

**REPORT TO:** Employment, Learning & Skills and  
Community PPB

**DATE:** 20<sup>th</sup> September 2021

**REPORTING OFFICER:** Strategic Director, Enterprise, Community &  
Resources

**PORTFOLIO:** Employment Learning & Skills and  
Community

**SUBJECT:** Economic Progress and Assessment

**WARDS:** Borough Wide

## **1.0 PURPOSE OF THE REPORT**

1.1 To update Members on developments in the economy in recent years

**2.0 RECOMMENDATION: That the Policy and Performance Board receive the presentation and comment upon the assessment.**

## **3.0 SUPPORTING INFORMATION**

3.1 The accompanying presentation will provide an in-depth assessment based upon the information provided as an evidence base for reviewing progress with Halton 2030. The assessment was based on information specific to Halton and analyses of local economic information in order to understand progress with Halton 2030 and the economic issues raised. The presentation is an update of progress over the last two years. It measures the following categories:

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. £2,364bn is the value of GVA in Halton in 1998 and this had increased to £4,253 by 2018 but time will tell how much this has been impacted by Covid-19 and Brexit. Halton is a high net exporter of manufactured products and nearly £1 billion of the figure presented here is from manufacturing.
- 3.2.2. Of the near £2 billion in GVA in ICT more than £600 million is from Halton; second only to Liverpool in the Liverpool City Region.

### **Employment and Economic Activity**

- 3.2.3. There were 67,000 people in work in Halton compared to 63,000 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. £581 is the average full time weekly wage for someone working and resident in Halton (2018). This is higher than the North West (£560) and slightly below Great Britain (£587). The average weekly wage for an employee in Halton (but not necessarily a resident) is £577 is higher than the North West (£559) and lower than Great Britain (£586). Wages in Halton are at parity for the workforce and residents being equally higher than the regional average. More importantly, this is a consistent pattern over the last two reporting periods
- 3.2.5. 99.5% 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). This is a slight change on the previous reporting period but evidence of continued restructuring of the Halton Economy.

## **Skills**

- 3.2.6. 8.5% of Halton's working age population have no qualifications (2020) and this is similar to the City Region. In 2018 this was 11.8% for Halton. Halton resident's qualification levels continue to be lower than those of the Liverpool City Region, North West and Great Britain.
- 3.2.7. 24% of Halton's population is qualified to NVQ level 4 which is slightly less than the Liverpool City Region however when this information is used in conjunction with the wage levels above it suggests that Halton residents are appropriately skilled for the opportunities available in the Borough.

## **Economic Inactivity and Unemployment**

- 3.2.8. 67,000(75%) of Halton's population are economically active in 2019, slightly above the regional average and below the national average of 79%. Inactive includes student, looking after home/family, temporary/long term sick, discouraged, retired) and this stands at 19,500, a 2,400 increase from the last reported figure of 17,100.
- 3.2.9. 4,690 or 5.9% of Halton's working age population are claiming Universal Credit compared with 6% in the North West and 5.5% nationally.
- 3.2.10. 70.8 % of residents of Halton are in full time employment as a proportion of 16 – 64 year olds compared to 68.1% in the North West and 67.8% nationally. This figure excludes self-employment and government supported training schemes.

## **Housing**

- 3.2.1. Average house price for Halton is £158,505 (April 2021). This is an increase of 10% than the average price of only 7 months ago of £144,316. Over the same time period the purchase price for new builds in Halton increased by 15% currently standing at £285,947.
- 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 changed in nature and large warehousing space continues to lead demand for land in Halton.
- 3.2.14. Demand for Retail units have fluctuated over the last three years and this position has been compounded by the impact of Covid-19 where a high street presence was sacrificed to ensure retailers remained competitive

## **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**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
Economic Assessment (from 21 <sup>st</sup> September)	Regeneration Team, 5 <sup>th</sup> Floor Municipal Building	Paul Corner
UK industrial Strategy	Regeneration Team, 5 <sup>th</sup> Floor Municipal Building	Paul Corner
Liverpool City Region Skills for Growth Priorities	Regeneration Team, 5 <sup>th</sup> Floor Municipal Building	Paul Corner