West Midlands
Economic Impact Monitor

Issue 102 Publication Date 12/05/23

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.

Latest results suggest business conditions continue to remain challenging, but estimates show small signs of positive improvement for some measures; examples include a stable proportion of businesses reporting they were able to get materials, goods and services from within the UK, and more businesses reported having fewer concerns for their business. Both ICAEW and Lloyds Business Barometer point to business confidence recovering back into positive territory, albeit still remaining very weak, as companies are concerned over their future sales with continued high inflation and interest rates. There are also worries over how tight government fiscal policy will need to be in the months and years ahead.

- The US Treasury Secretary has warned that if the US government does not raise the debt ceiling, the government could run out of money by early June. There have been 78 debt ceiling rises since 1960.
- The Conservatives saw significant council seat losses whilst both the Lib Dems and Labour saw significant gains in local elections on 4 May. Labour now has a majority in 71 councils a gain of 22; this is the most majority councils of any party. Conservatives now have a majority in 33 councils which is a loss of 48, making them the second-best performing party overall. The Lib Dems have a majority in 29 councils: an increase of 12. The Green party won their first ever majority Green party council. No overall control councils increase by 12 to 91.
- Voter turnout averaged around 30%-35% and few local authorities reported turnouts of more than 50%. This suggests that the electorate are disillusioned with politics.
- Both the System Average Price (SAP) of gas and System Price of electricity fell in the week to 30 April 2023 compared with the previous week, decreasing by 4% and 9%, respectively; the latest SAP of gas is now 80% below the peak observed in late August 2022, the System Price of electricity is 79% lower.
- In the latest week, Revolut debit card spending increased by 16 pp with increases in every sector, the largest of which was retail, which increased by 26 pp. Overall retail footfall increased to 105% of the level of the previous week
- In the week to 30 April 2023, the number of UK flights was unchanged from the previous week, but 8% higher than this time last year; meanwhile, both the average number of daily UK ship visits and the average cargo and tanker ship visits were lower than the equivalent week of last year.
- The number of families in England and Wales with adult children living with their parents rose 13.6% between the 2011 Census and Census 2021 to nearly 3.8 million. (Note that in 2021 the Census occurred during the Covid-19 pandemic.)
- In 2021, around 1 in every 4.5 families (22.4%) had an adult child, up from around 1 in 5 (21.2%) in 2011.
- The total number of adult children living with their parents increased 14.7% in the same period from around 4.2 million in the 2011 Census to around 4.9 million in Census 2021.
- The Centre for Cities' report, *All Cylinders: The Role of the Midlands Engine in the British Economy*, shows that the Midlands Engine economy is £18 billion per year smaller than it should be. Despite cities being centres of production, but cities were below their productivity potential. Whilst the manufacturing sector is performing close to the average UK productivity rate, city centres are failing to attract enough higher-productivity service export firms, so hampering growth. Every city in the Midlands Engine, except Coventry, is less productive than it should be for its size. Accounting for 89% of this output gap, cities, and in particular city centres, are not attracting enough high-skilled service export firms to increase productivity across the region.

Labour Market

- Almost a third (31%) of businesses with 10 or more employees were experiencing worker shortages in April 2023, up 2 pp from late March 2023; more than half (53%) of those affected indicated that their employees were working increased hours as a consequence.
- Online job adverts grew by 1% on 28 April 2023 compared with the previous week, though it has broadly trended downwards over the last 12 months and is now 17% lower than 2022.
- 80% of businesses surveyed (92% of whom are SMEs) attempting to recruit have faced challenges, with hospitality and manufacturing firms still the most likely to report difficulties.
- Almost six in ten (59%) businesses are actively trying to recruit staff.

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

- There are calls on Government to work with business on solutions including skills training, investment, and urgent reform of the Shortage Occupations List (SOL) .

Business conditions and confidence

- Looking ahead to May 2023, 7 in 10 (71%) businesses reported some form of concern for their business, down from 72% for April 2023; the top two concerns continued to be energy prices (18%) and inflation of goods and services prices (16%).
- The number of businesses added to the Inter-Departmental Business Register (IDBR) (business creations) in the UK in Quarter 1 (Jan to Mar) 2023 was 22% lower than in Quarter 1 2022; this is the lowest level of Quarter 1 business creations since the start of the data series in 2017.
- There was a decrease in creations in all 16 main industrial groups in Quarter 1 2023 compared with Quarter 1 2022, with the most significant decrease coming from transport and storage.

ICAEW findings for the West Midlands:

- The Business Confidence Index, while positive, is very weak and below the UK average.
- Domestic sales growth is, however, outpacing the UK average. This should remain the case in the year ahead, although growth is expected to soften. By comparison, export growth has been weaker than the national rate, but is expected to strengthen.
- Challenges surrounding availability of skills and staff turnover are widespread but easing.
- Fewer recruitment problems may help to explain why companies have the strongest outlook for employment growth across the UK and salary growth appears to be stabilising (but at a record rate).
- Input price inflation remains elevated but is easing, and businesses expect a marked slowdown.
- The investment outlook has dimmed. Growth in both capital investment and Research & Development (R&D) budgets is set to slow markedly.

Make UK has released an industrial strategy report and the key findings include:

- 99% of manufacturers believe the UK should have an industrial strategy.
- 56% of firms do not feel there has ever been a robust government vision for UK manufacturing.
- 14% of manufacturers think there was a stronger vision for manufacturing 10 years ago.
- 29% of manufacturers think that the lack of an industrial strategy is the primary reason why the sector has not been able to grow more quickly in the last decade.
- 87% of companies say an industrial strategy would give their business a long-term vision.
- Three quarters of manufacturers say an industrial strategy would offer a stable business environment.
- 7 in 10 companies want to see skills as a core focus for a 2023 UK Industrial Strategy.
- Almost 6 in 10 want to see innovation as a core focus.
- Almost half want to see digitalisation and green transition as a core focus.
- 8 in 10 UK manufacturers feel they are at a competitive disadvantage compared to other manufacturing nations with industrial strategies.
- Three quarters cited Germany as a nation which has a better environment for the manufacturing sector than the UK, 43% cited the USA and 3 in 10 cited France.
- Over three quarters of companies think an industrial strategy should be guaranteed beyond Government terms and maintained by a separate body.

Long Covid Impacts and employment

- Long Covid symptoms adversely affected the day-to-day activities of 1.5m people (79% of those with self-reported long Covid), with 381,000 (20%) reporting that their ability to undertake their day-to-day activities had been "limited a lot".
- The TUC points out employees have been let down. This is especially the case in sectors where employee Covid cases were high and where jobs involve a high level of personal contact.
- The Government points out that the current Equality Act would cover long Covid on a case-by-case basis but appropriate diagnosis is required. The medical profession is still learning and developing these diagnostics, making it difficult for long Covid sufferers to evidence the issues and impacts to employers.

Devolution

- The Covid-19 pandemic revealed strengths and weaknesses in the resilience of existing institutional and decision-making structures. Agile responses to the health and economic impacts of such crises are seen partly to rely on targeted interventions at the local level. Devolved funding and decision-making and strengthening local institutions should therefore be a key focus of attention for policymakers. This can help the rebalancing or 'levelling-up' of the economy, and more immediately improve resilience in the face of economic shocks.

- The lack of decentralisation creates a Catch-22 for local institutions. Regions need to evidence capacity and capability to gain devolved resources and powers, but without devolved resources and powers, they cannot develop the required capacity and capability to develop their strategies and demonstrate their ability to manage devolved funding and increased responsibility.

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

Global, National and Regional Outlook

Alice Pugh, WMREDI

Global

US Debt Ceiling

The US Treasury Secretary has warned that if the US government does not raise the debt ceiling, the government could run out of money by early June. If the federal government does not raise the debt ceiling, then the government might not be able to make wage, welfare or other payments. However, in order to raise the debt ceiling the President will need approval from the federal government, including Republicans. This will mean that the Republicans will likely ask for stipulations to be made to the current budget and spending measures. Last month the House of Representatives already agreed to raise the debt ceiling to roughly 120% of the country's annual economic output; however, the bill had to include sweeping spending cuts over the next decade.

President Biden would provide a no stipulations or conditions debt ceiling rise. However, whether this is a likely scenario is uncertain. There have been 78 debt ceiling rises since 1960 and all have ended in compromise. The US has never defaulted; defaulting would upend global financial markets, with far-reaching economic impacts. This might include economic impacts such as 67 million social security beneficiaries being halted, Medicare, veterans' benefits and housing assistants could also be impacted. In the middle of a cost of living crisis, this could have substantial impacts on households standards of living. The most significant impact, however, would be if investors get spooked and stop investing in the dollar, as they expect the government to be unable to make debt interest repayments. In October 2022 something similar happened in the UK. Spooking investors could lead to a run on the dollar as investors try and buy safer currency; this could lead to hikes in interest rates that people have not seen in decades, shaking the global finance industry.

National

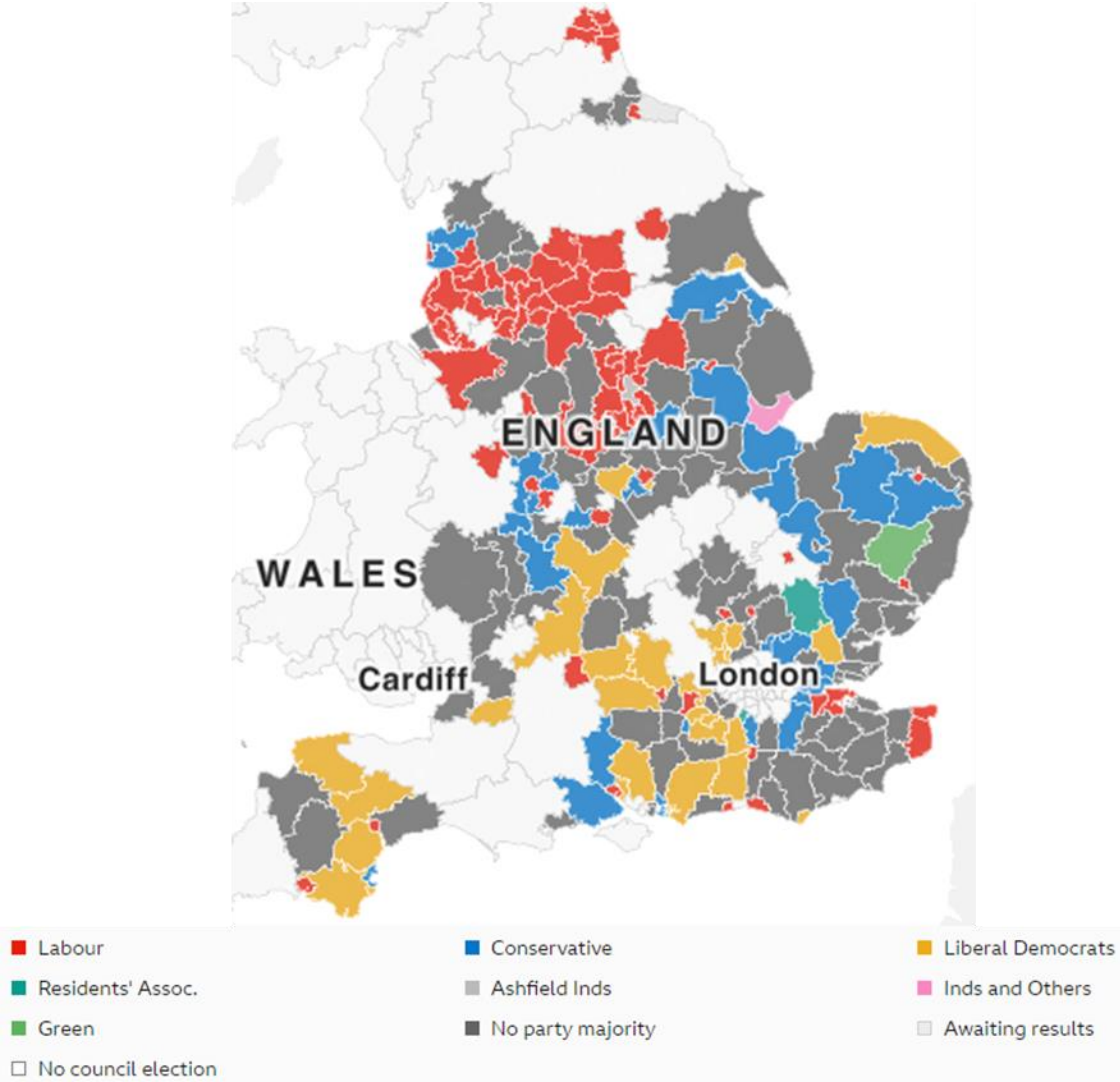
Local Elections

Last week local council elections were held in England. These were the first elections outside of Northern Ireland in the UK that required photo ID. Overall, the Conservatives saw significant council seat losses whilst both the Lib Dems and Labour saw significant gains. Labour now has a majority council in 71 councils, a gain of 22 councils since the last elections; this is the most majority councils of any party. Conservatives now have a majority in 33 councils which is a loss of 48 councils, making them the second-best performing party overall. The Lib Dems have majority control in 29 councils: an increase of 12. The Green party also won their first ever majority Green party council. No overall control councils increase by 12 to 91.

As can be seen in the map below, many of the Red-Wall local authorities have returned to being a Labour majority, whilst many in the South have switched to Lib Dem. Labour forecast that they would gain 400 councillors compared to the last election, actually winning 536 more seats, to bring their councillor count to 2,674. The Conservatives forecasted they would lose 1000 seat comparative to the last election. They lost 1,061, bringing their total to 2,296 conservative councillors. The Lib Dems gained 407 seats, meaning they now have 1,628 council seats. The Green party almost doubled their seat numbers, gaining an additional 241 seats, bringing their total to 481 council seats.

This would suggest that the Conservative party is losing support. However, some electors vote differently in general and local elections. Councillors are there to ensure local authority funding is being spent properly, getting bins collected and potholes fixed. However, it is highly likely that some of the voting reflected an intention to send a message to the current government.

Voter turnout averaged around 30 to 35%; very few local authorities are reporting turnouts of more than 50%. This suggests that the electorate are disillusioned with politics. In some areas the turnout was less than 20%. Overall, therefore for any party to claim true victory in these elections is a bold claim, considering the majority of the eligible electorate did not vote.



Source: BBC, 2023

Economic activity and social change

The ONS has released data on economic activity and social change in the UK. The key findings published on the 5th of May 2023 were:

- The total number of online job adverts grew by 1% on 28 April 2023 compared with the previous week, though it has broadly trended downwards over the last 12 months and is now 17% lower than the equivalent period of 2022 (Adzuna).
- Both the System Average Price (SAP) of gas and System Price of electricity fell in the week to 30 April 2023 compared with the previous week, decreasing by 4% and 9%, respectively; the latest SAP of gas is now 80% below the peak observed in late August 2022, while the System Price of electricity is 79% lower (National Gas Transmission, Elexon).

- In the latest week, Revolut debit card spending increased by 16 percentage points with increases in every sector, the largest of which was retail, which increased by 26 percentage points; elsewhere, overall retail footfall increased to 105% of the level of the previous week, while the number of transactions increased at all 10 Pret A Manger location types in the same week for the first time since 15 September 2022 (Revolut, Springboard, Pret A Manger).
- In the week to 30 April 2023, the number of UK flights was unchanged from the previous week, but 8% higher than this time last year; meanwhile, both the average number of daily UK ship visits and the average cargo and tanker ship visits were lower than the equivalent week of last year (EUROCONTROL, exactEarth).

Public Opinions and Social Trends

The ONS has released data on social insights on daily life and events, the key findings from the survey published on the 5th of May 2023 were:

- When asked about the important issues facing the UK today, the most commonly reported issues continue to be the cost of living (93%), the NHS (87%), the economy (73%), and climate change and the environment (61%).
- Around half of adults reported that they were worried about the cost of food (51%) and the cost of energy (48%) in the past two weeks, with around a third (33%) worried about their general health.
- Around 7 in 10 (70%) adults reported their cost of living had increased compared with a month ago.
- The most common reasons reported by adults who said their cost of living had increased compared with a month ago were an increase in the price of food shopping (97%), an increase in gas or electricity bills (73%), and an increase in the price of fuel (40%).
- The most common actions reported because of the increase in the cost of living were spending less on non-essentials (63%), using less fuel such as gas or electricity in the home (54%), shopping around more (46%), and spending less on food shopping and essentials (46%).
- Around half (48%) of adults reported less variety than normal when food shopping, and around 4 in 10 (40%) reported having to spend more than usual to get what they normally buy.

Business Insights and Impact on the UK economy

The ONS has released data on the impact of challenges facing the economy and other events on UK businesses. The key findings from the survey published on the 4th of May 2023 were:

- Latest results suggest business conditions continue to remain challenging, but estimates show small signs of positive improvement for some measures; examples include a stable proportion of businesses reporting they were able to get materials, goods and services from within the UK, and more businesses reported having fewer concerns for their business.
- Nearly two-thirds (65%) of trading businesses reported that they were able to get the materials, goods or services they needed from within the UK in March 2023, broadly stable with February 2023.
- Looking ahead to May 2023, 7 in 10 (71%) businesses reported some form of concern for their business, down from 72% for April 2023; the top two concerns continued to be energy prices (18%) and inflation of goods and services prices (16%).
- Almost a third (31%) of businesses with 10 or more employees were experiencing worker shortages in late April, up two percentage points from late March 2023; more than half (53%) of those affected indicated that their employees were working increased hours as a consequence.
- Around one in seven (14%) businesses reported that their employees' hourly wages had increased in March 2023 compared with February 2023; this was 23% for businesses with 10 or more employees.
- Less than one in ten (9%) businesses were directly or indirectly affected by industrial action in March 2023, down three percentage points from February 2023; almost a quarter (24%) of those businesses reported that their workforce had to change their working location.

Business Demography

The ONS has released data on the business demography of the UK, the key findings published on the 5th of May 2023 were:

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

- The number of businesses added to the Inter-Departmental Business Register (IDBR) (business creations) in the UK in Quarter 1 (Jan to Mar) 2023 was 22% lower than in Quarter 1 2022; this is the lowest level of Quarter 1 business creations since the start of the data series in 2017.
- There was a decrease in creations in all 16 main industrial groups in Quarter 1 2023 compared with Quarter 1 2022, with the most significant decrease coming from transport and storage.
- The number of businesses removed from the IDBR (business closures) in the UK in Quarter 1 2023 was 8% lower than in Quarter 1 2022.
- There was a decrease in the number of closures in 9 out of 16 main industrial groups in Quarter 1 2023 compared with Quarter 1 2022, with the most significant decrease coming from professional, scientific and technical activities, and the most significant increase from accommodation and food services.

ICAEW UK Business Confidence Monitor

The ICAEW Q1 2023 Business Confidence Monitor shows business confidence recovering back into positive territory, albeit remaining very weak, as companies are concerned over their future sales with continued high inflation and interest rates. There are also worries over how tight government fiscal policy will need to be, in the months and years ahead. The key findings in the report include:

1. Business confidence has improved in Q1 2023, and is now back in positive territory, having been weakened by political turmoil in Q4 2022. But the level is still low, and the trend within the quarter is not strong.
2. Reinforcing that, domestic sales growth has eased, with further weakening predicted. Exports are rising more slowly than domestic sales, at a rate similar to pre-pandemic. Export sales growth is not expected to weaken.
3. Input costs and selling prices have continued to climb, but their rates of increase are both predicted to moderate. In contrast, wage growth is not expected to slow.
4. Employment growth has eased, reflecting the trends in sales. Capital investment continues, but not at a particularly high rate, and weaker growth is expected. Research & Development (R&D) and staff development trends are similar.
5. The big challenges remain customer demand and regulations. Transport and financial problems have stabilised, although with some marked sectoral differences. And labour market challenges have eased, although they are still high, particularly in Transport, Manufacturing, Construction and Retail.
6. Once again, Construction and Property are the least confident sectors, while Manufacturers are now among the more confident sectors. Variations by region and size/ownership of companies are small.

Lloyds Bank Business Barometer

The Business Barometer report is a proprietary survey of 1,200 companies, produced so to provide information on confidence levels among UK businesses every month. Key highlights from the report include:

- Business confidence rose to an eleven-month high of 33%, led by more optimism about the economy
- Wage expectations tick higher as hiring intentions improve for a fifth month in a row
- The share of firms planning to raise their prices remains elevated
- Areas seeing biggest confidence gains include the East Midlands, the South West and Northern Ireland
- Services confidence uplift led by hospitality and financial & business services

Lloyds also found that with regards to:

- **Confidence**- Business confidence moved up by another 1 point to 33% in April, consolidating on last month's sharp increase to 32%. It remains above the long-term average of 28% and is at its highest level for eleven April 2023 months. There was another increase in the net balance for optimism regarding the economy, while firms' own trading prospects were down fractionally after the big increase in March. This month's confidence rise was led by service sector businesses.

- **Hiring Intentions**- The revival in confidence has buoyed firms' hiring intentions which improved for a fifth month running to the strongest level since last summer. That may be contributing to tentative signs that wage prospects have started to drift higher again. Businesses' own pricing expectations remain elevated.

Seven of the twelve UK regions and nations reported higher confidence. Four regions – the East Midlands, the East of England, the South West and Northern Ireland – reported the largest improvements in April to lift their confidence levels above the UK average. London, Northern Ireland and the North East have the highest levels of confidence.

Quarterly recruitment outlook

The latest Quarterly Recruitment Outlook, a survey of more than 5,000 UK firms of all sectors and sizes by the British Chambers of Commerce (BCC) reveals businesses are still facing record high difficulties in hiring new staff. The key findings in the report were:

- 80% of businesses surveyed (92% of whom are SMEs) attempting to recruit have faced challenges, with hospitality and manufacturing firms still the most likely to report difficulties
- Almost six in ten (59%) businesses are actively trying to recruit staff
- BCC calls on Government to work with business on solutions including skills training, investment and urgent reform of the Shortage Occupations List (SOL)

Adults living with their parents for longer

Analysis of census data by the ONS has found that more and more adults are living at home with their parents for longer. The key findings from ONS were:

- The number of families in England and Wales with adult children living with their parents rose 13.6% between the 2011 Census and Census 2021 to nearly 3.8 million.
- In 2021, around 1 in every 4.5 families (22.4%) had an adult child, up from around 1 in 5 (21.2%) in 2011.
- The total number of adult children living with their parents increased 14.7% in the same period from around 4.2 million in the 2011 Census to around 4.9 million in Census 2021.
- Across England and Wales, the share of 20- to 24-year-olds living with their parents rose from 44.5% to just over half (51.2%). Similarly, the share of 25- to 29-year-olds living with their parents rose from around one in five (20.1%) in 2011 to more than one in four (26.7%).
- Across England and Wales, around 477,000 adult children were unpaid carers, which is an age-standardised rate of around 28.8%. This is around three times higher than the rate among other usual residents aged 16 years and over (9.7%).
- There are many factors that may cause a person to live with their parents as an adult. Adults were more likely to live with their parents in areas where housing is less affordable. Adult children were also more likely to be unemployed or providing unpaid care.

Regional

ICAEW West Midlands Business Confidence Monitor

The ICAEW Q1 2023 West Midlands Business Confidence Monitor has the following key findings:

- The Business Confidence Index, while positive, is very weak and below the UK average.
- Domestic sales growth is, however, outpacing the UK average. This should remain the case in the year ahead, although growth is expected to soften. By comparison, export growth has been weaker than at the national rate, but is expected to strengthen.
- Challenges surrounding availability of skills and staff turnover are widespread but easing.
- Fewer recruitment problems may help to explain why companies have the strongest outlook for employment growth across the UK and salary growth appears to be stabilising, albeit at a near-record rate.
- Input price inflation remains elevated but is easing, and businesses expect a marked slowdown. The same also applies to selling price rises.
- However, the investment outlook has dimmed. Growth in both capital investment and Research & Development (R&D) budgets is set to slow markedly.

Centre for Cities Midlands Engine productivity report

Centre for Cities' report, *All Cylinders: The Role of the Midlands Engine in the British Economy*, shows that the Midlands Engine plays a large role in the UK economy. However its economy is £18 billion per year smaller than it should be. Cities in the Midlands Engine are centres of production, but cities are below their productivity potential. Whilst the manufacturing sector is performing close to the average UK productivity rate, city centres, are failing to attract enough higher-productivity service export firms, hampering productivity growth. Every city in the Midlands Engine, except Coventry, is less productive than it should be for their size. Accounting for 89% of this output gap, its cities, and in particular city centres, are not attracting enough high-skilled service export firms to increase productivity across the region.

Policy makers must address barriers to growth in the region, to generate more local prosperity locally, and to fulfil the Government's goals of growing the UK's 'innovation industries', therefore Centre for Cities recommends that policies should aim to:

- **Improve skills** by targeting skills money from the area's Shared Prosperity Fund allocation to support residents without qualifications.
- **Prioritise the creation of new high-quality city centre office space** that meets the needs of occupiers, in particular service exporters, through planning policy and use of central government funds.
- **Develop big cities' public transport infrastructure and housing** in tandem, increasing the pool of workers living around public transport stops.
- **Ensure availability of land, particularly greenfield sites with access to a significant workforce**, in order to meet future manufacturing demand in the suburbs and urban hinterlands.
- **Aim to secure devolution deals** covering all parts of the Midlands Engine by 2030 to better align economic policy with the region's geography and grant greater control over policy to local authorities.

Birmingham Airport

The BBC has reported that figures from the Civil Aviation Authority has ranked Birmingham Airport as the worst airport in the UK for delays. The worst delays were in May and June, when the aviation sector failed to recruit and train enough staff to cope with a surge in demand for holidays. The average delay time at Birmingham airport was half an hour, double the average delay in 2021, which was 12 minutes 24 seconds. Meanwhile at East Midlands airport the average delay was 13 minutes in 2022. Across all airports the average delay was 23 minutes.

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

Business Births and Deaths: May 2023 Release (to Q1 2023)
The Economic Intelligence Unit

ONS released their experimental statistics relating to business births and deaths in May 2023, covering the period up to Quarter 1 2023. The data and publication can be accessed here.

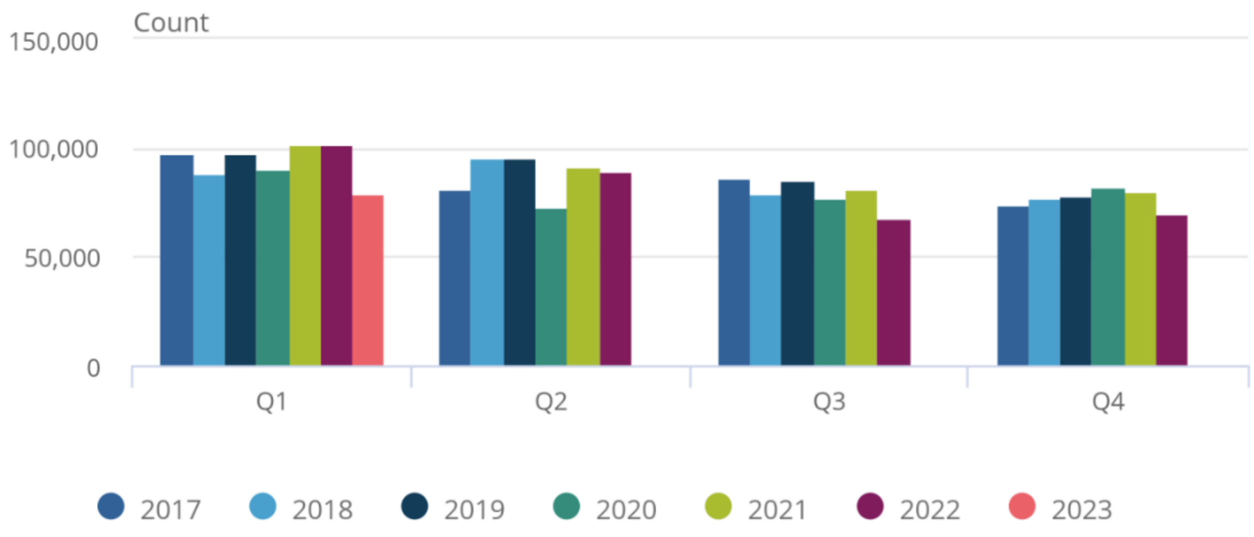
National Analysis

The number of business creations (business births) in the UK in Quarter 1 (Jan to Mar) 2023 was 79,080. This figure is 22% lower than the number of business creations in Quarter 1 2022 and is the lowest number of business creations in a first quarter since the start of this data series in 2017.

The number of business births decreased in all 16 industry groups this quarter when compared with Quarter 1 2022. The most significant decrease came in the transport and storage industry, where business creations were down by 52%. The transport and storage industry saw large numbers of business creations from Quarter 4 (Oct to Dec) 2020, but for the last four quarters there appears to be a return to pre-coronavirus (COVID-19) pandemic levels.

Figure 1: Business creations in Quarter 1 (Jan to Mar) 2023 were 22% lower than in Quarter 1 2022

Number of businesses added to the Inter-Departmental Business Register (IDBR), quarterly, UK, Quarter 1 2017 to Quarter 1 2023

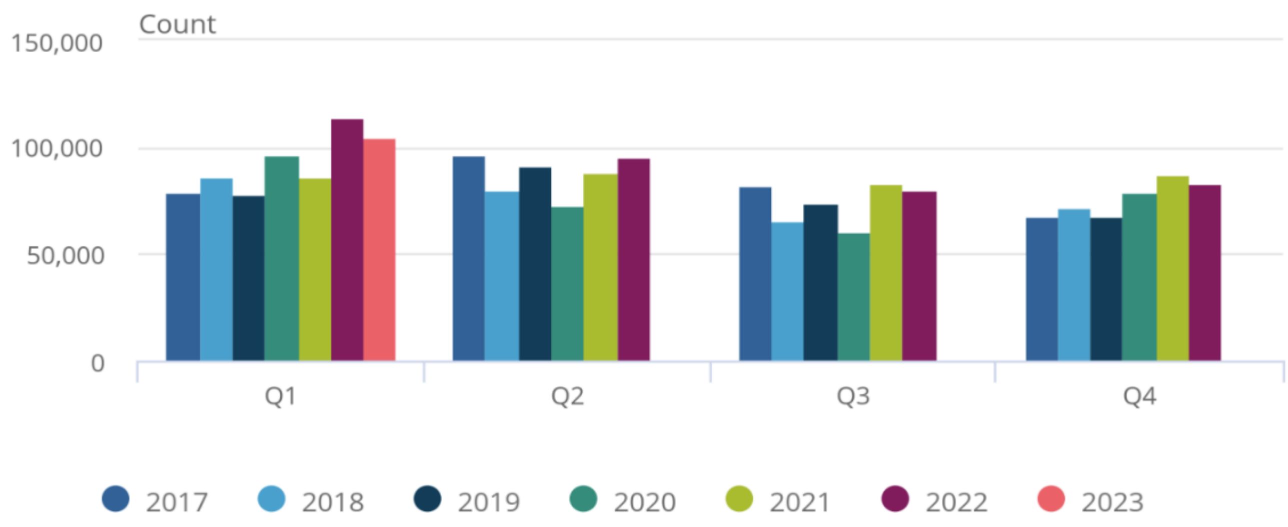


The number of business closures (business deaths) in the UK in Quarter 1 (Jan to Mar) 2023 was 105,300. This is 8% lower than in Quarter 1 2022, with 9 out of 16 main industrial groups showing a decrease in closures. The most significant decrease in closures came in the professional, scientific and technical industry (down 25%).

Accommodation and food services saw the largest year-on-year increase in closures (up 15%). The number of closures in Quarter 1 2023 is the second highest Quarter 1 figure since the start of the data series in 2017, with only Quarter 1 2022 at a higher level. It is also the seventh quarter in a row where there have been more closures than creations.

Figure 2: Business closures were lower in Quarter 1 (Jan to Mar) 2023 than in Quarter 1 2022

Number of businesses removed from the Inter-Departmental Business Register (IDBR), quarterly, UK, Quarter 1 2017 to Quarter 1 2023



Quarter on quarter analysis (between Q4 2022 and Q1 2023) showed a 13% increase in business births and a 27% increase in business deaths across the UK. Although Q1 is always traditionally higher than other quarters for deaths – the steep rise is concerning and likely reflects the ongoing cost of doing business crisis. Similarly, births being so comparatively low for Q1's may be a worrying feature of the willingness and ability for people to start new businesses.

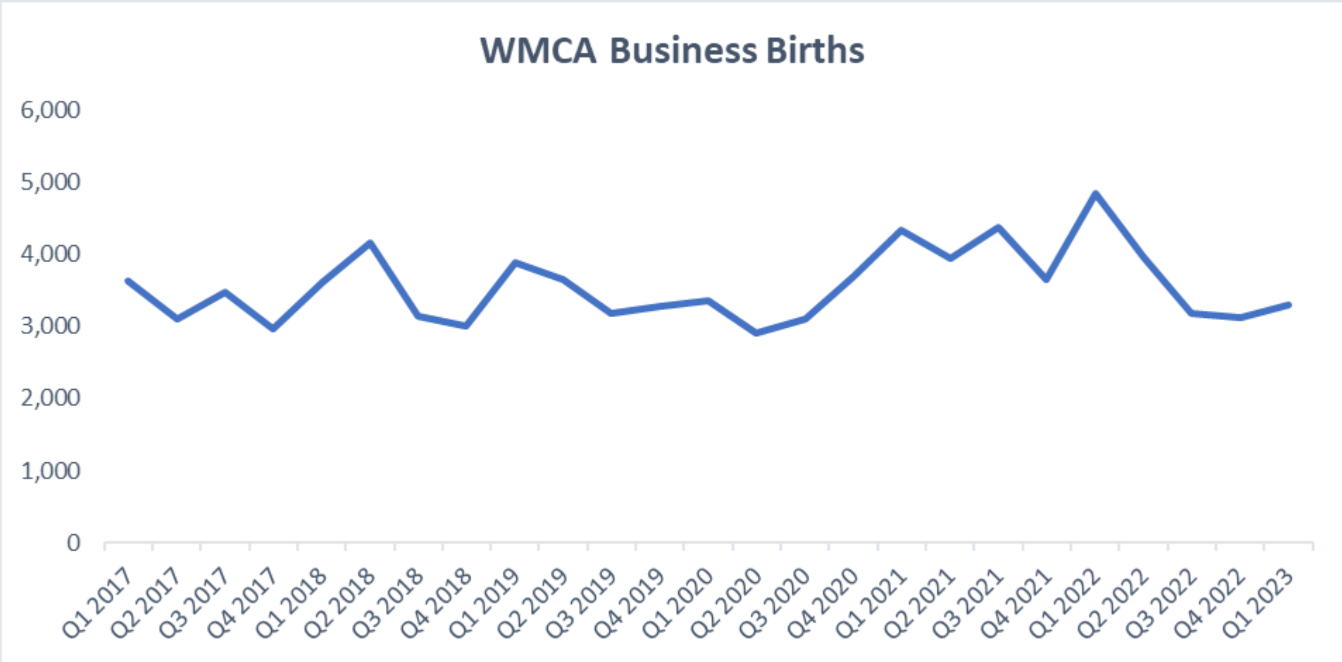
WMCA 7-MET Analysis - *Business Births*

The number of business creations (business births) in the WMCA 7-MET area in Quarter 1 (Jan to Mar) 2023 was 3,305. This figure is 32% lower than the number of business creations in Quarter 1 2022 and is the lowest number of business creations in a first quarter since the start of this data series in 2017. Other than Solihull (+11%), births have fallen between Q1 2022 and Q1 2023 across all WMCA local authority areas, by the highest proportion in Wolverhampton (-47%) and Coventry (-44%).

More positively, quarter on quarter analysis (between Q4 2022 and Q1 2023) showed a 6.1% increase in business births across the WMCA 7-MET area, with local authority level performance varying: Solihull (+54%), Sandwell (+20%) and Walsall (+10%) saw the largest increase, while business births in Coventry, Dudley and Wolverhampton actually decreased in the latest quarter.

Business Births in WMCA and UK (2022 – 2023)	**Q1 2022**	**Q2 2022**	**Q3 2022**	**Q4 2022**	**Q1 2023**	**Q4 22 - Q1 23 Change**	**Q1 22 - Q1 23 Change**
West Midlands (Met County)	**4,850**	**3,970**	**3,190**	**3,115**	**3,305**	**6.1%**	**-31.9%**
Birmingham	2,050	1,735	1,365	1,325	1,405	6.0%	-31.5%

Coventry	675	490	405	400	375	-6.3%	-44.4%
Dudley	415	355	280	305	285	-6.6%	-31.3%
Sandwell	525	390	365	325	390	20.0%	-25.7%
Solihull	270	255	230	195	300	53.8%	11.1%
Walsall	410	345	260	255	280	9.8%	-31.7%
Wolverhampton	505	405	285	310	270	-12.9%	-46.5%
UK	**101,410**	**89,870**	**67,880**	**69,950**	**79,080**	**+13.1%**	**-22.0%**



WMCA 7-MET Analysis - *Business Deaths*

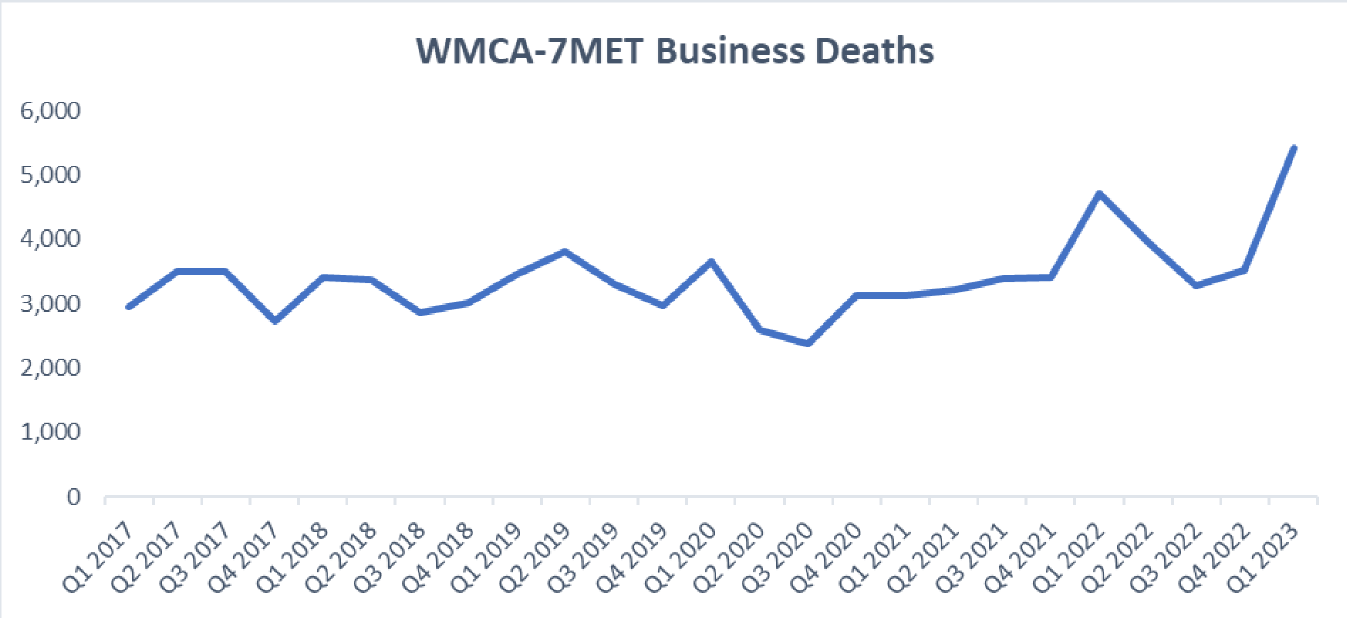
The number of business closures (business deaths) in the WMCA 7-MET area in Quarter 1 (Jan to Mar) 2023 was 5,425. This figure is 15% higher than the number of business deaths in Quarter 1 2022 and is the highest number of business closures in any quarter since the start of this data series in 2017. It is the first time business deaths have surpassed 5,000 in one single quarter. Deaths have risen between Q1 2022 and Q1 2023 across 5 of the 7 WMCA local authority areas, by the highest proportion in Wolverhampton (+119%). In contrast, deaths have decreased between Q1 2022 and Q1 2023 in Solihull and Dudley.

Quarter on quarter analysis (between Q4 2022 and Q1 2023) showed a 54% increase in business deaths across the WMCA 7-MET area, with increases across all local authority areas: the highest in Wolverhampton (+170%), Coventry (+49%) and Walsall (+48%).

Business Births in WMCA and UK (2022 – 2023)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q4 22 - Q1 23 Change	Q1 22 - Q1 23 Change
West Midlands (Met County)	**4,725**	**3,975**	**3,275**	**3,520**	**5,425**	**54.1%**	**14.8%**
Birmingham	1,890	1,620	1,380	1,500	2,120	41.3%	12.2%
Coventry	575	475	385	425	635	49.4%	10.4%
Dudley	565	310	290	315	410	30.2%	-27.4%

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

Sandwell	515	385	315	385	560	45.5%	8.7%
Solihull	365	285	230	240	305	27.1%	-16.4%
Walsall	390	390	310	310	460	48.4%	17.9%
Wolverhampton	425	515	365	345	930	169.6%	118.8%
UK	**114,265**	**96,025**	**80,025**	**83,140**	**105,300**	**26.7%**	**-7.8%**

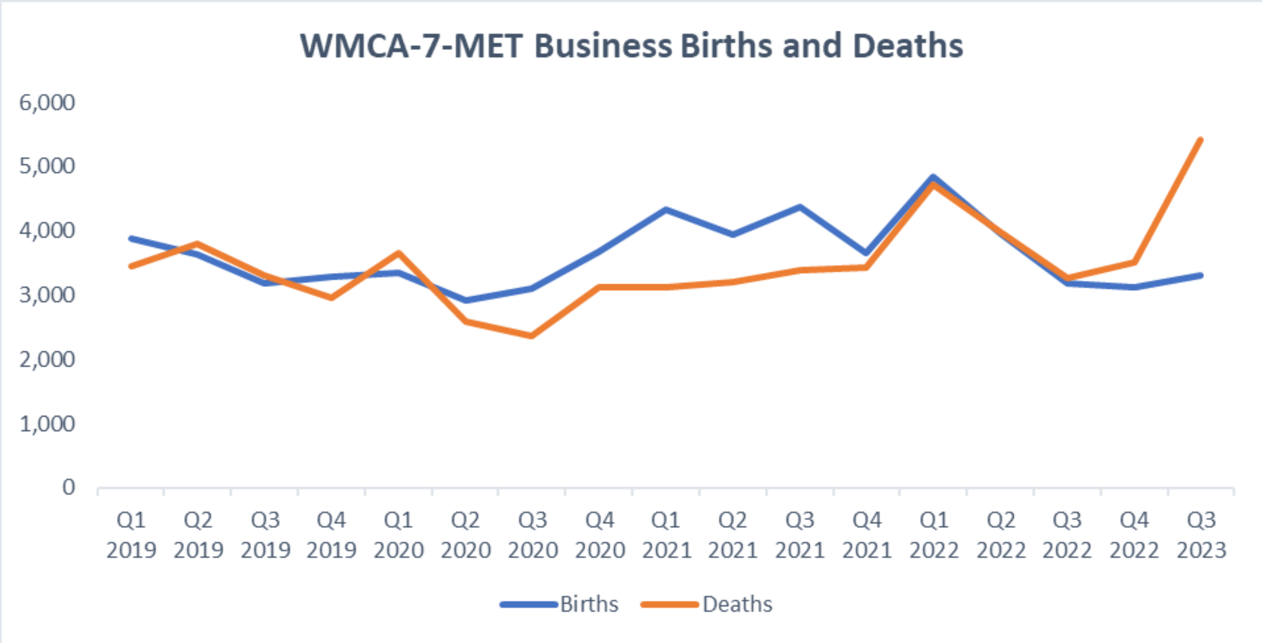


WMCA 7-MET Analysis – *Conclusion*

Bringing business births and deaths data together suggests some concerning signs again in the West Midlands economy: with deaths higher than they've ever been in Q1 2023, while births struggling to recover from shocks of recent years and no doubt being affected by the cost of doing business crisis.

These trends are not exclusive to the region, but the most recent data suggests a worsening picture in the West Midlands compared to the national average (which showed some improvement between Q1 2022 and Q1 2023). These findings are also not new – with business deaths at a record high for the full year of 2022; but it is nonetheless concerning that these figures could be getting worse still. Understanding the reasons why, including business sector, type and size impacts, will continue to be important.

As 2023 continues, there is however hope that growing optimism and business confidence may reverse these fortunes, both in terms of the creation of new West Midlands businesses, and the avoidance of more business deaths – bringing them down to a more settled level.



Source: ONS Business Demography, Quarterly Experimental Statistics 2023

Industrial Strategy Report
MakeUK

The UK manufacturing sector is an essential contributor to the country's economy generating £206bn gross valued added in 2022 a fifth higher than a decade ago. It accounts for around half our exports, two thirds of spending on research and development and accounts for a significant level of business investment. The sector employs around 2.6m highly skilled people across the UK, many of them in areas that need levelling up. In short manufacturing matters to the prosperity and security of the UK.

The sector is now at a critical juncture. Ten years ago Make UK (then EEF) set out its case for an industrial strategy. Since then, we have had six plans for growth but now find ourselves without one.

There is broad agreement among stakeholders about what the UK needs for a successful industrial strategy. These can be broadly categorised into five themes, skills; infrastructure; finance; innovation and the business environment. To these can now be added significant shifts in the policy landscape from the post Brexit and pandemic landscape, the transition to net zero, rapidly accelerating technologies spinning out from the fourth industrial revolution and the political imperative to spread growth more evenly across the UK.

Internationally the UK risks being squeezed between the US Inflation Reduction Act which is already having a significant impact on drawing in green investment. Similar measures are also being proposed by the EU. In the face of these the UK is the only developed nation without an industrial strategy. Yet, never has the case been clearer to adopt one.

We now have the opportunity to harness the undoubted strengths the UK possess in its academic and research base working with manufacturing companies who are highly innovative. They are clear that an industrial strategy would bring the benefits of a long-term vision and a stable environment in which they can plan, invest and grow.

The Key findings in the report were:

- 99% of manufacturers believe the UK should have an industrial strategy
- 56% of firms don't feel like there has ever been a robust government vision for UK manufacturing in the UK
- 14% of manufacturers think there was a stronger vision for manufacturing 10 years ago
- 29% of manufacturers think that the lack of an industrial strategy is the primary reason why the UK manufacturing sector has not been able to grow more quickly in the last decade
- 87% of companies say an industrial strategy would give their business a long-term vision
- Three quarters of manufacturers say an industrial strategy would offer a stable business environment
- 7 in 10 companies want to see skills as a core focus for a 2023 UK Industrial Strategy
- Almost 6 in 10 want to see innovation
- Almost half want to see digitalisation as the key focus, the same number again want to see a green transition as a core focus
- 8 in 10 UK manufacturers feel they are at a competitive disadvantage compared to other manufacturing nations with industrial strategies
- Three quarters cited Germany as a nation which has a better environment for the manufacturing sector than the UK, 43% cited the USA and 3 in 10 cited France.
- Over three quarters of companies think an industrial strategy should be guaranteed beyond Government terms and maintained by a separate body

Recommendations made in the report include:

1. **Policy Recommendation**: Establish a Royal Commission on Industrial Strategy to determine a cross-party consensus on future priorities and ambitions for the manufacturing sector and wider economy and society, and to then agree aims and objectives that the state regards as strategically important markers of success. The Royal Commission should determine, as a first priority, the UK's offensive and defensive priorities for future trade deals. These would then be used to inform wider industrial strategy planning. Such an industrial

strategy should include growth targets and timeframes but also whether to prioritise horizontal or vertical approaches to industrial development and it should set responsibilities for delivery for both the private and public sectors.

2. **Policy Recommendation**: Re-establish an Industrial Strategy Council, this time underpinned by statutory status to ensure longevity. The ISC's remit as an independent oversight body should be to ensure rigorous evaluation and to monitor and determine the efficacy of policy delivery. The ISC can be enabled to collate timely information on, and provide a feedback mechanism for, the industry to enable it to provide insights and institutional knowledge into better policymaking practice for the delivery and implementation of industrial strategy targets across all levels of government within the UK.

3. **Policy Recommendation**: The Cabinet Office should be made responsible for ensuring whole-of government coordination and implementation of industrial policy. Following a plan devised via consultation with all relevant stakeholders, the re-established Industrial Strategy Council should be provided with a mandate to monitor and evaluate policy implementation and inform and advise the Cabinet Office on ways to improve delivery across all stakeholder bodies and levels of government.

4. **Policy Recommendation**: As part of the Royal Commission on Industrial Strategy, stakeholders should negotiate and agree institutional reforms to ensure the stability of policy delivery and outcomes. Such reforms should include alterations to the regulatory landscape, such as the corporate governance code, to incentivise private and public sector best practice and long-term productivity growth in UK manufacturing for the benefit of the public good.

Working with Long Covid, The Case for Better Evidence and Knowledge in the Workplace

Rebecca Riley, WMREDI

A new report from the TUC and the charity Long Covid Support reveals as many as two-thirds of UK workers with long Covid have faced unfair treatment. Based on the work of City-REDI and her own personal experience, Rebecca Riley reflects on their findings and recommendations. This blog was originally posted on the University of Birmingham College for Social Sciences blog.

An estimated 1.9 million people living in private households in the UK (2.9% of the population) were experiencing self-reported long Covid (symptoms continuing for more than four weeks after the first confirmed or suspected coronavirus (COVID-19) infection that was not explained by something else) as of 5 March 2023.

Symptoms

Long Covid symptoms adversely affected the day-to-day activities of 1.5 million people (79% of those with self-reported long Covid), with 381,000 (20%) reporting that their ability to undertake their day-to-day activities had been "limited a lot".

I am one of them, although I am not self-reported. I had Covid in March 2020, and it affected my head, throat, kidneys, and skin. At the time, these symptoms were not the ones we were aware of, and as a result, I didn't realise it was Covid. It was over six months later that I was tested for antibodies, by that time the virus had damaged my kidneys. At the same time, I was monitoring the economic and wider impacts of the pandemic on the population of the West Midlands through regular monitoring reports for West Midlands Mayor Andy Street.

Through this research, I was acutely aware of the effects, including new reports of a mysterious disease 'long covid'. This made me more aware of the symptoms as they emerged and meant I was more aware of my own symptoms.

There are over 200 symptoms of long Covid, including breathing and chest problems, fatigue, pain, headaches, sleeping, brain 'fog', dizziness, delirium, stomach issues, mental health effects, ear, nose and throat problems, and skin rashes. You can have any combination, in any time period post Covid, making it difficult for the individual to cope with and the employer to manage.

Employers and workplaces

Employers are facing some of the tightest labour market constraints for decades, with some of the highest vacancy rates, retirement rates and sickness rates on record. This makes it difficult for businesses to accommodate any illness, especially with all the other pressures, such as supply chain, energy, and debt issues.

As the TUC point out, a consequence of this is that employees have been let down. This is especially the case in sectors where employee Covid cases were high, all sectors where jobs involve a high level of personal contact and are routed in being in a workplace.

In my own case, home working was an option, which resulted in me having very little time off and continuing work throughout the long Covid issues. I was also clinically diagnosed early on; research in the BMJ recorded only 23,273 cases diagnosed in March 2021, far less than the ONS data on self-reported incidence at the time (1.1m).

Ben Goldacre, the lead researcher from the University of Oxford's Nuffield Department of Primary Care Health Sciences, said, "We were surprised to see almost a hundred-fold difference in prevalence between population survey estimates and formally recorded diagnoses for the same condition." He added, "Good data on long Covid will be crucial for research into prevalence, its causes and consequences, and to plan services effectively." Since this work the diagnostic tools have been updated and the clinical language has evolved to include long Covid, which will hopefully lead to better diagnosis.

The Long Covid Programme

I was part of a pioneering long Covid programme which enabled me to describe my symptoms based on medical advice. It allowed me to understand the importance of pacing, breaks, and managing each day based on your capacity. The recommendations of the report, such as flexible working, leave and phased return were all things offered to me and made my recovery easier to manage.

The Equality Act

Like many Covid sufferers, I have an underlying condition, which means I am already covered by the definition of disability. However, with any employer, this needs evidence, and long Covid is no different. Many disabilities are not listed under the Equality Act, it is up to the individual to demonstrate evidence of the illness.

The Government points out that the current Equality Act would cover long Covid on a case-by-case basis if the illness can be evidenced. But this becomes an issue for long Covid sufferers as the appropriate diagnosis is required.
The medical profession is still learning and developing these diagnostics, making it difficult for long Covid sufferers to evidence the issues and impacts.

Long Covid is a devastating illness, that exacerbates other illnesses and is affecting a significant number of people. Its symptoms are akin to fibromyalgia and ME, both illnesses equally difficult to evidence for employees, and for employers to understand. Discrimination and lack of understanding come from a lack of knowledge and as a result a lack of ability to find workable solutions. All of this points to better evidence and knowledge that will allow patients, medical professionals and employers to tackle discrimination.

How England's Devolution Catch-22 Stands in the way of Balanced Growth
Charlotte Hoole, WMREDI

Charlotte Hoole, Jack Newman and Simon Collinson discuss their recent paper that shows a lack of decentralisation is limiting the capacity and capability of local institutions to devise and implement growth and development strategies important for locally-driven 'levelling-up' in England.

In recent years, the UK has experienced increased economic and social inequalities. Of particular concern for the country's future economic fortunes, there has been a marked growth in interregional imbalances, with rising geographical inequalities in both the capacity for wealth-creation and the distribution of the benefits of economic activity.

The Pandemic
The Covid-19 pandemic accelerated these inequalities and revealed strengths and weaknesses in the resilience of existing institutional and decision-making structures. Agile responses to the health and economic impacts of such crises are seen partly to rely on targeted interventions at the local level. Devolved funding and decision-making and strengthening local institutions should therefore be a key focus of attention for policymakers. This can help the rebalancing or 'levelling-up' the economy, and more immediately improve resilience in the face of economic shocks.

However, there are particularities of the UK's governance system, especially within England, that have significantly limited the devolution process and by extension the capacity for targeted local interventions. Our analysis of the existing data shows that the UK is highly centralised by international standards, and is regionally unequal in terms of pay, productivity, and deprivation. We then go a step further, using qualitative interview analysis to identify the hurdles faced by local institutions as they attempt to develop their local economy and petition central government for more powers and funding.

We consider devolution in relation to three specific components of governance:

1. **Distribution**: the distribution of public investment (such as in infrastructure, research and development (R&D) and other endowments which underpin regional growth).
2. **Decision-making**: the allocation of decision-making power over resource appropriation (e.g. tax-raising) and resource allocation (spending and investment) as central indicators of devolution.
3. **Institutional quality**: the level of investment and resources to support the capacity and capability of local institutions to develop locally appropriate growth strategies and to target and deliver effective interventions.

Crucially, the lack of decentralisation of these three components in England creates a Catch-22 for local institutions. That is, a set of circumstances whereby English regions need to evidence capacity and capability to gain devolved resources and powers, but without devolved resources and powers, they cannot develop the required capacity and capability to develop their strategies and demonstrate their ability to manage devolved funding and increased responsibility.

Catch 22
This Catch-22 is a cyclical, path-dependent, legacy problem which is undermining attempts to reduce regional inequalities across England, with significant socio-economic and political implications. It is a problem that arises because of two features of the UK's political system.

Firstly, because subnational institutions lack constitutional protection within the UK's uncodified system of parliamentary sovereignty, their powers and responsibilities are the product of perennial central-local negotiation. This includes primary and secondary legislation and official negotiations over 'devolution deals' but also the informal negotiation of a range of other relationships and power balances.

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

Secondly, because the UK generally, and England specifically, has an asymmetric model of devolution, it contains a patchwork of different institutions with different interests and different relations with the centre. This limits the capacity of subnational governments to act as a single bloc in their attempts to secure investment and decision-making powers from the centre. While some collaborative petitioning of central government does occur, the variation between institutions inhibits the emergence of any constitutional norms or conventions protecting the rights of England's subnational institutions.

Our Paper

In our paper on England's Catch-22, we consider the context, functioning, and implications of the Catch-22 in the English context, but also highlight this as a potential problem for other countries that pursue an ad hoc asymmetric approach to devolution. These issues sit at an increasingly important nexus between institutions, powers and competency, on the one hand, and the regional competitiveness agenda and 'levelling-up', on the other.

Delivering on the levelling up agenda – reducing regional economic and social inequalities – is dependent on local and regional interventions in 'left-behind' places. This, in turn, depends on an integrated, systemic approach to understanding regional disadvantage, which requires subnational institutions with the capacities and capabilities to intervene strategically in their local economies. However, we argue that barriers to developing quality institutions include the lack of decentralisation of the three components of governance listed above in relation to 'distribution', 'decision-making' and 'institutional quality' for promoting long-term capacity-building in regions. These barriers affect the capacity and capability of local institutions to devise and implement strategies for growth and development, thus severely restricting the levelling up agenda.

The full paper is published in *Contemporary Social Science:* England's catch-22: institutional limitations to achieving balanced growth through devolution.

The work was carried out as part of the LIPSIT project that aimed to identify institutional and organisational arrangements at the regional level that tend to lead to the 'good' management of policy trade-offs associated with increased productivity.

ONS economic activity and social change in the UK, real-time indicators
The Economic Intelligence Unit

On the 5th May 2023, the Office for National Statistics (ONS) released 'economic activity and social change in the UK, real-time indicators' statistical bulletin. 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 for non deduplicated job adverts.

Nationally, between the 21st and 28th April 2023, total online job adverts increased by 1.1%. On the 28th April 2023, total online job adverts were at 112.3% of their average level in February 2020. Out of the 28 categories (excluding unknown) 17 increased; the largest weekly increase was in "transport/logistics/warehouse", which rose by 20.8% (to 174.3% of the average level in February 2020). In contrast, of the 11 categories that decreased, the highest decrease was in "travel/tourism" which fell by 7.4% (to 126.1% of the average level in February 2020). There were 9 categories that were below the February 2020 average level, with the lowest in "legal" at 74.3%.

Excluding East Midlands, East of England and Northern Ireland (which remained the same level and then decreased by 0.5% and 0.7% respectively), online job adverts increased for all other UK regions between the 21st and 28th April 2023. The West Midlands online job postings rose by 2.0% and on the 28th April 2023, it was at 111.9% of the average level in February 2020. On the 28th April 2023, there were 3 regions below their February 2020 levels (East of England 92.7%, London 92.9% and the South East 96.8%). In contrast, Northern Ireland was the highest at 156.7% of the average level of February 2020.

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 23rd April 2023, across the UK, there were 62 employers proposing 4,343 potential redundancies. The potential redundancies 4-week rolling average was 4,379 and the employers proposing redundancies 4-week rolling average was 62.
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 89 and the employers proposing redundancies 4-week rolling average was 113.

System Average Price of Gas and System Price of Electricity

The System Average Price (SAP) of gas decreased by 4% in the week to 30th April 2023 (from the previous week), it was 30% lower than the equivalent level in 2022. However, when compared to the pre-Covid-19 baseline, SAP of gas was 289% higher. The System Price of electricity fell by 9% in the week to 30th April 2023, it was 37% lower than the equivalent level in 2022, but 198% higher than the pre-Covid-19 baseline.

Business Insights and Conditions Survey

The final results from Wave 81 of the Business Insights and Conditions Survey (BICS) based off the 5,251 businesses surveyed across the West Midlands that businesses have a presence in with a response rate of 28.7% (1,509) and 3,226 businesses that are head quartered in the West Midlands, with a response rate of 27.0% (870). Please note, the survey reference period was 1st to 31st March 2023 with a survey live period of 17th to 30th April 2023. 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 impacts. Due to weighted data being available for the UK a comparison has not been included.

International Trade

32.6% of responding West Midlands businesses reported to exporting within the last 12 months, 4.4% reported to exporting over 12 months ago. While 48.5% of West Midlands businesses reported to have never exported and do not have the goods or services suitable for export – although, 6.9% reported to never exporting previously but have goods or services that could be developed for exporting.

50.7% of West Midlands businesses reported that exporting stayed the same in March 2023 when compared to March 2022. 19.1% of West Midlands businesses reported to exporting less and 17.0% reported to exporting more.

54.1% of West Midlands businesses reported that importing stayed the same in March 2023 when compared to same month in the previous year. 15.8% of West Midlands businesses reported to importing less and 14.2% reported to importing more.

Supply Chains

54.2% of responding West Midlands businesses were able to get the materials, goods or services it needed from the EU in March 2023. Of this, 6.8% of West Midlands businesses were only able to get the materials, goods or services it needed by changing suppliers or finding alternative solutions. While 2.3% were not able to get materials, goods or services needed.

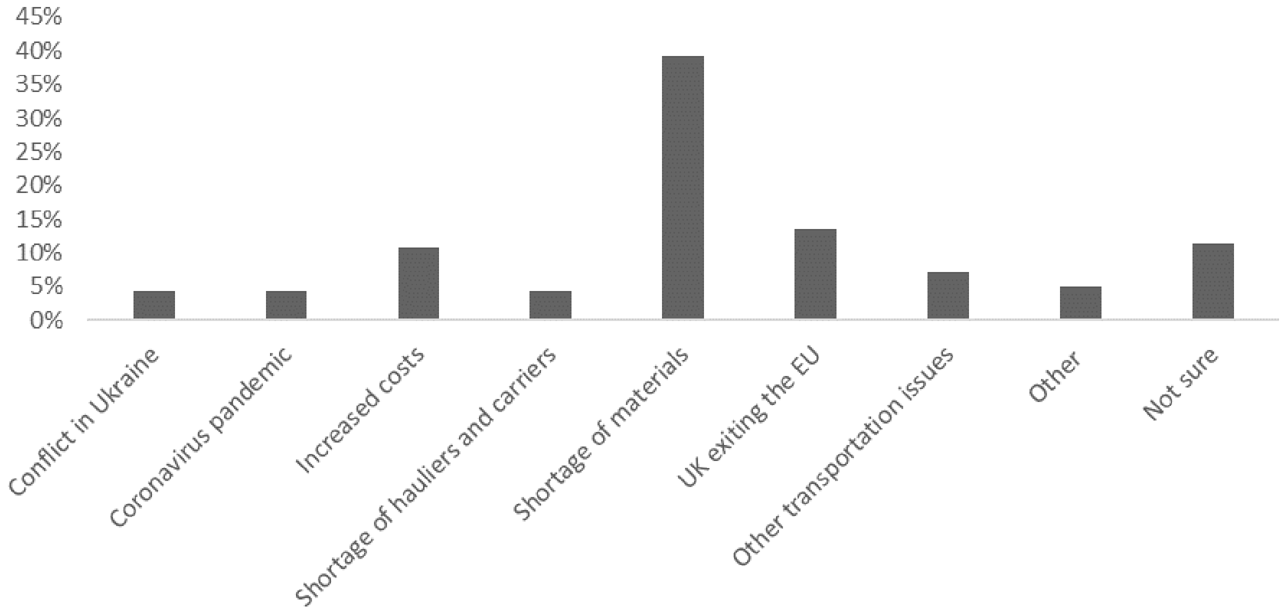
75.9% of responding West Midlands businesses were able to get the materials, goods or services it needed from within the UK in March 2023. Of this, 8.3% of West Midlands businesses were only able to get the materials, goods or services it needed by changing suppliers or finding alternative solutions. While 2.8% were not able to get materials, goods or services needed.

Global Supply Disruption

9.3% of responding West Midlands businesses reported experiencing global supply chain disruption in March 2023. In contrast, 58.4% reported none.

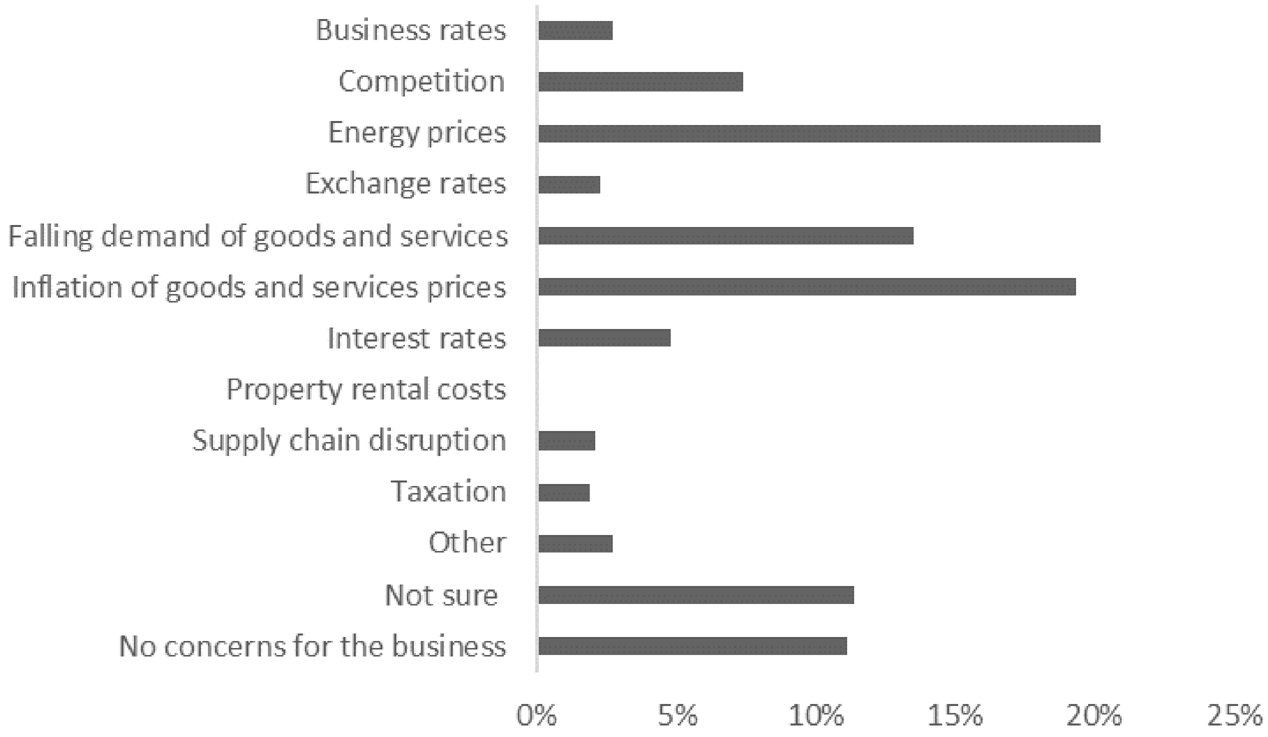
39.3% of West Midlands businesses reported the main reason for global supply chain disruption was due to shortage of materials.

Main reason for West Midlands businesses global supply chain disruption:



Main Concerns for Business
20.2% of responding West Midlands businesses expect the main concern for business in May 2023 will be energy prices.

The main concern (if any) for businesses in the West Midlands in May 2023:



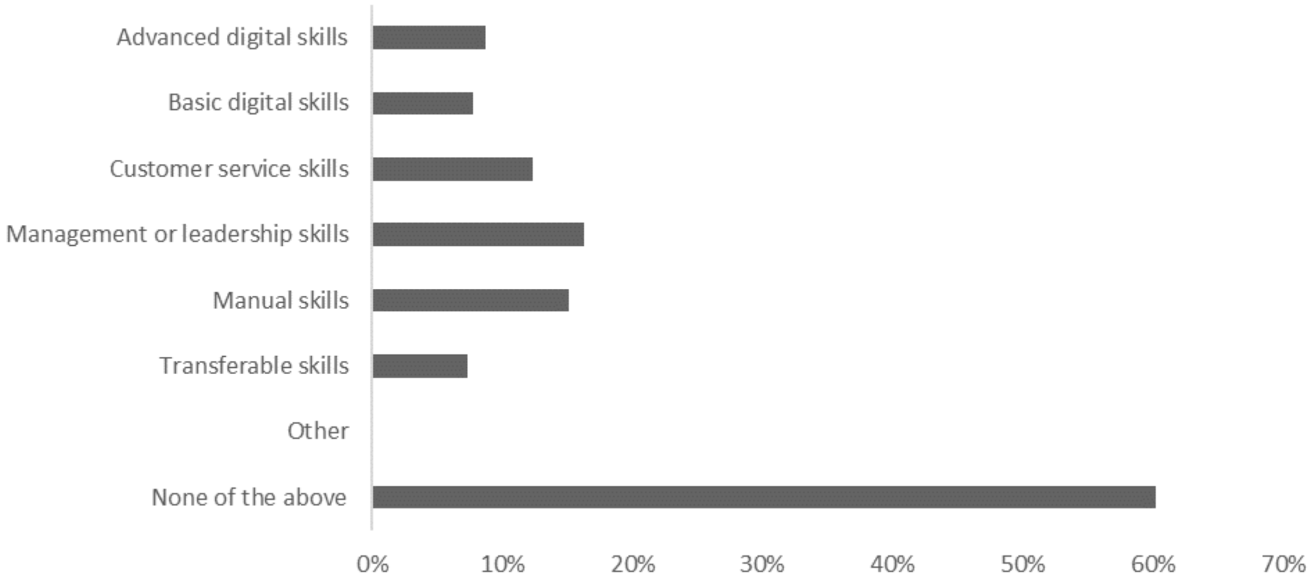
Expected Site Closures
3.3% of responding West Midlands businesses intend to permanently close business sites in the next three months. However, 88.9% reported to not having any intentions to close any business sites in the next three months.

Skills Demand
29.3% of responding West Midlands businesses reported a high demand for manual skills in the last 12 months.

Which (if any), skills West Midlands businesses have had a high demand for in the last 12 months:

16.3% of West Midlands businesses reported that the workforce required extra support/training in management or leadership skills.

Which (if any) skills that West Midlands businesses reported that the workforce required extra support or training in:



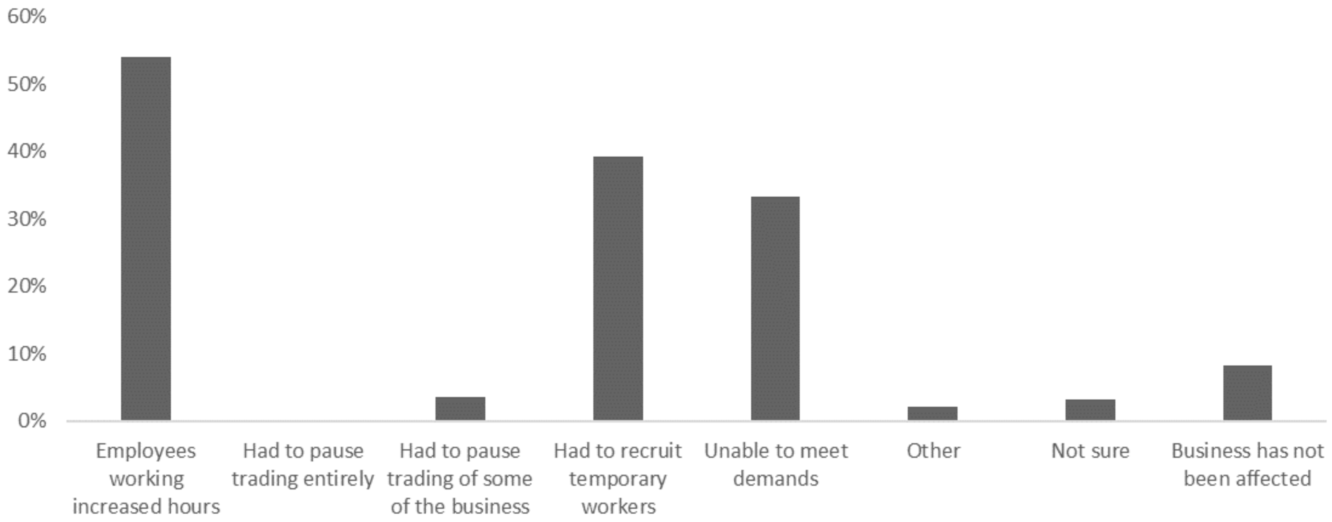
Worker Shortages

28.3% of responding West Midlands businesses reported to currently experiencing a shortage of workers. However, 56.7% reported to not experiencing a shortage of workers.

54.0% of West Midlands businesses reported employees were working increased hours due to the shortage of workers.

How the shortage of workers affected West Midlands businesses:

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

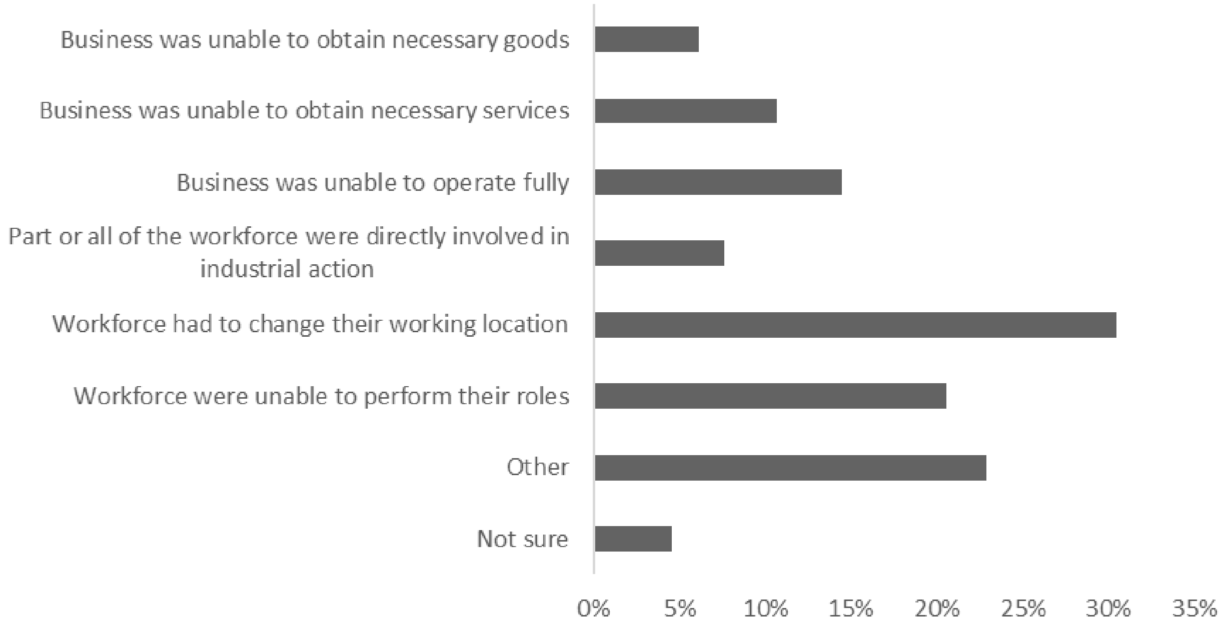


Hourly Wages
73.1% of responding West Midlands businesses reported on average employees' hourly wages in March 2023 when compared to the previous calendar month had stayed the same. While 19.3% reported wages had increased.

Industrial Action
8.7% of responding West Midlands businesses reported to being affected by industrial action in March 2023. Although, 61.0% of West Midlands businesses reported not being affected by industrial action.

30.5% of responding West Midlands businesses reported that the workforce had to change their working location from the reasons listed to how the business was affected from industrial action in March 2023.

How West Midlands businesses were affected by industrial action in March 2023:



Public Opinions and Social Trends
Please note - a breakdown by region is no longer provided within this dataset due to the smaller responding sample size of the Opinions and Lifestyle Survey (OPN). Estimates are based on data collected between 19th April to 1st May 2023.

Shopping
48% of adults reported less variety than normal when food shopping, and 40% reported having to spend more than usual to get what they normally buy.

Important Issues Facing the UK
Respondents felt the four main issues facing the UK were; the cost of living (93%), NHS (87%), economy (73%) and climate change & the environment (61%).

Worries
51% of adults reported that they were worried about the cost of food and 48% for the cost of energy in the past two weeks, with 33% worried about their general health.

Cost of Living and Actions Taken
70% of adults reported their cost of living had increased compared with a month ago.

The most common reasons reported by adults who said their cost of living had increased compared with a month ago were an increase in the price of food shopping (97%), an increase in gas or electricity bills (73%), and an increase in the price of fuel (40%).

The most common actions reported because of the increase in the cost of living were spending less on non-essentials (63%), using less fuel such as gas or electricity in the home (54%), shopping around more (46%), and spending less on food shopping and essentials (46%).

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

Rebecca Riley R.Riley@Bham.ac.uk
Alice Pugh A.Pugh@Bham.ac.uk
Delma Dwight Delma.Dwight@theeiu.org
Anne Green A.E.Green.1@bham.ac.uk

This programme of briefings is funded by the West Midlands Combined Authority, Research England and UKRI (Research England Development Fund)

The West Midlands Regional Economic Development Institute
and the
City-Region Economic Development Institute
Funded by UKRI