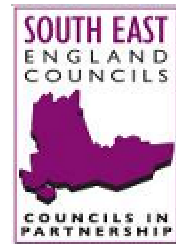


**SOUTH EAST ENGLAND COUNCILS  
ALL-MEMBER MEETING**



Date: 7 February 2013

Subject: **Data Dashboard - latest trends in the South East**

Report by: Nick Woolfenden, SEEC Head of Policy Co-ordination

**Recommendations:**

That members:

- i) Agree proposed key messages to highlight to Government and other decision makers in the Winter 2012-13 Dashboard update.
- ii) Note updated figures commissioned by SEEC showing the South East's £6.3bn provisional net contribution to the Exchequer in 2010-11, much higher than the only other net contributor, London.
- iii) Agree SEEC should write, with SESPM, to ask Government to urgently publish updated data on migration patterns in the South East.

**1. Background**

1.1 This is the 4th edition of SEEC's Data Dashboard. Published twice a year, it is used to highlight key issues to Government and other decision makers, as well as helping members identify key issues where action is needed. For example SEEC arranged action-focused events on the ageing population and skills/youth unemployment as a result of member discussion of previous Dashboards.

**2. Draft Dashboard Winter 2012-13 - Key Issues for Member Comment**

- 2.1 Draft overviews for the six key themes in the forthcoming Dashboard are attached for member comment (see Annex), with summary comments also highlighted in this covering report. The full Dashboard, some 40+ sheets, including local data where available, will be available on SEEC's website for members by the end of this month.
- 2.2 At a high level the South East continues to perform relatively well on a number of issues. However a number of challenges exist. Maximising the South East's key role in driving the national economy will require local and national investment and action to maximise success, as well as tackle significant deprivation and meet the needs of our large growing population.
- 2.3 As a new addition to the Dashboard, SEEC has recently commissioned Oxford Economics' latest data on the South East's contribution to the national Exchequer. Headline charts in Annex Sheet C show South East residents made a £6.3bn net contribution (provisional) to the Treasury in 2010-11, £5.5bn higher than London, the only other net contributor. Although a rise over the previous year, this is still significantly lower than the peak of £17.4bn in 2007-08. This information will be analysed further to support SEEC's work informing and influencing Government and other decision makers.
- 2.4 Based on the latest Dashboard data, we recommend the following issues are highlighted. Members' views are invited on these or any other issues:

**A) Economy & Employment**

- Reflecting the national picture, the number of unemployment claimants in the South East fell over the last year to around 133,000. This is however still considerably higher than the North East, East Midlands, East and South West. Many analyses hide the significant total by looking at percentages rather than actual numbers.

- Unemployment claimant levels for under-25s are a concern. Although falling by 5,000 over the last year, there are still over 34,000 young unemployed, with above national average rates in 9 Districts/Unitaries. This reflects national trends with high levels of young people not in employment, education or training.
- Total jobs increased by 70,000 between 2009 and 2010, although still 23,000 lower than the 2008 level.
- However increases in population meant that job density (number of jobs per resident in an area) remained static between 2009 and 2010, following a significant fall the year before.
- In line with national trends, GVA (economic output) *per head* in the South East rose between 2010 and 2011. However this is a long way behind London and only just above the national average; data that looks at *total* GVA hides this as it doesn't take population size into account, giving the impression of stronger performance.
- Although there was a welcome reduction between 2010 and 2011, over 420,000 South East residents still have no qualifications, far greater numbers than the North East, East Midlands, Yorks & Humber, East and South West - this is masked if only looking at percentages.
- *There is a strong message that the South East's economic success cannot be taken for granted and appropriate policy and investment is required in infrastructure as well as skills and employability to meet business needs.*

## **B) Housing & Infrastructure**

- The South East built the most homes in England during 2011-12, a total of 22,240 (private + affordable). This is a small increase on 2010-11, but significantly below the peak of 30,200 in 2007-08. The drop of over 1000 affordable home completions p.a. since 2009-10 is of particular concern.
- Overall the South East has the second highest New Homes Bonus allocation (£34m yr1; £41m yr2; £40m yr3). This reflects the relatively high levels of development compared to elsewhere in England, although individual local authority allocations vary considerably. London's higher total NHB reflects premiums paid for building affordable homes.
- At £257 per head in 2009/10, the South East has the lowest levels of capital funding per resident, £155 below the national average, despite significant pressure on services and infrastructure.
- More positively, Government's provisional Local Major Transport Scheme allocations, as with allocations of the Growing Places Fund for infrastructure, better reflect the absolute scale of need/opportunity in the South East, as emphasised previously by SEEC.
- *Overall there remains need for significant local and national action & investment to address affordable housing and infrastructure in the South East, given both population size and the need to ensure economic success.*

## **C) Public Finances & Grants**

- South East authorities received the lowest average central government formula grant per head in 2011-12, at just £289, some £156 below national average and less than half London's per head allocation.
- At £6.3bn (provisional), South East residents made over £5.5bn more net contribution to the exchequer than London in 2010/11. All other areas were in deficit. This is however still far less than 2007/08 (SE = £17.4bn).
- 15 Regional Growth Fund bids have now been approved in the South East, including 6 in Round 3 – an improvement from just 1 under Round 1, and recognition of South East needs and opportunities as emphasised by SEEC.
- At Euro 23.7m over 6 years, the South East received the lowest amount of European Regional Development Funds in England – less than 1% of the national pot, but still important to support locally-driven business-focused projects.
- *There is a need for appropriate levels of central government, and continued European, funding in the South East to support local commitment to growth and fuel our potential to support national economic recovery and reflect the South East's large population.*

#### D) **Demography**

- At over 8.7m people, the South East has the largest population in England, and is projected to grow by 720,000 by 2021.
- Already with the largest number of older people, the South East is projected to have at least 20% increase in the number of 65+ year olds and over 30% increase in 75+ year olds in the next 10 years, well above national average.
- The South East also saw a relative increase in the number of people living in deprived areas between 2007 and 2010 compared to other parts of England, with 565,000 people living in areas classified in the 20% most deprived in the country.
- Over 484,000 children and older people live in income deprivation in the South East, the 4<sup>th</sup> highest total in England, a fact hidden if only looking at percentages.
- *Continued investment and action is needed to address both the challenges of population change, in particular care and health services, and long-term areas of deprivation.*

#### E) **Migration**

- Although hard to estimate exact numbers due to official data limitations, there are indications that whilst the total number of international migrants *entering* the South East reduced slightly between 2007-08 and 2009-10, the significant reduction in migrants *leaving* the South East in 2009-10 means that *net* international migration increased significantly in the South East to England's highest levels.
- Data is still awaited from Government re 2010-11 migration flows, but small increases in GP registrations by former overseas residents and NINO registrations may indicate a small increase in net migration that year.
- The distribution of immigrants and their impact on services and resources varies considerably across different parts of the South East.
- Internal migration levels (ie people moving within the UK) are also highest in the South East, placing additional demands on services and infrastructure.
- *Time lags and limitations in official data (for example we await latest Census-based mid-year estimates for migration flows, and there is no National Insurance de-registering process to remove economically inactive migrants or those who leave the country) must be addressed by government so local needs and central funding requirements can be better addressed.*

#### F) **Environment**

- As the most populated area in England, the South East produces the greatest amount of household and municipal waste.
- Levels of household waste reduced between 2009/10 and 2010/11, albeit at a slower rate than preceding years; municipal waste levels remained static over the same period, following significant reductions during the preceding two years. The South East produces considerably more municipal waste than London's similar sized population.
- Household recycling rates have increased positively, from 36% to over 41% over the last 4 years, staying just ahead of national average recycling rates but only 5<sup>th</sup> best in England.
- During the same period, municipal waste sent to landfill fell from 51% to 33%, continuing to do better than the national average, and the second best in England.
- *Overall whilst some of the trends are positive, there is a need for continued effort and investment to address the significant levels of waste arising in the South East.*

### 3. **Other matters**

- 3.1 As highlighted in 2E above, the Government has yet to publish updated data on national and international migration patterns for 2010-11. In discussion with the South East Strategic Partnership for Migration (SESPM), we believe this information is overdue and restricts understanding of local impact. We therefore recommend SEEC writes, with SESPM, to Government to highlight the importance of this data and ask that it be released as soon as possible.