

## West Midlands Insights on Society and Economy

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

Issue 8, May 2024

### 1.0 Headlines

#### 1.1 May Editorial

After the excitement of the 22<sup>nd</sup> Commonwealth Games held in Birmingham in the summer of 2022, we now have a clearer idea of the economic and business benefits to the city, region and UK with the publication of an independent review of the Games' impact. As Chair of Commonwealth Games England, a Brummie and businessman, I wanted to reflect on the return we got on the £778m of public funding and £120m invested in the Games from the commercial sector.

We proved to a global audience that Birmingham and the West Midlands can deliver. A condensed lead-in, the pandemic, and supply chain disruption had a major impact but all local, national and international partners united to deliver the Games on time and under budget. Our tracks, gyms, sports fields and pools were a high-quality backdrop for Team England to win a record breaking 176 medals, all manufactured in Birmingham's Jewellery Quarter.

My personal highlight was how we used top class sport to bring people together and to develop new skills. The wonderful volunteers from the Commonwealth Collective gave athletes and visitors alike a warm West Midlands welcome. Nearly 12,000 volunteers, nearly two thirds from the West Midlands, gave more than a million hours of their time and were a credit to the region. The Games' Jobs and Skills Academy helped a further 21,000 people (52% from ethnic minority groups) develop skills and kickstart their careers, securing jobs related to the preparation and delivery of the Games.

West Midlands businesses stepped up to capitalise on the commercial opportunities. According to the independent evaluation, the Games boosted the region's economic output by £516.2m (£1.2bn overall across the UK) during the five years culminating in the summer of 2022. This includes the benefits of the Business and Tourism Programme, expertly led by the West Midlands Growth Company, which attracted additional visitors to the West Midlands and increased visitor spend in the city and region. I'm delighted that the evaluation also recognised the Organising Committee's efforts, to deliver a carbon neutral Games and, through its procurement, an exemplar social value programme.

Finally, we should be proud of our bold legacy. Over 2,450 schools engaged with the Games and young people are benefitting from the 16,000 pieces of used Games equipment handed out to over 290 West Midlands organisations. Having delivered the Games under-budget, the Government was persuaded to return the £70m surplus to the region in the shape of the Commonwealth Games Legacy Enhancement Fund, which is being disbursed by the Combined Authority. This has been used to support a variety of initiatives across the West Midlands in line with the original legacy ambitions, including the ongoing work of United by 2022, the excellent Games legacy charity.

Through the Global West Midlands programme, the Legacy Fund has continued to invest more widely in the business and tourism opportunities created by the Games. Hosting the Games has enabled the region to secure the 2026 European Athletics Championships as well as 9 regional events across 2024 and 2025, including 2 major E-sports tournaments, the Kabaddi World Cup, Judo junior European cup and cultural events such as Coventry's Godiva Festival and the Birmingham Weekender. April 2024 also saw the region successfully host 1,500 top global sports administrators and business leaders, for the 2024 Sport Accord summit at the ICC. With Ugur Erdener, the President of Sport Accord,

describing the summit as “the best Sport Accord ever”, the West Midlands is absolutely at the Heart of UK Sport, firmly embedded as the Region of choice for hosting major sports events, with all the business and social benefits this will bring.

### Ian Metcalfe OBE

Chair of Commonwealth Games England (2014 – 2022), Non-executive director on the Board of the Birmingham 2022 Commonwealth Games (2018-2022), and Chair of SportAccord-West Midlands Executive Steering Group (2024)

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### 1.2 Coming Up in the Month Ahead

- Update on Transformation of Research and Development Statistics – 1<sup>st</sup> May
- Measuring Progress, Well-being and Beyond GDP in the UK – 9<sup>th</sup> May
- Index of Private Housing Rental / House Prices – 22<sup>nd</sup> May
- Business insights and impact on the UK economy – 23<sup>rd</sup> May
- Deaf awareness week – 6<sup>th</sup> – 12<sup>th</sup> May
- Coeliac awareness week – 13<sup>th</sup> 19<sup>th</sup> May
- Stroke awareness Month – May

### 1.3 National Headlines

- Centre for Cities reviews the success of Devolution through the lens of a public survey
- UK Halfway to Net Zero according to latest provisional data
- Labour set out transport plans
- Productivity Institute argues productivity in public sector requires redefinition
- Department for Work and Pensions reviews benefits levels in the UK

#### [Centre for Cities reviews the success of Devolution through the lens of a public survey](#)

The Centre for Cities polled people across major mayoral areas to assess devolution's success. [Findings](#) show high recognition of mayors, especially in London (88%) and Manchester (83%), with 65% of residents the West Midlands able to name the mayor at the time. Transport policies are most recognized, while candidate quality outweighs party affiliation. There's strong support for local policy power, with mayors seen favourably for transport decisions. However, awareness is low in regions voting for mayors for the first time, signalling a need for outreach. Overall, mayoral visibility suggests success, but new areas require more awareness-building efforts.

#### [UK Halfway to Net Zero according to latest provisional data](#)

The UK leads in emissions reduction, with a 53% decrease since 1990 and a 5% drop from 2022 to 2023 according to a [latest data release](#). Key sectors, including electricity, homes, and industry, saw notable reductions. The UK's renewable energy sector flourishes, generating nearly half of its electricity. Despite economic growth, emissions fell. Territorial greenhouse gas emissions decreased more than other major economies combined since 1990. The Government says it is committed to realistic climate targets, attracting significant low-carbon investment and creating jobs.

#### [Labour sets out transport plans](#)

Labour has [proposed a unified railway governance structure](#) to prioritize passengers, aiming to bring train operators under public ownership. They plan Great British Railways, led by rail experts, to enhance operational efficiency and passenger experience. Labour has also outlined a [bus network overhaul](#), empowering local authorities to control services, accelerate franchising, and safeguard networks. They aim to support public ownership and remove barriers to improve bus services nationwide. Critics argue that the railway proposals are unlikely to lead to lower prices anytime soon, and franchising may not be the panacea Labour thinks it is.

#### [Productivity Institute argues productivity in public sector requires redefinition](#)

The [report](#) challenges the UK government's approach to public sector productivity, criticizing its focus on cost-efficiency and urging broader innovation measures. It outlines the complexity of defining and measuring productivity in the public sector, emphasizing the need for a multifaceted approach. Recommendations include embracing digital transformation with flexibility, fostering an agile workforce, and adapting management practices to public sector realities. The report suggests a shift from short-term cost-cutting to sustained investment in skills, culture, and technology.

#### [Department for Work and Pensions reviews benefits levels in the UK](#)

The Department for Work and Pensions manages welfare policy for about 9.3 million working-age individuals in the UK. This [report](#) examines benefit levels for working-age people, following a previous recommendation to review their adequacy. Evidence suggests current benefit levels are insufficient for daily living and additional costs due to health conditions or disabilities. The lack of clear objectives for benefit levels poses a challenge. The report proposes developing principles to guide benefit level discussions, establishing benchmarks linked to living costs, and ensuring annual uprating consistency. It also recommends improving transparency in benefit uprating procedures and monitoring employment support changes' impact on claimants.

### 1.4 Regional Headlines

- Mayoral polls close
- WMCA area grows at same rate as UK but lags behind rest of country since pandemic
- Independent review reveals extensive benefit of Commonwealth Games to regional economy
- SportAccord World Summit 2024 success
- ONS releases data on households below average income
- City-REDI releases April West Midlands Economic Impact Monitor

#### [Polls have closed on the Mayoral election 2024](#)

At time of publication, polls will have closed on the mayoral election, with results expected on Saturday, 4 May, in the afternoon.

#### [WMCA area grows at same rate as UK but lags behind rest of country since pandemic](#)

Continuing the economic recovery following the Covid-19 pandemic, the WMCA area total gross value added (GVA) increased from £66.2bn in 2021 to £68.9bn in 2022, according to the [latest data release](#) by the ONS. This equated to a 4.1% (+£2.7bn) annual increase which matched the UK growth rate. Compared to 2017, the latest WMCA GVA figure is 1.5% lower (-£1.0bn) while for UK-wide this has increased by 4.8%. Out of the ten Combined Authorities, the WMCA had the fourth lowest annual percentage change in GVA, with the North of Tyne the highest (+8.2%), down to Cambridgeshire and Peterborough and North East (both +2.6%). Within the WMCA, there was annual growth across all of the local authorities, with notable strong growth in Wolverhampton (+6.4%). For further analysis provided by the Economic Intelligence Unit see the [annex](#).

#### [Independent review reveals extensive benefit of Commonwealth Games to regional economy](#)

An [independent review](#) has found that the Commonwealth Games delivery and legacy activities have delivered an additional £516m of economic benefit and £79.5m of social value in the region. With the Games being delivered on time and under-budget, the surplus is being [invested in the region](#) by the WMCA.

#### [SportAccord World Summit 2024 success](#)

The SportAccord World Sport & Business Summit 2024 concluded, [drawing 1,700 attendees from 65 countries to Birmingham](#). The event featured high-profile speakers like Epic Games' Mark Rein and Olympic champion Dame Katherine Grainger, covering topics from sustainability to esports. [Research](#) conducted ahead of the Summit, highlighted that sports tourism contributed significantly to the West Midlands economy, with 1 in 7 visits attributed to sports-related activities, generating £1.9bn for the economy and supporting 18,352 jobs.

#### [ONS releases data on households below average income](#)

Latest [Data](#) indicates the West Midlands region has the highest proportion of working age people living in low-income households. In England, 14% of people fall into the category, while in the West Midlands the proportion is 19% (700,000). Though the West Midlands region constitutes roughly 9% of the working age population in the UK, it accounts for 11% of the population living in low-income households.

#### [City-REDI releases April West Midlands Economic Impact Monitor](#)

Key points from [this edition](#) include:

- The forecast for global growth five years from now, at 3.1%, is at its lowest in decades.
- Global inflation is forecast to decline steadily, from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025.
- Economic momentum is set to return to all parts of the UK between 2024 and 2027.

### 2.0 In More Depth

#### 2.1 National Roundup

##### [Institute for the Future of Work releases the Good Work Time Series 2024](#)

The [2024 Good Work Time Series](#) highlights the importance of good jobs in building resilience against social, economic, and health challenges. Regional disparities persist, with widening gaps between top and bottom performers. Despite job polarization and pay decreases in some areas, positive interactions within the Good Work Monitor underscore the need for prioritizing good work in economic strategies. The report combines insights with IFOW's Pissarides Review to guide policymakers, practitioners, and researchers towards inclusive growth amid technological transformations. Access to good work is vital for societal flourishing, advocating for a nuanced, locally tailored approach to innovation and infrastructure development.

##### [Prime Minister announces review of Fit Note system to help people to stay in work](#)

Rishi Sunak [aims to reduce sick note issuance](#), alleging a "sick note culture" is increasing welfare costs and potentially leading to poorer outcomes for the individuals concerned. Sunak plans stricter criteria for Personal Independence Payments and shifting assessments from GPs to unspecified specialists. Critics condemn the government's portrayal of disabled individuals and its failure to address healthcare access issues.

##### [What Works Growth reviews the evidence for the impact of social enterprises in our communities](#)

This latest [briefing](#) examines the local economic impacts of plural and local ownership policies, focusing on employment, wages, productivity, and wider benefits. Plural ownership policies, including cooperatives and social enterprises, aim to benefit local residents by distributing profits locally or supporting community projects. Local ownership policies aim to directly benefit local business owners. The evidence suggests mixed outcomes regarding employment, productivity, and effectiveness of support services. The authors note more research is needed to understand the impacts of plural ownership on local economies and the effectiveness of interventions.

##### [Centre for Cities looks at improving evidence use in local economic policy making](#)

The [report](#) questions why economic policy making in local government often lacks evidence-based decision-making. It identifies three pillars – incentives, resources, and capacity – essential for evidence-based policy, highlighting barriers within each. It stresses that all pillars are interconnected and emphasizes the significance of setting the right incentives to drive behaviour. Despite efforts to address resources and capacity, lacking incentives hinder progress. It calls for national and local governments to collaborate, with the former shaping incentives and the latter reassessing objectives and skill requirements for economic development roles.

##### [CLEES considers how gender equality can deliver stronger local economies](#)

According to the recent CLES [report](#), persistent structural and systemic barriers hinder gender equality in economies despite legislative progress. Rooted in entrenched gender roles and norms, these barriers cost Britain £88.7bn annually in lost Gross Value Added. Local authorities can drive change by understanding local challenges and engaging with women. In Leeds, detailed analysis has informed an agenda for gender inclusion, offering insights applicable to diverse locales. While solutions may vary, the recommendations aim to inspire efforts for gender equality in local economies nationwide.

##### [Social Market Foundation examines learnings from housing crises across the English-speaking world](#)

Housing crises abound across the English-speaking world and challenges faced in the UK are comparable to Canada and Australia, though less severe than New Zealand. Despite similar issues, approaches vary widely. Learning from global experiences, The Social Market Foundation's [series](#) examines policies in four areas: land-use, alternative ownership, homeownership, and renter policies. It assesses effectiveness, drawing on international examples like Auckland's zoning reforms and German



rent control. The aim is to identify promising policies for the UK, considering nuances and outcomes across different contexts. The WMCA is currently putting together a way to monitor regional housing data to more accurately monitor the situation in our region and expects to launch soon.

### [Resolution Foundation delves into recent rental price growth](#)

Rising rents pose a significant challenge to UK living standards, with average rents up by 15% since January 2022 writes the Resolution Foundation [report](#). Increased demand, post-pandemic adjustments, and limited housing supply are key factors driving this trend. Despite a slight easing in new tenancy rent growth, overall rent pressures persist, especially for low-income renters. Government support, including consistent Local Housing Allowance increases and abolishing benefit caps in high-cost areas, is crucial. Long-term solutions should address barriers to homeownership and bolster the social housing sector to mitigate reliance on private renting.

### [Social Market Foundation reviews planning reform and social housing as solutions to the housing crises](#)

Planning reform is seen as a strategy to increase housebuilding rates with minimal public cost. However, its impact is limited by scope and ambition, and other regulations can hinder developers according to the [report](#). A second [report](#) discusses the importance of social and cooperative housing in addressing the housing crisis, noting dissatisfaction with homeownership and private renting. Cooperative housing offers benefits like tenure security and lower rents, but it's underutilized compared to other countries. Recommendations include ambitious reforms, mandatory regulations in planning frameworks, uniform reforms nationwide, establishing support mechanisms for cooperative housing, and demand-side interventions to ensure affordability based on household income.

### [Joseph Rowntree Foundation weighs up bringing private homes into social ownership to help solve the housing crisis](#)

The [report](#) highlights the challenges of renting in the Anglosphere, advocating for socialization to address issues of affordability, insecurity, and poor quality. It explores three scenarios for using acquisition as a strategic tool in the housing market. Firstly, it proposes acquiring homes for temporary accommodation to reduce costs and improve standards. Secondly, it suggests supporting community rental organizations in low-cost housing markets. Lastly, it recommends reforming the Right to Buy scheme to retain social housing stock. These strategies aim to reshape the housing market for greater equity and functionality, emphasizing access to decent, secure, and affordable homes for all.

### [UK in a Changing Europe consider the impact of Brexit on the UK State](#)

Brexit has reshaped the UK state, increasing the civil service size by around 100,000. It strained relationships with devolved governments and altered regulatory frameworks. While EU relations have improved under the Windsor Framework, cooperation remains limited. The [report](#) argues that post-Brexit policymaking lacks coherence, resulting in unstable and uncertain policies. The UK's influence in global forums has diminished, though it maintains a cooperative stance. Internal tensions persist, especially regarding the UK internal market and Northern Ireland's status. Overall, the process of defining the post-Brexit state remains ongoing and challenging according to the report.

### [Reform argues future government needs to be mission-led](#)

Successful organizations and governments share a clear purpose or mission, driving their actions and uniting their teams. Governments' historic achievements, like the moon landing or rapid vaccine development, stem from clear missions. However, the implementation of such missions often faces challenges like short-termism and organizational silos. According to the latest Reform [publication](#), the UK can adopt a mission-driven approach to government using principles like specificity, credibility, and focus, and recommendations such as appointing expert councils, establishing business cases, and creating dedicated units. This approach emphasizes innovation, accountability, and progress tracking to achieve ambitious goals.

### **[New Economics Foundation proposes National Skilling Wage](#)**

The UK faces a skills shortage and productivity decline due to reduced investment in skills. This trend impacts various sectors and regions, exacerbated by economic challenges. To address this, a [proposed](#) National Skilling Wage aims to support workers and businesses in upskilling efforts. It suggests shifting state support from corporation tax relief to payroll tax credits and reforming student finance into Personal Learning Accounts. These reforms aim to de-risk skills investment and address issues of state costs and revenue, including potential charges to employers and revenue-raising strategies.

### **[Fabian Society uncovers hidden poverty crisis affecting 60–65-year olds](#)**

A hidden poverty crisis affects 60 to 65-year-olds in the UK, with a quarter living in poverty, the highest rate among adults. Policy changes like increasing the pension age for women to 65 in 2018 and for both genders to 66 in 2020 contribute to this crisis. High poverty rates are linked to factors like low employment among this age group, insufficient benefits, and inadequate pension savings. This [report](#) argues urgent action is needed, including improving working conditions, enhancing skills support, and reforming pensions and benefits to lift older adults out of poverty.

### **[ONS SIC code consultation round 2 announced](#)**

The Office for National Statistics (ONS) [is seeking feedback](#) primarily from statistical users on potential revisions to the UK Standard Industrial Classification (UK SIC). This includes considering which international classification framework to adopt and whether adaptations are necessary. The consultation aims to gather diverse opinions to inform decision-making.

### **[Partners report on learnings from first year of Reclaiming our Regional Economies programme](#)**

The UK faces significant regional disparities, prompting calls for decentralization to spread prosperity. Devolution efforts, including Greater Manchester and the West Midlands, offer hope for empowered local decision-making. The Reclaiming our Regional Economies (RORE) programme, supported by CLES, the New Economics Foundation (NEF), Co-operatives UK, and the Centre for Thriving Places (CTP), aims to involve communities in designing more equitable regional economies. RORE focuses on testing governance approaches and engaging with anchor institutions to foster joint working. Read the recently released [paper](#) to find out what they have learned thus far.

### **[Edge Foundation reviews public attitudes to proposed Advanced British Standard](#)**

Edge advocates for a baccalaureate-style 16–18 education system to prepare youth for work and life. Their [report](#) reveals public dissatisfaction with the current system's inadequacy in job preparation. There's a growing demand for essential life skills and technical training. While technical pathways are valued, they lack societal respect. The proposed Advanced British Standard garners widespread support, especially for its majors and minors framework. Despite challenges, there's optimism, with younger generations more open to recognizing technical qualifications.

## 2.2 Regional Roundup

### Labour force headlines

#### Claimant counts

Latest data showed the total claimant count rose by 3.8% in the WMCA area on the year to March 2024 (UK: 4.4%). The number of claimants as a proportion of residents aged 16–64 was 7.0% compared to 3.9% for the UK in March 2024. Across the Combined Authorities, the WMCA had the highest rates, Greater Manchester was the second highest at 5.2% down to 2.8% for the West of England.

Latest data showed the youth claimant count rose by 11.2% in the WMCA area on the year to March 2024 (UK: 6.7%). The number of youth claimants as a proportion of residents aged 18–24 was 8.9% compared to 5.2% for the UK in March 2024. Across the Combined Authorities, the WMCA had the highest rates, Tees Valley was the second highest at 8.0% down to 2.6% for the West of England.

#### WMCA Economic Dashboard April Highlights

The Future Business Activity Index remained high at the end of the financial year in March, while latest data from the ONS revealed that the number of persons within the WMCA area with no qualifications fell from approximately 10.6% in 2022 to 9.0% in 2023. Equally, those with a level four qualification or above rose from 37.8% to 41.6%.

#### Department for Education releases data on further education and skills

The DfE have released [data](#) on adult further education and skills in England for the 2023/24 academic year. Nationally, 1,308,8000 adults participated in FE or skills training, up 0.8% from last year. Of these learners 59.1% are female and 234,520 are taking higher level courses, a 4.6% increase from 244,300 in 2022/23. Community learning participation increased by 1.6% to 195,160, of which 46,610 are participating in improving essential skills including English, ESOL, maths and digital.

The DfE have also released the latest apprenticeships [data](#) for the 2023/24 academic year. Nationally, there were 200,550 apprenticeship starts between August 2023 and January 2024, a 2.5% increase compared to the previous year. In the West Midlands region numbers rose by 1.3% on the previous year. Data for FE participation and apprenticeships for the WMCA area can be seen in the table below.

	<i>FE participation</i>	<i>Community Learning Participation</i>	<i>Apprenticeship starts</i>
Birmingham	3620	1160	3370
Coventry	1440	410	1230
Dudley	750	510	1200
Sandwell	1190	420	1120
Solihull	480	310	740
Walsall	1040	370	1010
Wolverhampton	1350	310	970

*Source: ONS, 21 March 2024*

#### Centre for the New Midlands reviews the housing crisis in the West Midlands

The West Midlands, with its diverse population, faces housing challenges amidst economic growth. Urban areas like Birmingham struggle with soaring property prices, leading to affordability crises and rural regions lack accessible senior housing options due to outdated stock and prohibitive land costs, according to the [analysis](#). Underbuilding exacerbates shortages across sectors, with public funding insufficient. Policy proposals have included urban density incentives, funding partnerships, adaptive reuse, and regional planning to address these issues. The goal is to create equitable, sustainable communities with affordable housing options for all residents.



### 2.3 Regional Business Roundup<sup>1</sup>

#### Local football clubs struggle with finances in 2023

West Bromwich Albion [recorded](#) a loss of £11m in 2023 after making a £5.4m profit the year before. Birmingham City also [posted](#) £25.3m loss on top of a £24.8m loss the year before. In March, Wolverhampton Wanderers [reported](#) a loss for the year ending May 2023 of £67.2m, while Coventry City [noted](#) a loss of £4.7m down from £6.7m the year before.

#### Coventry Building Society acquires The Co-operative Bank

Coventry Building Society [has agreed terms to acquire](#) The Co-operative Bank in a £780m deal, a move that will create a group with a balance sheet of £89bn. Non-binding heads of terms have been agreed for the potential cash acquisition, after Coventry and Co-op entered exclusive talks on December 21. Up to £125m will be deferred for three years, subject to the future performance of the Bank as it is integrated over several years. Coventry says it intends for eligible Bank customers to become Society members over a period of time post-completion.

#### Paragon Bank expands Green Homes Initiative

Paragon Bank's Development Finance arm has [announced](#) an expansion of its Green Homes Initiative, adding an extra £100m to support developers constructing energy-efficient homes. Initially launched in November 2021 with a £100m lending tranche, it was then increased to £200m in 2023 and has now been further extended to £300m, aiming to assist more SME developers in delivering environmentally friendly homes.

#### University College Birmingham invests in the future

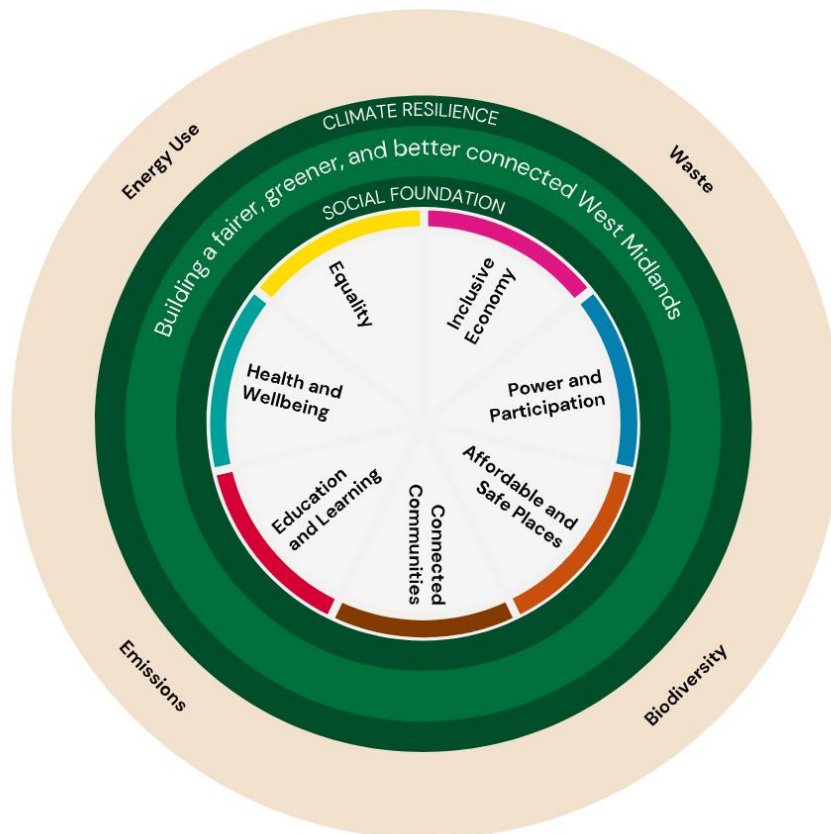
University College Birmingham (UCB) [is investing in its expansion plans](#) with the acquisition of 45,000 sq ft of space at a landmark property in the city centre. Located in the historic Centenary Square, Baskerville House is located a few minutes' walk from Grand Central and New Street station. The location also benefits from the ongoing development to transport infrastructure in the city with phase 2 of the West Midlands Metro Extension connecting Grand Central to Edgbaston via Centenary Square.

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<sup>1</sup> See the [annex](#) for more business updates.

## 2.4 Inclusive Growth Roundup

This section looks at the regional news highlights which relate to our eight fundamentals of the [West Midlands Inclusive Growth fundamentals](#).



### Climate

#### [Institute for Government considers how the UK can better adapt with climate change](#)

Climate change impacts are evident in the UK, yet adaptation efforts lag behind mitigation according to the [analysis](#). New housing developments often overlook flood risks, and existing homes are ill-prepared for hotter temperatures. While mitigation receives more attention and funding, adaptation is neglected. The National Adaptation Plan lacks urgency and a comprehensive vision. To prioritize adaptation, the government must integrate it into financial control mechanisms, align it with spending reviews and net-zero goals, and develop monitoring indicators. Parliamentary scrutiny should ensure timely progress. Collaboration among UK governments is crucial. This report advocates for embedding adaptation into policy-making forefront.

### Inclusive economy

#### [Youth Futures Foundation dives into discrimination and work](#)

This research [report](#) finds 48% of ethnic minority young people surveyed (3,250 sample size) had directly experienced some level of prejudice or discrimination when seeking to enter the workplace. 26% of respondents said discrimination based on their ethnicity was their biggest barrier to work, compared to other protected characteristics. After experiencing discrimination, respondents were motivated to look for work with another employer (73%) or in another industry entirely (71%). Employers are advised to publicly disclose ethnicity pay gaps, prioritize inclusive early talent pipelines, and combat discriminatory behaviour. Policy makers should enhance public data on minority youth outcomes, mandate pay gap reporting, bolster school support, and expand youth support networks for better employment opportunities.

### **Affordable and safe places**

#### **Social Market Foundation considers how homeownership can be increased in the UK**

The [report](#) examines homeownership challenges and policies in the UK, Australia, New Zealand, Canada, and Ireland. Despite British government efforts since 2008, homeownership remains elusive in high-demand areas. It proposes solutions for first-time buyers, addressing deposit, mortgage, and tax issues. The UK should adopt Canada's mortgage insurance system for cheaper deposits and offer longer fixed-rate mortgages to mitigate interest rate risks. Council tax reforms and the introduction of housing sin taxes, including levies on foreign buyers and vacant homes, are recommended to alleviate burdens and increase affordability. Stamp duty abolition and capital gains exemptions adjustments are also suggested to balance revenue.

### **Connected Communities**

#### **Building Digital UK releases corporate plan**

The UK reached a milestone in digital connectivity with over 80% of premises now having access to gigabit broadband. Building Digital UK (BDUK) [aims to extend this further](#), with over £1 billion in contracts signed to connect 780,000 more premises bringing connectivity to 85% by 2025 and full coverage by 2030. The Shared Rural Network improves mobile coverage in remote areas, enabling work, innovation, and emergency services. Collaboration between government, local councils, and the private sector will drive initiatives forward to enhance connectivity and transform lives across the UK.

### **Education and Learning**

#### **Institute for Fiscal Studies examines social skills and the wage growth of less educated workers**

The [report](#) considers the importance of social skills such as team working and communication, as a driver for improving wage growth for workers who have lower formal qualifications, particularly as mitigation against the relationship between work experience and education where those with higher qualifications will tend to experience higher wage growth. The study finds there is a correlation, particularly in occupations where social skills are materially linked to the company's business or assets and so the value and contribution of the individual is more visible, consequently tied to their value and wage growth.

### **Health and wellbeing**

#### **Fawcett shines spotlight on childhood education and care**

The Fawcett [report](#) emphasizes the urgent need to overhaul the childcare system, highlighting how its dysfunctionality locks women out of the workforce and hinders children's development, especially in disadvantaged families. Part of a two-piece project examining childcare in five countries, it proposes a blueprint for reform, focusing on evidence-based cross-governmental strategies, universal access to childcare, increased subsidies for low-income families, funding for nurseries in unprofitable areas, workforce development, and curriculum improvement with active government involvement to ensure quality and sustainability.

### 2.5 Latest Blog Roundup

#### What Works Growth considers transport investment options for growth

The government's £4.7bn Local Transport Fund aims to enhance connectivity in the North and Midlands. This [blog](#) reviews the investment options in front of transport policymakers which could best deliver local economic growth. Evidence suggests road and rail projects can positively impact employment and property prices, though outcomes vary. Active travel initiatives may increase walking and cycling rates but show unclear economic effects. While transport investments aren't a cure-all, well-planned projects can contribute to local economic growth. Evidence resources provided can aid in designing effective initiatives.

#### Centre for the New Midlands considers whether announced apprenticeship reforms are enough to fix problems

The Prime Minister announced a reform package to boost apprenticeships and ease burdens on small businesses. A £60m new investment aims to create 20,000 more apprenticeships, particularly for young people and small firms. The government fully funds apprenticeships for those under 21, increasing flexibility for levy-paying employers. As [reviewed by the Centre for the New Midlands](#), however, some question if this commitment will suffice, suggesting an end to co-funding for all-age apprenticeships and more flexibility in fund usage is also needed. Engagement of young people and SMEs is crucial for success, urging for more impactful commitments to enhance skills and economic productivity.

#### City-REDI

##### The Role of Further Education in Workforce Development

Rebecca Waterfield, Director of Business Development, South and City College Birmingham [discusses](#) how Further Education Colleges are crucial for supporting economic growth in Birmingham and the region. Birmingham, as one of the UK's youngest and most ethnically diverse cities, holds significant potential for regional economic growth, leveraging its diverse talent pool. However, despite high levels of diversity, the city faces challenges such as low education attainment and deprivation. Further Education (FE) Colleges play a crucial role in addressing these issues, yet many employers remain unaware of their benefits. FE Colleges offers tailored programmes beyond traditional academic routes, including pre-employment initiatives and upskilling opportunities, fostering workforce development aligned with industry needs. By collaborating with employers and local communities, colleges not only enhance curriculum relevance but also ensure access to a diverse talent pool, ultimately contributing to Birmingham's economic success through a strengthened recruitment and skills alliance.

##### The Rise in Economic Activity Due to Long-Term Health Issues

Dr Justin Varney, Director of Public Health, Birmingham City Council [discusses](#) how retention of staff is key to the health and wealth of Birmingham and the wider region, as well as business. In the tight labour market, businesses face high costs in replacing experienced staff, compounded by shifting post-pandemic employee expectations. Meanwhile, there's a rise in economic inactivity due to long-term health issues, notably musculoskeletal and mental health conditions. Despite this, employers have been slow to adapt, especially in addressing musculoskeletal health risks exacerbated by factors like prolonged standing and home working. Free toolkits offer practical steps for businesses to mitigate these risks, emphasizing the importance of promoting physical activity and creating supportive work environments. Prioritizing employee health not only fulfils duty of care but also fosters a more productive workforce, benefiting both employees and Birmingham's economic success.

##### The Knowledge Excellence Framework (KEF)

The LPIP Hub (Local Policy Innovation Partnership Hub) looks at what KEF is, what it is trying to achieve, and why it may be of interest to people outside of academia. In a series of [blogs](#), the LPIP Hub explains what the three common university frameworks are, what the benefits are of these, and how they can be of interest to people outside academia. Focussing on how collaboration and partnerships can help

## **West Midlands Insights on Society and Economy**

universities and conversely how performing well in these frameworks can be of benefit to our external partners.

### **The Impact of the Cost of Living Crisis and The Issue of Deprivation in Birmingham**

Simone Connolly, CEO, FareShare Midlands [discusses](#) the impact of the cost of living crisis in Birmingham, with large increases in the numbers of people turning to them for help. The organization supports various community centers, food banks, and charities, aiding diverse groups like children, the elderly, and domestic violence survivors. Amid rising costs and declining donations, FareShare struggles to meet demand, exacerbated by supply chain disruptions.

### **The Teaching Excellence Framework**

The LPIP Hub looks at what the Teaching Excellence Framework (TEF) is, what it is trying to [achieve](#), and why it may be of interest to people outside of academia. The Teaching Excellence Framework (TEF) evaluates teaching quality in UK higher education, guiding students' choices and encouraging institutions to enhance teaching practices. Its benefits include informed decision-making for students, improved teaching standards, and better employability outcomes. Beyond academia, the TEF influences societal and economic development by fostering skilled graduates and attracting partnerships and funding. Understanding its criteria and implications is essential for stakeholders outside education, impacting recruitment, innovation, and overall national competitiveness.

*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](http://wmca.org.uk/research) and previous issues are available at [wmca.org.uk/wise](http://wmca.org.uk/wise).*

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