West Midlands
Weekly Economic Impact Monitor

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

This week ONS reported that productivity grew at the fastest rate on record in the middle of 2020 when compared with the quarter before, but this fell away again in the last three months of the year. This was mainly because the least productive industries were those hardest hit by the pandemic, and their shrinking size had a positive effect on overall (average) productivity and this has followed through in productivity per hour. This may signal longer-term structural change - the effects of which are yet to be seen.

- Euro Zone economic activity has surprisingly returned to growth this month as factories ramped up production to the fastest pace in over 23 years, offsetting the slowdown in the bloc's dominant services industry. With a third wave of coronavirus infections and renewed lockdown measures, as well as the slow vaccine rollouts, it is likely that these benefits will be subdued in coming months.
- The Guardian this week states that the government risks creating serious funding gap for science, as delays over budgets and cuts to research are undermining the sector and boasts about Britain's status as a science superpower. The budget for international development research projects has been cut from £245m to £125m, affecting some universities in the region.
- WMG and the University of Warwick have been awarded £5m in funding and a key coordinating role in the Government's 'Driving the Electric Revolution Industrialisation Centre programme'.
- The e-MOTIF project led by Shield Manufacturing Technologies in Southam won support for an £11.3m project from the government to develop and manufacture an energy recovery system to reduce energy use in electric vehicles.
- Stone Yard major residential apartment scheme on the former Bull Ring Trading Estate in Digbeth has been given a £5m boost in funding, by the West Midlands Combined Authority (WMCA).
- The official mascot for the Birmingham 2022 Commonwealth Games was unveiled as Perry, a bull covered in a patchwork of multicolour hexagons. Perry is inspired by the design of ten-year-old Emma Lou, the winner of a national design competition that took place over the summer of 2020.

Covid Impacts

- Between 8th December 2020 and 14th March 2021, the Midlands has successfully vaccinated **4,060,212** people with the first dose and **188,433** of these individuals have received the second dose. It has provided the most doses of the first jab, and remains in 3rd place for second dose out of the English regions.
- Overall UK retail footfall for the week to 13th March 2021 was at 47% of the level seen in the same week of the previous year. This increased by 5 percentage points when compared with the equivalent index in the previous week.
- The BBC has reported this week that the Government has announced a £5,000 fine for anyone in England trying to travel abroad without good reason, to come into effect next week as part of the new coronavirus laws. However, another surge in Covid cases in continental Europe, as well as the slow rollout of vaccines across Europe, has cast doubt on the resumption of foreign travel.
- Shelter reports that 14% of adults, or one in seven people, are worried about being made homeless due to the pandemic, with half of private renters facing poor mental health as a result of worries over bills and finances. The research also shows 24% of private renters are having to borrow money to make their rent.
- The Resolution Foundation has released a review of the policy decisions of the last 12 months, highlighting many successes but also the consistent, damaging failure to enter lockdown early enough.
- The Lancet shows that vaccines alone will not completely manage COVID, but vaccines alongside appropriate non-pharmaceutical interventions will sufficiently keep it under control.
- Bank of England Q1 2021 highlights: Spending on consumer goods and services continued to be weaker than a year ago, as stores and venues remained closed due to Covid-19 restrictions, but there were signs of demand re-emerging in some sectors. Business services activity remained weaker than a year ago. Activity in some sectors held steady or improved, though Covid-related restrictions and the adjustment to new trading arrangements with the EU weighed on activity in some areas. Manufacturing output remained markedly weaker than a year ago, reflecting a variety of factors relating to EU withdrawal and Covid. Construction output continued to be lower than a year ago, partly due to subdued demand from sectors worst affected by Covid, though public projects continued. Demand for credit increased slightly; credit availability tightened for sectors most affected by the pandemic. Demand for housing remained strong, but investor demand for

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commercial property was mixed. Companies' investment intentions picked up modestly but remain weak, with plans mostly conditional on demand recovering over the coming months. Employment intentions remained weak but are improving; pay growth was subdued but some contacts plan modest increases this year. Contacts reported significant increases in raw materials costs, but so far there is limited evidence of higher costs being passed on to customers due to competition and uncertainty about demand.

- PWC chain store impact, largest net decline in stores as the loss pproaches 10,000 for the first time. There are48 chain stores closing a day, with only 21 opening. The West Midlands saw 1,468 shop closures and only 600 openings in 2020. Location matters above all else, with retail parks more resilient to closures.
- 'Rebuilding Prosperity: A Report for Change', challenges the traditional models of policy making, prosperity and growth, arguing that rebuilding prosperity in the wake of Covid-19 requires not just radical, brave economic and social policy on a scale not seen since the 1942 Beveridge Report, but a redefinition of prosperity and of policy-making.
- The COVID decade report suggests seven strategic goals for policymakers to pursue: build multi-level governance; improve knowledge, data and information linkage and sharing; prioritise digital infrastructure; reimagine urban spaces; create an agile education and training system; strengthen community-led social infrastructure; and promote a shared social purpose.
- iGov Survey has partnered with procurement specialists YPO to examine how local authorities are responding to COVID-19. Challenges presented by the pandemic have led to greater collaboration across local authorities– 72% of participants report collaborating more closely with their procurement teams.
- Early estimates for February 2021 indicate that there were 28.3 million payrolled employees in the UK, a fall of 2.4% (-693,000 people) compared with last year. The number of payrolled employees increased by 0.2% in February 2021 – equivalent to 68,000 people.
- There were 216,195 claimants aged 16 years and over in the WMCA (3 LEP) area in February 2021, an increase of 9,495 people when compared to January 2021. This was a 4.6% increase compared to an overall UK increase of 5.3%. For the WMCA (3 LEP) area, when compared to March 2020 (117,590) the number of claimants has increased by 98,605 (+83.9%, compared to +112.4% for the UK).
- There were 42,620 youth claimants in the WMCA (3 LEP) area in February 2021, this is an increase of 1,705 youn people when compared to January 2021. This equates to an increase of 4.2%, while the UK increased by 3.9%.
- Areas seeing the largest change are areas are Stratford-on-Avon (192%), North Warwickshire (142%) and Warwick (136%). These are also the top areas of change for youth claimant count. Although actual numbers are lower than other areas, this change puts pressure on services. In terms of volume Birmingham tops both total and youth claimants at 84,120 (70.4% increase) and 16,340 (77.2% increase)
- The weakening in job vacancies in February is more evident among smaller companies; businesses employing one to nine employees had increased vacancies at a faster rate than other-sized businesses in the second half of 2020, but they had 10.7% fewer vacancies in Dec 2020 to February 2021 compared with a quarter ago
- Lockdown restrictions continue to affect jobs and vacancies in two industry sectors more than others: (1) accommodation and food services industry down 79.8% (73,000) from a year ago and 45.1% from the previous quarter; (2) vacancies in arts, entertainment and recreation are down 72.6% (16,000) from a year ago and 37.1% from the previous quarter.
- EMSI data shows there were 113,689 unique job postings across the WMCA 3 LEP geography in February 2021, 13.8% fewer than in January 2021. This is the second consecutive month that the monthly job postings have shown a declining trend. All 19 local authority areas recorded a negative change compared to January 2021. Bromsgrove and North Warwickshire were hardest hit (-18%), closely followed by Cannock Chase, Redditch, Walsall and Wolverhampton (-17%).

EU Exit impacts

- Government is creating four regional trade hubs to boost economic growth across the UK. The Secretary of State for International Trade stated that the hubs will be located in Edinburgh, Cardiff, Belfast and Darlington.
- Government-led research, shows exports support 6.5m jobs across the UK, 74% of which are outside of London. The report also found that jobs directly and indirectly supported by exports pay around 7% higher than the national median. But new data from the Office for National Statistics (ONS) shows UK goods exports to the European Union fell 40.7% in January 2021. Some are questioning why the government has chosen Darlington as the two regions with larger manufacturing and export regions in England are the North West and the West Midlands
- In the year to December 2020, the West Midlands region's export value was worth £24.5bn, a decrease of £7.2bn (-23%) when compared to the year ending December 2019. The UK saw a decrease of 16% to £293.6bn worth of exports in 2020. The West Midlands imported more than £29.6bn worth of goods. This has decreased by £7.1bn (-19%), while the value of all UK imports decreased by 14% to £419.6bn. The West Midlands had a trade deficit of £5.2bn in the year ending Q4 2020.

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Global, National and Regional Outlook

Alice Pugh, WMREDI; Rebecca Riley WMCA/WMREDI

Global

Russia and China have condemned Western sanctions that the EU, UK, US and Canada took when blacklisting some senior Chinese Officials for rights abuses against ethnic Uighurs. As a result, Russia has stated that by imposing new sanctions on China for human rights abuses, the EU had made a unilateral decision' and had 'destroyed' ties with Russia, according to the BBC. This is the first time since the 1989 Tiananmen Square crackdown that the EU has imposed sanctions on China due to human rights abuses.

Visiting Nato in Brussels on Tuesday, US Secretary of State Antony Blinken also stressed his government's strong opposition to the Russian Nord Stream 2 gas pipeline, which will run under the Baltic Sea from Russia to Germany. Germany risks US sanctions over the nearly-completed pipeline, as the US government sees it as a Russian tool to further divide Europe. The pipeline bypasses Ukraine and Poland - who also strongly oppose it. Russia and China have agreed that these sanctions are an unacceptable way to conduct international relations, with China denying the mistreatment of the Uighurs. However, Rights groups have gathered strong evidence that China has detained more than one million Uighurs over the past few years in what the state defines as 're-education camps'. China denies the Western charges, saying the camps are "re-education" facilities used to combat terrorism. China responded with its own sanctions on European officials on Monday. The BBC reported that China's Foreign Minister Wang Yi, had stated powerful countries "should not wantonly meddle in others' internal affairs according to their own standards, or use the banner of democracy and human rights to build their power".

After the fires across Australia last year, Australia is now facing floods. Parts of New South Wales have seen almost 1m of rain, flooding hundreds of homes and severing road access. With Sydney's largest dam expected to continue to overflow for at least another week. So far the Warragamba Dam has discharged 500 gigalitres on Sydney - equivalent to the volume of Sydney Harbour. It has been reported that at least 700 rescues had been conducted, 9,000 insurance claims had already been lodged and 2,500 people have requested financial assistance. Scientists highlight that as climate change worsens in the future, there will be greater and greater weather disasters such as this.

The Euro Zone economic activity has surprisingly returned to growth this month as factories ramped up production to its fastest pace in over 23 years, offsetting a continuing slowdown in the bloc's dominant services industry. However, with the third wave of coronavirus infections and renewed lockdown measures, as well as the slow vaccine rollouts, it is likely that these benefits will be subdued in coming months. Even the most optimistic respondent in a Reuters poll had said it would rise to 51.0 and the median predicted only a modest increase to 49.1. The Economic Times has highlighted that the service sector remains the Euro Zones weakest spot, but the rate of decline has been moderated by the upturn in the manufacturing sector, and the adjustment of customers to life during a pandemic.

National

The BBC has reported this week that the Government has announced a £5,000 fine for anyone in England trying to travel abroad without good reason, to come into effect next week as part of the new coronavirus laws. The penalty is included in legislation that will be voted on by MPs on Thursday. Foreign holidays are currently not allowed under the "stay at home" rule which ends on Monday 29 March. From next week the ban on leaving the UK will become a specific law, backed up by the threat of the fine. Under the current plan for easing restrictions, the earliest date people in England could go abroad for a holiday would be 17 May. However, another surge in Covid cases in continental Europe, as well as the slow rollout of vaccines across Europe, has cast doubt on the resumption of foreign travel.

The Health Secretary has said restrictions on travelling abroad were necessary to guard against the importation of large numbers of cases and new variants which might put the vaccine rollout at risk. With Europe experiencing its 3rd wave of Covid-19, it is likely that the UK will feel the effects of a rising number of cases on the continent. Only British nationals and people who are normally resident in the UK are allowed to travel back to the UK - but those two groups must pay to quarantine in a hotel if they do choose to come at the moment. Under the new law anyone who

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leaves England for a destination outside the UK without a reasonable excuse, such as for work, education or medical treatment, could face a £5,000 fine. Anyone travelling abroad will have to fill in a 'Declaration to Travel' form, stating a valid reason for leaving the country. This travel ban does not cover the Common Travel Area of the Channel Islands, Isle of Man and the Republic of Ireland unless that is not the final destination.

It was also announced this week that the government is creating four regional trade hubs to boost economic growth across the UK. The Secretary of State for International Trade stated that the hubs will be located in Edinburgh, Cardiff, Belfast and Darlington. The aim is to boost exports by providing localised advice from export and investment specialists to firms. The BBC reported that the government stated the new hubs will provide support and advice to help regional businesses to access major trade markets and boost exports, as part its efforts to boost pandemic recovery. According to recent government-led research, exports support 6.5m jobs across the UK, 74% of which are outside of London. The report also found that jobs directly and indirectly supported by exports pay around 7% higher than the national median. But new data from the Office for National Statistics (ONS) shows UK goods exports to the European Union fell 40.7% in January. The economy is 9% smaller than it was before the start of the coronavirus pandemic. However, some are questioning why the government has chosen Darlington as the two regions with larger manufacturing and export in England are the North West and the West Midlands.

It was reported in the Guardian this week that the government risks creating a serious funding gap for science, as delays over budgets and cuts to research are undermining the sector and boasts about Britain's status as a science superpower. The Labour party outlined that the lack of agreement for collaboration with European scientists via the Horizon research programme, as well as the lack of an agreed budget for the main government science funding scheme, will leave the sector struggling. The government is currently aiming to have a science research agency modelled on the Advanced Research Projects Agency (Arpa) in the US, a project heavily promoted by Dominic Cummings. Whilst Labour is supportive of this idea, they warn that it risks being undermined by the lack of certainty surrounding budgets. There is also uncertainty surrounding UK Research and Innovation (UKRI), a semi-attached public body linked to BEIS. UKRI has a key role in funding and other scientific areas. It still had no agreed budget a matter of weeks before the new financial year. There are worries that the UKRI may see further budget cuts after it had announced that its budget for international development projects has been cut from £245m to £125m: the result of the government's decision to reduce its international aid budget from 0.7% of gross national income to 0.5%, bringing criticism from a number of scientists.

ONS reported that productivity grew at the fastest rate on record in the middle of 2020 when compared with the quarter before, but this fell away again in the last three months of the year. This was mainly because the least productive industries were those hardest hit by the pandemic, and their shrinking size had a positive effect on overall (average) productivity. Somewhat surprisingly output per hour (the leading measure of productivity) in 2020 as a whole was actually up slightly on 2019, largely due to those industry structure effects. As the retail and hospitality industries are expected to recover in 2021, this would push down overall productivity. The full impact of Covid-19 on productivity is not apparent yet.

However, some new methods were found to boost productivity in certain areas which might be the new norm, such as home-working. If so, what will this do to productivity? Have businesses and the public sector learnt things from the pandemic that might make them more productive in future? ONS has announced a survey of users of ONS productivity statistics, to find out more about who uses their data, what they use it for, what they like about their current statistics and what could be improved in the future. The survey is open until 30 April 2021. They are also requesting ideas on proposed new methods to measuring education quality in their public service productivity estimates. Since public services are largely provided free at the point of use, it is difficult to measure their economic value, and thus their productivity. Understanding the productivity of these public services as best as possible will be crucial in the future, especially as budget cuts are expected to help balance the budget.

Regional

It was announced this week that WMG and the University of Warwick have been awarded £5m in funding and a key coordinating role in the Government's 'Driving the Electric Revolution Industrialisation Centre programme'. Driving the Electric Revolution is a UK Research and Innovation (UKRI) funded Industrial Strategy Challenge Fund technology programme to help achieve the UK's net zero ambitions working across cars, aircraft, rail, marine, renewables, industrial digital technology, industrial power electronics, and machines and drives. The UKRI is set to be investing £28.5m into cutting edge equipment across the UK. The University and WMG have won funding for two pieces of equipment. The first is £4m for a new Winding Centre for Excellence; the facility will help UK supply chain companies to manufacture discrete hairpin machines. The second is an award for £1.3m to focus on the power of electronics reliability and failure analysis. Both of these projects were rewarded in partnership between UKRI and the High Value Manufacturing Catapult. WMG at the University of Warwick has also been selected to provide leadership to the Midlands' Driving the Electric Revolution Centre, which is one of four across the UK. These centres will coordinate and build on the UK's national capability to deliver long-term sustainable growth on the road to net zero.

As the government is perusing green technology and clean public transport they are currently investing large amounts of funding into this sector and thus a company in Warwickshire has also won support for an £11.3m project from the government to develop and manufacture an energy recovery system to reduce energy use in electric vehicles. The e-MOTIF project led by Shield Manufacturing Technologies in Southam combines lightweight energy recovery technology from motorsport with a new motor and inverter for electric cars and vans to cut energy consumption and CO2 emissions. The technology is scalable and cost effective for global manufacturers and will lead to the development of three new manufacturing centres opening across the UK. The funding for these projects, comes from a combined £54m from government and industry, which has been committed to three projects across the UK, cars, buses, heavy goods vehicles and vans.

The Stone Yard major residential apartment scheme on the former Bull Ring Trading Estate in Digbeth has been given a £5m boost in funding, by the West Midlands Combined Authority (WMCA). The WMCA has invested the capital into the £280m Stone Yard scheme of the Birmingham developer Court Collaboration, which is building the 995 apartments. The complex will be built across seven blocks of differing heights up to 32 storeys with all units available to rent only. 20% of the housing provided will be affordable, based on the WMCA's definition linked to local wages rather than property prices, alongside 30,000 sq ft of commercial space for uses such as a gym, cinema and co-working space. The WMCA's contribution is set to contribute towards the clean-up of the land at the corner of Alcester Street and High Street Deritend, which has stood vacant in recent years.

The official mascot for the Birmingham 2022 Commonwealth Games was revealed this week as Perry, a bull covered in a patchwork of multicolour hexagons. Perry is inspired by the design of ten-year-old Emma Lou, the winner of a national design competition that took place over the summer of 2020. The competition tasked children aged 5-15 with creating a mascot that reflects the identity, heritage and culture of Birmingham and the West Midlands. Perry is named after the Perry Barr area of Birmingham, home of the Alexander Stadium, which will be hosting the athletics events, as well as the opening and closing ceremonies. Currently, the stadium is undergoing a £72m refurbishment in time for the Games.

Perry will be the first mascot of any multi-sport games who will be brought to life via augmented reality, offering individuals the opportunity to #PoseWithPerry using their mobile phone, and with a new filter on Facebook and Instagram. Users will be able to summon an animated, 3D version of Perry to pose with anywhere they wish using their mobile phones and then share them by social media. The Chief Executive of Birmingham 2022 Commonwealth Games, Ian Reid, told thebusinessdesk.com that "Perry is everything I hoped our mascot would be and more: bright, colourful, energetic and totally representative of modern Birmingham and the West Midlands. Perry celebrates diversity, community, and our region's heritage as well as its future."

Top Five From Around the Web

Keziah Watson WMCA

- How do you vaccinate the homeless population? That is the question that Manchester is beginning to answer through dedicated outreach teams, as described by The Guardian.

- Localis have released their report, 'At the Right Level' which looks at Oxford's call for greater powers for the city to make their own choices around health and education inequalities, deal with transport links, and make the most of their anchor institutions. This culminates in a £1bn Endowment Deal to provide the city with the long-term funding and strategy it would need.

- Shelter reports that 14% of adults, or one in seven people, are worried about being made homeless due to the pandemic, with half of private renters facing poor mental health as a result of worries over bills and finances. The research also shows 24% of private renters having to borrow money to make their rent.

- The Resolution Foundation has released a review of the policy decisions of the last 12 months when it comes to COVID, highlighting many successes but also the consistent, damaging failure to enter lockdown early enough. The briefing note also explains the unequal effect of the pandemic on household incomes which means the rich are richer and the poor are poorer.

- The Lancet shows that vaccines alone will not completely manage COVID, but vaccines alongside appropriately non-pharmaceutical interventions will sufficiently keep it under control. Early relaxation of social distancing or other measures may still increase the number of cases.

Agents' summary of business conditions – 2021 Q1

Bank of England

This publication summarises intelligence gathered by the Bank's Agents between mid-January and late February 2021. The Agents' scores published alongside this document are based on information gathered over the same period but they generally represent activity over the past three months compared with a year ago.

During the early stages of the pandemic in 2020, economic activity fell at an unprecedented pace, reflected in some Agents' scores moving to the extremes of their range, where scores can be consistent with a wide range of quantitative outcomes. Although activity has recovered relative to the troughs in early 2020, a number of the Agents' scores have remained very low. In part, that reflects activity in some areas remaining consistent with the extremes of their distribution, despite the recovery – especially as most scores compare the current situation with a year ago.

Consumer demand

Spending on consumer goods and services continued to be weaker than a year ago, as stores and venues remained closed due to Covid-19 (Covid) restrictions, but there were signs of demand re-emerging in some sectors.

In-store sales for non-essential retailing were affected by lockdown restrictions in place to contain the spread of Covid, although online sales continued to grow. Sales of clothing and cars were particularly weak. Sales of household, technology, home-improvement and sports and leisure goods continued to be stronger than a year ago. And demand for outdoor furniture and gardening equipment also appeared to be picking up, perhaps in anticipation of restrictions on socialising being eased in the coming months.

Supermarkets and convenience stores also continued to report stronger sales than a year ago, reflecting consumers trading up to higher-priced products and increased alcohol sales. But contacts expected sales growth to fall back when the hospitality and leisure sectors reopen, and consumers switch to more social forms of consumption.
With much of the UK consumer services sector closed due to lockdown restrictions, sales in February remained markedly weaker than a year ago. Nonetheless, contacts in the travel and tourism industry reported a sharp pickup in domestic holiday bookings for this year following the UK Government's announcement of plans to ease restrictions in the coming months.

Looking ahead, most contacts expected there to be a gradual recovery in spending on consumer services when currently closed companies are permitted to reopen, though demand could be tempered by consumer uncertainty about the economic outlook. And companies operating outdoor activities or venues were generally more optimistic about their near-term prospects than those operating in enclosed spaces.

Business and financial services

Overall, business services activity remained weaker than a year ago. Activity in some sectors held steady or improved, though Covid-related restrictions and the adjustment to new trading arrangements with the EU weighed on activity in some areas.

Logistics activity weakened due to Covid-related factors and an unwinding of strong demand in 2020 Q4, when customers had brought forward Brexit-related stock building and deliveries to avoid disruption when new trading arrangements with the EU came into effect. There were reports of some business services firms, for example legal and financial services, moving some staff to the EU.

Covid restrictions continued to weigh heavily on corporate hospitality, events and travel, as well as on wholesalers supplying the hospitality sector. Activity supporting the oil and gas sector remained considerably weaker than a year ago, and revenues relating to commercial property transactions were also subdued.
However, contacts in banking, insurance and asset and financial management said revenues remained broadly stable over the past few months and accountants and legal firms reported good levels of demand for advisory services relating to EU withdrawal and corporate transactions. Contacts also reported strong business in corporate restructuring, a significant factor in low insolvency levels.

Growth in IT services revenues continued to be supported by demand for digitisation and remote working.

And recruitment consultants reported a modest pickup in business, albeit from a low base, reflecting demand for executives and skilled workers. Following the announcement of the UK Government's plans to lift Covid restrictions, some contacts were cautiously optimistic that conditions would stabilise from mid-2021, and a few expected a return to modest growth as the vaccination programme progresses and restrictions are loosened.

Manufacturing

Manufacturing output remained markedly weaker than a year ago, reflecting a variety of factors relating to EU withdrawal and Covid.

Output was particularly depressed among contacts that had been most exposed to the pandemic, such as those supplying the food services sector; petrochemicals; civil aviation and utilities. But these sectors also expected output to improve over the coming 12 months. Automotive output remained weak, partly due to disruption to supply chains – for example a shortage of semiconductors – but appeared to be stabilising. And some sectors, such as industrial chemicals, pharmaceuticals, and mining and quarrying, reported modest output growth compared with a year ago.

Contacts attributed some of the recent weakness in output to the unwinding of stock building that had taken place in late 2020 ahead of new trading arrangements with the EU coming into effect, and freight delays that had resulted in materials shortages. There were also reports of output growth being affected by non-tariff barriers to trading with the EU, such as issues relating to customs declarations and freight, rules of origin and product-labelling requirements. Smaller firms generally reported experiencing more severe disruption than larger companies. However, contacts said disruption was starting to ease, and companies were also becoming accustomed to the new requirements. However, contacts continued to report severe disruption to the flow of goods from Great Britain to Northern Ireland. There were few reports of contacts being unable to trade with the EU at all; some said they had relocated distribution hubs to the EU from the UK in order to continue selling to EU countries.

Construction

Construction output continued to be lower than a year ago, partly due to subdued demand from sectors worst affected by Covid, though public projects continued.

Contacts said that private commercial work remained substantially down on the previous year, in particular for office, hospitality and leisure developments. By contrast, there was strong growth in industrial developments such as logistics and warehousing. Public infrastructure projects continued to support output, in particular school and transport developments, and contacts reported a good pipeline of publicly funded work. Looking ahead, contacts also expected green energy projects to support growth. In house building, demand for private housing remained strong, although output was lower than a year ago due to supply chain issues and lower productivity as a result of social distancing rules. Construction of social housing had picked up less quickly due to the postponement of some projects, though housing association developments appeared to be strengthening more recently. Demand for home improvements, repair and maintenance continued to be strong, though some activity may have been delayed as a result of lockdown. And contacts said that public repair and maintenance work had also held up.

Corporate financing conditions

Demand for credit increased slightly; credit availability tightened for sectors most affected by the pandemic.

Credit demand among small and medium-sized companies was reported to have risen slightly due to Covid-related restrictions. And demand was expected to increase further in the coming months as deferred payments, such as rents, fall due. Government lending schemes were continuing to support lending, though loan applications have been falling in recent months. Medium and large corporates reported strong investor appetite for issuance in debt and equity markets. As a result, demand for bank credit from large corporates remained subdued. Medium-sized companies in stable or growing sectors said that bank credit was readily available. However, contacts in sectors that had been most affected by the pandemic reported some tightening in credit availability, regardless of their size. Availability of trade credit insurance was mixed. Contacts reported premiums rising by between 10% and 30% on renewal but cover had been restored for some firms, helped by the extension of the Government's support scheme until the end of June. Nonetheless, insurers remained cautious about providing coverage to retailers, hospitality and construction firms.

Property markets

Demand for housing remained strong, but investor demand for commercial property was mixed.

Housing market

Contacts said the outlook for the housing market had improved, with activity supported by the extension of the property transaction tax holiday and of the Coronavirus Job Retention Scheme (CJRS). Estate agents expressed concern about a shortage of properties for sale and said buyers appeared to be less price sensitive than normal. Mortgage lenders expect demand for home loans to remain high. Demand for rental property also remained strong in most parts of the UK, causing rents to increase. Rent arrears were reported to have increased only slightly, though there was uncertainty whether that would continue to be the case once the temporary increase in Universal Credit ends later this year.

Commercial property
Investor appetite for commercial property remained below its pre-pandemic level, in particular for retail premises. Contacts reported a significant over supply of retail property and said values and rents were falling. There were also significant rental arrears and a few reports of loan covenants being breached. By contrast, demand for office space in prime locations appeared to be holding up, despite widespread reports of businesses expecting to reduce their office footprint as a result of increased demand for remote-working. There were some reports of interest from overseas investors for property in prime locations or prime office or industrial premises, especially those with existing tenants. Demand for industrial, distribution and science-related premises continued to be very high, leading to an increase in speculative developments.

Investment

Companies' investment intentions picked up modestly but remain weak, with plans mostly conditional on demand recovering over the coming months.
Contacts attributed some of the improvement in sentiment to the Covid vaccination programme and the UK Government's plans to ease lockdown restrictions, although considerable caution remains about the strength of a future recovery. Fewer contacts said that they were cancelling or postponing investment and more said they were reinstating investment to increase efficiency and capacity. The degree of confidence varied by sector, with manufacturers reporting the strongest investment intentions and consumer services firms the weakest. In manufacturing, several contacts reported plans to invest in technology, research and development or to expand their physical capacity, though some also expected to continue to pause investment. Business services companies reported investment in IT and digitalisation to improve efficiency, develop e-commerce and facilitate remote working. Logistics companies said they were continuing to invest in lorries, port facilities and warehousing and storage. By contrast, heavily reduced revenues and depleted cash positions continued to hold back investment plans for many consumer-facing contacts, for example in retail, hospitality and travel. However, food and retail delivery services continued to invest in capacity.

Employment and pay

Employment intentions remained weak but are improving; pay growth was subdued but some contacts plan modest increases this year.
Contacts in sectors most affected by the pandemic – hospitality, leisure and non-essential retail –remained concerned about the need for large-scale redundancies when the CJRS ends later this year. Use of the CJRS in these sectors increased again during the latest social distancing restrictions, though the number of workers on furlough was lower than in spring 2020 as more businesses had adapted to enable some trading. However, a majority of contacts expected headcount to stabilise, having already completed job cuts. And a growing minority of contacts in other sectors reported recruiting again following some recovery in demand, or replacing leavers with more highly skilled staff. There were reports of shortages of experienced professionals and specialist skills, in part due to a reluctance of employees to change jobs in an uncertain environment. And there were concerns about shortages of seasonal migrant labour in agriculture over the coming months. Pay growth remained subdued. Sectors that have been most affected by the pandemic expected to freeze pay again this year and a few contacts planned to defer pay decisions until there is more clarity over the economic outlook. The increase in the National Living Wage (NLW) would also limit pay rises for companies that employ a large proportion of staff on the NLW. However, some businesses expected to raise pay this year, either because they froze pay last year, their business is doing well or they are concerned about retaining skilled staff.

Costs and prices

Contacts reported significant increases in raw materials costs, but so far there is limited evidence of higher costs being passed on to customers due to competition and uncertainty about demand.

Contacts said that the rise in input costs was widespread. Freight costs for sea, air and road transport had increased over the past few months, as had warehousing costs. And the new trading arrangements with the EU were likely to exert further upward pressure on costs. There were also reports of large increases in material and commodity prices, for example steel, timber, copper and agricultural commodities, reflecting a recovery in global demand. In addition, insurance premia have increased across many sectors, including professional indemnity insurance. However, many businesses also reported sharp declines in some other cost elements, such as spending on travel and corporate entertainment. So far there has been only limited evidence of higher costs being passed through to prices. Although more manufacturing firms reported putting up prices slightly, output price inflation overall remained low. In business services, many contacts said they were wary of increasing fees due to competition. In construction, intense competition has led some firms to bid for contracts at very low profit margins, even though costs have risen.
Some retail contacts reported being able to increase prices of products in high demand, such as furniture and home furnishings, in order to cover higher materials costs. But there were also reports of retailers holding stock until next year to avoid heavy discounting. And supermarket food prices are lower than a year ago due to intense competition. However, building cost pressures for some contacts may lead to price increases later this year.

Over 17,500 chain stores closed in 2020 across Great Britain including 1,468 in the West Midlands, with the impact of the pandemic yet to be felt

PWC

- Largest net decline in stores over the last year as the loss approaches 10,000 for the first time
- 48 chain stores are closing a day, with only 21 opening
- West Midlands sees 1,468 shop closures and only 600 openings in 2020
- Location matters above all else with retail parks more resilient to closures

Almost 10,000 chain stores disappeared from Great Britain's retail locations in 2020. In total, 7,655 shops opened, compared to 17,532 closures, a net decline of 9,877. In the West Midlands, 600 shops opened and 1,468 closed, a net decline of 868, according to PwC research compiled by the Local Data Company (LDC).

Although a decline was to be expected in a pandemic, this is the worst ever seen since 2015, with an average of 48 chain stores closing every day, and only 21 opening.

The findings starkly compare to five years ago in 2015, which saw West Midlands shop openings at 1,152 and with closures at 1,120, showing a net growth of 35 and the last time we saw growth over the last 5 years.

Worryingly the real impact of the pandemic is yet to be felt as some stores 'temporarily closed' during lockdowns, are unlikely to return. But while we wait to see the full impact of COVID-19 on store closures, its effect on consumer behaviours are driving changes.

Retail parks have seen the smallest number of net closures of any location (93) in the West Midlands, compared to shopping centres (285) and faring worst of all high streets (487). Footfall was already holding up better in retail parks before the pandemic due to their investment in leisure and some retail parks have benefitted by being anchored by essential retailers that have remained open, even during the tightest restrictions. But it is also because they are considered safer in the current environment: free parking means it's possible to drive to the location (and avoid public transport), outdoor areas mean reduced indoor mixing and larger units allow for better social distancing measures.

Shopping centres by contrast, are often poorly located for consumers who want to shop local and travel less to city centres, and are more likely to host fashion retailers and chain restaurants, which are the number one and three most hard hit categories for net closure in 2020. Meanwhile, the drop off in high-street footfall has affected those multiple retailers located on high streets, particularly those in large city centres. However, this decline in multiples has been somewhat offset by growth in interest of local and independent operators.

Small towns, which have long been in decline at the expense of more populous areas and cities, are now also enjoying a mini-renaissance. Consumers now want to shop in these locations, and larger retailers want to be there.

There is greater regional disparity this year. Looking at absolute figures, London, South East and the North West have seen the most closures, unsurprising given those regions have more chain stores. However, London has undoubtedly been hit harder than other regions, with a record 5.8% increase in net closures this year. Conversely, Wales, Scotland, East of England and South West, where retail destinations are less highly concentrated, have been more protected from closures.

This is a reversal of fortune over the last few years when chain retailers focused on more populous and prosperous regions, such as London and the South East. However, 2020 has seen London and the South East accounting for a third of the decline of all shops, even despite the South East remaining partly protected by the displacement of London shoppers as commuters work from home.

City centres are now faring worse than suburbs and commuter towns, and shopping centre shops are twice as likely to close as retail parks. This shift in how retail locations have been affected is being driven by the number of people working from home.

With fewer people visiting, city centres such as Birmingham, Bristol, Leeds and Newcastle, have seen an almost 8% decline in multiple stores. While London does fare slightly better (-7%), its performance is inflated because of the inclusion of its suburbs, as well as the City and West End, which have seen footfall decline faster in the past year.

Suburbs across the UK have done better, as have commuter towns in the South East and East of England, such as Slough, Orpington, Harlow and Welwyn Garden City. There have also been fewer closures in the smallest towns and seaside towns, such as Scarborough, Eastbourne, Great Yarmouth and Llandudno.

Sarah Phillips, Midlands consumer markets lead at PwC, said;
"For the first time, we're seeing a widening gap between different types of locations: city centres and shopping centres are faltering, but certain retail parks with the right customer appeal are prospering."

"Location is more important than ever as we see a reversal of historical trends. For years, multiple operators have opened more sites in West Midlands cities and closed units in smaller towns. As consumer behaviours and location preferences change, partly as a result of COVID-19, retailers are moving to be where they need to be. Small towns will remain important but we can expect recovery in cities as workers and tourists return, albeit in smaller numbers adopting more flexible working models."

Despite the uncertainty and volatility of the past year, some operators are still expanding and finding the right physical stores in the right sector and the right location. For retail, this includes convenience, discount or essential operators, general merchandise value retailers that don't typically sell online, and local services that need to be located nearby, such as tradespeople or repair shops. For leisure, 'convenient leisure' has grown through takeaways, cake shops and even coffee shops. However, while coffee shops might traditionally be thought of as city centre units, any decline there has been offset by growth in drive-in coffee shops in retail parks and out of town locations.

The effect of COVID-19 is yet to be seen on most categories as much of the impact we have seen this year is a reflection of things that happened before the pandemic. This was not just the move online but areas such as legislative changes, e.g. for betting shops, consolidation due to previous overexpansion, or chainwide closures for restaurants and mobile phone stores that found themselves in trouble pre-COVID-19.

The full extent will be revealed in the coming months as many of the CVAs and administrations in the early part of 2021 still haven't been captured, including department stores, fashion retailers and hospitality operators that will leave big holes in city centre locations. Retail and leisure operators must take action to ensure they are in the right places, so they're not left surrounded by empty units and shopfronts.

"However, there will be big opportunities for growth into the gaps that are emerging. After the global financial crisis we saw growth of discounters and foodservice chains that replaced exiting retailers. There is an opportunity for operators who can find the right location at the right time to thrive, even despite the current uncertainty."

Lucy Stainton, Head of Retail and Strategic Partnerships at The Local Data Company said;
"2020 has been an undeniably challenging and transformative year for the physical retail and leisure landscape and the acceleration of chain store closures seen in our latest research is unlikely to surprise many.

"With the restrictions in place during each of the three national lockdowns, only c.17% of the market was classed as 'essential' and thereby permitted to trade. However, the damage to footfall in some city centre locations and particularly in London meant that a number of chains opted to temporarily shutter their stores irrespective of their 'essential' status. The question now becomes – have we seen the worst of the damage? These numbers only include store closures we know to be permanent and when government support schemes end, we expect a further increase in store closures before the picture starts to improve.

"Looking at where this opening and closure activity has predominated really tells the story of changing consumer preferences and shifting demand. On the whole, flagship city centre high streets and shopping centres saw a greater decline in chain stores versus more local markets and retail parks which proved to be more convenient and perceptibly safer. With this in mind we absolutely believe that after the short-term shake-out, there will be huge opportunity for acquisitive brands who are either looking to launch in different types of locations with new concepts or, take advantage of newly available space in their core markets."

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

Rob Moran, Midlands restructuring partner at PwC, said:
“Government roadmaps across various parts of the UK are set to reactivate the high street. But it's going to look very different post- Covid as businesses will have to weather the twin impacts of permanently changed shopping and working environments.”

“Companies must also run the gauntlet of rent payments and the return of landlord enforcement powers and creditor winding up orders - all whilst trying to bankroll the costs of reopening, general operations, dealing with different regional rules and maximising revenues in what is set to be a fiercely competitive market.”

“So, although we are upbeat about a bounce back for the high street we will also see restructurings on the rise as companies look for sustainable solutions; PwC tracked 29 major CVA launches in the retail consumer hospitality and leisure sectors in H2 2020 alone vs 4 in H2 2019. More will follow in 2021 - alongside new tools such as the Restructuring Plan - as UK businesses simply aim to survive before they can flourish.”

The Rebuilding Prosperity Campaign calls

University College London (UCL)

The UCL Institute for Global Prosperity (IGP) is calling on the Government, policy makers, academics and citizens to adopt a brave and bold approach to shared prosperity by placing livelihood security and people-led policymaking at the heart of COVID-19 recovery planning and the levelling-up agenda.

In a new report, 'Rebuilding Prosperity: A Report for Change', the Institute challenges the traditional models of policy making, prosperity and growth, arguing that rebuilding prosperity in the wake of COVID requires not just radical, brave economic and social policy on a scale not seen since the 1942 Beveridge Report, but an actual redefinition of prosperity and policy-making.

The IGP's call follows an extensive six-year research programme, conducted in partnership with citizen scientists and local communities in East London. The research looked at what prosperity means in the 21st Century, the 'giant evils' that prevent people living prosperous and fulfilling lives and how community led policy-making can shape effective and sustainable place-based prosperity.

Central to the approach is the Institute's pioneering development of the UK's first citizen-led Prosperity Index, a new methodology for defining, measuring and acting to create shared prosperity.

The new index is based on the theory that by sharing knowledge and trying radical new approaches, more innovative policy options that are targeted to specific local communities and effective at improving quality of life will open up. By understanding the factors and assets that form the complex structure of prosperity, the IGP believes that policy makers will be better placed to map successful pathways to prosperity for different places.

The Institute's *Rebuilding Prosperity Report* also calls for an economy of belonging that delivers secure livelihoods for all, and a reimagining of Universal Basic Services – a 21st Century welfare state - that can defeat the modern day giants on the post-COVID road to reconstruction.

The ground-breaking report comes as the UK faces a triple threat of global recession, a rapidly degrading environment, and enduring inequalities widened further by the COVID pandemic. In offering up a radically different approach to prosperity, the work of the IGP provides a Beveridge-like blueprint that can overcome the barriers on the road to recovery, stem the decline in civic and political participation and level-up the UK.

Shaping the COVID decade: addressing the long-term societal impacts of COVID-19

The British Academy

In September 2020, the British Academy was asked by the Government Office for Science to produce an independent review to address the question: What are the long-term societal impacts of COVID-19? This short but substantial question led to a rapid integration of evidence and an extensive consultation process. As history has shown, the effects of a pandemic are as much social, cultural and economic as they are about medicine and health. The aim has been to deliver an integrated view across these areas to start understanding the long-term impacts and how we address them.

Their evidence review – in the companion report, The COVID decade – concluded that there are nine interconnected areas of long-term societal impact arising from the pandemic which could play out over the coming COVID decade, ranging from the rising importance of local communities, to exacerbated inequalities and a renewed awareness of education and skills in an uncertain economic climate.

From those areas of impact they identified a range of policy issues for consideration by actors across society, about how to respond to these social, economic and cultural challenges beyond the immediate short-term crisis. The challenges are interconnected and require a systemic approach – one that also takes account of dimensions such as place (physical and social context, locality), scale (individual, community, regional, national) and time (past, present, future; short, medium and longer term).

History indicates that times of upheaval – such as the pandemic – can be opportunities to reshape society, but that this requires vision and for key decisionmakers to work together. In many places there is a need to start afresh, with a more systemic view, and where we should freely consider whether we might organise life differently in the future.

In order to consider how to look to the future and shape the COVID decade, the report suggests seven strategic goals for policymakers to pursue: build multi-level governance; improve knowledge, data and information linkage and sharing; prioritise digital infrastructure; reimagine urban spaces; create an agile education and training system; strengthen community-led social infrastructure; and promote a shared social purpose. These strategic goals are based on the evidence review and analysis of the nine areas of long-term societal impact identified. The report provides a range of illustrative policy opportunities for consideration in each of these areas.

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

Responding to COVID-19 in Local Authorities

iGov Survey and YPO

The impact of COVID-19 continues to be felt in every sector and every industry across the UK. The pandemic represents the largest healthcare crisis in our lifetimes and has had significant ramifications for both our social and our working lives. All of this presented local government with a unique and unprecedented challenge. Like many other businesses and workplaces, local authorities found themselves looking for ways to ensure their staff could work safely, either in socially distanced COVID-19 secure offices or remotely from home. Yet unlike other organisations, local authorities were also presented with new and significant demands for emergency social care provision, such as the delivery of food packages to the most vulnerable.

Undoubtedly, procurement played – and continues to play – a key role in meeting these challenges. Earlier this year, the UK Government announced an update to the procurement regulations which allowed for a shorter turnaround for purchases during lockdown to enable local authorities to respond quickly and flexibly. With this in mind, iGov Survey partnered with procurement specialists YPO to examine how local authorities are responding to COVID-19. In particular, the study considers the biggest resourcing challenges of COVID-19, how procurement is helping to overcome these, and how the pandemic is changing the role – and perception – of procurement within local authorities

The report found that, as we head into 2021, they are listening to customers to understand their current and future needs. To do this, they need to reflect on the journey our customers have been on during 2020, identify the challenges and the impact, as well as discuss the role that procurement has played. The challenges presented by the pandemic have led to greater collaboration across local authorities with their procurement function – 72% of participants report collaborating more closely with their procurement teams. **The figure below shows the respondents answer as to: "What extent do you feel the following statements represent your authority?":**

On the flipside, the report shows there could be a disconnect between how procurement professionals view things compared to other areas of the business - 75% of participants believe the update in procurement regulations was helpful, compared to 54% overall. This could suggest people aren't collaborating enough with procurement or listening closely enough to their voices, even if they think they are. Could this mean there's room to improve and more work to be done within local authorities to highlight how vital a role procurement plays, and the importance of effective and meaningful collaboration? Thinking about the overall perception of procurement across the organisation, the report shows that many say they're included at the scoping stage of acquiring new services and resources (though still less than half), yet only 15% say it's highly likely (and 17% fairly likely, overall less than a third) that they would include procurement in their leadership team. Does this point to a disconnect between attitudes?

Procurement is evidently critical and impacts many different areas but is not given the same precedence or the appropriate platform to enable true collaboration to become truly collaborative with the rest of the business. 36% of our survey respondents report procurement is vital to potential constitutional changes in local government and another 36% say it is fairly important (72% overall), so there's clearly an understanding across the sector that procurement must be central to a lot of what they do and how they do it - so what's holding them back from strategically involving their procurement and commercial teams?

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

UK Regional Trade in Goods Statistics: Year Ending Q4 2020[1]

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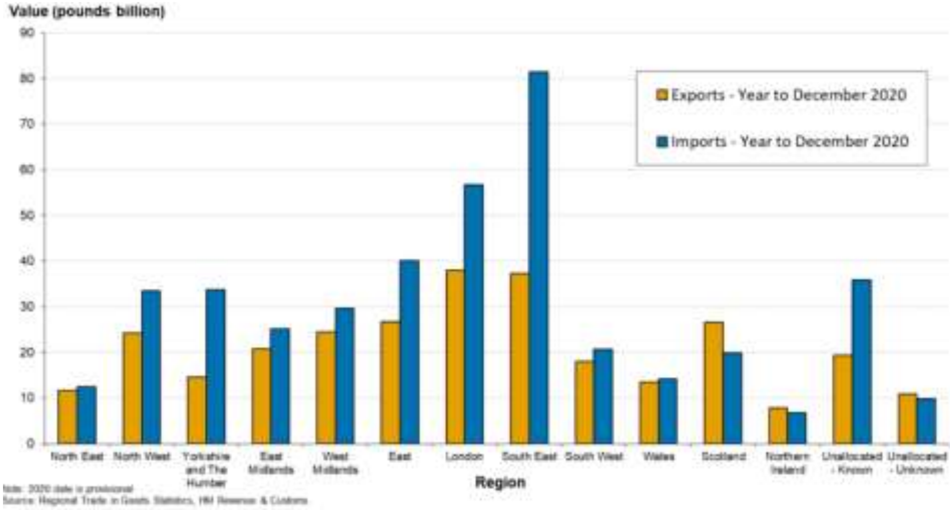
Key Points:

- In the year to December 2020, the West Midlands region's export value was worth £24.5bn, a decrease of £7.2bn (-23%) when compared to the year ending December 2019. The UK decreased by 16% to £293.6bn worth of exports in 2020.
- In the year ending Q4 2020, the West Midlands imported more than £29.6bn worth of goods. This has decreased by £7.1bn (-19%). The value of all UK imports decreased by 14% to £419.6bn.
- The West Midlands had a trade deficit of £5.2bn in the year ending Q4 2020.
- The largest export SITC section in the West Midlands in 2020 was machinery and transport at £16.2bn – 66% of the total. Compared to 2019 as a whole, the value of these exports has decreased by £6.1bn (-27.3%).
- The highest value of exports was to the European Union at £11.3bn, accounting for 46% of the total. Exports to the EU from the West Midlands decreased by £3.3bn (-22%) in 2020, though this was apparent to all other country regions too. The proportion of regional exports that are to the EU remained the same within 2019 and 2020.

In Detail:

- Overall in 2020, the West Midlands region exported £24.5bn and imported more than £29.6bn, leading to a trade deficit of £5.2bn. This reflects a slighter larger deficit when compared to the year ending Q3 2019 when the trade deficit was £5.0bn.

The following chart shows the value of imports and exports by region in the year ending Q4 2020:

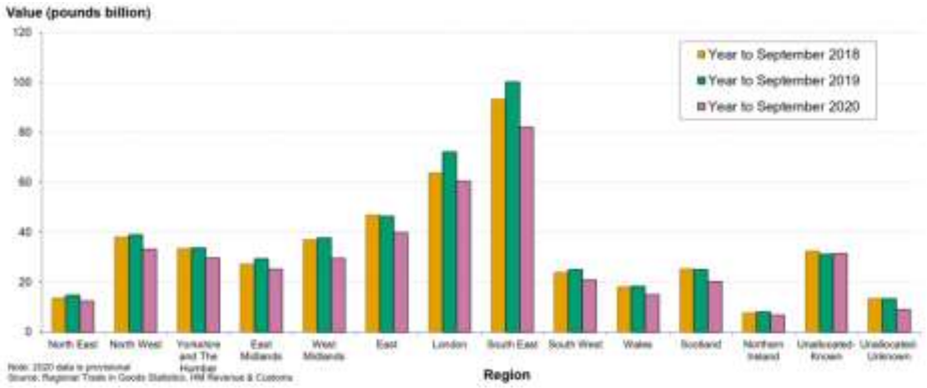


Exports

- In the year to December 2020, the overall value of UK trade in goods exports decreased by 16% compared with the same period the previous year. All UK countries and regions saw a decrease in annual export value.
- The West Midlands had the largest fall in exports of all English regions - a decrease of £7.2bn (-23%) to £24.5bn when compared to the year ending December 2019. Wales was the only UK region or country with a larger decrease in percentage terms (a fall of 24% or £4.3bn), while Scotland (a fall of 21% or £7.2bn) and the South East (-20% or £9.4bn) also had comparatively large falls.
- There was a considerable increase in the value of exports in Q4 2020 when compared to the previous two quarters. The overall value of UK exports rose 13% between Q3 and Q4 2020, with the West Midlands reporting a 18.6% increase (from £6.0bn to £7.1bn) – the second highest quarter-on-quarter growth of all UK regions.

[1] Year ending Q4 refers to the year ending December

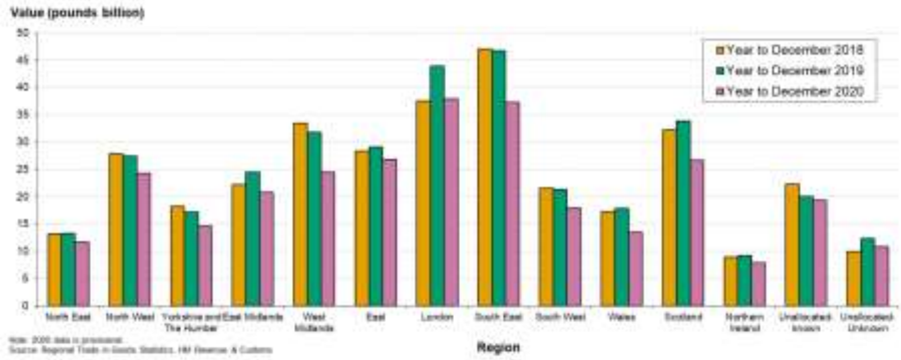
The following chart shows UK exports by region, years to Q4 2018, Q4 2019 and Q4 2020:



Imports

- The value of the West Midlands region's imports decreased by £7.1bn (-19%) to more than £29.6bn in the year ending Q4 2020 compared with the year ending Q4 2019. The UK decreased by 14% to £419.6bn over the same period.

The following charts shows UK imports by region, years to Q4 2018, Q4 2019 and Q4 2020: Standard International Trade Classification (SITC)



- West Midlands exports across all but one SITC sections (Beverages and Tobacco) decreased between the year ending Q4 2019 and Q4 2020.

- In the year ending Q4 2020, the largest export SITC section in the West Midlands in 2020 was machinery and transport at £16.2bn – 66% of the total. Compared to 2019 as a whole, the value of these exports has decreased by £6.1bn (-27.3%).

- 10.8% (£2.6bn) of goods exported from the West Midlands comes from manufactured goods, followed by 10.7% (£2.6bn) for miscellaneous manufactures.

- Excluding crude materials, within which imports increased from £532m to £586m, and animal and vegetable oils, which increased from £95m to £119m, West Midlands imports across SITC sections decreased between 2019 and 2020.

- The SITC section with the largest value of imports in 2020 was machinery and transport at £13.1bn, reflecting 44% of total imports. This has decreased since Q4 2019 by £3.5bn (-21%).

- 19% (£5.7bn) of imports in 2020 were manufactured goods, followed by 16% (£4.8bn) that were miscellaneous manufactures.

The following table shows a breakdown of exports and imports by SITC section and the percentage change between year ending Q4 2019 and Q4 2020:

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

Figures in £ million	WM			UK		
Exports by SITC Section	**Year Ending Q4 2019**	**Year Ending Q4 2020**	**% Change**	**Year Ending Q4 2019**	**Year Ending Q4 2020**	**% Change**
0 Food and Live Animals	£682	£643	-5.7%	£15,733	£14,885	-5.4%
1 Beverages and Tobacco	£76	£80	5.3%	£7,989	£6,405	-19.8%
2 Crude Materials	£758	£704	-7.1%	£6,850	£6,365	-7.1%
3 Mineral Fuels	£187	£138	-26.2%	£31,666	£20,634	-34.8%
4 Animal and Vegetable Oils	£28	£25	-10.7%	£523	£517	-1.1%
5 Chemicals	£1,470	£1,373	-6.6%	£53,996	£52,037	-3.6%
6 Manufactured Goods	£3,225	£2,634	-18.3%	£31,825	£33,007	3.7%
7 Machinery and Transport	£22,277	£16,203	-27.3%	£135,920	£107,724	-20.7%
8 Miscellaneous Manufactures	£2,941	£2,613	-11.2%	£54,500	£42,784	-21.5%
9 Other commodities nes	£62	£58	-6.5%	£8,830	£9,212	4.6%
Total Exports	£31,706	£24,470	-22.8%	£347,831	£295,389	-15.6%
Imports by SITC Section	**Year Ending Q4 2019**	**Year Ending Q4 2020**	**% Change**	**Year Ending Q4 2019**	**Year ending Q4 2020**	**% Change**
0 Food and Live Animals	£2,693	£2,560	-4.9%	£40,892	£40,202	-1.7%
1 Beverages and Tobacco	£260	£240	-7.7%	£6,581	£6,624	0.7%
2 Crude Materials	£532	£586	10.2%	£10,939	£11,487	5.0%
3 Mineral Fuels	£699	£374	-46.5%	£43,954	£26,330	-40.1%
4 Animal and Vegetable Oils	£95	£119	25.3%	£1,403	£1,483	5.7%
5 Chemicals	£2,353	£2,180	-7.4%	£57,487	£53,177	-7.5%
6 Manufactured Goods	£7,438	£5,697	-23.4%	£56,651	£52,921	-6.6%
7 Machinery and Transport	£16,583	£13,070	-21.1%	£183,765	£150,082	-18.3%
8 Miscellaneous Manufactures	£6,052	£4,780	-20.9%	£78,944	£70,805	-10.3%
9 Other commodities nes	£11	£9	-18.2%	£6,989	£6,450	-7.7%
Total Imports	£36,714	£29,632	-19.3%	£487,605	£419,561	-14.0%

Country Group

- West Midlands exports decreased in all country groups between 2019 and 2020.
- The highest value of exports was to the European Union at £11.3bn, accounting for 46% of the total. Exports to the EU from the West Midlands decreased by £3.3bn (-22%) in 2020, though this was apparent to all other country regions too. The proportion of regional exports that are to the EU remained the same within 2019 and 2020.
- Exports to North America, the second largest market, fell by 26% between 2019 and 2020 to £5.9bn from £7.9bn. The smallest decrease was for exports to Eastern Europe (excluding EU): a drop of 19% compared to the year ending December 2019. The share of West Midlands exports to Asia and Oceania rose slightly between 2019 and 2020 (from 16% to 17% of total exports) despite the value decreasing by £917m (-18%).
- Excluding Latin America and Caribbean, where imports increased from £417m in year ending Q4 2019 to £422m in year ending Q4 2020, imports from all other country groups decreased.
- The highest value of imports was from the European Union at £17.7bn, accounting for 60% of total West Midlands imports. This reflects a £5.1bn decrease in value (-22%) from 2019, while the proportion of total West Midlands imports coming from the EU also reducing slightly (from 62% in 2019 to 60% in 2020). Asia and Oceania is the second highest region in terms of imports at £7.5bn (25%), registering a decrease of £814m (-10%) between 2019 and 2020.

The following table shows a breakdown of exports and imports by country group and the percentage change between year ending Q4 2019 and Q4 2020:

Figures in £ million	WM			UK		
Exports by Country Group	**Year Ending Q4 2019**	**Year Ending Q4 2020**	**% Change**	**Year Ending Q4 2010**	**Year Ending Q4 2020**	**% Change**
Asia & Oceania	£5,163	£4,246	-17.8%	£58,874	£50,409	-14.4%
Eastern Europe (excl EU)	£676	£581	-14.1%	£5,593	£4,752	-15.0%
European Union	£14,603	£11,332	-22.4%	£168,486	£141,097	-16.3%
Latin America and Caribbean	£396	£283	-28.5%	£5,044	£4,178	-17.2%
Middle East and North Africa (excl EU)	£1,530	£1,000	-34.6%	£18,519	£15,025	-18.9%
North America	£7,891	£5,860	-25.7%	£62,220	£50,216	-19.3%
Sub-Saharan Africa	£374	£296	-20.9%	£5,923	£4,547	-23.2%
Western Europe (excl. EU)	£1,071	£870	-18.8%	£15,828	£15,413	-2.6%
Undefined Country Group	£2	£2	0.0%	£7,342	£7,952	8.3%
Total Exports	£31,706	£24,470	-22.8%	£347,831	£293,589	-15.6%
Imports by Country Group	**Year Ending Q4 2019**	**Year Ending Q4 2020**	**% Change**	**Year Ending Q4 2010**	**Year Ending Q4 2020**	**% Change**
Asia & Oceania	£8,317	£7,503	-9.8%	£101,053	£99,543	-1.5%
Eastern Europe (excl EU)	£471	£283	-39.5%	£8,811	£7,602	-13.7%
European Union	£22,843	£17,727	-22.4%	£266,721	£222,791	-16.5%
Latin America and Caribbean	£417	£422	1.2%	£5,850	£5,387	-7.9%
Middle East and North Africa (excl EU)	£747	£599	-19.8%	£13,869	£8,764	-36.8%
North America	£2,422	£1,903	-21.4%	£47,356	£39,495	-16.6%
Sub-Saharan Africa	£291	£269	-7.6%	£6,841	£6,026	-11.9%
Western Europe (excl. EU)	£1,204	£925	-23.2%	£31,265	£24,642	-21.2%
Undefined Country Group	-	-		£5,839	£5,311	-9.0%
Total Imports	£36,714	£29,632	-19.3%	£487,605	£419,561	-14.0%

Source: HM Revenue & Customs, UK Regional Trade in Goods Statistics Quarter 4 2020 – Released 18th March 2021

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

Claimant Count and Labour Market Statistics: Released March 2021

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UK Summary[2]

- Early estimates for February 2021 indicate that there were 28.3 million payrolled employees in the UK, a fall of 2.4% (-693,000 people) compared with the same period of the previous year. Compared with the previous month, the number of payrolled employees increased by 0.2% in February 2021 – equivalent to 68,000 people.
- There were an estimated 601,000 vacancies in the UK in December 2020 to February 2021; this is 220,000 fewer than a year ago.
- Approximately half a million employees received no pay while their job was on hold and/or affected by the coronavirus pandemic in April and May 2020. This decreased and had remained largely flat at approximately 200,000 since July 2020; however, it has increased over the last quarter to an average of just over 300,000 in December 2020 and January 2021.
- The UK unemployment rate, in the three months to January 2021, was estimated at 5.0%, 1.1 percentage points higher than a year earlier and 0.1 percentage points higher than the previous quarter.
- The redundancy rate, in the three months to January 2021, was estimated at 11.0 people per thousand employees.
- Growth in average total pay (including bonuses) among employees for the three months November 2020 to January 2021 increased to 4.8%, and growth in regular pay (excluding bonuses) increased to 4.2%; it is estimated that by removing the compositional effect, the underlying wage growth is around 3% for total pay and around 2.5% for regular pay.

Regional Labour Market Summary[3]

- For the three months ending in January 2021, the West Midlands Region employment rate (aged 16 – 64 years) was 73.9%, a decrease of 1.1pp from the previous quarter. The UK employment rate was 75.0%, a decrease of 0.3pp from the previous quarter.
- For the three months ending in January 2021, the West Midlands Region unemployment rate (aged 16 years and over) was 6.0%, which has increased by 0.6pp since the previous quarter. The UK unemployment rate was 5.0%, an increase of 0.1pp from the previous quarter.
- For the three months ending in January 2021, the West Midlands Region economic inactivity rate (aged 16 – 64 years) was 21.2% - an increase of 0.6pp from previous quarter. The UK economic inactivity rate was 21.0%, an increase of 0.3pp from the previous quarter.
- Between September and December 2020, workforce jobs decreased in most regions of the UK. However, the West Midlands had the largest increase in workforce jobs, with an increase of 26,000 (to 2,850,000 in December 2020).

WMCA 3 LEP Summary

- There were 216,195 claimants aged 16 years and over in the WMCA (3 LEP) area in February 2021, an increase of 9,495 people when compared to January 2021. This was a 4.6% increase compared to an overall UK increase of 5.3%. For the WMCA (3 LEP) area, when compared to March 2020 (117,590) the number of claimants has increased by 98,605 (+83.9% compared to +112.4% UK). When compared to February 2020 (115,060), the number of claimants has increased by 101,135 (+87.9% compared to +114.6% UK).
- There were 42,620 youth claimants in the WMCA (3 LEP) area in February 2021, this is an increase of 1,705 people when compared to January 2021. This equates to an increase of 4.2%, while the UK increased by 3.9%. For the WMCA (3 LEP) area, when compared to March 2020 (22,835) the number of claimants has increased by 19,785 (+86.6% compared to +112.3% for the UK). When compared to February 2020 (22,140), the number of claimants has increased by 20,480 (+92.5% compared to 117.3% for UK).

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[2] Source: ONS, Labour Market Overview; UK: March 2021

[3] Source: ONS, Labour Market in the Regions of the UK: March 2021. Please note, Labour Force Survey (LFS) responses are weighted to official population projections. As the current projections are 2018-based they are based on demographic trends that pre-date the COVID-19 pandemic. We are analysing the population totals used in the weighting process and may make adjustments if appropriate. Rates published from the LFS remain robust; however, levels and changes in levels should be used with caution.

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

Claimant Count[4]

Claimant count for people aged 16+:

- There were 216,195 claimants aged 16 years and over in the WMCA (3 LEP) area in February 2021, an increase of 9,495 people when compared to January 2021. This was a 4.6% increase compared to an overall UK increase of 5.3%. For the WMCA (3 LEP) area, when compared to March 2020 (117,590) the number of claimants has increased by 98,605 (+83.9% compared to +112.4% UK). When compared to February 2020 (115,060), the number of claimants has increased by 101,135 (+87.9% compared to +114.6% UK).
- Within the WMCA (3 LEP), the Black Country LEP had 67,380 claimants aged 16 years and over in February 2021, an increase of 2,690 (+4.2%) claimants from the previous month. When compared to March 2020 (38,275) the number of claimants has increased by 29,105 (+76.0%). When compared to February 2020 (37,115), the number of claimants has increased by 30,265 (+81.5%).
- In Coventry and Warwickshire LEP, there were 34,310 claimants aged 16 years and over in February 2021, an increase of 1,965 (+6.1%) claimants since January 2021. For the Coventry and Warwickshire LEP area, when compared to March 2020 (15,825) the number of claimants has increased by 18,485 (+116.8%). When compared to February 2020 (15,460), the number of claimants has increased by 18,850 (+121.9%).
- In Greater Birmingham and Solihull LEP, there were 114,505 claimants aged 16 years and over in February 2021, an increase of 4,840 (+4.4%) claimants since January 2021. In the Greater Birmingham and Solihull LEP area, when compared to March 2020 (63,490) the number of claimants has increased by 51,015 (+80.4%). When compared to February 2020 (62,485), the number of claimants has increased by 52,020 (+83.3%).

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

	February 2020	March 2020	January 2021	February 2021	Feb. 2021 (Claimants as proportion aged 16-64) Rates[4]	% Change (Feb 20 - Feb 21)	% Change (Mar 20 - Feb 21)	% Change (Jan 21 - Feb 21)
Birmingham	48,560	49,370	80,815	84,120	11.5%	73.2%	70.4%	4.1%
Bromsgrove	1,145	1,165	2,615	2,735	4.6%	138.9%	134.8%	4.6%
Cannock Chase	1,640	1,655	3,325	3,495	5.5%	113.1%	111.2%	5.1%
Coventry	7,750	8,000	16,195	17,155	6.9%	121.4%	114.4%	5.9%
Dudley	8,380	8,515	14,065	14,600	7.5%	74.2%	71.5%	3.8%
East Staffordshire	1,705	1,720	3,640	3,875	5.3%	127.3%	125.3%	6.5%
Lichfield	1,280	1,320	2,645	2,780	4.5%	117.2%	110.6%	5.1%
North Warwickshire	800	845	1,905	2,050	5.2%	156.3%	142.6%	7.6%
Nuneaton and Bedworth	2,745	2,830	4,895	5,140	6.5%	87.2%	81.6%	5.0%
Redditch	1,550	1,535	3,060	3,300	6.3%	112.9%	115.0%	7.8%
Rugby	1,565	1,535	2,990	3,180	4.8%	103.2%	107.2%	6.4%
Sandwell	10,410	10,780	19,250	20,060	9.8%	92.7%	86.1%	4.2%
Solihull	3,595	3,650	7,390	7,715	6.0%	114.6%	111.4%	4.4%
Stratford-on-Avon	1,055	1,050	2,855	3,075	4.1%	191.5%	192.9%	7.7%
Tamworth	1,435	1,490	2,780	2,910	6.2%	102.8%	95.3%	4.7%
Walsall	8,270	8,605	14,665	15,375	8.9%	85.9%	78.7%	4.8%
Warwick	1,545	1,570	3,505	3,710	4.0%	140.1%	136.3%	5.8%
Wolverhampton	10,055	10,380	16,710	17,350	10.6%	72.6%	67.1%	3.8%
Wyre Forest	1,575	1,580	3,400	3,585	6.1%	127.6%	126.9%	5.4%
WM 7 Met.	**97,025**	**99,300**	**169,090**	**176,370**	**9.6%**	**81.8%**	**77.6%**	**4.3%**
Black Country LEP	37,115	38,275	64,690	67,380	9.2%	81.5%	76.0%	4.2%
Coventry and Warwickshire LEP	15,460	15,825	32,345	34,310	5.7%	121.9%	116.8%	6.1%
Greater Birmingham and Solihull LEP	62,485	63,490	109,665	114,505	9.0%	83.3%	80.4%	4.4%
WMCA (3 LEP)	**115,060**	**117,590**	**206,700**	**216,195**	**8.3%**	**87.9%**	**83.9%**	**4.6%**
United Kingdom	1,255,770	1,268,620	2,558,550	2,694,760	6.5%	114.6%	112.4%	5.3%

- Overall, for the WMCA (3 LEP) area the number of claimants as a proportion of residents aged 16 -64 years old was 8.3% compared to 6.5% for the UK in February 2021[5].

[4] ONS/DWP, Claimant count, March 2021. Please note, figures for previous months have been revised.
[5] SED Board Dashboard reports the number of claimants as a proportion of population aged 16 years and over – WMCA 3 LEP was 6.5% and the UK was 5.0% in February 2021.

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

- Within the WMCA (3 LEP) the number of claimants as a proportion of residents aged 16 to 64 years old varies across the 3 LEPs with the Black Country at the highest with 9.2%, followed by Greater Birmingham and Solihull LEP with 9.0% and then Coventry and Warwickshire LEP with 5.7%[6].

Youth Claimants (Aged 16-24)

- There were 42,620 youth claimants in the WMCA (3 LEP) area in February 2021, this is an increase of 1,705 people when compared to January 2021. This equates to an increase of 4.2%, while the UK increased by 3.9%. For the WMCA (3 LEP) area, when compared to March 2020 (22,835) the number of claimants has increased by 19,785 (+86.6% compared to +112.3% for the UK). When compared to February 2020 (22,140), the number of claimants has increased by 20,480 (+92.5% compared to 117.3% for UK).
- Within the WMCA (3 LEP), the Black Country LEP had 13,645 youth claimants in February 2021, an increase of 420 (+3.2%) claimants from the previous month. When compared to March 2020 (7,750) the number of claimants has increased by 5,895 (+76.1%). When compared to February 2020 (7,445), the number of claimants has increased by 6,200 (+83.3%).
- In Coventry and Warwickshire LEP, there were 6,490 youth claimants in February 2021, this was an increase of 395 (+6.5%) claimants since January 2021. When compared to March 2020 (2,920) the number of claimants has increased by 3,570 (+122.3%). When compared to February 2020 (2,850), the number of claimants has increased by 3,640 (+127.7%).
- In Greater Birmingham and Solihull LEP, there were 22,485 youth claimants in February 2021, this is an increase of 890 (+4.1%) claimants since February 2021. In the Greater Birmingham and Solihull LEP area, when compared to March 2020 (12,165) the number of claimants has increased by 10,320 (+84.8%). When compared to February 2020 (11,845), the number of claimants has increased by 10,640 (+89.8%).

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

	February 2020	March 2020	January 2021	February 2021	Feb. 2021 (Claimants as proportion aged 16-24) Rates	% Change (Feb 20 - Feb 21)	% Change (Mar 20 - Feb 21)	% Change (Jan 21 - Feb 21)
Birmingham	8,955	9,220	15,700	16,340	9.6%	82.5%	77.2%	4.1%
Bromsgrove	220	220	510	525	6.4%	138.6%	138.6%	2.9%
Cannock Chase	350	370	740	745	7.9%	112.9%	101.4%	0.7%
Coventry	1,500	1,550	3,125	3,350	5.5%	123.3%	116.1%	7.2%
Dudley	1,695	1,755	3,000	3,095	10.0%	82.6%	76.4%	3.2%
East Staffordshire	305	320	670	725	6.5%	137.7%	126.6%	8.2%
Lichfield	255	275	500	515	5.6%	102.0%	87.3%	3.0%
North Warwickshire	165	165	380	395	6.8%	139.4%	139.4%	3.9%
Nuneaton and Bedworth	540	570	945	990	8.1%	83.3%	73.7%	4.8%
Redditch	320	310	560	615	7.9%	92.2%	98.4%	9.8%
Rugby	255	245	535	560	5.7%	119.6%	128.6%	4.7%
Sandwell	2,030	2,130	3,915	4,020	11.7%	98.0%	88.7%	2.7%
Solihull	825	830	1,655	1,725	8.5%	109.1%	107.8%	4.2%
Stratford-on-Avon	155	160	470	505	4.7%	225.8%	215.6%	7.4%
Tamworth	290	305	615	625	8.4%	115.5%	104.9%	1.6%
Walsall	1,835	1,940	3,125	3,260	10.9%	77.7%	68.0%	4.3%
Warwick	240	230	645	695	3.6%	189.6%	202.2%	7.8%
Wolverhampton	1,885	1,925	3,185	3,275	12.1%	73.7%	70.1%	2.8%
Wyre Forest	335	315	645	660	7.7%	97.0%	109.5%	2.3%
WM 7 Met.	**18,720**	**19,345**	**33,710**	**35,060**	**8.6%**	**87.3%**	**81.2%**	**4.0%**
Black Country LEP	7,445	7,750	13,225	13,645	11.1%	83.3%	76.1%	3.2%
Coventry and Warwickshire LEP	2,850	2,920	6,095	6,490	5.5%	127.7%	122.3%	6.5%
Greater Birmingham and Solihull LEP	11,845	12,165	21,595	22,485	8.9%	89.8%	84.8%	4.1%
WMCA (3 LEP)	**22,140**	**22,835**	**40,915**	**42,620**	**8.6%**	**92.5%**	**86.6%**	**4.2%**
United Kingdom	236,220	241,760	493,825	513,265	7.3%	117.3%	112.3%	3.9%

- Overall, for the WMCA (3 LEP) area the number of claimants as percentage of residents aged 16 to 24 years old was 8.6% compared to 7.3% for the UK in February 2021.

[6] SED Board Dashboard reports the number of claimants as a proportion of population aged 16 years and over – BCLEP and GBSLEP was 7.1%, CWLEP was 4.4% in February 2021.

- Within the WMCA (3 LEP) the number of claimants as a percentage of residents aged 16 to 24 years old varies across the 3 LEPs with the Black Country at the highest with 11.1%, followed by Greater Birmingham and Solihull LEP with 8.9% and then Coventry and Warwickshire LEP with 5.5%.

Claimant Count by Age and Gender (WMCA 3 LEP)

For those aged 16-24 in the WMCA (3 LEP) area, when comparing February 2021 to January 2021, there was an overall increase of 1,705 which can be split by an additional 1,205 males and an additional 490 females.

For those aged 25-49 in the WMCA (3 LEP) area, when comparing February 2021 to January 2021, there was an overall increase of 5,800 which can be split by an additional 3,645 males and an additional 2,150 females.

For those aged 50 years and over in the WMCA (3 LEP) area, when comparing February 2021 to January 2021, there was an overall increase of 2,005 which can be split by an additional 1,180 males and an additional 825 females.

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

		Feb. 2020	Mar. 2020	Jan. 2021	Feb. 2021	Num. Change (Feb. 21 – Feb. 20)	Num. Change (Feb. 21 – Mar. 20)	Num. Change (Feb. 21– Jan. 21)
Total	**Age 16+**	**115,060**	**117,590**	**206,700**	**216,195**	**101,135**	**98,605**	**9,495**
	Aged 16-24	**22,140**	**22,835**	**40,915**	**42,620**	**20,480**	**19,785**	**1,705**
	Aged 16-17	250	250	375	375	125	125	0
	Aged 18-24	21,890	22,580	40,540	42,245	20,355	19,665	1,705
	Aged 25-49	**65,675**	**67,130**	**117,260**	**123,060**	**57,385**	**55,930**	**5,800**
	Aged 25-29	15,460	15,945	27,975	29,235	13,775	13,290	1,260
	Aged 30-34	15,355	15,635	27,395	28,855	13,500	13,220	1,460
	Aged 35-39	13,435	13,715	23,945	25,225	11,790	11,510	1,280
	Aged 40-44	11,035	11,230	19,870	20,960	9,925	9,730	1,090
	Aged 45-49	10,395	10,605	18,090	18,785	8,390	8,180	695
	Aged 50+	**27,245**	**27,635**	**48,510**	**50,515**	**23,270**	**22,880**	**2,005**
	Aged 50-54	9,765	9,960	17,645	18,460	8,695	8,500	815
	Aged 55-59	8,920	8,985	15,455	16,045	7,125	7,060	590
	Aged 60-64	7,560	7,675	12,765	13,285	5,725	5,610	520
	Aged 65+	995	1,020	2,650	2,725	1,730	1,705	75
Male	**Age 16+**	**67,745**	**69,420**	**122,770**	**128,810**	**61,065**	**59,390**	**6,040**
	Aged 16-24	**13,625**	**14,100**	**24,885**	**26,090**	**12,465**	**11,990**	**1,205**
	Aged 16-17	120	115	190	190	70	75	0
	Aged 18-24	13,510	13,980	24,690	25,910	12,400	11,930	1,220
	Aged 25-49	**38,015**	**38,965**	**69,680**	**73,325**	**35,310**	**34,360**	**3,645**
	Aged 25-29	9,250	9,610	17,300	18,135	8,885	8,525	835
	Aged 30-34	8,905	9,095	16,360	17,285	8,380	8,190	925
	Aged 35-39	7,610	7,730	14,020	14,780	7,170	7,050	760
	Aged 40-44	6,295	6,440	11,565	12,230	5,935	5,790	665
	Aged 45-49	5,955	6,080	10,440	10,895	4,940	4,815	455
	Aged 50+	**16,105**	**16,355**	**28,200**	**29,380**	**13,275**	**13,025**	**1,180**
	Aged 50-54	5,700	5,820	10,175	10,645	4,945	4,825	470
	Aged 55-59	5,270	5,295	9,040	9,380	4,110	4,085	340
	Aged 60-64	4,500	4,575	7,375	7,690	3,190	3,115	315
	Aged 65+	635	655	1,620	1,670	1,035	1,015	50
Female	**Age 16+**	**47,315**	**48,175**	**83,930**	**87,400**	**40,085**	**39,225**	**3,470**
	Aged 16-24	**8,515**	**8,730**	**16,035**	**16,525**	**8,010**	**7,795**	**490**
	Aged 16-17	130	135	185	185	55	50	0
	Aged 18-24	8,380	8,595	15,855	16,340	7,960	7,745	485
	Aged 25-49	**27,665**	**28,165**	**47,580**	**49,730**	**22,065**	**21,565**	**2,150**
	Aged 25-29	6,215	6,340	10,670	11,095	4,880	4,755	425
	Aged 30-34	6,450	6,530	11,035	11,565	5,115	5,035	530
	Aged 35-39	5,825	5,985	9,920	10,450	4,625	4,465	530
	Aged 40-44	4,735	4,790	8,305	8,725	3,990	3,935	420
	Aged 45-49	4,445	4,525	7,655	7,885	3,440	3,360	230
	Aged 50+	**11,140**	**11,280**	**20,315**	**21,140**	**10,000**	**9,860**	**825**
	Aged 50-54	4,070	4,135	7,470	7,815	3,745	3,680	345
	Aged 55-59	3,650	3,690	6,415	6,665	3,015	2,975	250
	Aged 60-64	3,060	3,100	5,390	5,600	2,540	2,500	210
	Aged 65+	365	360	1,030	1,060	695	700	30

Regional Labour Market[7]

[7] Source: ONS, Labour Market in the Regions of the UK: March 2021. Please note, Labour Force Survey (LFS) responses are weighted to official population projections. As the current projections are 2018-based they are based on demographic trends

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- For the three months ending in January 2021, the West Midlands Region employment rate (aged 16 – 64 years) was 73.9%. Since the three months ending October 2020, the employment rate has decreased by 1.1pp while the UK decreased by 0.3pp. Over this period, the West Midlands has had the largest decrease in employment of all English regions. The overall UK employment rate was 75.0% with the highest employment rate within the UK for the three months ending January 2021 in the South East (78.5%) and the lowest in Northern Ireland (69.3%).
- For the three months ending in January 2021, the West Midlands Region unemployment rate (aged 16 years and over) was 6.0%, which has increased by 0.6pp since the previous quarter. The UK unemployment rate was 5.0%, an increase of 0.1pp from the previous quarter. The highest unemployment rate in the UK for the three months ending January 2021 was in London (7.2%), with the lowest unemployment rate in Northern Ireland at 3.7%.
- For the three months ending in January 2021, the West Midlands Region economic inactivity rate (aged 16 – 64 years) was 21.2% - an increase of 0.6pp from previous quarter. The UK economic inactivity rate was 21.0%, an increase of 0.3pp from the previous quarter. The highest economic inactivity rate in the UK for the three months ending January 2021 was in Northern Ireland (28.0%), with the lowest in the South East (18.8%).

A summary of the latest headline estimates for Regions of the UK, seasonally adjusted, November 2020 to January 2021:

	Employment rate – Nov 20 to Jan 21 (aged 16- 64 years)	Change on Aug to Oct 20	Unemployment rate- Nov 20 to Jan 21 (16 years +)	Change on Aug to Oct 20	Inactivity rate – Nov 20 to Jan 21 (aged 16-64 years)	Change on Aug to Oct 20
UK	75.0%	-0.3pp	5.0%	0.1pp	21.0%	0.3pp
Great Britain	75.1%	-0.2pp	5.0%	0.1pp	20.8%	0.2pp
England	75.4%	-0.2pp	5.1%	0.1pp	20.4%	0.2pp
North East	71.3%	0.1pp	6.2%	-0.4pp	23.8%	0.3pp
North West	73.7%	-0.1pp	5.1%	0.4pp	22.2%	-0.1pp
Yorkshire and The Humber	73.8%	0.0pp	5.1%	0.0pp	22.2%	0.0pp
East Midlands	75.6%	0.6pp	5.1%	-0.2pp	20.2%	-0.4pp
West Midlands	**73.9%**	**-1.1pp**	**6.0%**	**0.6pp**	**21.2%**	**0.6pp**
East	77.4%	0.2pp	4.1%	-0.6pp	19.3%	0.4pp
London	74.4%	-0.7pp	7.2%	0.8pp	19.6%	-0.2pp
South East	78.5%	-0.2pp	3.4%	-0.5pp	18.8%	0.7pp
South West	76.8%	0.0pp	4.4%	0.0pp	19.6%	0.1pp
Wales	72.1%	-0.3pp	4.5%	-0.1pp	24.4%	0.4pp
Scotland	74.3%	-0.6pp	4.1%	-0.1pp	22.5%	0.7pp
Northern Ireland	69.3%	-1.3pp	3.7%	-0.1pp	28.0%	1.5pp

Source: ONS – Labour Force Survey

Workforce Jobs

- Between September and December 2020, workforce jobs decreased in most regions of the UK, with the largest decrease of 60,000 seen in London (down to 5,793,000); the largest increase was in the West Midlands, with an increase of 26,000 (to 2,850,000); London has the highest proportion of service-based jobs, at 92.2%, while for the production sector, the highest proportion of jobs is in the East Midlands, at 12.7%.

UK Labour Market Statistics - Vacancies[8]

- The number of job vacancies in December 2020 to February 2021 remained more than 200,000 lower than a year previously, and the number of jobs fell by 1.2 million jobs in the year to December 2020; the arts, entertainment and recreation and accommodation and food services industries continue to be hit hardest on both measures.
- The weakening in job vacancies to February 2021 is more evident among smaller companies; businesses employing one to nine employees had increased vacancies at a faster rate than other-sized businesses in the second half of 2020, but they had 10.7% fewer vacancies in December 2020 to February 2021 compared with a quarter ago.

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that pre-date the COVID-19 pandemic. We are analysing the population totals used in the weighting process and may make adjustments if appropriate. Rates published from the LFS remain robust; however, levels and changes in levels should be used with caution.

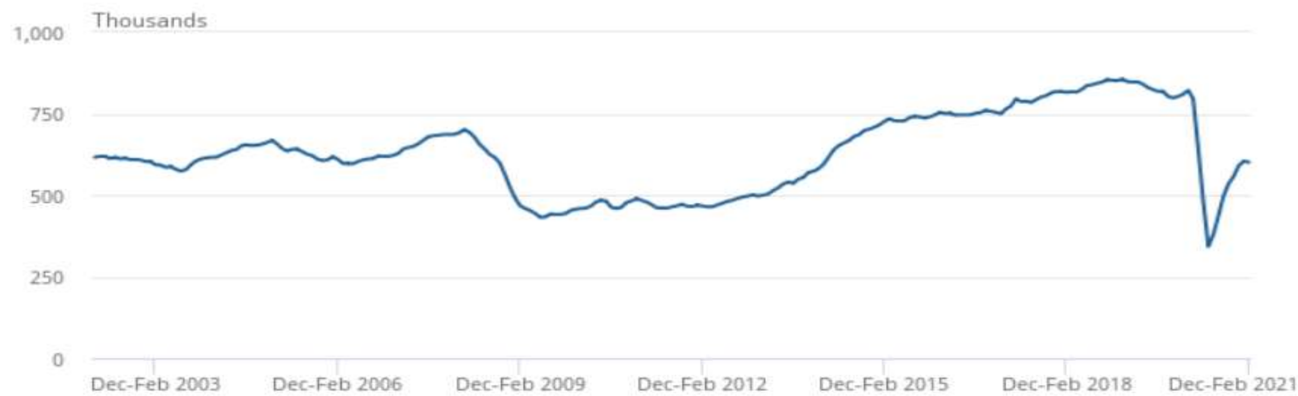
[8] Source: UK labour market: March 2021

- Lockdown restrictions continue to affect jobs and vacancies in two industry sectors more than others, with the number of vacancies in accommodation and food services industry down 79.8% (73,000) from a year ago and 45.1% from the previous quarter; vacancies in arts, entertainment and recreation are down 72.6% (16,000) from a year ago and 37.1% from the previous quarter.
- The total number of workforce jobs in the UK in December 2020 was estimated at 34.4 million, down by 1.2 million from a year ago, with employee jobs down 722,000; between September and December the quarterly fall in jobs slowed to 196,000, which is less than a half of the fall observed in each of the previous two quarters.

The following table shows the total number of vacancies (in thousands) by sector for the UK, October to December 2020, November 2020 to January 2021 and December 2020 to February 2021:

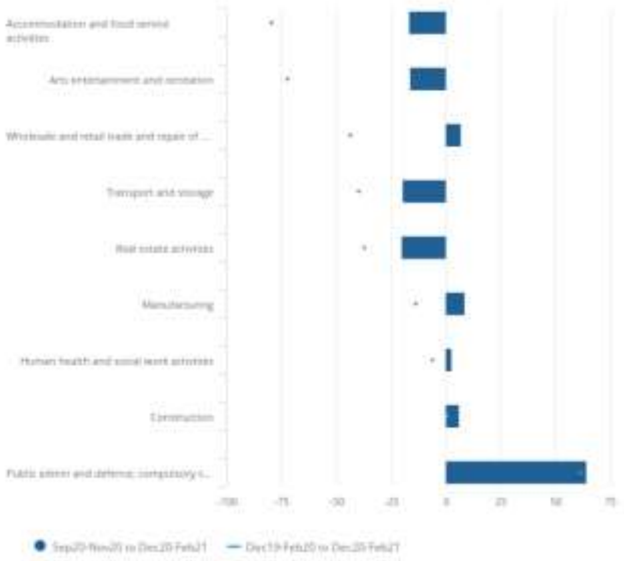
Total Figures in Thousands			
	Oct - Dec 20	Nov 20 - Jan 21	Dec 20 - Feb 21
All vacancies	590	604	601
Mining & quarrying	1	1	1
Manufacturing	44	46	48
Electricity, gas, steam & air conditioning supply	3	4	4
Water supply, sewerage, waste & remediation activities	3	3	3
Construction	28	29	28
Wholesale & retail trade; repair of motor vehicles and motor cycles	71	76	75
Motor Trades	8	10	9
Wholesale	19	21	21
Retail	44	45	45
Transport & storage	29	25	21
Accommodation & food service activities	28	22	18
Information & communication	34	35	37
Financial & insurance activities	21	22	23
Real estate activities	11	10	8
Professional scientific & technical activities	65	66	67
Administrative & support service activities	33	39	41
Public admin & defence; compulsory social security	25	34	36
Education	42	44	43
Human health & social work activities	130	127	127
Arts, entertainment & recreation	11	9	6
Other service activities	12	11	12
Total Services	511	519	515

Number of Vacancies in the UK, seasonally adjusted between December 2001 to February 2002 and December 2020 to February 2021:



Source: ONS – Vacancy Survey

The following chart shows by selected industry the three-month average vacancies in the UK, seasonally adjusted, between December 2020 to October 2020 and February 2021 and both September to November 2020 and December 2019 to February 2020 when both indexed to December 2019 to February 2020=100



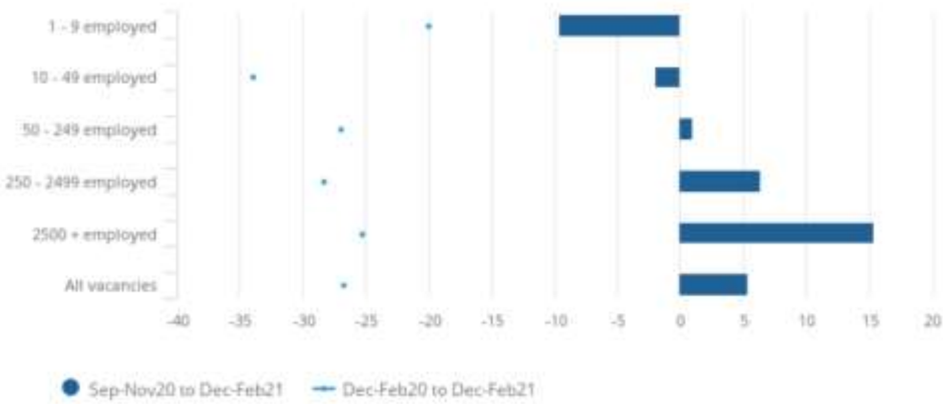
Source: ONS – Vacancy Survey

The pandemic has led to particularly large falls in vacancies in the following industries:

- accommodation and food services (down 80% from a year ago)
- arts, entertainment and recreation (down 73%)
- wholesale and retail trade; repair of motor vehicles and motorcycles (down 44%)

- During December 2020 to February 2021, most industries saw an increase in vacancies compared with a quarter earlier, but each of accommodation and food services, arts, entertainment and recreation, real estate activities, and transport and storage experienced a fall. The additional lockdowns and restrictions across the UK at the end of the year will have affected these falls, although in the case of transport and storage the fall is also affected by increased vacancies in the previous quarter in the run-up to Christmas.
- Among industries that saw a growth in vacancies over the quarter, the most notable was public administration and defence and compulsory social security (to be up by over 60% from a year ago). This was driven by temporary recruitment for the 2021 Census.
- The ratio of vacancies to employee jobs is highest (3.1 per 100) in the electricity, gas, steam and air conditioning industry, and human health and social work activities. It is now lowest (0.8) in each of accommodation and food services, and arts, entertainment and recreation, both of which had a rate of over 3.0 prior to the pandemic.

The following chart shows the three-month average vacancies in the UK, seasonally adjusted difference between December 2020 to February 2021 and both September to November 2020 and December 2019 to February 2020 when both indexed to December 2019 to February 2020=100



Source: ONS – Vacancy Survey

- Following an initial fall in vacancies of over 50% in all company size bands during early summer 2020, the smallest companies (employing one to nine employees) started to increase their vacancies much more quickly than other size bands. However, vacancies in these smaller companies fell by 10.7% in December 2020 to

February 2021 compared with the previous quarter, while larger companies continued to add vacancies. This may reflect greater flexibility among smaller companies in adjusting vacancies to the latest economic and social conditions.

EMSI Job Postings WMCA 3 LEP Geography March 2021[9]

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

- There were 113,689 unique job postings across the WMCA 3 LEP geography in February 2021, 13.8% fewer than in January. This is the second consecutive month that the monthly job postings have been in negative territory.
- All 19 LA areas recorded a negative change compared to January. Bromsgrove and North Warwickshire were hardest hit (-18%), closely followed by Cannock Chase, Redditch, Walsall and Wolverhampton (-17%).
- Unsurprisingly, posting intensity, i.e., the effort towards hiring for particular positions was depressed in all 19 local authority areas, but remained highest in Birmingham, Coventry, Redditch, Rugby and Tamworth.

Local Authority Name	Feb 2021 Unique Postings	Percentage Change (Jan 2021 - Feb 2021)
Birmingham	46,237	-14%
Bromsgrove	1,421	-18%
Cannock Chase	2,082	-17%
Coventry	10,865	-15%
Dudley	5,253	-13%
East Staffordshire	3,252	-14%
Lichfield	2,138	-15%
North Warwickshire	1,494	-18%
Nuneaton and Bedworth	2,526	-14%
Redditch	1,915	-17%
Rugby	2,900	-13%
Sandwell	5,517	-10%
Solihull	5,620	-6%
Stratford-on-Avon	2,941	-10%
Tamworth	2,134	-16%
Walsall	3,940	-17%
Warwick	6,347	-11%
Wolverhampton	5,347	-17%
Wyre Forest	1,760	-12%

Potential Issues:

An Unequal Crisis: The impact of the pandemic on the youth labour market

This report sets out analysis of trends in youth participation in education and employment during the Covid-19 pandemic. It is the first report in a wider project funded by the Blagrave Trust and Youth Futures Foundation, working with the Institute for Public Policy Research to explore the impacts of the pandemic on the youth labour market and how we can best increase youth participation and minimise social exclusion in the recovery.

Source: Youth Futures Foundation

OVO Foundation report: Education Inequality in the early years

This report outlines the initial plans to evaluate three early years projects chosen by the OVO Foundation; Doorstep Library, Parental Engagement Network (PEN) and Tales Toolkit. IES in collaboration with Sutton Trust and Professor Kathy Sylva (University of Oxford) were commissioned to help support theory of change development, provide monitoring and evaluation support and help evaluate the impact of the projects on children's communication and language skills from June 2019 to December 2021.

Source: OVO Foundation

[9] Source: EMSI, March 2021

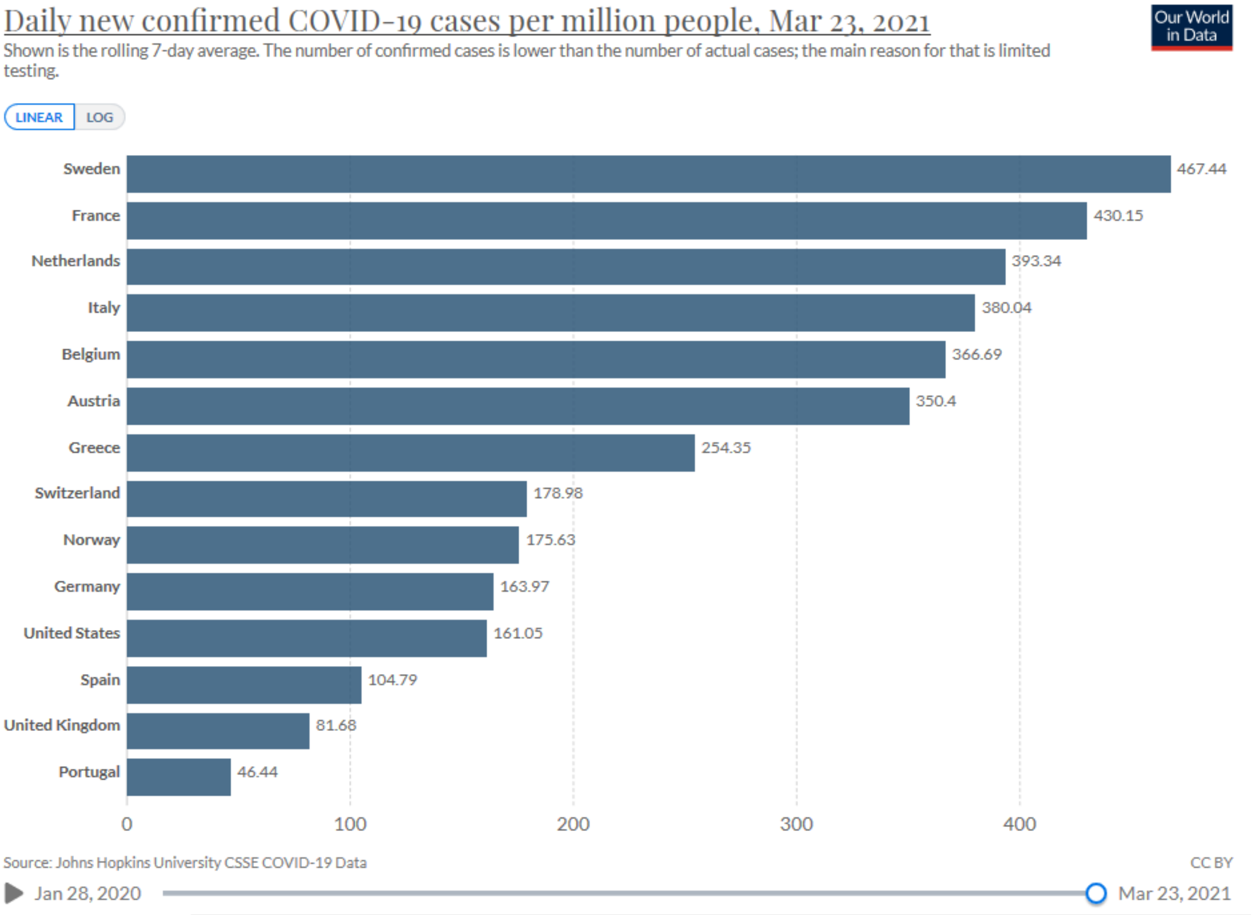
The WM Weekly monitor is funded by the West Midlands Combined Authority, Research England/UKRI

Infection Rates and Vaccine Update

Alice Pugh WMREDI/WMCA

Europe has seen a resurgence in infection rates which is continuing (see graph below).

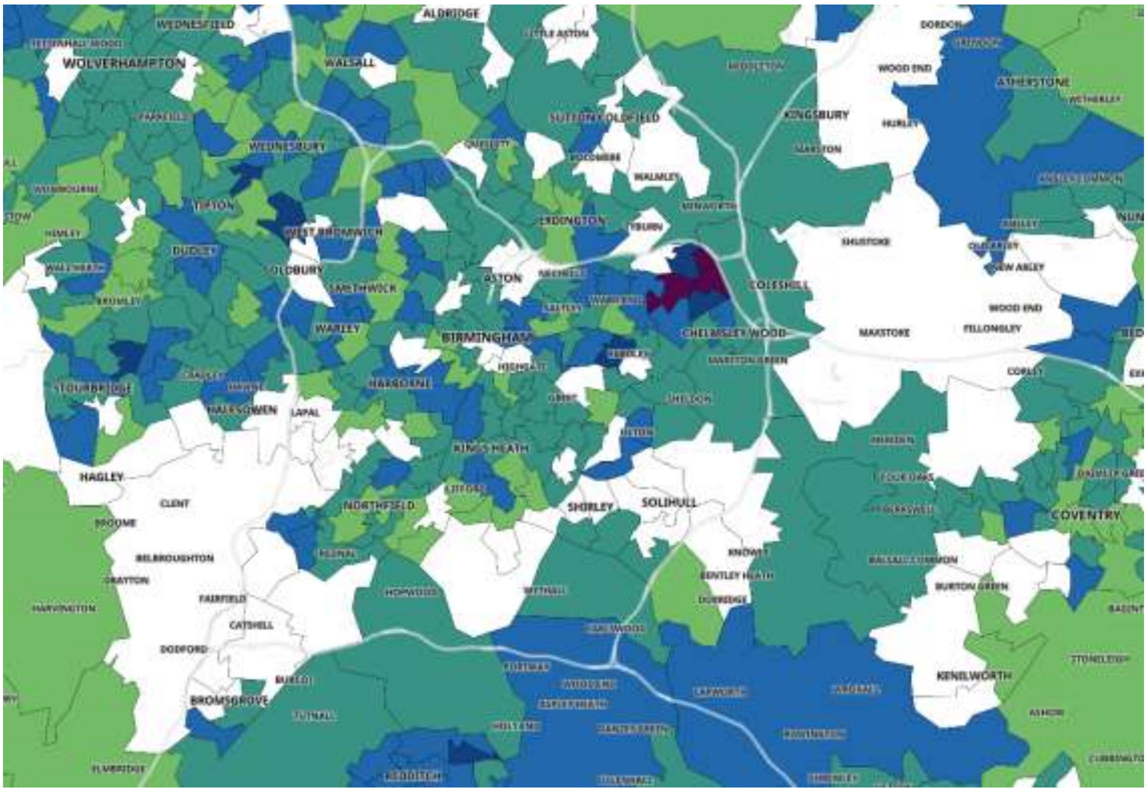
Since 31 December 2019 and as of week 2021-10, **120 268 427 cases** of COVID-19 (in accordance with the applied case definitions and testing strategies in the affected countries) have been reported, including **2 659 802 deaths**.



Latest ONS infection survey data (19th Mar next release 26th Mar 2021) states:

- In England, the percentage of people testing positive for the coronavirus (COVID-19) has continued to decrease in the week ending 13 March 2021; we estimate that 160,200 people within the community population in England had COVID-19 (95% credible interval: 142,000 to 179,400), equating to around 1 in 340 people.
- In Wales, the percentage of people testing positive has decreased in recent weeks, but the rate of decrease appears to have slowed in the week ending 13 March 2021; we estimate that 7,000 people in Wales had COVID-19 (95% credible interval: 4,300 to 10,600), equating to around 1 in 430 people.
- In Northern Ireland, the percentage of people testing positive appears level in the week ending 13 March 2021 although there is high uncertainty; we estimate that 5,800 people in Northern Ireland had COVID-19 (95% credible interval: 3,300 to 9,400), equating to around 1 in 315 people.
- In Scotland, the percentage of people testing positive has appeared to show some increase in the week ending 13 March 2021; we estimate that 19,300 people in Scotland had COVID-19 (95% credible interval: 14,100 to 25,600) equating to around 1 in 275 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 19th March 2021.

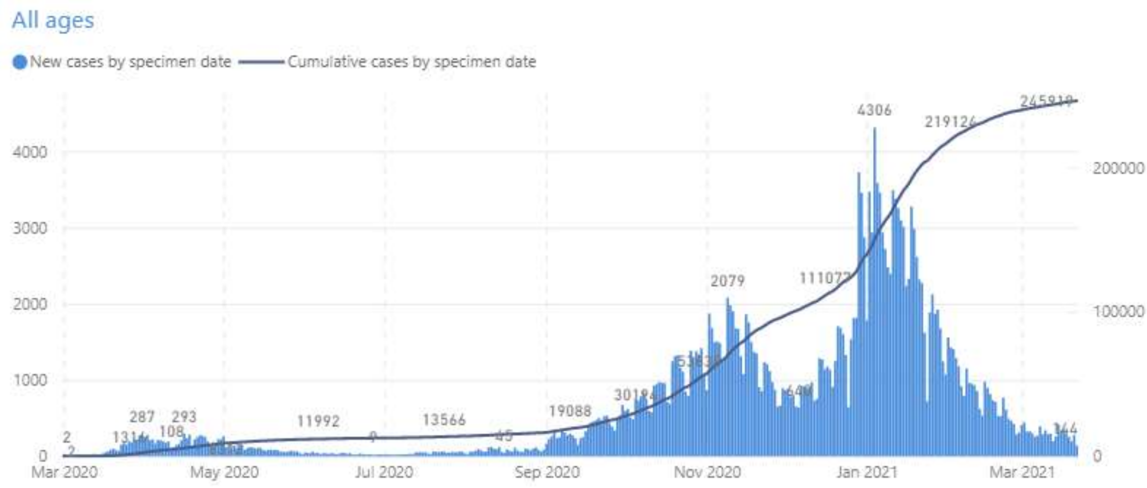


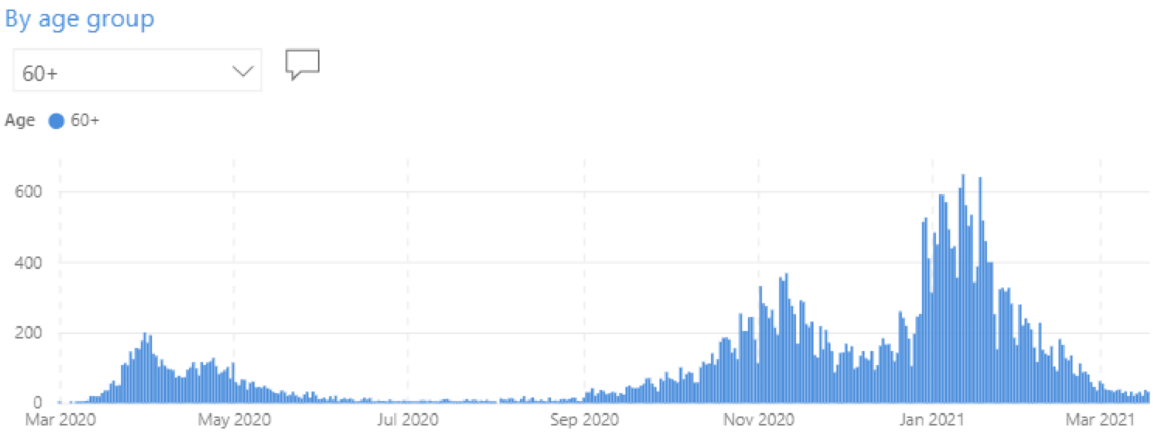
Regional Data

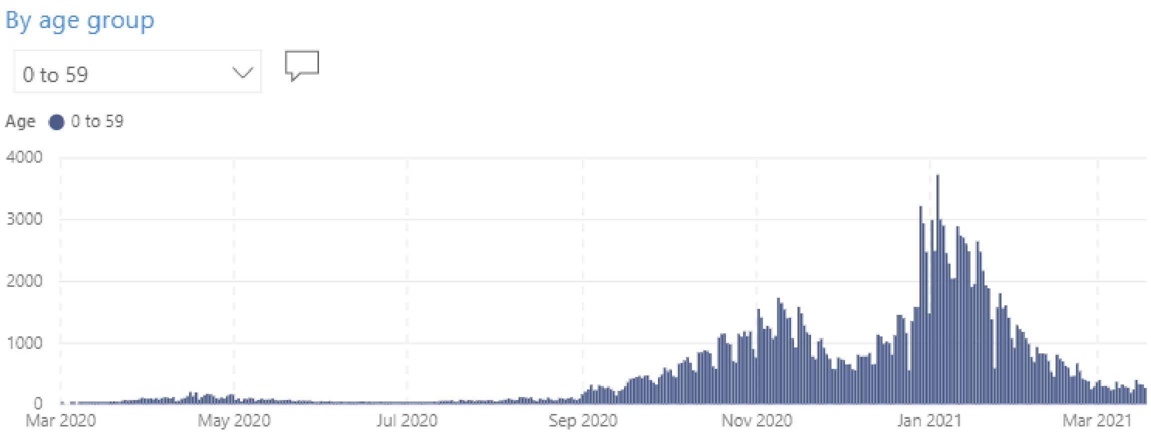
[The Coventry, Solihull and Warwickshire Epidemiology and Intelligence Cell](#) have created a dashboard which looks at covid data on a regional level. Data below:

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
20 March 2021	197	328	245496	2	0.07
19 March 2021	250	220	245299	2103	71.81
18 March 2021	291	328	245049	2149	73.38
17 March 2021	349	393	244758	2150	73.41
16 March 2021	336	300	244409	2142	73.14
15 March 2021	419	246	244073	2092	71.43
14 March 2021	260	256	243654	2065	70.51
13 March 2021	198	335	243394	2074	70.82
12 March 2021	296	304	243196	2129	72.70
11 March 2021	292	377	242900	2136	72.94
10 March 2021	341	330	242608	2170	74.10
09 March 2021	286	291	242267	2152	73.48

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).







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	11-Mar-21	12-Mar-21	13-Mar-21	14-Mar-21	15-Mar-21	16-Mar-21	17-Mar-21	18-Mar-21	19-Mar-21	20-Mar-21	21-Mar-21
ENGLAND	**449**	**386**	**385**	**357**	**431**	**364**	**343**	**351**	**283**	**287**	**279**
East of England	57	47	28	40	43	34	42	33	20	31	24
London	47	39	48	41	40	45	27	33	42	31	28
Midlands	105	93	87	74	116	72	65	84	76	56	63
North East and Yorkshire	91	84	82	69	85	82	87	88	51	54	65
North West	55	54	79	63	70	55	61	50	43	66	44
South East	55	46	38	47	50	53	43	40	42	31	36
South West	39	23	23	23	27	23	18	23	9	18	19

Mechanical Ventilation beds - occupied by confirmed COVID-19 patients

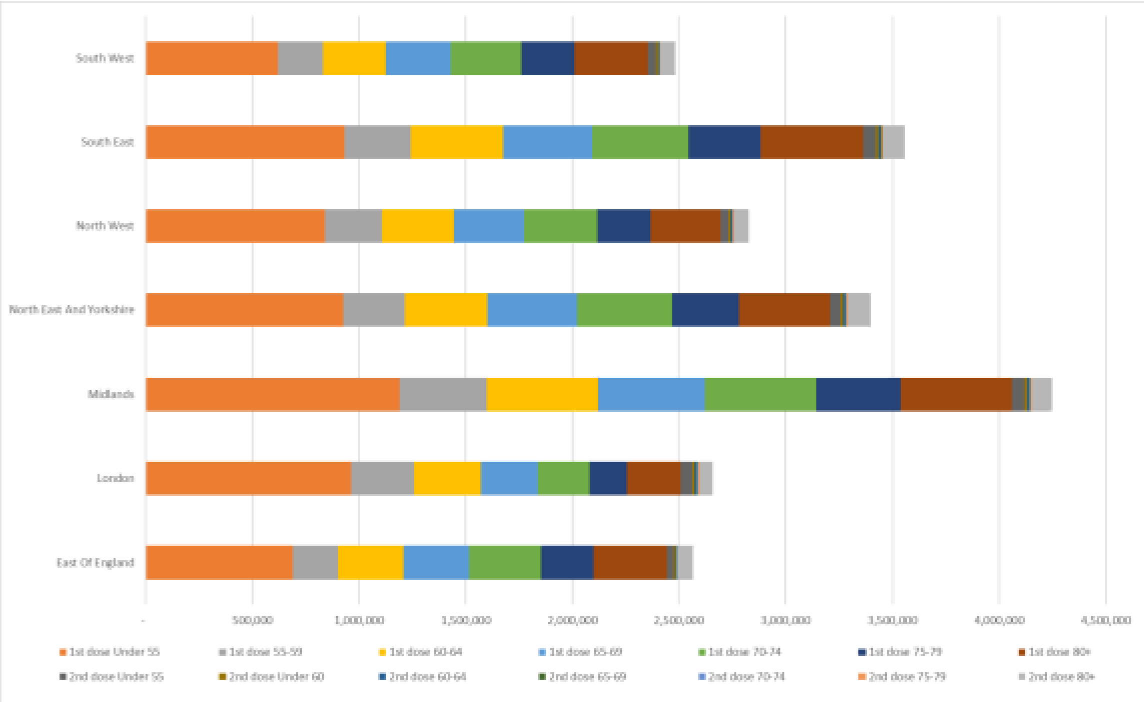
Name	13-Mar-21	14-Mar-21	15-Mar-21	16-Mar-21	17-Mar-21	18-Mar-21	19-Mar-21	20-Mar-21	21-Mar-21	22-Mar-21	23-Mar-21
ENGLAND	**1,000**	**963**	**930**	**882**	**846**	**797**	**749**	**710**	**692**	**676**	**647**
East of England	94	91	90	84	83	81	74	75	73	72	71
London	308	308	298	287	274	260	237	211	209	198	195
Midlands	221	210	207	196	186	176	169	155	154	148	138
North East and Yorkshire	131	122	115	112	107	100	94	95	96	95	93
North West	125	119	115	106	102	90	90	89	82	86	85
South East	88	83	75	68	67	67	60	61	56	55	41
South West	33	30	30	29	27	23	25	24	22	22	24

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

Name	13-Mar-21	14-Mar-21	15-Mar-21	16-Mar-21	17-Mar-21	18-Mar-21	19-Mar-21	20-Mar-21	21-Mar-21	22-Mar-21	23-Mar-21
ENGLAND	**6,072**	**6,039**	**5,976**	**5,664**	**5,397**	**5,083**	**4,841**	**4,589**	**4,492**	**4,501**	**4,245**
East of England	575	562	566	532	497	466	449	421	408	414	382
London	1,190	1,181	1,185	1,138	1,082	1,023	986	941	928	922	876
Midlands	1,356	1,324	1,303	1,249	1,204	1,100	1,052	969	965	948	896
North East and Yorkshire	1,003	993	985	910	862	838	776	754	730	737	675
North West	986	1,002	992	952	911	847	819	779	766	787	749
South East	733	742	713	676	649	618	579	549	525	517	506
South West	229	235	232	207	192	191	180	176	170	176	161

Vaccine Update

Between 8th December 2020 and 14th March 2021, the Midlands has successfully vaccinated **4,060,212** people with the first dose and a **188,433** of these individuals have received the second dose as well. Meaning the Midlands has successfully continued to provide the most doses of the first jab, and has remained the 3rd highest provider of the second dose out of the English regions.



Region of Residence	1st dose							Cumulative Total 1st Doses to Date	2nd dose							Cumulative Total of all Doses to Date
	Under 55	55-59	60-64	65-69	70-74	75-79	80+		Under 55	55-59	60-64	65-69	70-74	75-79	80+	
Total	6,169,566	1,992,989	2,605,498	2,550,308	2,675,711	1,970,143	2,696,677	20,660,786	332,356	71,189	53,829	25,631	21,746	38,243	575,939	21,770,919
East Of England	688,189	210,255	306,265	308,961	335,689	249,088	342,058	2,442,505	33,385	7,065	5,888	2,487	1,727	2,196	73,223	2,567,568
London	962,225	295,420	310,952	265,892	244,188	172,428	253,322	2,508,347	54,987	8,834	7,125	4,588	6,105	6,474	61,983	2,658,323
Midlands	1,188,036	407,742	523,542	500,762	522,584	386,872	520,668	4,060,212	57,921	11,086	9,517	4,248	3,152	5,544	94,985	4,248,645
North East And Yorkshire	823,587	298,532	387,845	421,807	443,988	313,475	427,292	3,208,536	49,416	12,176	9,898	4,111	3,118	4,833	95,582	3,396,364
North West	838,795	266,418	349,748	328,808	344,545	247,537	329,503	2,696,156	36,989	8,688	6,333	3,214	3,277	4,441	70,445	2,829,473
South East	931,825	308,575	434,787	417,429	451,242	338,685	476,281	3,361,015	58,398	12,751	9,472	4,374	2,808	4,776	160,182	3,595,482
South West	622,118	208,311	294,968	364,809	330,743	258,117	342,381	2,353,868	38,441	8,584	6,193	2,587	1,513	2,046	69,132	2,482,566

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

Weekly Deaths Registered 12th March 2021
BCCEIU

The following analysis compares the latest available time period (the week of the 12th March) to the previous week period (the week of the 5th March) for the number of deaths registered and the number of deaths related to the Coronavirus.

Across England and Wales, the overall registered death figures decreased from 11,592 in the week of 5th March to 10,987 in the week of 12th March. The number of deaths registered that state Coronavirus on the death certificate experienced a decrease from 2,105 people to 1,501 people over the same period.

Regional level analysis shows that the West Midlands' overall registered death figure decreased from 1,250 people in the week of 5th March to 1,182 in the week of 12th March. The number of registered deaths related to Coronavirus has decreased from 245 people to 183 over the same period.

There was a total of 841 deaths registered across the WMCA (3 LEP) area in the week of the 12th March. There were 134 deaths registered that were related to Coronavirus over the same period – accounting for 16% of total deaths. The WMCA (3 LEP) area accounted for 73% of the 183 Coronavirus related deaths registered in the West Midlands Region. In comparison to the week of the 5th March, the overall registered death figures in the WMCA (3 LEP) area decreased by 47, while the number of deaths related to Coronavirus decreased by 111 people.

At a local authority level, Birmingham accounted for 27% (36) of deaths related to Coronavirus in the WMCA (3 LEP), this is followed by Sandwell at 12% (16 deaths).

Of deaths involving Coronavirus registered in the week of the 12th March, 72% (96) were in registered in a hospital, 17% (23) were in a care home, 9% (12) were registered as at home, 1% (1) of deaths were registered in a hospice, 1% (1) deaths were registered at other communal establishment and 1% (1) deaths registered were classed as elsewhere.

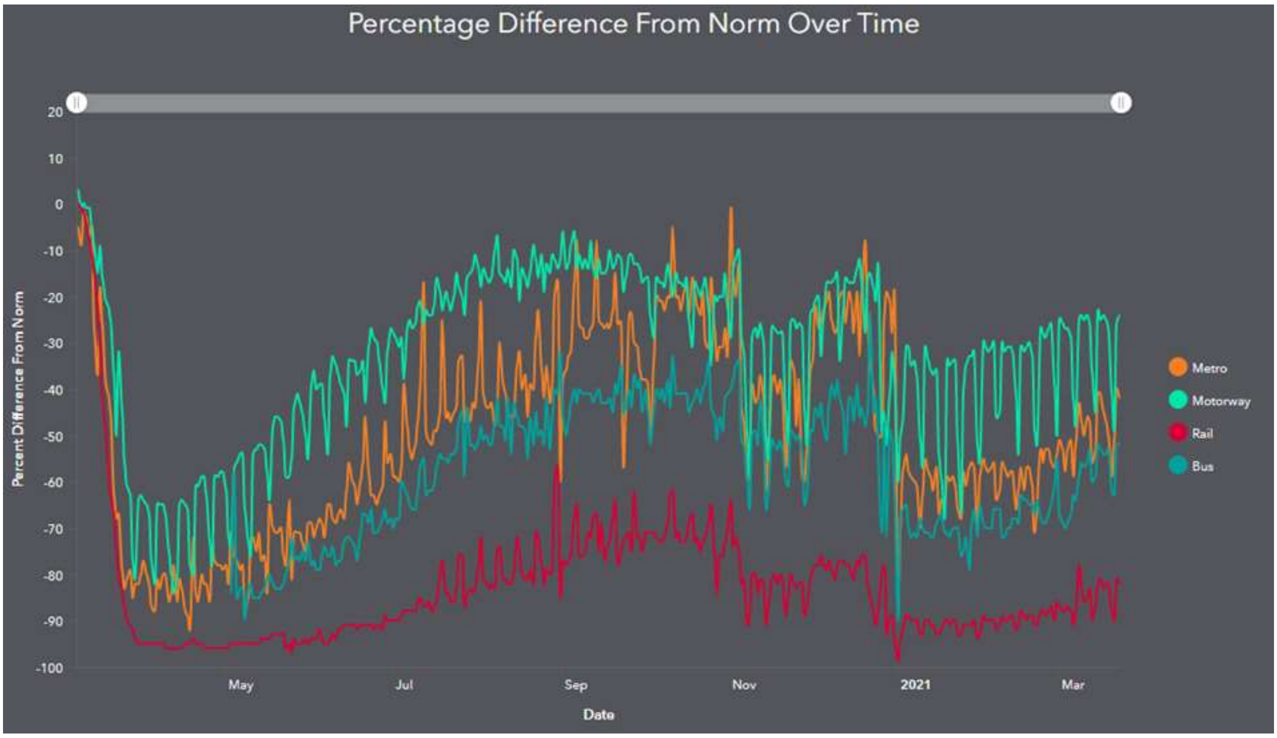
Place and number of deaths registered that are related to Coronavirus in the week of 12th March 2021:

	Care home	Elsewhere	Home	Hospice	Hospital	Other communal establishment	Total
Cannock Chase	0	0	0	0	2	0	2
East Staffordshire	0	0	0	0	2	0	2
Lichfield	2	0	0	1	2	0	5
Tamworth	1	0	0	0	2	0	3
North Warwickshire	0	0	0	0	0	0	0
Nuneaton and Bedworth	0	0	0	0	3	0	3
Rugby	1	0	0	0	4	0	5
Stratford-on-Avon	0	0	0	0	2	0	2
Warwick	1	0	0	0	0	0	1
Bromsgrove	0	0	0	0	3	0	3
Redditch	0	0	0	0	2	0	2
Wyre Forest	1	0	0	0	4	0	5
Birmingham	4	1	3	0	27	1	36
Coventry	5	0	2	0	5	0	12
Dudley	4	0	0	0	7	0	11
Sandwell	0	0	2	0	14	0	16
Solihull	1	0	1	0	4	0	6
Walsall	1	0	1	0	7	0	9
Wolverhampton	2	0	3	0	6	0	11
WM 7 Met.	**17**	**1**	**12**	**0**	**70**	**1**	**101**
Black Country LEP	7	0	6	0	34	0	47
Coventry & Warwickshire LEP	7	0	2	0	14	0	23
Greater Birmingham & Solihull LEP	9	1	4	1	48	1	64
WMCA (3 LEP)	**23**	**1**	**12**	**1**	**96**	**1**	**134**

Source: ONS, Death registrations and occurrences by local authority and health board, 23rd March 2021

Transport Data

Anne Shaw TFWM



Levels of use – 23rd March (data 1 day behind). The graphs above shows the level of use on all modes

The table provides intelligence 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 (16th March).

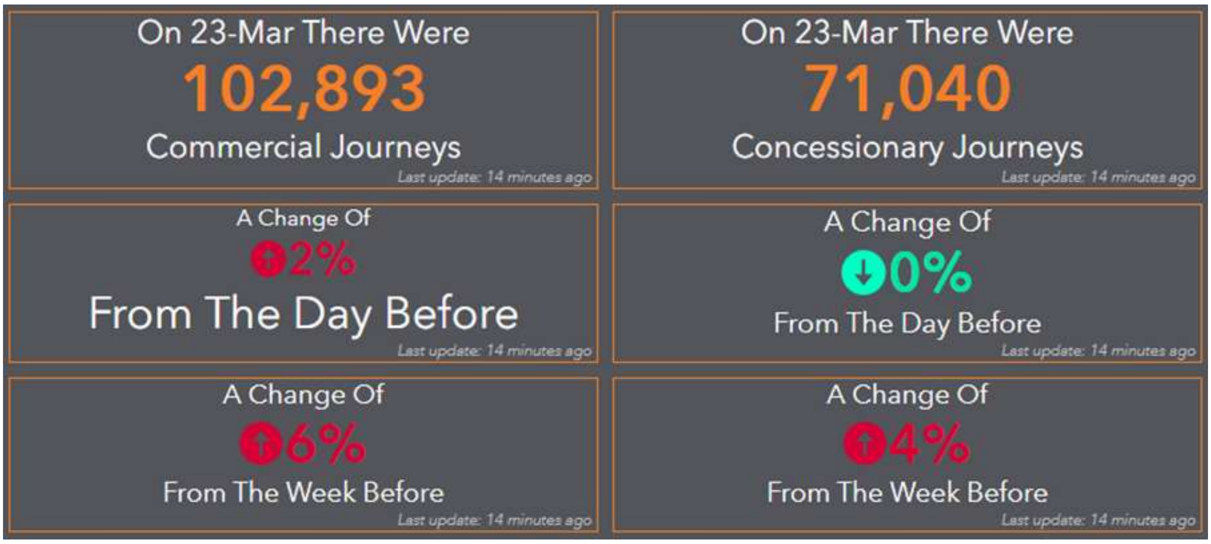
	% levels pre covid	% change from day before	% change from Week before
Bus	48	0	+1
Train	18	-1	-1
Tram	58	-2	-1
Roads (HE SRN)	76	+2	+1

* Data is only currently available up to 4th January, this is pre national lockdown and it is anticipated patronage levels will drop further when the data is available.
** As last week was the festive period network usage figures will have been different when compared to the pre festive period. Next week's figures should show a truer reflection of network usage.

Following the introduction of further Covid measures, transport services remain at their current levels with social distancing measures in place.

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

Journeys made using Swift Ticketing shown below.



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ONS Weekly Release Indicators
BCCEIU

On the 18th March 2021 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 retail footfall data, initial results from Wave 26 of the Business Insights and Conditions Survey (BICS), national company incorporations and voluntary dissolution applications, experimental online job advert indices and results from Wave 49 of the Opinions and Lifestyle Survey (OPN).

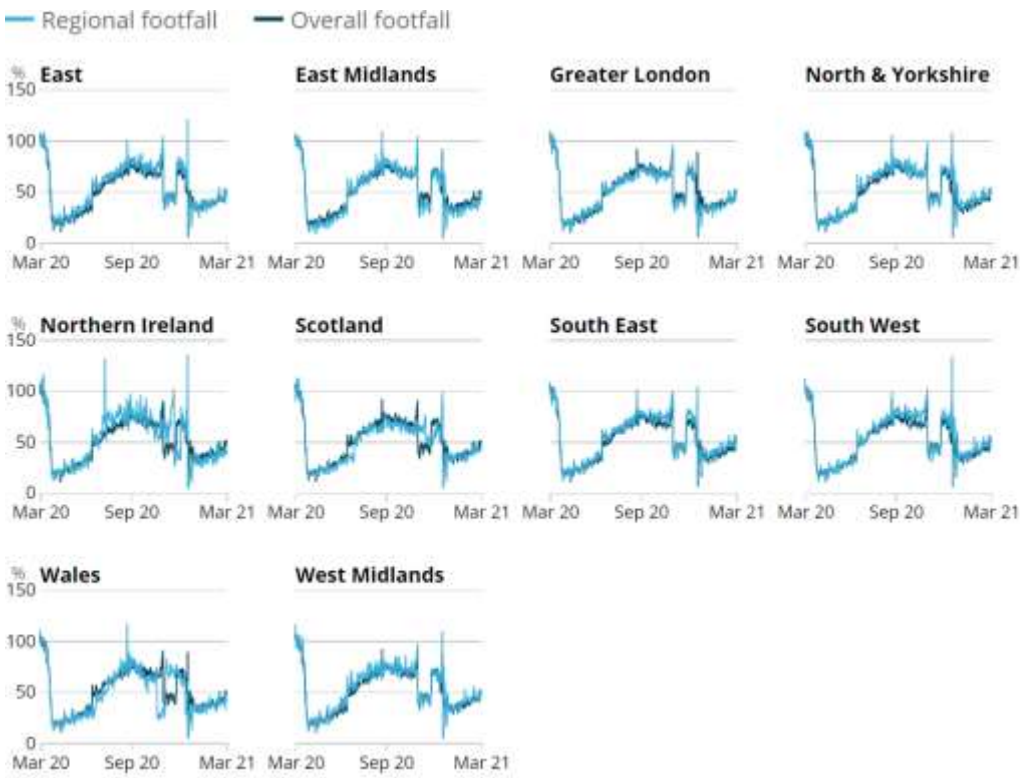
Retail Footfall

Overall UK retail footfall for the week to 13th March 2021 was at 47% of the level seen in the same week of the previous year, this increased by 5 percentage points when compared with the equivalent index in the previous week.

For the week to 13th March (seven-day period), footfall at retail parks were 76% of the level seen for the same week in 2020, notably, on the 13th March, footfall at retail parks were at 88% of the level seen on the same day in 2020 which is the highest estimate since 24th December. Footfall for high streets and shopping centres were at 40% and 36% of levels seen for the same period in 2020. When compared to the previous week, retail parks increased by 7%, high streets increased by 6% and shopping centres increased by 7%.

Daily retail footfall in all regions of the UK remains substantially below its level in the equivalent period of 2020, although there are large regional differences. Retail footfall was stronger in the West Midlands, South East, the North and Yorkshire and Greater London, while the East Midlands, Wales and Northern Ireland continue to have particularly weaker footfall.

Volume of overall daily retail footfall, percentage of the level recorded on the same day of the equivalent week of the previous year, UK regions, 1st March 2020 to 13th March 2021:



Source: Springboard and the Department for Business, Energy and Industrial Strategy

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

National Company Incorporations and Voluntary Dissolution

Companies House data shows there were 16,547 company incorporations in the week to 12th March 2021, below the incorporations recorded for the previous week which was 19,104. However, this was higher when compared to the same week in 2020 (15,207) and for 2019 (16,039).

Also, for the week to 12th March, there were 6,144 voluntary dissolution applications, a decrease from the previous week (6,806). This was also lower than voluntary dissolution applications in the same week of 2020 (6,418) and in 2019 (6,378). Although there has been a fall over different time periods, there is still a continued high number of voluntary dissolutions which in part might be attributed to a backlog of applications being processed.

Business Insights and Conditions Survey

The initial results from Wave 26 of the Business Insights and Conditions Survey (BICS) cover the period of 22nd February – 7th March 2021, with a response rate of 23.5%. The survey was live from the 8th – 16th March 2021. National statistics are based on weighted estimates.

Trading Status

Weighted by count of UK businesses, 72% of responding businesses across the UK had 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. 4% of businesses that have temporarily paused trading but intend to restart trading in the next two weeks. While 20% of businesses that have temporarily paused trading that do not intend to restart trading in the next two weeks and 3% of businesses have permanently ceased trading.

Financial Performance

Weighted by turnover, across the UK approximately 9% of businesses that have continued trading reported turnover had increased by at least 20%. 39% reported that turnover had not been affected. 42% 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. The Adzuna categories do not correspond to SIC categories and therefore not comparable with the ONS Vacancy Survey. Please note, from the 18th March 2021, an improved process has been put in place to generate more accurate estimates by region, these changes have been backdated. Index of job adverts on Adzuna by category, 100 = average job adverts in February 2020.

Nationally, between the 5th and 12th March total online job adverts increased by 4.9 percentage points. On the 12th March, total online job adverts were at 93.3% of their average level in February 2020. Out of the 28 categories (excluding unknown) 27 increased from the previous week, with the highest increase by 22.8 percentage points in transport/logistics/warehouse (to 159.1%). The only decrease from the previous week was in the legal category by 7.7 percentage points to 71.5.

Between the 5th and 12th March, for the West Midlands, the total online jobs adverts increased by 5.9 percentage points, the third highest region. Scotland had the slowest increase over this period by 2.6 percentage points with the highest increase by 14.7 percentage points in Northern Ireland.

On the 12th March, total online job adverts for the West Midlands were at 104.6 of their average level in February 2020. Northern Ireland was at 126.5 of levels and London was the lowest region at 80.3 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 12th March 2021:

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

Source: Adzuna

Social Impacts of the Coronavirus

The following section shows results from Wave 49 of the Opinions and Lifestyle Survey (OPN) which covers the period of 10th to 14th March 2021, with a response rate of 75% (4,524 individuals in Great Britain).

Avoiding Contact and Self-Isolating

In the past seven days, when a West Midlands resident has met up with people outside their household, support or childcare bubble, 89% reported to always or often maintaining social distancing (88% GB). 4% of responding West Midlands residents reported not very often or never maintaining social distancing (6% GB).

92% of responding West Midlands adults who have left their home in the past seven days have avoided physical contact with others (matching GB average).

83% of responding West Midlands adults have avoided contact with older or other vulnerable people in the past 7 days (79% GB).

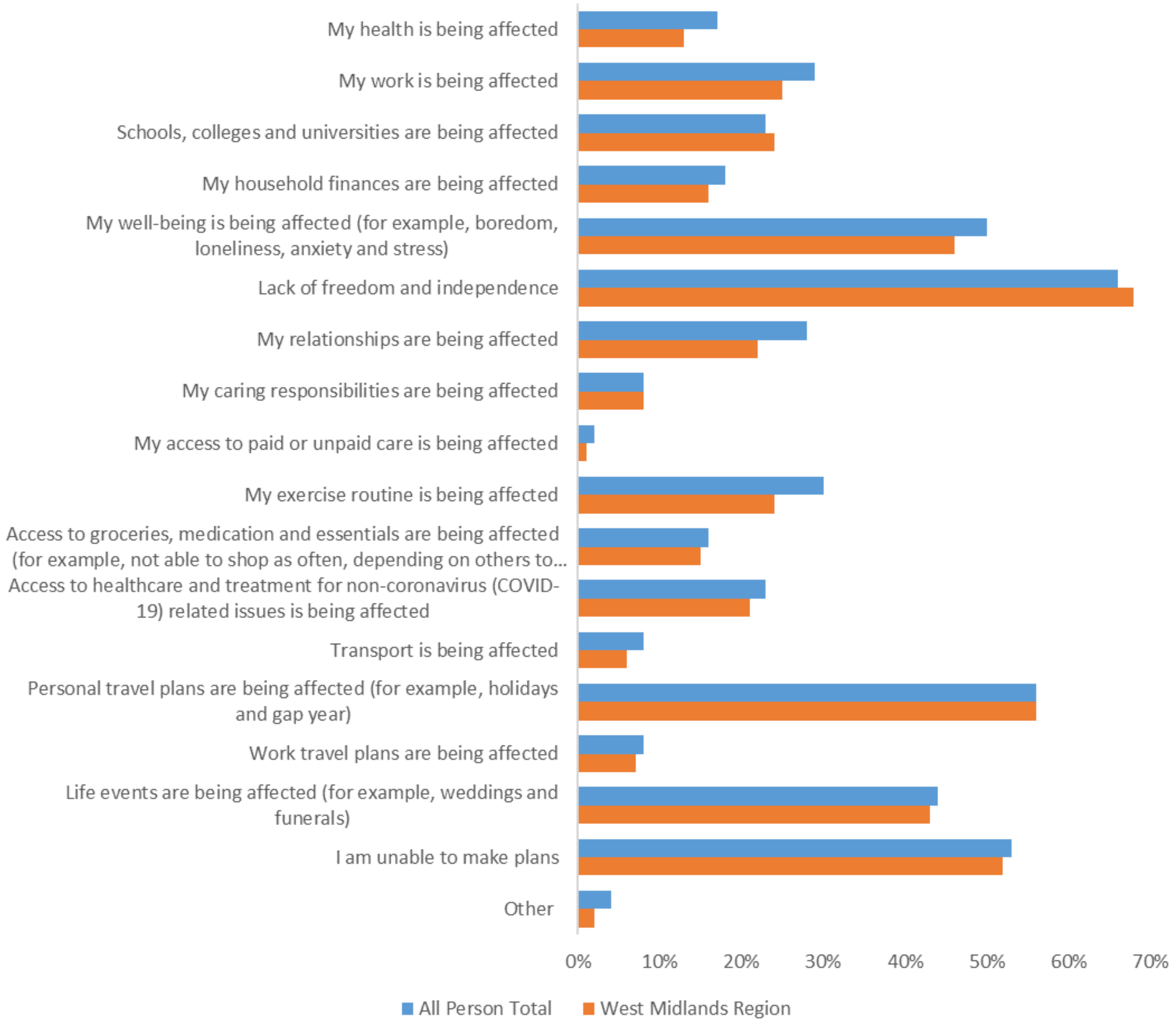
8% of responding West Midlands adults have self-isolated in the past seven days due to COVID-19 (7% GB).

Impact on People's Life Overall

In the West Midlands 56% of adults reported they were very or somewhat worried about the effect COVID-19 was having on their life (62% GB). 15% of responding West Midlands adults reported that they were somewhat unworried or not at all worried (16% GB).

68% of adults in the West Midlands reported the main impact COVID-19 was having on their lives was the lack of freedom and independence (66% GB).

The following chart shows how COVID-19 is affecting West Midlands adults and also the overall all persons total between 10th to 14th March:



36% of working adults reported work had been affected from the COVID-19 pandemic (42% GB).

Well-Being, Loneliness and Perceptions of the Future

Average personal well-being scores for life satisfaction was 6.8 in the West Midlands (matching GB average), worthwhile was 7.4 in the West Midlands (7.3 GB), happiness was 7.0 for West Midlands adults (6.9 GB) and feeling anxious was recorded at 3.8 for West Midlands adults (3.9 GB).

13% of adults in the West Midlands reported low levels of life satisfaction (11% GB). 8% of West Midlands adults reported low level of feeling worthwhile (9% GB). 11% of West Midlands adults reported low levels of happiness (13% GB) and 29% of West Midlands adults reported high levels of anxiety (31% GB).

27% of adults in the West Midlands reported to often/always or some of the time to feeling lonely (25% GB). While 47% reported hardly ever or never feeling lonely in the West Midlands (48% GB).

26% of West Midlands adults believe it will take 6 months or less before life returns to normal (30% GB). While 27% of West Midlands adults believed it will take 7 to 12 months (26% GB). 23% of West Midlands adults think it could more than a year to return back to normal (21% GB) and 2% for the West Midlands adults thought it would never go back to normal (4% GB).

Government Guidelines

72% of adults in the West Midlands felt they had enough information about government plans to manage COVID-19 (69% GB). 85% of adults in the West Midlands strongly or tend to support the current lockdown measures for where they live (matching GB average). With 4% of West Midlands adults strongly or tend to oppose the lockdown measures (7% GB).

77% of adults in the West Midlands region reported it was very easy or easy to understand the current lockdown measures (73% GB). 6% of West Midlands adults found them difficult or very difficult to understand the measures (9% GB).

78% of adults in the West Midlands region reported it was very easy or easy to follow the current lockdown measures (75% GB). With 6% of West Midlands adults found them difficult or very difficult to follow the measures (7% GB).

LEP Level Intelligence

HEADLINES

SECTOR	KEY CONCERNS
Cross Sector	**Outlook** In summary, businesses in the region are, for the majority, **still experiencing negative effects from COVID restrictions** and UK Transition – advice for those that need to change their strategy/business model due to the downturn in trade is needed. Also, a **levelling of the 'playing field' is required for SMEs interested in taking advantage of opportunities such as Government Tenders.** There is also some **renewed optimism** after the Prime Minister's Roadmap to Recovery set out a blueprint for recovery. **COVID-19** Issues reported this week include: • Lack of indication from government as to **when conferences can begin again** is making recovery planning difficult. • **Social Enterprises hit hard**. National Lottery Funding is helping but may not be enough. • **Cash Flow struggles**. • Remote working creating **inefficiencies in working for some**. • Many desperate businesses looking to the Growth Hubs after unsuccessful applications for Local Authority grants. Some frustration that they feel there is no additional support to that already offered by government. **Many worried that businesses will fail regardless of the "roadmap" to lift restrictions.** • Preparations ongoing for the **re-opening** of non-essential retail, hospitality and leisure. • **Insurance –** companies not covered by policies for COVID related losses. **EU Exit** The continuing difficulties businesses are facing include **increased administration, costs, delays, and confusion about what rules to follow.** Specific issues reported to Growth Hubs this week are: • Advice regarding **requirements and legalities of the employment of French nationals** • Understanding the **costs of exporting** • **Immigration and VISA support** – US citizens setting up in the UK. • Understanding **contracts** when working with EU based businesses • Businesses are experiencing that EU sourced product distribution only going as far as European hubs not full distance to UK – **rules of origin not fully understood** • Export paperwork **completed by agents not always correct**, leading to exports being returned to source. Orders not fulfilled and suppliers facing the costs. • **Upward price pressure on inward supplies** and **recruiting** to be challenging in the hospitality industry. • **Export business to the Republic of Ireland will no longer be viable** due to imposition of new tariffs resulting from Rules of Origin. • **SMEs unable to compete for tender opportunities because criteria set too high** (e.g., employed 100 FTE in the last 12 months). • **Delays in postage** causing issues in the supply. • Business is interested in helping overseas entrepreneurs establish in the UK via the new 'Innovator Visa' but is unsure of the requirements for 'accreditation by government organisation' and cannot find any information about it via the Gov.uk website. • There is continued concern among local businesses at the **continued delays of receiving essential components due to EU Exit**, which has resulted in additional cost in production. • **Export orders declining**, likely arising from business both in the UK and EU yet to settle into the new UK-EU trading arrangement

SECTOR	KEY CONCERNS
	• Employment and investment intentions remain negative. • **Prices improve but margins decline.** **Enquiries** • **Start Up Enquiries – High volumes of start-up enquiries** looking for support. Examples include Design, Domestic Services, Pet Holiday providers, Catering and others from existing business owners looking to expand their offering or diversify. • Growth Hub staff assisting with wider **strategic planning.** Examples include supporting the sale of a business as well as pivoting. The latter involving a company manufacturing thermal material for a slowing Automotive industry now looking at alternative uses within the high end outdoor clothing market. Others seeking support in raising larger investment via private equity. • **Increasing volumes of capital and green projects** leading to normal grant support programmes to meet growth demands and expansion. Some brought forward to **take advantage of the 130% super deduction** as announced in the budget. • Businesses still looking for **new or additional premises.** • Referrals to Digital referral partners for support and grants. Feedback received from previous successful applicants. • B2B referrals regarding the procurement of IT tech. **Labour Market** • Data from the EMSI data platform on the local skills/labour market suggests: - **Demand is beginning to increase across most of the region's priority sectors** – with a notable **rebound in both construction, advanced manufacturing and environmental technologies.** - Construction is back above pre-pandemic/lockdown levels with demand higher than at the same comparable point in 2019. - Other sectors, such as **retail and the visitor economy remain in lower demand** compared to pre-lockdown levels. - Unsurprisingly, given the nature of the pandemic there has **been significant growth in both health and care and transport technologies;** particularly around nursing and care workers and driving occupations. • Growth Hubs and partners are working on a number of high-profile regional recruitment support schemes that involve large scale employers and multinationals. Other SME recruitment opportunities, particularly for highly skilled professions, such as software development. • **Interest in Apprentices** has featured often this week too.
Retail	A total of **868 chain retail shops have disappeared from West Midlands high streets**, according to new research from PwC. In the West Midlands, **600 shops opened and 1,468 closed, a net decline of 868.** Nationally, there was a net decline of 9,877, with 7,655 opening compared to 17,532 closures. It is the worst set of retail closure figures seen since 2015, with an average of 48 chain stores closing every day, and only 21 opening. Worryingly, PwC says, the **real impact of the pandemic is yet to be felt as some stores 'temporarily closed' during lockdowns**, are unlikely to return. **Retail parks have seen the smallest number of net closures of any location (93) in the West Midlands, compared to shopping centres (285) and faring worst of all high streets (487).** PwC's report also found that shopping centres by contrast, were the number one and three hardest hit categories for net closure in 2020. **City centres are now faring worse than suburbs and commuter towns,** and shopping centre shops are twice as likely to close as retail parks, according to the report. With fewer people visiting, city centres, such as Birmingham, Bristol, Leeds, and Newcastle, have seen an almost

SECTOR	KEY CONCERNS
	eight per cent decline in multiple stores. Suburbs across the UK have done better, as have commuter towns in the South East and East of England, such as Slough, Orpington, Harlow, and Welwyn Garden City. Despite the uncertainty and volatility of the past year, some operators are still expanding and finding the right physical stores in the right sector and the right location. For retail, this includes convenience, discount or essential operators, general merchandise value retailers that do not typically sell online, and local services that need to be located nearby, such as tradespeople or repair shops
Digital and Creative	**The** BBC plan to make the following changes in their operation, bringing jobs and investment into Birmingham. Network Television • The BBC will develop, commission, and establish at least one new prime time network drama series, to be produced in Birmingham. • The BBC will develop, commission, and establish at least one new prime time network entertainment show series, to be produced in Birmingham. • The BBC will relocate 3 x BBC1 prime time popular factual titles to Birmingham. Radio and News • The BBC will relocate the entirety of BBC Asian Network to Birmingham. • The BBC will relocate the entire BBC Newsbeat team (which provides news for Radio 1, Radio1Xtra and BBC Asian Network) to Birmingham. • The BBC will relocate BBC News Reality Check and the BBC News Data service to Birmingham. Infrastructure, Skills & Training • The BBC plans to establish a Creative Industries Apprenticeship Training Agency (ATA) pilot in Birmingham. This will make Birmingham a centre of excellence for the development of skills and training for the wider UK creative industry, with a specific focus on addressing issues of diversity and inclusion. • The BBC will work with local partners in the West Midlands region to explore the possibility of growing its production presence in the Digbeth Creative Quarter, as plans for the Digbeth Creative Content Hub and Mercian Studios develop.

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NEW ECONOMIC SHOCKS

COMPANY	LOCATION	SECTOR	SOURCE/DETAIL
Thorntons	Nationwide (Coventry, Birmingham, Stoke & Staffs – Stores in WM locations)	Retail	Chocolate maker Thorntons has said none of its stores will reopen after coronavirus lockdowns are lifted. The decision to close its 61 shops will put more than 600 jobs at risk. The company said it had been badly hit by the pandemic, which forced its stores to shut their doors during the crucial Christmas and Easter holidays.
Small businesses	Nationwide	All	One of the leading international experts on UK-EU trade has told an audience in Coventry and Warwickshire that smaller businesses are being hardest hit by a fall in trade following Brexit. Dan Dalton, a former MEP and now the CEO of the British Chamber of Commerce to the EU and Belgium, reflected on figures that showed exports to the EU had fallen by 40 per cent in January and that imports had dropped by 28 per cent.
Tourism Sector	Black Country and wider regions	Tourism	West Midlands tourist venues have warned that they cannot afford another lockdown, saying they are on the brink financially as they prepare to reopen.
Economy-wide	Black Country and wider regions	All	According to data analysed by Business Rescue Expert, there were 1,285 insolvencies of companies in the West Midlands in the last year since the start of the coronavirus pandemic. This represents an insolvency ratio of one in 173. There have been 8,205 company insolvencies across the UK from March last year to January; this has actually fallen compared with previous years due to the variety of Government-backed Covid-19 support measures.

NEW INVESTMENT, DEALS AND OPPORTUNITIES

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
BBC	Birmingham (various)	Creative / Media	The BBC revealed ambitious plans for its biggest transformation in decades, including moving more power and decision-making to the West Midlands.
DfT	Birmingham / Leeds	Transport	650 Department for Transport (DfT) roles are to be created in Birmingham and Leeds, including within a second headquarters in Birmingham.
WMCA	Birmingham – Longbridge	Development	A Multi-million-pound investment deal will unlock comprehensive regeneration of former Longbridge car plant. The once iconic but now derelict West Works site at the former MG Rover car plant in Longbridge, Birmingham is to finally be regenerated following a £6m investment package from the West Midlands Combined Authority (WMCA).
Area 51 Design	Atherstone	Events Management	A cutting-edge entertainment and events business in Warwickshire is reducing its carbon footprint after investing in two energy efficient machines and installing LED lighting throughout the building. Area 51 Design successfully applied for a grant of £12,702 towards an energy efficient CNC lathe and Polurea Spray Gun as well as the installation of LED lighting from the Coventry and Warwickshire Green Business Programme.
National Grid	Warwick	Utilities	Warwick-based National Grid is set to buy Western Power, the UK's largest electricity distribution business in a deal worth £7.8bn. As part of the deal, National Grid will sell The Narragansett Electric Company (NECO) to PPL Emnergy Holdings – a subsidiary of PPL WLD Investments, the holding company of Western Power, in a £2.7bn deal.
The Deeley Group	Coventry	Construction	Turnover has risen at a Coventry developer which has completed projects for the likes of Holland & Barratt, Horiba Mira and Boots, according to new documents. The Deeley Group, which was established in 1936, has posted a turnover of £41.3m for the year to 30 April 2020, up from £40.2m.
Lodders	Stratford-upon-Avon	Professional Services	The corporate and commercial team at law firm Lodders has advised the shareholders of Coretech Solutions on the multimillion-pound sale to a new UK subsidiary of Dutch company PFM Global Holding B.V., the fourth deal completed by the team since January.
Advanced Low-Carbon Propulsion Systems (C-ALPS)	Coventry	Manufacturing	More than £2m is being invested into developing a new hydrogen fuel cell development facility at Coventry University. The Centre for Advanced Low-Carbon Propulsion Systems (C-ALPS), which works with a number of industrial partners, has pressed the button on work that will create a dedicated Hydrogen Fuel Cell lab and upgrade of its powertrain cells for running with hydrogen fuel. The new facilities will be housed inside the £50m

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
			research centre and will feature a fully equipped laboratory.
Hinckley & Rugby Building Society	Hinckley	Professional Services	Hinckley & Rugby Building Society has maintained its financial performance through 2020 with profit levels holding flat, according to new results. The society reported a pre-tax profit of £560,000 for year to 30 November 2020, dipping slightly from £600,000 in 2019. Its mortgage book decreased to £658m, down from £696m.
JCB	Black country and wider regions	Automotive	Heavy machinery giant JCB has launched a fresh recruitment drive for hundreds of shop floor workers and announced plans to give more agency employees permanent contracts.
Wolverhampton Civic Halls	Wolverhampton	Entertainment	One of the world's top venue operators is set to run Wolverhampton's Civic halls when they reopen next year. AEG Presents – which runs London's Apollo and the O2 arena – will aim to bring "bigger and better" acts to the city after signing a long-term deal to operate the iconic venue.
The Way	Wolverhampton	Public	The City of Wolverhampton Council has demonstrated its ongoing support to the city's youth zone, The Way, by committing a further £200,000 towards its running costs this coming financial year.
City of Wolverhampton Council & Partners	Wolverhampton	Public	Major public sector organisations in Wolverhampton have joined forces to launch the 'Wolverhampton Pound' and pledged to keep more of their £834 million collective spending power within the city.
WMCA	Oldbury and Brierley Hill	Public	Two more derelict industrial sites in the Black Country are to be transformed to provide housing following multimillion-pound investment deal. The investment by West Midlands Combined Authority paves the way for developer Lovell to build 234 homes on the site of an old foundry in Fountain Lane, Oldbury, and another 71 homes on the former Cookley Works site on Leys Road, Brierley Hill.

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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