

Economic Bulletin - Issue 12 – July 2021

Welcome to the latest edition of the Staffordshire & Stoke on Trent Economic Bulletin produced by our Economy, Skills and Insight Teams, which provides the timeliest secondary data available on what is happening with the local economy. However, this clearly only provides part of the picture and we continue to build up our softer intelligence to provide a better indication of what is happening on the ground, including the local response to the COVID 19 crisis and subsequent recovery.

Alongside information on the Claimant Count and Job Vacancies that will be a part of every Bulletin, we look in more detail at the latest Government data regarding the Coronavirus Job Retention Scheme (CJRS) Furloughed Workers and the Self Employment Income Support Scheme (SEISS). This month's issue also provides more detailed youth claimant count analysis and updated ward level analysis of the claimant count to help identify areas which have been impacted the hardest across Staffordshire & Stoke on Trent and where there may be a greater need for support. We also provide analysis of the latest business insolvency data to further understand how businesses have been impacted by COVID and the influence that Government measures have had on company and individual insolvencies.

We hope you find the Bulletin useful and welcome your comments and suggestions on further information you would like to see included in future editions. If you do have any feedback please send your comments to Darren Farmer, Economy & Skills Analyst at darren.farmer@staffordshire.gov.uk.

Stay Safe,

Darryl Evers

Director for Economy, Infrastructure and Skills, Staffordshire County Council



Key Messages

- In mid June we heard that the **final stage of easing lockdown restrictions** in England was to be delayed until 19th July. It meant that most remaining curbs on social contact would continue beyond 21st June, when they had been due to be lifted.
- This delay in the Government's roadmap out of lockdown is largely as a result of **rising cases driven by the more transmissible Delta variant** and concerns that opening up further on the 21st June may have led to a "significant resurgence" in people needing hospital treatment.
- The four week delay is intended to provide the NHS with "a few more critical weeks" to get people vaccinated, helping to further **weaken the link between infections and hospitalisation**.
- Latest data shows that the R value (which represents the average number of people each person with COVID 19 goes on to infect) stood at between 1.1 and 1.3, with **infections** continuing to rise but remaining far lower than the peak seen during January, with the Delta variant accounting for almost all (99%) of COVID 19 cases.
- In Staffordshire infection rates are increasing, with the seven day rate for Staffordshire up to 1st July at 261 cases per 100,000 population and is now slightly above the regional (238 per 100,000) and national (246 per 100,000) rates but remains far lower than the peak during the previous wave of more than 500 per 100,000 in January.
- **Hospitalisations** have also increased but at a slower rate than infections and remain low, with the hospital admission rate at 1.91 per 100,000 people in the week ending 27th June much lower than in the mid January peak when the rate was 36.02 per 100,000.
- While **deaths** have also thankfully remained very low. In May, mortality rates due to COVID 19 decreased for the fourth consecutive month in England. This is reflective of the continued effectiveness of the vaccines against the Delta variant and the strong protection provided by two vaccine doses, with the unvaccinated at most risk of serious illness.
- The **vaccination programme** has been further ramped up with the Government setting a target that two thirds of adults need to receive two doses of a COVID 19 vaccine ahead of the planned lockdown easing on 19th July. To achieve this the gap between vaccine doses for over 40s in England has been reduced from 12 to eight weeks and all adults can now book their first vaccine.
- Latest vaccination data shows that up to and including 5th July 2021 the total number of people who have had at least one vaccine dose now stands at over 45.4 million 86.2% of adults, while 33.8 million people have had two jabs, equal to 64.3% of UK adults.

- The NHS is to start planning a **COVID 19 vaccine booster programme** in the UK ahead of winter when a bigger flu season than normal is expected, meaning extra protection against coronavirus is likely to be needed. Vaccine experts are advising that more than 30 million of the most vulnerable should receive a third dose from September, which will include all adults aged 50 and over, and anyone younger who qualifies for a flu jab.
- **Antibody rates** are now more than 50% higher than epidemiologists predicted they would be when they published models which informed the COVID 19 roadmap. In February, Imperial College warned that only 44.6% of the population would be protected by the original lockdown release day of 21st June, but latest government figures show that eight in 10 people over the age of 16 now have antibodies to COVID 19.
- The **latest review of the data** on final lockdown easing showed no signs of why the rest of society and the economy could not go ahead on the 19th July, with the efficacy of vaccines against identified variants remaining high. There will be a review of the latest data on 12th July, following which it is expected that there will be the lifting of restrictions, including facemasks, social distancing and work from home guidance.

Economic Impact and Support

- The delay to easing lockdown restrictions has meant that pubs, clubs and theatres still have to operate within capacity limits and nightclubs have to remain closed.
- **UK Gross domestic product (GDP)** grew by 2.3% in April, the fastest monthly growth since July 2020, as government restrictions affecting economic activity continued to ease.
- The **service sector** grew by 3.4% in April 2021, with consumer facing services re opening in line with the easing of coronavirus restrictions and more pupils returning to onsite lessons.
- Output in the **production sector** fell by 1.3% in April 2021, the first fall since January 2021 as three of the four sectors contracted. Within production, mining and quarrying output contracted sharply, by 15.0%, in April 2021 because of planned temporary closures for maintenance of oil field production sites.
- The **construction sector** contracted by 2.0% in April 2021 following a strong March, with new work slowing down faster than repair and maintenance.
- April's GDP remains 3.7% below the pre pandemic levels seen in February 2020, however it is now 1.2% above its initial recovery peak in October 2020.
- The Bank also noted an expected growth in GDP by 5.5% in the second quarter of this year as households spend their lockdown savings as restrictions ease.
- As well as the economy growing, the number of **payrolled employees** has increased for the sixth consecutive month, up by 197,000 in May 2021 to 28.5 million. It is

however 553,000 below levels seen before the coronavirus (COVID 19) pandemic. Since February 2020, the largest falls in payrolled employment have been in the accommodation and food services sector, people aged under 25 years, and people living in London. These three groups have also seen the largest monthly increases but are still well below pre pandemic levels.

- The latest employment and unemployment estimates (February to April 2021) continue to show signs of recovery. There was a quarterly increase in the **employment rate** of 0.2 percentage points to 75.2% and a quarterly decrease in the **unemployment rate** of 0.3 percentage points to 4.7%. The **economic inactivity rate** was largely unchanged on the previous quarter at 21.0%.
- **Inflation** is expected to rise above 3% for a temporary period this year driven by solid consumer demand and a rapid pick up in energy prices, but the Bank of England feel that the unexpected surge will prove “transitory”. The Chancellor of the Exchequer Rishi Sunak said he has faith in the Bank’s ability to meet its 2% target and has played down concerns about rising prices.
- The **Federation of Small Business** has warned of 18 day gap in support as coronavirus limits continue but financial support packages wind down. A number of measures aimed at helping firms, such as a business rates exemption, will end on 1 July and the FSB is concerned that there will be a gap in financial provisioning which will put more pressure on already struggling businesses, after many had budgeted to be able to trade from 21 June.
- A ban on landlords evicting firms for unpaid commercial rent, which was due to end on 30 June, is being extended for another nine months. Treasury Secretary Stephen Barclay said the delay in easing lockdown restrictions presented additional challenges to business. He also announced plans for a binding arbitration scheme to resolve disputes between landlords and commercial tenants, which should be in place for when the **eviction ban** is lifted.
- The **Covid Local Support Grant** which has been running since 17 April 2021 and is being delivered by local authorities (LAs) came to an end on 20 June 2021. It provided an additional £40m of support for vulnerable households. The Government has now decided to extend this support until 30 September 2021. A further £160m has been provided for the period 21 June to 30 September to provide continuous support over the summer holiday period, in line with the other initiatives including the Universal Credit uplift. The Treasury has made it clear that this will be the last extension.
- The Government has also released details regarding the **5th and final Self Employment Income Support Scheme (SEISS) grant** covering the period May 2021 to September 2021, with claims required by 30th September 2021. You can check your eligibility [here](#).

- The Government has now started to wind down its **furlough scheme**, which will mean thousands of firms across the country will have to pay more towards the costs of the job support scheme. Staff will continue to receive 80% of their wages, but employers will pay part of that for the first time, which could prompt layoffs, according to the Institute for Fiscal Studies.
- The Institute of Fiscal Studies has also warned up to 350,000 young people aged 19 to 24 face losing their jobs and “being scarred by recessions for years to come” as furlough is wound down in the coming months.
- Although overall there are signs of economic recovery, there are clearly some parts of the economy which have been severely hit by the crisis, in **hospitality and arts & entertainment** the UK’s largest trade bodies including CBI have warned that many pubs, bars, restaurants and nightclubs face significant hardship or collapse after the postponement of the easing of coronavirus restrictions in England for four weeks. They are urging the Government to come up with new financial support measures, including the tapering of business rates relief and a moratorium on landlords’ right to collect commercial rent. More positively in the hospitality sector **MacDonald’s** has announced that it plans to open 50 new outlets and creating 20,000 jobs, while restaurant chain **Its** announced a five year expansion, with 100 new outlets creating 2,000 jobs. However, they have warned that it is becoming increasingly difficult to recruit, echoing problems in the wider restaurant and hospitality sector.
- In the **social care** sector Age UK is warning of a “perfect storm” of problems putting it in the worst position it has ever been in and has urged the Government to publish its long delayed plans on how to reform the sector. Care providers are losing staff in seaside areas as hospitality opens up again, while newly opened supermarkets are luring care workers away by offering better pay and conditions, according to the head of Age UK, while a combination of Brexit, new immigration rules and the pandemic mean many care staff have left the UK and are unlikely to return.
- We are hearing increasing issues that in the **haulage industry** there are thousands of unfilled HGV driver jobs due to the pandemic and Brexit, with many lorry drivers that were EU nationals returning to their home countries. The Road Haulage Association believes there is currently a shortfall of about 60,000 drivers and estimates that some 30,000 HGV driving tests did not take place last year because of the Covid pandemic. This is impacting producers and retailers, such as German confectionary giant Haribo, with supply chains faltering at a time when businesses can not afford further losses.
- In the **automotive industry** van sales have soared close to record levels during the first six months of 2021 due to a boom in online shopping and home deliveries alongside the economy reopening. However, registrations of new cars remained sluggish, with a shortage of computer chips and semiconductors limiting supplies of

some models. It is feared that this significant supply chain issue will restrict the UK car industry's recovery. While more positively demand for electric cars, which remained relatively strong through the pandemic, has continued to rise. In June, they accounted for more than one in every 10 cars sold.

- There is the more positive news in the **green economy** sector with the news that Nissan is opening a £1bn flagship Electric Vehicle (EV) Hub in Sunderland, creating a world first EV manufacturing ecosystem. The new gigafactory will create over a thousand new jobs at Nissan, with thousands more across the connected supply chain. The Nissan EV36Zero project is comprised of three interconnected initiatives, bringing together electric vehicles, renewable energy and battery production, and setting a blueprint for the future of the automotive industry.
- In the Midlands the Midlands Engine has produced a **Ten point plan for green growth in the Midlands Engine area**, this is the first regional vision outlining a clear path towards net zero and proposes clear and urgent action to deliver on the Government's Ten Point Plan for a Green Industrial Revolution.
- We have also heard news that **John Lewis** plans to build 10,000 homes over the next decade as the high street retailer looks to revive its fortunes by becoming a residential landlord. The employee owned business has identified space for 7,000 rental homes across its property portfolio, ranging from studio flats to four bedroom houses, which could be built in department store car parks, above Waitrose supermarkets or next to distribution centres, as well as developing new sites.
- In Staffordshire plans by Engie for 2,300 new low carbon homes with a low carbon school on **Rugeley Power Station site** have been granted outline planning permission. The remediation work will start in May and is projected to complete in the winter of 2022. Infrastructure will begin in the autumn with housing parcels following remediation. The wider Rugeley masterplan includes more than 12 acres of employment space and a new country park alongside the River Trent.

Local Picture

- Looking locally due to our strong position going into the crisis the number of people on some form of government job support scheme (including Universal Credit, Furlough and Self employment Income Support) is estimated to be lower than the rest of the country, 14% compared to 17% nationally, and has decreased further over the last month as more workers on furlough and Universal Credit have returned to work.
- The claimant count in Staffordshire saw a further **decrease of 1,380 claimants between April and May 2021 to a total of 23,400 claimants**, which as seen last month was a larger proportional decline than regionally and nationally. While **the claimant rate has also declined from 4.6% to 4.4% of the working age population in May** and continues the trend seen since February.

- This reflects the easing of lockdown restrictions allowing more businesses to fully reopen with more workers able to return to their place of work full time and businesses looking to recruit more staff.
- However, **the total number of Universal Credit (UC) claimants remains nearly double the level seen in March 2020 (pre COVID), an increase of 11,350 claimants** however, not all will be out of work.
- These increases need to be viewed in the context of the move to Universal Credit. Before Universal Credit, the Claimant Count was based upon Jobseeker's Allowance claimants – people out of work but looking for a job. However, in response to COVID 19 the Government changed the criteria for Universal Credit to allow some people on low income to claim whilst in work. Therefore, there will be **a proportion of claimants currently that will still be in work but claiming Universal Credit because they are on a low income**, although from the data released by Government it is not currently possible to quantify the proportion of people that are indeed unemployed or employed but on a low income.
- It is important to recognise that although we have seen a rise in claimant numbers due to COVID given our strong position going into the pandemic we still perform comparatively well for **our claimant rate which stood at 4.4% of the working age population in May compared to 7.0% regionally and 6.1% nationally**.
- However, it is young people, women, the lowest paid (including those in manual occupations, more routine or less skilled jobs) and part time workers who continue to feel the impact of the economic shock the most. For example, **the proportion of young people aged 18 24 that are claiming Universal Credit has increased from 3.7% in March 2020 to 6.9% in May 2021**, well above the rate of 4.4% for the working age population. Recently there have been some young people that have been able to return to work in sectors such as retail and hospitality but given that it is harder for these groups to find a new job it is increasingly vital that the welcomed announcements made in 'A Plan for Jobs 2020' such as the Kickstart Scheme are quickly and effectively put in place to support these groups and help prevent them becoming long term unemployed.
- The latest Coronavirus Job Retention Scheme (CJRS) figures show that there were **27,700 furloughed job claims in Staffordshire up to the end of May**, showing a **further decline of 13,600 furloughed workers in Staffordshire between April and May and equivalent to 7% of eligible workers** which is lower than the regional and national averages of 8%. **Stoke on Trent had 6,600 jobs still furloughed, showing a decline of 3,800 between April and May and equivalent to 6% of eligible jobs**. We have seen the number of workers furloughed further decline over the last month

while at the same time the claimant count has also declined, indicating that more people are returning to work, especially young people in hardest hit sectors, as we continue to move out of lockdown. However, the concern remains as to how many of the significant number of workers still on furlough will be able to return to work between now and when the CJRS scheme ends at the end of September.

- **Staffordshire has seen 22,000 self employed workers claim for the fourth Self Employment Income Support Scheme (SEISS) grant up to 6th June 2021** and a take up rate of 55% for those eligible through the scheme, lower than the regional and national average take up rates (both 58%). **Stoke on Trent had 6,700 SEISS claims up to 6th June 2021**, equivalent to 63% of those eligible. There are concerns as to how many of these businesses will be viable and able to continue to operate after Government support is withdrawn.
- Overall numbers of **company insolvencies in May 2021 increased by 7% compared to the same month last year but remain 25% lower than two years previously**. This follows a similar trend seen since COVID emerged in March 2020 and will at least partly be due to government measures put in place in response to the pandemic. Concern regarding how many are viable without Government support.
- The continued easing of restrictions during June has seen a further uplift in job vacancies as more businesses in the hardest hit sectors of hospitality and retail reopened, **Staffordshire saw vacancies increase by 3% between May and June, equivalent to over 700 more job vacancies**, which is in line with the rise seen nationally. **Stoke on Trent saw a rise of 4% with 385 more vacancies in June compared to May**. This continued significant improvement in recruitment has seen vacancy levels rise to levels well above those seen prior to COVID and above the growth seen nationally.
- The occupations to see the most significant increases during June were roles in sectors which have been able to open up further due to reduced restrictions and the sectors which support them including hospitality, logistics and sales and customer services.
- There has also been a further increase in demand for roles in education where there are ongoing recruitment difficulties with high demand for occupations including 'teaching and other educational professionals', 'teaching assistants' and 'secondary education teaching professionals'.
- It is also found that the main occupations to have grown since COVID struck are mainly found within logistics, manufacturing and construction. This is reflective of the growth in ecommerce alongside the swift recovery in construction and manufacturing.
- However, even with these changes in recruitment during the last month, demand for

roles in health and social care including nurses and social care workers and home carers alongside roles in logistics such as elementary storage occupations and van drivers remain by far the strongest of all occupations.

- There also remains demand for **primary and nursery education teaching professionals**, which is an area which was badly impacted during lockdown and where there are increasing skills gaps. While in manufacturing **metal working production and maintenance fitters** remain the occupation in most demand.
- There is also increased and high demand in hospitality for roles including **chefs and kitchen and catering assistants**.
- As well as these more sector specific roles, there is continuing demand for workers which support numerous sectors including **sales and business development mangers, programmers and software development professionals, book keepers, admin roles and cleaners**.
- It is clear that there are increasing jobs available in the local economy and the need now is to ensure that there is a strong local labour pool with skilled workers able to fill these roles to support business recovery. The national and local support which is in place to support those that have been unfortunate enough to lose their jobs is vital in both reskilling and upskilling as well as enabling them to access the opportunities available.
- There are also clear **emerging opportunities for job creation in digital (including online retail) and the green economy (including retrofitting homes to improve energy efficiency and electric cars e.g. Jaguar Land Rover)**.
- We will also look to build on existing strengths including **advanced manufacturing** through the adoption of AI, Automation and Machine Learning, **construction** to achieve Government house building targets and build major new infrastructure projects such as HS2 and West Midlands Freight Interchange, and **advanced logistics** with the online retail boom such as the recent announcement of ASOS's decision to build a £90million distribution centre creating 2,000 jobs close to Cannock and Tamworth were jobs will be very much needed.

Local initiatives

- We are continuing to prioritise support for small businesses and people whose jobs or employment prospects have been impacted by the pandemic.
- **Funding is still available to support your business' recovery from the pandemic** whether you're a start up, small business or self employed. And now there's opportunities to get involved in the HS2 project and get the support you need from

business mentors. You can also get fully funded training from the Skills Hub and Stoke on Trent City Council. Find out more [here](#).

- **Peer to Peer Networks programme** Businesses across Staffordshire are being encouraged to sign up for the next phase of the Peer to Peer Networks programme. The aim of the programme is to connect top industry leaders from across the county and address the ongoing business challenges brought about by the Covid 19 pandemic, to support the region's business landscape and drive economic prosperity. It's being run with the Staffordshire Chambers of Commerce. Not only will participants benefit from an invaluable peer to peer networking system to share ideas, solutions and support, they will also have access to 3.5 hours of 1:1 tailored mentorship from experienced consultants to help guide and implement the discoveries made. The programme is available to SMEs that have operated for at least one year, have a minimum of 5 employees and have an annual turnover of at least £100,000. This is a fully funded programme. Participants will need a commitment of 21.5 hours to complete six virtual networking sessions and 3.5 hours for 1:1 mentoring. **REGISTER NOW**
- **Free expert advice for Staffordshire micro businesses available thanks to councils' partnership with leading national support body** businesses with one to four employees are being urged to find out how they can benefit from 12 months' free business support to guide them through the pandemic recovery. The year long membership package with the Federation of Small Businesses (FSB) is now available through a partnership between county, borough and district councils which is a UK first. It provides essential advice and guidance on areas such legal and tax issues, employment legislation, health and safety advice, cyber protection and insurance. Businesses must not be a current FSB member and the memberships will be awarded on a first come first served basis for eligible applicants. Successful applicants will have all the benefits of full FSB membership straight away. More information on the full suite of FSB benefits can be found [here](#). Applicants should contact their district or borough council in the first instance or karen.woolley@fsb.org.uk with their postcode, who can provide a direct contact email within the council.
- **Need some support? Contact the Growth Hub** The Stoke on Trent and Staffordshire Growth Hub is your first port of call for any business support related enquiry. It acts as the focal point for businesses that wish to grow by referring them to co ordinated and cohesive growth programmes, business networks, growth groups and links to specialist information, advice and services. If you would like a free of charge appointment with a qualified Growth Hub Business Advisor to discuss what options are available to support the growth of your business, please contact them on 0300 111

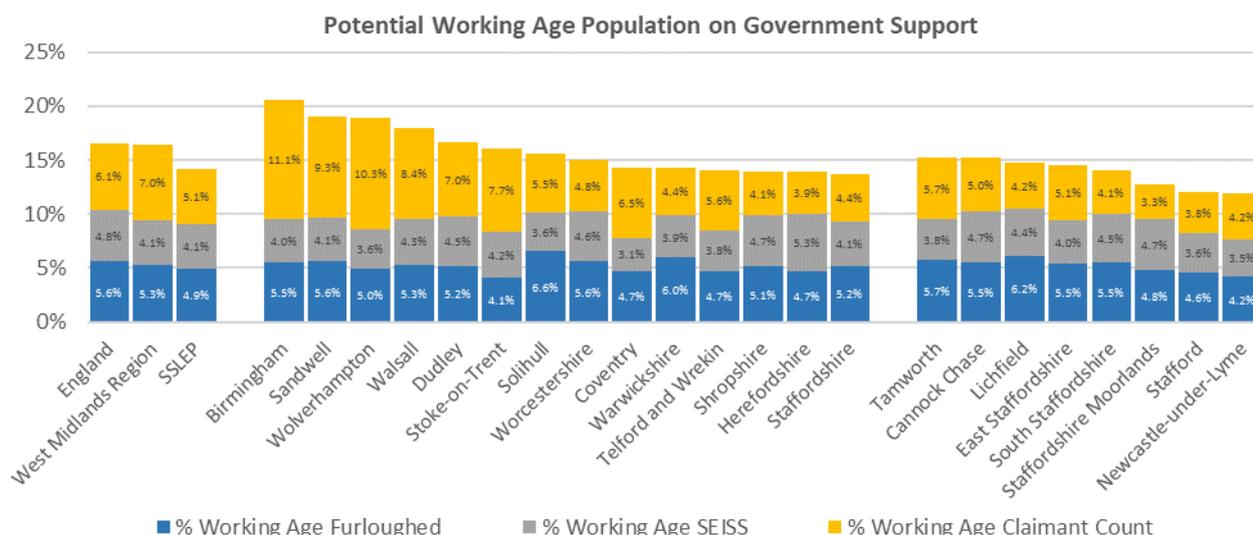
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- **Ultrafast Broadband** around 60,000 more homes and businesses in Staffordshire are set to benefit from a broadband boost as part of a £24 million investment by Openreach. People living and working a number of location are all set to benefit from the national upgrade plan, which will take place between now and 2026, with the majority of premises in each area gaining access to ultrafast full fibre broadband.
- In conclusion, it is apparent that we continue to see **signs of recovery** in the economy with restrictions being lifted allowing more businesses to reopen and operate at or close to full capacity. However, until all restrictions are lifted there remain a number of **hardest hit sectors** such as hospitality and arts and entertainment where businesses continue to suffer. It is in these important sectors where **Government and local support** will be vital over the coming months to help stave off further job losses and business failure. Alongside this the continued **effectiveness of the vaccines** in helping to **break the link** between infections and serious illness leading to hospitalisations and deaths, which is encouraging for the **final stage of lockdown easing** to go ahead as planned on the 19th July.
- As the vaccines continue to be provided to the general population it is vital that additional support such as the **Additional Restrictions Grant** and **Staffordshire Means Back to Business Programme** is utilised to **help businesses transition to new business models including diversification and digitisation to improve their viability and sustainability**. Alongside this the **Restart Scheme** has an important role to play in ensuring that **local residents have the skills and training needed within the local economy to support increased growth, productivity and prosperity**. **Reskilling and upskilling residents from declining sectors into priority growth areas of the economy such as digital, green, advanced manufacturing, advanced logistics, construction, and health and social care will be key.**

Local Picture – Residents on Government Support Schemes

During this period it is important to be able to understand how local businesses are responding to the gradual reopening of the economy and what impact COVID-19 has had and continues to have on jobs. A key aspect of this is monitoring the number of people claiming Universal Credit (Claimant Count), and the number of people on the Coronavirus Job Retention (CJRS) and Self-Employment Income Support Schemes (SEISS), as seen below.

Overall Number of Residents on Government Support Schemes



In line with the Claimant Count rate which shows the proportion of the working age population claiming Universal Credit we have calculated the proportion of the working age population which may be on the furloughed or have accessed SEISS support.

In total there are potentially just over 98,700 residents in the SSLEP area on Government support, equivalent to around 14% of the working age population which is lower than the regional (16%) and national (17%) averages. Stoke-on-Trent (16%) and Tamworth and Cannock Chase (both 15%) have the highest rates while Newcastle-under-Lyme and Stafford (both 12%) have the lowest.

SSLEP Working Age Population	694,954
Jobs in High Risk Sectors	221,000
Claimant Count May 2021	35,745
Coronavirus Job Retention Scheme (CJRS) Furloughed job claims as at 31st May 2021	34,300
Self-Employment Income Support Scheme (SEISS) fourth grant claims up to 6th June 2021	28,700
Potential workers on Government support	98,745
Potential % of working age population on Government support	14.2%

Note: Important to recognise that there may be some workers which are accessing more than one support scheme and there may be some double counting due to jobs moving on and off the furlough scheme

Detailed Breakdown

Claimant Count¹

The following table highlights the level of claimant unemployment in the Staffordshire Districts and each of the Strategic Authorities in the West Midlands Region:

Claimant Count (Universal Credit) Statistics: May 2021

Area	Claimant Count Rate (May 2020)	Claimant Count Rate (April 2021)	Claimant Count Rate ¹ (May 2021)	Number of Claimants (May 2021)	Monthly Change in Claimants (Numbers)	Monthly Change in Claimants (%)	Change in Claimants since March 2020 (Numbers)	Change in Claimants since March 2020 (%)
England	6.4	6.4	6.1	2,148,130	-107,695	-4.8%	1,084,625	102.0%
West Midlands	7.2	7.2	7.0	255,355	-9,380	-3.5%	111,005	76.9%
SSLEP	5.8	5.4	5.1	35,745	-1,775	-4.7%	16,375	84.5%
Birmingham	10.6	11.3	11.1	81,535	-1,520	-1.8%	32,165	65.2%
Wolverhampton	10.3	10.5	10.3	16,755	-400	-2.3%	6,375	61.4%
Sandwell	9.0	9.6	9.3	19,070	-560	-2.9%	8,290	76.9%
Walsall	8.7	8.7	8.4	14,510	-525	-3.5%	5,905	68.6%
Stoke on Trent	8.1	8.0	7.7	12,345	395	3.1%	5,025	68.6%
Dudley	7.6	7.2	7.0	13,490	-520	-3.7%	4,975	58.4%
Coventry	6.3	6.8	6.5	16,255	-740	-4.4%	8,255	103.2%
Telford and Wrekin	6.4	5.8	5.6	6,205	-280	-4.3%	2,775	80.9%
Solihull	5.8	5.7	5.5	7,010	-350	-4.8%	3,360	92.1%
Worcestershire	5.5	5.1	4.8	16,935	-985	-5.5%	8,630	103.9%
Staffordshire	5.1	4.6	4.4	23,400	1,380	5.6%	11,350	94.2%
Warwickshire	5.0	4.7	4.4	15,625	-935	-5.6%	7,795	99.6%
Shropshire	4.8	4.4	4.1	7,815	-515	-6.2%	3,805	94.9%
Herefordshire, County of	4.5	4.1	3.9	4,405	-270	-5.8%	2,295	108.8%
Tamworth	6.4	6.1	5.7	2,690	-165	-5.8%	1,200	80.5%
East Staffordshire	5.3	5.3	5.1	3,720	-170	-4.4%	2,000	116.3%
Cannock Chase	6.2	5.2	5.0	3,145	-170	-5.1%	1,490	90.0%
Lichfield	5.0	4.4	4.2	2,585	-115	-4.3%	1,265	95.8%
Newcastle-under-Lyme	5.1	4.5	4.2	3,430	-240	-6.5%	1,450	73.2%
South Staffordshire	4.6	4.4	4.1	2,775	-150	-5.1%	1,465	111.8%
Stafford	4.4	4.1	3.8	3,165	-195	-5.8%	1,510	91.2%
Staffordshire Moorlands	3.9	3.6	3.3	1,885	-170	-8.3%	965	104.9%

¹ The claimant rate is the proportion of the working age population claiming benefits

- The Claimant Count in Staffordshire saw a further decrease of 1,380 between April and May 2021 to a total of 23,400 claimants, which represented a 5.6% decline over the period which as witnessed last month was larger than the declines seen regionally (-3.5%) and nationally (-4.8%).
- While Stoke-on-Trent saw a decrease of 395 over the same period with a total of 12,345 claimants in May.
- This reflects the easing of lockdown restrictions allowing more businesses to fully reopen with more workers able to return to their place of work full-time and businesses looking to recruit more staff.

- Although there has been some improvement over recent months it is important to look at the change in the Claimant Count seen since March 2020 (pre-COVID) where the number of claimants in Staffordshire remains nearly double with an increase of 11,350 claimants and in Stoke-on-Trent there has been an increase of 5,025.
- Ultimately, the full effect of COVID-19 on employment will not be felt until the furlough and SEISS schemes and further Government support comes to an end.
- The increases in the Claimant Count also need to be viewed in the context of the move to Universal Credit. Before Universal Credit, the Claimant Count was based upon Jobseeker's Allowance claimants, i.e. people out of work but looking for a job. A proportion of claimants currently will have a job but claiming Universal Credit due to having a low income.
- Unfortunately, due to Government data limitations it is not currently possible to quantify the proportion of people that fall into these cohorts at a local level.
- Given the comparatively strong position of Staffordshire going into the pandemic and the fact that COVID-19 has impacted much of the economy during lockdown, even with the significant increase in claimants the proportion of working age residents on such benefits remains comparatively low in Staffordshire with a rate of 4.4% in May compared to 7.0% regionally and 6.1% nationally. In Stoke-on-Trent the Claimant Count rate remains above both the regional and national averages at 7.7%.
- This month all Staffordshire Districts have seen a decline in the number of claimants. Newcastle-under-Lyme saw the largest decrease with 240 fewer claimants followed by Stafford (decrease of 195 claimants).
- Tamworth, East Staffordshire and Cannock Chase record the highest rates in Staffordshire, while East Staffordshire and Newcastle-under-Lyme have the largest caseloads. However, it's important to note all Districts and Boroughs remain lower than the current national and regional rates.
- As well as workers across sectors being impacted differently, there are also signs that it is the lowest paid, young people (particularly apprentices), women, and part-time workers that are being hardest hit. These groups are more likely to work in sectors that have shut down or reduced activity, such as hospitality and non-essential retail. They are also less likely to be able to work from home.

¹ Source: <https://www.nomisweb.co.uk/>

Youth Claimant Count (Universal Credit) Statistics: May 2021

Area	Youth Claimant Count Rate (May 2020)	Youth Claimant Count Rate (April 2021)	Youth Claimant Count Rate ¹ (May 2021)	Number of Youth Claimants (May 2021)	Monthly Change in Youth Claimants (Numbers)	Monthly Change in Youth Claimants (%)	Change in Youth Claimants since March 2020 (Numbers)	Change in Youth Claimants since March 2020 (%)
England	8.8	8.9	8.4	396,365	-25,530	-6.1%	198,635	100.5%
West Midlands	9.8	9.9	9.4	49,570	-2,585	-5.0%	21,665	77.6%
SSLEP	8.8	8.2	7.6	6,840	-560	-7.6%	3,020	79.1%
Wolverhampton	14.6	15.1	14.7	3,125	-85	-2.6%	1,215	63.6%
Sandwell	13.9	14.9	14.3	3,795	-145	-3.7%	1,680	79.4%
Walsall	14.0	14.1	13.6	3,100	-115	-3.6%	1,185	61.9%
Dudley	12.5	12.4	11.7	2,800	-155	-5.2%	1,050	60.0%
Birmingham	10.7	11.4	11.0	15,590	-540	-3.3%	6,485	71.2%
Solihull	10.6	10.7	10.1	1,535	-90	-5.5%	710	86.1%
Stoke on Trent	10.8	10.5	9.7	2,285	195	7.9%	880	62.6%
Telford and Wrekin	10.2	9.4	9.0	1,365	-55	-3.9%	605	79.6%
Worcestershire	8.7	8.3	7.7	3,215	-235	-6.8%	1,620	101.6%
Shropshire	8.6	7.8	6.9	1,450	-180	-11.0%	625	75.8%
Staffordshire	8.0	7.4	6.9	4,550	370	7.5%	2,135	88.4%
Herefordshire, County of	7.8	7.1	6.5	795	-75	-8.6%	380	91.6%
Warwickshire	7.0	6.6	6.2	2,820	-185	-6.2%	1,485	111.2%
Coventry	5.7	6.2	5.9	3,150	-150	-4.5%	1,615	105.2%
Tamworth	11.0	11.1	10.1	580	-60	-9.4%	285	96.6%
Cannock Chase	10.8	9.6	9.1	665	-40	-5.7%	300	82.2%
East Staffordshire	9.0	8.5	7.7	655	-65	-9.0%	335	104.7%
South Staffordshire	7.4	7.5	7.2	575	-25	-4.2%	325	130.0%
Lichfield	8.4	7.2	6.7	470	-35	-6.9%	200	74.1%
Stafford	6.9	6.7	6.1	560	-50	-8.2%	245	77.8%
Newcastle-under-Lyme	6.4	5.5	5.2	720	-40	-5.3%	295	69.4%
Staffordshire Moorlands	6.5	5.9	5.1	325	-55	-14.5%	150	85.7%

¹ The claimant rate is the proportion of the working age population claiming benefits

- Young people aged 18-24 continue to be disproportionately impacted by unemployment where the claimant rate for young people in Staffordshire is now 6.9% compared to 4.4% for all working-age residents, while in Stoke-on-Trent the rate is now at 9.7% in May 2021.
- Encouragingly for the second month in a row Staffordshire has seen a decrease in the youth claimant count with a decline of 370 over the last month to a total of 4,550, while Stoke-on-Trent has seen a decline of 195 to 2,285 youth claimants. For both Staffordshire and Stoke-on-Trent these declines represent larger proportional declines than seen both regionally and nationally.
- Despite these declines youth claimants still remain well above pre-COVID levels.
- All of Staffordshire Districts have seen decreases in youth claimants this month, with East Staffordshire and Tamworth seeing the largest declines.
- Tamworth and Cannock Chase continue to record the highest rates in Staffordshire, both above the national average.

Claimant Counts and Rates in Staffordshire & Stoke-on-Trent Wards

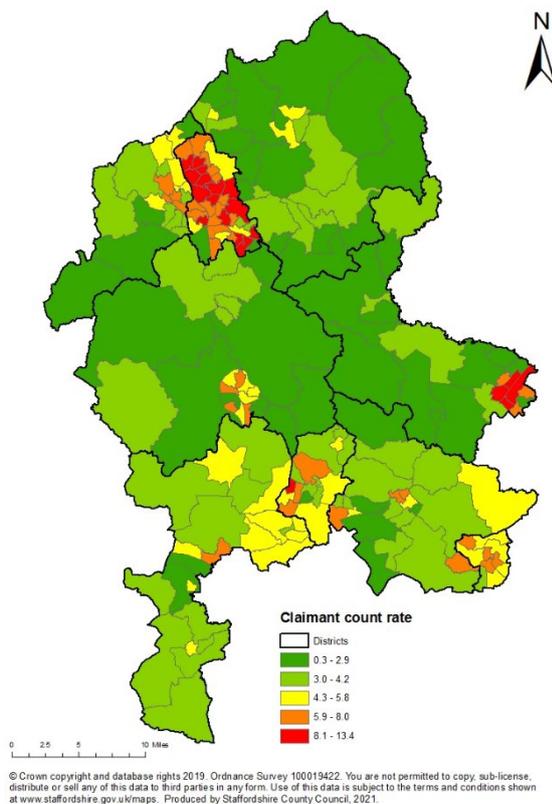
- The following maps and tables provide the latest breakdown of the claimant count by wards in Staffordshire & Stoke-on-Trent.

Claimant Count Rate May 2021

Out of the 201 wards in Staffordshire & Stoke-on-Trent, 49 were above the England average of 6.1% for the number of claimants as a proportion of the working age population.

Of the top 10 wards with the highest claimant count rate nine were in Stoke-on-Trent with Etruria and Hanley (13.4% or 700 claimants), Joiner’s Square (13.1% or 590 claimants), and Moorcroft (12.5% or 455) having the highest rates.

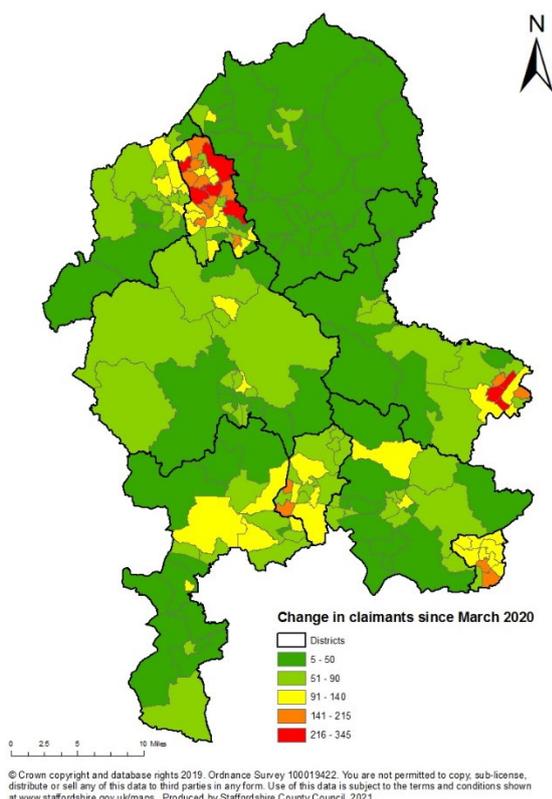
In Staffordshire the 4 wards with the highest claimant count rates were all in East Staffordshire, Anglesey (9.6% or 515), Burton (8.8% or 260), Shobnall (8.6% or 460) and Eton Park (8.4% or 405).



Change in Claimant Count since March 2020

Out of the top 10 wards with the highest change in the number of claimants since March 2020 there were 7 in Stoke-on-Trent and included Etruria and Hanley (345 increase to 700), Birches Head and Central Forest Park (290 rise to 680 in total) and Bentilee and Ubbberley (265 increase to 665).

The remaining 3 wards in the top 10 were all in East Staffordshire the highest increases were seen in Anglesey (325 rise to 515), Shobnall (250 increase to 460) and Eton Park (225 rise to 405).



Youth Claimant Counts and Rates in Staffordshire & Stoke-on-Trent Wards

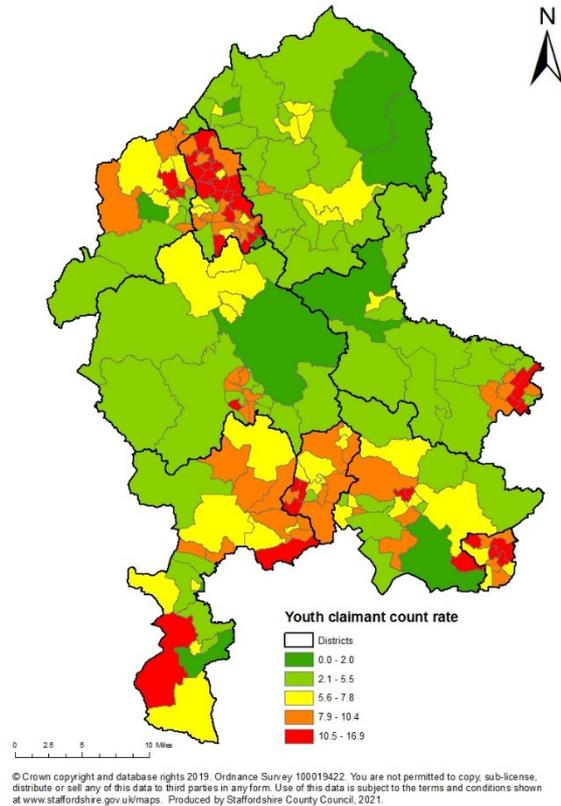
The following maps and tables provide the latest breakdown of the youth claimant count by wards in Staffordshire & Stoke-on-Trent.

Youth Claimant Count Rate May 2021

Out of the 201 wards in Staffordshire & Stoke-on-Trent, 75 were at or above the England average of 8.4% for the number of claimants aged 18-24 as a proportion of the 18-24 population.

Of the top 10 wards with the highest youth claimant count rate 7 were in Stoke-on-Trent with Joiner's Square (17.0% or 130), Bentilee and Ubberley (15.5% or 140) and Meir North (14.4% or 80) having the highest rates.

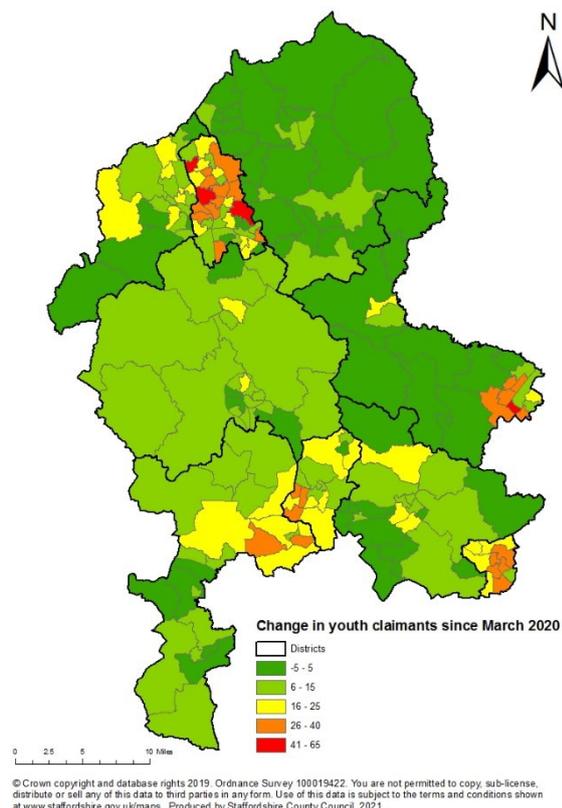
In Staffordshire, the highest rate was Cannock North in Cannock Chase with 15.0% or 80, followed by Glascote in Tamworth with 14.7% or 85 claimants and Holditch & Chesterton in Newcastle-under-Lyme with 12.9% or 55 claimants.



Change in Youth Claimant Count since March 2020

Out of the top 10 wards with the highest change in the number of youth claimants since March 2020 5 were in Stoke-on-Trent including Etruria and Hanley (65 rise to 110), Bentilee and Ubberley (50 rise to 140), and Tunstall (45 rise to 85) with the highest rises since March 2020.

In Staffordshire, the highest increases were seen in Anglesey in East Staffordshire (50 rise to 80 claimants), Eton Park in East Staffordshire (40 rise to 70), and Belgrave in Tamworth (40 rise to 70).



Coronavirus Job Retention Scheme (CJRS) Furloughed Jobs²

- HMRC have released local authority level breakdowns of the CJRS scheme for claims submitted to HMRC by 14th June 2021 for the period up to 31st May 2021.
- The data for May 2021 is not yet fully complete as while claims relating to May 2021 should have been filed by 14 June 2021, employers could file claims later with the agreement of HMRC if they had a reasonable excuse. Claims for May 2021 could also be amended until 28 June 2021. Together these factors are likely to have a small effect on the statistics, with a potential increase for May of around 3%. The May figures should therefore be considered as provisional and will be revised in a future release.
- Based on the provisional figures, **Staffordshire had the 2nd highest number of furloughed job claims up to the end of May in the WM with 27,700**, behind only Birmingham and equivalent to 7% of eligible workers. This is to be expected given Staffordshire is the 2nd largest strategic authority area in the region but shows the potential size of the challenge as furlough ends.
- Between April and May Staffordshire has seen **a further decrease of 13,600 furloughed jobs. This 33% decrease in furloughed jobs reflects the further easing of restrictions we have seen over the last month allowing more businesses to reopen and bring back their workers.** However, there are still significant numbers on furlough reflecting the ongoing impact of the remaining restrictions for many businesses.
- This decrease has seen **Staffordshire's rate of furlough decrease from 11% to 7% which is just below the regional and national averages of 8% and the 2nd lowest rate in the West Midlands.**
- **Stoke-on-Trent has seen the number of furloughed jobs decrease by 3,800 to 6,600 in May, equivalent to 6% of eligible jobs and the lowest rate in the West Midlands.**
- Across the SSLEP area of those on furlough 51% are female and 49% male.
- Although we have seen a further decrease in the number of workers on furlough during the last month, there remain concerns as to how many of the significant number of workers which are still on furlough are to return to work between now and when furlough ends at the end of September.

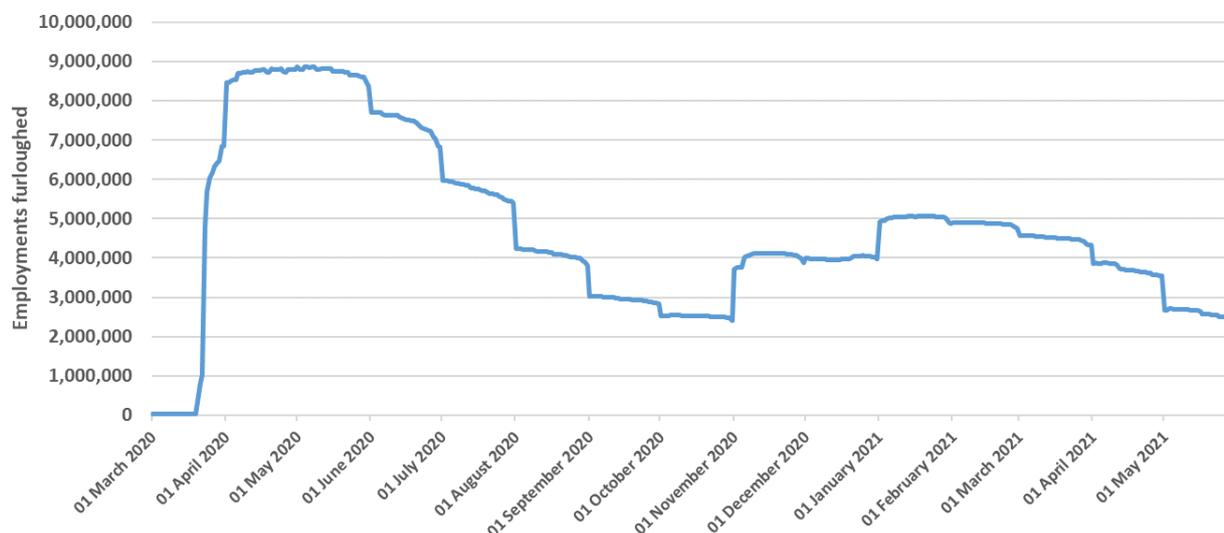
² Source: HMRC <https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-1-july-2021>

Coronavirus Job Retention Scheme (CJRS) Statistics: July 2021

County and district / unitary authority	Total employments eligible for furlough	Total employments on furlough at 31 May (provisional)	Total take-up rate at 31 May (provisional)
Cannock Chase	44,400	3,500	8%
Lichfield	45,300	3,800	8%
South Staffordshire	46,200	3,700	8%
Tamworth	36,100	2,700	8%
West Midlands	2,424,300	194,800	8%
England	23,881,800	1,963,100	8%
SSLEP	484,300	34,300	7%
East Staffordshire	55,300	4,000	7%
Newcastle-under-Lyme	52,200	3,400	7%
Staffordshire Moorlands	40,100	2,800	7%
Staffordshire County	379,200	27,700	7%
Stafford	59,600	3,800	6%
Stoke-on-Trent UA	105,100	6,600	6%

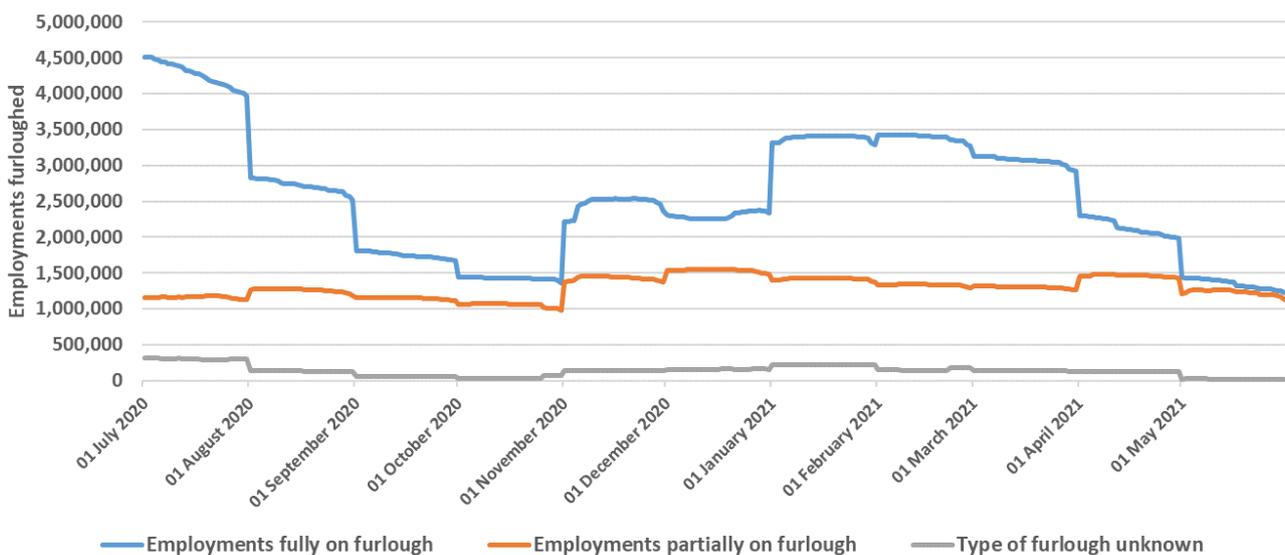
- The national data provides more detailed breakdowns than available for local authorities and looking at the national picture allows for greater insight into the extent of furlough support and who is currently being supported by the furlough scheme.
- **Nationally there were 508,700 (a decrease of just over 98,000 since April 2021) employers making 2,364,100 (a decrease of just under 1.18 million or 33% since April 2021) furloughed job claims up to the end of May.**
- The following chart shows the trend in furloughed job claims nationally, it shows that following the steady decline seen since the latest lockdown began at the start of January there has been a more significant drop in furloughed workers over the last couple of months reflecting the opening up of more parts of the economy in particular non-essential retail and hospitality.

Coronavirus Job Retention Scheme (CJRS) Statistics: July 2021 Time Series



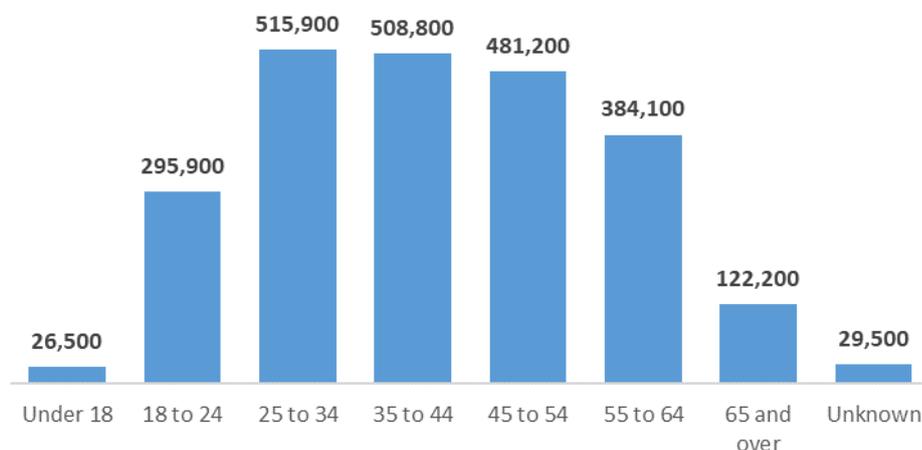
- **Employer Size** – As at 31 May 2021, over three quarters (77%) of claims were made by SMEs with 23% in large businesses with 250+ employees.
- **Furlough Type** - Of those workers furloughed, just over half (52%) were fully furloughed and 48% partially furloughed with 1% unknown. **The chart below shows that the number that are fully furloughed has declined by over 763,000 since April showing a 38% decline, while those partially furloughed have also decreased by just over 310,000 or 22%.** Given that we have seen a decline in both fully and partially furloughed, this would indicate that people are returning to work rather than there being movement between full and part furlough.

Coronavirus Job Retention Scheme (CJRS) Statistics: July 2021 Time Series by Type



- **Furlough by Age** – the following chart shows the number of workers furloughed by employee age group, as we started to see in April those aged 24 and under have seen the largest declines (48% decline compared to 33% overall) in May reflecting the opening up of sectors in which many young people work.

Furloughed Workers by Age



- Nationally, the high-risk sectors of 'Accommodation and Food services' and 'Arts, entertainment and recreation' have by far the highest furlough take-up rates.
- While it is 'Accommodation and Food services' and 'Wholesale and retail including the repair of motor vehicles' which have the highest number of jobs that are still furloughed, however it is these two sectors which have again seen the largest decline in furloughed workers during the last month as restrictions impacting such sectors have started to be eased.
- We have also seen a decline in workers furloughed in the 'Arts, entertainment and recreation' sector this month and the sector now has fewer furloughed workers than 'Manufacturing'.

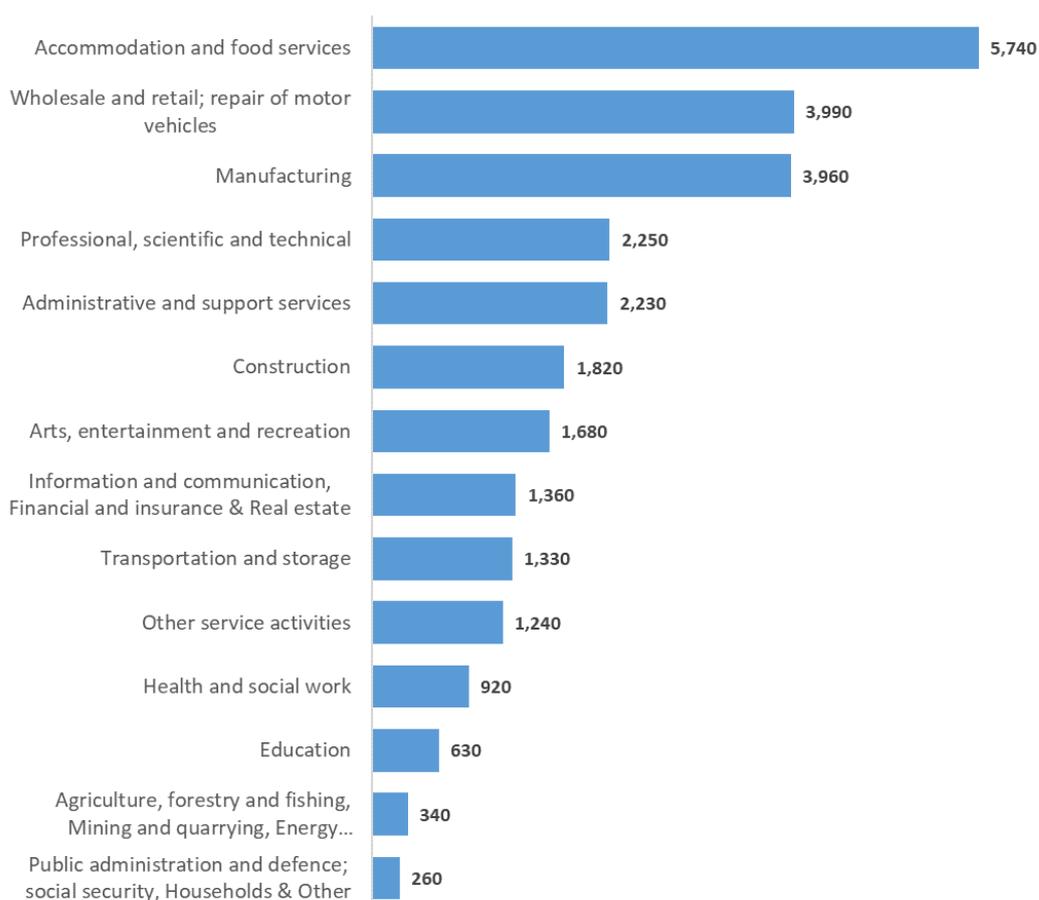
Coronavirus Job Retention Scheme (CJRS) Statistics: July 2021 by Sector

Sector	Employers			Employments			Employments change between April 2021 and May 2021
	Employers (PAYE schemes) with staff eligible for furlough	Employers furloughing at 31 May (provisional)	Take-up rate at 31 May (provisional)	Employments eligible for furlough	Employments on furlough at 31 May (provisional)	Take-up rate at 31 May (provisional)	
Agriculture, forestry and fishing	33,500	3,400	10%	174,200	8,900	5%	-4,400
Mining and quarrying	1,100	200	21%	47,900	1,100	2%	-200
Manufacturing	102,000	36,200	35%	2,293,200	194,500	8%	-54,000
Energy production and supply	1,400	300	24%	128,400	1,200	1%	-500
Water supply, sewerage and waste	5,900	1,900	32%	172,600	6,700	4%	-2,100
Construction	243,800	63,600	26%	1,279,900	139,200	11%	-28,400
Wholesale and retail; repair of motor vehicles	253,400	92,400	36%	4,337,800	330,900	8%	-279,200
Transportation and storage	78,600	27,000	34%	1,311,800	138,700	11%	-35,800
Accommodation and food services	133,000	69,200	52%	1,733,300	589,500	34%	-398,300
Information and communication	143,900	31,900	22%	1,218,200	81,900	7%	-9,000
Finance and insurance	34,900	7,200	21%	1,068,100	21,200	2%	-3,400
Real estate	50,400	15,500	31%	428,300	37,700	9%	-9,400
Professional, scientific and technical	306,600	81,000	26%	2,180,200	182,600	8%	-28,900
Administrative and support services	164,000	55,700	34%	2,367,900	221,600	9%	-72,800
Public administration and defence; social security	7,800	300	3%	1,373,600	3,900	<0.5%	-2,700
Education	39,900	13,000	33%	3,176,600	64,700	2%	-28,200
Health and social work	101,700	23,500	23%	4,112,200	82,600	2%	-34,100
Arts, entertainment and recreation	41,700	18,600	45%	501,600	144,200	29%	-89,000
Other service activities	94,200	32,900	35%	521,000	97,900	19%	-61,000
Households	71,100	1,300	2%	119,300	1,700	1%	-400
Unknown and other	48,300	5,700	-	146,100	13,600	-	-37,400
Total	1,957,200	580,700	30%	28,692,200	2,364,100	8%	-1,179,500

Source: HMRC CJRS and PAYE Real Time Information

- HMRC have also now released local authority breakdowns by sector, the following chart shows the number of workers furloughed by sector in Staffordshire with 'Accommodation and Food services' by far the highest followed by 'Wholesale and retail including the repair of motor vehicles' and 'Manufacturing'. However, all three have seen significant declines in furloughed workers over the last month as more businesses have been able to open up again.

Furloughed workers by sector in Staffordshire (as at 31 May)



- It is clear that there are certain sectors which continue to be the hardest hit by the restrictions that remain in place, but as we continue to move forward on the Government's roadmap out of lockdown it is hoped that restrictions will continue to be lifted and more businesses can reopen at or near to full capacity.
- Although in the longer-term, specific industrial sectors and the associated labour market may continue to be adversely affected, particularly due to reduced economic support measures and challenging market conditions.
- A particular risk is the end of the Government's Job Retention Scheme (JRS) at the end of September. The JRS has been successful in enabling many people to remain in employment but furloughed during the crisis but once this comes to an end there are concerns that many furloughed workers may find themselves out of work.

Self-Employment Income Support Scheme (SEISS)³

- **Staffordshire has seen 22,000 self-employed workers claim for the fourth SEISS grant up to 6th June 2021** and a take-up rate of 55% for those eligible through the scheme, which is below the regional and national average take-up rates (both 58%).
- **Stoke-on-Trent had 6,700 SEISS claims up to 6th June 2021**, equivalent to 63% of those eligible. This is the third highest rate the West Midlands Region upper-tier authorities behind only Birmingham and Sandwell.

Self-Employment Income Support Scheme (SEISS) Statistics: July 2021

County and district / unitary authority	Total potentially eligible population	Total no. of claims made to 06/06/21	Total value of claims made to 06/06/21 (£)	Average value of claims made to 06/06/21 (£)	Total Take-Up Rate
Stoke-on-Trent UA	10,600	6,700	16,600,000	2,500	63%
Cannock Chase	5,100	3,000	9,100,000	3,000	60%
Tamworth	3,000	1,800	5,000,000	2,800	60%
England	2,918,000	1,700,000	4,810,000,000	2,800	58%
West Midlands	260,000	150,000	403,000,000	2,700	58%
SSLEP	50,300	28,700	79,200,000	2,800	57%
Newcastle-under-Lyme	5,100	2,900	8,200,000	2,800	57%
South Staffordshire	5,300	3,000	8,700,000	2,900	57%
Lichfield	4,800	2,700	8,100,000	3,000	56%
East Staffordshire	5,300	2,900	7,500,000	2,600	55%
Staffordshire County	39,700	22,000	62,600,000	2,800	55%
Stafford	5,700	3,000	8,600,000	2,900	52%
Staffordshire Moorlands	5,400	2,700	7,300,000	2,800	49%

- For all SEISS grants to 6th June 2021 Staffordshire has seen 105,700 claims from 33,600 individuals for a total of £298.2 million. While Stoke-on-Trent has seen 30,200 claims from 9,400 individuals for £74.3 million.
- Nationally, **transport and storage, education, arts, entertainment and recreation and construction remain the sectors which have seen the highest take-up rates. While construction makes up the highest proportion of total number of claims representing a third (33%) followed by transport and storage with 10% of all claims.**

³ Source: HMRC <https://www.gov.uk/government/statistics/self-employment-income-support-scheme-statistics-july-2021>

- In terms of gender, males have a take up rate of 60% and represent 71% of all claims while females have a take up rate of 54% and represent 29% of all claims.
- For age, the highest take-up rates are for those aged 35-44 (62%) and 25-34 (61%) and 91% of all claims are for those aged 25-64 with only 2% for those aged 16-24 and 6% for those over 65 with 1% unknown age.
- Overall, for all SEISS grants up to 6th June 2021, there have been 9.1 million claims from 2.8 million individuals for £25.2 billion.

Business Insolvencies during the pandemic

This section covers the latest Insolvency Service monthly insolvency statistics⁴ for May 2021, which show the number of new companies and individuals who are unable to pay debts and enter a formal insolvency procedure.

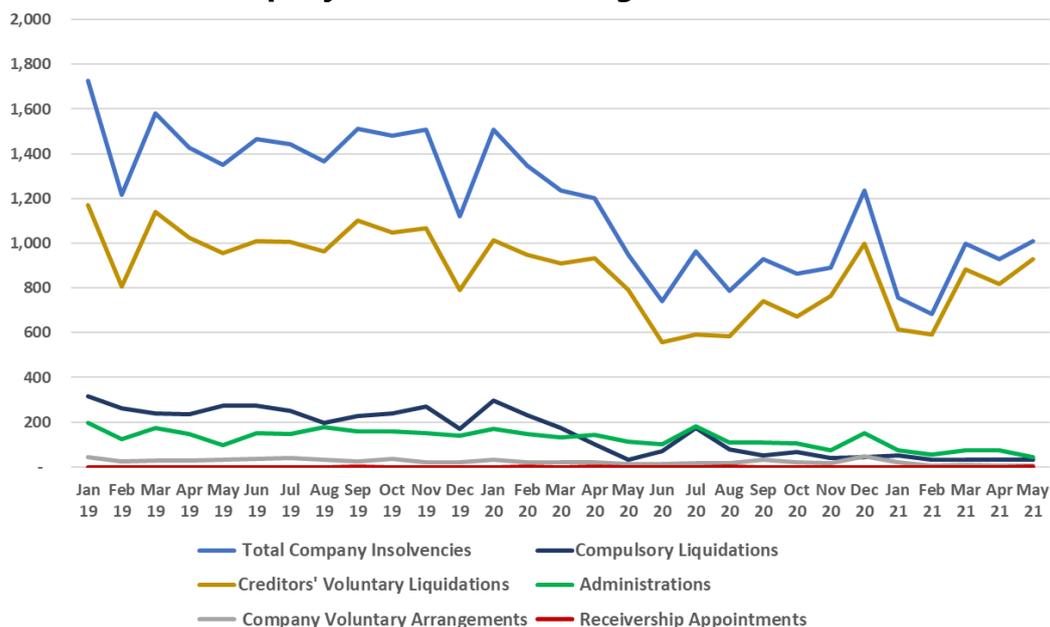
Company Insolvencies

In May 2021 there were a total of 1,011 company insolvencies in England and Wales, comprised of 930 creditors' voluntary liquidations (CVLs), 43 administrations, 31 compulsory liquidations, 6 company voluntary arrangements (CVAs) and 1 receivership.

The overall number of **company insolvencies increased by 7% in May 2021 when compared to the same month last year but remain 25% lower than two years previously**. Please note that due to the volatility of the underlying data the Insolvency Service recommends comparisons are made with the same month in the previous two years rather than with the previous month.

Company insolvencies between June 2020 and May 2021 are 34% lower compared to a year earlier, representing just over 5,680 fewer businesses.

Company Insolvencies in England and Wales



Sources: Insolvency Service (compulsory liquidations only); Companies House (all other insolvency types)
Figures are provisional.

The sectors to have seen the largest number of company insolvencies between May 2020 and April 2021 are construction (1,675), accommodation and food (1,385), and wholesale and retail (1,363). However, levels are far lower than those seen for the same period the previous year, with construction 44% lower, wholesale and retail 43% lower and accommodation and food 39% below levels seen a year earlier.

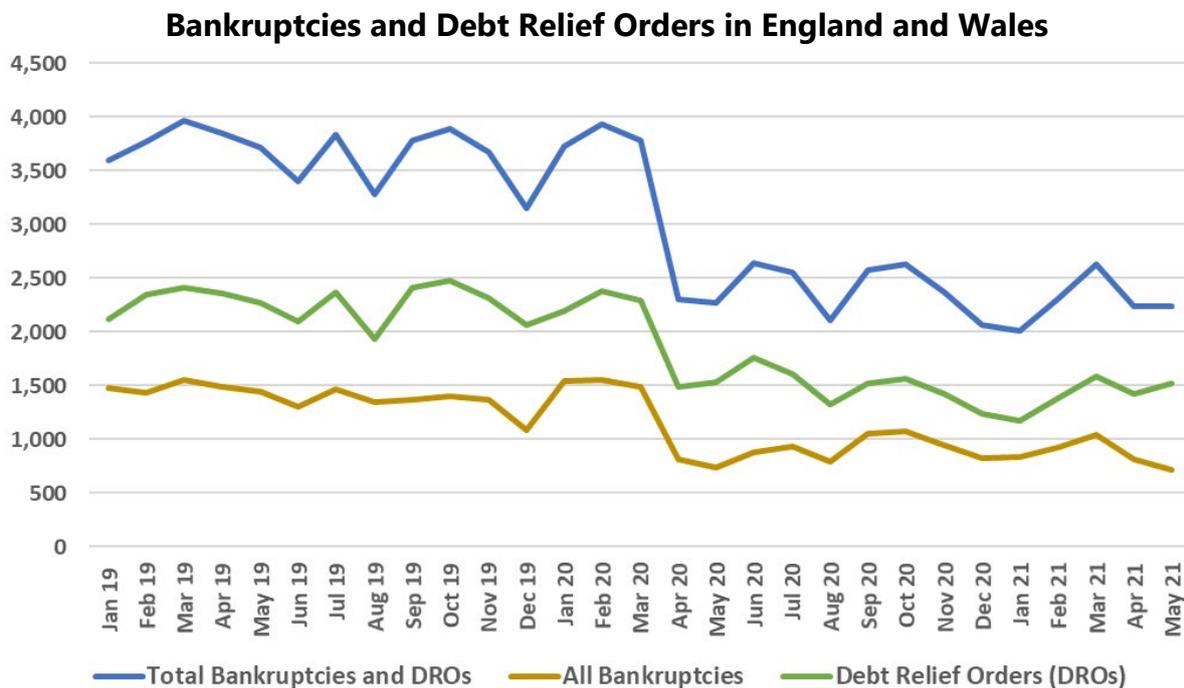
⁴ Source: The Insolvency Service <https://www.gov.uk/government/collections/monthly-insolvency-statistics>

Individual Insolvencies

For individual insolvencies, the number of **bankruptcies in May 2021 was 718** (made up of 647 debtor applications and 71 creditor petitions), while the number of **Debt Relief Orders (DROs) was 1,525**.

Bankruptcies and DRO numbers were both similar to April 2020, but lower than in May 2019 (pre-pandemic) by 50% (bankruptcies) and 33% (DROs).

Total bankruptcies and DROs between June 2020 and May 2021 have declined by 33% representing just under 14,000 fewer compared to the same period a year earlier.



Individual Voluntary Arrangements (IVAs) is a formal debt solution to pay back debts over a period of time. There were, **on average, 7,393 IVAs registered per month in the three-month period ending May 2021**, which is similar to both the three-month periods ending May 2020 and May 2019.

Overall numbers of company and individual insolvencies have remained low since the start of the first UK lockdown in March 2020, when compared with pre-pandemic levels. This is likely to be partly driven by government measures put in place to support businesses and individuals during pandemic, including:

- Temporary restrictions on the use of statutory demands and certain winding-up petitions (leading to company compulsory liquidations).
- Enhanced government financial support for companies and individuals.

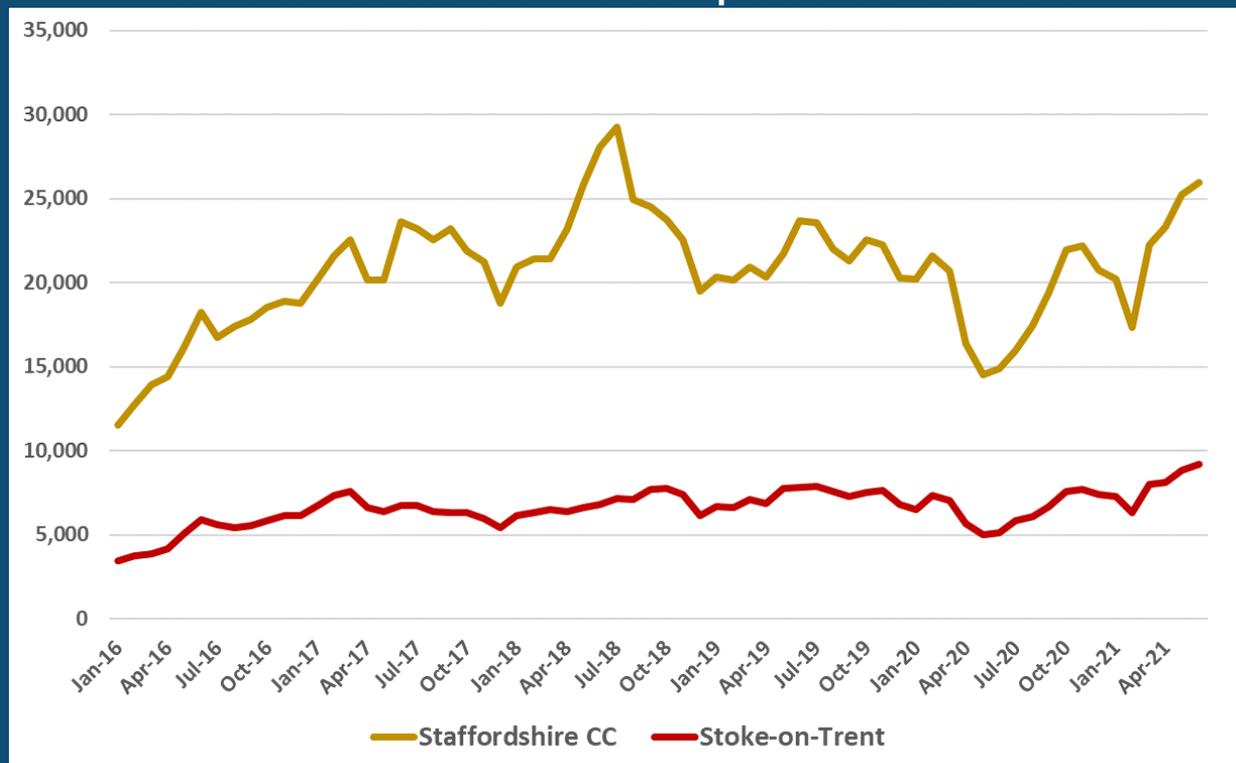
As the Insolvency Service does not record whether an insolvency is directly related to the coronavirus pandemic, it is not possible to state the direct effect of the pandemic on insolvency volumes.

The main concern is a potential spike in company and individual insolvencies once Government support has been withdrawn. However, it is also important to note that the Government has extended some of the temporary COVID-19 relief measures under the UK Corporate Insolvency and Governance Act 2020, with winding up petitions restricted until 30th June 2021.

Job Vacancies⁵

- The latest job vacancies data shows more signs of economic recovery with a further uplift in recruitment in June, reflective of the further easing of restrictions enabling more businesses to reopen.
- However, as job vacancies soar there are increasing reports of skills shortages with not enough workers to fill the vacant jobs, especially in digital/IT roles, social care (both adults and children), hospitality such as chefs and waiting staff, and engineering. This has the potential to slow down the recovery unless the skills gap is quickly and effectively addressed, clearly the Government's Plan for Jobs including the Kickstart and Restart schemes has a vital role in upskilling and reskilling jobseekers into areas of demand.
- **Staffordshire saw vacancies increase by 3% between May and June equivalent to over 700 more job vacancies, this was in line with the rise seen nationally.**
- **Stoke on Trent saw a rise of 4% with 385 more vacancies in June compared to May.**
- This continued significant improvement in recruitment has **seen vacancy levels rise to levels well above those seen prior to COVID and above the growth seen nationally.**

Staffordshire & Stoke on Trent Unique Job Vacancies Trend



⁵ Source: EMSI

Monthly Trends in recruitment

- The occupational groups to have seen the largest growth between May and June were similar to last month and included 'elementary occupations' (10% rise), 'administrative and secretarial occupations' (7% increase) and 'sales and customer service occupations' (6% rise),
- The occupations to see the most significant increases during June were roles in sectors which have been able to open up further due to reduced restrictions and the sectors and occupations which support them including:
 - **Hospitality** including 'chefs', 'kitchen and catering assistants', 'bar staff' and 'catering and bar managers';
 - **Logistics** including elementary storage occupations', 'van drivers', 'LGV drivers', 'transport and distribution clerks and assistants' and 'managers and directors in storage and warehousing';
 - **Sales and customer services** including 'customer service occupations', 'sales accounts and business development managers', 'marketing associate professionals' and 'business sales executives'.
- There has also been a further increase in demand for roles in education where there are ongoing recruitment difficulties with high demand for occupations including 'teaching and other educational professionals', 'teaching assistants' and 'secondary education teaching professionals'.

Pre COVID baseline trends in job vacancies

- It is also found that the main occupations to have grown since before COVID struck are mainly found within:
 - **Logistics** including 'elementary storage occupations', 'LGV drivers', 'van drivers', and 'transport and distribution clerks and assistants';
 - **Manufacturing** including 'metal working production and maintenance fitters', 'science, engineering and production technicians n.e.c.' and 'engineering technicians';
 - **Construction** including 'electricians and electrical fitters' and 'plumbers and heating and ventilating engineers'.

This is reflective of the growth in ecommerce alongside the swift recovery in construction and manufacturing.

Top 20 occupations increasing and top 20 declining between Feb 2020 (Pre COVID) and June 2021 in SSLEP

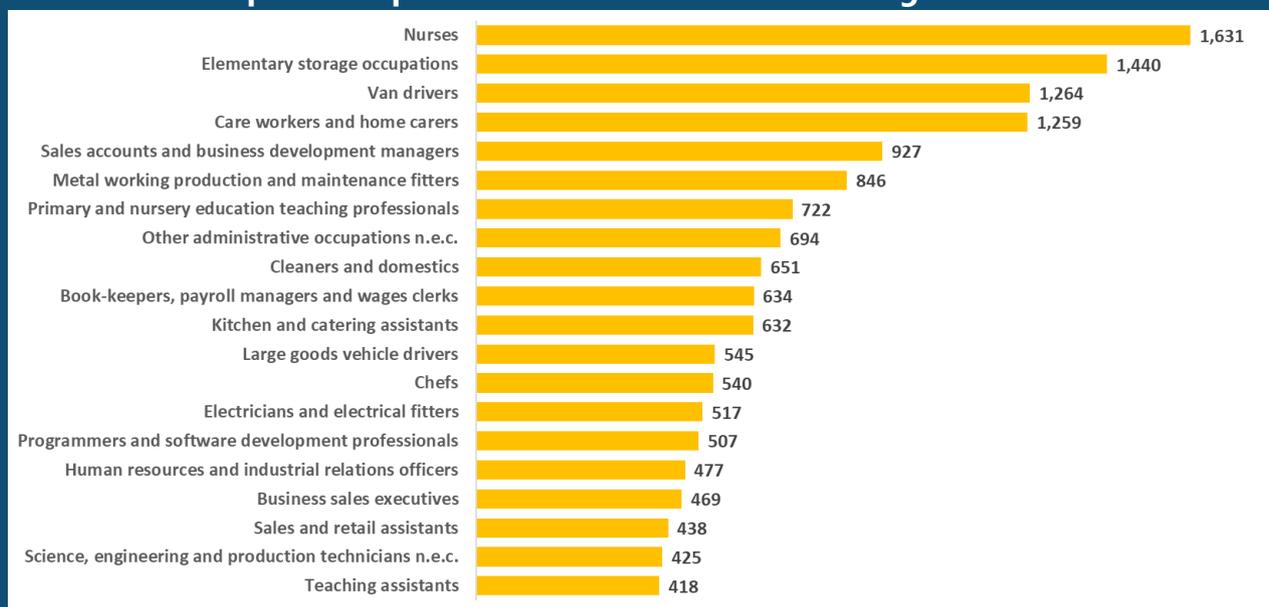


Top Occupations in Demand

- However, even with these changes in recruitment during the last month, demand for roles in health and social care including **nurses and social care workers and home carers** alongside roles in logistics such as **elementary storage occupations and van drivers** remain by far the strongest of all occupations.
- There also remains demand for **primary and nursery education teaching professionals**, which is an area which was badly impacted during lockdown and where there are increasing skills gaps. While in manufacturing **metal working production and maintenance fitters** remain the occupation in most demand.
- There is also increased and high demand in hospitality for roles including **chefs and kitchen and catering assistants**.

- As well as these more sector specific roles, there is continuing demand for workers which support numerous sectors including **sales and business development managers, programmers and software development professionals, book keepers, admin roles and cleaners.**

Top 20 occupations in demand in SSLEP during June 2021



- It is clear that there are increasing jobs available in the local economy and the need now is to ensure that there is a strong local labour pool with skilled workers able to fill these roles to support business recovery. The national and local support which is in place to support those that have been unfortunate enough to lose their jobs is vital in both reskilling and upskilling as well as enabling them to access the opportunities available.

Job Vacancies Summary Table

Area / SSLEP Occupational Group	Feb 2020 Unique Postings	Jun 2020 Unique Postings	Apr 2021 Unique Postings	May 2021 Unique Postings	Jun 2021 Unique Postings	May 2021- Jun 2021 (Month on Month Change)	May 2021- Jun 2021 Monthly % Change	Feb 2020- Jun 2021 (Month on Month Change)	Feb 2020- Jun 2021 Monthly % Change	Jun 2020- Jun 2021 (Year on Year Change)	Jun 2020- Jun 2021 Annual % Change
Staffordshire CC	21,572	14,875	23,302	25,233	25,945	712	3%	4,373	20%	11,070	74%
Stoke-on-Trent	7,345	5,105	8,137	8,822	9,207	385	4%	1,862	25%	4,102	80%
SSLEP	28,917	19,980	31,439	34,055	35,152	1,097	3%	6,235	22%	15,172	76%
West Midlands	195,018	134,554	194,498	212,947	222,151	9,204	4%	27,133	14%	87,597	65%
England	2,226,108	1,645,926	2,106,535	2,308,770	2,386,859	78,089	3%	160,751	7%	740,933	45%
Stafford	4,890	3,456	5,773	6,404	6,425	21	0%	1,535	31%	2,969	86%
East Staffordshire	3,678	2,416	4,150	4,449	4,681	232	5%	1,003	27%	2,265	94%
Lichfield	2,533	1,996	3,034	3,347	3,510	163	5%	977	39%	1,514	76%
Newcastle-under-Lyme	1,676	1,214	2,055	2,137	2,285	148	7%	609	36%	1,071	88%
South Staffordshire	655	537	1,162	1,255	1,156	-99	-8%	501	76%	619	115%
Cannock Chase	2,657	2,004	2,992	3,093	3,125	32	1%	468	18%	1,121	56%
Tamworth	3,392	2,088	2,846	3,296	3,457	161	5%	65	2%	1,369	66%
Staffordshire Moorlands	2,091	1,162	1,285	1,248	1,302	54	4%	-789	-38%	140	12%
Elementary Occupations	2,469	1,795	3,089	3,500	3,853	353	10%	1,384	56%	1,762	115%
Skilled Trades Occupations	2,632	1,465	3,697	3,913	3,912	-1	0%	1,280	49%	2,447	167%
Associate Professional and Technical Occupations	5,626	3,301	5,935	6,445	6,570	125	2%	944	17%	3,269	99%
Process, Plant and Machine Operatives	2,234	1,115	2,570	2,785	2,910	125	4%	676	30%	1,795	161%
Professional Occupations	7,087	5,913	7,451	7,671	7,742	71	1%	655	9%	1,829	31%
Administrative and Secretarial Occupations	2,987	1,675	2,842	3,251	3,485	234	7%	498	17%	1,810	108%
Managers, Directors and Senior Officials	1,950	1,500	2,187	2,325	2,361	36	2%	411	21%	861	57%
Caring, Leisure and Other Service Occupations	2,685	2,492	2,587	2,832	2,909	77	3%	224	8%	417	17%
Sales and Customer Service Occupations	1,247	724	1,081	1,333	1,410	77	6%	163	13%	686	95%

Notes

Claimant Count and ILO Unemployment Definitions

The Claimant Count is a measure of the number of working age people claiming benefits principally for the reason of being unemployed, including those claiming Jobseeker's Allowance plus those who claim Universal Credit and are required to seek work and be available for work.

ILO unemployment data is obtained from the national Labour Force Survey. The definition for unemployment is those without a job, want a job, have actively sought work in the last four weeks and are available to start work in the next two weeks, or; are out of work, have found a job and are waiting to start work in the next two weeks.

Understanding the differences between the Claimant Count and ILO Unemployment

According to the UK Claimant Count for May, claimant unemployment increased to 2.8 million and a rate of 7.8% – a rise of 125% in just two months, the fastest rate of growth on record. However, the ILO measure shows that unemployment has remained largely unchanged at around 1.3 million and a rate of 3.9%. Understanding the reasons why there is this difference is important for policymakers trying to determine whether we are currently in the middle of an unemployment crisis or whether this is to come as the Job Retention Scheme (JRS) is gradually withdrawn.

The following section tries to explain this incredibly confusing, complicated and often contradictory data.

The main reasons for the difference between the Claimant Count and ILO measures include:

- **The two measures describe different periods** – for claimant unemployment, the numbers refer to claimants on a specific 'count date' with the last three being 12 March, 9 April and 14 May. Therefore, these are point in time estimates, and handily we can compare what the situation was about a week before the crisis (12 March) with how things were two months later (14 May).

The ILO measure is a three month average of survey responses between early February and late April 2020. This means that two months pre date the crisis, while one month (April) is since the crisis began. However, ONS does release [single month estimates](#) (latest available April 2020) which show a drop in employment in April of 320,000 explained almost entirely by fewer people self employed but only slight increase of 40,000 unemployed. Instead there is a steep rise in 'economic inactivity' which is those who are out of work but are not looking and/ or available for work.

- **Difference in measuring economic inactivity/worklessness** the Claimant Count measures those who are required to look/be available for work as a condition of benefit, while the ILO measure is those who say that they actually are actively seeking and available for work. The Labour Force Survey is recording a single month increase in the number of people out of work (unemployed and economically inactive) of 330,000, but nearly 290,000 of these people are not looking for work (economically inactive). The majority of this rise is people previously self employed and are either not eligible for, or not yet been paid, income under the Self Employed Income Support Scheme (SEISS).
- **Claimant Count now includes more workers on low income** In the Claimant Count, people with earned income can be counted as claimant unemployed if their earnings in the reference month are below a set threshold (£338 per month for a single person, or £541 per month for a couple). Before Universal Credit (UC), short hours working was penalised and so these numbers were generally low. However, UC incentivises short hours work, and so we've seen a growth in recent years in the number of people treated as being unemployed but who have some earnings. The detailed data for UC suggests that 190,000 of the 1 million increase between March and April was accounted for by working claimants so around one fifth of the rise.
- **Difference in recording people who are 'in work'** in the Labour Force Survey you are recorded as in employment even if you have not done any work that week but 'have a job or business that you were away from... (and that you expect to return to)". Obviously this category of workers 'away' from work now captures about 9 million people furloughed under the Job Retention Scheme (JRS) who are continuing to earn, but it also includes people who consider themselves to be employees or self employed but who have no earnings. 'Real time' Pay As You Earn data suggests that this may be mainly employees, with the number of paid employees falling by 450,000 between March and April. This 450,000 could include a large number of people who may have been due to start a job in March or April but have been told that they job isn't available yet and may also be people who had very few or irregular hours before the JRS was introduced and whom employers have not submitted a JRS claim. These people may be describing themselves as being workers with a job that they are away from, rather than as being actively seeking a new job.
- **Benefit take up/eligibility impact on the Claimant Count** given that the claimant count only counts those who claim benefit it may be understating the growth in worklessness. We know that many unemployed people do not claim, and particularly young people (usually due to eligibility). Under UC, there have been on average 450,000 more ILO unemployed young people than claimant unemployed and even if that gap narrows in the crisis, as tends to happen in recessions, it's possible that ILO youth unemployment will remain significantly higher than the claimant measure.

Summary table outlining the potential estimates for the Claimant Count rise in April

Potential Proportion of Claimant Count Change Mar 20 to Apr-20	Potential Number of Claimants	Potential Reasons for being a Claimant	Labour Force Survey Categorisation
44%	450,000	New Job Starters/PT employees/Self-employed with no income claiming Universal Credit not supported by JRS	In Employment - even if not done any work that week but 'have a job or business that were away from... (and that expect to return to)' – rather than unemployed
28%	292,500	Self-employed ceased trading or have very low income claiming Universal Credit (and are either not eligible for, or not yet been paid, income under the SEISS)	Economically inactive - people out of work but are not looking for work - majority people previously self-employed
18%	190,000	Working part-time low income workers claiming Universal Credit	In Employment
10%	100,000	Potential Redundancies	
100%	1,032,500	Claimant Count Increase Mar-20 to Apr-20	

- It is hoped that this analysis has provided further clarity as to why we have seen such a spike in the number of claimants early in the crisis. What is clear is that we have seen a record fall between March and April in the number of people working and not being supported by JRS. We have also seen worklessness rising at a faster rate than at any time before. Although very few of the decline in the numbers 'working' had translated into higher unemployment in April, it is envisaged that this may be the case if people are unable to get back into work quickly.
- Looking forward, the growth in claims for UC is slowing and so the growth in the Claimant Count is also likely to slow as well. That said claimant unemployment is currently at the highest level on record. The main concern now is what happens to many workers as JRS is gradually withdrawn and it is important that we are thinking now about how to support people that are made redundant and what policy interventions are needed.