

Staffordshire

Means**Back to Business**

Economic Bulletin - Issue 7 – January 2021

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

Alongside information on the Claimant Count and Job Vacancies that will be a part of every Bulletin, we again look at the latest Government data regarding the Coronavirus Job Retention Scheme (CJRS) Furloughed Workers and we see the return of Self Employment Income Support Scheme (SEISS) analysis showing the initial take up of the third grant. This month's issue also provides more detailed youth claimant count analysis and updated ward level analysis of the claimant count to help identify areas which have been impacted the hardest across Staffordshire & Stoke on Trent and where there may be a greater need for support.

We hope you find the Bulletin useful and welcome your comments and suggestions on further information you would like to see included in future editions. If you do have any feedback please send your comments to Darren Farmer, Economy & Skills Analyst at darren.farmer@staffordshire.gov.uk.

Stay Safe,

Darryl Evers

Director for Economy, Infrastructure and Skills, Staffordshire County Council



Key Messages

- Over recent weeks we have witnessed **COVID 19 infection rates** rise to high levels both locally and nationally, not least due to the **new variants** which are spreading rapidly across the country.
- More positively the **Pfizer BioNTech, Oxford AstraZeneca and Moderna vaccines** have been confirmed as safe and effective by the Medicines and Healthcare products Regulatory Agency (MHRA) and the NHS has started to vaccinate priority groups and residents.
- Clearly, delivering the vaccine programme will be a huge task and the roll out will take time, but this is a significant step in the **Government's 'exit strategy'** and will hopefully lead to a quicker recovery from the crisis.
- In terms of the continuing economic impact from the pandemic, we have heard the news that **during the second lockdown the UK economy shrank by 2.6% in November**, although this was a smaller decline than the 5.7% forecast.
- There are concerns that this may be the start of a **double dip recession**, but it is hoped that with large parts of retail opening up in December under the tier system this may be avoided.
- However, the **current stricter lockdown** is likely to see **further significant losses to the economy during quarter 4**, with the PM hinting that this may run longer than February half term.
- **Unemployment in the UK has reached the highest level for more than four years**, with the unemployment rate increasing to 5 per cent in the three months to the end of November and firms planning a record number of job cuts last year.
- **UK government borrowing hit £34.1bn last month**, the highest December figure on record, as the cost of pandemic support weighed on the economy and **retail sales fell by 1.9% in 2020 the biggest fall since records began in 1997**.
- Looking forward the Chancellor has revealed the date for the **next budget will be on the 3rd March 2021**, which he has stated will "set out the next phase of the plan to tackle the virus and protect jobs" and also announced that the **furlough scheme would be extended for one month until the end of April**.
- Prior to then businesses have access to a wide range of financial support during the third lockdown including **Local Restrictions Support Grants**, lockdown grants worth up to £9,000 for businesses in the retail, hospitality and leisure sectors, and further discretionary grants. To find out more you can watch Matt Hustwit, the Growth Hub's Funding Advisor talk through all of the grants and loans that are available in this short video from the SSLEP:Vision20 conference [WATCH FINANCIAL SUPPORT](#).
- The Government has also named 72 high streets across England that have been

selected to receive **£831m of investment** to help fund their recovery from the impact of the coronavirus pandemic and to protect jobs. Communities Secretary Robert Jenrick said the money from the **Future High Streets Fund** was a “key milestone for the Government’s levelling up agenda” and would help town centres “prosper into the future”.

- Beyond the pandemic and since the last bulletin, MPs have approved the **UK’s post Brexit trade deal with the EU**. The deal enables the UK to continue selling goods to the EU market, the UK’s biggest trade partner, without tariffs or quotas. But it also reduces UK access to EU programmes in various fields, including policing and education. The full deal can be access [here](#).

New Job Creation

- To support the move to more digital business which has been accelerated by the pandemic, **Openreach are creating 5,300 new jobs to speed fibre rollout** across the UK. Recruitment will be for 2,500 people for engineering jobs and estimates its construction partners will take on 2,800 more.
- Locally UK clothing firm **Asos’s has decided to build a £90million distribution centre in Staffordshire** at Fradley Park, Lichfield and **create 2,000 jobs** over the next three years. These jobs will be a huge boost for local jobseekers which may have lost their jobs during the crisis.
- There has also been approval of a **£48million distribution base for national retailer Pets at Home in Stafford creating 1,200 jobs**, proving further employment opportunities for local residents and strengthening our economic recovery.

Skills

- The Government has launched its **Skills for Jobs FE White paper** which sets out reforms to post 16 technical education and training to support people to develop the skills needed to get good jobs and improve national productivity. This is even more vital to aid the recovery of the economy from the pandemic and following Brexit. The white paper outlines how the Government proposes to support people to develop the skills they need to get good jobs, including measures to:
 - give employers a greater say in the development of skills
 - provide higher level technical skills
 - provide a flexible, lifetime skills guarantee
 - simplify and reform funding and accountability for providers
 - support outstanding teachingThe full White Paper can be accessed [here](#).
- **The Educations and Skills Funding Agency are looking for employers’ views** to understand employer’s thoughts on a range of issues about the government’s skills agenda. The ESFA is keen to make sure that the Government’s wider skills offer

continues to meet the needs of employers looking to develop future talent Take part in the survey [here](#).

Local Picture

- Looking locally due to our strong position going into the crisis the number of people on some form of government economic support scheme (including Universal Credit, Furlough and Self employment Income Support) is estimated to be lower than the rest of the country, 18% compared to 20% nationally, but increased during the second lockdown as more people were furloughed.
- The claimant count in Staffordshire saw a **small decrease of 15 between November and December 2020 to a total of 25,035 claimants** and the **claimant rate has remained at 4.7% of the working age population in December.**
- This shows both the positive effect that the package of Government support such as the furlough scheme is having and the increased job opportunities that we saw leading into the second lockdown.
- However, the area has seen **Universal Credit (UC) claimants more than double since March (pre COVID), an increase of just under 13,000 claimants** however, not all will be out of work.
- These increases need to be viewed in the context of the move to Universal Credit. Before Universal Credit, the Claimant Count was based upon Jobseeker's Allowance claimants people out of work but looking for a job. However, in response to COVID 19 the Government changed the criteria for Universal Credit to allow some people on low income to claim whilst in work. Therefore, there will be **a proportion of claimants currently that will still be in work but claiming Universal Credit because they are on a low income**, although from the data released by Government it is not currently possible to quantify the proportion of people that are indeed unemployed or employed but on a low income.
- Therefore, the reasons for the increase in claimants are still to fully emerge but evidence suggests there will be a combination of factors such as the self employed no longer being able to operate, part time employees working less than 16 hours a week who are now furloughed, and Small & Medium Enterprises laying off staff in the short term.
- It is important to recognise that although we have seen a rise in claimant numbers due to COVID given our strong position going into the pandemic we still perform comparatively well for **our claimant rate which stood at 4.7% of the working age population in December compared to 7.2% regionally and 6.4% nationally.**
- However, it is young people, women, the lowest paid (including those in manual occupations, more routine or less skilled jobs) and part time workers who continue to

feel the impact of the economic shock the most. For example, the **proportion of young people aged 18 24 that are claiming Universal Credit has increased from 3.7% in March 2020 to 7.6% in December 2020**, well above the rate of 4.7% for the working age population. Given that it is harder for these groups to find a new job it is increasingly vital that the welcomed announcements made in 'A Plan for Jobs 2020' such as the **Kickstart Scheme** are quickly and effectively put in place to support these groups and help prevent them becoming long term unemployed.

- The latest Coronavirus Job Retention Scheme (CJRS) figures show that there were **46,700 furloughed job claims in Staffordshire up to the end of December, equivalent to 12% of eligible workers**, which is in line with the regional and national averages. **Stoke on Trent had 12,200 jobs still furloughed**, equivalent to 11% of eligible jobs. The concern is how many of those on furlough will be able to return to work once the CJRS scheme ends at the end of April.
- **Staffordshire has seen 22,100 self employed workers claim for the third SEISS grant up to the end of December** and a take up rate of 56% for those eligible through the scheme, slightly lower than the regional and national average take up rates. **Stoke on Trent had 6,600 SEISS claims up to the end of December**, equivalent to 64% of those eligible. This is the joint highest rate the West Midlands Region upper tier authorities. There are concerns as to how many of these businesses will be viable and able to continue to operate after Government support is withdrawn.
- The recruitment uplift which we saw prior to the second lockdown was slowed in November and the latest job vacancies data for December during the tighter tier restrictions shows that there was a decline in recruitment, with **job vacancies in Staffordshire decreasing by 7% between November and December equivalent to 1,400 fewer job vacancies, which is slightly above the 5% decline seen nationally. Stoke on Trent also saw a decline of 4% with just under 300 fewer vacancies in December compared to November. However, it is still positive that vacancy levels remain above those seen a year earlier.**
- We continue to see **demand for roles in health, social care and logistics** with clear **emerging opportunities** for job creation in **digital** across all sectors with the emergence of new technologies and way of working and **the green economy** including retrofitting homes to improve energy efficiency and electric cars.
- We will also look to build on existing strengths including **advanced manufacturing** through the adoption of AI, Automation and Machine Learning, **construction** to achieve Government house building targets and build major new infrastructure projects such as HS2 and West Midlands Freight Interchange, and **advanced logistics**

with the online retail boom such as the recent announcement of ASOS's decision to build a £90million distribution centre creating 2,000 jobs close to Cannock and Tamworth were jobs will be very much needed.

- Although the number of job vacancies has been impacted by the second lockdown and being placed in tier 3 it is important that we continue to work together to support our residents reskill and upskill into the roles that do exist such as through the work of the **Countywide Redundancy Task Group**, the **£2 billion Government Kickstart Scheme** find out more about the types of roles and how to express an interest at the [Stoke on Trent and Staffordshire Enterprise Partnership website](#), and the **Government Restart Scheme**.

Local initiatives

- We are continuing to prioritise support for small businesses and people whose jobs or employment prospects have been impacted by the pandemic.
- In addition to the package of support already being delivered by the county council and programmes by a range of other organisations, including , Staffordshire County Council is working with our district and borough council partners to produce a **£5m support package** that will help more businesses and more people.

This includes:

- **More funding on top of the Additional Restrictions Grant managed by the district and borough councils** the county council will be investing £860,000 towards the scheme.
- **Contributing to the cost of apprentices through 'The Staffordshire 500' Apprentices Wage Support programme** Supporting smaller businesses not paying into the national apprenticeship levy by contributing to the cost of the wages of 16 to 24 year olds. This could create up to 500 apprentices.
- **Up to £5,000 for re training through the 'Nil Cost Training for Employers Top up Project'** offering businesses the opportunity to up skill employees or train new staff if looking to change business operations or enter new markets. Up to £5,000 would be provided and matched through other funding sources. Up to 400 Staffordshire businesses could be supported over the next 15 months through the programme.
- **The Small Business 'To Thrive' Financial Support programme** would offer grants to small businesses between £2,000 and £5,000 to cover expenditure costs. Applicants would need to demonstrate all the measures they have put in place to remain open during the restriction period.
- More information when the new initiatives go live will be available [here](#).

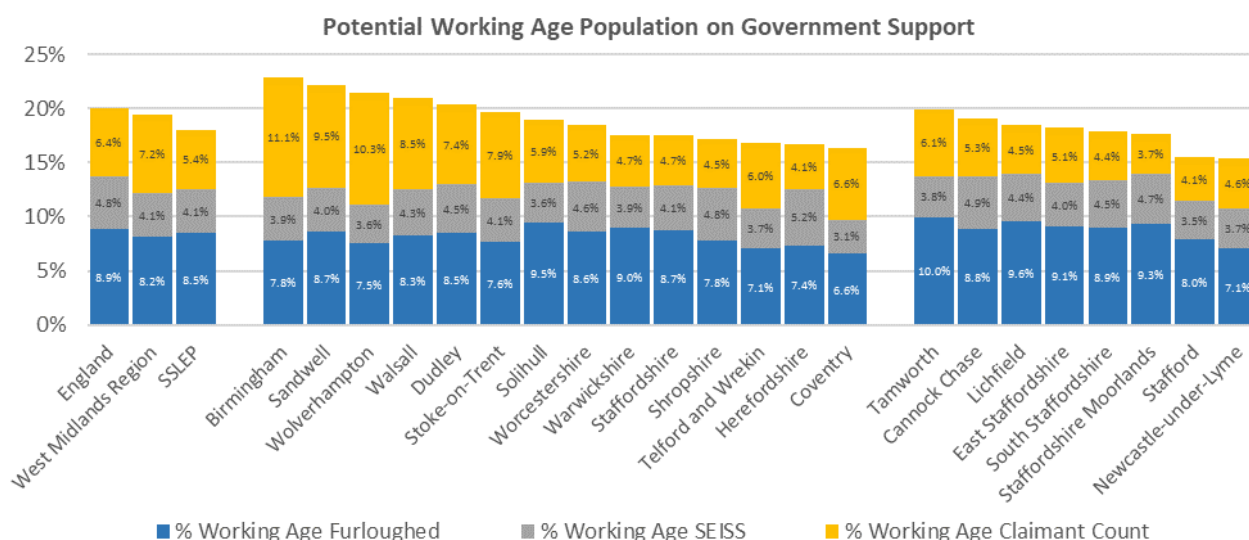
Other support you can access now:

- Over £615,000 in start business support, including:
 - [The Start Up Programme](#) of free online webinars and training get your business going
 - [The Start Up Loans Scheme](#) of £3,000 to £5,000 for people who have completed the Start Up Programme
 - **'Ignite'** the start up programme supporting students to start up their own business
 - [The Redundancy and Recruitment Triage Service](#) Free and one to one support for you and your staff if you are having to make redundancies. The service helps people discover their transferable skills and match them to new work.
- The **Growth Hub has launched its online webinar library** to provide dedicated support to local businesses on topics ranging from funding and finance to marketing, HR and business growth. You can access the library [here](#).
- In conclusion, it is apparent that the second national lockdown and tighter tier restrictions have caused further economic impact to businesses and jobs, and there are obvious concerns that the local economy and labour market may continue to be adversely affected by the latest national lockdown. However, it continues to be clear that **Government and local support is playing a vital role in helping businesses to survive and stave off further job losses**. Alongside this the increasing speed of the vaccination programme rollout is a major step in the right direction to reducing further impacts.

Local Picture – Residents on Government Support Schemes

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

Overall Number of Residents on Government Support Schemes



In line with the Claimant Count rate which shows the proportion of the working age population claiming Universal Credit we have calculated the proportion of the working age population which may be on the furloughed or have accessed SEISS support.

In total there are potentially just over 125,000 residents in the SSLEP area on Government support, equivalent to around 18% of the working age population which is lower than the regional (19%) and national (20%) averages. Tamworth (20%) and Cannock Chase (19%) have the highest rates while Newcastle-under-Lyme (15%) and Stafford (16%) have the lowest.

SSLEP Working Age Population	694,954
Jobs in High Risk Sectors	221,000
Claimant Count Dec 2020	37,585
Coronavirus Job Retention Scheme (CJRS) Furloughed job claims as at 31st Dec	58,900
Self-Employment Income Support Scheme (SEISS) claims up to 31st Dec	28,700
Potential workers on Government support	125,185
Potential % of working age population on Government support	18.0%

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

Detailed Breakdown

Claimant Count¹

The following table highlights the level of claimant unemployment in the Staffordshire Districts and each of the Strategic Authorities in the West Midlands Region:

Claimant Count (Universal Credit) Statistics: December 2020

Area	Claimant Count Rate (Dec 2019)	Claimant Count Rate (Nov 2020)	Claimant Count Rate ¹ (Dec 2020)	Number of Claimants (Dec 2020)	Monthly Change in Claimants (Numbers)	Monthly Change in Claimants (%)	Change in Claimants since March (Numbers)	Change in Claimants since March (%)
England	2.9	6.3	6.4	2,234,335	8,735	0.4%	1,170,830	110.1%
West Midlands	3.7	7.2	7.2	263,635	-215	-0.1%	119,285	82.6%
SSLEP	2.6	5.4	5.4	37,585	-110	-0.3%	18,215	94.0%
Birmingham	6.5	11.1	11.1	81,705	440	0.5%	32,335	65.5%
Wolverhampton	6.0	10.3	10.3	16,795	-70	-0.4%	6,415	61.8%
Sandwell	4.9	9.5	9.5	19,525	115	0.6%	8,745	81.1%
Walsall	4.6	8.6	8.5	14,785	-70	-0.5%	6,180	71.8%
Stoke on Trent	4.2	7.9	7.9	12,550	95	0.8%	5,230	71.4%
Dudley	4.2	7.4	7.4	14,280	-110	-0.8%	5,765	67.7%
Coventry	3.0	6.6	6.6	16,490	60	0.4%	8,490	106.1%
Telford and Wrekin	2.9	6.1	6.0	6,735	-75	-1.1%	3,305	96.4%
Solihull	2.8	6.0	5.9	7,560	-110	-1.4%	3,910	107.1%
Worcestershire	2.2	5.2	5.2	18,425	-130	-0.7%	10,120	121.9%
Warwickshire	2.1	4.8	4.7	16,655	-115	-0.7%	8,825	112.7%
Staffordshire	2.1	4.7	4.7	25,035	15	0.1%	12,985	107.8%
Shropshire	2.0	4.5	4.5	8,505	0	0.0%	4,495	112.1%
Herefordshire, County of	1.7	4.1	4.1	4,585	-35	-0.8%	2,475	117.3%
Tamworth	2.9	6.0	6.1	2,895	40	1.4%	1,405	94.3%
Cannock Chase	2.4	5.5	5.3	3,385	-90	-2.6%	1,730	104.5%
East Staffordshire	2.1	5.0	5.1	3,715	55	1.5%	1,995	116.0%
Newcastle-under-Lyme	2.3	4.6	4.6	3,780	-5	-0.1%	1,800	90.9%
Lichfield	1.9	4.5	4.5	2,765	-10	-0.4%	1,445	109.5%
South Staffordshire	1.9	4.4	4.4	2,980	-5	-0.2%	1,670	127.5%
Stafford	1.8	4.1	4.1	3,390	10	0.3%	1,735	104.8%
Staffordshire Moorlands	1.6	3.7	3.7	2,125	-10	-0.5%	1,205	131.0%

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

- The Claimant Count in Staffordshire saw a small decrease of 15 between November 2020 and December 2020 to a total of 25,035 claimants. While Stoke-on-Trent saw a decrease of 95 over the same period with a total of 12,550 claimants in December.
- These slight decreases in the Claimant Count are in contrast to the small increase seen nationally. However, the ongoing limited change in the claimant count reflects both the positive effect that the package of Government support such as the furlough scheme is having in staving off higher job losses and the increasing job opportunities that we have seen prior to the further lockdowns.
- It is also important to look at the change in the Claimant Count seen since March 2020 (pre-COVID) where the number of claimants in Staffordshire has more than doubled with an increase of 12,985 claimants and in Stoke-on-Trent there has been an increase of 5,230.

- Ultimately, the full effect of COVID-19 on employment will not be felt until the furlough and SEISS schemes and further Government support comes to an end.
- The increases in the Claimant Count also need to be viewed in the context of the move to Universal Credit. Before Universal Credit, the Claimant Count was based upon Jobseeker's Allowance claimants, i.e. people out of work but looking for a job. A proportion of claimants currently will have a job but claiming Universal Credit due to having a low income - the reasons for the increase in claimants are still to fully emerge but evidence suggests there will be a combination of factors such as:
 - New Job Starters/PT employees/Self-employed with no income claiming Universal Credit because they are not eligible for the CJRS;
 - Self-employed ceased trading or have very low income claiming Universal Credit (and are either not eligible for, or not yet been paid, income under the SEISS);
 - Working part-time low-income workers claiming Universal Credit and may be furloughed;
 - Potential Redundancies within Small & Medium Enterprises laying off staff in the short-term.
- Unfortunately, due to Government data limitations it is not currently possible to quantify the proportion of people that fall into these cohorts at a local level.
- Given the comparatively strong position of Staffordshire going into the pandemic and the fact that COVID-19 has impacted much of the economy during lockdown, even with the significant increase in claimants the proportion of working age residents on such benefits remains comparatively low in Staffordshire with a rate of 4.7% in November compared to 7.2% regionally and 6.4% nationally. In Stoke-on-Trent the Claimant Count rate remains above both the regional and national averages at 7.9%.
- Again, it has been a mixed picture this month for Staffordshire Districts with Cannock Chase, Lichfield, Staffordshire Moorlands, Newcastle-under-Lyme and South Staffordshire seeing slight decreases in the number of working age claimants in December. While East Staffordshire, Tamworth and Stafford have seen small increases.
- Tamworth and Cannock Chase continue to record the highest rates in Staffordshire, although Newcastle-under-Lyme and East Staffordshire have the largest caseloads. However, it's important to note all Districts and Boroughs remain lower than the current national and regional rates.

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

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

Youth Claimant Count (Universal Credit) Statistics: December 2020

Area	Claimant Count Rate (Dec 2019)	Claimant Count Rate (Nov 2020)	Claimant Count Rate ¹ (Dec2020)	Number of Claimants (Dec 2020)	Monthly Change in Claimants (Numbers)	Monthly Change in Claimants (%)	Change in Claimants since March (Numbers)	Change in Claimants since March (%)
England	3.9	9.0	9.0	425,185	-1,880	-0.4%	227,455	115.0%
West Midlands	5.0	10.0	9.9	52,505	-435	-0.8%	24,600	88.2%
Stoke-on-Trent and Staffordshire	3.9	8.3	8.3	7,410	-35	-0.5%	3,590	94.0%
Wolverhampton	8.5	15.5	15.2	3,235	-5	0.0%	6,860	75.3%
Sandwell	7.5	15.0	15.2	4,020	-60	-1.8%	1,700	110.7%
Walsall	7.7	13.8	13.8	3,165	-20	-0.6%	1,310	74.9%
Dudley	7.1	12.9	12.8	3,060	-10	-1.2%	425	102.4%
Birmingham	6.1	11.3	11.3	15,965	35	0.9%	1,905	90.1%
Solihull	5.4	11.8	11.3	1,715	-10	-0.6%	865	104.8%
Stoke on Trent	5.4	10.4	10.2	2,415	75	4.2%	890	107.9%
Telford and Wrekin	4.7	10.3	10.1	1,530	15	0.3%	2,585	107.0%
Worcestershire	3.7	8.9	8.6	3,595	-45	-1.8%	1,010	71.9%
Shropshire	3.8	8.1	8.1	1,690	-20	-1.3%	770	101.3%
Staffordshire	3.3	7.5	7.6	5,000	15	0.5%	1,250	65.3%
Herefordshire, County of	3.2	6.9	6.9	840	-95	-3.0%	1,710	128.1%
Warwickshire	2.9	6.9	6.7	3,045	-65	-2.0%	1,325	69.4%
Coventry	2.7	6.2	6.1	3,235	-85	-2.3%	2,000	125.4%
Tamworth	4.7	10.9	11.0	635	10	1.3%	395	108.2%
Cannock Chase	4.4	10.2	10.4	760	5	0.7%	360	112.5%
East Staffordshire	3.2	8.0	8.0	680	15	2.8%	275	101.9%
Lichfield	3.4	7.5	7.7	545	10	1.3%	355	83.5%
South Staffordshire	2.9	7.9	7.5	600	-35	-5.5%	350	140.0%
Stafford	3.1	6.6	6.6	605	0	0.0%	290	92.1%
Staffordshire Moorlands	2.8	6.1	6.2	395	5	1.3%	220	125.7%
Newcastle-under-Lyme	2.9	5.5	5.6	780	5	0.8%	340	115.3%

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

- Young people aged 18-24 continue to be disproportionately impacted by unemployment where the claimant rate for young people in Staffordshire has increased from 3.7% in March to 7.6% in December compared to a rise from 2.3% to 4.7% for all working-age residents, while in Stoke-on-Trent the rate has risen from 5.9% in March to 10.2% in December.
- Staffordshire has seen a slight increase of 15 in the youth claimant count over the latest month to a total of 5,000, while Stoke-on-Trent has seen a decline of 75 to 2,415 youth claimants.
- This month all Staffordshire Districts with the exception of South Staffordshire have seen a slight increase in youth claimants. Tamworth and Cannock Chase continue to record the highest rates in Staffordshire, both above the regional and national averages.

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

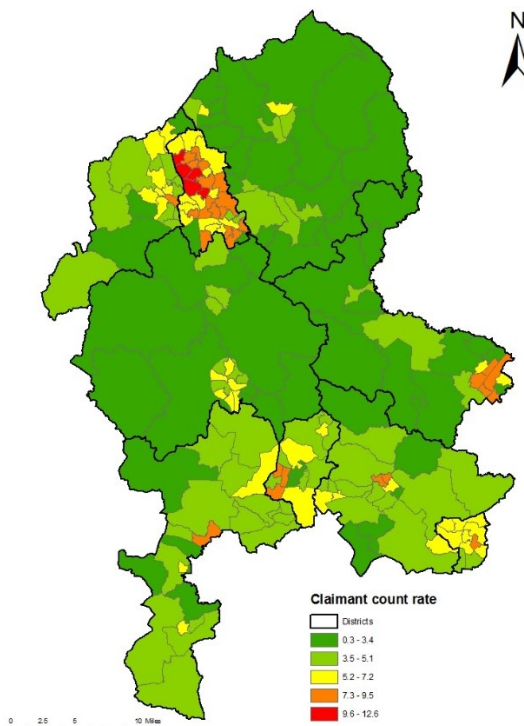
- The following maps and tables provide the latest breakdown of the claimant count by

Claimant Count Rate December 2020

Out of the 201 wards in Staffordshire & Stoke-on-Trent, 51 were above the England average of 6.4% for the number of claimants as a proportion of the working age population in November.

The top 15 wards with the highest claimant count rate were all in Stoke-on-Trent with Etruria and Hanley (12.6% or 655 claimants), Joiner’s Square (12.6% or 570 claimants), and Moorcroft (12.3% or 450) having the highest rates.

In Staffordshire, Cannock North in Cannock Chase (8.6% or 405), Burton in East Staffordshire (8.5% or 255) and Glascote in Tamworth (8.5% or 395) had the highest claimant count rates.

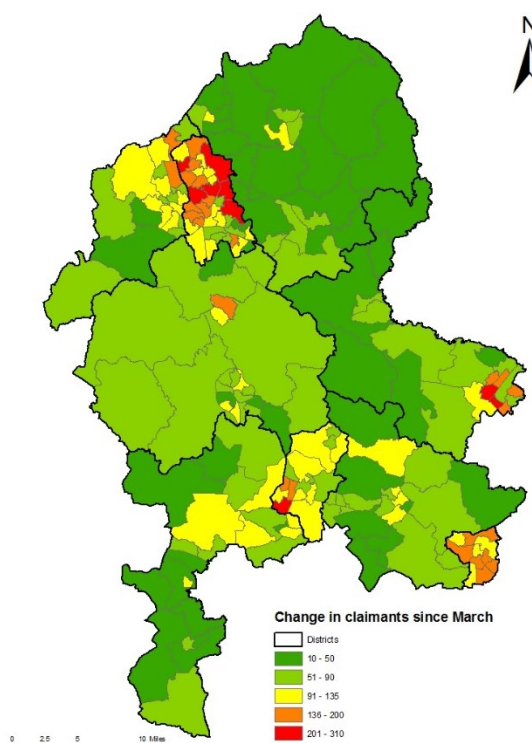


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Change in Claimant Count since March 2020

The top 4 wards with the highest change in the number of claimants since March 2020 were all in Stoke-on-Trent and included Birches Head and Central Forest Park (310 increase to 700 in total), Etruria and Hanley (300 rise to 655), Bentilee and Ubbertley (255 increase to 655) and Baddeley, Milton and Norton (245 rise to 575).

In Staffordshire the highest increases were seen in Anglesey in East Staffordshire (235 rise to 425), Cannock South (220 increase to 445) and Shobnall in East Staffordshire (220 rise to 430).



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

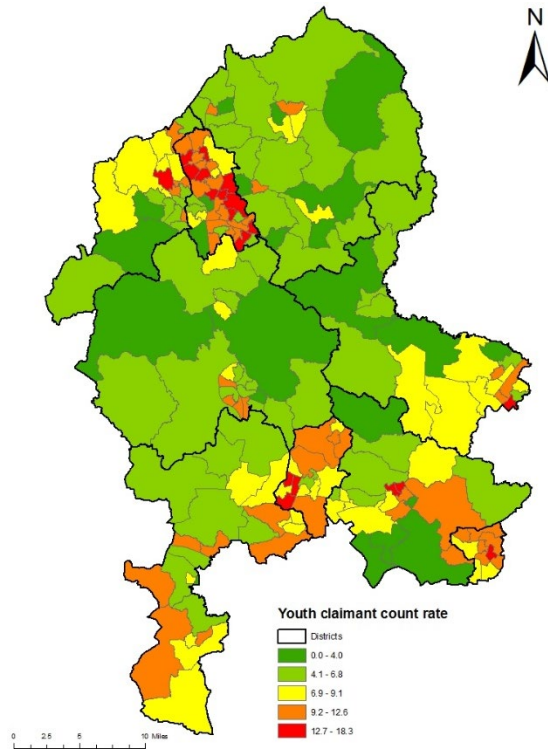
The following maps and tables provide the latest breakdown of the youth claimant count by wards in Staffordshire & Stoke-on-Trent.

Youth Claimant Count Rate December 2020

Out of the 201 wards in Staffordshire & Stoke-on-Trent, 75 were at or above the England average of 9.0% for the number of claimants aged 18-24 as a proportion of the 18-24 population.

Of the top 10 wards with the highest youth claimant count rate 6 were in Stoke-on-Trent including Joiner's Square (18.3%), Moorcroft (15.8%), Bentilee and Ubberley (15.5%), Meir North (15.3%), Bradeley and Chell Heath (14.7%), and Abbey Hulton and Townsend (14.6%).

In Staffordshire, the highest rate was Glascote in Tamworth with 18.1%, followed by Cannock North (16.9%) and Curborough in Lichfield (15.6%).

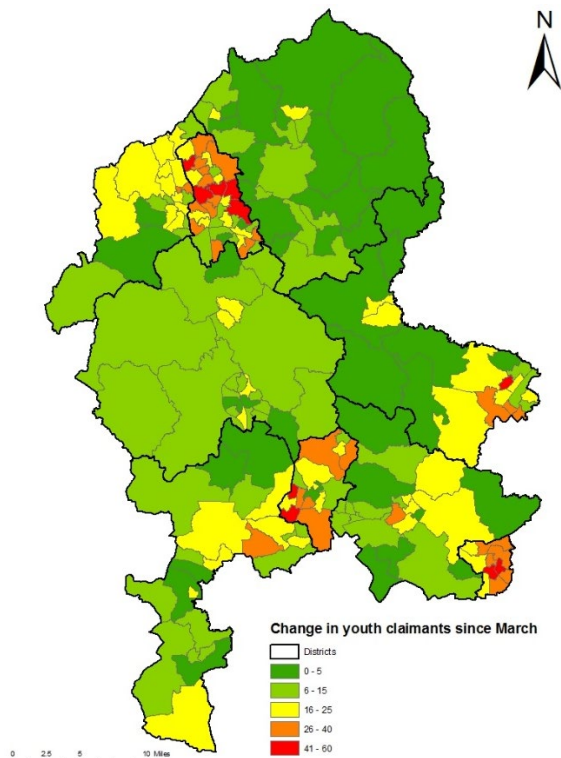


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Change in Youth Claimant Count since March 2020

Out of the top 10 wards with the highest change in the number of youth claimants since March 2020 5 were in Stoke-on-Trent including Etruria and Hanley (60 rise to 105 in total) and Bentilee and Ubberley (50 rise to 140).

In Staffordshire, the highest increases were seen in Glascote (50 rise to 105), Cannock South (50 rise to 100) and Cannock North (45 rise to 90).



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Coronavirus Job Retention Scheme (CJRS) Furloughed Jobs²

- HMRC have now rereleased local authority level breakdowns of the CJRS scheme for claims submitted to HMRC by 14th January 2021 for the period up to 31st December.
- HMRC have stated that the CJRS claims data are provisional and subject to revisions in future releases due to additional claims submitted following this release. This means that figures are preliminary and are likely to be revised upwards in future releases.
- Based on the provisional figures, **Staffordshire had the 2nd highest number of furloughed job claims up to the end of December in the WM with 46,700**, behind only Birmingham and equivalent to 12% of eligible workers. This is to be expected given Staffordshire is the 2nd largest strategic authority area in the region but shows the potential size of the challenge as furlough ends.
- Since October Staffordshire has seen **an increase of 19,500 furloughed jobs, reflecting the impact of the second lockdown and tier restrictions during November and December**. This has seen **Staffordshire's rate of furlough increase from 7% to 12% but remains in-line with the regional and national averages**.
- **Stoke-on-Trent has seen the number of furloughed jobs increase from 5,200 to 12,200**, equivalent to 11% of eligible jobs.

Coronavirus Job Retention Scheme (CJRS) Statistics: January 2021

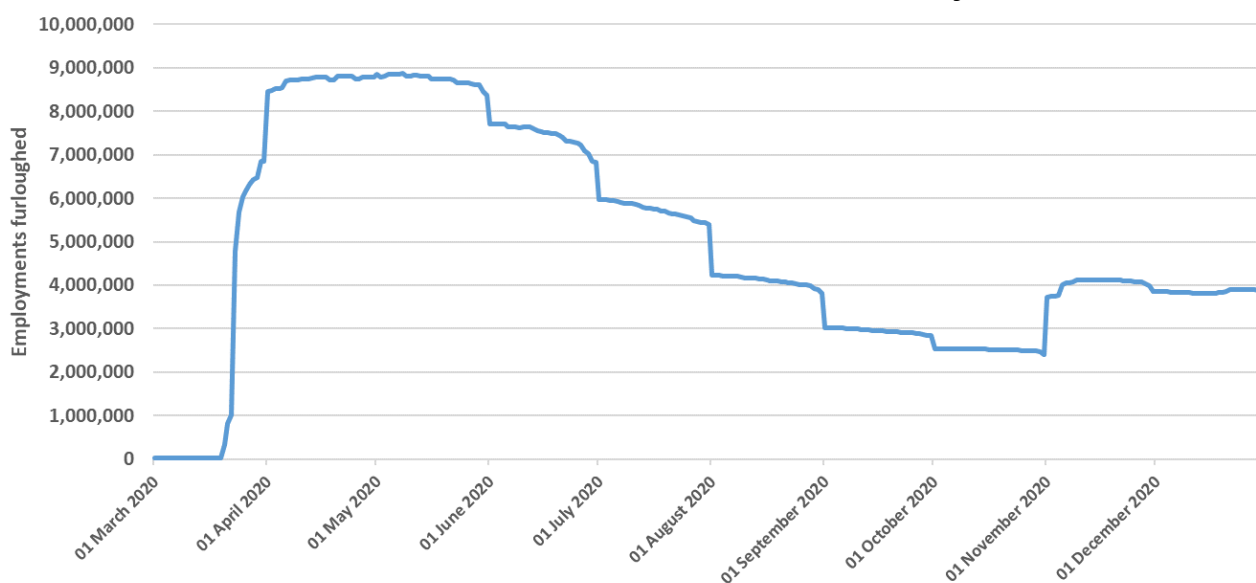
County and district / unitary authority	Total employments eligible for furlough	Total employments furloughed at 31 December (provisional)	Total take up-rate at 31 December (provisional)
Staffordshire Moorlands	42,300	5,400	13%
England	25,577,900	3,127,100	12%
West Midlands	2,580,400	298,600	12%
Cannock Chase	46,400	5,600	12%
East Staffordshire	58,400	6,700	12%
Lichfield	47,300	5,900	12%
South Staffordshire	48,300	6,000	12%
Tamworth	38,400	4,700	12%
Staffordshire County	398,200	46,700	12%
SSLEP	510,800	58,900	12%
Stafford	61,900	6,600	11%
Stoke-on-Trent UA	112,600	12,200	11%
Newcastle-under-Lyme	55,200	5,800	10%

Source: HMRC CJRS and PAYE Real Time Information

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

- There is concern as to how many of those workers which remain on furlough are to return to work once furlough ends at the end of April.
- The national data provides more detailed breakdowns than available for local authorities and looking at the national picture allows for greater insight into who is currently being supported by the furlough scheme.
- Nationally there were 700,000 (an increase of nearly 160,000 since October) employers making 3,824,400 (an increase of over 1.4million since October) furloughed job claims up to the end of December.
- Over two thirds (71%) of claims were made by SMEs with 29% in large businesses with 250+ employees. While of those workers furloughed, nearly two thirds (60%) were fully furloughed and 38% partially furloughed with 2% unknown. The proportion that are fully furloughed had been declining going into the second lockdown but has risen due to the impact of the second lockdown.
- The following chart shows the trend in furloughed job claims nationally, it shows that as lockdown was eased furlough claims gradually declined, however it is clear that the second lockdown impacted jobs during November and December.

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



- Nationally, the identified high-risk sectors of 'Accommodation and Food services' and 'Arts, entertainment and recreation' have by far the highest furlough take-up rates. While it is 'Accommodation and Food services' and 'Wholesale and retail including the repair of motor vehicles' which have the highest number of jobs that are still furloughed, with these two sectors seeing by far the highest increases during the second lockdown:

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

Sector	Employers			Employments			Value of claims made for periods 1 November to 31 December (provisional) (£ million)
	Employers (PAYE schemes) with staff eligible for furlough	Employers furloughing staff at 31 December (provisional)	Take-up rate at 31 December (provisional)	Employments eligible for furlough	Employments furloughed at 31 December (provisional)	Take-up rate at 31 December (provisional)	
Accommodation and food services	130,600	86,000	66%	2,216,300	1,036,600	47%	1,531
Wholesale and retail; repair of motor vehicles	243,600	110,100	45%	4,537,400	689,500	15%	1,024
Administrative and support services	164,400	64,400	39%	2,739,800	312,000	11%	534
Arts, entertainment and recreation	40,000	23,400	59%	660,900	273,800	41%	389
Manufacturing	100,600	42,100	42%	2,445,100	270,200	11%	425
Professional, scientific and technical	313,200	93,600	30%	2,213,200	235,800	11%	417
Construction	231,300	79,300	34%	1,285,300	193,400	15%	349
Other service activities	92,800	48,700	53%	570,900	182,900	32%	258
Transportation and storage	73,400	27,000	37%	1,343,800	158,100	12%	325
Health and social work	100,900	27,800	28%	4,111,500	130,400	3%	160
Information and communication	155,000	36,800	24%	1,249,500	101,100	8%	186
Education	39,200	14,900	38%	3,327,000	86,200	3%	111
Real estate	46,000	17,900	39%	435,700	53,000	12%	95
Unknown and other	23,300	10,400	-	73,300	35,300	-	57
Finance and insurance	34,600	8,200	24%	1,105,400	26,700	2%	48
Agriculture, forestry and fishing	33,800	4,600	13%	182,200	15,300	8%	22
Water supply, sewerage and waste	5,600	2,300	40%	174,700	11,400	7%	21
Public administration and defence; social security	7,800	300	3%	1,357,300	6,500	0%	7
Energy production and supply	1,200	400	32%	133,600	2,400	2%	5
Households	81,600	1,700	2%	138,500	2,200	2%	4
Mining and quarrying	1,000	300	25%	51,900	1,500	3%	3
Total	1,919,800	700,000	36%	30,353,200	3,824,400	13%	5,970

Source: HMRC CJRS and PAYE Real Time Information

- Beyond the short-term, specific industrial sectors and the associated labour market may continue to be adversely affected, particularly due to changes to Government policy interventions such as the move from national lockdown to regional lockdowns under the Tier system, reduced economic support measures and challenging market conditions.
- A particular risk is the end of the Government's Job Retention Scheme (JRS) at the end of April. The JRS has been successful in enabling many people to remain in employment but furloughed during the crisis but once this comes to an end there are concerns that many furloughed workers may find themselves out of work.

Self-Employment Income Support Scheme (SEISS)³

- **Staffordshire has seen 22,100 self-employed workers claim for the third SEISS grant up to the end of December** and a take-up rate of 56% for those eligible through the scheme, which is slightly below the regional and national average take-up rates.
- **Stoke-on-Trent had 6,600 SEISS claims up to the end of December**, equivalent to 64% of those eligible. This is the joint highest rate the West Midlands Region upper-tier authorities.

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

County and district / unitary authority	Total potentially eligible population	Total no. of claims made to 31/12/20	Total value of claims made to 31/12/20 (£)	Average value of claims made to 31/12/20 (£)	Total Take-Up Rate
Stoke-on-Trent UA	10,400	6,600	16,500,000	2,500	64%
Cannock Chase	5,000	3,100	9,300,000	3,000	62%
Tamworth	3,000	1,800	4,900,000	2,800	60%
Newcastle-under-Lyme	5,200	3,000	8,500,000	2,800	58%
West Midlands	260,000	149,000	402,000,000	2,700	58%
SSLEP	49,800	28,700	79,600,000	2,774	58%
Lichfield	4,800	2,700	8,300,000	3,100	57%
South Staffordshire	5,300	3,000	8,700,000	2,900	57%
United Kingdom	3,370,000	1,924,000	5,417,000,000	2,800	57%
East Staffordshire	5,200	2,900	7,500,000	2,600	56%
Staffordshire County	39,400	22,100	63,100,000	2,900	56%
Stafford	5,600	2,900	8,600,000	2,900	52%
Staffordshire Moorlands	5,400	2,700	7,300,000	2,800	49%

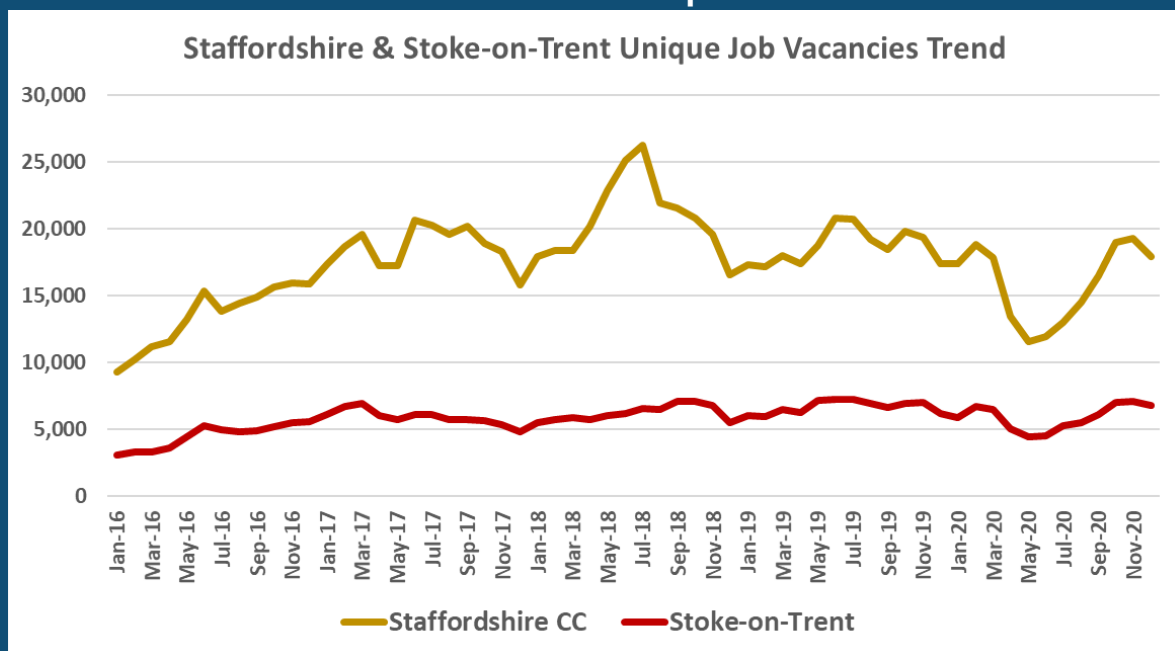
- Nationally, **transport and storage, education, construction, and arts, entertainment and recreation remain the sectors which have seen the highest take-up rates.**

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

Job Vacancies⁴

- Following the slowdown in recruitment seen last month due to the second lockdown, we have seen a decline in recruitment in December. **Job vacancies in Staffordshire have declined by 7% between November and December equivalent to 1,400 fewer job vacancies, which is slightly above the 5% decline seen nationally.**
- **Stoke on Trent also saw a decline of 4% with just under 300 fewer vacancies in December compared to November.**
- **In Staffordshire vacancy levels are now 5% below those seen pre COVID, although the gap to pre COVID levels is wider at the regional (9% below) and national (7% below) levels. However, levels in Staffordshire are above those seen a year earlier in December 2019.**
- **Vacancy levels in Stoke on Trent remain just above pre COVID levels and 10% above those seen a year earlier.**

Staffordshire & Stoke on Trent Unique Job Vacancies Trend



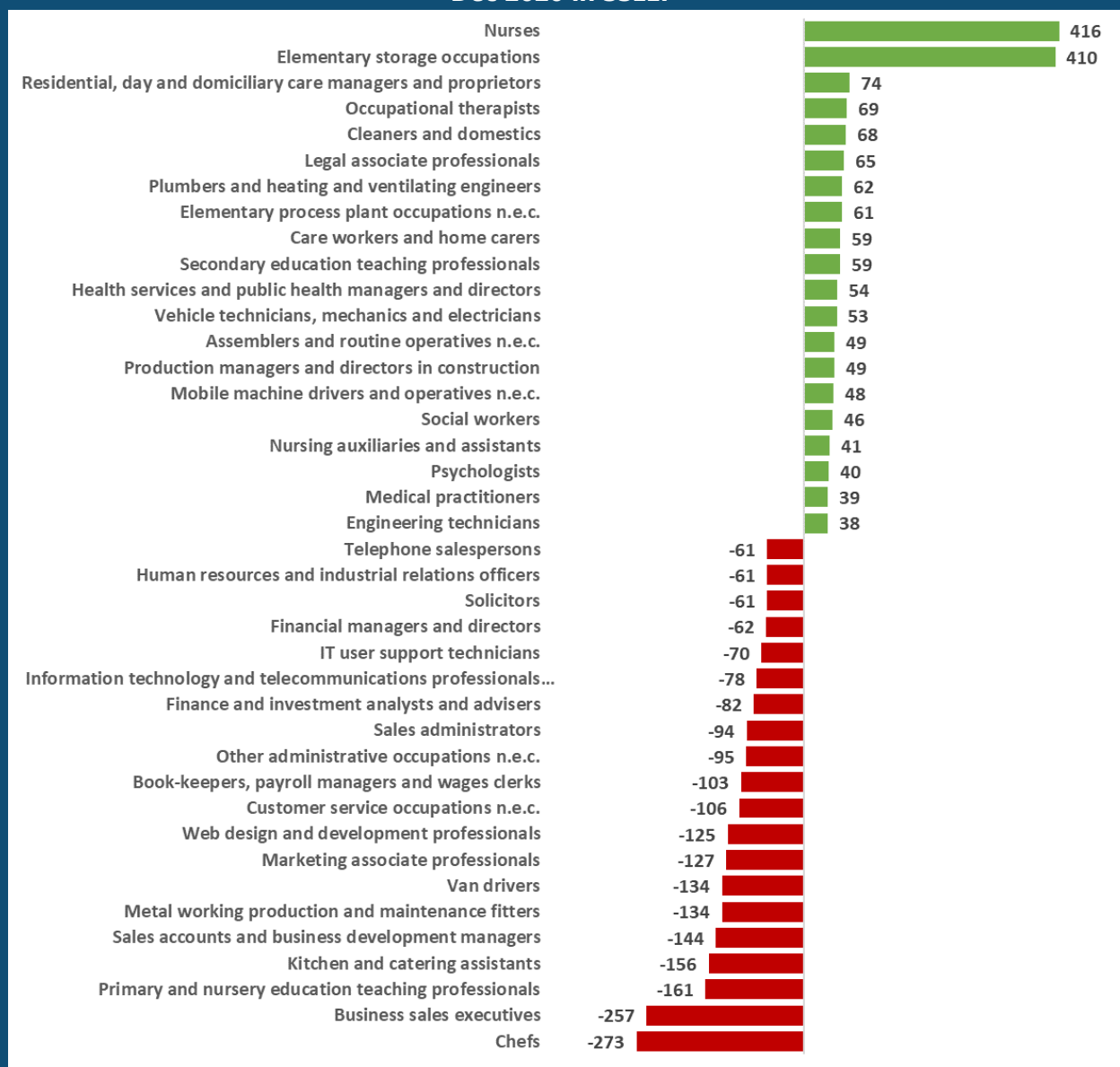
- The second lockdown has impacted the majority of occupational groups with only 'managers, directors and senior officials' seeing a slight increase in vacancies over the last month.
- The occupations to see the most significant declines during December were associated to the logistics sector with elementary storage occupations and van drivers accounting for nearly a third of the total decline in vacancies seen in Stoke on Trent and

⁴ Source: EMSI

Staffordshire. This is likely a reflection of the large number of businesses that have had to close during the lockdown and therefore not requiring logistics during the period.

- By far **the main recruitment growth occupations between Feb (pre COVID) and December have been nurses and elementary storage occupations.**

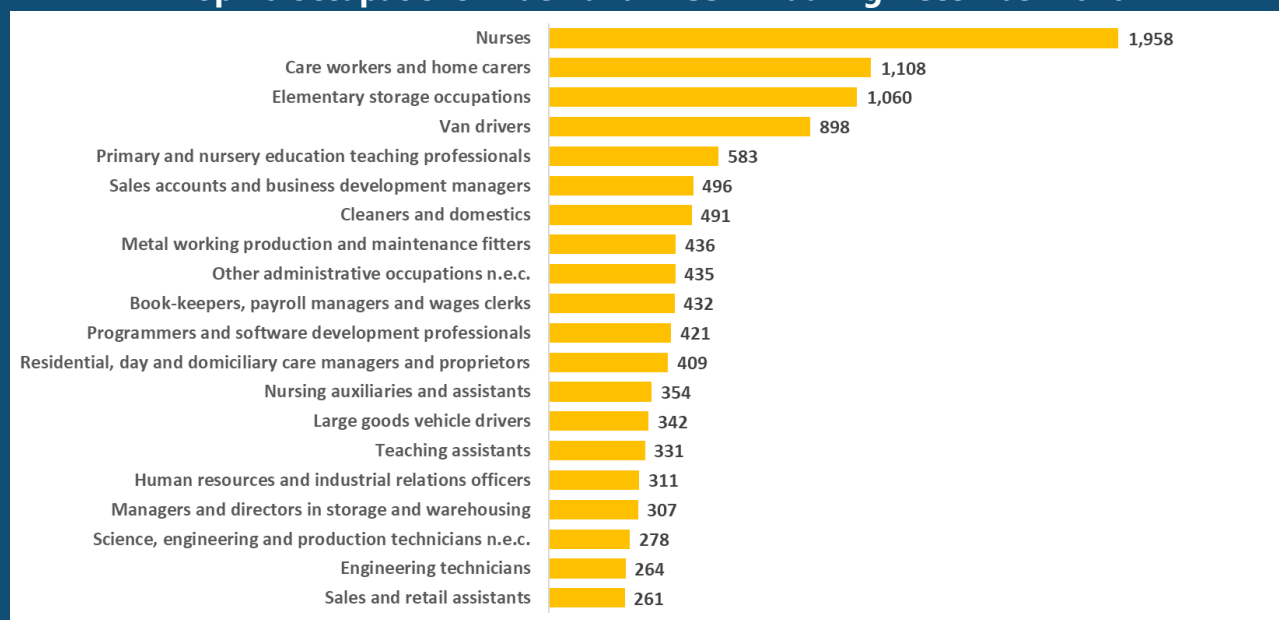
Top 20 occupations declining and top 20 increasing between Feb 2020 (Pre COVID) and Dec 2020 in SSLEP



- While demand for roles in health and social care including **nurses and social care workers and home carers** alongside roles in logistics such as **elementary storage occupations and van drivers** remain by far the strongest of all occupations.
- There is also demand for **primary and nursery education teaching professionals**, which is an area which was badly impacted during lockdown. While in manufacturing **metal working production and maintenance fitters** remain the occupation in most demand.

- As well as these more sector specific roles, there is continuing and growing demand for workers which support numerous sectors including **sales and business development managers, cleaners, admin roles, book keepers, payroll managers and wages clerks, and programmers and software development professionals.**

Top 20 occupations in demand in SSLEP during December 2020



- It is clear that there are jobs available in the local economy but clearly there will be increasing competition for those roles. The national and local support which is in place to support those that have been unfortunate enough to lose their jobs is vital in both reskilling and upskilling as well as enabling them to access the opportunities available.

Job Vacancies Summary Table

Area / SSLEP Occupational Group	Dec 2019 Unique Postings	Feb 2020 Unique Postings	Oct 2020 Unique Postings	Nov 2020 Unique Postings	Dec 2020 Unique Postings	Nov Dec 2020 (Month on Month Change)	Nov Dec 2020 Monthly % Change	Feb-Dec 2020 (Month on Month Change)	Feb-Dec 2020 Monthly % Change	Dec 2019 (Year on Year Change)	Dec 2020 Annual % Change
Staffordshire CC	17,355	18,821	18,995	19,303	17,872	-1,431	-7%	-949	-5%	517	3%
Stoke-on-Trent	6,183	6,719	6,980	7,071	6,797	-274	-4%	78	1%	614	10%
SSLEP	23,538	25,540	25,975	26,374	24,669	-1,705	-6%	-871	-3%	1,131	5%
West Midlands	149,585	171,046	157,487	161,849	155,757	-6,092	-4%	-15,289	-9%	6,172	4%
England	1,694,116	1,963,873	1,891,131	1,926,142	1,828,280	-97,862	-5%	-135,593	-7%	134,164	8%
South Staffordshire	757	648	922	922	802	-120	-13%	154	24%	45	6%
Stafford	4,107	4,366	4,975	5,011	4,778	-233	-5%	412	9%	671	16%
East Staffordshire	2,757	3,217	3,445	3,546	3,371	-175	-5%	154	5%	614	22%
Lichfield	2,146	2,054	2,182	2,255	2,083	-172	-8%	29	1%	-63	-3%
Newcastle-under-Lyme	1,523	1,691	1,842	1,896	1,688	-208	-11%	-3	0%	165	11%
Cannock Chase	2,033	2,204	2,218	2,310	2,148	-162	-7%	-56	-3%	115	6%
Tamworth	2,442	2,752	2,115	2,103	1,988	-115	-5%	-764	-28%	-454	-19%
Staffordshire Moorlands	1,590	1,889	1,296	1,260	1,014	-246	-20%	-875	-46%	-576	-36%
Elementary Occupations	2,172	2,118	3,032	2,979	2,488	-491	-16%	370	17%	316	15%
Managers, Directors and Senior Officials	1,394	1,696	1,781	1,786	1,833	47	3%	137	8%	439	31%
Professional Occupations	5,331	6,366	6,540	6,827	6,694	-133	-2%	328	5%	1,363	26%
Caring, Leisure and Other Service Occupations	2,507	2,423	2,679	2,611	2,427	-184	-7%	4	0%	-80	-3%
Process, Plant and Machine Operatives	2,958	2,049	2,591	2,419	2,045	-374	-15%	-4	0%	-913	-31%
Associate Professional and Technical Occupations	4,166	4,937	4,318	4,492	4,305	-187	-4%	-632	-13%	139	3%
Skilled Trades Occupations	1,870	2,294	2,189	2,163	1,974	-189	-9%	-320	-14%	104	6%
Administrative and Secretarial Occupations	2,239	2,601	2,003	2,232	2,125	-107	-5%	-476	-18%	-114	-5%
Sales and Customer Service Occupations	901	1,056	842	865	778	-87	-10%	-278	-26%	-123	-14%

Notes

Claimant Count and ILO Unemployment Definitions

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

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

Understanding the differences between the Claimant Count and ILO Unemployment

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

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

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

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

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

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

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

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