

# Appendix A: Solihull Economic Conditions Scorecard (3/7/14)

## Investment & Development Trends

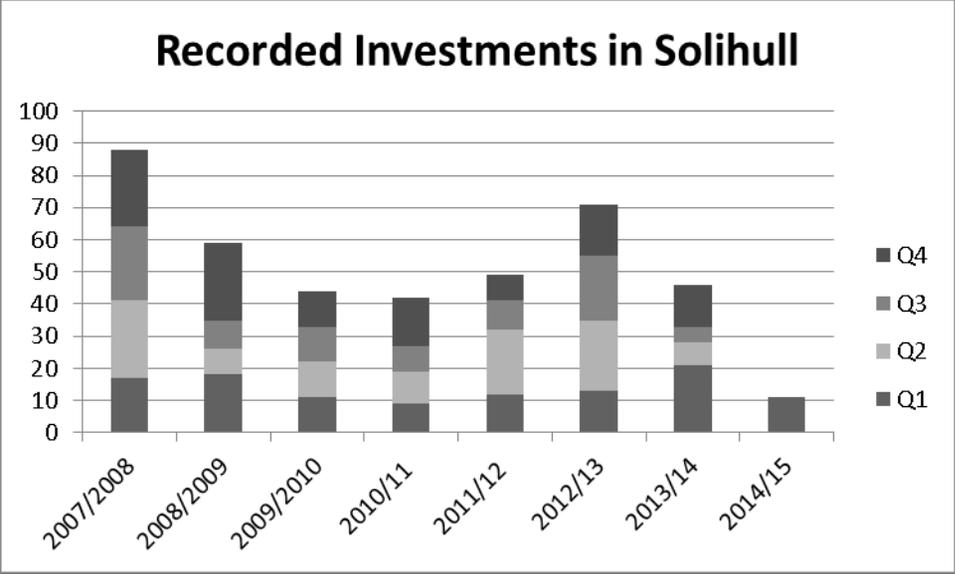
**New Investments**  
 Source: Solihull Council

The Council has recorded 11 new investments into Solihull during Q1 2014/15 including FDIs by: IT firms Steria, and Entertech Systems, UTC Aerospace Systems, consultancy firm General Physics and logistics firm Toll Group.

Other investors are the Chartered Institute of Payroll Professionals and construction sector firms Longcross, Chalcroft and UK Drainage Network. At least 340 jobs have been supported locally by new investments in the quarter.

## Action

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The Council’s Economic Development Team continues to promote Solihull as an investment location under the ‘Solihull for Success’ brand [www.solihullforsuccess.com](http://www.solihullforsuccess.com). Activity is focused on developing Solihull’s routes to investment markets by developing Solihull’s marketing material and PR activity to inform engagement activity with agents, intermediaries and partners; overseas lead-generation via the “Investing in the City Region” project; developing links with Solihull’s Twin Town in Germany, Main-Tanaus-Kreis; and the development of a vision and master plan for “managed economic growth” in the M42 Economic Gateway – branded UKC (UKCentral). The ‘UKCentral’ opportunity was showcased at MIPIM 2014. The service also continues to provide support to new investors with information on Solihull as a place to invest, commercial property search, recruitment support, support accessing available grants and referral to other sources of support.

<b>Business Conditions and Enterprise</b>	<b>Action</b>
<p data-bbox="48 180 239 410"><b>Enterprise</b> Source: Office for National Statistics (business demography data series)</p> <p data-bbox="289 180 793 443">Latest official statistics (2012) show Solihull's business start-up rate to be below the national average with 4.2 fewer starts per head of population per annum. Potential influencing factors are a relatively limited supply of start-up space and a good supply of alternative employment.</p> <p data-bbox="289 483 779 610">The national picture, reported by the Bank of England, is also of continuing tight credit conditions facing small business.</p> <p data-bbox="289 651 789 846">Despite these constraints, Solihull's business start-up programme – 'Enterprise for Success' – continues to attract a robust flow of individuals looking for support to start-up a business.</p> <p data-bbox="289 886 768 1149">Between March and May, 31 individuals looking to start up a business and 3 young enterprises during their first two years of trading have engaged with the service which has supported two additional starts over this period (5 between January and May).</p>	<p data-bbox="892 180 1934 277">Solihull 'Enterprise for Success' continues to engage and support individuals looking to set up a new business and 'young enterprises' during their first year of trading.</p> <p data-bbox="892 318 1948 513">Budding entrepreneurs engaging with the programme can benefit from a rolling monthly programme of workshops delivered from Solihull Central Library on 'Exploring Enterprise', 'Business Planning and Market Research', and 'Marketing and Financial Planning'; and 1-2-1 coaching and mentoring. 218 entrepreneurs have benefitted from programme support since January 2013, leading to 19 starts as of the end of May.</p> <p data-bbox="892 553 1885 610">There is also a 'Kickstart' grant available for start-ups in 'North Solihull' which benefitted 3 additional starts since March (11 since April 2013).</p> <p data-bbox="892 651 1934 781">'Young enterprises' during their first 2 years of trading can also benefit from post-start support including via a 'Networking Club' and targeted workshops e.g. bookkeeping workshop. 31 'young enterprises' have benefitted from programme support since January 2013.</p> <p data-bbox="892 821 1948 951">Solihull's 'Community Enterprise for Success' programme which supports established third sector groups in Solihull started its third year of delivery in January. 7 further organisations were engaged between March and May bringing the number of organisations currently engaged to 36.</p> <p data-bbox="835 675 863 781" style="writing-mode: vertical-rl; transform: rotate(180deg);">AMBER</p>

## Labour Market Conditions

### Unemployment

Source: DWP (monthly)

Since February Solihull's unemployment rate has continued to fall with a -16.5% reduction in the number of claimants (540) and a 0.4 percentage point reduction in the rate to 2.2% in June – remaining below the national rate which is 2.4%.

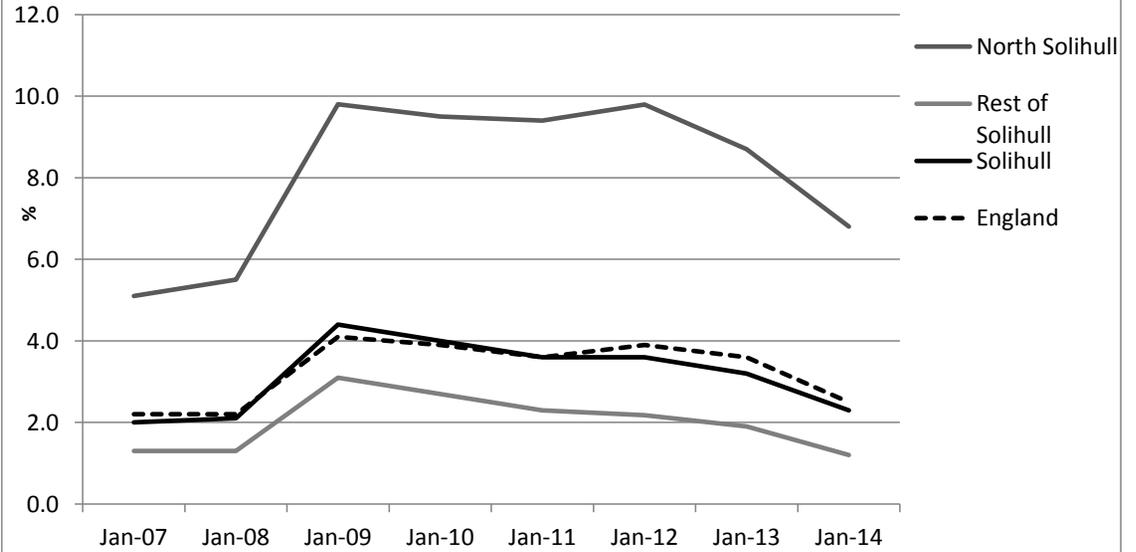
Year-on-year Solihull's unemployment rate is down -0.9 of a percentage point (1,146 claims) compared to -1.0 nationally.

63% of the year-on-year decrease in claims has been outside the North Solihull regeneration wards where the number of claimants has fallen by 37% (720 claims) compared to a 22% fall in North Solihull (-426) where the rate stands at 6.5% (following a -1.8 percentage point year-on-year decrease in the rate).

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**Working Age Claimant Unemployment Rate (aged 16 to 64)**



The Council's Economic Development service continues to work with employers and major developers to identify job opportunities that can be matched to unemployed residents – particularly young people aged 18 to 24. Between March and May the Team supported employers to recruit to 96 job vacancies, in addition to 320 vacancies at the new Shirley ASDA. As of March, 76% of vacancies were going to local people.

Between March and May the team supported 58 residents into work (in addition to 102 residents obtaining employment at the new Shirley ASDA) including 41 18 to 24 year-olds. The Team is also supporting unemployed residents to prepare for job opportunities expected to come forward in 2014/15 at the Airport, NEC, Jaguar Land Rover and in Shirley Town Centre and North Solihull.

Team support for local companies to secure contracts arising from major developments also creates employment for local residents. For example, an electrical contract with the NEC developer Galliford Try awarded to FSE Ltd in May led to five apprenticeship vacancies, supported by the Solihull Jobs Fund, which the Team supported local recruitment to.

## Youth Unemployment & Participation

Sources:  
DWP (monthly);  
Connexions  
(monthly)

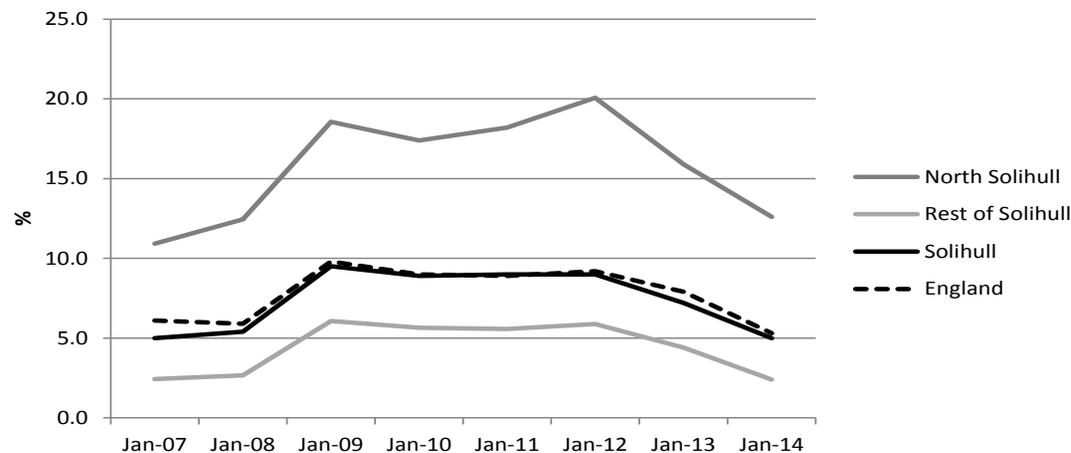
Youth unemployment in Solihull has continued to fall between March and June – with a 20.4% reduction in the number of claims by 18 to 24 year-olds (195).

Solihull's youth unemployment rate remains higher than the national rate at 4.7% compared to 3.8% in June.

The strongest fall has been outside 'North Solihull' where the youth unemployment rate remains high at 11.6% despite a 3.3 percentage point drop year-on-year.

5.2% of Year 12 to Year 14 (364) were defined as being Not in Employment Education or Training (NEET) in June.

## Youth Claimant Unemployment Rate (aged 18 to 24)



The Council continues to prioritise reducing youth unemployment with key initiatives, being led by the Economic Development service:

- Solihull 'Jobs Fund', funded by the Council and the North Solihull Partnership, to complement the national Youth Contract wage subsidy and Apprenticeship Grant for Employers, to enable employers to offer paid opportunities to young people aged 16 to 24. Since its launch in January the Fund has generated 34 opportunities which have been taken up by unemployed young residents.
- 'Destination Work' – a programme of mentoring, training, work placements and a wraparound service package from engagement to post-employment to be delivered, being developed by the Council with Birmingham City Council and DWP to use £4m additional 'Youth Contract' funding awarded to help support young people across Chelmsley Wood, Washwood Heath and Perry Barr Jobcentre regions from late summer/early autumn.
- 'Talent Match' – a 5-year programme funded by the BIG Lottery, developed by BVSC, Solihull SUSTAIN and Solihull Council to provide routes back into work for long-term unemployed 18 to 24 year olds through work experience, training, mentoring, peer to peer support, volunteering or paid placements.

The Economic Development service also continues to support young unemployed residents into work by working with employers, developers and Council contractors to generate opportunities, including apprenticeships; and by providing 1-2-1 outreach support to unemployed young people in Jobcentres and at Work Clubs and by working with partners, including the Princes Trust.

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## Housing Market Conditions

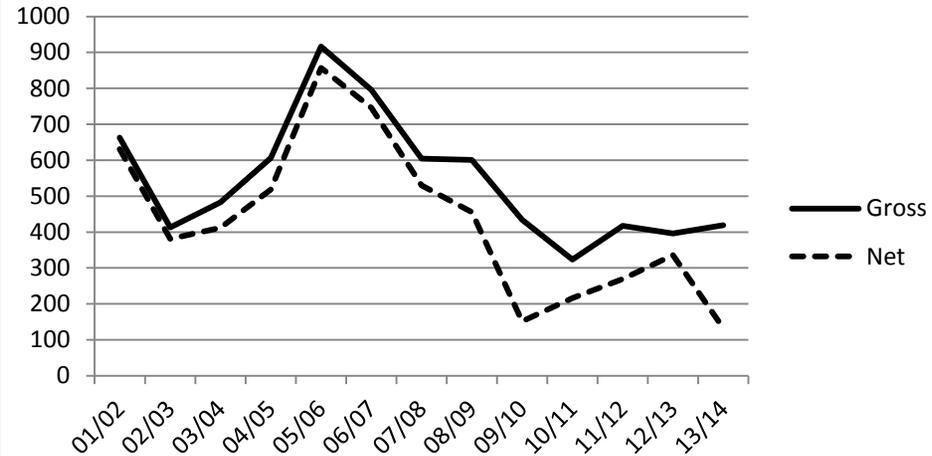
### Housing Completions

Source: SMBC

The number of residential dwelling completions in 2013/14 (419) represented a return to a trend to increase since 2010/11 following the negative impact of the economic downturn of 2008/09.

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### Solihull Housing Completions



### House Prices

Source: Land Registry

The average house price in Solihull has continued to recover - up +4.3% year-on-year as of December at £200,270 – albeit a lower annual increase than the England and Wales average of +6.7%. The average house price in Solihull peaked in August 2007 at £214,995.

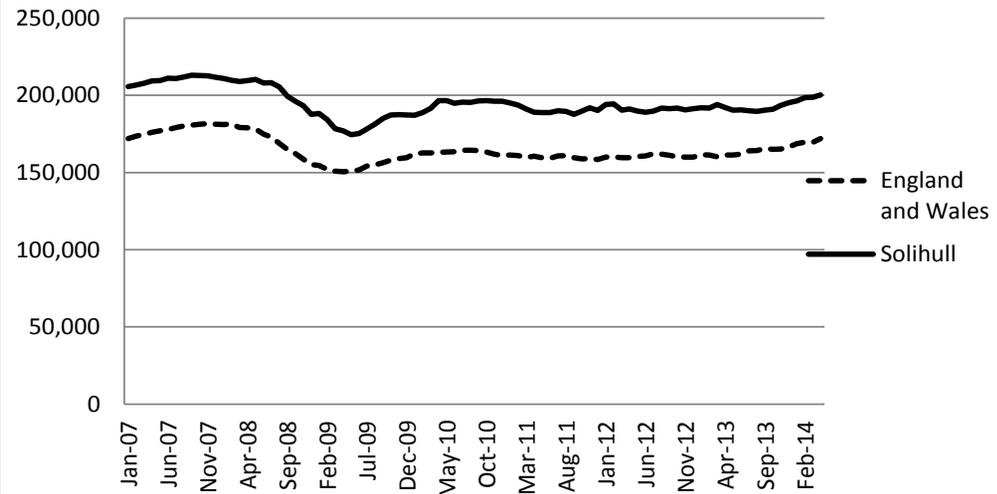
### House Price to Income Ratio

Source: DCLG Live Tables

At the start of 2014 the average house price to income ratio was 7.7 compared to 7.82 at the start of 2007.

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### Average House Prices (source Land Registry)



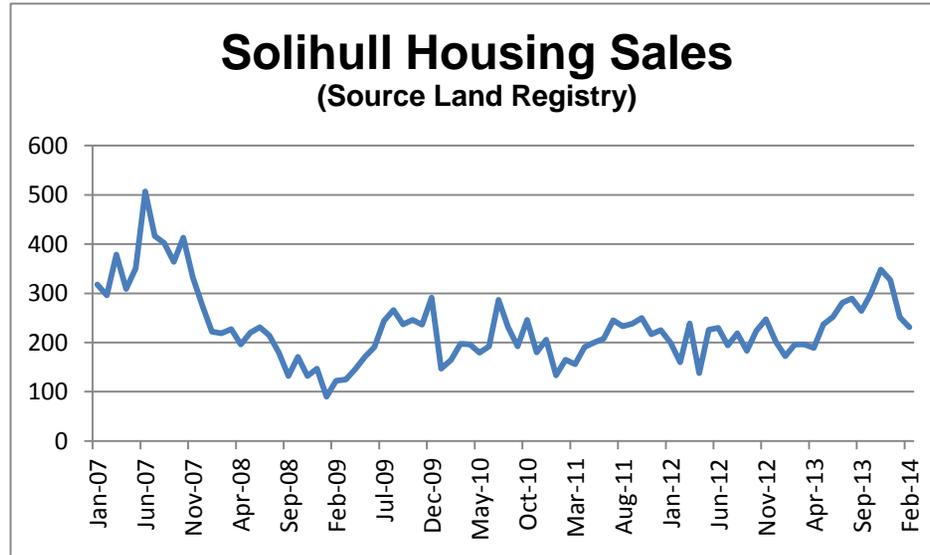
Over the past 3 years 348 additional 'affordable' homes have been provided, mainly by housing associations, and there are a further 640 in the pipeline (i.e. either with or moving towards full planning permission).

### House Sales

Source: Land Registry

As of February, the number of house sales in Solihull was up 18% year-on-year (231 sales) which was lower than the England and Wales average increase of 38%. The number of property transactions peaked in Solihull at 508 in June 2007.

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## Housing Need

### Homelessness Source: SCH (monthly, quarterly)

The number of homelessness applications has continued to increase. The number of decisions made in 2013/14 (893) was 40% higher than the previous year. Compared to 2009/10, the number has increased 2.6 times.

The number of homeless acceptances in 2013/14 (510) represents an increase of 25% compared to the previous year and a near doubling of the lowest level recorded (256) in 2009/10.

The number of successful preventions increased in 2013/14 (370) and was nearly a third (32%) higher than the previous year but was slightly below the levels for the preceding 4 years.

Successfully preventing homelessness is becoming more difficult in many cases due to higher levels of debt, households presenting with more complex and higher support needs and alternative accommodation options becoming increasingly unaffordable to certain groups given local housing market conditions and changes in Housing Benefit and Welfare Reform.

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- Work is being done to support a bid to the **Fair Chance Fund (FCF)** - a payment by results scheme launched by DCLG and the Cabinet Office in February to improve accommodation and work outcomes for a group of young homeless people whose needs are difficult to address via existing services and who would not meet the threshold for statutory service intervention. The bid is being led by St. Basil's and proposes to cover Birmingham, Coventry and Walsall as well as Solihull. The bidding deadline is 1<sup>st</sup> September with the outcome expected to be announced in October and delivery starting in January 2015.
- Loudmouth Education & Training have been working with schools and youth organisations to roll out Solihull's **Homelessness Education Programme**, Young, Alone & Without a Home. To date 341 young people aged 14+ have taken part in sessions and plans for the 2014/15 academic year indicate that in excess of 1,500 young people will take part in the programme.
- A **training and awareness raising event** on homelessness in Solihull is being held on 14<sup>th</sup> July at Solihull College, Blossomfield Campus for partners and stakeholders across the statutory and voluntary sector. This event will offer training on a range of issues that impact upon homeless people (offending, immigration, substance misuse and mental health) and the type of prevention and options services that can assist people (benefits, mortgage repossession, domestic abuse and access to the Private Rented Sector).
- The Housing Options Service will be undergoing a **Diagnostic Peer review** as the first stage of the **Gold Standard Challenge** on 7 – 9 July. Reviewers from Dudley, Lichfield and Wolverhampton will be coming to observe our services, look at our facilities and interview staff and partners. The aim is to learn from, challenge and encourage each other's services. Once we have gained 60%+ in a peer review we will be applying for the Gold Standard in homelessness services. Work to achieve the Gold Standard will review current homelessness prevention options and target resources on those which most effectively meet rising demand and offer support to vulnerable individuals.

One household benefitted from the Mortgage Rescue Scheme in Q4 13/14 and 2 cases completed in Q1 of 14/15. The scheme closed to new applicants from 31<sup>st</sup> March 2014 and existing applications have until 30<sup>th</sup> September to complete before the scheme shuts down. There a further 3 outstanding applicants from Solihull and all are expected to complete before the end of September. In total 32 Solihull cases have been completed since January 2009.

## Household Finances

### Council Benefit Claims

Source: SMBC  
(Monthly)

The number of eligible housing benefit claims to the Council has fallen by 67 since March (as of 1<sup>st</sup> July), down 0.2% on the same time last year (Figures for Council Tax benefit claims are not available due to changes in the system).

### Demand for Money Advice

Sources: SCH  
(monthly)

The SCH Money Advice Team saw nearly three times as many clients in 2013/14 as in 2007/08 (511 clients compared to 172). This increase has continued into Q1 with 148 clients seen.

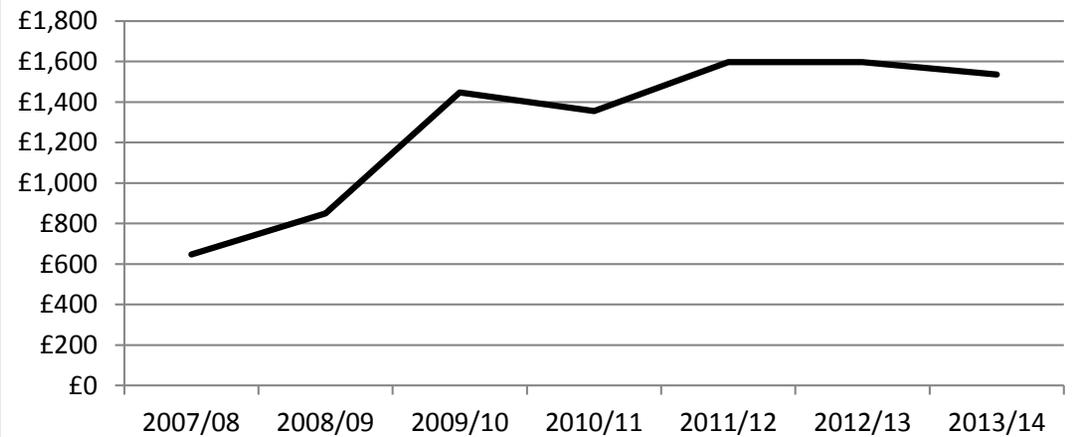
This increase in client numbers reflects both increased capacity in the Team and increased demand for the service.

An increased level of need is indicated an increase in the average size of priority debt (e.g. rent, mortgage and Council Tax arrears) managed per client – from £647 in 2007/08 to £1,535 in 2013/14 (a 137% increase).

Nearly two thirds (65%) of clients seen in 2013/14 were totally reliant on benefit, with 94% reliant on some form of benefit and 43% unemployed.

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### Average amount of priority debt managed per Money Advice Team client



The SCH Money Advice Team works with clients to manage their debts with more than £2 million of debt managed for clients in 2013/14 of which more than a third (36%) was priority debt (rent, mortgage & Council Tax arrears). The Team also supports clients to secure entitled benefits with over £600,000 of benefits secured for clients in 2013/14. The Team also undertakes homelessness prevention activity including administering mortgage rescue cases – with a further two cases completed in Q1.

The Credit Union continues to be promoted, attracting over 200 new members in 2013/14– the highest number in any one year since the Credit Union opened in Solihull.

**Technical Note:**

The scorecard identifies some key indicators of economic conditions in Solihull based on available data where this has not been previously reported. A range of national, sub-regional and local data sets are used.

It should be noted that:

1. There is a significant time-lag on some of the national data sets; and
2. That not all the indicators used can be updated on a monthly basis as data updates are released less frequently.

A list of the national data sets and sources used, the frequency of their release and the usual time-lag on the data is as follows:

Data Source	Data Set Used	Frequency of Release	Time-Lag on Release
Interdepartmental Business Register (IDBR)	Business numbers	Annual	1 year
	Business births, deaths and survival rates	Annual	2 years
Business Register Employment Survey (BRES)	Number of Jobs held by employees	Annual	1 year
Department for Work & Pensions (DWP) Working Age Benefit Claims	Key out-of-work benefits	Quarterly	6 months
DWP Claimant Count	Claimant numbers including by age and duration	Monthly (mid month)	1 month
DWP Vacancy Data <sup>1</sup>	Vacancy numbers	Monthly	1 month
Land Registry	House prices	Monthly	2 months
Ministry of Justice	Mortgage Possession Claims Issued	Quarterly	>1 month

<sup>1</sup> There will be no further updates of the Jobcentre Plus vacancy series. Jobcentre Plus Vacancy statistics are being replaced with monthly management information generated from the new, free online job posting and matching service for companies and jobseekers (both on and off benefit) ('Universal Jobmatch': <https://www.gov.uk/advertise-job>). This replaces the current vacancy management services, Employer Direct and Employer Direct Online for companies, and the Jobcentre Plus jobs and skills search facility for jobseekers, and includes matching of vacancies to registered site users.