Staffordshire & Stoke-on-Trent Economic Bulletin

Issue 38 – October 2023

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 analysis of official Government data, national intelligence, and local insights on the state of the local economy.

Alongside information on the Claimant Count and Job Vacancies that will be a part of every Bulletin, 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 are being impacted the hardest by unemployment and a reliance on work-related benefits 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 are faring during the current economic climate.

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 to make sure that it continues to meet your needs. 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

Local Picture

- In Staffordshire having seen **improvement in the local economy and labour market following the COVID pandemic**, we have seen unemployment, youth unemployment and dependency on work-related benefits increase during the energy and cost-of-living crisis. This month we have **seen the Claimant Count increase following the decrease seen last month. We have also seen a decrease in job vacancies this month, although there is still a high number of job vacancies available for those that unfortunately find themselves out of work.**
- We continue to support **local businesses that face ongoing challenging conditions** due to a wide range of factors including **high energy prices, rising interest rates, increasing wage levels and lower consumer demand**. Positively, we are starting to see **signs of improvement in business conditions with fewer businesses identifying business issues and confidence rising**.
- Looking at the local data in more detail, following long-term declines in the **claimant count** approaching pre-pandemic levels, the number of work-related benefit claimants in Staffordshire **increased by 135 this month to a total of 14,885 claimants.** This was a lower proportional increase than seen nationally.
- **The claimant rate for Staffordshire remained unchanged at 2.8%** of the working age population. Staffordshire remains one of the lowest rates in the West Midlands, far lower than the average for the region of 4.9% and lower than the average for England at 3.8%.
- This month has seen an **increase of 40 in the youth claimant count in Staffordshire with a total of 2,895 young people**. The proportion of young people in Staffordshire aged 18-24 that are claiming work-related Universal Credit has remains unchanged at 4.6% this month. This is lower than the national rate of 5.0% and far lower than the regional rate of 6.8%.
- Whilst there has been an increase this month in the overall claimant count and youth claimant count**, Staffordshire still has one of the lowest claimant rates in the region. The 0.9% increase in the overall claimant count seen this month in Staffordshire remains below the 1.2% increase seen nationally.** Youth claimants will remain a priority for further support that is already in place to help people that unfortunately find themselves unemployed to move into the high number of job vacancies that are present across Staffordshire.
- **Demand for labour and skills remains strong, with there currently being 1.1 jobs available for every claimant within the county.** Therefore, our focus continues to be to support those that unfortunately find themselves unemployed, to transition into work.
- **The total number of Universal Credit (UC) claimants in Staffordshire is 24.0% or 2,835 higher than the level seen in March 2020 (pre-COVID)**, which is largely in-line with the 26.0% increase seen nationally and 24.0% seen regionally.

- It is also important to recognise that although claimant numbers are higher than pre-pandemic levels, given our strong position going into the pandemic, Staffordshire still performs comparatively well given **Staffordshire's claimant rate is 2.8% of the working age population compared to 4.9% regionally and 3.8% nationally.**
- In terms of job vacancies, **Staffordshire saw a 5% decrease in the number of available job vacancies between August and September to a total of 15,700 which continues to remain higher than the number of work-related benefit claimants. Stoke-on-Trent saw an 8% decrease in vacancies to a total of 7,000 however which is lower than the number of claimants this month. Across the region in the last month there was a 9% decrease, and nationally there was an 11% decrease in job vacancies.**
- This recent declining trend may be due to the normal decline in seasonal jobs but may also indicate some business sectors being more cautious due to the uncertainty in the economy. **Overall, though the outlook is positive and recruitment demand remains strong with new job postings higher than pre-pandemic levels with Staffordshire job vacancies 36% higher than pre-pandemic levels and Stoke-on-Trent 31% higher.**
- Considering the **top 20 job vacancy occupations in Stoke-on-Trent and Staffordshire**, demand for roles in social care continue to remain high with **'Care Workers and Home Carers' being the highest in demand occupations**.
- The following occupations **'Administrative,' 'Sales Related,' 'Nurses' and 'Customer Service' occupations continue to also have strong demand.**
- In the Hospitality sector, **'Kitchen and Catering Assistants' remain the roles most in demand.**
- The Logistics sector continues to have high demand for **'Elementary Storage Occupations,' 'Van Drivers,' and 'Large Goods Vehicle Drivers.'**
- There is also continuing high demand for **'Cleaners and Domestics.'**
- In the Education sector there is particularly high demand for **'Teaching Assistants,' 'Teaching and Other Educational Professionals.'**
- Demand for **'Sales and Retail Assistants'** in the Retail sector also remain strong.
- There is **strong demand for 'Bookkeepers, Payroll Managers and Wages Clerks,' 'Human Resources and Industrial Relations Officers,' 'Receptionists,' 'Chartered and Certified Accountants,'** across business sectors to support business in their recovery, survival, and new methods of working.
- In the Manufacturing sector **'Engineering Technicians,' 'Science, Engineering and Production Technicians'** are most in demand.
- There continues to be high demand in the Health sector for Nursing Auxiliaries and Assistants.'
- It is in these areas of the economy where job vacancies remain particularly high and where we are hearing the most reports of **labour and skills shortages** with a mismatch of workers or skills to fill the vacant jobs.
- This has the **potential to slow down economic growth and limit business**

survival unless the labour shortage and skills gap is quickly and effectively addressed. Clearly employment support organisations, skills providers and the Government's Plan for Jobs including the Restart schemes and new Skills Bootcamps have a vital role in upskilling and reskilling jobseekers into areas of demand and preventing them becoming long-term unemployed. Government and business sectors have a key role in ensuring that jobs in areas of demand are attracting workers with good pay and terms and conditions to help prevent labour shortages.

- It is clear there continues to be a high number 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/survival and improve prosperity through better pay. 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 potential applicants to access the opportunities available. Encouraging those that have become **economically inactive** due to COVID will further help to address labour shortages and skills gaps.
- **Staffordshire County Council's new Job Brokerage Service** is designed to do exactly this by matching local people, employers, and training providers to fill jobs and provide people with the jobs and careers they need.
- There are clear **emerging opportunities for job creation in digital (including online retail and e-commerce) and the green economy (including retrofitting homes to improve energy efficiency, electric cars e.g., Jaguar Land Rover, and hydrogen e.g., JCB).**
- We will also look to build on our existing strengths including **engineering and 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 the West Midlands Freight Interchange which will create 8,500 new jobs. Also **advanced logistics** with the ecommerce and 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 where jobs will be very much needed and Pets At Home in Stafford creating over 750 new jobs.

Local Initiatives

- We are continuing to prioritise support for businesses and people whose jobs or employment prospects have been impacted by the pandemic and aid the recovery, as well as putting in place the support needed locally during the cost-of-living and energy crisis.
- Staffordshire and Stoke-on-Trent businesses that have been turned down by other lenders can now apply to the **Staffordshire and Stoke-on-Trent Business Loan Fund**, supporting businesses to grow through affordable, unsecured loans from £10,000 to £50,000. To find out more visit here.
- The **Staffordshire Means Back to Business Scheme**, a unique partnership between the county council and the county's district and borough councils to support businesses through the pandemic and into recovery. The programme is a package of schemes including backing for start-ups, financial support so businesses can thrive, carbon literacy, apprenticeship support and training. The programme was allocated £737,000 form UKCRF.
- The **Get Started and Grow scheme** has been extended which provides fully funded support for 0- to 5-year-old businesses. Businesses have already saved thousands by getting accountancy, business planning, website and branding professionally sorted completely free of charge. Now everyone, from those just thinking about setting up a side-business to those who have got past the tricky first few years can get the support that they need. It's all in response to what you've said is most important for your business growth. To apply for fully funded SME support.
- Businesses in Staffordshire are able to benefit from a new free recruitment service which will help to match their employment vacancies with appropriate potential candidates. The **Staffordshire Jobs and Careers Service**, provides advice and support to both businesses and people looking for employment opportunities. It will match vacancies with candidates looking for jobs in certain sectors and with appropriate skills. The service is working with a range of partner organisations and a team of specialist brokers will advise employers and potential employees with options available to them. Find out more about Staffordshire Jobs and Careers.
- **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.
- **Help To Grow: Management programme** is 90% funded by the government so you only pay £750. Delivered in partnership with Small Business Charter, courses are running at leading business schools across the UK. This programme includes:
    - access 12-weeks of learning designed to fit alongside work commitments

- develop a bespoke business growth plan to help your business reach its full potential
    - get 1:1 support from a business mentor
    - learn from peers and network with businesses just like yours

  To find out more visit.
- The **Staffordshire Business and Enterprise Network (SBEN)** has introduced more support for businesses in Staffordshire. The Low Carbon Business Evolution Programme can help you to reduce your carbon footprint and increase energy efficiency. It has now been widened to include an additional Energy Efficiency Review for a business that has previously had one, and grants towards the capital costs for solar projects. Membership of SBEN is still free until the end of next March. Membership includes access to the Carbon Tracker tool. **Why join SBEN?**
- **Save up to 15% off your energy costs.** Sub-metering monitoring systems are a cost-effective way for Staffordshire businesses to manage and reduce their energy use. Sub-metering monitoring use a combination of hardware and software to collect and analyse data about energy performance. SBEN (Staffordshire Business Environment Network), through Staffordshire County Council, is providing businesses with a sub-metering monitoring grant of up to £5000 (50% match funded) to get everything set up. Find out more and apply
- **Staffordshire targets gigabit connectivity for residents and businesses -** A drive to connect Staffordshire residents and businesses to gigabit technology over the next eight years will be coordinated by the county council. Working with broadband and mobile providers, developers and national government, the county council will be aiming to ensure the vast majority of properties can access gigabit speeds by 2030. As part of the government's Levelling Up agenda, Project Gigabit aims to reach those premises in the county that are not considered commercially viable. The new Gigafast Staffordshire team (renamed from the Superfast Staffordshire team) will take a leadership role in the county to deliver the programme locally. The county council will also be working with government on its Shared Rural Network programme to boost 4G mobile connectivity. This could see coverage in Staffordshire increase from its current 78 per cent to 92 per cent. As well as improving everyday life, the move to gigabit technology could boost the local by hundreds of millions of pounds, and also supports the county council's climate change commitments – with smart technology reducing energy consumption and cutting carbon emissions. The county council launched the Community Fibre Partnership support fund for communities which could not be reached by the main programme which helped nine communities to benefit, with a further 24 communities benefitting from the Gigabit Broadband Top-up Voucher scheme. The new Gigafast Staffordshire website has launched to help everyone understand the benefits of gigabit connectivity at www.gigafaststaffordshire.co.uk.
- **Staffordshire County Council** is also supporting our residents and businesses through the **Here to Help – cost of living support programme**. This website

signposts to a range of support that is already available to people.

- The Government has launched the **Skills for Life** campaign which highlights the range of training and employment schemes available for businesses wanting to boost their workforce capabilities, including apprenticeships, traineeships, and T-Levels. The Government's Skills for Life website showcases hundreds of government-funded skills opportunities. It promotes online learning options and free essential skills courses, such as numeracy, English and digital, sector specific qualifications, Skills Bootcamps, Free Courses for Jobs, and in-work training, as well as personalised support and guidance from the National Careers Service. Refreshed campaign toolkits for the skills campaigns currently running for employers, adults and young people are available to share via your networks and channels, with your own audiences, staff and customers to help extend the reach of the campaigns to those people who will benefit most. Find out more.
- **Stafford's Shire Hall Business Centre is already home to 15 companies across a range of sectors**, based in a £2m refurbishment of Shire Hall Library, offers office space, reception facilities, meeting areas, networking opportunities and business advice and support, and flexible working options including hot-desking and the option to rent a mailbox. The event space is available for hire for events, conferences, and everything in-between. Businesses can request a personal tour of the building and facilities at any time. Any businesses wanting to find out more about unit costs and availability, or that wants to book a viewing at any time, should contact Samantha Neal, centre administrator, at samantha.neal@staffordshire.gov.uk
- **New employer information and advice service – Support with Employee Health and Disability**: A digital information and advice service for businesses is live on GOV.UK, providing tailored guidance on health and disability, to prevent avoidable job loss and help people thrive at work. Employers and disability organisations have been involved in the design and testing of the service which will continue to be developed throughout 2022/23. Current features include:
    - Helping employers to feel more confident having conversations about health and disability.
    - Encouraging early intervention and sustained support.
    - Signposting to trusted expert support and resources.
    - Helping employers understand their legal responsibilities.

  Please use the feedback link as your thoughts on how the content and design are shaped really will make a difference. Read the press release
- **Stoke-On-Trent & Staffordshire Growth Hub have partnered with the Federation of Small Businesses (FSB) to offer free 1-2-1 virtual business support sessions.** Are you looking to start a business or in the embryonic stages of growth? Are you:
    - o keen to identify potential new markets?
    - o interested in bidding for public procurement opportunities?
    - o in need of advice on chasing late payments?
    - o seeking general advice and support?

Through one of these invaluable 1-2-1 sessions, you can:

- get in touch with international trade specialists
- find sources of local authority support
- learn key steps in starting a business and get assistance with many more issues/challenges your business faces

If you feel you might benefit from one of these virtual sessions, please email karen.woolley@fsb.org.uk to book a slot. This offer is open to FSB members and non-members.

- **Do you know what your employees need to be their most productive?**

  Any business' most valuable asset is its people, and with adults spending most of their time at work, businesses need to know how to best support their health and wellbeing. The **Staffordshire County Council Workplace Health Service**, working with public health and local health experts, offers businesses a comprehensive and funded package of online and in-person support, including:

    - mental health and wellbeing
    - smoking cessation
    - healthy activity and healthy eating in the workplace, and more.

  But where do you start?

  1) Check out the business wellbeing support available online
  2) Join the Healthy Workplace Newsletter
  3) Check out the Everyone Health offer - in-business support
  4) Consider starting the Thrive at Work Workplace Wellbeing Award Programme.

  CHECK OUT HEALTH AND WELLBEING SUPPORT FOR BUSINESS

- Businesses across Staffordshire have the opportunity to build confidence and skill-up their staff for free with the government's **Multiply scheme**. Multiply is a programme that helps employees build confidence and lifelong numeracy skills through bitesize courses, bespoke help for businesses and functional maths qualifications. In a recent poll, over 60% of businesses in Staffordshire say that they need more functional maths capacity in their workforce, for increased performance, personal and professional confidence, and team motivation, alongside career progression.

  Eligibility:

  - Staffordshire based business.
  - Adults aged 19 plus.
  - Individuals that have not achieved a Level 2 maths qualification, i.e., GCSE of at least a Grade C or equivalent.
  - Individuals who may want to develop numeracy skills for work or progression.
  - Individuals that want to brush up and develop their numeracy skills for everyday life and work.

  Contact Multiply@staffordshire.gov.uk to explore your options.

- **Two major road improvements schemes in Stafford and Lichfield are nearing completion.** In Lichfield, an £800,000 scheme to resurface Eastern Avenue from the junction of of the A51 Stafford Road and the installation of new traffic lights and puffin crossings is now complete. In Stafford, construction of the the roundabout to Pets At Home on the A34 at Redhill is nearing completion. Both works is in addition to the £30 million investment in the county's roads over the next two years.
  READ MORE about Staffordshire Highways
- **The Stoke-on-Trent and Staffordshire Growth Hub is working in partnership with creative marketing agency, Nuddy Media, to deliver 'Practical Marketing', a step-by-step course to help local businesses create a Marketing Strategy.** This will provide an overview of Marketing and cover the following:
  - Session 1 - 25 October: Introduction to Marketing and Customer Profiling
  - Session 2 - 15 November: Branding & Understanding the Marketing Instruments
  - Session 3 - 13 December: Promotions, Incentives and Loyalty Schemes
  - Session 4 - January 2024: Creating A Marketing Strategy
  - Session 5 - February 2024: The Marketing Calendar & Marketing Plan
  - Session 6 - March 2024: Implementing your Plan and working with Suppliers

  Each session will provide standalone knowledge which can be applied to your business, but the benefit will be maximised if you attend all 6. Interested businesses can currently book onto the first 3 sessions.
  BOOK YOUR FREE PLACE

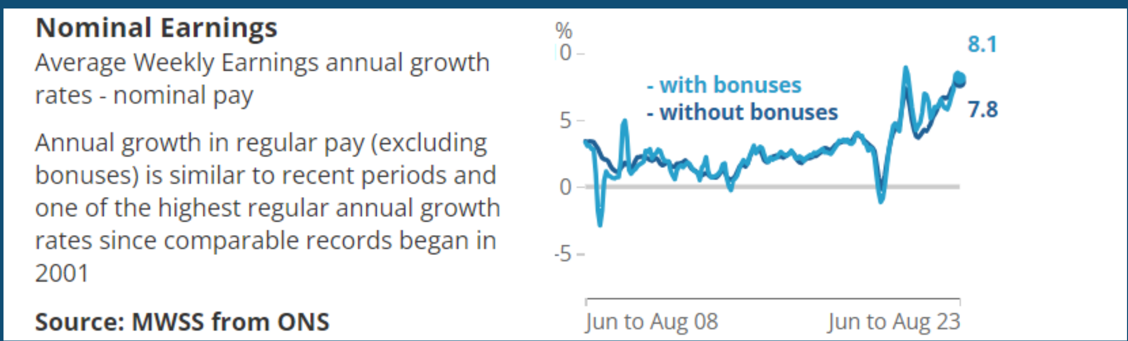
National Context

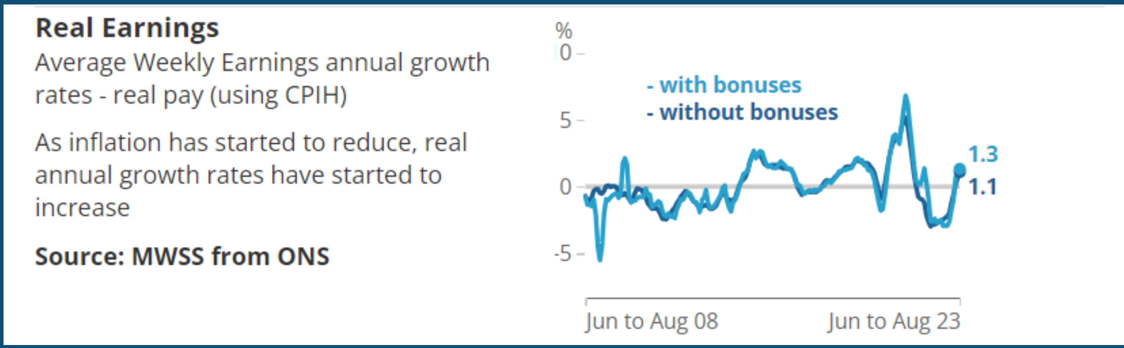
- This month we heard Rishi Sunak first speech to the Conservative party conference as prime minister. In the major announcement, he confirmed that the **northern leg of the HS2 project between Birmingham and Manchester is being cancelled and promised to spend all of the money saved on local transport improvements, trams, buses rail, roads**
- The Prime Minster also announced the **merger of A-Levels and T-Levels into a new Advanced British Standard qualification**, and a plan to end smoking for the next generation by **raising the age at which cigarettes can be purchased every year**.
- Also a total of **55 "overlooked" British towns are to receive £20 million each over the next decade** to revive their high streets and tackle anti-social behaviour.
- The LGA has warned that **councils face a £4 billion budget shortfall over the next two years without increased funding** at the Autumn Statement. The LGA said that councils faced an "inflationary storm" and that no council was immune to inflationary pressures as well as rising demand for adult social care.
- With the **Autumn Statement less than a month away**, it will be interesting to see what announcements the Chancellor makes to support local services and communities.

Cost of Living Crisis, Inflation, and the War in Ukraine

- For many there is welcomed news that **pay has overtaken inflation for the first time since 2021**, in a sign that the squeeze on living costs may be starting to ease. **Wages rose by 7.8 per cent between June and August**, which is higher than average inflation over the same three months.
- The **rate of inflation has been slowing but, at 6.7% for the year to August, it remains more than three times higher than the Bank of England's 2% target**.
- The Chancellor has announced that the **national living wage is set to increase to at least £11 an hour from next April 2024**. This will benefit two million of the lowest-paid workers and he intends to toughen sanctions for people on benefits who do not take steps to find work.
- Hundreds of thousands of UK workers are also due to see a 10 per cent pay rise because their employer is signed up to the **voluntary Real Living Wage scheme**.
- **Charities are warning of a difficult winter ahead for many people's finances despite a fall in domestic energy prices for the next three months**. The annual bill for a typical household has dropped to £1,923 under Ofgem's price cap. It is £577 lower than last winter but some government support has been withdrawn and bills are expected to rise again in January.
- This rise in energy prices is likely to be higher than previously forecast due to the impact of the conflict between Israel and Hamas, with **UK wholesale gas prices rising to the highest level since mid-February**.

- There are also **concerns that many low-income households risk missing out on government help to pay their energy bills this winter** if they fail to make an application for financial support. **National Energy Action** says about 800,000 bill payers missed out on £150 rebate last year after government made changes to scheme.
- **According to the BBC Good Food Nation survey families are eating less healthily and turning to ready meals and processed foods due to the cost-of-living crisis.** More than two-thirds of people (69 per cent) said they considered themselves to be healthy eaters but 28 per cent said they were eating less nutritious food because it is too expensive.
- **The Trussell Trust has reported that more than a record one million emergency parcels are expected to be distributed by food banks this winter due to an "unprecedented need" for help.** They have forecast that more than 600,000 people will rely on food banks from December this year until next February.
- **This need for support is further reflected by Citizens Advice which by the end of August has offered food bank referrals and other charitable support to 159,360 people - up 16 per cent on the same period last year, which itself was a record.** Those facing difficulties, such as debt or unaffordable bills, face additional pressures this winter such as rising private sector rents. **The UK annual private rental price growth rose to 5.7% in the 12 months to September 2023**.
- There has been some **better news for home owners with the average mortgage rate falling below 6 per cent for the first time in nearly three months after the Bank of England froze interest rates this month**.
- Looking at pay growth in more detail, **annual growth in regular pay (excluding bonuses) was 7.8%** in June to August 2023, similar to recent periods and one of the highest regular annual growth rates since comparable records began in 2001. Annual growth in employees' **average total pay (including bonuses) was 8.1%**. This total annual growth rate is affected by the NHS and Civil Service one-off payments made in June, July, and August 2023. **In real terms (adjusted for inflation using Consumer Prices Index including owner occupier's housing costs (CPIH)), annual growth for total pay rose on the year by 1.3%, and regular pay rose on the year by 1.1%.**



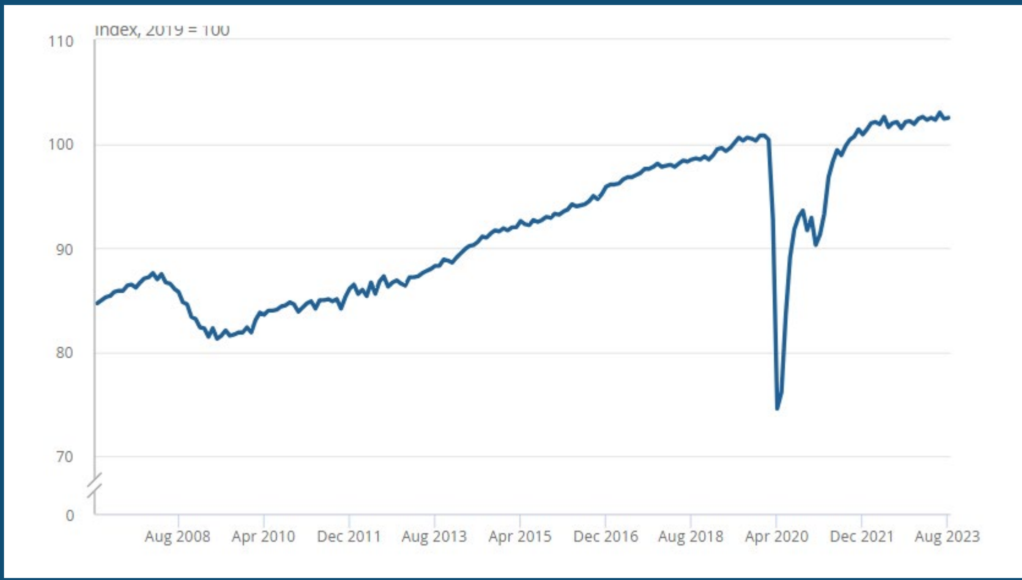


- **There still remain strikes in important parts of the economy, including NHS consultants, junior doctors, and rail workers.** There were 119,000 working days lost because of labour disputes across the UK in August 2023. The majority of the strikes were in the health and social work sector.

Economy

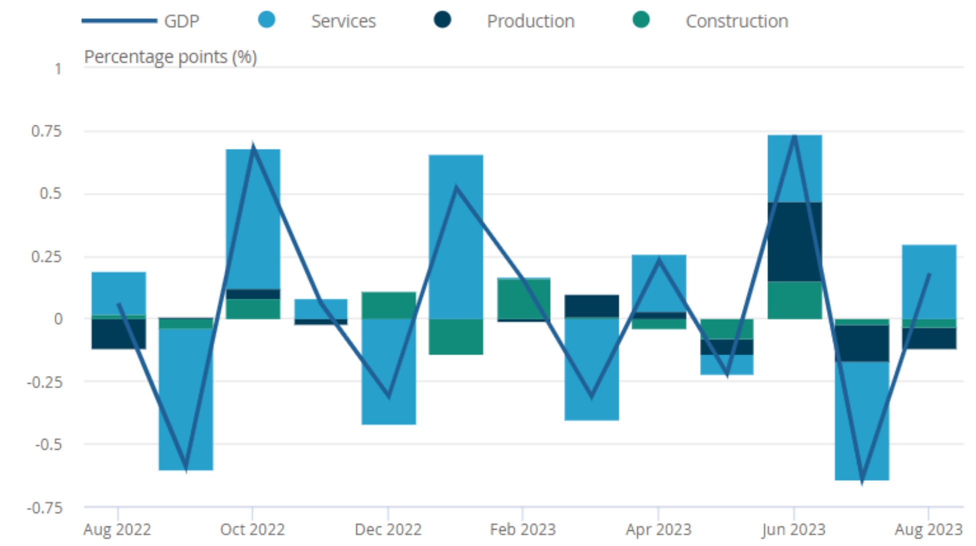
- **The International Monetary Fund has rejected government suggestions that its latest assessment of the UK economy is too gloomy**. The influential global group **forecasts the UK will have the highest inflation and slowest growth (0.6%) next year of any G7 economy**, falling behind the US, France, Germany, Canada, Italy and Japan. The Treasury said recent revisions to UK growth had not been factored into the IMF's report.
- **IMF chief economist Pierre Olivier Gourinchas has denied being pessimistic with their latest forecast being above the Bank of England estimate [for growth] for next year.**
- **The IMF says the UK's immediate prospects are being weighed down by the need to keep interest rates high to control inflation, which has been falling but remains stubbornly above target. It warned Bank of England rates would peak at 6% and stay around 5% until 2028. Rates are currently 5.25%.**
- Forecasts are never perfect given the many factors that affect economic growth - from geopolitics to the weather. But such reports can point in the right direction, especially where they align with other predictions.
- More positively the **latest monthly GDP data shows that the UK economy returned to growth in August** with the ONS data showing that the **UK economy is estimated to have grown by 0.2% in August 2023, following a fall of 0.6% in July 2023.**
- Looking at the broader picture, **GDP increased by 0.3% in the three months to August 2023, with growth in all sectors**.
- **Services** output rose by 0.4% in August 2023 and was the main contributor to the growth in GDP.
- Output in **consumer-facing services** fell by 0.6% in August 2023 after a fall of 0.2% in July 2023.
- **Production** output fell by 0.7% in August 2023 after falling by 1.1% in July 2023.
- The **construction** sector fell by 0.5% in August 2023 after a fall of 0.4% in July 2023.

GDP Monthly index, January 2007 to August 2023, UK



The services sector was the main contributor to the 0.2% growth in GDP in August 2023

Contributions to monthly GDP growth, August 2022 to August 2023, UK



Source: GDP monthly estimate from the Office for National Statistics

- The **National Infrastructure Commission has said that the UK's infrastructure needs more investment, with public transport, home heating and water networks all in need of renewal**. Stating the investments would result in savings to the average household of at least £1,000 a year, higher economic productivity, and a better quality of life in the future.

Business Conditions

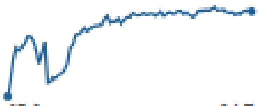
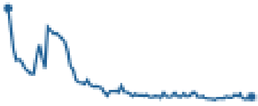
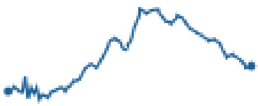
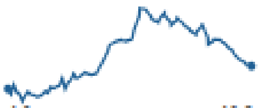
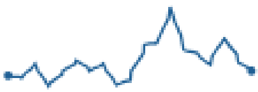
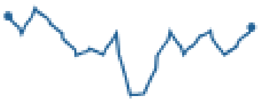
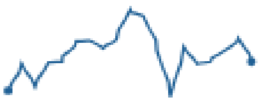
- Although business conditions clearly remain challenging with **high energy costs, increased commodity costs, wage pressures and supply-chain constraints** and persistent **labour market challenges, there continue to be signs of improvement**

in conditions and confidence.

- The following charts show the latest results from Wave 93 of the **Business Insights and Conditions Survey (BICS)**, which was live from 2 October to 15 October 2023.

Headline figures from the Business Insights and Conditions Survey

Figure 1: Headline figures from the Business Insights and Conditions Survey

Indicator	Latest data compared with **previous wave**	Latest data compared with **equivalent period the previous year**	**Timeline**
Trading status - Currently trading Units	-0.4▼	-0.2▼	 65.9 15/06/2020 94.7 15/10/2023
Trading status - Temporarily closed or paused trading Units	0.3▲	-0.1▼	 33.4 15/06/2020 3.6 15/10/2023
Prices - Prices bought increased Units	0.9▲	-20.8▼	 16.3 01/06/2020 26.7 30/09/2023
Prices - Prices sold increased Units	-0.4▼	-11.1▼	 4.9 01/06/2020 10.2 30/09/2023
Financial performance - Turnover increased Units	0.7▲	0.0▲	 13.6 01/03/2022 14.0 30/09/2023
Financial performance - Turnover stayed the same Units	1.7▲	2.5▲	 54.6 01/03/2022 53.3 30/09/2023
Financial performance - Turnover decreased Units	-3.0▼	-2.7▼	 19.9 01/03/2022 23.6 30/09/2023

Source: Business Insights and Conditions Survey from the Office for National Statistics

- Nearly a quarter (24%) of trading businesses reported **turnover** had decreased in September 2023 compared with the previous calendar month, down 3 percentage points from August 2023; in comparison 14% reported their turnover was higher, broadly stable over the same period.

- When looking ahead to November 2023, more than half (56%) of trading businesses expect their turnover to stay the same, while 17% reported that they expect their turnover to increase, both broadly stable with expectations for October 2023.
- More than a quarter (27%) of trading businesses reported an **increase in the prices of goods or services bought** in September 2023 compared with August 2023; in contrast, 1 in 10 (10%) reported an increase in the **price of goods or services sold** in September 2023, with both figures broadly stable when comparing August 2023 with July 2023.
- More than half (52%) of trading businesses were **not considering raising prices** in November 2023, the highest proportion of businesses to report this since the introduction of this question in April 2022; of those businesses that are considering raising prices, more than one in five (22%) reported energy prices as their main reason for doing so.
- More than one in six (17%) trading businesses reported their **performance had increased** in September 2023 compared with September 2022, broadly stable when comparing August 2023 with August 2022.
- In early October 2023, a quarter (25%) of trading businesses reported they **expect their overall performance to increase over the next 12 months**, up 3 percentage points from expectations in early September 2023, and the largest proportion reported since early May 2023.
- Although there are signs of improvement it is clear that some businesses continue to struggle. **In September 2023 there were a total of 1,967 company insolvencies in England and Wales, 17% higher than the number registered in the previous year (1,688 in September 2022), and 112% higher than the number registered three years previously: 928 in September 2020).** The main concern around company and individual insolvencies are associated issues such as mental health and homelessness.
- However, **in July to September 2023, the number of UK business creations was higher than the number of business closures. This is the first time this has happened since April to June 2021**. A total of 78,655 businesses were added to the Inter-Departmental Business Register (IDBR) (business creations) in the UK in July to September 2023. This was 15% higher than in the same period in 2022, which saw the lowest number of business creations since the start of the quarterly data series in January to March 2017. There was an increase in creations in 13 out of 16 main industrial groups in July to September 2023 compared with the same period in 2022. The most significant increase came in the professional, scientific and technical activities industries, where business creations were up by 34%. The number of businesses removed from the IDBR (business closures) in the UK in July to September 2023 was 69,445. This is 14% lower than the same period in 2022, with 10 out of 16 main industrial groups showing a decrease in closures. The most

significant decrease in closures came in the transport and storage industries (down 41%). Within transport and storage, unlicensed carriers (down 51%) showed the most significant fall.

- **Around two-thirds of adults are spending less on non-essentials because of cost-of-living increases. This is likely to have contributed to retail sales volumes decreasing by 0.9% in September 2023**.
- Estimates compiled by advisory group **Altus** showed that **retail stores will face a £15,300 business rates bill for an average site from next April**. This is compared to £3,600 for the current year, subject to caps on tax reliefs.
- **Manufacturers have urged Jeremy Hunt to do away with the Autumn Statement, insisting that the constant "flip-flopping" on policy is holding back investment and is making the UK "uncompetitive".** The Chancellor gives two fiscal statements a year, the Budget in the spring with a second statement in the autumn, but manufacturing representative body **Make UK** has urged Mr Hunt to return to a single annual fiscal statement.
- **There is a lower risk of electricity blackouts this winter compared to last, according to National Grid**, thanks to increased generation and the ability to manage demand. Chances of the lights going out were almost back to where they were before the energy crisis, it said.
- **More than half of businesses have opened offices or working spaces outside city centres, in response to the shift towards hybrid working**, according to new research. Flexible workspace provider **IWG** said that 82 per cent of firms have changed their office space needs to cater for more flexible working, while the survey of 500 businesses found that 54 per cent now have office or co-working space outside city centres.

Labour Market

- In summary, **the number of payrolled employees this month is largely unchanged, while employment is down this quarter. At the same time unemployment and economic inactivity have both seen quarterly increases. Job vacancies have seen a further decline which reflects the long-term trend.**
- The following charts shows the latest **labour market position** and the latest Office for National Statistics data for June 2023 to August 2023:

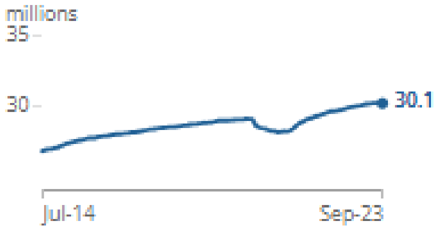
Payrolled employees

The number of payrolled employees

Monthly change: ▼ -11,000
Since Feb 2020: ▲1,102,000

The number of payrolled employees is now well above pre-pandemic levels.

Source: PAYE RTI from HMRC



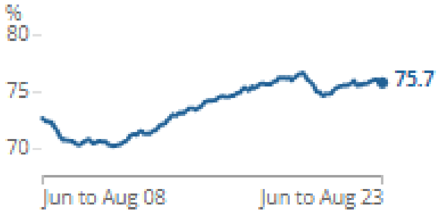
Adjusted experimental employment rate

Employment rate (all aged 16 to 64)

Quarterly change: ▼-0.3pps
Since Dec-Feb 2020: ▼-0.9pps

The adjusted experimental employment rate is down on the quarter but up on the year, and is still below pre-pandemic rates.

Source: LFS from ONS, PAYE RTI from HMRC and Claimant Count from ONS



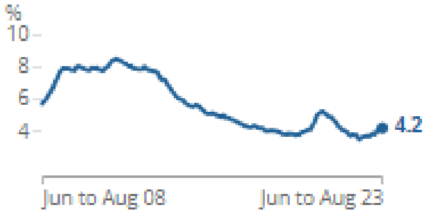
Adjusted experimental unemployment rate

Unemployment rate (all aged 16+)

Quarterly change: ▲0.2pps
Since Dec-Feb 2020: ▲0.2pps

The adjusted experimental unemployment rate is up on the quarter and on the year, and above pre-pandemic rates.

Source: LFS from ONS, PAYE RTI from HMRC and Claimant Count from ONS



Adjusted experimental inactivity rate

Economic inactivity rate (all aged 16 to 64)

Quarterly change: ▲0.1pps
Since Dec-Feb 2020: ▲0.7pps

The adjusted experimental economic inactivity rate increased on the quarter but is down on the year, and is still above pre-pandemic rates.

Source: LFS from ONS, PAYE RTI from HMRC and Claimant Count from ONS

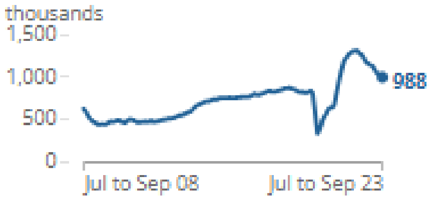
Job vacancies

Number of job vacancies

Quarterly change: ▼-43,000
Since Jan-Mar 2020: ▲187,000

Vacancies decreased on the quarter but are above pre-pandemic levels.

Source: Vacancy Survey from ONS



- The estimate of **payrolled employees** in the UK for September 2023 is largely unchanged on the month, down 11,000 on August 2023, to 30.1 million. The September 2023 estimate should be treated as a provisional estimate and is likely to be revised when more data are received next month. **Payrolled employees are 1.1m above pre-pandemic levels.**
- UK payrolled employee growth for August 2023 compared with July 2023 has been revised from a decrease of 1,000 reported in the last bulletin to a decrease of 8,000.
- **Because of the increased uncertainty around the Labour Force Survey (LFS) estimates, ONS have published an alternative series of estimates of UK employment, unemployment, and economic inactivity as experimental statistics.** The experimental figures were derived using growth rates from Pay as You Earn Real-Time Information and the Claimant Count for the periods from May to July 2023 onwards. This is to provide a more holistic view of the state of the labour market while the LFS estimates are uncertain.
- Experimental estimates for June to August 2023 show a 0.3 percentage point decrease in the **UK employment rate** to 75.7% compared with the previous quarter (March to May 2023).
- **An increasing number of over-50s are embracing part-time and road-based work, rather than opting for traditional retirement or pursuing full-time employment, according to the Office for National Statistics**. A record 3.6 million people over the age of 50 are now working part-time and a quarter of people over the age of 50 work part-time and make up the bulk – about 42 per cent – of those who are choosing not to work a full 40-hour work week.
- Experimental estimates for June to August 2023 show a 0.2 percentage point increase in the **UK unemployment rate** to 4.2% compared with the previous quarter (March to May 2023).
- Experimental estimates for June to August 2023 show a 0.1 percentage point increase in the **UK economic inactivity rate** to 20.9% compared with the previous quarter (March to May 2023).
- **The LGA has warned that a complex variety of schemes which should support the economically inactive back into work do not meet the needs of people affected and will fail to boost growth.** Research commissioned by the LGA found many risk being left out of the labour market as the 51 national job support programmes identified are not joined up and few address economic inactivity specifically. The LGA called for better collaboration across Whitehall departments and between the Government and councils.
- In July to September 2023, the estimated number of **vacancies in the UK** fell by 43,000 on the quarter to 988,000. Vacancies fell on the quarter for the 15th consecutive period, with vacancies falling in 14 of the 18 industry sectors. **Vacancies remained 187,000 above their pre-pandemic levels**.
- Although job vacancies continue to decline **three-quarters of UK firms are still struggling to recruit staff**. A survey by the **British Chambers of Commerce** found

that 73 per cent of the almost 5,000 companies it polled had faced hiring difficulties in the July to September quarter – although this was a nine percentage point drop from the record high of 82 per cent in the final three months of 2022.

- **Research by Chartered Institute for Personnel and Development has found that UK workers are taking more sick days than at any point in the last decade**. On average staff took 7.8 sick days in the past year, up from 5.8 before the pandemic, which the trade group said was due to stress, Covid and the cost-of-living crisis.
- **Parents of nursery and primary school-age children are facing more than £600 of extra childcare costs a month as employers request more days in the office.** Responding to a survey by the flexible childcare provider **Pebble**, more than half of parents said they had come under increasing pressure to increase time spent at their desks.
- **A report by Nuffield Trust health thinktank has found that the NHS has to train two GPs to produce one full-time family doctor because so many have started to work part-time. The research also shows the large number of nurses, midwives and doctors who quit during their training or early in their careers.**
- **Almost 400,000 people left their jobs in social care in the year to March, with about a third of these exiting the sector altogether**, according to a detailed annual report on the workforce which reveals a "leaky bucket" on staffing. **Skills for Care**, the strategic workforce development and planning body for adult social care in England, said its projections suggest that in just over a decade from now, a quarter more posts in the sector will be needed.
- **A social care recruitment campaign is being launched to help build the "vital workforce" with the hope more men and younger people will consider such roles.** With over 150,000 vacancies in social care, the Government is hoping this year's **Made with Care campaign** sparks interest to help address staff shortages.

Skills

- **The Association of Colleges has said that Colleges in England say they are having to expand class sizes and hire exam halls to cope with a rising number of pupils taking compulsory GCSE resits**. An extra 60,000 students prepare to resit English and maths this year.

Green Economy

- **The Climate Change Committee has said that the recent delay to key climate targets will actually cost many households more, rather than saving them money**. It found renters will have to pay more for energy in less efficient homes, while drivers who move to electric cars later rather than sooner will face higher costs through their vehicle's lifetime.
- Positively, **four in every five vehicles sold must be electric by the end of the decade**. The Government have told the car industry that they require 22 per cent of

cars sold by manufacturers to be electric from next year. By 2030, the quota will gradually rise to 80 per cent.

- The **Government has also increased its air source heat pump grants for homeowners in England and Wales by 50 per cent to £7,500**. It follows criticism about slow take-up of the low-carbon technology.
- **A network of super-pylons is to be fast-tracked across the country under planning reforms designed to rewire the electricity grid to hit net zero**. Local residents' ability to contest the rapid development of "motorways of power" is set to be curtailed after the Prime Minister Rishi Sunak was told that grid capacity has to double to transport energy from offshore wind, solar farms and other renewable sources.
- **A ban on some single-use plastic products has today come into force across England.** Shops and hospitality businesses will no longer be allowed to provide plastic cutlery, balloon sticks and polystyrene cups under the new rules. The LGA has warned some businesses are not aware or ready for the changes.
- **Nearly half a billion small electricals such as cables, lights, mini fans and disposable vapes, were thrown away in the UK last year, research from Material Focus has shown.** These "Fast Tech" items, the electrical version of fast fashion, are the fastest-growing e-waste type, it says.
- **The Government has announced that recycling in England is to be standardised from 2026, with all homes, businesses and schools recycling the same materials.** There will also be a once-a-week minimum requirement for food waste collection. Councils will all collect the same glass, metal, plastic and card, food waste and garden waste under government plans to encourage recycling.
- **Planting trees in large schemes to offset carbon emissions may harm the environment, researchers at Oxford University have found.** Ecologists at Oxford University say there is too much focus on trees absorbing carbon dioxide when other areas should be prioritised.

Housing

- **England is now "the most difficult place to find a home in the developed world", according to the Home Builders Federation.** It said England has the lowest percentage of vacant homes per capita in the Organisation for Economic Co-operation and Development (OECD), a group of 38 nations, including most of the EU the US, Japan and Australia.
- However, **new housing starts hit 50-year high** with builders beginning construction on 73,600 new homes between April and June this year, a 34 per cent increase compared to the same period last year and the highest quarterly total on record since at least 1978.

Conclusion

- In conclusion, **the UK economy returning to growth is a real positive.** However, we clearly **remain in challenging economic conditions with the conflict in Gaza raising concerns.**
- **Inflation continues to slowly move in the right direction** and it is good news for many that **pay growth is now above the rate of inflation,** but there **remain cost-of-living concerns with rising fuel and energy prices.**
- Positively, there continues to be **signs of further improvement in business conditions and confidence** with costs and prices continuing to ease and more businesses seeing an increase in turnover. It is also welcomed news that UK **business creations are now higher than business closures** for the first time since early 2021 reflecting the improving economic position.
- There are some labour market issues with **employment declining while at the same time unemployment and economic inactivity have both increased**. This alongside declining recruitment demand from businesses is creating an increasingly tight labour market with fewer jobs available for the increasing number of people searching for work.
- **In Staffordshire we have a confident, diverse, and robust economy,** demonstrated by the improvement and recovery witnessed since the last lockdown due to Covid. As the **ongoing global and national socio-economic challenges** persist it remains **vital that local partners work together to support local businesses and residents.** We continue to deliver the **Staffordshire Means Back to Business Programme** which has helped hundreds of Staffordshire **businesses transition to new business models including diversification, digitisation and greenification to improve their viability and sustainability**.
- **We continue to support residents into work and help businesses address ongoing labour shortages and skills gaps** to aid survival and growth. A key part of this being the recently **established Staffordshire County Council Jobs and Careers Service** which is designed to match local people, employers, and training providers to fill jobs and provide people with the jobs and careers they need.
- Alongside this the **Government's 'Plan for Jobs' schemes such as Restart, and Skills Bootcamps** 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 where they can access higher value better paid jobs will be key.

Business and Individual Insolvencies

This section covers the latest Insolvency Service monthly insolvency statistics[1] for September 2023, which show the number of new companies and individuals who are unable to pay debts and enter a formal insolvency procedure.

Company Insolvencies

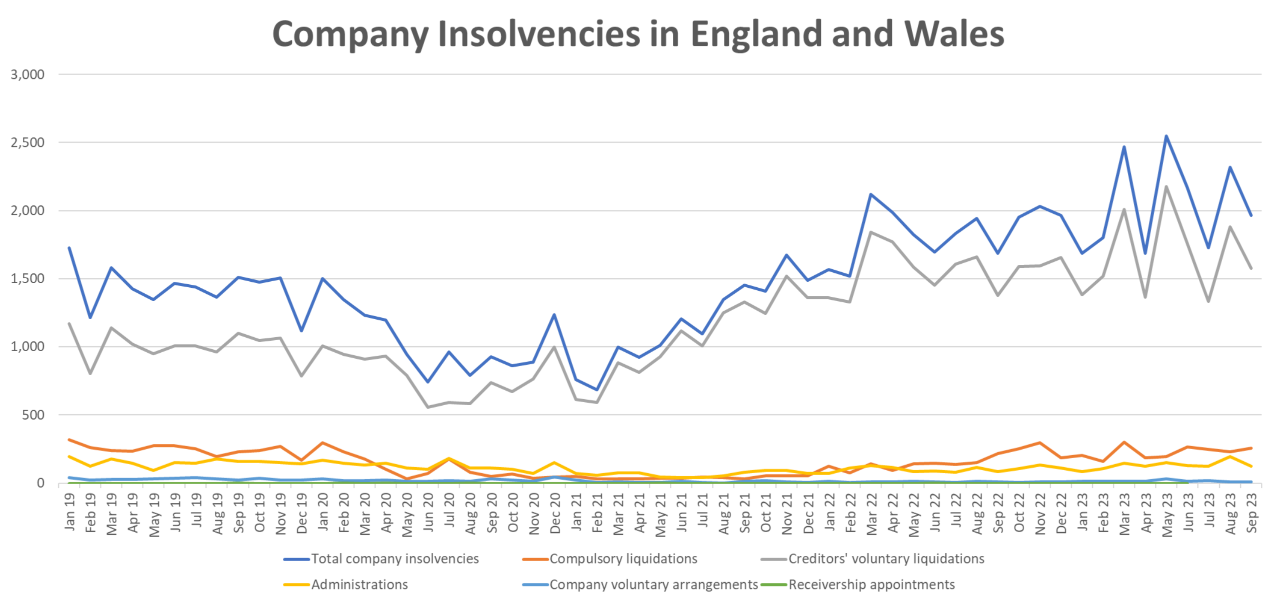
In September 2023 there were a total of 1,967 company insolvencies in England and Wales.

The overall number of **company insolvencies are 17% higher than the number registered in the previous year (1,688 in September 2022), and 112% higher than the number registered three years previously: 928 in September 2020).** Please note that due to the volatility of the underlying data the Insolvency Service recommends comparisons are made with the same month in previous years rather than with the previous month.

There were 255 compulsory liquidations in September 2023, which is 19% higher than the number in September 2022, and 420% higher than in September 2020. Numbers of compulsory liquidations have increased from historical lows seen during the coronavirus (COVID-19) pandemic, partly as a result in the increase of winding-up petitions presented by HMRC.

In September 2023 there were 1,576 Creditors' Voluntary Liquidations (CVLs), 14% higher than September 2022, and 113% higher than September 2020. Numbers of administrations are higher than pandemic levels at 15% higher than September 2020, whilst Company Voluntary Arrangements (CVAs) are lower than pandemic levels at 65% below September 2020 levels.

Company insolvencies between October 2022 and September 2023 are 17% higher compared to a year earlier, representing 3,600 more businesses.



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

[1]Source: The Insolvency Service – Monthly Insolvency Statistics, September 2023 - GOV.UK (www.gov.uk)

The sectors to have seen the largest number of company insolvencies between September 2022 and August 2023 continue to be the Construction sector (4,263), Wholesale & Retail sector (3,720) and Accommodation & Food Service sector (3,417). Levels exceed those seen for the same period the previous year with the Construction sector 8% higher, Wholesale & Retail sector 31% higher, and Accommodation & Food Service sector 42% higher than levels seen a year earlier. This can be attributed to higher commodity costs, higher energy costs, lower consumer confidence/demand, the longer-term impact of the pandemic along with the higher cost of living impact, interest rate and inflation increases.

Individual Insolvencies

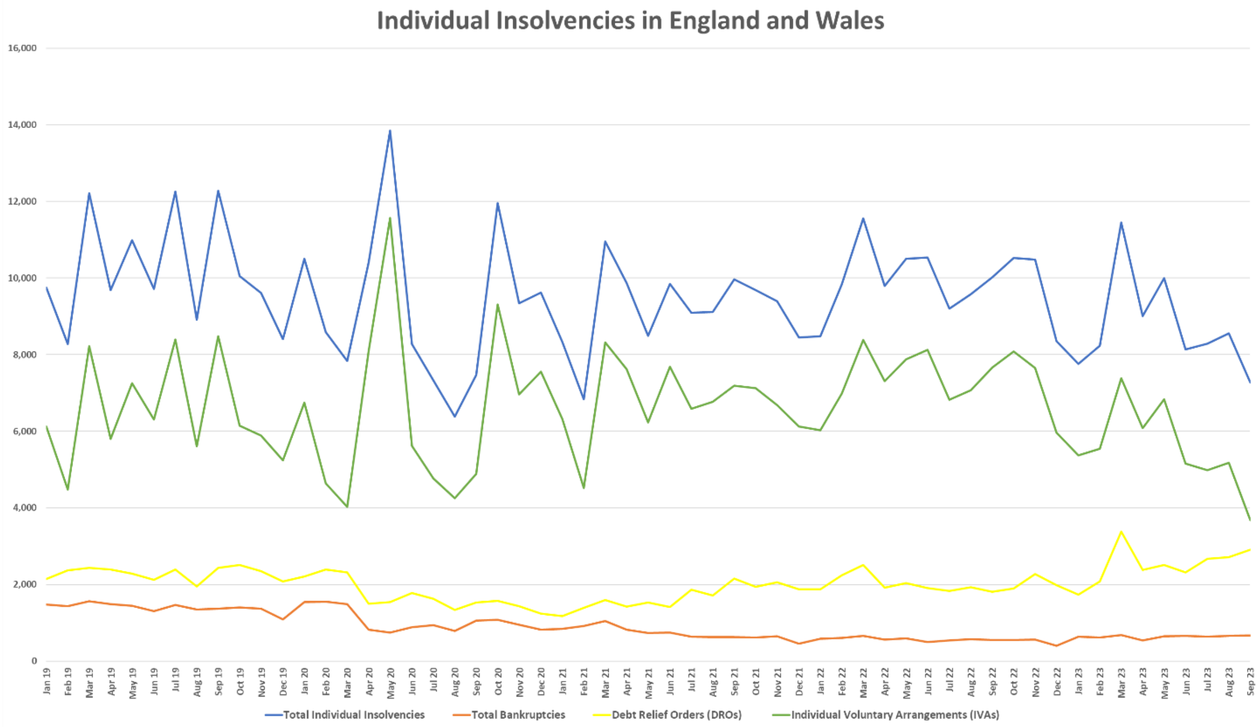
There were **7,271 total individual insolvencies in September 2023**, which was 27% lower than in September 2022, and 3% lower than in September 2020.

For individuals, **671 bankruptcies were registered in September 2023**, which was 22% higher than in September 2022, but 36% lower than in September 2020.

There were **2,913 Debt Relief Orders (DROs) in September 2023**, which was 61% higher than in September 2022, and 90% higher than in September 2020.

There were, on average, **3,687 Individual Voluntary Arrangements (IVAs)** registered in September 2023, which is 52% lower than September 2022, and 25% lower than September 2020.

Total Individual Insolvencies between October 2022 and September 2023 are 8% lower than the same period a year earlier, representing a decrease of 8,984.



Sources: Insolvency Service

There were **7,691 Breathing Space registrations in September 2023, which is 25% higher than the number registered in September 2022**. Of these, 7,574 were Standard Breathing Space registrations, which is 24% higher than in September 2022, and 117 were Mental Health Breathing Space registrations, which is 27% higher than the number in September 2022.

From the start of the coronavirus (COVID-19) pandemic until mid-2021, overall numbers of company and individual insolvencies were low when compared with pre-pandemic levels. This is likely to have been partly driven by government measures put in place to support businesses and individuals during this time. **Company insolvency numbers have now returned to and exceeded pre-pandemic levels. For individuals, numbers of bankruptcies remain lower as do individual voluntary arrangements, but debt relief orders are higher than pre-pandemic levels.**

The main concern around company and individual insolvencies are associated issues such as mental health and homelessness.

Claimant Count[2]

The following table highlights the level of Universal Credit claimants in the Staffordshire Districts and each of the Strategic Authorities in the West Midlands Region:

Claimant Count (Universal Credit) Statistics: September 2023

Area	Claimant Count Rate (September 2022)	Claimant Count Rate (August 2023)	Claimant Count Rate[1] (September 2023)	Number of Claimants (September 2023)	Monthly Change in Claimants (Numbers)	Monthly Change in Claimants (%)	Change in Claimants since March 2020 (Numbers)	Change in Claimants since March 2020 (%)
England	3.7	3.7	3.8	1,339,110	16,110	1.2%	275,605	26.0%
West Midlands	4.7	4.8	4.9	179,230	1,660	0.9%	34,880	24.0%
SSLEP	3.3	3.4	3.4	23,610	125	0.5%	4,240	22.0%
Birmingham	8.2	8.5	8.6	63,740	1,200	1.9%	14,370	29.0%
Wolverhampton	7.2	7.4	7.5	12,305	130	1.1%	1,925	19.0%
Sandwell	6.1	6.1	6.2	13,500	280	2.1%	2,720	25.0%
Coventry	5.2	5.6	5.6	12,630	25	0.2%	4,630	58.0%
Walsall	5.4	5.5	5.5	9,515	-30	-0.3%	910	11.0%
Stoke-on-Trent	5.2	5.4	5.4	8,725	-5	-0.1%	1,405	19.0%
Dudley	4.7	4.6	4.6	9,115	155	1.7%	600	7.0%
Telford and Wrekin	3.5	3.4	3.4	4,000	60	1.5%	570	17.0%
Solihull	3.2	3.1	3.2	4,080	50	1.2%	430	12.0%
Worcestershire	3.0	2.9	2.9	10,455	-185	-1.7%	2,150	26.0%
Staffordshire	2.7	2.8	2.8	14,885	135	0.9%	2,835	24.0%
Warwickshire	2.6	2.6	2.6	9,440	-85	-0.9%	1,610	21.0%
Herefordshire, County of	2.3	2.4	2.3	2,515	-75	-2.9%	405	19.0%
Shropshire	2.4	2.3	2.3	4,330	15	0.3%	320	8.0%
Cannock Chase	3.2	3.4	3.4	2,110	-10	-0.5%	455	27.0%
Tamworth	3.4	3.3	3.4	1,650	30	1.9%	160	11.0%
East Staffordshire	2.8	3.3	3.3	2,600	15	0.6%	880	51.0%
Newcastle-under-Lyme	2.9	3.0	3.0	2,320	20	0.9%	340	17.0%
South Staffordshire	2.6	2.5	2.5	1,650	5	0.3%	340	26.0%
Lichfield	2.4	2.3	2.4	1,505	35	2.4%	185	14.0%
Stafford	2.4	2.4	2.4	2,000	35	1.8%	345	21.0%
Staffordshire Moorlands	1.9	1.9	1.9	1,060	15	1.4%	140	15.0%

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

- The claimant count in Staffordshire saw an **increase of 135 claimants in September**, with the **total number now at 14,885**.
- Over the last month, the **claimant rate for Staffordshire remained unchanged at 2.8%** of the working age population.
- The **rate in Staffordshire remains one of the lowest rates in the West Midlands and is far lower than the average for the region of 4.9%, and lower than the average for England at 3.8%**.
- Stoke-on-Trent saw a **decrease of 5 claimants** over the same period with **a total of 8,725 claimants in September**, with the **rate remaining unchanged at 5.4%.**
- Whilst there has been an increase this month in the overall claimant count and youth claimant count, **Staffordshire still has one of the lowest claimant rates in the region. The 0.9% increase in the overall claimant count seen this month in Staffordshire remains below the 1.2% increase seen nationally.** Youth claimants will remain a priority for further support that is already in place to help people that unfortunately find themselves unemployed to move into the high number of job vacancies that are present across Staffordshire.

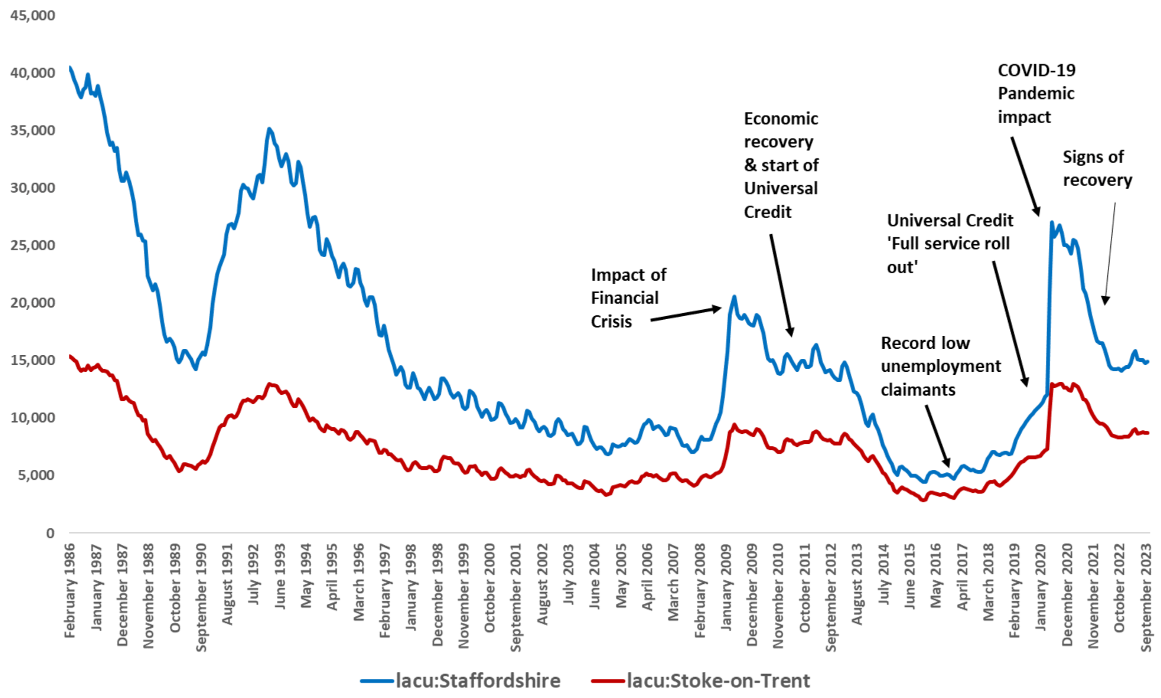
[2] Source: https://www.nomisweb.co.uk/

- **In terms of job vacancies there was a 15% increase seen across Staffordshire and a 13% increase nationally seen between July and August.**

- **Demand for labour and skills still remains strong across the local economy with there currently being 1.1 job vacancies available for every claimant within the county,** and therefore our focus continues to be centred around supporting those that unfortunately find themselves unemployed, to transition into work.

- **The total number of Universal Credit (UC) claimants in Staffordshire is 24.0% or 2,835 higher than the level seen in March 2020 (pre-COVID)**, which is largely in-line with the 26.0% increase seen nationally and 24.0% seen regionally.

Staffordshire and Stoke-on-Trent Claimant Count



- However, **it is important to note that not all claimants will be out of work.** The increases seen since COVID-19 struck in March 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 certain people on low incomes 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 or have seen reduced hours (under-employment)**, although from the data released by the 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 also key to recognise that although claimant numbers are higher than pre-pandemic levels, given our strong position going into the pandemic, we still perform well given **Staffordshire's claimant rate is 2.8% of the working age population compared to 4.9% regionally and 3.8% nationally. In Stoke-on-Trent, the Claimant Count remains above both the regional and national averages at 5.4%.**

- This month there were increases in the claimant count across all but one of the districts in Staffordshire, with Cannock Chase seeing a slight decrease.

- East Staffordshire and Newcastle-under-Lyme have the highest number of claimants with 2,600 and 2,320 respectively, whilst Staffordshire Moorlands has the lowest at 1,060. Cannock Chase and Tamworth have the highest claimant rates at 3.4%, and Staffordshire Moorlands has the lowest at 1.9%. Significantly, all the Districts and Boroughs of Staffordshire remain lower than national and regional rates.

Youth Claimant Count

- This month the **youth claimant count in Staffordshire saw an increase of 40 claimants with a total of 2,895 young people**.

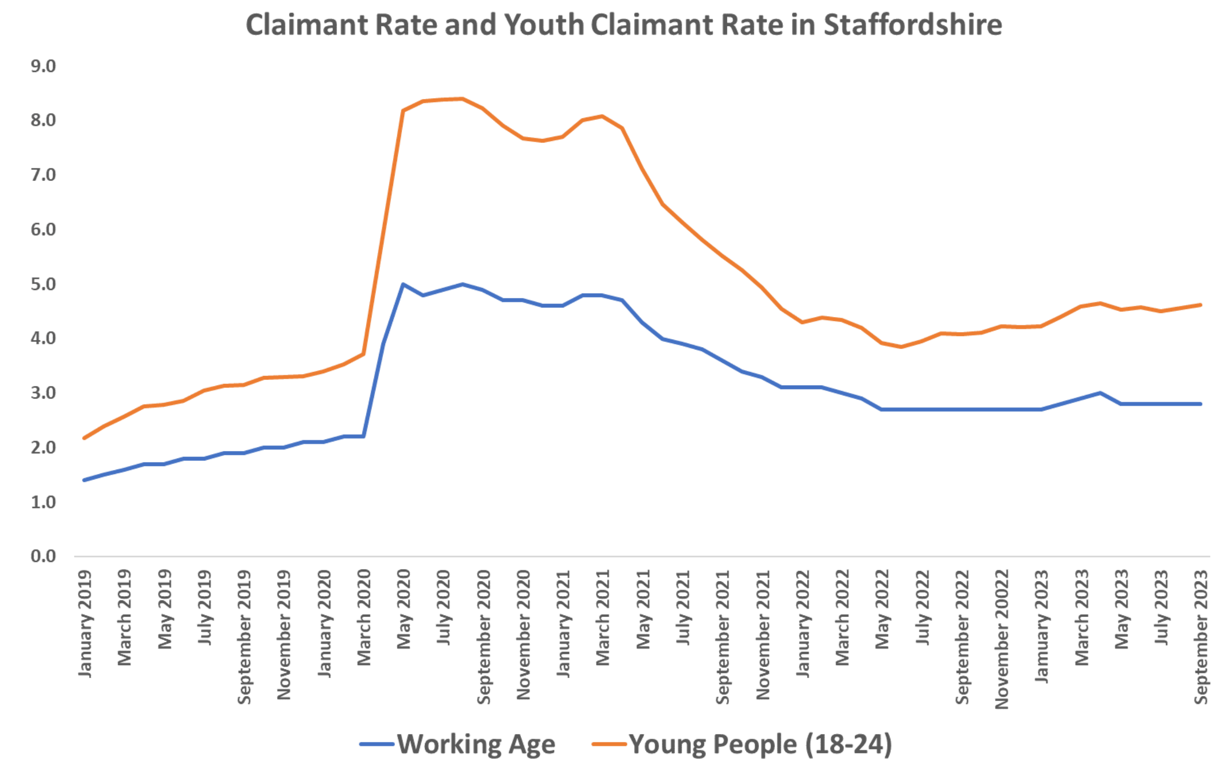
- **The proportion of young people in Staffordshire aged 18-24 that are claiming work-related Universal Credit remained unchanged at 4.6%.** This is lower than the national rate of 5.0% and far lower than the regional rate of 6.8%.

- This month, **Stoke-on-Trent saw an increase of 20 claimants to a total of 1,735 claimants with the rate increasing from 7.6% the previous month to 7.7%.**

Youth Claimant Count (Universal Credit) Statistics: September 2023

Area	Youth Claimant Count Rate (September 2022)	Youth Claimant Count Rate (August 2023)	Youth Claimant Count Rate[1] (September 2023)	Number of Youth Claimants (September 2023)	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	4.6	4.9	5.0	235,460	4,210	1.8%	37,730	19.1%
West Midlands	6.1	6.6	6.8	34,180	660	2.0%	6,275	22.5%
SSLEP	4.8	5.4	5.4	4,630	60	1.3%	810	21.2%
Wolverhampton	9.4	10.4	10.7	2,290	60	2.7%	380	19.9%
Birmingham	8.1	9.1	9.3	12,055	280	2.4%	2,950	32.4%
Sandwell	8.2	8.9	9.2	2,625	70	2.7%	510	24.1%
Walsall	8.0	9.1	9.1	2,055	-5	-0.2%	140	7.3%
Stoke-on-Trent	**6.8**	**7.6**	**7.7**	**1,735**	**20**	**1.2%**	**330**	**23.5%**
Dudley	7.0	7.4	7.7	1,815	65	3.7%	65	3.7%
Telford and Wrekin	6.0	5.4	5.7	850	50	6.3%	90	11.8%
Solihull	5.2	5.2	5.3	795	10	1.3%	-30	-3.6%
Coventry	4.7	5.1	5.3	2,275	100	4.6%	740	48.2%
Staffordshire	**4.1**	**4.6**	**4.6**	**2,895**	**40**	**1.4%**	**480**	**19.9%**
Worcestershire	4.4	4.6	4.6	1,925	0	0.0%	330	20.7%
Herefordshire, County of	3.1	4.0	3.7	435	-30	-6.5%	20	4.8%
Warwickshire	3.5	3.7	3.7	1,660	-15	-0.9%	325	24.3%
Shropshire	3.3	3.4	3.5	765	10	1.3%	-60	-7.3%
Cannock Chase	5.5	6.2	6.2	435	0	0.0%	70	19.2%
Tamworth	5.7	5.9	6.2	355	15	4.4%	60	20.3%
East Staffordshire	3.8	5.3	5.3	475	0	0.0%	155	48.4%
South Staffordshire	4.4	4.6	4.5	335	-5	-1.5%	85	34.0%
Stafford	4.2	4.2	4.3	370	10	2.8%	55	17.5%
Newcastle-under-Lyme	3.4	4.0	4.1	480	10	2.1%	55	12.9%
Lichfield	3.7	3.7	3.8	270	10	3.8%	0	0.0%
Staffordshire Moorlands	2.6	3.0	2.9	170	-5	-2.9%	-5	-2.9%

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



- This month has seen an increase in youth claimants in Stafford, Newcastle-under-Lyme, Lichfield and Tamworth. Cannock Chase and East Staffordshire saw no change. Both South Staffordshire and Staffordshire Moorlands saw a decrease.

- Cannock Chase and Tamworth continue to have the highest rates at 6.2%, whilst Staffordshire Moorlands has the lowest rate at 2.9%. East Staffordshire and Newcastle-under-Lyme have the highest number of youth claimants at 475 and 480 respectively, whilst Staffordshire Moorlands has the lowest number of youth claimants at 170.

- Given that it is harder for these groups to find a new job it is increasingly vital that there is the right support in place to help young people find work such as through the Staffordshire Jobs and Careers Brokerage service, the Restart Scheme, and the new Skills Bootcamps to help prevent them becoming long-term unemployed.

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

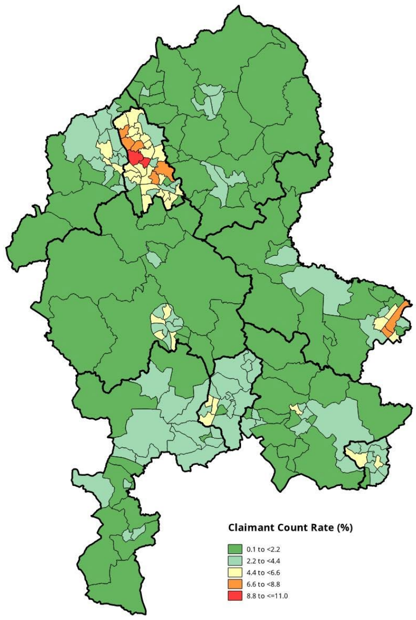
The following maps and tables provide the latest breakdown of the claimant count by wards in Staffordshire & Stoke-on-Trent.

Claimant Count Rate September 2023

Of the 201 wards in Staffordshire & Stoke-on-Trent, 58 were above the England average of 3.8% for the number of claimants as a proportion of the working age population.

Within the twenty highest claimant count rate wards, sixteen were in Stoke-on-Trent with Joiner's Square: 11.0%/505; Etruria & Hanley: 8.9%/480; Moorcroft: 8.6%/320; Burslem Central: 8.3%/380; Tunstall: 7.9%/330 total claimants.

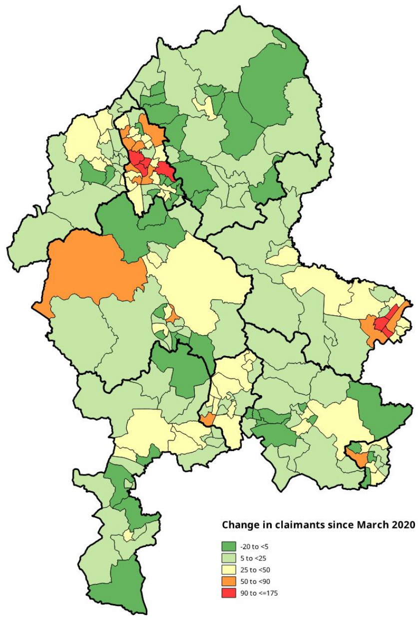
In Staffordshire, the four wards all in East Staffordshire with the highest claimant count rates were Burton: 7.1%/215; Anglesey: 6.7%/365; Eton Park: 6.3%/310; Shobnall: 6.2%/335 total claimants.



Change in Claimant Count since March 2020

Of the top ten wards in Staffordshire with the highest change in the number of claimants since March 2020 there were six in Stoke-on-Trent including Joiner's Square (130 increase to 505); Hanley Park & Shelton (130 increase to 315); Etruria & Hanley (125 increase to 480); Bentilee & Ubberley (90 increase to 490); Tunstall (80 increase to 330); Boothen & Oak Hill (70 increase to 255).

Of the remaining four wards in the top ten, all were in East Staffordshire including Anglesey with a 175 increase to 365 claimants; Eton Park with a 130 increase to 310 claimants; Shobnall with a 125 increase to 335 claimants; Branston with an 80 increase to 155 claimants.



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

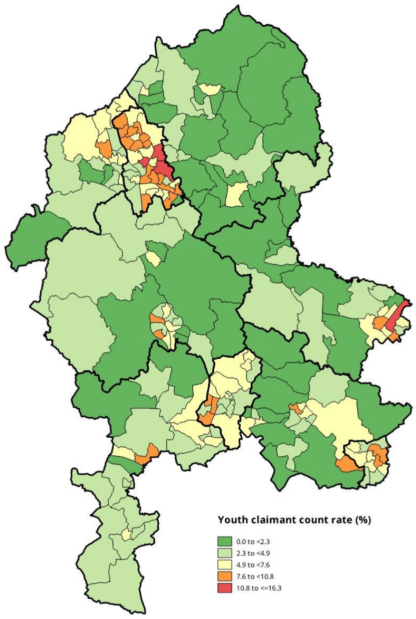
The following maps and tables provide the latest breakdown of the youth claimant count by wards in Staffordshire & Stoke-on-Trent.

Youth Claimant Count Rate September 2023

Of the 201 wards in Staffordshire & Stoke-on-Trent, 84 were above the England average of 5.0% for the number of claimants aged 18-24 as a proportion of the 18-24 population.

Of the top ten wards with the highest youth claimant count rate, six were in Stoke-on-Trent including Joiner's Square: 16.3%/125; Bentilee & Ubberley: 12.7%/115; Abbey Hulton & Townsend: 10.8%/85; Bradeley & Chell Heath: 10.2%/45 total youth claimants.

In Staffordshire, the wards with the highest claimant count rates were Burton (East Staffordshire): 13%/50; Glascote (Tamworth): 10.4%/60; Chadsmead (Lichfield): 10.2%/30; Stapenhill (East Staffordshire): 10.0%/55 total youth claimants.

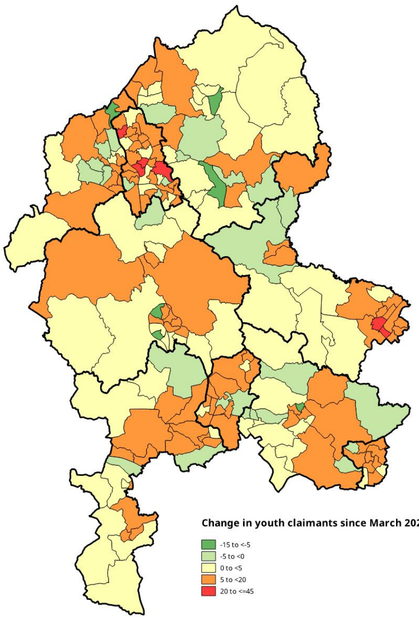


Staffordshire County Council

Change in Youth Claimant Count since March 2020

Of the top ten wards in Staffordshire with the highest change in the number of youth claimants since March 2020, six were in Stoke-on-Trent including Hanley Park & Shelton (45 increase to 75); Joiner's Square (25 increase to 125); Bentilee & Ubberley (25 increase to 115); Tunstall (20 increase to 60).

In Staffordshire, the four wards with the highest change in the number of youth claimants since March 2020, were Shobnall (East Staffordshire) with a rise of 25 to 60; Anglesey (East Staffordshire) with a rise of 20 to 50; Burton (East Staffordshire) with a rise of 15 to 50 and Stapenhill (East Staffordshire) with a rise of 15 to 55 total youth claimants.



Staffordshire County Council

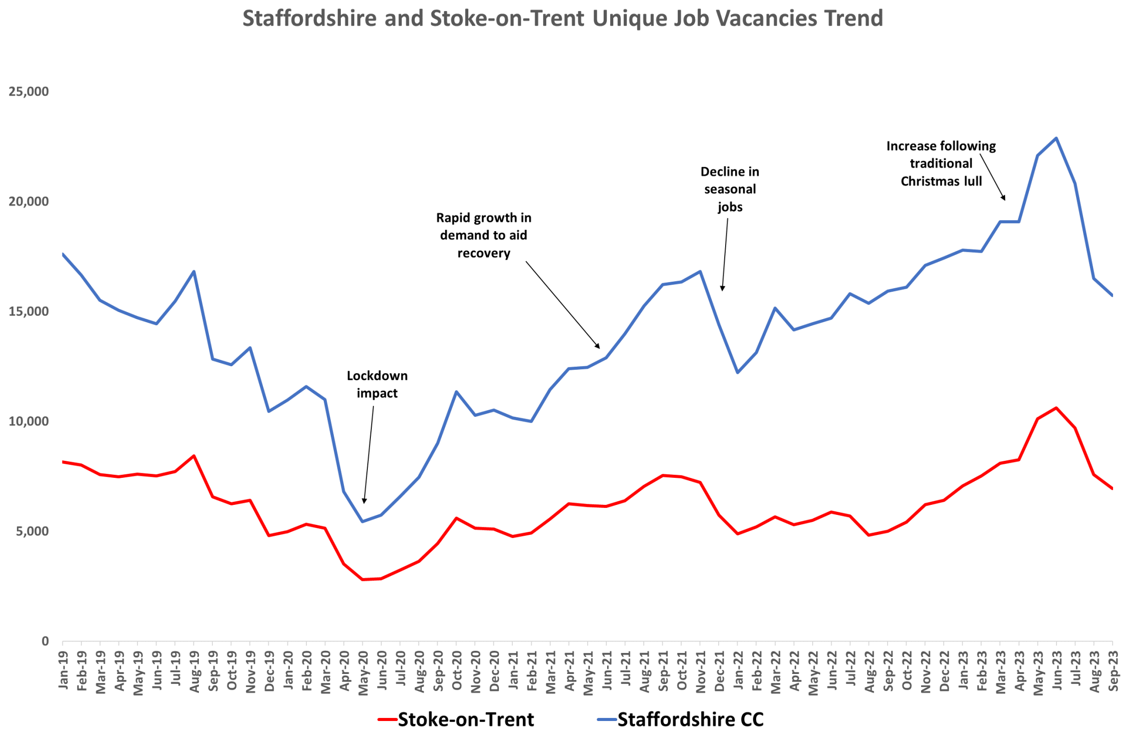
Job Vacancies[3]

- **Staffordshire saw a 5% decrease in the number of available job vacancies between August and September to a total of 15,700[4] and this continues to remain higher than the number of work-related benefit claimants.**

- **Stoke-on-Trent saw an 8% decrease in vacancies to a total of 7,000 which is lower than the number of claimants.**

- **Across the region in the last month there was a 9% decrease, and nationally there was an 11% decrease in job vacancies.**

- In September there has been a slight decrease in the number of available job vacancies, compared to a year ago in Staffordshire with the number of job adverts being posted 1% lower, whilst Stoke-on-Trent has increased by more than a third at 39% higher. The chart below indicates a recent declining trend which may be due to the normal decline in seasonal jobs but may also indicate some business sectors being more cautious due to the uncertainty in the economy. Overall, though the outlook is positive and recruitment demand remains strong with new job postings higher than pre-pandemic levels with Staffordshire job vacancies 36% higher and Stoke-on-Trent 31% higher.



Important to note that Lightcast (formerly EMSI/Burning Glass) live job vacancy data has been upgraded and improved through enhanced AI deduplication and sharper skill scraping of job postings.

[3] Source: Lightcast (formerly EMSI/Burning Glass)

[4] This reduction is the result of an update in Lightcast's expiration methodology for inactive job postings counts from August and September 2023 which have seen a decrease as of 29 September. This has resulted in reductions most visible for recent volumes (primarily August 2023, also September 2023).

Monthly Trends in recruitment

- The majority of occupational groups saw a decrease in vacancies during September, with 'Managers, Directors and Senior Officials' seeing the highest decrease (-15%). However, 'Sales and Customer Service Occupations' saw a 5% increase and 'Elementary Occupations' saw a 1% increase.

- The occupations to see the most significant increases during September include **Teaching Assistants, Sales & Retail Assistants, Kitchen & Catering Assistants, Nursery Nurses & Assistants, Electrical Engineers, Merchandisers & Window Dressers, Social Services Managers & Directors, Caretakers, Civil Engineers and Electricians & Electrical Fitters.**

Annual Trends in job vacancies

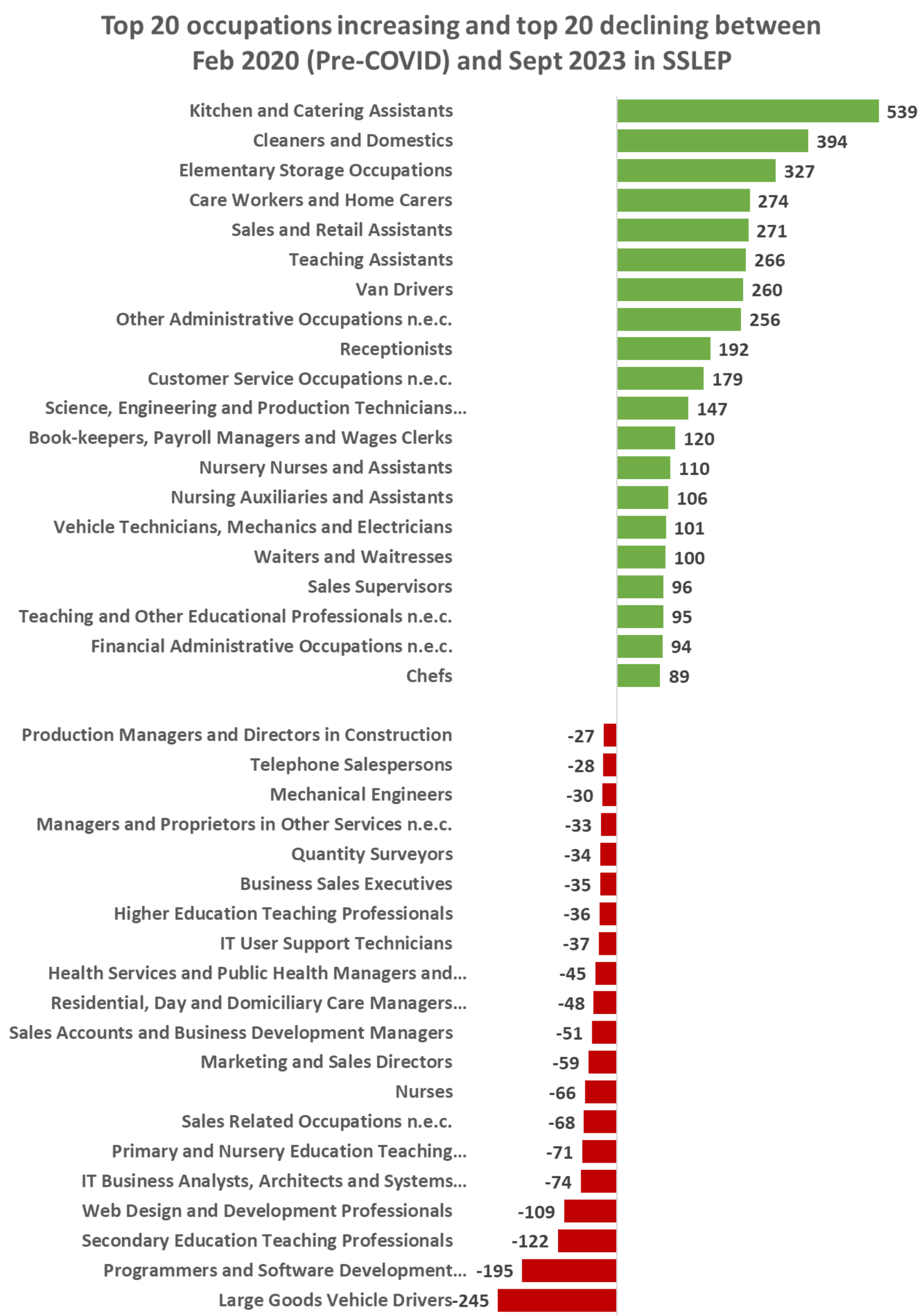
- The occupations to see the largest year-on-year increases include Hospitality sector (Kitchen and Catering Assistants), Housekeepers & related occupations (Cleaners & Domestics), Retail sector (Sales & retail Assistants), Logistics (Van Drivers), Education (Teaching & other Educational Professionals; Teaching Assistants), cross sector business roles (Book Keepers, Payroll Managers & Wages Clerks; Administrative; Receptionists), Health (Nursing Auxiliaries & Assistants), and Childcare (Nursery Nurses & Assistants).

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:

    - **Hospitality** (Kitchen and Catering Assistants; Chefs; Waiters & Waitresses)
    - **Housekeepers & related occupations** (Cleaners & Domestics)
    - **Logistics** (Elementary Storage occupations; Van Drivers)
    - **Health and Social Care** (Care Workers and Home Carers; Nursing Auxiliaries and Assistants)
    - **Retail** (Sales & Retail Assistants; Sales Supervisors)
    - **Education** (Teaching Assistants; Teaching & Other Educational Professionals)
    - **Cross sector business roles** (Administrative occupations; Receptionists; Customer Service occupations; Bookkeepers, Payroll Managers and Wages Clerks; Financial Administrative occupations)
    - **Manufacturing** (Science, Engineering & Production Technicians
    - **Childcare** (Nursery Nurses & Assistants)
    - **Motor Trade** (Vehicle Technicians, Mechanics and Electricians)

This is reflective of the ongoing long term recruitment difficulties in these sectors.



Top Occupations in Demand

- Considering the **top 20 job vacancy occupations in Stoke-on-Trent and Staffordshire**, demand for roles in social care continue to remain high with **'Care Workers and Home Carers' being the most in demand occupations.**

- The following occupations **'Administrative,' 'Sales Related,' 'Nurses' and 'Customer Service' occupations continue to also have strong demand.**

- In the Hospitality sector, **'Kitchen and Catering Assistants' remain the roles most in demand.**

- The Logistics sector continues to have high demand for **'Elementary Storage Occupations,' 'Van Drivers' and 'Large Goods Vehicle Drivers.'**

- There is also continuing high demand for **'Cleaners and Domestics.'**

- In the Education sector there is particularly high demand for **'Teaching Assistants,' 'Teaching and Other Educational Professionals.'**

- Demand for **'Sales and Retail Assistants'** in the Retail sector also remain strong.

- There is **strong demand for 'Bookkeepers, Payroll Managers & Wages Clerks,' 'Human Resources & Industrial Relations Officers,' 'Receptionists,' 'Chartered & Certified Accountants,'** across business sectors to support business in their recovery, survival, and new methods of working.

- In the Manufacturing sector **'Engineering Technicians,' 'Science, Engineering and Production Technicians'** are most in demand.

- There continues to be high demand in the Health sector for **'Nursing Auxiliaries and Assistants.'**

- It is in these areas of the economy where job vacancies remain particularly high and where we are hearing the most reports of **labour and skills shortages** with a mismatch of workers or skills to fill the vacant jobs.

- This has the **potential to slow down economic growth and limit business survival unless the labour shortage and skills gap is quickly and effectively addressed**. Clearly employment support organisations, skills providers and the Government's Plan for Jobs including the Restart schemes and new Skills Bootcamps have a vital role in upskilling and reskilling jobseekers into areas of demand and preventing them becoming long-term unemployed. Government and business sectors have a key role in ensuring that jobs in areas of demand are attracting workers with good pay and terms and conditions to help prevent labour shortages.

- It is clear there continues to be a very high number 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/survival and improve their own prosperity through better pay. 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. Also encouraging those that have become **economically inactive** due to COVID back into work will further help to address labour shortages and skills gaps.

- **Staffordshire County Council's new Job Brokerage Service** is designed to do exactly this by matching local people, employers, and training providers to fill jobs and provide people with the jobs and careers they need.

- There are also clear **emerging opportunities for job creation in digital (including online retail and e-commerce) and the green economy (including retrofitting homes to improve energy efficiency, electric cars e.g., Jaguar Land Rover and hydrogen e.g., JCB).**

- We will also look to build on our existing strengths including **engineering and 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 the West Midlands Freight Interchange, and **advanced logistics** with the ecommerce and 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 where jobs will be very much needed and Pets At Home in Stafford creating over 750 jobs.

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 have 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 is 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.