WMCA Monthly Economic Insights

July 2026

The Economic Intelligence Unit

The **WMCA** economy continues to balance modest economic growth against mounting business pressures. UK GDP has strengthened in recent months, but geopolitical tensions and higher energy prices continue to dampen business confidence across the region. Business activity remains below the growth threshold despite a slight monthly improvement, while job postings have fallen sharply and employers continue to recruit cautiously. Nevertheless, investment in innovation, transport infrastructure and research continues to support the region's longer-term prospects. Manufacturing remains under pressure from global supply chain disruption and energy costs, but improving construction activity and continued public investment provide some optimism.

Birmingham continues to demonstrate the opportunities and challenges of a large city economy. Recruitment remains subdued and research suggests traditional "starter jobs" for young people have almost halved over the past decade as AI, structural economic change and changing business models reshape the labour market. However, the city continues to benefit from major investment in digital industries, transport and innovation, including Birmingham Tech Week and proposals for the Midlands Rail Hub. Recent data highlights ongoing labour market and demographic challenges. Employment remains below the regional average and unemployment continues to be elevated, while the city's population has declined over the past year. Business births have also fallen, suggesting entrepreneurial activity has slowed.

Coventry's economy continues to face headwinds as geopolitical uncertainty and disruption to global trade affect export-led manufacturers. West Midlands export growth has slowed considerably as firms contend with weaker overseas demand and rising costs. Coventry experienced one of the sharpest annual falls in job postings across the WMCA, alongside the region's only notable decline in advertised salaries. At the same time, claimant numbers have risen compared with both last month and a year ago, suggesting labour market conditions have become more challenging, as does the decrease in employment rates and recent uptick in unemployment. Alongside a decline in population, these indicators point towards growing economic pressures.

In **Dudley**, firms continue to face higher energy costs and weaker business confidence, businesses remain cautious over future investment. Dudley recorded one of the strongest labour market performances across the WMCA, with employment increasing and unemployment falling over the past year. The borough also saw business births rise and a significant improvement in young people's participation, with the NEET rate falling substantially. However, Dudley continues to record the highest NEET rate in the region despite this improvement, while business closures have increased sharply and permanent exclusion rates remain the highest across the WMCA. The data suggest improving labour market conditions alongside continuing social and business challenges.

Sandwell's economy remains closely tied to manufacturing and industrial production, leaving businesses particularly exposed to rising energy prices and international market volatility. Higher operating costs and weaker confidence continue to weigh on investment decisions, while employers remain cautious about recruitment. Sandwell's latest data highlights a widening contrast between education outcomes and labour market performance. The borough recorded the lowest NEET rate in the WMCA and continued reductions in school suspensions and permanent exclusions, reflecting positive outcomes for young people. However, employment declined further while unemployment rose sharply to the highest rate in the region. Business births also fell and workless households remain significantly above the national average.

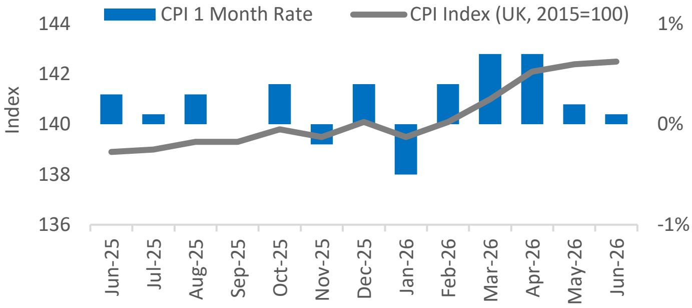
Solihull continues to benefit from one of the WMCA's strongest business environments, although high-value sectors are becoming more cautious as global uncertainty affects investment decisions. Businesses continue to report concerns over geopolitical risks, labour costs and slowing capital investment, reflecting wider pressures facing professional services and advanced manufacturing. Solihull saw the largest annual decline in job postings across the WMCA, indicating a significant slowdown in recruitment demand. The borough was also the only WMCA authority to see an increase in the proportion of young people who were NEET. However, the borough continues to experience the strongest monthly house price growth in the region, suggesting confidence within the housing market remains robust.

Walsall's economy continues to mirror the challenges facing many smaller business economies. Recruitment activity remains subdued and firms are becoming increasingly cautious as higher taxation, labour costs and weaker consumer demand affect confidence. Small businesses continue to report falling revenues and reduced growth expectations, highlighting the importance of supporting entrepreneurship and business resilience. Nevertheless, claimant numbers remain below last year's levels and the borough recorded one of the largest reductions in young people who are NEET. Permanent exclusion rates also remain low. While labour market conditions have softened and entrepreneurial activity has weakened, the latest education outcomes provide some encouraging signs for the borough's future workforce.

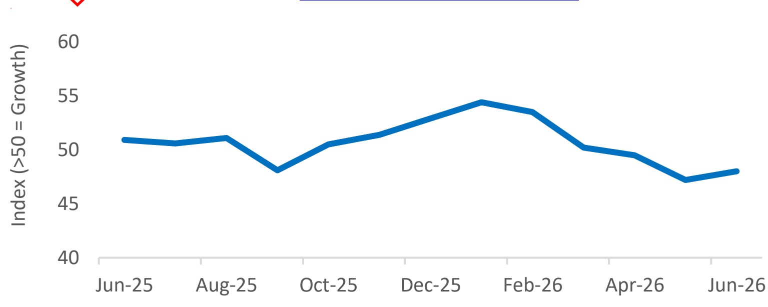
Wolverhampton enters the second half of 2026 facing many of the same pressures affecting the wider Black Country, with employers remaining cautious about recruitment and investment. However, Wolverhampton demonstrates relative resilience compared with many neighbouring authorities. Employment increased over the past year while unemployment rose only modestly, and claimant numbers remain below last years levels. The borough also maintains one of the lowest NEET rates in the region and has continued to see modest population growth. Although business births have declined slightly, business closures remained unchanged, suggesting greater stability within the local business base than elsewhere across the WMCA.

Monthly Monitoring Indicators

UK Consumer Price Index (CPI)

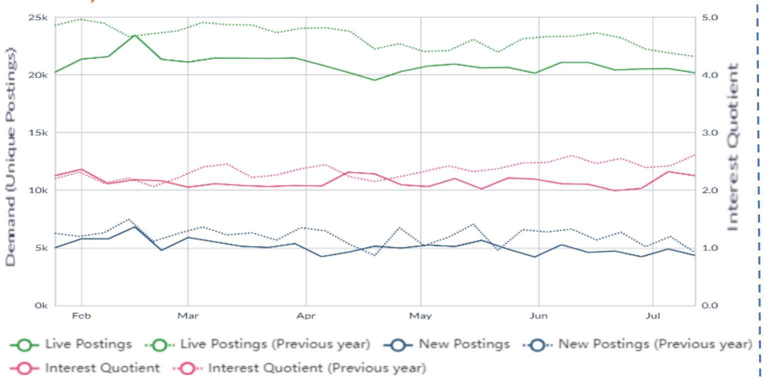


West Midlands Business Activity Index

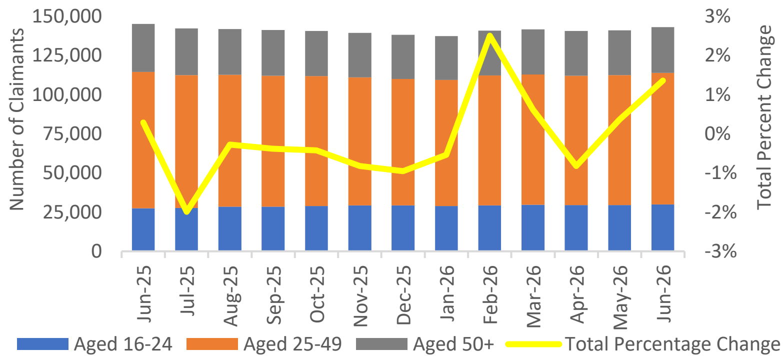


- Utilising a base year of 2015, UK **CPI was 142.5** in June 2026, an **increase of 0.1%** from the previous month (**+2.6%** y-o-y).
- The West Midlands **Business Activity Index increased** from 47.2 in May 2026 **to 48.0 in June 2026**.

WMCA Job Demand and Interest Trend



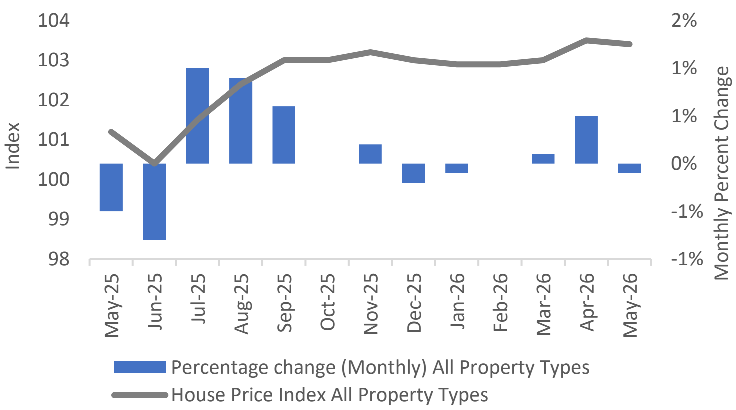
WMCA Claimants



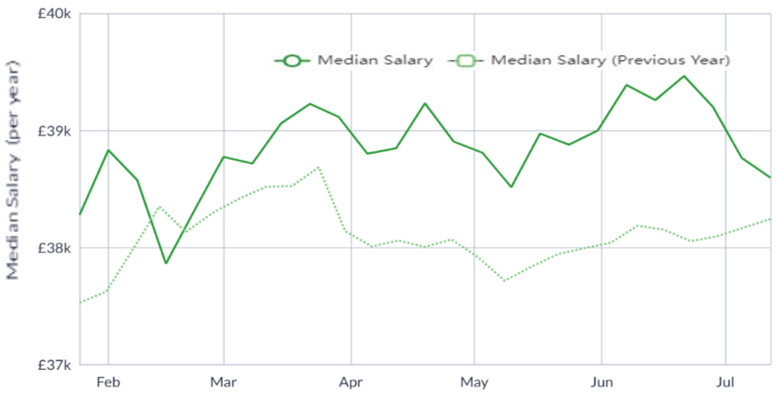
- In the past month for the WMCA: **30,735 postings (-35.5% y-o-y)**, **2.2 (high) Interest Quotient** (IQ).
  B'ham: 17,256 (-35.0%), 12.9 (high). **Coventry**: 3,352 (-37.4%), 2.6 (high). **Dudley**: 1,929 (-30.1%), 1.9 (high).
  Sandwell: 1,859 (-36.7%), 1.9 (high). **Solihull**: 1,962 (-40.4%), 1.7 (high). **Walsall**: 1,585 (-40.3%), 1.3 (avg.). **W'ton**: 2,784 (-31.5%), 2.5 (high).

- In total, **143,115 WMCA claimants in June 2026**; **+1,920 since May 2026**, (-2,055 since June '25).
  B'ham: 77,575; +970, (-1,275). **Coventry**: 14,025; +265, (+350). **Dudley**: 9,285; +75, (-170).
  Sandwell: 14,875; +150, (-560). **Solihull**: 4,745; +115, (+10). **Walsall**: 10,630; +140, (-135). **W'ton**: 11,980; +205, (-275).

WMCA House Price Index



WMCA Salary Trend



- WMCA's **House Price Index was 103.4 in May 2026**. The monthly **Index increased by 0.1%**.
  B'ham: 100.1, -0.8%. **Coventry**: 101.3, +1.1%. **Dudley**: 105.3, +0.2%.
  Sandwell: 109.5, -0.8%. **Solihull**: 101.9, +1.5%. **Walsall**: 107.3, -0.8%. **W'ton**: 108.3, +0.8%.

- In the past month for the WMCA, on Adzuna: **Median Salary of £38,790 per year**, (**+1.9% y-o-y**).
  B'ham: £40,716 (+2.4%). **Coventry**: £36,083 (-3.8%). **Dudley**: £34,977 (+2.8%).
  Sandwell: £35,244 (+0.8%). **Solihull**: £35,556 (+1.2%). **Walsall**: £35,406 (-3.1%). **W'ton**: £35,974 (+1.2%).

Other Recent Releases

- **The Department for Education** have released annual [participation in education, training and NEET age 16 to 17 by local authority]() covering the end of 2025 / start of 2026. ***Read our full briefing [here]()*. Key headlines:**
    - **5.5% of 16–17-year-olds in the WMCA were classed as NEET (inc. not known), annual change of -1.1 percentage points (pp).** England: 5.8% (+0.2pp).

      B'ham: 6.3%, (-0.1pp). **Coventry**: 3.4%, (-1.0pp). **Dudley**: 12.7%, (-8.7pp).
      Sandwell: 2.4%, (-0.2pp). **Solihull**: 5.1%, (+0.4pp). **Walsall**: 3.7%, (-1.5pp). **W'ton**: 3.4%, (-0.4pp).

- **The ONS** [Annual Population Survey]() (APS) has been updated to include the year ending March 2026 data for **labour market activity**. ***Read our full briefing [here]()*. Key headlines:**
    - **WMCA employment rate: 69.1%** (-0.9pp, Eng. 75.8%, +0.1pp since the year ending March 2025).

      B'ham: 66.8% (-0.4pp). **Coventry**: 71.7% (-1.2pp). **Dudley**: 75.6% (+1.9pp).
      Sandwell: 64.6% (-1.9pp). **Solihull**: 75.6% (-2.8pp). **Walsall**: 68.1% (-4.8pp). **W'ton**: 69.8% (+1.2pp).

    - **WMCA unemployment rate: 7.7%** (+1.4pp, Eng. 4.7%, +0.7pp since the year ending March 2025).

      B'ham: 8.5% (+0.7pp). **Coventry**: 7.1% (+0.7pp). **Dudley**: 6.4% (-0.8pp).
      Sandwell: 11.7% (+6.7pp). **Solihull**: 6.7% (+4.2pp). **Walsall**: 4.9% (+0.8pp). **W'ton**: 6.1% (+0.3pp).

- **The Department for Education** have released annual [suspensions and permanent exclusions in England](), covering the 2024/25 academic year**. Key headlines:**
    - **WMCA suspension rate: 8.51 – equivalent to 851 suspensions per 10,000 pupils.** (decrease from 8.59, Eng. rate 10.88, decrease from 11.31 since 2023/24).

      B'ham: 8.14 (up from 7.91). **Coventry**: 10.95 (up from 10.04). **Dudley**: 8.62 (down from 9.57).
      Sandwell: 6.47 (down from 7.80). **Solihull**: 8.33 (up from 8.17). **Walsall**: 11.44 (down from 11.90). **W'ton**: 6.46 (up from 6.42).

    - **WMCA permanent exclusions rate: 0.14 – equivalent to 14 permanent exclusions per 10,000 pupils.** (decrease from 0.15, Eng. rate 0.12, decrease from 0.13 since 2023/24).

      B'ham: 0.15 (unchanged). **Coventry**: 0.13 (down from 0.15). **Dudley**: 0.25 (up from 0.20).
      Sandwell: 0.09 (down from 0.11). **Solihull**: 0.15 (down from 0.19). **Walsall**: 0.06 (down from 0.10). **W'ton**: 0.16 (down from 0.20).

- **The ONS** have released annual [workless households for regions across the UK](), covering the 2025 period**.** ***Read our full briefing [here]()*. Key headlines:**
    - **Workless households in the WMCA area: 17.2%** (UK: 14.4%).

      B'ham: 17.3% **Coventry**: 16.8% **Dudley**: 15.0% **Sandwell**: 21.0% **Solihull**: 12.7% **Walsall**: 19.6% **W'ton**: 16.5%

- **The ONS** have released [population estimates for England and Wales: mid- 2025](). ***Read our full briefing [here]()*. Key headlines:**
    - **WMCA population: 3 million** (-0.1% or -4,412, Eng. 58.8m, +0.4% since mid-2024).

      B'ham: 1.18m (-0.5% or -5,960). **Coventry**: 364,766 (-1.1% or -3,941). **Dudley**: 333,941 (+0.8% or +2,702).
      Sandwell: 352,918 (-0.1% or -352). **Solihull**: 221,449 (+0.5 or +1,150). **Walsall**: 295,722 (+0.4% or +1,096). **W'ton**: 281,434 (+0.3% of +893).

- The ONS have released [experimental data on quarterly business enterprise and deaths]() at a local level, now up to Q2 2026.
    - **Analysis for WMCA shows: 3,125 business births** (-3.7%, UK: +2.2% since Q2 2025).

      B'ham: 1,350 (-5.3%). **Coventry**: 350 (+6.4%). **Dudley**: 300 (+1.7%). **Sandwell**: 355 (-7.8%). **Solihull**: 250 (+4.2%).
      Walsall: 260 (-13.3%). **W'ton**: 260 (-3.7%).

    - **Analysis for WMCA shows**: **3,195 business deaths** (+4.4%, UK: +2.0% since Q2 2025).

      B'ham: 1,430 (+3.6%). **Coventry**: 340 (+1.5%). **Dudley**: 315 (+14.5%). **Sandwell**: 330 (0%). **Solihull**: 225 (+9.8%).
      Walsall: 280 (+5.7%). **W'ton**: 270 (0%).

- **Research from HEPI** has found that [international students who began higher education courses in the UK]() in 2024/25 are expected to **generate a net economic benefit of £40.4bn** for the UK over the course of their studies. **Data available by parliamentary constituency.**

Economy and Business Intelligence

THEME	KEY INSIGHTS

Economic Outlook	• New Prime Minister Andy Burnham's **economic strategy will likely focus on regional policy and public investment, aiming to address disparities in spending while promoting devolution.** Oxford Economics say these measures may not yield immediate growth, they could lay the groundwork for long-term improvements in the UK economy.
	  ○ Recent data from the Office for National Statistics (ONS) reveals in the three months to May 2026, compared with the three months to February 2026:
	  ○ **Real gross domestic product (GDP) grew by 0.7%**, following a growth of 0.8% in the three months to April 2026 (revised up from a growth of 0.7%) and an unrevised growth of 0.6% in the three months to March 2026.
	• In the month to May 2026:
	  ○ **Monthly GDP grew by 0.1%**, following an unrevised fall of 0.1% in April 2026 and an unrevised growth of 0.3% in March 2026.
	• **NIESR have upwardly revised their UK Q2 growth forecast to 0.4% and an early Q3 forecast of 0.1% growth**. This forecast describes stagnant monthly growth outturns as renewed energy price volatility dampens sentiment and the production sector stockpiling tailwind fades.
	• Oxford Economics expect the global economy to accelerate, with **real GDP anticipated to rise by 3.1% annually** in the latter half of the year, compared to an estimated **1.6% in the first half**. Lower oil prices are expected to enhance disposable income, particularly in developing economies, while inflation is poised to moderate, although uncertainties persist.
	• **The ongoing crisis in the Middle East, particularly concerning the US-Iran relationship, is steering towards prolonged instability. The closure of the Strait of Hormuz has raised significant concerns about oil prices and global economic growth.** Current forecasts suggest a long-term reduction in shipping traffic through the Strait, with oil prices expected to average above per barrel. In scenarios of sustained disruption, prices could rise, potentially slowing world GDP growth to below 2% next year. The oil market is now better equipped to absorb supply shocks due to a structural surplus and weakened demand growth. Despite the challenges, both the US and Iran are unlikely to fully close the Strait, as it would not serve their interests. The situation may lead to intermittent escalations in tensions, but a complete breakdown seems less probable.
	• As hostilities re-intensify in the Middle East, concerns for energy prices will re-surface. Along with the **July increase in the Ofgem price cap** which will feed into this month's data, NEISR expect the October energy price cap to remain elevated, squeezing household budgets and **pushing up inflation** until the first quarter of 2027. The cut in household electricity VAT may alleviate some of the upward pressure, but its impact will be limited.

Trading Environment	• Inflation has unexpectedly held steady.
	  ○ The **Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 2.8%** in the 12 months to June 2026, down from 3.0% the previous month. On a monthly basis, **CPIH rose by 0.2%** in June 2026, compared with a rise of 0.3% in June 2025.
	  ○ The **Consumer Prices Index (CPI) rose by 2.6% in the 12 months to June 2026**, down from 2.8% the previous month. On a monthly basis, **CPI rose by 0.1% in June 2026**, compared with a rise of 0.3% in June 2025.
	• The latest NatWest Purchasing Managers Index (PMI) reports the **West Midlands Business Activity Index increased from 47.2 in May 2026 to 48.0 in June 2026, remaining below the growth threshold.**
	• **Business confidence is down across the UK** and ICAEW's latest research reveals that while many have common concerns there are slivers of optimism across certain regions.
	  ○ **Geopolitical risks** were cited in most regions and nations in the UK as a major challenge in ICAEW's latest Business Confidence Monitor, with businesses in the **West Midlands**, London and the South East most concerned.
	  ○ **Rising energy costs**, related to the wider impacts of the Iran war, were the next most significant concern. Manufacturing-heavy regions, such as the **West and East Midlands**, have been particularly impacted.
	  ○ **Business confidence in the West Midlands fell to -14.7 from -2.9 in Q1 2026, broadly in line with the UK average (-14.6).**
	  ○ **The increase in global uncertainty since the outbreak of the war in Iran has negatively impacted exports sales in the West Midlands region**. Companies reported that annual exports growth slowed to 1.4% in Q2 2026, far below the region's historical norm (2.5%) and less than half the 3.1% rate recorded nationally.

THEME	KEY INSIGHTS
	While businesses in the region expect an uplift in growth, the anticipated annual increase of 3.3% is lower than the UK forecast rate (4.0%). ○ **Companies in the West Midlands reported stronger annual capital investment growth in Q2 2026, at 3.3%, outpacing the nationwide average (2.7%).** However, increased global uncertainty has affected the appetite for capital investment in the West Midlands, and businesses plan to slow growth to just 1.5% over the next 12 months, lagging both the region's historical norm (1.9%) and the 1.8% expected across the UK. • A new report shows **UK business activity dropped sharply in June** as temporary improvement seen earlier this year ran out of steam. Weaker consumer demand, subdued business confidence and rising cost pressures combined to slow momentum, according to the latest Business Trends report. **BDO's Output Index fell to 91.53 in June, down from 94.80 in May, its lowest reading since February 2021** when the UK was experiencing its third COVID lockdown. The decline reflects weakening activity across both services and manufacturing, signalling an increasingly broad-based slowdown. **The services sector was the biggest drag on activity, with the dedicated Services Output Index falling to 91.04, as fragile consumer confidence and delayed spending weighed on demand.** Manufacturing softened even more from 99.31 in May to 95.39, suggesting the resilience driven by precautionary stockpiling and frontloading of orders across Q2 is beginning to unwind. • The latest Small Business Index, for Q2 2026, found that only around **one in six small businesses anticipates growth over the next 12 months, the lowest figure in the Index's history**, and a finding which points to the need for urgent action on issues like business rates and late payments from the new Government. The economy, tax, and labour costs cited as main barriers to growth by small firms. Small firms who saw their revenues grow were outnumbered two and a half times by those who saw their revenues fall over the second quarter (22% against 55%). • Meanwhile, UK private sector business activity returns to growth in July. The **Flash UK PMI Composite Output Index** comes in at **52.1** (Jun: 49.3), a 3-month high. • **New research has shown the huge impact the ongoing Iran war is having on businesses across the Midlands.** The research – carried out by the Black Country Chamber of Commerce alongside the Greater Birmingham, Coventry, Warwickshire and East Midlands chambers – reveals 80% of Midlands businesses have seen costs increase because of the conflict. **Some 64% of manufacturers said they had faced 'moderate or significant' extra costs with 5% saying the increases threatened their viability.** • The British Business Bank newly supported **2,900 smaller businesses** in the West Midlands in 2025/26, with those firms expected to **create 1,800 new jobs and support a further 34,600 existing roles across the region**. • Two West Midlands businesses have been featured in the UK's 100 fastest-growing companies in the latest ORESA Executive Search Growth Index. Nuneaton-based LSBUD and Sutton Coldfield manufacturer WHS Plastics both feature **in the 2026 ranking**, which measures revenue growth across British businesses over the past two years. • This comes as research from the Data City reveals the **West Midlands ranks 6th out of 10 city regions for the number of cutting edge companies per 10,000 population at 23.1, also known as frontier companies**. London leads with 49.2 followed by West of England at 36.5. Liverpool is the city region with the lowest at 19.6. • **The economic footprint of high-growth companies with international founders is substantial.** Together, the cohort generates a combined turnover of **£51.4b and contributes £16.3b in** gross value added (GVA) to the UK economy. The companies carry a combined valuation of £139b. At the company level, that works out at an average turnover of £40.9m and an average GVA of £13.1m. Nearly half (3,674) of all high-growth companies with international founders are based in London – and international founders are more concentrated there than high-growth companies as a whole. **Just 1.3% (94) are in the West Midlands.** The West Midlands share is striking, and the concentration index reveals the **West Midlands accounts for 6.0% of all high growth firms but just 1.3% of those with international founders, a 0.27x underrepresentation**, **the least represented UK region**. • **UK Research and Innovation (UKRI) has launched a new strategy,** which sets out how it will leverage the UK's research and innovation strengths to support economic growth across the country. **The new strategy outlines to businesses, researchers, entrepreneurs and investors on where the UK can take a more strategic approach in its funding of research and innovation activities, alongside improving the translation of research strengths into economic growth that benefits society.**
Labour Market	• The latest data show a relatively **steady labour market picture overall, though some measures continue to suggest softening.** The number of employees on payroll was broadly flat in the latest month, while survey estimates suggest employment, unemployment and inactivity rates were little changed in the latest quarter.

THEME	KEY INSIGHTS

	• **Vacancies fell again over the quarter**, but by less than in recent periods. The latest decrease was driven mainly by smaller businesses, where labour and operating costs were cited as factors in not taking on new staff.
	• Wider survey evidence from the KPMG and REC UK report on jobs points to **redundancies adding to the increased number of people seeking work.** However, redundancies are down from the previous quarter and lower than the same time last year in ONS statistics.
	• **Both vacancies and redundancies data corroborate the picture of a labour market in which firms are neither hiring nor firing workers. Instead, they are engaged in a process of consolidation as they attempt to control costs during a period of elevated economic uncertainty while ensuring they have sufficient productive capacity to meet demand.**
	• **Recruitment pressures facing Greater Birmingham businesses have eased to their lowest level in four years**, although global uncertainty is beginning to weigh on exports, according to the latest Quarterly Business Report. The report found that 52% of firms attempted to recruit during the second quarter of 2026. Among those recruiting, 53% reported difficulties finding suitable candidates, down from 59% in the previous quarter and the lowest figure recorded since Q2 2021.
	• Private sector regular wage growth fell below 3% for the first time since 2020, while public sector wage growth remains elevated, affected by the timing of recent NHS pay awards.
	• A near-record 2.78 million people are out of work due to ill health – a challenge with profound economic, fiscal and social consequences.
	• A new report by City-REDI has warned that the **number of "starter jobs" available to young people in Birmingham has almost halved over the past decade, as artificial intelligence and wider economic changes reshape the labour market. The report argues that Brexit, the Covid-19 pandemic and rapid advances in AI have combined to create a "perfect storm" for young people trying to enter the workforce**, with fewer opportunities in sectors that have traditionally provided a first step into employment. It warns that, without action, **the West Midlands could lose £3.1 billion in economic output and 27,600 jobs** across all age groups by 2030 as industries adapt to AI and other structural changes.
	• Of the 34.2 million people in work in the UK, **87% are employees and about 13% are self-employed**. While the number of self-employed workers has grown by more than 39% in the last 25 years, their share of the labour market is still comparable now to what it was in 2001. During this time, however, there has been a **fundamental shift in the composition of self-employment**. Since 2001, **solo self-employment has grown by nearly 1.4 million workers (+57%)**, while the number of **self-employed with employees has fallen by around 290,000 (-33%)**. The entire net growth in self-employment has come from solo self-employment. Solo self-employed workers made up 73% of all self-employed in 2001; by 2025 that share was 87%.
	• In 2001, the campaign for a **real Living Wage** began with a simple idea: work should let people live a decent life. Twenty-five years on, that idea has grown into a movement backed by thousands of employers, driven by countless community leaders, campaigners, and workers who made the case for change.
	  ○ **4.4 million jobs in the UK today are paid less than the real Living Wage.**
	  ○ 4.2 million people are employees in jobs that are insecure.
	  ○ 80% of all employees saving into a Defined Contribution pension are not saving enough for an acceptable standard of living in retirement.
	• Automatic enrolment has transformed private pension saving in the UK: **workplace pension participation among eligible private sector employees rose from just over 40% in 2012 to 89% in 2024**. Despite this, there are concerns that current levels of pension contributions will lead to many falling short in retirement. The Second Pensions Commission's interim report (Department for Work and Pensions, 2026) argues that 15 million working-age people are under saving for retirement based on a 'target replacement rate' measure, implying that they are expected to face significant falls in their income and standard of living at retirement. The IFS has considered policies to **increase pension saving**.
	• The High Pay Centre's annual review of CEO pay in the FTSE 100 shows the Median FTSE 100 CEO to median UK worker pay ratio rose to **130:1 in 2025/26, the highest for 8 years** and up from 124:1 last year.
	• **Another price shock from conflict in the Middle East threatens to make this the worst parliament on record for living standards, with lowest-income households bearing the brunt**. The Joseph Rowntree Foundation argue that bold action on housing, energy, social security and insecure work — funded through tax reform — can increase disposable incomes for the majority of households, with the greatest gains for those on lower incomes.

Economy and Business Intelligence – By Sector

SECTOR	KEY INSIGHTS
Manufacturing and Engineering	• A new UK Government framework aimed at improving the **measurement and reporting of products' environmental impact** has prompted industry concerns about potential costs and implementation challenges. BEAMA's research warns that requiring environmental product declarations (EPDs) for individual products could **add around £1.58m in additional costs for a typical manufacturer**. The figure is based on survey findings showing that moving from a self-certified assessment to a full EPD adds an average of **£3,240 per product**. • While the month of May saw a welcome rise in **UK vehicle production**, according to the Society of Motor Manufacturers and Traders (SMMT), vehicle production at the end of the five-month period to May 2026 was **down 8.7% on the same period in 2025**.
Construction	• **Total construction output is estimated to have grown by 1.6% in the three months to May 2026**; this is the third consecutive increase in the three-monthly series.
Retail, Hospitality and Tourism	• **The quantity of goods bought (volume) in retail sales is estimated to have risen by 0.6%** in Quarter 2 (Apr to June) 2026 compared with Quarter 1 (Jan to Mar) 2026. Non-store retailers' sales volumes rose, which was reported to be caused by a combination of warm weather and sales promotions over May and June 2026. • Boots has published a new report, **Healthy High Streets**, with polling and economic modelling by Public First. It looks at how expanding healthcare on the high street could **widen access to care and help revive town centres. 94% of adults say they would visit other shops and businesses if more healthcare were available locally, spending that could add as much as £13 billion a year to the UK high street economy.** • Access to cash and in-person banking is often portrayed as a fading need in a digital-first future. However, the reality is more complex. Research by the Post Office reveals **77% of UK adults use cash**, and 48% access in-person banking, at least monthly. • Pubs, social clubs and live music venues in England will be given a **20% cut to business rates** from April, with new Prime Minister Andy Burnham calling it a "first step" to help the industry.
Digital / Tech	• On his first full day in office, the Prime Minister abolished DSIT, with the written ministerial statement splitting its functions three ways. Science and innovation move to a renamed **Department for Business, Innovation, Science and Trade (DBIST)** under Jonathan Reynolds. AI strategy, public sector AI adoption and the AI Security Institute go to the **Cabinet Office**, sitting inside a new Office for the Prime Minister and the Cabinet (OPMC) with a new AI Taskforce and a PM adviser on AI. And digital - digital foundations, digital transformation, digital inclusion and skills, information resilience and online harms - returns to a strengthened DCMS, which reverts to the Department for Digital, Culture, Media and Sport, picking up digital identity policy from the Cabinet Office on the way. • **Birmingham Tech Week will return in October** with its strongest international presence to date, as a new report estimates the **West Midlands' digital economy is now worth £15.8bn.**
Transport Technologies and Logistics	• A **£1.75bn project to boost the Midlands railway services are now under consultation**. The **Midlands Rail Hub** is a major improvement scheme that could see 300 additional trains per day, coming in or out of the city. The proposals suggest an additional 20m seats could become available on trains travelling through Birmingham, with faster and more frequent journeys boosting economic growth, regeneration, and housing. • According to research, Government funding for **electric vehicle (EV) workplace charging points** almost totalled **£34m** over the past decade. • Drawing on new economic modelling, Public First have calculated that **Eurostar supported close to £2 billion of economic activity (GVA) and approximately 23,000 jobs across the UK in 2025**, and that this contribution is expected to grow by over 40% by 2035 as new trains and new routes come into service.
Environmental Technologies	• Last month's scorching temperatures **cost the UK £1.15bn in lost productivity**, a study has found, with the **heatwave also having cost Europe billions in lost farming revenue**. • The CBI and Energy UK partnership publishes new **blueprint to cut business energy costs, unlock investment and deliver £130bn of additional economic output.** • A new investment platform has been launched to attract **£150m** of public and private funding into nature recovery projects across the West Midlands, with businesses being encouraged to back schemes aimed at improving biodiversity, tackling climate change and creating greener communities.

New Economic Shocks

COMPANY	LOCATION	SECTOR	DETAIL
Mechatherm	Dudley	Engineering	Mechatherm International, an engineering firm headquartered in **Cradley Heath**, has ceased trading despite efforts to keep the company buoyant. Mechatherm International was a global provider of bespoke casthouse equipment to the aluminium industry.
Nuttall	Dudley	Retail	The directors of The Alan Nuttall Partnership have confirmed a proposal to begin an orderly wind-down at its Nuttall brand, a **Dudley**-based retail environment specialist which employs more than 80 people. The proposal follows a strategic review of the company's financial position, operational cost-base and future prospective business.

New Investment, Deals and Opportunities

COMPANY	LOCATION	SECTOR	DETAIL
Furbnow	Birmingham	Technology / Services	**Birmingham**-based Furbnow has secured £2.5m in funding to support growth plans, including expanding its team, developing its technology platform and increasing its services across the UK. The seed funding was secured from the West Midlands Co-Investment Fund at Future Planet Capital Regional, alongside Nesta, Wrightwood Investments, Danny Luhde-Thompson, SFC Capital and a group of angel investors. Furbnow's platform aims to tackle the complexity of retrofit projects by providing homeowners with a complete digital service.
Birmingham Brewery Company	Birmingham	Food & Drink	A **Birmingham** brewery which produces gluten free, vegan and alcohol-free beers has closed its crowdfunding campaign after raising almost £310,000. Birmingham Brewery Company has raised £309,353 from 197 investors on Republic Europe. Funds will be used to accelerate growth across production, product development and route-to-market expansion.
Neko Health	Birmingham	Health Tech	Neko Health, the preventative healthcare technology company behind a **Birmingham** clinic launched earlier this year, has raised around £520m (€700m) in a major funding round to accelerate its international growth. The Series C investment, led by Lightspeed Venture Partners and co-led by O.G. Venture Partners, will support the company's expansion into the US market and further development of its health screening technology.
Hexaware Technologies	Birmingham	Information Technology	**Birmingham** is set to benefit from a major technology investment after global IT services firm Hexaware Technologies announced plans to create 1,200 jobs across the UK, including an expanded delivery centre in the city. The Indian-owned company will invest £25 million in its UK operations over the next three to five years, with new research and development centres planned for Manchester and Leeds alongside an expansion of its existing **Birmingham** facility.
Saible	Birmingham	Construction / Fintech	**Birmingham**-based construction fintech Saible has raised £2.9m in angel funding as it looks to accelerate the rollout of its payment technology designed to improve cash flow across construction supply chains. The investment comprises £2.1m already secured alongside a further £800,000 funding round, providing the business with capital to expand its platform, support regulatory engagement and increase deployment on live construction projects.
Rockefellas TV	Birmingham	Media	US music and entertainment broadcaster Rockefellas TV is expanding into Europe with the launch of its first dedicated studio in **Birmingham**'s Jewellery Quarter. The Los Angeles-based online TV network will officially open B-1 Studios, marking a significant step in its international growth strategy and creating a new base for original content production in the UK.

COMPANY	LOCATION	SECTOR	DETAIL
Russell & Atwell	Birmingham	Food & Drink	Chocolate manufacturer Russell & Atwell, based in **Birmingham**, has launched a £700,000 fundraising round as the business looks to build its brand presence and scale its operations following recent retail growth. The investment will support the company's direct-to-consumer expansion, with a longer-term ambition to grow its presence across the wider retail sector.
University College Birmingham	Birmingham	Hospitality	University College **Birmingham** has acquired the former The Cube Hotel and Marco Pierre White restaurant, the first stage of a £15m investment programme that will deliver three new hospitality venues across the city. The university's Birmingham College of Food will take over the 23rd, 24th and 25th floors of The Cube, transforming the site into a 52-bedroom hotel and restaurant. The venue will operate as a commercial business while giving students on UCB's hospitality, culinary arts and events management courses hands-on experience.
SEGRO	Coventry	Property	SEGRO has signed three new lease agreements across about 540,000 sq ft of space at its landmark development in **Coventry**, with new facilities secured for major names such as Volvo Group UK. The site is expected to be operational in early 2027 and will serve as a new distribution centre that will support the storage and distribution of vehicle parts.
Mpac Group	Coventry	Manufacturing	**Coventry**-based Mpac Group has completed the sale of an automation specialist in a deal worth up to £20m. Lambert creates bespoke automation product assembly processes, including specialist filling and dosing, with a focus in the medical and consumer healthcare markets.
TaiSan	Coventry	Manufacturing	A company looking to unlock use of sodium-ion batteries for mass market applications such as electric bikes, scooters, vehicles and power tools has raised £4.65m. The funding will enable TaiSan to begin pilot tests with manufacturers, expand its existing Cambridge laboratory and establish manufacturing operations in **Coventry**.
The Herd	Coventry	Media / Technology	A **Coventry**-based digital media agency is launching a new Africa division following support from an international trade expert. The Herd is planning global expansion through The Herd Africa, a new sub brand that will support organisations looking to harness digital, data and technology to grow across high potential markets. The move has been supported by the Coventry and Warwickshire Chamber of Commerce.
IPP	Coventry	Logistics	**Coventry**-based pallet pooling specialist IPP has secured an exclusive UK supply chain contract with premium homewares brand Simplehuman, becoming the company's sole supplier for pallet movements across Britain. The deal will see the business manage all UK pallet movements for Simplehuman, whose products are sold through retailers including John Lewis, Argos, Costco, Dunelm and Amazon.
The Kelvin facility	Sandwell	Green Energy	A £500 million energy-from-waste plant in **Sandwell** has taken its first delivery of unrecyclable waste as it moves towards full operations later this year. The Kelvin facility, developed by enfinium, received its first 100-tonne delivery from waste management company SUEZ, marking a key milestone for one of the **West Midlands**' largest energy infrastructure projects. Once fully operational, the plant will process up to 395,000 tonnes of unrecyclable waste each year, generating up to 44MW of electricity – enough to power more than 95,000 homes.
AYBL	Solihull	Retail	Activewear brand AYBL has acquired a building at **Solihull**'s Blythe Valley Park to act as its new headquarters in a deal arranged by commercial real estate firm CBRE. The move supports AYBL's continued expansion, with the 21,252 sq ft Juniper Building providing the business with a blank canvas to create its own grade A HQ.
The Hot Tribe	Solihull	Health & Wellbeing	A wellness business will expand to a new home in the heart of **Solihull** following significant investment. The Hot Tribe has secured 7,819 sq ft of space at 90 High Street where it will create a flagship wellness destination featuring hot yoga,

COMPANY	LOCATION	SECTOR	DETAIL
			reformer Pilates, recovery facilities and treatment rooms as part of a £100,000 investment. The move will see the business relocate to larger premises as it continues to grow its community-led wellness offering.
UB Healthcare	Solihull	Healthcare	UB Healthcare has relocated its headquarters to **Solihull** Business Park after taking office space at a refurbished commercial building. The new office space provides a modern working environment with a secure entrance, flexible workspace and on-site parking, supporting UB Healthcare's continued expansion.
The Construction Consultants	Walsall	Property	Work is underway on a £22m multi-unit industrial development in **Walsall**, with the project supported by The Construction Consultants. The Central Point development on Willenhall Road will provide almost 100,000 sq ft of industrial space across six units. The Construction Consultants have been appointed as project manager, quantity surveyor and employer's agent to oversee the project on behalf of Erdgard Developments.
FBC Manby Bowdler	Wolverhampton	Legal	**Wolverhampton**-based FBC Manby Bowdler has acquired an employment law specialist. The deal brings Worcester-based The Specialist Law Group into the Adeptio Law Group portfolio.
Topps Tiles	Wolverhampton	Retail / Wholesale	Topps Tiles has opened a new store in **Bilston** following an investment of more than £300,000, with the site also due to operate as a testing centre for new products. The transformed Tile Choice property features more than 5,200 sq ft of showroom space within a site spanning in excess of 10,400 sq ft, including warehouse and operational areas.

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