

FULL COUNCIL

6th DECEMBER 2022

REPORT OF THE LEADER

1. COUNCIL UPDATE ON THE ECONOMIC STRATEGY RESPONSIBILITIES OF THE LEADER'S PORTFOLIO

1.1 Purpose of Report

To inform Council of matters of interest in relation to the economic strategy responsibilities of my portfolio.

1.2 Economic Recovery & Growth

- 1.2.1 In his speech to accompany the Autumn Statement, the Chancellor acknowledged “unprecedented global headwinds” before reporting the Office for Budget Responsibility’s view that the UK is in now recession with GDP forecast to fall a further 1.4% in 2023 before returning to growth in 2024. Unemployment is forecast to peak at 4.9% in 2024.
- 1.2.2 The Autumn Statement set out the Government’s priorities of “stability, growth and public services” and included a refocusing on the Investment Zones programme. That means that the expression of interest the Council submitted last month, including a proposal for Arden Cross, will not be taken forward. A new programme focusing on “the highest potential knowledge-intensive growth clusters” is being developed, led by DLUHC with local partners. We will see if this offer has the potential to benefit Solihull.
- 1.2.3 In acknowledging that businesses are facing inflationary pressures, the Chancellor announced the freezing of business rates multipliers in 2023/24 and extending and increasing relief for retail, hospitality and leisure sectors as well as additional support for small business.
- 1.2.4 Solihull’s overall claimant unemployment rate has dropped to 3.2%, lower than the rates seen in both England (3.7%) and the West Midlands (4.8%).
- 1.2.5 We have been supporting local businesses through access to regional programmes, such as grant support for energy efficiency measures, and access to finance programmes to ease cash flow. We continue to work with partners such as the Chamber of Commerce and Federation of Small Business to identify business concerns and through local signposting, events and forums, link to appropriate support. Our latest business support events have centred around sustainability and cyber security, with future events planned around procurement and social value in response to our local engagement.

- 1.2.6 We have seen several announcements around inward investment to the Borough, including family-owned Reeley, one of the UK's leading specialists in lifts, escalator and stairlift components who have grown within the Borough to take up 42,000 sq ft at Blythe Valley Park. Alongside this, Daikin, the Japanese multinational air conditioning manufacturer, has doubled its office space at Birmingham Business Park to support expansion into new markets. Finally, Solihull has been announced as the new location for a state of the art UK Telecommunications Lab, a secure research facility bringing together telecom operators, suppliers and academics to research and test innovative new ways of boosting the security, resilience and performance of the UK's mobile networks.
- 1.2.7 The development of Arden Cross continues to move forward with developer Muse being chosen to drive forward the masterplan that has potential to create 3,000 new homes, up to 6 million sq ft of employment space and up to 27,000 new jobs. Alongside this, the £95m multi storey car park that will free up land for commercial and housing development around the HS2 Interchange was approved by the Planning Committee, which is a major step in realising the potential of the UK Central Hub.
- 1.2.8 Following active engagement with local stakeholders from across the Borough's private, public and voluntary sector a final draft of the new 2022-2032 Economic Strategy for Solihull has been completed. The strategy has inclusive growth and climate change and sustainability as well as economic growth as its organising principles. It aims to deliver: a vibrant business economy; great opportunities for everyone; a sustainable economy; and thriving places. We plan to launch consultation on the strategy in the new year.
- 1.2.9 Last month saw the international COP27 conference. As part of our local response, I was interviewed in a series of podcasts, reflecting on the huge amount of activity that has happened within the Borough to support our net zero ambitions across the past year. Activity has included our extensive tree planting projects, innovative autonomous vehicle trials and engagement with schools as part of our Greener Solihull Schools Award programme, supported by local businesses.
- 1.2.10 We continue to move forwards with the Kingshurst redevelopment. This year, with support from DLUHC's estates regeneration programme, site assembly is practically complete and the Co-Op is successfully trading from its temporary location. In October, Cabinet approved the recommendations to move forward with a further package of works to start utility services' disconnections and diversions, with preparations being made for demolitions in the New Year. We remain hopeful that our funding bid to the Levelling Up Fund proves successful.
- 1.2.11 Following the public consultation held earlier this year a preferred masterplan option has been developed for the north-west quarter of Chelmsley Wood Town Centre which has the potential to deliver transformational change to the town. We will be sharing the masterplan early in the new year and looking to take the project to the next stage of development.
- 1.2.12 It has been a busy month at our Recruitment and Training Centre in Chelmsley Wood, helping businesses to fill their vacancies. A new construction talent pool has been launched, starting with an event led by employers who pitched directly to local jobseekers about upcoming recruitment. Our employment team is working directly with BBV and Lynch to organise site visits to increase interest in construction jobs, and we are exploring opportunities to deliver local CSCS training to get more people on site to meet employer demand. A jobs fair held in partnership with DWP on 31st October helped 10 employers to recruit to vacant positions, with 70 jobseekers attending. The new digital hub at the

Recruitment and Training Centre is going from strength to strength, with over 40 people receiving ICT training since August which is helping them to find work. New UKSPF funding has contributed to the development of this facility alongside GBSLEP Growing Places funds.

- 1.2.13 Overall, we are continually working alongside our partners, to drive forward our economic and inclusive growth aims and deliver against our sustainability goals for our residents and businesses.