West Midlands
Weekly Economic Impact Monitor

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This monitor aims to pull together information across regional partners to understand the impacts of Covid-19 on the economy. Where possible it will utilise all forms of quantitative and qualitative intelligence. However we urge caution in the use of the contents as this is an emerging situation.

This week's monitor looks at the delayed GVA statistics for 2019, where the region's growth was lower than expected. Many indicators and surveys are pointing to an emerging recovery, but it is highly dependent on the opening up of the cities and high streets. Published research is turning to the opening up of cities and the risks posed. In future monitors work WMREDI is doing on this topic will be published.

- The WMCA (3 LEP) total GVA has increased from £104.6bn in 2018 to £106.7bn in 2019. This equates to a 2.0% annual increase, below the UK average growth of 3.5% and lower level than expected for that year by many forecasters. GVA per head has increased from £25,082 in 2018 to £25,438 in 2019. This equates to a 1.4% increase, below the UK average growth of 2.9%. There is a shortfall of £4,161 to the UK figure (£29,599). The sector with the highest GVA growth was Digital & Creative, increasing by 11.2%. Other sectors that reported above economy wide average growth rates include Logistics & Transport (+4.7%), Public Sector including Education (+4.6%) and Cultural Economy including Sports (+4.1%).
- The OECD Economic Outlook for May 2021 has found that the outlook for the world economy has brightened but this will be no ordinary recovery. It is highly likely to be dependent on the effectiveness of various vaccination programmes globally.
- Global economic growth projections have been revised up to 5.8% for this year by the OECD, a sharp increase from the December 2020 projection of 4.2% for 2021.
- According to the World Bank, in emerging market and developing economies the effects of the pandemic are reversing the gains they had previously made in poverty reduction, so compounding food insecurity and other long-standing challenges.
- Lloyds Bank Business Barometer shows optimism regarding the economy climbed five points to 37%, the highest since 2016, while firms' trading prospects rose three points to 28%. Overall business confidence increased for a fourth consecutive month – by four percentage points to 33% in May, the highest level for three years. In regional analysis the West Midlands saw a strong business confidence increase of 10 points to 41%.
- The number of permanent staff appointments in the Midlands increased again during May. Though softening from April's seven-year high, the rate of increase remained marked, as companies continued to hire amid a further easing of lockdown restrictions. The latest KPMG and REC UK Report on Jobs also shows that temp billings continued to rise; however the rate of increase weakened to the softest recorded since July 2020.
- In general, business enquiries are shifting away from Covid and there is more positive feedback from companies focusing on growth - mainly companies searching for funding for growth, as opposed to just trying to survive the pandemic.
- Nationally, between 21st and 28th May 2021 total online job adverts increased by 8.1 percentage points. On the 28th May 2021, total online job adverts were at 126.5% of their average level in February 2020.
- Birmingham in the UK has become the second city in the UK to launch a Clean Air Zone (CAZ). The council has decided on a 'soft launch'. From 1 June 2021 through to 11:59:59pm 13 June 2021 the council will not require drivers to pay the daily fee and they will not pursue enforcement.
- Universities UK (UUK) predicts that over the next 5 years universities in the West Midlands will be involved in research projects worth almost £2 billion; be part of regeneration projects worth £547 million to the local economy; help 1,300 new businesses and charities to be formed; and train 16,000 nurses, 5,000 medics, 18,000 teachers.
- The University of Birmingham ranked first nationally in Research England's Knowledge Exchange Framework for its contribution to the regional economy.
- A report has been released that depicts a bright future for Midlands-based businesses and showcases opportunities for investment in what appears to be an undercapitalised region in the UK. The report shows that last year saw a record £665m invested in Midlands-based companies, via 286 equity deals. Yet while the Midlands is home to 11% of the UK's high-growth companies, the region only secured 5% of the £13.5bn invested in UK companies. In addition to these R&D collaborations, these universities also punch above their weight by generating more patents per unit of research income than any other major UK university grouping. The report also emphasises the importance of comparative advantage and capitalising on place/business strengths.

The WM Weekly monitor is funded by the West Midlands Combined Authority, Research England/UKRI

Covid 19

- Events companies across the region are nervous about the likelihood of Government delaying the withdrawal of the need for all social distancing measures from 21st June and fully opening the events sector. There are fears that new COVID variants could delay the recruitment of staff to work at events, pushing back economic recovery in that sector as well as employment of local people.
- As offices prepare to reopen, business leaders in the region are making, or planning to make, significant changes to the working environment in a bid to recover from the effects of the global pandemic. More than a third of Midlands businesses (35 per cent) plan to create permanent remote roles, as companies make a major shift towards new ways of working. Remote working will be the biggest driver in boosting economic recovery, with 30 per cent of Midlands businesses saying that the region will benefit from workers spending more money locally in towns, suburbs and rural economies, rather than commuting into city centres. This is according to the latest BDO LLP Rethinking the Economy survey of 500 mid-sized businesses.
- IHS Markit/CIPS Purchasing Managers Index (PMI) survey also found that raw material prices were increasing with inflation hitting levels not seen since records began in 1997.
- The hospitality industry has mounting debts of more than £8 billion because pubs and restaurants were forced to borrow money and pause rent payments due to coronavirus**.** Operators now have around £2.2bn in unpaid rents according to the trade body UKHospitality.
- A report commissioned by the Key Cities and Core Cities UK highlights British cities now face two futures. These are: (1) 'Long-term Scarring' that could drag the UK back to the 1980s, with a big increase in unemployment, worsening health and economic inequalities and a revenue crisis, heightened by a loss of business rates and commercial revenue; and (2) 'Inclusive Renewal' with cities doing what they have always done best - renewal and re-invention. The report proposes an Inclusive Renewal Deal between cities and Government and sets out how cities will need to change to build inclusive renewal and fulfil their side of the Recovery and Levelling up deal
- Data from Springboard shows that in the week to 29th May 2021 UK retail footfall saw a weekly increase of 7% and was at 73% of its level in the equivalent week of 2019. Footfall at retail parks remained strongest as a proportion of its level in the same week of 2019 when compared with other retail locations at 92%, whereas footfall was at 68% for shopping centres and 67% for high streets.
- The UN has reported in their World Economic Situation and Prospects for this month that steep and persistent inequalities threaten to jeopardise global economic recovery and the achievement of sustainable development outcomes.
- 40 million people in the UK have had their first vaccination with 27 million of those having had their second vaccination also.
- Public Health England shows that 2 doses of the COVID-19 vaccines are highly effective against the Delta variant. The government previously met its target of offering the vaccine to the most vulnerable by 15th April and remains on track to offer a first dose to all adults by the end of July.
- According to data analysed by the FT, having two doses of the vaccines is about 95% effective at preventing hospital admission with the Delta variant, and one dose is upwards of 70% effective. Therefore, younger people who have not yet had both jabs, are more likely to contract the Delta variant.
- Regional intelligence suggests that 40% of manufacturing businesses are fully operational and 60% report plans for growth in the region. Yet many manufacturers face the challenge of an inability to forecast future demand. Staff recruitment and retention is a further challenge.
- In total, the WMCA (3 LEP) area had 195,200 employments furloughed at 30th April 2021. This reflects 11.2% take-up of eligible employments for the scheme, compared to the UK average of 11.7%. When compared to 31st March 2021, the number of employments furloughed in the WMCA (3 LEP) decreased by 43,200 people (-18.1%). The UK decreased by 20.5% over the same period.
- Across the WMCA (3 LEP) area, 171,500 people were eligible for the fourth grant of SEISS. There were 90,200 claims made in the period to 9th May, with a total value of just over £238m and with an average claim value of £2,642. The take-up rate was 53%, above the UK average of 50%.
- At a West Midlands regional level, there were approximately 259,000 of the population eligible for the fourth grant of the SEISS, which is a take up rate of 50% based on the total number of claims of 130,000.
- 32.7% of trading businesses in the West Midlands reported their turnover had decreased by at least 20% over the last week. However, 42.2% of trading businesses in the West Midlands reported that their turnover was unaffected and approximately 15.5% reported their turnover had increased by at least 20%.
- 66.4% of responding West Midlands businesses reported the main reason for the change in the business turnover in the last two weeks was due to COVID-19, 1.2% reported the main reason as the end of the EU transition period and 9.1% reported that it was due to COVID-19 and the end of the EU transition period.

EU Exit

- Issues related to the UK's trading relationship with the EU continue to be raised. These are now seemingly more like structural issues rather than "teething" problems.
- Research conducted by Aston University surrounding the impact of Brexit on service trade has found that following the UK's departure from the EU more than £100bn in service exports have switch to Ireland. The shift occurred in the wake of the 2016 referendum and had been accelerating ever since. By the start of 2020, just before the onset of the pandemic, the UK's service exports had fallen in value by a total of £113bn comparative to trends before the vote, equivalent to nearly 10% of the UK's entire services exports.
- In relation to international trade intelligence suggests that some companies are further internationalising their websites. The DIT continues to receive many queries on logistics and transition issues. A further issue is that the first deadline for delayed customs import declarations is approaching.
- The deadline for the EU Settlement Scheme is 30 June 2021. This relates to EU, EEA and Swiss citizens who wish to continue living in the UK after this date. Local authorities report an increase in application numbers. In guidance published in May 2021 the Home Office makes clear that there remains scope, indefinitely, for a person eligible for status under the EU Settlement Scheme to make a late application to the scheme if there are reasonable grounds for a person's failure to reach the deadline.
- Employers should continue to accept valid passports and national identity cards of all EU citizens as evidence of their right to work in the UK up to 30 June 2021, but intelligence suggests that some employers are already asking for prospective employees to confirm their EU Settlement Scheme status.
- Local authorities face a learning curve in the transition from ERDF and ESF funding for jobs, employment and skills to new funding schemes, which are very competitive.

This week we are asking all readers to participate in a survey, the purpose will be to better understand how our readers use the Monitor and this will then inform the development of future Monitors. For instance, we are eager to understand whether the continuation of the weekly Monitor would be beneficial or relevant to your work in the long term. We are also interested in what content would be useful going forward. Please follow the link to the survey here, it should only take 5 minutes. West Midlands Monitor Survey

Global, National and Regional Outlook

Alice Pugh, WMREDI; Rebecca Riley WMCA/WMREDI

Global

The OECD Economic Outlook for May 2021 has found that the world economy has brightened but this will be no ordinary recovery. It is highly likely to be dependent on the effectiveness of various vaccination programmes globally. Some countries (mainly developed) are recovering much faster than others. The US is almost reaching pre-pandemic per capita income levels after around 18 months whilst much of Europe is expected to take nearly 3 years to recover and Mexico and South Africa expected to take up to 5 years to recover. Thus, growth has been concentrated in a few major economies, with most emerging market and developing economies (EMDEs) lagging behind. Whilst 90% of advanced economies are expected to regain their pre-pandemic per capita income levels by 2022, only about 1/3 of EMDEs are expected to do so.

According to the World Bank in EMDEs the effects of the pandemic are reversing the gains they had previously made in poverty reduction, so compounding food insecurity and other long-standing challenges. The global outlook remains highly uncertain, with major risks around poor vaccine roll outs and the possibility of financial stress amid large debt loads. Controlling the pandemic at the global level will require more equitable vaccine distribution, especially for EMDEs.

Additionally, the global economic growth projections have been revised up to 5.8% for this year by the OECD, a sharp increase from the December 2020 projection of 4.2% for 2021. Whilst, the World Bank has reported that globally growth will increase by 5.6% this year, both agree that the rate of recovery will be extremely uneven due the highly unequal access to vaccines. The rapid rollout of vaccination schemes across advanced economies has driven the improvement, as well as the massive fiscal stimulus by the US. World GDP growth in 2022 is expected to be 4.4%, but global income will still be USD 3 trillion less than expected by end of 2022; this is about the size of the entire French economy.

According to the World Bank in order to tackle these issues there has to be global co-operation in the pursuit of widespread vaccination. Policy makers will face a difficult balancing act as they seek to nurture recovery through efficiently allocated fiscal support; whilst safeguarding price stability and fiscal sustainability. However, this is a great opportunity for policy makers to entrench lasting recovery by undertaking growth enhancing reforms and steering their economies onto a green, resilient, and inclusive development path.

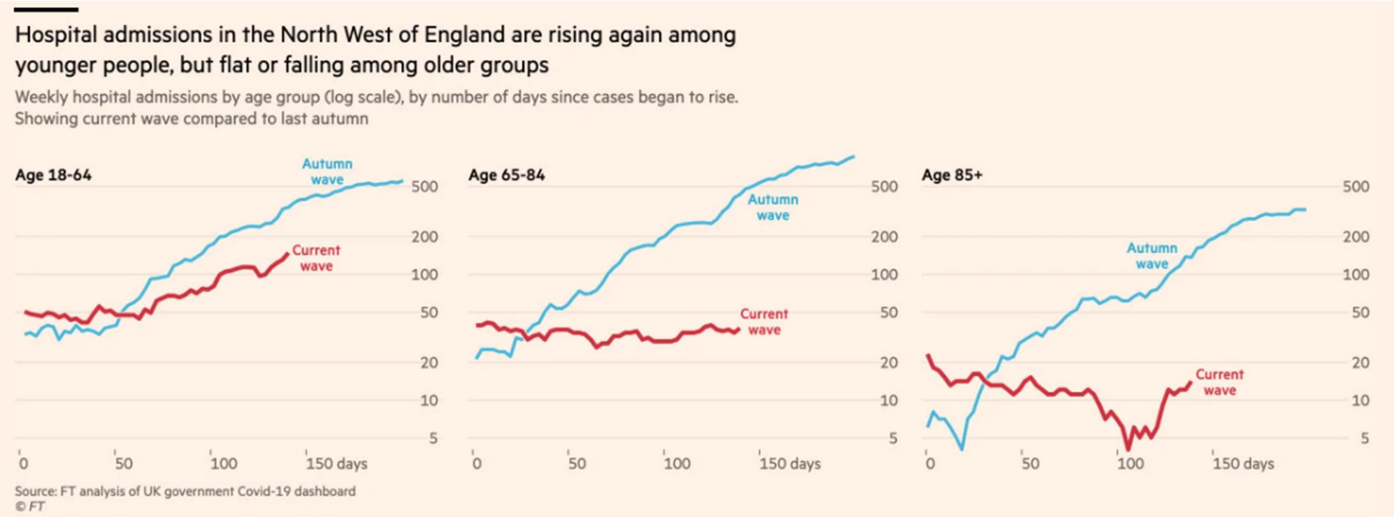
The UN has reported in their World Economic Situation and Prospects for this month, that steep and persistent inequalities threaten to jeopardise global economic recovery and the achievement of sustainable development outcomes. The effectiveness of post-pandemic recovery policies is limited by gender barriers which perpetuate inequalities and hold back productivity growth. Globally, post-pandemic policy needs to acknowledge the disproportionate impact that the crisis has had on women, as well as urgently mainstreaming gender equality.

National

As of the 5th June 40 million people in the UK have had their first vaccination, with 27 million of those having had their second vaccination as well. Health services across the UK have now successfully administered a total of 67,287,864 vaccines between 8 December 2020 and 5 June 2021, including 40,124,229 people with first doses (76.2%) and 27,160,635 people with both doses (51.6%). A recent study by Public Health England shows that 2 doses of the COVID-19 vaccines are highly effective against the Delta variant, first identified in India. Vaccine effectiveness against symptomatic disease from the Delta variant is similar after two doses compared to the Alpha variant dominant in the UK, and even higher levels of effectiveness against hospitalisation and death are expected. The government previously met its target of offering the vaccine to the most vulnerable by 15th April and remains on track to offer a first dose to all adults by the end of July.

NHS England has extended the offer of the vaccine to everyone over the age of 25. In Greater Manchester there are particular concerns due to the recent surge in the Delta variant in places such as Bolton. Additionally, the Government is worried that the Delta, that is [40% more transmissible](), may begin to spread even more widely to other areas of the UK and slow down or halt progress on the roadmap out of lockdown. Additionally, to protect those most vulnerable to the Delta variant which is more transmissible, appointments for 2nd doses have been moved forward from 12 weeks to 8 weeks for the remaining people in the nine priority groups who have yet to receive both doses. This follows updated advice from the independent experts at the Joint Committee on Vaccination and Immunisation (JCVI), which recommended reducing the dosing interval, after considering the latest available evidence, in order to counter the threat of new variants.

But how dangerous is the Delta variant? According to the ONS data analysed by the Financial Times (FT), in mid-May 2021the Delta variant had overtaken the Alpha variant to become the most dominant strain of the virus in England. Almost 75% of the nearly 14,000 viral genomes sequenced in England by the Wellcome Sanger Institute in the two weeks before May 29th were delta, with the Health Secretary confirming that the strain was at least 40% more transmissible than the previous dominant Alpha variant. According to data analysed by the FT, having two doses of the vaccines is about 95% effective at preventing hospital admission with the Delta variant, and one dose is upwards of 70% effective. Therefore, as can be seen in the graph below younger people who have not yet had both jabs, are more likely to contract the virus than older individuals (50+) who should have received both of their jabs.



The FT reported that according to PHE, the effectiveness of both the Oxford/AstraZeneca and BioNTech/Pfizer vaccines in preventing symptomatic disease after a single dose drops to 33 per cent because of the Delta variant. But, after two doses, this figure rises steeply to 60 per cent for Oxford/AstraZeneca and 88 per cent for BioNTech/Pfizer.

Whether the Delta variant is more severe is as of yet unknown. However, according to the FT the latest Public Health England data suggest the Delta variant increases the risk of hospitalisation by 2.6 times and critical care admission by 1.6 times compared with the Alpha variant. Additionally, hospital admissions after falling for months are now climbing across most of the UK, with the North West showing signs of exponential growth. Between, May 22 and 29, weekly admissions rose by a third from 121 to 163. The following week saw a 31% rise to 214.

Research conducted by Aston University surrounding the impact of Brexit on service trade has found that following the UK's departure from the EU more than £100bn in service exports have switch to Ireland. The shift occurred in the wake of the 2016 referendum and had been accelerating ever since. By the start of 2020, just before the onset of the pandemic, the UK's service exports had fallen in value by a total of £113bn comparative to trends before the vote, equivalent to nearly 10% of the UK's entire services exports. Ireland on the other hand, has seen its exports in key sectors such as financial services, transport and IT boom by £126bn (€144bn), a 24% rise. With no comparable rise in other EU economies, it suggests that Ireland has benefited from firms relocating and business being rerouted, in order to benefit from Ireland's frictionless access to the EU's Single Market.

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The researchers used complex mathematical modelling to show how the Brexit vote and subsequent economic uncertainty had affected UK services trade. Comparing performance across rich OECD countries, they found that UK exports suffered large declines which would not have been expected had pre-2016 trends continued. By the end of 2019, the fall in service exports was nearly 17%. By contrast Ireland has experienced a huge 24% increase in service exports, far beyond what had been anticipated. The researchers have put Ireland's success down to its unique country specific advantages, including a relatively young, well-educated workforce, low corporate taxation regime and reputation as an open society that attracts global talent. Additionally, its new status as the only predominantly English-speaking country in the EU has made the area attractive to investors over other EU nations, as It is an ideal springboard for multinational companies looking to invest in and sell to the integrated Single Market, encompassing more than 450 million consumers.

The latest Lloyds Bank Business Barometer shows:

- Optimism regarding the economy climbed five points to 37%, the highest since 2016, while firms' trading prospects rose three points to 28%.
- Overall business confidence increased for a fourth consecutive month – by four percentage points to 33% in May, the highest level for three years.
- Confidence increased across eight of the UK's twelve regions and nations, with Wales reporting the biggest increase in confidence.
- Confidence increased across all sectors and is the highest in manufacturing (53%) and retail (44%), followed by construction (35%) and services (26%).

As offices prepare to reopen, business leaders in the region are making, or planning to make, significant changes to the working environment in a bid to recover from the effects of the global pandemic. More than a third of Midlands businesses (35 per cent) plan to create permanent remote roles, as companies make a major shift towards new ways of working. Remote working will be the biggest driver in boosting economic recovery, with 30 per cent of Midlands businesses saying that the region will benefit from workers spending more money locally in towns, suburbs and rural economies, rather than commuting into city centres. This is according to the latest BDO LLP Rethinking the Economy survey of 500 mid-sized businesses.

The Centre for Cities has published research which suggests the 5 day week will become the norm again, A blend of home and office work is expected to be popular while the UK recovers from the pandemic. But some analysts then anticipate a shift back to pre-Covid working patterns for many. "I expect we will see three or four days a week in the office as the UK recovers," Paul Swinney, director of policy and research at Centre for Cities, told Radio 5 Live's Wake Up to Money programme. "Over the longer term, I'm quite hopeful that we will see people return five days a week. "The reason for that is, one of the benefits of being in the office is having interactions with other people, coming up with new ideas and sharing information." Figures from Savills estate agency show office take-up by square footage in the UK's six biggest regional cities has gone up significantly since the second quarter of 2020, the start of the pandemic, but from a low base.

Office for National Statistics data published in May revealed most people did not work from home in 2020, however the proportion of workers who did more than doubled during the pandemic. That hit the office property market while prompting lots of discussion about the future of the workplace.

Regional

The Lloyds Bank Business Barometer also found in their regional analysis that the West Midlands saw a strong Business Confidence increase, by 10 points to 41% in the last month. However, in areas where there were breakouts of the Delta virus such as London and the North West, there were falls in the levels of confidence; this may be because these areas may again have to face the prospects of the re-introduction of social distancing and lockdown measures via the tier system.

Birmingham has become the second city in the UK to launch a Clean Air Zone (CAZ). Following a report by the National Government in 2017 it was found that Birmingham had one of the highest concentrations of Nitrogen

Dioxide (NO_2) on its roads, emitting 58 µg/m3; when 40 µg/m3 is the statutory annual mean limit value for NO_2. As a response, Birmingham Local Authority (LA) committed to becoming a CAZ, which means the LA will be undertaking targeted action to improve air quality and resources will be prioritised and coordinated in order to shape the urban environment in a way that delivers improved health benefits and support economic growth. However, unlike Bath which is a Class C CAZ, Birmingham will be a Class D CAZ, meaning not only will Buses, coaches, taxis, private hire vehicles, heavy goods vehicles, vans, minibuses be impacted; but cars will also be affected. Thus, whereas Bath has restrictions for commercial vehicles only, drivers of non-conforming cars will have to pay a fee to enter Birmingham's city centre. You can check whether your car meets the emission standards here; however if your car does not meet these standards drivers will be expected to pay the daily car on entering the city. Cars, taxis and LGVs which do not meet the CAZ emission standard will be charged £8 a day and non-compliant coaches, buses and HGVs will be charged £50 per day.

The council has decided that it will do a 'soft launch'. From 1 June 2021 through to 11:59:59pm 13 June 2021 the council will not require drivers to pay the daily fee and they will not pursue enforcement. From 14 June 2021 the owners of non-compliant vehicles will be required to pay the daily fee (unless a valid exemption is in place). If they do not pay the daily fee after this date the registered keeper of the vehicle will be issued with a penalty charge notice. The main purpose of the CAZ in the long run is to encourage individuals with older high polluting cars to either buy newer cleaner more efficient cars or consider of more sustainable modes of transportation such as public transport, walking or cycling; rather than private transportation. The CAZ will be within the A4540 Middleway and will operate 24hrs a day.

New research published by Universities UK (UUK), 'Universities and the UK's economic recovery: an analysis of future impact', which was compiled by the National Centre for Entrepreneurship in Education (NCEE), predicts that over the next 5 years universities in the West Midlands (WM) will:

- Be involved in research projects worth almost £2 billion.
- Be part of regeneration projects worth £547 million to the local economy.
- Help 1,300 new businesses and charities to be formed.
- Train 16,000 nurses, 5,000 medics, 18,000 teachers.

This follows the UUK launching the #GettingResults campaign, aimed at placing universities at the heart of economic and social recovery. With a renewed commitment from universities, to do even more to reach out to new partners locally and nationally, and they will aim to deliver an even greater level of impact than currently estimated in the report. Research England have launched an interactive dashboard where you can explore the university results. All regional universities appeared in the top 20% for at least one theme.

The campaign coincides with the University being recognised by Research England's inaugural Knowledge Exchange Framework (KEF) for its contribution to the regional economy. KEF benchmarks universities in the UK on how they are working with partners, serving the economy, supporting their communities and benefiting the wider public through the knowledge exchange created. The first KEF results ranked the University of Birmingham the top university in the UK for local growth and regeneration. With income generated for the region accounting for 21% of total sector income with totalled over £41m; more than four times that of the next institution.

Regional intelligence suggests that 40% of manufacturing businesses are fully operational and 60% report plans for growth in the region. Yet many manufacturers face the challenge of an inability to forecast future demand. Staff recruitment and retention is a further challenge. Yet at the same time supply chain disruptions in the automotive sector have led to an upward spike in the use of furlough and associated concerns that some talented staff will be lost to the sector. Aerospace is still recovering and is making ongoing use of furlough. Overall, the outlook is 'fragile' given supply chain disruption and increased freight costs. Many manufacturers in the West Midlands are part of complex international supply chains.

In relation to international trade intelligence suggests that some companies are further internationalising their websites. The DIT continues to receive many queries on logistics and transition issues. A further issue is that the first deadline for delayed customs import declarations is approaching: businesses taking advantage of the 1st January 2021 175 day extended period to complete their import declarations must complete their import declarations by 25th June 2021.

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The deadline for the EU Settlement Scheme is 30 June 2021. This relates to EU, EEA and Swiss citizens who wish to continue living in the UK after this date. Local authorities report an increase in application numbers. In guidance published in May 2021 the Home Office makes clear that there remains scope, indefinitely, for a person eligible for status under the EU Settlement Scheme to make a late application to the scheme where, in light of all the circumstances and reasons, where there are reasonable grounds for their failure to meet the deadline applicable to them. Employers should continue to accept valid passports and national identity cards of all EU citizens as evidence of their right to work in the UK up to 30 June 2021, but intelligence suggests that some employers are already asking for prospective employees to confirm their EU Settlement Scheme status. It is possible that a lack of trust amongst some employers in the EU Settlement Scheme is a contributory factor in labour and skills shortages in some sectors.

Local authorities face a learning curve in the transition from ERDF and ESF funding for jobs, employment and skills to new funding schemes, which are very competitive.

Investment Opportunities in the Midlands

MICRA and Beauhurst

A report has been released that depicts a bright future for Midlands-based businesses and showcases opportunities for investment in what appears to be an undercapitalised region in the UK. The report was commissioned by the Midlands Innovation Commercialisation of Research Accelerator (MICRA), which is Midlands Innovation's dedicated enterprise and innovation programme, which has been working with eight universities across the region to build a thriving spinout and start-up ecosystem. The report is produced by Beauhurst, a platform which provides data on the UK's high-growth and innovative companies, is based on data from 3,453 high-growth Midlands-based companies.

The Midlands is already the fastest growing economy outside of London and the South East. It has a worldwide reputation in industrial sectors such as automotive and aerospace, is home to the largest number of medical and device technologies in any region of the UK, and is foundational for the UK's R&D in manufacturing and knowledge-based industries.

The report shows that last year saw a record £665m invested in Midlands-based companies, via 286 equity deals. Yet while the Midlands is home to 11% of the UK's high-growth companies, the region only secured 5% of the £13.5bn invested in UK companies. While this strongly suggests the region may be undercapitalised, the report also highlights the strength of the 'innovation ecosystem' and the eight research-intensive universities that make up the Midlands Innovation partnership behind MICRA as foundations for the region's future prosperity.

Midlands Innovation universities (Aston, Birmingham, Cranfield, Keele, Leicester, Loughborough, Nottingham, Warwick) work with large companies on cutting edge research and commercialisation projects, and the report cites collaborations with Jaguar Land Rover, Rolls Royce and Tata Motors. In addition to these R&D collaborations, these universities also punch above their weight by generating more patents per unit of research income than any other major UK university grouping, and the region as a whole boasts a portfolio of 173 university spinout companies.

The report also emphasises the importance of comparative advantage and capitalising on their strengths. For instance, nearly 900 academics engaged in space-related research within the Midlands Innovation universities and construction is underway for the state-of-the-art Space Park Leicester. This presents an exciting opportunity and there is great potential to create a West Midlands Space cluster – a major strength for the region which should be capitalised on. Thanks to the National Rehabilitation Centre, experts from Loughborough University and University of Nottingham are leading pioneering improvements in clinical rehabilitation (supported by a national network of expertise that includes all MI institutions); the Midlands also has the highest number of medical technology companies in the UK – making the region the perfect place for defence and rehabilitation innovation.

However, transport severely hinders economic and labour mobility across the region, with East and West Midlands having poor connectivity; with the East Midlands receiving the lowest level of infrastructure investment per head in the UK at £268 – compared to an average of £481. With the report highlighting the need for collaboration between stakeholders and partners across institutions to generate the economic evidence to secure vital funding for improved transport and infrastructure.

The report also highlighted that an impressive 1/3 of UK jobs in the energy sector are in the Midlands. A key factor in this has been the Energy Research Accelerator which was established five years ago with £60m investment from the government. It is now nearing completion and will deliver, 23 novel energy research and demonstration facilities across the Midlands, delivered £120m in co-investment and shaped the region's green growth agenda. Which is why Midlands Innovation is also campaigning for further investment to support ERA 2.

The full report can be found here.

The Future of Urban Centres: An Agenda for the post-pandemic Inclusive City Renewal

Core Cities UK, Key Cities and Metro Dynamics

Cities have been the epicentre of the Covid-19 pandemic – experiencing the highest number of cases, deaths and the suffering the largest economic impact. However, their role in driving national productivity and growth, and their interdependent relationship with towns means they now hold the key to recovery and levelling up across the UK. This report, commissioned by the Key Cities and Core Cities UK, has been published at a critical moment as the country starts to emerge from lockdown and plan for recovery. The report analyses the deep impact that Covid-19 has had on cities; assesses the vital economic roles of cities, including connection to towns; and outlines the trends that could help cities transition towards an inclusive renewal, plus ensure that local places can prosper post-pandemic.

The report sets out an ambitious agenda for cities to work with towns and Government to generate sustainable inclusive economic renewal, with the aim of helping cities avert the risk of long-term scarring and to support them in building inclusive renewal. Creating a place-based framework, enabled by an Inclusive Renewal Deal with Government, is a bold offer from cities that can drive national recovery and levelling up in places by helping re-orientate, re-purpose and re-balance urban centres.

Where to now for cities?

As city centres re-open and the various government support schemes draw to a close, such as furlough, we will start to become aware of the full extent of social and economic impacts left behind in the wake of Covid-19. Much like in historic global or national shocks, the pandemic has not only generated its own specific effects, but has accelerated some trends that were already in flux. The long-run effects of social distancing on cities, whose main benefit is social proximity, are still unknown. However, it does feel that we have now reached the Peak Retail and Office much faster than expected. This in addition to the wider impacts of the pandemic have added further pressures to city-authority finances, which now face the twin challenges of increased spending and reducing tax revenue.

According to the report British cities now face two futures these are:

1. "**Long-term Scarring** that could drag the UK back to the 1980s, with a big increase in unemployment, worsening health and economic inequalities and a revenue crisis, heightened by a loss of business rates and commercial revenue. This would present a vicious cycle of decline, where cities were unable to fill the gaps left by empty retail and office space, further undermining their revenue base and making it harder to attract new investment. In this scenario, failure to intervene to support renewal in cities would hamper national productivity and growth, creating a widespread levelling down effect."
2. "**Inclusive Renewal** with cities doing what they have always done best - renewal and re-invention. This would see cities tackle the urgent crises of job losses, economic inequality and the climate emergency; facilitate a new model for hybrid office working; consolidate a retail offer that is more about experience; double down on their cultural and creative strengths; and pivot towards future sources of inclusive growth driven by innovation. In turn, the benefits of this renewal would extend to neighbouring towns and see cities generate growth at scale to lead the national effort on recovery and achieve levelling up."

The aim is to help cities avert the risk of long-term scarring and to support them in building inclusive renewal.

Cities are central to recovery and levelling up

Recovery and levelling up are national priorities. In order to successfully achieve these, they must be delivered at place level with our cities. This is where jobs, businesses and innovation, alongside poverty and health inequalities, are most heavily concentrated. The city recovery is critical to town recovery. The report proposes that a core component of recovery strategies should be supporting the development of supply chains cluster in growth sectors that link cities and towns across wider economic corridors.

The recovery and levelling up offer
Cities are able to offer big on recovery and levelling up. This is a reflection the size of their economies, the concentration of deprivation in urban centres, and their potential to grow more inclusively. Simply closing the gap between where cities are now and the national average will make a huge contribution to recovery. This is the minimum that cities would want to achieve, working with Government to drive urban renewal:

- **"Recovery: £89bn** - how much larger the national economy would be if productivity in the Key Cities and Core Cities matched the national average.
- **Levelling up: 3.3 million** - how many fewer people would live deprived neighbourhoods if deprivation levels in the Key Cities and Core Cities matched the UK average."

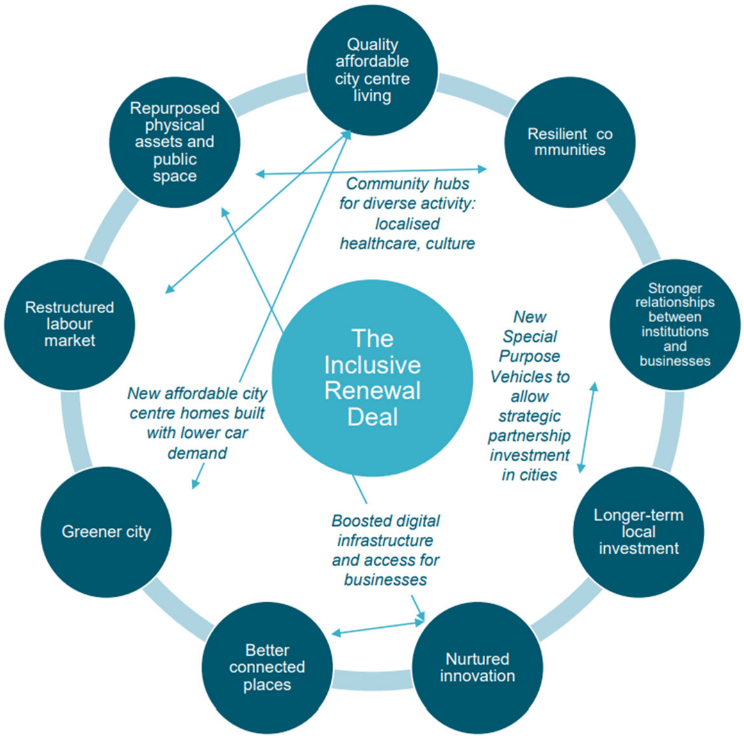
An inclusive Urban Renewal Deal
The report proposes an Inclusive Renewal Deal between cities and Government that will drive recovery and levelling up. The deal stipulates that the Government should give cities the freedoms, flexibilities, powers and investment and revenue base, to enable cities to make good on their offer to generate additional economic activity and add to delivering on levelling up, including;

- "Creating a series of new growth, and levelling up deals
- Joint commitments on good jobs, employment support and skills
- Investment in innovation, net-zero, green jobs, housing and regeneration
- Health improvement and public service reform
- New powers to drive future growth opportunities, including on data"

The Inclusive Renewal Deal process will generate local ownership of the Government's levelling up plan, and establish locally agreed milestones and metrics for levelling up over the short, medium and long term. It will embed this in a joined-up and strategic place-led approach to recovery. This is important as levelling up requires both early actions, to demonstrate immediate progress and long-term interventions to develop human capital and change the economic trajectory of places.

A new framework for renewing urban centres
This report sets out how cities will need to change to build inclusive renewal and fulfil their side of the recovery and levelling up deal. Collaborative economic governance should be at the heart of this, involving citizens, anchor institutions businesses and investors in shaping the for their places. It will need to respond to the three challenges of net-zero, peak retail and peak office, through re-purposing vacant sites, re-imagining city centres, rebalancing urban geographies and creating good jobs.

Most cities are already developing plans for greener, smarter cities, with centres that support more flexible hybrid working, a more consolidated and stronger core retail offer, re-skilling and job matching. Building on this, the report proposes a framework for renewing cities that pulls together a series of renewal goals with cross-cutting interventions. The framework is intended to help cities visualise the opportunities for renewal that lie at the heart of these intersections. The model below provides an illustrative starting point and shows a way of using the framework with some example interventions and how they might serve to meet multiple goals.



Making this real through joint investment and delivery
A new vision and policy framework for cities will help the development of a range of projects and interventions that can build renewal. However, these then need to be funded and delivered. The report suggests that cities need to develop a mixture of approaches to funding and investment based on investable propositions for major capital projects and outcome agreements for public service and prevention compacts. The sources of investment should include patient capital equity funds, revolving investment funds, impact investment and multi-year revenue agreements.

The principle of local partnership working should be embedded into both funding and delivery, including new Special Purpose Vehicles (SPVS), to bring together public and private sector partners with skin in the game on land, investment, borrowing and other assets to drive investment and delivery of major transformative renewal projects. All of this should be enabled through an Inclusive Renewal Deal with Government that gives cities freedoms, flexibilities and borrowing powers, together with further Green Book reform piloting.

The full report can be found here.

In order to provide a detailed insight into how each Individual key city and core city has been affected by the Covid-19 crisis, Metro Dynamics has also produced an online dashboard to accompany the report. The **dashboard which can be found here**, presents information for each of the 25 key cities and 11 core cities. Its purpose is to help enable local leaders to apply the insights and recommendations of the Future of Urban Centres to their city's specific conditions.

The WM Weekly monitor is funded by the West Midlands Combined Authority, Research England/UKRI

WMCA Intelligence Briefing: Gross Value Added (GVA): May 2021[1]

BCCEIU

This briefing covers the Regional Gross Value Added (GVA) (balanced) data released by the Office for National Statistics (ONS) on 26th May 2021. Balanced estimates are produced by combining the existing income and production approach measures using weighted quality metrics.

GVA estimates are presented in current basic prices. They do not allow for different regional price levels or changes in prices over time (inflation).

The release provides data up to 2019, not reflecting the impact of the Covid-19 pandemic. Please note previous years' data has been revised.

Key Points:

- The WMCA (3 LEP) total GVA has increased from £104.6bn in 2018 to £106.7bn in 2019. This equates to a 2.0% annual increase, below UK average growth of 3.5%.
- The WMCA (3 LEP) GVA per head has increased from £25,082 in 2018 to £25,438 in 2019. This equates to a 1.4% increase, below the UK average growth of 2.9%. There is a shortfall of £4,161 to the UK figure (£29,599).
- Total GVA increased across all 3 WMCA LEPs, with the Black Country increasing by 1.3% to £22.3bn, Coventry and Warwickshire by 1.2% to £29.7bn and Greater Birmingham and Solihull increasing by 2.7% to £54.7bn.
- The sector with the highest GVA growth was Digital & Creative, increasing by 11.2%. Other sectors that reported above economy wide averages include Logistics & Transport (+4.7%), Public Sector including Education (+4.6%) and Cultural Economy including Sports (+4.1%).
- The WM 7 Met. area total GVA increased from £68.9bn in 2018 to £70.3bn in 2019. This also represents a growth rate of 2.0%, slightly below most comparative city regions.
- The WM 7 Met. area GVA per head increased from £23,632 in 2018 to £24,015 in 2019, representing 1.6% growth. There is a shortfall of £5,584 compared to the UK average.

Full Briefing:

Total GVA – Balanced

- The WMCA (3 LEP) total GVA has increased from £104.6bn in 2018 to £106.7bn in 2019. This equates to a 2.0% annual increase, below UK average growth of 3.5%.

- The WM 7 Met. area total GVA increased from £68.9bn in 2018 to £70.3bn in 2019. This also represents a growth rate of 2.0%, slightly below most comparative city regions.

- Total GVA increased across all 3 WMCA LEPs, with the Black Country increasing by 1.3% to £22.3bn, Coventry and Warwickshire by 1.2% to £29.7bn and Greater Birmingham and Solihull increasing by 2.7% to £54.7bn.

- Within the WMCA (3 LEP), East Staffordshire had the highest percentage GVA increase, reporting 7.4% growth (+£257m) to £3.7bn.

- Healthy, above UK average GVA growth between 2018 and 2019 was also been experienced in Wyre Forest (+4.2%), Nuneaton and Bedworth (4.1%) and North Warwickshire (4.0%).

- In contrast, GVA decreased in four local authorities: Bromsgrove (-1.5%), Cannock Chase (-0.5%), Rugby (-0.2%) and Sandwell (-0.01%).

[1] ONS, Regional economic activity by gross domestic product, UK: 1998 to 2019, released May 2021

Table 1: GVA in the WMCA (3-LEP)

	£ Millions			
	2018	**2019**	**Change**	**% Change**
Birmingham	£27,078	£27,798	£720	2.7%
Bromsgrove	£2,926	£2,883	-£43	-1.5%
Cannock Chase	£2,167	£2,156	-£11	-0.5%
Coventry	£9,847	£9,909	£62	0.6%
Dudley	£5,402	£5,506	£104	1.9%
East Staffordshire	£3,450	£3,707	£257	7.4%
Lichfield	£2,290	£2,370	£80	3.5%
North Warwickshire	£2,870	£2,986	£116	4.0%
Nuneaton and Bedworth	£2,124	£2,211	£87	4.1%
Redditch	£2,213	£2,219	£6	0.3%
Rugby	£2,965	£2,960	-£5	-0.2%
Sandwell	£6,739	£6,738	-£1	-0.01%
Solihull	£9,998	£10,340	£342	3.4%
Stratford-on-Avon	£5,177	£5,188	£11	0.2%
Tamworth	£1,671	£1,690	£19	1.1%
Walsall	£4,772	£4,825	£53	1.1%
Warwick	£6,387	£6,478	£91	1.4%
Wolverhampton	£5,086	£5,214	£128	2.5%
Wyre Forest	£1,469	£1,531	£62	4.2%
WM 7 Met.	**£68,922**	**£70,330**	**£1,408**	**2.0%**
Black Country	£21,999	£22,282	£283	1.3%
Coventry and Warwickshire	£29,369	£29,733	£364	1.2%
Greater Birmingham and Solihull	£53,263	£54,695	£1,432	2.7%
WMCA (3 LEP)	**£104,631**	**£106,710**	**£2,079**	**2.0%**
UK	£1,910,247	£1,977,096	£66,849	3.5%

GVA per Head and Employee

- The WMCA (3 LEP) GVA per head has increased from £25,082 in 2018 to £25,438 in 2019. This equates to a 1.4% increase, below the UK average growth of 2.9%. There is a shortfall of £4,161 to the UK figure (£29,599).

- The WM 7 Met. area GVA per head increased from £23,632 in 2018 to £24,015 in 2019, representing 1.6% growth. There is a shortfall of £5,584 compared to the UK average.

- Following the trends of overall GVA, Greater Birmingham and Solihull had the largest rise in GVA per head (+£620, 2.4%), while the Black Country also grew (+£152, 0.8%). Coventry & Warwickshire's GVA per head in 2019 (£31,316) remains practically the same as it was in 2018, and still the highest of the 3 LEPs.

Table 2: GVA per Head in the WMCA (3-LEP) Area

	2018	2019	Change	% Change
Birmingham	£23,724	£24,345	£621	2.6%
Bromsgrove	£29,657	£28,864	-£792	-2.7%
Cannock Chase	£21,646	£21,397	-£249	-1.2%
Coventry	£26,847	£26,671	-£175	-0.7%
Dudley	£16,848	£17,121	£273	1.6%
East Staffordshire	£29,096	£30,955	£1,859	6.4%
Lichfield	£22,027	£22,624	£597	2.7%
North Warwickshire	£44,256	£45,753	£1,497	3.4%
Nuneaton and Bedworth	£16,478	£17,023	£545	3.3%
Redditch	£26,039	£26,026	-£13	0.0%
Rugby	£27,660	£27,172	-£488	-1.8%
Sandwell	£20,585	£20,515	-£70	-0.3%
Solihull	£46,522	£47,788	£1,266	2.7%
Stratford-on-Avon	£40,578	£39,878	-£701	-1.7%
Tamworth	£21,792	£22,035	£243	1.1%
Walsall	£16,840	£16,901	£62	0.4%
Warwick	£44,826	£45,063	£237	0.5%
Wolverhampton	£19,412	£19,798	£387	2.0%
Wyre Forest	£14,536	£15,115	£579	4.0%
WM 7 Met.	**£23,632**	**£24,015**	**£383**	**1.6%**
Black Country	£18,434	£18,586	£152	0.8%
Coventry and Warwickshire	£31,317	£31,316	-£1	0.0%
Greater Birmingham and Solihull	£26,105	£26,725	£620	2.4%
WMCA (3 LEP)	**£25,082**	**£25,438**	**£355**	**1.4%**
UK	£28,753	£29,599	£846	2.9%

- The WMCA (3 LEP) GVA per employee was £57,003 in 2019; this is a 1.4% (+£810) increase from 2018. England increased by 2.2% to £64,701 per employee, leading to a shortfall of £7,698 for the WMCA (3 LEP).

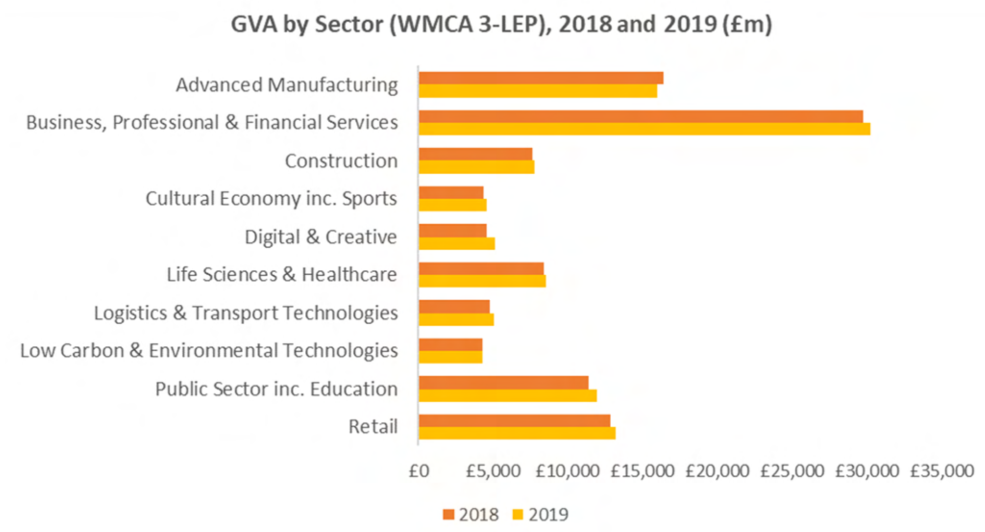
- GVA per employee in the WM 7 Met. area was £55,685, this a 2.1% increase from 2018 and a gap of £9,016 to the England average.

GVA by Sector[2]

- Of the WMCA's broad key sectors, Business, Professional & Financial Services remains the largest in terms of GVA: this sector grew by 1.4% between 2018 and 2019, now totalling £30.2bn.
- The sector with the highest GVA growth was Digital & Creative, increasing by 11.2%. Other sectors that reported above economy wide averages include Logistics & Transport (+4.7%), Public Sector including Education (+4.6%) and Cultural Economy including Sports (+4.1%).
- All sectors demonstrated growth apart from Advanced Manufacturing and Engineering. This large sector's GVA decreased slightly, from £16.4bn to £16.0bn (-2.6%).

Table 3 and Figure 1: GVA by Sector

	£ Millions			
	2018	**2019**	**Change**	**% Change**
Advanced Manufacturing	£16,417	£15,996	-£421	-2.6%
Business, Professional & Financial Services	£29,769	£30,199	£430	1.4%
Construction	£7,634	£7,812	£178	2.3%
Cultural Economy inc. Sports	£4,397	£4,579	£182	4.1%
Digital & Creative	£4,598	£5,115	£517	11.2%
Life Sciences & Healthcare	£8,410	£8,527	£117	1.4%
Logistics & Transport Technologies	£4,813	£5,039	£226	4.7%
Low Carbon & Environmental Technologies	£4,293	£4,317	£24	0.6%
Public Sector inc. Education	£11,424	£11,948	£524	4.6%
Retail	£12,878	£13,172	£294	2.3%
Total	**£104,633**	**£106,704**	**£2,071**	**2.0%**



[2] please note, the ONS GVA SIC code groupings have been applied to ten WMCA sectors

WMCA Coronavirus Job Retention Scheme (CJRS) Statistics: Released June 2021[3]

Black Country Consortium – Economic Intelligence Unit

Summary

- In total, the WMCA (3 LEP) area had 195,200 employments furloughed at 30th April 2021. This reflects 11.2% take-up of eligible employments for the scheme, compared to the UK average of 11.7%. When compared to 31st March 2021, the number of employments furloughed in the WMCA (3 LEP) decreased by 43,200 people (-18.1%). The UK decreased by 20.5% over the same period.
- As of 30th April 2021, there was a slightly higher percentage of males furloughed, at 11.4% (98,800) compared to females at 11.1% (95,200) in the WMCA (3 LEP) area. Whereas the UK had a take-up rate of 11.4% for both males and females.
- Across the WMCA (3 LEP) area, as of 30th April 2021, the sector with the highest number of employments furloughed was accommodation and food services at 46,380. This was followed by wholesale and retail repair of motor vehicles at 35,200 and then manufacturing at 23,480. Manufacturing is the only sector to have witnessed an increase in furlough between March and April (+5%).
- Provisional national figures show the number of employments on furlough in April 2021 decreased across all age bands. For employments where the employee was aged 25 to 34, the number of employments on furlough was 943,400 across the UK at 31st March. Provisional figures show that this figure dropped to 751,000 at 30th April 2021.
- Across all employer sizes, the number of employments on furlough in the UK has decreased throughout February, March and April 2021.

Full Briefing

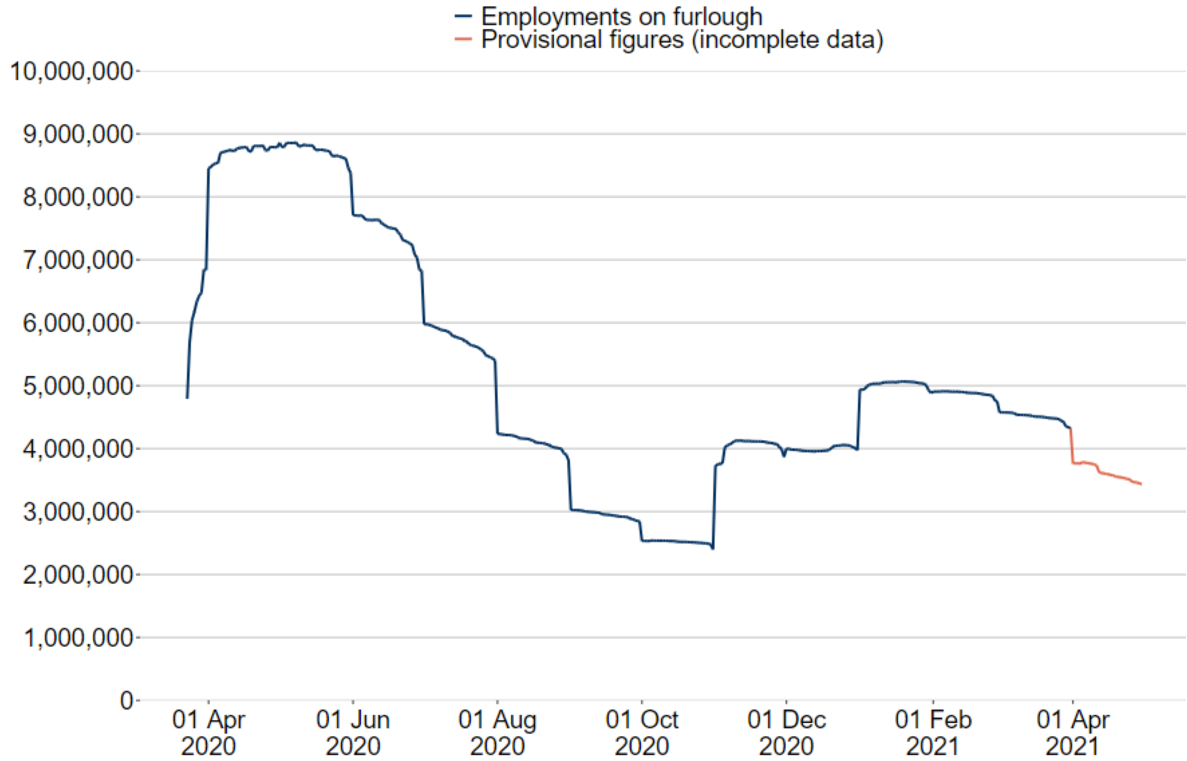
- This briefing reports on the twelfth release of Official Statistics on the Coronavirus Job Retention Scheme (CJRS), commonly known as furlough. This release provides analysis of claims for periods up to 30th April 2021. The data used includes claims submitted to HMRC by 14th May 2021.

Furloughed Employments Over Time – UK & West Midlands Region

- For the UK, the number of employments on furlough peaked at 8.9 million on 8th May 2020. This fell to 2.4 million at 31st October and then rose again to 4.9 million employments on furlough at 31st January 2021. The latest provisional figures show there has been a decrease in levels of furlough between March and April 2021,with 3.4 million on furlough at 30th April.

The following chart shows the total number of employments furloughed in the UK between 23rd March 2020 to 30th April 2021:

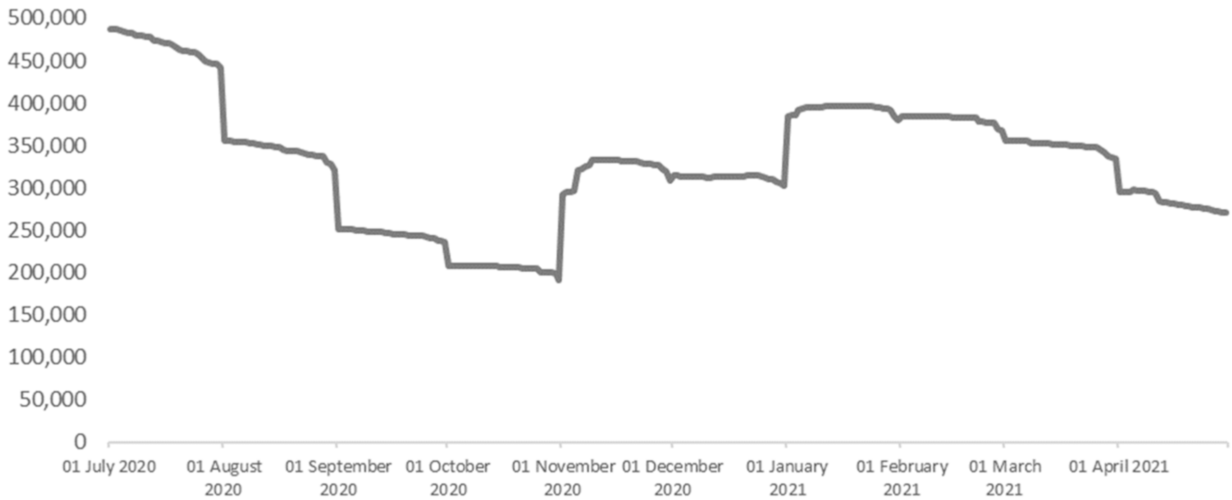
[3] Source: HMRC, Coronavirus Job Retention Scheme statistics: June 2021. Please note, the data for April 2021 is not yet fully complete as while claims relating to April 2021 should have been filed by 14th May 2021, employers could file claims later with the agreement of HMRC if they had a reasonable excuse. Claims for April 2021 can also be amended until 28th May 2021. Together, these factors are likely to have a small effect on the statistics.



Source: HMRC CJRS data

- The latest provisional figures show for the West Midlands region there has been a decrease in levels of furlough between March and April 2021, with 270,500 employments furloughed at 30th April 2021, down from 334,300 on 31st March (-19.1% compared to -20.5% for the UK).

The following chart shows for the West Midlands region the number of employments furloughed between per day between 1st July 2020 to 30th April 2021:



Source: HMRC CJRS data

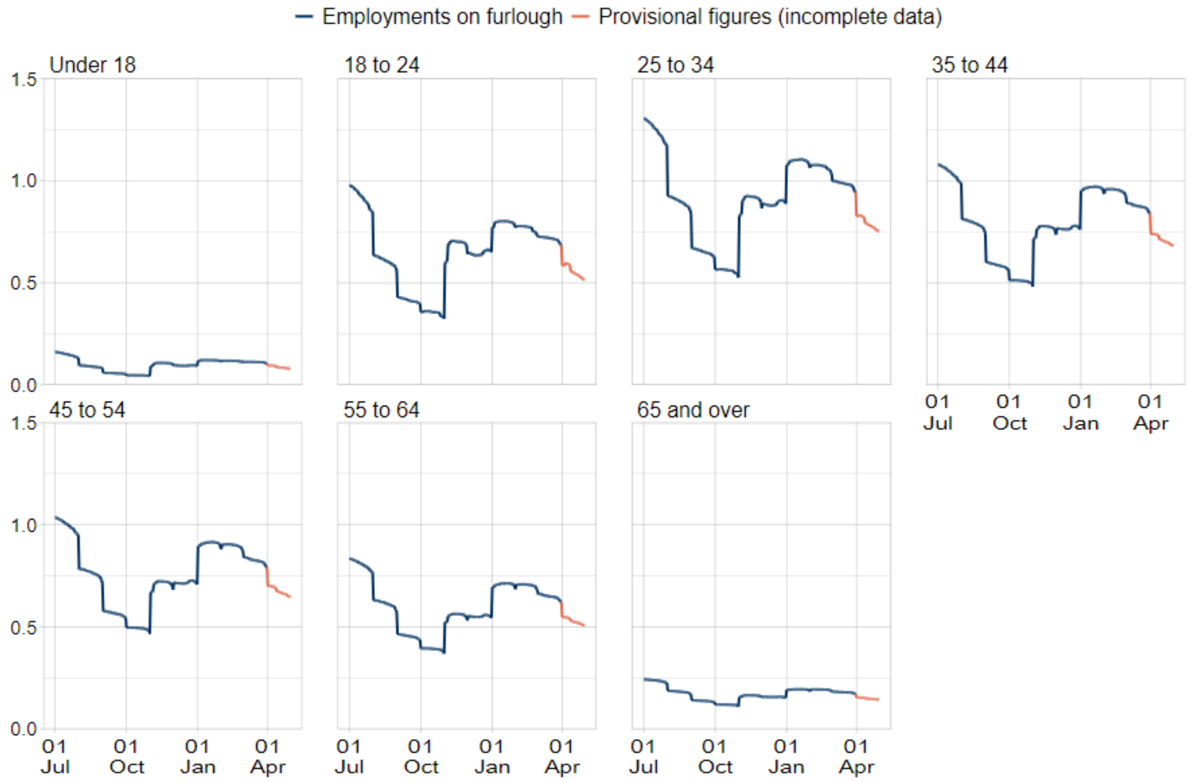
Of the 270,500 employments furloughed in the West Midlands region on the 30th April 2021, 153,700 were fully furloughed and 116,800 were partially furloughed.

Employments Furloughed Over Time by Age – UK

- Across most age bands the number of employments on furlough decreased between January and February. The 65 and over age band was an exception, where levels of furlough remained broadly consistent throughout February 2021. Employments on furlough across all age bands continued to decrease between February through to March.

- Provisional figures show the number of employments on furlough in April 2021 decreased across all age bands. For employments where the employee was aged 25 to 34, the number of employments on furlough was 943,400 at 31st March. Provisional figures show that this figure dropped to 751,000 at 30th April 2021.
- The number of employments on furlough with employees in the 18 to 24 age band was 684,700 at 31st March. At 30th April, provisional figures show that 514,400 employments were on furlough in the 18-24 age band, a decrease of almost 50,000 people.
- Where the employee was 65 or over, the number of employments on furlough was 172,600 at 31st March. Provisional estimates show that the number of employments on furlough decreased in April to 144,000 by 30th April.

The following chart shows the number employments furloughed (in millions) for the UK by the age of the employee per day between the 1st July 2020 to 30th April 2021:



Source: HMRC CJRS and PAYE Real Time Information data

Furloughing by Employer Size – UK

- Across all employer sizes, the number of employments on furlough has decreased throughout February, March and April 2021.
- The largest reduction is for employers with 250 or more employees where the number of employments on furlough decreased by 414,800 from 1.40 million employments at 31 March 2021 to a provisional estimate of 985,400 at 30 April 2021.
- Employers with 20 to 49 employments had 572,200 employments on furlough at 31 March 2021. Provisional estimates show that the number of employments on furlough decreased through April to 474,300 at 30 April 2021.
- Employers with one employment had 182,700 employments on furlough at 31 March 2021. Provisional figures show that this decreased in April to 160,200 employments on furlough at 30 April 2021.

Employments Furloughed by Gender – WMCA (3 LEP)

- In total, the WMCA (3 LEP) area had 195,200 employments furloughed at 30th April 2021. This reflects 11.2% take-up of eligible employments for the scheme, compared to the UK average of 11.7%.
- When compared to 31st March 2021, the number of employments furloughed in the WMCA (3 LEP) decreased by 43,200 people (-18.1%). The UK decreased by 20.5% over the same period.
- As of 30th April 2021, there was a slightly higher percentage of males furloughed at 11.4% (99,800), compared to females at 11.1% (95,200). Whereas the UK had a take up rate of 11.4% for both males and females.
- As of the 31st March 2021, the local authority with the highest percentage of employments furloughed was Stratford-on-Avon at 13.0% (7,600 furloughed of the 58,500 eligible). The local authority with the highest percentage of males furloughed was Birmingham at 13.5% (29,400 furloughed of the 217,300 eligible). The local authority with the highest percentage of female employments furloughed was Stratford-on-Avon at 14.2% (4,200 furloughed of 29,500 eligible).

The following table shows employments furloughed, eligible employments and the take-up rate for the WMCA (3 LEP) area by gender as of 30th April 2021[4]:

	Female			Male			Total		
	Female eligible employments	Female employments furloughed	take up-rate	Male eligible employments	Male employments furloughed	take up-rate	Total eligible employments	Total employments furloughed	take up-rate
Cannock Chase	22,600	2,700	11.9%	22,400	2,300	10.3%	45,000	5,000	11.1%
East Staffordshire	27,500	3,000	10.9%	29,000	2,600	9.0%	56,500	5,600	9.9%
Lichfield	23,000	2,800	12.2%	22,700	2,400	10.6%	45,700	5,200	11.4%
Tamworth	18,200	2,200	12.1%	18,600	1,900	10.2%	36,800	4,200	11.4%
North Warwickshire	15,000	1,700	11.3%	14,600	1,500	10.3%	29,600	3,300	11.1%
Nuneaton and Bedworth	30,300	3,000	9.9%	30,500	2,900	9.5%	60,800	5,900	9.7%
Rugby	26,400	2,400	9.1%	28,100	2,300	8.2%	54,500	4,700	8.6%
Stratford-on-Avon	29,500	4,200	14.2%	29,000	3,500	12.1%	58,500	7,600	13.0%
Warwick	32,800	3,800	11.6%	34,100	3,400	10.0%	66,900	7,200	10.8%
Birmingham	205,900	23,400	11.4%	217,300	29,400	13.5%	423,300	52,800	12.5%
Coventry	72,800	7,200	9.9%	76,200	7,900	10.4%	149,000	15,100	10.1%
Dudley	67,400	7,000	10.4%	66,500	7,500	11.3%	133,900	14,500	10.8%
Sandwell	67,300	7,300	10.8%	68,600	8,200	12.0%	135,900	15,500	11.4%
Solihull	47,100	5,800	12.3%	46,500	5,200	11.2%	93,600	11,000	11.8%
Walsall	55,900	6,300	11.3%	57,200	6,500	11.4%	113,100	12,800	11.3%
Wolverhampton	54,700	5,300	9.7%	54,600	5,700	10.4%	109,300	11,000	10.1%
Bromsgrove	22,300	2,400	10.8%	21,000	2,200	10.5%	43,300	4,700	10.9%
Redditch	20,500	2,200	10.7%	20,100	2,100	10.4%	40,700	4,300	10.6%
Wyre Forest	21,300	2,500	11.7%	20,400	2,300	11.3%	41,700	4,800	11.5%
WM 7 Met.	571,100	62,300	10.9%	586,900	70,400	12.0%	1,158,100	132,700	11.5%
BCLEP	245,300	25,900	10.6%	246,900	27,900	11.3%	492,200	53,800	10.9%
CWLEP	206,800	22,300	10.8%	212,500	21,500	10.1%	419,300	43,800	10.4%
GBSLEP	408,400	47,000	11.5%	418,000	50,400	12.1%	826,600	97,600	11.8%
WMCA (3 LEP)	**860,500**	**95,200**	**11.1%**	**877,400**	**99,800**	**11.4%**	**1,738,100**	**195,200**	**11.2%**
West Midlands region	**1,230,800**	**135,800**	**11.0%**	**1,240,300**	**134,800**	**10.9%**	**2,471,100**	**270,500**	**10.9%**
United Kingdom	**14,734,000**	**1,684,800**	**11.4%**	**14,534,100**	**1,638,000**	**11.4%**	**29,268,000**	**3,435,400**	**11.7%**

- The parliamentary constituency in the WMCA (3 LEP) area with the highest take-up rate on 30th April 2021 was Birmingham, Ladywood at 14.7% (7,300 furloughed of the 50,100 eligible). Birmingham, Hodge Hill was the parliamentary constituency with the highest male take-up rate with 15.8% (3,600 furloughed of 22,700 eligible). The parliamentary constituency with the highest female take-up rate with 14.7% (3,100 furloughed of the 21,200 eligible) was Stratford-on-Avon.

The following table shows by parliamentary constituencies within the WMCA (3 LEP) area the employments furloughed, eligible employments and take-up rate on the 30th April 2021:

[4] Please note 'unknown' has been excluded from the table, the total UK figure will not sum.

The WM Weekly monitor is funded by the West Midlands Combined Authority, Research England/UKRI

	Female			Male			Total		
	Female eligible employments	Female employments furloughed	take up-rate	Male eligible employments	Male employments furloughed	take up-rate	Total eligible employments	Total employments furloughed	take up-rate
Aldridge-Brownhills	16,900	2,000	11.9 %	16,300	1,800	11.0 %	33,200	3,800	11.5 %
Birmingham, Edgbaston	18,800	2,000	10.9 %	18,600	2,300	12.3 %	37,400	4,300	11.6 %
Birmingham, Erdington	21,100	2,500	11.6 %	20,800	2,600	12.6 %	41,900	5,100	12.1 %
Birmingham, Hall Green	18,800	2,300	12.0 %	23,000	3,600	15.7 %	41,700	5,900	14.0 %
Birmingham, Hodge Hill	18,100	2,200	11.9 %	22,700	3,600	15.8 %	40,800	5,700	14.1 %
Birmingham, Ladywood	22,700	3,000	13.4 %	27,400	4,300	15.7 %	50,100	7,300	14.7 %
Birmingham, Northfield	22,500	2,000	9.1%	20,400	2,200	11.0 %	42,800	4,300	10.0 %
Birmingham, Perry Barr	20,900	2,300	11.1 %	22,000	3,000	13.5 %	43,000	5,300	12.3 %
Birmingham, Selly Oak	20,400	2,000	9.8%	19,200	2,200	11.5 %	39,600	4,200	10.7 %
Birmingham, Yardley	20,900	2,600	12.6 %	22,400	3,300	14.5 %	43,300	5,900	13.6 %
Bromsgrove	22,300	2,400	10.9 %	21,000	2,200	10.7 %	43,300	4,700	10.8 %
Burton	25,000	2,700	10.6 %	26,600	2,400	8.9%	51,600	5,000	9.7%
Cannock Chase	22,600	2,700	12.1 %	22,400	2,300	10.3 %	45,000	5,000	11.2 %
Coventry North East	27,500	2,500	9.3%	29,000	3,000	10.2 %	56,600	5,500	9.7%
Coventry North West	24,200	2,500	10.5 %	24,300	2,600	10.6 %	48,500	5,100	10.6 %
Coventry South	21,100	2,100	10.1 %	22,800	2,400	10.4 %	44,000	4,500	10.2 %
Dudley North	17,600	1,800	9.9%	17,400	1,900	10.9 %	35,100	3,600	10.4 %
Dudley South	17,100	1,800	10.5 %	17,000	2,000	11.6 %	34,100	3,800	11.1 %
Halesowen and Rowley Regis	19,200	2,000	10.4 %	18,900	2,200	11.5 %	38,000	4,200	11.0 %
Kenilworth and Southam	19,400	2,400	12.2 %	19,600	2,000	10.0 %	39,000	4,300	11.1 %
Lichfield	21,500	2,500	11.8 %	21,100	2,200	10.3 %	42,600	4,700	11.0 %
Meriden	24,700	3,100	12.7 %	24,200	2,800	11.6 %	48,800	5,900	12.2 %
North Warwickshire	21,400	2,400	11.1 %	21,100	2,200	10.6 %	42,500	4,600	10.8 %
Nuneaton	22,700	2,200	9.5%	22,800	2,100	9.1%	45,500	4,200	9.3%
Redditch	21,800	2,400	11.0 %	21,400	2,200	10.5 %	43,100	4,600	10.7 %
Rugby	25,200	2,300	9.0%	26,900	2,200	8.2%	52,100	4,500	8.6%
Solihull	22,400	2,600	11.6 %	22,400	2,500	11.0 %	44,800	5,100	11.3 %
Stourbridge	18,800	2,100	11.2 %	18,700	2,200	11.6 %	37,600	4,300	11.4 %
Stratford-on-Avon	21,200	3,100	14.7 %	20,600	2,600	12.8 %	41,700	5,700	13.7 %
Sutton Coldfield	21,800	2,500	11.5 %	20,900	2,300	10.9 %	42,700	4,800	11.2 %
Tamworth	22,100	2,900	12.9 %	22,600	2,500	10.8 %	44,800	5,300	11.9 %
Walsall North	19,600	2,100	10.7 %	19,800	2,200	10.9 %	39,400	4,200	10.8 %
Walsall South	19,400	2,200	11.4 %	21,100	2,600	12.1 %	40,500	4,800	11.8 %
Warley	20,200	2,300	11.6 %	21,000	2,700	13.0 %	41,200	5,100	12.3 %
Warwick and Leamington	24,100	2,700	11.2 %	25,300	2,500	9.9%	49,400	5,200	10.5 %

	Female			Male			Total		
	Female eligible employments	Female employments furloughed	take up-rate	Male eligible employments	Male employments furloughed	take up-rate	Total eligible employments	Total employments furloughed	take up-rate
West Bromwich East	19,100	2,000	10.5%	19,200	2,300	12.1%	38,300	4,300	11.3%
West Bromwich West	19,900	2,000	10.3%	20,300	2,300	11.2%	40,200	4,300	10.7%
Wolverhampton North East	19,900	1,900	9.4%	18,900	1,900	10.0%	38,900	3,700	9.6%
Wolverhampton South East	19,200	1,900	10.0%	19,800	2,100	10.7%	38,900	4,000	10.4%
Wolverhampton South West	18,300	1,800	9.9%	18,500	2,000	10.6%	36,800	3,800	10.2%
Wyre Forest	21,300	2,500	11.7%	20,400	2,300	11.1%	41,700	4,800	11.4%
WMCA (3 LEP)	**860,500**	**95,200**	**11.1%**	**877,400**	**99,800**	**11.4%**	**1,738,100**	**195,200**	**11.2%**
United Kingdom	**14,734,000**	**1,684,800**	**11.4%**	**14,534,100**	**1,638,000**	**11.4%**	**29,268,000**	**3,435,400**	**11.7%**

Employments Furloughed by Broad Sector – WMCA (3 LEP) Overall

- Across the WMCA (3 LEP) area, as of 30th April 2021, the sector with the highest number of employments furloughed was accommodation and food services at 46,380. This was followed by wholesale and retail repair of motor vehicles at 35,200 and then manufacturing at 23,480 employments furloughed.
- Manufacturing is the only sector to have witnessed an increase in furlough between March and April (+5%). In this time period, furloughed employments have decreased most in education (-34%), public administration (-33%) and wholesale and retail (-31%).
- In the WMCA (3 LEP) area, agriculture, mining, energy, water and waste had the lowest employments furloughed on the 30th April 2021 at 1,240, this was followed by public administration and defence; social security, households, unknown and other at 2,130.

The following table shows the total employments furloughed by broad sector for the WMCA (3 LEP) as of 28th February 2021 and 30th April 2021:

	Mar-21	Apr-21	Change	% Change
Agriculture, forestry and fishing, Mining and quarrying, Energy production and supply & Water supply, sewerage and waste	1,560	1,240	-320	-20.5%
Manufacturing	22,360	23,480	1,120	5.0%
Construction	9,750	8,430	-1,320	-13.5%
Wholesale and retail; repair of motor vehicles	50,670	35,200	-15,470	-30.5%
Transportation and storage	9,740	9,420	-320	-3.3%
Accommodation and food services	53,890	46,380	-7,510	-13.9%
Information and communication, Financial and insurance & Real estate	9,400	8,200	-1,200	-12.8%
Professional and scientific and technical	13,570	11,950	-1,620	-11.9%
Administrative and support services	19,650	15,960	-3,690	-18.8%
Education	8,300	5,470	-2,830	-34.1%
Health and social work	9,390	7,150	-2,240	-23.9%
Arts, entertainment and recreation	15,360	11,980	-3,380	-22.0%
Other service activities	11,800	8,420	-3,380	-28.6%
Public administration and defence; social security, Households & Other	3,190	2,130	-1,060	-33.2%
Total	**238,630**	**195,410**	**-43,220**	**-18.1%**

Self-Employment Income Support Scheme (SEISS)

Black Country Consortium – Economic Intelligence Unit

Introduction

The main figures are based on claims submitted for the fourth grant of SEISS to 9th May 2021.

Summary

- Across the WMCA (3 LEP) area, 171,500 people were eligible for the fourth grant of SEISS. There were 90,200 claims made to 9th May, with a total value of just over £238m and with an average claim value of £2,642. The take-up rate for was 53%, above the UK average of 50%.
- At a West Midlands regional level, there were approximately 259,000 of the population eligible for the fourth grant of the SEISS, which is a take up rate of 50% based on the total number of claims of 130,000. This can be split further by gender and there was a total potentially eligible male population of 185,100 for the fourth grant of the SEISS, which equates to a take-up rate of 51% which is based on the total number of claims of 94,900. There were 74,200 eligible female population for the West Midlands region with a take-up rate of 47% based on the total number of claims of 34,600.
- For the West Midlands region, (excluding unknown and other) the industry with the highest take-up rate was other service activities at 70% (18,200 eligible, 12,800 claims).

In Depth

WMCA (3 LEP)

Across the WMCA (3 LEP) area, 171,500 people were eligible for the fourth grant of SEISS. There were 90,200 claims made to 9th May, with a total value of just over £238m with an average claim value of £2,642. The take-up rate for was 53%, above the UK average of 50%.

Compared to the first and second round of SEISS grants, there was a total of 135,900 claims and 123,500 claims respectively. The average claim was 2,900 for the first SEISS grant and was £2,500 for the second grant. The take up rate was 78% for the first SEISS grant, down to 71% for the second grant.

In the third round of SEISS grants, across the WMCA (3 LEP) area, 171,900 people were eligible for the third grant of SEISS. There were 116,200 claims made to 31st January, with a total value of just over £311m with an average claim value of £2,800. The take-up rate for was 68%, above the UK average of 65%.

For the fourth grant of SEISS only across the WMCA (3 LEP) area, there were 125,400 of the male population eligible. There were 68,100 claims with a total value of just over £192m with an average claim at £2,821. The take-up rate was 54%. For the female population in the WMCA (3 LEP) area there were 46,000 eligible population. There were 22,200 claims, the total value of just over £46m with an average claim at £2,086. The take-up rate was 48%.

Across the region's parliamentary constituencies, the take up rate varies from 41% in Kenilworth and Southam to 62% in Birmingham, Hodge Hill.

The following table shows an overall breakdown of the fourth grant for SEISS by parliamentary constituencies for eligible population, claims and take-up rate up to 9th May 2021:

Parliamentary Constituency	Total potentially eligible population	Total no. of claims made to 09/05/21	Total value of claims made to 09/05/21 (£)	Average value of claims made to 09/05/21 (£)	Total Take-Up Rate
Birmingham, Hodge Hill	6,000	3,700	7,300,000	1,900	62%
Birmingham, Yardley	5,100	3,000	7,300,000	2,400	59%
Birmingham, Ladywood	4,900	2,800	5,700,000	2,000	58%
Birmingham, Erdington	4,000	2,300	5,900,000	2,600	57%
Birmingham, Perry Barr	4,800	2,700	6,300,000	2,300	57%
Coventry North East	4,800	2,700	6,900,000	2,500	57%

Parliamentary Constituency	Total potentially eligible population	Total no. of claims made to 09/05/21	Total value of claims made to 09/05/21 (£)	Average value of claims made to 09/05/21 (£)	Total Take-Up Rate
Walsall North	4,100	2,300	6,300,000	2,700	57%
Warley	4,000	2,300	5,500,000	2,400	57%
Birmingham, Hall Green	5,500	3,100	6,700,000	2,200	56%
Walsall South	4,100	2,300	5,500,000	2,400	56%
West Bromwich West	3,700	2,100	5,200,000	2,500	56%
Dudley North	3,800	2,100	5,600,000	2,700	55%
Halesowen and Rowley Regis	3,900	2,100	5,800,000	2,700	55%
Birmingham, Northfield	3,700	2,000	5,700,000	2,800	54%
Cannock Chase	5,100	2,700	8,100,000	3,000	54%
Coventry North West	4,300	2,300	6,100,000	2,600	54%
Wolverhampton South East	3,500	1,900	5,000,000	2,600	54%
Birmingham, Selly Oak	3,900	2,100	5,700,000	2,800	53%
Aldridge-Brownhills	3,500	1,800	5,500,000	3,000	52%
Birmingham, Edgbaston	3,300	1,700	4,600,000	2,700	52%
Coventry South	3,400	1,800	4,600,000	2,600	52%
Dudley South	3,400	1,800	4,800,000	2,700	52%
North Warwickshire	4,100	2,100	6,200,000	2,900	52%
Redditch	4,300	2,200	6,300,000	2,800	52%
Stourbridge	4,400	2,300	6,000,000	2,600	52%
Tamworth	3,900	2,000	5,800,000	2,900	52%
West Bromwich East	3,600	1,900	4,900,000	2,600	52%
Meriden	4,100	2,100	6,200,000	3,000	51%
Wolverhampton North East	3,300	1,600	4,500,000	2,700	51%
Wolverhampton South West	3,600	1,900	4,600,000	2,500	51%
Nuneaton	3,700	1,800	5,000,000	2,700	50%
Solihull	3,800	1,900	5,700,000	3,000	50%
Burton	4,700	2,300	5,700,000	2,500	49%
Sutton Coldfield	3,700	1,800	5,600,000	3,100	49%
Wyre Forest	5,000	2,500	6,500,000	2,600	49%
Bromsgrove	4,600	2,200	6,500,000	3,000	48%
Lichfield	4,500	2,100	6,400,000	3,000	48%
Warwick and Leamington	3,800	1,800	5,000,000	2,800	47%
Rugby	4,100	1,900	5,300,000	2,800	46%
Stratford-on-Avon	5,600	2,400	7,300,000	3,000	43%
Kenilworth and Southam	4,300	1,700	5,200,000	3,000	41%

Across local authority areas, the take-up rate varies from 42% in Stratford-on-Avon to 56% in Birmingham. **The following table shows the overall breakdown of the fourth grant for SEISS by local authority for eligible population, claims and take-up rate for the SEISS up to 9th May 2021:**

County and district / unitary authority	Total potentially eligible population	Total no. of claims made to 09/05/21	Total value of claims made to 09/05/21 (£)	Average value of claims made to 09/05/21 (£)	Total Take-Up Rate
Birmingham	45,000	25,300	60,800,000	2,400	56%
Bromsgrove	4,600	2,200	6,500,000	3,000	48%
Cannock Chase	5,100	2,700	8,100,000	3,000	54%
Coventry	12,500	6,800	17,600,000	2,600	55%
Dudley	14,400	7,700	20,700,000	2,700	53%
East Staffordshire	5,300	2,500	6,400,000	2,500	48%
Lichfield	4,800	2,300	7,100,000	3,000	49%
North Warwickshire	3,100	1,600	4,500,000	2,900	50%
Nuneaton and Bedworth	4,900	2,600	7,100,000	2,800	52%
Redditch	3,900	2,100	5,800,000	2,800	53%
Rugby	4,400	2,000	5,600,000	2,800	45%
Sandwell	13,000	7,200	18,200,000	2,500	55%
Solihull	7,800	3,900	11,900,000	3,000	50%
Stratford-on-Avon	7,600	3,200	9,600,000	3,000	42%
Tamworth	3,000	1,600	4,400,000	2,800	53%
Walsall	11,800	6,500	17,300,000	2,700	55%
Warwick	5,500	2,500	7,200,000	2,900	45%
Wolverhampton	9,800	5,000	13,000,000	2,600	52%
Wyre Forest	5,000	2,500	6,500,000	2,600	49%
WM 7 met.	**114,200**	**62,400**	**159,600,000**	**2,600**	**55%**
BC LEP	49,000	26,400	69,200,000	2,621	54%
CW LEP	38,000	18,700	51,600,000	2,759	49%
GBS LEP	84,500	45,100	117,500,000	2,605	53%
WMCA	171,500	90,200	238,300,000	2,642	53%
West Midlands	**259,000**	**130,000**	**347,000,000**	**2,700**	**50%**
United Kingdom	**3,364,000**	**1,680,000**	**4,736,000,000**	**2,800**	**50%**

Regional Analysis

West Midlands Region: Claims by Age and Gender

At a West Midlands regional level, there were approximately 259,000 of the population eligible for the fourth grant of the SEISS, which is a take up rate of 50% based on the total number of claims of 130,000. This can be split further by gender and there was a total potentially eligible male population of 185,100 for the fourth grant of the SEISS, which equates to a take-up rate of 51%, which is based on the total number of claims of 94,900. There were 74,200 eligible female population for the West Midlands region with a take-up rate of 47% based on the total number of claims of 34,600.

Overall, for the West Midlands region the highest take-up rate was for those aged 35-44 years old (59,400 eligible, 32,600 claims) Excluding missing data, the highest take-up rate in the West Midlands region for females were those aged 25-34 years old at 52% (12,300 eligible and 6,300 claims). For males in the West Midlands region, the highest take-up rate was those aged 35-44 years old at 57% (42,100 eligible, 24,100 claims).

The following table shows a breakdown by age and gender across the West Midlands Region:

Gender	Age bands	Total potentially eligible population	Total no. of claims made to 09/05/21	Total value of claims made to 09/05/21	Average value of claims made to date	Take-Up Rate
Male	16-24	7,200	3,300	£7,000,000	£2,200	46%
	25-34	34,100	18,300	£54,200,000	£3,000	54%
	35-44	42,100	24,100	£69,400,000	£2,900	57%
	45-54	46,500	24,600	£70,300,000	£2,900	53%
	55-64	40,300	18,900	£54,500,000	£2,900	47%
	65+	13,200	4,800	£15,200,000	£3,200	36%
	Missing	1,800	900	£2,300,000	£2,500	50%
	All	185,100	94,900	£272,900,000	£2,900	51%
Female	16-24	2,000	800	£1,400,000	£1,700	40%
	25-34	12,300	6,300	£12,900,000	£2,000	52%
	35-44	17,400	8,500	£17,300,000	£2,000	49%
	45-54	19,900	9,700	£20,800,000	£2,100	49%
	55-64	16,600	7,300	£16,200,000	£2,200	44%
	65+	5,400	1,600	£4,300,000	£2,700	29%
	Missing	700	300	£800,000	£2,400	48%
	All	74,200	34,600	£73,600,000	£2,100	47%
All	16-24	9,100	4,100	£8,400,000	£2,100	44%
	25-34	46,400	24,700	£67,100,000	£2,700	53%
	35-44	59,400	32,600	£86,700,000	£2,700	55%
	45-54	66,300	34,300	£91,100,000	£2,700	52%
	55-64	57,000	26,300	£70,700,000	£2,700	46%
	65+	18,600	6,400	£19,500,000	£3,100	34%
	Missing	2,500	1,200	£3,100,000	£2,500	50%
	All	259,000	130,000	£347,000,000	£2,700	50%

West Midlands Region: Claims by Broad Industry

Excluding entries categorised as “unknown” or “other”, the industries with the highest take-up rates were other service activities at 70% (18,200 eligible, 12,800 claims), followed by transportation and storage at 68% (24,100 eligible, 16,300 claims) and then education at 62% (8,900 eligible, 5,600 claims).

The following table shows a breakdown by broad industry for the West Midlands Region:

Sector	Total potentially eligible pop.	Total no. of claims made to 09/05/21	Total value of claims made to 09/05/21	Average value of claims made to date	Take-Up Rate
Accommodation and food service activities	6,100	3,000	£7,800,000	£2,600	49%
Administrative and support service activities	18,800	7,500	£15,200,000	£2,000	40%
Agriculture, forestry and fishing	8,500	1,300	£3,500,000	£2,800	15%
Arts, entertainment and recreation	5,200	2,900	£7,200,000	£2,500	55%
Construction	79,700	41,200	£139,200,000	£3,400	52%
Education	8,900	5,600	£13,100,000	£2,300	62%
Financial and insurance activities	1,500	600	£2,200,000	£3,700	39%
Human health and social work activities	11,500	3,800	£10,300,000	£2,700	33%
Information and communication	2,300	900	£2,800,000	£3,000	41%
Manufacturing	6,700	3,300	£9,500,000	£2,900	49%
Other service activities	18,200	12,800	£27,800,000	£2,200	70%
Professional, scientific and technical activities	11,600	4,600	£14,600,000	£3,200	39%
Public administration and defence; compulsory social security	500	200	£500,000	£2,600	45%
Real estate activities	1,200	400	£1,200,000	£2,900	34%
Transportation and storage	24,100	16,300	£31,000,000	£1,900	68%
Wholesale and retail trade; repair of motor vehicles and motorcycles	17,000	7,600	£19,200,000	£2,500	44%
Unknown and other	37,500	17,600	£41,500,000	£2,400	47%
All	259,000	130,000	£347,000,000	£2,700	50%

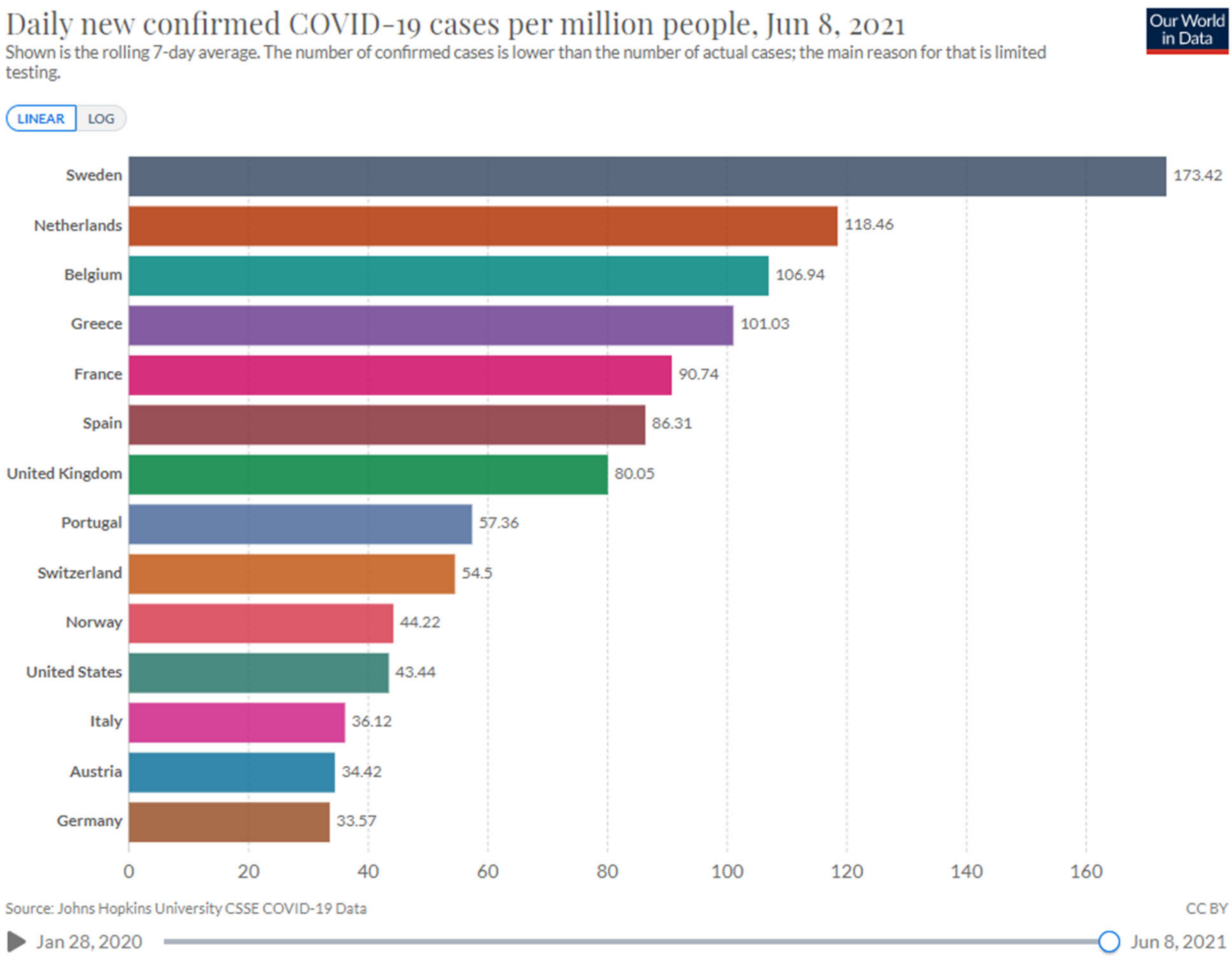
Source: HMRC, Self-Employment Income Support Scheme (SEISS) Statistics: June 2021

Infection Rates and Vaccine Update

Alice Pugh WMREDI/WMCA

The UK has seen a resurgence in infection rates, with the daily new cases confirmed more than doubling since the last Monitor on the 27th May (see graph below). This comes as the Delta variant causes surges in the North West and London.

Since 31 December 2019 and as of week 2021-21, **171 049 741 cases** of COVID-19 (in accordance with the applied case definitions and testing strategies in the affected countries) have been reported, including **3 549 710 deaths**.

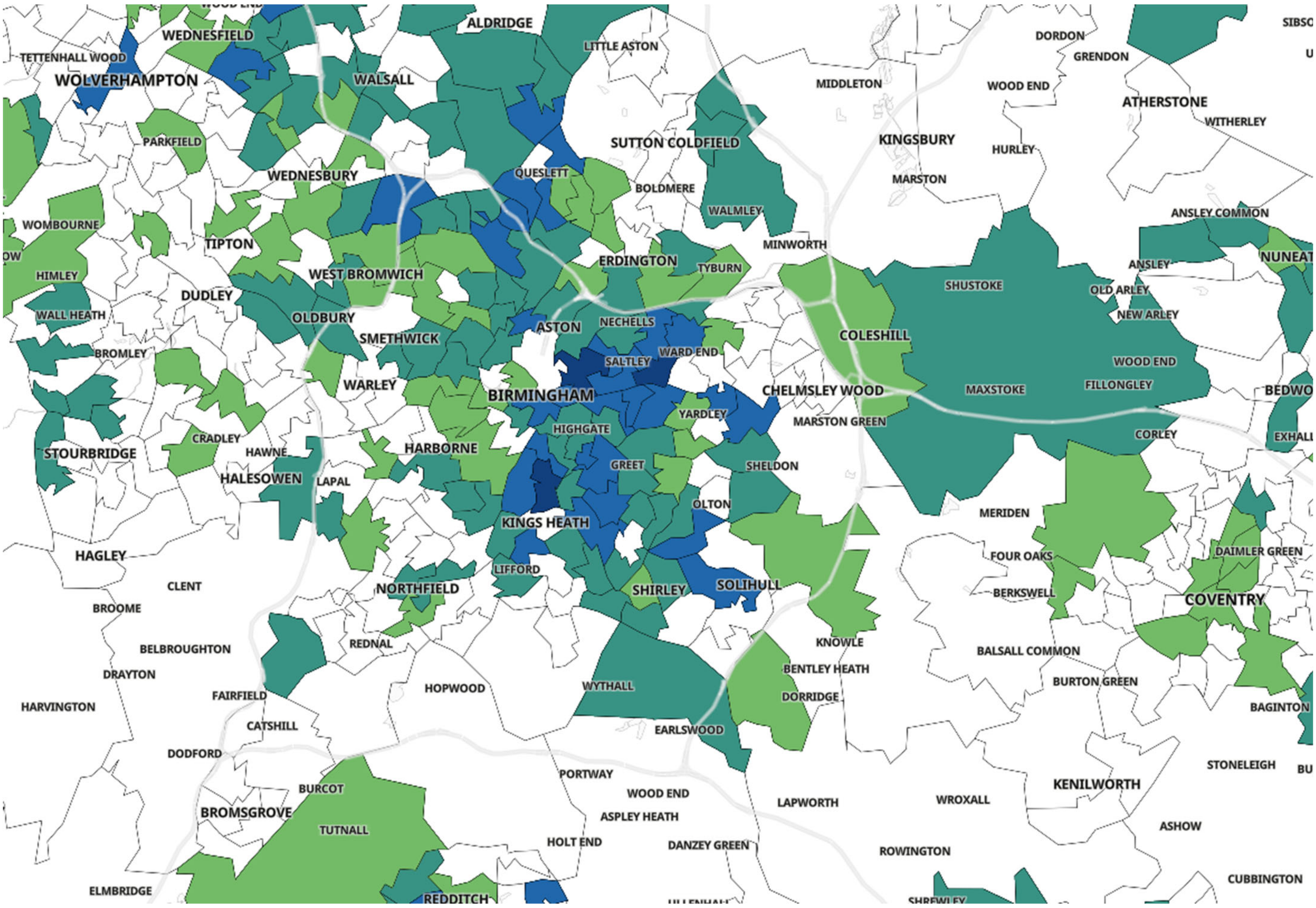


Latest ONS infection survey data (4th June next release 11th June 2021) states:

- In England, the percentage of people testing positive for coronavirus (COVID-19) has increased in the week ending 29 May 2021; we estimate that 85,600 people within the community population in England had COVID-19 (95% credible interval: 71,900 to 100,900), equating to around 1 in 640 people.
- In Wales, there are early signs of an increase in the percentage of people testing positive in the week ending 29 May 2021; we estimate that 2,900 people in Wales had COVID-19 (95% credible interval: 1,000 to 5,800), equating to around 1 in 1,050 people.
- In Northern Ireland, the trend in the percentage of people testing positive is uncertain in the week ending 29 May 2021; we estimate that 2,300 people in Northern Ireland had COVID-19 (95% credible interval: 800 to 4,800), equating to around 1 in 800 people.
- In Scotland, the percentage of people testing positive has likely increased in the two weeks up to 29 May 2021, however, the trend is uncertain in the week ending 29 May 2021; we estimate that 7,700 people in Scotland had COVID-19 (95% credible interval: 4,100 to 12,500) equating to around 1 in 680 people.
- In the week ending 29 May 2021, we have seen an increase in cases in England that are not compatible with the UK variant B.1.1.7 (labelled "Alpha" by the World Health organisation (WHO)); these are likely to be the variant B.1.617.2 (WHO "Delta"), first identified in India.

- In the week ending 29 May 2021, we have seen an increase in cases that are compatible with the UK variant B.1.1.7 (WHO "Alpha") in Wales.

The map below displays weekly data, which are updated every day [here.](#) Seven–day rolling rate of new cases by specimen date ending on 20th May 2021.

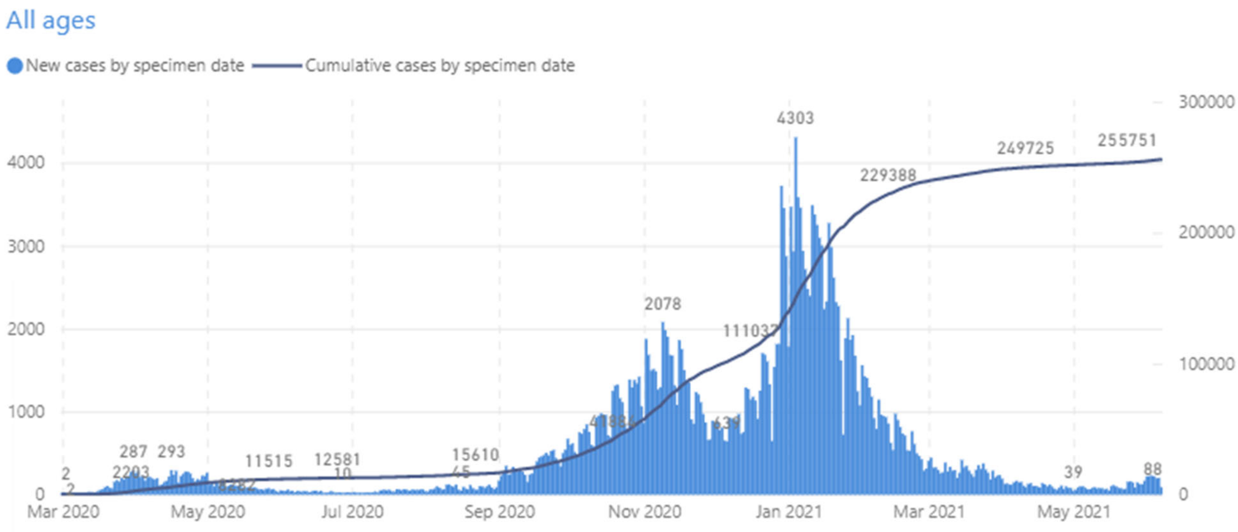


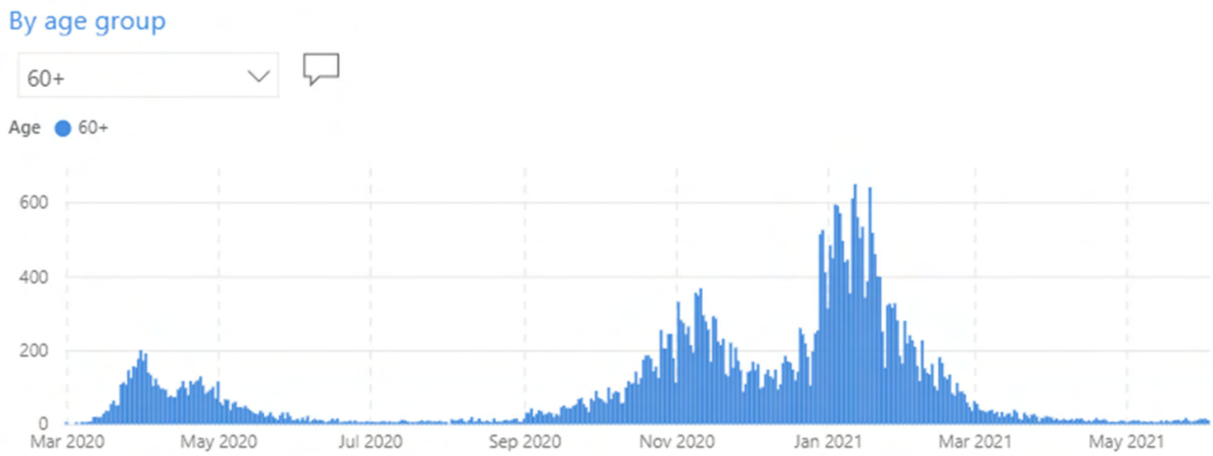
Regional Data

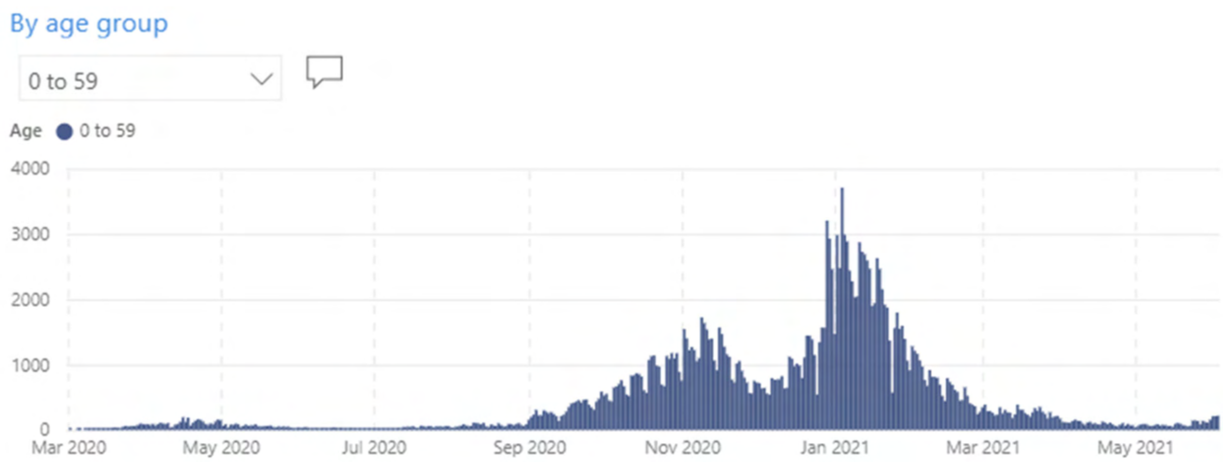
[The Coventry, Solihull and Warwickshire Epidemiology and Intelligence Cell](#) have created a dashboard which looks at covid data on a regional level. Data below:

Date	New cases by specimen date	New cases by publish date	Cumulative cases by specimen date	Cases in the last 7 days	Rate per 100,000 in the last 7 days
05 June 2021	193	222	255463	2	0.07
04 June 2021	220	210	255270	1299	44.36
03 June 2021	225	208	255050	1224	41.79
02 June 2021	222	153	254825	1083	36.98
01 June 2021	219	138	254603	1006	34.35
31 May 2021	165	139	254384	945	32.27
30 May 2021	123	125	254219	931	31.79
29 May 2021	125	91	254096	877	29.95
28 May 2021	145	151	253971	813	27.76
27 May 2021	84	138	253826	742	25.34
26 May 2021	145	149	253742	737	25.17
25 May 2021	158	107	253597	687	23.46

As can be seen from the charts below in the first lockdown infections were higher in the older age groups, whereas now younger people are being infected (nb there will be some effect from higher testing but symptomatic cases presenting for testing are also more prevalent now).







The WM Weekly monitor is funded by the West Midlands Combined Authority, Research England/UKRI

Covid 19 Hospital Activity

A number of data collections have been implemented to support incident management. The collections were activated at short notice and the content of the collections has evolved as the incident has developed. The data collected is classified as management information. It has been collected on a daily basis with a tight turn round time. No revisions have been made to the dataset. Any analysis of the data should be undertaken with this in mind.

Total reported admissions to hospital and diagnoses in hospital

The table below shows the latest daily rates

Name	27-May-21	28-May-21	29-May-21	30-May-21	31-May-21	01-Jun-21	02-Jun-21	03-Jun-21	04-Jun-21	05-Jun-21	06-Jun-21
ENGLAND	**83**	**92**	**69**	**80**	**98**	**115**	**101**	**93**	**96**	**96**	**121**
East of England	10	12	8	5	11	7	7	8	12	3	10
London	17	19	17	18	20	29	19	20	16	16	27
Midlands	14	16	15	12	19	18	19	15	11	12	13
North East and Yorkshire	11	16	11	12	22	17	13	12	15	7	16
North West	21	25	13	25	19	31	38	32	30	43	45
South East	8	3	4	4	4	10	4	3	6	8	9
South West	2	1	1	4	3	3	1	3	6	7	1

Mechanical Ventilation beds - occupied by confirmed COVID-19 patients

Name	29-May-21	30-May-21	31-May-21	01-Jun-21	02-Jun-21	03-Jun-21	04-Jun-21	05-Jun-21	06-Jun-21	07-Jun-21	08-Jun-21
ENGLAND	**112**	**115**	**110**	**123**	**116**	**124**	**119**	**124**	**131**	**133**	**140**
East of England	7	7	4	8	8	10	9	9	11	11	10
London	43	41	42	40	40	41	41	40	41	42	45
Midlands	11	12	13	18	15	16	15	14	15	11	15
North East and Yorkshire	14	13	12	12	13	15	14	13	14	15	14
North West	30	35	33	37	35	35	30	39	41	45	47
South East	5	5	5	7	4	6	9	8	7	7	7
South West	2	2	1	1	1	1	1	1	2	2	2

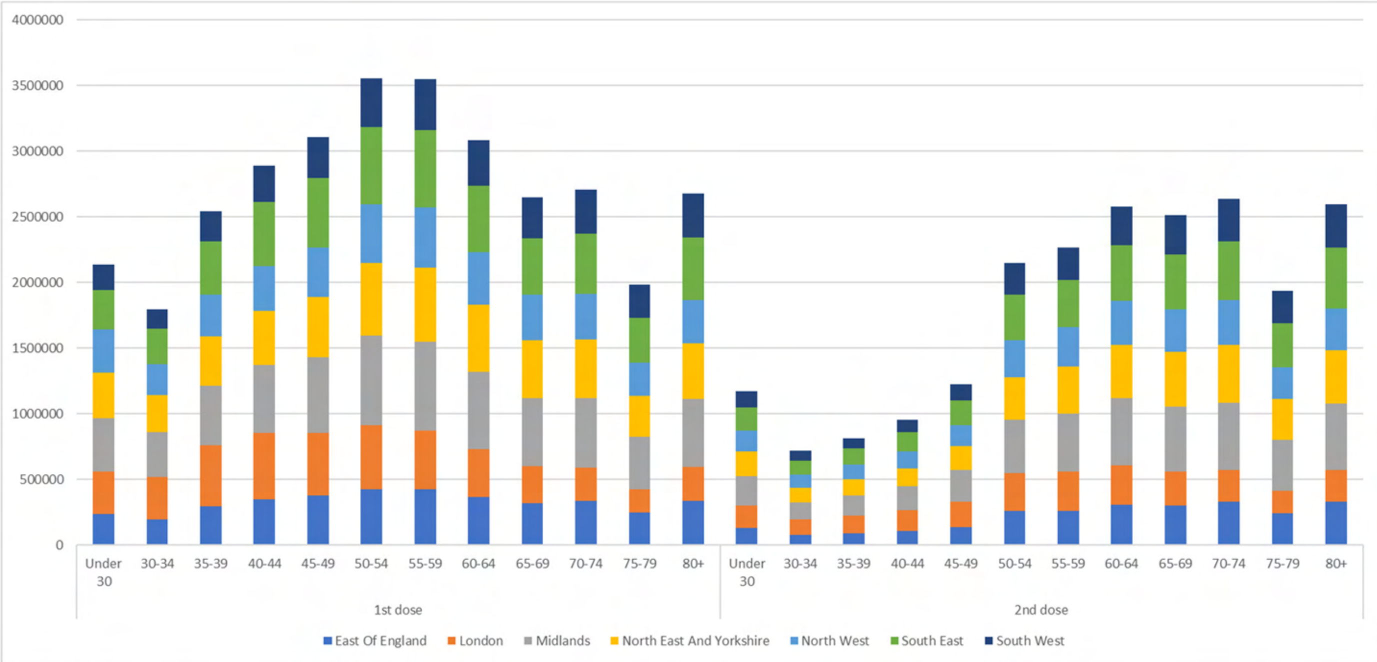
Total beds - occupied by confirmed COVID-19 patients (as at 08:00)

Name	29-May-21	30-May-21	31-May-21	01-Jun-21	02-Jun-21	03-Jun-21	04-Jun-21	05-Jun-21	06-Jun-21	07-Jun-21	08-Jun-21
ENGLAND	**748**	**755**	**773**	**776**	**801**	**779**	**805**	**782**	**807**	**860**	**879**
East of England	48	51	51	49	49	49	53	57	63	62	68
London	235	233	234	236	241	238	247	234	237	252	249
Midlands	126	131	133	139	138	125	135	124	119	116	123
North East and Yorkshire	97	101	98	92	101	96	90	80	84	98	101
North West	170	171	184	184	196	192	202	210	223	245	246
South East	56	54	58	60	58	63	65	63	63	69	74
South West	16	14	15	16	18	16	13	14	18	18	18

Vaccine Update

Between the 8th December 2020 and the 3rd June 2021, the Midlands has successfully vaccinated **6,190,769** people with the first dose and **4,182,103** of these individuals have received the second dose as well. Meaning the Midlands has successfully provided the most jabs out of any region including London.

The WM Weekly monitor is funded by the West Midlands Combined Authority, Research England/UKRI



NHS Region of Residence	% who have had at least 1 dose (using ONS denominators)											% who have had both doses (using ONS denominators)						
	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75-79	80+	50-54	55-59	60-64	65-69	70-74	75-79	80+
Total	47.4%	68.3%	84.9%	83.8%	91.2%	96.9%	99.3%	95.0%	97.5%	100%*	94.6%	55.0%	61.9%	83.0%	90.0%	95.1%	100%*	91.6%
East Of England	47.5%	69.8%	86.6%	86.1%	92.4%	98.3%	99.8%	94.9%	97.6%	100%*	94.9%	56.3%	60.2%	82.8%	90.3%	95.5%	100%*	92.6%
London	38.7%	59.3%	76.4%	80.3%	85.7%	90.6%	93.2%	90.1%	91.8%	91.9%	84.7%	51.3%	61.0%	77.3%	82.6%	87.4%	87.6%	80.1%
Midlands	49.9%	68.5%	85.2%	82.9%	91.8%	97.0%	99.8%	94.7%	97.8%	100%*	95.9%	54.1%	63.0%	86.5%	90.3%	95.5%	100%*	93.0%
North East And Yorkshire	51.5%	71.8%	86.6%	83.0%	91.9%	97.0%	99.6%	96.3%	99.2%	100%*	95.2%	54.5%	61.8%	79.0%	91.0%	97.2%	100%*	92.5%
North West	51.2%	70.6%	84.9%	82.1%	90.9%	96.9%	100%*	95.4%	98.5%	100%*	94.8%	57.3%	62.9%	83.6%	90.0%	95.8%	98.3%	91.3%
South East	50.5%	71.9%	87.9%	86.3%	92.0%	98.3%	100%*	96.0%	96.9%	100%*	95.3%	54.2%	59.7%	84.7%	91.5%	94.7%	100%*	92.4%
South West	44.3%	69.6%	89.2%	85.5%	92.5%	98.8%	100%*	94.9%	98.1%	100%*	97.8%	59.2%	64.4%	85.1%	91.2%	96.3%	100%*	95.6%

The WM Weekly monitor is funded by the West Midlands Combined Authority, Research England/UKRI

Weekly Deaths Registered: 28th May 2021
BCCEIU

National and Regional Analysis

The following analysis compares the latest available time period (the week of the 28th May 2021) to the previous week period (the week of the 21st May 2021) for the number of deaths registered and the number of deaths related to the Coronavirus[5].

Across England and Wales, the overall registered death figures decreased from 9,860 in the week of the 21st May 2021 to 9,628 in the week of 28th May 2021. The number of deaths registered that state Coronavirus on the death certificate decreased from 107 people to 95 people over the same period.

Regional level analysis shows that the West Midlands' overall registered death figure decreased from 1,038 people in the week of 21st May 2021 to 968 in the week of 28th May 2021. The number of registered deaths related to Coronavirus has decreased from 16 people to 10 over the same period.

Local Analysis (21st May 2021)[6]

There was a total of 704 deaths registered across the WMCA (3 LEP) area in the week of the 21st May 2021. There were 8 deaths registered that were related to Coronavirus over the same period – accounting for approximately 1% of total deaths. In comparison to the week of the 14th May 2021, the overall registered death figures in the WMCA (3 LEP) area decreased by 39, with the number of deaths related to Coronavirus decreasing by 3 people.

At local authority level in the week of the 21st May 2021, there were 7 local authorities in the WMCA (3 LEP) area that registered deaths related to the Coronavirus, these were; Sandwell (2 deaths), East Staffordshire (1 death), Tamworth (1 death), Nuneaton and Bedworth (1 death), Birmingham (1 death), Coventry (1 death) and Walsall (1 death).

Of deaths in the WMCA (3 LEP) involving Coronavirus registered in the week of the 21st May 2021, 5 were in registered in a hospital, 2 deaths were at a care home and 1 death was registered at home.

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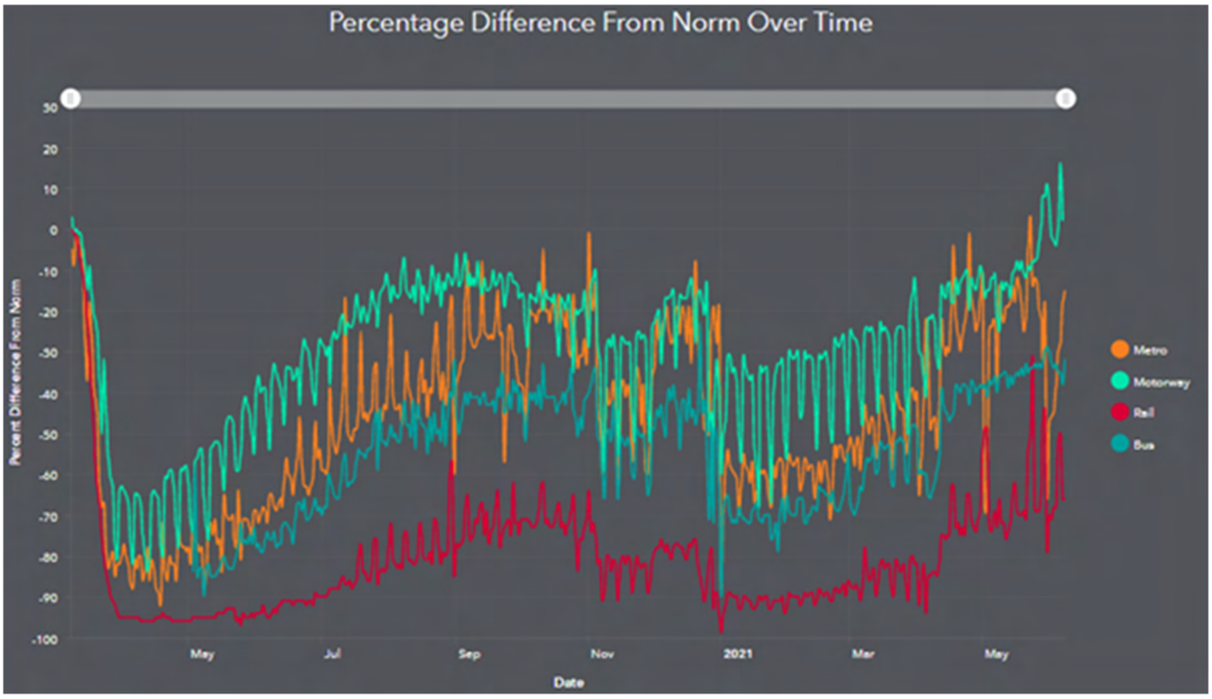
[5] Please note that up-to-date counts of the total numbers of deaths involving COVID-19 are published by Public Health England (PHE) -ONS figures differ from the PHE counts as the latter include deaths which have not yet been registered.
Source: ONS, Death registrations and occurrences by local authority and health board, 8th June 2021

[6] Please note, due to boundary changes in England, ONS have not updated this dataset as planned on 8th June 2021. Analysis has been included for the latest time period available at local level.

Transport Data

Anne Shaw TFWM

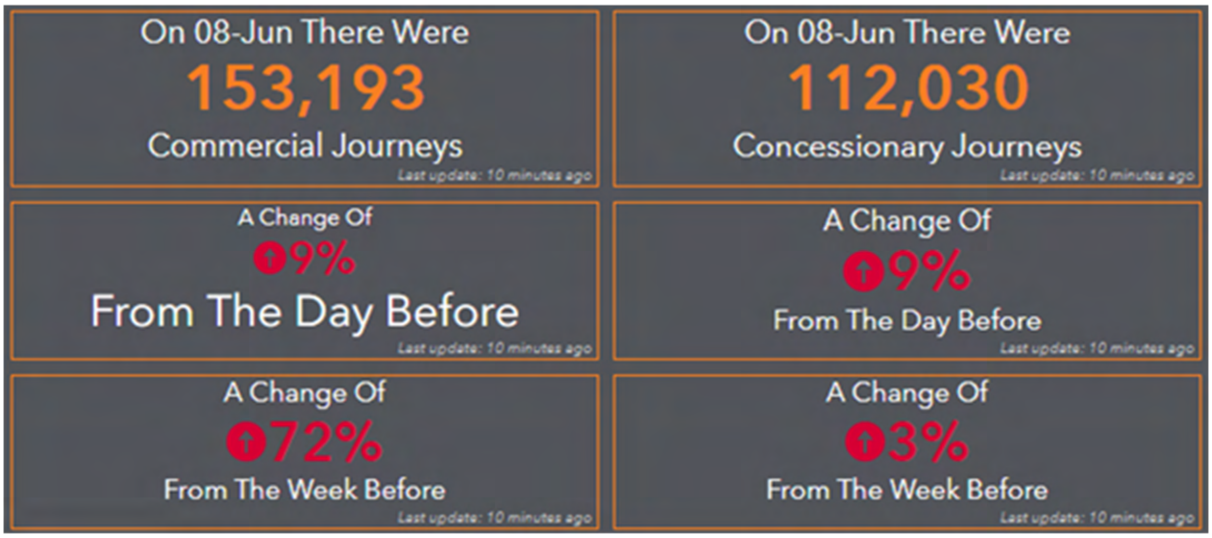


<u>Levels of use – 8th June (data 1 day behind – Highways England data 2 days behind due to data not being submitted).</u> The graphs above shows the level of use on all modes

The table provides intel in terms of the levels of services and the use of the network per mode compared to this time last year, the day before (8th June) and the week before (2nd June).

	% levels pre-Covid	% change from day before	% change from week before
Bus	68	+6	-1
Train	34	0	+4
Tram	85	+3	+32
Roads (HE SRN)	102	-14	-9

Journeys recorded on Swift – the regions smart travel card



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Black Country Consortium – Economic Intelligence Unit

As from the 13th May 2021, ONS superseded the weekly publication of "Coronavirus and the latest indicators for the UK economy and society" with "Economic activity and social change in the UK, real-time indicators". The statistics are experimental and have been devised to provide timely information. The following information contains footfall data, online job adverts, final results from Wave 31 of the Business Insights and Conditions Survey (BICS), national company incorporations and voluntary dissolutions and results from Wave 59 of the Opinions and Lifestyle Survey (OPN).

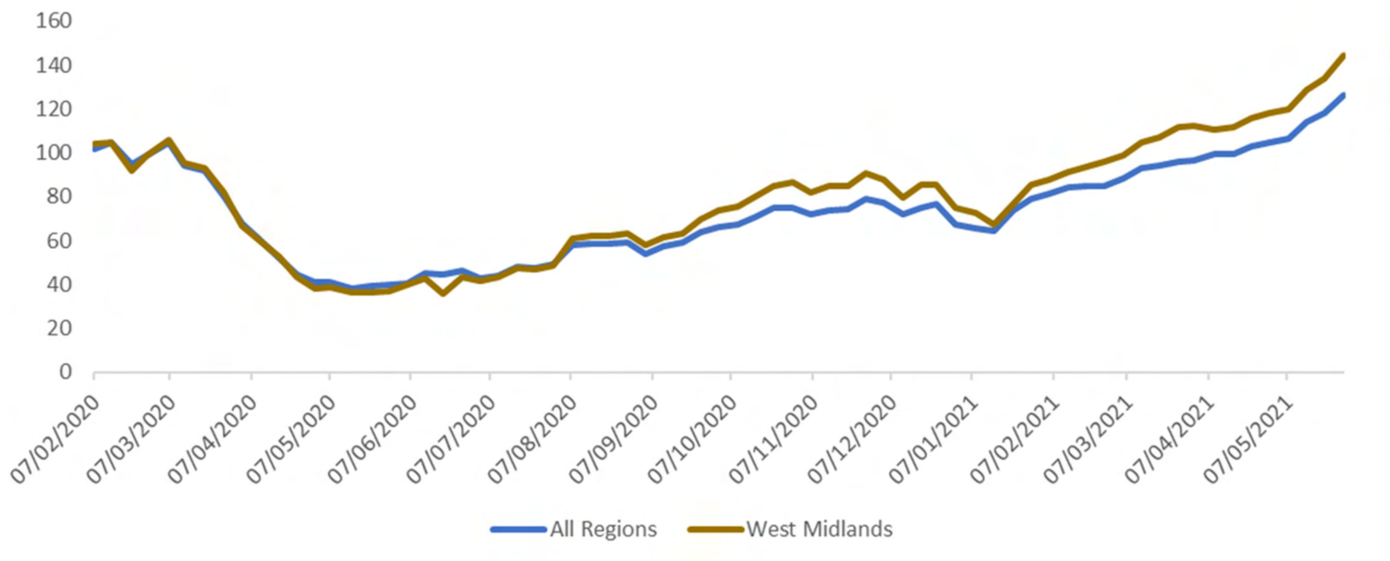
Online Job Adverts

Figures are taken from jobs adverts provided by Adzuna. The Adzuna categories do not correspond to SIC categories and therefore not comparable with the ONS Vacancy Survey. Please note, from the 18th March 2021, an improved process has been put in place to generate more accurate estimates by region, these changes have been backdated. Index of job adverts on Adzuna by category, 100 = average job adverts in February 2020.

Nationally, between the 21st and 28th May 2021 total online job adverts increased by 8.1 percentage points. On the 28th May 2021, total online job adverts were at 126.5% of their average level in February 2020. Out of the 28 categories (excluding unknown) 27 increased from the previous week, with the highest increase by 23.2 percentage points in other/general (to 143.3%). The only category to decrease was in energy/ oil & gas by 0.2 percentage points (to 92.1%).

Between the 21st and 28th May 2021, for the West Midlands, the total online jobs adverts increased by 10.3 percentage points. London had the slowest increase over this period by 5.5 percentage points with the highest increase by 12.8 percentage points in Northern Ireland. On the 28th May 2021, total online job adverts for the West Midlands were at 144.5% of their average level in February 2020. North East had the highest level at 167.3% and London was the lowest region at 103.3% of their average levels in February 2020.

The following chart shows the index of job adverts on Adzuna by category, 100 = average job adverts in February 2020, Overall all regions and the West Midlands Region, 7th February 2020 to 28th May 2021:



Footfall

Data from Springboard shows in the week to 29th May 2021, UK retail footfall saw a weekly increase of 7% and was at 73% of its level in the equivalent week of 2019. Footfall at retail parks remained strongest as a proportion of its level in the same week of 2019 when compared with other retail locations at 92%, whereas footfall was at 68% for shopping centres and 67% for high streets.

In the week to 29th May 2021, retail footfall as a proportion of its level in the same week of 2019 was strongest in Northern Ireland (81%), East of England (77%), and the north and Yorkshire (77%) when compared with other UK regions. Northern Ireland also saw the largest weekly increase in retail footfall of 16%, which coincides with the easing of lockdown restrictions there on 24 May 2021.

National Company Incorporations and Voluntary Dissolution

Companies House data shows for the UK, there were 14,535 incorporations in the week to 28th May 2021. This is down from 15,638 recorded in the previous week - although higher when compared to the same week in 2020 (14,464) and in 2019 (10,656).

Also, for the week to 28th May 2021, there were 6,426 voluntary dissolution applications, a decrease from 6,634 recorded in the previous week. The number of voluntary dissolution applications were higher than levels seen in the same week of 2020 (3,856) and the same week in 2019 (4,987).

Business Insights and Conditions Survey

The final results from Wave 31 of the Business Insights and Conditions Survey (BICS) based off the 5,153 businesses surveyed across the West Midlands that businesses have a presence in with a response rate of 24.9% (1,282) and to 3,013 businesses that are head quartered in the West Midlands, with a response rate of 23.7% (714). Please note, businesses were asked for their experiences for the reference period 3rd to 16th May 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (17th to 30th May 2021). Also, the data used is unweighted for regions and response levels can be low so the following results should be treated with caution when evaluating the impact of COVID-19. Due to weighted data being available for the UK a comparison has not been included.

Trading and Financial Performance

97% of responding West Midlands businesses were trading. 2.3% of businesses temporarily closed or temporarily paused trading and less than 1% of businesses had permanently ceased trading.

Businesses were asked how their turnover for the last two weeks compared to normal expectations for the time of year. Excluding “not sure” responses, 32.7% of trading businesses in the West Midlands reported their turnover had decreased by at least 20%. However, 42.2% of trading businesses in the West Midlands reported that their turnover was unaffected and approximately 15.5% reported their turnover had increased by at least 20%.

Excluding “other” and “not sure” responses, 66.4% of responding West Midlands businesses reported the main reason for the change in the business turnover in the last two weeks was due to COVID-19, 1.2% reported the main reason as the end of the EU transition period and 9.1% reported that it was due to COVID-19 and the end of the EU transition period.

Profits

Businesses were asked in the last two weeks how profits compared with normal expectations for the time of year. Excluding “not sure” and “not applicable” responses, 32% of trading businesses in the West Midlands reported profits had decreased by at least 20%. However, 41.2% of trading businesses in the West Midlands reported that profits had stayed the same and 12.1% reported their profits had increased by at least 20%.

International Trading

Businesses were asked in the last two weeks, had their businesses exporting or importing of goods or services been affected when compared to normal expectations for the time of year. Excluding “not sure” responses, 27.9% of exporting businesses in the West Midlands reported their businesses were still exporting but less than normal. Of those businesses who continued to trade and import, 20.3% in the West Midlands were importing less than normal.

55.8% of West Midlands businesses who were exporting reported that they had not been affected and 62.4% reported that importing had not been affected.

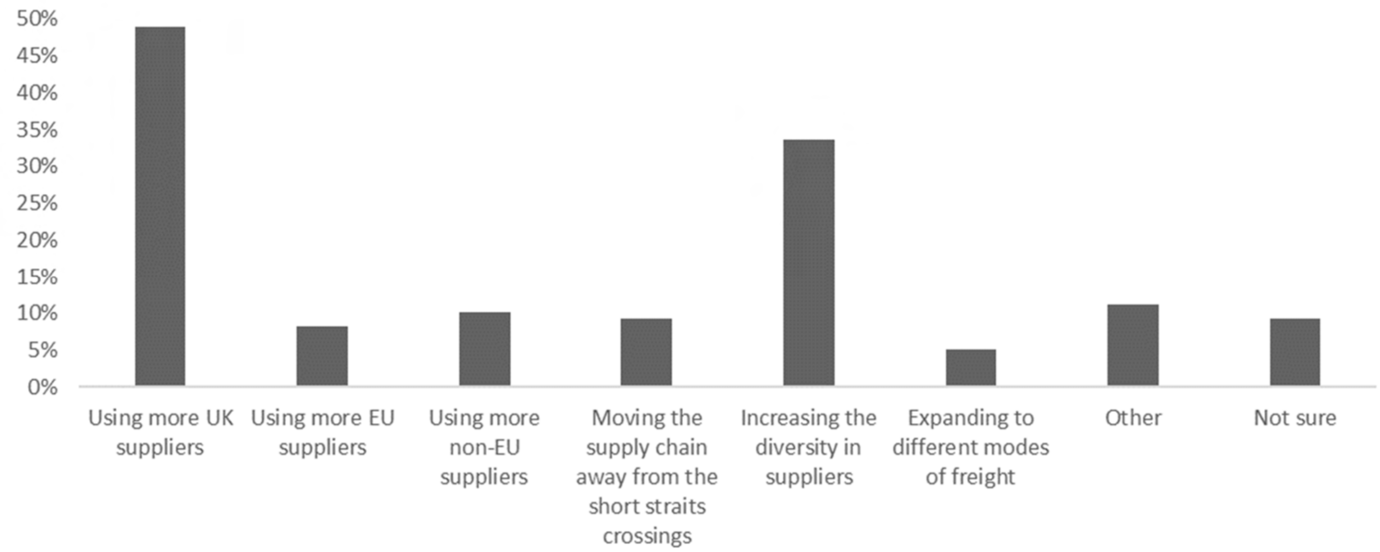
2.1% of businesses in the West Midlands are exporting more than normal and 4.5% are importing more than normal.

1.6% of businesses in the West Midlands have not been able to export in the last two weeks and 1.2% of West Midlands businesses have not been able to import in the last two weeks.

Supply Chains

Businesses were asked if they had made changes to supply chains due to the end of the EU transition period. 7.7% of responding West Midlands businesses reported they had. Where businesses stated they had made changes, 49% of responding West Midlands businesses reported they were using more UK suppliers.

The following chart shows where West Midlands businesses had reported they had made changes to supply chains, what the change was:



23.5% of responding West Midlands businesses reported extra costs due to increased red tape after the end of the EU transition period. Although 40.3% reported no extra costs.

3% of responding West Midlands business reported they had not been able to get the materials, goods or services from the EU in the last two weeks.

Capital Expenditure

Businesses were asked how capital expenditure for the last two weeks compared to normal expectations for the time of year. Excluding “not sure” or “not applicable” responses, 46.9% of responding West Midlands businesses reported capital expenditure had not been affected. 5.2% of businesses reported capital expenditure was higher than normal. 17.7% of businesses reporting capital expenditure was lower than normal and 7.1% of West Midlands businesses reported capital expenditure had stopped.

Excluding “not sure” or “other” responses, 68.5% of responding West Midlands businesses reported that COVID-19 was the main reason for the change in capital expenditure. 13.4% of West Midlands reported the change was due to COVID-19 and the end of the EU transition period and 1% reported the change was due to just the end of the EU transition period.

Grants Applied, Received, Finance Agreements and Further Schemes

14.6% of West Midlands businesses had applied for Local Restrictions Support Grant – England (92% have received). 2.0% of West Midlands businesses had applied for a grant from the Lockdown Business Fund – Wales (6.8% have received). 1.7% of West Midlands businesses have applied for a grant from the Strategic Framework Business Fund Scotland (8% have received) and 1.1% had received a grant from Local Restrictions Support - Northern Ireland. While 75.1% of West Midlands businesses have not applied for any of these grants.

7.5% of responding West Midlands businesses have received small business grant, 7.5% have received a sector-specific grant and 4.1% have received an additional Restriction Grant.

26.5% of West Midlands businesses have received government-backed loans or finance agreements during COVID-19.

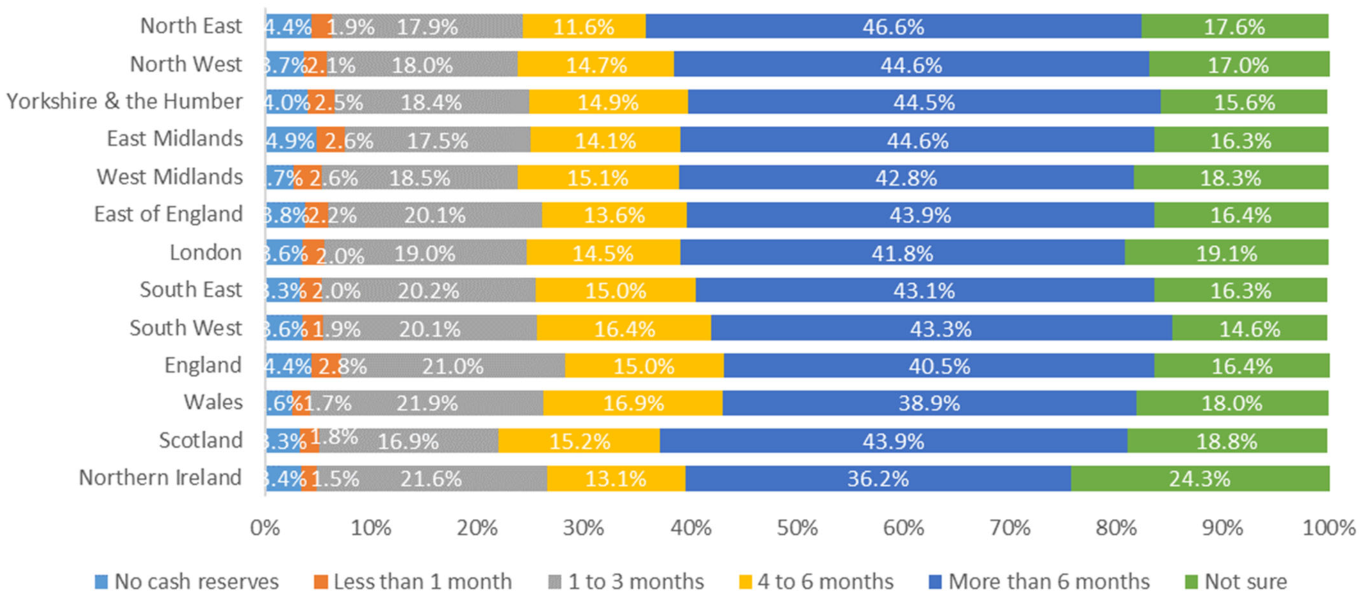
7.2% of West Midlands businesses are using or intend to use Kickstart Job Scheme for young people. 59.5% are using or intend to use the Coronavirus Job Retention Scheme and 2.6% of West Midlands businesses are using or intend to use Recovery Loan Scheme. While 30.4% of West Midlands businesses are not using or intend to use either of these schemes.

54.6% of responding West Midlands businesses reported that the support received from the initiatives or schemes allowed the business to continue trading.

Cash Flow

2.7% of responding West Midlands businesses that have not permanently stopped trading have no cash reserves.

The following graph shows across the UK regions how long cash reserves will last:



Business Confidence, Debts and Insolvency

In the West Midlands, 70% of responding businesses had high confidence in surviving over the next three months. 22.4% had moderate confidence of survival, 1.9% had low confidence. The remaining 5.3% were not sure.

Businesses were asked over the last month, how the debt repayments compared with turnover, 41.8% of responding West Midlands businesses had no repayments. 18.1% reported that repayments were up to 20% of turnover. 3.2% of West Midlands businesses reported repayments were between 20% and 50% of turnover, 2.8% reported repayments were between 50% and 100% of turnover. 1.6% of West Midlands businesses had repayments that were more than 100% of turnover.

Less than 1% of responding West Midlands businesses reported they were at severe risk from insolvency and 9.0% of West Midlands businesses reported they were at moderate risk. 50.3% of West Midlands businesses reported a low risk of insolvency and 31.5% reported no risk.

Return to Workplace

18% of West Midlands businesses reported that their workforce had already returned to their normal place of work. 3.9% of West Midlands businesses were not expecting their workforce to return to the normal place of work. 30.5%

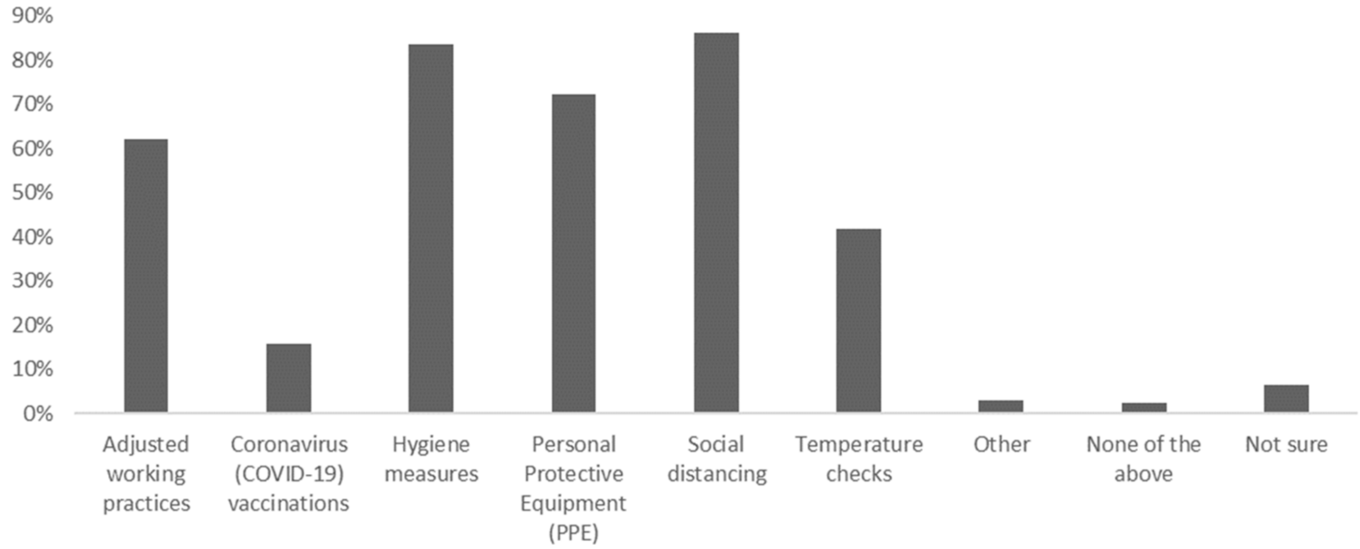
of West Midlands businesses expect the workforce to return between 1 and 3 months, down to 10.5% for between 4 and 6 months, 7.9% within the next month and 2.4% for more than 6 months.

61.9% of West Midlands businesses reported they expect above 75% of the workforce will return to their normal place of work for the time period they selected.

Safety Measures and COVID-19 Testing

86.2% of responding West Midlands businesses reported they were using, or intending to use social distancing as a safety measure in the workplace.

The following graph shows for the West Midlands area what businesses are using or intending to use for safety measures in the workplace:

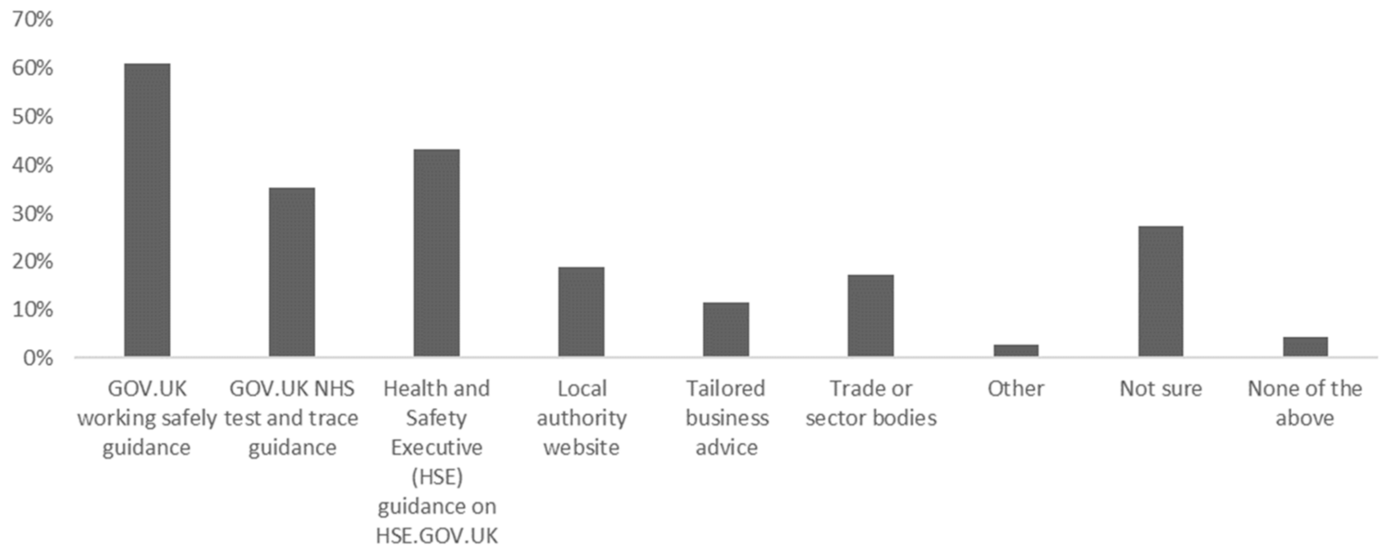


58.6% of responding West Midlands businesses reported they were not providing regular COVID-19 testing for the workforce.

Business Adaption

61.1% of West Midlands businesses reported to have used “GOV.UK working safely guidance” as a source for advice or support or adapt their business from the COVID-19 pandemic.

The following graph shows for the West Midlands area what businesses are using (if any) as sources to help adapt their business:



Social Impacts of the Coronavirus

The following refers to the period of 19th to 23rd May 2021.

Impact on People's Life Overall

In the West Midlands, 57% of adults reported they were very or somewhat worried about the effect COVID-19 was having on their life (55% GB). 17% of responding West Midlands adults reported that they were somewhat unworried or not at all worried (18% GB). 58% of adults in the West Midlands reported the main impact COVID-19 was having on their lives was the lack of freedom and independence (55% GB).

35% of working adults in the West Midlands reported their work had been affected due to COVID-19 (37% GB).

Well-Being, Loneliness and Perceptions of the Future

Mean personal well-being scores for life satisfaction was 7.0 in the West Midlands (7.1 GB), worthwhile was 7.3 in the West Midlands (7.4 GB), happiness was 7.3 for West Midlands adults (7.1 GB) and anxious was recorded at 3.8 for West Midlands adults (3.9 GB).

11% of adults in the West Midlands reported low levels of life satisfaction (8% GB). 8% of West Midlands adults reported low level of feeling worthwhile (matching GB average). 12% of responding West Midlands adults reported low level of happiness (11% GB) and 29% reported high levels of anxiety (33% GB).

27% of adults in the West Midlands reported to often/always or some of the time to feeling lonely (23% GB). While 473% reported hardly ever or never feeling lonely in the West Midlands (50% GB).

22% of West Midlands adults believe it will take 6 months or less before life returns to normal (matching GB average). While 24% of West Midlands adults believed it will take 7 to 12 months (21% GB). 27% of West Midlands adults think it could more than a year to return back to normal (28% GB) and 5% for the West Midlands adults thought it would never go back to normal (6% GB).

LEP Level Intelligence

WMCA

WMCA Growth Hub Intel for WM Weekly Economic Monitor– 8th June 2021

HEADLINES

SECTOR	KEY INSIGHT
Cross Sector	**Outlook** Overall **business confidence in the West Midlands has increased for the fourth consecutive month,** rising ten points during May to 41%. The latest Business Barometer from Lloyds Bank Commercial Banking shows that companies in the West Midlands reported higher confidence in their own business prospects month-on-month, up six points at 37%. When taken alongside their optimism in the economy, up 16 points to 46%, this gives **a headline confidence reading of 41%.** Additionally, the number of permanent staff appointments in the Midlands increased again during May. Though softening from April's seven-year high, **the rate of increase remained marked, as companies continued to hire amid a further easing of lockdown restrictions.** The latest KPMG and REC, UK Report on Jobs also shows that temp billings continued to rise, however the rate of increase weakened to the softest recorded since July 2020. The positive outlook figures continue to reflect a **more buoyant regional economy**, something which is felt in the busier high streets and an uplifted hospitality sector. However, the potential **delay to restriction easing on 21st June would have a damaging effect on the hospitality and events sectors.** Businesses in the region continue to express concern of any future lockdown restriction, especially due to increasing number of cases in relation to the Indian / Delta variant. **COVID-19** Despite cautious optimism in the business environment, many issues surrounding Covid-19 still exist, not least the recent **worry and uncertainty surrounding the Indian / Delta variant and its impact on the easing of restrictions roadmap.** **Events companies across the region are nervous** about the likelihood of Government delaying the lifting of all social distancing measures from 21st June and fully opening the events sector. There are fears that there may be a delay to this due to new COVID variants delaying the recruitment of staff to work at events, **further delaying economic recovery in that sector as well as employment of local people**. There is also still a concern around the **impact of government schemes, for example furlough and support funding, coming to an end.** The concern of the lack of funding going forward is alarming to some businesses and certainly causing panic in some select industries. Growth Hub enquiries from businesses that have not received, or who have not been eligible for, COVID related grants are still trickling through. These commonly relate to: • Taxi drivers seeking funding support. • Businesses that are unable to access business restart grant via Local authorities due to renting premises from which they operate. • The hospitality and events sector. • Lack of financial support and grants. • Lack of government bodies in the workplace slowing down planning permission committees which is causing delays in the construction industry. • Lack of government bodies for planning permission committees' halts the construction industry.

SECTOR	KEY INSIGHT
	However, the region's Growth Hubs have also received **positive feedback** from businesses supported in the last 18 months. For example, one company in the region said: *In 2020 when the pandemic was announced, not only did our company have to rapidly adapt to new ways of working but we also had to prepare our business for Brexit. The Growth Hub has been invaluable to us, especially when many other sources of information and communication were not available during lockdowns.* *Together with the Chamber of Commerce, the Growth Hub has provided successful access to a grant scheme and a mentorship programme, as well as webinars for Brexit preparedness. We are also currently working with the Growth Hub to recruit additional staff through the Kickstart Scheme for 16 – 24 year olds, which we feel have been particularly hard hit by the pandemic.* *All of the aforementioned has aided us to grow to meet record demand and deliver on our customer's expectations of un-interrupted supply at the time of the Brexit deadline and beyond.* **Enquiries** In general, **enquiries are shifting away from Covid** and there is more positive feedback from companies focusing on growth - mainly companies searching for funding for growth, as opposed to just trying to survive the pandemic. In particular: • **Property Searches Inward Investment** – Some areas are experiencing a distinct increase of enquiries relating to property searches to accommodate expansion and demand for additional space. This supports evidence that the West Midlands office market is bouncing back strong. • **Training & Apprentices** – Support with training is being sought, with businesses looking to improve their service offering, retraining and upskilling of staff. • **Innovation** – A number of businesses looking to step up their Innovation activities to develop new technologies, processes and products. • **Grants** - Advisors continue to deal with new and ongoing referrals to partner grant support programmes. The situation is very much business as usual with businesses press ahead with capital purchases, renovations, and green related projects. **UK-EU Trade** Similar Issues related to the UK's trading relationship with the EU continue to be raised. These are now seemingly **more like structural issues rather than "teething" problems**. In recent weeks, businesses have reported: • Increased **cost of materials and shipping** in the construction industry by circa 20% . • **VAT complications** still causing delays in supply chains. • Companies looking to other countries outside the EU due to increase in costs. • Support required for implementation of systems/ support to help accounting within SME's to adhere to the new EU guidelines and rules. • Businesses across the region have enquired about the **availability of grant incentives to cover the cost importing and exporting.** New export data reflects the initial impact of EU Exit on trade in goods. ONS have reported that total trade in goods with EU countries decreased by 23.1% and with non-EU countries decreased by 0.8% comparing Quarter 1 2021 with Quarter 1 2018. This data helps to

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detach Covid and Brexit impacts and reveals the impact of on-the-ground issues reported by businesses in the region over many months.
In addition, experts at Aston University have found that UK services exports from 2016 to 2019 were cumulatively £113 billion lower than they would have been had the UK not voted to quit the EU in June 2016.
Programmes

Creative England and the British Business Bank's Start-Up Loans programme have announced a new partnership, establishing an accessible source of financial and business support for creative entrepreneurs across the UK. The partnership provides vital support for creative businesses – many of whom struggle to access traditional forms of finance – to start, grow and develop their IP.
SMEs in the Midlands and North have received more than £50 million of green investment from the Midlands Engine Investment Fund and Northern Powerhouse Investment Fund, according to new figures.

New Methods of Work
As offices prepare to reopen, business leaders in the region are making, or planning to make, significant changes to the working environment in a bid to recover from the effects of the global pandemic. More than a third of Midlands businesses (35 per cent) plan to create permanent remote roles, as companies make a major shift towards new ways of working. Remote working will be the biggest driver in boosting economic recovery, with 30 per cent of Midlands businesses saying that the region will benefit from workers spending more money locally in towns, suburbs and rural economies, rather than commuting into city centres. This is according to the latest BDO LLP Rethinking the Economy survey of 500 mid-sized businesses.
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<tr><td>Travel</td><td>

Business leaders are urging the government to provide more support for the travel industry following the decision to remove Portugal from green to amber status. This is a bitter disappointment for many firms, eager to reconnect with their overseas customers and suppliers and seize opportunities for global trade. They are stressing that UK airports and the aviation industry is critical infrastructure that is fundamental to the ability of business to trade. The industry is urging government to should consider what additional support will be needed to ensure that this industry is ready and able to support the economic recovery.
The major concern is the sector is still struggling, and queries raised about level of support received. This focuses on the amount provided in re-start grants with many feeling this was low compared to what other hairdressers / personal care businesses received. The travel sector has been faced with challenges around providing refunds and not been able to furlough all staff due to having administrative work around refunds and cancellations. Also now only receiving deposits for holidays in 2022 – so no income until these are fully paid.

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<tr><td>Construction</td><td>

New orders in the UK construction sector are growing at rates not seen in 24 years although the pent-up demand is putting significant pressure on prices, according to new data.
The closely-followed IHS Markit/CIPS Purchasing Managers Index (PMI) survey also found that raw material prices were increasing with inflation hitting levels not seen since records began in 1997.

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<tr><td>Manufacturing</td><td>

Confidence amongst SME manufacturers in the West Midlands is at its highest level for two years according to the latest Manufacturing Barometer, carried out by the

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SECTOR	KEY INSIGHT
	Manufacturing Growth Programme (MGP) and SWMAS (the Southwest Manufacturing Advisory Service). • It **found 62 per cent of firms are expecting to increase sales between now and October,** with 54 per cent indicating that they are planning to boost investment over the next six months as they look to the future.
High Streets	• More **retail closures** have been announced by national chains – including Marks & Spencer -that will trickle down and affect the region. • In addition, **banks continue to retract from the high street** – such as Nationwide reducing their number of mortgage advisors. Analysis found that banks in Coventry shut at their fastest rate in a decade before the pandemic - and the closures look set to continue. The number of bank branches open across Coventry dropped by 14 per cent in the year to March 2020, from around 35 to around 30. That was the biggest year on year drop seen since figures began in 2010. • However, there is some more positive news in that **strong interest has been reported from would-be occupiers of the former Debenhams store in the West Orchards shopping centre in Coventry city centre.** Although it is highly unlikely the store will again be home to a single department store, the commercial property agency recently appointed to market West Orchards says it has received a raft of enquiries regarding Debenhams. In Birmingham, another dynamic to this is the new Clean Air Zone (CAZ), which while overall is agreed with in principle, businesses are **worried about the impact at a time when attracting people back to the city centre is of paramount importance.** Insight on the CAZ suggests: • Business leaders have welcomed the delay on clean air zone charges. • Some businesses fear the charge will hit businesses struggling to get back on their feet after lockdown, hospitality sector in particular, and will disproportionately affect lower earners and taxi drivers who cannot afford to upgrade their vehicles. • This is a precarious time for city centre businesses, and any negative impacts must be understood and acted on as soon as they emerge. It has also prompted businesses to enquire if the additional costs to enter the zone will be reflected in supplier pricing.
Hospitality	• The **hospitality industry has mounting debts of more than £8 billion because pubs and restaurants were forced to borrow money and pause rent payments due to coronavirus.** Operators now have around £2.2bn in unpaid rents, the trade body UKHospitality told i, with the Government's moratorium due to finish at the end of June. Thousands were also forced to take out loans, ranging from up to £50,000 for smaller businesses to multi-million pound sums for larger groups, which together are worth almost £6bn. • This highlights the need for a **full re-opening on 21st June** for the West Midlands hospitality industry. • Reports in the region suggest that some hospitality businesses (in particular coffee shops) are still **heavily reliant on take-aways and deliveries** (on food side) due to lower footfall than expected. The feeling is demand has levelled off around 75% of pre-pandemic levels. • Hospitality businesses across the region are also still finding it **difficult to retain experienced staff due lack of job security**. This has resulted in businesses having to spend money on hiring and training unexperienced staff. • Hospitality businesses across the region suggest Pubs are facing an **"acute" shortage of staff,** leading some to reduce capacity or close entirely. The industry says a **mixture of Covid restrictions and limitations from Brexit are continuing to having an impact.**

NEW ECONOMIC SHOCKS

COMPANY	LOCATION	SECTOR	SOURCE/DETAIL
Nationwide	National	Nationwide	Nationwide is culling one in four of its mortgage advisers as it shifts to holding online consultations with borrowers. The building society has launched talks with staff to axe up to 150 of its mortgage consultants. Many are expected to accept voluntary redundancy.
Marks And Spencer	National	Marks And Spencer	Marks & Spencer is to step up store closures after diving £200m into the red and as clothing and homeware sales slumped by almost a third during the high street lockdowns.
Economy-Wide	Region-wide	All	The West Midlands saw a 4.7 per cent decline in foreign direct investment projects last year, according to new figures. There were 61 compared to 64 in 2019 but the region performed better than the UK overall with 975 projects – down 12 per cent on 2019's 1,109.

NEW INVESTMENT, DEALS AND OPPORTUNITIES

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
Polar	Coventry	Manufacturing	An international manufacturer of high-tech health and fitness monitoring equipment is moving its UK headquarters to Coventry. Polar, a specialist in wearable sports and heart rate technology, has agreed a five-year lease for the site at the Cobalt Centre on Middlemarch Business Park.
Off Grid Energy	Rugby	Manufacturing	Warwickshire-based Off Grid Energy has secured a £1.25m investment to scale-up its operations. Off Grid Energy secured the finance from The Midlands Engine Investment Fund (MEIF), provided by The FSE Group, Debt Finance Fund and backed by the Coronavirus Business Interruption Loan Scheme (CBILS).
Indoor Climate systems	Lapworth, Warwickshire	Construction	Controlled environment specialist lands £2.4m funding package. Warwickshire-based Indoor Climate Systems has landed £2.4m in refinance and working capital from Leicestershire based funder ThinCats. The Indoor Climate Systems specialises in the provision of building services to both the commercial and industrial sectors.
Amazon	Nationwide	Skills	Amazon to help create 200 apprenticeships at small businesses in England with the launch of £2.5 million fund. The Amazon Apprenticeship Fund has been created to help fund new roles across a variety of industries - such as digital marketing, visual effects, software development and cyber security - in 2021.

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
Thrive Therapeutic	Stratford-upon-Avon	Human Health and Social Work Activities	The NHS' only approved mental health and wellbeing app, developed by Stratford-upon-Avon-based Thrive Therapeutic Software, has closed its latest round of funding in a record 10 days, raising £2.5m in funding in one of the fastest investments of its kind for a UK company in the digital health sector.
Edmond de Rothschild Real Estate Investment Management	Rugby	Real Estate Activities	Edmond de Rothschild Real Estate Investment Management (REIM) has agreed to forward fund a build-to-rent development in Rugby for £43m. Located at Railway Terrace, the development, known as Market Quarter, will provide 360, one and two-bed apartments for rent.
Prologis Park	Coventry	Construction/ Real Estate Activities	Prologis Park has revealed plans to extend its Coventry site with a huge new development.
Supersonic Software	Leamington Spa	Digital and Creative Technologies	A Leamington Spa-headquartered video game developer has been acquired by mobile game specialist Miniclip. Founder Pete Williamson said: "Having been independent for so long, joining a new partner is a very big deal for us.
H&S Electrical Wholesalers	Brierley Hill	Wholesale	An electrical wholesaler has expanded into the Midlands as part of strategic growth plans by opening a branch in Dudley. The branch has four members of staff, with plans to grow this to 10 over the next 12 months as its customer base expands.
Weatherite	West Bromwich	Manufacturing	Air conditioning equipment manufacturer Weatherite is extending its premises with a £500,000 investment plan. As well as the extension, the company has also recruited 10 employees across the group over recent months, and further invested another £800K in new machinery.
University of Wolverhampton	Wolverhampton	Technology	A new £5 million Screen School aimed at boosting skills in the digital arts and media industries is to be launched at the University of Wolverhampton.
FK Group	Sandwell	Construction	A top buildings specialist has moved into a landmark Black Country office development. FK Group, which focuses on roofing, cladding, external facades and curtain wall glazing across multiple sectors, is renting space in the NMC Venue in West Bromwich.
Lounge Underwear	Solihull	Clothing	Lingerie and loungewear retailer Lounge Underwear is opening a new 54,000 sq ft global headquarters in Solihull, and plans to double its headcount over the next 12 months.
Openreach	Region-wide	Telecoms	Around 185,000 premises in the West Midlands will see their internet upgraded as part of a £25 billion investment from Openreach. The telecommunications specialist is upgrading three million more homes and businesses - in

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
			some of the UK's hardest to serve communities - to full fibre.
Mercia Real Estate	Birmingham	Property	A former Birmingham office block used by high street bank HSBC is to be turned into a hotel and student accommodation after city planners gave the scheme the green light. The unit at 12 Calthorpe Road, in Edgbastonwill now undergo a renovation programme. Birmingham-based developer Mercia Real Estate is leading the project to create a new 123-bedroom Voco hotel and 226 student bedrooms.
JC Social	Birmingham	Digital Marketing	A Birmingham digital agency founded a decade ago has been bought out. JC Social Media provides digital marketing services and training to a broad range of businesses. It has now been acquired by a new venture called Low&Behold which has brought together JC Social Media and several other UK agencies under a single umbrella.

Disclaimer: The contents of this document are based on the latest data available and the contribution of regional partners in a fast paced environment, therefore we urge caution in its use and application

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