

The Solihull Economy, Jobs and Businesses

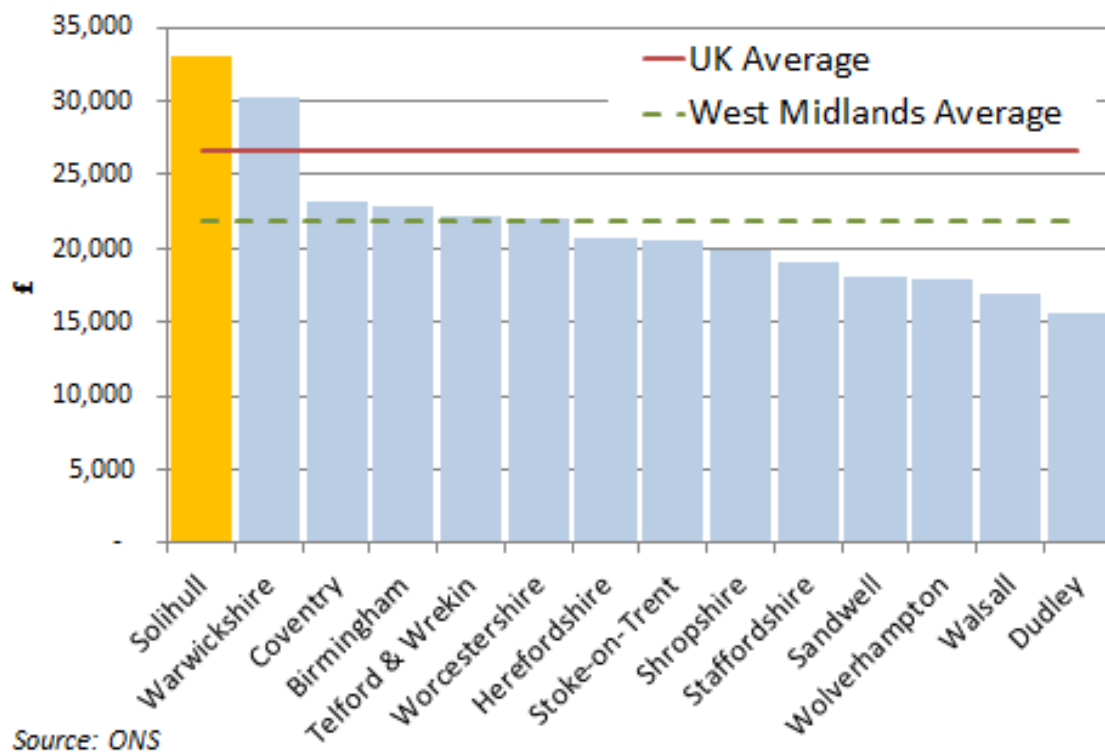
Economic Output

Total GVA in Solihull in 2016 was £6.99 billion, 5.5% of the West Midlands total. By way of comparison Birmingham is by far the largest economy in the region (20.3% of West Midlands total), followed by Warwickshire (13.3%), Staffordshire (13.1%) and Worcestershire (10.2%).

At £32,998 Solihull GVA per head is 24% higher than the UK average and 51% higher than that of the West Midlands region. Solihull has the 21st highest GVA per head out of 173 economic areas in the UK and the 7th highest outside of London and the South East (smaller only than Edinburgh, Belfast, Aberdeen, Cheshire East, Manchester and Glasgow).

Solihull has the largest GVA per head of any upper tier Local Authority in the West Midlands, where the range is £32,998 per head to £15,597 (Dudley).

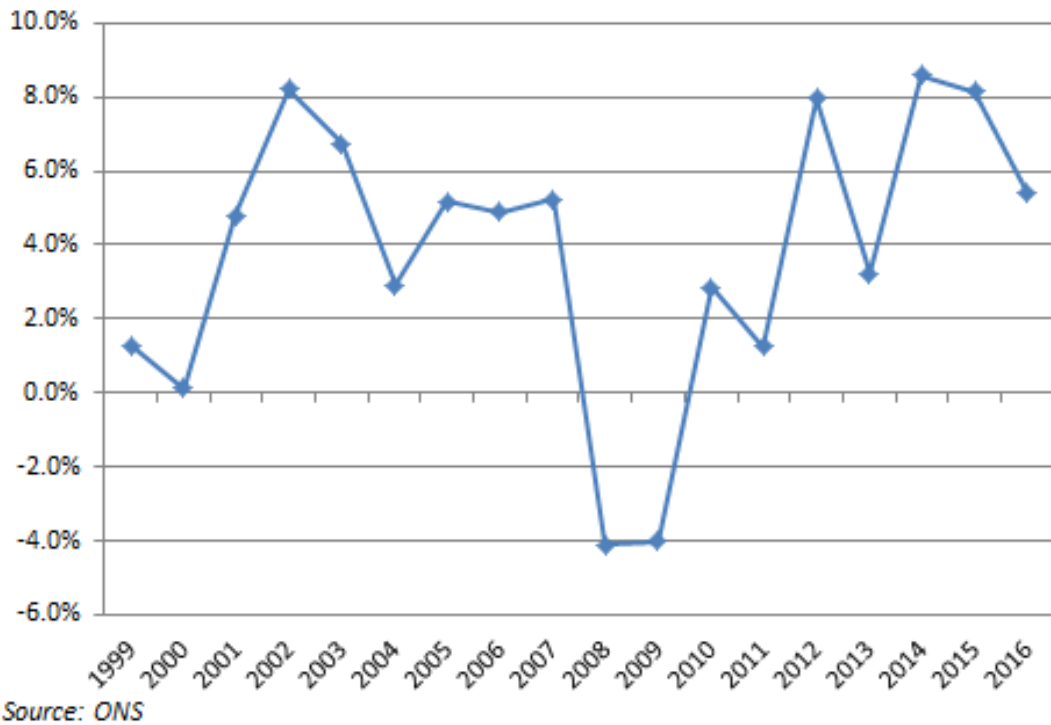
West Midlands GVA per Head 2016



Economic Growth

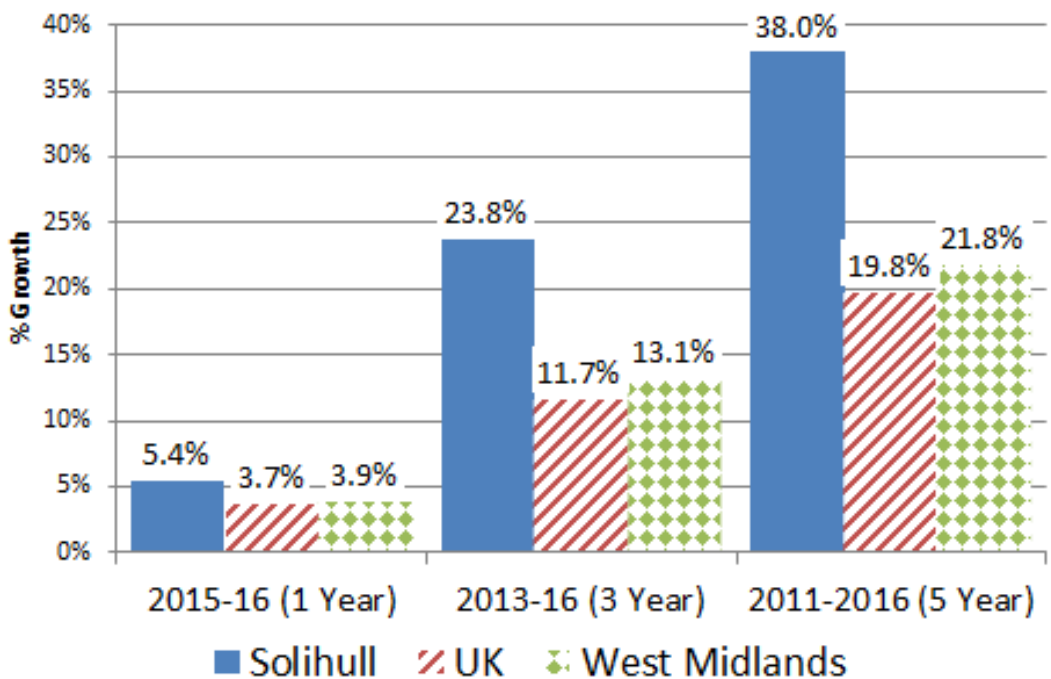
The Solihull economy increased by a total of 5.4% in 2016, the 7th consecutive year in which the local economy expanded.

Annual GVA Growth in Solihull



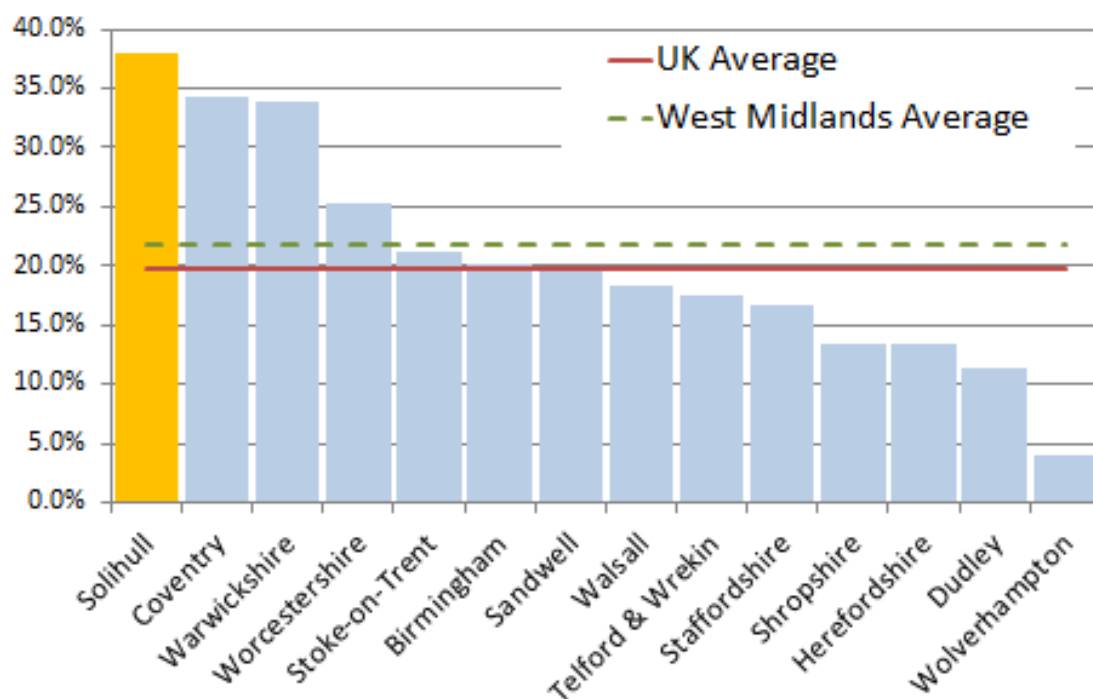
The Solihull economy increased by a total of 38% in the five years 2011 to 2016 compared to increases of 20% across the UK as a whole and 22% in the West Midlands region.

GVA Growth



Over this five year period Solihull has the 2nd highest level of GVA growth out of 173 economic areas, behind only the combined total of the London Boroughs of Hounslow and Richmond.

GVA Growth in West Midlands 2011-2016

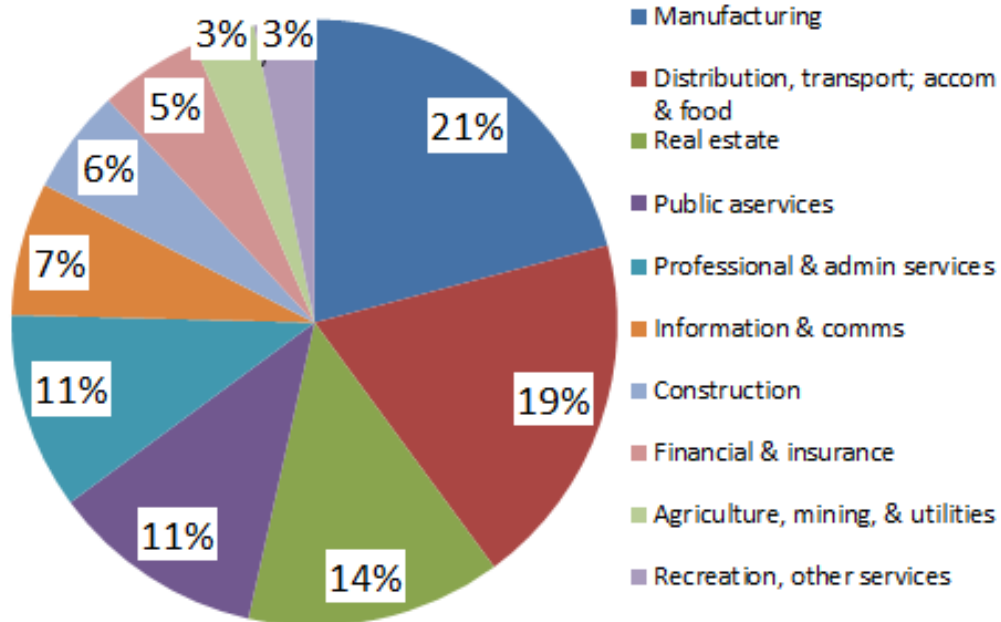


Source: ONS

Sector Contributions to the Solihull Economy

Manufacturing accounted for nearly 21% of Solihull GVA in 2016, with distribution, transport, accommodation & food collectively making the next largest contribution (19%), followed by real estate activities (14%) and public services and professional & administration services (both 11%).

Sector Contributions to Solihull GVA 2016



Source: ONS

Manufacturing makes twice the contribution to Solihull GVA than it makes to the UK economy, with information & communication also more significant than nationally (7% compared to 6%). Most other sectors contribute a lower share to total GVA than across the UK, most notably public services (11% compared to 18%).

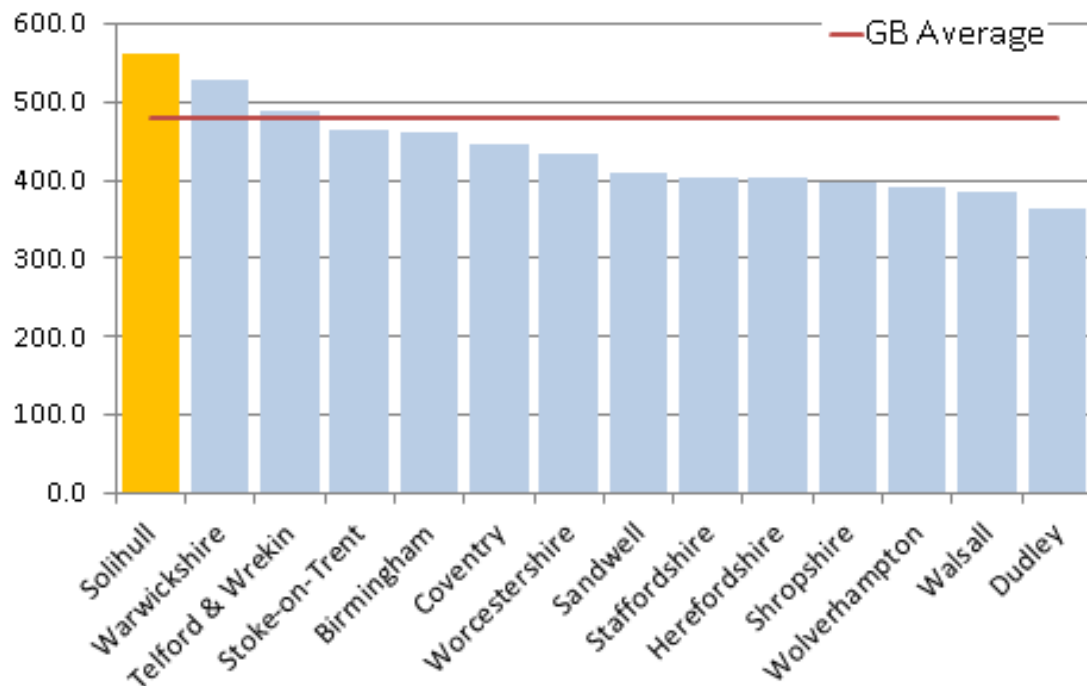
	Sector GVA			
	Solihull GVA (£ million)	% Of Total GVA		
		Solihull	UK	West Midlands
Manufacturing	1,463	20.9%	10.1%	15.6%
Distribution; transport; accommodation & food	1,326	19.0%	18.4%	20.6%
Real estate activities	949	13.6%	13.9%	12.6%
Public admin; education; health	796	11.4%	17.7%	18.2%
Professional and administrative services	734	10.5%	12.3%	9.9%
Information & communication	496	7.1%	6.1%	3.9%
Construction	390	5.6%	6.2%	6.1%
Financial & insurance	378	5.4%	6.6%	4.3%
Agriculture, mining, electricity, gas, water & waste	230	3.3%	4.5%	4.3%
Recreation, other services & household activities	226	3.2%	4.2%	4.5%
All industries	6,988			

Source: ONS GVA (B) 2016

Jobs in Solihull

The ONS Business Register and Employment Survey (BRES) shows that there were 117,200 employees in Solihull in 2016 and a further 2,000 working owners. Solihull's total employment of 119,200 equates to an employment density of 567 per 1,000 population, 18% higher than the Great Britain average (479 per 1,000) and the highest of any upper tier Local Authority in the West Midlands.

Total Employment per 1,000 Population 2016



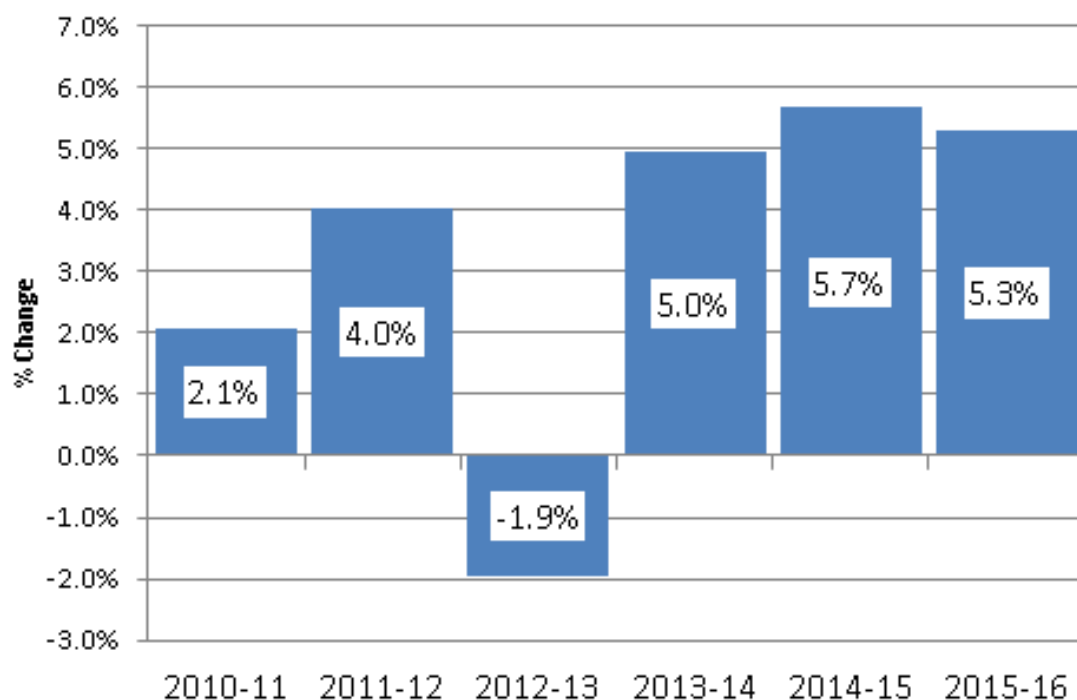
Source: ONS Business Register & Employment Survey

Jobs Growth

Total employment in Solihull increased by 5.3% in 2016 (+6,000) well in excess of the Great Britain (1.6%) and West Midlands averages (1.8%).

Total employment in Solihull has now increased in five out of the last six years and by an annual average of 3.6% per year (+3,800 per year) for the last five years. This is more than double than the annual average increase recorded across Great Britain (+1.6%) and the West Midlands (+1.4%) for that period.

% Annual Change in Total Employment in Solihull

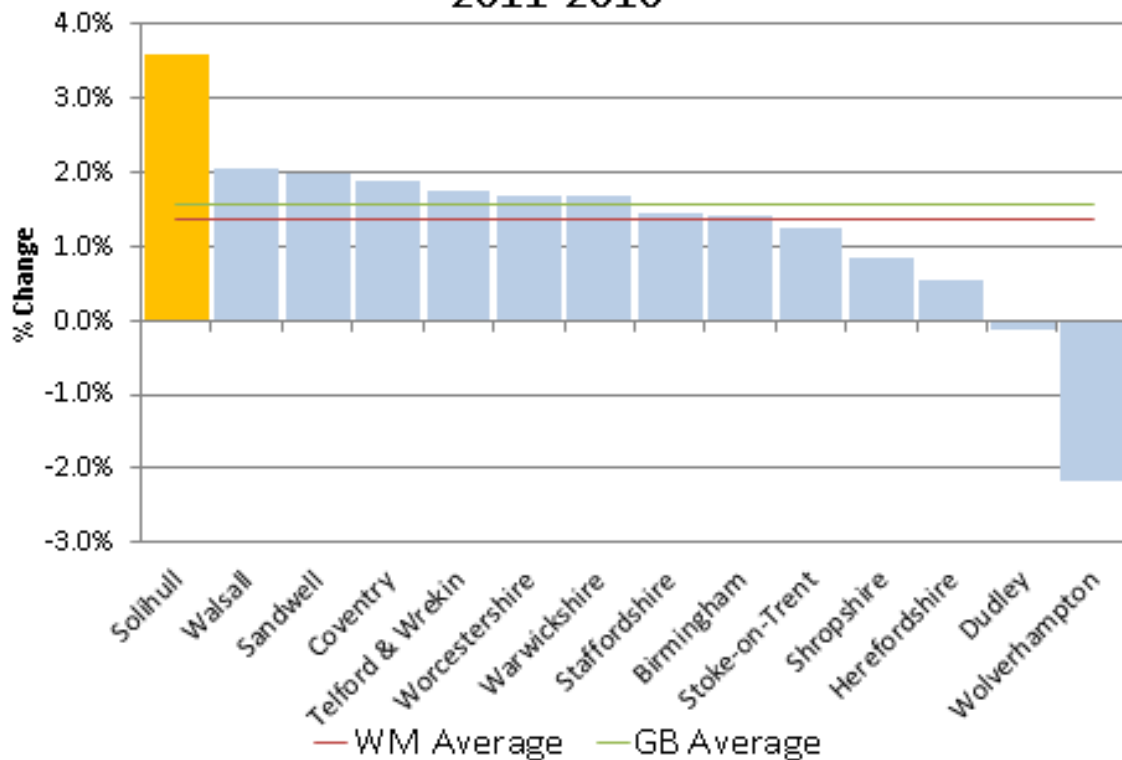


Source: ONS Business Register & Employment Survey

Over the five years 2011-2016 Solihull has one of the fastest growing labour markets in Great Britain. The average annual increase in total employment in Solihull (3.6%) over this period is the 13th highest out of 206 upper tier Local Authorities in Great Britain, with the borough ranked 4th outside of London and the South East on this measure.

Solihull has by far the highest levels of average annual employment growth (including employee jobs) in the West Midlands in the five years 2011-2016.

% Average Annual Change in Total Employment in Five Years 2011-2016



Source: ONS Business Register & Employment Survey

Jobs by Sector

Solihull's largest job sectors are manufacturing (14,000), business administration & support services (13,000), retail (11,000), the professional, scientific & technical sector (10,000) and health (10,000).

Compared with the Great Britain average Solihull has a large proportion of total employment in the transport & storage and manufacturing sectors and to a lesser extent in business administration & support services, information & communication, property and mining, quarrying & utilities.

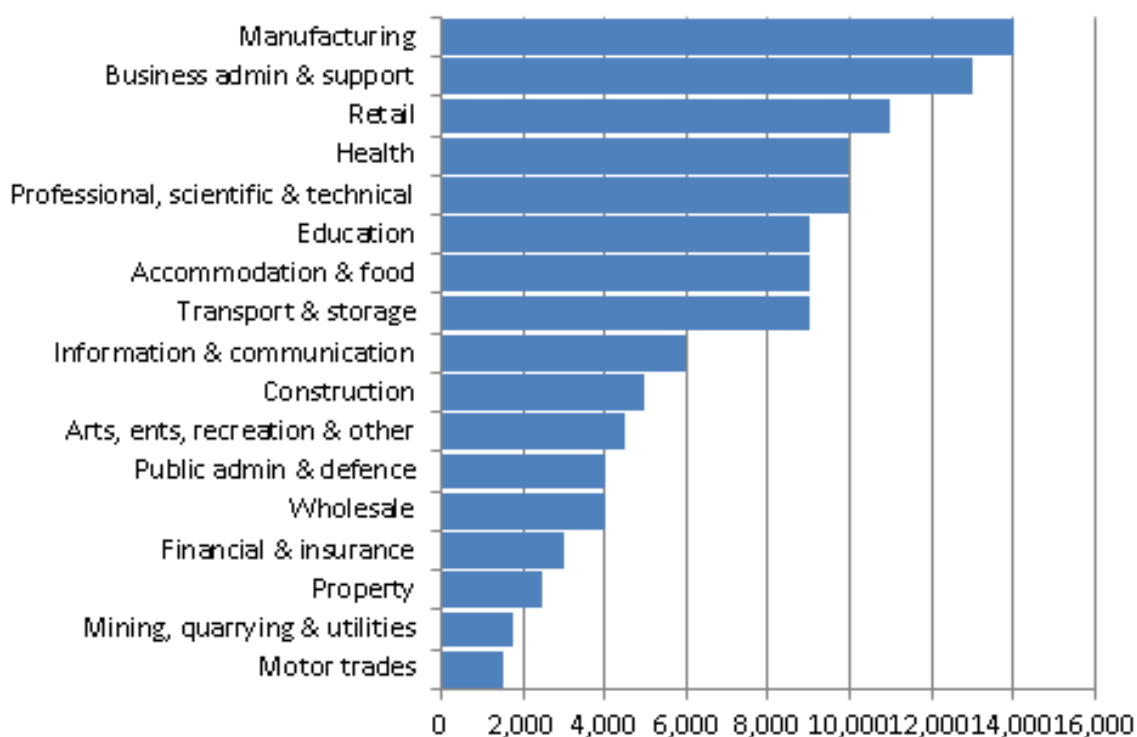
Solihull has a significantly below average proportion of total employment in the health, motor trades and financial & insurance sectors and a relatively small proportion in a range of other sectors including public administration, wholesale and construction.

	Solihull Count 2016 [^]	% Total Employment		Locational Quotient
		Solihull	Great Britain	
Agriculture, forestry & fishing	50	0.0%	1.6%	0.03
Mining, quarrying & utilities	1,750	1.5%	1.2%	1.21
Manufacturing	14,000	11.9%	7.9%	1.51
Construction	5,000	4.3%	4.7%	0.90
Motor trades	1,500	1.3%	1.8%	0.69
Wholesale	4,000	3.4%	3.9%	0.88

Retail	11,000	9.4%	9.5%	0.99
Transport & storage	9,000	7.7%	4.8%	1.61
Accommodation & food services	9,000	7.7%	7.4%	1.03
Information & communication	6,000	5.1%	4.1%	1.24
Financial & insurance	3,000	2.6%	3.5%	0.73
Property	2,500	2.1%	1.7%	1.22
Professional, scientific & technical	10,000	8.5%	8.7%	0.98
Business administration & support services	13,000	11.1%	8.8%	1.27
Public administration & defence	4,000	3.4%	4.2%	0.82
Education	9,000	7.7%	8.6%	0.89
Health	10,000	8.5%	13.0%	0.66
Arts, entertainment, recreation & other services	4,500	3.8%	4.6%	0.83
Total Employment	119,000			

[^] Employment counts rounded to nearest 100
Source: ONS Business Register and Employment Survey 2016

Total Employment by Sector in Solihull 2016



Source: ONS Business Register & Employment Survey

The table below shows Solihull's sector strengths at a more detailed level (SIC 2 digit code), highlighting the importance of JLR (manufacture of motor vehicles) and the Airport (Air transport, Warehousing & support activities for transportation) to the local economy. Other local private sector strengths include computer programming, consultancy & related activities and architectural & engineering activities.

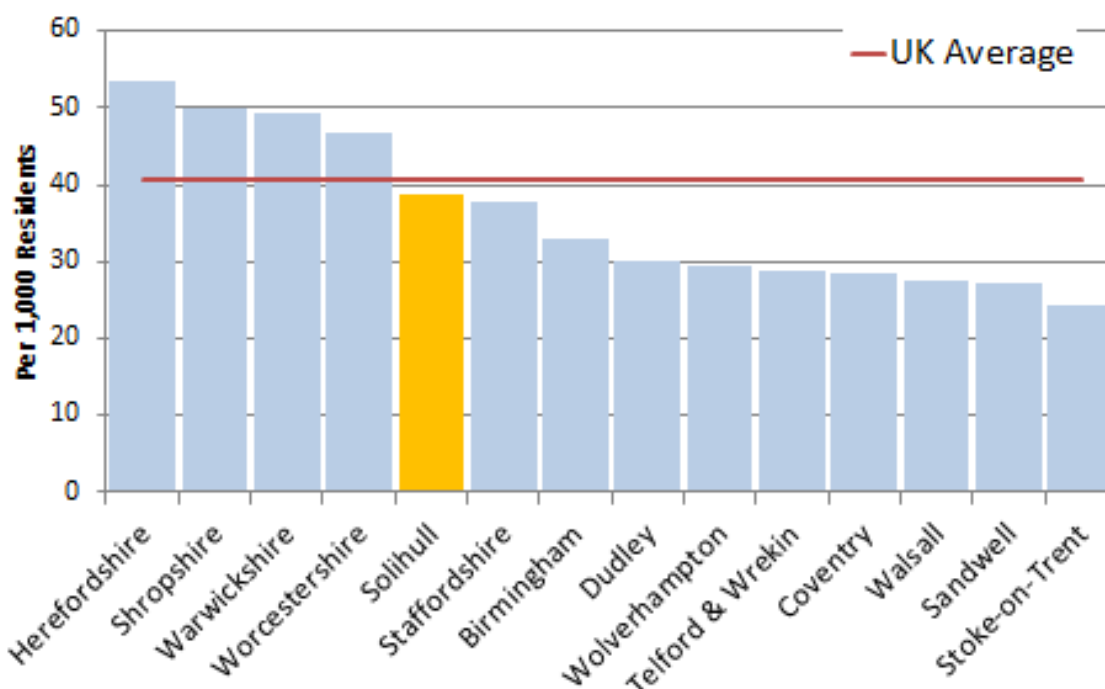
Key Employment Sectors in Solihull 2016		
Sector	Employment 2016[^]	LQ
Manufacture of motor vehicles, trailers & semi-trailers	10,000	15.77
Air transport	1,500	5.04
Warehousing & support activities for transportation	6,000	2.94
Electricity, gas, steam & air conditioning supply	1,250	2.53
Security and investigation activities	1,500	1.91
Computer programming, consultancy and related activities	5,000	1.85
Construction of buildings	2,500	1.46
Services to buildings & landscape activities	4,000	1.45
Architectural & engineering activities; technical testing & analysis	3,000	1.38
Accommodation	2,500	1.34
[^] Minimum 1,000 jobs		
Source: ONS Business Register and Employment Survey 2016		

Businesses in Solihull

In March 2017 there were 8,215 VAT and/or PAYE business enterprises in Solihull, equating to 38.8 per 1,000 resident, below the UK average of 40.6 per 1,000 but above that for the West Midlands (36.8).

Among the West Midlands upper tier Local Authorities, Solihull has the 5th highest number of business enterprises per head, with only the shire counties of Herefordshire, Shropshire, Warwickshire and Worcestershire being above the UK average. Solihull has proportionally the highest number of businesses among the region's Metropolitan boroughs.

Enterprises per 1,000 Residents



Source: ONS UK Business – activity, size & location

Business Growth

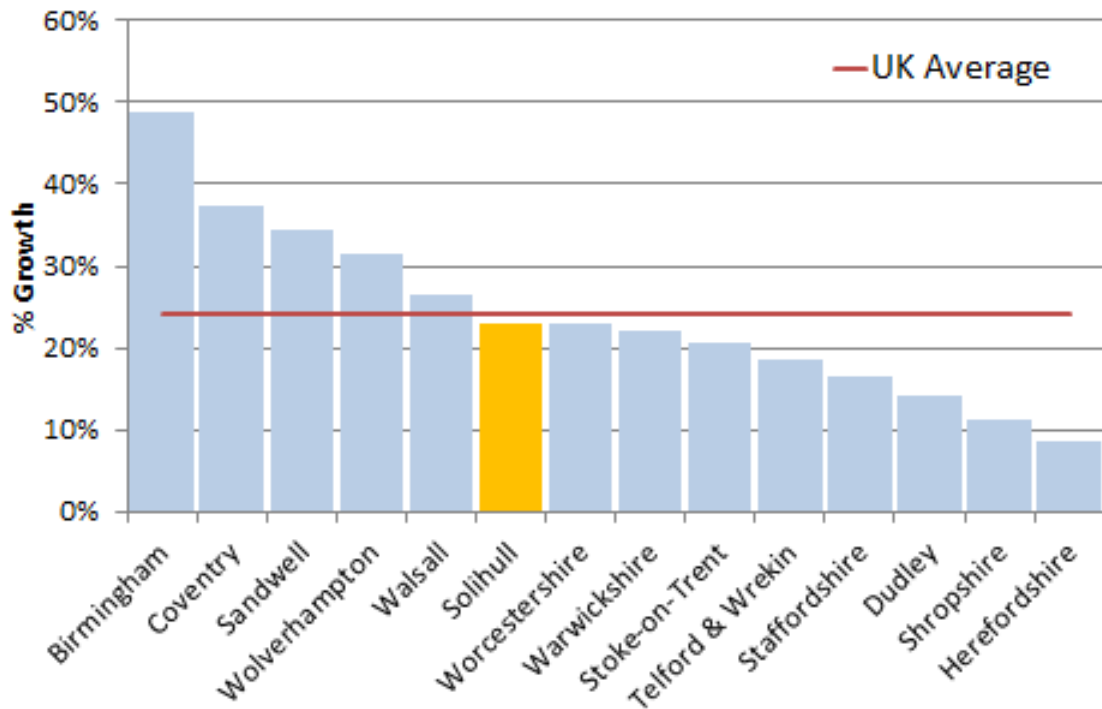
The number of business enterprises in Solihull has increased in each of the last five years and by a total of 23% (+1,540) since March 2012. This is a slightly smaller increase than both the UK (24%) and West Midlands (25%) averages.

	Annual Growth in Solihull Enterprises	% Annual Growth in Enterprises		
		Solihull	UK	West Midlands
2012-13	30	0.4%	0.9%	0.3%
2013-14	235	3.5%	4.4%	3.6%
2014-15	620	8.9%	8.2%	7.7%
2015-16	340	4.5%	4.3%	4.7%
2016-17	315	4.0%	4.5%	6.4%
Total for Five Years 2012 - 2017				
2012-2017	1,540	23.1%	24.2%	24.7%

Source: ONS UK Business – activity, size & location 2017

Among the upper tier West Midlands Local Authorities the growth in the number of business enterprises was largest in the larger Metropolitan boroughs of Birmingham (+49%) and Coventry (+37%).

Business Enterprise Growth 2012-2017

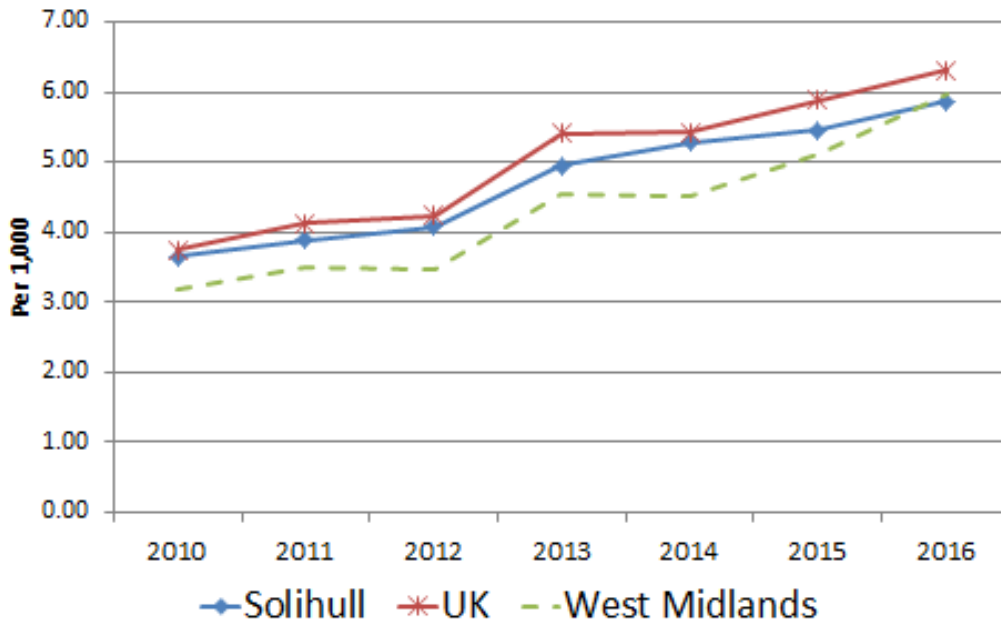


Source: ONS UK Business – activity, size & location

Business Starts

The Business Demography UK data release shows that there were 1,245 business starts in Solihull in 2016. At 5.88 per 1,000 residents the number of business starts in Solihull in 2016 was below both the UK (6.31 per 1,000) and West Midlands (5.98 per 1,000) averages. The rate in Solihull has been below that for UK and above that for the West Midlands in each year from 2006.

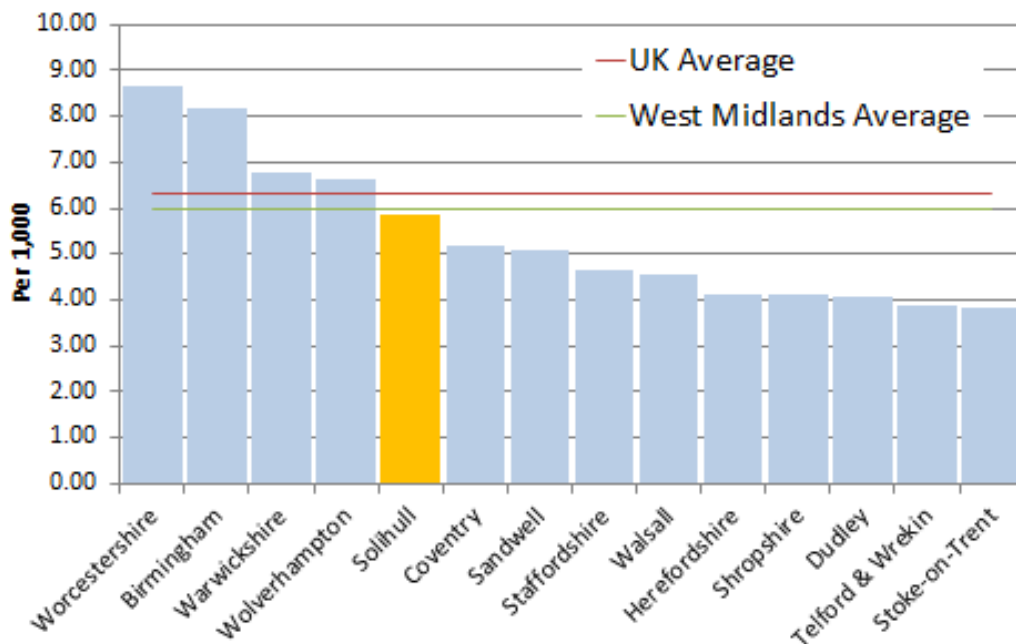
Business Enterprise Start Ups per 1,000 Population



Source: ONS Business Demography

Out of 206 upper tier Local Authorities in Great Britain Solihull had the 78th highest number of business starts per 1,000 population in 2016 (2nd quartile). Among upper tier West Midlands Local Authorities Solihull recorded the 5th highest number of business enterprise births per 1,000 population in 2016, behind Worcestershire, Birmingham, Warwickshire and Wolverhampton.

Business Enterprise Starts per 1,000 Population 2016

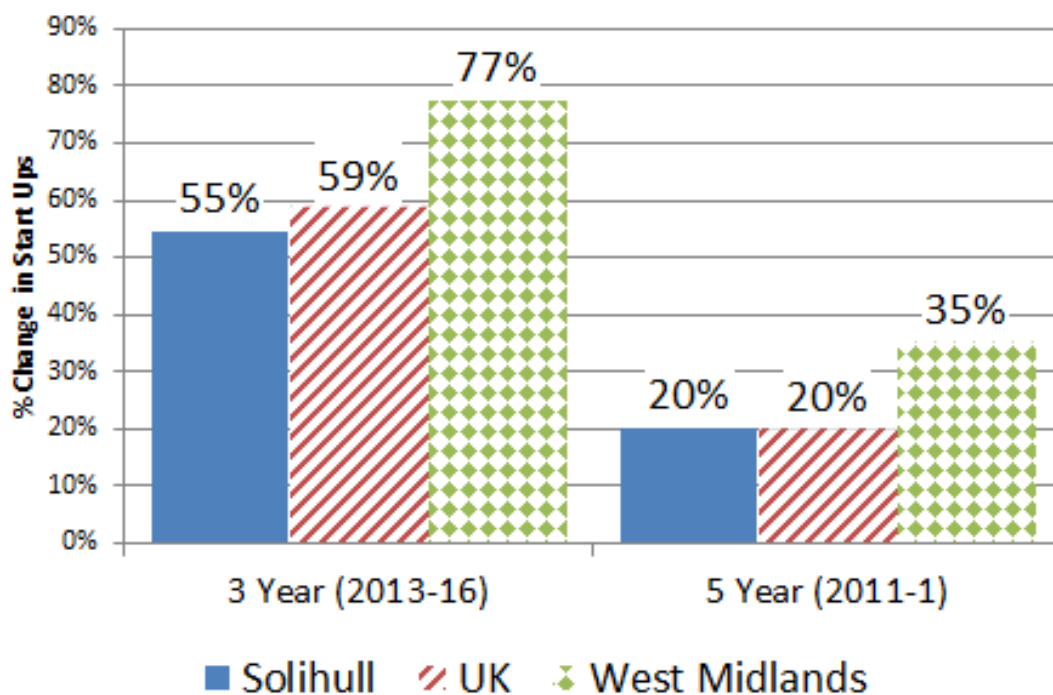


Source: ONS Business Demography

The number of business starts in Solihull increased by 8.3% in 2016 (+95 enterprises), in-line with the increase recorded across the UK as a whole, but below that for the West Midlands region (+18%). The latest increase was the sixth consecutive year in which the number of start-ups in Solihull increased, mirroring the national trend.

In the five years 2011 to 2016 the number of start-ups in Solihull increased by 55% (from 805 in 2011 to 1,245 in 2016), slightly lower than the UK average increase (+59%), but substantially lower than that for the West Midlands (+77%).

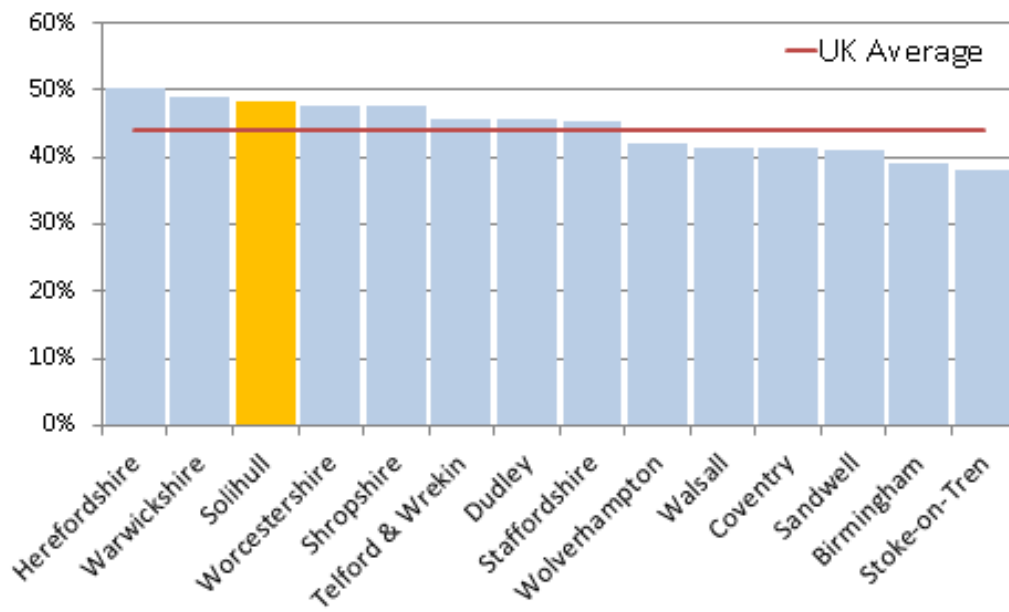
Growth in Business Enterprise Start Ups



Source: ONS Business Demography

48.4% of businesses started in Solihull in 2011 were still active five years later in 2016. This five year survival rate is higher than both the UK (44.1%) and West Midlands (44.4%) averages. The five year survival rate in Solihull is the 38th highest out of 231 upper tier Local Authorities in the UK, where the range is 55.7% in Aberdeenshire to 25.7% in North East Lincolnshire and the 3rd highest in the West Midlands region.

% of Businesses Starts in 2011 Still Active in 2016 (5yr Survival Rate)



Source: ONS Business Demography