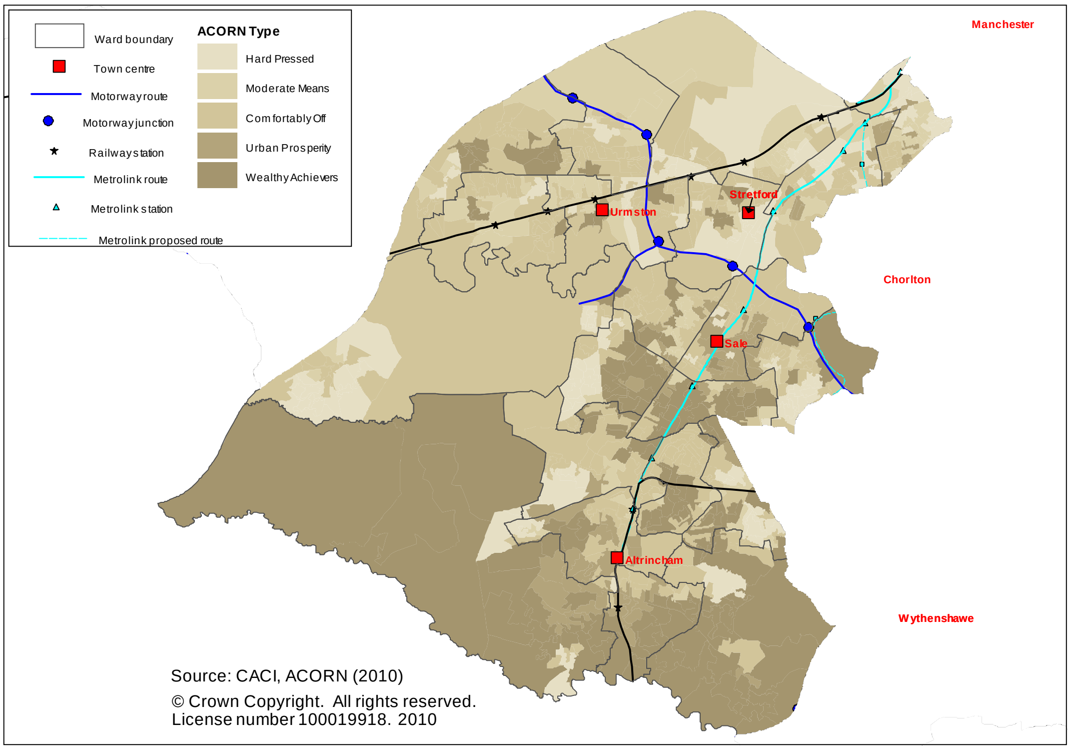
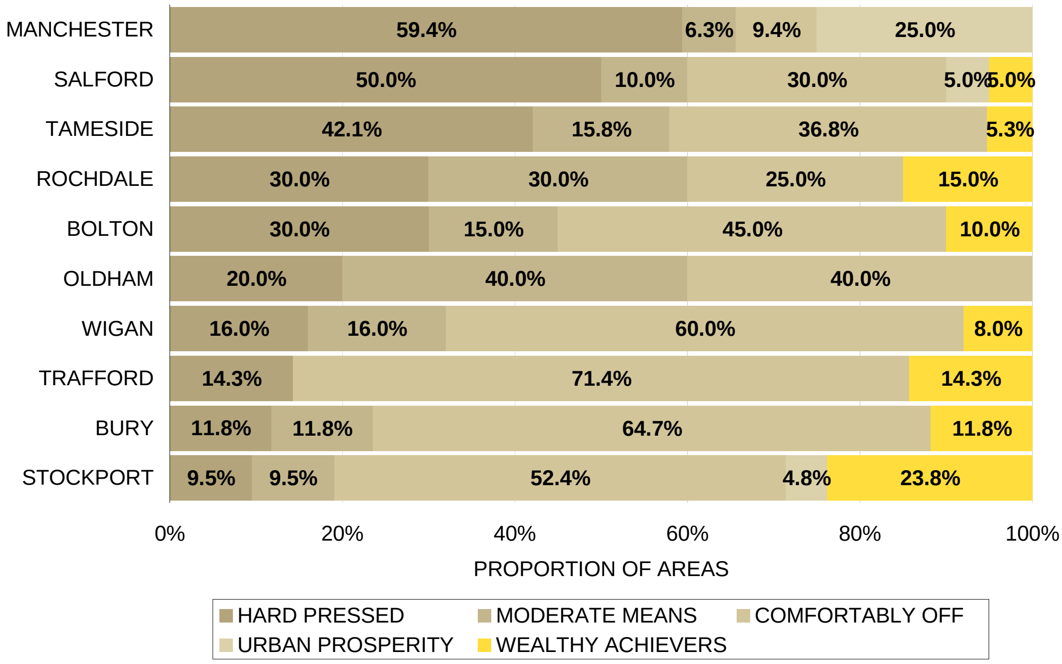


Figure 28 Dominant ACORN categories at ward level in Trafford, 2010

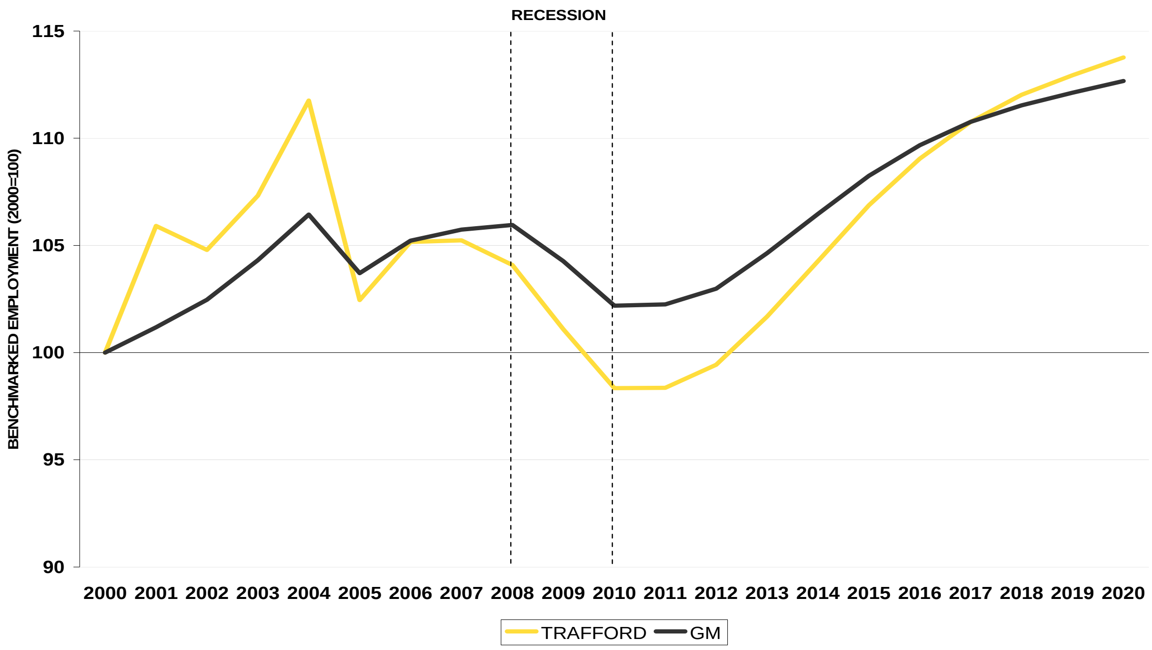


4 FORECASTS

4.1 Overall employment levels within Trafford continued to fall in 2008. The recent decline was largely due to a significant fall within business services (over 2,700 jobs lost), with the majority of these falling within labour recruitment and the provision of personnel. Indeed, it appears the strength of Trafford's business services offer – a key driver of growth over the last decade – has meant Trafford has experienced a particularly sharp downturn.

4.2 The recession outlook is challenging, with 7,500 net job losses forecast between 2008 and 2010. Despite a relatively strong pick up expected, the forecasts suggest that it will be 2014 before Trafford's employment returns to its pre-recession levels (although GVA is forecast to return to pre-recession levels by 2012) – illustrating the overall restructuring and recovery which takes place before employment recovers).

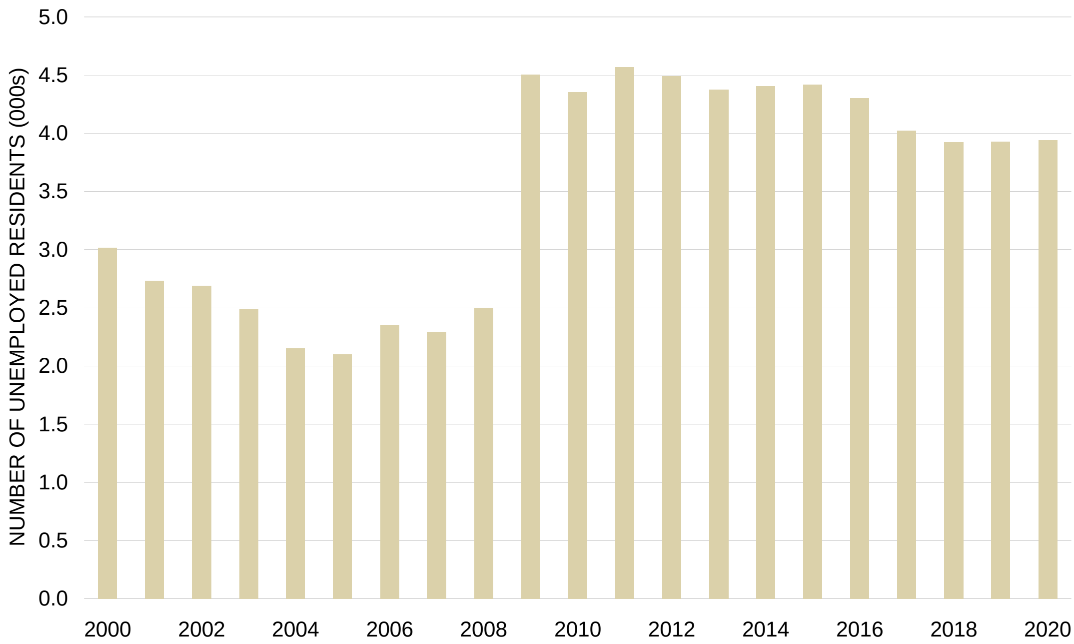
Figure 39 Benchmarked employment, Trafford vs GM, 2000 to 2020 (2000=100)



Source: GMFM, 2010

4.3 Unemployment levels are expected to fall steadily over the next decade, from their current levels. However, as with the forecast for Greater Manchester, Trafford is predicted to see markedly higher levels of unemployment in the medium- to long-term – significantly above pre-recession levels.

Figure 20 Unemployment in Trafford, 2000 to 20



Source: GMFM, 2010

4.4 In terms of sectors, the employment growth over the decade ahead is forecast to driven primarily by business services. This is underpinned by the expectation that business services exports will continue to remain strong as they have done in the past, and also perhaps some public sector activities moving into the private sector as cuts are implemented. Significant growth opportunities also exist in the media industry.

4.5 The distribution and hotels outlook also remains strong as the recovery gathers pace and consumer confidence is restored, thus forecasts would suggest an additional 4,100 net jobs over the decade ahead in Trafford. However, growth within this sector will be much more modest than in the previous decade.

4.6 The outlook for net migration is to remain positive in the short run before returning to being roughly in balance by 2020 as costs rise and the recovery gathers pace. Natural increase will remain as the key contributor to population growth.

Table 3 Key forecast indicators for Trafford and Greater Manchester, 2010 to 2020

INDICATOR	TRAFFORD		CHANGE (2010 - 2020)	
	2010	2020	TRAFFORD	GREATER MANCHESTER
POPULATION (000s)	217.3	232.4	7.0%	6.0%
EMPLOYEES (000s)	114.7	133.4	16.3%	10.7%
SELF-EMPLOYED (000s)	13.1	14.5	10.6%	6.6%
EMPLOYMENT (000s)	127.9	147.9	15.7%	10.3%
UNEMPLOYMENT (000s)	4.4	3.9	-9.5%	-15.0%
RESIDENCE EMPLOYMENT (000s)	98.8	111.9	13.3%	9.6%
RESIDENCE EMPLOYMENT RATE (%)	74.5	80.8	6.4	4.8
NET COMMUTING (000s)	4.7	7.1	49.8%	15.6%
TOTAL GVA (£M)	4,949.9	6,920.3	39.8%	33.0%
HOUSEHOLDS (000s)	96.1	105.7	10.1%	9.5%

Source: GMFM, 2010

5 CONCLUSIONS

5.1 Trafford has played a central role in the economic renaissance of Greater Manchester, and hosts some of the conurbations key economic assets in Trafford Park (including the Trafford Centre and Trafford Wharfside).

5.2 Trafford is a key driver of growth in GM South and has developed an interdependent relationship with the City of Manchester and the conurbation core – acting as both a provider of skilled labour, as well as an area that has been able to create a large number of private sector employment opportunities in key growth sectors.

5.3 Although pockets of acute deprivation exist in parts of the district, the borough has relatively low levels of deprivation and worklessness, particularly in a Greater Manchester context. Overall, Trafford residents have higher skills levels, higher wage levels (resident and workplace) and productivity and employment rates than almost all other Greater Manchester districts. A mark of Trafford's success is that it has been ranked as the highest local authority in the North of England in the UK Competitiveness Index.

5.4 However, Trafford has experienced a difficult recessionary period – with employment rising rapidly after 2008. Furthermore, Trafford has the highest proportion of residents in Greater Manchester who are employed in the public sector – perhaps leaving Trafford particularly vulnerable to public sector cuts, despite its strong private sector business base and the fact that Trafford has the lowest proportion of public sector jobs by workplace in the conurbation.

5.5 But despite these risks, Trafford's occupational structure (more senior and management based employment amongst Trafford residents than elsewhere in the conurbation), high skills levels and strong private sector business base, including strengths in business services, should ensure a strong recovery and continued long-term growth.

5.6 Trafford forms an important part of the conurbation core, and it is clear that there is scope to further exploit the strategic and commercial potential of Trafford Park, as well as less developed sites such as those at Carrington. As such, the borough is well-placed to benefit from increased agglomeration in the conurbation core, and can continue to offer a desirable lifestyle choice to attract and retain skills within Greater Manchester.