

REPORT TO: Employment, Learning & Skills and
Community PPB

DATE: 23rd September 2019

REPORTING OFFICER: Strategic Director, Enterprise, Communities
& Resources

PORTFOLIO: Employment Learning & Skills and
Community

SUBJECT: Economic Progress and Economic Profile

WARDS: Borough Wide

1.0 PURPOSE OF THE REPORT

1.1 To present Halton's current economic profile and to provide an update to Members on developments in the economy in recent years.

2.0 RECOMMENDATION: That the Policy and Performance Board receive and comment upon the update.

3.0 SUPPORTING INFORMATION

3.1 The current economic profile is included at Appendix 1 and an accompanying presentation at the meeting will provide a more in-depth assessment based upon the information provided as an evidence base for 'Halton Tomorrow', now Halton 2030. Halton 2030 is a vision for how Halton's economy will look in the future and sets out future challenges and how the borough might respond to these challenges. The initial assessment was based on information specific to Halton. The assessment constituted a "deep dive" of economic information in order to understand the issues and the presentation will be an update of progress. It assessed the following categories and concluded with Halton's future prospects outlined in a Halton 2030 document. The update will cover:

1. **The Economic Overview.** An update of the major factors that are driving the Halton economy (macro-economic factors) and assess those factors in the local context. External shocks are still the most significant uncontrolled factor impacting upon the economy.
2. **Enterprise and Jobs.** Progress has been reviewed focusing on the prospects for job growth and business starts in Halton and help us gain an understanding of the factors that lead to a strong performance in the labour market.

3. **The Resident Population.** An understanding of changes in the resident population. This is done with the context that 40% of the forecast jobs presently existing.
4. **Skills.** We have reviewed and report on the skill demands from employers in Halton with the labour supply of the resident population.
5. **Land, infrastructure, and transport.** A review of progress with infrastructure projects in Halton and the impact that they have had on the local economy, businesses and people. We also assess at the demand for land in the borough and property prices.

3.2 The key finding of progress in the economy are listed below:

Economic Value (GVA) and Growth

- 3.2.1. Gross value added (GVA) is a measure in economics of the value of goods and services produced in an area, industry or sector of an economy. 32bn is the value of the Liverpool City Region (LCR) economy (2017). This has increased from £28bn, or 5% year on year the highest of all of the combined authorities.
- 3.2.2. GVA per head of population is £19,319 in the City Region (2015), up from £18621 on the previous report period. This is an 8% increase in GVA per Head, for the City Region (2011-15).

Employment and Economic Activity

- 3.2.3. There are 61,000 people in work in Halton compared to 59,000 in 2017 either self-employed or working for someone else. Halton has a higher proportion of people working in full-time jobs when compared regionally (March 2019) but slightly lower than nationally.
- 3.2.4. £556 is the average full time weekly wage for someone working and resident in Halton (2018). This is higher than the North West (£530) and slightly below Great Britain (£571). The average weekly wage for an employee in Halton (but not necessarily a resident) is £575 is higher than the North West (£529) and lower than Great Britain (£570). Wages in Halton are at parity for the workforce and residents being equally higher than the regional average.
- 3.2.5. 99.4% of businesses in Halton are Small and Medium Enterprises (SME's). The proportion of SME's (less than 250 employees) in Halton is in line with the North West and England proportions (2015).

Skills

- 3.2.6. 11.8 % of Halton's working age population have no qualifications (2018) and this is similar to the City Region. Halton resident's qualification levels are lower than those of the North West and Great Britain.
- 3.2.7. In 2017, Halton's 9 – 4 performance in English and maths was 4% below the national average with 9% being below 9 – 5. n.b. the presentation of GCSE figures has changed and the polarity of the grading system puts 9 at a higher rating than the previously A*

Economic Inactivity and Unemployment

- 3.2.8. 78,000 of Halton's population are economically active in 2019, slightly above the regional average and below the national average. Inactive includes student, looking after home/family, temporary/long term sick, discouraged, retired) and this stands at 17,100, a 900 increase from the last reported figure of 16,200.
- 3.2.9. 11% of Halton's working age population are claiming out of work benefits (Nov 2016) compared with 13% in the previously reported period. The out of work benefit with the largest number of claimants is ESA/incapacity benefits. Please note that this measure is now discontinued and we will establish a new measure.
- 3.2.10. 140 Job Seeker Allowance Claimants (JSA) have been claiming for over 12 months (June-2019) down from 230 in 2017.

Housing

- 3.2.1. Average house price for Halton is £145,678 (2019). This is an increase of 7.5% than the average price 12 months ago of £135,516.
- 3.2.11. This is approximately 6 times the average wage. This is lower than the region and nationally (2015) – whereas there is an increase on price Halton is still very affordable.
- 3.2.12. 63% of Halton homes owned. This is higher than the City region, however 27% are owned outright which is lower than the City Region (2011 Census)

Land & Property Markets

- 3.2.13. Overall, enquiries for commercial property received by the Business Improvement & Growth Team have fallen slightly since 2017, though this rate has picked up in 2019.

- 3.2.14. Site enquiries increased in compared to the previous period, with 109 in 2017 and enquiries being the higher so far with 97 enquiries so far with the best part of 4 months to come.
- 3.2.15. Demand for Retail units have fluctuated over the last three years. There were 31 enquiries in 2017, dropping to 13 in 2018 but have bounced back to 20 so far in 2019, with 4 months of the year yet to come.

4.0 POLICY IMPLICATIONS

There are no policy implications associated with this report.

5.0 FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

There are no implications associated with this report.

6.2 Employment, Learning and Skills in Halton

The update will inform new employment opportunities and self-employment as route into a sustainable and secure future for residents.

6.3 A Healthy Halton

There are no implications associated with this report.

6.4 A Safer Halton

There are no implications associated with this report.

6.5 Halton's Urban Renewal

There are no implications associated with this report.

7.0 RISK ANALYSIS

In line with an orange book assessment there is no likelihood or impact of this work on beyond the team performing the task.

8.0 EQUALITY AND DIVERSITY ISSUES

There are no equality or diversity issues.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Economic Profile	Research and Intelligence Team, 7th Floor Municipal Building	Neil McSweeney
UK industrial Strategy	Regeneration Team, 5 th Floor Municipal Building	Paul Corner
Liverpool City Region Skills for Growth Priorities	Regeneration Team, 5 th Floor Municipal Building	Paul Corner

Appendix 1 Economic Profile