

## Economic Bulletin - Issue 11 – June 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](mailto:darren.farmer@staffordshire.gov.uk).

Stay Safe,

Darryl Eyers

Director for Economy, Infrastructure and Skills, Staffordshire County Council



## Key Messages

- In early May **COVID 19 cases** in England reached the lowest level since last August, however over recent weeks we have seen the number of infections increase due mainly to the emergence of the Delta variant (first identified in India), although rates remain low.
- In Staffordshire infection rates have increased with latest figures showing they have more than doubled in the last week. The seven day rate for Staffordshire now sits at 27 cases per 100,000 population but remains far lower than the peak during the previous wave of more than 500 per 100,000 in January and is below both the regional (34 per 100,000) and national (47 per 100,000) rates.
- **Hospital admissions** of COVID 19 confirmed patients remain low but are rising in some areas and **deaths** involving COVID 19 have decreased with some days seeing no deaths announced. The boss of NHS providers, Chris Hopson has also stated that the number of people in hospital with Indian variant is not increasing significantly and that there are "very few" fully vaccinated patients appearing to show that vaccines had "broken the chain" between infection and serious illness.
- More than three quarters of England's adult population have now received a first dose of a **COVID 19 vaccine** and over half are now fully vaccinated.
- COVID 19 infections fell by 65% after a first dose of either the Oxford AstraZeneca or Pfizer BioNTech vaccines. Positive sentiment towards the vaccine remains high, with 95% of adults reporting they had now either received a vaccine or would be likely to have a vaccine if offered.
- More than a million vaccines have now been given in Staffordshire and Stoke on Trent and over 250,000 rapid tests given to Staffordshire residents at local testing sites.
- We have seen continued progress on the **Government roadmap out of lockdown** and the opening up of more parts of society and the economy through the easing of restrictions including indoor hospitality. This comes as the UK's COVID alert level was lowered from four to three, meaning coronavirus is in "general circulation" but that transmission isn't "high or rising exponentially".
- Although there are clear concerns regarding the more transmissible **Delta variant** and how it may impact further easing of the lockdown, with the number of cases rising rapidly and the Delta variant now the dominant variant in the UK.
- More positively early studies show that current vaccines remain effective against the Delta variant with only a small loss of protection from the vaccines' effect, with AstraZeneca and Pfizer doses still creating enough antibodies to neutralise the highly contagious strain and significantly diminish the risk of hospitalisation and death.
- The prime minister has said he could see "**nothing in the data**" to suggest **stage four**

**of the lockdown roadmap cannot go ahead on 21 June**, however the Government remains open to delaying the final lifting of lockdown restrictions with some scientists are calling for a delay due to the spread of the Delta variant of coronavirus, which is believed to be around 40% more transmissible, within the UK.

- The Government is also speeding up the vaccination programme, particularly in Delta variant hotspots and also conducting trials through the **Cov Boost study** to determine whether a third dose of COVID 19 vaccine in the autumn could protect against new variants. To potentially aid this a single dose COVID 19 vaccine made by Janssen has been approved for use in the UK.

### **Economic Impact and Support**

- **UK Gross domestic product (GDP)** grew by 2.1% in March, the fastest monthly growth since August 2020, and follows a 0.7% increase in February.
- The service sector grew by 1.9% in March 2021, with schools re opening across England and Wales and retail trade sales continuing to show strength.
- Output in the production sector grew by 1.8% in March 2021, as manufacturing grew for a second consecutive month, at 2.1%.
- The construction sector grew by 5.8% in March 2021, driven by growth in both new work and repair and maintenance. The growth in construction (and indeed manufacturing) reflect businesses continuing to adapt, including development of COVID 19 secure environments to operate in.
- March's GDP is 5.9% below the levels seen in February 2020, and 1.1% below the initial recovery peak in October 2020.
- **The Bank of England** has also stated that the UK economy will enjoy its fastest growth in more than 70 years in 2021 as Covid 19 restrictions are lifted, with the economy expected to grow by 7.25% this year which follows a contraction of 9.9% in 2020 the biggest in 300 years.
- Andrew Bailey, the governor of the Bank of England, said the recovery was "strong" but likened it to "more of a bounce back" than a boom and although "good news", would only return the UK economy back to its 2019 size with two years passed with no growth in the economy.
- It is expected that this growth will be partly driven by increased **consumer spending** as the economy opens up, with households that have saved more than £150bn in extra savings over the course of the pandemic as more people have worked from home, particularly higher earners are expected to spend more over the coming months.
- Bank of England policymakers also held **interest rates** at a record low of 0.1%.
- Recent increases in commodity and factory gate prices, combined with record low interest rates, have raised fears of a bigger rise in the price of goods and services.
- **Inflation**, as measured by the consumer prices index (CPI), currently stands at 0.7%.

However, this is expected to increase sharply towards the Bank's target of 2% in the next few months amid a rise in energy prices.

- It is expected that the Bank of England will not raise interest rates until there was "clear evidence" that the recovery was sustainable, but there are concerns that current the Bank's current quantitative easing programme may risk the economy overheating.
- As well as the economy growing, the UK's **unemployment rate** fell slightly to 4.8% in the three months to March, down from 4.9% in February. The Office for National Statistics said the figures, which cover a period of strict lockdown, showed "early signs of recovery" in the jobs market and that the number of workers on payrolls had risen by 97,000 between March and April, but was still 772,000 lower than before the pandemic struck.
- The Bank of England is now expecting the unemployment rate to peak at 5.5% later this year, which is far below the 7.75% it predicted in February. It is expected that extra Government spending such as the extension of the furlough scheme until the end of September, a stronger recovery, and an assumption that the long term damage from the pandemic will be smaller than previously expected will all help limit job losses.
- The number of people on furlough is expected to fall to 2.75 million in the three months to June, from just under five million at the start of this year.
- **Government borrowing** for tackling coronavirus has risen by £100 billion since the start of the year and now stands at £372 billion, according to the National Audit Office. The NAO's cost tracker found that almost half this amount had been earmarked for support for businesses, including spending on the coronavirus job retention scheme and bounce back loans.
- A new **Queen's Speech** was announced in Parliament which introduced 25 new pieces of legislation, including changes to the planning system, the introduction of a new voter ID scheme, reforms to the NHS and a new Skills Bill to reform post 16 education and training.
- The key Bills and announcements in the Queen's Speech include the following:
  - Infrastructure and Levelling Up which will set out interventions to boost prosperity across the country;
  - New powers to build and operate the next stage of the HS2 rail line are contained in the High Speed Rail (Crewe Manchester) Bill;
  - Borders and security;
  - A Product Security and Telecommunications Infrastructure Bill setting out extension of 5G mobile coverage;
  - A Subsidy Control Bill setting out post Brexit regulations on how the government can support private companies, now the UK has left the EU's "state aid" regime;

- A Procurement Bill replaces EU rules on how the government buys services from the private sector;
  - Tax breaks for employers based in eight freeports to be set up in England later this year;
  - A new UK agency to search for scientific discoveries will be established by the Advanced Research and Invention Agency Bill;
  - A long awaited Planning Bill will introduce changes to the planning system in England, including a controversial zoning system; and
  - A Skills and Post 16 Education Bill will focus on a 'lifetime skills guarantee' by introducing a new "flexible loan" system designed to promote wider participation in further education in England.
- Although overall there are signs of economic recovery, there are clearly some parts of the economy which have been severely hit by the crisis, with the Market Recovery Monitor from CGA and AlixPartners showing that there are **9.7% fewer restaurants across Britain compared to before the pandemic**. The study also found that nearly 25,000 or a quarter of restaurants, pubs and bars remain closed due to current social distancing rules making it unviable for many to reopen their doors and sperate ONS data showing one in five pubs have a low degree of confidence that they can survive the next three months. Meanwhile, figures from Springboard show that the reopening of indoor hospitality failed to boost footfall, with the gap between footfall in May 2021 and the same time in 2019 widening as the month went on.
  - It has also been reported that a third of council run **leisure centres** in England are facing permanent closure, according to a District Councils' Network survey, while nearly 80% of those that can stay open say they will have to cut services.
  - There is more positive news in the **green economy** sector with Ofgem, the UK's energy regulator, planning to invest £300 million in low carbon projects, including support for 3,550 charging points for electric vehicles. This would allow energy networks to build robust electricity infrastructure for installing charging points across UK motorways, while cities and train stations will also see increased network capacity to support more charging points.
  - The CBI reported that the UK **Manufacturing output** grew at the fastest rate since December 2018 the first material growth reported in almost two years.
  - We have also heard the announcement that the **Home Office** plans to establish a new Innovation Centre in Stoke on Trent, which will accommodate case working roles and an Asylum hub. Over five years the Stoke hub will accommodate more than 500 roles.

### 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, 16% compared to 19% nationally, and has decreased slightly over the last month as more workers on furlough and Universal Credit have returned to work.

- The claimant count in Staffordshire saw a **decrease of 395 claimants between March and April 2021 to a total of 24,960 claimants**, which was a larger proportional decline than seen regionally and nationally. While the **claimant rate has remained at 4.7% of the working age population in April**.
- This provides further indication that the impact of the latest lockdown on businesses and jobs may be easing, with more workers able to return to their place of work full time and businesses which previously faced restrictions now able to operate more fully again and looking to recruit more staff.
- However, **Universal Credit (UC) claimants have more than doubled since March (pre COVID), an increase of just over 12,900 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 4.7% of the working age population in April compared to 7.3% regionally and 6.5% 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 7.5% in April 2021**, well above the rate of 4.7% for the working age population. 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



**40,500 furloughed job claims in Staffordshire up to the end of April**, showing a **decline of 9,700 furloughed workers in Staffordshire between March and April and equivalent to 11% of eligible workers**, which is in line with the regional and national averages. **Stoke on Trent had 10,200 jobs still furloughed, showing a decline of 3,400 between March and April and equivalent to 9% 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 are returning to work 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 19,100 self employed workers claim for the fourth Self Employment Income Support Scheme (SEISS) grant up to 9<sup>th</sup> May 2021** and a take up rate of 48% for those eligible through the scheme, slightly lower than the regional and national average take up rates (both 50%). **Stoke on Trent had 5,800 SEISS claims up to 9<sup>th</sup> May 2021**, equivalent to 55% 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 April 2021 were 23% lower** compared to the same month last year and 35% 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.
- As reflected in the claimant count, the impact of the third lockdown on recruitment also continued to ease in April and May with a further uplift in job vacancies as more businesses in the hardest hit sectors of hospitality and retail reopened, **Staffordshire saw vacancies increase by 9% between April and May, equivalent to over 2,100 more job vacancies**, which was just below the 10% rise seen nationally. **Stoke on Trent also saw a rise of 9% with 763 more vacancies in May compared to April.** This significant improvement in recruitment has seen vacancy levels rise to around 47% higher than those seen prior to COVID in the SSLEP area and well above the 27% growth seen nationally.
- The occupations to see the most significant increases during May were roles in sectors which have been able to open up further due to reduced restrictions and the sectors which support them including hospitality, retail and logistics.
- There has also been a further increase in demand for roles in the care sector where

there have been ongoing recruitment difficulties prior to and throughout the crisis including 'care workers and home carers' and 'primary and nursery education teaching professionals'.

- It is also found that the main occupations to have grown since COVID struck are mainly found within logistics, health & social care, manufacturing and construction. This is reflective of the growth in ecommerce alongside the swift recovery in construction and manufacturing and the increased demand for health and social care services.
- 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. While in manufacturing **metal working production and maintenance fitters** remain the occupation in most demand.
- 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.
- **#DoDigital** and boost your business productivity Staffordshire businesses can now access support to improve their digital know how through a free resource launched by the Stoke on Trent and Staffordshire Growth Hub. Working with the local enterprise partnership and the Staffordshire Chambers of Commerce, the digital toolkit enables businesses to access a wide range of support to help them in transforming and boosting productivity. It includes webinars, podcasts and video tutorials; 12 hours' fully funded support from an accredited advisor and access to a digital resource hub. [FIND OUT MORE HERE](#)
- **Help to Grow: Management** Small business leaders can now register their interest in Help to Grow Management, a 12 week programme delivered by leading business schools across the UK. Designed to be manageable alongside full time work, this programme will support small business leaders to develop their strategic skills with key modules covering financial management, innovation and digital adoption. You can find out more information on the scheme at the [Help to Grow campaign page](#).
- Businesses can apply for **Stoke on Trent City Council's 'Powering Up Digital' fund** to help get the most out of new digital technology [Check eligibility and apply here](#).
- A loan fund for small businesses facing difficulties accessing essential finance as they look to overcome the impact of the Covid 19 pandemic has opened today. The three year **Staffordshire and Stoke on Trent Business Loan Fund** will provide loans from £10,000 to £50,000 to companies across a range of sectors. Information on the Staffordshire and Stoke on Trent Business Loan Fund and a range of other business support programmes is available through the Stoke on Trent and Staffordshire Growth Hub at [www.stokestaffsgrowthhub.co.uk](http://www.stokestaffsgrowthhub.co.uk). Alternatively, small businesses can apply direct by submitting an online initial application form at [www.bcrs.org.uk](http://www.bcrs.org.uk).
- **Staffordshire Business Start up zero per cent interest loan scheme** Do you need to invest in your business to allow it to grow or to aid its recovery from the COVID 19 restrictions or need funding to get your business idea off the ground? Then a Staffordshire Start up zero per cent interest loan could be for you.

What are the criteria for the loan?

- ❖ Business must be based in Staffordshire (excluding Stoke on Trent)
- ❖ The loans are interest free
- ❖ Loans of £3,000 – £5,000 available

- ❖ No set up fee
- ❖ No requirement for match funding
- ❖ The loans are unsecured
- ❖ Re paid in full after 12 months

Applicants for the start up loan will need to have attended the Staffordshire Start up scheme (or similar start up mentoring programme).

Express your interest by contacting: [aly.davidson@staffordshirechambers.co.uk](mailto:aly.davidson@staffordshirechambers.co.uk)

- **Grants of between £2k to £5k are still available for businesses:**

- For businesses in Staffordshire Moorlands, Tamworth, Cannock Chase, South Staffordshire and Newcastle districts A grant for additional expenditure for essential businesses staying open during the pandemic and/or those with a plan to recover and get back to growth. [Express an interest in a grant](#)
- For anyone across the county A free, critically acclaimed online course to help start up your business, and then a loan of between £3,000 to £5,000. [Apply for the Staffordshire Start Up online course](#)
- For businesses in Tamworth, South Staffordshire, Lichfield, Staffordshire Moorlands, Newcastle, Cannock Chase or East Staffordshire districts Grants to support businesses to develop apprenticeship opportunities. [More on how to express an interest and apply](#)
- For businesses in Tamworth, South Staffordshire, Lichfield, Staffordshire Moorlands, Newcastle, Cannock Chase or East Staffordshire districts Grants of up to £5,000 to top up training or to cover up skilling costs for employees. [Find out more and express an interest](#)
- **SEE IF THE MIDLANDS INVESTMENT FUND CAN HELP** Sign up for a clinic with the area's Investment Manager to discuss the fund and your business and growth needs. [FIND OUT MORE](#)

- **SHOWCASE YOUR LOCAL BUSINESS at #ThinkStaffordshireFirst** Working with partners the county council is running the #ThinkStaffordshireFirst campaign again to help local people the immediate and long term impact of supporting their local businesses as we come out of lockdown. Get involved by:

- 1) Posting on social media using the hashtag #ThinkStaffordshireFirst and we'll share
- 2) Share the [new #ThinkStaffordshireFirst shop local video](#)

- **Need some support? Contact the Growth Hub** The Stoke on Trent and

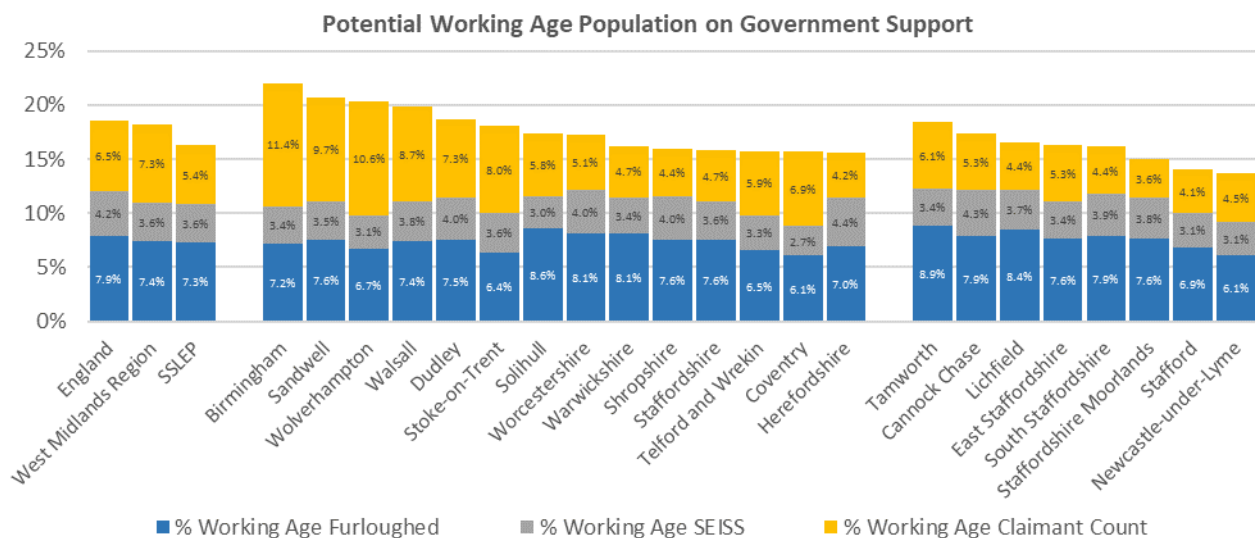
Staffordshire Growth Hub is your first port of call for any business support related enquiry. It acts as the focal point for businesses that wish to grow by referring them to co-ordinated and cohesive growth programmes, business networks, growth groups and links to specialist information, advice and 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 8002.

- In conclusion, it is apparent that as we continue to move out of lockdown and restrictions are eased the economic impact to some businesses and jobs particularly in hardest hit sectors such as hospitality and retail continues to reduce. It is clear that **Government and local support in particular the furlough scheme continues to have a vital role in helping businesses to survive and stave off further job losses.** Alongside this the increasing speed and success of the vaccination programme rollout continues to be a major step in the right direction to reducing further impacts and accelerating the recovery.
- 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 113,300 residents in the SSLEP area on Government support, equivalent to around 16% of the working age population which is lower than the regional (18%) and national (19%) averages. Tamworth and Stoke-on-Trent (both 18%) and Cannock Chase (17%) have the highest rates while Newcastle-under-Lyme and Stafford (both 14%) have the lowest.

SSLEP Working Age Population	694,954
Jobs in High Risk Sectors	221,000
Claimant Count Apr 2021	37,770
Coronavirus Job Retention Scheme (CJRS) Furloughed job claims as at 30th Apr 2021	50,700
Self-Employment Income Support Scheme (SEISS) fourth grant claims up to 9th May 2021	24,900
<b>Potential workers on Government support</b>	<b>113,370</b>
<b>Potential % of working age population on Government support</b>	<b>16.3%</b>

*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 Count<sup>1</sup>

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: April 2021

Area	Claimant Count Rate (April 2020)	Claimant Count Rate (March 2021)	Claimant Count Rate <sup>1</sup> (April 2021)	Number of Claimants (April 2021)	Monthly Change in Claimants (Numbers)	Monthly Change in Claimants (%)	Change in Claimants since March 2020 (Numbers)	Change in Claimants since March 2020 (%)
England	5.0	6.5	6.5	2,271,355	-22,755	-1.0%	1,207,850	113.6%
West Midlands	5.9	7.4	7.3	266,435	-3,050	-1.1%	122,085	84.6%
SSLEP	4.5	5.5	5.4	37,770	-465	-1.2%	18,400	95.0%
Birmingham	9.0	11.4	11.4	83,490	-430	-0.5%	34,120	69.1%
Wolverhampton	9.0	10.7	10.6	17,250	-185	-1.1%	6,870	66.2%
Sandwell	7.4	9.7	9.7	19,755	-120	-0.6%	8,975	83.3%
Walsall	7.1	8.8	8.7	15,150	-160	-1.0%	6,545	76.1%
<b>Stoke on Trent</b>	<b>6.6</b>	<b>8.1</b>	<b>8.0</b>	<b>12,815</b>	<b>65</b>	<b>0.5%</b>	<b>5,495</b>	<b>75.1%</b>
Dudley	6.6	7.4	7.3	14,085	-315	-2.2%	5,570	65.4%
Coventry	4.9	6.9	6.9	17,120	-125	-0.7%	9,120	114.0%
Telford and Wrekin	5.5	5.9	5.9	6,550	-55	-0.8%	3,120	91.0%
Solihull	4.6	5.9	5.8	7,400	-180	-2.4%	3,750	102.7%
Worcestershire	4.5	5.3	5.1	18,080	-485	-2.6%	9,775	117.7%
<b>Staffordshire</b>	<b>3.9</b>	<b>4.7</b>	<b>4.7</b>	<b>24,960</b>	<b>395</b>	<b>1.6%</b>	<b>12,910</b>	<b>107.1%</b>
Warwickshire	4.0	4.8	4.7	16,695	-280	-1.6%	8,865	113.2%
Shropshire	3.8	4.5	4.4	8,385	-185	-2.2%	4,375	109.1%
Herefordshire, County of	3.5	4.2	4.2	4,705	-55	-1.2%	2,595	123.0%
Tamworth	5.0	6.2	6.1	2,880	-25	-0.9%	1,390	93.3%
Cannock Chase	4.7	5.4	5.3	3,340	-80	-2.3%	1,685	101.8%
East Staffordshire	3.8	5.4	5.3	3,905	-20	-0.5%	2,185	127.0%
Newcastle-under-Lyme	4.0	4.6	4.5	3,705	-30	-0.8%	1,725	87.1%
Lichfield	3.7	4.5	4.4	2,730	-30	-1.1%	1,410	106.8%
South Staffordshire	3.8	4.6	4.4	2,945	-140	-4.5%	1,635	124.8%
Stafford	3.4	4.1	4.1	3,385	0	0.0%	1,730	104.5%
Staffordshire Moorlands	3.1	3.7	3.6	2,070	-70	-3.3%	1,150	125.0%

<sup>1</sup> The claimant rate is the proportion of the working age population claiming benefits

- The Claimant Count in Staffordshire saw a decrease of 395 between March and April 2021 to a total of 24,960 claimants, which represented a 1.6% decline over the period which was larger than the declines seen regionally (-1.1%) and nationally (-1.0%).
- While Stoke-on-Trent saw a decrease of 65 over the same period with a total of 12,815 claimants in April.
- This provides further indication that the impact of the latest lockdown on businesses and jobs may be easing, with more workers able to return to their place of work full-time and businesses which previously faced restrictions now able to operate more fully again and looking to recruit more staff.

- 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 12,910 claimants and in Stoke-on-Trent there has been an increase of 5,495.
- 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 4.7% in April 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 8.0%.
- This month all Staffordshire Districts have seen a decline in the number of claimants except for Stafford which saw no change. South Staffordshire saw the largest decrease with 140 fewer claimants followed by Cannock Chase (decrease of 80 claimants) and Staffordshire Moorlands (decline of 70 claimants).
- Tamworth, Cannock Chase and East Staffordshire 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.

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



## Youth Claimant Count (Universal Credit) Statistics: April 2021

Area	Youth Claimant Count Rate (April 2020)	Youth Claimant Count Rate (March 2021)	Youth Claimant Count Rate <sup>1</sup> (April 2021)	Number of Youth Claimants (April 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	6.6	9.1	9.0	425,195	-6,760	-1.6%	227,465	115.0%
West Midlands	7.7	10.0	9.9	52,530	-660	-1.2%	24,625	88.2%
Stoke-on-Trent and Staffordshire	6.6	8.4	8.3	7,465	-105	-1.4%	3,645	95.4%
Wolverhampton	12.5	15.3	15.1	3,230	-30	-0.9%	1,320	69.1%
Sandwell	10.9	15.2	14.9	3,960	-60	-1.5%	1,845	87.2%
Walsall	11.1	14.2	14.2	3,240	-15	-0.5%	1,325	69.2%
Dudley	10.7	12.8	12.4	2,965	-85	-2.8%	1,215	69.4%
Birmingham	8.7	11.5	11.5	16,225	-80	-0.5%	7,120	78.2%
Solihull	8.1	11.1	10.8	1,645	-40	-2.4%	820	99.4%
<b>Stoke on Trent</b>	<b>8.6</b>	<b>10.6</b>	<b>10.6</b>	<b>2,495</b>	<b>15</b>	<b>0.6%</b>	<b>1,090</b>	<b>77.6%</b>
Telford and Wrekin	8.6	9.5	9.4	1,425	-15	-1.0%	665	87.5%
Worcestershire	6.7	8.6	8.4	3,490	-65	-1.8%	1,895	118.8%
Shropshire	6.5	8.1	7.9	1,645	-60	-3.5%	820	99.4%
<b>Staffordshire</b>	<b>5.8</b>	<b>7.7</b>	<b>7.5</b>	<b>4,970</b>	<b>90</b>	<b>1.8%</b>	<b>2,555</b>	<b>105.8%</b>
Herefordshire, County of	5.5	7.3	7.1	875	-15	-1.7%	460	110.8%
Warwickshire	5.2	6.9	6.7	3,045	-85	-2.7%	1,710	128.1%
Coventry	4.2	6.3	6.3	3,325	0	0.0%	1,790	116.6%
Tamworth	8.0	10.8	11.2	645	20	3.2%	350	118.6%
Cannock Chase	8.1	9.8	9.6	705	-15	-2.1%	340	93.2%
East Staffordshire	5.8	8.6	8.6	730	5	0.7%	410	128.1%
South Staffordshire	5.8	8.1	7.5	605	-45	-6.9%	355	142.0%
Lichfield	6.2	7.6	7.3	515	-20	-3.7%	245	90.7%
Stafford	5.1	6.6	6.7	615	15	2.5%	300	95.2%
Staffordshire Moorlands	4.8	6.3	5.9	380	-25	-6.2%	205	117.1%
Newcastle-under-Lyme	4.6	5.8	5.6	775	-25	-3.1%	350	82.4%

<sup>1</sup> 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 has increased from 3.7% in March 2020 to 7.5% in April 2021 compared to a rise from 2.3% to 4.7% for all working-age residents, while in Stoke-on-Trent the rate has risen from 5.9% in March 2020 to 10.6% in April 2021.
- Staffordshire has seen a decrease of 90 in the youth claimant count over the latest month to a total of 4,970, while Stoke-on-Trent has seen a decline of 15 to 2,495 youth claimants.
- This month the majority of Staffordshire Districts except for Tamworth, Stafford and East Staffordshire have seen decreases in youth claimants, with South Staffordshire seeing the largest decline and Tamworth seeing the largest increase over the month.
- 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

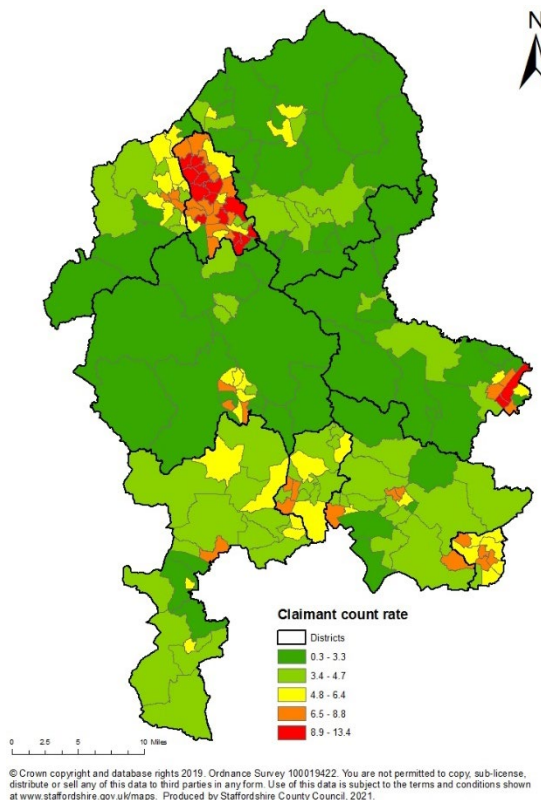
- The following maps and tables provide the latest breakdown of the claimant count by wards in Staffordshire & Stoke-on-Trent.

### Claimant Count Rate April 2021

Out of the 201 wards in Staffordshire & Stoke-on-Trent, 48 were above the England average of 6.5% 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 Joiner’s Square (13.4% or 605 claimants), Etruria and Hanley (13.2% or 685 claimants), and Moorcroft (12.3% or 450) having the highest rates.

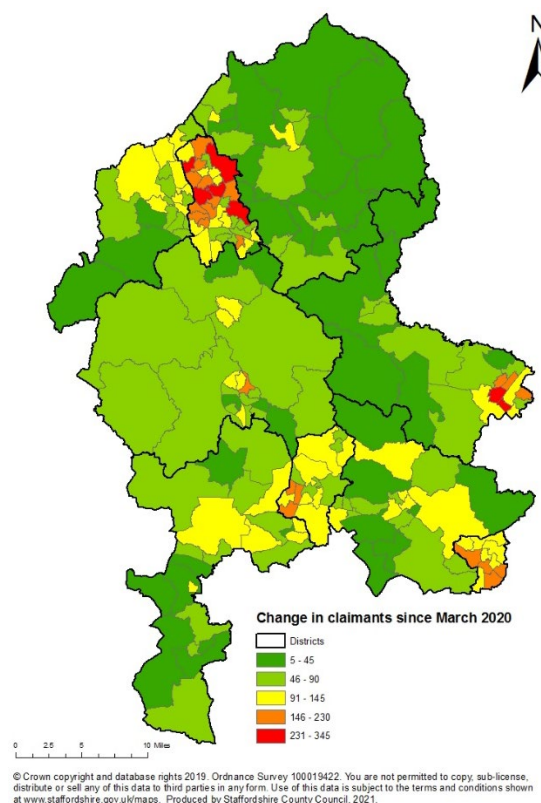
In Staffordshire the 3 wards with the highest claimant count rates were all in East Staffordshire, Anglesey (10.1% or 535), Burton (9.3% or 280) and Shobnall (8.7% or 465).



### 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 Birches Head and Central Forest Park (335 rise to 725 in total), Etruria and Hanley (330 increase to 685), and Bentilee and Ubbertley (280 increase to 680).

The remaining 3 wards in the top 10 were all in East Staffordshire the highest increases were seen in Anglesey (345 rise to 535), Shobnall (255 increase to 465) and Eton Park (225 rise to 405).



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

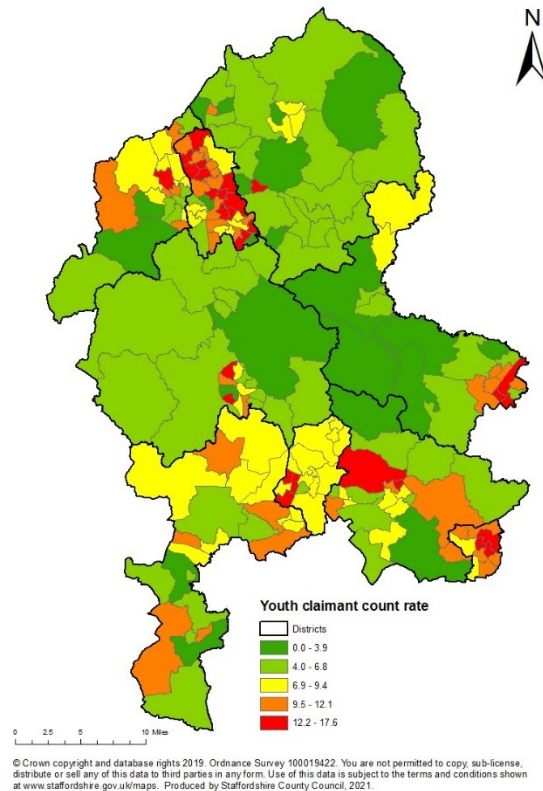
The following maps and tables provide the latest breakdown of the youth claimant count by wards in Staffordshire & Stoke-on-Trent.

### Youth Claimant Count Rate April 2021

Out of the 201 wards in Staffordshire & Stoke-on-Trent, 78 were at or above the England average of 9.0% 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 8 were in Stoke-on-Trent with Joiner's Square (17.6% or 135), Meir North (16.2% or 90), and Bentilee and Ubberley (15.5% or 140) having the highest rates.

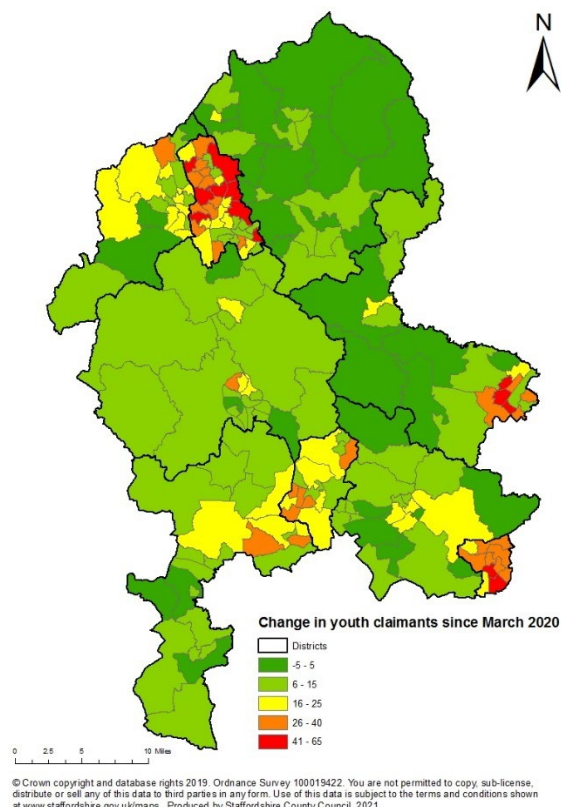
In Staffordshire, the highest rate was Glascote in Tamworth with 16.4% or 95 claimants, followed by Cannock North in Cannock Chase with 15.0% or 80 claimants.



### 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 6 were in Stoke-on-Trent including Etruria and Hanley (55 rise to 100), Bentilee and Ubberley (50 rise to 140), and Tunstall (50 rise to 90) with the highest rises since March 2020.

In Staffordshire, the highest increases were seen in Anglesey in East Staffordshire (65 rise to 95), Horninglow in East Staffordshire (50 rise to 80), and Belgrave in Tamworth (50 rise to 80).



## Coronavirus Job Retention Scheme (CJRS) Furloughed Jobs<sup>2</sup>

- HMRC have released local authority level breakdowns of the CJRS scheme for claims submitted to HMRC by 14<sup>th</sup> May 2021 for the period up to 30<sup>th</sup> April 2021.
- The data for April 2021 is not yet fully complete as while claims relating to April 2021 should have been filed by 14 May 2021, employers could file claims later with the agreement of HMRC if they had a reasonable excuse. Claims for April 2021 can also be amended until 28 May 2021. Together these factors are likely to have a small effect on the statistics, with a potential increase for April of around 3%. The April 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 April in the WM with 40,500**, behind only Birmingham and equivalent to 11% of eligible workers. This is to be expected given Staffordshire is the 2<sup>nd</sup> largest strategic authority area in the region but shows the potential size of the challenge as furlough ends.
- Between March and April Staffordshire has seen **a further decrease of 9,700 furloughed jobs. This 19% 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 13% to 11% which is in-line with the regional and national averages.**
- **Stoke-on-Trent has seen the number of furloughed jobs decrease from 13,600 to 10,200**, equivalent to 9% of eligible jobs.
- Across the SSLEP area of those on furlough 52% are female and 48% 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 those workers which are still on furlough are to return to work between now and when furlough ends at the end of September.

<sup>2</sup> Source: HMRC <https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-3-june-2021>

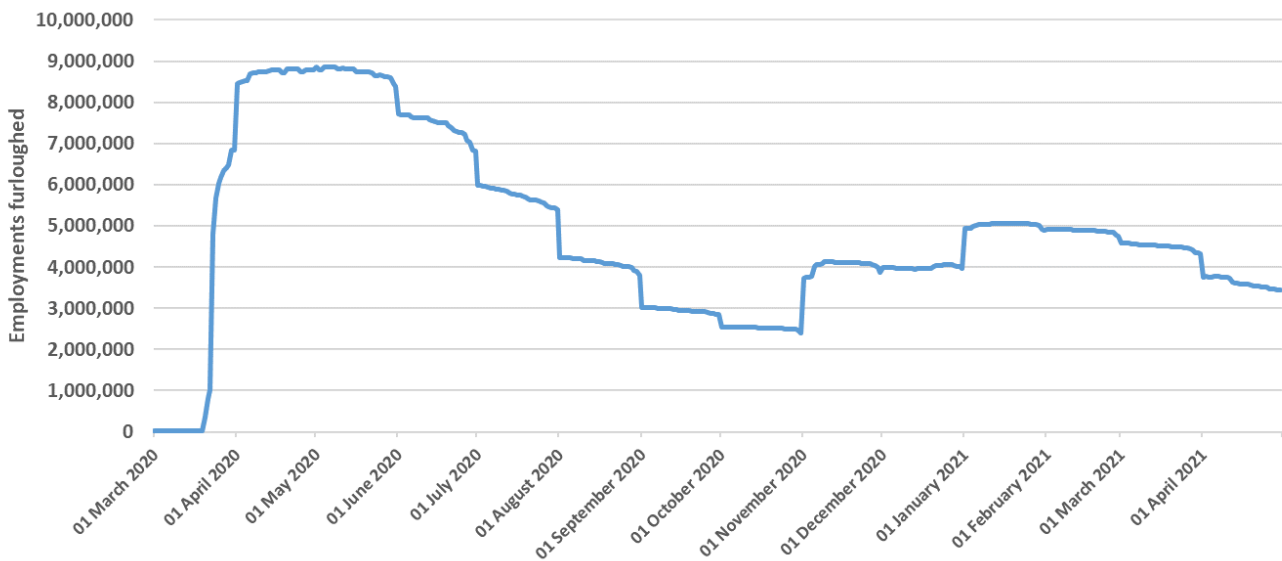
## Coronavirus Job Retention Scheme (CJRS) Statistics: June 2021

County and district / unitary authority	Total employments eligible for furlough	Total employments on furlough at 30 April (provisional)	Total take-up rate at 30 April (provisional)
South Staffordshire	46,700	5,300	11%
Lichfield	45,700	5,200	11%
Tamworth	36,800	4,200	11%
<b>England</b>	<b>24,356,400</b>	<b>2,764,900</b>	<b>11%</b>
Cannock Chase	45,000	5,000	11%
<b>West Midlands</b>	<b>2,471,100</b>	<b>270,500</b>	<b>11%</b>
Staffordshire Moorlands	40,700	4,400	11%
<b>Staffordshire County</b>	<b>384,600</b>	<b>40,500</b>	<b>11%</b>
<b>SSLEP</b>	<b>492,600</b>	<b>50,700</b>	<b>10%</b>
East Staffordshire	56,500	5,600	10%
Newcastle-under-Lyme	52,900	5,000	10%
<b>Stoke-on-Trent UA</b>	<b>108,000</b>	<b>10,200</b>	<b>9%</b>
Stafford	60,300	5,700	9%

- 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 674,700 (a decrease of just over 90,000 since March 2021) employers making 3,435,400 (a decrease of just over 883,000 or 20% since March 2021) furloughed job claims up to the end of April.**
- 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 month reflecting the opening up of more parts of the economy in particular non-essential retail and hospitality.

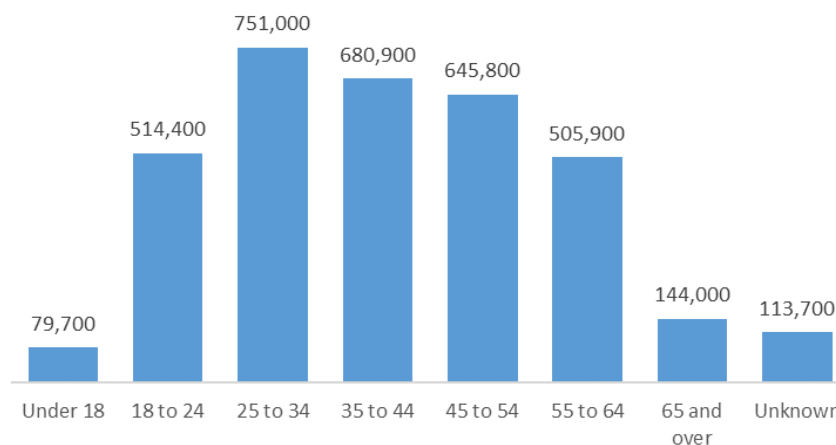


## Coronavirus Job Retention Scheme (CJRS) Statistics: June 2021 Time Series



- Employer Size** – As at 30 April 2021, over two thirds (71%) of claims were made by SMEs with 29% in large businesses with 250+ employees.
- Furlough Type** - Of those workers furloughed, over half (57%) were fully furloughed and 40% partially furloughed with 3% unknown. **The number that are fully furloughed has declined by over 968,000 since March showing a 33% decline, while those partially furloughed has increased by just over 125,000 or 10%.** Given that we have seen a decline in fully furloughed but an increase in partially furloughed, this would indicate that as well as many people returning to work there may also be some movement between full and part furlough.
- Furlough by Age** – the following chart shows the number of workers furloughed by employee age group with the larger numbers generally found within the younger age groups reflecting the disproportional economic impact of the pandemic and associated restrictions. Although between March and April it was those aged 24 and under which saw the largest declines in furlough 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'.

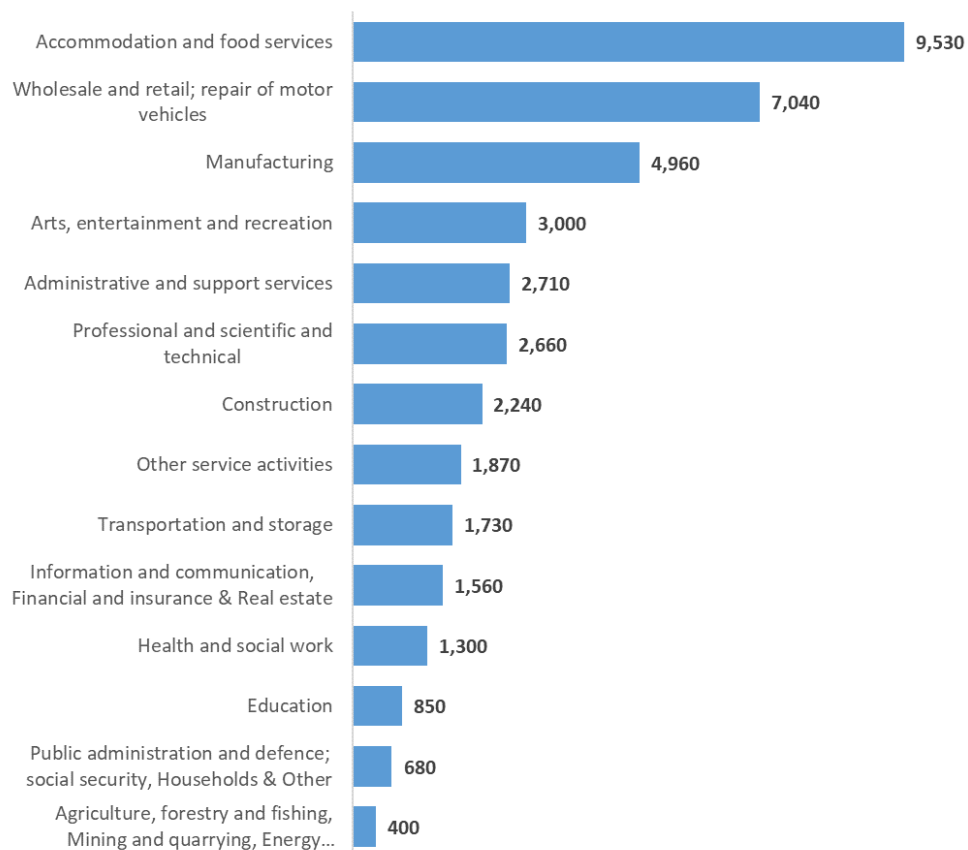
### Coronavirus Job Retention Scheme (CJRS) Statistics: June 2021 by Sector

Sector	Employers			Employments			Employments change between March 2021 and April 2021
	Employers (PAYE schemes) with staff eligible for furlough	Employers furloughing at 30 April (provisional)	Take-up rate at 30 April (provisional)	Employments eligible for furlough	Employments on furlough at 30 April (provisional)	Take-up rate at 30 April (provisional)	
Accommodation and food services	132,300	84,100	64%	1,924,900	932,600	48%	-181,600
Wholesale and retail; repair of motor vehicles	248,800	109,600	44%	4,418,500	602,800	14%	-234,500
Administrative and support services	164,100	61,700	38%	2,495,600	280,900	11%	-61,100
Manufacturing	101,100	41,600	41%	2,313,900	246,300	11%	-30,500
Arts, entertainment and recreation	40,900	22,500	55%	551,100	230,200	42%	-69,100
Professional, scientific and technical	307,600	88,100	29%	2,191,900	210,400	10%	-35,000
Construction	239,100	72,800	30%	1,276,400	166,600	13%	-31,700
Transportation and storage	76,200	28,500	37%	1,330,400	163,000	12%	-32,700
Other service activities	93,200	43,800	47%	536,600	157,500	29%	-55,900
Health and social work	101,100	27,300	27%	4,103,800	114,600	3%	-43,800
Education	39,400	15,000	38%	3,187,200	91,800	3%	-56,500
Information and communication	145,600	34,000	23%	1,217,600	90,400	7%	-11,100
Real estate	48,100	17,200	36%	430,700	46,500	11%	-11,600
Unknown and other	52,600	11,700	-	186,400	43,900	-	-13,500
Finance and insurance	34,200	7,900	23%	1,065,900	24,100	2%	-5,200
Agriculture, forestry and fishing	33,700	4,200	13%	190,900	13,200	7%	-4,000
Water supply, sewerage and waste	5,800	2,200	38%	174,100	8,800	5%	-2,600
Public administration and defence; social security	7,800	300	4%	1,363,900	6,700	0%	-1,900
Households	76,400	1,500	2%	128,500	2,100	2%	-600
Energy production and supply	1,300	400	28%	131,600	1,700	1%	-700
Mining and quarrying	1,000	300	25%	48,100	1,300	3%	-300
<b>Total</b>	<b>1,950,400</b>	<b>674,700</b>	<b>35%</b>	<b>29,268,000</b>	<b>3,435,400</b>	<b>12%</b>	<b>-883,700</b>

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' and 'Wholesale and retail including the repair of motor vehicles' by far the highest. However, both 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 30 April)



- 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)<sup>3</sup>

- **Staffordshire has seen 19,100 self-employed workers claim for the fourth SEISS grant up to 9<sup>th</sup> May 2021** and a take-up rate of 48% for those eligible through the scheme, which is slightly below the regional and national average take-up rates (both 50%).
- **Stoke-on-Trent had 5,800 SEISS claims up to 9<sup>th</sup> May 2021**, equivalent to 55% of those eligible. This is the second highest rate the West Midlands Region upper-tier authorities behind only Birmingham.

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

County and district / unitary authority	Total potentially eligible population	Total no. of claims made to 09/05/21	Total value of claims made to 09/05/21 (£)	Average value of claims made to 09/05/21 (£)	Total Take-Up Rate
<b>Stoke-on-Trent UA</b>	<b>10,500</b>	<b>5,800</b>	<b>14,300,000</b>	<b>2,500</b>	<b>55%</b>
Cannock Chase	5,100	2,700	8,100,000	3,000	54%
Tamworth	3,000	1,600	4,400,000	2,800	53%
<b>England</b>	<b>2,914,000</b>	<b>1,463,000</b>	<b>4,142,000,000</b>	<b>2,831</b>	<b>50%</b>
<b>West Midlands</b>	<b>259,000</b>	<b>130,000</b>	<b>347,000,000</b>	<b>2,700</b>	<b>50%</b>
<b>SSLEP</b>	<b>50,200</b>	<b>24,900</b>	<b>68,300,000</b>	<b>2,743</b>	<b>50%</b>
Lichfield	4,800	2,300	7,100,000	3,000	49%
Newcastle-under-Lyme	5,100	2,500	7,000,000	2,800	49%
South Staffordshire	5,300	2,600	7,400,000	2,800	49%
East Staffordshire	5,300	2,500	6,400,000	2,500	48%
<b>Staffordshire County</b>	<b>39,700</b>	<b>19,100</b>	<b>54,000,000</b>	<b>2,800</b>	<b>48%</b>
Stafford	5,700	2,600	7,300,000	2,900	45%
Staffordshire Moorlands	5,400	2,200	6,100,000	2,700	41%

- For all SEISS grants to 9<sup>th</sup> May 2021 Staffordshire has seen 102,700 claims from 33,300 individuals for a total of £289,400,000. While Stoke-on-Trent has seen 29,300 claims from 9,200 individuals for £72 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 11% of all claims.**

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

- In terms of gender, males have a take up rate of 52% and represent 71% of all claims while females have a take up rate of 46% and represent 48% of all claims.
- For age, the highest take-up rates are for those aged 25-34 and 35-44 (both 54%) and 91% of all claims are for those aged 25-64 with only 3% for those aged 16-64 and 5% for those over 65.
- Overall, for all SEISS grants up to 9<sup>th</sup> May 2021, there have been 8.8 million claims from 2.8 million individuals for £24.4 million.

## Business Insolvencies during the pandemic

This section covers the latest Insolvency Service monthly insolvency statistics<sup>4</sup> for April 2021, which show the number of new companies and individuals who are unable to pay debts and enter a formal insolvency procedure.

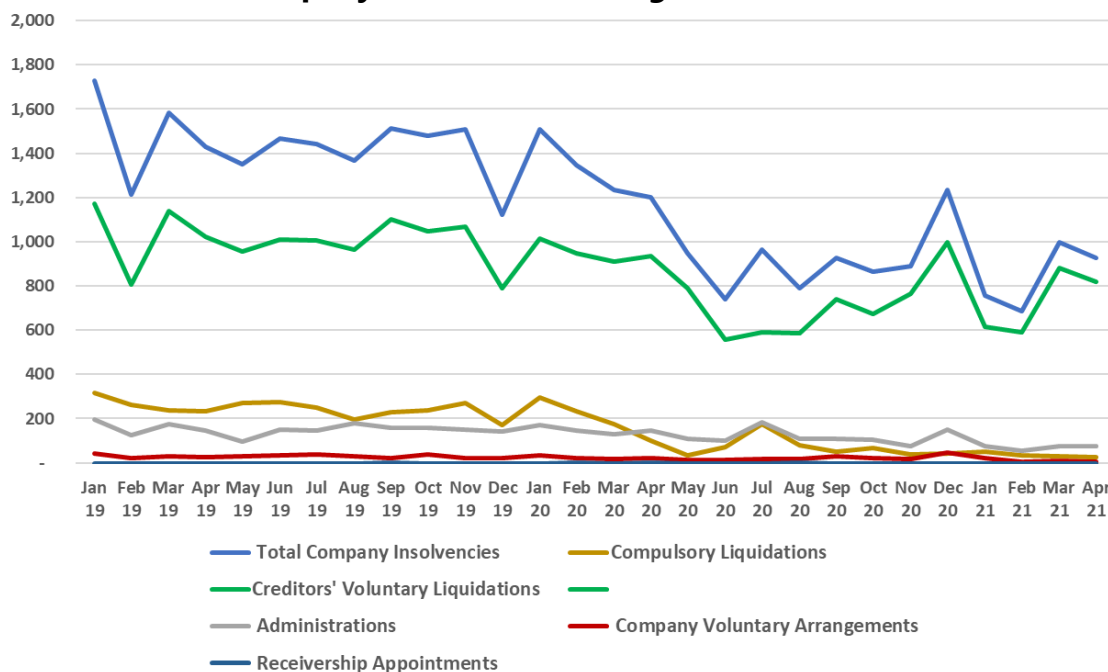
### Company Insolvencies

**In April 2021 there were a total of 925 company insolvencies in England and Wales**, comprised of 819 creditors' voluntary liquidations (CVLs), 75 administrations, 26 compulsory liquidations and 5 company voluntary arrangements (CVAs).

The overall number of **company insolvencies decreased by 23% in April 2021 when compared to the same month last year and 35% 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 May 2020 and April 2021 have declined by 36% compared to a year earlier, representing just over 6,160 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 April 2020 and March 2021 are construction (1,734), wholesale and retail (1,438), and accommodation and food (1,415).** However, levels are far lower than those seen for the same period the previous year, with construction 44% lower, and both wholesale and retail and accommodation and food 39% below levels seen a year earlier.

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

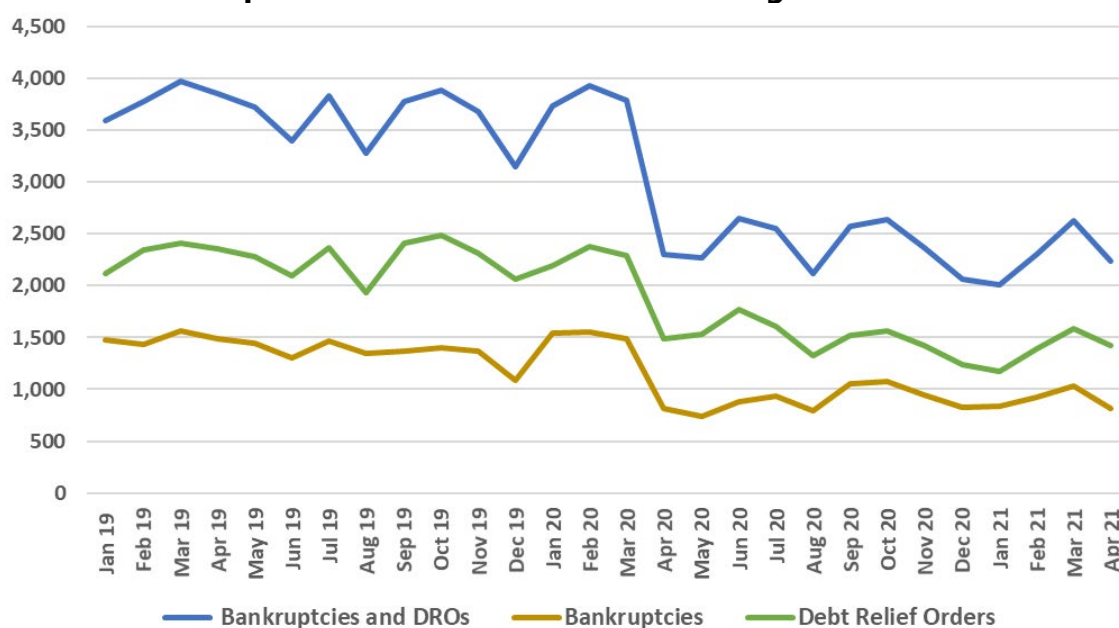
## Individual Insolvencies

For individual insolvencies, the number of **bankruptcies in April 2021 was 812** (made up of 739 debtor applications and 73 creditor petitions), while the number of **Debt Relief Orders (DROs) was 1,425**.

**Bankruptcies and DRO numbers were both similar to April 2020, but lower than in April 2019 (pre-pandemic) by 46% (bankruptcies) and 40% (DROs).**

**Total bankruptcies and DROs between May 2020 and April 2021 have declined by 35% representing over 15,400 fewer compared to the same period a year earlier.**

**Bankruptcies and Debt Relief Orders in England and Wales**



Individual Voluntary Arrangements (IVAs) is a formal debt solution to pay back debts over a period of time. There were, **on average, 6,822 IVAs registered per month in the three-month period ending April 2021:**

- 22% higher than for the three-month period ending April 2020, and
- 11% higher than the three-months ending April 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.



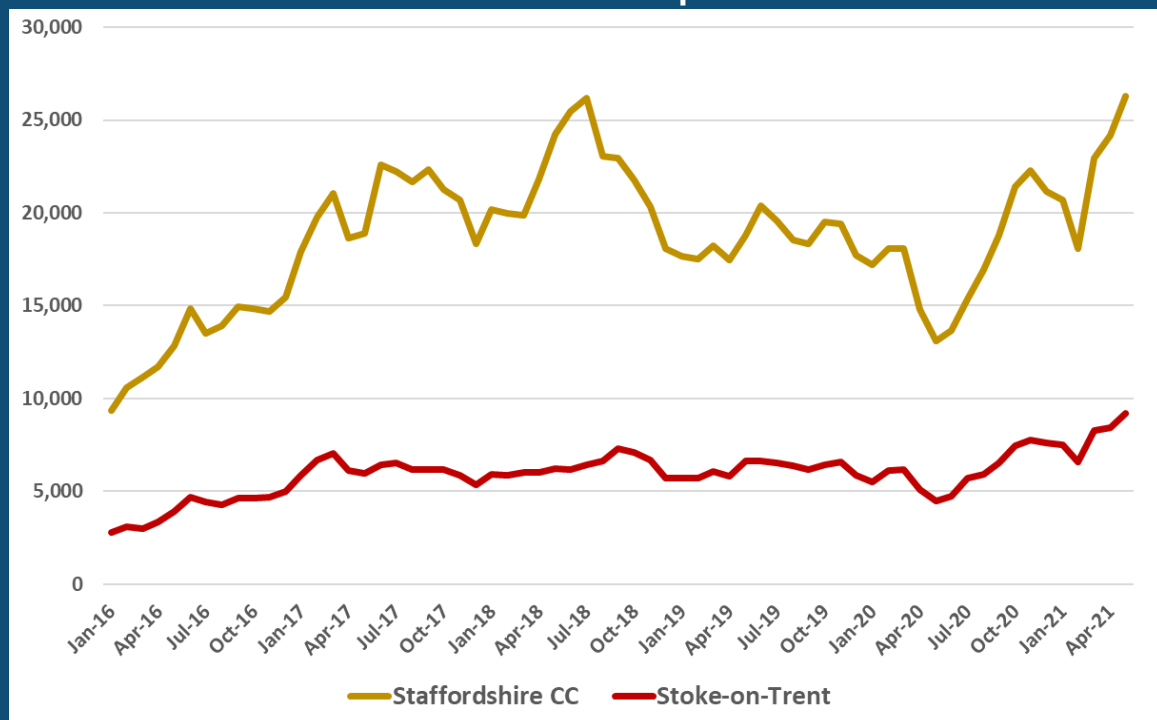
As the Insolvency Service does not record whether an insolvency is directly related to the coronavirus pandemic, it is not possible to state the direct effect of the pandemic on insolvency volumes.

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 30<sup>th</sup> June 2021.

## Job Vacancies<sup>5</sup>

- There is more evidence of the economic recovery gathering pace where following the significant uplift in recruitment witnessed in March, we have seen a continued rise in job vacancies during April and May as we progress on the Government’s roadmap out of lockdown and more businesses 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 and hospitality such as chefs and waiting staff. 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 upskill and reskill jobseekers into areas of demand.
- **Staffordshire saw vacancies increase by 9% between April and May equivalent to over 2,100 more job vacancies, this was slightly below the 10% rise seen nationally.** This follows a 5% rise between March and April.
- **Stoke on Trent also saw a rise of 9% with 763 more vacancies in May compared to April.** This follows a 2% rise seen between March and April.
- This significant improvement in recruitment has **seen vacancy levels rise to around 47% higher than those seen prior to COVID in the SSLEP area and well above the 27% growth seen nationally.**

Staffordshire & Stoke on Trent Unique Job Vacancies Trend



<sup>5</sup> Source: EMSI

## Monthly Trends in recruitment

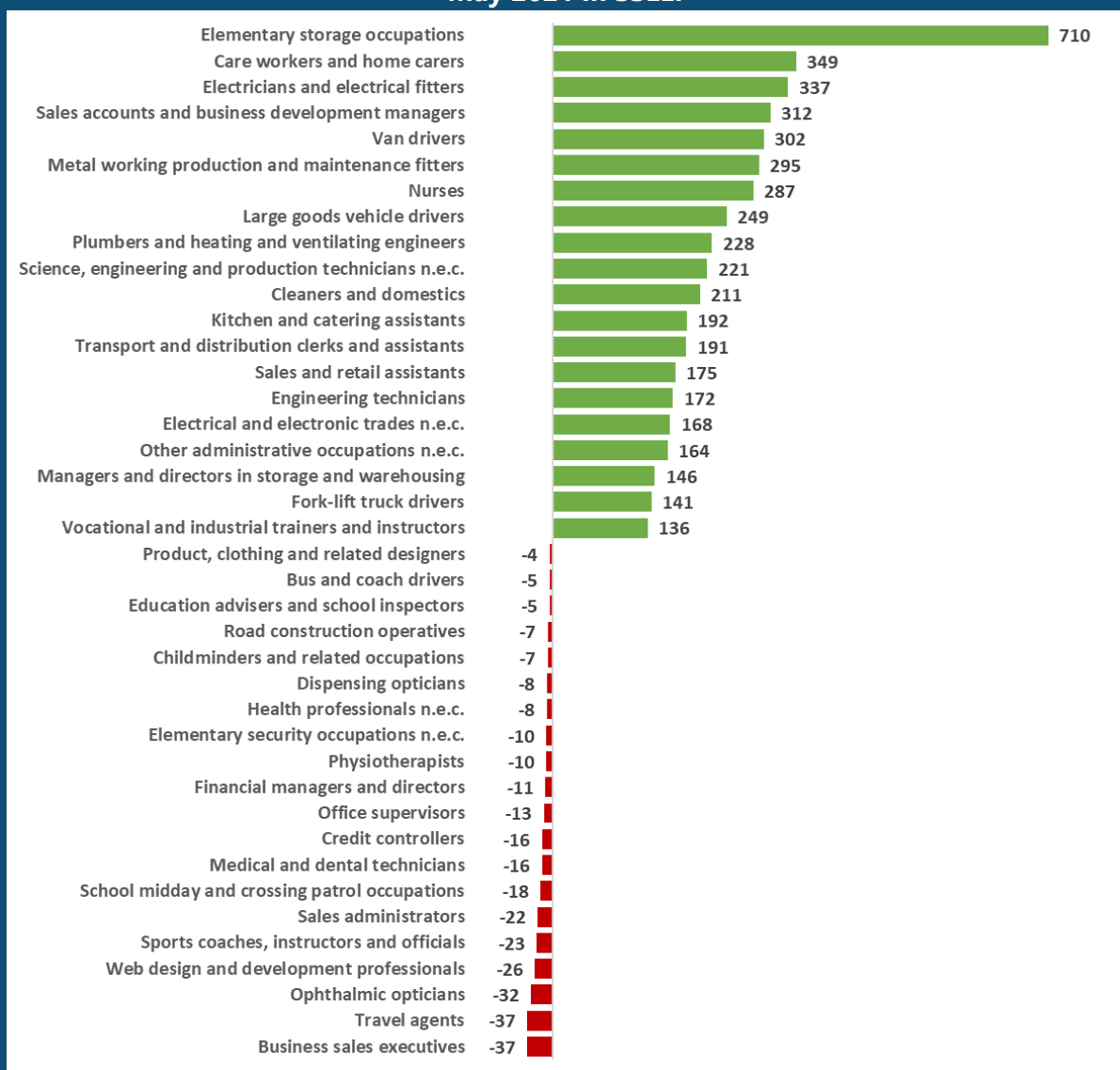
- The occupational groups to have seen the largest growth between April and May were 'sales and customer service occupations' (23% rise), 'administrative and secretarial occupations' (15% increase) and 'elementary occupations' (13% increase).
- The occupations to see the most significant increases during May were roles in sectors which have been able to open up further due to reduced restrictions and the sectors which support them including:
  - **Hospitality** including 'chefs' and 'kitchen and catering assistants'.
  - **Retail** including 'sales and retail assistants', 'customer service occupations n.e.c.', and 'sales accounts and business development managers';
  - **Logistics** including 'van drivers', 'LGV drivers', 'elementary storage occupations' and 'managers and directors in storage and warehousing'.
- There has also been a further increase in demand for roles in the care sector where there have been ongoing recruitment difficulties prior to and throughout the crisis including 'care workers and home carers' and 'primary and nursery education teaching professionals'.

## Pre COVID baseline trends in job vacancies

- It is also found that the main occupations to have grown since COVID struck are mainly found within:
  - **Logistics** including 'elementary storage occupations', 'van drivers' and 'LGV drivers';
  - **Health and Social Care** including 'care workers and home carers' and 'nurses';
  - **Manufacturing** including 'metal working production and maintenance fitters' and 'science, engineering and production technicians n.e.c.';
  - **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 and the increased demand for health and social care services.

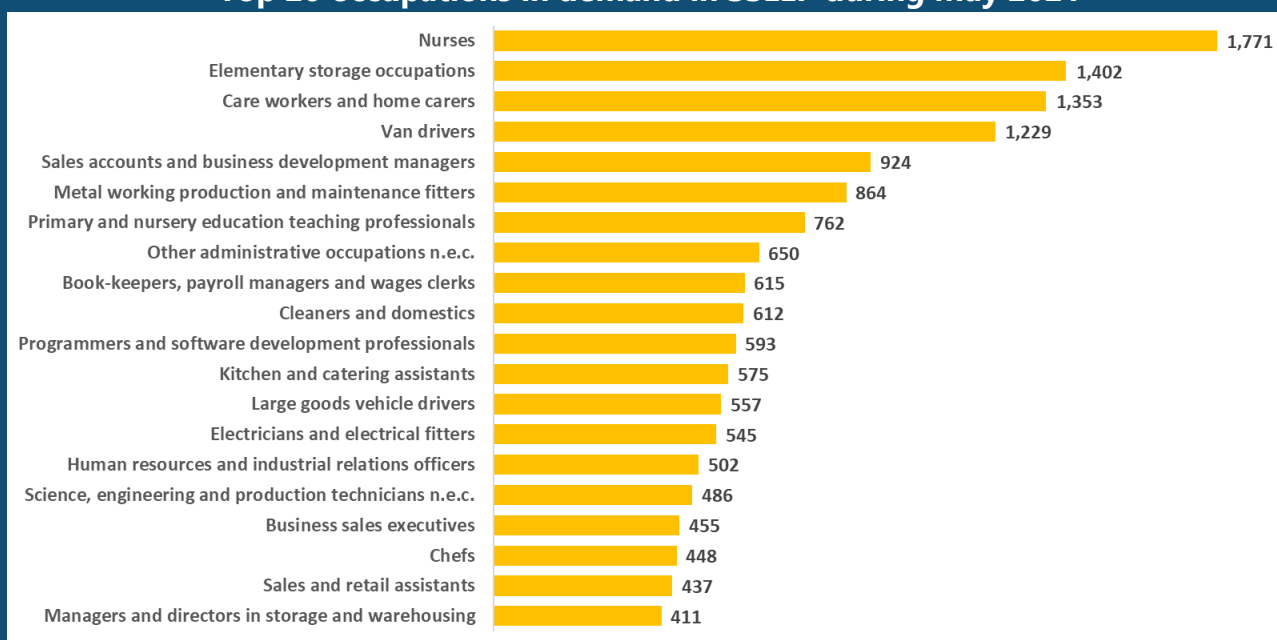
## Top 20 occupations increasing and top 20 declining between Feb 2020 (Pre COVID) and May 2021 in SSLEP



### 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. While in manufacturing **metal working production and maintenance fitters** remain the occupation in most demand.
- 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 May 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	May 2020 Unique Postings	Mar 2021 Unique Postings	Apr 2021 Unique Postings	May 2021 Unique Postings	Apr 2021- May 2021 (Month on Month Change)	Apr 2021- May 2021 Monthly % Change	Feb 2020- May 2021 (Month on Month Change)	Feb 2020- May 2021 Monthly % Change	May 2020- May 2021 (Year on Year Change)	May 2020- May 2021 Annual % Change
Staffordshire CC	18,078	13,100	22,963	24,161	26,303	2,142	9%	8,225	45%	13,203	101%
Stoke-on-Trent	6,112	4,496	8,264	8,445	9,208	763	9%	3,096	51%	4,712	105%
SSLEP	24,190	17,596	31,227	32,606	35,511	2,905	9%	11,321	47%	17,915	102%
West Midlands	163,108	123,058	194,569	200,535	220,850	20,315	10%	57,742	35%	97,792	79%
England	1,878,727	1,490,621	2,146,187	2,174,194	2,394,698	220,504	10%	515,971	27%	904,077	61%
Stafford	4,019	2,936	5,649	5,998	6,686	688	11%	2,667	66%	3,750	128%
East Staffordshire	3,069	2,137	4,341	4,315	4,654	339	8%	1,585	52%	2,517	118%
Lichfield	2,143	1,698	2,842	3,135	3,471	336	11%	1,328	62%	1,773	104%
Cannock Chase	2,234	1,768	2,727	3,078	3,207	129	4%	973	44%	1,439	81%
South Staffordshire	502	408	1,151	1,229	1,331	102	8%	829	165%	923	226%
Newcastle-under-Lyme	1,525	1,002	2,048	2,128	2,235	107	5%	710	47%	1,233	123%
Tamworth	2,846	1,973	2,789	2,935	3,406	471	16%	560	20%	1,433	73%
Staffordshire Moorlands	1,740	1,178	1,411	1,339	1,310	-29	-2%	-430	-25%	132	11%
Associate Professional and Technical Occupations	4,672	2,982	5,807	6,100	6,674	574	9%	2,002	43%	3,692	124%
Professional Occupations	5,996	5,307	7,475	7,675	7,960	285	4%	1,964	33%	2,653	50%
Skilled Trades Occupations	2,192	1,310	3,251	3,811	4,055	244	6%	1,863	85%	2,745	210%
Elementary Occupations	2,091	1,559	3,108	3,283	3,711	428	13%	1,620	77%	2,152	138%
Process, Plant and Machine Operatives	1,832	913	2,544	2,709	2,946	237	9%	1,114	61%	2,033	223%
Administrative and Secretarial Occupations	2,472	1,417	2,970	2,934	3,366	432	15%	894	36%	1,949	138%
Managers, Directors and Senior Officials	1,632	1,263	2,369	2,248	2,425	177	8%	793	49%	1,162	92%
Caring, Leisure and Other Service Occupations	2,266	2,265	2,653	2,712	2,978	266	10%	712	31%	713	31%
Sales and Customer Service Occupations	1,037	580	1,050	1,134	1,396	262	23%	359	35%	816	141%

## 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 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	<b>New Job Starters/PT employees/Self-employed with no income claiming Universal Credit not supported by JRS</b>	<b>In Employment</b> - 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	<b>Self-employed ceased trading or have very low income claiming Universal Credit</b> (and are either not eligible for, or not yet been paid, income under the SEISS)	<b>Economically inactive</b> - people out of work but are not looking for work - majority people previously self-employed
18%	190,000	<b>Working part-time low income workers claiming Universal Credit</b>	<b>In Employment</b>
10%	100,000	<b>Potential Redundancies</b>	
<b>100%</b>	<b>1,032,500</b>	<b>Claimant Count Increase Mar-20 to Apr-20</b>	

- 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.