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**Report to:** LEP Board

**Date:** 30 November 2021

**Subject:** **Economic Update**

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## 1. Purpose of this report

- 1.1 To provide an update on the latest economic and business intelligence for the Board, and to update the Board on the latest activity and intelligence around understanding the impact of COVID-19 and EU Exit.

## 2. Information

### Background

- 2.1 The Economic and Transports insights report appended to this paper provides the latest economic intelligence for West Yorkshire.
- 2.2 Key messages include:
- There were 34,000 employees still on furlough in West Yorkshire on 30 September - the point at which the Job Retention Scheme came to an end.
  - Despite this, the claimant count (covering people on out-of-work benefits) continued to decline in October, whilst employment (in terms of PAYE employees) continued to increase beyond pre-pandemic levels.
  - Recruitment activity is growing strongly across West Yorkshire, led by Leeds and Calderdale. Occupational areas hardest hit by the pandemic, such as hospitality and clerical, continue to rebound in terms of their vacancy counts.
  - There were 398 business liquidations in West Yorkshire up to the week ending October 26<sup>th</sup>, based on a four week moving average. With the latest figures showing a slight decrease of 1% from the previous four week previous. This trend has been seen across all districts in the West Yorkshire region.

- Data from Bank Search shows the number new business bank accounts opened in the West Yorkshire region during the course of a month. During September the number of new bank accounts opened was 808, with Leeds having the most new accounts with 301. At West Yorkshire level there has been slight growth since the month previous of 2%.
- West Yorkshire house prices reached a record high in August 2021.

### **3. Tackling the Climate Emergency Implications**

- 3.1 The appended report shows changes in travel behaviour that are relevant to the Combined Authority's net zero commitment. In particular, some of the behaviour changes around active travel and hybrid working adopted during the lockdown appear to have been sustained.

### **4. Inclusive Growth Implications**

- 4.1 The number of people claiming out of work benefits in West Yorkshire remains substantially higher than prior to the pandemic, including the number of young people claiming these benefits. However, the end of the furlough scheme does not seem to have had a major impact on claimant levels in the context of a tight labour market.

### **5. Equality and Diversity Implications**

- 5.1 There are no equality and diversity implications arising directly from this report.

### **6. Financial Implications**

- 6.1 There are no financial implications directly arising from this report.

### **7. Legal Implications**

- 7.1 There are no legal implications directly arising from this report.

### **8. Staffing Implications**

- 8.1 There are no staffing implications directly arising from this report.

### **9. External Consultees**

- 9.1 No external consultations have been undertaken.

### **10. Recommendations**

- 10.1 The Board are asked to note the latest intelligence around the economic impacts of COVID-19 and EU Exit and consider how this relates to their work and future work plans.

## **11. Background Documents**

There are no background documents referenced in this report.

## **12. Appendices**

Appendix 1 – Economic and Transport Insights Report