

Staffordshire

Means**Back to Business**

Economic Bulletin - Issue 2 – August 2020

Welcome to the second edition of the new 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 over the coming months we intend 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.

Alongside information on the Claimant Count and Job Vacancies that will be a part of every Bulletin, we again look at the Coronavirus Job Retention Scheme (CJRS) Furloughed Workers and Self-Employment Income Support Scheme (SEISS) to assess how these schemes are being used in Staffordshire & Stoke-on-Trent. This month's issue also provides ward level analysis of the claimant count helping to 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 how local businesses are making use of the Coronavirus Business Interruption Loan Scheme (CBILS) and the Bounce Back Loan Scheme (BBLs).

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

- The number of people on some form of government economic support scheme is currently largely on a par with the rest of the country (36%).
- The claimant count in Staffordshire saw a slight rise of 705 between June 2020 and July 2020 to a total of 26,465 claimants and a rate change from 4.8% to 4.9% of the working age population - however, not all will be out of work. Whilst there has been some announcements of potential redundancies, due to the move to Universal Credit claimant count figures now also include those that have had a lower income through COVID-19, including furloughed staff and part time employees, short-term layoffs and the self-employed who have paused or ceased operating.
- The claimant count rate is still relatively low in Staffordshire (4.9%) compared to regionally (7.3%) and nationally (6.5%). However, it is young people, 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. It remains vital that these groups are supported to help prevent them becoming long-term unemployed.
- Although unemployment and those claiming benefits has not surged further over more recent months this is largely due to the considerable number of workers which remain on the Government-backed furlough scheme. However, there is concern that over coming months as the furlough scheme winds down and already announced potential job cuts become a reality there are likely to be more people that find themselves out of work.
- The latest Coronavirus Job Retention Scheme (CJRS) and Self-Employment Income Support Scheme (SEISS) figures for July show that there was an increase of 6,900 furloughed workers in Staffordshire compared to June and a 2,000 increase in Stoke-on-Trent, although the pace of increases appears to be slowing. SEISS claims increased by 500 in Staffordshire between June 2020 and July 2020 and by 100 in Stoke-on-Trent, again far smaller increases than those experienced between May and June although this is likely to be due to the design of the scheme with the second tranche only opening on 17th August.

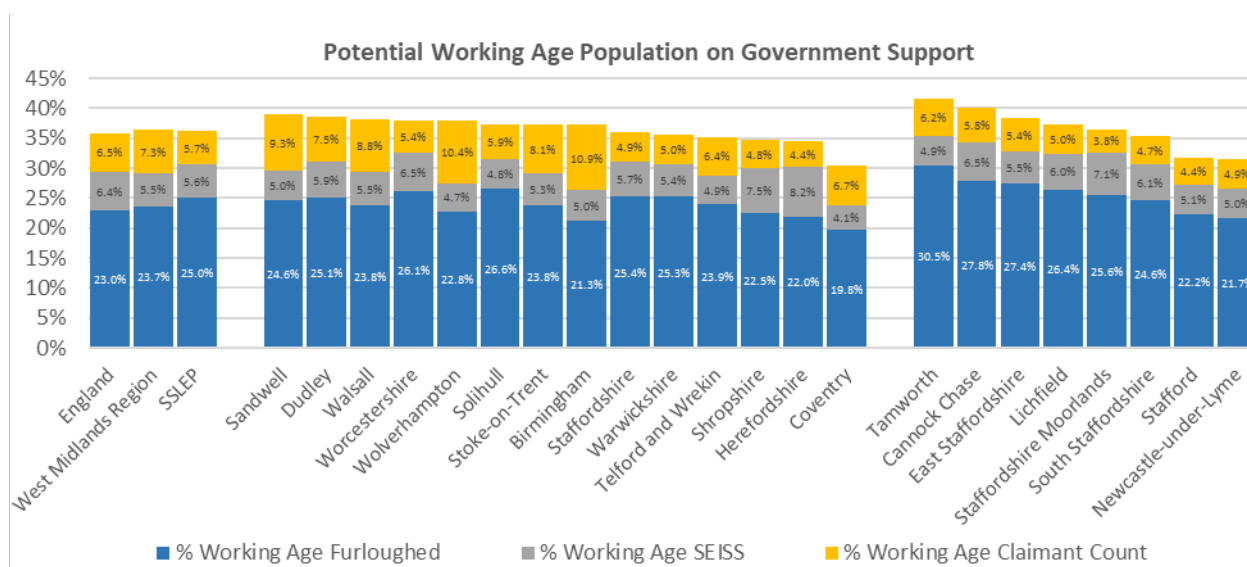
- Across the country the number of job vacancies has also decreased since the crisis began and still remain well below levels seen a year earlier, although there are signs that the job market is starting to pick back up. We continue to see demand for roles in health, social care and distribution with clear emerging opportunities for job creation in digital, construction and the green economy.
- In conclusion, it is apparent that as we move out of lockdown and Government support is wound down there are more businesses finding the need to restructure their operations and unfortunately in some cases this means making staff redundant. However, it is also clear that as we continue to work together to drive local economic recovery more jobs are being saved in high-risk sectors and there are new opportunities being created in new roles and new sectors of the economy.
- Our main focus now continues to be on working together to ensure that as many people as possible currently on furlough return to work and for those residents unfortunate enough to have lost their jobs support them back into work as we build a stronger local economy.
- Fundamental to this is the work of the Countywide Redundancy Task Group where more than 20 local partners are working together to support businesses and employees with potential redundancies. Alongside this the Redundancy and Recruitment Triage Service will have an important role in helping residents gain new skills and employment.
- Alongside this important work the County Council and our local partners have made numerous interventions over the last few months to support our residents and businesses including:
 - South Staffordshire Council have taken a proactive approach to business engagement during the pandemic. The team have worked on a one council approach to helping the high streets get back to business using their 'locality enablers' with different specialisms from different teams of the Council to come together to engage with businesses to support their reopening plans. Engaging District Councillors, Parish Councillors and businesses in the recovery approach on the high street has forged relationships to ensure that the village centres in the District access the support they need. The team have also recognised the issues that the high street businesses were facing and have run bespoke webinars for business as well as offering virtual support clinics to businesses on our industrial estates. In the future the Council will be offering a virtual business support team approach so that there is a one stop shop approach for businesses when they need contact with the Council services.

- Around 1,800 packs of Personal Protective Equipment (PPE) have been given away to businesses through the PPE Start-Back Scheme to support them in operating under Covid-Secure guidelines, whilst also offering [advice on how to use PPE](#) and where to [buy safe, cost-effective PPE from trusted suppliers](#).
- Over 50 people have already signed-up for the Staffordshire start-up support scheme.
- Additional funding to support the recovery of the businesses within the tourism sector and Small & Medium Enterprises more broadly has recently been announced, with schemes to go live through the Growth Hub next month.

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 252,000 residents in the SSLEP area on Government support, equivalent to around 36% of the working age population which is similar to regional and national averages. Tamworth (42%) and Cannock Chase (40%) have the highest rates while Newcastle-under-Lyme and Stafford (both 32%) have the lowest.

SSLEP Working Age Population	694,954
Jobs in High Risk Sectors	221,000
Claimant Count July 2020	39,440
Coronavirus Job Retention Scheme (CJRS) Furloughed job claims up to 31st July	173,800
Self-Employment Income Support Scheme (SEISS) claims up to 31st July	39,000
Potential workers on Government support	252,240
Potential % of working age population on Government support	36.3%

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: July 2020

Area	Claimant Count Rate (July 2019)	Claimant Count Rate (June 2020)	Claimant Count Rate ¹ (July 2020)	Number of Claimants (July 2020)	Monthly Change in Claimants (Numbers)	Monthly Change in Claimants (%)	Change in Claimants since March (Numbers)	Change in Claimants since March (%)
England	2.7	6.3	6.5	2,273,600	72,985	3.3%	1,210,095	113.8%
West Midlands	3.5	7.1	7.3	266,830	7,625	2.9%	122,480	84.8%
SSLEP	2.4	5.5	5.7	39,440	885	2.3%	20,070	103.6%
Birmingham	6.2	10.6	10.9	80,165	2,235	2.9%	30,795	62.4%
Wolverhampton	5.8	10.3	10.4	17,025	280	1.7%	6,645	64.0%
Sandwell	4.5	9.0	9.3	18,995	595	3.2%	8,215	76.2%
Walsall	4.3	8.6	8.8	15,150	315	2.1%	6,545	76.1%
Stoke-on-Trent	4.1	8.0	8.1	12,975	180	1.4%	5,655	77.3%
Dudley	4.1	7.3	7.5	14,530	495	3.5%	6,015	70.6%
Coventry	2.8	6.5	6.7	16,310	485	3.1%	8,310	103.9%
Telford and Wrekin	2.6	6.2	6.4	7,110	190	2.7%	3,680	107.3%
Solihull	2.7	5.7	5.9	7,475	260	3.6%	3,825	104.8%
Worcestershire	2.1	5.2	5.4	19,120	610	3.3%	10,815	130.2%
Warwickshire	2.0	4.8	5.0	17,490	675	4.0%	9,660	123.4%
Staffordshire	1.8	4.8	4.9	26,465	705	2.7%	14,415	119.6%
Shropshire	1.9	4.6	4.8	9,080	395	4.5%	5,070	126.4%
Herefordshire	1.7	4.2	4.4	4,935	205	4.3%	2,825	133.9%
Tamworth	2.7	5.9	6.2	2,940	120	4.3%	1,450	97.3%
Cannock Chase	2.0	5.7	5.8	3,660	70	1.9%	2,005	121.1%
East Staffordshire	1.9	5.4	5.4	3,915	10	0.3%	2,195	127.6%
Lichfield	1.7	4.8	5.0	3,055	110	3.7%	1,735	131.4%
Newcastle-under-Lyme	2.1	4.8	4.9	3,980	70	1.8%	2,000	101.0%
South Staffordshire	1.7	4.5	4.7	3,140	140	4.7%	1,830	139.7%
Stafford	1.5	4.2	4.4	3,590	95	2.7%	1,935	116.9%
Staffordshire Moorlands	1.4	3.6	3.8	2,185	95	4.5%	1,265	137.5%

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

- The Claimant Count in Staffordshire saw a slight rise of 705 between June 2020 and July 2020 to a total of 26,465 claimants. Stoke-on-Trent also saw a small increase of 180 over the same period with a total of 12,975 claimants in July.
- These slight increases in July are similar to the trend seen nationally and reflects what we have seen through HR1s notifications early in the crisis and some potential redundancies in SMEs.

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

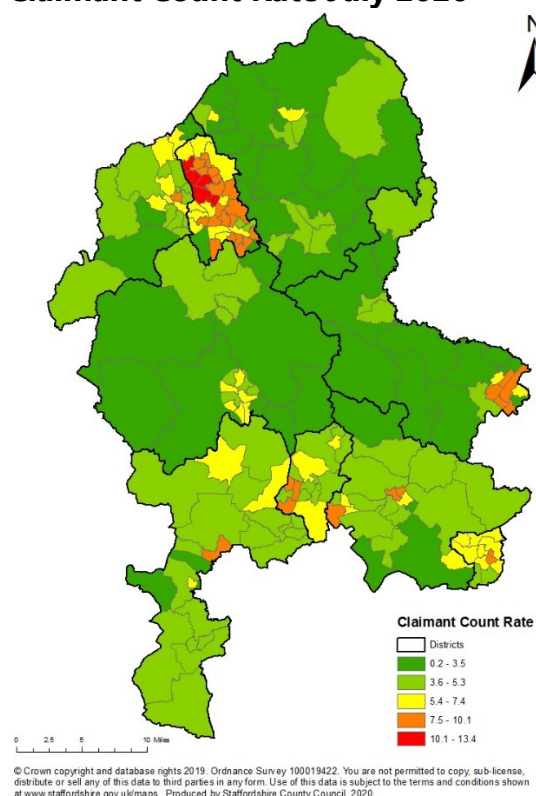
- It is also important to look at the change in the Claimant Count seen since March 2020 (pre-COVID) where the number of claimants in Staffordshire has more than doubled with an increase of 14,415 claimants and in Stoke-on-Trent there has been an increase of 5,655.
- Ultimately, the full effect of COVID-19 on employment will not be felt until the furlough and SEISS schemes come 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 - the reasons for the increase in claimants are still to fully emerge but evidence suggests there will be a combination of factors such as:
 - New Job Starters/PT employees/Self-employed with no income claiming Universal Credit because they are not eligible for the CJRS;
 - 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);
 - Working part-time low-income workers claiming Universal Credit and may be furloughed;
 - Potential Redundancies within Small & Medium Enterprises laying off staff in the short-term.
- Unfortunately, due to 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 4.9% in July compared to 7.3% regionally and 6.5% nationally. In Stoke-on-Trent the Claimant Count rate remains above both the regional and national averages at 8.1%.
- As well as workers across sectors being impacted differently, there are also signs that it is the lowest paid, part-time workers and young people (particularly apprentices) 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.

- As previously reported young people aged 18-24 are being disproportionately impacted by unemployment where the claimant rate for young people in Staffordshire has increased from 3.7% in March to 8.3% in July compared to a rise from 2.3% to 4.9% for all working-age residents, while in Stoke-on-Trent the rate has risen from 5.9% in March to 11.0% in July. This means there are now 5,510 young people claiming work related benefits in Staffordshire and a further 2,605 in Stoke-on-Trent.
- All Staffordshire Districts have seen slight increases in the number of claimants in July, with South Staffordshire seeing the highest increase of 140 followed by Tamworth with 120. Tamworth and Cannock Chase continue to record the highest rates in Staffordshire, although Newcastle-under-Lyme and East Staffordshire have the largest caseloads. However, it's important to note all Districts remain lower than the current national and regional rates.

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 July 2020

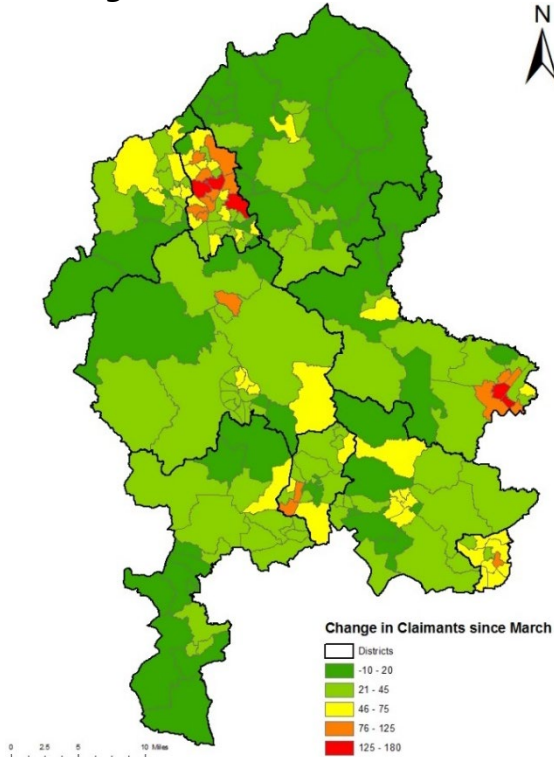


Out of the 201 wards in Staffordshire & Stoke-on-Trent, 58 were at or above the England average of 6.5% for the number of claimants as a proportion of the working age population in July.

The top 10 wards with the highest claimant count rate were all in Stoke-on-Trent with Etruria and Hanley (13.4% or 675 claimants), Joiner's Square (13.3% or 585), and Moorcroft (12.7%) having the highest rates.

In Staffordshire, Burton in East Staffordshire and Glascoate in Tamworth had the joint highest claimant count rate (9.1%).

Change in Claimant Count since March 2020



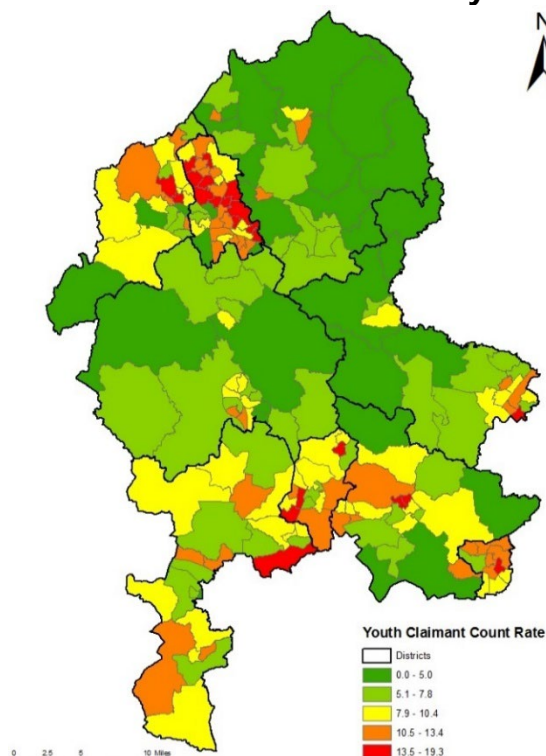
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The top 4 wards with the highest change in the number of claimants since March 2020 were all in Stoke-on-Trent and included Birches Head and Central Forest Park (345 increase to 735 in total), Etruria and Hanley (320 rise to 675 in total), Bentilee and Ubberley (285 increase to 685 in total) and Baddeley, Milton and Norton (285 rise to 615 in total).

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 July 2020



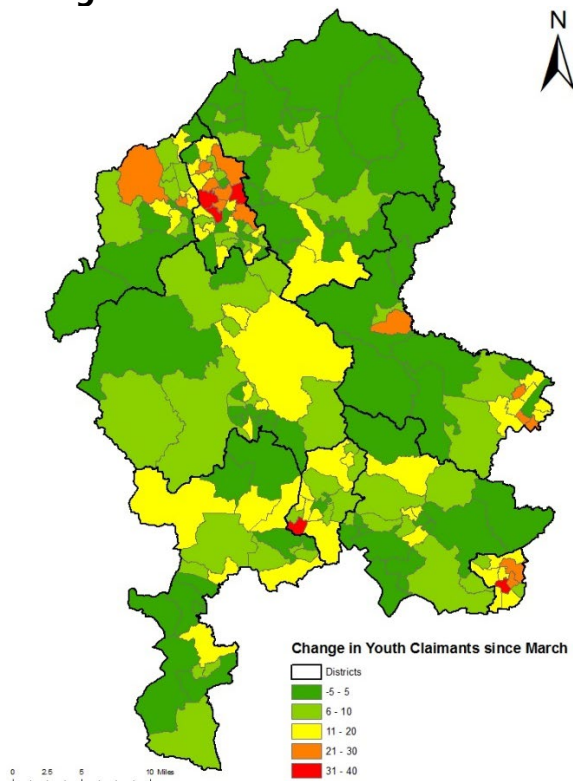
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Out of the 201 wards in Staffordshire & Stoke-on-Trent, 82 were at or above the England average of 9.4% for the number of claimants aged 18-24 as a proportion of the 18-24 population.

Of the top 10 wards with the highest youth claimant count rate 5 were in Stoke-on-Trent including Joiner's Square (19.3% - the highest in SSLEP area), Moorcroft (17.2%), Bentilee and Ubberley (15.9%), Abbey Hulton and Townsend (15.9%) and Eaton Park (15.2%).

In Staffordshire, the highest rate was Glascote in Tamworth with 17.2%, followed by Cannock South (16.5%), Stapenhill in East Staffordshire (15.4%), Curborough in Lichfield (15.4%) and Cross Heath in Newcastle-under-Lyme (15.2%).

Change in Youth Claimant Count since March 2020



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The top 3 wards with the highest change in the number of youth claimants since March 2020 were all in Stoke-on-Trent and included Etruria and Hanley (75 rise to 120 in total), and Abbey Hulton and Townsend ward and Birches Head and Central Forest Park ward (both with an increase of 60 to 130 in total).

Coronavirus Job Retention Scheme (CJRS) Furloughed Jobs²

- **Staffordshire had the 2nd highest number of furloughed job claims up to the end of July in the WM with 135,700** behind only Birmingham and equivalent to just over a third (34%) of eligible workers. This is to be expected given Staffordshire is the 2nd largest strategic authority area in the region.
- **Staffordshire's rate of furlough is in-line with the regional average and slightly above the national (32%) average.**
- **Stoke-on-Trent had 38,100 jobs furloughed**, also equivalent to 34% of eligible jobs.

Coronavirus Job Retention Scheme (CJRS) Statistics: July 2020

Area	Total number of Jobs Furloughed	Eligible Jobs	Take-up rate
Cannock Chase	17,600	46,400	38%
Tamworth	14,400	38,400	37%
Staffordshire Moorlands	14,800	42,300	35%
SSLEP	173,800	510,800	34%
East Staffordshire	20,100	58,400	34%
Lichfield	16,300	47,300	34%
South Staffordshire	16,500	48,300	34%
West Midlands Region	866,400	2,580,400	34%
Stoke-on-Trent	38,100	112,600	34%
Staffordshire	135,700	398,200	34%
Newcastle-under-Lyme	17,700	55,200	32%
England	8,067,700	25,577,800	32%
Stafford	18,400	61,900	30%

Source: HMRC CJRS and PAYE Real Time Information

- Nationally, the identified high-risk sectors are amongst the highest for the number of jobs that have been furloughed:

² Source: HMRC - <https://www.gov.uk/government/statistics/self-employment-income-support-scheme-statistics-july-2020>

Coronavirus Job Retention Scheme (CJRS) Claims by Sector: July 2020

Sector	Employers		Employments		Value of claims made (£million)
	Employers furloughing staff	Take-up rate	Employments furloughed	Take-up rate	
Wholesale and retail; repair of motor vehicles	178,600	74%	1,906,100	42%	6,071
Accommodation & food services	110,700	87%	1,693,600	77%	4,773
Manufacturing	74,800	76%	1,021,500	42%	3,840
Business administration and support services	102,000	62%	890,500	32%	2,806
Construction	174,000	76%	769,300	60%	2,931
Professional, scientific & technical	150,900	49%	632,900	29%	2,203
Arts, entertainment, recreation and other servi	30,100	76%	474,300	70%	1,339
Transport & storage (inc postal)	43,100	60%	424,100	32%	1,680
Health	55,100	55%	423,200	10%	1,065
Education	24,400	63%	341,700	10%	864
Trade union, religious, political and repair	71,200	77%	315,000	55%	893
Information & communication	59,400	38%	227,500	18%	843
Property	28,600	62%	157,800	37%	543
Unknown and other	23,300	*	101,300	*	239
Finance & insurance	14,500	42%	76,800	7%	276
Waste and Recycling	4,000	72%	43,700	25%	168
Agriculture, forestry & fishing	9,700	29%	36,600	20%	96
Energy Production	700	53%	20,800	16%	85
Public administration & defence	500	7%	20,400	2%	65
Mining, quarrying & utilities	600	54%	14,800	28%	77
Domestic employers	8,200	11%	10,100	8%	30
Total	1,164,400	61%	9,601,700	32%	30,886

Source: HMRC CJRS and PAYE Real Time Information

- Beyond the short-term, specific industrial sectors and the associated labour market may continue to be adversely affected, particularly due to changes to economic support measures and market conditions. A particular risk is the ongoing changes to the Government's Job Retention Scheme (JRS) which has enabled many people to remain in employment but furloughed during the lockdown. Whilst the scheme has been extended to October, it is being gradually withdrawn from August onwards and this may lead to potential further increases in unemployment.

Self-Employment Income Support Scheme (SEISS)³

- **Staffordshire has seen 30,600 self-employed workers claim through SEISS up to the end of July** and a take-up rate of over three quarters (77%) for those eligible through the scheme, the same as the regional average and just above the national average of 76%.
- **Stoke-on-Trent had 8,300 SEISS claims up to the end of July**, equivalent to 80% of those eligible. This is the joint highest rate the West Midlands Region upper-tier authorities.

Self-Employment Income Support Scheme (SEISS) Statistics: July 2020

County and district / unitary authority	Total potentially eligible population	Total no. of claims made to 31/7/20	Total value of claims made to 31/7/20 (£)	Average value of claims made to 31/7/20 (£)	Take-Up Rate
Cannock Chase	5,000	4,100	12,900,000	3,100	81%
Stoke-on-Trent	10,500	8,400	21,800,000	2,600	80%
Newcastle-under-Lyme	5,200	4,100	11,900,000	2,900	78%
Tamworth	3,000	2,300	6,700,000	2,900	78%
SSLEP	50,100	39,000	112,500,000	2,885	78%
Lichfield	4,800	3,700	11,600,000	3,100	77%
South Staffordshire	5,300	4,100	12,300,000	3,000	77%
West Midlands Region	263,000	202,000	565,000,000	2,800	77%
Staffordshire	39,600	30,600	90,700,000	3,000	77%
East Staffordshire	5,300	4,000	10,700,000	2,700	76%
Staffordshire Moorlands	5,400	4,100	12,100,000	2,900	76%
England	2,946,000	2,251,000	6,577,000,000	2,900	76%
Stafford	5,600	4,200	12,600,000	3,000	75%

³ Source: HMRC - <https://www.gov.uk/government/statistics/self-employment-income-support-scheme-statistics-july-2020>

The Coronavirus Business Interruption Loan Scheme (CBILS) and the Bounce Back Loan Scheme (BBLs)⁴

- New data published by the British Business Bank shows that businesses in all parts of the UK are making use of and benefiting from Coronavirus loan schemes.
- The data shows the regional distribution of loans under the Coronavirus Business Interruption Loan Scheme (CBILS) and the Bounce Back Loan Scheme (BBLs), which are schemes designed to provide financial support to businesses across the UK that are losing revenue and seeing their cashflow disrupted, as a result of the Covid-19 outbreak.
- As at the 2nd August, there were 3,770 CBILS loans in the West Midlands for a total of just over £871m. This represented 9% of the total number of CBILS loans UK-wide and is one of the highest usage of CBILS outside of London and the South East (33%).
- While for BBLs loans the West Midlands is also demonstrating strong use with a total of 84,773 loans for a total of just under £2.6bn and represented 8% of all UK loans, behind only the North West and East of England outside of London and the South East (34%).
- Generally, the proportion of loans in each region is equivalent to their share of the business population across the UK.
- The Wholesale and Retail sector has accessed a significantly higher proportion of CBILS loans (19%) than its share of the business population (9%), with Manufacturing (13% v 5%) and Accommodation and Food Services (9% v 3%) following a similar pattern.
- The Wholesale and Retail sector also accessed a relatively high proportion of Bounce Back Loans compared to its business population share (16% v 9%), as did businesses in Accommodation and Food Services (8% v 3%) and Real Estate Services (6% v 2%).
- The British Business Bank has also released constituency level data for CBILS and BBLs. The following table shows the breakdown for Staffordshire and Stoke-on-Trent constituencies:

⁴ Source: British Business Bank - <https://www.british-business-bank.co.uk/coronavirus-loan-schemes-benefiting-businesses-in-all-corners-of-uk-reveals-new-analysis-from-british-business-bank/>

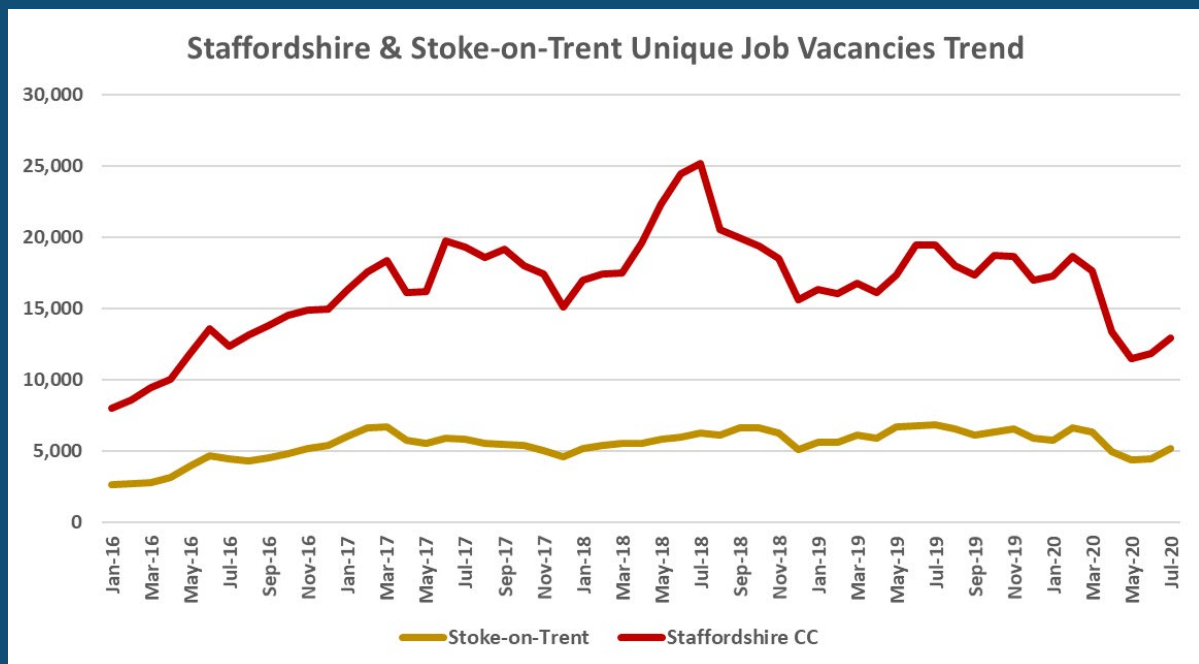
Coronavirus Business Interruption Loan Scheme (CBILS) and the Bounce Back Loan Scheme (BBLs) Statistics: 2nd August 2020

Area	CBILS		BBLs		TOTAL		% of SSLEP Loans	% of SSLEP Businesses
	Number of Loans Offered	Value of Loans Offered (£m)	Number of Loans Offered	Value of Loans Offered (£m)	Number of Loans Offered	Value of Loans Offered (£m)		
Burton	82	17,931,933	1,501	44,561,837	1,583	62,493,770	10%	10%
Lichfield	76	13,808,681	1,476	42,142,939	1,552	55,951,620	10%	11%
Tamworth	99	32,024,097	1,328	39,285,979	1,427	71,310,076	9%	9%
Cannock Chase	73	16,160,169	1,338	39,486,802	1,411	55,646,971	9%	9%
Stone	44	7,802,001	1,322	39,200,793	1,366	47,002,794	9%	10%
South Staffordshire	57	12,517,757	1,296	38,818,503	1,353	51,336,260	9%	10%
Stafford	55	7,420,953	1,227	36,222,492	1,282	43,643,445	8%	9%
Stoke-on-Trent Central	46	10,605,935	1,149	35,168,237	1,195	45,774,172	8%	6%
Newcastle-under-Lyme	55	14,329,503	1,078	33,381,146	1,133	47,710,649	7%	6%
Stoke-on-Trent North	49	10,623,719	1,040	30,573,493	1,089	41,197,212	7%	6%
Staffordshire Moorlands	40	5,414,157	1,008	29,115,881	1,048	34,530,038	7%	9%
Stoke-on-Trent South	38	10,653,126	861	26,011,673	899	36,664,799	6%	5%
Staffordshire	564	123,732,874	11,357	334,846,899	11,921	458,579,773	78%	84%
Stoke-on-Trent	150	35,559,157	3,267	99,122,876	3,417	134,682,033	22%	16%
SSLEP	714	159,292,031	14,624	433,969,775	15,338	593,261,806	100%	100%
West Midlands	3,770	871,365,361	84,773	2,593,303,126	88,543	3,464,668,487		
UK	45,621	10,486,585,419	1,042,668	31,659,691,546	1,088,289	42,146,276,965		

- As at the 2nd August, there were a combined 15,338 CBILS and BBLs loans in the SSLEP area equivalent to £593m, this represented 17% of the total loans in the West Midlands. The proportion of loans in the SSLEP area is largely in-line with areas share of the business population in the West Midlands (18%).
- In terms of local constituencies, Burton had the highest number of loans with 1,583 while Tamworth had the highest value of all loans with just over £71.3m.
- For most constituencies the proportion of loans in the SSLEP area is largely in-line with their share of the business population in the SSLEP. However, the constituencies in the north including Stoke-on-Trent Central, Newcastle-under-Lyme, Stoke-on-Trent North and Stoke-on-Trent South all have higher proportions of the total loans in the SSLEP compared to their share of the business population.

Job Vacancies⁵

- Following a period of declining job vacancies, demand for labour in Staffordshire is starting to pick back up, where between June 2020 and July 2020 there was an **increase in job vacancies of 9% equivalent to over 1,000 more job vacancies which is in-line with the growth seen regionally and nationally.**
- **Stoke-on-Trent saw a 17% growth with just over 750 more vacancies in July compared to June.**
- **Staffordshire's year-on-year decline in July stood at 34% which was greater than the 28% decline seen nationally,** this likely reflects Staffordshire's economic structure where sectors and occupations hardest hit by COVID-19 make up more of our local economy and therefore recruitment has declined more substantially. **Stoke-on-Trent witnessed a below average year-on-year decline of 24% in July.**



- Although we have seen a decline in vacancies for most occupations since the crisis started, particularly within sectors and roles hardest hit by the lockdown, we are starting to see some growth again.
- **The main recruitment growth occupations (although relatively low numbers) between Feb (pre-COVID) and July have been residential, day and domiciliary care managers and proprietors; packers, bottlers, canners and fillers; and health services and public health managers and directors.**

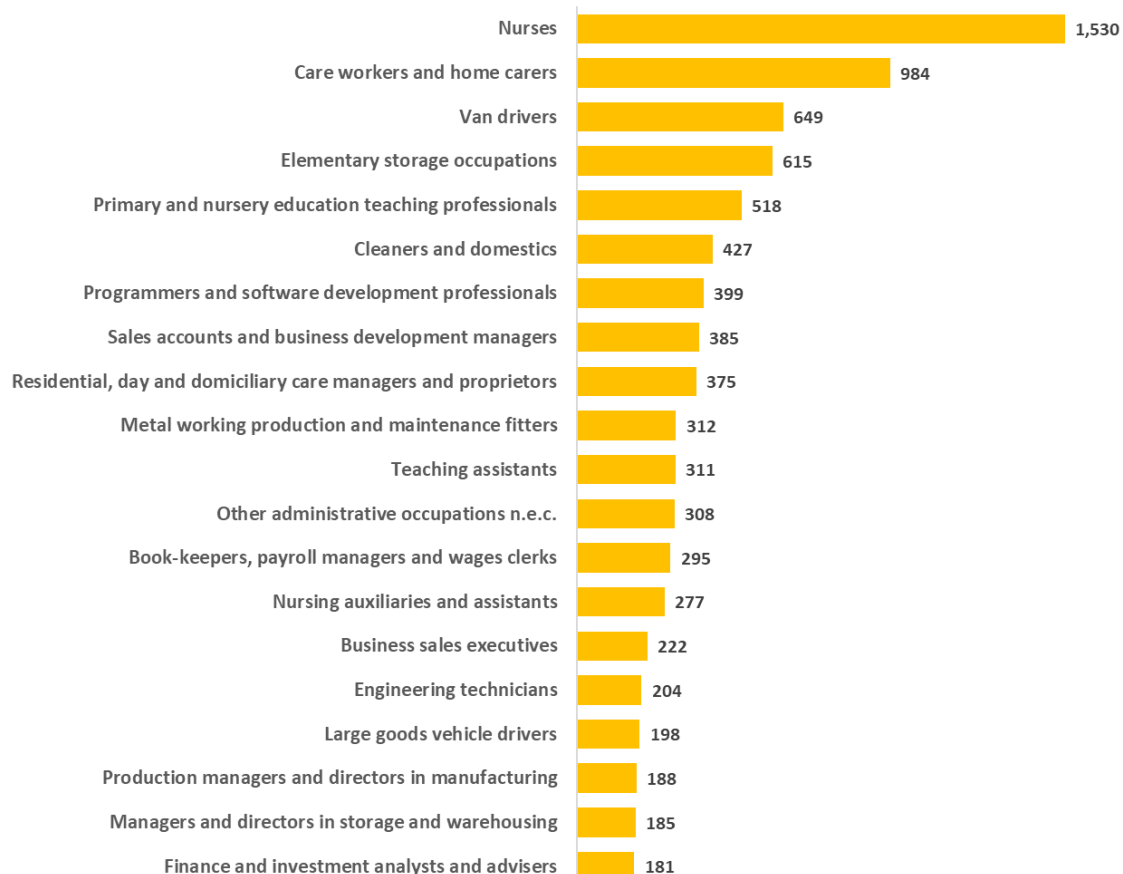
⁵ Source: EMSI

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



- While demand for **nurses and social care workers and home carers** remains by far the strongest of all occupations.

Top 20 occupations in demand in SSLEP during July 2020



- The overall fall in the number of job vacancies suggests that those unfortunate enough to lose their jobs may struggle to find new ones at least in the short-term, although there are still opportunities available.

Job Vacancies Summary Table

Area / SSLEP Occupational Group	July 2019 Unique Postings	Feb 2020 Unique Postings	Apr 2020 Unique Postings	May 2020 Unique Postings	June 2020 Unique Postings	July 2020 Unique Postings	June-July 2020 (Month on Month Change)	June-July 2020 Monthly % Change	Feb-July 2020 (Month on Month Change)	Feb-July 2020 Monthly % Change	July 2019- July 2020 (Year on Year Change)	July 2019- July 2020 Annual % Change
Staffordshire CC	19,438	18,675	13,346	11,456	11,795	12,885	1,090	9%	-5,790	-31%	-6,553	-34%
Stoke-on-Trent	6,848	6,635	4,962	4,336	4,427	5,182	755	17%	-1,453	-22%	-1,666	-24%
SSLEP	26,286	25,310	18,308	15,792	16,222	18,067	1,845	11%	-7,243	-29%	-8,219	-31%
West Midlands	189,604	169,792	128,323	111,004	109,144	118,754	9,610	9%	-51,038	-30%	-70,850	-37%
England	2,060,854	1,955,292	1,572,921	1,380,005	1,371,112	1,487,781	116,669	9%	-467,511	-24%	-573,073	-28%
Staffordshire Moorlands	1,695	1,884	1,333	1,047	915	864	-51	-6%	-1,020	-54%	-831	-49%
Tamworth	2,858	2,740	1,844	1,519	1,439	1,554	115	8%	-1,186	-43%	-1,304	-46%
East Staffordshire	3,055	3,172	2,126	1,846	1,903	2,206	303	16%	-966	-30%	-849	-28%
Cannock Chase	2,732	2,188	1,677	1,459	1,494	1,585	91	6%	-603	-28%	-1,147	-42%
Stafford	4,493	4,321	3,070	2,635	2,850	3,247	397	14%	-1,074	-25%	-1,246	-28%
Newcastle-under-Lyme	1,539	1,687	1,254	1,131	1,205	1,275	70	6%	-412	-24%	-264	-17%
Lichfield	2,551	2,042	1,554	1,382	1,485	1,572	87	6%	-470	-23%	-979	-38%
South Staffordshire	515	641	488	437	504	582	78	15%	-59	-9%	67	13%
Sales and Customer Service Occupations	1,104	1,048	606	456	529	537	8	2%	-511	-49%	-567	-51%
Administrative and Secretarial Occupations	3,179	2,580	1,535	1,168	1,272	1,399	127	10%	-1,181	-46%	-1,780	-56%
Skilled Trades Occupations	2,406	2,272	1,504	1,098	1,115	1,321	206	18%	-951	-42%	-1,085	-45%
Associate Professional and Technical Occupations	5,386	4,900	3,305	2,576	2,566	2,994	428	17%	-1,906	-39%	-2,392	-44%
Process, Plant and Machine Operatives	2,158	2,036	1,097	812	919	1,263	344	37%	-773	-38%	-895	-41%
Elementary Occupations	2,259	2,117	1,504	1,396	1,453	1,735	282	19%	-382	-18%	-524	-23%
Professional Occupations	5,899	6,295	5,260	4,907	4,950	5,269	319	6%	-1,026	-16%	-630	-11%
Managers, Directors and Senior Officials	1,624	1,672	1,226	1,126	1,229	1,432	203	17%	-240	-14%	-192	-12%
Caring, Leisure and Other Service Occupations	2,271	2,390	2,271	2,253	2,189	2,117	-72	-3%	-273	-11%	-154	-7%

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 their 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 under-stating 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.