Staffordshire & Stoke-on-Trent Economic Bulletin

Issue 42 – February 2024

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**, as seen nationally, we have seen unemployment, youth unemployment and dependency on work-related benefits increase during the energy and cost-of-living crisis. This is reflected in this month's **further increase in the Claimant Count. Although it is positive that there continues to be a high number of job vacancies available for those that unfortunately find themselves out of work. We will continue to support our residents into work and ensure that Staffordshire has the strong workforce it needs to grow the economy.**
- We also continue to support **local businesses that face ongoing challenging conditions** due to a wide range of factors including **high interest rates and energy prices, increased commodity costs, increasing wage levels and lower consumer demand**.
- 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 320 this month to a total of 15,290 claimants.** This was a higher proportional increase this month of 2.1% than seen nationally (2.0%) or regionally (1.6%).
- **The claimant rate for Staffordshire has increased this month from 2.8% to 2.9%** 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% which increased from 4.8%, and lower than the average for England at 3.8% which remained unchanged.
- This month has seen an **increase of 60 claimants 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 remained increased from 4.5% to 4.6% this month. This is however lower than the national rate of 5.1% which remained unchanged, and far lower than the regional rate of 6.9% which increased from 6.8% this month.
- Whilst there has been an increase in the claimant count this month**, Staffordshire still has one of the lowest claimant rates in the region.** 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 remains high with the number of vacancies still above pre-pandemic levels and there is currently estimated to be close to one job vacancy 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 27% or 3,240 higher than the level seen in March 2020 (pre-COVID)**, which is largely in-line with the 29% increase seen nationally and the 25% increase 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 2.9% of the working age population compared to 4.9% regionally and 3.8% nationally.**
- Turning now to the jobs that are available for those that find themselves out of work, **Staffordshire saw a 6% increase in the number of available job vacancies between December and January to a total of 14,600 which is lower than the number of work-related benefit claimants. Stoke-on-Trent saw a 9% increase in vacancies to a total of 6,200 which is also lower than the number of claimants. Across the region in the last month there was a 6% increase, and nationally there was a 5% increase in job vacancies. Therefore, Staffordshire is broadly in line with increases seen both regionally and nationally.**
- There has generally been a declining trend from July last year and therefore the modest increase this month in the number of job vacancies is positive as there has been a slowdown in the jobs market as a result of business sectors delaying recruitment due to increased costs and the uncertainty in the economy. **Overall, the outlook remains positive and recruitment demand is strong with new job postings still higher than pre-pandemic levels with Staffordshire job vacancies 23% higher than pre-pandemic levels and Stoke-on-Trent 14% 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 **'Sales Related,' 'Teaching Assistants,' 'Cleaners & Domestics,' occupations also have strong demand.**
- There is **strong demand for 'Customer Service,' 'Administrative,' 'Bookkeepers, Payroll Managers and Wages Clerks,' 'Chartered and Certified Accountants,'** across business sectors to support business in their recovery, survival, and new methods of working.
- The Logistics sector continues to have high demand for **'Warehouse Operatives,' 'Large Goods Vehicle Drivers' and 'Fork-lift Truck Drivers.'**
- There is high demand in the Health and Social Care sector for **'Social Workers,' and 'Registered Nursing Professionals.'**
- In the Education sector there is particularly high demand for **'Secondary Education Teaching Professionals,' and Teaching Professionals.'**
- In the Hospitality sector, **'Kitchen and Catering Assistants' remain the roles most in demand.**
- In the Motor Trade **'Vehicle Technicians, Mechanics and Electricians'** are in demand.
- In the Manufacturing sector **'Plant & Machine Operatives'** are most in demand.

- Demand for **'Managers & Directors in Retail & Wholesale'** in the Retail and Wholesale sector also remain strong.
- In ICT demand for **'Programmers & Software Development Professionals'** is high.
- 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 dedicated 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 ecommerce creating continued demand and the recent announcement by 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.
- **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:
    - keen to identify potential new markets?
    - interested in bidding for public procurement opportunities?
    - in need of advice on chasing late payments?
    - 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.

- **Businesses in Staffordshire can now apply for free energy assessments through the Green Solutions scheme**. The scheme aims to help businesses reduce their energy consumption and costs for a greener future and more sustainable business practices. Businesses will get a free energy assessment plus expert advice to help improve energy efficiency and support to implement the proposed measures. Firms signing up will also benefit from complimentary Carbon Literacy Training. To apply and submit an expression of interest, businesses can visit the official Green Solutions website. A dedicated member of the Green Solutions team will review the submission and reach out to discuss the next steps.
- **Want to work for yourself but not sure where to start**? Now free to access support is offered by Staffordshire Chambers of Commerce, working with Staffordshire

County Council and East Staffordshire Borough Council.
They've launched the Working for Yourself programme which will give you an introduction to what is involved in starting and running your own businesses in Staffordshire. Two half-day, face to face workshops will cover confidence building, skills set and work/life balance as well as start-up basics and financial management. **Get in touch to find out more on 01782 202222 or start@staffordshirechambers.co.uk**

- **A scheme bringing major improvements to a key Staffordshire gateway junction and support long-term future economic growth begins in February.** The multi-million-pound A38 Branston Interchange project will ease congestion and increase capacity. It includes creating additional lanes around the junction, on the slip roads and on Branston Road and Parkway. New traffic signals will also be installed. A £6million allocation from the government's Levelling Up Fund and a significant contribution from the main developer of the Branston Locks site, Nurton Developments, are funding the scheme. Work is set to be completed in spring 2025. **Find out more**
- **A new grant scheme to support growth in our small to medium businesses (SMEs) has been launched by Stafford Borough Council**. A limited amount of £200,000 is available and applications will be processed on a first come first served basis through the UK Shared Prosperity Fund. Eighty per-cent of grants between £5,000 and £10,000, are available to support businesses who are branching out into new markets or creating new products and services. This fund is open to those businesses in Stafford borough where a minimum of 75% of the business income is from sales to other businesses. A match fund of 20% will be required and can be discussed with the business advisor as to how this can be met. **Find out more**
- **A new partnership to boost tourism and grow the visitor economy in Staffordshire and Stoke-on-Trent is looking to appoint its first chair**. The Staffordshire & Stoke-on-Trent Local Visitor Economy Partnership (LVEP) brings together the private sector and the 10 local authorities, which operate across the county and city. It will oversee the strengthening of Staffordshire and Stoke-on-Trent's thriving visitor economy and help build on the success and world class reputation of its international and nationally recognised visitor brands. **Find out more**
- **A regeneration project to improve walking and cycling routes in Cannock town centre is progressing well with a third of the scheme now completed**. The 12-week scheme will see new shared cycle routes, upgraded crossing points and widened footways in Church Street and Ringway, as well as a new link from Allport Road to Beecroft Road car park. It forms part of the wider regeneration plans for the town. A total of £400,000 is being invested in the project thanks to an allocation from the Government's Levelling Up Fund 2 (LUF2). **Find out more**

National Context

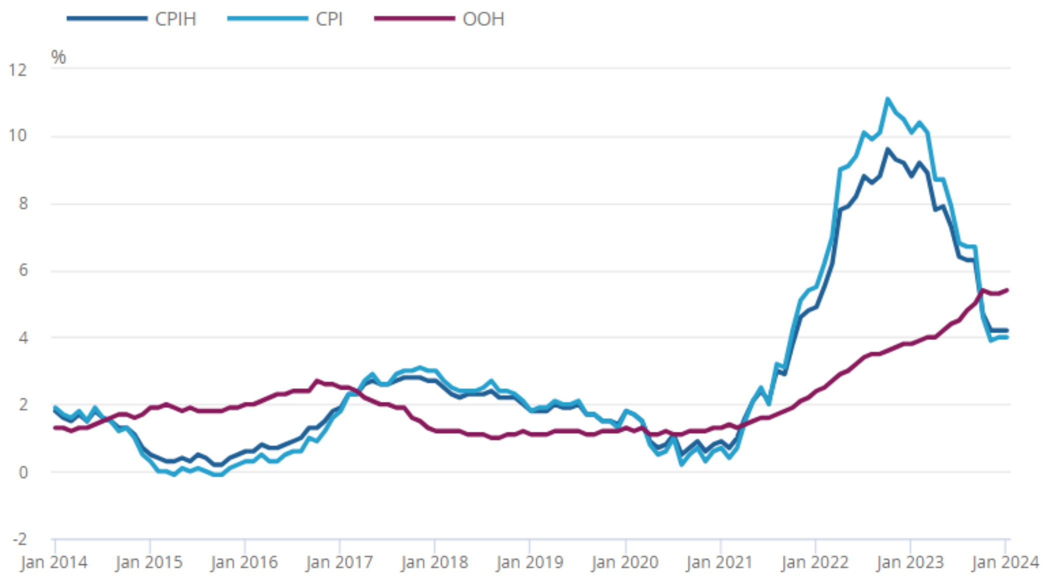
- This month we heard that **the UK entered a recession at the end of last year**, although for the whole of 2023, the economy did see a small growth. It is **hoped that growth in the economy can recover during 2024 with inflation expected to ease further and interest rates to reduce while unemployment remains comparatively low and real wages continue to increase**.
- It will be interesting to see what Government announcements emerge from the upcoming Spring budget on the 6th March 2024, with the General Election on the horizon.

Cost of Living

- **The UK's inflation rate remained unchanged last month, at 4 per cent**. The figure surprised experts who had expected a rise in energy bills to push prices up at a faster rate. The new energy price cap meant the typical annual household bill went up to £1,928, a rise of £94. However, other prices falling, such as for food and furniture, offset the energy increase.
- The **Bank of England's governor has said UK inflation remaining unchanged is "encouraging", but he hinted it would not mean earlier interest rate cuts**. However, **investors have since increased bets that interest rates will fall in June**.

Figure 1: Annual CPI and CPIH inflation rate remained the same

CPIH, OOH component and CPI annual inflation rates for the last 10 years, UK, January 2014 to January 2024



Source: Consumer price inflation from the Office for National Statistics

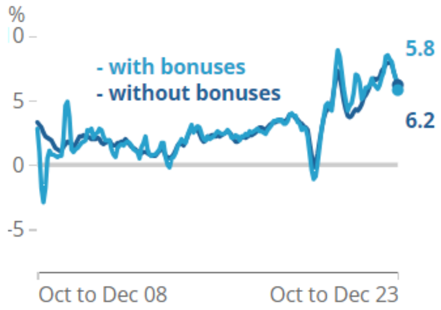
- Looking in more detail at some of the **key factors contributing to the overall headline rate of inflation** we have seen:
    - **Motor fuel** prices fall by 9.2% in the year to January 2024;
    - **Gas** price inflation fall by 26.5% in the year to January 2024;
    - **Electricity** price inflation fall by 13.0% in the year to January 2024;
    - Inflation rate for **food and non-alcoholic beverages** continued to ease to 7.0% in January 2024;
    - The UK annual **private rental price** growth remained at 6.2% in the 12 months to January 2024.
- **Although there are some signs of inflation continuing to head in the right direction and cost of living pressures easing for some, unfortunately there are many struggling with current higher prices**, this is evident in the latest **Opinions and Lifestyle Survey (OPN)** conducted between 17th and 28th January which found that:
    - Around 6 in 10 adults are spending less on non-essentials because of cost-of-living increases;
    - 4 in 10 adults reported having to spend more than usual when food shopping to get what they normally buy;
    - Around 4 in 10 adults are using less fuel in their homes because of cost-of-living increases;
    - Around a third of adults are finding it very or somewhat difficult to afford their rent or mortgage payments.
- **Positively, energy bills are projected to fall by an average of 15 per cent as a mild winter meant high gas storage levels**. A forecast by **Cornwall Insight** indicates energy bills from April to June will drop to £1,635 a year for the typical user.
- Latest average pay figure from the Office for National Statistics shows that **nominal earnings growth remains strong, although it has eased a little in recent periods**. Annual growth in total earnings (including bonuses) in Great Britain was 5.8% in October to December 2023, and annual growth in employees' average regular earnings (excluding bonuses) was 6.2%.
- **Real pay growth continues as inflation continues to fall**. Annual growth in real terms (adjusted for inflation using the Consumer Prices Index including owner occupiers' housing costs (CPIH)) for total pay rose on the year by 1.4% in October to December 2023, and for regular pay rose on the year by 1.8%.

Nominal Earnings

Average Weekly Earnings annual growth rates - nominal pay

Annual growth in both total (including bonuses) and regular (excluding bonuses) earnings continue to be strong, but not as strong as recent periods

Source: MWSS from ONS

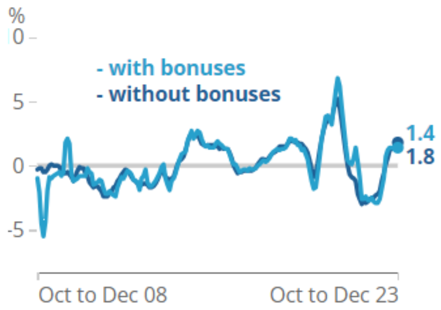


Real Earnings

Average Weekly Earnings annual growth rates - real pay (using CPIH)

In recent periods, annual growth in both real total (including bonuses) and regular (excluding bonuses) earnings has risen on the year

Source: MWSS from ONS



- **There still remain strikes over pay in important parts of the economy, including NHS consultants, junior doctors, and rail workers.** There were 108,000 working days lost in December 2023 because of labour disputes across the UK. The health and social work industry showed the most working days lost this month.

Economy

- **In the final quarter of 2023 the UK economy fell into a technical recession with the economy shrinking by 0.3% between October and December**, after it had already contracted between July and September. This was driven by a number of factors including people spending less, doctors' strikes and a fall in school attendance.
- **Although for the whole of 2023, the UK economy grew by 0.1%**. Nevertheless, excluding the Covid years, that annual growth figure is the weakest since 2009 when the UK and other major economies were reeling from the global financial crisis when bank lending almost ground to a halt.
- **The UK is not alone in facing economic pressure**. The European Union narrowly avoided recession in the second half of 2023 while Japan confirmed its economy had contracted for a second quarter.
- Clearly, entering a recession is not good news but the **Bank of England governor, Andrew Bailey has already told MPs that the downturn may already be over**. He pointed out that there are "distinct signs of upturn" in the UK economy with near "full employment" in the UK suggesting the economy was in better health than the headline figures showed.
- Looking at the **latest monthly GDP figures it is estimated that GDP fell by 0.1% in December 2023**, following a growth of 0.2% in November (revised down from 0.3% growth) and a fall of 0.5% in October (revised down from a 0.3% fall).
- **Services** output fell by 0.1% in December 2023, and in the three months to

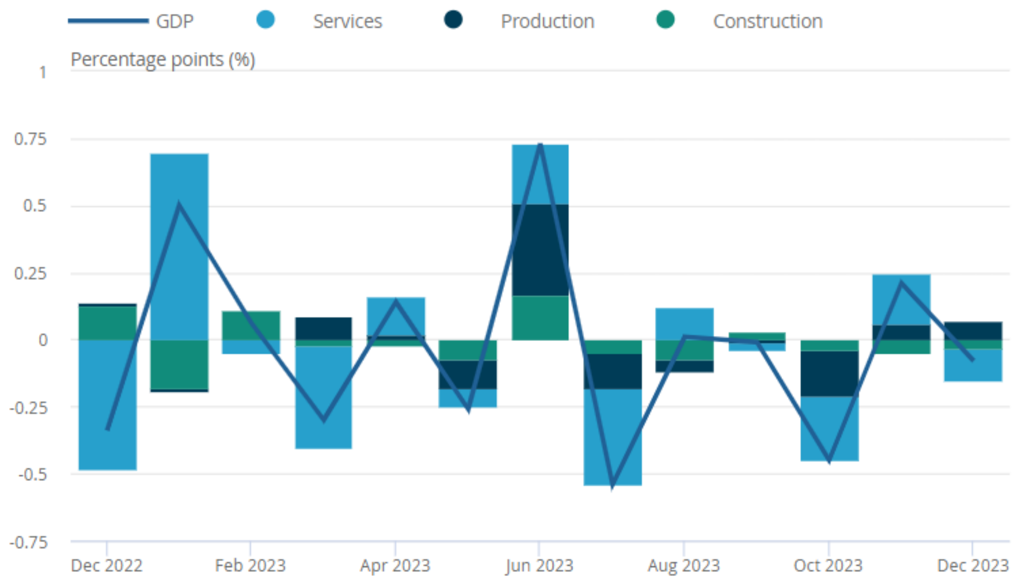
December 2023 services output fell by 0.2%.

- **Production** output grew by 0.6% in December 2023, but in the three months to December 2023 production output fell by 1.0%.
- **Construction** output fell by 0.5% in December 2023, and in the three months to December 2023 construction output fell by 1.3%.

GDP Monthly index, January 2007 to December 2023, UK

Source: GDP monthly estimate from the Office for National Statistics

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

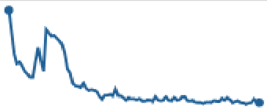
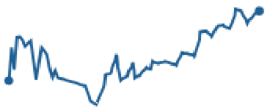
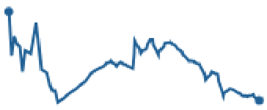
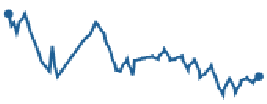


Source: GDP monthly estimate from the Office for National Statistics

Business Conditions

- At this early stage of 2024 we are aware that there are still **many businesses struggling due to a wide range of factors including high interest rates and energy prices, increased commodity costs, wage pressures, supply-chain constraints, lower consumer confidence** and **labour market challenges**. However, there are **signs that the business environment is improving with a number of key indicators starting to head in the right direction** and it is important that we continue to support viable businesses through these challenging times to survive and then grow.
- The following charts show the latest results from Wave 101 of the **Business Insights and Conditions Survey (BICS)**, which was live from 22 January to 4 February 2024.

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	0.3▲	-0.1▼	 65.9 15/06/2020 95.4 04/02/2024
Trading status - Temporarily closed or paused trading Units	-0.5▼	-0.2▼	 33.4 15/06/2020 3.0 04/02/2024
Intra UK Procurement - Yes, the business has been able to get the materials, goods or services it needed Units	11.1▲	1.3▲	 43.4 01/06/2020 62.0 31/12/2023
Intra UK Procurement - Yes, but the business had to change suppliers or find alternative solutions Units	-7.4▼	-0.9▼	 19.2 01/06/2020 5.5 31/12/2023
Intra UK Procurement - No, the business has not been able to get the materials, goods or services needed Units	-1.9▼	0.6▲	 9.2 01/06/2020 3.4 31/12/2023

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

- Fewer than 1 in 10 (7%) businesses with 10 or more employees experienced **global supply chain disruption** in December 2023; this is broadly stable with previous months.
- Nearly two-thirds (62%) of trading businesses reported that they were **able to get the goods they needed from within the UK** in December 2023 without any disruption, broadly stable with November 2023.
- The proportion of trading businesses with 10 or more employees that reported they were either **importing less compared with the same calendar month a year ago, or were unable to import**, rose from 18% in November 2023 to 21% in December 2023.
- In late January 2024, 19% of businesses with 10 or more employees reported they were **experiencing worker shortages**, broadly stable with late December 2023; of those businesses, 49% reported that their **employees were working increased hours as a consequence**.
- It is clear that many businesses are currently struggling in such a challenging business environment, this is evident in the latest business insolvencies data which shows that **in January 2024 there were a total of 1,769 company insolvencies in England and Wales, 5% higher than the number registered in the previous year (1,685 in January 23), and 133% higher than the number registered three years previously: 758 in January 2021).** The main concern around company and individual insolvencies are associated issues such as mental health and homelessness.
- **Retail sales rose by 1.2 per cent in January compared with a year earlier**, below the annual average growth rate of 3.4 per cent, according to the **British Retail Consortium**. Figures from December showed a 3.2 per cent drop in footfall in local high streets.

Labour Market

- In summary, the number of payrolled employees has continued to increase this month and is well above pre-pandemic levels. Over the last quarter employment has increased but remains below pre-pandemic level, unemployment decreased on the quarter and is now below pre-pandemic level and economic inactivity was unchanged during the last quarter and remains above pre-pandemic level. Job vacancies have seen a further decline which reflects the long-term trend but remain above pre-pandemic levels.
- The following charts shows the latest **labour market position** and the latest Office for National Statistics data for October 2023 to December 2023 and sees the reintroduction of Labour Force Survey data, which now include the latest population information:

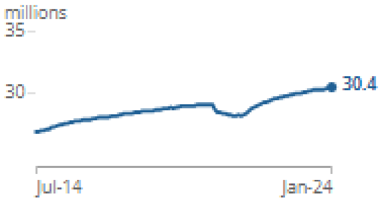
Payrolled employees

The number of payrolled employees

Monthly change: ▲ 48,000
Since Feb 2020: ▲1,337,000

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

Source: PAYE RTI from HMRC



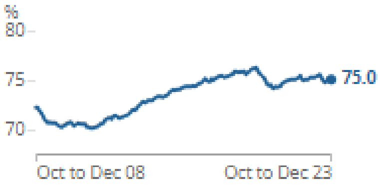
Employment rate

Employment rate (all aged 16 to 64)

Quarterly change: ▲0.2pps
Since Dec-Feb 2020: ▼-1.2pps

The employment rate is up on the quarter but down on the year, and is still below pre-pandemic rates. Note: Quarterly change should be treated with additional caution due to the increased volatility of LFS estimates.

Source: LFS from ONS



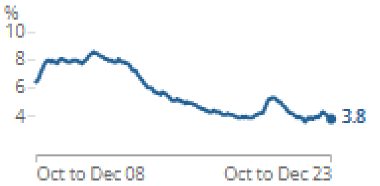
Unemployment rate

Unemployment rate (all aged 16+)

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

The unemployment rate is down on the quarter but largely unchanged on the year, and below pre-pandemic rates. Note: Quarterly change should be treated with additional caution due to the increased volatility of LFS estimates.

Source: LFS from ONS



Inactivity rate

Economic inactivity rate (all aged 16 to 64)

Quarterly change: ◄► 0pps
Since Dec-Feb 2020: ▲1.4pps

The economic inactivity rate is largely unchanged on the quarter but up on the year, and still above pre-pandemic rates. Note: Quarterly change should be treated with additional caution due to the increased volatility of LFS estimates.

Source: LFS from ONS

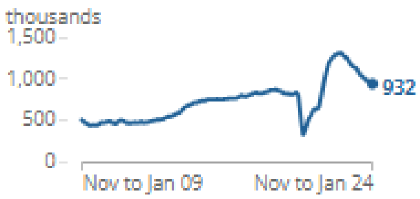
Job vacancies

Number of job vacancies

Quarterly change: ▼-26,000
Since Jan-Mar 2020: ▲131,000

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

Source: Vacancy Survey from ONS



- **Payrolled employees** in the UK rose by 31,000 (0.1%) between November and December 2023 and rose by 401,000 (1.3%) between December 2022 and December 2023. While the number of payrolled employees continues to increase, the rate of annual growth is decreasing.

- The early estimate of payrolled employees for January 2024 increased by 48,000 (0.2%) on the month and increased by 413,000 (1.4%) on the year to 30.4 million. The January 2024 estimate should be treated as a provisional estimate and is likely to be revised when more data are received next month. **Payrolled employees are 1.34m above pre-pandemic levels.**
- ONS have stated that because of increased volatility of Labour Force Survey estimates resulting from smaller achieved sample sizes, estimates of quarterly change should be treated with additional caution and we recommend using them as part of our suite of labour market indicators alongside workforce jobs, claimant count data and Pay As You Earn Real Time Information estimates.
- The **UK employment rate (75.0%)** for those aged 16 to 64 years remains below estimates a year ago (October to December 2022), but increased in the latest quarter. **Employment rate remains 1.2 percentage points below pre-pandemic levels.**
- The **UK unemployment rate (3.8%)** for those aged 16 years and over decreased in the latest quarter, returning to the rate a year ago (October to December 2022). **Unemployment rate is 0.2 percentage points below pre-pandemic levels.**
- The **UK economic inactivity rate (21.9%)** for those aged 16 to 64 years was largely unchanged in the latest quarter but is above estimates a year ago (October to December 2022). **The annual increase was driven by those inactive because they were long-term sick, which remains at historically high levels**. **Economic inactivity rate is 1.4 percentage points above pre-pandemic levels.**
- The **UK claimant count** for January 2024 increased by 14,100 on the month and by 61,200 on the year to 1.579 million.
- **In November 2023 to January 2024, the estimated number of vacancies in the UK fell by 26,000 on the quarter to 932,000**. Vacancies fell on the quarter for the 19th consecutive period but are **still 131,000 above pre-pandemic levels**. The current sequence of quarterly falls in our vacancy estimates is the longest ever recorded, but has slowed in the latest period, with the smallest fall in the number of vacancies since May to July 2022.
- The industry sectors showing the largest annual decreases in the number of vacancies were human health and social work activities, and accommodation and food service activities, which fell by 41,000 and 37,000, respectively.
- The **National Institute of Economic and Social Research have warned that employers are having to recruit overseas instead of locally due to UK nationals leaving the job market.** More than nine million people of working age have quit the jobs market. The number of companies registering to become sponsors to hire staff overseas has doubled in the past two years.
- **As vacancies in the English NHS hit 120,000, a renewed focus on staffing within health services has shed light on NHS reliance on overseas workers**. The NHS now represents 214 nationalities, however Sir Julian Hartley, chief executive NHS Providers has said that while their contribution is invaluable "we can't rely on

overseas workers to plug the staffing gaps" and called on the Government to install long term and wide ranging investment in the recruitment of and training of more UK staff. The Department of Health and Social Care set out plans in June 2023 for a long-term workforce strategy which is set to reduce international recruitment for 10 per cent from almost 25 per cent in 10 years' time.

- **The government is offering £1,000 to new childcare staff amid concerns about the rollout of free childcare hours in just two months' time**. Nurseries and childminders say they are experiencing a recruitment and funding crisis which could derail plans to offer 15 subsidised hours a week to all two-year-olds in England. Cllr Louise Gittins, Chair of the LGA's Children and Young People Board, said: "This announcement is a positive step towards addressing the capacity and workforce issues facing childcare providers. Councils have been working hard to support providers to increase their workforce, but many feel constrained by their inability to determine where new providers can be established."

Skills

- **Trainee teachers will be able to earn while they learn after ministers announced a "game-changing" apprenticeship scheme providing cost-free degrees**. The Department for Education said the teacher degree apprenticeship will be "a high-quality, alternative route" to become a qualified primary or secondary school teacher.

Green Economy

- **New regulations on biodiversity net gain are to come into force.** The "nature market" means all new building projects must achieve a 10 per cent net gain in biodiversity or habitat.

Housing

- **The Levelling Up, Housing and Communities Secretary Michael Gove has committed to grant planning permission in urban areas that do not meet their housebuilding targets as well relax permitted development rules for retail to residential conversions.** As well as this, he suggested a cut to stamp duty, state-backed 99 per cent mortgages and an extension of a discount scheme for first-time buyers could be introduced at the forthcoming Budget.
- A study by **Centre for Policy Studies** shows that **England needs as many as half a million new homes a year to keep up with the country's rising population**, the analysis draws on migration projections for 2023-2036.

Transport

- **A draft bill to reform Britain's railway has been published by the Government and paves the way for an independent Great British Railways body to oversee** both the railway infrastructure and train services**. The Department for Transport said that the new body would make for a simpler, more accountable and more effective rail system.

- **England has lost 28 per cent of local bus provision per person since 2011**. Analysis by Channel 4's FactCheck team reveals a significant drop in the total number of miles covered by local buses across England, with hardest hit areas in the north and the Midlands.

Conclusion

- In conclusion, the **UK has entered a recession but it is expected that this will be shallow and short lived with inflation likely to ease further and interest rates to be cut later in the year helping the economy to recover**.
- At the same time **unemployment has remained comparatively low compared to recent economic downturns and real wages continue to grow**.
- **In light of inflation easing and wages outstripping price rises it is hoped that the cost-of-living crisis will impact fewer people as we move through 2024**, although it is clear that many will need continued support until the crisis is completely resolved.
- We also need to continue our support for viable businesses to survive and grow during these challenging economic conditions. **By reducing the impact on our business base we can see faster recovery from the recession and return to economic growth to the benefit of all.**
- The **labour market picture remains mixed with employment increasing and unemployment decreasing, while economic inactivity due to long-term sickness remains a key challenge** in helping to meet labour demand and fill job vacancies across the economy.
- **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 Jobs and Careers Brokerage 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 January 2024, which shows the number of new companies and individuals who are unable to pay debts and enter a formal insolvency procedure.

Company Insolvencies

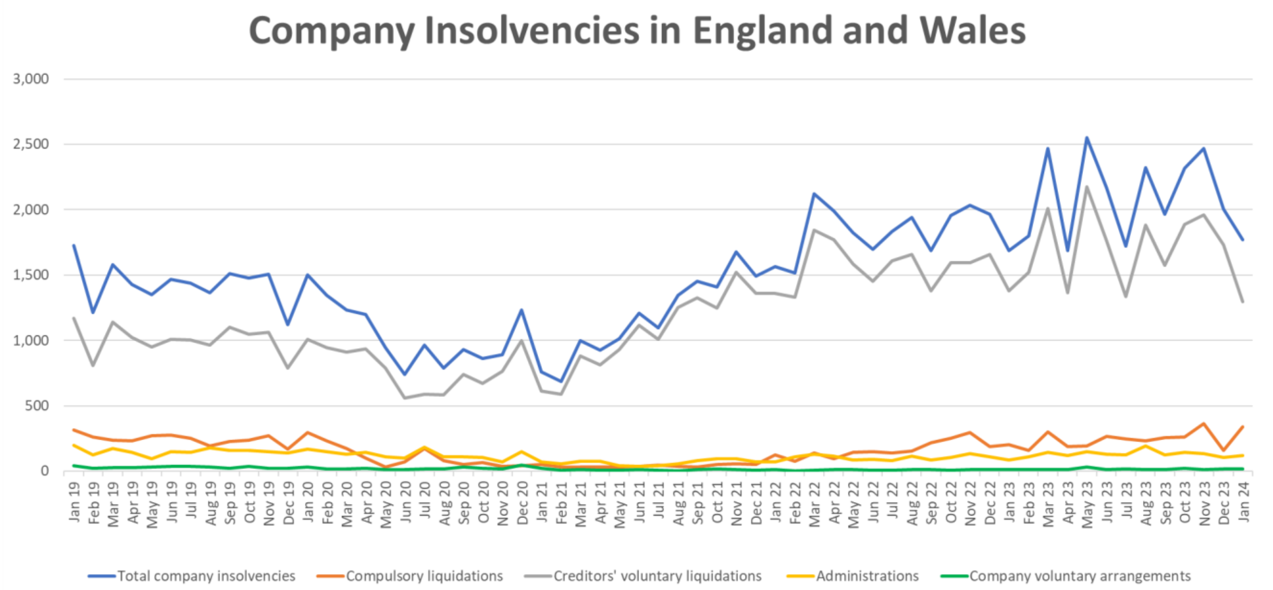
In January 2024 there were a total of 1,769 company insolvencies in England and Wales.

The overall number of **company insolvencies are 5% higher than the number registered in the previous year (1,685 in January 2023), and 133% higher than the number registered three years previously: 758 in January 2021).** 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 339 compulsory liquidations in January 2024, which is 66% higher than the number in January 2023, and 565% higher than in January 2021. 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 January 2024 there were 1,294 Creditors' Voluntary Liquidations (CVLs), 6% lower than January 2023, and 111% higher than January 2021. Numbers of administrations are higher than pandemic levels at 64% higher than January 2021, and Company Voluntary Arrangements (CVAs) are lower than pandemic levels at 24% below January 2021 levels.

Company insolvencies between February 2023 and January 2024 are 13% higher compared to a year earlier, representing 3,000 more businesses.



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

[1]Source: The Insolvency Service – Monthly Insolvency Statistics, January 2024 - GOV.UK (www.gov.uk)

The sectors to have seen the largest number of company insolvencies between January 2023 and December 2023 continue to be the Construction sector (4,378), Wholesale & Retail sector (3,936) and Accommodation & Food Service sector (3,730). Levels exceed those seen for the same period the previous year with the Construction sector 5% higher, Wholesale & Retail sector 20% higher, and Accommodation & Food Service sector 38% higher than levels seen a year earlier. This can be attributed to higher commodity costs, energy costs and wage 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

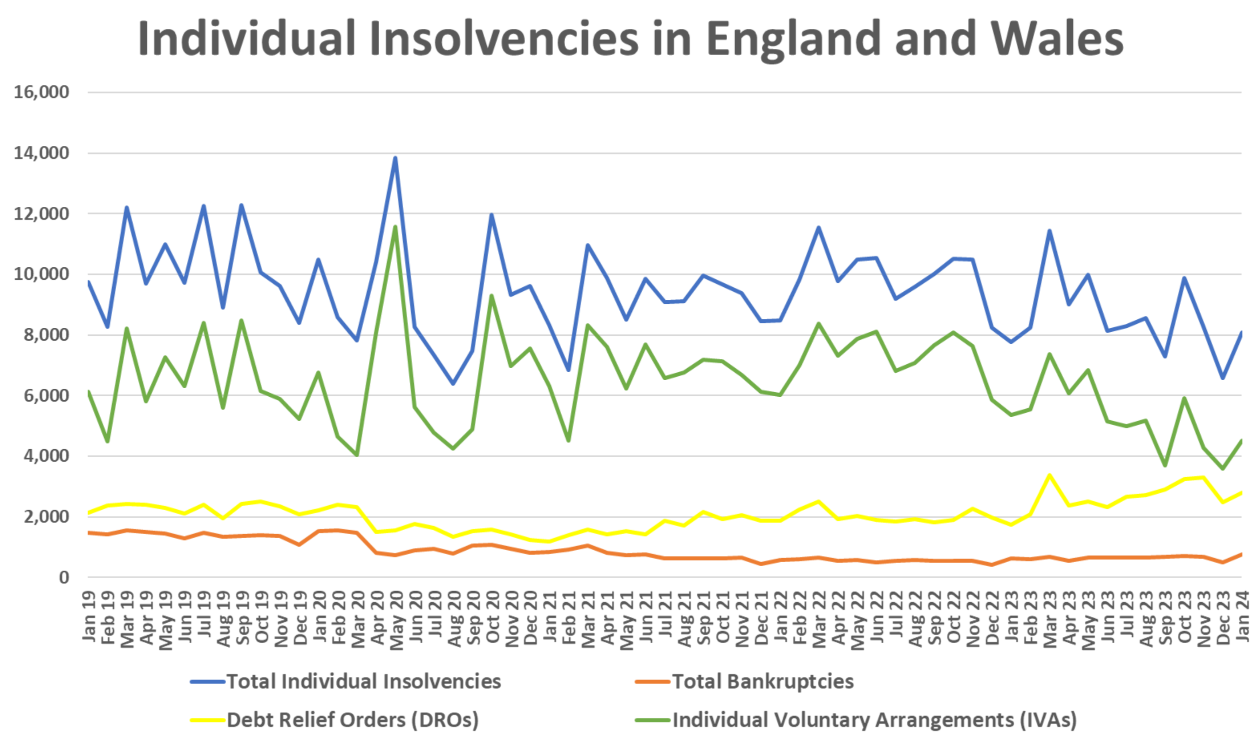
There were **8,089 total individual insolvencies in January 2024**, which was 4% higher than in January 2023, and 3% lower than in January 2021.

For individuals, **768 bankruptcies were registered in January 2024**, which was 20% higher than in January 2023, but 9% lower than in January 2021.

There were **2,793 Debt Relief Orders (DROs) in January 2024**, which was 60% higher than in January 2023, and 138% higher than in January 2021.

There were, on average, **4,528 Individual Voluntary Arrangements (IVAs)** registered in January 2024, which is 16% lower than January 2023, and 28% lower than January 2021.

Total Individual Insolvencies between February 2023 and January 2024 are 12% lower than the same period a year earlier, representing a decrease of 14,300.



Sources: Insolvency Service

There were **8,356 Breathing Space registrations in January 2024, which is 10% higher than the number registered in January 2023**. Of these, 8,232 were Standard Breathing Space registrations, which is 10% higher than in January 2023, and 124 were Mental Health Breathing Space registrations, which is 27% higher than the number in January 2023.

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: January 2024

Area	Claimant Count Rate (January 2023)	Claimant Count Rate (December 2023)	Claimant Count Rate[1] (January 2024)	Number of Claimants (January 2024)	Monthly Change in Claimants (Numbers)	Monthly Change in Claimants (%)	Change in Claimants since March 2020 (Numbers)	Change in Claimants since March 2020 (%)
England	3.6	3.8	3.8	1,367,420	26,270	2.0%	303,915	28.6%
West Midlands	4.7	4.8	4.9	179,825	2,845	1.6%	35,475	24.6%
SSLEP	3.3	3.4	3.5	24,350	675	2.9%	4,980	25.7%
Birmingham	8.1	8.6	8.7	64,220	1,040	1.6%	14,850	30.1%
Wolverhampton	7.3	7.1	7.2	11,840	80	0.7%	1,460	14.1%
Sandwell	6.1	6.1	6.2	13,310	160	1.2%	2,530	23.5%
Stoke-on-Trent	5.2	5.4	5.6	9,060	355	4.1%	1,740	23.8%
Coventry	5.2	5.4	5.5	12,385	270	2.2%	4,385	54.8%
Walsall	5.5	5.5	5.5	9,595	110	1.2%	990	11.5%
Dudley	4.6	4.6	4.6	9,050	55	0.6%	535	6.3%
Telford and Wrekin	3.4	3.4	3.5	4,025	80	2.0%	595	17.3%
Solihull	3.1	3.1	3.2	4,175	125	3.1%	525	14.4%
Worcestershire	3.0	3.0	3.0	10,770	65	0.6%	2,465	29.7%
Staffordshire	2.7	2.8	2.9	15,290	320	2.1%	3,240	26.9%
Warwickshire	2.6	2.5	2.5	9,215	5	0.1%	1,385	17.7%
Herefordshire, County of	2.4	2.4	2.4	2,600	20	0.8%	490	23.2%
Shropshire	2.4	2.2	2.2	4,285	155	3.8%	275	6.9%
East Staffordshire	2.9	3.3	3.5	2,755	180	7.0%	1,035	60.2%
Tamworth	3.3	3.5	3.5	1,695	0	0.0%	205	13.8%
Cannock Chase	3.2	3.3	3.4	2,130	60	2.9%	475	28.7%
Newcastle-under-Lyme	2.9	3.0	3.1	2,360	45	1.9%	380	19.2%
South Staffordshire	2.6	2.5	2.6	1,695	20	1.2%	385	29.4%
Stafford	2.4	2.5	2.5	2,045	-5	-0.2%	390	23.6%
Lichfield	2.5	2.3	2.3	1,435	0	0.0%	115	8.7%
Staffordshire Moorlands	2.0	2.1	2.1	1,175	20	1.7%	255	27.7%

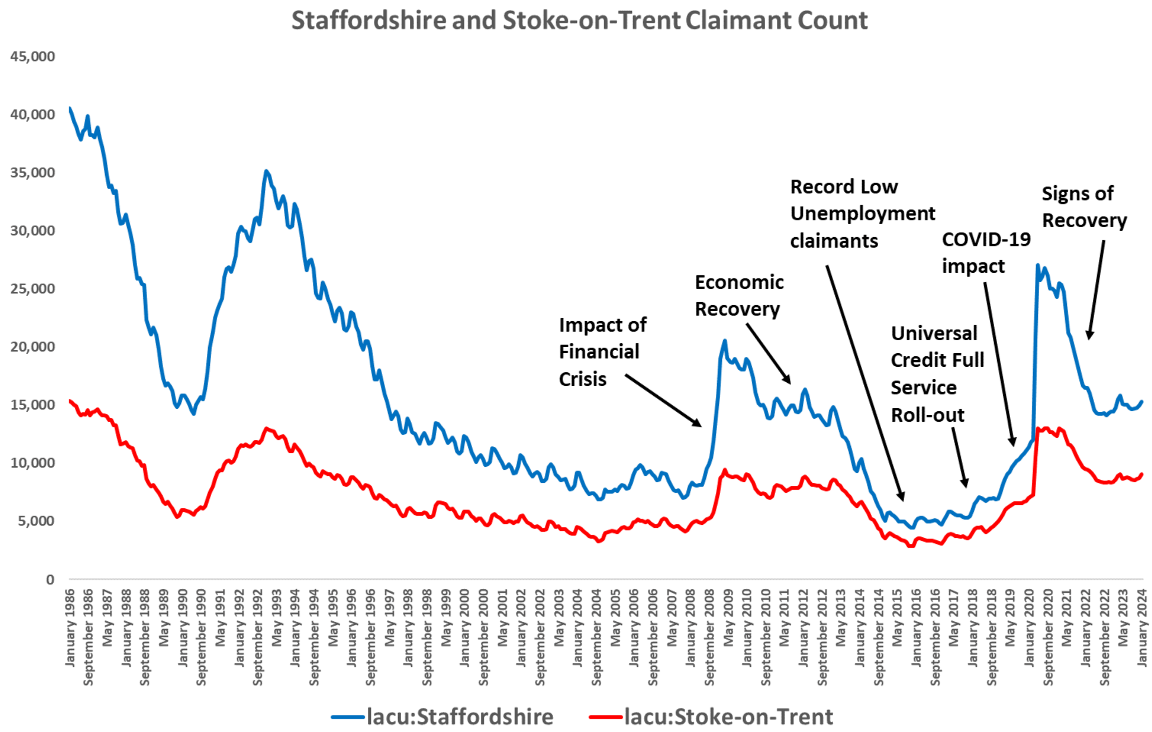
[1] The claimant rate is the proportion of the working age population claiming Universal Credit

- The claimant count in Staffordshire saw an **increase of 320 claimants in January**, with the **total number now at 15,290**.
- Over the last month, the **claimant rate for Staffordshire increased from 2.8% to 2.9%** of the working age population.
- The **rate in Staffordshire continues to be 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 an **increase of 355 claimants** over the same period with **a total of 9,060 claimants in January**, with the **rate increasing from 5.4% to 5.6%.**
- Whilst there was a higher proportional increase this month in Staffordshire of 2.1% than seen nationally (2.0%) or regionally (1.6%), **Staffordshire still has one of the lowest claimant rates in the region.** 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/

- **Demand for labour remains high with the number of vacancies still above pre-pandemic levels and there is currently estimated to be close to one job vacancy 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 27% or 3,240 higher than the level seen in March 2020 (pre-COVID)**, which is largely in-line with the 29% increase seen nationally and the 25% increase seen regionally.



- **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 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 claimants that are 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 2.9% 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 5.6%.**

- This month there were increases in the claimant count across the majority of districts in Staffordshire, with the exception of Lichfield and Tamworth which remained unchanged and Stafford which saw a slight decrease in claimants.

- East Staffordshire and Tamworth have the highest claimant rate at 3.5%, and Staffordshire Moorlands has the lowest at 2.1%. 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 60 claimants with a total of 2,895 young people**.

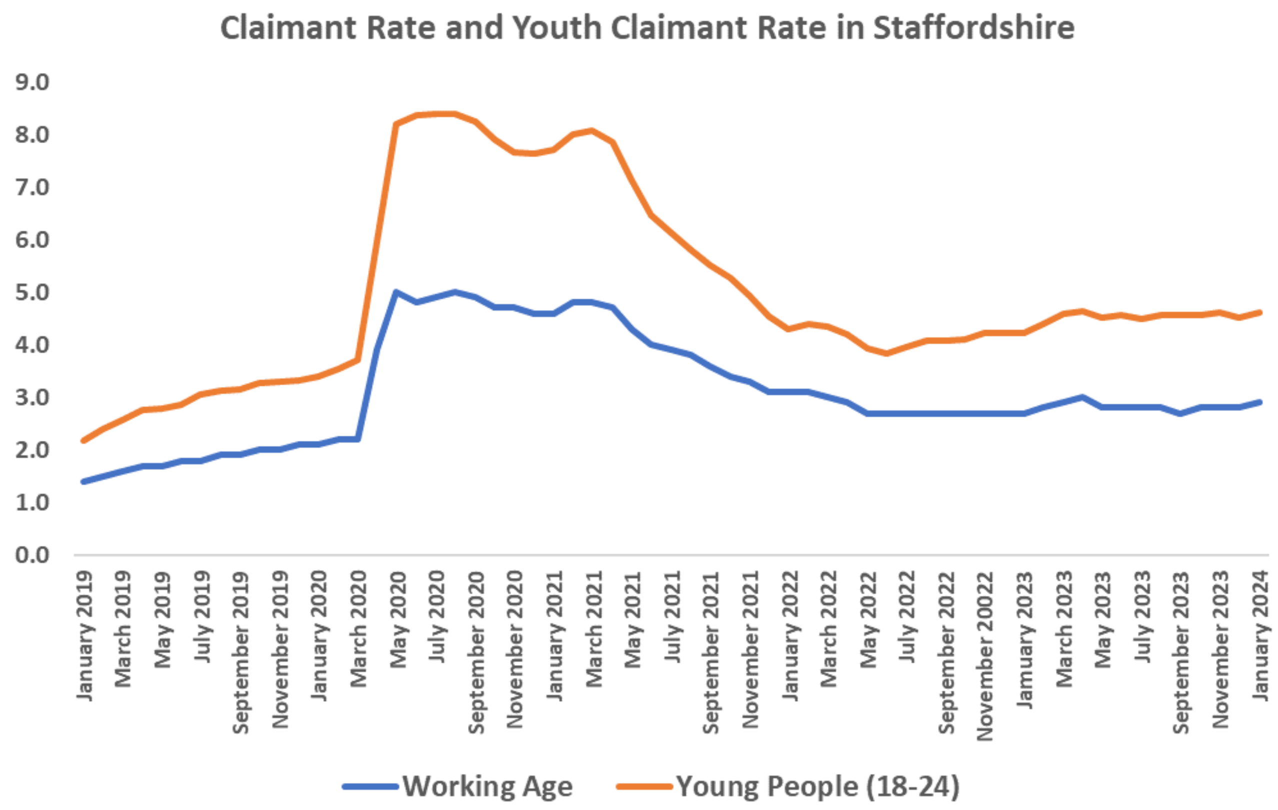
- **The proportion of young people in Staffordshire aged 18-24 that are claiming work-related Universal Credit increased from 4.5% to 4.6% this month.** This continues to be lower than the national rate of 5.1% which remained unchanged, and far lower than the regional rate of 6.9%, which increased from 6.8% this month.

- This month, **Stoke-on-Trent saw an increase of 50 claimants to a total of 1,765 claimants with the rate increasing from 7.6% to 7.8% this month.**

Youth Claimant Count (Universal Credit) Statistics: January 2024

Area	Youth Claimant Count Rate (January 2023)	Youth Claimant Count Rate (December 2023)	Youth Claimant Count Rate[1] (January 2024)	Number of Youth Claimants (January 2024)	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	4.7	5.1	5.1	240,330	2,910	1.2%	42,600	21.5%
West Midlands	6.2	6.8	6.9	34,560	410	1.2%	6,655	23.8%
SSLEP	5.0	5.3	5.5	4,660	110	2.4%	840	22.0%
Wolverhampton	9.9	10.7	10.6	2,275	-20	-0.9%	365	19.1%
Wallsall	8.3	9.2	9.5	2,140	60	2.9%	225	11.7%
Birmingham	8.2	9.3	9.4	12,190	105	0.9%	3,085	33.9%
Sandwell	8.6	9.2	9.3	2,660	35	1.3%	545	25.8%
Stoke-on-Trent	7.0	7.6	7.8	1,765	50	2.9%	360	25.6%
Dudley	7.2	7.8	7.7	1,830	-10	-0.5%	80	4.6%
Solihull	4.8	5.3	5.7	860	60	7.5%	35	4.2%
Telford and Wrekin	5.6	5.5	5.7	845	25	3.0%	85	11.2%
Coventry	4.6	5.2	5.3	2,275	45	2.0%	740	48.2%
Worcestershire	4.6	4.7	4.7	1,960	0	0.0%	365	22.9%
Staffordshire	4.2	4.5	4.6	2,895	60	2.1%	480	19.9%
Herefordshire, County of	3.6	3.9	3.8	440	-10	-2.2%	25	6.0%
Warwickshire	3.6	3.8	3.7	1,670	-15	-0.9%	335	25.1%
Shropshire	3.4	3.3	3.4	750	20	2.7%	-75	-9.1%
Cannock Chase	5.5	6.3	6.4	455	10	2.2%	90	24.7%
Tamworth	5.6	6.2	6.3	360	5	1.4%	65	22.0%
East Staffordshire	4.2	4.9	5.0	450	10	2.3%	130	40.6%
South Staffordshire	4.6	4.5	4.6	340	5	1.5%	90	36.0%
Stafford	4.2	4.2	4.3	370	10	2.8%	55	17.5%
Newcastle-under-Lyme	3.6	4.0	4.1	485	10	2.1%	60	14.1%
Lichfield	3.9	3.5	3.6	255	5	2.0%	-15	-5.6%
Staffordshire Moorlands	2.7	3.0	3.1	180	5	2.9%	5	2.9%

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



- This month all of the districts in Staffordshire saw increases.

- Cannock Chase has the highest rate at 6.4%, whilst Staffordshire Moorlands has the lowest rate at 3.1%. Newcastle-under-Lyme and Cannock Chase have the highest number of youth claimants at 485 and 455 respectively, whilst Staffordshire Moorlands has the lowest number of youth claimants at 180.

- 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

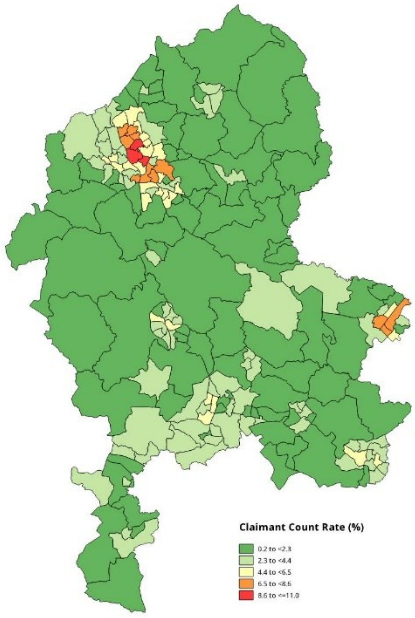
The following maps and tables provide the latest breakdown of the claimant count by wards in Staffordshire & Stoke-on-Trent.

Claimant Count Rate January 2024

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, fifteen were in Stoke-on-Trent with Joiner's Square: 11%/505; Etruria & Hanley: 9.2%/495; Moorcroft: 8.9%/330; Tunstall: 8.2%/345; Burslem Central: 8%/365 total claimants.

In Staffordshire, four wards were in East Staffordshire with the highest claimant count rates in Burton: 8%/240; Anglesey: 6.7%/360; Shobnall: 6.6%/360; Eton Park: 6.1%/300; and Cannock South (Cannock Chase): 5.9%/315 total claimants.

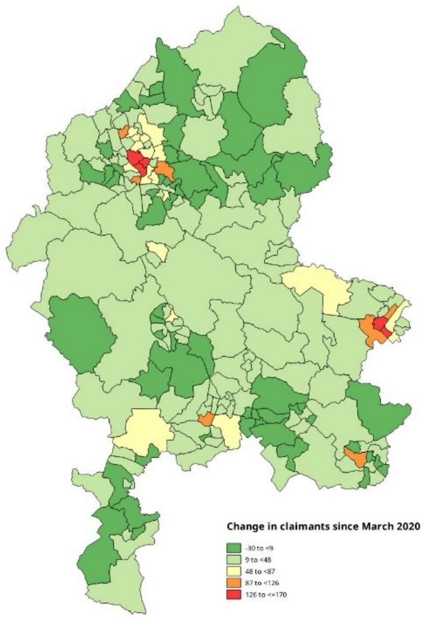


Staffordshire County Council

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 Etruria & Hanley (140 increase to 495); Hanley Park & Shelton (135 increase to 320); Joiner's Square (130 increase to 505); Bentilee & Ubberley (115 increase to 515); Tunstall (95 increase to 345); Boothen & Oak Hill (95 increase to 280).

Of the remaining four wards in the top ten, all were in East Staffordshire including Anglesey with a 170 increase to 360 claimants; Shobnall with a 150 increase to 360 claimants; Eton Park with a 120 increase to 300 claimants; Branston with a 120 increase to 195 claimants.



Staffordshire County Council

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

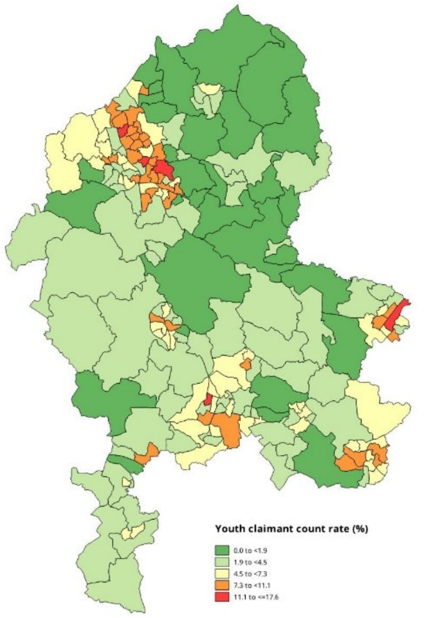
The following maps and tables provide the latest breakdown of the youth claimant count by wards in Staffordshire & Stoke-on-Trent.

Youth Claimant Count Rate January 2024

Of the 201 wards in Staffordshire & Stoke-on-Trent, 85 were above the England average of 5.1% 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: 17.6%/135; Bentilee & Ubberley: 12.2%/110; Tunstall 11.3%/70; Fenton East: 10.7%/50; Bradeley & Chell Heath: 10.2%/45; Meir North: 9.9%/55 total youth claimants.

In Staffordshire, the four wards with the highest claimant count rates were Burton (East Staffordshire): 13%/50; Cannock North (Cannock Chase): 11.3%/60; Cannock South (Cannock Chase): 10%/65; Doxey & Castletown (Stafford): 10%/30 total youth claimants.

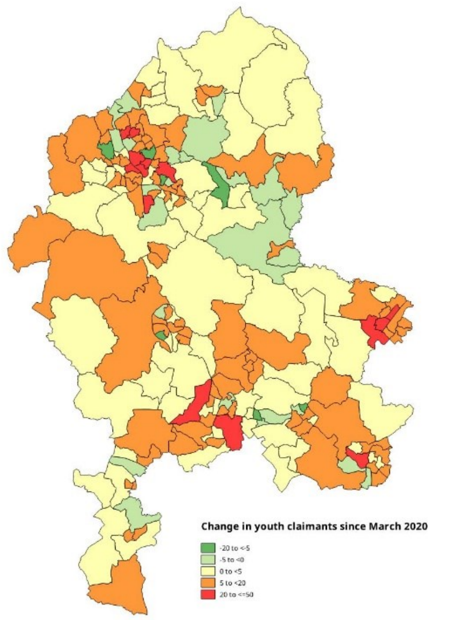


Staffordshire County Council

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 (50 increase to 80); Joiner's Square (35 increase to 135); Tunstall (30 increase to 70); Bentilee & Ubberley (20 increase to 110); Burton West & Newstead (20 increase to 55); Little Chell & Stanfield (20 increase to 60).

In Staffordshire, the four wards with the highest change in the number of youth claimants since March 2020, were Castle (Tamworth) with a rise of 30 to 45; Norton Canes (Cannock Chase) with a rise of 20 to 45; Eton Park (East Staffordshire) with a rise of 20 to 50; Shobnall (East Staffordshire) with a rise of 20 to 55 total youth claimants.



Staffordshire County Council

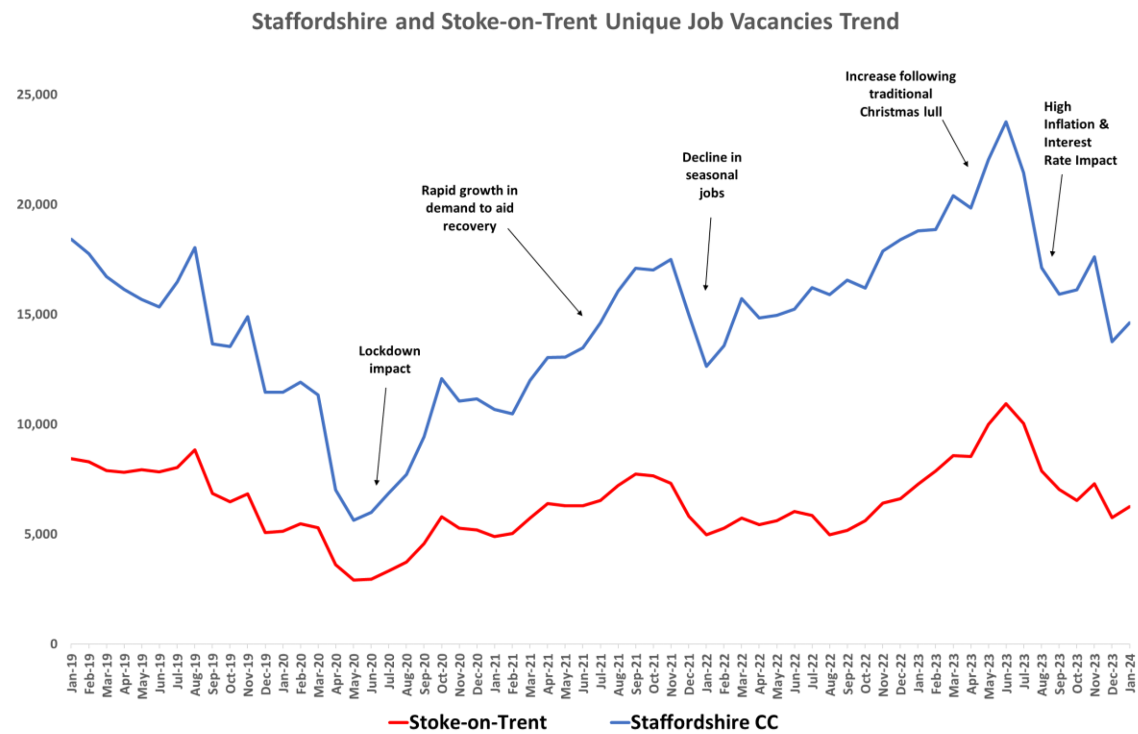
Job Vacancies[3]

- **Staffordshire saw a 6% increase in the number of available job vacancies between December and January with a total of 14,600[4]. This is now lower than the number of work-related benefit claimants.**

- **Stoke-on-Trent saw a 9% increase in job vacancies to a total of 6,200 which is lower than the number of claimants.**

- **Across the region in the last month there was a 6% increase, and nationally there was a 5% increase in job vacancies. Therefore, Staffordshire is broadly in line with increases seen both regionally and nationally.**

- In January there has been a decrease in the number of available job vacancies, compared to a year ago in Staffordshire with the number of job adverts being posted 22% lower, whilst Stoke-on-Trent decreased 14%. The chart below indicates a general declining trend overall from July last year indicating a slowdown in the jobs market as a result of business sectors delaying recruitment due to increased costs and uncertainty in the economy. Therefore, it is positive to see a modest uplift in vacancies this month. Overall, the outlook remains positive and recruitment demand is strong with new job postings higher than pre-pandemic levels with Staffordshire job vacancies 23% higher and Stoke-on-Trent 14% 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] Lightcast updated its deduplication algorithm for UK job postings on 17 November 2023. As a result of this change historic posting counts have decreased on average by 2% to 4%.

Monthly Trends in recruitment

- All of the occupational groups saw an increase in vacancies during January, with 'Administrative & Secretarial' occupations seeing the largest increase of 13% followed by 'Associate Professional' occupations with a 12% increase.

- The occupations to see the most significant increases during January include **Care Workers & Home Carers; Sales Related; Cleaners & Domestics; Social Workers; Early Education & Childcare Practitioners; Administrative; Customer Service; Plant & Machine Operatives; Chartered & Certified Accountants; Kitchen and Catering Assistants.**

Annual Trends in job vacancies

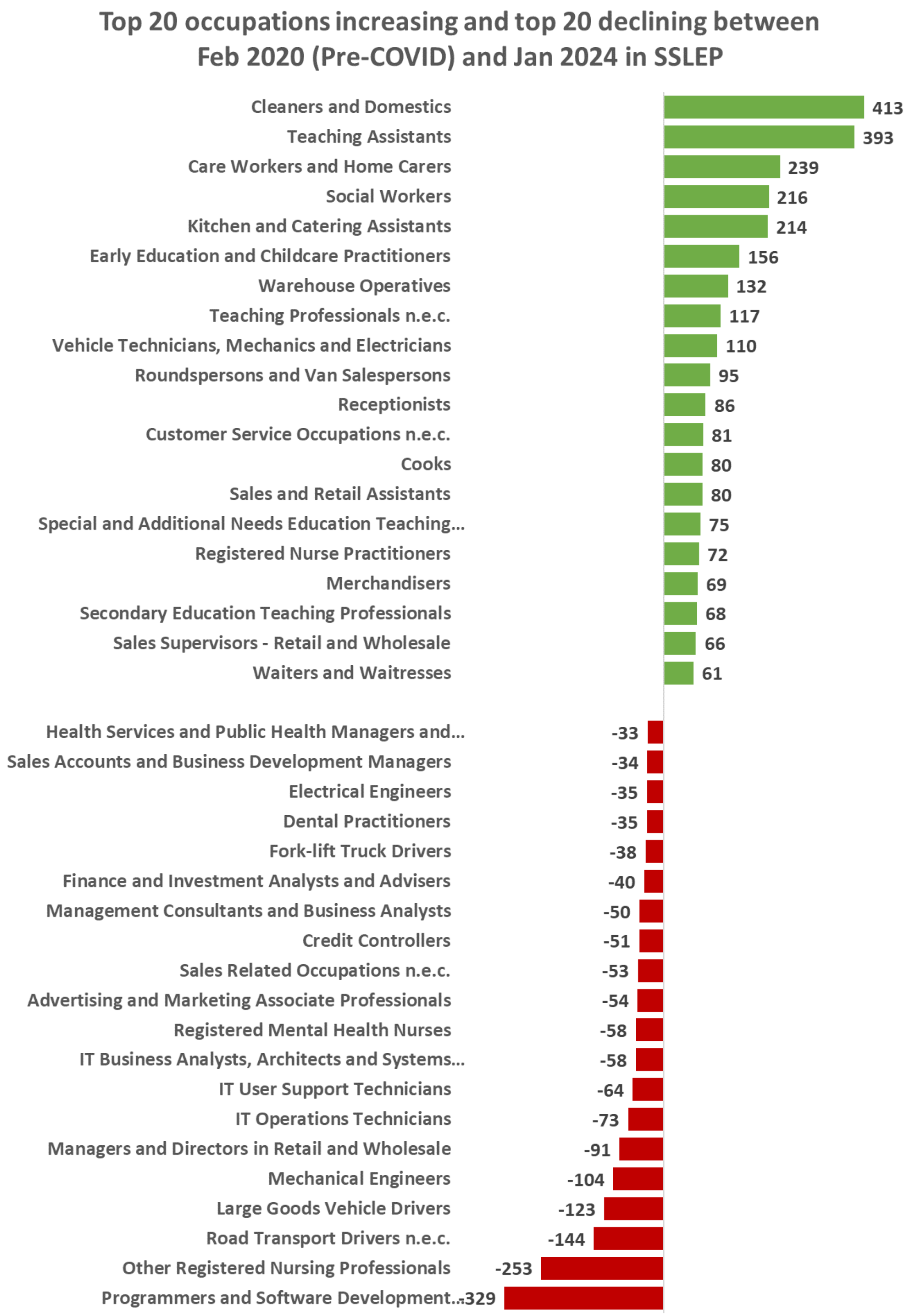
- The occupations to see the largest year-on-year increases include Education (Teaching Assistants; Secondary Education Teaching Professionals; Special & Additional Needs Teaching Professionals; Higher Level Teaching Assistants), Construction (Quantity Surveyors; Construction & Building Trade Supervisors; Electricians & Electrical Fitters), Health & Social Care (Social Workers; Occupational Therapists), Authors, Writers & Translators, Manufacturing (Production Managers & Directors), Engineering (Science, Engineering & Production Technicians; Engineering Project Managers & Project Engineers), Dispensing Opticians, Clergy, Cross Sector Business Roles (Business Sales Executives), Transport (Other Drivers & Transport Operatives), Childcare (Early Education & Childcare Practitioners), Logistics (Large Goods Vehicle Drivers); Hospitality (Bar Staff).

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:

  - **Housekeepers & related occupations** (Cleaners & Domestics)
  - **Education** (Teaching Assistants; Teaching Professionals; Secondary Education Teaching Professionals; Special & Additional Needs Education & Teaching Professionals)
  - **Health and Social Care** (Care Workers and Home Carers; Social Workers; Registered Nurse Practitioners)
  - **Hospitality** (Kitchen and Catering Assistants; Cooks; Waiters & Waitresses)
  - **Childcare** (Early Education & Childcare Practitioners)
  - **Logistics** (Warehouse Operatives; Roundspersons & Van Salespersons)
  - **Motor Trade** (Vehicle Technicians, Mechanics and Electricians)
  - **Cross sector business roles** (Receptionists; Customer Service)
  - **Retail & Wholesale** (Merchandisers; Sales Supervisors)

  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 **'Sales Related,' 'Teaching Assistants,' and 'Cleaners & Domestics' also have strong demand.**

- There is **strong demand for 'Customer Service,' 'Administrative,' 'Bookkeepers, Payroll Managers & Wages Clerks,' 'Chartered & Certified Accountants,'** across business sectors to support business in their recovery, survival, and new methods of working.

- The Logistics sector continues to have high demand for **'Warehouse Operatives,' 'Large Goods Vehicle Drivers' and 'Fork-lift Truck Drivers.'**

- There is high demand in the Health and Social Care sector for **'Social Workers,' 'Registered Nursing Professionals.'**

- In the Education sector there is particularly high demand for **'Secondary Education Teaching Professionals' and 'Teaching Professionals.'**

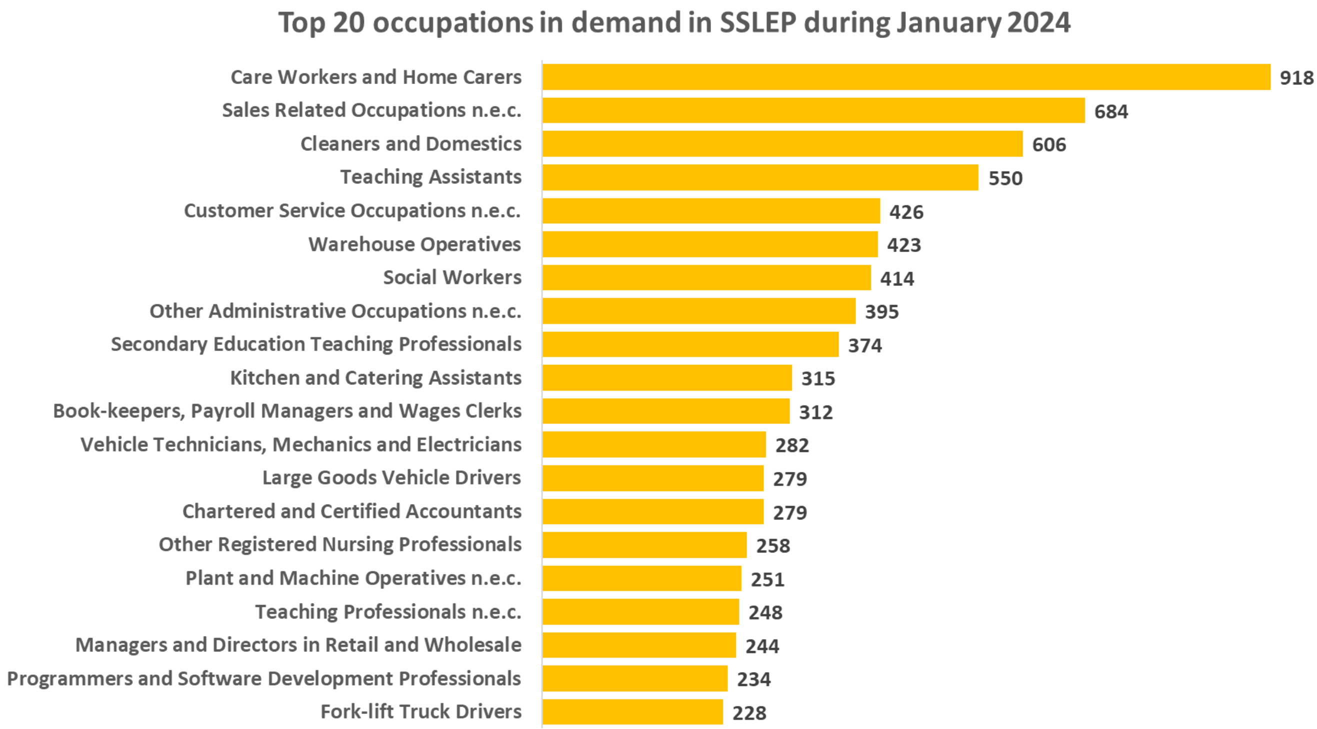
- In the Hospitality sector, **'Kitchen and Catering Assistants' remain the roles most in demand.**

- In the Motor Trade **'Vehicle Technicians, Mechanics and Electricians'** are in demand.

- In the Manufacturing sector **'Plant & Machine Operatives'** are most in demand.

- Demand for **'Managers & Directors in Retail & Wholesale'** in the Retail and Wholesale sector also remain strong.

- In ICT demand for **'Programmers & Software Development Professionals'** is high.



- 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 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 ecommerce creating continued demand and the recent announcement by Pets At Home in Stafford creating over 750 new jobs.

Notes

Claimant Count and ILO Unemployment Definitions

The Claimant Count is a measure of the number of working aged 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.