

# High Peak's Economy & Business Base

## Business Base

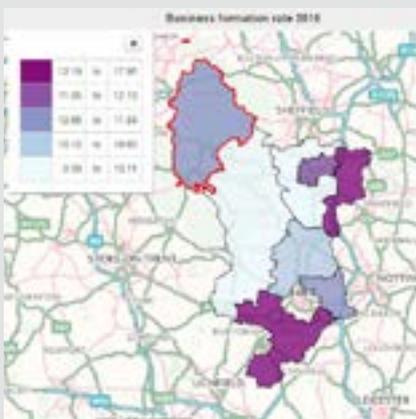
**There are 3900 enterprises based in the High Peak in 2018 (ONS).**

There are 55 workplaces that employ more than 50 people in their sites – with just 5 private sector businesses employing more than 250 people. In keeping with the UK average, 89% of businesses employ less than 10 people.

In 2018, the self-employment rate has fallen to 8.6% and remains below East Midlands (9.4%) and GB average 10.6%.

## Business Start Up

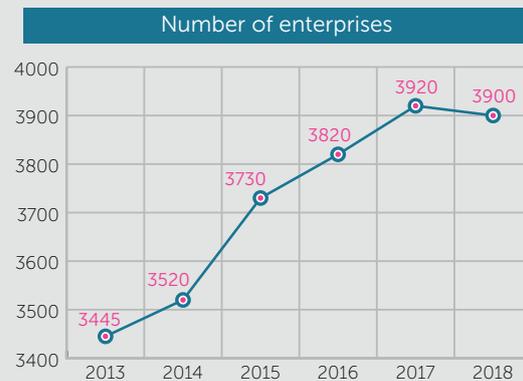
The number of new businesses starting each year has remained broadly similar over the last few years at 440 - an enterprise birth rate of 11.1%. This remains below Derbyshire (11.7%) and England (14%) averages.



Despite this lower than average rate of new business births, the business closure rate is smaller than in other areas, meaning that the net business growth rate

is 1.9% a higher rate than the Derbyshire average. Nationally the number of UK business births has decreased in last 12 months, the first time the rate has fallen since 2010.

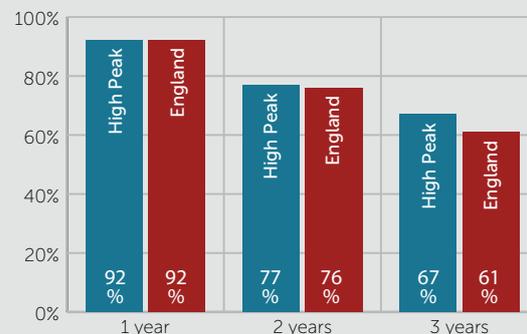
## Net Enterprise growth rate of 1.9%



## Business Survival

**Business survival rates continue to be above Derbyshire and English averages.**

### Business survival rates for businesses established in 2014



Source: ONS

Of the new businesses established in 2012, nearly fifty percent are still trading – significantly above the Derbyshire and English average (43%).

**94.3% of all businesses set up in 2016 have survived more than 1 year, which is the highest survival rate in Derbyshire.**

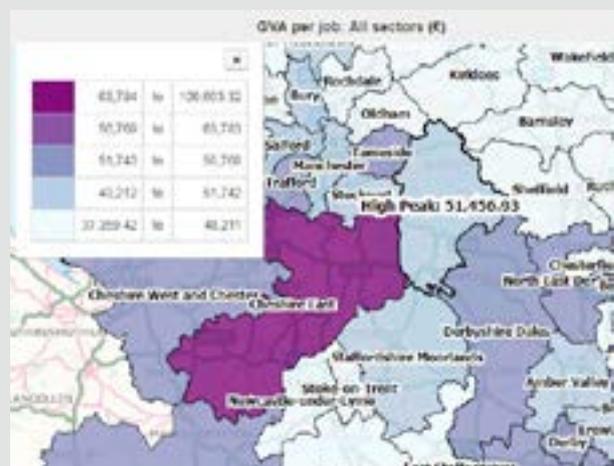
## Knowledge Economy

The proportion of enterprises in knowledge driven sectors has continued to grow from a base of around 22% of all businesses in 2010, to 24.5% of businesses in 2016. This rate is above the Derbyshire average of 20.9% but is below Stockport and Cheshire East who each have a third of their businesses in the knowledge sector.

In terms of people, High Peak has seen a slight fall in proportion of residents employed in the knowledge driven sector, from 14.4% in 2015 to 13.2% in 2017. This level is above adjacent districts of Derbyshire Dales and Tameside but is below Staffordshire Moorlands (17.7%), Stockport (22.7%) and Cheshire East (24.7%).

Between 2000 and 2013, High Peak was ranked in the top 10% of districts nationally for patents awarded, but in 2017, the number of patents awarded by 100,000 population has fallen to just 2.18. This places as second lowest in ranking within Derbyshire (only above Amber Valley) and significantly below Cheshire East (17.26) which has the highest rate in the north of England & Midlands.

## Productivity



Source: Grant Thornton, Place Analytics

**High Peak's total GVA is £1.6 billion** and continues to grow but this still places High Peak on 36th percentile nationally.

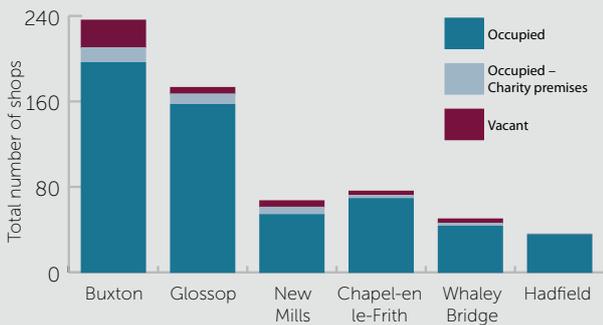
Gross value added (GVA) per job is the measure of the value of goods and services produced in an area divided by the number of employees. It is a useful means of measuring the productivity of an area relative to its workforce.

The latest figures show GVA per job in High Peak is £51,456 which is £3,516 higher than year before, and means that High Peak now has a higher rate than the Derbyshire average of £50,051. The district still lags the national average of £57,634 although the gap has narrowed by more than £1,500 in the last 12 months.

**GVA per job in High Peak is £51,456, higher than the Derbyshire average**

## Shop occupancy

High Peak towns have a better occupancy average than in East Midlands or the UK average, with a rate of 92.8%; compared to East Midlands rate of 91.2% and a UK average of 89.9% (Oct 2018).



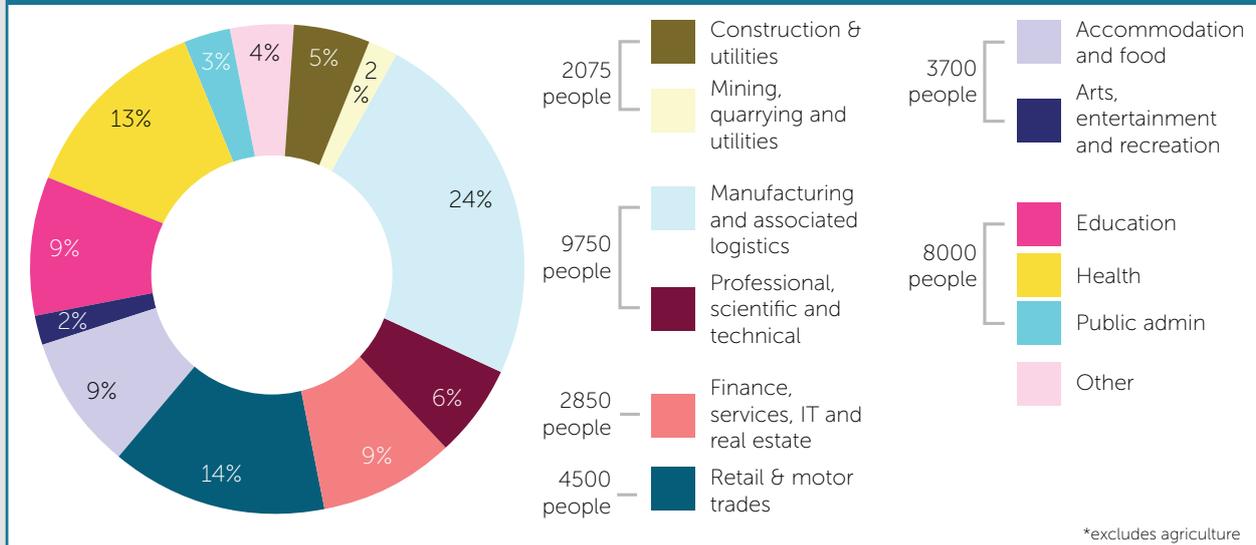
## Employment by Sector

**32,000 people are employed in workplaces in the High Peak – of which 65% are full time.**

Key changes:

- Number of Mining & Quarry jobs doubled since 2015
- Number of professional, scientific and technical positions risen by 25% since 2015
- Retail employment has seen biggest fall – with 900 fewer employees than in 2015
- Accommodation and food sector has seen a reduction of 500 jobs and a further 200 jobs have disappeared from arts, entertainment and recreation
- Education and public admin have seen a fall of 750 jobs but there has been 500 new jobs in the public and private health sector

## High Peak Employment by Sector



## Skills

**In 2017, 42.7% of working age residents held a degree or equivalent, compared with 32.8% in Derbyshire and 38.2% nationally – placing us in the top 30% of districts.**

Despite this highly skilled workforce, the percentage of working age people with level 3 and 4 + qualifications is falling in High Peak and adjacent districts are all narrowing the gap or in case of Cheshire East and Derbyshire Dales have now surpassed High Peak in terms of working age residents with degrees.

In 2016, 61.9% of students passed 5 or more GCSEs grade A\*-C including English and Maths. This rate was slightly below the Derbyshire average (62.4) but above the national average 59.3%.

## Apprentices

**The number of apprenticeship starts in High Peak has fallen in line with national trends which have seen falls following the introduction of new funding system.**

In High Peak 55% of all apprenticeships are at Level 2; 39% are at Level 3 and 6% are at Level 4. 260 young people aged 16-18 started apprenticeships in 2016/17. This is a decline of 13% from previous year.

### Apprenticeship starts in High Peak



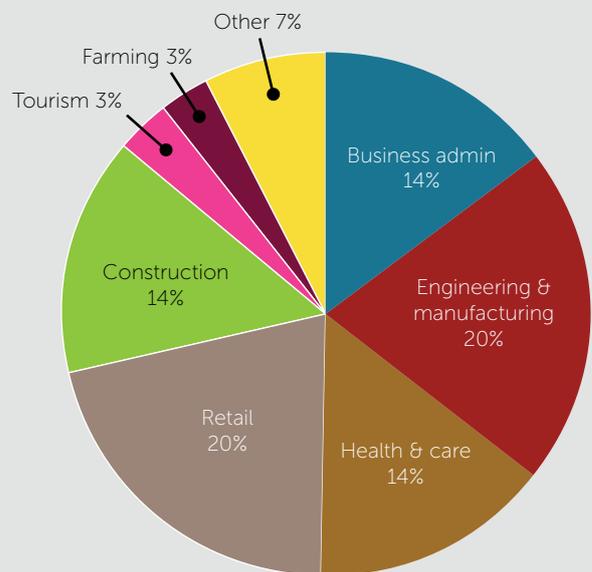
The type of apprenticeships being taken generally reflects growing sectors both in our economy and the wider economic geography of Greater Manchester – so over the last few years we have seen:

- Increase in construction apprenticeships (linked to new housing and building development)
- Increase in engineering apprenticeships
- Increase in digital/IT apprenticeships
- Decrease in business admin

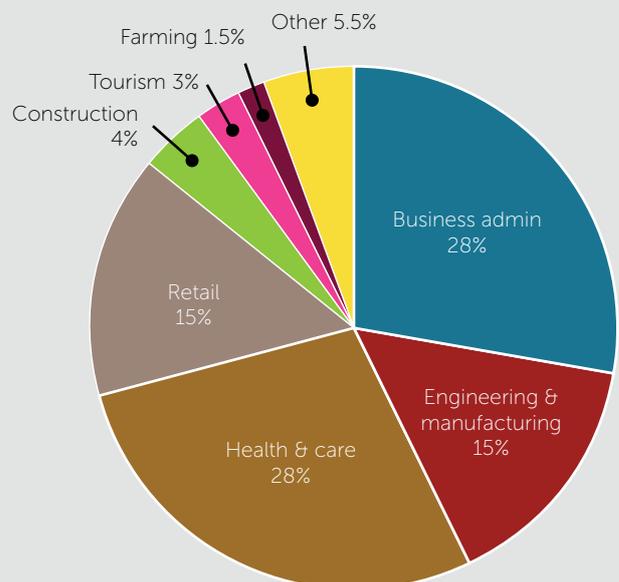
The two areas which are not aligned to the economy or growth areas are retail and health.

- Retail still represents about 20% of all apprenticeship starts in High Peak – and does not reflect either the national or local decline in employment in this sector.
- Health sector employment is growing both in the UK and in High Peak, and at a national level the number of people taking up apprenticeships in this sector is now 28%. However only 14% of High Peak residents started an apprenticeship in this sector.

**Apprenticeships by type in High Peak**



**Apprenticeships by type in England**



## Salary Levels

**Full time local employees earn £23,702 per year in High Peak.**

In fact, full time workers who are employed in the district earn less in 2018 than in 2016 and are earning just £584 more than in 2011. The average annual pay in Derbyshire is £26,587 and £29,648 in Great Britain.

**Resident based salaries – which include people who commute outside the district, earn an average £27,662.** This means that the gap between those that work locally and those that commute continues to grow from just £387 in 2010 to £3,960 in 2018.

Part time locally based employees salary levels have risen by £545 since 2016 with the median salary being £9,143. This is about £1,000 below the British average.

## Housing

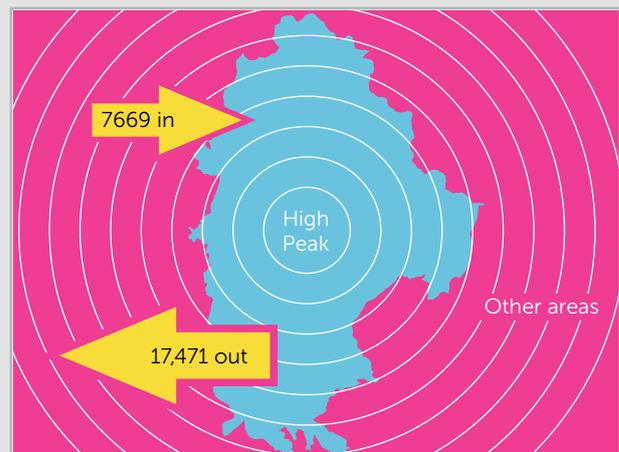
The average house price in High Peak is £196,462 (Sept 2018) which represents an annual growth of 2.9%. This compares to a UK average of £231,095.

The average new build property in High Peak is £249,482 which represents a 9.3% price growth over last 12 months.

## Commuting

There is a net outflow of nearly 9802 workers.

In 2011, 17,471 people commuted outside the district for work and 7669 people in-commute to the High Peak.



The key destinations residents work are: Stockport (3,324); Manchester (3,314); Tameside (2,735); Cheshire East (1,709) and the Derbyshire Dales (1,105).

The people who in-commute principally come from: Derbyshire Dales (1,291), Tameside (1,287), Stockport (1,060) and Cheshire East (858).

## Unemployment

**Claimant unemployment in the borough is very low at 1.2% (690 people in Oct 2018).** The trend has been a relatively stable level (1.0%-1.3%) over the last three years even with the introduction of Universal Credit which requires a broader span of residents to look for work.

**In 2018, 81.5% of the resident working age population were economically active.** This level has increased by 3% since 2015, and outstrips national average of 78.4%. However while this could be seen as an indication of residents' work ethic, it does also reflect the fact that lower wage levels require households to have two wage earners.

**The annual number of 16-18 years olds not in education, employment or training (NEET) has halved in the last few years and now stands at just under 50 people per annum - a rate of 2.5%.** This is below the Derbyshire average. National comparisons are not available.

The number of young people (18-24 years) on benefits is 2% (140 people) and has remained relatively stable over the last two years (1.8-2.3%)

Gamesley ward has the highest rate of benefit claimants at 3.5% but the level of unemployment (actual number of people) is highest in Buxton central ward.

## Economic Growth Priorities 2019 +

- Continue to unlock employment sites and land to enable building of suitable modern premises which will attract high wage businesses to grow or be attracted into the district
- Consolidate and build on existing sector strengths in: manufacturing and associated logistics; advanced engineering; and creative businesses
- Capitalise on the 'northern powerhouse' and Manchester's growth potential and our existing strong skill base to attract suitable higher paid employment businesses into the district and encourage growth of the creative/digital sector in High Peak
- Support local employers to invest in technology and skills through access to capital grants and loans to continue to support rising productivity.
- Work with partners to increase the business start up rates
- Work with partners to ensure area wide skill strategies are focused on higher wage sectors to redress growing salary gaps
- Work with schools and colleges to ensure young people and their families have access to information on apprenticeship opportunities and informed data about the local economy & high wage sectors to inform career choices, specifically:
  - Increase awareness of job growth in health and IT & digital sectors
  - Increase awareness of shrinking retail sector
  - Continue to promote engineering and construction as core skills needed in our Travel to work area

## Key Employers in the District

(excluding retail, health & social care and schools)

### Buxton:

- Health and Safety Executive (UK Government agency);
- Buxton & Leek College/University of Derby (FE & HE);
- Otters (thermostatic controls)
- Nestle - Buxton Water (mineral water);
- Buxton Press (specialist printers)
- Breedon Group plc (aggregates),
- Tarmac (aggregates)
- Cemex Uk Ltd (aggregates);
- Lomas Distribution Ltd (logistics)
- Seldon Research Ltd (develops & manufacturers cleaning chemicals)
- Palace Hotel (accommodation);
- Flowflex Ltd (plumbing/heating components)

### Central Area & Hope Valley:

- Swizzels Matlow (sweets);
- Federal Mogul (brake linings);
- Breedon Group PLC (cement works)
- Street Crane (cranes and hoists);
- Concept Life Sciences (biotech);
- Retrogenix (biotech)
- Natural Stone Surfaces (stone manufacturer)
- H Crabtree (logistics)
- PVC (plastics);
- Flowguard (hydro-pneumatic pressure vessels)
- Wearnes Cambion (electronic components)

## Glossop:

- Kingspan Industrial Insulation (construction products)
- GDL (construction engineered products)
- Groundwork Engineering Systems (construction products & services)
- Springvale (construction products)
- Arconic (aero-engineering products);
- AF Fasteners (aero-engineering products)
- Walker Safety Products (microbiological & laboratory equipment)
- Plater Group (chemical drying and production);
- Glossop Caravans (caravan sales & service centre)

## Mineral & Aggregates

In 2017, the council, in partnership with Derbyshire County Council & Derbyshire Dales District council commissioned an economic impact assessment of quarry industry in the area. This found:

- Mineral reserves in area are considered to be of national importance
- 11.7m tonnes of aggregates were extracted from High Peak – and without this viability of major city redevelopments and housing could not go ahead
- Contributes £1.63 billion to national GVA across the wider area – and expected to rise to £2.3bn by 2040.
- Employment increasing but challenge to find skilled workers & attract young people
- 2/3 supply chain is local – and supports additional 1740 jobs
- Investment in rail key to overcoming congestion and supporting future growth

## Examples of local businesses

### Larger Businesses in High Peak

Breedon Group plc is the largest independent construction materials group in the UK. In 2016, they completed the £336 million purchase of Construction Materials, which included Hope Cement works and Dowlow Quarry in Buxton.

Breedon Cement has its headquarters at Hope and is capable of producing 1.5m tonnes of cement each year supported by at least 20 years of limestone reserves.

In 2018, the group acquired 'Staffs Concrete' a company specialising in small ready-mix delivery and the Irish Lagan Group.



### Nestle - Buxton Water

Buxton® Natural Mineral Water is a 100% natural product bottled in Nestle's state of the art premises, from water which originated from meteoric waters (like rainfall) at the end of the last ice-age - making it over 5,000 years old.

The premises and production line has enabled development of a new bottle design, which supports a 25% reduction in plastic – and the new factory has been independently certified as both 'Zero Waste' to landfill and has gained a 5 star 'excellent' for sustainability from BREEAM.

In 2019, the company is seeking to expand operations at their Buxton site creating over 50 new jobs both directly and in the supply chain.



In 2018, Swizzels revealed that turnover rose by almost £10m in the last twelve months to £73m.



**Seldon Research Ltd**, a family owned business with 200 employees, develops and manufactures cleaning and hygiene chemicals for both the professional and retail sectors and is the UK's largest independent manufacturer of professional cleaning, maintenance and hygiene chemicals.

In last 12 months, Seldon has celebrated their 50th year of trading by expanding into a new 4-story 15,000m<sup>2</sup> administration and laboratory centre which followed on from 2017 investment in warehousing facilities.



and commercial vehicles worldwide

The company continues to develop innovations to improve fuel economy, reduce emissions and enhance durability through global engineering & manufacturing.



## Small & medium sized businesses in High Peak

Concept Life Sciences a knowledge-based, science-led business providing a wide range of innovative and integrated solutions to clients in the pharmaceutical, biotechnology, food, environmental, agrochemical, petrochemical, chemical and consumer products sectors.

The company employs more than 700 people across ten UK sites including the Chapel-en-le-Frith site.



Focal Exhibitions – are an award winning exhibition company based in New Mills who design, manufacture and install bespoke stands for exhibitions around the world. The workforce of xx people includes graphic designers, carpenters and specialist installers and clients include GoodYear, Colgate, Penguin Random House and AstraZeneca.

[www.focalexhibitions.co.uk/](http://www.focalexhibitions.co.uk/)

Retrogenix Ltd advances medical research and speeds up drug discovery for its clients by providing a unique service which identifies specific cell surface protein interactions in human cells. Retrogenix now has research agreements with fourteen of the top fifteen global pharmaceutical companies, numerous drug discovery companies and many leading academic and non-for-profit institutions around the world. In 2019, the company is expanding into grade A new accommodation in Chinley.



Avanti Conveyors Ltd provides materials handling solutions including box conveyor belts. Eighty percent of the 200 systems they produce each year are exported – with well known clients including IKEA. In 2018 they have expanded into Australia, New Zealand and South Pacific region

Currently employs 25 staff with 12 sub-contractors at their site in Furness Vale and plan to expand to new premises.



**AF Fasteners** – is a global supplier of precision fasteners for the aerospace industry. Based in Glossop with a team of 30 people, the company manufactures a range of over 2,500 bolts, screws and other engineered fastenings for customers including Rolls-Royce, BAE Systems, Airbus and McLaren.



**FIG** is an award winning B2B marketing and communications agency based in Glossop with a team of 20 people made up of creative designers, web developers, strategic marketing and PR experts, intent on delivering tangible results for their clients. For the last two years, FIG has won the prestigious 'North's best marketing agency' from the Chartered Institute of Marketing.



**Pressuretech** design and manufacturing pressure regulators for sub-sea, to aircraft and bespoke solutions.

Over the last few years they have invested over £130,000 in new machinery to improve productivity and in last 12 months have developed into hydrogen market including developing a new pressure regulator for use in drones.

Based at Rossington Industrial estate in Glossop they employ about 35 people.



## Further Information

High Peak has an adopted Growth Strategy which provides a plan for sustainable growth and identifies development opportunities for the next 15 years. It demonstrates our commitment to regeneration throughout the area as well as the delivery of the Local Plan.

The Council's website provides up to date business information, guidance and support.

For any further advice or assistance with investment contact:

[Regeneration@highpeak.gov.uk](mailto:Regeneration@highpeak.gov.uk)

[www.highpeak.gov.uk](http://www.highpeak.gov.uk)