WMCA Monthly Economic Insights

November 2026

The Economic Intelligence Unit

Despite greater resilience in the UK economy, with NIESR revising its 2026 growth forecast upwards from 1.1% to 1.6%, significant headwinds remain for the **WMCA** economy. UK inflation increased to 3.6% in October, prompting the Bank of England to raise interest rates to 4.0% in November, its first increase since August 2023. Regional economic activity remains subdued, with the West Midlands Business Activity Index falling from 51.4 to 50.6, below the UK average of 52.9. Meanwhile, WMCA goods exports fell by 13.2% to £13.5bn in 2025, contrasting with national growth of 0.5%. Although regional productivity increased by 2.2% in 2024, GVA per hour (£41.35) remains considerably below the England average (£48.18). Rising borrowing costs, elevated energy prices and weakening labour demand present ongoing challenges to delivering sustainable and inclusive economic growth.

Birmingham has been ranked the world's third most transparent real estate market, behind only London and Paris. Birmingham's position demonstrates the strength of the information and market practices available to investors considering the city. Meanwhile, Birmingham's business base continues to expand, with active enterprises increasing to reach 43,855 in 2025, outperforming national growth. This comes amid improving UK business confidence, with S&P Global reporting that net expectations for business activity increased from +26% in June to +35% in October, driven predominantly by services. However, capital investment and R&D intentions remain negative nationally.

Coventry faces a challenging international trading environment, with goods exports falling by 18.7% to £2.1bn in 2025. Whilst UK new car registrations increased for an eleventh consecutive month in October, rising by 5.4% annually, underlying challenges remain across the automotive sector, including supply chain volatility and the transition towards cleaner transport. Encouragingly, national manufacturing activity strengthened in October, with the Manufacturing PMI reaching a five-month high of 52.8. Coventry retains a relatively strong productivity position, generating £46.56 in GVA per hour in 2024, the second highest across the WMCA area. However, annual enterprise growth was weak.

Dudley's business base increased by 1.1% to 11,090 active enterprises in 2025, matching national growth. However, the wider trading environment remains challenging for SMEs. The FSB's latest Small Business Index places West Midlands confidence at -49.3, with regional investment intentions remaining the second lowest nationally. Nationally, 89.5% of small businesses reported rising costs, whilst 52.8% experienced falling revenues. Recent Enterprise Research Centre findings highlight inequalities in accessing business support, with micro-businesses and firms not already engaged in exporting or innovation less likely to receive assistance, despite having growth ambitions. This underlines the importance of accessible and targeted business support. Positively, Dudley's productivity increased by 2.8% in 2024, outperforming England's growth of 2.0%, whilst median advertised salaries in job adverts saw the strongest salary growth across the WMCA.

Sandwell recorded the strongest business base growth across the WMCA area in 2025, with active enterprises increasing by 2.8% to 11,815. Productivity also increased by 2.9% in 2024, outperforming national growth, although GVA per hour (£38.43) remains below the England average. The wider manufacturing outlook presents a mixed picture. UK manufacturing output growth reached a 25-month high in October, supported by stronger domestic and export demand. However, Make UK reports that more than half of manufacturers consider the UK less attractive for investment. Rising energy and material costs remain significant challenges, alongside an 8.6% decline in Sandwell's goods exports in 2025. Sandwell recorded the lowest local growth score within the WMCA area in Beauhurst's Local Growth Index, ranking 349th out of 361.

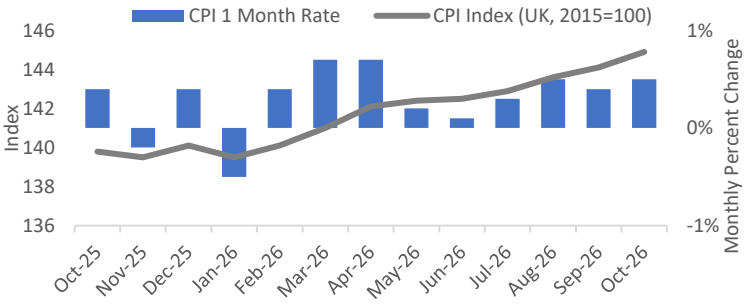
Solihull continues to lead the WMCA area in productivity, with GVA per hour reaching £52.27 in 2024, exceeding the England average of £48.18. Annual productivity growth of 5.0% was also the strongest across the seven authorities. Solihull achieved the highest local growth score within the WMCA area in Beauhurst's Local Growth Index (978), although remaining below the UK benchmark of 1,000. International trade presents a more challenging picture, with goods exports declining by 19.9% to £5.2bn in 2025, despite Solihull remaining the WMCA's largest goods exporter. Wider Midlands research from BGF reveals that 64% of SMEs are increasingly likely to pursue international expansion compared with two years ago. Meanwhile, research from the Institute of Directors identifies improving experiences of EU trade, although customs, regulatory and mobility barriers remain. These findings highlight opportunities to strengthen export competitiveness and diversify international markets.

Labour market pressures continue across **Walsall**, with job postings declining by 21.6% annually and claimant numbers reaching 10,850 in October 2026. This reflects wider recruitment challenges, with the latest KPMG and REC Report on Jobs identifying declines in permanent placements and temporary billings across the Midlands. Developing workforce skills remains important, particularly given Walsall's relatively low productivity of £34.82 per hour, the lowest across the WMCA area. Learning and Work Institute research finds that adult learning participation across the West Midlands region matches the UK average of 43%. Meanwhile, Trussell identifies severe hardship affecting 14% across the West Midlands region, above the UK average of 13%.

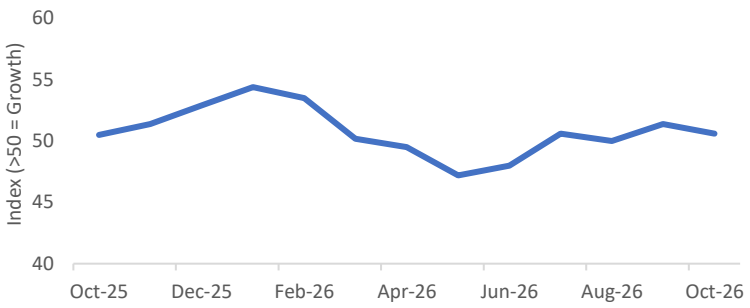
Wolverhampton's visitor economy received a significant boost from this year's Grand Slam of Darts, attracting 20,000 visitors and generating £3.7m for the local economy. The announcement of the England's Heartland tourism partnership presents further opportunities to increase visitor spending and strengthen connectivity across regional destinations. However, Wolverhampton's wider economy faces challenges, with active enterprises declining by 1.5% in 2025, the only WMCA authority to experience a reduction. Job postings also fell by 23.0% annually, whilst claimant numbers increased to 11,915 in October. Supporting the visitor economy and local enterprise could provide opportunities to strengthen employment and regeneration.

Monthly Monitoring Indicators

UK Consumer Price Index (CPI)

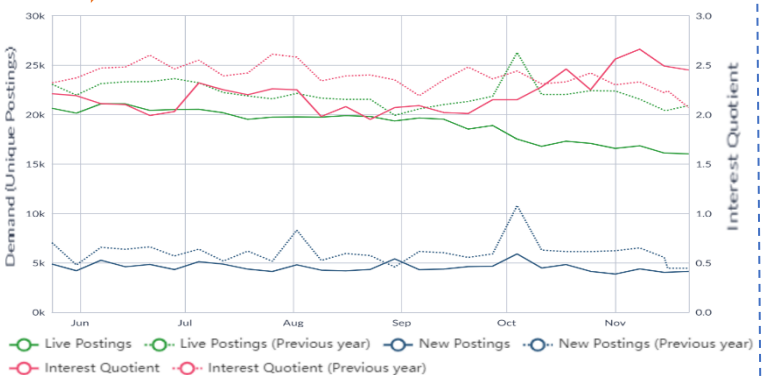


West Midlands Business Activity Index

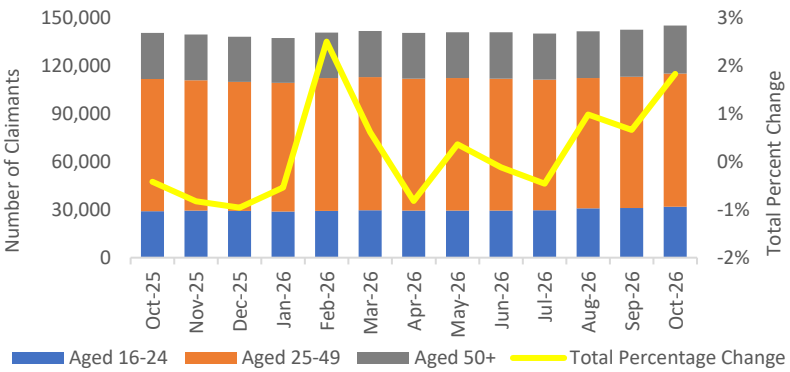


- Utilising a base year of 2015, UK **CPI was 144.9** in October 2026, an **increase of 0.5%** from the previous month (**+3.6%** y-o-y).
- The West Midlands **Business Activity Index decreased** from 51.4 in September 2026 **to 50.6 in October 2026**.

WMCA Job Demand and Interest Trend



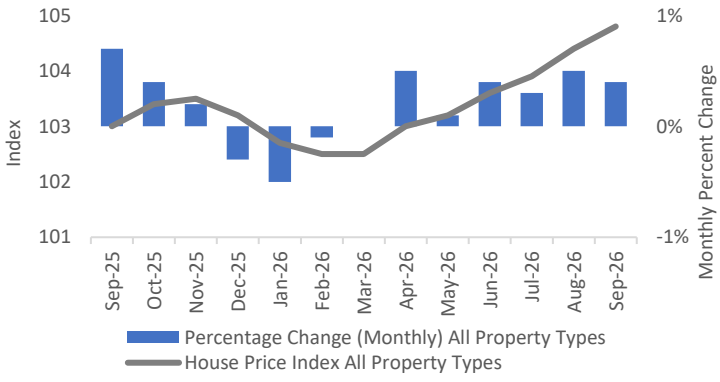
WMCA Claimants



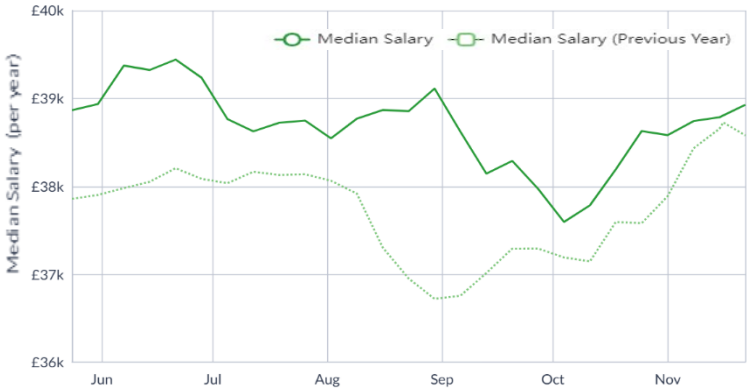
- In the past month for the WMCA: **34,508 postings (-26.8% y-o-y), 2.5 (high) Interest Quotient** (IQ).
  B'ham: 18,763 (-28.8%), 14.8 (high). **Coventry**: 3,544 (-37.1%), 1.6 (high). **Dudley**: 2,006 (-26.7%), 1.4 (high).
  Sandwell: 2,698 (-2.5%), 1.5 (high). **Solihull**: 2,409 (-22.7%), 1.8 (high). **Walsall**: 1,860 (-21.6%), 1.3 (avg.). **W'ton**: 3,226 (-23.0%), 2.6 (high).

- In total, **145,345 WMCA claimants in October 2026**; **+2,620 since September 2026**, (+4,585 since Oct '25).
  B'ham: 78,785; +1,275, (+2,245). **Coventry**: 14,125; +145, (+750). **Dudley**: 9,560; +215, (+230).
  Sandwell: 15,245; +385, (+320). **Solihull**: 4,860; +105, (+235). **Walsall**: 10,850; +225, (+545). **W'ton**: 11,915; +270, (+255).

WMCA House Price Index



WMCA Salary Trend



- WMCA's **House Price Index was 104.8 in September 2026**. The monthly **Index increased by 0.4%**.
  B'ham: 101.1, +0.4%. **Coventry**: 104.3, -0.2%. **Dudley**: 107.4, +0.1%.
  Sandwell: 111.0, +1.6%. **Solihull**: 100.6, +0.1%. **Walsall**: 110.7, +0.8%. **W'ton**: 108.4, +0.2%.

- In the past month for the WMCA, on Adzuna: **Median Salary of £38,300 per year**, (**+0.8% y-o-y**).
  B'ham: £40,813 (+2.2%). **Coventry**: £36,832 (-1.0%). **Dudley**: £34,441 (+5.5%).
  Sandwell: £35,264 (-0.1%). **Solihull**: £35,051 (+4.6%). **Walsall**: £35,333 (+0.9%). **W'ton**: £35,784 (-0.2%).

Other Recent Releases

- **The ONS** have released **Regional and subregional labour productivity** for 2024. ***Read our full briefing here*. Key headlines:**
  - **WMCA GVA per hour (smoothed): £41.35** (annual change: +2.2%). Eng. £48.18, (annual change: +2.0%).
    B'ham: £40.33 (+1.6%). **Coventry**: £46.56 (+1.4%). **Dudley**: £36.59 (+2.8%).
    Sandwell: £38.43 (+2.9%). **Solihull**: £52.27 (+5.0%). **Walsall**: £34.82 (+1.6%). **W'ton**: £38.81 (+1.4%).

- **The ONS** have released **Business Demography** for 2025. ***Read our full briefing here*. Key headlines:**
  - **WMCA active enterprises: 106,020** (annual change: +1.1%, UK: +1.1%).
    B'ham: 43,855 (+1.6%). **Coventry**: 11,305 (+0.1%). **Dudley**: 11,090 (+1.1%).
    Sandwell: 11,815 (+2.8%). **Solihull**: 9,025 (+1.0%). **Walsall**: 9,590 (+0.7%). **W'ton**: 9,340 (-1.5%).

- **HM Revenue & Customs** have released **UK regional trade in goods statistics disaggregated by smaller geographical areas** for 2025. ***Read our full briefing here*. Key headlines:**
  - **WMCA goods exports: £13.5bn** (annual change: -13.2%, UK: +0.5%).
    B'ham: £3.3bn (-2.8%). **Coventry**: £2.1bn (-18.7%). **Dudley**: £592m (-2.6%).
    Sandwell: £786m (-8.6%). **Solihull**: £5.2bn (-19.9%). **Walsall**: £510m (-9.1%). **W'ton**: £1.1bn (-3.8%).

- **The ONS** have released **Local sites and numbers of employees linked to companies involved in international trade in services by subnational areas of the UK** for 2024. ***Read our full briefing here*. Key headlines:**
  - **WMCA area: 2,529 local sites and 69,905 employees linked to an importing enterprise.**

- **Beauhurst** have released a **Local Growth Index**, where the **UK benchmark is a score of 1,000**. **Key headlines:**
  - **West Midlands County: Local Growth Score 954 – rank 50th of 51 counties**
    B'ham: 959 (258th / 361). **Coventry**: 968 (224th / 361). **Dudley**: 954 (274th / 361).
    Sandwell: 931 (349th / 361). **Solihull**: 978 (168th / 361). **Walsall**: 939 (333rd / 361). **W'ton**: 934 (345th / 361).

- The Federation of Small Businesses (**FSB**) have published **Small Business Index, Quarter 3 2026**. **The West Midlands region recorded the second-lowest small business investment intentions in the UK, with a net balance of -24.1%,** improving by 15.6 percentage points from -39.7% in Q2 but remaining significantly below the national average of -10.4%.

- The **fifth Destitution in the UK study** from Joseph Rowntree Foundation (**JRF**) finds that **3.8m people, including almost one million children, experienced destitution in 2025. The West Midlands region Destitution rate was around the UK average,** levels of destitution are highest in London, with above average rates in the North West and North East.

- **The ONS** have released a **tool on housing affordability**. The calculator enables users to explore the average cost of buying a home at a neighbourhood level relative to local average earnings. **An area is considered an affordable if average homes cost up to 5 times the average earnings of those working nearby.**

- **Hunger in the UK** is **Trussell's** flagship research series that provides a 'state of the nation' look at the scale, composition and drivers hunger and hardship across the UK. **Severe hardship** is highest in London (23%), with **the West Midlands also above the UK average (14%** vs 13%), while the South West has the lowest rate (7%).

- **The Learning and Work Institute** have published **adult participation in learning survey 2026**. At **43%, the West Midlands region matched the UK average** for adult participation rates in 2026.

- **The Learning and Work Institute** have published a report **analysing employer demand, training supply, and worker appetite for green jobs and skills**. **For the West Midlands region, 52% of people surveyed had not heard of green skills.**

Economy and Business Intelligence

THEME	KEY INSIGHTS

Economic Outlook	• **In the face of higher energy prices, growth has been resilient, inflation expectations are elevated, and the labour market is showing signs of stabilisation.**
	• **The Middle East peace process has not held.** Oil prices stayed above $100 a barrel through September and October, up from around $70 in early July, and gas prices, which matter more for UK inflation, have **more than tripled** since February. Taken together, **the shock is so far around two-fifths the size of the 2022 energy shock at its peak.**
	• Recent data from the Office for National Statistics (ONS) reveals in the three months to September 2026, compared with the three months to May 2026:
	  ○ **Real gross domestic product (GDP) grew by 0.7%**, following a growth of 0.6% in the three months to August 2026 (revised down from a 0.7% growth), and an unrevised growth of 0.5% in the three months to July 2026.
	• In the month to September 2026:
	  ○ **Monthly GDP grew by 0.2% in September 2026**, after showing no growth in August 2026 (revised down from a 0.1% growth), and an unrevised growth of 0.4% in July 2026.
	• **NIESR forecast 0.4% growth in the fourth quarter 2026.** They expect steady services growth to be accompanied by a slowdown in the production sector.
	• **The UK has been exposed to the same global cross-currents and has also proved stronger than expected. NIESR's Autumn Economic Outlook has revised up growth this year to 1.6%, from 1.1% in their July outlook, above the IMF's and OBR's forecasts and in line with the Bank of England's.** The strength this year comes from government spending and business investment, particularly in energy and ICT. Consumption has picked up from a weak few years but remains subdued by historical standards. Growth then slows to 1.1% in 2027 and 0.9% in 2028, below trend, as NIESR assume the government's deficit reduction plan takes hold and higher energy costs squeeze real incomes and margins.

Trading Environment	• **Inflation is at its highest level in a year.**
	  ○ **The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 3.7%** in the 12 months to October 2026, up from 3.6% the previous month.
	  ○ **On a monthly basis, CPIH rose by 0.5% in October 2026,** compared with a rise of 0.4% in October 2025.
	  ○ **The Consumer Prices Index (CPI) rose by 3.6%** in the 12 months to October 2026, up from 3.5% the previous month.
	  ○ **On a monthly basis, CPI rose by 0.5%** in October 2026, compared with a rise of 0.4% in October 2025.
	• **The Monetary Policy Committee raised interest rates by 25 basis points to 4.0% on 5 November**, its first hike since August 2023, making it the last G7 central bank to begin a tightening cycle.
	• The latest NatWest Purchasing Managers Index (PMI) reports the **Business Activity Index figures are 50.6 in the West Midlands and UK 52.9 for the UK.**
	• The Federation of Small Businesses' Q3 2026 Index shows **UK small business confidence remains deeply negative at -54.1, with 52.8% reporting falling revenues and 89.5% facing rising costs. The West Midlands confidence remains in negative territory at –49.3.** Employment continues to contract, while credit conditions tighten. In the **West Midlands, investment intentions remain among the weakest nationally**, with a net balance of -24.1%, despite improving from -39.7% in Q2. Rising energy costs, taxation and subdued demand continue to constrain business growth.
	• The latest S&P Global UK Business Outlook survey shows **improving business confidence, with net expectations for activity rising from +26% in June to +35% in October 2026. Profitability and hiring expectations strengthened**, driven by services and opportunities in AI and emerging markets. However, firms anticipate the sharpest non-labour cost inflation in four years, with rising energy and fuel prices adding pressure. Capital investment and R&D intentions remain negative despite improving sentiment, highlighting continued barriers to business growth.
	• The British Chamber of Commerce has **warned there are signs of an emerging two-speed economy. Investment by a few larger firms and sectors is driving growth. For the vast majority of SMEs, investment is flat. Their latest survey shows just 17% of firms expect to increase invest in the coming months, unchanged on the quarter and a post-pandemic low.**
	• **This comes as Midlands mid-market businesses have grown revenues by 2% to £21bn in the last year,** according to new research from BDO, amid ongoing supply chain disruption and wider global economic

THEME	KEY INSIGHTS
	uncertainty. Separate data from BDO's bi-monthly Mid-Market Tracker found that almost a **quarter of Midlands businesses (22%) plan to make significant investment in international expansion over the next 12 months.** • **Midlands SMEs are increasingly looking overseas for growth opportunities, according to new research from BGF, with 64% more likely to pursue international expansion than they were two years ago. This compares with just one in ten (9%) that are less likely to do so.** • **There are 100,000 fewer SMEs in the UK economy than there were at the start of 2025**. The FSB argue that entrepreneurship is essential to get the economy growing again. • This comes as the latest figures show **1,882 corporate insolvencies in September 2026, down 3.6% monthly and 4.6% annually**. Financial pressures remain severe, with compulsory liquidations rising for the fourth consecutive month. Higher wages, energy and material costs continue to squeeze profitability, while weak demand and borrowing costs threaten business survival. Construction, retail and property face particular challenges, raising concerns about further insolvencies towards year-end. • **UK businesses report that trading with the EU has become significantly easier since the immediate years following Brexit**, according to a new report from the Institute of Directors. However, **substantial barriers remain**, with companies calling for action on customs processes, rules of origin, regulatory requirements and business mobility to unlock further growth. The proportion of firms describing their EU trading experience as challenging has fallen from 62% in July 2024 to 39% in September 2026, while the share reporting a positive experience has more than doubled from 11% to 24%. **Challenges vary across the economy. Manufacturers are particularly affected by customs paperwork, border delays and regulatory divergence, while service sector firms are more likely to identify regulatory requirements, mobility restrictions and data transfer issues as barriers to trade.** • New research from BGF, finds that **68% consider international expansion important for long-term business resilience, while 57% are more likely to expand overseas than two years ago. However, only 22% have a highly intentional international strategy**. Businesses cite talent recruitment, regulation and operational complexity as key barriers, with 85% seeking external advisory support. The findings highlight the importance of market intelligence, investment and strategic planning in supporting SME growth. • Research from ERC on business support reveals **SMEs that are either currently experiencing high growth or have strong growth ambitions were significantly more likely to access business support than other firms.** High growth and high-ambition firms are particularly likely to access support provided by consultants and business advisors related to business growth, innovation, exporting, technology adoption, skills development and access to finance. Within both high-growth and high-ambition groups, support was disproportionately accessed by larger firms and businesses already engaged in growth-related activities. Micro-businesses, firms with no employees and firms that are not yet exporting, innovating, or seeking external finance are significantly less likely to receive support, even where growth ambitions exist. **The evidence suggests support is more likely to reach businesses already demonstrating growth-oriented behaviours than firms whose growth potential has yet to be realised.** • A new international evidence review finds that **businesses consistently investing in R&D and innovation generally achieve higher productivity and stronger performance than those investing sporadically. Regular innovation is also associated with improved profitability and employment growth, with potentially greater benefits for SMEs.** However, evidence on sales growth remains mixed, and UK-specific research is limited. The findings suggest that **sustained innovation support could deliver greater economic benefits than one-off interventions**, highlighting opportunities to strengthen long-term business competitiveness and productivity. • **Universities make important—but highly uneven—contributions to regional and national economic development. Across OECD economies, the most consistent empirical evidence points to human capital formation, innovation spillovers, and productivity growth. However, these effects are not automatic.** They depend critically on regional context, institutional characteristics, and complementary assets such as firm-level absorptive capacity, skilled labour demand, and effective governance systems. A central conclusion is that university impacts are mediated through wider systems of firms, government actors, and institutions, and therefore depend on how well these systems function. Universities often act as enabling and coordinating institutions, but can also contribute more directly to developing regional capabilities and processes of economic transformation. In economically advanced regions, universities tend to reinforce existing strengths through high-quality research and innovation spillovers.
Labour Market	• The **latest labour market figures provide a mixed picture overall**. The **employment rate increased** and the **unemployment rate fell** in the latest quarter, though these movements partly reflect particularly large differences in employment status between the groups entering and leaving the survey.

THEME	KEY INSIGHTS
	• **The Milburn review has set out a road map for reforming support for young people out of work. That is a pressing issue, with unemployment among 18–24-year-olds at 13.0%, three to four times the rate for those aged 25–64.** The **FSB has responded positively to the recommendations.** • **Over the same period, the number of workers on payroll fell. Vacancies also fell further, with the decline again concentrated in smaller businesses, which report that increased labour and operating costs are affecting their hiring decisions.** • Meanwhile, **regular wage growth slowed, driven by a fall in public sector wage growth, as the recent impact from the timing of pay awards has started to drop out of the numbers.** • The latest KPMG and REC Report on Jobs reveals **permanent placements and temporary billings declined in October 2026, reflecting employer caution amid rising costs and economic uncertainty. The Midlands recorded solid falls in both measures.** Nationally, candidate availability increased as redundancies rose, although vacancies declined at their slowest pace since August 2024. Demand strengthened in IT, engineering and construction, while retail and hospitality weakened. Starting pay growth increased slightly but remained below historical averages. • The UK's longest-running survey of adult learning marks its 30th year with the finding that just **2 in 5 adults (43%) have engaged in learning in the last three years – a figure barely improved since 1996 (40%).** Class, age, and levels of formal education are all drivers of whether adults learn, or do not, with stark and stubborn inequalities between groups. The Adult Participation in Learning Survey 2026, finds that **people are 3% less likely to learn for every additional year of adult life, and 'feeling too old' is the most reported barrier to learning**. The report authors, Learning and Work Institute (L&W), estimate that there would have been three million more working age adult learners over the past three years if class-based inequalities in participation were eliminated. In 2026, Greater London has a significantly higher learning participation rate than other English regions and UK nations (55% compared to an average of 43%), with the **West Midlands matching the average at 43%.** • A good degree has long been a key route to social mobility for young people from lower socioeconomic backgrounds, with much of the debate focused on getting more disadvantaged young people into university. But does this really level the playing field? Recent Resolution Foundation research found that the **barriers facing graduates from socioeconomic backgrounds don't lift once they are handed their degree: they still face an earnings penalty, even when compared to more advantaged graduates with identical degrees from the same university. And the gap widens, rather than closes, as their careers progress.**

Economy and Business Intelligence – By Sector

SECTOR	KEY INSIGHTS
Manufacturing and Engineering	• Britain was once a global leader in vehicle manufacturing. Today, the domestic market is increasingly dominated by imported products, whilst policymakers appear to have underestimated the pace at which international competitors, particularly from China, are capturing market share with lower cost alternatives that look suspiciously like cars designed in the UK. A leader in the built environment sector warns **unless action is taken, the UK risks becoming primarily a consumer economy rather than a productive one and our increasing dependency in imports makes us a hostage to fortune in an uncertain world where there is an urgent need to focus on resilience.** • **More than half of UK manufacturers say the country has become less attractive for investment. Yet almost two-thirds of firms planning a major expansion would still prioritise growing in the UK**. Published by Make UK in partnership with RSM UK, Investment Monitor 2026 explores the challenges shaping manufacturers' investment decisions and the action needed to unlock growth. • The latest S&P Global UK Manufacturing PMI **rose to 52.8 in October 2026, its highest level in five months, as output growth reached a 25-month high**. Stronger domestic and export demand supported expansion, while **business confidence reached an eight-month high**. However, employment growth stalled despite increased production, and input cost inflation accelerated amid rising energy, transport and material prices. Supply chain disruption and higher operating costs continue to pose risks to manufacturing recovery. • New analysis from Azets highlights **continued investor confidence in Midlands engineering and manufacturing businesses, with 38 mergers and acquisitions completed in the nine months to September 2026**. Around a third of buyers were overseas investors, predominantly from Europe and the US, while strategic trade buyers accounted for 80% of transactions.

SECTOR	KEY INSIGHTS
Construction	• Total **construction output is estimated to have fallen by 0.7% in Quarter 3 (July to Sept) 2026** compared with Quarter 2 (Apr to Jun) 2026; new work fell by 1.6%, while repair and maintenance grew by 0.5%. • The latest S&P Global UK Construction PMI **fell to 43.6 in October 2026, marking the sharpest contraction since June and the sector's twenty-second consecutive month of decline**. Residential construction was particularly weak, with activity falling to 35.1 amid rising borrowing costs and subdued demand. Meanwhile, **input cost inflation accelerated, with 48% of firms reporting increases**. Infrastructure projects, particularly data centres and energy networks, provided some resilience, although business confidence remained historically weak.
Retail, Hospitality and Tourism	• **The quantity of goods bought (volume) in retail sales is estimated to have risen by 0.4% in the three months to October 2026,** compared with the three months to July 2026. **Volumes rose for food stores, while fuel retailers mostly recovered from a fall in the three months to July following a spike in March.** • **This year's Grand Slam of Darts attracted 20,000 visitors to Wolverhampton and generated £3.7m for the local economy.** • **The West Midlands Growth Company, alongside WMCA, will lead England's Heartland, a seven-region tourism partnership backed by £260,000, including £100,000 from Birmingham City Council.** The initiative aims to improve connectivity, extend visitor stays and spread tourism spending across lesser-known destinations. The WMCA area attracted 104 million visitors in 2025, generating £14.95bn in economic impact. The partnership supports Mayor Richard Parker's ambition to attract 10 million additional visitors and generate £1bn in additional economic impact by 2030. • **The beer and pub industry plays an important role within the UK economy both culturally and economically**. Pubs are at the heart of many local communities, spread across the length and breadth of the country. Yet the total footprint of the industry is greater than just pubs, as it also considers the brewing of beer, as well as the sales of beer throughout hotels, restaurants, sports clubs, and in the retail trade. The beer and pub industry, therefore, has a footprint in every local community across the country. To understand the current scale of its economic footprint in the UK economy, the British Beer and Pub Association (BBPA) commissioned Oxford Economics to update the economic impact analysis of the industry. Key findings from the report: ○ **The beer and pub industry generated a total of £37.8 billion in gross value added (GVA) contributions to UK GDP in 2025.** ○ **The beer and pub industry supported almost 1 million jobs across the UK in 2025, and £21.2 billion in employee compensation.** ○ In 2025, Oxford Economics estimate that the UK's beer and pub sector directly employed 711,300 people, supporting £11.7 billion in employee compensation, and generating £18.6 billion in GVA contributions to GDP. ○ The beer and pub sector provides a vital source of employment for the young and those seeking to work part-time. Across the UK, 341,900 workers between the ages of 16 and 24 year were employed in the beer and pub industry in 2025. This represents almost half (48%) of total direct employment in the sector, compared to just 11% across the UK economy more broadly.
Digital / Tech	• **The Artificial Intelligence (AI) boom is a source of risk in both directions.** Building the announced US data-centre pipeline in full would raise UK GDP by 0.3% relative to baseline in 2027 and lower it by the same amount in 2029. • **The IPPR have published a report discussing the case for digital sovereignty.** The US has previously restricted access to the most advanced artificial intelligence (AI) and asked labs to hold back new models from the UK AI Security Institute. It is now a realistic possibility that critical systems get cut off, that economic gains from transformative technology flow overseas, and that the UK is unable to regulate an increasingly dangerous technology on its own terms. In response, governments worldwide are investing billions in 'sovereignty', defined broadly as the ability for a country to control and shape the technology it relies on. Yet there remains limited clarity around what level of control is achievable for the UK. • This comes as a new Social Market Foundation report warns that **the UK risks falling behind in AI development due to infrastructure constraints, limited adoption and international competition**. It highlights challenges meeting the government's 6GW AI computing target by 2030 and recommends faster grid connections, improved data access and stronger support for UK AI businesses. The report also calls for mayors to champion AI adoption, alongside expanded lifelong learning, regulatory reform and innovative public procurement to strengthen economic competitiveness.

SECTOR	KEY INSIGHTS
Transport Technologies and Logistics	• **UK new car sales rose for an eleventh consecutive month in October**, with a 5.4% year-on-year increase to 152,730 units. October's increase, together with the strong momentum seen throughout 2026, somewhat masks the **underlying challenges facing the automotive sector**, such as supply chain volatility, challenging macroeconomic conditions and significant change amid the transition towards cleaner and greener transport.
Environmental Technologies	• New CBI Economics research finds that **green jobs have lower potential for AI substitution than the wider workforce**. Around 96% of green apprenticeship participation among 16–24-year-olds in England is in occupations less susceptible to AI replacement, alongside 94% of additional workers needed under the Clean Energy Jobs Plan. The findings highlight opportunities to align net zero and AI transitions, with greater investment in technical training, apprenticeships and workforce planning to address growing skills demand. • Research by NIESR reveals **higher carbon taxes and ETS prices reduce carbon emissions. An increase in carbon taxes by $10 per ton of CO_2 reduces CO_2 emissions per capita by 1.3% in the short run and by 4.6% in the long run.**

New Economic Shocks

COMPANY	LOCATION	SECTOR	DETAIL
Poundland	Walsall	Retail	**Walsall**-based discount retailer Poundland has collapsed into administration after its owners failed to find a buyer to keep it in business, putting around 11,000 jobs at risk. The chain, which runs roughly 600 stores, held urgent talks to seek a buyer but has entered insolvency after failing to strike a deal.
Jaguar Land Rover	West Midlands	Manufacturing	Jaguar Land Rover has revealed its voluntary redundancy scheme is progressing, with approximately 3,000 employees already set to depart, as senior executives reassured that the remaining workforce would retain the talent and skill needed to propel the business forward. JLR operates across the West Midlands including in **Birmingham, Solihull** and **Wolverhampton**.

New Investment, Deals and Opportunities

COMPANY	LOCATION	SECTOR	DETAIL
Flick Lighting	Birmingham	Manufacturing	A **Birmingham** lighting manufacturer has secured a £150,000 loan to take on bigger contracts and invest in product development. Flick Lighting supplies commercial clients throughout the UK. The loan from the Midlands Engine Investment Fund II, through fund manager Frontier Development Capital, will enable the company to create three new jobs.
Lovey	Birmingham	Fintech	**Birmingham** fintech company Lovey has moved into a new 23,146 sq. ft headquarters at Three Snowhill as it plans to more than double its workforce. The SME lender and broker, which employs 120 people, aims to grow to up to 300 roles over the next five years.
Rem3dy Health	Birmingham	Healthtech	Rem3dy Health, a **Birmingham**-headquartered healthtech start-up behind prominent nutrition brand Nourished, has secured an investment from Hikma Ventures to support its expansion across the globe. The investment builds on an exclusive commercial partnership between the two companies. Under the agreement, Hikma will introduce Rem3dy's 3D-printed nutritional supplements across seven markets in the Middle East and North Africa, with initial launches planned for the UAE, Saudi Arabia and Jordan in the first quarter of 2027.
The 51% Club / HSBC	Birmingham	Finance	The 51% Club, a national ecosystem for female founders and leaders, has revealed a new collaboration with HSBC UK as its regional banking partner. Born in **Birmingham** and now operating across five hubs nationally, The 51% Club has grown into one of the UK's biggest ecosystems for women founders and leaders in just over two years. Through the partnership, The 51% Club's community gains closer access to HSBC UK's support for women in business, including its Women's

COMPANY	LOCATION	SECTOR	DETAIL
			Business Growth Initiative, which offers events, networking, masterclasses and personalised funding support to women business owners and aspiring entrepreneurs.
Kier	Birmingham	Construction	Infrastructure and construction group Kier has opened a flagship Midlands hub in **Birmingham**'s business district, moving into 21,000 sq. ft of an office building it redeveloped itself. The new office at 19 Cornwall Street brings together Kier's construction, infrastructure and design teams to support the delivery of infrastructure projects across the region.
IMI / Truflo Marine	Birmingham	Manufacturing	**Birmingham**-headquartered engineering group IMI has completed the sale of its Truflo Marine business to a US defence giant in a deal worth £225m. Truflo Marine, a provider of mission-critical valves and actuators to naval submarine programmes worldwide, has been acquired by Fairbanks Morse Defense.
IS2	Birmingham	Technology	A **Birmingham**-based insurance software company has been acquired by SSP, a business with its UK office in Yorkshire and operations in Australia, New Zealand, South Africa and India. IS2 provides commercial lines policy administration and product distribution technology to insurers, insurtechs, MGAs and scheme brokers. The deal is intended to strengthen SSP's commercial product distribution and e-trading capabilities.
Aliter Capital LLP / TXP	Birmingham	Technology	Private equity firm Aliter Capital LLP has completed fundraising for a new £50m fund to support the further growth of two of its established technology businesses. This includes **Birmingham**-based TXP (Technology x People), a systems integrator focused on technology consulting, development and resourcing.
Sarginsons	Coventry	Manufacturing	A **Coventry** foundry has achieved a breakthrough in automotive manufacturing, producing what it says is the world's first lightweight aluminium structural casting designed using localised mechanical property data. Sarginsons has created the prototype as part of the £5.8m PIVOT programme, which is developing a new generation of lightweight structural castings for a major British OEM's demonstrator vehicle.
Maeving	Coventry	Manufacturing	**Coventry** electric motorbike specialist Maeving has launched into Australia, its first market in the Southern Hemisphere and fifth overall, with further international expansion planned. The brand has launched expressions of interest in Australia, with Spain and Italy to follow shortly after. The expansion comes alongside the launch of the new RM1S and RM2, Maeving's second generation of electric motorcycles. Every Maeving is hand-built at its **Coventry** production facility, with capacity to build more than 11,500 bikes a year.
Lawton Tubes	Coventry	Wholesale	Lawton Tubes, a **Coventry**-headquartered distributor and supplier of copper tubes and fittings, is expanding into launching a range of stainless-steel tube and press fittings for the commercial plumbing sector. It said the investment represents a landmark moment for the business, which employs about 150 people and exports to countries all over the world.
The Manufacturing Technology Centre	Coventry	Manufacturing	The Manufacturing Technology Centre (MTC) has invested £1.3m in what it says is the UK's largest solar thermal installation at its Ansty Park campus in **Coventry**. The solar thermal installation is expected to reduce its carbon emissions by 37 tCO2e per year. The project sees 1,965 of Naked Energy's VirtuHOT solar thermal collectors installed on the roof of one of MTC's buildings at Ansty Park, generating up to 786kW of heat.
Lifeline Fire & Safety Systems	Coventry	Manufacturing	Motorsport safety equipment manufacturer Lifeline Fire & Safety Systems has expanded its product portfolio through the acquisition of fellow **Coventry**-based business Willans Safety Harnesses. The deal brings together two established names in motorsport safety, combining specialist expertise in fire suppression systems and FIA-approved safety harnesses under a single ownership structure.
DHL	Coventry	Logistics	Plans have been submitted for a 420,000 sq ft warehouse at the M6/M69 interchange near **Coventry**, which DHL Supply Chain intends to occupy. The

COMPANY	LOCATION	SECTOR	DETAIL
			scheme, at Ansty, has been put forward by European industrial and logistics developer BARJANE and is expected to create at least 425 full-time jobs. DHL plans to use the site as an expansion of its existing operations at **Coventry Crosspoint** nearby.
Pace Group	Dudley	Construction	**Dudley**-based Pace Group, a lift maintenance and repair specialist, has acquired lift engineering company Sussex Lift Company, further strengthening its presence across the South East of England. The acquisition will see three engineers join Pace Group, bringing additional technical expertise and local knowledge to its growing network. Sussex Lifts also adds approximately 700 units to the Group's maintenance portfolio, taking the total to around 15,700 units nationwide.
Sunrise Medical	Dudley	Manufacturing	Sunrise Medical, a global mobility aid manufacturer based in **Brierley Hill**, has acquired a US company which supplies high-performance wheels for active manual wheelchairs. Headquartered in San Marcos, California, Spinergy designs and manufactures wheels and bespoke carbon fiber components for manual wheelchairs, with production operations in Tijuana, Mexico. Spinergy will continue to operate independently within the Sunrise Medical Group, retaining its brand and its entire organisation and team.
The Original Patty Company	Sandwell	Food Manufacturing	One of the UK's longest-running Caribbean food manufacturers is using £1.1m in funding from Lloyds to update its equipment and purchase its **Smethwick** bakery. The growth of Quick Food Products, the food manufacturer behind The Original Patty Company, left its **Wolverhampton** factory at full capacity, placing pressure on its existing machine.
West Brom Building Society	Sandwell / Birmingham	Finance / Marketing	The **West Bromwich Building Society** has appointed two **Birmingham** agencies to lead a new marketing push, as it looks to attract new savers and grow its mortgage business. One Black Bear will lead brand strategy and creative, while independent media agency BBJ&K will handle media strategy, planning and buying.
Hill & Smith PLC	Solihull	Manufacturing	**Solihull**-based infrastructure group Hill & Smith has agreed to a £58.4m ($77m) acquisition to strengthen its presence in the US galvanising market and gain access to one of the country's fastest-growing regions. The group is buying the business and assets of Houston-based Southwest Galvanising from the families of its founding owners. The deal will see the company incorporated into Hill & Smith's existing V&S Galvanising operation.
vMobility	Solihull	Technology	Private equity firm Rockpool has made a significant minority investment in a tech-enabled provider of vehicle mobility services based in **Solihull**. vMobility has grown significantly since inception and serves blue-chip insurers, accident management companies and vehicle fleet providers. The company keeps policyholders and third-party claimants mobile after an accident by coordinating replacement vehicle provision and vehicle repairs using its proprietary technology platform, vFlo.
bk plus	Walsall	Financial Services	bk plus, a private equity-backed accountancy group based in the **Walsall**, has extended its presence in the North of England with the acquisition of Momentum Taxation & Accountancy, which provides a range of accountancy services including annual accounts preparation, corporation tax and personal tax, alongside more strategic services such as corporate structure advice, inheritance tax planning, and M&A support.
Tican	Walsall	Wholesale	A wholesaler serving customers nationwide has agreed a deal for an almost 40,000 sq. ft warehouse at SPARK, a £118m manufacturing and logistics development in **Walsall**. Henry Boot has announced that HBD, the group's property investment and development business, has secured Tican as an occupier on the scheme, which forms part of Origin, its industrial and logistics joint venture with Feldberg Capital. The 39,000 sq. ft facility will provide Tican with additional space to support its existing operations and future growth.

COMPANY	LOCATION	SECTOR	DETAIL
DJH	West Midlands	Professional Services	DJH, a private equity-backed accountancy and professional services group employing almost 1,000 people, has further expanded its presence with a pair of acquisitions. The company has acquired **Sutton Coldfield** accountancy firms Haslehursts and Hill Talbot in two deals that will give it a first base in the royal town, joining existing offices in **Halesowen, Walsall** and its head-office in Stoke-on-Trent
WV Active Aldersley	Wolverhampton	Sport / Visitor Economy	This year's Grand Slam of Darts has provided a £3.7m cash injection to **Wolverhampton**'s visitor economy. Over nine days the event at WV Active Aldersley sold out every session and attracted 20,000 visitors to the city, benefitting the local economy to the tune of £3.7m.
SH Partnerships	Wolverhampton	Construction	A partnership housebuilder has opened a new office in **Wolverhampton**. SH Partnerships is expanding a year after its launch in with an ambition to create 100 per cent partnerships housing schemes in the West and East Midlands.

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