

31st July 2020

Introduction

- This report presents the latest developments with regard to Covid-19 for Leeds City Region. It draws on a number of official and unofficial data sources to present the latest intelligence and is primarily focused on the economic impacts.
- It includes analysis of anecdotal evidence from interactions with businesses, and it is recognised that this analysis is based upon subjective views from those businesses which may or may not reflect the views of the wider business community.
- In some cases, data is presented for a single authority or area. In those instances, further data is being sought to enable more comprehensive analysis of other areas. Please send any data to contribute for analysis or any comments on this report to Research@westyorks-ca.gov.uk.

Key developments and insights

More businesses are trading and reopening as the lockdown eases

- **National:** The latest ONS Business Impact of Coronavirus (COVID-19) Survey (BICS) shows that 92% of businesses said they were trading between 29 June and 12 July 2020, compared with 86% before non-essential retail reopened in early June. Retail sales increased by 13.9% in June compared to May, according to ONS, and total sales are almost back to levels seen in February.
- **Local:** Of 34 businesses to provide an update on their trading status to Growth Managers this week, only three were currently closed with one of these opening within the next two weeks.

However, activity remains substantially below usual levels

- **National:** The latest Chambers of Commerce business impact tracker (6-10 July) found that businesses are operating at just 53% of capacity. More than half (56%) have some staff on furlough full-time, whilst 31% have some staff furloughed part-time as part of the flexible furlough arrangements. According to BICS, 7% of currently trading businesses' total workforce had returned from furlough in the past two weeks and a further 6% are expected to return in the next two weeks.
- **Local:** About half of those who are open reported significantly reduced operations to growth managers, with the other half operating at close to normal levels. 55% of businesses told GMs they had some staff on furlough.

And activity continues to take place from usual settings

- **National:** Although overall retail sales have recovered, total sales in non-food stores remain 16% below February levels, and 31.8% of retail spend took place online in June, down slightly from 33% in May but up from 20% in February. 4% of staff had returned from remote working in the previous two weeks according to BICS, and 4% are expected to return from remote working.
- **Local:** Footfall in key West Yorkshire urban centres remains significantly below pre-lockdown levels, according to data from Centre for Cities High Streets Recovery tracker. Activity ranges from 42% of pre-lockdown levels in Leeds, to 77% in Bradford. West Yorkshire bus patronage is increasing but is 68% below levels seen in March.

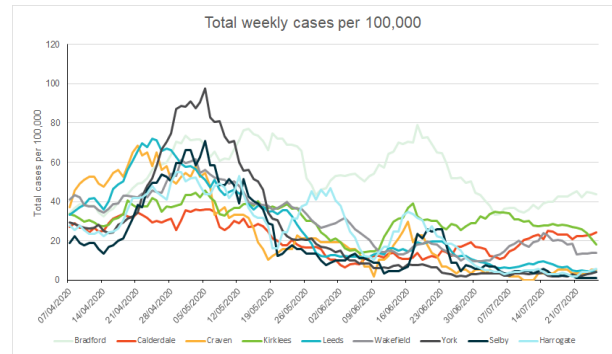
Businesses are making or planning redundancies, and vacancies are scarce

- **National:** 13% of respondents to the Chambers' tracker said they had made redundancies since the beginning of the crisis, with 33% saying they intended to over the next three months. Redundancies were more likely in Business to Consumer businesses, which are experiencing the worst effects of a prolonged period of closure and reduced demand.
- **Local:** Vacancy levels remain 39% below pre-crisis levels, and have been relatively unchanged in the past week.

Developments in Leeds City Region

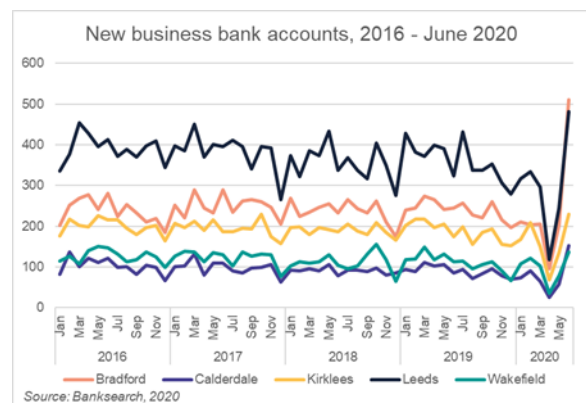
Total weekly cases of Covid-19 per 100,000 people in Leeds City Region

The graph opposite shows the total weekly new cases per 100,000 over the last seven days of COVID-19 between April and 27th July, across the local authorities in the Leeds City Region. Within the region the number of new weekly cases per 100,000 varies significantly between districts. Bradford has the highest with 44 new cases per 100,000 people with Kirklees 2nd highest at 24. Over the past two weeks the rate has been increasing in some areas, most notably Bradford and Calderdale. However, other areas such as Kirklees have seen falls recently. Across the Leeds City Region the case rates are a long way down from the peak in early March, which was just under 60 for both West Yorkshire and the wider Leeds City Region. Currently for Leeds City region it is 16 (WY:19.)



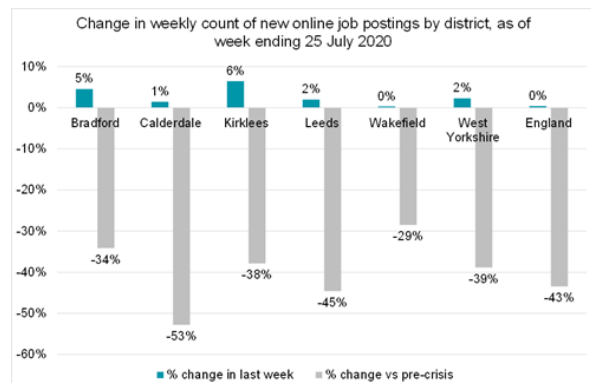
Business and economic impacts

1,500 new business bank accounts were opened in West Yorkshire in June 2020, an increase of 109% on May and 258% on April. It is the highest monthly total since 2012. The picture was similar in the wider City Region, where 1,800 new accounts were opened (up 102% on May). There were 77% more accounts opened nationally compared to May. This is a proxy measure of new start-up activity, and may suggest that increasing numbers are seeking to start new businesses as a result of changes to their employment situation. However, other issues, such as delayed activity from March/April or new business accounts being opened for other reasons such as accessing finance, could also be factors.



Job vacancy postings

As of week ending 25 July, the number of new vacancies posted online in West Yorkshire remained 39% lower than immediately prior to the crisis (week ending 14 March) according to Labour Insight. However, there has been some recovery from the lowest point in early May when the number of postings fell to 58% below the pre-crisis level.



There has been little change in the number of new vacancies posted online in the last week (i.e. week ending 25 July compared with 18 July), both for West Yorkshire and for constituent districts. Vacancy levels remain well below pre-crisis levels in all districts.

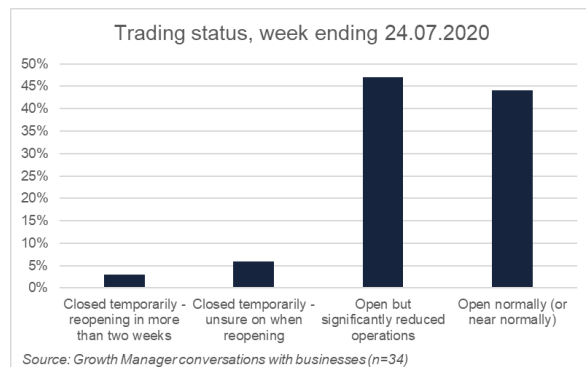
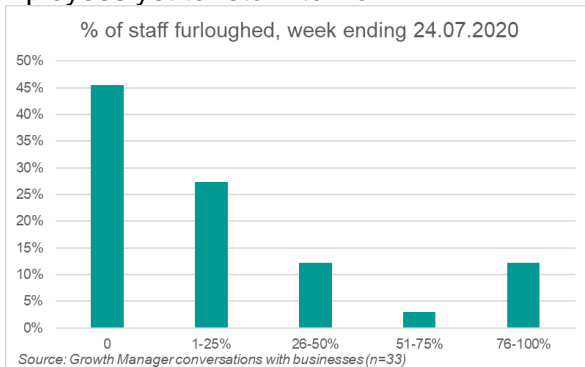
Fewer vacancies are being posted online in all occupational categories compared with the pre-crisis period, with clerical, sales and hospitality seeing the biggest declines. Hospitality saw an uptick in

job postings in the last week, perhaps reflecting the easing of restrictions in this sector but it remains to be seen whether this will be sustained.

Local business insight

Of 34 businesses to provide an update on their trading status to Growth Managers this week, only three were currently closed with one of these opening within the next two weeks. However, about half of those who are open continue to report significantly reduced operations. There are though others who report being particularly busy as a result of COVID, with examples this week in the health sector as well as IT and cleaning companies.

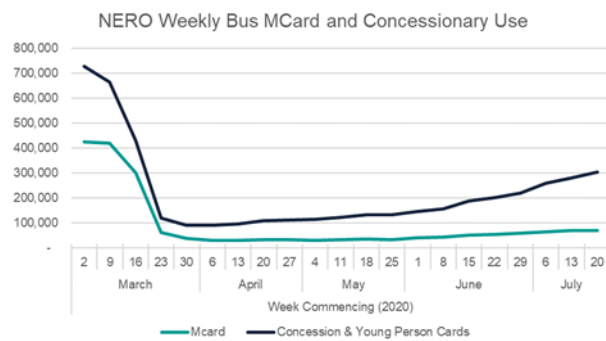
33 businesses updated on their furlough status. 15 (45%) of these had no staff on furlough, and 9 (27%) had less than a quarter of staff furloughed. However, 4 (12%) have more than three quarters of employees yet to return to work.



Local Bus Patronage

For the week beginning Monday 20th July 2020, the combined level of MCard and concessionary fare use shows a **reduction of 68%** against the week beginning 2nd March 2020, an **increase of 7%** against the previous week.

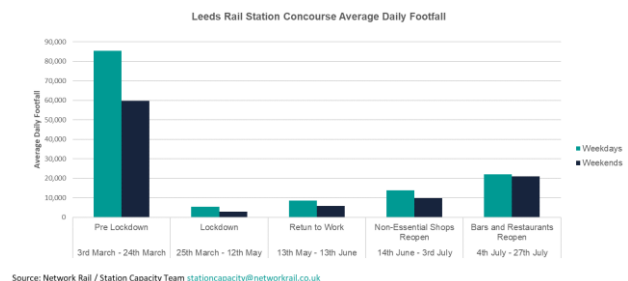
Source: WYCA NERO Reports



Leeds Station Footfall

Data from Network Rail shows total daily footfall levels on Leeds Station Central Concourse. For the week beginning Monday 20th July 2020, this shows a **reduction of 74%** against the week beginning 2nd March 2020, an **increase of 6%** against the previous week.

Source: Network Rail / Station Capacity Team
stationcapacity@networkrail.co.uk



Local insight and analysis

Centre for Cities High Streets Impact Tracker

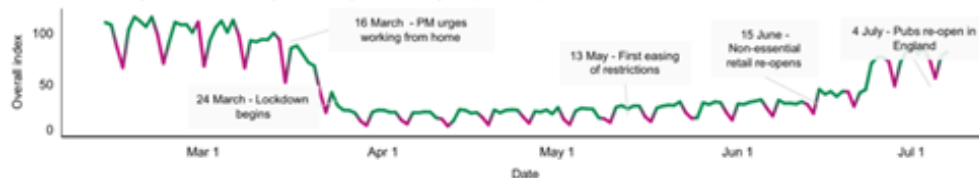
Centre for Cities are tracking footfall in urban centres. The index uses anonymised phone data from Locomizer to estimate the number of individuals visiting the city centres. The number of visits are set to per-lockdown baseline of 100. The below graphs show the index of footfall traffic of the cities in West Yorkshire.

Bradford is the fastest recovering city with an index of 77 with Leeds being the slowest at an index of 42. Nationally, footfall levels have been slowest to recover in larger cities which tend to be characterised by higher levels of jobs in knowledge intensive services. The index is lowest in London (23), Edinburgh (27) and Cardiff (29). Leeds has the eighth lowest index of cities tracked, with Manchester, Liverpool and Birmingham ranked 5th to 7th respectively.

Bradford

Overall recovery index

This index looks at everyone who was in the city centre at any time of the day, compared to a pre-lockdown baseline of 100.



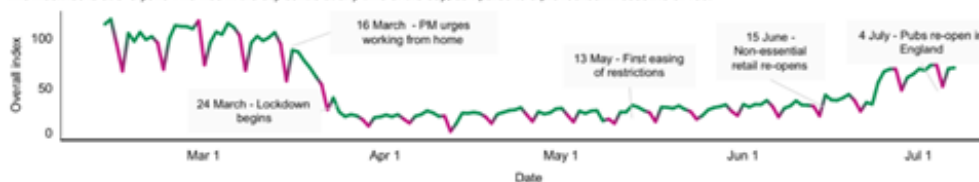
Weekend | Weekday

Overall index: 77

Huddersfield

Overall recovery index

This index looks at everyone who was in the city centre at any time of the day, compared to a pre-lockdown baseline of 100.



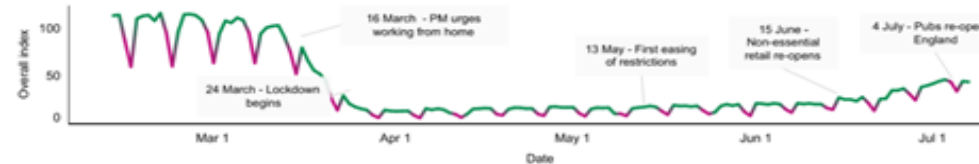
Weekend | Weekday

Overall index: 67

Leeds

Overall recovery index

This index looks at everyone who was in the city centre at any time of the day, compared to a pre-lockdown baseline of 100.



Weekend | Weekday

Overall index: 42

Wakefield

Overall recovery index

This index looks at everyone who was in the city centre at any time of the day, compared to a pre-lockdown baseline of 100.



Weekend | Weekday

Overall index: 76