Solihull Economic Strategy 2023-32



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Preface

Solihull drives the West Midlands' economy. Our role will increase with the arrival of the HS2 Interchange station over the next decade and further substantial development investment around the UK Central Hub. Our economy already supports more than 151,000 jobs and generates output worth over £9.32bn following sustained growth over the last decade.

However our Borough is not without its challenges. There is a 10-year age gap in life expectancy between our least and most deprived areas, and some of our neighbourhoods are among the 10% most deprived nationally. Whilst we have succeeded in creating jobs, some of our people have really struggled to access them - and this mismatch is something we must address. In addition, we declared a local climate emergency in 2019. We are committed to achieving net zero within the Council by 2030 and for the Borough by 2041, setting in place a need to transition our economy and communities to become more sustainable.

To respond to these and other challenges, and to ensure we maximise future opportunities coming to Solihull, we are delighted to be launching this Economic Strategy which sets out our priorities for the next ten years. This will build on existing activities already being delivered by the Council (including through our Local Plan, Transport Strategy and Adult Education Budget Strategy) and by our partners across the region, local businesses, education and third sectors.

This Economic Strategy looks to deliver further and better economic growth within Solihull, whilst ensuring: that all our communities can participate and benefit, that we achieve our net-zero aspirations for the Borough, and that we create thriving places which become centres of our communities and support local people. It is supported by a set of actions which build on existing work that we are already undertaking across the Borough.

We have worked with partners to develop this Economic Strategy. We have run workshops and listened to a wide range of views in terms of how we might steer our economic future.

We look forward to working with partners to achieve our ambitions for Solihull and help us to achieve our vision to *create the UK's bestconnected economy – for business, for people, forever*.

Vision & Themes

Vision & Themes

Vision: Solihull 2032

We will be the UK's best-connected economy – for business, for people, forever.

HS2 Interchange Station will be open; there will have been substantial development linked to UK Central; and the Solihull town centre masterplan will have been largely delivered. In employment terms, the Borough will have seen the emergence of a stronger and much more distinctive entrepreneurial ecosystem in which major employers continue to be prominent alongside stronger and more distinctive networks of smaller businesses, some in knowledge-rich sectors which were barely recognised in 2022. The ecosystem as a whole will be innovative - in terms of products and processes, and with regard to the scale of carbon emissions. In terms of the latter, there will have been real progress in evolving long-established sectors whilst also inventing new ones and spearheading a regional effort in respect of retrofitting. There will also be real and progressive opportunities for local people living across all parts of the Borough; and as a result, inequalities in life expectancy and other health-related outcomes will be reducing.

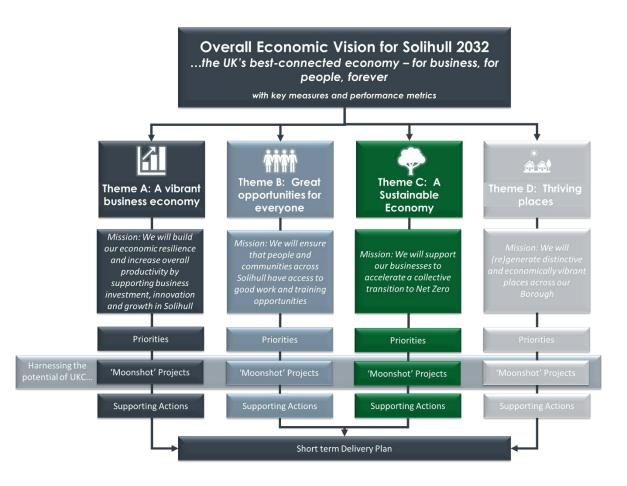
This will have been achieved through a combination of sustained inward investment, local entrepreneurship, the influence of higher education institutions and business growth. It will have been supported by an engaged network of (local, regional and national) public (and quasipublic) sector partners working creatively alongside private sector investors, local businesses and community groups to drive the vision for Solihull forward to fruition.

Achieving this vision will result in:

- growth in both GVA and GVA per job at a pace which is faster than the regional average
- an increase in lower quartile workplace and resident-based earnings at a faster rate than across the upper quartile
- growth in the stock of smaller businesses across Solihull
- a reduction in carbon emissions and clear progress towards achieving Net Zero by 2041.

Our Strategy

To achieve our Vision, we will advance four Themes and we will commit to a Mission within each; in high level terms, these Mission statements set out what we, as a Council, intend to do, supported by our stakeholders and partners. We have also identified priorities within each of our themes, and also recognised the importance of UK Central in our growth aspirations, with a series of high-profile 'moonshot' projects identified which will ensure we unlock the potential of the area.



Key Themes – and Missions	Key narrative	Key priorities for the <u>next ten</u> years
A vibrant business economy We will build our economic resilience and increase overall productivity by supporting business investment, innovation and growth in Solihull	Solihull has major assets and opportunities which set us apart in a national and regional context: we need to be driving high quality and path- breaking regional and national growth. At the same time, we need to invest in our own economic resilience, 'steering' the market to higher value activities; creating robust and vibrant SME economy as part of a wider innovation and enterprise ecosystem; and nurturing the growth of some key sectors (including through inward investment).	 We must: Support innovation within the Borough Deliver the right types of commercial space (particularly affordable and flexible workspace) to support sustained business growth Invest in and align workforce skills with the changing needs of employers Support the growth of a 'new economy' which builds on emerging strengths in the digital and creative sectors, acknowledging the role the NEC plays in hosting this sector Develop a more entrepreneurial economy, through skills provision and business support throughout the Borough Support the growth of small businesses throughout the Borough, continuing our strong local business engagement Create a compelling value proposition for Solihull, promoting the Borough to policy makers and potential inward investors
Great opportunities for everyone We will ensure that people and communities across Solihull have access to good work and training opportunities	There are major differences in life chances across Solihull. Investment and growth present both opportunities and challenges in this context. In working towards tackling inequalities, Solihull needs to be a Borough where everyone can progress and enjoy a good quality of life.	 We must: Increase awareness of and improve access to new and existing opportunities being developed within Solihull Link the opportunities of the UK Central Hub and the wider UK Central area with the resident population Understand and address inequalities in access to employment and training Help businesses build stronger relationships with their local communities Ensure the Council's investments maximise social returns for local communities

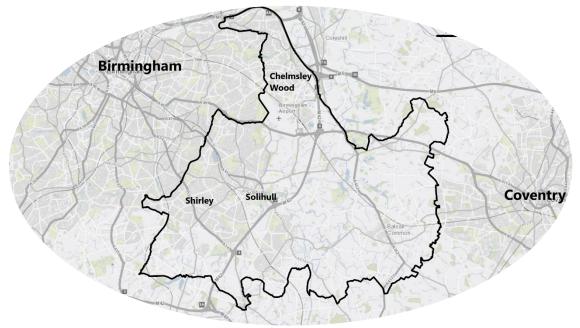
A Sustainable Economy We will support our businesses to accelerate a collective transition to Net Zero	There is a shared determination to make real climate change action in the next ten years. This will include 'nudging' and steering sectoral growth patterns. There are real opportunities – particularly given the scale of planned development.	 We must: Support Solihull's businesses to decarbonise their activities Support and encourage both retrofit in residential and commercial buildings, and sustainable construction Support the development of local area energy networks to meet the needs of new developments in the Borough and meet net zero targets Better promote low carbon alternatives to local residents and businesses, linked to Social Value Deliver skills to support the growth of the low carbon sector Work across SMBC to maximise opportunities for climate change adaptation Explore the role of large businesses as custodians of large landholders and significant assets Develop circular economy principles within Solihull
Thriving places <i>We will (re)generate</i> <i>distinctive and</i> <i>economically vibrant</i> <i>places across our</i> <i>Borough</i>	Solihull includes some very different places, each of which needs to thrive in economic terms whilst increasing sustainability overall. Different parts of the Borough will be shaped in different ways in response to our shared overall vision.	 We must: Develop and support local centres and improve access to services through the concept of '15-minute' neighbourhoods Advance UK Central Hub as an exemplary development zone Deliver change within our town and local centres, including Solihull, Shirley and Chelmsley Wood, making them more sustainable and attractive places Work with partners to deliver plans for growth and expansion across the Borough Work with local communities to develop place-based approaches to the Net-Zero transition Maintain Solihull town Centre as a leading regional centre with a commercial mixed-use environment to support communities Facilitate the creation of a new high density mixed use environment at the UKC Hub

Solihull's character

Solihull's character

As a Borough, Solihull is home to many of the West Midlands' - and the UK's – prime economic assets: an international airport, a major business/leisure venue, and a group of major businesses (including, in several cases, major research functions). It also has the very real prospect of more. This includes HS2 Interchange Station (which should be operational around the turn of the decade) and substantial new development and investment associated with the UK Central Hub the foundations of which are clearly now visible 'on the ground'. Major professional service and other

businesses are being attracted to the Borough and many are willing to pay a premium for high specification commercial premises, such are the locational advantages. Solihull is on the edge of the West Midlands conurbation and benefits from close connections to Birmingham, Coventry and Warwickshire, all of which have substantial assets that support Solihull's economy. The area is in easy reach of much of the UK through the motorway and rail network; and Solihull benefits from extensive countryside, which helps sustain a quality of life and is a major asset.



Solihull's economy has performed well over the past decade, with employment and economic output (GVA) growth exceeding the performance of the West Midlands region. Productivity¹ is 40% higher than the West Midlands average – and we have the most productive local authority area in the region.

¹ Measured as GVA per job

Solihull is a major contributor of jobs to the wider region, with 62% of jobs within Solihull filled by residents from outside of the area².

However, there is evidence that our growth trajectory has slowed in recent years, with no net employment growth in Solihull from 2016 to 2020^3 . The impact of the COVID-19 pandemic and the withdrawal of the UK from the EU have all impacted the Borough's economic performance in recent years, particularly given the nature of some of our major assets (around the tourism and leisure sectors). The early signs are that Solihull has rebounded well from the pandemic; however the long-term impact is still to be assessed.

Solihull offers a vibrant and thriving location in which to live, work and visit. A unique mix of urban adventure and rural relaxation makes Solihull a great place to raise a family and spend leisure time. The Borough offers a range of quality housing, top rated schools and unrivalled connectivity to the wider region and beyond, making it the perfect base to attract and retain staff.

The Borough's motto '*Urbs in Rure*' (Town in Country) reflects the fact that Solihull enjoys a proliferation of green space including 16 areas that have been awarded a Green Flag, the gold standard for public spaces in the UK. In addition to our wide range of public parks, gardens and playing fields, there are 150 miles of public rights of way opening up woodland and open countryside both within the Borough and in neighbouring Warwickshire.

Our green space has been further enhanced through our Wildlife Ways project, a £16.8 million programme that has made Solihull greener by opening up and improving existing routes, allowing wildlife to flourish.

Ours is also a Borough where life chances vary substantially. In the main, jobs have been plentiful, with vacancies across businesses - but there are still too many people who are unable to access those jobs and/or to share in our Borough's success. Of real concern is the intractable nature of deprivation which appears deep-seated and inter-generational Our poorer areas are falling further behind the rest of England overall, and the gap has also widening between them and the rest of Solihull. The fact that it coexists with economic buoyancy presents particular dilemmas and inconsistencies. The requirement in this context is for a range of different solutions.

As a Borough, we are committed to reaching Net Zero by 2041. Given that our local economy has long been defined around movement and connectivity, we need to think about

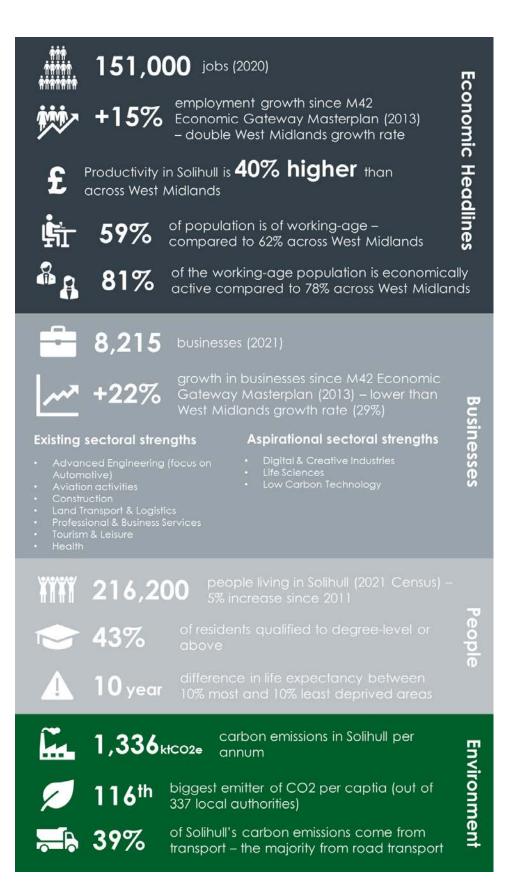
² Census 2011 Commuting Data

³ Business Register and Employment Survey, with the removal of 'combined facilities support activities' (SIC code 81100) employment

future pressures. For some of our major employers, Net Zero will mean major transitions, bringing opportunities and threats at a local level – and the future will need to look different from the past. In 2019, the UK Government made a legal commitment to achieving net zero by 2050. Since then it has published a Net Zero Strategy, Build Back Greener (2021). We have an obligation to meet this national commitment, which also provides an opportunity to build on our already positive reputation for climate action and exhibit further leadership. Incorporating real action towards net zero in this Economic Strategy is a vital next step: without a business net zero transition, all related targets are impossible

Solihull's economy

Economic snapshot of Solihull



Opportunities and challenges for Solihull as we look ahead

	•	Solihull has substantial locational advantages and plans for the HS2
		interchange station will improve its national and international connectivity
		further. Solihull's connectivity to Birmingham, Coventry and Warwickshire means
		it is well-placed to benefit from wider growth initiatives and assets based in
		neighbouring areas.
	•	Arden Cross is of national significance and has potential to be a major driver of
		economic growth in Solihull for decades. Plans for Arden Cross make reference
les		to a major innovation hub, with a focus on growth sectors, creating major
nit		opportunities for Solihull if this ambition is realised.
Our Opportunities	•	Solihull is home to major advanced engineering businesses in automotive and
ō		aerospace. JLR and Rolls Royce (Birmingham Business Park) are key players.
Op		Both are embracing climate change adaption and using it to effect radical
L		innovation (including in relation to electric vehicles, linking closely to one of the
Ō		Grand Challenges from the Industrial Strategy White Paper).
	•	The NEC is based in Solihull, as is Birmingham International Airport. Both were
	-	affected substantially by the pandemic, but both are now reported to be very
		busy . Both are major local employers – and both provide scope for entry level
		jobs.
	•	There are substantial ambitions for Solihull Town Centre in the masterplan, with
	-	the potential to generate an additional 4,000 jobs by 2040.
	٠	Parts of the Borough – particularly North Solihull – are characterised by acute
		socio-economic exclusion and disadvantage. North Solihull shares some
		characteristics with neighbouring East Birmingham in relation to some of its
S		challenges.
Our Challenges	•	There are jobs in Solihull which need filling – and people in Solihull who need
lle		jobs . However there is a disconnect between the two. Issues of access are
ha		problematic. There is a transport angle to this but also an employability/skills
ں د		dimension.
0	•	The climate emergency is a major challenge, with the problems of climate
		change, air pollution and reduction of species and biodiversity needing to be
		treated together. In achieving net-zero by 2041, we need to make sure we take
		communities with us, protect employment, and avoid adversely affecting the
		local economy and deprived communities ⁴ .

National Role

Solihull occupies a nationally important position. It is home to the NEC and Birmingham Airport, which attract visitors, tourists and investment from across the UK (and beyond). Our presence on the national stage will increase further over the next decade, with the development of one of the country's largest growth opportunities around the new HS2 Interchange station and Arden Cross. Solihull's UK Central Hub presents an opportunity of national scale to bring forward major growth, with superb national and international

⁴ Climate Change Emergency, Solihull Metropolitan Borough Council, 2019

connectivity thanks to its International Airport and rail links and its position at the heart of the UK's motorway network.

Regional Role

Solihull drives the regional economy. This reflects superb connectivity (and associated gateway functions) and the opportunities associated with UK Central Hub. It also reflects its industrial make-up, particularly with regard to advanced engineering (automotive and aerospace).

These assets and attributes mean that Solihull's growth narrative is bound up with that of the wider West Midlands.

Solihull's connectivity to the rest of the West Midlands means that we can benefit from assets across the region, including universities, research institutions and major economic initiatives (such as the legacy of the Commonwealth Games and regeneration initiatives in Coventry and Birmingham City Centres). We are well placed to support neighbouring areas in their growth aspirations, but also benefit from wider economic growth and research taking place across the region.

Why an economic strategy now? Securing a better economic future for Solihull

Why an Economic Strategy now? Securing a better economic future for Solihull

Whilst Solihull's economy has performed well in recent years, the Borough is facing some challenges. Ten years since the M42 Economic Gateway Masterplan was launched, we need to take stock.

This is the pivotal moment. Influencing the way in which UK Central is developed, and the composition of Arden Cross is a once-in-a generation economic opportunity for Solihull and should be maximised for the benefit of the Borough and our communities.

The uncertain macroeconomic and political environment in which this Economic Strategy has been developed creates a range of opportunities and challenges. As we recover from the impacts of COVID-19, we need to re-confirm our position as a highly connected, business friendly location.

We need to act now to secure a better economic future for Solihull and ensure that we maximise the benefits that come from major investment into the Borough:

 The UK economic context is increasingly competitive, and we need to work even harder to position Solihull as a major economic player within the West Midlands and beyond. Although HS2 will bring substantial opportunities, we are competing against other locations for new investment.

- There are **inter-generational challenges** facing North Solihull, with high levels of deprivation in parts of the Borough. There is a risk that some of these areas fail to receive appropriate support.
- There is a risk that slower employment growth over the past few years continues well into the future, with current employment projections for the Borough suggesting a long-term decline in employment.
- We must transition to a net-zero future, both to meet our own targets and ambitions, and to create a more sustainable economy.

Relationships with other Strategies

Our new Economic Strategy will be delivered alongside other strategies at national, regional and local levels. Many of these have aspirations which resonate with our own.

The importance of Solihull is recognised in the West Midlands Combined Authority (WMCA) Plan for Growth, the WMCA HS2 Growth Strategy and the West Midlands Industrial Strategy. Our Strategy follows many of the same themes. For example, we will work towards attracting some of the clusters identified within the WMCA Plan for Growth.

The West Midlands Combined Authority, and the UK government are key delivery partners, and we are committed to working closely with them. By aligning with aspirations held regionally and nationally, we will talk to – and influence – our partners on matters of strategic importance. Solihull is committed to working beyond its boundaries to securing its long-term economic future.

Within Solihull, we have already developed a range of Strategies which aim to give everyone 'an equal chance to be healthier, happier, safer and



more prosperous through growth that creates opportunities for all'⁵:

- Through our Council Plan we are looking to revitalise our town and local centres, deliver UK Central and maximise the opportunities of HS2 and enable our communities to thrive.
- In 2019 we declared a Climate Emergency which commits us to achieving net-zero as a Council by 2030, and as a Borough by 2041.
- Actions developed in our Net Zero Action Plan set out how we will achieve this in partnership with others.
- Our new Solihull Connected Transport Strategy identifies the importance of transport in achieving our economic ambitions and the role it in breaking down barriers between our communities.

⁵ Solihull Council Plan 2020-2025, Update 2021-22

• Our Health Inequalities Strategy sets out our plan to reduce health inequalities over the next three years moving us towards a future where Solihull residents have a fairer opportunity to be healthier, happier, safer and more prosperous.

Theme A: A vibrant business economy

Theme A: A Vibrant Business Economy

Baseline position

Solihull's economy is generally strong, and we typically perform above regional and national levels. Solihull has major assets and opportunities which set it apart: it should be driving high quality and path-breaking regional and national growth. However, despite strong performance over the past decade, Solihull has experienced a mixed performance in recent years.

Whilst the Borough is home to major assets which will shape the future, there is a need to 'steer' the rest of the market towards higher value activities; creating a robust and vibrant SME economy as part of a wider innovation and enterprise ecosystem; and nurturing the growth of some key sectors (including through inward investment). This will be important if Solihull is to fully recover from the COVID-19 pandemic and build a more resilient economy for the future.

There have been major developments over the past decade:

 Since the publication of the M42 Economic Gateway Masterplan,
 Solihull has grown strongly relative to the West Midlands,
 with employment growth over 20% between 2013 and 2017 – far beyond the regional (10%) and national growth rates (9%). Our overall economic output has also grown strongly, with 51% growth in nominal terms since 2010, compared to growth of 20% across the West Midlands and 19% nationally. Productivity in Solihull is currently 56% higher than the UK average.

- We have been successful in attracting major new investment into Solihull. We have developed major new initiatives around UK Central and put in place plans for further major development across the area.
- Our skills profile has improved over the past five years, with a higher proportion of our population having NVQ Level 2 qualifications or above in 2020 (81%) compared to 2016 (70%)⁶.

However, there continue to be unmet challenges:

- Economic growth in recent years has slowed. There has been no net employment growth experienced in the Borough since 2016.
- Economic projections for the future of Solihull (produced by City-REDI and Oxford Economics)

⁶ ONS Annual Population Survey, 2021

suggest that **employment will decline**⁷ over the next decade without intervention.

- There are ongoing skills shortages, with 37% of unfilled vacancies being the result of skill shortages (compared to 22% nationally)⁸.
- There is continued strong demand for employment space from a range of sectors including business, professional and financial services, advanced manufacturing and life sciences⁹, with a lack of supply across the Borough. Whilst this is positive, it has led to low vacancy rates in the remaining employment space¹⁰ hindering the potential for new businesses to move into the area, or existing businesses to expand.
- Whilst we benefit from a number of large businesses within the Borough, our small business economy can be further developed. Diversifying the mix of businesses will help to make our economy more resilient to future shocks.

⁷ With the removal of the 'administration & support' sector, following the discovery of data anomalies in employment data.
⁸ The Story of Solihull 2020, Solihull Metropolitan Borough Council, 2020
⁹ NEC Masterplan, The NEC Group, 2021
¹⁰ CoStar Data, 2022

 Uninterrupted access to data is becoming a critical utility in the modern economy, driving productivity, resilience and growth. Work is needed to ensure Solihull benefits from the availability of these services.

Mission Statement

We will build our economic resilience and increase overall productivity by supporting business investment, innovation and growth in Solihull

We will support our businesses to drive growth across the economy. We will support business investment into the Borough, encourage more businesses to innovate, and support the growth of businesses through the provision of the right types of commercial space and by providing the right types of skills demanded by local businesses.

Priorities

- Support innovation within the Borough – We want to encourage more open innovation between businesses, brokering relationships between our largest and smallest businesses to increase innovative activity in Solihull.
- Support our high value sectors Solihull has wide-ranging strengths in automotive manufacturing, transport, business & professional services and ICT linked to the Borough's major economic assets. These sectors drive Solihull's impressive productivity. We will work continue to maintain strength in those sectors and to help them to grow and develop, including exploring propositions across bordering regional boundaries to support emerging sectors.
- Deliver the right types of commercial space (particularly affordable and flexible workspace) to support sustained business growth – Solihull is an attractive place for businesses,

with a range of commercial property available at our Business Parks and across the Borough. However much of this caters for our largest businesses, and there is a lack of start-up and grow-on space within the Borough. We want to ensure that all businesses are able to access the types of space they need.

- Invest in and align workforce skills with the changing needs of employers – skills shortages are a challenge within the Borough which is holding back the growth of our businesses. We will ensure that Solihull has the right types of skills to meet the needs of our employers, and work with educational institutions and partners to ensure the right types of skills are delivered locally.
- Support the growth of a 'new economy' which builds on emerging strengths in the digital and creative sectors – we want to support the diversification of our economy with growth in a 'new' range of

sectors, which will create opportunities for all in Solihull. This includes developing our digital and creative sectors and taking advantage of new sectors as they develop (including emerging clusters or technology strengths as identified in the West Midlands Plan for Growth, including evolution of logistics, cyber security, e-commerce and 5G adoption). To achieve this, we will work with neighbouring areas to support cluster growth and development, including the strong digital and creative sectors in South Warwickshire and Birmingham.

- Support the development of the care sector – both in acknowledgement of the recent growth in the sector and its anticipated future demand and of the role care can play in giving opportunities to work to both clients and care-givers.
- Develop a more entrepreneurial economy, through skills provision and business support

 we want to encourage more new businesses to start-up across

Building on existing activity

Our ambitions to support economic growth and build productivity go back to the M42 Economic Gateway Masterplan. This Economic Strategy will build on the progress that has been made and will harness: the Borough and establish their roots here.

- Support the growth of small businesses – we want to support the growth aspirations of our smallest businesses through continued engagement, providing business support and skills training to maximise their potential, including our rural areas.
- Support improved digital connectivity and 5G across the Borough both to enable the use and roll out of new technology and to facilitate remote working, whether in people's homes or in local centres.
- Create a compelling value proposition for Solihull, promoting the Borough to policy makers and potential inward investors – given our position in the West Midlands, we want to become a beacon for the West Midlands, attracting inward investment into the area, and ensuring that we maximise the benefits that come with the UK Central Hub and the opening of the HS2 Interchange.
- WMCA Plan for Growth this aims to capitalise on existing clusters of scale and strength to deliver up to 44,800 new jobs across the West Midlands by 2030. It will create the conditions

for private sector-led investment and growth. Eight primary clusters/sectors have been identified. Solihull already has some significant assets/businesses (including manufacturing of electric vehicles, logistics and distribution, aerospace, and professional and financial services).

• Emerging Solihull Employment and Skills Strategy - sets out ambitions to move more of our jobseekers into employment, and develop a more integrated employment, health and wellbeing offer for jobseekers.

 Solihull Connected – our transport strategy has ambitions to ensure that the transport network will help the economy to grow in a way that is equal and fair for everyone.

Our 'Moonshot' Projects

Our 'Moonshot' Projects	Description
A1) Accelerate the growth of a dynamic innovation cluster founded on low carbon and advanced engineering and with a particular focus on all aspects of future mobility. This should connect with the wider West Midlands Innovation Accelerator venture with close links to the Connected Places Catapult.	 Develop a low carbon and advanced engineering cluster of activity within the UK Central Hub, with a focus on the future of mobility and addressing some of the challenges associated with this. Bring together existing innovative businesses in Solihull and along the A45 corridor (Birmingham to Coventry) to share best practice and collaborate across the area. Connect this cluster of activity into the wider West Midlands Innovation Accelerator venture, which aims to 'accelerate the growth of regional clusters of excellence in HealthTech & MedTech and CleanTech' with a particularly focus on accelerating the region's engineering R&D and innovation strengths. Look to attract nationally significant assets within the low carbon, advanced manufacturing and future mobility sectors into the area, including building links with the Connected Places Catapult and the Manufacturing Technology Centre.
A2) Secure Levelling Up Zone status for the UK Central Hub, to support infrastructure funding.	• Secure business rate retention through achieving Levelling Up Zone status for East Birmingham and North Solihull to deliver enabling infrastructure for the Borough.
A3) Deliver new	• Work to attract new innovation and research investment

Our 'Moonshot' Projects	Description
research and innovation investment into Arden Cross around growth sectors.	 into the Arden Cross site, working with partners such as the University of Warwick, particularly around Solihull's key growth sectors. Ensure that this new investment maximises its impact on the local residential and business communities, with outreach and knowledge transfer embedded into the proposals. Understand spatial and locational requirements of potential partners and ensure this is reflected in emerging proposals for the area.

What are we trying to achieve?

- Improve the productivity of our economy, achieving growth in both GVA and GVA per job at a pace which is faster than the regional average.
- Increase the stock of smaller businesses across Solihull.
- Increase the level of inward investment into Solihull.
- Deliver new affordable SME commercial workspace to support our smallest businesses, including in local and village centres.
- **Improved digital connectivity** to facilitate new ways of working and the application of new technology in the Borough.

Theme B: Great opportunies for everyone

Theme B: Great Opportunities for Everyone

Baseline position

The benefits of Solihull's strong economic performance are not shared equally across the Borough. The issues are particularly pronounced in North Solihull, with over half of the population living in neighbourhoods which are among the most deprived 10% of LSOAs nationally, including one in five living in the most deprived 5% of LSOAs¹¹. There are areas of deprivation to the west of Borough, including in Green Hill and Hobs Moat North, which are among the 15% most deprived LSOAs nationally.

Ensuring that everyone is able to benefit from the opportunities that are coming to the Borough is critically important, so that residents are able to participate in their local economy.

The challenges we face are demonstrated by the following statistics:

 Solihull has one of the largest gaps in the country between the life expectancy of those living in the most and least deprived neighbourhoods¹². There is a 10year gap in the life expectancy of those from the 10% least and most deprived communities in Solihull.

- Average household income in North Solihull is **31% lower** than across the rest of the Borough, with this gap rising to 46% when housing costs are taken into account¹³. Over a quarter of children in North Solihull are living in low-income families¹⁴.
- Deprivation indicators suggesting that North Solihull is not improving in line with the rest of the Borough.
- 11.% of 18–24-year-olds in North Solihull were claiming unemployment benefits in March 2023 – far above the national average of 5%.
- Although deprivation is concentrated in North Solihull, need is distributed across the Borough, with two of the MSOAs with the lowest annual income being in the west of the Borough.

The pandemic and the ongoing costof-living crisis has exacerbated the challenges faced by Solihull's most

¹¹ Index of Multiple Deprivation, MHCLG, 2019

¹² The Story of Solihull 2020, Solihull Metropolitan Borough Council, 2020

 ¹³ The Story of Solihull 2020, Solihull Metropolitan Borough Council, 2020
 ¹⁴ Children in Low Income Families, HMRC & DWP, 2018/19

deprived communities, building the case for further intervention needed to ensure that all residents in Solihull are able to benefit from upcoming opportunities in the Borough. Health and wealth – and the environment - are all inextricably linked which is why the Economic Strategy and Health Inequalities Strategy connect both strategically and through aligned actions.

Mission Statement

We will ensure that people and communities across Solihull have access to good work and opportunities to develop their skills in line with employer demand.

This *Economic Strategy aims to ensure that everyone in the Borough is aware* of local opportunities for training and employment, has a pathway through which they can access them and support to tackle any barriers to reaching their potential.

Priorities

The following priorities have been developed to ensure that Solihull's people and communities have access to good work and opportunities to develop their skills in line with employer demand:

 Increase awareness of and improve access to new and existing opportunities being developed within Solihull and the wider travel to work area – major investment is expected in Solihull over the next decade (and beyond), so there is a need to ensure that everyone within the Borough is aware of opportunities that will come forward in the future. We will ensure that Solihull's residents are prepared for these opportunities and are able to access them through sustainable transport options.

- Maximise the potential of the local resident workforce – economic inactivity is growing and many of our communities face a range of barriers to accessing employment and training. We will work with our local communities and partners to break down these barriers and tackle inequalities. We will continue to support residents get into work by improving skills, raising confidence and publicising opportunities.
- Help businesses build stronger relationships with their local communities – Solihull has a relatively mature business base,

many of which have been attracted to the area in search of transport connectivity, a highly skilled workforce and commercial space. We will work alongside businesses to better embed them into their local communities, including Solihull's rural areas, making businesses more conscious of their activities and the impact they can have on the local area, including the way in

Building on existing activity

There is already strong momentum locally to support communities in developing skills, tackling inequalities and providing better transport access, which are helping to open up opportunities for everyone:

- WMCA Regional Skills Plan has ambitions to better prepare our young people for future life and work, through regional networks of specialist, technical education and training, good quality apprenticeships across the region, and supporting inclusive growth by giving more people the skills needed to get and sustain good jobs and careers.
- Solihull Connected our emerging Solihull Connected transport strategy has ambitions to ensure that the transport network will help the economy to grow in a way that is equal and fair for everyone. This will provide access to new housing and

which they can influence the local skills landscape.

 Ensure the Council's investments maximise social returns for local communities – the Council is a major investor and employer within Solihull. It will maximise the social return on its investment, ensuring that local communities benefit from investment made in the Borough.

employment sites and will support the regeneration of Solihull's local and district centres and provide people in the rural east of the Borough sufficient access to public transport.

- Health Inequalities Strategy -This strategy, and our collective commitment to its guiding principles, represents our ambition to create a place where everyone in Solihull has a fair chance to be healthier, happier, safer, and more prosperous. This includes providing high-quality, real, and lasting jobs with career routes and ongoing education and development for residents, focusing on those disadvantaged within the employment market
- Local Skills Improvement Plan the Chamber of Commerce is currently developing trailblazer local skills improvement plans, based on an 'employers-first'

skills policy that will set out the key priorities and changes needed to make post-16 technical education or training more responsive and closely aligned to local labour market needs and to provide a representative and

coherent employer view of the skills most needed to support local economic growth, boost productivity and improve employability and progression for learners.

Our 'Moonshot' Project

Our 'Moonshot' Project
B1) Deliver a workforce masterplan to ensure all of Solihull's residents can access the opportunities being developed across the UK Central Hub.

What are we trying to achieve?

- Reduce the barriers to employment for those looking to return to work (either those who are long-term unemployed or returning to work from being economically inactive).
- Improve public health outcomes, reducing the life expectancy gap between our most and least deprived communities.
- Improve public transport so that our communities can all access future opportunities, and not be reliant on their own vehicles through Solihull Connected.

- Ensure that the **types of skills** that our residents have match those needed by employers.
- Reduce deprivation in areas of long- term intergenerational unemployment.
- Harness a set of businesses with a rich understanding of their local communities and the challenges facing them and are proactively creating solutions to address these challenges.
- Deliver **maximum social value** from public and private sector investment into Solihull.

- Use appropriate community venues, including libraries, to offer employment support and make residents aware of new job opportunities,
- Increase the number of people in 'decent work'¹⁵ in Solihull.

¹⁵ As defined through Goal 8 of the UN Sustainable Development Goals

Theme C: A sustainable economy

Theme C: A Sustainable Economy

Baseline position

We declared a local climate emergency in 2019, supported by the development of a Net Zero Action Plan (NZAP) in 2021.¹⁶ The NZAP sets a net zero emission target for the Council by 2030 and for the Borough by 2041, in-line with the WMCA's carbon reduction ambitions. Our work on climate change and sustainability was recognised in the Climate Emergency UK's 'Council climate plan scorecards' where SMBC was scored second across the UK for single tier local authorities.¹⁷

Every business has a role to play in achieving net zero - both through onsite operations, and through the products and services the generate. They are key stakeholders in the NZAP. This identifies actions that businesses need to take around climate change and sustainability.

The key opportunities are:

 Support and grow the low carbon circular economy business sector. There is a specific opportunity in the area of retrofit goods and services that the Borough can prepare for (subject to availability and scale of funding).

- Capitalise on existing shared knowledge and experience of implementing net zero targets via peer-to-peer support. Of our 22 largest businesses¹⁸, 17 have set explicit net zero targets for their businesses, with nine having net zero or carbon management plans to support the achievement of those targets, and another four committed to producing a plan. The active Solihull Sustainability Visioning Group offers a live opportunity to provide that peerto-peer support and more.
- Our draft Local Plan (which is undergoing the examination process) sets out ambitious policies and targets relating to climate change and net zero. In particular, Policy P9 (Mitigation and Adapting to Climate Change) sets out to make sure new development coming forward reduces carbon emissions and helps the transition to a low carbon economy.
- Climate change adaptation in the automotive sector is being

¹⁶ Net Zero Action Plan, Solihull MBC,2021

¹⁷ Council Climate Plan Scorecards | Climate Emergency UK (councilclimatescorecards.uk)

¹⁸ As part of the evidence review for this strategy, a desktop survey of the net zero profile of businesses in the SMBC area with 250+ employees was undertaken.

driven by a UK Government commitment to ending sales of new petrol and diesel cars by 2030 and ensuring all new cars and vans will be fully zero emissions from the tailpipe from 2035.¹⁹

Key challenges include:

- Managing energy demand from large developments – with the high levels of development happening in the next ten years, there is a need for innovation around low carbon energy networks, particularly in the UK Central Hub area.
- Increasing our knowledge of how medium and SME businesses are transitioning to net zero in the SMBC area. A lack of in-house skills and knowledge is frequently referred to as the main barrier for businesses²⁰.
- Transport emissions account for a high proportion of our emissions (39% of come from transport, with the majority of those coming from road transport). As a Borough, we have a limited influence over some of these emissions (given the national motorway network), however, we need to encourage the transition of business fleets from petrol and diesel vehicles to using lower carbon alternative

vehicles, namely electricity and hydrogen. We launched our Electric Vehicle Strategy²¹ in July 2022, with a focus on developing workplace depot electric vehicle charging infrastructure.

 Whist the UK net zero by 2050 strategy is in place²², we are awaiting further detail regarding implementation and potential funding to support the transition.

 ¹⁹ Transitioning to zero emission cars and vans: 2035 delivery plan, HM Government, 2020
 ²⁰ SME Climate Hub National Survey

²¹ 'Going Electric' - Solihull's ElectricVehicle Strategy, SMBC, update July2022

²² Net Zero Strategy: Build Back Greener, HM Government, 2021

Mission Statement

We will support our businesses to accelerate a collective transition to Net Zero

The net zero transition of businesses is critical for wider climate change and sustainability ambitions – both locally and globally. The net zero transition supports the creation of future green jobs which is a big opportunity.

Priorities

The following priorities have been identified:

- Support and encourage sustainable construction, in particular retrofit in both residential and commercial buildings. 56% of current carbon emissions in the area come from energy use of domestic and nondomestic buildings according to the Solihull NZAP²³ and as such, should be a significant focus for a net zero focused Economic Strategy. Supporting the (potential) retrofit sector is an opportunity for Solihull.
- Support Solihull's businesses to decarbonise activities. There is scope for peer-to-peer business learning on climate change and sustainability and also for large businesses to support their supply chains.
- Support the development of local area energy planning to

meet the needs of new developments in the Borough whilst also meeting net zero targets. Local area energy planning, led by local government, working with stakeholders to explore different energy futures for an area and develop the most cost-effective options for decarbonisation.

- Work across the Council to maximise climate change adaptation opportunities- we have opportunities to use our buying power to achieve positive sustainability outcomes and drive the market to adopt net zero business propositions.
- Deliver skills to support the growth of the low carbon sector.
 Supporting Theme A, there is a wide range of skills required.
 These range from the more traditional (repair and remanufacture) to cutting edge skills that develop through the ongoing climate change transition.

²³ Net Zero Action Plan, Solihull MBC,2021

- Support and encourage circular economy activity within Solihull to reduce carbon emissions and increase resilience. There is an opportunity to build understanding of circular business models (re-use, remanufacture, products as service) that can bring carbon and financial savings as well as increased business resilience.
- Better promote low carbon alternatives to residents and businesses, linked to social value. This priority aims to make the link between local businesses providing low carbon and goods and services to those that are looking to invest in low carbon technology but lack the relevant knowledge and experience.

Building on existing activity

This Economic Strategy builds on the Net Zero Action Plan. It also fully supports regional and national policy in relation to net-zero aspirations, including the national Net Zero

- Explore the role of large businesses as custodians of large landholdings and significant assets. There is an opportunity for larger businesses to use their land, where appropriate, for positive biodiversity gain. Larger businesses should also be considering the resilience of the changing climate on their premises and assets.
- Town Centre Masterplan deliver and expand Solihull Town Centre's Energy Network supporting the transition to a low carbon economy and net zero economic growth.

Strategy: Build Back Greener and the WM2041 Five Year Plan setting out how the WMCA area can deliver netzero carbon emissions by 2041.

Our 'Moonshot' Projects

Our 'Moonshot' Projects	Description	
C1) A public private partnership on large scale low carbon energy planning	 Develop a prospectus which identifies the low carbon energy investment opportunities within the Borough that the private sector can respond to. Discussions and stakeholder engagement show low carbon local energy planning as being a key challenge for the Borough. 	

What are we trying to achieve?

- To become a leading local authority/ home for net zero businesses and a leading local authority on low carbon retrofit businesses/skills.
- To reduce carbon emissions NZAP to set KPIs to track progress.
- To see all Solihull businesses with over 250 employees setting

a science-based net zero target with associated action plan by 2025.

• To increase the number of SME businesses accessing climate change and sustainability related networking, training or funding.

Theme D: Thriving places

Theme D: Thriving Places

Baseline position

Solihull has different places which support the Borough's economy. Each of these places has its own identity, creating a Borough which offers a high quality of life for its residents and an attractive and investable place for businesses.

Over the next decade, our places will need change to meet the needs of residents and businesses, but also to transition into more environmentally friendly places. This Economic Strategy looks to support new and existing towns and local centres in transitioning to net-zero, whilst developing wider growth aspirations.

Much has already been achieved. Since the M42 Economic Gateway Masterplan was published, there have been major development plans created for Solihull's largest places, with all of these set to impact upon the area's economic trajectory over the next decade. These include:

- Arden Cross launched a major 25-year £3bn masterplan in 2021, with ambitions to deliver up to 3,000 new homes, 558,000m2 of commercial space and support up to 27,000 new jobs.
- The NEC has launched its masterplan in 2021 to develop a greater variety of land uses on its land, including new homes,

commercial offices and retail and leisure. This will deliver up to 5,000 new homes housing more than 11,000 people and 50,000 sq m of commercial office, retail, leisure and community floorspace in addition to the existing industrial floorspace.

- Birmingham Airport, already an important economic asset to the region through the global connectivity it offers, has a masterplan (2018) to grow passenger volumes by 40% by 2033, with ambitions to increase air-side capacity, and better integrate with regional public transport initiatives.
- We have a masterplan for Solihull town centre which aims to create a 'thriving, premier town centre and a vibrant destination at the forefront of visionary design, sustainability and innovation'. To bring forward the development we have offered a town centre site for a new Police Station.
- An Economic Plan for Shirley has been launched with ambitions to promote a clear identity for the town and enhance the town centre experience.
- Improvements around Chelmsley Wood Town Centre have been

proposed, to improve the overall offer for residents and visitors.

These developments will shape the area for decades to come:

 The role of our town and local centres is changing rapidly, reflecting wider national trends.
 Once focused on retail, their role is now expanding to a wider range of mixes, including leisure, work, recreation, and living. We must ensure that our town and local centres **continue to evolve** to meet this changing role.

 All of our communities and places will need to transition to net-zero, creating sustainable places that contribute towards our environmental ambitions.

Mission Statement

We will (re)generate distinctive and economically vibrant places across our Borough

Our Borough is home to a diverse set of places, which is set to evolve with new development coming forward through our UK Central programme. We want to ensure that all of our communities are distinctive and economically vibrant places, which are also supported in transitioning towards net-zero.

Priorities

We will:

- Develop and support local centres and improve the access to services through the concept of '15-minute' neighbourhoods in Solihull: we will support developers and transport planners in increasing active travel infrastructure in Solihull, particularly around our town and local centres, developing the principles behind '15-minute' neighbourhoods and sustainable rural places for our villages and supporting local supply chains.
- Advance UK Central Hub as an exemplary development: we will work in partnership to deliver an

exemplary development, actively looking to attract new investment into the area and nurturing employment and business growth in these locations.

 Deliver change within our town and local centres, making them more sustainable and attractive places: we will support the evolution of Solihull, Shirley and Chelmsley Wood town centres, facilitating them in their transition to net-zero and making them more attractive places, embedding the cultural sector and working to achieve the ambitions set out within the respective Masterplans for our town centres.

- Work with partners to deliver plans for growth and expansion across the Borough: we will support the growth ambitions held by our major partners (including Arden Cross, the NEC and Birmingham Airport) and ensure that this maximises opportunities for our local communities whilst being done in a sustainable manner.
- Work with local communities to develop place-based approaches

Building on existing activity

There is already strong momentum locally to support communities in developing skills and providing better transport access, which are helping to open up opportunities for everyone. There are a range of existing activities which will be supported as part of the delivery of this strategy: to the Net-Zero transition: our communities have the best knowledge of their places, and what they need to deliver change within their local area. We will work to empower our local communities, developing 'Communities, developing 'Community Wealth Building' initiatives to help our communities take ownership of local net-zero activities and contribute towards them.

Solihull Connected – our Solihull Connected transport strategy has ambitions to ensure that transport will contribute to improving the quality of life in our Borough, creating a choice of travel modes for us to lead healthy lifestyles and make our communities great places to live.

Our 'Moonshot' Projects

Our 'Moonshot' Projects	Description	
D1) Prioritise North Solihull as a nationally recognised Levelling-Up Zone.	 As part of the West Midlands Deeper Devolution Deal, support the development of the East Birmingham and North Solihull Levelling Up Zone, which will support neighbourhoods in rejuvenating their local economies, in conjunction with our partners. Make the case for investing in North Solihull, with this case built around the missions put forward in the Levelling Up White Paper. 	
D2) Maintain Solihull's position as a leading regional centre by delivering the Solihull Town Centre Masterplan	 Redevelop Mell Square to create a truly diverse, mixed-use space. Support new landmark development on the Westgate site. Develop a vibrant and new mixed-use destination at Eastgate, supporting living and working in a sustainable mixed-use development. Enhance the public realm across the town centre, and work to promote active transport accessibility. Delivery co-ordinated transport interventions, including a Solihull station that serves as a strong gateway and arrival point into the town centre. Deliver and expand Solihull Town Centre Energy Network supporting the transition to a low carbon economy and net zero growth. 	
D3) Boost Chelmsley Wood's position as an important key town centre by delivering new public and private investment	 Redevelop the Northwest Quarter to include more spaces to meet and enhance the public realm. Design safer spaces for our communities to enjoy. Promote a greater mix of uses across the town centre. Ensure health, wellbeing and employment support services are available, providing support and advice for local residents. 	

What are we trying to achieve?

- An increase in active travel across the Borough, through the delivery of more infrastructure, leading to long-term health improvements.
- New development that is sustainable and complements

existing activities across the rest of the Borough.

 Greater community ownership of net-zero initiatives within our Borough.

Our delivery plan

Our Delivery Plan

In delivering this Strategy, we will succeed only if there is collective action and partnership working across Solihull, drawing on the capacity and expertise of partners across the public and private sector and from the people living within our communities.

Alongside collective action and partnership working, we need more resources. Whilst some of the actions we are proposing can be delivered through existing budgets and influencing other partners, new funding and investment will be required to develop good economic growth at scale.

As the responsible Authority, we will look to deliver this Economic Strategy using all the levers at our

Key Partners

There are many partners already working in Solihull to support its economic story, and who have the resource, capacity and commitment to making Solihull a better place. disposal. There are three main levers we have identified:

- Influencing: working alongside our partners to ensure that our ambitions are reflected in the investment made by the public and private sector in Solihull.
- Catalysing: encouraging and supporting investment into Solihull, by working alongside partners to support their activities.
- Acting with others: directly delivering activity on the ground with our partners, particularly where there is a clear market failure argument for direct investment.

We want to continue working with all of these partners to deliver a successful Economic Strategy which will achieve our vision and priorities for Solihull.

Our Key Partners	Role in delivering this Economic Strategy	
Government	 Provide ongoing support in delivering new infrastructure and development needed to support our growth ambitions Have overall responsibility for the delivery of skills and net-zero investment 	
West Midlands Combined Authority	 Deliver skills interventions through the devolved Adult Education Budget Fund and support the transition to net-zero Support the unlocking of brownfield sites to provide new homes and commercial space 	

Our Key Partners	Role in delivering this Economic Strategy		
	 Support the delivery of a transport system which links people to new opportunities Provide a co-ordinated business support offer 		
West Midlands Growth Company	 Support new trade and investment approaches Deliver new promotional activity to a national and international audience 		
Urban Growth Company	 Coordinating investment plans and growth opportunities to unlock the potential of the UK Central Hub and reinforce its position as a key driver of the local, regional and national economies 		
Investors and Developers	 Be open and collaborative with us in bringing forward sites following the principles of this Strategy Provide an ongoing commitment to being socially and environmentally conscious in bringing forward new development 		
Businesses	 Increase engagement with education providers, providing opportunities for training, apprenticeships and internships, whilst ensuring that current skills needs are communicated Become more socially and environmentally conscious and becoming members of our communities 		
Educational Institutions	 Work with our employers to deliver the skills demanded to support our growth ambitions Work to upskill and retrain our workforce for the future 		
Solihull Employment and Skills Board	 Support the activity of our Inclusive Growth and Economic Development Teams Identify the skills gaps of local employers 		
Solihull Sustainability Visioning Group	 Promote green initiatives to Solihull-based businesses Influence regional and local policy making, to ensure sustainability is at heart of decision making Raise standards of waste and energy management practices 		
Community Groups	Come together to deliver this Strategy through civic engagement and ownership of the challenges facing Solihull		
HS2	 Provide ongoing investment into the Borough and support in delivering our aspirations for Arden Cross and the UK Central Hub Continue to identify training and employment opportunities for local residents and promote these amongst our most deprived neighbourhoods. 		
Growth Hub	 Deliver a comprehensive business support service Administer grants to drive targeted business growth Support entrepreneurship and new firm formation 		

Resources to support delivery

To deliver this strategy, we will draw on resources from different partners. Our action plan provides more detail. Some of these actions will be directly deliverable by us, and others will require a more co-ordinated approach.

Monitoring and evaluation

Monitoring & Evaluation

To understand the progress of our Economic Strategy, and to learn from the actions we deliver on an ongoing basis, we will track the actions we take forward. This should include monitoring and evaluating the impact of our interventions within the Borough, and also understanding the impact our actions are having across the wider West Midlands region.

Our outline monitoring and evaluation framework identifies specific indicators to track delivery and understand impact on an ongoing basis. There are four key components:

- Assessing baseline conditions: establishing a clear understanding of where our Borough is at present, so that future change can be measured against this.
- Tracking delivery and assessing the impact/change: reviewing data on an ongoing basis, drawing on official data sources and intelligence from our partners to review our progress.

- Reporting: report delivery progress and impacts to our partners on an annual basis, providing a true reflection on our performance against our targets.
- Review delivery and amend as appropriate: update the delivery plan and timescales as appropriate, responding to the evidence and feedback received from our partners.

As the Council, we will take overall responsibility for the monitoring and evaluation of this Strategy, working with delivery partners and stakeholders. We will also look to develop stronger relationships with regional and national research institutions to better understand the performance of our economy, including building our relationship with City-REDI.

In developing our Economic Strategy, we have identified a range of indicators that we will use to track our progress in delivering positive change in Solihull. The table below identifies these, with four indicators selected for each of the themes identified in our Economic Strategy:

Indicator	Source of Indicator	Frequency of Publication/Review			
Theme A: A Vibrant Business Economy					
GVA and GVA per job	ONS Productivity Statistics	Annual			
Number of jobs	ONS BRES	Annual			
Number of small businesses	ONS UK Business Count	Annual			
Inward Investment	DIT	Annual			
Theme B: Great Opportunitie	es for Everyone				
Lower-quartile workplace and resident-based earnings	ONS Small Area Income Estimates	Annual			
Social mobility index	UK Government Social Mobility Index	Ad-hoc			
Rate of economic inactivity	ONS Annual Population Survey	Annual			
Proportion of deprived neighbourhoods	Index of Multiple Deprivation	Ad-hoc			
Theme C: A Sustainable Economy					
CO2 emissions	Gov.uk	Annual			
Proportion of trips by transport mode	ONS Census or Transport for West Midlands data	Annual			
Amount of renewable energy generated	BEIS – Renewable Energy by Local Authority	Annual			
Investment in environmental projects	Data provided by partners and communities	Ad-hoc			
Theme D: Thriving Places					
Quantum of brownfield land redeveloped	Council monitoring data	Annual			
Quantum of green space	Council monitoring data	Annual			
Vacancy rates of town centres	Council monitoring data / business rates data	Ad-hoc			
Town centre footfall	Council monitoring data	Annual			

