

# **COVID-19 Fortnightly Insights Report**

Research & Intelligence  
19<sup>th</sup> February 2021



# Executive Summary – social and economic

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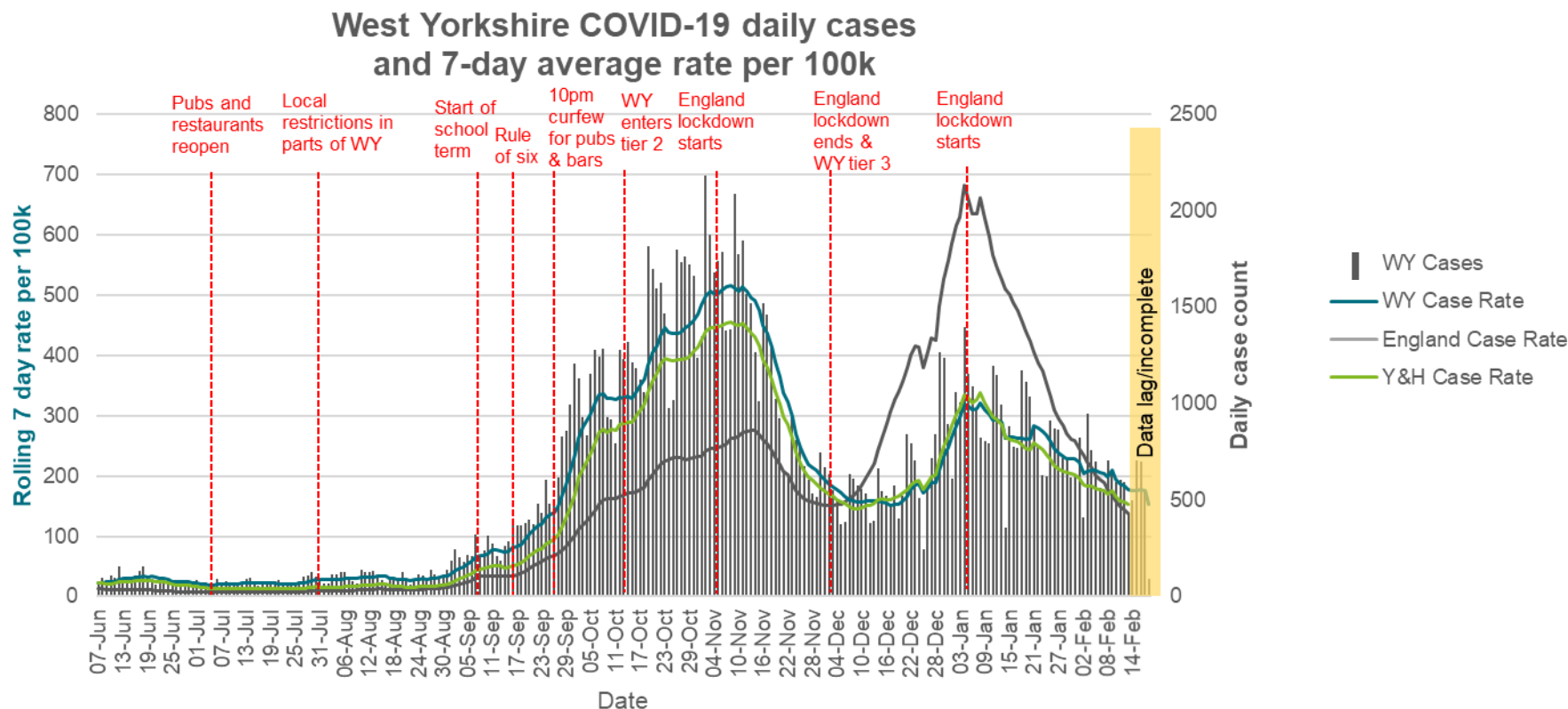
- Official data has confirmed that **the UK economy contracted by 10% in 2020**, with some sectors such as hospitality seeing much bigger falls (44%). Across the whole economy, this is the biggest fall in economic output for 300 years.
- The respected National Institute for Economic and Social Research **revising down their forecast for growth in 2021 from 5.9% to 3.4%** in light of recent developments. Yorkshire & Humber performs relatively well in their forecasts, but there is considerable uncertainty.
- Local vacancy data suggests **a slight upturn in job postings** in recent weeks, with the average over the past four weeks now back in line with pre-lockdown levels.
- National surveys suggest 46% of **businesses have seen lower turnover in mid-January**, up from 42% in December, with furlough use increasing but lower than the summer.
- Interim results from the ongoing Leeds City Region Business Survey suggest **75% of businesses have seen a negative financial impact from COVID-19, with 11% seeing a positive impact**. Businesses are more optimistic about the year ahead, however.
- Anecdotal evidence from the LEP's Growth Managers shows businesses face **challenges around EU Exit transition**, with **many importers and exporters facing increased transport costs**, as well as challenges around documentation and shipping, leading some to explore holding more stock in the UK or seeking out local suppliers.
- Companies House have temporarily paused processing company liquidations until February 21<sup>st</sup>. As such, no new data on company liquidations is available.

# Executive Summary – transport

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- At a national level, **transport use appears to have increased slightly** over recent weeks (particularly levels motor vehicle use), but still remain at lower levels seen in the second lockdown (but greater than in lockdown 1).
- Local trends mirror the national picture. Bus and rail usage proxies, along with Leeds traffic data, show slight increases in recent weeks **but remain lower than levels in the second lockdown**. Some of this may be due to recovery from snow disruption.
- Cycle counters recorded a decrease in average daily trips on weekdays at all sites in West Yorkshire in January 2021 compared to January 2020. However there is some evidence to suggest **weekend leisure cycling in some areas has grown** (compared to last year).
- During the first two weeks of February **footfall in Leeds City Centre fell** to 18% of the total footfall recorded for the same dates in 2019, matching the decrease reported in January 2021.
- **Movement and activity in key West Yorkshire urban centres is little changed** on last week, and in the main shows levels of activity slightly below the national average and comparable to the lockdown of spring 2020.

# Virus prevalence – West Yorkshire trend











The chart above reveals the trend in the number of daily COVID-19 cases in West Yorkshire and the 7-day rolling rate per 100k population. As of the 13<sup>th</sup> Feb 2021, the 7-day moving average **West Yorkshire COVID-19 rate was 177.5 cases per 100k (4,139 new cases), down from 206.6 per 100k the week before (4,819 new cases)**. West Yorkshire rate is above the Yorkshire and the Humber and England rates (152 and 136.8per 100k respectively).

Source: Secure COVID-19 PHE data portal. Note there is a lag in the very latest data PHE COVID-19 data to account for all test results to be processed and recorded.

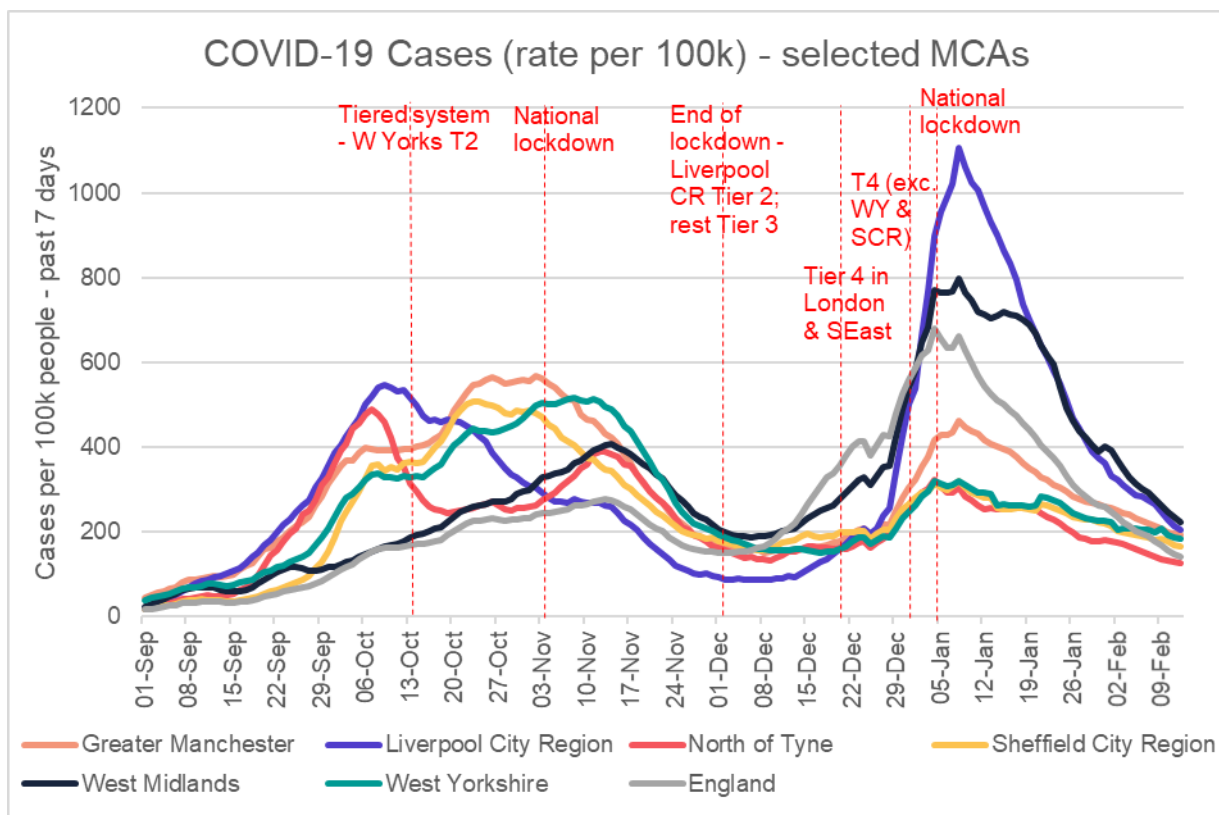
# Virus prevalence – West Yorkshire

Table shows the most recent COVID-19 case data from Public Health England's (PHE) secure data portal. Note due to reporting delays for comparison between Local Authorities the most recent 4 days are excluded from the calculations of rates and moving averages.

Area	Total cases per 100k people (7 – 13 Feb)	Total cases per 100k people (31 Jan – 6 Feb)	Absolute Difference
	Most recent data week	Previous week	
Bradford	198.2	223.6	-25.4 
Calderdale	182.1	190.6	-8.5 
Kirklees	173.7	202.6	-28.9 
Leeds	161.6	203.1	-41.5 
Wakefield	183.2	203	-19.8 
West Yorkshire	177.5	206.6	-29.2 
Yorkshire & the Humber	152	178.2	-26.2 
England	136.8	195	-58.2 

# Case rates falling and converging among MCAs, but most now above England average

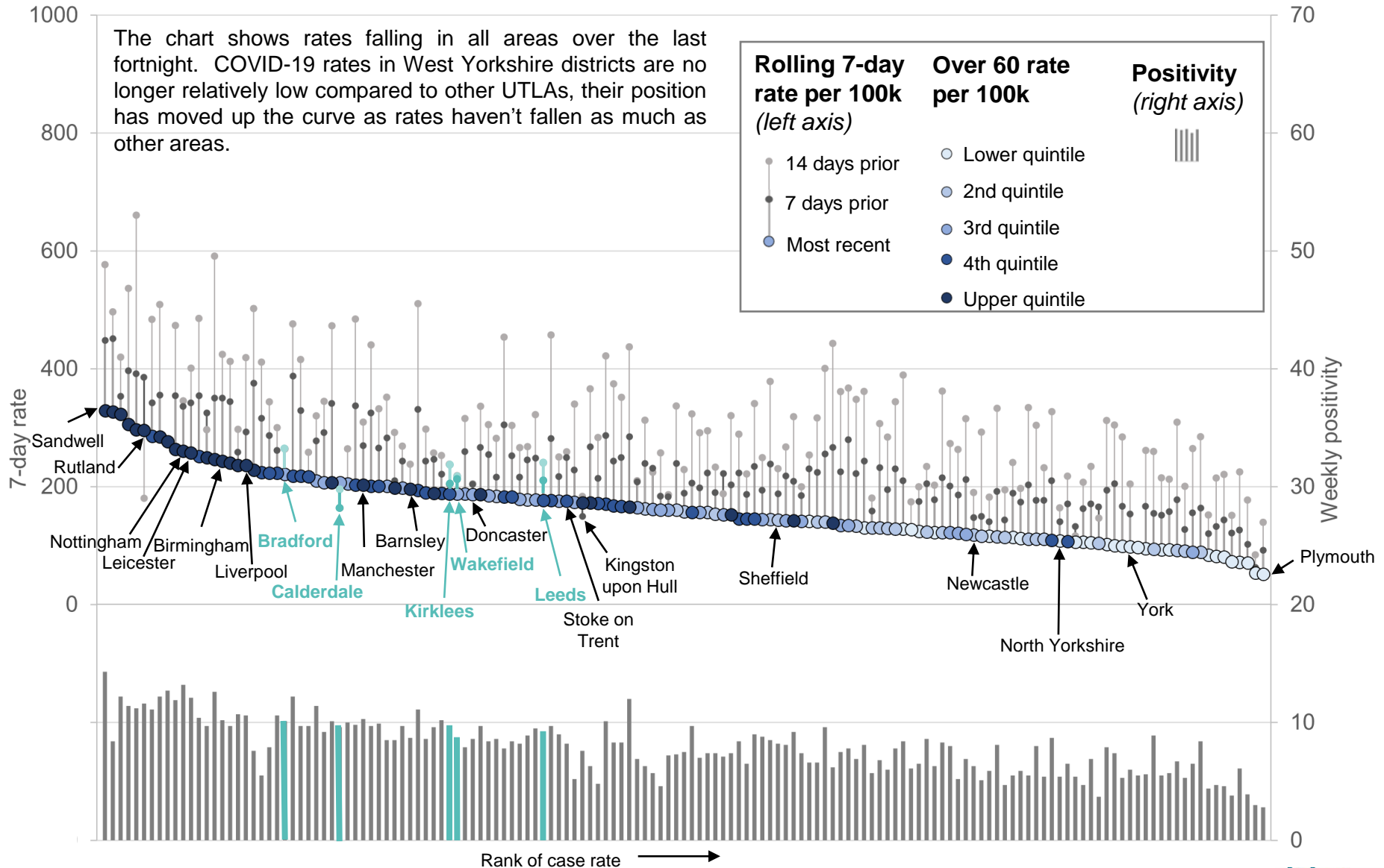
Case rates are converging among MCAs, with the rate currently highest in the West Midlands (224 cases per 100k) and lowest in North of Tyne (127 per 100k) as of February 12<sup>th</sup>. The pace of decline remains relatively gradual in some areas, including West Yorkshire (183 per 100k). This is reflected in the fact that the rate for England (143 per 100k) is now lower than all MCAs analysed here except North of Tyne, despite rates in most places falling below 200 per 100k.



Source: HMG / PHE Coronavirus in the UK data

# COVID-19 Rates for Upper Tier Local Authorities

7-day average COVID-19 rate per 100k population, change compared to the previous week, over 60 rate & positivity



Blue points show latest COVID-19 case rate per 100k across UTLAs as of the 10th February (left Y-axis). Vertical bars connected to these points denote rate last week (dark grey) and the week before (light grey). Point colour denotes the COVID-19 rate per 100k in the over 60s. Grey bars at the bottom denote positivity (%) up to the 10th Feb (right Y-axis).

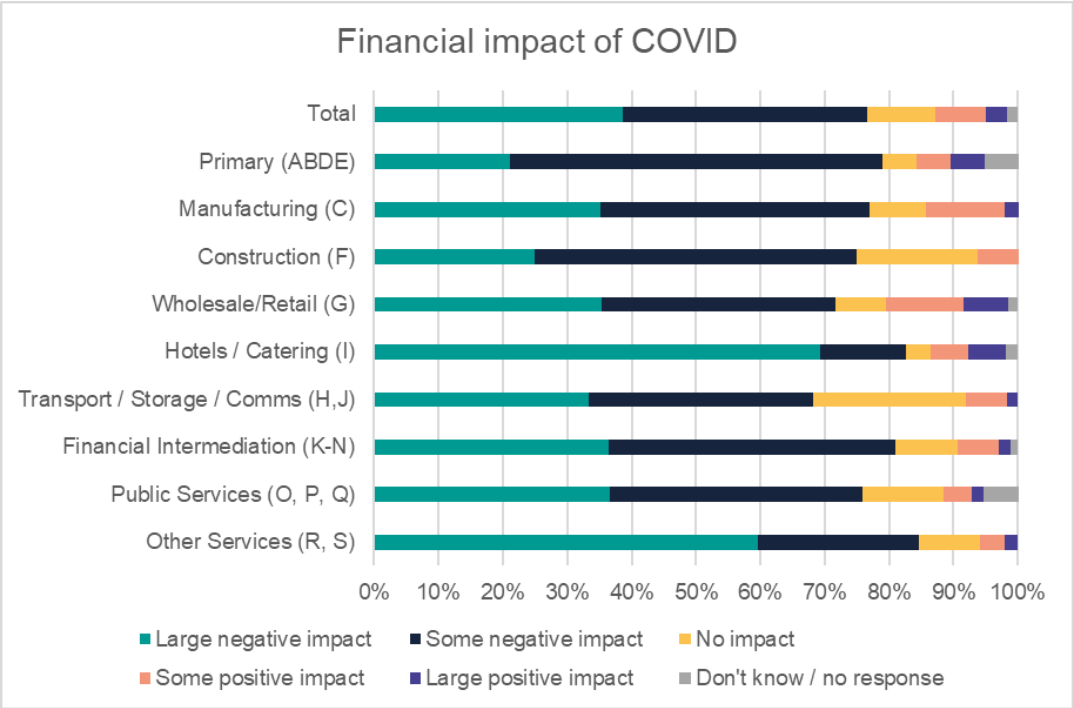
# **Economic Insights**





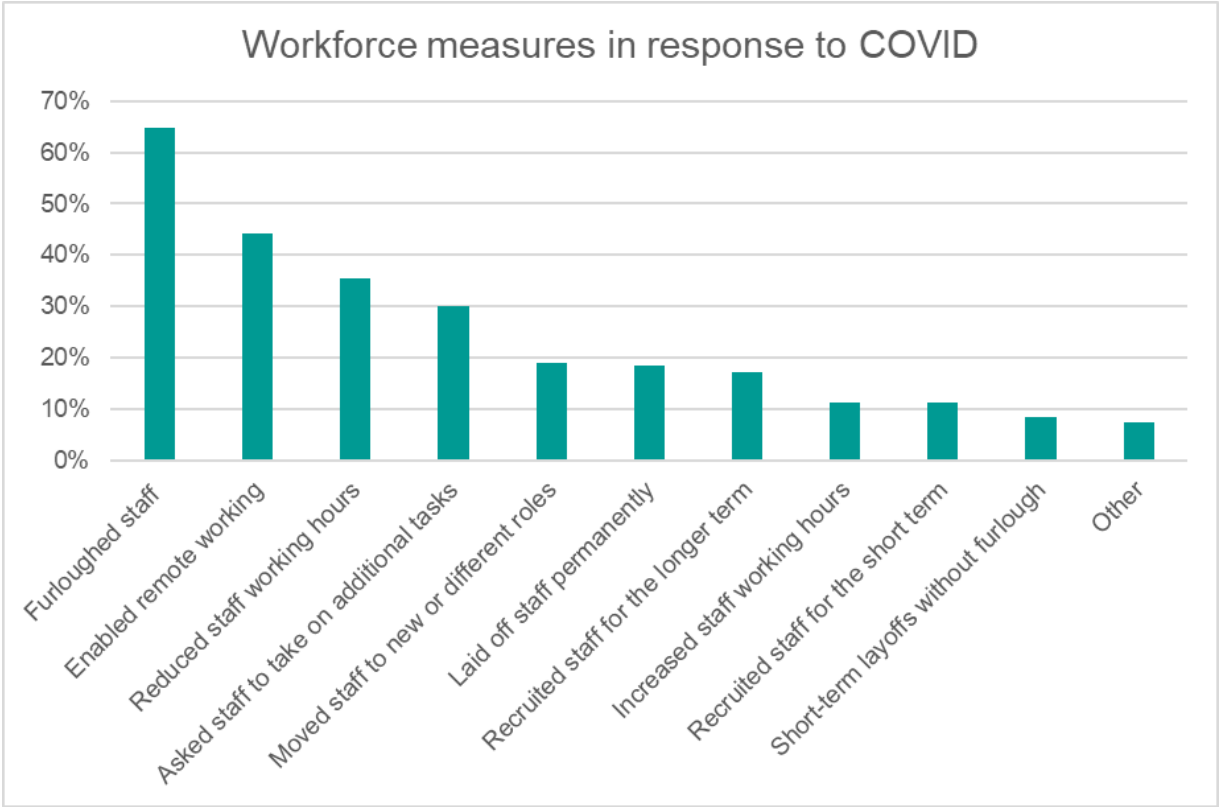
# LCR Business Survey interim results: Three quarters of businesses report COVID financial hit, but more optimistic outlook

The Leeds City Region Business Survey is currently underway, with 784 surveys completed across West Yorkshire so far. Numbers here are interim, unweighted results from the completed surveys so could change in final results but are used to provide timely insight here. To date, half (52%) of all businesses surveyed so far say their performance has got worse over the past year, and three quarters (76.5%) said they had seen a negative financial impact. This was higher in the hospitality sector (82.7% with a negative financial impact). 11.2% said they'd seen a positive financial impact, increasing to 18.9% in wholesale & retail. Businesses were more positive about the year ahead, with 39% expecting their situation to improve, compared to 21% who expect it to get worse.



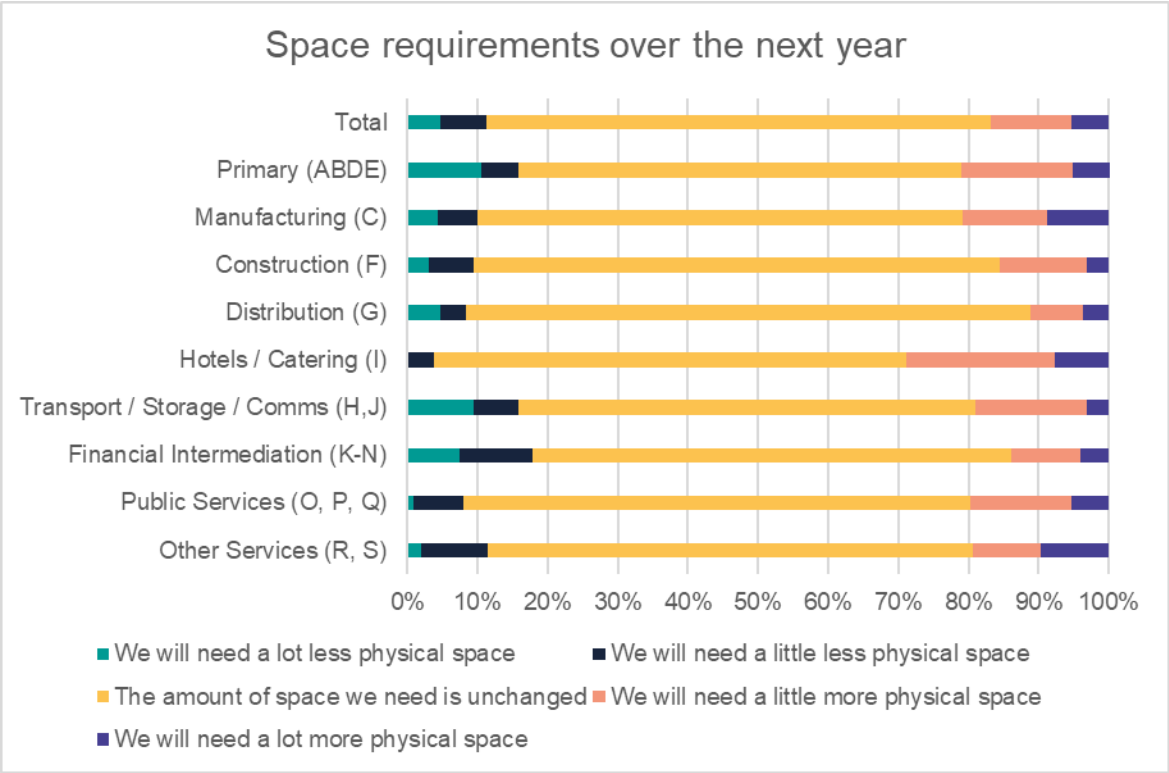
# LCR Business Survey interim results: 93% of businesses adapt workforce in response to COVID

Interim results from the Leeds City Region Business Survey also shows that 93% of businesses have taken some measures to adapt their workforce in response to COVID-19. The furlough scheme is the most commonly enacted measure, used by 65% of respondents, followed by homeworking (44%). 35% have reduced staff hours. The proportion who have laid staff off permanently (18.5%) is similar to the proportion who have recruited staff for the longer term (17%). 30% say they have increased their borrowing to manage the crisis. Again, findings could change in the final results.



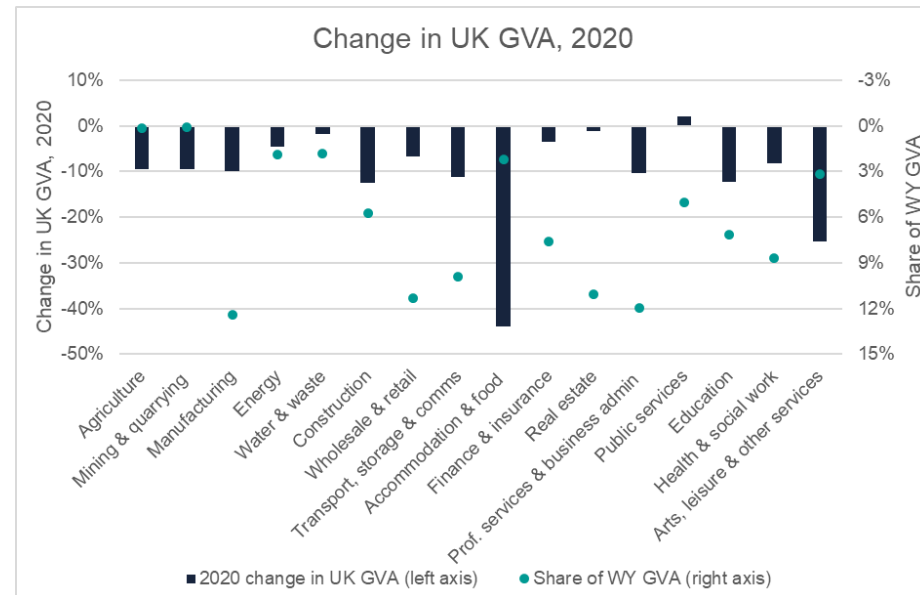
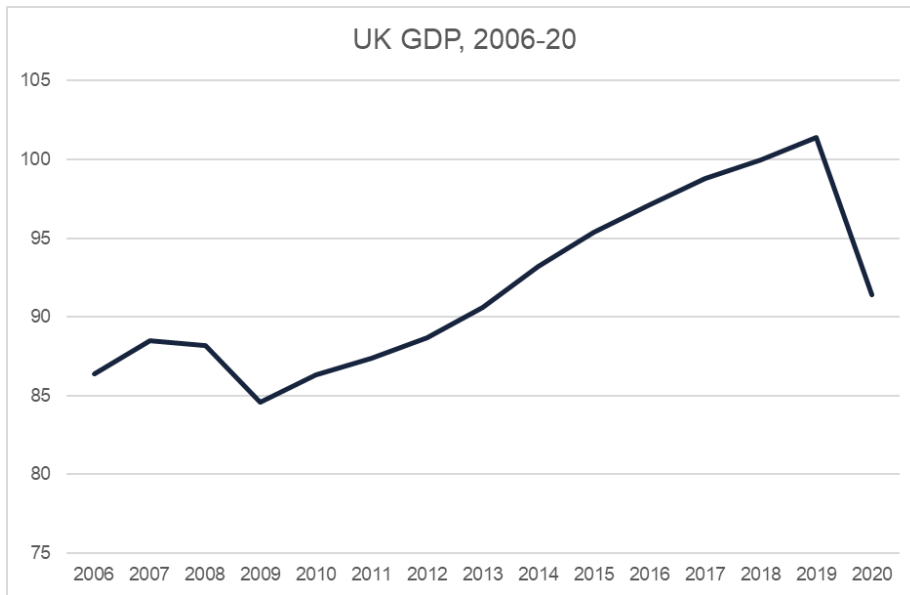
# LCR Business Survey interim results: Most businesses don't expect COVID to impact on their space needs

Of businesses who have implemented homeworking, 1 in 10 (10.7%) say staff are now back in their usual workplace, and a further 46% expect staff back within the next six months. 14% expect the move to homeworking to be permanent. Despite this, the vast majority of businesses (72%) say COVID has not changed the amount of space they need in the year ahead. Of the rest, 11.3% expect to need less space and 16.8% expect to need more. Professional services companies are more likely to reduce their space needs (18%) whilst the hospitality sector is most likely to expect to need more space (29%).



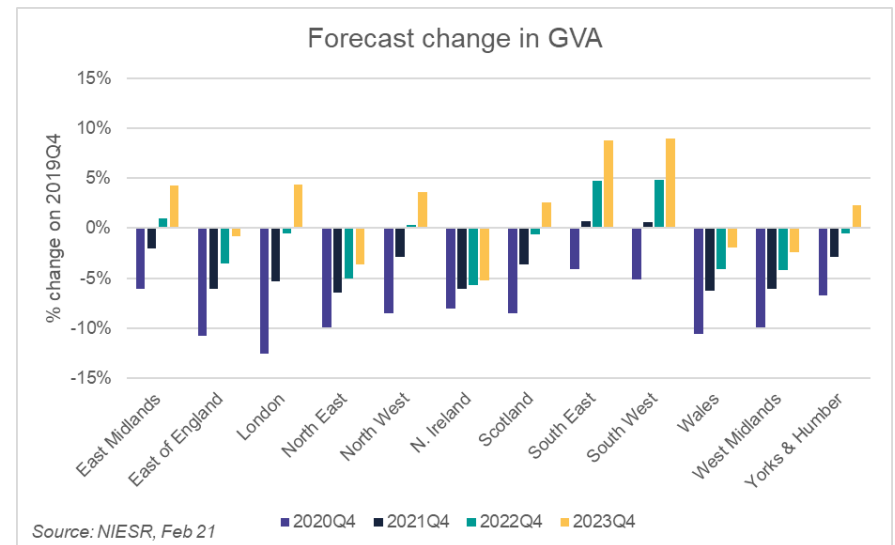
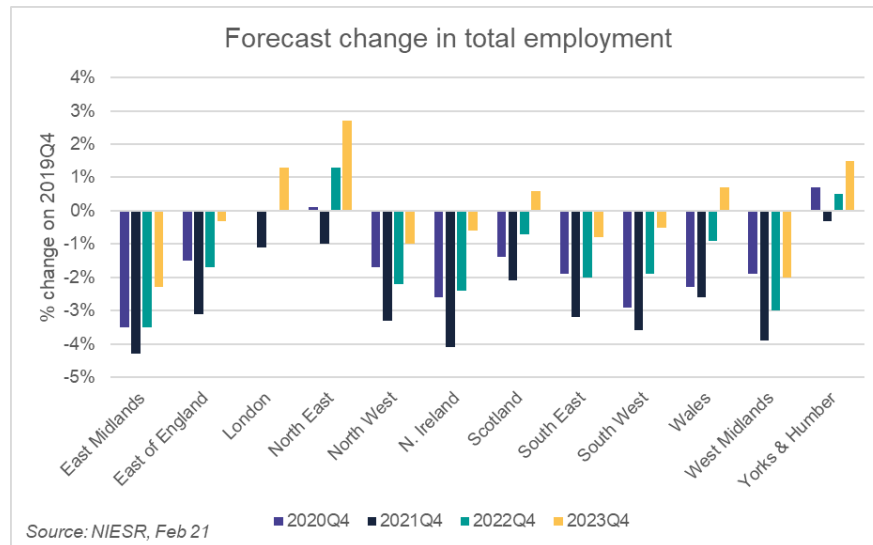
# GDP falls by 10% in 2020

UK GDP fell by 9.9% across 2020, according to the first estimate of annual output from ONS. The economy grew by 1% in Q4 2020 despite lockdown in November and further restrictions in December. This follows growth of 16.1% in Q3. Across 2020 as a whole, the accommodation & food sector saw the greatest decline in output, down 44%. The sector accounts for 2.2% of West Yorkshire's economic output. The next largest fall was arts, entertainment & other services (-25.2%) which accounts for 3% of local output. Public administration was the only sector to record growth last year (+2.1%). The largest sectors in West Yorkshire in output terms – manufacturing and professional and business services – both saw national output fall by 10%. Other major sectors locally saw varying declines of decline including wholesale & retail (-6.7%), transport & communications (-11.1%) and financial services (-3.4%).



# Growth set to be lower than anticipated this year, according to leading forecaster

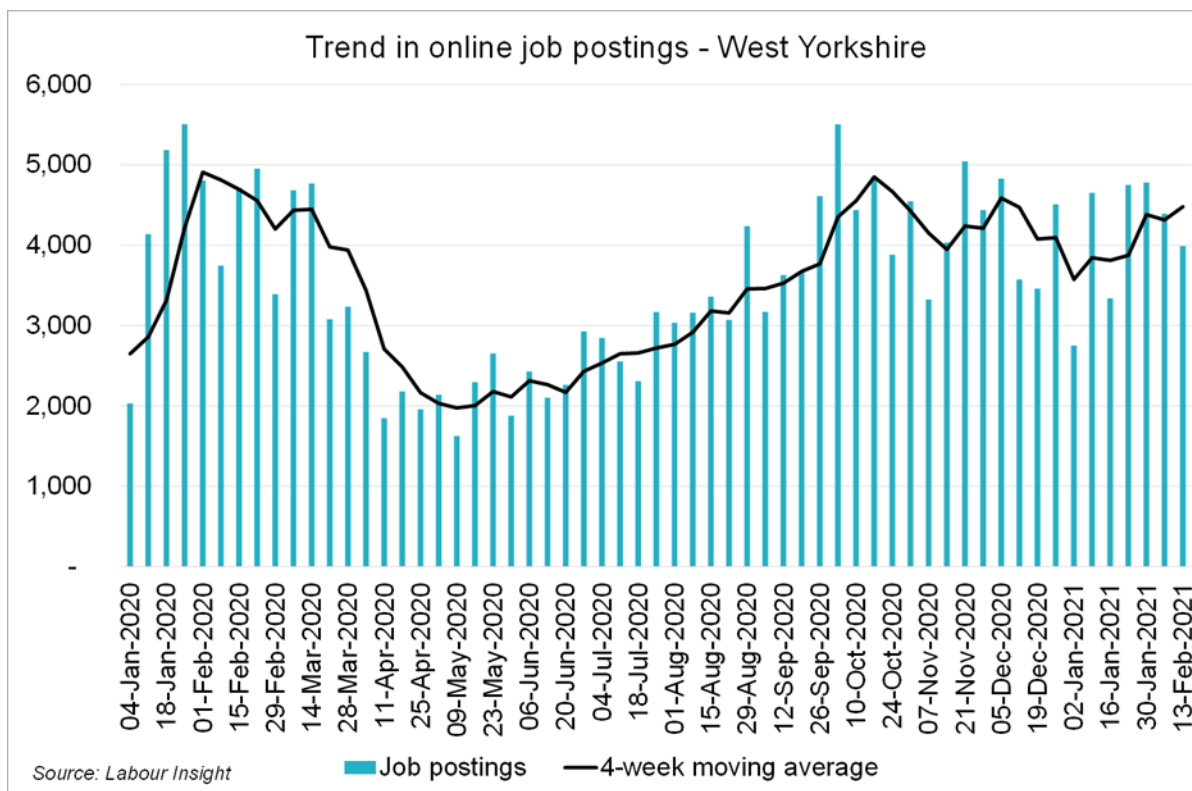
Leading forecaster the National Institute for Economic and Social Research (NIESR) has revised down its outlook for the UK economy in 2021 in its latest forecasts following the instigation of the third lockdown. They now expect growth of 3.4% this year, down from 5.9% in their previous forecast. For context, GDP growth averaged around 1.8% between 2010 and 2019, so they do still forecast something of a recovery this year, though not to the extent previously expected. NIESR also anticipate unemployment reaching 2.5 million, an unemployment rate of 7.5%, unless further action is taken to support the labour market beyond the end of



Their forecasts suggest significant regional variation in the recovery, with southern regions showing greater resilience and quicker recovery. Although London sees the biggest impact overall, it also has the quickest recovery whilst Northern Ireland, West Midlands and the North West take longer to recover and see long term scarring to the economy. Yorkshire & Humber is forecast to see employment fall by 0.3% this year, compared to Q4 2019, but this will recover in 2022 and be 1.5% higher by Q4 2023. The GVA fall in 2020 is lower than in some regions at 6.7%, and will be 1.5% above 2019 levels by the end of 2023. Southern regions will see a faster recovery from a sharper fall in GVA terms, though there is still significant uncertainty in these forecasts.

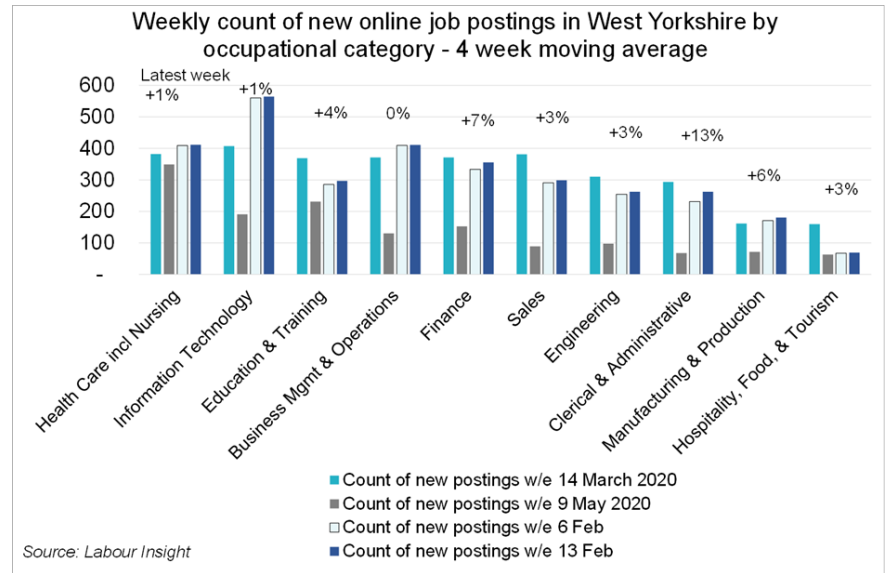
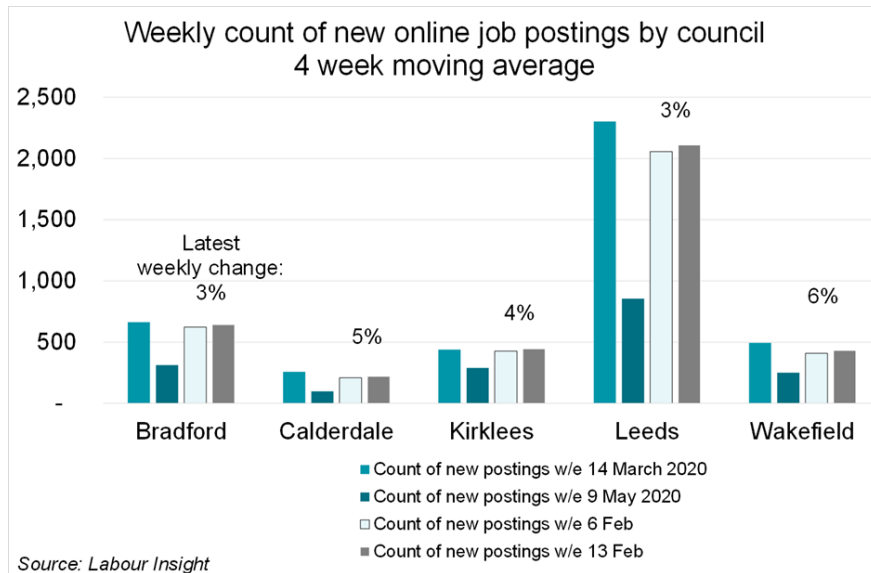
# Vacancy count showing signs of upward trend

The number of vacancies for jobs in West Yorkshire posted online during week ending 13 February grew by 4% compared with the previous week (based on a 4-week moving average). Nationally, the number of vacancies also grew by 4%. The four week average vacancy count for West Yorkshire is now 1% above its pre-crisis level (week ending March 14).



# Increase in vacancies for all local authorities and occupational categories

All local authority areas saw increases in postings in the latest week. But the latest counts for Calderdale, Wakefield and Leeds are still well below their pre-crisis levels, although much higher than their low points in the first lockdown.



All occupational categories saw an increase in postings for the most recent week, based on a 4-week moving average (except for Business Management, which was static). Clerical and administrative saw the biggest percentage growth but the latest count for this occupation is still below its pre-crisis position. A number of categories have now surpassed their pre-crisis vacancy levels (week ending 14 March) including IT, Health, Business management and Manufacturing. Hospitality, food and tourism, Sales and Engineering have the most ground to make up in terms of their pre-crisis positions.

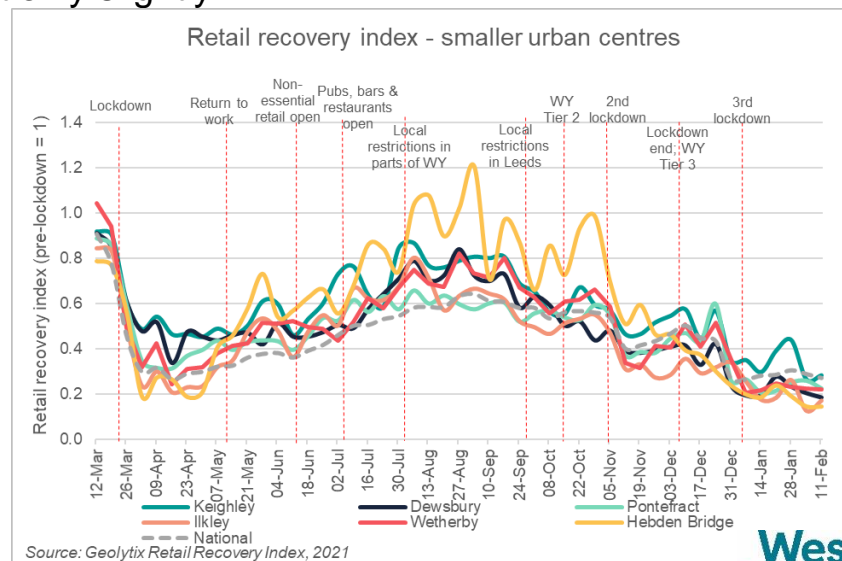
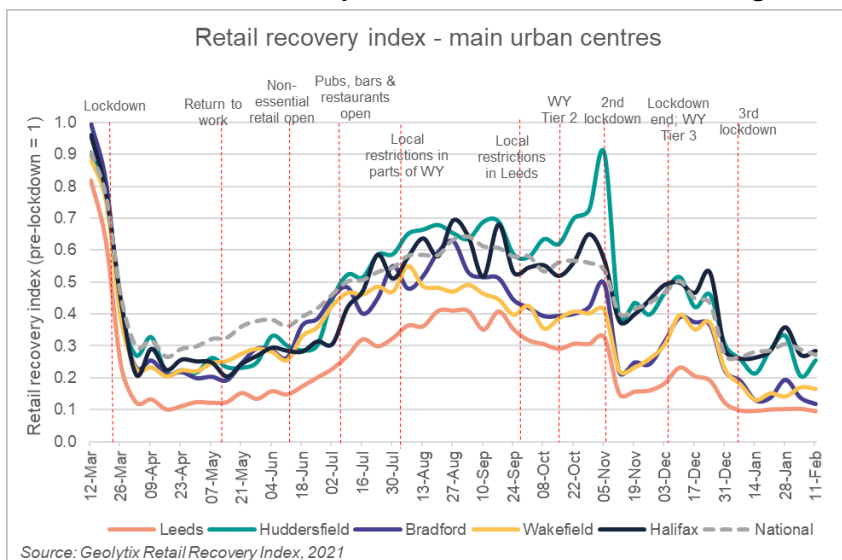


# Slight increase in activity in some urban centres

Activity in West Yorkshire's main urban centres remained little changed in the week to February 11<sup>th</sup> compared to the previous week, according to Geolytix's Retail Recovery Index. The index measures activity in a given area relative to a pre-pandemic baseline in that area established in Jan/Feb 2020.

Huddersfield saw a slight upturn in activity in the past week, with Bradford seeing a fall. Other areas were relatively stable, though both Leeds (9.5) and Bradford (11.8) saw their lowest levels of activity since the pandemic began compared to a pre-pandemic baseline of 100. Halifax (28.4) is the only main urban centre with a relative position higher than the national average of 27.2.

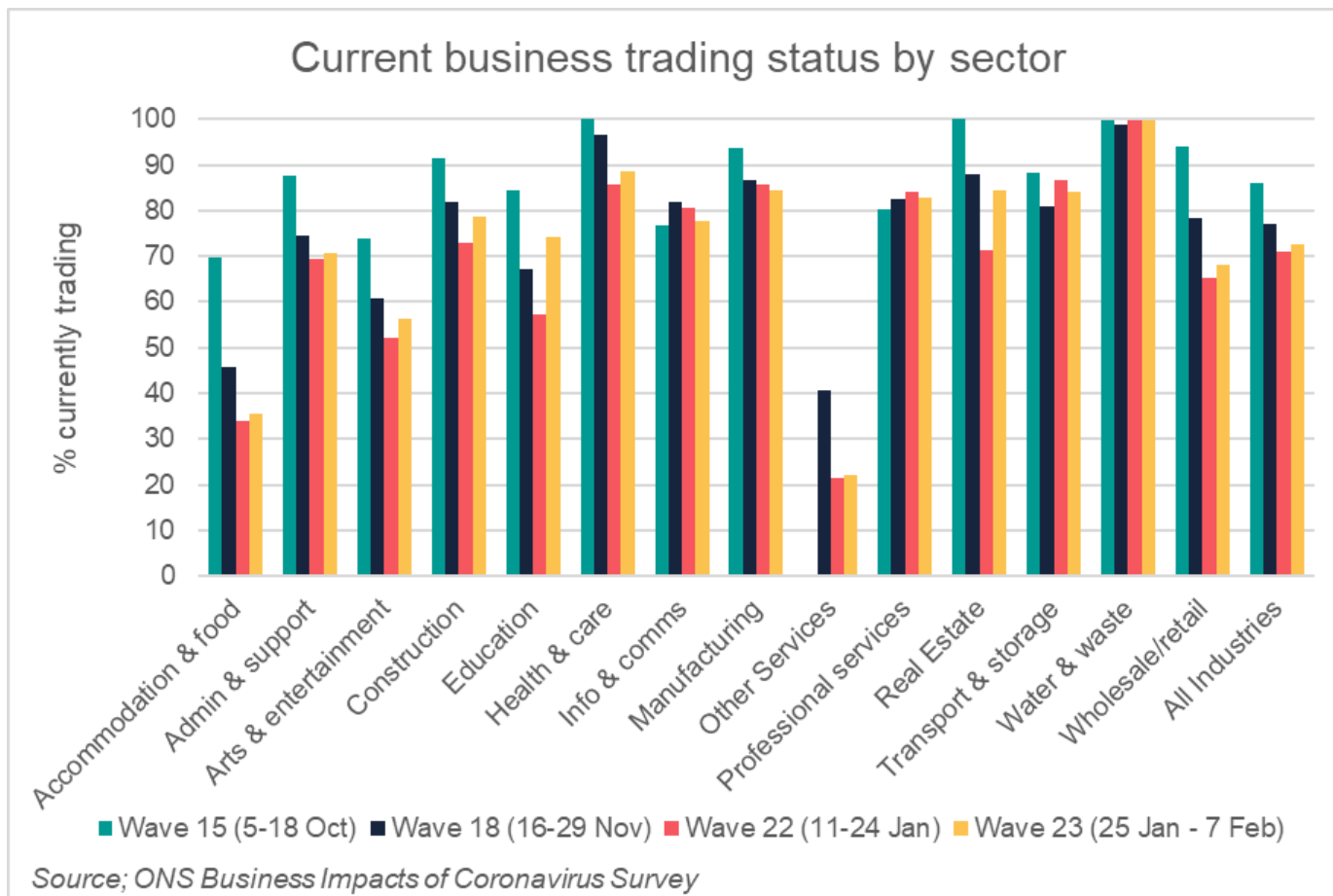
In smaller centres, there was again little change though both Ilkley and Keighley saw slight increases in activity compared to the previous week. Keighley (28.3) was the only place among these to see a higher relative level of activity than the national average, albeit only slightly.





# Almost 4 in 5 businesses closed temporarily in some sectors

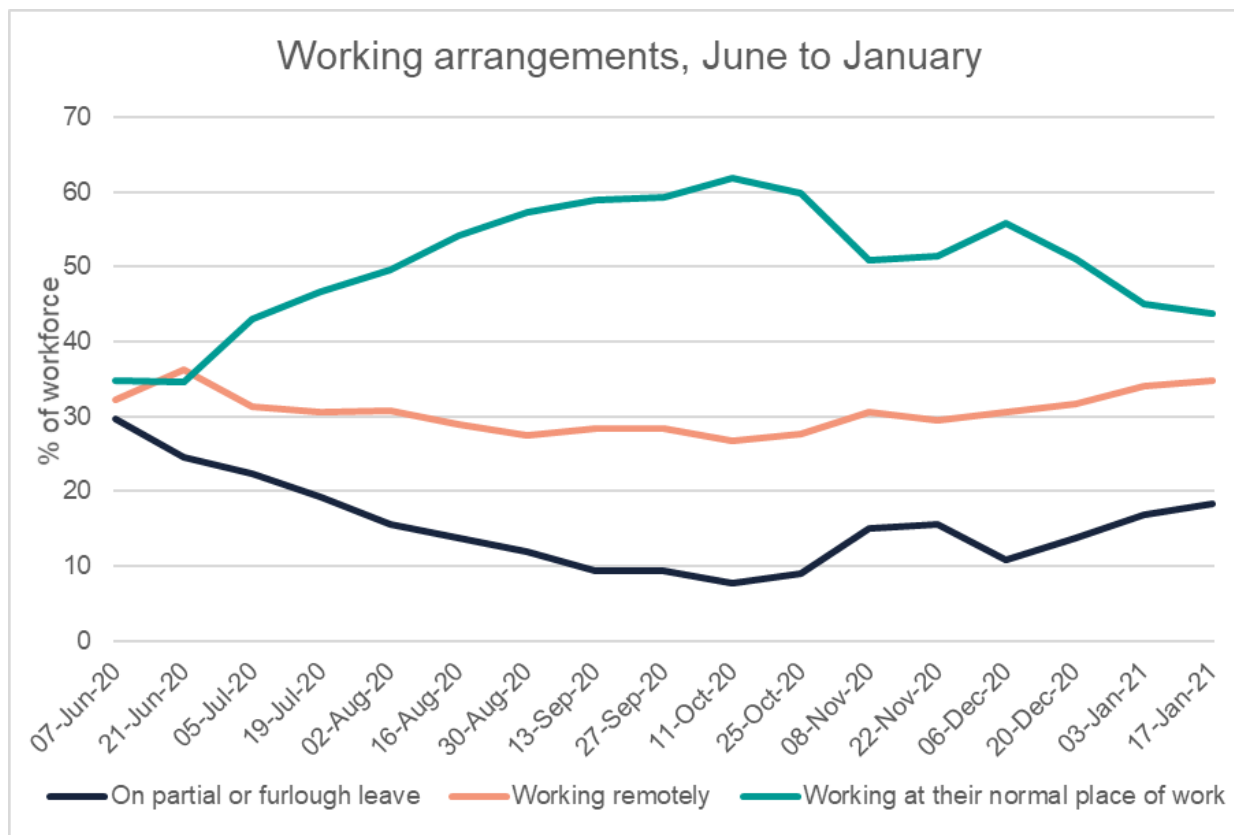
There was a slight increase in the proportion of businesses trading nationally in the fortnight to February 7<sup>th</sup> according to ONS, up to 72.5% from 71% a fortnight earlier. Temporary closures remain much higher in consumer services, with only 22% of other services businesses and 35% in the accommodation & food sector currently trading.



\*Source: ONS Business Impacts of Coronavirus Survey

# Furlough use increasing, but more people in usual workplace than in first lockdown

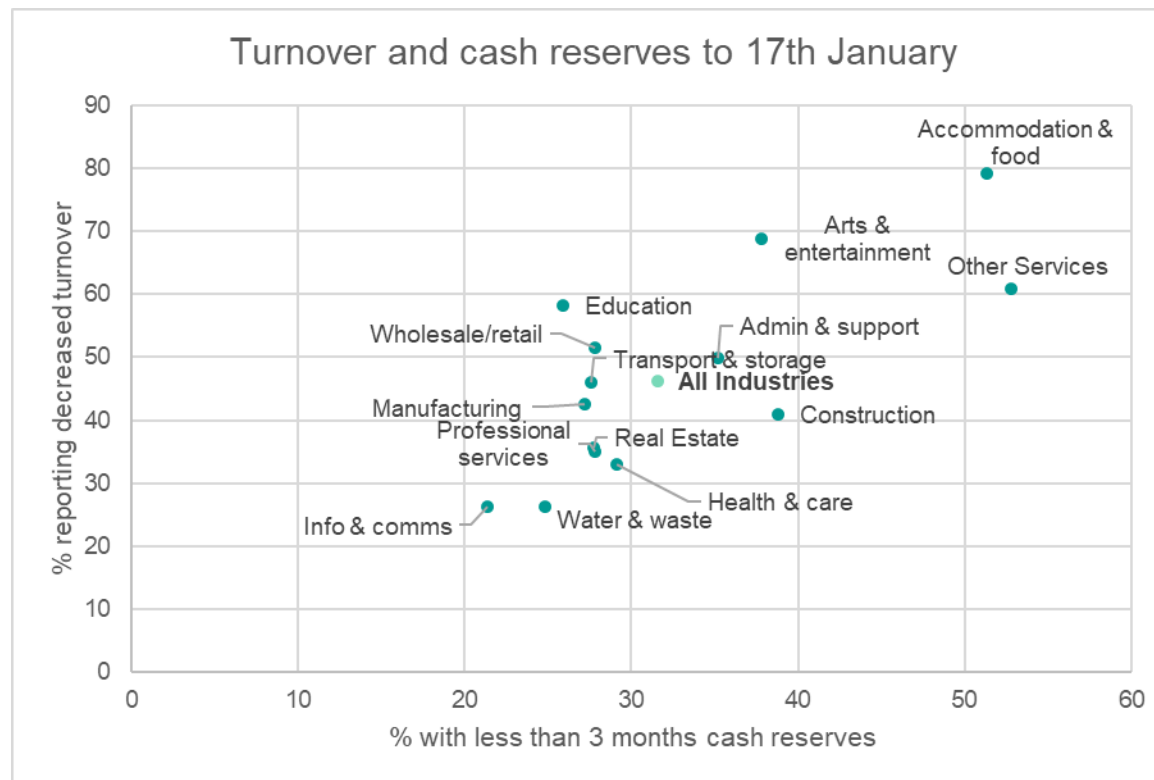
According to the ONS BICS survey, the proportion of workers on furlough increased to 18.3% in the fortnight to January 17th. This is up from 13.7% in the last survey of 2020 but remains well below the 30% recorded in June 2020. 44% of people are working in their usual work place, down slightly on the previous fortnight but this is still significantly higher than the 35% seen in June. The picture is more stable with remote working, with 35% doing this in the most recent survey, close to the peak of 36% seen in June.



\*Source: ONS Business Impacts of Coronavirus Survey

# Half of businesses report lower turnover, cash position is stable

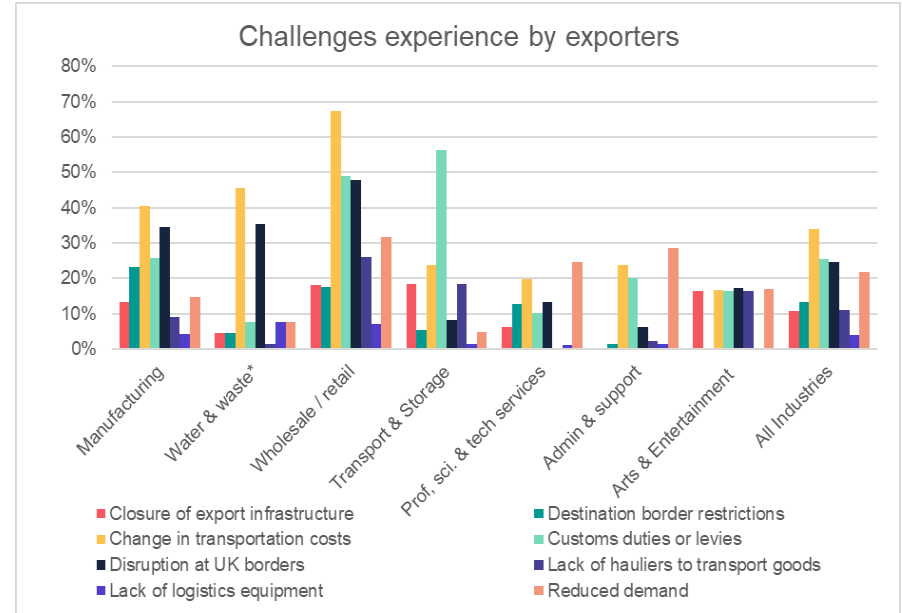
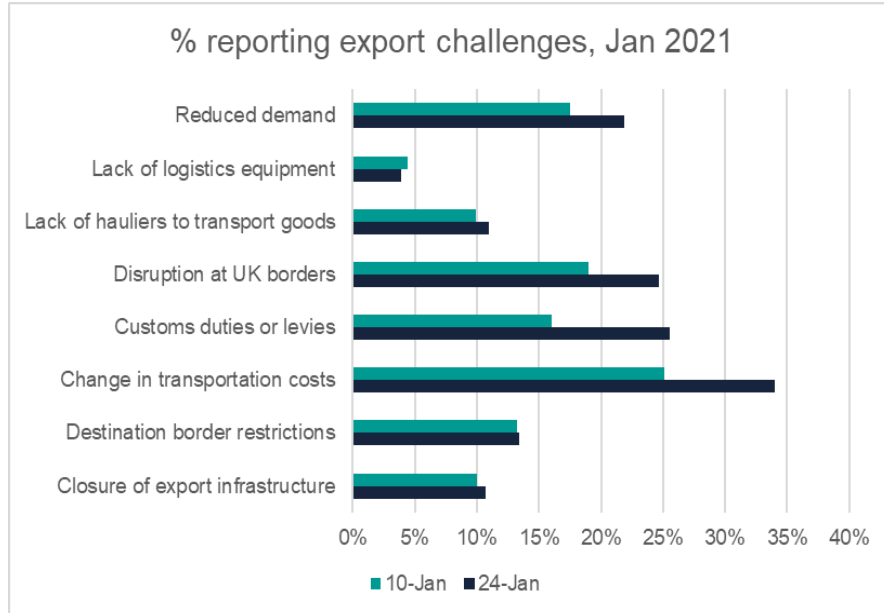
46% of businesses nationally in the BICS reported lower turnover in the fortnight to January 17<sup>th</sup>, compared to what might usually be expected for this time of year. This is up from 42% in late December, but as with other indicators varies greatly by sector, with 80% in accommodation & food reporting lower turnover, and 70% in arts and entertainment. As might be expected, sectors seeing the biggest impact on turnover are also more likely to have lower cash reserves – particularly those mentioned above and the other services sector.



\*Source: ONS Business Impacts of Coronavirus Survey

# Increasing numbers report challenges importing and exporting

More than half (54.5%) of exporters reported challenges exporting in the fortnight to January 24<sup>th</sup>. This is up from 47% a fortnight earlier and 39.5% immediately prior to the change in arrangements with the EU. Changes in transportation costs were the most frequently mentioned challenge overall, mentioned by a third of all businesses, up from 25% a fortnight ago, and by two thirds of wholesale/retail companies. A quarter of businesses also cited issues with duties and levies, and disruption at UK borders. More than 1 in 5 reported reduced demand. More than half of transport & logistics companies reported issues with duties and levies.



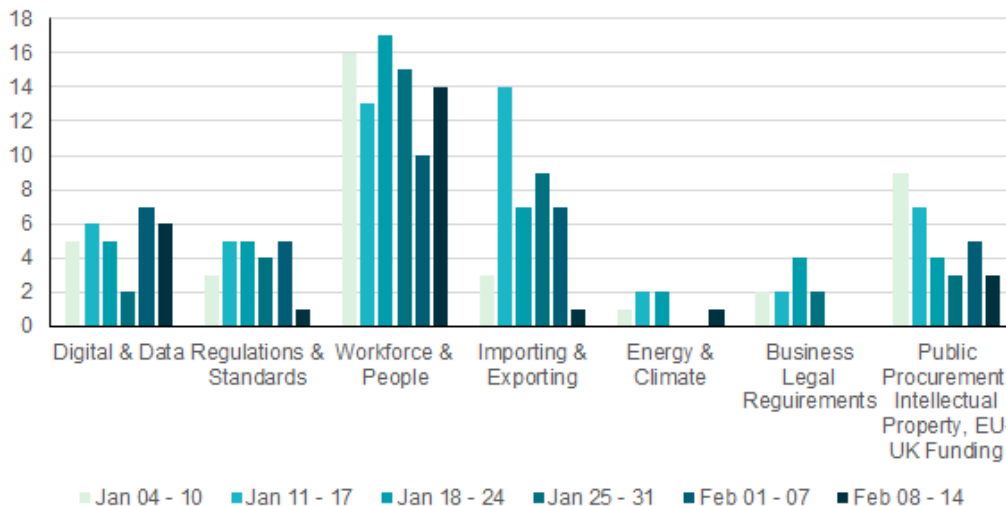
\*Source: ONS Business Impacts of Coronavirus Survey

# More business have reported issues around workforce & people this year

This week's feedback from businesses still routinely shows that turnover has been reduced significantly since the first lockdown, with a heavy reliance on their own cash reserves or government support to survive for many. Where businesses can, they have seen success in changing their business model in order to overcome the challenges that COVID-19 restrictions present. Either its restaurants offering more takeaways or manufacturing business diversifying into products that are in higher demand.

In terms of EU exit transition business continue to face increased overheads due to paperwork, increased duties on goods, delays at customs and uncertainty around whether their paperwork will be rejected at the border. These extra costs have made existing importing/exporting businesses models unviable for some. While experienced exporters/importers can absorb some of the costs they are still finding their profitability dropping. In response to these increased costs some businesses are seeking to bring more of their operation to the UK, either stock piling in the UK rather than EU or changing their supply to more UK based companies.

Issues reported by week



The two biggest issues reported by business this year have been Workforce & people and Importing & Exporting. Issues around workforce & people have remained steady while Importing & Exporting issues have dropped, in recent weeks. Issues around Digital & Data have increased in recent weeks.

# Coronavirus social impact survey results

The ONS currently run a weekly survey measuring the day-to-day impact of the coronavirus on the lives of people in Great Britain, with data available at regional level.

Between 3-7 February, the mean score for happiness was 6.5, up slightly from 6.4 last week. With those in the Yorkshire & Humber region having a slightly lower mean score of 6.2.

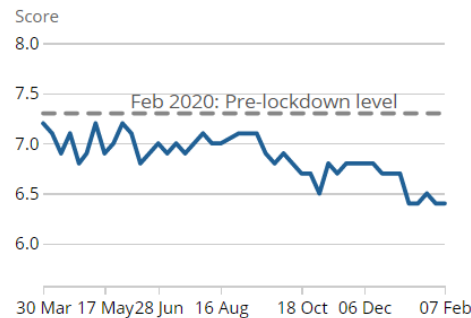
The scores for feeling that things done in life are worthwhile (7.1) and life satisfaction (6.4) remained the same as last week.

The anxiety score was 4.2 this week, down slightly from 4.3 last week. This compares with a score of 4.6 in the first week of January 2021, which was the highest score since April 2020. With those in the Yorkshire & Humber region having a slightly higher mean of 4.3 in the most recent data.

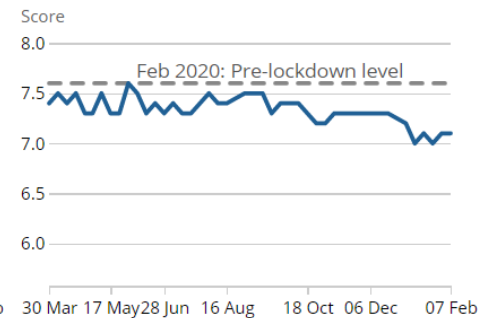
Participants were asked a series of question around their wellbeing and life satisfaction on a scale of 0 – 10. Across the below four indicators of wellbeing participants have persistently stated scores below pre 2020 lockdown levels.

## Great Britain, March 2020 to February 2021

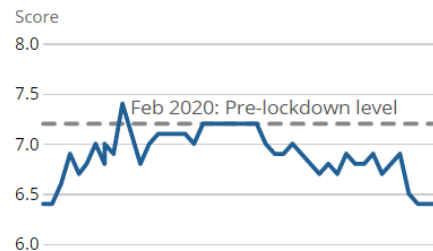
Overall, how **satisfied** are you with your life nowadays?



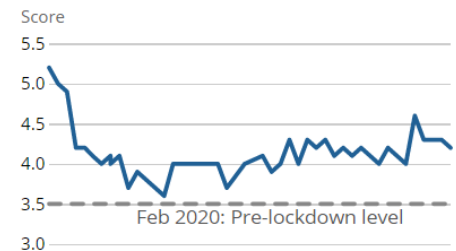
Overall, to what extent do you feel that the things you do in your life are **worthwhile**?



Overall, how **happy** did you feel yesterday?



Overall, how **anxious** did you feel yesterday?



# Three quarters of people worried about COVID-19 impacts

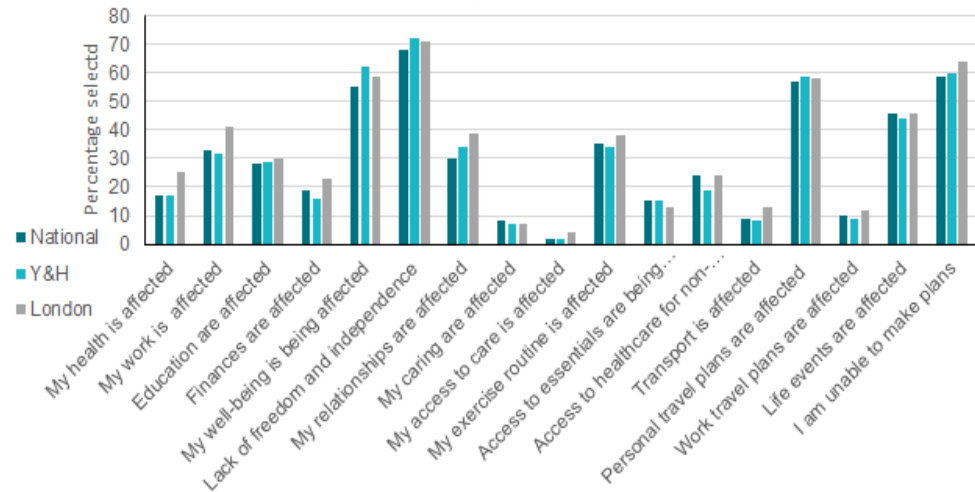
Nationally 74% of respondents have said they are very or somewhat worried about the effects of coronavirus. Respondents in Yorkshire & Humber have similar rates at 75%. While respondents in London at more worried at 78%.

When asked in what ways they have been affected 68% of respondents selected "Lack of freedom and independence". This was also the most common answer in Yorkshire and Humber.

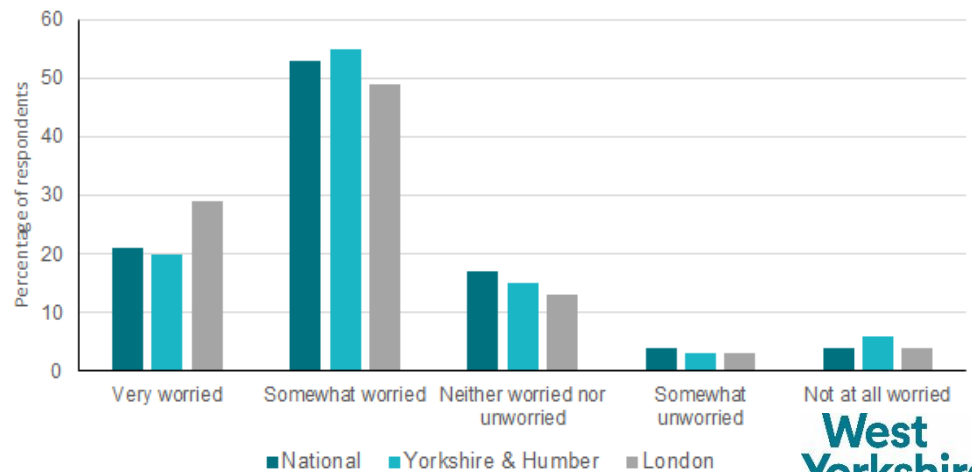
"Personal travel plans are being affected (for example, holidays and gap year)" was second most frequently mentioned nationally, at 57% and "My well-being is being affected (for example, boredom, loneliness, anxiety and stress)" at 55%.

In Yorkshire & Humber "My well-being is being affected" was the second most selected response at 62%. Compared to the 59% of respondents who selected "Personal travel." Access to health care for non-COVID-19 related issues is less of an issue in Yorkshire & Humber at 19% compared to the national figure of 24%.

In which ways is the Coronavirus (COVID-19) outbreak affecting your life?



How worried or unworried are you about the effect that the Coronavirus (COVID-19) outbreak is having on your life right now?



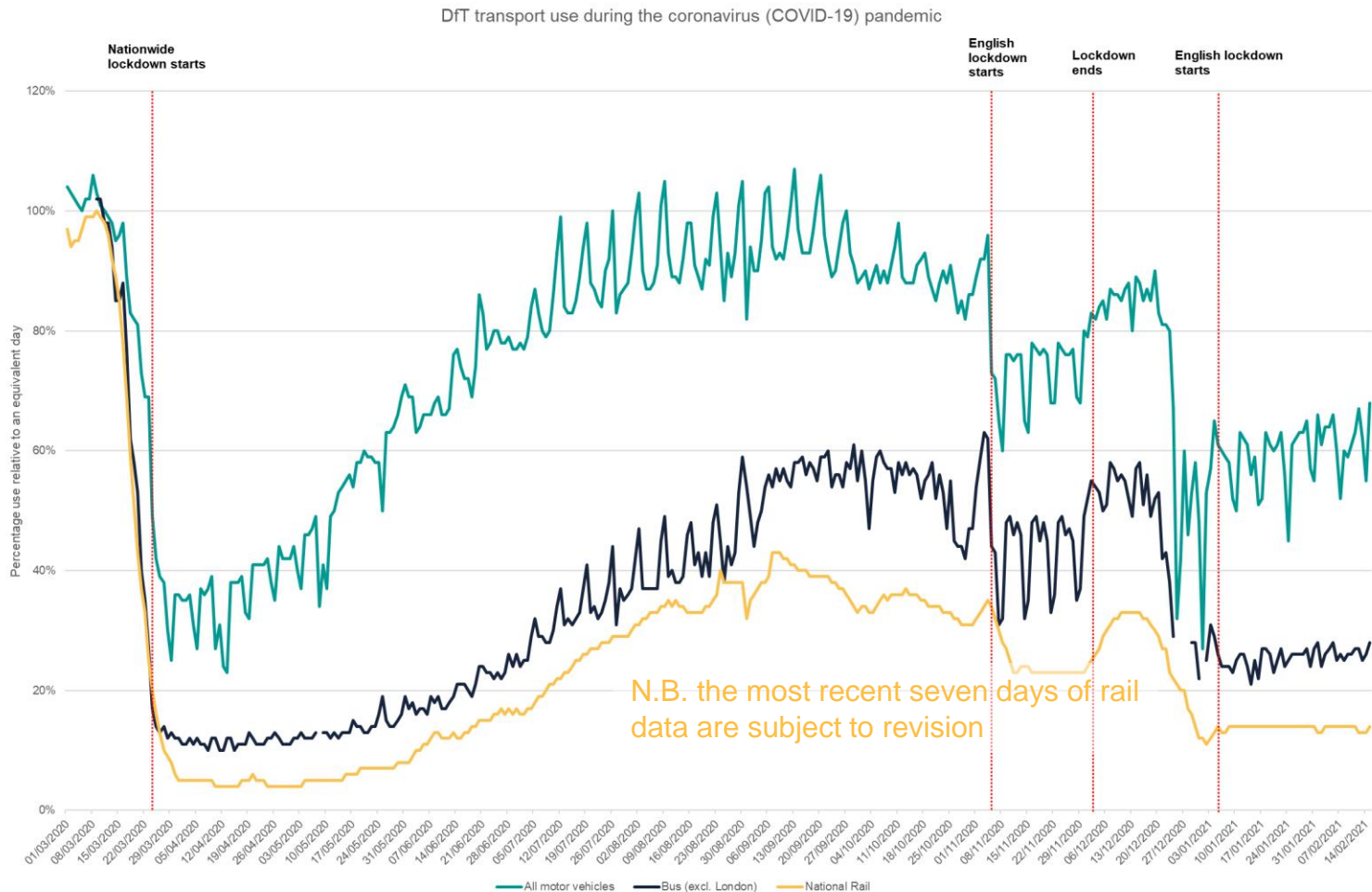
# Transport Insights





# National travel levels remain consistently higher than in the March 2020 lockdown

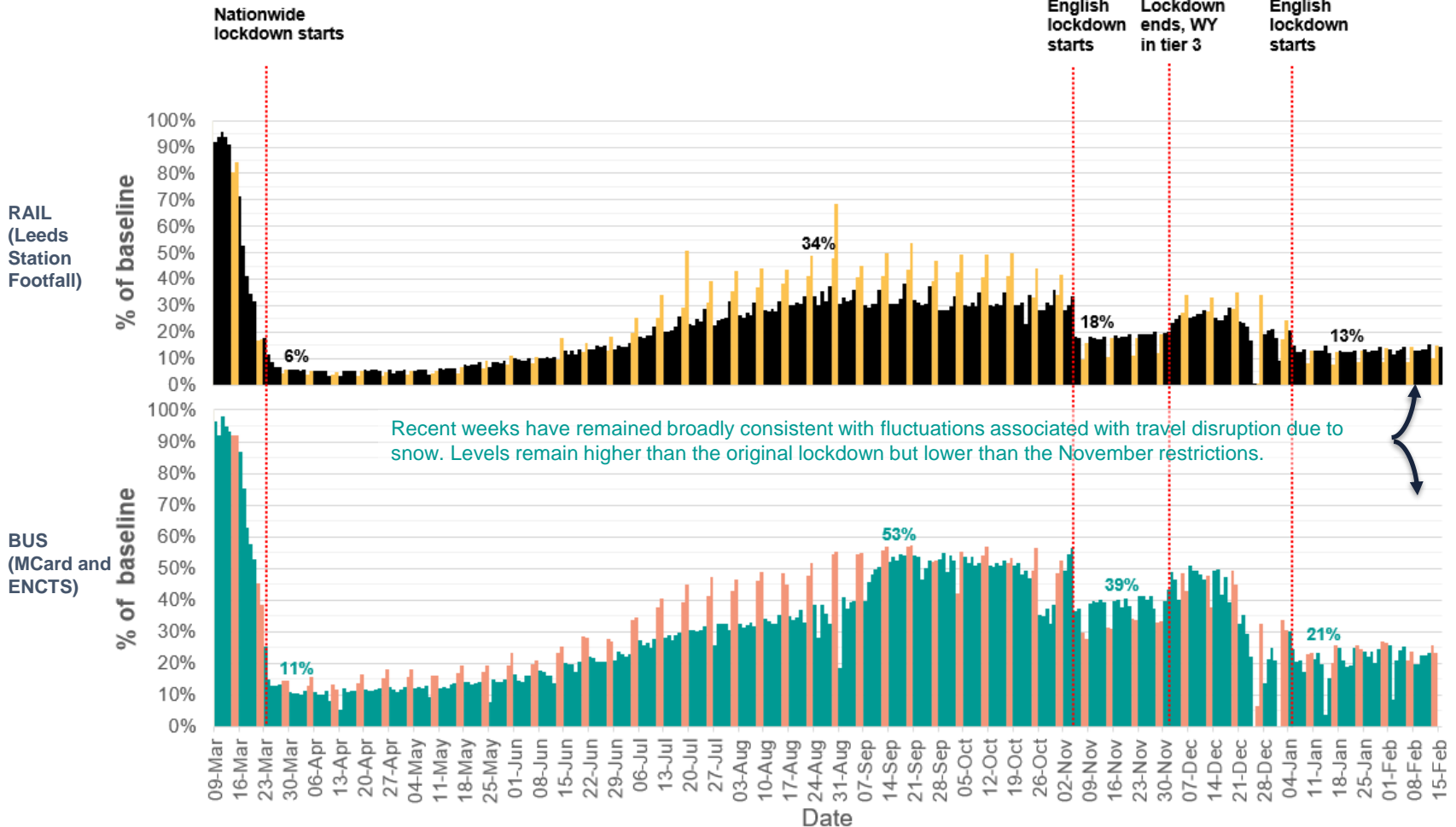
Data for Great Britain shows that, over the first weeks of the latest lockdown, motor vehicle, bus and rail travel remained consistently higher than the levels seen in the first weeks of the March 2020 lockdown, but lower than the second lockdown in November. Over the course of this lockdown a slight upward trends can be seen. Similar trends occur locally.



Source: <https://www.gov.uk/government/statistics/transport-use-during-the-coronavirus-covid-19-pandemic>

# Local rail and bus proxies remain at consistently higher levels than March 2020

■ % Rail weekday change compared to baseline  
■ % Rail weekend change compared to baseline  
■ % Bus weekday change compared to baseline  
■ % Bus weekend change compared to baseline



Baseline period is Monday 2nd - Friday 6th March 2020 (weekdays) and 29th Feb -1st March and 6th-7th March (weekends)

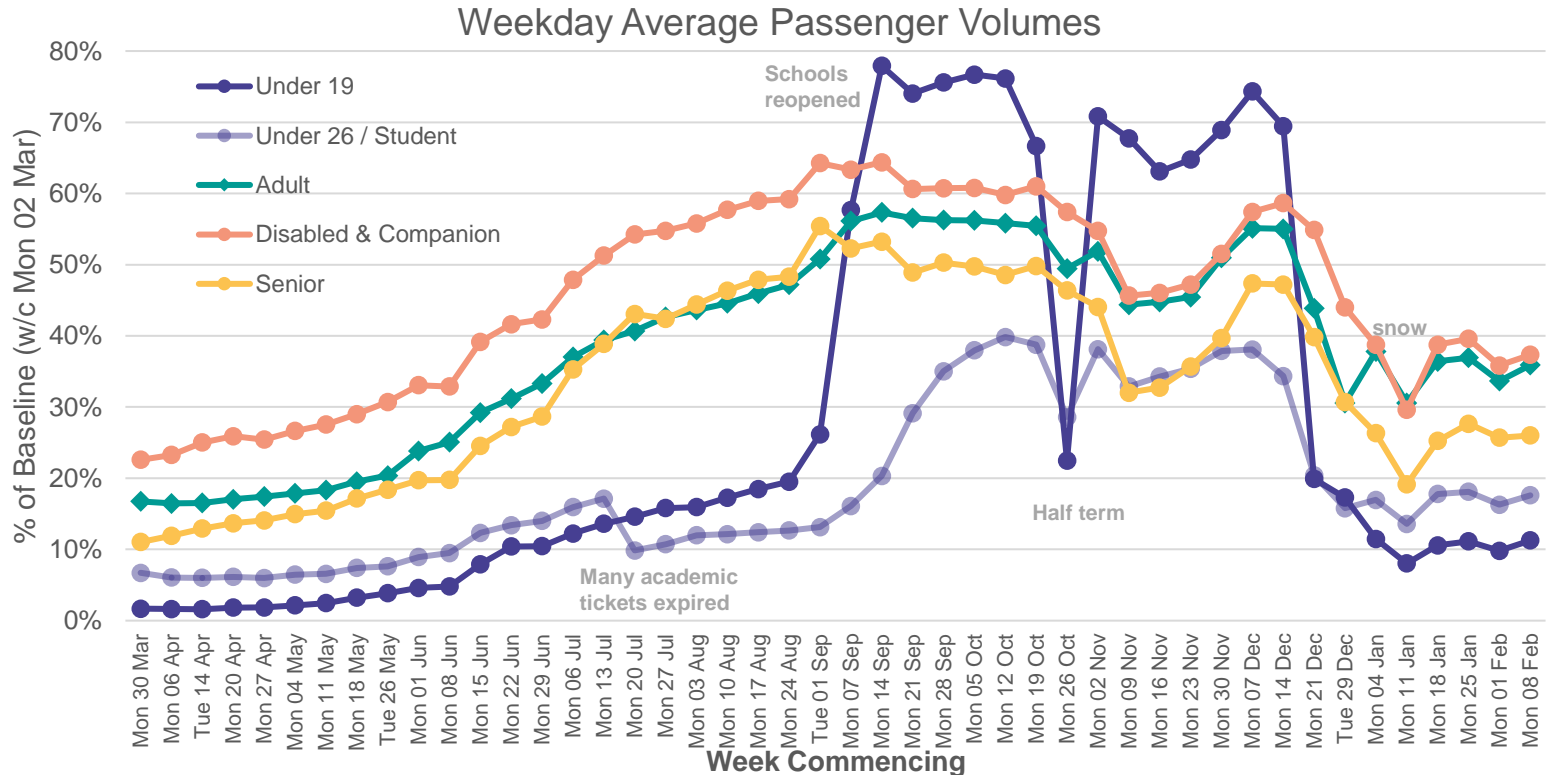
Source: Leeds Rail Station Footfall - Network Rail (top) and MCard and English National Concessionary Travel Scheme (ENCTS) interim data due to staff absence

# Bus use across all cohorts affected by weather, no obvious trend in recent weeks

Data from bus ticket machines continues to show that bus by Under 19s, Senior and Disabled cohorts is similar to late June and use by Under 26 / Students and Adults is more like early July. This is higher than the start of the first lockdown. The differences in recent weeks appear to be related to changeable weather as can be seen in the earlier slide of concession and MCard use. There is no discernible increase in use by the older and disabled cohorts where first vaccinations have been concentrated as yet.

Thousand passengers per weekday before COVID	
Adult	221,000
Under 19	101,000
Senior	74,000
Under 26 / Student	34,000
Disabled & Companion	29,000
Miscellaneous	9,000

Data from First, Arriva, Yorkshire Tiger and Transdev

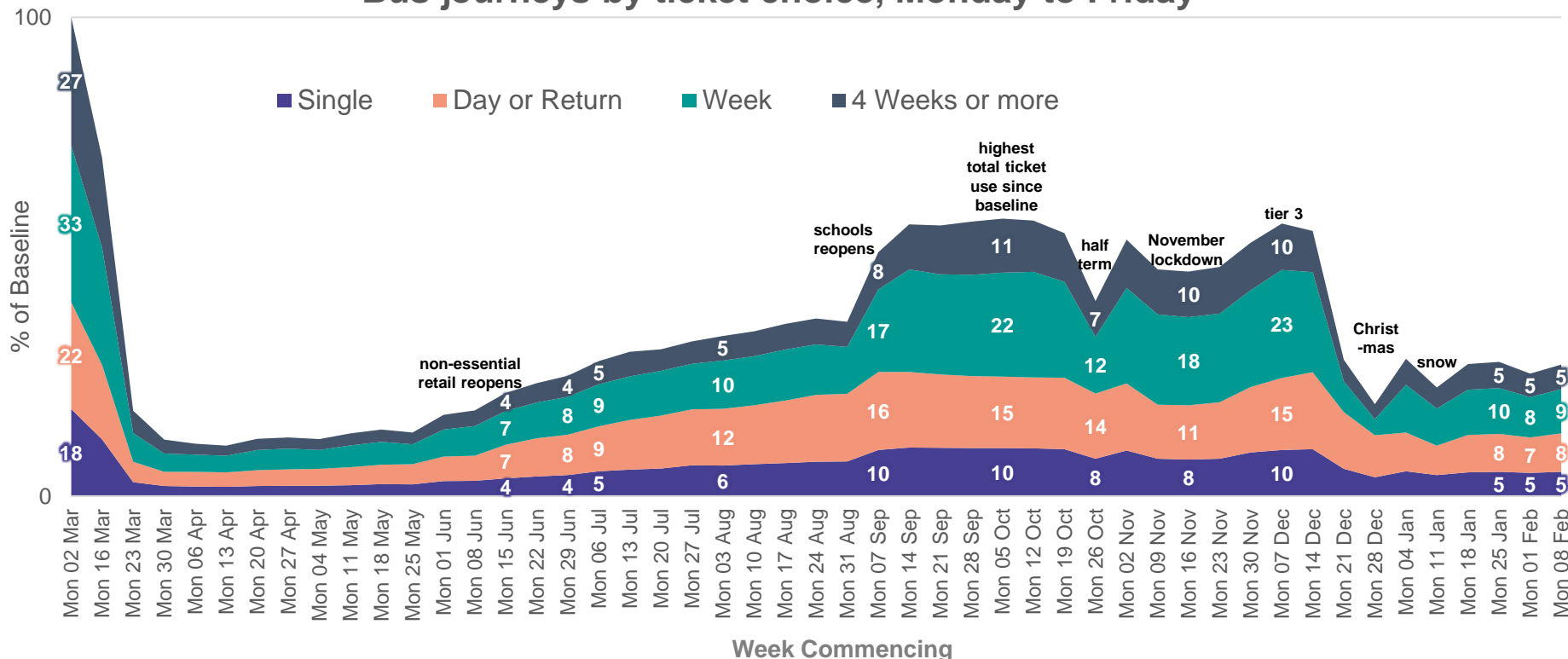


Baseline period is w/c Mon 02 Mar. Source: Bus operators electronic ticket machine data, passenger boarding locations in West Yorkshire. First, Arriva, Yorkshire Tiger and Transdev account for over 90% of bus services in West Yorkshire. Graph shows First and Transdev data. Data is for weekdays excluding bank holidays, with ticket types assigned to broad cohorts.

# Bus use across ticket choices has remained relatively stable during lockdown 3

The total level of fare paying passengers in the latest data is similar that seen at the end of June / beginning of July. Over the last 3 weeks, ticket preference has remained relatively stable.

## Bus journeys by ticket choice, Monday to Friday



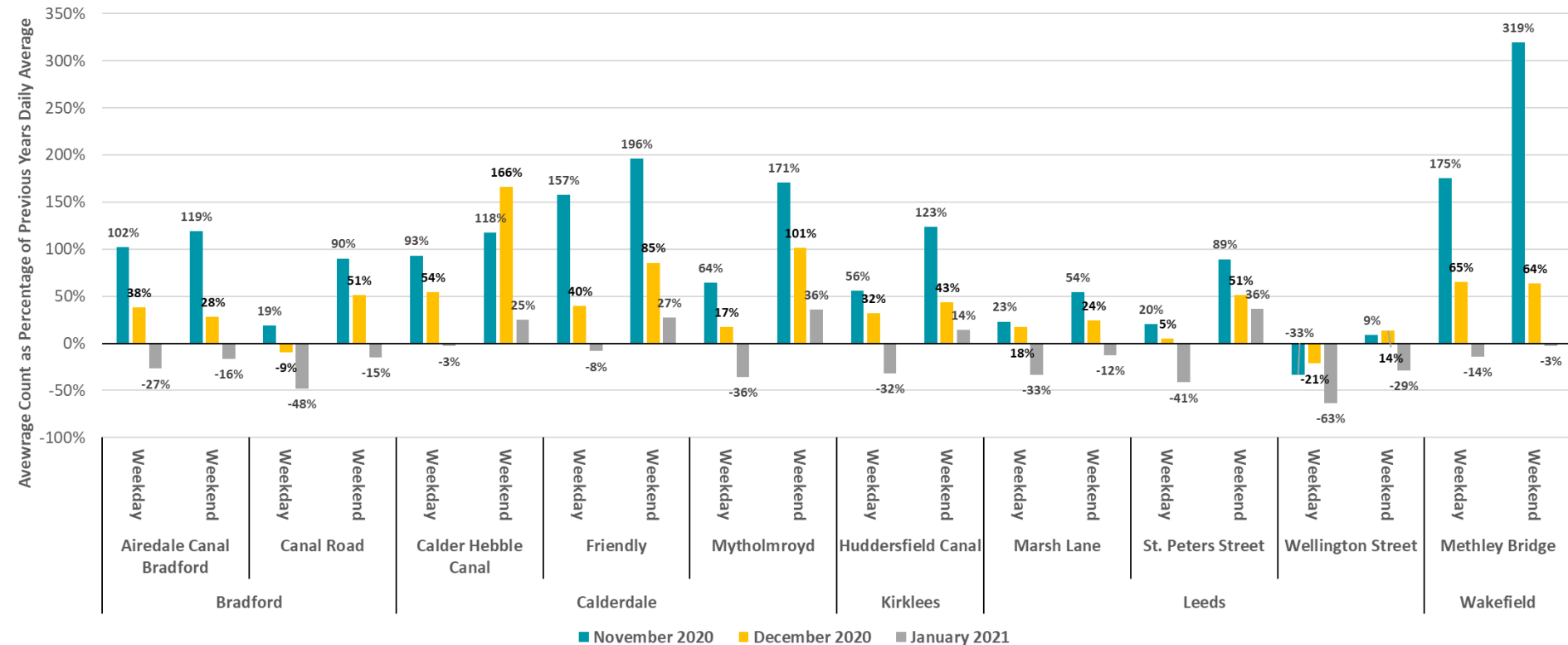
(Data from First, Arriva, Yorkshire Tiger and Transdev. Baseline period is w/c Mon 02 Mar)

Baseline period is w/c Mon 02 Mar. Source: Bus operators electronic ticket machine data, passenger boarding locations in West Yorkshire. Graph shows First and Transdev.

# West Yorkshire Cycle Counts - Off Road weekend cycling rises despite adverse weather

While a decrease in average daily trips was recorded on weekdays at all sites in West Yorkshire in January 2021 compared to January 2020, average daily trips at weekends at some monitoring sites increased (e.g. canals in Calderdale and Kirklees). This indicates that while cycle commuting decreased, weekend leisure cycling in some areas has grown (compared to last year).

### Annual Change in Average Daily Cycle Counts

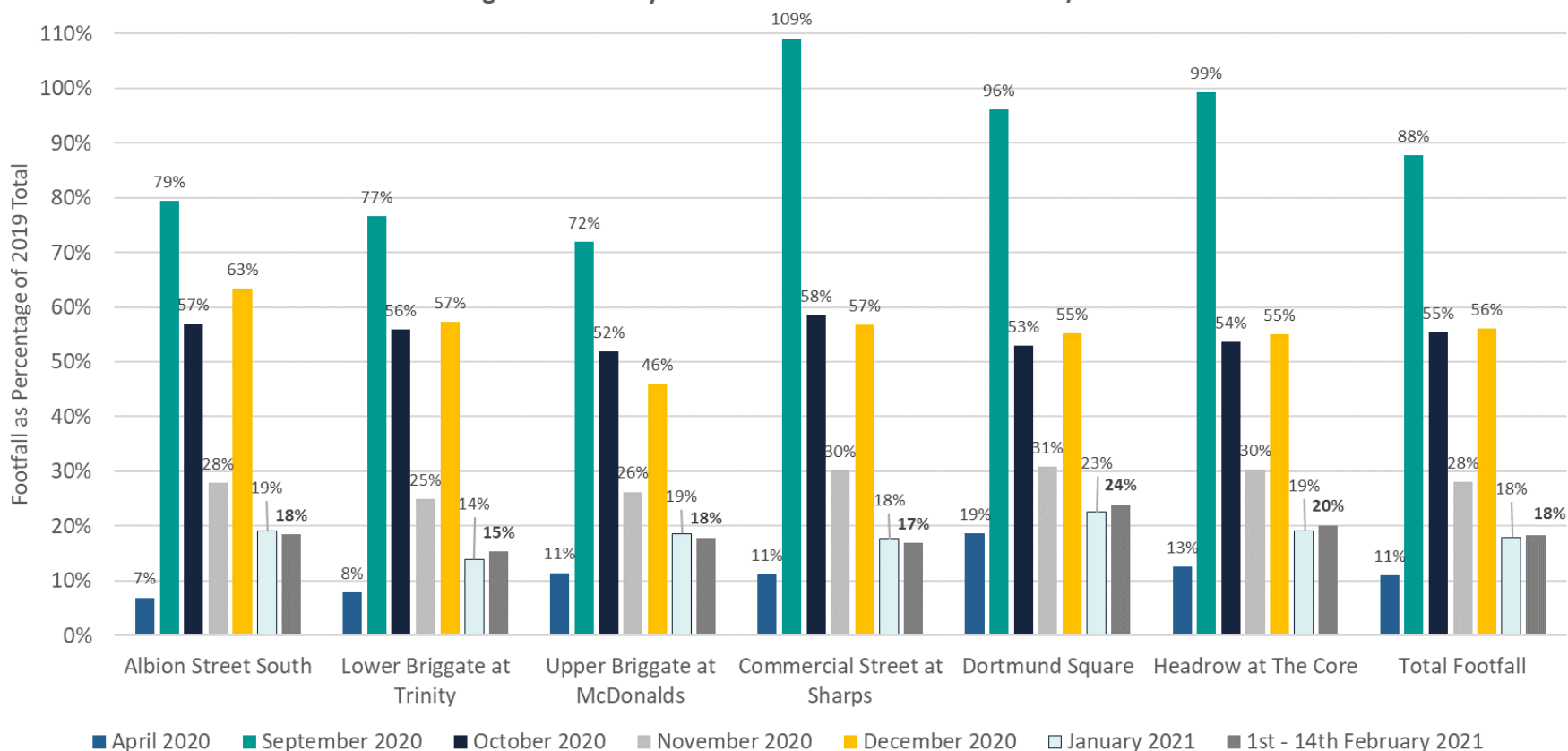


Source: Leeds City Council

# Leeds City Centre footfall – Inclement weather reduces footfall to below levels recorded in the first lockdown

The chart below illustrates footfall data from 6 fixed camera sites in Leeds City Centre expressed as a percentage difference from the same period in 2019. Comparative footfall levels in the first two weeks of February 2021 match the change recorded in January 2021, with footfall remaining higher than during the first lockdown but lower than during the second.

Change in Leeds City Centre Total Footfall 2019 to 2020 / 2021



Source: Leeds City Council Footfall data (6 fixed camera sites).