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.

Globally we are seeing the majority of economies starting to recover; however the speed of job creation is generally lagging behind, unable to compensate for earlier employment losses; especially in developing economies. Currently, the UN is predicting the global unemployment rate will hit 6.3%, falling to 5.7% in 2022, above the pre-pandemic level of 5.4%. The issues we are seeing in the UK fit this pattern, although ongoing EU exit issues exacerbate some of these trends.

- COP26 was held earlier this month, and a number of agreements were made. For the first time there was an explicit plan to reduce the use of coal - which is responsible for 40% of global annual CO2 emissions. However, at the very last-minute China and India requested a change of language and would only agree to the "phase down" rather than "phase out" coal.
- In China, the one baby rule is now causing issues as the population may not be able to comfortably support its ageing population. In the EU, Baby boomers - the largest generation ever - are reaching retirement age. There will be far more economically dependent individuals than ever before, this means the dependency ratio is set to worsen.
- Tony Danker, CBI Director General, has highlighted the importance of high value sectors, high value firms, high level skills and higher investment as key drivers of recovery and growth. The CBI will establish a new Centre for Thriving Regions to coordinate the private sector's commitment to levelling up. And it will crack one of Government's biggest questions – how to bring private sector leadership to a place.
- The majority of countries are set to see some of the highest rates of inflation in decades. As of October, it was reported that the inflation rate in the US had now risen to 6.2%, 4.1% in the Euro area, 8% on average in Latin America, with China's official producer price index increasing 13.5% compared with October 2020. The World Economic Forum found that whilst supply chain issues are still causing more issues than expected, these will likely resolve themselves over time. However, the dramatic changes in the labour market will likely remain and pose a greater risk to rising inflation
- Developing countries many may have managed to keep high job losses at bay, but many are facing acute labour shortages in certain sectors. Sectors hit hard by the pandemic such as hospitality, construction and manufacturing, are most likely to be seeing these labour shortages. This is partially because the labour has left the sectors, due to instability during the pandemic and they do not plan to return.

Spending Review

- The Spending Review last month announced that there would be an £86,000 cap on adult care fees in a lifetime, from 2023. However, reforms to the bill this week now mean that support payments from local councils will not count towards this personal limit. This will likely impact poorer households and potentially deepen the north south divide, as poor households will proportionally pay much more. Demand for social care has dramatically increased over the duration of Covid-19; in 2019/20 across the wider WM area there was a 20% increase in the number of requests for support from new clients.
- The OBR has predicted the UK economy will grow by 6.5% in 2021, which is a 2.4% increase from their predictions in March, but inflation looms due to soaring energy prices, labour shortages and blockages in some supply chains. As a result inflation is expected to rise to 4.4%.
- By the end of 2021 the OBR predicts the unemployment rate will be 4.9%. Oxford Economics has predicted a rate of 4.9% in their model for the UK. The WMCA is predicted to see 6% unemployment by the end of the year. This is 1.1% higher than the expected UK predicted rate by both OBR and OE.
- Borrowing is now predicted to be lower than the OBR's forecast in March, and down £27 billion in 2025-26 thanks to the £33 billion improvement in the fiscal outlook before measures taken, being only partly offset by a net fiscal loosening that declines to £6 billion by that point.
- The Living Wage Foundation has estimated that 292,627 people are earning the National Living Wage (NLW) or below, within the wider WM area. It is likely that the majority of these people will see a 59p per hour wage increase.
- During the pandemic UC claimants were supported through a £20 uplift. This temporary support has been removed and a change to the taper rate introduced to help those most severely impacted. Those working 16 hours per week on the NLW and receiving housing benefits will get to keep an additional £5.55 of benefit claim per week compared to the £20 uplift. Currently, 8.1% of the current working age population across the 7 Met WM area is claiming UC. The Resolution Foundation has found that the poorest fifth of households across the UK will be at least £280 worse of a next year than when they were receiving the £20 uplift.
- The IFS is predicting that in real terms the increase in wages will only be around 3.2%. After the increases in taxes are applied the real increase in take home pay will be 1.2% for a full-time minimum wage worker.

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West Midlands Combined Authority UKRI Research England

- For WMCA businesses there will be a corporation tax increase from April 2023. This will rise from 19% to 25% for businesses earning over £250,000 in profit. However, it has been noted that this is still the lowest rate within the G7. The delayed implementation will likely mean that the government will not see a significant increase in revenue until the 2023-24 fiscal year.
- One of the pre-announced policies was the end to the public sector pay freeze. This is good news for 25% of the WMCA workforce which work within the public sector as of Q2 this year.
- £1.7bn has been awarded for local infrastructure projects; this is almost a third of the £4.8bn Levelling up Fund. Out of 105 successful bids 9 of the bids were won by LAs within the WMCA area. Therefore, around 9% of successful bids were within the WMCA and they received 9.4% of the overall funding as well, at £160m of the £1.7bn.
- There will potentially be a 3% increase a year for councils for the next year. However, the increase in 'spending power' includes council tax rises as well as the funding increases. Councils will be able to increase council tax by 2% and apply an additional 1% social care levy.
- The Government has announced an additional £4.7 billion for the core schools budget in England. This would be equivalent to £1,500 per pupil.For 2021-22 the average spend per pupil in the WMCA, between ages 3 and 16 years, is currently £5013. This will restore spending per pupil funding to 2010 levels by 2024.
- The Learning and Work Institute found that adult participation in Maths training courses in the WMCA area had fallen by 27% between 2011 and 2019. It was welcome news that the government has decided to invest £560m in the new Multiply scheme, aiming at improving adult numeracy, with the WMCA set to be one of the main areas of focus for the scheme.
- The Government has committed an additional £2.6bn for school places for children with special educational needs and disabilities by 2024-25. In the WM region, 12.9% of students receive support, the third highest of any UK region.
- The NHS is under immense pressure, with staffing shortages, unprecedented high demand, an ageing population and a massive backlog that will take years to resolve. It is also supported by an under-funded, under-staffed social care systems, the Care Quality Commission has found. The failing adult social care system only fuels growing issues in hospitals, with patients unable to leave hospital, due to capacity issues at care facilities.
- The NHS budget is set to increase by £2.5bn a year, at a rise of 3.8% year on year on average, according to the King's Fund. The Health Foundation found, much like the King's Fund, that the spending would only just meet future demand and would not tackle the challenges that are already facing the sector. In order to meet rising demand, increasing the prices paid for care so that providers can raise quality and wages, plus increasing the number of care packages by 10% to make some inroads into unmet need, would require additional funding of around £7.6bn in 2022/23, rising to £9bn in 2024/25.
- Average annual residential wages across the WMCA area, have increased by 19% from £25,225 in 2012 to £30,202 in 2020. House prices over the same period have increased by 44%, from an average of £150,335 in 2012 to £216,131 in 2020. With the house price to wage ratio increasing from 5.91 to 7.16 over this period. It was welcome news that the government reconfirmed its £11.5 billion investment through the Affordable Homes Programme (2021-26), of which £7.5 billion is over the SR21 period. 65% of the funding will be for homes outside London and £1.8bn to increase the housing supply.

Business performance

- The West Midlands Business Activity Index increased from 56.3 in September 2021 to 56.9 in October 2021, the strongest increase in three months. Firms reported that capacity expansion efforts, strengthening demand and rising customer numbers helped boost business activity in October.
- The West Midlands Future Activity Index decreased from 76.8 in September 2021 to 76.1 in October 2021. Although the level of positive sentiment decreased from September, firms remained strongly confident that business activity would expand over the next twelve months as the pandemic recedes.
- Exports from the WM 7 Met. area decreased from just over £15.7bn in 2019 to nearly £11.9bn (split by £4.9bn to EU and £7bn to Non-EU) in 2020. Imports to the WM 7 Met. area decreased from £15.5bn in 2019 to £12.5bn (split by £7.1bn to EU and £5.4bn to Non-EU) in 2020. This means the WM 7 Met. area has changed from a trade surplus of £236m to a trade deficit of £618m in 2020.
- The number of active enterprises continues to increase and in 2020 there were 174,130 in the WMCA (3 LEP) area. This represents an increase of 0.7% (+1,255 enterprises) compared to 0.4% growth for the UK since 2019.
- There were 413 enterprises per 10,000 population in the WMCA (3 LEP) area in 2020, compared to 448 per 10,000 population for the UK. This represents a slight narrowing of the gap.
- In the WMCA (3 LEP) area, there were 22,375 enterprise births in 2020. This is a considerable decrease of 20.6% (-5,800 births) since 2019, with the UK also decreasing (by 8.3%) over the same period.
- There were 53 enterprise births per 10,000 population in the WMCA (3 LEP) area in 2020, the same proportion as reported for the UK. Both of these figures have fallen compared to 2019.
- Enterprise deaths in the WMCA (3-LEP) area increased by 12.5% (+2,510 deaths) since 2019 to 22,580 in 2020, contrasting with the UK overall which saw a 2.5% decrease over this period.
- As with previous years, the findings suggest the WMCA 3-LEP area performs better on short-term survival (1–2-year enterprise survival rates are higher in the West Midlands than the UK average), but lag behind when it comes to longer-term survival (3-5 years enterprise survival rates in UK are higher than WM).
- The latest available data for 2020 for the WMCA (3 LEP) area shows that the number of high growth enterprises has decreased from 690 in 2019 to 620 in 2020. This equates to a decrease of 10.1% (-70 enterprises), which is greater than the UK decrease of 4.0%.

- Research conducted by WMREDI, has led to the formation of a contingent of the city's largest professional employers to launch the 'Birmingham Business Pledge', as a declaration of intent of support for the city's future. The Future Business District Report, looks at the long-term recovery from the Covid-19 pandemic and offers direction and best practice for central business districts across the UK. The Pledge is a statement from 19 leading Birmingham employers, including Avison Young, CBRE, Deloitte, Ernst & Young LLP, about the city's future. Its aim is to achieve a way forward for a more sustainable, economically and socially productive city centre through collaborative action.
- Uncertainty remains in the region, but the recovery signs are remarkably promising. The wide range of economic and social indicators we track, summarised in this year's Birmingham Economic Review 2021, show growth and optimism as part of a tentative bounce-back. The West Midlands has a strong legacy of excellence in advanced manufacturing. This sector should thrive but is predicted to employ significantly fewer people. The related assets, engineering and innovation capabilities in the region give it a strong competitive advantage in space and aerospace, sustainable energy storage, low-carbon transport systems, precision health technologies and other growth industries
- Over the next few years, the UK faces further challenges which, like the economic impacts of Covid, will worsen the socio-economic inequalities between people and places across the country. Prof Simon Collinson notes that: 1. City-regions are the best places to focus intelligent interventions for balanced growth; 2. Skills are the key link between growth and levelling up; 3. Universities can help make innovation central to levelling up.
- Prof John Goddard highlights that to justify public funding universities need to refine their roles as local anchor institutions by participating in the co-production of knowledge and skills, working with the private, public and voluntary sectors to drive place-based innovation, investment, and growth. This means linking R&D to regional outcomes and expanding the role of CAs and Elected Mayors in articulating needs and opportunities for research.
- Rebecca Riley highlights opportunities for the future in the Birmingham Economic Review - increased demand for green open space and events, which could boost the attractiveness and investment in spaces in the city; considerable pent up demand and spend capacity in the economy; business models that have adapted and innovation has accelerated, with businesses more likely to have a mind-set to take advantage of opportunities, technology and innovation. This creates an environment more open to change and improvement. The potential of 15-minute cities bringing services closer together and more local travel will have an impact on climate planning and business corporate social responsibility as travel times are reduced; there is greater use of online communication and services are closer to the customer; broader life considerations are important, highlighting sustainability and place attractiveness in a holistic sense. Cities, like Birmingham will need to adapt to these emerging issues, mitigating the risks and take advantage of the opportunities.
- Raj Kandola also highlights that throughout this extraordinary period firms in Birmingham have continued to demonstrate the unique qualities of resilience and collective resolve which have long been synonymous with the city and its business community. The Quarterly Business Report seems to reflect that sentiment, with a notable uplift in domestic demand, a nominal climb in international sales and a welcome upturn in recruitment levels. 66% of businesses expect their turnover to increase over the next 12 months and 60% expect their profit levels to go up – a level of confidence on a par with pre-pandemic levels.
- The WMCA has launched its next round of digital bootcamps to improve the digital skills of residents across the region. The bootcamps are free of charge for leaners and will aim to equip WM residents with digital skills.

Pandemic Impacts

- In England the percentage of people testing positive for coronavirus (COVID-19) continued to decrease in the week ending 13 November 2021; we estimate that 824,900 people in England had COVID-19 (95% credible interval: 775,500 to 873,700), equating to around 1 in 65 people.
- It was reported that research from risk management and insurance brokerage firm Gallagher has found that 72% of businesses across the West Midlands have faced supply chain disruptions in the last 12 months. Over the last year, businesses in the region have experienced serious supply chain disruptions six times on average, directly leading to a loss of income, with 35% of companies taking the extreme step of temporarily shutting down elements of their business. Gallagher found 80% of business leaders in the West Midlands expect these supply chain issues to continue in 2022, with 72% of leaders concerned about the potential negative impact disruptions will have on their organisation.
- Beatfreeks has released its new report: 'The Second Dose', which found that 37% of over 2000 Gen Zs surveyed said they felt anxious about either big events, public spaces with lots of people or feeling in close proximity to a large number of others.
- Research by Employment Hero has found that the desire to travel after the pandemic and Brexit could see UK SMEs facing a major workforce shortage, as employees rush to leave the country for permanent overseas residence. It was reported that, Employment Hero had found that 53% of workers in the UK are considering taking a job overseas, with the main factor being to travel.
- The hospitality industry is continuing to struggle, due to a lack of EU workers. Many businesses, are facing staffing shortages. It was reported that ONS data shows that hospitality businesses are now twice as likely as those in other industries to struggle to fill vacancies. With 30% of all hospitality businesses reported issues in filling posts.
- Brexit has made it much more complicated to import both goods and people from the continent to the UK and this has severely affected Christmas Markets. The main reason for many businesses not coming is they are SMEs and do not necessarily have the capacity to fill out all the documentation correctly.

Latest Data – reflects global patterns in prices, employment, unemployment and vacancies

- Since the start of 2021, the average price of gas has been steadily increasing. Since the start of the year, the price has more than tripled, with an increase of 302% since 1 January 2021. Despite this week's 4% week-on-week increase the seven-day rolling average SAP was 23% lower than five weeks ago (week ending 10 October 2021).
- According to Springboard, in the week to the 13th November 2021, the volume of overall retail footfall in the UK increased by 1% from the previous week, and was 85% of the level seen in the equivalent week of 2019.
- 8.5% of WM businesses reported having challenges when trading with customers in other UK nations.
- When asked if their business was using, or intending to use, increased homeworking as a permanent business model going forward, 31.3% of West Midlands businesses said yes, and 38.5% said no.
- In August to October 2021, there were an estimated 1,172,000 job vacancies, a record high, an increase of 388,000 from the pre-coronavirus pandemic January to March 2020 level, with 15 of the 18 industry sectors showing record highs.
- For July to September 2021 show the employment rate increased 0.4 percentage points on the quarter, to 75.4%. The UK unemployment rate was estimated at 4.3%, 0.3 percentage points higher than before the pandemic, but 0.5 percentage points lower than the previous quarter.
- The redundancy rate increased on the quarter (0.2 thousand per employees) and has returned to pre-pandemic levels (3.7 per thousand employees July to September 2021).
- Growth in average total pay (including bonuses) was 5.8% and regular pay (excluding bonuses) was 4.9% in July to September 2021. Annual growth in average employee pay has been affected by temporary factors that have inflated the headline growth rate.
- For the three months ending in September 2021, the West Midlands Region employment rate (for those aged 16–64 years) was 74.3%. Since the three months ending June 2021, the employment rate saw a decrease of 0.2 percentage points (pp); while there is an increase of 0.1pp when compared to the same period in the previous year. The West Midlands, at -0.2%, was one of only 5 UK regions to see a decrease.
- Since September 2021 there has been a decrease of 1.3% (-2,240) claimants in the WMCA (3 LEP) area, slightly less than the UK decrease of 1.8%. When compared to October 2020, the number of claimants has decreased by 15.9% (-33,130) in the WMCA (3 LEP) area, with the UK decreasing by 22.2% over the same period.
- There were 31,440 youth claimants in the WMCA (3 LEP) area in October 2021. Since September 2021, there was a decrease of 3.3% (-1,070) claimants in the WMCA (3 LEP) area, below the UK decrease of 4.3%.
- Between September and October 2021 all regions showed steady growth in the number of payrolled employees, with only London having fewer than at the start of the coronavirus (COVID-19) pandemic.
- While the overall rate of vacancy growth has slowed recently, the number of vacancies has increased across all industries. The fastest rates of growth compared with last quarter were seen in construction (41.1%) and transport and storage (40.4%).
- The number of job postings increased sharply in October. In total, there were 212,942 unique job postings across the WMCA 3 LEP geography, which equates to 30,800 (17.0%) more than in September, suggesting continuing heightened demand.
- There has been a total of 547,800 claims made from 151,600 individuals in the WMCA (3 LEP) across all SEISS grants; the total claims reached a value of nearly £1.4bn
- 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 and the latest provisional figures show that when the scheme ended, there were 1.14 million employments on furlough (30th September 2021). Since the start of the scheme a total of 11.7 million jobs have been put on furlough for at least part of the duration of the scheme.
- In total, the WMCA (3 LEP) area had 77,500 employments furloughed on the 30th September 2021. This reflects a 4.5% take-up rate of eligible employments for the scheme, compared to UK-wide rate of 4.0%. When compared to 31st August 2021, the number of employments furloughed in the WMCA (3 LEP) area decreased by 14,600 (-15.9%, UK -15.5%).
- In the WMCA (3 LEP) area there were nearly 1.86m jobs in 2020. Since 2019, for the WMCA (3 LEP) area this was a decrease of 0.9% (-17,000 jobs) and nationally there was a 1.9% decrease. In 2020, there were nearly 1.27m full-time employees and 587,000 part time employees in the WMCA (3 LEP) area. When compared to 2019, full time employee jobs increased by 0.6% (England -1.8%) while part time decreased by 4.4% (England -2.0%).
- In the WMCA (3 LEP) area, the business, professional and financial services sector accounts for the highest percentage of jobs at 20.0% (approximately 371,345 jobs) and this is also the highest sector nationally at 21.1% in 2020. For the WMCA (3 LEP area) this sector has increased since 2019 by 2.5% (+9,115), while nationally there was a decrease of 2.8%.
- The mean personal well-being score for life satisfaction was 7.5 in the West Midlands (7.1 GB), worthwhile was 7.7 in the West Midlands (7.3 GB), happiness was 7.5 for West Midlands adults (7.1 GB) and anxious was recorded at 3.7 for West Midlands adults (3.9 GB).

Global, National and Regional Outlook

Alice Pugh, WMREDI

Global

The pandemic has been severely disrupted labour markets worldwide. Despite the best efforts to protect employment and support businesses in the majority of countries, unemployment has still reached alarmingly high levels, leading to erosion of incomes and pushing many households into poverty. Although the majority of economies are starting to recover, the speed of job creation is generally lagging behind, unable to compensate for earlier employment losses; especially in developing economies. Currently, the UN is predicting the global unemployment rate will hit 6.3%, falling to only 5.7% in 2022, above the pre-pandemic level of 5.4%.

Whilst in developing countries many may have managed to keep high job losses at bay, they are also facing acute labour shortages in certain sectors. Sectors which were hit hard by the pandemic such as hospitality, construction and manufacturing, are most likely to be seeing these labour shortages. This is partially because the labour has left the sectors, due to instability during the pandemic and they do not plan to return.

There is also another phenomenon taking place in developed countries and most significantly China. In China, the one baby rule imposed several years ago, is now causing issues as the independent population may not be able to comfortably support its ageing populatio n, especially as birth rates have been dropping in recent years. In the EU, Baby boomers the largest generation ever are reaching retirement age. There will be more economically dependent individuals (those aged 0 to 16 and those over the age of 64) than ever before and this means the dependency ratio is set to worsen. This mass retirement to be expected over the medium-term, has also impacted certain sectors. For instance, HGV drivers have a much older demographic, this is because of license changes over the years, as stricter rules on the vehicles that new drivers can drive. The Conference Board has also warned of a decline in quantitative growth drivers as populations age worldwide. Highlighting that the growing share of retirees per worker, this may led to higher inflation in the years to come and the best way to tackle the impacts of this would be through increased productivity.

The majority of countries globally are set to see some of the highest rates of inflation in decades. As of October, it was reported that the inflation rate in the US had now risen to 6.2%, 4.1% in the Euro area, 8% on average in Latin America, with China's official producer price index increasing 13.5% compared with October 2020. Sector based labour shortages, rising energy prices and supply chain disruptions are cited as the main reasons.

Speaking to Chief Economists, the World Economic Forum found that, whilst supply chain issues are still causing more issues than expected, these will likely resolve themselves over time. However, the dramatic changes in the labour market will likely remain and therefore, pose a greater risk with regards to rising inflation. Additionally, the rapidly rising demand for energy and the reducing supply of fossil fuels, as well has higher carbon prices, may led to increasing inflation in years to come. The best way to combat this would be to decarbonise and diversify renewable energy resources to secure a more sustainable, both economically and environmentally, energy market.

COP26 was held earlier this month, and a number of agreements were made. For the first time at a COP conference, there was an explicit plan to reduce use of coal - which is responsible for 40% of global annual CO2 emissions. However, at the very last-minute China and India requested a change of language and would only agree to the "phase down" rather than "phase out" coal. World leaders did agree to phase-out subsidies that artificially lower the price of coal, oil, or natural gas, however no targets or dates were set for this.

Leaders from more than 100 countries - with about 85% of the world's forests - promised to stop deforestation by 2030. Going forward this will be vital to bio-diversity and carbon sequestration, although they did not explain how this would be policed going forward. Financial organisations controlling $130tn agreed to back "clean" technology, such as renewable energy, and direct finance away from fossil fuel-burning industries. However, as the voluntary, many are ageing it is simply a PR stunt. However, two significant developments were Australia pledging to be net-zero by 2050 and India by 2070.

National

Birmingham based engagement and insights agency for young people Beatfreeks has released its new report, 'The Second Dose', which found that 37% of over 2000 Gen Zs surveyed said they felt anxious about either big events, public spaces with lots of people or feeling in close proximity to a large number of others, whereas, just 4% said they feel excited about being around big groups in public again. When asked about habits developed during the pandemic, 78% said they continue to wear a mask in some capacity, with nearly 20% opting to always wear their mask indoors.

The report surveyed over 2000 young people across the UK aged between 16 and 25, categorised as Gen Z, in September 2021. The research was conceived to platform young people's voices in order to make institutions more relevant, democratic and responsive to the needs of Gen Z. Those spoken to also reflected on the impact of the pandemic on their future, with over half believing that COVID has affected their long term plans for the next 3-5 years and nearly half felt they were left with fewer opportunities for work. When asked about working arrangements, only 8% said they wanted a fully remote role going forwards, and 1 in 3 felt that the pandemic had made them more productive.

However, research by Employment Hero has found that the desire to travel after the pandemic and Brexit could see the UK SMEs to face a major workforce shortage, as employees rush to leave the country for permanent overseas residence. It was reported that Employment Hero had found that 53% of workers in the UK are considering taking a job overseas, with the main factor being to travel. 51% of the UK's workforce are currently looking at international positions, because they are aware they can earn a higher salary elsewhere. 29% feel there are better careers opportunities overseas and 13% are bored with their current location.

When asked, 43% of employees across the UK stated a salary increase would convince them to remain in the UK, in their current role, while over 26% said a promotion or more rewards (25%) would be enough for them to remain in the UK. 22% were open to remain for greater bonuses or a better bonus structure. 20% stated a change to management would make them reconsider their current international job search.

The main recommendations from this report in order to retain employees is:

- **Demonstrate appreciation for employees**: through salary increases, performance reviews and management updates
- **Pivot to a global hybrid working model:** by embracing a 'work from anywhere' model, which has become more desirable in the past two years.

The hospitality industry is also continuing to struggle, due to a lack of EU workers. Many businesses, including Damascena in Birmingham, are facing staffing shortages, as a result of the loss of EU workers following Brexit and Covid-19. It was reported that ONS data shows that hospitality businesses are now twice as likely as those in other industries to struggle to fill vacancies. With 30% of all hospitality businesses reported issues in filling posts, although the rate of vacancies across the labour marker appears to have slowed recently, down from 43.4% in May-July 2021 to 23.4% in August-October.

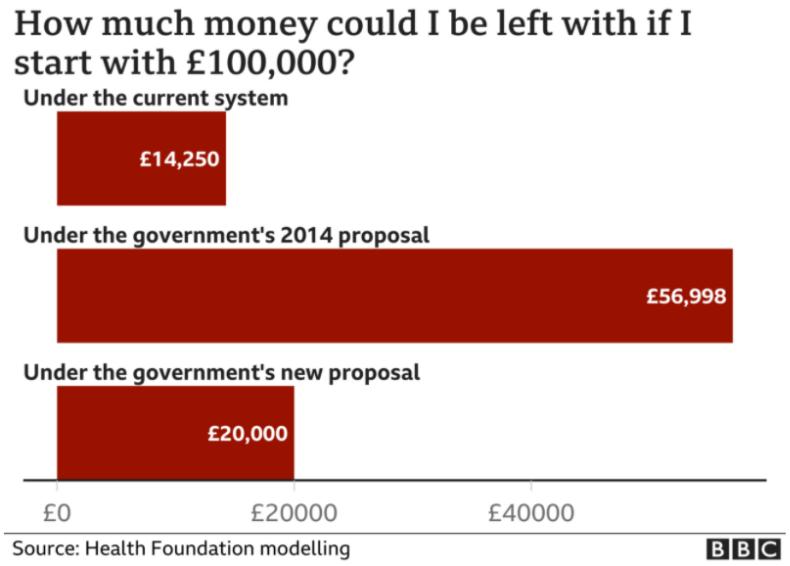
Unsurprisingly, this has also affected the Christmas markets across city centres. If anyone has been to the Christmas markets this year already, then you may have noticed that they are considerably smaller than usual and less European. This year Brexit has made it much more complicated to import both goods and people from the continent to the UK. The main reason for many businesses not coming is that they are SMEs and do not necessarily have the capacity to fill out all the documentation correctly. This has especially impacted alcohol retailers; many have instead opted to go to Ireland this year, either the Republic of or Northern Ireland, as they only require the same level of documentation as other EU27 countries.

Tony Danker, CBI Director General, said in his CBI conference speech, that in order to level up regions across the UK, the market should not be left to free marketers. Speaking at the conference Mr Danker said "I don't know a country in the world – including, and indeed especially, the United States – where governments aren't active in economic geography. Governments don't create jobs and wealth. Businesses do. But businesses alone don't make places better. That's on all of us". In order to level up Mr Danker highlighted four key anchors:

1. **High-value sectors**- There is a direct correlation between high-productivity sectors in a place and the economic outcomes for local people. However, in the majority of sectors the London and the South E usually have the highest productivity levels. Mr Danker stated "the UK now feels like a branch line economy. With the most productive parts of a sector, such as HQs, too often based in London and the South East, and the branch managers and the back-office based everywhere else. Instead of a branch-line economy – what we want is an economy of many hubs. That means using all parts of the country to their full potential."
2. **High Value firms**- Mr Danker said "Be they home-grown or international, established or emerging, high-value firms like these are the job-creators, the skills-builders, the innovators – a catalyst for growth in our local economies".
3. **High-level skills**- "When skills rise, so does economic growth. And that golden thread between skills and productivity only becomes more important over time." Highlighting that in areas with higher levels of degree achievement often tend to be the areas with the highest productivity and the majority of these places are in Greater London or the South East. He highlighted that some areas such as Birmingham, Manchester and Edinburgh lag behind in productivity, even though they have some of the UK's leading universities. This is because these cities do not retain workers because they go where the work is, and this is the South East and London.
4. **Higher Investment**- Higher investment usually leads to higher productivity. Businesses need to play a part in levelling up by investing in places outside of London and the South East. He stated that to enable this "UK regulators to pioneer pro-investment and pro-innovation regulation, alongside competition and consumer price. That's the way we use post-Brexit freedoms to unlock growth".

Mr Danker ended the speech by announcing that the "CBI will establish a new Centre for Thriving Regions to coordinate the private sector's commitment to levelling up. And it will crack one of Government's biggest questions – how to bring private sector leadership to a place."

The Spending Review last month announced there would be an £86,000 cap on adult care fees in a lifetime, from 2023. However, reforms to the bill this week now mean that support payments from local councils will not count towards this personal limit. Once people have reached this cap, ongoing costs for personal care will be paid for by local authorities. Money spent on living costs - such as food, energy bills and accommodation, would not count towards the limit. This will likely impact poorer households and potentially deepen the north south divide, as poor household will proportionally pay much more and if assets such as housing are taken into consideration, then those in the south will likely keep proportionally more. For more information on how the Spending Review 2021 (SR21) will impact the West Midlands, please see the piece below.



Source: BBC, 2021.

Regional

Research conducted by WMREDI, has led to the formation of a contingent of the city's largest professional employers to launch the 'Birmingham Business Pledge', as a declaration of intent of support for the city's future. The

Future Business District Report, looks at the long-term recovery from the Covid-19 pandemic and offers direction and best practice for central business districts across the UK. The Pledge is a statement from 19 leading Birmingham employers, including Avison Young, CBRE, Deloitte, Ernst & Young LLP, about the city's future. Its aim is to achieve a way forward for a more sustainable, economically and socially productive city centre through collaborative action.

The pledge is built on 5 pillars:

1. To contribute to the sustainability of the city – recognising the challenges of climate change and committing to working with the authorities to find practical ways of accelerating a net zero journey, improving transport links, and creating more pleasant, safer public realm environments.
2. To be inclusive leaders – ensuring businesses reflect the communities they serve, and seek opportunities to consider how equality, diversity, and inclusion can be better promoted.
3. To create and sustain spaces for people to grow – to harness hybrid working, expanding the physical and virtual talent pool while encouraging staff to collaborate, innovate and come together in the city centre.
4. To embrace the city's unique offering – seek to find new ways to support the character of the place, the independents, the artists, and the cultural venues.
5. To celebrate the city – do more to promote the strengths and opportunities that this city presents to staff, customers and stakeholders.

The WMCA has launched its next round of digital bootcamps to improve the digital skills of residents across the region. The bootcamps are free of charge for leaners and will aim to equip WM residents with digital skills, allowing them access to roles in sectors such as coding, cybersecurity and digital marketing. The camps support the unemployed, those seeking a career changes, as well as employed people looking to upskill to further their career.

Originally through a £7 million grant, the WMCA was able to pilot 30 digital bootcamps, training around 2,000 adults who were unemployed or in low-paid jobs with vital tech skills. Based on the success of this programmes so far, the WMCA has decided to fund more bootcamps. The WMCA is making £21 million in funding available from the Adult Education Budget to support the new bootcamps over the next 3 years, with the target of supporting over 4,000 people. The programmes will run from November 2021 to October 2024.

It was reported that research from risk management and insurance brokerage firm Gallagher has found that 72% of businesses across the West Midlands have faced supply chain disruptions in the last 12 months. Over the last year, businesses in the region have experienced serious supply chain disruptions six times on average, directly leading to a loss of income, with 35% of companies taking the extreme step of temporarily shutting down elements of their business.

Due to delivery issues, 23% of West Midlands firms have reported having to ask customers to wait longer for goods to arrive, 18% were only able to part-deliver some orders, and 17% took the decision to stop stocking or selling certain products. With 17% of businesses have either been left out of pocket as they have had to turn down orders or because they absorbed increased costs, due to a lack of supply driving up prices. Additionally, over two-fifths of businesses who have ever taken legal action due to supply chain issues did so in the past 12 months.

Furthermore, Gallagher found 80% of business leaders in the West Midlands, expecting these supply chain issues to continue in 2022, with 72% of leaders concerned about the potential negative impact disruptions will have on their organisation. Businesses are predicting that Covid-19 legacy issues (54%), Brexit fallout (28%), plus changes to regulations (19%) and labour issues (18%) will cause continued disruptions.

To combat further issues, 81% of businesses within the region intend on changing their supply chains. This could mean greater business for domestic firms, as 18% of business leaders are planning to switch to UK suppliers in 2022 to avoid cross border issues. Others are intending to move away from 'just in time' supply chains, to avoid having to store them (18%), prioritise certain customers to ensure a good level of service can be maintained (14%), increased automation (10%) or use insurance (11%) to help offset financial impacts. Currently, 56% of businesses in the West Midlands are uninsured for supply chain issues.

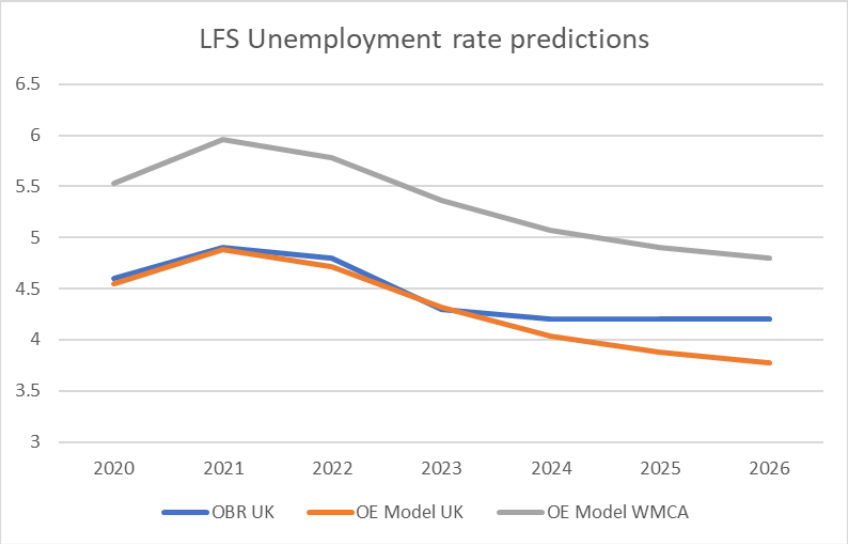
Budget and SR21: WMCA Impact

Alice Pugh, WMREDI

OBR Report - Economy and Public Finances

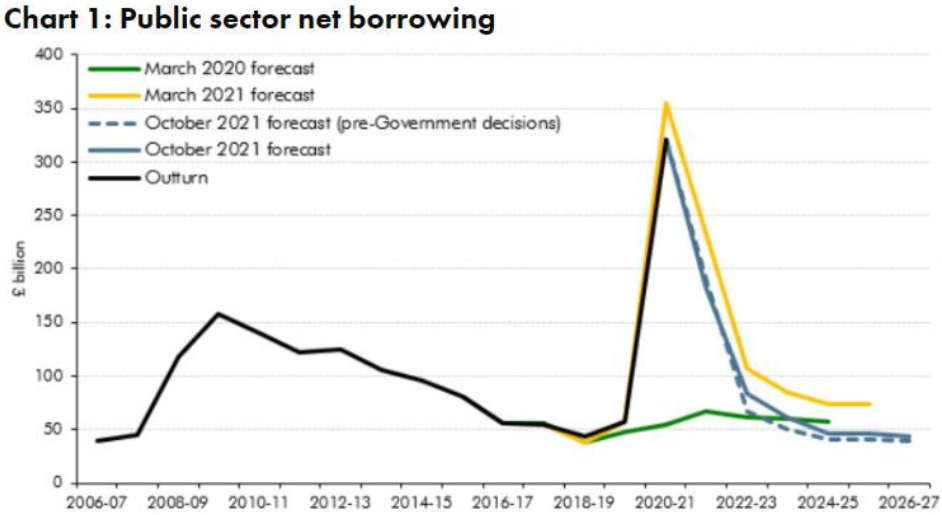
The OBR has predicted that the economy will grow by 6.5% in 2021, which is a 2.4% increase from their predictions in March. However, the spectre of inflation is looming. The strength of the rebound in demand in the UK and globally has led to a bump up against supply constraints in several markets. In the UK these supply chain bottlenecks have been exacerbated by changes in immigration and trading regimes following Brexit. Energy prices have soared, labour shortages have emerged in some occupations, and there have been blockages in some supply chains. These factors are all expected to hold back growth in coming quarters, while prices rise put pressure on wages. As a result the OBR has predicted inflation will rise to 4.4% next year, with potential for it to reach 5% at its peak next year.

Additionally, in July 2020 the OBR forecast that unemployment would peak close to 12% by the end of the year as a result of the end of furlough. However, as the scheme was extended till September 2021 unemployment only rose to 5.2%. By the end of 2021 the OBR predicts the unemployment rate will be 4.9%, the OE have predicted a rate of 4.9% in their model for the UK also. However, as seen in the graph below the WMCA is predicted to see 6% unemployment by the end of the year. This is 1.1% higher than the expected UK predicted rate by both OBR and OE.



Source: OBR, Oct 2021 and OE Model, 2021.

Considering the improved fiscal outlook and policy changes announced since March, borrowing is expected to fall back below £100 billion next year, declining more slowly thereafter to stabilise at around £44 billion (1.5% of GDP) in the medium term. As seen in the graph below, this will leave borrowing lower than the OBR's forecast in March, and down £27 billion in 2025-26 thanks to the £33 billion improvement in the pre-measures fiscal outlook being only partly offset by a net fiscal loosening that declines to £6 billion by that point.



Source: OBR, 2021

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

Headline Announcements

- National Insurance contributions will increase by 1.25% from April 2022
- The Public Sector pay freeze has been cancelled, but the government has not announced whether wages will rise in real terms.
- Increase in the National Living Wage from £8.91 per hour to £9.50, National Minimum Wage for people aged 21-22 goes up to £9.18 an hour and Apprentice Rate increases to £4.81 an hour.
- Reduction in the Universal Credit Taper rate from 63p to 55p
- NHS England is set to receive £5.9bn to tackle the backlog of people waiting for tests and scans
- £86,000 adult social care cap
- Rise in Fuel Duty has been cancelled
- An additional £1.5bn in transport spending
- Reconfirmation that corporate tax will increase to 25% in April 2023
- £11.5bn to build up to 180,000 affordable homes, with brownfield sites targeted for development
- Business rates to be cut by £7bn

Impact of Announcements for the WMCA area

Income, Wages and Welfare

The increase in the NLW is good news for many in the WMCA region. The Living Wage Foundation has estimated that 292,627 people are earning the NLW or below, within the wider WM area. It is likely that the majority of these people will see a 59p per hour wage increase. On average the median hours worked in the WMCA area is 37.6 hours per week, an extra 59p per hour would mean an extra £20.20 per week.

One of the pre-announced policies was the end to the public sector pay freeze. This is good news for 25% of the WMCA workforce which work within the public sector as of Q2 this year, according to Nomis. However, the government has not yet announced whether there will be a rise in real term wages i.e. higher than inflation. The BBC reported that pay for most frontline workforces is set by independent pay review bodies and No 10 has said it could not "prejudge that process".

During the pandemic UC claimants were supported through a £20 uplift, however the government has now removed this support and has instead announced a change to the taper rate to help those most severely impacted by the pandemic going forward from December 2021. The UC taper rate is changing from 63p to 55p, this means that for every £1 that is earned over the allotted work allowance, an individual's UC claim will reduce by 55p. This means that if someone is working 16 hours per week,on national living wage and receiving housing benefits they will get to keep an additional £5.55 of the benefit claim per week, comparative to when the taper rate was 63p.

This is significantly below the UC £20 uplift a week that claimants had seen implemented last year, to protect against Covid pay impacts. Currently, 8.1% of the current working age population across the 7 Met WM area are claiming UC. These individuals will potentially only see a £5.55 rise in their incomes, this is £14.45 lower than the £20 uplift that they had seen throughout the Covid-19 period. The Resolution Foundation has also found that the poorest fifth of households across the UK, will be at least £280 worse of a next year, than when they were receiving the £20 uplift.

Tax Changes

The changes above are before the increase in National Insurance, which is set to increase by 1.25p to the pound from April. Additionally, this does not take into account inflation, which is expected to reach 4% by OBR by the end of the year, potentially climbing as high as 5% next year. The IFS is predicting that in real terms the increase in wages will only be around 3.2%. After, the increases in taxes are applied the real increase in take home pay will be 1.2% for a full-time minimum wage worker.

For WMCA businesses there will be a corporation tax increase from April 2023 and this will rise from 19% to 25%, for businesses earning over £250,000 in profit. However, it has been noted that this is still the lowest rate within the G7. Whilst, it is not surprising that the increase is happening, given the unprecedented levels of government spending over the last year, the delayed implementation will likely mean that the government will not see a significant increase in revenue until the 2023-24 fiscal year.

Levelling up

Whilst some hoped that the spending review may shed some light on what 'levelling up' is, this was not the case. Hopefully, the government will define this in their 'levelling up' white paper set to be released at the end of this year. They did however, announce the successful bids of the first round of funding for 'levelling up'. It was announced that so far £1.7bn has been awarded for local infrastructure projects, this is almost a third of the £4.8bn Levelling up Fund. The successful bids by local authority can be found here. Out of 105 successful bids 9 of the bids were won by local authorities within the WMCA area. Therefore, around 9% of successful bids were within the WMCA and they received 9.4% of the overall funding as well at, £160m of the £1.7bn.

Many local authorities were excited to hear that there could potentially be a 3% increase a year for councils for the next year. However, the increase in 'spending power' includes council tax rises as well as the funding increases. Therefore, the 3% isn't all coming from the Treasury. A chunk of it is coming from assumptions that councils will put up council tax for residents. The Spending Review confirmed that councils will be able to increase council tax by 2% and apply an additional 1% social care levy. This will put WMCA local authorities in a difficult position in terms of 'levelling up'. Currently, people are facing rising inflation and a cost of living crisis and local authorities will have to decide, whether to rise council tax. According the government most UK residents live in Band B to Band D, the average council tax in WMCA for band B to band D housing is £1,642. If councils were to raise tax by 3% each year for the next 3 years, this would mean an additional £152 per resident being paid in council tax over the next year years in total. With residents paying around an extra £50 per year in additional tax.

As part of the governments 'levelling up by connecting communities' the government has announced £5.7 billion for eight city regions to transform local transport networks through London-style integrated settlements. This includes £1 billion to the West Midlands for schemes such as the completing the Wednesbury to Brierley Hill metro extension and Sprint Phase 2. This is strong capital investment which will enable local government to improve local infrastructure, potentially improving geographical mobility for residents. However, as Centre for Cities has commented that beyond the allocation of transport monies, there was no guidance given for how these policies will deal with the productivity issue that underpins the need for levelling up.

Education and skills

Over the last couple of years students have been severely impacted by social distancing measures which have restricted their ability to learn. As a result, the government has announced an additional £4.7 billion for the core schools' budget in England. This would be equivalent to a £1,500 per pupil, for 2021-22 the average spend per pupil in the WMCA, between ages 3 and 16 is currently £5013. This additional spending per pupil by 2024-25, will restore per pupil funding to 2010 levels. A much welcome boost for students across the WMCA, to help support them following the last years impact on education.

For all those students that are at college however (16 to 19 year olds), the red book states that there would be "an additional £1.6 billion by 2024-25 for 16-19 year olds' education in England, maintaining funding rates in real terms and representing a 28% real terms increase from 2019-20". Currently, 17 out of 110 schools across England chosen to trial T-levels were in the West Midlands wider region, as of the 2021-22 academic year. However, whether this will mean a real term increase per student in line with inflation is unclear.

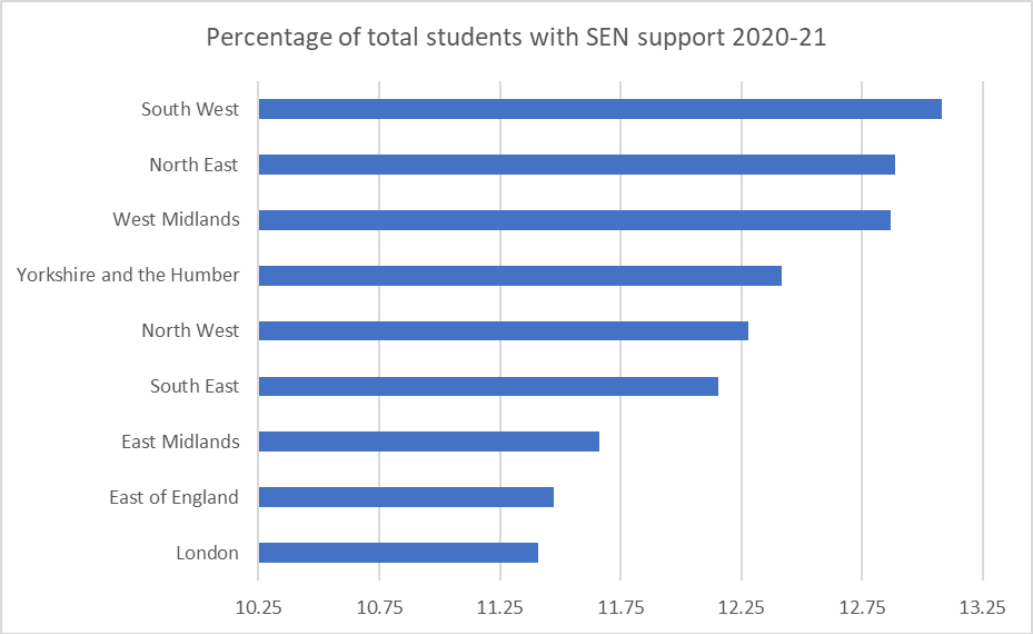
In the latest apprenticeship start data for the academic year 2019-20, 8% of all apprenticeships starts in England were in the WMCA area. Apprenticeships were hit hard by the pandemic as many employers were unable to take on new-starters and train them, due to social distancing roles that were in place, alongside the potential closure of business operations, making it unattractive to take them on over the last 18 months. However, the red book promises an increase to funding for apprenticeships of £2.7bn by 2024-25. This is an additional £200m increase on

what was predicted in March 2021. However, it is not clear whether this will be as a result of natural growth in the apprenticeship levy on large employers payrolls as employment and earnings rise.

For those that do not pay the apprenticeship levy, the government will continue to pay the 95% of training costs for employers. The funding will also include improvements to the current recruitment service by May 2022 for SMEs, helping them to hire new apprentices. Alongside this, the government also intends to introduce a "return on investment tool" in October 2022 to ensure employers can "see the benefits apprentices create in their business". Finally, the red book also confirmed that the £3,000 cash incentive for employers for each new apprentice they hire will end on the 31st January 2022.

Before the release of the SR21, the Learning and Work Institute found that adult participation in Maths training courses in the WMCA area had fallen by 27% between 2011 and 2019. It was welcome news that the government has decided to invest £560m in the new Multiply scheme aimed at improving adult numeracy, with the WMCA set to be one of the main areas of focus for the scheme. Whilst this is good news, the Learning and Work Institute also found there had been significant declines in uptake in English and Digital courses as well, and to really help adult learners 'level up' their skills there needs to be a consistent approach, including these two areas as well as numeracy.

In order to support the most vulnerable students, the government has committed an additional £2.6bn for school places for children with special educational needs and disabilities by 2024-25. In the wider WM region, 12.9% of students receive SEN support, the third highest of any UK region (see graph below).



Source: ONS, 2021.

A large reason for the significant increase for SEN pupils is rising demand. It is expected that the demand for specialist support will grow as a result of the school age population being 10% higher by 2025 than it was in 2010. The Treasury has said that the measure will almost triple the amount of this year's capital funding for those most disadvantaged young people through special educational support.

Health and Social care

For understandable reasons there has been a large focus on the government's intentions regarding health and social care in the build up to the SR21. Currently, the NHS is under immense pressure, with staffing shortages, unprecedented high demand, an ageing population and a massive backlog that will take years to resolve. It is also supported by an under-funded, under-staffed social care systems, the Care Quality Commission has found. With the failing adult social care system only fuelling growing issues in hospitals, with patients unable to leave hospital, due to capacity issues at care facilities.

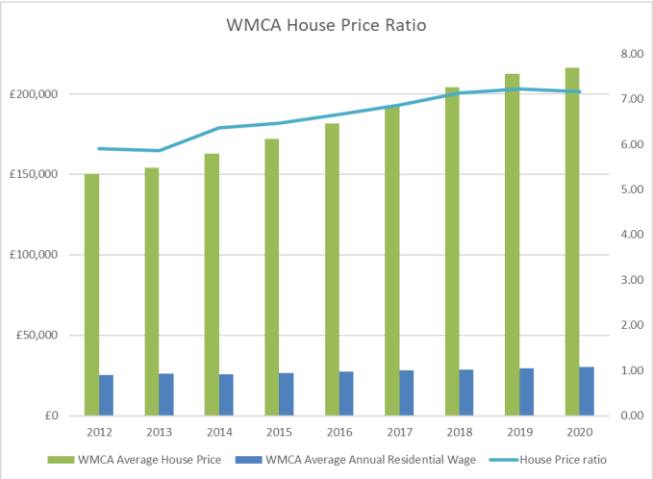
The demand for adult social care has dramatically increased over the duration of Covid-19, in 2019/20 across the wider WM area there was a 20% increase in the number of requests for support from new clients. The number decreased 3% in 2020-21, however this is still 16% higher than in 2018-19. This is a rapid increase and has put immense pressure on services across the region. The government has guaranteed £5.4bn for adult social care, however £3.6bn will go directly to supporting the new £86,000 social care cap over the next 3 years. The remaining £1.7bn will go towards improvements in the social care system. This will include £500m investment to improve skills, qualifications and well-being of staff in the care workforce.

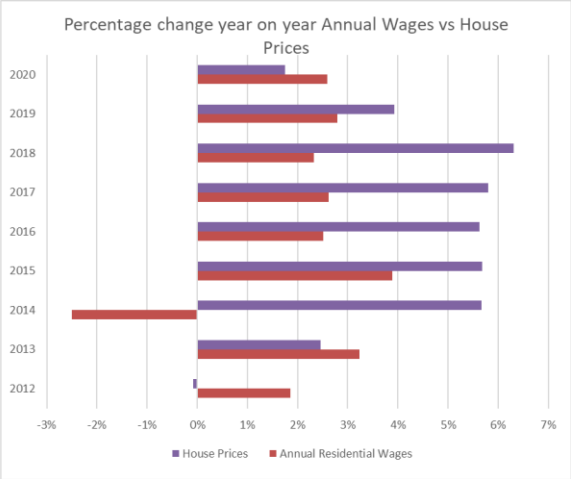
The rest of the money for social care is expected to be shared amongst the local authorities; however only a percentage of this will fund adult social care - especially, as local authorities also need to support mental health services for children. The King's Fund found, in real terms, this package would mean core spending power for local authorities would increase by 3% a year on average over the SR21 period, if the funding ring-fenced for adult social care reform is included. Once the ring-fenced funding, mainly for the new benefit cap is removed, then the King's Fund calculates that this is will be a real spending power increase of 1.8%. However, there are serious doubt as to whether this would substantially improve the quality of care whilst meeting cost pressures from demographic change and increases to the National Living Wage.

The NHS budget is set to increase by £2.5bn a year, at a rise of 3.8% year on year an average, according to the King's Fund. This includes the pre-announced £8 billion to tackle elective backlogs over the next three years. There will also be £9.6 billion over this SR period for Covid-19 related work including test and trace, vaccines, and personal protective equipment. Under these new health plans however, health spending will still grow by little more than inflation between 2023/24 and 2024/25. The Health Foundation found, much like the King's Fund, that the spending would only just meet future demand and would not tackle the challenges that are already facing the sector. In order to meet rising demand, increasing the prices paid for care so that providers can raise quality and wages, plus increasing the number of care packages by 10% to make some inroads into unmet need, would require additional funding of around £7.6bn in 2022/23, rising to £9bn in 2024/25, according to estimates from The Health Foundation.

Housing

The average annual residential wages across the WMCA area has increased by 19% from £25,225 in 2012 to £30,202 in 2020. Whereas, house prices over the same period have increase 44%, from an average of £150,335 in 2012 to £216,131 in 2020. With the house price ratio increasing from 5.91 to 7.16 over this period, a 1.25-point increase, as seen in the graphs below. This means that house prices are now worth 7 times the average wage, whereas in 2012 they were 6 times the average wage. House prices have increased faster than wages in real terms, therefore it is now more expensive to live in the WMCA than it was almost 10 years ago.





Source: ONS, 2021

The last year has only deepened the crisis according to Zoopla, with residential sales falling dramatically according to their data so far this year, helping to drive up house prices. Firstly, demand for housing has changed alongside working patterns. The pandemic and successive lockdowns have sped up the transition to home working. This has widened people's geographical mobility. This means that people can move out of expensive commuter areas and city centres, if they only have to go into the office a limited number of days per week. Additionally, increases in housing

prices have been found to vary by type; house prices have increased much faster than flat prices over the last year. This is because after a year of lockdown we are all demanding more space.

It was welcome news that the government reconfirmed its £11.5 billion investment through the Affordable Homes Programme (2021-26) of which £7.5 billion is over the SR21 period. 65% of the funding will be for homes outside London. The government also announced an additional £1.8bn to increase the housing supply. The SR21 states "This includes £300 million locally-led grant funding that will be distributed to Mayoral Combined Authorities and Local Authorities to unlock smaller brownfield sites for housing and improve communities in line with their priorities, and £1.5 billion to regenerate underused land and deliver transport links and community facilities, unlocking 160,000 homes in total."

Build Back Better? The Real Challenges of Levelling Up Post-Pandemic

Professor Simon Collinson, WM REDI

This article was first featured as a Birmingham Brief.

The Covid pandemic has hit the UK economy harder than most other OECD countries and the West Midlands harder than most other UK regions. The resulting economic shock has led to significant falls in output, productivity, and employment as well as new levels of inequality. Regional productivity (GVA) fell by 13% in 2020, more than any other region, and is unlikely to recover until the end of 2022. Footfall in Birmingham city centre dropped by 46% in the 12 months to June 2021 and this was one factor amongst many accounting for high furlough rates and local job losses. At the peak, there were 46,000 redundancies between September and November 2020, in the West Midlands region.

Uncertainty remains, but the recovery signs are remarkably promising. The wide range of economic and social indicators we track, summarised in this year's Birmingham Economic Review 2021, show growth and optimism as part of a tentative bounce-back.

But there are challenges. Behind the political rhetoric, there are systemic and embedded constraints on the kinds of growth that we aspire to, that is faster, greener, and fairer.

Some might be short term, others will develop into longer-term structural problems requiring businesses and households to change, from global supply-chain obstacles, trade disputes and inflation. Many others are unique to the region and should be tackled locally.

For example, the West Midlands has a strong legacy of excellence in advanced manufacturing. This sector should thrive but is predicted to employ significantly fewer people. The related assets, engineering and innovation capabilities in the region give it a strong competitive advantage in space and aerospace, sustainable energy storage, low-carbon transport systems, precision health technologies and other growth industries. But the transition to these emerging sectors, which will generate more of our jobs and wealth, needs to happen quickly. With help from universities, the region needs to get better at translating R&D, science and technology into commercial products, services, and processes to support this transition.

Regaining the growth momentum also means retaining and attracting the best talent and more inward investment. But most of all, it requires a step-change in the region's skills base. One prediction is that by 2040 the West Midlands will see a 40% drop in manufacturing employment and increased demand (over 20% growth) for professional, scientific and technical skills. Digital businesses have the potential to add £2.7 billion in economic growth and 52,000 new jobs in 4 years to this region, but only if the supply of digital skills matches this demand. Current predictions show a national shortfall of 5 million workers by 2030. Aggressive upskilling and re-skilling are needed to meet the demands of firms as they transition to new business models, and firms must play a stronger role in skills training.

But this is where the real prize lies for levelling up. There are strong correlations in regions like the West Midlands between education, skills, employment, disposable income, crime levels, community health, life expectancy, life satisfaction and many other well-being indicators. A better skills base improves regional competitiveness and productivity while at the same time raising average income levels for local workers. This in turn can reduce the number of vulnerable households in deprived communities and increase life opportunities for disadvantaged groups. The positive multiplier effects of improved skills would help reverse the widening of regional differences, both in terms of raising local capability to create wealth and the capacity to distribute prosperity more equally, across the UK.

Combining Growth and Levelling Up in UK Regions: How Universities and the Social Sciences Can Help

Professor Simon Collinson, WM REDI

This article was first posted on the Academy of Social Sciences website.

Over the next few years, the UK faces further challenges which, like the economic impacts of Covid, will worsen socio-economic inequalities between people and places across the country. We will also have limited levels of public funding for policy interventions to promote more inclusive growth pathways. A fairer distribution of funding is part of the solution. But more intelligent interventions, more precisely aligned to the challenges and growth potential of different places, are particularly needed. Problem-led, collaborative, and interdisciplinary social science can help guide this approach.

The first step is to apply clear, well-specified and (ideally) widely accepted definitions to ambiguous and politicised concepts such as levelling up. This is a basic principle of good social science and will help target a specific set of measurable outcomes and some degree of impact evaluation to shape further interventions. We need a wider set of proxy measures for socio-economic progress, going beyond economic volume (GDP) or efficiency (productivity or GVA) to include reduced inequality, based, for example on the established index of multiple deprivation, and applied as part of a national framework for growth. These would be reported at the aggregate, macro-level (national and regional), but applied to assess the appropriateness and effectiveness of investing public money in specific projects at the micro-level (alongside sustainability measures). More substantial revisions to the Treasury's Green Book investment appraisal framework by including these broader measures would make a significant difference.

But a more balanced growth trajectory requires local resources and decision-making power to tailor policies for the specific challenges and growth potential of different places. This is the first of three related recommendations I would make to support real progress towards levelling up across the UK.

1. **City-regions are the best places to focus intelligent interventions for balanced growth.**

This point has been made by other contributors to this series (Will Hutton, Diane Coyle). We are about the most centralised OECD nation, in terms of fund-raising and spending powers. This concentrates, standardises, and politicises the mechanisms for bidding, selecting, and funding economic growth propositions. Devolving decision-making responsibility, resources and accountability to regions will enable local coalitions to focus on the distinctive growth potential of their city-regions and improve the accuracy of interventions. Think less about subsidising poor regions in the North using a 'surplus from the South' and more about unlocking the economic potential of the whole country. As many commentators have also stated, this will need more than an incremental shift in funding allocations or the small-scale relocation of decision-making (or civil servants).

To unlock this potential and to change the path-dependent growth trajectories of these city-regions requires new funding structures and targeted incentives to develop and leverage detailed local knowledge. Each region is a unique combination of location-specific endowments, including transport and communications infrastructure, industry specialisation (and innovation clusters), skills demand-supply gaps and the many other factors which influence attractiveness to investment and talent and the potential for innovation.

The wide range of policies that support regional growth, including investments in transport systems, R&D or skills programmes, developing science parks or free trade zones or attracting certain kinds of FDI, or relocating civil servants, give rise to complex combined effects. Some produce positive economic multipliers which improve GVA per capita, local spending and employment. But there are trade-offs and displacement effects that can also increase inequality. To improve competitiveness, productivity, and the rate of growth of regions while simultaneously reducing inequalities to achieve levelling up requires locally defined, linked interventions.

2. **Skills are the key link between growth and levelling up.**

Skills are the drivers of innovative capability, productivity and competitiveness for firms, and industry clusters in city-regions and across the country. Better skills enhance our ability to create wealth. But they also improve the

employment prospects and household incomes for deprived communities, reducing benefits costs (and crime) and enhancing health and well-being.

Part of the opportunity and the challenge here is to connect these two sides of growth: economic performance, and social equity. Academic thinking as well as policy and practice structures have tended to treat them separately. While Treasury notes a fiscal imbalance in most UK regions, which 'cost more in subsidies than they earn,' government departments find it difficult to string together the logic chain between firm performance, skills, incomes, and household resilience. Productivity, poverty, and health are connected, within regional economic systems but not in terms of holistic policy approaches, as noted by others (Jennifer Dixon). Just as there are positive multiplier effects from employment triggered by new investment, there are significant negative knock-on effects from unemployment, the costs of which have yet to be properly calculated. Better skills improve the positive multiplier effects through higher incomes and local spending. Low skills have the opposite effect, lowering incomes and spending while making firms less productive, and poorer communities less resilient and more prone to debt cycles.

This requires academics, policymakers, and ministerial departments (like the Department for Education, the Ministry of Housing, Communities and Local Government, and the Department for Business, Energy and Industrial Strategy) to connect regional data and impact analysis in more holistic approaches to growth interventions. Structural barriers between government departments and the adversarial, hand-to-mouth mechanisms for investment allocations from the centre to city-regions need to change.

3. Universities can help make innovation central to levelling up

The latest government policy platform focuses on an Innovation Strategy, not for the first time. Being a science superpower is important, but we still struggle with the challenge of becoming an innovation superpower. Invention is a scientific process. Innovation is a socio-economic process, with the active involvement of adopters. This has been known for some time, but the UK default is to focus mainly on investments in science and technology and complain that the Americans and the Chinese commercialise our inventions.
This also means that innovation is non-linear, unpredictable and context-specific. Vaccines are unusual in that a scientific breakthrough leads relatively easily to the adoption and diffusion of a product with obvious value to users everywhere. But even with this critically important innovation, behavioural, social, political, economic and management-related factors have all played a role in determining the pace and pattern of adoption. Most innovations are more complex than this. They evolve through an iterative, emergent, and unpredictable process of adoption, revision and eventual diffusion. This can take a long time or stop at any stage in the cycle for a wide variety of reasons. Social scientists from management and marketing experts to sociologists and economists can help understand and incorporate the behavioural responses of individuals, groups, firms, and other organisations to shape several kinds of innovation pathways that can support balanced regional growth.

All of which indicates how universities can help. As others have also noted (Will Hutton) we have great universities in our city-regions which are central to the Innovation Strategy. Not least because universities are a key source of both skills and frontier science and technology. Often including management skills from business schools and new entrepreneurs. They can and should promote more multidisciplinary, collaborative and problem-led research and teaching. At the same time, focus more on local industry needs, supported by additional incentives and knowledge translation mechanisms. This could involve, for example, building on the Strength in Places Funding (SIPF), the Small Business Charter, and/or Catapults with a regional focus as part of a place-based innovation strategy.

Improving the fit between the supply and demand sides of innovation are key factors in determining whether new technology, knowledge and expertise are exploited to benefit a region. Improving absorptive capacity across local firms and industries to enhance regional innovation systems is partly driven by this alignment. But exploitation means more than commercialisation for improved products, services, and productivity in firms. Innovation in public services and health-care delivery as part of a levelling up agenda can also be boosted by more closely connecting local demand-supply (skills, knowledge, technology) gaps through coalitions of universities, public sector organisations and firms. This will help address both sides of the divide, enabling economic growth which benefits all.

Science, Universities and Rebalancing the UK Economy: A Provocation

Professor John Goddard, WM REDI

R&D Spending and the 'levelling up' agenda

The Conservative Party's election manifesto pledged to spend £22bn per annum on research by 2024-25. Many argued that this could only be justified if the research system moves towards supporting the Government's 'levelling up' agenda. The budget statement acknowledged this by announcing that "The government will ensure that an increased share of the record increase in government spending on R&D over the SR21 period is invested outside the Greater South East." The overall increase in the Government's R&D budget is real and substantial, though the £22 billion spending target has been postponed for two years. The challenge now is how to deliver on this in a way that bridges the innovation divide between different parts of the country and identify how universities can contribute.

The UK is fortunate to have universities spread across the country but although ultimately heavily dependent on public funding, there is no explicit requirement on them to contribute to the local public good. There is ample evidence that historically public expenditure on research has benefited the 'Golden Triangle' particularly universities there and much of this has not been translated into innovations that could underpin regeneration in other parts of the country. While universities may be part of the problem of imbalance, going forward they can be part of the solution.

Universities as Anchor Institutions

To justify that public funding universities need to refine their roles as local anchor institutions by participating in the co-production of knowledge and skills, working with the private, public and voluntary sectors to drive place-based innovation, investment, and growth. They also need to help build capacity on the demand side for this research by working with the business, the community and voluntary sectors, the NHS and local government in 'quadruple helix' partnerships.

But for universities to play this role, funding incentives and other interventions are needed to monitor and evaluate regional outcomes as well as research outputs. Mobilising universities in this way will require an analytical capacity of the type supported by Research England and the Combined Authority in the West Midlands in other regions. Universities must also be encouraged to work collectively across Whitehall not just through mission groups but regional associations of universities and to link up with further education colleges to deliver a civic agenda. This should embrace integrating teaching and research in order to build skills and management practices supporting the adoption of established technologies. It must recognise the role of students in Knowledge Exchange.

In this agenda, there needs to be a wider recognition in universities and funding agencies of the importance of the co-production of knowledge. This means moving on from the linear model of science push and attempts to reproduce more silicon valleys, towards building collaborative capacity for innovation in business and civil society. In making this shift, universities can use their convening power to bring together different actors and agencies.

Linking R&D to Regional Outcomes

Change is also required on the government side if the power of universities to shape local and regional innovation systems is to be unleashed. In recognition of the fact that universities may not always have been as effective as they could be in supporting the local public good, the government could require universities, especially the big civics, to demonstrate that they have the structures in place internally and externally to deliver regional outcomes. This could be a condition to the award of any R&D regionally related funding linked to the proposed uplift. Funding could be linked to a shift towards contracting with groups of universities to deliver regional outcomes and away from competitive bidding in the currently opaquely regulated research and innovation marketplace. In addition, consideration of the rebalancing agenda needs to be added to the ongoing review of the REF. Any future REF system must avoid being based on the status quo or on the loudest pleading by vested interests in the elite universities. The REF should require evidence on outcomes, with a particular focus on tangible and measurable impacts on the real lives of people, communities, firms and the environment in the places where universities are based.

To underpin these changes the current place blind R&D funding mechanisms focussed on science excellence needs more subnational intelligence that could inform the joining up of national programmes across Whitehall. A network of Regional Innovation Offices could promote the research and innovation policies and funding programmes of

central government and its agencies across all places of the UK **AND** represent to central government and its funding agencies the research and innovation priorities of local and regional stakeholders in all places across the UK. In parallel and in acknowledgement of the role students can play in knowledge exchange, the Government needs to legislate quickly and simply to amend the powers of the Office for Students to make Levelling Up a statutory duty amongst its existing roles.

The Role of Local Government

From the local government side, the role of Combined Authorities and Directly Elected Mayors could easily be expanded to include articulating the needs and opportunities for research, and in helping to diffuse and absorb the outcomes of that research more widely across their local and regional economies and communities. Local government could have a role working with universities in their area in the strategic and fair allocation of the proposed Shared Prosperity Fund to replace European regional funds. All such activities could come under the umbrella of Civic University Agreements.

The establishment of the new Department for Levelling Up with its strong links to local government will have a key role in this agenda but it will need to work with the Cabinet Office to build bridges to other Ministries that fund or influence university research, notably BEIS in relation to UKRI and Innovate and DfE in relation to universities and colleges. In summary, new partnerships to define, monitor and evaluate research impacts nationally and regionally are needed. They will have to operate at complex and different levels of geography if the country is to meet its twin ambitions of a 'science superpower' and for Levelling Up.

Future Trends Post-COVID and Their Impact on Birmingham

Rebecca Riley, WM REDI

This blog post was produced for inclusion in the Birmingham Economic Review for 2021. The annual Birmingham Economic Review is produced by the City-REDI, University of Birmingham and the Greater Birmingham Chambers of Commerce. It is an in-depth exploration of the economy of England's second city and a high-quality resource for informing research, policy and investment decisions. This post featured in Chapter 1 of the Birmingham Economic Review for 2021, on Birmingham's economic recovery and resilience following the coronavirus crisis. Click here to read the Review.

Since the publication of the last Birmingham Economic Review, we have been carrying out work in the region and city to look at wider global trends and their impacts. The work has highlighted clear cross-cutting issues for the future based on trends we were already seeing.

Threats for the future

There will be a continued perception of fear of return to the city for some time, for some people, this could lead to continued levels of reduced visitors, audiences and workers. The lower footfall in places will continue to impact businesses, footfall dropped by 46% over the 12 months to June. This could mean ongoing difficulty with the return of retail and hospitality to levels of 2019. The considerable effects of the pandemic on people, risk high levels of mental health impacts preventing re-engagement and return to normal. The delayed return of footfall to centres will lead to longer-term reduced public transport demand, this risks the provision of accessible transport in the future and achieving the climate change goals the city has set.

The reduced employee footfall into offices and flexible working, although little signs of this yet, could trigger a reduction in the office space demand in the city. In the long term, this could affect the investments reliant on high property incomes such as pensions. Although as yet no signs of this, it could destabilise the economy and more significantly those that reply on pensions. This in turn could reduce spending and incomes for a significant proportion of the population, for many years to come. This reduced city centre working also has implications for the geography of work and implications for places in terms of where people spend their income and what they spend it on.

Over the pandemic, we have seen that a lack of skills and take-up of digital and technology is leaving people behind as the world's adoption of technology has been accelerated through the necessity of contactless working and shopping. This could lead to structural changes which leave many people unable to access new jobs, services and activities in the long term. High unemployment and long periods of furlough have affected those in retail, hospitality, sports and culture roles, impacting on availability and productivity of the workforce and a return to jobs. We have seen people switch sectors for more security and the lack of students and overseas workers in cities are constraining businesses in these sectors, longer-term this could create constraints for the city in attracting people back. This could also affect the return of tourism in general, but specifically for Birmingham business tourism which is also still suffering due to moving online, reduced international travel and impact on the business professional services sectors and those sectors which need international travel to support sales and growth.

There is a real risk of increased segregation of place, making inclusivity a greater challenge. The structural changes to work could lead to greater inequality and reduced social mobility as jobs become more inaccessible because of technology, transport and skills accessibility risks.

Opportunities for the future

However, the pandemic has also created opportunities to be built on. The pandemic has increased demand for green, open space and events, which could boost the attractiveness and investment in spaces in the city. It's an opportunity to grow the events, culture and hospitality sectors into new areas.

There is an increased awareness of sustainability and the importance of local suppliers and employment, which is a trend that started before the pandemic but accelerated as people shopped more locally. This could drive greater investment and spending in local suppliers and businesses if capitalised on, especially if they can be supported to move online as many have already.

The increased awareness of physical and mental health and the advantages of exercise will, if sustained, improve the wellbeing of the city. Greater awareness is changing the way businesses interact and engage with employees, improving the long term relationship, investment in employees leads to productivity improvements and greater employee engagement. If this is supported by the continued increase in modal shift of travel, to walking and cycling the benefits will continue.

There is considerable pent up demand and spend capacity in the economy. Barclays is predicting the economy will grow at its fastest since 1948 and they estimate an extra £200bn sitting in customer and company bank accounts, and although there is a considerable risk in debt for those who have lost income, Barclays have not raised their predictions for debt default. Consumer spending could drive a boom in retail, culture and hospitality providing it meets the growing trend for increased experiential offers. It could revitalise struggling sectors and drive the opening up of the region nationally and internationally.

Business models have adapted and innovation has accelerated, with businesses more likely to have a mindset to take advantage of opportunities, technology and innovation, this creates an environment more open to change and improvement. The growth in digital and technology usage and implementation, application and adaption has increased alternative options for activities, diversification in business models and income generation, greater opportunity for engagement, the skills base has expanded and created more capability and capacity to adapt.

The potential of 15-minute cities bringing services closer together and more local travel will have an impact on climate planning and business corporate social responsibility as travel times are reduced, there is greater use of online communication and services are closer to the customer. Increased flexibility and employment opportunities closer to home, enable people to cope with care responsibilities, businesses to tap into a wider, more diverse, labour market and skill set.

The impact of the pandemic has also shifted the emphasis to broader life considerations, sustainability and place attractiveness in a holistic sense. Cities, like Birmingham, will need to adapt to these emerging issues, mitigate the risks and take advantage of the opportunities.

Economic Recovery and Resilience in Birmingham

Raj Kandola, Head of Policy, Greater Birmingham Chambers of Commerce

Raj Kandola discusses the impact of Covid-19 on the economy of Birmingham, the resilience and collective resolve shown by local businesses to survive the pandemic, and the opportunities and challenges that lie ahead for the city to continue its economic recovery. This blog post was produced for inclusion in the Birmingham Economic Review for 2021. The annual Birmingham Economic Review is produced by City-REDI, University of Birmingham and the Greater Birmingham Chambers of Commerce. It is an in-depth exploration of the economy of England's second city and a high-quality resource for informing research, policy and investment decisions. This post is featured in Chapter 1 of the Birmingham Economic Review for 2021, on Birmingham's economic recovery and resilience following the coronavirus crisis.
Click here to read the Review.

As the economy was plunged into temporary stasis in March 2020, there was little to suggest that eighteen months later the city and the country would still be suffering from the fallout of the Covid-19 pandemic. However, throughout this extraordinary period, firms in Birmingham have continued to demonstrate the unique qualities of resilience and collective resolve which have long been synonymous with the city and its business community. In particular, it's those formidable characteristics that will create a springboard for a return to economic growth as the successful vaccine rollout continues at pace and national restrictions ease.

There's no denying the detrimental impact that pandemic has had on the city economy and the manner in which it has exacerbated a number of existing issues which pre-dated the crisis. Unemployment levels, especially amongst 16-24 years, remains stubbornly high. The city's claimant unemployment rate stood at 14.2% in July which is way above the West Midlands (8.1%) and the UK (6.7%) levels. Research from Centre for Cities High Street Recovery Tracker revealed that Birmingham remains entrenched in the bottom ten of the UK's largest cities and towns in terms of footfall and spend.

Nevertheless, there seems to be an intangible air of optimism slowly but surely building as take tentative steps on the long road to economic recovery. Data from our latest Quarterly Business Report seems to reflect that sentiment. We saw a notable uplift in domestic demand, a nominal climb in international sales and a welcome upturn in recruitment levels. 66% of businesses expect their turnover to increase over the next 12 months and 60% expect their profit levels to go up over the same period – a level of confidence on a par with pre-pandemic levels.

Perhaps the surge of optimism has been bolstered by the news that prominent organisations such as Goldman Sachs have relocated to the city and anchor institutions such as the BBC, BT Group and the Department for Transport are expanding their presence here. Or perhaps we are forgetting about the building blocks that were in place prior to the onset of Covid-19 which played such an important role in facilitating the city's economic renaissance over the last ten years. Central to this revival was the arrival HS2 and the wider socio-economic benefits it would unlock for Birmingham and the surrounding areas.

The fact that work continued on the project throughout the pandemic and over 20,000 jobs are now supported by it underline its importance to both the city and the country as a whole. The fact that the project is expected to create over 160,000 jobs in the region throughout the lifetime of the programme also reiterates its significance as a driver of economic growth and productivity.

We shouldn't also forget that the eyes of the world will be on the city as we host the Commonwealth Games in 2022. The Games offer a fantastic opportunity for the region to drive trade, tourism and investment – all of which will help to foster a longer-term economic recovery and resurgence for the city. All of which means that despite the numerous challenges we still face as we emerge from this devastating crisis, the city is well placed to re-establish itself as a beacon for economic growth both home and abroad.

Labour Market Statistics and WMCA Claimant Count: Released November 2021

Black Country Consortium Economic Intelligence Unit

UK Summary[1]

- The number of payroll employees in the UK showed another monthly increase, up 160,000 to 29.2 million in September 2021, above pre-pandemic levels.
- In August to October 2021, there were an estimated 1,172,000 job vacancies, a record high, an increase of 388,000 from the pre-coronavirus pandemic January to March 2020 level, with 15 of the 18 industry sectors showing record highs
- For July to September 2021 show the employment rate increased 0.4 percentage points on the quarter, to 75.4%. The UK unemployment rate was estimated at 4.3%, 0.3 percentage points higher than before the pandemic, but 0.5 percentage points lower than the previous quarter. The quarterly increase in employment was driven by a record high net flow from unemployment to employment. Total job-to-job moves also increased to a record high, largely driven by resignations rather than dismissals, during the July to September 2021 period. The rise is also driven by an increase in part-time work and an increase in the number of people on zero-hour contracts, driven by young people.
- The redundancy rate increased on the quarter (0.2 thousand per employees) and has returned to pre-pandemic levels (3.7 per thousand employees July to September 2021).
- Growth in average total pay (including bonuses) was 5.8% and regular pay (excluding bonuses) was 4.9% in July to September 2021. Annual growth in average employee pay has been affected by temporary factors that have inflated the headline growth rate. These factors are now reducing and having a smaller impact on growth rates: factors being base effects where the latest months are now compared with low base periods when earnings were first affected by the coronavirus pandemic; and compositional effects where there has been a fall in the number and proportion of lower-paid employee jobs, therefore increasing average earnings.

Regional Labour Market[2]

- For the three months ending in September 2021, the **West Midlands Region employment** rate (aged 16–64 years) was **74.3%**. Since the three months ending June 2021, **the employment rate saw a decrease of 0.2 percentage points** (pp); while there is an increase of 0.1pp when compared to the same period in the previous year. **The West Midlands, at -0.2%, was one of only 5 UK regions to decrease,** although it did see the smallest decrease out of these areas. The UK employment rate increased by 0.4pp when compared to the previous quarter, and an increase of 0.4pp when compared to the previous year. The overall UK employment rate was 75.4% with the highest employment rate within the UK for the three months ending September 2021 in the East (79.0%) and the lowest in Northern Ireland (70.2%).
- For the three months ending in September 2021**, the West Midlands Region unemployment rate** (aged 16 years and over) **was 4.8%, which has decreased by 0.2pp since the previous quarter**; and a decrease of 0.2pp from the previous year. The UK unemployment rate was 4.3%, a decrease of 0.5pp from the previous quarter, but a 0.6pp decrease when compared to the previous year. The highest unemployment rate in the UK for the three months ending September 2021 was in London with 5.6%, with the lowest unemployment rate in the South West at 3.3%.
- **For the three months ending in September 2021, the West Midlands Region economic inactivity rate** (aged 16 – 64 years) **was 21.9% - an increase of 0.5pp** from previous quarter and also an increase of 0.03pp when compared to the previous year. The UK economic inactivity rate was 21.1%, an increase of 0.01pp from the previous quarter but a 0.1pp increase from the previous year. The highest **economic inactivity** rate in the UK for the three months ending September 2021 was in Northern Ireland (26.8%), with the lowest in the East (18.2%).

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[1] Source: ONS, Labour Market Overview; UK: November 2021

[2] Source: ONS, Labour Market in the Regions of the UK: November 2021

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

WMCA (3 LEP) Claimant Summary

- There were 174,645 claimants in the WMCA (3 LEP) area in October 2021. Since September 2021, there has been a decrease of 1.3% (-2,240) claimants in the WMCA (3 LEP) area, slightly less than the UK decrease of 1.8%. When compared to October 2020, the number of claimants has decreased by 15.9% (-33,130) in the WMCA (3 LEP) area, with the UK decreasing by 22.2% over the same period. When compared to March 2020, the number of claimants has increased by 48.5% (+57,055) in the WMCA (3 LEP) area, with the UK increasing by 57.4% over the same period.
- There were 31,440 youth claimants in the WMCA (3 LEP) area in October 2021. Since September 2021, there was a decrease of 3.3% (-1,070) claimants in the WMCA (3 LEP) area, below the UK decrease of 4.3%. When compared to October 2020, the number of youth claimants has decreased by 26.6% (-11,395) in the WMCA (3 LEP) area, with the UK decreasing by 33.7% over the same period. When compared to March 2020, the number of youth claimants has increased by 37.7% (+8,605) in the WMCA (3 LEP) area, with the UK increasing by 40.4% over the same period.

WMCA (3 LEP) Claimant Count Detail

Claimant count for people aged 16+[3]:

- There were 174,645 claimants in the WMCA (3 LEP) area in October 2021. Since September 2021, there has been a decrease of 1.3% (-2,240) claimants in the WMCA (3 LEP) area, slightly less than the UK decrease of 1.8%. When compared to October 2020, the number of claimants has decreased by 15.9% (-33,130) in the WMCA (3 LEP) area, with the UK decreasing by 22.2% over the same period. When compared to March 2020, the number of claimants has increased by 48.5% (+57,055) in the WMCA (3 LEP) area, with the UK increasing by 57.4% over the same period.
- The Black Country LEP had 54,025 claimants aged 16 years and over in October 2021, a decrease of 525 (-1.0%) claimants from the previous month. Compared to the same month in 2020, Black Country LEP claimants decreased by 10,410 (-16.2%). When compared to March 2020 (38,275) the number of claimants has increased by 15,750 (+41.1).
- In Coventry and Warwickshire LEP, there were 26,210 claimants aged 16 years and over in October 2021, a decrease of 450 (-1.79%) claimants since September 2021. Compared to the same month in 2020, Coventry and Warwickshire LEP claimants decreased by 7,065 (-21.2%). For the Coventry and Warwickshire LEP area, when compared to March 2020 (15,825) the number of claimants has increased by 10,385 (+65.6%).
- In Greater Birmingham and Solihull LEP, there were 94,410 claimants aged 16 years and over in October 2021, a decrease of 1,265 (-1.3%) claimants since September 2021. Compared to the same month in 2020, Greater Birmingham and Solihull LEP claimants decreased by 15,655 (-14.2%). In the Greater Birmingham and Solihull LEP area, when compared to March 2020 (63,490) the number of claimants has increased by 30,920 (+48.7%).

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

Area					% Change since		
	March 2020	October 2020	September 2021	October 2021	March 2020	1 year	1 month
Birmingham	49,370	80,715	73,035	72,315	46.5%	-10.4%	-1.0%
Bromsgrove	1,165	2,610	2,035	1,995	71.2%	-23.6%	-2.0%
Cannock Chase	1,655	3,485	2,600	2,510	51.7%	-28.0%	-3.5%
Coventry	8,000	16,475	13,945	13,650	70.6%	-17.1%	-2.1%
Dudley	8,515	14,050	11,570	11,505	35.1%	-18.1%	-0.6%
East Staffordshire	1,720*	3,705	3,045	2,945	71.2%	-20.5%	-3.3%
Lichfield	1,320	2,750	2,040	1,980	50.0%	-28.0%	-2.9%
North Warwickshire	845	1,960	1,400	1,370	62.1%	-30.1%	-2.1%
Nuneaton and Bedworth	2,830	5,305	4,070	4,025	42.2%	-24.1%	-1.1%
Redditch	1,535	3,165	2,420	2,370	54.4%	-25.1%	-2.1%
Rugby	1,535	3,060	2,430	2,385	55.4%	-22.1%	-1.9%
Sandwell	10,780	18,965	16,125	16,040	48.8%	-15.4%	-0.5%
Solihull	3,650	7,395	5,790	5,690	55.9%	-23.1%	-1.7%

[3] ONS/DWP, Claimant count, November 2021. Please note, figures for previous months have been revised.

Stratford-on-Avon	1,050	2,885	2,175	2,160	105.7%	-25.1%	-0.7%
Tamworth	1,490	2,810	2,200	2,135	43.3%	-24.0%	-3.0%
Walsall	8,605	14,735	12,375	12,200	41.8%	-17.2%	-1.4%
Warwick	1,570	3,590	2,640	2,625	67.2%	-26.9%	-0.6%
Wolverhampton	10,380	16,685	14,475	14,280	37.6%	-14.4%	-1.3%
Wyre Forest	1,580	3,430	2,505	2,470	56.3%	-28.0%	-1.4%
7 Met.	99,295	169,020	147,320	145,680	46.7%	-13.8%	-1.1%
Black Country LEP	38,275	64,435	54,550	54,025	41.1%	-16.2%	-1.0%
Coventry and Warwickshire LEP	15,825	33,275	26,660	26,210	65.6%	-21.2%	-1.7%
Greater Birmingham and Solihull LEP	63,490	110,065	95,675	94,410	48.7%	-14.2%	-1.3%
WMCA	117,590	207,775	176,885	174,645	48.5%	-15.9%	-1.3%
United Kingdom	1,268,620	2,565,320	2,032,690	1,996,830	57.4%	-22.2%	-1.8%

- Overall, for the WMCA (3 LEP) the number of claimants as a proportion of residents aged 16+ years old was 5.2% compared to 3.7% for the UK in October 2021.

Youth Claimants (Aged 16-24)

- There were 31,440 youth claimants in the WMCA (3 LEP) area in October 2021. Since September 2021, there was a decrease of 3.3% (-1,070) claimants in the WMCA (3 LEP) area, below the UK decrease of 4.3%. When compared to October 2020, the number of youth claimants has decreased by 26.6% (-11,395) in the WMCA (3 LEP) area, with the UK decreasing by 33.7% over the same period. When compared to March 2020, the number of youth claimants has increased by 37.7% (+8,605) in the WMCA (3 LEP) area, with the UK increasing by 40.4% over the same period.
- The Black Country LEP had 10,095 youth claimants in October 2021, a decrease of 295 (-2.8%) claimants since September 2021. Compared to the same month in 2020, Black Country LEP youth claimants decreased by 3,555 (-26.0%). When compared to March 2020 (7,750) the number of youth claimants has increased by 2,345 (+30.3%).
- In Coventry and Warwickshire LEP, there were 4,435 youth claimants in October 2021, a decrease of 160 (-3.5%) claimants since September 2021. Compared to the same month in 2020, Coventry and Warwickshire LEP youth claimants decreased by 2,295 (-34.1%). When compared to March 2020 (2,920) the number of claimants has increased by 1,515 (+51.9%).
- In Greater Birmingham and Solihull LEP, there were 16,910 youth claimants in October 2021, this is a decrease of 615 (3.5%) claimants since September 2021. Compared to the same month in 2020, Greater Birmingham and Solihull LEP youth claimants decreased by 5,545 (-24.7%). In the Greater Birmingham and Solihull LEP area, when compared to March 2020 (12,165) the number of claimants has increased by 4,745 (+39.0%).

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

					% Change since		
Area	**March 2020**	**October 2020**	**September 2021**	**October 2021**	**March 2020**	**1 year**	**1 month**
Birmingham	9,220	16,255	13,305	12,855	39.4%	-20.9%	-3.4%
Bromsgrove	220	520	355	360	63.6%	-30.8%	1.4%
Cannock Chase	370	780	505	480	29.7%	-38.5%	-5.0%
Coventry	1,550	3,430	2,385	2,335	50.6%	-31.9%	-2.1%
Dudley	1,755	3,095	2,270	2,200	25.4%	-28.9%	-3.1%
East Staffordshire	320	695	505	490	53.1%	-29.5%	-3.0%
Lichfield	275	525	345	340	23.6%	-35.2%	-1.4%
North Warwickshire	165	415	270	265	60.6%	-36.1%	-1.9%
Nuneaton and Bedworth	570	1,100	795	760	33.3%	-30.9%	-4.4%
Redditch	310	595	435	410	32.3%	-31.1%	-5.7%
Rugby	245	565	405	395	61.2%	-30.1%	-2.5%
Sandwell	2,130	3,950	3,015	2,910	36.6%	-26.3%	-3.5%
Solihull	830	1,760	1,160	1,095	31.9%	-37.8%	-5.6%
Stratford-on-Avon	160	525	300	270	68.8%	-48.6%	-10.0%

					% Change since		
Area	**March 2020**	**October 2020**	**September 2021**	**October 2021**	**March 2020**	**1 year**	**1 month**
Tamworth	305	630	470	465	52.5%	-26.2%	-1.1%
Walsall	1,940	3,280	2,495	2,455	26.5%	-25.2%	-1.6%
Warwick	230	700	440	410	78.3%	-41.4%	-6.8%
Wolverhampton	1,925	3,325	2,610	2,530	31.4%	-23.9%	-3.1%
Wyre Forest	315	695	440	410	30.2%	-41.0%	-6.8%
7 Met.	19,350	35,095	27,240	26,380	36.3%	-24.8%	-3.2%
Black Country LEP	7,750	13,650	10,390	10,095	30.3%	-26.0%	-2.8%
Coventry and Warwickshire LEP	2,920	6,730	4,595	4,435	51.9%	-34.1%	-3.5%
Greater Birmingham and Solihull LEP	12,165	22,455	17,525	16,910	39.0%	-24.7%	-3.5%
WMCA	22,835	42,835	32,510	31,440	37.7%	-26.6%	-3.3%
United Kingdom	241,760	511,535	354,755	339,325	40.4%	-33.7%	-4.3%

- Overall, for the WMCA (3 LEP) the number of youth claimants as a percentage of residents aged 16- 24 years old was 6.4% compared to 4.8% for the UK in October 2021.

Claimant Count by Age and Gender (WMCA 3 LEP)[4]

- For those aged 16-24 in the WMCA (3 LEP) area, when comparing October 2021 to September 2021, there was an overall decrease of 1,070. This can be split by a decrease of 545 males and a decrease of 520 females.
- For those aged 25-49 in the WMCA (3 LEP) area, when comparing October 2021 to September 2021, there was an overall decrease of 640. This can be split by a decrease of 575 males and a decrease of 70 females.
- Within this age range (25-49 years old) there were increases in the 40-44 age bracket; overall in the WMCA (3 LEP) area there was an increase of 130 claimants (+55 males and +75 females) since September 2021.
- For those aged 50 years and over in the WMCA (3 LEP) area, when comparing October 2021 to September 2021, there was an overall decrease of 520 claimants. This can be split by a decrease of 295 males and a decrease of 225 females.

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

						Change since		
	Age	**March 2020**	**October 2020**	**September 2021**	**October 2021**	**March 20**	**1 year**	**1 month**
Total	**Age 16+**	117,595	207,770	176,880	174,650	57,055	-33,120	-2,230
	Aged 16-24	22,830	42,840	32,510	31,440	8,610	-11,400	-1,070
	Aged 16-17	250	380	300	310	60	-70	10
	Aged 18-24	22,580	42,460	32,210	31,130	8,550	-11,330	-1,080
	Aged 25-49	67,125	118,060	103,075	102,435	35,310	-15,625	-640
	Aged 25-29	15,945	28,510	23,665	23,120	7,175	-5,390	-545
	Aged 30-34	15,630	27,530	24,430	24,295	8,665	-3,235	-135
	Aged 35-39	13,715	23,930	21,760	21,755	8,040	-2,175	-5
	Aged 40-44	11,230	19,760	17,930	18,060	6,830	-1,700	130
	Aged 45-49	10,605	18,330	15,295	15,205	4,600	-3,125	-90
	Aged 50+	27,635	46,865	41,290	40,770	13,135	-6,095	-520
	Aged 50-54	9,955	17,475	14,820	14,610	4,655	-2,865	-210
	Aged 55-59	8,985	15,160	13,045	12,880	3,895	-2,280	-165
	Aged 60-64	7,675	12,180	11,020	10,875	3,200	-1,305	-145
	Aged 65+	1,020	2,050	2,410	2,405	1,385	355	-5
Male	**Age 16+**	69,415	124,075	103,985	102,570	33,155	-21,505	-1,415
	Aged 16-24	14,100	26,030	19,820	19,275	5,175	-6,755	-545
	Aged 16-17	115	180	120	130	15	-50	10
	Aged 18-24	13,985	25,850	19,700	19,145	5,160	-6,705	-555
	Aged 25-49	38,965	70,650	60,085	59,510	20,545	-11,140	-575

[4] Please note, figure may not sum due to rounding

	Aged 25-29	9,610	17,710	14,415	14,055	4,445	-3,655	-360
	Aged 30-34	9,100	16,620	14,275	14,185	5,085	-2,435	-90
	Aged 35-39	7,735	14,150	12,460	12,380	4,645	-1,770	-80
	Aged 40-44	6,440	11,550	10,195	10,250	3,810	-1,300	55
	Aged 45-49	6,085	10,615	8,735	8,640	2,555	-1,975	-95
	Aged 50+	16,355	27,390	24,080	23,785	7,430	-3,605	-295
	Aged 50-54	5,820	10,135	8,600	8,485	2,665	-1,650	-115
	Aged 55-59	5,300	8,845	7,660	7,575	2,275	-1,270	-85
	Aged 60-64	4,575	7,185	6,375	6,305	1,730	-880	-70
	Aged 65+	660	1,220	1,445	1,415	755	195	-30
Female	**Age 16+**	48,180	83,695	72,895	72,080	23,900	-11,615	-815
	Aged 16-24	8,735	16,810	12,690	12,170	3,435	-4,640	-520
	Aged 16-17	135	200	180	180	45	-20	0
	Aged 18-24	8,595	16,610	12,510	11,985	3,390	-4,625	-525
	Aged 25-49	28,165	47,410	42,995	42,925	14,760	-4,485	-70
	Aged 25-29	6,335	10,800	9,250	9,065	2,730	-1,735	-185
	Aged 30-34	6,535	10,910	10,150	10,110	3,575	-800	-40
	Aged 35-39	5,980	9,780	9,295	9,375	3,395	-405	80
	Aged 40-44	4,790	8,205	7,735	7,810	3,020	-395	75
	Aged 45-49	4,525	7,710	6,560	6,565	2,040	-1,145	5
	Aged 50+	11,280	19,475	17,210	16,985	5,705	-2,490	-225
	Aged 50-54	4,140	7,340	6,220	6,125	1,985	-1,215	-95
	Aged 55-59	3,685	6,315	5,385	5,305	1,620	-1,010	-80
	Aged 60-64	3,100	4,995	4,645	4,565	1,465	-430	-80
	Aged 65+	360	825	965	990	630	165	25

Regional Labour Market[5]

- Over the course of the coronavirus (COVID-19) pandemic, payrolled employee growth rates in all regions. Between September and October 2021, all regions showed steady growth in the number of payrolled employees, with only London having fewer than at the start of the coronavirus (COVID-19) pandemic.
- For the three months ending September 2021, the highest employment rate estimate in the UK was in the East of England (79.0%) and the lowest was in Northern Ireland (70.2%); the largest change in the employment rate compared with the same period last year was in the South West, with an increase of 2.2 percentage points.
- The South West also had a record high quarterly increase, compared with April to June 2021, in the employment rate, of 1.7 percentage points and the employment level of 88,000; the rate for July to September is at 78.8%, the highest seen for the region since March to May 2020.
- For the three months ending September 2021, the highest unemployment rate estimate in the UK was in London (5.6%) and the lowest was in the South West (3.3%); all regions saw a decrease in the unemployment rate compared with the previous quarter (April to June 2021), except for Northern Ireland, which increased by 0.2 percentage points.
- For the three months ending September 2021, the highest economic inactivity rate estimate in the UK was in Northern Ireland (26.8%) and the lowest was in the East of England (18.2%); the North East saw the largest change in the economic inactivity rate compared with last year, with an increase of 2.1 percentage points; the South West saw a record decrease on the economic inactivity rate compared with the previous quarter (April to June 2021), of 1.6 percentage points.

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

	Employment rate - Jul - Aug 2021 (aged 16- 64 years)	Change on Apr to Jun 2021 (pp)	Unemployment rate - Jul - Aug 2021 (16 years +)	Change on Apr to Jun 2021 (pp)	Inactivity rate – Jul - Aug 2021 (aged 16-64 years)	Change on Apr to Jun 2021 (pp)
UK	75.4%	0.4	4.3%	-0.5	21.1%	0.01
Great Britain	75.6%	0.4	4.3%	-0.5	21.0%	0.0
England	75.8%	0.4	4.3%	-0.5	20.8%	0.0
North East	70.7%	-0.9	5.1%	-0.6	25.4%	1.3

[5] Source: ONS, Labour Market in the Regions of the UK: November 2021

North West	74.0%	0.8	4.2%	-0.5	22.7%	-0.4
Yorkshire and The Humber	72.4%	-0.5	4.6%	-0.5	24.1%	0.9
East Midlands	75.5%	0.2	4.1%	-0.3	21.2%	0.0
West Midlands	74.3%	-0.2	4.8%	-0.2	21.9%	0.5
East	79.0%	0.9	3.4%	-0.6	18.2%	-0.4
London	75.1%	0.4	5.6%	-0.8	20.4%	0.2
South East	78.4%	0.5	3.8%	-0.6	18.4%	0.0
South West	78.8%	1.7	3.3%	-0.3	18.4%	-1.6
Wales	73.8%	-0.4	3.8%	-0.3	23.2%	0.7
Scotland	74.8%	0.6	4.1%	-0.2	22.0%	-0.4
Northern Ireland	70.2%	-0.9	4.0%	0.2	26.8%	0.8

Source: ONS – Labour Force Survey

UK Labour Market Stastics - Vacancies[6]

- The number of job vacancies in August to October 2021 continued to rise to a new record of 1,172,000, an increase of 388,000 from the pre-coronavirus (COVID-19) pandemic January to March 2020 level, with 15 of the 18 industry sectors showing record highs.

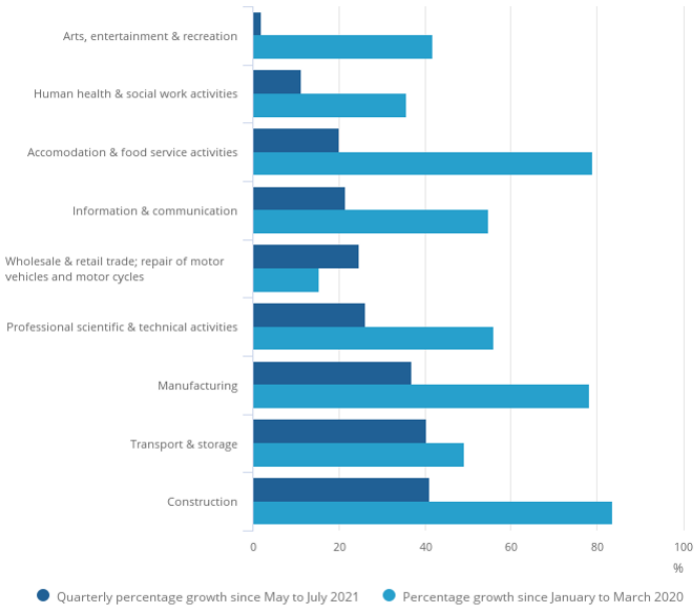
The following chart shows the number of vacancies in the UK, seasonally adjusted, August to October 2002 to August to October 2021:

Source: ONS – Vacancy Survey

- August to October 2021 saw the rate of growth slowing down. Despite this, all industries increased their vacancy numbers on the quarter. The recent growth in vacancies over the preceding periods has been the major contributing factor to the July to September 2021 unemployed person per vacancy ratio falling to a record low of 1.3.

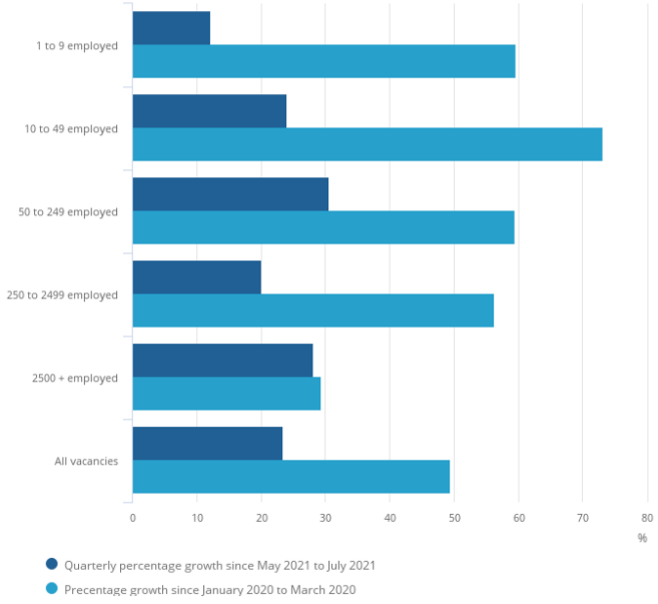
[6] Source: UK labour market: November 2021

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



- While the overall rate of vacancy growth has slowed recently, the number of vacancies has increased across all industries. The fastest rates of growth compared with last quarter were seen in construction (41.1%) and transport and storage (40.4%).
- The largest increase in vacancy numbers on the quarter was in wholesale and retail trade with repair of motor vehicles and motorcycles growing by 29,600 (24.8%). A further 14 industry groups posted record numbers of vacancies, with the largest increases in accommodation and food service activities (25,100), manufacturing (24,300), and professional, scientific and technical activities (22,900).
- August to October 2021 saw all industries above their January to March 2020 pre-coronavirus pandemic levels, with the largest increase in accommodation and food service activities up by 66,500 (79.0%).
- The current ratio of 3.9 vacancies to 100 employees remains the highest on record with all industries increasing on the quarter. Accommodation and food service activities continued with the highest ratio of 6.7 vacancies to every 100 employees.

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



- All industry size bands have been increasing their numbers of vacancies consistently since January to March 2021 reaching new record levels this period.

EMSI Job Postings WMCA 3 LEP Geography October 2021[7]

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

- The number of job postings increased sharply in October. In total, there were 212,942 unique job postings across the WMCA 3 LEP geography, which equates to 30,800 (17.0%) more than in September, suggesting continuing heightened demand.
- All 19 LA areas across the WMCA 3 LEP geography logged a positive change in job postings.
- The largest change was recorded in Stratford-upon-Avon, up 23%; whilst Bromsgrove, Lichfield, Redditch and East Staffordshire all logged change of 20% or more.
- Posting intensity, i.e., the effort towards hiring for particular positions remains high; notably in Birmingham, Tamworth and Lichfield.

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

Local Authority Name	Oct 2021 Unique Postings	% Change (Sep 2021 - Oct 2021)
Birmingham	83,200	17%
Bromsgrove	2,881	22%
Cannock Chase	3,963	17%
Coventry	18,319	16%
Dudley	9,926	16%
East Staffordshire	6,376	20%
Lichfield	4,717	21%
North Warwickshire	3,163	17%
Nuneaton and Bedworth	4,425	17%
Redditch	4,130	15%
Rugby	5,871	20%
Sandwell	11,361	16%
Solihull	10,173	16%
Stratford-on-Avon	7,093	23%
Tamworth	4,190	13%
Walsall	7,915	14%
Warwick	11,886	17%
Wolverhampton	10,094	16%
Wyre Forest	3,259	16%

[7] Source: EMSI, November 2021

WMCA: Self-Employment Income Support Scheme (SEISS) – Released November 2021[8]

Black Country Consortium Economic Intelligence Unit

Introduction

There has been a total of 547,800 claims made from 151,600 individuals in the WMCA (3 LEP) across all SEISS grants; the total claims reached a value of nearly £1.4bn.

The following main figures are based on claims submitted for the fifth SEISS to 7th October 2021 only. There are two levels to the fifth SEISS grant. Individuals who have seen a decline in turnover of 30% or more can claim a higher grant of up to 80% of 3 months' average trading profits. Otherwise, individuals can claim a grant worth 30% of 3 months' average trading profits.

Summary

- Across the WMCA (3 LEP) area, 170,200 people were eligible for the fifth grant of SEISS. There were 68,200 claims made to 7th October 2021 (approximately split by 47,400 claims made for the higher grant and 21,000 claims for the lower grant) with a total value of £140.6m (split approximately by £118.5m for the higher grant and £21.9m for the lower grant) with an average overall claim value of £2,200. The overall take-up rate was 40%, above the UK average of 38%.
- At a West Midlands regional level, there were approximately 258,000 of the population eligible for the fifth grant of the SEISS, which is a take up rate of 37% based on the total number of claims of 95,000. This can be split further by gender and there was a total potentially eligible male population of 184,000 for the fifth grant of the SEISS, which equates to a take-up rate of 38%, which is based on the total number of claims of 70,000. There were 74,000 eligible female population for the West Midlands region with a take-up rate of 34% based on the total number of claims of 25,000.
- The sectors with the highest take-up rates in the West Midlands region, were transport and storage at 57% (24,200 eligible, 13,700 claims) and other service activities at 49% (18,100 eligible, 8,900 claims).

In Depth

WMCA (3 LEP)

Across the WMCA (3 LEP) area, 170,200 people were eligible for the fifth grant of SEISS. There were 68,200 claims made to 7th October 2021 (approximately split by 47,400 claims made for the higher grant and 21,000 claims for the lower grant) with a total value of £140.6m (split approximately by £118.5m for the higher grant and £21.9m for the lower grant) with an average overall claim value of £2,200. The overall take-up rate was 40%, above the UK average of 38%. Across the WMCA (3 LEP) local authority areas, the overall take-up rate varies from 28% in Stratford-on-Avon to 47% in Birmingham.

For the fifth grant of SEISS up to 7th October 2021, the WMCA (3 LEP) area, there were 124,300 of the male population eligible. There were 52,400 claims with a total value of £111.6m with an average claim at £2,300. The male take-up rate was 42% (UK take-up rate of 39%). For the female population in the WMCA (3 LEP) area there were 45,700 eligible population. There were 16,300 claims, the total value of £29.2m with an average claim at £1,800. The female take-up rate was 36% (UK take-up rate of 34%).

Across local authority areas within the WMCA (3 LEP) area, the male take-up rate varies from 27% in Stratfordon-Avon to 50% in Birmingham. The female take-up rate varies from 30% in both Warwick and Stratford-onAvon to 40% in both Cannock Chase and Sandwell.

[8] Source: HM Revenue & Customs, Self-Employment Income Support Scheme (SEISS) Statistics: November 2021

The following table shows the overall breakdown of the fifth grant for SEISS by local authority for eligible population, claims, values and take-up rate for the SEISS up to 7th October 2021:

	Total potentially eligible population	Total no. of all claims made to 07/10/21	Total value of all claims made to 07/10/21	Average value of all claims made to 07/10/21	Total number of claims made for higher grant	Total value of claims made for higher grant	Total number of claims made for lower grant	Total value of claims made for lower grant	Total Take-Up Rate
Birmingham	44,300	20,700	£39,000,000	£1,900	14,700	£33,200,000	6,100	£5,800,000	47%
Bromsgrove	4,600	1,500	£3,600,000	£2,400	1,000	£3,000,000	400	£500,000	32%
Cannock Chase	5,100	1,900	£4,200,000	£2,200	1,200	£3,300,000	700	£900,000	38%
Coventry	12,300	5,300	£10,700,000	£2,000	3,700	£9,100,000	1,600	£1,600,000	43%
Dudley	14,200	5,500	£11,400,000	£2,100	3,700	£9,400,000	1,800	£2,000,000	39%
East Staffordshire	5,300	1,800	£3,600,000	£2,000	1,300	£3,100,000	500	£500,000	34%
Lichfield	4,800	1,700	£4,000,000	£2,400	1,100	£3,400,000	500	£600,000	34%
North Warwickshire	3,100	1,100	£2,400,000	£2,300	700	£2,000,000	300	£400,000	34%
Nuneaton and Bedworth	5,000	1,800	£3,900,000	£2,200	1,300	£3,300,000	600	£600,000	37%
Redditch	3,800	1,500	£3,300,000	£2,200	1,100	£2,800,000	500	£500,000	40%
Rugby	4,400	1,400	£3,100,000	£2,300	1,000	£2,700,000	400	£400,000	31%
Sandwell	12,900	5,800	£11,100,000	£1,900	3,800	£9,100,000	2,000	£2,000,000	45%
Solihull	7,800	2,900	£7,100,000	£2,400	2,100	£6,100,000	800	£1,000,000	37%
Stratford-on-Avon	7,600	2,100	£5,300,000	£2,500	1,600	£4,600,000	600	£700,000	28%
Tamworth	3,000	1,100	£2,500,000	£2,200	800	£2,100,000	300	£400,000	37%
Walsall	11,700	4,800	£10,000,000	£2,100	3,200	£8,200,000	1,600	£1,700,000	41%
Warwick	5,500	1,700	£4,100,000	£2,300	1,300	£3,600,000	500	£500,000	31%
Wolverhampton	9,700	3,900	£7,700,000	£2,000	2,600	£6,400,000	1,300	£1,300,000	41%
Wyre Forest	5,100	1,700	£3,600,000	£2,100	1,200	£3,100,000	500	£500,000	33%
WM 7 Met.	**112,900**	**48,900**	**97,000,000**	**2,000**	**33,800**	**81,500,000**	**15,200**	**15,500,000**	**43%**
Black Country LEP	48,500	20,000	£40,200,000	**£2,000**	13,300	£33,100,000	6,700	£7,000,000	41%
Coventry & Warwickshire LEP	37,900	13,400	£29,500,000	**£2,300**	9,600	£25,300,000	4,000	£4,200,000	35%
Greater Birmingham & Solihull LEP	83,800	34,800	£70,900,000	**£2,200**	24,500	£60,100,000	10,300	£10,700,000	42%
WMCA (3 LEP)	**170,200**	**68,200**	**£140,600,000**	**£2,200**	**47,400**	**£118,500,000**	**21,000**	**£21,900,000**	**40%**
West Midlands Region	258,000	95,000	£200,000,000	£2,100	66,000	£169,000,000	29,000	£31,000,000	37%
United Kingdom	3,346,000	1,261,000	£2,843,000,000	£2,300	890,000	£2,429,000,000	371,000	£414,000,000	38%

Across the WMCA (3 LEP) parliamentary constituencies, the overall take up rate for the fifth grant of SEISS varies from 27% in Kenilworth and Southam to 55% in Birmingham, Hodge Hill. The male take-up rate varies from 26% in Kenilworth and Southam to 58% in Birmingham, Hodge Hill. The female take-up rate varies from 27% in Kenilworth and Southam to 43% in Warley.

The following table shows an overall breakdown of the fifth grant for SEISS by parliamentary constituencies for eligible population, claims, values and take-up rate up to 7th October 2021:

	Total potentially eligible population	Total no. of all claims made to 07/10/21	Total value of all claims made to 07/10/21	Average value of all claims made to 07/10/21	Total number of claims made for higher grant	Total value of claims made for higher grant	Total number of claims made for lower grant	Total value of claims made for lower grant	Total Take-Up Rate
Aldridge-Brownhills	3,500	1,200	£2,800,000	£2,300	800	£2,300,000	400	£500,000	35%
Birmingham, Edgbaston	3,300	1,400	£2,900,000	£2,100	1,000	£2,500,000	400	£400,000	42%
Birmingham, Erdington	4,000	1,900	£3,800,000	£2,000	1,300	£3,100,000	600	£600,000	47%
Birmingham, Hall Green	5,500	2,700	£4,700,000	£1,800	2,000	£4,100,000	700	£600,000	49%
Birmingham, Hodge Hill	5,900	3,300	£5,100,000	£1,600	2,400	£4,400,000	900	£700,000	55%
Birmingham, Ladywood	4,700	2,400	£4,000,000	£1,600	1,700	£3,500,000	700	£500,000	52%

	Total potentially eligible population	Total no. of all claims made to 07/10/21	Total value of all claims made to 07/10/21	Average value of all claims made to 07/10/21	Total number of claims made for higher grant	Total value of claims made for higher grant	Total number of claims made for lower grant	Total value of claims made for lower grant	Total Take-Up Rate
Birmingham, Northfield	3,700	1,500	£3,400,000	£2,200	1,100	£2,900,000	500	£600,000	42%
Birmingham, Perry Barr	4,700	2,200	£3,900,000	£1,800	1,500	£3,300,000	700	£600,000	46%
Birmingham, Selly Oak	3,900	1,600	£3,400,000	£2,200	1,100	£2,800,000	500	£600,000	40%
Birmingham, Yardley	5,000	2,500	£4,800,000	£1,900	1,800	£4,100,000	700	£700,000	50%
Bromsgrove	4,600	1,500	£3,600,000	£2,400	1,000	£3,000,000	400	£500,000	32%
Burton	4,600	1,700	£3,200,000	£2,000	1,200	£2,800,000	500	£500,000	36%
Cannock Chase	5,100	1,900	£4,200,000	£2,200	1,200	£3,300,000	700	£900,000	38%
Coventry North East	4,700	2,200	£4,300,000	£2,000	1,500	£3,600,000	700	£700,000	47%
Coventry North West	4,200	1,700	£3,500,000	£2,100	1,200	£3,000,000	500	£500,000	40%
Coventry South	3,400	1,400	£2,900,000	£2,100	1,000	£2,500,000	400	£400,000	41%
Dudley North	3,800	1,600	£3,200,000	£2,000	1,000	£2,600,000	600	£600,000	42%
Dudley South	3,400	1,300	£2,600,000	£2,000	800	£2,100,000	400	£500,000	37%
Halesowen and Rowley Regis	3,800	1,600	£3,200,000	£2,100	1,100	£2,700,000	500	£500,000	41%
Kenilworth and Southam	4,300	1,100	£2,800,000	£2,500	800	£2,500,000	300	£400,000	27%
Lichfield	4,500	1,500	£3,700,000	£2,400	1,000	£3,100,000	500	£600,000	33%
Meriden	4,100	1,500	£3,700,000	£2,400	1,100	£3,100,000	500	£500,000	37%
North Warwickshire	4,100	1,500	£3,300,000	£2,300	1,000	£2,700,000	500	£500,000	35%
Nuneaton	3,700	1,300	£2,900,000	£2,200	900	£2,400,000	400	£400,000	36%
Redditch	4,300	1,700	£3,700,000	£2,200	1,200	£3,100,000	500	£600,000	39%
Rugby	4,100	1,300	£2,900,000	£2,300	900	£2,500,000	400	£400,000	31%
Solihull	3,700	1,400	£3,400,000	£2,500	1,000	£2,900,000	400	£500,000	36%
Stourbridge	4,300	1,600	£3,300,000	£2,100	1,100	£2,700,000	500	£500,000	37%
Stratford-on-Avon	5,600	1,600	£4,100,000	£2,500	1,200	£3,500,000	400	£500,000	29%
Sutton Coldfield	3,700	1,300	£3,000,000	£2,400	900	£2,500,000	400	£500,000	34%
Tamworth	3,900	1,400	£3,300,000	£2,300	1,000	£2,700,000	400	£500,000	36%
Walsall North	4,000	1,800	£3,700,000	£2,100	1,100	£3,000,000	600	£700,000	44%
Walsall South	4,100	1,800	£3,500,000	£1,900	1,300	£3,000,000	500	£500,000	45%
Warley	3,900	1,900	£3,500,000	£1,900	1,300	£2,900,000	600	£600,000	47%
Warwick and Leamington	3,800	1,300	£2,900,000	£2,300	900	£2,500,000	300	£400,000	33%
West Bromwich East	3,500	1,500	£3,000,000	£2,000	1,000	£2,500,000	500	£600,000	43%
West Bromwich West	3,700	1,700	£3,200,000	£1,900	1,100	£2,600,000	600	£600,000	45%
Wolverhampton North East	3,200	1,300	£2,700,000	£2,100	800	£2,200,000	400	£500,000	40%
Wolverhampton South East	3,500	1,500	£2,900,000	£1,900	1,000	£2,400,000	500	£500,000	42%
Wolverhampton South West	3,500	1,400	£2,700,000	£1,900	1,000	£2,300,000	400	£400,000	40%
Wyre Forest	5,100	1,700	£3,600,000	£2,100	1,200	£3,100,000	500	£500,000	33%
WMCA (3 LEP)	**170,200**	**68,200**	**£140,600,000**	**£2,200**	**47,400**	**£118,500,000**	**21,000**	**£21,900,000**	**40%**
United Kingdom	3,346,000	1,261,000	£2,843,000,000	£2,300	890,000	£2,429,000,000	371,000	£414,000,000	38%

Regional Analysis

West Midlands Region: Claims by Age and Gender

- At a West Midlands regional level, there were approximately 258,000 of the population eligible for the fifth grant of the SEISS, which is a take up rate of 37% based on the total number of claims of 95,000. This can be split further by gender and there was a total potentially eligible male population of 184,000 for the fifth grant of the SEISS, which equates to a take-up rate of 38%, which is based on the total number of claims of 70,000. There were 74,000 eligible female population for the West Midlands region with a take-up rate of 34% based on the total number of claims of 25,000.
- Overall, for the West Midlands region the highest take-up rate was for those aged 35-44 years old at 42% (59,300 eligible, 24,700 claims). The highest take-up rate in the West Midlands region for females were those aged 25-34 years old at 37% (12,200 eligible and 4,500 claims). For males in the West Midlands region, the highest take-up rate was for those aged 35-44 years old at 44% (42,00 eligible, 18,600 claims).

The following table shows a breakdown by age and gender across the West Midlands Region for the fifth grant of SEISS, up to 7th October 2021:

Gender	Age bands	Total potentially eligible population	Total no. of claims made to 07/10/21	Total value of claims made to 07/10/21	Average value of claims made to 07/10/21	Proportion of total number of claims made for higher grant	Proportion of total value of claims made for higher grant	Take-Up Rate
Male	16-24	6,900	2,400	£3,700,000	£1,600	57%	76%	34%
	25-34	33,700	13,900	£30,400,000	£2,200	62%	80%	41%
	35-44	42,000	18,600	£39,900,000	£2,100	66%	82%	44%
	45-54	46,400	18,200	£39,600,000	£2,200	67%	83%	39%
	55-64	40,300	13,400	£30,500,000	£2,300	70%	85%	33%
	65+	13,200	3,200	£8,700,000	£2,700	74%	88%	25%
	Missing	1,700	600	£1,200,000	£1,900	67%	84%	37%
	All	184,000	70,000	£154,000,000	£2,200	66%	83%	38%
Female	16-24	1,900	600	£800,000	£1,500	80%	93%	29%
	25-34	12,200	4,500	£8,000,000	£1,800	82%	93%	37%
	35-44	17,300	6,200	£10,700,000	£1,700	79%	91%	36%
	45-54	19,800	6,900	£12,900,000	£1,900	79%	91%	35%
	55-64	16,600	5,200	£10,100,000	£1,900	79%	91%	31%
	65+	5,400	1,100	£2,600,000	£2,400	79%	91%	21%
	Missing	600	200	£400,000	£2,000	80%	91%	34%
	All	74,000	25,000	£46,000,000	£1,800	80%	91%	34%
All	16-24	8,800	2,900	£4,500,000	£1,600	61%	79%	33%
	25-34	45,900	18,400	£38,400,000	£2,100	67%	83%	40%
	35-44	59,300	24,700	£50,600,000	£2,000	69%	84%	42%
	45-54	66,300	25,100	£52,500,000	£2,100	70%	85%	38%
	55-64	56,900	18,600	£40,700,000	£2,200	73%	86%	33%
	65+	18,600	4,400	£11,300,000	£2,600	75%	89%	23%
	Missing	2,300	800	£1,600,000	£1,900	70%	86%	36%
	All	258,000	95,000	£200,000,000	£2,100	70%	85%	37%

West Midlands Region: Claims by Broad Sector

- For the West Midlands region, the sectors with the highest take-up rates in the West Midlands region were transport and storage at 57% (24,200 eligible, 13,700 claims) and other service activities at 49% (18,100 eligible, 8,900 claims).

The following table shows a breakdown by broad industry for the West Midlands Region for the fifth grant of SEISS, up to 7th October 2021:

Sector description	Total potentially eligible population	Total no. of claims made to 07/10/21	Total value of claims made to 07/10/21	Average value of claims made to 07/10/21	Take-Up Rate
Accommodation and food service activities	6,100	2,100	£5,000,000	£2,300	35%
Administrative and support service activities	18,600	5,100	£8,000,000	£1,600	27%
Agriculture, forestry and fishing	8,500	600	£1,000,000	£1,700	7%
Arts, entertainment and recreation	5,200	2,200	£5,000,000	£2,300	42%
Construction	78,900	30,100	£73,900,000	£2,500	38%
Education	8,900	3,900	£8,000,000	£2,100	43%
Financial and insurance activities	1,500	400	£1,100,000	£2,800	25%
Human health and social work activities	11,500	2,800	£6,000,000	£2,200	24%
Information and communication	2,300	700	£1,700,000	£2,500	31%
Manufacturing	6,700	2,400	£5,300,000	£2,200	36%
Other service activities	18,100	8,900	£17,900,000	£2,000	49%
Professional, scientific and technical activities	11,600	3,600	£9,500,000	£2,600	31%
Public administration and defence; compulsory social security	500	100	£300,000	£2,200	30%
Real estate activities	1,100	200	£500,000	£2,200	21%
Transportation and storage	24,200	13,700	£21,800,000	£1,600	57%
Wholesale and retail trade; repair of motor vehicles and motorcycles	16,900	5,100	£9,700,000	£1,900	30%
Unknown and other	37,300	13,100	£25,000,000	£1,900	35%
All	258,000	95,000	£200,000,000	£2,100	37%

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

Black Country Consortium Economic Intelligence Unit

Please note, Government support for paying the wages of staff on furlough was available from the Coronavirus Job Retention Scheme up to 30th September 2021 when the scheme was closed. HM Revenue & Customs will publish the Coronavirus Job Retention Scheme Statistics publication for a final time in December 2021 which will include the final revisions of employments on furlough in September 2021.

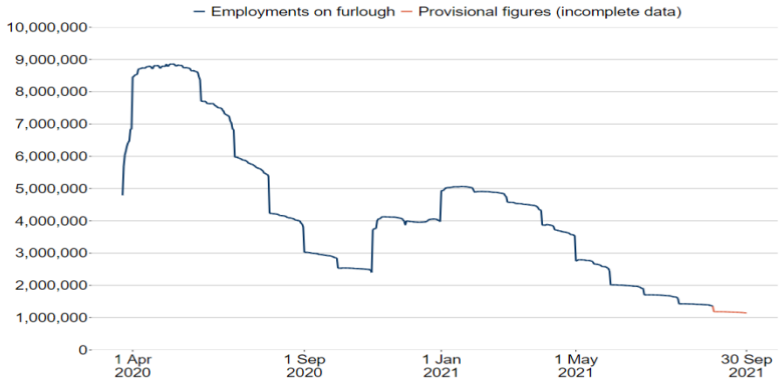
Summary

- In total, the WMCA (3 LEP) area had 77,500 employments furloughed on the 30th September 2021. This reflects a 4.5% take-up rate of eligible employments for the scheme, compared to UK-wide rate of 4.0%. When compared to 31st August 2021, the number of employments furloughed in the WMCA (3 LEP) area decreased by 14,600 (-15.9%, UK -15.5%).
- As of 30th September 2021, there was a higher percentage of males furloughed at 5.2% (44,800), compared to females at 3.9% (32,600). The UK also had a higher take up rate for males compared to females (4.3% vs 3.6%).
- For the WMCA (3 LEP) area, on the 30th September 2021, the sector with the highest number of employments furloughed was manufacturing at 14,910.
- Provisional UK figures show that when the scheme closed on the 30th September 2021 there were 409,300 employers with 1.14 million employees on furlough. This is a decrease of 210,000 employments from 31st August 2021 where there were 1.35 million employments on furlough. Since the start of the scheme a total of 11.7 million jobs have been put on furlough for at least part of the duration of the scheme.
- For the UK, employments where the employee is in the 65 and over age band were more than twice as likely to be on furlough on the 30th September 2021 (a take-up rate of 7%) compared to those in the 29 and under age bands (take-up rates of 3%).
- For the UK, the take-up rate decreased faster amongst larger employers from their 2021 peaks. The proportion of the largest employers (with 250 or more jobs) using the scheme reduced from 58% in February to 22% at the end of September 2021.
- For the UK, the accommodation and food services sector saw the largest reduction in the number of employments on furlough between 31st August and 30th September (down by 43,000), although 9% of eligible employments in this sector were still on furlough at the end of September.

United Kingdom - Furloughed Employments Over Time

- 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 and the latest provisional figures show that when the scheme ended, there were 1.14 million employments on furlough (30th September 2021). Since the start of the scheme a total of 11.7 million jobs have been put on furlough for at least part of the duration of the scheme.

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



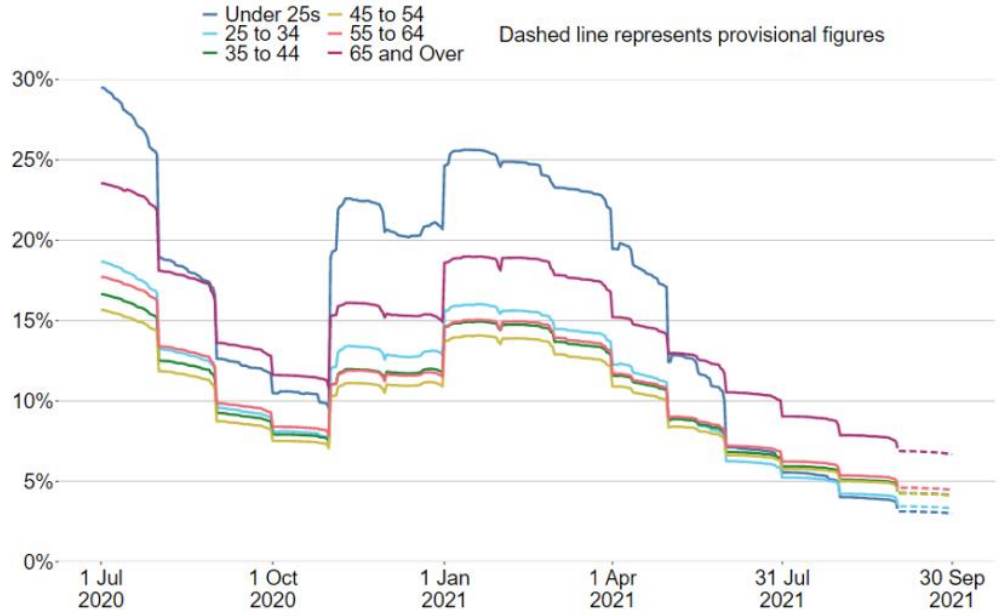
Source: HMRC CJRS data

[9] Source: HMRC, Coronavirus Job Retention Scheme statistics: November 2021. Please note, the figures for September 2021 are based on claims received up to 14th October 2021. In some circumstances, late claims can be made with a reasonable excuse and in agreement with HMRC. Claims for September could also be amended until 28th October 2021. Therefore, the data for September 2021 is incomplete and should be considered provisional.

Employments Furloughed Over Time by Age

- For all age bands the number of employments on furlough and the take-up rates decreased each month between February and September 2021. Take-up rates for the youngest age bands (under 18 and 18 to 24) decreased dramatically in May and June 2021 and continued to fall faster than any other age groups between June and September 2021. These age bands had the lowest takeup on 30th September (2% and 3% respectively).
- Take-up rates for the 65 and over age band reduced more slowly than for the youngest age groups between July and September 2021. The 65 and over age band had take-up rates of 6% and 7% for female and male employments respectively at 30th September, higher than the 4% 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 September 2021:



Source: HMRC CJRS and PAYE Real Time Information data

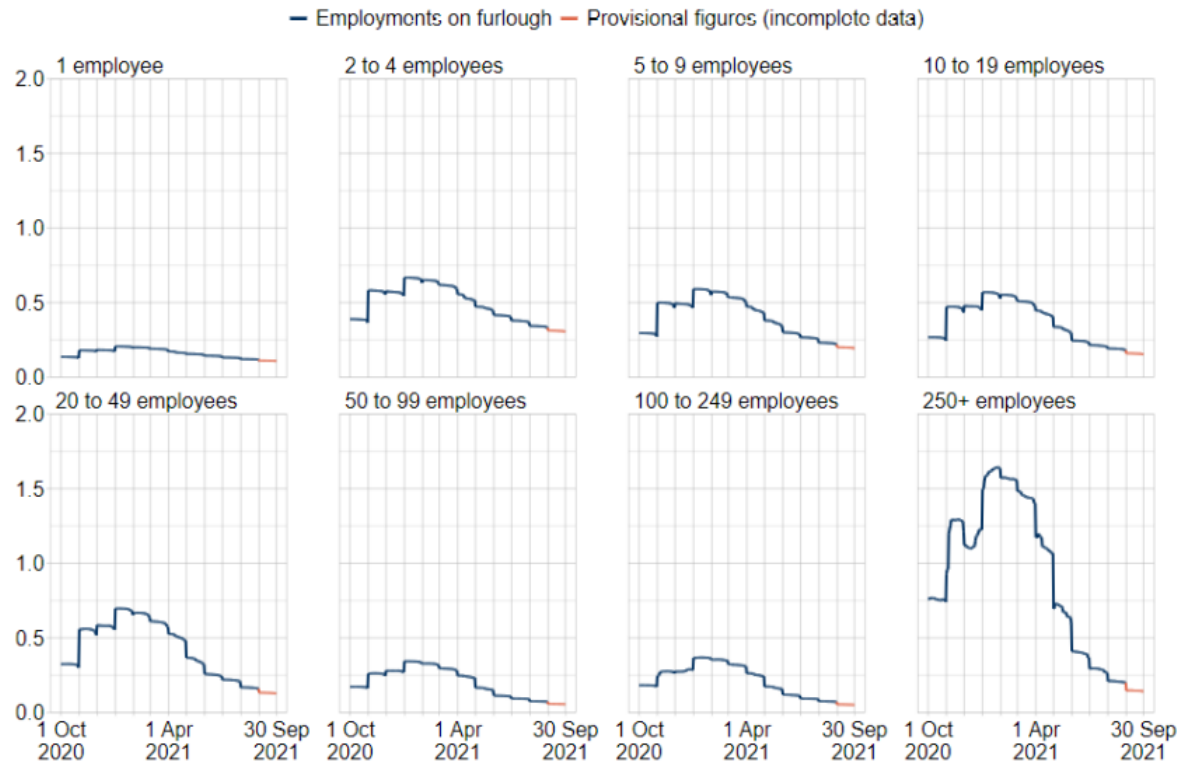
Furlough by Gender

- More employments were put on furlough with male job holders than female job holders between May and September 2021. This reflects decreases in the number of jobs on furlough in sectors such as accommodation and food which typically have higher numbers of female employees.
- Provisional figures show that the number of female employees on furlough decreased from 624,600 in August 2021 to 523,300 on the 30th September 2021. The number of male employees on furlough decreased from 704,400 in August 2021 to 610,000 on the 30th September 2021.Furlough by

Employer Size

- For all employer sizes, the number of employments on furlough decreased month on month between February and September 2021. For several months the use of furlough has decreased at a faster rate among larger employers, this continued in September 2021. Most recently the largest reduction was for employers with 250 or more employees where the number of employments on furlough decreased by 57,700 from 199,900 employments on the 31st August 2021 to a provisional estimate of 142,200 on the 30th September 2021.
- Employers with one employment had 117,100 employments on furlough on the 31st August 2021. Provisional figures show a decrease to 108,900 employments on furlough on the 30th September 2021. Employers with 2 to 4 employees had the highest proportion of eligible employments on furlough at the end of September at 17%. Provisional figures for 30th September 2021 show that employers with 250 or more employees had just 1% of eligible employees on furlough.
- Between January and the end of September 2021, the number of employments on furlough decreased by a larger proportion amongst large employers. Employers with 250 or more employees have seen an 91% reduction in employments on furlough since the peak in January, in comparison with a 47% reduction amongst employers with one employee. This may reflect the varying impact of the pandemic on businesses of differing sizes.

Total employments on furlough (millions) by employer size (number of employees), October 2020 to September 2021 for the UK:



Source: HMRC CJRS and PAYE Real Time Information data

Furlough by Industry

- Provisional figures show that all sectors saw a reduction in levels of furlough between 31st August and 30th September 2021.
- The other service activities sector had the highest take-up rates of all the sectors, with 11% of employments eligible for furlough on furlough at 30 September 2021. The arts, entertainment and recreation, and accommodation and food services sectors both had the second highest take-up rates, with 9% of employments eligible for furlough on furlough on the 30th September 2021.
- The accommodation and food services sector saw the largest reduction in the number of employments on furlough between 31st August and 30th September 2021. There were 156,900 employments on furlough (9% of those eligible) in this sector on the 30th September 2021, a reduction of 42,900.
- The construction sector had a relatively high take-up rate of 7%. The number of employments on furlough in this sector had the smallest reduction between the end of August and September 2021, falling by 9%.

WMCA (3 LEP)

Employments Furloughed by Gender

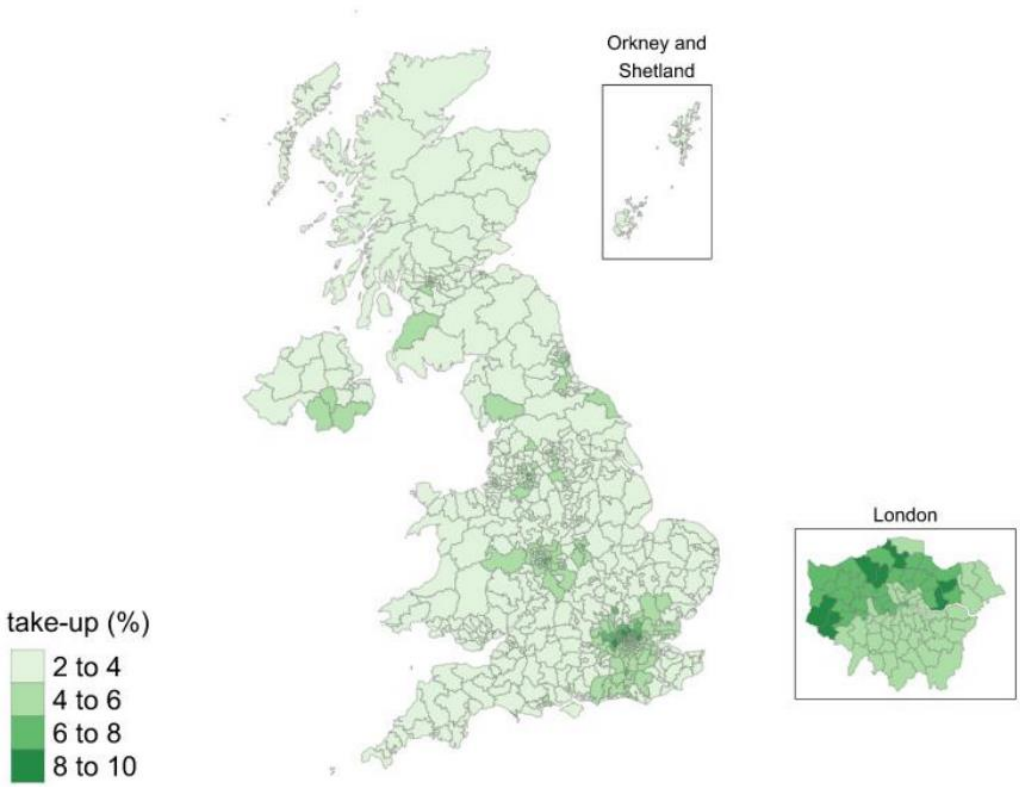
- In total, the WMCA (3 LEP) area had 77,500 employments furloughed on the 30th September 2021. This reflects a 4.5% take-up rate of eligible employments for the scheme, compared to UK-wide rate of 4.0%. When compared to 31st August 2021, the number of employments furloughed in the WMCA (3 LEP) area decreased by 14,600 (-15.9%, UK -15.5%).
- As of 30th September 2021, there was a higher percentage of males furloughed at 5.2% (44,800), compared to females at 3.9% (32,600). The UK also had a higher take up rate for males compared to females (4.3% vs 3.6%).
- As of the 30th September 2021, the local authority with the highest percentage of employments furloughed was Birmingham at 5.5% (22,700 furloughed of the 413,000 eligible). The local authority with the highest percentage of males furloughed was Birmingham at 6.7% (14,200 furloughed of the 211,500 eligible). The local authority with the highest percentage of female employments furloughed was Solihull at 4.8% (2,200 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 September 2021[10]:

	Female eligible employments	Female employments furloughed	Female take up-rate	Male eligible employments	Male employments furloughed	Male take up-rate	Total eligible employments	Total employments furloughed	Total take up-rate
Birmingham	201,500	8,500	4.2%	211,500	14,200	6.7%	413,000	22,700	5.5%
Bromsgrove	22,100	900	4.1%	20,700	900	4.3%	42,800	1,800	4.2%
Cannock Chase	22,300	800	3.6%	22,100	1,000	4.5%	44,400	1,800	4.1%
Coventry	71,000	2,300	3.2%	73,900	3,600	4.9%	144,800	5,900	4.1%
Dudley	66,200	2,200	3.3%	65,600	3,000	4.6%	131,800	5,200	3.9%
East Staffordshire	26,900	900	3.3%	28,400	1,000	3.5%	55,300	1,900	3.4%
Lichfield	22,800	900	3.9%	22,500	1,000	4.4%	45,300	2,000	4.4%
North Warwickshire	14,700	600	4.1%	14,400	600	4.2%	29,200	1,200	4.1%
Nuneaton and Bedworth	30,000	900	3.0%	30,000	1,300	4.3%	60,000	2,200	3.7%
Redditch	20,100	700	3.5%	19,700	900	4.6%	39,800	1,600	4.0%
Rugby	26,100	900	3.4%	27,700	900	3.2%	53,800	1,800	3.3%
Sandwell	65,900	2,500	3.8%	67,000	3,900	5.8%	132,900	6,400	4.8%
Solihull	46,200	2,200	4.8%	45,600	2,400	5.3%	91,800	4,600	5.0%
Stratford-on-Avon	29,300	1,300	4.4%	28,800	1,100	3.8%	58,100	2,400	4.1%
Tamworth	17,800	600	3.4%	18,200	800	4.4%	36,100	1,400	3.9%
Walsall	54,800	2,400	4.4%	55,800	3,300	5.9%	110,600	5,600	5.1%
Warwick	32,300	1,200	3.7%	33,700	1,300	3.9%	66,000	2,600	3.9%
Wolverhampton	53,800	2,000	3.7%	53,300	2,800	5.3%	107,000	4,800	4.5%
Wyre Forest	21,000	800	3.8%	20,100	800	4.0%	41,100	1,600	3.9%
WM 7 Met.	**559,400**	**22,100**	**4.0%**	**572,700**	**33,200**	**5.8%**	**1,131,900**	**55,200**	**4.9%**
BC LEP	240,700	9,100	3.8%	241,700	13,000	5.4%	482,300	22,000	4.6%
CW LEP	203,400	7,200	3.5%	208,500	8,800	4.2%	411,900	16,100	3.9%
GBS LEP	400,700	16,300	4.1%	408,800	23,000	5.6%	809,600	39,400	4.9%
WMCA (3 LEP)	**844,800**	**32,600**	**3.9%**	**859,000**	**44,800**	**5.2%**	**1,703,800**	**77,500**	**4.5%**
West Midlands Region	1,208,800	43,600	3.6%	1,215,600	57,100	4.7%	2,424,300	100,700	4.2%
United Kingdom	14,452,600	523,300	3.6%	14,239,600	610,000	4.3%	28,692,200	1,143,600	4.0%

- The parliamentary constituencies in the WMCA (3 LEP) area with the highest take-up rate on 30th September 2021 was Birmingham, Hodge Hill and Birmingham. Hall Green which was both at 7.1%. Birmingham, Hodge Hill had the highest male take-up rate with 9.1 and the parliamentary constituency with the highest female take-up rate at 5.4% was Birmingham, Hall Green.

The following map shows employments on furlough as a proportion of eligible employments at 30th September 2021 (provisional), by Parliamentary Constituency:



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

Employments Furloughed by Age and Gender[11]

- When compared to the UK proportions, the WMCA (3 LEP) area had a higher proportion of female workers on furlough in four age bands on the 30the September 2021; under 25 (9.3% vs 9%), aged 30 to 34 (11.1% vs 10.9%), aged 35-39 (12.2% vs 11.9%) and aged 50 to 54 (12.1% vs 12%).
- When compared to the UK proportions, the WMCA (3 LEP) area has a higher proportion of male workers on furlough in five age bands on the 30the September 2021; aged 30 to 34 (11.3% vs 11%), aged 45 to 49 (11.3% vs 11.1%), aged 50 to 54 (12.3% vs 11.8%), aged 55 to 59 (10.8% vs 10.7%) and aged 60 to 64 (8.3% vs 8.2%).

The following table shows a breakdown by age and gender the number of workers on furlough at 30th September 2021[12]**:**

		WM 7 Met.	BC LEP	CW LEP	GBS LEP	WMCA	WMCA %	United Kingdom	UK %
Female	Under 25	2,170	880	590	1,550	3,020	**9.3%**	46,900	**9.0%**
	25 to 29	2,060	790	560	1,460	2,810	**8.6%**	45,000	**8.6%**
	30 to 34	2,590	990	830	1,780	3,600	**11.1%**	57,100	**10.9%**
	35 to 39	2,830	1,110	870	1,970	3,950	**12.2%**	62,400	**11.9%**
	40 to 44	2,550	980	800	1,910	3,690	**11.4%**	60,700	**11.6%**
	45 to 49	2,390	980	750	1,800	3,530	**10.9%**	59,000	**11.3%**
	50 to 54	2,520	1,080	890	1,970	3,940	**12.1%**	63,000	**12.0%**
	55 to 59	2,200	990	820	1,650	3,460	**10.6%**	56,400	**10.8%**
	60 to 64	1,620	720	620	1,220	2,560	**7.9%**	41,300	**7.9%**
	65 and over	1,130	540	440	950	1,930	**5.9%**	31,500	**6.0%**
	All	22,100	9,100	7,200	16,300	32,600		523,300	
Male	Under 25	2,740	1,080	750	1,890	3,720	**8.3%**	51,000	**8.4%**
	25 to 29	3,070	1,130	790	2,110	4,030	**8.9%**	54,200	**8.9%**
	30 to 34	3,910	1,430	980	2,680	5,090	**11.3%**	67,100	**11.0%**
	35 to 39	4,080	1,520	960	2,760	5,240	**11.6%**	71,800	**11.8%**
	40 to 44	4,000	1,520	1,010	2,660	5,190	**11.5%**	71,600	**11.7%**
	45 to 49	3,820	1,450	940	2,680	5,070	**11.3%**	68,600	**11.2%**
	50 to 54	3,990	1,610	1,140	2,770	5,520	**12.3%**	71,800	**11.8%**
	55 to 59	3,400	1,400	1,030	2,420	4,850	**10.8%**	65,000	**10.7%**
	60 to 64	2,590	1,130	820	1,800	3,750	**8.3%**	50,000	**8.2%**
	65 and over	1,590	710	570	1,300	2,580	**5.7%**	38,700	**6.3%**
	All	33,200	13,000	8,800	23,000	44,800		610,000	
Total	Under 25	4,920	1,960	1,330	3,460	6,750	**8.7%**	97,900	**8.6%**
	25 to 29	5,100	1,900	1,340	3,560	6,800	**8.8%**	99,200	**8.8%**
	30 to 34	6,490	2,420	1,780	4,470	8,670	**11.2%**	124,200	**11.0%**
	35 to 39	6,880	2,620	1,820	4,730	9,170	**11.8%**	134,200	**11.8%**
	40 to 44	6,570	2,520	1,800	4,570	8,890	**11.5%**	132,300	**11.7%**
	45 to 49	6,200	2,430	1,690	4,470	8,590	**11.1%**	127,600	**11.3%**
	50 to 54	6,500	2,690	2,030	4,710	9,430	**12.2%**	134,800	**11.9%**
	55 to 59	5,600	2,390	1,840	4,070	8,300	**10.7%**	121,400	**10.7%**
	60 to 64	4,210	1,850	1,430	3,010	6,290	**8.1%**	91,300	**8.1%**
	65 and over	2,730	1,250	1,020	2,260	4,530	**5.9%**	70,200	**6.2%**
	All	55,200	22,000	16,100	39,400	77,500		1,143,600	

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

- For the WMCA (3 LEP) area, on the 30th September 2021, the sector with the highest number of employments furloughed was manufacturing at 14,910. This was followed by wholesale and retail; repair of motor vehicles at 12,250, and then accommodation and food services at 8,680 employments furloughed.
- Alongside drops in manufacturing (-3,640) and accommodation and food services (-2,750) there was also notable drops in wholesale and retail; repair of motor vehicles (-1,440) and administrative and support services (-1,300) since 31st August 2021.

The following table shows the total employments furloughed by broad sector for the WMCA (3 LEP) as of 31st August 2021 and 30th September 2021:

	Employments Furloughed on 31st August 2021	Employments Furloughed on 30th September 2021	Change
Manufacturing	18,550	14,910	-3,640
Construction	5,340	4,830	-510
Wholesale and retail; repair of motor vehicles	13,690	12,250	-1,440
Transportation and storage	7,010	6,040	-970
Accommodation and food services	11,430	8,680	-2,750
Information and communication, Financial and insurance & Real estate	5,060	4,450	-610
Professional, scientific and technical	7,220	6,540	-680
Administrative and support services	9,060	7,760	-1,300
Health and social work	3,970	3,210	-760
Arts, entertainment and recreation	2,940	2,340	-600
Other service activities	3,900	3,330	-570
Other	4,040	3,120	-920

[11] UK analysis excludes unknown or missing, figure may not sum

[12] Please note table will not sum due to rounding

Business Register and Employment Survey[13] – 2021 Release

Black Country Consortium Economic Intelligence Unit

The following briefing is based on the number of employees.
Please note, Office for National Statistics (ONS) reported that the Business Register and Employment Survey (BRES) reference date is 11 September 2020, meaning that COVID-19 had a tangible effect on producing estimates, as borne out when calculating the coefficients of variation, which indicate lower levels of precision than in previous years. The response rate for the 2020 BRES was 72.6%, which was lower than the 2019 BRES response rate of 83.6%. Survey contributor-level comments provided to ONS over the telephone or electronically suggested the estimates were affected by COVID-19 planning and response.

Key points:

- In the WMCA (3 LEP) area there were nearly 1.86m jobs in 2020. Since 2019, for the WMCA (3 LEP) area this was a decrease of 0.9% (-17,000 jobs) and nationally there was a 1.9% decrease. In 2020, there were nearly 1.27m full-time employees and 587,000 part time employees in the WMCA (3 LEP) area. When compared to 2019, full time employee jobs increased by 0.6% (England -1.8%) while part time decreased by 4.4% (England -2.0%).
- In 2020, there were over 1.25m jobs in the WM 7 Met. area, a decrease of 0.7% (-9,000 jobs) from 2019. There were approximately 858,000 full-time employees and 396,000 part-time employees in 2020, which was an increase of 0.9% for full-time employees but a decrease of 4.1% for part-time employees.
- In the WMCA (3 LEP) area, the business, professional and financial services sector accounts for the highest percentage of jobs at 20.0% (approximately 371,345 jobs), this is also the highest sector nationally at 21.1% in 2020. For the WMCA (3 LEP area) this sector has increased since 2019 by 2.5% (+9,115), while nationally there was a decrease of 2.8%.

Full Briefing:

- In the WMCA (3 LEP) area there were nearly 1.86m[14] jobs in 2020. Since 2019, for the WMCA (3 LEP) area this was a decrease of 0.9% (-17,000 jobs) and nationally there was a 1.9% decrease. In 2020, there were nearly 1.27m full-time employees and 587,000 part time employees in the WMCA (3 LEP) area. When compared to 2019, full time employee jobs increased by 0.6% (England -1.8%) while part time decreased by 4.4% (England -2.0%).
- In 2020, there were over 1.25m jobs in the WM 7 Met. area, a decrease of 0.7% (-9,000 jobs) from 2019. There were approximately 858,000 full-time employees and 396,000 part-time employees in 2020, which was an increase of 0.9% for full-time employees but a decrease of 4.1% for part-time employees.
- Out of the 19 local authorities within the WMCA (3 LEP), 4 experienced an increase in the number of jobs (with an additional 4 local authorities with no change) between 2019 and 2020. There were 66,000 employees in East Staffordshire in 2020, an increase of 8.2% (+5,000), which was the highest percentage increase since 2019 in the WMCA (3 LEP) area. The strong increase was due to growth of 27.8% (+5,000 to 23,000) in part-time employees and also due to full-time employees (42,000) remaining the same.
- In contrast, Stratford-on-Avon had 69,000 jobs in 2020, a decrease of 6.8% (-5,000) since 2019. There was a decrease of 4.0% (-2,000 to 48,000) for full-time employees and a decrease by 12.5% (-3,000 to 21,000) for part-time employees.
- In the Black Country LEP there were approximately 435,000 jobs in 2020, a decrease of 2.2% since 2019. There were approximately 294,000 full-time employees and 141,000 part-time employees in 2020. The decrease in jobs since 2019 in the Black Country LEP area was due to part-time jobs decreasing by 7.2% (-11,000) while full-time jobs increased by 0.3% (+1,000).
- In the Coventry and Warwickshire LEP there were approximately 457,000 jobs in 2020, a decrease of 2.1% since 2019. There were approximately 317,000 full-time employees and 140,000 part-time employees in 2020. The decrease in jobs since 2019 in Coventry and Warwickshire LEP area was due to part-time jobs decreasing by 6.7% (-10,000) and full-time jobs remaining the same level.

[13] Office for National Statistics (ONS)/Nomis, Business Register and Employment Survey (BRES), 2021
[14] WMCA (3 LEP) figures are based on local authority totals

- In Greater Birmingham and Solihull LEP there were approximately 961,000 jobs in 2020, remaining the same since 2019. There were approximately 655,000 full-time employees and 307,000 part-time employees in 2020. The jobs have overall remained the same since 2019 due to full time increasing and part time decreasing at the same level.

The following table shows jobs (split by full-time and part-time) and change within the WMCA (3 LEP) and England for 2019 and 2020[15]:

	Employees 2019	Employees 2020	Employees Change	Full-time employees 2019	Full-time employees 2020	Full-time employees Change	Part-time employees 2019	Part-time employees 2020	Pull-time employees Change
Birmingham	515,000	515,000	0.0%	354,000	359,000	1.4%	160,000	156,000	-2.5%
Bromsgrove	49,000	51,000	4.1%	31,000	33,000	6.5%	18,000	18,000	0.0%
Cannock Chase	40,000	39,000	-2.5%	28,000	26,000	-7.1%	13,000	13,000	0.0%
Coventry	163,000	161,000	-1.2%	110,000	110,000	0.0%	53,000	51,000	-3.8%
Dudley	114,000	112,000	-1.8%	71,000	73,000	2.8%	43,000	39,000	-9.3%
East Staffordshire	61,000	66,000	8.2%	42,000	42,000	0.0%	18,000	23,000	27.8%
Lichfield	50,000	47,000	-6.0%	32,000	31,000	-3.1%	18,000	16,000	-11.1%
North Warwickshire	48,000	45,000	-6.3%	36,000	35,000	-2.8%	13,000	11,000	-15.4%
Nuneaton and Bedworth	46,000	44,000	-4.3%	29,000	28,000	-3.4%	18,000	16,000	-11.1%
Redditch	41,000	39,000	-4.9%	28,000	28,000	0.0%	13,000	12,000	-7.7%
Rugby	49,000	49,000	0.0%	33,000	35,000	6.1%	16,000	14,000	-12.5%
Sandwell	124,000	121,000	-2.4%	85,000	85,000	0.0%	39,000	36,000	-7.7%
Solihull	141,000	142,000	0.7%	93,000	95,000	2.2%	48,000	47,000	-2.1%
Stratford-on-Avon	74,000	69,000	-6.8%	50,000	48,000	-4.0%	24,000	21,000	-12.5%
Tamworth	29,000	29,000	0.0%	20,000	20,000	0.0%	10,000	9,000	-10.0%
Walsall	103,000	100,000	-2.9%	68,000	66,000	-2.9%	35,000	33,000	-5.7%
Warwick	86,000	89,000	3.5%	60,000	62,000	3.3%	27,000	27,000	0.0%
Wolverhampton	103,000	103,000	0.0%	69,000	70,000	1.4%	34,000	33,000	-2.9%
Wyre Forest	36,000	34,000	-5.6%	22,000	22,000	0.0%	14,000	12,000	-14.3%
WM 7 Met.	**1,263,000**	**1,254,000**	**-0.7%**	**850,000**	**858,000**	**0.9%**	**413,000**	**396,000**	**-4.1%**
Black Country	445,000	435,000	-2.2%	293,000	294,000	0.3%	152,000	141,000	-7.2%
Coventry and Warwickshire	467,000	457,000	-2.1%	317,000	317,000	0.0%	150,000	140,000	-6.7%
Greater Birmingham and Solihull	961,000	961,000	0.0%	649,000	655,000	0.9%	312,000	307,000	-1.6%
WMCA (3 LEP)	**1,872,000**	**1,855,000**	**-0.9%**	**1,261,000**	**1,268,000**	**0.6%**	**614,000**	**587,000**	**-4.4%**
England	26,302,000	25,805,000	-1.9%	17,906,000	17,581,000	-1.8%	8,397,000	8,225,000	-2.0%

Jobs by Sector[16]

- In 2020, the WMCA (3 LEP) had a higher proportion of jobs than the national proportion in four sectors, these were; advanced manufacturing and engineering (9.9% vs 6.9%), construction (7.9% vs 7.2%), logistics & transport technologies (6.1% vs 5.2%) and retail (16.0% vs 15.3%).

- In the WMCA (3 LEP) area, the business, professional and financial services sector accounts for the highest percentage of jobs at 20.0% (approximately 371,345 jobs), this is also the highest sector nationally at 21.1%. For the WMCA (3 LEP area) this sector has increased since 2019 by 2.5% (+9,115), while nationally there was a decrease of 2.8%.

- Out of the 10 sectors, 4 have decreased in the WMCA (3 LEP) area since 2019. The highest decrease was in cultural economy including sports sector at 16.7% (-28,560 to 142,410 jobs), nationally there was a decrease of 7.7%. In 2020, cultural economy including sports accounted for 7.7% of jobs in the WMCA (3 LEP) area, below the national proportion of 9.4%.

[15] LEP figures may not sum due to rounding

[16] Please note, when broken down by 2-digit sic code for sectors the figures will vary and when all sectors added together it will not equal the overall figure. The overall figure is also subject to rounding.

The following table shows jobs per sector for the WMCA (3 LEP) area and England between 2019 and 2020:

	WMCA (3 LEP) 2019	WMCA (3 LEP) 2020	WMCA (3 LEP) Change	WMCA (3 LEP) Change	WMCA (3 LEP) % of 2020 Total	England 2019	Eng. 2020	Eng. Change	Eng. % of 2020 Total
Advanced Manufacturing & Engineering	200,280	183,775	-8.2%	-16,505	9.9%	1,866,150	1,790,020	-4.1%	6.9%
Business, Professional and Financial Services	362,230	371,345	2.5%	9,115	20.0%	5,602,000	5,446,000	-2.8%	21.1%
Construction	137,505	147,265	7.1%	9,760	7.9%	1,914,350	1,861,550	-2.8%	7.2%
Cultural Economy Inc Sports	170,970	142,410	-16.7%	-28,560	7.7%	2,621,000	2,420,000	-7.7%	9.4%
Digital & Creative	57,340	62,640	9.2%	5,300	3.4%	1,374,000	1,371,000	-0.2%	5.3%
Life Sciences & Healthcare	251,405	252,305	0.4%	900	13.6%	3,572,000	3,613,000	1.1%	14.0%
Logistics & Transport Technologies	115,260	113,970	-1.1%	-1,290	6.1%	1,326,000	1,339,000	1.0%	5.2%
Low Carbon & Environmental Technologies	28,520	29,095	2.0%	575	1.6%	433,250	455,000	5.0%	1.8%
Public Sector Inc. Education	245,410	250,275	2.0%	4,865	13.5%	3,532,000	3,578,000	1.3%	13.9%
Retail	305,270	297,025	-2.7%	-8,245	16.0%	4,061,000	3,936,000	-3.1%	15.3%
Total	1,872,000	1,855,000	-0.9%	-17,000	100%	26,302,000	25,805,000	-1.9%	100%

NatWest Purchasing Manager Index (PMI) Survey: West Midlands Region Released November 2021[17]

Black Country Consortium Economic Intelligence Unit

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

In Summary:

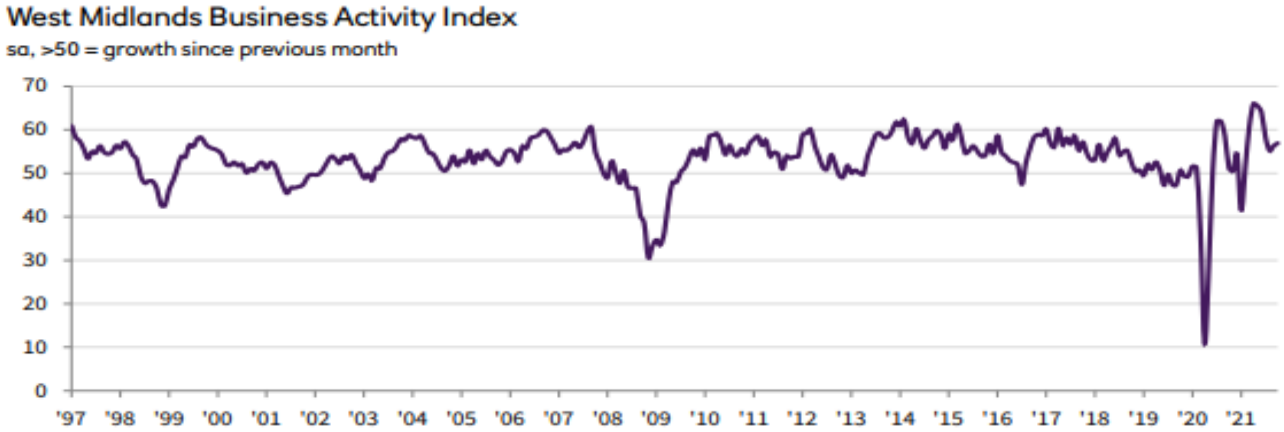
- The West Midlands Business Activity Index increased from 56.3 in September 2021 to 56.9 in October 2021, the strongest increase in three months. Firms reported that capacity expansion efforts, strengthening demand and rising customer numbers helped boost business activity in October.
- The overall UK Business Activity Index increased from 54.9 in September 2021 to 57.8 in October 2021.
- Out of the twelve UK regions, the West Midlands region was the sixth highest for the Business Activity Index in October 2021.
- The West Midlands Future Activity Index decreased from 76.8 in September 2021 to 76.1 in October 2021. Although the level of positive sentiment decreased from September, firms remained strongly confident that business activity would expand over the next twelve months as the pandemic recedes.

In Detail:

Business Activity Index

The West Midlands Business Activity Index increased from 56.3 in September 2021 to 56.9 in October 2021, the strongest increase in three months. Firms reported that capacity expansion efforts, strengthening demand and rising customer numbers helped boost business activity in October.

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



Source: IHS Market/NatWest, November 2021

Out of the twelve UK regions, the West Midlands region was sixth highest for the Business Activity Index in October 2021, with Wales the highest at 61.5 down to the North East the lowest at 51.2.

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

[17] Source: IHS Markit/NatWest West Midlands PMI, November 2021

Source: IHS Market/NatWest, November 2021

Demand
The West Midlands New Business Index increased from 57.3 in September 2021 to 57.6 in October 2021 as firms reported for the eighth consecutive month a rise in new work intakes. The growth was sharp and quickened from September, although this was the second-slowest growth rate seen in the eight-month period.

Exports[18]
The West Midlands Export Climate Index increased from 54.9 in September 2021 to 55.1 in October 2021. The export conditions have remained above the 50-growth mark for sixteen months and since September the growth rate was above the long-run series average. Among the top five export markets for the West Midlands, the growth was led from Ireland and USA.

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

Top export markets, West Midlands

Rank	Market	Weight	Output Index, Oct '21
1	USA	21.2%	57.6
2	Germany	11.1%	52.0
3	China	8.7%	51.5
4	Ireland	6.2%	62.5
5	France	6.1%	54.7

Source: IHS Market/NatWest, November 2021

Business Capacity
The West Midlands Employment Index increased from 56.3 in September 2021 to 58.1 in October 2021. The rate of increase was sharp and quickened from September's five-month low as firms reported the upturn in employment was due to robust rises in new work intakes and a need to expand capacities.

The West Midlands Outstanding Business Index increased from 55.6 in September 2021 to 56.6 in October 2021. Firms reported staff and material shortages contributing to the latest upturn in outstanding businesses as the growth seen was one of the strongest seen in the series history and also the second fastest regionally.

Prices
The West Midlands Input Prices Index increased from 78.0 in September 2021 to 81.0 in October 2021. The overall rate of input price inflation was the third strongest seen in the series history (January 1997) as firms reported that raw material scarcity, labour shortages, transportation difficulties and the supply-chain crisis had drove the rise in expenses.

The West Midlands Prices Charged Index increased from 64.7 in September 2021 to 65.1 in October 2021. For the second consecutive month, the rise in output charges was the fastest seen in the history of the series (November 1999). One-third of firms reported higher output charges with only 1% reporting a reduction, meaning firms shared the additional cost burdens with clients.

Outlook
The West Midlands Future Activity Index decreased from 76.8 in September 2021 to 76.1 in October 2021. Although the level of positive sentiment decreased from September, firms remained strongly confident that business activity would expand over the next twelve months. Firms reported that the demand is expected to strengthen as the pandemic recedes along with securing new clients and intentions to innovate.

Out of the twelve UK regions, the West Midlands was fourth highest for the Future Business Activity Index in October 2021, with Yorkshire and the Humber the highest at 81.6 and Northern Ireland the lowest at 54.3.

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

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

Source: IHS Market/NatWest, November 2021

Regional Trade in Goods Statistics dis-aggregated by smaller geographical areas 2020[19]

Black Country Consortium Economic Intelligence Unit

In Summary:

- Exports from the WM 7 Met. area decreased from just over £15.7bn in 2019 to nearly £11.9bn (split by £4.9bn to EU and £7bn to Non-EU) in 2020. Imports to the WM 7 Met. area decreased from £15.5bn in 2019 to £12.5bn (split by £7.1bn to EU and £5.4bn to Non-EU) in 2020. This means the WM 7 Met. area has changed from a trade surplus of £236m to a trade deficit of £618m in 2020.
- The WM 7 Met. area has an export and import relationship with 93 countries which has remained the same number since 2019. There was trade surplus with 44 (with an additional 2 countries balancing out at £0) of the countries in 2020 compared to a trade surplus with 49 countries with the additional 3 balancing out at 0) in 2019.
- Out of the 44 countries, the WM 7 Met. area had the largest trade surplus with the USA at £2.2bn, where there were just over £2.9bn worth of goods exported and £720m worth of goods imported- this was the highest trade surplus than any other NUTS 2 area.
- The WM 7 Met. area had trade surplus in machinery & transport equipment at nearly £2.9bn (exported £8.4bn and imported £5.5bn).

Full Brief:

- Exports from the WM 7 Met. area decreased from just over £15.7bn in 2019 to nearly £11.9bn in 2020. Imports to the WM 7 Met. area decreased from £15.5bn in 2019 to £12.5bn in 2020. This means the WM 7 Met. area has changed from a trade surplus of £236m to a trade deficit of £618m in 2020.
- In 2020, 41.1% (nearly £4.9bn) worth of goods from the West Midlands 7 Met. area was exported to EU countries. This has increased proportion wise from 39.7% (£6.26bn) worth of goods exported to EU countries in 2019. Although, 56.8% (nearly £7.1bn) worth of goods were imported to the West Midlands 7 Met. area from EU countries in 2020. This has decreased proportion wise from 60.3% (nearly £9.4bn) worth of the total goods imported from EU countries in 2019.

The following table shows for the WM 7 Met. area exports and imports values and business count by EU/Non-EU, 2020:

Flow	EU / Non-EU	Value (£ million)	Business Count
Export	EU	£4,889	4,675
Export	Non-EU	£6,997	3,727
Export	**Total**	**£11,886**	**8,402**
Import	EU	£7,100	5,987
Import	Non-EU	£5,404	6,298
Import	**Total**	**£12,504**	**12,285**

Partner Countries

- The WM 7 Met. area has an export and import relationship with 93 countries[20] which has remained the same number since 2019. There was trade surplus with 44 (with an additional 2 countries balancing out at £0) of the countries in 2020 compared to a trade surplus with 49 countries with the additional 3 balancing out at 0) in 2019.
- Out of the 44 countries, the WM 7 Met. area had the largest trade surplus with the USA at £2.2bn, where there were just over £2.9bn worth of goods exported and £720m worth of goods imported- this was the highest trade surplus than any other NUTS 2 area.

[19] Source: HM Revenue & Customs, Regional Trade in Goods Statistics dis-aggregated by smaller geographical areas in 2020 – released November 2021

[20] Please note, there are certain countries that the West Midlands 7 Met. area export to but do not import -from and vice versa, these countries have been excluded from analysis.

- The next highest trade surplus for the WM 7 Met. area was with Irish Republic at £362m (£531m exported and £169m imported). Followed by Canada with a trade surplus of £211m (£293m exported and £82m imported).

The following table shows the WM 7 Met. area trade surplus with 44 countries (with an additional 2 countries balancing out at £0) in 2020:

Partner Country	Exports (£ m)	Imports (£ m)	Difference (£ m)
USA	£2,920	£720	£2,200
Irish Republic	£531	£169	£362
Canada	£293	£82	£211
Russia	£187	£49	£138
Australia	£135	£41	£94
UAE	£137	£67	£70
Saudi Arabia	£78	£21	£57
France	£659	£604	£55
Norway	£69	£20	£49
Brazil	£68	£32	£36
South Korea	£125	£92	£33
Kuwait	£31	£2	£29
Egypt	£40	£12	£28
Switzerland	£136	£112	£24
New Zealand	£42	£20	£22
Denmark	£83	£62	£21
Nigeria	£22	£1	£21
Greece	£32	£12	£20
Ghana	£20	£2	£18
Sweden	£172	£157	£15
Ukraine	£29	£16	£13
Mexico	£40	£27	£13
Oman	£20	£7	£13
Other Middle East and N Africa (excl EU)	£17	£4	£13
Cyprus	£12	£1	£11
Other Sub-Saharan Africa	£14	£3	£11
Malta	£12	£3	£9
Chile	£21	£12	£9
Jordan	£10	£1	£9
Qatar	£57	£48	£9
Estonia	£11	£4	£7
Iceland	£9	£2	£7
Georgia	£8	£1	£7
Bahrain	£10	£3	£7
Lebanon	£8	£2	£6
Slovakia	£254	£250	£4
Kazakhstan	£4	£1	£3
Ivory Coast	£4	£1	£3
Tanzania	£4	£1	£3
Other Eastern Europe (excl EU)	£4	£1	£3
Cameroon	£2	£1	£1
Guatemala	£3	£2	£1
Uruguay	£2	£1	£1
Other Western Europe (excl EU)	£2	£1	£1
Mauritius	£3	£3	£0
Panama	£1	£1	£0

- In contrast, the WM 7 Met area. has the highest trade deficit with Germany at £733m (£1.1bn was exported and £1.8bn imported), this is followed by China at £552m (nearly £1.3bn exported and £1.8bn imported).

Trade by Standard International Trade Classification (SITC) Section

- In 2020, there was two SITC sections where the WM 7 Met. area had a trade surplus in. These were; crude materials, inedible, except fuels at £250m (exported £394m, imported £144m) and machinery & transport equipment at nearly £2.9bn (exported £8.4bn and imported £5.5bn).
- The WM 7 Met. area had the largest trade deficit in manufactured goods classified chiefly by material at nearly £1.5bn (exported £1.3bn and imported £2.8bn).

The following table shows the WM 7 Met area exports and imports by SITC section in 2020:

SITC Section	Exports (£m)	Imports (£m)	Difference (E – I) (£m)
Food & live animals	£159	£934	-£775
Beverages & tobacco	£25	£80	-£55
Crude materials, inedible, except fuels	£394	£144	£250
Mineral fuels, lubricants & related materials	£36	£79	-£43
Animal & vegetable oils, fats & waxes	£7	£75	-£68
Chemicals & related products	£528	£592	-£64
Manufactured goods classified chiefly by material	£1,313	£2,799	-£1,486
Machinery & transport equipment	£8,359	£5,496	£2,863
Miscellaneous manufactured articles	£1,040	£2,302	-£1,262
Commodities/transactions not classified elsewhere	£26	£382	-£356
Total	£11,887	£12,883	-£996

Exports and Imports within the WM 7 Met.

- Out of the 7 local authorities, Solihull exported the highest value of goods at £3.7bn which is a decrease from £5.4bn in 2019. The next highest local authority was by Birmingham at nearly £3.3bn in 2020 which is a decrease from £4bn in 2019.
- Birmingham imported the highest value of goods at nearly £4.2bn, this has decreased from £4.8bn in 2019. This was followed by Solihull at nearly £2.5bn in 2020 which has decreased from £3.5bn in 2019.
- Within the WM 7 Met. area, Solihull and Coventry had a trade surplus at just over £1.2bn and £187m respectively in 2020. This was also seen in 2019, although the trade surplus was higher at £1.9bn for Solihull and £553m for Coventry.
- Coventry, Solihull and Wolverhampton exported more to the EU than Non-EU countries as seen in the following table.

The following table shows a breakdown by exports and imports for each local authority within the WM 7 Met. area for 2020 (figures are in millions):

	Birmingham	Coventry	Dudley	Sandwell	Solihull	Walsall	Wolverhampton	WM 7 Met.
Exports – EU	£1,510	£743	£287	£429	£1,307	£307	£308	£4,891
Exports - Non-EU	£1,744	£1,410	£219	£319	£2,401	£157	£747	£6,997
Exports Total	**£3,254**	**£2,153**	**£506**	**£748**	**£3,708**	**£464**	**£1,055**	**£11,888**
Imports - EU	£2,095	£1,309	£405	£637	£1,985	£326	£344	£7,101
Imports - Non-EU	£2,067	£657	£465	£677	£497	£304	£736	£5,403
Import -Total	**£4,162**	**£1,966**	**£870**	**£1,314**	**£2,482**	**£630**	**£1,080**	**£12,504**
Balance	**-£908**	**£187**	**-£364**	**-£566**	**£1,226**	**-£166**	**-£25**	**-£616**

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

WMCA 3-LEP Business Demography - 2020[21]; Released November 2021

Black Country Consortium Economic Intelligence Unit

Key Points

- The number of active enterprises continues to increase and in 2020 there were 174,130 in the WMCA (3 LEP) area. This has increased by 0.7% (+1,255 enterprises) compared to 0.4% growth for the UK since 2019.
- There were 413 enterprises per 10,000 population in the WMCA (3 LEP) area in 2020, compared to 448 per 10,000 population for the UK. This represents a slight narrowing of the gap.
- In the WMCA (3 LEP) area, there were 22,375 enterprise births in 2020. This is a considerable decrease of 20.6% (-5,800 births) since 2019, with the UK also decreasing (by 8.3%) over the same period.
- There were 53 enterprise births per 10,000 population in the WMCA (3 LEP) area in 2020, the same proportion as reported for the UK. Both of these have fallen compared to 2019.
- Enterprise deaths in the WMCA (3-LEP) area increased by 12.5% (+2,510 deaths) since 2019 to 22,580 in 2020, contrasting with the UK overall which saw a 2.5% decrease over this period.
- As with previous years, the findings suggest the WMCA 3-LEP area performs better on short-term survival (1–2-year enterprise survival rates are higher in the West Midlands than the UK average), but lag behind when it comes to longer-term survival (3-5 years enterprise survival rates in UK are higher than in the West Midlands).
- The latest available for 2020 for the WMCA (3 LEP) area shows that the number of high growth enterprises has decreased from 690 in 2019 to 620 in 2020. This equates to a decrease of 10.1% (-70 enterprises), which is greater than the UK decrease of 4.0%.

Active Enterprises

- Despite the Covid-19 pandemic, the number of active enterprises continues to increase and in 2020 there were 174,130 in the WMCA (3 LEP) area. This has increased by 0.7% (a net increase of 1,255 enterprises) compared to 0.4% growth for the UK since 2019.
- For the West Midlands 7 Met. area, there were 107,790 active enterprises in 2020. This has increased by 1.5% (a net increase of 1,585 enterprises) since 2019.
- Within the WMCA geography, the Black Country LEP area had 40,415 active enterprises in 2020, an increase of 2.7% (+1,070 enterprises) since 2019. The Coventry and Warwickshire LEP area had 41,805 active enterprises, an increase of 0.2% (+80 enterprises) since 2019. Greater Birmingham and Solihull LEP area had 91,910 active enterprises in 2020, an increase of 0.1% (+105 enterprises) since 2019.
- There were 413 enterprises per 10,000 population in the WMCA (3 LEP) area in 2020, compared to 448 per 10,000 population for the UK. There were 367 enterprises per 10,000 population in the West Midlands 7 Met. area in 2020.
- At both the 3-LEP and 7MET WMCA geographies there has been a slight narrowing of the gap with the national average (which has remained unchanged at 448 per 10,000 since 2019), while regional figures have grown slightly (from 412 per 10,000 and 363 per 10,000 respectively).
- Within the WMCA (3 LEP) geography, active enterprises per 10,000 population varies from 356 in the Black Country (up from 328 in 2019), 434 in Coventry and Warwickshire (down from 439 in 2019) to 448 in Greater Birmingham and Solihull (down from 449 in 2019).

Enterprise Births

- In the WMCA (3 LEP) area, there were 22,375 enterprise births in 2020. This is a considerable decrease of 20.6% (-5,800 births) since 2019, with the UK also decreasing (by 8.3%) over the same period.

[21] Please note, Birmingham has been highlighted within this dataset for having more than 500 businesses at a single postcode within it. The potential impact of multiple registrations includes, large increases in business births, large increases in business deaths, poor one-year survival rates and large year-on-year fluctuations. Further information is located here - Multiple business registrations at a single postcode

- There were 14,950 enterprise births in the West Midlands 7 Met. area in 2020, a decrease of 7.4% (-1,200) since 2019.
- Within the WMCA (3 LEP) geography, the Black Country LEP area had 5,520 enterprise births in 2020, an increase of 0.4% (+620 births) since 2019. Coventry and Warwickshire had 4,745 enterprise births, a decrease of 5.3% (-265 births) since 2019. The Greater Birmingham and Solihull LEP area had 12,110 enterprise births in 2020, a decrease of 31.4% (-5,555) since 2019.
  It should be noted that a key factor in the large-scale decline in Greater Birmingham and Solihull is likely due to volatility in the figures reported for Bromsgrove: a decrease of 3,370 enterprise births was reported in Bromsgrove between 2019 and 2020, with a previous increase of over 3,000 births reported between 2018 and 2019.
- There were 53 enterprise births per 10,000 population in the WMCA (3 LEP) area in 2020, the same as reported in the UK. There were 51 enterprise births per 10,000 population in the West Midlands 7 Met. area in 2020.
- Within the WMCA (3 LEP) area, enterprise births per 10,000 population varies from 46 in the Black Country LEP (unchanged since 2019) to 49 in the Coventry and Warwickshire LEP (a decrease from 53 in 2019), to 59 in Greater Birmingham and Solihull LEP (a decrease from 86 in 2019).

Enterprise Deaths

- Enterprise deaths in the WMCA (3-LEP) area increased by 12.5% (+2,510 deaths) since 2019 to 22,580 in 2020, contrasting with the UK overall which saw a 2.5% decrease over this period.
- The West Midlands 7 Met. area also experienced an increase of enterprise deaths, by 10.0% (+1,275 deaths) to 13,965 in 2020. This particularly reflects a high increase in enterprise deaths in Birmingham (+33.5% from 5,795 to 7,745).
- Within the WMCA (3 LEP) geography, the Black Country LEP area had 3,920 enterprise deaths in 2020, a decrease of 12.2% (-545 deaths) since 2019. Coventry and Warwickshire had 4,650 enterprise deaths, an increase of 3.4% (+155 deaths) since 2019. The Greater Birmingham and Solihull LEP area had 14,010 enterprise deaths in 2020, an increase of 26.1% (+2,900 deaths) since 2019.
- The large rise in enterprise deaths in Greater Birmingham and Solihull reflects a significant increase in Birmingham as above, but also an abnormally large rise reported in Wyre Forest (+187.7% from 365 in 2019 to 1,050 in 2020).

The following table shows a summary of active enterprises, births and deaths between 2019 and 2020:

	2019			2020			Active Change		Births Change		Deaths Change	
	Active	Births	Deaths	Active	Births	Deaths	Num.	%	Num.	%	Num.	%
Birmingham	45,690	7,870	5,795	46,235	6,895	7,745	545	1.2%	-975	-12.4%	1,950	33.6%
Bromsgrove	11,510	5,060	1,910	11,385	1,690	2,365	-125	-1.1%	-3,370	-66.6%	455	23.8%
Cannock Chase	3,820	415	365	3,805	350	310	-15	-0.4%	-65	-15.7%	-55	-15.1%
Coventry	11,735	1,620	1,400	11,785	1,575	1,355	50	0.4%	-45	-2.8%	-45	-3.2%
Dudley	11,195	1,470	1,075	11,480	1,180	1,095	285	2.5%	-290	-19.7%	20	1.9%
East Staffordshire	4,805	535	435	4,880	530	465	75	1.6%	-5	-0.9%	30	6.9%
Lichfield	5,095	485	540	4,980	455	440	-115	-2.3%	-30	-6.2%	-100	-18.5%
North Warwickshire	2,980	335	300	2,915	260	265	-65	-2.2%	-75	-22.4%	-35	-11.7%
Nuneaton and Bedworth	4,330	580	500	4,280	510	530	-50	-1.2%	-70	-12.1%	30	6.0%
Redditch	3,820	880	395	3,500	355	425	-320	-8.4%	-525	-59.7%	30	7.6%
Rugby	5,540	710	590	5,600	620	595	60	1.1%	-90	-12.7%	5	0.8%
Sandwell	10,475	1,565	1,260	11,135	1,910	1,040	660	6.3%	345	22.0%	-220	-17.5%
Solihull	9,435	1,160	1030	9,355	960	945	-80	-0.8%	-200	-17.2%	-85	-8.3%
Stratford-on-Avon	8,520	765	720	8,625	765	990	105	1.2%	0	0.0%	270	37.5%
Tamworth	2,650	280	275	2,625	260	265	-25	-0.9%	-20	-7.1%	-10	-3.6%
Walsall	8,960	1,220	1020	9,020	1,185	855	60	0.7%	-35	-2.9%	-165	-16.2%
Warwick	8,620	1000	985	8,600	1,015	915	-20	-0.2%	15	1.5%	-70	-7.1%
Wolverhampton	8,715	1,245	1,110	8,780	1,245	930	65	0.7%	0	0.0%	-180	-16.2%

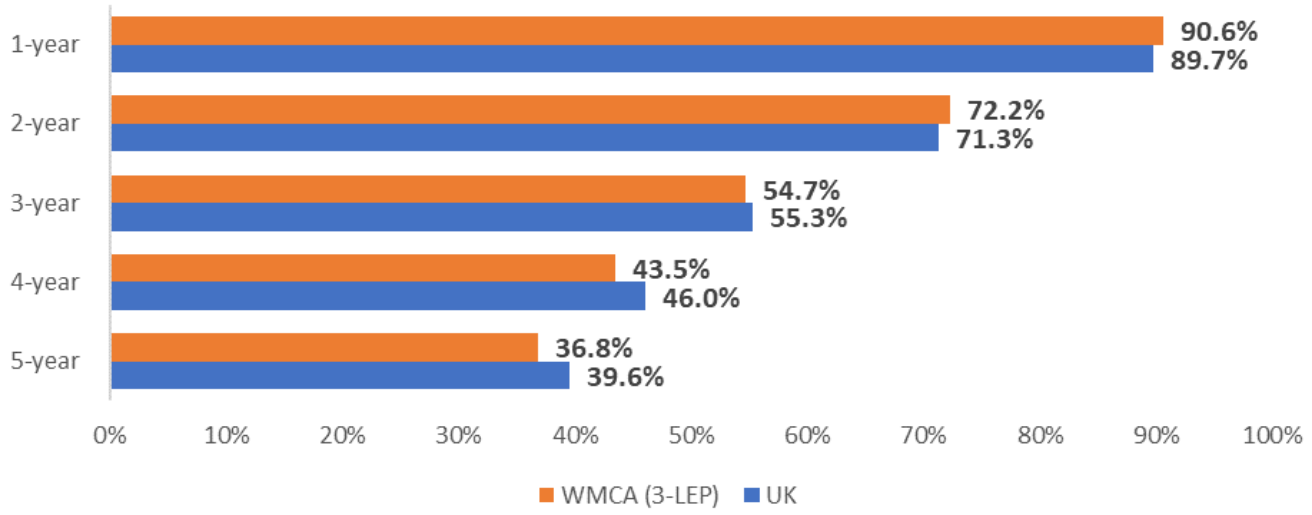
Wyre Forest	4,980	980	365	5,145	615	1050	165	3.3%	-365	-37.2%	685	187.7 %
WM 7 Met.	**106,205**	**16,150**	**12,690**	**107,790**	**14,950**	**13,965**	**1,585**	**1.5%**	**-1,200**	**-7.4%**	**1,275**	**10.0%**
BCLEP	39,345	5,500	4,465	40,415	5,520	3,920	1,070	2.7%	20	0.4%	-545	-12.2%
CWLEP	41,725	5,010	4,495	41,805	4,745	4,650	80	0.2%	-265	-5.3%	155	3.4%
GBSLEP	91,805	17,665	11,110	91,910	12,110	14,010	105	0.1%	-5,555	-31.4%	2,900	26.1%
WMCA (3 LEP)	**172,875**	**28,175**	**20,070**	**174,130**	**22,375**	**22,580**	**1,255**	**0.7%**	**-5,800**	**-20.6%**	**2,510**	**12.5%**
UK	2,990,320	390,230	324,405	3,003,470	357,725	316,310	13,150	0.4%	-32,505	-8.3%	-8,095	-2.5%

Survival Rates

Enterprise survival rates show the percentage of businesses that survived in 2020 and in previous years. As with previous years, the findings suggest the WMCA 3-LEP area performs better on short-term survival (1–2-year enterprise survival rates are higher in the West Midlands than the UK average), but lag behind when it comes to longer-term survival (3-5 years enterprise survival rates in UK are higher than in the West Midlands).

- Of the 28,175 enterprise births in 2019 in the WMCA (3 LEP) area, 91.5% (25,780) were still active after 1 year. This is above the UK 1-year survival rate of 88.3%.
- Of the 24,180 enterprise births in 2017 in the WMCA (3 LEP) area, 43.1% (10,415) were still active after 3 years compared to 53.4% for the UK.
- Of the 22,430 enterprise births in 2015 in the WMCA (3 LEP) area, 36.8% (8,010) were still active in 2020. This is below the UK survival rate of 39.6%.

The following chart shows from 2015 births the five-year survival rates for the WMCA (3 LEP) area and UK:



High Growth Enterprises [22]

- The latest available for 2020 for the WMCA (3 LEP) area shows that the number of high growth enterprises has decreased from 690 in 2019 to 620 in 2020. This equates to a decrease of 10.1% (-70 enterprises), which is greater than the UK decrease of 4.0%.
- For the West Midlands 7 Met. area there were 385 high growth enterprises in 2020. This has decreased by 7.7% (-35) since 2018.
- The number of high growth enterprises has now decreased in each of the last 2 years, perhaps somewhat unexpected given major economic shocks.

[22] ONS use the following methodology / definition for high growth enterprise analysis:
All enterprises with average annualised growth greater than 20% per annum, over a three-year period. Growth can be measured by the number of employees or by turnover. For this analysis growth has been measured using employment.

The following tables shows high growth enterprises for the WMCA (3 LEP) area and UK for 2019 and 2020:

	2019	2020	2019 - 2020 Change	2019 - 2020 % Change
Birmingham	180	155	-25	-13.9%
Bromsgrove	30	20	-10	-33.3%
Cannock Chase	15	15	0	0.0%
Coventry	50	40	-10	-20.0%
Dudley	50	45	-5	-10.0%
East Staffordshire	20	15	-5	-25.0%
Lichfield	30	20	-10	-33.3%
North Warwickshire	25	20	-5	-20.0%
Nuneaton and Bedworth	15	15	0	0.0%
Redditch	20	20	0	0.0%
Rugby	15	15	0	0.0%
Sandwell	25	40	15	60.0%
Solihull	40	35	-5	-12.5%
Stratford-on-Avon	40	25	-15	-37.5%
Tamworth	15	15	0	0.0%
Walsall	40	35	-5	-12.5%
Warwick	30	40	10	33.3%
Wolverhampton	35	35	0	0.0%
Wyre Forest	15	15	0	0.0%
WM 7 Met.	**420**	**385**	**-35**	**-8.3%**
BCLEP	150	155	5	3.3%
CWLEP	175	155	-20	-11.4%
GBSLEP	365	310	-55	-15.1%
WMCA (3 LEP)	**690**	**620**	**70**	**-10.1%**
UK	12,600	12,090	-510	-4.0%

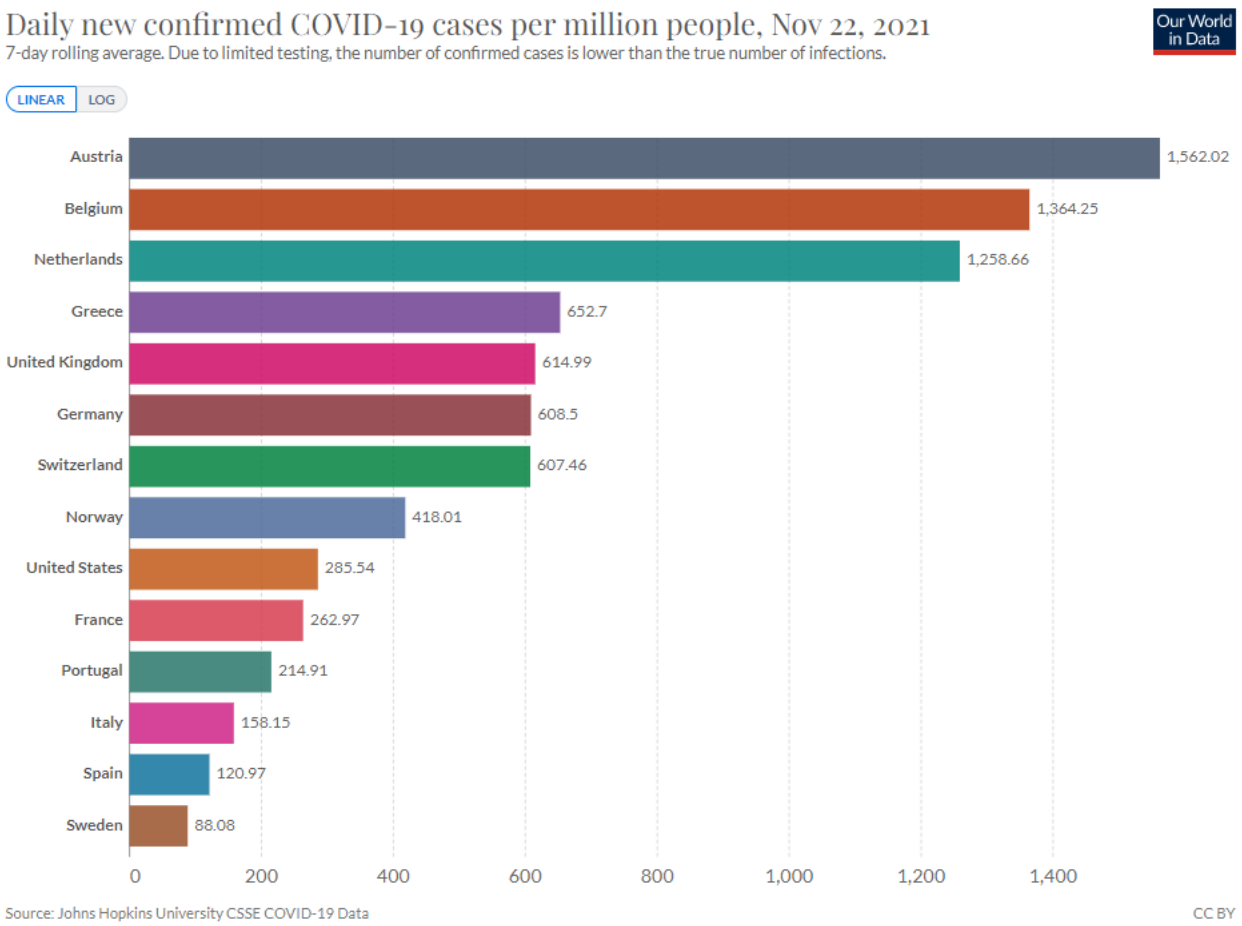
Source: ONS, Business Demography - 2020, released November 2021

Infection Rates and Vaccine Update

Alice Pugh WMREDI/WMCA

Across Europe there has been a resurgence in infection rates, as in the graph below. In recent weeks Covid cases have been rapidly increasing, and as winter nears the NHS is beginning to feel the pressure of rising Covid cases, alongside other illnesses associated with winter. There is also a fear that higher Covid-19 rates in the EU will spread to the UK.

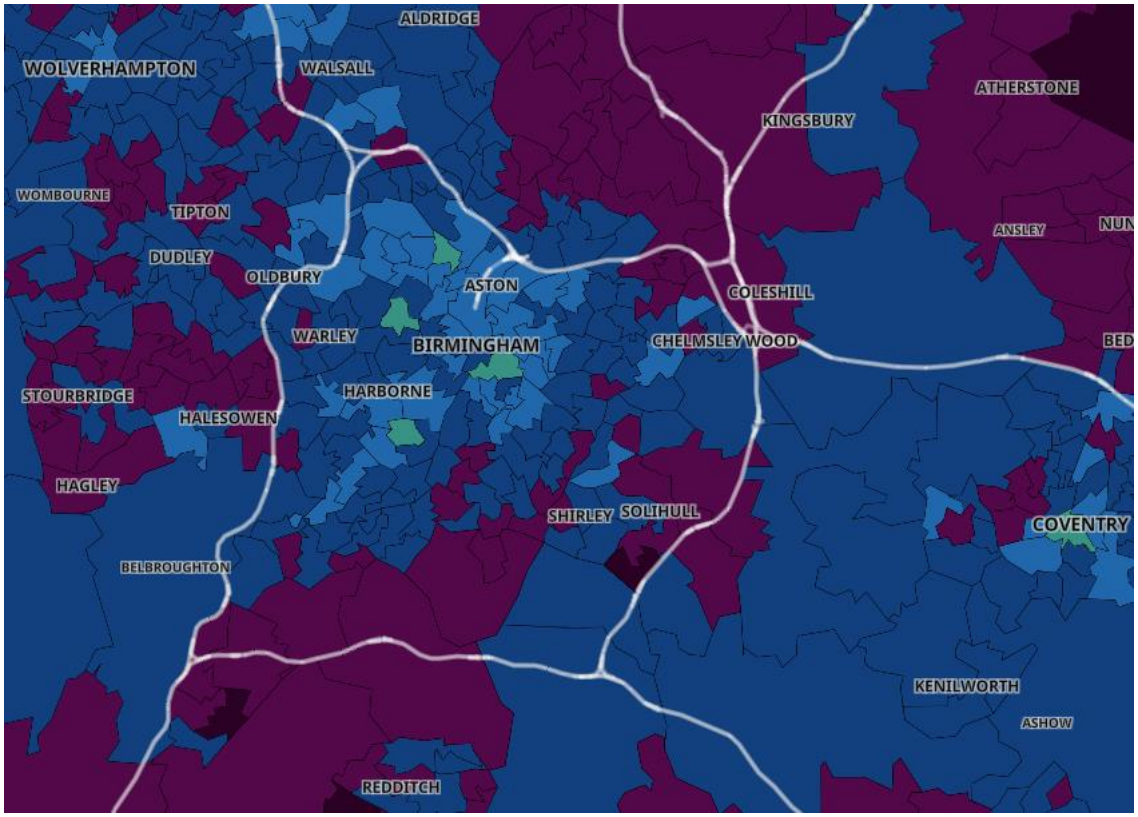
Since 31 December 2019 and as of week 2021-45, **254 053 508 cases** of COVID-19 (in accordance with the applied case definitions and testing strategies in the affected countries) have been reported, including **5 111 187 deaths**.



Latest ONS infection survey data (19th November 2021 next release To Be Announced) states:

- In England, the percentage of people testing positive for coronavirus (COVID-19) continued to decrease in the week ending 13 November 2021; we estimate that 824,900 people in England had COVID-19 (95% credible interval: 775,500 to 873,700), equating to around 1 in 65 people.
- In Wales, the percentage of people testing positive for COVID-19 continued to decrease in the week ending 13 November 2021; we estimate that 55,800 people in Wales had COVID-19 (95% credible interval: 44,800 to 68,100), equating to around 1 in 55 people.
- In Northern Ireland, the trend in the percentage of people testing positive for COVID-19 was uncertain in the week ending 13 November 2021; we estimate that 28,100 people in Northern Ireland had COVID-19 (95% credible interval: 21,300 to 35,900), equating to around 1 in 65 people.
- In Scotland, the percentage of people testing positive for COVID-19 remained level in the week ending 13 November 2021; we estimate that 56,000 people in Scotland had COVID-19 (95% credible interval: 45,500 to 68,100) equating to around 1 in 95 people.

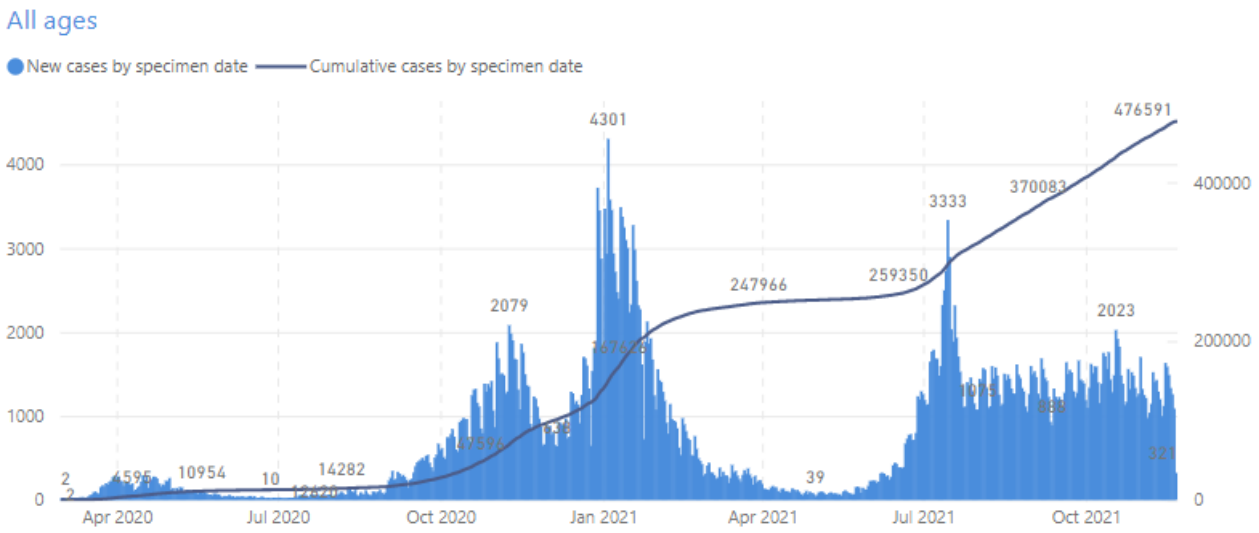
The map below displays weekly data, which are updated every day here. Seven–day rolling rate of new cases by specimen date ending on 17th November 2021.



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
19 November 2021	1257	1422	475183	2	0.07
18 November 2021	1332	1859	473926	9347	319.16
17 November 2021	1486	1143	472594	9304	317.70
16 November 2021	1583	1205	471108	9246	315.71
15 November 2021	1631	1225	469525	9061	309.40
14 November 2021	1119	981	467894	8951	305.64
13 November 2021	997	1366	466775	8976	306.50
12 November 2021	1199	1257	465778	9016	307.86
11 November 2021	1289	1393	464579	8792	300.21
10 November 2021	1428	1300	463290	8716	297.62
09 November 2021	1398	1354	461862	8536	291.47
08 November 2021	1521	1019	460464	8458	288.81



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 (N.B 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	09-Nov-21	10-Nov-21	11-Nov-21	12-Nov-21	13-Nov-21	14-Nov-21	15-Nov-21	16-Nov-21	17-Nov-21	18-Nov-21	19-Nov-21	20-Nov-21	21-Nov-21
ENGLAND	**808**	**821**	**797**	**729**	**655**	**678**	**695**	**713**	**727**	**697**	**637**	**611**	**648**
East of England	79	88	82	64	78	57	73	56	76	61	54	72	63
London	96	99	106	90	83	105	115	92	96	104	76	86	86
Midlands	162	157	148	135	123	124	128	147	133	156	132	91	111
North East and Yorkshire	152	148	135	144	124	125	117	120	111	126	111	116	127
North West	114	124	102	94	107	87	97	116	110	80	94	78	83
South East	109	108	123	116	82	114	87	106	94	103	99	78	104
South West	96	97	101	86	58	66	78	76	107	67	71	90	74

Mechanical Ventilation beds - occupied by confirmed COVID-19 patients

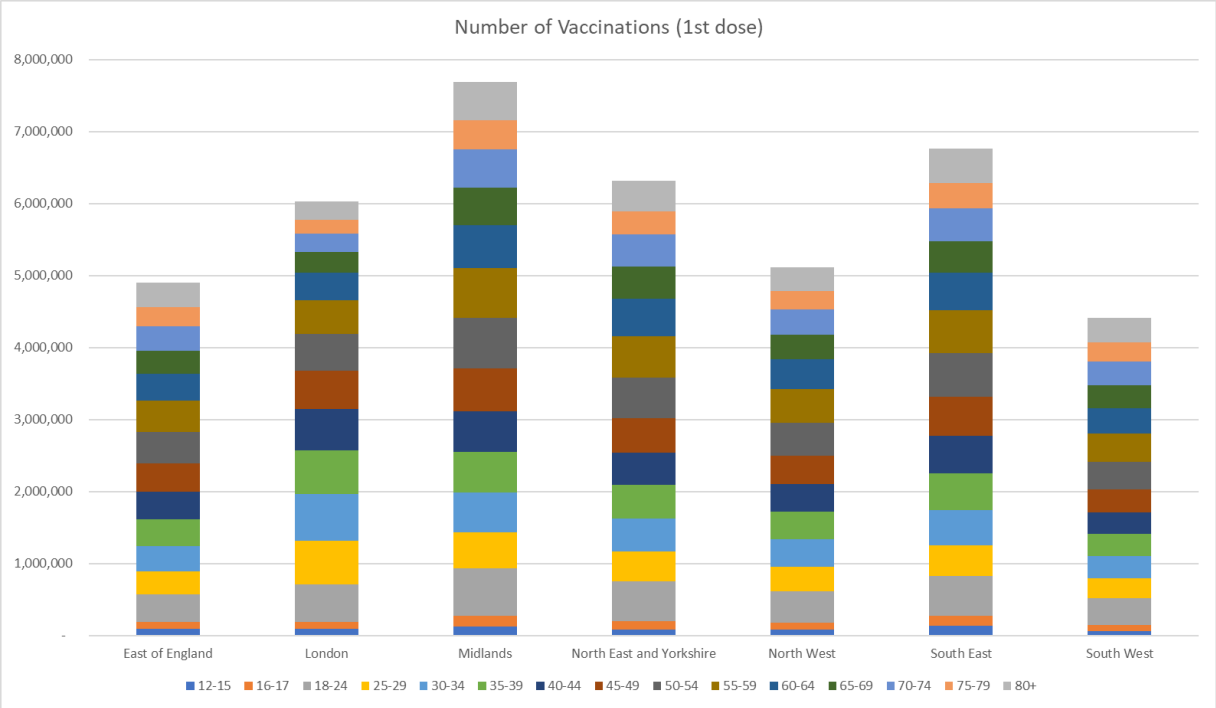
Name	09-Nov-21	10-Nov-21	11-Nov-21	12-Nov-21	13-Nov-21	14-Nov-21	15-Nov-21	16-Nov-21	17-Nov-21	18-Nov-21	19-Nov-21	20-Nov-21	21-Nov-21	22-Nov-21	23-Nov-21
ENGLAND	**865**	**846**	**842**	**838**	**830**	**841**	**821**	**796**	**792**	**779**	**769**	**764**	**776**	**785**	**780**
East of England	99	100	90	94	94	94	92	82	81	81	81	79	81	85	85
London	185	181	185	181	183	187	184	175	178	173	172	171	176	180	180
Midlands	175	174	177	178	170	163	157	154	150	148	148	151	151	147	147
North East and Yorkshire	138	129	127	123	118	124	125	127	127	126	123	122	126	126	125
North West	108	106	106	111	112	119	118	116	112	105	98	96	97	94	93
South East	97	94	92	89	90	88	83	79	79	81	82	84	82	89	88
South West	63	62	65	62	63	66	62	63	65	65	65	61	63	64	62

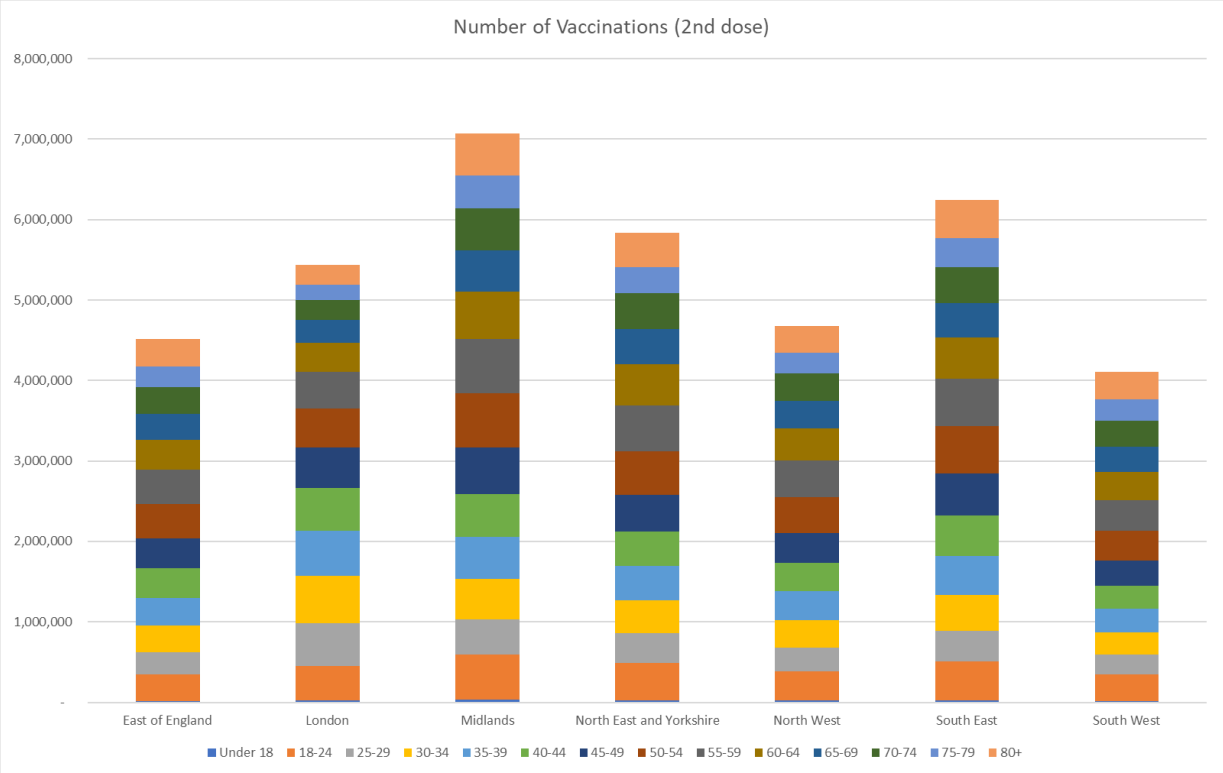
Total beds - occupied by confirmed COVID-19 patients (as at 08:00)

Name	09-Nov-21	10-Nov-21	11-Nov-21	12-Nov-21	13-Nov-21	14-Nov-21	15-Nov-21	16-Nov-21	17-Nov-21	18-Nov-21	19-Nov-21	20-Nov-21	21-Nov-21	22-Nov-21	23-Nov-21
ENGLAND	**7,053**	**6,961**	**6,861**	**6,777**	**6,639**	**6,707**	**6,864**	**6,623**	**6,412**	**6,336**	**6,310**	**6,191**	**6,322**	**6,424**	**6,257**
East of England	782	774	724	716	693	702	719	686	634	625	637	614	620	643	609
London	1,054	1,047	1,075	1,056	1,047	1,047	1,094	1,088	1,057	1,037	1,030	1,026	1,048	1,067	1,034
Midlands	1,290	1,287	1,264	1,264	1,233	1,220	1,252	1,231	1,201	1,188	1,198	1,200	1,215	1,217	1,194
North East and Yorkshire	1,373	1,342	1,341	1,295	1,284	1,300	1,338	1,291	1,233	1,202	1,199	1,163	1,186	1,206	1,162
North West	1,074	1,062	1,039	1,034	1,006	1,011	1,024	968	957	939	909	889	891	905	891
South East	855	851	842	845	838	855	865	819	783	792	777	739	763	775	775
South West	625	598	576	567	538	572	572	540	547	553	560	560	599	611	592

Vaccine Update

Between the 8th December 2020 and the 23rd November 2021, the Midlands has successfully vaccinated **7,870,535** people with the first dose and **7,192,706** of these individuals have received the second dose as well. Meaning the Midlands has successfully provided the most jabs out of any region including London.





	% who have had both doses (using ONS denominators)												
	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	63.8%	68.1%	76.3%	80.6%	87.3%	86.0%	91.7%	94.6%	97.0%	95.4%	95.2%	100%*	93.9%
East of England	69.0%	72.3%	77.8%	81.5%	88.4%	87.4%	92.5%	95.7%	97.5%	95.3%	95.0%	100%*	94.2%
London	58.3%	70.3%	71.0%	71.9%	79.6%	83.1%	85.7%	88.8%	90.3%	89.3%	88.7%	92.7%	83.5%
Midlands	59.9%	60.8%	72.8%	79.7%	86.8%	84.9%	92.3%	94.1%	97.7%	95.4%	95.9%	100%*	95.5%
North East and Yorkshire	61.1%	63.0%	74.0%	80.9%	87.6%	84.7%	92.3%	94.9%	97.0%	96.6%	96.7%	100%*	94.6%
North West	59.2%	61.4%	71.5%	79.2%	86.6%	84.2%	91.2%	94.2%	97.6%	96.2%	95.8%	100%*	94.2%
South East	67.8%	73.0%	83.7%	85.9%	90.5%	87.9%	92.7%	95.6%	97.8%	96.3%	94.5%	100%*	94.4%
South West	71.4%	74.9%	83.4%	86.8%	91.9%	87.7%	93.0%	96.4%	97.8%	95.6%	95.8%	100%*	96.9%

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

Weekly Deaths Registered: 12th November 2021

Black Country Consortium Economic Intelligence Unit

The following analysis compares the latest available time period (the week of the 12th November 2021) to the previous week period (the week of the 5th November 2021) for the number of deaths registered and the number of deaths registered related to the Coronavirus[23].

Across England and Wales, the overall registered death figures increased from 11,550 in the week of the 5th November 2021 to 12,050 in the week of 12th November 2021. The number of deaths registered that state Coronavirus on the death certificate increased from 955 to 1,020 people over the same period.

Regional level analysis shows that the West Midlands' overall registered death figures increased from 1,155 people in the week of 5th November 2021 to 1,335 in the week of 12th November 2021. The number of registered deaths related to Coronavirus increased from 97 people to 106 people over the same period.

There was a total of 934 deaths registered across the WMCA (3 LEP) area in the week of the 12th November 2021. There were 85 deaths registered that were related to Coronavirus over the same period. In comparison to the week of the 5th November 2021, the overall registered death figures in the WMCA (3 LEP) area increased by 145, with the number of registered deaths related to Coronavirus increasing by 21 people.

At local authority level in the week of the 12th November 2021, there were 3 LAs in the WMCA (3 LEP) area that had no registered deaths related to the Coronavirus, this was Stratford-on-Avon, Redditch and Wyre Forest. Of the 85 registered Coronavirus related deaths; Birmingham accounted for 22 deaths, Dudley accounted for 9 deaths and Coventry accounted for 8 of the registered deaths.

Of the 85 registered Coronavirus deaths in the WMCA (3 LEP) involving Coronavirus in the week of the 12th November 2021, 64 were registered in a hospital, 14 deaths were registered at home, 6 deaths were registered at a care home, and 1 deaths were registered elsewhere.

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

Area name	Care home	Elsewhere	Home	Hospice	Hospital	Other communal establishment	Total
Cannock Chase	0	0	0	0	1	0	**1**
East Staffordshire	0	0	0	0	3	0	**3**
Lichfield	1	0	0	0	1	0	**2**
Tamworth	0	0	1	0	3	0	**4**
North Warwickshire	0	0	0	0	2	0	**2**
Nuneaton and Bedworth	2	0	0	0	3	0	**5**
Rugby	0	0	1	0	2	0	**3**
Stratford-on-Avon	0	0	0	0	0	0	**0**
Warwick	0	0	0	0	2	0	**2**
Bromsgrove	2	0	0	0	2	0	**4**
Redditch	0	0	0	0	0	0	**0**
Wyre Forest	0	0	0	0	0	0	**0**
Birmingham	0	0	7	0	15	0	**22**
Coventry	0	1	0	0	7	0	**8**
Dudley	1	0	2	0	6	0	**9**
Sandwell	0	0	2	0	3	0	**5**
Solihull	0	0	0	0	1	0	**1**
Walsall	0	0	0	0	7	0	**7**
Wolverhampton	0	0	1	0	6	0	**7**
WM 7 Met.	1	1	12	0	45	0	**59**
Black Country LEP	1	0	5	0	22	0	**28**
Coventry & Warwickshire LEP	2	1	1	0	16	0	**20**
Greater Birmingham & Solihull LEP	3	0	8	0	26	0	**37**
WMCA (3 LEP)	**6**	**1**	**14**	**0**	**64**	**0**	**85**

[23] 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, 23rd November 2021

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

ONS Weekly Release Indicators

Black Country Consortium Economic Intelligence Unit

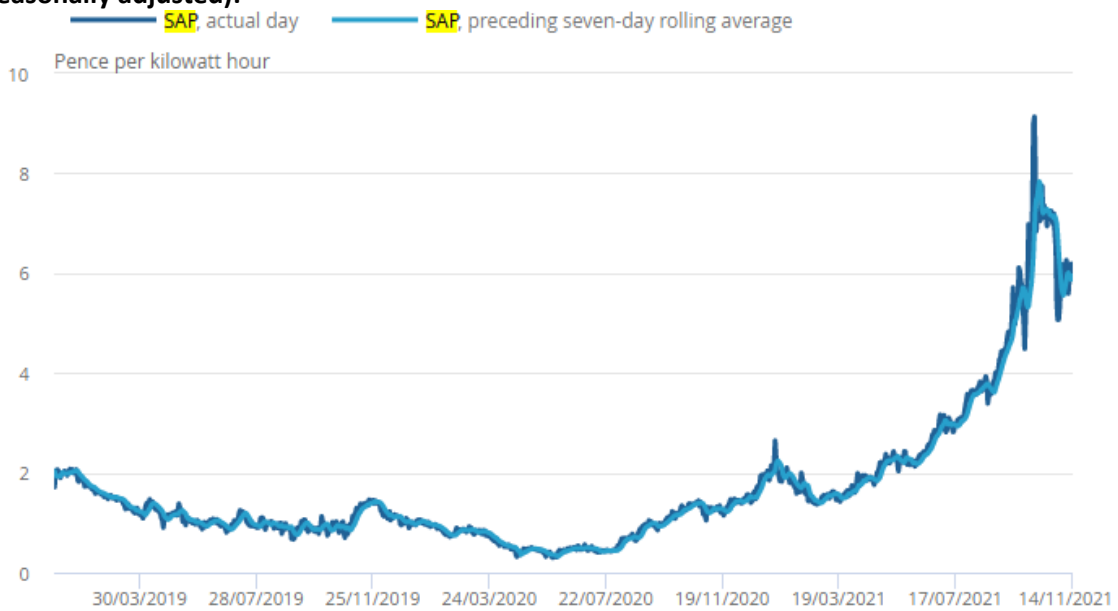
On the 18th November 2021, Office for National Statistics (ONS) released 'economic activity and social change in the UK, real-time indicators'. These statistics are experimental and have been devised to provide timely information. The following information covers: system average price of gas, footfall data, online job adverts, final results from Wave 43 of the Business Insights and Conditions Survey (BICS) and results from the Opinions and Lifestyle Survey (OPN).

System Average Price (SAP) of Gas

This is the average price of all gas traded through the balancing market. Market participants post bids or offers for volumes of gas as day-ahead and within-day trades. The SAP aggregates the trades conducted on the On-the-Day Commodity Market (OCM). This is the market that National Grid use in their role as residual balancer. Other markets exist for wholesale gas trading in GB. The data can be used to understand the general trend of gas prices within the UK, however, should be treated with caution as these can be subject to extreme within-day trading prices and may skew actual traded prices. It must also be noted that while these prices reflect spot prices on the day, traders can opt for futures contracts where the buyer and the seller agree the market-determined price for gas for a future date. The daily SAP is used to determine the futures price and is therefore a useful indicator of supply constraints and demand pressures.

Since the start of 2021, the SAP has been steadily increasing. Since the start of the year, the price has more than tripled, with an increase of 302% since 1 January 2021. Despite this week's 4% week-on-week increase the seven-day rolling average SAP was 23% lower than five weeks ago (week ending 10 October 2021)..

The following chart shows System average price, pence per kilowatt hour, 1st January 2019 to 14th November 2021, UK (non-seasonally adjusted):



Source: National Grid

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.

The total volume of online job adverts on 12 November 2021 decreased by 2% to 144% of its February 2020 average level. Of the 28 categories, 21 saw a decrease in the number of online job adverts, while four increased and three were unchanged when compared with the previous week. The largest week-on-week increase was in "facilities and maintenance", which rose by 5%. The largest week-on-week decreases were in "legal", "transport, logistics and

warehouse" and "HR and recruitment", which fell by 10%, 7% and 7%, respectively. Of the 28 categories, only "legal" and "energy, oil and gas" are below their February 2020 average level.

Between the 5th October and 12th November 2021, the West Midlands region online job adverts decreased by 1.2 percentage points. On the 12th November 2021, total online job adverts for the West Midlands was at 159.1% of their average level in February 2020.

Footfall

According to Springboard, in the week to the 13th November 2021, the volume of overall retail footfall in the UK increased by 1% from the previous week (week to 12th November 2021), and was 85% of the level seen in the equivalent week of 2019.

This increase in overall footfall in the UK was because of an 2% week-on-week increase in high street footfall. Meanwhile, retail park decreased by 1% and shopping centres increased by 2% from the previous week.
Retail saw the largest increase (+8%) in the West Midlands, this was driven by a 13% and 7% rise in high street and shopping centre footfall, respectively.

Business Insights and Conditions Survey

The final results from Wave 43 of the Business Insights and Conditions Survey (BICS) based off the 5,065 businesses surveyed across the West Midlands that businesses have a presence in with a response rate of 23.8% (1,208) and to 3,004 businesses that are head quartered in the West Midlands, with a response rate of 22.5% (676). Please note, businesses were asked for their experiences for the reference period 18th October to 14th November 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (1st November to 14th November 2021). Also, the data used is unweighted for regions and response levels can be low so the following results should be treated with caution when evaluating the impact of COVID-19. Due to weighted data being available for the UK a comparison has not been included.

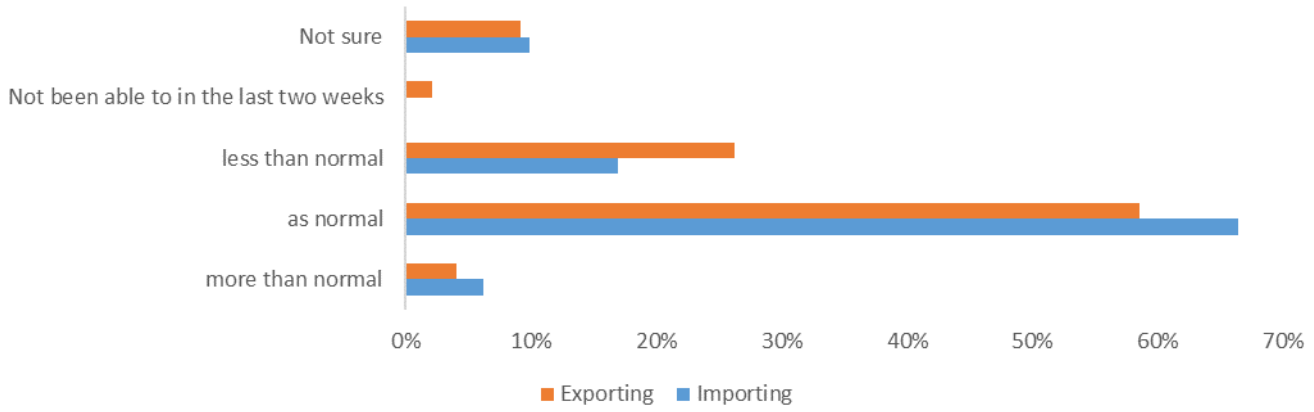
Trading and Financial Performance

- 98.7% of responding West Midlands businesses were trading over the reference period. 2.5% of businesses were currently partially trading and 1.1% of businesses had permanently ceased trading.
- Businesses were asked how their turnover for the last month compared to normal expectations for the time of year. Excluding 'not sure' responses, 8.6% of trading businesses in the West Midlands reported their turnover had decreased by at least 20%. However, 47.1% of trading businesses in the West Midlands reported that their turnover was unaffected and approximately 12.6% reported their turnover had increased by at least 20%.
- Excluding 'other' and 'not sure' responses, 39.6% 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, 2.3% reported the main reason as the end of the EU transition period and 17.3% reported that it was due to COVID-19 and the end of the EU transition period.

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. 58.5% of West Midlands businesses who were exporting reported that they had not been affected and 66.4% reported that importing had not been affected.

The following chart shows for the West Midlands region how exporting or importing of goods or serviced compared to normal expectations for the time of year in the last month:



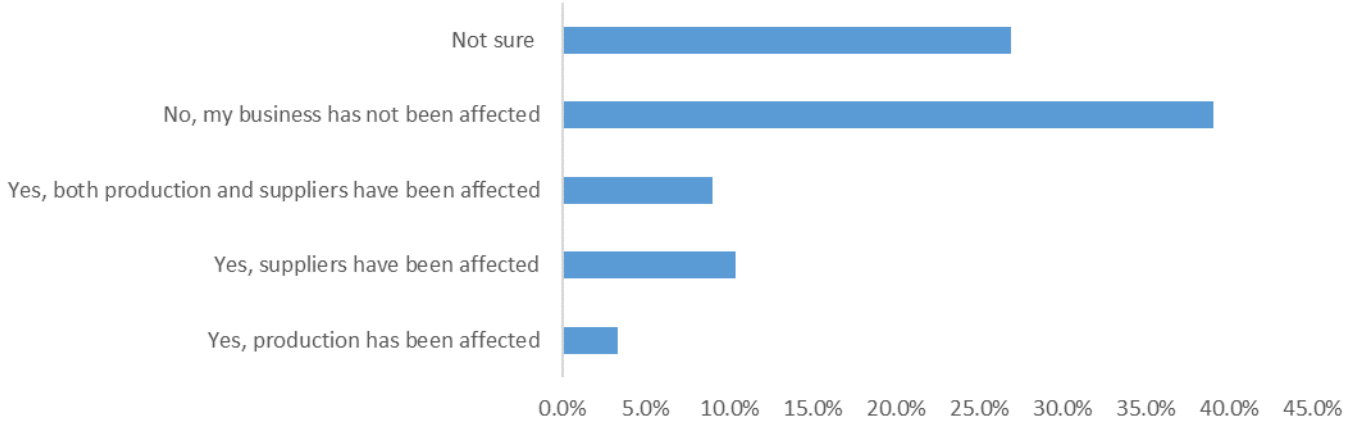
Trading Challenges and Choice of Suppliers

- 8.5% of West Midlands businesses reported having challenges when trading with customers in other UK nations.
- When asked if the overall choice of suppliers for sourcing business materials, goods and services has changed since the start of the coronavirus (COVID-19) pandemic, 2.5% of West Midlands businesses reported the choice of suppliers has increased, but 9.7 report the choice of supplier has decreased. 65.4% report no change.
- 2.3% of West Midlands businesses reported the number of businesses selling similar goods and services to their business had increased, whereas 8.5% reported the number had decreased. 49.0% reported the number has not changed.

Gas Prices

3.% of West Midlands businesses have had their production affected by the recent increases in wholesale gas prices. 10.4% reported their suppliers had been affected, and 9.0% reported both production and suppliers had been affected. 39.1% reported that their business had not been affected.

The following chart shows for the West Midlands region how their business has been affected by increases in wholesale gas prices in the last month:



When asked if their gas costs were fixed or hedged, 3.2% of West Midlands businesses reported yes, but were expiring by December 2021. 4.4% had costs expiring in March 2022 and a further 21.5% had costs expiring after March 2022. 14.9% reported that their gas prices were variable. 74.4% of businesses had all gas costs fixed or hedged, 14.4% had more than half of gas costs fixed or hedged, and 2.6% had less than half of gas costs fixed or hedged.

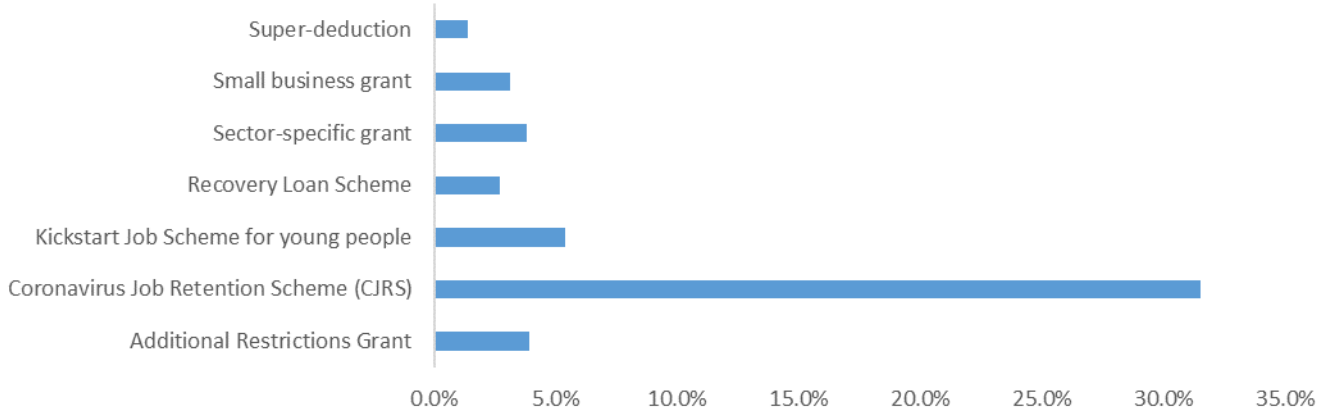
Electricity Prices

When asked if their electricity costs were fixed or hedged, 3.5% of West Midlands businesses reported yes, but were expiring by December 2021. 5.4% had costs expiring in March 2022 and a further 26.3% had costs expiring after March 2022. 16.1% reported that their electricity prices were variable. 74.6% of businesses had all electricity costs fixed or hedged, 15.4% had more than half of electricity costs fixed or hedged, and 2.1% had less than half of electricity costs fixed or hedged.

Finance Agreements, Grants, Initiatives and Cash Reserves

30.3% of West Midlands businesses received any government-backed loans or finance agreement during the (COVID-19) pandemic, 59.9% reported that they hadn't. The Coronavirus Job Retention Scheme (CJRS), otherwise referred to as Furlough, was the most popular scheme with 31.5% of businesses receiving payment from this scheme in the past month. 62.6% of businesses reported the scheme had helped them to continue trading, and 19.5% reported it didn't impact their ability to continue trading.

The following chart shows for the West Midlands region if businesses received payment from any of the following grants or schemes in the last month:



3.0% of West Midlands businesses report they don't have any cash reserves. 2.1% report they have less than 1 months cash reserves, 17.5% report they have 1-3 months cash reserves, 11.5% have 4-6 months cash reserves, and 47.5% report they have more than 6 months cash reserves.

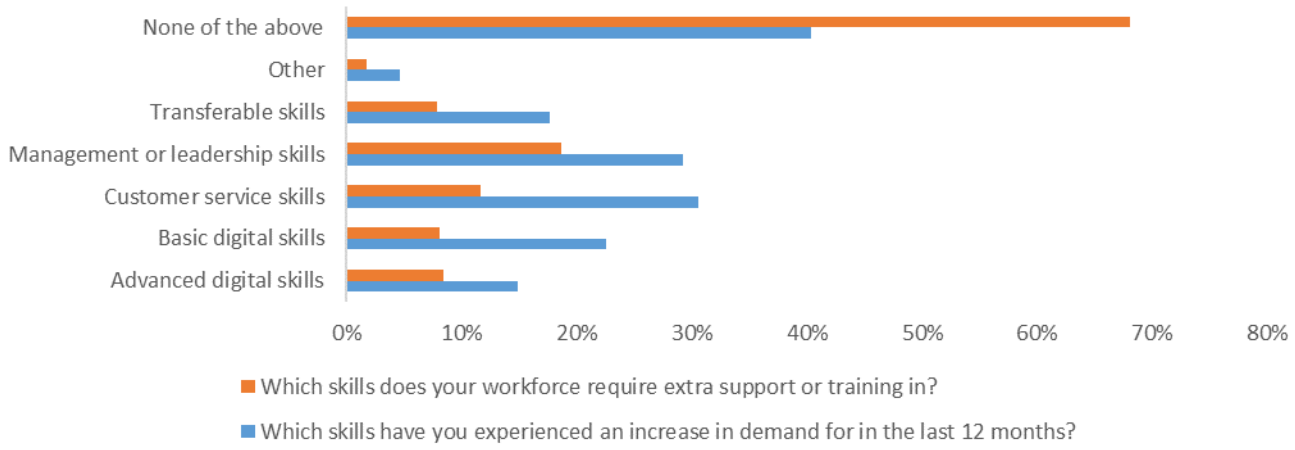
Business Confidence, Debts and Insolvencies

- 76.4% of West Midlands businesses have high confidence that their business will survive the next 3 months. 17.2% have moderate confidence and 1.0% have low confidence.
- When asked how did your business's debt repayments compare with turnover, 2.7% of West Midlands businesses reported repayments were between 50%-100% of turnover. 3.8% reported repayments were between 20%-50% of turnover, and 23.3% reported repayments were up to 20% of turnover.
- 51.6% of West Midlands businesses report they have high confidence in meeting their debt obligations, 15.4% have moderate confidence, and 1.1% have low confidence.
- 6.2% of West Midlands businesses are at moderate risk of insolvency. 51.4% are at low risk and 33.3% are at no risk.

Skills

The most in demand skill required by West Midlands businesses is customer service skills at 30.6%, followed by management or leadership skills (29.2%). West Midlands businesses need extra support or training in management and leadership skills (18.7%), followed by customer service skills (11.7%).

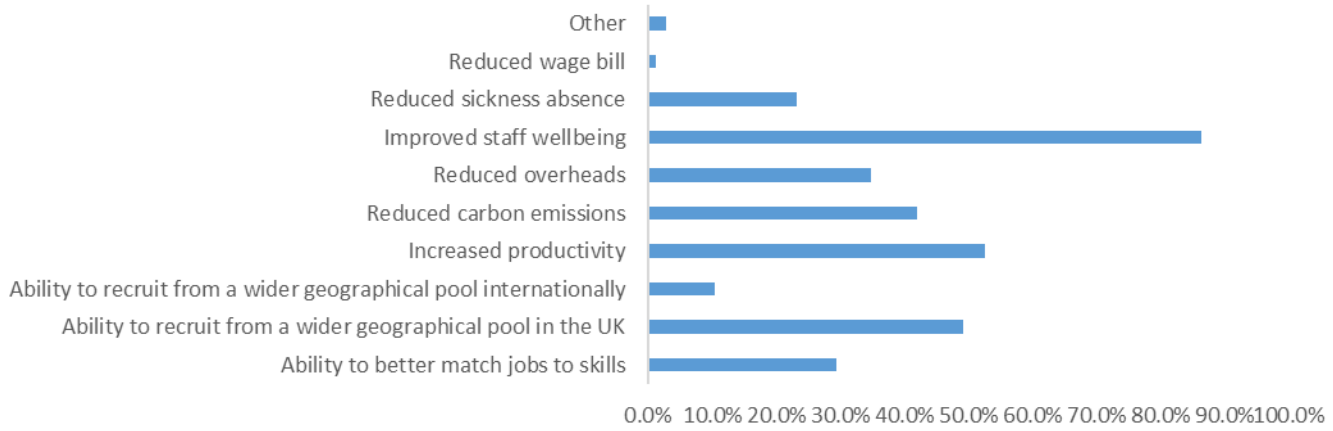
The following chart shows for the West Midlands region how if businesses received payment from any of the following grants or schemes in the last month:



Homeworking and Return to Workplace

When asked if their business was using, or intending to use, increased homeworking as a permanent business model going forward, 31.3% of West Midlands businesses said yes, and 38.5% said no.

Reasons why West Midlands businesses will use homeworking as a permanent business solution going forward



When asked about the workforce returning to the workplace, 57.9% of businesses reported their workforce had already returned, 13.2% report staff will return within 6 months, and 2.2% report they will return in more than 6 months. 73.3% of businesses expect more than 50% of their workforce to return to their normal place of work within the time period they had selected, and 19.7% expect less than 50% to return.

Social Impacts of the Coronavirus

The following refers to the period of 3rd to 14th November 2021. Please note, only a selection of indicators at a regional level are included in the below.

Working at Home

Among those who said they were working, 14% of responding West Midlands adults reported they had worked at home, 64% reported they didn't work from home and travelled to work, 12% did both. Where applicable, 36% of West Midlands adults are more likely to work from home if they have a cold).

Well-Being, Loneliness and Perceptions of the Future

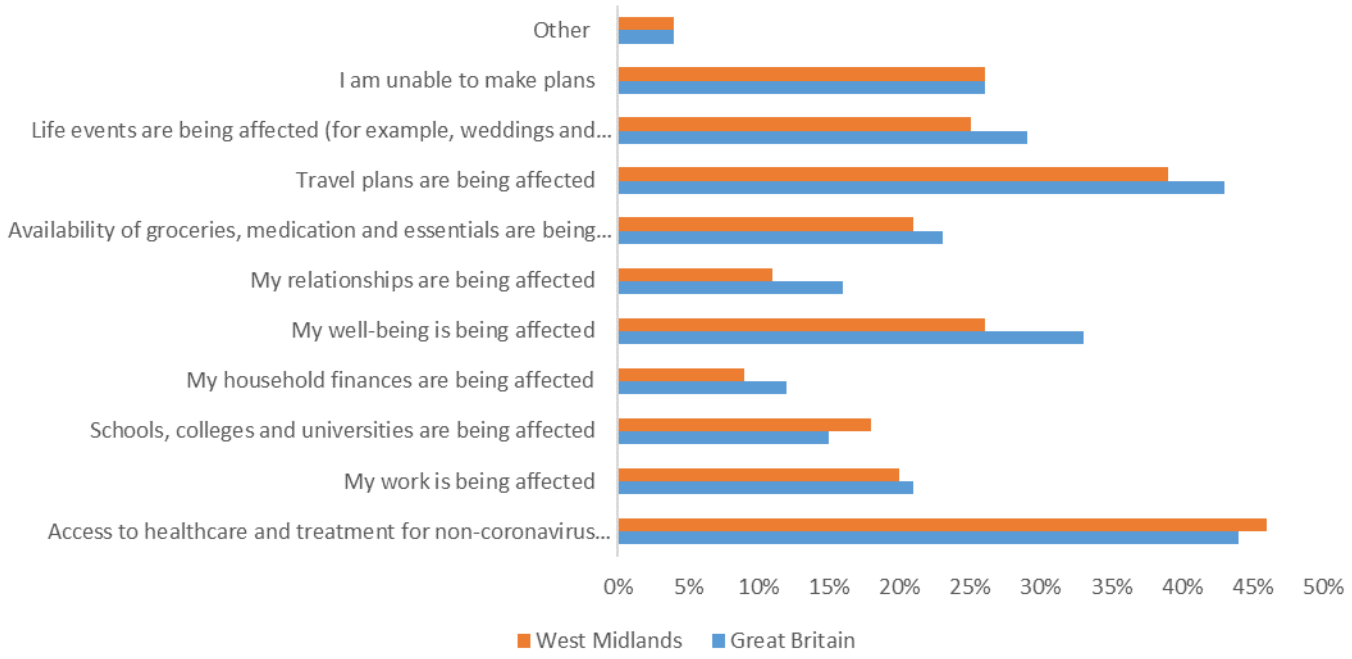
- Mean personal well-being scores for life satisfaction was 7.5 in the West Midlands (7.1 GB), worthwhile was 7.7 in the West Midlands (7.3 GB), happiness was 7.5 for West Midlands adults (7.1 GB) and anxious was recorded at 3.7 for West Midlands adults (3.9 GB).

- 5% of adults in the West Midlands reported low levels of life satisfaction (8% GB). 7% of West Midlands adults reported low level of feeling worthwhile (8% GB). 7% of responding West Midlands adults reported low level of happiness (12% GB) and 29% reported high levels of anxiety (32% GB).
- 22% of adults in the West Midlands reported to often/always or some of the time to feeling lonely (24% GB). While 54% reported hardly ever or never feeling lonely in the West Midlands (48% GB).
- 12% of West Midlands adults believe it will take 6 months or less before life returns to normal (9% GB). While 9% of West Midlands adults believed it will take 7 to 12 months (11% GB). 34% of West Midlands adults think it could more than a year to return back to normal (35% GB) and 12% for the West Midlands adults thought it would never go back to normal (14% GB).

Impact on People's Life Overall

- In the West Midlands, 44% of adults reported they were very or somewhat worried about the effect COVID-19 was having on their life (45% GB). 24% of responding West Midlands adults reported that they were somewhat unworried or not at all worried (22% GB).
- 46% of responding West Midlands adults reported access to healthcare and treatment for non-coronavirus related issues is being affected (44% GB).

The following chart shows for the West Midlands region and Great Britain-wide how COVID-19 was affecting adults lives between 3rd to 14th November 2021:



LEP Level Intelligence

WMCA

WMCA Growth Hub Intel for WM Weekly Economic Monitor– 27th October 2021

HEADLINES

SECTOR	KEY INSIGHTS
Cross Sector	**Outlook** UK economic recovery from the historic lows of 2020 continues, but the **pace of this recovery appears to have slowed significantly** during October and November. There remain risk factors that could derail prospects for regional recovery – notably **continuing distribution and supply difficulties** and growing input **price pressures** affecting many economic sectors in the West Midlands. Softening business confidence coupled with growing concerns about input price inflation are now feeding through to affect future investment intentions in many sectors. The cost of living surged to 4.2 per cent in October according to the consumer price index measure of inflation. This is its **highest rate in almost 10 years and due to rising fuel and energy costs.** Local firms are still facing substantial price pressures, which local business leaders suspect will lead to **even greater levels of inflation** as we approach the end of the year. Businesses are worried about increasing cost pressures that are hitting their operations at the same time as rising levels of inflation. Additionally, anecdotal evidence suggests that **customers are lacking confidence and are reluctant to spend money**, and thus businesses are worried about their futures if consumer spending remains low. On the flip side, Barclaycard Payments' data suggests that British **SMEs are predicting a strong festive trading period** as payments volumes rise. The suggestion of declining business confidence is reflected in FSB's latest Small Business Index (Q3 2021), in which West **Midlands firms have less confidence and growth intentions compared to the previous quarter.** Markets clearly remain highly disrupted, affecting the certainty and confidence businesses need. This reflects an ongoing **perfect storm** of temporary and structural challenges in labour markets and supply chains. Some sectors are affected more than others, in some cases highlighting the West Midlands as particularly vulnerable. For example, **ongoing disruptions in the automotive sector and price rises across manufacturing and construction.** Additionally, some business leaders have expressed **disappointment over the cancellation of HS2's eastern leg from Birmingham to Leeds.** The axing of a new East Midlands-Leeds high-speed line, with HS2 trains now to run on existing upgraded routes, and a scaling back of the Northern Powerhouse Rail (NPR) project, has drawn strong condemnation amid feelings that the news is a **'missed opportunity'.** **Labour Market** Businesses in the region have continued to report that the **main challenge they face is recruitment**. Finding the right candidate who is the ideal fit and remains in the job is proving time consuming and often appointments do not work out early on, causing a financial burden and time burden for companies. Specific issues reported in recent weeks include: • **Finding People –** Attracting staff an issue, particularly for roles that do not operate in such desirable environments, for example manual machine operators where work is less stimulating and repetitious. Other complaints regarding the quality of candidates being put forward by recruitment agencies, some unqualified or suitable for the jobs being advertised. Temporary staffing demands from the likes of Amazon distribution hubs, are amplifying the problem. • **Post Furlough Productivity** – Some businesses reporting a reduction in productivity of workers since their return to work following furlough. This suggests some employees have had time to review what they want to do for work as well as leading employers to think that furlough is the cause of a new "lazy" workforce. • **Wage Increases** – Increase in hourly rate across most sectors in the temporary sector, especially within hospitality & warehouse markets, as employers try fill these vacancies. • **Recruitment** – Companies are looking at alternative ways to attract staff, including returning to recruitment fairs, but also increasingly looking at arranging online line events. • **Labour Shortages** – Employer concerns about being able to maintain level of service over next few months, as labour shortages starting to take effect.

SECTOR	KEY INSIGHTS
	• **Green Skills -** Many firms reported that they have a lack of in-house skill to implement their environmental ambitions – and often a lack of understanding regarding where to start or how to implement measures – was a significant barrier to them taking further action towards net zero. Several businesses across all sectors reported that they wanted to see the Government give clearer advice about what steps they could take, as well as provide more support in the immediate future – rather than in coming years – for businesses looking to implement sustainable measures **Product Shortages and Price Rises** As widely reported, businesses are continuing to experience increased financial difficulties due to **supply chain disruptions.** Many have shared that they have had to raise their prices due to cost pressures relating to shortages and increased costs within the supply chain – exemplified in the latest inflation figures. As such, businesses are becomingly **increasingly concerned that higher costs will result in a loss of business** and a number are considering whether they should absorb the costs at a loss to themselves so as to not drive away customers. Other specific issues reported by businesses in recent weeks include: • The **increasing cost of materials** continues to hinder construction workers as increasing costs are resulting in the loss of customers. • **Lack of qualified HGV drivers** have forced many businesses to change their consumer delivery strategies as they no longer can offer services such as "guaranteed next day delivery" • The increasing **high shipping freight rates continue to be an issue** for both importers and exporters, with one electronics company suggesting they are having to pay almost 4 times the pre-pandemic rates. On a separate but linked note, small business owners say the Government's **new Export Strategy brings real opportunities**. The new UK Tradeshow Programme is particularly welcomed. However, there are **calls for a relaunched SME Brexit Support Fund**, designed to help smaller firms access the technical skills and advice they need to succeed internationally. This needs to be available for small firms to use both inside and out of the EU, with a streamlined application process as well as generous funding which will help small firms overcome some of the trade barriers they've recently been faced with. **Enquiries and Support** Particularly **frequent enquiries of late for the region's Growth Hubs** include: • **Exit Strategies** – An increase in requests for support from owners of businesses looking to sell and exit. Guidance and support with exit strategies with specialist advisors is ongoing. • **Mail Order & Boxification** – A new take on mail order meals, two regional businesses looking to raise the profile of "Boxification". • **Environmental Policies** – With focus on climate and COP26, businesses looking to win contracts are being increasingly asked to demonstrate their sustainability and environmental impact strategies and credentials. With climate a key government focus, a gap in the market for support for businesses getting to carbon neutrality by 2030 and the policies and practical steps businesses will need to take to achieve this. • **Intellectual Property** – A number of regional businesses look for support with the protection of their IP. One company developing compostable packaging seeking specialist support for a full IP audit from the IPO, the majority of which is grant funded. • **Events** – A clear appetite to return to valuable networking events continues as we learn to cope with the ongoing pandemic. Advisors attending these events able to facilitate valuable B2B Notable updates on the following examples of local business support programmes / campaigns: • **Made Smarter** – The West Midlands Made Smarter Programme is soon to reach significant targets set out in their contract, in relation to project delivery. The Digital Roadmaps have proven to be extremely popular amongst the AME sector with many of them needing and adopting simple digitalisation tactics, such as Data and Systems Integration which will drastically transform their processes and increase productivity. • **Peer Networks** – Businesses who are taking part in cohorts are expressing that the programme has helped them address and overcome challenges within their organisations, as well as make lifelong business connections. In some cases, recruitment has been a challenge due to the many competing local and national programmes. • **HS2 Meet the Contractor Event** – Ongoing support for businesses looking to bid for opportunities relating to the construction of HS2. **Access to Finance**

SECTOR	KEY INSIGHTS
	• The greatest financial concern among businesses according to reports from Growth Hubs is **cashflow.** Despite the return of business as usual, many businesses are experiencing growth impacting on cash. As businesses have survived through Covid they have reduced capital reserves. • There is much **nervousness around growth and investment**. Confidence is knocked by having a lot of borrowing in place from either CBILS or BBLS. In response businesses are **looking to re-finance debt, looking at equity investment or selling off their business.** • There is a very strong eco-system business community in our region; people wanting to help, support and collaborate. However, there is a **marked lack of funding opportunities for early stage founders with strong disruptive propositions.** • In addition, despite local authorities securing further funding from government to support businesses affected by the Covid-19 pandemic, **eligible businesses have shared that they have not accessed the support on offer.** A number noted that they **had not been aware of the grants** or were **confused as to whether they would qualify.** As well as this, eligible businesses shared that whilst they were aware of the grants and support on offer, they were unable to apply due to lack of time or resources as a result of staff shortages and increasing pressures on their businesses. • **Crowdfunding** – Crowdfunding is emerging as a popular way to raise capital for larger projects. Regional examples including the aiding of a local brewery to bring new products to market quickly whilst offering investors a small return. This also increases exposure of the new products. • **R&D Tax Credits** – A number of businesses admitting they are not taking advantage of this tax break, some of which are missing out on big savings that could aid growth. The full extent of the problem is unclear although concerns that Accountancy firms are not providing the service they are charging for.
Health & Care	• **Care homes in the region are reportedly struggling badly to attract staff**. Regional care homes have been registering on gov skilled worker shortage programmes. There continues to be lots of activity around companies applying for ARG business recovery scheme. And this is seeing several companies **expressing concern around potential lock downs over winter**. Consensus is that this would really hurt business.
Manufacturing	• Manufacturing in the Midlands is reported to be continuing its recovery towards pre-pandemic levels, however, the **mood is said to be markedly more downbeat than was the case in late Summer.** • **Recruitment difficulties, supply problems and energy prices** continue to be causing what are described as 'growing pains'. • Chiming with this, the **Manufacturing Growth Programme (MGP)** recently released their Q2 report for 2021, with a special focus on **resources and recruitment.** Key findings include: - Generally positive future predictions of manufacturers, with the majority of respondents expecting increases over the next six months. - But many are still experiencing significant supply chain challenges and are taking action to reduce the problems – e.g. extending lead times, increasing stocks, increasing prices. - Respondents continue to cite recruitment challenges. • Overall, manufacturing is recovering, but current supply chain and recruitment issues are **making it hard for businesses to meet heightened demand.**
Culture and Creative	• Covid rates increasing in Europe are a real concern for the sector as the possibility of a new variant and **possible lockdown measures may be in order**. Whilst the booster vaccine programme is scrambling to get as many vaccinated as possible, the possibility that we may be impacted is a real cause for concern. • Rising costs and increased interest rates are also a real cause for concern as **many creative businesses are still in recovery mode** and their growth plans could be dented. • This is causing businesses to prepare for the worst, although many have already tried to ensure that they have already mitigated for the possibility of a further lockdown. Rising costs are an issue, especially **energy costs**, as this will mean an increase in charges in what is already a difficult playing field. • More positively, some **75 arts, heritage, and cultural organisations in the West Midlands are to benefit from a share of £6.3m from the third round of the Cultural Recovery Fund**, including the Mockingbird Cinema and the Corey Baker Dance Company, based in Birmingham.
Automotive	• In the strategically significant automotive sector, continuing (global) **shortages in the supply of semiconductors r**emain a major concern that is impacting on production levels. As a result, engine production was reported to be down by some 40% in September. • The **car industry suffered its worst overall October performance since 1991,** figures show. Just 106,265 new cars were registered in the UK last month, representing a **24.6% fall compared with October 2020**, the Society of Motor Manufacturers and Traders (SMMT) said. This made it the fourth consecutive month with a year-on-year decline.
Construction	• The increasing cost of materials continues to hinder construction as increasing costs are resulting in the loss of customers, coupled with **ongoing labour and skills problems**.

SECTOR	KEY INSIGHTS
	• Furthermore, the UK construction industry has warned that **plans to introduce a new post-Brexit "UKCA" safety and quality mark will cause shortages of key building products and materials** and damage the government's levelling up agenda. In a letter to the business secretary, the Construction Leadership Council said that it wanted to **raise "urgent industry concern" about the scheme**, which is designed to assert the UK's new regulatory independence after leaving the EU.

NEW ECONOMIC SHOCKS

COMPANY	LOCATION	SECTOR	SOURCE/DETAIL
GKN Automotive	Erdington, Birmingham	Automotive /Manufacturing	'Hammer blow' as more than 500 jobs go in Birmingham as GKN workers accept redundancy.
Economy-wide	Midlands	All	The number of corporate insolvencies across the Midlands more than doubled in the third quarter of 2021, according to new research from Interpath Advisory. Analysis of notices in The Gazette by Interpath Advisory revealed that a total of 19 companies fell into administration or receivership from July to September 2021, up from eight in the second quarter of 2021, though down from the 25 seen during the same period last year.
Primark	National	Retail	Discount fashion chain Primark has admitted it is struggling with higher costs and supply chain issues as it recovers from the effects of the coronavirus pandemic. Store closures during lockdowns hit the retailer's annual sales, down by 12% on pre-Covid levels.

NEW INVESTMENT, DEALS AND OPPORTUNITIES

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
Flybe	Birmingham	Aerospace	Flybe has announced that Birmingham Airport will be its new company headquarters and first new crew base.
NEC Group	Solihull	Commercial / Construction	NEC unveils urban village masterplan for 5,000 new homes Public consultation has launched into the mixed-use proposals which would regenerate 67 acres of surplus land and car parks at the campus in Solihull and create around 3,500 jobs
Norton Motorcycles	Solihull	Manufacturing / Automotive	New Norton Motorcycles HQ opens - The move will create 100 jobs at the site in Solihull.
Aldi	Walsall	Retail	Aldi is set to close one store and open another after signing a deal to take over an eyesore former shopping centre. The supermarket giant has bought the derelict Ravenscourt shopping precinct in Brownhills and plans to open a new store there next year.
Goold Estates	Brierley Hill	Property	Property investment and development company, Goold Estates has secured more than 13,500 sq ft of lettings at a newly refurbished industrial estate in the West Midlands. The Oldbury-based firm has let four of the five available industrial/warehouse units in the first phase of refurbishment at Cookley Wharf Industrial Estate on Leys Road, Brierley Hill.
Slicker Recycling	Wyre Forest	Waste	A business which specialises in the recycling and treatment of waste lubricating oils has expanded into the United States. Stourport-based Slicker Recycling has acquired Ohio-based Hydrodec, a firm which collects and hydrotreats used transformer and naphthenic oils.
Harrison Street and Cortland	Birmingham	Property	A joint venture team first formed last year is to develop a new 35-storey apartment complex in Birmingham city centre. Investment management firm Harrison Street and US real estate investment, development and management company Cortland have together acquired a site in Broad Street where more than 400 units to rent will be built.

COMPANY	LOCATION	SECTOR	DETAIL & SOURCE
Coventry University	Coventry	Automotive	One of the UK's largest hydrogen fuel cell testing facilities has been completed in Coventry. Coventry University's Centre for Advanced Low-Carbon Propulsion Systems (C-ALPS) has spent more than £2m in creating the 100 sq metre lab and hydrogen compound.
Eatron	Warwick	Automotive / Software	A Warwick-based automotive software firm has raised $11m in a series-A funding round to support is global expansion plans. Eatron, which also has an R&D centre in Istanbul, has developed a software platform designed to drive innovation in the continuous optimisation of performance, efficiency and safety of electric vehicles.
Autins Group	Warwickshire	Automotive	Warwickshire-headquartered supplier to the automotive industry Autins Group has raised £3m with a placing. The placing at 20 pence per share was conducted by an accelerated book building process.
Chancerygate	Coventry	Development	Construction of a new West Midlands business park is under way which is set to create 200 jobs in the region. The regeneration of the former Coventry site of aerospace company Meggitt has now been backed by an £8.8 million investment by the West Midlands Combined Authority.
Liberty Aluminium Technologies / JLR	Kidderminster / Coventry	Manufacturing	A total of 170 jobs across Liberty Aluminium Technologies casting plants in Kidderminster and Coventry have been saved after Jaguar Land Rover (JLR) stepped in. The factories that make aluminium parts and a vital part of the supply chain for JLR have been sold by Sanjeev Gupta's GFG Alliance.
Coneygre Redevelopments Ltd	Tipton	Development	An application has been submitted proposing a major industrial development on the site of a former foundry in Sandwell. The project has the potential to create hundreds of jobs. Coneygre Redevelopments Ltd has lodged plans with Sandwell Borough Council to redevelop a site at Newcomen Drive in Tipton.

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
For any queries please contact the lead Authors:

Rebecca Riley R.Riley@Bham.ac.uk
Alice Pugh A.Pugh@Bham.ac.uk
Delma Dwight Delma_Dwight@blackcountryconsortium.co.uk
Anne Green A.E.Green.1@bham.ac.uk

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