

West Midlands Insights on Society and Economy

A monthly newsletter on the trends that matter to the West Midlands.

Issue 2, November 2023

1.0 Headlines

1.1 November Editorial

Welcome to the second edition of the WISE Newsletter – your monthly compendium of data, insights and research about the West Midlands economy and more, each month featuring a different guest editor. With so much news about the regional labour market in the past few weeks, this month it has fallen to me to highlight the latest headlines and trends.

The good news for those in work is that wage growth has outstripped inflation for the first time in two years. Adjusting for inflation, regular pay increased by just over one percentage point in the past year nationally. And while challenges with the Labour Force Survey means that ONS has not been able to publish their usual regional labour market statistics, there has been some encouraging news elsewhere, with the West Midlands seeing greater growth in both the number of payrolled employees (+1.75%) and in median monthly pay (+6%) than the UK average.

However, the total claimant count in the West Midlands rose 4% - more than in any other combined authority area since September 2022 – and our youth unemployment rates hit 8.4% compared with the national average of 4.9%. Youth unemployment is a growing concern in the region and will be the subject of discussion at the forthcoming Economic Growth Board.

One important step in addressing this issue is the announcement that the WMCA is investing £14.7m in bespoke training schemes to support the region's booming tech sector. This announcement came as part of another very successful Birmingham Tech Week which saw the West Midlands ranked second nationally for GVA from the digital sector in the latest TechUK digital index report.

Alongside digital, another big opportunity for regional jobs and skills is in low carbon technologies. Two Midlands Engine reports published this month flagged the growing opportunities in green jobs with over 10% of all current jobs being considered 'green' and another 10% set to transition. This research also made recommendations about the importance of reskilling workers and creating green apprenticeships.

Fiona Aldridge
Head of Insight and Intelligence at WMCA

1.2 Coming Up in the Month Ahead

- [Business Finance Week 2023](#): 6–10 November
- [Social Economy Drive](#): 13–19 November
- [National Tree Week](#): 27 November–5 December

1.3 National Headlines

- Wage growth outstrips inflation for first time in almost two years
- Chancellor announces major increase to National Living Wage
- Prime Minister announces replacement of A-levels and T-levels
- UK Government outlines funding plans for midlands transport
- The Levelling-Up and Regeneration Act is signed into law

[Wage growth outstrips inflation for first time in almost two years](#)

[Annual growth in regular pay \(excl. bonuses\) in GB was 7.8%](#) in June–August 2023. Annual growth in employees' average total pay (incl. bonuses) was 8.1%. In real terms (adjusting for inflation), annual growth for total pay rose on the year by 1.3%, and regular pay rose on the year by 1.1%. The growth in regular pay is the highest figure on record; however, adjusted for inflation, the average person is just £7 per week better off than May 2008.

[Chancellor announces major increase to National Living Wage](#)

The National Living Wage (NLW) will [increase to over £11 an hour from April 2024](#) and will mean the annual earnings of a full-time worker on the NLW will increase by over £1,000 next year. This announcement follows the recommendations of the Low Pay Commission. People currently aged 23 and over are eligible, with over 2 million workers on low pay set to benefit from the increase. West Midlands workers projected to be impacted number 270,000.

[Prime Minister announces replacement of A-levels and T-levels](#)

The Prime Minister has announced [long-term plans to replace A-levels and T Levels with a new Advanced British Standard \(ABS\)](#), removing the separation between technical and academic education and replacing all other non-apprenticeship qualifications at level 3. The ABS will increase the breadth of subjects studied by 16–18-year-olds, increase taught hours by 15% and ensure every young person studies maths and English to 18. DfE will consult on its plans over the coming months with a White Paper expected next year. In preparation, the government also announced an additional £150m per year to support students retaking English and maths, and £600m investment across the next two years to help boost teacher capacity. Teachers in schools and FE Colleges in eligible shortage subjects in levelling up areas (which include Coventry, Dudley, Sandwell and Walsall) will get £30,000 tax-free bonuses over five years.

[UK Government outlines investment plans for midlands transport](#)

Following the announcement of the scrapping of the Birmingham to Manchester leg of the HS2 line, other projects in the West Midlands have been promised (though not all of them are new projects). These include, reopening of some closed Beeching lines, roll-out of London-style contactless and smart ticketing, a brand new £2.2 billion fund to transform local transport in every part of the Midlands, and £2.2 billion for the Midlands to combat potholes and fix roads. See further detail in the [regional economic roundup](#).

[The Levelling-Up and Regeneration Act is signed into law](#)

This month, the Levelling-Up and Regeneration Act was passed into law. [The Act aims](#) to speed up the planning system, hold developers to account, cut bureaucracy, and encourage more councils to put in place plans to enable the building of new homes. According to the UK Government, the Act will “ensure new development is built more beautifully, produces more local infrastructure, like GP surgeries, schools and transport links, is shaped by local people’s democratic wishes, enhances the environment, and creates neighbourhoods where people want to live and work”.

1.4 Regional Headlines

- More than £14.7m being invested in skills training for West Midlands' booming tech sector
- Latest data from ONS highlights West Midlands' advantage in 4 key industries
- West Midlands sees balance of trade boost
- Four towns in WMCA-met area receive £20m in levelling up funding

Labour force headlines¹

Latest data (September) reveals that median monthly pay rose by 6.1% on the previous year in the West Midlands. The number of payrolled employees in the WMCA area was also up 1.75% on the year. At the same time, the total claimant count rose by 4.0% and the youth claimant count rose by 13.3% in the West Midlands over the last year. For further detail, see the [regional economic roundup](#).

More than £14.7m being invested in skills training for West Midlands' booming tech sector

Birmingham hosted a series of events to celebrate Birmingham Tech Week 2023, with the Mayor announcing [WMCA will invest 14.7m in bespoke training schemes](#) to help meet the skills needs for the region's booming tech sector. The announcement complements Plan for Growth and plans to support tech start ups, empowering businesses to navigate technological ecosystems such as AI, and boost the region's economy. The investment will underpin the [£1m blueprint announced by TechWM](#), PfG tech leadership cluster. Last year, the West Midlands had the fastest growing tech sector in the UK and many businesses touched on the importance of med tech at the events, as well as developing the people skills needed from the workforce for sector growth.

Latest data from ONS highlights West Midlands' advantage in 4 key industries

[A 2023 snapshot](#) based on the Inter-Departmental Business Register data revealed that, out of 10 defined sectors, the WMCA has 4 sectors above the UK proportion and a further 1 that matches. These are: advanced manufacturing (6.4% vs 4.6%), life sciences & healthcare (5.7% vs 4.4%), logistics & transport technologies (9.0% vs 4.7%), retail (19.7% vs 15.1%) and public sector including education (2.4%). The sector with the highest proportion of enterprises in the WM was business, professional & financial services, which accounted for 25.8% (26,310) of the business base. Though, this is smaller than the total UK proportion of 31.1%.

West Midlands sees balance of trade boost

According to [new data released by HM Revenue & Customs](#), In the year ending Q2 2023, the Midlands area exported 33.4bn worth of goods and imported £42.5bn. This represented a trade in goods deficit of £9.1bn in the year to Q2 2023, compared to £12.8bn in 2022 and £6.8bn in 2021 (during pandemic). The West Midlands region's total value in goods exports increased by 26.1% when compared to the previous year. This contrasts with a 12.2% rise for the UK as a whole. The largest value of goods exported in the West Midlands was machinery & transport at £23.2bn. This sector accounted for 69.4% of the total exports value, of which 62.9% were non-EU exports. Compared to the previous year the total value of machinery & transport exports has increased by 35.2%.

Four towns in WMCA-met area receive £20m in levelling up funding

Bilston (Wolverhampton), Darlaston (Walsall), Smethwick (Sandwell), and Dudley have each been awarded £20m from the UK Government as part of its [long-term plan for towns](#). The money granted to 55 towns across the UK aims to provide long-term investment that will be spent on local people's priorities, such as regenerating local high streets and town centres or securing public safety.

¹ All data reported in this section is available through [Nomis](#)

2.0 In More Depth

2.1 National Round-up

National Infrastructure Commission publishes 2nd National Infrastructure Assessment

The National Infrastructure Commission (NIC) identified three cross cutting strategic opportunities that economic infrastructure is key to seizing:

Energy and Reaching Net Zero

The UK Government must accelerate deployment of electric vehicle public charge points to reach its expectation of 300,000 public charge points by 2030 and keep pace with sales of electric vehicles. The UK Government should, by 2025, establish a monitoring and review regime for its transport decarbonisation plans that reflects the uncertainty in carbon emissions outcomes from transport.

Growth Across All Regions

Government should commit long term funding of £22 billion for major transport projects in cities from 2028 to 2045. To encourage modal shift government should make long term funding for major projects conditional on cities introducing a demand management scheme.

Government should agree single multiyear financial settlements for existing mayoral CA's with £8 billion a year is available for devolved transport budgets for local authorities outside London.

The Commission calls for the cessation of selling land safeguarded for HS2 north of the West Midlands. He has urged retaining the land to allow time to revisit the sites and to possibly find a more cost-effective solution.

The Commission also calls for "a new comprehensive and long-term strategy that sets out how rail improvements will address the capacity and connectivity challenges facing city regions in the North and Midlands is needed".

Improving Resilience and the Environment

By 2025, government should publish a full set of outcome-based resilience standards for energy, water, digital, and transport services, committing to future reviews every five years.

By 2025, government should introduce legislation to require five yearly reviews of the National Policy Statements for Energy, Water Resources and National Networks.

Impact on the West Midlands

The WMCA welcomes the publication and recommendations within the second NIA. The NIA builds on the positive work by the WMCA and local authorities and we collectively support a more coherent and cohesive national policy framework, with clear strategic objectives, especially for Decarbonisation and Net Zero policy positions.

Research partnership releases "The UK's AI Startup Roadmap"

Onward, the Startup Coalition and the Tony Blair Institute have released a report outlining how the UK Government could help remove obstacles facing fledgling companies. The report states that the overarching lesson of the research is that "as the Government develops its approach to AI, we have to keep the tried-and-tested basics in mind. Across capital, talent, compute, and compliance, we have yet to really nail the fundamentals: accessing capital throughout the lifecycle, hiring and bringing the best and brightest talent possible, competing on compute and data infrastructure internationally, and navigating the regulatory environment. There is much more to do." Read the full report [here](#).

The British Business Bank turns out to be a poor replacement to the European Investment Bank, claims UK in a Changing Europe

[According](#) to UK in a Changing Europe, the new British Business Bank (BBB), which was brought in to replace the function of the European Investment Bank (EIB), handed out less than half of the EIB annual average investment from 2009 to 2016 in 2022. UK in a Changing Europe argue that BBB has also

neglected to correct the failings of the EIB when it comes to regional disparity in investment, with the WM being adversely affected.

Number of insolvencies on the rise across England and Wales

[Latest figures](#) from the ONS suggest the number of company insolvencies in England and Wales is set to reach its highest level since the 2009 financial crisis, with a 10% increase in insolvencies over the last three months. There has also been a significant rise in the number of firms facing "critical financial distress" with a 25% increase in the last three months. Factors contributing to this trend include higher inflation, increased borrowing costs, weaker consumer confidence, and demand. Many businesses are struggling with the withdrawal of government support measures during the COVID-19 pandemic and the impact of rising interest rates and inflation on their bottom lines and consumer spending.

Leading academic raises concerns about over-focussing on specific sectors in growth plans

Professor Mary Ryan at Imperial College London writes that strategic investment in high-tech sectors seems to be widely endorsed by researchers, especially those who are engaged in research about productivity and innovation. However, [research into high growth](#) also suggests that growth in turnover and productivity "cannot, and should not, be equated to 'high tech' firms" and that growth comes in a variety of sectors and contexts. The Creative Industry before the pandemic (2011-2019), for example, was [growing twice as fast as the UK economy](#) as a whole contributing £116bn in GVA in 2019. Thus, the government prioritising biotech, fintech and life science at the expense of other sectors might be [limiting growth and development](#).

Professor Ryan also argues that the Government's emphasis on large-scale, high-tech industries seems to [negatively affect UK SMEs](#) who employed more than 13M people with an [annual turnover of £1.4Tr in 2021](#). Micro-enterprises, SMEs with less than ten employees, the self-employed and freelancers, are [an important element of urban economic growth](#). However, micro-enterprises are largely ignored by government policy and support. This has become highly visible during the pandemic where they have been [hit hardest](#) with slower post-pandemic recovery. This might be due to many micro-businesses being invisible, often home-based, and contributing '[jobless growth](#)' that is expanding turnover but not taking on employees.

UK developing leadership in digital security states new independent report

The UK is establishing national expertise around cyber and AI security. This includes [the government's Frontier AI Taskforce](#) setting up an AI safety research team to assess risks in cutting-edge AI development while an [independent report](#) finds UK leads the way with AI Standards Hub. These developments coincide with the announcement at Birmingham Tech Week that the new £80million UK Telecoms Lab – a state-of-the-art facility to test innovation around telecoms and cyber security – is now based and operating from Solihull. The national facility will be operated by the National Physical Laboratory (NPL) and its location in the West Midlands is a reflection of the region's fast-growing tech leadership.

Resolution Foundation releases briefing note "A wealth of variety: The variation in household wealth across Britain and what it means for policy"

In the briefing note, the authors explore how wealth was distributed across the nations and regions of Britain on the eve of the pandemic, what determined those differences, and how wealth has evolved in different places since the recent rise in interest rates began. They also explore the policy implications, in particular how Council Tax as the primary wealth tax in the UK should be reformed to lean against the stark wealth disparities we see across the nations and regions. Find the report [here](#).

Local Government Association claims councils in England face a funding gap of £4 billion over the next two years

Councils in England face a funding gap of £4 billion over the next two years, according to [Local Government Association \(LGA\) research](#). This represents an increase of £1 billion since it published

initial analysis in July, citing rising cost and demand pressures as factors behind the change. The LGA warns ahead of the Autumn Statement that councils are facing an 'inflationary storm' and require immediate funding to deliver 2023/24 budgets.

City-REDI asks: How do we Reach our Vision for Cities and Places?

The [latest piece](#) from City-REDI and the [Local Policy Innovation Partnership Hub](#) argue that cities and city leaders need to innovate to grow, and this needs to happen across a range of policy areas. There are both local and national levers which can be implemented to help cities innovate across issues including social innovation and inclusion, resilience planning, creative financing models, data-driven decision making, smart city technologies, digital connectivity and e-governance, renewable and efficient energy, circular economy and waste management, sustainable urban planning, and cultural and wellbeing planning.

Resolution Foundation publishes a series of reports on skills productivity and lifelong learning

As part of the Economy 2030 Inquiry, three new reports have been published. The first is titled "[Learning to grow: How to situate a skills strategy in an economic strategy](#)" and identifies three skill areas that should be targeted for growth: financial and business services, the creative and cultural sector, and life and science industries. These sectors require more advanced skills, but there is currently a shortage of people with level 4 and 5 qualifications who would be suitable. The second report titled "[Applying the Robbins Principle to Further Education and Apprenticeships](#)" argues whilst the Robbins Principle – all people who qualify for HE and want to go, should be guaranteed a space – is attached to academic routes, there is not an equivalent principle for those choosing vocational pathways. The third report titled "[How higher education can boost people-powered growth](#)" argues HE is essential for economic growth and outlines ways to strengthen the points of connection with the wider economy.

Royal Society of Arts publishes report on Unleashing the potential of the UK's cities

The [report](#) details a strategy to turn around UK cities outside of London over the next 25 years, utilising private capital to create the levels of investment necessary to turn around the previous 70 years of chronic underinvestment in UK regional cities. According to the report, it will take investment of up to £1.7trillion for UK cities to reach the same GVA as London by 2050 (£221bn in Birmingham). Achieving this level of productivity is very difficult, but not impossible – Lyon is a similar size to Birmingham but twice as productive. Only private sector investment will be able to provide this level of capital. Obtaining this requires a strong and plausible narrative, informed by robust data.

Institute for Government asks 'Where next for English devolution?'

A recent [Institute for Government podcast](#) discussed the progress the UK Government has made in devolving power across England, and includes an interview with Fiona Aldridge, Head of Insight and Intelligence at the West Midlands Combined Authority.

2.2 Regional Economic Round-up

Labour force headlines²

Median pay

Nationally, median monthly pay rose by 5.7% compared with the same period in 2022, while average pay rose by 7.8%. In the WMCA area, median pay was estimated at £2,101 – 92.8% of the UK figure. However, growth in pay was 6.1% on the previous year – a larger increase than seen nationally.

Payrolled employees

The number of payrolled employees in the WMCA area was estimated at 1,237,594 in September, up 1.75% on the year and up 5.3% since February 2020. Nationally, employee estimates were up 1.2% and 3.8% respectively – lower than the West Midlands.

Total claimant count

The total claimant count rose by 1.5% in the West Midlands from August to September (UK: 0.9%). There has been a 4.0% increase since September 2022 (UK: 2.2%). Overall, for the WMCA, the number of claimants as a proportion of residents aged 16–64 was 6.8% (UK: 3.7%) in September 2023. Across the Combined Authorities, the WMCA had the highest rates, Greater Manchester was the second highest at 4.9% down to 2.6% for the West of England.

Youth claimant count

The youth claimant count rose by 2.5% in the West Midlands from August to September (UK: 1.3%). There has been a 13.3% increase since September 2022 (UK: 8.9%). Overall, for the WMCA, the number of claimants as a proportion of residents aged 18–24 was 8.4% (UK: 4.9%) in September 2023. Across the Combined Authorities, the WMCA had the highest rates, Tees Valley was the second highest at 8.3% down to 2.4% for the West of England.

New People and Skills Board launched to address the West Midlands' skills gap

In October, Centre for the New Midlands officially launched the '[People and Skills Workstream](#)' which brings together business leaders, regional leaders, policymakers, and prominent academics. Following the launch of the West Midlands Plan for Growth by the West Midlands Combined authority last year, the priority skills needed to support that growth will form the heart of this new workstream's focus. Utilising industry expertise and new research around the skills agenda, the workstream aims to support policy makers across the region to deliver enhanced public policies and, as a consequence, better outcomes for the West Midlands region.

UK Government outlines investment plans for midlands transport

Following the announcement of the scrapping of the Birmingham to Manchester leg of the HS2 line, other [projects in the West Midlands have been promised](#), though [not all of them are new projects](#).

Projects include:

- Communities reconnected by reopening closed Beeching lines, including the Stoke to Leek line and the Oswestry to Gobowen line, with a new stop at Park Hall. A new station will be built at Meir, Stoke-on-Trent, on the existing Crewe to Derby line.
- £100 million will be shared across the North and Midlands to support the development and roll-out of London-style contactless and smart ticketing, supporting seamless travel by enabling contactless or smartcard payment.
- A brand new £2.2 billion fund to transform local transport in every part of the Midlands outside the mayoral combined authority areas and the new East Midlands combined authority – rural counties such as Shropshire, cities like Leicester and towns such as Evesham. This could pay for smaller, more demand-driven buses in rural areas and funding into greener bus fleets, as well as funding the refurbishment of Kidsgrove and Longport stations, near Stoke-on-Trent.

² All data reported in this section is available through [Nomis](#)

- £250 million will fully fund ten smaller road schemes in the Midlands, including the Shrewsbury North Western Relief Road and the A4123 Birchley Island, near Oldbury. A Midlands Road Fund worth nearly £650 million will be launched for new road schemes.
- £230 million for more frequent bus services in the Midlands, which could be spent on new bus stops around Telford and park and ride upgrades elsewhere in Shropshire and new bus lanes in Herefordshire.
- £2.2 billion for the Midlands to combat potholes and fix roads causing misery for drivers.
- £2 bus fare extended until the end of December 2024 instead of rising to £2.50 as planned.
- £1 billion more for local transport funding in West Midlands: This includes £100 million to deal with ongoing metro and Arden Cross cost pressures and £250 million to accelerate local transport projects over the next five years.

In total, the Midlands is expected to receive [£9.6bn invested in transport projects](#) in the region. However, HS2 will be a significant loss for the region and the north. [Tom Arnold, Research Associate in public policy at the University of Liverpool](#) pointed out that the business case for HS2 highlights that the best return on investment would have been the Birmingham to Manchester leg of HS2, not the Birmingham to London leg. This is because it would have [brought the cities closer together](#), reaping economic benefits as well as improving quality of life.

[West Midlands Tech Week a roaring success](#)

During the week, several announcements designed to catapult the West Midlands tech ecosystem were made. These include, (i) TechWM plans to invest £1m to supercharge the region's tech sector, (ii) TechWM announcing a partnership with Birmingham Digital Futures (BDF) to narrow the digital skills gap and drive digital transformation across the West Midlands, (iii) a partnership announced with Boardwave, an exclusive tech networking initiative, to give local startups and scaleups access to expert tech mentors and entrepreneurs, (iv) the Tech Nation 2.0 relaunch, and (v) the launch of the techUK digital index report.

Highlights of the techUK digital index report include regional estimates of gross value added from digital sector. GVA per person in London is £9,083, compared to £2,055 in the West Midlands, £1,979 in Scotland, and £1,348 in Wales. If the six regions with the lowest digital GVA reached the UK median this would add £4.8 billion to the UK economy, and specifically to regional economies, unlocking new economic growth. The West Midlands is 2nd through good 5G connectivity to over 80% of homes and gigabit broadband to over 73% of premises. The report goes on to make several recommendations to businesses and local and central governments for ongoing intervention to support the sector. Find out more [here](#).

[Latest reports confirm strength of manufacturing in the West Midlands](#)

According to MakeUK's latest ['Manufacturing – The Facts' report](#), the UK's manufacturing sector has climbed one place to eight in the world rankings, overtaking France. The Northwest remains the biggest manufacturing area of the UK, worth £28.2bn in output and employing 314,000 people. The West Midlands is the second largest region with 310,000 jobs and £21.0bn output. In the latest Manufacturing Outlook Survey (Q3 2023), both output and orders remained strong in the West Midlands, with an order balance of +55% and an output balance of +36% on last quarter alone (both the highest of all regions in the UK). Looking forward, both of these are set to increase further in the next quarter with orders at +32% and output at +41%.

[West Midlands to lag behind most of country in post-Covid economic recovery](#)

The [National Institute of Economic and Social Research \(NIESR\)](#) has predicted that real wages should recover in most UK regions by Q4 2024. However, the WM is one of only three that are expected to remain behind pre-Covid levels, with WM by far the worst region at -5% real wage growth, comparing to +7.2% in London. Although the East Midlands is not as badly affected, underperformance across the Midlands suggests a disproportionate impact of major shocks in recent years.

Midlands Engine releases new cluster snapshots

The Midlands Engine has released five new cluster snapshots, including three region-specific pictures. Regional snapshots include [Digital Creative & Video Games](#), [Education Technology](#), and [Textiles](#). Other cluster snapshots with relevance to the region include the [Artificial Intelligence 'New Economy' Cluster Snapshot](#) and the [Quantum technology 'New Economy' cluster snapshot](#).

WMREDI conduct early assessment of the West Midlands Innovation Programme

[WMREDI concluded](#) that WMIP has provided good value for money in terms of achieving its objectives. It has been successful in marshalling and leveraging resources within the region to support a change in the coordination of the development of the region's innovation support ecosystem. This has been achieved by creating a strong infrastructure that has allowed the programme to be responsive to changing circumstances and new opportunities. The pooling and funding of expertise in innovation in different sectors it has created is a much-needed centre of expertise to support the development of the region's innovation ecosystem.

Midlands Engine publishes insight reports on green and hydrogen jobs and skills

There are two publications one looking at skills and the other jobs in the green and hydrogen sector in the Midlands (West and East Midlands combined).

- [Green-Hydrogen-Skills](#): This paper provides policy recommendations to boost green and hydrogen jobs, such as encouraging green jobs in non-green sectors, which the Midlands already does well in (with 41% of green jobs in non-green industries) but could be boosted further through up- / re- skilling workers via micro-credentials. It also encourages working towards more inclusive green employment to attract under represented workers (women and young people), and to utilise apprenticeships to provide the on-the-job experience needed, particularly in new and emerging market growth.
- [Green-Hydrogen-Jobs](#): This paper analyses the Labour Force Statistics data on green and hydrogen jobs in the Midlands. Nationally 50% of hydrogen jobs are concentrated in manufacturing (21.7%), construction (15.6%), and professional, scientific, and technical sectors (10.7%). Green hydrogen occupations have increased by 24% nationally, and by 18% in the Midlands. Currently, 10.2% of all jobs in the region can be counted as green hydrogen jobs, and there is room for 10% of current jobs to transition to green jobs. Of the three types of green jobs (New and Emerging Occupation, Enhance Skills and Knowledge Occupations and Increased Demand Occupations), New and Emerging Occupations is the fastest growing, with higher demands for technical skills and training compared to the other two groups, requiring experience in 70% of jobs.

Harvard Kennedy School report asks: "Why hasn't UK regional policy worked?"

UK domestic policy – especially in England – in recent years has focused on regional inequalities in economic outcomes and public service delivery, which are tied to a political 'geography of discontent' that emerged in the 2010s. The researchers found broad political consensus on a range of areas: that widening divides are not inevitable; that previous policy regimes have lacked sufficient ambition; that excessive past centralisation has driven policy instability. They also found that the Mayoral Combined Authority model, coupled with sustainable local government funding, could form the basis for a cross-party consensus on regional growth. Read the full report [here](#).

2.3 Regional Business Roundup

[Greater Birmingham Chambers of Commerce release “Birmingham Economic Review”](#)

[The report](#) strikes an upbeat view of a region prospering despite national and international economic and political turmoil. While economic turbulence continues to challenge individuals and businesses, a young and diverse city is becoming better connected and taking advantage of new opportunities.

[Government awards 7.5m to Immersive and Creative Technologies Launchpad programme in Coventry and Warwickshire](#)

The region will receive [£7.5m in investment to boost innovation and business growth](#) in the video game sector. Under the Immersive and Creative Technologies Launchpad program, businesses and researchers can apply for competitive grants to support innovation projects that leverage new technologies in healthcare, education, future mobility, manufacturing, retail, and tourism. The program, funded by Innovate UK, aims to enhance innovation clusters and drive economic growth and job creation, aligning with the UK government's levelling-up agenda.

[Rising interest rates and fewer government-backed loans drives reduction in SME financing](#)

The British Business Bank published the third annual [Nations and Regions Tracker](#) in October. Key findings were:

1. National figures show that banks and other lenders are increasingly refusing credit to SMEs.
2. Nationally, the proportion of Small and Medium-Sized Enterprises (SMEs) using some form of external finance decreased from 59% to 39%. This mainly reflects the withdrawal of government-backed finance schemes deployed during the pandemic.
3. In the West Midlands, the drop in SMEs using external finance was only 10% compared to the national total of 20%. However, this largely reflected lower initial uptake of support.
4. The use of equity finance outside of London dropped for the first time since 2011.
5. In the West Midlands, the number of equity deals dropped by 10% compared to 2022, and the value of equity deals dropped 22%.
6. Out of Mayoral Combined Authorities, only West of England Combined Authority has fewer deals, and the total value of deals is the lowest in the WMCA.
7. The tracker identified several clusters of IP-intensive businesses around the country, including Birmingham & The Black Country, Coventry & Warwickshire, and Nottingham & Derbyshire. Of these three, Coventry & Warwickshire had the highest concentration of spin outs. Compared with the UK, the Coventry & Warwickshire cluster ranked 7th place.

[Local firm secures £500m to scale up work in driverless technology sector](#)

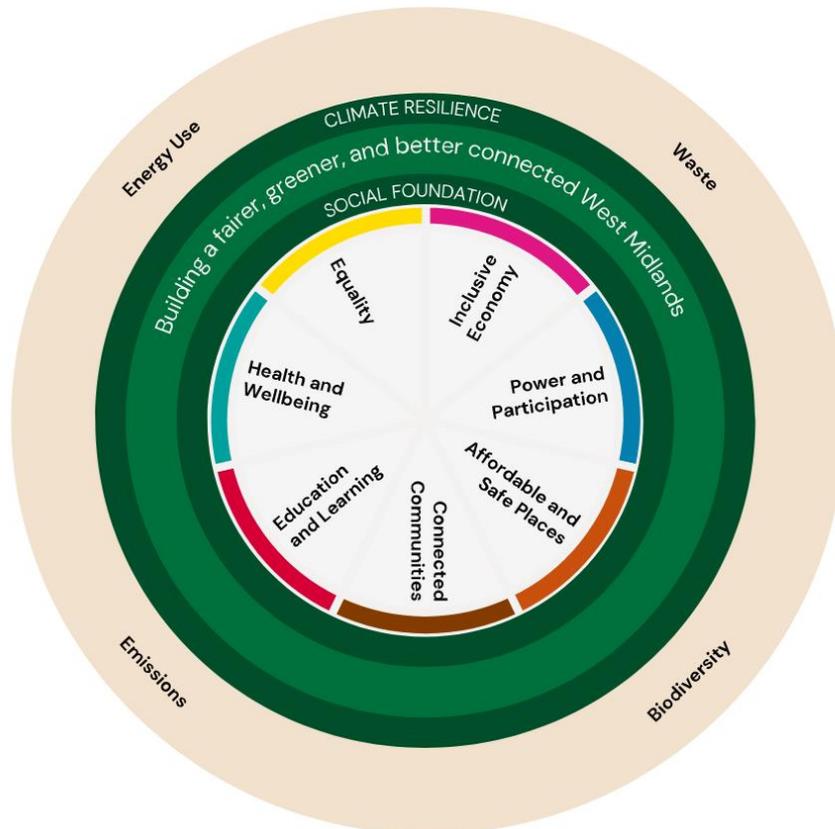
A Birmingham driverless vehicle company has [secured £500m in Series A+ funding](#), as it looks to be at the forefront of the driverless technology sector. Conigital has received a combination of equity and debt investment from a partnership with a global private equity infrastructure firm, which manages £150bn in assets.

[Jaguar Land Rover unveils new £250m test facility in the West Midlands](#)

Jaguar Land Rover (JLR) has [unveiled a new £250m test facility](#) as part of plans for its "next generation" of pure electric models. The car maker said the Future Energy Lab at its engineering centre in Whitley, Coventry, had key innovations enabling the rapid testing of electric vehicles (EVs). This news comes as JLR [reported increased sales volumes worldwide](#) for the second quarter of 2023–2024. Wholesale volumes in the period were 96,817 – up 29 per cent compared to the same quarter a year ago and up four per cent on the quarter to the end of June, despite taking in the annual two-week summer plant shutdown.

2.4 Inclusive Growth Roundup

This section looks at the regional news highlights which relate to our eight fundamentals of Inclusive Growth. This includes one fundamental focused on planetary boundaries, 'climate resilience', and seven human focused fundamentals: 'inclusive economy', 'power and participation', 'affordable and safe places', 'connected communities', 'education and learning', 'health and wellbeing', and 'equality'. Below is our Inclusive Growth Doughnut. To find out more about the WMCA's commitment to Inclusive Growth see [here](#).



Inclusive economy

UK Government launches Refugee Employability Programme

On 19 September, the government launched a new £52 million [Refugee Employability Programme](#) to help refugees integrate into local communities. The programme will operate for two years and will provide enhanced support to refugees and Afghans across employment, English Language training and integration. The programme will help to build up their confidence and skills to enter the UK job market and lead independent lives. For people who do not already receive integration support, the programme will help them access public services, including a GP and a job centre, local community groups and mental health support.

Affordable and safe places

Housing costs continue to rise

According to [Zoopla](#), house prices across the West Midlands fell by an average of 0.4% in the year to August 2023. This compared to a national average of -1.1%. House price falls across the UK have been driven by increasing mortgage costs. Regions less adversely affected, such as the West Midlands, have lower average house prices and, hence, continue to be more affordable despite rate rises. On rental prices, the [ONS](#) estimated annual inflation rates on all rents in the West Midlands at 5.7% in the year to September 2023. Rental price inflation is higher in the West Midlands than any other English region outside of London. Latest figures from [Rightmove](#) (September 2023) reported annual increases on asking rents (new lets only) now at 11.0% in the WM, compared to 10.0% GB-wide, as the mismatch between supply and demand in the private rented sector continues to worsen.

Connected communities

[Centre for Social Justice publishes report: "Left Out: How to tackle digital exclusion and reduce the poverty premium"](#)

[This report](#) considers the impact of the poverty premium on household access to digital services. Amongst its analysis of the UK Household Longitudinal Survey are findings that suggest 11% of households cannot access the internet at home. The evidence reinforces analysis linking a lack of internet access to household income – almost a quarter of households which are local authority rented (24.1%) and just under 1 in 5 households that are rented from a housing association (19.4%) report having no access to the internet at home. This is compared to 2% of households which are owned with a mortgage. By age, approximately 2% of 18–24 year olds do not have internet, 3.3% 25–34, 3.6% 35–44; 5.7% 45–54; and 14.6% 55–64. The figures are higher for those on low income. By region, 11% of households in the West Midlands said they could not access the internet at home. Whilst the issue impacts access to the best prices for services and goods, it also disproportionately impacts the unemployed struggling with digital skills and seeking work. The report called for government support for the National Device Bank for donations of unused devices and, funding for a long term digital skills programme targeted at unemployed people and those with limited digital skills.

[UK Government pledges £150m to sustain local bus services in place of HS2](#)

Every part of the Midlands and North of England is set to benefit from £150 million of funding, the Transport Secretary has announced. This is the first tranche of £1 billion worth of funding that the government is dedicating to bus services across the North and the Midlands as part of the Network North plan. The money will help to alleviate short term pressures given that funds had been being diverted from the Bus Service Improvement Plan to sustain current service levels. However, more funding is required to alleviate wider pressures facing the industry following the pandemic, and more effort must be put into finding a long term sustainable funding solution for public urban transport.

Education and learning

[Local Government Association publishes "Make It Local: local government's vital role in addressing economic activity"](#)

[This research](#) explores the current issues and interventions being used to reduce economic inactivity, focusing on the important role that local governments play. The paper shares 51 examples of programmes/initiatives, including 7 from the WMCA 7-met area. The study found that different groups of economically inactive people are targeted by programmes at varying levels, e.g. 35% of programmes support beneficiaries with a disability or mental health condition, but only 2% support beneficiaries who are homeless. Groups that need most support tend to be least connected to employment services and are therefore hardest to reach. The study advises programmes should: 1) broaden their programme criteria and outreach channels to reach a wider group of people; 2) connect with and involve whole-person interventions (e.g. health, housing, and financial services); 3) provide place-based support through locally run employment and skills services; and 4) release funding over a longer period as programme results are rarely immediate, especially when working with more isolated groups of people. The research calls for further investment into economic inactivity to reduce the burden on wider public sectors, help employers recruit a broader range of talent, and address current skill shortages.

Health and wellbeing

[£2m scheme to tackle domestic abuse launched by Police and Crime Commissioner](#)

The Police and Crime Commissioner [has secured funding from the Domestic Abuse Perpetrators Fund](#) for a two-year innovative pilot which will be rolled out in custody in both Coventry and Sandwell as part of his work to promote the rights and welfare of victims and to change behaviours. The work is another step towards preventing, tackling and reducing domestic abuse in the region.

Equality

EngineeringUK publishes “Fit for the future – Inspiring tomorrow’s engineers”

This publication follows an inquiry co-chaired Lord Knight and by Lord Willets with written and oral evidence from the WMCA. Fit for the future is a 5-point growth plan that aims to tackle issues associated with the lack of diversity of engineers and technicians, the barriers for young people, and the decline in uptake of apprenticeships, e.g. engineering-related apprenticeship starts in the West Midlands dropped by 27% between 2016/17 to 2021/2022. The report identified three key problems: 1) fewer apprenticeships starts amongst younger people or at Level 2 and 3; 2) an 18% decrease in SMEs engaging with apprenticeships due to high levies; and 3) a reduction in uptake from people from socio-economically deprived areas. [Read the full report.](#)

Youth Employment Group calls for Young Person’s Guarantee

A [Research](#) report commissioned by the Youth Employment Group (YEG) advocates for a Young Person’s Guarantee to support young people and reduce the number of those not in education, employment, or training (NEET). YouGov polling results estimated that 57% of the public believe the UK Government must do more to get young people into work, and 81% of UK adults support the idea that young people should receive support from the government to start work, training or education within four months of becoming unemployed or leaving education. The research identifies four evidence-based success factors for reducing NEET numbers: (i) Early intervention raises effectiveness; (ii) One-to-one support is vital; (iii) Public employment services are central; and (iv) Place-based and nationally coordinated interventions are best. The YEG, which is supported by 60 organisations, including the WMCA, calls on government to implement five policy proposals:

1. Proactively support young people in education who are at high risk of NEET.
2. Re-commit to Youth Hubs and extend their services to all economically inactive young people.
3. Establish a new joint ministerial brief between the Department for Work and Pensions and the Department for Education.
4. Pilot a targeted placement scheme for young people who are long-term NEET.
5. Strengthen and broaden the range of Level 2 and Level 3 pathways available to young people.

Latest data released on the employment of disabled people 2023

The Department for Work and Pensions has released its annual official statistics on the employment of disabled people within the UK working age population (16 to 64). The data indicates the employment rate of disabled people in the UK has increased from 43.4% in 2013 to 52.6% 2022. This increase is associated with several factors including a rise in the number of people reporting disability, overall increases in employment rates generally, and a decrease in the disability employment gap. The data also shows that disabled people are more likely than non-disabled people to be self-employed (13.6% disabled people are self-employed compared to 12.1% non-disabled people). Further within the economically inactive, disabled people are more likely to want a job than non-disabled people, however there is a gap of 29.8pp in the employment rates of disabled and non-disabled people. Concerningly, the West Midlands saw the largest increase in the disability employment gap by 3.0pp.

Gender pay gap diminishing

Latest data from the [Annual Survey of Hours and Earnings](#) revealed that the gender pay gap for all employee jobs stands at 14.4% this year for the West Midlands. This compares to an average value of 14.3% for the UK. Last year, the gap stood at 15.0% and five years ago (2018) it was 18.1%. According to the data, the West Midlands has seen a declining pay gap over the last five years in line with the rest of the UK.

3.0 Annex

3.1 WMCA Economic Intelligence Unit (EIU) Dashboard

WMCA ECONOMIC DASHBOARD – OCTOBER 2023



Monthly/Quarterly Business Dashboard

Themes	Indicator	September 2022	October 2022	November 2022	December 2022	January 2023	February 2023	March 2023	April 2023	May 2023	June 2023	July 2023	August 2023	September 2023	Trend	Relative to Peer Group ¹	Commentary
Business	Regional Business Activity Index ² (monthly update)	47.8	49.6	48.8	48.9	49.0	53.0	52.7	52.8	54.2	52.6	51.3	50.0	49.3		WM: 3 rd Highest Region UK: 48.5 London: 52.4 (1 st) North East: 43.7 (12 th)	The West Midlands Business Activity Index decreased from 50.0 in August 2023 to 49.3 in September 2023. The decline in business activity was linked to reduced customer orders.
	Regional Future Business Activity Index ² (monthly update)	64.4	60.7	64.7	65.3	76.5	78.4	78.0	76.5	78.5	74.4	76.8	78.5	78.4		WM: Highest Region South East: 75.3 (2 nd) North East: 57.6 (12 th)	The West Midlands Future Business Activity Index decreased slightly from 78.5 in August 2023 to 78.4 in September 2023, but was still among the highest levels seen since January 2022. Optimism in firms was linked to expectations of new business gains, demand would strengthen, planned investment (people and systems) and efficiency gains.
	National Business Investment ⁴ (update due 10 th Nov 2023, provisional)	£58.0bn (Q3)			£57.5bn (Q4)			£59.8bn (Q1)			£62.2bn (Q2)					N/A	Revised figures show that UK business investment increased on the quarter by 4.1% in Quarter 2 2023 to £62.2bn (provisional growth was 3.4%). UK business investment is now 9.2% above where it was the same quarter a year ago. The main contributor to business investment growth was transport, mainly because of investment in aircraft.

The Dashboard has been updated to reflect the WMCA 7 Met. geography where available (due to data availability, FDI jobs and projects indicators have remained as WMCA 3 LEP geography). The dashboard has been RAG rated based on: Red indicating a decline in performance, Amber where they have been an improvement in performance and Green indicators an improvement above UK-wide (excluding the UK-wide indicator where they are either green or red depending on change each quarter and business activity and future business activity where amber shows a decline in performance but above the 50-growth mark and green indicators continually increase).

¹ Comparisons vary depending on geography; Birmingham has been compared to Bristol, Cardiff, Edinburgh, Glasgow, Leeds, Liverpool, Manchester and Newcastle. Due to data availability, the WM 7 Met. has been either compared to other combined authorities (following what is available Greater London Authority is not always included), (combined authorities are Greater Manchester CA (GMCA), Sheffield City Region, West Yorkshire CA, Liverpool City Region CA, Tees Valley CA, Cambridgeshire and Peterborough CA, West of England CA, North East CA and North of Tyne CA) or NUTS 2 / ITL 2 geography. The West Midlands region has been compared to other regions in the UK. No comparators have been included for UK-wide.

² NatWest, UK regional PMI report for September 2023 – released October 2023.

³ NatWest, UK regional PMI report for September 2023 – released October 2023.

⁴ Office for National Statistics (ONS), Business investment in the UK: April to June 2023 revised results – released September 2023.



WMCA ECONOMIC DASHBOARD – OCTOBER 2023

Themes	Indicator	September 2022	October 2022	November 2022	December 2022	January 2023	February 2023	March 2023	April 2023	May 2023	June 2023	July 2023	August 2023	September 2023	Trend	Relative to Peer Group ¹	Commentary
Business	WMCA (7 Met.) Enterprise Deaths ² <small>(quarterly – update due Feb 2023)</small>	3,555 (Q3)			3,570 (Q4)			5,505 (Q1)			3,510 (Q2)			2,855 (Q3)		WMCA: 2 nd Highest CA GMCA: 2,960 (1 st) Tees Valley: 480 (10 th)	In Q3 2023, there were 2,855 business deaths in the WMCA area. A decrease of 19.7% when compared to Q3 2022 (UK -13.6%). Quarter on quarter analysis (between Q3 2023 and Q2 2023) shows a 18.7% decrease in business deaths across the WMCA area (UK -17.7%).
	WMCA (7 Met.) Enterprise Births ² <small>(quarterly – update due Feb 2024)</small>	3,305 (Q3)			3,120 (Q4)			3,310 (Q1)			3,240 (Q2)			3,535 (Q3)		WMCA: 2 nd Highest CA GMCA: 3,635 (1 st) Tees Valley: 615 (10 th)	In Q3 2023, there were 3,535 business births in the WMCA area. An increase of 9.1% when compared to Q3 2022 (UK +1.9%). Quarter on quarter analysis (between Q3 2023 and Q2 2023) shows an 7.0% increase in business births across the WMCA area (UK +14.9%).

¹ ONS, Business demography, quarterly experimental statistics, low-level geographic breakdown, UK – released October 2023 (RAG rating based on quarterly change).

² ONS, Business demography, quarterly experimental statistics, low-level geographic breakdown, UK – released October 2023 (RAG rating based on quarterly change).



WMCA ECONOMIC DASHBOARD – OCTOBER 2023

Annual Business Dashboard

Themes	Indicator	2017	2018	2019	2020	2021	Trend	Relative to Peer Group	Commentary
Business	WMCA (7 Met.) High Growth Enterprises ⁷ (annual – update due Nov 2023)	430	455	415	380	340		WMCA: 2 nd Highest CA GMCA: 460 (1 st) Tees Valley: 80 (10 th)	The latest available data for the WMCA area shows that the number of high growth enterprises has decreased further, from 380 in 2020 to 340 in 2021. This equates to a decrease of 10.5% (-60 enterprises), which was below the UK decrease of 11.2%. The number of high growth enterprises has now decreased in each of the last 3 years, perhaps somewhat unexpected given major economic shocks.
	WMCA (7 Met.) Enterprise Births ⁸ (annual – update due Nov 2023)	13,795	15,785	15,310	14,125	16,550		WMCA: 2 nd Highest CA GMCA: 17,510 (1 st) Tees Valley: 2,620 (10 th)	In the WMCA area, there were 16,550 enterprise births in 2021. This represents an increase compared to 2020 above the national average (+17.2% compared to +9.3% across the UK) and are above pre-Covid-19 levels (15,310 births in 2019).
	WMCA (7 Met.) Enterprise Deaths ⁹ (annual – update due Nov 2023)	13,735	13,670	12,080	13,745	13,220		WMCA: 2 nd Highest CA GMCA: 14,410 (1 st) Tees Valley: 2,250 (10 th)	Enterprise deaths in the WMCA area decreased by 3.8% (-525 deaths) since 2020 to 13,220 in 2021. While in contrast, the UK increased by 9.4%.
	WMCA (7 Met.) 3 Year Enterprise Survival Rates ¹⁰ (annual – update due Nov 2023)		52.8% (2015 birth)	43.4% (2016 birth)	47.7% (2017 birth)	46.9% (2018 birth)		WMCA: Lowest CA UK: 57.6% West of England: 63.3% (1 st) GMCA: 51.9% (9 th)	The WMCA area performs better on short-term survival (1 year enterprise survival rates are higher than the UK average), but lags behind when it comes to longer-term survival (2-5 years enterprise survival rates in the UK are higher than in the West Midlands). Of the 15,785 enterprise births in 2018 in the WMCA area, 46.9% (7,405) were still active after 3 years compared to 57.6% for the UK.
	WM 7 Met. Innovation Active Businesses ¹¹ (Biennial – update due May 2024)		36.0% (2016-18)			45.0% (2018-20)		WM 7 Met.: Joint 17 th (with Kent and Northumberland & Tyne & Wear) / 40 UK: 44.9% Inner London-East: 58.9% (1 st) Highlands and Islands: 38.9% (40 th)	Prior to 2016-18, the WM 7 Met. area had more "innovation active" businesses than UK-wide proportions. There was a notable drop in 2016-18 which reflected national trends and the WM 7 Met. figure dropped below the UK (36.8% vs 37.6%). The latest available data shows the WM 7 Met. area has rebounded and was narrowly back above the UK-wide figure (45.0% vs 44.9%).

⁷ ONS, Business Demography, UK 2021 – released November 2022

⁸ ONS, Business Demography, UK 2021 – released November 2022

⁹ ONS, Business Demography, UK 2021 – released November 2022

¹⁰ ONS, Business Demography, UK 2021 – released November 2022

¹¹ Department for Business, Energy & Industrial Strategy, UK Innovation Survey 2021 – released May 2022



WMCA ECONOMIC DASHBOARD – OCTOBER 2023

Quarterly Place Dashboard

Themes	Indicator	May 2022	June 2022	July 2022	August 2022	September 2022	October 2022	November 2022	December 2022	January 2023	February 2023	March 2023	April 2023	May 2023	June 2023	Trend	Relative to Peer Group	Commentary																														
Place	Birmingham City Centre Rent ¹¹ (Quarterly – update due Nov 2023)		£39.00 Per Sq ft (Q2)			£40.00 Per Sq ft (Q3)			£40.00 Per Sq ft (Q4)			£40.00 Per Sq ft (Q1)			£41.00 Per Sq ft (Q2)	<table border="1"> <thead> <tr> <th>Year</th> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>£33.00</td> <td>£34.00</td> <td>£34.00</td> <td>£34.50</td> </tr> <tr> <td>2020</td> <td>£34.50</td> <td>£37.00</td> <td>£37.00</td> <td>£37.50</td> </tr> <tr> <td>2021</td> <td>£37.00</td> <td>£37.00</td> <td>£37.50</td> <td>£37.50</td> </tr> <tr> <td>2022</td> <td>£39.00</td> <td>£39.00</td> <td>£40.00</td> <td>£40.00</td> </tr> <tr> <td>2023</td> <td>£40.00</td> <td>£41.00</td> <td></td> <td></td> </tr> </tbody> </table>	Year	Q1	Q2	Q3	Q4	2019	£33.00	£34.00	£34.00	£34.50	2020	£34.50	£37.00	£37.00	£37.50	2021	£37.00	£37.00	£37.50	£37.50	2022	£39.00	£39.00	£40.00	£40.00	2023	£40.00	£41.00			Birmingham: 3 rd Highest/ 9 Bristol and Edinburgh: £42.50 (Joint 1 st) Cardiff: £25.00 (9 th)	The city's prime rent is at £41.00 per Sq. ft, up 5.1% on last year.
	Year	Q1	Q2	Q3	Q4																																											
2019	£33.00	£34.00	£34.00	£34.50																																												
2020	£34.50	£37.00	£37.00	£37.50																																												
2021	£37.00	£37.00	£37.50	£37.50																																												
2022	£39.00	£39.00	£40.00	£40.00																																												
2023	£40.00	£41.00																																														
	WMCA (7 Met.) Gigabit broadband Connectivity ¹² (tri-annual – update due Dec 2023)	84.0% (As of May 2022)				88.7% (As of Sep 2022)				90.1% premises (As of Jan 2023)				90.6% premises (As of May 2023)	<table border="1"> <thead> <tr> <th>At</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Sep-20</td> <td>70%</td> </tr> <tr> <td>Jan-21</td> <td>78%</td> </tr> <tr> <td>May-21</td> <td>78%</td> </tr> <tr> <td>Sep-21</td> <td>83%</td> </tr> <tr> <td>Jan-22</td> <td>84%</td> </tr> <tr> <td>May-22</td> <td>86%</td> </tr> <tr> <td>Sep-22</td> <td>88.7%</td> </tr> <tr> <td>Jan-23</td> <td>90.1%</td> </tr> <tr> <td>May-23</td> <td>90.6%</td> </tr> </tbody> </table>	At	Value	Sep-20	70%	Jan-21	78%	May-21	78%	Sep-21	83%	Jan-22	84%	May-22	86%	Sep-22	88.7%	Jan-23	90.1%	May-23	90.6%	WMCA: Highest CA UK: 73.6% Tees Valley: 90.5% (2 nd) North East: 68.3% (10 th)	As of May 2023, 90.6% of premises in the WMCA area had gigabit broadband availability - significantly above the UK-wide figure of 73.6%.											
At	Value																																															
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¹¹ Avison Young, The Big Nine – created August 2023.

¹² Ofcom, connected nations – released September 2023 (RAG rating based on quarterly change).



WMCA ECONOMIC DASHBOARD – OCTOBER 2023

Quarterly Economy Dashboard

Themes	Indicator	June 2022	July 2022	August 2022	September 2022	October 2022	November 2022	December 2022	January 2023	February 2023	March 2023	April 2023	May 2023	June 2023	Trend	Relative to Peer Group	Commentary
Economy	Regional Exports in Goods ¹⁴ (quarterly – update due Dec 2023)	£26.5bn (Year to Q2 2022)			£28.0bn (Year to Q3 2022)			£29.9bn (Full Year 2022)			£31.6bn (Year to Q1 2023)			£33.4bn (Year to Q2 2023)		WM – 5 th Highest Region South East: 11.7% (1 st) Northern Ireland: 2.7% (12 th)	<p>Since the year ending Q2 2022, the West Midlands region's total value in goods exports increased by £6.9bn (+26.1%) to £33.4bn in the year ending Q2 2023 – the highest increase reported across all UK regions. The overall value of UK trade in goods exports increased at a slower rate, by 12.2% (to £379.8bn) in the year ending Q2 2023.</p> <p>The West Midlands had a trade deficit of £9.1bn in the year ending Q2 2023.</p>
	Regional Imports in Goods ¹⁵ (quarterly – update due Dec 2023)	£39.3bn (Year to Q2 2022)			£40.9bn (Year to Q3 2022)			£42.6bn (Full Year 2022)			£42.7bn (Year to Q1 2023)			£42.5bn (Year to Q2 2023)		WM – 6 th Highest Region South East: 18.1% (1 st) Northern Ireland: 1.6% (12 th)	<p>Since the year ending Q2 2022, the value of West Midlands region imports increased by £3.2bn (+8.1%) to £42.5bn in the year ending Q2 2023. UK-wide total imports increased by 12.2% to £627.8bn.</p>

¹⁴ HMRC, UK regional trade in goods statistics – released September 2023. Data is not comparable across the dashboard; the RAG rating is comparing the same period to the previous year.

¹⁵ HMRC, UK regional trade in goods statistics – released September 2023. Data is not comparable across the dashboard; the RAG on this occasion has not been applied.



WMCA ECONOMIC DASHBOARD – OCTOBER 2023

Annual Economy Dashboard

Themes	Indicator	2017	2018	2019	2020	2021	2022	2023	Trend	Relative to Peer Group	Commentary
Economy	WMCA (3 LEP) FDI Projects ¹⁴ (annual – update due Jun/Jul 2024)	114 (2016/17)	140 (2017/18)	131 (2018/19)	130 (2019/20)	118 (2020/21)	132 (2021/22)	160 (2022/23)			In total there has been 1,446 FDI projects from 2011/12 to 2022/23 in the WMCA (3 LEP) area. Data shows for 2022/23 there were 160 FDI projects to the WMCA (3 LEP) area, an increase of 21.2% (+28) compared to an increase of 4.1% for the UK since 2021/22. Black Country LEP total FDI projects decreased by 32.0% (-8) since 2021-22 to 17 in 2022-23. Coventry & Warwickshire LEP increased by 24.4% (+11) to 56 and Greater Birmingham & Solihull LEP increased by 40.3% (+25) to 87.
	WMCA (3 LEP) FDI New Jobs ¹⁵ (annual – update due Jun/Jul 2024)	5,149 (2016/17)	7,933 (2017/18)	4,666 (2018/19)	3,558 (2019/20)	4,183 (2020/21)	4,176 (2021/22)	7,605 (2022/23)			In total there has been 70,072 new jobs created from FDI projects from 2011/12 to 2022/23 in the WMCA (3 LEP) area. Data shows for 2022/23 there were 7,605 new jobs in the WMCA (3 LEP) area, an increase of 82.1% (+3,429) compared to a decrease of 6.1% for the UK since 2021/22. Black Country LEP new jobs from FDI projects increased by 9.5% (+55) since 2021-22 to 634 in 2022-23. Coventry & Warwickshire LEP increased by 108.3% (+1,661) to 3,195 and Greater Birmingham & Solihull LEP increased by 83.0% (+1,713) to 3,776.
	WMCA (7 Met.) GVA per Hour ¹⁶ (Annual – TBC update due Jun 2024)	£30.96	£31.85	£32.69	£33.55	£34.05				WMCA: 5 th Highest CA / 11 UK: £38.33 Greater London Authority: £51.08 (1 st) South Yorkshire Mayoral CA: £30.04 (11 th)	In 2021, GVA per hour in the WMCA area was £34.05. Since 2020, the WMCA area increased by 1.5% (+£0.50), which matched the UK growth rate. When compared to 2019, GVA per hour in the WMCA area increased by 4.2% (+£1.36) while the UK increased by 4.5% (+£1.64). In 2021, UK GVA per hour was £38.33 meaning the WMCA area had a shortfall of £4.28.
	WMCA (7 Met.) Total GVA – Chained Volume Measures in 2019 Money Value ¹⁷ (Annual – update due Mar 2024)	£69.9bn	£71.0bn	£70.0bn	£61.8bn	£66.6bn				WMCA: 3 rd Highest CA / 11 Greater London Authority: £460.1bn (1 st) Tees Valley CA: £13.4bn (11 th)	In 2021, total GVA for the WMCA area was £66.6bn. An increase of 7.8% (+£4.8bn), which matched the UK growth rate. The latest annual change follows two years of declines in the WMCA (2018/19: -1.4%, UK +1.7% and 2019/20: -11.7%, UK -10.6%).

¹⁴ Department for Business and Trade (DBT), inward investment results – released July 2023.
¹⁵ DBT, inward investment results – released July 2023.
¹⁶ ONS, subregional productivity in the UK – released June 2023.
¹⁷ ONS, Regional economic activity by gross domestic product, UK: 1998 to 2021 – released April 2023.



WMCA ECONOMIC DASHBOARD – OCTOBER 2023

Themes	Indicator	2017	2018	2019	2020	2021	2022	2023	Trend	Relative to Peer Group	Commentary
Economy	WMCA (7 Met.) Exports in Services ²⁰ (Annual – update due TBC 2024)	£7.1bn	£7.9bn	£8.2bn	£7.4bn	£7.3bn				WM 7 Met.: 11 th Highest ITL 2 / 31 Inner London - West: £96.5bn (1 st) Cornwall & Isles of Scilly: £562m (36 th)	Since the year ending 2020, the WMCA's total value in service exports decreased by £123m (-1.7%) to £7.3bn in 2021. The overall value of UK trade in service exports increased, by 6.8% (to £330.7bn) in 2021. The WMCA had a trade surplus of £3.6bn in 2021.
	WMCA (7 Met.) Imports in Services ²¹ (Annual – update due TBC 2024)	£3.2bn	£3.8bn	£4.1bn	£4.0bn	£3.6bn				WM 7 Met.: 13 th Highest ITL 2 / 41 Inner London - West: £38.1bn (1 st) Cornwall & Isles of Scilly: £170m (36 th)	Since 2020, the value of WMCA imports decreased by £408m (-10.2%) to £3.6bn in 2021. UK-wide total imports increased by 12.5% to £189.6bn.

²⁰ ONS, International trade in UK nations, regions and cities: 2021 – released June 2023.

²¹ ONS, International trade in UK nations, regions and cities: 2021 – released June 2023.



WMCA ECONOMIC DASHBOARD – OCTOBER 2023

Monthly People Dashboard

Themes	Indicator	September 2022	October 2022	November 2022	December 2022	January 2023	February 2023	March 2023	April 2023	May 2023	June 2023	July 2023	August 2023	September 2023	Trend	Relative to Peer Group	Commentary											
People	WMCA (7 Met.) Claimants (16+) ¹³ (monthly update)	120,045 (6.5% of Pop. aged 16-64)	118,890 (6.5% of Pop. aged 16-64)	120,155 (6.5% of Pop. aged 16-64)	120,795 (6.6% of Pop. aged 16-64)	119,470 (6.5% of Pop. aged 16-64)	120,960 (6.6% of Pop. aged 16-64)	123,900 (6.7% of Pop. aged 16-64)	127,325 (6.9% of Pop. aged 16-64)	124,230 (6.7% of Pop. aged 16-64)	124,225 (6.7% of Pop. aged 16-64)	124,505 (6.8% of Pop. aged 16-64)	123,075 (6.7% of Pop. aged 16-64)	124,880 (6.8% of Pop. aged 16-64)	<table border="1"> <tr><th>Sep 2019</th><th>Sep 2020</th><th>Sep 2021</th><th>Sep 2022</th><th>Sep 2023</th></tr> <tr><td>92,855</td><td>170,910</td><td>147,320</td><td>120,045</td><td>124,880</td></tr> </table>	Sep 2019	Sep 2020	Sep 2021	Sep 2022	Sep 2023	92,855	170,910	147,320	120,045	124,880	WMCA: Highest CA UK: 3.7% GMCA: 4.9% (2 nd) West of England: 2.6% (10 th)	There were 124,880 claimants in the WMCA area in September 2023. Since August 2023, there has been an increase of 1.5% (+1,805) claimants in the WMCA, the UK increased by 0.9%. When compared to March 2020 (pre-Coronavirus pandemic), claimants have increased by 25.8% (+25,580) in the WMCA area, with the UK increasing by 21.7%.	
	Sep 2019	Sep 2020	Sep 2021	Sep 2022	Sep 2023																							
	92,855	170,910	147,320	120,045	124,880																							
	WMCA (7 Met.) Youth Claimants (18-24) ¹³ (monthly update)	21,105 (7.4% of Pop. aged 18-24)	21,270 (7.5% of Pop. aged 18-24)	21,615 (7.6% of Pop. aged 18-24)	21,770 (7.7% of Pop. aged 18-24)	21,490 (7.6% of Pop. aged 18-24)	22,150 (7.8% of Pop. aged 18-24)	22,725 (8.0% of Pop. aged 18-24)	22,945 (8.1% of Pop. aged 18-24)	22,945 (8.1% of Pop. aged 18-24)	22,735 (8.0% of Pop. aged 18-24)	22,855 (8.0% of Pop. aged 18-24)	23,150 (8.2% of Pop. aged 18-24)	23,325 (8.2% of Pop. aged 18-24)	23,910 (8.4% of Pop. aged 18-24)	<table border="1"> <tr><th>Sep 2019</th><th>Sep 2020</th><th>Sep 2021</th><th>Sep 2022</th><th>Sep 2023</th></tr> <tr><td>17,980</td><td>34,870</td><td>27,000</td><td>21,105</td><td>23,910</td></tr> </table>	Sep 2019	Sep 2020	Sep 2021	Sep 2022	Sep 2023	17,980	34,870	27,000	21,105	23,910	WMCA: Highest CA UK: 4.9% Tees Valley: 8.3% (3 rd) West of England: 2.4% (10 th)	In September 2023, there were 23,910 youth claimants in the WMCA area. Since August 2023, there was an increase of 2.5% (+585) youth claimants in the WMCA area, the UK increased by 1.3%. When compared to March 2020 (pre-Coronavirus pandemic), youth claimants have increased by 24.8% (+4,755) in the WMCA area, with the UK increasing by 14.6%.
Sep 2019	Sep 2020	Sep 2021	Sep 2022	Sep 2023																								
17,980	34,870	27,000	21,105	23,910																								
WM 7 Met. Payrolled Employees ¹⁴ (monthly update)	1,216,641	1,223,922	1,235,751	1,234,311	1,223,156	1,223,019	1,224,588	1,226,695	1,233,488	1,240,493	1,241,376	1,235,030	1,238,132	<table border="1"> <tr><th>Sep 2019</th><th>Sep 2020</th><th>Sep 2021</th><th>Sep 2022</th><th>Sep 2023</th></tr> <tr><td>1,175,021</td><td>1,140,893</td><td>1,182,969</td><td>1,216,641</td><td>1,238,132</td></tr> </table>	Sep 2019	Sep 2020	Sep 2021	Sep 2022	Sep 2023	1,175,021	1,140,893	1,182,969	1,216,641	1,238,132	WM 7 Met.: 3 rd Highest NUTS 2 / 41 Surrey, East & West Sussex: 1,309,038 (1 st) Highlands & Islands: 208,637 (41 st)	The latest (provisional) figures show that there was a rise in payrolled employees for the WM 7 Met. area (+0.3% vs -0.1% UK). There were nearly 1.24m payrolled employees in the WM 7 Met. area in September 2023. When compared to March 2020 payrolled employees were 5.9% higher (+69,154 in the WM 7 Met. area – above the UK growth of 4.4%).		
Sep 2019	Sep 2020	Sep 2021	Sep 2022	Sep 2023																								
1,175,021	1,140,893	1,182,969	1,216,641	1,238,132																								
WMCA (7 Met.) Employment Rate ¹⁵ (quarterly – update due Jan 2024)	68.9% (Year Ending Sep 2022)			69.2% (Full Year 2022)				68.6% (Year Ending Mar 2023)			69.8% (Year Ending Jun 2023)			<table border="1"> <tr><th>Year to June 2018</th><th>Year to June 2019</th><th>Year to June 2020</th><th>Year to June 2021</th><th>Year to June 2022</th><th>Year to June 2023</th></tr> <tr><td>68.9%</td><td>68.9%</td><td>69.2%</td><td>68.6%</td><td>69.8%</td><td>69.8%</td></tr> </table>	Year to June 2018	Year to June 2019	Year to June 2020	Year to June 2021	Year to June 2022	Year to June 2023	68.9%	68.9%	69.2%	68.6%	69.8%	69.8%	WMCA: Lowest CA UK: 75.5% Cambridgeshire & Peterborough: 78.7% (1 st) North of Tyne: 70.2% (9 th)	In the year ending June 2023, the employment rate in the WMCA area was 69.8%, compared to 75.5% UK-wide. The WMCA area increased by 0.1pp when compared to the year ending June 2022. For the WMCA area to reach the UK rate of 75.5%, an additional 105,761 people are required to be employed.
Year to June 2018	Year to June 2019	Year to June 2020	Year to June 2021	Year to June 2022	Year to June 2023																							
68.9%	68.9%	69.2%	68.6%	69.8%	69.8%																							

¹³ ONS/DWP, claimant count – released October 2023.

¹⁴ ONS/DWP, claimant count – released October 2023.

¹⁵ ONS, Labour Market in the Regions of the UK – released October 2023.

¹⁶ ONS, Annual Population Survey – released October 2023. Please note, figures are not comparable across the dashboard.



WMCA ECONOMIC DASHBOARD – OCTOBER 2023

Themes	Indicator	September 2022	October 2022	November 2022	December 2022	January 2023	February 2023	March 2023	April 2023	May 2023	June 2023	July 2023	August 2023	September 2023	Trend	Relative to Peer Group	Commentary
People	WMCA (7 Met.) Economic Inactivity Rate ¹⁶ (quarterly – update due Jan 2024)	26.1% (Year Ending Sep 2022)			26.1% (Full Year 2022)			26.5% (Year Ending Mar 2023)			25.2% (Year Ending Jun 2023)					WMCA: 3 rd Highest CA UK: 21.5% North of Tyne: 26.9% (1 st) Cambridgeshire & Peterborough and West of England: 18.2% (10 th)	In the year ending June 2023, the economic inactivity rate in the WMCA area was 25.2%, a decrease of 0.7pp from the year ending June 2022. Over the same period the UK decreased by 0.1pp to 21.5%. The WMCA area had a higher percentage of people that were inactive when compared to the UK in three categories; students (29.0% vs 26.7%), looking after the family/home (26.1% vs 19.5%) and discouraged (0.6% vs 0.3%) and matched for temporary sick (2.3%).
	WMCA (7 Met.) Modelled Unemployment ¹⁷ (quarterly – update due Jan 2024)	6.7% (Year Ending Sep 2022)			6.2% (Full Year 2022)			6.6% (Year Ending Mar 2023)			6.6% (Year Ending Jun 2023)					WMCA: Highest CA England: 3.8% North East: 4.5% (2 nd) West of England: 3.6% (10 th)	In the year ending June 2023, the modelled unemployment rate in the WMCA area was 6.6%, compared to 3.8% for England-wide. The modelled unemployment rate for the WMCA area increased by 0.2pp when compared to the year ending June 2022. England's modelled unemployment rate decreased by 0.1pp.
	WMCA (7 Met.) Economic Activity Rate ¹⁸ (quarterly – update due Jan 2024)	73.9% (Year Ending Sep 2022)			73.9% (Full Year 2022)			73.5% (Year Ending Mar 2023)			74.8% (Year Ending Jun 2023)					WMCA: 3 rd Lowest CA UK: 78.5% Cambridgeshire & Peterborough: 81.8% (1 st) North of Tyne: 73.1% (10 th)	In the year ending June 2023, the economic activity rate in the WMCA area was 74.8%, compared to 78.5% UK-wide. The economic activity rate for the WMCA area increased by 0.7pp and for the UK, increased by 0.1pp when compared to the year ending June 2022. For the WMCA area to reach the UK rate of 78.3%, an additional 67,816 people are required.
	WMCA (7 Met.) Unique Job Postings ¹⁹ (monthly update)	92,828	95,762	97,637	94,433	94,418	101,905	114,057	110,591	124,571	125,028	117,603	95,013	84,303		WMCA: 2 nd Highest CA GMCA: 88,864 (1 st) Tees Valley: 12,015 (10 th)	There were 84,303 unique active jobs postings in September 2023. This has decreased by 10,710 since August 2023. When compared to September 2022, unique job postings decreased by 8,525.

¹⁶ ONS, Annual Population Survey – released October 2023. Please note, figures are not comparable across the dashboard.
¹⁷ ONS, modelled based estimates of unemployment – released October 2023. Please note, figures are not comparable across the dashboard.
¹⁸ ONS, Annual Population Survey – released October 2023. Please note, figures are not comparable across the dashboard.
¹⁹ Lightcast – accessed October 2023.



WMCA ECONOMIC DASHBOARD – OCTOBER 2023

Annual People Dashboard

Themes	Indicator	2017	2018	2019	2020	2021	2022	2023	Trend	Relative to Peer Group	Commentary
	<p>WMCA (7 Met.) Not In Education, Employment or Training (NEET)³⁰</p> <p>(Annual – update due Jul 2024)</p>		7.1%	6.7%	5.8%	6.0%	5.2%	4.8%		England: 5.2%	In 2023, in the WMCA area, 4.8% of residents aged 16-17 years old were NEET (including not known). This has decreased by 0.4pp in the WMCA area, while for the UK there was an increase of 0.5pp since 2022.
	<p>WMCA (7 Met.) Working Age Population with No Qualifications³¹</p> <p>(Annual – update due Apr 2024)</p>						10.6%			<p>WMCA: Highest CA UK: 7.0%</p> <p>West Yorkshire: 9.5% (2nd)</p> <p>West of England: 5.4% (10th)</p>	In 2022, in the WMCA area, 10.6% (184,000) of the working age population had no qualifications, this was above the UK-wide average of 7.0%. To match the UK proportion, 62,465 residents in the WMCA area would need to gain a qualification.
	<p>WMCA (7 Met.) Working Age Population with RQF4+ Qualifications³²</p> <p>(Annual – update due Apr 2024)</p>						37.8%			<p>WMCA: 3rd Lowest CA UK: 45.5%</p> <p>West of England: 54.5% (1st)</p> <p>Tees Valley: 33.1% (10th)</p>	In 2022, in the WMCA area, 37.8% (656,400) of the working age population had RQF4+ qualifications. This was below the UK-wide average of 45.5%, meaning there was a shortfall in the WMCA area of 134,215 people.
	<p>WMCA (7 Met.) Average Life Satisfaction Score³³</p> <p>(Annual – update due Nov 2023)</p>	7.54 (Year Ending Mar 2017)	7.51 (Year Ending Mar 2018)	7.56 (Year Ending Mar 2019)	7.56 (Year Ending Mar 2020)	7.38 (Year Ending Mar 2021)	7.44 (Year Ending Mar 2022)			<p>WMCA: 3rd Lowest CA UK: 7.54</p> <p>North of Tyne: 7.63 (1st)</p> <p>Liverpool City Region: 7.38 (10th)</p>	For 2022, the average life satisfaction score for the WMCA area was 7.44 (out of 10), below the UK-wide average of 7.54. Since 2021, there was an increase of 0.07 for the WMCA area compared to an increase 0.15 UK-wide.

³⁰ Department for Education, Participation in education, training and NEET age 16 to 17 by local authority – released July 2023. Participation estimates are based on data collected in March each year. In order to ensure the most robust estimates of NEET and not known rates an average of December/January/February data is used for an estimate around the end of the calendar year.

³¹ ONS, Annual Population Survey – released August 2023. Please note, National Vocational Qualifications (NVQ) estimates have been replaced with estimates on a Regulated Qualifications Framework (RQF) basis. RQF based estimates are available for the Jan - Dec 2022 survey period, while estimates prior to Jan - Dec 2022 remain on an NVQ basis. Due to this change, trend analysis has been excluded.

³² ONS, Annual Population Survey – released August 2023. Please note, National Vocational Qualifications (NVQ) estimates have been replaced with estimates on a Regulated Qualifications Framework (RQF) basis. RQF based estimates are available for the Jan - Dec 2022 survey period, while estimates prior to Jan - Dec 2022 remain on an NVQ basis. Due to this change, trend analysis has been excluded.

³³ ONS, Annual personal well-being estimates – released October 2022. Respondents were asked "Overall, how satisfied are you with your life nowadays? Where 0 is 'not at all satisfied' and 10 is 'completely satisfied'"



WMCA ECONOMIC DASHBOARD – OCTOBER 2023

Themes	Indicator	2017	2018	2019	2020	2021	2022	2023	Trend	Relative to Peer Group	Commentary
	WMCA (7 Met.) Average Worthwhile Score ⁴⁴ (Annual – update due Nov 2023)	7.71 (Year Ending Mar 2017)	7.71 (Year Ending Mar 2018)	7.71 (Year Ending Mar 2019)	7.70 (Year Ending Mar 2020)	7.70 (Year Ending Mar 2021)	7.71 (Year Ending Mar 2022)			WMCA: 4 th Lowest CA UK: 7.77 West Yorkshire: 7.85 (1 st) West of England: 7.65 (10 th)	For 2022, the average worthwhile score for the WMCA area was 7.71 (out of 10), below the UK-wide average of 7.77. Since 2021, there was an increase of 0.01 for the WMCA area compared to an increase 0.06 UK-wide.
	WMCA (7 Met.) Average Happiness Score ⁴⁵ (Annual – update due Nov 2023)	7.37 (Year Ending Mar 2017)	7.39 (Year Ending Mar 2018)	7.40 (Year Ending Mar 2019)	7.35 (Year Ending Mar 2020)	7.24 (Year Ending Mar 2021)	7.38 (Year Ending Mar 2022)			WMCA: 5 th Lowest CA UK: 7.45 Cambridgeshire & Peterborough: 7.51 (1 st) Liverpool City Region: 7.35 (10 th)	For 2022, the average happiness score for the WMCA area was 7.38 (out of 10), below the UK-wide average of 7.45. Since 2021, there was an increase of 0.14 for the WMCA area compared to an increase 0.13 UK-wide.
	WMCA (7 Met.) Average Anxiety Score ⁴⁶ (Annual – update due Nov 2023)	2.81 (Year Ending Mar 2017)	2.71 (Year Ending Mar 2018)	2.74 (Year Ending Mar 2019)	2.89 (Year Ending Mar 2020)	3.30 (Year Ending Mar 2021)	3.12 (Year Ending Mar 2022)			WMCA: 5 th Highest CA UK: 3.12 West of England: 3.25 (1 st) Cambridgeshire & Peterborough: 3.03 (10 th)	For 2022, the average anxiety score for the WMCA area was 3.12 (out of 10), matching the UK average. Since 2021, there was a decrease of 0.18 for the WMCA area compared to a decrease 0.19 UK-wide.
	WMCA (7 Met.) Living Wage Foundation Rates (All) ⁴⁷ (Annual – update TBC 2023)	23.7%	23.5%	20.8%	20.1%	19.0%	12.6%			WMCA: 4 th Lowest CA UK: 12.2% Tees Valley: 17.7% (1 st) Cambridgeshire & Peterborough: 6.8% (10 th)	In 2022, approximately 12.6% of all jobs were earning below the Living Wage Foundation rates in the WMCA area. Since 2021, the proportion fell at a quicker rate for the WMCA than nationally (-6.4pp compared to -4.9pp) but remains slightly above the UK average (12.2%).

⁴⁴ ONS, Annual personal well-being estimates – released October 2022. Respondents were asked "Overall, to what extent do you feel the things you do in your life are worthwhile? Where 0 is 'not at all worthwhile' and 10 is 'completely worthwhile'".

⁴⁵ ONS, Annual personal well-being estimates – released October 2022. Respondents were asked "Overall, how happy did you feel yesterday? Where 0 is 'not at all happy' and 10 is 'completely happy'".

⁴⁶ ONS, Annual personal well-being estimates – released October 2022. Respondents were asked "Overall, how anxious did you feel yesterday? Where 0 is 'not at all anxious' and 10 is 'completely anxious'".

⁴⁷ ONS, Number and proportion of employee jobs with hourly pay below the living wage – released October 2022.

3.2 EIU review of regional economic shocks, investment, deals, and opportunities

New economic shocks – Economic Intelligence Unit

COMPANY	LOCATION	SECTOR	DETAIL
ArcelorMittal Distribution Solutions	Willenhall	Manufacturing	Members of union Unite at a Willenhall steel factory are staging a series of strikes over low pay. ArcelorMittal Distribution Solutions at Strawberry Lane makes products for the automotive and construction industries. The workers earn an average of £11.24 per hour, with some receiving just the national minimum wage. They have rejected a pay rise of seven per cent.
Kroll	Birmingham	Logistics	All operations at a Birmingham-headquartered logistics firm have ceased and 444 staff have been made redundant with immediate effect after the group fell into administration. Kroll were appointed as administrators of the Lloyd Fraser Group including its five subsidiaries by financial services firm Close Brothers, with operations shutting down on September 22.
Vale Brothers	Walsall	Manufacturing	The world's largest manufacturer of horse grooming brushes, established in 1786, is facing an uncertain future. Vale Brothers, which is based in Walsall and has been in business for almost 240 years, has posted a notice of intention to appoint administrators. The move will protect the company from creditor action for around two weeks as it seeks a way forward.
Velvet Music Rooms	Birmingham	Hospitality	After nearly 20 years of trading on Broad Street, Velvet Music Rooms Street venue has closed its doors.
Colmore Tang Projects	Birmingham	Construction	A Colmore Tang Construction subsidiary is the subject of a winding-up petition from HMRC. Colmore Tang Projects, however, told TheBusinessDesk.com that it was "business as usual".
Wiggle	Bilston	Retail	Online cycling and sports retailer WiggleCRC – which has a 320,000 sq ft warehouse at Bilston – is set to be put up for sale. Wiggle, which has its head office at Portsmouth and employs 450 staff, appointed Anthony Wright and Alastair Massey from FRP Advisory as administrators on October 25. All staff have been retained by the joint administrators at this stage.
Kagool	Coventry	Technology	A Coventry data, analytics and ERP firm that has offices throughout the world, looks set to call in administrators. TheBusinessDesk.com understand that Kagool, which was set-up in 2004 and is based at the 68,000 sq ft Friars House in the city, has filed for administration through London law firm Francis, Wilks & Jones.

New investment, deals and opportunities – Economic Intelligence Unit

COMPANY	LOCATION	SECTOR	DETAIL
Severn Trent	Region-wide	Water	Severn Trent has revealed a major investment plan which could lead to the creation of 7,000 jobs across the Midlands. The company is looking to raise £1 billion to help support a transformation plan which could lead to a major employment boost for the region.
Jaguar Land Rover	Region-wide	Automotive	JLR has reported increased sales volumes worldwide for the second quarter of 2023-2024. Wholesale volumes in the period were 96,817 – up 29 per cent compared to the same quarter a year ago and up four per cent on the quarter to the end of June, despite taking in the annual two-week summer plant shutdown.
KWB	Solihull	Property	A self-contained, refurbished headquarters building at Blythe Valley Park in Solihull has been placed on the market. Nelson House is 14,792 sq ft in total across three floors and has a full height reception with access to the upper floors via a passenger lift or feature steel and glass staircase.
Radshape Sheet Metal	Birmingham	Manufacturing	30 jobs have been secured at a Midlands-based sheet metal manufacturer following its acquisition. Radshape Sheet Metal has been acquired by specialist steel and fabric firm Beakbane Ltd. The company continue to operate from its Aston-based facility under the new brand name 'Beakbane Precision Ltd'.
Aurrigo / International Airlines Group	Coventry	Autonomous Vehicles	Aurrigo International has signed a formal partnership agreement with International Airlines Group for the deployment and demonstration of its autonomous aviation technology within the UK.
Vitality CBD	Birmingham	Biotech	Yooma Wellness has sold a Birmingham-headquartered CBD company in a deal worth \$2m, to a Canadian biotech company Psilobrain Therapeutics. Vitality CBD is a premium CBD oil company backed by a team with a history in the pharmaceutical industry.
Aliter Capital / Jumar	Solihull	Tech	Private equity firm Aliter Capital LLP has completed an investment in a West Midlands-headquartered tech talent, digital transformation and technology services business. Founded in 2000, Solihull-based Jumar's team of technology experts work with customers across the public and private sectors, providing digital transformation, technology services, project outcomes, augmenting in-house resources and identifying talent to support their technology and business needs.
Orega	Birmingham	Commercial	Orega has launched its second flexible office space in Birmingham and pre-let approximately 6,000 sq ft. The company has signed a partnership with abrdn to create a flexible workspace at Ingenuity House, Bickenhill Lane, which will open in

COMPANY	LOCATION	SECTOR	DETAIL
			January 2024. The 30,500 sq ft flexible workspace will be newly refurbished to provide about 550 workstations on the ground and first floors of the building.
McDonald's / Guenther Bakeries	Coventry	Bakeries	A £38m investment has been made into the opening of a bakery in Coventry designed to create fresh buns exclusively for burgers sold by McDonald's. The site will create up to 90 jobs. McDonald's and Guenther Bakeries UK's new site will produce 72,000 buns an hour solely for the fast-food giant's restaurants. It includes a £20m investment in new technology to support its bake of up to 1.1 million buns a day.
Colliers	Solihull	Property	The 201-bedroom Voco St John's Solihull has been placed on the market by Colliers with a guide price of £25m. The hotel, which is being sold freehold and available unencumbered from management on behalf of CL Capital Global, has recently undergone a significant refurbishment and branding.
Conigital	Birmingham	Autonomous Vehicles	A Birmingham driverless vehicle company has secured £500m in Series A+ funding, as it looks to be at the forefront of the driverless technology sector. Conigital has received a combination of equity and debt investment from a partnership with a global private equity infrastructure firm, which manages £150bn in assets.
Leftfield / TR Fastenings / Red Diamond Distribution	Walsall	Industrial	Leftfield has completed the letting of two new units at Leftfield Park in Walsall, following the scheme's recent completion earlier this year. TR Fastenings, an international specialist in the design, engineering, manufacture and distribution of high quality fastenings, has acquired unit 3 totalling 75,292 sq ft on a 15-year lease, and will be using the property as its national storage and distribution HQ. Red Diamond Distribution is owned by the Mitsubishi Group and is a specialist distributor for Mitsubishi Forklift Trucks across the UK. It has acquired unit 4 on a 15-year term, which totals 35,319 sq ft. Both units are in the process of being fitted out.
PGS Group	West Bromwich	Logistics	Delivery specialist PGS Group has designed and purpose built a new 80,000 sq ft eco warehouse on its 175,000 sq ft site in West Bromwich following continued growth for the business and its customers in the last 12 months. The expansion, which involves 55 new jobs, will allow the group to better serve businesses across the West Midlands and provide them with improved, more efficient, and more sustainable service options.
National World / Midlands News Association	Region-wide	Publishing	National World, one of the UK's leading media organisations, has completed the purchase of the Midland News Association, publishers of the Express & Star and Shropshire Star.

COMPANY	LOCATION	SECTOR	DETAIL
KENJI / Rituals	Merry Hill (Dudley)	Retail	Design-led homeware retailer KENJI, and luxury beauty and wellness brand Rituals are set to open at the Merry Hill shopping centre later this year.
Rimstock	West Bromwich	Manufacturing	Jobs have been saved at Rimstock, the West Bromwich-based forged wheel manufacturer, which collapsed into administration on July 5. The business has been bought by Birmingham-based private equity firm Sarb Capital. The purchase includes Rimstock's subsidiaries in the United States and Germany.
Technology Minerals / Recyclus	Wolverhampton	Battery Recycling	The first listed UK company focused on battery metals has reached a major milestone for its lithium-ion (Li-ion) battery recycling facility in Wolverhampton. Technology Minerals subsidiary Recyclus has completed its commissioning phase at the UK-first facility, and will now commence commercial operations. It hopes to process 8,300 tonnes in the first year, using a single shift pattern of labour during the standard working week. Annual capacity will then be increased through additional shifts, with the expectation that the plant will be able to process up to 22,000 tonnes of Li-ion batteries per annum.
St. Modwen Logistics	Bilston	Logistics	St. Modwen Logistics has acquired a 267,000 sq ft logistics unit in Bilston, as it continues to be active in the West Midlands market. Titan 10 Distribution Centre, which is let to Pallet-Track one of the UK's fastest-growing palletised freight distribution companies, acts as the company's central UK hub and handles an average of 8,000 pallets per night and services its distribution network depots.
Goldilock	Wolverhampton	Cyber Security	A Wolverhampton cybersecurity company has received \$1.7m in investment from two global angel groups. Goldilock secured funding in a seed round from Harvard Business School Alumni Angels of Greater NY (HBSAANY) the largest angel network in New York, with more than 350 members that have invested in 130 early-stage companies and New York Angels (NYA) whose members have fueled 300 companies with \$160m.
Colhope (Beldray)	Bilston	Industrial Development	A Bilston industrial park has been acquired in an undisclosed deal by Colhope (Beldray), a joint venture between real estate investor Colmore Capital and wealth manager Stanhope Capital. The multi-let Beldray Industrial Park, originally acquired by the TT Group in 2016, comprises four separate industrial units totalling 81,519 sq ft.
Wienerberger Ltd	Aldridge	Brick-making	Dozens of jobs will be saved after an Aldridge brick-making firm was given the go-ahead to increase the level of clay it imports into the business. Bosses at Wienerberger Ltd said depleting clay reserves at its Sandown Works quarry on Stubbers Green Road, meant they needed to increase the import limits from 95 per cent to 100 per cent. They said continuing to collect five per cent of clay would see the operation close in less than five years.

COMPANY	LOCATION	SECTOR	DETAIL
Firsteel	Walsall	Engineering	Investment at the specialist coil metal coating company Firsteel has reached £250,000 following its recent acquisition. What More UK, manufacturer of housewares brand Wham, bought the Walsall business. Spending is being carried out on the site, people and machinery as part of a planned £1 million investment programme.
Jaguar Land Rover	Coventry	Automotive	Jaguar Land Rover has unveiled a new £250m test facility as part of plans for its "next generation" of pure electric models. The car maker said the Future Energy Lab at its engineering centre in Whitley, Coventry, had key innovations enabling the rapid testing of electric vehicles (EVs). The lab is developing Electric Drive Units for JLR's electric Range Rover, Defender, Discovery and Jaguar models. More than 200 EV engineers were already working at the facility, JLR said, with a further 150 roles being created, providing a "significant employment boost" to the region.
Several	Star City (Birmingham)	Entertainment	A trio of new leases have been signed at Star City, the family leisure entertainment complex in Birmingham. Adventure golf brand Jungle Rumble is among the newest additions at the 410,000 sq ft leisure-led mixed-use complex.
Altera Healthcare	Birmingham	Healthcare / IT	Global healthcare IT firm Altera Healthcare, one of the leading providers of electronic patient records in the UK, has made the move from London to Northspring Temple St in Birmingham city centre.
KWB / Sterling Pharmaceuticals	Longbridge (Birmingham)	Pharmaceuticals	KWB has helped source land that will see fast growing pharmaceuticals manufacturer Sterling Pharmaceuticals build a new 40,000 sq ft headquarters at St Modwen's Longbridge Business Park.
FireAngel	Coventry	Technology	A £27.68m takeover offer has been received by a Coventry-based technology company, as its new management team looks to turn the business around. The offer for FireAngel, a developer and supplier of home safety products, comes from Intelligent Safety Electronics (ISE), incorporated in Singapore and owned by Siterwell Electronics, following a challenging period.
HBD	Walsall	Development	HBD has submitted reserved matters planning for the first phase of its £188m GVA SPARK scheme – a major step forward for the 44-acre landmark logistics and manufacturing hub in Walsall.
City of Wolverhampton Council	Bilston	Development	Outline planning approval has been granted by City of Wolverhampton Council for the development of a multimillion-pound Bilston health & wellbeing facility.
University of Birmingham	Birmingham	Higher Education	A new university building designed by international MEP consultancy CPW has been handed over to the University of Birmingham. The £80m Molecular Sciences Building will be the base for more than 500 scientists leading the field in world-class research in chemical, environmental and biomolecular sciences.
BOXPARK	Digbeth (Birmingham)	Hospitality	Street food, drinks and entertainment provider BOXPARK has announced it will open a £5m Birmingham venue in 2025, creating 200 jobs. It is set to be located at Floodgate Street Arches in Digbeth.

COMPANY	LOCATION	SECTOR	DETAIL
Complex Development Projects	Coventry	Housing	Developers have won an appeal to build 690 homes on a former gasworks site in Coventry after it was turned down last year.
Recyclus Group	Tipton (Sandwell)	Recycling	The first listed UK company focused on battery metals has received final clearance from the Environmental Agency for its lead acid battery recycling plant in Tipton. Technology Minerals subsidiary Recyclus Group has secured the variation licence to commence fully automated operations, allowing it to enter the commissioning phase.
Civil Service	Birmingham	Public Sector	Deputy Prime Minister Oliver Dowden has reconfirmed the Government's plan to open another major civil service hub in the West Midlands. The Birmingham 3 Hub is due to follow the Arena Central and 23 Stephenson Street sites in central Birmingham in consolidating, creating, and relocating a significant number of civil service jobs to the city. It is hoped that the Birmingham 3 Hub will become a specialist transport office, housing up to 4,000 officials from both the Department for Transport and National Highways – alongside other departments.
IFCO	Coventry	Packaging	Packaging giant IFCO has signed a lease on a 328,305 sq ft unit at Prologis Park in Coventry. The global provider of reusable packaging solutions for fresh foods will take occupation for a term of 15 years following the completion of an on-going refurbishment.
Techsol Group	Coventry	Technology	Digital transformation specialist Techsol Group has expanded with the acquisition of a managed IT services provider. The acquisition of IBIT Solutions in Coventry will enable Techsol Group to expand its presence to the Midlands.
DPD	Wolverhampton	Logistics / Transportation	Practical completion has been reached on a 60,000 sq ft parcel hub for delivery giant DPD at Revolution Park Wolverhampton. Developed by Trebor Developments and the Schrodgers Capital's real estate team, the facility has been built to BREEAM 'Excellent' standards and an EPC A+ rating.
Holt Commercial / Driving Theory Test Centre	Coventry	Property	Two deals have been completed at a newly refurbished office building in Coventry city centre. Regional commercial property specialist Holt Commercial has let the ground floor and the first floor, totalling 7,868 sq ft, at 9 Little Park Street to office space business Regus. The 4,962 sq ft second floor has been let to the Driving Theory Test Centre.
Aon	Birmingham	Professional Services	Aon, a global professional services firm, has unveiled its new office at Birmingham's 20 Colmore Circus. The company employs approximately 400 people in Birmingham, part of a 50,000-strong worldwide team, and has agreed a ten-year lease for the entire 22,709 sq ft 12th floor of The Colmore Building, which was built on the site of the former Birmingham Post and Mail printworks
West Midlands Gigafactory	Coventry	Battery Manufacture	The West Midlands Gigafactory joint venture has confirmed that it is in advanced discussions with several Asian battery manufacturers about future investment at the Coventry site. The West Midlands Gigafactory's Coventry location is the only available site in the UK with planning permission in place for a large-scale battery production facility with capacity for up to 60GWh per annum – enough to power 600,000 electric vehicles.

COMPANY	LOCATION	SECTOR	DETAIL
Aldi	Walsall	Supermarket Retail	A new Aldi could open in Walsall Wood, creating up to 50 jobs. The Aldi supermarket giant has revealed it will put forward a planning application for a new store on Lichfield Road, on land currently occupied by The Royal Exchange.
Version1	Birmingham	Technology	The creation of a new technology hub in Birmingham could lead to the creation of 500 new jobs. Version 1, a leader in digital transformation, has announced its plans for the hub in Birmingham city centre. The company said the move is in response to increased demand for its services across the public and private sector in digital, data and cloud solutions and next generation managed services, as well as specialist AI collaboration.

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