

Descriptive Analysis

The table below suggests that **Northern Ireland** is the UK region with the highest business resilience throughout the last 25 years, also showcasing sustained growth.¹ It has the highest average investment per year, the lowest coefficient of variation (CV) – meaning that investment patterns are less volatile compared to other regions – and private investment grew by, on average, £0.98 million annually.

Descriptive Analysis: Private Investment Across UK regions (2000-2025)

Region	Average Investment (2000-2025)	Coefficient of Variation (CV)	Year-over-Year (YoY) Investment Change (Average)
Northern Ireland	£296.37M	42.34%	£0.98M
Yorkshire and Humber	£290.70M	49.73%	£8.08M
South East	£282.05M	48.83%	£7.10M
West Midlands	£276.01M	49.26%	£8.33M
North East	£275.62M	49.36%	£-11.19M
Scotland	£268.10M	50.28%	£-4.66M
South West	£259.53M	62.27%	£1.76M
North West	£251.77M	48.30%	£5.19M
London	£226.44M	66.59%	£-12.38M
East	£211.28M	65.45%	£10.41M
East Midlands	£195.68M	70.81%	£-1.69M

London, however, is the region accumulating the greatest losses across the last 25 years: the YoY investment change indicates an average annual drop of £12.4 million. The region also has one of the highest coefficient of variation (66.59%), suggesting very volatile investment patterns across years. Since London is the powerhouse of UK’s economy, it is highly exposed and sensitive to economic shocks, which may justify these figures.

East Midlands, on the other hand, is the region with the highest coefficient of variation (70.81%). This high investment volatility is, in fact, aligned with press publications stating that the Midlands’ historical dependence on international suppliers and imports leaves the region very vulnerable to global disruptions².

¹ Northern Ireland’s business resilience is widespread in press. [Read here.](#)
² Mazhikeyev, A., Godsell, J., Driffield, N., Duck, J., & Triebs, A. (2025). *Productivity in the Midlands: Trends, Challenges & Solutions*. <https://www.productivity.ac.uk/wp-content/uploads/2025/01/PIP050-Midlands-Insights-Paper-January-2025.pdf>

Critical Years vs Political Events

The table below shows the top 10 critical years in terms of high investment volatility. The majority of the top 10 critical years match relevant political and market events across the last 25 years: the years before (2019), during (2020) and after (2022, 2023, 2024) the **COVID-19 pandemic**; recent events of the **Russian-Ukrainian war** (2022); the year of **Brexit’s referendum** (2016); and, finally, the years after the **2008 financial crisis** (2010 and 2011).

Top 10 Critical Years (Investment Volatility)

Year	Regional Investment Volatility (Std Dev)
2016	£193.52M
2018	£175.77M
2023	£171.40M
2022	£159.63M
2005	£158.13M
2019	£157.76M
2024	£154.72M
2020	£149.47M
2010	£148.29M
2011	£147.47M

Brexit years (2016, 2018) are, in fact, the ones accumulating the highest investment volatility across regions. In 2016, for instance, investments across regions deviated on average by ~£193M from the UK-wide mean of that year. This suggests that investment behaviour in 2016 was diverging significantly across regions, even more than the years after the pandemic.

During the years in which the UK private investment system experienced the highest volatility, South East and North West struggled the most (see table below). This trend suggests the “**double whammy**”³ economic impact of Covid-19 and Brexit combined, typically occurring in diversified and complex economies with developed industries spanning from tourism (more affected by the pandemic) to manufacturing and professional services (more affected by Brexit).

Private Investment in critical years per region

Region	Year-over-Year (YoY) Absolute Change
South East	£-102.40M
North West	£-86.99M
Yorkshire and Humber	£-70.13M
London	£-68.01M
East	£-65.50M
East Midlands	£10.34M
West Midlands	£15.11M
Scotland	£15.20M
North East	£16.46M
Northern Ireland	£50.09M
South West	£66.67M

Northern Ireland is once again portrayed as a more resilient region. This scenario is likely due to the special legal arrangement known as the **Protocol on Ireland/Northern Ireland**⁴, agreed as part of the UK–EU Withdrawal Agreement. The protocol enables unique market arrangements and trade negotiations between the EU and Northern Ireland, probably smoothing Brexit’s impact.

³ TUC. (2020, December 18). *Impact of Covid-19 and Brexit for the UK economy*. Www.tuc.org.uk. <https://www.tuc.org.uk/research-analysis/reports/impact-covid-19-and-brexit-uk-economy>

⁴ European Commission. (2023). *The impact of Brexit on Ireland*. Ireland.representation.ec.europa.eu. https://ireland.representation.ec.europa.eu/strategy-and-priorities/key-eu-policies-ireland/impact-brexit-ireland_en