

PLP CREWE 460 CREWE

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LABOUR MARKET REVIEW



INTRODUCTION

The report provides an overview of the labour market in respect of PLP Crewe 460, a new development at Crewe Commercial Park within close proximity to the proposed HS2 Hub situated off Jack Mills Way, 5 miles from the M6 Motorway, where PLP are speculatively building a 456,735 sq ft unit.

The report provides an overview of the UK labour market and looks more specifically at the labour market within the local catchment for the development, along with labour and population forecasts to 2031.

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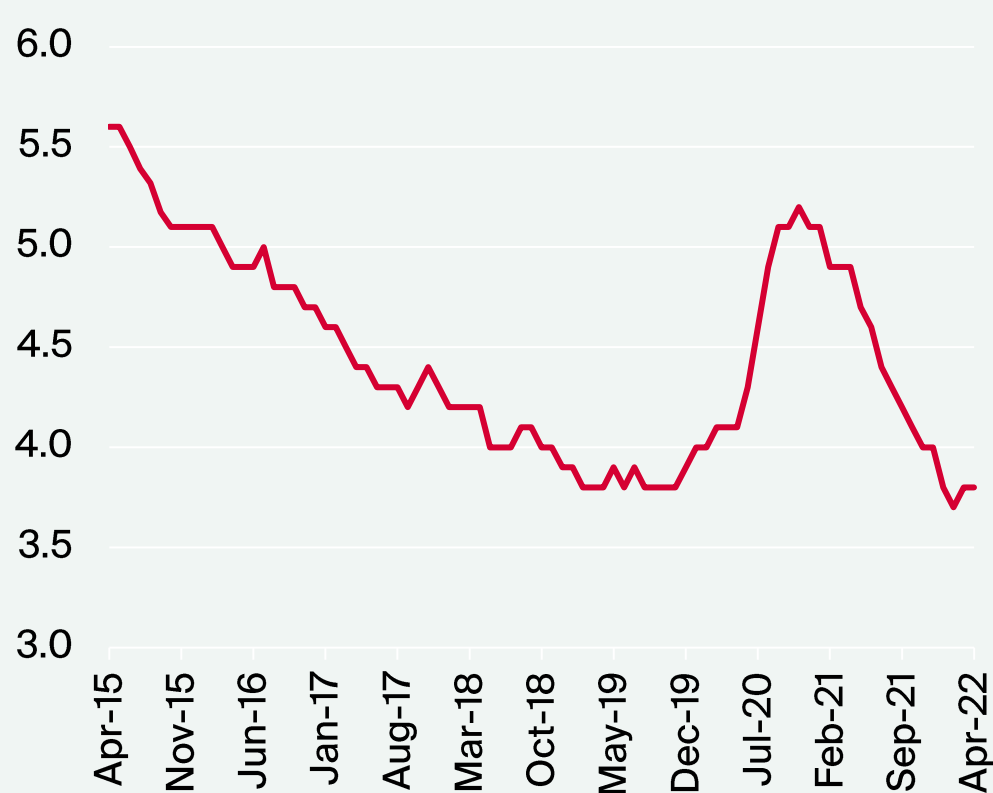
UK LABOUR MARKET OVERVIEW

Recent labour market data has seen the unemployment rate reach **new record lows**. The unemployment rate for March to May 2022 was estimated at **3.8%**, 0.1 percentage points lower than the previous three-month period. The number of payrolled employees showed another monthly increase in June 2022, with **31,000** more people employed compared with May 2022, while the number of employees was up by **1.9%** since February 2020, a rise of **561,000** on pre-pandemic levels.

Job vacancies in April to June 2022 was **1,294,000**, an increase of 6,900 from the previous quarter and an increase of **498,400** from pre-pandemic levels (January to March 2020). The quarterly rate of growth continues to slow, though it remains positive. In March to May 2022, the ratio of unemployed people per vacancy remained at 1.0 for the fourth consecutive period, with the number of vacancies slightly higher than the number of people unemployed.

Growth in average total pay (including bonuses) was **7.0%** and regular pay (excluding bonuses) was **4.2%** in the three months March to May 2022. In real terms (adjusted for inflation), growth in total pay was 1.4% and regular pay fell on the year at negative 1.2%.

UK Unemployment Rate (%)

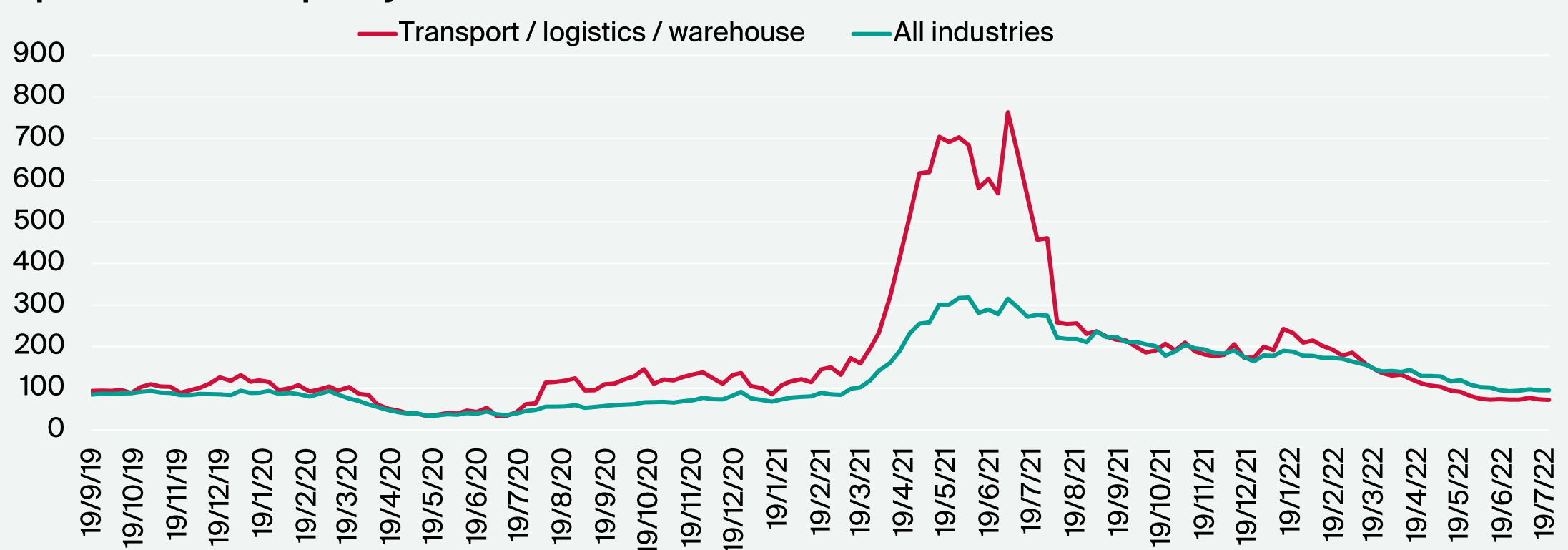


UK median of gross weekly earnings growth for full-time employees (%)



Source: ONS

UK total job adverts (Adzuna)
Equivalent week in prior year = 100



Source: Knight Frank, Adzuna

LOCAL LABOUR FORCE

Local labour catchment (45 mins travel time)

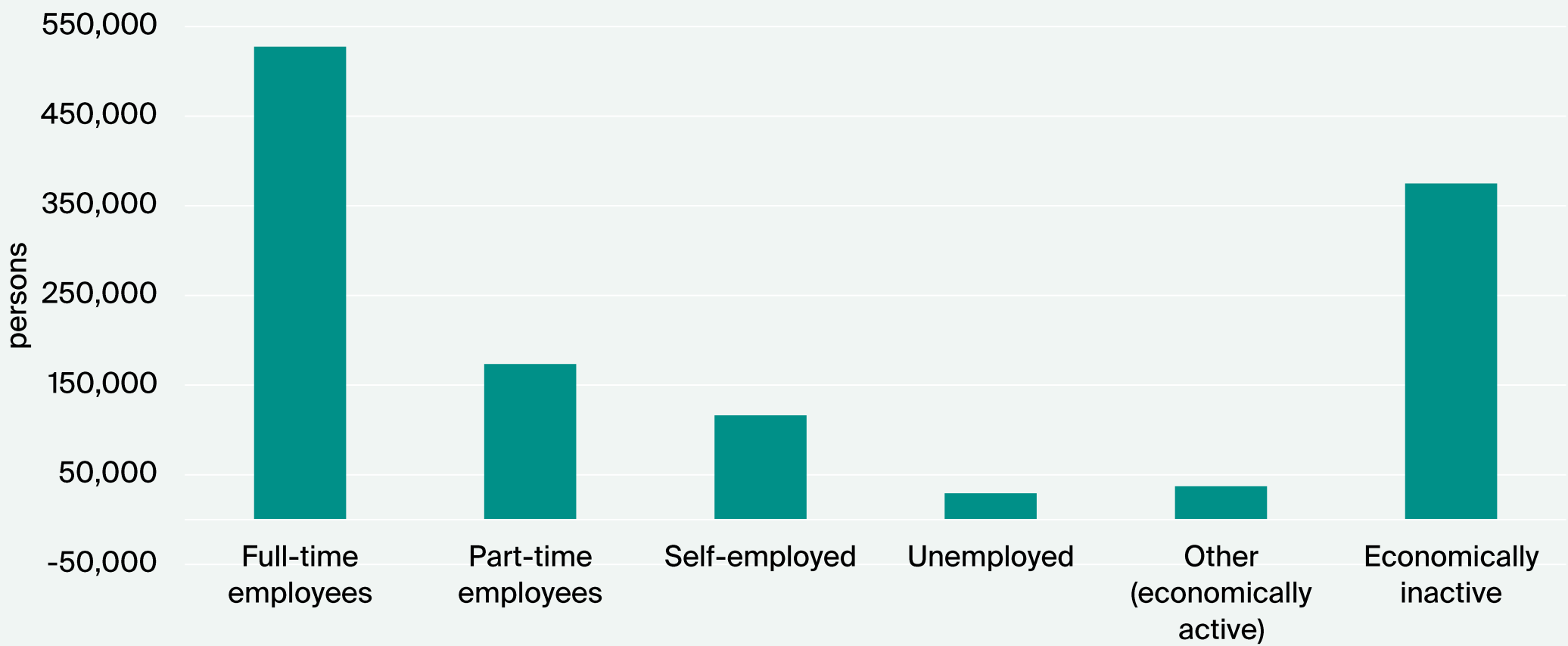


Source: Knight Frank, CACI

PLP Crewe 460 has a population of 883,948 economically active residents within a 45 minute drivetime. This represents 70.2% of the population. The local labour market catchment area includes the city of Stoke-on-Trent, the outskirts of Manchester city and the towns of Newcastle-under-Lyme, Crewe, Warrington and Congleton.

There are 29,376 economically active but unemployed residents within the local labour pool. At 2.3%, the proportion of unemployed residents is slightly lower than the national trend.

Economic Activity



Source: Knight Frank, CACI

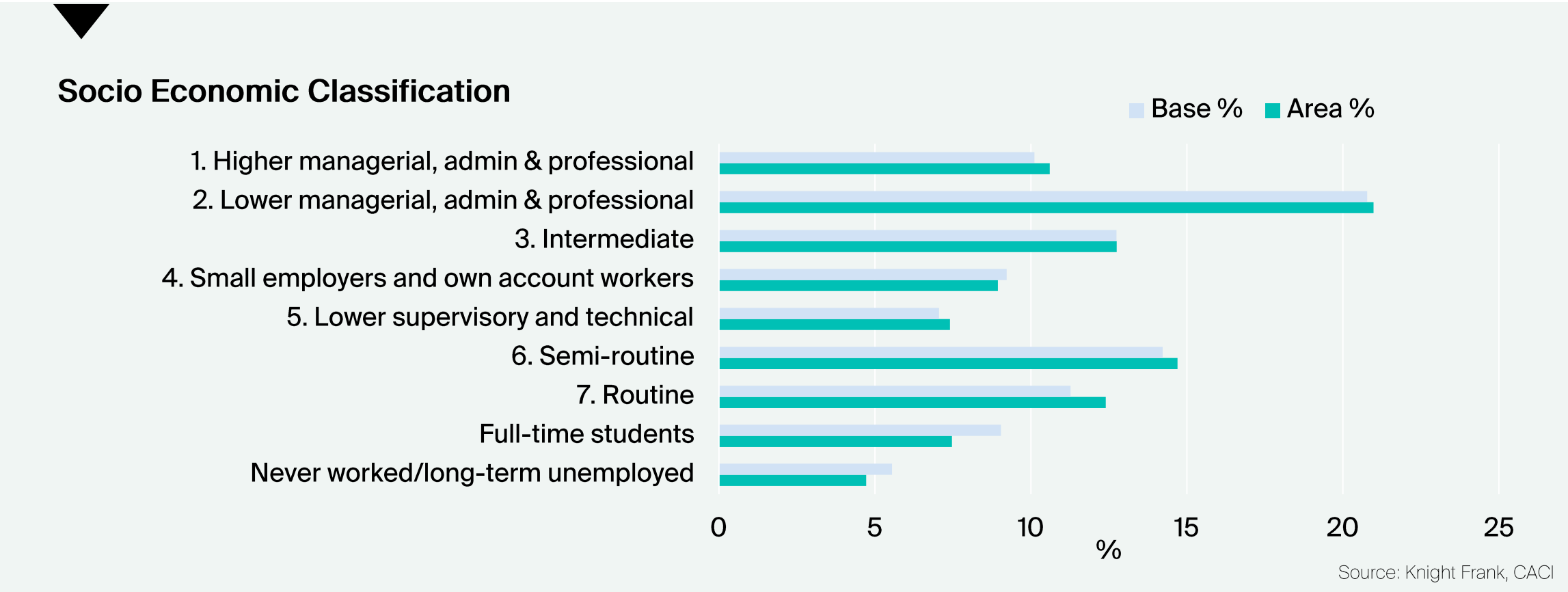
LOCAL LABOUR FORCE



The labour pool surrounding PLP Crewe 460 has a relatively higher proportion of semi-skilled and unskilled manual workers (DE), compared with nationally. **27%** of the workforce fall into this category. Across Great Britain, this category of worker accounts for 26% of the workforce.

The local labour catchment area has a slightly higher proportion of higher or intermediate managerial/admin or professionals (AB). **23.3%** of the workforce falls under this category. This compares with just 22.3% nationally.

The proportion of supervisory, clerical, junior admin and professional roles (C1) in the local market, at **29.3%**, is higher than any other segmentation for the local labour pool.



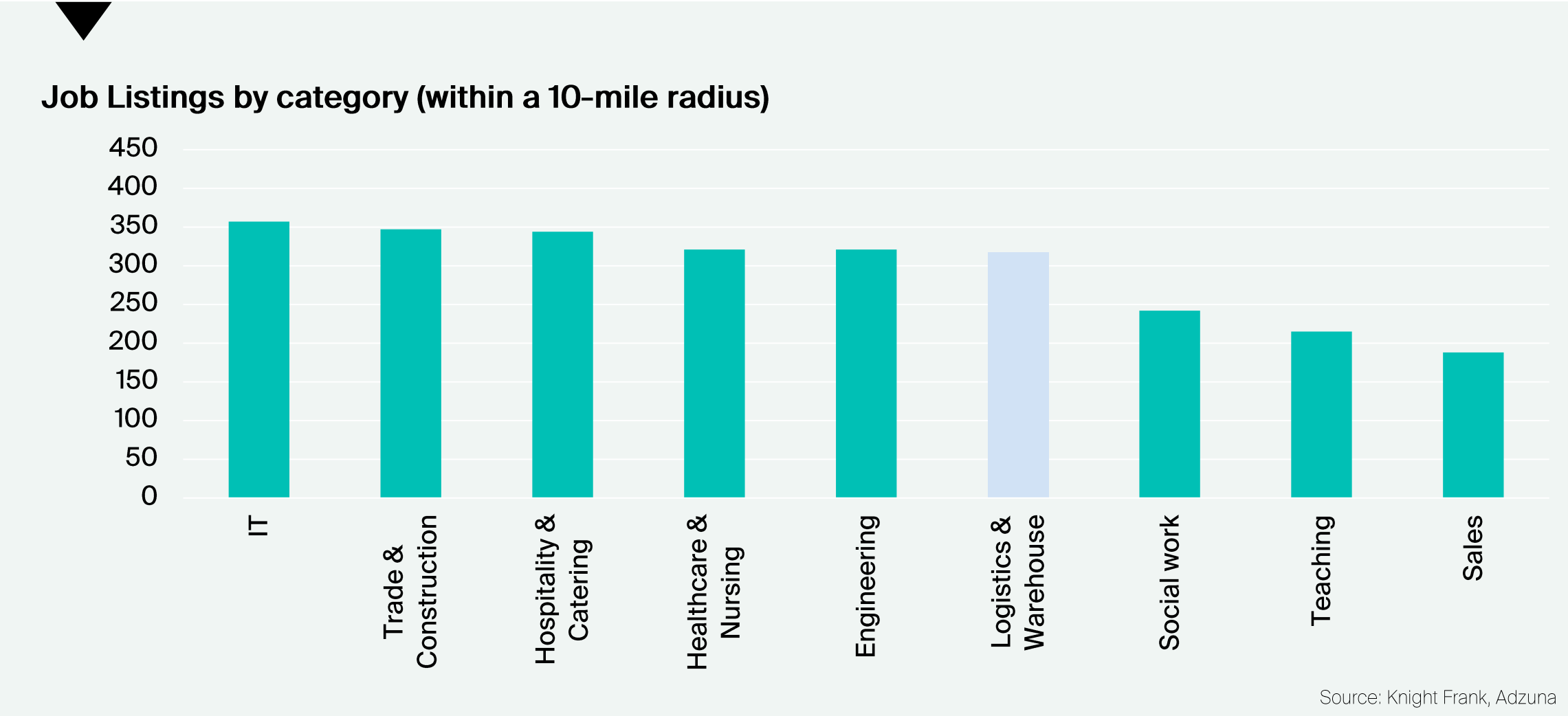
The labour pool around PLP Crewe 460 has a high proportion of categories 5-7, compared with nationally. These classifications comprise of lower supervisory and technical roles, semi-routine roles and routine roles. **12.4%** of the local population work in routine job roles and **14.7%** work in semi-routine roles. This compares nationally to 11.3% and 14.2% respectively, while **7.4%** of the population work in lower supervisory and technical roles, slightly higher than the national average of 7.1%.

The local labour pool also has a marginally higher proportion of socio-economic categories 1 and 2, compared with nationally. These categories include both higher and lower managerial, administrative and professional roles, accounting for **10.6%** and **21.0%** of the population, respectively.

LOCAL JOBS MARKET

There are currently **3,710** jobs listed on Adzuna within a 10-mile radius of the CW2 5AB postcode (1st August 2022).

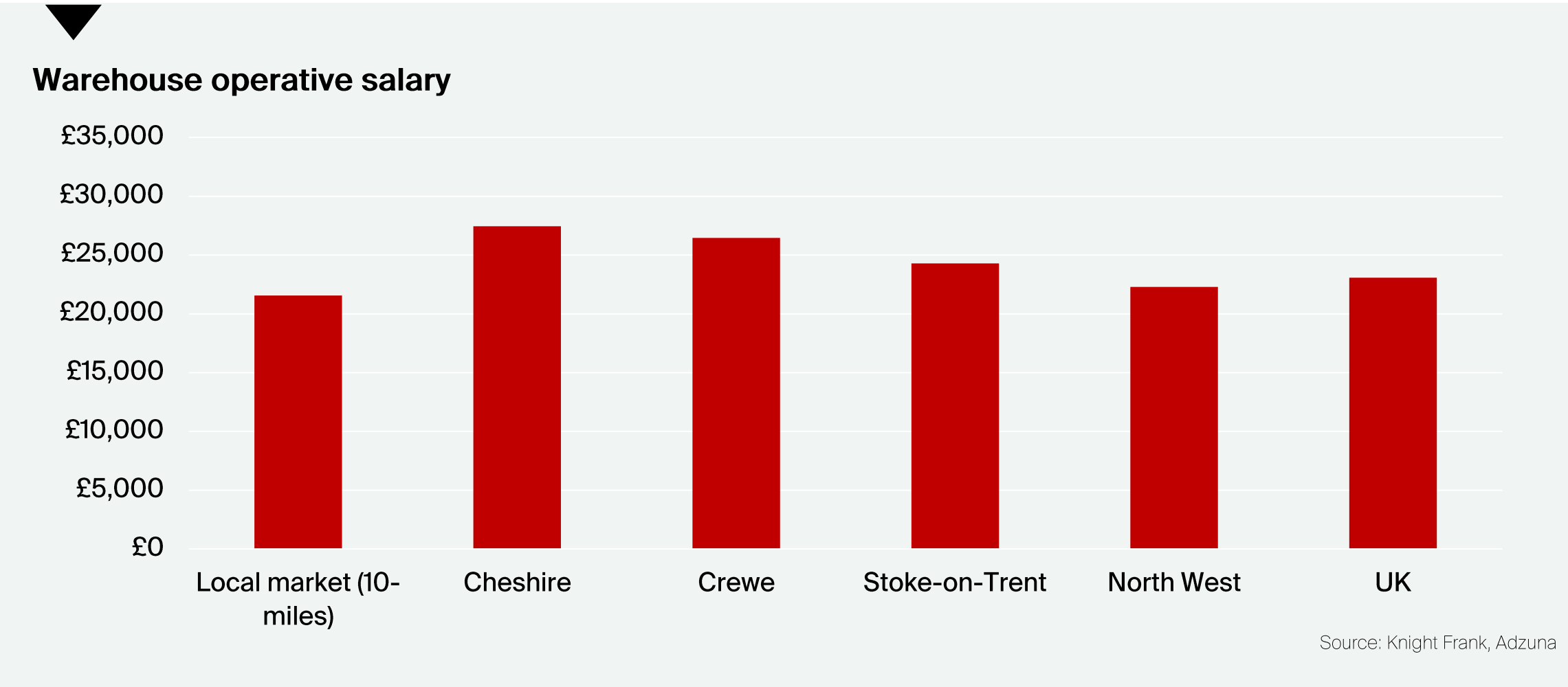
There are **317** jobs listed as Logistics and Warehouse jobs. Of these jobs, there are **115** listings for warehouse operatives.



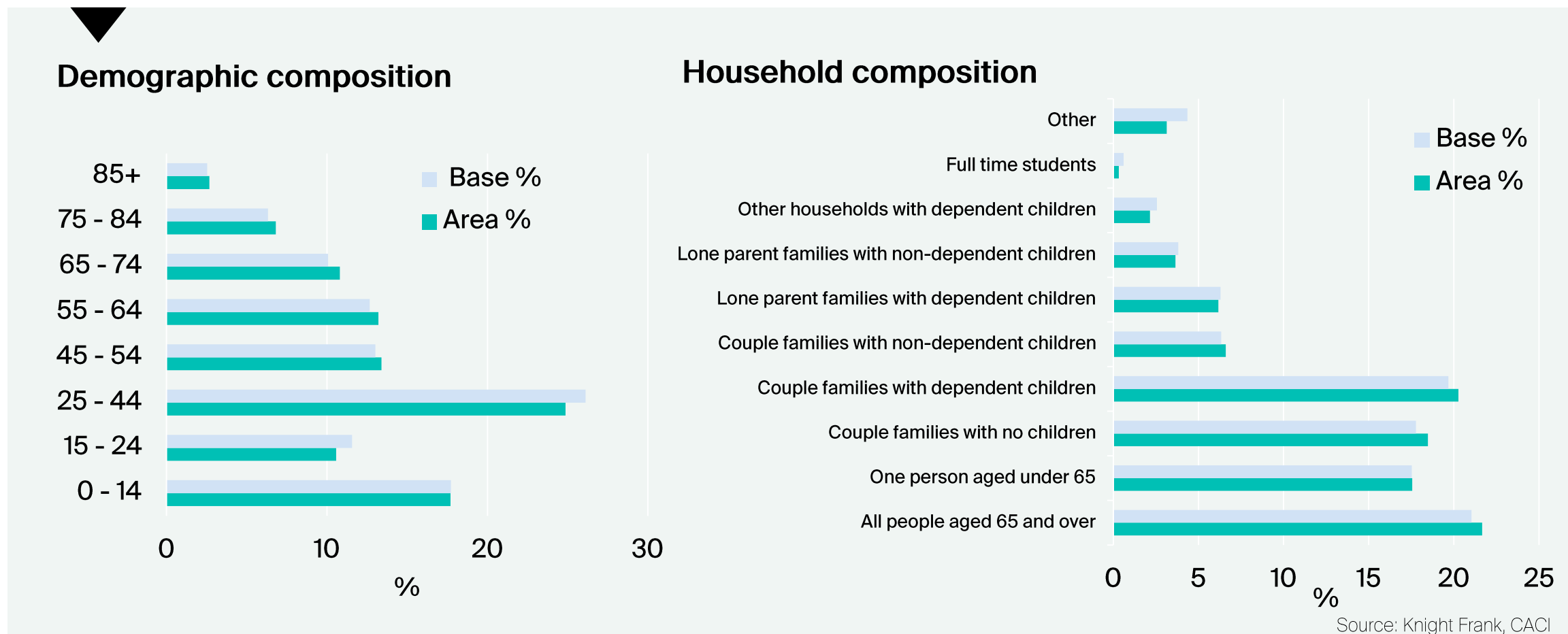
According to Adzuna, the average listed salary for a warehouse operative within a 10-mile radius of PLP Crewe 460 is **£21,554** per annum. This is **26.8%** below the average advertised salary of £29,449 across all job listings. The average listed salary for a warehouse operative in the local market is **6.6%** lower than the national average of £23,074 and **3.3%** lower than the average for the North West region, of £22,293 per annum.

The average salary in the Logistics and Warehouse sector within 10 miles of PLP Crewe 460 is **£25,460**. This is **4.1%** lower than the national average Logistics and Warehouse salary of £26,554. For permanent positions, these figures rise to £26,439 and £26,652, respectively.

The local market around PLP Crewe 460 has a relatively lower advertised average salary compared with Cheshire, Crewe, Stoke-on-Trent, the overall North West region, and the UK.



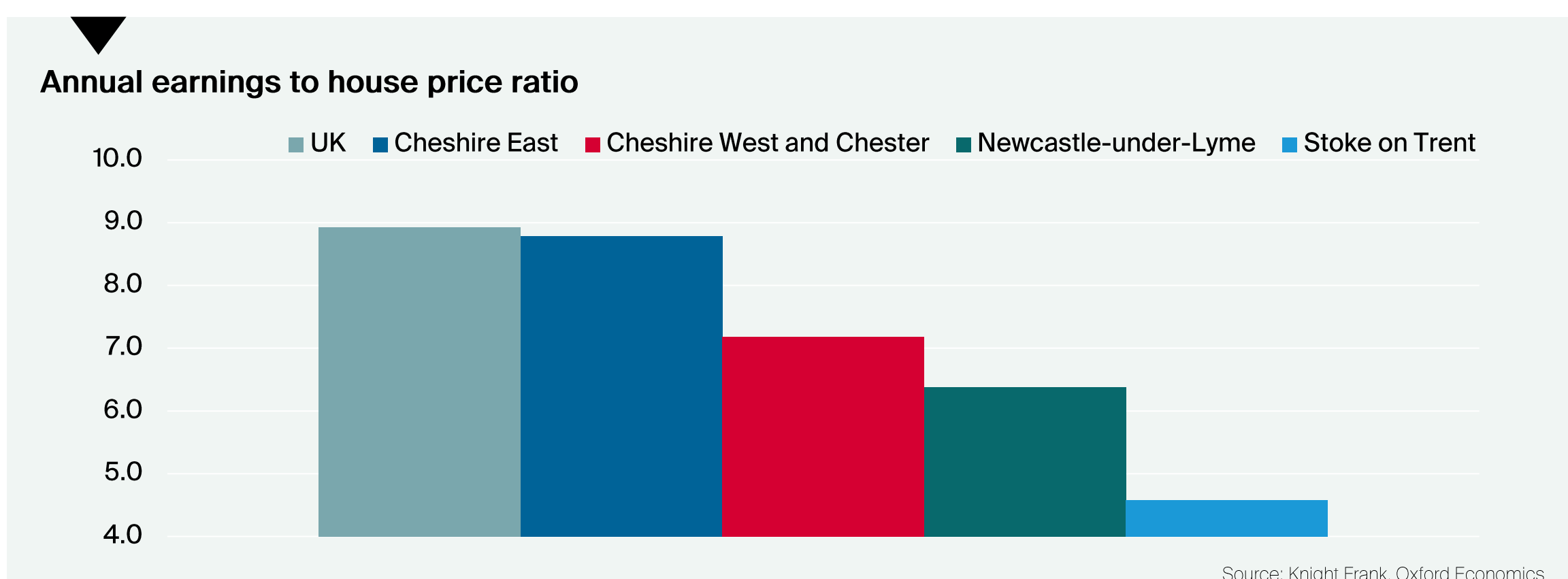
LOCAL DEMOGRAPHICS AND HOUSING



While the population within the catchment area of PLP Crewe 460 has a lower proportion of residents aged 15-24 and 25-44 years old, relative to the UK average, the 15-24 year old cohort is forecast to rise by **12.5%** by 2031. There is a slightly higher proportion of couples with dependant children located within the area, accounting for **20.3%** of households, compared to the UK average of 19.7%.

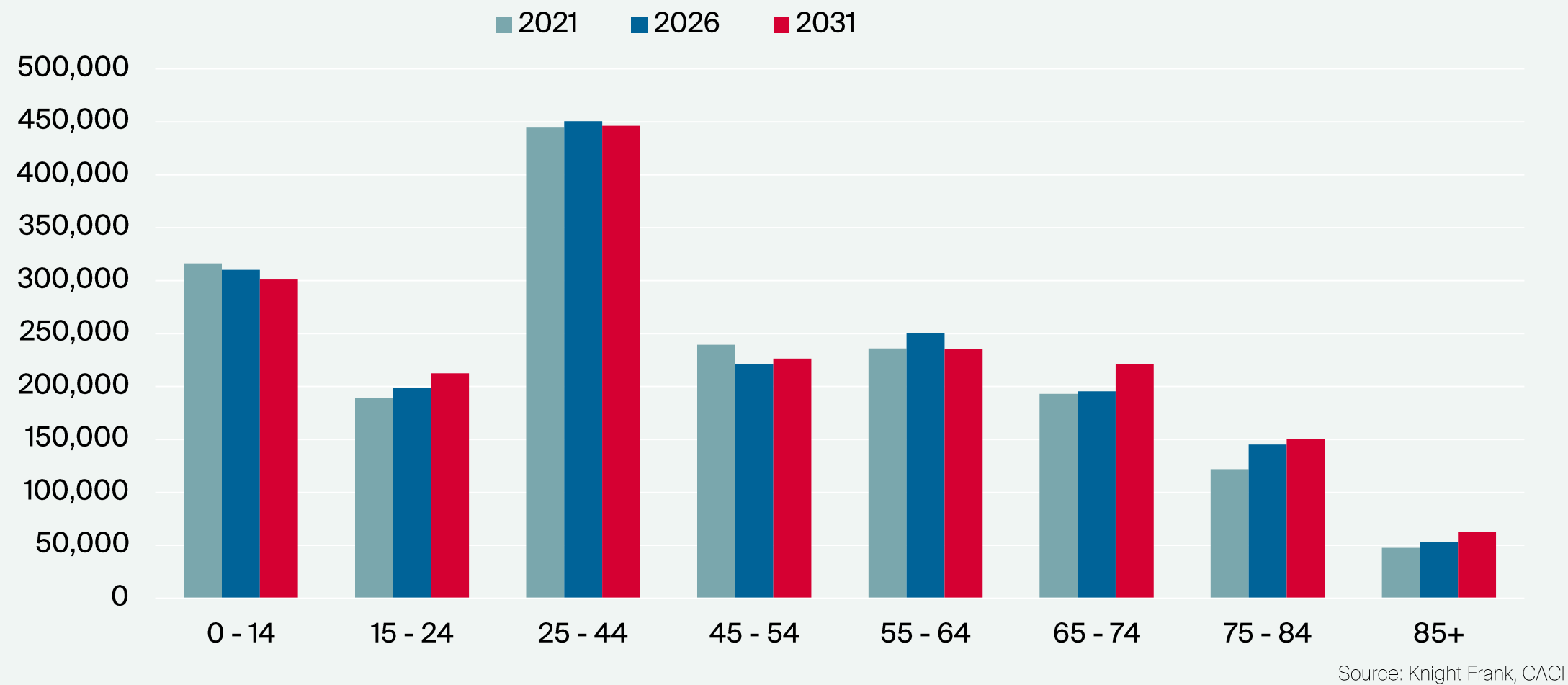
There are several residential development sites located close to PLP Crewe 460, according to EG Radius. This involves over **2,500** homes (50+ unit schemes) that are currently under construction within Cheshire East Local Authority. One of these schemes includes **954** homes at Congleton Road, Macclesfield, with delivery expected in 2024, and a further **400** homes at Flowers Lane, Crewe, due for completion towards the end of 2023. The Cheshire East Housing Monitoring Update (HMU) provides a review of the council's housing delivery and supply. In the last monitoring period 2019/20, there were **3,065** housing completions, which is **70%** ahead of the annual housing target of 1,800 houses. The Overall Development Strategy establishes that between 2010 and 2030, a minimum of 36,000 new dwellings are required. In addition, there were **3,485** strategic sites with planning permission granted in Crewe in the monitoring period.

These new developments will support growth in the number of households and workforce in the area surrounding PLP Crewe 460. There are currently **757,881** households located within the 45 minute drivetime catchment area. House prices in the wider areas are currently low relative to average earnings in the UK. Affordable housing in the region should support the local workforce in being able to live within close proximity of work, enabling higher productivity and a better work-life balance.



FORECAST

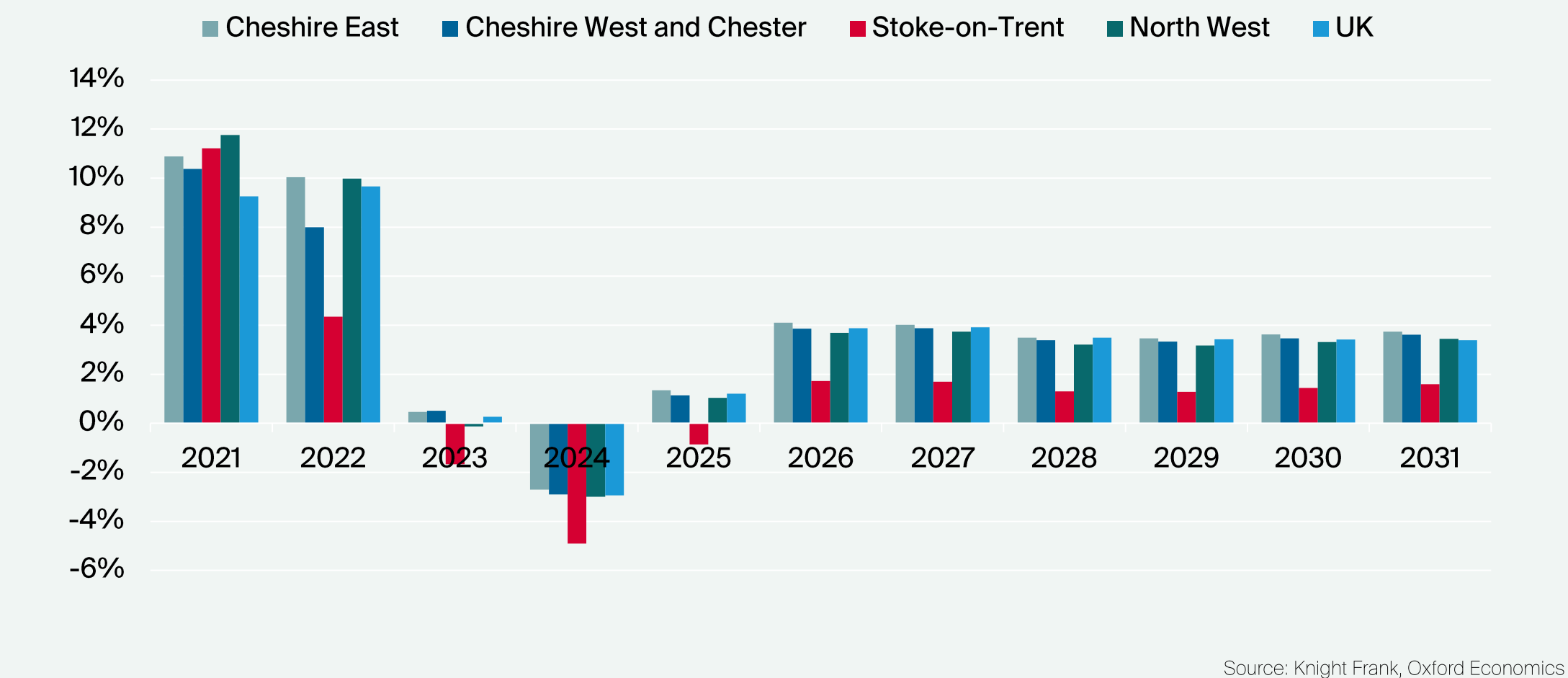
Local labour catchment area – population projection (by age band)



The population within a 45 minute drivetime of PLP Crewe 460 is expected to rise by **3.8%** over the next ten years, from 1,788,392 in 2021, to **1,855,973** in 2031.

The populations of 15-24 year olds and 25-44 year olds are expected to rise over the five and ten year horizons. The population aged 15-24 year olds is forecast to rise from 188,954 (in 2021) to **212,577** by 2031, accounting for **11.5%** of the population. The 25-44 year old cohort is the largest, currently accounting for **24.9%** of the local population, and is expected to increase by 0.4% to reach **444,640** by 2031.

House price growth forecast for North West Local Authorities and UK



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