5 TO THRIVE?

Which localities in the North West have got what it takes to become boom towns? Factors such as skills, connectivity and access to knowledge could be the key to success. David Thame asked two experts to assess the prospects of five plausible candidates

Manchester is probably booming. Warrington might be booming soon. Crewe could boom if things go its way.

The list of North West boom towns could be as long as you like, because there is not a town in the region that does not think it is made for success. Yet, how many have a serious claim to be potential boom towns? And how many are destined for disappointment, doomed to come out of the economic recovery no better off than they are today?

Analysts say the North West has some strong candidates for boom town status, if "boom" means a local economy growing appreciably faster than the regional trend. And they all have some powerful features in common.

According to John Swinney, senior economist at Centre for Cities, three criteria make for a boomy local business environment.

"The most important factor is skills. Investment these days is all about people, not property, and skills in the labour market is the big driver," he says.

"Second is connectivity – do you have the right transport to jobs, and around the town, and links to the rest of the UK?

"Third is access to knowledge, meaning do you have knowledge-based businesses in the town already, a university, a knowledge community? When you have that – and, for instance, central Manchester has all of those – then businesses want to be there, despite the high cost of property. But skills are the main driver. A town can have all the office blocks and development sites it likes, but if it hasn't got a labour force with the right skills, then it won't work."

Among the long list of other things that do not help towns to boom are investing in culture, retail-led town centre development and new housebuilding, says Swinney. "These are all consequences of a strong economy, not causes of a strong economy," he says.

Simon Bedford, partner at Deloitte, does not see it quite like that – but there are substantial overlaps in his list of boom-town attributes.

Bedford says: "To grow above the regional trend, a town needs to yoke itself to an economic sector that is growing above trend. Look at Burnley, for instance, which has allied itself to the aerospace supply chain sector, and is now doing quite well."

So which towns will boom, and which will merely whimper? Which towns are on the way up – and which are on the road to nowhere? *EG* asked two experts – with their different perspectives – to asses five plausible candidates (all placings are according to *EG*).

1 Warrington

Warrington's location is hard to fault. JLL has tipped it as one of 10 potential growth centres for the UK office market in its report, *The New Geography of Office Demand*. Oxford Economics says annual growth in office employment is expected to be over 2% – the second-best in the UK, excluding the big cities. Muse Developments is at work on the town

Muse Developments is at work on Warrington town centre's £107m Bridge Street Quarter