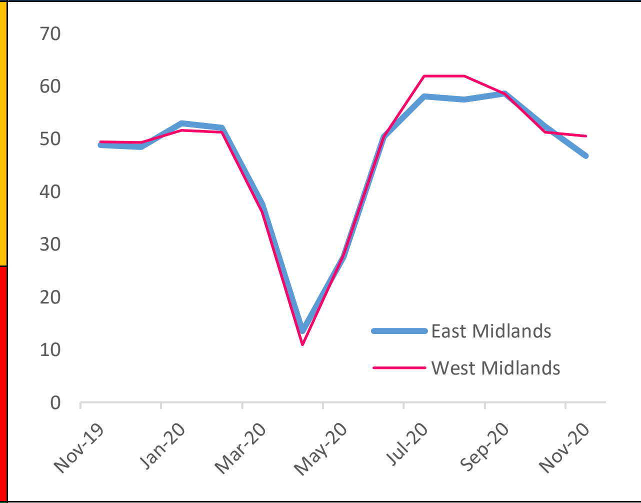
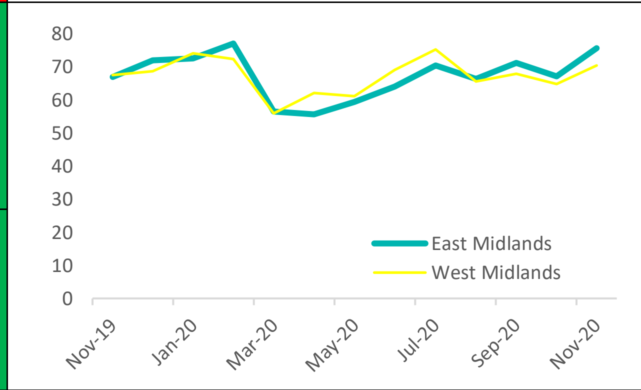
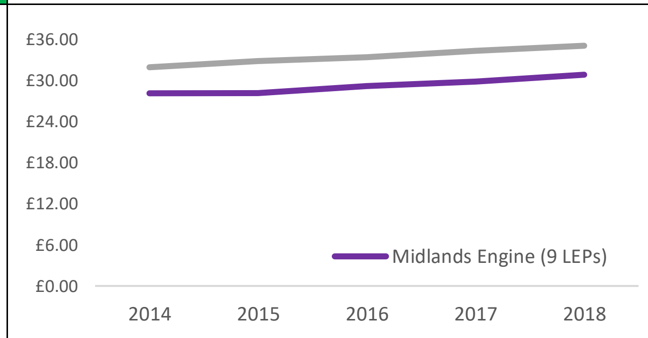
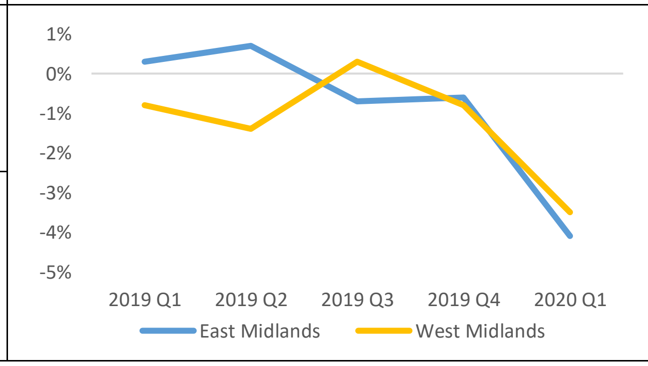
MIDLANDS ENGINE ECONOMIC DASHBOARD – DECEMBER 2020

Black Country Consortium
Economic Intelligence Unit

Theme	Indicator[1,2]	February 2020[3]	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020	November 2020	Trend	National Comparator	Commentary/ Context
Economic Growth	Business Activity Index	51.2 WM	36.1 WM	10.9 WM	27.9 WM	50.4 WM	61.9 WM	61.9 WM	58.5 WM	51.2 WM	50.5 WM		49.0 UK	The headline NatWest West Midlands Business Activity Index – a seasonally adjusted index that measures the month-on-month change in the combined output of the region's manufacturing and service sectors – posted 50.5 in November. Growth was reportedly restricted by the national lockdown, weak demand and travel restrictions.
		52.1 EM	37.6 EM	13.5 EM	32.6 EM	50.4 EM	58.1 EM	57.4 EM	58.6 EM	52.3 EM	46.8 EM			The headline NatWest East Midlands Business Activity Index (seasonally adjusted index, month-on-month change in the combined output of the region's manufacturing and service sectors) – registered 46.8 in November. The re-enforcement of tighter restrictions led to lower business activity with output falling for the first time since May.
	Future Business Activity Index	72.3 WM	55.9 WM	62.1 WM	61.1 WM	69.1 WM	75.2 WM	65.5 WM	67.8 WM	64.8 WM	70.3 WM		-	Companies in the West Midlands remain confident for a rise in output in the next 12 months with the Future Activity Index at 70.3 in November, a four-month high, but still below the UK average. Optimism from businesses stems from news of a COVID-19 vaccine.
		77.0 EM	56.4 EM	55.6 EM	59.4 EM	64.0 EM	70.4 EM	66.3 EM	71.2 EM	67.1 EM	75.6 EM			Output expectations rose to a nine-month high, with the Future Business Index registering at 75.6 in the East Midlands in November. Optimism from businesses stems from hopes that the COVID-19 pandemic will end soon.
	GVA per Hour[4]	£30.80 (2018)											£35.03 UK	GVA per hour increased by 3.5% (+£1.05) since 2017. The shortfall to the UK average (£35.03) is £4.23
	Quarterly Regional GDP		-3.5% WM 2020 Q1											There was negative GDP growth in the West Midlands for Q1 2020 by -3.5%. The UK GDP growth was also negative but at -2.5% for the same period.
			-4.1% EM 2020 Q1											Out the 12 UK regions, the second largest negative GDP growth in Q1 2020 was in the East Midlands with negative 4.1%.

[1] Indicators that are in hatched marked boxes represent regional level analysis.
[2] Sources: Department for Work and Pensions, Claimant count, December 2020, IHS Market/NatWest, PMI Survey, December 2020, EMSI, December 2020, HMRC: Coronavirus Job Retention Scheme Statistics, December 2020, ONS, GDP UK regions and Countries, November 2020, ONS, Sub regional Productivity, February 2020, Annual Population Survey, October 2020, Department for Business, Energy & Industrial Strategy, Local authority carbon dioxide emissions, June 2020, Ofcom Connected Nations, Spring 2020, Business Demography, November 2020, HMRC, UK Regional trade in goods, December 2020, NESTA, May 2020, Department for Education, July 2020
[3] Green shading shows a positive change in direction, orange shading indicates growth but at a slower rate than the UK (excluding Business Activity Index and Future Business Activity Index where growth is monitored by an index of 50 – above 50 equals growth and below 50 is decline) and red indicates a negative change. Apprenticeships Vacancies and Unique Job Postings have remained white as growth and decrease can be seen as positive, also previous data for apprenticeships starts is not available. Public Spend per head is shaded red due to the East Midlands and West Midlands the lowest regions.
[4] Annual data released in February 2020 and based on the Midlands Engine 9 LEP geography, Data has been inserted for when it was released, the reference period is 2018

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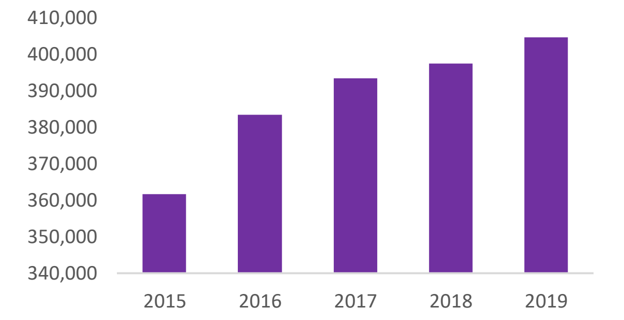
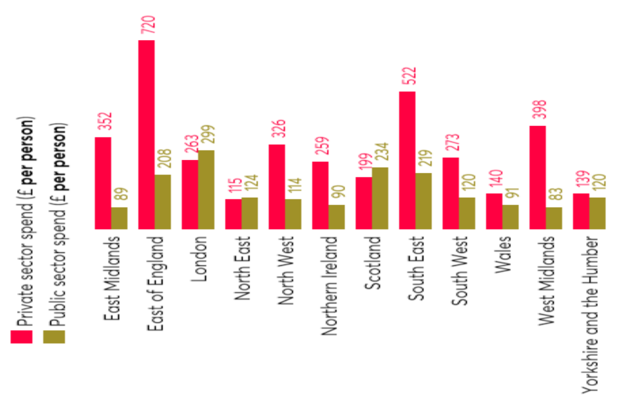
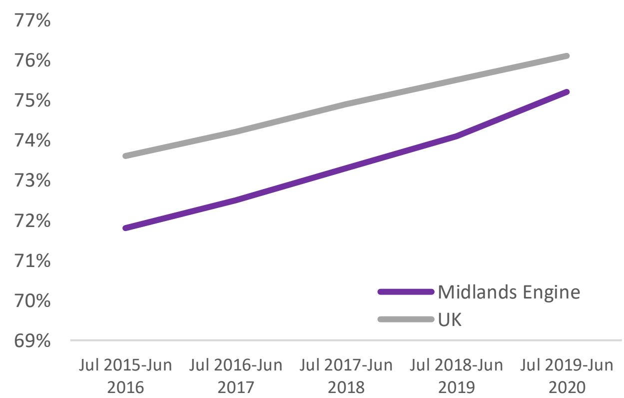
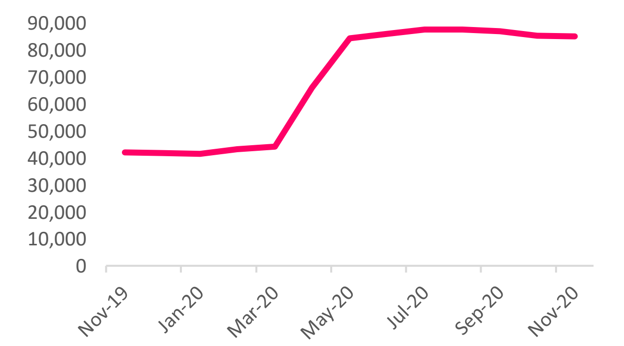
Enterprises & Innovation	Number of Enterprises[5]										404,670 391 Business Stock per 10,000 pop. (2019)		448 Business Stock per 10,000 pop.	There were 404,670 enterprises in the Midlands Engine area in 2019. This an increase of 1.8% (+7,280) since 2018, the UK increased by 2.5%. Enterprise stock per 10,000 for the Midlands Engine in 2018 was 391, this is up from 386 in 2018. To reach the UK average of 448 births per 10,000 population requires an additional 58,607 enterprises.
	Public Spend per head on R &D[6]				£83 Per Head WM									The West Midlands and the East Midlands are the third and fourth highest regions for amount of private sector spend in R&D at £398 and £353 (respectively) per head. However, in contrast the West Midlands is the lowest region for public sector spend per head in R&D at £83, this is followed closely by the East Midlands at £89.
					£89 Per Head EM									
The Labour Market	Employment Rate[7]		74.7% Apr 2019 - Mar 2020			75.2% July 2019 – June 2020							76.1% UK	The average employment rate across the Midlands Engine was 75.2% (4.74m) for year ending June 2020. For the Midlands Engine to reach the UK average employment rate (76.1%) requires an increase of 57,255 people.
	Youth Claimants (Aged 16-24)	43,255 (3.7% of 16-24 years old pop.)	44,195 (3.8% of 16 – 24 years old pop.)	65,945 (5.6% of 16 – 24 years old pop.)	84,145 (7.2% of 16 – 24 years old pop.)	85,820 (7.4% of 16 – 24 years old pop.)	85,475 (7.6% of 16 – 24 years old pop.)	87,475 (7.6% of 16 – 24 years old pop.)	86,845 (7.5% of 16 – 24 years old pop.)	85,080 (7.4% of 16 – 24 years old pop.)	84,850 (7.3% of 16 – 24 years old pop.)		7.3% of Pop. aged 16-24 years old UK	The number of youth claimants in the Midlands Engine area has decreased for two months in the row. Since October 2020, the number of claimants has decreased by 0.3% (-230) while the UK increased by 0.6%. Although, since March 2020, the number of claimants has increased by 40,655.

[5] Data has been inserted for when it was released, the reference period is 2019
[6] Data has been inserted for when it was released, the reference period is 2016
[7] Data is not comparable across the table

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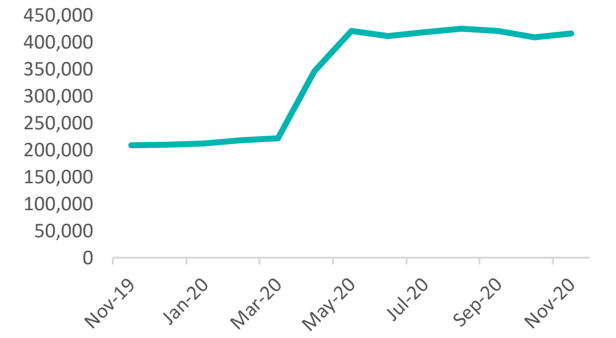
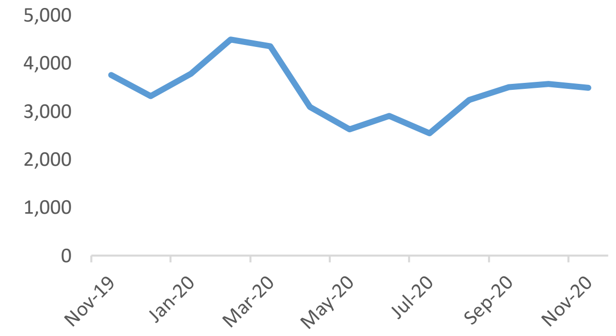
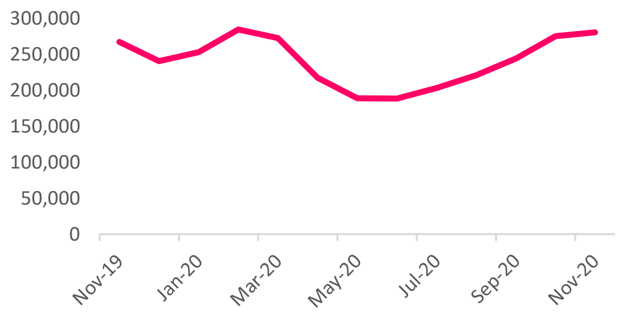
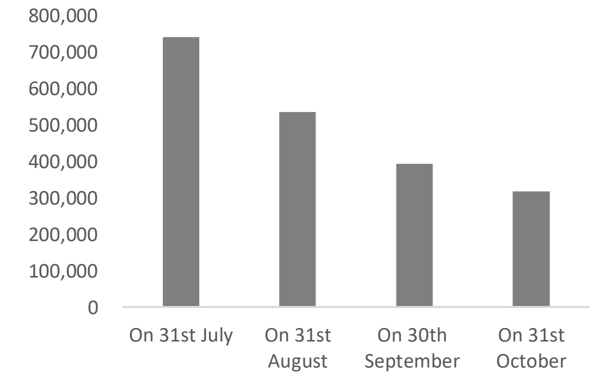
	Claimants (Aged 16+)	218,365 (2.6% of pop. aged 16+)	221,540 (2.7% of pop. aged 16+)	345,690 (4.2% of pop. aged 16+)	420,580 (5.1% of pop. aged 16+)	411,555 (4.9% of pop. aged 16+)	418,215 (5.0% of pop. aged 16+)	425,090 (5.1% of pop. aged 16+)	421,175 (5% of pop. aged 16+)	409,135 (4.9% of pop. aged 16+)	416,085 (5.0% of pop. aged 16+)		4.9% of Pop. Aged 16+ UK	There were 416,085 claimants aged 16 years and over in the Midlands Engine area in November 2020, this is an increase of 6,950 claimants since October 2020. Since March 2020 the number of claimants aged 16 years and over in the Midlands Engine area has increased by 194,545.
	Apprenticeship Vacancies	4,487	4,354	3,089	2,626	2,904	2,540	3,227	3,494	3,567	3,498			The latest data shows that apprenticeship vacancies stood at nearly 3,500 in November, after increasing for three months in a row, this has now declined.
	Unique Job Postings	238,954	272,008	216,605	188,696	188,099	202,667	220,726	243,315	275,065	280,137			The latest data shows that the number of unique jobs postings stood at over 280,000 in November 2020. This is fifth consecutive month where job postings have increased.
	Apprenticeship Starts			14,070 Q3 2019/20										The latest available apprenticeship data comprises the first three quarters of this academic year (August 2019 – April 2020). Around a third as many apprentices were recruited in January-April 2020 than in the prior two quarters.
	Total Number of Staff Furloughed				1,195,700 Claims Received Up To 31st May (cumulative)	1,404,100 Claims Received Up To 30th June (cumulative)	1,486,900 Claims Received Up To 31st July (cumulative)	533,900 On the 31st Aug.	392,20On the 30th Sept.	316,400 On the 31st Oct			Take-up Rate 8% UK on 31st October.	Previously, 1,486,900 workers in the Midlands area have been furloughed at some point. The latest data shows in total, the Midlands Engine had 316,400 employments furloughed on the 31st October. This was 7% of eligible employments furloughed for the scheme.

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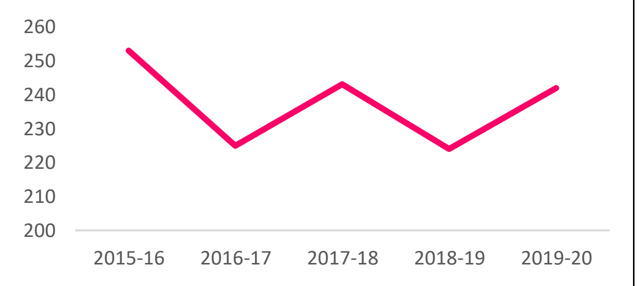
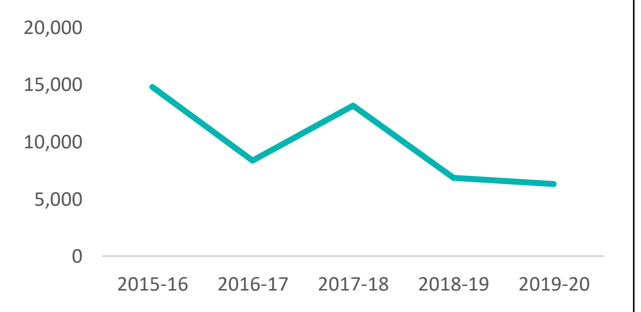
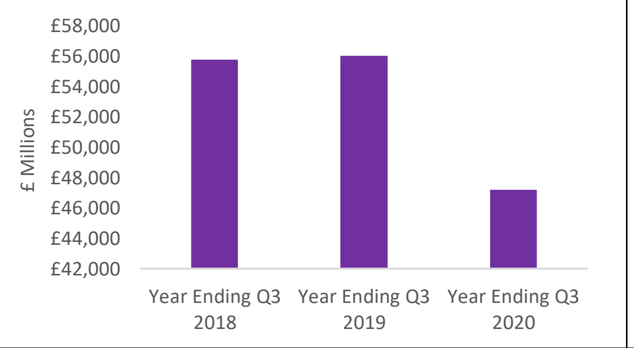
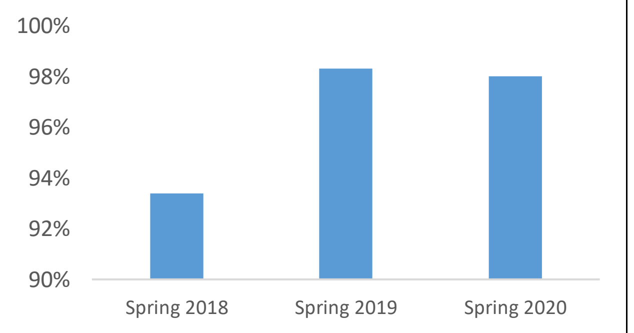
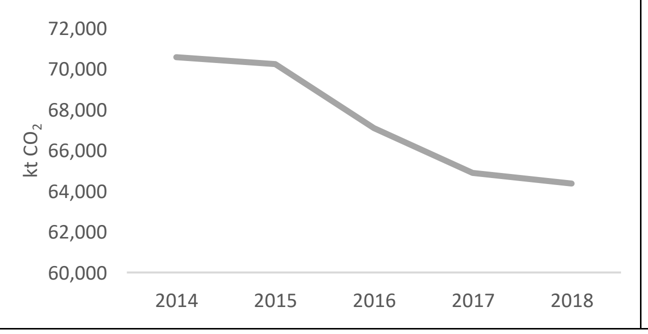
Internationalisation, Trade and Investment	FDI Projects[8]					242 2019/20								Compared to 2018/19 the number of projects has increased in the Midlands Engine by 18 which equates to an increase of 8.0% while the UK increased by 3.9%.
	New FDI Jobs					6,308# 2019/20								Following the UK trend of decline in the number of new jobs created by FDI projects – compared to 2018/19 there has been a decrease by 8.1% (-559 new jobs)- the UK decreased by 2.6%.
	Quarterly Regional Exports[9]		£54.6bn Year Ending 2020 Q1			£50.2bn Year Ending 2020 Q2			£47.2bn Year Ending 2020 Q3					Midlands Engine exports fell by £8.8bn (-15.7%) since the year ending Q3 2019 to £47.2n in the year ending Q3 2020 - the UK decreased by 13.8%. Midlands Engine imports decreased by £12.4bn (-18.4%) to £54.8bn - leading to a trade deficit of £7.6bn.
Infrastructure – Digital	NGA Broadband Availability				98.0%									The percentage of premises with access to Next Generation Access (NGA) broadband availability has decreased from 98.3% in Spring 2019 to 98.0% in Spring 2020, this is due to the increase in the number of premises and not a decrease in connectivity.
Energy	Carbon Dioxide Emissions[10]					6.3 Tonnes per Capita							5.0 Tonnes per Capita England	In 2018 the Midlands Engine emitted 64,368 kt CO_2. A decrease of 0.8% since 2017 which is lower than the England reduction of 1.6%. 44.1% of emissions (28,387 kt CO_2) was from industry and commercial (36.0% in England).
Infrastructure – Transport	Traffic Volumes							TBA						
	Rail Demand							TBA						

[8] Data has been inserted for when it was released, the reference period is 2019/20
[9] Please note, the figures stated each quarter are not comparable as they are based on to the quarter yearly figures.
[10] Data has been inserted for when it was released, the reference period is 2018