

COVID-19 Fortnightly Insights Report

Research & Intelligence
5th March 2021



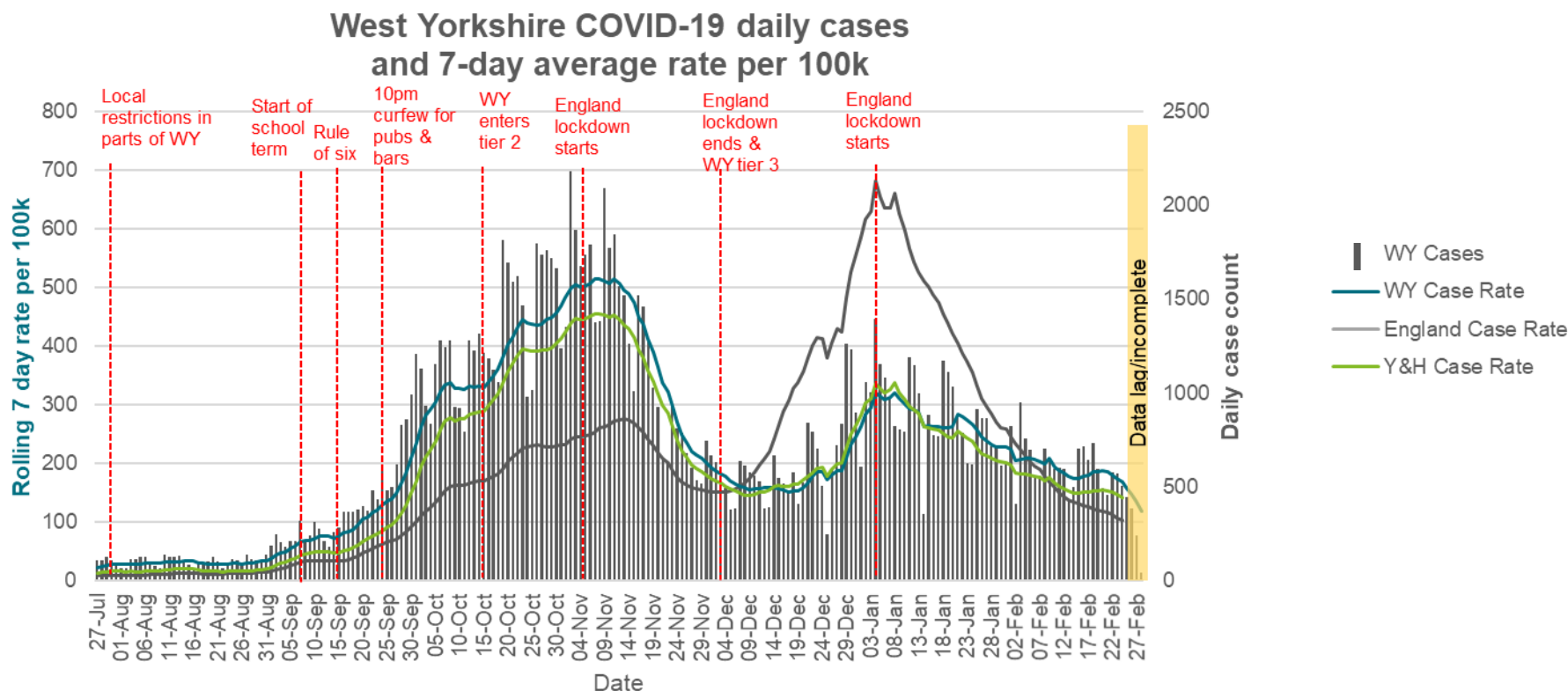
Executive Summary – social and economic

- The position in the **West Yorkshire labour market remains stable** during the current lockdown. There was 0.3% increase in out of work benefit claims in January, though overall claims are 85% higher than pre-pandemic.
- New experimental data from HMRC suggests the number of **jobs on payroll in West Yorkshire is down 20,000 (2%) since January 2020**, similar fall to the 3% nationally.
- There was also a 3% **fall in vacancy postings in late February**, though these remain close to early 2020 levels.
- **138,000 people were on furlough** in West Yorkshire in January according to data from HMRC. This is **an increase of 20.5%** on December, and it has almost doubled (up 95%) from the low point of 70,500 in October. ONS survey data suggests furlough use continued to increase into February.
- Interim results from the Leeds City Region Business Survey show **2 in 5 businesses have seen, or expect to see, a negative impact from the UK's EU Exit** in the next year, but in the **longer term almost as many expect to see positive impacts as expect negatives**.
- Issues around **rules of origin, VAT, and supply chain delays** have been the biggest issues so far, but tariffs, regulatory changes and product standards are expected to become more prevalent as things progress. Existing issues are creating **increased cost pressures** and leading some companies to review their plans for international trade.

Executive Summary – transport

- DfT data covering transport use by mode shows increases over recent weeks, particularly by motor vehicle travel which shows weekday levels approaching those seen in the November restrictions.
- Leeds rail station footfall levels have increased slightly through the current lockdown, while Mcard and concessionary fare use on buses has increased by a greater proportion. Both remain higher than the original lockdown but lower than the November restrictions.
- Data from bus ticket machines shows that the recent bus use increase has been highest in the older and disabled cohorts, possibly linked to the COVID vaccination programme.
- Bus ticket choice data shows that the total level of fare paying passengers in the latest data is similar that seen at the beginning of July. Day or return tickets showed the largest proportional increase in recent weeks.

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 24th Feb 2021, the 7-day moving average **West Yorkshire COVID-19 rate was 168.6 cases per 100k (3,933 new cases), down from 179.8 per 100k the week before (4,193 new cases)**. West Yorkshire rate is above the Yorkshire and the Humber rate and England rates (141.9 and 102.9 per 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

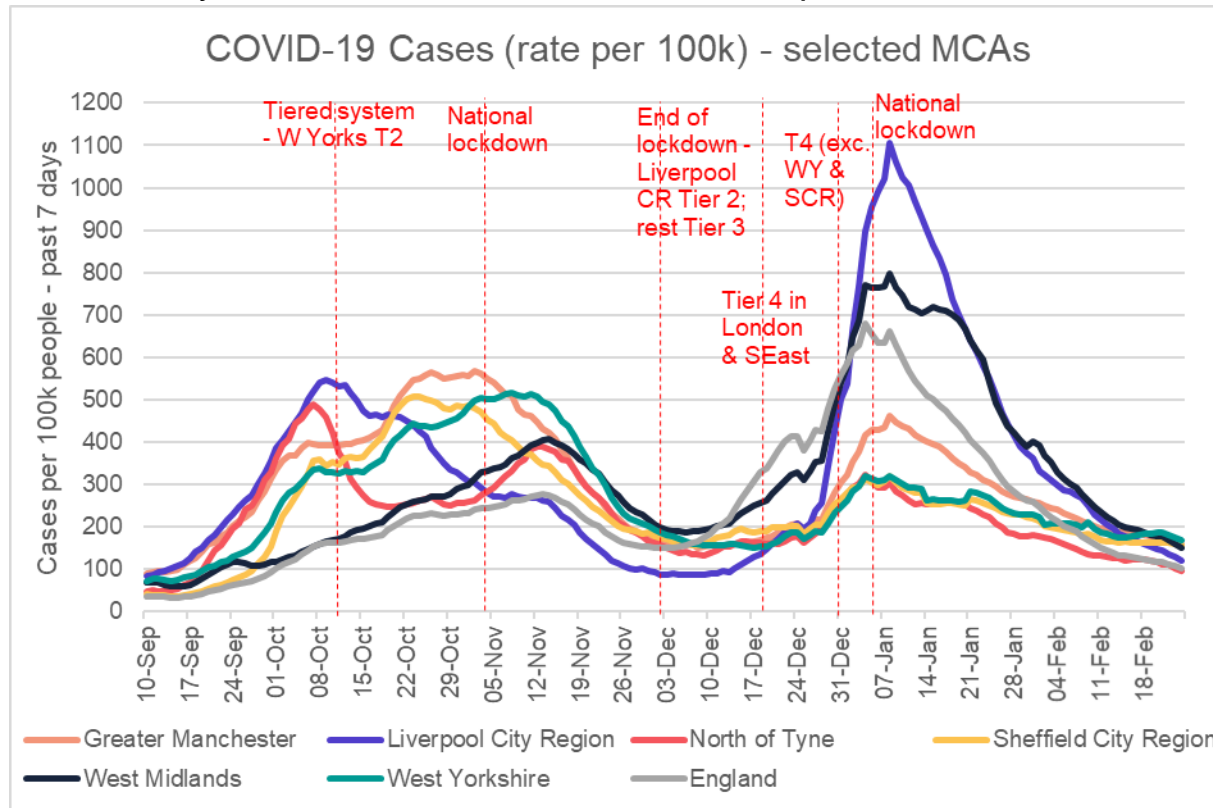
Table shows the most recent COVID-19 case data from Public Health England's (PHE) secure data portal. Note due to reporting delays for comparison between Local Authorities the most recent 4 days are excluded from the calculations of rates and moving averages.

Area	Total cases per 100k people (18 – 24 Feb)	Total cases per 100k people (11 – 17 Feb)	Absolute Difference		% Weekly Change
	Most recent data week	Previous week			
Bradford	195.5	199.9	-4.4	↓	-2%
Calderdale	134.3	178.8	-44.5	↓	-25%
Kirklees	177.1	179.9	-2.7	↓	-2%
Leeds	158.9	164.2	-5.3	↓	-3%
Wakefield	159.3	184.6	-25.3	↓	-14%
West Yorkshire	168.6	179.8	-11.1	↓	-6%
Yorkshire & the Humber	141.9	151.6	-9.7	↓	-6%
England	102.9	125.5	-22.6	↓	-18%

Source: Secure COVID-19 PHE data portal

Rates down across all MCAs, but higher than England in most

Case rates in all MCAs continue to fall, and are now below 200 cases per 100k people in all areas in the 7 days to February 24th. The pace of decline remains slower than the national average in some places, including West Yorkshire, despite the pace of decline slowing in areas where rates had previously been highest. The West Yorkshire rate of 169 cases per 100k is higher than in other MCAs here, but is the lowest rate seen here since mid-December. In that sense, it is similar to Greater Manchester and Liverpool and Sheffield City Regions. The England rate is now at a level last seen in early October, similar to the West Midlands, whilst in North of Tyne it is at levels last seen in mid-September.

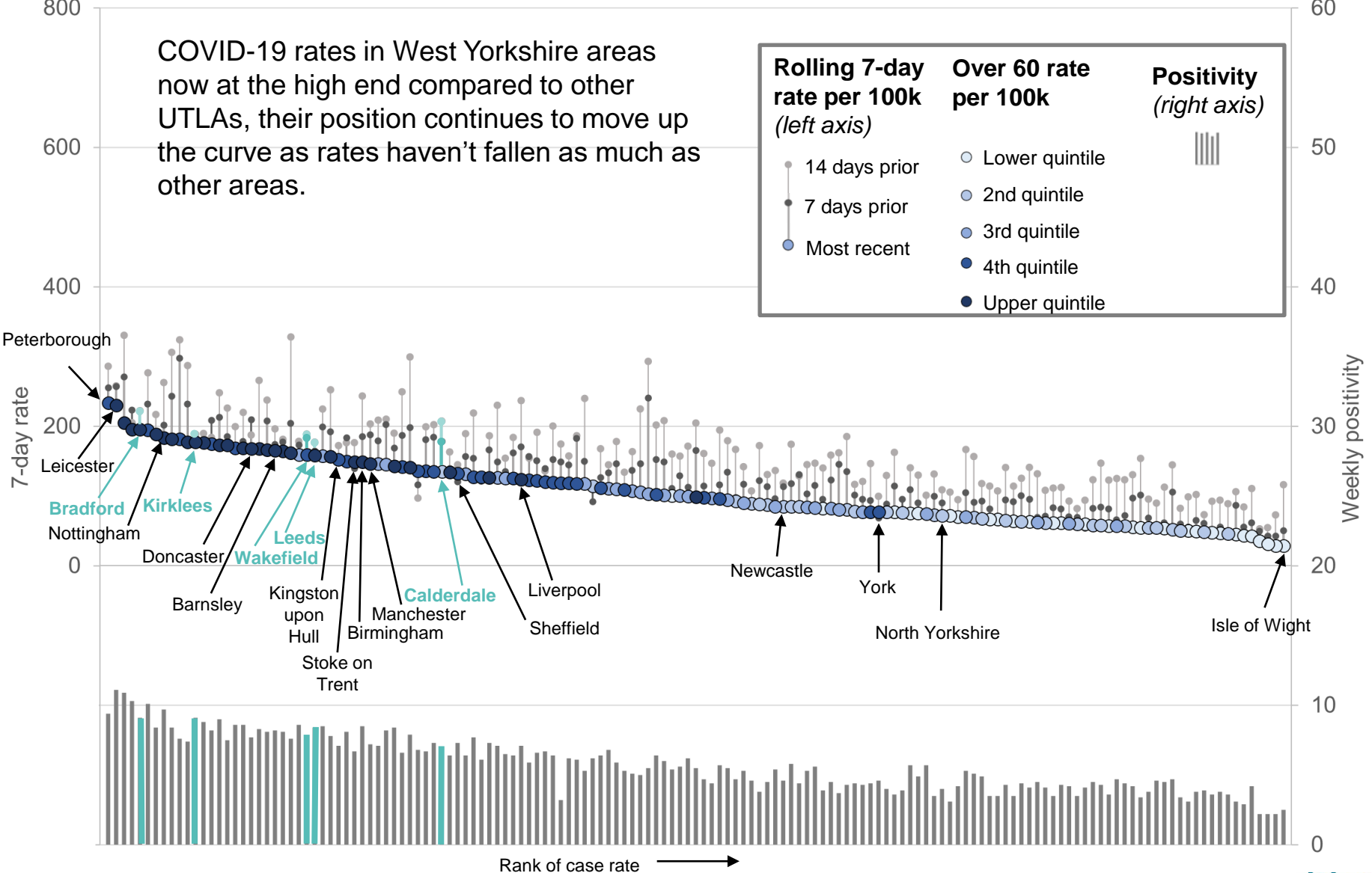


COVID-19 Rates for Upper Tier Local Authorities

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

COVID-19 rates in West Yorkshire areas now at the high end compared to other UTLAs, their position continues to move up the curve as rates haven't fallen as much as other areas.

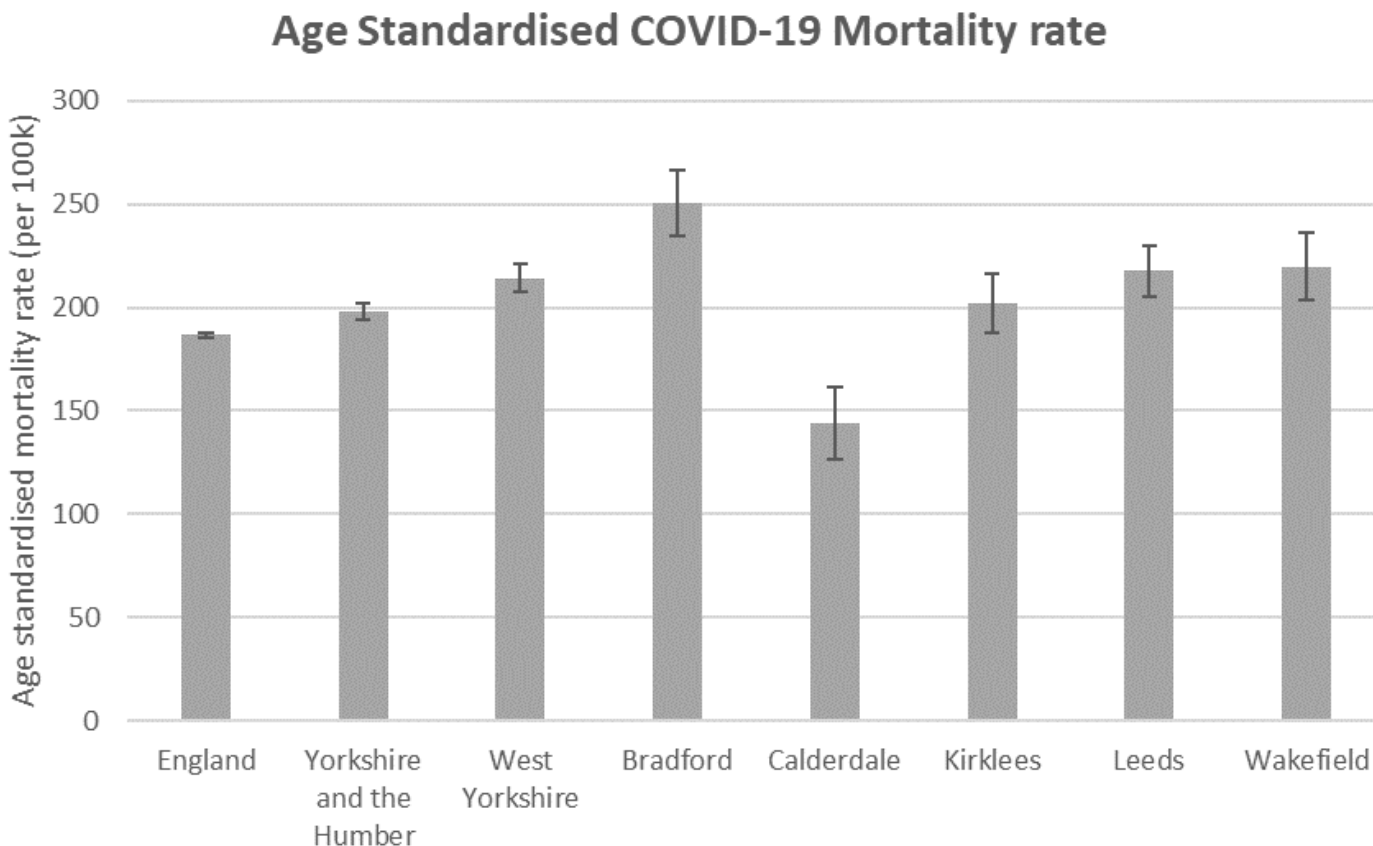
Rolling 7-day rate per 100k (left axis)	Over 60 rate per 100k	Positivity (right axis)
<ul style="list-style-type: none"> 14 days prior 7 days prior Most recent 	<ul style="list-style-type: none"> Lower quintile 2nd quintile 3rd quintile 4th quintile Upper quintile 	



Blue points show latest COVID-19 case rate per 100k across UTLAs as of the 24th 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 24th Feb (right Y-axis).

COVID-19 Mortality – West Yorkshire

Age standardised COVID-19 mortality rates (deaths registered between March 2020 and January 2021) reveal that rates in West Yorkshire overall are *significantly higher* than the national average. Across England, age standardised COVID-19 mortality rates (deaths registered between March 2020 and January 2021) reveal a strong relationship with deprivation.



Source: ONS. 1 Age-standardised mortality rates are presented per 100,000 people and standardised to the 2013 European Standard Population. Age-standardised mortality rates allow for differences in the age structure of populations and therefore allow valid comparisons to be made between geographical areas, the sexes and over time.

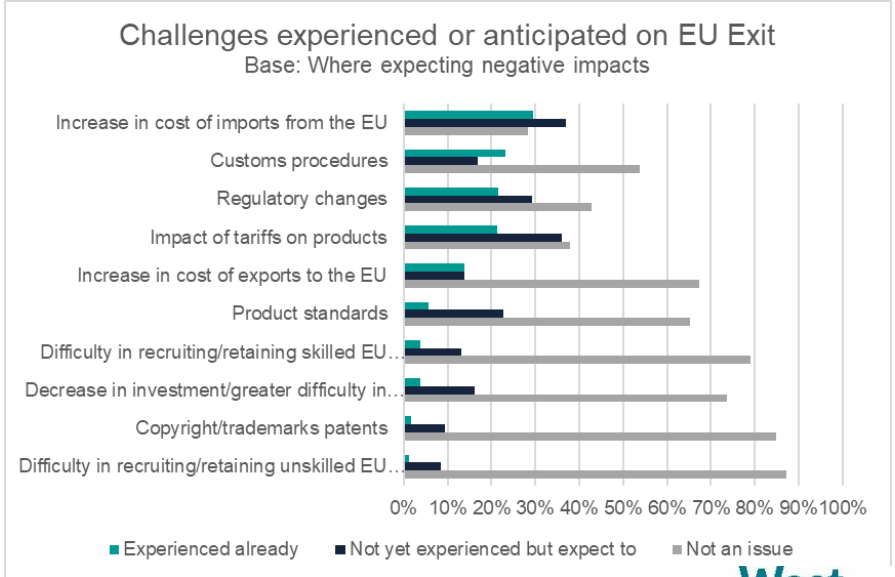
Economic Insights



LCR Business Survey interim results: Two in five expect a short-term hit from Brexit, but more positive in the longer term

The Leeds City Region Business Survey is currently underway, with the below analysis based on 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.

Around 42% of respondents so far expect a negative impact in the short term (next 12 months) with only 11% expecting positive impact over the next year. But the longer term view is more balanced, with 23.5% expecting a positive impact and 25.5% expecting a negative impact over a horizon of two years or more. Of those businesses experiencing or expecting negative impact, increased costs and customs issues are the biggest issue experienced so far, mentioned by 30% and 23% of this cohort respectively. Looking ahead businesses anticipate tariffs, regulatory changes and product standards to become more prevalent issues.



Businesses are facing persistent issues around rules of origin and VAT, when trading with the EU.

Insight from Growth Managers' conversations with businesses in the Leeds City Region shows they have continued to face challenges caused by COVID-19 restrictions and EU Exit Transition. Many of the issues are compounded by each other. Such as drop drastic drop in turnover due to low demand caused by COVID-19 restrictions, and what activity is occurring is in some cases severely delayed due to importing/exporting issues due to EU exit transition.

There has been a reported **cardboard box shortage** which is causing companies in the **food & drink and manufacturing sector delays in meeting customer orders**. Other reported issues included **difficulty with importing from China, caused by a large increase in the price of shipping containers** as well as price increase due to increased competition.

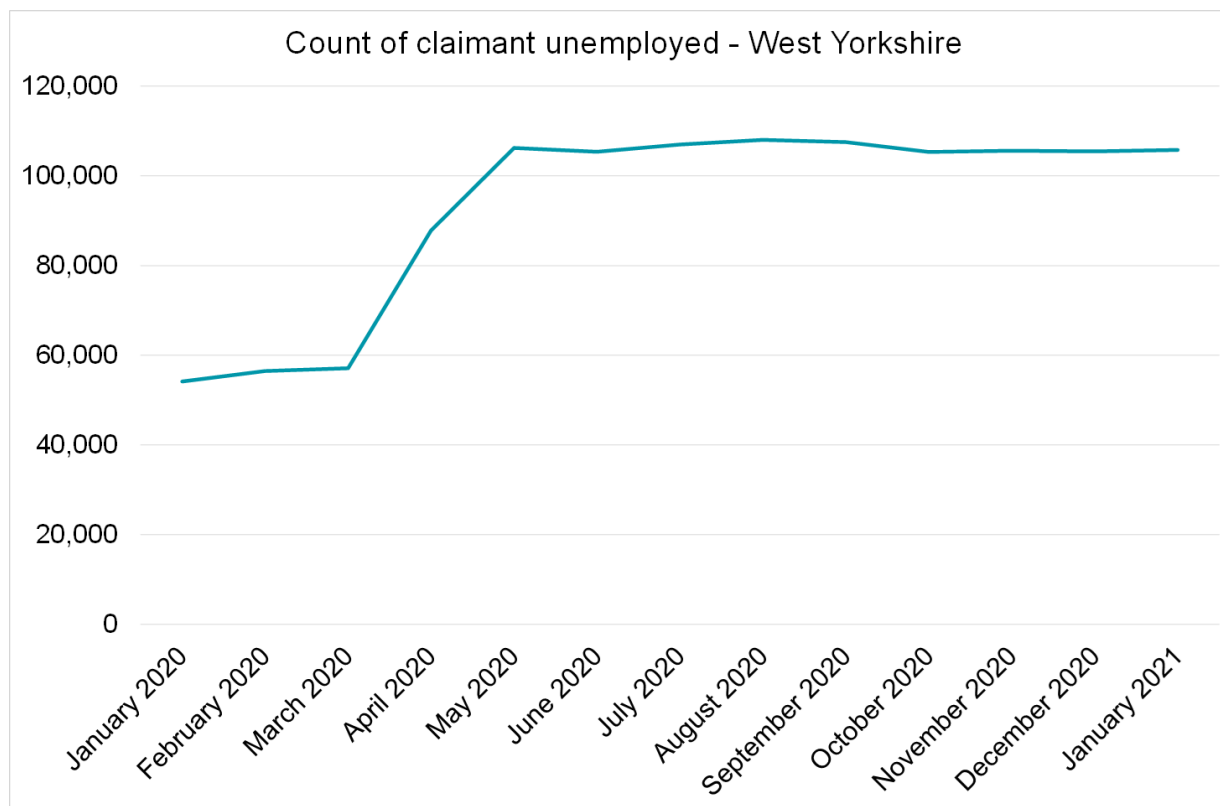
Companies are having persistent **issues around the rules of origin, VAT, and supply chain delays**. These issues have created a substantial overhead with importing or exporting from the EU. Big businesses are more able to overcome these challenges by **moving part of their businesses to the EU** i.e. creating a distribution hub in Ireland or sourcing products from the UK. However, these actions are costly and reduce the viability of many current business models. Many small businesses are unable to afford these overheads. This has caused **some small businesses to stop exporting/importing** or those companies that were planning on starting to export to the EU have delayed until the process is clearer.

Businesses are continuing to reassess their situation and try to adapt to the market conditions. With some companies reassessing their product or **moving from a B2C model to a B2B model or shifting to providing services online**. These changes are having a knock-on effect of boosting demand for businesses consultant or tech companies, for example those that provide new CRM software or bespoke online services.

Out of work benefit claims remain static

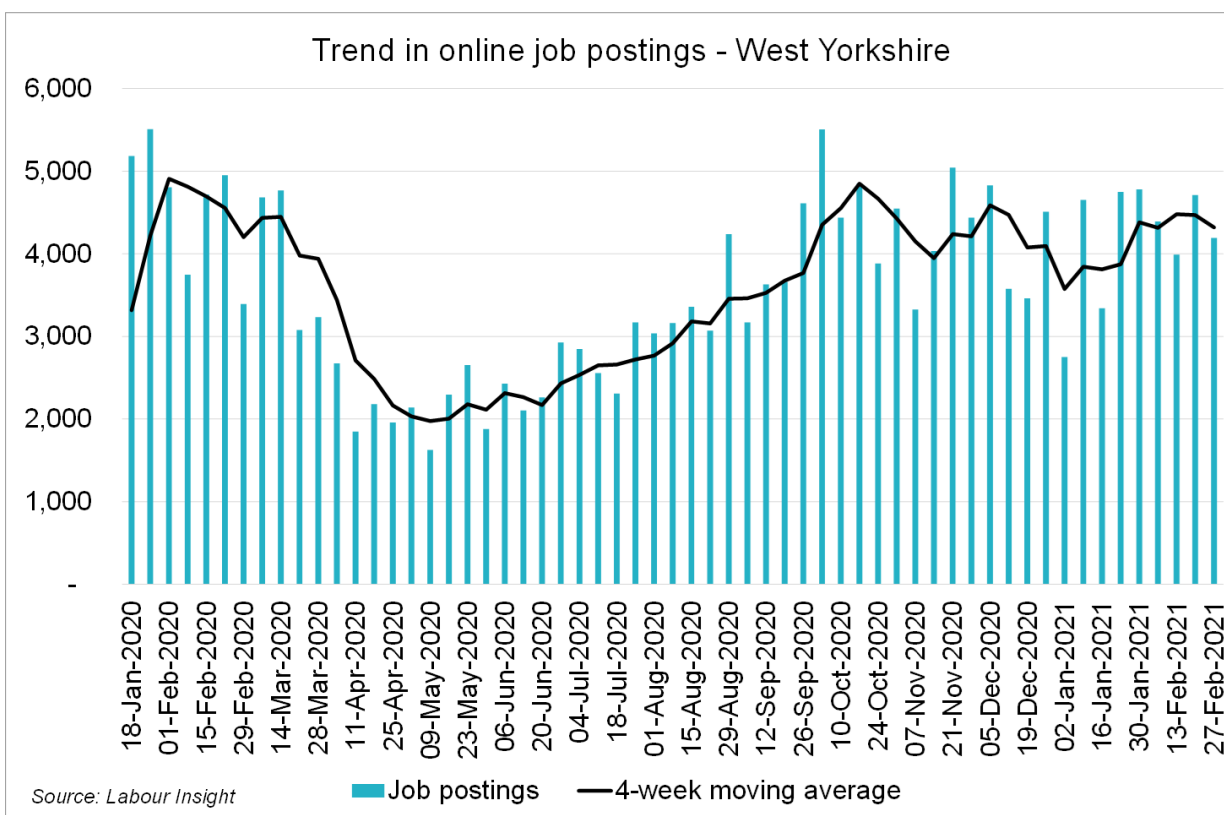
Between December and January, the claimant count for West Yorkshire increased by 280 or 0.3%, compared with a national decrease of 0.7% (-15,800). The current West Yorkshire claimant count of 105,755 is 85% higher (+48,670) than in March 2020. All local authorities in West Yorkshire remained largely static, ranging from a decline of 0.3% in Wakefield (-40) to an increase of 0.7% (+255) in Leeds.

West Yorkshire's claimant rate (claimants as % of working age population) is currently 7.2% compared with the national average of 6.3%. At local authority level current rates range from 5.8% in Wakefield to 9.4% in Bradford.



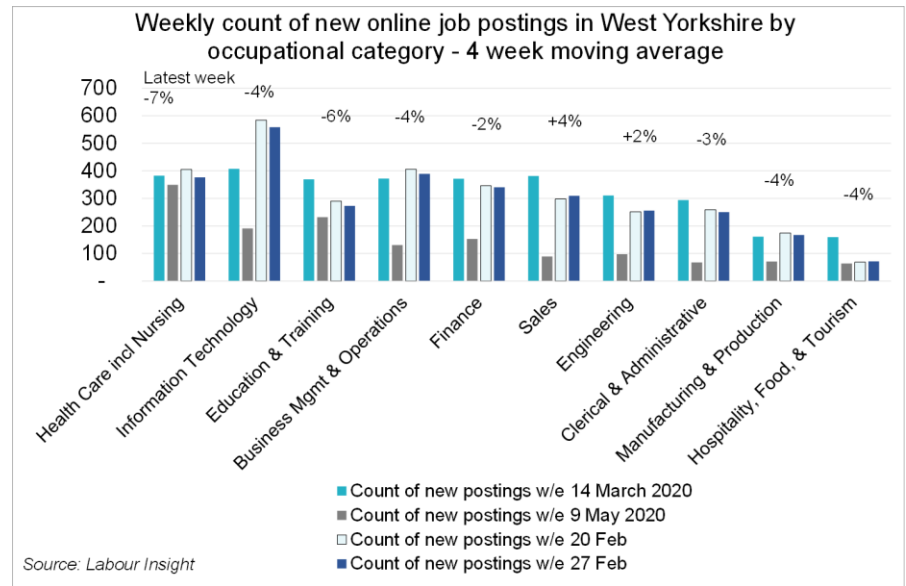
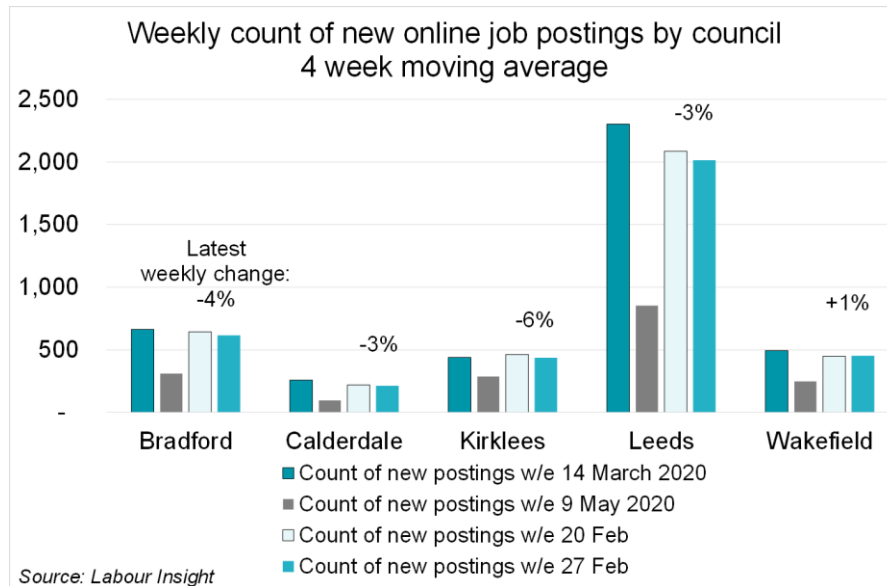
Small reduction in vacancy count in latest week

The number of vacancies for jobs in West Yorkshire posted online during week ending 27 February fell by 3% compared with the previous week (based on a 4-week moving average) but the underlying trend of recent weeks is fairly flat. Nationally, the number of vacancies also fell by 3%. The weekly vacancy count for West Yorkshire is currently 3% below its pre-crisis level (week ending March 14).



Small declines in vacancies at local authority level and in most occupations

All local authority areas saw small declines in postings in the latest week, except Wakefield. The current counts for all council areas are below their pre-crisis levels and Leeds and Calderdale have the most ground to recover.

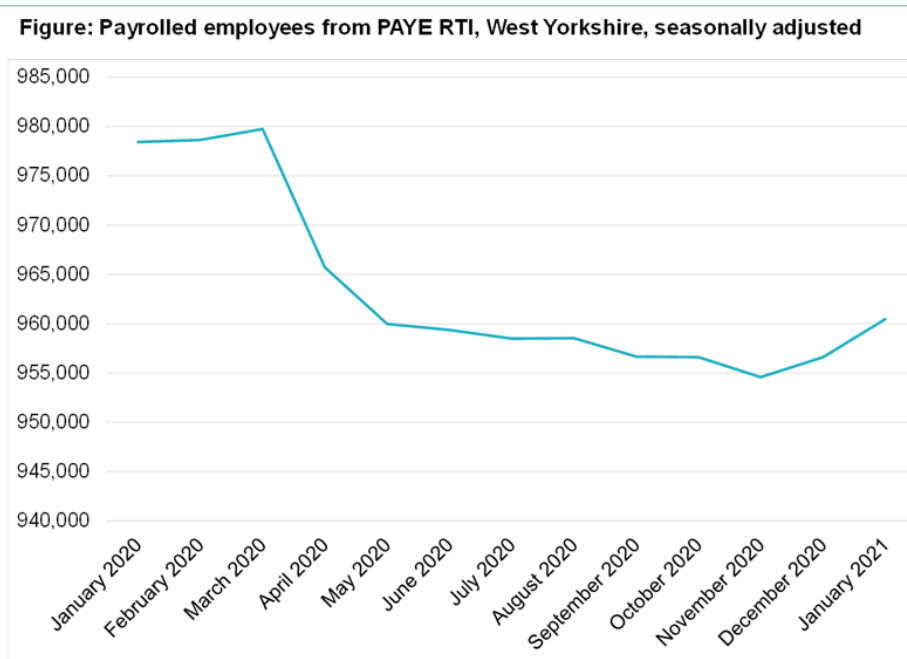


Most occupational categories saw a small fall in postings for the latest week, based on a 4-week moving average, except for Engineering and Sales which both grew slightly. A number of categories were above their pre-crisis vacancy levels (week ending 14 March) most notably Information Technology. Hospitality, food and tourism continues to be the poorest performing occupational category, which is to be expected in view of the ongoing restrictions on activity in the sector.

Payrolled employees around 20,000 lower than early 2020

Newly published real-time data from HMRC relating to payrolled employees can be used to assess impact of Covid-19 on employment – in this case count of employees. In West Yorkshire, the count of employees 20,000 lower in January 2021 than in January 2020 – fall of around 2%.

As with other labour market data (such as benefits claims on the previous slide), the data suggests a steep fall last spring as the crisis hit, followed by more gradual decline through summer and autumn before an increase of about 5,000 between November and January. The UK picture is similar with a fall of 3% between Jan 20 and Jan 21 but some improvement since November,

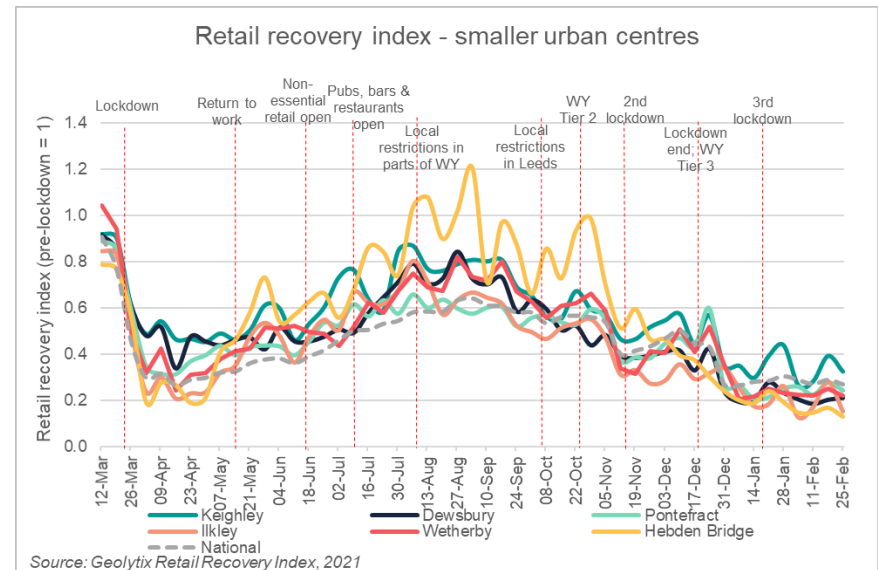
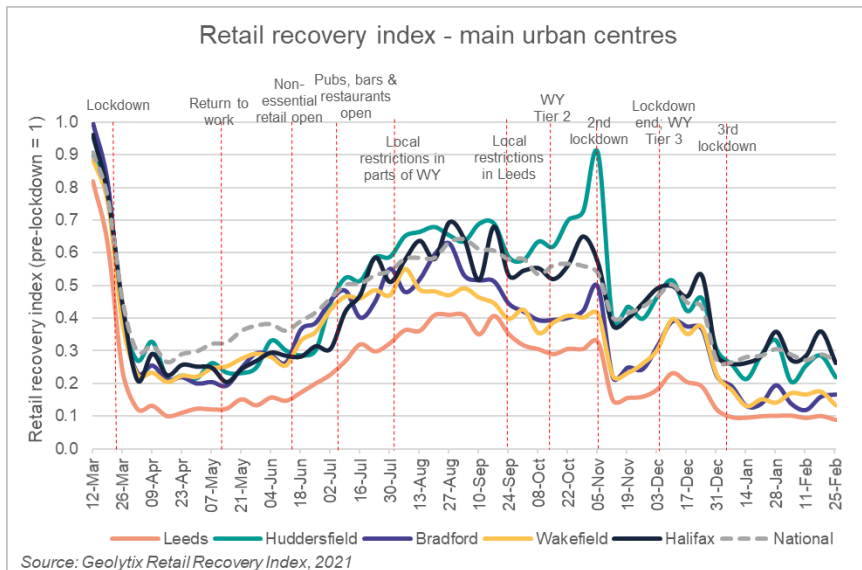


Source: Pay As You Earn Real Time Information, HMRC

Activity falls in most urban centres after half term

Activity in the centres of Halifax, Huddersfield and Wakefield fell slightly in the week to February 25th, according to Geolytix's retail recovery index. The picture in Bradford and Leeds was little changed from the previous week. Weather disruption is likely to have had some influence on patterns of movement in recent weeks, as has the recent half term. All smaller centres also saw activity fall from the previous (half-term) week, with the exception of Dewsbury where there was little change.

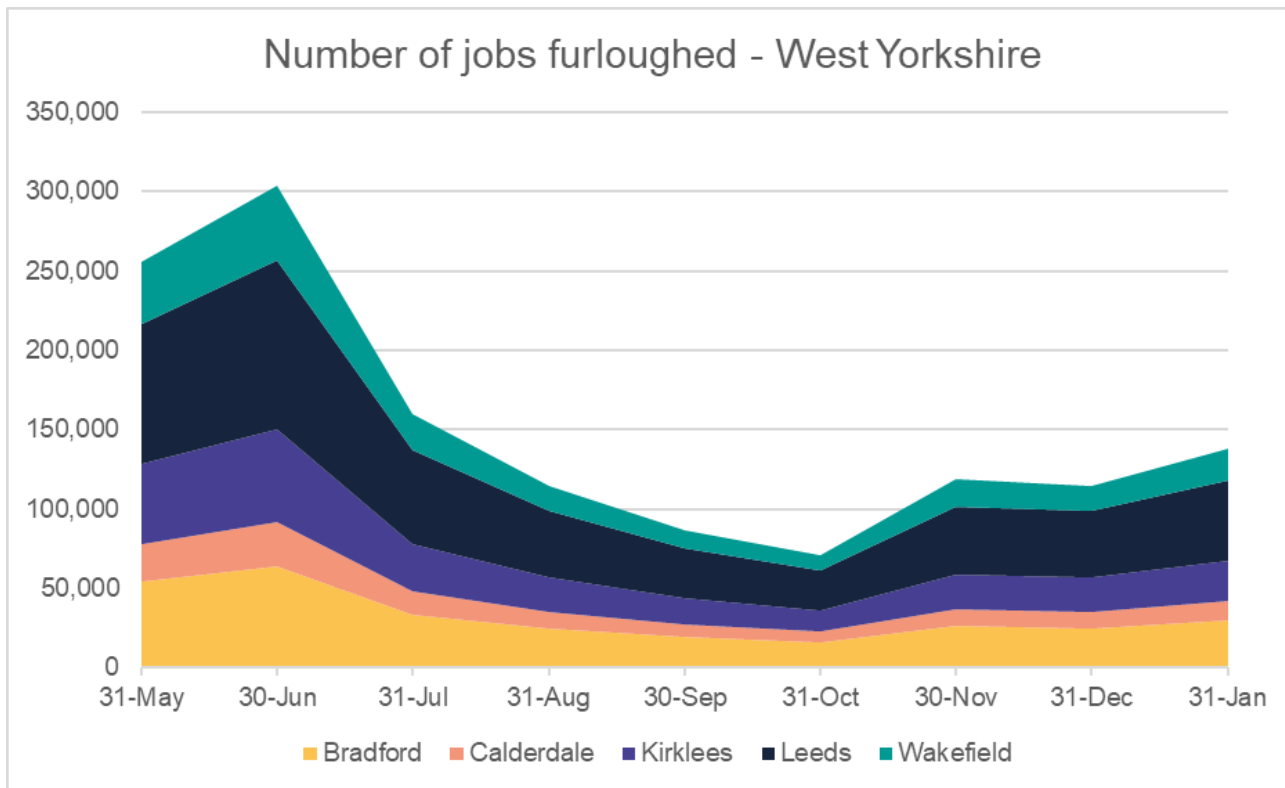
Among main urban centres, activity is highest relative to its pre-pandemic peak in Halifax (26% of its local baseline) and lowest in Leeds (9% of local baseline). Among smaller centres, it is highest in Keighley (33%) and lowest in Hebden Bridge (13%). The vast majority of areas have activity lower compared to their own baseline than the national figure of 27%.



Furlough use increases by 20% in January

138,000 people were on furlough in West Yorkshire in January according to data from HMRC. This is an increase of 20.5% on December, and it has almost doubled (up 95%) from the low point of 70,500 in October. The picture is similar nationally, with 3.77 million people on furlough in January, an 18.3% increase from December and 98.7% from October. At local authority level, Wakefield (25.9%) and Leeds (21.7%) saw above average increases between December and January, whilst this was lower in Kirklees (15.3% increase).

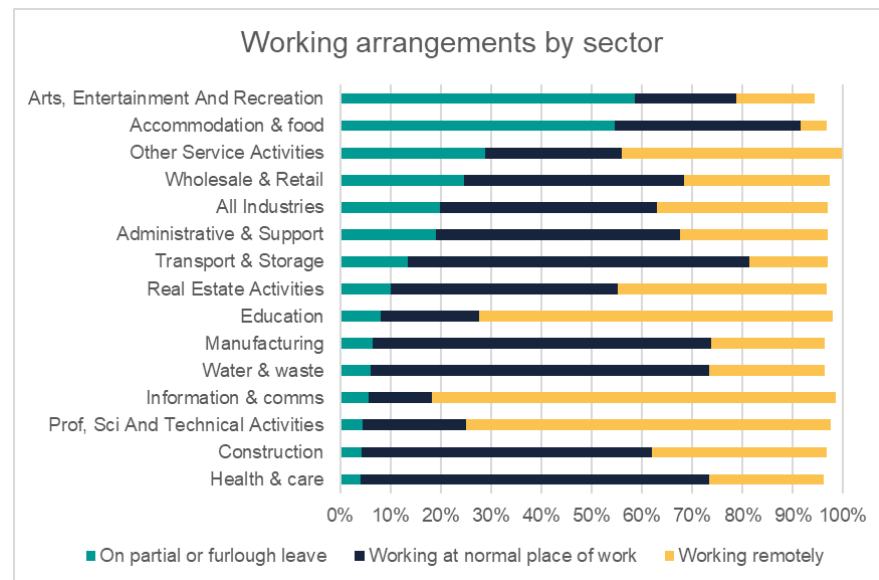
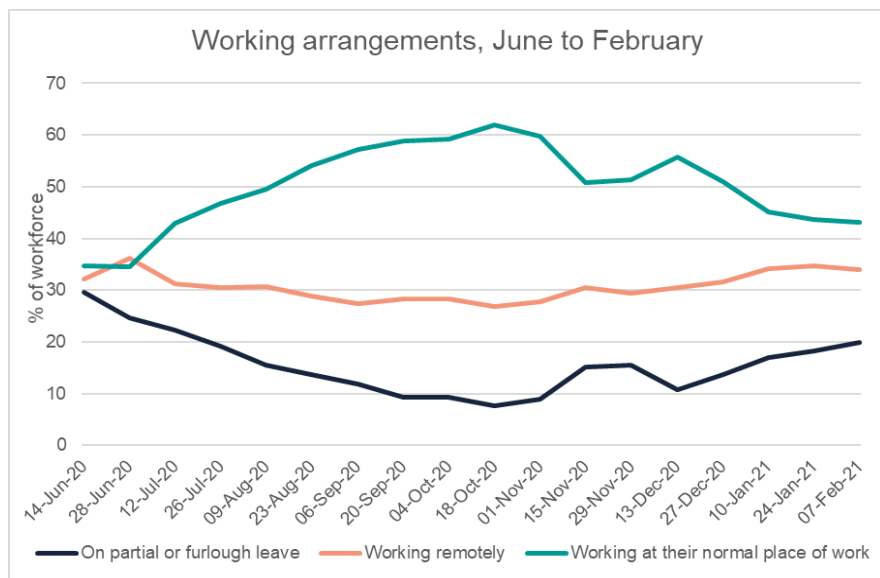
14% of eligible jobs are furloughed in West Yorkshire, which is consistent across all districts albeit slightly lower in Wakefield (13%). The figure for England as a whole is 15%.



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 continued to increase in early February, reaching 19.9%, double the level seen at the start of November's lockdown, but still below the 30% summer 2020 peak. Increasing furlough use has seen a concurrent slight fall in people working either remotely or in their usual workplace. 34% are working remotely, relatively consistent since last summer. 43% are in their usual workplace, down from 45% a month earlier and from over 60% in October, but still higher than the 35% seen in mid-June.

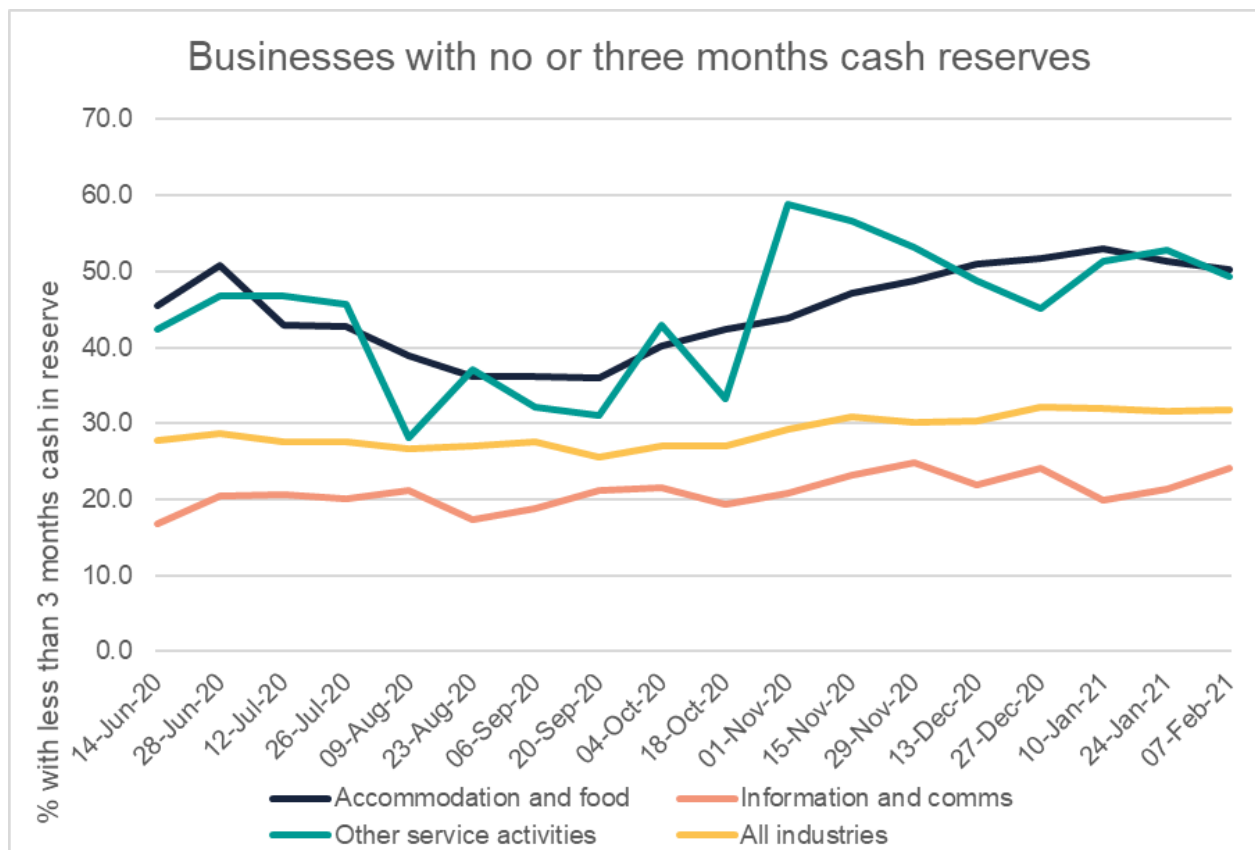
Working patterns vary significantly by sector, with more than half of workers furloughed in arts & entertainment (58.5%) and accommodation & food (54.5%). Around two thirds of workers are in their usual workplace in four sectors – health & care, transport & storage, manufacturing and water & waste. Collectively these sectors employ around 322,000 people – a third of employment in West Yorkshire.



*Source: ONS Business Impacts of Coronavirus Survey

Little change in businesses' trading status or cash position

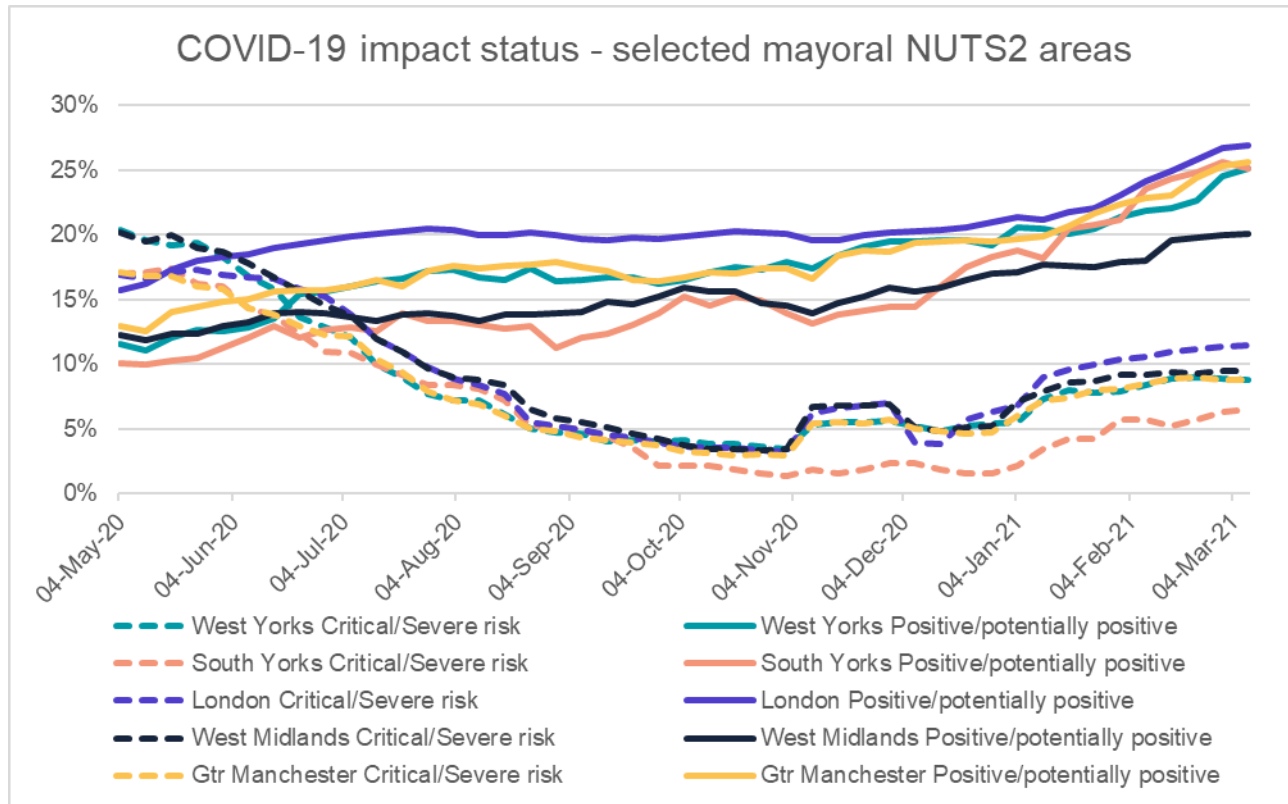
There was little change in the proportion of businesses currently trading in the latest ONS Business Impacts of Coronavirus Survey, with around a quarter of businesses temporarily closed and around 3% closed permanently. Businesses' cash position was similarly stable with almost 32% of respondents saying they had 0-3 months of cash in reserve. However, this has been consistently higher at around 50% in the accommodation & food and other services sectors. It is lowest in information and comms at around 24%.



*Source: ONS Business Impacts of Coronavirus Survey

Outlook potentially more positive for some businesses, analysis suggests

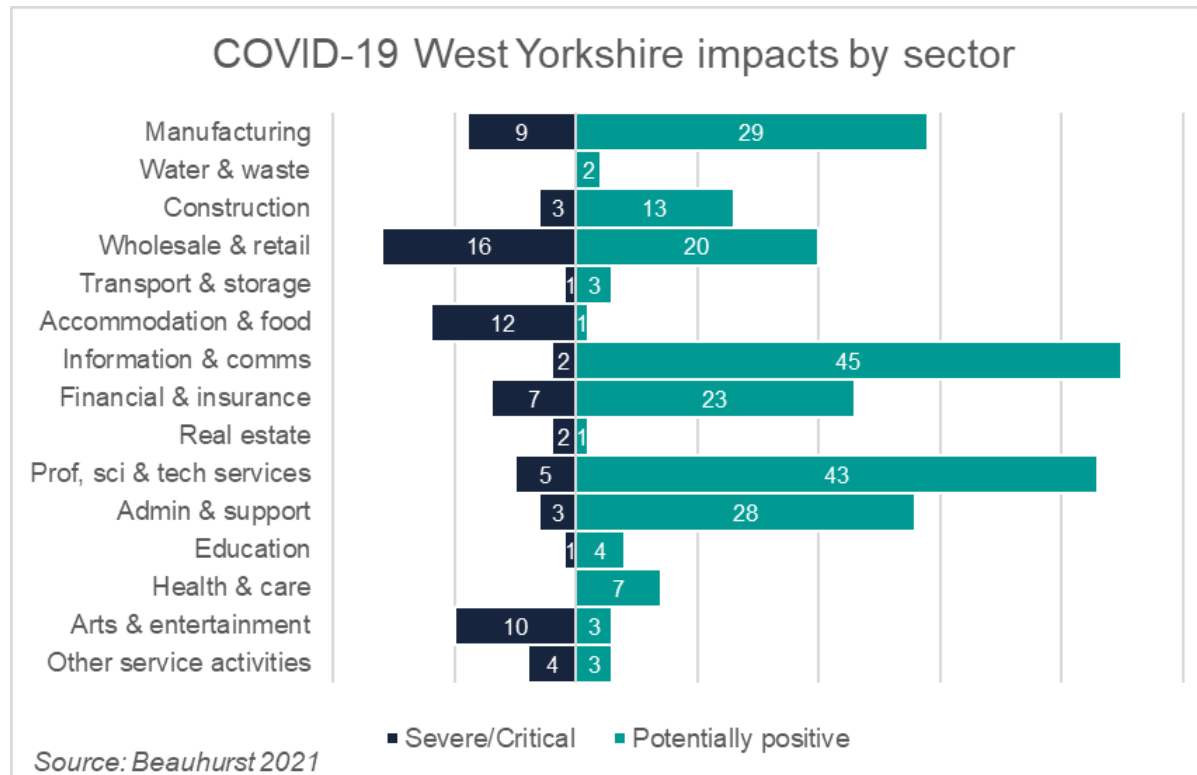
Data from Beauhurst's COVID-19 impact tracker suggests the proportion of tracked companies who face a severe or critical risk from COVID-19 has remained stable at about 9% in West Yorkshire over the past month. However, this is up from 5.5% at the start of 2021. The proportion of companies seeing a potentially positive impact has increased from 20.5% in early 2021 to 25% in mid-March. Other mayoral NUTS2 areas follow similar patterns with West Yorkshire and Greater Manchester particularly closely aligned. London has a greater share of tracked companies in both high risk and potentially positive categories. West Midlands has the next-highest share in the high risk category and the lowest share with potentially positive impacts.



*Source: Beauhurst, 2021. Tracked businesses tend to be more growth-oriented so may not be representative of all businesses

Professional services see more positive impact, less so for consumer facing firms

Analysis of Beauhurst's COVID-19 impacts by sector shows that West Yorkshire businesses in professional services and information & communication are most likely to be seeing potentially positive impacts through the pandemic. Along with financial services and business administration, these sectors are potentially more able to minimise disruption through working from home. Manufacturers and business administration & support were also more likely to see positive impacts than negative. However, consumer facing industries – particularly accommodation & food, arts & entertainment and wholesale & retail had the highest numbers of businesses at severe or critical risk, reflecting the restrictions currently in place on those sectors.



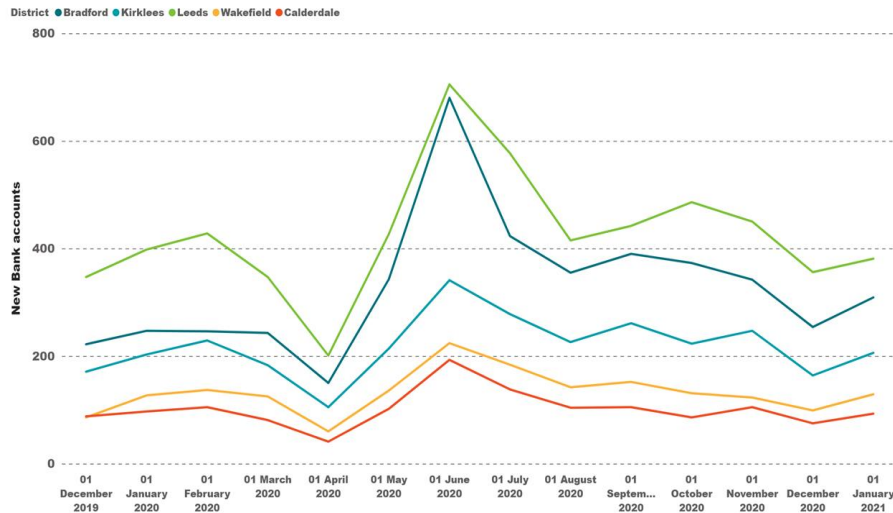
*Source: Beauhurst, 2021. Tracked businesses tend to be more growth-oriented so may not be representative of all businesses

Bank Search Data: Slight increase in new bank accounts

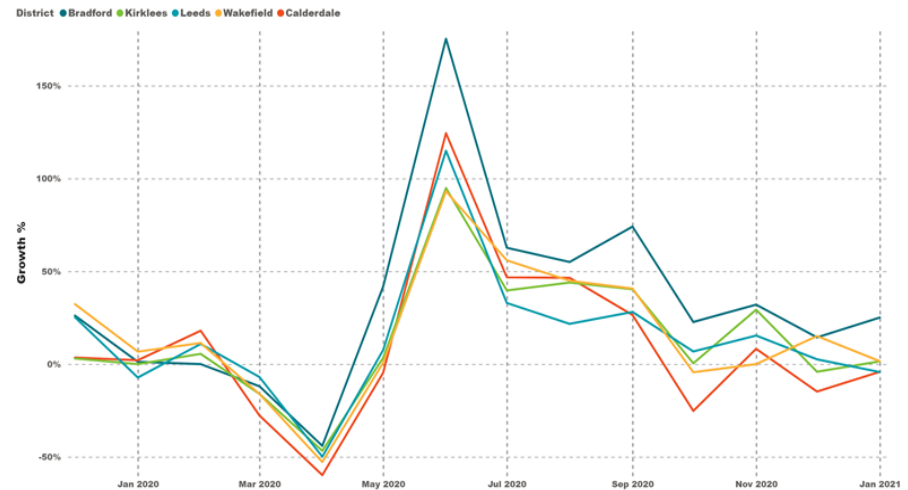
In January 2021 there were 1,383 new business accounts opened in Leeds City Region, an increase of 201 compared to December 2020. This is a 1% increase when compared to January 2020.

Bradford has seen a strong increase in new business bank accounts with 309 new accounts opened in January 2021. This is a growth of 25% when compared to January 2020. There was relatively little change in activity in other West Yorkshire local authority areas compared to January 2020.

Monthly New business accounts for the West Yorkshire region



Yearly growth rate for new bank accounts



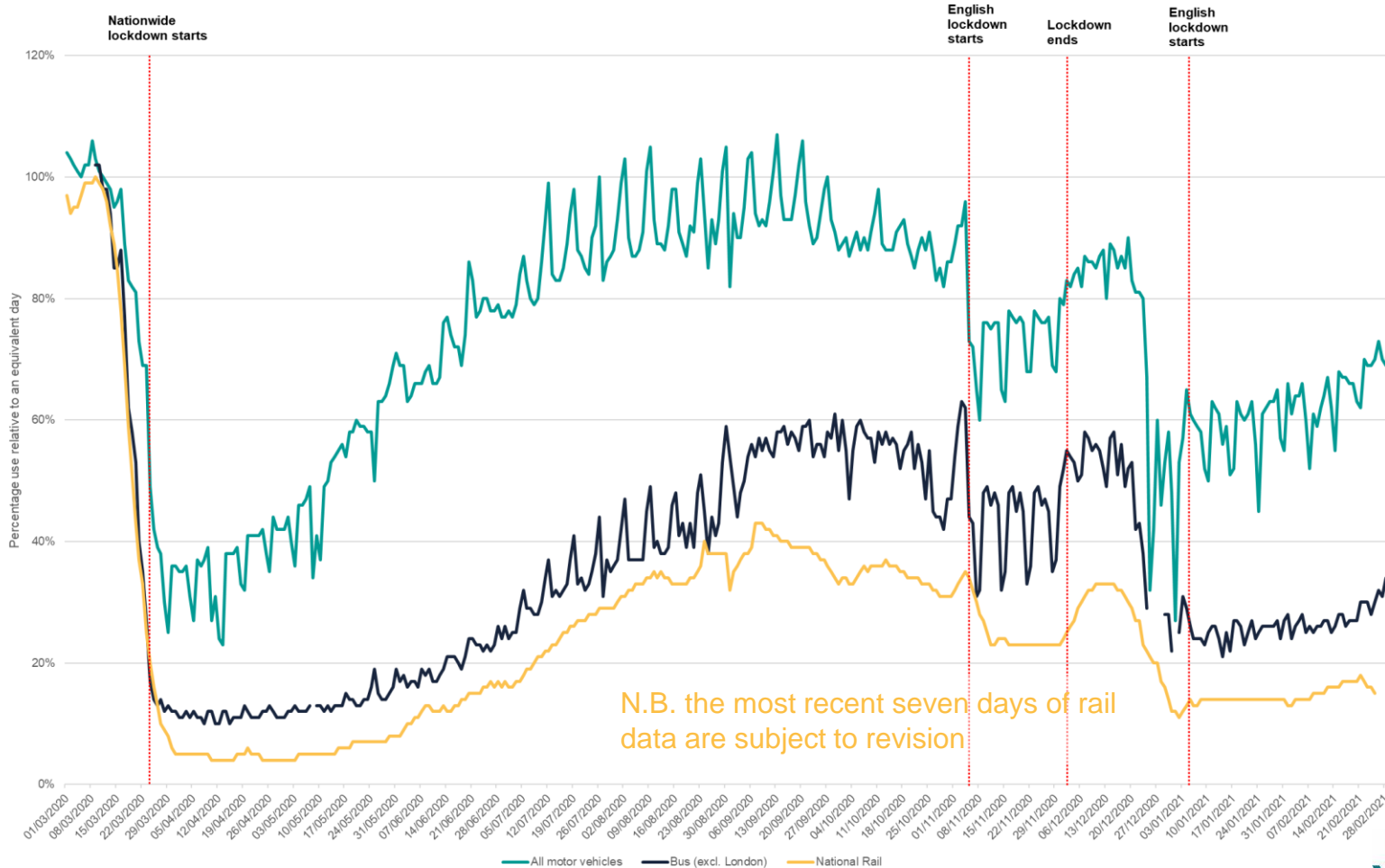
Transport Insights



National travel use shows increases over recent weeks, particularly highway travel

Data for Great Britain shows that over the past few weeks an upward trend can be seen in car and bus use in particular, with motor vehicle use approaching levels seen in the November restrictions. Similar trends occur locally.

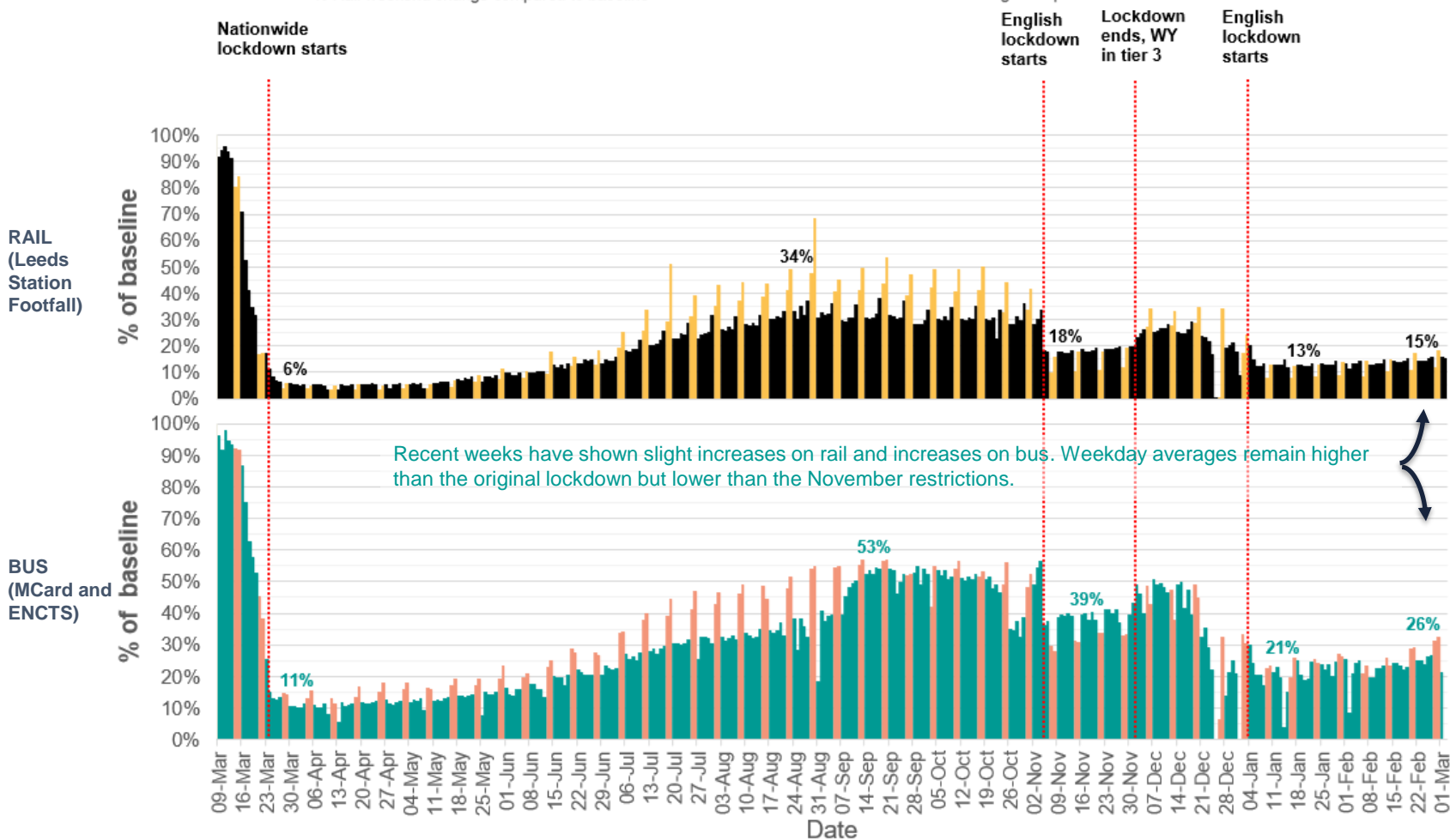
DfT transport use during the coronavirus (COVID-19) pandemic



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

Local rail and bus proxies show increases over recent weeks

■ % 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)

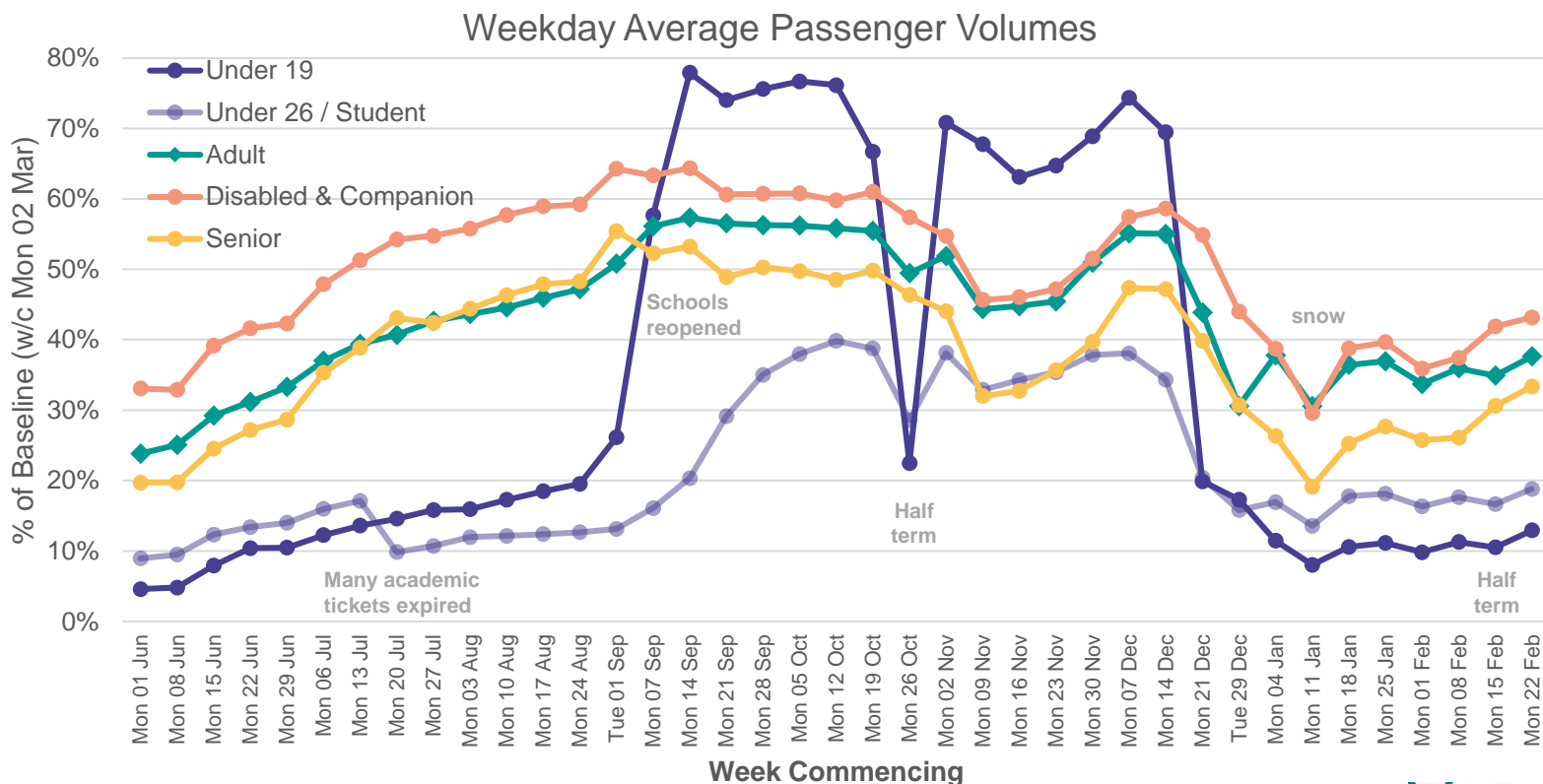
Source: Leeds Rail Station Footfall - Network Rail (top) and MCard and English National Concessionary Travel Scheme (ENCTS)

Recent bus use increase has been highest in the older and disabled cohorts

Data from bus ticket machines shows that bus use by the Disabled cohort is similar to late June, while in the latest week all other cohorts is more like early July. Senior and disabled cohorts have increased for the last two weeks while there was a small half-term dip for the other cohorts. Differences in the weeks before winter half term were attributed to changeable weather. The increase from early to late February is highest in the older and disabled cohorts where first vaccinations have been concentrated.

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

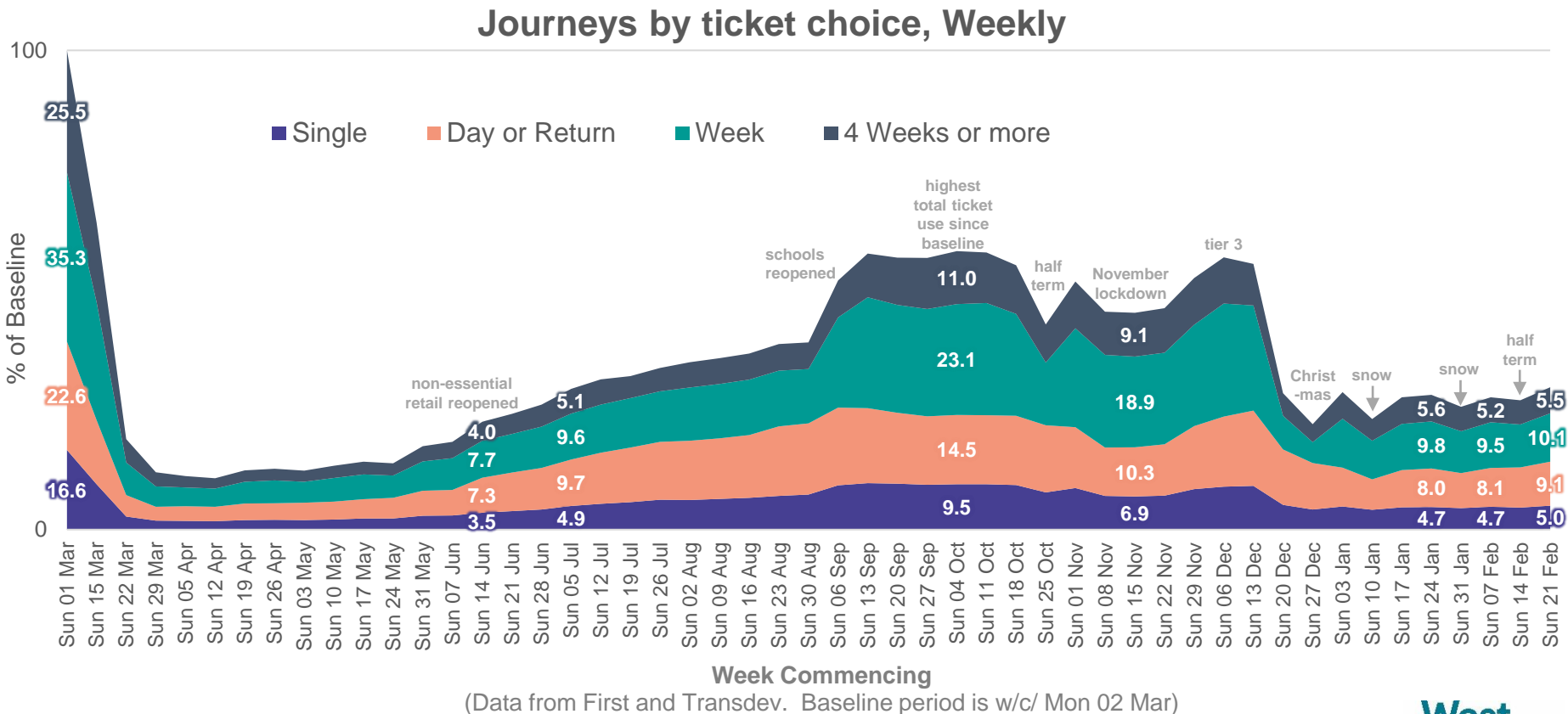
Data from First, Arriva, Yorkshire Tiger and Transdev



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.

Slight upward trend in bus use across ticket choices

The total level of fare paying passengers in the latest data is similar that seen at the beginning of July. Comparison of the week before the latest half term with the week after shows that the largest increase was in day or return ticket use though usage of these tickets was higher, and use of longer tickets was lower at the start of July. There is slight upwards trend in ticket use since 17 January.



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.