

COVID-19 Fortnightly Insights Report

Research & Intelligence
18th September 2020

Executive Summary – social and economic

- **COVID-19 infection rates are increasing locally and nationally** so far in September, with local restrictions being implemented in more areas of the country.
- **A further 2,800 people were claiming out of work benefits in August**, an increase of 2% on July. There are now 109,400 claimants in West Yorkshire, the highest level since 1987.
- **UK GDP increased by 6.6% in July** as more of the economy reopened, but this was still a slight slowdown from June's growth. Sectors which make the biggest contributions to West Yorkshire's economic output, such as manufacturing and wholesale/retail, have seen the strongest recoveries in output though this does not necessarily translate into local economic performance given, for example, the shift to greater online retail activity.
- ONS estimate **11% of jobs were still furloughed by August 23rd**. Our local survey with the Chambers of Commerce suggests half of businesses have a majority of their staff back from furlough, but most of those still using it expect that still to be the case into October.
- **A majority of people continue to work remotely in some office-based sectors**, with the return to the office remaining limited. Data from Centre for Cities suggests workers have been slower to return to cities than other groups, particularly those who commute longer distances.

Executive Summary – transport

- Recent survey results show rates of home working reducing and concern about using public transport easing slightly, with some future travel intentions showing signs of a subtle return to pre-COVID behaviours, however avoidance of bus remains consistent across survey waves.
- Operational data reveals bus use is recovering faster than rail, and **weekend travel recovering faster than weekday**. Interestingly, footfall through Leeds rail station has recently stalled, with the hypothesis that the recovery seen in rail travel over the last few months was associated with leisure travel over the summer rather than commuters returning.
- **MCard and concessionary bus use this week was 52% below baseline** (early March), a 26% increase against the previous week, largely driven by a near doubling of mid-week MCard journeys, much of which is associated with under-19 MCard use as schools reopened.
- **Demand for travel information over the last few weeks has gradually increased** and surged as schools reopened.
- **Traffic continues to return to pre-lockdown levels**; weekday traffic at five key radial routes in Leeds is now only 16% below the same week in 2019. A similar pattern has been observed in other districts where data is available.

Introduction

- This report presents the latest developments with regards to COVID-19 for West Yorkshire and Leeds City Region. It draws on a number of official and unofficial data sources to present the latest intelligence and is primarily focused on the **economic and transport** impacts.
- It includes analysis of anecdotal evidence from interactions with businesses, and it is recognised that this analysis is based upon subjective views from those businesses which may or may not reflect the views of the wider business community.
- In some cases, data is presented for a single authority or area. In those instances, further data is being sought to enable more comprehensive analysis of other areas. Please send any data to contribute for analysis or any comments on this report to Research@westyorks-ca.gov.uk.

Structure:

Virus prevalence in West Yorkshire/LCR
National and Local Economic Insights
Transport Insights

Virus prevalence

| Area | Total cases per 100k people (06- 12 Sep) Most recent data week | Total cases per 100k people (30 Aug – 05 Sep) Previous week | Absolute difference in rate |
|----------------|---|--|--|
| Bradford | 102.2 | 78.2 | 24.0  |
| Calderdale | 62.8 | 41.4 | 21.4  |
| Kirklees | 68.6 | 43.1 | 25.5  |
| Leeds | 78.3 | 60.1 | 18.2  |
| Wakefield | 34.8 | 22.6 | 12.2  |
| West Yorkshire | 74.0 | 53.5 | 20.5  |
| England | 34.4 | 24.5 | 9.9  |

The most recent week's COVID-19 data (6th-12th Sept) reveals a considerable increase in the rate of positive COVID-19 cases. There are now 74 COVID-19 cases per 100k in West Yorkshire, more than twice the England rate (34.4 per 100k), and notably the magnitude of the increase in rate (comparing to the previous week) is greater in all West Yorkshire districts than at the national level indicating that the virus is spreading at a faster pace.

Economic Insights



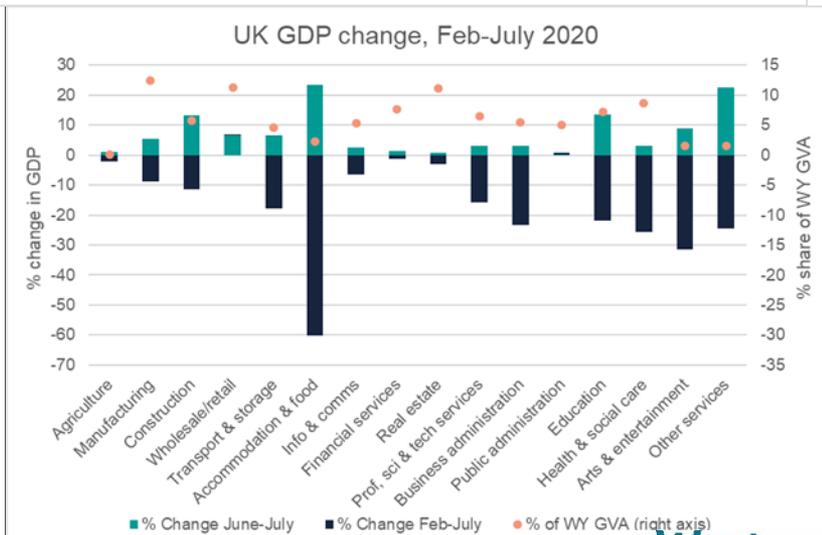
GDP increased in July, but slowed from June and varies by sector

UK GDP increased by 6.6% in July compared to June, according to Office for National Statistics. All sectors saw growth to some degree, but the overall growth rate was lower than the 8.7% seen in June, and overall GDP is 11.7% below where it was in February.

To some extent, the rebound reflects the fact that more of the economy was able to reopen in July. Growth was highest in accommodation & food and other personal services – reflecting the fact many of these locations were able to reopen from 4th July.

However, output remains 60% below February levels in accommodation & food – double the loss of output of any other sector. The sector accounts for a relatively low share of West Yorkshire GVA (2.2%). Arts & entertainment has seen the next biggest fall nationally since February, and accounts for 1.5% of local GVA.

Manufacturing is the biggest sector locally in GVA terms, accounting for 12.5% of all output. GDP is still down by 8.7% nationally in the sector compared to February. The next largest sector in GVA terms, wholesale & retail, is the only area of the private sector to see output recover to pre-COVID levels. However, other data suggests a strong shift to online activity in the sector, so such growth may not be reflected in local economic conditions.

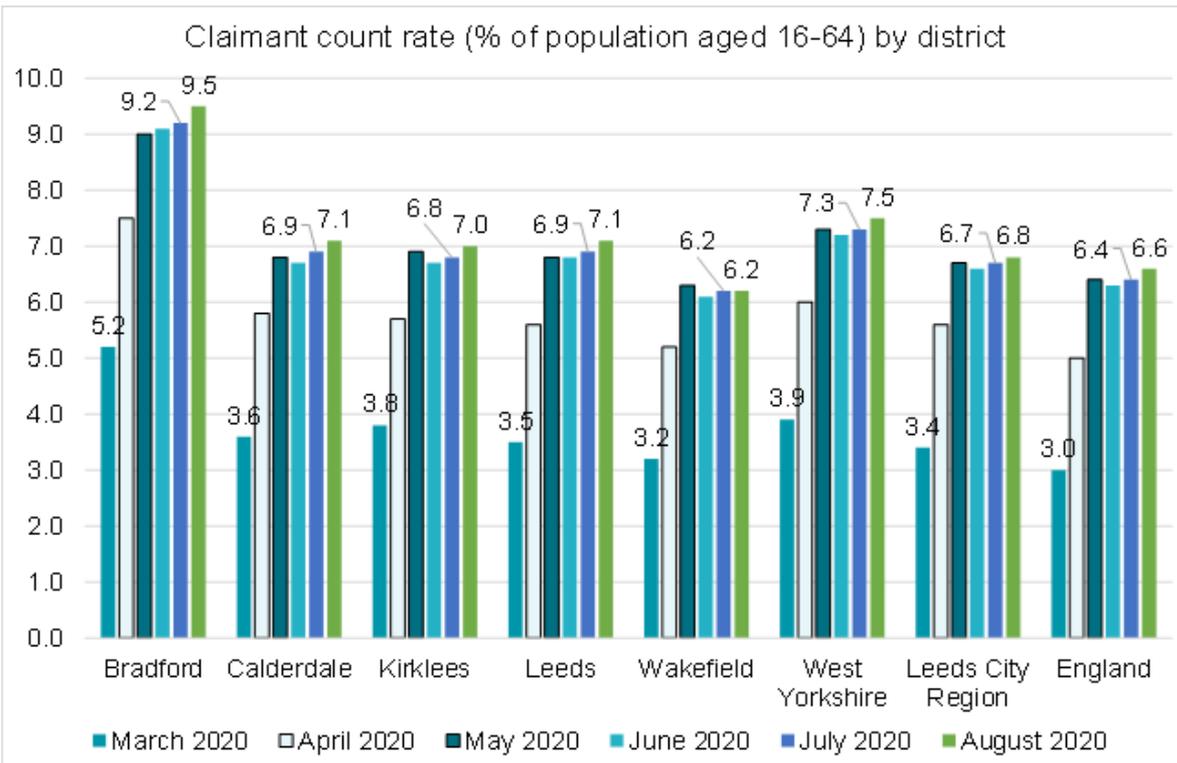


Source: Office for National Statistics, 2020

Out of work benefit claims increasing gradually

Leeds City Region saw a 2,800 (2%) monthly increase in out of work benefit claimants in August, compared with July, while West Yorkshire's claimant count increased by 2,400 (also 2%). Nationally, there was growth of 74,000 (3%). For districts the rate of increase seen in August ranged from 3% for Bradford (+910 claimants) and Calderdale (+250); 2% for Kirklees (+450) and Leeds (+690); and 1% for Wakefield (+120).

Comparing August 2020 with the pre-lockdown period in March 2020 the number of claimants has increased by 65,100 (97%) in Leeds City Region and by 52,300 (92%) across West Yorkshire. The England average increase is 118%. This means there are now 131,900 claimants in Leeds City Region and 109,400 claimants in West Yorkshire, compared with March figures of 66,800 and 57,100 respectively.



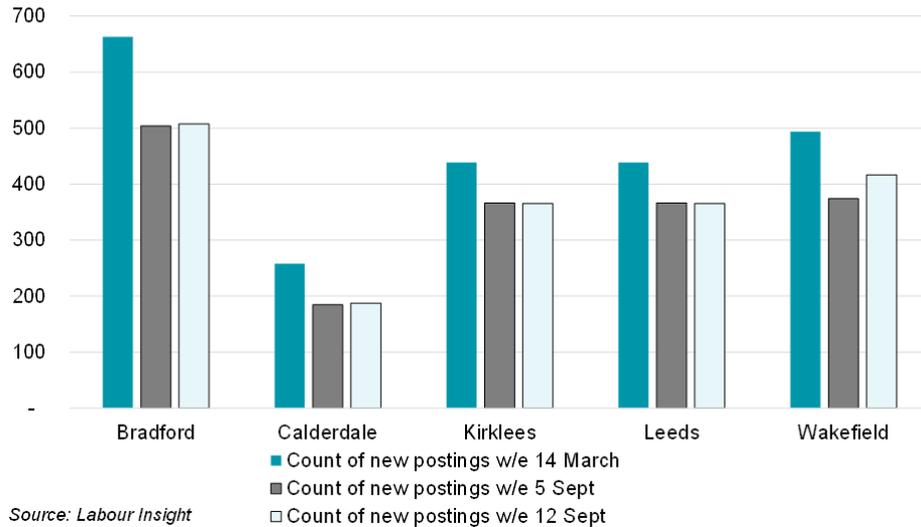
The claimant count in West Yorkshire is now at its highest level since September 1987. Between March and August the claimant rate (expressed as a proportion of adult residents) rose from 3.4% to 6.8% in the City Region and from 3.9% to 7.5% in West Yorkshire. Both areas' rates remain above the England average claimant rate of 6.6%.

Slight increase in job vacancies, driven by Wakefield

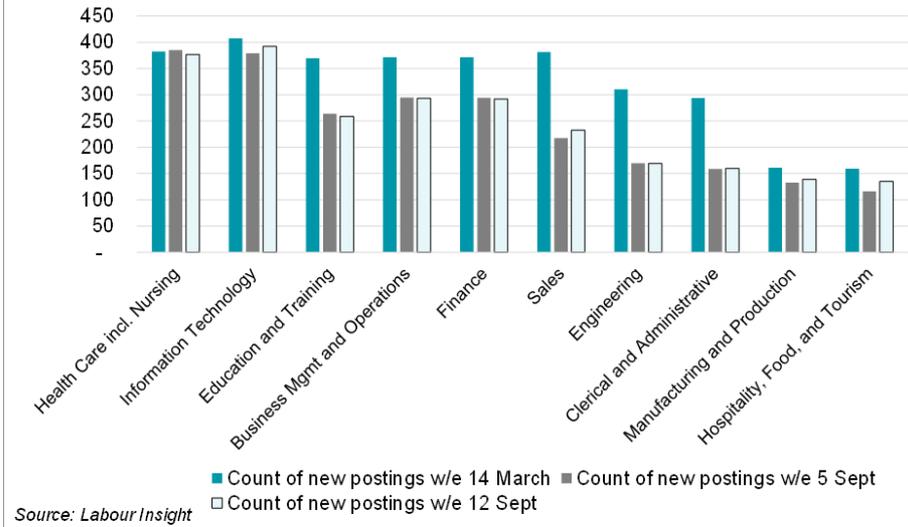
There was a 2% increase in vacancies posted online in West Yorkshire in week ending 12 September compared with the previous week. Much of this growth was due to an 11% increase in Wakefield, with the other districts seeing little change. The latest weekly count of vacancies posted for jobs in West Yorkshire was 21% below its pre-crisis level (based on week ending 14 March).

There was little change in the weekly count of vacancies for most occupational categories, with the exceptions of Hospitality, food and tourism, Sales and Information Technology, which all saw growth.

Weekly count of new online job postings by council
4 week moving average



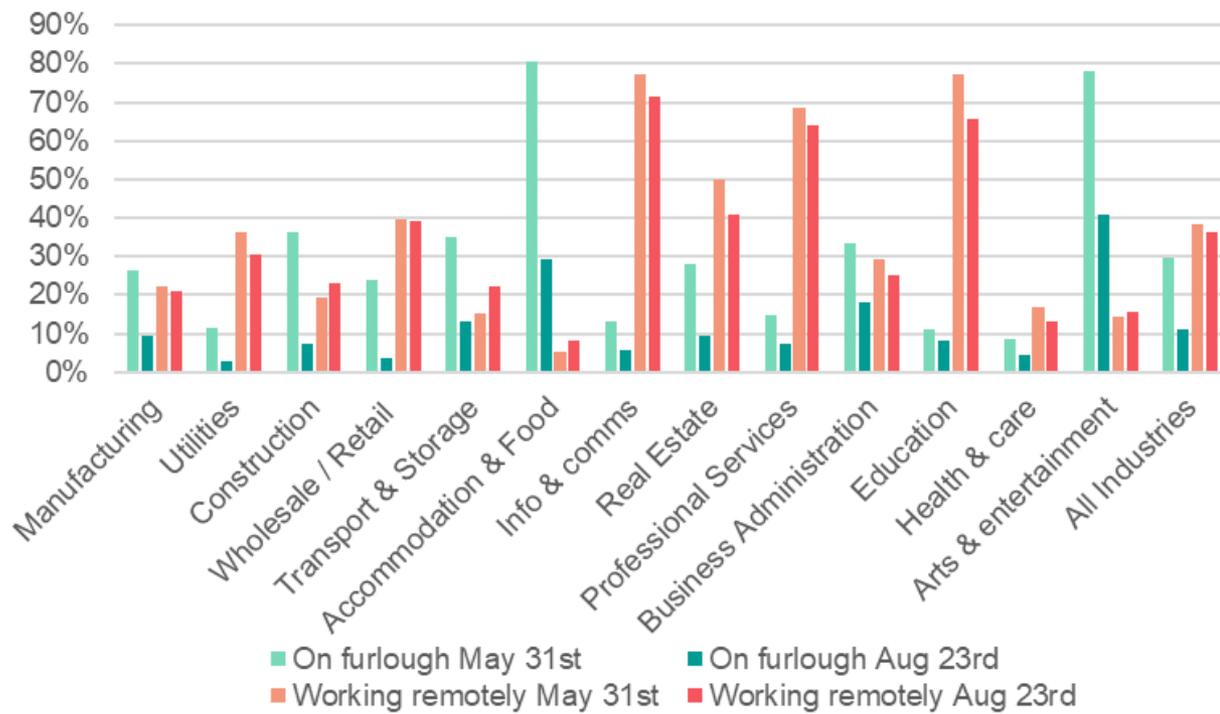
Weekly count of new online job postings in West Yorkshire by occupational category - 4 week moving average



The return to work remains very gradual

The latest ONS Business Impacts of Coronavirus Survey suggests a further fall in the proportion of workers furloughed nationally, down to 11% in the fortnight to August 23rd, compared to 30% in the 2 weeks to May 31st and 13% on August 9th. Although furlough rates remain much higher in arts & entertainment (41%), and accommodation & food (29%) they have fallen from over 75% in May.

Furlough and remote working by sector



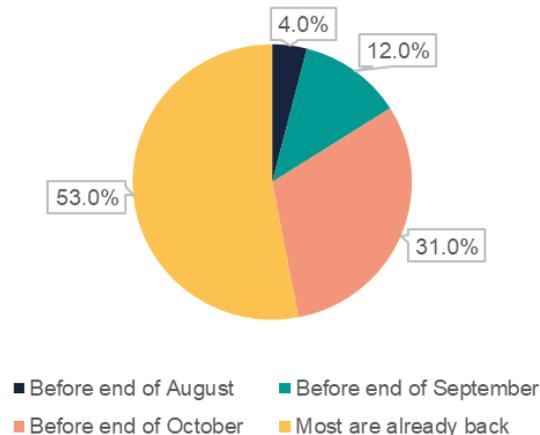
The shift away from remote working is more gradual, falling from 38.5% in May to 36% on August 23rd. Almost all of this shift has been in the fortnight since August 9th, which may suggest the start of the return to the office for some but it remains to be seen whether this continues, particularly with infection rates increasing. More than 60% are still working from home in information & comms, professional services and education (though the latter may change as the data begins to reflect schools returning).

Many businesses still using furlough, and making or considering redundancies

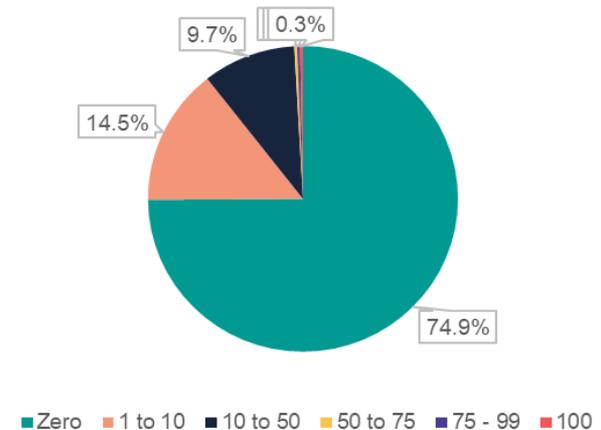
The gradual return to work is also reflected in early results from our Quarterly Economic Survey carried out with the Chambers of Commerce in Leeds City Region. Whilst half (53%) of businesses had already brought the majority of workers back from furlough when the survey was carried in mid- to late-August, most of those who were still using the scheme extensively anticipated their workers wouldn't come back until October.

A quarter of respondents also said they had made some redundancies since the start of the pandemic. Though in most cases this was less than 10% of the workforce, 10% of businesses had made 10-50% of their workforce redundant. The responses were similar when businesses were asked about their plans for redundancies when the furlough scheme ends.

When do you expect to bring back the majority of your workers from furlough?



What % of jobs have you made redundant since the start of the pandemic?

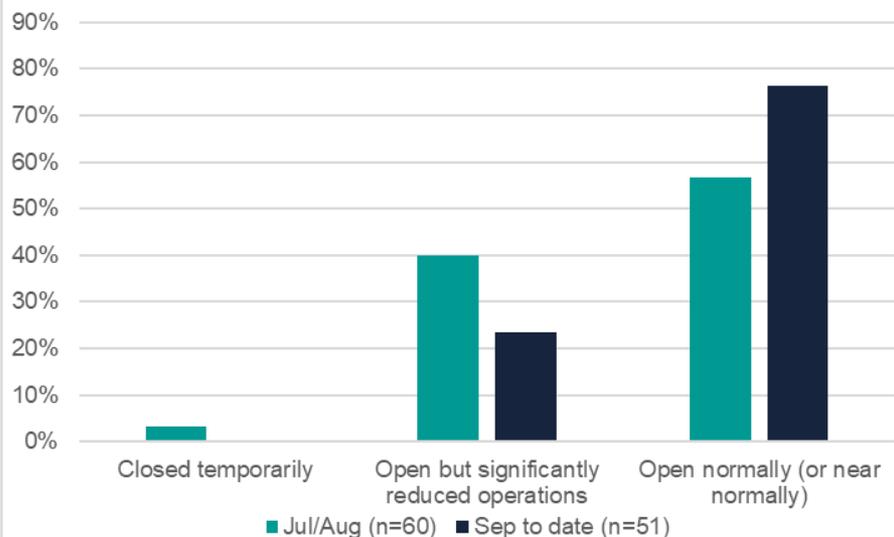


More businesses say they are operating normally

In the business interactions recorded by the LEP's Growth Managers so far in September, more businesses report operating near-normally than in July and August though almost a quarter (24%) continue to report significantly reduced operations. 42% of these are in manufacturing, with the others dispersed across sector though many are in some way linked to the retail / hospitality sectors.

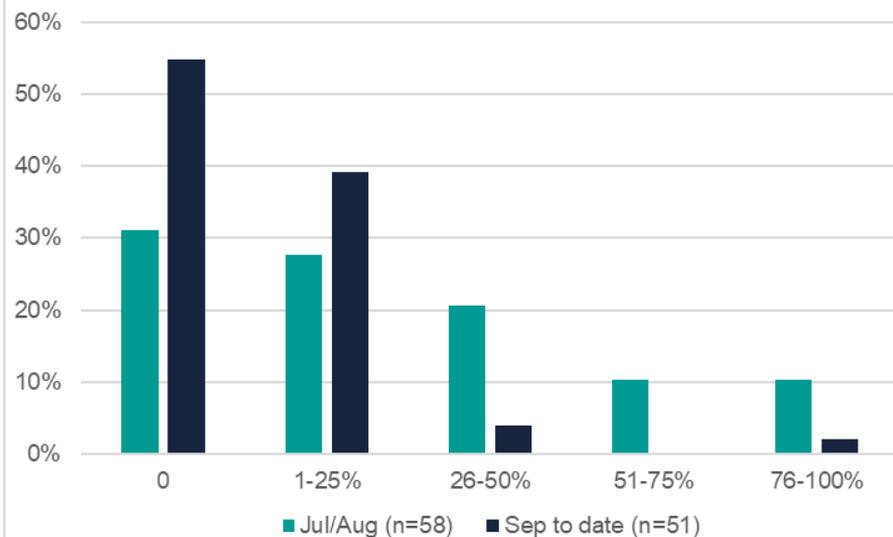
55% of businesses spoken to so far this month had no staff on furlough compared to 31% in July and August. still using the scheme. However the vast majority now have fewer than 25% on furlough.

Trading status, July-September



Source: LEP Growth Manager interactions

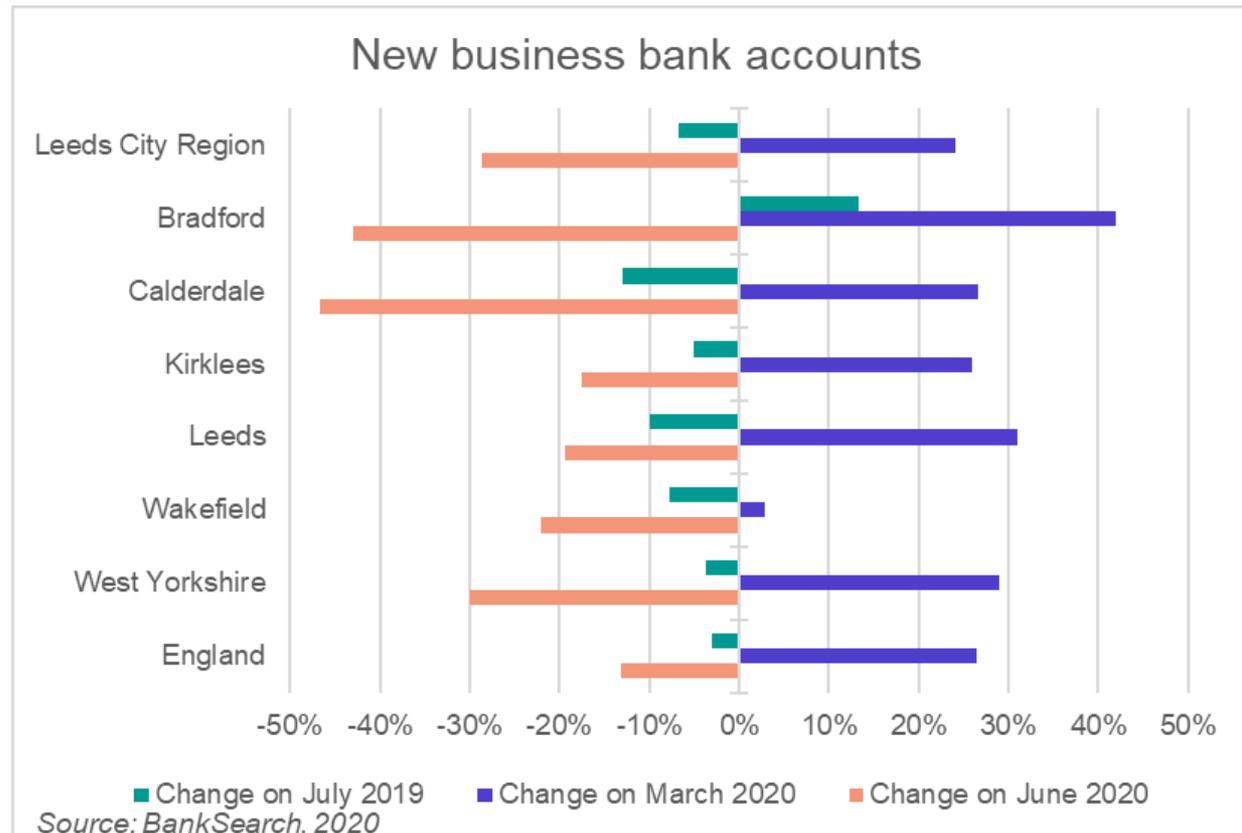
% of staff furloughed, July-September



Source: LEP Growth Manager interactions

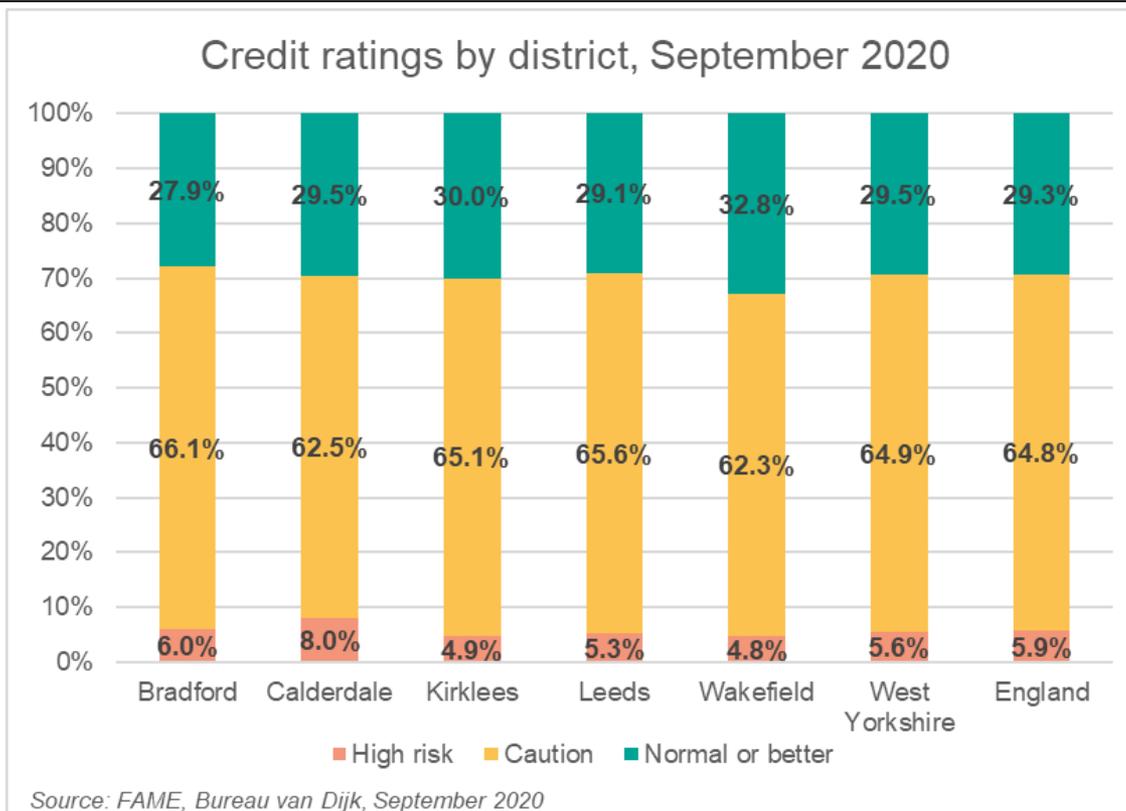
New business bank accounts fall from June, but stronger than March

The number of new business bank accounts in West Yorkshire fell by 30% between June and July. Following a record rise the previous month, new accounts are still 29% higher than in March and 3% down on July 2019. The picture is similar in the wider City Region. At district level, Bradford has seen the highest increase since March, and is the only district where the number of new accounts is above 2019 levels. The data is a proxy measure for start-up activity but could also reflect businesses seeking additional COVID-related finance, and banks' willingness to offer new accounts as many have prioritised existing customers through the pandemic.



High risk credit ratings remain stable

There are around 4,070 businesses with high risk credit ratings in West Yorkshire as of 15th September, largely unchanged (+1%) on August and 30% below the peak seen in June. 5.6% of businesses have high risk ratings, compared to 5.9% nationally. The picture is similarly stable across districts and sectors, though 8% of businesses in Calderdale have high risk ratings, and businesses in Wakefield are more likely to have normal or better ratings. There has also been a slight increase in high risk ratings in the arts & entertainment sector, up 6.5% to 115. The wholesale/retail and business administration sectors account for a quarter of all high risk ratings, with 534 each.



Centre for Cities – High Street Recovery

Overall recovery and spend index

This index looks at everyone who was in the city centre at any time of the day, compared to a pre-lockdown baseline of 100.

The spend index looks at relevant offline sales made in the city centre at any time of the day, compared to a pre-lockdown baseline of 100.



Workers index

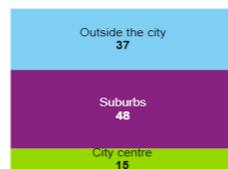
This index looks at city-centre workers in the daytime on weekdays, compared to a pre-lockdown baseline of 100.



Where were workers coming from before lockdown?



Where are workers coming from now? (Last full week of August)



Centre for Cities use mobile phone data to estimate footfall, and the origin of visitors, compared to pre-COVID-19. The index tracks four cities in West Yorkshire (Bradford, Huddersfield, Leeds and Wakefield). Across the country, footfall remains below pre-lockdown in most cities, particularly when looking at footfall among workers.

Out of the four cities, Wakefield has seen the strongest recovery in footfall, at 88% of pre-lockdown level overall and at 28% among returning workers. Spending is slightly above pre lockdown level at 105%. Leeds has the slowest recovery rate with level of workers returning only at 13% of pre lockdown levels, placing it in the bottom 10 cities in terms of footfall, which generally comprises larger cities with significant office sectors. In Huddersfield and Bradford the level of returning workers is at 18% and 23% of pre lockdown levels, respectively.

The data also suggests that, of the workers that have returned to work the majority are now coming from either within the city or from nearby suburbs, suggesting fewer longer distance commuting trips.

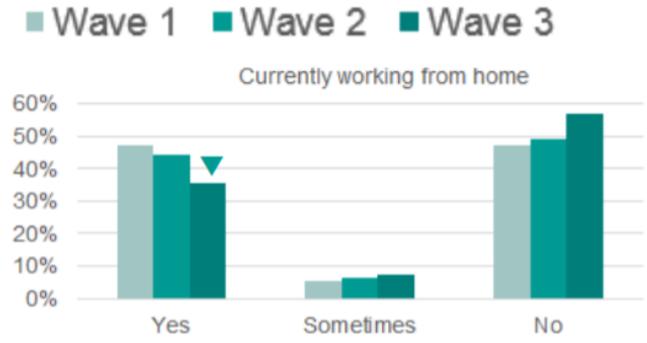
Transport Insights



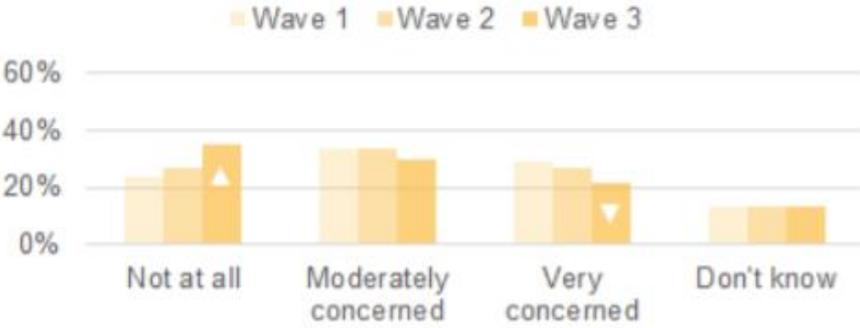
Recent transport survey results show rates of home working reducing and concern about using public transport easing

The most recent COVID-19 telephone survey results reveal:

*Significantly** fewer people now working at home compared to in June (35% vs 47%) however, the results provide further evidence of a sustained preference for home working in the long-term, with 63% of respondents indicating they are likely to work at home more often than before COVID-19.



Concern about using public transport



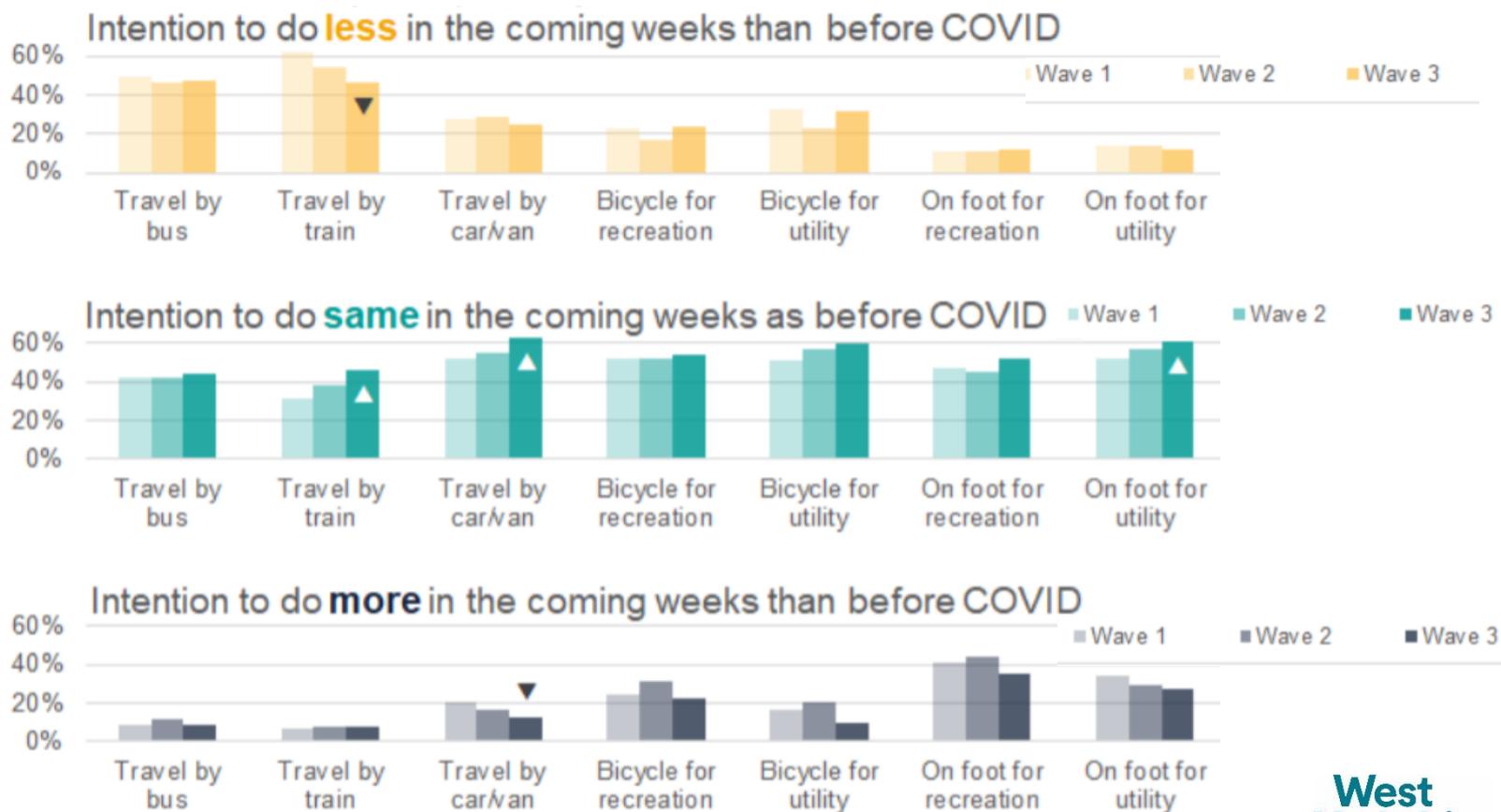
A *significant** increase in the proportion of respondents who said they were not at all concerned about using public transport (24% to 34%) compared to wave 1 of the survey (in June). In addition, *significantly** fewer respondents reported being very concerned about public transport compared to wave 1, however this is still true for more than 1 in 5 respondents.

*Statistically significant at the 95% level using the Wilson Score method.

Source: COVID-19 Transport Survey conducted 12-19 August. Sample of 700 residents statistically representative to the West Yorkshire population.

Tracking survey results hint at a potential return to some pre-COVID travel behaviours in the coming weeks; change is *significant* but slow

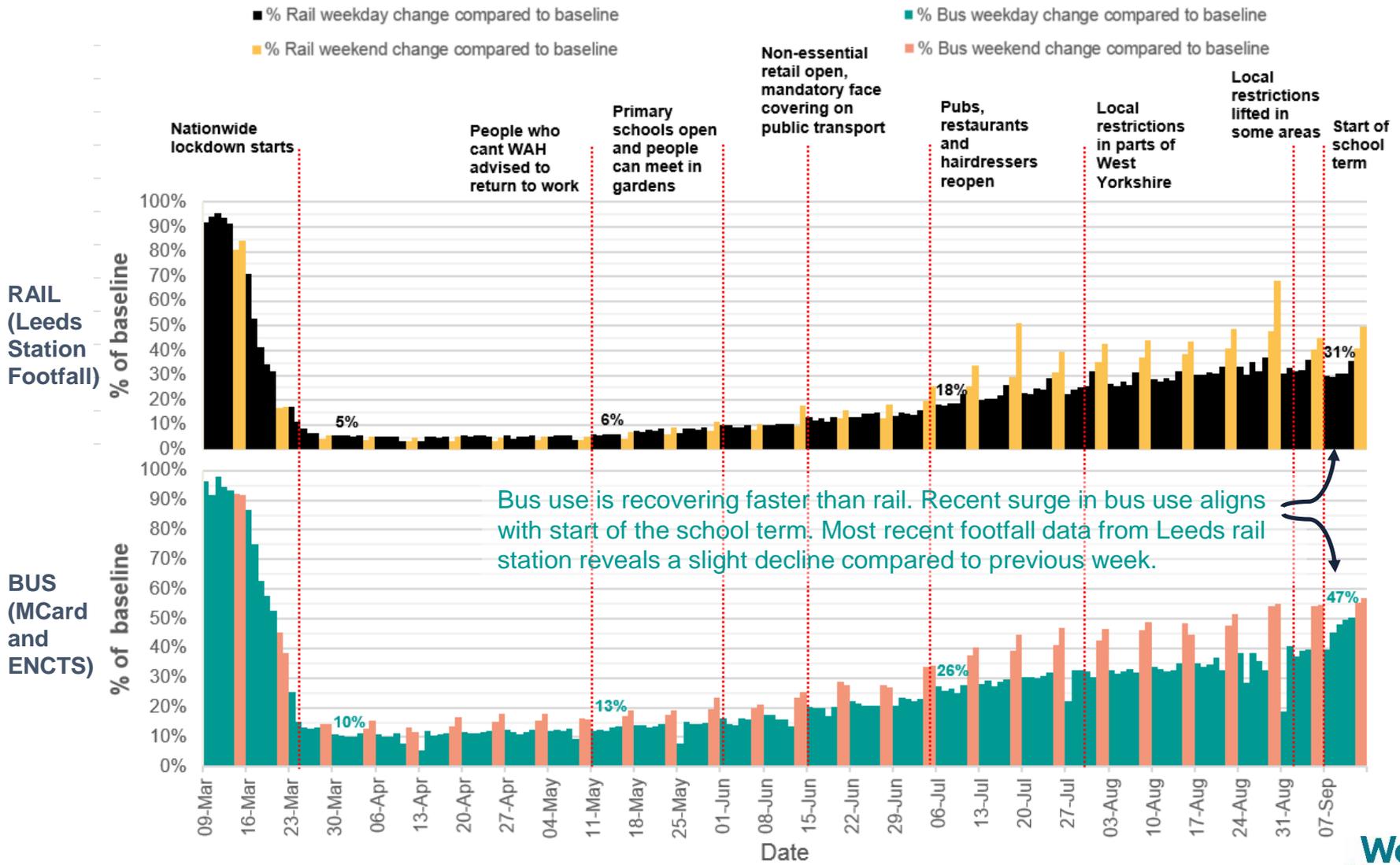
Analysis of repeat survey waves reveals the proportion of respondents who said they would travel by train, by car, walk for utility, and shop online 'the same' as before COVID has increased *significantly* compared to wave 1 indicating a potential return to some pre-COVID behaviours. However considerable avoidance of public transport still remains; 47% said they will use the bus less.



Up/down arrows denote the change is statistically significant at the 95% level using the Wilson Score method.

Source: COVID-19 Transport Survey conducted 12-19 August. Sample of 700 residents statistically representative to the West Yorkshire population.

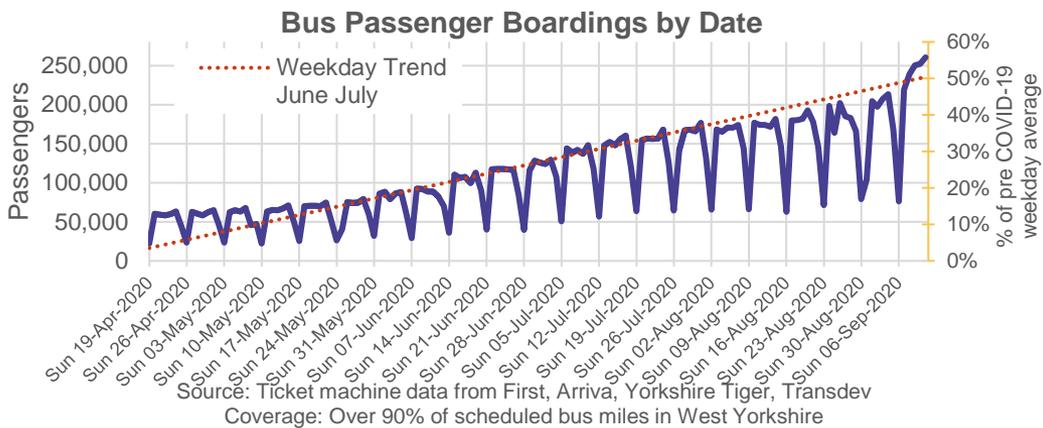
Recent rise in bus use following return to school, but rail use has stalled



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

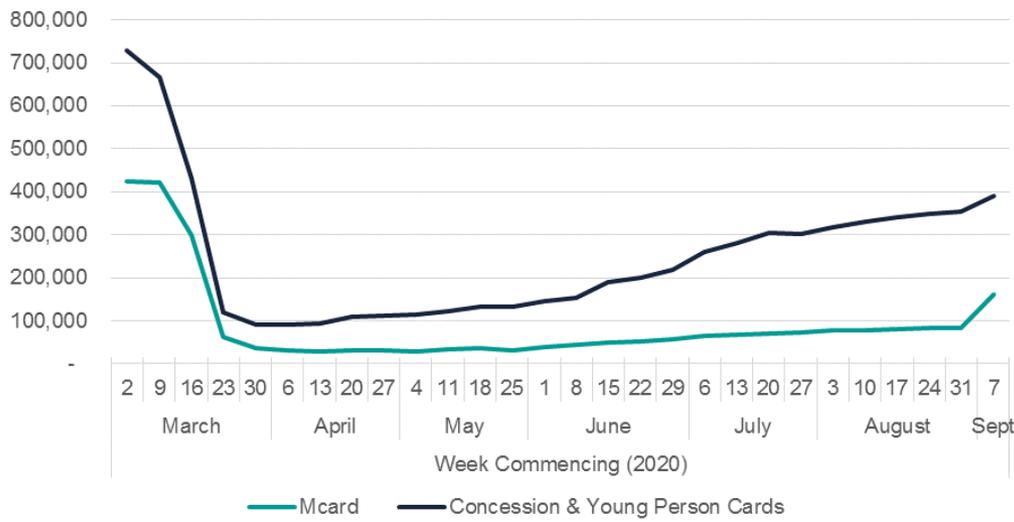
Source: Leeds Rail Station Footfall -Network Rail and MCard and English National Concessionary Travel Scheme (ENCTS)

Bus use recovery continues in August and September with a surge at the start of the school term and ENCTS recovery faster than pre-paid MCard



Bus passenger numbers fell sharply as social distancing and lockdown measures were introduced. August patronage was below the June-July trend, however usage has increased rapidly at the start of school term. The data available is up to 11th September.

NERO Weekly Bus MCard and Concessionary Use



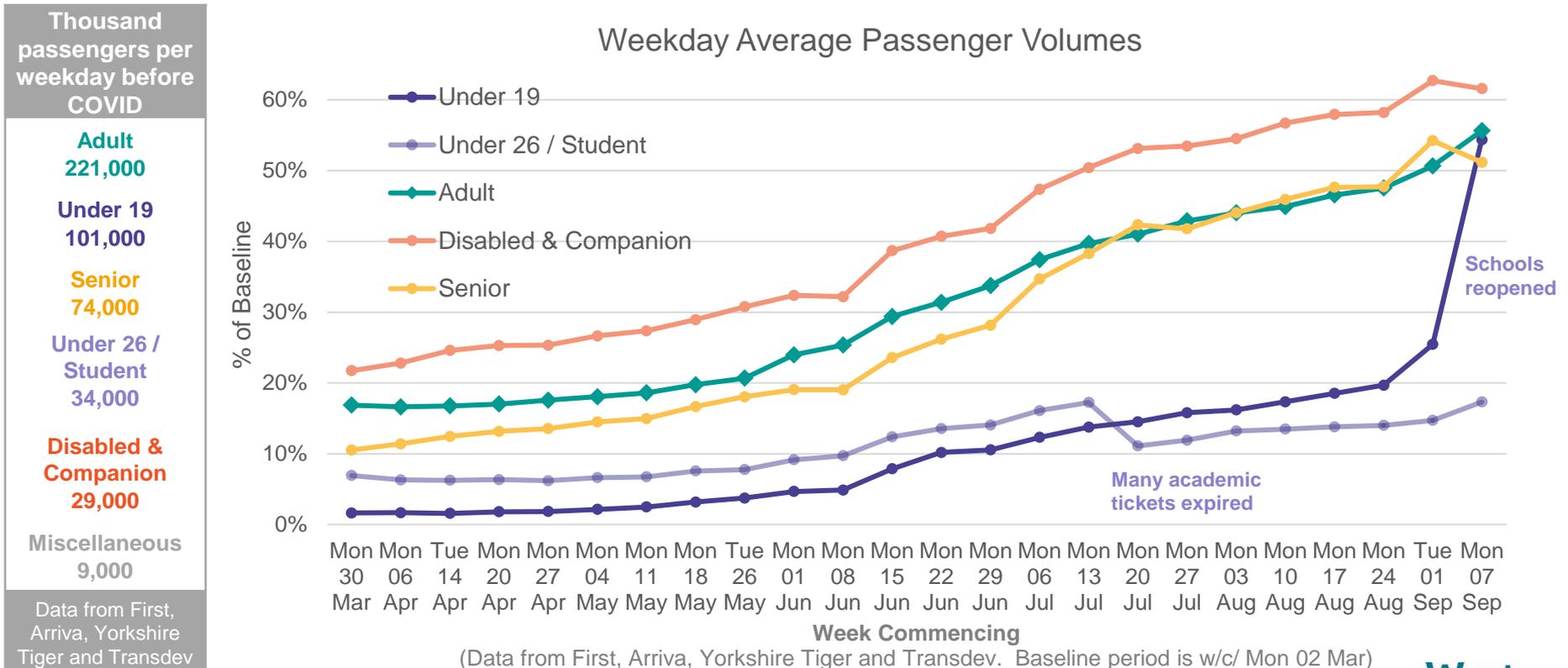
For the week beginning Monday 7th September 2020, the combined level of MCard and concessionary fare use shows a reduction of 52% against the week beginning 2nd March 2020. This is an increase of 26% against the previous week, largely driven by a near doubling of mid-week MCard journeys, much of which is associated with under 19 MCard use. The chart (left) reveals that senior, disabled and young person concessionary card usage has recovered more successfully than that of pre-paid MCard products.

Source: WYCA NERO reports



Rapid resurgence in travel by passengers aged under 19 as schools reopen

Data from bus ticket machines reveals a rapid resurgence in travel by passengers aged under 19 as schools reopened. The disabled & companion cohort is still the nearest to pre-COVID levels, but they only make up 6% of total passengers in the baseline. Data in the chart below is for weekdays excluding bank holidays, with ticket types assigned to broad cohorts. Some cohorts overlap, for instance the under 26 / student cohort includes some under 19s.

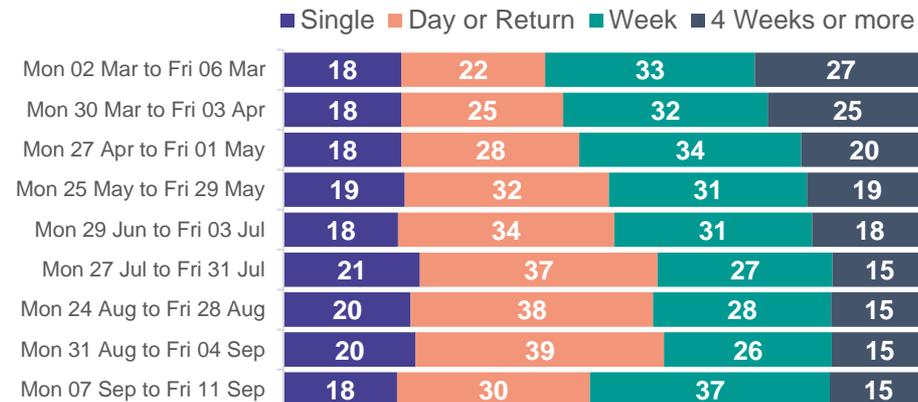


Source: Bus operators electronic ticket machine data, passenger boarding locations in West Yorkshire. First, Arriva, Yorkshire Tiger and Transdev account for over 90% of bus services in West Yorkshire. Data has been recalculated since the previous report to transfer some passengers from miscellaneous to senior or disabled using Nero data.

Weekly ticket usage has increased but use of longer validity remains low

The choice of fare paying passengers provides an indication of the commitment and confidence in continued use. It may also reflect the passenger's cash flow. There has been a move to shorter-term tickets; the proportion of passengers using day tickets has increased and the proportion using tickets valid for 4 weeks or more has decreased. There was a notable increase in the proportion of journeys on weekly tickets coinciding with the start of school term.

Ticket Commitment (% of Bus Journeys)



Source: Ticket machine data from First, Arriva, Yorkshire Tiger, Transdev

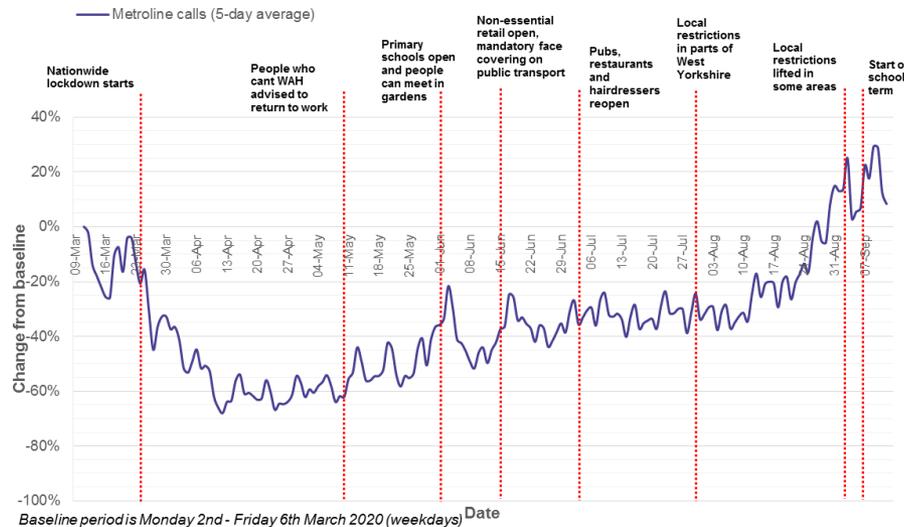
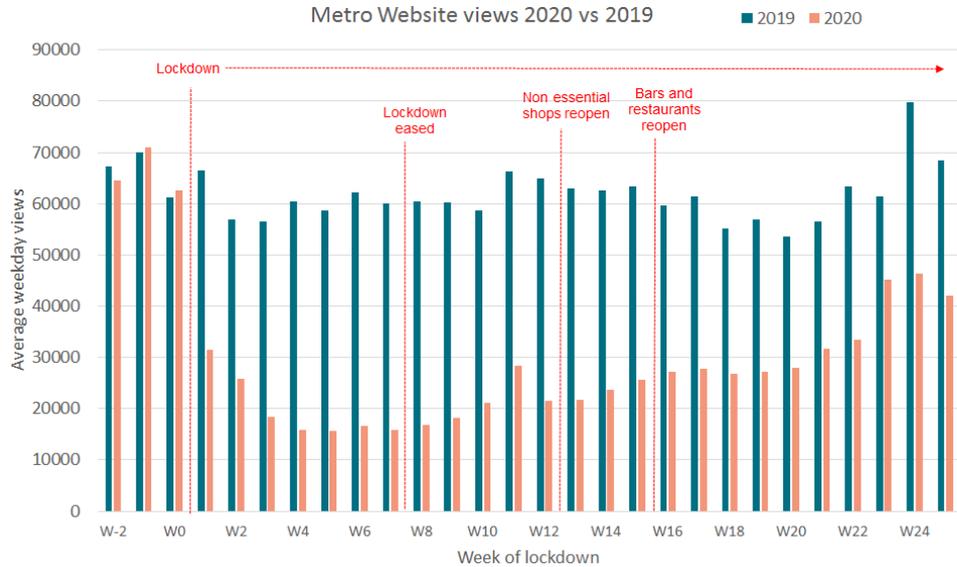
Weekday Under 19 MCard Journeys



Source: MCard scheme data in the Nero database

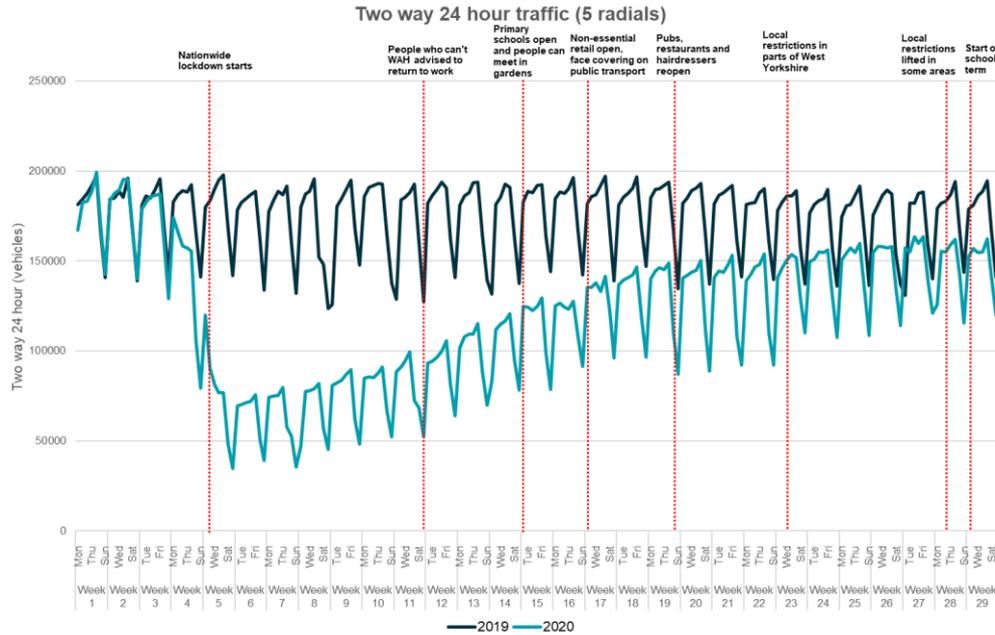
There were 87,000 weekday journeys on Under 19 MCards in the week when most schools reopened. This was 66% of the equivalent week last year, and 38% of the pre-COVID baseline. It was over 12 times the number of weekday journeys made in the week before the August bank holiday. The reduction in the use of weekly tickets was not as great as the reduction in the use of monthly tickets and there is a small increase in the use of day tickets (MyDay) when compared with the pre-COVID situation.

Demand for travel information is gradually increasing and spiked due to return to school



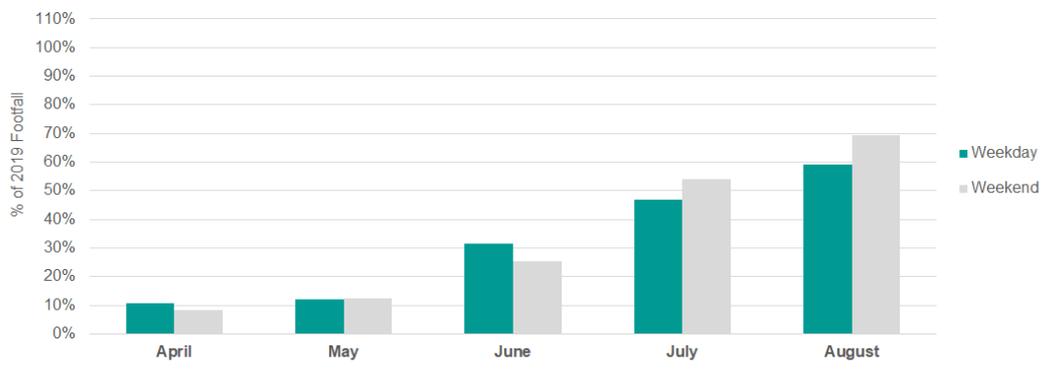
The number of page views to the various pages on the Metro website are available through Google Analytics (top left chart). For the week commencing 7th September, average weekday page views were 61% of the level in the same week of 2019. Page views were down by 10% from the previous week, which saw a considerable spike in demand for travel information associated with the start of the school term (as shown in 2019 data). A similar pattern is visible in the Metroline call centre data (bottom left chart). Note, Metroline provides general travel information, including timetable, pass and disruption information.

Traffic around Leeds is steadily returning to pre-lockdown levels and weekend city centre footfall is at its highest level since the start of lockdown



Traffic in Leeds continues to return towards pre-lockdown levels; weekday traffic at five key radial routes is now only 16% below the same week in 2019.

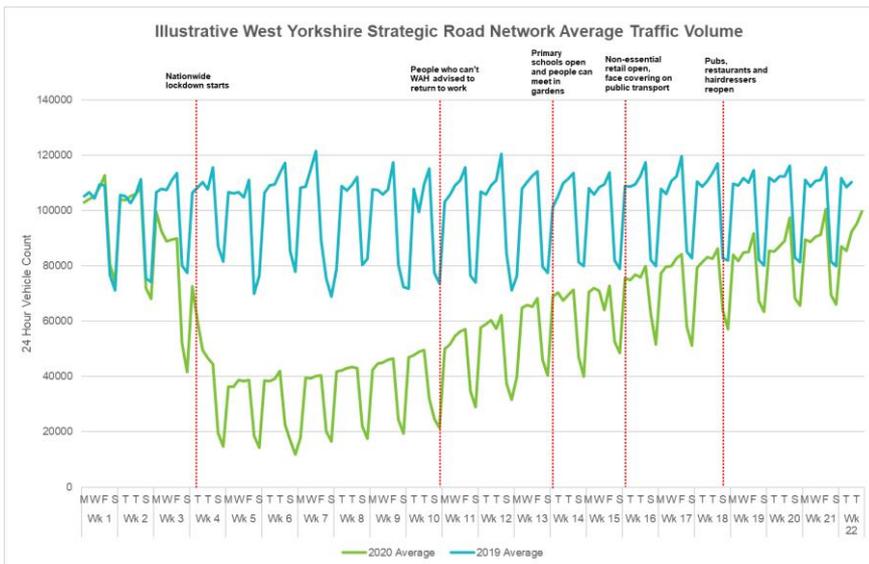
Change in Leeds City Centre Daily Footfall 2019 to 2020



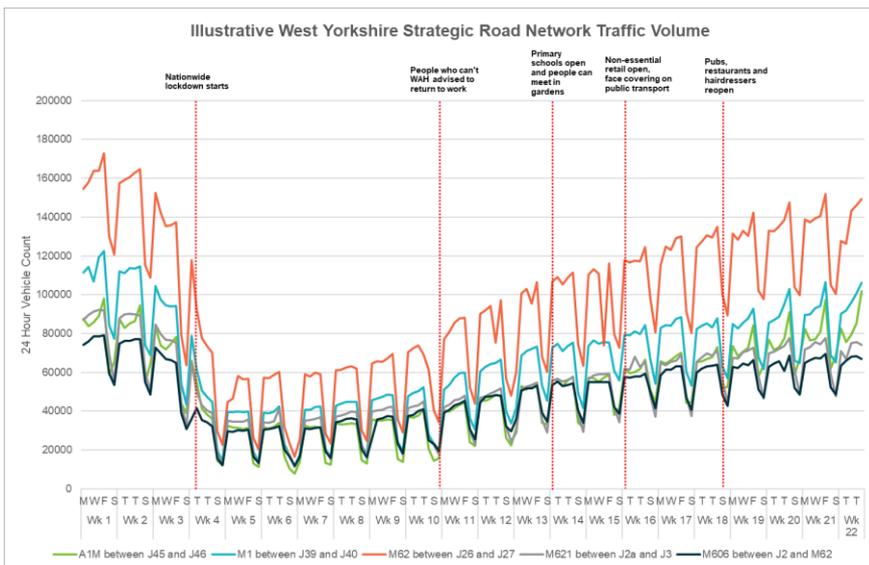
Leeds City Centre footfall continues to increase and has recovered more at weekends than weekdays, with August weekend footfall reaching 70% of the 2019 total while only 59% of weekday footfall has returned. The decline in weekday footfall can be attributed to a lack of workers returning to the City Centre.

Source: Leeds City Council CORONAVIRUS TRAFFIC UPDATE 14-9-20 (top), Leeds City Council Footfall data (bottom)

Traffic on the West Yorkshire strategic road network is steadily returning to pre-lockdown levels



Traffic on the West Yorkshire strategic road network continues to return to pre-lockdown levels. For the latest full week with available data (w/c 20th July) average traffic flows across selected points on the network were only 17% below the same week in 2019.



Traffic volumes were taken at a point on each strategic road in West Yorkshire to show change.

The A1(M) showed the greatest level of recovery with the latest full week flow (w/c 20th July) being 4% below the week commencing 2nd March.

The M1 and M621 showed the lowest level of recovery with the latest full week flow (w/c 20th July) being 17% below the week commencing 2nd March.

Generally for sites with long-term data available, NO₂ levels remain below pre-lockdown levels

Air quality monitoring data reveals NO₂ concentrations continue to increase as lockdown restrictions ease. Peaks in NO₂ concentrations somewhat align with traditional morning and evening peaks associated with commuting to district centres. During these peaks NO₂ concentrations have begun to approach, and at times exceed, the lowest band of the DEFRA Air Quality Index at key locations such as Clay Pit Lane on the approach to Leeds City Centre and in Huddersfield Town Centre.

