

**Economic Recovery: July 2010 update**

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**1. EXECUTIVE SUMMARY**

This report updates members on a number of additional support measures that are being developed across the Council to support local residents and businesses, as part of the Economic Recovery Plan.

Members are asked to:

- (i) note the approaches developed thus far; and
- (ii) authorise officers to continue to develop effective responses to support businesses and residents through the continuing uncertain economic conditions.

**2. BACKGROUND**

2.1. Members will be aware that the Council has been working closely with partners over the past 18 months to ensure that we properly understand how the recession is impacting on the local economy and to develop a number of initiatives aimed at mitigating the impact of the recession on businesses and the local community. Building on this approach, Cabinet agreed an Economic Recovery Plan for Wirral (February 2010), which emphasised the need to maintain a focus on the long-term economic vision whilst also planning short and medium term responses to the recession.

2.3. At Council on 19<sup>th</sup> April, a Notice of Motion was agreed as follows:

*“(1) This Council welcomes Wirral’s Economic Recovery Plan as reported to Cabinet on 4th February and the LSP Executive on 17th February 2010 and the work being carried out to respond to the effects of recession, supporting businesses and preparing Wirral’s economy for recovery, including:*

- *Advice and information cascaded to businesses about how to survive and recover from recession.*
- *Council invoices paid within 10 days to all creditors employing less than 250 people.*
- *Continued expansion of the Wirral Apprenticeship Programme to 200 places through this year’s budget.*
- *Targeted employment support for young people aged 18-24.*
- *Multi agency working and strong voluntary sector support to provide increased capacity for debt advice for residents, support and signposting for older people and newcomers to benefits and personal advice.*
- *Tailored business start up support through Wirral Biz.*

- *Construction Integrator to improve engagement and recruitment of local workless residents.*
- *A mortgage rescue scheme.*
- *Funding through this year's budget to provide super fast broadband communications for business.*
- *Measures to attract inward investment.*
- *Promoting new development in the borough.*

*(2) Whilst recognising the positive impact of the measures taken to date, this Council believes that every effort must continue to be made to protect residents and businesses through the continuing period of economic uncertainty ahead. In particular, that the anticipated reductions in public sector budgets by the incoming government following the general election do not result in a double-dip recession which would harm Wirral's prospects for economic recovery.*

*(3) Therefore, Council requests that the Director of Corporate Services continues to seek best practice, including that from other areas, report back on how these can be incorporated into the Economic Recovery Plan and investigate the feasibility of providing additional support measures, such as:*

- *How the Council's website, along with leaflets aimed at families, businesses, the redundant and unemployed and the elderly and vulnerable community groups, can be used to provide useful tools such as a personal budget planner, finding out about benefits, reducing debt, coping with rising bills, help with getting new skills, advice on how to save money, links to useful partner websites.*
- *Where practicable, securing more goods and services from local companies, and encouraging others to do the same.*
- *Building on the success of the 'Boost Your Business – Beat the Economic Downturn' workshops held at the Floral Pavilion with 'Recovery Roadshows' to bring support services to businesses.*
- *Using the Area Forums as a mechanism to take information about support and advice services out into the community.*

*(4) In addition, in developing these initiatives, Council believes that it should itself play a strong role by setting an example, as the Borough's largest employer, by considering how we can provide training and employment opportunities for those groups in greatest need of support, such as looked after children and disabled people".*

### **3. MEASURES DEVELOPED IN RESPONSE TO THE RECESSION**

3.1. Council departments have been developing a number of measures to support residents and businesses in response to the recession. These include:

#### **3.2. Information to residents, including use of website**

The new Council website presents an effective image of the authority with accurate and up to date information transferred and updated from the current version. This will include further developing information and access to services and support that help families, business, the unemployed, elderly and vulnerable.

A section on the Recovery Plan has been included on the front page of the new Council website entitled 'surviving the recession'. It offers a wide range of information and support for businesses and residents, and will be continually updated.

Examples of service access and planned developments via the web that can readily support people within a recessionary period include support to businesses and to residents when facing redundancy; finding a job; help with debt; housing; etc.

### **3.3. Area forums**

The forums are potentially an ideal vehicle for delivering key messages to residents, community groups, and businesses. The community engagement team are exploring more fully opportunities to deliver roadshows and themed area forums based on tackling the recession and on economic recovery. More formal links could be made with organisations such as Job centre Plus, Wirral Metropolitan College, Citizens Advice Bureau and Wirral CVS and the Council's own One Stop Shop service to deliver a range of information about access to jobs, debt advice etc. Voluntary Community Action Wirral (VCAW) could help to facilitate this.

3.4. **Skills** - Courses for adults offered by Wirral lifelong and Family Learning Service include Skills for Life, Employability Skills, ICT, and other introductory courses. Information is available through the Wirral Council website, and the Recovery Plan which links to a range of other useful sites.

3.5. **Information to Parents and Families** - Although the parenting and family support services provided to support parents and families may not directly be targeted at tackling the recession, the effect of it may trigger issues such as Domestic Violence, Drug and Alcohol Misuse, poor Mental Health, breakdown of relationships. Information should be tailored to meet individual needs using a range of services and methods to ensure that families receive relevant information and support. This includes one to one/home visits; parent education and groups/events; Parent Know How website; welfare advice information; leaflets etc. A range of specialist advice is provided in partnership with other agencies.

### **3.6. Support to vulnerable residents –**

'Putting people First' demands a 'whole system redesign and the consequential refocusing of investment with the public sector', which gives the impetus to the Local authority to think as one entity to tackle a particular issue in partnership with others, including the public and /or people who use services; in this case, a single approach to tackling the recession.

Additional support measures from the Department of Adult Social Services (DASS) for older people and communities of need or identity include the following:

- considering how the majority of DASS funding can contract to local organisations and companies for domiciliary care and residential care, which employ local people;
- Working with NHS Wirral and others to consider the power of the Health and Social care budgets on the local economy. In turn the development of Personal budgets will provide new opportunities for small businesses to develop;

- Case worker understanding of financial matters: e.g. POPIN advisors helped to claim over £500,000 for people using their service, all of whom are over the age of 65.; Welfare Benefits Unit are on target to claim over £1,000,000 for people in Wirral this year;
  - Funding to advocacy organisations and other groups so that they can make claims of behalf of individuals;
  - Promoting employment opportunities for people who are able to work through schemes such as Working Life and Beaconsfield Sandwich Service, both of which initiatives are part of the mainstream direct care services of the Department;
  - Funding agencies which promote employment opportunities.
- Future developments include the Early Intervention Strategy which will ensure that advice and information about eligibility for services and finances is given from a variety of sources, and community development which will work with particular communities and make sure that all advice and information is in a format that is readily understood. The marketing and communication strategy which takes account of different abilities via Easy Read, so ensuring access to services for all.
  - Work on personal and community resilience are also key, work to modify public expectations and promote independence are in line with the Transformation approach as is the work to increase Third sector capacity and links at community level.

### **3.7. Information on benefits, reducing debt, coping with rising bills, advice on how to save money, personal budget planning**

- A considerable amount of information on this already exists in Wirral, available from the Council and the Voluntary Sector as well as government agencies. However it is recognised that this could be more effective for users if we ensure it is co-ordinated and all areas are addressed and duplication is limited. To that end a working group is now actively progressing a Financial Inclusion Policy which will complement the work already under way on Child Poverty, the Early Intervention Strategy in DASS and the Strategic Housing Partnership.
- This area of work will include how we help people both get information and access to benefits, debt advice, handling bills, saving money and planning budgets. The initial step is a workshop with Council and associated bodies accessed via the Local Strategic Partnership and will include Health and the Voluntary Sector.
- There is already an established local money advice service run by Riverside Housing called Money Line which helps people get affordable loans and access to a savings service. This builds on Riverside established service in Warrington.
- Council One Stop Shops (OSS) already host a number of finance advice surgeries. They deliver a front line service to support trading standards with regards to consumer advice and information on avoidance of loan sharks. DASS Welfare Rights Unit and Advice Network support work in maximising benefit take up and fund advocacy agencies to support benefit claims. This work links to the Department for Work and Pensions (DWP) Now Lets Talk Money campaign which will support and complement our financial inclusion work and help develop existing

financial inclusion work into a more effective partnership. The DWP campaign focuses on take up of transactional banking, managing money and financial distress help

- With the current economic climate and its associated pressures, the services offered by the OSS are increasingly relevant. They are based in local communities, which allows staff to build up a trusted relationship with customers. The sites are also ideal for partnership services, allowing holistic delivery of services tailored to local individuals. The OSS will be building upon these important areas of support and advice working with other local and national organisations. Examples of partnership work include:
  - (i) Primary Care Advice Liaison Service (PCAL) aimed at people suffering from a mild to moderate mental health problem. Funded by Wirral PCT, it is run by Wirral CAB in conjunction with Advocacy in Wirral, to provide specialist advice and support on issues such as debt, welfare benefits, employment, and housing and consumer advice. The service has been has had a very positive response.
  - (ii) The One Stop Shops have been working successfully from within Job Centre Plus offices for a number of years and this has now been reciprocated with Job Centre Plus staff being based in an OSS. This has been extended so that a range of complementary services are offered by the Condition Management Programme Team, Shaw Trust & Sencia. This enables each element of the particular service to link together in providing a seamless service in helping customers take steps towards moving back into the job market, including help with any other issues that the customer may have around their return to work such as with Housing & Council Tax Benefit.
  - (iii) The Working Links project uses a number of OSS sites to see clients to help get people back into work at the earliest opportunity, and by offering training and reskilling packages to achieve this if needed.
  - (iv) One Stop Shops work in partnership with A4e in delivering the Financial Services Authority and Government backed “Money Made Clear” campaign. They use a number of One Stop Shop sites to deliver a free money guidance service, with no restrictions placed on who can access the service providing impartial guidance on the money matters that shape everyday lives including debt; budgeting, tax and benefits.

### 3.8. Procurement Opportunities

- A number of strategies and activities are carried out by Corporate Procurement and other Council Officers engaged within the awarding of contracts for the Council in relation to securing more goods and services from local companies and encouraging others to do the same. Current initiatives include:

#### **Constructionline:**

- On all construction tenders, under European thresholds (£3.9m), a minimum of three local suppliers are included in the list taken from Constructionline, to be invited to tender.

### **Construction Employment Integrator:**

- Being adopted by Council to support 'hard to reach' unemployed to obtain training within Council contracts and find employment in the construction industry. **Local Labour Content** in Construction Contracts is asked for from contractors and reported on to Members.
- Other approaches include the production of a Community Benefits in Contracts Strategy (CBCS) which covers widening access to tender information; building the capacity of local suppliers; considering the scale and size of contracts; the use of community benefit clauses;
- The overall spend with local suppliers and contractors is for 2009/10 approximately £28,000,000 which represents approximately 20% of the Council's total expenditure on supplies and services. This figure will act as a benchmark for initiatives put forward within the Community Benefits in Contracts Strategy after its implementation.
- Research has demonstrated that public sector procurement plays a role in contributing to how money circulates within local economies and its impact should not be underestimated or ignored in economic strategy. The Council is exploring how the relationship between procurement and the local economy can be developed to support Wirral businesses during the current recession in a way that is in line with EU and UK legislation.

## **3.9. Support to Businesses**

### **Wirral Business Forum**

- Launched in September 2008, Wirral's online business forum – [www.businesswirral.com](http://www.businesswirral.com) – now has more than 1200 members, representing all sectors of the Wirral economy. Members benefit from online and offline networking opportunities and receive regular updates on business support initiatives, events and news. Invest Wirral is working with Simply-Solutions, a Wirral-based business software solutions provider to upgrade the current system. Simply Solutions have developed the 'Conduit' community engine, a business networking, opportunity management and directory system. Conduit is used by 50 accredited British Chambers of Commerce to foster inter-trading between members. Further, Conduit matches contracts and procurement opportunities with companies who are in a position to respond to solicitations. The system automatically advises of opportunities via email and SMS text message. The Conduit system will be modified to ensure that members can continue to benefit from the features of the current online forum features.

### **Cluster Groups**

- Through the Wirral Business Forum a number of Cluster Group meetings are held throughout the year. The cluster groups comprise Manufacturing, Food and Drink, Financial, Professional and Business Services, Construction, Digital and Media, Maritime and Logistics, Science, Technology, Environmental and Health, Tourism and Retail, together with specific geographic business groups for Wirral International Business Park (Bromborough) and the Hamilton Business District, (the area within and surrounding Hamilton Square in Birkenhead). From these meetings a number of issues have been identified and actions taken place. It also provides

an opportunity whereby large numbers of Wirral businesses can meet on a regular basis and network with each other.

### **Workshops/Seminars**

- Corporate Procurement and Invest Wirral, in collaboration with other council officers are involved in delivering workshops / training days to local companies to help them both compete and win Council and other Public contracts.
- Invest Wirral is designing a schedule of business related workshops and seminars which will take place throughout the year on a monthly basis. These events will be presented through a number of sources which will include private and public sector organisations. They will have a diverse range of business topics, all focussed on practical guidance for companies and individuals. These will include funding support schemes, procurement, business planning etc.

### **Business Hub:**

- Invest Wirral has been working with Egerton House Wirral Ltd to develop a business hub to service micro businesses across the borough, increasing growth, encouraging competitiveness and thus improving sustainability and productivity. Features will include 10 dedicated workstations, 6 hot desks for virtual working, 3 meeting rooms, timetabled business surgeries and workshops and on hand support from Invest Wirral, Business Link, Manufacturing Advisory Service, National Apprenticeship Services and Federation of Small Businesses.

### **International Links**

- This project continues to develop a number of activities. As part of supporting Wirral businesses, a number of events have been organised in collaboration with the UK Trade & Industry, Chinese British Business partnerships, Chambers of Commerce, etc events to raise awareness and increase knowledge on international trade.
- This project is also looking at training and information on international trade, market awareness and research. From September 2010 these events related to international trade will begin once a month. The themes at this stage include:
  - Introduction to International Trade – Support & Grants
  - European Procurement in corporation with European Enterprise Network
  - Market Awareness and indebt information on export
  - How can the University of Liverpool and Wirral College support businesses in international trade?

### **Business Partner Intervention/Engagement**

- Invest Wirral will continue to develop its working relationship with a wide range of business orientated partner organisations. Already, both Manufacturing Advisory Service and National Apprenticeship Service work from hot desk facilities with Invest Wirral and are involved in joint company meetings, knowledge exchange, and business enquiry leads etc.

### **BIG Support**

- Invest Wirral will continue to seek opportunities with local businesses to be able to provide funding support for new projects and those which will offer sustainability

and diversity. This will be achieved through the Council's BIG support scheme (Business Investment Grant).

### **Wirralbiz**

- As part of its ongoing support to businesses, Invest Wirral will continue, as and when necessary, to refer companies to Wirralbiz for two specific areas
  - (i) Opportunities for starting a new business
  - (ii) Support for businesses requiring guidance for completing BIG funding applications, and also preparation for financial and marketing plans.

### **Official openings etc**

- Invest Wirral will work with companies and organisations to assist them in preparation for official opening events etc. This will be aimed specifically towards those companies and organisations which Invest Wirral has assisted in completing a relocation or expansion project. These events enable companies to promote their own services and business development to customers and suppliers, but also for the Council to promote the business relocation and expansion services it provides.

### **Recession/Emergency:**

- Invest Wirral has been part of a Redundancy Response team which goes into companies which may be looking at significant job losses or closure. This is done in conjunction with Job Centre Plus. Discussions are held on opportunities for training, re-training, benefit guidance etc. Invest Wirral has responded to emergencies which may have occurred within a business, eg fire damage. Invest Wirral will quickly visit the location and identify management to ascertain if they require any support for emergency situations such as temporary premises requirements etc

## **3.10 The Council's role as an employer**

In response to the point made in paragraph 2.3 (paragraph 4), a number of actions are being taken by the Council in relation to offering training and employment opportunities for those Wirral residents in greatest need of support. Examples include:

- Training to carers as part of the safeguarding agenda;
- Development of an internal apprenticeship programme, which includes targets for disadvantaged groups;
- Wirral Wise project lead by the 14-19 partnership team;
- Children and Young People's Department (CYPD) work with Connexions to support young people in care;
- CYPD, with other departments and partners, exploring a job guarantee scheme for young people leaving care;
- The Working Life project supports people with disabilities into employment and to receive employment experience;
- Developing initiatives to increase employment opportunities for people with disabilities;
- The Work Step initiative across the whole Council includes training and employment;
- Future Jobs Fund offers 6 months employment opportunities to long term unemployed people. This initiative is externally funded until March 2011.

### **3.11 Economic Regeneration**

As members are aware, the majority of Wirral's Working Neighbourhoods Fund allocation (a time limited programme until March 2011) is being directed towards improving the economic prosperity of Wirral in line with the aims of the Investment Strategy.

This includes supporting the development of a transformational digital infrastructure project to enhance broadband provision within Wirral's key employment corridor. The planned investment in a new, next generation access network will allow current Wirral businesses to compete more effectively in the international market, and will also act as a major incentive to attract to Wirral international companies dependent on fast data transmission who want to locate in the UK or Europe. The investment will create jobs in the short term, during the period of installation, and in the longer term as new businesses are attracted in and current businesses develop the capacity to expand. The Coalition Government announced in the Budget that a 50p a month "landline tax" to fund the rollout of fast broadband will be abolished - instead the government will support private investment, partly funded by the digital switchover under-spend within the TV licence fee.

#### **Grants to Businesses**

The BIG grants initiative continues to be of considerable interest to Wirral businesses. £424,352 has been committed providing support to more than 28 businesses, resulting in 171 jobs being created or safeguarded.

#### **Economic Policy**

Economic Policy plays a critical role in the development of effective and accurate economic strategy for the Borough. Policy is developed through an expertise in collating and analysing socio-economic data. Wirral's team has enabled a detailed and robust understanding of Wirral's economy. This has been an excellent tool in developing effective policy and programmes to support Wirral residents and businesses.

This has been of particular importance during the recent worsening economic conditions, when Economic Policy has played a lead role in co-ordinating data and intelligence about the impact of the recession, and working with partners to develop appropriate responses and our Economic Recovery Plan.

Wirral's emerging economic assessment and Regeneration Framework will produce a robust and strategic economic profile of Wirral. It will provide an up to date and comprehensive economic analysis and related strategic economic objectives for Wirral. This will have a hugely significant wider impact in that it will help inform future strategic policy and effective resource planning for economic regeneration to deliver on Wirral's Corporate and partnership priorities.

The assessment will cover the whole of Wirral and will also include detailed sub-district analysis Furthermore; it will also enable a detailed analysis of economic disparities that exist within Wirral in relation to deprived areas and disadvantaged groups, as well as producing recommendations for how these should be addressed. This will have the wider impact of reducing associated social, health and educational inequalities in Wirral.

It will be important to understand the implications for Wirral of changing policy at the national, regional and local levels. For example, Regional Development Agencies will be abolished and replaced by Local Enterprise Partnerships (LEPs). Further details will be forthcoming in a White Paper to be published later in the summer. A £1 billion Regional Growth Fund has been proposed, with more details to follow shortly. Significant reductions to regional funding have been announced, which will impact on economic regeneration across the North West. Further detail on the implications for Wirral will be brought to members as it emerges.

#### **4. Budget 2010**

4.1. On 22<sup>nd</sup> June 2010, the Chancellor, George Osborne, presented the first Budget of the Coalition Government. The Budget sets out a five-year plan to rebuild the British economy based on the Government's stated values of:

- Responsibility
- Freedom
- Fairness

4.2. The following sections provide a summary overview of the key messages emerging from the Budget. It is expected that further information will be forthcoming from Departmental Ministers in the coming weeks. Furthermore, it is important to note that the final detailed funding settlements – and local implications – will be set out in the comprehensive spending review in October. Further information, including the full budget document, is available from the Treasury website – see link. [http://www.hm-treasury.gov.uk/2010\\_june\\_budget.htm](http://www.hm-treasury.gov.uk/2010_june_budget.htm)

#### **4.3. TAX**

- VAT: The VAT rate will rise from 17.5% to 20% from January 4, 2011.
- Council tax: This could be frozen for one year from April 2011 in England, but extra funds will only be offered to councils which keep their own costs down. It is estimated that this proposal will be worth £35 per household.

#### **4.4. BENEFITS**

- Child benefit: will be frozen for the next three years.
- Tax credits: These will be reduced for families earning over £40,000 next year. But low income families will get more Child Tax Credit - the amount per child will rise by £150 above the rate of inflation next year - at an annual cost of £2bn.
- Housing benefit: There will be a new maximum limit of £400 a week for properties with more than three bedrooms, £250 a week for a one-bedroom flat, £290 for a two-bedroom property and £340 for a three-bed property. This will save £1.8bn a year by the end of the Parliament.

- Unemployed people will have their Housing Benefit cut by 10%, after 12 months of claiming Jobseekers Allowance from April 2013.
- It will also be cut for people of working age who are in larger homes than their family size warrants but, from April 2011, disabled claimants who do not have a resident carer will be able to claim for an extra bedroom.
- The Health in Pregnancy grant is to be abolished from April 2011, and the Sure Start maternity grant will be restricted to the first child only.
- Lone parents will be expected to look for work when their youngest child goes to school.
- Excluding the state pension and pension credit, from 2011 benefits, tax credits and public service pensions will rise in line with the Consumer Price Index, rather than the, generally higher, Retail Price Index, saving over £6 billion a year by the end of the Parliament.
- The government will introduce a medical assessment for Disability Living Allowance from 2013 for new and existing claimants.
- It is proposed that the welfare reforms will save £11bn by 2014/15.
- The new Work Programme is currently being developed and more detailed information will emerge shortly.

#### **4.5. BUSINESS**

- From April 2011, the threshold at which employers start to pay National Insurance will rise by the rate of inflation plus £21 per week.
- Corporation Tax will be cut next year to 27%, and by 1% annually for the next three years, until it reaches 24%.
- The small companies' tax rate will be cut to 20%.
- Tax relief for the video games industry will be abolished.

#### **4.6. BANKS**

- A bank levy will be introduced, which will apply to the balance sheets of UK banks and building societies and the UK operations of foreign banks from January 2011. Smaller banks will not have to pay. It is expected to raise over £2bn a year.

#### **4.7. REGIONS**

- A White Paper on tackling regional economic differences in Britain is to be published later in the summer, followed by a paper on rebalancing the economy of Northern Ireland.

- A Regional Growth Fund will be created to help fund regional capital projects over two years.
- People setting up new businesses outside London, the South East and the east of England will be exempt from £5,000 of National Insurance payments for the first 10 workers.
- The eight regional development agencies (RDAs) across England are to be abolished by 2012. They are to be replaced by Local Enterprise Partnerships in a process that will begin later in the summer. A Treasury spokeswoman said that "local leaders" would be involved in the new partnerships. Full details will be set out in the White Paper, to be published later in the summer.

#### **4.8. DEPARTMENTS**

- The Budget outlines that all departments (including education, but excluding health and international aid) will be affected by an average spending cut of 25%, but that "not all departments would experience the same rate of reduction".
- It is expected that further information will be forthcoming from Departmental Ministers in the coming weeks, with the final detailed settlements to be set out in the comprehensive spending review in October.

#### **4.9. SPENDING**

- Departmental cuts amount to a further £17bn by 2014-15, on top of those already planned.
- Current expenditure is to rise from £637bn in 2010-11 to £711bn in 2015-16 - partly due to rising debt interest payments.
- No further reductions in capital spending totals but there will be "careful choices" about how the money was spent. Projects with "a significant economic return to the country" would be prioritised.

### **5. Implications of reduced public sector budgets**

Further consideration will be given as more detail emerges; in order to understand the impact of - and suggest responses to - reduced public sector budgets.

### **6. Financial implications**

- 6.1. A significant amount of the activity developed in response to the recession and to grow the economy is funded through time-limited grants (eg Working Neighbourhoods Funds, Future Jobs Fund) which will end March 2011.

### **7. Staffing implications**

- 7.1. No implications arising directly from this report.

## **8. Equal Opportunities/Equality Impact Assessment (EIA)**

8.1. All of the activities outlined promote equal opportunities. An initial Equality Impact Assessment has already been completed for the Economic Recovery Plan.

## **9. Community Safety implications**

9.1. There are no direct Community Safety implications arising from this report.

## **10. Local Agenda 21 implications**

10.1 None as a direct result of this report.

## **11. Planning implications**

11.1 There are no direct planning implications arising from this report.

## **12. Anti-poverty implications**

12.1 All of the activities outlined will help to reduce poverty and deprivation.

## **13. Human Rights implications**

13.1 There are no implications arising directly from this report.

## **14. Social Inclusion implications**

14.1 The approach outlined helps to promote social inclusion.

## **15. Local Member Support implications**

15.1 There are no implications arising directly from this report.

## **Recommendations**

Members are asked to:

- (i) note the support measures developed thus far; and
- (ii) authorise officers to continue to develop effective responses supporting businesses and residents through the continuing uncertain economic conditions.

## **J. WILKIE**

Deputy Chief Executive/Director of Corporate Services

This report has been prepared by Rose Boylan who can be contacted on 691 8037.

## Appendix 1: Wirral Economic Snapshot – July 2010

### 1. Employment Rate

*(Note: It should be noted that this survey based measure has significant +/- variations in accuracy due to the relatively small sample measure base used)*

Table 1 below shows that Wirral's Employment Rate is 67.3%. This has decreased by 1% point in the previous 12 months. Although Wirral's rate has gone down, it did so at a slower rate than both the North West and GB rates.

**Table 1: Employment Rate (latest data is to Sept 2009)**

Oct 08-Sept 09	Wirral numbers	Wirral %	North West %	Great Britain %
In employment (all people)	128,800	67.3	70.3	72.9
In employment (males)	65,300	68.6	72.7	76.3
In employment (females)	63,500	65.9	67.6	69.2
Oct 07-Sept 08	Wirral numbers	Wirral %	North West %	Great Britain %
In employment (all people)	131,300	68.3	72.1	74.5
In employment (males)	67,100	69.9	75.2	78.6
In employment (females)	64,200	66.6	68.7	70.1

Source: ONS NOMIS May 2010

## 2. Job Seekers Allowance (JSA)

Latest data to May 2010 shows:

- Wirral now has joint 2<sup>nd</sup> best rate (5.0%) in the LCR with lowest rate since April 2009.
- Wirral has reduced its JSA claimants by 433 this month.
- Wirral is in line with National and Regional trends and all LCR areas have seen a reduction this month.
- Wirral is outperforming **ALL** LCR authorities, the LCR average and NW & Regional figures in yearly performance with a 0.7% reduction.

<b>Latest Data – JSA Claimants working age May 2010</b>			
<b>Current Claimant Count Rates:</b>			
<b>Halton</b>	5.6% (4,173)	<b>Liverpool City Region</b>	5.7%
<b>Knowsley</b>	6.1% (5,709)	<b>North West</b>	4.3%
<b>Liverpool</b>	7.0% (19,847)	<b>England</b>	3.9%
<b>Sefton</b>	5.0% (8,015)		
<b>St Helens</b>	4.7% (5,130)		
<b>Wirral</b>	5.0% (9,058)		

<b>Yearly Change</b> Rate down = Good Performance    Rate up = Bad Performance			
<b>Change in rate from May 2009:</b>			
<b>Halton</b>	Down 0.4%	<b>Liverpool City Region</b>	Down 0.5%
<b>Knowsley</b>	Down 0.6%	<b>North West</b>	Down 0.3%
<b>Liverpool</b>	Down 0.4%	<b>England</b>	Down 0.2%
<b>Sefton</b>	Down 0.2%		
<b>St Helens</b>	Down 0.6%		
<b>Wirral</b>	Down 0.7%		

Source: ONS Claimant Count, June 2010

### 3. JSA 18-24 year olds

- Wirral is now out performing the LCR average at 9.2% with the joint 2<sup>nd</sup> best rate in LCR.
- Wirral has reduced its numbers of 18-24 JSA claimants by 215 this month the second largest reduction in numbers in the LCR.
- Wirral's 0.8%pp reduction was the joint best in the LCR and Wirral out-performed LCR, Regional and National averages.
- Wirral has seen a yearly reduction of 2.4% out-performing LCR, North West, National averages.

**JSA 18-24 Year olds rate May 2010** (Rate is the number of 18-24 JSA claimants against the area's 18-24 2008 population estimate)

<b>Halton</b>	10.7% (1,245)	<b>Liverpool City Region</b>	9.5%
<b>Knowsley</b>	10.0% (1,600)	<b>North West</b>	8.0%
<b>Liverpool</b>	9.2% (5,675)	<b>England</b>	6.9%
<b>Sefton</b>	9.1% (2,260)		
<b>St Helens</b>	9.6% (1,500)		
<b>Wirral</b>	9.2% (2,550)		

**JSA 18-24 – yearly change** Rate down = Good Performance Rate up = Bad Performance

**Change in rate from May 2009:**

<b>Halton</b>	Down 2.3%	<b>Liverpool City Region</b>	Down 1.9%
<b>Knowsley</b>	Down 3.0%	<b>North West</b>	Down 1.0%
<b>Liverpool</b>	Down 1.7%	<b>England</b>	Down 0.7%
<b>Sefton</b>	Down 1.2%		
<b>St Helens</b>	Down 1.9%		
<b>Wirral</b>	Down 2.4%		

Source: ONS Claimant Count, June 2010

#### 4. VAT Registrations and De-registrations

- Latest data to 2007 demonstrates that the number of VAT registrations in Wirral was 720. This was an increase from the previous year's registrations of 590 in 2006 and the same number in 2005.
- The number of actual de-registrations to 2007 was 460, the same number as for 2006. Wirral's rate of de-registrations is 7.5%; this is the same as the North West rate, and just above the GB rate of 7.3%.
- VAT Business stock in 2007 was 6,140 businesses – an increase from 5,880 in 2006 and 5,755 in 2005.

#### 5. Employee Jobs (2008)

(Note: †Tourism consists of industries that are also part of the services industry. Employee jobs exclude self-employed, government-supported trainees and HM Forces. % is a proportion of total employee jobs)

	Wirral (employee jobs)	Wirral (%)	North West (%)	Great Britain (%)
<b>Total employee jobs</b>	96,400	-	-	-
Full-time	60,700	63.0	69.1	68.8
Part-time	35,700	37.0	30.9	31.2
<b>Employee jobs by industry</b>				
Manufacturing	9,900	10.2	11.6	10.2
Construction	4,600	4.7	5.2	4.8
Services	81,100	84.2	82.1	83.5
• Distribution, hotels & restaurants	22,400	23.3	23.5	23.4
• Transport & communications	3,100	3.2	5.8	5.8
• Finance, IT, other business activities	15,400	16.0	19.7	22.0
• Public admin, education & health	35,000	36.3	28.2	27.0
• Other services	5,200	5.4	4.9	5.3
Tourism-related†	8,300	8.6	8.2	8.2

Source: ONS annual business inquiry employee analysis