

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.

Whilst the world is looking at events in Afghanistan, the UK has seen a [resurgence in infection rates](#), and the number of daily new cases confirmed in the UK is now the highest out of the selected European countries. 8% of West Midlands adults reported they were self-isolating; the highest region in Great Britain for that week. This week we highlight the recently published State of the Region and also take an in-depth look at why the regional claimant count is not reducing as quickly as other places.

- On the 4th August 2021, WMREDI and partners held an event to launch [the State of the Region 2021 report](#). It highlights five challenges facing the region. However there is no precedent, things have changed rapidly, data is lagging and policy actions have directly affected indicators – employment, business, innovation, FDI, visitors. The WMCA area had been out-performing other areas in the run-up to Brexit and pandemic impacts. The last 18 months have hit the region hard; the industrial make-up of the region and structural issues have left the West Midlands more exposed. Potential issues highlighted last year have come to pass, and jobs levels are expected not to return to 2019 levels until 2023 and GVA not until 2022, after dropping back below £100bn last year. There are signs in the last few months of opening back up and a positive rebound; the Purchasing Managers' Index (PMI) still doing well, business sentiment in the region is still positive and jobs are coming back.
- Between the 8th December 2020 and the [29th July 2021](#), the Midlands has successfully vaccinated **7,226,985** people with the first dose and **5,854,104** of these individuals have received the second dose as well. This means that the Midlands has successfully provided the most jabs out of any region including London.
- The [sixth report from the Intergovernmental Panel on Climate Change \(IPCC\)](#) provides unequivocal evidence that human influence has warmed the atmosphere, ocean, and land. The scale of recent changes to climate has been [widespread, rapid, and unprecedented for thousands of years](#).
- The Delta variant of coronavirus has continued to play a global impact with [Oxford Economics forecasting slower GDP growth than previously expected](#). Global growth for 2021 is forecast to reach 5.9%, down from the 6.2% previously anticipated. However, there is seen to be some bounce-back next year with the outlook for 2022 being raised by 0.2 percentage points to 4.8%.
- The Office for Budget Responsibility will [prepare an economic and fiscal forecast](#) which will be presented on 27th October 2021.
- The [takeover of the Taliban in Afghanistan](#) is leading to increased instability in the country and across the region. The threat of returning to a hard-line rule in Afghanistan has led to mass efforts to escape the country, with [as many as two million people crossing the borders into Iran and Pakistan](#), amongst others.

Recovery

- This week the Monitor looks at the slow claimant count reduction in the WMCA area, and highlights that Birmingham contributes significantly to the regional performance on this measure. Issues behind this include, larger numbers of claimants historically; a sizeable low wage economy - especially for women working in vulnerable sectors; higher levels of households with dependents; reliance on working longer to earn more, so vulnerability to cuts in hours; high numbers still furloughed (and on reduced wages); numbers of jobs; high numbers of people with caring responsibilities, influencing job appetite; lower levels of quality jobs and higher skilled people to fill them; reliance on jobs vulnerable to EU Exit and pandemic impacts; and dependence on large employers in vulnerable sectors.
- A new study by Aviva has found that [47% of employees were less career-focused](#) because of the pandemic. Just 14% of employees favoured returning to the office full-time. Secure, well-paying jobs have a strong link with broader personal wellbeing. People with secure jobs [have been able to save more](#) over the course of the Covid-19 pandemic, and have generally had more favourable wellbeing outcomes. The trend of many people, particularly younger people, becoming more reliant on lower-paid insecure work has been a factor in a [deterioration in wellbeing over the pandemic](#).
- The number of payroll employees in the UK showed another monthly increase, up 182,000 to 28.9 million in July 2021. However, it remains 201,000 below pre-COVID-19 pandemic levels.
- In May to July 2021, there were an estimated 953,000 job vacancies, a record high, having grown by 43.8% (+290,000) compared with the previous quarter and 168,000 more than its pre-pandemic level (January to March 2020).

- The UK unemployment rate was estimated at 4.7%, 0.8 percentage points higher than before the pandemic, but 0.2 percentage points lower than the previous quarter.
- The redundancy rate decreased on the quarter (-1.9 thousand per employees) and has returned to pre-pandemic levels (3.6 per thousand employees April to June 2021).
- There were 172,549 unique job postings across the WMCA (3 LEP) geography in July 2021, 4.8% more than in June. This is the fifth consecutive month that monthly job postings have strengthened.
- All but three of the 19 LA areas across the WMCA 3 LEP geography recorded a positive change compared to June. Nominal reductions were logged in Bromsgrove (-0.2%) and Dudley (-0.3%); whilst the number of postings fell by -1.5% in Walsall.
- Growth in average total pay (including bonuses) was 8.8% and regular pay (excluding bonuses) was 7.4% in April to June 2021. These are compositional effects where there has been a fall in the number and proportion of lower-paid employee jobs so increasing average earnings and base effects where the latest months are now compared with low base periods when earnings were first affected by the pandemic.
- The relaxations of the government-mandated coronavirus restrictions have had a positive impact on the gross domestic product (GDP) of the UK. [In Q2 \(April to June\) 2021 UK GDP increased by 4.8%](#) and is now 4.4% below the pre-pandemic level at the end of 2019.
- By Q4 2021, the Bank of England forecasts GDP to reach its pre-pandemic levels. The Consumer Price Index (CPI) rate of inflation is at [2.1% as of August 2021](#), just above the 2% target, but is expected to rise further before falling back to within target. The forecasts by the Bank of England indicate that inflation could reach 4% by the turn of the year and stay above the 2% target until 2024.
- The [Labour Market Outlook surveys Summer 2021](#) from the Chartered Institute of Personnel and Development share the general optimism in the labour market. Employment confidence reaches a record high, with a net value of +32, and the proportion of employers planning on recruiting rises further to 69%. The Covid-hit sectors such as hospitality, arts, and entertainment are struggling to fill vacancies.
- However, the [Business Impact of Covid-19 Survey](#) indicated that 1-in-50 businesses expect to make redundancies in the next three months. The top three most susceptible industries are: transportation and storage (where 7% of businesses are expecting to make redundancies); information and communication (4%); and manufacturing (3%). The main reasons for the redundancies are down to: a need to reduce staff costs (41% of respondents stated this reason); certain job roles not being required (36%); and phasing out of the furlough scheme (28%).
- There has been evidence of in recent weeks and months, such as in the [West Midlands Quarterly Economic Snapshot](#) and the Business Barometer from [Lloyds Bank](#). For example, 62 per cent of local firms expect their profitability to increase over the next 12 months
- The West Midlands Business Activity Index (PMI) decreased from 64.0 in June 2021 to 58.3 in July 2021. With the Business Activity Index still above the 50-mark, this shows a slower but still a sharp rate of increase. The rise in business activity was restricted by staff and raw material shortages.
- The overall UK Business Activity Index decreased from 62.2 in June 2021 to 59.2 in July 2021. Out of the twelve UK regions, the West Midlands region was the fifth lowest for the Business Activity Index in July 2021.
- The West Midlands Future Activity Index decreased from 77.1 in June 2021 to 74.4 in July 2021 – despite this falling to a seven-month low, firms still had a strong degree of optimism.
- West Midlands Input Prices Index decreased from 79.6 in June 2021 to 77.9 in July 2021 – despite easing from June 2021, the rate of increase was among the sharpest seen in the near 25 years of the survey.
- The [number of UK flights has hit its highest since 22nd March 2020](#), the week before the first coronavirus lockdown in the UK.
- House prices in the UK have [risen by 13.2% over the year to June 2021](#). This is the fastest rate of growth since November 2004. Mike Hardie, Head of Prices at ONS stated that the [average house price for June 2021 is now £266,000, having risen by £31,000 compared to last year](#)
- Avison Young's [latest office market update](#) on the nine largest cities in the UK, indicates that the city-centre office take-up in Birmingham is 203,499 sq ft in Q2, four times its Q1 total. In addition, the office space take-up is 12% higher in Birmingham compared to the city's 10-year average. This contrasts with the trend across the country, which averages a 23% fall compared to the 10-year average. IWG Spaces is committing to 50,000 sq ft at Mailbox, medical research company Binding Site is signing up at Broadway on Broad Street, and there are three lettings at 6 Brindley Place including the Commonwealth Games, British Transport Police, and Office of the Public Guardian.
- West Midlands Combined Authority (WMCA) has developed a [new training plan to help local people gain jobs in health care and health sciences](#). WMCA have launched a plan, in partnership with local employers such as University Hospitals Birmingham NHS Foundation Trust, training providers, and the Department for Work and Pensions, to support local residents move into the sector.
- Workers at [GKN engineering plant in Birmingham are holding a vote on taking industrial action](#). The company's proposals are to shut the factory, leading to the loss of 500 jobs

- There are a number of new investments and opportunities in the region emerging too. [Law firm Ladders are launching the biggest recruitment drive in their 230-year history](#) to grow their workforce by 25% to 200 people across their offices in Stratford-upon-Avon, Birmingham, and Henley. In entertainment and recreation, [Red Kangaroo, the Coventry-based trampoline park, has received £300,000 for the purchase of additional equipment from the Midlands Engine Investment Fund](#). Pubs and restaurants group [Marston's is to move its headquarters across Wolverhampton](#). St John's House in St John's Square is to be refurbished – starting in January – and 250 Marston's staff will be based there. A [£1.8million restoration of Stevens Park, in Quarry Bank, Dudley, is nearing completion](#) to revamp a building called Tintern House, formerly known as the White House. Greggs is to create 500 jobs as it plans 100 more stores. The Walsall-based retail chain Poundland is currently recruiting more than 100 drivers across its three distribution centres. Arup, the employee-owned built environment consultancy, is set to move its third largest global office to Paradise Birmingham bringing 1,000 jobs to Birmingham city centre
- Less than 1% of West Midlands businesses reported the number of workers within the EU had increased. 24.3% of West Midlands businesses reported the number of workers within the EU had stayed the same and 12.6% reported the number of EU workers had decreased.

Global, National and Regional Outlook

Hannes Read, WMREDI

Global

The [sixth report from the Intergovernmental Panel of Climate Change \(IPCC\)](#) provides unequivocal evidence that human influence has warmed the atmosphere, ocean, and land. The scale of recent changes to climate has been [widespread, rapid, and unprecedented for thousands of years](#). The sixth report has built on the [previous release in 2014](#) to provide greater attribution of climate change to human influence. The sixth report provides a narrower range of possible climate futures, including global surface temperatures to increase until at least the mid-century under all scenarios considered. Unless there are deep reductions in carbon dioxide, the report indicates that global warming of 1.5C – 2C will be exceeded. Unlike previous reports, the most recent sixth IPCC report has greater certainty in its language that climate change can be attributed to human influence.

In news that is exacerbating the human influence of climate change as identified in the IPCC report, the [number of UK flights has hit its highest since 22nd March 2020](#), the week before the first coronavirus lockdown in the UK. The seven-day average number of daily flights from the UK is now above 3,000 but still half the level of that in 2019 before the pandemic. Both the coronavirus pandemic and the push for climate responsibility could influence the extent to which the number of aeroplane journeys change in the coming months and years.

The [takeover of the Taliban in Afghanistan](#) is leading to increased instability in the country and across the region. The planned withdrawal of the US military on 11th September 2021 could be seen as a catalyst for the advances of the Taliban who have taken control of the country in around two weeks at the start of August 2021. [NATO and other international partners](#) such as the United Nations, World Bank, European Union, and development organisations have promised an international collective effort in response. The situation is fast-moving and is likely to have evolved from the time of writing (mid-August 2021). However the threat of returning to a hard-line rule in Afghanistan has led to mass efforts to escape the country, with [as many as two million people crossing the borders into Iran and Pakistan](#), amongst others.

The Delta variant of coronavirus has continued to play a global impact with [Oxford Economics forecasting slower GDP growth than previously expected](#). Global growth for 2021 is forecast to reach 5.9%, down from the 6.2% previously anticipated. However, there is seen to be some bounce-back next year with the outlook for 2022 being raised by 0.2 percentage points to 4.8%.

National

The relaxations of the government-mandated coronavirus restrictions have had a positive impact on the gross domestic product (GDP) of the UK. [In Q2 \(April to June\) 2021 UK GDP has increased by 4.8%](#) and is now 4.4% below the pre-pandemic level at the end of 2019. The re-opening of non-essential retail, indoor hospitality, and the Euro 2020 football tournament, in which Scotland and Wales competed and with England reaching the final, all contributed to the increase in accommodation and food services by 87.8%. The reopening of schools also contributed to the significant growth in GDP. These have all been factors in the [UK economy performing less badly than had been feared](#).

The UK [labour market showed small improvements](#) with movements in a positive direction among three headline indicators: the employment rate; unemployment rate; and economic inactivity rate. Although the rates were scoring more poorly recently compared to pre-pandemic, the labour market trends are moving back into a positive direction again. The employment rate for all people aged 16-64 was up 0.3% to 75.1%. The unemployment rate fell by 0.2% to 4.7%. And the economic inactivity rate decreased by 0.2% to 21.1%. The [Labour Market Outlook surveys Summer 2021](#) from the Chartered Institute of Personnel and Development share the general optimism in the labour market. Employment confidence reaches a record high, with a net value of +32, and the proportion of employers planning on recruiting rises further to 69%, although the Covid-hit sectors such as hospitality, arts, and entertainment are struggling to fill vacancies.

In less positive news, the [Business Impact of Covid-19 Survey](#) indicated that 1-in-50 businesses expect to make redundancies in the next three months. The top three most susceptible industries are in: transportation and storage (where 7% of businesses are expecting to make redundancies); information and communication (4%); and

manufacturing (3%). The main reasons for the redundancies are down to: a need to reduce staff costs (41% of respondents stated this reason); certain job roles not being required (36%); and phasing out of the furlough scheme (28%). The implications of the redundancies will have a spatial impact too, with the geographical areas that have many transport or manufacturing jobs bearing the greatest brunt of the unemployment in those industries.

The [Bank of England Monetary Policy Report August 2021](#) has released three key findings. Firstly, that vaccines are helping spending, jobs, and incomes to recover. By Q4 2021, the Bank of England forecasts GDP to reach its pre-pandemic levels. Secondly, the Consumer Price Index (CPI) rate of inflation is at [2.1% as of August 2021](#), just above the 2% target, but is expected to rise further before falling back to within target. The forecasts by the Bank of England indicate that inflation could reach 4% by the turn of the year and stay above the 2% target until 2024. Interest rates are kept at 0.1% as they have been since March 2020. The BoE interest rates have not been above 0.75% since 2009.

The Chancellor of the Exchequer, Rishi Sunak MP, has informed that the Office for Budget Responsibility will [prepare and economic and fiscal forecast](#) which will be presented on 27th October 2021. The forecast can provide insight into the position of public finances after 18 months of emergency economic support throughout the coronavirus pandemic.

There is a mixed national picture regarding the number of people in [mortgage arrears](#). Covid-19 support has helped people remain out of arrears, as the total number of people in mortgage arrears remains at historically low levels. However, those who were in financial difficulty prior to the pandemic have continued to build up arrears, notwithstanding payment deferrals. [Data from UK Finance](#) indicates that there was a total of 76,270 homeowner mortgages in arrears of more than 2.5% of the outstanding balance in Q2 2021, a reduction of 1,370 from the previous quarter. However, there are 27,910 homeowner mortgages in more significant arrears (greater than 10% of the outstanding balance) in Q2 2021. The number has increased by 630 from the previous quarter and continues the trend since Q1 2020 of more people being in more significant mortgage arrears.

House prices in the UK have [risen by 13.2% over the year to June 2021](#). This is the fastest rate of growth since November 2004. Mike Hardie, Head of Prices at ONS stated that the [average house price for June 2021 is now £266,000, having risen by £31,000 compared to last year](#). The rapidly rising house prices show that the average house price increased by a similar level as the median pay for full-time employees, [which stood at £31,461 in 2020](#).

Regional

The office market in Birmingham has bucked the national trend and is showing remarkable signs of growth. With the coronavirus pandemic accelerating a shift in hybrid working where office workers can work remotely, the future of the office space in cities in the coming years has been uncertain. Yet Avison Young's [latest office market update](#) on the nine largest cities in the UK, indicates that the city-centre office take-up in Birmingham is 203,499 sq ft in Q2, four times its Q1 total. In addition, the office space take-up is 12% higher in Birmingham compared to the city's 10-year average. This contrasts with the trend across the country, which averages a 23% fall compared to the 10-year average.

Key contributions to the strong performance are flexible office provider IWG Spaces committing to 50,000 sq ft at Mailbox, medical research company Binding Site signing up at Broadway on Broad Street, and three lettings at 6 Brindley Place including the Commonwealth Games, British Transport Police, and Office of the Public Guardian. [Andrew Dunbar, Head of Capital Attraction at the West Midlands Growth Company](#), highlights the news as evidence of strength of Birmingham in attracting global investment, particularly in advance of the Birmingham 2022 Commonwealth Games.

The West Midlands Combined Authority (WMCA) has developed a [new training plan to help local people gain jobs in health care and health sciences](#). The WMCA have launched a plan, in partnership with local employers such as University Hospitals Birmingham NHS Foundation Trust, training providers, and the Department for Work and Pensions, to support local residents to move into the sector. In addition, the plan will help those already in the sector further their careers. The training plan will deliver 100 entry-level job opportunities each year for three years for unemployed and young people from economically disadvantaged areas of the region. The Adult Education Budget, devolved to WMCA, has two broad aims: to recruit new people into the sector as porters, health care support, pharmacy and business assistants; and also to upskill existing employees' prospects through a Level 3 training

programme. The plan is strategically important for the care sector in the region. There are around 9,300 job vacancies in adult social care in the region, and the skills and training plan looks to address this gap whilst also providing the opportunities for local people from economically disadvantaged areas to access jobs in the sector.

There have been a few economic shocks to the region, with 44 employees losing their jobs at building contractor [AMG in Wolverhampton](#). The company, based at Thomas Street and was founded in 1899, is currently in the process of being wound-up. Workers at [GKN engineering plant in Birmingham are holding a vote on taking industrial action](#). The company's proposals to shut the factory, leading to the loss of 500 jobs, could see the employees take industrial action in response.

There are a number of new investments and opportunities in the region emerging too.

- [Law firm Ladders are launching the biggest recruitment drive in their 230-year history](#) to grow their workforce by 25% to 200 people across their offices in Stratford-upon-Avon, Birmingham, and Henley.
- In entertainment and recreation, [Red Kangaroo, the Coventry-based trampoline park, have received £300,000 for the purchase of additional equipment from the Midlands Engine Investment Fund](#).
- Pubs and restaurants group [Marston's is to move its headquarters across Wolverhampton](#). St John's House in St John's Square is to be refurbished – starting in January – and 250 Marston's staff will be based there.
- A [£1.8million restoration of Stevens Park, in Quarry Bank, Dudley, is nearing completion](#) to revamp a building called Tintern House, formerly known as the White House. The building now hosts a new community café, new toilets and meeting rooms.

State of the Region 2021 – The Key Challenges Facing the West Midlands

Dr Chloe Billing, WM REDI

On the 4th August 2021, WMREDI and partners held an event to launch the State of the Region 2021 report. Rebecca Riley, Administrative Director, City-REDI /WM REDI, University of Birmingham and Head of Research and Office for Data Analytics ODA, West Midlands Combined Authority (WMCA), provided an overview of this year's State of the Region (SOTR) – looking back over the last year in the West Midlands and the challenges ahead.

[View the State of the Region 2021 report here](#)

There have been significant challenges with accessing data at the appropriate geographical level this year, which has a comparative national benchmark, allowing us to understand regional performance. Due to the pandemic, much of this has been delayed or cut altogether, meaning the report had to be updated later than normal.

Performance of the West Midlands

Key points on how the region has performed:

- There is no precedent, things have changed rapidly, data is lagging and policy actions have directly affected indicators – employment, business, innovation, FDI, visitors.
- The WMCA area had been out-performing other areas in the run-up to Brexit and pandemic impacts.
- The last 18 months have hit the region hard; the industrial make-up of the region and structural issues have left the West Midlands more exposed.
- Potential issues highlighted last year have come to pass, and jobs levels are expected not to return to 2019 levels until 2023 and GVA not until 2022, after dropping back below £100bn last year.
- There are signs in the last few months of opening back up and a positive rebound, the Purchasing Managers' Index (PMI) is doing well, business sentiment in the region is still positive and jobs are coming back.

Key Impacts in the West Midlands

- By May last year furloughed jobs were equivalent to all jobs in Birmingham (496k), even now furlough accounts for more than all jobs in Coventry.
- Sectors that were thriving in the region before Covid were hardest hit. Retail, hospitality and tourism, in particular, were hit by the lockdowns. Manufacturing and logistics have been hit by Brexit disruption.
- The three city centres will go through significant change and disruption due to the changes in business models for offices, where workers are unlikely to return to the office five days a week.
- High health and wellbeing impacts, including infections, isolation, deaths and ongoing health problems.

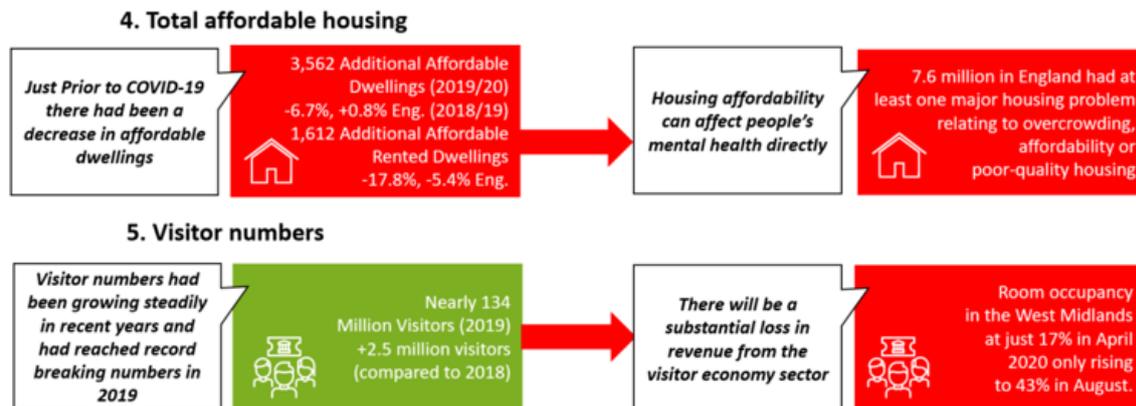
5 Key Challenges for the West Midlands

1. Delivering good jobs	2. Supporting Thriving Places and Communities	3. Embedding our Green Ambitions	4. Tackling Inequality and Levelling-up	5. Preventing a Lost Generation
<p>Total Jobs</p> <p>Jobs were increasing but slower than England, and the labour market was tight with low unemployment. The region as a whole has lost over 100k jobs. We also still have 195k workers on furlough, in jobs and but not working. People will have been out of work for a significant time, especially those needed for the Games</p>	<p>Affordable housing</p> <p>The region is building houses at a good rate, but house prices continue to rise through the pandemic. There was nearly a 7% decrease in additional affordable housing and a 18% decrease in additional affordable rented homes due to price rises and demand. Evidence suggests that many people are nearing eviction due to covid impacts of reduced income</p>	<p>Renewable energy</p> <p>The region is a net importer of energy, due to lack of natural assets for renewables which accounts for only 4.7% generated in the area. Despite this the Low-Carbon manufacturing sector is the fastest growing in the WM as of 2020. The regions low carbon industries grew by more than 7% in 2020, whilst the rest of the economy suffered a 9% downturn</p>	<p>Household income</p> <p>Disposable household income per person has continued to rise and was £17.7k up by 4.6% in 2018. A gap of £3.3k on the UK average. But nearly 20% of the region is in the top 10% most deprived. For a significant part of the year people were on furlough at 80% of their wages. Low wage jobs are also most at risk with the least qualified or resilient employees</p>	<p>Apprenticeships</p> <p>Prior to covid there was a strong apprenticeship performance at 32k, growing faster than England at +8.7%. Last year this dropped to -19% as businesses couldn't take young people on. However the region has double the England starts for higher apprenticeships. Suggesting high skills are still in demand and businesses are holding off on lower skills</p>
<p>Business start up and survival</p> <p>WM continues to have a strong start up rate at 67 per 10,000 population but they are the most vulnerable to shocks. 45.5% of businesses are still active after 3 years and 42.3% after 5 years, improving but still behind the UK. But in the last 12 months the insolvency ratio has grown to 1 in 173 the 4th highest regional rate. Although churn is positive for business innovation, low survival can lead to fewer companies growing beyond SME</p>	<p>Visitor numbers</p> <p>Visitor numbers were growing steadily to 134m visitors, worth £13.1bn in 2019, with recreation seeing highest growth up by 43m. The region relies heavily on business tourism which has stopped and the room occupancy in April 2020 was 17% and 43% in August. The long term change is business travel post covid may be of major impact</p>	<p>Fuel poverty</p> <p>Although the WMCA 3 LEP area was improving it has the highest rate of fuel poverty at 17.9%. 4 of the highest rate of fuel poverty (over 20%) were Local Authorities in West Midlands. In the 3 LEP area 20% of households are living in fuel poverty. During the pandemic energy prices last year increased by 37% nationally, and are predicted to rise</p>	<p>Healthy life expectancy</p> <p>Pre-covid healthy life expectancy was improving, with men at 59.9 years and woman at 60.7 years but despite this, the gap remains with the national average. However this may change with over 11k deaths from covid, unknown effects of long covid and other delays to treatment and mental health effects</p>	<p>No qualifications and levels 3/4</p> <p>Qualification levels have been improving in the region across the board, with the highest levels of level 3 (17.9%) and 4 (36.6%) since records began. 8.6%, 220k people have no qualifications. In the last 12 months pupils and students have borne the brunt of impacts, with educational activities for primary children falling by a quarter to only 4.5 hrs, this will have a long term impact</p>

Overview of the key challenges, starting with the ‘delivering good jobs’:

- Unemployment in the WMCA area is higher at 5.9%, compared to the UK average of 4.6%.
- There has been a drop of 9% in FDI projects in the last year, however, the UK has dropped by 17%, so we have fared well.
- Exports and imports have dropped dramatically and by the end of Q4 2020, the region had a £5.2bn trade deficit when we had previously performed well in this area.

Additionally, the State of the Region report warns that COVID-19 impacts are yet to be seen as support has not ended. The more positive news relates to ‘business start-ups’. We still operate at 67 per 10,000 populations, which is very good, relative to the other regions and the UK. Furthermore, 45.5% of businesses are still active after 3 years and 42.3% after 5 years, which is an improvement, although still behind the UK curve.



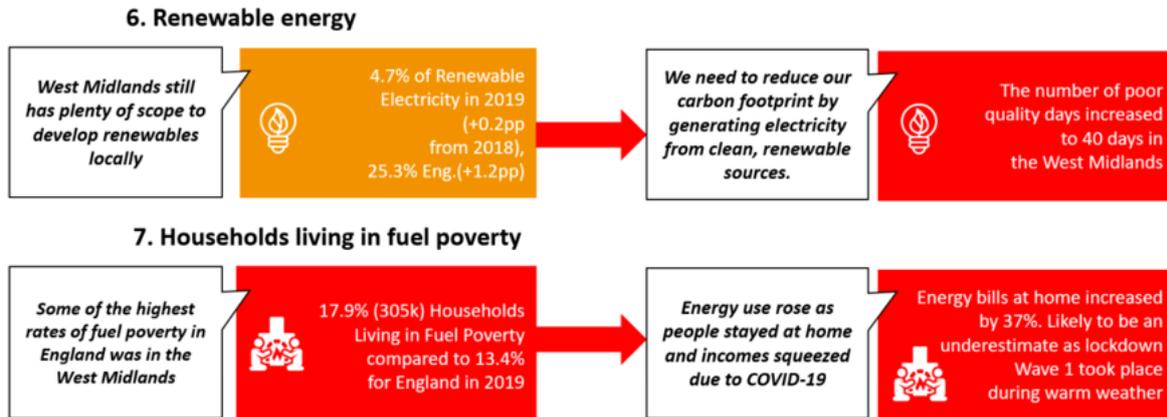
Supporting Thriving Places and Communities

The next challenge to focus on was ‘Supporting Thriving Places and Communities’. The report outlined:

- The region is building houses at a good rate, but house prices continue to rise through the pandemic, leading to prices outstripping affordability.
- Wages, overtime and income has been hit which is also affecting housing affordability.
- Evidence suggests that many people are nearing eviction due to COVID impacts of reduced income.
- Visitor numbers were growing steadily to 134m visitors, worth £13.1bn in 2019, with recreation seeing highest growth up by 43m.
- The region relies heavily on business tourism which has stopped and the room occupancy in April 2020 was 17% and 43% in August.
- The long term change to business travel post-COVID may be a major structural or long impact.

Embedding our Green Ambitions

The region is a net importer of energy, due to a lack of natural assets for renewables, which accounts for only 4.7% generated in the area. Therefore, low carbon energy solutions are vital for the region, to help bring our manufacturing costs. Additionally, energy prices in the last 12 months have increased by 37% nationally. This is pushing more and more people into fuel poverty, so the efficiency of homes and how we generate our energy is vital, not just for green ambitions but to help the poorest in our communities and in terms of tackling inequality. The State of the Region however shows positive signs of progress – outlining how the region’s low carbon industries grew by more than 7% in 2020, whilst the rest of the economy suffered a 9% downturn.



Tackling Inequality and Levelling-up

The fourth key challenge facing the West Midlands and outlined in the State of the Region report is ‘Tackling Inequality and Levelling-up’. For example, there are pay gaps between men and women in the UK and WMCA. This is partly down to the sectors women are employed in. There are also marked differences in employment rate by ethnicity, with variations across different groups, mirroring wider trends nationally. Pre-COVID healthy life expectancy was improving, with men at 59.9 years and women at 60.7 years. However, this may change in coming years with over 11k deaths from COVID in the region, the unknown effects of long-COVID and other delays to treatment and mental health effects.

Preventing a Lost Generation

The final challenge discussed in the report is ‘Preventing a Lost Generation’, relating to qualification levels amongst young people. Prior to COVID, there was a strong apprenticeship performance at 32k, growing faster than England at +8.7%. However, last year this dropped to -19% as businesses couldn’t take young people on. Furthermore, although there are considerable gains in skills levels, the WMCA area still lags behind the UK average for NVQ level 4 numbers, needing another 165k people at level 4 to bridge the gap. This is important, and retaining graduates and creating good jobs can fuel recovery, as better-educated economies cope better with shocks and rebound quicker.

Can the West Midlands Bounce Back?

Overall the report highlights the challenges we face in the near term, but uncertainties still exist as the current programme of national support is withdrawn and the pandemic continues to play out, alongside the impact of trade disruption and change. However, there are positive signs, both in terms of business perceptions and also successful opening up and also the growth in skills levels recently. The region also has the unique opportunity of the Commonwealth Games and the positive perceptions and impact that being on a global stage can bring.

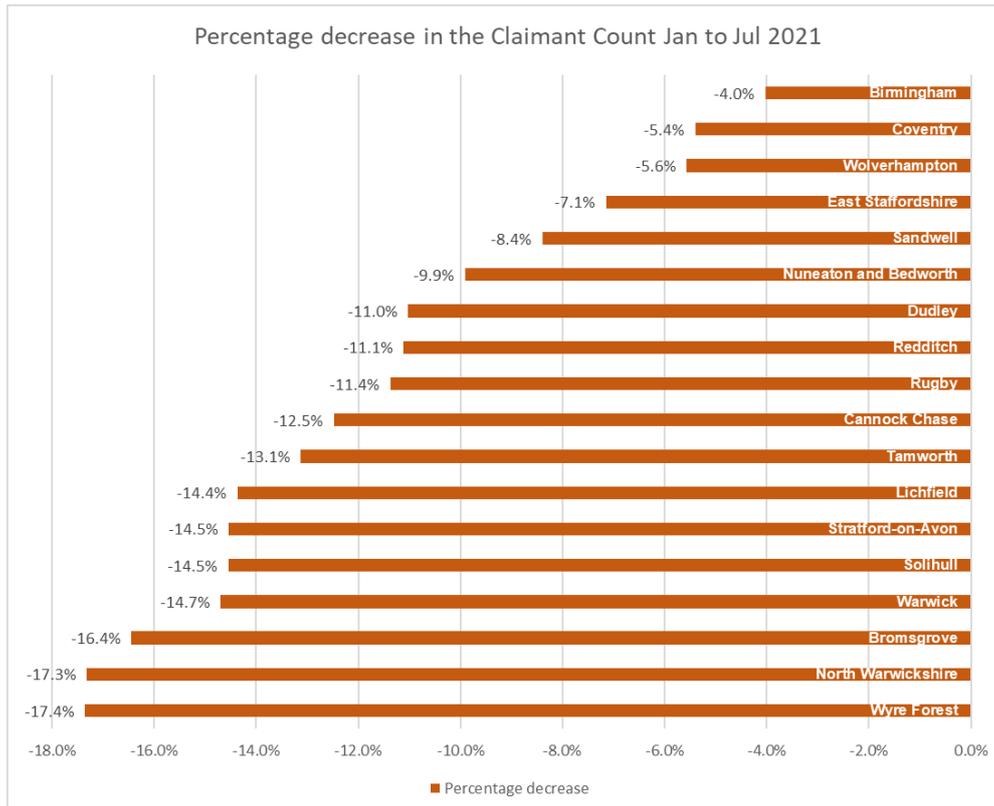
Claimant count in the West Midlands is reducing slower in the West Midlands than other places – this briefing looks into the potential causes

Alice Pugh, Rebecca Riley and Professor Anne Green - WMREDI

Slow reduction in the Claimant count

Since the beginning of 2021 the claimant count across the majority of the WMCA has been falling, as the economy slowly re-opens and businesses innovated to create new ways to remain operational. However, there has been one main outlier, Birmingham, which not only starts with some of the highest rates nationally but is reducing at a much slower rate, and contributes the most to overall WMCA rates - see the graph below.

The figure below, shows the Percentage decrease in the Claimant count from January to July 2021, by WMCA Local Authorities, ages 16+

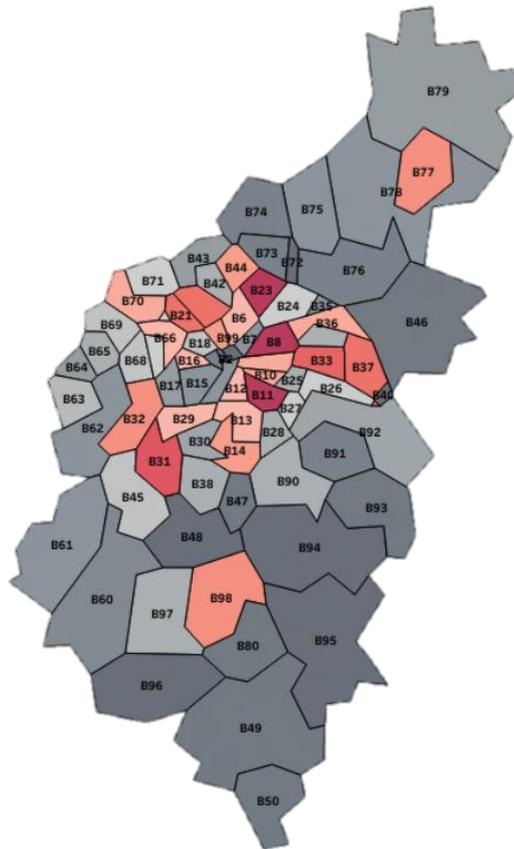


Source: Nomis, 2021. [Access](#)

Between, January and July 2021, on average the LAs in the WMCA have seen a 11.6% reduction in the Claimant Count. Birmingham though, has only seen a 4% decrease: the lowest decrease of any LA in combined authority, with the largest decrease being in Wyre Forest at -17.4% over the same period.

The image below shows people on Universal Credit (UC) in Birmingham by their postcode; the redder the area, the higher the number of families on UC. The postcode districts which had the highest claimant count were B11, B8 and B23, as of June 2021. The rise in the claimant count in March-November 2020, shows that these areas were topping claimant count increases at the beginning of the pandemic. We may assume therefore, that people living in these districts were disproportionately employed in the vulnerable sectors of the economy e.g. retail or accommodation and food services. Also, it suggests that people may be in low paid jobs.

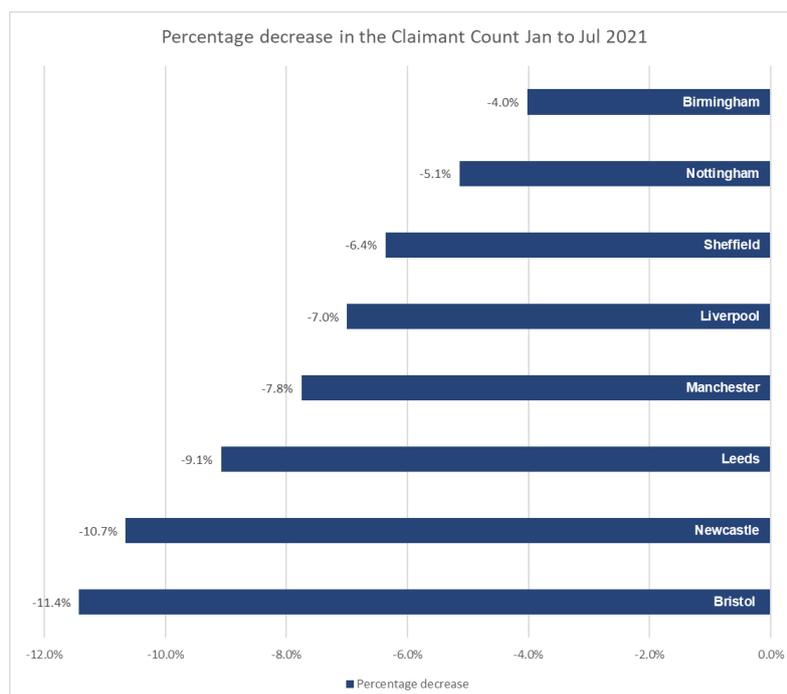
These areas have also been the slowest to improve. With many residents in these areas being in 'large family living' geodemographic clusters - usually large families living in traditional terraces in neighbourhoods with a strong community identity. This suggests that residents may have greater care responsibilities, added to low paid employment and likely increased household spending costs. There is also a high population of residents 'renting rooms', these are transient renters of low cost accommodation often out of older properties. We may assume that this is the low-income group that pushes people under the UC threshold, resulting in an increased claimant count.



Claimant Count by Postcode area Source: DWP 2021

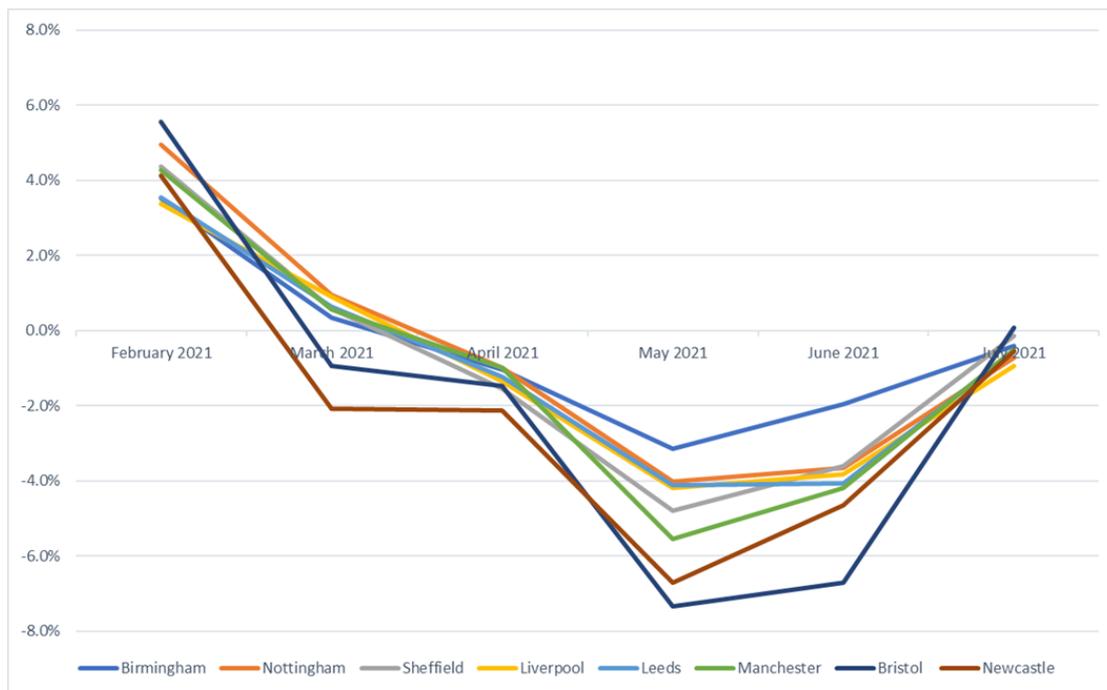
Therefore, the overall pattern in the WMCA area and lack of reduction in the claimant count is driven by the size and scale of change in Birmingham. One possible theory for this picture might be related to the environment and nature of large cities. Large cities have high working and living population densities, and this may deter people from travelling into work, even as lockdowns and pandemic restrictions were lifted, resulting in spill-over effects on reduced demand in hospitality, retail etc. However, when comparing to the other core cities within England, Birmingham still had the slowest reduction in the claimant count rate, see figure 2 below.

The figure below, shows the percentage decrease in the Claimant count from January to July 2021, by Core City, age 16+



Source: Nomis, 2021. [Access](#)

The graph below, shows the month on month percentage change in the claimant count between January and July 2021.



	January 2021	February 2021	% change from previous month	March 2021	% change from previous month	April 2021	% change from previous month	May 2021	% change from previous month	June 2021	% change from previous month	July 2021	% change from previous month
Core Cities													
Birmingham	80,815	83,655	3.5% ▲	83,920	0.3% ▲	83,055	-1.0% ▼	80,450	-3.1% ▼	77,885	-3.2% ▼	77,565	-0.4% ▼
Nottingham	17,415	18,285	5.0% ▲	18,435	0.8% ▲	18,255	-1.0% ▼	17,510	-4.1% ▼	16,640	-5.0% ▼	16,520	-0.7% ▼
Sheffield	22,955	23,975	4.4% ▲	24,125	0.6% ▲	23,750	-1.6% ▼	22,600	-4.8% ▼	21,525	-4.8% ▼	21,495	-0.1% ▼
Liverpool	28,725	29,795	3.7% ▲	30,045	0.8% ▲	29,700	-1.1% ▼	28,490	-4.1% ▼	26,970	-5.3% ▼	26,715	-0.9% ▼
Leeds	35,140	36,530	4.0% ▲	36,605	0.2% ▲	35,965	-1.7% ▼	34,185	-4.9% ▼	32,125	-6.0% ▼	31,950	-0.5% ▼
Manchester	34,110	35,590	4.3% ▲	35,895	0.9% ▲	35,560	-0.9% ▼	33,645	-5.4% ▼	31,625	-6.0% ▼	31,465	-0.5% ▼
Bristol	18,725	19,785	5.7% ▲	19,615	-0.9% ▼	19,355	-1.3% ▼	18,000	-7.0% ▼	16,570	-7.9% ▼	16,585	0.1% ▲
Newcastle	15,105	15,510	2.7% ▲	15,520	0.1% ▲	15,200	-2.1% ▼	14,435	-5.0% ▼	13,570	-6.0% ▼	13,495	-0.6% ▼

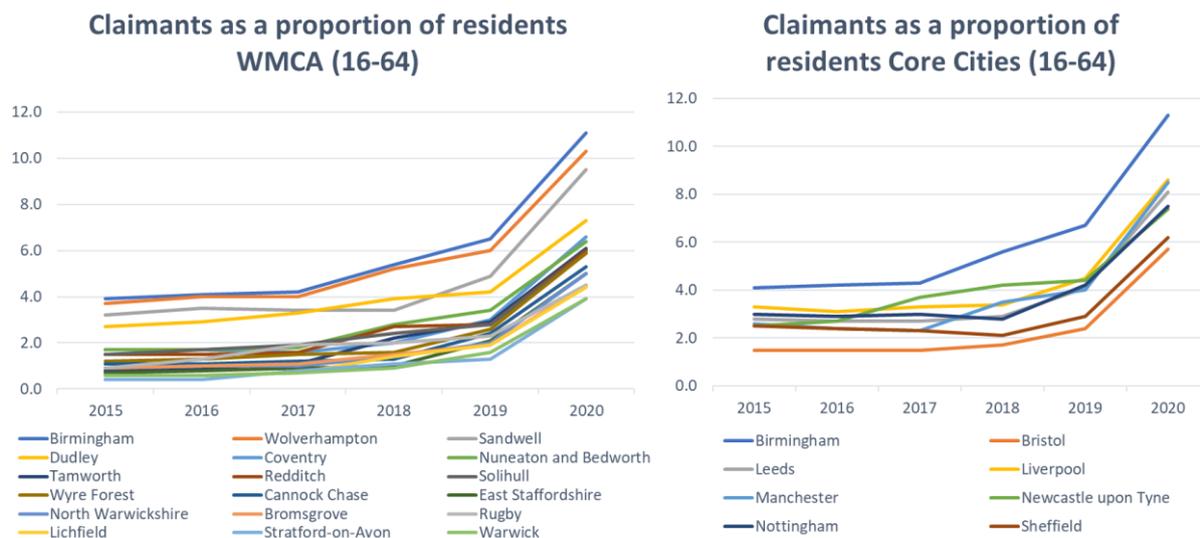
Source: Nomis, 2021. [Access](#)

Between, January and March 2021 Birmingham had a similar month on month percentage decrease in the claimant count to other core cities. In May, June and July 2021, while the claimant count was still decreasing the rate at which it was decreasing in Birmingham was slower than other areas, especially in June.

In order to break the claimant count down and find out what might be different in Birmingham, we need to look at the alternative claimant count. The alternative claimant count disaggregates the claimant count by JSA, UC 'searching for work' and additional claimants. This allows us to see whether the increase in claimants is because of more people moving into UC but are still employed (i.e. looking for additional work to cover living costs) or whether it is due to increases in unemployment. Unfortunately, the alternative claimant count for June and July 2021 has not been released and June was the month in which Birmingham had the largest divergence from the pattern seen in the other cities. In June 2021 the average decrease in the claimant count across the core cities was 5.5%, compared to a 3.2% decrease in Birmingham. For these two months we will be unable to breakdown the claimant count, so making it difficult to understand what was causing the claimant count to reduce at such a slow rate. Therefore, an update may be useful once the June and July alternative claimant count is released.

Looking back historically however, Birmingham had a comparably high number of claimants since before the pandemic (see graphs below). In 2019, the claimant count as a proportion of the working age population was 6.7%; this was almost three times higher than Bristol: the core city with the lowest claimant count as a proportion of the working age population (2.4%).

These graphs show the claimant count as a proportion of residents (16-24):



Source: Nomis, 2021. [Access](#)

As seen in the above figures, the claimant count as a proportion of the working age population has been higher for a number of years in Birmingham, both within the WMCA and comparative to the core cities. What makes the claimant count in Birmingham so high?

What is the Claimant Count?

It is unsurprising that the [claimant count rose so high](#) over the last year, following the beginning of pandemic restrictions and successive lockdowns, which led to many businesses having to close, some permanently. Historically the claimant count has been an indicator of unemployment, as it measured the number of people on 'out of work benefits'. Over the last few years however, the claimant count definition has changed and the change was hastened under pandemic conditions. Traditionally, the [Claimant Count](#) was mainly made up of Job Seekers Allowance (JSA) claimants; however this has gradually been replaced by Universal Credit (UC), and there has been marked change in the claimant count.

Since its introduction in 2013, UC has purposefully introduced changes to benefit eligibility and work-search conditionality, which has expanded the group that was included within the [Claimant Count](#). UC now combines (income based) JSA with a number of other benefits into a single payment for those both in and out of work. The claimant count now includes not just those unemployed and claiming benefits, but those who were not 'gainfully' employed and claiming benefits. If a person is in work, but is claiming UC they are seen as not 'gainfully' employed; this is because even though they are employed they are on a low income. This would mean that a '[searching for work](#)' conditionality is attached to an individual's UC claim and that individual is expected to secure additional work or better paid work. The result is that the claimant count went from simply measuring the JSA caseload, to counting those on JSA, plus those on UC that were deemed to be in similar or equivalent circumstances, in that they need benefit support to supplement their low incomes, and thus need to be looking to secure more or better paid work, just like those unemployed (the figure below explains the UC process).

The infographic below, (which follows advice from [Citizen's Advice](#) on claiming benefits) illustrates how the UC approach is applied and how working benefits are impacted. It also illustrates why it is difficult to unpick the reasons behind unemployment and low wage employment.

Are you a new UC claimant who is unemployed or receiving low income?

Calculating what benefits under UC you are eligible for:
 This will entirely depend on your circumstances. Nobody receives a set amount of UC, it is calculated by adding together a number of benefits depending on your circumstances. The benefits which add up to create UC are:

- Standard amount**
 - Single and under 25 – £344.00 a month, Single 25 or over – £411.51 per month
 - Living with partner and both under 25 – £490.60 per month, living with partner and one or both over 25 – £596.58 per month.
- Additional payments** – these payments are added to your standard amount
 - Housing benefits** – again there is no set amount of housing benefit, it is calculated based on where you live, the number of people living in the household, number of children in the household and how many bedrooms would be needed. There is a 14% reduction if the accommodation has a spare bedroom, this increases to 25% with 2 spare bedrooms. There is a reduction of £75.53 for each 'non-dependant' living in the household.
 - If you have children** – If you have children there is a child element, provided you are responsible for the child and they usually live with you. You can claim an extra amount for a second child. However, if you have more than 2 children, you will only receive extra money if they were born before 6th April 2017.
 - Your oldest born before 6th April 2017 – £282.50, oldest or only child born after 6th April 2017 – £237.08 a month
 - Your second child – and each eligible child (there are some exceptions to additional children for instance, if you have adopted a child from the UK or you are formally caring for someone else's child, you can get additional payment for more than 2 children) after that – £237.08
 - Childcare payments** – You can be paid up to 85% of child care costs. The maximum you can receive for childcare is £646.35 a month for 1 child or £1,108.04 a month for 2 or more.
 - Sick or disabled** – You can also get an extra payment if you have a health condition that means you are unable to work. However, you will need to demonstrate that you have 'limited capability to work' (LCW) or 'limited capability for work-related activity' (LCWRA).
 - If you receive LCWRA you'll get an extra £343.63 a month, and the DWP will remove the 'benefit cap'
 - If you are on LCW you usually won't receive an additional payment, unless you have been sick since before 6th April 2017.
 - If you received a severe disability payment the month before apply UC then you will continue to receive this as a 'transitional element'.
 - Carer** – If you are a carer then claimants can apply for an extra payment of £163.73 a month added to your standard amount. Providing you care for a severely sick person for at least 35 hours per week. You will only receive these payments if you care for someone without being paid.
 - If someone else is also caring for the person for a least 35 hours per, you cannot both receive benefits for caring for them. Only one can get the Carer's allowance or carers element. Unless you and your partner care for different people, then you will receive 2 carer elements
 - Level of capital** – if you have more than £6,000 in capital it will reduce your UC payments. DWP will take £4.35 a month of your payments for each £250 (or part of £250) of capital above £6,000
 - If you have more than £16,000 in capital you will no longer qualify for UC.
 - Benefit Cap** – This is the limit to the total amount of money you can get from some benefits (there are some exceptions such as child benefits) The benefit cap limit is:
 - Single without children and live outside London = £1,116.67, single without children and inside London = £1284.17
 - In a couple or have children and live outside London = £1666.67, In a couple or have children and in London = £1916.67

Are you employed?

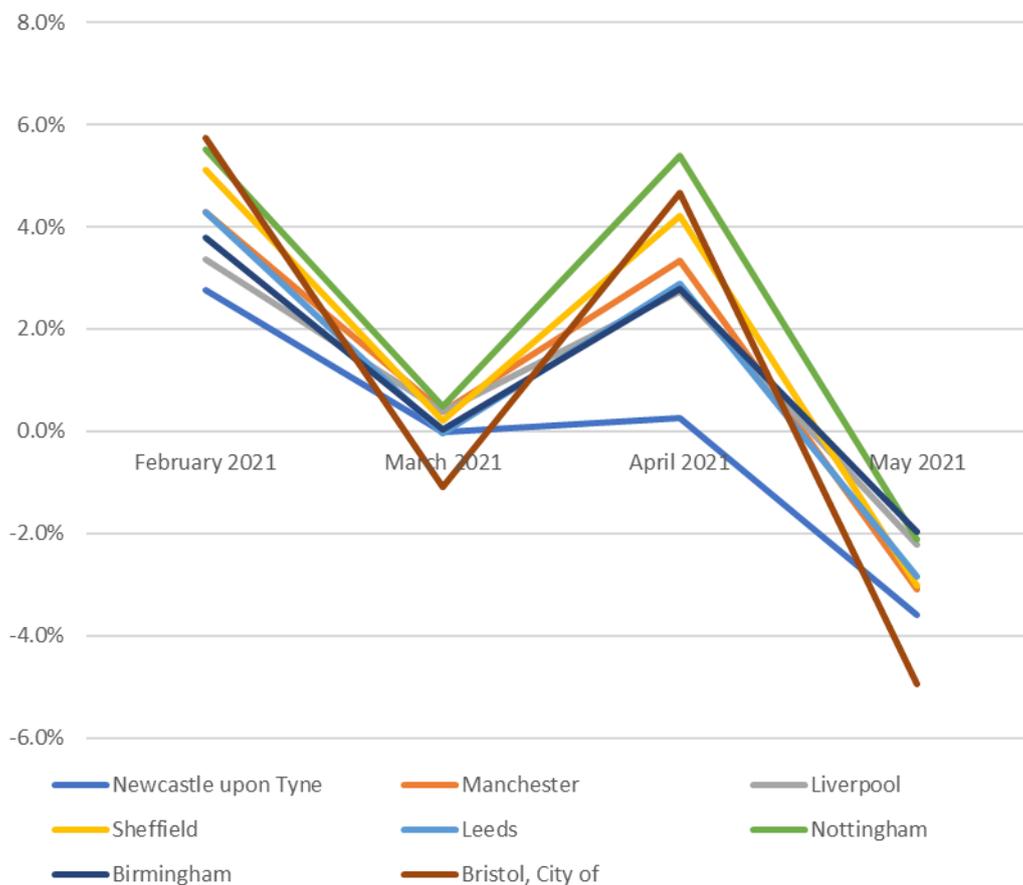
Yes	No
<ul style="list-style-type: none"> If you are employed then your universal credit gradually decreases as you earn more. Each £1 that you or your partner earn after income tax reduce your UC by 63p. <ul style="list-style-type: none"> Some are eligible for income without reducing their UC, this applies if you are responsible for a child or have limited capability for work (LCW). This is called having a 'work allowance' The size of the allowance depends on whether you receive the housing element of UC. <ul style="list-style-type: none"> You get the housing element then you get £293 per month in 'work allowance'. You don't get the housing benefit element, then you get £515 per month in 'work allowance'. If you are claiming UC but are employed you are seen as not 'gainfully' employed. This means you are in low income employment and will be expected to be looking to secure additional or better paid work. 	<ul style="list-style-type: none"> All the above benefits can be for those both employed and unemployed but, if you are unemployed you may also be entitled to: <ul style="list-style-type: none"> Unemployment benefits - If you are unemployed then you can either claim <ul style="list-style-type: none"> JSA – if you are unemployed then you maybe entitled to the 'new style' JSA, you get a 'personal allowance' each week of up to: <ul style="list-style-type: none"> £59.20 if you're 18 to 24 (£236.80 per month) £74.70 if you're 25 or over (£298.80 per month) ESA – You might be entitled to get Employment and Support Allowance (ESA) if you have difficulty working because you're sick or disabled. This is called having 'limited capability for work'.

Why has the claimant count remained so high in Birmingham?

Low Wages

When looking over the breakdown of the alternative claimant count, the rate at which UC 'searching for work' has been decreasing month on month, has been much slower in Birmingham than on other core cites, see graph below.

This figure shows UC claimants percentage change from previous month:



	Jan-21	Feb-21	% change from previous month Feb 21	Mar-21	% change from previous month Mar 21	Apr-21	% change from previous month Apr 21	May-21	% change from previous month May 21
Newcastle upon Tyne	12876	13230	2.7%	13227	0.0%	12909	0.3%	12446	-3.6%
Manchester	29790	31069	4.3%	31185	0.4%	30784	3.3%	29829	-3.1%
Liverpool	23751	24547	3.4%	24640	0.4%	24403	2.7%	23860	-2.2%
Sheffield	18678	19631	5.1%	19671	0.2%	19464	4.2%	18876	-3.0%
Leeds	28438	29656	4.3%	29641	-0.1%	29258	2.9%	28429	-2.8%
Nottingham	13889	14655	5.5%	14726	0.5%	14637	5.4%	14325	-2.1%
Birmingham	67968	70541	3.8%	70566	0.0%	69867	2.8%	68498	-2.0%
Bristol, City of	15917	16829	5.7%	16644	-1.1%	16659	4.7%	15834	-5.0%

Source: [DWP](#), 2020

This would suggest that people are taking longer to come off UC in Birmingham than elsewhere. This maybe in part due to the relatively low wages in the area. As seen in the table below, the rate at which hourly earnings have increased comparative to other core cities has been much slower, with hourly earnings in Birmingham only increasing 10%. Moreover, it had the second lowest average hourly wage in 2019 out of the core cities. This could indicate that people are being slow to move off UC due to relatively low hourly wages which mean that individuals have to claim UC to supplement their earnings for longer when in employment.

Core City	2015	2019	% Increase
Birmingham	11.03	12.10	10%
Leeds	11.5	12.91	12%
Nottingham	9.9	11.19	13%
Sheffield	11.1	12.59	13%
Newcastle upon Tyne	10.81	12.35	14%
Manchester	10.8	12.46	15%
Bristol, City of	12.12	14.27	18%
United Kingdom	11.78	13.28	13%
England	11.89	13.42	13%

Source: [ONS](#), 2020.

Additionally, there is still a relatively high percentage of the working age workforce on furlough at 5.6%¹; see the table below.

¹ This is based on the 2020 working age populations. [Nomis](#), 2020.

This table shows employments furloughed, by core city, from May 2020 to May 2021, and the percentage change in this time period:

Core City	Total number of employments furloughed 31st May 2020	Total number of employments furloughed 31st May 2021	% change between May 20 and May 21	As a May 21 as a % of the working age population (based on 2020 working age pop.)
Manchester	62200	22900	-63.18%	5.8%
Liverpool	48600	17300	-64.40%	5.1%
Birmingham	122800	40900	-66.69%	5.6%
Newcastle upon Tyne	30300	9900	-67.33%	4.7%
Sheffield	53500	16800	-68.60%	4.3%
Leeds	88200	25900	-70.63%	5.0%
Bristol, City of	52400	15,100	-71.18%	4.7%
Nottingham	33000	9500	-71.21%	4.0%

Source: ONS, [2020](#)

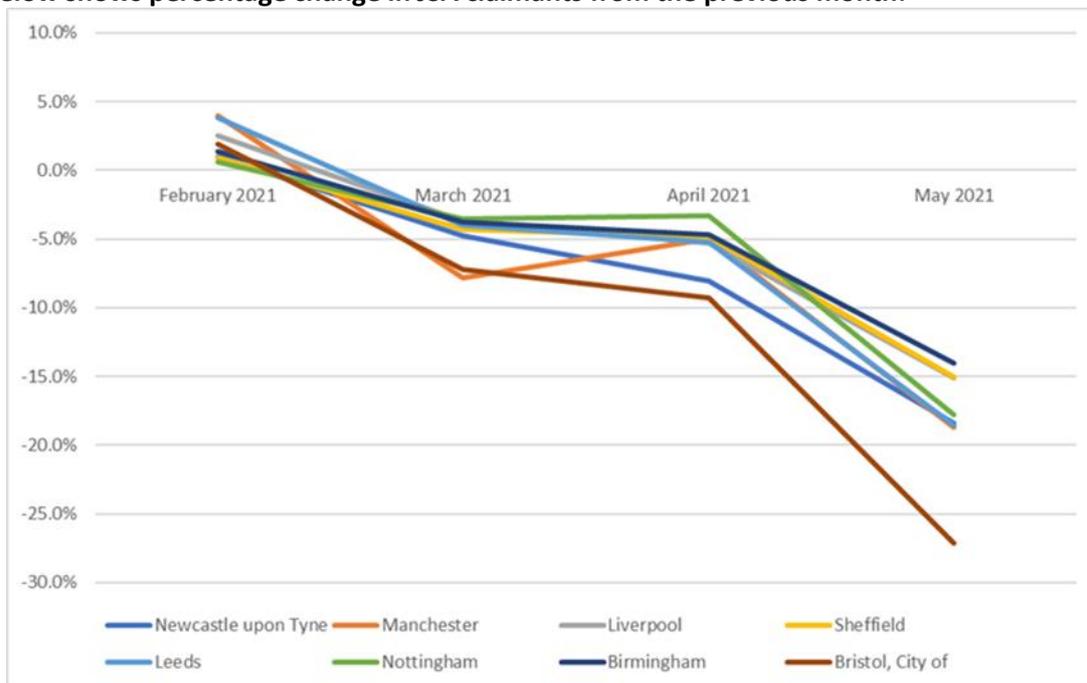
These individuals will have seen reduced wages by 20% (if the employer did not top them up), due to furlough. This may have pushed some individuals onto UC; some individuals may still be employed but waiting to come of furlough and have had to claim UC. These individuals will then be counted within the claimant count.

A comparison with Manchester may be instructive. Even though Manchester has a higher rate still furloughed than Birmingham, the average earnings per hour was higher pre-pandemic in Manchester and therefore it may be that less people had to go on UC in Manchester when furloughed, compared with Birmingham. However, it is impossible to tell from the data of people on furlough how many may also be claiming UC. However, as the majority of those furloughed were on lower wages, it is highly likely that some individuals who were previously just above the threshold for UC, may have dropped below the threshold as a result of the 20% furlough pay decrease.

Skills Mismatch?

The claimant count is also partially made up of claimants claiming unemployment benefits or JSA. The graph below, shows the percentage change in the claimant count month on month between January and May 2021.

The figure below shows percentage change in JSA claimants from the previous month:



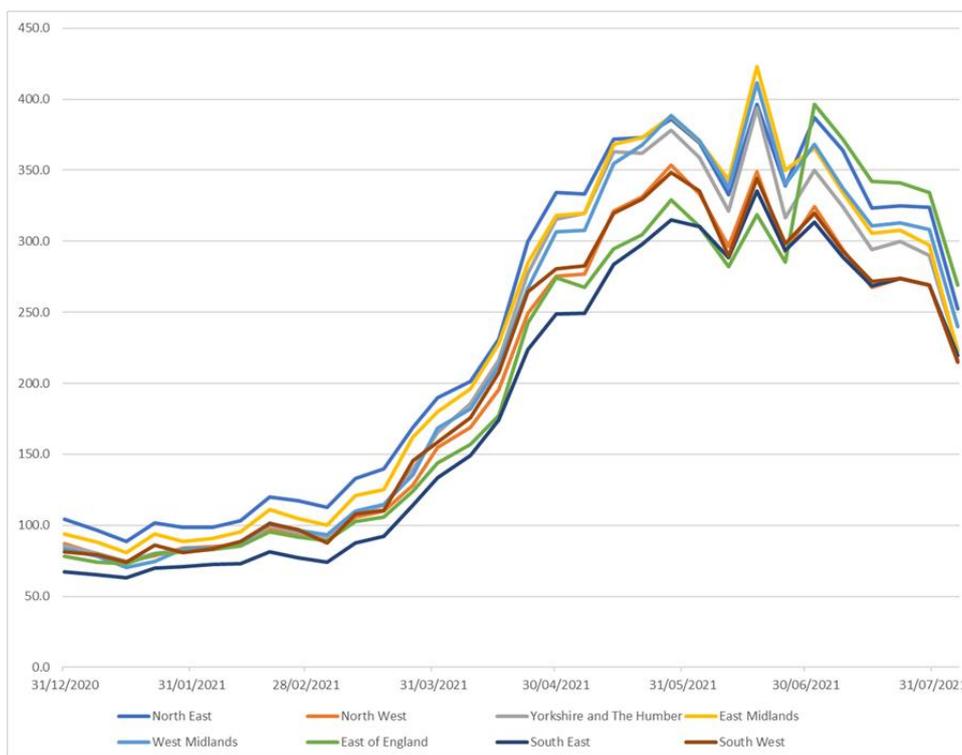
	Jan-21	Feb-21	% change from previous month Feb 21	Mar-21	% change from previous month Mar 21	Apr-21	% change from previous month Apr 21	May-21	% change from previous month May 21
Newcastle upon Tyne	991	1001	1.0%	953	-4.8%	876	-8.1%	715	-18.4%
Manchester	1873	1947	4.0%	1794	-7.9%	1704	-5.0%	1385	-18.7%
Liverpool	2593	2658	2.5%	2560	-3.7%	2424	-5.3%	2058	-15.1%
Sheffield	2644	2668	0.9%	2554	-4.3%	2430	-4.9%	2065	-15.0%
Leeds	3976	4127	3.8%	3961	-4.0%	3754	-5.2%	3057	-18.6%
Nottingham	2173	2186	0.6%	2108	-3.6%	2039	-3.3%	1676	-17.8%
Birmingham	7905	8016	1.4%	7712	-3.8%	7353	-4.7%	6323	-14.0%
Bristol, City of	1543	1573	1.9%	1460	-7.2%	1325	-9.2%	965	-27.2%

Source: [DWP](#), 2020

The reduction in the JSA claimant count has been slower in Birmingham than in any other core city. In May 2021 the average reduction in claimants claiming JSA in the core cities was 18.1%. However, Birmingham saw the lowest decrease from the previous month at 14%.

This would suggest that job seekers are struggling to find jobs within the area, even though the number of job vacancies in the West Midlands region is relatively high (the graph below), the overall job density is low (i.e. number of jobs per person is less than one, making it harder to find a job). This would suggest that the issue is potentially structural.

The figure below, shows the Total Job adverts, by English regions, equivalent week in prior year = 100 (provided to ONS by Azunda):



Source: [ONS](#), 2020.

Comparing Birmingham and Manchester

Comparing [Birmingham](#) and [Manchester](#) profiles as similar city types can be useful to identify potential issues to explore. However some caution should be taken as Birmingham is geographically bounded differently to Manchester (with the Manchester local authority boundaries being drawn more tightly than Birmingham's boundaries), but it can help in understanding some of the underlying differences in characteristics, and so potential causes of the differences in experience with the claimant count. Many facets of the data are similar - such as number of workless households - in both cities tell a similar story. However areas of interest include:

- There are more people claiming benefits in Birmingham (and this has always been a pattern in recent history). This is the case for both men and women and across all age groups. (As above however there is no longer a breakdown of what is being claimed, and therefore the reasons, since 2016).
- The numbers of economically inactive are similar, 27.1% are looking after family/home in Birmingham, compared with 25.3% in Manchester. In Birmingham however only 14.2% of those economically inactive want a job, whereas 21.5% do in Manchester. This would suggest greater appetite to gain employment in Manchester.
- There are lower numbers in professional and technical occupations in Birmingham (47.2% versus 52.2%), but higher care, leisure and other services (7.3% versus 5.9%), suggesting a lower density of better paid jobs in Manchester and a reliance on shift, temporary and unstable roles in Birmingham.
- Birmingham has 10% lower numbers of people with NVQ4 (i.e. at degree level) and 6% lower with NVQ3, so the population is less qualified and less resilient under changing circumstances. However at the lower levels of qualifications performance is more or less similar.
- There are higher resident wages in Birmingham (£548.60 versus £537.90), but this is skewed by males earning far more than women (nearly £100 per week more than females). Both males and females are being paid less per hour than in Manchester. The same pattern exists for workplace earnings with higher male workplace earnings in Birmingham £702.6 versus £635.80, and lower female earnings £521.90 versus £573.30. This would suggest anything that impacts on the hours individuals can work (such as the pandemic effect) will tip more people under the threshold for claiming UC (as described earlier).
- There is a significantly lower job density so fewer jobs for the population (0.82 versus 1.18), so in Birmingham, less than 1 job per person, in Manchester more than one job per person. However as highlighted above, this is partly a feature of the effect of the bounding of the geography, and the relationship Manchester has with surrounding areas.

- In Birmingham there are more manufacturing jobs (7.6% compared to 2.7%), more wholesale (affected by manufacturing supply chains and EU Exit issues on trade and logistics - 14% compared to 11.9%) and more human health and social work (15.7 compared to 12.4%). More women work part time. All of these factors make the workforce more vulnerable to the current shocks than many other places.
- Furlough can also result in individuals going on UC as income dips below the threshold.
- If people are working more hours to earn higher wages in Birmingham any reduction to hours (through the impact of Covid-19 or EU exit) this will adversely affect Birmingham more than other places, potentially pushing these people under the UC claimant threshold.
- Within the WMCA area other areas hit by issues such as loss of retail, culture and tourism are bouncing back, the largest city centres have still not recovered fully, and youth claimant counts are also not recovering as quickly.

Conclusions

Overall this analysis paints a complex picture. Given that the claimant count includes people in employment, it is important to note that the UC count can rise even in the context of falling unemployment.

Factors underlying the relatively high claimant count in Birmingham which has been slower to decline include:

- Women in low paid jobs in vulnerable sectors leads to more households dipping below the threshold for claimant support
- People with dependents (Birmingham has high numbers of children of school age) where care responsibilities have taken up more time in the pandemic (e.g. with home schooling, etc.) will have had to make difficult choices about unstable employment and the need to fulfil care responsibilities
- Greater care responsibilities and less appetite for finding a job (usually due to individual circumstances) means it is difficult for Birmingham to shift this pattern due to the way the benefits system currently works
- Any mismatch in vacancies and the skills claimants have and the pay/hours of those vacancies and the jobs they desire make it harder to come off UC
- Where there is a lack of mismatch between skills and vacancies any but the labour market is not operating in a fluid fashion to create matches efficiently the claimant count will remain disproportionately high
- Where there are relatively high numbers of people with lower level skills and a relative lack of good jobs it is difficult to create stability in employment in the longer-term
- Business tourism (which has been historically strong in Birmingham) has been slower to recover than staycation type tourism
- Experimental Data from ONS published [here](#) also suggests a reliance on large vulnerable employers (e.g. Birmingham Airport) for jobs in the region; this may have disproportionately affected wider employment opportunities

Latest claimant data (outlined next) below continues the trend outlined in this analysis. However, it also highlights the tightening of the labour market.

WMCA Labour Market Statistics and Claimant Count Headline Figures: Release 17th August 2021

Black Country Consortium Economic Intelligence Unit

UK Summary²

- The number of payroll employees in the UK showed another monthly increase, up 182,000 to 28.9 million in July 2021. However, it remains 201,000 below pre-COVID-19 pandemic levels.
- In May to July 2021, there were an estimated 953,000 job vacancies, a record high, having grown by 43.8% (+290,000) compared with the previous quarter and 168,000 more than its pre-pandemic level (January to March 2020).
- The UK unemployment rate was estimated at 4.7%, 0.8 percentage points higher than before the pandemic, but 0.2 percentage points lower than the previous quarter.
- The redundancy rate decreased on the quarter (-1.9 thousand per employees) and has returned to pre-pandemic levels (3.6 per thousand employees April to June 2021).
- Growth in average total pay (including bonuses) was 8.8% and regular pay (excluding bonuses) was 7.4% in April to June 2021. These are compositional effects where there has been a fall in the number and proportion of lower-paid employee jobs so increasing average earnings and base effects where the latest months are now compared with low base periods when earnings were first affected by the pandemic.

Regional Labour Market³

- For the three months ending in June 2021, the West Midlands Region employment rate (aged 16 – 64 years) was 74.5%. Since the three months ending March 2021, the employment rate saw a record increase of 1.6 percentage points (pp); while there is an increase of 0.5pp when compared to the same period in the previous year. The West Midlands, at 1.6%, had comfortably the fastest growth of employment between January and March 2021, with the next closest region (Northern Ireland) posting 0.9% growth. The UK employment rate increased by 0.3pp when compared to the previous quarter, but a decrease of 0.7pp when compared to the previous year; the overall UK employment rate was 75.1% for the three months ending June 2021.
- For the three months ending in June 2021, the West Midlands Region unemployment rate (aged 16 years and over) was 5.0%, which has decreased by 1.1pp since the previous quarter; but an increase of 0.2pp from the previous year. The UK unemployment rate was 4.7%, a decrease of 0.2pp from the previous quarter, but a 0.6pp increase when compared to the previous year.
- For the three months ending in June 2021, the West Midlands Region economic inactivity rate (aged 16 – 64 years) was 21.4% - a decrease of 0.9pp from previous quarter and also a decrease of 0.7pp when compared to the previous year. The UK economic inactivity rate was 21.1%, a decrease of 0.2pp from the previous quarter but a 0.2pp increase from the previous year.

WMCA (3 LEP) Claimant Summary

- There were 191,475 claimants in the WMCA (3 LEP) area in July 2021. Since June 2021, there has been a decrease of 0.6% (-1,205) claimants in the WMCA (3 LEP) area, slightly less than the UK decrease of 0.8%. When compared to July 2020, the number of claimants has decreased by 7.8% (-16,180) in the WMCA (3 LEP) area, with the UK decreasing by 14.2% over the same period. When compared to March 2020, the number of claimants has increased by 62.8% (+73,885) in the WMCA (3 LEP) area, with the UK increasing by 78.8% over the same period.
- There were 36,420 youth claimants in the WMCA (3 LEP) area in July 2021. Since June 2021, there was a decrease of 2.7% (-1,015) claimants in the WMCA (3 LEP) area, below the UK decrease of 3.9%. When compared to July 2020, the number of youth claimants has decreased by 14.8% (-6,320) in the WMCA (3 LEP) area, with the UK decreasing by 23.3% over the same period. When compared to March 2020, the number of youth claimants has increased by 59.5% (+13,585) in the WMCA (3 LEP) area, with the UK increasing by 69.0% over the same period.

²Source: ONS, Labour Market Overview; UK: August 2021

³ Source: ONS, Labour Market in the Regions of the UK: August 2021. Please note, Labour Force Survey (LFS) responses published from 15th July 2021 have been [reweighted to new populations](#) using growth rates from HM Revenue and Customs (HMRC) Real Time Information (RTI), to allow for different trends during the COVID-19 pandemic. The reweighting gives improved estimates of both rates and levels.

WMCA (3 LEP) Claimant Count Detail
Claimant count for people aged 16+⁴:

- There were 191,475 claimants in the WMCA (3 LEP) area in July 2021. Since June 2021, there has been a decrease of 0.6% (-1,205) claimants in the WMCA (3 LEP) area, slightly less than the UK decrease of 0.8%. When compared to July 2020, the number of claimants has decreased by 7.8% (-16,180) in the WMCA (3 LEP) area, with the UK decreasing by 14.2% over the same period. When compared to March 2020, the number of claimants has increased by 62.8% (+73,885) in the WMCA (3 LEP) area, with the UK increasing by 78.8% over the same period.
- The Black Country LEP had 59,520 claimants aged 16 years and over in July 2021, a decrease of 410 (-0.7%) claimants from the previous month. Compared to the same month in 2020, Black Country LEP claimants decreased by 5,270 (-8.1%). When compared to March 2020 (38,275) the number of claimants has increased by 21,245 (+55.5%).
- In Coventry and Warwickshire LEP, there were 29,385 claimants aged 16 years and over in July 2021, a decrease of 280 (-0.9%) claimants since June 2021. Compared to the same month in 2020, Coventry and Warwickshire LEP claimants decreased by 3,980 (-11.9%). For the Coventry and Warwickshire LEP area, when compared to March 2020 (15,825) the number of claimants has increased by 13,560 (+85.7%).
- In Greater Birmingham and Solihull LEP, there were 102,570 claimants aged 16 years and over in July 2021, a decrease of 515 (-0.5%) claimants since June 2021. Compared to the same month in 2020, Greater Birmingham and Solihull LEP claimants decreased by 6,930 (-6.3%). In the Greater Birmingham and Solihull LEP area, when compared to March 2020 (63,490) the number of claimants has increased by 39,080 (+61.6%).

The following table shows a breakdown of number of claimants aged 16+ and change by selected months across the WMCA and for the UK:

	March 2020	July 2020	June 2021	July 2021	July. 2021 (Claimants as proportion aged 16-64) Rates ⁴	% Change (Jul 21 - Mar 20)	% Change (Jul 21 - Jul 20)	% Change (Jul 21 - Jun 21)
Birmingham	49,370	79,265	77,885	77,565	10.6%	57.1%	-2.1%	-0.4%
Bromsgrove	1,165	2,670	2,190	2,185	3.7%	87.6%	-18.2%	-0.2%
Cannock Chase	1,655	3,605	2,830	2,910	4.6%	75.8%	-19.3%	2.8%
Coventry	8,000	16,090	15,475	15,320	6.0%	91.5%	-4.8%	-1.0%
Dudley	8,515	14,310	12,580	12,515	6.4%	47.0%	-12.5%	-0.5%
East Staffordshire	1,720	3,865	3,470	3,380	4.6%	96.5%	-12.5%	-2.6%
Lichfield	1,320	3,020	2,280	2,265	3.6%	71.6%	-25.0%	-0.7%
North Warwickshire	845	2,030	1,580	1,575	4.0%	86.4%	-22.4%	-0.3%
Nuneaton and Bedworth	2,830	5,300	4,490	4,410	5.6%	55.8%	-16.8%	-1.8%
Redditch	1,535	3,220	2,720	2,720	5.2%	77.2%	-15.5%	0.0%
Rugby	1,535	3,205	2,665	2,650	3.9%	72.6%	-17.3%	-0.6%
Sandwell	10,780	18,705	17,830	17,635	8.6%	63.6%	-5.7%	-1.1%
Solihull	3,650	7,405	6,435	6,315	4.9%	73.0%	-14.7%	-1.9%
Stratford-on-Avon	1,050	3,030	2,425	2,440	3.2%	132.4%	-19.5%	0.6%

⁴ ONS/DWP, Claimant count, August 2021. Please note, figures for previous months have been revised.

Tamworth	1,490	2,900	2,435	2,415	5.1%	62.1%	-	-0.8%
Walsall	8,605	14,970	13,595	13,590	7.8%	57.9%	-9.2%	0.0%
Warwick	1,570	3,705	3,030	2,990	3.2%	90.4%	-	-1.3%
Wolverhampton	10,380	16,810	15,930	15,780	9.6%	52.0%	-6.1%	-0.9%
Wyre Forest	1,580	3,550	2,835	2,810	4.8%	77.8%	-	-0.9%
							20.8%	
WM 7 Met.	99,300	167,555	159,730	158,720	8.6%	59.8%	-5.3%	-0.6%
Black Country LEP	38,275	64,790	59,930	59,520	8.1%	55.5%	-8.1%	-0.7%
Coventry and Warwickshire LEP	15,825	33,365	29,665	29,385	4.8%	85.7%	-	-0.9%
							11.9%	
Greater Birmingham and Solihull LEP	63,490	109,500	103,085	102,570	8.0%	61.6%	-6.3%	-0.5%
WMCA (3 LEP)	117,590	207,655	192,680	191,475	7.3%	62.8%	-7.8%	-0.6%
United Kingdom	1,268,620	2,642,815	2,285,995	2,268,660	5.4%	78.8%	-	-0.8%
							14.2%	

- Overall, for the WMCA (3 LEP) the number of claimants as a proportion of residents aged 16 -64 years old was 7.3% compared to 5.4% for the UK in July 2021⁵.

Youth Claimants (Aged 16-24)

- There were 36,420 youth claimants in the WMCA (3 LEP) area in July 2021. Since June 2021, there was a decrease of 2.7% (-1,015) claimants in the WMCA (3 LEP) area, below the UK decrease of 3.9%. When compared to July 2020, the number of youth claimants has decreased by 14.8% (- 6,320) in the WMCA (3 LEP) area, with the UK decreasing by 23.3% over the same period. When compared to March 2020, the number of youth claimants has increased by 59.5% (+13,585) in the WMCA (3 LEP) area, with the UK increasing by 69.0% over the same period.
- The Black Country LEP had 11,705 youth claimants in July 2021, a decrease of 290 (-2.4%) claimants from the previous month. Compared to the same month in 2020, Black Country LEP youth claimants decreased by 1,875 (-13.8%). When compared to March 2020 (7,750) the number of youth claimants has increased by 3,955 (+51.0%).
- In Coventry and Warwickshire LEP, there were 5,230 youth claimants in July 2021, a decrease of 240 (-4.4%) claimants since June 2021. Compared to the same month in 2020, Coventry and Warwickshire LEP youth claimants decreased by 1,465 (-21.9%). When compared to March 2020 (2,920) the number of claimants has increased by 2,310 (+79.1%).
- In Greater Birmingham and Solihull LEP, there were 19,485 youth claimants in July 2021, this is a decrease of 485 (-2.4%) claimants since June 2021. Compared to the same month in 2020, Greater Birmingham and Solihull LEP youth claimants decreased by 2,980 (-13.3%). In the Greater Birmingham and Solihull LEP area, when compared to March 2020 (12,165) the number of claimants has increased by 7,320 (+60.2%).

The following table shows a breakdown of number of youth claimants and change by selected months across the WMCA and for the UK:

	March 2020	July 2020	June 2021	July 2021	Jul. 2021 (Claimants as proportion aged 16-24) Rates	% Change (Jul 21 - Mar 20)	% Change (Jul 21 - Jul 20)	% Change (Jul 21 - Jun 21)
Birmingham	9,220	16,055	14,960	14,620	8.6%	58.6%	-8.9%	-2.3%
Bromsgrove	220	525	430	425	5.2%	93.2%	-19.0%	-1.2%
Cannock Chase	370	810	585	590	6.3%	59.5%	-27.2%	0.9%
Coventry	1,550	3,275	2,935	2,750	4.4%	77.4%	-16.0%	-6.3%
Dudley	1,755	3,115	2,575	2,495	8.0%	42.2%	-19.9%	-3.1%

⁵ WMCA SED Board Dashboard reports the number of claimants as a proportion of population aged 16 years and over – WMCA 3 LEP was 5.7% and the UK was 4.2% in July 2021.

East Staffordshire	320	740	620	615	5.5%	92.2%	-16.9%	-0.8%
Lichfield	275	620	405	390	4.2%	41.8%	-37.1%	-3.7%
North Warwickshire	165	435	305	290	5.0%	75.8%	-33.3%	-4.9%
Nuneaton and Bedworth	570	1,080	840	845	7.0%	48.2%	-21.8%	0.6%
Redditch	310	635	530	510	6.5%	64.5%	-19.7%	-3.8%
Rugby	245	585	475	470	4.7%	91.8%	-19.7%	-1.1%
Sandwell	2,130	3,830	3,535	3,445	10.0%	61.7%	-10.1%	-2.5%
Solihull	830	1,690	1,370	1,320	6.4%	59.0%	-21.9%	-3.6%
Stratford-on-Avon	160	565	365	360	3.3%	125.0%	-36.3%	-1.4%
Tamworth	305	650	545	520	7.0%	70.5%	-20.0%	-4.6%
Walsall	1,940	3,355	2,875	2,845	9.5%	46.6%	-15.2%	-1.0%
Warwick	230	750	555	520	2.7%	126.1%	-30.7%	-6.3%
Wolverhampton	1,925	3,285	3,005	2,920	10.9%	51.7%	-11.1%	-2.8%
Wyre Forest	315	735	525	510	5.9%	61.9%	-30.6%	-2.9%
WM 7 Met.	19,345	34,610	31,260	30,390	8.1%	57.1%	-12.2%	-2.8%
Black Country LEP	7,750	13,580	11,995	11,705	9.6%	51.0%	-13.8%	-2.4%
Coventry and Warwickshire LEP	2,920	6,695	5,470	5,230	4.3%	79.1%	-21.9%	-4.4%
Greater Birmingham and Solihull LEP	12,165	22,465	19,970	19,485	7.7%	60.2%	-13.3%	-2.4%
WMCA (3 LEP)	22,835	42,740	37,435	36,420	7.4%	59.5%	-14.8%	-2.7%
United Kingdom	241,760	532,400	424,965	408,585	5.8%	69.0%	-23.3%	-3.9%

- Overall, for the WMCA (3 LEP) the number of youth claimants as a percentage of residents aged 16- 24 years old was 7.4% compared to 5.8% for the UK in July 2021.

Claimant Count by Age and Gender (WMCA 3 LEP)⁶

- For those aged 16-24 in the WMCA (3 LEP) area, when comparing July 2021 to June 2021, there was an overall decrease of 1,015. This can be split by a decrease of 720 males and a decrease of 295 females.
- For those aged 25-49 in the WMCA (3 LEP) area, when comparing July 2021 to June 2021, there was an overall decrease of 75. This can be split by a decrease of 155 males and an increase of 75 females.
- Within this age range (25-49 years old) there were increases in three age brackets; for those aged 35-39 years old, overall in the WMCA (3 LEP) area there was an increase of 180 claimants (+115 males and +70 females) since June 2021. For those aged 40-44 years old, overall in the WMCA (3 LEP) area there was an increase of 60 claimants (+50 males and +15 females) since June 2021. For those aged 45-49 years old, overall in the WMCA (3 LEP) area there was an increase of 75 claimants (+85 males and -10 females) since June 2021.
- For those aged 50 years and over in the WMCA (3 LEP) area, when comparing July 2021 to June 2021, there was an overall decrease of 125 claimants. This can be split by an increase of 60 males and a decrease of 150 females.
- Within this age range (50 years and over) there were increases in two age brackets; for those aged 55-59 years old, overall in the WMCA (3 LEP) area there was an increase of 10 claimants (+20 males and -15 females) since June 2021. For those aged 65 years and over, overall in the WMCA (3 LEP) area there was an increase of 15 claimants (+15 males and -10 females) since June 2021.

⁶ Please note, figure may not sum due to rounding

The following table shows a breakdown by age brackets and gender for the WMCA (3 LEP) area over selected time periods:

		March 2020	July 2020	June 2021	July 2021	No. Change (Jul. 21 - Mar 20)	No. Change (Jul 21 - Jul20)	No. Change (Jul 21 - Jun21)
Total	Age 16+	117,590	207,655	192,680	191,475	73,885	- 16,180	-1,205
	Aged 16-24	22,835	42,740	37,435	36,420	13,585	-6,320	-1,015
	Aged 16-17	250	475	350	340	90	-135	-10
	Aged 18-24	22,580	42,265	37,090	36,085	13,505	-6,180	-1,005
	Aged 25-49	67,130	119,170	110,700	110,625	43,495	-8,545	-75
	Aged 25-29	15,945	29,245	25,965	25,610	9,665	-3,635	-355
	Aged 30-34	15,635	27,880	26,160	26,120	10,485	-1,760	-40
	Aged 35-39	13,715	23,855	23,050	23,230	9,515	-625	180
	Aged 40-44	11,230	19,660	19,015	19,075	7,845	-585	60
	Aged 45-49	10,605	18,535	16,515	16,590	5,985	-1,945	75
	Aged 50+	27,635	45,745	44,545	44,420	16,785	-1,325	-125
	Aged 50-54	9,960	17,415	16,245	16,135	6,175	-1,280	-110
	Aged 55-59	8,985	14,800	13,990	14,000	5,015	-800	10
	Aged 60-64	7,675	11,730	11,790	11,760	4,085	30	-30
Aged 65+	1,020	1,795	2,520	2,535	1,515	740	15	

		March 2020	July 2020	June 2021	July 2021	No. Change (Jul. 21 - Mar 20)	No. Change (Jul 21 - Jul20)	No. Change (Jul 21 - Jun21)
Male	Age 16+	69,420	125,860	114,690	113,870	44,450	- 11,990	-820
	Aged 16-24	14,100	26,335	23,240	22,520	8,420	-3,815	-720
	Aged 16-17	115	215	165	155	40	-60	-10
	Aged 18-24	13,980	26,120	23,075	22,360	8,380	-3,760	-715
	Aged 25-49	38,965	72,515	65,530	65,375	26,410	-7,140	-155
	Aged 25-29	9,610	18,415	16,130	15,810	6,200	-2,605	-320
	Aged 30-34	9,095	17,165	15,525	15,455	6,360	-1,710	-70
	Aged 35-39	7,730	14,345	13,415	13,530	5,800	-815	115
	Aged 40-44	6,440	11,670	10,985	11,035	4,595	-635	50
	Aged 45-49	6,080	10,920	9,470	9,555	3,475	-1,365	85
	Aged 50+	16,355	27,005	25,915	25,975	9,620	-1,030	60
	Aged 50-54	5,820	10,255	9,410	9,380	3,560	-875	-30
	Aged 55-59	5,295	8,730	8,195	8,215	2,920	-515	20
	Aged 60-64	4,575	6,920	6,795	6,835	2,260	-85	40
Aged 65+	655	1,095	1,530	1,545	890	450	15	
Female	Age 16+	48,175	81,805	77,990	77,600	29,425	-4,205	-390
	Aged 16-24	8,730	16,405	14,195	13,900	5,170	-2,505	-295
	Aged 16-17	135	260	185	185	50	-75	0
	Aged 18-24	8,595	16,145	14,005	13,720	5,125	-2,425	-285
	Aged 25-49	28,165	46,655	45,170	45,245	17,080	-1,410	75
	Aged 25-29	6,340	10,835	9,830	9,800	3,460	-1,035	-30
	Aged 30-34	6,530	10,710	10,630	10,675	4,145	-35	45
	Aged 35-39	5,985	9,510	9,630	9,700	3,715	190	70
	Aged 40-44	4,790	7,990	8,030	8,045	3,255	55	15
	Aged 45-49	4,525	7,610	7,045	7,035	2,510	-575	-10
	Aged 50+	11,280	18,740	18,620	18,455	7,175	-285	-165
	Aged 50-54	4,135	7,160	6,840	6,755	2,620	-405	-85
	Aged 55-59	3,690	6,075	5,795	5,780	2,090	-295	-15
	Aged 60-64	3,100	4,805	5,000	4,925	1,825	120	-75
Aged 65+	360	705	995	985	625	280	-10	

Regional Labour Market⁷

- Over the course of the coronavirus (COVID-19) pandemic, payrolled employee growth rates in all regions followed a similar pattern: rapidly declining and becoming negative from April 2020 but beginning to improve again in recent months.
- In July 2021, the numbers of payrolled employees in the UK for the regions ranged from 763,000 in Northern Ireland, to 4,067,000 in the South East; the North East, North West, East Midlands and Northern Ireland continue to be above pre-coronavirus (February 2020) levels.
- For the three months ending in June 2021, the West Midlands Region employment rate (aged 16 – 64 years) was 74.5%. Since the three months ending March 2021, the employment rate saw a record increase of 1.6 percentage points (pp); while there is an increase of 0.5pp when compared to the same period in the previous year. The West Midlands, at 1.6%, had comfortably the fastest growth of employment between January and March 2021, with the next closest region (Northern Ireland) posting 0.9% growth. The UK employment rate increased by 0.3pp when compared to the previous quarter, but a decrease of 0.7pp when compared to the previous year. The overall UK employment rate was 75.1% with the highest employment rate within the UK for the three months ending June 2021 in the East (78.1%) and the lowest in Northern Ireland (71.1%).
- For the three months ending in June 2021, the West Midlands Region unemployment rate (aged 16 years and over) was 5.0%, which has decreased by 1.1pp since the previous quarter; representing an increase of 0.2pp from the previous year. The UK unemployment rate was 4.7%, a decrease of 0.2pp from the previous quarter, but a 0.6pp increase when compared to the previous year. The highest unemployment rate in the UK for the three months ending June 2021 was in London with 6.4%, with the lowest unemployment rate in the South West at 3.6%.
- For the three months ending in June 2021, the West Midlands Region economic inactivity rate (aged 16 – 64 years) was 21.4% - a decrease of 0.9pp from previous quarter and also a decrease of 0.7pp when compared to the previous year. The UK economic inactivity rate was 21.1%, a decrease of 0.2pp from the previous quarter but a 0.2pp increase from the previous year. The highest economic inactivity rate in the UK for the three months ending June 2021 was in Northern Ireland (25.9%), with the lowest in the South East (18.4%).

A summary of the latest headline estimates for regions of the UK, seasonally adjusted, April to June 2021:

	Employment rate - Apr to Jun 2021 (aged 16- 64 years)	Change onJan to Mar2021	Unemployment rate- Apr to Jun 2021 (16 years +)	Change onJan to Mar2021	Inactivity rate – Apr to Jun2021 (aged 16-64 years)	Change onJan to Mar2021
UK	75.1%	0.3pp	4.7%	-0.2pp	21.1%	-0.2pp
Great Britain	75.2%	0.3pp	4.7%	-0.2pp	21.0%	-0.2pp
England	75.3%	0.4pp	4.8%	-0.2pp	20.8%	-0.2pp
North East	71.6%	-0.4pp	5.8%	0.0pp	24.1%	0.7pp
North West	73.2%	0.6pp	4.7%	-0.3pp	23.1%	-0.4pp
Yorkshire and The Humber	72.9%	0.5pp	5.0%	0.0pp	23.2%	-0.6pp
East Midlands	75.3%	0.5pp	4.3%	-0.8pp	21.2%	0.2pp
West Midlands	74.5%	1.6pp	5.0%	-1.1pp	21.4%	-0.9pp
East	78.1%	0.4pp	3.9%	0.0pp	18.7%	-0.4pp
London	74.7%	0.2pp	6.4%	-0.5pp	20.2%	0.3pp
South East	77.9%	-0.3pp	4.4%	0.9pp	18.4%	-0.5pp
South West	77.0%	0.3pp	3.6%	-0.2pp	20.0%	-0.1pp
Wales	74.2%	0.3pp	4.1%	-0.4pp	22.5%	0.0pp
Scotland	74.2%	-0.1pp	4.3%	-0.1pp	22.4%	0.2pp
Northern Ireland	71.1%	0.9pp	3.8%	0.4pp	25.9%	-1.3pp

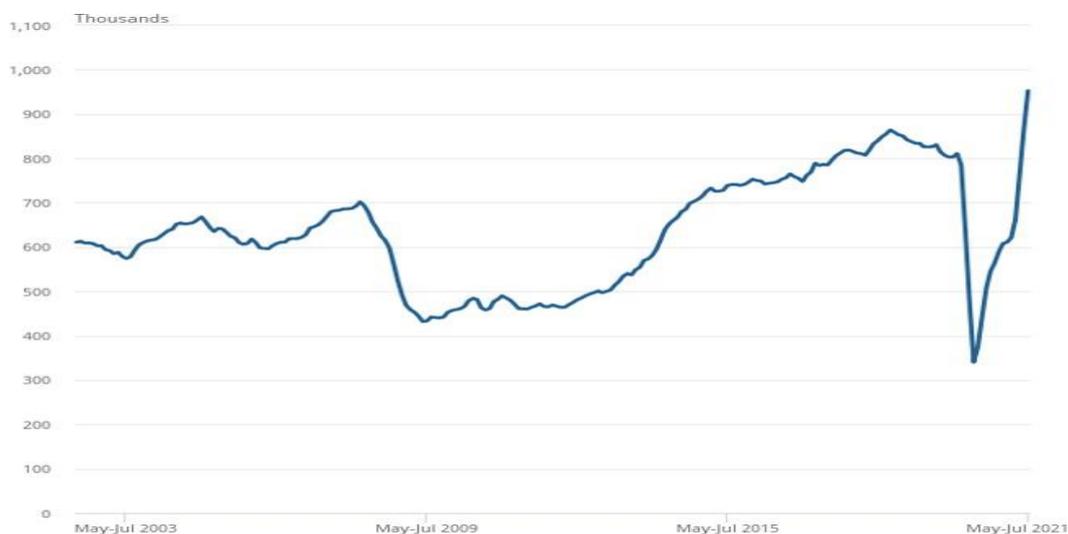
Source: ONS – Labour Force Survey

⁷ Source: ONS, Labour Market in the Regions of the UK: August 2021

UK Labour Market Statistics - Vacancies⁸

- In May to July 2021, the estimated number of vacancies reached its highest level since records began in 2001, with all industries growing on the quarter. In the same period there were 3.2 vacancies for every 100 employee jobs, also a record high.

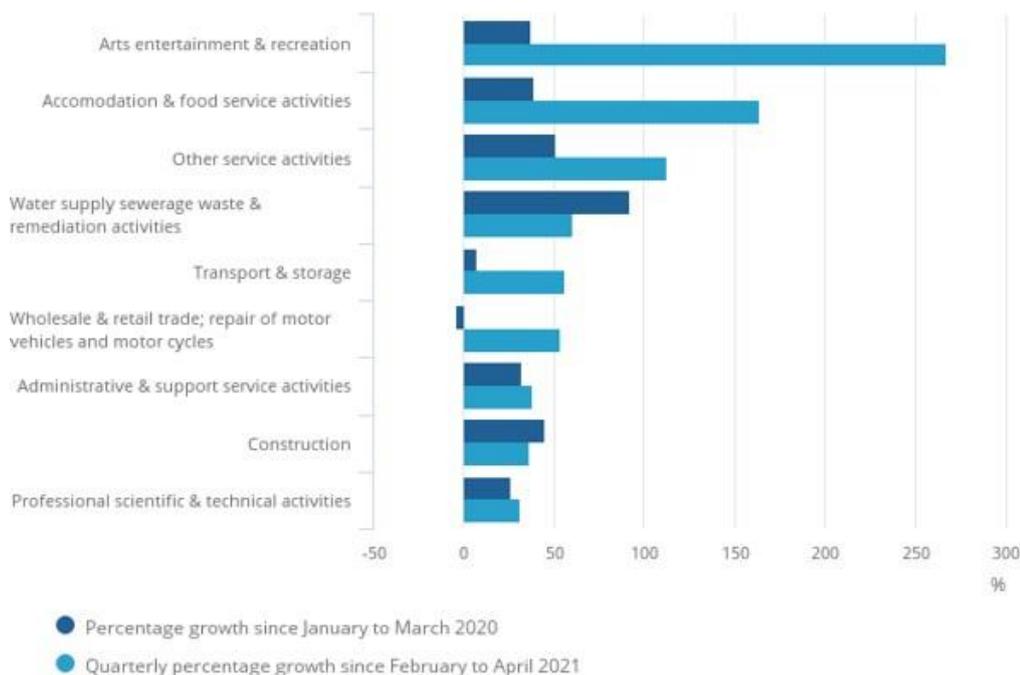
Number of Vacancies in the UK, seasonally adjusted between May to July 2002 and May to July 2021:



Source: ONS – Vacancy Survey

- Job vacancies in May to July 2021 continued to surpass their pre-pandemic January to March 2020 level, with vacancies 21.4% (168,000) above their pre-pandemic level.
- Quarterly growth was seen across all industries. The fastest rate of growth was seen in arts, entertainment and recreation, which grew by 267.1% (23,000). The largest increase in levels was seen in accommodation and food service activities, which grew by 73,000 (163.7%). In 10 of the 18 industries, the number of vacancies equalled or reached record-high levels in May to July 2021.

May to July 2021 three-month average vacancies in the UK, quarterly percentage growth and percentage growth from pre-pandemic January to March 2020:

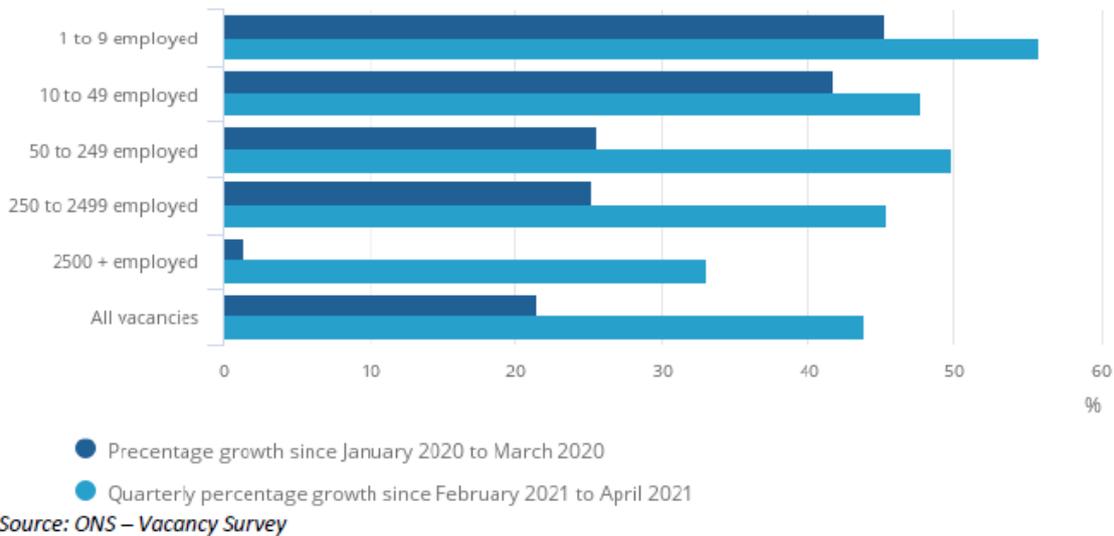


Source: ONS – Vacancy Survey

⁸ Source: UK labour market: August 2021

- The rate of recovery has continued to vary, though now only one industry (wholesale and retail trade and repair of motor vehicles) remains below its January to March 2020 level. The 4.1% fall for this industry over the period as a whole is driven primarily by the retail subsector, which remains 10,000 vacancies below its pre-pandemic level of 85,000. However, this subsector has seen strong growth recently, with 26,000 vacancies being added over the last quarter, reaching a level of 75,000 in May to July 2021.
- Accommodation and food service activities is the industry that has surpassed its pre-pandemic peak by the largest margin, now 33,000 (39.1%) above its January to March 2020 level. Human health and social work has also seen strong growth since the onset of the pandemic, with the May to July 2021 level surpassing the pre-pandemic peak by 26,000 (19.1%).

May 2021 to July 2021 three-month average vacancies in the UK, quarterly growth and growth from a pre-pandemic January 2020 to March 2020:



- In May to July 2021, all size bands saw strong growth on the quarter. Businesses with 2,500 or more employees saw their vacancies surpass their pre-pandemic level for the first time, with all size bands now reaching this milestone.

EMSI Job Postings WMCA (3 LEP) Geography July 2021⁹

Note: The data below identifies job postings, derived from the EMSI Analyst Tool, and not comparable to the official vacancy data.

- There were 172,549 unique job postings across the WMCA (3 LEP) geography in July 2021, 4.8% more than in June. This is the fifth consecutive month that monthly job postings have strengthened.
- All but three of the 19 LA areas across the WMCA 3 LEP geography recorded a positive change compared to June. Nominal reductions were logged in Bromsgrove (-0.2%) and Dudley (-0.3%); whilst the number of postings fell by -1.5% in Walsall.
- Sandwell logged the largest change in job postings, increasing by 10.5% followed by Solihull (7.8%) and Wolverhampton 5.8%.
- Posting intensity, i.e., the effort towards hiring for particular positions was particularly high in Birmingham, Coventry, Redditch, Tamworth and Wyre Forest.

⁹ Source: EMSI, August 2021

The following tables shows across the WMCA (3 LEP) local authorities the number of unique job postings in July 2021 and the percentage change from the previous month:

Local Authority Name	Jul 2021 Unique Postings	Latest 30 Days Unique Postings % Change
Birmingham	67,965	2.5%
Bromsgrove	2,248	-0.2%
Cannock Chase	3,218	1.0%
Coventry	14,980	4.5%
Dudley	8,349	-0.3%
East Staffordshire	4,963	4.7%
Lichfield	3,681	5.5%
North Warwickshire	2,564	2.8%
Nuneaton and Bedworth	3,514	2.0%
Redditch	3,220	4.7%
Rugby	4,570	7.1%
Sandwell	9,665	10.4%
Solihull	7,801	7.8%
Stratford-on-Avon	5,062	5.7%
Tamworth	3,511	0.7%
Walsall	6,591	-1.5%
Warwick	9,713	3.2%
Wolverhampton	8,318	5.8%
Wyre Forest	2,616	4.8%

Why Offices Must Adapt to Encourage People to Return

Hannes Read, WMREDI

A new study by Aviva has found that [47% of employees were less career-focused](#) because of the pandemic. Just 14% of employees favoured returning to the office full-time. The underlying reasons for the findings include the declining wellbeing of employees following the onset of the pandemic. With that in mind, perhaps we should be less surprised at the findings of the [Aviva report](#).

Secure, well-paying jobs have a strong link with broader personal wellbeing. People with secure jobs [have been able to save more](#) over the course of the Covid-19 pandemic, and have generally had more favourable wellbeing outcomes. The trend of many people, particularly younger people, becoming more reliant on lower-paid insecure work has been a factor in a [deterioration in wellbeing over the pandemic](#).

The impact of lockdowns on wellbeing has affected almost everyone. Those who are able to work from home have also had their wellbeing affected. Yet, amongst the optimism for socialising with colleagues in the office, the prospect of returning to [increasingly long commutes](#) is hardly enticing.

Collaborative Office Spaces: One Piece of a Big Jigsaw

Redesigning the office as a collaborative space where employees can network and socialise is one approach to entice employees into the office. The continued trend towards increased collaboration space in offices is identified in [The Future Business District](#) study involving Colmore Business Improvement District in Birmingham city centre and [City-REDI](#) at the University of Birmingham.

There are multiple benefits of collaborative working, not least amongst younger people, who have plenty to gain from building their connections and pick up good practice and skills that might be more difficult to learn when working from home. Still, encouragement for the collaborative office space could differ by age groups and personality types of employees.

People who tend to have more outgoing and extroverted personalities may be more likely to feel encouraged by more opportunities to network. Yet those who are less outgoing could feel that their wellbeing is best placed by working predominantly from home. Similarly, offering collaboration spaces alone may not be enticing enough for people with family and childcare commitments whose flexible working currently suits them well.

Four Ways to Improve People's Wellbeing within the Office

Employees should be at the heart of the discussion of the future office. There are a number of steps businesses and government can take to place wellbeing of people in the future office space.

- Providing employees with a genuinely democratic voice in company policy for future homeworking, or office working. Votes can be held for large decisions, with the [principle of one-member-one-vote](#) being well established in co-operative businesses.
- Providing jobs at a [Real Living Wage and with Living Hours](#) has significant benefits for job retention, wellbeing, and happiness of employees.
- Reorganise employees' working patterns to offer a [four-day working week](#) to best fit around their outside of work commitments and allay fears of burnout.
- Government can [reform statutory sick pay](#) to be brought up to at least the OECD average, have no minimum earning requirement, and be paid at 80% of earnings similar to the furlough scheme.

Businesses, employees, and landlords are considering redesigning a collaborative office space to encourage workers back. Yet this alone may be unlikely to entice people to the office.

The implications of fewer people becoming career-focused and fewer people wanting to work from the office, as identified in the [Aviva report](#), are still emerging. The fact that wellbeing is a significant driver behind the findings emphasises the need for an alternative approach to workplace wellbeing.

NatWest Purchasing Manager Index (PMI) Survey, Released August 2021: West Midlands Region¹⁰

Megan Boerm, Black Country Consortium Economic Intelligence Unit

The following seasonally adjusted indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease.

In Summary:

- The West Midlands Business Activity Index decreased from 64.0 in June 2021 to 58.3 in July 2021. With the Business Activity Index still above the 50-mark, this shows a slower but still a sharp rate of increase. The rise in business activity was restricted by staff and raw material shortage.
- The overall UK Business Activity Index decreased from 62.2 in June 2021 to 59.2 in July 2021.
- Out of the twelve UK regions, the West Midlands region was the fifth lowest for the Business Activity Index in July 2021.
- The West Midlands Future Activity Index decreased from 77.1 in June 2021 to 74.4 in July 2021 – despite this falling to a seven-month low, firms still had a strong degree of optimism. Firms hope that further relaxations of travel restrictions and the end of the pandemic will support output growth in the year ahead and some firms also reported plans to launch new products. However, concerns still remain surrounding Brexit, raw material scarcity and the path of the pandemic restricted sentiment.

In Detail:

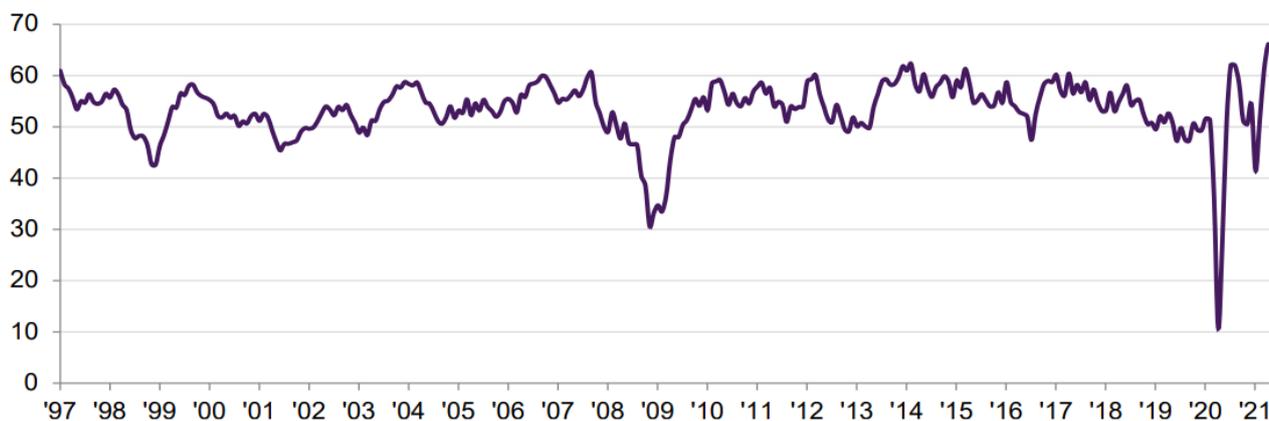
Business Activity Index

The West Midlands Business Activity Index decreased from 64.0 in June 2021 to 58.3 in July 2021. With the Business Activity Index still above the 50-mark, this shows a slower but still a sharp rate of increase. The rise in business activity was restricted by staff and raw material shortage.

The following graph show the West Midlands Business Activity Index trends up to July 2021:

West Midlands Business Activity Index

sa, >50 = growth since previous month



Source: IHS Market/NatWest, August 2021

Out of the twelve UK regions, the West Midlands region was the fifth lowest for the Business Activity Index in July 2021, with the South West highest at 62.2 down to Northern Ireland the lowest at 54.1.

¹⁰ Source: IHS Markit/NatWest West Midlands PMI, August 2021

The following chart shows the Business Activity Index across all UK regions in July 2021:



Source: IHS Market/NatWest, July 2021

Demand

The West Midlands New Business Index increased for the fifth consecutive month, remaining above the 50-mark. The latest data shows the New Business Index decreased from 62.2 in June 2021 to 59.0 in July 2021. Despite easing, the pace of expansion remained substantial as sales rose and firms mentioned improved demand conditions and the lifting of COVID-19 restrictions.

Exports¹¹

The West Midlands Export Climate Index decreased from 58.6 in June 2021 to 58.1 in July 2021. Despite falling from June 2021 to a three-month low, the latest figure was still consistent with a substantial pace of expansion. Output rose across the top five destinations for West Midlands goods exports, with quicker increases in Germany and China. Growth eased in the US and France, but remained strong.

The following table shows the top export markets for the West Midlands in July 2021:

Rank	Market	Weight	Output Index, Jul'21
1	USA	21.2%	59.9
2	Germany	11.1%	62.4
3	China	8.7%	53.1
4	Ireland	6.2%	65.0
5	France	6.1%	56.6

Source: IHS Market/NatWest, August 2021

Business Capacity

The West Midlands Employment Index increased for the fifth consecutive month, as the Index remains above the 50-mark. The latest data shows the Employment Index decreased from 60.8 in June 2021 to 57.6 in July 2021. Although softer than June's all-time high, the rate of job creation was sharp. The upturn in employment across the region was the third-fastest regionally, behind London and the South West.

¹¹ The West Midlands Export Climate Index is calculated by weighting together national PMI output data according to their importance to the manufacturing exports of the West Midlands. This produces an indicator for the economic health of the region's export markets.

The West Midlands Outstanding Business Index decreased from 59.2 in June 2021 to 54.7 in July 2021. Firms indicated that strengthening demand conditions, supply-chain constraints and staff shortages were the main sources of rising backlogs.

Prices

The West Midlands Input Prices Index decreased from 79.6 in June 2021 to 77.9 in July 2021 – despite easing from June 2021, the rate of increase was among the sharpest seen in the near 25 years of the survey. Firms associated supply-chain disruptions, raw material scarcity and greater freight fees pushed up expenses. Manufacturing companies saw a sharper increase than their services counterparts. The West Midlands Prices Charged Index decreased from 62.6 in June 2021 to 62.0 in July 2021. The West Midlands registered the second slowest rate of charge inflation of the 12 UK regions, ahead only of London.

Outlook

The West Midlands Future Activity Index decreased from 77.1 in June 2021 to 74.4 in July 2021 – despite falling to a seven-month low, firms still had a strong degree of optimism. Firms hope that further relaxations of travel restrictions and the end of the pandemic will support output growth in the year ahead and some firms also reported plans to launch new products. However, concerns still remain surrounding Brexit, raw material scarcity and the path of the pandemic restricted sentiment. Out of the twelve UK regions, the West Midlands was sixth for the Future Business Activity Index in July 2021, with the South East the highest at 81.9 and Northern Ireland the lowest at 56.6.

The following chart shows the Future Activity Index across all UK regions in July 2021:



Source: IHS Market/NatWest, August 2021

Infection Rates and Vaccine Update

Alice Pugh WMREDI/WMCA

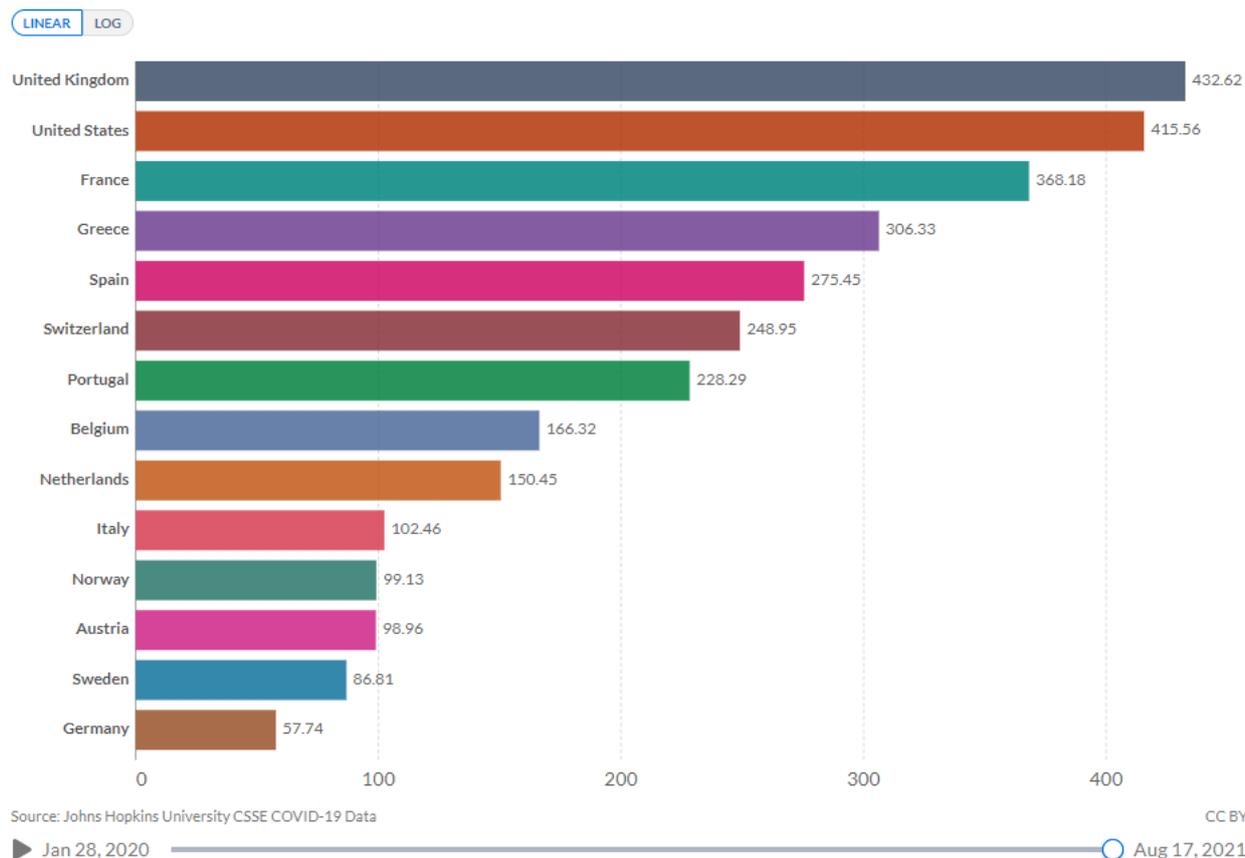
The UK has seen a [resurgence in infection rates](#), and the daily new cases confirmed in the UK is now the highest out of the selected European countries in the graph below.

Since [31 December 2019](#) and as of week 2021-31, **203 398 955 cases** of COVID-19 (in accordance with the applied case definitions and testing strategies in the affected countries) have been reported, including **4 299 081 deaths**.

Daily new confirmed COVID-19 cases per million people, Aug 17, 2021

Shown is the rolling 7-day average. The number of confirmed cases is lower than the number of actual cases; the main reason for that is limited testing.

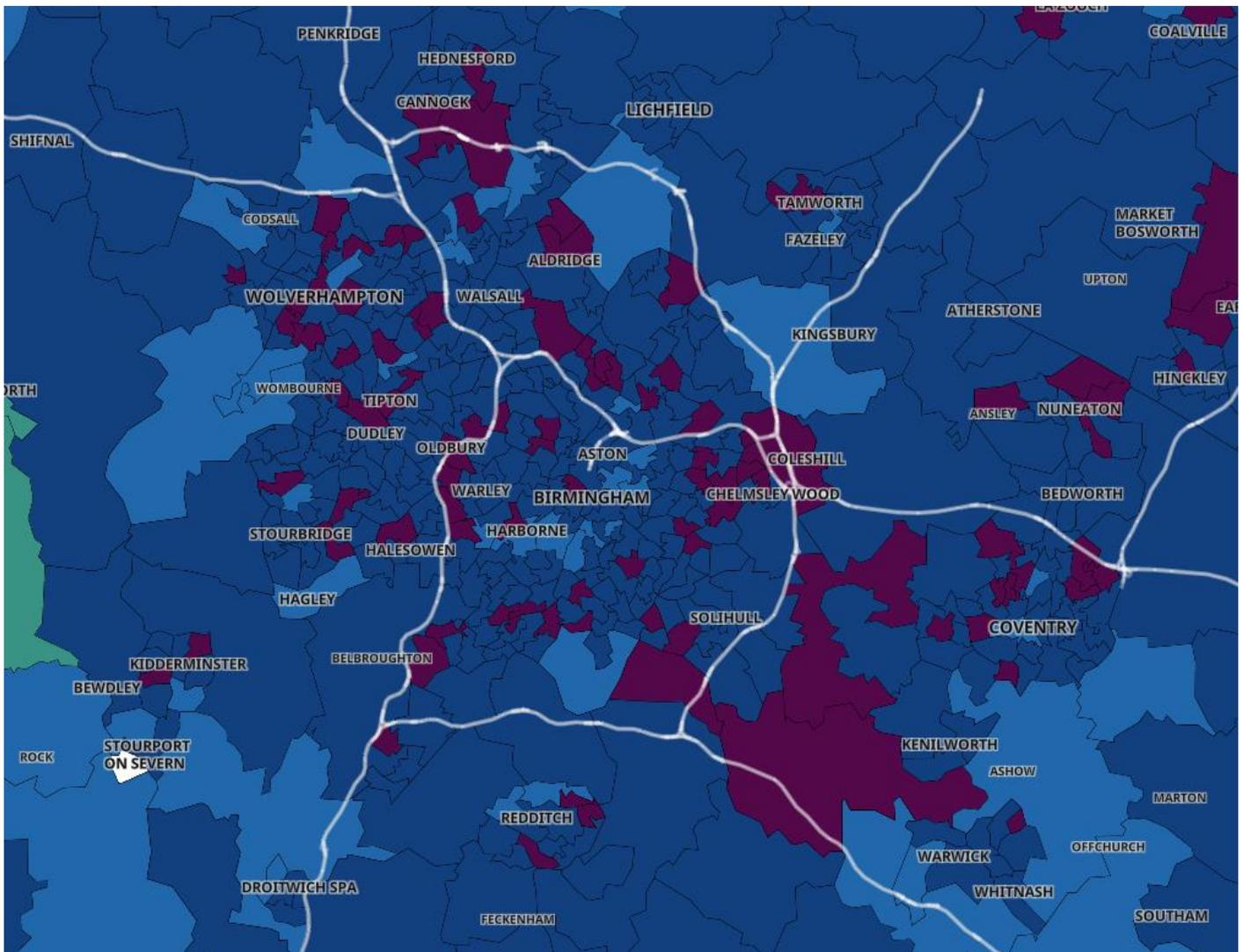
Our World in Data



Latest [ONS infection survey](#) data (13th August next release 20th August 2021) states:

- In England, the percentage of people testing positive for coronavirus (COVID-19) continued to be high in the week ending 6 August 2021; we estimate that 726,700 people within the community population in England had COVID-19 (95% credible interval: 679,300 to 777,800), equating to around 1 in 75 people.
- In Wales, the trend in the percentage of people testing positive is uncertain in the week ending 7 August 2021; we estimate that 14,100 people in Wales had COVID-19 (95% credible interval: 8,900 to 20,500), equating to around 1 in 220 people.
- In Northern Ireland, the percentage of people testing positive continued to be high in the week ending 7 August 2021; we estimate that 34,400 people in Northern Ireland had COVID-19 (95% credible interval: 25,600 to 44,600), equating to around 1 in 55 people.
- In Scotland, the percentage of people testing positive has continued to decrease in the week ending 7 August 2021; we estimate that 28,100 people in Scotland had COVID-19 (95% credible interval: 20,300 to 37,800) equating to around 1 in 190 people.

The map below displays weekly data, which are updated every day [here](#). Seven-day rolling rate of new cases by specimen date ending on 13th August 2021.



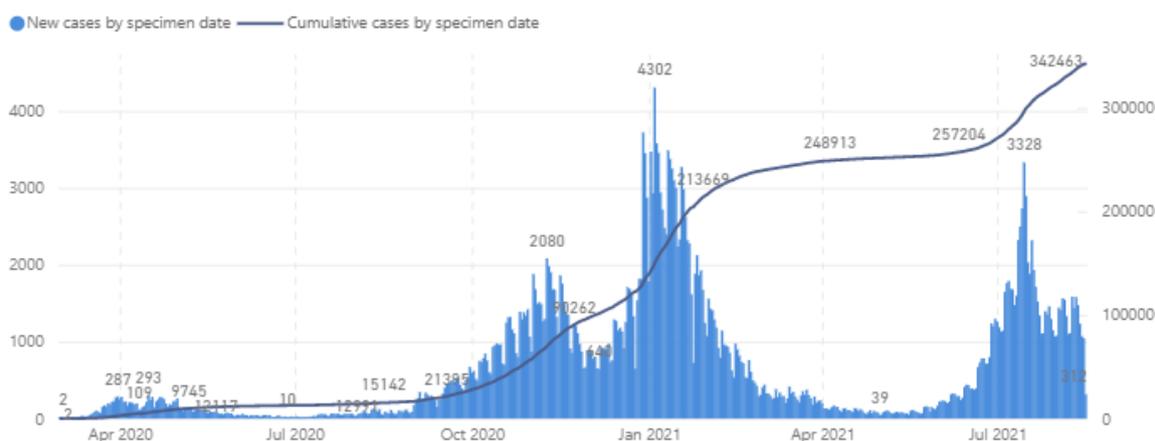
Regional Data

[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
16 August 2021	312	1210	342463	2	0.07
15 August 2021	1041	1204	342151	2	0.07
14 August 2021	1068	1428	341110	2	0.07
13 August 2021	1232	1664	340042	9511	324.76
12 August 2021	1474	1312	338810	9611	328.18
11 August 2021	1576	1590	337336	9683	330.64
10 August 2021	1438	1103	335760	9669	330.16
09 August 2021	1583	1238	334322	9640	329.17
08 August 2021	1110	1580	332739	9497	324.29
07 August 2021	1098	1419	331629	9461	323.06
06 August 2021	1332	1417	330531	9432	322.07

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).

All ages



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	02-Aug-21	03-Aug-21	04-Aug-21	05-Aug-21	06-Aug-21	07-Aug-21	08-Aug-21	09-Aug-21	10-Aug-21	11-Aug-21	12-Aug-21	13-Aug-21	14-Aug-21	15-Aug-21
ENGLAND	686	680	747	693	657	630	651	665	760	747	758	694	689	719
East of England	51	37	51	62	50	49	64	52	58	63	64	67	49	66
London	99	120	113	131	114	102	112	92	99	121	134	118	129	89
Midlands	125	123	143	123	131	117	112	130	142	166	152	143	124	144
North East and Yorkshire	144	178	168	156	134	156	144	153	191	168	139	124	151	158
North West	116	92	116	109	104	110	105	108	131	98	113	112	102	119
South East	81	87	74	54	58	44	68	71	74	73	79	59	68	88
South West	70	43	82	58	66	52	46	59	65	58	77	71	66	55

Mechanical Ventilation beds - occupied by confirmed COVID-19 patients

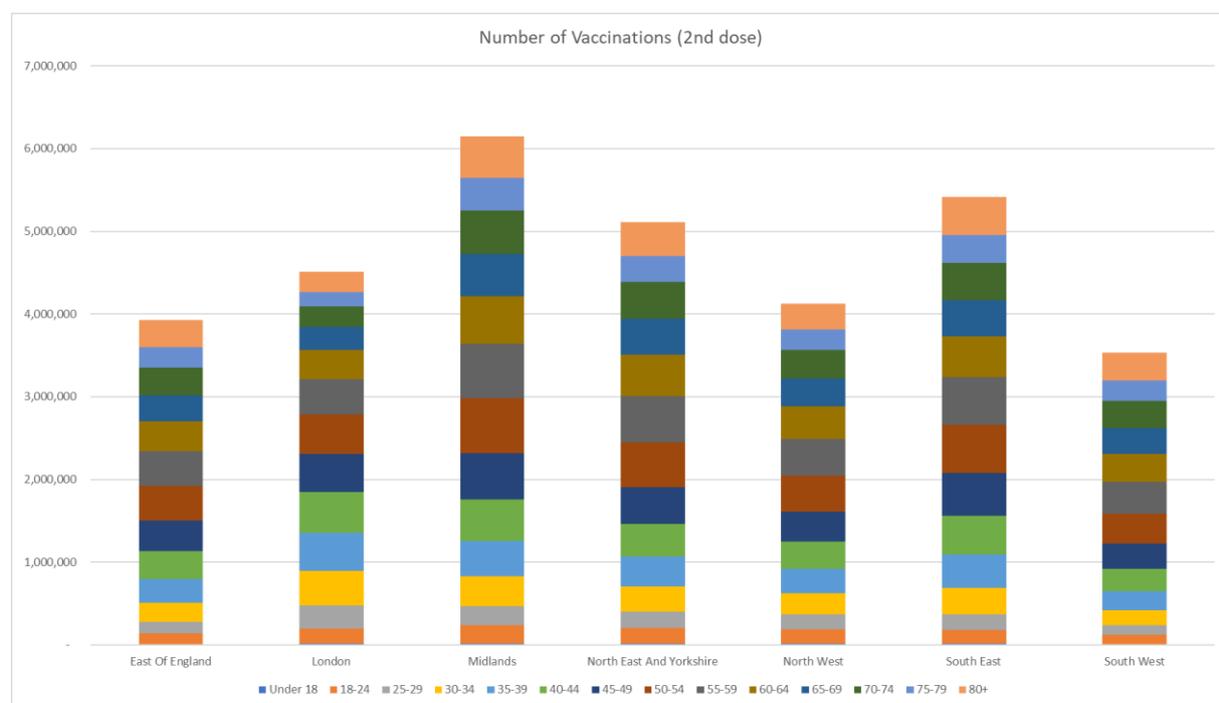
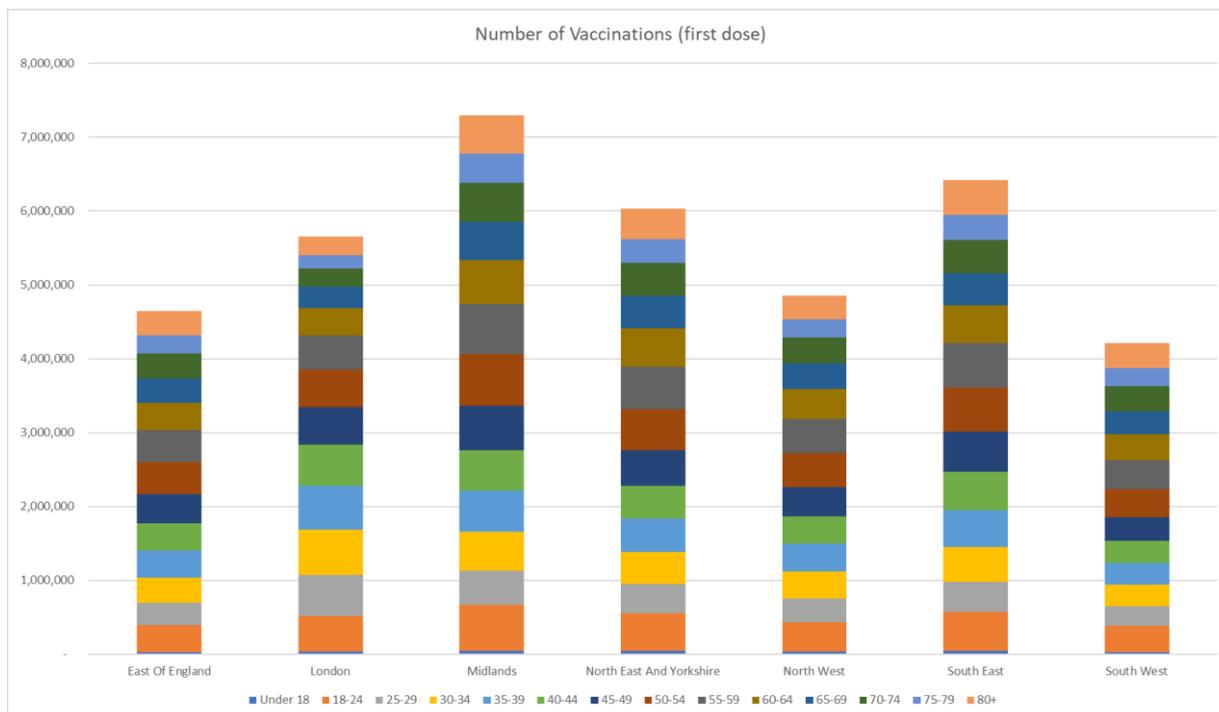
Name	05-Aug-21	06-Aug-21	07-Aug-21	08-Aug-21	09-Aug-21	10-Aug-21	11-Aug-21	12-Aug-21	13-Aug-21	14-Aug-21	15-Aug-21	16-Aug-21	17-Aug-21
ENGLAND	770	765	760	765	762	782	777	783	793	797	800	816	825
East of England	57	56	54	50	45	51	55	59	56	60	63	69	68
London	201	200	202	200	202	203	201	198	200	198	208	211	211
Midlands	150	149	151	155	162	165	168	166	171	170	163	161	157
North East and Yorkshire	139	127	128	131	133	137	130	135	136	134	137	137	143
North West	119	124	116	117	117	118	118	118	118	120	109	114	114
South East	51	59	59	56	55	57	55	57	55	58	59	61	64
South West	53	50	50	56	48	51	50	50	57	57	61	63	68

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

Name	05-Aug-21	06-Aug-21	07-Aug-21	08-Aug-21	09-Aug-21	10-Aug-21	11-Aug-21	12-Aug-21	13-Aug-21	14-Aug-21	15-Aug-21	16-Aug-21	17-Aug-21
ENGLAND	4,894	4,879	4,817	4,939	5,098	5,096	5,073	5,029	5,076	4,973	5,115	5,429	5,437
East of England	326	354	342	359	384	392	395	402	406	408	418	452	467
London	1,027	1,044	1,026	1,046	1,077	1,068	1,041	1,016	1,025	1,008	1,036	1,086	1,074
Midlands	899	873	871	898	921	922	958	967	998	980	1,002	1,063	1,052
North East and Yorkshire	1,065	1,020	1,011	1,029	1,063	1,027	1,048	1,040	1,027	954	971	1,088	1,090
North West	826	818	816	827	863	864	824	799	815	795	813	835	849
South East	426	431	427	435	445	474	439	449	436	449	476	496	507
South West	325	339	324	345	345	349	368	356	369	379	399	409	398

Vaccine Update

Between the 8th December 2020 and the [29th July 2021](#), the Midlands has successfully vaccinated **7,226,985** people with the first dose and **5,854,104** 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.



% 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+
Total	54.6%	66.2%	81.8%	81.6%	89.3%	94.9%	97.4%	93.8%	96.4%	100%*	91.4%
East Of England	55.4%	67.1%	83.5%	83.8%	90.6%	96.6%	97.9%	93.8%	96.5%	100%*	92.2%
London	50.3%	58.8%	73.9%	77.9%	83.2%	87.6%	90.4%	87.9%	89.9%	89.7%	81.1%
Midlands	53.1%	65.6%	81.8%	80.7%	90.0%	95.0%	98.0%	93.7%	96.7%	100%*	92.9%
North East And Yorkshire	55.3%	68.2%	83.0%	80.6%	90.1%	95.4%	97.9%	95.1%	98.1%	100%*	91.9%
North West	54.0%	66.7%	80.6%	79.2%	88.5%	94.6%	98.1%	94.0%	97.1%	99.0%	91.1%
South East	59.8%	70.8%	85.5%	84.5%	90.5%	96.6%	98.4%	95.0%	95.8%	100%*	92.2%
South West	55.3%	68.9%	86.8%	83.8%	91.3%	97.3%	98.7%	94.2%	97.3%	100%*	95.0%

Weekly Deaths Registered: 6th August 2021

Black Country Consortium Economic Intelligence Unit

The following analysis compares the latest available time period (the week of the 6th August 2021) to the previous week period (the week of the 30th July 2021) for the number of deaths registered and the number of deaths registered related to the Coronavirus¹².

Across England and Wales, the overall registered death figures increased slightly from 10,135 in the week of the 30th July 2021 to 10,187 in the week of 6th August 2021. The number of deaths registered that state Coronavirus on the death certificate increased from 404 people to 527 people over the same period.

Regional level analysis shows that the West Midlands' overall registered death figure increased from 1,058 people in the week of 30th July 2021 to 1,103 in the week of 6th August 2021. The number of registered deaths related to Coronavirus has increased from 38 people to 66 people over the same period.

There was a total of 745 deaths registered across the WMCA (3 LEP) area in the week of the 6th August 2021. There were 55 deaths registered that were related to Coronavirus over the same period. In comparison to the week of the 30th July 2021, the overall registered death figures in the WMCA (3 LEP) area increased by 53, with the number of deaths related to Coronavirus increasing by 25 people.

At local authority level in the week of the 6th August 2021, there were fourteen local authorities in the WMCA (3 LEP) area that registered deaths related to the Coronavirus (as seen in the following table). Of the 55 registered deaths; Birmingham accounted for 16 registered deaths, Sandwell accounted for 8 and Coventry and Dudley each accounted for 5 of the registered deaths.

Of the 55 registered deaths in the WMCA (3 LEP) involving Coronavirus in the week of the 6th August 2021, 46 were in registered in a hospital 7 deaths were registered at home and 1 death was registered at each at a hospice of classed as elsewhere.

Place and number of deaths registered that are related to Coronavirus in the week of 6th August 2021:

	Care home	Elsewhere	Home	Hospice	Hospital	Other communal establishment	Total
Cannock Chase	0	0	2	0	0	0	2
East Staffordshire	0	0	0	0	0	0	0
Lichfield	0	0	0	0	0	0	0
Tamworth	0	0	0	1	3	0	4
North Warwickshire	0	0	0	0	0	0	0
Nuneaton and Bedworth	0	0	0	0	1	0	1
Rugby	0	0	0	0	3	0	3
Stratford-on-Avon	0	0	0	0	1	0	1
Warwick	0	0	0	0	1	0	1
Bromsgrove	0	0	0	0	1	0	1
Redditch	0	0	0	0	0	0	0
Wyre Forest	0	0	0	0	0	0	0
Birmingham	0	1	2	0	13	0	16
Coventry	0	0	1	0	4	0	5
Dudley	0	0	0	0	5	0	5
Sandwell	0	0	2	0	6	0	8
Solihull	0	0	0	0	2	0	2
Walsall	0	0	0	0	3	0	3
Wolverhampton	0	0	0	0	3	0	3
WM 7 Met.	0	1	5	0	36	0	42
Black Country LEP	0	0	2	0	17	0	19
Coventry & Warwickshire LEP	0	0	1	0	10	0	11
Greater Birmingham & Solihull LEP	0	1	4	1	19	0	25
WMCA (3 LEP)	0	1	7	1	46	0	55

¹² 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, 17th August 2021

ONS Weekly Release Indicators

Black Country Consortium Economic Intelligence Unit

On the 12th August 2021, Office for National Statistics (ONS) released 'economic activity and social change in the UK, real-time indicators'. These statistics are experimental and have been devised to provide timely information. The following information contains UK flight data, footfall data, online job adverts, Value Added Tax returns, final results from Wave 36 of the Business Insights and Conditions Survey (BICS), national company incorporations and voluntary dissolutions and results from Wave 70 of the Opinions and Lifestyle Survey (OPN).

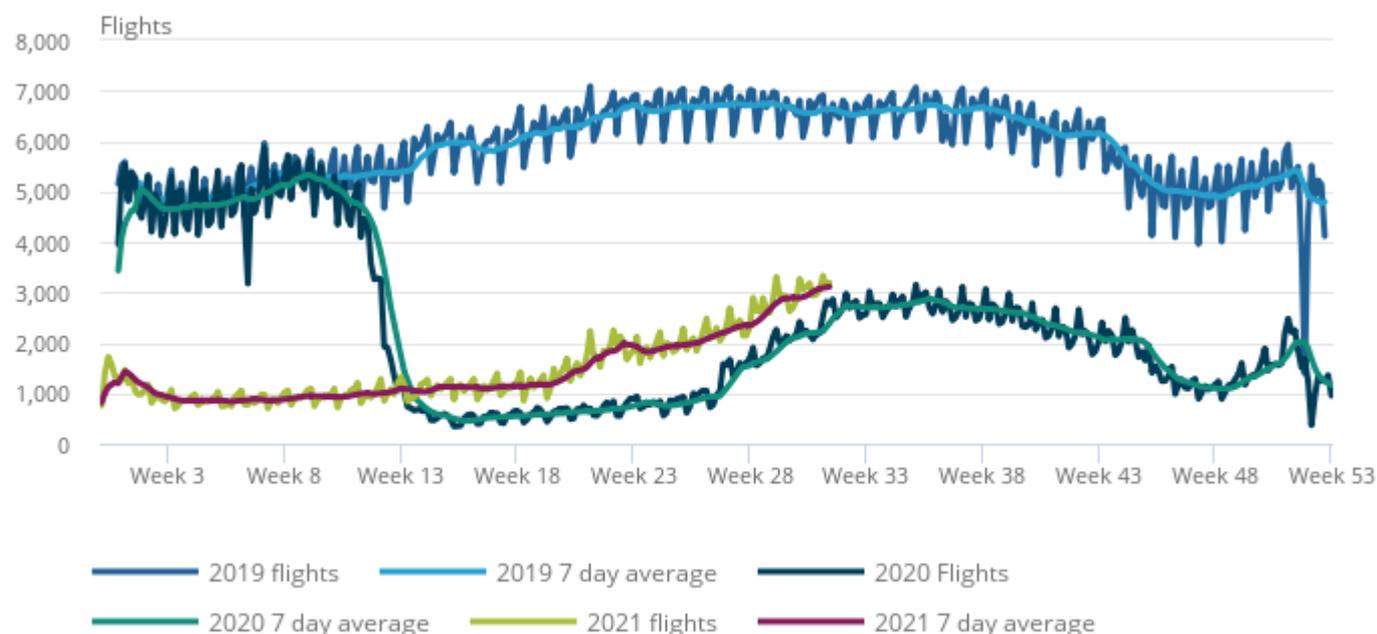
UK Flight Data

Flight data includes international arrivals and departures to and from the UK (including Crown Dependencies) and domestic UK flights, but exclude overflights (flights that pass over UK territory). This includes commercial flights carrying passengers and cargo as well as non-commercial flights such as private and military flights. Data from EUROCONTROL does not include information on the volume of passengers or cargo carried on UK flights. Especially in the context of the COVID-19 pandemic, flights might not be operating at full capacity and therefore trends in passengers and cargo will differ from trends in flights presented below.

In the week ending 8th August 2021, the seven-day average number of UK daily flights was 3,111, increasing by 6% from the previous week. It is also the highest weekly average number of UK flights seen since the week ending 22nd March 2020.

The average number of UK daily flights in the latest week was at 47% of the level seen in the equivalent week of 2019; up by 2 percentage points from the previous week. In the latest week, compared with the equivalent week of 2020, the seven-day average number of daily flights was at 130% of its 2020 level.

Number of daily flights, non-seasonally adjusted, and seven-day moving average, 2nd January to 8th August 2021, UK:



Source: European Organisation for the Safety of Air Navigation

Online Job Adverts

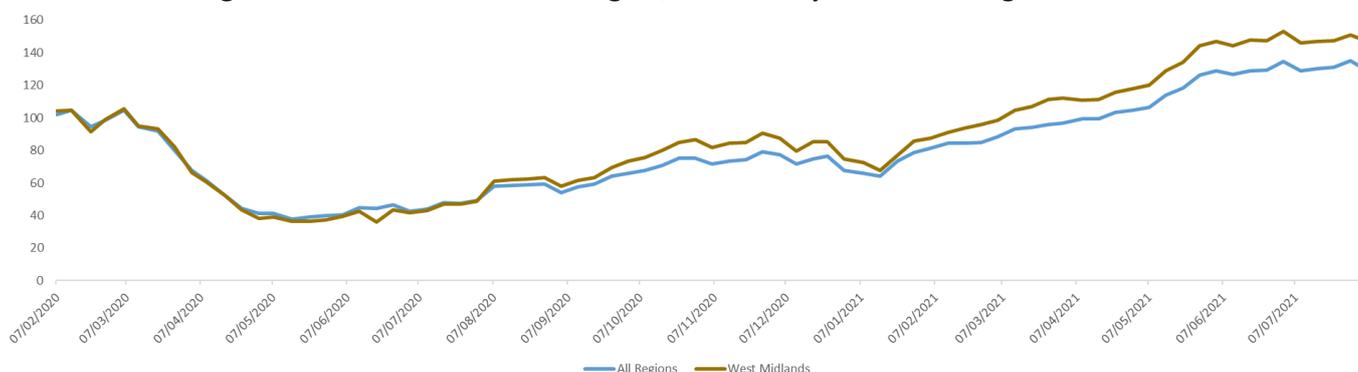
Figures are taken from jobs adverts provided by Adzuna. The Adzuna categories do not correspond to SIC categories and therefore not comparable with the ONS Vacancy Survey. Please note, Index of job adverts on Adzuna by category, 100 = average job adverts in February 2020.

Nationally, between the 30th July and 6th August 2021 total online job adverts decreased by 6.1 percentage points. On the 6th August 2021, total online job adverts were still at 128.8% of their average level in February 2020. Out of the 28 categories (excluding unknown) 27 decreased and 1 remained the same from the previous week. Of the 28 categories,

there were four that were below their February 2020 levels; 'legal (71.7%)', 'energy, oil and gas' (86.0%), 'graduate' (97.0%) and accounting/finance (98.6%).

The volume of online job adverts across all UK countries and English regions decreased when compared with the previous week. Between the 30th July and 6th August 2021, the West Midlands region online job adverts decreased by 4.1 percentage points. On the 6th August 2021, total online job adverts for the West Midlands were still at 146.8% of their average level 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 6th August 2021:



Value Added Tax (VAT) Returns

There were 22,090 new VAT reporters in the UK in July 2021, an increase of 2% from the 21,690 in June 2021. The number of new VAT reporters in July 2021 was 30% higher than in July 2020 (16,980) and similar to July 2019 figures (21,880). This was also higher than the 2015 to 2019 longer-term average (20,878). The number of new reporters in construction rose by 8% from 2,870 in June 2021 to 3,090 in July 2021. In production there were 970 new VAT reporters in July 2021, a 19% decrease from the 1,200 reported in June 2021.

The month-on-month, all-industry turnover estimate for June 2021 shows that, out of 39,430 firms, an equal number of firms (net 0%) reported increasing turnover as those that reported decreasing turnover in the last month. A net 3% of firms in production and a net 2% of firms in services reported increasing turnover compared with May 2021. Whereas a net 3% of firms in construction reported decreasing turnover over the same period.

Footfall

According to Springboard, in the week to 7th August 2021, the volume of overall retail footfall in the UK increased slightly by 1% from the previous week (week to 31st July 2021). The latest week's increase was in-part driven by a week-on-week rise of 3% in footfall on high streets. Over the same week, footfall at shopping centres increased by 1% while retail park footfall remained broadly unchanged.

In the latest week to 7th August 2021, overall retail footfall was at 80% of the level seen in the equivalent week of 2019. Footfall at retail parks remained the strongest at 98% of its equivalent 2019 level. Meanwhile, footfall was 75% for shopping centres and 74% for high streets of the equivalent 2019 level.

According to Springboard, in the week to 7th August 2021, retail footfall saw week-on-week percentage increases in 6 of the 10 UK countries and English regions, the largest of which were in the West Midlands and Northern Ireland, which both saw 2% rises over the week. The remaining 4 of the 10 countries and English regions remained broadly unchanged from the previous week.

National Company Incorporations and Voluntary Dissolution

Companies House data shows for the UK, there were 13,152 company incorporations in the week to 6th August 2021. This is slightly down from 13,185 recorded in the previous week and also lower when compared to the same week in 2020 (16,658) but higher than the same week in 2019 (12,828).

Also, for the week to 6th August 2021, there were 5,480 voluntary dissolution applications, a decrease from 5,735 recorded in the previous week. The number of voluntary dissolution applications was higher than levels seen in the same week of 2020 (4,522) but lower than the same week in 2019 (6,042).

Business Insights and Conditions Survey

The final results from Wave 36 of the Business Insights and Conditions Survey (BICS) based off the 5,142 businesses surveyed across the West Midlands that businesses have a presence in with a response rate of 22.6% (1,163) and to 3,039 businesses that are head quartered in the West Midlands, with a response rate of 22.1% (672). Please note, businesses were asked for their experiences for the reference period 12th to 25th July 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (26th July to 8th August 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

98.1% of responding West Midlands businesses were trading over the reference period. Less than 1% of businesses temporarily closed or temporarily paused trading and also 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, 28.7% of trading businesses in the West Midlands reported their turnover had decreased by at least 20%. However, 45% of trading businesses in the West Midlands reported that their turnover was unaffected and approximately 15% reported their turnover had increased by at least 20%.

Excluding 'other' and 'not sure' responses, 62.2% 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, less than 1% reported the main reason as the end of the EU transition period and 10.8% 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, 29.1% of trading businesses in the West Midlands reported profits had decreased by at least 20%. However, 44.3% of trading businesses in the West Midlands reported that profits had stayed the same and approximately 11.2% 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, 24.6% 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, 16.4% in the West Midlands were importing less than normal. 58.6% of West Midlands businesses who were exporting reported that they had not been affected and 65.5% reported that importing had not been affected. 2.5% of businesses in the West Midlands are exporting more than normal and 4.1% are importing more than normal. 2.8% of businesses in the West Midlands have not been able to export in the last two weeks and 2.2% of West Midlands businesses have not been able to import in the last two weeks.

UKCA Marking

Excluding 'not sure' or 'no' responses, 3.7% of responding West Midlands businesses manufacture products that need a CE or UKCA marking. 4.6% of West Midlands businesses import products with a CE or UKCA marking and 4.6% distribute products with CE or UKCA markings. 84% of responding West Midlands businesses reported they were aware that most CE marked products need to be UKCA marked from 1st January 2022, although 7.6% were not aware. 22.7% of responding West Midlands businesses are already using UKCA marking. 4.2% of West Midlands businesses are not aware of or do not know how to meet the requirements for the UKCA. 48.7% of West Midlands businesses are not using the UKCA marking but plan to by 1st January 2022. 2.5% of West Midlands businesses will not use UKCA marking as it is not relevant to the business or products.

Prices

Businesses were asked how the prices of materials, goods or services brought by their businesses change in the last two weeks in comparison with normal price fluctuations. Excluding 'not sure' or 'not applicable' responses, 27.3% of responding West Midlands businesses reported that prices increased more than normal, 41.4% reported that prices did not change any more than normal. 7.5% of West Midlands businesses reported some prices increased and some prices decreased and less than 1% reported prices decreased more than normal.

Businesses were also asked how the prices of materials, goods or services sold by their businesses change in the last two weeks in comparison with normal price fluctuations. Excluding 'not sure' or 'not applicable' responses, 10.7% of responding West Midlands businesses reported that prices increased more than normal, 60.5% reported that prices did not change any more than normal. 5.6% of West Midlands businesses reported some prices increased and some prices decreased and 1.5% reported prices decreased more than normal.

Increases in Demand

17.1% of responding West Midlands businesses reported an increase in demand for goods or services sold in the last two weeks, with 61.6% reporting no increase.

Great Britain to Northern Ireland

Businesses were asked in the last two weeks, had the volume of goods the business would normally send from Great Britain to Northern Ireland changed. Excluding 'not sure' and 'not applicable', 5.7% of responding West Midlands businesses reported the volume has increased and 68.6% reported the volume has stayed the same. 12.4% of West Midlands businesses reported the volume had decreased.

Excluding 'other', 'not sure' and 'none of the options', 61.5% of responding West Midlands businesses reported the reason for change in the volume of goods sent to Northern Ireland was due to increased costs, also at 61.5% the reason for change was due to decreased demand for goods. 46.2% reported a change due to increased delays and 15.4% of West Midlands businesses reported due to COVID-19.

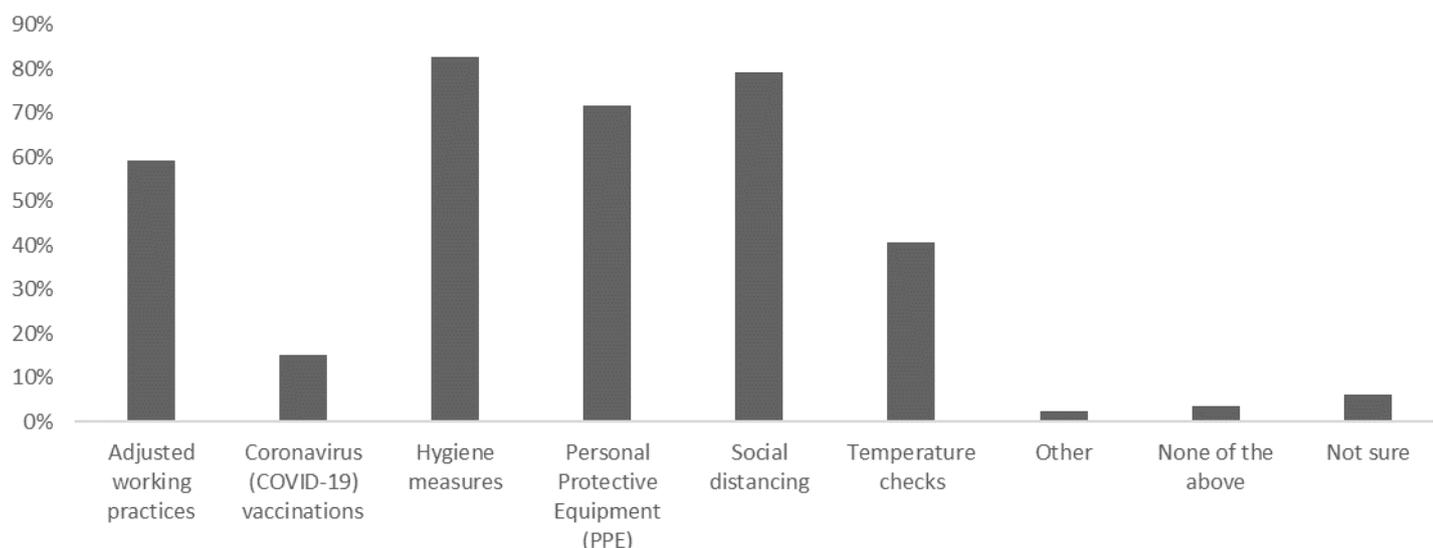
Training

18.8% of West Midlands businesses have provided training for the workforce while on furlough level; with 42.3% reporting no training. 21.6% of responding West Midlands businesses have provided additional training or support for the workforce after returning back to work. A further 3.8% reported the business had not but intends to and 26.2% have no plans for providing additional training or support.

Safety Measures, COVID-19 Testing, Lateral Flow and Contact Tracing

82.8% of responding West Midlands businesses reported they were using, or intending to use hygiene measures as a safety measure in the workplace.

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



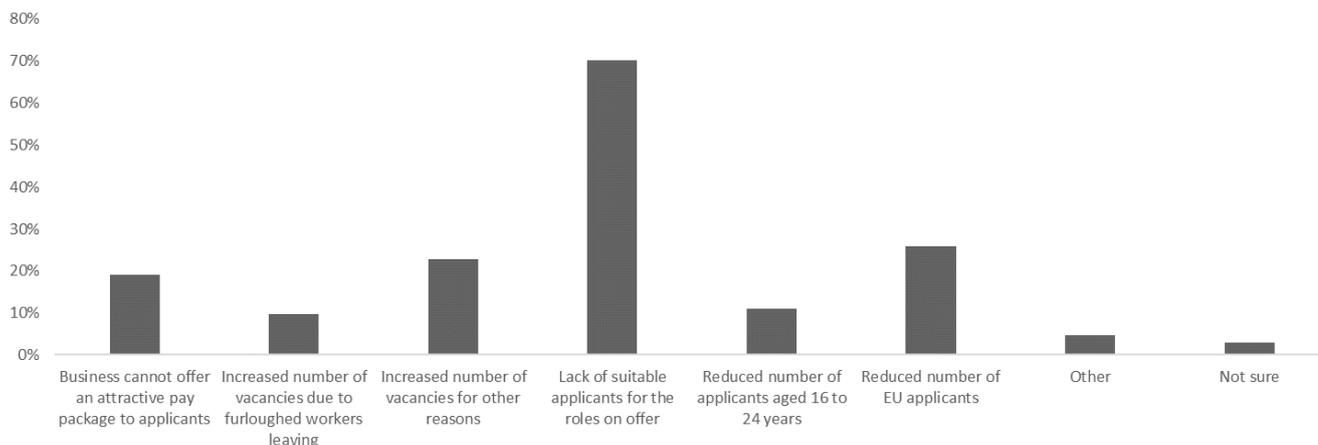
29.2% of West Midlands businesses reported providing regular COVID-19 testing for the workforce. 12.8% of West Midlands businesses would be prepared to pay for lateral flow device tests for the employees. 41.8% of West Midlands businesses were collecting, or intending to collect contact details for the purpose of contract tracing.

Vacancies

Businesses were asked how the ability to fill vacancies in the last month compare with normal expectations for the time of year. Excluding 'not sure' responses, 1.9% of West Midlands businesses reported that vacancies were easier

to fill. 28% of West Midlands businesses reported there was no difference in the ability to fill vacancies and 35.2% reported vacancies were more difficult to fill. 16.4% of West Midlands businesses did not have any vacancies to fill. Where West Midlands businesses reported that vacancies were more difficult over the last month when compared with normal expectations for the time of the year, the highest response with 70.2% was 'lack of suitable applicants for the roles on offer'.

The following graph shows for the West Midlands region why filling vacancies more difficult over the last month when compared with normal expectations for the time of the year:



Expected Redundancies

5.1% of responding West Midlands businesses expect to make redundancies in the next three months. Although, 70.7% of West Midlands businesses reported they did not expect redundancies over the next three months.

EU and Non-EU Workers

Excluding 'not relevant', 'not sure' or 'prefer not to say' responses, less than 1% of West Midlands businesses reported the number of workers within the EU had increased. 24.3% of West Midlands businesses reported the number of workers within the EU had stayed the same and 12.6% reported the number of EU workers had decreased. Excluding 'other' and 'not sure' responses, 6% of West Midlands businesses reported the main reason for the change to the number of workers from within the EU was due to COVID-19. 32.7% reported the main reason as the end of the EU transition period and 46.7% reported due to COVID-19 and the end of the EU transition period.

Excluding 'not sure' responses, 14% of West Midlands businesses reported severe disruption to the business due to the change in the number of workers from within the EU. 45.3% reported moderate disruption and 29.3% reported minimal disruption. 10% of West Midlands businesses reported no disruption.

Excluding 'not relevant', 'not sure' or 'prefer not to say' responses, less than 1% of West Midlands businesses reported the number of workers outside the EU had increased. 16.1% of West Midlands businesses reported the number workers outside the EU had stayed the same and 4.0% reported the number of EU workers had decreased. Excluding 'other' and 'not sure' responses, 25.5% of West Midlands businesses reported the main reason for the change to the number of workers from outside the EU was due to COVID-19. 21.8% reported the main reason as the end of the EU transition period and 29.1% reported due to COVID-19 and the end of the EU transition period.

Social Impacts of the Coronavirus

The following refers to the period of 4th to 8th August 2021. Please note, only a selection of indicators at a regional level are included in the below.

Self-Isolation

Between the 4th and 8th August, 8% of West Midlands adults reported they were self-isolating; the highest region in Great Britain for that week. The number of West Midlands residents self-isolating rose from 4% from the previous week (28th July to 1st August 2021).

Well-Being, Loneliness and Perceptions of the Future

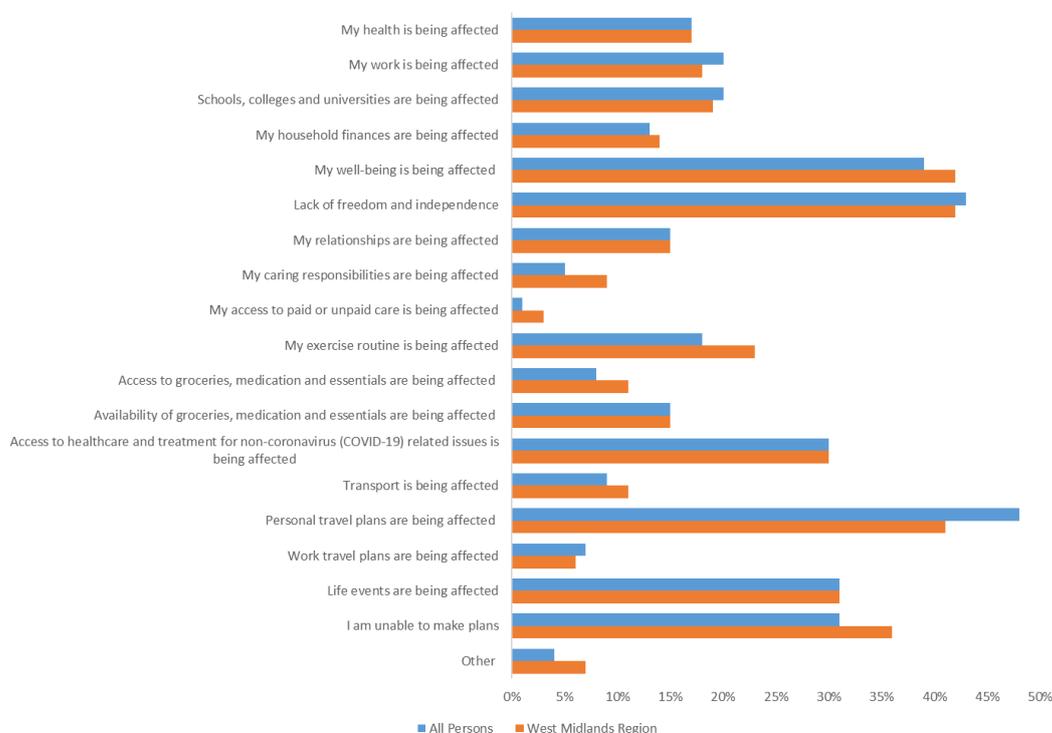
Mean personal well-being scores for life satisfaction was 6.9 in the West Midlands (7.1 GB), worthwhile was 7.1 in the West Midlands (7.4 GB), happiness was 6.9 for West Midlands adults (7.1 GB) and anxious was recorded at 4.3 for

West Midlands adults (3.8 GB). 10% 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). 15% of responding West Midlands adults reported low level of happiness (11% GB) and 37% reported high levels of anxiety (32% GB). 28% of adults in the West Midlands reported to often/always or some of the time to feeling lonely (24% GB). While 47% reported hardly ever or never feeling lonely in the West Midlands (50% GB). 14% of West Midlands adults believe it will take 6 months or less before life returns to normal (18% GB). While 12% of West Midlands adults believed it will take 7 to 12 months (16% GB). 26% of West Midlands adults think it could more than a year to return back to normal (27% GB) and 11% for the West Midlands adults thought it would never go back to normal (9% GB).

Impact on People’s Life Overall

In the West Midlands, 52% of adults reported they were very or somewhat worried about the effect COVID-19 was having on their life (49% GB). 15% of responding West Midlands adults reported that they were somewhat unworried or not at all worried (21% GB). 42% of responding West Midlands adults reported well-being was being affected due to COVID-19 (39% GB). Also 42% of responding West Midlands adults reported lack of freedom and independence was affecting their life due to COVID-19 (GB 43%).

The following chart shows for the West Midlands region and Great Britain-wide how COVID-19 was affecting adults lives between 4th and 8th August 2021:



25% of working adults in the West Midlands who say their work had been affected due to COVID-19 (29% GB).

HEADLINES

SECTOR	KEY INSIGHTS
<p>Cross Sector</p>	<p>Outlook</p> <p>There has been evidence of rising business confidence in recent weeks and months, such as in the West Midlands Quarterly Economic Snapshot and the Business Barometer from Lloyds Bank. For example, 62 per cent of local firms expect their profitability to increase over the next 12 months. In the wider Midlands, another study by Azets found that 61 per cent of SMEs expect their turnover to increase over the next year, the most optimistic of all regions in the UK. However, the surveys also report on key business challenges of current:</p> <ul style="list-style-type: none"> • Price pressures remain a cause for concern with 44 per cent of firms expecting their prices to increase over the next 3 months, potentially hindering their ability to grow and recover from the impact of the pandemic. • Many firms are still facing financial hardship and will require additional support from government as they look to get their operations off the ground after nearly 16 months of forced closure. The pandemic has not impacted all businesses equally and some firms now find themselves burdened with substantial debts for the first time. • The Government is being urged to take this into consideration as it looks to wind down existing support schemes over the coming months so as not to undo the good work that has been done to support businesses over the past year. • The number of firms reporting hiring challenges has increased significantly. <p>These findings reflect a regional business environment with many complex and intertwining issues, some Covid related and others more generic. Overall, many firms are still under financial strain due to Covid, with some remaining anxious over their ability to survive as a business if there were to be another lockdown / more restrictions or even just once government support schemes come to an end. On the latter, experts suggest that, business owners that have survived due to government loans, furlough and temporary insolvencies measures, may be caught out once these schemes end this Autumn. Additionally, there is an increasing number of reports from businesses looking to raise further finance being refused if they have previously taken a Bounceback loan. Many businesses stating this is contrary to what they were told when they took on Bounceback.</p> <p>Exacerbating the uncertain situation, other key issues reported by business recently include:</p> <ul style="list-style-type: none"> • Staff Shortages – This is partly due to self-isolation as a result of Track and Trace and the NHS App, but other contributing factors include staff leaving posts for better paid positions, some skills being specifically targeted by head-hunters, some well performing businesses able to offer increased salary prospects while others suffer. It has also been suggested that programs such as the Kickstart scheme are not suitable for specialist work that requires years of experience. • Supply Chain Issues – As previously reported, more and more businesses are being faced with a lack of materials and/or increased costs – including for metals, building materials, and electrical components. Some businesses are unable to fill orders as a result, with others mitigating the risk by automating and streamlining processes which may lead to staff cuts to offset cost increases and avoid passing on these rises to clients and consumers. • Mental Health – Concerns raised following the lifting of restrictions that are allowing workers to return to pre-Covid working arrangements. There is anxiety and stress among some staff about returning to regular working environments. • Recruitment – Issues linked to staff shortages. Hospitality is finding it hard to find and retain suitable staff. Some businesses reporting partial closure as they have insufficient

SECTOR	KEY INSIGHTS
	<p>team numbers to operate fully and effectively. Apprenticeships being investigated as a solution to this problem.</p> <ul style="list-style-type: none"> • Redundancies - Feeling across businesses in all sectors is that likely more redundancies in next few months, especially once furlough scheme ends. • Access to finance is extremely difficult. High street Banks are not willing to support viable businesses with RLS or normal lending. Many business customers are defaulting on CBILS and BBLs. <p>EU Exit Some businesses in the region still report that Brexit has caused ongoing disruption at borders. Reliability of carriers is a problem, timeliness, losing shipments, delays of incoming goods stuck at the border. Also, price increases imposed from suppliers across the EU due to transport costs and burdensome paperwork. In addition:</p> <ul style="list-style-type: none"> • Other businesses are struggling to recruit for less desirable roles, previously taken by non-UK workers, who have returned home because of our exit from the EU. • HGV Driver Shortages – businesses across all sectors across the region affected by the lack of HGV drivers and the resulting delays with supplies. • Freight Forwarders are reporting that there is no let up to the challenges of cross border trade with the EU. • Companies are continuing to work their way through the changes resulting from EU Exit, whilst some have reached an equilibrium and established new ways of working others continue to come up against new requirements. This is frequently the case where destination countries customs bodies are interpreting the UK/EU trade deal in different ways. • Local businesses have suggested it would be helpful to have advisors available to audit export procedures to avoid problems with EU trading. <p>Enquiries</p> <ul style="list-style-type: none"> • Businesses in the region have reached out to seek support upgrading IT systems and processes, however, with no available support within the region away from consultancy support businesses are reluctant to make any changes. • An increasing number of companies are seeking financial support with creating safe office environments to get people back to work - this means support for hardware which can be moved easily. • Start Up Guidance – New enquiries from start-up businesses continue. Some as a result of Covid redundancies, others after development of new skills and sector diversification. • Premises Searches – Businesses taking steps from home offices are looking for support with finding smaller units and outlets for a range of businesses in retail food and service industries. • Events – Businesses involved in the events industry relishing in a welcome and long-awaited return to business and are recovering well. • Apprentices – Desire to employ the next generation of apprentices. Others looking to upskill existing workforces or utilise skill sets amongst existing staff. • General Marketing Support – There remains an ongoing appetite for general sales and marketing advice and guidance as businesses are looking at all options to improve their chances of successful COVID recovery strategies. • Diversification – Businesses continue to look at ways they can adapt existing technologies and allow them to diversify. <p>Programmes and Support</p> <ul style="list-style-type: none"> • Kickstart – mixed reviews and experiences. Whilst an attractive proposition, there have been complaints at the length of time taken to process applications. On the flip side, businesses who have benefitted from earlier applications are considering further positions via the scheme.

SECTOR	KEY INSIGHTS
	<ul style="list-style-type: none"> • Grants – Companies looking to grow seeking grant funding to support capital purchases and premises upgrades and fit out projects. Good use of regional and ERDF grant pools leading to other areas of support in planning, skills and employment. Construction, Manufacturing and Recycling businesses featuring recently - all linked to new contracts and employment. • The announcement of the government-backed insurance scheme to help get events back up and running has been well received. The events industry is critical to the West Midlands economy, with thousands of livelihoods reliant on the sector and it is hoped this new insurance support will create and protect local jobs.
Hospitality and Leisure	<ul style="list-style-type: none"> • Despite the easing of restrictions, recovery is hampered for many businesses in hospitality. Customers are less constant now – the higher turnover in first few weeks of return to operations has now tailed off. Staff are less committed and despite maintaining staff throughout lockdown, employees are now leaving and less inclined to work long hours. • Calls for VAT reduction and business rates holidays to be extended while businesses in these sectors are trying to recover • Also calls from these sectors for some rethinking around CBILS loans – a business can only extend the payback time for 10 years if they become a distressed business. Otherwise, they are stuck with very high repayments.
Health & Life Sciences	<ul style="list-style-type: none"> • The lack of available space to deliver services/research and other work is the major issue in this sector. • A new skills and training plan developed by the West Midlands Combined Authority (WMCA) and its partners will help local people to secure thousands of jobs in health sciences and care.
Manufacturing	<ul style="list-style-type: none"> • Reports that Brexit has caused ongoing disruption at borders. Reliability of carriers is a problem, timeliness, losing shipments, delays of incoming goods stuck at the border. Also, price increases imposed from suppliers across the EU due to transport costs and burdensome paperwork. For some manufacturers, the imposition of 25% of tariffs because of steel import quotas exacerbates the issues.
Food & Drink	<ul style="list-style-type: none"> • Many micro businesses are finding the switch to green food packaging to be cost prohibitive. • More consumers are becoming increasingly vocal and complaining about orders supplied in non-recyclable packaging. • With consumers becoming more switched on to the movement, businesses will have to adapt.

NEW ECONOMIC SHOCKS

COMPANY	LOCATION	SECTOR	SOURCE/DETAIL
Frasers Group	House of Fraser and Sports Direct branches, across region	Retail	Fraser's Group, the company behind the likes of Sports Direct and House of Fraser, has reported a drop in revenue and pre-tax profits for its latest financial year as a result of store closures brought on by Covid-19. The group has posted a revenue of £3.6bn for the year to 25 April 2021, down from £3.9bn in 2020. Reported pre-tax profits also fell from £143.5m to £8.5m over the same period.
Marks and Spencer	Warwickshire	Retail	Marks & Spencer will close two stores in Warwickshire, with all staff moving over to its new branch in Leamington, the retail giant has confirmed.

COMPANY	LOCATION	SECTOR	SOURCE/DETAIL
AMG	Wolverhampton	Construction	Dozens of workers at a Wolverhampton building contractor have been made redundant after the firm went into administration. A total of 44 employees have lost their jobs after Arthur M Griffiths (AMG), based in Thomas Street, ceased trading recently. The company, which was founded in 1899, is now in the process of being wound up.
GKN	Birmingham	Engineering	Workers at a Birmingham engineering plant tabled for closure are being balloted over industrial action. The vote will be held among staff at GKN Automotive in Erdington between August 16 and 31 which could see them down tools over the company's proposals to shut the factory, with the potential loss of more than 500 jobs.
DHL	West Midlands JLR Plants	Automotive / Transport	Workers employed by DHL at Jaguar Land Rover's West Midlands and Merseyside plants are preparing to ballot for strike action over what their union has described as an "insulting" pay offer. Unite said its members employed at the plants in Halewood, Castle Bromwich, Solihull, Tyrefort, Midpoint and Hams Hall have been given "incorrect pay slips" for months due to the firm's use of flexible furlough.

NEW INVESTMENT, DEALS AND OPPORTUNITIES

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
Lodders	Stratford-on-Avon	Legal	Law firm Lodders has unveiled plans for its biggest recruitment drive in its 230-year history to grow its workforce by more than 25%, taking its total staff number across its regional office network to 200 people.
Greggs	Region-wide	Food	Greggs to create 500 jobs as it plans 100 more stores
Aldi	Region-wide	Retail	Aldi to create more than 400 jobs in West Midlands as part of national recruitment drive. The company is set to hire 317 staff to work at its stores in Birmingham, Coventry, Dudley and Stourbridge.
Red Kangaroo	Coventry	Arts/ Entertainment and recreation	A Coventry-based trampoline park has received a £300,000 loan for the purchase of additional equipment and a new inflatable park section. Red Kangaroo 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).
Coventry Building Society	Coventry	Financial	Coventry Building Society is recruiting over 45 roles at its head offices in Binley and Walsgrave. The Society is looking for people at various stages in their careers in customer service, IT and other areas.
Poundland	Black Country	Retail/ Logistics	Poundland is offering bonuses and training support in a bid to recruit more lorry drivers. The Walsall-based retail chain Poundland is currently recruiting more than 100 drivers across its three distribution centres.
Marston's PLC	Wolverhampton	Hospitality	Pubs and restaurants group Marston's is to move its headquarters across Wolverhampton. St John's House in St John's Square is to be refurbished – starting in January – and 250 Marston's staff will be based there.
Stevens Park	Dudley	Public	A £1.8million restoration of a Black Country Park is nearing completion. Work is being carried out at Stevens Park, in Quarry Bank, Dudley, to revamp a building called Tintern House, formerly known as the White House. The building now hosts a new community café, new toilets and meeting rooms.

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
Sandvik	Halesowen	Manufacturing	Work has started on the development of Swedish engineering company Sandvik Coromant's new UK headquarters in Halesowen. The headquarters will provide a net internal area of 18,015 sq ft and will replace an existing warehouse building. The new development will create a new high-tech innovation hub for metal cutting in the West Midlands.
ARUP	Birmingham City Centre	Professional Services	Arup, the employee-owned built environment consultancy, is set to move its third largest global office to Paradise Birmingham in a move that will bring 1,000 jobs to Birmingham city centre.
Winvic Construction & IM Properties	Birmingham	Infrastructure & Construction	Birmingham and the Midlands are to gain a major jobs boost following the start on site of one of the UK's most significant new sustainable manufacturing and logistics schemes, delivering £355.5 million of economic value (GVA) when fully operational. The first phase of Peddimore near Minworth, is being delivered by IM Properties in partnership with Birmingham City Council and will see appointed contractor, Winvic Construction, begin strategic infrastructure works including a new roundabout on the A38, for a June 2022 completion. IM Properties is already in detailed discussions with an occupier who will create in excess of 1000 jobs,
HS2 Ltd	Solihull	Rail / Infrastructure	An agreement has been reached to build in key utility infrastructure near the HS2 Interchange Station in Solihull in a bid to ensure future development and associated jobs can be provided ahead of the expected start of high-speed rail services between 2029 and 2033. An under-track construction will be built underneath the HS2 line at Arden Cross, the development site which will be home to the Interchange Station.
All	Featherstone, near Wolverhampton	Industrial	Thousands of new jobs could be created after plans to redevelop a former munitions factory next to the M54 were given the green light. Eight units are proposed for the former Royal Ordnance Factory land at Featherstone, just north of Wolverhampton, which will provide a range of business uses including industrial, storage and distribution. The 128-acre site, which is one mile away from the i54 business park which is home to a Jaguar Land Rover engine plant, will include a hub for food and drink and have the capacity to employ 2,800 people.

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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