

STAR PERFORMER

How Cheshire East is becoming an economic driving force, a hub of local government innovation and the place to live, work and play



e will be financially independent, a significant economic player, and the best place in the country to live.'

Michael Jones, leader of Cheshire East Council, certainly can't be accused of lacking ambition for his local authority and patch. And he's not talking about what it will be like in 20 or 30 years' time, akin to one of those glossy 'vision' documents that so many councils produce. This is a goal for the next five years.

Some would argue Cheshire East is already there. National newspapers reported in September that a Family Friendliness Index had calculated the village of Bollington, north of Macclesfield, was the best place in England to start a family. The best place to start and raise a family was the town of Poynton. Both are in Cheshire East.

It's just the latest in a long line of reports that have cemented the area's reputation as a great place to live.

Then there's the local economy. 'The quality is truly impressive,' says Cllr Jones, as he reels off a list of figures most places would die for. The No.1 location for rural business in the UK, the third highest salary increases, unemployment below 1%, broadband coverage at 96% and rising. Across the local authority area – taking in industrial Crewe to the south, former mill town Macclesfield to the north, thriving market towns such as Nantwich and affluent, picture postcard villages like Alderley Edge – it has more businesses than the whole of central Manchester.

Nowhere is the area's economic clout more evident than in the north of the borough where it forms part of the 'science corridor' that takes in Manchester, Warrington and Liverpool. Alderley Park is home to cutting edge research and development facilities for life sciences, Jodrell Bank is firmly established as a global centre for astrophysics – and the world's



most powerful telescope (pictured on the cover) – and scientific laboratory instrument and software manufacturer Waters Corporation recently launched its headquarters for mass spectrometry in Wilmslow.

It is through assets like these that Cheshire East is able to position itself as complementary to the Government's burgeoning Northern Powerhouse strategy, says Cllr Jones. But it's to the south of the borough that the key to Cheshire East's future economic ambitions lays. Crewe is the frontrunner to be the north west hub station for HS2, a move spearheaded by Cllr Jones that would boost the region's economy by an estimated £10bn a year, create 100,000 homes and 100,000 jobs across parts of

Cheshire and Staffordshire once the hub station is established. HS2 and the Northern Powerhouse are huge, once in a lifetime opportunities for Cheshire East and its neighbouring authorities. The work that can be seen across this area to improve infrastructure, protect green spaces and ensure future development is sustainable is all part of a long process to gear it up for what lays ahead. The council leader and his colleagues have the ear of Government – 'our reputation is strong and they know we can deliver,' says Cllr Jones.

A NEW BREED OF COUNCIL

But to understand how the council has put itself in pole position to make the most of these opportunities we need to rewind to 2009, the year when Cheshire County Council was abolished and replaced by two unitary authorities – Cheshire West & Chester and Cheshire East.

Coming in the midst of the economic downturn and with austerity in the offing, it was a baptism of fire. However, Cllr Jones, who was elected to the council in 2011 with a remit to tackle its budget deficit, believes it was an opportunity to decide what kind of authority Cheshire East wanted – and needed – to be.

'We were underperforming before. The reality is we have a responsibility to be strong and to survive. We took out 30% of managers ahead of anyone else. We made fiscal savings. We removed increments so that managers have to perform to get paid more.'

But this has created a leaner, more agile and responsive council, he says, which is why it has managed to attract no fewer than three former deputy chief executives to director roles. 'It's because they know they can just get on with it here,' says Cllr Jones.

As an entrepreneur, he was eager to bring some commercial nous to the council to break down the bureaucracy that acted as a barrier to businesses in the



Making the most of your assets

It's already one of the most desirable places to live in the country. But now the council is putting in the hard miles to take Cheshire East to another level

past and throw the doors open to investors. 'We are really good at business. We are pro business like you wouldn't believe.'

As Julian Cobley, head of investment, explains: 'We want our major businesses to make their investment plans with the confidence that they will get a high quality and responsive service from the council. We all gain from that. The support we can provide to businesses in the run up to submitting a full planning application can make all the difference.'

From Cllr Jones' perspective, it will reinforce the council's reputation as a local authority that's easy to work with – something that will be critical in the years ahead as Cheshire East gears up for an influx of investment.

'It creates a seamless approach where investors go from one bit of the team to the other to get things done rapidly,' he says. 'It will be a challenge when it comes to the decision-making – it's got to be right. But we need to get it done quicker and stronger when it comes to planning in key areas. It will be done properly but the process needs to be seamless. It's the same across the council – it's about reducing process for process sake and focusing on process for delivery so that you get far more productivity.'

PUTTING RESIDENTS FIRST

Ensuring Cheshire East is ready to capitalise on the opportunities on offer is as much about engaging and supporting local communities as it is ensuring the council is fit for purpose. A 'Putting Residents First' mantra has been introduced to instil an ethos among staff and send a message out to residents that they must all play a role for the area to be a success.

'When we are making decisions we should try always to put the residents first,' says Cllr Jones. 'You can never make everybody happy, but that's not what we're here for. We're here to make people safer and to help them live sustainably.'

Its economy may be booming but there are many issues to be tackled. For example, Cheshire East has too many under 16s who self-harm. 'It's unacceptable,' he says. Tackling deep-seated problems like this requires getting to the root causes. Hence the council's decision to ringfence funding for the next five years to focus on early intervention with children from birth to 11 years old to bring about 'positive reinforcement of families'.

Cllr Jones is also keen to ensure the work ethic he sees in so many towns across Cheshire East reaches every corner. Not just because it is good for the economy, it's also good for an individual's health and wellbeing.

'We want to get more people working. Those who can work, must work. Those who can't, we will look after. In some of our towns the work ethic and culture is unbelievable. They need to know we are not allowing people who can work not to work. Everyone should contribute if they can.'

He believes Cheshire East is fast becoming the kind of local authority that will eventually become the norm – increasingly financially independent and less reliant on Government grant, probably part of a combined authority, and at the heart of improving their local area. More and more income streams are being developed and the likelihood is a greater proportion of business rates will be retained in successful areas (see p4-5).

Cheshire East has the advantage of being a largely affluent borough with a highly skilled population, an abundance of desirable locations to live and work and the prospect of being a hub of connectivity. Although he says 'it can go against you being rich', such as lower rates of education funding, Cllr Jones believes there

are no excuses not to make the most of its assets – and that it will benefit neighbouring areas as much as Cheshire East itself.

'We want to support people in Cheshire East and our neighbouring authorities by working with them to share in our wealth and success. In terms of growth we are an open door to partners to work together. I've met with local authorities around us and we will deliver growth with them. If they are doing well, we are doing

'We will be a significant economic player, large for our size. We will be the best place in the country to live. The vision for Cheshire East is rosy. Less troubled families, less children in care. We will be getting to the root causes of problems. I expect us to be a very happy place – I think we are now.'

CHESHIRE EAST: IN NUMBERS

2 years running Cheshire East has been ranked the best place to live and work in the north west, according to Halifax quality of life survey

 ${\bf 93.6\%}$ of schools have been rated as good or outstanding by Ofsted

182 days TV and movie crews spent filming in the borough in 2014 bringing in £2.5m to the local economy

£600,000 saved by residents and businesses on their annual bills via the council's energy company Fairerpower since its launch in March 2015

 $\mathbf{31,000}$ jobs are expected to be created by 2030

£808 a week is the average wage (national average is £629)

3% of 16-24 year olds are not in education, employment or training (NEET), the lowest level in the north west

<1% of people in Cheshire East are unemployed



Striving for independence

elf-sufficiency is the holy grail for most local authorities – and Cheshire East could soon be within touching distance.

It currently derives 76% of its funding from council tax, business rates, and fees and incomes and its ambition is to get as close to 100% as possible.

A business rate pooling pilot exercise with Greater Manchester Combined Authority, launched in April, means the council can now retain all business rates growth above 1% rather than having to hand half the proceeds back to the Treasury – as is the case normally. If the borough's economic growth continues and the model is rolled out it could see Cheshire East take a huge step towards financial independence.

Achieving that goal goes hand in hand with one of the council's two main strategic objectives: to lead public sector transformation. And a more commercially focused and nimble local authority, working in partnership with others in the public, private and voluntary sectors is what's required to achieve its second goal of driving economic prosperity, says chief executive Mike Suarez.

With prosperity comes jobs, greater spending power in the local economy and all the health and wellbeing benefits that employment can bring.

'One of the things we want to do is have a sustainable model,' he says. 'We believe that if we bring about public sector transformation to reduce our cost base and get good outcomes for local people you get a virtuous cycle.'

Self-sufficiency also sends out a positive message to the business community and enables the council to support residents far more effectively at a time when Government funding is diminishing.

'If we're a local authority that's not dependent on government grant, we are more responsive locally to our communities. That's not dissimilar from a business model. Any business that can't meet its cost base is not



going to work. We have a lot of businesses in Cheshire East. It's part of our cultural identity that most people would expect us to wash our own face.

'They understand the importance of having a local authority that's not dependent on a dwindling amount of money from Government. If we want to have a strong business community we must demonstrate our business credentials.'

The starting point towards that transformation was to work with staff and elected members on establishing a set of core values. The five that came out of the exercise – flexibility, innovation, responsibility, service and teamwork – now form the backbone of how staff and members go about their work. Training sessions, staff awards and a roadshow campaign to raise awareness have all helped to embed those values.

Pursuing a sustainable model has also fed into the way efficiency savings have been implemented. That's

meant avoiding 'salami slicing' budgets and instead searching for alternative service delivery vehicles (ASDVs) that open up the opportunity to protect key services and offer better value for money. It also enables Cheshire East to become a commissioning council while benefitting from the success of those vehicles and without having to outsource.

The latest will come in the form of a new arm's length company that will bring together its skills, employment and business growth services. The intention is to channel a combined budget of £4.5m into tackling pockets of deprivation by creating better routes into training, education and jobs. The company, due to be launched in the new year, will also work to boost growth in high value employment.

The council already has 12 wholly owned companies – from an environmental services company to a catering firm at Tatton Park – and plans to launch more in a bid to both transform service delivery and develop new income streams for the authority.

'ASDVs create a more commercial, customer focused approach in some of our services and how they innovate and meet the needs of local people within tighter budgets,' says Mr Suarez.

That includes a far greater focus on early intervention, working closely with those in health and in the VCS to address the underlying causes of issues like poor health, crime and low educational attainment. By managing and changing the demand on local services it hopes to give people a better chance to benefit from the job opportunities available locally.

'Smaller organisations with less management overheads are more nimble. There's a shorter chain of command and less bureaucracy.

'In a world where we are getting less money it's about being run rigorously while retaining our social and public purpose and doing it in a way that's commercially savvy.'

An energy innovator



nergy prices tend to be unpredictable and volatile and for those on low incomes that brings uncertainty and anxiety.

Cheshire East Council looked at the issue from an internal and external perspective and decided to tackle it head on. Having worked hard to reduce its own consumption and improve energy efficiency, it took the bold step of setting up a company to help secure cheaper bills for its residents.

Fairerpower, launched last year in partnership with OVO Energy, has so far signed up almost 3,000 customers – offering local people an alternative to the big six energy giants through a range of gas and electricity tariffs, including one aimed at small businesses. A key sign of its success is the fact that some 60% of its customers had never switched suppliers before and were therefore more than likely paying over the odds for their energy.

On average, they save £196 a year and receive 3% interest if they are in credit on their account. Fairerpower has already established itself as a well-known name in the borough and recently signed a two-year shirt sponsorship deal with local football team Nantwich Town as well as separate sponsorship deals with clubs Crewe Alexandra, Congleton Town and

Macclesfield Town. But Cheshire East wants to take it another step further. Council leader Michael Jones explains: 'Fairerpower has saved people a lot of money. But I thought – let's make our own energy. Cheshire East is at the centre of a number of fault lines and we sit on geothermal energy. That gives us potential for a district heating system.

'Within 5km we have aquifers. If it can work we will look to driving geothermal through our housing developments.'

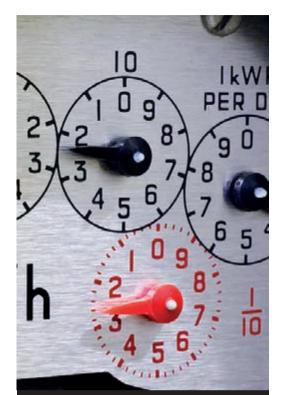
According to the British Geological Survey, Cheshire East is one of only six areas in the UK with the potential to generate significant energy from geothermal heat.

It involves drilling down around three miles to extract water at temperatures of around 100 degrees celsius.

The council estimates around 100 gigawatt hours a year could be generated within a 2.5km radius of Leighton West in Crewe – enough to provide every UK resident with a daily shower for 142 years. Although as Cllr Jones points out, the process can actually be designed to be renewable and provide an endless supply of energy.

The council is now working with Keele University to carry out further research. Although the upfront costs are steep – estimated to be around £37m – there has already been interest from international companies and institutional investors.

www.fairerpower.co.uk



Cheshire East has entered the energy market and is hoping to get itself into hot water



Julian Cobley, Cheshire East Council's head of investment (right), presents Martin Johnson with a gift hamper as the 1,000th customer for Fairerpower. Nearly 3,000 have now signed up to the scheme, saving residents more than £600,000 in total from their annual bills

Liverpool

Up to speed

Game-changing investment could be in the pipeline for Cheshire East. But for a council that's already coordinating huge investment, it's business as usual

f Crewe is chosen to host the HS2 hub station for the north west it would rival anything the town has achieved in its 175 years of railway heritage.

Cheshire East has built an extremely strong economic case for locating it here, arguing it's 'the only place in the north west that will truly create the opportunity for decentralisation of the economy outside of London and

The move would create 20,000 jobs in the town itself and the immediate surrounding area alone. But it is the way in which investment here would benefit towns and cities further afield – and the way it will link up the engines of England's economy – that make it the frontrunner. The entire project is estimated to be worth some £3.5bn a year to the south Cheshire sub-regional area economy. Sir David Higgins, executive chairman of HS2, has publicly stated that Crewe offers wider benefits that a city location simply couldn't match. It would effectively create 360° connectivity with high-speed rail links to London, North Wales, Birmingham and Manchester, explains Andrew Ross, project director for infrastructure.

'Nowhere else can offer that. Our proposition is complementary to the big cities rather than competing with them, he says. 'It provides added value - it's all about additionality.' A decision on the HS2 hub station won't be made until next year and a new delivery vehicle will be needed if Crewe gets the green light. Cheshire East's task is to prepare the borough for future economic growth and ensure it happens sustainably. The reality is it is already growing rapidly and has around £1bn of infrastructure projects either underway or in the pipeline while the local plan includes 36,000 homes.

The polycentric nature of Cheshire East means it is something of a balancing act – an influx of jobs and homes in one area could have a knock on effect for neighbouring towns and villages. That's why the council is tackling pinch points, for example in Congleton, where a new link road to Macclesfield will be built to ease congestion and improve connectivity.

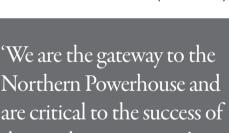
'It's about striking a balance around enabling sustainable development and ensuring our existing communities are also protected, says Mr Ross. 'Part of the area's success is down to the strong sense of identity and ownership across our towns. To support areas that grow we will be looking to extend green gaps and green belt to maintain each settlement's individual identity. Defining these borders

Crewe is currently being lined up for the biggest town centre regeneration scheme it has seen in decades. The council has bought the Royal Arcade site, which includes the bus station and 26 shops, and plans could include a cinema, hotel and restaurants along with a new bus interchange. It's a similar story in Macclesfield where an advisory panel chaired by local resident and commercial property expert Nick Hynes has been set up to guide plans for a redevelopment of the town centre.

What makes Cheshire East so appealing to businesses and investors is the fact that it's already a success story. It

'We are the gateway to the Northern Powerhouse and are critical to the success of the northern economy'

Caroline Simpson, executive director for economic growth and prosperity



Cheshire East: a star of the big and small screen

t's already well-established as one of the best places in the UK to live and now Cheshire East is fast becoming a top location for TV and films.

Last year production companies spent six months in the borough, bringing in around £2.5m to the local economy compared with £600,000 in 2012.

Places like Tatton Park and Styal Mill have long been a popular choice for filming and Cheshire East's variety of picturesque villages and stunning countryside make it a favourite for period dramas like Foyle's War and Peaky Blinders as well as contemporary series like The Driver and Last Tango

Some 41 titles have used the borough for filming

in recent years, according to Funding body Creative England. One of the most recent is the ITV wartime drama Home Fires, which is shot in the village of

'We looked all over Britain and Bunbury was the only place we found where we could build a composite village out of certain elements of the landscape,' explains Catherine Oldfield, executive

'Everyone was very welcoming. You are really spoilt for choice in Cheshire East for places to eat, places to go out. It's a real gastro part of the world.

'I would definitely recommend this part of Cheshire as a place to shoot a film.'



is home to some of the UK's most desirable locations to live, has excellent schools and an abundance of heritage, leisure and visitor attractions. Locate here and it's easy to recruit staff. On top of that, for companies in cutting edge industries like bioscience and advanced manufacturing it offers a chance to be at the heart of one of the UK's innovation hubs as part of the north west's high tech science corridor where research and development levels are five times the national average. The borough accounts for more than a third of the region's R&D jobs thanks to facilities like the world famous observatory Jodrell Bank, which this year was chosen as the headquarters of the world's most powerful telescope. The local authority has injected £1m to improve connectivity around Jodrell Bank and support investment in one of the borough's

But it's not all plain sailing. Like everywhere, the borough has had to absorb shocks and the council has taken a proactive stance to minimise their impact. Nowhere is that better exemplified than at Alderley Park where AstraZeneca operates a world leading R&D facility. When the multinational pharmaceutical firm announced plans last year to leave the site the council set up a taskforce to negotiate a phased withdrawal and bring forward a development framework to bring in fresh investment. Since then a consortium led by Manchester Science Partnerships, in which the council has a 10% stake, has acquired Alderley Park with the intention of transforming it into a key life sciences cluster with £107m invested in new facilities over the next decade.

Since then the Government has invested £5m for a 'catapult in medicines technologies' at the site and Alderley Park's Biohub Incubator has received £1.1m via the Regional Growth Fund. The way the council operates now - whether it's reacting to knocks or creating an environment that makes Cheshire East a great place to live, work and invest - is 'massively different' to when



Caroline Simpson, executive director, economic growth and prosperity joined the local authority in 2009.

She believes the council has shed the 'sleepy Cheshire' image and grasped the huge opportunities on its doorstep.

There's huge potential from an economic growth point of view and the council now exploits that and puts it firmly centre stage with a focus on productivity and economic output, hand in hand with industry.

'All the ingredients for economic success and prosperity that have been fully exploited in London and the south east for decades are now being exploited here.' Getting the HS2 hub at Crewe would take things to an entirely different level. The area has been lucky along the way, she admits, and is already successful. But Cheshire East has the assets, strategy and political will to make the most of any investment not just for itself but far and wide.

'We are the gateway to the Northern Powerhouse and are critical to the success of the northern economy. Business in Manchester can only benefit from having the successful hinterland that Cheshire East can offer. It is in all our interests to have a thriving and vibrant wider city region.'

Rolling out broadband, superfast



any areas have launched superfast broadband roll-outs but few have done it by putting businesses at the front of the queue.

Working across Cheshire with its three neighbouring authorities, the council secured European and Government funding to accelerate the supply of broadband.

The £28.5m Connecting Cheshire project, combined with investment from BT, has already reached more than 80,000 homes and premises – meaning 96% of the county has coverage. A second phase will increase this to 98% by 2017.

It is one of the fastest roll-outs ever seen in the UK and has effectively been achieved free of charge from the council's point of view. By exceeding targets three years ahead of schedule, the four councils have been given back £3.5m to reinvest in further broadband coverage through a gain share in the contract.

Julian Cobley, head of investment, believes this success is down to a 'business first' approach, good communications with residents and an excellent working relationship with the council's partner BT.

'Several years ago, Cheshire East recognised there was demand from business, especially those small businesses in rural areas, and supply failure from industry in terms of broadband. What we did differently through this project is we had a business focus – the benefits are there for residents but we want businesses to benefit.'

The roll-out was accompanied by a support programme to help companies get the most out of superfast broadband and digital inclusion pilot, including 150 digital champions, to spread the word around communities and get the most out of being online.

He adds: 'Digital connectivity is now seen as the fourth utility. If we want businesses to thrive we need good quality broadband connectivity everywhere'.



High-speed broadband is as vital a part of connectivity as good road and rail links.
A business-led approach to roll-out has proved highly effective

