Staffordshire County Council

Stoke-on-Trent & Staffordshire Enterprise Partnership

Staffordshire Means Back to Business

Economic Bulletin - Issue 3 – September 2020

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

Alongside information on the Claimant Count and Job Vacancies that will be a part of every Bulletin, we again look at the latest Government data regarding the Coronavirus Job Retention Scheme (CJRS) Furloughed Workers and Self-Employment Income Support Scheme (SEISS). This month's issue also provides 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 hope you find the Bulletin useful and welcome your comments and suggestions on further information you would like to see included in future editions. If you do have any feedback please send your comments to Darren Farmer, Economy & Skills Analyst at darren.farmer@staffordshire.gov.uk.

Stay Safe,
Darryl Eyers
Director for Economy, Infrastructure and Skills, Staffordshire County Council

Key Messages

- The number of people on some form of government economic support scheme is currently largely on a par with the rest of the country (35%).
- The claimant count in **Staffordshire saw an increase of 1,015 between July 2020 and August 2020 to a total of 27,130 claimants and a rate change from 4.9% to 5.1% of the working age population.** The area has also seen Universal Credit claimants more than double since March (pre-COVID), an increase of just over 15,000 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.
- Therefore, the reasons for the increase in claimants are still to fully emerge but evidence suggests there will be a combination of factors such as the self-employed no longer being able to operate, part-time employees working less than 16 hours a week who are now furloughed, and Small & Medium Enterprises laying off staff in the short-term.
- 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 5.1% of the working age population in August compared to 7.4% regionally and 6.6% nationally.**
- However, it is young people, the lowest paid (including those in manual occupations, more routine or less skilled jobs) and part-time workers who continue to feel the impact of the economic shock the most. For example, the **proportion of young people aged 18-24 that are claiming Universal Credit has increased from 3.7% in March 2020 to 8.3% in August 2020**, well above the rate of 5.1% 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.
- Unfortunately, the latest Coronavirus Job Retention Scheme (CJRS) figures for August

released by HMRC do not provide a local authority breakdown, we will look to provide an update as and when they do become available. The national data does provide indications that the total number of jobs being furloughed is starting to ease as lockdown restrictions have been eased and the economy has started to open up again. However, there are many businesses, especially SMEs and those in the hardest hit sectors, which are still furloughing staff and it is these jobs that are at the greatest risk as the furlough scheme is wound down.

- **Staffordshire has seen 23,600 self-employed workers claim for the second and final Self-Employment Income Support Scheme (SEISS) grant up to the end of August and a take-up rate of 60%** for those eligible for the second grant, the same as the regional and national average take-up rates. **Stoke-on-Trent had 6,800 SEISS claims up to the end of August, equivalent to 65% of those eligible**. This is the joint highest rate the West Midlands Region upper-tier authorities.
- Moving forwards there are obvious concerns that the local economy and labour market may continue to be adversely affected by the economic downturn, particularly due to changes to economic support measures and market conditions. A particular risk is the ongoing changes to the Government's Job Retention Scheme (JRS) which has enabled many people to remain in employment but furloughed during the lockdown. Whilst the scheme has been extended to October, it is being gradually withdrawn from August onwards and this may lead to potential further increases in unemployment.
- More positively over the last month we have continued to witness a recruitment uplift, with **job vacancies in Staffordshire increasing by 17% between July and August equivalent to over 2,100 more job vacancies which is slightly above the growth seen regionally (13%) and nationally (14%). Stoke-on-Trent saw a 10% growth with just over 540 more vacancies in August compared to July.** Although vacancy levels remain below those seen pre-COVID**.** We continue to see demand for roles in health, social care and distribution with clear emerging opportunities for job creation in digital (including online retail), construction (£900 million Getting Building Fund) and the green economy (including retrofitting homes to improve energy efficiency and electric cars).
- In conclusion, it is apparent that as we move out of lockdown and Government support is wound down there are more businesses finding the need to restructure their operations and unfortunately in some cases this means making staff redundant. However, there are clearly increasing job opportunities in our area and it will be vital that we put the necessary support in place to enable our residents to fill those roles.
- Our main focus now continues to be on working together to ensure that as many

people as possible currently on furlough return to work and for those residents unfortunate enough to have lost their jobs support them back into work as we build a stronger and more resilient local economy.

- Fundamental to this is the work of the Countywide Redundancy Task Group where more than 20 local partners are working together to support businesses and employees with potential redundancies. Alongside this the Redundancy and Recruitment Triage Service will have an important role in helping residents gain new skills and employment.
- The County Council and our local partners have also put in place numerous interventions over the last few months to support our residents and businesses including:
  - A £500,000 emergency grant scheme for micro businesses, a £360,000 fund for start-up businesses, a PPE starter pack programme that has delivered 1,000 items of PPE for micro businesses and cancelling delayed rent payments at enterprise centres.
  - This is in addition to the £143million made available to businesses by the Government through district and borough councils for small businesses, a countywide redundancy task group made up of 20 organisations and the national Job Retention Scheme.
  - Around 1,800 packs of Personal Protective Equipment (PPE) have been given away to businesses through the PPE Start-Back Scheme to support them in operating under Covid-Secure guidelines, whilst also offering advice on how to use PPE and where to buy safe, cost-effective PPE from trusted suppliers.
  - Over 50 people have already signed-up for the Staffordshire start-up support scheme.
  - Additional funding to support the recovery of the businesses within the tourism sector and Small & Medium Enterprises more broadly has recently been announced, with schemes to go live through the Growth Hub next month.

Local Picture – Residents on Government Support Schemes

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

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 furloughed or have accessed SEISS support. Given that HMRC have yet to release CJRS data for claims up to the end of August we have used the latest data for claims up to the end of July, we will update this analysis once we have the August figures.

In total there are potentially just over 244,000 residents in the SSLEP area on Government support, equivalent to around 35% of the working age population which is similar to regional and national averages.

Overall Number of Residents on Government Support Schemes

SSLEP Working Age Population	694,954
Jobs in High Risk Sectors	221,000
Claimant Count Aug 2020	40,285
Coronavirus Job Retention Scheme (CJRS) Furloughed job claims up to 31st July	173,800
Self-Employment Income Support Scheme (SEISS) claims up to 31st August	30,400
Potential workers on Government support	**244,485**
Potential % of working age population on Government support	**35.2%**

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

Detailed Breakdown

Claimant Count[1]

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 2020

Area	Claimant Count Rate (Aug 2019)	Claimant Count Rate (July 2020)	Claimant Count Rate[1] (Aug 2020)	Number of Claimants (Aug 2020)	Monthly Change in Claimants (Numbers)	Monthly Change in Claimants (%)	Change in Claimants since March (Numbers)	Change in Claimants since March (%)
England	2.7	6.4	6.6	2,314,695	73,540	3.3%	1,251,190	117.6%
West Midlands	3.6	7.2	7.4	271,905	8,505	3.2%	127,555	88.4%
SSLEP	2.4	5.6	5.8	40,285	1,345	3.5%	20,915	108.0%
Birmingham	6.3	10.8	11.1	81,525	2,260	2.9%	32,155	65.1%
Wolverhampton	5.9	10.3	10.6	17,280	470	2.8%	6,900	66.5%
Sandwell	4.6	9.1	9.5	19,355	650	3.5%	8,575	79.5%
Walsall	4.4	8.6	8.8	15,320	350	2.3%	6,715	78.0%
Stoke-on-Trent	**4.1**	**8.0**	**8.2**	**13,155**	**335**	**2.6%**	**5,835**	**79.7%**
Dudley	4.2	7.4	7.7	14,865	555	3.9%	6,350	74.6%
Coventry	2.8	6.5	6.6	16,540	450	2.8%	8,540	106.8%
Telford and Wrekin	2.7	6.3	6.5	7,315	280	4.0%	3,885	113.3%
Solihull	2.7	5.8	5.9	7,605	200	2.7%	3,955	108.4%
Worcestershire	2.2	5.3	5.5	19,590	755	4.0%	11,285	135.9%
Staffordshire	**1.9**	**4.9**	**5.1**	**27,130**	**1,015**	**3.9%**	**15,080**	**125.1%**
Warwickshire	2.0	4.9	5.1	17,965	690	4.0%	10,135	129.4%
Shropshire	1.9	4.7	4.8	9,155	245	2.7%	5,145	128.3%
Herefordshire	1.7	4.3	4.5	5,110	255	5.3%	3,000	142.2%
Tamworth	2.6	6.2	6.4	3,000	100	3.4%	1,510	101.3%
Cannock Chase	2.2	5.7	6.0	3,815	210	5.8%	2,160	130.5%
East Staffordshire	1.9	5.3	5.4	3,930	65	1.7%	2,210	128.5%
Lichfield	1.8	4.9	5.1	3,125	105	3.5%	1,805	136.7%
Newcastle-under-Lyme	2.1	4.8	5.0	4,060	105	2.7%	2,080	105.1%
South Staffordshire	1.8	4.6	4.7	3,135	70	2.3%	1,825	139.3%
Stafford	1.6	4.3	4.5	3,770	220	6.2%	2,115	127.8%
Staffordshire Moorlands	1.4	3.7	4.0	2,295	140	6.5%	1,375	149.5%

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

- The Claimant Count in Staffordshire saw an increase of 1,015 between July 2020 and August 2020 to a total of 27,130 claimants. Stoke-on-Trent also saw an increase of 335 over the same period with a total of 13,155 claimants in August.

- These increases in August are similar to the trend seen nationally and reflects what we have seen through HR1s notifications over recent months and some redundancies in SMEs which we have been hearing through partner networks.

[1] Source: https://www.nomisweb.co.uk/

- It is also important to look at the change in the Claimant Count seen since March 2020 (pre-COVID) where the number of claimants in Staffordshire has more than doubled with an increase of 15,080 claimants and in Stoke-on-Trent there has been an increase of 5,835.

- Ultimately, the full effect of COVID-19 on employment will not be felt until the furlough and SEISS schemes come to an end.

- The increases in the Claimant Count also need to be viewed in the context of the move to Universal Credit. Before Universal Credit, the Claimant Count was based upon Jobseeker's Allowance claimants, i.e. people out of work but looking for a job. A proportion of claimants currently will have a job but claiming Universal Credit due to having a low income - the reasons for the increase in claimants are still to fully emerge but evidence suggests there will be a combination of factors such as:
    - New Job Starters/PT employees/Self-employed with no income claiming Universal Credit because they are not eligible for the CJRS;
    - Self-employed ceased trading or have very low income claiming Universal Credit (and are either not eligible for, or not yet been paid, income under the SEISS);
    - Working part-time low-income workers claiming Universal Credit and may be furloughed;
    - Potential Redundancies within Small & Medium Enterprises laying off staff in the short-term.

- Unfortunately, due to 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 5.1% in August compared to 7.4% regionally and 6.6% nationally. In Stoke-on-Trent the Claimant Count rate remains above both the regional and national averages at 8.2%.

- As well as workers across sectors being impacted differently, there are also signs that it is the lowest paid, part-time workers and young people (particularly apprentices) that are being hardest hit. These groups are more likely to work in sectors that have shut down or reduced activity, such as hospitality and non-essential retail. They are also less likely to be able to work from home.

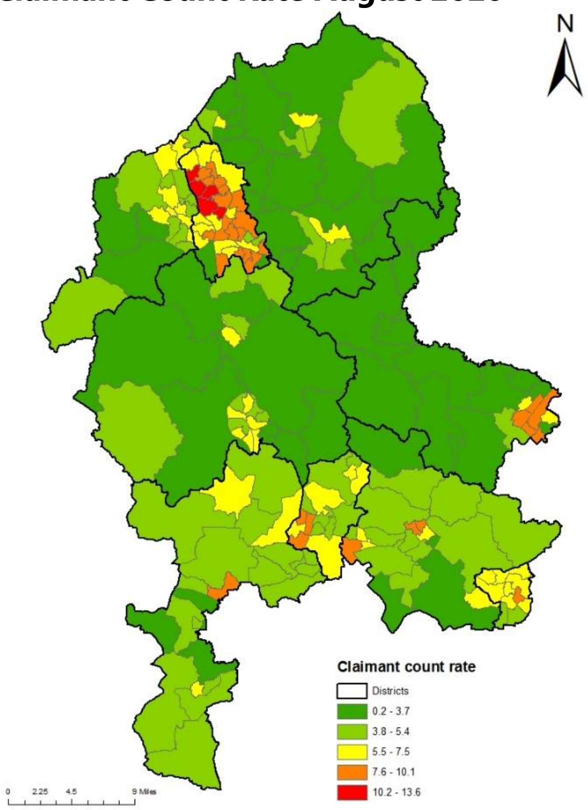
- Young people aged 18-24 continue to be disproportionately impacted by unemployment where the claimant rate for young people in Staffordshire has increased from 3.7% in March to 8.3% in August compared to a rise from 2.3% to 5.1% for all working-age residents, while in Stoke-on-Trent the rate has risen from 5.9% in March to 11.2% in August. This means there are now 5,505 young people claiming work related benefits in Staffordshire and a further 2,615 in Stoke-on-Trent.

- All Staffordshire Districts have seen increases in the number of claimants in August, with Stafford seeing the highest increase of 220 followed by Cannock Chase with 210. Tamworth and Cannock Chase continue to record the highest rates in Staffordshire, although Newcastle-under-Lyme and East Staffordshire have the largest caseloads. However, it's important to note all Districts remain lower than the current national and regional rates.

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

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

Claimant Count Rate August 2020

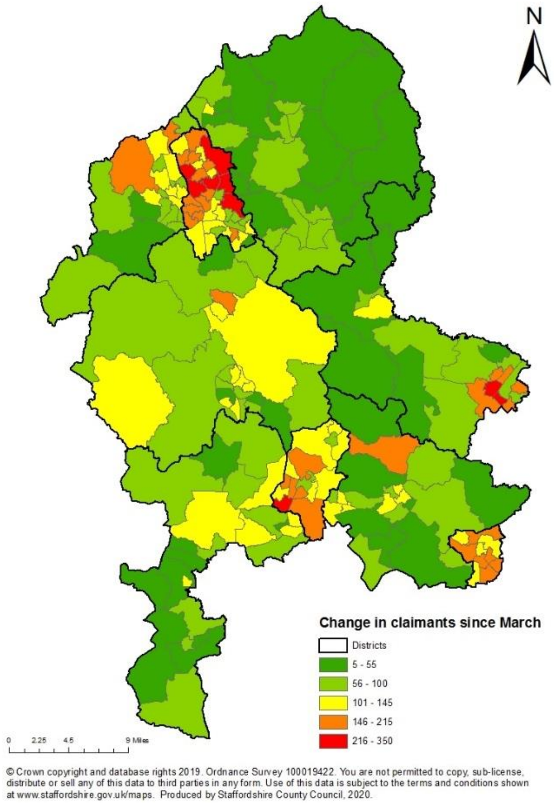


Out of the 201 wards in Staffordshire & Stoke-on-Trent, 57 were at or above the England average of 6.6% for the number of claimants as a proportion of the working age population in August.

The top 10 wards with the highest claimant count rate were all in Stoke-on-Trent with Etruria and Hanley (13.6% or 685 claimants), Joiner's Square (13.2% or 580), and Moorcroft (13.0% or 475) having the highest rates.

In Staffordshire, Burton in East Staffordshire (8.9% or 255) and Glascote in Tamworth (8.8% or 410) had the highest claimant count rates.

Change in Claimant Count since March 2020

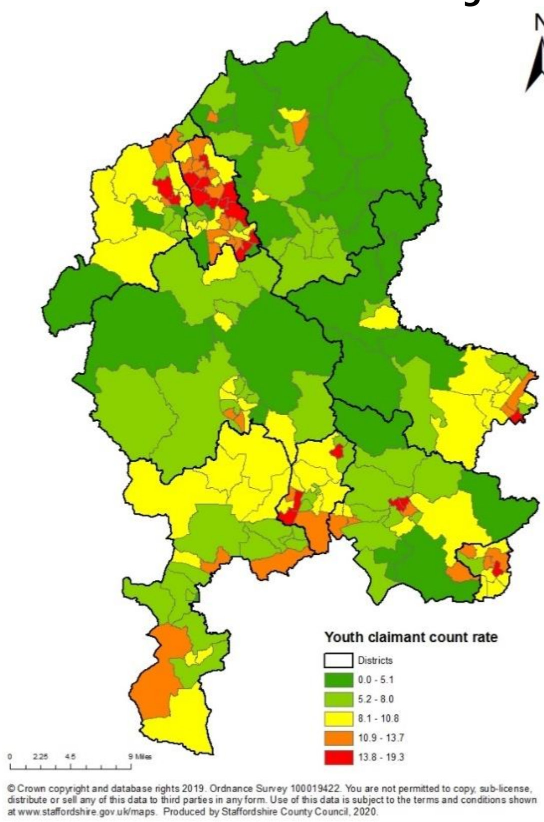


The top 4 wards with the highest change in the number of claimants since March 2020 were all in Stoke-on-Trent and included Birches Head and Central Forest Park (350 increase to 740 in total), Etruria and Hanley (330 rise to 685 in total), Bentilee and Ubberley (295 increase to 695 in total) and Baddeley, Milton and Norton (285 rise to 615 in total).

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

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

Youth Claimant Count Rate August 2020

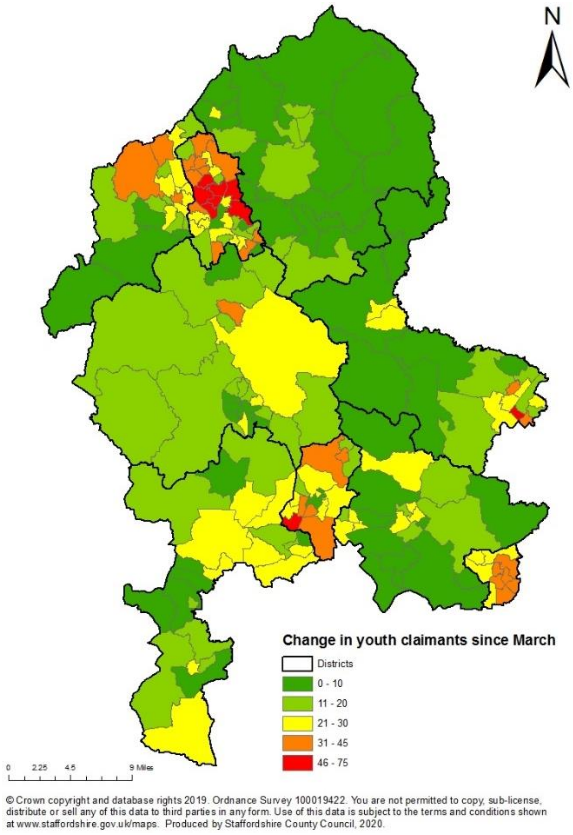


Out of the 201 wards in Staffordshire & Stoke-on-Trent, 85 were at or above the England average of 9.3% for the number of claimants aged 18-24 as a proportion of the 18-24 population.

Of the top 10 wards with the highest youth claimant count rate 5 were in Stoke-on-Trent including Joiner's Square (19.3% - the highest in SSLEP area), Moorcroft (19.1%), Abbey Hulton and Townsend (16.5%), Bentilee and Ubberley (15.9%) and Eaton Park (15.2%).

In Staffordshire, the highest rate was Glascote in Tamworth with 17.2%, followed by Cannock South (15.7%) and Hagley in Cannock Chase (15.6%), Stapenhill in East Staffordshire (15.4%), and Curborough in Lichfield (15.4%).

Change in Youth Claimant Count since March 2020



The top 5 wards with the highest change in the number of youth claimants since March 2020 were all in Stoke-on-Trent and included Etruria and Hanley ward (75 rise to 120 in total), and Abbey Hulton and Townsend ward and Birches Head and Central Forest Park ward (both with an increase of 65 to 135), Moorcroft ward (55 rise to 100) and Bentilee and Ubberley (55 rise to 145).

Coronavirus Job Retention Scheme (CJRS) Furloughed Jobs[2]

- Unfortunately, HMRC have not released local authority level breakdowns of the CJRS scheme for claims submitted to HMRC by 31st August 2020 for the period up to 31st July.

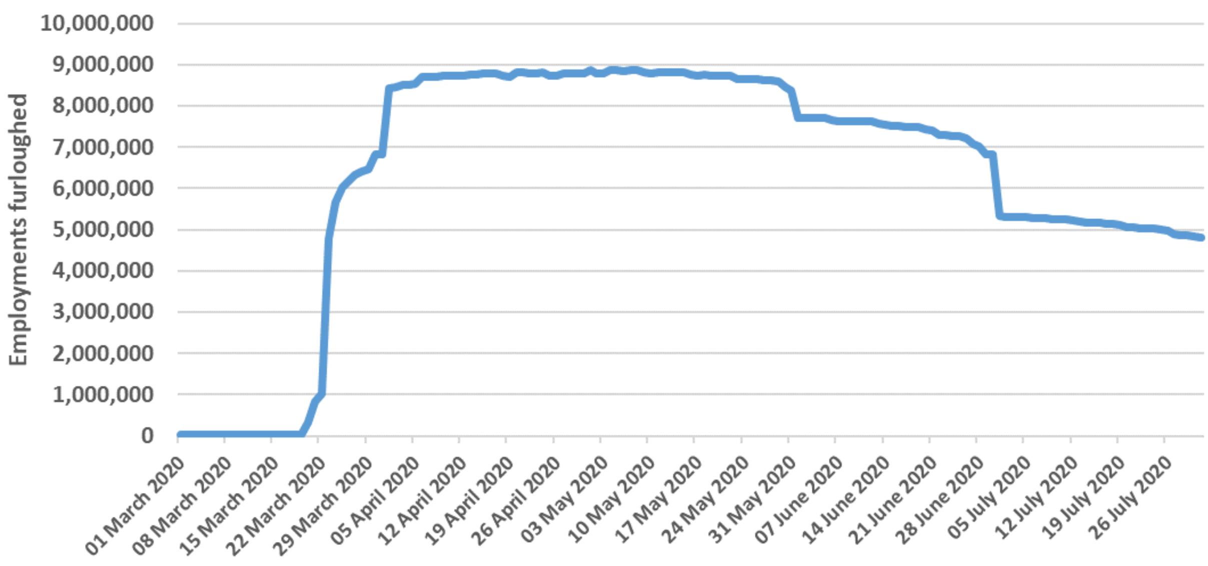
- HMRC have also stated that the data for July is incomplete as claims relating to July may still be filed; thus, the figures for July should therefore be considered preliminary results and will be revised in future releases.

- Once HMRC have released the latest local authority figures we will look to provide an update to partners.

- Based on the provisional figures released by HMRC, nationally there were 752,300 employers making 4,814,500 furloughed job claims up to the end of August with a take-up rate of 16%. Around two thirds (65%) of claims were made by SMEs with 35% in large businesses with 250+ employees.

- The following chart shows the trend in furloughed job claims nationally, it appears that as lockdown has eased furlough claims have gradually declined although the drop in July is based on provisional data with future revisions potentially seeing an uplift in claims.

Coronavirus Job Retention Scheme (CJRS) Statistics: August 2020 Time Series



[2] Source: HMRC - https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-september-2020

- In the West Midlands there were 383,700 claims with a take-up rate of 15%, the highest rate of any region outside of London.

Coronavirus Job Retention Scheme (CJRS) Statistics: August 2020 by Region

Country / Region Codes	Country / Region	Total: Employments furloughed	Total: Eligible employments	Total: Take-up rate
E12000007	London	719,700	4,331,300	17%
E12000005	West Midlands	383,700	2,580,400	15%
W92000004	Wales	195,600	1,311,700	15%
S92000003	Scotland	366,700	2,471,300	15%
E92000001	England	3,666,900	25,577,800	14%
E12000002	North West	453,700	3,281,400	14%
E12000006	East	395,200	2,892,000	14%
E12000008	South East	606,800	4,250,700	14%
E12000009	South West	357,500	2,517,100	14%
E12000001	North East	142,900	1,115,000	13%
E12000003	Yorkshire And The Humber	315,900	2,403,800	13%
E12000004	East Midlands	291,500	2,206,100	13%
N92000002	Northern Ireland	102,600	791,100	13%
-	Unknown	482,800	201,200	-
Total		**4,814,500**	**30,353,200**	**16%**

Source: HMRC CJRS and PAYE Real Time Information

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

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

Sector	Employers: Employers furloughing staff	Employers: Take-up rate	Employments: Employments furloughed	Employments: Take-up rate	Value of claims made for periods to 31 July (£ million)
Arts, entertainment and recreation	22,900	58%	303,000	45%	1,497
Accommodation and food services	72,200	57%	942,300	43%	5,229
Other service activities	43,600	47%	180,800	32%	1,030
Construction	89,500	39%	277,000	22%	3,203
Administrative and support services	69,300	42%	515,000	19%	3,140
Real estate	19,900	43%	76,800	18%	592
Wholesale and retail; repair of motor vehicles	113,100	47%	788,800	17%	6,570
Manufacturing	49,100	50%	421,600	17%	4,247
Professional, scientific and technical	108,500	35%	380,200	17%	2,551
Transportation and storage	28,000	39%	208,000	16%	1,853
Information and communication	43,600	28%	143,500	12%	987
Mining and quarrying	400	34%	6,000	11%	69
Water supply, sewerage and waste	2,500	45%	18,100	10%	187
Agriculture, forestry and fishing	5,000	15%	15,000	8%	109
Health and social work	39,100	39%	236,300	6%	1,242
Education	18,900	49%	204,400	6%	1,008
Finance and insurance	10,600	31%	45,300	4%	322
Energy production and supply	400	32%	5,000	4%	92
Households	3,300	4%	4,100	3%	34
Public administration and defence; social security	300	4%	8,100	1%	70
Unknown and other	12,100	-	34,900	-	199
Total	**752,300**	**39%**	**4,814,500**	**16%**	**34,231**

Source: HMRC CJRS and PAYE Real Time Information

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

Self-Employment Income Support Scheme (SEISS)[3]

- **Staffordshire has seen 23,600 self-employed workers claim for the second SEISS grant up to the end of August** and a take-up rate of 60% for those eligible through the scheme, the same as the regional and national average take-up rates.

- **Stoke-on-Trent had 6,800 SEISS claims up to the end of August,** equivalent to 65% of those eligible. This is the joint highest rate the West Midlands Region upper-tier authorities.

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

County and district / unitary authority	Total potentially eligible population (000s)	Total no. of claims made to 31/8/20	Total value of claims made to 31/8/20 (£)	Average value of claims made to 31/8/20 (£)	Take-Up Rate
Cannock Chase	5,000	3,300	9,000,000	2,700	66%
Stoke-on-Trent	**10,500**	**6,800**	**15,300,000**	**2,300**	**65%**
Tamworth	3,000	1,900	4,700,000	2,500	63%
Lichfield	4,800	2,900	7,900,000	2,700	61%
Newcastle-under-Lyme	5,200	3,200	8,100,000	2,500	61%
SSLEP	**50,000**	**30,400**	**76,100,000**	**2,503**	**61%**
West Midlands	**261,000**	**157,000**	**382,000,000**	**2,400**	**60%**
Staffordshire	**39,500**	**23,600**	**60,800,000**	**2,600**	**60%**
South Staffordshire	5,300	3,200	8,400,000	2,600	60%
England	**2,934,000**	**1,749,000**	**4,442,000,000**	**2,540**	**60%**
East Staffordshire	5,200	3,000	7,100,000	2,300	58%
Stafford	5,600	3,200	8,300,000	2,600	57%
Staffordshire Moorlands	5,400	2,900	7,400,000	2,500	54%

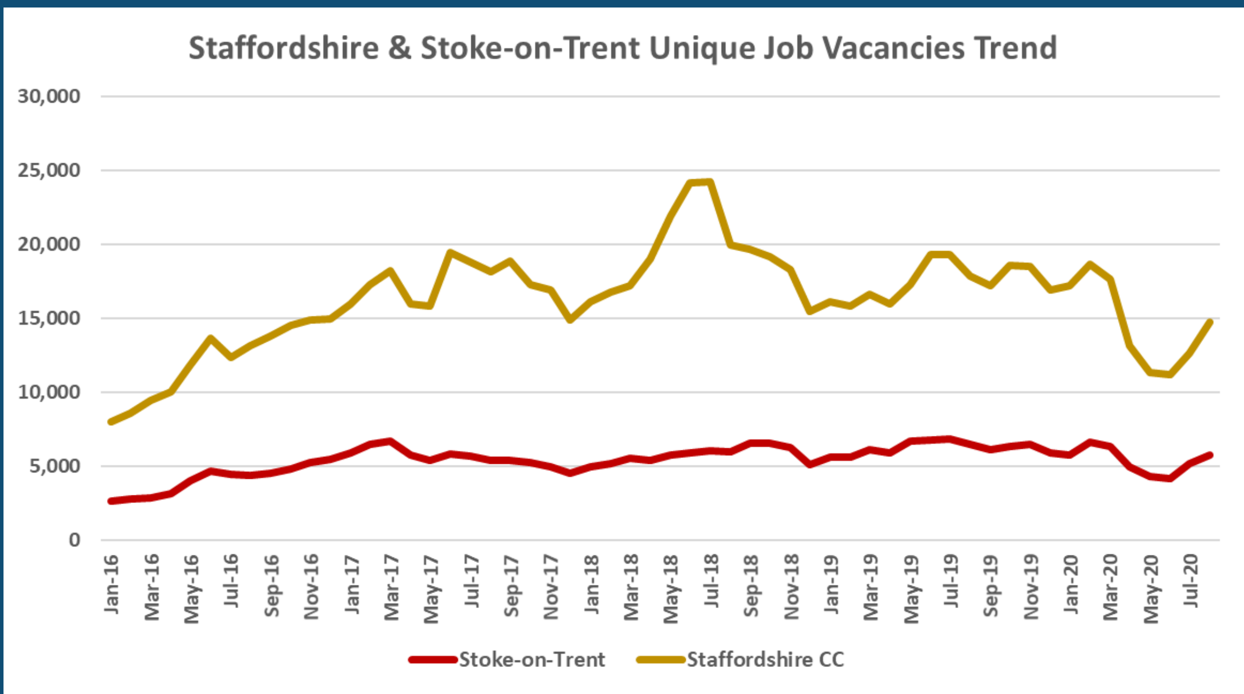
[3] Source: HMRC - https://www.gov.uk/government/statistics/self-employment-income-support-scheme-statistics-september-2020

Job Vacancies[4]

- As we started to see during July, we have continued to witness a recruitment uplift in Staffordshire during August. Between July 2020 and August 2020 there was an **increase in job vacancies of 17% equivalent to over 2,100 more job vacancies which is slightly above the growth seen regionally (13%) and nationally (14%).**

- **Stoke-on-Trent saw a 10% growth with just over 540 more vacancies in August compared to July.**

- **Staffordshire's year-on-year decline in August stood at 18% which was greater than the 11% decline seen nationally**, this likely reflects Staffordshire's economic structure where sectors and occupations hardest hit by COVID-19 make up more of our local economy and therefore recruitment has declined more substantially. **Stoke-on-Trent witnessed a similar year-on-year decline to nationally with a drop in vacancies of 12% in August.**



- Although we have seen a decline in vacancies for most occupations since the crisis started, particularly within sectors and roles hardest hit by the lockdown, we are starting to see some growth in far more occupations than witnessed previously during the pandemic.

- **The main recruitment growth occupations between Feb (pre-COVID) and August have been nurses, care workers and home carers, cleaners, elementary storage occupations, and residential, day and domiciliary care managers and proprietors.**

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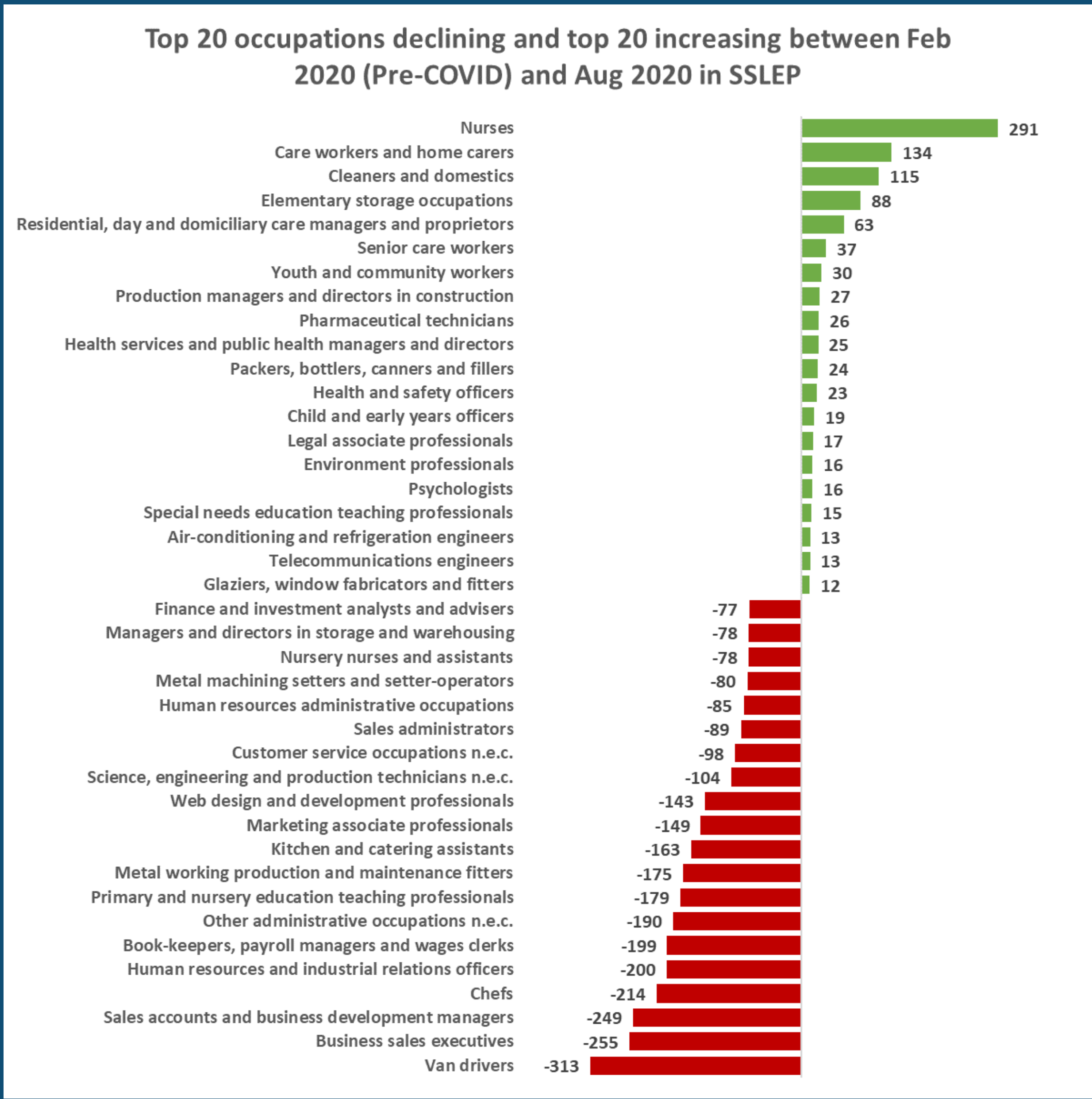
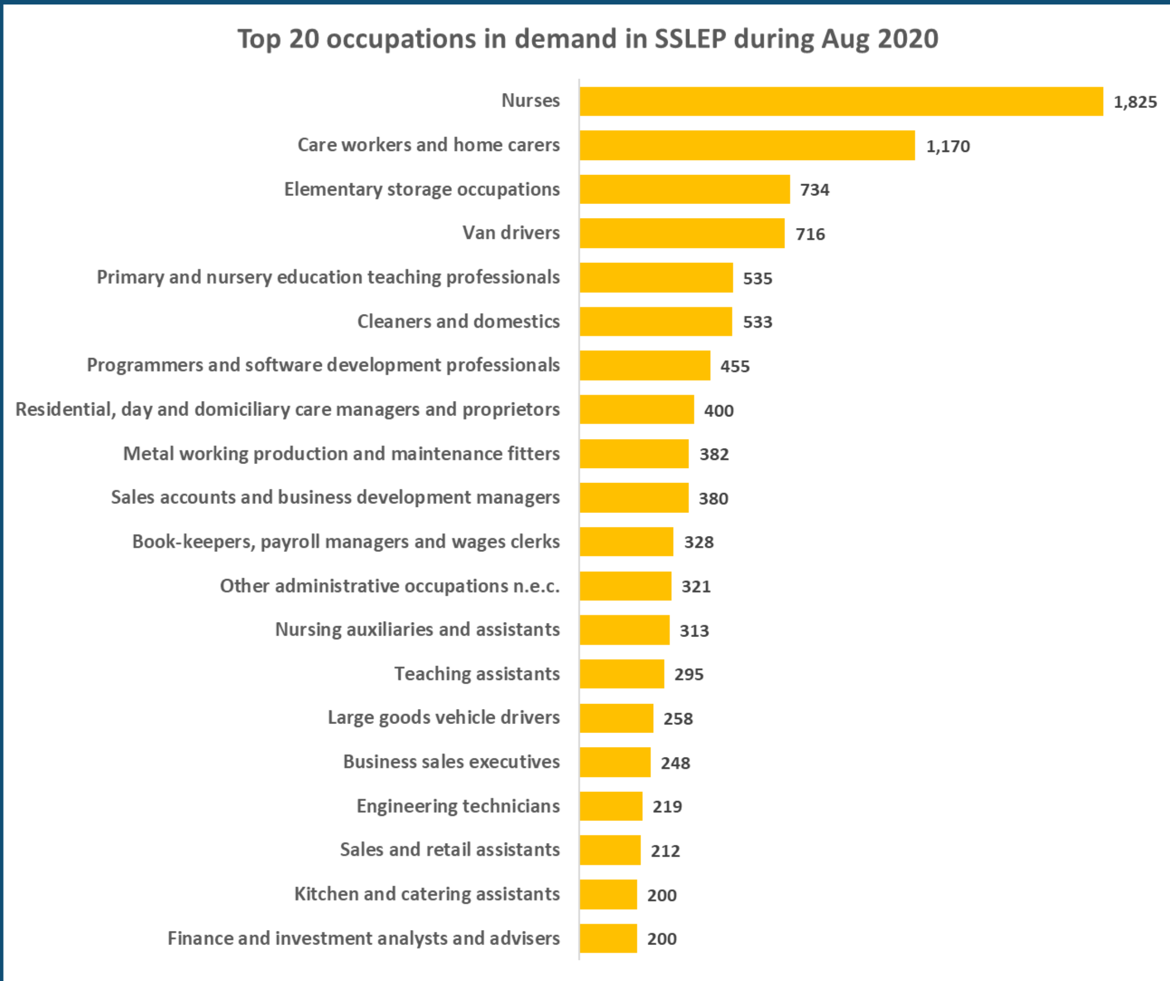
[4] Source: EMSI



- While demand for **nurses and social care workers and home carers** remains by far the strongest of all occupations. Alongside health and social care roles, there is also comparatively high demand for workers to support distribution including **elementary storage occupations and van drivers**. There is also demand for **primary and nursery education teaching professional**, which is an area which was badly impacted during lockdown. As well as these more sector specific roles, there is continuing and growing demand for workers which support numerous sectors including **programmers and software development professionals and cleaners**.



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

Job Vacancies Summary Table

Area / SSLEP Occupational Group	Aug 2019 Unique Postings	Feb 2020 Unique Postings	June 2020 Unique Postings	July 2020 Unique Postings	Aug 2020 Unique Postings	July-Aug 2020 (Month on Month Change)	July-Aug 2020 Monthly % Change	Feb-Aug 2020 (Month on Month Change)	Feb-Aug 2020 Monthly % Change	Aug 2019-Aug 2020 (Year on Year Change)	Aug 2019-Aug 2020 Annual % Change
Staffordshire CC	17,837	18,592	11,165	12,594	14,706	2,112	17%	-3,886	-21%	-3,131	-18%
Stoke-on-Trent	6,482	6,605	4,165	5,183	5,725	542	10%	-880	-13%	-757	-12%
SSLEP	24,319	25,197	15,330	17,777	20,431	2,654	15%	-4,766	-19%	-3,888	-16%
West Midlands	176,408	169,515	105,173	116,980	132,079	15,099	13%	-37,436	-22%	-44,329	-25%
England	1,887,775	1,952,797	1,318,696	1,471,410	1,671,067	199,657	14%	-281,730	-14%	-216,708	-11%
Staffordshire Moorlands	1,614	1,869	892	868	1,001	133	15%	-868	-46%	-613	-38%
Tamworth	2,724	2,735	1,424	1,537	1,727	190	12%	-1,008	-37%	-997	-37%
East Staffordshire	2,788	3,149	1,843	2,181	2,598	417	19%	-551	-17%	-190	-7%
Cannock Chase	2,261	2,182	1,426	1,585	1,818	233	15%	-364	-17%	-443	-20%
Newcastle-under-Lyme	1,651	1,684	1,117	1,222	1,439	217	18%	-245	-15%	-212	-13%
Stafford	4,178	4,298	2,676	3,134	3,701	567	18%	-597	-14%	-477	-11%
Lichfield	2,108	2,036	1,346	1,517	1,770	253	17%	-266	-13%	-338	-16%
South Staffordshire	513	639	441	550	652	102	19%	13	2%	139	27%
Administrative and Secretarial Occupations	2,690	2,571	1,202	1,372	1,539	167	12%	-1,032	-40%	-1,151	-43%
Sales and Customer Service Occupations	1,080	1,045	503	551	650	99	18%	-395	-38%	-430	-40%
Associate Professional and Technical Occupations	4,806	4,892	2,450	2,924	3,375	451	15%	-1,517	-31%	-1,431	-30%
Skilled Trades Occupations	2,345	2,266	1,077	1,290	1,568	278	22%	-698	-31%	-777	-33%
Process, Plant and Machine Operatives	2,146	2,033	847	1,101	1,475	374	34%	-558	-27%	-671	-31%
Managers, Directors and Senior Officials	1,448	1,661	1,164	1,366	1,532	166	12%	-129	-8%	84	6%
Professional Occupations	5,359	6,266	4,661	5,378	5,896	518	10%	-370	-6%	537	10%
Elementary Occupations	2,220	2,103	1,363	1,646	2,043	397	24%	-60	-3%	-177	-8%
Caring, Leisure and Other Service Occupations	2,225	2,360	2,063	2,149	2,353	204	9%	-7	0%	128	6%

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 under-stating the growth in worklessness. We know that many unemployed people do not claim, and particularly young people (usually due to eligibility). Under UC, there have been on average 450,000 more ILO unemployed young people than claimant unemployed and even if that gap narrows in the crisis, as tends to happen in recessions, it's possible that ILO youth unemployment will remain significantly higher than the claimant measure.

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

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

- It is hoped that this analysis has provided further clarity as to why we have seen such a spike in the number of claimants early in the crisis. What is clear is that we have seen a record fall between March and April in the number of people working and not being supported by JRS. We have also seen worklessness rising at a faster rate than at any time before. Although very few of the decline in the numbers 'working' had translated into higher unemployment in April, it is envisaged that this may be the case if people are unable to get back into work quickly.

- Looking forward, the growth in claims for UC is slowing and so the growth in the Claimant Count is also likely to slow as well. That said claimant unemployment is currently at the highest level on record. The main concern now is what happens to many workers as JRS is gradually withdrawn and it is important that we are thinking now about how to support people that are made redundant and what policy interventions are needed.