West Midlands
Weekly Economic Impact Monitor

WM REDI CITY REDI

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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 three major intelligence products for partners have been launched. These are: (1) the Cultural Infrastructure Map - cultural facilities are the cornerstone of our arts and cultural ecology, which will help support the arts and cultural sector. (2) The WMREDI partnership launched the State of the Region 2021 and the reports can be accessed here. (3) The partnership also launched the West Midlands Data Lab site which presents all the data and reports which underpin the State of the Region. These resources continue to grow the capacity and infrastructure for developing evidence to underpin recovery.

- The International Monetary Fund (IMF) has reported that economic prospects have diverged further across countries. Vaccine access has emerged as the principle fault line along which global recovery has split countries into two blocs.
- Global economic uncertainty has continued to decline, but is still significant. The slow progress of vaccinations in developing countries will not see them approach herd immunity before 2023.
- Global recovery figures have remained unchanged since April; however the prospects for emerging and developing countries have been marked down, but advanced economies have been marked up.
- Advanced countries are facing increasing inflation. Part of the reason for this is that there are frictions between global supply chains and labour markets that are inducing inflationary pressures. The UK may feel this more acutely due to the impact of Brexit on supply chains.
- It is not only the UK which is facing widespread labour scarcity. In the US the number of open but unfilled jobs recently reached 9.2 million, the highest figure on record. A number of Australian and Canadian businesses have reported difficulties in finding workers to fill vacancies.
- Output per hour in the West Midlands decreased by 1.4% in 2020 when compared with 2019 – this was the largest decrease across any region. Over the same period the UK had an increase of 0.4% in output per hour.
- Movements in output per hour worked during 2020 for the countries and regions of the UK broadly follow one of three patterns because of differing changes in GVA and hours worked. The West Midlands follows the second pattern of change: a muted increase in output per hour in Quarter 3. Both GVA and hours worked show similar declines and recoveries throughout 2020.
- The WMCA (3 LEP) GVA per hour worked increased from £32.32 in 2018 to £32.86 in 2019. The UK increased from £35 in 2018 to £35.78 in 2019, leading to a shortfall of £2.92 between the WMCA and the UK.
- The WMCA (3 LEP) GVA per filled job increased from £51,864 in 2018 to £52,640 in 2019. The UK increased from £56,334 in 2018 to £57,721 in 2019, leading to a shortfall of £5,081 between the WMCA and the UK.
- There was positive growth in GDP in seven of the twelve English regions in 2020 Q4, with London having the highest growth with an increase of 3.1%. The West Midlands and the East Midlands were the only regions estimated to have contracted, with the West Midlands contracting by 0.3%.
- In the West Midlands 7 Met. area, there were 5.9% (4,290) of 16-17-years olds not in education, employment or training (NEET) or not known (NK) at the end of 2020; an increase of 0.2 percentage points (pp) when compared to end of 2019. Over the same period England-wide NEET & NK has remained at 5.5%.
- 70% of responding businesses had high confidence in surviving over the next three months. 21.9% had moderate confidence of survival, 1.1% had low confidence and 6.5% were not sure.
- The Institute for Government has looked at the Shared Prosperity Fund and states government needs to improve its approach to consultation with the devolved governments, share more information, and refrain from making announcements without prior notification; and establish transparent criteria for the allocation of funds based on an assessment of relative need at the local, as well as regional, level.
- CIPFA explores the ways in which local authorities and other public services have approached their budgeting during the coronavirus prior to COVID-19, 21% of respondents had budgets that were in deficit pre covid. They may have to use a greater proportion of their reserves or increase council tax by a larger percentage in order to deliver services. This makes them more vulnerable to service cuts and may require additional support from government.

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

- The Business, Energy and Industrial Strategy Committee highlights the confusion about what 'Levelling Up' actually means in practice and how it might translate into specific policy initiatives and strategy, what progress has been made and who is responsible for delivering it.
- The Health Foundation explores action to 'level up the nation's health' but highlights that levelling up is an opaque term, and the government's plans are still under construction. Despite encouraging signs, levelling up funding and policies laid out so far are partial and fragmented.

Shocks

- The Honda factory in Swindon finally closed its doors after Honda announced it would be stopping production in Swindon in 2019. This was a shock as the Swindon plant was one of the company's most productive. It will see 3,000 people who worked there lose their jobs and will send ripples throughout the local economy with about 1,800 jobs ending at two local firms that supply the plant. Workers will struggle to match their previous wages at Honda; workers may have earned £20 per hour at Honda.
- Lack of semi-conductor chips mean cars are only being partly built at Jaguar Land Rover, and this could force temporary closure.
- The costs of materials are still on the increase with paper prices increasing by 40% in the past year. Organisations are also experiencing a UK shortage of corrugated cardboard as the UK is reliant on two pulp mills in Turkey which are unable to keep up with demand.

Opportunities

- Last year nearly 2,000 jobs were created in Coventry and Warwickshire thanks to investment from foreign companies. 1,909 new jobs have been created and 42 jobs safeguarded, with 45 successful foreign direct investments in the area, and a further five shared across multiple areas.
- A new business programme will target the economic legacy of the Commonwealth Games 2022. Leaders running the initiative say that they hope it will generate more than £650 million in investment, £7 million in export deals and £12 million in visitor spend in the five years following the event.
- Thousands of jobs are set to be created in the Midlands after the region's bid to become a world leader in advanced ceramics received a significant cash boost. The Midlands Industrial Ceramics Group (MICG) has secured £18.27 million in government funding provided through UK Research and Innovation's flagship Strength in Places Fund (SIPF).
- Construction plans for a new 'gigafactory' creating electric car batteries have been submitted. The factory could generate 6,000 jobs across the West Midlands. A joint venture team of Coventry City Council and Coventry Airport has lodged the plans for the 5.7 million sq ft facility at the airport site.

Covid Impacts

- Across multiple sectors, there are challenges because of rising infection rates, or requirement to isolate. This is causing workforces to work at reduced levels – with reports of between 16% and 50% off work. This is leading to decreased productivity and missed opportunities for growth.
- West Midlands businesses are being urged to "take swift action" if their finances are under pressure after new Government figures reveal corporate insolvencies have hit their third highest monthly total since the start of the pandemic.
- UK supermarket shelves will be bare and panic buying will intensify unless critical issues currently threatening UK food supply are solved promptly.
- The shipping industry is still experiencing a difficult time due to cost increases and a decrease in clients. There are delays still from the disruption from the Suez canal incident.
- The WMCA (3 LEP) area had 120,600 employments furloughed on the 30th June 2021. This reflects a 7.1% take-up of eligible employments for the scheme, compared to 6.5% UK-wide. When compared to 31st May 2021, the number of employments furloughed in the WMCA (3 LEP) area decreased by 25,400 (-17.4%), compared with a UK figure of -24.1%).
- The Business insights and impact on the UK economy points out businesses trading and furlough remains roughly the same as the last survey. The percentage reporting turnover has not been affected has increased but those not able to export has also worsened by 10%
- PWC has found that consumer trends have changed for good. Since 2018, online shopping via a smartphone has almost doubled and continues to rise steeply, increasing 2% since their last survey in March 2021.
- The emerging findings from the Future Business District study show that the way in which businesses and people will work and interact in the office is likely to change. Office working is unlikely to return quickly 2019 patterns. Hybrid working, is likely to continue to be the norm.
- 33.2% of responding West Midlands businesses reported they intended to use increased homeworking as a permanent business model going forward.
- Researchers have found that there was little delay in the transition to home working (32%). Where there were delays the majority were due to technology issues such as waiting for a computer for home use. Workers who remained in the workplace had much greater anxiety when it came to them potentially catching Covid-19 in the workplace: 67% were worried they may catch it travelling to or during work. Home workers faced their own anxieties: 32% experienced increases in their work volume, as well as increased intensity of work (38%), pace of work (32%) and pressure of work (32%). Video team meetings are

regarded in most respects by a majority as effective or more effective than face-to-face meetings, excepting the difficulty of concentrating (less effective 25%) and the ability to interact with colleagues (less effective 38%). 31% indicated a preference for 0 days in the office and 5 days working from home. STUC found that 78% stated a preference for working in the office 2 days or less. Only 9% expressed a preference for 4-5 days in the office

- The Midlands' labour market is among the most heavily impacted by Covid in the UK, as well as Brexit, and the 2008 financial crisis and austerity. Data shows that the availability of good work is heavily concentrated in London and the South-East of England. Arguably, too many citizens in places like the Midlands have been economically and culturally forgotten, causing extensive working poverty and loss of self-esteem. There is considerable scope for improving wages and working conditions, and creating better quality working lives, for key workers in the foundational economy. The good work agenda should encompass 'contributive justice' and meaningful work (as well as 'distributive justice') in a more inclusive 'moral economy'. This is necessary to rebuild individual and regional self-esteem under a new human-centred 'social contract'. Extending meaningful work of social value in key worker occupations and sectors can act as a springboard for harnessing human capabilities that sustain human life for the common good.
- The Social Mobility Commission notes that by autumn 2020 disadvantaged pupils in primary school were a total of seven months behind their more privileged peers. By this point, Covid-19 had already increased the attainment gap by 0.5-1 month on top of the existing gap. This is the equivalent of erasing between one-third and two-thirds of the last decade's progress on closing the educational attainment gap. People from working class backgrounds are slowly becoming more upwardly mobile – 33% of people from working class backgrounds were in professional jobs in 2014 rising to 39% in 2020.
- In the week ending 25th July 2021, the seven-day average number of UK daily flights was 2,877. This is a 17% increase from the previous week, and the largest weekly rise since the Bank holiday weekend in May 2021.
- 13.3% of West Midlands businesses reported stock levels are lower than normal. 42% of West Midlands businesses reported stock levels had not changed and 10.2% reported stock levels are higher than normal. Covid-19 was still the main reason as to why stock levels had been impacted in the West Midlands at 37.2%.
- Demand for parent-paid childcare hours fell substantially during the first lockdown and stayed significantly below usual levels even after restrictions changed in June 2020 due to the shift to home working and parents reducing or stopping work temporarily (on furlough) or permanently (through unemployment).
- NFER has published work that shows there are widespread concerns for pupils wellbeing and mental health, with anxiety the most common issue; schools cannot rely on specialist services to support pupils; and staff wellbeing is an issue.

EU Transition impacts

- 7.6% of responding West Midlands businesses reported they had made changes to supply chains. Where businesses stated they had made changes, the highest response at 52.7% of responding West Midlands businesses reported they were using more UK suppliers. 24.7% of responding West Midlands businesses reported extra costs due to additional transportation costs. Although, 36.0% reported no extra costs.
- 4.9% of responding West Midlands businesses reported they had not been able to get the materials, goods or services from the EU in the last two weeks. 5.9% of West Midlands businesses had only been able to get the materials, goods or services due to changing the supplier or finding an alternative solution. 1.9% of responding West Midlands businesses reported that they intended to open new branches or subsidaries in the EU in the next 12 months.
- 6.7% of responding West Midlands businesses reported they were stockpiling goods or materials. 72.0% of West Midlands businesses were sourcing the stockpiled goods or materials from UK suppliers. 41.5% of responding West Midlands businesses reported they were stockpiling metals and materials.

Global, National and Regional Outlook

Alice Pugh, WMREDI

Global

A report released by PWC has found that consumer trends have changed for good. Since 2018 online shopping via a smartphone has almost doubled and continues to rise, increasing 2% since their last survey in March 2021. More people are also buying on their phone daily since the last survey. Eco-friendly shopping is also a continuing trend. However, a sizeable proportion (44%) demonstrated little interest in sustainable shopping and the reason they gave for not shopping sustainably was the expense. However, many consumers have turned to shopping local to support local independent businesses. This may also be due to the drive to shop locally for sustainability reasons.

Pricing has been the dominant reason for online shopping. PWC stated that price outpaces quality and convenience by wide margins in every category except grocery, where it still prevails but with smaller margins. Consumers are particularly likely to say they are focused on saving and on prices if they live in countries that have been hit the hardest by the pandemic.

The International Monetary Fund (IMF) has reported that economic prospects have diverged further across countries since April 2021. Vaccine access has emerged as the main fault line along which global recovery has split countries into two blocs; those that can look forward to further normalization of activity later this year (almost all advanced economies) and those that will still face resurgent infections and rising COVID death tolls. However, recovery is not assured in any country so long as the virus continues to circulate elsewhere.

Global recovery figures have remained unchanged since April 2021, however the prospects for emerging and developing countries have been marked down. By contrast, the forecast for advanced economies has been marked up. This reflect the disparities in policy and vaccine support. The US particularly saw a large rise, due to the anticipated legislation of additional fiscal support in the second half of 2021 and improved health metrics more broadly.

However, advanced countries are facing increasing inflation. Part of the reason for this is that there are frictions between global supply chains and labour markets that are inducing inflationary pressures. The UK may feel this more acutely also due to the impact of Brexit on supply chains. These pressures may become so acute that consumers pull back on activity, having negative knock-on effects on business production and investment, and global trade. Moreover, central banks may tighten monetary policy to address elevated inflation rates, which would also slow growth.

It is not just the UK which is facing widespread labour scarcity. In the US open but unfilled jobs recently reached 9.2 million, the highest figure on record. A number of Australian and Canadian businesses have reported difficulties in finding workers to fill vacancies. Also, in countries such as China and Eastern Europe companies are struggling to hire workers. It appears that some of this is due to cyclical reasons, and some structural. It was reported that a portion of the phenomenon should prove transitory: some workers are waiting until vaccinations increase to return to certain professions, some have relocated, etc. However, some is structural and clearly existed pre-pandemic. The baby boomer exodus from the workforce is clearly contributing to worker shortages in many countries. No solution exists for this issue, which is one of the reasons why inflation should likely settle in a range above that occurring last cycle.

Global economic uncertainty has continued to decline, but remains significant. Advanced economies are likely due to reach herd immunity if vaccination rates still continue on trend by the end of the year. However, the slow progress of vaccinations in developing countries will not see them approach herd immunity before 2023. In this time the high threat to all economies will remain mutations and more infectious variants as a result. This will not only disrupt countries with poor vaccinations schemes but all countries - as we have seen with other variants in the past.

National

Research for the STUC has reported this week on a survey of UK workers and the impact of Covid-19 and working from home. The results show that there was little delay in the transition to home working (32%). Where there were delays the majority of these were due to technology issues, such as waiting for a computer for home use. However, workers who remained in the workplace had much greater anxiety when it came to them potentially catching Covid-19; 67% were worried they may catch it travelling to or during work. Home workers faced their own anxieties, with 32% experiencing increases in their work volume, as well increased intensity of work (38%), pace of work (32%) and pressure of work (32%).

STUC found that, video team meetings are regarded in most respects by a majority as effective or more effective than face-to-face meetings, excepting the difficulty of concentrating (less effective 25%) and ability to interact with colleagues (less effective 38%). It is no surprise that home workers have faced distractions a home, when for the majority of last year children were unable to attend school ad instead had to do work at home; this caused many disruptions for parents who had to take on the duties of teacher, parent and employee all at the same time.

In terms of how workers would like to work post-Covid-19 conditions (assuming full-time employment and a 5-day week) 31% indicated a preference for 0 days in the office and 5 days working from home. STUC found that 78% stated a preference for working in the office 2 days or less. Only 9% expressed a preference for 4-5 days in the office. It appears, therefore, that in the future the majority of workers would prefer a combination of working from home and working from the office. The main reason for returning to work was that 83% miss social interaction in the workplace. The main reason for wanting to continue working from home was not having the hassle of driving to work (86%).

Clearly workers have different opinions but the vast majority would prefer a combination of workplace and at home working. This will also likely greatly depend on people's home lives and care duties. Home working will not be desirable to all for a number of reasons, such as inappropriate work space at home. There is not a 'one size fits all'. All hybrid working arrangement smust be discussed between employer, employee and unions, as many workers with have differing interests and preferences.

On the 30th July 2021 the Honda factory in Swindon finally closed its doors after it announced in 2019 that it would be stopping production in Swindon. This was a shock as the Swindon plant was one of the company's most productive. It will see 3,000 people who worked there lose their jobs and will send ripples throughout the local economy, with about 1,800 jobs ending at two local firms that supply the plant. Whilst Honda executives denied this was anything to do with Brexit, it came after the British government was in a deadlock over whether to stay in the European Single Market or leave and risk 10% export tariffs on sales to the EU.

Whilst there is a high number of jobs available in Swindon, workers will struggle match their previous wages at Honda. Whereas, workers may have earnt £20 per hour at Honda, a recruitment consultant stated to the BBC that they would struggle to beat £10 an hour for similar work in other firms.

The land has been bought up by Panattoni :a specialist in creating logistic parks. They now host B&Q, Aldi, Amazon and more similar smaller firms have warehouses around the estate. Whether the jobs offered by these companies will be as highly skilled or paid though is unlikely. And whilst many will receive redundancy which will ease the burden, they now face lower wages for the foreseeable future.

In the latest update of the Business insights and impact on the UK economy, the main points that ONS reported were:

- The percentage of businesses currently trading has remained broadly unchanged from 89% in early July 2021 to 88% in late July 2021.
- The proportion of businesses' workforce estimated to be on full or partial furlough leave remained unchanged from late June 2021 at 5% (provisional range of 4% to 6%); this has been generally stable since late May 2021, when for the first time since partial or full furlough estimates began in October 2020, businesses reported more employees were on partial rather than full furlough leave.
- The percentage of businesses reporting that turnover has not been affected has increased from 38% in late February 2021 to 47% in early July 2021.

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- The proportion of currently trading businesses that have exported and/or imported in the last 12 months and are experiencing a challenge remains stable, while the percentage of exporting businesses that have not been able to export, or exported less than normal, increased from 29% in early June 2021 to 39% in early July 2021.

It was reported this week that the number of Covid-19 cases being reported each day on the government's Coronavirus Dashboard understates the real number, because people who catch the disease more than once are not counted after the first time. According to figures published by Public Health England (PHE), there have been 23,105 "possible reinfections" of Covid-19 in England up to 4 July 2021. PHE defines a possible reinfection as one person giving two positive tests "at least 90 days apart". The proportion of cases that are potential re-infections changes from week to week, but the overall rate has been estimated by a PHE epidemiologist at around 1%.

Regional

According to figures last year nearly 2,000 jobs were created in Coventry and Warwickshire thanks to investment from foreign companies. According to figures from the Department of International Trade (DIT), 1,909 new jobs have been created and 42 jobs safeguarded, with 45 successful foreign direct investments in the area, and a further five shared across multiple areas.

New investors have included Hello Fresh, which has created a new e-commerce fulfilment centre in Nuneaton; Lotus Engineering has expanded its local presence with a new base at Wellesbourne Innovation Campus; BSA/Classic Legends has established a design and development centre in Coventry; and games developer Electric Square has set up a studio in Leamington Spa. Over the last seven years it has been reported that 17,985 jobs have been created from 302 foreign direct investment projects in Coventry and Warwickshire.

A new business programme will target the economic legacy of the Commonwealth Games 2022. Leaders running the initiative say that they hope it will generate more than £650 million in investment, £7 million in export deals and £12 million in visitor spend in the five years following the event. The core purpose will be to promote trade, investment and tourism, with the aim of creating more than 1,000 new jobs in the UK, of which 600 will be in the West Midlands. The hope is to attract an additional 39,000 visitors to the country.

The programme will focus on nations and territories across the Commonwealth, plus the domestic UK market. It will run until the end of 2023, taking advantage of opportunities before and after the Games. Planned activities include sales missions, showcase events, marketing campaigns and a media programme. The programme's trade and investment strands will focus on four key sectors - data-driven healthcare, creative technologies, future mobility and modern business services - as well as support sectors including e-commerce and the sports economy. After the Games finishes, it will concentrate on supporting businesses looking to locate here, confirming export contracts and securing capital investments.

It was reported that funding for the programme will come from central and local government, comprising £21.3 million announced in the 2020 Budget and a £2.6 million investment confirmed by the West Midlands Combined Authority last year. There are also opportunities for private sponsorship.

Thousands of jobs are set to be created in the Midlands after the region's bid to become a world leader in advanced ceramics received a significant cash boost. The Midlands Industrial Ceramics Group (MICG) has secured £18.27 million in government funding provided through UK Research and Innovation's flagship Strength in Places Fund (SIPF). The funds will create a world-leading industrial and academic research and development programme over the next four years, creating a cluster of new businesses in the Midlands and strengthening the supply chains in the region. The SIPF funding, combined with partner investment and the creation of new business opportunities, will together make the programme a £42.1 million project. City-REDI with SQW helped develop the successful bid and design the evaluation approach.

A new 'gigafactory' creating electric car batteries has submitted plans for construction. The factory could generate 6,000 jobs across the West Midlands. A joint venture team of Coventry City Council and Coventry Airport has lodged the plans for the 5.7 million sq ft facility at the airport site. If given the green light, the factory would produce batteries for electric cars, something considered vital to combating climate change and boosting the green economy, as well as run recycling services. This would build on the region's current growth in the low carbon sector. The plant is due to become operational by 2025, and it is estimated it would contribute £434 million in economic output to the region every year. As well as the 6,000 jobs directly created, thousands more jobs would be created in associated supply chains in the region.

New cultural attractions are set to open as part of a £260 million mixed-use development in Birmingham. A new Museum of Youth Culture and Birmingham Music Archive have signed up to take space at the major project in Digbeth which last week won planning consent from the City Council. This museum claims to be the first ever national museum of this kind in the world and will open in 2025. The wider masterplan for the Upper Trinity Street scheme includes a series of nine buildings, containing 943 residential units, a 133-bedroom hotel, 64,580 sq ft of flexible commercial space and a new park called 'Pump House Park'.

New research into the region's property market suggests that it is bouncing back. During the second quarter, 203,499 sq ft of office space in Birmingham city centre was taken up, four times that of the first quarter and 12 per cent higher than its ten-year average. Birmingham and Manchester are the top two cities for office market investment volumes over the last 12 months, accounting for £572 million and £430 million respectively. Avison and Young reported that in the West Midlands there was currently 5.3 million sq ft of space under construction, 55 per cent of which remained available, while a number of refurbishment opportunities were emerging including Aviva's 170,000 sq ft Colmore Gate and the former House of Fraser site, earmarked for a mixed-use, office-led redevelopment.

The WMCA has launched the Cultural Infrastructure Map. Cultural facilities are the cornerstone of arts and cultural ecology. This map brings together new data and information that has previously not existed in one place. The map shows the location of cultural infrastructure and enables users to view it alongside other useful data, like transport networks and demographic information. It will help us to develop new ways to support the arts & cultural sector, and may also be useful for people and organisations working within the sector.

The WMREDI partnership launched the State of the Region 2021 this week. The reports can be accessed here and presentations will be available to download soon. The partnership also launched the West Midlands Data Lab site which presents all the data and reports which underpin the State of the Region report.

Good Jobs in the Midlands After COVID
Professor Tony Dobbins and Professor Anne Green

Speakers at a joint Work Inclusivity Research Centre (WIRC) and City-REDI webinar on June 24th 2021 debated research and policy ideas in support of good work in the English Midlands. Comparisons were made with other regions and devolved nations that have been implementing Fair Work and Responsible Business and other associated policy interventions. The event was organised by Professor Tony Dobbins, University of Birmingham. The speakers were Professor Anne Green, University of Birmingham, Lee Barron, TUC Midlands Regional Secretary, and Dr Jack Cao, Keele University.

The Midlands' labour market is among the most heavily impacted by Covid in the UK, as well as Brexit, the 2008 financial crisis and austerity. Data shows that the availability of good work is heavily concentrated in London and the South East. Arguably, too many citizens in places like the Midlands have been economically and culturally forgotten, causing extensive working poverty and loss of self-esteem.

To respond to the crisis and ensure a sustainable regional recovery, there is an urgent need for measures enhancing meaningful decent work and an inclusive economy in the Midlands, rather than just increasing the number of jobs.

Foundational economy

Attention needs to be focused on creating good jobs in the foundational economy and green sectors, as well as improving the quality of existing jobs; for example, by implementing a Job Guarantee scheme, making regions like the Midlands 'real living wage places', ensuring security of minimum living hours, and supporting collective employee voiceand trade union representation.

There is considerable scope for improving wages and working conditions, and creating better quality working lives, for key workers in the foundational economy. The good work agenda should encompass 'contributive justice' and meaningful work (as well as 'distributive justice') in a more inclusive 'moral economy'. This is necessary to rebuild individual and regional self-esteem under a new human-centred 'social contract'. Extending meaningful work of social value in key worker occupations and sectors can act as a springboard for harnessing human capabilities that sustain human life for the common good.

There is also a potentially important role for the state nationally and regionally to set the rules for 'harder' regulatory standards through public procurement and social licensing requirements that employers have to comply with. Wales provides an interesting example regarding the recent Public Procurement and Social Partnership law.

There is increasing consensus that the good work agenda for regions like the Midlands cannot be left to market forces. Rather, multi-level whole-system interventions are required by the state, nationally, regionally and locally. Time will tell whether there is much substance or concrete policy underpinning the UK government's 'levelling-up' and 'Build Back Better' agenda, but concerns have been expressed about the decision to drop the Industrial Strategy.

In the resultant national employment policy vacuum, stakeholders in regions like the Midlands are developing their own policy ideas – within the constraints of devolution powers and the centralised state. There are significant regional challenges, including coordination and fragmentation of institutional architecture and activities between local actors in the West and East Midlands, and shortcomings in capacity to implement policy. A combination of policies of soft and hard influence is likely to be necessary to deliver good jobs in the Midlands. Possible recommendations include a 'Midlands Region Social Partnership Council' to better coordinate policies advancing the decent work agenda across the region.

Looking Ahead: The Future Business District Study and the Future of the Office

Hannes Read

Hannes recently spoke in BBC news about work currently being carried out in the region on The Future Business District. Since the Covid-19 pandemic, many people and businesses have been required to work from home rather than the office. The sudden shift away from working in the office has significantly impacted the Business, Professional & Financial Services (BPFS) sector.

As the UK looks to emerge out the other side of the pandemic, City-REDI at the University of Birmingham has been working alongside Colmore Business Improvement District (BID) in Birmingham city centre in a unique study on ***The Future Business District***. The aims of the project are to inform the response to long term recovery from the Covid-19 pandemic and to offer policy directions on best practice for BIDs to adapt to the changes in future.

The Accelerating Trend in Hybrid Working

The director of policy and research at the Centre for Cities, Paul Swinney, has recently appeared on the ***Wake up to Money*** programme on ***BBC Radio 5 Live*** claiming that, in the long term, we will see a return to the office five days a week. Yet, even prior to the pandemic, many people in the BPFS sector were not working full time in the office. The ‘flexible’ or ‘hybrid’ working that many people have become accustomed to recently was already underway; what the Covid-19 pandemic has done is accelerate those existing trends. So, the wheels were already in motion to move away from a five-day office week. A move back to pre-pandemic trends would still include a growing portion of remote working.

This is not to say that the office will become redundant, however. As identified by Paul Swinney, there are many benefits to being in the office, which is likely to persist and remain important. The networking, collaborations and ideas sparked by face-to-face interactions cannot be easily replicated virtually. Younger people, in particular, can have plenty to gain from meeting in person in the office.

“[Learning is] human nature, the end of the day. How the heck can the young people learn, you know. We’re learning, I’m always learning. You can’t learn by using these zoom screens, you know, it’s those interactions are conversations that actually are the most productive learning process within office space.” (Interview participant, 2021).

There are opportunities for younger people to learn good practice and building connections from meeting face-to-face. Exactly how the office space is used is more open for discussion. Yet our research has found it is likely to evolve to better capture the benefits of office-working, with more break-out rooms, areas for collaboration spaces and a greater emphasis on leisure.

The Journey to the Future Business District

Almost all the businesses, developers, and organisations we spoke to as part of the ***Future Business District*** study considered hybrid working to be here to stay, in some form. Whilst exactly how to coordinate and manage some people working part from home and part from the office is less clear in practice, the intention is certainly there. Still, teething problems may need to be worked out. For example, if the decision was left to employees to choose when they may come into the office, there could be a larger number of younger people going into the office on a Friday in anticipation of post-work drinks at the end of the week. And by the same token, there may be few people coming in on a Monday to ease themselves into the week. The uneven demand for office working can be at odds with some businesses acting to reduce the supply of office space.

Still, there is evidence from the ***Future Business District*** study that, in Birmingham, there is demand from both businesses and employers for a high-quality office space.

“[The future office is] much more about shared knowledge, inspiration, and breakout spaces and also quiet areas as well … They created a quality environment … The big point is the flight to quality.” (Interview participant, 2021)

The demand for good quality meeting rooms, collaboration spaces and breakout rooms is likely to increase. The considerations for energy efficiency, carbon zero building materials, sustainable transport infrastructure and parking, are also on the increase. Developers and businesses have planned for these trends already and the demand for high-quality office facilities is likely to continue to increase in the aftermath of the pandemic. Likening the office to a ‘destination’ is one way to encourage people to come into the office space and facilitate collaborations between people.

Role of BIDs in the Future Business District

There are implications facing the wider business district as a result of the shift to hybrid working and an increase in demand for high-quality office space. The findings from the ***Future Business District*** study shows that the way in which businesses and people will work and interact in the office is likely to change. Yet office working is unlikely to return quickly to something more akin to 2019. Hybrid working, where people work from home part of the week and from the office the rest of the time, is likely to continue to be the norm. The shifting office use towards a high-quality destination with greater collaboration and networking space is an opportunity to adapt to the changes. BIDs and other place-focused organisations have a significant role to play in facilitating a smooth and practical transition in the way hybrid working and new office uses. It cannot be ignored that many lower grade offices may become less attractive too in future. But plans for how they can be used in future, such as public indoor spaces, or education spaces could help bring an attraction to those areas. Encouraging the office and the wider city centre to become a destination where people can come in has wider benefits for the broader city centre ecosystem.

The changing business district can be seen as a journey. It is unlikely there will be a point where we ‘arrive’ at the trends facing the future city centre. But there can be a series of iterations and learning about what works well for businesses and the work-life balance of employees. Leadership organisations such as BIDs and local authorities from across the city centre are vital in working with businesses and organisations to adapt to the changes for the future business district.

Latest Published Research Round Up
Rebecca Riley WMCA/WMREDI

The UK Shared Prosperity Fund: strengthening the union or undermining devolution? By the Institute for Government looks at the UK government's plans to replace EU structural funds with a new UK Shared Prosperity Fund (UKSPF). It draws on a range of published data sources and discusses how EU structural funds operated, focusing particularly on their role within the devolved nations. The report explores the UK government's plans to replace EU structural funds with the UKSPF, and considers the issues that remain to be clarified about the fund. It examines the UK government case for its approach to setting up the UKSPF as a single UK-wide mechanism under its direct control. It states that government should:

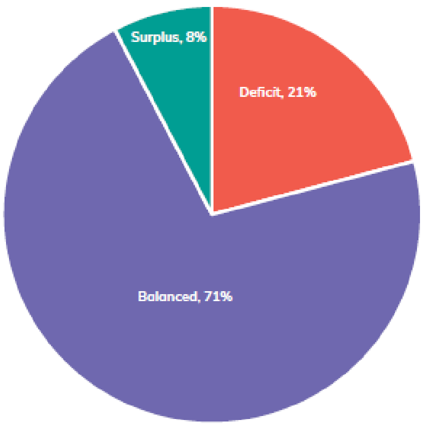
- improve its approach to consultation with the devolved governments, share more information, and refrain from making announcements without prior notification
- establish transparent criteria for the allocation of funds based on an assessment of relative need at the local, as well as regional, level
- clarify how it will ensure that spending under the new fund complements rather than duplicates spending programmes managed by the devolved governments
- set out how it will engage with devolved counterparts at each stage of funding allocation, and how disputes will be resolved
- explain how it will meet its manifesto commitment that devolved nations will receive "at least as much" funding to support economic development as previously
- ensure that the UKSPF operates over a period of at least five years to allow devolved governments and recipients of funds to plan and budget effectively
- clarify how the fund will work in Northern Ireland, and especially how funding allocations will take account of the need for cross-community support.

Post-COVID-19 scenario planning, by Chartered Institute of Public Finance and Accountancy (CIPFA), explores the ways in which local authorities and other public services have approached budgeting during the COVID-19 pandemic, and how they intend to move forward in a post-COVID world, drawing on the results of an online survey of senior officers. Their evidence shows that since 2019, the average length of medium-term financial plans (MTFPs) has shortened. The increase in short-term planning horizons suggests that authorities feel they are unable to predict either service demand or income with confidence much beyond three years. This cautious approach may well be justified following COVID-19 since demand for services, such as social care services, is expected to increase. The findings show that prior to COVID-19, 21% of respondents had budgets that were in deficit. Local authorities in deficit may have to use a greater proportion of their reserves or increase council tax by a larger percentage in order to deliver services. This makes them more vulnerable to service cuts and may require additional support from the government.

Pre-COVID-19

Figure 1: Respondents' budget positioning pre-COVID-19.

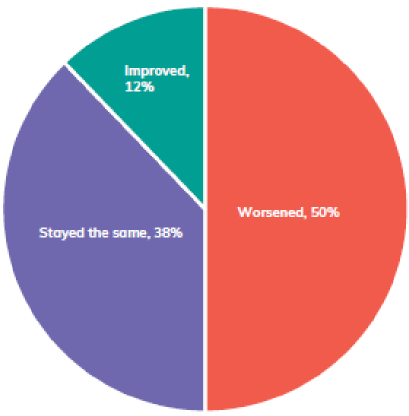
What was the position of the budget pre-COVID-19?



The impacts of COVID-19

Figure 6: The impact of COVID-19 on respondents' budgetary positions.

Bearing in mind both the costs of COVID-19 and new grants received from government, to what extent has the budget position changed?



State of the Nation 2021: social mobility and the pandemic, by the Social Mobility Commission has looked at the progress the four nations within the UK have made in tackling poverty, addressing inequality and improving social mobility against the backdrop of the COVID-19 pandemic. The report looks at how the pandemic has shaped trends in the UK looking at changes in the labour market, access to professional jobs, unemployment rates, and how various groups in society have been affected differently. The report highlights that in England the number of children in poverty in England has risen by around 500,000 since 2012, yet England is the only nation in the UK without a strategy to address child poverty. When the current £20 uplift to Universal Credit expires this autumn, millions more will be worse off.

- By autumn 2020, disadvantaged pupils in primary school were a total of seven months behind their more privileged peers. By this point, COVID-19 had already increased the attainment gap by 0.5-1 month on top of the existing gap. This is the equivalent of erasing between a third and two-thirds of the last decade's progress on closing the educational attainment gap.
- 30% of all children in England live in poverty, a much higher rate than either Scotland or Northern Ireland, but roughly equal with Wales.
- In the north-east of England, child poverty rates have risen sharply by around 11 percentage points in five years (from 25% to 37%). They are now close to the London rate of 38%.
- People from working class backgrounds are slowly becoming more upwardly mobile – 33% of people from working class backgrounds were in professional jobs in 2014 rising to 39% in 2020.
- But those from privileged backgrounds are also benefiting from the expansion in professional jobs. 62% of those in professional jobs are from privileged backgrounds, compared to 39% from working class backgrounds.

Post-pandemic economic growth: levelling up - third report of session 2021–22 published by The Stationery Office (TSO) reports on the second strand of an inquiry into post-pandemic economic growth focusing on the Government's proposed 'Levelling Up' agenda for England. The report is based on evidence from, amongst others, representatives of Local Government and Local Enterprise Partnerships, mayors and Chambers of Commerce. The report highlights the confusion about what 'Levelling Up' actually means in practice and how it might translate into specific policy initiatives and strategy, what progress has been made or who is responsible for delivering it. The report recommends:

- Urgently publish the Levelling Up White Paper, so that we are clear on what the Government defines levelling up to mean and what its priorities are.
- Work with the Office for National Statistics, the Cities and Local Growth Unit in the Business Energy and Industrial Strategy department and the National Audit Office to agree a set of metrics for the routine reporting of progress in delivering levelling up priorities.
- Establish the functioning of a Cabinet Committee on levelling up that collaborates with devolved, regional, and local leaders.
- Recognise that inequalities exist across the whole of the UK, including within cities, and that levelling up priorities should therefore not be focussed on only some regions or sub-regions of the UK.
- Ensure that each region in England has the capacity to competitively bid for Government funding, given that some areas in England have a greater capacity to engage with Whitehall than other areas.

Covid and childcare: the role of local authorities, by Frontier Economics, explores the role played by local authorities in supporting parents and childcare providers during the COVID- 19 pandemic, drawing on a survey of local authority early years lead officers. The report describes the different patterns of childcare provision through the pandemic, and looks at the support that local authorities gave to parents in accessing childcare. It highlights:

- Demand for parent-paid childcare hours fell substantially during the first lockdown and stayed significantly below usual levels even after restrictions changed in June 2020 due to the shift to home working and parents reducing or stopping work temporarily (on furlough) or permanently (through unemployment).
- In terms of immediate threats of closure, the financial impacts on providers were reported to be quite moderate. Few permanent setting closures due to the pandemic were reported and most LAs reported either no or small numbers of providers at substantial risk of having to close in the near future
- There was a mix of views on whether and how the quality of provision had been affected, and many Early Years Leads were not confident to make a judgement on this.

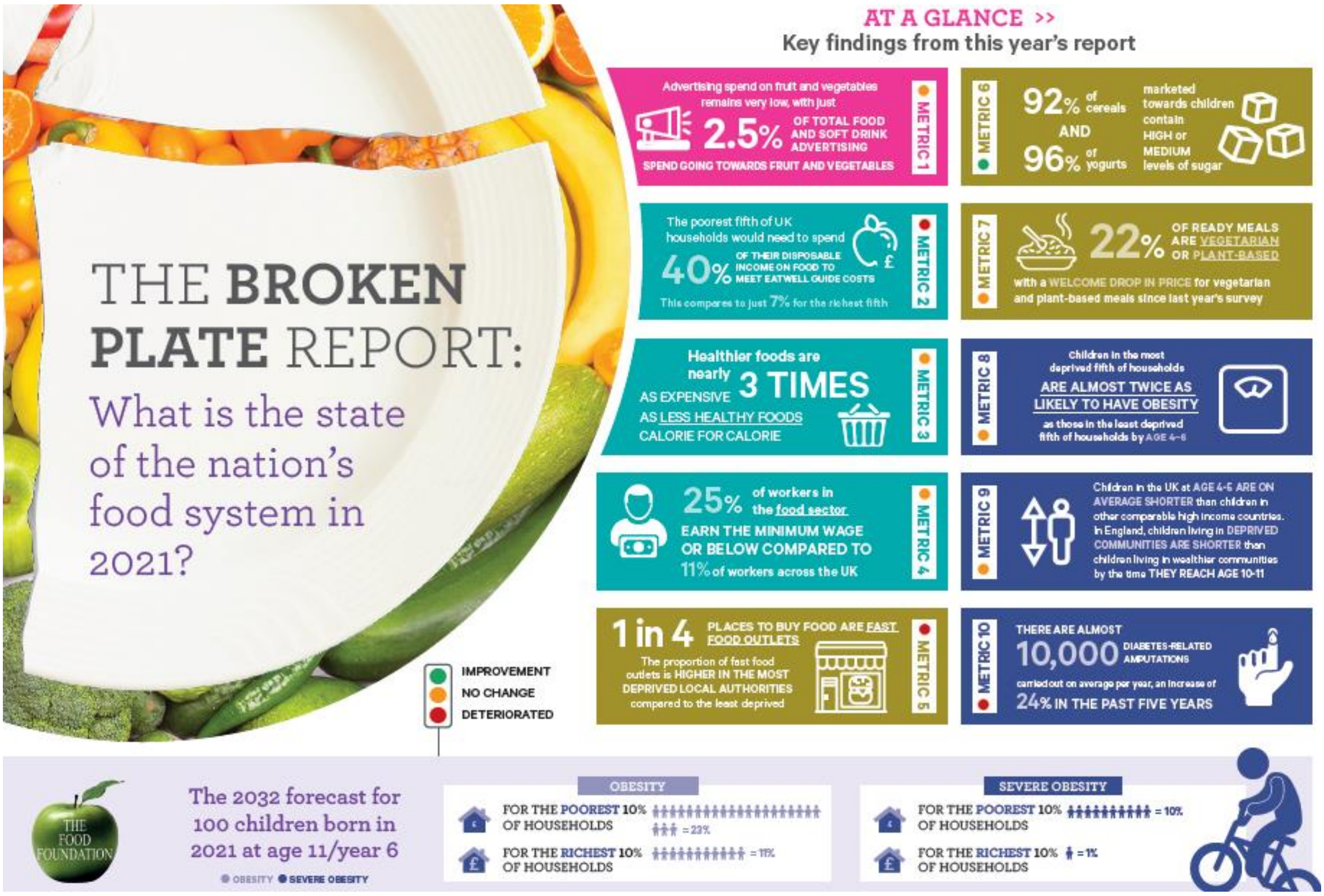
- Concerns about the future of the out-of-school sector were raised throughout the survey, both from the impact of reduced demand from parents working from home and from continuing delivery challenges reducing supply.
- More than half of local authorities thought there would be permanent changes in parent demand, in childcare provision, and in the local authority role in the sector.

Recovering from Covid-19: what pupils and schools need now by National Foundation for Educational Research (NFER) explores the needs of schools and their pupils following the COVID-19 pandemic, drawing on interviews with senior leaders in primary and secondary schools across England. Key findings indicated that: there are widespread concerns for pupils wellbeing and mental health, with anxiety the most common issue; schools cannot rely on specialist services to support pupils; staff wellbeing is an issue; schools have responded to pupils wellbeing and mental health in a number of ways; social distancing is impacting on the quality of teaching and learning; schools are noticing different trends in pupils' behaviour; self-isolation is having a negative effect on pupils; schools need timely decision-making and communication from central government; and school leaders feel that the government's current approach to learning recovery is misconceived and unbalanced.

Evaluation of the Housing First pilots: second process evaluation report, Ministry of Housing, Communities and Local Government, examines the implementation of pilot schemes to tackle homelessness by offering permanent housing to homeless people as quickly as possible. It provides an overview of the three pilot Housing First schemes in Greater Manchester, Liverpool City Region and West Midlands, and presents an update on partnership, governance and service delivery arrangements for the pilots. Key learning includes:

- Locality working (as in the West Midlands from the outset) is effective, enabling greater worker responsiveness and fostering constructive relationships with local stakeholders.
- Where local authorities hold housing stock this has supported buy-in from housing teams and commitment of properties. This has also enabled Housing First to be implemented as part of a commissioning pathway alongside other services, supporting a multi-agency approach. However, a strategic approach is required for the longer term to release pressures on local authority stock.
- Relationships matter between all stakeholders and at all levels – between Combined Authorities and providers; between partner agencies, Housing First staff and stakeholders; and between service users and support workers. Critically it is important to build positive relationships with people from senior management through to frontline levels.
- As the previous report emphasised, it is worth taking time to identify and recruit staff with values that align with the principles of Housing First. Enlisting the experience of individuals with lived experience is invaluable in this process.
- Securing a sufficient supply of suitable properties for service users was considered the main risk in each Pilot area.

The broken plate 2021: the state of the nation's food system: The Food Foundation assesses whether progress has been made against ten metrics providing a holistic picture of the food system in the UK. The four main themes are: making healthier options more appealing; making them more affordable; making healthier and more sustainable options more available; and addressing inequalities so that all have the chance of a longer, healthier life.



Briefing: the government's levelling up agenda - an opportunity to improve health in England, by The Health Foundation, explores what the UK government's strategy to 'level up' the country should contain to address health inequalities and improve health across England. The government has set out an aim to 'level up' the country, promising to increase prosperity, widen opportunity and ensure that no region is left behind. Action to 'level up the nation's health' has also been described as a core part of this agenda. Yet 'levelling up' is an opaque term, and the government's plans are still under construction. Despite encouraging signs, levelling up funding and policies laid out so far are partial and fragmented. Measures of health are not yet influencing the initial allocation criteria for levelling up funds, and initiatives are firmly tilted towards boosting financial and physical infrastructure capital. The role of local government and the NHS in helping to level up is also underplayed. Good health is interconnected with all of these assets and vital to creating prosperity. Action to improve health and reduce inequalities therefore needs to be a core component of the government's levelling up approach. The Briefing concludes that the levelling up strategy should include a cross-government plan to address wider factors affecting health and holding back opportunity, including poor housing, low quality work and early years support for children.

Labour Productivity: October to December 2020 – West Midlands Region[1]

Black Country Consortium Economic Intelligence Unit

The Office for National Statistics (ONS) has produced new quarterly regional productivity estimates which provide more timely analysis of movements of gross value added (GVA), labour inputs, and productivity in different parts of the UK during 2020.

In Summary:

- For the West Midlands region, output per hour decreased by 1.4% in 2020 when compared with 2019 – this was the highest decrease across any region in the UK. Over the same period the UK as a whole had an increase of 0.4% in output per hour.
- Movements in output per hour worked during 2020 for the countries and regions of the UK broadly follow one of three patterns because of differing changes in GVA and hours worked. The West Midlands follows the second pattern of change; a muted increase in output per hour in Quarter 3. Both GVA and hours worked show similar declines and recoveries throughout 2020.

Full Briefing:

- For the West Midlands region, output per hour decreased by 1.4% in 2020 when compared with 2019 – this was the highest decrease across any region in the UK. In contrast, the North West had the largest growth in output since 2019 by 4.6%. Over the same period the UK as a whole had an increase of 0.4% in output per hour.

The following graph shows output per hour year-on-year growth (2019 to 2020) for the UK and regions:

Source: ONS – Annual and quarterly labour productivity, gross value added, hours and jobs

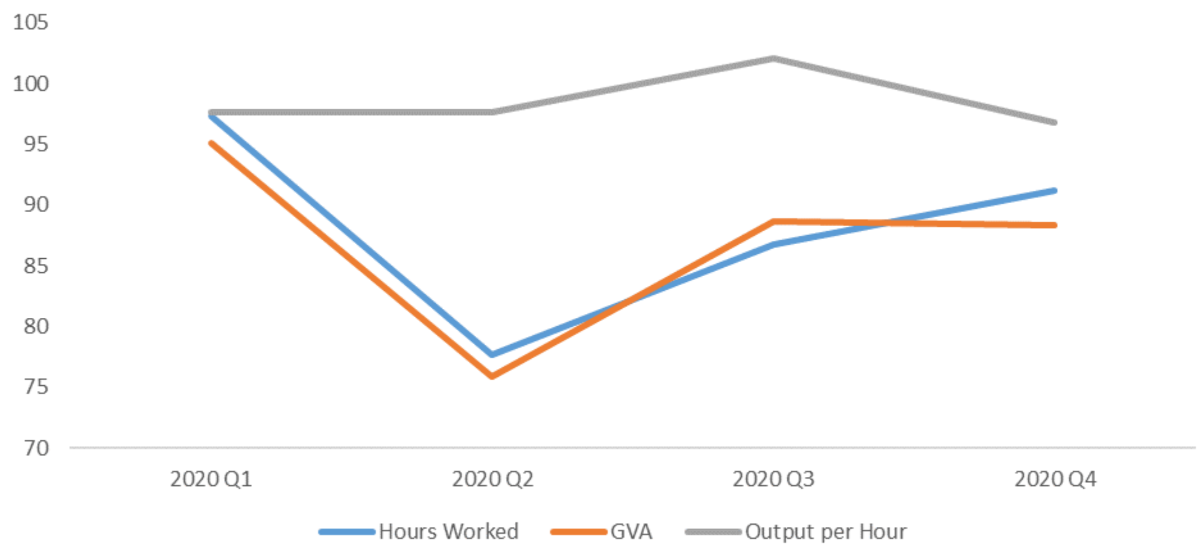
[1] Source: Office for National Statistics (ONS): Labour productivity for UK countries and regions, quarterly: October to December 2020, released August 2021. Please note, quarterly regional productivity estimates for 2020 are experimental. They may be more volatile than the labour productivity estimates and change more over short periods than the labour productivity estimates for the whole of the UK. Caution should be used when interpreting the data.

Regional patterns of output, hours worked and productivity during COVID-19

- Movements in output per hour worked during 2020 for the countries and regions of the UK broadly follow one of three patterns because of differing changes in GVA and hours worked;
  - The first pattern of change, shows output per hour remaining stable in 2020 between Quarter 1 and Quarter 2, followed by an increase in Quarter 3, and subsequent fall in Quarter 4. This pattern can be explained by a large decrease in both GVA and hours worked in Quarter 2, a faster recovery in GVA than hours worked in Quarter 3, followed by a stronger recovery of hours worked than GVA in Quarter 4. Regions showing this pattern include the North West, North East, Yorkshire and The Humber, South East, South West and Scotland.
  - The second pattern of change, shows a muted increase in output per hour in Quarter 3. Both GVA and hours worked show similar declines and recoveries throughout 2020. Regions showing these patterns include the East Midlands, East of England and the West Midlands (more detail below).
  - The final pattern of change, shows no notable decline in output per hour in Quarter 4. Both GVA and hours worked decline in Quarter 2 with GVA recovering faster into Quarter 3. However, in this case, hours worked do not recover to a similar level as GVA in Quarter 4, leading to a persistently higher level of productivity. Regions following this pattern include Northern Ireland Wales and London.

In the West Midlands region, when indexed to 2019 = 100, hours worked declined initially but had since showed recovery but continued to remain below their Quarter 1 2020 levels. However, output per hour remained at the same level for Quarter 1 and Quarter 2 at 97.7, followed by an increase to 102.1 in Quarter 3 and then a decline to 96.8 in Quarter 4. Following an initial decline, followed by improvement for GVA, there was a small decline in Quarter 3 (88.6) to Quarter 4 (88.4).

The following graph shows GVA, hours worked and output per hour, West Midlands region, Quarter 1 to Quarter 4 2020, index relative to 2019=100:



GVA per Hour Worked and GVA per Filled Job

Black Country Consortium Economic Intelligence Unit

In Summary

- The WMCA (3 LEP) unsmoothed GVA per hour worked increased from £32.32 in 2018 to £32.86 in 2019. The UK unsmoothed GVA per hour worked increased from £35 in 2018 to £35.78 in 2019, leading to a shortfall of £2.92 when comparing the WMCA (3 LEP) to the UK.
- Smoothed GVA per hour worked for the WM 7 Met. area increased by 0.8% (+£0.25) since 2018 to reach £31.76 in 2019, the UK increased by 1.0% (+£0.36 to £35.15).
- The WMCA (3 LEP) unsmoothed GVA per filled job increased from £51,864 in 2018 to £52,640 in 2019. The UK unsmoothed GVA per hour worked increased from £56,334 in 2018 to £57,721 in 2019, leading to a shortfall of £5,081 when comparing the WMCA (3 LEP) to the UK.
- Smoothed GVA per filled job for the WM 7 Met. area increased by 0.5% (+£272) since 2018 to reach £51,002 in 2019, the UK increased by 1.0% (+£582 to £56,670).

Full brief

Labour productivity increased in 30 out of 40 International Territorial Level 2 regions in Great Britain between 2010 and 2019; the highest productivity growth occurred in Outer London – West and North West, followed by Cornwall and Isles of Scilly, and Herefordshire, Worcestershire and Warwickshire.

In 2019, the most recent year for which data are available, labour productivity in 50 of the 168 International Territorial Level 3 regions in Great Britain was above the UK average; the top four were all in London, followed by North Hampshire, Berkshire, and Swindon.

Experimental local authority data show that gross value added per hour worked data were highest in Runnymede, Hounslow, Tower Hamlets, and Elmbridge; the lowest levels were found in Powys, Richmondshire, and Wyre Forest.

GVA per hour[2]

The WMCA (3 LEP) unsmoothed GVA per hour worked[3] increased from £32.32 in 2018 to £32.86 in 2019 (+1.7%, +£0.54). The UK unsmoothed GVA per hour worked increased from £35 in 2018 to £35.78 in 2019 (+2.2%, +£0.78). There was a shortfall of £2.92 when comparing the WMCA (3 LEP) to the UK.

Smoothed GVA per hour worked for the WM 7 Met. area increased by 0.8% (+£0.25) since 2018 to reach £31.76 in 2019, the UK increased by 1.0% (+£0.36 to £35.15).

In 2019, smoothed GVA per hour work varied from £27.78 (+1.1% since 2018) in the Black Country LEP, £32.46 (+0.9% since 2018) in Greater Birmingham and Solihull LEP to £36.98 (+1.1% since 2018) in Coventry and Warwickshire LEP.

In 2019, smoothed GVA per hour work varied from £23.32 (+£0.22 since 2018) in Wyre Forest to £45.24 (-£0.12 since 2018) in Solihull.

Smoothed and Unsmoothed GVA per Hour Worked in the WMCA and the UK:

	Smoothed				Unsmoothed			
	2018	2019	Change	% Change	2018	2019	Change	% Change
Cannock Chase	£27.90	£28.34	£0.44	1.6%	-	-	-	-
East Staffordshire	£33.81	£33.82	£0.01	0.0%	-	-	-	-
Lichfield	£28.40	£28.23	-£0.17	-0.6%	-	-	-	-
Tamworth	£30.67	£31.00	£0.33	1.1%	-	-	-	-
North Warwickshire	£33.72	£34.77	£1.05	3.1%	-	-	-	-

Source: Office for National Statistics (ONS), Subregional productivity in the UK: July 2021

[2]GVA per hour worked divides GVA by the total hours worked by the workforce in the area.

[3] A WMCA (3 LEP) figure is only available on an unsmoothed basis

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

Nuneaton and Bedworth	£26.08	£26.71	£0.63	2.4%	-	-	-	-
Rugby	£35.53	£35.93	£0.40	1.1%	-	-	-	-
Stratford-on-Avon	£39.39	£40.20	£0.81	2.1%	-	-	-	-
Warwick	£42.29	£43.03	£0.74	1.7%	-	-	-	-
Bromsgrove	£32.18	£33.14	£0.96	3.0%	-	-	-	-
Redditch	£32.45	£32.09	-£0.36	-1.1%	-	-	-	-
Wyre Forest	£23.10	£23.32	£0.22	1.0%	-	-	-	-
Birmingham	£30.29	£30.62	£0.33	1.1%	£30.75	£31.08	£0.33	1.1%
Coventry	£36.44	£36.21	-£0.23	-0.6%	£36.24	£35.69	-£0.55	-1.5%
Dudley	£26.40	£26.60	£0.20	0.8%	£26.52	£26.83	£0.31	1.2%
Sandwell	£29.66	£30.41	£0.75	2.5%	£30.98	£30.82	-£0.16	-0.5%
Solihull	£45.36	£45.24	-£0.12	-0.3%	£43.86	£45.55	£1.69	3.9%
Walsall	£25.91	£25.92	£0.01	0.0%	£25.68	£26.28	£0.60	2.3%
Wolverhampton	£27.68	£27.86	£0.18	0.7%	£27.35	£28.14	£0.79	2.9%
WM 7 Met.	**£31.51**	**£31.76**	**£0.25**	**0.8%**	**£31.71**	**£32.09**	**£0.38**	**1.2%**
Black Country LEP	£27.48	£27.78	£0.30	1.1%	£27.74	£28.11	£0.37	1.3%
Coventry and Warwickshire LEP	£36.58	£36.98	£0.40	1.1%	£37.11	£37.10	-£0.01	0.0%
Greater Birmingham and Solihull LEP	£32.18	£32.46	£0.28	0.9%	£32.22	£33.08	£0.86	2.7%
WMCA (3 LEP)	**-**	**-**	**-**	**-**	**£32.32**	**£32.86**	**£0.54**	**1.7%**
UK (less Extra-Regio)	£34.79	£35.15	£0.36	1.0%	£35.00	£35.78	£0.78	2.2%

GVA per Filled Job[4]

The WMCA (3 LEP) unsmoothed GVA per filled job[5] increased from £51,864 in 2018 to £52,640 in 2019 (+1.5%, +£776). The UK unsmoothed GVA per hour worked increased from £56,334 in 2018 to £57,721 in 2019 (+2.5%, +£1,387). There was a shortfall of £5,081 when comparing the WMCA (3 LEP) to the UK.

Smoothed GVA per filled job for the WM 7 Met. area increased by 0.5% (+£272) since 2018 to reach £51,002 in 2019, the UK increased by 1.0% (+£582 to £56,670).

In 2019, smoothed GVA per job filled varied from £45,705 (+1.2% since 2018) in the Black Country LEP, £51,767 (+0.6% since 2018) in Greater Birmingham and Solihull LEP to £58,794 (+0.4% since 2018) in Coventry and Warwickshire LEP.

In 2019, smoothed GVA per job filled varied from £36,949 (+£248 since 2018) in Wyre Forest to £70,455 (-£286 since 2018) in Solihull.

Smoothed and Unsmoothed GVA per Job Filled in the WMCA and the UK:

	Smoothed				Unsmoothed			
	2018	2019	Change	% Change	2018	2019	Change	% Change
Cannock Chase	£46,435	£47,189	£754	1.6%	-	-	-	-
East Staffordshire	£55,775	£56,132	£357	0.6%	-	-	-	-
Lichfield	£44,817	£44,585	-£232	-0.5%	-	-	-	-
Tamworth	£50,202	£50,511	£309	0.6%	-	-	-	-
North Warwickshire	£55,966	£57,188	£1,222	2.2%	-	-	-	-
Nuneaton and Bedworth	£41,248	£41,842	£594	1.4%	-	-	-	-
Rugby	£56,728	£56,906	£178	0.3%	-	-	-	-
Stratford-on-Avon	£63,049	£63,676	£627	1.0%	-	-	-	-
Warwick	£66,741	£67,438	£697	1.0%	-	-	-	-
Bromsgrove	£51,472	£53,036	£1,564	3.0%	-	-	-	-
Redditch	£53,976	£53,210	-£767	-1.4%	-	-	-	-
Wyre Forest	£36,701	£36,949	£248	0.7%	-	-	-	-

[4] GVA per filled job allocates GVA to the number of jobs in the area.
[5] A WMCA (3 LEP) figure is only available on an unsmoothed basis

Birmingham	£48,285	£48,573	£288	0.6%	£48,794	£48,877	£84	0.2%
Coventry	£58,424	£57,837	-£587	-1.0%	£57,504	£57,323	-£181	-0.3%
Dudley	£43,063	£43,480	£417	1.0%	£43,472	£44,030	£559	1.3%
Sandwell	£49,962	£50,940	£978	2.0%	£51,647	£51,851	£204	0.4%
Solihull	£70,742	£70,455	-£286	-0.4%	£68,311	£70,928	£2,617	3.8%
Walsall	£42,136	£42,303	£167	0.4%	£41,609	£43,318	£1,709	4.1%
Wolverhampton	£45,058	£45,549	£491	1.1%	£44,635	£46,477	£1,842	4.1%
WM 7 Met.	**£50,730**	**£51,002**	**£272**	**0.5%**	**£50,830**	**£51,487**	**£657**	**1.3%**
Black Country LEP	£45,182	£45,705	£524	1.2%	£45,511	£46,562	£1,049	2.3%
Coventry and Warwickshire LEP	£58,569	£58,794	£225	0.4%	£58,795	£58,928	£137	0.2%
Greater Birmingham and Solihull LEP	£51,470	£51,767	£298	0.6%	£51,485	£52,387	£901	1.8%
WMCA (3 LEP)	**-**	**-**	**-**	**-**	**£51,864**	**£52,6400**	**£776**	**1.5%**
UK (less Extra-Regio)	£56,088	£56,670	£582	1.0%	£56,334	£57,721	£1,387	2.5%

Quarterly Gross Domestic Product (GDP): October to December 2020 (Q4) – West Midlands Region[6]

Black Country Consortium Economic Intelligence Unit

Please note, this data release has been updated to include Quarter 4 2020 only, no revisions were made to the earlier data period. The Office for National Statistics (ONS) state the following; 'As we are conducting developmental work (as part of our ongoing work programme on experimental statistics) to improve the estimates in the quarterly Regional GDP release, we have paused updating the time-series between 2012 and Quarter 3 2020 for this release. Instead of updating that time series in this release we aim to do so in our next release, at which point we plan to incorporate the improvements and both the latest estimates of annual Balanced Regional Accounts and the improved sub-national estimates of the Construction industry.' Further information can be found here.

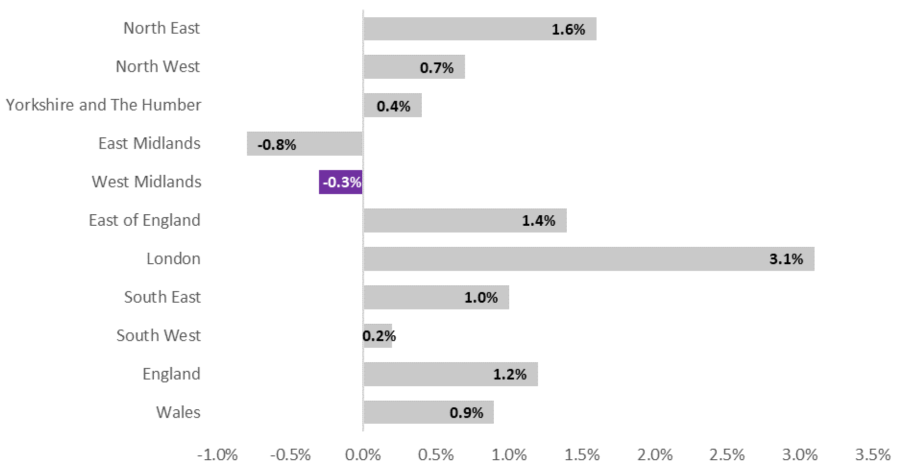
In Summary:

- There was positive growth in GDP in seven of the twelve English regions in 2020 Q4, with London having the highest growth with an increase of 3.1%. This was followed by the North East with an increase of 1.6%. The West Midlands and the East Midlands were the only regions estimated to have contracted, with the East Midlands having the largest contraction in 2020 Q4 at 0.8% and the West Midlands contracting by 0.3%.
- In 2020 Q4, all four countries in the UK showed positive GDP growth; England increased by 1.2%, Scotland grew by 2.3%, Northern Ireland increased by 0.7% and Wales grew by 0.9%.
- For the West Midlands region, there was positive growth in GDP for one sector in 2020 Q4; the production sector at 0.2%. For 2020 Q4, there was contractions of 0.2% in the services sector, contractions of 0.9% for agriculture, forestry and fishing sector and contractions of 3.0% for the construction sector.

Full Briefing:

- Quarterly GDP analysis shows for the West Midlands region there was contractions of 0.3%, while England had positive growth of 1.2% in 2020 Q4.
- There was positive growth in GDP in seven of the twelve English regions in 2020 Q4, with London having the highest growth, with an increase of 3.1%. This was followed by the North East with an increase of 1.6%. The West Midlands and the East Midlands were the only regions estimated to have contracted, with the East Midlands having the highest contraction in 2020 Q4 at 0.8%.

The following chart shows GDP change in 2020 Q4 across the English regions, England-wide and Wales:



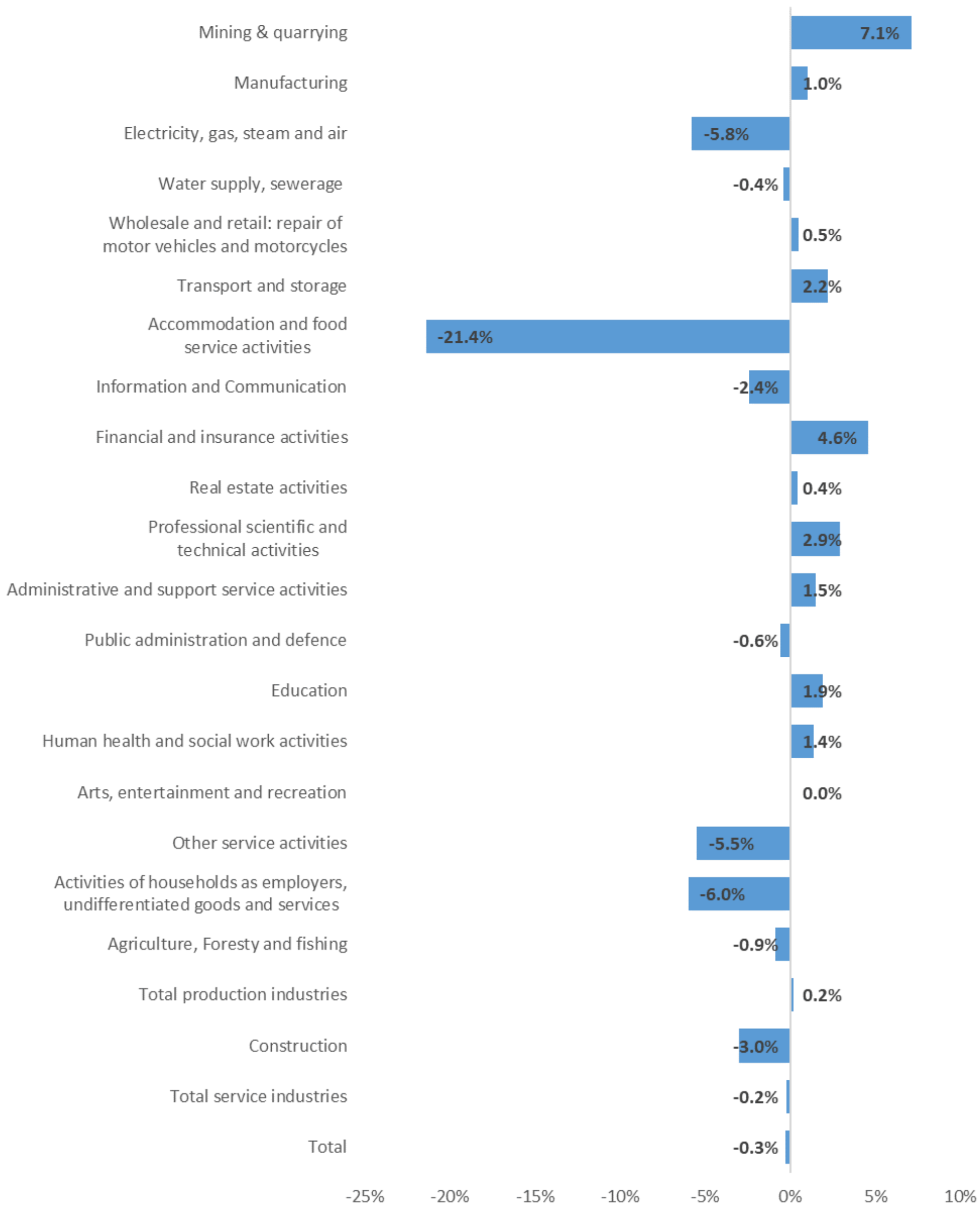
[6] Source: ONS: GDP, UK regions and Countries: October to December 2020 – released 3rd August 2021

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

Industries

- For the West Midlands region, there was positive growth in GDP for one sector in 2020 Q4; the production sector at 0.2%. For 2020 Q4, there was contractions of 0.2% in the services sector, contractions of 0.9% for agriculture, forestry and fishing sector and contractions of 3.0% for the construction sector.
- Within the four sectors there was positive growth in GDP for the ten industries and a further one industry that remained the same for the West Midlands region in 2020 Q4.
- The industries with the highest growth in 2020 Q4 were; mining & quarrying (+7.1%), financial and insurance activities (+4.6%) and professional scientific and technical activities (+2.9%).
- Of the seven industries in the West Midlands region where GDP contracted in 2020 Q4, the largest contractions were in accommodation and food services activities (-21.4%), activities of households as employers, undifferentiated goods services (-6.0%) and electricity, gas, steam and air (-5.8%).

The following chart shows GDP change for sectors and industries for the West Midlands regions in 2020 Q4:



Not in Education, Employment or Training (NEET) or Not Known (NK): Released July 2021[7]

Black Country Consortium Economic Intelligence Unit

In Summary:

- In the WM 7 Met. area, there were 5.9% (4,290) of 16- and 17-years olds not in education, employment or training (NEET) or not known (NK) at the end of 2020 (average of December 2020, January 2021 and February 2021). This is an increase of 0.2 percentage points (pp) when compared to end of 2019 (average of December 2019, January 2020 and February 2020). Over the same period England wide NEET & NK has remained at 5.5%.
- The proportion of NEET aged 16-17 years old varies by gender. At the end of 2020, there were 7.4% of male NEET or NK in the WM 7 Met. area – an increase of 0.4pp since the end of 2019. Male NEET or NK for England increased by 0.1pp over the same period. At the end of 2020, there were 5.0% of female NEET or NK in the WM 7 Met. area – an increase of 0.4pp since the end of 2019. Female NEET for England wide decreased by 0.1pp to 4.6% at the end of 2020.
- For ethnicity, those described as 'white' accounted for the highest proportion NEET & NK in Birmingham (15.5%), Sandwell (4.8%) and Solihull (5.1%); whilst for Coventry and Wolverhampton it was in 'other' (7.5% and 12.6% respectively). For Dudley, it was 'black or black British' (6.1%) and in Walsall it was 'mixed race' (5.4%).

Full Brief:

- In the WM 7 Met. area, there were 5.9% (4,290) of 16- and 17-years olds not in education, employment or training (NEET) or not known (NK) at the end of 2020 (average of December 2020, January 2021 and February 2021). This is an increase of 0.2 percentage points (pp) when compared to end of 2019 (average of December 2019, January 2020 and February 2020). Over the same period England wide NEET or NK has remained at 5.5%.
- At the end of 2020 within the WM 7 Met. area, the proportion of NEET & NK vary from 2.9% (decrease from 3.1% end of 2019) in Sandwell to 8.5% in Birmingham (increase from 7.8% end of 2019).

The following table shows across the WM 7 Met. West Midlands Region and England the number and proportions of NEET or NK at the end of 2019 and the end of 2020:

	End of 2019			End of 2020		
	Number of 16/17 year olds known to LA	**Total number NEET or NK**	**Proportion NEET or NK**	**Number of 16/17 year olds known to LA**	**Total number NEET or NK**	**Proportion NEET or NK**
Birmingham	30,340	2,370	7.8%	30,680	2,600	8.5%
Coventry	7,360	370	5.0%	7,750	340	4.4%
Dudley	7,210	420	5.8%	7,310	420	5.7%
Sandwell	8,360	260	3.1%	8,600	250	2.9%
Solihull	4,750	180	3.7%	5,000	220	4.4%
Walsall	6,880	240	3.5%	6,970	250	3.6%
Wolverhampton	5,880	200	3.3%	6,000	210	3.5%
WM 7 Met.	**70,780**	**4,040**	**5.7%**	**72,310**	**4,290**	**5.9%**
West Midlands Region	129,730	6,910	5.3%	133,180	7,580	5.7%
England	1,143,000	62,350	5.5%	1,181,090	64,720	5.5%

- For the WM 7 Met. area at the end of 2020, there were 3.2% (1,160) of NEET or NK aged 16 years old– remaining the same proportion at the end of 2019. The proportion of NEET or NK England wide aged 16 years old remained at 3.5%.

[7] Department for Education; 16-to 17 years-olds recorded in education and training and NEET by local authority, 2021 – released July 2021

- For the WM 7 Met. area at the end of 2020, there were 8.6% (3,130) of NEET or NK aged 17 years old– an increase from 8.3% at the end of 2019. The proportion of NEET or NK England wide aged 16 years old remained at 7.5%.

NEET or NK by Gender (16-17 years old)

- The proportion of NEET aged 16-17 years old varies by gender. At the end of 2020, there were 7.4% of male NEET or NK in the WM 7 Met. area – an increase of 0.4pp since the end of 2019. Male NEET or NK for England increased by 0.1pp over the same period. At the end of 2020, there were 5.0% of female NEET or NK in the WM 7 Met. area – an increase of 0.4pp since the end of 2019. Female NEET for England wide decreased by 0.1pp to 4.6% at the end of 2020.
- At the end of 2020 within the WM 7 Met. area, the proportion of male NEET or NK vary from 4.0% (decrease from 4.2% end of 2019) in Sandwell to 10.1% in Birmingham (increase from 9.3% end of 2019).
- At the end of 2020 within the WM 7 Met. area, the proportion of female NEET or NK vary from 2.2% (decrease from 2.5% end of 2019) in Sandwell to 6.7% in Birmingham (increase from 6.1% end of 2019).

The following table shows across the WM 7 Met. West Midlands Region and England the number and proportions of NEET or NK by gender aged 16-17 years old at the end of 2020:

	Total known to the LA: All	**Total known to the LA:** Males	**Total known to the LA:** Females	**NEET or NK Number:** All	**NEET or NK %:** All	**NEET or NK Number:** Males	**NEET or NK %:** Males	**NEET or NK Number:** Females	**NEET or NK %:** Females
Birmingham	30,680	15,710	14,720	2,600	8.5%	1,580	10.1%	980	6.7%
Coventry	7,750	3,170	2,970	340	4.4%	170	5.3%	120	4.0%
Dudley	7,310	3,670	3,570	420	5.7%	230	6.3%	190	5.2%
Sandwell	8,600	3,590	3,320	250	2.9%	140	4.0%	70	2.2%
Solihull	5,000	2,590	2,400	220	4.4%	130	4.9%	90	3.9%
Walsall	6,970	3,130	2,910	250	3.6%	150	4.7%	90	3.0%
Wolverhampton	6,000	2,250	2,150	210	3.5%	120	5.5%	70	3.1%
WM 7 Met.	**72,310**	**34,110**	**32,040**	**4,290**	**5.9%**	**2,520**	**7.4%**	**1,610**	**5.0%**
West Midlands Region	133,180	62,970	59,580	7,580	5.7%	4,430	7.0%	2,840	4.8%
England	1,181,090	585,630	556,610	64,720	5.5%	36,810	6.3%	25,580	4.6%

NEET or NK by Ethnic Group (16-17 years old)[8]

- For ethnicity, those described as 'white' accounted for the highest proportion NEET & NK in Birmingham (15.5%), Sandwell (4.8%) and Solihull (5.1%); whilst for Coventry and Wolverhampton it was in 'other' (7.5% and 12.6% respectively). For Dudley, it was 'black or black British' (6.1%) and in Walsall it was 'mixed race' (5.4%).

The following table shows at WM 7 Met. Local Authority Level, West Midlands Region and England the number and proportions of NEET or NK by Ethnic Group aged 16-17 years old at the end of 2020:

	Birmingham	**Coventry**	**Dudley**	**Sandwell**	**Solihull**	**Walsall**	**Wolverhampton**	**West Midlands Region**	**England**
White: Number known to LA	5,720	3,690	5,230	2,620	3,690	3,430	2,250	74,580	774,060
White: % NEET or NK	15.5%	5.6%	5.3%	4.8%	5.1%	4.9%	5.9%	6.1%	5.8%

[8] Please note, due to metadata unavailable at WM 7 Met. total level for ethnicity a total figure has not been included. When local authorities have more than 15% of ethnicities not recorded so caution should be taken in interpreting results.

	Birmingham	Coventry	Dudley	Sandwell	Solihull	Walsall	Wolverhampton	West Midlands Region	England
Mixed race: Number known to LA	1,110	320	410	350	320	290	460	4,910	50,590
Mixed race: % NEET or NK	13.5%	5.5%	5.5%	3.2%	3.8%	5.4%	5.6%	6.9%	5.6%
Black or black British: Number known to LA	1,440	660	200	590	90	280	520	4,320	59,730
Black or black British: % NEET or NK	9.4%	1.4%	6.1%	1.8%	3.3%	1.2%	1.1%	4.8%	3.7%
Asian or Asian British: Number known to LA	5,220	1,130	640	1,650	500	1,330	1,110	13,950	111,510
Asian or Asian British: % NEET or NK	7.4%	1.8%	4.3%	0.8%	1.9%	1.9%	0.8%	4.0%	2.7%
Chinese: Number known to LA	40	10	10	10	20	10	10	230	3,680
Chinese: % NEET or NK	0.0%	0.0%	0.0%	2.8%	0.0%	0.0%	0.0%	0.9%	1.9%
Other: Number known to LA	1,120	110	150	200	40	50	40	1,990	19,150
Other: % NEET or NK	9.5%	7.5%	5.5%	1.4%	2.7%	4.4%	12.6%	7.3%	5.0%
Total: Number known to LA	30,680	7,750	7,310	8,600	5,000	6,970	6,000	133,180	1,181,090
Total: % NEET or NK	8.5%	4.4%	5.7%	2.9%	4.4%	3.6%	3.5%	5.7%	5.5%

WMCA Coronavirus Job Retention Scheme (CJRS) Statistics: Released July 2021[9]

Black Country Consortium Economic Intelligence Unit

Summary

- In total, the WMCA (3 LEP) area had 120,600 employments furloughed on the 30th June 2021. This reflects a 7.1% take-up of eligible employments for the scheme, compared to UK-wide of 6.5%. When compared to 31st May, the number of employments furloughed in the WMCA (3 LEP) area decreased by 25,400 (-17.4%, UK -24.1%).
- As of 30th June 2021, there was a higher percentage of males furloughed at 7.8% (67,300), compared to females at 6.3% (53,400). Whereas the UK had a take up rate of 6.8% for males and 6.1% for females.
- For the WMCA (3 LEP) area, on the 30th June 2021, the sector with the highest number of employments furloughed was manufacturing at 21,000.
- For the UK, provisional figures show that the number of employments on furlough was 1.9 million on the 30th June 2021 – the lowest number since the start of the pandemic.
- Provisional figures show for the West Midlands region there were 159,400 employments furloughed on the 30th June 2021 – the lowest numbers on record (data available for 1st July 2020). When compared to 31st May 2021, there were 37,800 fewer employments furloughed (-19.2% compared to -24.1% for the UK).
- For all age bands the number of employments on furlough and the take-up rates decreased between 31st May and 30th June. The largest proportionate reduction of number of employments on furlough was for the under 18 age band UK-wide.
- The highest number of employments furloughed by age group for the West Midlands region on the 30th June was those aged 50-54 years old at 18,700 employments furloughed. When compared to 31st May 2021, for this age bracket the numbers of employments furloughed decreased by 2,900.
- For all employer sizes, the number of employments on furlough decreased across February, March, April, May and June 2021 UK-wide. The largest reduction is for employers with 250 or more employees where the number of employments on furlough decreased by 254,400 from 595,200 employments at 31st May 2021 to a provisional estimate of 340,700 at 30th June 2021.

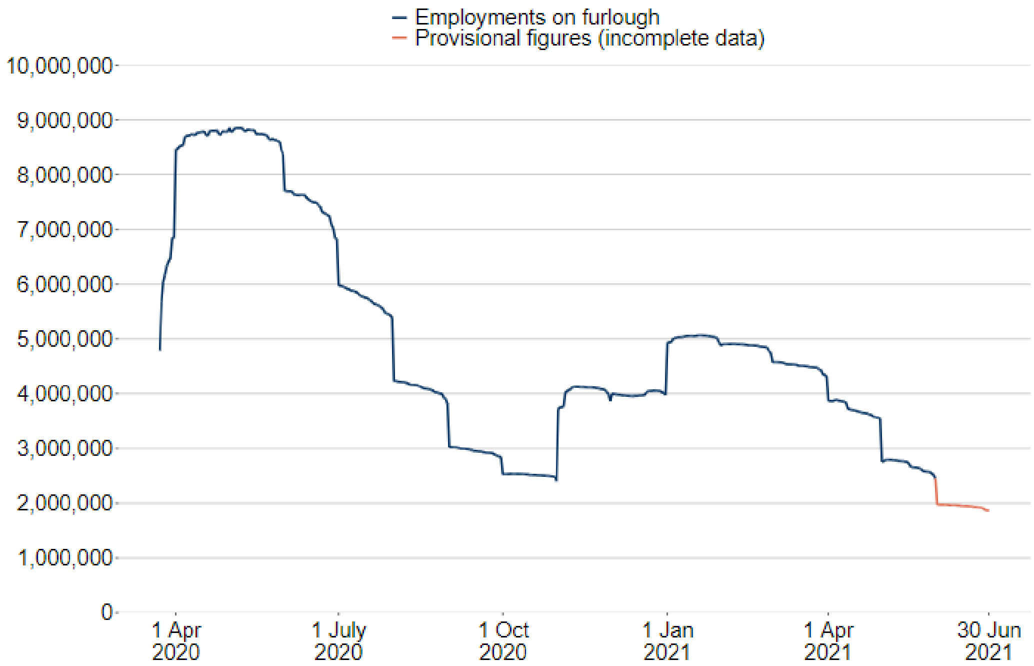
Full Briefing

Furloughed Employments Over Time – UK & West Midlands Region

- For the UK, the number of employments on furlough peaked at 8.9 million on 8th May 2020. This fell to 2.4 million at 31st October, rose again to 4.9 million employments on furlough at 31st January 2021. However, the number of employments on furlough has fallen since January 2021 and provisional figures show that the number of employments on furlough was 1.9 million on the 30th June 2021 – the lowest number since the start of the pandemic.

The following chart shows the total number of employments furloughed in the UK over time to 30th June 2021:

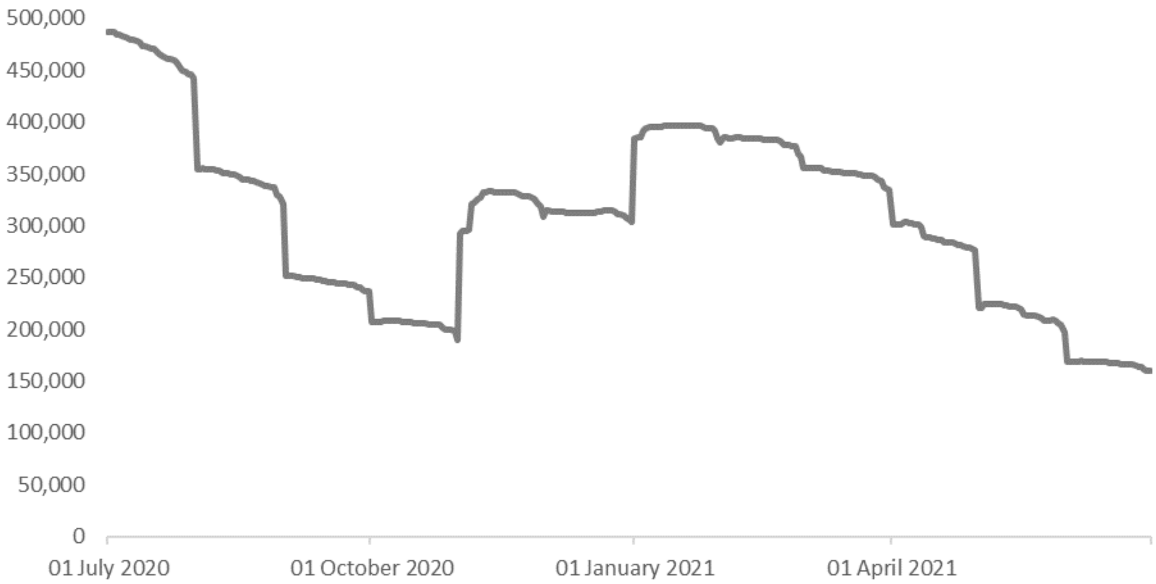
[9] Source: HMRC, Coronavirus Job Retention Scheme statistics: July 2021. Please note, the figures for June 2021 are based on claims received to the deadline of 14th July 2021. In some circumstances, late claims can be made with a reasonable excuse and in agreement with HMRC. Claims could also be amended until 28th July 2021. Therefore, the data for June 2021 is incomplete and should be considered provisional. It is estimated that the overall total number of employments on furlough in June 2021 will be in the region of 3% (around 0.1 million) higher once all claims are submitted and revisions applied.



Source: HMRC CJRS data

- Provisional figures show for the West Midlands region there were 159,400 employments furloughed on the 30th June 2021 – the lowest numbers on record (data available for 1st July 2020). When compared to 31st May 2021, there were 37,800 fewer employments furloughed (-19.2% compared to -24.1% for the UK).

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



- Of the 159,400 employments furloughed in the West Midlands region on the 30th June 2021, 81,400 were fully furloughed and 78,000 were partially furloughed.

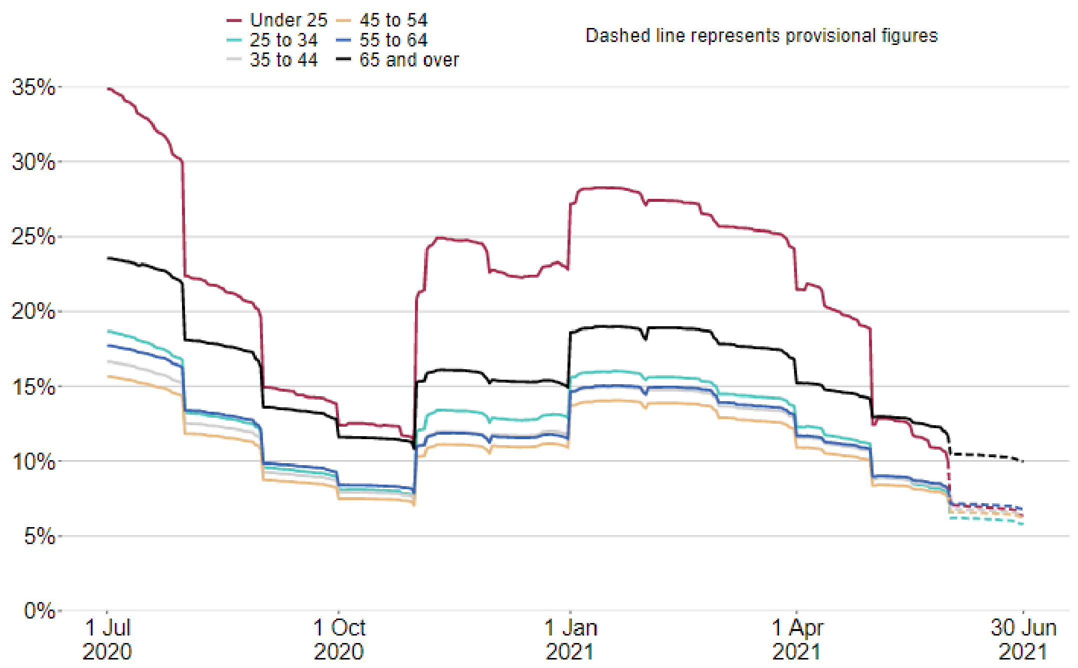
Employments Furloughed Over Time by Age – UK

- For all age bands the number of employments on furlough and the take-up rates decreased between 31st May and 30th June. The largest proportionate reduction of number of employments on furlough was for the under 18 age band.

- Since 1st July 2020, the under 18 and 18-24 age bands have had the highest proportion of eligible employments on furlough, followed by the 65 and over age band. However, in June 2021 the take-up rates of these youngest age bands decreased dramatically and are now in line with the other age bands. This reduction is line with the easing of restrictions across the UK, particularly in hospitality.

- The take-up rate for the 65 and over age band reduced more slowly than for the youngest age groups between 31st May and 30th June. Thus, at the end of June this age band had the highest take-up of all age groups – the first time this has happened since the start of the scheme. This age band had a take-up rate of 10% for both female and male employments at 30th June 2021, in comparison with the 6% and 7% respectively for the total female and male populations.

The following chart shows the proportion of employments furloughed for the UK by the age of the employee between July 2020 to June 2021:

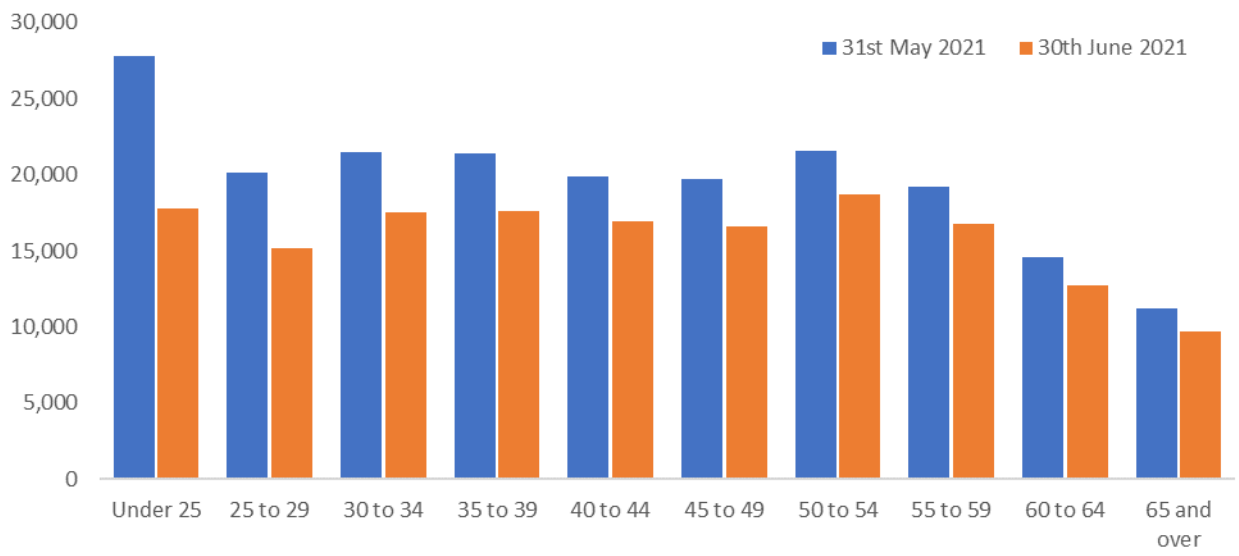


Source: HMRC CJRS and PAYE Real Time Information data

Employments Furloughed by Age – West Midlands Region

- The highest number of employments furloughed by age group for the West Midlands region on the 30th June was those aged 50-54 years old at 18,700 employments furloughed. When compared to 31st May 2021, for this age bracket the numbers of employments furloughed decreased by 2,900.
- When compared to 31st May 2021, for the West Midlands region, those aged under 25 had the highest decrease in employments furloughed which was by 10,000 (down to 17,800 employments furloughed).

The following chart shows for the West Midlands region the number of employments furloughed by age group for the 31st May and 30th June 2021:



Furlough by Employer Size – UK

- For all employer sizes, the number of employments on furlough decreased across February, March, April, May and June 2021. The largest reduction is for employers with 250 or more employees where the number of employments on furlough decreased by 254,400 from 595,200 employments at 31st May 2021 to a provisional estimate of 340,700 at 30th June 2021.
- Employers with one employment had 149,500 employments on furlough at 31st May 2021. Provisional figures show that this decreased in June to 138,900 employments on furlough at 30th June 2021.
- Medium and large sized businesses have the lowest proportion of eligible employments on furlough. Provisional figures for 30th June 2021 show that employers with 250 or more employees had 2% of eligible employees on furlough. Employers with 2 to 4 employees had the highest proportion of eligible employments on furlough at 22%.
- Between January and the end of June, the number of employments on furlough decreased by a larger proportion amongst large employers. Employers with 250 or more employees have seen a 79% reduction in employments on furlough since the peak in January, in comparison with a 33% reduction amongst employers with one employee. This may reflect the varying impact of the pandemic on businesses of differing sizes.

Employments Furloughed by Gender – WMCA (3 LEP)

- In total, the WMCA (3 LEP) area had 120,600 employments furloughed on the 30th June 2021. This reflects a 7.1% take-up of eligible employments for the scheme, compared to UK-wide of 6.5%. When compared to 31st May, the number of employments furloughed in the WMCA (3 LEP) area decreased by 25,400 (-17.4%, UK -24.1%).
- As of 30th June 2021, there was a higher percentage of males furloughed at 7.8% (67,300), compared to females at 6.3% (53,400). Whereas the UK had a take up rate of 6.8% for males and 6.1% for females.
- As of the 30th June 2021, the local authority with the highest percentage of employments furloughed was Birmingham at 8.3% (34,400 furloughed of the 413,000 eligible). The local authority with the highest percentage of males furloughed was Birmingham at 9.8% (20,800 furloughed of the 211,500 eligible). The local authority with the highest percentage of female employments furloughed was Solihull at 7.8% (3,600 furloughed of 46,200 eligible).

The following table shows employments furloughed, eligible employments and the take-up rate for the WMCA (3 LEP) area by gender as of 30th June 2021[10]:

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

	Female			Male			Total		
	Female Employments Furloughed	Female Eligible Employments	Take Up-Rate	Male Employments Furloughed	Male Eligible Employments	Take Up-Rate	Total Employments Furloughed	Total Eligible Employments	Take Up-Rate
Birmingham	13,600	201,500	6.7 %	20,800	211,500	9.8 %	34,400	413,000	8.3 %
Bromsgrove	1,400	22,100	6.3 %	1,500	20,700	7.2 %	2,800	42,800	6.5 %
Cannock Chase	1,400	22,300	6.3 %	1,400	22,100	6.3 %	2,800	44,400	6.3 %
Coventry	3,800	71,000	5.4 %	5,300	73,900	7.2 %	9,200	144,800	6.4 %
Dudley	3,800	66,200	5.7 %	4,700	65,600	7.2 %	8,500	131,800	6.4 %
East Staffordshire	1,600	26,900	5.9 %	1,600	28,400	5.6 %	3,300	55,300	6.0 %
Lichfield	1,500	22,800	6.6 %	1,600	22,500	7.1 %	3,100	45,300	6.8 %
North Warwickshire	1,000	14,700	6.8 %	1,000	14,400	6.9 %	2,000	29,200	6.8 %
Nuneaton and Bedworth	1,600	30,000	5.3 %	2,000	30,000	6.7 %	3,600	60,000	6.0 %
Redditch	1,300	20,100	6.5 %	1,800	19,700	9.1 %	3,100	39,800	7.8 %
Rugby	1,500	26,100	5.7 %	1,500	27,700	5.4 %	3,000	53,800	5.6 %
Sandwell	4,100	65,900	6.2 %	5,600	67,000	8.4 %	9,700	132,900	7.3 %
Solihull	3,600	46,200	7.8 %	3,900	45,600	8.6 %	7,400	91,800	8.1 %
Stratford-on-Avon	2,200	29,300	7.5 %	1,900	28,800	6.6 %	4,000	58,100	6.9 %
Tamworth	1,000	17,800	5.6 %	1,200	18,200	6.6 %	2,200	36,100	6.1 %
Walsall	3,600	54,800	6.6 %	4,400	55,800	7.9 %	8,000	110,600	7.2 %
Warwick	2,100	32,300	6.5 %	2,000	33,700	5.9 %	4,100	66,000	6.2 %
Wolverhampton	3,100	53,800	5.8 %	3,800	53,300	7.1 %	6,900	107,000	6.4 %
Wyre Forest	1,200	21,000	5.7 %	1,300	20,100	6.5 %	2,500	41,100	6.1 %
WM 7 Met.	**35,500**	**559,300**	6.3 %	**48,500**	**572,700**	8.5 %	**84,000**	**1,132,000**	7.4 %
Black Country LEP	14,600	240,700	6.1 %	18,500	241,700	7.7 %	33,100	482,300	6.9 %
Coventry & Warwickshire LEP	12,200	203,400	6.0 %	13,700	208,500	6.6 %	25,900	411,900	6.3 %
Greater Birmingham & Solihull SLEP	26,600	400,700	6.6 %	35,100	408,800	8.6 %	61,600	809,600	7.6 %
WMCA (3 LEP)	53,400	844,800	6.3 %	67,300	859,000	7.8 %	120,600	1,703,800	7.1 %
West Midlands region	72,700	1,208,800	6.0 %	86,700	1,215,600	7.1 %	159,400	2,424,300	6.6 %
United Kingdom	877,600	14,452,600	6.1 %	964,800	14,239,600	6.8 %	1,857,400	28,692,200	6.5 %

- The parliamentary constituency in the WMCA (3 LEP) area with the highest take-up rate on 30th June 2021 was Birmingham, Hall Green at 10.2% (4,200 furloughed of the 41,000 eligible). Birmingham, Hodge Hill was the parliamentary constituency with the highest male take-up rate with 12.3% (2,700 furloughed of 21,900 eligible). The parliamentary constituency with the highest female take-up rate with 8.2% (1,500 furloughed of the 18,400 eligible) was Birmingham, Hall Green.

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

	Female			Male			Total		
	Female Employments Furloughed	Female Eligible Employments	Take Up-Rate	Male Employments Furloughed	Male Eligible Employments	Take Up-Rate	Total Employments Furloughed	Total Eligible Employments	Take Up-Rate
Aldridge-Brownhills	1,200	16,700	7.2%	1,200	16,000	7.5%	2,400	32,800	7.3%
Birmingham, Edgbaston	1,200	18,400	6.5%	1,600	18,100	8.8%	2,800	36,500	7.7%
Birmingham, Erdington	1,300	20,500	6.3%	1,900	20,000	9.5%	3,100	40,600	7.6%
Birmingham, Hall Green	1,500	18,400	8.2%	2,700	22,600	11.9%	4,200	41,000	10.2%
Birmingham, Hodge Hill	1,300	17,600	7.4%	2,700	21,900	12.3%	4,000	39,500	10.1%
Birmingham, Ladywood	1,700	22,300	7.6%	2,800	26,700	10.5%	4,500	49,000	9.2%
Birmingham, Northfield	1,000	22,000	4.5%	1,600	19,800	8.1%	2,600	41,800	6.2%
Birmingham, Perry Barr	1,500	20,400	7.4%	2,100	21,300	9.9%	3,600	41,700	8.6%
Birmingham, Selly Oak	1,100	19,900	5.5%	1,500	18,700	8.0%	2,600	38,500	6.8%
Birmingham, Yardley	1,500	20,500	7.3%	2,500	21,800	11.5%	4,000	42,300	9.5%
Bromsgrove	1,400	22,100	6.3%	1,500	20,700	7.2%	2,800	42,800	6.5%
Burton	1,400	24,500	5.7%	1,500	26,000	5.8%	2,900	50,500	5.7%
Cannock Chase	1,400	22,300	6.3%	1,400	22,100	6.3%	2,800	44,400	6.3%
Coventry North East	1,400	26,700	5.2%	2,100	27,800	7.6%	3,500	54,500	6.4%
Coventry North West	1,300	23,600	5.5%	1,700	23,700	7.2%	3,000	47,300	6.3%
Coventry South	1,100	20,700	5.3%	1,500	22,400	6.7%	2,700	43,000	6.3%
Dudley North	900	17,300	5.2%	1,200	17,100	7.0%	2,100	34,400	6.1%
Dudley South	1,000	16,800	6.0%	1,200	16,700	7.2%	2,100	33,600	6.3%
Halesowen and Rowley Regis	1,100	18,900	5.8%	1,400	18,700	7.5%	2,500	37,600	6.6%
Kenilworth and Southam	1,400	19,400	7.2%	1,200	19,500	6.2%	2,600	39,000	6.7%
Lichfield	1,300	21,300	6.1%	1,400	20,900	6.7%	2,800	42,200	6.6%
Meriden	1,900	24,200	7.9%	2,100	23,600	8.9%	4,000	47,800	8.4%
North Warwickshire	1,100	22,500	4.9%	1,400	22,500	6.2%	2,500	44,900	5.6%
Nuneaton	1,400	21,300	6.6%	1,800	21,000	8.6%	3,300	42,300	7.8%
Redditch	1,300	24,900	5.2%	1,500	26,400	5.7%	2,800	51,300	5.5%
Rugby	1,600	22,100	7.2%	1,800	22,000	8.2%	3,400	44,000	7.7%
Solihull	1,200	18,400	6.5%	1,300	18,500	7.0%	2,500	37,000	6.8%
Stourbridge	1,600	20,900	7.7%	1,400	20,400	6.9%	3,000	41,300	7.3%
Stratford-on-Avon	1,500	21,500	7.0%	1,500	20,600	7.3%	3,000	42,200	7.1%
Sutton Coldfield	1,400	21,800	6.4%	1,500	22,200	6.8%	2,900	44,000	6.6%
Tamworth	1,100	19,000	5.8%	1,400	19,200	7.3%	2,500	38,200	6.5%

	Female			Male			Total		
	Female Employments Furloughed	Female Eligible Employments	Take Up-Rate	Male Employments Furloughed	Male Eligible Employments	Take Up-Rate	Total Employments Furloughed	Total Eligible Employments	Take Up-Rate
Walsall North	1,200	19,000	6.3%	1,800	20,600	8.7%	3,100	39,600	7.8%
Walsall South	1,300	19,700	6.6%	1,800	20,400	8.8%	3,100	40,100	7.7%
Warley	1,400	23,700	5.9%	1,400	24,900	5.6%	2,900	48,600	6.0%
Warwick and Leamington	1,200	18,700	6.4%	1,600	18,800	8.5%	2,800	37,500	7.5%
West Bromwich East	1,100	19,600	5.6%	1,600	19,800	8.1%	2,800	39,400	7.1%
West Bromwich West	1,000	19,500	5.1%	1,200	18,500	6.5%	2,200	38,000	5.8%
Wolverhampton North East	1,100	18,800	5.9%	1,500	19,400	7.7%	2,600	38,200	6.8%
Wolverhampton South East	1,100	18,000	6.1%	1,300	18,000	7.2%	2,400	36,100	6.6%
Wolverhampton South West	1,200	21,000	5.7%	1,300	20,100	6.5%	2,500	41,100	6.1%
Wyre Forest	1,200	16,700	7.2%	1,200	16,000	7.5%	2,400	32,800	7.3%
WMCA (3 LEP)	53,400	844,800	6.3%	67,300	859,000	7.8%	120,600	1,703,800	7.1%
United Kingdom	877,600	14,452,600	6.1%	964,800	14,239,600	6.8%	1,857,400	28,692,200	6.5%

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

- For the WMCA (3 LEP) area, on the 30th June 2021, the sector with the highest number of employments furloughed was manufacturing at 21,000. This was followed by accommodation and food services at 19,530 and then by wholesale and retail repair of motor vehicles at 17,650 employments furloughed.
- For the WMCA (3 LEP) area, other had the lowest employments furloughed on the 30th June 2021 at 1,550, this was followed by education at 3,540.

The following table shows the total employments furloughed by broad sector for the WMCA (3 LEP) as of 30th June:

Broad Sector	30th June 2021
Manufacturing	21,000
Construction	6,730
Wholesale and retail; repair of motor vehicles	17,650
Transportation and storage	8,410
Accommodation and food services	19,530
Information and communication, Financial and insurance & Real estate	6,260
Professional, scientific and technical	9,250
Administrative and support services	11,860
Education	3,540
Health and social work	4,840
Arts, entertainment and recreation	4,770
Other service activities	5,180
Other	1,550
Total	120,600

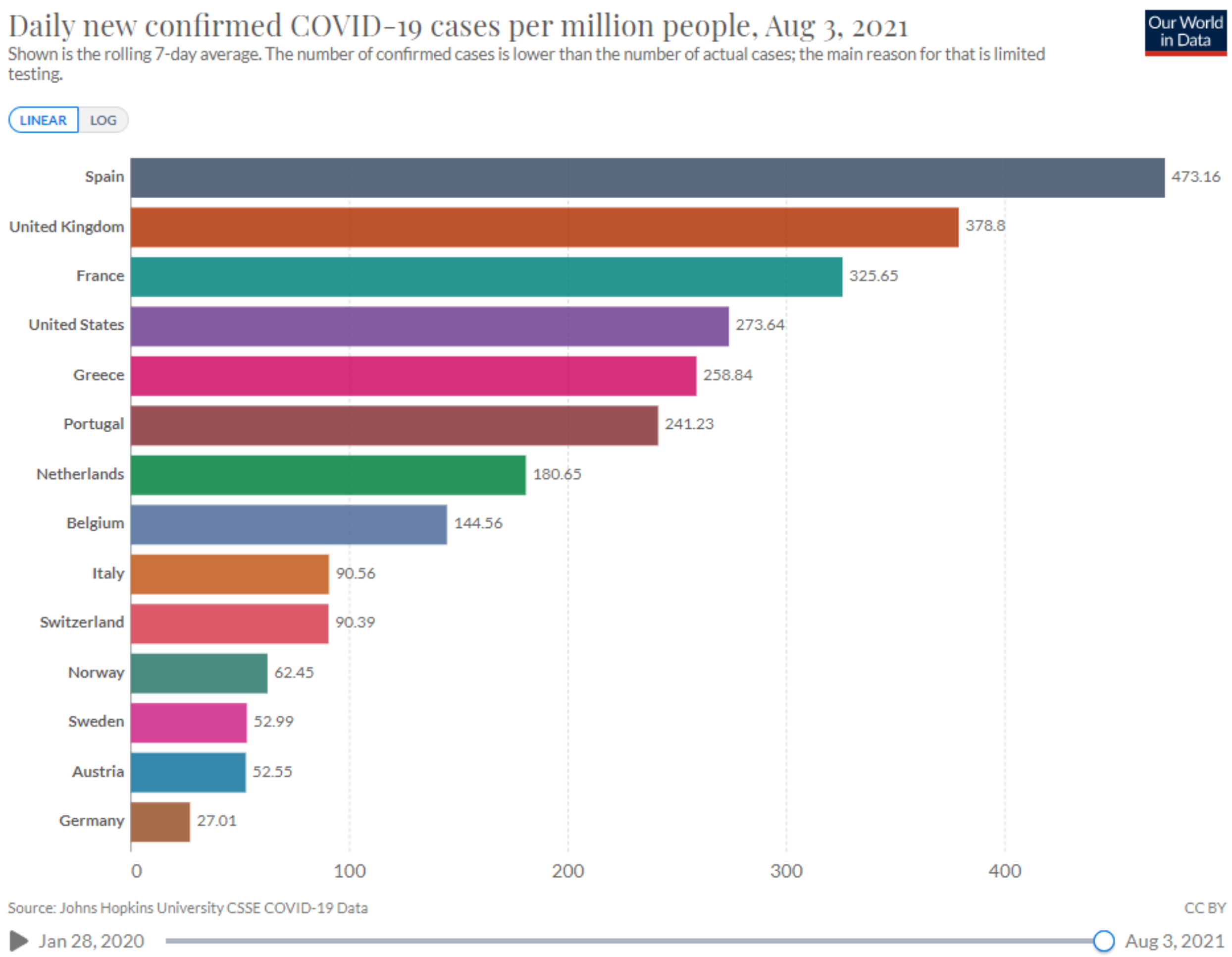
The WM Weekly monitor is funded by the West Midlands Combined Authority, Research England/UKRI

Infection Rates and Vaccine Update

Alice Pugh WMREDI/WMCA

The UK has seen a resurgence in infection rates, and the daily new cases confirmed in the UK has dropped to second highest out of the selected European countries in the graph below as cases surge in Spain. This comes as vaccination rates in the UK fall and social distancing rules are relaxed, including the re-opening of pubs; which are seeing increasing numbers of visitors, especially as England continues to do well in the Euros.

Since 31 December 2019 and as of week 2021-29, **194 860 770 cases** of COVID-19 (in accordance with the applied case definitions and testing strategies in the affected countries) have been reported, including **4 168 372 deaths**.

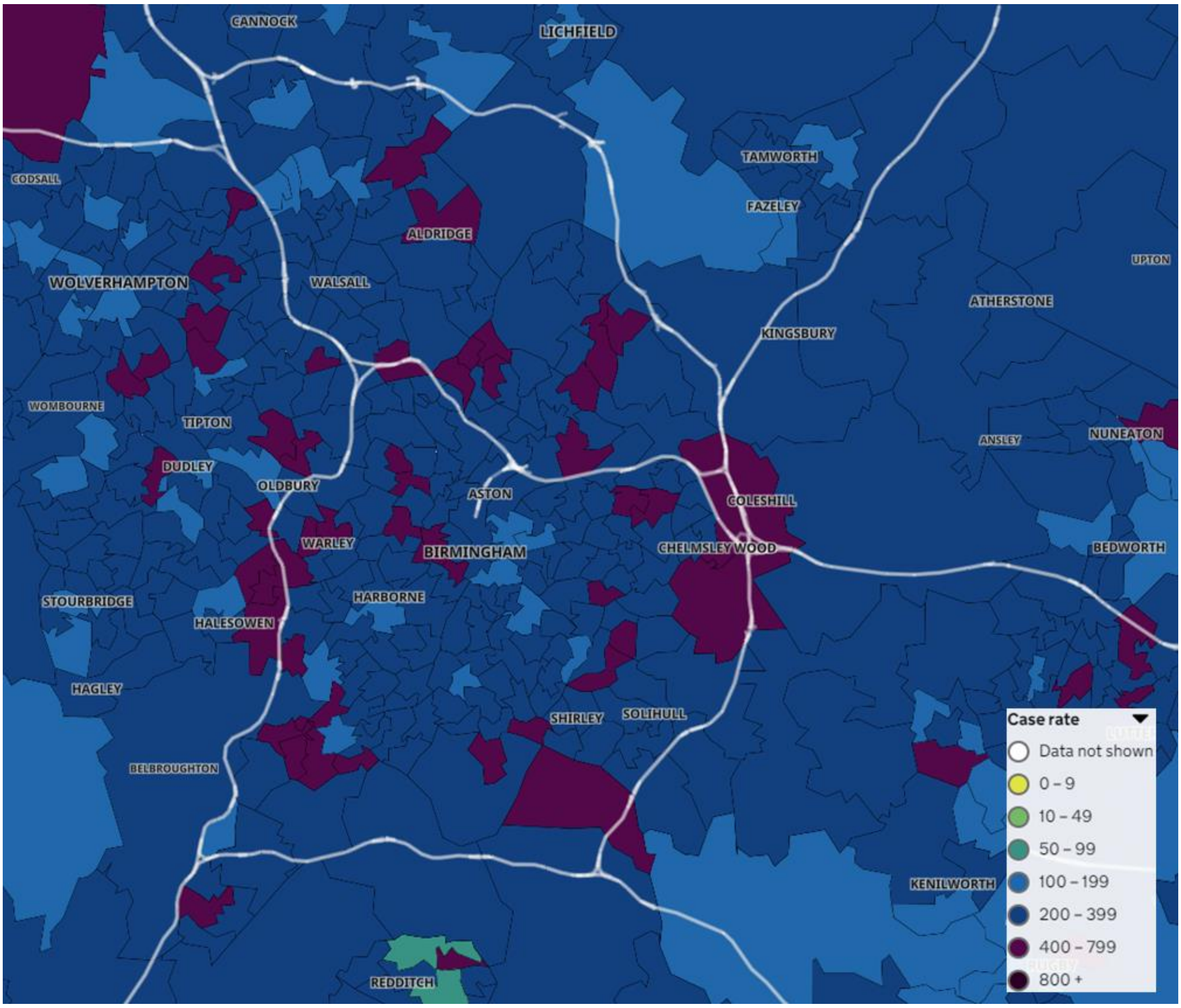


Latest ONS infection survey data (30th July next release 6th August 2021) states:

- In England, the percentage of people testing positive for coronavirus (COVID-19) continued to increase in the week ending 24 July 2021, though there are possible signs that the rate of increase may have slowed; we estimate that 856,200 people within the community population in England had COVID-19 (95% credible interval: 798,600 to 915,000), equating to around 1 in 65 people.
- In Wales, the percentage of people testing positive continued to increase in the week ending 24 July 2021; we estimate that 18,800 people in Wales had COVID-19 (95% credible interval: 12,700 to 26,000), equating to around 1 in 160 people.
- In Northern Ireland, the percentage of people testing positive continued to increase in the week ending 24 July 2021; we estimate that 27,200 people in Northern Ireland had COVID-19 (95% credible interval: 18,200 to 38,200), equating to around 1 in 65 people.

- In Scotland, the percentage of people testing positive has decreased in the most recent week ending 24 July 2021; we estimate that 49,500 people in Scotland had COVID-19 (95% credible interval: 38,300 to 62,300) equating to around 1 in 110 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 29th July 2021.

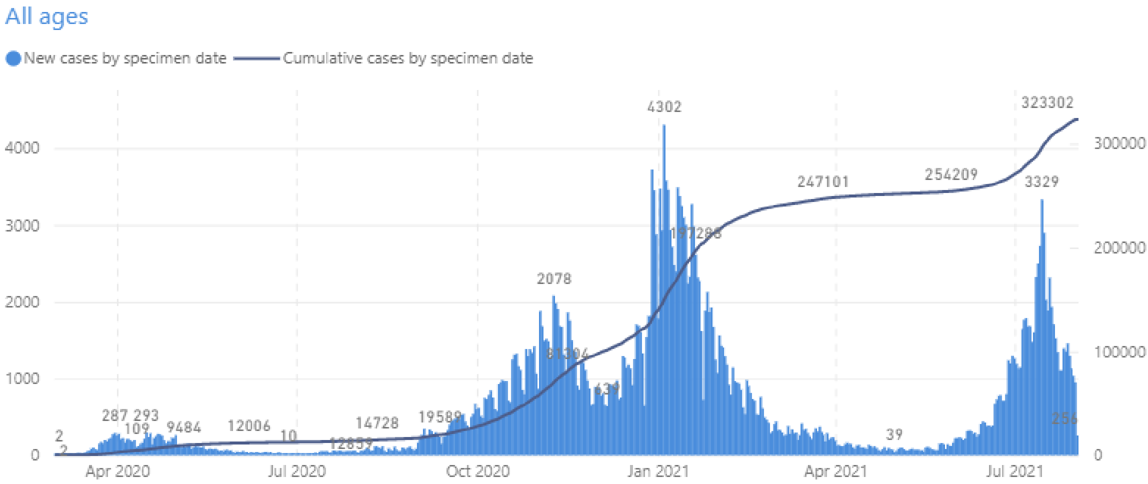


Regional Data

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
02 July 2021	974	1187	271551	2	0.07
01 July 2021	1179	1253	270577	7107	242.68
30 June 2021	1289	1005	269398	6710	229.12
29 June 2021	1197	947	268109	6195	211.54
28 June 2021	1228	829	266912	5723	195.42
27 June 2021	793	677	265684	5162	176.26
26 June 2021	710	796	264891	4759	162.50
25 June 2021	711	712	264181	4423	151.03
24 June 2021	782	713	263470	4100	140.00
23 June 2021	774	629	262688	3702	126.41
22 June 2021	725	487	261914	3356	114.59

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	21-Jul-21	22-Jul-21	23-Jul-21	24-Jul-21	25-Jul-21	26-Jul-21	27-Jul-21	28-Jul-21	29-Jul-21	30-Jul-21	31-Jul-21	01-Aug-21
ENGLAND	**783**	**827**	**725**	**734**	**836**	**830**	**816**	**728**	**758**	**650**	**593**	**645**
East of England	33	47	48	69	68	61	50	43	55	43	29	40
London	126	141	104	134	130	162	132	106	129	126	124	123
Midlands	146	144	136	122	133	151	126	131	134	111	119	117
North East and Yorkshire	215	205	188	161	220	178	212	170	154	125	149	132
North West	124	126	130	131	123	116	118	137	135	117	88	110
South East	76	86	61	67	79	83	99	81	87	74	50	59
South West	63	78	58	50	83	79	79	60	64	54	34	64

Mechanical Ventilation beds - occupied by confirmed COVID-19 patients

Name	22-Jul-21	23-Jul-21	24-Jul-21	25-Jul-21	26-Jul-21	27-Jul-21	28-Jul-21	29-Jul-21	30-Jul-21	31-Jul-21	01-Aug-21	02-Aug-21	03-Aug-21
ENGLAND	**612**	**625**	**659**	**675**	**712**	**738**	**748**	**765**	**785**	**789**	**769**	**791**	**780**
East of England	42	43	43	48	52	51	57	61	63	65	57	63	63
London	141	142	146	149	161	179	179	172	187	189	184	204	198
Midlands	115	113	118	123	129	134	138	147	145	144	144	145	143
North East and Yorkshire	109	122	135	139	148	156	156	159	159	158	143	142	140
North West	126	125	128	130	131	128	124	134	129	131	137	135	128
South East	38	36	44	44	47	43	42	43	48	48	51	51	55
South West	41	44	45	42	44	47	52	49	54	54	53	51	53

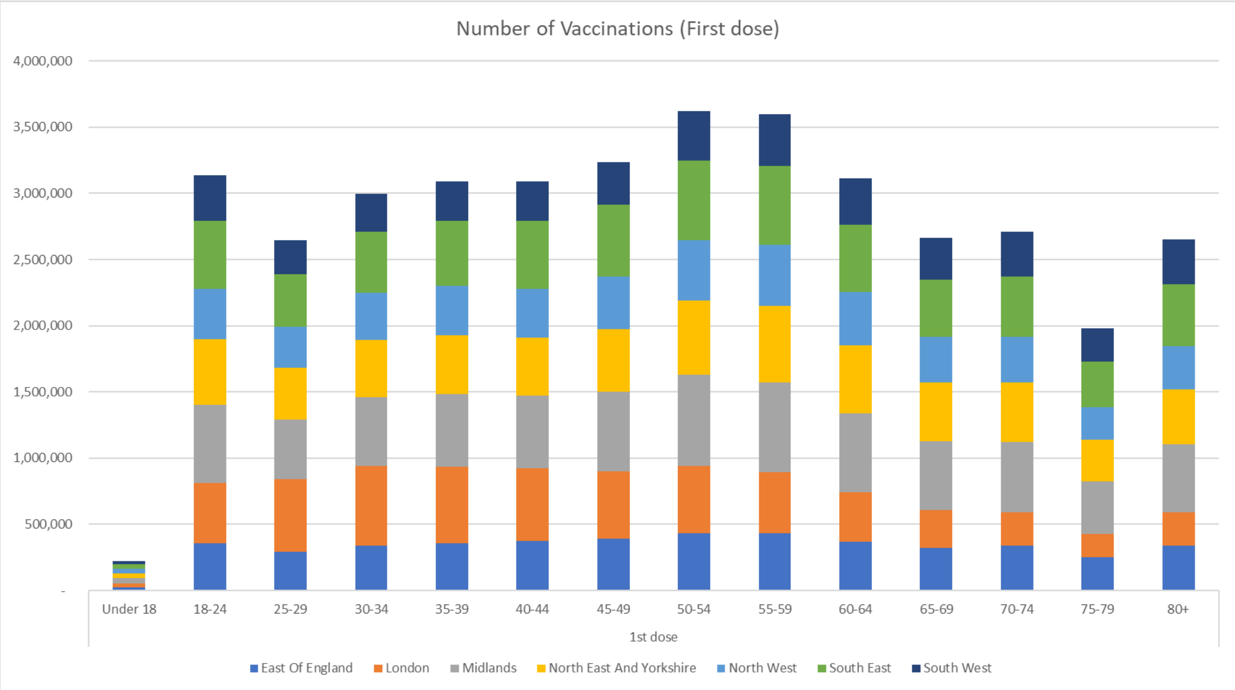
Total beds - occupied by confirmed COVID-19 patients (as at 08:00)

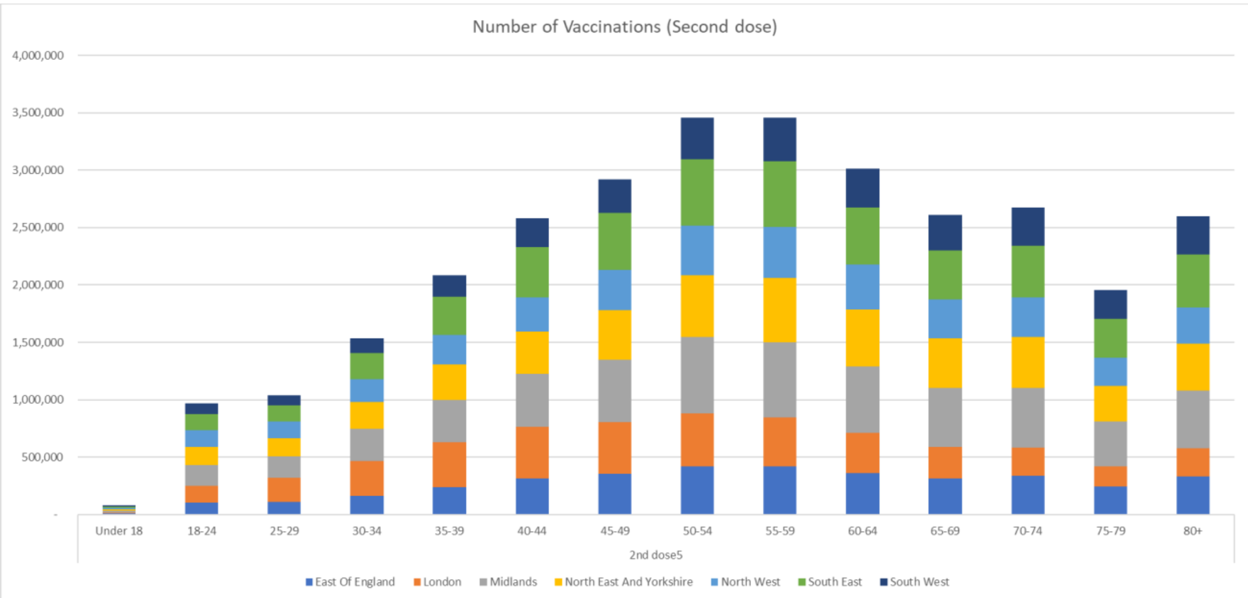
The WM Weekly monitor is funded by the West Midlands Combined Authority, Research England/UKRI

Name	22-Jul-21	23-Jul-21	24-Jul-21	25-Jul-21	26-Jul-21	27-Jul-21	28-Jul-21	29-Jul-21	30-Jul-21	31-Jul-21	01-Aug-21	02-Aug-21	03-Aug-21
ENGLAND	**4,230**	**4,401**	**4,476**	**4,725**	**5,055**	**5,163**	**5,182**	**5,056**	**5,111**	**5,057**	**5,090**	**5,309**	**5,116**
East of England	299	302	284	340	377	354	369	372	361	416	401	381	362
London	735	794	852	890	957	1,001	1,023	935	1,029	1,034	1,023	1,157	1,084
Midlands	815	858	805	854	959	966	971	976	931	901	911	946	925
North East and Yorkshire	943	1,026	1,050	1,069	1,152	1,168	1,137	1,134	1,111	1,112	1,117	1,146	1,097
North West	835	830	827	879	871	897	872	862	870	828	864	888	863
South East	359	337	402	429	446	456	468	455	476	450	466	461	452
South West	244	254	256	264	293	321	342	322	333	316	308	330	333

Vaccine Update

Between the 8th December 2020 and the [29th July 2021], the Midlands has successfully vaccinated **7,226,985** people with the first dose and **5,854,104** of these individuals have received the second dose as well. Meaning the Midlands has successfully provided the most jabs out of any region including London.





NHS Region Code	NHS Region of Residence Name	% who have had at least 1 dose (using ONS denominators)												
		18-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75-79	80+
Total[4]		66.5%	70.1%	79.2%	83.1%	90.8%	87.3%	93.0%	98.3%	100%*	95.4%	97.6%	100%*	93.6%
E40000007	East Of England	73.3%	74.9%	80.8%	84.1%	91.8%	89.1%	93.7%	99.3%	100%*	95.2%	97.6%	100%*	93.8%
E40000003	London	61.1%	71.3%	71.7%	74.0%	83.7%	85.6%	88.8%	93.1%	94.9%	91.0%	92.3%	92.1%	84.1%
E40000008	Midlands	62.4%	63.6%	77.2%	82.8%	90.9%	86.2%	93.5%	98.3%	100%*	95.2%	97.9%	100%*	94.9%
E40000009	North East And Yorkshire	63.8%	66.4%	79.0%	84.7%	91.8%	85.9%	93.3%	98.1%	100%*	96.5%	99.1%	100%*	94.0%
E40000010	North West	62.4%	64.1%	76.1%	83.5%	91.2%	85.9%	92.8%	98.4%	100%*	95.8%	98.5%	100%*	93.7%
E40000005	South East	71.2%	75.3%	87.0%	87.5%	93.1%	89.3%	93.3%	99.4%	100%*	96.3%	96.9%	100%*	94.2%
E40000006	South West	74.5%	77.3%	87.4%	89.3%	94.9%	88.6%	94.1%	100%*	100%*	95.5%	98.3%	100%*	96.8%

NHS Region Code	NHS Region of Residence Name	% who have had both doses (using ONS denominators)										
		30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75-79	80+
Total[4]		40.5%	56.0%	75.7%	78.8%	88.6%	94.4%	97.0%	93.6%	96.3%	100%*	91.6%
E40000007	East Of England	39.5%	55.7%	77.2%	81.2%	90.0%	96.2%	97.6%	93.6%	96.4%	100%*	92.4%
E40000003	London	36.2%	50.5%	68.4%	74.9%	82.1%	86.7%	89.8%	87.6%	89.7%	89.6%	81.2%
E40000008	Midlands	41.3%	55.8%	76.1%	78.3%	89.4%	94.5%	97.7%	93.5%	96.7%	100%*	93.2%
E40000009	North East And Yorkshire	42.5%	58.1%	77.0%	78.0%	89.4%	94.9%	97.6%	95.0%	98.1%	100%*	92.1%
E40000010	North West	43.2%	57.5%	74.6%	76.2%	87.8%	94.0%	97.7%	93.8%	97.0%	99.0%	91.4%
E40000005	South East	42.4%	59.2%	79.2%	81.8%	90.0%	96.2%	98.1%	94.8%	95.8%	100%*	92.4%
E40000006	South West	38.5%	56.1%	79.5%	80.8%	90.8%	96.9%	98.5%	94.1%	97.3%	100%*	95.2%

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

Weekly Deaths Registered: 23rd July 2021

Black Country Consortium Economic Intelligence Unit

The following analysis compares the latest available time period (the week of the 23rd July 2021) to the previous week period (the week of the 16th July 2021) for the number of deaths registered and the number of deaths related to the Coronavirus[11].

Across England and Wales, the overall registered death figures increased from 9,697 in the week of the 16th July 2021 to 9,744 in the week of 23rd July 2021. The number of deaths registered that state Coronavirus on the death certificate increased from 218 people to 327 people over the same period.

Regional level analysis shows that the West Midlands' overall registered death figure decreased from 1,056 people in the week of 16th July 2021 to 1,039 in the week of 23rd July 2021. The number of registered deaths related to Coronavirus has increased from 29 people to 36 people over the same period.

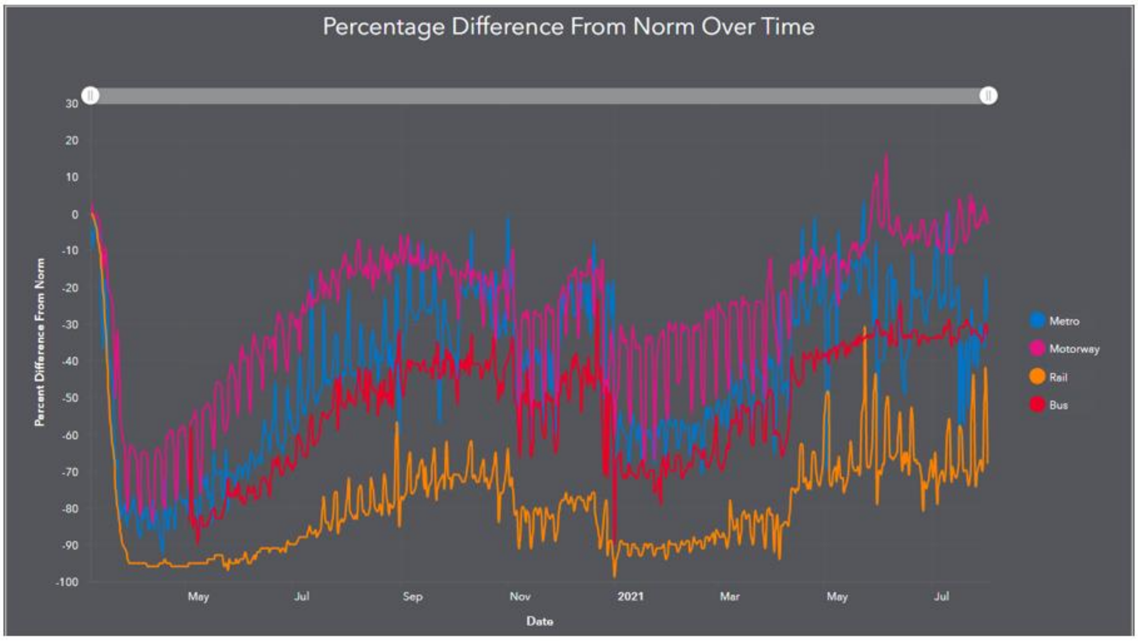
There was a total of 681 deaths registered across the WMCA (3 LEP) area in the week of the 23rd July 2021. There were 28 deaths registered that were related to Coronavirus over the same period. In comparison to the week of the 16th July 2021, the overall registered death figures in the WMCA (3 LEP) area decreased by 61, with the number of deaths related to Coronavirus increasing by 7 people.

At local authority level in the week of the 23rd July 2021, there were nine local authorities in the WMCA (3 LEP) area that registered deaths related to the Coronavirus, these were; Birmingham (13 deaths), Sandwell (5 deaths), Wolverhampton (2 deaths), Bromsgrove (2 deaths), Tamworth (2 deaths), Cannock Chase (1 death), Warwick (1 death), Coventry (1 death) and Solihull (1 death).

Of the registered deaths in the WMCA (3 LEP) involving Coronavirus in the week of the 23rd July 2021, 24 were in registered in a hospital 3 deaths were registered at home and 1 death was registered at a care home.

[11] Please note that up-to-date counts of the total numbers of deaths involving COVID-19 are published by Public Health England (PHE) -ONS figures differ from the PHE counts as the latter include deaths which have not yet been registered.
Source: ONS, Death registrations and occurrences by local authority and health board, 3rd August 2021

Transport Data
Philip Hatton TFWM



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 (3rd August) and the week before (27th July).

	% levels pre-Covid	% change from day before	% change from week before
Bus	68	+1	+1
Train	33	+1	+3
Tram	72	-15	0
Roads (HE SRN)	96	-1	-1

ONS Weekly Release Indicators

Black Country Consortium Economic Intelligence Unit

On the 29th July 2021, the Office for National Statistics (ONS) released 'economic activity and social change in the UK, real-time indicators'. These statistics are experimental and have been devised to provide timely information. The following information contains UK flight data, footfall data, online job adverts, final results from Wave 35 of the Business Insights and Conditions Survey (BICS), national company incorporations and voluntary dissolutions and results from Wave 68 of the Opinions and Lifestyle Survey (OPN).

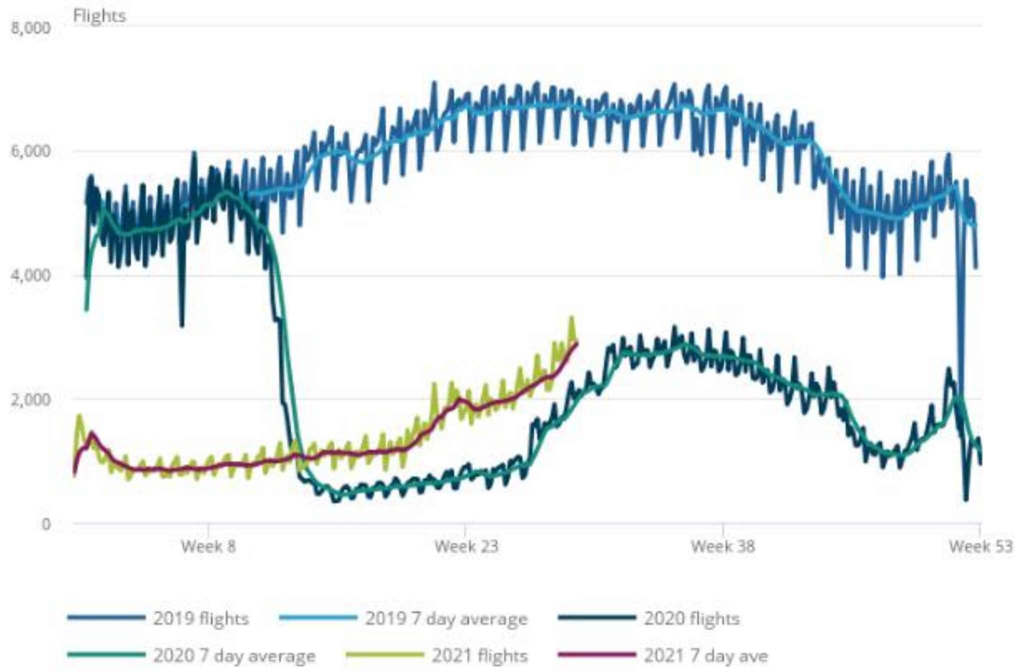
UK Flight Data

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

In the week ending 25th July 2021, the seven-day average number of UK daily flights was 2,877. This is a 17% increase from the previous week, and the largest weekly rise since the Bank holiday weekend in May 2021. This is also the highest weekly average number of flights seen since the week ending 22 March 2020.

The average number of flights in the latest week was 43% of the level seen in the equivalent week in 2019; this is up 6 percentage points from the previous week when the level was 37%. In the latest week, when compared with the equivalent week in 2020 (when UK travel corridors were still in place), the seven-day average number of daily flights was at 147% of its 2020 level; this is down 3 percentage points from the previous week when it was at 150%.

Number of daily flights, non-seasonally adjusted, and seven-day moving average, 2nd January to 25th July 2021, UK:



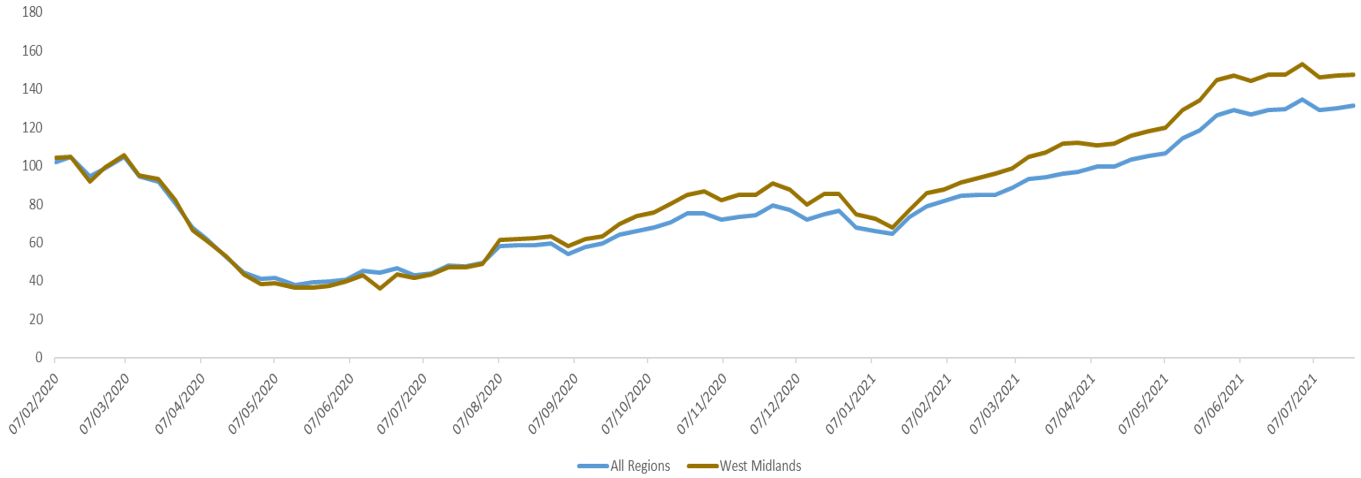
Source: European Organisation for the Safety of Air Navigation

Online Job Adverts

Figures are taken from jobs adverts provided by Adzuna. The Adzuna categories do not correspond to SIC categories and therefore not comparable with the ONS Vacancy Survey. Please note, Index of job adverts on Adzuna by category, 100 = average job adverts in February 2020.
Nationally, between the 16th and 23rd July 2021 total online job adverts increased by 1.0 percentage point. On the 23rd July 2021, total online job adverts were at 131.2% of their average level in February 2020. Out of the 28 categories (excluding unknown) 23 increased from the previous week, with the highest increase by 12.1 percentage points in 'wholesale and retail' (to 162.7%). Of the 28 categories, the only three that were below their February 2020 levels were 'energy, oil and gas' (87.7%), 'legal' (92.5%) and "graduate' (99.1%).

Between the 16th and 23rd July 2021, the West Midlands region online job adverts increased by 0.7 percentage points. On the 23rd July 2021, total online job adverts for the West Midlands were at 147.5% 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 23rd July 2021:



Footfall

According to Springboard, overall retail footfall in the week to 24th July 2021 was at 77% of its level in the equivalent week of 2019. In the same week, footfall at retail parks was at 96% of its level equivalent week in 2019, whereas it was 69% for shopping centres and 71% for high streets.

In the week to 24th July 2021, retail footfall saw week-on-week percentage increases in seven of the ten UK devolved nations and English regions. The largest weekly percentage increase in retail footfall was in Northern Ireland (+9%). Scotland and Wales saw no change in footfall volumes over the week, while Greater London saw a very slight weekly increase of 1%.

In the same week, relative to the levels seen in the equivalent week of 2019, retail footfall was strongest in the North & Yorkshire (81%), the East of England (80%) and the South West of England (80%). In contrast, retail footfall was weakest in the East Midlands and Greater London (each at 75% of the levels seen in the equivalent week of 2019).

National Company Incorporations and Voluntary Dissolution

Companies House data shows for the UK, there were 13,116 company incorporations in the week to 23rd July 2021. This is up from 11,996 recorded in the previous week, lower when compared to the same week in 2020 (17,134) but higher than the same week in 2019 (12,231).

Also, for the week to 23rd July 2021, there were 5,397 voluntary dissolution applications, a decrease from 5,654 recorded in the previous week. The number of voluntary dissolution applications was higher than levels seen in the same week of 2020 (4,489) and the same week in 2019 (4,830).

Business Insights and Conditions Survey

The final results from Wave 35 of the Business Insights and Conditions Survey (BICS) based off the 5,122 businesses surveyed across the West Midlands that businesses have a presence in with a response rate of 24.2% (1,241) and to 3,007 businesses that are head quartered in the West Midlands, with a response rate of 22.6% (679). Please note, businesses were asked for their experiences for the reference period 28th June to 11th July 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (12th June to 25th July 2021). Also, the data used is unweighted for regions and response levels can be low so the following results should be treated with caution when evaluating the impact of COVID-19. Due to weighted data being available for the UK a comparison has not been included.

Trading and Financial Performance

97.8% of responding West Midlands businesses were trading over the reference period. 1.3% of businesses temporarily closed or temporarily paused trading and less than 1% of businesses had permanently ceased trading.
Businesses were asked how their turnover for the last two weeks compared to normal expectations for the time of year. Excluding 'not sure' responses, 29.1% of trading businesses in the West Midlands reported their turnover had decreased by at least 20%. However, 44.2% of trading businesses in the West Midlands reported that their turnover was unaffected and approximately 16.5% reported their turnover had increased by at least 20%.

Excluding 'other' and 'not sure' responses, 63.1% of responding West Midlands businesses reported the main reason for the change in the business turnover in the last two weeks was due to COVID-19, less than 1% reported the main reason as the end of the EU transition period and 10% reported that it was due to COVID-19 and the end of the EU transition period.

Profits

Businesses were asked in the last two weeks how profits compared with normal expectations for the time of year. Excluding 'not sure' and 'not applicable' responses, 28.7% of trading businesses in the West Midlands reported profits had decreased by at least 20%. However, 42.8% of trading businesses in the West Midlands reported that profits had stayed the same and approximately 13.6% reported their profits had increased by at least 20%.

International Trading

Businesses were asked in the last two weeks, had their businesses exporting or importing of goods or services been affected when compared to normal expectations for the time of year. Excluding 'not sure' responses, 25.2% of exporting businesses in the West Midlands reported their businesses were still exporting but less than normal. Of those businesses who continued to trade and import, 19.1% in the West Midlands were importing less than normal.
58.8% of West Midlands businesses who were exporting reported that they had not been affected and 64.7% reported that importing had not been affected.

3.8% of businesses in the West Midlands are exporting more than normal and 3.4% are importing more than normal.
2.5% of businesses in the West Midlands have not been able to export in the last two weeks and 2.4% of West Midlands businesses have not been able to import in the last two weeks.

Supply Chains

Businesses were asked if they had made changes to supply chains due to the end of the EU transition period. 7.6% of responding West Midlands businesses reported they had. Where businesses stated they had made changes, the highest response at 52.7% of responding West Midlands businesses reported they were using more UK suppliers.
Excluding 'not sure' responses, 24.7% of responding West Midlands businesses reported extra costs due to additional transportation costs. Although, 36.0% reported no extra costs.

Where applicable, 4.9% of responding West Midlands businesses reported they had not been able to get the materials, goods or services from the EU in the last two weeks. 5.9% of West Midlands businesses had only been able to get the materials, goods or services due to changing the supplier or finding an alternative solution.

1.9% of responding West Midlands businesses reported that they intended to open new branches or subsidaries in the EU in the next 12 months.

Stock Levels and Stockpiling
Businesses were asked how stock levels for the last two weeks compared to normal expectations for the time of year. Excluding 'not sure' and 'not applicable', 13.3% of West Midlands businesses reported stock levels are lower than normal. 42% of West Midlands businesses reported stock levels had not changed and 10.2% reported stock levels are higher than normal. Coronavirus was still the main reason as to why stock levels had been impacted in the West Midlands at 37.2%.

6.7% of responding West Midlands businesses reported they were stockpiling goods or materials. 72.0% of West Midlands businesses were sourcing the stockpiled goods or materials from UK suppliers. 41.5% of responding West Midlands businesses reported they were stockpiling metals and materials.

Capital Expenditure
Excluding 'not sure' and 'not applicable' responses, 6.0% of responding West Midlansd businesses reported capital expenditure was higher than normal for the last two weeks when compared to normal expectations for the time of year and 48.7% of responding West Midlands businesses reported capital expenditure had not been affected. Although, 14.6% reported capital expenditure was lower than normal and 6.8% reported capital expenditure had stopped.

3.6% of responding West Midlands businesses over the last month reported they had scrapped capital assets earlier than intended.

Grants Applied, Received, Finance Agreements and Further Schemes
15.3% of West Midlands businesses had applied for Local Restrictions Support Grant – England (94.7% have received). 1.8% of West Midlands businesses had applied for a grant from the Lockdown Business Fund – Wales (10.1% have received). 1.5% of West Midlands businesses have applied for a grant from the Strategic Framework Business Fund Scotland (8.5% have received) and 5.8% had received a grant from Local Restrictions Support - Northern Ireland. While 72.3% of West Midlands businesses have not applied for any of these grants and 4.2% had not received any of these grants.

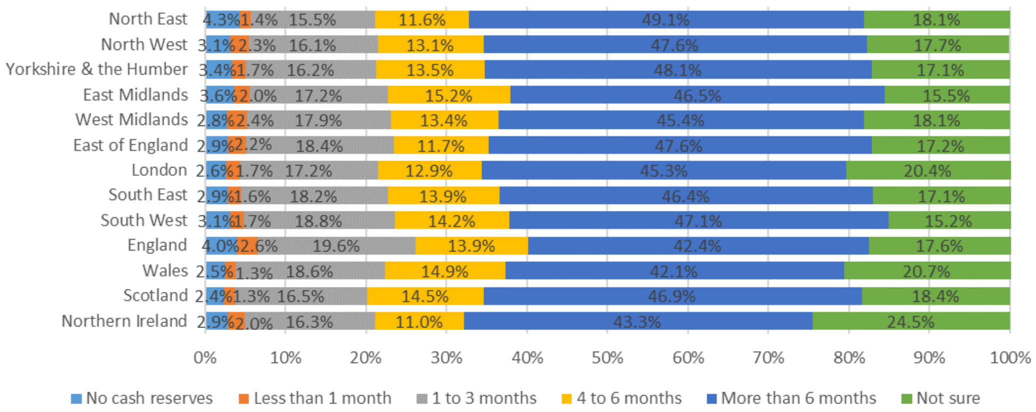
6.8% of responding West Midlands businesses have received small business grant, 7.8% have received a sector-specific grant and 4.2% have received an additional Restriction Grant.

27.1% of West Midlands businesses have received government-backed loans or finance agreements during COVID-19. 7.6% of West Midlands businesses are using or intend to use Kickstart Job Scheme for young people. 55.4% are using or intend to use the Coronavirus Job Retention Scheme and 4.5% of West Midlands businesses are using or intend to use Recovery Loan Scheme. While 31.8% of West Midlands businesses are not using or intend to use either of these schemes.

63.4% of responding West Midlands businesses reported that the support received from the initiatives or schemes allowed the business to continue trading.

Cash Reserves
2.8% of responding West Midlands businesses that have not permanently stopped trading have no cash reserves.

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



Business Confidence, Debts and Insolvency

In the West Midlands, 70% of responding businesses had high confidence in surviving over the next three months. 21.9% had moderate confidence of survival, 1.1% had low confidence and 6.5% were not sure.

Businesses were asked over the last month how the businesses debt repayment compared with turnover, excluding 'not sure' responses, less than 1% of West Midlands businesses reported repayments were more than 100% of turnover with 2.7% reporting repayment was between 50% and 100% of turnover. 4.4% of West Midlands businesses reported repayments were between 20% and 50% of turnover and 21.4% reported repayments were up to 20% of turnover. 39.4% of responding West Midlands businesses reported no repayments.

Excluding 'not sure' responses, less than 1% of responding West Midlands businesses reported they were at severe risk from insolvency and 8.4% of West Midlands businesses reported they were at moderate risk. 51.5% of West Midlands businesses reported a low risk of insolvency and 30.8% reported no risk.

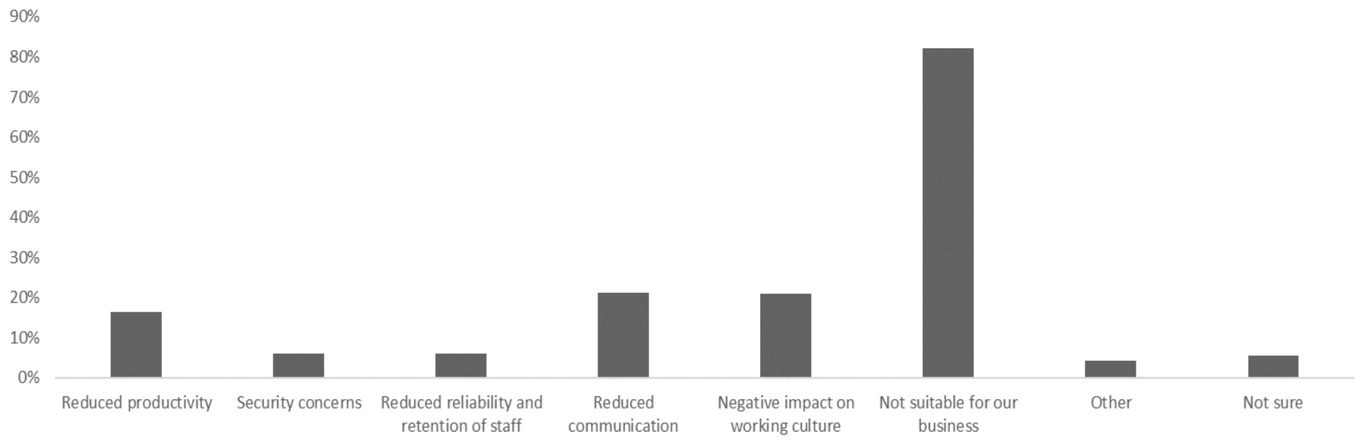
Homeworking

33.2% of responding West Midlands businesses reported they intended to use increased homeworking as a permanent business model going forward. 41.0% of West Midlands businesses reported they did not intend to use this business model with a further 25.9% unsure.

The top reasons that West Midlands businesses reported as to why they intend to use increase homeworking as a permanent business model was; 78.2% for improved staff wellbeing, 48.5% for increased productivity and 41.2% reported the ability to recruit from a wider geographical pool.

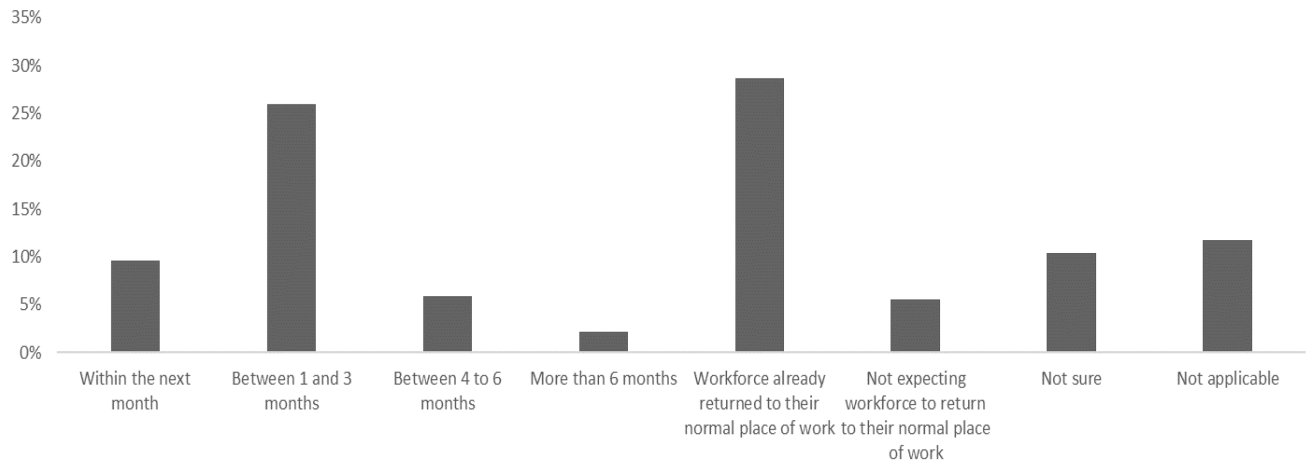
Of the 41% of West Midlands businesses who reported they did not intend to use increased homeworking as a permanent business model going forward, the main reasons were due to; 82.1% reporting not suitable for the business, 21.2% due to reduced communication and 21.0% for negative impact on working culture.

The following graph shows for West Midlands businesses why they do not intend to use increased homeworking as a permanent business model going forward:



Return to Workplace
28.7% of responding West Midlands businesses reported the workforce had already returned to their normal place of work, with a further 9.6% expecting the workforce to return within the next month.

The following chart shows for the West Midlands region when/if they expect the workforce to return to the normal place of work:



Expected Redundancies
5.0% of responding West Midlands businesses expect to make redundancies in the next three months. Although, 67.6% of West Midlands businesses reported they did not expect redundancies over the next three months.

Social Impacts of the Coronavirus
The following refers to the period of 21st to 25th July 2021. Please note, only a selection of indicators at a regional level are included in the below.

Well-Being, Loneliness and Perceptions of the Future
Mean personal well-being scores for life satisfaction was 6.8 in the West Midlands (7.0 GB), worthwhile was 7.2 in the West Midlands (7.3 GB), happiness was 7.0 for West Midlands adults (7.2 GB) and anxious was recorded at 4.0 for West Midlands adults (3.8 GB).

9% of adults in the West Midlands reported low levels of life satisfaction (matching GB). 9% of West Midlands adults reported low level of feeling worthwhile (matching GB). 11% of responding West Midlands adults reported low level of happiness (matching GB) and 34% reported high levels of anxiety (31% GB).

29% of adults in the West Midlands reported to often/always or some of the time to feeling lonely (25% GB). While 43% reported hardly ever or never feeling lonely in the West Midlands (49% GB).

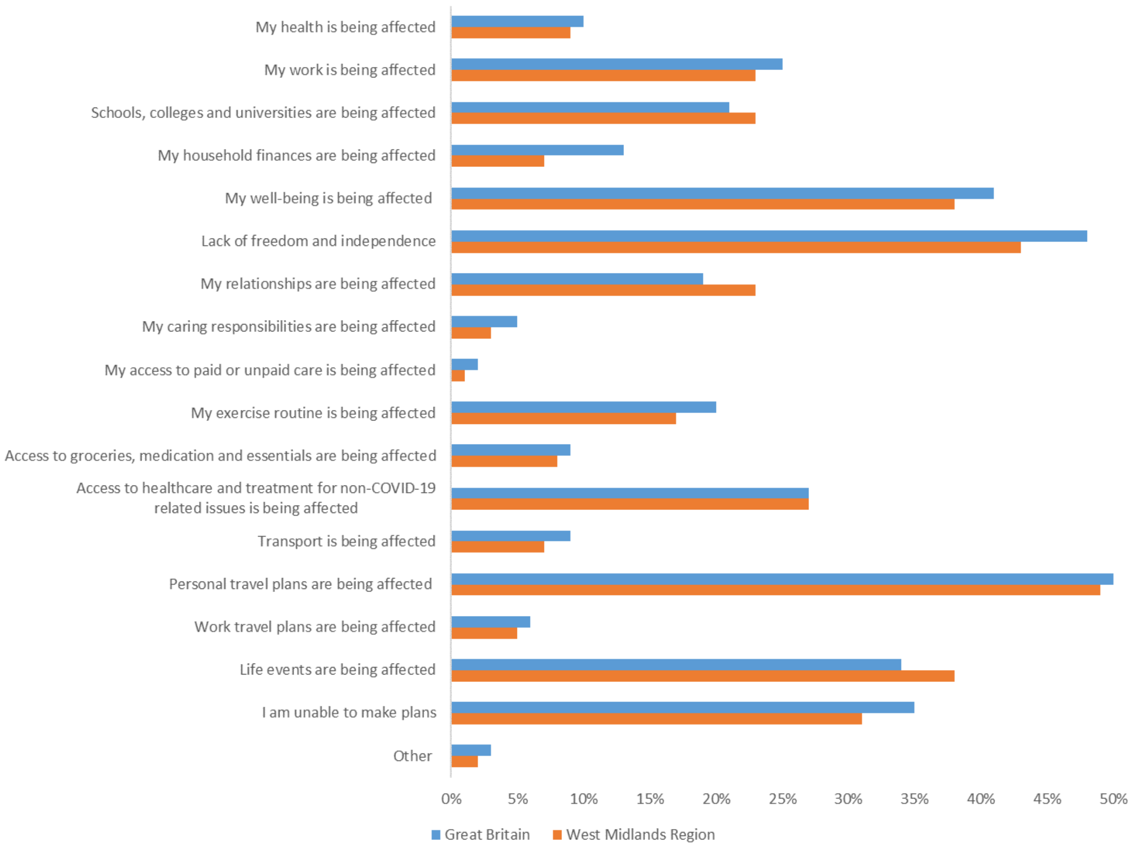
15% of West Midlands adults believe it will take 6 months or less before life returns to normal (matching GB). While 21% of West Midlands adults believed it will take 7 to 12 months (18% GB). 28% of West Midlands adults think it could more than a year to return back to normal (33% GB) and 7% for the West Midlands adults thought it would never go back to normal (9% GB).

Impact on People's Life Overall

In the West Midlands, 56% of adults reported they were very or somewhat worried about the effect COVID-19 was having on their life (55% GB). 14% of responding West Midlands adults reported that they were somewhat unworried or not at all worried (17% GB).

49% of responding West Midlands adults reported personal travel plans were being affected due to COVID-19 (50% GB).

The following chart shows for the West Midlands region and Great Britain-wide how COVID-19 was affecting adults between 21st and 25th July 2021:



36% of working adults in the West Midlands say their work had been affected due to COVID-19 (37% GB).

LEP Level Intelligence

WMCA

WMCA Growth Hub Intel for WM Weekly Economic Monitor– 6th July 2021

HEADLINES

SECTOR	KEY FINDINGS
Cross Sector	There has been an increase in the number of positive changes for businesses compared to the first half of 2021 but with a similar trend of negative news and issues: **Covid-19** • Across multiple sectors, there are challenges because of rising infection rates, or requirement to isolate because of close contact or NHS App 'Pings'. This is causing **workforces to work at reduced levels – reports between 16% and 50% off work**. This is leading to decreased productivity and missed opportunities for growth. • West Midlands businesses are being urged to "take swift action" if their finances are under pressure after new Government figures reveal **corporate insolvencies have hit their third highest monthly total since the start of the pandemic**. The warning comes from insolvency and restructuring body R3 and follows statistics published by the Insolvency Service which show that corporate insolvencies in England and Wales increased by 19% to 1,207 in June 2021 compared to May's figure of 1,014, and rose 62.9% compared to June 2020's figure of 741. • The PwC consumer outlook report shows that consumer confidence remains high in the Midlands as spending intentions exceed pre-pandemic levels and **30% of consumers surveyed in West Midlands expect to be better off in the year ahead.** **EU Exit** • Businesses are calling out and asking for government support with staffing issues they face with drivers and training support regarding customs clearance processes. **Organizations would like to see support with apprenticeships or training schemes** that help people gain a driving qualification to stop the family run business competing with financial incentives from conglomerates and with the increase of UK firms now taking on customs clearance work support around this as a new administrative recognised role could mean an increase in employment figures across the region. **Supply Chain Issues** The same issues are still across many sectors, however those especially within the logistics and manufacturing sector; • UK supermarket **shelves will be bare and panic buying will intensify** unless critical issues currently threatening UK food supply are solved promptly • The shipping industry are still experiencing a difficult time due to cost increases and a decrease in clients, but unfortunately, they are still seeing delays from the disruption from the Suez canal incident. Within sea freight UK clients have seen the **price increases for containers from China form circa £2,000 to now £20,000.** • Issues remain high within Europe; logistics companies are seeing **less vehicles within Spain moving goods** which is making any desired trip a much longer waiting time than before. • **Lack of semi-conductor chips** mean cars are only being partly built at Jaguar Land Rover, and this could force temporary closure. • **Lack of construction materials** delaying projects • The **costs of materials are still on the increase** with paper prices increasing by 40% in the past year, these organisations are also experiencing a UK shortage of corrugated cardboard as the UK is reliant on two pulp mills in Turkey who are unable to keep up with demand.

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

SECTOR	KEY FINDINGS
	Which could have a knock-on effect: • **Lack of confidence and commitment** from some OEM's and their procurement teams when placing orders • **Lack of orders leading to redundancies** • **Increased costs affecting cashflow** **Enquiries** More companies continue to seek **business as usual and growth support**. In particular, these enquiries are commonly related to: • **Grants** – mainly Capital, with some Innovation projects, including the purchase of machines/ equipment, and renovation / expansion of premises. • **Mentoring Support / Help to Grow** – for start-ups, how to scale up and also how the mentoring can support executive boards • **Planning / Property** • **Skills/ Training** – Training high on the agenda of regional SME's looking to develop their workforces. Training for engineers and senior Leadership & Management feature. • **Recruitment** – Confidence in COVID-19 recovery strategies leading to the recruitment of staff, particular shortage in the health sector. • **Marketing** • **Diversification** • **Upgrading Internal IT Systems and Process**
Retail/Hospitality	According to the Barclays Corporate retail unlocked report: • **80% of retailers feel confident they will grow in the next 12 months**, including 41% who are very confident. • Those shopping in-store are going local in greater numbers. UK retailers (with more than nine employees) **could fuel demand for nearly 17,000 local high street premises** over the coming 12 months. • Retailers are responding to changing consumer habits by enhancing the in-store offering with **29% introducing new experiences**. • However, businesses in such areas as the **hospitality sector reported there was still huge confusion around the track and trace app** and the obligations for staff to isolate for 10 days despite a negative test.
Manufacturing	• The manufacturing sector share concerns over major shutdowns and furlough ending. Job losses are consistent concern across the sector, with **productivity down and not enough work to make current staff levels feasible.** • There are reports that Manufacturer's **plans to reduce their carbon footprint and make the transition from gas to electric furnaces have been postponed** after expressing concerns of high capital expenditure associated with the purchase of new equipment with little to no support and on-going cost which have been calculated to be 4 times more per KWh. The Make UK/BDO Annual Regional Outlook report shows; • Five English regions and Wales see dependence on the EU for exports fall • **Only the West Midlands and Scotland see exports to the EU increase** • Pandemic wipes £18bn off manufacturing value • **Midlands and North West regions see least damage from COVID-19** • Scotland the UK's most productive manufacturing area

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SECTOR	KEY FINDINGS
	• **The West Midlands has been the top performer at maintaining output levels on average during the pandemic, posting a positive balance of +12% over the last year.** • The latest snapshot of the manufacturing industry has shown **shortages of labour and materials are hampering the ability of Britain's manufacturers to take advantage of a post-lockdown boost to demand.** • Despite posting another strong performance in July, the monthly survey from IHS Markit found output and order book growth slowed to its weakest in four months. • This snapshot also found that **expansion would have been faster last month had it not been for stretched supply chains and problems recruiting staff.** Firms also reported continued difficulties adjusting to post-Brexit trading arrangements.
Professional Services	• The professional services market seems to be **recruiting and adapting well to a hybrid model** of working whilst remaining productive.

NEW ECONOMIC SHOCKS

COMPANY	LOCATION	SECTOR	SOURCE/DETAIL
Jaguar Land Rover	Nationwide	Manufacturing	An ongoing shortage of computer chips has driven luxury car maker Jaguar Land Rover into the red – and it warned the situation will deteriorate during the second quarter. Jaguar Land Rover recorded a first quarter pre-tax loss of £110m due to this shortage.

NEW INVESTMENT, DEALS AND OPPORTUNITIES

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
Forterra	Staffordshire	Manufacturing	Building products manufacturer Forterra is set to invest £27m in its brick factory in Wilnecote, Staffordshire. The investment will see a modernisation of the facility, which has been in operation for 30 years, bringing it up to current standards of efficiency and sustainability.
Alpha Manufacturing	Staffordshire	Manufacturing	Sheet metal manufacturer Alpha Manufacturing is creating 30 new jobs as it continues to grow. The recruitment drive comes as the company sees a surge in demand for UK sheet metal manufacturing, which has already resulted in the opening of two new divisions – Alpha Integrated Technologies and Alpha Manufacturing Chemical Technologies.
Cole Waterhouse Real Estate	Digbeth, Birmingham	Residential/ Hospitality – Construction	A planned 943 homes in Digbeth have been approved -the plans are for a nine-block development on Upper Trinity Street and Adderley Street.
Coventry Building Society	Nationwide	Financial	Coventry Building Society has reported a strong financial performance for the first six months of the year. Profit before tax at the mutual soared to £124m up from £22m in the first half of 2020, while it reported total income of £231.5m compared to £179m during the same period the year before. Growth across the Coventry-based mutual has seen it create 50 jobs in the period.
Invopak ltd	Southam	Manufacturing/ Retail	A packaging supplier is expanding its operations with the acquisition of a warehouse in Warwickshire. Invopak Ltd

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
			has acquired a 40,000 sq ft warehouse on Kineton Road Industrial Estate in Southam from property investment company The Wigley Group as part of a diversification strategy.
Dynamo	Coventry	Manufacturing	Taxi company to create 275 jobs to continue building electric cabs in the UK. Coventry's Dynamo Motor Company has announced plans to recruit 275 people and convert up to 10,000 taxis and commercial/privately owned vehicles per year in 2026.
RIPE Building Services	Warwick	Construction	A Warwick-based firm has secured a £250,000 investment to support its new greenhouse technology. RIPE Building Services Ltd will use the funding, awarded to promote its greenhouse system, which enables growers to increase output by capitalising on full-spectrum natural daylight.
NanoSyrinx	Coventry	Biotechnology/ Engineering	A Coventry-based biotech company developing a new cell engineering tool for novel targeted therapeutic modalities has raised a further £6.2m of seed financing.
Haines Watts	Black Country and Wider region	Finance	One of the West Midlands leading chartered accountants has announced plans to create up to 25 new jobs over the next six months, just few weeks after its Worcestershire office completed a £100,000 relocation. Haines Watts, which supports hundreds of owner-managed businesses across the region, has set out ambitious expansion plans to increase fees to £15m by 2026 through a combination of organic growth and a series of acquisitions.
Asda	Walsall	Retail	Asda Walsall has received a £3 million makeover; this is the biggest in its history and with it bringing a host of new features to the store. The George Street site has selected to receive Cinnabon and S'barro counters, as Asda becomes the first supermarket to offer both American brands.

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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