

England – 2016

In 2016, British residents took 99.3 million overnight trips in England, totalling 288 million nights away from home and expenditure of £18.5 billion, with an average trip length of 2.90 nights. The number of domestic trips was 4% lower than in 2015.

44.7 million Holiday trips were taken in England in 2016. The number of holiday trips taken was on par with 2015. At 29.3 million, short breaks of 1-3 nights account for two-thirds of English holidays by volume. 15.4 million 4+ night holidays were taken. 14.1 million Overnight business trips were taken in England in 2016. The number of business trips was on par with 2015. The number of VFR trips taken declined by 9% in 2016, to 36.9 million.

Overseas trips to England increased by 4% compared to 2015 to a record £37.6 million and spend by 2% to £22.5 billion.

During 2016, GB residents took a total of 1,834 million Tourism Day Visits to destinations in England, Scotland or Wales, increasing by +5% compared to those taken in 2015 (1,754); and around £64 billion was spent during these trips, increasing by 3% year-on-year (£61.9 billion in 2015).

The South West Region – 2016

From a regional perspective the indications are that 2016 was a relatively good year for tourism in the South West despite a relatively slow start to the year with unsettled weather undoubtedly being a contributory factor during the February half term and Easter holiday periods. Peak season performance however remained very positive with increases in both visitors and turnover (compared to 2015) throughout the months of June to October and finishing off with a positive performance during December. Business optimism was at a good and relatively stable level throughout 2016 reflecting a steady year for the industry and in line with national tourism survey data.

The modelled regional data for 2016 which has been derived from the national surveys, although differs from published data for the South West, estimates that;

- In terms of UK staying visitors the South West witnessed an increase of 2% in terms of trips, although nights and spend decreased by 1% in each case.
- Overseas trips to the region increased by 5%, nights increased by 3% and spend increased by 6% compared to 2015.
- Day visits to the South West are estimated to have increased by 4% and day visit spend increased by 2% compared to 2015. Visits to urban areas increased by 3%, visits to rural areas increased by 7% and visits to coastal areas increased by 4% compared to 2015. Spend in urban and rural areas remained at a similar level to 2015 although coastal day visit spend increased by 14%.

2016 Month by Month Impacts

	<u>Weather impacts</u>	<u>Economic impacts</u>
<u>January</u>	<p>At the start of January, the UK was in a very unsettled regime dominated by low pressure, with frequent active depressions and fronts, and record-breaking rainfall totals in north-east Scotland. It was a generally mild month in the south, but it turned colder everywhere for a few days around mid-month, with widespread frosts, and some snow, mainly over high ground and in the north. The last third of January was generally very mild and wet with strong winds, although Scotland was colder at times with wintry showers. Storm Gertrude caused widespread disruption near the end of the month, with damaging winds.</p> <p>Although there was only one named storm this month (Storm Gertrude on the 29th) the legacy of the exceptionally wet December meant an ongoing threat of flooding in January in parts of the country, especially the north. North-east Scotland was especially affected by flooding from persistent heavy rain, and by the 13th, Aberdeenshire had already recorded its wettest January in a series from 1910.</p> <p>Localised flooding occurred over many parts of the UK during the first three days. On the 4th, widespread flooding affected eastern Scotland, especially Aboyne (Aberdeenshire), causing road and rail closures, and there was heavy erosion on the banks of the river Dee. Flooding continued to cause transport problems across north-east Scotland and north-east England on the 5th.</p> <p>Northern Ireland was also affected by flooding, and on the 6th/7th, homes and businesses on the shores of Lough Neagh were flooded as water levels reached a 30-year high. There was also transport disruption and a large landslide on farmland in County Antrim. In eastern Scotland, the 7th saw numerous road closures due to flooding, Blair Atholl (Perthshire) was cut off for a time and rail line between Aberdeen and Dundee was closed. The flooding in eastern Scotland continued into the 8th.</p> <p>On the 11th, localised flooding of road and rail routes were reported across East Anglia and the Home Counties, with school children having to be rescued from a bus trapped in flood water in Farnham (Essex).</p> <p>On the 13th and 14th, snow caused road closures in parts of Scotland and northern England, most notably closures of the A68. The 16th and 17th had further disruption due to snow, with significant disruption to Scottish football fixture lists and East Midlands Airport was closed for more than four hours.</p>	<p>The UK faces a "cocktail" of serious threats from a slowing global economy as 2016 begins, Chancellor George Osborne warned.</p> <p>Speaking in Cardiff, Mr Osborne said 2016 was likely to be one of the toughest since the financial crisis. He told business leaders that far from "mission accomplished" on the economy, "2016 is the year of mission critical".</p> <p>His message was in stark contrast to the positive tone of his Autumn Statement, when he said the UK was "growing fast". Earlier the chancellor told BBC Radio 4's Today programme that the Autumn Statement had put in place a four-year plan to restore the UK's public finances, and make the economy more productive, with businesses more competitive so they could create jobs.</p> <p>"It is precisely because we live in an uncertain world. It is precisely because we have not abolished boom and bust as a nation, that you need to take these steps, difficult steps, and I need to go explaining to the public, that the difficult times aren't over, we have got to go on making the difficult decisions, precisely so that Britain can continue to enjoy the low unemployment and the rising wages that we see at the moment," Mr Osborne said.</p> <p>The chancellor's warning came on the same day that China suspended trading on its stock markets after only 15 minutes. Circuit-breakers triggered the Chinese share suspension following a 7% fall in the country's main index. Later on Thursday, the Chinese authorities said they were suspending the circuit-breaker system.</p> <p>The price of a range of key commodities, such as oil, gas and iron ore, has fallen sharply in the past year, a move that indicates weakening demand in the global economy while oil prices hit fresh 11-year lows. But shadow chancellor John McDonnell blamed the government's "failed economic policies" for the threats facing the economy. "It's a cocktail of his own mixture - failing to invest, failing to rebalance the economy, relying upon consumer debt to boost the economy for an election victory and now we're facing our own lethal cocktail within our own economy," he told the BBC.</p> <p>"He's getting his excuses in early for the problems that he's caused that will now unfortunately hit upon many families across the country, especially if interest rates are increased during the year."</p>

	<p>On the 26th, two lorries were blown over on an exposed bridge on the A1, and the M8 was also closed for a time. The M9 near Falkirk was closed due to surface water flooding, and pupils at Aberfoyle Primary School had to be rescued by boat after the nearby River Forth burst its banks. Further south, flooding affected road and rail links in Cumbria, with more localised property flooding. Coastal flooding closed a rail line in North Wales, and over 1,000 properties in Wales were affected by power outages.</p> <p>On the 27th, flooding was reported in Northern Ireland, affecting a housing estate in County Down, while there was a landslide on the A2 and some road flooding. There were widespread reports of transport disruption across southern Scotland, with the Borders towns of Hawick and Jedburgh affected. The A7 and A68 south of the towns were both closed, and the rivers in both towns burst their banks. Road and rail travel across northern England was disrupted by flooding, particularly across Cumbria.</p> <p>Storm Gertrude on the 29th closed the Tay and Forth Road Bridges during the morning, caused localised landslides, fallen trees, isolated cases of structural damage, overturned lorries on the M9, A96 and M74, closed schools, left around 8,500 properties without power across Scotland, and a man was taken to hospital in Edinburgh with head injuries after being hit by windblown debris. Across northeast England, around 6,500 properties suffered power outages, the Metro and east coast trains were disrupted due to overhead line problems and a small aircraft blown was over at Durham Tees Valley Airport.</p> <p>Storm force winds for the Shetland Islands meant that all schools were closed, there were some power outages and overturned vehicles, but fortunately impacts were small considering the strength of the winds.</p> <p>Snow on the 30th led to difficult driving conditions and some minor road closures in Scotland.</p>	
<p><u>February</u></p>	<p><u>Weather impacts</u></p>	<p><u>Economic impacts</u></p>
	<p>At the start of February, the UK was in an unsettled west to south-westerly regime with frequent rain, especially for western areas. Storm Henry brought widespread gale-force winds on the 1st and 2nd, especially in the north, and then Storm Imogen brought further strong winds mainly to the south on the 7th and 8th. It turned colder around the 15th with some scattered wintry showers and sharp night frosts. After some further rain, there was a mild interlude over England and Wales on the 20th and 21st, but the remainder of the month was generally dry, sunny and cold.</p> <p>Early February saw a continuation of the unsettled conditions that had typified the winter of 2015/16 so far. There was heavy rain and strong winds from Storm Henry</p>	<p>UK economic growth in the last three months of 2015 was confirmed at 0.5%, figures showed, supported by steady growth in the services sector.</p> <p>The Office for National Statistics' (ONS) second estimate of GDP growth for the quarter was unrevised. The growth estimate for 2015 was also unchanged at 2.2%, which was the slowest annual pace since 2012. However, the UK economy remains one of the fastest growing of the developed nations.</p> <p>The ONS noted that the fourth quarter of 2015 was the 12th consecutive quarter of growth, compared with the erratic pattern of behaviour between 2009 and 2012. ONS</p>

	<p>on the 1st and 2nd, and Storm Imogen on the 8th, but the weather became generally quieter as the month progressed.</p> <p>On the 1st, roads and rail travel were disrupted in parts of Wales, Shropshire, north-east England and Scotland due to fallen or unsafe trees. Lorries were overturned on the Humber Bridge and in various parts of Scotland, and the Forth and Tay Road Bridges were closed to traffic. On the 2nd, there was a landslide on the A9 in Sutherland. On both days, numerous schools were closed across the Highlands and Islands, and structural damage was reported in Glasgow, East Kilbride and Dundee.</p> <p>On the 7th, heavy rain caused localised flooding across Cornwall, with the A30 closed due to a landslide, flooding and a fallen tree, and flooding affected the fishing village of Portreath. Fallen trees and localised flooding affected road and rail travel across parts of southern England, and the Severn Bridges were closed due to the strong winds. Blaenau Gwent sports centre was evacuated after heavy rain led to the partial collapse of the roof. On the 8th, the QE2 Bridge was closed in addition to the Severn Bridges, and more than 5,000 properties lost power across south Wales, south-west England and the Midlands. Ferry and train services were cancelled or disrupted, and fallen trees, localised flooding and minor property damage were reported quite widely across southern parts of the UK. Two lorries were overturned in south Wales, structural damage was reported in Milford Haven, and parts of Llanelli and Bridgend town centres were closed due to the danger from falling slates.</p> <p>The weather subsequently became a lot quieter, but ice caught out many drivers following the mild winter, especially in southern parts of the UK. Notable increases in road traffic collisions were reported in south-west England on the 15th and East Anglia on the 16th. Otherwise, there were no further noteworthy weather impacts.</p>	<p>chief economist Joe Grice said: "Once again, the buoyancy of the services sector has offset the relative sluggishness of the rest of the UK economy."</p> <p>Output in UK's services sector grew 0.7% in the three months to the end of December. Household spending slowed slightly in the quarter, but still rose by 0.7%. However, the production sector and net trade dragged on growth in the final three months of 2015. Production output, which includes heavy industry, energy and manufacturing, contracted by 0.5% in the fourth quarter compared with the previous three months.</p> <p>Vicky Redwood, economist at Capital Economics, warned "the recovery remains entirely dependent on consumer spending". Chris Williamson, economist at research firm Markit, said the ONS data painted "a picture of an unbalanced economy that is once again reliant on consumer spending to drive growth as business shows increased signs of risk aversion". "Growth is being supported by firms increasing the wages paid to workers alongside low inflation, which is clearly good for household incomes in the short term. But for a sustainable recovery, which involves improvements in productivity and profits, we also need to see business investment revive, something which will only happen when business confidence lifts higher again."</p> <p>Last month, Chancellor George Osborne warned that the economy was facing a "dangerous cocktail" of risks in 2016, ranging from slowing global economic growth to volatile stock markets and the continuing slump in oil prices. On Wednesday, the International Monetary Fund (IMF) said the UK economy's recent performance had been "strong", but added that the referendum on EU membership was a "risk and uncertainty".</p> <p>The IMF also said that the global economy had weakened further and warned it was "highly vulnerable to adverse shocks". It said the weakening had come "amid increasing financial turbulence and falling asset prices".</p> <p>The IMF's report comes before the meeting of G20 finance ministers and central bank governors in Shanghai. It said China's slowdown was adding to global economic growth concerns. China's economy, the second-biggest in the world, is growing at the slowest rate in 25 years. "Growth in advanced economies is modest already under the baseline, as low demand in some countries and a broad-based weakening of potential growth continue to hold back the recovery," the Washington-based IMF said.</p>
<u>March</u>	<u>Weather impacts</u>	<u>Economic impacts</u>
	<p>At the start of March, the UK's weather was dominated by low pressure, bringing wet and fairly cold weather with some short-lived snowfalls, mainly on high ground. There were strong winds in the south-west on the 2nd, associated with Storm Jake, and it was very wet across England and Wales on the 8th. However, high pressure became established from the 13th to the 23rd, bringing dry, settled weather, often with plenty of sunshine for western areas. More unsettled weather</p>	<p>The Bank of England has warned that a vote on the UK's membership of the European Union poses risks to economic growth, in a move that sees the central bank become increasingly active in the political debate.</p> <p>Members of the Bank's Monetary Policy Committee - which vote on interest rates - said that concerns about a possible Brexit had weighed on the pound, and may "also delay some spending decisions and depress growth of aggregate demand in the near term".</p>

	<p>then returned during the last week, and Storm Katie brought damaging winds on the 28th, particularly in the south-east.</p> <p>The month saw notable wind and rain impacts from Storm Jake on 2nd, an unnamed storm on the 9th and Storm Katie on the 28th, with a fortnight of settled weather with high pressure established during the middle of the month.</p> <p>On the 2nd, storm Jake brought strong winds across the south-west. Roads were closed due to fallen trees, 600 properties left without power and tiles blown from roofs in parts of Wales. Snow caused difficult driving conditions across Northern Ireland, bringing some transport disruption, while commuters in North and West Yorkshire were also affected by hazardous conditions due to snow.</p> <p>There was further snow overnight from 3rd to 4th across northern England. This caused the closure of many higher roads in Cheshire, Derbyshire and West Yorkshire, with some reports of overturned vehicles and difficult driving conditions across Wales and the West Midlands. Almost 200 schools were closed across east Lancashire, Manchester and West Yorkshire. Passengers were delayed at Manchester Airport, and Leeds Bradford Airport suspended all morning flights.</p> <p>On 8th to 9th March, further strong winds caused some structural damage in the south-west. More than 6,000 properties were without power, and fallen trees caused transport disruption across Cornwall, while a lorry was blown over on the A30. The rain also caused some flooding problems in the Midlands, with Network Rail reporting some flooding on railway lines. 28 properties were flooded in Northamptonshire, and part of the A14 in Cambridgeshire was closed due to flooding.</p> <p>There were further strong winds in the south on the 26th, bringing some localised disruption from fallen trees, while a young girl was tragically killed when a bouncy castle was blown some distance across a park in Harlow, Essex.</p> <p>Storm Katie brought strong winds to south-east England on Easter Monday 28th March. The M25 QE2 Bridge, the M48 Severn Bridge and the A38 Tamar Bridge were all closed for a time, flights to and from Gatwick and Heathrow were diverted or cancelled, the Port of Dover was closed for a period, and more than 200,000 properties without power across the area. The gable end of a pub in Battersea collapsed, and a crane was bent backwards in south London.</p>	<p>“There appears to be increased uncertainty surrounding the forthcoming referendum on UK membership of the European Union,” the MPC said in a statement published after its latest meeting, which finished on Thursday morning. It continued: “That uncertainty is likely to have been a significant driver of the decline in sterling”.</p> <p>The Bank has previously been at pains to avoid taking a side on the EU referendum, however, the event has become a focus of investors in recent months. As such, it has become impossible for the MPC to ignore the possibility of a Brexit in its analysis of the UK economy.</p> <p>James Knightley, an ING Bank economist, said that campaigners for a Brexit were “likely to be up in arms” that the Bank had come off the fence on the issue. Mr Knightley added that the central bank’s commentary was “nothing more than stating the obvious, but it could be the first step into what could become a more concerted campaign to highlight the economic risks”.</p> <p>It came as the MPC revealed that it had voted unanimously to keep the Bank’s interest rates at a record low for a seventh year. The central bank’s main policy rate has remained unchanged at 0.5pc since March 2009.</p> <p>Howard Archer, an IHS Global Insight economist, said: “There currently looks to be every chance of an eighth anniversary of interest rates at 0.5pc in March 2017.” Markets currently anticipate that the Bank’s rates will remain at their historic lows until at least 2019.</p> <p>Anders Svendsen, a Nordea economist, said that “uncertainties around a potential Brexit, financial market volatility, recent weak wage data and subdued global growth are all reasons for the Bank to remain on the sidelines”.</p>
April	<u>Weather impacts</u>	<u>Economic impacts</u>
	At the start of April, the UK's weather was unsettled and dominated by low pressure, with frequent showers and some longer spells of rain. This unsettled regime continued into the second week, with low pressure to the south-west in	The UK's economic growth slowed in the first quarter of the year, hit by a drop in manufacturing and construction output, official figures showed.

the Atlantic drawing in an easterly airstream. The second half of April was mostly cold, bright and showery with frequent northerly winds, although there was a brief warm sunny spell in central and northern areas between the 19th and 22nd. Sleet and snow fell unusually widely for late-April between the 26th and 29th, with some accumulations even at lower levels in the north-east accompanied by sharp frosts.

Thunderstorms affected north Essex, south and east Suffolk on the 12th, and lightning strikes and torrential rain affected the activities at Ipswich Hospital. A lightning strike caused the failure of the hospital's pager system and flooding affected some computers. Thunderstorms also affected parts of Kent on the 13th, and a Morrison's supermarket in Canterbury was evacuated after the building was reported to have been twice struck by lightning during the afternoon.

On the 15th, localised surface water flooding from heavy downpours was reported to have caused traffic disruption and long travel delays in parts of Greater London during the evening rush hour.

During the last week of April, a cold, northerly airflow introduced arctic air across much of the UK bringing wintry showers and overnight frosts. From 25th to 27th, some high level routes had some limited snow, with the temporary closure of a couple of the highest and most prone routes.

An Atlantic low pressure system introduced some more persistent snow across parts of Scotland on 28th and 29th. Very difficult driving conditions were reported as the band of rain, sleet and snow moved across northern parts of the UK, with the combination of snow and wind leading to blizzard conditions on some main routes. The island of Mull was badly affected by lying snow, with reports of cars being trapped in snow and ferries unable to run due to the closure of the access road. Some road traffic collisions were reported on higher routes in Cumbria, and snow was also reported to have caused some limited travel disruption in Lancashire, Greater Manchester, Derbyshire, West and North Yorkshire, and north Wales.

Gross domestic product grew by 0.4% between January and March, down from 0.6% in the fourth quarter, the Office for National Statistics (ONS) said.

On an annual basis, growth was 2.1%. The 0.4% rate was in line with economists' expectations, and marks the 13th consecutive quarter of positive growth for the UK. Part of the slowdown was due to a sharp fall in construction output, which dropped 0.9% in the first quarter. Industrial output, which includes manufacturing, declined by 0.4%.

The service sector, the biggest part of the economy, grew by 0.6%. "Services continue to underpin the economy but other sectors have shown falling output this quarter," said ONS chief economist Joe Grice. This is the first estimate of economic growth for the period, using less than half the data that will be used for the final estimate.

Today's slowing economic growth figures are not all down to uncertainty about the EU referendum, although businesses do say that investment decisions have been delayed both by their own companies and by their customers. In his interview the chancellor says he is "the first" to admit there are other issues with the UK economy. It would be wrong to ignore those. Poor productivity, weak exports and falling industrial production and construction figures are more than a short term reaction to the vote on 23rd June. They reveal significant challenges rebalancing the UK economy away from services and household consumption towards manufacturing, as well as the UK's exposure to global economic headwinds such as slower growth in China.

The Office for National Statistics said it had no evidence for or against the slowdown being linked to the EU referendum on 23 June. The Bank of England warned earlier this month that uncertainty due to the vote could hurt growth in the first half of this year, and the International Monetary Fund (IMF) has downgraded its forecast for the UK economy over fears of disruption if Britain votes to leave the EU. Chancellor George Osborne told the BBC the fact that Britain was still growing was "good news", but added "there are warnings today that the threat of leaving the EU is weighing on our economy". "Investments and building are being delayed, and another group of international experts, the OECD, confirms British families would be worse off if we leave the EU". But economists suggested fears over the impact of Britain's exit from the EU was only partly to blame for the slowdown.

Pantheon Macroeconomics chief UK economist Saumuel Tombs said the UK's economy had been steadily losing pace since 2014, and the boost to the economy from higher household spending and rapid employment growth "had run its course". "Concerns about Brexit likely played a role in the first quarter slowdown and they probably will take a greater toll on GDP growth in the second quarter. But the downward trend in GDP growth since 2014 suggests that the EU referendum cannot be blamed for all of the economy's ills," he added.

But Capital Economics UK economist Ruth Miller said she expected the slowdown to be temporary. "Many of the factors likely to be to blame for the first quarter's weakness

		<p>should prove short-lived. We would not be surprised if growth were to subsequently accelerate in the second half of the year, putting the economy back on track," she added.</p>
<p>May</p>	<p><u>Weather impacts</u></p>	<p><u>Economic impacts</u></p>
	<p>May began unsettled and windy with low pressure in charge, but by the 5th a warmer and more settled pattern became established with high pressure close to the UK. For much of the rest of the month an easterly flow prevailed and brought plenty of fine, warm and sunny weather, although it was often cooler near North Sea coasts, and scattered thundery showers sometimes affected western and southern areas. It was particularly warm in the second week. This pattern was interrupted by a brief colder interlude mid-month and an unsettled spell from the 17th to 22nd, but warm and sunny weather re-established itself in many western areas during the last week.</p> <p>May was a relatively quiet month for severe weather, with the exception of some heavy thundery showers at times. They were quite widespread on the 7th, when there were reports of trains being disrupted between Leicester and Nuneaton due to a lightning strike, but otherwise few impacts were noted.</p> <p>Heavy showers, and some longer outbreaks of rain in the south, brought more widespread impacts on the 11th. Impacts were noted on the M4 in southeast Wales during the Wednesday morning rush, roads near Lewisham Station were impassable due to deep water and the first day of the Royal Windsor Horse Show was cancelled due to weather for the first time in its history. Woking was notably affected, where a number of houses were flooded and a rest centre was required to shelter some evacuated residents. In addition three schools in the area suffered flooding and were required to close. There were also reports of vehicle collisions with fallen trees overnight near Addlestone. More road flooding was reported in SE Wales during the late afternoon and evening, particularly in the Cardiff area.</p> <p>After a long quiet spell, lightning strikes on the 27th caused some short-term power cuts in Pembrokeshire, and some flooding was also reported in Powys, with the A40 being closed completely and also in Glenneath, where FRS assistance was needed in several incidents. On the 28th, there were roads and an animal hospital reported to be flooded in Sussex. The Fire Service in Brighton reported increased call volume from flood-related incidents and urged the public to heed Met Office weather warnings. South Wales saw more flooding too, with road flooding in Carmarthenshire and the Fire Service being called out to a number of incidents.</p> <p>On the 31st, flooding was reported in Southend and Canvey town centres, on the M25 and other roads in the south-east and East Anglia- and several fallen trees</p>	<p>UK economic growth is "near stalling", partly due to uncertainty over the EU referendum, according to a closely-watched survey.</p> <p>Research firm Markit said its Purchasing Managers' Index (PMI) surveys for April pointed to growth of just 0.1% in the month.</p> <p>The latest PMI survey indicated the UK's services sector grew at its slowest pace in three years in April.</p> <p>The services PMI reading fell to 52.3 from 53.7 in March. A reading above 50 indicates growth.</p> <p>Earlier this week, similar surveys from Markit suggested manufacturing activity contracted in April for the first time in three years, while construction activity grew at its slowest pace for nearly three years.</p> <p>Chris Williamson, chief economist at Markit, said the surveys were a "triple-whammy of disappointing news". "Some of the slowdown may be attributable to the early timing of Easter, though April also saw an increase in the number of companies reporting that uncertainty about the EU referendum caused customers to hold back on purchases, exacerbating already-weak demand linked to global growth jitters and ongoing government spending cuts," he said.</p> <p>"The deterioration in April pushes the surveys into territory which has in the past seen the Bank of England start to worry about the need to revive growth."</p> <p>Jobs growth in the services sector was also the slowest since August 2013, reflecting a recent weakening in the labour market as a whole.</p> <p>Employment in manufacturing contracted in April and official data has shown that the number of people out of work rose for the first time since mid-2015 in the three months to February.</p> <p>David Noble, head of the Chartered Institute of Procurement and Supply (CIPS), which produces the PMI surveys with Markit, said: "The looming EU referendum has had a profound effect on the [service] sector, keeping prices relatively stagnant and delaying new orders. At the other end of the supply chain, the National Living Wage has compounded cost increases, resulting in the overall rate of input price inflation hitting a 27-month high. Together, these factors have squeezed margins while fewer than half of businesses expect to grow over the next 12 months."</p>

	<p>were reported to have blocked roads in the warning area. A landslip blocked the rail line between Strood and Tonbridge causing disruption for much of the day.</p>	<p>Howard Archer, chief UK and European economist at IHS Global Insight, said: "There is now compelling evidence that heightened uncertainty ahead of June's referendum on EU membership is taking an increasing toll on economic activity. "A much weakened set of April purchasing managers' surveys for the services, manufacturing and construction surveys follows on from consumer confidence weakening to a 16-month low in April and the CBI reporting lacklustre retail sales".</p>
<p><u>June</u></p>	<p style="text-align: center;"><u>Weather impacts</u></p>	<p style="text-align: center;"><u>Economic impacts</u></p>
	<p>At the start of June, Britain's weather was dry and settled, but often cloudy away from sheltered western areas, with north-easterly winds bringing low cloud in from the North Sea. Showers and thunderstorms increasingly broke out inland after the 5th, although there was further warm sunny weather at times, particularly in the west. From the 10th onwards, the weather was generally unsettled, wet and cloudy with low pressure often in charge. There were also thundery downpours at times, and heavy rain and thunderstorms caused significant disruption in the south-east on the 23rd.</p> <p>On the 7th, heavy thundery downpours caused flash flooding, and fires were reported due to lightning damage, notably in parts of the Home Counties, Lothian and Perthshire. Luton Airport's power supply was affected by flooding, with the UK Border Force's computer system down for a time. Further thunderstorms on the 8th caused flooding around London and the Midlands. London Fire Brigade reported taking 32 flooding calls within 2 hours for incidents in Islington, Clapham and other parts of south-west London, and West Midlands Fire and Rescue Service reported receiving more than 400 weather-related calls in a 3-hour period.</p> <p>After a quieter day on the 9th, from the 10th to 13th, heavy thundery showers affected some parts of the country on every day, resulting in flash flooding, particularly around London and in the Midlands, Lincolnshire, Norfolk, Cheshire and Lancashire. On the 12th, flights were cancelled and delayed at Gatwick Airport, due to reports of rain damage to the main runway. On the 13th, a landslide at Corby disrupted train services to and from St Pancras, and flooding stopped train services to Norwich.</p> <p>Impacts were widespread on the 14th. Flash flooding and reports of collapsed roofs resulted in two stores at Coliseum Shopping Park, Cheshire being closed for over two weeks. Flights were disrupted at Manchester Airport, and Gloucestershire FRS received over 100 calls in a 2-hour period. Over 100 properties in the Cheltenham area were reported to have been flooded. There were reports of property flooding and lightning damage, especially in north-east Wales, and parts of the Bullring Shopping Centre in Birmingham were closed after water poured in through the roof.</p> <p>Heavy thundery showers continued between the 15th and 17th, causing localised</p>	<p>The British people have voted to leave the European Union after a historic referendum in which they rejected the advice of the main Westminster party leaders and instead took a plunge into the political unknown.</p> <p>The decision in favour of Brexit, following a bitterly close electoral race, represents the biggest shock to the political establishment in Britain and across Europe for decades, and will threaten the leaderships of both the prime minister, David Cameron, and the Labour leader, Jeremy Corbyn.</p> <p>The value of the pound swung wildly on currency markets as initial confidence among investors expecting a remain vote was dented by some of the early referendum results, triggering falls of close to 10% and its biggest one-day fall ever. Jeremy Cook, chief economist and head of currency strategy at WorldFirst, said: "Sterling has collapsed ... It can go a lot further as well."</p> <p>By 4am, a series of key results signposted a likely leave victory. After a lower-than-expected margin of victory for the remain campaign in Newcastle, where it won the backing of 54% of voters, there was a jolt after midnight when leave captured Sunderland with 61.3% of the vote in a city that has traditionally been a Labour stronghold.</p> <p>The pound has fallen to levels not seen since 1985.</p> <p>The UK has been stripped of its top credit rating by Standard & Poor's, which warned that further downgrades could follow in the coming months after its decision to leave the EU.</p> <p>The rating agency downgraded the UK by two notches to AA, from AAA. It said uncertainty following the Brexit vote would hurt growth, push up borrowing and could trigger a constitutional crisis if it led to a second Scottish referendum.</p> <p>S&P described the choice to leave the EU as a "seminal event" that would weaken the "predictability, stability, and effectiveness" of UK policymaking.</p> <p>"We take the view that the deep divisions both within the ruling Conservative Party and society as a whole over the European question may not heal quickly and may hamper government stability and complicate policymaking on economic and other matters," it said in a statement.</p>

	<p>flooding and disruption to road and rail transport in many parts of central and southern England. Leicestershire was particularly affected on the 15th, when there was a landslide on the rail line between Birmingham and Leicester. On the 17th, impacts were confined to southern England, and lightning damaged railway signalling equipment near Folkestone.</p> <p>After a quieter spell, torrential rain and thunderstorms caused widespread flooding in the south-east on the 23rd, coinciding with EU Referendum Day. Road and rail links were significantly affected across the area, including the M25, M4 and M1 and trains travelling to, from and within London. London Fire Brigade said it had attended more than 400 incidents, including properties hit by lightning, and polling stations in Kingston and Barking had to be closed due to flooding. Several Tube stations across London were closed, and localised flooding and lightning impacts were also reported elsewhere in the south-east and East Anglia, as far north as Norfolk.</p> <p>On the 25th, heavy thundery showers caused localised flooding in Kent, causing property flooding and submerged cars. The M26 was closed in both directions due to surface water-related accidents.</p>	<p>S&P maintained its negative outlook on the UK, which means there is a one-in-three chance of another downgrade in the next two years. The UK is now deemed less credit worthy than the US and EU by S&P, and the decision marks its exit from an elite club of countries such as Switzerland and Australia that still have a AAA rating.</p> <p>Last night's move is the first time Britain has lost its prized rating since 1978. Rivals Moody's and Fitch cut the UK's credit rating in 2013. The downgrade followed a turbulent day on the markets, despite attempts by the Chancellor to reassure investors, and as a chorus of major institutions, including Credit Suisse, lined up to predict a downturn.</p> <p>The yield on 10-year Government bonds dipped below 1pc for the first time ever, as investors sought safety and bet that the Bank of England will cut interest rates to zero. The pound continued to weaken against the dollar, to \$1.31, a level not seen since 1985, making for the largest two-day decline in history. The FTSE 250 ended the day down nearly 7pc, piling misery on a market still reeling from Friday's plunge, which was the biggest in percentage terms since Black Monday in 1987. It ended the day at a level last seen in October 2014. The FTSE 100 index of Britain's biggest companies suffered a further slip of more 2.5pc. The benchmark remains higher than it was two weeks ago, but nevertheless in dollar terms has reached its lowest level since 2011.</p> <p>George Osborne's speech before the London markets opened failed to calm the City, while Lord King, the former Governor of the Bank of England, urged caution, saying: "Markets move up, markets move down. We don't yet know where they will find their level." "What we need is a bit of calm now, there's no reason for any of us to panic," he continued.</p>
<u>July</u>	<p style="text-align: center;"><u>Weather impacts</u></p> <p>At the start of July the weather was breezy and showery, with low pressure in charge. Unsettled conditions persisted for much of the first half of the month, with fronts frequently bringing rain to the north and west, although rainfall amounts were generally small in the south. It was generally warmer and sunnier between the 17th and 23rd, with a brief hot spell from the 18th to 20th, which triggered a thundery breakdown in the north and across parts of East Anglia. Changeable weather resumed during the last week, with further frequent belts of rain, but again many southern areas often stayed dry.</p> <p>July's weather was mostly benign, with significant weather-related impacts observed only on four days.</p> <p>On the 11th, showers caused some localised impacts at Farnborough Air Show. Further showers on the 12th caused flooding at the Harrow North and Pinner tube stations and on the railway between Norwich and Great Yarmouth, and a primary school closed in Stevenage due to power loss and flooding.</p>	<p style="text-align: center;"><u>Economic impacts</u></p> <p>One of Britain's leading economic thinktanks has said the UK economy shrank last month as the impact of the Brexit vote led to a pronounced weakening in activity. The National Institute of Economic and Social Research estimated that gross domestic product contracted by 0.2% in July.</p> <p>Niesr published the findings after official government figures showed that the UK trade deficit widened and factory production eased back in the weeks immediately before and after the EU referendum on 23 June.</p> <p>James Warren, a research fellow at Niesr, said: "We estimate that in the three months to July, the UK economy grew by 0.3%, a marked economic slowdown. The month-on-month profile suggests that the third quarter has got off to a weak start, with output declining in July. Our estimates suggest that there is around an evens chance of a technical recession by the end of 2017."</p> <p>The thinktank came to a gloomy conclusion after data from the Office for National Statistics (ONS) showed that a spurt in manufacturing came to an end in June, with</p>

Hot weather on the 19th caused a few heat-related impacts on railways in the south of England.

A thundery breakdown on the 20th caused widespread disruption away from the south. Lightning caused power impacts in Blackpool, Carlisle, Penrith and Keswick. Lightning also struck houses in Little Hoole (Lancashire), Ysbyty (Gwynedd), Penruddock (Cumbria) and a church steeple was badly damaged in Denny near Falkirk. Lightning also caused issues on railways in north-east England. In Denny, a GP Surgery receptionist was hospitalised after lightning entered the building and struck her chair. Lightning also affected phone lines in Eyemouth in the Scottish Borders. There were many flooding and surface water-related impacts; a school in Cockermouth closed, Edinburgh Zoo closed, and there were other isolated flooding incidents in Cumbria and southern and central Scotland. Large hail (2-3 cm diameter) caused some damage to caravans near Annan in Dumfries and Galloway.

output dropping by 0.3%. Meanwhile, UK exports failed to match imports, with the trade deficit rising by £0.9bn to £5.1bn. The poor trade and manufacturing figures led to a fall in the pound on the foreign exchanges. At one stage, sterling dipped below \$1.30 and threatened to reach a post-Brexit vote low, before later rallying.

However the ONS said there was little evidence of industry adopting a cautious approach because of uncertainty caused by the closely fought referendum campaign. The organisation's chief economist, Joe Grice, said: "As we previously highlighted in our preliminary estimate of GDP, production and the wider economy grew strongly in April, and then remained at roughly the same level throughout May and June. "Any uncertainties in the run-up to the referendum seem to have had little impact on production, with very few respondents to our surveys reporting it as an issue."

The ONS said total production, which includes mining, output from the North Sea, energy supply and manufacturing, increased by 0.1% from May to June. Manufacturing, the biggest component of production, fell by 0.3%. During the three months to June – which is considered a better guide to the trend than one month's figures – production was up by 2.1% on the previous quarter, while manufacturing rose by 1.8%. Despite the strong quarterly increases, manufacturing and overall production remain well below the peak reached in early 2008, when the UK was on the cusp of a recession. A steady decline in North Sea oil and gas output means that production is 7.5% below the early 2008 level, while manufacturing is 4.5% lower.

The struggles of manufacturing during and after the recession of 2008-09 have made it harder for Britain to close its trade gap with the rest of the world.

According to the ONS, there was an increase of £0.9bn to £12.4bn in the UK's deficit in goods in June, offset by the continued strong performance of the service sector, which ran a surplus of £7.3bn.

Between the first and second quarters of 2016, the UK's deficit in goods and services combined widened by £0.4bn to £12.5bn. Lee Hopley, the chief economist at manufacturers' association EEF, said: "The latest data suggests manufacturing posted some significant gains in the second quarter. Growth was supported by record levels of exports of cars to the EU and aircraft to non-EU markets. "Clearly, indicators of sentiment post referendum suggest that we've hit the high point for manufacturing this year. Amid the wavering levels of confidence, however, we should take away some positive news, firstly that manufacturing entered this period of uncertainty from a relatively strong stance, and the weaker exchange rate could yet bring benefits on the export side.

"Still, we'll need a concerted effort from government to maintain investment across the sector and ensure growth like that seen in the second quarter gets back on track."

	<u>Weather impacts</u>	<u>Economic impacts</u>
<u>August</u>	<p>At the start of August the weather was unsettled with low pressure in charge, and wet in the south. It was generally changeable during the first fortnight, and windy at times in the first week. It was often more settled in the second half, although the 20th had a notably vigorous depression for the time of year which brought strong winds to many parts of England. Frequent southerly winds brought a spell of high temperatures over much of England, especially East Anglia and the south-east, which peaked on the 24th when a few spots reached close to 34 °C.</p> <p>On the 3rd, a landslip caused the closure of a main road and rail route in Sutherland, leading to a temporary, but significant diversion for local traffic, and the cancellation of rail services. Unseasonably strong winds on the 7th led to the cancellation of numerous outdoor events across Scotland, and affected train services and power supplies and power outages. Fallen trees affected rail links between Dundee-Aberdeen, Glasgow-Oban and Inverness-Wick, and there were restrictions on Scotland's bridges. A 17,000 tonne oil rig ran aground at Carloway on Lewis after breaking its towing line in high winds and seas.</p> <p>On the 11th and 12th, as a result of persistent heavy rain, a campsite was flooded and there was localised road flooding on Mull. The Crinan Canal was closed for safety reasons, and a landslide affected road and rail links between Fort William and Mallaig.</p> <p>Unseasonably strong winds on the 19th and 20th led to disruption especially over south Wales, south-west England and the south coast. Fallen trees were reported to have caused localised travel disruption on roads across south and west Wales, the Midlands, Derbyshire, Nottinghamshire, Hull, Cambridgeshire, Sussex and Hampshire. In addition, a number of events, such as the Northwest Wales Music Festival, and the Northants Balloon Festival were cancelled. High seas led to the deaths of three men, two women and a young boy in incidents around Britain's coasts on that weekend in Cornwall, Dorset, Essex, Jersey and Aberdeen.</p> <p>On the 22nd, a number of localised flooding impacts from heavy rain were reported across Cumbria and Lancashire trains between Preston and Lancaster were cancelled after the line was flooded, a multi-agency group formed to manage some small scale property evacuations and road closures in Bootle, Cumbria, and localised road and rail flooding was reported across other parts of Cumbria.</p> <p>On the 26th, localised flooding caused traffic disruption on the A6 in Leicestershire, pockets of property flooding in west Norfolk, the village of Kirton, Lincolnshire was cut off for a time, property flooding was reported in parts of Dorset and Wiltshire, and lightning strikes were reported to have caused a Tesco roof to collapse in Boston.</p>	<p>Britain's economy will slow down but should not go anywhere close to a recession, according to economists at credit ratings agency Moody's, while growth in the rest of the world is also "stabilising."</p> <p>Although markets dived on the referendum result in June, stock prices have recovered and now economists also believe the impact of the vote will be relatively modest, compared with some early fears. The lower pound should support economic growth in the UK, Moody's said, while the government is expected to loosen the purse strings to shore up GDP.</p> <p>Moody's economists predict growth of 1.5pc this year and 1.2pc in 2017.</p> <p>"Uncertainty around the future of the economy outside the common market will continue to dampen business investment and consumer spending, as businesses hold back on hiring and making long-term investments, and as consumers postpone large spending decisions," said senior analyst Madhavi Bokil.</p> <p>"However, the fall in the sterling will mitigate some of the negative effect in the short term by providing a boost to exports. Our baseline growth forecasts also incorporate the assumption that some fiscal loosening and monetary policy accommodation will support the economy, Eurozone limiting the slowdown in growth."</p> <p>Moody's does not expect a major fall in house prices or a big drop in consumption. The analysts expect only "limited Brexit-related spillovers to the Eurozone", and expect the currency area to grow at almost exactly the same pace as the UK, at 1.5pc this year and 1.3pc in 2017.</p> <p>Renewed optimism in the state of China's economy and some rebound in commodities prices also point to a stabilisation of the global picture, analysts believe. In part as a result of that Moody's has increased its GDP forecasts for China to 6.6pc this year and 6.3pc in 2017, and for the other G20 emerging markets to 4.4pc for 2016 and 5pc for 2017.</p> <p>While the analysts believe the economy is stabilising after the turmoil which immediately followed the referendum, they do not predict a boom for the global economy.</p> <p>Ms Bokil believes there is a "nexus of low trade growth, low investment and slow productivity gains [which will] dampen potential growth rates globally."</p> <p>"A concerning aspect of this current environment is that the lack of fiscal buffers, combined with the limited scope for effective monetary accommodation, has reduced the ability of authorities in many economies to support economic activity in the event of future systemic and idiosyncratic shocks," she said, referring to the fact that governments have little room to borrow and spend more, and central banks have already cut interest rates a long way.</p>

	<p>On the 28th, a Medieval Festival at Beaumaris Castle in north Wales was cancelled after the site flooded, heavy rain flooded a car park at the Blyth Tall Ships Regatta, and localised travel disruption was reported across parts of Redcar and Cleveland due to flooding.</p>	<p>There are risks, however, which could still derail this forecast.</p> <p>Further hikes in US interest rates would be a sign of confidence in the US, but could also trash valuations of assets such as shares, bonds and currencies across the world, Moody's fears. Emerging markets could see a major outflow of cash back to the US in such an eventuality, harming companies and governments which have borrowed in US dollars and suddenly find their domestic currencies are relatively less valuable.</p> <p>Further disintegration of the EU could also spook markets, while the US presidential election also poses threats. "The political and geopolitical risks of a rise in nationalist and protectionist pressures," said Moody's. "The most immediate risk in this context is an outcome in the upcoming US presidential elections that ushers in an administration that would renegotiate global trade pacts and security alliances."</p> <p>Moody's did not explicitly refer to Donald Trump's candidacy, but financial markets are increasingly nervous about the prospect of a major shakeup of US policies should he win the Presidency.</p>
<p><u>September</u></p>	<p><u>Weather impacts</u></p>	<p><u>Economic impacts</u></p>
	<p>At the start of September the weather was changeable with high pressure to the south and a west to south-westerly airflow over the UK. The unsettled regime continued for the first five days, but southerly incursions brought hot and humid weather, especially to the south-east, on the 7th and 13th-15th, separated by a wet spell on the 8th-10th. The 13th saw the UK's highest September temperatures since 1911, but at the same time there were widespread thunderstorms in the west. The second half was changeable with frequent frontal systems interspersed with brief fine interludes, but temperatures generally remained above the seasonal average.</p> <p>Rain on the 3rd led to localised flooding across parts of Devon, with a fallen tree blocking the Western Bypass in Totnes. In south Wales, rail services in the Rhondda were cancelled due to flooding, the Newport v Barnet football match was abandoned, and flooding was reported in the Neath Valley, Swansea Bay and Carmarthenshire.</p> <p>On the 13th, heavy downpours and thunderstorms caused disruption, particularly over the Manchester area, where widespread surface water flooding affected the conurbation's roads, with the Metrolink tram system completely taken out for a time after lightning strikes at several substations. Manchester City's game in the Champions League was postponed, and there was flooding of various major stores in Manchester city centre, including the Arndale Centre. A section of the M56 was closed for a time due to surface water flooding, and Manchester Town Hall was flooded for the first time in decades. West Cornwall also experienced localised flooding and lightning impacts during the 13th and overnight into the 14th.</p>	<p>The pound fell to a 31-year low against the dollar of \$1.2796 in the aftermath of the Brexit vote. On the night of the referendum a pound was worth \$1.4878. It also fell sharply against the euro, dropping from €1.3067 the night of the vote to a three-year low of €1.1459 on 16 August. The pound has since stabilised and recovered some ground but remains well below pre-referendum levels.</p> <p>The FTSE 100 index of shares in big companies fell sharply the day after the referendum but quickly recovered. In August it hit a 14-month high and has come close to setting a new all-time peak above 7,000 points. It is up about 8% on its pre-Brexit-vote level. But the FTSE 100 should not be misread as a barometer for the UK economy. Many of the companies in the index earn a substantial amount of sales from overseas. The drop in sterling flatters the finances of companies that report profits in dollars and it helps exporters. The FTSE 250 mid-cap index – the next biggest listed UK companies below the leading index – is far more exposed to the domestic UK economy. It too fell sharply after the referendum but has also recovered and is 3.6% above its level the night of the vote.</p> <p>Exports have picked up in the month after the Brexit vote. As the pound tumbled following the Brexit vote, goods exports from the UK to other countries rose 3.4% between June and July. Exports to the EU, made cheaper by the pound's decline, rose 9.1%, according to official figures. That was the biggest rise in EU exports since October 2010 and helped narrow the UK's trade deficit with the rest of the world in goods and services when compared with a year earlier. The deficit on trade in goods came in at £11.8bn, in line with economists' forecasts.</p> <p>Inflation has held steady, but there are pressures in the pipeline. The UK's headline inflation rate held at 0.6% in August as cheaper hotel rooms, summer clothing bargains and cuts in the cost of alcohol helped offset increases in the cost of food and air fares.</p>

On the 15th, very intense bursts of rain led to localised surface water flooding impacts being reported across the Thames Valley, north London, Surrey and Hampshire, with road closures and disruption to the rail network. On the morning of the 16th, very heavy rain caused localised property flooding and lightning damage, and affected road and rail links in the south-east. A train was derailed near Watford Junction after flooding caused a landslide at the mouth of a tunnel, causing many train cancellations from Euston. Trains to and from Paddington station were also disrupted due to power and signalling problems, and Didcot Parkway and Newbury stations were flooded. Flooding caused major delays on the M25, M4 and M40. Torrential rain and lightning caused power outage to 38,000 properties in parts of Teesside, County Durham and Northumberland, with damaged signalling disrupting rail travel between Durham and Morpeth.

On the 24th, a number of local events were cancelled in west-central and south-west Scotland due to rain, and flooding closed the A85 near Oban during the afternoon, with water pouring from the nearby hillside.

On the 29th, strong winds caused disruption to ferries and bridge restrictions, signalling problems caused by the winds disrupted rail services between Wick and Inverness, and 500 properties across Inverness, Aberdeenshire, Perthshire and Orkney were without power for a time.

But the Office for National Statistics said there was some evidence that a weaker pound was pushing up the cost of fuel and raw materials for manufacturing – an early indicator of inflationary pressure. Economists expect that to feed through to higher headline inflation soon.

Businesses rebounded from post-referendum slump - for now. Surveys of the UK's services, construction and manufacturing sectors suggested all three enjoyed a rebound in August after a post-referendum slide in output. The Markit/CIPS purchasing managers' indices are closely followed as early indicators of how official GDP figures will come in. For now they suggest the UK has escaped recession. An index bringing together readings from all three sectors points to growth of 0.1% for the July-to-September quarter, down from 0.6% in the second quarter. The official growth numbers are not out until the end of October.

Public finances disappointed in August. Figures show how the public coffers have fared since the leave vote showed the government achieved a smaller-than-expected surplus in July and it borrowed slightly more than expected in August. The Office for National Statistics said, however, there was little evidence the Brexit vote was harming the public finances. The August borrowing figure of £10.5bn was higher, or worse, than the £10bn predicted by economists. But it was £900m lower than August 2015, giving a small boost to new chancellor, Philip Hammond.

Unemployment stayed low but wage growth slowed. News of a slowdown in wage growth has been taken by some as a symptom of employers' nervousness over the economic outlook. In the three months to July, wages were up 2.3% on a year earlier. That was a slowdown from growth of 2.5% in the three months to June but still better than economists' forecasts. But employment rose and the unemployment rate remained at 4.9%.

Consumers appear to have shrugged off the Brexit vote - for now. UK retail sales enjoyed the best July for 14 years and dipped only slightly in August adding to signs the vote to leave the EU has done little to dent consumers' willingness to spend. Sales fell by 0.2% last month, driven by lower sales of clothing, shoes, and household goods. But that beat economists' forecasts and followed a 1.9% jump in sales in July. The ONS said "the figures do not suggest any major fall in post-referendum consumer confidence".

Confidence is returning to the housing market. Analysts had predicted a drop in house prices following the Brexit vote. So far the early signs have been mixed but nothing points to dramatic falls. The latest monthly report from the Royal Institution of Chartered Surveyors (Rics) suggested confidence was returning to the housing market after the initial shock of the Brexit vote and there were signs that prices and sales would rise in the coming months. For the first time since April, surveyors were expecting house prices to increase over the next three months.

	<u>Weather impacts</u>	<u>Economic impacts</u>
<u>October</u>	<p>On the first day of the month a shallow depression tracked east across Wales and then England, bringing some rain, but after that all parts of the UK became predominantly dry, as high pressure took charge. For much of the time the high was centered over Scandinavia, bringing easterly winds, and restricting temperatures to near the seasonal average but with plenty of sunshine, especially in western areas. As the second week of the month progressed, increasing numbers of showers encroached from the east, and around 15th-17th the weather was more generally unsettled with a depression making its influence felt. Thereafter there was again a build of pressure, giving mostly fine weather, though fog affected parts of England and Wales, particularly in the south, while frontal systems affected north-west Scotland as the month approached its end. The last four days of the month were notably mild over much of England & Wales.</p> <p>There were heavy showers and thunderstorms across much of England and Wales on the 1st. Localised disruption was reported in Cambridgeshire, with flooding and two reported surface water related accidents on the A14. A lightning strike caused a property fire in Northants, and localised road flooding was reported between Thanet and Canterbury in Kent.</p> <p>There followed a long period of benign weather until mid-month, when on the 15th, rain over Perthshire, Angus and south Aberdeenshire caused the cancellation of a number of events due to flooding, and created surface water and difficult driving conditions on the roads.</p> <p>On the 24th, heavy showers and longer outbreaks of rain affected Cornwall, Devon and Somerset. Devon & Somerset Fire and Rescue Service reported receiving more than thirty reports of flash flooding in the space of an hour, due to drainage systems not being able to cope with the volume of water. A few cars were stranded in flood water in Falmouth, and two women escaped after their vehicle became trapped in flood water. Diggers were brought in to clear mud from a roundabout on one of Cornwall's main roads during the late afternoon. This caused serious traffic disruption between Falmouth and Penryn.</p> <p>From the 25th onwards, fog was a recurring issue, especially across southern England. The fog slowed down road traffic in the affected areas and caused delays on ferries to/from the Isle of Wight. The main impact was on aviation, with delays and cancellations across many airports in southern and central England at times, including the London ones. This led to secondary impacts, with consequent disruption to air travel in other parts of the UK and Europe.</p>	<p>The International Monetary Fund has predicted the UK will be the fastest growing of the G7 leading industrial countries in 2016 and accepted that its prediction of a post-Brexit-vote financial crash has proved to be overly pessimistic.</p> <p>But while the Washington-based IMF said Britain would have a “soft landing” in 2016 with growth of 1.8%, it stuck to its view that the economy would eventually suffer from the shock EU referendum result and said expansion next year would be just 1.1% – lower than it expected in the immediate aftermath of the Brexit vote.</p> <p>Maurice Obstfeld, the IMF’s economic counsellor, said the fund had been right to warn about the risks of Brexit but added: “We are looking at a soft landing for 2016. We are happy about the outcome.”</p> <p>Looking further ahead, Obstfeld said the uncertainty about the divorce settlement between Britain and the EU would make businesses more cautious and warned that the fall in sterling – which hit a 31-year low on Tuesday – would hit living standards.</p> <p>The pound sank to \$1.274, its lowest level since June 1985. However, the decline provided another boost to companies with sales in dollars and the FTSE-100 soared 90 points to 7074 - its highest close since April 2015’s record high of 7104.</p> <p>Philip Hammond, the chancellor, said the UK economy had shown its resilience since the referendum but there was no room for complacency. “There are still challenges ahead, as the IMF note in their estimate for growth in 2017. That is why I stand ready to take action to support our economy through any period of turbulence and will continue to pursue the long-term goals of fiscal consolidation and improved productivity.”</p> <p>The IMF used its half-yearly world economic outlook (WEO) to warn not just about the impact of the referendum result on the UK and the wider Eurozone economies, as well as the weak growth and uneven division of the fruits of growth that caused 52% of those who voted to end Britain’s 43-year membership of the EU.</p> <p>The IMF predicts the UK will be the fastest growing G7 nation in 2016, but growth is expected to slow in 2017. Obstfeld said: “Taken as a whole, the world economy has moved sideways. Without determined policy action to support economic activity over the short and longer terms, sub-par growth at recent levels risks perpetuating itself through the negative economic and political forces it is unleashing.” He said slow growth and rising inequality was having a political impact: “The slow and incomplete recovery from crisis has been especially damaging in those countries where the distribution of income has continued to skew sharply toward the highest earners, leaving little room for those with lower incomes to advance. “The result in some richer countries has been a political movement that blames globalisation for all woes and seeks somehow to wall off the</p>

		<p>economy from global trends rather than engage cooperatively with foreign nations. Brexit is only one example of this tendency.”</p> <p>The WEO predicted global growth of 3.1% this year, slightly lower than the 3.2% recorded in 2015. It expects a modest acceleration to 3.4% in 2017. Obstfeld said the Brexit vote left unclear the future shape of the UK’s trade and financial relations with the other 27 EU member states, with a likely impact on investment and hiring across Europe. “Alongside economic anxiety and other factors, the Brexit vote reflects a resentment of cross-border migration that has fuelled nationalist sentiment in Europe and called into question the way forward for EU integration,” Obstfeld said. “Similar tensions afflict the US political scene, where anti-immigrant and anti-trade rhetoric have been prominent from the start of the current presidential election round. Across the world, protectionist trade measures have been on the rise.”</p> <p>Apart from the sharp depreciation of the pound, the IMF said financial markets’ reaction to Brexit vote had “generally been contained”, with shares up and the appetite for taking risk recovering after an initial plunge. The WEO noted that manufacturing in the UK had bounced back after falling steeply in July and spending in the shops had held up. But it cautioned that economic data since the referendum had been limited and said the fall in sterling would prompt inflation to rise from 0.7% this year to 2.5% in 2017. “In the United Kingdom, slower growth is expected since the referendum as uncertainty in the aftermath of the Brexit vote weighs on firms’ investment and hiring decisions and consumers’ purchases of durable goods and housing. Growth is forecast at 1.8% in 2016 and 1.1% in 2017, based on the assumptions of smooth post-Brexit negotiations and a limited increase in economic barriers.”</p> <p>The IMF cut its medium-term growth forecast for the UK from 2.1% to 1.9% as a result of what it assumes will be barriers to trade, migration and capital flow. The IMF also backed Hammond’s hints of extra government spending for public investment in next month’s autumn statement.</p> <p>Noting that the Bank of England’s package of measures in August was aimed at boosting confidence and limiting the downside risks to the economy, the IMF said: “As greater clarity emerges on the macroeconomic impact of the Brexit vote, the need for further near-term discretionary fiscal policy easing and the appropriateness of the medium-term deficit target should be assessed, possibly in the context of the forthcoming November fiscal review.”</p>
<u>November</u>	<u>Weather impacts</u>	<u>Economic impacts</u>
	<p>At the start of November the weather was quiet and mild in the south, but cold bright weather soon spread from the north. There was another cold northerly incursion between the 5th and 7th, which was followed by some snow even for many low-lying parts of Scotland and northern England on the 8th and 9th. It was generally unsettled between the 9th and 21st, though with several bright showery</p>	<p>The UK economy is "resilient" despite forecasts that government finances will be £122bn worse off than previously expected by 2020, the chancellor said. In his Autumn Statement Philip Hammond said growth predictions had been cut as a result of the Brexit vote. As widely expected, he unveiled a fuel duty freeze and more cash for housing, transport and digital infrastructure.</p>

days. Storm Angus brought wet and windy weather and problems with flooding in the south-west, and a further depression brought heavy rain and more widespread flooding on the 21st. High pressure brought generally dry, settled and cold weather from the 23rd onwards, with frequent sunny spells for most parts.

After a quiet first week, on the 8th/9th snow caused hazardous driving conditions across northern England, with around 45 road traffic collisions in the area linked to the snow and ice. Leeds Bradford Airport was closed for a time to clear snow from the runway.

On the 17th, a localised area of heavy rain and very gusty winds caused serious damage and disruption mainly across central Wales and Shropshire. There were reports of a tornado near Aberystwyth with damage to roofs and caravans around the town, and Dyfed Powys Police reported that several roads were closed due to fallen trees. Western Power reported around 600 properties without power in mid-Wales. Elsewhere, there was disruption reported across Shropshire, the Midlands and Lincolnshire during the afternoon, with fallen trees blocking roads and disruption to rail services due to debris. Shropshire Council's roads teams described the tree damage as being as bad as anything they'd ever seen.

On the 19th, as Storm Angus approached from the south-west, Eurotunnel and channel ferry services were disrupted due to weather. There were reports of damage to roofs and scaffolding across Kent and East Sussex, flooding was reported on the A20 and A2 in Kent, and some local roads were closed due to flooding and fallen trees. In addition, 2,200 properties lost power for a time. On the 20th, Devon and Cornwall Police declared a major incident at 4.15am due to flooding at the Mill on the Mole residential caravan park. There were also several road closures reported across Devon. South Wales FRS received 133 flooding-related calls in a 6-hour period during the morning, with some requiring people to be rescued from cars and properties.

Another depression brought persistent rain on the 21st and 22nd. Great Western Railway advised against travel to western England and south Wales later on the 21st, with the line between Bristol and Taunton flooded. A ferry that left Rosslare on Monday morning, with 146 on board, was unable to dock at Fishguard until Tuesday. Localised flooding caused disruption in Devon, Bristol, Wiltshire, Dorset, Sussex, Kent, Surrey and south Wales. Flooding also affected parts of north Wales, and a tree fell onto overhead tram power cables in Greater Manchester. Many train services were disrupted by flooding in parts of northern England, with all rail lines to Rochdale blocked and no trains running between Sheffield and New Mill.

Labour said the government was "unprepared and ill-equipped" for Brexit and had "no vision".

Mr Hammond told MPs the UK's deficit would no longer be cleared by 2020 - with the target instead "as early as possible" afterwards. Mr Hammond said the statement - his first major Commons event as chancellor - came exactly five months after a Brexit vote which "will change the course of Britain's history", making it "more urgent than ever" to tackle long-term economic weaknesses.

Presenting the Office for Budget Responsibility's forecasts, he said borrowing would hit £68.2bn this year and £59bn next year, compared with the March forecast of £55.5bn and £38.8bn.

The OBR said the referendum result meant potential growth in the current Parliament would be 2.4 percentage points lower than forecast in March. Government finances are forecast to be £122bn worse off than in the spring.

Mr Hammond said the government would prioritise "additional high-value investment" on infrastructure, which would be funded by additional borrowing.

He paid tribute to his predecessor George Osborne but said he would now follow three new fiscal rules: to balance the books "as early as possible in the next Parliament", for public sector net debt to be falling as a share of GDP by the end of Parliament and for welfare spending to be within a cap.

The OBR based its forecasts on the assumption that the UK would leave the EU in April 2019 - two years after the government's deadline for triggering negotiations with Article 50 of the Lisbon Treaty. It also assumed new trading arrangements would slow import and export growth for a decade and that migration would be restricted. It said the increased borrowing would result from weak tax receipts and lower than expected growth predictions as a result of June's vote to leave the European Union.

Based on its assumptions around Brexit - the government has not yet revealed the details of its negotiating plan - it predicted the referendum result would account for an extra £58bn of borrowing. This included a predicted £16bn increase as a result of lower migration and £18.1bn because of lower productivity growth. The OBR said its forecasts for Brexit were "uncertain", and they were disputed by Conservative MP John Redwood, who said: "Their forecast probably is too low, their borrowing forecast is far too high, and we'll get good access to the single market once we're out of the EU."

The Economists for Brexit group said the OBR had "assumed a pessimistic outlook for the UK economy outside the EU, based on bad economic policy-making".

At the end of his speech, Mr Hammond revealed the Autumn Statement would be scrapped in future years, saying there was no need for major tax changes to be made twice a year. Instead, he added to laughter from MPs, there would be a "Spring Statement" where the government would respond to OBR forecasts, and the Budget

		<p>would take place in the Autumn. It is not clear whether that means there will be two Budgets in 2017.</p> <p>The government had already announced an extra £2bn a year for science by 2020, a crackdown on compensation claims for whiplash injuries aimed at reducing motorists' insurance premiums and £1.3bn to improve roads.</p> <p>Changes to Universal Credit - the flagship single payment being rolled out across the UK - will reduce the "taper rate" from 65% to 63%. This means benefits will be withdrawn at a rate of 63p for every pound of net earnings.</p> <p>The government said about three million households would benefit.</p> <p>But the Resolution Foundation think-tank said their gains would be "small fry" compared with previously announced cuts to the work allowance, which is the amount people can earn before they start to lose their benefits.</p> <p>On housing, the government said it would relax rules on how affordable housing funding could be used. It said banning letting agents' upfront fees would help 4.3 million private rental tenants. Citizens Advice welcomed measures on the agents' fees and on workers' wages but said more should be done to help "just-managing families". Labour, which has been calling for agents' fees to be banned, said: "Any change of heart is welcome" but added that the government had "no plan" to fix the housing crisis.</p> <p>Responding to Mr Hammond in the Commons, shadow chancellor John McDonnell said the Autumn Statement placed on record the "abject failure of the last six years". He condemned the government's approach to austerity and said the people the prime minister promised to protect - those who are "just about managing" - had been "betrayed". "After all the sacrifices people have made over the past six years, I fear today's statement has laid the foundations for more wasted years," he added.</p> <p>The SNP said Mr Hammond had offered little on the "elephant in the room" - Brexit - while the Lib Dems said the government would "hit people in the pocket through their hapless handling of Brexit". But UKIP said billions were being wasted by the government "delaying" the UK's exit from the EU. Plaid Cymru said there was little in the statement to help rebuild the Welsh economy and close the wage gap with England.</p>
<p><u>December</u></p>	<p><u>Weather impacts</u></p>	<p><u>Economic impacts</u></p>
	<p>At the start of December the weather was settled with high pressure in charge, and it was often cold and frosty with fog patches, especially in the south. The anticyclone pulled away to the east, and between the 6th and 20th southerly winds prevailed and often brought very mild conditions. Although these brought some rain at times, for much of the time it remained quiet, with fog in places. There was an unsettled spell from the 21st to 26th, which was stormy at times in central and northern Britain, associated with the passage of Storm Barbara on the 23rd and Storm Conor on the 25th and 26th. It generally stayed mild during this spell, but wintry showers affected Scotland at times, especially on</p>	<p>The pound's movements since the Brexit vote have been volatile. The currency plunged after the referendum, then stabilised before falling again in October on fears the UK was heading for a "hard Brexit". It clawed back some ground in November on signs the economy was holding up well but more recently has come under pressure as Brexit negotiations draw closer. The dollar meanwhile has rallied on prospects of more US rate rises and government spending by president-elect Donald Trump. Compared with the night of June's referendum, the pound is down 17% against the dollar and 9% against the euro.</p>

the 26th. Settled conditions returned from the 27th, and it turned cold and frosty for a time, especially in the south.

In the first week of December, fog caused difficult driving conditions and disrupted flights at a number of airports across England and Wales. Fog caused further problems across the southern UK from the 11th to 12th and 17th to 19th, particularly at many airports including those around London, with flight delays and cancellations.

On the 21st to 22nd, gusts of 60-70mph led to the closure of a causeway on the Isle of Lewis due to wave overtopping and debris. Snow affected high level roads.

Storm Barbara brought strong winds and heavy rain to the north and west of the UK from the 23rd to 24th. The Western Isles were worst affected, with 13,000 customers without power across Lewis and Harris, but all homes were reconnected within two hours. Power cuts also affected thousands of properties across Wales and the Midlands. There was some localised traffic disruption due to fallen trees and property damage reported across these areas and northern England.

From Christmas Day and Boxing Day, storm Conor again brought stormy conditions across the north of the UK, with the Northern Isles worst affected. Ferry services and island flights were subject to disruption and there were further temporary power cuts.

Fog across the south became the biggest weather issue for the rest of the month. On the 28th, a woman died and several others were injured after four separate crashes involving 20 cars on the A40 in Oxfordshire. On the 29th, fog again disrupted flights at Heathrow and Luton Airports. A number of football matches were postponed or abandoned due to fog.

Rally continues on stock markets. The FTSE 100 index of shares in big companies plunged the day after the referendum but quickly recovered and set a fresh record high in October. Six months on from the referendum, it is now 11% above its level on the night of the vote. In December the index has risen in sync with other stock markets around Europe and in the US as higher interest rates have helped banking stocks in particular. The more domestically-focused FTSE 250 mid-cap index has also recovered from its post-referendum drop but is only 2.5% above its level on 23 June.

Inflation hits two-year high as weak pound raises import costs. Higher petrol and clothing prices helped push up inflation in November, to 1.2% from 0.9% in October. That was the highest since October 2014, and slightly above the 1.1% forecast by economists. In a sign that the weaker pound is raising import costs, prices paid by manufacturers for fuel and materials were up 12.9% on the year, the steepest input price inflation for five years. Economists expect those costs to continue filtering through to shop prices.

UK's trade performance improves but little sign of pound boost. The UK's trade deficit with the rest of the world narrowed more than expected in October as exports rose and imports fell. But statisticians said there was little evidence that the weak pound – which makes UK goods cheaper overseas – was boosting exports. The Office for National Statistics (ONS) also significantly revised earlier figures to show the UK's trade deficit in the three months following the Brexit vote had ballooned to a near-three-year high, rather than narrowed.

Services sector growth bolsters hopes for fourth-quarter GDP. Surveys from the manufacturing, construction and services sectors signal they grew again in October, continuing their recovery from a post-referendum slump. But while services and construction beat economists' forecasts, the manufacturing sector defied expectations and cooled as factories struggled with higher costs. The Markit/CIPS purchasing managers' indices (PMIs) are tracked for early clues on official GDP figures. November's readings point to 0.5% GDP growth in the final three months of the year, matching the third quarter.

Public finances improve, but disappoint. The public finances undershot forecasts in November, with the deficit failing to narrow by as much as economists had expected. The government borrowed £12.6bn to balance the books. That was down 4.4% on a year ago but was more than forecasts for £12.1bn of borrowing. The fiscal watchdog, the Office for Budget Responsibility, has warned that the Brexit vote's blow to the economy will force the government to borrow more than it had hoped this year and beyond.

Wage growth picks up but cracks appear in the jobs market. Forecasters warn weak pay growth and rising inflation will soon squeeze household budgets, but on the latest figures, wage growth was stronger than expected. Unemployment also remained low on the headline measure. However, there were signs in the latest jobs market report that employers were becoming more nervous about hiring as employment fell. There was also

		<p>a jump in the number of people considered “economically inactive” – out of work and not looking for work.</p> <p>Retail sales keep rising but price worries slow growth. Consumers continued to buoy the wider UK economy in November as retail sales volumes rose on the back of the Black Friday and Cyber Monday shopping events. But sales growth edged down from October’s 14-year high as signs emerged that people were starting to change their spending habits because of higher prices. With the weak pound raising import costs, fuel prices rose in November and annual growth in fuel sales was the slowest for almost two years.</p> <p>House prices rises continue as demand holds up. A continued shortage of new homes has helped push up property prices despite analysts’ earlier warnings they could drop following the Brexit vote. In the latest snapshot from the Royal Institution of Chartered Surveyors (RICS), a net balance of 30% of surveyors saw house prices increase rather than decrease in November, a seven-month high. But RICS said the number of prospective buyers remained low and it also noted prices continued to fall in London.</p>
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Data sources:

GBTS/IPS/GBDVS Surveys 2016

Met Office monthly summary reports

BBC News

The Guardian

ONS