

## Economic Bulletin - Issue 15 – October 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 Evers

Director for Economy, Infrastructure and Skills, Staffordshire County Council



## Key Messages

- This month the UK Government unveiled its **plans for tackling COVID 19 during the autumn and winter** with a warning that the disease “remains a risk”. “Plan A” is designed to prevent the NHS being overwhelmed and promotes vaccines and testing. “Plan B”, to be used if the NHS is coming under “unsustainable pressure”, includes measures such as social distancing and face masks with lockdowns an “absolute last resort”.
- Although there are concerns about a potential winter wave of infection, latest data shows that over recent weeks **infections** have been broadly flat with the latest **R number** standing at 0.8 to 1.1 and a growth range for England of -3% to +1% per day. This means that, on average, every 10 people infected will infect between 8 and 11 other people and that new infections could be shrinking by up to 3% every day or growing by up to 1% every day.
- Importantly **hospitalisations** have seen a slight decline, with hospital admissions remaining far lower at around 5 per 100,000 in the week ending 26<sup>th</sup> September compared to a peak of 36 per 100,000 during the previous wave. Rates decreased in eight out of nine English regions. However, there has been a slight rise in **deaths** over recent weeks to levels not seen since March which remains a concern.
- More than 4 in 5 adults are now fully **vaccinated** (87%) and 94% have had their first dose.
- The NHS has also started rolling out COVID 19 **booster jabs** with the over 50s, people in care homes, frontline health and social care workers and vulnerable people between 16 and 49 are among those who will be offered a third dose.
- The Health and Social Care Secretary, Sajid Javid, has said plans to introduce **vaccine passports** for access into nightclubs and large events in England will now not go ahead.
- It remains to be seen what the full effect of workers returning to offices and pupils and students returning to schools, colleges and universities will have on case numbers and the requirement for healthcare. However, SAGE modelling suggests that **hospitalisations could reach 2,000 to 7,000 per day during October** due to increases in office based working and the return of schools. To help prevent levels overwhelming the NHS it is vital that all of those being offered a vaccine take this up.

## Economic Impact and Support

- This month we have seen a number of **Government support schemes come to an end** including furlough, self employment income support and the Universal Credit uplift. At the same time there continues to be a surge in recruitment with UK **job vacancies hitting a record** of more than a million, with openings in the transport and hospitality sectors up over 75% in three months.

- While there are concerns that there will be workers that unfortunately lose their job or work hours due to Government support coming to an end there are clearly jobs available within the economy for people to **reskill and upskill** into.
- To support people with obtaining the skills needed to get back into work or find better work the Government has announced **£500 million to renew job support programmes** including:
  - The **Kickstart Scheme** which subsidises eligible jobs for young people on universal credit will be extended by three months to March 2022;
  - The **JETS scheme** to help long term unemployed people on universal credit will be extended until September 2022;
  - **Workers over the age of 50** to benefit from a new enhanced support package to help them to stay in and return to work;
  - A scheme paying employers **£3,000 per apprentice** they take on will also be prolonged by four months until the end of January.
- The full details of these extensions and additional for those coming off the furlough scheme to find work will be confirmed at the **Spending Review on 27 October**.
- Alongside this the Government has announced a further **£500 million of grants to help families struggling with the cost of living**, with local authorities distributing the grants for households to pay for essentials like food and bills.
- This extra support will be vital at a time when **inflation** has risen by 3% in the 12 months to August 2021 (due in the main to base effect of eat out to help out with year on year cost of eating out now far higher), up from 2.1% in the 12 months to July. The increase of 0.9 percentage points is the largest increase since records began in January 2006.
- **Price rises** such as for energy, fuel and groceries are leading to **cost of living** issues for many that have lost work and seen their support cut, for those in this situation help with skills development and finding work is very much needed. In turn the reskilling and upskilling of such workers will aid businesses in sectors where there are current **recruitment challenges**.
- Latest figures for July show growth in the economy slowed with **Gross domestic product (GDP)** estimated to have grown by just 0.1%, and remains 2.1% below its pre pandemic level (February 2020).

## GDP Monthly index, January 2007 to July 2021, UK



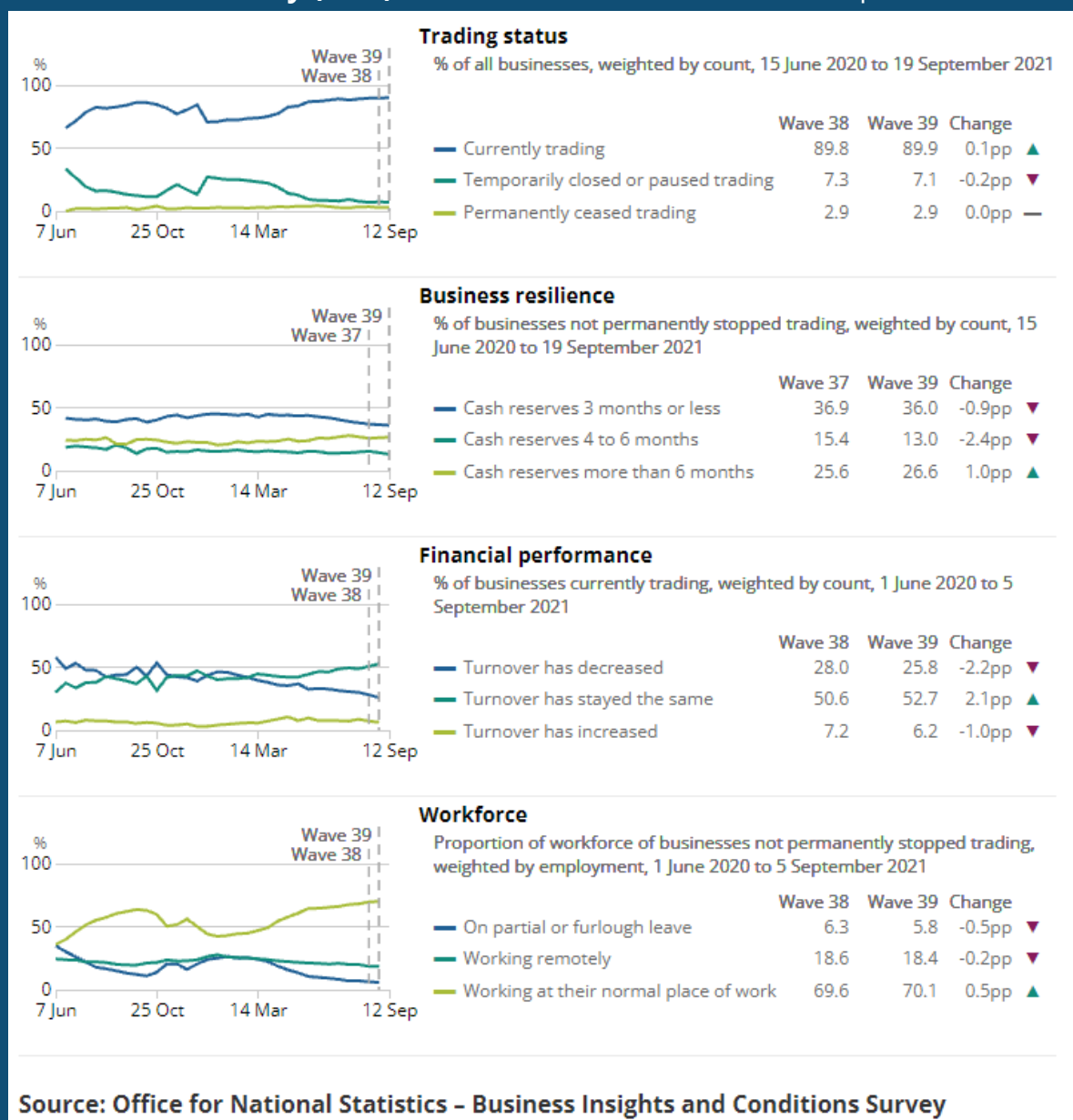
**Table 1: All sectors are approximately 2% below their February 2020 pre-pandemic level**  
Change in output, percentage change, February 2020 to July 2021, UK

Change in Output	May to June 2021	June to July 2021	February 2020 to July 2021
<b>GDP</b>	1.0%	0.1%	-2.1%
<b>Services</b>	1.5%	0.0%	-2.1%
<b>Production</b>	-0.7%	1.2%	-2.1%
<b>Manufacturing</b>	0.2%	0.0%	-2.3%
<b>Construction</b>	-1.3%	-1.6%	-1.8%

Source: Office for National Statistics

- **Production** output increased by 1.2% in July 2021 and was the main contributor to GDP growth; boosted by the reopening of an oil field production site, which was previously temporarily closed for planned maintenance.
- **Construction** contracted for a fourth consecutive month, with output down by 1.6% in July 2021, and is now 1.8% below its pre pandemic level (February 2020).
- **Services** output remained broadly flat in July 2021, and remains 2.1% below its pre pandemic level (February 2020).
- **Arts, entertainment and recreation activities** grew by 9.0%, boosted by sports clubs, amusement parks and festivals, and reflecting the easing of restrictions on social distancing from 19 July 2021.
- Output in **consumer facing services** fell by 0.3% in July 2021, its first fall since January 2021 mainly because of a 2.5% fall in **retail** sales.

- The latest quarterly GDP data shows that the UK economy grew by 3.6% in the three months to July 2021, largely because of the performance of the services sector. This partly reflects the gradual reopening of accommodation and food service activities, the reopening of non essential stores, and the increase in school attendance compared with the previous three months (February to April 2021).
- The following charts show the latest results from Wave 39 of the **Business Insights and Conditions Survey (BICS)**, which covered the dates 6 to 19 September 2021.



- The proportion of **businesses currently trading** has remained broadly stable since June 2021 and reached 90% in early September 2021, while the proportion of currently trading businesses whose **turnover** has not been affected compared to normal expectations has continued to steadily increase, to a high of 53% in late August 2021.
- The proportion of businesses' workforce reported to be on **full or partial furlough** remained broadly unchanged throughout August 2021 at 6% (representing a provisional approximate range of between 1.3 to 1.7 million people).

- In early September 2021, 2% of all businesses not permanently stopped trading expect to make some **redundancies** in the next three months; in the other service activities industry (covering the hairdressing and other beauty treatment industry), 16% of employees were on furlough and 20% of employers in that industry expect to make some of their workforce redundant in the next three months.
- Of businesses not permanently stopped trading, 6% expect employees to return to their normal **place of work** in the next month; 4% of businesses do not expect their employees to return to their normal place of work at all, with the percentage being highest (13%) in the information and communications industry.
- Among businesses where employees are expected to return to their normal place of work, 52% said the main considerations on deciding who should return were both business need and employee preference, whereas 32% stated business need only.
- In late August 2021, almost one in five businesses were either not able to get the **materials, goods or services** they needed from within the UK, or changed suppliers or found alternative solutions to do so; the percentage was highest in the construction industry (36%).
- There has been an ongoing fall in the proportion of businesses saying they have not been able to **import** or have imported less than normal, although more than 60% of importing businesses continue to state that they have faced challenges importing.
- The following charts shows the latest **labour market position** and the most recent data show the UK labour market continuing to recover.

### Payrolled employees

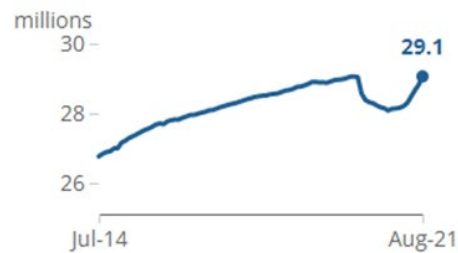
The number of payrolled employees

Monthly change: ▲241,000

Since Feb 2020: ▲1,000

The number of payroll employees has increased for the ninth consecutive month

Source: HMRC PAYE RTI



### Employment rate

Employment rate (all aged 16 to 64)

Quarterly change: ▲0.5pps

Since Dec-Feb 2020: ▼-1.3pps

Source: ONS LFS



### Unemployment rate

Unemployment rate (all aged 16+)

Quarterly change: ▼-0.3pps

Since Dec-Feb 2020: ▲0.6pps

Source: ONS LFS



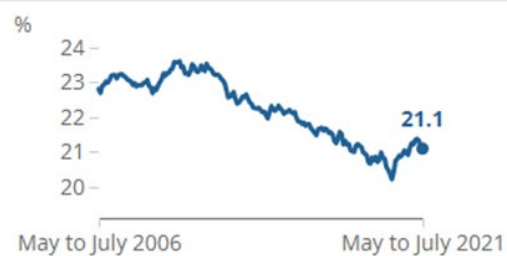
### Inactivity rate

Economic inactivity rate (all aged 16 to 64)

Quarterly change: ▼-0.3pps

Since Dec-Feb 2020: ▲0.9pps

Source: ONS LFS



- The number of **payroll employees** showed another monthly increase, up 241,000 to 29.1 million in August 2021, returning to pre coronavirus (COVID 19) pandemic (February 2020) levels. All regions except London, Scotland and South East are now above pre pandemic levels.
- In the latest period (May to July 2021), there was a quarterly increase in the **employment** rate of 0.5 percentage points, to 75.2%, and a decrease in the **unemployment** rate of 0.3 percentage points, to 4.6%. The **economic inactivity** rate is down 0.3 percentage points on the previous quarter, to 21.1%.
- **Young people** (those aged 16 to 24 years) have been particularly affected by the pandemic, with the employment rate decreasing and the unemployment and economic inactivity rates increasing by more than seen for those aged 25 years and over. Over the last quarter, however, there was a strong increase in the employment rate and decrease in the unemployment and inactivity rates for young people.
- Total actual weekly **hours worked** increased on the quarter, reflecting the decreased

coronavirus restrictions but are still below pre pandemic levels.

- **Redundancies** decreased on the quarter and have returned to pre pandemic levels.
- The number of **job vacancies** in June to August 2021 was 1,034,000, which is the first time vacancies have risen over 1 million since records began, and is now 249,000 above its pre pandemic January to March 2020 level. Vacancies grew on the quarter in June to August 2021 by 269,300 (35.2%), with all industry sectors increasing their number of vacancies and the majority reaching record levels; the largest increase was seen in accommodation and food service activities, which rose by 57,600 (75.4%).
- However, a study by The Institute for Fiscal Studies suggest that Britain's worst labour market shortages in decades are being driven by employers struggling to recruit low paid workers, while vacancies in other areas are still significantly below pre pandemic levels. The research shows that employment opportunities were still 30% below their usual level for almost three quarters of the workforce, despite reports focusing on severe shortages of staff in several sectors of the economy such as road haulage, care and warehouse work.
- **Personal debt** built up during the pandemic is a growing concern with debt charity StepChange estimating that 1 in 10 **renters** are now behind on rent and owe on average an estimated £800 each. The Bureau of Investigative Journalism has found that tenants are being evicted due to rent arrears, despite the Government saying no one should lose their home as a result of the crisis with one third of county court hearings monitored in England and Wales over the summer explicitly cited the pandemic as the reason for the arrears. While the housing charity Crisis has warned that at least 100,000 renting households will be placed at risk of eviction with the £20 a week cut to universal credit.
- We have heard more reports on the impact of **lorry driver shortages** with petrol stations closing due to a lack of fuel supply, food deliveries being unmet and waste collections being cut. To address this issue the Government has confirmed that 5,000 HGV drivers will be eligible to work in the UK for three months, until Christmas Eve, on temporary visas.
- **Care home operators** say they are preparing for staff shortages as a result of rules for all workers to be fully vaccinated by November 11, unless exempt, with an estimated 40,000 staff not double jabbed by that date.
- A survey by YouGov showed that most people do not believe workers will **return to the office** full time after the coronavirus pandemic, with 70% predicting that workers would "never return to offices at the same rate" and a majority of workers said that they would prefer to work from home either full time or at least some of the time.
- While the Department for Business is now consulting on the proposal to give all employees the right to request **flexible working** when they start new jobs. At the



moment, workers have to wait until they have been in their role for six months.

- The LGA has also recently published a report which predicts that half a million **jobs in town and city centres** are at risk as people continue to work from home, with a call for the Government to create a new “**sustainable urban futures fund**” that would allocate £7 billion over a decade to support councils to invest in infrastructure improvements, new housing projects, town centres and other measures to support economic growth.
- Alongside this a report by TUC suggests that up to 660,000 jobs will be at serious risk if the UK continues to fall behind other countries in the amount it invests in **green infrastructure and jobs**. It states that the impact on employment in the UK as a result of jobs moving “offshore” to countries in the vanguard of green investment and technology will be particularly acute in the UK’s industrial heartlands in the north west, Yorkshire and the Humber.
- Looking to the future the Prime Minister is now focused on move the entire UK towards **high wage, high skill employment that drives growth and productivity and “level up” all areas of the UK**. To do this it is clear that people will need to be supported to acquire higher skills and local areas will need the right tools to address the challenges that the pandemic has brought and rebuild their local economies taking advantage of high value growth opportunities.

#### **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, 10% compared to 11% nationally, and has decreased further over the last month as more workers on furlough and Universal Credit have returned to work.
- The claimant count in Staffordshire saw a further **decrease of 485 claimants between July and August 2021 to a total of 20,340 claimants**, which is a higher proportional decline than seen regionally and nationally. While the **claimant rate has also declined from 3.9% to 3.8% of the working age population in August** and continues the trend seen since February.
- This reflects the continued easing of lockdown restrictions and the announced final easing of restrictions on the 19<sup>th</sup> July, allowing more businesses to fully reopen with more workers able to return to their place of work full time and businesses looking to recruit more staff to support their recovery and growth.
- However, **the total number of Universal Credit (UC) claimants remains nearly 69% higher than the level seen in March 2020 (pre COVID), an increase of 8,290 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 3.8% of the working age population in August compared to 6.3% regionally and 5.3% 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 currently stands at 5.7% compared to 3.7% in March 2020** and still well above the rate for the working age population. Encouragingly for the fifth month in a row Staffordshire has seen a decrease in the youth claimant count with a decline of 125 over the last month to a total of 3,710, reflective of more young people being able to return to work in hardest hit sectors such as retail and hospitality. However, 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 and Restart Schemes** 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 **16,200 furloughed job claims in Staffordshire up to the end of August**, showing a **further decline of 3,300 furloughed workers in Staffordshire between July and August, equivalent to 4% of eligible workers** which is lower than the regional and national averages of 5%. **Stoke on Trent had 3,500 jobs still furloughed, showing a decline of 900 between July and August and equivalent to 3% of eligible jobs**. We have seen the number of workers furloughed further decline over the last month while at the same time the claimant count has also declined, indicating that more people are returning to work, especially young people in hardest hit sectors. However, the concern remains as to how many of the significant number of workers still on furlough will be able to return to work now that the CJRS scheme has come to an end.
- **Staffordshire has seen 11,600 self employed workers claim for the fifth SEISS grant up to 15<sup>th</sup> September 2021** and a take up rate of 29% for those eligible through

the scheme, which is below the regional (32%) and national (33%) average take up rates. **Stoke on Trent had 3,900 SEISS claims up to 15<sup>th</sup> September 2021**, equivalent to 37% 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 August 2021 increased by 71% in August 2021 when compared to the same month last year and is now only 1% lower than two years previously**. We have seen an increase over recent months but levels still remain comparatively low compared to pre COVID due at least in part to government measures which remain in place to reduce insolvencies in response to the pandemic. Concern regarding how many are viable without Government support.
- Following the slight dip in job vacancies seen last month there has been an increase in recruitment this month, reflective of the increasing demand we are seeing for workers across much of the economy to aid the recovery from the pandemic. **Staffordshire saw vacancies increase by 10% between August and September equivalent to over 2,600 more job vacancies, this was higher than the increase of 6% seen nationally. Stoke on Trent saw a rise of 6% with nearly 600 more vacancies in September compared to August**.
- The **occupations** to see the most significant increases during September continue to be roles in sectors experiencing recruitment difficulties and sectors which have been able to open up further due to reduced restrictions and occupations which support them including **logistics, hospitality, retail, education, health and social care, and manufacturing**.
- 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.

- Turnover at **JCB** fell to £3.1bn in the 2020 financial year, down from £4.2bn in 2019, while machine sales decreased to 74,590 from 92,216. Earnings on an EBITDA basis stood at £228m, down from £414m. Despite these figures JCB remained profitable during 2020.
- More than 550 jobs are at risk after the owner of Staffordshire's biggest biscuit factory revealed plans to shut the site. 2 Sisters Food Group has launched a consultation with staff at **Elkes Biscuits** formerly Fox's Biscuits in Uttoxeter over its decision to close the "significantly loss making" factory. A consultation is due to be launched on Sept 30 and will run until March 2022. This factory is the largest employer in Uttoxeter.

### Local initiatives

- We are continuing to prioritise support for small businesses and people whose jobs or employment prospects have been impacted by the pandemic.
- There's never been a better time and place to start up, thrive and revitalise your business than right here and now. From £5,000 0% loans and grants to set up and grow, £5,000 to cover the cost of up skilling your staff, and grants to cover the cost of taking on an apprentice, we've got you covered. Choose the best finance s available to SMEs across Staffordshire to help your business reach its potential. [Get funded now.](#)
- Up skilling your staff or taking on **apprentices** to grow your skill base and future proof your business is no longer nice to have, it's essential. Apprentices bring new ideas, stick around for longer than non apprenticeship recruits, are extremely capable and are keen to learn and earn at the same time. You may think that the cost of recruiting and retaining apprentices may be the last thing you can manage at the moment. But if your business is in the Newcastle, Tamworth, South Staffordshire, Cannock or Lichfield districts, don't wait to apply for a grant of up to £5,000 to recruit and get the best from your apprentice (sorry funding has already been allocated in other areas). There is even government grants that can be claimed for training. That means, depending on the size of your business, you could employ an apprentice at a much reduced cost. It could even cost £0. This grant is one of the first of its kind in the country and is the result of Staffordshire County Council and the county's district and borough councils pooling resources to support business recovery and growth after the pandemic. But it won't be available forever, so act now to get your £5,000 grant. Now's your time to recruit an apprentice for less simply [check your eligibility](#) and email [apprentices@staffordshire.gov.uk](mailto:apprentices@staffordshire.gov.uk) to request a short application form.

- A range of courses now available for business employees or sole traders in Staffordshire to take advantage to up skill and re skill to help meet the demands of future proofing their businesses. These free and low cost courses provided by the **Staffordshire Community Learning service** include a range of learning opportunities that can fit in around the working day, and cover vital skills such as advanced office IT skills, social media marketing, understanding cloud services and even help improve confidence in English and maths, and develop entrepreneurial skills. Courses are run by expert tutors, and run either in local community venues or many available to be accessed online. Explore what's available at <https://staffordshirecommunitylearning.org.uk/>.
- The co ordinated and quick response **Redundancy and Recruitment Triage Service** is offering free bespoke plans to any Stoke on Trent or Staffordshire businesses who need to restructure but want to help their staff get into other work in growth sectors as quickly as possible. Delivered by the National Careers Service, the new service offers professional, bespoke and fully funded support. The service is entirely confidential and supported by qualified careers advisors **WATCH MORE ABOUT THE FULL FUNDED SUPPORT AVAILABLE .**
- **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.
- Three interlinked **regeneration programmes in Stafford** will support the town's revitalisation in the coming years and its post pandemic recovery. The schemes Eastgate regeneration, Stafford Gateway and Future High Streets programme have been carefully planned and developed in recent years and will bring hundreds of new homes, business development and jobs to Stafford, in addition to millions of pounds in private investment. As a result of the schemes around 1,400 new homes will be built and over 210,000 square feet of new commercial and leisure floorspace created, bringing in new residents and visitors. They are being complemented by other major regeneration schemes including the Victoria Park renovation, Stafford Western Access Route and the Shire Hall project, where a new enterprise space will be located.
- Keele University's New Enterprise Base Camp offers 20 small business owners, based in Stoke on Trent and Staffordshire, a fully funded interactive expert led masterclass to help you innovate and strengthen your business development. The Base Camp

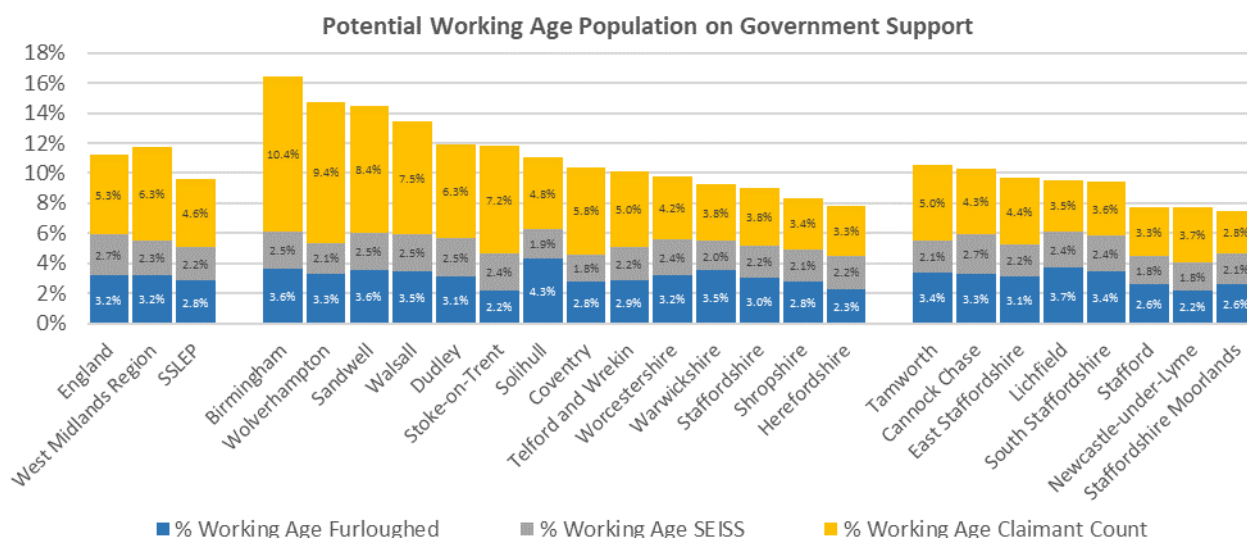
programme will be delivered in person at Keele University's Smart Innovation Hub across 11th, 12th and 25th November 2021. [Full details and eligibility.](#)

- LEP funded **digital skills centres** open to support business competitiveness. Amanda Milling MP and Gavin Williamson MP visited the Cannock and Tamworth campuses of South Staffordshire College this week to officially open the brand new Digital Skills Centres. Partially funded by the Stoke on Trent and Staffordshire LEP from the government's Getting Building Fund, both campuses of South Staffordshire College will provide their local communities with access to a range of courses designed to boost digital skills. [Read more.](#)
- In conclusion, we continue to see **signs of recovery** in the economy with the labour market improving and the availability of jobs at record levels. However, there are many people still out of work and businesses are reporting increasing skills and labour shortages which have the potential to slow the recovery. There is a clear need to reskill and upskill those looking for work to ensure that they can fill the roles needed in the economy and support business growth and innovation. At a time when Government is phasing out support put in place during the pandemic and there are growing concerns around debt, inflation and the cost of living, it has never been more important to ensure that people have the skills required to access the jobs available in our economy.
- 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 Kickstart and Restart Schemes have 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 under 67,000 residents in the SSLEP area on Government support, equivalent to around 10% of the working age population which is lower than the regional (12%) and national averages (11%). Stoke-on-Trent (12%) and Tamworth (11%) have the highest rates while Staffordshire Moorlands, Newcastle-under-Lyme and Stafford (all 8%) have the lowest.

SSLEP Working Age Population	696,067
Jobs in High Risk Sectors	221,000
Claimant Count August 2021	31,795
Coronavirus Job Retention Scheme (CJRS) Furloughed job claims as at 31st August 2021	19,700
Self-Employment Income Support Scheme (SEISS) fifth grant claims up to 15th Sept 2021	15,500
<b>Potential workers on Government support</b>	<b>66,995</b>
<b>Potential % of working age population on Government support</b>	<b>9.6%</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: August 2021

Area	Claimant Count Rate (August 2020)	Claimant Count Rate (July 2021)	Claimant Count Rate <sup>1</sup> (August 2021)	Number of Claimants (August 2021)	Monthly Change in Claimants (Numbers)	Monthly Change in Claimants (%)	Change in Claimants since March 2020 (Numbers)	Change in Claimants since March 2020 (%)
England	6.5	5.4	5.3	1,874,550	-40,810	-2.1%	811,045	76.3%
West Midlands	7.3	6.4	6.3	230,735	-3,250	-1.4%	86,385	59.8%
SSLEP	5.7	4.7	4.6	31,795	-595	-1.8%	12,425	64.1%
Birmingham	11.0	10.4	10.4	76,090	-460	-0.6%	26,720	54.1%
Wolverhampton	10.5	9.5	9.4	15,335	-235	-1.5%	4,955	47.7%
Sandwell	9.3	8.5	8.4	17,225	-95	-0.5%	6,445	59.8%
Walsall	8.7	7.7	7.5	13,060	-300	-2.2%	4,455	51.8%
<b>Stoke on Trent</b>	<b>8.1</b>	<b>7.3</b>	<b>7.2</b>	<b>11,450</b>	<b>115</b>	<b>1.0%</b>	<b>4,130</b>	<b>56.4%</b>
Dudley	7.6	6.3	6.3	12,210	-125	-1.0%	3,695	43.4%
Coventry	6.4	5.9	5.8	14,800	-325	-2.1%	6,800	85.0%
Telford and Wrekin	6.4	5.1	5.0	5,545	-125	-2.2%	2,115	61.7%
Solihull	5.8	4.8	4.8	6,155	-70	-1.1%	2,505	68.6%
Worcestershire	5.4	4.2	4.2	14,730	-290	-1.9%	6,425	77.4%
<b>Staffordshire</b>	<b>5.0</b>	<b>3.9</b>	<b>3.8</b>	<b>20,340</b>	<b>485</b>	<b>2.3%</b>	<b>8,290</b>	<b>68.8%</b>
Warwickshire	5.0	3.9	3.8	13,510	-360	-2.6%	5,680	72.5%
Shropshire	4.7	3.6	3.4	6,580	-220	-3.2%	2,570	64.1%
Herefordshire, County of	4.4	3.3	3.3	3,700	-45	-1.2%	1,590	75.4%
Tamworth	6.3	5.1	5.0	2,360	-30	-1.3%	870	58.4%
East Staffordshire	5.3	4.5	4.4	3,260	-70	-2.1%	1,540	89.5%
Cannock Chase	5.9	4.5	4.3	2,755	-105	-3.7%	1,100	66.5%
Newcastle-under-Lyme	4.9	3.8	3.7	3,030	-90	-2.9%	1,050	53.0%
South Staffordshire	4.6	3.7	3.6	2,415	-35	-1.4%	1,105	84.4%
Lichfield	5.0	3.6	3.5	2,155	-75	-3.4%	835	63.3%
Stafford	4.5	3.3	3.3	2,740	-45	-1.6%	1,085	65.6%
Staffordshire Moorlands	3.9	2.9	2.8	1,630	-35	-2.1%	710	77.2%

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

- The claimant count in Staffordshire saw a further decrease of 485 claimants between July and August 2021 to a total of 20,340 claimants, which is a higher proportional decline than seen regionally and nationally. While the claimant rate has also declined from 3.9% to 3.8% of the working age population in August and continues the trend seen since February.
- While Stoke-on-Trent saw a decrease of 115 over the same period with a total of 11,450 claimants in August, with the rate dropping from 7.3% to 7.2%.
- This reflects the continued easing of lockdown restrictions and the announced final easing of restrictions on the 19th July, allowing more businesses to fully reopen with more workers able to return to their place of work full-time and businesses looking to recruit more staff to support their recovery and growth.



- Although there has been some improvement over recent months it is important to look at the change in the Claimant Count seen since March 2020 (pre-COVID) where the number of claimants in Staffordshire remains nearly 69% higher than the level seen in March 2020 (pre-COVID), an increase of 8,290 claimants - however, not all will be out of work.
- 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 3.8% in August compared to 6.3% regionally and 5.3% nationally. In Stoke-on-Trent the Claimant Count rate remains above both the regional and national averages at 7.2%.
- This month all of the Staffordshire Districts have seen a decline in the number of claimants, with Cannock Chase seeing the largest decrease with 105 fewer claimants while Tamworth saw the lowest decrease with 30 fewer 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: August 2021

Area	Youth Claimant Count Rate (Aug 2020)	Youth Claimant Count Rate (July 2021)	Youth Claimant Count Rate <sup>1</sup> (Aug 2021)	Number of Youth Claimants (Aug 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	9.3	7.2	6.9	325,505	-11,710	-3.5%	127,775	64.6%
West Midlands	10.3	8.3	8.1	42,795	-930	-2.1%	14,890	53.4%
SSLEP	9.1	6.7	6.5	5,770	-140	-2.4%	1,950	51.0%
Wolverhampton	16.0	13.9	13.5	2,795	-85	-3.0%	885	46.3%
Sandwell	14.5	12.7	12.4	3,270	-65	-1.9%	1,155	54.6%
Walsall	14.5	12.1	11.7	2,670	-100	-3.6%	755	39.4%
Birmingham	11.5	10.2	10.1	14,060	-190	-1.3%	4,955	54.4%
Dudley	13.2	10.3	10.0	2,380	-65	-2.7%	630	36.0%
<b>Stoke on Trent</b>	<b>11.1</b>	<b>9.0</b>	<b>8.9</b>	<b>2,060</b>	<b>20</b>	<b>1.0%</b>	<b>655</b>	<b>46.6%</b>
Solihull	10.9	8.4	8.4	1,280	-5	-0.4%	455	55.2%
Telford and Wrekin	10.8	8.3	8.2	1,205	-25	-2.0%	445	58.6%
Worcestershire	9.4	6.7	6.5	2,640	-95	-3.5%	1,045	65.5%
<b>Staffordshire</b>	<b>8.4</b>	<b>5.9</b>	<b>5.7</b>	<b>3,710</b>	<b>125</b>	<b>3.3%</b>	<b>1,295</b>	<b>53.6%</b>
Shropshire	8.9	5.7	5.5	1,115	-40	-3.5%	290	35.2%
Warwickshire	7.4	5.3	5.2	2,375	-40	-1.7%	1,040	77.9%
Herefordshire, County of	8.3	5.3	5.2	620	-15	-2.4%	205	49.4%
Coventry	6.0	4.9	4.8	2,620	-65	-2.4%	1,085	70.7%
Cannock Chase	11.2	8.0	7.6	545	-35	-6.0%	180	49.3%
East Staffordshire	8.8	6.9	6.6	560	-30	-5.1%	240	75.0%
Lichfield	8.8	5.6	5.3	370	-20	-5.1%	100	37.0%
Newcastle-under-Lyme	6.5	4.4	4.2	585	-15	-2.5%	160	37.6%
South Staffordshire	8.5	5.9	5.7	450	-10	-2.2%	200	80.0%
Stafford	7.7	5.2	5.1	445	-10	-2.2%	130	41.3%
Staffordshire Moorlands	6.9	4.3	4.3	270	5	1.9%	95	54.3%
Tamworth	11.2	8.9	8.7	490	-10	-2.0%	195	66.1%

<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 is now 5.7% compared to 3.8% for all working-age residents, while in Stoke-on-Trent the rate is now at 8.9% in August 2021.
- Encouragingly for the fifth month in a row Staffordshire has seen a decrease in the youth claimant count with a decline of 125 over the last month to a total of 3,710, reflective of more young people being able to return to work in hardest hit sectors such as retail and hospitality.
- Despite these declines youth claimants still remain well above pre-COVID levels.
- All of Staffordshire Districts have seen decreases in youth claimants this month, with the exception of Staffordshire Moorlands which saw a small increase of 5 youth claimants. Cannock Chase and East Staffordshire have seen the largest declines. Tamworth and Cannock Chase continue to record the highest rates in Staffordshire, both above the national average.
- However, 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 and Restart Schemes are quickly and effectively put in place to support these groups and help prevent them becoming long-term unemployed.

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

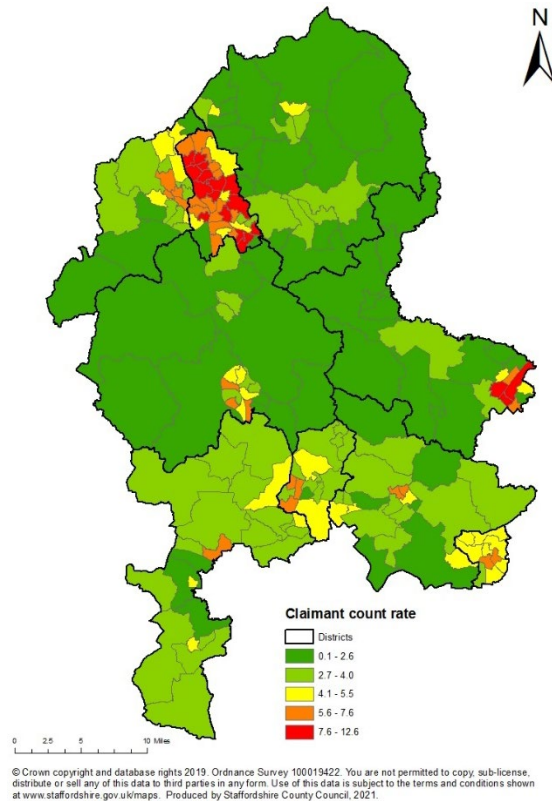
- The following maps and tables provide the latest breakdown of the claimant count by wards in Staffordshire & Stoke-on-Trent.

### Claimant Count Rate August 2021

Out of the 201 wards in Staffordshire & Stoke-on-Trent, 53 were above the England average of 5.3% for the number of claimants as a proportion of the working age population.

Of the top 10 wards with the highest claimant count rate 9 were in Stoke-on-Trent with Joiner's Square (12.6% or 570 claimants), Etruria and Hanley (12.2% or 635 claimants), and Moorcroft (11.4% or 415) having the highest rates.

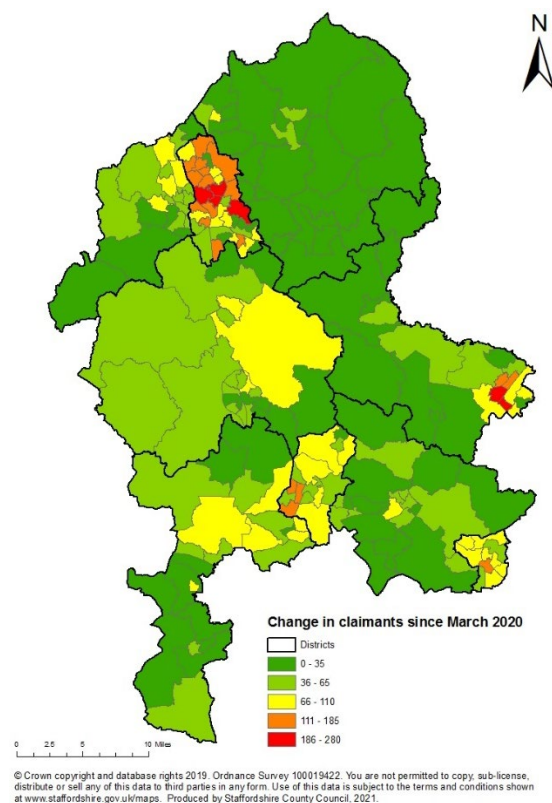
In Staffordshire the 4 wards with the highest claimant count rates were all in East Staffordshire, Burton (8.6% or 255), Anglesey (8.5% or 455), Shobnall (8.1% or 435) and Eton Park (7.4% or 355).



### Change in Claimant Count since March 2020

Out of the top 10 wards with the highest change in the number of claimants since March 2020 there were 7 in Stoke-on-Trent and included Etruria and Hanley (280 increase to 635), Bentilee and Ubberley (260 rise to 660) and Birches Head and Central Forest Park (230 increase to 620 in total).

The remaining 3 wards in the top 10 were all in East Staffordshire the highest increases were seen in Anglesey (265 rise to 455), Shobnall (225 increase to 435) and Eton Park (175 rise to 355).



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

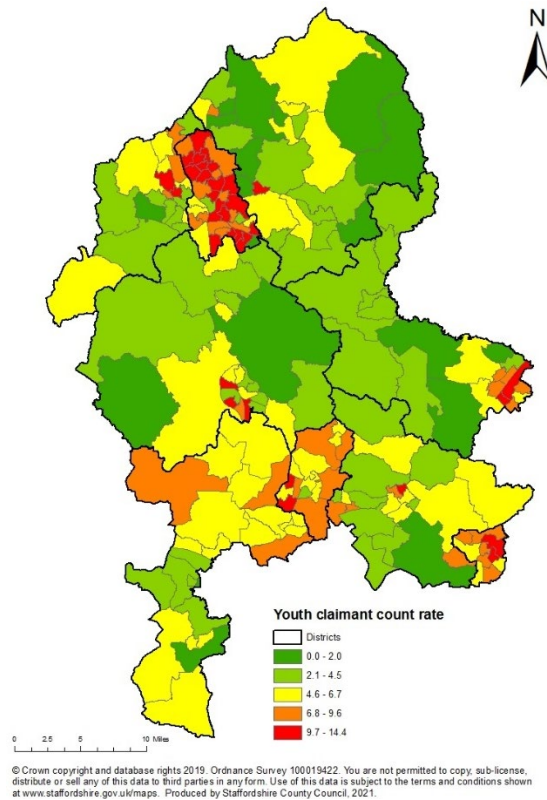
The following maps and tables provide the latest breakdown of the youth claimant count by wards in Staffordshire & Stoke-on-Trent.

### Youth Claimant Count Rate August 2021

Out of the 201 wards in Staffordshire & Stoke-on-Trent, 70 were at or above the England average of 6.9% 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 (14.4% or 110), Bentilee and Ubberley (13.9% or 125), and Moorcroft (13.0% or 70) having the highest rates.

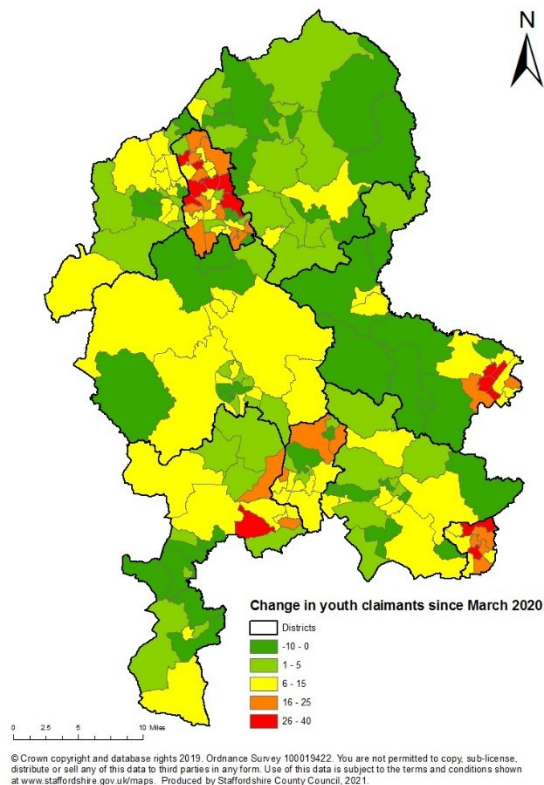
In Staffordshire, the highest rate was Cannock North in Cannock Chase with 13.1% or 70, followed by Glascote in Tamworth with 13.0% or 75 youth claimants.



### 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 Bentilee and Ubberley (35 rise to 125), Burslem Park (35 rise to 55) and Etruria and Hanley (35 rise to 80) with the highest rises since March 2020.

In Staffordshire, the highest increases were seen in Anglesey in East Staffordshire (40 rise to 70 claimants), Spital in Tamworth (30 rise to 50) and Eton Park in East Staffordshire (30 rise to 60).



## 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> September 2021 for the period up to 31<sup>st</sup> August 2021.
- Figures for August 2021 are provisional and subject to revision as additional claims for the period are received.
- Based on the provisional figures, **Staffordshire had the 2nd highest number of furloughed job claims up to the end of August in the WM with 16,200**, behind only Birmingham and equivalent to 4% 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 July and August Staffordshire has seen **a further decrease of 3,300 furloughed jobs. This 17% 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 pandemic for many businesses.
- This decrease has seen **Staffordshire's rate of furlough decrease from 5% to 4% which is just below the regional and national averages of 5%.**
- **Stoke-on-Trent has seen the number of furloughed jobs decrease by 900 to 3,500 in August, equivalent to 3% of eligible jobs and the joint lowest rate in the West Midlands.**
- Across the SSLEP area of those on furlough 52% are male and 48% female.
- Although we have seen a further decrease in the number of workers on furlough during the last month, there remain concerns as to how many of the significant number of workers which are still on furlough are to return to work now that the furlough scheme has ended.

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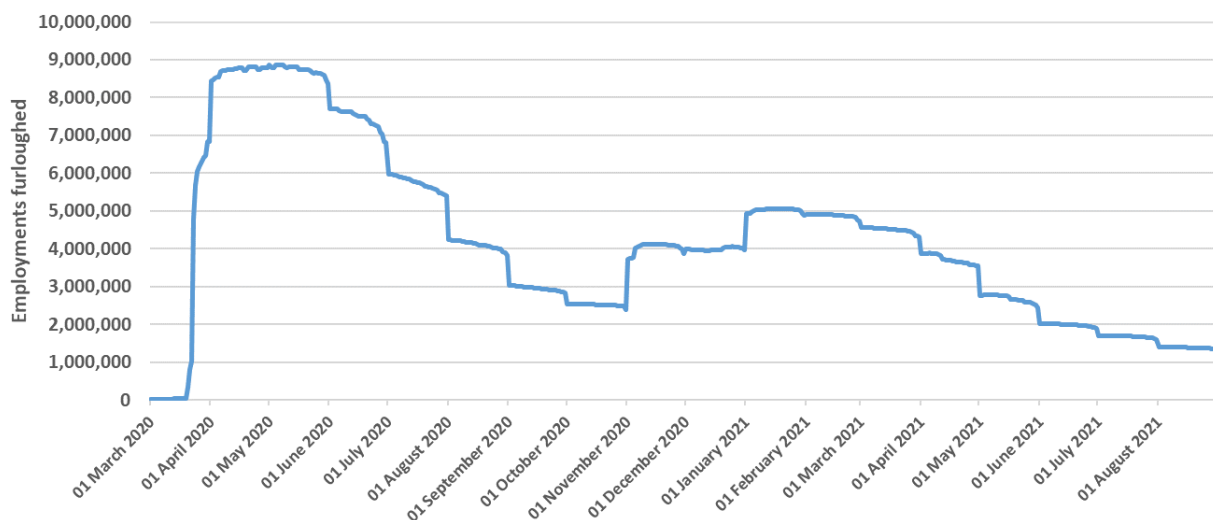
<sup>2</sup> Source: HMRC <https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-7-october-2021>

## Coronavirus Job Retention Scheme (CJRS) Statistics: 7 October 2021

County and district / unitary authority	Total employments on furlough at 31 August (provisional)	Total employments eligible for furlough	Total take-up rate at 31 August (provisional)
Cannock Chase	2,100	44,400	5%
Lichfield	2,300	45,300	5%
South Staffordshire	2,300	46,200	5%
Tamworth	1,600	36,100	5%
<b>England</b>	<b>1,118,700</b>	<b>23,881,800</b>	<b>5%</b>
<b>United Kingdom</b>	<b>1,324,600</b>	<b>28,692,200</b>	<b>5%</b>
<b>West Midlands</b>	<b>119,000</b>	<b>2,424,300</b>	<b>5%</b>
<b>SSLEP</b>	<b>19,700</b>	<b>484,300</b>	<b>4%</b>
East Staffordshire	2,300	55,300	4%
Newcastle-under-Lyme	1,800	52,200	4%
Stafford	2,200	59,600	4%
Staffordshire Moorlands	1,500	40,100	4%
<b>Staffordshire County</b>	<b>16,200</b>	<b>379,200</b>	<b>4%</b>
Stoke-on-Trent UA	3,500	105,100	3%

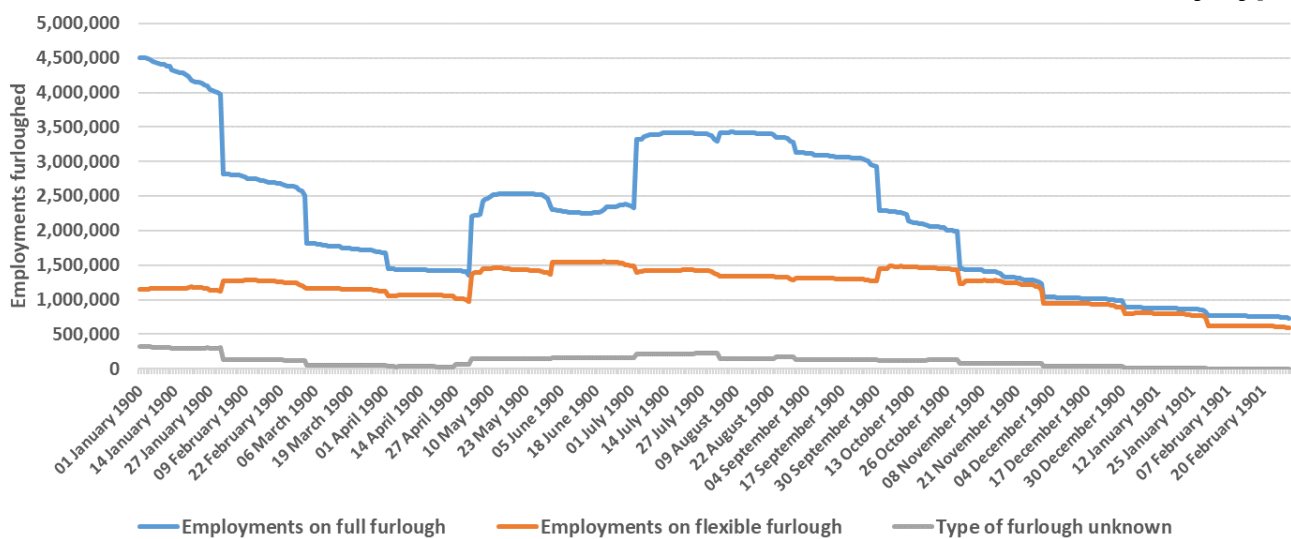
- The national data provides more detailed breakdowns than available for local authorities and looking at the national picture allows for greater insight into the extent of furlough support and who is currently being supported by the furlough scheme.
- **Nationally there were 440,500 (a decrease of over 47,200 since July 2021) employers making 1,324,600 (a decrease of 263,300 or 17% since July 2021) furloughed job claims up to the end of August.**
- 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 few months reflecting the opening up of more parts of the economy in particular non-essential retail and hospitality.

### Coronavirus Job Retention Scheme (CJRS) Statistics: 7 October 2021 Time Series



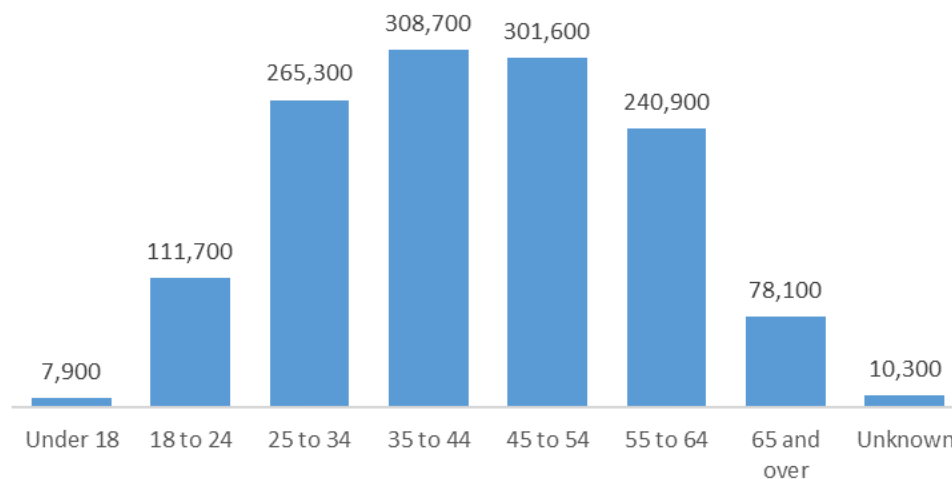
- **Employer Size** – As at 31 August 2021, over four fifths (86%) of claims were made by SMEs with 14% in large businesses with 250+ employees.
- **Furlough Type** - Of those workers furloughed, over half (55%) were fully furloughed and 45% on flexible furlough. **The chart below shows that the number that are fully furloughed has declined by 98,500 since July showing a 12% decline, while those on flexible furlough have also decreased by 150,900 or 20%.** Given that we have seen a decline in both fully and partially furloughed, this would indicate that people are returning to work rather than there being movement between full and part furlough.

### Coronavirus Job Retention Scheme (CJRS) Statistics: 7 Oct 2021 Time Series by Type



- **Furlough by Age** – the following chart shows the number of workers furloughed by employee age group, as we have seen since April those aged 24 and under have seen the largest declines (25% decline compared to 17% overall) in August reflecting the continued opening up of sectors in which many young people work.

### Furloughed Workers by Age



- Nationally, the sectors of 'Arts, entertainment and recreation' and 'Accommodation and Food services' have the highest furlough take-up rates.
- While it is 'Wholesale and retail including the repair of motor vehicles' and 'Accommodation and Food services' 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', 'transport and storage' and 'construction'.

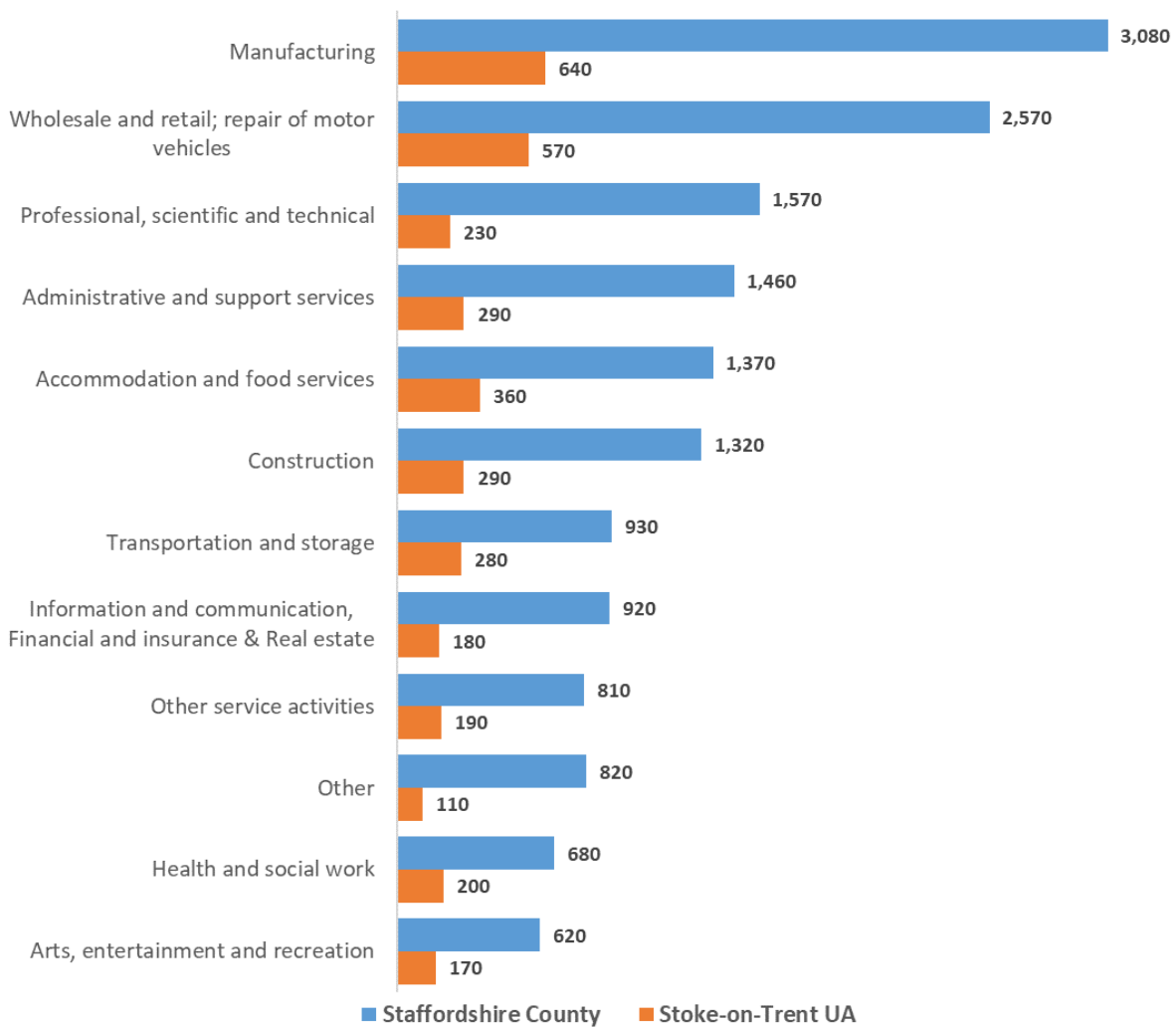
### Coronavirus Job Retention Scheme (CJRS) Statistics: 7 Oct 2021 by Sector

Sector	Employers			Employments			Employments change between July 2021 and Aug 2021
	Employers (PAYE schemes) eligible for furlough	Employers with staff on furlough at 31 August (provisional)	Take-up rate at 31 August (provisional)	Employments eligible for furlough	Employments on furlough at 31 August (provisional)	Take-up rate at 31 August (provisional)	
Arts, entertainment and recreation	41,700	12,700	31%	501,600	59,200	12%	-15,100
Other service activities	94,200	25,200	27%	521,000	62,500	12%	-11,100
Accommodation and food services	133,000	44,400	33%	1,733,300	193,800	11%	-69,900
Transportation and storage	78,600	22,500	29%	1,311,800	104,000	8%	-21,600
Construction	243,800	48,900	20%	1,279,900	100,700	8%	-14,300
Administrative and support services	164,000	43,800	27%	2,367,900	138,300	6%	-25,300
Manufacturing	102,000	28,200	28%	2,293,200	134,700	6%	-22,600
Professional, scientific and technical	306,600	64,300	21%	2,180,200	126,100	6%	-14,500
Real estate	50,400	12,000	24%	428,300	25,900	6%	-3,100
Wholesale and retail; repair of motor vehicles	253,400	70,200	28%	4,337,800	195,000	4%	-33,000
Information and communication	143,900	25,600	18%	1,218,200	52,900	4%	-5,300
Water supply, sewerage and waste	5,900	1,400	24%	172,600	4,200	2%	-600
Agriculture, forestry and fishing	33,500	2,100	6%	174,200	4,100	2%	-1,100
Health and social work	101,700	17,800	17%	4,112,200	55,100	1%	-10,000
Education	39,900	10,400	26%	3,176,600	42,600	1%	-8,900
Finance and insurance	34,900	5,500	16%	1,068,100	13,500	1%	-1,800
Households	71,100	800	1%	119,300	1,000	1%	-200
Energy production and supply	1,400	300	20%	128,400	800	1%	0
Mining and quarrying	1,100	200	16%	47,900	600	1%	-200
Public administration and defence; social security	7,800	200	2%	1,373,600	1,300	<0.5%	-600
Unknown and other	48,300	4,200	-	146,100	8,300	-	-4,000
<b>Total</b>	<b>1,957,200</b>	<b>440,500</b>	<b>23%</b>	<b>28,692,200</b>	<b>1,324,600</b>	<b>5%</b>	<b>-263,300</b>

- HMRC have also now released local authority breakdowns by sector, the following chart shows the number of workers furloughed by sector in Staffordshire and Stoke-on-Trent with 'Manufacturing' and 'Wholesale and retail including the repair of motor vehicles' by far the highest.
- 'Accommodation and Food services' (-1,150) has seen by far the highest decline in furloughed workers over the last month as more businesses have been able to open up again.



## Furloughed workers by sector in Stoke-on-Trent & Staffordshire



- It is clear that there are certain sectors which continue to be the adversely affected by the economic impact of COVID-19 with labour market issues and challenging market conditions.
- There is concern for such sectors as economic support measures are withdrawn including 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 now this has come to an end there are concerns that a number of furloughed workers may find themselves out of work.

## Self-Employment Income Support Scheme (SEISS)<sup>3</sup>

- **Staffordshire has seen 11,600 self-employed workers claim for the fifth SEISS grant up to 15<sup>th</sup> September 2021** and a take-up rate of 29% for those eligible through the scheme, which is below the regional (32%) and national (33%) average take-up rates.
- **Stoke-on-Trent had 3,900 SEISS claims up to 15<sup>th</sup> September 2021**, equivalent to 37% of those eligible.

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

County and district / unitary authority	Total potentially eligible population	Total no. of all claims made to 15/09/21	Total value of all claims made to 15/09/21 (£)	Average value of all claims made to 15/09/21 (£)	Total Take-Up Rate
Stoke-on-Trent UA	10,500	3,900	7,700,000	2,000	37%
Cannock Chase	5,100	1,700	3,800,000	2,200	34%
<b>England</b>	<b>2,904,000</b>	<b>964,000</b>	<b>2,188,000,000</b>	<b>2,270</b>	<b>33%</b>
Tamworth	3,000	1,000	2,200,000	2,200	33%
<b>United Kingdom</b>	<b>3,345,000</b>	<b>1,092,000</b>	<b>2,477,000,000</b>	<b>2,300</b>	<b>33%</b>
<b>West Midlands</b>	<b>258,000</b>	<b>83,000</b>	<b>174,000,000</b>	<b>2,100</b>	<b>32%</b>
<b>SSLEP</b>	<b>50,200</b>	<b>15,500</b>	<b>33,700,000</b>	<b>2,200</b>	<b>31%</b>
East Staffordshire	5,200	1,600	3,200,000	2,000	30%
Lichfield	4,800	1,500	3,600,000	2,500	30%
South Staffordshire	5,300	1,600	3,600,000	2,300	30%
<b>Staffordshire</b>	<b>39,700</b>	<b>11,600</b>	<b>26,000,000</b>	<b>2,200</b>	<b>29%</b>
Newcastle-under-Lyme	5,100	1,500	3,400,000	2,200	29%
Stafford	5,700	1,500	3,500,000	2,300	27%
Staffordshire Moorlands	5,400	1,200	2,700,000	2,300	22%

- For all SEISS grants to 15<sup>th</sup> September 2021 Staffordshire has seen 117,400 claims from 33,800 individuals for a total of £324.9 million. While Stoke-on-Trent has seen 34,200 claims from 9,400 individuals for £82.2 million.
- Nationally, **transport and storage, construction, and arts, entertainment and recreation are the sectors which have seen the highest take-up rates for the fifth SEISS grant.**
- **While construction makes up the highest proportion of total number of claims representing over a third (35%) followed by transport and storage with 12% of all claims.**

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

- In terms of gender, males have a take up rate of 35% and represent 72% of all claims while females have a take up rate of 29% and represent 28% of all claims.
- For age, the highest take-up rates are for those aged 25-34 (38%) and 35-44 (36%) and 91% of all claims are for those aged 25-64 with 3% for those aged 16-24 and 4% for those over 65.
- Overall, for all SEISS grants up to 15<sup>th</sup> September 2021, there have been 10.2 million claims from 2.9 million individuals for £27.7 billion.

## Business Insolvencies during the pandemic

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

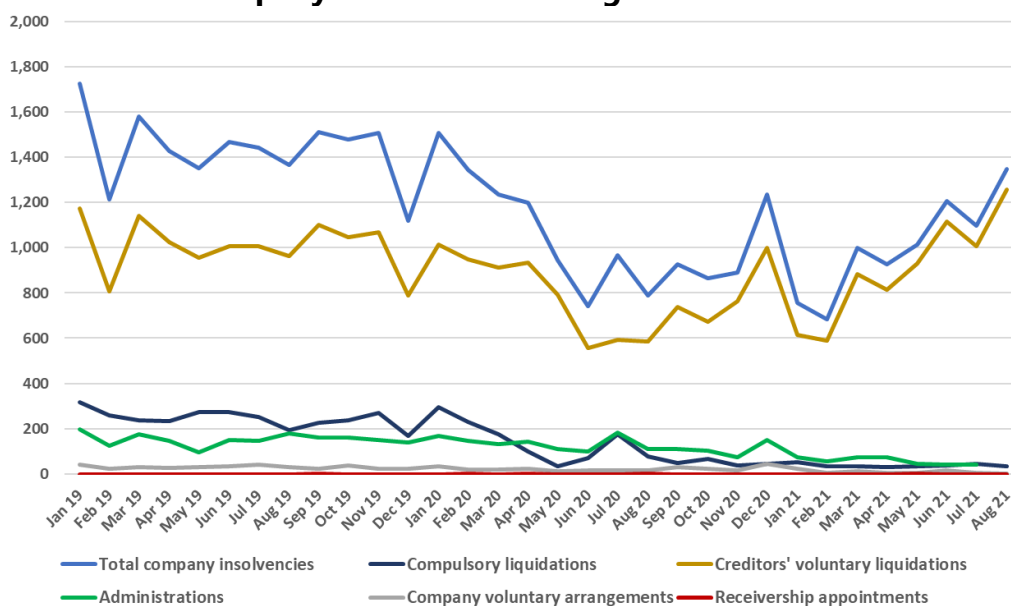
### Company Insolvencies

**In August 2021 there were a total of 1,348 company insolvencies in England and Wales**, comprised of 1,256 creditors' voluntary liquidations (CVLs), 55 administrations, 35 compulsory liquidations, and 2 company voluntary arrangements (CVAs).

The overall number of **company insolvencies increased by 71% in August 2021 when compared to the same month last year and is now only 1% 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 Sep 2020 and Aug 2021 are still 22% lower compared to a year earlier, representing just over 3,400 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 Aug 2020 and July 2021 are construction (1,844), accommodation and food (1,489), and wholesale and retail (1,379).** However, levels are far lower than those seen for the same period the previous year, with wholesale and retail 35% lower, construction 32% lower, and accommodation and food 24% below levels seen a year earlier.

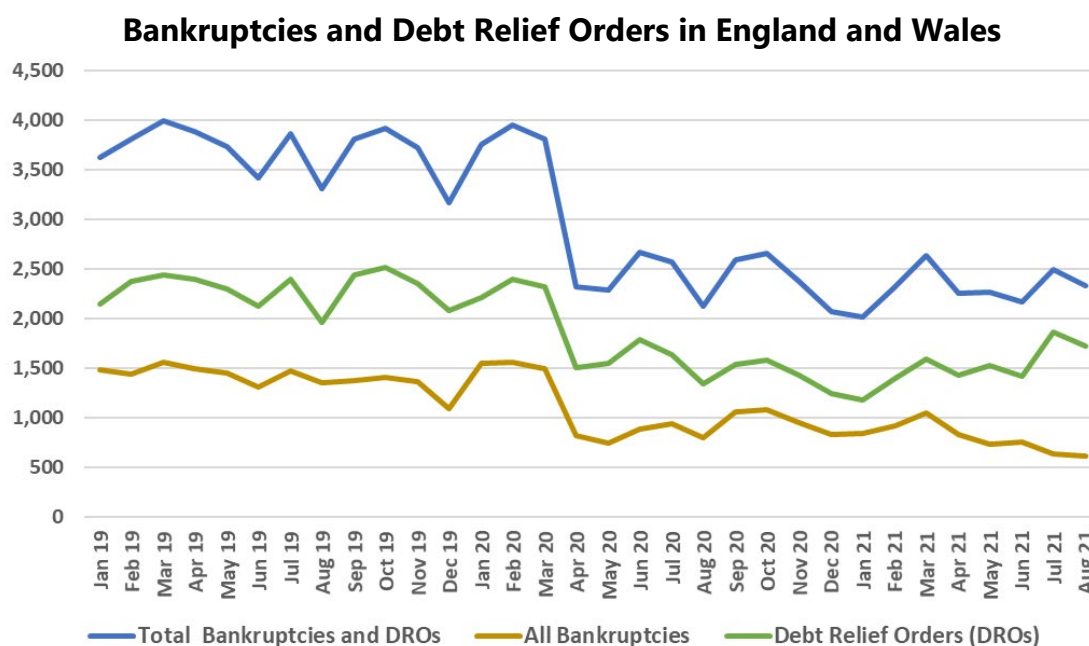
<sup>4</sup> Source: The Insolvency Service <https://www.gov.uk/government/statistics/monthly-insolvency-statistics-august-2021>

## Individual Insolvencies

For individual insolvencies, the number of **bankruptcies in August 2021 was 614** (made up of 550 debtor applications and 64 creditor petitions), while the number of **Debt Relief Orders (DROs) was 1,714** a slight dip from last month. This follows changes to the eligibility criteria on 29 June including an increase in the level of debt at which people can apply for a DRO from £20,000 to £30,000. (*Debt Relief Orders were introduced in 2009 and are aimed at individuals with relatively low levels of unmanageable debt who have nothing to offer their creditors, such as assets or disposable income, and for whom bankruptcy would be a disproportionate response. A DRO sees debt repayments and interest frozen, while creditors are unable to pursue debtors for a 12-month period, after which the debts are written off.*)

**Bankruptcies were 22% lower than a year earlier and 54% lower than in August 2019, while DROs were 29% higher than in August 2020 but still 12% lower than two years earlier.**

**Total bankruptcies and DROs between Sept 2020 and Aug 2021 are 33% lower than the same period a year earlier, representing just over 14,100 fewer.**



Individual Voluntary Arrangements (IVAs) is a formal debt solution to pay back debts over a period of time. There were, **on average, 7,021 IVAs registered per month in the three-month period ending August 2021**, which is 44% higher than the three-month period ending August 2020 and 4% higher than the three-month period ending August 2019.

Between the launch of the Breathing Space scheme on 4 May 2021, and 31 August 2021, there were 22,151 registrations, comprised of 21,884 Standard breathing space registrations and 267 Mental Health breathing space registrations.

During the coronavirus (COVID-19) pandemic overall numbers of company and individual insolvencies have remained low when compared with pre-pandemic levels. While CVL numbers have now returned to pre-pandemic levels, numbers for other insolvency procedures, such as compulsory liquidations for companies and bankruptcies for individuals, remain lower. This is likely to be partly driven by government measures put in place to support businesses and individuals during the 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.

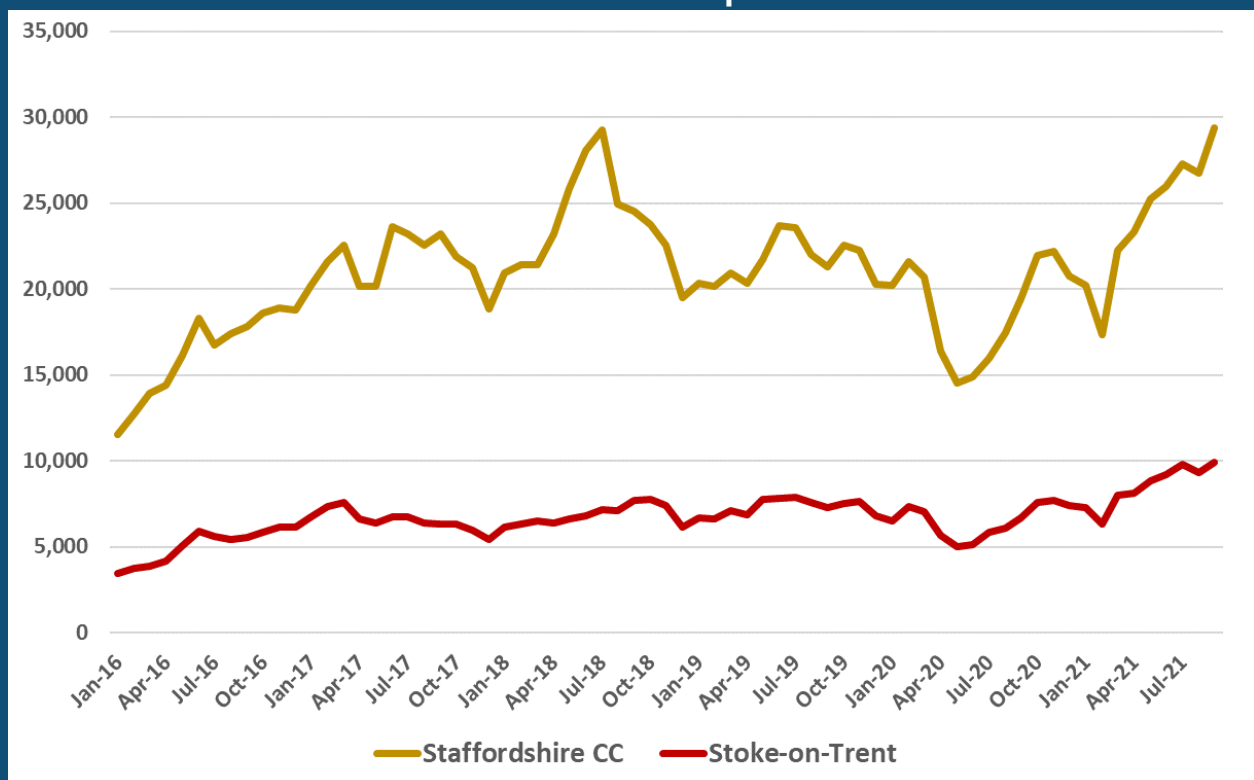
The main concern is a potential spike in company and individual insolvencies once Government support has been withdrawn and associated issues such as homelessness. However, it is also important to note that the Government has extended some of the temporary COVID-19 relief measures under the UK Corporate Insolvency and Governance Act 2020, with winding up petitions restricted until 30<sup>th</sup> September 2021, but these temporary measures are to be phased out from 1<sup>st</sup> October.

The restrictions provide that a creditor may not present a winding up petition during the relevant period unless it has reasonable grounds to believe that coronavirus has not had a financial effect on the debtor or the debtor would have been unable to pay its debts even if coronavirus had not had a financial effect on the debtor.

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

- Following the slight dip in job vacancies seen last month there has been an increase in recruitment this month, reflective of the increasing demand we are seeing for workers across much of the economy to aid the recovery from the pandemic.
- However, as we have seen recently this increase in vacancies to higher levels than witnessed pre COVID is resulting in further reports of labour and skills shortages with not enough skilled workers to fill the vacant jobs, especially in digital/IT roles, social care (both adults and children), hospitality such as chefs and waiting staff, haulage HGV drivers, and engineering. This has the potential to slow down the recovery unless the skills gap is quickly and effectively addressed, clearly the Government's Plan for Jobs including the Kickstart and Restart schemes has a vital role in upskilling and reskilling jobseekers into areas of demand.
- **Staffordshire saw vacancies increase by 10% between August and September equivalent to over 2,600 more job vacancies, this was higher than the increase of 6% seen nationally.**
- **Stoke on Trent saw a rise of 6% with nearly 600 more vacancies in September compared to August.**

Staffordshire & Stoke on Trent Unique Job Vacancies Trend



<sup>5</sup> Source: EMSI

## Monthly Trends in recruitment

- All occupational groups saw growth between August and September, with the highest increases in 'sales and customer service occupations' (18% rise), 'elementary occupations' (17% increase), and 'administrative and secretarial occupations' (15% rise).
- The occupations to see the most significant increases during September continue to be roles in sectors experiencing recruitment difficulties and sectors which have been able to open up further due to reduced restrictions and occupations which support them including:
  - **Logistics** including 'elementary storage occupations' and , 'van drivers', 'HGV drivers', and 'managers and directors in transport and distribution';
  - **Hospitality** including 'kitchen and catering assistants' and 'chefs';
  - **Retail** including 'sales and retail assistants';
  - **Education** including 'teaching assistants', 'vocational and industrial trainers and instructors', and 'educational support assistants';
  - **Health and Social Care** including 'nurses', 'care workers and home carers' and 'nursing auxiliaries and assistants';
  - **Manufacturing** including 'science, engineering and production technicians';
  - **Cross cutting occupations** in demand include 'book keepers, payroll managers and wages clerks', 'finance and investment analysts and advisers', 'administrative occupations', 'human resources and industrial relations officers', 'financial managers and directors', 'business sales executives' and 'customer service occupations'.

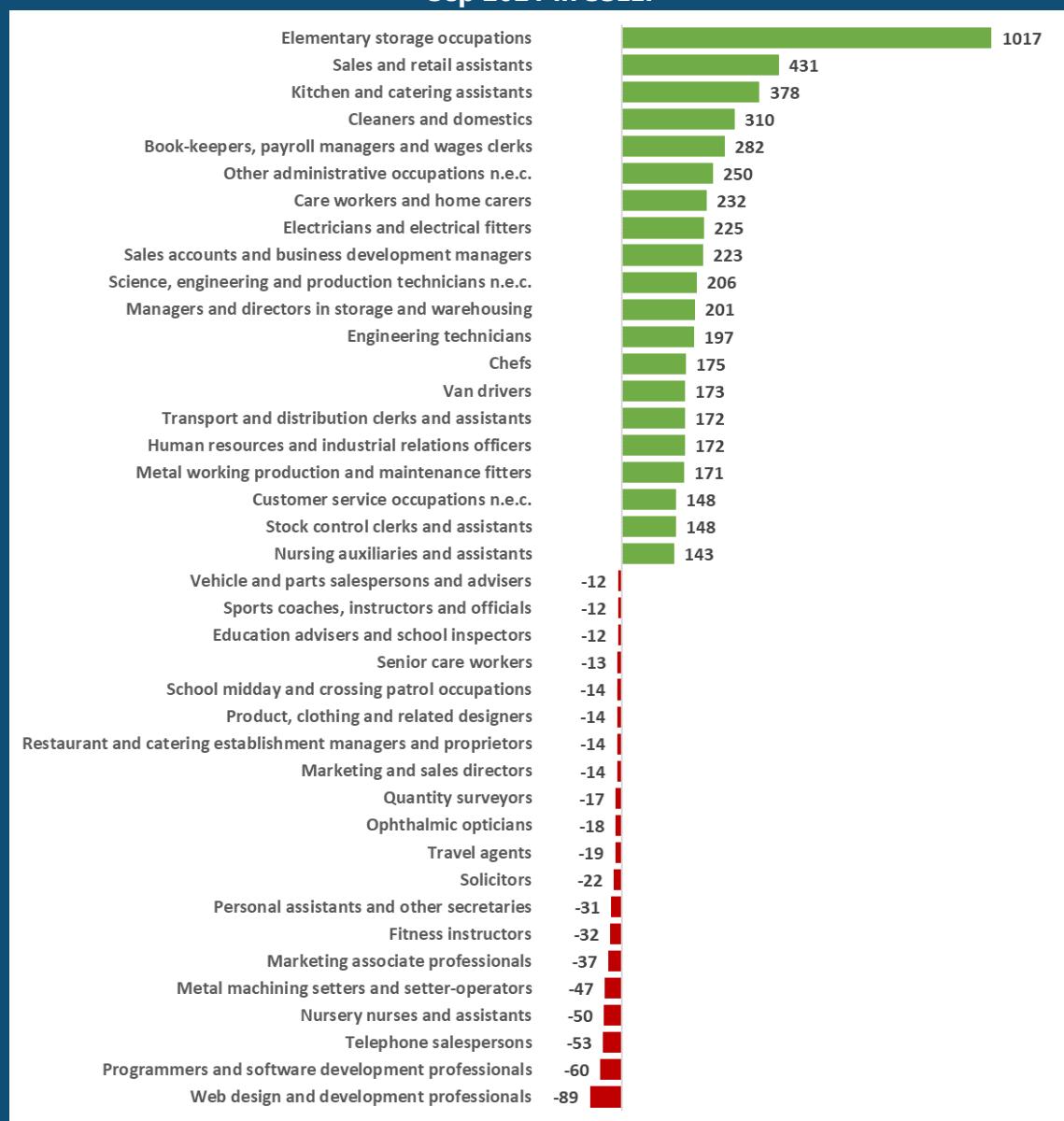
## Pre COVID baseline trends in job vacancies

- It is also found that the main occupations with higher vacancies compared to pre COVID are mainly found within:
  - **Logistics** including 'elementary storage occupations', 'managers and directors in storage and warehousing', 'HGV drivers', 'van drivers', 'transport and distribution clerks and assistants';
  - **Retail** including 'sales and retail assistants',
  - **Hospitality** including 'kitchen and catering assistants' and 'chefs';
  - **Health and Social Care** including 'care workers and home carers' and 'nursing auxiliaries and assistants';
  - **Construction** including 'electricians and electrical fitters';
  - **Manufacturing** including 'science, engineering and production technicians', 'engineering technicians', 'metal working production and maintenance fitters', and 'elementary process plant occupations'.

This is reflective of the growth in ecommerce and online retail alongside the swift recovery in construction and manufacturing, as well as the recruitment difficulties in health and social care.



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

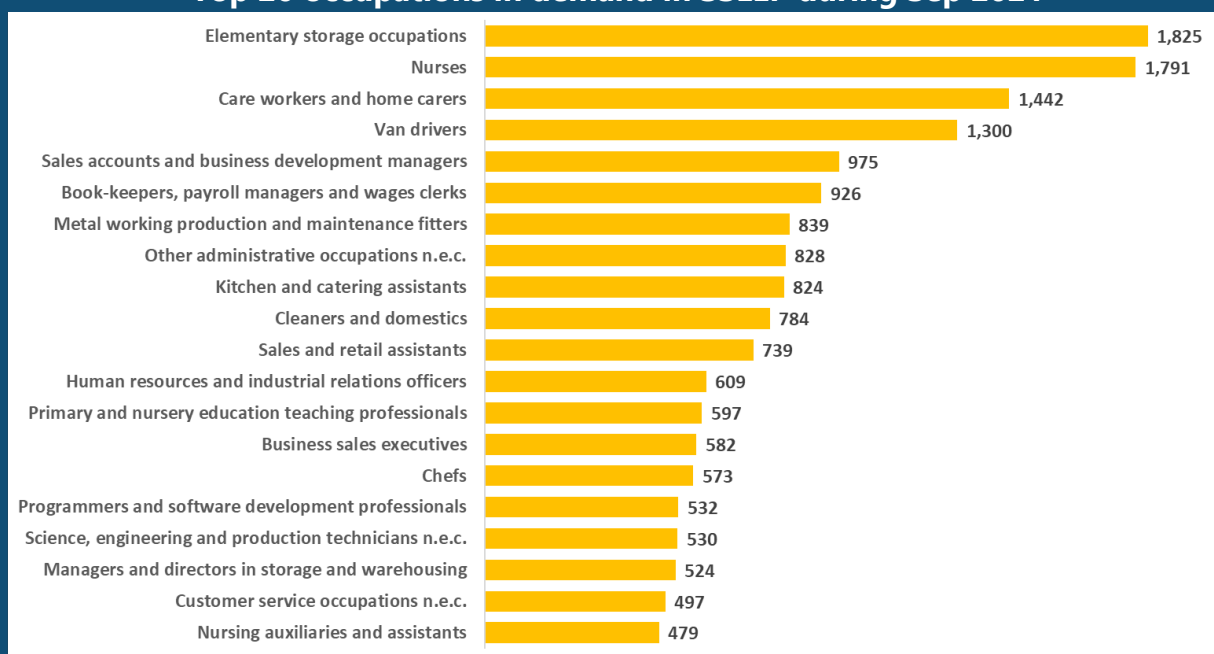


### Top Occupations in Demand

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

- As well as these more sector specific roles, there is continuing demand for workers which support numerous sectors including **sales and business development managers, book keepers, human resources and industrial relations officers, business sales executives, programmers and software development professionals, admin roles, customer service occupations, LGV drivers and cleaners.**

### Top 20 occupations in demand in SSLEP during Sep 2021



- It is clear that there are plenty of 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	Sep 2020 Unique Postings	Jul 2021 Unique Postings	Aug 2021 Unique Postings	Sep 2021 Unique Postings	Aug 2021-Sep 2021 (Month on Month Change)	Aug 2021-Sep 2021 Monthly % Change	Feb 2020-Sep 2021 (Month on Month Change)	Feb 2020-Sep 2021 Monthly % Change	Sep 2020-Sep 2021 (Year on Year Change)	Sep 2020-Sep 2021 Annual % Change
Staffordshire CC	21,575	19,427	27,277	26,740	29,393	2,653	10%	7,818	36%	9,966	51%
Stoke-on-Trent	7,345	6,710	9,783	9,347	9,942	595	6%	2,597	35%	3,232	48%
SSLEP	28,920	26,137	37,060	36,087	39,335	3,248	9%	10,415	36%	13,198	50%
West Midlands	195,050	163,506	232,695	228,665	245,267	16,602	7%	50,217	26%	81,761	50%
England	2,224,075	1,968,273	2,494,570	2,467,882	2,612,956	145,074	6%	388,881	17%	644,683	33%
South Staffordshire	655	780	1,264	1,433	1,634	201	14%	979	149%	854	109%
Newcastle-under-Lyme	1,676	1,637	2,547	2,497	2,748	251	10%	1,072	64%	1,111	68%
Lichfield	2,533	2,390	3,682	3,598	3,913	315	9%	1,380	54%	1,523	64%
Stafford	4,890	4,901	6,714	6,449	7,250	801	12%	2,360	48%	2,349	48%
East Staffordshire	3,679	3,493	4,964	5,008	5,335	327	7%	1,656	45%	1,842	53%
Cannock Chase	2,659	2,472	3,220	3,049	3,393	344	11%	734	28%	921	37%
Tamworth	3,392	2,430	3,511	3,380	3,716	336	10%	324	10%	1,286	53%
Staffordshire Moorlands	2,091	1,319	1,368	1,321	1,402	81	6%	-689	-33%	83	-6%
Elementary Occupations	2,469	2,931	3,985	4,094	4,778	684	17%	2,309	94%	1,847	63%
Sales and Customer Service Occupations	1,247	884	1,592	1,679	1,984	305	18%	737	59%	1,100	124%
Administrative and Secretarial Occupations	2,987	2,064	3,767	3,840	4,426	586	15%	1,439	48%	2,362	114%
Skilled Trades Occupations	2,633	2,250	3,997	3,649	3,839	190	5%	1,206	46%	1,589	71%
Managers, Directors and Senior Officials	1,950	1,841	2,521	2,478	2,669	191	8%	719	37%	828	45%
Associate Professional and Technical Occupations	5,628	4,308	6,988	6,802	7,441	639	9%	1,813	32%	3,133	73%
Process, Plant and Machine Operatives	2,234	2,385	2,971	2,828	2,932	104	4%	698	31%	547	23%
Caring, Leisure and Other Service Occupations	2,685	2,755	3,009	2,930	3,267	337	12%	582	22%	512	19%
Professional Occupations	7,087	6,719	8,230	7,787	7,999	212	3%	912	13%	1,280	19%

## Notes

### **Claimant Count and ILO Unemployment Definitions**

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

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

### **Understanding the differences between the Claimant Count and ILO Unemployment**

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

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

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

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

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

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

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

Potential Proportion of Claimant Count Change Mar 20 to Apr-20	Potential Number of Claimants	Potential Reasons for being a Claimant	Labour Force Survey Categorisation
44%	450,000	<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.