

CALDERDALE MBC

WARDS AFFECTED:

ALL

ECONOMY AND INVESTMENT PANEL

5th September 2017

ECONOMIC UPDATE

Report of the Director, Economy and Environment

1. ISSUE

- 1.1 This report is presented to provide a brief summary of key economic Information relating to Calderdale.

2. NEED FOR A DECISION

- 2.1 The Report covers the areas of unemployment, employment, skills, business and house prices. It includes a basic statistical summary of the economic impact of the Boxing Day floods on Calderdale's businesses.
- 2.2 This Report is presented to assist members in identifying key trends in Calderdale's economy.

3. RECOMMENDATION

It is recommended:

- 3.1 That this report and the data presented be noted and pertinent observations be made thereon.

*It is important to note that statistics presented in this report are based on official data releases from the Office of National Statistics (ONS), each graph; table or chart will have a citation detailing its source. If statistics are sourced from other institutions, it will be referenced

1. Flood Updates

- 1.1 The flood support work continues, floods grants of over £3.8 million have been paid out to flooded and affected businesses. The Business Recovery Grant closed for applications on 31st December and the Property Level Resilience Grant was closed to applications on 31st March.

Number of businesses flooded	977
Number of businesses affected but not flooded	65
Number fully operational	989
Number Closed	53
Number permanently closed/relocated out of area	25

Business Recovery Grant £2.5k	
Applications approved	915
Value paid	£2,182,208
Property Level Resilience Grant up to £5 k per unit	
Number of applications received	666
Number of applications approved	575
Value of applications approved	£2,704,121.89
Value of Grants Paid	£1,789,957.61

LEP Flood Resilience Grants	
Applications	33
Total Value of Projects	£7,043,707.58
Grant Awarded	£1,549,870.31
Grant Value Paid	£998,901.41

LEP Grants

LEP grants are grants for SMEs to use for capital investment in fit-out and refurbishment of buildings, plant, machinery and equipment, creating permanent jobs if they located within the Leeds City Region

Business Growth Programme - Big Programme (Applications over £100,000)	
Applications	4
Investment Total	£15,745,000
Grant Offered	£731,160
Proposed Jobs Created	154

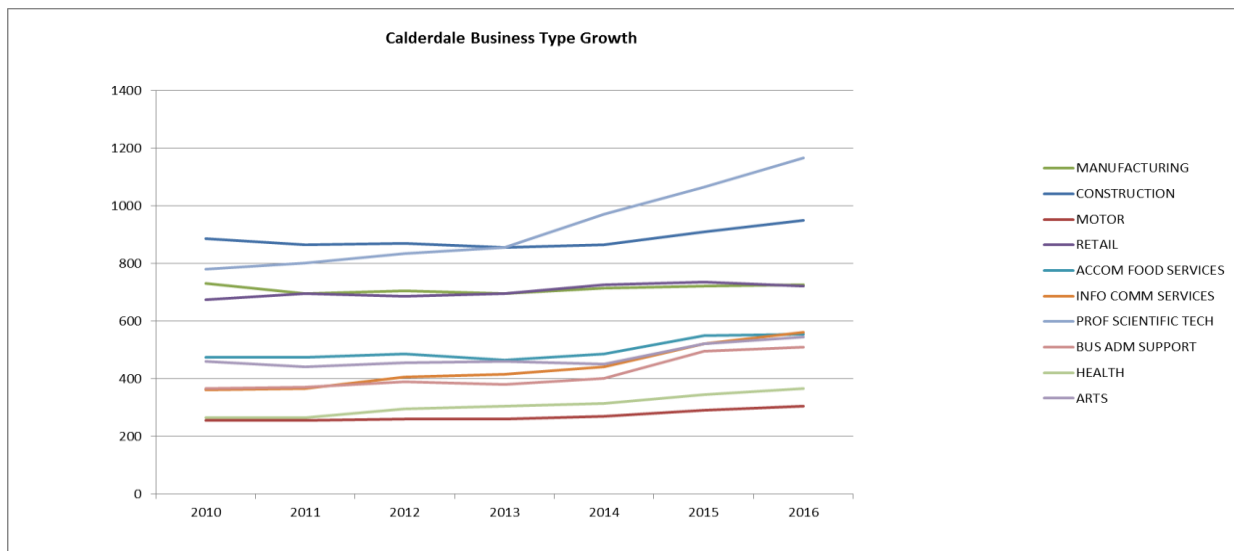
Business Growth Programme – Small Programme (Applications Under £100,000)	
Applications	39
Investment Total	£9,315,401
Grant Offered	£1,396,928
Proposed Jobs Created	195

2. Businesses

2.1 Growing Employment Sectors

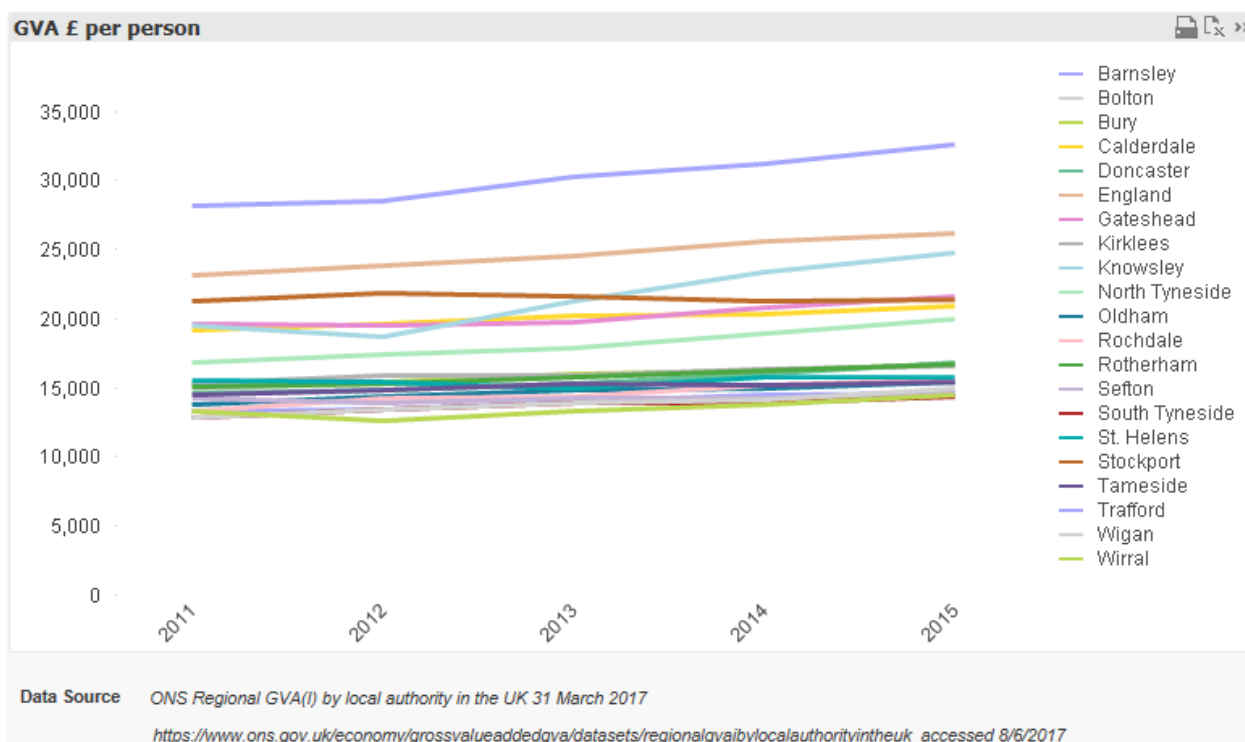
2.1.1. The professional sector has seen the highest growth within Calderdale, growing from 970 companies in 2014 to 1,165 in 2016. This is followed by Construction that has seen growth from 888 to 965 in the same period. (N.B. This is recorded as Enterprises that are VAT traders and PAYE employers)

2.1.2. Whilst there has been growth for the majority of sectors in the last year, there has been a slight decline in the areas of Wholesale, Retail, Finance & Insurance and Property, with both Wholesale and Retail falling by 15 enterprises each.



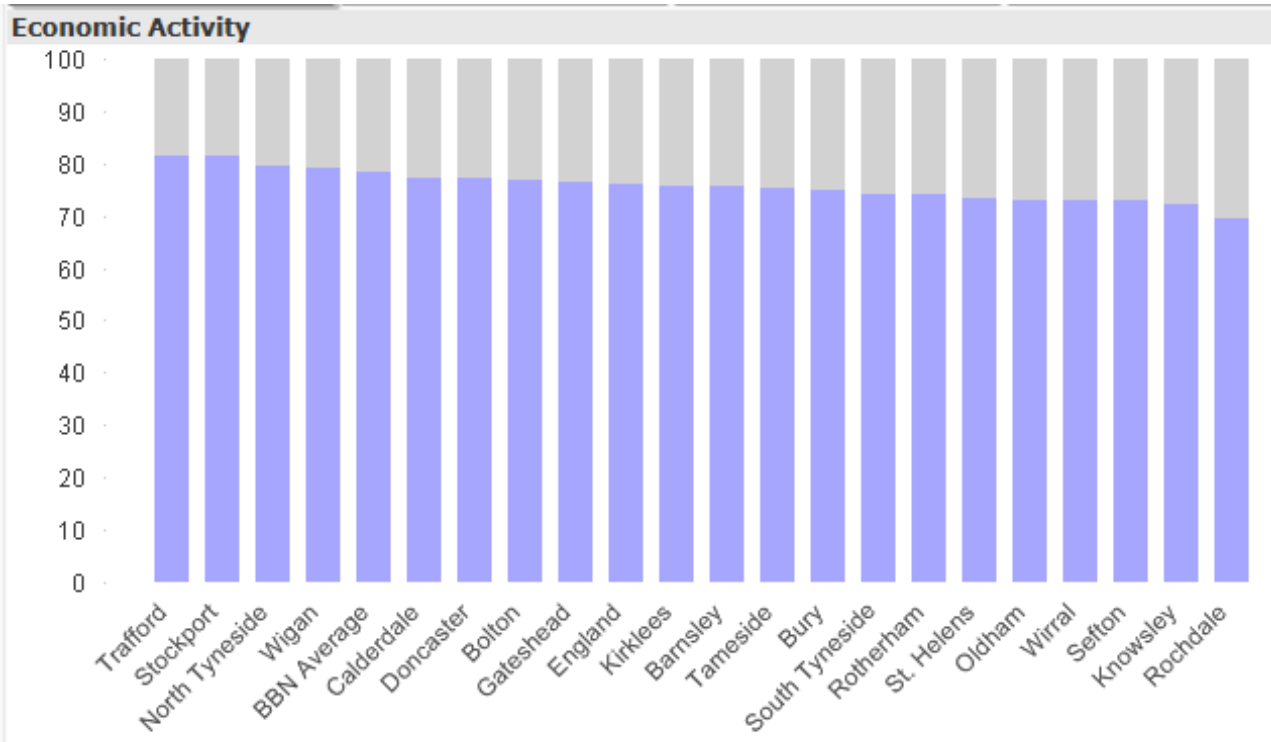
2.2. Calderdale GVA

2.2.1. Calderdale GVA per head has grown steadily from £19,163 per head in 2011 to £20,950 per head shown in 2015. Calderdale's growth rate over the period of 9.33% is lower than the England average of 12.83%. Calderdale is now over £5,000 lower than the England average income of £26,159 per head, Calderdale is in 5th place in the Best Borough in the North comparison.



3. Employment/Jobs

- 3.1 Out of a total population of 209,800 there are 103,700 in employment, which results in an employment rate of 75.5% showing an increase from last year which was 74.8% but slightly lower than the 2015 peak of 75.7%
- 3.2 Of these 84,800 are employed within a business and 18,300 are self-employed, which is a swing of almost 2000 moving from being Employed to Self Employed in the last year. 67,000 are working Full time and 30,000 are working part-time.
 - 3.2.1 Calderdale has an economically active rate of 77.2% which places us in 5th place in performance against the best of the Borough North, which is 1% lower than the Best Borough in the North Average.

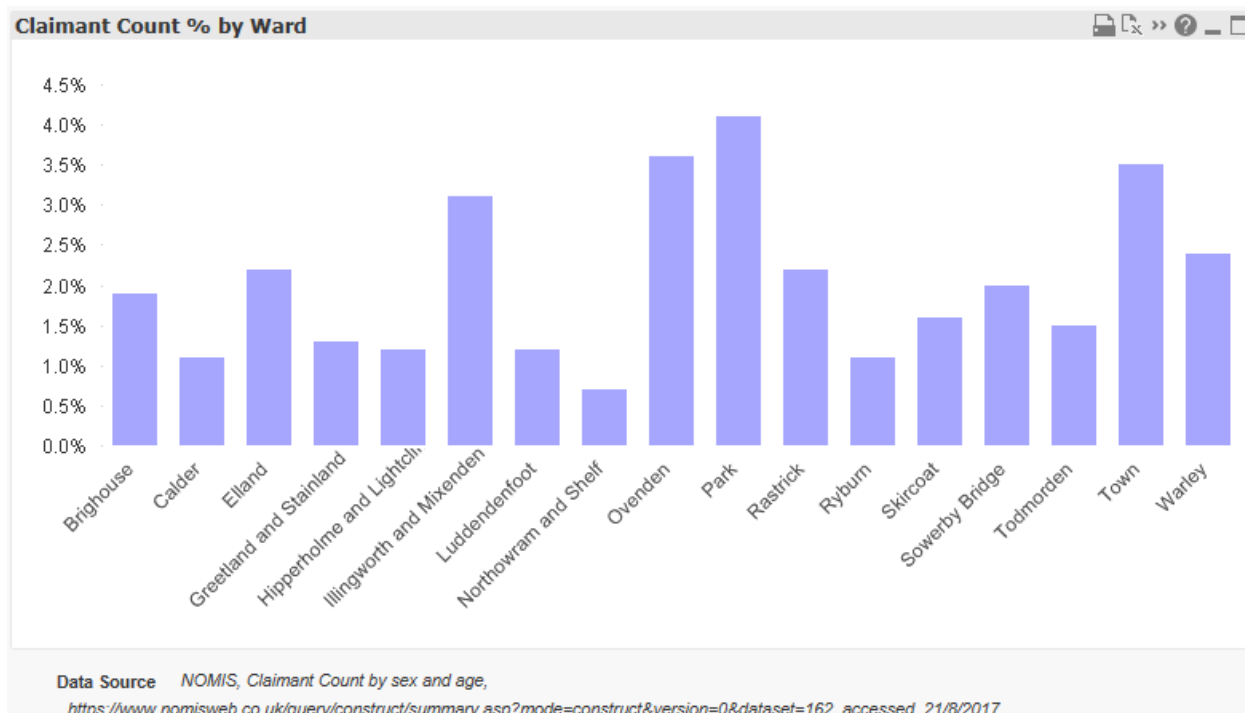


Data source NOMIS, Annual Population Survey, Jun 2016,
<https://www.nomisweb.co.uk/query/construct/summary.asp?mode=construct&version=0&dataset=17>, accessed 12/04/2017

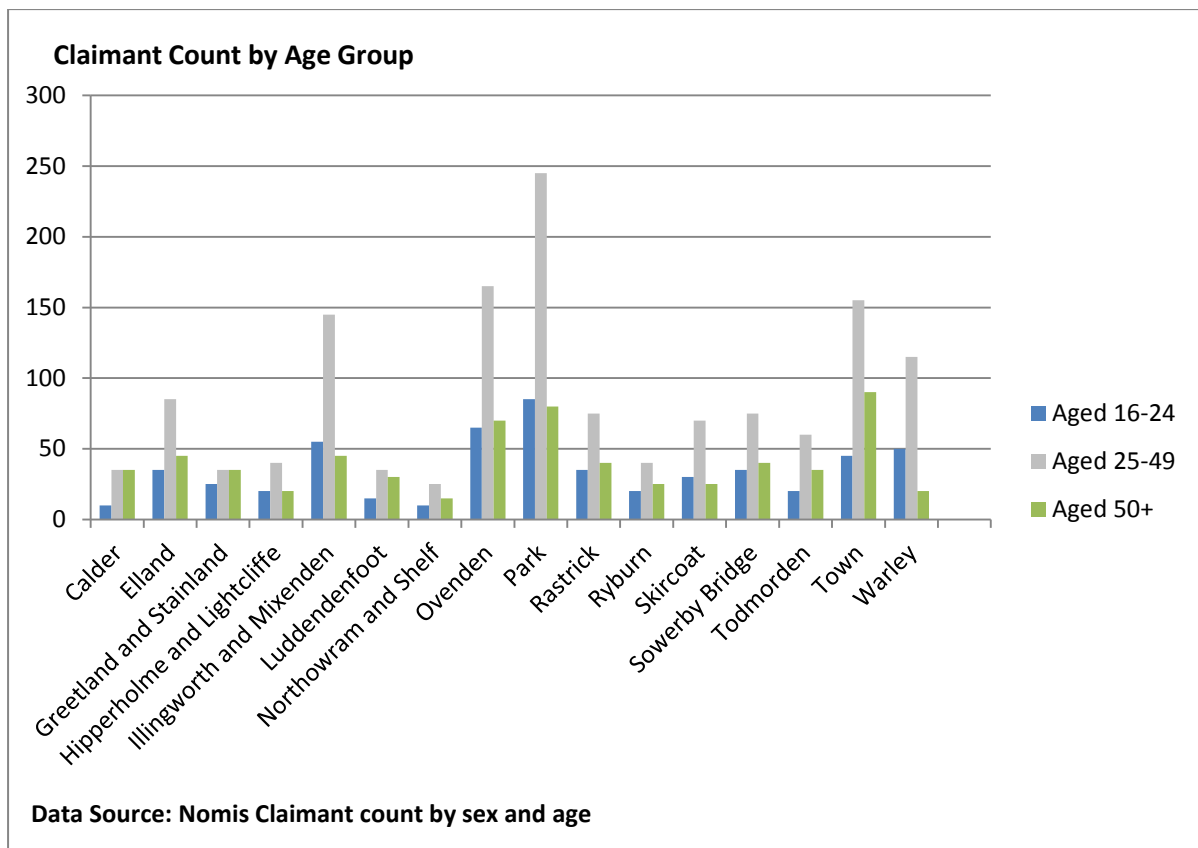
Please note, the sum of employees and self-employed will not equal the in employment figure due to the inclusion of those on government-supported training and employment programmes, and those doing unpaid family work in the latter.

4 Unemployment

- 4.1 There are 30,300 people within Calderdale that are economically inactive, these are people who are neither in employment nor unemployed. This is broken down into 7,800 students, 7,800 looking after family/home, 6,900 are classed as long-term sick, 5,700 are retired and 1,700 are classed as other. There are 3,800 unemployed with 3,500 who are classed as wanting a job. (**N.B.** the figures provided by NOMIS 300 are unaccounted for, **Wanting a job**, people not in employment who want a job but are not classed as unemployed because they have either not sought work in the last four weeks or are not available to start work. **Not wanting a job**, people who are neither in employment nor unemployed and who do not want a job.)



- 4.2 The breakdown of unemployment across the wards shows that the highest areas of unemployment are located in Park at 4.1%, followed by Ovenden at 3.6%. The areas of the lowest unemployment are Northowram and Shelf at 0.7%, followed by Ryburn at 1.1%.
- 4.3 The highest claimant count is in Park ward at 415, which is significantly higher than the second highest which is 295 in Ovenden and thirdly Town at 290. (All data are rounded to the nearest 5 and may not precisely add to the sum of the number of people claiming JSA, published on Nomis, and the number of people claiming Universal Credit required to seek work, published by DWP, due to independent rounding.)
- 4.4 The largest age groups claiming are the 25 – 49 years old at 1,470 which is 53% of the total claimant in Calderdale.



5 Skills

- 5.1 Achievements NVQ4 are above the Yorkshire and Humber average but below the England and Wales average. There has been a large drop in achievements in NVQ2 since 2014 which was a peak of 73.7% down to 68.6% back down to 2012 levels. It is difficult to pinpoint the reason for the drop as there is contradictory information provided by DFE showing a steady increase in residents aged 19 with an NVQ Level 2. It is a data set to keep an eye on to try to better understand if it is an error in collection or if there is a wider problem.



- 5.2 The Leeds City Region Labour Market and Skills Report 2016 has identified that the GVA gap between the City Region and England is widening and the numbers of people who are working age within the City region is growing slowly whilst the level of young people is in decline.
- 5.3 The report findings show that there are cases where learning achievements are outstripping job openings in areas such as Business, Administration and Law whilst areas such as Education and Training have more job openings against learning achievements.
- 5.4 Within Higher Education business is still one of the most popular courses whilst sciences remain under-represented.
- 5.5 Future growth is concentrated within service, with demand in manufacturing decreasing. Recruitment need is greatest in High Skilled and Service roles.
- 5.6 The issue of under-utilisation of skills is still a widespread concern.

6 Employment Projects

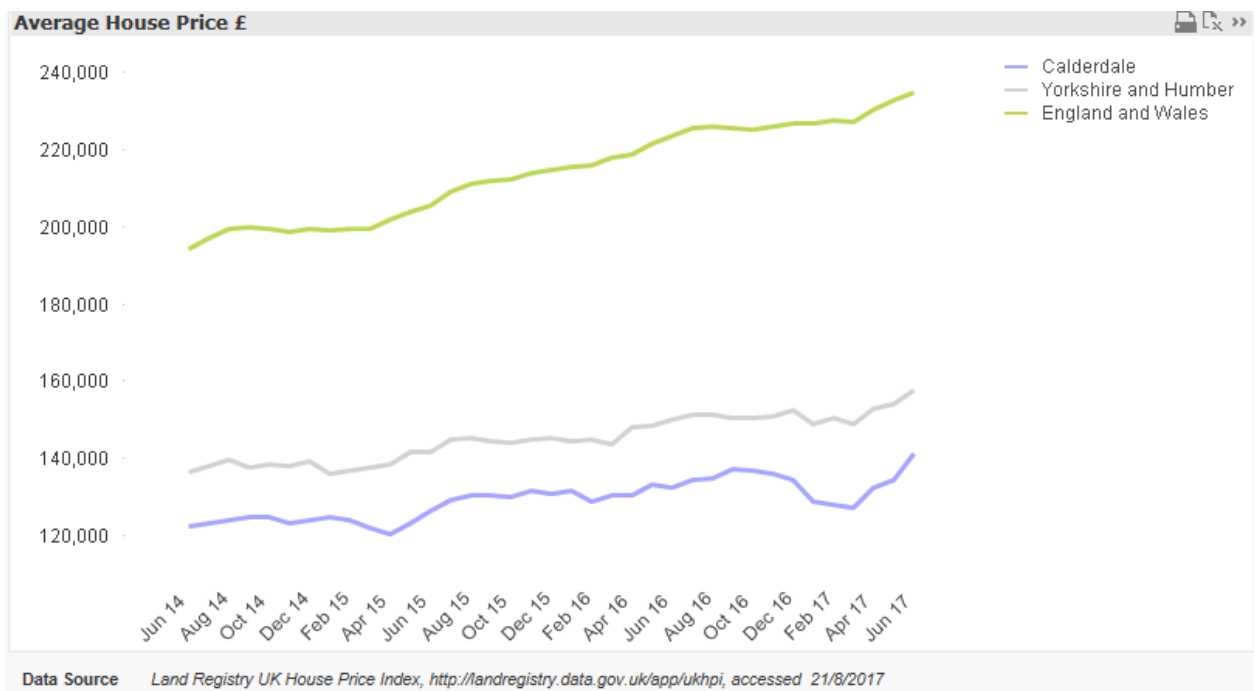
Within the business team we are currently working on the following projects:

- 6.1 **SME Growth Manager** – this is an LEP funded post and is part of the Leeds City Region Growth Hub which is aimed at helping small to medium businesses recognise their potential for growth and help them grow.
- 6.2 **Key Account Management** – the business engagement team is working with key employers and growth business to support growth plans.
- 6.3 Delivery of the **Works Better** Programme has been delivering since June 2017, it will be working over the next 3 year towards supporting residents aged over 25 years old into sustainable employment. The programme is targeted to engage with 763 Calderdale residents, support 233 into employment with at least 72 of them sustaining employment for at least 6 months.

7 Housing

7.1 House Price Index (HPI) & Average House Prices

As of June 2017 the average house price in the England and Wales is £235,096 and the house price index stands at 118.12. **Figure 1** displays the House Price Index comparison across three locations over a three year period from June 2014 – June 2017.



There has been an increase in house price from March 2017 (£127,274) to June 2017 (£141,198), which has shown in the significant increase in the House Price Index from 101.87 to 113.02. This has followed the trend in both Yorkshire and Humber and England and Wales which have also seen an increase in both during the same period.

