

FULL COUNCIL

7th FEBRUARY 2023

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 and Growth

- 1.2.1 Despite rising by 25 in December to stand at 4,060, Solihull's claimant count unemployment has fallen by 18% over the last year. The claimant count remains 13% (465 claimants) above the total for December 2019. At 3.1%, Solihull's claimant count rate is below the national rate (3.7%) and well below the 6.6% recorded across the Combined Authority.
- 1.2.2 At January's Cabinet, Members approved the concept masterplan for Chelmsley Wood Town Centre, clearing the way for further design and the submission of an outline planning application. Plans to redevelop over the next ten years include responding to demand for an enhanced selection of leisure and retail, green space and transport connectivity.
- 1.2.3 Solihull town centre retail continues to show a strong resilience to economic headwinds. We have seen some closures, but agents report a strong level of interest from new occupiers for space in the town. Retailers report concern over the continued high cost of energy and staffing costs, and this is exerting a downward pressure on rents balanced by the significant reduction in business rates that will apply from the implementation of the new rating list in April.
- 1.2.4 The office market remains subdued but with obvious interest where there is certainty in delivery of high-quality stock that has been lacking from the market.
- 1.2.5 We have been shaping delivery of regional business support through the UK Shared Prosperity Fund, with the West Midlands Combined Authority and Local Authority partners – ensuring that key business priorities are met and supported. Regional programmes under development include a focus on decarbonisation and investor readiness, as well as business advisory support at a more local level.
- 1.2.6 We have launched a business survey to identify priority areas for support and future planning for events and services. Feedback to date has identified access to finance and support for moving towards sustainable business practices. Through working with partners including the Growth Hub and Sustainability West Midlands, we are addressing these concerns through local events and signposting. We are also one of the national pilot areas for WRAP (the Waste and Resources Action Programme) to test their Business of Recycling Programme, offering free one to one support for local SME's to develop plans around their waste and recycling.
- 1.2.7 We have seen further new occupiers at Birmingham Business Park, with more than 20,000 sq ft of Grade A space taken up, including house builders Persimmon Homes and Stonebond moving into new premises, along with parts specialist TVH UK and system water quality specialist Spirotech. Further news on the new state of the art UK Telecomms Lab

have also been revealed, involving funding of £80 million from the Department for Digital, Culture, Media and Sport and operated by the National Physical Laboratory (NPL). The facility will underpin the UK's ambition to be a world-leader in the development of future communications technology and attract companies to conduct their research and development in the UK.

- 1.2.8 We are consulting on a refresh of our local transport plan, Solihull Connected. This includes the objective to help the economy grow in a way that is equal and fair for everyone, with the ambition that our transport system gets people and goods where they need to be, provides access to new housing and employment sites, and supports the regeneration of our town, local and district centres. This objective complements the new Borough-wide economic strategy that we will be consulting on in February and March.
- 1.2.9 The new year is an ideal time for people to think about finding work or undertaking training, and the Employment and Skills team have been out and about at local job centres and supermarkets talking to our residents about employment opportunities. The team are working with Dnata, a local employer, to fill airport service vacancies. A successful recruitment event at the Recruitment and Training Centre enabled residents to be immediately interviewed by Dnata staff, with the hope that job offers will soon follow.
- 1.2.10 Training for local construction jobs will start at the Solihull Recruitment and Training Centre in Chelmsley Wood in late January, providing essential qualifications and site access cards for those new to the construction industry; this is vital to fill the increase in roles created by HS2.