

3.0 WISE March 2025 Annex

National

Six Weekly Business Dashboard

Theme	Indicator	December 2023	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	Trend	Relative to Peer Group ¹	Commentary																									
Business	National Business Investment ² (update due Mar 2025)	£62.8bn (Q4)			£62.3bn (Q1)			£63.2bn (Q2)			£64.4bn (Q3)			£62.3bn (Q4)	<table border="1"> <thead> <tr> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>£60.6bn Q1</td> <td>£53.8bn Q1</td> <td>£58.9bn Q1</td> <td>£62.6bn Q1</td> <td>£62.3bn Q1</td> </tr> <tr> <td>£49.0bn Q2</td> <td>£58.0bn Q2</td> <td>£60.3bn Q2</td> <td>£63.2bn Q2</td> <td>£63.2bn Q2</td> </tr> <tr> <td>£54.7bn Q3</td> <td>£57.0bn Q3</td> <td>£60.9bn Q3</td> <td>£61.7bn Q3</td> <td>£64.4bn Q3</td> </tr> <tr> <td>£57.8bn Q4</td> <td>£57.2bn Q4</td> <td>£59.2bn Q4</td> <td>£62.8bn Q4</td> <td>£62.3bn Q4</td> </tr> </tbody> </table>	2020	2021	2022	2023	2024	£60.6bn Q1	£53.8bn Q1	£58.9bn Q1	£62.6bn Q1	£62.3bn Q1	£49.0bn Q2	£58.0bn Q2	£60.3bn Q2	£63.2bn Q2	£63.2bn Q2	£54.7bn Q3	£57.0bn Q3	£60.9bn Q3	£61.7bn Q3	£64.4bn Q3	£57.8bn Q4	£57.2bn Q4	£59.2bn Q4	£62.8bn Q4	£62.3bn Q4	-	<p>Provisional estimates show that UK business investment decreased by 3.2% in Q4 (October to December) 2024 to £62.3bn.</p> <p>Annual UK business investment increased by 0.8% in 2024.</p>
2020	2021	2022	2023	2024																																						
£60.6bn Q1	£53.8bn Q1	£58.9bn Q1	£62.6bn Q1	£62.3bn Q1																																						
£49.0bn Q2	£58.0bn Q2	£60.3bn Q2	£63.2bn Q2	£63.2bn Q2																																						
£54.7bn Q3	£57.0bn Q3	£60.9bn Q3	£61.7bn Q3	£64.4bn Q3																																						
£57.8bn Q4	£57.2bn Q4	£59.2bn Q4	£62.8bn Q4	£62.3bn Q4																																						

Regional

Monthly / Quarterly Business Dashboard

Theme	Indicator	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	Trend	Relative to Peer Group	Commentary										
Business	Regional Business Activity Index ³ (monthly update)	53.1	53.1	52.8	55.5	54.2	51.6	51.2	52.2	51.2	50.0	49.9	48.9	47.2	<table border="1"> <thead> <tr> <th>Jan 2021</th> <th>Jan 2022</th> <th>Jan 2023</th> <th>Jan 2024</th> <th>Jan 2025</th> </tr> </thead> <tbody> <tr> <td>41.5</td> <td>51.9</td> <td>49.0</td> <td>53.1</td> <td>47.2</td> </tr> </tbody> </table>	Jan 2021	Jan 2022	Jan 2023	Jan 2024	Jan 2025	41.5	51.9	49.0	53.1	47.2	<p>WM: 2nd Lowest Region UK: 50.6 London: 54.8 (1st) Northern Ireland: 45.0 (12th)</p>	<p>The West Midlands Business Activity Index decreased from 48.9 in December 2024 to 47.2 in January 2025, a third successive fall in business activity across the region.</p>
Jan 2021	Jan 2022	Jan 2023	Jan 2024	Jan 2025																							
41.5	51.9	49.0	53.1	47.2																							

The Dashboard has been updated to reflect the WMCA 7 Met. geography where available. 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/ at the 50-growth mark and green indicators continually increases).

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), (traditional 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, however for claimants/ ONS labour market activity new CAs are now available meaning the 11 will be - GMCA, South Yorkshire, West Yorkshire, Liverpool City Region, Tees Valley, WMCA, Cambridgeshire & Peterborough, West of England, York & North Yorkshire, East Midlands and the North East) 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 Office for National Statistics (ONS), Business investment in the UK: October to December 2024 provisional results – released February 2025 (RAG rating based on quarterly change).

³ NatWest, UK regional growth tracker report headlines – released February 2025.

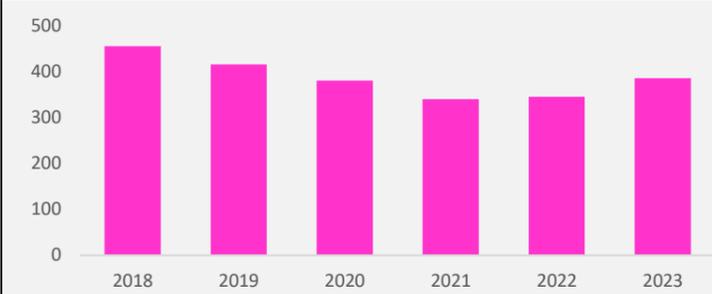
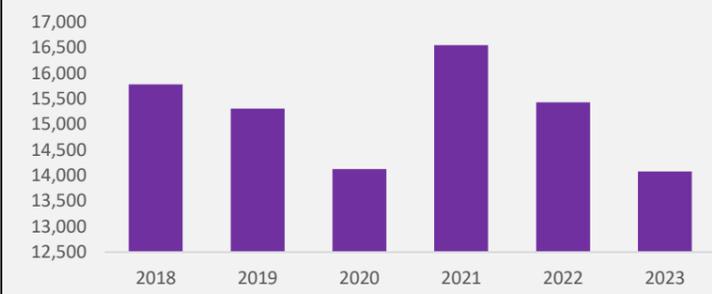
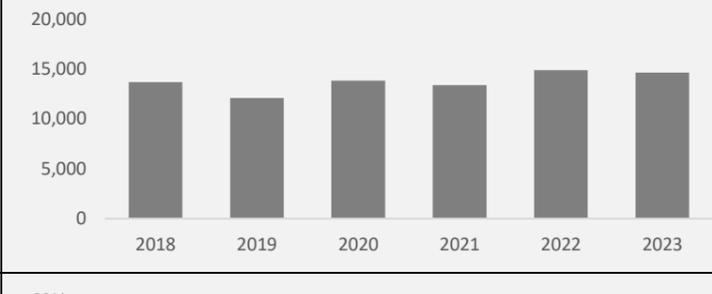
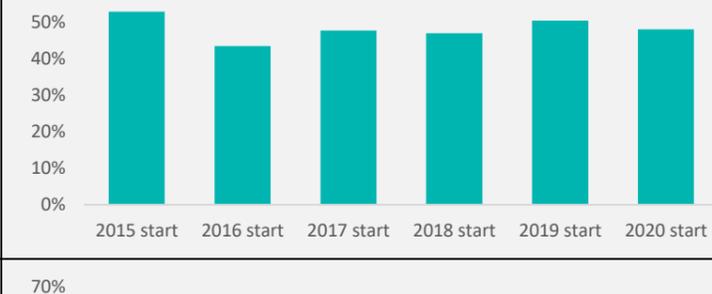
Theme	Indicator	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	Trend	Relative to Peer Group	Commentary										
Business	Regional Future Business Activity Index ⁴ (monthly update)	78.1	76.8	79.7	78.7	80.5	74.8	77.9	76.1	69.8	71.0	68.6	67.2		<table border="1"> <thead> <tr> <th>Dec 2020</th> <th>Dec 2021</th> <th>Dec 2022</th> <th>Dec 2023</th> <th>Dec 2024</th> </tr> </thead> <tbody> <tr> <td>73.6</td> <td>79.8</td> <td>65.3</td> <td>77.2</td> <td>67.2</td> </tr> </tbody> </table>	Dec 2020	Dec 2021	Dec 2022	Dec 2023	Dec 2024	73.6	79.8	65.3	77.2	67.2	WM: 5 th Highest Region East Midlands: 70.4 (1 st) Scotland: 54.7 (12 th)	The West Midlands Future Business Activity Index decreased from 68.6 in November 2024 to 67.2 in December 2024, a two-year low. Firms remained confident that output would increase in 2025 with optimism being underpinned by advertising, investment and hopes of a recovery in client demand.
	Dec 2020	Dec 2021	Dec 2022	Dec 2023	Dec 2024																						
	73.6	79.8	65.3	77.2	67.2																						
WMCA (7 Met.) Enterprise Deaths ⁵ (quarterly – update due Apr 2025)			4,055 (Q1)			2,995 (Q2)				2,750 (Q3)			3,120 (Q4)		<table border="1"> <thead> <tr> <th>Q4 2020</th> <th>Q4 2021</th> <th>Q4 2022</th> <th>Q4 2023</th> <th>Q4 2024</th> </tr> </thead> <tbody> <tr> <td>3,125</td> <td>3,420</td> <td>3,625</td> <td>3,700</td> <td>3,120</td> </tr> </tbody> </table>	Q4 2020	Q4 2021	Q4 2022	Q4 2023	Q4 2024	3,125	3,420	3,625	3,700	3,120	WMCA: Highest CA GMCA: 3,025 (2 nd) Tees Valley: 480 (11 th)	In Q4 2024, there were 3,120 business deaths in the WMCA area. An increase of 13.5% when compared to Q3 2024 (UK +6.2%). Comparing Q4 2024 to Q4 2023 shows a 15.7% decrease in business deaths across the WMCA area (UK -7.3%).
Q4 2020	Q4 2021	Q4 2022	Q4 2023	Q4 2024																							
3,125	3,420	3,625	3,700	3,120																							
WMCA (7 Met.) Enterprise Births ⁶ (quarterly – update due Apr 2025)			3,905 (Q1)			3,455 (Q2)				3,410 (Q3)			2,935 (Q4)		<table border="1"> <thead> <tr> <th>Q4 2020</th> <th>Q4 2021</th> <th>Q4 2022</th> <th>Q4 2023</th> <th>Q4 2024</th> </tr> </thead> <tbody> <tr> <td>3,680</td> <td>3,655</td> <td>3,380</td> <td>3,375</td> <td>2,935</td> </tr> </tbody> </table>	Q4 2020	Q4 2021	Q4 2022	Q4 2023	Q4 2024	3,680	3,655	3,380	3,375	2,935	WMCA: 2 nd Highest CA GMCA: 3,115 (1 st) Tees Valley: 475 (11 th)	In Q4 2024, there were 2,395 business births in the WMCA area. A decrease of 13.9% when compared to Q3 2024 (UK -13.2%). Comparing Q4 2024 to Q4 2023 shows a 13.0% decrease in business births across the WMCA area (UK -8.5%).
Q4 2020	Q4 2021	Q4 2022	Q4 2023	Q4 2024																							
3,680	3,655	3,380	3,375	2,935																							

⁴ NatWest, UK regional growth tracker report for December 2024 – released January 2025

⁵ ONS, Business demography, quarterly experimental statistics, low-level geographic breakdown, UK – released January 2025 (RAG rating based on quarterly change).

⁶ ONS, Business demography, quarterly experimental statistics, low-level geographic breakdown, UK – released January 2025 (RAG rating based on quarterly change).

Annual Business Dashboard

Theme	Indicator	2018	2019	2020	2021	2022	2023	Trend	Relative to Peer Group	Commentary
Business	WMCA (7 Met.) High Growth Enterprises ⁷ (annual – update due Nov 2025)	455	415	380	340	345	385		WMCA: 3 rd Highest CA GMCA: 585 (1 st) Tees Valley: 95 (11 th)	The latest available data for the WMCA area shows that the number of high growth enterprises has increased for the second consecutive year. There was a total of 385 high growth enterprises in the WMCA area in 2023, an increase of 11.6% (+40) since 2022, the UK increased by 19.7%.
	WMCA (7 Met.) Enterprise Births ⁸ (annual – update due Nov 2025)	15,785	15,310	14,125	16,550	15,435	14,080		WMCA: 2 nd Highest CA GMCA: 14,510 (1 st) Tees Valley: 2,475 (11 th)	Enterprise births in the WMCA area decreased by 8.8% (-1,355) since 2022 to 14,080 in 2023. Over this period, the UK decreased by 6.2%. In 2023, there were 550 fewer enterprise births than deaths.
	WMCA (7 Met.) Enterprise Deaths ⁹ (annual – update due Nov 2025)	13,670	12,080	13,830	13,375	14,865	14,630		WMCA: Highest CA GMCA: 14,210 (2 nd) Tees Valley: 2,400 (11 th)	Enterprise deaths in the WMCA area decreased by 1.6% (-235) since 2022 to 14,630 in 2023. Over this period, the UK decreased by 11.3%. In 2023, there were 550 more enterprise deaths than births.
	WMCA (7 Met.) 3 Year Enterprise Survival Rates ¹⁰ (annual – update due Nov 2025)	52.8% (2015 birth)	43.4% (2016 birth)	47.7% (2017 birth)	46.9% (2018 birth)	50.4% (2019 birth)	48.0% (2020 birth)		WMCA: 10 th Highest UK: 53.0% York and North Yorkshire: 62.9% (1 st) Liverpool City Region: 47.0% (11 th)	Across 1-to-5-year enterprise survival rates, the WMCA performs worse than nationally. Of the 14,125 enterprise births in 2020 in the WMCA area, 48.0% (6,775) were still active after 3 years compared to 53.0% for the UK.
	WM 7 Met. Innovation Active Businesses ¹¹ (Biennial – update due May 2026)	36.8% (2016-18)		45.0% (2018-20)		31.7% (2020-22)			WM 7 Met.: 8 th Lowest/ 40 UK: 36.3% Berkshire, Buckinghamshire & Oxfordshire and Gloucestershire, Wiltshire & Bath/Bristol area: 45.0% (Joint 1 st) Outer London – East & North East: 27.0% (40 th)	Trends in the proportion of businesses that are innovation active continues to fluctuate. Following the national trend (decreasing from 44.9% in 2018-2020 to 36.3% in 2020-22), the WM 7 Met. Area decreased from 45.0% in 2018-20 to 31.7% in 2020-22.

⁷ ONS, Business Demography (provisional for 2022), UK 2023 – released November 2024

⁸ ONS, Business Demography (provisional for 2022), UK 2023 – released November 2024

⁹ ONS, Business Demography (provisional for 2022), UK 2023 – released November 2024

¹⁰ ONS, Business Demography (provisional for 2022), UK 2023 – released November 2024

¹¹ Department for Business and Trade, UK Innovation Survey 2023 – released May 2024

Quarterly Place Dashboard

Theme	Indicator	December 2023	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	Trend	Relative to Peer Group	Commentary																														
Place	Birmingham City Centre Rent ¹² (Quarterly – update due May 2025)	£41.00 Per Sq ft (Q4)			£42.50 Per Sq ft (Q1)			£43.25 Per Sq ft (Q2)			£43.25 Per Sq ft (Q3)			£43.25 Per Sq ft (Q3)	<table border="1"> <thead> <tr> <th>Year</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Q1</td> <td>£34.50</td> <td>£37.00</td> <td>£39.00</td> <td>£40.00</td> <td>£42.50</td> </tr> <tr> <td>Q2</td> <td>£37.00</td> <td>£37.00</td> <td>£39.00</td> <td>£41.00</td> <td>£43.25</td> </tr> <tr> <td>Q3</td> <td>£37.00</td> <td>£37.50</td> <td>£40.00</td> <td>£41.00</td> <td>£43.25</td> </tr> <tr> <td>Q4</td> <td>£37.00</td> <td>£37.50</td> <td>£40.00</td> <td>£41.00</td> <td>£43.25</td> </tr> </tbody> </table>	Year	2020	2021	2022	2023	2024	Q1	£34.50	£37.00	£39.00	£40.00	£42.50	Q2	£37.00	£37.00	£39.00	£41.00	£43.25	Q3	£37.00	£37.50	£40.00	£41.00	£43.25	Q4	£37.00	£37.50	£40.00	£41.00	£43.25	Birmingham: 4 th Highest / 9 Bristol: £48.50 (1 st) Cardiff: £28.00 (9 th)	Occupier appetite for the best spaces drove annual prime city rental growth of 5% in 2024 with rents standing at £43.25 per sq. ft at the end of the year. Rent frees remain at 24 months on a 10-year lease. Notable deals include Aston University's 190,000 sq. ft lease at 10 Woodcock Street and University College Birmingham's 44,670 sq. ft lease at Baskerville House, Broad Street.
	Year	2020	2021	2022	2023	2024																																									
Q1	£34.50	£37.00	£39.00	£40.00	£42.50																																										
Q2	£37.00	£37.00	£39.00	£41.00	£43.25																																										
Q3	£37.00	£37.50	£40.00	£41.00	£43.25																																										
Q4	£37.00	£37.50	£40.00	£41.00	£43.25																																										
	WMCA (7 Met.) Gigabit broadband Connectivity ¹³ (tri-annual – update due Spring 2025)		92.3% premises (As of Jan 2024)						93.3% premises (As of Jul 2024)							WMCA: Highest CA UK: 81.7% Tees Valley: 92.3% (2 nd) York & North Yorkshire: 73.2% (11 th)	As of July 2024, 93.3% of premises in the WMCA area had gigabit broadband availability - significantly above the UK-wide figure of 81.7%.																														

¹² Avison Young, The Big Nine – created February 2025.

¹³ Ofcom, connected nations – released December 2024 (RAG rating based on annual change). Please note, there was no Summer 2024 release.

Quarterly Economy Dashboard

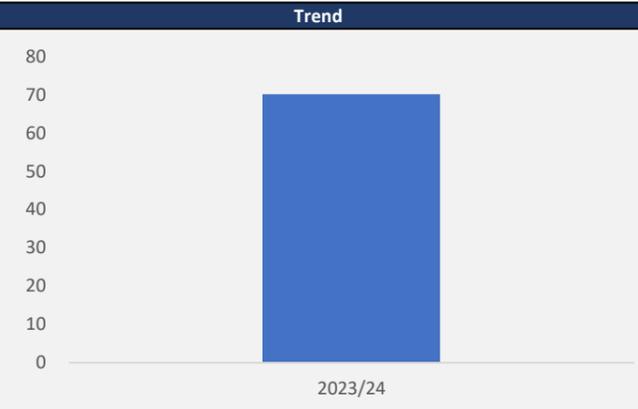
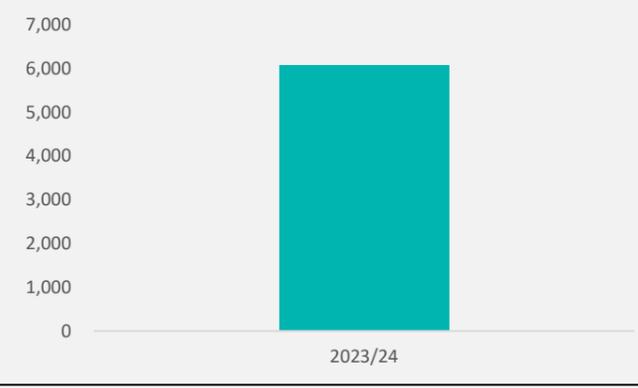
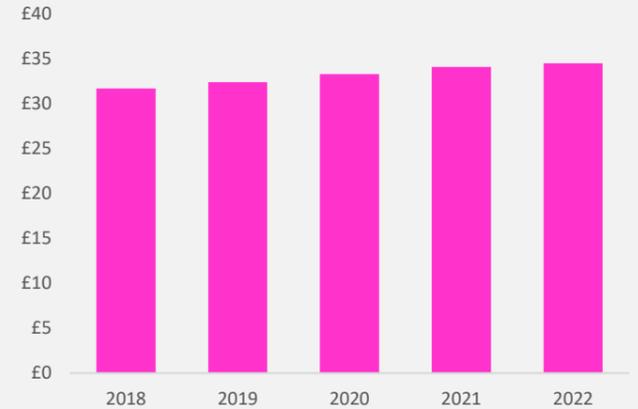
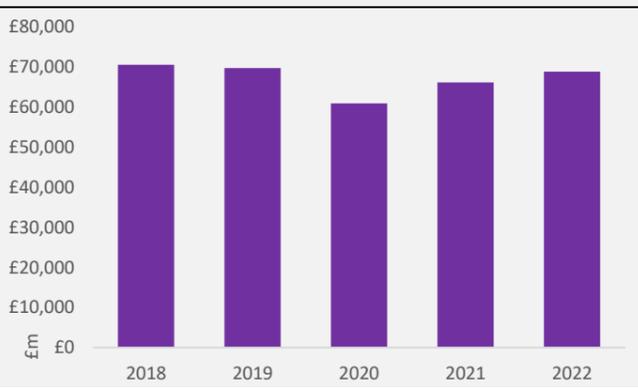
Regional

Theme	Indicator	September 2023	October 2023	November 2023	December 2023	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	Trend	Relative to Peer Group	Commentary
Economy	Regional Exports in Goods ¹⁴ (quarterly – update due March 2025)	£34.1bn (Year to Q3 2023)			£34.9bn (Full Year 2023)			£35.4bn (Year to Q1 2024)			£35.4bn (Year to Q2 2024)			£35.4bn (Year to Q3 2024)	<p>Year to Q3 2019: £25.5bn Year to Q3 2020: £25.5bn Year to Q3 2021: £27.5bn Year to Q3 2022: £33.5bn Year to Q3 2023: £34.9bn Year to Q3 2024: £35.4bn</p>	WM – 3 rd Highest Region South East: 11.3% (1 st) Northern Ireland: 3.2% (12 th)	<p>Since the year ending Q3 2023, the West Midlands region's total value in goods exports increased by £1.2bn (+3.5%) to £35.4bn in the year ending Q3 2024. The overall value of UK trade in goods exports decreased by 6.3% to £353.5bn.</p> <p>The West Midlands had a trade deficit of £7.1bn in year ending Q3 2024.</p>
	Regional Imports in Goods ¹⁵ (quarterly – update due March 2025)	£42.7bn (Year to Q3 2023)			£42.5bn (Full Year 2023)			£42.1bn (Year to Q1 2024)			£42.4bn (Year to Q2 2024)			£42.5bn (Year to Q3 2024)	<p>Year to Q3 2019: £37.5bn Year to Q3 2020: £29.5bn Year to Q3 2021: £33.5bn Year to Q3 2022: £40.5bn Year to Q3 2023: £42.5bn Year to Q3 2024: £42.5bn</p>	WM – 5 th Highest Region South East: 18.7% (1 st) Northern Ireland: 1.7% (12 th)	<p>Since the year ending Q3 2023, the value of West Midlands region imports decreased by £214m (-0.5%) to £42.5bn in the year ending Q3 2024. UK-wide total imports decreased by 5.6% to £577.9bn.</p>

¹⁴ HMRC, UK regional trade in goods statistics – released December 2024. Data is not comparable across the dashboard; the RAG rating is comparing the same period to the previous year. Please note, annual change figures in the commentary section may not sum due to rounding.

¹⁵ HMRC, UK regional trade in goods statistics – released December 2024. Data is not comparable across the dashboard; the RAG on this occasion has not been applied. Please note, annual change figures in the commentary section may not sum due to rounding.

Annual Economy Dashboard

Theme	Indicator	2018	2019	2020	2021	2022	2023	2024	Trend	Relative to Peer Group	Commentary
Economy	WMCA FDI Projects ¹⁶ (annual – update due June 2025)							70		WM 7 Met.: 3 rd Highest ITL 2 / 29 Inner London - West: 333 (1 st) Southern Scotland: 11 (29 th)	New geographical data shows in 2023/24 there were 70 single site FDI Projects in the WMCA area. Data has been suppressed for the Black Country LEP. However, insights for Coventry & Warwickshire LEP shows there was a decrease by 12.0% (-6) to 44 and Greater Birmingham & Solihull LEP decreased by 22.4% (-17) to 59. The UK had an overall decrease of 6.0% to 1,555.
	WMCA FDI New Jobs ¹⁷ (annual – update due June 2025)							6,082		WM 7 Met.: 2 nd Highest ITL 2 / 29 Inner London - West: 12,824 (1 st) Lincolnshire: 182 (29 th)	New geographical data shows in 2023/24 there 6,082 new jobs created from FDI Projects in the WMCA area. Data has been suppressed for the Black Country LEP. However, insights for Coventry & Warwickshire LEP shows there was a decrease by 32.4% (-1,034) to 2,161 and Greater Birmingham & Solihull LEP increased by 31.4% (+1,187) to 4,963. The UK had an overall decrease of 10.1% to 71,478.
	WMCA (7 Met.) Smoothed GVA per Hour ¹⁸ (Annual – update due June/July 2025)	£31.70	£32.40	£33.30	£34.10	£34.50				WMCA: 4 th Lowest CA / 10 UK: £39.70 West of England: £39.60 (1 st) South Yorkshire Mayoral CA: £31.60 (10 th)	In 2022, GVA per hour in the WMCA area was £34.50. Since 2021, the WMCA area increased by 1.2% (+£0.40) and the UK increased by 1.5%. When compared to 2019, GVA per hour in the WMCA area increased by 6.5% (+£2.10) while the UK increased by 8.5%. In 2022, UK GVA per hour was £39.70 meaning the WMCA area had a shortfall of £5.20.
	WMCA (7 Met.) Total GVA – Chained Volume Measures in 2019 Money Value ¹⁹ (Annual – update due TBC 2025)	£70.6bn	£69.8bn	£61.0bn	£66.2bn	£68.9bn				WMCA: 2 nd Highest CA / 10 GMCA: £81.5bn (1 st) Tees Valley CA: £14.4bn (11 th)	Continuing the economic recovery following the Covid-19 pandemic, the WMCA area total GVA increased from £66.2bn in 2021 to £68.9bn in 2022. This equated to a 4.1% (+£2.7bn) annual increase which matched the UK growth rate.

¹⁶ Department for Business and Trade (DBT), inward investment results – released June 2024.

¹⁷ DBT, inward investment results – released June 2024.

¹⁸ ONS, regional and subregional labour productivity – released June 2024, please note Greater London Authority has been excluded for the peer group.

¹⁹ ONS, Regional economic activity by gross domestic product, UK: 1998 to 2022 – released April 2024.

Theme	Indicator	2018	2019	2020	2021	2022	2023	2024	Trend	Relative to Peer Group	Commentary												
Economy	WMCA (7 Met.) Exports in Services ²⁰ (Annual – update TBC)	£7.9bn	£8.2bn	£7.4bn	£7.3bn	£9.5bn			<table border="1"> <caption>WMCA Exports in Services (2018-2022)</caption> <thead> <tr> <th>Year</th> <th>Value (£bn)</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>7.9</td> </tr> <tr> <td>2019</td> <td>8.2</td> </tr> <tr> <td>2020</td> <td>7.4</td> </tr> <tr> <td>2021</td> <td>7.3</td> </tr> <tr> <td>2022</td> <td>9.5</td> </tr> </tbody> </table>	Year	Value (£bn)	2018	7.9	2019	8.2	2020	7.4	2021	7.3	2022	9.5	<p>WMCA: 4th Highest / 9 Greater London Authority - Inner London: £162bn (1st) North of Tyne: £3.2bn (9th)</p>	<p>Since the year ending 2021, the WMCA's total value in service exports increased by £2.2bn (+30.2%) to £9.5bn in 2022. The overall value of UK trade in service exports increased, by 25.2% (to £413.9bn) in 2022.</p> <p>The WMCA had a trade surplus of £5.7bn in 2022.</p>
	Year	Value (£bn)																					
2018	7.9																						
2019	8.2																						
2020	7.4																						
2021	7.3																						
2022	9.5																						
	WMCA (7 Met.) Imports in Services ²¹ (Annual – update TBC)	£3.8bn	£4.1bn	£4.0bn	£3.6bn	£3.7bn			<table border="1"> <caption>WMCA Imports in Services (2018-2022)</caption> <thead> <tr> <th>Year</th> <th>Value (£bn)</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>3.8</td> </tr> <tr> <td>2019</td> <td>4.1</td> </tr> <tr> <td>2020</td> <td>4.0</td> </tr> <tr> <td>2021</td> <td>3.6</td> </tr> <tr> <td>2022</td> <td>3.7</td> </tr> </tbody> </table>	Year	Value (£bn)	2018	3.8	2019	4.1	2020	4.0	2021	3.6	2022	3.7	<p>WMCA: 5th Lowest / 10 Greater London Authority - Inner London: £62.0bn (1st) Tees Valley: £553m (9th)</p>	<p>Since 2021, the value of WMCA imports increased by £120m (+3.3%) to £3.7bn in 2022. UK-wide total imports increased by 32.7% to £251.5bn.</p>
Year	Value (£bn)																						
2018	3.8																						
2019	4.1																						
2020	4.0																						
2021	3.6																						
2022	3.7																						

²⁰ ONS, International trade in UK nations, regions and cities: 2022 – released February 2025. Peer Group Combined Authorities are – Cambridgeshire and Peterborough, Greater Manchester, Greater London Authority – Inner and Outer, Liverpool City Region, North of Tyne, South Yorkshire, Tees Valley, West Midlands, West Yorkshire and West of England. However, no data is available for Tees Valley and Outer London.

²¹ ONS, International trade in UK nations, regions and cities: 2022 – released February 2025. Combined Authorities are – Cambridgeshire and Peterborough, Greater Manchester, Greater London Authority – Inner and Outer, Liverpool City Region, North of Tyne, South Yorkshire, Tees Valley, West Midlands, West Yorkshire and West of England. However, no data is available for Liverpool City Region.

Monthly People Dashboard

Theme	Indicator	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	Trend	Relative to Peer Group	Commentary										
People	WMCA (7 Met.) Claimants (16+) ²² (monthly update)	122,890 (6.7% of Pop. aged 16-64)	125,425 (6.8% of Pop. aged 16-64)	127,035 (6.9% of Pop. aged 16-64)	127,435 (6.8% of Pop. aged 16-64)	127,730 (6.9% of Pop. aged 16-64)	135,515 (7.4% of Pop. aged 16-64)	147,175 (8.0% of Pop. aged 16-64)	147,585 (8.0% of Pop. aged 16-64)	149,215 (8.1% of Pop. aged 16-64)	148,960 (8.1% of Pop. aged 16-64)	147,115 (8.0% of Pop. aged 16-64)	145,170 (7.9% of Pop. aged 16-64)	146,375 (7.9% of Pop. aged 16-64)	<table border="1"> <tr><th>Jan 2021</th><th>Jan 2022</th><th>Jan 2023</th><th>Jan 2024</th><th>Jan 2025</th></tr> <tr><td>169,090</td><td>131,855</td><td>119,470</td><td>122,890</td><td>146,375</td></tr> </table>	Jan 2021	Jan 2022	Jan 2023	Jan 2024	Jan 2025	169,090	131,855	119,470	122,890	146,375	WMCA: Highest CA UK: 4.1% West Yorkshire: 5.4% (2 nd) York & North Yorkshire: 2.1% (11 th)	There were 146,375 claimants in the WMCA area in January 2025. Since December 2024, there has been an increase of 0.8% (+1,205) claimants in the WMCA area, while the UK increased by 1.7%. When compared to January 2024, claimants have increased by 19.1% (+23,485) in the WMCA area, with the UK increasing by 11.5%.
	Jan 2021	Jan 2022	Jan 2023	Jan 2024	Jan 2025																						
	169,090	131,855	119,470	122,890	146,375																						
	WMCA (7 Met.) Youth Claimants (18-24) ²³ (monthly update)	24,035 (8.5% of Pop. aged 18-24)	24,675 (8.7% of Pop. aged 18-24)	25,100 (8.8% of Pop. aged 18-24)	24,745 (8.7% of Pop. aged 18-24)	24,555 (8.6% of Pop. aged 18-24)	24,610 (8.7% of Pop. aged 18-24)	25,255 (8.9% of Pop. aged 18-24)	25,815 (9.1% of Pop. aged 18-24)	26,025 (9.2% of Pop. aged 18-24)	26,390 (9.3% of Pop. aged 18-24)	26,740 (9.4% of Pop. aged 18-24)	26,615 (9.4% of Pop. aged 18-24)	26,715 (9.5% of Pop. aged 18-24)	<table border="1"> <tr><th>Jan 2021</th><th>Jan 2022</th><th>Jan 2023</th><th>Jan 2024</th><th>Jan 2025</th></tr> <tr><td>33,405</td><td>22,035</td><td>21,490</td><td>24,035</td><td>26,715</td></tr> </table>	Jan 2021	Jan 2022	Jan 2023	Jan 2024	Jan 2025	33,405	22,035	21,490	24,035	26,715	WMCA: Highest CA UK: 5.4% Tees Valley: 7.8% (2 nd) York & North Yorkshire and West of England: 2.8% (Joint 11 th)	There were 26,715 youth claimants in the WMCA area in January 2025. Since December 2024, there has been an increase of 0.4% (+100) youth claimants in the WMCA area, while the UK increased by 1.4%. When compared to January 2024, youth claimants have increased by 11.2% (+2,680) in the WMCA area, with the UK increasing by 8.1%.
Jan 2021	Jan 2022	Jan 2023	Jan 2024	Jan 2025																							
33,405	22,035	21,490	24,035	26,715																							
WM 7 Met. Seasonally Adjusted Payrolled Employees ²⁴ (monthly update)	1,252,272	1,252,786	1,253,487	1,256,825	1,258,491	1,256,829	1,256,957	1,256,181	1,256,403	1,257,179	1,254,651	1,254,201	1,256,912	<table border="1"> <tr><th>Jan 2021</th><th>Jan 2022</th><th>Jan 2023</th><th>Jan 2024</th><th>Jan 2025</th></tr> <tr><td>1,142,921</td><td>1,196,669</td><td>1,229,252</td><td>1,252,272</td><td>1,256,912</td></tr> </table>	Jan 2021	Jan 2022	Jan 2023	Jan 2024	Jan 2025	1,142,921	1,196,669	1,229,252	1,252,272	1,256,912	WM 7 Met.: 3 rd Highest NUTS 2 / 41 Surrey, East & West Sussex: 1,314,053 (1 st) Highlands & Islands: 208,418 (41 st)	The latest (provisional) figures show a monthly increase in payrolled employees for the WM 7 Met. area (+0.2%, UK +0.1%). There were over 1.25m payrolled employees in the WM 7 Met. area in January 2025. When compared to January 2024 there were 4,640 more payrolled employees (+0.4% in the WM 7 Met. Area, +0.2% nationally).	
Jan 2021	Jan 2022	Jan 2023	Jan 2024	Jan 2025																							
1,142,921	1,196,669	1,229,252	1,252,272	1,256,912																							
WMCA (7 Met.) Employment Rate ²⁵ (quarterly – update due Apr 2025)			69.6% (Year Ending Mar 2024)			69.6% (Year Ending Jun 2024)			69.5% (Year Ending Sep 2024)						WMCA: Lowest CA UK: 75.4% West of England: 79.3% (1 st) GMCA and Liverpool City Region: 70.9% (Joint 10 th)	The WMCA area employment rate was 69.5% in the year ending September 2024, this was a decrease of 0.8pp since the year ending September 2023. The UK employment rate was 75.4% with an annual decrease of 0.3pp.											

²² ONS/DWP, claimant count – released February 2025.

²³ ONS/DWP, claimant count – released February 2025.

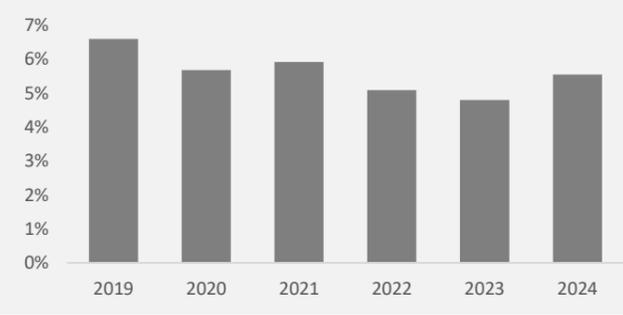
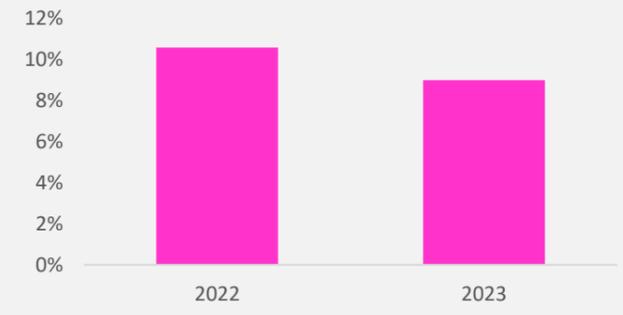
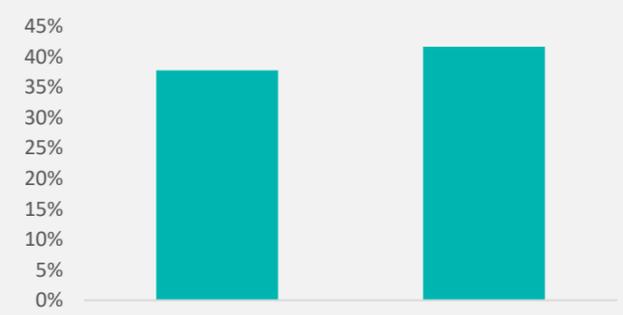
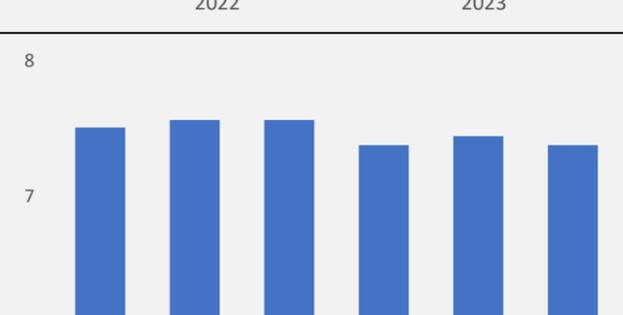
²⁴ ONS, Earnings and employment from Pay As You Earn Real Time Information – released February 2025.

²⁵ ONS, Annual Population Survey – released January 2025. Please note, figures are not comparable across the dashboard.

Theme	Indicator	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	Trend	Relative to Peer Group	Commentary
People	WMCA (7 Met.) Economic Inactivity Rate ²⁶ (quarterly – update due Apr 2025)			26.1% (Year Ending Mar 2024)			26.1% (Year Ending Jun 2024)			26.1% (Year Ending Sep 2024)						WMCA: Highest CA UK: 21.6% South Yorkshire: 26.0% (2 nd) West of England: 18.5% (11 th)	For WMCA area overall, the economic inactivity rate was 26.1% in the year ending September 2024, an increase of 1.4pp since the year ending September 2023. The UK economic inactivity rate increased by 0.3pp to 21.6%.
	WMCA (7 Met.) Modelled Unemployment ²⁷ (quarterly – update due Apr 2025)			5.7% (Year Ending Mar 2024)			5.7% (Year Ending Jun 2024)			5.9% (Year Ending Sep 2024)						WMCA: Highest CA England: 3.8% Greater Manchester: 4.8% (2 nd) York and North Yorkshire: 1.8% (11 th)	Since the year ending September 2023, the WMCA area modelled unemployment rate has decreased by 0.6pp to 5.9% in the year ending September 2024. England's modelled unemployment rate remained unchanged at 3.8%.
	WMCA (7 Met.) Economic Activity Rate ²⁸ (quarterly – update due Apr 2025)			73.9% (Year Ending Mar 2024)			73.9% (Year Ending Jun 2024)			73.9% (Year Ending Sep 2024)						WMCA: Lowest CA UK: 78.4% West of England: 81.5% (1 st) West Yorkshire: 73.7% (10 th)	Overall, for the WMCA area, the economic activity rate was 73.9% in the year ending September 2024, a decrease of 1.4pp since the year ending September 2023. Over the same period, the UK economic activity rate was 78.4% and decreased at a slower rate of 0.3pp
	WMCA (7 Met.) Adzuna Job Postings ²⁹ (monthly update)	53,337	59,532	56,222	53,676	57,579	51,531	53,943	56,610	49,369	57,484	49,859	43,248	51,037			In January 2025, there were 51,037 unique job postings on Adzuna, an increase of 18.0% (+7,789) from the previous month. When compared to January 2024, postings were 4.3% lower (-2,300). The latest number of postings is high compared to the average for all combined authorities. The Interest Quotient was high at 2.4.

²⁶ ONS, Annual Population Survey – released January 2025. Please note, figures are not comparable across the dashboard.
²⁷ ONS, modelled based estimates of unemployment – released January 2025. Please note, figures are not comparable across the dashboard.
²⁸ ONS, Annual Population Survey – released January 2025. Please note, figures are not comparable across the dashboard.
²⁹ Adzuna Intelligence – accessed February 2025.

Annual People Dashboard

Theme	Indicator	2018	2019	2020	2021	2022	2023	2024	Trend	Relative to Peer Group	Commentary
People	WMCA (7 Met.) Not In Education, Employment or Training (NEET) ³⁰ (annual – update TBC)	7.1%	6.7%	5.8%	6.0%	5.2%	4.8%	5.6%		England: 5.4%	In 2024, in the WMCA area, 5.6% of residents aged 16-17 years old were NEET (including not known). This has increased by 0.8pp in the WMCA area, while for the UK there was an increase of 0.2pp since 2023.
	WMCA (7 Met.) Working Age Population with No Qualifications ³¹ (annual – update due Apr 2025)					10.6%	9.0%			WMCA: Joint 2 nd Highest CA (with North East) UK: 6.6% Sheffield City Region: 10.9% (1 st) West of England: 3.8% (10 th)	For the WMCA area, 9.0% (164,000) of the working age population had no qualifications in 2023, a decrease of 10.9% (-20,000) since 2022. While for the UK, 6.6% had no qualifications, an annual decrease of 2.9%. To match the UK proportion, 43,118 residents in the WMCA area would need to gain a qualification.
	WMCA (7 Met.) Working Age Population with RQF4+ Qualifications ³² (annual – update due Apr 2025)					37.8%	41.6%			WMCA: 4 th Lowest CA UK: 47.1% West of England: 53.3% (1 st) North East: 35.7% (10 th)	For the WMCA area, 41.6% (758,500) of the working age population had RQF4+ qualifications in 2023, an increase of 15.6% (+102,100) since 2022. For the UK, 47.1% were qualified to RQF4+ levels, an annual increase of 5.9%. There was a shortfall in the WMCA area (to reach to the national average) of 98,847 people.
	WMCA (7 Met.) Average Life Satisfaction Score ³³ (annual – update TBC)	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)	7.38 (Year Ending Mar 2023)				WMCA: Joint 4 th Highest CA (with Sheffield City Region) UK: 7.45 North of Tyne: 7.56 (1 st) Liverpool City Region: 7.30 (10 th)

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 April 2024. Please note, National Vocational Qualifications (NVQ) estimates have been replaced with estimates on a Regulated Qualifications Framework (RQF) basis. RQF based estimates are available from the Jan – Dec 2022 survey period, while estimates prior to Jan – Dec 2022 remain on an NVQ basis.

³² ONS, Annual Population Survey – released April 2024. Please note, National Vocational Qualifications (NVQ) estimates have been replaced with estimates on a Regulated Qualifications Framework (RQF) basis. RQF based estimates are available from the Jan – Dec 2022 survey period, while estimates prior to Jan – Dec 2022 remain on an NVQ basis.

³³ ONS, Annual personal well-being estimates – released November 2023. Respondents were asked "Overall, how satisfied are you with your life nowadays? Where 0 is 'not at all satisfied' and 10 is 'completely satisfied'"

Theme	Indicator	2018	2019	2020	2021	2022	2023	2024	Trend	Relative to Peer Group	Commentary
People	WMCA (7 Met.) Average Worthwhile Score ³⁴ (annual – update TBC)	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)	7.73 (Year Ending Mar 2023)			WMCA: 3 rd Highest CA UK: 7.73 North of Tyne: 7.75 (1 st) West of England: 7.61 (10 th)	For the year ending March 2023, the average worthwhile score for the WMCA area was 7.73 (out of 10), now matching the UK-wide average. Since the year ending March 2022, there was an increase of 0.02 for the WMCA area compared to a decrease 0.04 UK-wide.
	WMCA (7 Met.) Average Happiness Score ³⁵ (annual – update TBC)	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)	7.43 (Year Ending Mar 2023)			WMCA: 2 nd Highest CA UK: 7.39 North of Tyne: 7.44 (1 st) West Yorkshire: 7.20 (10 th)	For the year ending March 2023, the average happiness score for the WMCA area was 7.43 (out of 10), above the UK-wide average of 7.39. Since the year ending March 2022, there was an increase of 0.05 for the WMCA area compared to a decrease 0.06 UK-wide.
	WMCA (7 Met.) Average Anxiety Score ³⁶ (annual – update TBC)	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)	3.15 (Year Ending Mar 2023)			WMCA: 3 rd Lowest CA UK: 3.23 Greater Manchester: 3.40 (1 st) North of Tyne: 3.03 (10 th)	For the year ending March 2023, the average anxiety score for the WMCA area was 3.15 (out of 10), below the UK average. Since the year ending March 2022, there was an increase of 0.03 for the WMCA area compared to an increase 0.11 UK-wide.
	WMCA (7 Met.) Living Wage Foundation Rates (All) ³⁷ (annual – update due TBC 2025)	23.5%	20.8%	20.1%	19.0%	13.0%	14.7%			WMCA: Joint 4 th Highest CA (with Sheffield) UK: 12.9% Tees Valley: avg. 18.9% (1 st) Cambridgeshire & Peterborough: avg. 9.0% (10 th)	In 2023, approximately 14.7% of all jobs were earning below the Living Wage Foundation rates in the WMCA area. Since 2022, following the national trend, the proportion increased by 1.7pp (nationally +0.6pp).

³⁴ ONS, Annual personal well-being estimates – released November 2023. 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'".

³⁵ ONS, Annual personal well-being estimates – released November 2023. Respondents were asked "Overall, how happy did you feel yesterday? Where 0 is 'not at all happy' and 10 is 'completely happy'".

³⁶ ONS, Annual personal well-being estimates – released November 2023. Respondents were asked "Overall, how anxious did you feel yesterday? Where 0 is 'not at all anxious' and 10 is 'completely anxious'".

³⁷ ONS, Number and proportion of employee jobs with hourly pay below the living wage – released January 2024

3.2 EIU Review of Key Sectoral Headlines, Regional Economic Shocks, Investment, Deals, and Opportunities

HEADLINES	
SECTOR	KEY INSIGHTS
Cross Sector	<p>Outlook</p> <ul style="list-style-type: none"> It has been a bleak winter for the Government’s hopes that the economy might turn a corner. Markets have been volatile, with the cost of government borrowing rising to its highest level since July 2008 with the pound falling sharply. Recent data from the Office for National Statistics (ONS) reveals monthly real gross domestic product (GDP) is estimated to have grown by 0.4% in December 2024, largely because of growth in the service sector, following an unrevised growth of 0.1% in November 2024. Real GDP is estimated to have grown by 0.1% in the three months to December 2024, compared with the three months to September 2024, mainly because of growth in the services sector. NIESR have published their Global Economic Outlook, which expects global GDP to grow by slightly over 3% in 2025 and 2026, with advanced economies growing by 1.8% in 2025, including the US at 2.4%, and the Euro Area to grow by 1.1%. Emerging economies are expected to grow at 4%, with India and China coming in at 6.5% and 4.6% respectively. NIESR’s UK Economic Outlook is a tale of two halves. Whereas in the first two quarters economic growth is predicted to remain subdued and inflation above the 2% target, in the second output growth will pick up and inflation will start to fall. The UK could be the third fastest growing economy in the G7 this year, with GDP projected to increase by 1.5% in 2025. This growth will be driven mainly by the fiscal expansion announced in the October Budget, which will start having a tangible effect during the course of 2025, coupled with continued growth in business investment. The EY ITEM Club Winter Forecast predicts UK GDP growth of 1% in 2025, down from the 1.5% growth projected in October’s EY ITEM Club Autumn Forecast. Lloyds Quarterly Economic Forecast sees mild downward revisions to the near-term growth outlook with more sustained inflationary pressure, with GDP expected to grow between 1.0% – 1.3% in 2025. NIESR call on the government to increase public investment spending in the United Kingdom to boost economic growth and productivity, citing a permanent 1% rise in public investment as a share of GDP leads to a 2.2% – 2.9% increase in long run output, using a 35-year horizon. <p>Trading Environment</p> <ul style="list-style-type: none"> The Consumer Prices Index including owner occupiers’ housing costs (CPIH) rose by 3.9% in the 12 months to January 2025, up from 3.5% in December 2024. The Consumer Prices Index (CPI) rose by 3.0% in the 12 months to January 2025, up from 2.5% in the 12 months to December 2024. NIESR’s measure of underlying inflation, which excludes 5% of the highest and lowest price changes to eliminate volatility and separate the signal from the ‘noise’, recorded 1.8%. This low figure indicates that the headline rate is being driven by large price increases in a few sectors, with inflation rates broadly falling for most items. NIESR expects inflation in February will fall to 2.6% – 2.7% and to 2.2% – 2.3% in March. This forecast assumes that geopolitical tensions do not deteriorate. Midland’s businesses face complex challenges as US trade tensions escalate, an international trade expert has warned. The latest NatWest Purchasing Managers Index (PMI) reports the West Midlands recorded the highest rates of acceleration in output price inflation in the UK. Demand decreased across the West Midlands, yet West Midlands firms had positive outlook, with improved sentiment since the previous month. The West Midlands saw the steepest drop in workforce numbers. The Business Activity Index decreased from 48.9 in December 2024 to 47.2 in January 2025, a third successive fall in business activity across the region. The Greater Birmingham Chamber of Commerce Quarterly Business Report consistently finds that labour costs are already the most persistent source of cost pressures on Greater Birmingham businesses, with 6 in 10 businesses anticipating increasing their prices further to mitigate the impact of the Autumn Budget. More than a quarter (29%) of Midlands mid-market businesses are looking at salary sacrifice schemes as a means of mitigating the impact of Budget tax changes coming into force from April, a new survey has found. Nearly three-quarters of the West Midlands’ lower mid-market businesses are optimistic about Labour’s economic policies, believing they will positively impact growth, according to the UK Growth Census. 30% of businesses in the West Midlands see Labour’s policies as very positive for business growth, while 44% expect a somewhat positive impact. In contrast, just 10% believe policies will have a negative impact. Businesses are also highly confident in their own ability to grow. 96% of West Midlands-based businesses expect revenue to rise over the next 12 months, and 93% are confident in increasing profitability. The percentage of UK small business owners predicting growth (33%) has dipped to a nine-month low, according to the latest quarterly data from Novuna Business Finance. Whilst 45% see Q1 as a standstill period, there is a four-year high in the percentage of small businesses saying they will contract by the end of March (13%) and the percentage of enterprises that fear closure in the next three months has hit a two-year peak (8%). Growth forecasts in the West Midlands have grown from 40% to 42% since last quarter. Lloyds UK Sector Tracker reveals 13 sectors reported lower activity in January, the most widespread downturn since May 2020. The majority of sectors noted further declines in new orders, leading to cutbacks in labour and reduced input-buying by manufacturers. Input cost pressures rose to an 18-month high, underscoring the risk of higher inflation ahead, and output expectations were below long-run averages across all sectors with inflationary pressures seen as a key challenge. With the UK economy suffering from slowing output momentum and renewed inflationary pressures, firms were more tentative in their growth forecasts for 2025. Also affecting firms was a rise in economic uncertainty from both domestic and international sources, including the lack of clarity about the potential impact of US tariffs.

HEADLINES	
SECTOR	KEY INSIGHTS
	<ul style="list-style-type: none"> • Listed Midlands companies recorded the highest number of profit warnings since 2022, at 37 profit warnings in 2024, a 19% (six) year-on-year increase, according to the latest EY-Parthenon Profit Warnings report. • New research from Grant Thornton UK LLP reveals that while many companies in the Midlands anticipate needing extra funding for growth this year, most expect a struggle to secure it. The most common amount expected to be needed was between £10m – £25m. The top reasons noted for this extra funding are to ‘invest in new premises or equipment’ and to ‘invest in R&D or new service offerings’. • This comes as new research from Time Finance reported that 60% of SMEs are not considering alternative finance options. The survey found that six in 10 UK businesses choose their main bank for commercial finance solutions, and only 27% of those turned down by their banks look elsewhere. West Midlands SMEs have been encouraged to consider alternative lenders such as CDFIs. • New data from Beauhurst reveals that despite a decline in new incorporations, the total number of active companies reached a record high of 5.63m. In 2024, 846k businesses were registered, with London accounting for the highest number of incorporations at 286k. The West Midlands saw a decline of 2.17% in incorporations, reaching a total of 68.8k businesses. Sectoral trends highlight growth in real estate, professional services, and technology. Incorporations in real estate-related activities saw the largest increases, while professional services and technology continued to expand. • Positively, PwC analysis has found failure rates amongst startups to be at the lowest level in a decade, despite record company formations. • However, Cynergy Bank’s analysis of ONS data reveals the number of new businesses in the UK fell to 306,995 in 2024, marking the lowest level since 2017. At the same time, the average turnover of failing businesses has reached a record high, indicating that even well-established firms are struggling in the current economic climate. The East Midlands is experiencing the most significant business closures, with an Index score of 0.94. The West Midlands scores 1.0. • The number of Midlands mid-sized businesses at risk of becoming a ‘zombie’ company has risen, as rising costs and challenging economic conditions leave little breathing room for growth, according to new research from BDO. In the last 12 months, one in six mid-sized businesses in the West Midlands (15.3%) have been deemed to be at risk of being so-called ‘zombie’ companies – an increase of 0.9 percentage points versus the previous year’s figures. • Nationally, 15.9% of mid-sized businesses are classed as ‘at risk’, a year-on-year increase of 3.5 percentage points. Zombie companies are those that generate just enough cash to continue operating and service their debt but not to invest in growth. • Headline figures for UK M&A are encouraging: deal values have jumped by an impressive 37% in 2024, led by the financial services, technology, media and telecoms and services sectors – with many of the largest deals done by corporate buyers rather than private equity. A stable political environment and lower interest rates are good news for deals and while interest rates are not expected to fall dramatically, stability means that dealmakers are becoming more comfortable with pricing expectations. The weak pound and stable economic environment is a magnet for deals; with global CEOs naming the UK as their second most favoured destination for capital expenditure, behind the US. • Regional insights show the West Midlands saw a small increase in the proportion of funds invested—from 2.9% to 4.3%. However, it had proportionally fewer deals overall, decreasing from 3.0% to 2.2%. The East Midlands received just 0.8% of funds. • A total of £69.8 million worth of venture capital (VC) investment was raised by Midlands businesses between October and December 2024, up 78% from the £39.3 million raised in Q3, according to KPMG’s latest Venture Pulse report. • In the first three quarters of 2024, female-founded companies have raised a collective £1.48bn in equity funding via 972 deals. Though significant, this figure is overshadowed by the resources flowing into male-led ventures. During the same period, businesses without female founders secured £9.28bn—over six times the amount raised by female-founded businesses. • To maintain a competitive edge, drive long-term growth, and address critical global challenges, accelerating private sector research and development (R&D) is no longer a choice—it’s a necessity. UK business-led R&D, however, is facing a concerning decline. Between 2021 and 2023, business R&D expenditure in the UK dropped by 6%, resulting in a £3.4 billion loss in real terms. The National Centre for Universities and Business have established a Taskforce to address this issue. • Analysis from Research England highlights the vital role of the Higher Education Innovation Fund (HEIF) in fostering knowledge exchange (KE) between universities and businesses in England. The findings showcase HEIF’s impact in supporting early-stage innovation, upskilling SMEs, and shaping policy, with case studies and data revealing its role in attracting investment, bridging skills gaps, and improving access to research tools. In 2022/23, HEIF invested £280m and leveraged £7.4 in private funding for every £1 of public investment. • A new paper from the IMF finds increases in government debt coincide with a (persistent upwards of ten years) decline in growth, which is most pronounced in R&D-intensive industries. • New PwC research shows 89% of UK businesses increased their energy consumption in the past year, 83% anticipate their usage to increase again in 2025. 34% state technology (including AI, automation and electrification) is the number one driver of increased energy use. 92% of businesses expect to pass on these costs to consumers. <p>Labour Market</p> <ul style="list-style-type: none"> • Estimates for payrolled employees in the UK decreased by 14,000 (0.0%) between November and December 2024 but rose by 44,000 (0.1%) between December 2023 and December 2024. • The estimated number of vacancies in the UK decreased by 9,000 on the quarter to 819,000 in November 2024 to January 2025. Vacancies decreased on the quarter for the 31st consecutive period but are still above pre-coronavirus (COVID-19) pandemic levels.

HEADLINES	
SECTOR	KEY INSIGHTS
	<ul style="list-style-type: none"> Annual growth in employees' average earnings for both regular (excluding bonuses) and total earnings (including bonuses) in Great Britain was 5.9% in October to December 2024, and annual growth in total earnings including bonuses was 6.0%. NIESR forecast total pay growth to moderately slow but remain elevated at 5.2% in the first quarter of 2025. Nearly half of UK workers are prioritising landing a new role this year, new data reveals. Research by Pertemps showed that 47% said a new role was a goal for 2025. Meanwhile, 26% said they wanted to get a better work/life balance, 19% wanted to learn new skills and eight per cent said a promotion was their top target before the end of the year. In response to historically low levels of business confidence and ONS/HMRC data showing a sharp decline in employment in December, 41% of business leaders believe that a significant scaling-back of the government's employment law reforms would make a major difference to business confidence in 2025. This is echoed by the FSB who say the Employment Bill will wreak havoc on already fragile economy. Two thirds (67%) of small employers say the proposals in the Employment Rights Bill would make them curb hiring and one third (32%) plan to reduce the number of employees they have before the measures are introduced. UK recruitment leaders have raised concerns that the Government's proposed Employment Rights Bill could disrupt the temporary work sector, which they argue is essential to economic stability. The bill introduces measures such as guaranteed hours for zero-hours workers and statutory sick pay from day one. National Apprenticeship Week brings fresh announcements on skills, as direction of travel raises worries for higher skills development and collaboration. Further information came from a letter to the Chair of the House of Lords Industry and Regulators Committee. This was in response to a letter from the committee to the Department for Education (DfE) which raised concerning conclusions from their recent inquiry into the UK's skills needs. The letter warned of complexity in the skills system, and called for the Department to act to ensure the UK's apprenticeships and training programmes meet our economy's future skills needs. In the response, the Ministers agreed that the skills system is overly complex, and affirmed there will be forthcoming plans that increase flexibility for both employers and learners. However, the letter also confirmed that changes will "re-balance spending towards young people", to meet ambitions within the Government's breaking down barriers to opportunity mission. Internships are a growing route into careers. More than half of graduates (51%) report completing at least one, up 12 percentage points since 2018. 59% of employers report offering internships, up from 48% in 2018. In London it is 80%. While more internships are paid the National Minimum Wage (37% compared to 27% in 2018), the proportion paid, but less than the NMW, has also risen from 9% to 23%. Around 1 in 5 internships offer no financial compensation at all. Graduates from working-class backgrounds are much less likely to undertake an internship than middle-class, and the gap has widened since 2018 from 12 percentage points to 20. The Financial Fairness Trust reports there is a growing 'two-tier' workforce, with workers in frontline roles such as medical staff, transport workers, nurses, cleaners, retail assistants and construction workers, at a clear disadvantage compared to better paid office-based and managerial workers. Making up just under a third of the UK workforce, 10.5 million employees, frontline workers too often miss out on the control, dignity, and benefits for health and work-life balance offered by predictable and flexible work.
Manufacturing and Engineering	<ul style="list-style-type: none"> S&P Global UK Manufacturing PMI data continues to underscore the challenges facing the UK manufacturing sector, with the PMI registering at 48.3. Despite a slight improvement from December's 11-month low, the sector remains in contraction for the fourth consecutive month, driven by a complex interplay of domestic and international pressures. Back British Metals (BBM) is reinforcing its commitment to positioning the UK metals industry as a key driver of economic growth, innovation, and national resilience by driving forward a bold strategy to secure recognition, investment, and policy support for the metals sector. Energy-intensive industries fear they will be "held back" by upcoming reforms to the connections process, which they believe will prioritise large renewables projects over their onsite decarbonisation technologies. A group of major British businesses has warned that without further investment, the UK's electricity network will become significantly constrained from 2030 as the economy electrifies. This is according to a new report from the UK Energy Research Centre (UKERC) and the Aldersgate Group. The research, based on modelling by the University of Leeds, shows that industrial electrification will increase electricity use by 78% between 2024 and 2050. The growth in demand from both industry and other sectors will put significant pressure on the UK's distribution network, which is already struggling to meet current energy needs. If the grid is not upgraded, many industrial sites across the country will be unable to access the power required to decarbonise their operations. According to the report, almost 42% of large industrial sites could face power shortages by 2030, rising to 77% by 2050.
Construction	<ul style="list-style-type: none"> Construction output is estimated to have increased by 0.5% in Quarter 4 (Oct to Dec) 2024 compared with Quarter 3 (July to Sept) 2024; this came solely from an increase in new work (1.2%), as repair and maintenance fell by 0.4%.
Retail, Hospitality and Tourism	<ul style="list-style-type: none"> Retail sales volumes (quantity bought) are estimated to have risen by 1.7% in January 2025. This follows a fall of 0.6% in December 2024 (revised down from a fall of 0.3%). Food store sales volumes grew strongly in January 2025, following falls in recent months. Research from City-Redi and Culture Central has mapped regional trends in public investment in culture, and provides a stark view of diminishing funding levels and associated risks for the region's position as a cultural powerhouse. Findings reveal: <ul style="list-style-type: none"> Public investment in the West Midlands culture sector has fallen drastically since 2016, with a projected funding gap of £102 to £126 million by 2030, representing a 40-49% shortfall. If public investment had kept pace with inflation, the West Midlands culture sector would contribute £500m in GVA to the UK economy, by 2028. This sharp decline is expected to lead up to 2,650 fewer Full-Time Equivalent (FTE) jobs by 2030, with wider implications for part-time and freelance workers. Public investment in culture in the West Midlands was £155 million in 2024, 33% lower than it would have been had it kept pace with inflation.

HEADLINES	
SECTOR	KEY INSIGHTS
Digital / Tech	<ul style="list-style-type: none"> AI could contribute significantly to GDP, with estimates of a 7% increase globally over a decade. Generative AI adoption could boost worker efficiency by up to 40%, and it is driving advancements in pharmaceuticals, finance, and other sectors. However, AI relies on extensive computational power, primarily provided by data centres. The UK is currently Europe's leader in data centres and generative AI start-ups but faces increasing competition. This report details an energy strategy for data centres.
Transport Technologies and Logistics	<ul style="list-style-type: none"> Research from NIESR reveals the extent to which there is a regional transport connectivity gap, as a significantly smaller proportion of the population in Britain's second-tier cities can reach the city centre within 30 minutes compared to the European average for similar locations. This underperformance has been attributed to transport issues. Midlands Connect is revising its strategic outline business case (SOBC) for reinstating a direct rail service between Coventry and Leicester. Currently, passengers must transfer at Nuneaton, adding time and complexity to the journey.
Environmental Technologies	<ul style="list-style-type: none"> A recent study has shown that water scarcity is set to cost the UK economy £25bn over the next five years in undelivered housing due to 61,600 homes not being built. A Farmer Opinion Tracker survey found that, as of October 2024, 66% of farmers felt that they had to make changes due to climate change, up from 55% in October 2023. This trend was tracked across farms of all sizes and regions, but most acutely in the West Midlands. The most affected farm types were cereals, other crops and dairy. The UK Government is to incentivise the use of local supply chains by offshore wind developers. Offshore wind developers will secure subsidies from the UK Government – a bonus payments of £27m per gigawatt – if they source from local suppliers that create jobs in 'areas that need it most', called the 'Clean Industry Bonus'. They can do so by investing in relationships with local suppliers, or by creating their own factories to provide a domestic supply of components such as blades and cables. A new report from the Resolution Foundation reveals that rooftop solar can cut household bills by an estimated £440 a year on average, equivalent to almost a quarter of energy spending for the poorest fifth of households. Poorer households have the most to gain from lower bills but are least able to access solar panels without policy support, due to prohibitive up-front costs. Changes to policy support in the past decade has shifted the distribution of solar panels towards richer areas.

NEW ECONOMIC SHOCKS			
COMPANY	LOCATION	SECTOR	DETAIL
J.S. Wright & Co.	Birmingham	Construction	More than 150 jobs have been lost after a building services provider collapsed into administration. Headquartered in Birmingham, J.S. Wright & Co. specialises in HVAC, plumbing and electrical systems for the hotel, leisure, residential, student accommodation and commercial sectors nationwide.
Conigital	Birmingham	Technology / Automotive	Liquidators have been appointed by an international driverless vehicle firm. Birmingham-headquartered Conigital, which retrofits commercial and industrial fleets with autonomous driving technology, has appointed liquidators due to investor fatigue and the inability to raise the required levels of finance due to market conditions.
Castings	Walsall	Manufacturing	Walsall-based Castings has issued a second profit warning as demand for European heavy trucks plummets even further. With 75% of revenue for the manufacturer coming from commercial vehicles, Castings saw demand drop leading to the second warning that results will be substantially below market expectations.

NEW INVESTMENT, DEALS AND OPPORTUNITIES			
COMPANY	LOCATION	SECTOR	DETAIL
The Transport, Rail, and Infrastructure Academy	Birmingham / Wolverhampton	Construction / Rail	A new specialist infrastructure and rail training centre has opened in Aston, aiming to help fill the skills gap in the region's construction and rail sectors. The Transport, Rail, and Infrastructure Academy (TRIA) was launched by NIS Group in partnership with the city of Wolverhampton College, with employers pledging over 500 new jobs for trainees. The facility, which has undergone a £250,000 transformation, boasts training equipment, including a 15-metre high-speed track, conventional track, a level crossing barrier, and civil engineering training tools.
Torque	Birmingham	Logistics	Plans have been approved for a 270,000 sq ft logistics development on the former GKN Driveline factory site in Erdington. Spearheaded by a joint venture between developer Chancerygate and investor Bridges Fund Management, the £77m Torque scheme will comprise 22 Grade A units ranging from 4,500 sq ft to 66,000 sq ft.
METCLOUD	Birmingham	Technology	Cloud and cybersecurity services provider METCLOUD is set to create up to 100 jobs as part of its expansion in Birmingham. After securing the entire fifth floor of Lyndon House, the company is growing its workforce to meet increasing demand. A series of major contract wins have driven this growth, including a deal to provide cybersecurity services to defence manufacturer NMS UK.
Knighthead	Birmingham	Sports / Property	Birmingham City FC owner Knighthead has announced a £100m investment to develop a Sports Quarter in the east of the city. A 60,000-seater stadium will be developed alongside a sports campus with training facilities, a

NEW INVESTMENT, DEALS AND OPPORTUNITIES			
COMPANY	LOCATION	SECTOR	DETAIL
			new academy and community pitches. The Sports Quarter is expected to create 8,400 jobs and provide £370m of growth each year, by bringing international sporting events to the region.
Barkley Plastics	Birmingham	Manufacturing	Barkley Plastics, a Birmingham -based plastic injection moulding and toolmaking specialist, has won a string of new projects. The company has won work to produce controller parts and ambient lighting for a high-end shower manufacturer, as well as car charger components for Fast Amps and environmentally friendly plumbing fittings for Ecoclip. Expansion plans have been boosted by the £100,000 modernisation and streamlining of its Highgate facility to include several cobots for increased automation and a new temperature-controlled quality control room.
Edgbaston Stadium	Birmingham	Sport / Hospitality	Proposals for a new hotel and stand at Warwickshire Country Cricket Club's Edgbaston Stadium, representing the next stage in the ongoing redevelopment of the site, have now been approved. The hotel is the centrepiece of a project that includes the redevelopment of the stadium's Stands, incorporating a new concourse with enhanced food and drink options and improved facilities for disabled spectators.
DuraClean	Birmingham	Wholesale	Birmingham -based DuraClean has secured a three-year contract with cleaning and maintenance provider WGC. DuraClean will supply WGC with cleaning consumables, equipment such as vacuum cleaners and floor polishing machines, staff uniforms and cleaning chemicals. The partnership will support WGC's portfolio of over 300 hotels, including brands like Hilton and Claridge's.
Rigby Group	Birmingham	Sills / Education	Rigby Group has announced a £3m commitment to help raise the aspirations of disadvantaged young people in Birmingham . The programme will pair ten schools and colleges from the city with ten leading charities that will provide support with activities like Maths and English attainment, mental health, debating skills and preparing for employment.
Volklec	Coventry	Energy / Manufacturing	Volklec has announced plans to invest more than £1bn in developing a gigafactory in Coventry , following a strategic partnership with leading Chinese battery supplier, Far East Battery (FEB). With FEB's support, Volklec will utilise the UK Battery Industrialisation Centre's (UKBIC) existing 100MWh production line to manufacture an advanced energy cell.
NRG Marine	Coventry	Technology	Stockholm-listed engineering firm Alfa Laval has acquired marine technology pioneer, NRG Marine, to add to its 'decarbonisation toolbox'. Headquartered in Coventry and with operations in Abu Dhabi, NRG Marine has developed ultrasonic anti-fouling systems to help prevent poisonous biocides and microplastics from filling the ocean.
DHL	Coventry	Logistics	Logistics giant DHL has invested £230m in an e-commerce hub in Coventry which will create up to 600 jobs. The hub, which began operating last summer, will improve delivery to consumers across the UK as well as internationally, due to secure bonded storage and customs capabilities to support international e-commerce.
MET Recruitment	Dudley	Recruitment / Logistics	Dudley recruitment agency MET Recruitment has launched a new logistics division with a senior appointment. The aim is to tap into the need of existing industrial clients, as well as build up a pool of new customers serving couriers, logistics businesses and manufacturing firms with their own transport fleet.
Travis Perkins	Dudley	Wholesale / property	Travis Perkins has acquired the freehold of a warehouse in Dudley in a £1.3m deal. The builders' merchant previously let the Peartree Lane premises from Wesleyan Assurance Society, a Birmingham-based mutual.
Loungers	Dudley	Retail / Hospitality	Restaurant group Loungers has opened a new venue at West Midlands shopping destination Merry Hill . The 3,200 sq ft Toledo Lounge is the group's first location in a covered mall environment. It adds to the £12m investment in Merry Hill's leisure quarter over the past three years.
Forge Lifting Gear	Dudley / Sandwell	Manufacturing	William Hackett, global chain and lifting products manufacturer has acquired Halesowen based Forge Lifting Gear. With sites in Alnick, Northumberland and Cradley Heath , William Hackett provides lifting, rigging and chain solutions including products specifically designed for marine and offshore applications. Forge adds bespoke service to the manufacturer, with expertise in bending, milling and hot forging, as well as welding.
Altrad Generation / Heras Mobile Fencing	Sandwell	Construction	Altrad Generation has acquired the assets and branch operations of Heras Mobile Fencing, to bolster its branch network and product offering. The Oldbury -headquartered provider of access, scaffolding, safety and training products will gain six additional locations throughout the UK, expanding its existing network of 32 branches.
Brockhouse Forgings	Sandwell	Manufacturing	Brockhouse Forgings, a manufacturer of steel forgings, has secured a six-figure funding package. The West Bromwich company specialises in providing forged steel components for industries such as mining, oil & gas, railway, nuclear, automotive and defence. Brockhouse intends to use the funding to grow its business, with a particular focus on closed die hammers and upset forgings. The funding was provided by UKSE.

NEW INVESTMENT, DEALS AND OPPORTUNITIES			
COMPANY	LOCATION	SECTOR	DETAIL
Pinewood Technologies Group	Solihull	Technology	Pinewood Technologies Group has acquired the remaining share capital of Seez, a Dubai-based automotive AI company in a £33.3m deal. The deal will see Pinewood acquire the remaining 90.9% of Seez to roll out AI products to its global dealers.
HS2 Ltd	Solihull	Transport	HS2 Ltd will award two contracts for Solihull's Interchange Station to the collective value of about £269m. Once selected, the contractor will be tasked with the design, supply and installation of the APM cable-pulled operating system, in addition to the maintenance and operation of the system for a 25-year period.
Gymshark	Solihull	Retail	Gymshark, a gymwear retailer based in Solihull , has announced that it will open a flagship store in New York, marking its second permanent site outside of the UK.
Jaguar Land Rover	Solihull	Manufacturing	Jaguar Land Rover is taking a step towards modernising its manufacturing with the introduction of Ericsson Private 5G at its Solihull plant. The new technology will help improve the production of Range Rover vehicles by supporting key systems like IoT sensors, vision technology and production tools. By replacing outdated wired networks with Ericsson's fast, secure 5G, JLR can now support IoT devices, AI, and automation and is even looking into using automated guided vehicles.
Goldilock	Wolverhampton	Technology	Goldilock has expanded its manufacturing and testing facilities in the University of Wolverhampton Science Park, to meet demand for growing global orders. It now expects to increase the team to 32 employees by the end of 2025 and forecasts that it will be able to create 44 new jobs in the area between now and the end of 2027.

The West Midlands Insights on Society and Economy (WISE) newsletter is a monthly publication by the West Midlands Combined Authority that sets out the social and economic trends that matter to the West Midlands. The newsletter contributes to our understanding of the economic conditions of the West Midlands, as part of the wider regional research and intelligence ecosystem. Further information is available on the West Midlands research and insights website at wmca.org.uk/research and previous issues are available at wmca.org.uk/wise.

This edition was prepared by Phillip Nelson, Victoria Tidy, and Tawfieg Zakria, and incorporates commissioned content from the Economic Intelligence Unit (EIU) and other regional partners.