

**Economic downturn – Herefordshire picture
Presentation for HIRN 11th March, 2009
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Research Team's role

- Collating info. from range of sources
- Producing monthly updates on unemployment
- Producing updates on all info. ~ every 2 months
- Using these (as required) to:
 - Brief Econ. Dev. Strategic Partnership & other Council/Partnership groups
 - Respond to requests from external organisations eg Advantage West Midlands & Commission for Rural Communities
- Note reports **not** published – due to concerns about exacerbating the situation

Presentation explores impact on.....

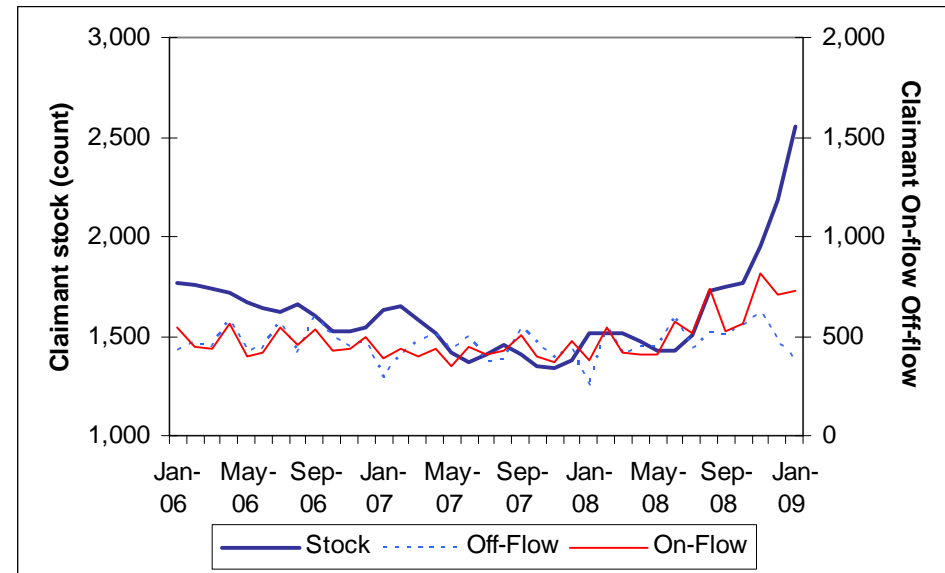
- Unemployment
- Local businesses
- Levels of debt
- Housing
- Tourism
- Voluntary sector
- Crime

Evidence is limited for a number of reasons:

- Time taken for impact to filter through to some sectors
- Time-lag before data becomes available
- Lack of mechanisms to capture relevant information

Unemployment in Herefordshire

- 2,550 claimants in Jan 2009, compared to 1,517 in Jan 2008
- +361 since Dec 2008
- +1013 since July 2008
- Highest level since August 1998
- Due to large on-flow, coupled with small off-flow



Unemployment – profile of claimants in Herefordshire

- 86% short-term (less than 6 months)
- 53% aged between 25 and 49
- Largest increase since July '08 amongst over 50s – 81%, compared to 67% (under 25s) & 68% (25-49)
- 'Hotspots' – Central & South Wye Wards in Hereford City, Leominster & Ross
- Wards with greatest increases between since July:
 - Belmont (+109)
 - St. Martins & Hinton (+101)
 - Ross-on-Wye West (+72)
 - Three Elms (+62)

Unemployment – occupations most affected

- Elementary trades, plant and storage related occupations – largest proportion of claimants (20%) and greatest increase (+215) since July
- Sales occupations – 14% of claimants, + 145 since July
- Other large increases since July:
 - transport and mobile machine drivers and operatives (+105)
 - process, plant and machine operatives (+90)
 - skilled construction and building trades (+80)
 - elementary administration and service occupations (+65)
 - skilled metal and electronic trades (+65)

Unemployment – rates

- **Rates** (at Jan '09) are still **relatively low** in Herefordshire:
 - Herefordshire (2.5%)
 - West Midlands Region (4.5%)
 - England (3.4%)
- Although, **larger increase** in claimant count since Jan '08
 - Herefordshire (68%)
 - West Midlands region (50%)
 - England (54%)

Hereford City Trading

- 53 vacant shops & 19 charity shops (5th March, '09)
- 2 more vacant shops & 1 more charity shop since the beginning of the year (5th Jan, '09)

But started from poor position at the beginning of the economic downturn

- 42 vacant shops & 18 charity shops (24th April, '08)

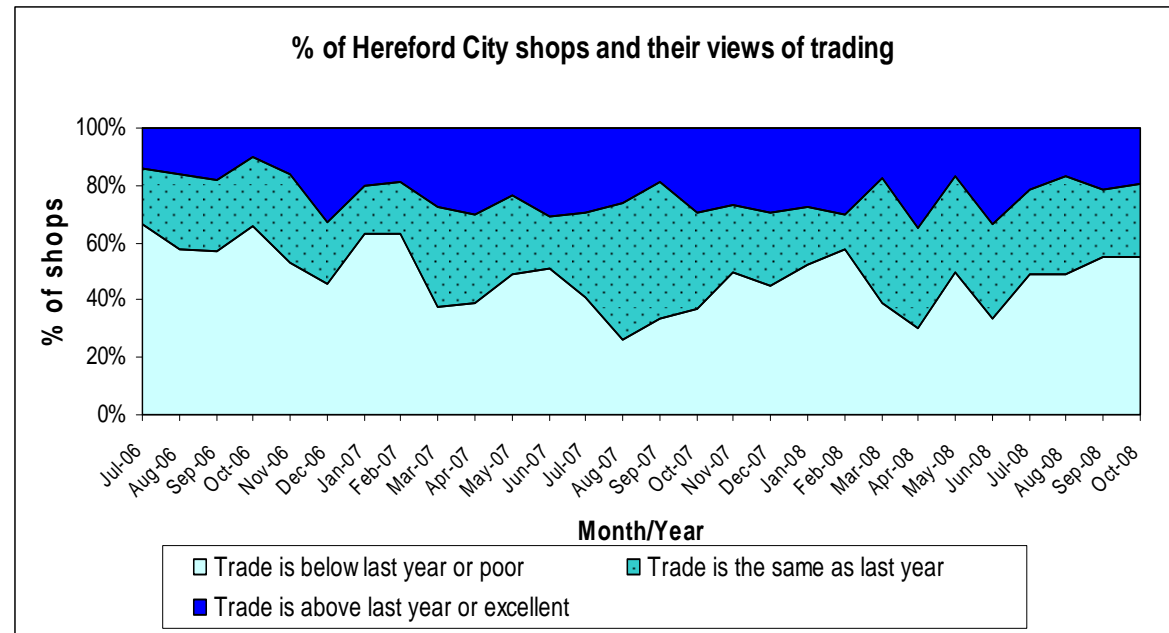
Hereford – retailers views of trading compared to previous year

Oct '08 - trade

- 55% - below last year or poor
- 19% - above last year or excellent

For comparison:

- Oct '07 – 37% (below/poor)
- July '06 – 67% (below/poor)



Local businesses – HC Benefit & Exchequer Services info.

- **No. of empty business properties** – 741 at 6th March, compared to 651 at March 2008
- **Number (& value) of accounts written off due to bankruptcy** – 60 (£36,493) between 1/4/08 and 1/03/09, compared to 52 (£43,372) for same period last year

Petitions filed at Hereford County Court

- **Companies winding up petitions:** 1 in 2008
- **Individual bankruptcy proceedings started by:**
 - **Creditors:** 40 in 2008 (25% increase on 2007, compared to 3% increase for England & Wales)
 - **Debtors:** 254 in 2008 (16% increase on 2007, compared to 5% increase for England & Wales)

Source: Ministry of Justice

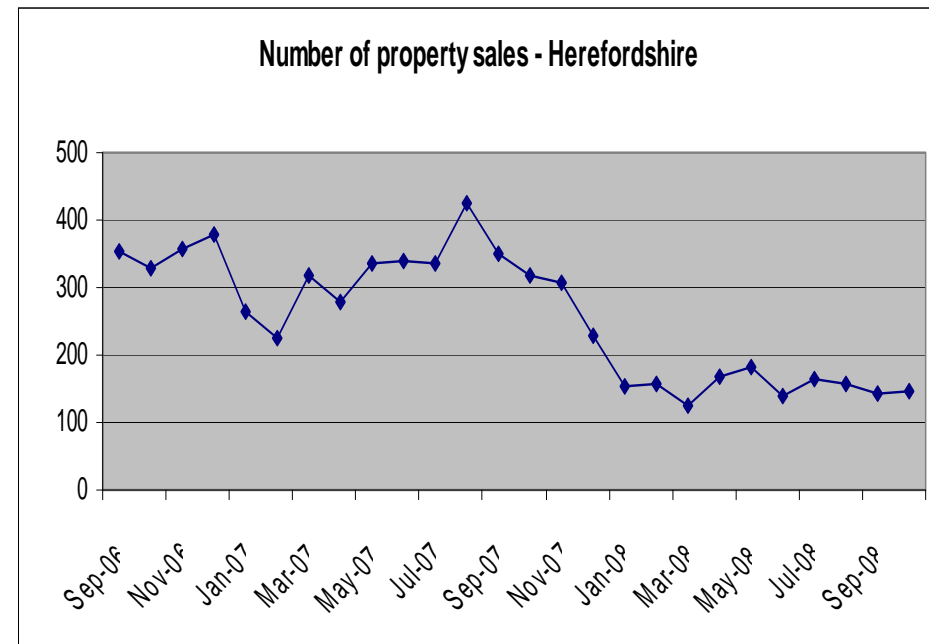
House possession claims issued at Hereford County Court

- **Mortgage possession claims:** 231 in 2008 (4% increase on 2007, same as England & Wales)
- **Landlord possession claims:** 268 in 2008 (6% increase on 2007, compared to 1% for England & Wales)

Source: Ministry of Justice

House sales

- In line with national trends, large decreases in volume of sales since Aug '07
- Similar decline to regionally/nationally for May-Oct compared to same 6 mth period in '07
 - Herefordshire (-55%)
 - West Mids Region (-53%)
 - England & Wales (-55%)

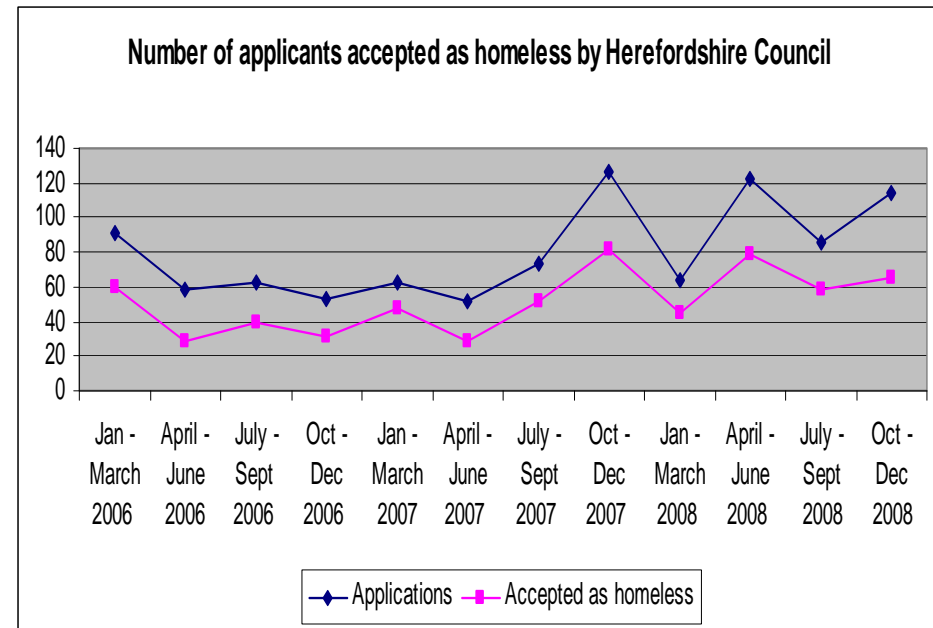


House building

- **Building starts for new dwellings** – av. of 25 per month (April–Oct '08), 17% lower than rates in 06/07
- **Planning applications for new housing** – marked slowdown from Jan '08 compared to same period last year
 - 9% lower in 1st quarter
 - 18% lower in 2nd quarter
 - 30% lower in 3rd quarter

Homelessness

- Large fluctuations over last year in no. of applicants and (to a lesser degree) in no. accepted as homeless
- Acceptances in '08, compared to same period '07:
 - 172% higher in April - June
 - 20% lower in Oct - Dec



Tourism – occupancy rates for visitor accommodation

- Measure = % of bed-nights occupied
- Mixed picture for 6 months June - Nov 2008, compared to 2007
 - **Serviced with 10 rooms or less: lower**
(average = 25%, compared to 32% for '07)
 - **Serviced with more than 10 rooms: higher**
(average = 42%, compared to 39% for '07)
 - **Self-catering: higher**
(average = 63%, compared to 59% for '07)
 - **Caravan & camping: lower**
(average = 42% compared to 47% for '07)

Impact on community/voluntary organisations in Herefordshire

- Survey by Voluntary Sector Assembly in Jan '09, to be repeated quarterly
- Key findings:
 - Affected by the downturn: 29% 'yes', 33% 'no'
 - Increased demand for services: 40% 'yes', 44% 'no'
 - 60% can meet increased demand from existing resources
 - Additional resources most required: basic funding, volunteers
 - Reduced funding most likely due to: trust funds having less money to distribute, public bodies cutting back on spending, smaller donations from general public

Levels of crime

- Nov '08 – Jan '09, Herefordshire figures for most key categories **lower** than same period last year
 - All crime (19%↓)
 - Burglary (9%↓)
 - Robbery (8%↓)
 - Vehicle crime (40%↓)
 - Anti-social behaviour (23%↓)
- But **higher** for
 - Violence (12%↑)
- West Mercia force area has seen increases in robbery (24%↑) and violence (6%↑)

Other information we plan to include in future updates

- Housing benefit & council tax benefits - timely, local data to help us identify groups affected
- Info. presented by others today
- Anything else?