

# West Midlands

## Weekly Economic Impact Monitor



Issue 35 Publication Data 20/11/20

**This monitor aims to pull together information across regional partners to understand the impacts of Covid19 on the economy. Where possible it will utilise all forms of quantitative and qualitative intelligence. However we urge caution in the use of the contents as this is an emerging situation.**

This week the development of vaccines is signalling a positive change, according to the [International Monetary Fund \(IMF\)'s most recent forecasts](#), global growth is expected to be around 5.2% during 2021 based on the assumption that social distancing would gradually no longer be required as new Covid-19 vaccines are being developed. However, it is worth noting that, following the vaccine news, [the IMF stated that a speedier recovery was possible](#). "Progress with vaccines and treatments, as well as changes in the workplace and by consumers to reduce transmission, **may allow activity to return more rapidly to pre-pandemic levels than currently projected, without triggering repeated waves of infection.**"

- Last month's EUROSTAT study suggests that the euro zone grew by 12.7% in the third quarter of the year compared to the previous three-month period. In comparison with the same quarter of the previous year, seasonally adjusted GDP has nonetheless decreased by 4.3% in the euro area and by 3.9% in the EU in the third quarter of 2020, which represents a partial recovery after -14.8% and -13.9% respectively in the previous quarter.
- Vaccine news was most beneficial to industries that have suffered the most during the last 6 months such as airlines and hotels, as well as tech giants such as Amazon and Tesla. [More specifically \(in descending order\) Rolls-Royce \(+9.9%\), hotel chain Whitbread \(+9.8%\) and airline group IAG \(+9.7%\) ended the day as the top risers](#). Firms whose products were best adapted to the pandemic are now the ones whose shares are seeing dips (i.e. Ocado fell 4%).
- The positive trade news stimulated Asian stocks toward a record close. This is on the back of data showing China's economic recovery has strengthened, propelled by increased consumer spending and industrial production rising faster than expected.
- The Prime Minister Boris Johnson, whilst in self-isolation following a close contact with a confirmed Covid-19 case, has launched a ['Ten Point Plan'](#) for a Green Industrial Revolution which will create and support up to 250,000 jobs'.
- With national restrictions coming into place for England on the 5th November, overall footfall on the 8th November fell to 33% of its 2019 level. Although, the day before restrictions were brought into the place, overall footfall peaked at 91% of its 2019 levels.
- On the 8th November, footfall for high streets and shopping centres both fell to 27% of the 2019 levels. Retail parks' footfall fell to just over a half when compared to the same day in 2019.
- All the English regions experienced a decrease from the previous week on the 8th November. The South East, West Midlands, South West and East of England all saw declines of 50 percentage points. As Northern Ireland was still in a circuit breaker lockdown over this time, there was a weekly increase of 10 percentage points.
- Government has backed the development of [new 'space hubs'](#) across England, as well as funding for a space hub in the West Midlands; the work is led by WMREDI.
- Covid-19 cases across the West Midlands continue to rise, despite a reduction in active cases across the North West, North East and Yorkshire. Positivity rates in England have increased in recent weeks, but the rate of increase is slower than previous weeks; during the most recent week.
- There is welcome news that one of two new Mega Labs to process test results (so markedly increasing the UK's capacity on this front) is to be sited in the region at Leamington Spa (the other site is in Scotland). The sites are expected to create up to 4 thousand jobs – at a range of different skills levels. In terms of support for businesses there are now a range of different grants and instruments covering different time periods and with different eligibility rules. This makes for an increasingly complex picture.
- In the current lockdown in England concerns have been raised that non-essential retailers have had to close. Simultaneously other outlets – such as garden centres – are open and are able to sell non-essential items. This raises the issue as to whether the current lockdown is actually a 'full lockdown'.
- However, footfall data suggests that lockdown has a greater impact on activity than the tiered system. Going forward, it seems that perceptions of safety have a marked impact on behaviour
- Issues relating to Brexit and replacements for European funding are ongoing. In terms of preparations for Brexit, the lack of available information means that businesses lack the specificity they need. In terms of exports there is also the issue that as well as UK exporters needing to be prepared for changes, so EU importers need to be prepared for receipt of incoming goods. Currently European funding sources (such as the European Social Fund) are important for supporting youth employment initiatives and also SMEs. Given the Covid-19 crisis, continuing support here remains very important. The European Investment Bank is also an important source of finance and access to funding in 2021 remains unclear.

- The new immigration system (due to be implemented in 2021) is a 'game changer'. Free movement comes to an end. EU and non-EU immigrants are due to be treated on the same basis in a skills-based immigration system which has no general entry route for migrants to fill low-skilled jobs. Many SMEs lack the capacity to deal with the paperwork associated with the new system.
- [Survey findings show manufacturers](#) expect long haul back to normal trading. Key findings:
  - Over a third of companies see normal trading more than a year away
  - Just a quarter of companies at full operating capacity
  - Half of companies have made redundancies with a fifth still expecting to do so in the next six months
  - A fifth of companies say measures on business rates should be top priority for Government
  - A quarter of companies stockpiling ahead of 'no deal'
- There were 43,660 youth claimants in the WMCA (3 LEP) area in October 2020. When compared to March 2020 (22,835), the number of youth claimants has increased by 20,825.
- There were 210,975 claimants aged 16 years and over in the WMCA (3 LEP) area in October 2020. When compared to March 2020 (117,590) the number of claimants has increased by 93,385.
- The headline NatWest West Midlands Business Activity Index – a seasonally adjusted index that measures the month-on-month change in the combined output of the region's manufacturing and service sectors – posted 51.2 in October, signalling the weakest rate of expansion in private sector output since June.
- Although private sector companies in the West Midlands remained confident of a rise in output in the coming 12 months, the overall level of positive sentiment fell to a five-month low in October and was below its long-run average.
- The latest data shows that apprenticeship vacancies stood at over 1,600 in October 2020, this has increased for the third month in a row.
- The latest data shows that the number of unique jobs postings stood at just over 115,000 in October 2020. This has increased for the fourth consecutive month.
- 619,800 individuals in the WMCA 3 LEP area have been furloughed at some point, but 205,500 remain furloughed as of 31st August 2020. On 31st August 2020, in the WMCA (3 LEP) area, 11.3% of eligible employments for the scheme, compared to 10.8% for the UK.
- Percentage change quarter on quarter shows for the West Midlands region there was negative GDP growth of 0.8% in Q4 2019, this was followed by 3.5% negative growth in Q1 2020. The UK economy was flat in Q4 2019 followed by negative growth of 2.5% in Q1 2020.
- Regional exports fell by nearly £4.6bn (-14.1%) over the year of 2020 Q2 to £27.5bn - the UK decreased by 9.0%. The West Midlands region imports decreased by 18.0% to £31.3bn - leading to a trade deficit of £3.8bn.
- Pre Covid the region was performing well and the number of active enterprises continued to increase and in 2019 there were 172,875 in the WMCA (3 LEP) area. This has increased by 1.7% (+2,915 enterprises) compared to 2.5% growth for the UK since 2018. In the WMCA (3 LEP) area, there were 28,175 enterprise births in 2019. This is an increase of 16.4% (+3,980 births) since 2018, the UK increased by 5.4% over the period. The WMCA (3 LEP) area enterprise deaths decreased by 16.9% (-4,180 deaths) since 2018 to 20,340 in 2019, while the UK increased over this period by 8.1%.
- Transport demand remains lower than before the 2nd lockdown by approx. 10-20% per mode. Planning is in place with highway and transport authorities for a surge of activity pending release from lockdown and anticipated retail activity as well as transport support for university students returning home.
- 67% of adults in the West Midlands region reported finding it easy or very easy to understand the current lockdown measures, this is slightly above the England average of 65%. Also, 67% of adults in the West Midlands region reported finding it easy or very easy to follow the current lockdown measures, above the 66% average for England.
- 9% of adults in the West Midlands in the past seven days have self-isolated because of COVID-19.
- 91% of adults in the West Midlands region who left their home in the past seven days had avoided physical contact with others and when they have returned home 89% have often or always washed hands with soap and water straight away.

# Global, National and Regional Outlook

## Ben Brittain, WMREDI

### Global

Asia Pacific nations including China, Japan and South Korea have signed the world's largest regional free-trade agreement, covering nearly a third of the global population and GDP. Trade negotiators from 15 nations sealed the Regional Comprehensive Economic Partnership (RCEP) following nearly a decade of negotiations. Included in the partnership is the elimination of at least 92% on traded goods among participating countries.

The positive trade news stimulated Asian stocks toward a record close. This is on the back of data showing China's economic recovery has strengthened, propelled by increased consumer spending and industrial production rising faster than expected.

Whilst the markets continue to be buoyed by the news of a efficacious vaccine, monetary policy-makers remain cautious. European Central Bank President Christine Lagarde commented that she's "not sure that it's going to be a major game changer for our forecasts," and Federal Reserve Chair Jerome Powell stressed that the U.S. economy still has a "long way to go." Despite that, the [Bank of America Corp. strategists](#), meanwhile, reckon it's time to start selling risk assets.

### National

The Prime Minister Boris Johnson, whilst in self-isolation following a close contact with a confirmed Covid-19 case, has launched a [Ten Point Plan](#) for a Green Industrial Revolution will create and support up to 250,000 jobs'. The 10 point plan is as follows:

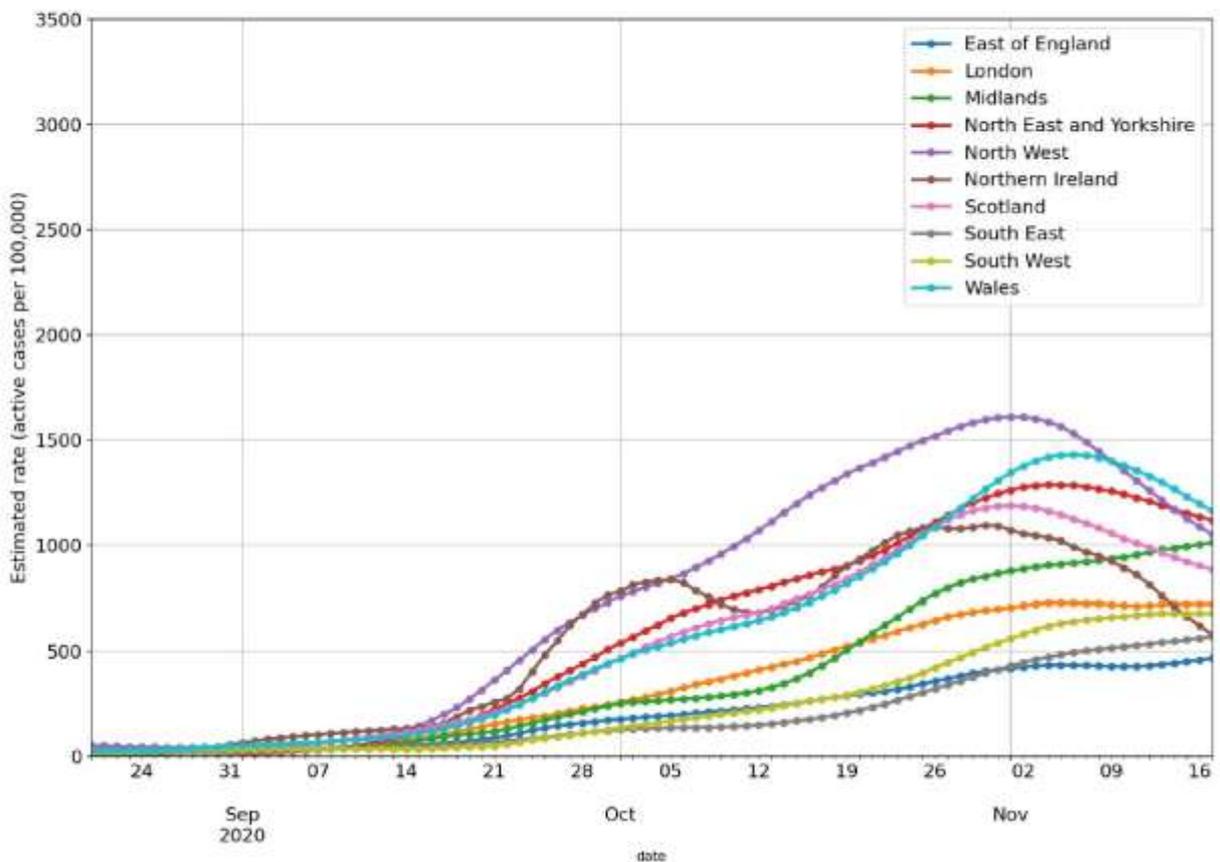
1. Offshore wind: Producing enough offshore wind to power every home, quadrupling how much we produce to 40GW by 2030, supporting up to 60,000 jobs.
2. Hydrogen: Working with industry aiming to generate 5GW of low carbon hydrogen production capacity by 2030 for industry, transport, power and homes, and aiming to develop the first town heated entirely by hydrogen by the end of the decade.
3. Nuclear: Advancing nuclear as a clean energy source, across large scale nuclear and developing the next generation of small and advanced reactors, which could support 10,000 jobs.
4. Electric vehicles: Backing our world-leading car manufacturing bases including in the West Midlands, North East and North Wales to accelerate the transition to electric vehicles, and transforming our national infrastructure to better support electric vehicles.
5. Public transport, cycling and walking: Making cycling and walking more attractive ways to travel and investing in zero-emission public transport of the future.
6. Jet Zero and greener maritime: Supporting difficult-to-decarbonise industries to become greener through research projects for zero-emission planes and ships.
7. Homes and public buildings: Making our homes, schools and hospitals greener, warmer and more energy efficient, whilst creating 50,000 jobs by 2030, and a target to install 600,000 heat pumps every year by 2028.
8. Carbon capture: Becoming a world-leader in technology to capture and store harmful emissions away from the atmosphere, with a target to remove 10MT of carbon dioxide by 2030, equivalent to all emissions of the industrial Humber today.
9. Nature: Protecting and restoring our natural environment, planting 30,000 hectares of trees every year, whilst creating and retaining thousands of jobs.
10. Innovation and finance: Developing the cutting-edge technologies needed to reach these new energy ambitions and make the City of London the global centre of green finance.

## Regional

Government has backed the development of [new 'space hubs'](#) across England, as well as funding for a space hub in the West Midlands. The project aims to use government funding to bring together local authorities, expertise and businesses to create a strategy for how their area can take maximum advantage of the commercial space race. Harwell in Oxfordshire established itself as a space hub in the last 10 years, and ministers want to replicate this success in other areas.

Covid-19 cases across the West Midlands continue to rise, despite a reduction in active cases across the North West, North East and Yorkshire. The Zoe surveillance app has the estimated rate of people increasing across the Midlands region.

### Estimated rate of people with Symptomatic COVID across Nations and NHS regions



## Regional and Local Intelligence

Anne Green WMREDI

There is welcome news that one of two new Mega Labs to process test results (so markedly increasing the UK's capacity on this front) is to be sited in the region at Leamington Spa (the other site is in Scotland). The sites are expected to create up to 4 thousand jobs – at a range of different skills levels. In terms of support for businesses there are now a range of different grants and instruments covering different time periods and with different eligibility rules. This makes for an increasingly complex picture.

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The new immigration system (due to be implemented in 2021) is a 'game changer'. Free movement comes to an end. EU and non-EU immigrants are due to be treated on the same basis in a skills-based immigration system which has no general entry route for migrants to fill low-skilled jobs. Many SMEs lack the capacity to deal with the paperwork associated with the new system. The immigration system changes will have uneven geographical and sectoral impacts – including with sectors such as construction where the level of self-employment is high likely to be amongst the most affected by the changes. Existing residents who are EU, EEA or Swiss citizens and their families need to apply to the EU Settlement Scheme to continue living in the UK after 30 June 2021. Some of these residents are working in key worker roles and in some local areas comprise a relatively large proportion of the total workforce.

## Make UK - Industry calls for Business Rates and Investment boost to free up cash for recovery

[Survey shows manufacturers](#) expect long haul back to normal trading. Key findings:

- Over a third of companies see normal trading more than a year away
- Just a quarter of companies at full operating capacity
- Half of companies have made redundancies with a fifth still expecting to do so in the next six months
- A fifth of companies say measures on business rates should be top priority for Government
- A quarter of companies stockpiling ahead of 'no deal'

Britain's manufacturers are calling for Business Rates to be waived or reduced in tandem with a boost to investment allowances to help fire up an industrial recovery. The call by Make UK was made on the back of the latest Manufacturing Monitor tracker which shows that while the sector continues to stabilise, companies increasingly see a long road ahead to any kind of normal trading conditions with redundancy plans still in the pipeline. According to Make UK the need for measures to aid investment now is especially important in the light of the decision to cancel the Comprehensive Spending Review and the absence of any revamped Industrial or Economic Strategy to boost growth. In response as well as continuing to protect jobs the survey shows a fifth of companies (20.4%) say that the top priority for Government should be to waive or reduce Business Rates while just under a fifth (18.4%) want a boost in the form of enhanced capital allowances.

# Infection Rates

Rebecca Riley WMREDI/WMCA

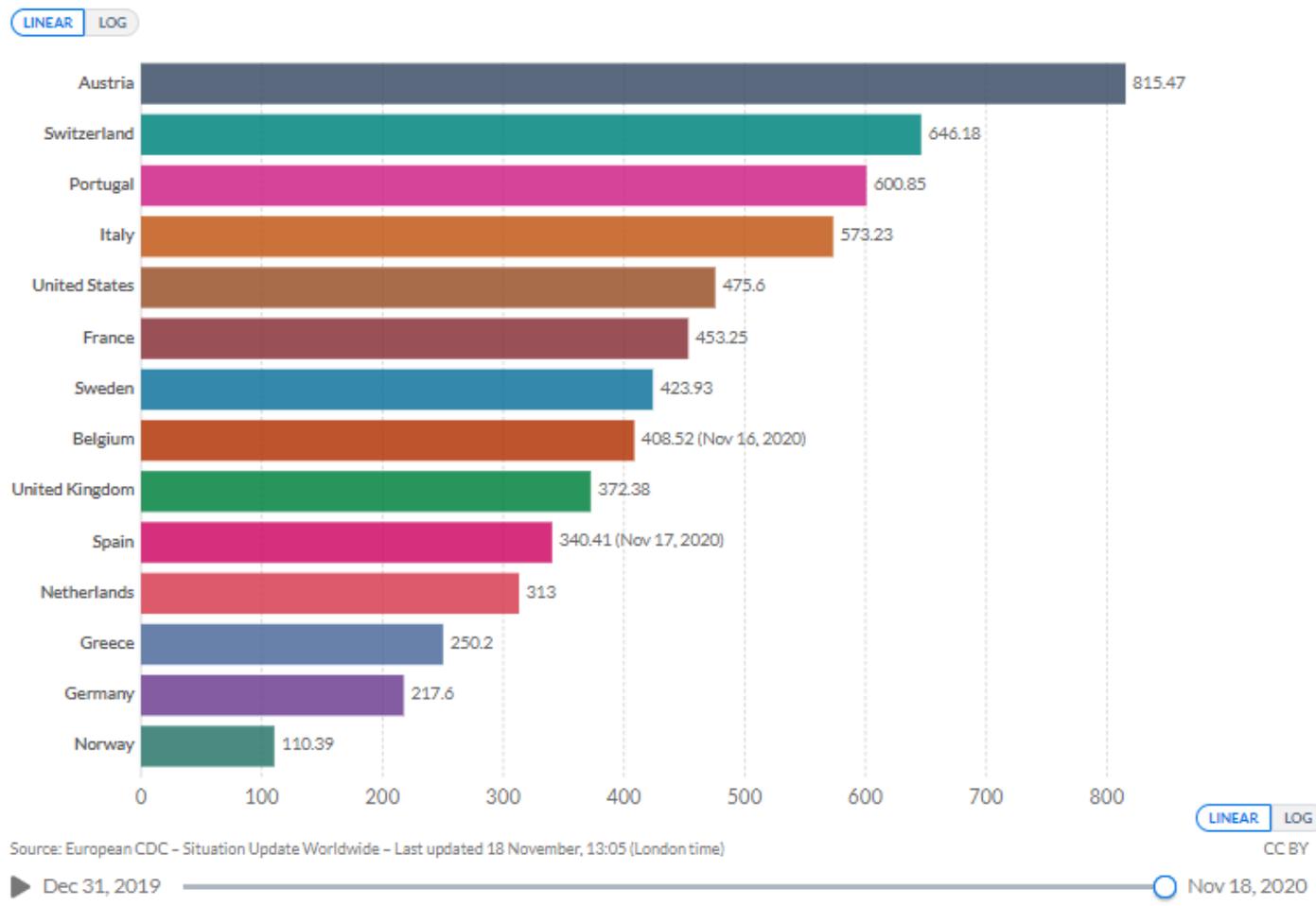
Europe has seen a [resurgence in infection rates](#) which is continuing (see graph below). Between [31 December 2019](#) and 18 November 2020, **55 743 951 cases** of COVID-19 (in accordance with the applied case definitions and testing strategies in the affected countries) have been reported, including **1 339 436 deaths**.

In Europe: there are 14 750 809 cases; the five countries reporting most cases are France (2 036 755), Russia (1 991 998), Spain (1 510 023), United Kingdom (1 410 732) and Italy (1 238 072).

## Daily new confirmed COVID-19 cases per million people, Nov 18, 2020

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

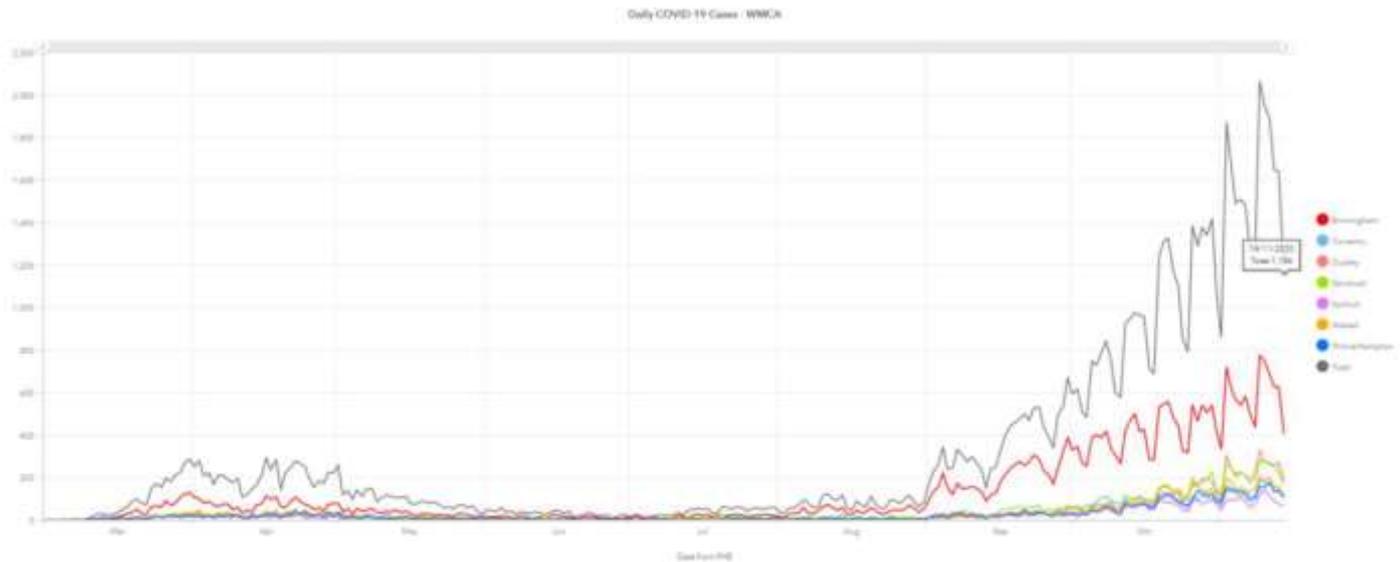


Latest [ONS infection survey data](#) (13th November) states:

- Positivity rates in England have increased in recent weeks, but the rate of increase is slower than previous weeks; during the most recent week (31 October to 6 November 2020), we estimate 654,000 people (95% credible interval: 619,400 to 689,800) within the community population in England had the coronavirus (COVID-19), equating to around 1 in 85 people (95% credible interval: 1 in 90 to 1 in 80).
- Over the last week, positivity has increased in the South East, South West, East Midlands and the North East, whereas some other regions appear to have levelled off during this time period; the highest COVID-19 infection rates remain in the North West, and Yorkshire and The Humber.
- The highest positivity rates are seen in secondary school-aged children, older teenagers and young adults; rates continue to increase in those aged 35 years and above, and rates are now decreasing in older teenagers and young adults, with rates appearing to have levelled off among younger children, teenagers and those aged 25 to 34 years.
- During the most recent week (31 October to 6 November 2020), we estimate there were 8.75 new COVID-19 infections for every 10,000 people per day (95% credible interval: 7.25 to 10.93) in the community population

in England, equating to around 47,700 new cases per day (95% credible interval: 39,500 to 59,600); the incidence rate has increased in recent weeks, and remains at about 50,000 new cases per day.

- Positivity rates in Wales have increased in recent weeks; during the most recent week (31 October to 6 November 2020), we estimate that 35,300 people in Wales had COVID-19 (95% credible interval: 25,500 to 46,600), equating to 1 in 85 people (95% credible interval: 1 in 120 to 1 in 65).
- Positivity rates in Northern Ireland had increased in recent weeks but now appear to have levelled off; during the most recent week (31 October to 6 November 2020), we estimate that 17,800 people in Northern Ireland had COVID-19 (95% credible interval: 11,500 to 25,800), equating to 1 in 105 people (95% credible interval: 1 in 160 to 1 in 70).
- Positivity rates in Scotland have increased over the last six weeks but it is too early to say that they have levelled off; during the most recent week (31 October to 6 November 2020), we estimate that 39,700 people in Scotland had COVID-19 (95% confidence interval: 28,300 to 52,800), equating to 1 in 135 people (95% confidence interval: 1 in 185 to 1 in 100).



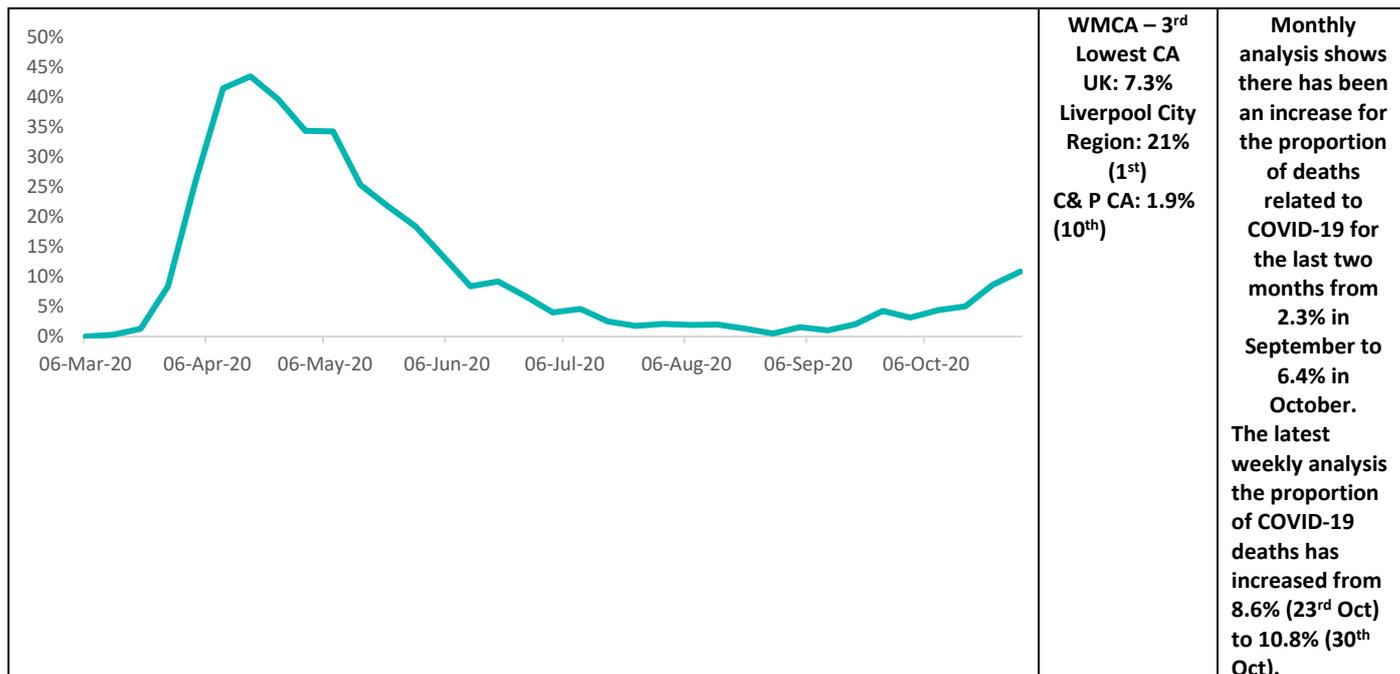
Source: TFWM

# Economic Dashboard

## BCCEIU

### Percentage of registered deaths that are Covid related

Indicator <sup>12</sup>	February 2020 <sup>3</sup>	March 2020 <sup>34</sup>	April 2020 <sup>3 5</sup>	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020
Percentage of Registered Deaths That Are Covid-19	0%	2.5%	38.6%	28.0%	9.6%	3.0%	1.4%	2.3%	6.4%



<sup>1</sup> indicators that are in hatched marked boxes represent regional level analysis.

<sup>2</sup> Sources: ONS, Number of provisional; weekly deaths involving coronavirus, November 2020, Department for Work and Pensions, Claimant count, November 2020, IHS Market/NatWest, PMI Survey, November 2020, EMSI, November 2020, HMRC: Coronavirus Job Retention Scheme Statistics, October 2020, ONS, GDP - UK regions and Countries, November 2020, HM Revenue & Customs August 2020, UK Regional Trade in Goods Statistics, September 2020

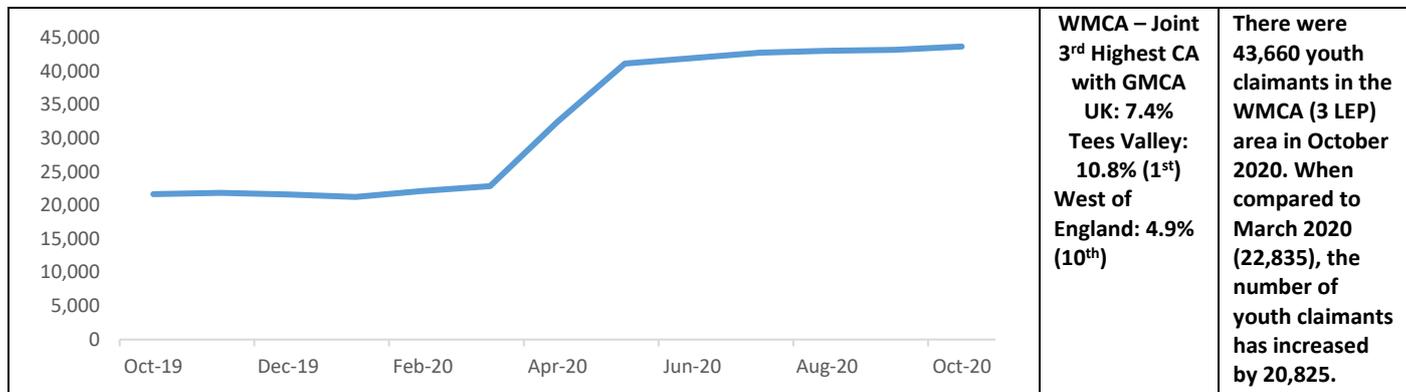
<sup>3</sup> For the last two indicators, data is only available on a quarterly basis and will be placed in the month the data was released along with the time period the data corresponds to.

<sup>4</sup> Unless otherwise stated all data relates to the WM 3 LEP Geography (BCLEP, CWLEP & GSBLEP) – the data by LEP level is also available.

<sup>5</sup> The green shading illustrates indicators which have moved in a positive direction compared to the UK or England average (where UK averages are not available). The red shading indicates the reverse and orange indicates a growth rate in the right direction but less than the UK or national average.

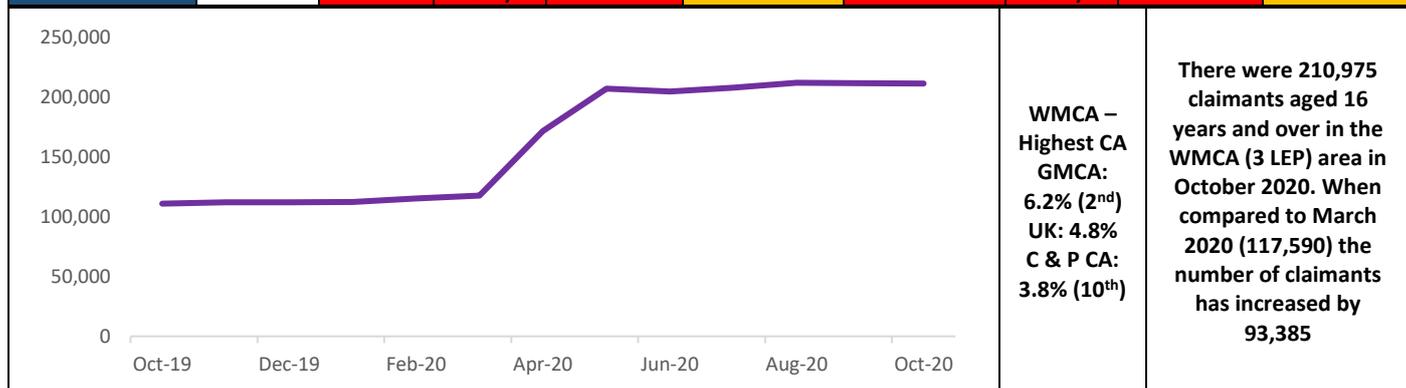
## Youth Claimants (16 to 24)

Indicator	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020
<b>Youth Claimants (Aged 16-24)</b>	<b>22,140</b> (4.5% of 16-24 years old pop.)	<b>22,835</b> (4.6% of 16 – 24 years old pop.)	<b>32,450</b> (6.6% of 16 – 24 years old pop.)	<b>41,100</b> (8.3% of 16 – 24 years old pop.)	<b>41,935</b> (8.5% of 16 – 24 years old pop.)	<b>42,740</b> (8.7% of 16 – 24 years old pop.)	<b>43,015</b> (8.7% of 16 – 24 years old pop.)	<b>43,190</b> (8.8% of 16 – 24 years old pop.)	<b>43,660</b> (8.9% of 16 – 24 years old pop.)



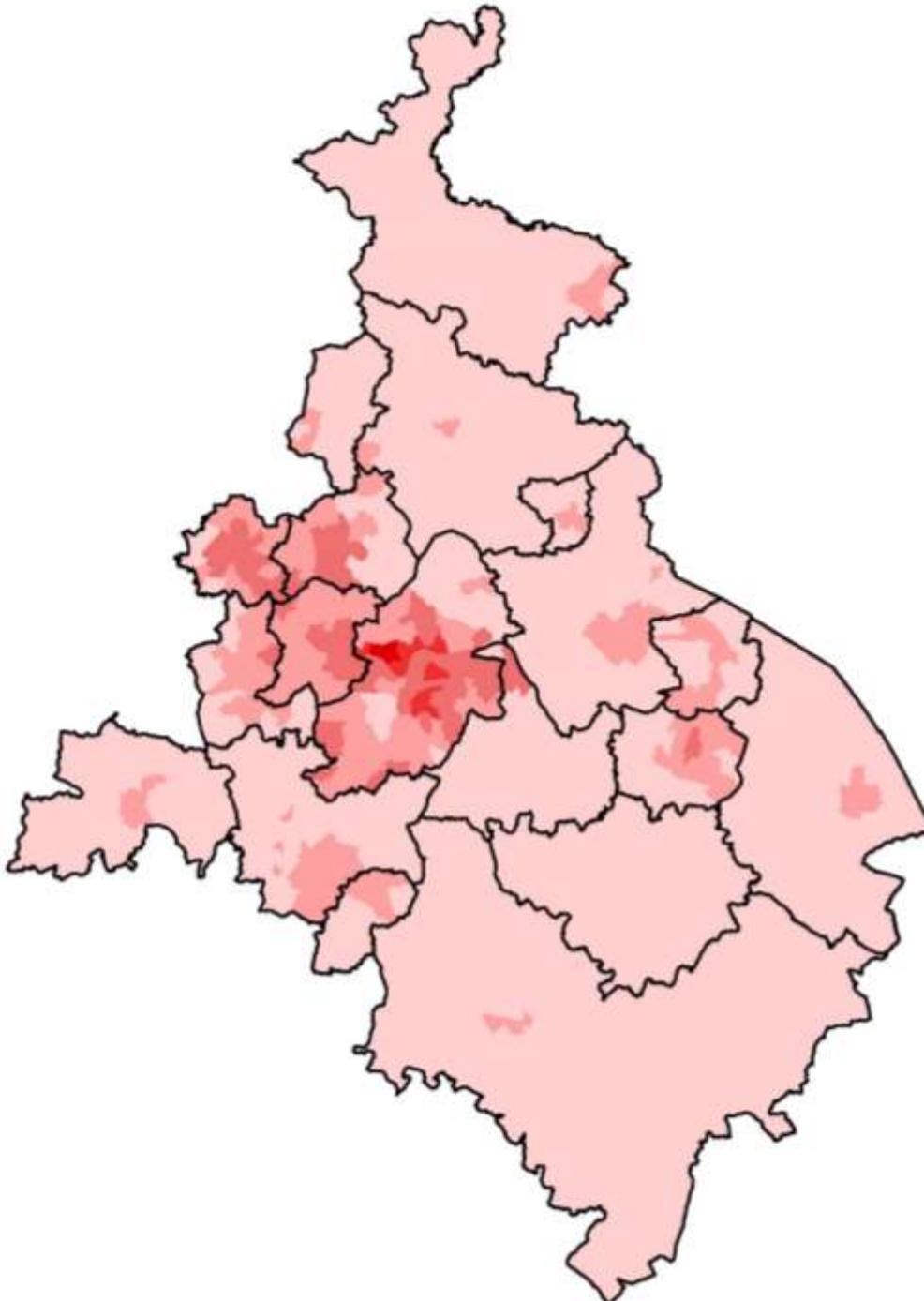
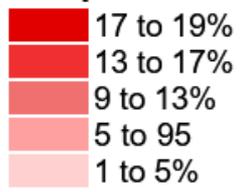
## Claimants (Aged 16+)

Indicator	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020
<b>Claimants (Aged 16+)</b>	<b>115,060</b> (3.5% of the pop. aged 16+)	<b>117,590</b> (3.5% of the pop. aged 16+)	<b>171,245</b> (5.1% of the pop. aged 16+)	<b>206,870</b> (6.2% of the pop. aged 16+)	<b>204,365</b> (6.1% of the pop. aged 16+)	<b>207,655</b> (6.2% of the pop. aged 16+)	<b>211,680</b> (6.4% of the pop. aged 16+)	<b>211,275</b> (6.3% of the pop. aged 16+)	<b>210,975</b> (6.3% of the pop. aged 16+)



## Claimants (16+) in WMCA

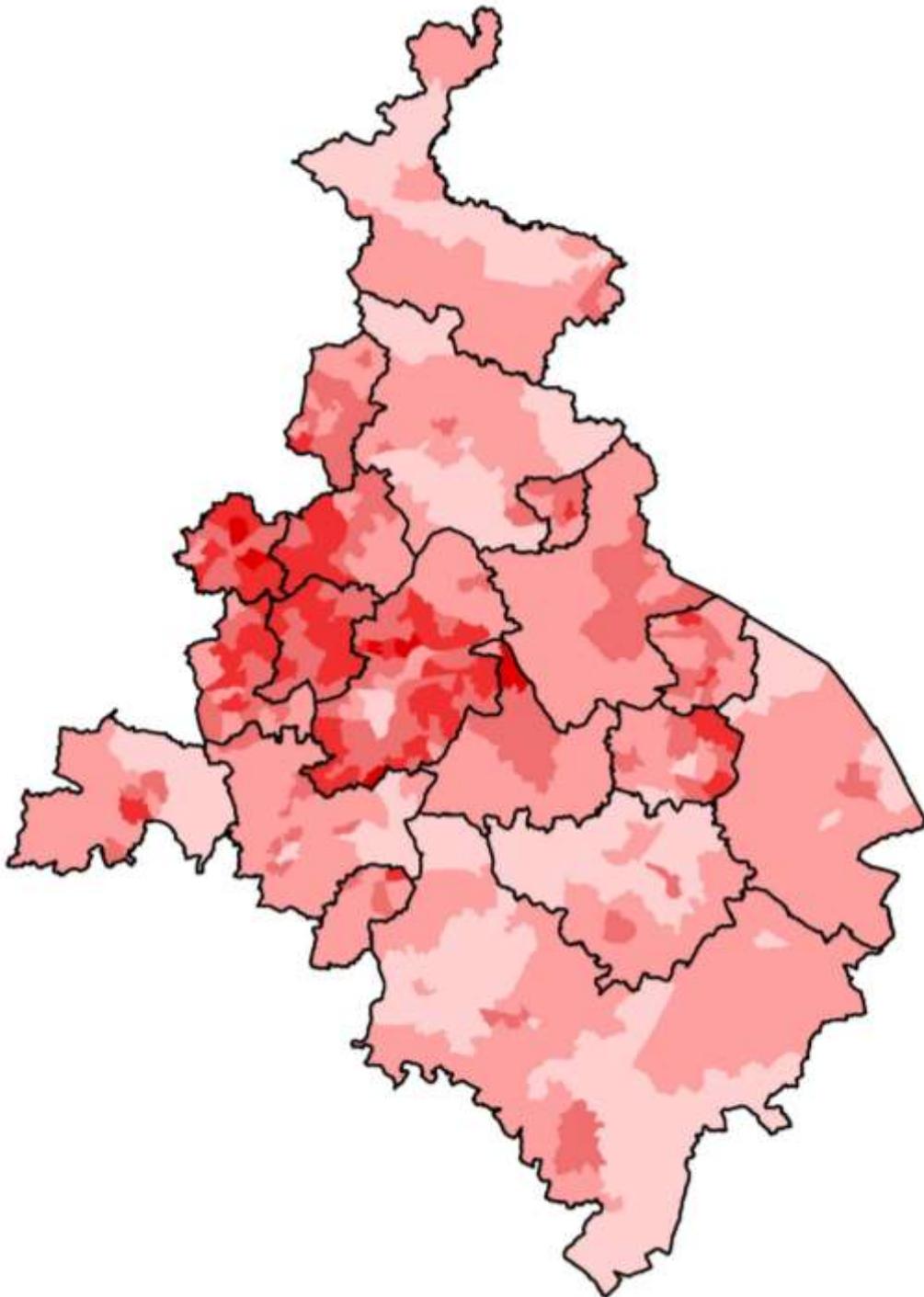
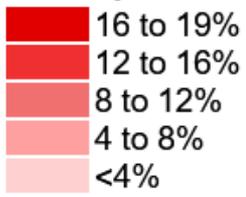
### Claimants as % of all residents aged 16+ per ward (October 2020)



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## Youth Claimants

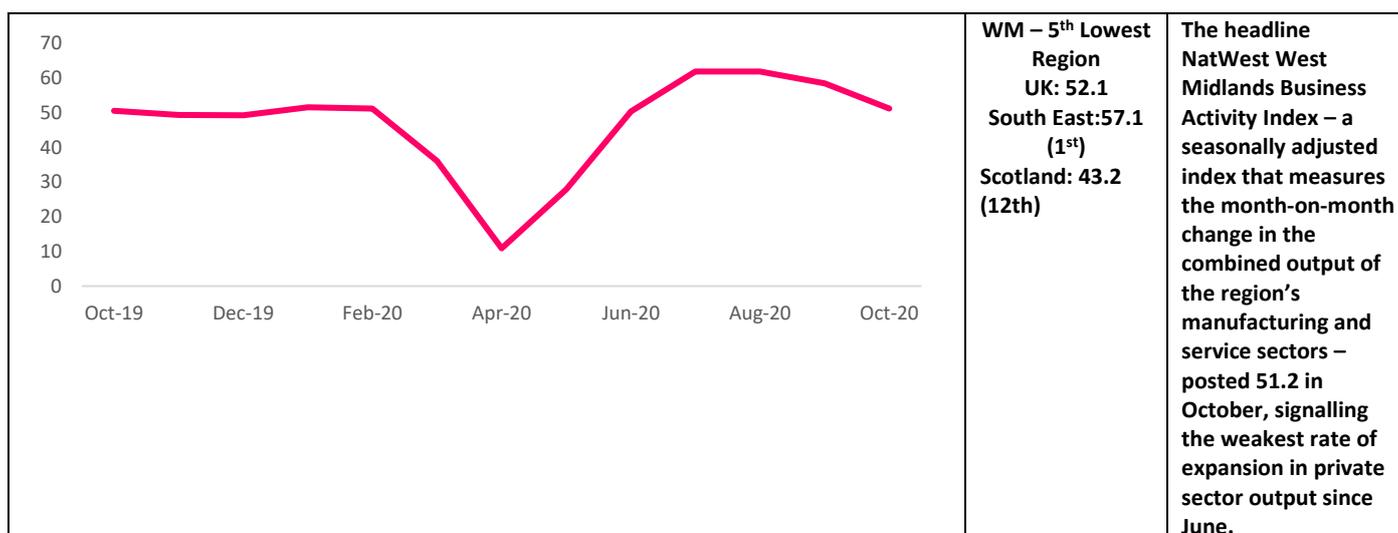
### Claimants as % of all residents aged 16-24 per ward (October 2020)



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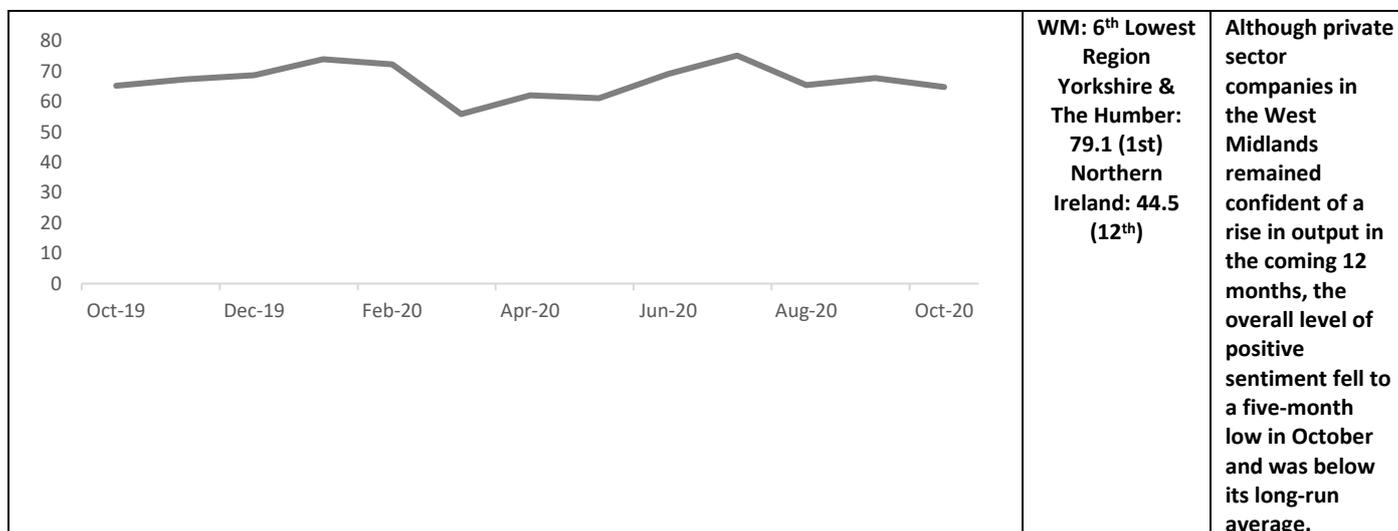
## Business Activity Index

Indicator	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020
Business Activity Index	51.2	36.1	10.9	27.9	50.4	61.9	61.9	58.5	51.2



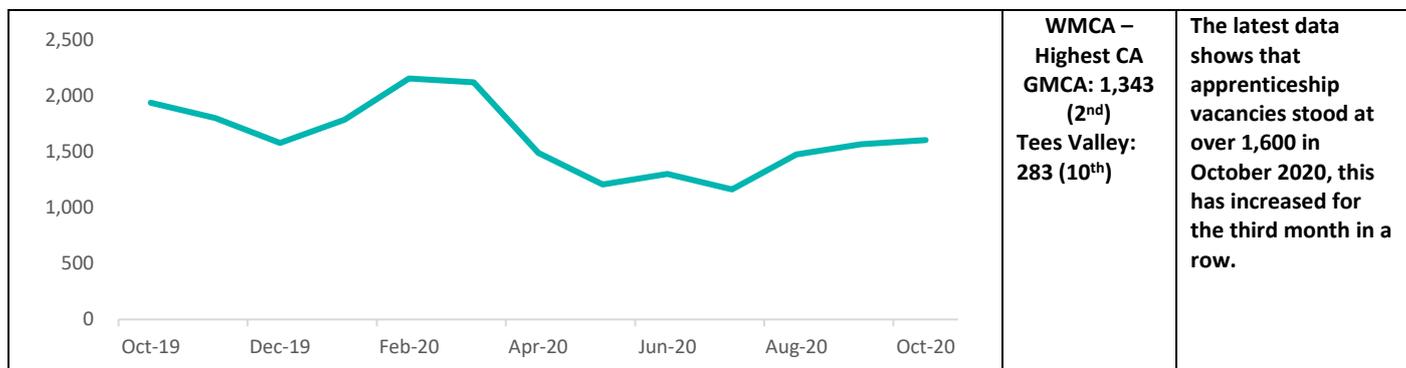
## Future Business Activity Index

Indicator	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020
Future Business Activity Index	72.3	55.9	62.1	61.1	69.1	75.2	65.5	67.8	64.8



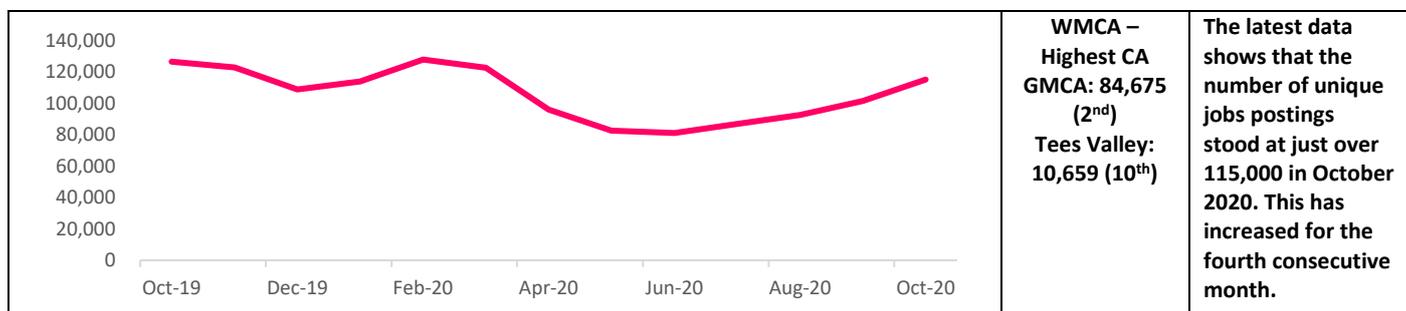
## Apprenticeship vacancies

Indicator	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020
Apprenticeship Vacancies	2,153	2,119	1,489	1,205	1,301	1,162	1,474	1,565	1,603



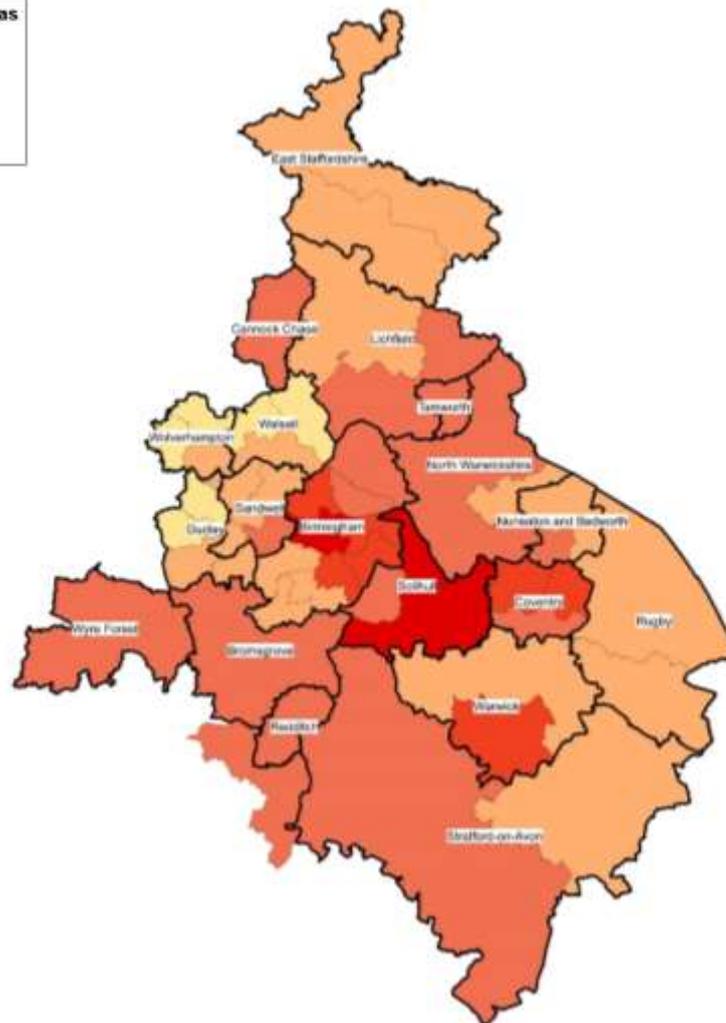
## Unique job postings

Indicator	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020
Unique Job Postings	127,866	122,734	95,989	82,503	81,081	86,861	92,474	101,598	115,076



## Total Number of Staff furloughed

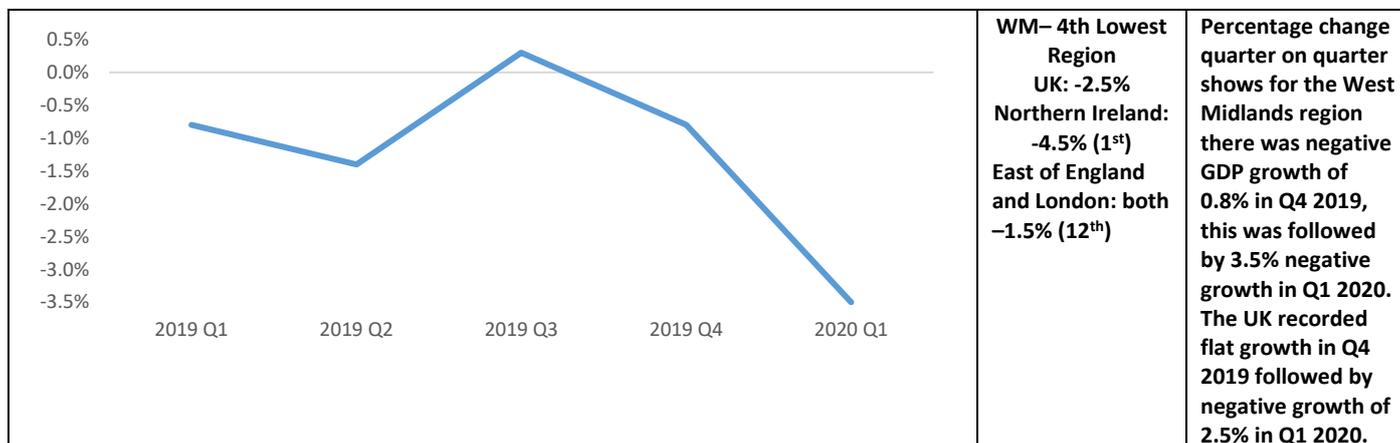
Indicator	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020
Total Number of Staff Furloughed				496,200 Claims received up to 31 <sup>st</sup> May (cumulative)	586,800 Claims received up to 30 <sup>th</sup> June (cumulative)	619,800 Claims received up to 31 <sup>st</sup> July (cumulative)			205,500 Furloughed Workers On 31 <sup>st</sup> Aug.



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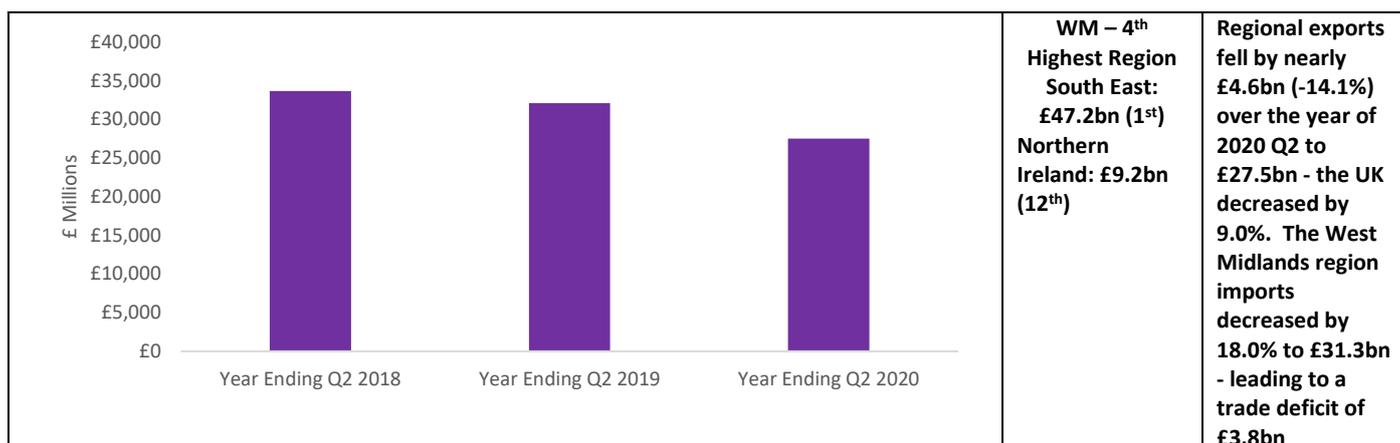
## Quarterly Regional GDP

Indicator	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020
<b>Quarterly Regional GDP<sup>3</sup></b>	<b>-1.4% (2019 Q2)</b>			<b>+0.3% (2019 Q3)</b>		<b>-0.8% (2019 Q4)</b>			<b>-3.5% (2020 Q1)</b>



## Quarterly regional Exports

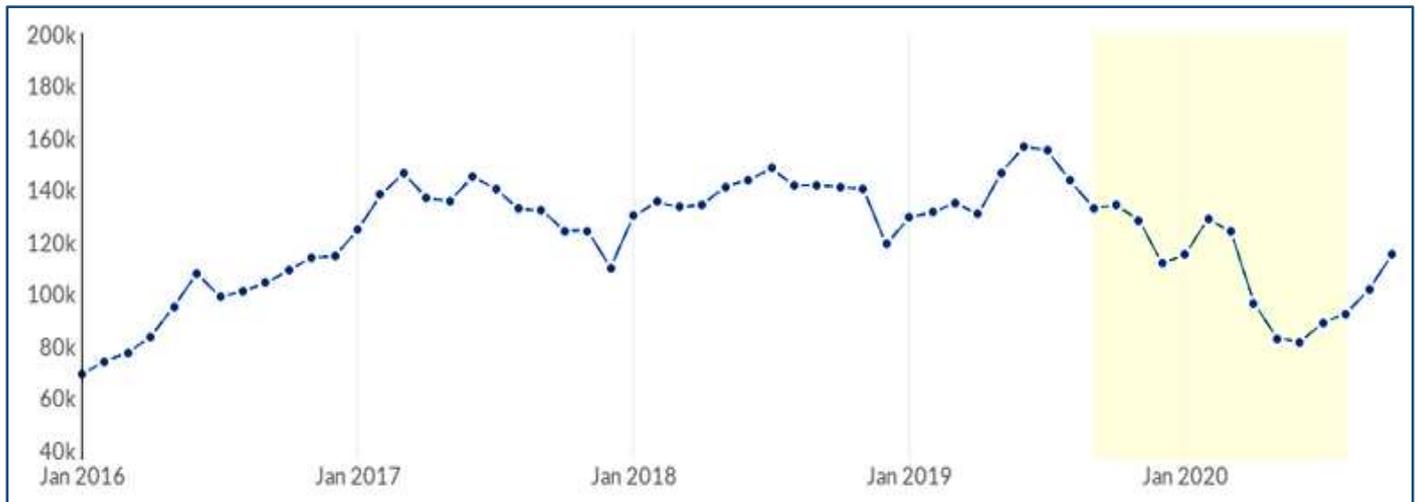
Indicator	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020
<b>Quarterly Regional Exports<sup>3</sup></b>		<b>£31.6bn (9.1% of UK)</b> <b>Full Year: 2019</b>			<b>£30.6bn (9.1% of UK)</b> <b>Year to: Q1 2020</b>			<b>£27.5bn (8.7% of UK)</b> <b>Year to: Q2 2020</b>	



# Skills Impacts in Detail

Alex Smith WMCA

## Latest job postings



The latest jobs postings figures from Emsi for the West Midlands (3LEP) area show a continued recovery in total job postings, which continued through October (the last point on the graph above.) These are based on collating online job postings and therefore underestimate the true total.

Many are still enrolled in the Coronavirus Job Retention Scheme (CJRS) – now extended through to the end of March. The region is therefore still at risk of a steep increase in unemployment once the scheme is ended.

- Total 205,500 employments, skewed slightly male: 11.7% versus 10.9% women.
- Have decreased less in number (39.1%) than the UK average (41.0%) since July. This may mean a slightly greater number of workers leaving the scheme in March and struggling to find employment.
- Have decreased in number faster for young people in the region (49.9% drop for 18-24 year-olds).

## Claimant count (DwP):

	BCLEP		CWLEP		GBSLEP	
	16+	16-24	16+	16-24	16+	16-24
<b>Change on Jan</b>	<b>83%</b>	<b>94%</b>	<b>127%</b>	<b>152%</b>	<b>82%</b>	<b>102%</b>
<b>Change on July (%)</b>	<b>1%</b>	<b>2%</b>	<b>1%</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>
<b>Change on July (total)</b>	<b>660</b>	<b>335</b>	<b>395</b>	<b>160</b>	<b>2265</b>	<b>425</b>

The latest figures above cover October and show a continuing increase in claimants albeit at a much slower pace than between January and July. This increase continues to be faster for 16-24 year-olds than the general workforce.

Coventry and Warwickshire have clearly been hardest hit, in percentage terms if not in absolute numbers. More affluent areas being hit was a feature of the 1980s recession

## Employment Rate

GEOGRAPHY	ECONOMIC ACTIVITY	NOV 2019-JAN 2020	APR 2020-JUN 2020	JUL 2020-SEP 2020
UK	Total economically active - aged 16 and over	64.2	63.6	63.6
UK	Total in employment - aged 16 and over	61.7	61.0	60.6
UK	Total unemployed - aged 16 and over	3.9	4.1	4.8
UK	Total economically inactive - aged 16 and over	35.8	36.4	36.4
WMID	Total economically active - aged 16 and over	63.1	62.3	62.3
WMID	Total in employment - aged 16 and over	60.2	59.4	59.3
WMID	Total unemployed - aged 16 and over	4.5	4.6	4.9
WMID	Total economically inactive - aged 16 and over	36.9	37.7	37.7

- This sharp rise in the claimant count is also picked up in the ONS employment figures, with a sharp increase since June.
- So far, the West Midlands figures have not been quite as heavily impacted as the UK average, though this may simply reflect a greater proportion of people still being enrolled in the furlough scheme. For that reason, we should be concerned about the potential for a greater impact in this region once the furlough scheme has been lifted.

**Schools attendance (Department for Education)**

UK-wide, as of the 5<sup>th</sup> of November, state schools had a **89.3%** attendance rate. Of the approximately **4%** not attending school for COVID-19 related reasons, **0.1%** are pupils with a confirmed case of coronavirus, **0.3%** with a suspected case, **3.2-3.7%** self-isolating due to a potential contact with someone with coronavirus, and **0.3%** attending schools currently closed for COVID-19 reasons.

**Apprenticeships**

Revised apprenticeship enrolment figures covering the first three quarters of 2019/20, comprising August to April, catch only the first weeks of the first lockdown but still show a significant decline on the same periods a year before. This decline is likely to be much steeper when data for Q4 (May-July 2020) is available.

LAD	18/19 Q3	19/20 Q2	Decrease
WMCA 3 LEP	24,630	21,320	-13.4%
WMCA 7 Met.	17,040	14,530	-14.7%
ENGLAND	311,170	271,890	-12.6%

## Business Demography - 2019

### Black Country Consortium Economic Intelligence Unit

#### Business Demography - 2019<sup>6</sup>

**NB This data is Pre-Covid**

#### Key Points

- The number of active enterprises continues to increase and in 2019 there were 172,875 in the WMCA (3 LEP) area. This has increased by 1.7% (+2,915 enterprises) compared to 2.5% growth for the UK since 2018.
- There were 412 enterprises per 10,000 population in the WMCA (3 LEP) area in 2019, compared to 448 per 10,000 population for the UK.
- In the WMCA (3 LEP) area, there were 28,175 enterprise births in 2019. This is an increase of 16.4% (+3,980 births) since 2018, the UK increased by 5.4% over the period.
- There were 67 enterprise births per 10,000 population in the WMCA (3 LEP) area in 2019, compared to 58 per 10,000 population for the UK.
- The WMCA (3 LEP) area enterprise deaths decreased by 16.9% (-4,180 deaths) since 2018 to 20,340 in 2019, while the UK increased over this period by 8.1%.
- Of the 24,195 enterprise births in 2018 in the WMCA (3 LEP) area, 90.4% (21,870) were still active after 1 year. This is above the UK 1-year survival rate of 89.1%. Of the 27,545 enterprise births in 2016 in the WMCA (3 LEP) area, 44.5% (12,270) were still active after 3 years compared to 52.0% for the UK.
- Of the 18,945 enterprise births in 2014 in the WMCA (3 LEP) area, 42.3% (8,010) were still active in 2019. This is slightly below the UK survival rate of 42.5%.
- The latest available for 2019 for the WMCA (3 LEP) area shows after years of steady growth the number of high growth enterprises has decreased from 725 in 2018 to 690 in 2019. This equates to a decrease of 4.8% (-35 enterprises), which is lower than the UK decrease of 9.8%.

#### Full Summary

##### Active Enterprises

- The number of active enterprises continues to increase and in 2019 there were 172,875 in the WMCA (3 LEP) area. This has increased by 1.7% (+2,915 enterprises) compared to 2.5% growth for the UK since 2018.
- For the West Midlands 7 Met. area, there were 106,205 active enterprises in 2019. This has increased by 0.8% (+890 enterprises) since 2018.
- Within the WMCA (3 LEP) area, Black Country LEP had 39,345 active enterprises in 2019, an increase of 2.6% (+1,015 enterprises) since 2018. Coventry and Warwickshire LEP had 41,725 active enterprises, an increase of 1.7% (+695 enterprises) since 2018. Greater Birmingham and Solihull LEP had 91,805 active enterprises in 2019, an increase of 1.3% (+1,205 enterprises) since 2018.

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<sup>6</sup> Please note, Birmingham and Bromsgrove have been highlighted within this dataset for having more than 500 businesses at a single postcode within it. The potential impact of multiple registrations include large increases in business births, large increases in business deaths, poor one-year survival rates and large year-on-year fluctuations. Further information is located here - [Multiple business registrations at a single postcode](#)

- There were 412 enterprises per 10,000 population in the WMCA (3 LEP) area in 2019, compared to 448 per 10,000 population for the UK. There were 363 enterprises per 10,000 population in the West Midlands 7 Met. area in 2019.
- Within the WMCA (3 LEP) area, enterprises per 10,000 population varies from 328 in the Black Country LEP to 439 in the Coventry and Warwickshire LEP to 449 in Greater Birmingham and Solihull LEP.

### Enterprise Births

Please note enterprise births data may be heavily impacted by Bromsgrove as there has been an increase of 3,195 enterprise births since 2018 (but see note about multiple businesses registered at a single postcode).

- In the WMCA (3 LEP) area, there were 28,175 enterprise births in 2019. This is an increase of 16.4% (+3,980 births) since 2018, the UK increased by 5.4% over the period.
- There were 16,150 enterprise births in the West Midlands 7 Met. area in 2019, a decrease of 1.9% (-320) since 2018.
- Within the WMCA (3 LEP) area, Black Country LEP had 5,500 enterprise births in 2019, an increase of 14.2% (+685 births) since 2018. Coventry and Warwickshire LEP had 5,010 enterprise births, an increase of 0.7% (+35 births) since 2018. Greater Birmingham and Solihull LEP had 17,665 enterprise births in 2019, an increase of 22.6% (+3,260 births) since 2018.
- There were 67 enterprise births per 10,000 population in the WMCA (3 LEP) area in 2019, compared to 58 per 10,000 population for the UK. There were 55 enterprise births per 10,000 population in the West Midlands 7 Met. area in 2019.
- Within the WMCA (3 LEP) area, enterprise births per 10,000 population varies from 46 in the Black Country LEP to 53 in the Coventry and Warwickshire LEP to 86 in Greater Birmingham and Solihull LEP.

### Enterprise Deaths

- The WMCA (3 LEP) area enterprise deaths decreased by 16.9% (-4,180 deaths) since 2018 to 20,340 in 2019, while the UK increased over this period by 8.1%.
- The West Midlands 7 Met. area also experienced a decrease of enterprise deaths by 8.1% (-1,140 deaths) to 12,920 in 2019.
- Within the WMCA (3 LEP) area, Black Country LEP had 4,460 enterprise deaths in 2019, an increase of 1.5% (+65 deaths) since 2018. Coventry and Warwickshire LEP had 4,555 enterprise deaths, a decrease of 0.7% (-30 deaths) since 2018. Greater Birmingham and Solihull LEP had 11,325 enterprise deaths in 2019, a decrease of 27.0% (-4,180 deaths) since 2018.

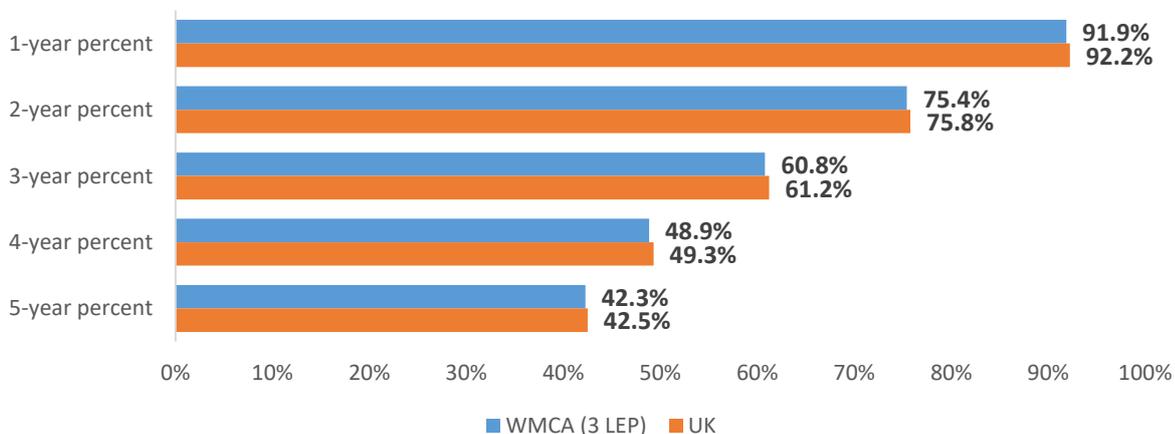
	2018			2019			Active Change		Births Change		Deaths Change	
	Active	Births	Deaths	Active	Births	Deaths	Num.	%	Num.	%	Num.	%
Cannock Chase	3,735	395	360	3,820	415	380	85	2.3%	20	5.1%	20	5.6%
East Staffordshire	4,680	515	430	4,805	535	450	125	2.7%	20	3.9%	20	4.7%
Lichfield	5,135	540	630	5,095	485	530	-40	-0.8%	-55	-10.2%	-100	-15.9%
Tamworth	2,645	275	245	2,650	280	285	5	0.2%	5	1.8%	40	16.3%
North Warwickshire	2,925	310	285	2,980	335	300	55	1.9%	25	8.1%	15	5.3%
Nuneaton and Bedworth	4,195	680	430	4,330	580	490	135	3.2%	-100	-14.7%	60	14.0%
Rugby	5,435	685	950	5,540	710	585	105	1.9%	25	3.6%	-365	-38.4%
Stratford-on-Avon	8,430	765	735	8,520	765	775	90	1.1%	0	0.0%	40	5.4%
Warwick	8,420	910	875	8,620	1,000	995	200	2.4%	90	9.9%	120	13.7%
Birmingham	46,170	8,965	7,430	45,690	7,870	5,970	-480	-1.0%	-1,095	-12.2%	-1,460	-19.7%
Coventry	11,625	1,625	1,310	11,735	1,620	1,410	110	0.9%	-5	-0.3%	100	7.6%
Dudley	10,740	1,225	1,045	11,195	1,470	1,090	455	4.2%	245	20.0%	45	4.3%
Sandwell	10,055	1,365	1,150	10,475	1,565	1,235	420	4.2%	200	14.7%	85	7.4%
Solihull	9,190	1,065	925	9,435	1,160	1,080	245	2.7%	95	8.9%	155	16.8%
Walsall	8,775	1,095	935	8,960	1,220	1,025	185	2.1%	125	11.4%	90	9.6%
Wolverhampton	8,760	1,130	1,265	8,715	1,245	1,110	-45	-0.5%	115	10.2%	-155	-12.3%
Bromsgrove	11,505	1,865	4,880	11,510	5,060	1,860	5	0.0%	3,195	171.3%	-3,020	-61.9%
Redditch	3,205	380	300	3,820	880	405	615	19.2%	500	131.6%	105	35.0%
Wyre Forest	4,335	405	305	4,980	980	365	645	14.9%	575	142.0%	60	19.7%
<b>WM 7 Met.</b>	<b>105,315</b>	<b>16,470</b>	<b>14,060</b>	<b>106,205</b>	<b>16,150</b>	<b>12,920</b>	<b>890</b>	<b>0.8%</b>	<b>-320</b>	<b>-1.9%</b>	<b>-1,140</b>	<b>-8.1%</b>
BCLEP	38,330	4,815	4,395	39,345	5,500	4,460	1,015	2.6%	685	14.2%	65	1.5%
CWLEP	41,030	4,975	4,585	41,725	5,010	4,555	695	1.7%	35	0.7%	-30	-0.7%
GBSLEP	90,600	14,405	15,505	91,805	17,665	11,325	1,205	1.3%	3,260	22.6%	-4,180	-27.0%
<b>WMCA (3 LEP)</b>	<b>169,960</b>	<b>24,195</b>	<b>24,485</b>	<b>172,875</b>	<b>28,175</b>	<b>20,340</b>	<b>2,915</b>	<b>1.7%</b>	<b>3,980</b>	<b>16.4%</b>	<b>-4,145</b>	<b>-16.9%</b>
UK	2,915,980	370,165	310,630	2,990,320	390,230	335,940	74,340	2.5%	20,065	5.4%	25,310	8.1%

The following table shows a summary of active enterprises, births and deaths between 2017 and 2018:

### Survival Rates

- Of the 24,195 enterprise births in 2018 in the WMCA (3 LEP) area, 90.4% (21,870) were still active after 1 year. This is above the UK 1-year survival rate of 89.1%. Of the 27,545 enterprise births in 2016 in the WMCA (3 LEP) area, 44.5% (12,270) were still active after 3 years compared to 52.0% for the UK.
- Of the 18,945 enterprise births in 2014 in the WMCA (3 LEP) area, 42.3% (8,010) were still active in 2019. This is slightly below the UK survival rate of 42.5%.

The following chart shows from 2014 births the five-year survival rates for the WMCA (3 LEP) area and



UK:

- Of the 16,470 enterprise births in 2018 in the West Midlands 7 Met. area, 89.6% (14,755) were still active after 1 year. Of the 18,160 enterprise births in 2016 in the West Midlands 7 Met. area, 43.4% (7,880) were still active after 3 years. Of the 12,590 enterprise births in 2014 in the West Midlands 7 Met. area, 40.7% (5,125) were still active in 2019.

### High Growth Enterprises <sup>7</sup>

- The latest available for 2019 for the WMCA (3 LEP) area shows after years of steady growth the number of high growth enterprises has decreased from 725 in 2018 to 690 in 2019. This equates to a decrease of 4.8% (-35 enterprises), which is lower than the UK decrease of 9.8%.
- For the West Midlands 7 Met. area there were 420 high growth enterprises in 2019. This has decreased by 7.7% (-35) since 2018.

The following tables shows high growth enterprises for the WMCA (3 LEP) area and UK for 2018 and 2019:

	2018	2019	2018 - 2019 Change	2018 - 2019 % Change
Cannock Chase	10	15	5	50.0%
East Staffordshire	25	20	-5	-20.0%
Lichfield	30	30	0	0.0%
Tamworth	20	15	-5	-25.0%
North Warwickshire	20	25	5	25.0%
Nuneaton and Bedworth	25	15	-10	-40.0%
Rugby	15	15	0	0.0%
Stratford-on-Avon	45	40	-5	-11.1%
Warwick	25	30	5	20.0%
Birmingham	175	180	5	2.9%
Coventry	55	50	-5	-9.1%
Dudley	55	50	-5	-9.1%
Sandwell	35	25	-10	-28.6%
Solihull	55	40	-15	-27.3%
Walsall	40	40	0	0.0%
Wolverhampton	40	35	-5	-12.5%
Bromsgrove	25	30	5	20.0%
Redditch	20	20	0	0.0%
Wyre Forest	10	15	5	50.0%
<b>WM 7 Met.</b>	<b>455</b>	<b>420</b>	<b>-35</b>	<b>-7.7%</b>
BCLEP	170	150	-20	-11.8%
CWLEP	185	175	-10	-5.4%
GBSLEP	370	365	-5	-1.4%
<b>WMCA (3 LEP)</b>	<b>725</b>	<b>690</b>	<b>-35</b>	<b>-4.8%</b>
UK	13,965	12,600	-1,365	-9.8%

Source: [ONS, Business Demography - 2019](#), released November 2020

<sup>7</sup> High growth in this dataset measures businesses, who had at least 10 employees in 2016, that had an average growth in employment of greater than 20% per year between 2016 to 2019. The high growth rates are calculated by showing these businesses as a share of the 2019 active businesses with 10 or more employees. (Businesses born in 2016 are not included).

# Vaccine is finally here: Vaccine optimism and global economic recovery

Dr Deniz Sevnic, WMREDI

Last week marked the most important turning point in the global fight against the virus as [Turkish scientists who founded BioNTech announced the new vaccine is 90%](#) effective against COVID-19. This announcement was followed by [American scientists as they reported their newly developed vaccine](#) was 94.5% effective as it revealed early results from phase three clinical trials. The results came right after [BioNTech's](#) announcement, and unexpectedly added to growing confidence and the general feeling of optimism that vaccines can help end the pandemic. As shown below, both vaccines use the same approach of injecting part of the virus's genetic code in order to provoke an immune response. Effectiveness ratios are likely to change over the next months as both mass trials are still taking place.

Name	Pfizer & BioNTech Covid-19 vaccine	Moderna
Type	RNA – virus genetic code	RNA – virus genetic code
Doses	Two injections 21 days apart	Two injections 4 weeks apart
How Effective	90%	95%
Storage	-75C	-20C up to 6 months

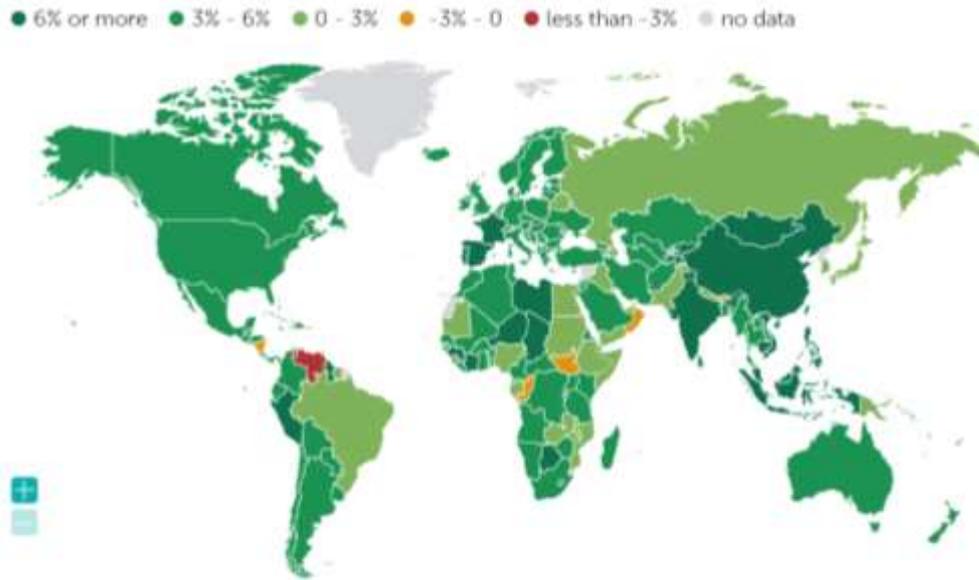
Source: Pfizer& BioNTech and Moderna (collated by [BBC Health](#))

Many countries announced that they will buy millions of doses of these vaccines, enough to vaccinate millions of their citizens, prioritising the oldest and the most vulnerable for immunisation.

As the world turns their attention to such tremendously encouraging updates, immediate economic impact of the news may translate into upward revisions to growth forecasts, so helping to limit long-term scars in the global economy.

## Global Growth

As shown below, according to the [International Monetary Fund \(IMF\)'s most recent forecasts](#), global growth is expected to be around 5.2% during 2021 based on the assumption that social distancing would gradually fade over as new Covid-19 vaccines are being developed. However, it is worth noting that, following the vaccine news [the IMF stated that a speedier recovery was possible](#): “Progress with vaccines and treatments, as well as changes in the workplace and by consumers to reduce transmission, **may allow activity to return more rapidly to pre-pandemic levels than currently projected, without triggering repeated waves of infection.**”

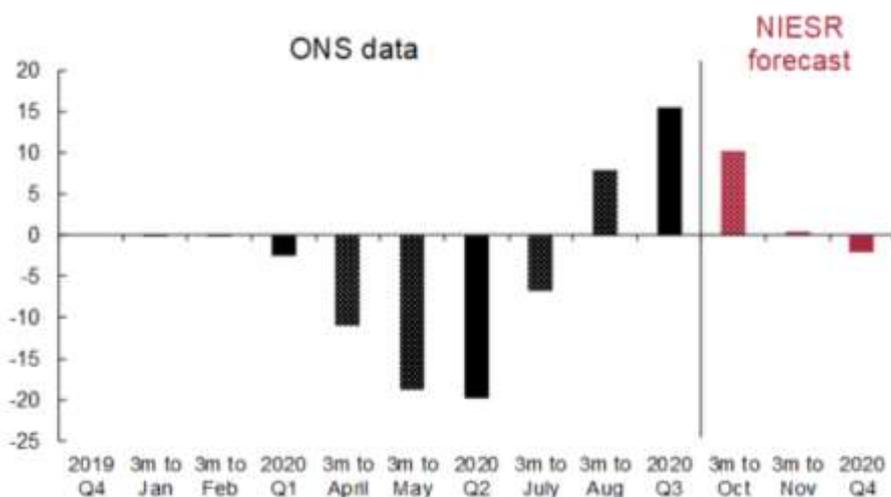


Source: [IMF](#) Real GDP Growth, Annual Percent Change, 2021.

### Vaccine rollouts & UK Economy

[Matt Hancock announced that Britain has secured 5 million doses](#) of an experimental Covid-19 vaccine on the 16<sup>th</sup> of November. The UK has already outlined plans that prioritise the oldest people for immunisation. The first and foremost priority is for care home residents and the people who work there to be immunised, as it has been clear that they have been at high risk of dying after contracting the virus. Care homes will be followed by NHS workers and over the 80s and gradually and progressively younger age groups down to the age of 50 will receive their first jab.

Most recent [ONS estimates suggest that the UK economy grew by a record 15.5%](#) in the third quarter of 2020, as the economy recovered from the first phase of the Covid-19 pandemic and resultant public health measures. It is worth noting that the recent news of a potentially effective vaccine is likely to translate into quicker recovery and higher growth rates in during the first two quarters of 2021.

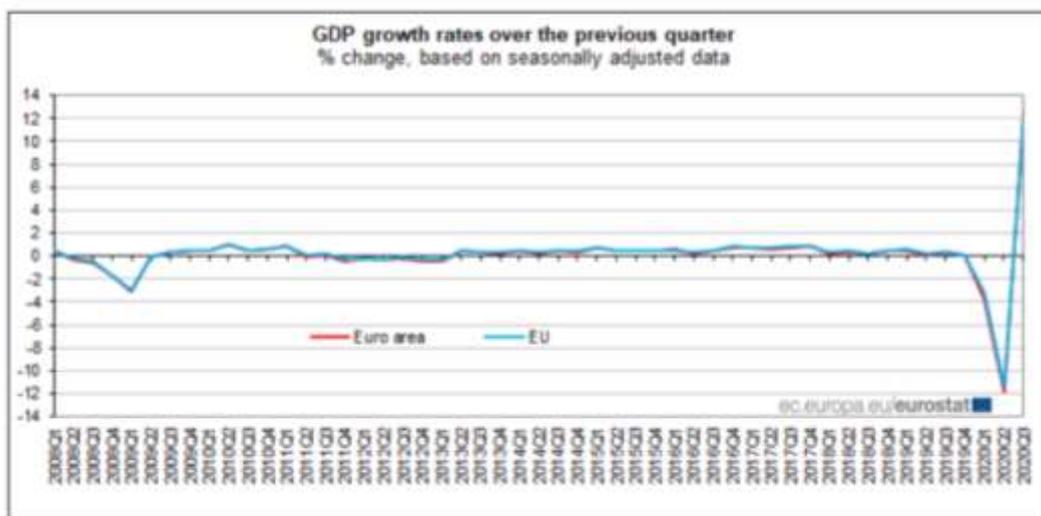


Source: [NIESR, Monthly GDP Tracker](#).

As far as the immediate economic impact of the vaccine announcement is concerned, the [National Institute of Economic and Social Research \(NIESR\) highlights the possibility of “a faster recovery in the first and second quarters](#) 5.9% growth in the UK in 2021 on the basis that vaccines would be available from the middle of next year.

## Eurozone Growth & ECB Policy

Last month's EUROSTAT study suggests that [the euro zone grew by 12.7% in the third quarter of the year](#) compared to the previous three-month period. In comparison with the same quarter of the previous year, seasonally adjusted GDP has nonetheless decreased by 4.3% in the euro area and by 3.9% in the EU in the third quarter of 2020, which points represents a partial recovery after -14.8% and -13.9% respectively in the previous quarter.



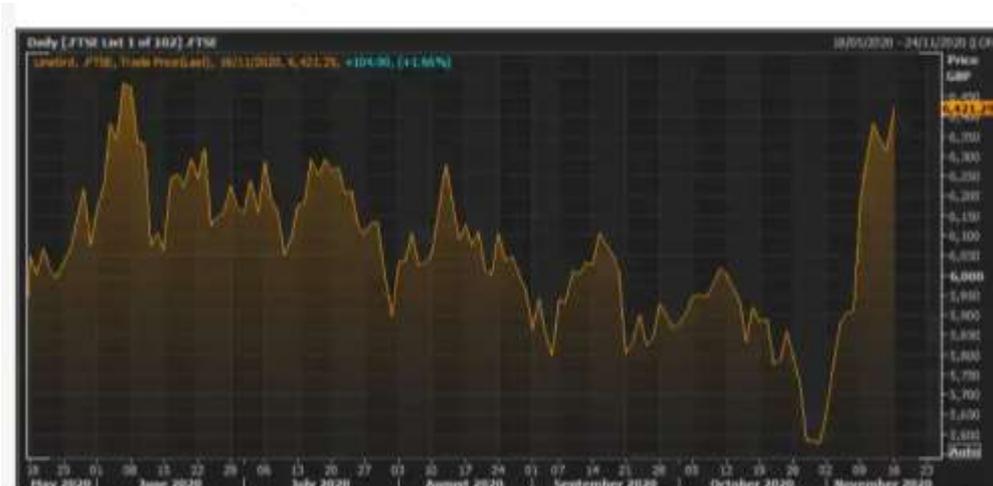
Source: EUROSTAT.

Christine Lagarde, the president of the European Central Bank, on the other hand, [cautioned against vaccine optimism last week](#) and added that “the recovery may not be linear, but rather unsteady, stop-start and contingent on the pace of vaccine rollout”.

Lagarde highlighted that the ECB is taking into consideration the prospects for vaccine rollouts across member states and dynamically adjusting its [Pandemic Emergency Purchase Program](#) (PEEP) as well as [targeted longer-term refinancing operations](#) (TLTRO) on the basis of the success of the new lockdown measures.

## Stock market reactions: *Stay at home firms vs. hospitality firms*

Fuelled by optimism over the recent Covid-19 vaccine news, the FTSE 100 ended 17th of November 104.9 points higher at 6421 points, a gain of 1.66% (highest closing level since 8th June).



Source: [FTSE., 17 November 2020](#)

Vaccine news was most beneficial to industries that have suffered the most during the last 6 months such as airlines and hotels as well as tech giants such as Amazon and Tesla. [More specifically \(in a descending order\) Rolls-Royce \(+9.9%\), hotel chain Whitbread \(+9.8%\) and airline group IAG \(+9.7%\) ended the day as the top risers.](#) Firms whose products were best adapted to the pandemic are now the ones whose shares are seeing dips (i.e. Ocado fell 4%).

Many of the companies in demand today were ones that have been hurt by Covid-19 disruption and will benefit even more if travel restrictions and lockdown rules relax following the vaccine news. Shares in British Airways owner IAG and InterContinental Hotels Group were among the biggest risers on the [blue chip index](#) following the news. Among smaller companies, cinema group Cineworld jumped 13.5% and cruise operator Carnival gained 12.1%.

Stock markets around the world rose sharply following the news and similar upward patterns were also observed in the US. [The US S&P 500, The Dow has hit 29,942 points](#), putting the index on track for its first record closing high since February. Similar to the UK equity markets, "stay at home firms" in the US such as Ocado, Just Eat Takeaway.com, as well as Reckitt Benckiser ended the first working day following the vaccine news as top losers.

## Weekly Deaths Registered 6<sup>th</sup> November 2020

### BCCEIU

The following analysis compares the latest available time period (week of the 6<sup>th</sup> November 2020) to the previous week period (week of the 30<sup>th</sup> October 2020) for the number of deaths registered and the number of deaths related to the Coronavirus.

Across England and Wales, the overall registered death figure has increased from 10,887 in the week of the 30<sup>th</sup> October to 11,812 in the week of 6<sup>th</sup> November. The number of deaths registered that state Coronavirus on the death certificate has also experienced an increase from 1,379 people to 1,937 people over the same period.

Regional level analysis shows that the West Midlands overall registered death figure has increased from 1,102 people in the week 30<sup>th</sup> October to 1,186 in the week of 6<sup>th</sup> November. The number of registered deaths related to Coronavirus has increased from 110 people to 181 over the same period.

There was a total of 817 deaths registered across the WMCA (3 LEP) area in the week of the 6<sup>th</sup> November. There were 136 deaths registered that were related to Coronavirus over the same period – this accounts for 16.6% of total deaths. The WMCA (3 LEP) area accounts for 75.1% of the 181 Coronavirus related deaths registered in the West Midlands Region.

In comparison to the week of the 30<sup>th</sup> October, the overall registered death figures in the WMCA (3 LEP) area increased by 19, with the number of deaths related to Coronavirus increased by 58 people.

At a local authority level, Birmingham accounts for 33.1% (45) of deaths related to Coronavirus in the WMCA (3 LEP), this is followed by Sandwell at 11.8% (16 deaths).

Of deaths involving Coronavirus registered in the week of the 6<sup>th</sup> November, 89.7% (122) occurred in a hospital, 5.9% (8) occurred in a care home, and 4.4% (6) occurred at home.

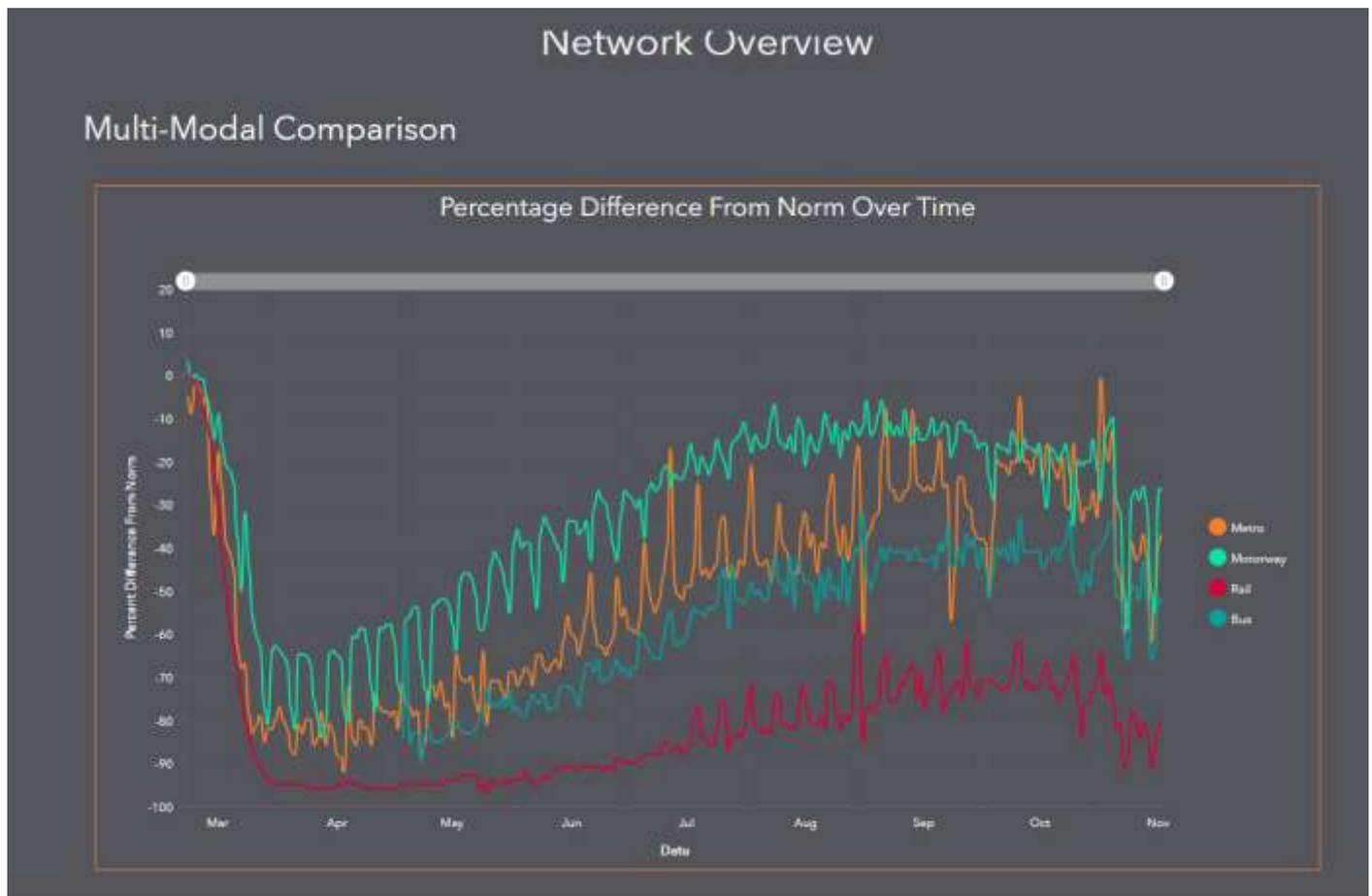
#### Place and number of deaths registered that are related to Coronavirus in the week of 6<sup>th</sup> November:

Area name	Care home	Elsewhere	Home	Hospice	Hospital	Other communal establishment	Total
Cannock Chase	0	0	0	0	2	0	2
East Staffordshire	0	0	1	0	6	0	7
Lichfield	2	0	0	0	5	0	7
Tamworth	0	0	0	0	1	0	1
North Warwickshire	0	0	0	0	2	0	2
Nuneaton and Bedworth	0	0	0	0	0	0	0
Rugby	0	0	0	0	1	0	1
Stratford-on-Avon	0	0	0	0	1	0	1
Warwick	0	0	0	0	1	0	1
Bromsgrove	1	0	0	0	1	0	2
Redditch	0	0	0	0	1	0	1
Wyre Forest	0	0	0	0	0	0	0
Birmingham	1	0	3	0	41	0	45
Coventry	0	0	0	0	5	0	5
Dudley	0	0	0	0	15	0	15
Sandwell	1	0	1	0	14	0	16
Solihull	0	0	0	0	9	0	9
Walsall	0	0	1	0	13	0	14
Wolverhampton	3	0	0	0	4	0	7
<b>WM 7 Met.</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>101</b>	<b>0</b>	<b>111</b>
Black Country LEP	4	0	2	0	46	0	52
Coventry & Warwickshire LEP	0	0	0	0	10	0	10
Greater Birmingham & Solihull LEP	4	0	4	0	66	0	74
<b>WMCA (3 LEP)</b>	<b>8</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>122</b>	<b>0</b>	<b>136</b>

Source: ONS, Death registrations and occurrences by local authority and health board, 17<sup>th</sup> November 2020

# Transport Weekly Update

## Anne Shaw TFWM



English Lockdown - 5 November 2020 – From Thursday 5 November, everyone in England should stay at home as much as possible and not mix with other households to help prevent the spread of Covid-19. Travel to work, education and to do essential shopping is allowed and public transport will remain operating safely to support you. Bus, train and tram timetables will remain the same. Public transport will continue to operate as normal, and with extensive cleaning and safer travel guidelines in place, it remains an easy way to travel. Please only travel by car with those from your household and consider walking and cycling for short journeys

Demand remains lower than previous to the 2<sup>nd</sup> lockdown by approx. 10-20% per mode.

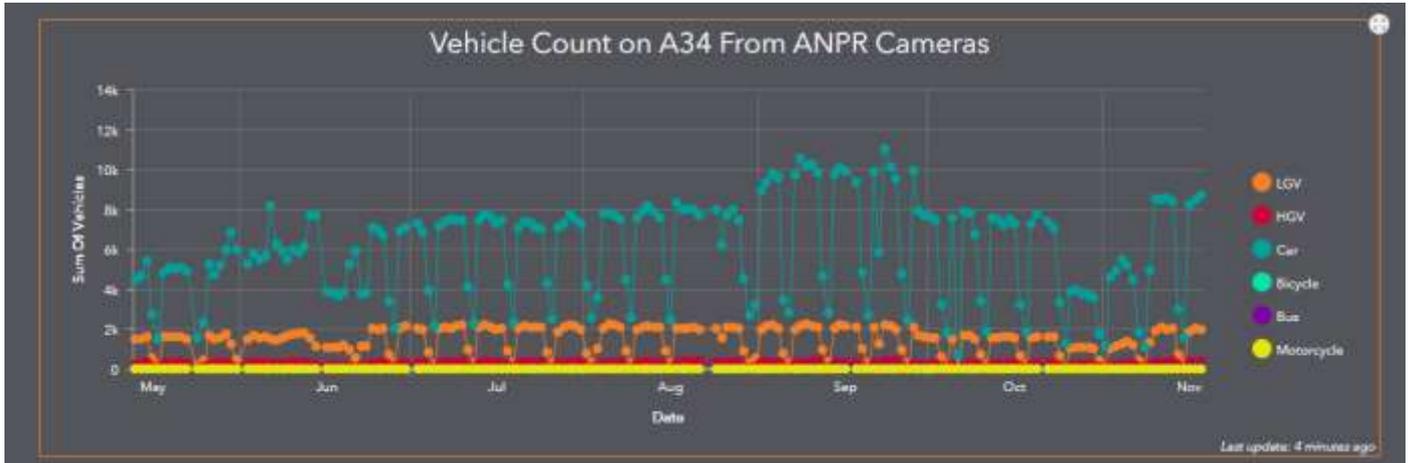
Planning is in place with highway and transport authorities for a surge of activity pending release from lockdown and anticipated retail activity as well as the transport support for university students returning home.

Levels of use – 17th November 2020 (data 1 day behind)

The graph above shows the level of use on all modes

The table provides intel in terms of the levels of services and the use of the network per mode compared to this time last year, the day before and the week before for the 17th November.

	% levels pre covid	%change from day before	%change from Week before
bus	47	-1	-3
train	20	1	0
tram	63	2	10
roads (SRN)	73	0	0



# ONS Weekly Release Indicators

## BCCEIU

### ONS Weekly Release Indicators

On the 12<sup>th</sup> November 2020 the ONS released the weekly publication containing data about the condition of the UK society and economy from the COVID-19 pandemic.

The statistics are experimental and have been devised to provide timely information. The following summary contains footfall data, initial results from Wave 17 of the Business Impact of Coronavirus Survey (BICS), national company incorporations and voluntary dissolution applications, Value Added Tax returns, experimental online job advert indices and results from Wave 32 of the Opinions and Lifestyle Survey (OPN).

### National Footfall

Customer activity figures are provided by Springboard. The volume of footfall has been compared to the same day the previous year (i.e. Tuesday 14<sup>th</sup> July 2020 will be compared to Tuesday 16<sup>th</sup> July 2019).

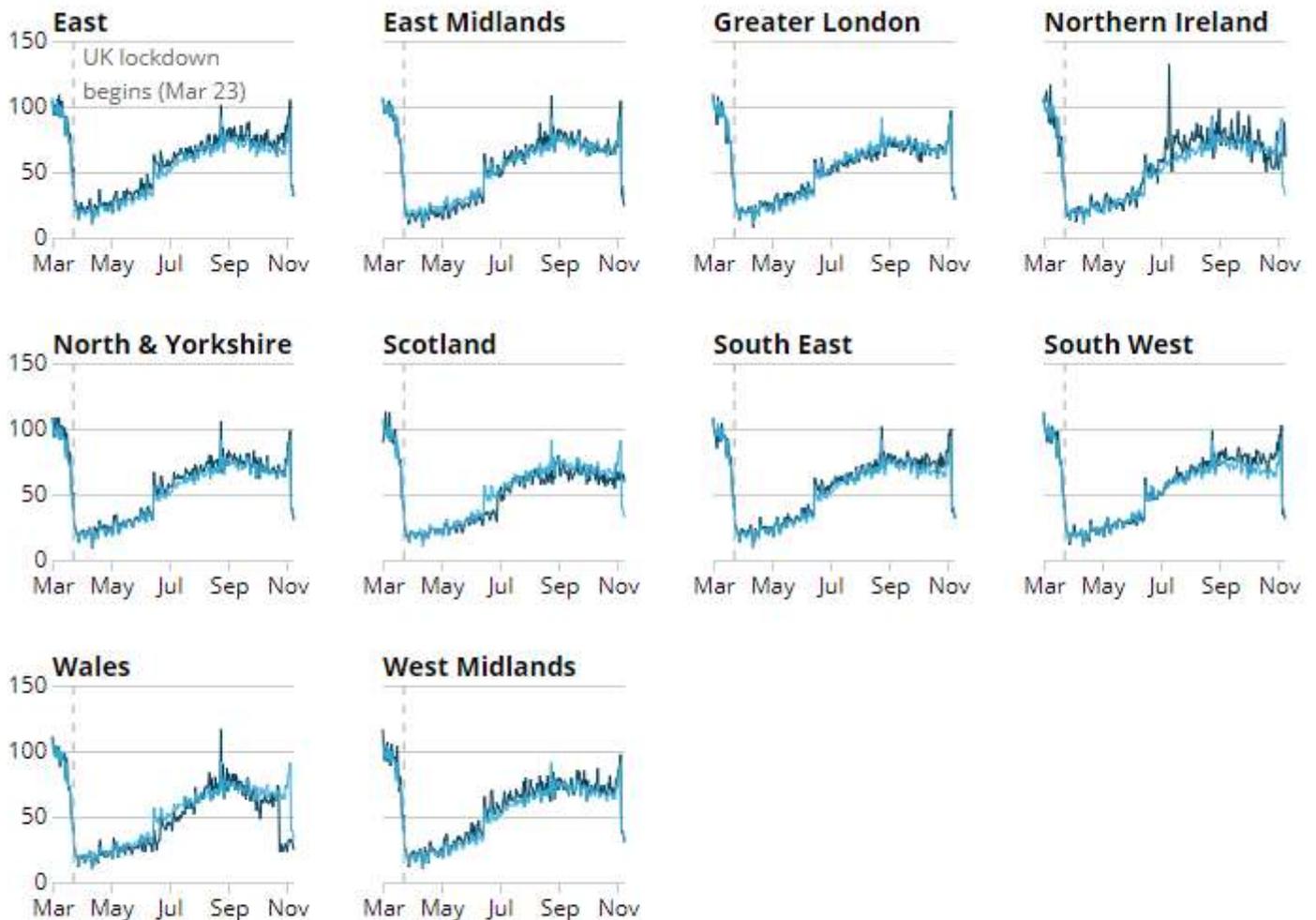
With national restrictions coming into place for England on the 5<sup>th</sup> November, overall footfall on the 8<sup>th</sup> November fell to 33% of its 2019 level. Although, the day before restrictions were brought into the place, overall footfall peaked at 91% of its 2019 levels.

On the 8<sup>th</sup> November, footfall for high streets and shopping centres both fell to 27% of the 2019 levels. Retail parks footfall fell to just over a half when compared to the same day in 2019.

All the English regions experienced a decrease from the previous week on the 8<sup>th</sup> November. The South East, West Midlands, South West and East of England all saw declines of 50 percentage points. As Northern Ireland was still in a circuit breaker lockdown over this time, there was a weekly increase of 10 percentage points.

**The following graph shows the volume of daily footfall for UK regions between 1<sup>st</sup> March to 8<sup>th</sup> November 2020, year on year percentage change between footfall on the same day:**

— Overall footfall — Regional footfall



Source: Office for National Statistics

### National Company Incorporations and Voluntary Dissolution

There were 16,303 incorporations in the week ending 6<sup>th</sup> November 2020, this is above the incorporations recorded in the same week as 2019 which was 12,733.

Also, for the week ending 6<sup>th</sup> November, there were 5,061 voluntary dissolution applications. This is lower than the same week as the previous year at 5,750.

### Value Added Tax (VAT) Returns

Turnover diffusion indices track the proportion of firms reporting an increase or decrease in their turnover in their Value Added Tax (VAT) returns.

When comparing the all-industry turnover estimate between August 2020 and September 2020, the all-industry turnover was 0.4 standard deviations above the historical mean from 2008 to 2019, with a diffusion index of 0.01. Out of 36,870 firms, approximately 400 more firms saw their turnover increase than firms who saw their turnover decrease. However, when comparing the all-industry turnover estimate to the previous year (September 2019), it was negative 0.8 standard deviations below its historical average, with a diffusion index of 0.02, which means turnover has not returned to the levels seen before the impact of the pandemic.

The new reporters index measures the number of firms sending VAT returns for the first time (relates to number of firm births). In October 2020, the number of new VAT reporters was 20,880, this is above the level in October 2019 (19,860) and consistent with the 2015 to 2019 average of 20,908.

## Business Impact of the Coronavirus

The initial results from Wave 17 of the Business Impact of Coronavirus Survey (BICS) show that of the 38,760 businesses surveyed across the UK, 19% had responded by 10<sup>th</sup> November. Unless stated, the following data is based on the period between 19<sup>th</sup> October to 1<sup>st</sup> November and is based on weighted estimates.

Previous Waves of BICS covered approximately a sample size of 24,500. Wave 17 has increased to nearly 39,000 due to an increase of small and medium businesses being sampled. For Wave 17, data was collected between 2<sup>nd</sup> to 10<sup>th</sup> November (referring to the period of 19<sup>th</sup> October to 1<sup>st</sup> November). However, due to local and national lockdowns and also the location and date of when the business responded this could impact the estimates.

### Trading Status

Weighted by count of UK businesses, 81% of responding businesses across the UK have been trading for more than the last 2 weeks. 2% of responding businesses who had temporarily paused trading reported to have started trading in the last 2 weeks. 3% of businesses that have temporarily paused trading but intend to restart trading in the next two weeks. While 13% of businesses that have temporarily paused trading that do not intend to restart trading in the next two weeks and 2% of businesses have permanently ceased trading.

Of businesses that have not permanently stopped trading across the UK, 9% of their workforce were on partial or full furlough leave, 27% were working remotely, and 60% were working at their normal place of work.

### Cash Reserves

4% of businesses that have not permanently stopped trading had no cash reserves. 42% of businesses across the UK have less than six months of cash reserves. 34% of businesses have more than six months of cash reserves and 20% said that they were not sure how long their cash reserves would last.

37% of businesses across the UK reported they had high confidence that their business will survive the next three months, 41% of businesses had moderate confidence. While 14% reported no or low confidence that their business will survive the next three months and 8% of businesses were not sure.

### Financial Performance

Weighted by turnover, under 10% of businesses that have continued trading reported turnover had increased by at least 20%. While 33% reported that turnover had not been affected. However, 49% of businesses reported turnover had decreased by at least 20% and 9% of businesses were not sure.

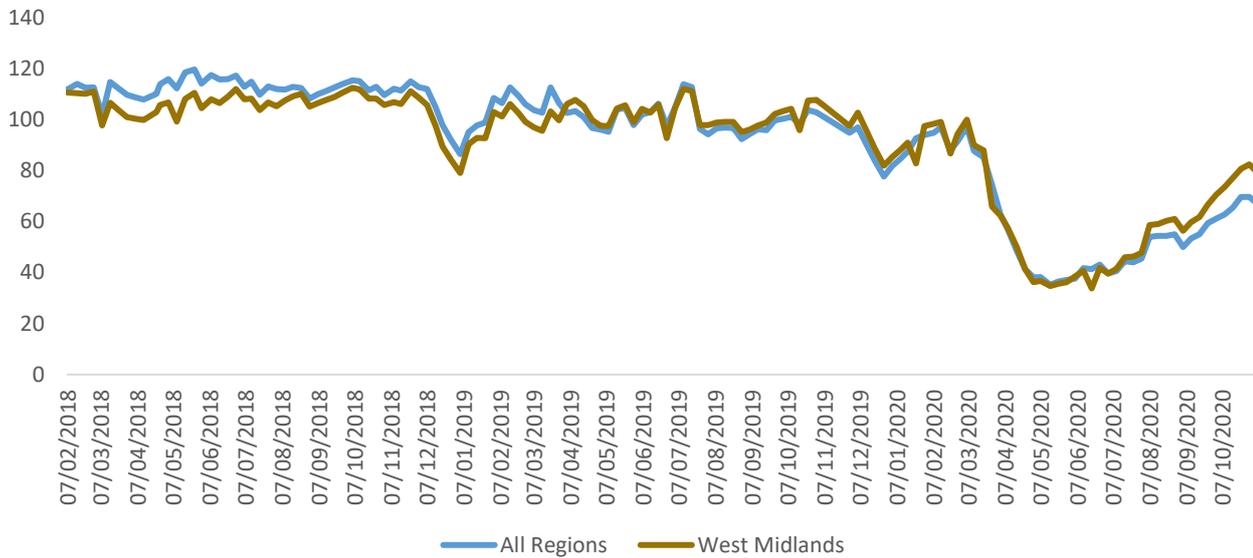
### Online Jobs Adverts

These estimates are experimental figures are taken from jobs adverts provided by Adzuna. Each value in the series measures the number of jobs adverts at a point in time, indexed for the average for 2019 (average = 100). The Adzuna categories do not correspond to SIC categories and therefore not comparable with the ONS Vacancy Survey.

Nationally, total online job adverts decreased from 69.7% (of the 2019 average) in the week of the 30<sup>th</sup> October to 66.8% (of the 2019 average) in the week of the 6<sup>th</sup> November 2020. Out of the 28 categories (excluding unknown) 21 decreased from the previous week with the highest decrease in domestic help by 22.7 percentage points to 94% of its 2019 average. The largest increase was in the legal category, increasing by 5.4 percentage points to 54.4% of its 2019 level.

For the West Midlands, the total online jobs adverts decreased from 82.5% (30<sup>th</sup> October) to 79.1% (6<sup>th</sup> November) of its 2019 average. All the UK regions experienced a decrease between the 30<sup>th</sup> October and the 6<sup>th</sup> November with Northern Ireland the highest decrease by 13.4 percentage points to 64.9% of its 2019 level. In the week of the 6<sup>th</sup> November. The East Midlands had the highest volume of job adverts compared with the 2019 average at 85.4%.

**The following chart shows the total weekly job adverts on Adzuna, for all regions and the West Midlands, 7<sup>th</sup> February 2018 to 6<sup>th</sup> November 2020: index 2019 average = 100, percentage points:**



Source: Adzuna

### Social Impacts of the Coronavirus

Indicators from the Opinions and Lifestyle Survey (OPN) is to help understand the impacts of the COVID-19 pandemic on people, households and communities in Great Britain. The data relates to the final results for Wave 32, covering the period 5<sup>th</sup> - 8<sup>th</sup> November 2020. In this wave there were 4,378 (73%) responding adults.

#### Lockdown and Preventative Measure

76% of adults in the West Midlands region tended to support or strongly supported the current lockdown measures – matching the England average.

67% of adults in the West Midlands region reported finding it easy or very easy to understand the current lockdown measures, this is slightly above the England average of 65%. Also, 67% of adults in the West Midlands region reported finding it easy or very easy to follow the current lockdown measures, above the 66% average for England.

9% of adults in the West Midlands in the past seven days have self-isolated because of COVID-19.

91% of adults in the West Midlands region who left their home in the past seven days had avoided physical contact with others and when they have returned home 89% have often or always washed hands with soap and water straight away.

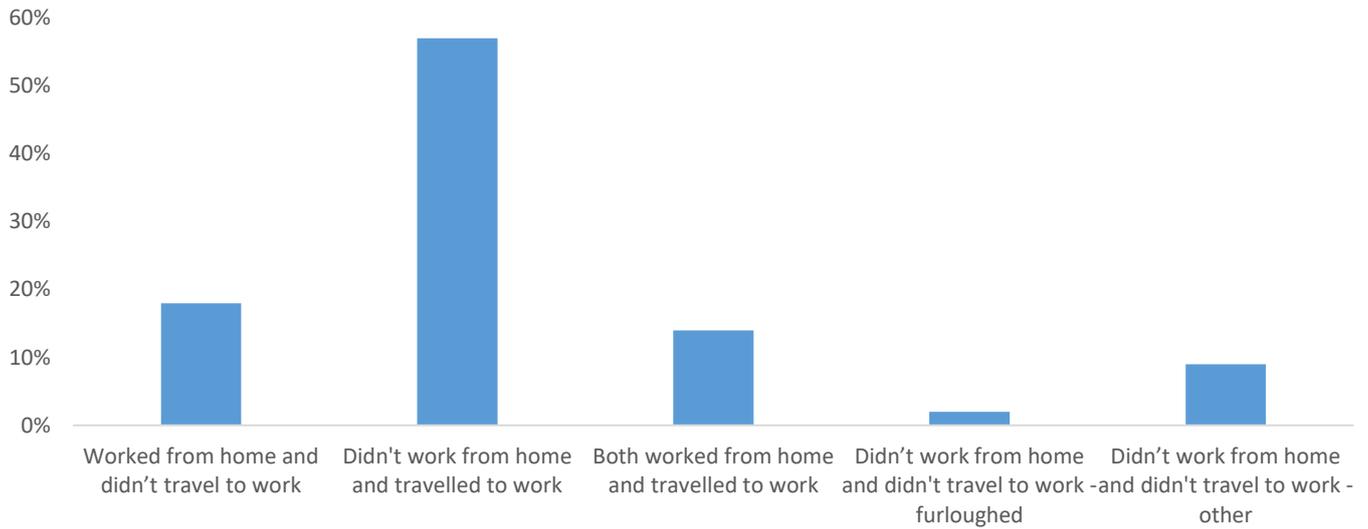
Of those who have met up with people to socialise, 70% of West Midlands adults reported in the last seven days, when they have met up with people outside of their support bubble have often or always maintained social distancing, below the England average of 73%.

Of those who have met up with people outside their support bubble or household, 80% of West Midlands have often or always maintained social distancing, again below the England average of 84%.

#### Working from Home

Among working adults in the West Midlands, in the past seven days 32% reported they had worked from home to due COVID-19, 38% reported they were unable to around 29% reported they had not worked from home.

For the West Midlands region, 57% of adults had not worked from home and travelled to work. The following chart shows the patterns of those who are working:

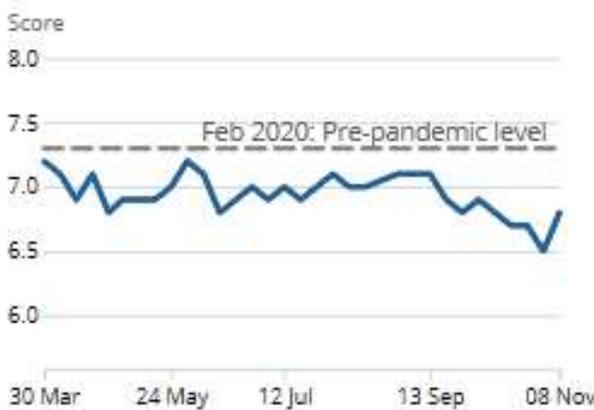


### Impact on Life and Wellbeing – National Results Only

71% of adults were somewhat or very worried about the effect coronavirus is having on their life right now. The most common response to which way coronavirus was affecting their life was lack of freedom with 57%. This week, average personal well-being scores for life satisfaction (6.8), worthwhile (7.3) and happiness (6.8) increased slightly compared with last week. There was also a small decrease in anxiety score (4.1).

The below charts show the average responses to questions relating to impact on life and wellbeing:

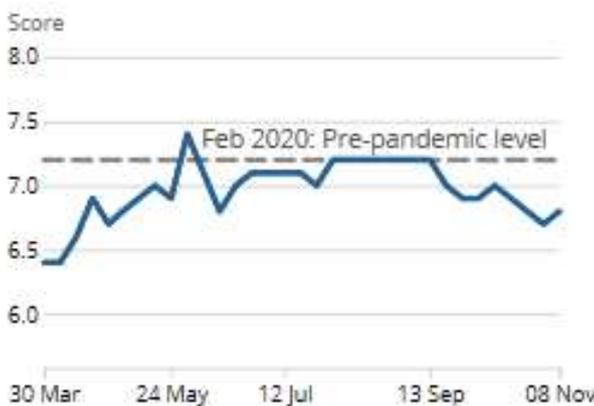
Overall, how **satisfied** are you with your life nowadays?



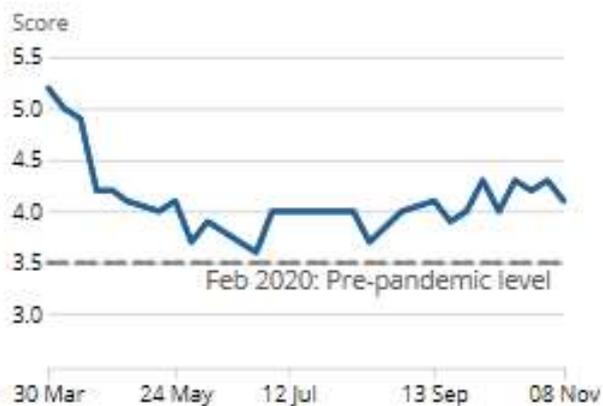
Overall, to what extent do you feel that the things you do in your life are **worthwhile**?



Overall, how **happy** did you feel yesterday?



Overall, how **anxious** did you feel yesterday?



Source: ONS – Opinions and Lifestyle Survey

# LEP Level Intelligence

## HEADLINES

SECTOR	KEY CONCERNS
<b>Cross Sector</b>	<p>Jobs &amp; Furlough</p> <ul style="list-style-type: none"> <li>• Business leaders this week have warned that the lockdown is likely to have a short, sharp shock on job figures, as new statistics indicate a rise in employment and unemployment in the West Midlands.</li> <li>• The extension of the government's Job Retention Scheme until the end of March 2021 is welcome news. However, many businesses face high levels of debt and weak confidence.</li> </ul> <p>Access to Finance &amp; Cashflow</p> <ul style="list-style-type: none"> <li>• Companies are expressing concerns about the level of debt they have incurred due to COVID.</li> <li>• The support has not been sufficient to cover the huge losses incurred by some companies and self-employed.</li> </ul> <p>PPE</p> <ul style="list-style-type: none"> <li>• Concerns amongst businesses over cost of PPE equipment.</li> <li>• A consortium of Midlands businesses has expressed concerns that the government is sourcing 'inadequate' PPE from abroad.</li> </ul> <p>EU Exit</p> <ul style="list-style-type: none"> <li>• Many businesses are too busy dealing with Covid and are not able to think about long term impacts of the EU exit.</li> <li>• Concerns about rising costs of products and massive increases in regulatory costs.</li> </ul> <p>Recruitment</p> <ul style="list-style-type: none"> <li>• Kickstart enquiries increasing.</li> </ul> <p>Start-Ups</p> <ul style="list-style-type: none"> <li>• The number of Start-Up enquiries continues to increase, partly due to COVID related job losses.</li> <li>• There is a concern that some new entrepreneurs are not seeking Start Up support and do not understand their responsibilities and obligations in relation to starting a business. This highlights the importance of these schemes to ensure the survival of new businesses.</li> </ul>
<b>Advanced Manufacturing &amp; Engineering</b>	<p>Sales</p> <ul style="list-style-type: none"> <li>• The impact of the COVID 19 pandemic has been mainly reflected in the sales pipeline of manufacturing businesses.</li> </ul> <p>Investment</p> <ul style="list-style-type: none"> <li>• The probabilities of receiving foreign investment have also decreased for some manufacturing businesses as a result of the pandemic.</li> </ul>
<b>Business, Professional &amp; Financial Services</b>	<p>Cross Theme</p> <ul style="list-style-type: none"> <li>• Difficult for some businesses to forecast future work beyond 4-6 weeks.</li> </ul> <p>Business Costs</p> <ul style="list-style-type: none"> <li>• Some businesses experiencing a rise in direct costs.</li> </ul>
<b>Retail</b>	<p>Lockdown</p> <ul style="list-style-type: none"> <li>• Non-essential retail businesses have been forced to shut under the new restrictions.</li> <li>• Garden centres have been allowed to remain open during this time.</li> </ul> <p>Trade</p> <ul style="list-style-type: none"> <li>• Businesses experiencing delays in shipping from overseas.</li> </ul> <p>New Business Models</p> <ul style="list-style-type: none"> <li>• Some businesses who have increased their online platform during the pandemic have reported an increase in online sales during lockdown.</li> </ul>
<b>Visitor Economy</b>	<p>Lockdown</p> <ul style="list-style-type: none"> <li>• Hospitality and leisure businesses have been forced to shut under the new restrictions.</li> <li>• This is devastating news for businesses in the region, once again facing the uncertainty of not knowing whether they will be able to come out the other side after 2nd December.</li> </ul>

## NEW ECONOMIC SHOCKS

COMPANY	LOCATION	SECTOR	SOURCE/DETAIL
<a href="#">Castings</a>	Brownhills/ Lichfield	Engineering	The firm has reported a pre-tax loss of £630,000 for the six months to September 30, compared with a profit of £7.34 million in the same period last year.
<a href="#">Greggs</a>	Black Country and wider Region	Hospitality	Greggs has announced plans to cut more than 800 jobs as a result of the ongoing coronavirus pandemic.
<a href="#">Revolution Bars</a>	Black Country and wider Region	Hospitality	Creditors at bar chain Revolution have given it the green light for a major restructuring plan which will see it axe 130 jobs and shut six bars permanently.
<a href="#">Meggitt</a>	Ansty (Rugby)	Aerospace, Engineering	Meggitt, the Ansty company specialising in high performance components and sub-systems for the aerospace, defence and energy markets, says its revenue has dropped by a quarter to £384m during its third quarter to September 30. The firm says that revenue for the year has fallen by 18% so far to £1.3bn, although the it has been boosted by a strong performance in its defence markets, which grew by 9% during the third quarter.

## NEW INVESTMENT, DEALS AND OPPORTUNITIES

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
<a href="#">Sadler's</a>	Black Country	Hospitality	The new £1m distillery, which will be the first of its kind in the local area, will become the main production site for Sadler's award-winning Peaky Blinder spirit range.
<a href="#">Brandauer</a>	Black Country	Manufacturing	Nomination secures £500,000 of R&D funding for Brandauer, with the potential to generate up to £1 million of new sales in the first 12 months following project completion and more revenues to follow as manufacturing volumes increase.
<a href="#">MHCLG</a>	Black Country	Public sector	A Government office could be set up in Wolverhampton - creating up to 1,000 jobs.
<a href="#">Deeley Construction</a>	Coventry	Construction	Coventry-based Deeley Construction has started improvement works at Herbert Art Gallery & Museum, which will see the addition of a new gallery and refurbishment of the existing exhibition spaces. The work will be complete in time for the Herbert to play a major role in 2021 – including hosting the internationally renowned Turner Prize.
<a href="#">8 Digital</a>	Warwick	Digital and Technology	A technology marketing firm, which works with the biggest tech firms in the world, has expanded into offices in Warwick after a merger with a US company. 8Digital, which recently joined forces with Gorilla Corporation, has moved into the University of Warwick Science Park's Warwick Innovation Centre from its former base in nearby Leamington Spa.
<a href="#">Aldi</a>	Warwickshire HQ	Retail	Warwickshire headquartered Aldi is set to extend its click-and-collect shopping trial to 200 more stores. Aldi says over 200 – or 25% of its estate – will follow suit by Christmas, as it faces increased competition from its rivals.
<a href="#">Unifabs</a>	Nuneaton	Manufacturing	A Nuneaton-based sheet metal design and manufacturing firm is expanding its footprint after sealing a seven-figure property deal. Unifabs, based at Haunchwood Industrial Estate in Galley Common, has purchased an additional four units of factory space – equating to 23,000 sq ft – for £1.4m. The deal means the firm now has more than 52,000 sq ft of space at the site.
The <a href="#">Ticket Factory/City of Culture 2021</a>	Coventry/Birmingham	Digital, Retail	A West Midlands company has won the contract to deliver the ticketing system for Coventry's year as UK City of Culture 2021. The Ticket Factory will provide the full ticket purchasing and delivery system to the Coventry City of Culture Trust for events during the year, which kicks off on 15 May, 2021 and runs through to May 2022.
<a href="#">Factory Direct Flooring</a>	Nuneaton	Retail	The head of one of the UK's biggest online flooring retailers has said the company is braced for one of its busiest months in business as households once again return to lockdown. Paul Hambidge, founder and managing director of Nuneaton-based Factory Direct Flooring, has predicted that November will show a 70% increase in business to last year, based on the last quarter of trading in 2020. This has followed a 50% increase in October and September trading, with profits looking to exceed half a year's business from 2019 in just three months alone.

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
<a href="#">Dodo</a> Pizza	Leamington Spa	Food Service Activities	The arrival of one of Europe's fastest-growing pizza chains into Leamington Spa has taken a step closer – and is set to open its doors by the end of the year. Dodo Pizza – which is in 657 locations across 13 countries – has signed a 15-year lease for 1,608 sq ft of ground floor space at 52-54 Warwick Street, which used to form a part of the former Co-op store. Work is currently underway to transform the building, with a view to the firm's new base potentially offering takeaway and delivery services from December this year. Dodo Pizza's Leamington base is also set to become its corporate headquarters for its UK operations.
<a href="#">Codemasters</a>	Southam	Digital and Technology	Southam-based videogame developer Codemasters has announced it plans to sell to US giant Take-Two, the creators of the Grand Theft Auto franchise, after it received a takeover bid valuing it at £739m. The proposal has not yet been accepted by Codemasters, although it is understood the company is set to recommend to its shareholders that the offer be accepted.
<a href="#">Morgan Sindall</a>	Rugby	Construction	Transport for West Midlands (TfWM) has appointed Morgan Sindall Infrastructure to deliver the main construction work for the Sprint corridor on the A45 between Bordesley Circus and Brays Road in Yardley.
<a href="#">Safety</a> Flex Barriers	Coventry	Manufacturing	A Coventry company at the forefront of securing high-profile locations around the world from terrorist vehicle attacks has completed another project in London. Safetyflex Barriers won the contract to install hundreds of its Truckstopper anti-terrorist bollards in the Tower Bridge area of the capital.

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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