

**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.**

With the devastation caused by war in Ukraine continuing, Russia has halted gas exports to Poland and Bulgaria in what has been termed a strategy of 'energy blackmail'. Many European countries are working to reduce dependence on gas from Russia. Awareness of supply pressures on certain goods, notably cooking oil, is becoming more apparent with implications for consumers, the food manufacturing sector and hospitality.

### International developments

- Tensions have continued to rise in Europe. Russia has halted gas exports to both [Poland and Bulgaria](#). Many EU leaders are stating that this equates to [blackmail](#). Many European countries are putting in place [strong strategies for alternative energy sources](#), with the aim of phasing out Russian gas by the end of the year.
- In France, President Macron has been re-elected. This is the first time in 20 years, the French electorate has [re-elected a sitting President](#), but Marine Le Pen secured the [most votes of any far right candidate](#) in the history of the French Republic. As in other parts of Europe Voter turnout was the [lowest since 1969](#), with just under 72% of the French electorate voting, and more than 3 million ballots were spoilt or blank.
- Streaming services are struggling greatly globally; with Netflix and Amazon Prime are all seeing subscribers leave their platform following rapid growth during the pandemic. The opening up of economies and the rising cost of living are amongst the driving factors here.

### Cost of living increases

- Nationally, [Kantar's latest take-home grocery figures](#) show that supermarket sales fell by 5.9% over the 12 weeks to 17th April 2022, with grocery price inflation rising on average 5.9% this month. [Kantar](#) has estimated that this rise in inflation could lead to extra costs of £271 for the average household this year.
- As people see their cost-of-living rise there is an increasing transition towards value products. Major retailers are listening to the concerns of their consumers, with [Asda launching its Just Essentials line](#) and Morrisons announcing [price cuts on everyday goods](#).
- The war in Ukraine has also increased public awareness of supply pressures and there has been evidence of some [stockpiling of goods](#), notably cooking oil, as consumers prepare for limited access along with higher prices. Such shortages, and associated price increases, also have implications for the food manufacturing sector.
- Given the rapidly rising cost of living, 17% of respondents to an [ONS survey](#) said they were borrowing more than they did last year. And this is before energy price increases in April 2022.
- Many local areas within the West Midlands will be impacted particularly hard by energy price rises. Analysis of figures from the [End Fuel Poverty Coalition](#) shows that the most fuel poor constituency is Birmingham Hodge Hill which has seen the proportion of fuel poor households increase from 27.4% in 2019 to 54.5% in April 2022.

### The economy and businesses

- According to online job advert statistics from Adzuna, nationally, between 8<sup>th</sup> and 14<sup>th</sup> April 2022, total online job adverts increased by 3.5%. On the 14<sup>th</sup> April 2022, total online job adverts were at 143.7% of their average level in February 2020. Excluding in the East Midlands, online job adverts for all regions increased but only by from 0.3% in the West Midlands.
- Google Mobility data provides an indicator of changes in the volume of visits to different location types compared with a pre-coronavirus baseline. Visits to each location type in the UK in the week to 15<sup>th</sup> April 2022 compared with the previous week shows that parks increased by 30% (to 54% above pre-coronavirus levels), retail and recreation increased by 8% (but were 9% below pre-coronavirus levels), grocery and pharmacy increased by 5% (to 5% above pre-coronavirus levels) but workplaces decreased by 11% (32% below pre-coronavirus levels).
- The System Average Price (SAP) of gas fell by 22% in the latest week (to 17<sup>th</sup> April 2022), although it was 234% higher than the equivalent period from the previous year and 665% higher when compared to the pre-Coronavirus baseline.
- The final results from Wave 54 of the Business Insights and Conditions Survey (which had a reference period of March 2022), based on 5,095 businesses surveyed across the West Midlands, reveal that in terms of international trading, excluding "not sure" responses, 55.9% of responding West Midlands businesses reported "exporting as normal" and excluding "not sure" responses, 57.3% of responding West Midlands businesses reported "importing as normal".

- 33% of West Midlands businesses reported “no extra costs” due to the end of the EU transition period, while 31.7% reported “additional transportation costs”.
- 24.2% of West Midlands businesses reported experiencing global supply chain disruption in March 2022.
- 31.4% of West Midlands businesses reported the main concern for business was “inflation of goods and services prices” in April 2022.
- Excluding “not applicable” or “not sure” responses, 25.9% of West Midlands businesses reported they had not been affected by recent increases in energy prices.
- 49.5% of West Midlands businesses reported that due to price rises they have “had to absorb costs”. Over 40% had to pass on price increases to customers.
- 36.4% of responding West Midlands businesses reported currently experiencing a shortage of workers. Due to the shortage of workers, 64.4% of West Midlands businesses reported employees were then working increased hours.

### The National Minimum Wage

- April 1<sup>st</sup> 2022 marked the 23rd year since the introduction of the National Minimum Wage (NMW). The day is also notable for a [minimum wage rise for workers across the UK](#). For over 23s, the National Living Wage (NLW) (introduced in 2016) rose from £8.91 to £9.50 per hour. For those aged 21-22 and for whom the NMW still exists, the NMW rate rose from £8.36 to £9.18, whilst for workers aged 18 to 20, it rose from £4.62 to £4.81. The Apprentice rate rose from £4.30 to £4.81.
- Initial fears that the introduction of the minimum wage would lead to an overall loss of jobs have [proved unfounded](#). A review of international evidence on the impacts of minimum found that recent evidence from the US, UK and other developed countries [“points to a very muted effect of minimum wages on employment, while significantly increasing the earnings of low paid workers”](#). Moreover, the hourly rates for full-time workers have grown at a faster pace at lower percentiles.
- According to the Low Pay Commission, in 2021 5.9% of workers nationally receive either the NMW or the NLW. The proportion differs across the UK, with the West Midlands standing out (after the North East) as having the high proportion of workers receiving the NMW or NLW in England. In absolute terms, most workers claiming NMW or NLW (over 29,000 workers) live in Birmingham, reflecting the size of the local authority area, but in relative terms Walsall and Dudley have amongst the highest percentages (12.2% and 10.4%, respectively), being paid at this rate.
- The proportion of people receiving the NLW differs according to ethnicity and is highest amongst workers of Bangladeshi and Pakistani origin.
- ‘Delivering good jobs’ and ensuring that there are adequate opportunities for up-skilling and re-skilling will be essential to enabling workers to move into the newly created roles and reducing the proportion of individuals in minimum wage roles in the West Midlands.

### Public transport and access to services

- For people living in socio-economically disadvantaged areas, access to public transport is very important in terms of providing independence for groups of people who cannot drive, cycle or walk; it provides them with the chance to access services such as employment and healthcare independently, as well as preventing them from being excluded from society through engaging with people and being around them routinely.
- Lack of public transport availability is an important challenge in some areas, especially outside large urban centres, but even where regular services exist, many low-income households can perceive public transport to be costly.
- There is a need to include much wider participatory approaches to planning transport, which can help in shaping policies that are targeted and more inclusive. These co-created solutions have more public acceptability than top-down solutions most common in transport planning.
- An [evidence review by the Government Office for Science in 2019](#), shows that many people in the UK may not be able to access important local services and activities, such as jobs, learning, healthcare, food shopping or leisure as a result of a lack of adequate transport provision. Problems with transport and poor links to opportunity destinations can also contribute to social isolation, by preventing full participation in these life-enhancing opportunities. There is international evidence to suggest that transport barriers are a contributory cause of missed and cancelled health appointments, delays in care, and non-compliance with prescribed medication. These forms of disrupted and impaired care are associated with adverse health outcomes.
- Social groups who are more at risk from mobility and accessibility inequalities than others include lowest income households (where female heads of household, children, young and older people, black and minority ethnic (BME) and disabled people are particularly concentrated).
- More generally, from a workforce and workplace perspective, [inequality is concentrated amongst certain groups but talent is spread across all groups](#). If firms fail to embrace diversity, they will miss out. For example, the government-backed [McGregor Smith Review of Race in the Workplace](#) estimated that if BAME individuals are fully utilised across the labour market as a result of improved participation and progression, the economy could benefit from a £24 billion boost.

## Implications of global trade, supply disruptions and the pandemic on the automotive sector

- Global trade and supply disruptions and the legacy of the pandemic are set to have a damaging impact on this automotive sector, with 40% of all new cars exported from the UK made in the West Midlands, and with the region account for 35% of all of the UK's automotive employment in 2019.
- SMMT figures show that new car production is down -29.3% in 2020 and 28.7% in 2021 compared to 2019 ([SMMT, 2021](#) and [SMMT, 2022](#)), representing the lowest levels of car production since 1984.
- The automotive sector is broad with strong linkages to metals, engineering, R&D and other advanced manufacturing sectors.
- The Socio-Economic Impact Model for the UK (SEIM-UK) is a multi-regional input-output (MRIO) built in City-REDI which has been used to estimate the economic shocks triggered by six scenarios representing a broad range of the potential impacts of Covid-19 and Brexit on the UK economy. In percentage terms, the output impact ranges from -0.18% to -0.50% and in employment -0.12% to -0.33% nationally.
- The change in employment by region follows a similar pattern, with the West Midlands seeing the biggest impact with a loss of full-time equivalent (FTE) jobs between -0.75% and -1.99% throughout the economy.
- In terms of output the most vulnerable sectors are the manufacture of vehicles and fabricated metals. Outside of the shocked sectors, the spill-over impacts are in the broader manufacturing sectors, professional and technical services, construction, trade of motor vehicles, electricity, transportation and storage.
- The automotive sector is facing significant change over the next decade. Diesel and petrol engines are being phased out with a ban on new combustion engines from 2030 in the UK ([BBC, 2020a](#)). The supply chains for alternative propulsion engines may be significantly different to the status quo leading to further uncertainty in the future regional automotive sector. For policy, this means regions like the Midlands will have to recalibrate their labour markets with the help of universities in preparation for demand for new skills and technologies.

## COVID-19 infections

- [COVID-19 case numbers across Europe](#) have dropped. This is likely because of the changing weather and increased vaccination rates. Rates are highest in Germany and France.
- Latest [ONS infection survey data](#) shows that in England, the percentage of people testing positive for COVID-19 continued to decrease in the week ending 16 April 2022; we estimate that 3,218,700 people in England had COVID-19 (95% credible interval: 3,120,200 to 3,317,200), equating to 5.90% of the population or around 1 in 17 people.

# Global, National and Regional Outlook

Alice Pugh, WMREDI

## Global

Tensions have continued to rise in Europe, as Putin follows up on a threat that was levelled against [‘unfriendly’](#) nations. Last month President Putin warned European countries that if they did not pay for energy in roubles, they would cease energy transfers. This week Putin followed up on this threat, and Gazprom has halted gas exports to both [Poland and Bulgaria](#). Poland has confirmed that this supply has been halted, but Bulgaria is still unclear whether supplies have been halted. Poland had anticipated that Putin may do this and whilst it gets 53% of its energy supply from Russia, it has been [securing its underground energy stocks](#) over the last few months; this means for at least for the short run, Poland will still have an energy supply. Bulgaria, however, relies on Russia for 90% of its fuel and has said that it is taking steps to find alternative energy supplies, but [no restrictions](#) will be put on energy consumption.

Many EU leaders are stating that this equates to [blackmail](#). Other countries across Europe who received similar threats have not seen their energy supplies halted. Whilst energy may be a political weapon for Putin, it is also a significant proportion of the Russian economy and stopping supplies to larger higher consumption economies, such as Germany, would have a [significant impact on the Russian economy](#). However, if Putin was to cut off supplies to Germany, which has a [45% dependence](#) on Russian natural gas, their largest energy source, it would send energy prices spiralling across Europe, potentially developing into a supply crisis. As a result, many European countries are putting in place [strong strategies for alternative energy sources](#), with the aim of phasing out Russian gas by the end of the year.

Additionally, this week for the first time in 20 years, the French electorate has [re-elected a sitting President](#). President Macron won the vote by a majority of [58.5% to 41.5%](#) against Marine Le Pen. However, whilst this is a clear victory, it is largely because the majority of the French electorate did not want a far-right candidate to win, not because they necessarily strongly support Macron and his policies. Additionally, many within France thought that [Le Pen was too close to Russia](#) given the current tensions, which persuaded many to vote in favour of Macron. As well as this, the voter turnout was the [lowest since 1969](#), with just under 72% of the French electorate voting, and more than 3 million ballots were spoilt or blank. Additionally, Le Pen secured the [most votes of any far right candidate](#) in the history of the French Republic. As in other parts of Europe, France is seeing great divides across its electorate, with populist candidates making significant gains in the last couple of elections. Fixing these divides will be a significant challenge, not just in France but across Europe.

Currently streaming services are struggling greatly globally. After rapid growth during the pandemic, streaming services such as Netflix and Amazon Prime are all seeing subscribers leave their platform; [Netflix saw \\$50bn wiped off its market value](#). This, in part, may be because new customers that these services gained during their rapid growth in the pandemic, were gained in times of lockdown and social distancing restrictions, and now that economies are opening back up customers may be [inclined to cancel their subscription](#). Furthermore, the cost of living is biting many households globally and many subscribers are choosing to [cancel their subscription to save money](#). In the UK alone [Kantar](#) found that half a million households had cancelled their subscription due to ‘money saving’ reasons.

## National

[Kantar’s latest take-home grocery figures](#) show that supermarket sales fell by 5.9% over the 12 weeks to 17th April 2022. Perhaps this is not surprising given that grocery price inflation has on average risen at 5.9% this month, its highest level since December 2011. [Kantar](#) has estimated that this rise in inflation could lead to extra costs of £271 for the average household this year. Additionally, the majority of these goods are non-discretionary – they are everyday essentials which will prove difficult to cut back on as budgets are squeezed.

Furthermore, as people see their cost-of-living rise there is an increasing transition towards value products. With the level of products bought on promotion, currently at [27.3%, has decreased 2.7%](#) as everyday low-price strategies

come into play. Major retailers are listening to the concerns of their consumers, with [Asda launching its Just Essentials line](#) and Morrisons announcing [price cuts on everyday goods](#).

[Kantar](#) also found that budget supermarket sales, such as Aldi, were the fastest growing retailers in this period. According to [Kantar](#), Aldi's sales increased by 4.2% over 12 weeks, closely followed by Lidl which was up 4%. Compared to last year, [Kantar](#) found that over one million extra shoppers visited Aldi and Lidl respectively over the past 12 weeks compared to this time last year.

Putin's invasion of Ukraine has also increased public awareness of supply pressures and there has been evidence of some beginnings of [stockpiling of goods](#), such as cooking oil, as consumers prepare for limited access along with higher prices. Some supermarkets were even forced to [ration cooking oil purchases](#). This combination of increased demand and rising prices saw the [cooking oil market grow by 17%](#) in April.

Additionally, [Kantar](#) found that sales at the supermarkets had also decreased by 4.1% due to people going back the office, as well as to restaurants and pubs. However, this is not unexpected given this time last year there were greater lockdown restrictions in place. Furthermore, whilst the number of supermarket trips has remained steady, the average basket size has reduced by [4.5% to £22.39](#).

Unsurprisingly, given the rapidly rising cost of living, nearly 1 in 5 (17%) have said they were borrowing more than they did last year according to an [ONS survey](#). 43% of respondents stated that they would find it unlikely that they would be able to save any money over the next 12 months. The [survey](#) also showed that 23% of adults in the month of March found it was either very difficult or difficult to pay their usual household bills in the previous month, compared with a year earlier. However, this means these figures do not account for the energy price increases that arose this month.

Overall, the vast majority of people, [87%](#), stated that their cost of living had risen in the previous month. Those hit hardest were in rented properties and people living in less affluent areas. However, next month's survey will likely show these figures increase as it will include the energy price rises that came into effect this month. Additionally, energy prices will likely rise again, with Putin cutting off energy supplies to European nations, placing even greater pressure on already low energy stocks in Europe.

## Regional

The West Midlands Food and Drink manufacturing sector is large. It accounts for [£1.05bn in GVA](#) in the WMCA area and [employs 16,000 people](#). The rapidly rising costs of food goods will likely greatly impact this sector. For instance, the price of sunflower oil and vegetable oil has risen by [27% and 40% respectively](#). These are key ingredients for many food manufacturers. If prices continue to rise at this rate alongside rise in other food stuffs, it will be inevitable that manufacturers will be forced to increase prices of their products and pass on some of the costs to consumers. However, with tensions rising in Europe it is likely that these prices will continue to increase, as supply reduces.

With energy prices set to rise again as Putin halts supplies to European countries, the WMCA area will be impacted. City-REDI analysis of figures from the [End Fuel Poverty Coalition](#) found that 30% of the most fuel poor constituencies were within the WMCA area, this being 19 out of 63. In total, the number of fuel poor households in these constituencies has dramatically risen from 172,093 in 2019 to 342,565 in April 2022; this is a 99% increase in fuel poor households in these constituencies. The most fuel poor constituency is Birmingham Hodge Hill which has seen the proportion of fuel poor households increase from 27.4% in 2019 to 54.5% in April 2022, as seen in the table below.

Parliamentary Constituency	Number of households in fuel poverty (2019)	Proportion of households fuel poor (% , 2019)	Number of households in fuel poverty (from 1 April 2022)	Proportion of households fuel poor (% from 1 April 2022)
Birmingham Hodge Hill	11,575	27.4%	23,041	54.5%
Wolverhampton South East	8,956	23.7%	17,828	47.1%
Birmingham Yardley	10,405	23.5%	20,712	46.7%
Warley	8,775	23.2%	17,467	46.2%
Birmingham Ladywood	11,770	23.1%	23,429	46.0%
Birmingham Erdington	10,006	22.8%	19,918	45.5%
Birmingham Perry Barr	9,248	22.8%	18,409	45.3%
Birmingham Hall Green	9,550	22.7%	19,010	45.2%
Wolverhampton North East	8,531	21.8%	16,982	43.4%
Walsall South	8,688	21.8%	17,294	43.3%
Walsall North	8,852	21.7%	17,621	43.2%
Birmingham Selly Oak	9,210	20.9%	18,333	41.6%
Coventry North East	9,653	20.4%	19,215	40.7%
West Bromwich East	7,569	20.3%	15,067	40.5%
West Bromwich West	7,623	20.0%	15,174	39.8%
Birmingham Northfield	8,805	19.1%	17,527	38.0%
Birmingham Edgbaston	7,995	18.8%	15,915	37.4%
Dudley North	6,661	18.8%	13,259	37.4%
Coventry South	8,221	18.4%	16,364	36.7%

Continuing risers in prices will further push households into fuel poverty across the region, especially with escalated European tensions rising energy prices. Additionally, less disposable income due to rising energy prices, will slow down the WMCA area economy, as people will have to cut back on spending in other non-necessity goods. However, energy prices may gradually fall in the coming months as we enter the warmer months and demand for energy to heat homes falls.

# The National Minimum Wage: An International, National and Regional Perspective

Maryna Ramcharan and Abigail Taylor, WMREDI

*Maryna Ramcharan and Abigail Taylor examine the National Minimum Wage in terms of how it compares to minimum wage rates internationally, its national impact and its implications for the West Midlands.*

The 1st of April 2022 marks the 23rd year since the introduction of the National Minimum Wage (NMW) in the UK by Tony Blair’s Labour government in 1999. The day is also notable as it sees the [minimum wage rise for workers across the UK](#). For over 23s, the National Living Wage (NLW, introduced in 2016) will rise from £8.91 to £9.50 per hour. For those aged 21-22 and for whom the NMW still exists, the NMW rate will rise from £8.36 to £9.18, whilst for workers aged 18 to 20, it will rise from £4.62 to £4.81. The Apprentice rate will rise from £4.30 to £4.81.

Described as *“one of the most significant labour market interventions”* made by Blair’s government, it increased the pay of well over one million low paid workers by about 15% overnight at the point of introduction. Initial fears that the introduction of the minimum wage would lead to an overall loss of jobs have [proved unfounded](#). Indeed, a review of international evidence on the impacts of minimum wages for the Treasury, found that recent evidence from the US, UK and other developed countries *“points to a very muted effect of minimum wages on employment, while significantly increasing the earnings of low paid workers”*. Even during periods of recession, [employers appear to “absorb” minimum wage increases](#) through higher prices, lower profits and increased worker productivity as opposed to laying off staff.

Nonetheless, what have the implications of the introduction of the minimum wage been over the longer term? This blog:

- compares the generosity of the minimum wage rate across international countries,
- examines trends in the NMW/NLW versus real hourly pay,
- considers the proportion of workers who receive the minimum wage, which types of workers mainly receive it.

## How does the National Minimum Wage in the UK compare to Minimum Wage rates internationally?

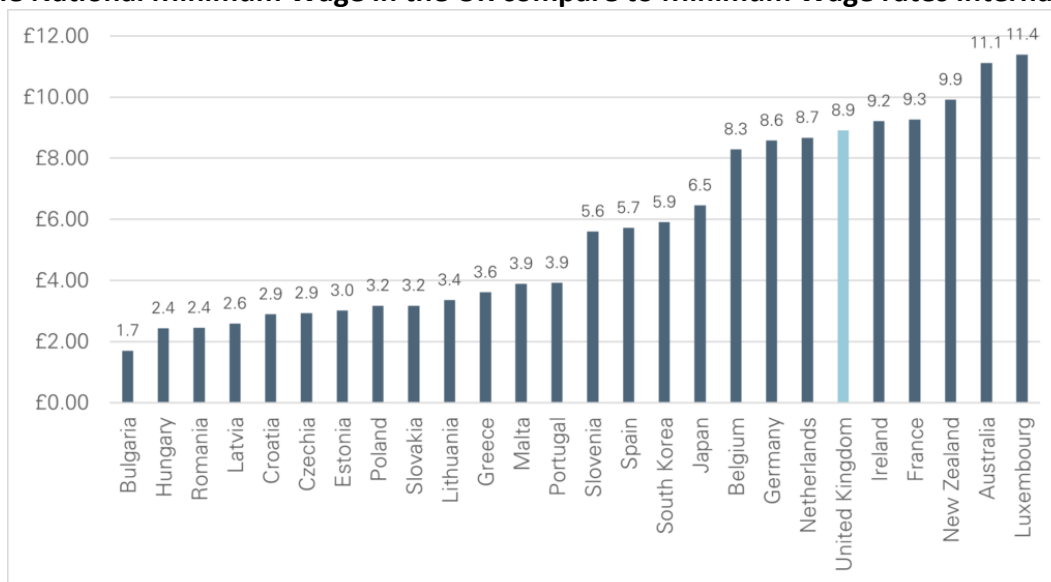


Figure 1: National minimum wages: the UK vs other countries, Jan 2021. Data source: LPC estimates using Eurofound Minimum wages in 2021: Annual review and wageindicator.org

## Trends in National Minimum Wage and National Living Wage vs Real hourly pay

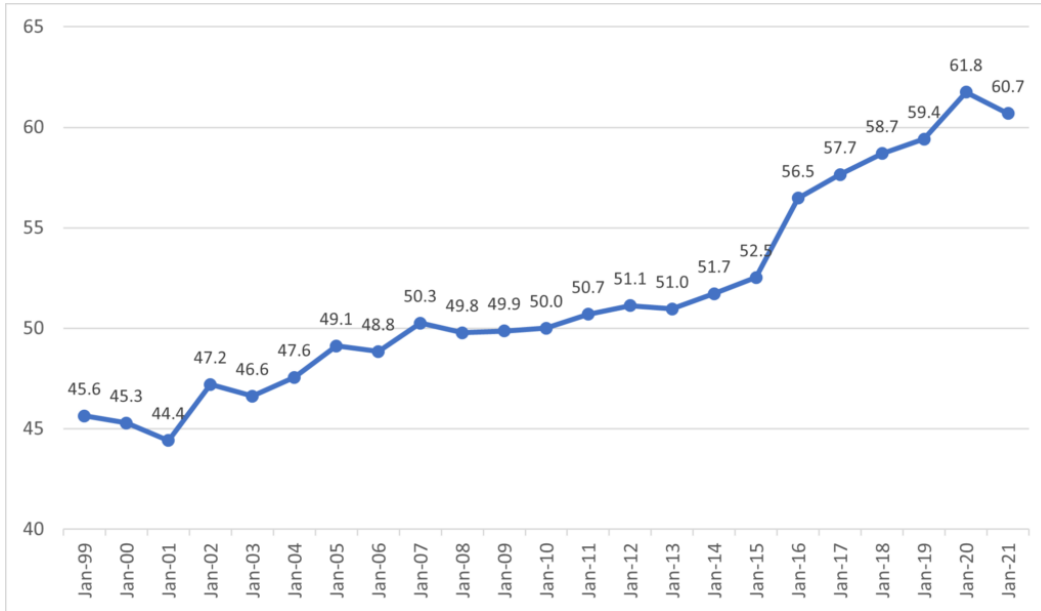


Figure 2: April bite 1999-2021 (per cent). Data source: LPC analysis using ASHE, standard weights, and AWE ONS Average Weekly Earnings Seasonally Adjusted Total Pay, UK, 1999-2021

The ‘bite’ of the minimum wage relates to the ratio of NMW/NLW to median hourly earnings. The data shows that the bite has followed an increasing trend over time. Analysis by the [Institute for Fiscal Studies](#) indicates that the introduction of the NLW (which increased the minimum hourly monthly pay from £6.50 to £7.20 per hour) led to an increase in the ‘bite’ of the minimum wage as a fraction of the median wage) for individuals aged 25+ that exceeded the increase over the previous 16 year period since the introduction of the NMW.

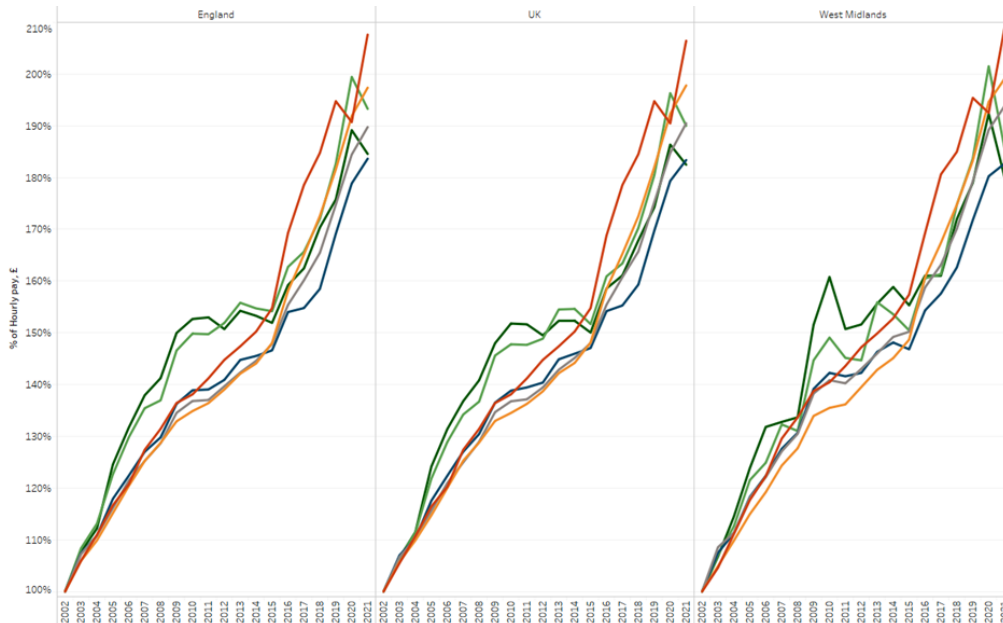


Figure 3: Hourly pay growth at different percentiles for part-time workers. Data source: Annual Survey of Hours and Earnings, resident analysis

Hourly pay growth shows that hourly rates for full-time workers have grown at a faster pace at lower percentiles. This is ‘pro-poor growth’ according to [Klasen](#) who defines pro-poor growth as growth that maximises the income gains of the poor. This means that the income growth rate of the poor must exceed the growth rate of the non-poor. In such a case, reduction of poverty goes hand in hand with a reduction in inequality. However, the picture is different for part-time workers (Figure 3). Hourly pay of upper percentiles grew at a faster rate than the hourly pay of the 10th percentile from 2004 to 2019, as well as in the first year of the recent pandemic.



## What proportion of workers receive the NMW/NLW nationally and regionally?

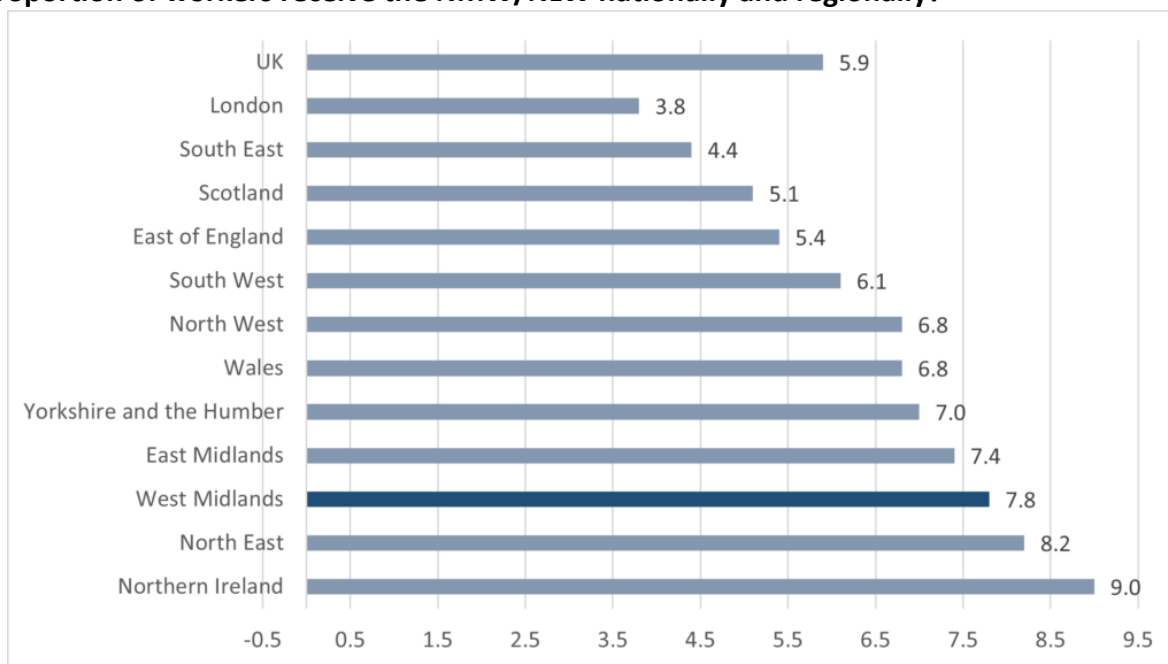


Figure 5: Coverage of the NMW/NLW rates for workers aged 16+, ranked by coverage proportion, 2021. Data source: LPC 2021 Report data

As shown in Figure 2, 5.9% of workers nationally currently receive either the NMW or the NLW. The proportion differs across the UK, being highest in Northern Ireland at 9% and lowest in London at 3.8%. Regions with a higher share of minimum wage workers generally have a higher proportion of low-paid workers. This indicates that a [strong connection exists between the share of minimum wage workers and the strength of the local economy and its industrial/occupational composition](#).

Across England, the West Midlands stands out for the high proportion of workers receiving the NMW or NLW, indicating a need to focus on creating high quality higher paid employment. 7.8% of workers aged above 16 are currently paid the NMW/ NLW in the West Midlands which is a higher proportion compared to the UK. The West Midlands ranks third in coverage of the NMW/NLW rates for workers 16+ following Northern Ireland and the North East. Most workers claiming NMW or NLW (over 29,000 workers) live in Birmingham, reflecting the size of the local authority area. The parts of the West Midlands which have the highest proportions of workers receiving the NMW/NLW are Staffordshire Moorlands, Walsall, and Dudley.

Local Authority	Coverage, numbers	Coverage, percent
Birmingham	29.3K	7.2
Shropshire	11.6K	9.3
Dudley	11.2K	10.4
Coventry	9.5K	6.7
Walsall	9.3K	12.2
Sandwell	9.1K	9.1
Wolverhampton	7.3K	9.8
Stoke-on-Trent	6.6K	5.2
Herefordshire, County of	6.4K	8.2
Telford and Wrekin	5.5K	5.8
Warwick	5.2K	5.6
Solihull	5.0K	5.3
Worcester	4.6K	8.5
Staffordshire Moorlands	3.0K	13.2

Table 1: National Minimum Wage/ National Living Wage coverage for LA for workers aged 23+ in the West Midlands, ranked by coverage number, 2021. Data source: LPC analysis of ASHE, low pay weights including furloughed workers, central pay estimates, UK, 2021.

## Who is being paid the NLW and what are the implications of this for the West Midlands?

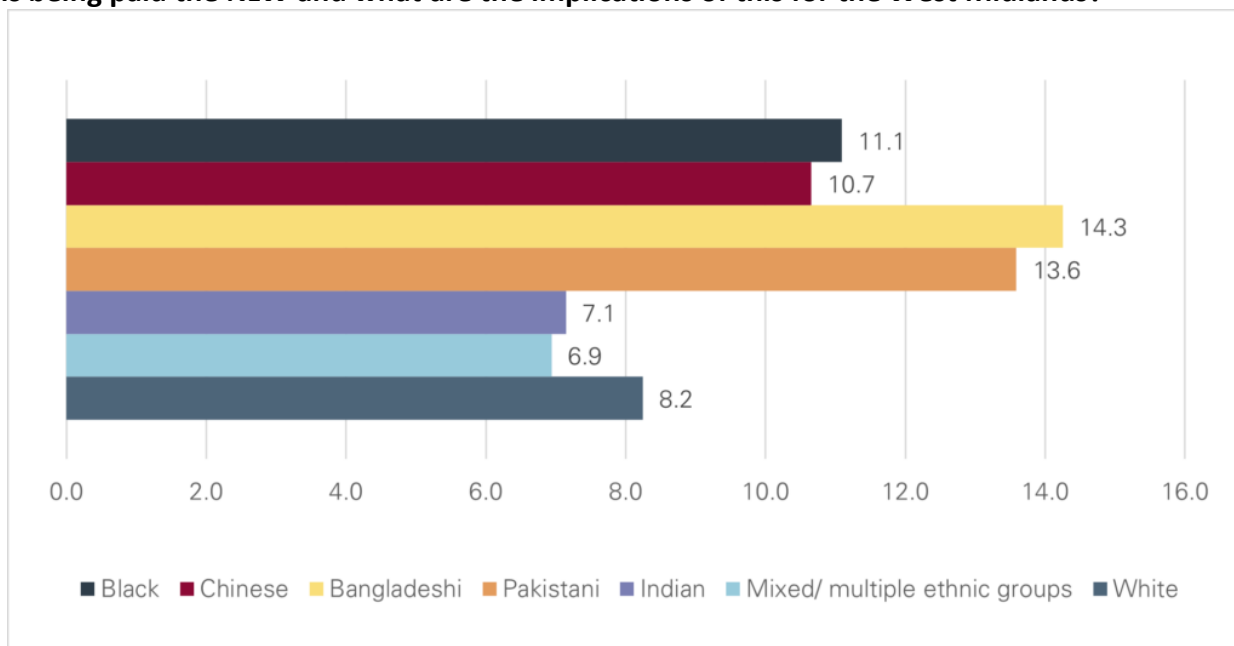


Figure 6: Coverage of NLW by ethnicity in the UK, 2020 Q1, percent. Data source: LPC estimates using LFS microdata, income weights, quarterly, imputed wages, not seasonally adjusted, 2016-2020

According to the Low Pay Commission (LPC) data, the proportion of people receiving the NLW differs according to ethnicity. It is highest amongst people of Bangladeshi and Pakistani origin and lowest amongst workers of mixed ethnicity or of Indian origin. This trend has important implications for the West Midlands as the West Midlands has a higher proportion of Bangladeshi/Pakistani residents than the UK population average (3.9% compared to 2%). There were 14.3% of Bangladeshi people being paid minimum wage in the UK at the beginning of 2020 followed by 13.6% of Pakistani people and 11.1% of black people.

Also, data shows that females and people over 60 years old are more likely to be on minimum wage pay. This also applies to those who work privately, do temporary or part-time jobs and those being paid on an hourly basis. The proportion of females and people aged over 60 in the West Midlands is close to the national average.

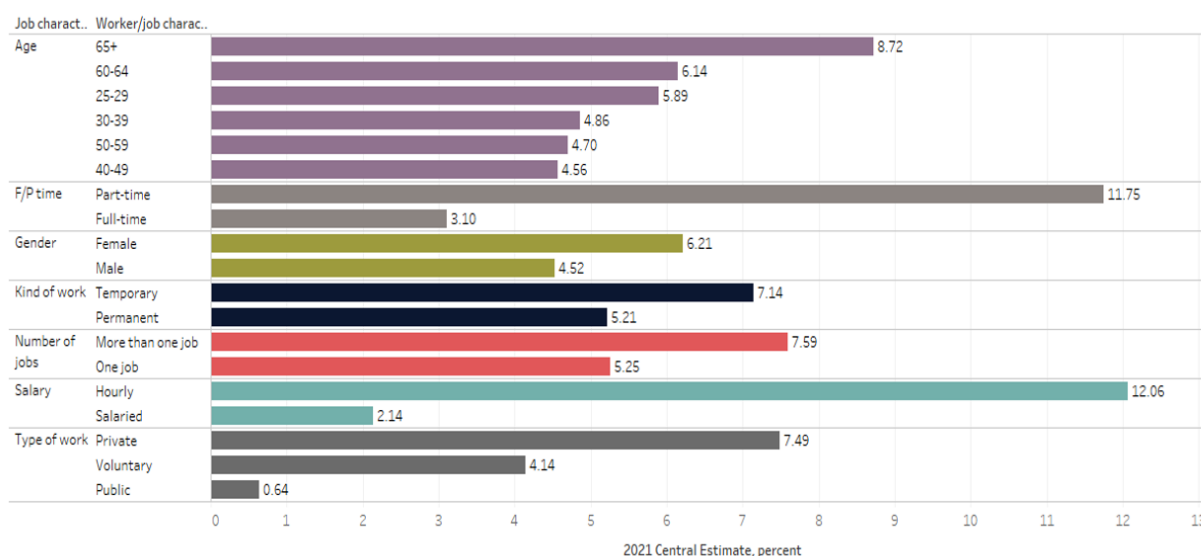


Figure 7: Proportion of eligible workers paid the NLW by job/worker characteristics, UK, 2021. Data source: LPC 2021 Report data

### The importance of up-skilling and re-skilling

Overall, this blog shows how:

- the value of the minimum wage in the UK compares quite favourably to that in other countries
- the hourly rates for full-time workers have grown at a faster pace at lower percentiles

- the proportion of people receiving the NLW differs according to ethnicity and is highest amongst workers of Bangladeshi and Pakistani origin
- the West Midlands stands out (after the North East) for the high proportion of workers receiving the NMW or NLW compared to other regions in England.

The West Midlands [2021 State of the Region report](#) emphasises the importance of stakeholders within the region focusing on “delivering good jobs”, arguing that “there is a need to create purposeful jobs that provide a route out of poverty and aid a just transition to net-zero”. The [WM2041 Five Year Plan](#) identifies a potential for 21,000 jobs to be created by 2026 and another 71,000 jobs to be created by 2041 as part of the transition to net-zero. Ensuring adequate opportunities for up-skilling and re-skilling will be essential to enabling workers to move into the newly created roles and reducing the proportion of individuals in minimum wage roles in the West Midlands.

# Public Transport and Access to Healthcare in Socio-Economically Disadvantaged Areas

Sara Hassan, WMREDI

*Sara Hassan summarises the key takeaways from literature on public transport and healthcare services accessibility with a special focus on disadvantaged and deprived areas.*

Public transport (PT) is very important in terms of providing independence for groups of people who cannot drive, cycle or walk; it provides them with the chance to access services such as employment and healthcare independently, as well as preventing them from being excluded from society through engaging with people and being around them routinely. While some studies have highlighted potential negative impacts from public transport, such as the opportunity to pass on viral infections, the larger challenges regarding public transport have been found to be in the lack of availability and accessibility. Still, many low-income households can perceive public transport to be costly. This is further exacerbated when public transport networks are disconnected which raises the cost and presents a barrier to accessibility.

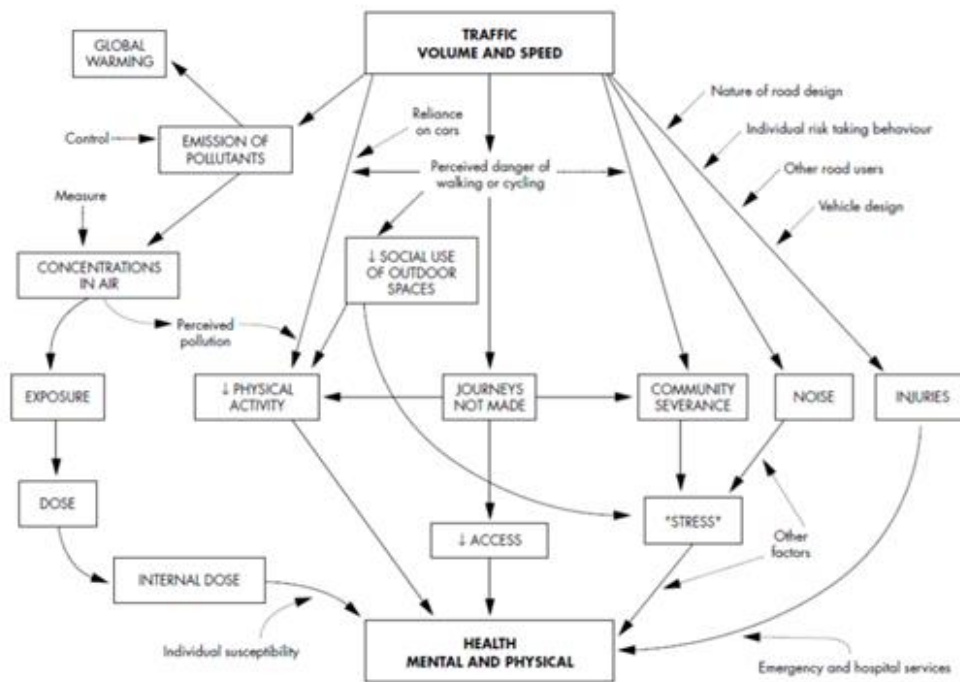
There is international evidence to suggest that transport barriers are a contributory cause of missed and cancelled health appointments, delays in care, and non-compliance with prescribed medication. These forms of disrupted and impaired care are associated with adverse health outcomes. The economic costs (time and money) of accessing health care are borne by those with the highest attendance at health services due to the nature of their conditions and travelling the furthest distances. There is evidence that making these journeys, and parking, in particular, incurs some stress and anxiety. Finally, there are further costs to health services due to missed appointments.

This blog discusses the impact of public transport availability and accessibility on public health particularly for people who suffer from some physical conditions or disabilities. Many of the studies also note that mobility and accessibility inequalities are highly correlated with social disadvantage. This means that some social groups are more at risk from mobility and accessibility inequalities than others. This can largely limit not only their ability to travel inexpensively but impact their social engagement and employment opportunities. This [long read](#) explains how better transport availability and accessibility can be a route to better health. Other more recent challenges for public transport and health include the negative branding of PT during the pandemic which affected travel patterns during the pandemic.

In Birmingham, public transport is particularly important as approximately 38 per cent of households in the area do not have access to a car (information collected from Census 2001). The highest numbers of households with no access to a car are concentrated around the Birmingham Treatment Centre, Newtown, Tipton, Great Bridge and West Bromwich health centres. A [report from Centre for Cities in 2020](#) mentions Birmingham among other major English cities as being in particularly significant need of new public transport infrastructure to stop congestion and capacity constraints. Birmingham is also specifically noted for its “slow” and inaccessible public transport.

## Health impact of Transport

Transport is a complex system affected by infrastructure, individual characteristics and behaviours and can have a broad impact on health. [Joffe and Mindell \(2002\) developed a map \(Figure 1\) showing the transport components that could be linked to health outcomes.](#) (These include issues such as air and noise pollution, road design, impact on physical activity, road injuries and access, illustrating the diverse nature of the policy areas that are related to transport and may have a direct or indirect impact on health).



### Low-income households, accessibility and public policy

An [evidence review by the Government Office for Science in 2019](#), shows that many people in the UK may not be able to access important local services and activities, such as jobs, learning, healthcare, food shopping or leisure as a result of a lack of adequate transport provision. Problems with transport and poor links to opportunity destinations can also contribute to social isolation, by preventing full participation in these life-enhancing opportunities. The review identified that the published academic and policy evidence for this specific topic is quite sparse. This means that some social groups are more at risk from mobility and accessibility inequalities than others, namely:

- Lowest income households, 40% still have no car access – female heads of household, children, young and older people, black and minority ethnic (BME) and disabled people are concentrated in this quintile.
- children, the elderly, people with mental disabilities or long-term illnesses, are also more exposed to health-related externalities of the transport system:
- People living in disadvantaged areas tend to live in more hazardous environments, with greater proximity to high volumes of fast-moving traffic and levels of on-street parking and, as such, they have higher levels of exposure to road traffic risk.
- Young people (11–15 years) from disadvantaged areas are more involved in traffic injuries than their counterparts living in other urban areas. The risk is highest on main roads and on residential roads near shops and leisure services.

The review states that the lack of private vehicles in low-income households, combined with limited public transport services in many peripheral social housing estates, considerably exacerbates the problem in many parts of the UK. There is an urgent need for policies to more explicitly recognise the important social value of transport. Public transport service limitations, combined with largely unregulated land-use development, are driving a mobility culture that most advantages already highly mobile and well-off sections of the population while worsening the mobility and accessibility opportunities of the most socially disadvantaged in the UK.

Transport users often highlight the complexity of planning journeys, the length of time and the expense of making journeys. A [report](#) by Cambridgeshire JSNA demonstrates how getting to hospitals is particularly difficult for people without a car or who are living in places with inadequate public transport options. This lack of access can lead to missed health appointments and associated delays in medical interventions. An estimated 10% of hospital outpatient appointments are missed due to transport problems, thereby putting people’s health and wellbeing at risk and causing unnecessary costs to taxpayers.

## Recommendations and further research

Strong and coherent networks of public transport and active travel are amongst the solutions that need to be widely investigated to tackle the issues and challenges of inequalities in access to healthcare. A [report](#) by the Department for Transport states that there is a potential for change with data and connectivity transforming journeys, emerging modes of transport, rising travel demand, and new digitally enabled business models (e.g. journey sharing). While new technology and business models could deliver benefits for society, the environment and the economy, there are potential risks from failing to manage emerging technologies and services effectively, including safety and security threats, effects on health and wellbeing, loss of jobs and privacy issues. This needs to be considered alongside the future of healthcare accessibility.

There is a need to re-articulate the challenges and barriers of public transport and other modes to access healthcare, particularly in areas of socio-economic disadvantage. Many novel methodologies can help identify these challenges. There is a need to include much wider participatory approaches to planning transport, particularly in relation to healthcare accessibility. These approaches can reveal many travel-behaviour patterns and a deeper understanding of the barriers and challenges. However, these approaches can also help in shaping policies that are targeted and more inclusive. These co-created solutions have more public acceptability than top-down solutions most common in transport planning. This can be very beneficial to the enhancement of health and wellbeing in Birmingham and the West Midlands.

# Talent, Diversity and Inclusivity

## Abigail Taylor and Anne Green, WMREDI

*Dr Abigail Taylor and Professor Anne Green delve into how talent, diversity, and inclusion issues have been brought to the fore during the Pandemic.*

*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's 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 3 of the Birmingham Economic Review for 2021, on the city's labour market and current and future challenges*

Click [here](#) to read the Review.

### **Racial Inequalities**

The success of, and then racist abuse suffered by, members of the England national team at the 2020 European football championships brought issues of talent, diversity and inclusion to the fore. [Evidence shows how the Covid-19 pandemic has exacerbated existing inequalities.](#) However, it also emphasises the benefits of inclusive workplaces and offers insights for employers in terms of how to promote the diversity of their workforce and maximise talent.

Racial inequalities have existed within the UK labour market for decades. Currently, people from [Black, Asian, and Minority Ethnic \(BAME\) groups are more than twice as likely as white people to be unemployed. Unemployment also rose particularly fast among BAME groups during the pandemic.](#) At the end of 2020, [the CBI warned](#) that without action, the economic downturn risked stalling or even reversing progress on diversity and inclusion. Young people and women represent the majority of employees in sectors most affected by the pandemic. Mothers and women from ethnic minority groups have been particularly impacted by the pandemic with nearly half of mothers who were [made redundant during the pandemic](#) citing a lack of adequate childcare as the cause. There is also evidence that Covid-19 has increased challenges for disabled workers. As a city with a large ethnic minority [\(according to the Annual Population Survey, in 2019 43% of Birmingham's population aged 16 and over were from ethnic minorities\)](#) and a comparatively young population, addressing racial and gender inequalities is especially important for Birmingham.

Diversity benefits teams and promotes innovation. Cross-comparative international research has shown how [companies that are more diverse perform better financially.](#) Recruiting the best candidates is especially important in SMEs since their more limited staff numbers means that underperforming employees "are much more visible in and prejudicial to SMEs than large companies". [Inequality is concentrated amongst certain groups but talent is spread across all groups.](#) If firms fail to embrace diversity, they will miss out. For example, the government-backed [McGregor Smith Review of Race in the Workplace](#) estimated that if BAME individuals are fully utilised across the labour market as a result of improved participation and progression, the economy could benefit from a £24 billion boost.

### **The Pandemic**

Covid-19 poses particular challenges both immediate and medium-term for diversity and inclusion that firms need to address. In the short term, these [relate to vaccine hesitancy](#) among particular groups of employees such as the young, women, and those in some ethnic groups. It is important that firms listen to concerns among employees regarding vaccines and attempt to provide reassurance as part of plans to enable workers to feel safe to return to the workplace. In the medium-term, long Covid, although not fully yet fully understood, may pose particular problems in relation to mental health as well as general health. This underlines the importance of employer awareness of the symptoms and the need to have systems in place to support employees.

Another clear message emerging from the evidence is that flexible work arrangements can support workplace inclusion by better enabling individuals to balance work and family responsibilities. Emerging from the pandemic, employers need to consider how the benefits of the rise in homeworking experienced over the last 18 months can be best balanced with other workplace demands. An Evidence Review by the Chartered Institute of Personnel and Development (CIPD) found that job satisfaction, among women, in particular, [was higher in organisations, which offered flexible working, irrespective of if they chose to work flexibly](#).

It is important though that employers spend time to ensure that their organisational policies and management practices have been reviewed to take account of new ways of working. Developing new approaches to leadership and management that maximise the benefits of hybrid working and temper the risks that teams become disconnected as a result is essential. [Training staff in how to manage employees remotely should be an important focus](#). Business Improvement Districts in Birmingham could facilitate cross-organisational sharing of good practice in relation to improving managerial quality and fostering a broader institutional culture, which champions training. It is vital such initiatives are actively led from the top of organisations. The Chamber of Commerce has a key role to play in supporting all of its members to maximise the benefits in terms of growth and profits from diversity and inclusivity.



# The Economic Impact of Brexit and Covid-19 on the Midlands Automotive Sector

Matt Lyons, Saad Ehsan and Raquel Ortega-Argiles, City-REDI / WMREDI

*In partnership with the Midlands Engine, City-REDI / WMREDI staff have compiled several think pieces on key emerging trends on regional economic data points.*

[View our Midlands Engine Observatory project page](#)

*Professor Raquel Ortega-Argiles, Dr Matt Lyons and Dr Saad Ehsan, underscore the significance the automotive sector has on the economy in the Midlands with 40% of all new cars exported from the UK made in the West Midlands. Both global trade and supply disruptions and the legacy of the pandemic are set to have a damaging impact on this sector.*

The automotive industry is an important part of the UK national economy. The automotive industry is one of the UK's major employers, supporting over 800,000 jobs ([SMMT, 2021](#)). Automotive is estimated to be worth £78.9 billion in turnover and £15.3 billion in GVA in 2019 ([SMMT, n.d](#)). However, the automotive sector has seen significant growth from 2008 to 2016, before weakening since 2016 ([ONS, 2020](#)).

The automotive sector is one of the most important sectors to the Midlands economy, constituting a vital driver of its competitive advantage. The automotive sector is a significant employer in the Midlands, with 50,575 people employed (FTE) in the automotive 66,905 when the broader sector is considered (see figure 1). In 2019, 35 per cent of all UK's automotive employment was in the West Midlands (ONS, 2021). The automotive sector is considered an export intensive sector, and the West Midlands is the UK's leading region making 40 per cent of all cars exported from the UK ([WMGC, n.d](#)). The Midlands is home to 430 specialist automotive firms and some of the market leaders, including Jaguar Land Rover and Aston Martin Lagonda. The automotive sector is broad with strong linkages to metals, engineering, R&D and other advanced manufacturing sectors.

Both Covid-19 and Brexit implementation have disrupted production, demand and trade for industries throughout the automotive supply chain. SMMT figures show that new car production is down -29.3% in 2020 and 28.7% in 2021 compared to 2019 ([SMMT, 2021](#) and [SMMT, 2022](#)). Representing the lowest levels of car production since 1984. The reasons for this fall in output are found both on the supply-side and demand side. In 2020, multiple automotive firms saw plant closures at large firms ([BBC, 2020](#)). The causes of the plant closures were threefold. Firstly, related to health with employers required to help reduce the spread of infection. Secondly, supply chain interruptions were caused due production closures in China and elsewhere in the world. Thirdly, due to a significant decline in demand.

Research by [WMREDI](#) (Qamar et al., 2020) revealed that 21 large manufacturing firms in the automotive sector are at high risk due to relatively poor liquidity ratios. The outsized automotive sector in the West Midlands and the sector's vulnerability has raised concerns that the region may be one of the hardest hit by Covid-19 (The Guardian, 2020).

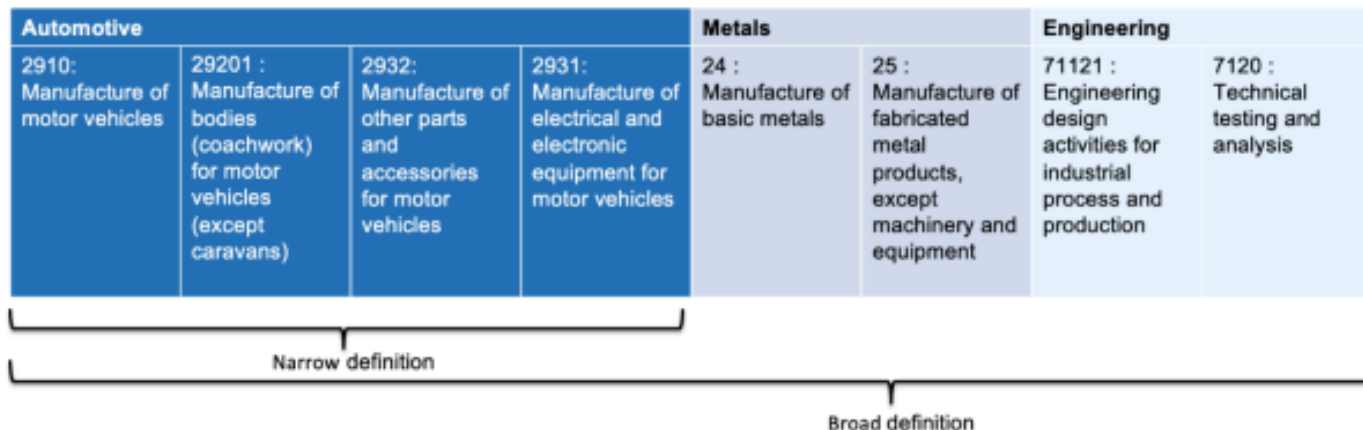
## Economic Impact Assessment

The Socio-Economic Impact Model for the UK (SEIM-UK) is a multi-regional input-output (MRIO) built in City-REDI. The SEIM-UK shows a complete picture of the flows of goods and services in the UK economy over one year. Analytical tables can be derived from the underlying multi-regional input-output table from which multipliers can be generated. Multiplier effects show the indirect, knock-on regional impacts due to changes in the UK's domestic economy. For example, in the automotive sector, an increase in its final demand, will have to be translated into an increase of its production to meet the new higher demand level. The increase in production in the automotive sector will require suppliers to the automotive sector, such as raw material suppliers, to increase their production to meet the new level of higher demand for their goods and services. Multipliers are, therefore, a useful tool for evaluating the total impact of a positive or negative shock to the economy.

The SEIM is designed to reveal geographic as well as sectoral shocks covering 30 economic sectors, 12 NUTS 1 and 41 NUTS 2 UK regions. The SEIM provides highly detailed place-sensitive analysis that serves sub-national policymaking communities.

Prior to any economic impact assessment, the automotive sector must be defined, the geographies of focus identified, and the shock scenarios detailed. In this briefing, the automotive sector has two definitions, one narrow, one broad (see Figure 1). The narrow definition of the automotive sector includes only activities directly related to the production of vehicles and parts. The broadly defined automotive sector expands the narrow definition to include backwards linkages in metals and engineering.

**Figure 1. Defining the automotive sector with Standard Industrial Classification codes (2007).**



The automotive sector is distributed across the UK, with one in every fourteen employed in manufacturing being automotive employees nationwide (SMMT, 2021). However, the concentration is as high as one in six in the North East and the West Midlands. This study will focus on the four biggest clusters of automotive employment in the UK: The North East, North West, West Midlands and the East Midlands (Table 1). Together, the four regions accounted for around 62 per cent of automotive employment in 2019 (ONS).

Disentangling the economic impact of Covid-19 throughout the UK economy in 2020 is challenging due to the concurrent economic impacts associated with Brexit. Given the high degree of uncertainty that surrounds these shocks, our estimates use six different scenarios (Table 1). The scenarios constructed are from -14 per cent (optimistic) -19 per cent (realistic) to -28 per cent (pessimistic).

**Table 1. The six demand shock scenarios from optimistic to pessimistic for the narrowly defined automotive sector (Auto) and the broader definition (broad) in four NUTS 1 regions.**

	-14%		-19%		-28%	
	Auto	Broad	Auto	Broad	Auto	Broad
North East - UKC North West - UKD West Midlands-UKG East Midlands UKF	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6

Shock severity

To estimate the economic shocks triggered by these six scenarios, we use a hypothetical extraction method (HEM). HEM involves the extraction of sales and purchases made by a sector from the economic model (SEIM-UK). With the sector extracted, the new smaller hypothetical economy can be compared with the original model to determine the extent of the economic shock.

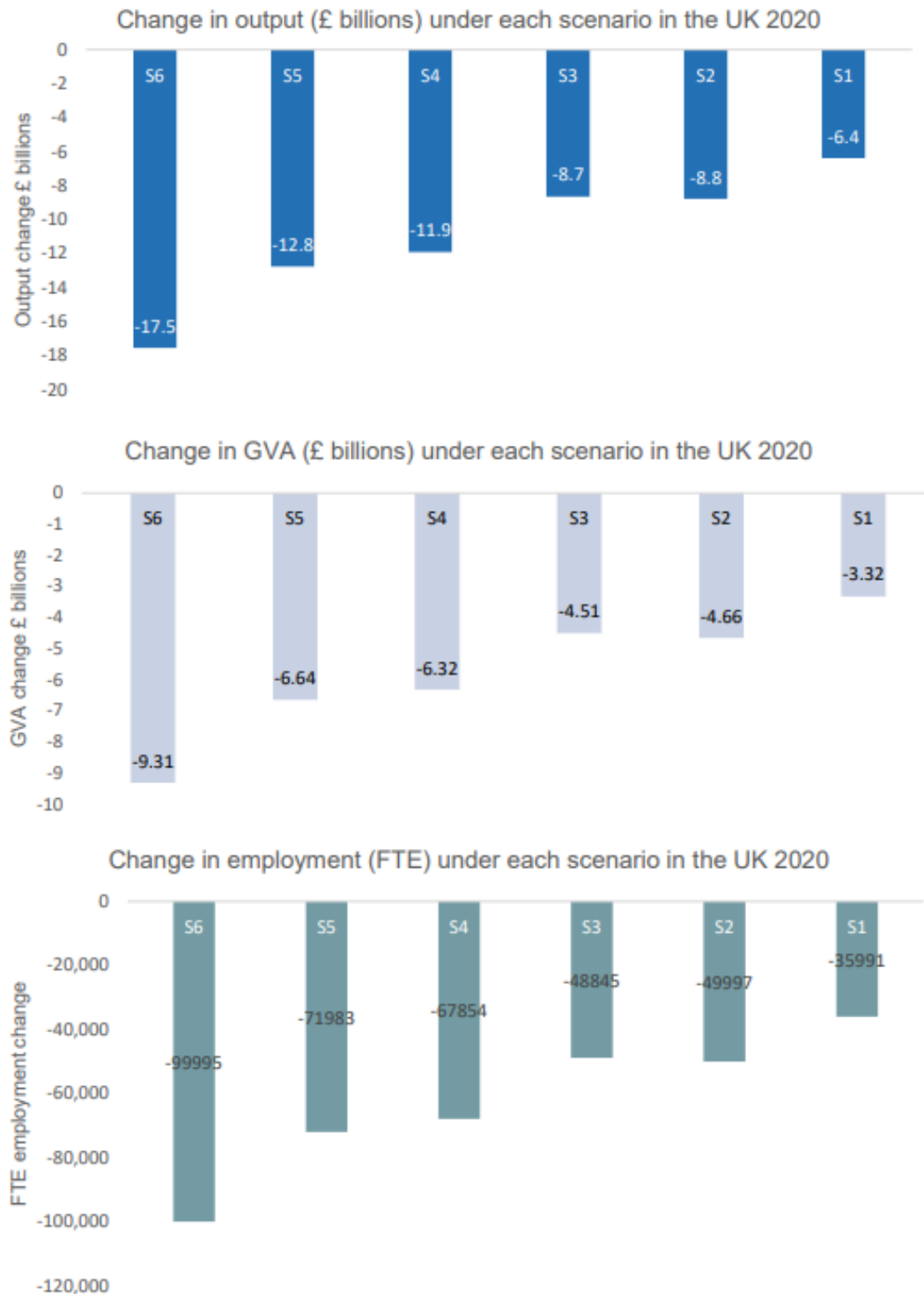
## The Economic Impact of Covid-19 and Brexit on UK's Automotive Sector

### UK impacts

The impact of each of the six scenarios on the whole UK economy are illustrated in Figure 2. Under scenario 1, the **most optimistic demand scenario** on the narrowly defined automotive sector sees output fall by £6.4 billion, GVA by

£3.32 billion and FTE by 35,991. In scenario 6, the **most pessimistic demand scenario** on the broadly defined automotive sector sees output fall by £17.5 billion, GVA by £9.31 billion and FTE by 99,995. These scenarios, therefore, represent a broad range of the potential impacts of Covid-19 and Brexit on the UK economy. In percentage terms, the output impact ranges from -0.18% to -0.50% and in employment -0.12% to -0.33%. Such impacts are relatively minor at the national level and fail to communicate the significance of the regional impact of the crisis.

**Figure 2. The six impact scenarios on output, GVA and FTE employment at the UK level in 2020.**

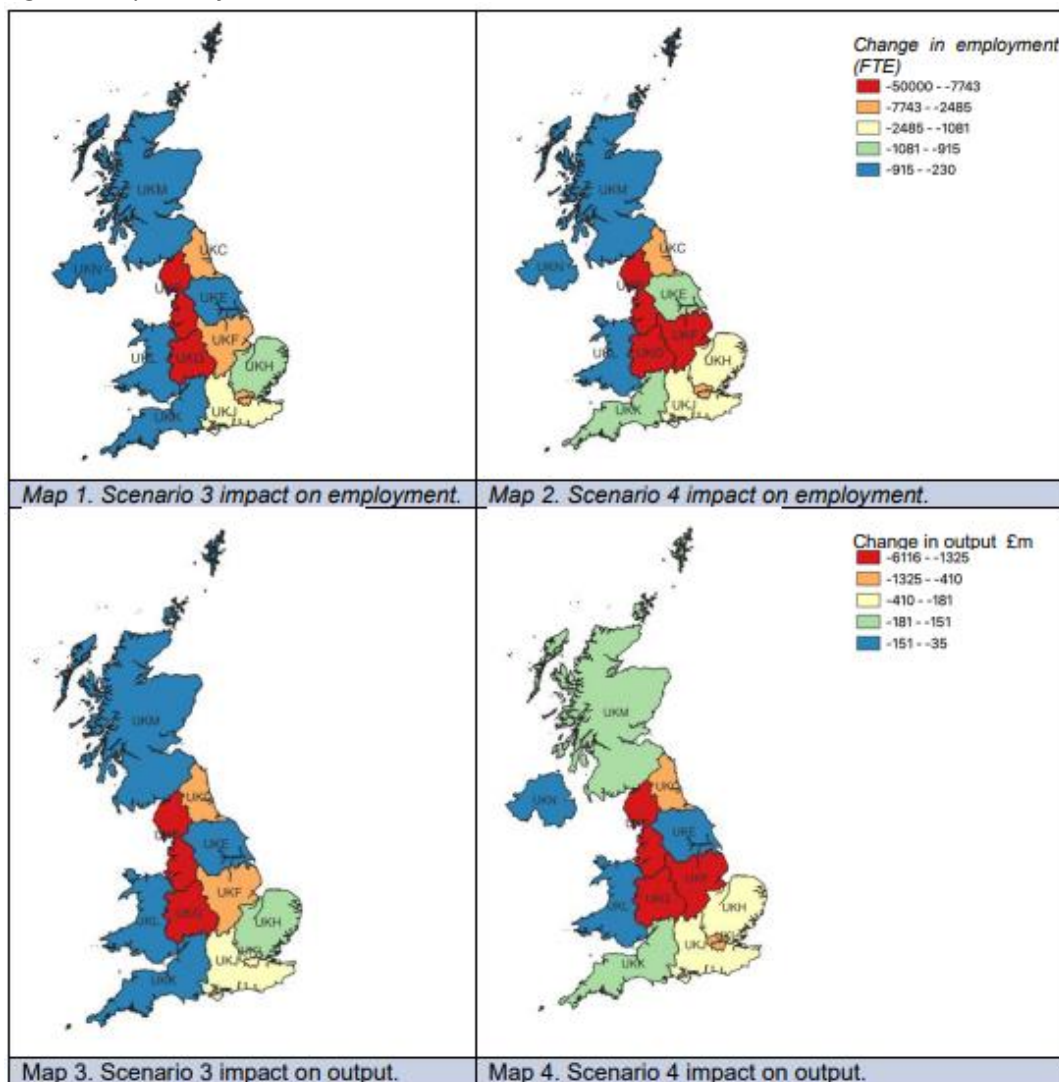


### Interregional Impacts

An economic shock to the automotive sector in one region will spill over into other regions due to the interconnectedness of industries across the UK. This analysis allows us to understand how a negative shock in the major hubs of automotive sector activity can ripple out across UK regions.

Table 2 details a 19 per cent drop in automotive sector demand for the four NUTS regions (West Midlands, East Midlands, North East and North West). The maps on the left show the impacts on the narrowly defined automotive sector while the maps on the right show the broader automotive cluster. The maps on the top show the change in employment due to the changes in demand by geography while the maps on the bottom show the changes in output.

Table 2. Interregional impacts of the shock scenarios on the automotive sector.



Comparing maps 3 and 4, we can see the change between a focus on the narrow and broader automotive sector. The broader sector sees a greater fall in output, affecting broader geography.

Looking between maps 1 and 3, we can see a broadly similar pattern between changes in employment and changes in output. Scotland, Wales, Northern Ireland and the South West and Yorkshire and the Humber are all grouped in the lowest impact categories. While the worst affected areas in terms of output and employment loss are found to be West Midlands and the North West. This is expected as they are the regions with the largest share of automotive sector employment (35% and 12%, respectively).

The impact of Covid-19 and Brexit shocks in the automotive sector is, therefore, relatively much more acute in the West Midlands than in the rest of the UK. At the UK level, the drop in annual output is estimated between -0.18% to -0.50% compared with -1.24% to -3.3% in the West Midlands. In the East and West Midlands together, it represents around 63% of the UK's output lost estimate. In FTE terms, the Midlands is estimated to lose between 14,948-68,548 FTE approximately 42-69% of the UK total FTE lost.

Table 3 details the change in output by region based on the best- and worst-case scenarios (full table in appendix). Outside the directly shocked regions we can see the spill over into other regions in the UK. Wales is notably the most

significantly impacted followed by the East and South East of England. However, even Scotland and Northern Ireland feel the impact of the lost output.

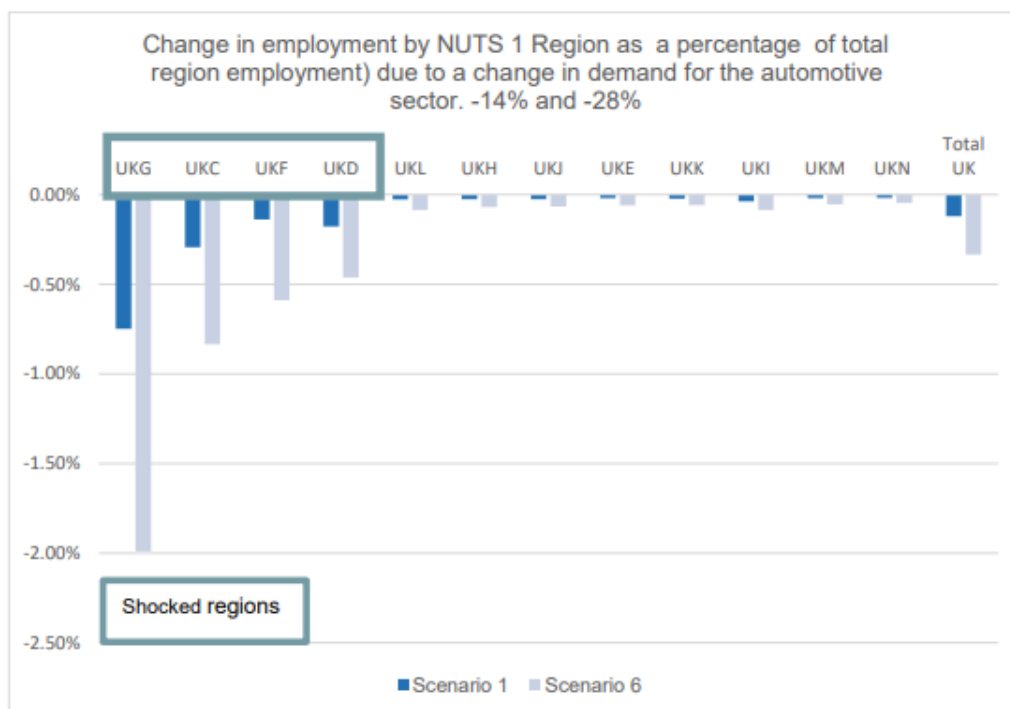
**Table 3. Output change % best vs worst case scenarios by NUTS 1 region.**

NUTS 1 Region	Scenario 1 Output change %	Scenario 6 Output change %
<i>UKG West Midlands</i>	-1.24%	-3.30%
<i>UKC North East</i>	-0.54%	-1.41%
<i>UKF East Midlands</i>	-0.24%	-0.98%
<i>UKD North West</i>	-0.29%	-0.74%
UKL Wales	-0.05%	-0.15%
UKH East of England	-0.04%	-0.10%
UKJ South East	-0.04%	-0.10%
UKE Yorkshire and the Humber	-0.03%	-0.09%
UKK South West	-0.03%	-0.09%
UKI London	-0.04%	-0.09%
UKM Scotland	-0.03%	-0.09%
UKN Northern Ireland	-0.02%	-0.07%
<b>Total UK</b>	<b>-0.18%</b>	<b>-0.50%</b>

*Shocked regions in italics*

The change in employment by region follows a similar pattern. Figure 3 shows within the shocked regions again the West Midlands (UKG) sees the biggest impact with a loss of FTE between -0.75% and -1.99% throughout the economy. Once more we can see that no region is unaffected by the shock.

**Figure 3. Change in employment by NUTS 1 Region (as a percentage of total region employment) due to a change in demand for the automotive sector. -14% and -28%.**

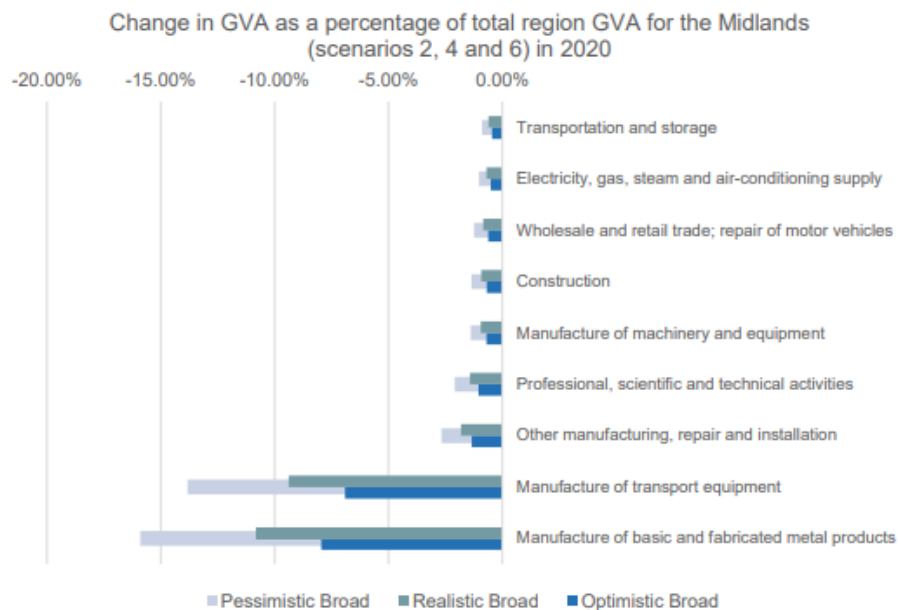


### Interindustry Impacts

Figure 4 shows the supply chain effects of the three different demand shocks (-14%, 19% and -28%) on the broad automotive cluster in the Midlands. Unsurprisingly the most vulnerable sectors are the manufacture of vehicles and

fabricated metals. Under the most severe economic scenario (-28%) manufacture of basic and fabricated metal products observes a 16% fall in GVA compared with an 8% fall in the least severe scenario. Outside of the shocked sectors (see figure 1), the spill-over impacts are in the broader manufacturing sectors, professional and technical services, construction, trade of motor vehicles, electricity, transportation and storage.

**Figure 4. Interindustry impacts of the three broadly defined auto sector shock scenarios 2, 4 and 6 (UKF & UKG) in 2020.**



### What Does this Analysis Mean for Policy?

This report has provided some estimates of Covid-19 and Brexit's economic impact on the UK regional economies. The economic picture described suggests the Midlands and particularly the West Midlands will see a significant economic shock with, under the worst-case scenario (scenario 6), a loss of around £9.01 billion output, £4.58 billion in GVA and 49,804 FTE jobs.

The estimated impact scenarios suggest a broad range of possible impacts. This is due to uncertainty and the difficulty of disentangling the concurrent shocks of Brexit, systemic supply chain issues and Covid-19 policy interventions. The Delta and subsequent Omicron variants have shown that the Covid-19 pandemic is not yet over. The immediate impacts of Covid-19 are very well understood by the population as well as the analysts (McCann and Ortega-Argiles, 2021). However, the uncertainty of the future of Covid-19 and the knowledge that future pandemics 'could be worse' (BBC, 2021) means that evaluating the regional economic and labour impact of such shocks is important for future policy decisions such as implementing further lockdowns. The lockdowns which have been instituted by a multitude of countries mean that the global demand for many final goods and services has collapsed and many international supply chains (or more precisely global value-chains) have been stalled. The pandemic has affected places and regions in a very different way, while online services have seen their share prices soared, advanced manufacturing in areas not connected with medical, bioscience or pharmaceutical have seen their productions heavily affected. This evaluation has illustrated what regional resilience to the pandemic looks like in terms of regional output (percentage of total regional GVA) in regions with a dominant automotive manufacturing cluster.

Our analysis has shown that the contractions linked with value chain shocks have to be taken seriously and that the degree of severity will differ between places, depending on their economic structures and also the ways in which governments have responded to it. The briefing has reasserted how important the automotive manufacturing sector remains to the Midlands economy. The sector is facing multiple crises, and the lack of resilience in the Midlands and North of England has been further evidenced. Major UK employers in sectors such as aerospace, automobiles, transportation and retail announced widespread redundancies and high number of firms dissolving (Prashar et al., 2020).

Our evidence is part of an emerging evidence that points to the economically weaker regions to the UK being the most adversely affected by the coronavirus shock (Innes et al., 2020; Scott, 2020, among others) and the Brexit shock (Chen et al., 2018; Thyssen et al., 2020, among others). In contrast, the services sectors of London are likely to be the least affected sectors in the medium and long term (Davenport et al. 2020). If the UK government is to achieve levelling up, regions and sectors outside of London and the South-East must be supported proportionately.

The automotive sector is facing significant change over the next decade. Diesel and petrol engines are being phased out with a ban on new combustion engines from 2030 in the UK ([BBC, 2020a](#)). The supply chains for alternative propulsion engines may be significantly different to the status quo leading to further uncertainty in the future regional automotive sector. For policy, this means regions like the Midlands will have to recalibrate their labour markets with the help of universities in preparation for demand for new skills and technologies ([Collinson, 2021](#)).

## Summary

This policy brief shows that while there is uncertainty surrounding the economic impact of Covid-19 and Brexit on the automotive sector in some regions, the impact in 2020 is likely to have been severe. Concurrent issues of Brexit, microchip shortages and Covid-19 policy interventions like the furlough scheme complicate impact assessments. However, the results show that for the Midlands and the North of England, a sizable chunk of the automotive ecosystem is at risk. The supply chain linkages in the automotive sector are mostly in transportation and manufacturing but also elements of retail, professional services, energy and construction.

The characterization of the automotive sector for the SEIM-UK means that potential future positive shocks can be evaluated. Future research may explore the potential economic impacts of West Midlands' leading role in connected autonomous vehicles (CAVs), battery propulsion and future mobility.

*Link to the full think piece [here](#).*

# Infection Rates and Vaccine Update

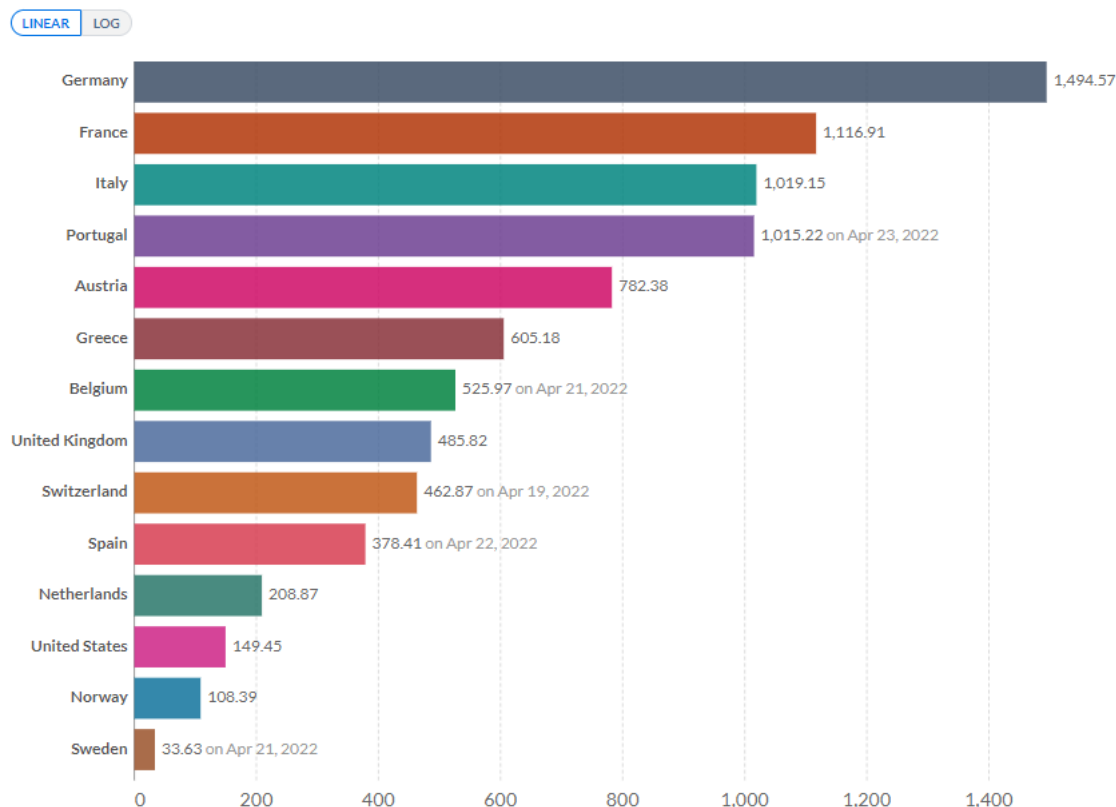
Alice Pugh, WMREDI

[Case numbers across Europe](#) have almost halved since the previous monitor; in all countries the new daily confirmed cases have dropped. This is likely because of the changing weather and increased vaccination rates as borders open back up and people are starting to go on holiday abroad.

Since [31 December 2019](#) and as of week 2022-15, **503 697 135 cases** of COVID-19 (in accordance with the applied case definitions and testing strategies in the affected countries) have been reported, including **6 215 805 deaths**.

## Daily new confirmed COVID-19 cases per million people, Apr 25, 2022

7-day rolling average. Due to limited testing, the number of confirmed cases is lower than the true number of infections.

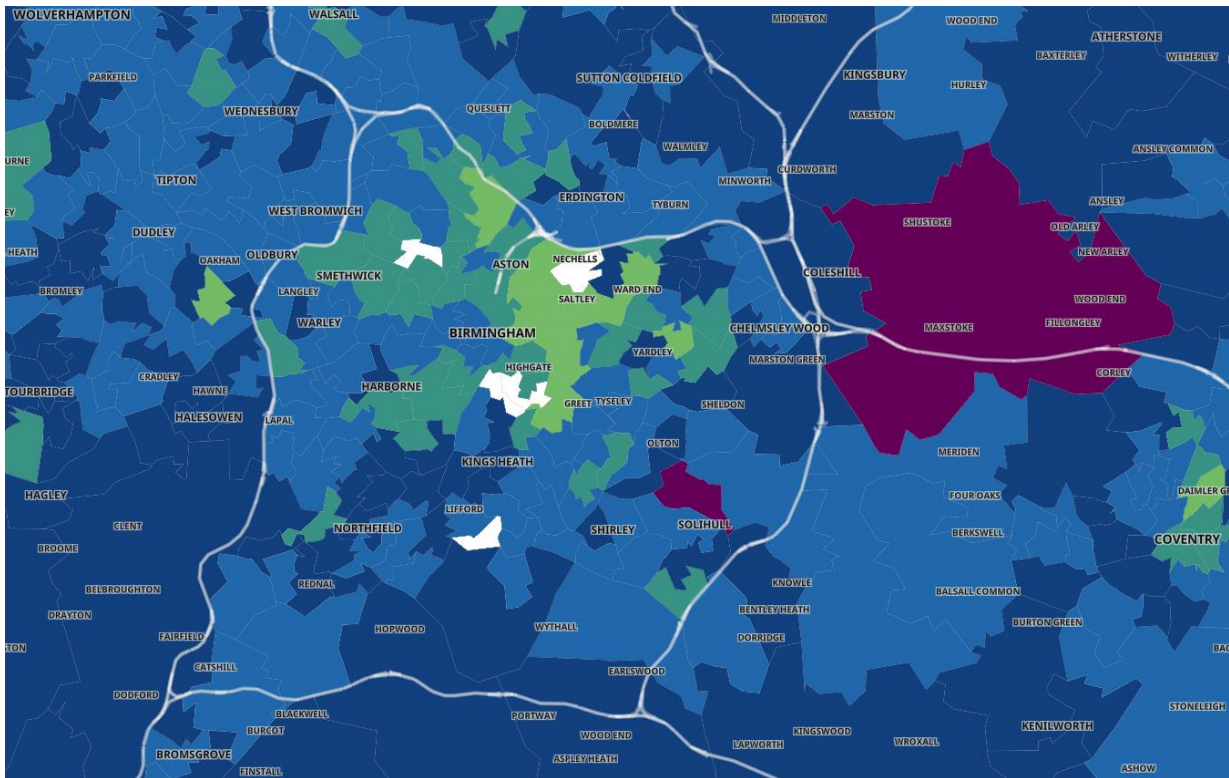


Latest [ONS infection survey data](#) (22<sup>nd</sup> April 2022 next release to be 29<sup>th</sup> April 2022) states:

- In England, the percentage of people testing positive for coronavirus (COVID-19) continued to decrease in the week ending 16 April 2022; we estimate that 3,218,700 people in England had COVID-19 (95% credible interval: 3,120,200 to 3,317,200), equating to 5.90% of the population or around 1 in 17 people.
- In Wales, the percentage of people testing positive for COVID-19 decreased in the week ending 16 April 2022; we estimate that 198,400 people in Wales had COVID-19 (95% credible interval: 175,100 to 222,600), equating to 6.53% of the population or around 1 in 15 people.
- In Northern Ireland, the percentage of people testing positive for COVID-19 continued to decrease in the week ending 16 April 2022; we estimate that 65,300 people in Northern Ireland had COVID-19 (95% credible interval: 52,300 to 79,800), equating to 3.56% of the population or around 1 in 30 people.
- In Scotland, the percentage of people testing positive for COVID-19 continued to decrease in the week ending 16 April 2022; we estimate that 281,400 people in Scotland had COVID-19 (95% credible interval: 253,100 to 311,700), equating to 5.35% of the population or around 1 in 19 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 24<sup>th</sup> March 2022.





### 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	10-Apr-22	11-Apr-22	12-Apr-22	13-Apr-22	14-Apr-22	15-Apr-22	16-Apr-22	17-Apr-22	18-Apr-22	19-Apr-22	20-Apr-22	21-Apr-22	22-Apr-22	23-Apr-22	24-Apr-22
ENGLAND	1,792	1,909	2,003	1,898	1,662	1,416	1,288	1,347	1,506	1,435	1,322	1,264	1,184	1,087	1,077
East of England	210	200	198	209	159	148	147	166	164	139	151	149	128	131	144
London	164	198	217	186	162	134	130	112	173	145	132	116	121	105	136
Midlands	383	414	408	400	334	315	246	267	290	290	265	241	250	233	210
North East and Yorkshire	298	323	371	311	279	273	231	234	261	283	229	253	206	202	175
North West	224	273	287	287	283	210	197	191	214	238	185	178	193	158	147
South East	290	277	283	287	255	172	174	210	234	199	191	181	152	128	148
South West	223	224	239	218	190	164	163	167	170	141	169	146	134	130	117

### Mechanical Ventilation beds - occupied by confirmed COVID-19 patients

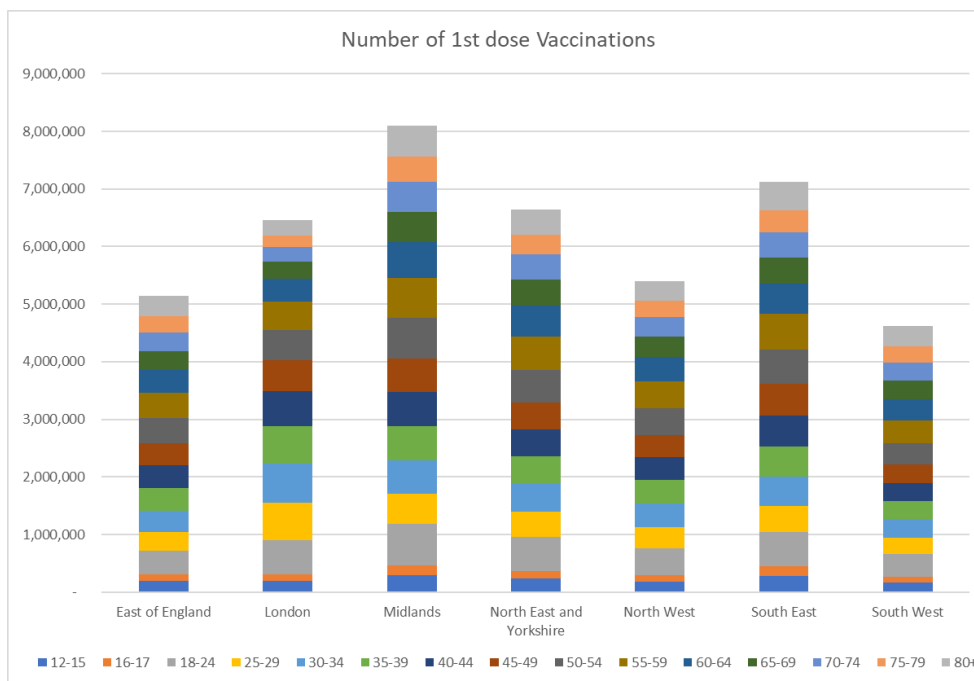
Name	12-Apr-22	13-Apr-22	14-Apr-22	15-Apr-22	16-Apr-22	17-Apr-22	18-Apr-22	19-Apr-22	20-Apr-22	21-Apr-22	22-Apr-22	23-Apr-22	24-Apr-22	25-Apr-22	26-Apr-22
ENGLAND	339	306	299	271	285	280	274	296	309	294	283	286	287	276	276
East of England	37	32	29	29	29	29	30	24	35	29	31	29	26	29	32
London	114	108	101	76	87	81	76	100	114	108	107	107	108	99	94
Midlands	44	38	39	35	38	40	42	42	39	35	32	36	35	37	36
North East and Yorkshire	43	37	39	44	45	39	43	40	35	33	31	37	37	38	42
North West	35	29	27	31	36	34	31	39	36	36	30	30	31	29	28
South East	39	37	38	37	36	43	38	36	33	34	33	31	33	29	25
South West	27	25	26	19	14	14	14	15	17	19	19	16	17	15	19

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

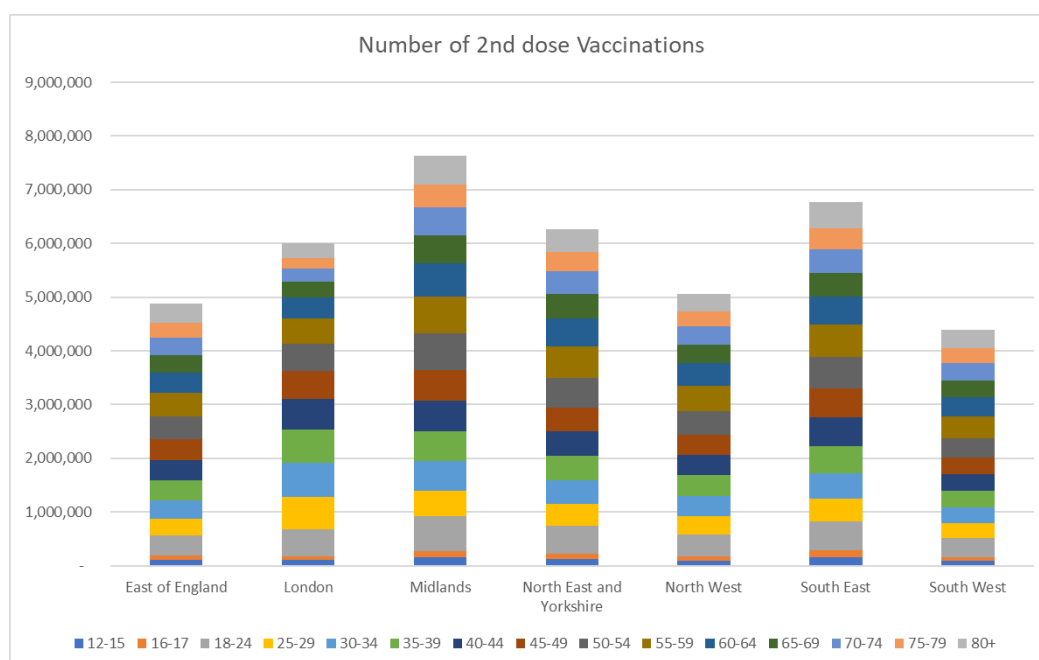
Name	12-Apr-22	13-Apr-22	14-Apr-22	15-Apr-22	16-Apr-22	17-Apr-22	18-Apr-22	19-Apr-22	20-Apr-22	21-Apr-22	22-Apr-22	23-Apr-22	24-Apr-22	25-Apr-22	26-Apr-22
ENGLAND	16,131	15,399	14,955	14,394	14,335	14,254	14,183	14,607	14,164	13,392	12,883	12,156	12,083	11,992	11,320
East of England	1,641	1,603	1,582	1,538	1,543	1,558	1,518	1,470	1,511	1,421	1,358	1,285	1,257	1,269	1,216
London	2,459	2,399	2,298	2,000	1,981	1,986	1,982	2,223	2,278	2,189	2,116	2,014	1,976	1,979	1,900
Midlands	3,274	3,164	3,115	3,071	3,118	3,053	3,064	3,088	2,975	2,824	2,717	2,575	2,583	2,530	2,404
North East and Yorkshire	2,621	2,431	2,379	2,338	2,329	2,265	2,454	2,398	2,307	2,231	2,168	2,079	2,092	2,067	1,950
North West	2,438	2,293	2,164	2,188	2,217	2,192	2,023	2,176	2,103	1,995	1,890	1,757	1,737	1,712	1,650
South East	2,294	2,158	2,096	2,000	1,871	1,929	1,880	1,940	1,782	1,652	1,558	1,453	1,445	1,425	1,290
South West	1,404	1,351	1,321	1,259	1,276	1,271	1,262	1,312	1,208	1,080	1,076	993	993	1,010	910

## Vaccine Update

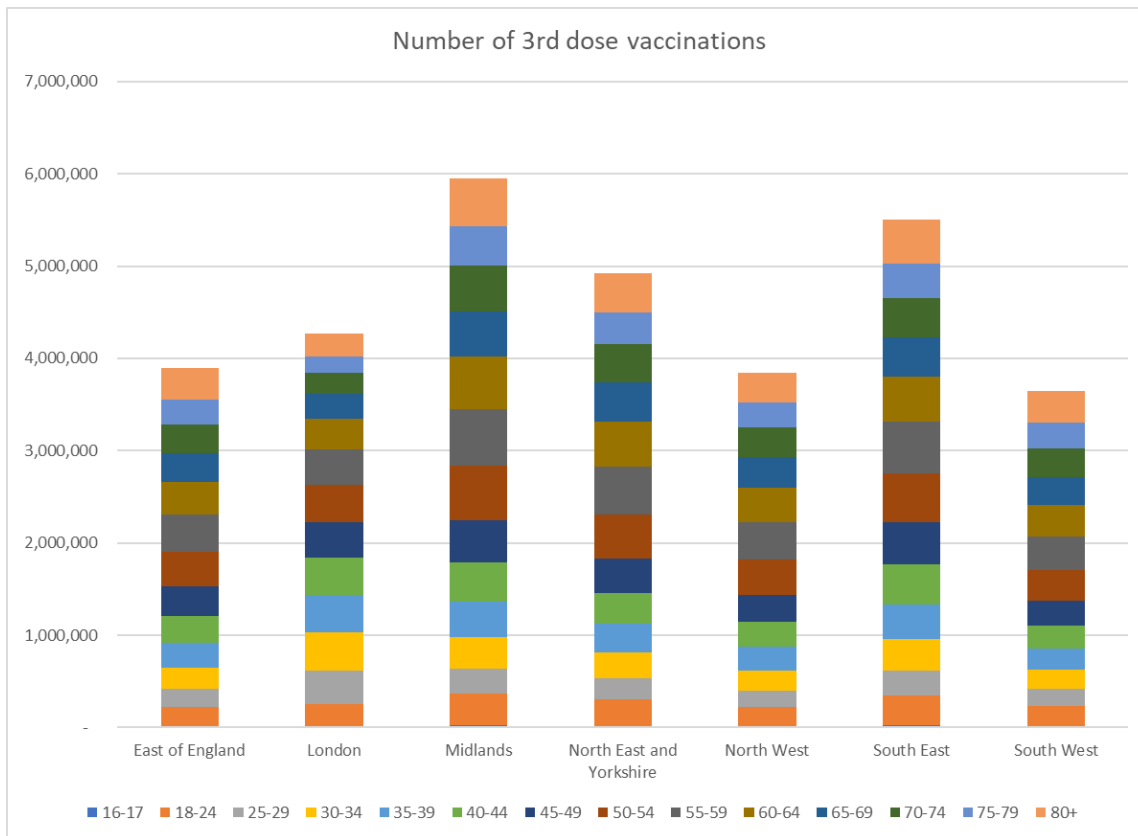
Between the 8<sup>th</sup> December 2020 and the [14<sup>th</sup> April 2022](#) the Midlands has successfully vaccinated **8,105,307** people with the first dose and **7,637,324** of these individuals have received the second dose as well. A further **5,928,850** have received their booster. Meaning the Midlands has successfully provided the most jabs out of any region including London.



NHS Region of residence name	% of people who have had at least 1 dose (using ONS denominators)														
	12-15	16-17	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+
<b>Total</b>	58.1%	72.9%	81.3%	82.3%	89.0%	90.5%	95.9%	89.5%	95.0%	98.7%	100%*	98.7%	93.6%	100%*	97.9%
East of England	61.4%	76.9%	85.2%	85.8%	89.6%	90.2%	95.8%	90.3%	95.1%	99.1%	100%*	98.1%	92.4%	100%*	97.9%
London	45.4%	58.7%	80.0%	86.0%	84.0%	82.4%	89.1%	90.8%	92.3%	96.0%	98.0%	95.4%	90.7%	100%*	88.4%
Midlands	57.9%	72.3%	75.6%	73.7%	85.1%	89.6%	95.3%	87.5%	95.2%	98.0%	100%*	97.9%	94.5%	100%*	99.5%
North East and Yorkshire	57.8%	72.3%	77.1%	76.4%	86.6%	90.7%	96.3%	86.7%	94.6%	97.6%	100%*	99.4%	94.7%	100%*	97.9%
North West	54.5%	70.7%	77.1%	76.1%	85.2%	90.5%	96.7%	87.7%	94.7%	98.0%	100%*	99.4%	94.0%	100%*	98.3%
South East	66.2%	80.3%	83.5%	85.8%	95.5%	94.4%	97.3%	90.5%	95.0%	99.1%	100%*	99.2%	92.2%	100%*	98.2%
South West	65.3%	80.5%	86.6%	87.8%	94.7%	95.3%	99.1%	89.3%	94.7%	99.5%	100%*	97.9%	93.5%	100%*	100%*



NHS Region of residence name	% of people who have had at least 2 doses (using ONS denominators)														
	12-15	16-17	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+
<b>Total</b>	31.1%	51.3%	72.3%	75.7%	83.1%	85.9%	92.2%	86.9%	93.0%	97.0%	100%*	97.5%	92.8%	100%*	97.2%
East of England	33.9%	55.6%	77.5%	79.8%	84.5%	86.3%	92.8%	88.2%	93.5%	97.8%	100%*	97.2%	91.8%	100%*	97.4%
London	23.7%	39.2%	68.2%	78.9%	78.4%	77.7%	84.9%	87.2%	89.2%	93.0%	95.3%	92.9%	88.8%	99.2%	87.0%
Midlands	30.7%	50.2%	67.6%	67.7%	79.4%	85.1%	91.7%	85.1%	93.3%	96.6%	100%*	97.0%	93.8%	100%*	99.0%
North East and Yorkshire	30.0%	49.8%	68.6%	69.9%	80.6%	86.0%	92.5%	84.3%	92.9%	96.3%	100%*	98.6%	94.2%	100%*	97.5%
North West	28.7%	48.3%	68.1%	69.3%	78.7%	85.1%	92.3%	84.8%	92.4%	96.2%	100%*	98.3%	93.3%	100%*	97.7%
South East	38.0%	60.0%	76.1%	80.1%	90.4%	90.7%	94.6%	88.6%	93.5%	97.8%	100%*	98.3%	91.6%	100%*	97.7%
South West	33.1%	58.7%	79.3%	82.2%	89.8%	91.5%	96.2%	87.4%	93.3%	98.3%	100%*	97.1%	93.0%	100%*	100%*



NHS Region of residence name	% of people (not just those eligible) who have had at least 3 doses (using ONS denominators)														
	16-17	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+	
<b>Total</b>	9.4%	39.4%	45.2%	53.5%	59.9%	69.8%	70.3%	80.1%	86.5%	92.4%	92.2%	89.5%	100%*	93.7%	
East of England	9.8%	44.1%	49.2%	55.8%	62.0%	72.4%	73.4%	82.4%	88.9%	93.9%	93.0%	89.2%	100%*	94.7%	
London	6.6%	33.0%	47.6%	50.4%	51.7%	59.8%	64.5%	70.2%	76.4%	81.8%	83.4%	82.4%	93.3%	81.0%	
Midlands	8.7%	36.2%	38.6%	49.4%	58.2%	68.7%	68.7%	80.5%	86.2%	93.1%	91.9%	90.6%	100%*	95.5%	
North East and Yorkshire	8.8%	37.0%	40.0%	50.1%	59.1%	69.6%	68.3%	80.4%	86.8%	92.7%	93.9%	91.3%	100%*	94.1%	
North West	9.0%	33.7%	37.5%	46.3%	55.5%	66.4%	66.2%	77.8%	84.7%	92.1%	92.6%	89.6%	100%*	93.7%	
South East	12.0%	45.6%	51.9%	62.8%	68.2%	76.8%	76.2%	84.1%	90.1%	95.2%	94.4%	89.1%	100%*	94.8%	
South West	11.7%	48.5%	53.8%	63.1%	69.8%	78.8%	75.6%	84.3%	90.6%	95.1%	93.4%	90.7%	100%*	97.6%	

## Weekly Deaths Registered: 15<sup>th</sup> April 2022

### Black Country Consortium Economic Intelligence Unit

The following analysis compares the latest available time period (the week of the 15<sup>th</sup> April 2022) to the previous week period (the week of the 8<sup>th</sup> April 2022) for the number of deaths registered and the number of deaths registered related to the Coronavirus<sup>1</sup>.

Across England and Wales, the overall registered death figures decreased from 10,687 in the week of the 8<sup>th</sup> April 2022 to 9,919 in the week of 15<sup>th</sup> April 2022. The number of deaths registered that state Coronavirus on the death certificate increased from 960 to 1,003 people over the same period.

Regional level analysis shows that the West Midlands' overall registered death figures decreased from 1,165 people in the week of 8<sup>th</sup> April 2022 to 1,019 in the week of 15<sup>th</sup> April 2022. The number of registered deaths related to Coronavirus increased from 83 people to 102 people over the same period.

There was a total of 667 deaths registered across the WMCA (3 LEP) area in the week of the 15<sup>th</sup> April 2022. There were 56 deaths registered that were related to Coronavirus over the same period. In comparison to the week of the 8<sup>th</sup> April 2022, the overall registered death figures in the WMCA (3 LEP) area decreased by 123, with the number of registered deaths related to Coronavirus increasing by 6 people.

At local authority level in the week of the 15<sup>th</sup> April 2022, Wyre Forest was the only local authority the WMCA (3 LEP) area that registered no deaths related to the Coronavirus. Of the 56 registered Coronavirus related deaths; Birmingham accounted for 14 deaths, Dudley accounted for 5 deaths and Nuneaton & Bedworth, Sandwell and Walsall each accounted for 4 deaths.

Of the 56 registered Coronavirus deaths in the WMCA (3 LEP) involving Coronavirus in the week of the 15<sup>th</sup> April 2022, 42 were registered in a hospital, 6 deaths were each registered at a care home and home and 1 death were registered as elsewhere and 1 death was registered in a hospice.

#### Place and number of deaths registered that are related to Coronavirus in the week of 15<sup>th</sup> April 2022:

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	2	0	2
Lichfield	0	0	1	0	1	0	2
Tamworth	0	0	1	0	1	0	2
North Warwickshire	0	0	0	0	1	0	1
Nuneaton and Bedworth	0	1	0	1	2	0	4
Rugby	0	0	0	0	2	0	2
Stratford-on-Avon	1	0	0	0	1	0	2
Warwick	1	0	0	0	0	0	1
Bromsgrove	0	0	0	0	1	0	1
Redditch	1	0	0	0	1	0	2
Wyre Forest	0	0	0	0	0	0	0
Birmingham	1	0	2	0	11	0	14
Coventry	0	0	0	0	3	0	3
Dudley	0	0	1	0	4	0	5
Sandwell	0	0	0	0	4	0	4
Solihull	1	0	1	0	1	0	3
Walsall	0	0	0	0	4	0	4
Wolverhampton	1	0	0	0	2	0	3
<b>WM 7 Met.</b>	<b>3</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>29</b>	<b>0</b>	<b>36</b>
Black Country LEP	1	0	1	0	14	0	16
Coventry & Warwickshire LEP	2	1	0	1	9	0	13
Greater Birmingham & Solihull LEP	3	0	5	0	19	0	27
<b>WMCA (3 LEP)</b>	<b>6</b>	<b>1</b>	<b>6</b>	<b>1</b>	<b>42</b>	<b>0</b>	<b>56</b>

<sup>1</sup> 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, 26<sup>th</sup> April 2022.

# ONS Weekly Release Indicators

## Black Country Consortium Economic Intelligence Unit

On the 21<sup>st</sup> April 2022, Office for National Statistics (ONS) released 'economic activity and social change in the UK, real-time indicators'. These statistics have been devised to provide timely information using rapid response surveys, novel data sources and experimental methods. The following information covers: online job adverts, Google mobility, national company incorporations and voluntary dissolutions, potential redundancies, System Average Price of gas and final results from Wave 52 of the Business Insights and Conditions Survey (BICS).

### Online Job Adverts

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

Nationally, between the 8<sup>th</sup> and 14<sup>th</sup> April 2022, total online job adverts increased by 3.5%. On the 14<sup>th</sup> April 2022, total online job adverts were at 143.7% of their average level in February 2020. Out of the 28 categories (excluding unknown) 26 increased from the previous week. The largest weekly increase was in "wholesale and retail", which rose by 17.2% and was then at 193.8% of the February 2020 level. The only category below the February 2020 average level was "legal" (98%). The two categories with week-on-week decreases were "transport/logistics/warehouse" (decreasing by 0.9% to 251.2% of the average level in February 2020) and "manufacturing" (decreasing by 0.4% to 217.4% of the average level in February 2020).

Excluding East Midlands, online job adverts for all regions increased between the 8<sup>th</sup> and 14<sup>th</sup> April 2022. Regional increases varied from 0.3% in the West Midlands to a 6.3% increase for Northern Ireland. The West Midlands online job adverts on the 14<sup>th</sup> April 2022 were at 156.2% of their average level in February 2020. On the 14<sup>th</sup> April 2022, all 12 regions were above their February 2020 levels, varying from; 124.3% in Wales to 176.7% in the North East.

### Google Mobility

Google Mobility data provide an indicator of changes in the volume of visits to different location types compared with a pre-coronavirus baseline. ONS have transformed the publicly available anonymised data into an indexed seven-day moving average to smooth the weekday and weekend.

Visits to each location type in the UK in the week to 15<sup>th</sup> April 2022 compared with the previous week shows that parks increased by 30% (to 54% above pre-coronavirus levels), retail and recreation increased by 8% (but were 9% below pre-coronavirus levels), grocery and pharmacy increased by 5% (to 5% above pre-coronavirus levels) but workplaces decreased by 11% (32% below pre-coronavirus levels).

### National Company Incorporations and Voluntary Dissolutions

Companies House data shows for the UK, there were 13,803 company incorporations in the week to 15<sup>th</sup> April 2022, down from 15,771 recorded in same week in 2021. This is up from 9,372 recorded in the same week in 2020 and in the same week in 2019 (11,558).

Also, for the week to 15<sup>th</sup> April 2022, there were 6,059 voluntary dissolution applications, up from 5,325 recorded in the same week in 2020. This is also up from 3,631 recorded in the same week of 2020 and the same week in 2019 (4,903).

### Potential Redundancies

HR1 forms are used by employers to notify the Insolvency Service's Redundancy Payments Service of potential redundancies. They are only required when firms wish to make 20 or more redundancies. The data is presented in a week-ending Sunday format. The data does not record the total number of redundancies; they record the number of potential redundancies filed on HR1 forms.

On the 10<sup>th</sup> April 2022, across the UK there were 42 employers proposing 3,377 potential redundancies. The potential redundancies 4-week rolling average was 4,319 and the employers proposing redundancies 4-week rolling average was 43. When indexed (100 = weekly average from week ending 21<sup>st</sup> April 2019 to week ending 23<sup>rd</sup> February 2020), the potential redundancies 4-week rolling average was 88 and the employers proposing redundancies 4-week rolling average was 78.

### **System Average Price of Gas**

The System Average Price (SAP) of gas fell by 22% in the latest week (to 17<sup>th</sup> April 2022), although it was 234% higher than the equivalent period from the previous year and 665% higher when compared to the pre-Coronavirus baseline.

### **Business Insights and Conditions Survey (BICS)**

The final results from Wave 54 of the BICS based off the 5,095 businesses surveyed across the West Midlands that businesses have a presence in with a response rate of 24.4% (1,243) and 3,038 businesses that are head quartered in the West Midlands, with a response rate of 22.8% (694). Please note, the survey reference period was 1<sup>st</sup> to 31<sup>st</sup> March 2022 with a survey live period of 4<sup>th</sup> to 17<sup>th</sup> April 2022. 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 Status**

98.9% of responding West Midlands businesses were trading over the reference period, split by 96.2% fully trading and 2.7% partially trading.

### **International Trading**

Excluding “not sure” responses, 55.9% of responding West Midlands businesses reported “exporting as normal” in March 2022 when compared to March 2021. 17.3% of West Midlands businesses reported “exporting, but less than normal” and 14.0% reported “exporting more than normal”.

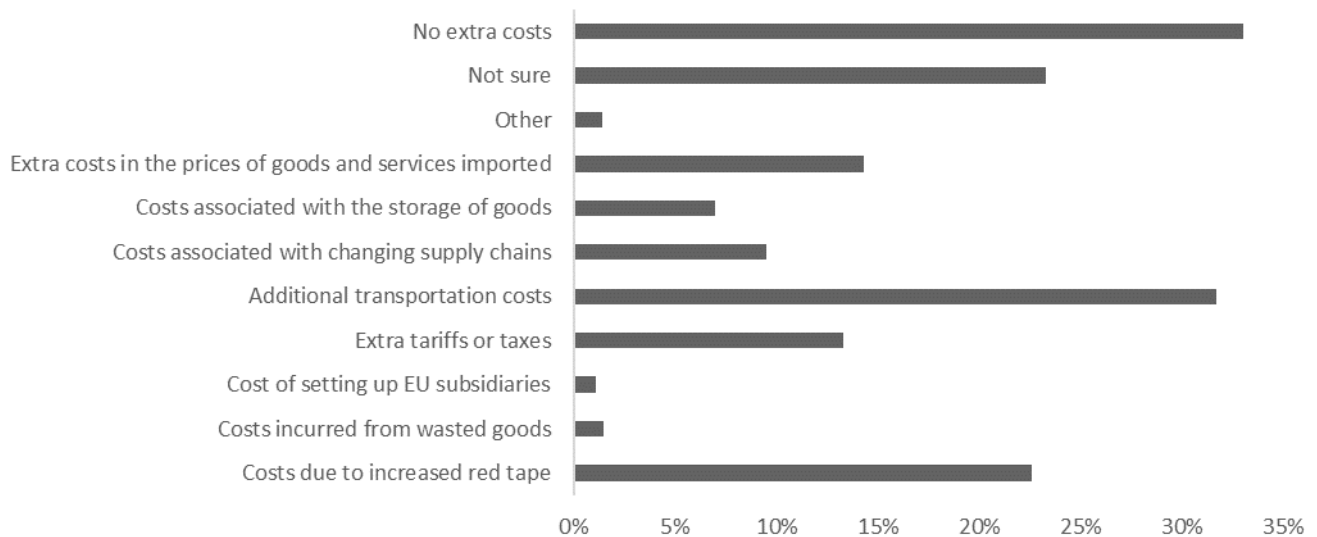
Excluding “not sure” or “no” responses, 9.6% of West Midlands businesses reported to use the rules of origin to access lower or zero tariffs on exports to EU countries. Less the 1% reporting using the rules of origin to non-EU countries and 18.6% reported they were to both EU and non-EU countries.

Excluding “not sure” responses, 57.3% of responding West Midlands businesses reported “importing as normal” in March 2022 when compared to March 2021. 12.9% of West Midlands businesses reported “importing, but less than normal” and 17.1% reported “importing more than normal”.

### **Supply Chains**

33% of West Midlands businesses reported “no extra costs” due to the end of the EU transition period. While 31.7% reported “additional transportation costs”.

**The following chart shows if the West Midlands businesses had any extra costs due to the end of the EU transition period:**



Excluding responses which included the businesses were able to get the materials, goods or services it needed and not applicable, 8.2% of responding West Midlands businesses reported they were only able to get the materials, goods or services it needed in March 2022 from the EU by changing suppliers or finding alternative solutions and 4.0% were not able to get materials, goods or services needed at all.

2.9% of West Midlands businesses reported they intend to open new branches or subsidiaries in the EU in the next 12 months.

Excluding responses which included the businesses were able to get the materials, goods or services it needed and not applicable, 13% of responding West Midlands businesses reported they were only able to get the materials, goods or services it needed in March 2022 from the UK by changing suppliers or finding alternative solutions and 6.1% were not able to get materials, goods or services needed at all.

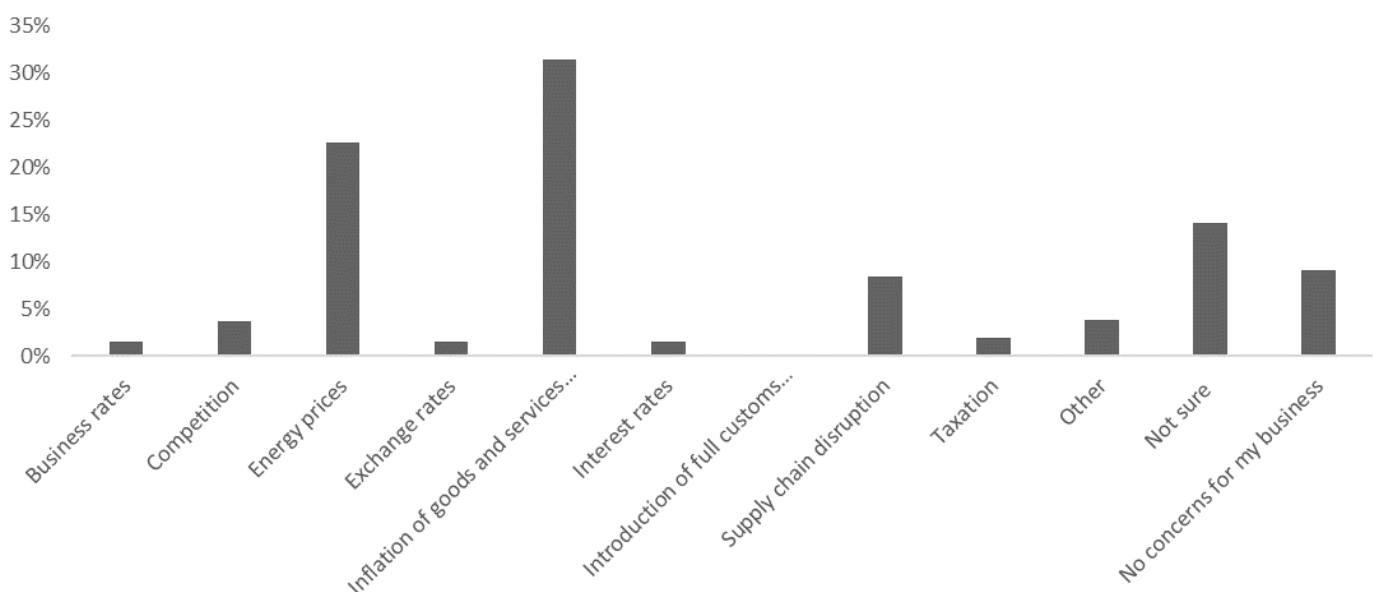
### Global Supply Disruption

24.2% of West Midlands businesses reported experiencing global supply chain disruption in March 2022.

### Main Concerns for Business

31.4% of West Midlands businesses reported the main concern for business was “inflation of goods and services prices” in April 2022.

The following chart shows the main concern (if any) for businesses in the West Midlands in April 2022:



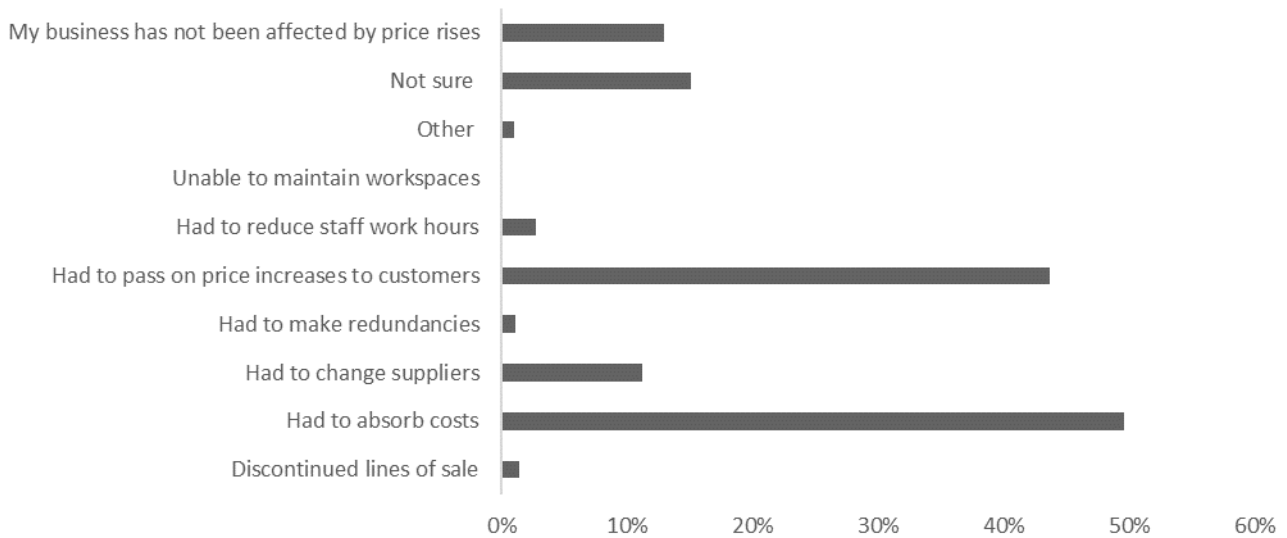
## Energy Prices

Excluding “not applicable” or “not sure” responses, 25.9% of West Midlands businesses reported they had not been affected by recent increases in energy prices. Although, 20.1% of West Midlands businesses reported that production had been affected by recent increases in energy prices. 5.8% of West Midlands businesses reported suppliers had been affected and 17.5% of West Midlands businesses reported that both production and suppliers had been affected.

## Impact of Prices

49.5% of West Midlands businesses reported that due to price rises they have “had to absorb costs”.

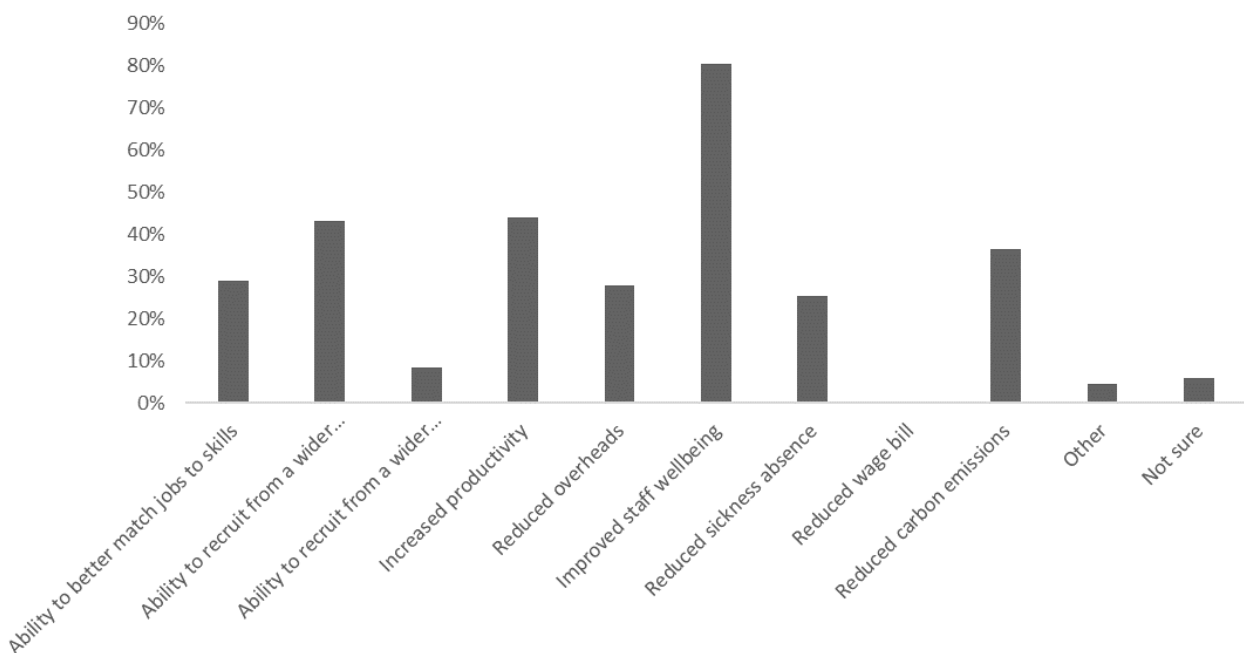
The following chart shows the ways, if any, how West Midlands businesses have been affected by process rises:



## Homeworking

35% of West Midlands businesses reported there were using or intending to use increased homeworking as a permanent business model going forward. Of these businesses, the highest response as to why they were using or intending to increase homeworking at 80.4% was due to “improved staff wellbeing”.

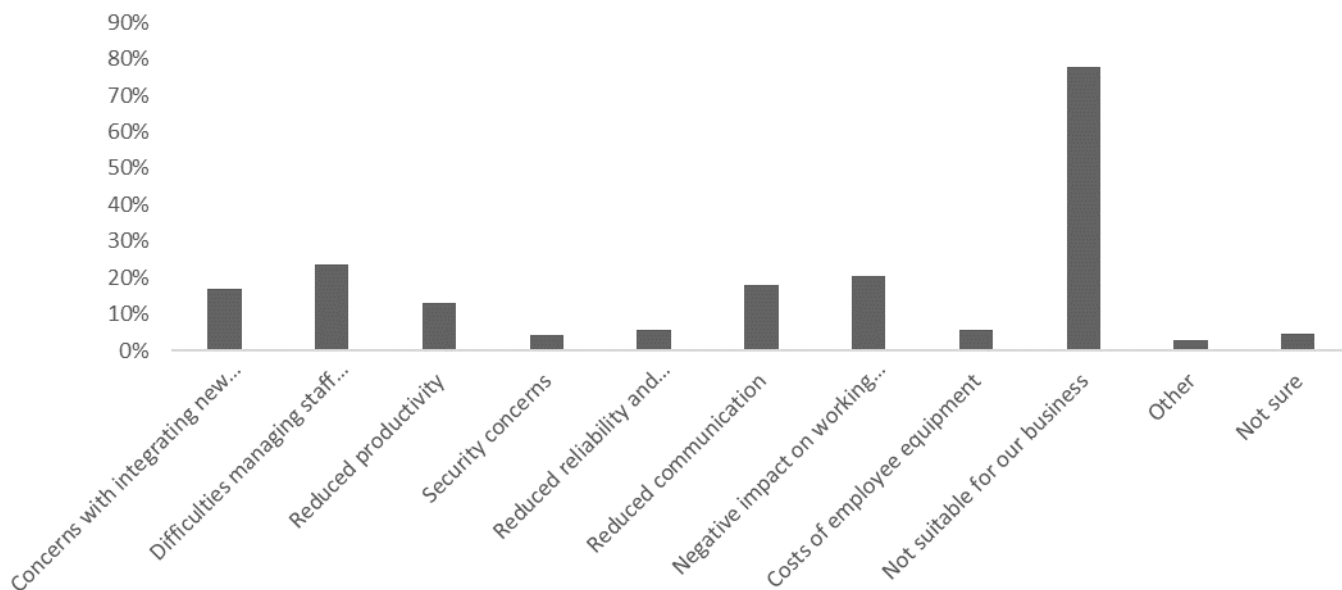
The following chart shows for the West Midlands region, why the business is using or intending to use increased homeworking as a permanent business model going forward:





Although, 44.5% of West Midlands businesses reported they are not using or do not intend to use increased homeworking as a permanent business model going forward. Of these businesses, the highest response as to why they were not using or not intending to use increase homeworking at 77.6% was it not being suitable for the business.

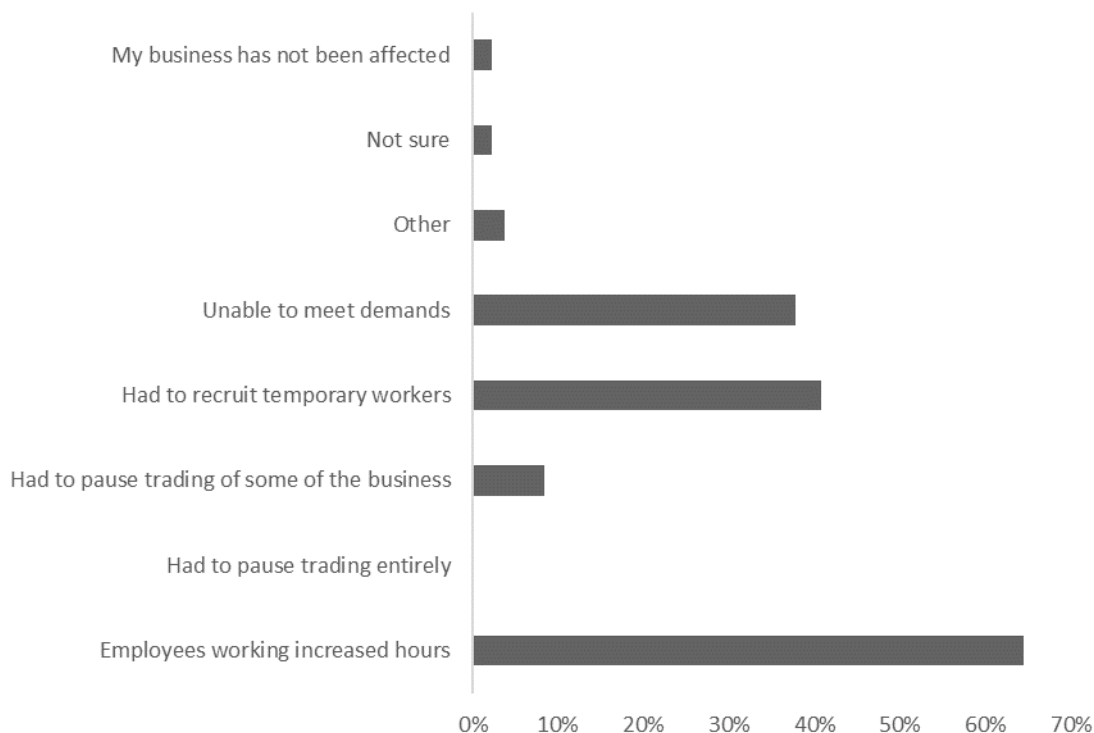
The following chart shows for the West Midlands region, why the business is not using or not intending to use increased homeworking as a permanent business model going forward:



### Worker Shortages

36.4% of responding West Midland businesses reported to currently experiencing a shortage of workers. Due to the shortage of workers, 64.4% of West Midlands businesses reported employees were then working increased hours.

The following chart shows how the shortage of workers affected West Midlands businesses:



Disclaimer: The contents of this document are based on the latest data available and the contribution of regional partners in a fast paced environment, therefore we urge caution in its use and application

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