The Economic Intelligence Unit

Industry-to-Industry Payment Flows - West Midlands
February 2026

The Office for National Statistics (ONS) new [payment flows data] provides timely, detailed insights into industry and regional economic activity, with potential to support National Accounts processes by improving short-term GDP estimates, strengthening input-output and supply-use balancing, and offering early signals of economic shocks through supply chain and regional linkages. For the first time, regional industry-to-industry payment flows are published at International Territorial Level 1 (ITL1), alongside updated UK-wide flows at Standard Industry Classification (SIC) 2 and 5-digit levels using anonymised Bacs Payment System (Bacs) and Faster Payment System (FPS) data from January 2019 to December 2025. In 2025, the sample of payment flows included over 2.3 million organisations representing more than 40% of UK organisations.

In Summary

- In 2025, total payment flows from the West Midlands region totalled nearly £210.9bn, an annual increase of 0.7% (+£1.5bn). Total payment flows to the West Midlands totalled nearly £226.7bn, an annual increase of 3.4% (+£7.4bn). Total payment flows across the UK increased by 4.5% from 2024 to 2025. In 2025, the West Midlands had a net payment surplus of £15.8bn.
- In 2025, total transactions from the West Midlands region totalled nearly 40.0m, an annual increase of 1.2% (+471,800). Total transactions of payments to the West Midlands totalled nearly 51.3m, an annual increase of 1.4% (+706,200). Total payment transactions across the UK increased by 1.4% from 2024 to 2025.
- The region with the highest value of payment flows from the West Midlands in 2025 was London (£29.4bn), also the region with the largest payment flows to the West Midlands in the same year (£39.2bn).

West Midlands Payment Flows

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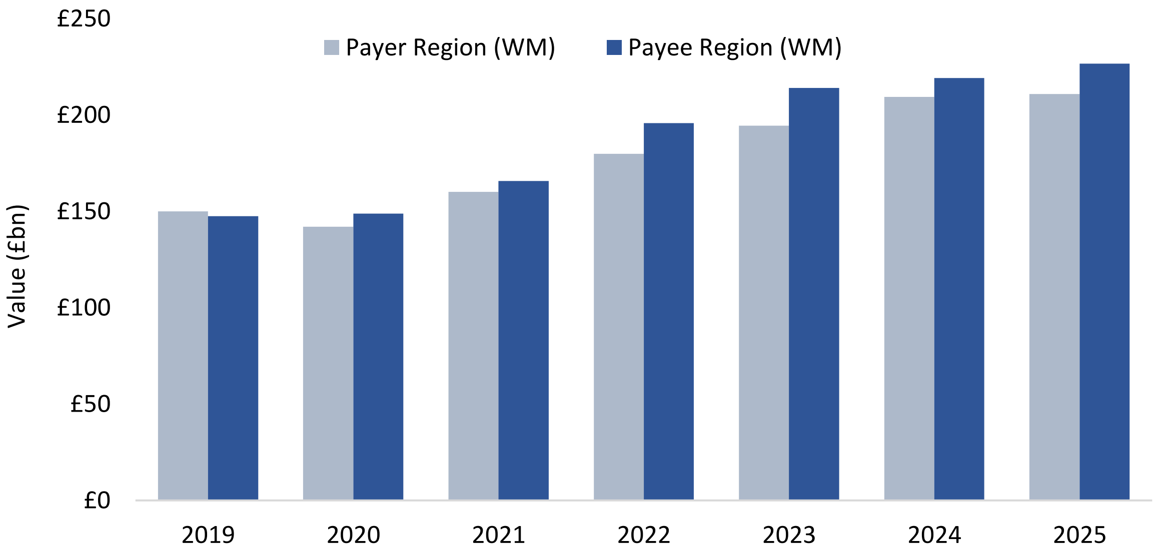
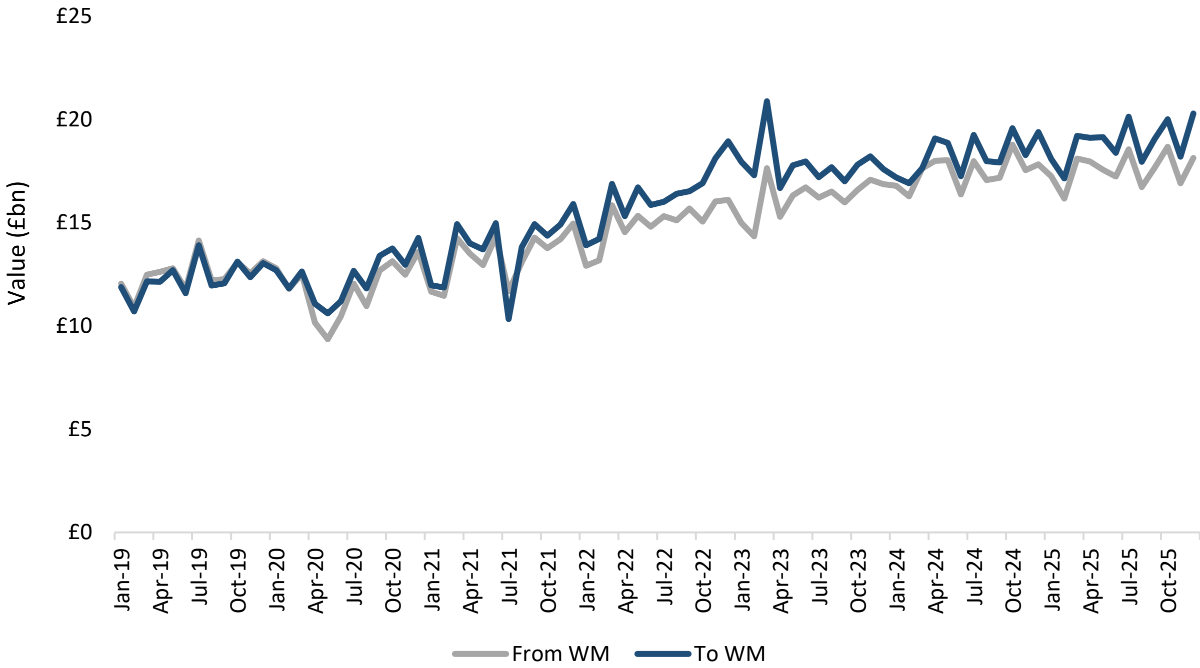
- Longer term trends (since 2019) show payment flows from the West Midlands increased by 40.6% (+£60.9bn) and flows to the West Midlands increased by 53.6% (+£79.1bn). Total UK payment flows increased by 36.8% over the same period.
- In 2025, the West Midlands had a net payment surplus of £15.8bn, an increase of £5.9bn (+59.3%) compared to the previous year.

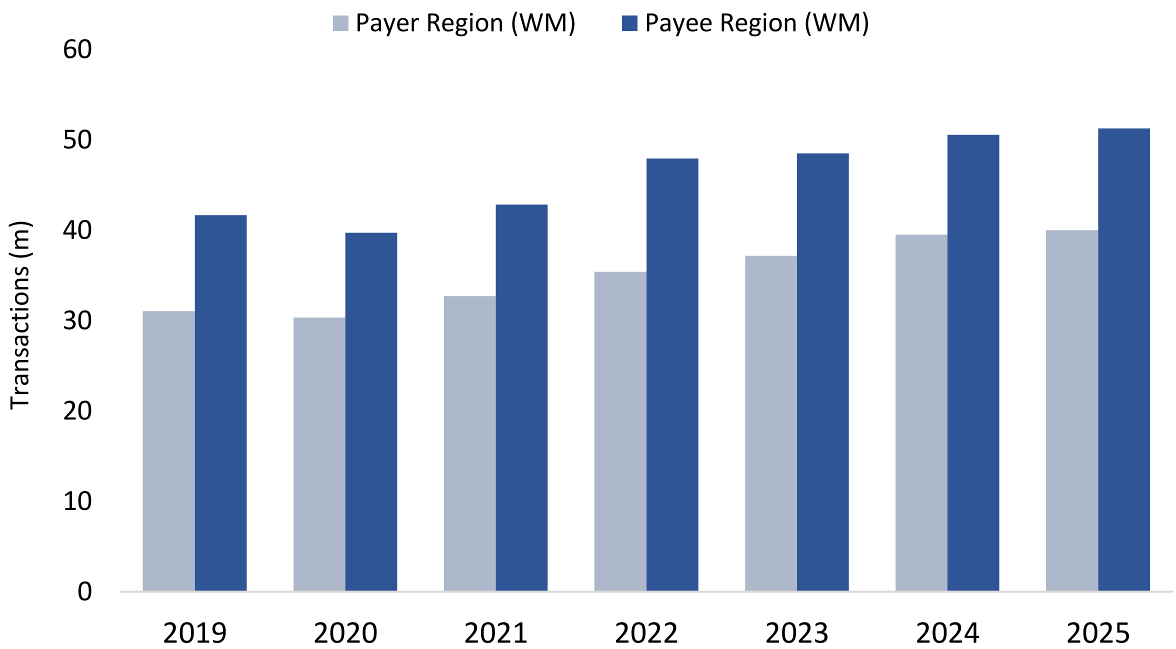


Trends in West Midlands Payments



West Midlands Payment Transactions

- In 2025, total transactions from the West Midlands region totalled nearly 40.0m, an annual increase of 1.2% (+471,800). Total transactions of payments to the West Midlands totalled nearly 51.3m, an annual increase of 1.4% (+706,200). Total payment transactions across the UK increased by 1.4% from 2024 to 2025.
- In 2025, there were nearly 11.3m more transactions of payments to the West Midlands than from the West Midlands, an increase of 2.1% (+234,0400) compared to the previous year.



Regional Payment Flows

- In 2025, the region with the highest value of payment flows from the West Midlands was London (£29.4bn), this was also the region with the largest payment flows to the West Midlands in the same year (£39.2bn). Excluding the West Midlands, this was followed by the South East with £16.3bn and £14.7bn respectively. The lowest value of payment flows from the West Midlands was Isle of Man at 0.1bn and also the region with the lowest payment flows to the West Midlands at £0.1bn.
- Between 2024 and 2025, payment flows from the West Midlands decreased to the East Midlands (-2.5%), East of England (-1.1%), the North East (-3.8%) and Wales (-3.0%) with increases in payments to all other regions. The region with the largest percentage increase in payment flows was the Channel Islands (+25.8%).
- Comparing 2025 to the previous year, payment flows to the West Midlands decreased from the Isle of Man (-26.0%), North East (-2.9%), South East (-4.4%) and South West (-0.1%). Payment flows to the Channel Islands saw the largest percentage increase of any region (+31.8%).

Payment flows to and from the West Midlands in 2024 and 2025 by region (alphabetical order, and including unknown):

	West Midlands - Payee Region			West Midlands - Payer Region		
	2024	2025	Annual Change	2024	2025	Annual Change
Channel Islands	£0.1bn	£0.1bn	31.8%	£0.2bn	£0.2bn	25.8%
East Midlands	£9.5bn	£9.9bn	4.2%	£7.9bn	£7.7bn	-2.5%
East of England	£8.2bn	£8.8bn	7.7%	£9.4bn	£9.3bn	-1.1%
Isle of Man	£0.1bn	£0.1bn	-26.0%	£0.1bn	£0.1bn	9.4%
London	£37.8bn	£39.2bn	3.6%	£28.7bn	£29.4bn	2.4%
North East	£4.7bn	£4.6bn	-2.9%	£2.0bn	£2.0bn	-3.8%
North West	£9.8bn	£10.3bn	5.7%	£11.3bn	£11.4bn	1.5%
Northern Ireland	£1.6bn	£1.8bn	7.7%	£2.2bn	£2.3bn	4.0%
Scotland	£3.5bn	£4.0bn	14.9%	£4.4bn	£4.5bn	1.5%
South East	£15.3bn	£14.7bn	-4.4%	£16.1bn	£16.3bn	1.1%
South West	£6.6bn	£6.6bn	-0.1%	£5.9bn	£6.3bn	6.8%
Unknown	£90.1bn	£93.5bn	3.8%	£90.3bn	£89.6bn	-0.8%
Wales	£3.0bn	£3.1bn	4.1%	£2.2bn	£2.1bn	-3.0%
West Midlands	£20.5bn	£21.3bn	3.7%	£20.5bn	£21.3bn	3.7%
Yorkshire and the Humber	£8.4bn	£8.7bn	2.9%	£8.1bn	£8.4bn	2.9%
Total	**£219.3bn**	**£226.7bn**	**3.4%**	**£209.4bn**	**£210.9bn**	**0.7%**

The table below shows the value of payments between organisations in UK regions between January and December 2025 in £ billions:

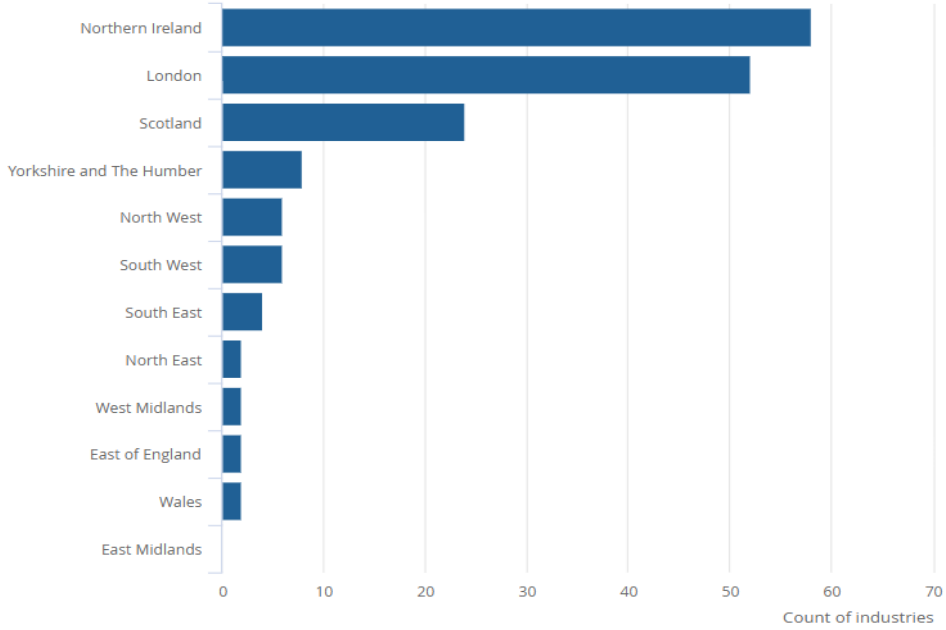
	North East	North West	Yorkshire and The Humber	East Midlands	West Midlands	East of England	South East	South West	London	Scotland	Wales	Northern Ireland
North East	5	2	2	2	2	2	3	1	10	1	0.7	0.3
North West	6	32	10	9	11	9	15	7	50	5	3	2
Yorkshire and The Humber	5	9	20	8	8	7	14	5	43	5	2	1
East Midlands	4	6	7	14	8	7	9	4	28	3	2	1
West Midlands	5	10	9	10	21	9	15	7	39	4	3	2
East of England	4	10	9	9	9	25	18	9	50	5	3	3
South East	9	17	15	13	16	20	48	14	89	8	5	3
South West	3	6	5	6	6	6	11	14	36	4	2	1
London	16	37	29	26	29	38	59	24	289	19	8	7
Scotland	3	5	4	4	4	5	7	3	27	17	1	1
Wales	0.9	2	2	2	2	2	3	2	9	0.8	5	0.4
Northern Ireland	0.8	2	1	2	2	1	2	1	8	0.9	0.5	11

Source: Office for National Statistics, Vocalink, Pay.UK

Regional industry-to-industry flows

- Looking at regional industry payment flows, Northern Ireland has the most industries where more than 50% of outflow value is retained within the region (58). Conversely, the East Midlands has no industries where more than 50% of outflow is retained - the West Midlands ranked joint second lowest with just 2 industries.

Number of industries per region where more than 50% of outflow value is retained within the region, UK countries and English regions, January to December 2025:

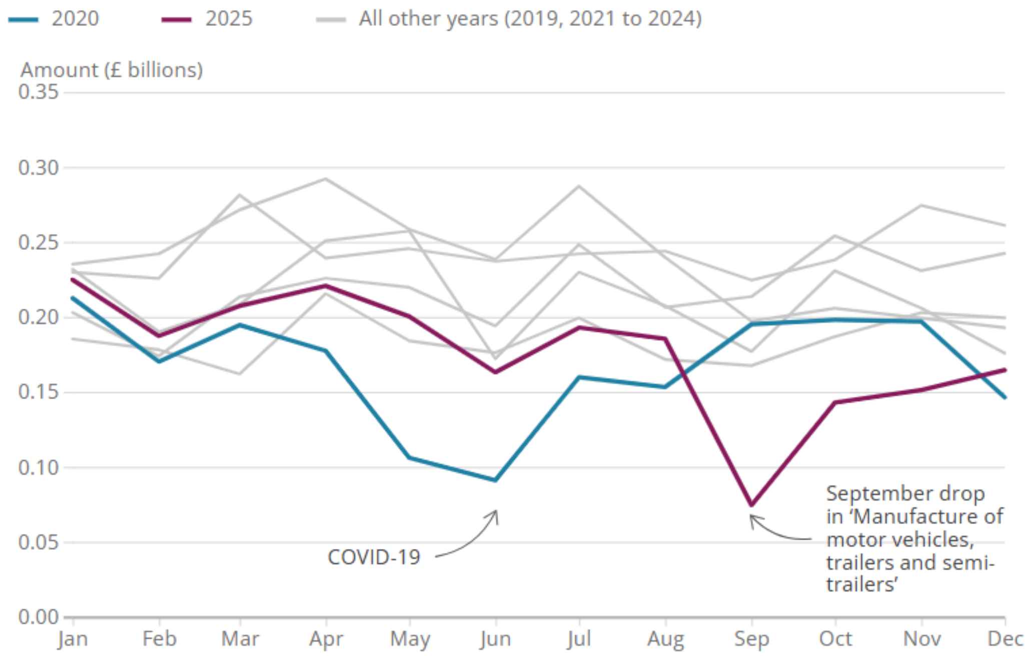


Source: Office for National Statistics, Vocalink, Pay.UK

Sectoral insights: manufacturing of motor vehicles payments

- As shown in the chart below, there was a 60% drop in outflow payments from the "Manufacture of motor vehicles, trailers and semi-trailers" industry (SIC 29) in the West Midlands between August and September 2025 due to the impact of a major cybersecurity incident. This decline was greater than that observed for the UK with monthly outflows below June 2020, which was the lowest level recorded during the coronavirus pandemic.

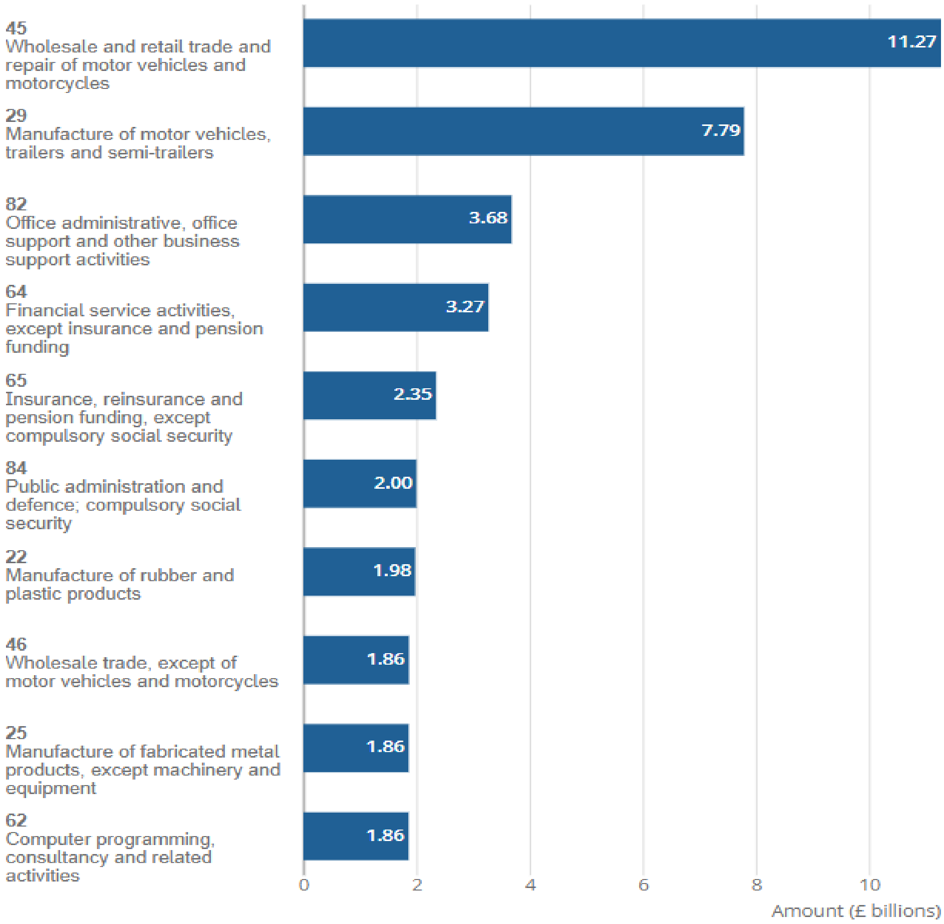
SIC 29 in the West Midlands monthly outflow values, January to December 2025 in £ billions:



Source: Office for National Statistics, Vocalink, Pay.UK

- The impact on the supply chain can be understood by analysing which industries were most affected by the decline. Key manufacturing sectors affected include the "manufacture of rubber and plastic products" (SIC 22), the "manufacture of fabricated metal products, except machinery and equipment" (SIC 25), and the "manufacture of motor vehicles, trailers and semi-trailers" (SIC 29).
- Outflow payments from SIC 29 to SICs 22, 25 and 29 within the West Midlands were all significantly impacted by the cybersecurity incident. The largest drop by percentage was from SIC29 to SIC22, where payments fell by 81% between August and September. Outflows to SIC25 also dropped sharply by 69%, while inter-industry payments within SIC29 decreased by 77%.

Top 10 SIC industries receiving outflows from SIC 29, January to December 2025 in £ billions:



Source: Office for National Statistics, Vocalink, Pay.UK