

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

This week has been a tumultuous week in politics and is still unfolding as this monitor is written. This will not help the instability in the economy, which continues to show signs of contraction. The latest MakeUK Survey shows exports on a precipice and investment nosediving, and the OBR are predicting the effects of the trade and co-operation agreement will reduce long run productivity by 4%. The first release of the census this fortnight has revealed flaws in the previous populations estimates for the region impacting on Coventry in particular.

- New UK confirmed case numbers have risen from 93 p/m people to 208 p/m people. Across the Midlands hospital admissions are rising, ventilation beds have increased, and number of beds occupied with confirmed cases have increased from 1,010 on June 21, up to 2,020 on 4th July

Census

- The population of the WMCA (3 LEP) area has grown by 6.8% to 4.3m, slightly above the England growth at 6.6%, the 7 met area grew at 6.7% to 2.9m
- Growth follows the national trend, with declines in the under 5s, the 20-year-olds and the 40-year-olds, however the decreases aren't as great as those nationally. Whilst other age groups have increased at a higher rate than England (5-9, 10-14, 15-19)
- The WMCA area previously was the youngest city, this remains the case for the 7 met under 25s (33.6% of the population), and for the under 30s (7 Met 36.7% and 3 LEP Level 39%) outside London.
- Population density is far above national averages (434 per sqk) at 3,238 for the 7 met area and 1,010 for the 3 LEP (WMCA area)
- Comparison of census with ONS population estimates, show there is under reporting in some areas and over reporting in others, in WMCA this has impacted on Coventry, where estimates are higher than local evidence and the Census now shows.
- Issues are based on underestimation of emigration post university, students carrying out the survey whilst at home (not place of study), underestimation of death rates and birth rates, City-REDI Analysis shows this is as much as -34k fewer people in Coventry.
- Birmingham although it fell was not as far as Coventry, this appears to have been due to cumulative overestimations. Birmingham has seen net migration out at the 30-39 age group (which has led to previous overestimation in this group).
- This impacts on planning decisions, including housing and services (with both under and over supply issues).

Economy

- [Wall Street closed sharply lower](#) in a broad sell-off on Tuesday as dire consumer confidence data dampened investor optimism and [The Financial Times](#) consumer sentiment has hit its lowest level since the University of Michigan's index began in 1952 in the US, stoking fears of a recession
- [Deloitte](#) has found that if climate change continues to worsen, then it could cost the global economy US\$178 trillion over the next 50 years, or a 7.6% cut to global GDP.
- [Bank of England \(BoE\) Financial Stability Report](#) has found this week that Global economic conditions have worsened. Placing pressure on the finances of UK households and businesses. Many central banks have used interest rates to help slow down price increases. However, markets have been volatile and financing conditions have tightened. This combination of higher prices, weaker growth and tightening financial conditions will make it difficult for households and business to repay or refinance debt; However, despite market volatility, businesses can still access market funding; and UK banks remain strong and are able to support UK households and businesses
- OBR forecasts the new trading relationship, as set out in the 'Trade and Cooperation Agreement' (TCA), will reduce long-run productivity by 4% relative to remaining in the EU.
- Resolution Foundation forecasts that over next decade, the UK will have 1.3% lower productivity, and real wages will fall by £470 per person every year than in the absence of Brexit.
- [London School of Economics](#), the total cost of climate change damages to the UK are projected to increase from 1.1% of GDP at present to 3.3% by 2050 and 7.4% by 2100. The greatest single risk of climate change damages to the UK economy is from catastrophic disruption to the global economic system
- [British Chambers of Commerce](#) earlier this year, found 54% of firms thought the EU trade deal was not enabling them to grow or increase sales. With only 8% believing it had helped them to grow

- The region continues to have a mixed picture, [West Midlands business confidence remaining ahead of the UK average](#) in the latest Business Barometer from Lloyds Bank Commercial Banking. While recent business survey data suggesting an [“underlying resilience”](#) within regional businesses in tackling the current economic volatility. The West Midlands is still a [top destination for Foreign Direct Investment](#), still has [historically high equity investment](#) and has an [SME base that is growing faster than several regions](#).
- For 2020, GVA p/job data needs to be treated with caution the metric only declined around 1% in the UK during 2020 as a result of the Coronavirus Job Retention Scheme (CJRS). The average amount of hours worked per job will have been much lower than normal. This means large year-on-year declines in the levels of output per job for 2020. As such, GVA per job data for 2020 are not very representative of longer-term trends. Smoothed GVA per filled job for the WM 7 Met. area decreased by 0.05% (-£25.50) since 2019 to £51,446 in 2020. Over this period, the UK increased by 0.4% (+£246 to £58,054), meaning the WM 7 Met. area had a shortfall of £6,608.
- Smoothed GVA per hour worked for the WM 7 Met. area increased by 1.8% (+£0.59) since 2019 to reach £33.70 in 2020, the UK increased by 2.1% (+£0.78 to £37.73).
- FDI projects delivered a total of 5,871 jobs in the WMs region in 2021-22. This was a decrease of 6.9% (-433 jobs) from 2020-21. The UK had an increase over this period of 25.9%. There were 5,571 new jobs created. An increase of 25.4% (+1,128 new jobs) from 2020-21. The UK increase over the same period, by 53.2%. The WMs region accounts for 9% of the UK total for FDI projects – the fourth largest share in 2021-22
- 34.6% of WMs businesses reported prices of goods or services brought in May 2022 had stayed the same. Although, 49.5% businesses reported that prices had increased.
- WM businesses are reporting that recruiting staff is becoming increasingly difficult. The combination of changed employee expectations (e.g., reduced hours worked, working from home etc) plus the high demand for labour across sectors and disciplines, are fuelling demands for very high wages and favourable conditions – even from those who are unskilled, inexperienced, or new entrants to the labour market. 40.5% of WMs businesses reported experiencing difficulties in recruiting employees in May 2022
- MakeUK latest report highlights recruitment has slowed even with vacancies at record levels and investment amongst manufacturing firms have dropped sharply. 2/3 of manufacturing companies are saying continued rising energy costs are causing catastrophic or major disruption to business operations. As a result of the poor economic outlook, the growth forecast has been revised downwards

Levelling up

- [Resolution Foundation](#) report highlights while the UK’s economic geography has been fundamentally shaped by the shock of deindustrialisation, the correlation between these shocks and productivity today is weak as some areas have successfully transitioned to a services-led economy. Four key factors help explain differences in area-level productivity: the size of the local economy, levels of human capital, and levels of physical and intangible capital. Together these explain around 40% of the spatial variation in productivity. Coventry was within the top 10 most productive areas of the UK.
- Levelling Up is not simply a south v north issue as [inequalities are stark within regions](#) as well as between them. There are large disparities between areas within London GVA p/worker in Wandsworth is £35.15, compared to £60.46 for Tower Hamlets.
- [Research by the University of Sheffield](#) found that the UK has one of the highest levels of regional inequality of any OECD country. The [research](#) found that one of the most significant reasons for the enormous imbalances within the UK likely stemmed from an over-centralised national governance system.
- [Research carried out by the LIPSIT project](#), found that the current systems of subnational governance are largely unsuited to the task of levelling up. Use of funding competitions on placed-based initiatives, create an [extremely inefficient](#) mechanism to deliver placed interventions. This is due to the [short-term, fragmented, overly specific nature of competitive funding](#) leading to wasteful processes, not being spent in the places with the most need, inability to plan for the long-term, and failed strategy implementation.
- [Research led by the University of Birmingham](#) concluded that the competitiveness of the ‘left-behind’ regions would be negatively impacted by Brexit. The [manufacturing sector](#) is one of the most vulnerable sectors to Brexit. The [research](#) found the most negatively impacted sectors were most likely to be found in economically weaker areas. The result is [widening inequalities](#) as ‘left-behind’ places suffer more from Brexit, compared to more prosperous areas of the UK.
- Covid-19 has also contributed to the widening of socio-economic inequalities. During the pandemic, the people most likely to be [furloughed or made redundant](#) were those in low-paid jobs, whilst most high earners continued to work. Additionally, as poorer communities are associated with [higher rates of pre-existing illness](#), they were disproportionately vulnerable to Covid-19, resulting in disruptions to work and loss of income. Furthermore, during the pandemic students had [unequal levels of access to technology](#) to enable them to engage in meaningful education.
- The housing crisis has been growing for a number of years, with house prices [hitting a record high](#) in 2021, driven by [undersupply of affordable housing](#). [Shelter](#) estimates that 17.5 million people (22 million including children) do not have access to a safe decent home, that suits their needs and is affordable. [PWC research](#) found that 70% of respondents viewed housing as one of the most effective factors for reducing inequality.

- Nationally 72% of people have a total income below the regional average: 7 out of 10 are below the average of £23,200 (the national average is £24,400).
- The West Midlands is the 5th most unequal region measured by the GINI index following London, South East, East of England and Scotland.
- Research By CityREDI highlights men are wealthier than women, but at lower incomes, there is greater equality. Disparity happens at the higher income where 8 out of 10 of the richest people are men. But there is more inequality in the income of men, than between genders and inequality between males contributes more to the overall inequality.
- People get richer in their middle age and the older people are the more unequal the incomes. But this divergence is set early in life and continues to diverge, suggesting the other income is set by inheritance or differences in individuals' backgrounds early on. Middle-age inequality contributes most to the overall age element of income inequality.
- Kenilworth and Southam, Stratford on Avon, Bromsgrove, Sutton Coldfield, Warwick and Leamington are the top 5 unequal Parliamentary constituencies in the West Midlands where high values of income are accompanied by high inequality.
- Income inequalities have been worsening during the current Covid 19 crisis. Two-thirds of the occupations most affected by lockdowns earn lower wages and those occupations that were best suited for homeworking are typically on higher wages. It means that those who are of lower income have been hit harder.
- Levelling up policy needs to look at not only place, but also employment, gender and wage disparities, investment in jobs which are higher value and the access to assets, networks and knowledge people have from a young age are key to changing structural issues in the long-term
- A report from the [Institute for Government](#) argues that metro mayors, such as those in the West Midlands and Greater Manchester have demonstrated that devolution works. The mayors have improved coordination and provided a strong voice for their regions, but a lack of real power means unrealistic expectations have been set for what metro mayors can achieve and what they can be held to account for

Green House Gas emissions Update

- In 2020, the WMCA (3 LEP) area produced a total of 17,270 kt CO₂e emissions, a decrease of 11.2% (-2,188 Kt CO₂e) compared to a decrease of 10.5% nationally since 2019. Carbon dioxide emissions for the WMCA (3 LEP) area equated to 4.1 tonnes per capita, below the England average of 4.3 in 2020. Emissions were also 4.1 kt per km² for the WMCA (3 LEP) area compared to 1.8 kt per km² for England in 2020.

Global, National and Regional Outlook

Alice Pugh, WMREDI

Global

Consumer Confidence

[Wall Street closed sharply lower](#) in a broad sell-off on Tuesday as dire consumer confidence data dampened investor optimism and fuelled worries over recession. The S&P and the Nasdaq fell by 2% in 3% respectively, with Apple Inc ([AAPL.O](#)), Microsoft Corp ([MSFT.O](#)) and Amazon.com ([AMZN.O](#)) weighing the heaviest. [Reuters reported](#) that data released on Tuesday morning showed the Conference Board's consumer confidence index dropping to the lowest it has been since February 2021, with near-term expectations reaching its most pessimistic level in nearly a decade.

[The Financial Times](#) consumer sentiment has hit its lowest level since the University of Michigan's index began in 1952 in the US, stoking fears of a recession. Adjusted for inflation, consumer spending fell 0.4 per cent in May. However, even with rising inflation and interest rates retail and consumer industries are seeing divergent patterns along socio-economic lines. [Firms operating](#) in both the high and low ends of the spectrum see a split in spending that has left some businesses seeing projected growth in lower value products, whilst high end retailers are also forecasting a rise in demand for premium products. [The Financial Times](#) reported that this is pattern is also being seen in survey data. Monthly spending among US adults makes less than \$50,000 was down 8% in May year on year, whilst spending among those making more than \$50,000 was up 25%.

Climate Change

An Italian glacier collapsed in the Northern Italian Alps, resulting in the death of seven people. The [Italian government](#) has stated that the main reason for the collapse of the glacier has been the abnormally high temperatures, resulting from climate change. New South Wales in Australia is also facing its [wettest year on record](#), with widespread flooding in the state for the 4th time in 18 months. In Sydney amassed the same amount of rain over [four days](#) that it would typically see in a month and a half. Again, officials sighted climate change as the [main driver](#) for the intense flooding in the region. As well as this last month the [US](#) faced record level temperatures last month as the South West saw temperatures hitting 46 degrees in some states. As well as increasing occurrence of severe [thunderstorms and tornadoes](#) in the Midwest. With the increase in intensity and size of these natural and weather disasters largely seen as a result of [climate change](#).

[Deloitte](#) has found that if climate change continues to worsen, then it could cost the global economy US\$178 trillion over the next 50 years, or a 7.6% cut to global GDP. If global warming reaches around 3°C toward the century's end, the toll on human lives could be significant—disproportionately impacting the most vulnerable and leading to loss of productivity and employment, food and water scarcity, worsening health and well-being, and ushering in an overall lower standard of living globally. However, [Deloitte](#) also highlighted that if global leaders unite in a systematic net-zero transition, then the global economy could see new five-decade gains of US\$43 trillion—a boost to global GDP of 3.8%.

War

Tensions have heightened between China and the US again as the US was forced to sanction Chinese firms that had been [supporting Russia's military](#) and defence companies before and during the invasion of the Ukraine. The blacklisting was announced as fears grow amongst [US officials](#) around the strengthening of ties between Beijing and Moscow, especially following the signing of a statement between the two countries leaders describing the China-Russia relationship as having '[no limits](#)'. This is the [first time](#) that the US President has penalised Chinese entities for helping the Russian military since the beginning of the invasion. Fears have also been heightened after Chinese and Russian [nuclear bombers](#) flew drills over the Sea of Japan.

National Politics

This week both the [Chancellor](#) (Rishi Sunak) and the [Health Secretary](#) (Sajid Javid) have resigned. This is following a confirmation from [Lord McDonald](#) that Boris Johnson had misled the public and was aware of allegations against the [Deputy Chief Whip](#) regarding sexual assault claims. This likely means that Boris Johnson may be facing either another no confidence vote (if possible) or he may be forced to resign, especially if additional cabinet ministers stand down.

It may even potentially lead to an early general election. Instability in governance such as this may dampen business and consumer confidence, as they become concerned around the length of tenor that a government has when it is losing the confidence of its MPs. This could signal significant changes in approaches and policies which affect the West Midlands, such as Levelling Up, where Neil O'Brien has a significant role. As a result of the instability, businesses and consumers may hold off on investment and spending if they expect that there will be a change in economic policy, resulting from a change in governance. This is unfortunate given Wall Street is indicating that we may be heading towards a [global recession](#), as large falls in consumer confidence dampens investor optimism.

Financial Stability

The [Bank of England \(BoE\) Financial Stability Report](#) has found this week that:

- **Global economic conditions have worsened. Placing pressure on the finances of UK households and businesses-** Prices of essential goods such as food and energy have risen sharply in the UK and globally, worsening outlooks for growth. Many central banks globally, have used interest rates to help slow down price increases. However, markets have been volatile and financing conditions have tightened. This combination of higher prices, weaker growth and tightening financial conditions will make it difficult for households and business to repay or refinance debt. Given, this is expected by BoE that households and businesses will become more stretched in the coming months. As well as increase their vulnerability to further shocks.
- **The outlook for the economy is very uncertain, with several risks which could affect UK financial stability-**
 1. The continued invasion of Ukraine by Russia could cause more disruption to global energy and food markets. There are also risks from abroad which could indirectly impact the UK, for instance Covid disruption in China and a vulnerable property market continue to be a risk to the stability of the UK financial system.
 2. Risks for borrowers with higher levels of debt will be greater if prices increase faster than expected, growth is weaker than forecasted or it becomes harder to borrow. BoE highlights that lending to businesses with higher debt burdens, including in the US, could be a particular risk to the UK financial system.
 3. Countries with high levels of government debt will also be impacted as interest rates rise or if growth is weaker than expected (fewer tax receipts). This could tighten many governments fiscal and monetary agendas during a cost-of-living crisis.
- **Despite market volatility, businesses can still access market funding. But improving market resilience is crucial-** Strong financial markets help to provide finance to households and businesses to manage their risks and investments, especially when supporting businesses in the purchase of commodity market goods to help meet demand for energy and food. However, the worsening economic outlook has caused markets to be volatile in recent months. Equity prices have dropped sharply this year and will likely remain volatile. The Russian invasion of Ukraine has resulted in very high levels of volatility in commodity markets, placing pressure on businesses that use or trade commodities. Some businesses very exposed to commodity markets will likely face sharp falls in profits. However overall, the wider UK financial system has remained resilient to stress facing commodity markets, thus far. With UK businesses who were previously able to access funding from financial markets still able to do so.
- **UK banks remain strong and are able to support UK households and businesses-** The UK banking sector has levels of capital and liquidity that can support households and businesses, even given the worsening economic outlook. Later this year the BoE will 'stress test' UK banks, to test their resilience and ability to withstand deep recessions in the UK and global economy. To help ensure that banks have the resilience to lend in stress, the BoE will increase the countercyclical capital buffer (CCyB) rate from 1% to 2%. The buffer generally provides banks with an additional buffer of capital to absorb potential losses and so support lending to UK household and businesses in a downturn.

Trade

[OBR analysis](#) has found that the new trading relationship between the UK and EU, as set out in the 'Trade and Cooperation Agreement' (TCA) that came into effect on 1 January 2021, will reduce long-run productivity by 4% relative to remaining in the EU. This largely reflects the increase in non-tariff barriers on UK-EU trade that acts as an additional impediment to the exploitation of comparative advantage. The [Resolution Foundation](#) forecasts that over the next decade, as the UK adjusts to the TCA, the UK will have 1.3% lower productivity and real wages will fall by

£470 per person every year than in the absence of Brexit. [OBR](#) also predicts both exports and imports to be around 15% lower in the long run than if the UK had remained within the EU.

New polling from [Ipsos UK](#) shows that the proportion of Britons who think Brexit has made their daily life worse has risen from 3 in 10 in June 2021 to 45% in June 2022. 7 in 10 of those who voted Remain feel this is the case, up from half last year – and the proportion of Leave voters who say the same has doubled over the same period, from 10 to 22%. On the other hand, the proportion of those who believe Brexit has made their daily lives better has also risen from 17% up from 10% in June 2021. Among Remain voters, 10% now say that Brexit has made daily life better comparative to 5% June last year. Whilst 25% of leave voters also believe Brexit has made daily life better and increase from 17% a year ago.

Whereas a survey from the [British Chambers of Commerce](#) earlier this year, found 54% of firms thought the EU trade deal was not enabling them to grow or increase sales. With only 8% believing it had helped them to grow or increase sales. For UK exporters 12% agreed that the TCA was helping them to grow or increase sales, whereas 71% didn't think this was the case.

Of the 59 comments received on the advantage of the TCA, firms told the [British Chambers of Commerce](#):

- It had allowed some companies to continue to trade without significant change
- It had encouraged firms to look at other global markets
- It had provided stability to allow firms to plan.

Of the 320 comments received on the disadvantage of the TCA, firms told the [British Chambers of Commerce](#):

- It had led to rising costs for companies and their clients
- Smaller businesses did not have the time and money to deal with the bureaucracy it had introduced
- It had put off EU customers from considering UK goods and services – due to the perceived costs and complexities.

Climate Change

In new research from the [London School of Economics](#), has found that under current policies, the total cost of climate change damages to the UK are projected to increase from 1.1% of GDP at present to 3.3% by 2050 and 7.4% by 2100. The greatest single risk of climate change damages to the UK economy is from catastrophic disruption to the global economic system (worth [4.1% of GDP](#)). [Agriculture](#) is one of the UK sectors expected to be most impacted by climate change. The [reduction of arable land](#) as regions become drier is projected to halve its total contribution to UK GDP by 2100. Without larger and more globally co-ordinated commitments to climate change the UK economy will likely see the more pessimistic scenario take hold, which will severely impact the UK economy in the future.

However, even though the risks of climate change disasters are becoming more expensive and increasing supply chain disruptions, only 23% of large business survey by [ONS](#) have a climate change strategy. With only [8%](#) monitoring climate-related risks.

Levelling Up

The [Resolution Foundation has released a report](#) looking at spatial disparities in economic performance across the UK. The report uses data on regional productivity and area level characteristics to deepen the understanding of spatial gaps in productivity across the UK. The [Key findings](#) in the report were:

- Spatial disparities are persistent with very little change in the relative ranking of areas over the period we consider. And while disparities have grown modestly over the last two decades this has mostly been the result of a handful of small areas that have pulled away, or that have fallen further behind.
- While the UK's economic geography has been fundamentally shaped by the shock of deindustrialisation, the correlation between these shocks and productivity today is weak as some areas have successfully transitioned to a services-led economy.
- Four key factors help explain differences in area-level productivity: the size of the local economy, levels of human capital, and levels of physical and intangible capital. Together these explain around 40 per cent of the spatial variation in productivity.
- While gaps between rural areas and cities are inevitable more could be done to close the gaps between cities, but doing so will require change on a large scale. For example, increasing Manchester's size, graduate shares,

and capital stocks by 30 per cent roughly halves the productivity gap between Manchester and London leaving Manchester with a productivity gap smaller than that between Lyon and Paris (20 per cent) and similar to that between Edinburgh and London (15 percent).

- Policymakers will face trade offs between whether and how quickly national productivity improves versus spatial disparities narrowing, and second where to invest most aggressively as not all places can be improved all at once.
- Policymakers also need to consider who gains from strategies to reduce productivity gaps, to ensure that poorer households do not suffer from higher housing costs without rising incomes.
- The coming decade of change – driven by Covid, Brexit and Net Zero – may strengthen rather than weaken disparities in productivity.

Regional

Trade

[International trade figures by ONS](#), released this week have found that between 2019 and 2020, the WM saw a year on year percentage fall in imports by 24.1% and exports fall by 25.3%. This is the largest fall in exports in any UK region and the third largest fall in imports. [ONS found](#) that in the WM, the manufacturing industry drove the decrease in the trade in goods, which fell by 26.5%. Accommodation and food service activities industry saw a 77.6% decrease which drove the fall in trade in services. These industries likely reflect the prevalence of car, car part manufacturing and the university sector in this region.

Levelling Up

According to the [Resolution Foundations report](#), analysis found that the gap in productivity with London was 33%. As seen in figure 1 below, the productivity between London and WM is about average comparative to the other city regions.

For the West Midlands to halve the productivity gap with itself and London, it would need to:

- Increase in capital and grads to halve the gap (assuming residual) by 46%
- Increase in capital and grads to halve gap (no residual) by 46%
- Required increase in capital and grads if size 5% larger (no residual) by 46%

Figure 1: Significant change is needed across the board to halve the gaps in productivity between the largest city in each region of the UK and London

| Region | City | GVA per job | Gap to London | Fitted values of GVA per job | Gap to London from Fitted | Increase in capital and grads to halve the gap (assuming residual) | Increase in capital and grads to halve gap (no residual) | Required increase in capital and grads if size 5% larger (no residual) |
|--------------------|------------------|-------------|---------------|------------------------------|---------------------------|--|--|--|
| North East | Newcastle | £45,147 | -39% | £48,820 | -34% | 52% | 39% | 38% |
| North West | Manchester | £52,337 | -29% | £53,263 | -28% | 35% | 32% | 31% |
| Yorkshire & Humber | Leeds | £49,737 | -33% | £51,276 | -31% | 41% | 36% | 35% |
| East Midlands | Leicester | £50,368 | -32% | £49,950 | -33% | 40% | 41% | 41% |
| West Midlands | West Midlands UA | £49,825 | -33% | £49,597 | -33% | 46% | 46% | 46% |
| South West | Bristol | £53,880 | -27% | £54,826 | -26% | 29% | 26% | 25% |
| Wales | Cardiff | £48,760 | -34% | £50,272 | -32% | 43% | 38% | 37% |
| Scotland | Glasgow | £51,997 | -30% | £56,730 | -23% | 31% | 18% | 17% |

Source: [Resolution Foundation](#), 2022

However, Coventry was within the top 10 most productive areas of the UK, as seen in figure 2 below. The Resolution Foundation found that there was no clear link between size and productivity amongst the highest productivity areas, the most productive areas were on average twice as large as the least productive areas. The report found that as a larger metro Coventry was able to combine size with capital to generate larger productivity.

Figure 2: The top 10 most productive areas are large and have high levels of capital per job
Characteristics of the top 10 most productive areas: UK, 2019

| Region | GVA per job | Size | Graduate share | Total Capital per job | Fitted GVA per job | Residual (%) |
|----------------------|-------------|-----------|----------------|-----------------------|--------------------|--------------|
| Swindon | £76,952 | 120,781 | 34% | £163,139 | £53,494 | 30% |
| North Hampshire | £76,482 | 169,304 | 40% | £149,214 | £54,620 | 29% |
| Milton Keynes | £74,364 | 160,134 | 40% | £129,126 | £51,475 | 31% |
| London | £74,120 | 7,541,853 | 49% | £134,867 | £66,534 | 10% |
| Edinburgh | £63,199 | 512,096 | 51% | £121,410 | £56,624 | 10% |
| Luton | £61,663 | 89,301 | 33% | £161,055 | £52,360 | 15% |
| Aberdeen | £58,768 | 288,401 | 48% | £175,002 | £62,233 | 6% |
| Coventry | £58,742 | 473,875 | 39% | £134,707 | £54,752 | 7% |
| Falkirk | £58,730 | 67,034 | 37% | £140,506 | £49,869 | 15% |
| Central Bedfordshire | £57,919 | 98,935 | 38% | £156,057 | £53,367 | 8% |
| Average (Top 10) | £66,094 | 952,171 | 41% | £146,508 | £55,533 | 16% |
| Average (All) | £49,756 | 315,479 | 37% | £122,509 | £49,445 | -1% |

Source: [Resolution Foundation](#), 2022

A report from the [Institute for Government](#) argues that metro mayors, such as those in the West Midlands and Greater Manchester have demonstrated that devolution works. The mayors have improved coordination and provided a strong voice for their regions, but a lack of real power means unrealistic expectations have been set for what metro mayors can achieve and what they can be held to account for. The [IFS recommends](#) that:

- Devolving full responsibility for functions such as skills, transport and (green) infrastructure
- Giving metro mayors long-term, flexible funding to allocate in line with local needs
- Giving metro mayors the formal right to request any power that has been devolved elsewhere in England. The government should respond publicly and – if it says no – specify the conditions that would have to be met for the power to be handed over.
- The government launch a joint review of its relations with metro mayors and publish a framework for consultation, co-operation and dispute resolution between government departments and the mayors.
- The government commit not to reverse or amend the terms of devolution without local consent.

First results from Census 2021 in England and Wales – Population and Household Estimates¹

Black Country Consortium Economic Intelligence Unit

In Summary

- The usual resident population in the WMCA (3 LEP) area was 4,213,700 on Census Day (21st March 2021), an increase of 6.8% (+267,428) when compared with Census Day 2011. England-wide the population increased by 6.6% to 56,489,800 on Census Day 2021.
- The usual resident population in the WM 7 Met. area was 2,919,600 on Census Day 2021, an increase of 6.7% (+183,140) when compared with Census Day 2011.
- Both the WM 7 Met. area and the WMCA (3 LEP) area followed the national trend where there were declines in five age bands; aged 4 years and under, 20-24 years old, 25-29 years old, 40-44 years old and 45-49 years old.
- The WM 7 Met. area at 3,238 residents per square kilometre and the WMCA (3 LEP) area at 1,010 residents per square kilometre are significantly above the England-wide figure of 434 residents per square kilometre.

Full Briefing

- The usual resident population in the WMCA (3 LEP) area was 4,213,700 on Census Day (21st March 2021), an increase of 6.8% (+267,428) when compared with Census Day 2011. England-wide the population increased by 6.6% to 56,489,800 on Census Day 2021. The WMCA (3 LEP) population can be split by 2,142,800 females (+7.1%, +141,126 since Census Day 2011) and 2,070,800 males (+6.5%, +126,202 since Census Day 2011). In England, there were 28,833,500 females (+7.0%) and 27,656,300 males (+6.1%).
- The usual resident population in the WM 7 Met. area was 2,919,600 on Census Day 2021, an increase of 6.7% (+183,140) when compared with Census Day 2011. There were 1,486,600 females, an increase of 7.0% (+97,090) and 1,433,100 males where there was an increase of 6.4% (+86,150) since Census Day 2011.
- The usual resident population in the Black Country LEP area was 1,213,200 on Census Day 2021, an increase of 6.4% (+73,419) when compared with Census Day 2011. There were 617,800 females, an increase of +6.8% (+39,190) and 595,300 males where there was an increase of 6.1% (+34,129) since Census Day 2011.
- The usual resident population in the Coventry and Warwickshire LEP area was 942,100 on Census Day 2021, an increase of 9.2% (+79,666) when compared with Census Day 2011. There were 475,900 females, an increase of +9.2% (+40,163) and 466,200 males where there was an increase of 9.3% (+39,503) since Census Day 2011.
- The usual resident population in the Greater Birmingham and Solihull LEP area was 2,058,400 on Census Day 2021, an increase of 5.9% (+114,343) when compared with Census Day 2011. There were 1,049,100 females, an increase of +6.3% (+61,773) and 1,009,300 males where there was an increase of 5.5% (+52,570) since Census Day 2011.

Breakdown of usual resident population on Census Day 2021 and change since Census Day 2011:

| | All persons | All persons % Change since 2011 | All persons Num. Change since 2011 | Females | Females % Change since 2011 | Females Num. Change since 2011 | Males | Males % Change since 2011 | Males Num. Change since 2011 |
|--------------------|-------------|---------------------------------|------------------------------------|---------|-----------------------------|--------------------------------|---------|---------------------------|------------------------------|
| Birmingham | 1,144,900 | 6.7% | 71,855 | 584,300 | 7.2% | 39,061 | 560,500 | 6.2% | 32,694 |
| Bromsgrove | 99,200 | 5.9% | 5,563 | 50,700 | 7.1% | 3,363 | 48,400 | 4.5% | 2,100 |
| Cannock Chase | 100,500 | 3.1% | 3,038 | 51,000 | 3.4% | 1,664 | 49,500 | 2.9% | 1,374 |
| Coventry | 345,300 | 8.9% | 28,340 | 173,100 | 8.6% | 13,761 | 172,200 | 9.2% | 14,579 |
| Dudley | 323,500 | 3.4% | 10,575 | 164,500 | 3.4% | 5,394 | 159,000 | 3.4% | 5,181 |
| East Staffordshire | 124,000 | 9.2% | 10,417 | 62,000 | 8.4% | 4,802 | 62,000 | 10.0% | 5,615 |
| Lichfield | 106,400 | 5.7% | 5,746 | 54,000 | 6.4% | 3,266 | 52,500 | 5.2% | 2,580 |

¹ Source: Office for National Statistics - [Population and household estimates, England and Wales: Census 2021](#) – released June 2022

| | All persons | All persons % Change since 2011 | All persons Num. Change since 2011 | Females | Females % Change since 2011 | Females Num. Change since 2011 | Males | Males % Change since 2011 | Males Num. Change since 2011 |
|-------------------------------------|------------------|---------------------------------|------------------------------------|------------------|-----------------------------|--------------------------------|------------------|---------------------------|------------------------------|
| North Warwickshire | 65,000 | 4.8% | 2,986 | 33,100 | 5.4% | 1,690 | 31,900 | 4.2% | 1,296 |
| Nuneaton and Bedworth | 134,200 | 7.1% | 8,948 | 68,300 | 7.0% | 4,489 | 65,900 | 7.3% | 4,459 |
| Redditch | 87,000 | 3.3% | 2,786 | 44,100 | 4.1% | 1,734 | 43,000 | 2.8% | 1,152 |
| Rugby | 114,400 | 14.3% | 14,325 | 57,400 | 14.4% | 7,209 | 57,000 | 14.3% | 7,116 |
| Sandwell | 341,900 | 11.0% | 33,837 | 173,600 | 10.9% | 17,129 | 168,200 | 11.0% | 16,608 |
| Solihull | 216,200 | 4.6% | 9,526 | 111,300 | 4.7% | 4,978 | 104,900 | 4.5% | 4,548 |
| Stratford-on-Avon | 134,700 | 11.8% | 14,215 | 69,400 | 12.0% | 7,412 | 65,300 | 11.6% | 6,803 |
| Tamworth | 78,600 | 2.3% | 1,787 | 39,900 | 2.0% | 781 | 38,700 | 2.7% | 1,006 |
| Walsall | 284,100 | 5.5% | 14,777 | 145,400 | 6.1% | 8,396 | 138,700 | 4.8% | 6,381 |
| Warwick | 148,500 | 7.9% | 10,852 | 74,600 | 8.1% | 5,602 | 73,900 | 7.6% | 5,250 |
| Wolverhampton | 263,700 | 5.7% | 14,230 | 134,300 | 6.6% | 8,271 | 129,400 | 4.8% | 5,959 |
| Wyre Forest | 101,600 | 3.7% | 3,625 | 51,800 | 4.3% | 2,124 | 49,800 | 3.1% | 1,501 |
| WM 7 Met. | 2,919,600 | 6.7% | 183,140 | 1,486,600 | 7.0% | 97,090 | 1,433,100 | 6.4% | 86,150 |
| Black Country LEP | 1,213,200 | 6.4% | 73,419 | 617,800 | 6.8% | 39,190 | 595,300 | 6.1% | 34,129 |
| Coventry and Warwickshire LEP | 942,100 | 9.2% | 79,666 | 475,900 | 9.2% | 40,163 | 466,200 | 9.3% | 39,503 |
| Greater Birmingham and Solihull LEP | 2,058,400 | 5.9% | 114,343 | 1,049,100 | 6.3% | 61,773 | 1,009,300 | 5.5% | 52,570 |
| WMCA (3 LEP) | 4,213,700 | 6.8% | 267,428 | 2,142,800 | 7.1% | 141,126 | 2,070,800 | 6.5% | 126,202 |
| West Midlands Region | 5,950,800 | 6.2% | 348,953 | 3,023,000 | 6.5% | 184,340 | 2,927,700 | 6.0% | 164,513 |
| England | 56,489,800 | 6.6% | 3,477,344 | 28,833,500 | 7.0% | 1,890,192 | 27,656,300 | 6.1% | 1,587,152 |

- In the WMCA (3 LEP) area there were 1,681,300 households with at least one usual resident. This can be broken down by 484,600 in the Black Country LEP, 387,400 in the Coventry and Warwickshire LEP and 809,300 in the Greater Birmingham and Solihull LEP on Census Day 2021.
- In the WM 7 Met. area there were 1,131,700 households with at least one usual resident on Census Day 2021.

Population Age Breakdown

- As seen in the following table, both the WM 7 Met. area and the WMCA (3 LEP) area followed the national trend where there were declines in five age bands; aged 4 years and under, 20-24 years old, 25-29 years old, 40-44 years old and 45-49 years old.

Age breakdown on Census Day 2021 compared to Census Day 2011:

| | WM 7 Met. | WM 7 Met. Change since Census Day 2011 | WMCA (3 LEP) | WMCA (3 LEP) Change since Census Day 2011 | England | England Change since Census Day 2011 |
|------------------------|-----------|--|--------------|---|------------|--------------------------------------|
| All persons | 2,919,600 | 6.7% | 4,213,700 | 6.8% | 56,489,800 | 6.6% |
| Aged 4 years and under | 182,000 | -5.5% | 250,200 | -4.8% | 3,077,000 | -7.3% |
| Aged 5 to 9 years | 198,600 | 14.1% | 272,900 | 13.8% | 3,348,600 | 12.6% |
| Aged 10 to 14 years | 200,000 | 14.4% | 275,800 | 12.5% | 3,413,100 | 10.8% |
| Aged 15 to 19 years | 196,100 | 1.9% | 264,500 | -0.3% | 3,218,900 | -3.6% |
| Aged 20 to 24 years | 204,900 | -2.6% | 271,300 | -3.3% | 3,414,400 | -5.0% |

| | WM 7 Met. | WM 7 Met. Change since Census Day 2011 | WMCA (3 LEP) | WMCA (3 LEP) Change since Census Day 2011 | England | England Change since Census Day 2011 |
|------------------------|-----------|--|--------------|---|-----------|--------------------------------------|
| Aged 25 to 29 years | 197,100 | -0.8% | 274,800 | 1.7% | 3,715,400 | 1.8% |
| Aged 30 to 34 years | 208,200 | 13.6% | 293,600 | 15.8% | 3,952,600 | 12.6% |
| Aged 35 to 39 years | 200,000 | 11.7% | 281,200 | 8.7% | 3,795,400 | 6.9% |
| Aged 40 to 44 years | 185,700 | -3.7% | 263,700 | -7.3% | 3,580,400 | -7.9% |
| Aged 45 to 49 years | 178,800 | -3.8% | 262,300 | -5.8% | 3,602,600 | -7.1% |
| Aged 50 to 54 years | 190,800 | 20.2% | 285,600 | 19.2% | 3,907,700 | 14.9% |
| Aged 55 to 59 years | 175,200 | 25.5% | 267,200 | 24.4% | 3,806,300 | 27.0% |
| Aged 60 to 64 years | 147,300 | 6.3% | 225,900 | 2.6% | 3,256,100 | 2.6% |
| Aged 65 to 69 years | 122,300 | 4.7% | 192,200 | 3.9% | 2,767,500 | 10.3% |
| Aged 70 to 74 years | 115,000 | 16.1% | 188,000 | 24.9% | 2,796,600 | 36.8% |
| Aged 75 to 79 years | 89,000 | 8.4% | 145,600 | 19.4% | 2,038,800 | 22.1% |
| Aged 80 to 84 years | 65,400 | 5.0% | 102,500 | 11.2% | 1,427,900 | 13.4% |
| Aged 85 to 89 years | 40,700 | 10.2% | 62,100 | 12.7% | 872,200 | 12.4% |
| Aged 90 years and over | 22,500 | 22.2% | 34,600 | 24.8% | 498,200 | 23.4% |

- For the WMCA (3 LEP) area, following the England trends, the highest percentage increases were in those aged 70-74 years old (+24.9%, Eng. +36.8%), aged 90 years and over (+24.8%, Eng. +23.4%) and those aged 55-59 years old (+24.4%, Eng. +27.0%).
- The WM 7 Met. area had the highest increases in those aged 50-59 years old (+25.5%) and aged 90 years and over (+22.2%). However, the third highest increase was in those aged 50-54 years old (+20.2%).

Population Density

- Since Census Day 2011, across the WMCA area the number of residents per square kilometre increased in all the local authorities.
- The WM 7 Met. area at 3,238 residents per square kilometre and the WMCA (3 LEP) area at 1,010 residents per square kilometre are significantly above the England-wide figure of 434 residents per square kilometre.

| | Population density Census Day 2011 (number of usual residents per square kilometre) | Population density Census Day 2021 (number of usual residents per square kilometre) |
|-------------------------------|--|--|
| Birmingham | 4,007 | 4,275 |
| Bromsgrove | 432 | 457 |
| Cannock Chase | 1,236 | 1,274 |
| Coventry | 3,213 | 3,501 |
| Dudley | 3,194 | 3,302 |
| East Staffordshire | 294 | 320 |
| Lichfield | 304 | 321 |
| North Warwickshire | 218 | 229 |
| Nuneaton and Bedworth | 1,586 | 1,700 |
| Redditch | 1,552 | 1,604 |
| Rugby | 285 | 326 |
| Sandwell | 3,601 | 3,996 |
| Solihull | 1,159 | 1,213 |
| Stratford-on-Avon | 123 | 138 |
| Tamworth | 2,490 | 2,548 |
| Walsall | 2,590 | 2,732 |
| Warwick | 487 | 525 |
| Wolverhampton | 3,593 | 3,798 |
| Wyre Forest | 501 | 520 |
| WM 7 Met. | 3,035 | 3,238 |
| Black Country LEP | 3,193 | 3,399 |
| Coventry and Warwickshire LEP | 416 | 454 |

| | Population density Census Day 2011 (number of usual residents per square kilometre) | Population density Census Day 2021 (number of usual residents per square kilometre) |
|-------------------------------------|--|--|
| Greater Birmingham and Solihull LEP | 1,117 | 1,183 |
| WMCA (3 LEP) | 946 | 1,010 |
| West Midlands | 431 | 458 |
| England | 407 | 434 |

Analysis of youngest city

The WMCA area has been quoted in the past as being the youngest city, this remains the case for the 7 met under 25s (33.6% of the population), and for the under 30s (at both a 7 Met 36.7% and 3 LEP Level 39%) outside London.

| | All persons | Aged under 30 | % aged under 30 | | Aged under 25 | % aged under 25 |
|--|------------------|------------------|-----------------|--|------------------|-----------------|
| Greater London Authority | 8,800,000 | 3,461,400 | 39.3% | WM 7 Met. | 981,800 | 33.6% |
| WMCA (3 LEP) | 4,213,700 | 1,609,500 | 39.0% | Greater Manchester Combined Authority | 914,700 | 31.9% |
| WM 7 Met. | 2,919,600 | 1,178,900 | 36.7% | West Yorkshire Combined Authority | 745,900 | 31.7% |
| Greater Manchester Combined Authority | 2,867,900 | 1,117,400 | 38.4% | WMCA (3 LEP) | 1,334,700 | 31.7% |
| West Yorkshire Combined Authority | 2,351,600 | 903,200 | 35.6% | West of England Combined Authority | 302,600 | 31.6% |
| Liverpool City Region Combined Authority | 1,551,500 | 552,100 | 35.1% | Greater London Authority | 2,674,900 | 30.4% |
| Sheffield City Region | 1,375,000 | 504,500 | 40.4% | Sheffield City Region | 411,300 | 29.9% |
| North East Combined Authority | 1,140,200 | 381,900 | 36.4% | Cambridgeshire and Peterborough Combined Authority | 263,900 | 29.5% |
| West of England Combined Authority | 956,200 | 377,900 | 39.5% | North of Tyne Combined Authority | 241,600 | 29.1% |
| Cambridgeshire and Peterborough Combined Authority | 894,400 | 325,400 | 33.5% | Liverpool City Region Combined Authority | 450,900 | 29.1% |
| North of Tyne Combined Authority | 829,800 | 293,100 | 35.3% | Tees Valley Combined Authority | 196,200 | 29.0% |
| Tees Valley Combined Authority | 677,100 | 237,800 | 38.2% | North East Combined Authority | 314,300 | 27.6% |

Interpreting the first results from the 2021 Census – what we know and don't know

Anne Green, WMREDI

Background to the Census

With the exception of 1941 when the Census was cancelled due to World War II, [a Census has been held every ten years in England since 1801](#). The Census has provided a snapshot of the population every decade, with new questions introduced to reflect emerging societal concerns – exemplified by the inclusion of questions on women's occupations in 1911 (formerly the focus had been on men's occupations only), on orphans in 1921 (following World War I and the Spanish Flu pandemic), transport to work and car ownership from 1971, ethnicity from 1991, provision of unpaid care for others in 2001, people's main language or ability in English and national identity or citizenship in 2011, and voluntary questions on sexual orientation and gender identity in 2021.

In the early Censuses – up to 1831 – enumerators filled in counts for local areas. In 1841, for the first time, households filled in census forms directly. In 1961 a new innovation was processing of Census results on a computer. In 2011 respondents had the option of filling in the Census online for the first time. The 2021 Census was a 'digital first' Census: [88.9% of household responses to the 2021 Census in England and Wales were completed online](#).

First results from the 2021 Census

28th June 2022 marked the publication by the Office for National Statistics (ONS) of the first results from the 2021 Census of Population. The first outputs comprise [rounded population and household estimates for local authorities in England and Wales](#), disaggregated by sex and five-year age group.

[Later in 2022 the ONS plans to publish topic summaries and area profiles](#) on demography and migration; ethnic group, national identity, language and religion; UK armed forces veterans; housing; the labour market and travel to work; sexual orientation and gender identity; education; and health, disability and unpaid care. Origin-destination flow data – including on migration flows and workplace flows – are not expected to be released until later in 2023.

2021 Census response rate

The 2021 achieved a person [response rate of 97%, with over 88% of individuals in each local authority in England and Wales responding](#); (the response rate is derived by dividing the count of sufficiently complete responses by the estimate number that should have responded). The data published by the ONS in June 2022 represent population estimates of the usually resident population. Where missing, invalid or incomplete answers are identified, values are imputed. Estimates and adjustments are made for non-response and duplicate responses using the Census Coverage Survey and other methods. Hence the population estimates published make allowance for people who did not respond.

Advantages and shortcomings of Census of Population data

The main advantage of the Census of Population is that it provides a detailed snapshot of the population every ten years. When detailed disaggregations of population sub-groups are published from the 2021 Census, they will enable an insight into demographic, socio-economic and cultural characteristics of the population at the micro-area (neighbourhood) scale. This is something that large scale household surveys cannot provide due to sample size constraints and where administrative sources tend to provide a partial view. Analyses of inter-censal change show changes in the profile of the population over the medium- and longer-term.

Census questions are restricted to those topics on which respondents can relatively readily provide an answer. Contentious issues are not covered – an example is income, and answering a limited number of questions is voluntary (e.g. on sexual orientation). There is more scope to ask questions of 'difficult' issues where an interviewer is available to provide guidance for respondents, as in various household surveys. As noted above, it is possible that some people answered Census questions incorrectly, whereas others may have been missed – and so adjustments are made.

A key shortcoming of the Census is that it is decennial. As such, it does not provide insight into short-term changes in the population. Obviously, with the passage of time since the Census date, the data may no longer reflect the contemporary picture. There is an ongoing requirement for more timely data for planning purposes.

Press reports comparing results of the 2021 Census with ONS population estimates

The publication of the first results from the 2021 Census enabled a comparison with the annual mid-year estimates of population. These are compiled by [taking the figures from the last Census and updating them for births, deaths and international and internal migration](#).

An article published in The Guardian on 29th June argued that the [2021 Census data suggested that population growth had been overestimated in some areas but underestimated in others](#). Key examples include Coventry where a mid-year population estimate of 379,387 compared with a census figure of 345,000, and Cambridge where the 2020 ONS population estimate of 125,063 was 20,637 smaller than the Census figure. These differences are important since they have implications for housing allocations and service planning.

The case of 'high' population estimates for Coventry was the subject of discussion before the first 2021 Census results were published, with the [Office for Statistics Regulation](#) concluding that "Population estimates for some cities such as Coventry did seem to be inconsistent with, and potentially higher than, local evidence would suggest."

The special circumstances of the 2021 Census

Census Day in 2021 was 21st March. The significance of this date was that England was in the third national Covid-19 lockdown and although schools in England had reopened earlier in the month for primary and secondary school students, the 'stay at home' order remained in place, with many of those who were able to do so working from home. The implication of this is that the Covid-19 pandemic may have affected some people's choice of residence on Census Day, for example students and in some urban areas. Importantly, the ONS acknowledges that "[these changes may have been temporary for some and more long-lasting for others](#)". Hence while all local areas were impacted by the Covid-19 lockdown, differential effects in terms of people's choice of residence would be expected especially in local areas characterised by relatively large student and international migrant populations. (Note that while England, Wales and Northern Ireland proceeded with the 2021 Census during Covid-19 lockdown, in Scotland the Census was postponed for a year.)

The Covid-19 pandemic impacted on other official data collection activities aside from the 2021 Census. For example, [where data collection for the Labour Force Survey involved in person, in home interviews, there was a switch to telephone interviews](#). The [International Passenger Survey](#), which collects information on passengers entering and leaving the UK, was suspended from March 2020 to January 2021. This means that it is likely that inconsistencies arise in other data series which we might want to look at alongside results from the Census.

Learning from population change in London during the Covid-19 pandemic

Research and analysis from the Greater London Authority provides insights into [population change in London during the Covid-19 pandemic](#), highlighting some issues that may be relevant to urban areas elsewhere in England. The analysis found little evidence that fertility rates had been significantly impacted by the pandemic, but that deaths increased, particularly in the over-75 age group, so leading to a lower positive natural change in the population. The data indicated that many young people left London during and following the first Covid-19 lockdown, but that many returned during the Spring and Summer of 2021, with the reopening of hospitality and tourism sectors. This suggests that there would have been fewer young people in London on Census Day than prior to the Covid-19 pandemic and currently. Analyses of GP registration and house price data indicate an increased loss of other age groups to surrounding regions (which may be a longer-term trend).

Alongside the Covid-19 pandemic there is also the impact of the UK withdrawal from the EU to consider. These two simultaneous events are likely to have an inter-dependent effect on decision-making. They combined to reduce international migration flows to London. Similar patterns might be expected for some other large urban areas in England.

Population registration systems

In contrast to several European countries, England lacks a local population registration system. In a country with a local population register, the norm is for a person to report a new residence to a registration office or the police within a few days of taking up residency at a new address.

In England GP registrations have been used to provide insights into local population estimates, as a source to be used in triangulation with Census and mid-year population estimates and other administrative sources. In order to access most non-emergency NHS healthcare and health screening in the UK, a patient needs to be registered with a GP practice. However, GP registrations as a statistical source are not without their shortcomings. There are issues about the timeliness of GP registrations – especially amongst younger males, and deregistrations – for example, when students or international migrants leave an area and fail to deregister with a local GP. It could be hypothesised that heightened public health awareness in the Covid-19 pandemic has improved registration and deregistration behaviour.

Do we know what the ‘typical’ local population is? Will it remain the same post Covid-19?

The publication of the first results from the 2021 Census has provided new information about local populations. However, where there are differences between the Census and other population estimates, questions have been raised about what the ‘typical’ local population of an area should be. Even with triangulation of different sources, it is often the case that ‘we don’t know for sure’.

The special circumstances of the 2021 Census Day during a national lockdown also raise the issue of whether changes recorded are temporary or permanent. With greater hybrid working and a changed immigration regime, how similar will the ‘typical’ local population be pre- and post-lockdown? This question will continue to arise as 2021 Census data on other population characteristics and topics are published.

The ‘Coventry Case’: Further Considerations of Discrepancies Between the Census and Mid-Year Population Estimates

Maryna Ramcharan, WM REDI

Special concerns about mid-year population estimates for Coventry were raised by [Sir Andrew Watson, Andy Street, Taiwo Owatemi, Zarah Sultana, Craig Tracey and Merle Gering](#). They asked the Office for Statistics Regulation for an independent review of ONS estimates and projecting the population of Coventry at the end of 2020. They reasoned their request by mistrusting the mid-year estimates for Coventry stating that such estimates had been overestimated for several reasons, including overestimated birth rates, underestimated death rates and an underestimated amount of international emigration, particularly migration of students leaving Coventry after their courses are completed.

Now that the first results from Census 2021 have been released by ONS on 28th June, it is possible to compare them against population projections. Particularly, this feature compares results from the 2021 Census of Population for England and Wales which were [released on 28 June 2022](#) against [Mid-Year Population Estimates June 2020](#) which were published by the Office for National Statistics on 25th June 2021. The population of usual residents were compared across Local Authorities in West Midlands with a special focus on Coventry, Birmingham and Wolverhampton.

The Census suggests that population growth was overestimated in some areas and underestimated in others.

| LA | |
|----------------|----------|
| Birmingham | 1,144.9K |
| Coventry | 345.3K |
| Sandwell | 341.9K |
| Shropshire | 323.6K |
| Dudley | 323.5K |
| Walsall | 284.1K |
| Wolverhampton | 263.7K |
| Stoke-on-Trent | 258.4K |
| Solihull | 216.2K |

Figure 1: Usual resident population in the West Midlands on Census Day 2021

The most populated Local Authority in the West Midlands is Birmingham with a population of 1,145K followed by Coventry with 345K usual residents and Sandwell with 342K persons. The usual residential population in Wolverhampton was 264K on Census Day 2021.

In order to compare how census records differ from mid-year estimates (MYE), the difference between numbers of usual resident population in census and MYE was calculated as

$$\text{Difference} = \text{Census 2021} - \text{MYE 2020, persons}$$

The differences calculated by the above formula for local authorities of the West Midlands are presented in Figure 2. Positive differences in the graph have been shaded in blue: they evidence that census numbers exceeded the mid-year estimates, implying that population of usual residents in these local authorities were underestimated. Conversely, negative discrepancies have been highlighted in shades of red: they evidence that the usual residence population were overestimated by MYE.

This data suggests that population growth in the West Midlands was overestimated in some areas and underestimated in others. Thus, mid-year estimates missed almost 13,000 people in Sandwell, and in Birmingham the underestimated number of usual residents was much less and only 4,375 persons were missed.

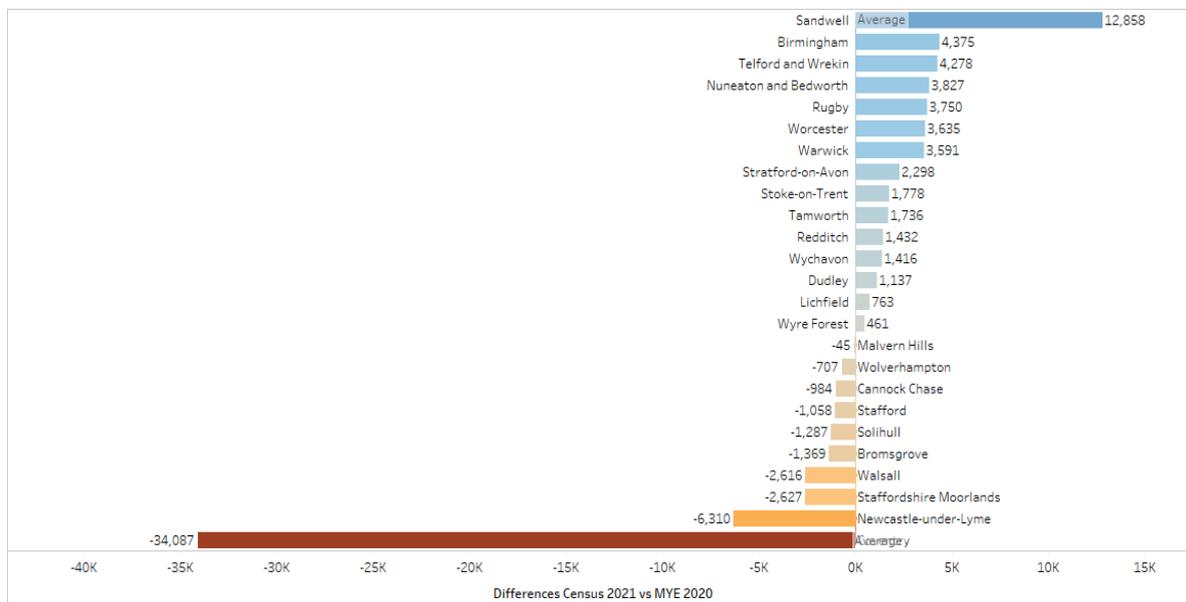


Figure 2: Differences between census and MYE 2020, persons

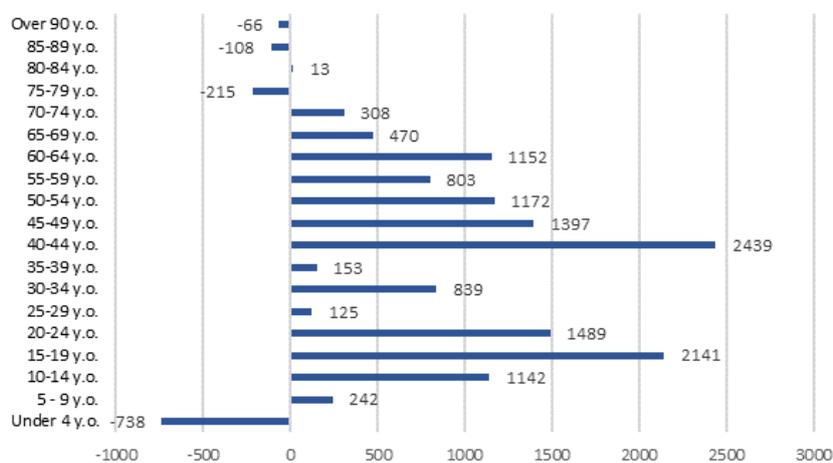


Figure 3: Differences between Census and MYE across age groups in Sandwell, persons

The number of 13K persons missed by the 2020 estimates in Sandwell possibly points to ‘mistakes’ in planning and suggests that more homes and other civil infrastructure facilities like supermarkets or parking slots may now be needed in Sandwell.

Middle aged people of 40-44 years were the most underestimated age group for Sandwell with 2,439 persons being missed. Another over 2K persons missed were young people aged 15-19 years.

In Coventry, the ONS had estimated the population at 379,387 but the census recorded only 345,300 people – a 34,000 difference (Figure 2). [Campaigners said](#) this meant some of the recently built housing around the city was in effect being planned for “ghosts”. [Sir Andrew Watson and others pointed](#) that because ONS population projections and associated household projections are used as the basis for forward planning by all local planning authorities, the very high figures for Coventry have led that authority and neighbouring Warwickshire authorities to over-allocate land for housing in their local plans. This has resulted in major incursions into the countryside, both in Coventry itself and in those parts of Warwickshire immediately surrounding it.

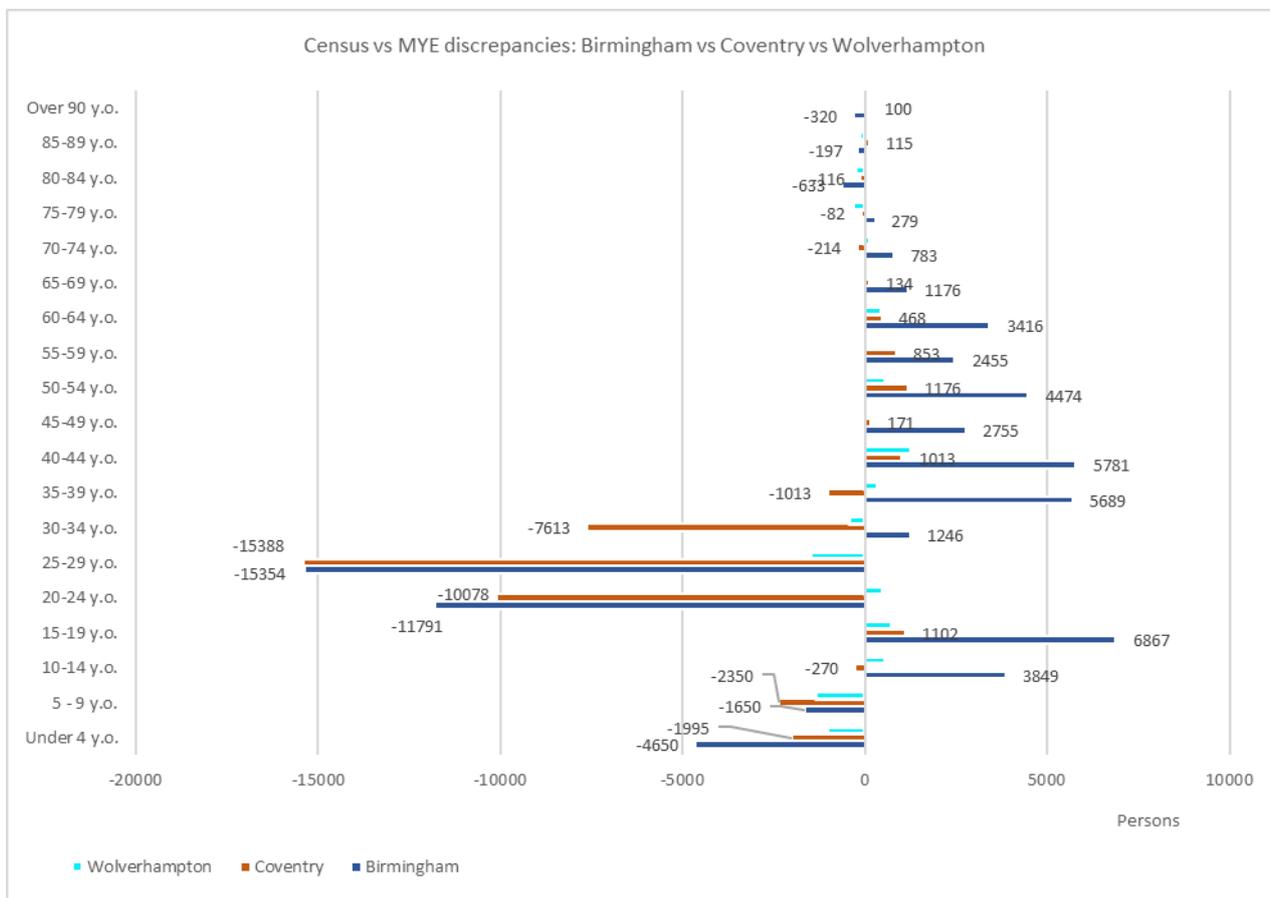


Figure 5: Differences between census and MYE across three local authorities of Birmingham, Coventry and Wolverhampton

This shortfall can potentially be explained by

- overestimated international migration as if ONS expected graduates to stay in their termtime accommodation after completing their studies, and
- the coincidence of census and lockdown when students may stay at their parents or another domicile address and not in their termtime accommodation during lockdown. Although the [ONS had reviewed and enhanced the guidance for students](#) on how they should complete the census. They have also reviewed and reinforced their student communication plans to ensure students are aware of what they need to do.

In Birmingham, the ONS had estimated population of young people aged 20-29 y.o. at 203K but census recorded only 176K - a 27K difference with 15.4K persons being missed in age band 25-29 y.o. and 11.8K persons being missed in age group 20-24 y.o.

[In 2021 the Office for Statistics Regulation concluded](#): “Population estimates for some cities such as Coventry did seem to be inconsistent with, and potentially higher than, local evidence would suggest.” The same problem was seen in “a number of smaller cities with large student populations”, it said.

Birmingham and Coventry have similar number of HE students, but Birmingham didn’t see a massive shortfall in total numbers

The discrepancies between census and MYE for Birmingham’s young people mirror Coventry case (as shown in Figure 4); however, Birmingham didn’t see the same massive shortfall in total population as Coventry saw. This suggests that it was not only imperfect statistical processes for students’ population projections which cause the massive shortfall for Coventry but the cumulative overestimated numbers for other age groups.

As there are four factors of population change – births, deaths, in-migration, and out-migration – it makes sense to compare time series of components of population change in Birmingham and Coventry with particular focus on 30-34 and 35-39 year olds as the population projections for these groups have followed very different patterns for Birmingham and Coventry (Figure 4).

Birmingham LA

Coventry LA

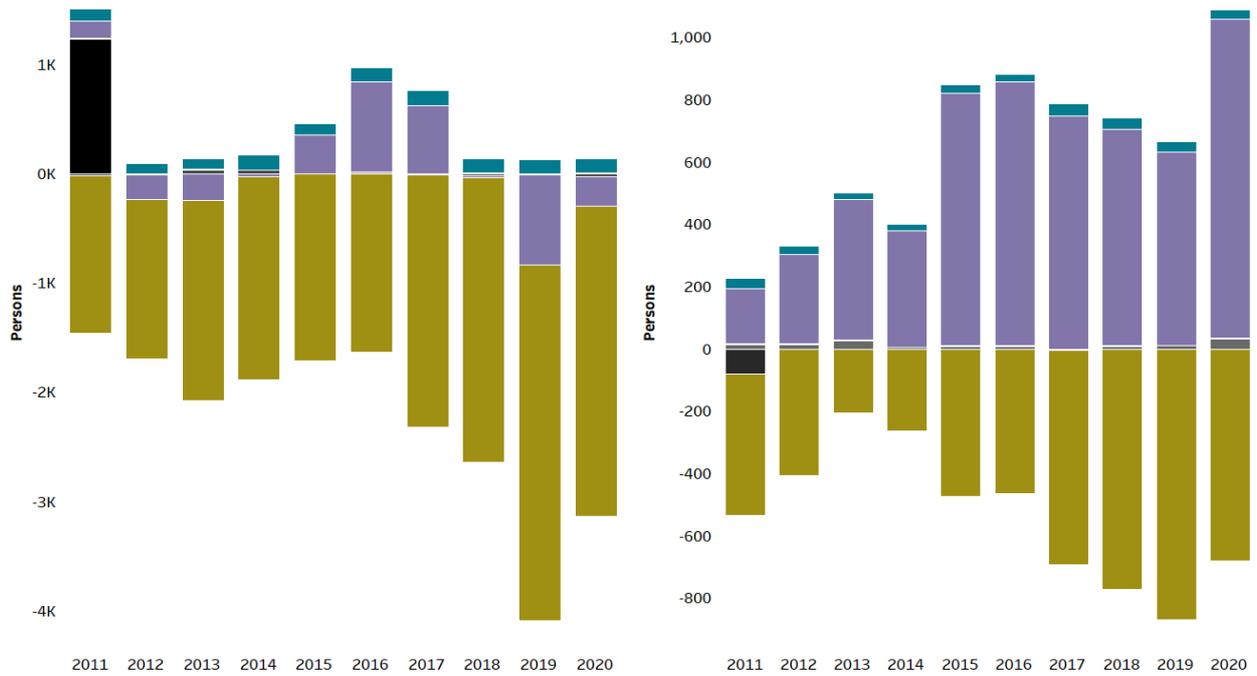


Figure 6: Estimated components of population change in Birmingham and Coventry las, age groups 30-34 and 35-39 y.o.

Components of population change

- births
- deaths
- internal_net
- international_net
- other_adjust
- special_change
- unattrib

Description

Births. Estimated number of births occurring in the twelve months to mid-year
Deaths. Estimated number of deaths occurring in the twelve months to mid-year
Internal_net. Surplus of internal migration in moves over out moves taken as the difference of previous two variables.
International_net. Surplus of immigration moves over emigration moves taken as the difference of two.
Other_adjust. Includes small adjustments necessary to account for issues such as minor LA boundary changes and large postcode areas that overlap LA boundaries.
Special_change. Estimated net effect of changes to special populations during the twelve months to mid-year. Special populations comprise prisoner, armed forces and their overseas based dependent populations
Unattrib. Estimated population change not attributed to a specific cause in the twelve months to mid-year. This applies to series years 2002 to 2011 and reflects the residual remaining from the original 2001 Census based MYE series and the revised 2011 Census based series. This column is not applicable to estimates after mid-2011

The data in the above graph shows a timeseries of components of population change in 2011 – 2020. In Birmingham the internal net migration has been decreasing over the last decade, meaning that more people aged 30-39 years have been leaving Birmingham. The same trend in internal migration can be seen in Coventry. However, contrary to the Birmingham case, the international migration in Coventry has seen an overall increase. The estimated surplus of immigration over emigration resulted in overestimated number of population projection for people aged 30-39 years (when compared with census records for this age group).

Income Inequality, Policies and Inclusive Growth – Implications for Levelling Up

Maryna Ramcharan and Anne Green, WM REDI

Dr Maryna Ramcharan and Professor Anne Green explore income inequality in the West Midlands and discuss how places could use data to examine local inequality issues in greater depth.

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The UK has a very high level of income inequality compared to other countries, but very little in the Levelling Up White Paper looked at inequality in general. The analysis below explores one form of inequality and looks at how places could explore data about the local inequality issues in greater depth.

Income inequality is entrenched across genders, ages, ethnicities, and regions, being accumulated during individuals' lifetimes and inherited by the next generation. Income inequality lies at the heart of many current problems and policies which society is focused on e.g., gender disparities, inclusive growth, social mobility, inequality in opportunities, and has complex relationships and strong associations with many other issues like health inequalities, poverty and unemployment.

In 2021, WMREDI and WMCA partnership [published research](#) into income inequality in the UK at a regional level with a particular focus on West Midlands. This includes an analysis of the main metrics of income inequality at the regional level, distribution of income across population percentiles in the West Midlands and initial approaches to understanding the drivers behind income inequality. The main metrics of income inequality throughout the report are calculated using annual gross income at the individual level.

Methodology and limitations

The findings of this analysis have to be seen in the light of some limitations. The first limitation is that the analysis is based on The Survey of Personal Incomes (SPI) 2016-17 and partially 2017-18 (the most up-to-date available at the time of writing) which is based on information held by Her Majesty's Revenue and Customs (HMRC) on individuals who could be liable to UK income tax. However, not all individuals sampled are taxpayers because the operation of personal reliefs and allowances may remove them from liability.

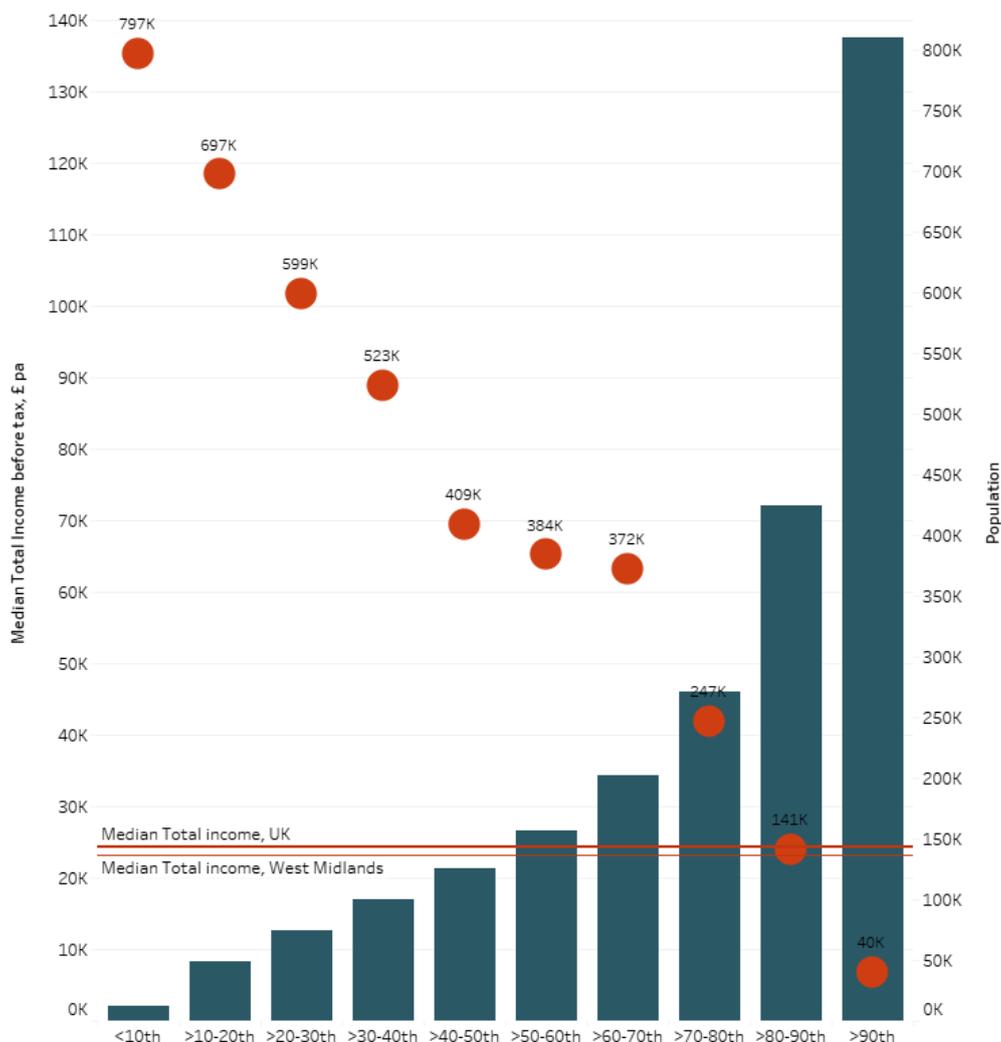
Where income exceeds the threshold for the operation of PAYE (that is, £11,500 from 2017 to 2018), the SPI provides the most comprehensive and accurate official source of data on personal incomes. However, as HMRC does not hold information for all people with personal incomes below this level, the SPI is not a representative data source for this part of the population and no attempt has been made to estimate the number of cases below the tax threshold or the amount of the incomes.

The second limitation is that SPI provides a rather limited number of individuals' characteristics and does not necessarily allow an analysis of all social groups of interest. Thus, it does not have data on individuals' marital status, ethnicity, household composition, types of tenure and other kinds of valuable information.

The third limitation is that due to the intricacy of links around income inequality and the dynamic interdependency, which is hard to define, this report is focused on key dimensions only and so will not cover all the relevant factors due to the complexity involved.

Key findings

The distribution of gross income in the West Midlands is highly unequal like in many regions and places, levelling up is an issue within the places as much as between places, and higher-level analysis and data hide this disparity. For this research, we accessed new data and analysed it in a new way to get a more detailed understanding of the challenges of tackling inequality and levelling up. 72% of people have a total income below the regional average: 7 out of 10 are below the average of £23,200 (the national average is £24,400).



The West Midlands is the 5th most unequal region measured by the GINI index following London, South East, East of England and Scotland.

Median gross income ranges from £2,035 per annum at the bottom 10% of individuals, to £137,430 per annum at the top 10%. Higher incomes tend to be accompanied by higher inequality and bigger gender pay disparity.

Human health and social work activities, education and wholesale and retail trade are the top three industries for female employment in the West Midlands.

Men are wealthier than women, but at lower incomes, there is greater equality. Disparity happens at the higher income where 8 out of 10 of the richest people are men. But there is more inequality in the income of men than between genders and inequality between males contributes more to the overall inequality.

People get richer in their middle age and the older people are the more unequal the incomes. But this divergence is set early in life and continues to diverge, suggesting the other income is set by inheritance or differences in individuals' backgrounds early on. Middle-age inequality contributes most to the overall age element of income inequality.

Employment is the main source of income, but for the richest, it is other sources of income (financial investments, property and dividends), that make them rich. Older people rely mainly on occupational pensions as their main source of income.

Poorer areas have less inequality and richer areas are more unequal, skewed by very high outliers. Kenilworth and Southam, Stratford on Avon, Bromsgrove, Sutton Coldfield, Warwick and Leamington are the top 5 unequal Parliamentary constituencies in the West Midlands where high values of income are accompanied by high inequality.

The sector in which people work in is the largest of the four dimensions – source, gender, age, and industry – in terms of the contribution to inequality, with significant inequality within the sectors as well. High employment sectors contribute most to inequality, but some sectors have significant within-sector disparity, often ones dominated by sole traders and entrepreneurs.

Income inequalities have been worsening during the current Covid 19 crisis. Two-thirds of the occupations most affected by lockdowns earn lower wages and those occupations that were best suited for homeworking are typically on higher wages. It means that those who are of lower income have been hit harder. This will increase existing income inequalities, worsening the current highly skewed pattern of income distribution.

Conclusions

Differences between individuals within each social group – genders, age, main source of income, and sector of employment – are much greater than differences between social groups, no matter how they were classified. There is scope for skills policy to address some of the issues that particular individuals face. But the scale and entrenched nature of the inequalities highlighted in the analyses highlight the fundamental importance of addressing structural variations that are manifest in place, with labour markets and housing markets sorting individuals into particular regions and local areas. This means that levelling up policy needs to tackle demand-side issues relating to the nature of jobs, other opportunities and access to services that underlie some places being worse off than others.

Since most people rely on pay income as their main source of income and it is pay income inequality contributing most to overall inequality, reducing inequality here can go a long way in reducing overall inequality.

Individuals, especially females, who are employed in the most unequal sectors crosscutting with the sectors hit hardest by Covid-19 are particularly disadvantaged in the current crisis and may particularly struggle to recover.

Levelling up policy needs to look at not only place, but also employment, gender and wage disparities, investment in jobs which are higher value and the access to assets, networks and knowledge people have from a young age are key to changing structural issues in the long-term.

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The Challenges of Levelling Up

Alice Pugh and Anne Green, WM REDI

Alice Pugh and Professor Anne Green, discuss the challenges that the government will face when trying to ‘level up’ the vast inequalities that exist at regional and sub-regional levels. They also highlight the importance of local institutions when implementing effective place-based interventions.

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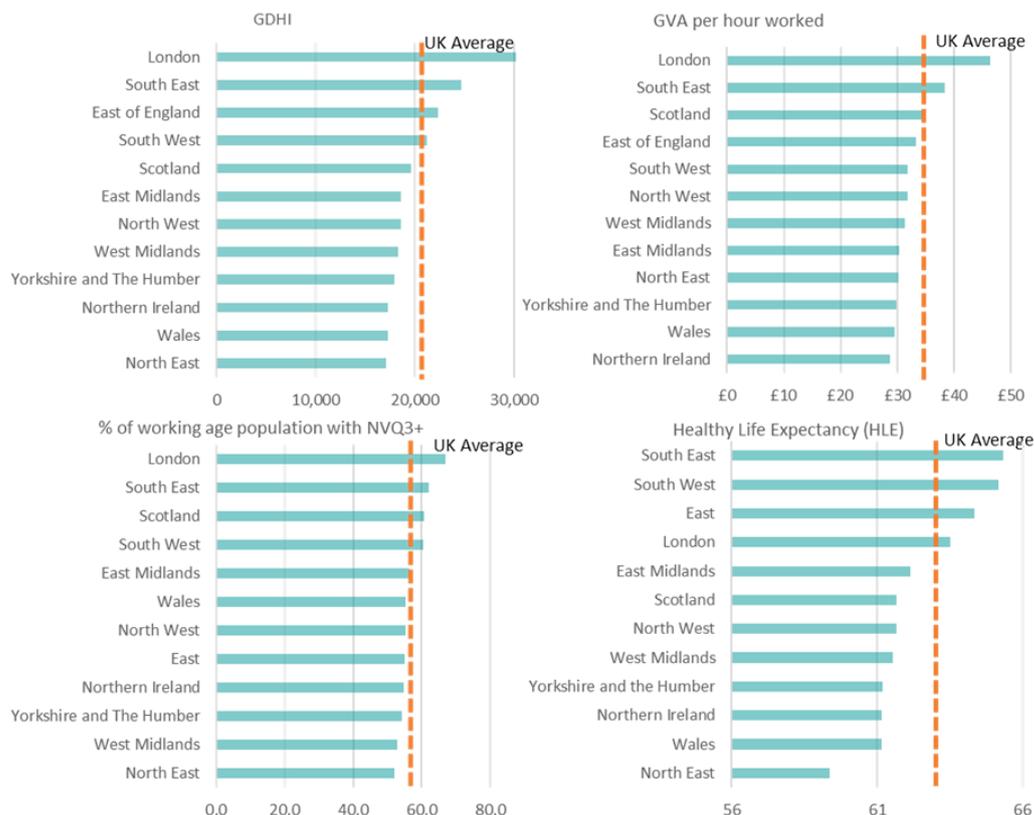
What is Levelling Up?

When first coming into common usage, there were only [vague definitions available](#) of what levelling up meant.

In general, levelling up was seen as a commitment to [redressing regional](#) and [sub-regional](#) inequalities, so resulting in material improvements to people’s lives. There has been a focus on place and tackling the inequalities of ‘[left-behind](#)’ areas of the UK. These are characterised by broad economic underperformance, which manifests itself in low levels of pay and employment, leading to lower living standards. There is a need to level up [without compromising growth](#) in already successful places. However, the outcome measures for levelling up need to go further than productivity to include measures [related to education, health](#) and [crime](#). Without clarity on how the success of levelling will be measured, local authorities will likely struggle to [align national outcomes with local priorities](#), resulting in a policy disconnect.

Regional inequalities and sub-regional inequalities

There are massive geographical inequalities which have plagued the UK for decades. [Since the 1980s](#), inequalities in productivity, income, employment, education and health have been widening between the best and worst-performing regions. The figure below shows the regional inequalities that exist within the UK on selected indicators. It compares [Gross Disposable Household Income \(GDHI\)](#), [GVA per hour worked](#) [Healthy Life Expectancy](#) and the percentage of the working-age population (16-64) with qualifications at [NVQ3+](#). The graphs show that London and the South East outperform every other region on almost all of the indicators.

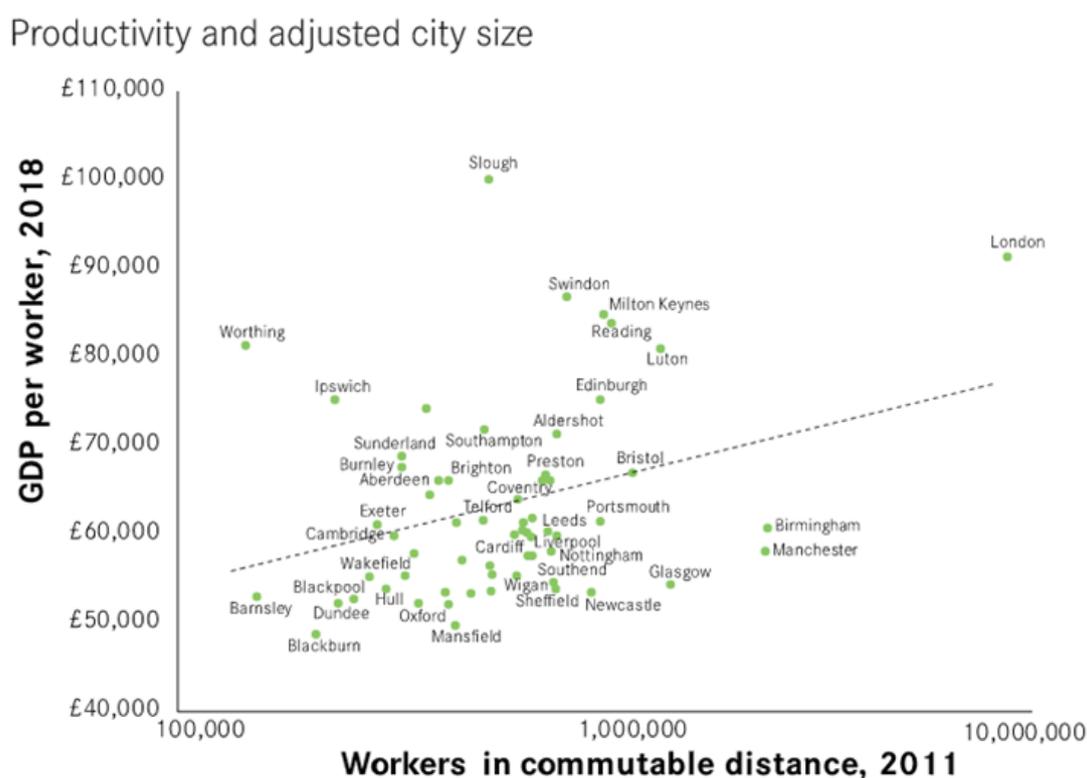


Source: [Healthy Life Expectancy](#), [GDHI](#), [GVA per hour](#): ONS, 2021. [NVQ3+](#): Nomis, 2021 Note: This data is for the year ending 2019.

However, variations in performance are not simply a London and South East vs the North issue. [Inequalities are stark within regions](#) as well as between them. London may perform well, but there are massive disparities between areas within London. For instance, the average GVA per worker in Wandsworth is £35.15, compared to £60.46 for Tower Hamlets.

Additionally, in 2019, 67% of London’s working population was educated to [NVQ3+](#), compared with other areas, such as the North East, which has 52% of its working-age population with the highest qualifications at this level. However, again disparities are prevalent within regions. For example, in the North West (in 2019) whilst Ribble Valley had 76.6% of its working population educated to NVQ3+, in Burnley this rate was 41.2%. Areas in need of levelling up are often stuck in a ‘[low skills equilibrium](#)’, where local employers offer low-skill jobs and operate in low-cost markets, meaning there is little incentive for an unskilled population to upskill. As a result, these areas are also less likely to attract or retain higher-skilled workers too, as they are likely to migrate to where higher-skilled jobs and higher wages are on offer.

[Centre for Cities](#) found that big cities across the UK were considerably below their ‘productivity potential’. The graph below shows that for the eight largest cities outside London, [Centre for Cities](#) estimates the productivity gap is £47bn.



Source: [Centre for Cities](#), 2021

Of course, there are non-urban areas that are underperforming too. But improving the productivity gap in these areas would have a very small impact on the wider or regional economy. [Centre for Cities](#) estimates that improving the performance of the 76 lagging non-urban authorities across the country would add an estimated £16bn to the national economy; this would be just slightly less than closing the output gap of Manchester alone.

The above regional and sub-regional inequalities are, [highly entrenched](#), and even well-designed policies will likely take many years to produce meaningful impacts. [Research by the University of Sheffield](#) found that the UK has one of the highest levels of regional inequality of any OECD country. The [research](#) found that one of the most significant reasons for the enormous imbalances within the UK likely stemmed from an over-centralised national governance system. Highly centralised government systems have been found to [struggle to tackle place-based inequalities](#). To tackle place-based inequalities effectively it is [recommended](#) that the UK should decentralise greater powers to local government – an approach already undertaken in many other developed nations – or face failing to level up. [Decentralisation](#) should be made a key part of the government’s levelling-up agenda.

Subnational governance and short-term funding

However, [research carried out by the LIPSIT project](#), found that the current systems of subnational governance are largely unsuited to the task of levelling up. In recent years, there has been heavy use of funding competitions on placed-based initiatives, creating an [extremely inefficient](#) mechanism to deliver placed-based interventions. This is due to the [short-term, fragmented and overly specific nature of competitive funding](#) leading to wasteful processes, money not being spent in the places with the most need, an inability to plan for the long-term and strategy failing to be implemented.

There is a [complex institutional architecture leading to unclear organisational roles and responsibilities](#), as well as a lack of local visibility and accountability. Combined these two factors significantly [reduce the collective capacity and capability](#) of subnational institutions to make effective change. As well as, hugely undermining the delivery of the UK's levelling up agenda built on placed-based interventions. The strengthening of subnational institutions, with a [commitment to transform central-local relations](#), is needed.

Brexit

Brexit is expected to impact 'left behind' places disproportionately. [Research led by the University of Birmingham](#) concluded that the competitiveness of the 'left-behind' regions would be negatively impacted by Brexit. The [manufacturing sector](#) is one of the most vulnerable sectors to Brexit. The [research](#) found the most negatively impacted sectors were most likely to be found in economically weaker areas. The result is [widening inequalities](#) as 'left-behind' places suffer more from Brexit, compared to more prosperous areas of the UK.

Covid-19

Covid-19 has also contributed to the widening of socio-economic inequalities. During the pandemic, the people most likely to be [furloughed or made redundant](#) were those in low-paid jobs, whilst most high earners continued to work. Additionally, as poorer communities are associated with [higher rates of pre-existing illness](#), they were disproportionately vulnerable to Covid-19, resulting in disruptions to work and loss of income. Furthermore, during the pandemic students had [unequal levels of access to technology](#) to enable them to engage in meaningful education. This led to a widening of educational inequalities as those with lower access to these technologies (WIFI and internet enable devices) were less able to partake in online education, as a result, their education suffered. This will likely have substantial long-term impact on [educational attainment and labour market performance](#), for students usually deprived areas. Covid-19 has led to a widening of socio-economic inequalities across the UK, increasing the challenge of levelling up going forward.

Housing

The housing crisis has been growing for a number of years, with house prices [hitting a record high](#) in 2021, driven by [undersupply of affordable housing](#). [Shelter](#) estimates that 17.5 million people (22 million including children) do not have access to a safe decent home, that suits their needs and is affordable. [PWC research](#) found that 70% of respondents viewed housing as one of the most effective factors for reducing inequality. The shortage of housing has led to a rise in house prices, sustained rises of the relatively [insecure private rented sector](#), declines in home ownership and increased waiting times for social housing. The [Centre for Social Justice](#) found that a quarter of the English population find it either 'fairly or very difficult to pay their housing costs, rising to 43% for private renters.

The inability to be able to afford safe and secure housing affects mental health and physical health. Additionally, owning a house is a [vehicle for wealth accumulation](#), as having a large asset such as a house, provides you with greater access to capital. It is also something to pass on to your children in the future, which will help their financial security. As the housing crisis worsens more and more people in left-behind areas will fall into insecure, expensive and ill-fitting housing. As a result, they will have [poorer healthy life expectancy](#) and deteriorating relationships. However, this is a massive task, with research conducted by [Heriot-Watt University](#) predicting the UK will need an additional 340,000 per year to keep up with demand, much higher than the [government's current aim of 300,000](#).

Summary

1. Regional and sub-regional inequalities are large and long-established in the UK.
2. Big cities perform well below their productivity potential.
3. A centralised system coupled with a complex institutional architecture at the sub-national level reduces the capacity for meaningful change at local and regional scales.
4. Brexit and Covid-19 have impacted most on those regions and people who are already vulnerable. They also have a differential sectoral impact.
5. The housing market is characterised by a shortage of safe, secure and affordable housing overall, which highlights the scale of the challenge faced. The inter-and intra-generational inequalities in access to housing are not conducive to levelling up.

So, levelling up poses a spatial, economic and social challenge. The scale of that challenge is great. Appropriate governance systems, powers, policy mechanisms and capacity are needed to address that challenge – and the precise profile/ nature of the challenge varies across places.

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GVA per Hour Worked and GVA per Filled Job for 2020

Black Country Consortium Economic Intelligence Unit

Introduction – Measuring subregional labour productivity in 2020.

Gross value added (GVA) per hour worked is the preferred measure of labour productivity. In 2020, in response to the coronavirus pandemic, both the UK chained volume measure (CVM) GVA and hours worked declined substantially (by 10% and 11%, respectively). In the majority of areas, the decline in hours worked was greater than the decline in GVA. Positive productivity growth was mainly because of the distribution of economic activity between industries.

For 2020, GVA per job data needs to be treated with some caution. The productivity jobs metric only declined around 1% in the UK during 2020 as a result of the Coronavirus Job Retention Scheme (CJRS) which protected job status. Therefore, the average amount of hours worked per job will have been much lower than normal. In terms of productivity, this means large year-on-year declines in the levels of output per job for 2020. As such, GVA per job data for 2020 are not very representative of longer-term trends.

In Summary

- Unsmoothed GVA per hour worked for the WMCA (3 LEP) area increased from £33.16 in 2019 to £35.68 in 2020 (+7.6%, +£2.52). The UK unsmoothed GVA per hour worked increased from £36.49 in 2019 to £39.94 in 2020 (+9.5%, +£3.45). There was a shortfall of £4.26 when comparing the WMCA (3 LEP) area to the UK.
- Unsmoothed GVA per filled job in the WMCA (3 LEP) area decreased from £53,098 in 2019 to £51,160 (-3.6%, -£1,937) in 2020. The UK unsmoothed GVA per filled job decreased from £58,871 in 2019 to £57,625 (-2.1%) in 2020. There was a shortfall of £6,465 when comparing the WMCA (3 LEP) to the UK.
- Smoothed GVA per hour worked for the WM 7 Met. area increased by 1.8% (+£0.59) since 2019 to reach £33.70 in 2020, the UK increased by 2.1% (+£0.78 to £37.73). There was a shortfall of £4.03 when comparing the WM 7 Met. area to the UK.
- Smoothed GVA per filled job for the WM 7 Met. area decreased by 0.05% (-£25.50) since 2019 to £51,446 in 2020. Over this period, the UK increased by 0.4% (+£246 to £58,054), meaning the WM 7 Met. area had a shortfall of £6,608.

Full brief

GVA per hour³

- Unsmoothed GVA per hour worked for the WMCA (3 LEP) area⁴ increased from £33.16 in 2019 to £35.68 in 2020 (+7.6%, +£2.52). The UK⁵ unsmoothed GVA per hour worked increased from £36.49 in 2019 to £39.94 in 2020 (+9.5%, +£3.45). There was a shortfall of £4.26 when comparing the WMCA (3 LEP) area to the UK.
- Smoothed GVA per hour worked for the WM 7 Met. area increased by 1.8% (+£0.59) since 2019 to reach £33.70 in 2020, the UK increased by 2.1% (+£0.78 to £37.73). There was a shortfall of £4.03 when comparing the WM 7 Met. area to the UK.
- Across the 11 combined authorities, the WM 7 Met. area was 5th highest for GVA per hour in 2020. While for the increase when compared to 2019, the WM 7 Met. was 4th lowest.
- In 2020, within the WMCA (3 LEP) area, smoothed GVA per hour work varied from £30.67 (+3.6%, +£1.06 since 2019) in the Black Country LEP, £33.77 (+1.1%, +£0.36 since 2019) in Greater Birmingham and Solihull LEP to £38.08 (+1.0%, +£0.38 since 2019) which was above the UK figure in Coventry and Warwickshire LEP.
- In 2020, within the WMCA (3 LEP) area, smoothed GVA per hour work varied from £23.85 (+£0.19 since 2019) in Wyre Forest to £46.31 (+£0.29 since 2019) in Solihull.

Smoothed and unsmoothed GVA per hour worked in the WMCA and the UK, 2019-2020:

| | Smoothed | | | | Unsmoothed | | | |
|--|----------|------|----------|-------------|------------|------|----------|-------------|
| | 2019 | 2020 | % Change | Num. Change | 2019 | 2020 | % Change | Num. Change |
| | | | | | | | | |

Source: [Office for National Statistics \(ONS\), Subregional productivity in the UK: July 2022](#)

³GVA per hour worked divides GVA by the total hours worked by the workforce in the area.

⁴ A WMCA (3 LEP) figure is only available on an unsmoothed basis

⁵ UK less Extra-Regio has been used.

| | | | | | | | | |
|-------------------------------------|---------------|---------------|-------------|--------------|---------------|---------------|-------------|--------------|
| Birmingham | £31.82 | £32.12 | 0.9% | £0.30 | £31.72 | £32.71 | 3.1% | £0.99 |
| Bromsgrove | £34.34 | £35.49 | 3.3% | £1.15 | - | - | - | - |
| Cannock Chase | £29.72 | £30.50 | 2.6% | £0.78 | - | - | - | - |
| Coventry | £37.13 | £37.48 | 0.9% | £0.35 | £36.64 | £38.88 | 6.1% | £2.24 |
| Dudley | £29.17 | £30.66 | 5.1% | £1.49 | £26.98 | £36.20 | 34.2% | £9.22 |
| East Staffordshire | £33.79 | £33.83 | 0.1% | £0.04 | - | - | - | - |
| Lichfield | £29.32 | £29.79 | 1.6% | £0.47 | - | - | - | - |
| North Warwickshire | £36.96 | £37.82 | 2.3% | £0.86 | - | - | - | - |
| Nuneaton and Bedworth | £28.03 | £28.91 | 3.1% | £0.88 | - | - | - | - |
| Redditch | £32.77 | £32.87 | 0.3% | £0.10 | - | - | - | - |
| Rugby | £35.47 | £35.43 | -0.1% | -£0.04 | - | - | - | - |
| Sandwell | £31.75 | £32.76 | 3.2% | £1.01 | £30.78 | £35.67 | 15.9% | £4.89 |
| Solihull | £46.02 | £46.31 | 0.6% | £0.29 | £45.15 | £48.66 | 7.8% | £3.51 |
| Stratford-on-Avon | £40.16 | £40.19 | 0.1% | £0.03 | - | - | - | - |
| Tamworth | £31.47 | £31.87 | 1.3% | £0.40 | - | - | - | - |
| Walsall | £27.61 | £28.66 | 3.8% | £1.05 | £26.21 | £32.48 | 23.9% | £6.27 |
| Warwick | £43.44 | £43.83 | 0.9% | £0.39 | - | - | - | - |
| Wolverhampton | £29.59 | £30.24 | 2.2% | £0.65 | £28.84 | £32.73 | 13.5% | £3.89 |
| Wyre Forest | £23.66 | £23.85 | 0.8% | £0.19 | - | - | - | - |
| WM 7 Met. | £33.11 | £33.70 | 1.8% | £0.59 | £32.49 | £35.64 | 9.7% | £3.15 |
| Black Country LEP | 29.61 | 30.67 | 3.6% | 1.06 | £28.29 | £34.36 | 21.5% | £6.07 |
| Coventry and Warwickshire LEP | 37.70 | 38.08 | 1.0% | 0.38 | £37.46 | £39.09 | 4.4% | £1.63 |
| Greater Birmingham and Solihull LEP | 33.41 | 33.77 | 1.1% | 0.36 | £33.41 | £34.59 | 3.5% | £1.18 |
| WMCA (3 LEP) | - | - | - | - | £33.16 | £35.68 | 7.6% | £2.52 |
| UK (less Extra-Regio) | £36.95 | £37.73 | 2.1% | £0.78 | £36.49 | £39.94 | 9.5% | £3.45 |

GVA per Filled Job⁶

Unsmoothed GVA per filled job⁷ in the WMCA (3 LEP) area decreased from £53,098 in 2019 to £51,160 (-3.6%, -£1,937) in 2020. The UK unsmoothed GVA per filled job decreased from £58,871 in 2019 to £57,625 (-2.1%) in 2020. There was a shortfall of £6,465 when comparing the WMCA (3 LEP) to the UK.

Smoothed GVA per filled job for the WM 7 Met. area decreased by 0.05% (-£25.50) since 2019 to £51,446 in 2020. Cambridgeshire and Peterborough combined authority was the only other area to decline. Over this period, the UK increased by 0.4% (+£246 to £58,054), meaning the WM 7 Met. area had a shortfall of £6,608.

In 2019, smoothed GVA per job filled varied from £46,568 (+0.7%, +£344 since 2019) in the Black Country LEP, £51,730 (-0.5%, -£252 since 2019) in Greater Birmingham and Solihull LEP to £58,343 (-0.4%, -£221 since 2019) in Coventry and Warwickshire LEP. Notably, despite the decrease in Coventry and Warwickshire LEP area, GVA per job filled remained above the UK-wide figure.

As seen in the following table, 11 authorities in the WMCA (3 LEP) declined between 2019 to 2020 for GVA per job filled, with Solihull having the largest decrease at £1,265 to a decrease of £84 in Birmingham. Positively in contrast, Sandwell increased by £847, Nuneaton and Bedworth increased by £637 and North Warwickshire increased by £580. In 2020, smoothed GVA per job filled within the WMCA (3 LEP) area varied from £36,268 (-£205 since 2019) in Wyre Forest to £67,414 (-£1,265 since 2019) in Solihull.

Smoothed and Unsmoothed GVA per Job Filled in the WMCA and the UK, 2019-2020:

| | Smoothed | | | | Unsmoothed | | | |
|--------------------|----------|---------|----------|-------------|------------|---------|----------|-------------|
| | 2019 | 2020 | % Change | Num. Change | 2019 | 2020 | % Change | Num. Change |
| Birmingham | £49,605 | £49,521 | -0.2% | -£84 | £49,822 | £48,866 | -1.9% | -£956 |
| Bromsgrove | £52,801 | £53,377 | 1.1% | £576 | - | - | - | - |
| Cannock Chase | £48,013 | £48,426 | 0.9% | £413 | - | - | - | - |
| Coventry | £57,940 | £57,734 | -0.4% | -£206 | £58,712 | £56,906 | -3.1% | -£1,806 |
| Dudley | £44,051 | £44,440 | 0.9% | £389 | £44,174 | £45,200 | 2.3% | £1,027 |
| East Staffordshire | £54,597 | £53,812 | -1.4% | -£785 | - | - | - | - |

⁶ GVA per filled job allocates GVA to the number of jobs in the area.

⁷ A WMCA (3 LEP) figure is only available on an unsmoothed basis

| | Smoothed | | | | Unsmoothed | | | |
|-------------------------------------|----------------|----------------|---------------|----------------|----------------|----------------|--------------|----------------|
| | 2019 | 2020 | % Change | Num. Change | 2019 | 2020 | % Change | Num. Change |
| Lichfield | £44,835 | £44,623 | -0.5% | £-212 | - | - | - | - |
| North Warwickshire | £59,412 | £59,992 | 1.0% | £580 | - | - | - | - |
| Nuneaton and Bedworth | £42,603 | £43,240 | 1.5% | £637 | - | - | - | - |
| Redditch | £52,482 | £51,406 | -2.1% | £-1,076 | - | - | - | - |
| Rugby | £54,714 | £53,741 | -1.8% | £-972 | - | - | - | - |
| Sandwell | £51,656 | £52,503 | 1.6% | £847 | £51,673 | £53,975 | 4.5% | £2,302 |
| Solihull | £68,679 | £67,414 | -1.8% | £-1,265 | £70,158 | £64,461 | -8.1% | £-5,697 |
| Stratford-on-Avon | £62,506 | £61,777 | -1.2% | £-729 | - | - | - | - |
| Tamworth | £50,142 | £49,883 | -0.5% | £-259 | - | - | - | - |
| Walsall | £42,165 | £42,248 | 0.2% | £83 | £43,099 | £41,795 | -3.0% | £-1,304 |
| Warwick | £66,557 | £66,226 | -0.5% | £-331 | - | - | - | - |
| Wolverhampton | £46,504 | £46,505 | 0.0% | £1 | £47,944 | £45,634 | -4.8% | £-2,310 |
| Wyre Forest | £36,474 | £36,268 | -0.6% | £-205 | - | - | - | - |
| WM 7 Met. | £51,472 | £51,446 | -0.05% | £-25.50 | £52,077 | £50,859 | -2.3% | £-1,218 |
| Black Country LEP | £46,224 | £46,568 | 0.7% | £344 | £46,842 | £46,817 | -0.1% | £-25 |
| Coventry and Warwickshire LEP | £58,564 | £58,343 | -0.4% | £-221 | £59,457 | £56,965 | -4.2% | £-2,492 |
| Greater Birmingham and Solihull LEP | £51,982 | £51,730 | -0.5% | £-252 | £52,891 | £50,318 | -4.9% | £-2,573 |
| WMCA (3 LEP) | - | - | - | - | £53,098 | £51,160 | -3.6% | £-1,937 |
| UK (less Extra-Regio) | £57,808 | £58,054 | 0.4% | £246 | £58,871 | £57,625 | -2.1% | £-1,246 |

Department for International Trade (DIT): Inward Investment Results 2021-22⁸:

Black Country Consortium Economic Intelligence Unit

Introduction

Foreign Direct Investment (FDI) is considered to deliver economic benefits to the UK by improving economic competitiveness and enabling improvements in productivity for both new and existing firms. FDI can create an important positive contribution to an economy by generating employment, increasing tax revenue, and by providing external resources such as capital, technology and managerial know-how that can substantially aid productivity and economic growth.

Summary:

- In the WMCA (3 LEP) area there was a total of 132 FDI projects creating 4,176 new jobs in 2021-22.
- There were 143 FDI projects into the West Midlands region in 2021-22, a decrease of 1.4% (-2 projects) compared to 2020-21. The UK overall increased by 3.3%.
- FDI projects delivered a total of 5,871 jobs in the West Midlands region in 2021-22. This was a decrease of 6.9% (-433 jobs) from 2020-21. The UK had an increase over this period of 25.9%.
- In the West Midlands region, there were 5,571 new jobs created from FDI projects in 2021-22. This is an increase of 25.4% (+1,128 new jobs) from 2020-21. The UK experienced an increase over the same period, of 53.2%.
- The number of safeguarded jobs from FDI in the West Midlands decreased from 1,861 in 2020-21 to 300 in 2021-22 (-83.9%). The UK decreased by 57.3% over the same period.

Full Briefing

This year's annual release included the latest results at Local Enterprise Partnership (LEP) level for the first time. There is a total of 37 LEPs in this analysis as London has been excluded.

- In the WMCA (3 LEP) area there was a total of 132 FDI projects⁹ creating 4,176 new jobs in 2021-22.
- Out of 35 LEPs that reported data, for total FDI projects, Greater Birmingham and Solihull LEP was 4th highest (62 projects), Coventry and Warwickshire LEP was 7th highest (45 projects) and Black Country came in at 23rd (25 projects).
- Out of 31 LEPs that reported data for new jobs created, Greater Birmingham and Solihull LEP was 6th highest (2,063 new jobs), Coventry and Warwickshire LEP was 7th highest (1,534 new jobs) and Black Country came in at 19th (579 new jobs).

WMCA (3 LEP) breakdown for all FDI Projects, 2021-22:

| | Single Site FDI Projects | New Jobs | Safe Jobs | Total FDI Projects |
|---------------------------------|--------------------------|--------------|-----------|--------------------|
| Black Country | 17 | 579 | - | 25 |
| Coventry and Warwickshire | 36 | 1,534 | - | 45 |
| Greater Birmingham and Solihull | 49 | 2,063 | 93 | 62 |
| WMCA (3 LEP) | 102 | 4,176 | - | 132 |

- indicates data is not available

West Midlands Region

All FDI Projects

- There were 143 FDI projects into the West Midlands region in 2021-22, a decrease of 1.4% (-2 projects) compared to 2020-21. The UK overall increased by 3.3%, from 1,538 in 2020-21 to 1,589 in 2021-22.
- The West Midlands region accounts for 9.0% of the UK total for FDI projects – the fourth largest share of UK regions in 2021-22.

FDI projects by UK regions:

| | 2020-21 | 2021-22 | Percentage Change | Number Change | Percentage of Total 2021-22 |
|--|---------|---------|-------------------|---------------|-----------------------------|
| | | | | | |

⁸ Source: [Department for International Trade inward investment results 2021 to 2022](#) – released June 2022.

⁹ Total Projects include single site and multiple site projects. Multiple site represent those investments which span more than one LEP.

| | | | | | |
|--------------------------|------------|------------|--------------|-----------|-------------|
| Multiple UK sites | 49 | 63 | 28.6% | 14 | 4.0% |
| North East | 51 | 71 | 39.2% | 20 | 4.5% |
| North West | 139 | 145 | 4.3% | 6 | 9.1% |
| Yorkshire and The Humber | 86 | 104 | 20.9% | 18 | 6.5% |
| East Midlands | 72 | 99 | 37.5% | 27 | 6.2% |
| West Midlands | 145 | 143 | -1.4% | -2 | 9.0% |
| East of England | 72 | 81 | 12.5% | 9 | 5.1% |
| London | 492 | 444 | -9.8% | -48 | 27.9% |
| South East | 163 | 149 | -8.6% | -14 | 9.4% |
| South West | 76 | 96 | 26.3% | 20 | 6.0% |
| Scotland | 92 | 119 | 29.3% | 27 | 7.5% |
| Wales | 72 | 43 | -40.3% | -29 | 2.7% |
| Northern Ireland | 29 | 32 | 10.3% | 3 | 2.0% |
| Total | 1,538 | 1,589 | 3.3% | 51 | 100% |

Multiple UK sites represent those investments which span more than one region.

All Total Jobs

- FDI projects delivered a total of 5,871 jobs in the West Midlands region in 2021-22. This was a decrease of 6.9% (-433 jobs) from 2020-21. The UK had an increase over this period of 25.9% (from 73,506 in 2020-21 to 92,524 in 2021-22).
- The West Midlands region accounts for 6.3% of the UK total for total jobs in 2021-22.

FDI Total Jobs by UK region:

| | 2020-21 | 2021-22 | Percentage Change | Number Change |
|--------------------------|--------------|--------------|-------------------|---------------|
| Multiple UK sites | 16357 | 21,085 | 28.9% | 4,728 |
| North East | 1,732 | 7,106 | 310.3% | 5,374 |
| North West | 4,787 | 5,978 | 24.9% | 1,191 |
| Yorkshire and The Humber | 1,694 | 4,187 | 147.2% | 2,493 |
| East Midlands | - | 7,197 | - | - |
| West Midlands | 6,304 | 5,871 | -6.9% | -433 |
| East of England | 3,103 | - | - | - |
| London | 14,550 | 18,511 | 27.2% | 3,961 |
| South East | 6,148 | 5,109 | -16.9% | -1,039 |
| South West | 2,501 | 2,671 | 6.8% | 170 |
| Scotland | 3,687 | 5,391 | 46.2% | 1,704 |
| Wales | 8,436 | 3,856 | -54.3% | -4,580 |
| Northern Ireland | - | - | - | - |
| Total | 73,506 | 92,524 | 25.9% | 19,018 |

Data has been suppressed for certain areas, leading to the UK total being higher than the sum of the regions displayed. Also, multiple UK sites represent those investments which span more than one region.

Total jobs are split into *new jobs created* and *safeguarded jobs*:

All New Jobs

- In the West Midlands region, there were 5,571 new jobs created from FDI projects in 2021-22. This is an increase of 25.4% (+1,128 new jobs) from 2020-21. The UK experienced an increase over the same period, of 53.2% (from 55,319 in 2020-21 to 84,759 in 2021-22).
- The West Midlands region accounts for 6.6% of the UK total for new jobs in 2021-22.

All FDI new jobs by UK region:

| | 2020-21 | 2021-22 | Percentage Change | Number Change |
|--------------------------|--------------|--------------|-------------------|---------------|
| Multiple UK sites | 14,855 | 20,749 | 39.7% | 5,894 |
| North East | 1,373 | 5,843 | 325.6% | 4,470 |
| North West | 4,309 | 5,480 | 27.2% | 1,171 |
| Yorkshire and The Humber | 1,412 | 3,738 | 164.7% | 2,326 |
| East Midlands | 2,149 | 6,888 | 220.5% | 4,739 |
| West Midlands | 4,443 | 5,571 | 25.4% | 1,128 |
| East of England | 2,066 | 3,421 | 65.6% | 1,355 |

| | | | | |
|------------------|--------|--------|-------|--------|
| London | 13,832 | 18,125 | 31.0% | 4,293 |
| South East | 2,538 | 4,098 | 61.5% | 1,560 |
| South West | 2,242 | 2,533 | 13.0% | 291 |
| Scotland | 3,245 | 4,408 | 35.8% | 1,163 |
| Wales | 1,529 | 1,793 | 17.3% | 264 |
| Northern Ireland | 1,326 | 2,112 | 59.3% | 786 |
| Total | 55,319 | 84,759 | 53.2% | 29,440 |

Multiple UK sites represent those investments which span more than one region.

All Safeguarded

- The number of safeguarded jobs in the West Midlands has decreased from 1,861 in 2020-21 to 300 in 2021-22 (-83.9%). The UK decreased by 57.3% over the same period (from 18,187 to 7,765 safe guarded jobs).
- The West Midlands region accounts for 3.9% of the UK total for safeguarded jobs in 2021-22.

All FDI safeguarded jobs by UK region:

| | 2020-21 | 2021-22 | Percentage Change | Number Change |
|--------------------------|--------------|------------|-------------------|---------------|
| Multiple UK sites | 1,502 | 336 | -77.6% | -1,166 |
| North East | 359 | 1,263 | 251.8% | 904 |
| North West | 478 | 498 | 4.2% | 20 |
| Yorkshire and The Humber | 282 | 449 | 59.2% | 167 |
| East Midlands | - | 309 | - | - |
| West Midlands | 1,861 | 300 | -83.9% | -1,561 |
| East of England | 1,037 | - | - | - |
| London | 718 | 386 | -46.2% | -332 |
| South East | 3,610 | 1,011 | -72.0% | -2,599 |
| South West | 259 | 138 | -46.7% | -121 |
| Scotland | 442 | 983 | 122.4% | 541 |
| Wales | 6,907 | 2,063 | -70.1% | -4,844 |
| Northern Ireland | - | - | - | - |
| Total | 18,187 | 7,765 | -57.3% | -10,422 |

Data has been suppressed for certain areas, leading to the UK total being higher than the sum of the regions displayed. Also, multiple UK sites represent those investments which span more than one region.

All FDI and European Union (EU) Split

- 43.6% (194 of 445 total projects) of West Midlands FDI projects between 2019-20 to 2021-22 were from EU countries. This was higher than the UK-wide figure of 38.2%.
- Between 2019-20 to 2021-22, 41.8% (5,805 of 13,897) of West Midlands new FDI jobs and 60.1% (2,942 of 4,892) of safeguarded jobs were from EU FDI projects. This results in 46.6% (8,747 of 18,789) of West Midlands FDI total jobs coming from EU countries.

Regional breakdown for all FDI projects with EU split 2019-20 to 2021-22:

| | FDI Projects | | | New Jobs | | | Safeguarded Jobs | | | Total Jobs | | |
|------------------------|--------------|------------|--------------|---------------|--------------|--------------|------------------|--------------|--------------|---------------|--------------|--------------|
| | Total | EU | % EU | Total | EU | % EU | Total | EU | % EU | Total | EU | % EU |
| Multiple UK sites | 170 | 85 | 50.0% | 44,520 | 16,683 | 37.5% | - | 1,744 | - | - | 18,427 | - |
| North East | 195 | 72 | 36.9% | 10,195 | 4,643 | 45.5% | 1,658 | 403 | 24.3% | 11,853 | 5,046 | 42.6% |
| North West | 438 | 175 | 40.0% | 14,802 | 4,780 | 32.3% | 1,404 | 722 | 51.4% | 16,206 | 5,502 | 34.0% |
| Yorkshire & The Humber | 294 | 151 | 51.4% | 7,414 | 3,237 | 43.7% | 1,490 | 1,020 | 68.5% | 8,904 | 4,257 | 47.8% |
| East Midlands | 256 | 118 | 46.1% | 11,462 | 6,313 | 55.1% | - | 576 | - | - | 6,889 | - |
| West Midlands | 445 | 194 | 43.6% | 13,897 | 5,805 | 41.8% | 4,892 | 2,942 | 60.1% | 18,789 | 8,747 | 46.6% |
| East of England | 232 | 89 | 38.4% | 7,196 | 2,463 | 34.2% | 1,193 | - | - | 8,389 | - | - |
| London | 1,574 | 488 | 31.0% | 44,946 | 10,747 | 23.9% | 1,192 | 717 | 60.2% | 46,138 | 11,464 | 24.8% |
| South East | 523 | 195 | 37.3% | 13,070 | 3,614 | 27.7% | 4,697 | 2,522 | 53.7% | 17,767 | 6,136 | 34.5% |
| South West | 242 | 106 | 43.8% | 6,247 | 2,869 | 45.9% | 899 | 574 | 63.8% | 7,146 | 3,443 | 48.2% |
| Scotland | 332 | 114 | 34.3% | 10,599 | 2,891 | 27.3% | 1,826 | 584 | 32.0% | 12,425 | 3,475 | 28.0% |
| Wales | 177 | 67 | 37.9% | 6,058 | 1,584 | 26.1% | - | 4,908 | - | - | 6,492 | - |
| Northern Ireland | 101 | 46 | 45.5% | 5,789 | 1,735 | 30.0% | - | - | - | - | - | - |
| Total | 4,979 | 1,900 | 38.2% | 196,195 | 67,364 | 34.3% | 34,973 | 17,112 | 48.9% | 231,168 | 84,476 | 36.5% |

Data has been suppressed for certain areas, leading to the UK total being higher than the sum of the regions displayed. Also, multiple UK sites represent those investments which span more than one region.

Industry calls for pre-recess support package amid worsening economic outlook

Make UK

Survey shows exports on a precipice and investment nosediving

[Make UK BDO Manufacturing Outlook 2022 Q2](#)

Key findings:

- **Output and orders still positive but exhibit continued decline, while new orders becoming pedestrian**
- **UK and export growth slows with the latter almost negative**
- **Price growth reaches yet more record levels with margins squeezed**
- **Recruitment slows with vacancies at record levels, investment dropping sharply**
- **Majority of companies will make pay settlements at or above level of inflation**
- **Two thirds of companies saying rising energy costs causing catastrophic or major disruption**
- **Growth forecast for manufacturing revised downwards**

Britain's manufacturers are calling for an emergency, pre-recess package of business support measures to help shield companies from a potent cocktail of escalating costs amid a worsening economic outlook.

The call comes on the back of the Make UK/BDO Q2 Manufacturing Outlook survey which shows growth and orders slowing significantly, exports almost at a standstill and, investment nosediving as companies cut or postpone their plans in order to maintain cashflow.

According to Make UK, the seriousness of the situation and, the prospects for the next six months, means that industry cannot wait for the promised help in the Autumn which the Chancellor made in the Spring Statement, with action required urgently before the summer recess.

In response, Make UK has made a number of recommendations for measures Government can introduce now to address rising business costs including the following:

- Waive or reduce business rates for the next 12 months
- Implement VAT deferrals for larger businesses and waive completely for SMEs
- Temporarily freeze the Climate Change Levy and, if energy costs continue to rise, remove it completely
- Review the efficacy of the business interruption loan schemes introduced during the pandemic and deploy a successor scheme by Q3
- Extend the super-deduction investment policy
- Make the increase in the Annual Investment Allowance permanent

In addition to immediate measures, Make UK also stressed that the Government must move away from short-term, gesture politics. Instead, it must focus on demonstrating to business and, foreign investors, that it has the capacity to operate in a serious manner with a long-term vision befitting a modern and outward looking Britain.

Commenting, Stephen Phipson, Chief Executive of Make UK, said:

"Whilst industry has recovered strongly over the last year we are clearly heading for very stormy waters in the face of eye-watering costs and a difficult international environment. This threatens to shatter expectations of a sustained recovery from the pandemic.

"Clearly some of the factors impacting companies are global and cannot be contained by the UK Government alone. However, just as it is quite rightly taking measures to protect the least well off, given the rate at which companies are burning through their balance sheets just to survive, it must take immediate measures to help shield companies from the worst impact of escalating costs and help protect jobs. The government moved swiftly to implement the furlough scheme two years ago; it would be a wasted investment if the jobs saved then are lost now.

“We are also now seeing the effects on investment of the political chaos and uncertainty of the last six years. As a result, there is an urgent need to move away from the weekly roster of short-term gimmicks and put in place a long-term economic plan and vision, in particular with an immediate and laser like focus on tackling the shortage of vocational skills. This will provide companies and investors with the certainty and confidence they so badly need for a return to real growth.”

Richard Austin, Head of Manufacturing at BDO added:

“Manufacturers have shown their ability to overcome a wave of challenges over the last couple of years to remain competitive. The question is when fatigue will overcome resilience. The tipping point where the shorter term need to retain cash outweighs investment is starting to be reached and could have significant implications for future growth.

“Rapidly rising input costs, ballooning energy bills and in some cases inflation-busting pay settlements have hit margins and frozen investment plans. There is now a strong case for Government action to help UK manufacturers weather the immediate storm and incentivise investment for long-term growth.”

According to the survey, the balance on output fell from +24% in Q1 to +10% with total orders almost halving from +42% to +20%. The domestic market with a balance of +16% (+30% in Q1) continues to outpace the export market which has almost ground to a halt at +4% (+18% in Q1).

Recruitment intentions fell significantly to +9% from +26% while investment intentions dropped sharply from +27% in Q1 to just +5% as companies cut or postpone their plans in response to rapidly escalating costs. According to the survey two thirds of companies (67.8%) said rising energy costs were causing catastrophic or major disruption, almost three quarters (71.9%) cited increased raw material costs posing a similar threat and, two thirds (66.8%) cited rising transport costs.

The survey showed these costs are still being passed on, adding to the inflationary picture. While UK prices fell very slightly (+54% from +58%) export prices reached another record level (+52% from +50%). Significantly, looking forward, manufacturers expect to continue to increase their UK and export prices substantially in the next quarter to +69% and 63% respectively, with both these figures dwarfing previous record levels in the survey's 30 year history.

Companies continue to face pressures finding talent with vacancies at record levels at 4.1 vacancies per 100 jobs (around double historic averages). In response to this and inflationary pressures companies are paying settlements in line with inflation (38.7%) or above it (15.3%).

Make UK has forecast growth for manufacturing in 2022 of +2.3% (down from 3% in Q1 and 3.3% in Q4 2020) and 1.7% in 2023.

The survey of 287 companies was conducted between 16 May and 6 June.

Greenhouse Gas Emissions: 2020¹⁰

Black Country Consortium Economic Intelligence Unit

Prior to the 2005 to 2020 publication the statistics covered emissions of carbon dioxide only. This release now covers territorial emissions of carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O), although not fluorinated gases.

Summary

- In 2020, the WMCA (3 LEP) area produced a total of 17,270 kt CO₂e emissions, a decrease of 11.2% (-2,188 Kt CO₂e) compared to a decrease of 10.5% nationally since 2019. Carbon dioxide emissions for the WMCA (3 LEP) area equated to 4.1 tonnes per capita, below the England average of 4.3 in 2020. Emissions were also 4.1 kt per km² for the WMCA (3 LEP) area compared to 1.8 kt per km² for England in 2020.
- In 2020, the WMCA (3 LEP) area produced a total of 1,755 kt CO₂e emissions of methane, a decrease of 0.04% (-1 Kt CO₂e) compared to a decrease of 4.2% nationally since 2019.
- In 2020, the WMCA (3 LEP) area produced a total of 456 kt CO₂e emissions of nitrous oxide, a decrease of 5.0% (-24 Kt CO₂e) compared to a decrease of 4.4% nationally since 2019.
- In 2020, the WMCA (3 LEP) area produced a total of 19,481 kt CO₂e emissions of greenhouse gas emissions, a decrease of 10.2% (-2,213 Kt CO₂e) compared to a decrease of 9.6% nationally since 2019.
- In 2020, the WM 7 Met. area produced a total of 9,955 Kt CO₂e emissions, a decrease of 11.0% (- 1,234 Kt CO₂e) since 2019. Carbon dioxide emissions for the WM 7 Met. area equated to 3.4 tonnes per capita or 11.0 kt per km² in 2020.
- In 2020, the WM 7 Met. area produced a total of 948 Kt CO₂e emissions of methane, an increase of 4.9% (+44 Kt CO₂e) since 2019.
- In 2020, the WM 7 Met. area produced a total of 163 Kt CO₂e emissions of nitrous oxide, a decrease of 5.0% (-9 Kt CO₂e) since 2019.
- In 2020, the WM 7 Met. area produced a total of 11,067 Kt CO₂e emissions of greenhouse gases, a decrease of 9.8% (-1,198 Kt CO₂e) since 2019.

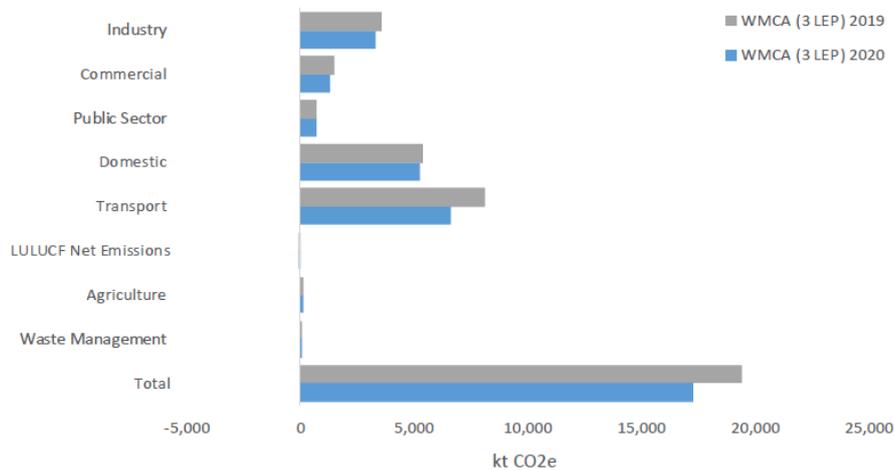
Full Briefing

Carbon Dioxide (CO₂)

- In 2020, the WMCA (3 LEP) area produced a total of 17,270 kt CO₂e emissions, a decrease of 11.2% (-2,188 Kt CO₂e) compared to a decrease of 10.5% nationally since 2019. Carbon dioxide emissions for the WMCA (3 LEP) area equated to 4.1 tonnes per capita, below the England average of 4.3 in 2020. Emissions were also 4.1 kt per km² for the WMCA (3 LEP) area compared to 1.8 kt per km² for England in 2020.
- Emissions are broken into eight main categories which can be seen in the following chart. In 2020, transport accounted for the highest proportion of carbon dioxide emissions in the WMCA (3 LEP) area at 38.2% (6,603 Kt CO₂e) of total emissions, which was above the England-wide proportion of 35.9%.

WMCA (3 LEP) Carbon Dioxide emissions summary, 2019 and 2020:

¹⁰ Source: [Department for Business, Energy & Industrial Strategy, UK local authority and regional greenhouse gas emissions](#), released June 2022



- In 2020, the WM 7 Met. area produced a total of 9,955 Kt CO₂e emissions, a decrease of 11.0% (- 1,234 Kt CO₂e) since 2019. Carbon dioxide emissions for the WM 7 Met. area equated to 3.4 tonnes per capita or 11.0 kt per km² in 2020.
- In 2020, the Black Country LEP area produced a total of 4,062 Kt CO₂e emissions, a decrease of 10.3% (-465 Kt CO₂e) since 2019. Carbon dioxide emissions for the Black Country LEP area equated to 3.4 tonnes per capita or 11.4 kt per km² in 2020.
- In 2020, Coventry and Warwickshire LEP area produced a total of 5,549 Kt CO₂e emissions, a decrease of 11.0% (- 684 Kt CO₂e) since 2019. Carbon dioxide emissions for the Coventry and Warwickshire LEP area equated to 5.8 tonnes per capita or 2.7 kt per km² in 2020.
- In 2020, Greater Birmingham and Solihull LEP area produced a total of 7,660 Kt CO₂e emissions, a decrease of 11.9% (-1,039 Kt CO₂e) since 2019. Carbon dioxide emissions for the Greater Birmingham and Solihull LEP area equated to 3.7 tonnes per capita or 4.4 kt per km² in 2020.
- Rugby accounted for 33% of all of the WMCA industrial carbon emissions, at 1,079 kt CO₂e, followed by Birmingham at 529 kt CO₂e.
- Birmingham accounted for the largest share of commercial (26%), public sector (35%), domestic (25%) and transport (19%) carbon emissions.

Total Emissions by category (measured in Kt CO₂e), per capita and per kilometre for the WMCA, West Midlands region and England in 2020:

| | Industry | Commercial | Public Sector | Domestic | Transport | LULUCF Net Emissions | Agriculture | Waste Management | Grand Total | Per Capita Emissions (tCO ₂ e) | Emissions per km ² (kt CO ₂ e) |
|-----------------------|--------------|--------------|---------------|--------------|--------------|----------------------|-------------|------------------|---------------|---|--|
| Birmingham | 528 | 336 | 245 | 1,333 | 1,275 | -7 | 4 | 0 | 3,714 | 3.3 | 13.9 |
| Bromsgrove | 25 | 21 | 13 | 149 | 346 | -4 | 7 | 0 | 557 | 5.5 | 2.6 |
| Cannock Chase | 65 | 26 | 7 | 136 | 97 | -3 | 1 | 0 | 330 | 3.2 | 4.2 |
| Coventry | 166 | 94 | 86 | 400 | 383 | -3 | 1 | 0 | 1,127 | 3.0 | 11.4 |
| Dudley | 140 | 55 | 45 | 419 | 358 | -3 | 1 | 0 | 1,013 | 3.1 | 10.3 |
| East Staffordshire | 128 | 78 | 19 | 164 | 199 | -11 | 20 | 0 | 598 | 4.9 | 1.5 |
| Lichfield | 53 | 23 | 16 | 156 | 269 | 29 | 12 | 0 | 559 | 5.3 | 1.7 |
| North Warwickshire | 125 | 44 | 4 | 94 | 481 | -8 | 7 | 0 | 748 | 11.4 | 2.6 |
| Nuneaton and Bedworth | 44 | 26 | 16 | 168 | 178 | -2 | 1 | 0 | 431 | 3.3 | 5.5 |
| Redditch | 60 | 17 | 9 | 107 | 80 | -1 | 2 | 8 | 282 | 3.3 | 5.2 |
| Rugby | 1,079 | 58 | 13 | 151 | 359 | -3 | 14 | 0 | 1,670 | 15.1 | 4.7 |
| Sandwell | 237 | 109 | 39 | 390 | 484 | -2 | 0 | 1 | 1,259 | 3.8 | 14.7 |
| Solihull | 117 | 106 | 29 | 308 | 492 | -4 | 5 | 0 | 1,053 | 4.8 | 5.9 |
| Stratford-on-Avon | 119 | 69 | 26 | 207 | 414 | -11 | 36 | 0 | 860 | 6.5 | 0.9 |
| Tamworth | 35 | 15 | 4 | 96 | 71 | -1 | 0 | 0 | 221 | 2.9 | 7.2 |
| Walsall | 142 | 51 | 35 | 353 | 349 | 3 | 2 | 0 | 934 | 3.3 | 9.0 |
| Warwick | 58 | 51 | 25 | 201 | 376 | -6 | 8 | 0 | 712 | 4.9 | 2.5 |
| Wolverhampton | 127 | 74 | 54 | 332 | 268 | -3 | 1 | 0 | 855 | 3.2 | 12.3 |
| Wyre Forest | 57 | 23 | 11 | 137 | 124 | -9 | 5 | 0 | 347 | 3.4 | 1.8 |
| WM 7 Met. | 1,458 | 825 | 533 | 3,534 | 3,609 | -19 | 14 | 1 | 9,955 | 3.4 | 11.0 |
| BCLEP | 646 | 290 | 173 | 1,493 | 1,460 | -5 | 3 | 1 | 4,062 | 3.4 | 11.4 |
| CWLEP | 1,591 | 342 | 170 | 1,220 | 2,190 | -32 | 68 | 0 | 5,549 | 5.8 | 2.7 |
| GBSLEP | 1,069 | 645 | 354 | 2,585 | 2,954 | -12 | 57 | 8 | 7,660 | 3.7 | 4.4 |
| WMCA (3 LEP) | 3,307 | 1,277 | 697 | 5,298 | 6,603 | -50 | 128 | 9 | 17,270 | 4.1 | 4.1 |
| West Midlands Region | 5,385 | 1,763 | 997 | 7,701 | 10,095 | -184 | 548 | 9 | 26,315 | 4.4 | 2.0 |
| England | 48,510 | 19,853 | 9,887 | 74,268 | 88,098 | -41 | 4,896 | 243 | 245,713 | 4.3 | 1.8 |

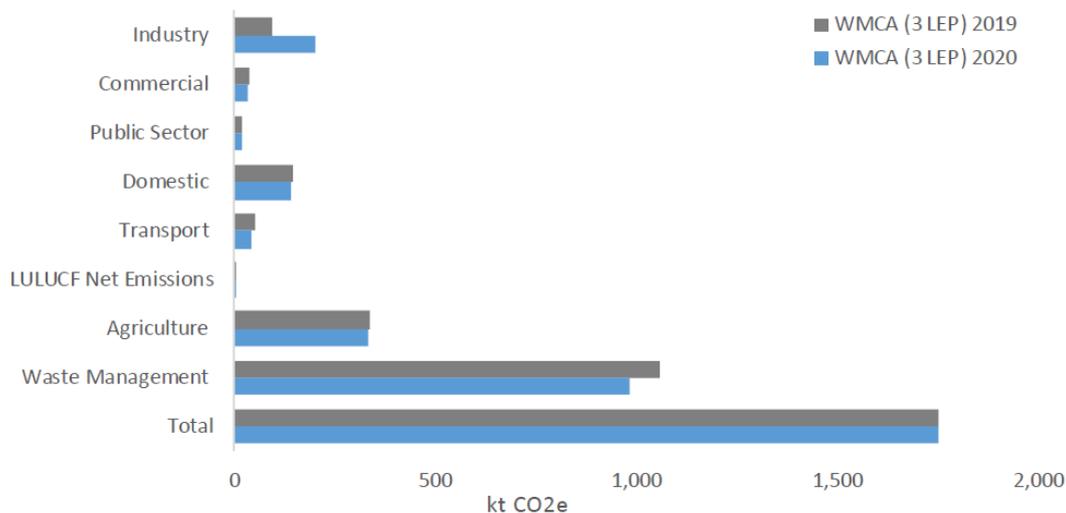
Methane (CH₄)

- In 2020, the WMCA (3 LEP) area produced a total of 1,755 kt CO₂e emissions of methane, a decrease of 0.04% (-1 Kt CO₂e) compared to a decrease of 4.2% nationally since 2019. Methane emissions for the WMCA (3 LEP) area

equated to 0.4 tonnes per capita, below the England average of 0.6 in 2020. Methane emissions were also 0.4 kt per km² for the WMCA (3 LEP) area compared to 0.2kt per km² for England in 2020.

- In 2020, waste management accounted for the highest proportion of methane emissions in the WMCA (3 LEP) area at 56.0% (983 Kt CO₂e) of total emissions, which was above the England-wide proportion of 38.8%.

WMCA (3 LEP) Methane emissions summary, 2019 and 2020:

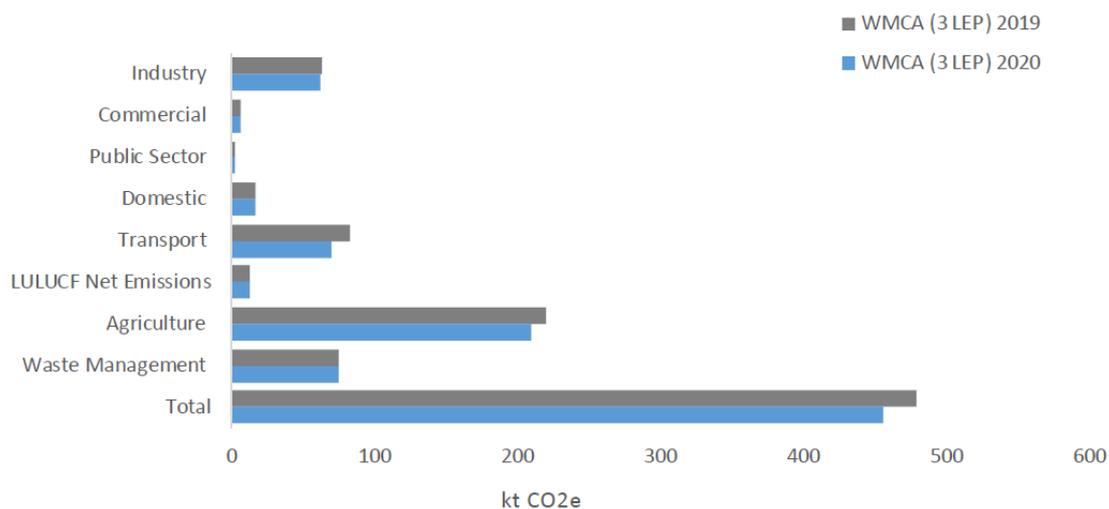


- In 2020, the WM 7 Met. area produced a total of 948 Kt CO₂e emissions of methane, an increase of 4.9% (+44 Kt CO₂e) since 2019; the increase was due to Birmingham increasing (+86.4 kt CO₂e). Methane emissions for the WM 7 Met. area equated to 0.3 tonnes per capita or 1.1 kt per km² in 2020.
- In 2020, the Black Country LEP area produced a total of 292 Kt CO₂e emissions of methane, a decrease of 7.8% (-25 Kt CO₂e) since 2019. Methane emissions for the Black Country LEP area equated to 0.2 tonnes per capita or 0.8 kt per km² in 2020.
- In 2020, Coventry and Warwickshire LEP area produced a total of 497 Kt CO₂e emissions of methane, a decrease of 5.8% (-31 Kt CO₂e) since 2019. Methane emissions for the Coventry and Warwickshire LEP area equated to 0.5 tonnes per capita or 0.2 kt per km² in 2020.
- In 2020, Greater Birmingham and Solihull LEP area produced a total of 966 Kt CO₂e emissions of methane, a decrease of 6.0% (-55 Kt CO₂e) since 2019. Methane emissions for the Greater Birmingham and Solihull LEP area equated to 0.5 tonnes per capita or 0.6 kt per km² in 2020.

Nitrous Oxide (N₂O)

- In 2020, the WMCA (3 LEP) area produced a total of 456 kt CO₂e emissions of nitrous oxide, a decrease of 5.0% (-24 Kt CO₂e) compared to a decrease of 4.4% nationally since 2019. Nitrous oxide emissions for the WMCA (3 LEP) area equated to 0.1 tonnes per capita, below the England average of 0.2 in 2020. Nitrous oxide emissions were also 0.1 kt per km² for the WMCA (3 LEP) – matching England-wide in 2020.
- In 2020, agriculture accounted for the highest proportion of nitrous oxide emissions in the WMCA (3 LEP) area at 46.1% (210 Kt CO₂e) of total emissions, which was below the England-wide proportion of 70.8%.

WMCA (3 LEP) nitrous oxide emissions summary, 2019 and 2020:



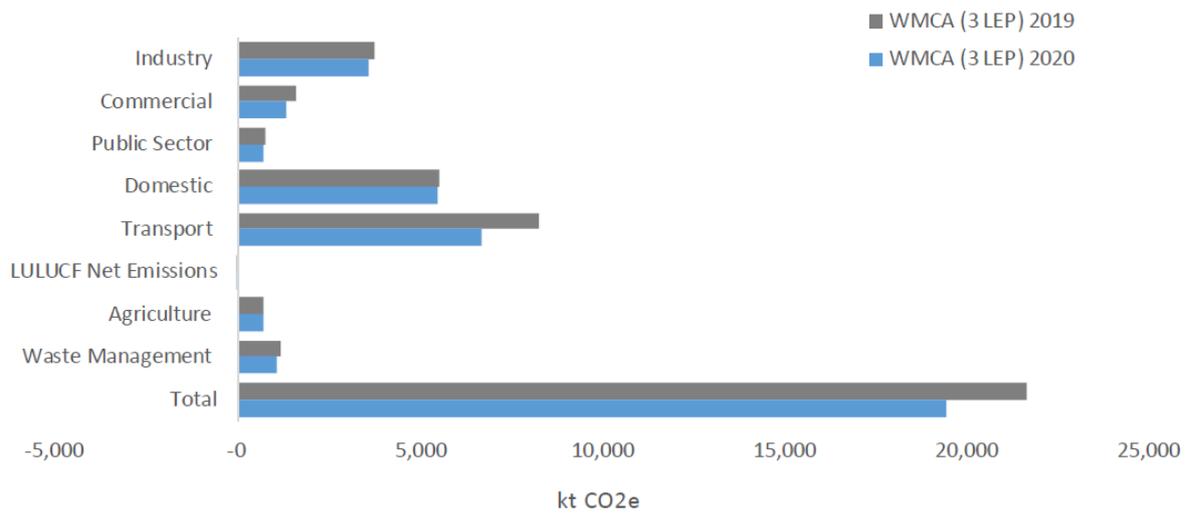
- In 2020, the WM 7 Met. area produced a total of 163 Kt CO₂e emissions of nitrous oxide, a decrease of 5.0% (-9 Kt CO₂e) since 2019. Nitrous oxide emissions for the WM 7 Met. area equated to 0.1 tonnes per capita or 0.2 kt per km² in 2020.
- In 2020, the Black Country LEP area produced a total of 66 Kt CO₂e emissions of nitrous oxide, a decrease of 5.2% (-4 Kt CO₂e) since 2019. Nitrous oxide emissions for the Black Country LEP area equated to 0.1 tonnes per capita or 0.2 kt per km² in 2020.
- In 2020, Coventry and Warwickshire LEP area produced a total of 186 Kt CO₂e emissions of nitrous oxide, a decrease of 5.1% (-10 Kt CO₂e) since 2019. Nitrous oxide emissions for the Coventry and Warwickshire LEP area equated to 0.2 tonnes per capita or 0.1 kt per km² in 2020.
- In 2020, Greater Birmingham and Solihull LEP area produced a total of 204 Kt CO₂e emissions of nitrous oxide, a decrease of 5.0% (-11 Kt CO₂e) since 2019. Nitrous oxide emissions for the Greater Birmingham and Solihull LEP area equated to 0.1 tonnes per capita or 0.1 kt per km² in 2020.

Greenhouse Emissions

Combining carbon dioxide, methane and nitrous oxide to have an overall greenhouse gas emissions figure.

- In 2020, the WMCA (3 LEP) area produced a total of 19,481 kt CO₂e emissions of greenhouse gas emissions, a decrease of 10.2% (-2,213 Kt CO₂e) compared to a decrease of 9.6% nationally since 2019. Greenhouse gas emissions for the WMCA (3 LEP) area equated to 4.6 tonnes per capita, below the England average of 5.1 in 2020. Greenhouse gas emissions were also 2.2 kt per km² for the WMCA (3 LEP), above the England average of 2.2 in 2020.
- In 2020, transport accounted for the highest proportion of greenhouse gas emissions in the WMCA (3 LEP) area at 34.5% (6,716 Kt CO₂e) of total emissions, which was above the England-wide proportion of 30.7%.

WMCA (3 LEP) greenhouse gas emissions summary, 2019 and 2020:



- In 2020, the WM 7 Met. area produced a total of 11,067 Kt CO₂e emissions of greenhouse gases, a decrease of 9.8% (-1,198 Kt CO₂e) since 2019. Greenhouse gas emissions for the WM 7 Met. area equated to 3.8 tonnes per capita or 12.3 kt per km² in 2020.
- In 2020, the Black Country LEP area produced a total of 4,419 Kt CO₂e emissions of greenhouse gases, a decrease of 10.0% (-493 Kt CO₂e) since 2019. Greenhouse gas emissions for the Black Country LEP area equated to 3.7 tonnes per capita or 12.4 kt per km² in 2020.
- In 2020, Coventry and Warwickshire LEP area produced a total of 6,232 Kt CO₂e emissions of greenhouse gases, a decrease of 10.4% (-724 Kt CO₂e) since 2019. Greenhouse gas emissions for the Coventry and Warwickshire LEP area equated to 6.5 tonnes per capita or 3.0 kt per km² in 2020.
- In 2020, Greater Birmingham and Solihull LEP area produced a total of 8,830 Kt CO₂e emissions of greenhouse gases, a decrease of 10.1% (-995 Kt CO₂e) since 2019. Greenhouse gas emissions for the Greater Birmingham and Solihull LEP area equated to 4.3 tonnes per capita or 5.1 kt per km² in 2020.

Infection Rates and Vaccine Update

Alice Pugh, WMREDI

[Case numbers across Europe](#) cases have risen across the majority of countries since the previous monitor, with the case numbers doubling in some countries. In the UK the new confirmed case numbers have risen from 93 per million people to 208 per million people. However, the risen for these increases is likely as a result of the majority of economies reopening and big events fully returning. Additionally, travel restrictions between countries have mostly been removed and people are starting to travel abroad again, to countries with higher rates of infection.

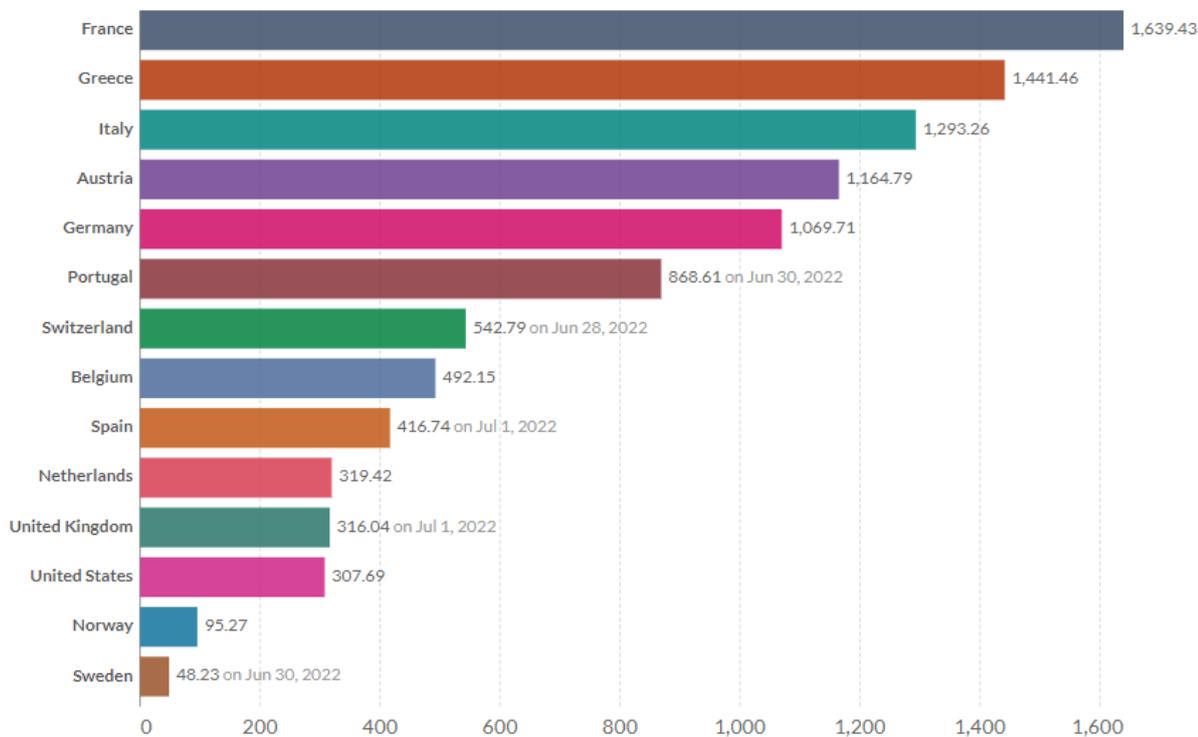
[Since 31 December 2019](#) and as of week 2022-23, **546,357,444 cases** of COVID-19 (in accordance with the applied case definitions and testing strategies in the affected countries) have been reported, including **6,336,415 deaths**.

Daily new confirmed COVID-19 cases per million people, Jul 4, 2022

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



LINEAR LOG



Source: Johns Hopkins University CSSE COVID-19 Data

CC BY

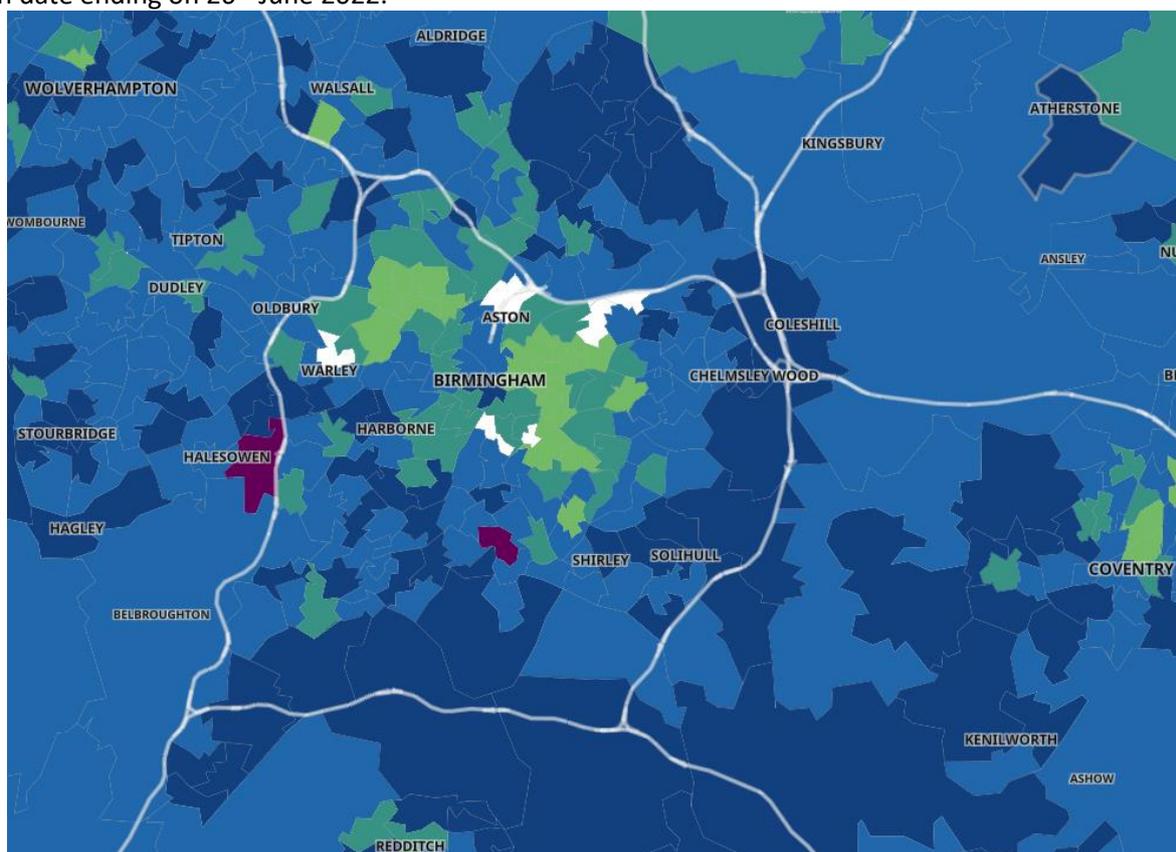
Jan 28, 2020

Jul 4, 2022

Latest [ONS infection survey data](#) (1st July 2022 next release to be 8th July 2022) states:

- The percentage of people testing positive for coronavirus (COVID-19) continued to increase across the UK, likely caused by increases in infections compatible with Omicron variants BA.4 and BA.5.
- In England, the estimated number of people testing positive for COVID-19 was 1,829,100 (95% credible interval: 1,745,900 to 1,914,300), equating to 3.35% of the population or around 1 in 30 people.
- In Wales, the estimated number of people testing positive for COVID-19 was 106,000 (95% credible interval: 86,400 to 127,100), equating to 3.49% of the population or around 1 in 30 people.
- In Northern Ireland, the estimated number of people testing positive for COVID-19 was 71,000 (95% credible interval: 58,000 to 85,700), equating to 3.87% of the population or around 1 in 25 people.
- In Scotland, the estimated number of people testing positive for COVID-19 was 288,200 (95% credible interval: 250,100 to 327,200), equating to 5.47% of the population or around 1 in 18 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 26th June 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 | 19-Jun-22 | 20-Jun-22 | 21-Jun-22 | 22-Jun-22 | 23-Jun-22 | 24-Jun-22 | 25-Jun-22 | 26-Jun-22 | 27-Jun-22 | 28-Jun-22 | 29-Jun-22 | 30-Jun-22 | 01-Jul-22 | 02-Jul-22 |
|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| ENGLAND | 942 | 1,055 | 1,155 | 1,133 | 1,210 | 1,072 | 1,011 | 1,276 | 1,438 | 1,454 | 1,572 | 1,596 | 1,326 | 1,374 |
| East of England | 105 | 107 | 120 | 96 | 133 | 117 | 92 | 130 | 125 | 154 | 170 | 180 | 131 | 150 |
| London | 126 | 146 | 192 | 173 | 177 | 142 | 151 | 173 | 175 | 177 | 193 | 225 | 183 | 200 |
| Midlands | 163 | 225 | 220 | 202 | 236 | 223 | 207 | 248 | 284 | 330 | 301 | 329 | 284 | 258 |
| North East and Yorkshire | 149 | 179 | 172 | 177 | 204 | 199 | 179 | 212 | 217 | 220 | 226 | 243 | 213 | 226 |
| North West | 182 | 177 | 180 | 208 | 195 | 170 | 166 | 220 | 236 | 223 | 245 | 249 | 191 | 190 |
| South East | 142 | 134 | 166 | 170 | 181 | 131 | 139 | 177 | 242 | 209 | 269 | 219 | 188 | 190 |
| South West | 75 | 87 | 105 | 107 | 84 | 90 | 77 | 116 | 159 | 141 | 168 | 151 | 136 | 160 |

Mechanical Ventilation beds - occupied by confirmed COVID-19 patients

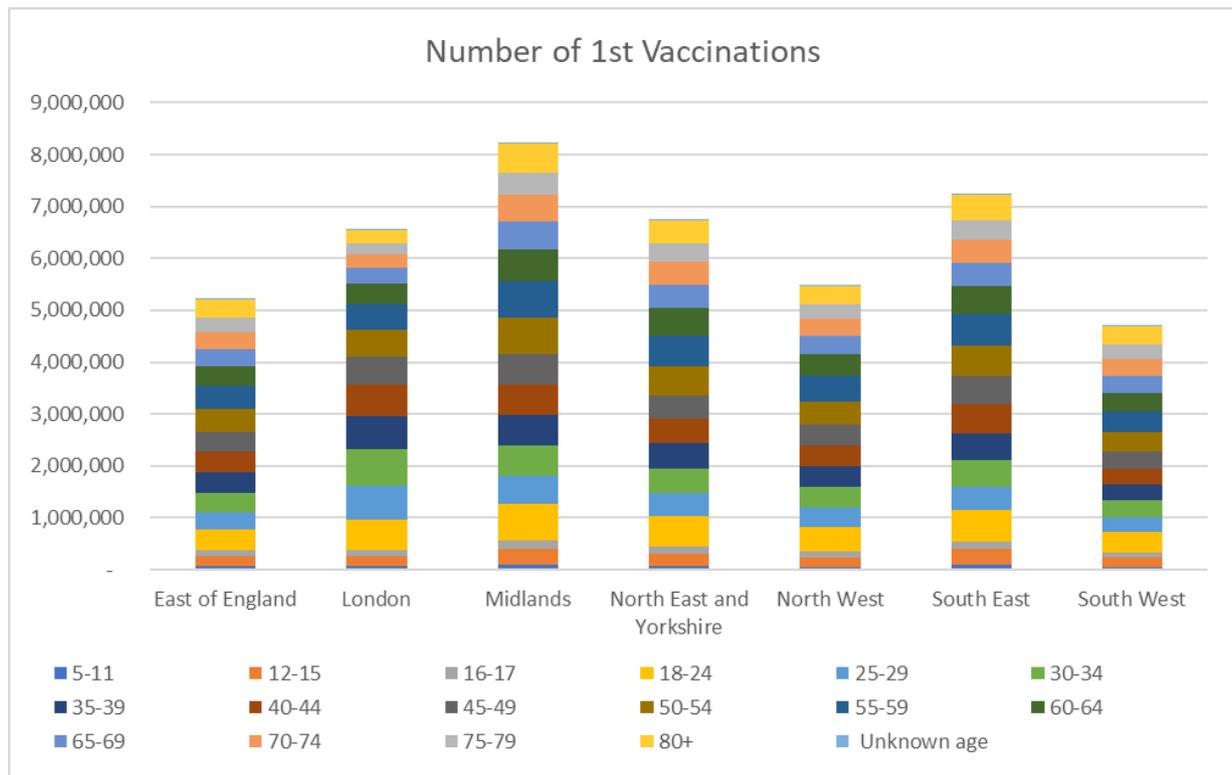
| Name | 21-Jun-22 | 22-Jun-22 | 23-Jun-22 | 24-Jun-22 | 25-Jun-22 | 26-Jun-22 | 27-Jun-22 | 28-Jun-22 | 29-Jun-22 | 30-Jun-22 | 01-Jul-22 | 02-Jul-22 | 03-Jul-22 | 04-Jul-22 |
|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| ENGLAND | 149 | 149 | 154 | 168 | 177 | 188 | 192 | 205 | 200 | 211 | 219 | 213 | 218 | 223 |
| East of England | 15 | 13 | 17 | 22 | 23 | 28 | 23 | 23 | 23 | 28 | 28 | 27 | 28 | 25 |
| London | 75 | 71 | 76 | 83 | 81 | 84 | 75 | 82 | 76 | 70 | 70 | 72 | 74 | 73 |
| Midlands | 9 | 10 | 9 | 12 | 12 | 17 | 26 | 28 | 25 | 28 | 25 | 24 | 23 | 26 |
| North East and Yorkshire | 11 | 13 | 14 | 12 | 18 | 18 | 21 | 22 | 21 | 27 | 33 | 32 | 29 | 30 |
| North West | 16 | 15 | 15 | 18 | 22 | 23 | 27 | 26 | 26 | 25 | 30 | 27 | 26 | 28 |
| South East | 15 | 18 | 14 | 14 | 13 | 12 | 14 | 14 | 19 | 22 | 20 | 19 | 26 | 31 |
| South West | 8 | 9 | 9 | 7 | 8 | 6 | 6 | 10 | 10 | 11 | 13 | 12 | 12 | 10 |

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

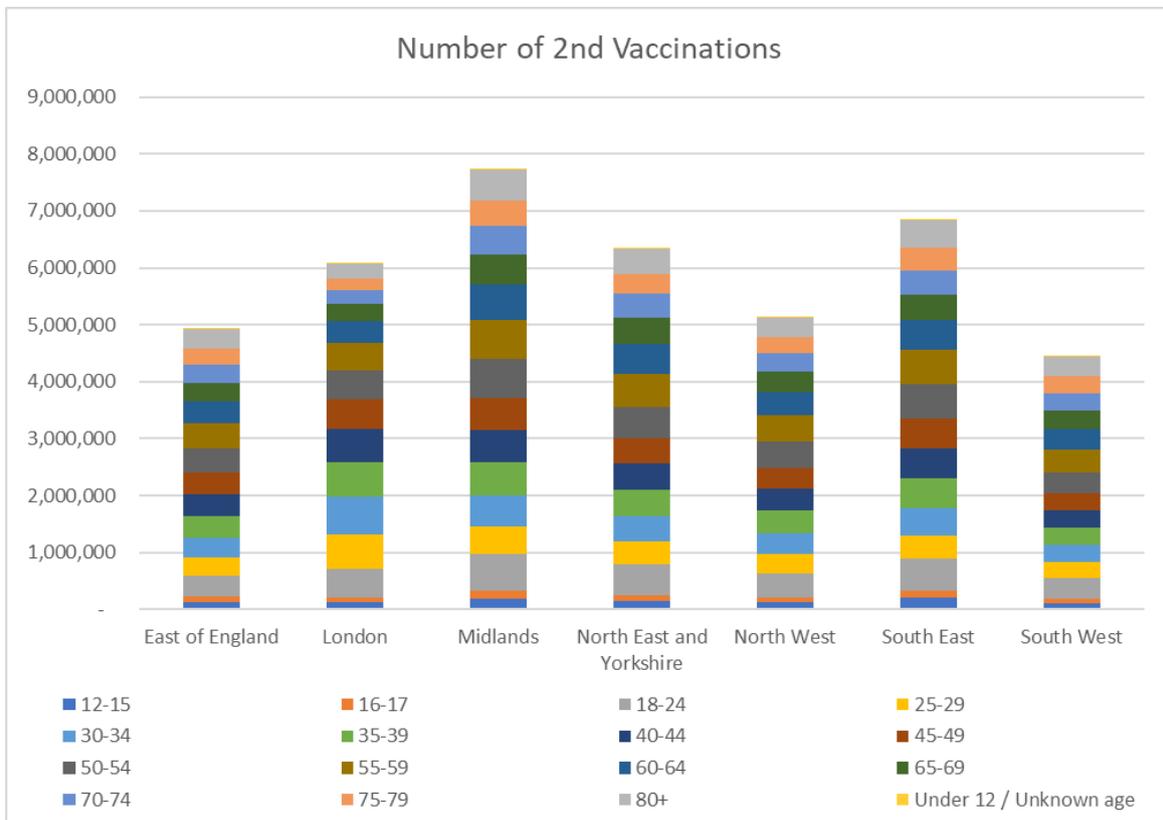
| Name | 21-Jun-22 | 22-Jun-22 | 23-Jun-22 | 24-Jun-22 | 25-Jun-22 | 26-Jun-22 | 27-Jun-22 | 28-Jun-22 | 29-Jun-22 | 30-Jun-22 | 01-Jul-22 | 02-Jul-22 | 03-Jul-22 | 04-Jul-22 |
|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| ENGLAND | 6,002 | 6,177 | 6,401 | 6,752 | 6,973 | 7,455 | 7,822 | 8,120 | 8,587 | 8,928 | 9,389 | 9,632 | 9,956 | 10,658 |
| East of England | 593 | 616 | 625 | 663 | 708 | 738 | 793 | 811 | 852 | 916 | 942 | 1,000 | 979 | 1,074 |
| London | 1,139 | 1,163 | 1,221 | 1,301 | 1,353 | 1,429 | 1,461 | 1,489 | 1,553 | 1,584 | 1,638 | 1,683 | 1,727 | 1,831 |
| Midlands | 1,061 | 1,115 | 1,134 | 1,214 | 1,239 | 1,319 | 1,434 | 1,551 | 1,613 | 1,672 | 1,741 | 1,797 | 1,942 | 2,020 |
| North East and Yorkshire | 958 | 968 | 1,001 | 1,066 | 1,068 | 1,185 | 1,227 | 1,284 | 1,330 | 1,380 | 1,468 | 1,466 | 1,504 | 1,601 |
| North West | 1,010 | 1,039 | 1,086 | 1,121 | 1,181 | 1,241 | 1,331 | 1,376 | 1,486 | 1,517 | 1,548 | 1,588 | 1,563 | 1,720 |
| South East | 803 | 812 | 857 | 885 | 930 | 1,003 | 1,031 | 1,045 | 1,116 | 1,188 | 1,319 | 1,332 | 1,433 | 1,537 |
| South West | 438 | 464 | 477 | 502 | 494 | 540 | 545 | 564 | 637 | 671 | 733 | 766 | 808 | 875 |

Vaccine Update

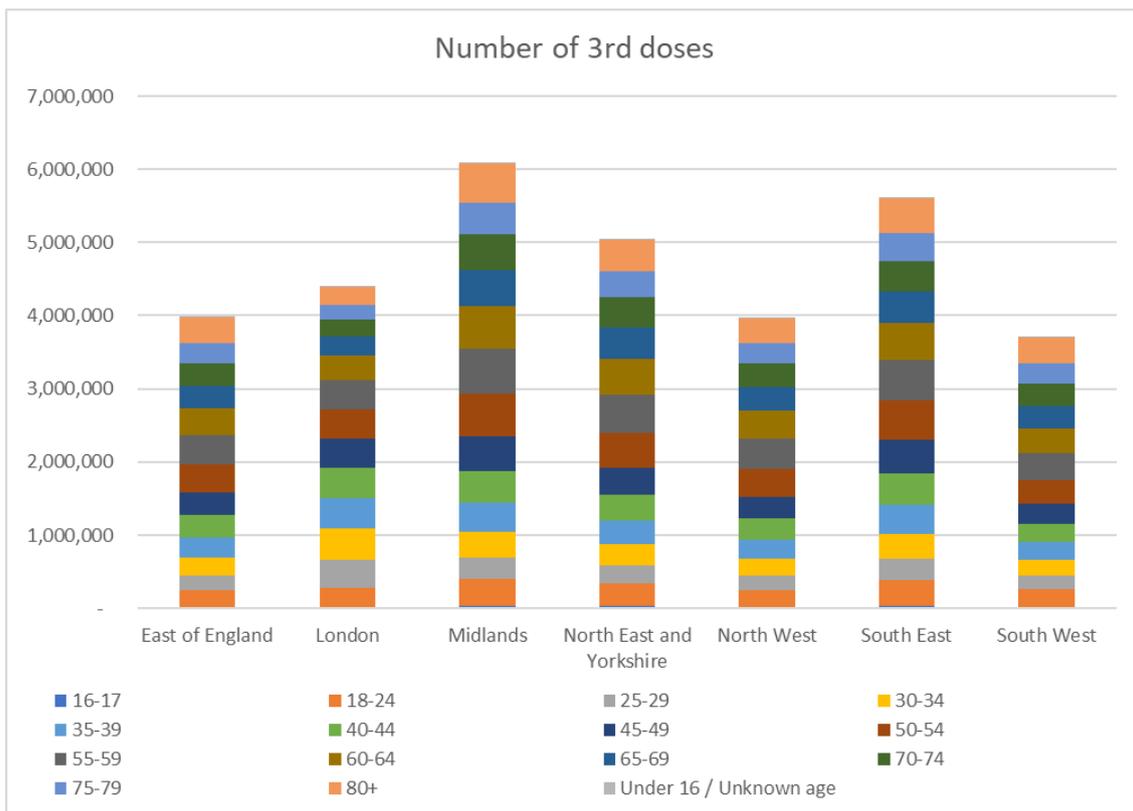
Between the 8th December 2020 and the [12th June 2022](#) the Midlands has successfully vaccinated **8,191,692** people with the first dose and **7,703,507** of these individuals have received the second dose as well. A further **6,041,525** have received their booster. Meaning the Midlands has successfully 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) | | | | | | | | | | | | | | | |
|------------------------------|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 5-11 | 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+ |
| Total | 9.9% | 58.6% | 73.4% | 81.7% | 82.7% | 89.2% | 91.0% | 96.4% | 89.1% | 94.9% | 98.8% | 100%* | 99.2% | 92.7% | 100%* | 98.6% |
| East of England | 10.7% | 61.7% | 77.6% | 85.7% | 85.7% | 89.5% | 90.5% | 96.1% | 89.9% | 94.8% | 99.1% | 100%* | 98.5% | 91.3% | 100%* | 98.7% |
| London | 7.5% | 46.0% | 59.3% | 80.3% | 86.4% | 84.1% | 82.7% | 89.4% | 90.8% | 92.5% | 96.4% | 99.0% | 96.2% | 90.5% | 100%* | 89.0% |
| Midlands | 9.8% | 58.2% | 72.7% | 75.7% | 73.8% | 85.1% | 89.9% | 95.8% | 86.9% | 94.8% | 98.1% | 100%* | 98.2% | 93.7% | 100%* | 100%* |
| North East and Yorkshire | 9.0% | 58.2% | 72.7% | 77.2% | 76.5% | 86.8% | 91.2% | 96.9% | 85.9% | 94.2% | 97.5% | 100%* | 99.8% | 93.7% | 100%* | 98.5% |
| North West | 7.7% | 55.0% | 71.2% | 77.7% | 76.4% | 85.4% | 91.0% | 97.3% | 87.2% | 94.4% | 97.9% | 100%* | 99.8% | 93.0% | 100%* | 99.0% |
| South East | 12.6% | 66.7% | 80.9% | 83.8% | 85.7% | 95.5% | 94.7% | 97.6% | 90.1% | 94.8% | 99.2% | 100%* | 99.8% | 91.1% | 100%* | 99.0% |
| South West | 12.5% | 65.7% | 80.7% | 86.7% | 87.8% | 94.6% | 95.7% | 99.4% | 88.6% | 94.3% | 99.5% | 100%* | 98.1% | 92.5% | 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+ |
| Total | 39.1% | 56.4% | 73.5% | 76.6% | 83.8% | 86.7% | 92.9% | 86.6% | 92.9% | 97.2% | 100%* | 98.1% | 91.9% | 100%* | 98.0% |
| East of England | 42.0% | 60.8% | 78.7% | 80.4% | 84.9% | 86.9% | 93.2% | 87.9% | 93.3% | 97.9% | 100%* | 97.7% | 90.7% | 100%* | 98.2% |
| London | 29.3% | 43.4% | 69.6% | 79.8% | 78.9% | 78.3% | 85.5% | 87.5% | 89.5% | 93.5% | 96.3% | 93.7% | 88.6% | 100%* | 87.7% |
| Midlands | 38.6% | 55.1% | 68.4% | 68.3% | 79.8% | 85.7% | 92.3% | 84.6% | 93.1% | 96.7% | 100%* | 97.2% | 93.0% | 100%* | 99.8% |
| North East and Yorkshire | 38.1% | 54.7% | 69.5% | 70.7% | 81.2% | 86.7% | 93.3% | 83.6% | 92.6% | 96.3% | 100%* | 99.1% | 93.2% | 100%* | 98.1% |
| North West | 36.1% | 53.7% | 69.6% | 70.4% | 79.5% | 86.0% | 93.2% | 84.3% | 92.2% | 96.2% | 100%* | 98.8% | 92.2% | 100%* | 98.5% |
| South East | 47.3% | 65.6% | 77.1% | 80.6% | 90.8% | 91.2% | 95.0% | 88.3% | 93.3% | 98.0% | 100%* | 98.8% | 90.4% | 100%* | 98.5% |
| South West | 43.5% | 63.7% | 79.9% | 82.6% | 90.0% | 92.1% | 96.7% | 86.8% | 92.9% | 98.3% | 100%* | 97.4% | 91.9% | 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+ |
| Total | 15.3% | 42.6% | 48.0% | 55.8% | 62.0% | 71.5% | 70.9% | 80.6% | 87.1% | 93.4% | 92.9% | 88.8% | 100%* | 95.5% |
| East of England | 16.6% | 47.6% | 51.8% | 57.9% | 63.8% | 73.8% | 74.0% | 82.8% | 89.5% | 94.8% | 93.5% | 88.2% | 100%* | 96.2% |
| London | 10.1% | 35.6% | 50.2% | 52.3% | 53.3% | 61.2% | 65.5% | 71.0% | 77.4% | 83.1% | 84.5% | 82.5% | 95.6% | 82.6% |
| Midlands | 14.3% | 39.1% | 41.0% | 51.4% | 60.0% | 70.3% | 69.0% | 80.8% | 86.8% | 94.0% | 92.3% | 90.0% | 100%* | 97.2% |
| North East and Yorkshire | 13.9% | 40.5% | 42.9% | 52.8% | 61.4% | 71.6% | 68.7% | 80.9% | 87.3% | 93.5% | 94.5% | 90.4% | 100%* | 95.9% |
| North West | 13.8% | 37.7% | 40.8% | 49.2% | 58.2% | 68.8% | 66.9% | 78.5% | 85.3% | 93.1% | 93.2% | 88.8% | 100%* | 95.7% |
| South East | 20.1% | 48.7% | 54.4% | 64.8% | 70.0% | 78.1% | 76.6% | 84.5% | 90.7% | 96.0% | 95.1% | 88.2% | 100%* | 96.7% |
| South West | 19.4% | 51.5% | 56.1% | 64.9% | 71.6% | 80.1% | 75.7% | 84.4% | 91.0% | 96.0% | 93.8% | 89.8% | 100%* | 99.2% |

Weekly Deaths Registered: 24th June 2022

Black Country Consortium Economic Intelligence Unit

The following analysis compares the latest available time period (the week of the 24th June 2022) to the previous week period (the week of the 17th June 2022) for the number of deaths registered and the number of deaths registered related to the Coronavirus¹¹.

Across England and Wales, the overall registered death figures decreased from 10,844 in the week of the 17th June 2022 to 10,836 in the week of 24th June 2022. The number of deaths registered that state Coronavirus on the death certificate increased from 264 to 285 people over the same period.

Regional level analysis shows that the West Midlands' overall registered death figures increased from 1,035 people in the week of 17th June 2022 to 1,079 in the week of 24th June 2022. The number of registered deaths related to Coronavirus increased from 11 to 25 people.

There was a total of 721 deaths registered across the WMCA (3 LEP) area in the week of the 24th June 2022. There were 17 deaths registered that were related to Coronavirus over the same period. In comparison to the week of the 17th June 2022, the overall registered death figures in the WMCA (3 LEP) area increased by 44, with the number of registered deaths related to Coronavirus increasing by 10 people.

At local authority level in the week of the 24th June 2022, 8 local authorities the WMCA (3 LEP) area registered deaths related to the Coronavirus. Of the 17 registered Coronavirus related deaths; Walsall accounted for 5 deaths, Birmingham and Coventry both accounted for 3 deaths each.

Of the 17 registered Coronavirus deaths in the WMCA (3 LEP) involving Coronavirus in the week of the 24th June 2022, 12 were registered in a hospital, 3 deaths were registered at a care home and 1 death was registered both at home and a hospice.

Place and number of deaths registered that are related to Coronavirus in the week of 24th June 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 | 0 | 0 | 0 |
| Lichfield | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Tamworth | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| North Warwickshire | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Nuneaton and Bedworth | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rugby | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Stratford-on-Avon | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Warwick | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bromsgrove | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Redditch | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wyre Forest | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Birmingham | 1 | 0 | 0 | 0 | 2 | 0 | 3 |
| Coventry | 0 | 0 | 0 | 0 | 3 | 0 | 3 |
| Dudley | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| Sandwell | 0 | 0 | 0 | 0 | 2 | 0 | 2 |
| Solihull | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Walsall | 0 | 0 | 0 | 1 | 4 | 0 | 5 |
| Wolverhampton | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| WM 7 Met. | 1 | 0 | 1 | 1 | 11 | 0 | 14 |
| Black Country LEP | 0 | 0 | 1 | 1 | 6 | 0 | 8 |
| Coventry & Warwickshire LEP | 1 | 0 | 0 | 0 | 3 | 0 | 4 |
| Greater Birmingham & Solihull LEP | 2 | 0 | 0 | 0 | 3 | 0 | 5 |
| WMCA (3 LEP) | 3 | 0 | 1 | 1 | 12 | 0 | 17 |

¹¹ Please note that up-to-date counts of the total numbers of deaths involving COVID-19 are published by Public Health England (PHE) -ONS figures differ from the PHE counts as the latter include deaths which have not yet been registered. Source: ONS, Death registrations and occurrences by local authority and health board, 5th July 2022.

Economic activity and social change in the UK, real-time indicators

Black Country Consortium Economic Intelligence Unit

On the 30th June 2022, the Office for National Statistics (ONS) released 'economic activity and social change in the UK, real-time indicators'. These statistics are early experimental data and analysis on economic activity and social change in the UK. These faster indicators are created using rapid response surveys, novel data sources, and experimental methods.

ONS also provides on a fortnightly basis the social insights on daily life and events, including impacts on health and well-being and the cost of living from the Opinions and Lifestyle Survey (OPN).

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 17th and 24th June 2022, total online job adverts decreased by 1.5%. On the 24th June 2022, total online job adverts were at 121.1% of their average level in February 2020. Out of the 28 categories (excluding unknown) 21 decreased from the previous week. The largest weekly decrease was in the category "accounting/finance", which decreased by 8.5%. The highest increase was "wholesale and retail" by 13.4% to 196.6%. There were six categories below the February 2020 average level, these were; "legal" (81.8%) "energy/oil & gas" (83.8%), "sales" (90.7%), "property" (91.7%) "healthcare and social care" (92.2%) and "accounting/finance" (94.0%).

Online job adverts across 10 regions decreased (Wales increased and the North East remained the same) between the 17th and 24th June 2022. The West Midlands online job adverts decreased by 1.2% and on the 24th June 2022, it was at 127.9% of the average level in February 2020. All 12 regions were above their February 2020 levels, varying from; 108.2% in London to 167.3% in Northern Ireland.

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.

As of the 24th June 2022, for the West Midlands region visits to retail and recreation, transit stations and workplaces had not yet returned to pre-coronavirus levels.

Visits to each location type for the West Midlands region in the week to 24th June 2022 compared with the previous week shows that grocery and pharmacy decreased by 0.2% (to 109.6%), workplaces decreased by 0.8% (83.3%), retail and recreational decreased by 1.2% (to 91.8%), parks decreased by 5.6% (to 127.4%) and transit stations decreased by 8.4% (to 78.3%). The only location type to increased was residential, by 0.6% to 102.5%.

National Company Incorporations and Voluntary Dissolutions

Companies House data shows for the UK, there were 15,417 company incorporations in the week to 24th June 2022, up from 13,380 recorded in same week in 2021. This is down from 16,955 recorded in the same week in 2020 but up in the same week in 2019 (12,203).

Also, for the week to 24th June 2022, there were 5,864 voluntary dissolution applications, slightly up from 5,830 recorded in the same week in 2020. This is up from 4,521 recorded in the same week of 2020 and in the same week in 2019 (4,441).

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 5th June 2022, across the UK there were 45 employers proposing 3,492 potential redundancies. The potential redundancies 4-week rolling average was 2,821 and the employers proposing redundancies 4-week rolling average was 37. When indexed (100 = weekly average from week ending 21st April 2019 to week ending 23rd February 2020), the potential redundancies 4-week rolling average was 57 and the employers proposing redundancies 4-week rolling average was 66.

System Average Price of Gas

The System Average Price (SAP) of gas increased by 11% in the week to 26th June 2022 (from the previous week) to 39% of the peak level seen on 10 March 2022; this is the highest since 17 April 2022 when it was 41% of the peak level. It was 122% higher than the equivalent period from the previous year and 629% higher when compared to the pre-Coronavirus baseline.

Business Insights and Conditions Survey

The final results from Wave 58 of the Business Insights and Conditions Survey (BICS) based off the 5,121 businesses surveyed across the West Midlands that businesses have a presence in with a response rate of 26.3% (1,347) and 3,083 businesses that are head quartered in the West Midlands, with a response rate of 24.9% (769). Please note, the survey reference period was 1st to 31st May 2022 with a survey live period of 13th to 26th June 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 survey period, split by 97.0% fully trading and 1.9% partially trading.

Financial Performance

Excluding “not sure” responses, 33.5% of West Midlands businesses reported that the business turnover in May 2022 when compared with the previous calendar month had increased, 42.0% reported turnover to have stayed the same and 17.1% reported turnover had decreased.

Excluding “not sure responses”, 23.2% of West Midlands businesses reported that they expect business turnover in July 2022 to increase, 53.1% expected turnover to stay the same and 12.4% expect turnover to increase.

Prices

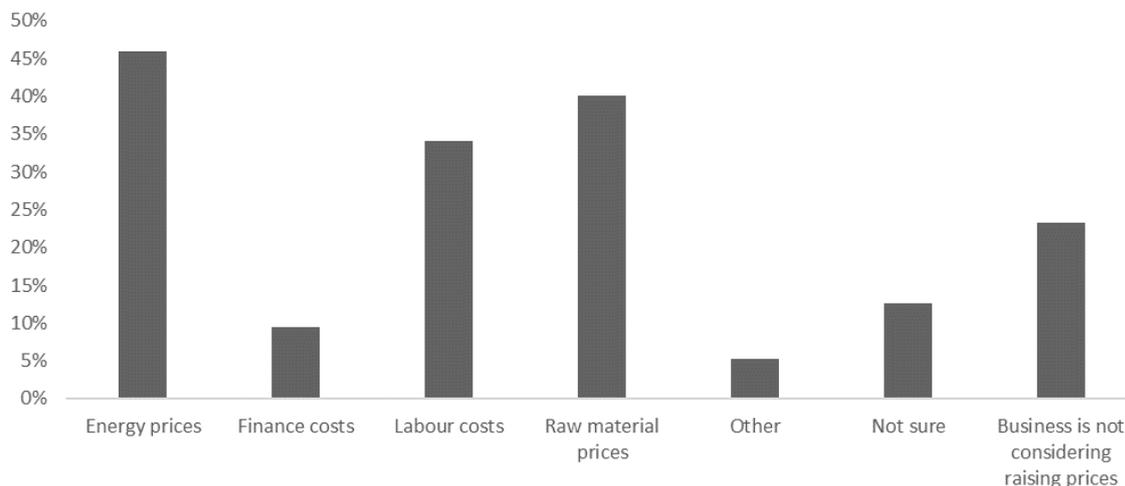
34.6% of West Midlands businesses reported the prices of goods or services brought in May 2022 when compared to the previous calendar month had stayed the same. Although, 49.5% of West Midlands businesses reported that prices had increased.

In comparison, 58.9% of West Midlands businesses reported the prices of goods or services sold in May 2022 when compared to the previous calendar month had stayed the same and 25.6% of West Midlands businesses reported that prices had increased.

50.2% of West Midlands businesses expect the prices of goods or services sold in June 2022 will remain the same and 30.9% expect the prices to increase.

As seen in the following chart, 45.9% of West Midlands businesses report that energy prices are the cause for considering to raise prices in July 2022.

What factors, if any, are causing West Midlands businesses to consider raising prices in July 2022:



Demand for Goods and Services

53.5% of West Midlands businesses reported the domestic demand for goods or services in May 2022 when compared to the previous calendar month had stayed the same and a further 17.7% reported an increase. Although, 10.6% of West Midlands businesses reported that domestic demand had decreased.

In comparison, 26.6% of West Midlands businesses reported the international demand for goods or services in May 2022 when compared to the previous calendar month had stayed the same and a further 6.2% reported an increase. Although, 4.0% of West Midlands businesses reported that international demand had decreased.

Energy Prices

5.2% of West Midlands businesses reported that production was affected by recent increases in energy prices, 19.2% reported that suppliers were affected by recent increases in energy prices and 23.3% reported that both production and suppliers were affected by recent increases in energy prices.

57.4% of West Midlands businesses have had to absorb the costs from the price rises.

Number of Employees

Excluding “not sure” responses, 59.0% of West Midlands businesses reported that the number of employees in May 2022 when compared to the previous month had stayed the same and a further 21.8% reported the number of employees had increased. Although, 11.4% of West Midlands businesses reported the number of employees had decreased.

Excluding “not sure” responses, 60.2% of West Midlands businesses expect that the number of employees in July 2022 will stay the same and a further 23.9% expect the number of employees to increase. Although, 3.8% of West Midlands expect the number of employees to decrease.

Recruitment Difficulties

40.5% of West Midlands businesses reported experiencing difficulties in recruiting employees in May 2022.

EU Workers and Non-EU Workers

Excluding not relevant, “not sure” or “prefer not to say” responses, 1.4% of West Midlands businesses reported the number of workers from within the EU has increased in May 2022 compared with the same calendar month in the previous year. 23.0% of West Midlands businesses reported the number had stayed the same and 9.6% reported the number of EU workers had decreased.

Excluding not relevant, “not sure” or “prefer not to say” responses, 3.1% of West Midlands businesses reported the number of workers from outside the EU has increased in May 2022 compared with the same calendar month in the previous year. 16.5% of West Midlands businesses reported the number had stayed the same and 3.3% reported the number of non-EU workers had decreased.

Net Zero

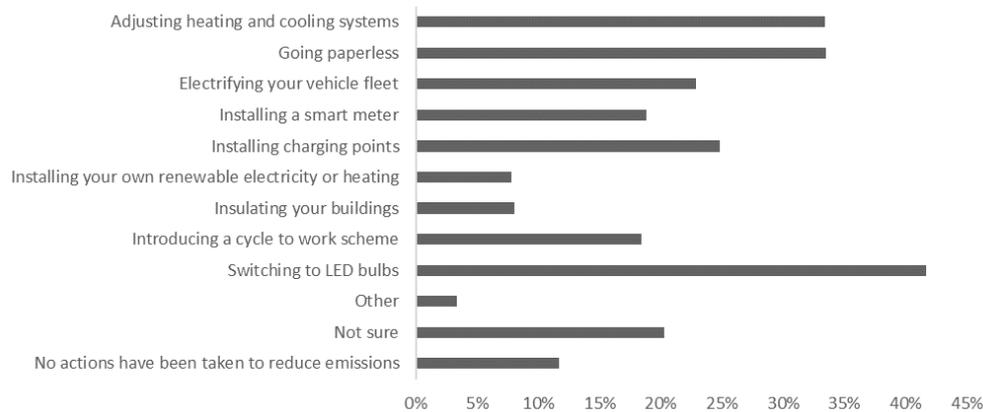
20.5% of West Midlands businesses reported to have a climate change strategy to protect the environment.

Which of the following actions, if any, has West Midlands businesses have taken to protect the environment:



41.7% of West Midlands businesses reported to have switched to LED bulbs to reduce carbon dioxide emissions.

Which of the following actions, if any, has West Midlands businesses have taken to reduce its carbon emissions:



Overall Performance

Excluding “not sure” responses, 41.5% of West Midlands businesses reported that the business’s overall performance in May 2022 compared with the same period in 2021 had stayed the same and a further 33.7% reported that performance had increased. Although, 16.2% of West Midlands businesses reported that performance had decreased.

Excluding “not sure” responses, 41.9% of West Midlands businesses expect that the business’s overall performance in the next 12 months will stay the same and a further 33.4% expect an increase in overall performance. Although, 9.6% of West Midlands businesses expect performance will decrease.

Public opinions and social trends

Breakdowns by region are no longer provided within this dataset because of the smaller responding sample size of the OPN survey. Estimates are based on data collected between 8th to 19th June 2022, (the “latest period”) and 25th May to 5th June 2022 (the “previous period”).

Actions Following Cost of Living Increases

The most common actions reported by adults who reported their cost of living had increased continued to be spending less on non-essentials (60% - same as the previous period), using less fuel such as gas or electricity at home (51% - down 1% from previous period), cutting back on non-essential journeys in vehicles (45% - up 5% from previous period) and spending less on food shopping and essentials (35% - down 3% from previous period).

43% of adults reported that they were buying less food when food shopping. This proportion appears to be increasing - 8% when we first asked in September 2021 (8 to 19 September 2021).

Paying Energy Bills

37% of adults who pay energy bills reported they found it very or somewhat difficult to afford them in the latest period, a slight decrease compared with 42% in the previous period. In comparison, 52% of adults who pay energy bills reported it was very or somewhat easy to afford their energy bills in the latest period, a slight increase compared with 47% in the previous period.

Among those who reported they have gas or electricity supplied to their home, 4% reported they were behind on these bills (5% in the previous period). This proportion has appeared to be relatively stable since the question was asked in March 2022.

Social impacts of Covid-19

32% of adults reported they were worried (very or somewhat) about the effect that the coronavirus pandemic was having on their life right now

41% of reporting they were worried (very or somewhat) about new variants of Covid-19.

Personal Well-Being

Life satisfaction – remained at 7.0 since the previous period.

Feeling that the things done in life are worthwhile – remained at 7.3 since the previous period.

Happiness – remained at 7.1 since the previous period.

Anxiety – increased by 0.1 since the previous period to 4.0.

Levels of personal well-being, Adults in Great Britain, March 2020 to June 2022:



Source: Office for National Statistics – Opinions and Lifestyle Survey

7% of adults reported feeling lonely always or often in the latest period (7% in the previous period). This increased to 25% of adults 25% reporting feeling lonely always, often or some of the time in the latest period (26% in the previous period).

Headlines

| SECTOR | KEY INSIGHTS |
|----------------------------|---|
| <p>Cross Sector</p> | <p>Overview</p> <p>At the halfway point, it's clear that 2022 has been another turbulent year for West Midlands businesses and the wider economy. Inflation looks to be heading towards double-digit figures, weighing heavily on companies and communities across the region. The main pinch points for businesses relate to:</p> <ul style="list-style-type: none"> • Labour costs and shortages: increasing demand for higher wages coupled with a shortage of capable worker • Utility costs: energy prices for businesses (not protected by an energy cap) are likely to go up further in October • Fuel costs: both as an input to production as in relation to distribution • Material / other commodity costs and shortages: including food and wider inputs like fertilizer, steel and cement. <p>This is damaging cash flow and likely contributing to a continuing uptick of company insolvencies, with notable company closures reported in local media already. This volatile economic climate stifles entrepreneurship and innovative investment, with the number of regional start-ups reportedly falling in recent months.</p> <p>Business groups, such as FSB, are calling for urgent Government action, including: reversing hikes to national insurance contributions; reducing business rates for small firms; cutting VAT, especially on energy; and reducing fuel duty.</p> <p>The prospect of regular train strikes is another major concern, on top of the increased cost of living crisis dampening consumer demand. Other industries striking would obviously make this worse for wider parts of the economy; this includes teachers, nurses, and other public sector; but there is also strike action in some parts of the private sector as part of a possible "general strike".</p> <p>There is a continually mixed picture across the Midlands business environment, though, with the West Midlands business confidence remaining ahead of the UK average in the latest Business Barometer from Lloyds Bank Commercial Banking. While recent business survey data suggesting an "underlying resilience" within regional businesses in tackling the current economic volatility. Furthermore the West Midlands is still a top destination for Foreign Direct Investment, still has historically high equity investment and has an SME base that is growing faster than several regions.</p> <p>Labour Market</p> <p>Many West Midlands businesses are reporting that recruiting staff is becoming increasingly difficult and problematic. The combination of changed employee expectations (e.g., reduced hours worked, working from home etc) plus the high demand for labour across sectors and disciplines, are fuelling demands for very high wages and favourable conditions – even from those who are unskilled, inexperienced or new entrants to the labour market. While some larger firms are able to go some way towards meeting these expectations and demands, smaller firms often lack the financial and developmental capacity to pay high wages for - and then develop - new starters. Other labour market examples from engagements with business include reference to:</p> <ul style="list-style-type: none"> • Staff Retention & Recruitment – Engineering firms that are already struggling to find suitably qualified and experienced engineers have highlighted that they are losing staff, often to Amazon as they are able to offer higher salaries for lower skilled roles. Some |

| SECTOR | KEY INSIGHTS |
|--------|---|
| | <p>staff are joining and only staying for a week or two before moving on to more flexible higher paying roles. HS2 also for the same reasons. Headhunting and “poaching” of skilled technical expertise is also affecting the growth of some businesses as candidates are able to change jobs on their own terms.</p> <ul style="list-style-type: none"> • “The Wage Spiral” – Salary increases affecting lower paid, unskilled jobs due to available positions outweighing available candidates by 2:1. Larger businesses that are heavily dependent on human resource artificially inflating salaries, enticing people away from social care, cleaning and other less desirable jobs. Social care is particularly affected as it is leading to contract delivery terms not being met as the pricing models used are now out of date and unrealistic, impacting the level of care available to those in need, potentially risking lives. In addition, employers are needing to increase the salaries of apprentices and graduates to encourage them to stay. This bringing with it a knock-on effect as they are sometimes earning more than existing employees causing unrest and others to look for alternative employment. • According to analysis, young men in particular are “slipping through the economy’s cracks”. The proportion of young men who are inactive (neither working nor looking for work) has climbed steadily from 5 per cent in 2000 to 9 per cent last year. <p>Separately, four day working weeks are being introduced and trialled amongst a number of businesses with positive results. Not only has this increased staff morale, it has had a positive impact on productivity and led to reduced operational costs and overheads.</p> <h3>Trading Environment</h3> <p>In addition to the widely reported cost increases that businesses are facing for major inputs, other aspects of the current trading environment are also challenging / keeping businesses occupied:</p> <ul style="list-style-type: none"> • An increase in the cost of domestic boilers has been highlighted this month. 25% increases in the wholesale cost of new gas boilers and parts and the associated increases in labour rates. Architects are being forced to look at alternative, and perhaps more readily available, building materials to combat supply issues and overcome shortages not helped by the national focus on house building and larger buyers of standard materials. • Energy bills continue to be a major concern for businesses across the region as fixed term deals come to an end. One client expected to see annual energy bills increase from £10,000 to over £45,000 next year. Business owners are powerless to do anything other than pass on costs to clients as well as look to make other cost efficiencies. • Land Values Increasing – the lack of available commercial land and property frustrating growing businesses that wish to remain in the region due to increasing prices per square foot. • Diversification – there is a strong appetite for diversification, probably more obvious post pandemic as many businesses have been forced to look at how else their people and operations can be used to widen service and product portfolios. Support with using farm land for alternative uses and the development of carbon fibre aircraft wings are examples of the topics being discussed. • More recent evidence points towards a so-far negative Brexit impacts on trade, disproportionately affecting the Midlands. This comes from the Resolution Foundation’s “Big Brexit” report, which finds that, following the implementation of the TCA, the UK has suffered a broad-based fall in both openness and competitiveness in 2021. • However, it is encouraging that the start of negotiations will take place in June between the UK and the Gulf Cooperation Council, especially for the businesses in the West Midlands who are predicted to be in line for some of the greatest proportional gains from the new trade deal. Local manufacturing, tech and low carbon firms will benefit from the commitment of both parties to exploring green innovation. |

| SECTOR | KEY INSIGHTS |
|----------------------------|---|
| | <p>Enquiries</p> <p>Business enquiries to the region’s Growth Hubs have included the following in recent weeks:</p> <ul style="list-style-type: none"> • Quality Standards Accreditation – Clients striving to improve standards and gain standard accreditation to open new markets, win new business within existing markets and also bring work in house. Support with the implementation of ISO9001 apparent along with the desire for clients to achieve European, particularly German standards in an effort to win business from Europe. • Marketing – Multiple enquiries from businesses looking for support with marketing as part of overall growth strategies. As well as mentoring, investment in the training and upskilling of current staff appears popular. • Skills & Training – Businesses looking at a broad range of personal development and skills training for staff. Sales and Marketing along with technical skills such as CAD design to enable companies to bring services in house. • Inward Investment • Net Zero • Mentoring for Growth/Scale Up – ongoing support and mentoring for rapid growth businesses and exit strategies. • Grants – sought for usual refits and capital purchases etc. Also projects to support efficiency measures and low carbon initiatives, including asbestos removal. EPOS systems and larger capital machinery within engineering and manufacturing businesses. • International Trade • Manufacturing Process Support – e.g. ERP Systems • Proof of Concept – Support with the development of wireless digital connectivity projects using 5G, Bluetooth and WiFi. |
| Sport & Leisure | <ul style="list-style-type: none"> • Leisure businesses are facing a shortage of chlorine with the potential for swimming pools having to close; which will cause issues this summer. • Businesses from across sectors have been urged to plan for the Commonwealth Games as crowds flock to the West Midlands in late July / early August. • Also, it’s recently been confirmed that opportunities for improving international trade will be discussed in Birmingham when the Games are hosted. The UK House Commonwealth business hub will take place over eight days during the Games from July 28 to August 8. |
| Manufacturing | <ul style="list-style-type: none"> • There is buoyant demand in manufacturing but continued challenges to do with deliveries, supply chain, cost of materials, exports and export documentation, staffing, inflationary pressures, including cost of living increases difficult to pass on to consumers. • Recent intelligence from MakeUK breaks down the costs that are causing most disruption to manufacturers: energy costs comes out on top, followed by raw materials cost, raw materials availability, and transport costs. • Continuing disruption to supply chains and rising freight costs over the last two years is said to have resulted in many firms reviewing their supply chain arrangements. Make UK have characterised this as a shift in emphasis from Just in Time to Just in Case. • Thousands of manufacturing jobs and tens of companies could still be lost in the domestic supply chain if the Government does not reconsider its approach to steel safeguarding, industry chiefs have warned. Tier one suppliers and sub-contractors to automotive, aerospace, construction and general engineering have been paying hundreds of thousands of pounds to import their ‘Category 12’ steel – including critical quality and performance bar and section – from European mills, as the quarterly tariff-free quotas are running out within a month. |
| Agriculture / Food & Drink | <ul style="list-style-type: none"> • The agriculture & food and drink sectors are concerned about access to labour, increased labour costs, dependence on visa-based labour, food security, cost of |

| SECTOR | KEY INSIGHTS |
|--|---|
| | <p>ingredients, cost of transport and supply chain issues. There is a warning of food shortages because of these issues.</p> <ul style="list-style-type: none"> • Disruption in the supply of oils, particularly sunflower oil with prices increasing by some 60%, is severely impacting the catering industry with businesses needing to double order volumes to mitigate the risk and cope with potential delays. • The Government recently published its Food Strategy, with the NFU responding that a greater emphasis on increasing self-sufficiency in food production is necessary. |
| Tourism, Hospitality & Retail | <ul style="list-style-type: none"> • There are fewer pubs in England and Wales than ever before with the West Midlands particularly badly affected, according to analysis that sheds light on the impact of the pandemic and soaring costs. In the last six months, 28 pubs closed in the West Midlands between the end of 2021 and the end of June. • A number of hospitality businesses have explained, prior to the pandemic job adverts would attract 200 to 300 applications but now rarely return double digits, with the applications received rarely meeting minimum standards. • The tourism, retail and hospitality sectors had started to bounce back from the pandemic but is now seeing the impact of the economic climate with consumers cutting down on non-essential spend, also impacting events and wider entertainment. In addition, train strikes impact these sectors disproportionately. |
| Construction | <ul style="list-style-type: none"> • Over a quarter of a million extra construction workers may be needed by 2026 across the UK, according to the latest Construction Skills Network (CSN) report from the Construction Industry Training Board (CITB). • The average annual recruitment requirement in the West Midlands is set to average 2.7% per year, based on 2021 workforce levels, which is higher than the UK figure of 2.0%. This means the region's construction industry would have to increase current recruitment by 6,010 new workers each year to deliver the expected work between the start of 2022 and end of 2026. • In the West Midlands, the volume of work will grow by an annual average rate of 2.8%, which is just below the UK rate of 3.2%. All sectors will see growth over the forecast, with the biggest gains in output set to come from private housing, infrastructure and repair & maintenance. • The occupations with the strongest additional recruitment requirement levels are: <ul style="list-style-type: none"> - Non-construction professional, technical, IT and other office-based staff (1,460 p. year) - Other construction professionals and technical staff (860 per year) - Construction process managers (640 per year) |

New Economic Shocks

| COMPANY | LOCATION | SECTOR | DETAIL |
|---------------------------------------|---------------|---------------|--|
| Minerva Industries UK | Wolverhampton | Manufacturing | Minerva Industries UK called in administrators and 21 redundancies were made. Current supply shortages and supply chain challenges has made trading difficult. |
| Westfield Sports Cars | Dudley | Automotive | More than 50 jobs, a complete workforce have gone as Westfield goes into administration. |
| Adam Jones & Sons | Dudley | Haulage | Haulage firm winds down and ceases trading, losses were due to key customers ceasing production. |
| Cab Auto | Tipton | Automotive | Staff at luxury car interior firm Cab Auto in Tipton have begun a series of one-day strikes over pay. Unite said members at CabAuto in Tipton earned just over the minimum wage with £9.90 an hour, while some used food banks as living costs rose. |

New Investment, Deals and Opportunities

| COMPANY | LOCATION | SECTOR | DETAIL |
|---|-----------------------|---------------------|---|
| i54 | Wolverhampton | Industrial | i54 business park in Wolverhampton has been extended by 60 acres with new tenants due to move in this summer, creating up to 1000 new jobs. |
| Fortel | Walsall | Construction | Fortel Group have won a contract to recruit approx. 500 staff for work on the HS2 project: |
| AC Lloyd | Southam, Warwickshire | Housing Development | An application has been submitted for a commercial project which has the potential to create up to 500 jobs in Southam. |
| Reel Store | Coventry | Arts | More than 20 jobs have been created with the installation of a permanent and digital art gallery in Coventry. |
| The Range | Coventry | Retail | A brand-new The Range store has opened its doors to the delight of shoppers in Coventry |
| Dingli Machinery UK | West Bromwich | Industrial | An aerial working platform specialist has expanded into a new warehouse in the Black Country. Dingli Machinery UK Ltd has moved into a 20,704 sq ft premises at Cygnus Way in West Bromwich. |
| DHL | Coventry | Logistics | Parcel giant DHL is set to double its UK capacity by investing £482m across its UK e-commerce operation, DHL Parcel UK and create 600 jobs in Coventry. Nearly half of the investment will be in a brand new 25,000 sq m hub in SEGRO Park Coventry Gateway, located south of Coventry Airport. |
| Wolseley UK | Warwick | Manufacturing | Warwick materials supplier Wolseley UK has formally completed its deal to acquire heating, plumbing, tiling and bathroom businesses Heat Merchants, Tubs & Tiles and Hevac. The three businesses combined have revenues of around €150m and employ over 400 people in 47 locations in the Republic of Ireland. |
| Meggitt | Coventry | Aerospace | The £6.3bn deal to sell Meggitt, the Ansty-based manufacturer of components for the power and aerospace industries, to US-based Parker-Hannfin has taken a significant step forward this morning after two separate consultations to address national security and competition concerns were launched. |
| HMRC | Birmingham | Civil Service | HM Revenue and Customs (HMRC) has opened a new Birmingham office to work alongside its existing office in Telford. |
| Arcadis | Birmingham | Consultancy | A global design, engineering and consultancy services business is to relocate its 500 Birmingham employees to 103 Colmore Row. Arcadis has signed a ten-year lease for 12,132 sq ft on the 16 th floor of the 26-storey building with joint developers Tristan Capital Partners and Sterling Property Ventures. The business will relocate from Cornerblock, where it employs 500 people and has been based since 2017. |
| Cascade Group | Birmingham | Hospitality | A 52-bed Birmingham hotel, located at The Cube mixed-use development, has been snapped up by Cascade Group. Hotel Indigo opened in 2010 and comprises 52 rooms, a Marco Pierre White restaurant and a whiskey and cocktails lounge. |
| Bonds World Wide / Elanders | Birmingham | Manufacturing | A Birmingham-based technical equipment transport specialist has been acquired by a Swedish group in a deal worth £5m. Elanders' acquisition of Bonds World Wide |

| COMPANY | LOCATION | SECTOR | DETAIL |
|---------|----------|--------|--|
| | | | <p>Holdings is in line with its strategy of investment and growth in the life cycle management area.</p> <p>Bonds offers a range of services, including the assembly and installation of advanced technical equipment.</p> |

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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