Staffordshire & Stoke-on-Trent Economic Bulletin

Issue 45 – May 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.
- Positively, this month we have **seen a decline in the Claimant Count which hopefully signals a change in direction and further declines to follow over the coming months**.
- **Although job vacancies have declined it is also positive that they remain well above pre-pandemic levels meaning that there remain job opportunities across Staffordshire 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 increases in the claimant count since before the start of the year**, the number of work-related benefit claimants in Staffordshire decreased by 85 this month to a total of 15,805 claimants.** In contrast, we have seen increases both regionally and nationally.
- **The claimant rate for Staffordshire has remained the same this month at 3.0%** 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 5.0%, and lower than the average for England at 3.9% which also remained unchanged this month. We will continue to support those residents that unfortunately find themselves out of work to access employment through our partnership working and dedicated Jobs Brokerage service.
- This month has also seen a **decrease of 40 claimants in the youth claimant count in Staffordshire with a total of 3,035 young people**. The proportion of young people in Staffordshire aged 18-24 that are claiming work-related Universal Credit decreased from 4.9% to 4.8% this month. This continues to be lower than the national rate of 5.2% which decreased from 5.3% this month, and far lower than the regional rate of 7.1% which remained unchanged this month. Our focus continues to be to engage with our younger residents and support them to find employment or continue in education and training.
- Turning to job vacancies, **Staffordshire saw a 9% decrease in the number of available job vacancies between March and April to a total of 14,000. This is lower than the number of work-related benefit claimants. Stoke-on-Trent also saw a 9% decrease in job vacancies to a total of 5,700 which is significantly**

lower than the number of claimants. Across the region in the last month there was a 10% decrease, and nationally there was also a 10% decrease in job vacancies.

- Although we are seeing a steady decline in total vacancies, positively for those residents out of work, **demand for labour remains comparatively 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.**
- 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', 'Cleaners & Domestics', and 'Teaching Assistants', also have strong demand.**
- There is **strong demand for 'Customer Service', 'Bookkeepers, Payroll Managers & Wages Clerks', and 'Administrative'** across business sectors to support business in their recovery, survival, and new methods of working.
- The Logistics sector continues to have high demand for **'Large Goods Vehicle Drivers,' 'Warehouse Operatives' 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 Hospitality sector, **'Kitchen and Catering Assistants' remain the roles most in demand.**
- In the Education sector there is particularly high demand for **'Secondary Education Teaching Professionals' and 'Teaching Professionals'.**
- Demand for **'Sales and Retail Assistants' and 'Managers & Directors'** in the Retail and Wholesale sector remain strong
- In the Motor Trade **'Vehicle Technicians, Mechanics and Electricians'** are in demand.
- In the Manufacturing sector **'Plant & Machine Operatives'** are most in demand.
- 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 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.

- 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 announcement by Pets At Home in Stafford creating over 750 new jobs.
- In conclusion, **the Office of National Statistics has reported the UK economy shows positive signs of stabilising with most key economic indicators predicted to return to normal levels. However, the UK's unemployment rate has risen to its highest level for almost a year, as job vacancies continue to shrink. Following a short-lived technical recession the UK is expected to see further growth. Cost of living pressures are improving for households and being helped by real wage gains. Additionally, inflation is expected to return to around 2% and interest rates are predicted to fall. The wider economic climate continues to be challenging with wage and resource costs being a concern for businesses alongside financial pressures. We will continue to support our residents into work and ensure that Staffordshire has the strong workforce it needs to grow the economy.**

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:
    - o keen to identify potential new markets?
    - o interested in bidding for public procurement opportunities?
    - o in need of advice on chasing late payments?
    - o seeking general advice and support?

  Through one of these invaluable 1-2-1 sessions, you can:
    - o get in touch with international trade specialists
    - o find sources of local authority support
    - o 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.

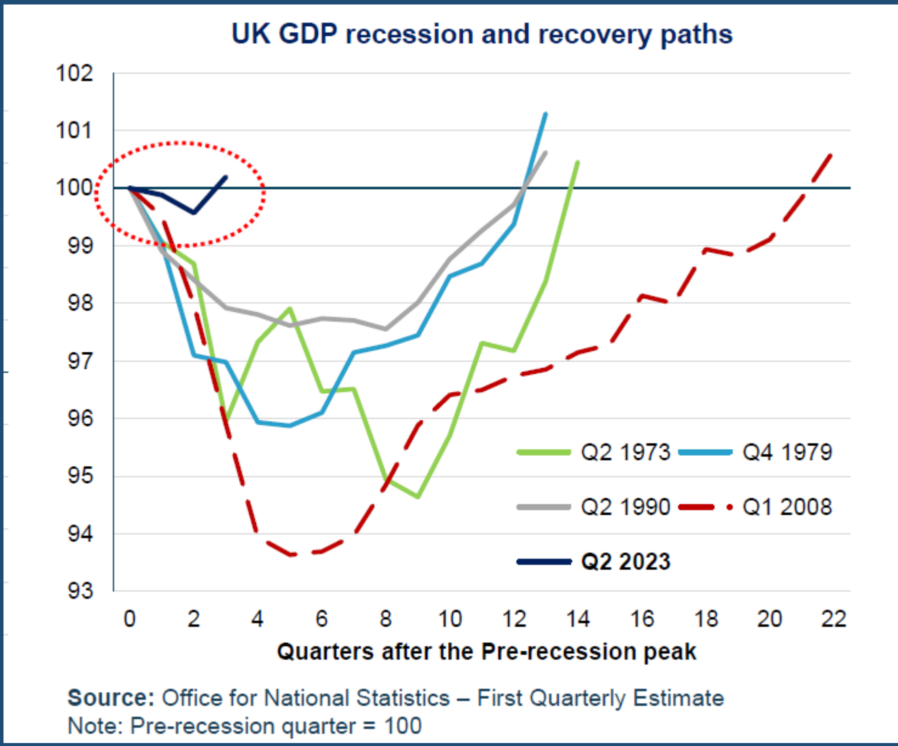
  Contact Multiply@staffordshire.gov.uk to explore your options.
- **Businesses in Staffordshire can now apply for free energy assessments through the Green Solutions scheme**. The scheme aims to help businesses reduce their energy consumption and costs for a greener future and more sustainable business 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 major expansion at one of the county council's enterprise centres is now under way. The £1.6million project at **Newcastle Enterprise Centre in Knutton** will see six workshop units built. It is estimated that when fully occupied, up to 28 people will be working on site. It is hoped the project will be completed by the end of October, with units available soon after. The expansion is being mainly funded through Newcastle's Town Deal with a £1.14million allocation which has been managed by Newcastle-under-Lyme Borough Council, with a further £440,000 investment by Staffordshire County Council. The new units will vastly improve the centre's offer, with new units providing high quality workshop space to small businesses in the area. Larger units will attract step-up businesses and give them a base to grow and thrive. **Find out more about Staffordshire's Enterprise Centres**

National Context

- After a turbulent 4-year period, this month there is **further positive news in that the UK economy has seen growth at its fastest pace for 2 years**, following a shallow and short-lived economic downturn.



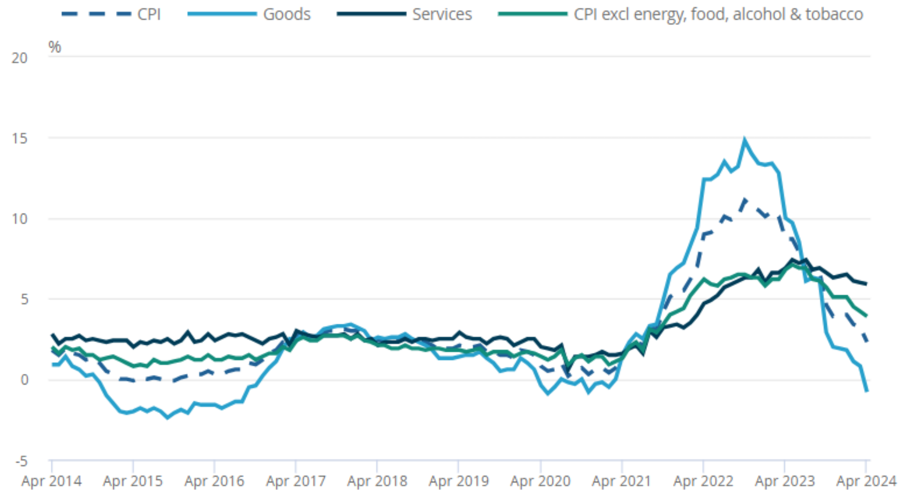
- The **Prime Minister Rishi Sunak has also called a UK general election for Thursday 4 July**. Parliament will now be suspended, before it is formally dissolved ahead of an official five-week election campaign.

Cost of Living

- **UK inflation continues to ease, with the UK's inflation rate fell to 2.3 per cent in the year to April 2024, down from 3.2 per cent in March and the lowest level since July 2021 when inflation was recorded at 2% - the Bank of England's target level.**
- The further large fall in annual inflation was led by lower electricity and gas prices, due to the reduction in the Ofgem energy price cap. Tobacco prices also helped pull down the rate, with no duty changes announced in the budget. Meanwhile, food price inflation saw further falls over the year. These falls were partially offset by a small uptick in petrol prices.
- **Andrew Bailey, Governor of the Bank of England**, has expressed optimism that, as inflation falls close to its targets in the next few months, **an interest rate cut will follow in June at the earliest, with rates holding at 5.25 per cent**. He added that more evidence of inflation staying low would be needed before a decision was made but described news on inflation falling further as encouraging.

CPI goods annual inflation rate turns negative in April 2024

CPI goods, services and core annual inflation rates, UK, April 2014 to April 2024



Source: Consumer price inflation from the Office for National Statistics

- **Real pay growth continues as inflation continues to fall**, and the prospect of lower interest rates should help households recover from recent cost of living pressures.
- Annual growth in employees' average regular earnings (excluding bonuses) in Great Britain was 6.0% in January to March 2024, and annual growth in total earnings (including bonuses) was 5.7%.
- Annual growth in real terms (adjusted for inflation using the Consumer Prices Index including owner occupiers' housing costs (CPIH)) for regular pay was 2.0% in January to March 2024, and for total pay was 1.7%.

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

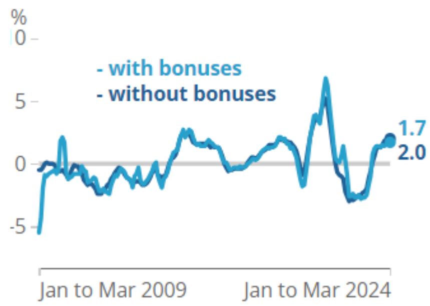
Source: MWSS from ONS

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

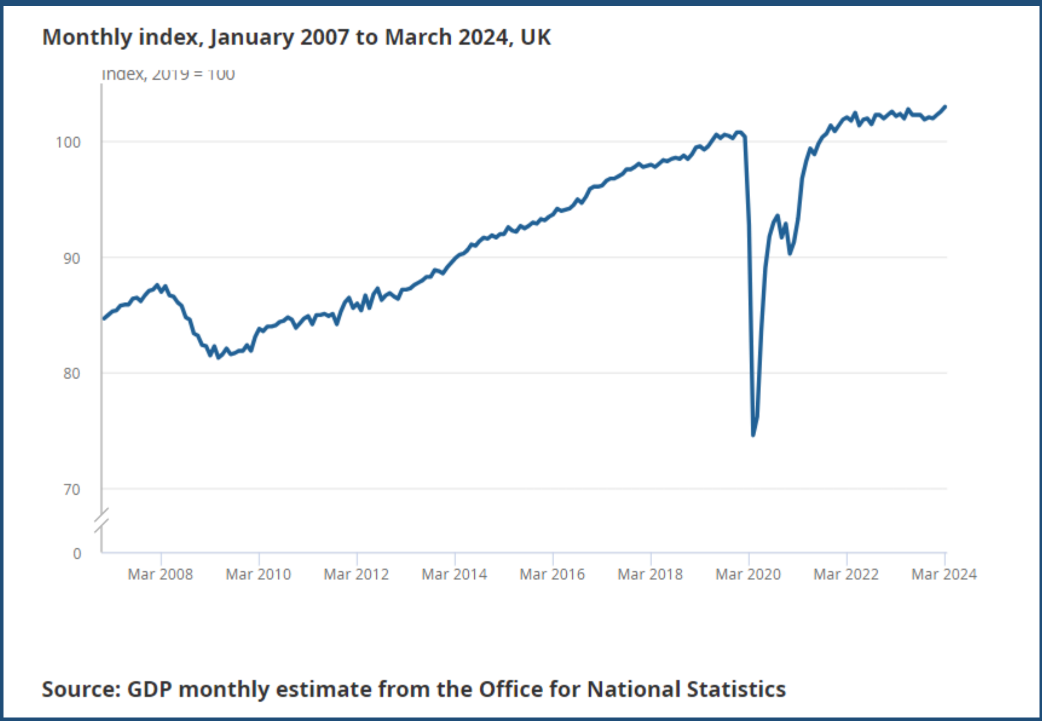


- **There still remain strikes over pay in important parts of the economy, including NHS consultants, junior doctors, and rail workers.** Although the number of hours of work lost continues to reduce, with an estimated 22,000 working days lost because of labour disputes across the UK in March 2024.

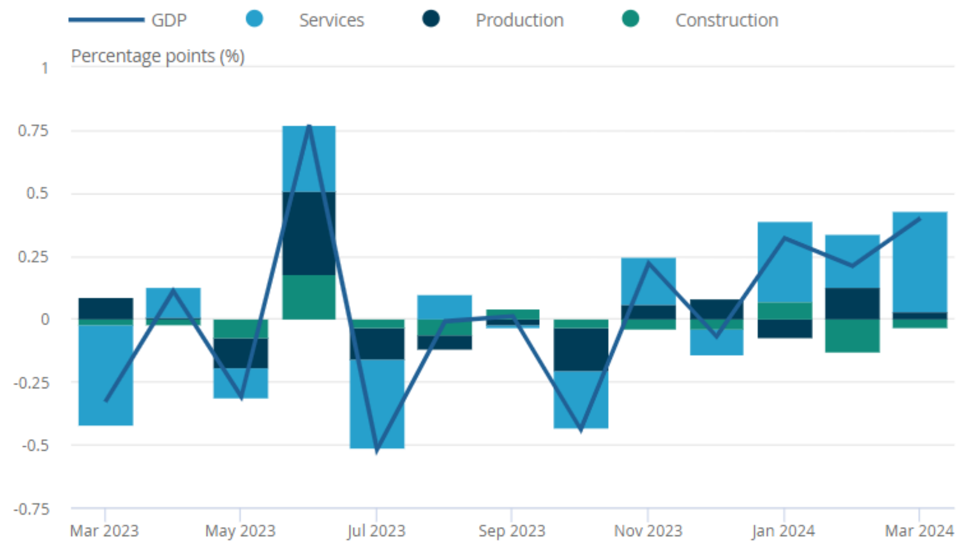
Economy

- The **UK has left the technical recession that it slipped into at the end of 2023** when the economy contracted by 0.4 per cent over the year, with **the economy growing 0.6 per cent in the first three months of 2024**. This figure marks a return to growth in the UK economy, which has seen weak growth in the last two years.
- **The UK economy grew again in March,** with monthly real gross domestic product (GDP) estimated to have grown by 0.4 per cent in March 2024, following growth of 0.2 per cent in February 2024 and growth of 0.3 per cent in January 2024. GDP growth is expected to continue to pick up this year and next.
- **Services** output grew by 0.5 per cent in March 2024, following growth of 0.3 per cent in February 2024, and grew by 0.7 per cent in the three months to March 2024; services output was the largest contributor to the growth in GDP on both the month and the three months to March 2024.
- **Production** output grew by 0.2 per cent in March 2024, following growth of 1.0 per cent in February 2024, and grew by 0.8 per cent in the three months to March 2024.
- **Construction** output fell by 0.4 per cent in March 2024, following a fall of 2.0 per cent in February 2024, and fell by 0.9 per cent in the three months to March 2024.

GDP Monthly index, January 2007 to March 2024, UK



Contributions to monthly GDP growth, March 2023 to March 2024, UK



Source: GDP monthly estimate from the Office for National Statistics

Business Conditions

- 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**.
- Although business conditions remain challenging for many, there are **signs that the business environment is improving with a number of key indicators heading 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 108 of the **Business Insights and Conditions Survey (BICS)**, which was live from 7 May to 19 May 2024:
  - More than one in five (21%) trading businesses reported that their **turnover had decreased** in April 2024 compared with March 2024, which is broadly stable from last month; in contrast, 19% reported their **turnover was higher**, up 3 percentage points over the same period.
  - In early May 2024, 18% of trading businesses reported that they **expect their turnover to increase** in June 2024, down 4 percentage points, compared with expectations for May 2024; meanwhile 59% of businesses reported that they **expect turnover to stay the same**, up 3 percentage points over the same period.
  - More than a quarter (28%) of trading businesses reported an **increase in the prices of goods or services bought** in April 2024 when compared with March 2024, up 3 percentage points from last month.
  - Approximately one in eight (13%) trading businesses reported an **increase in**

the prices of goods or services sold in April 2024 when compared with March 2024, up 4 percentage points from last month; this was the largest proportion reported since June 2023, with many businesses commenting that they have been unable to absorb the cost of the National Living Wage increase.
    - Fewer than 1 in 10 (6%) businesses with 10 or more employees **experienced global supply chain disruption** in April 2024, which is broadly stable with March 2024; of those businesses, 38% reported the conflict in the Middle East as the main reason for their disruption, down 3 percentage points from early April 2024, the lowest proportion to report this since the response option was introduced in January 2024.
    - In early May 2024, 21% of businesses with 10 or more employees reported that they were **experiencing worker shortages**, broadly stable with early April 2024, but down from the 28% of businesses that reported this in early May 2023.
- The latest business insolvencies data which shows that **in April 2024 there were a total of 2,303 company insolvencies in England and Wales, 37% higher than the number registered in the previous year (1,685 in April 2023), and 149% higher than the number registered three years previously: 925 in April 2021).** The main concern around company and individual insolvencies are associated issues such as mental health and homelessness.
- Brewing giant **Heineken says it is investing £39 million in hundreds of its UK pubs and reopening 62 that were closed in recent years**. The company says the cash injection in its Star Pubs chain will create more than 1,000 new jobs and make renovations at more than 600 pubs, around a quarter of the 2,400-strong chain.

Labour Market

- In summary, **after the tightest labour market since records began, most measures (aside from pay) are back around their long-term averages**. There has been a further fall in the headline employment rate from the ONS Labour Force Survey and a further small drop in the total number of people on payrolls from HMRC data. The number of payrolled employees remains well above pre-pandemic levels, while the employment rate is still below its pre-pandemic level. Over the last quarter unemployment increased to its highest for almost a year and is just above its pre-pandemic level, while economic inactivity increased further and remains well above its 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 January 2024 to March 2024:

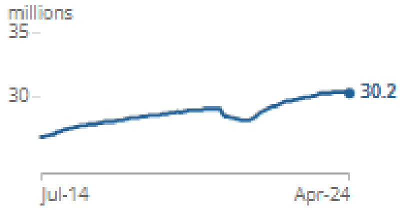
Payrolled employees

The number of payrolled employees

Monthly change: ▼ -85,000
Since Feb 2020: ▲1,228,000

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

Source: PAYE RTI from HMRC



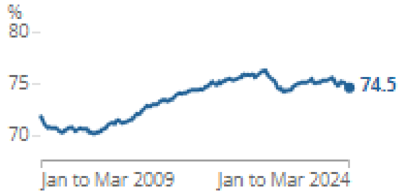
Employment rate

Employment rate (all aged 16 to 64)

Quarterly change: ▼-0.6pps
Since Dec-Feb 2020: ▼-1.7pps

The employment rate is down on the quarter and down on the year, and is still below pre-pandemic rates.
Note: Due to increased volatility of LFS estimates, resulting from smaller achieved sample sizes, estimates of quarterly change should be treated with additional caution.

Source: LFS from ONS



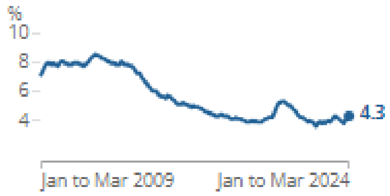
Unemployment rate

Unemployment rate (all aged 16+)

Quarterly change: ▲0.5pps
Since Dec-Feb 2020: ▲0.2pps

The unemployment rate is up on the quarter and up on the year, and above pre-pandemic rates.
Note: Due to increased volatility of LFS estimates, resulting from smaller achieved sample sizes, estimates of quarterly change should be treated with additional caution.

Source: LFS from ONS



Inactivity rate

Economic inactivity rate (all aged 16 to 64)

Quarterly change: ▲0.2pps
Since Dec-Feb 2020: ▲1.6pps

The economic inactivity rate is up on the quarter and up on the year, and still above pre-pandemic rates.
Note: Due to increased volatility of LFS estimates, resulting from smaller achieved sample sizes, estimates of quarterly change should be treated with additional caution.

Source: LFS from ONS

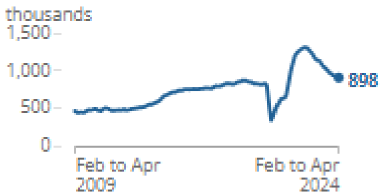
Job vacancies

Number of job vacancies

Quarterly change: ▼-26,000
Since Jan-Mar 2020: ▲102,000

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

Source: Vacancy Survey from ONS



- **Payrolled employees** in the UK fell by 5,000 (0.0%) between February and March 2024, but rose by 288,000 (1.0%) between March 2023 and March 2024.
- The early estimate of payrolled employees for April 2024 decreased by 85,000 (0.3%) on the month but increased by 129,000 (0.4%) on the year, to 30.2 million and 1.2 million above pre-pandemic level. The April 2024 estimate should be treated as a provisional estimate and is likely to be revised when more data are received next month.
- Increased volatility of Labour Force Survey (LFS) estimates, resulting from smaller achieved sample sizes, means that 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 (PAYE) Real Time Information (RTI) estimates.
- The **UK employment rate** (for people aged 16 to 64 years) was estimated at 74.5% in January to March 2024, below estimates of a year ago, and decreased in the latest quarter and 1.7pp below pre-pandemic level.
- The **UK unemployment rate** (for people aged 16 years and over) was estimated at 4.3% in January to March 2024, above estimates of a year ago, and increased in the latest quarter and 0.2pp above pre-pandemic level.
- The **UK economic inactivity rate** for people aged 16 to 64 years was estimated at 22.1% in January to March 2024, above estimates of a year ago, and increased in the latest quarter and 1.6pp above pre-pandemic level.
- The **UK Claimant Count** for April 2024 increased by 8,900 on the month and by 29,300 on the year, to 1.579 million.
- In February to April 2024, the estimated number of **vacancies in the UK** decreased by 26,000 on the quarter to 898,000. Vacancies decreased on the quarter for the 22nd consecutive period but are still 102,000 above pre-pandemic level.
- The number of **people experiencing mental health problems caused by their jobs has increased by 275,000 since the pandemic**, according to estimates from the **Health and Safety Executive and Office for National Statistics**. Some 875,000 workers experienced job-related stress, anxiety, and depression in 2022/23, compared to 602,000 in 2018/19.
- The **Department of Work and Pensions has announced £64 million in funding for a new service, WorkWell**, which will be trialled in 15 areas across the UK from October. The programme will change how fit notes are treated, with the claimant being required to speak to their employment adviser who will attempt to find adjustments and treatment for the condition so they can remain in work.
- **Thousands more parents in England can now apply for 15 hours free childcare**. This applies to eligible working parents of children aged nine months to 23 months old, ahead of the expansion of the free childcare scheme from this September.

Skills

- **Mel Stride, Work and Pensions Secretary, has announced that 'skills boot camps' will be offered by the Government, aimed to get welfare claimants back into roles that were previously held by foreign workers.** The plan will see training given to claimants in understaffed sectors such as social care, hospitality and construction which the Government says have relied on foreign workers for too long.

Green Economy

- **Renewable energy accounted for more than 30 per cent of the world's electricity for the first time last year following a rapid rise in wind and solar power**. A report from climate thinktank, **Ember**, on the global power system has found that the world may be on the brink of driving down fossil fuel generation, even as overall demand for electricity continues to rise.
- **Energy-from-waste schemes are being included in the Government's emissions trading scheme from 2028, under which polluters will have to pay for the carbon dioxide they emit.** This is despite objections from councils which face significant bills for the waste they send to incinerators rather than the industries which produce the material.

Housing

- The **Chief Economist at the Bank of England, Huw Pill, has said that rising rental costs have been in part affected by increases in immigration and a growing population as opposed to higher interest rates**. He explained that rates are a reflection not of monetary policy, but of supply and demand, and added that supply is also affected by planning issues and policy choices around housebuilding.

Transport

- **The Centre for Economics and Business Research has said that the UK's more than one million potholes cost the economy £14.4 billion a year**. Costs are incurred through repair costs, accidents, driver delays and higher emissions, according to the estimates.

Conclusion

- In conclusion, we have **seen the economy emerge from the short recession with the fastest growth for 2 years**, while **inflation continues to ease** and is now close to the Bank of England target. **Wage levels continue to rise** and there is hope of interest rate cuts in the near future, all of which further eases the cost of living.
- **Business conditions remain challenging for many, but confidence is improving with rising expectations for growth**.
- **The labour market continues to cool,** with those in work falling, while we see unemployment and economic inactivity continue to rise. We are also seeing a

continued **long-term decline in jobs available for those that find themselves out of work**.

- We need to continue to **support those still struggling with the cost-of-living and support viable businesses to survive and grow**. By reducing the impact on our business base, we can see faster recovery and a return to economic growth to the benefit of all.
- **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 April 2024, which shows the number of new companies and individuals who are unable to pay debts and enter a formal insolvency procedure.

Company Insolvencies

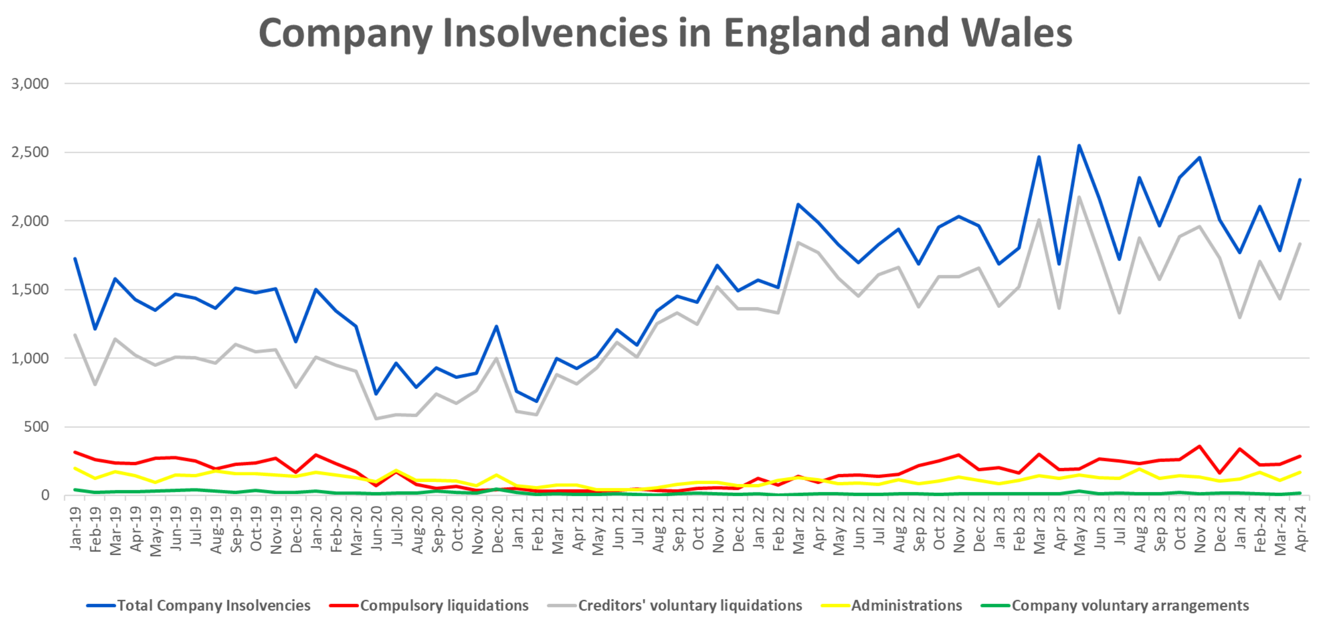
In April 2024 there were a total of 2,303 company insolvencies in England and Wales.

The overall number of **company insolvencies are 37% higher than the number registered in the previous year (1,685 in April 2023), and 149% higher than the number registered three years previously: 925 in April 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 284 compulsory liquidations in April 2024, which is 52% higher than the number in April 2023, and 847% higher than in April 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 April 2024 there were 1,835 Creditors' Voluntary Liquidations (CVLs), 35% higher than April 2023, and 125% higher than April 2021. Numbers of administrations are higher than pandemic levels at 121% higher than April 2021, and Company Voluntary Arrangements (CVAs) are now higher than pandemic levels at 260% above April 2021 levels, although numbers are low.

Company insolvencies between May 2023 and April 2024 are 13% higher compared to a year earlier, representing 2,900 more businesses.



Sources: Insolvency Service (compulsory liquidations only); Companies House (all other insolvency types)[2]

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

The sectors to have seen the largest number of company insolvencies between April 2023 and March 2024 continue to be the Construction sector (4,274), Wholesale & Retail sector (3,825) and Accommodation & Food Service sector (3,766). Levels exceed those seen for the same period the previous year with the Construction sector 2% higher, Wholesale & Retail sector 8% higher, and Accommodation & Food Service sector 27% 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

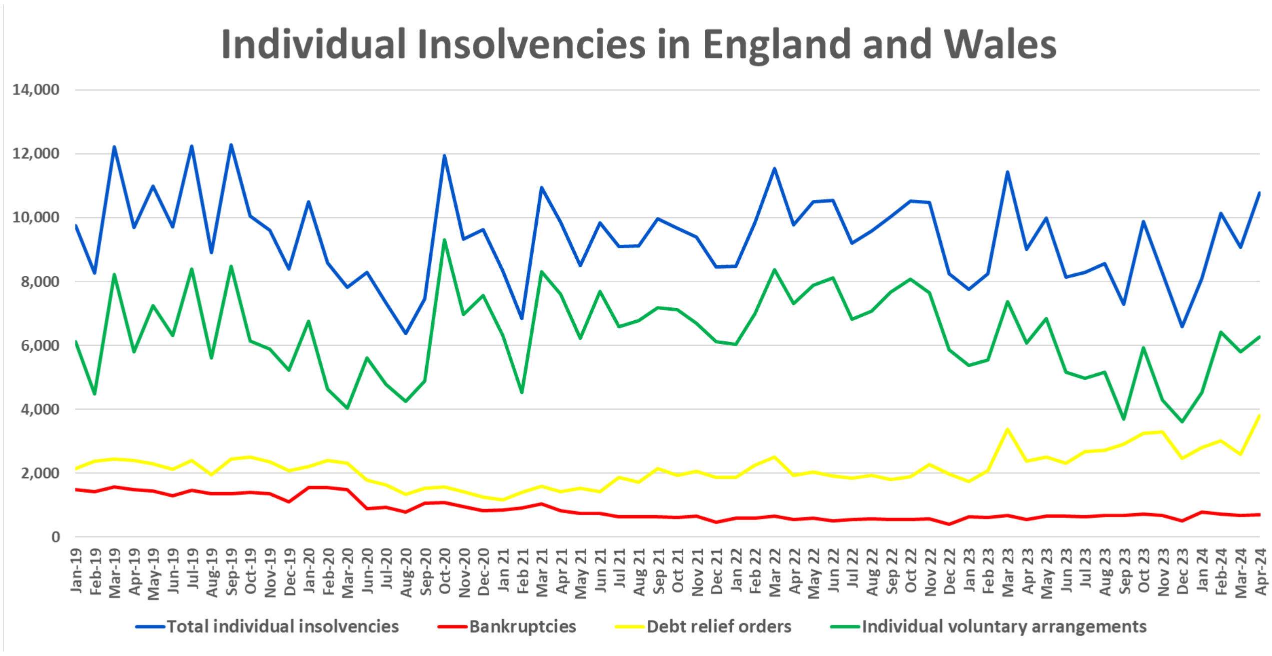
There were **10,787 total individual insolvencies in April 2024**, which was 20% higher than in April 2023, and 9% higher than in April 2021.

For individuals, **702 bankruptcies were registered in April 2024**, which was 29% higher than in April 2023, and 15% lower than in April 2021.

There were **3,808 Debt Relief Orders (DROs) in April 2024**, which was 60% higher than in April 2023, and 166% higher than in April 2021.

There were **6,277 Individual Voluntary Arrangements (IVAs)** registered in April 2024, which is 3% higher than April 2023, and 18% lower than April 2021.

Total Individual Insolvencies between May 2023 and April 2024 are 9% lower than the same period a year earlier, representing a decrease of 10,400.



Sources: Insolvency Service

There were **7,649 Breathing Space registrations in April 2024, which is 16% higher than the number registered in April 2023**. 7,547 were Standard breathing space registrations, which is 16% higher than in April 2023, and 102 were Mental Health breathing space registrations, which is 20% lower than the number in April 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: April 2024

Area	Claimant Count Rate (April 2023)	Claimant Count Rate (March 2024)	Claimant Count Rate[1] (April 2024)	Number of Claimants (April 2024)	Monthly Change in Claimants (Numbers)	Monthly Change in Claimants (%)	Change in Claimants since March 2020 (Numbers)	Change in Claimants since March 2020 (%)
England	3.8	3.9	3.9	1,405,905	6,820	0.5%	342,400	32.2%
West Midlands	5.0	5.0	5.0	184,890	550	0.3%	40,540	28.1%
Staffordshire & Stoke-on-Trent	3.6	3.7	3.7	25,855	320	1.3%	6,485	33.5%
Birmingham	8.6	9.0	9.0	66,710	690	1.0%	17,340	35.1%
Wolverhampton	7.8	7.4	7.3	12,015	-120	-1.0%	1,635	15.8%
Sandwell	6.4	6.1	6.2	13,435	150	1.1%	2,655	24.6%
Stoke-on-Trent	**5.6**	**6.0**	**6.2**	**10,050**	**405**	**4.2%**	**2,730**	**37.3%**
Coventry	5.8	5.6	5.6	12,595	110	0.9%	4,595	57.4%
Walsall	5.8	5.6	5.5	9,600	-175	-1.8%	995	11.6%
Dudley	4.9	4.6	4.5	8,915	-185	-2.0%	400	4.7%
Telford and Wrekin	3.5	3.6	3.6	4,185	25	0..6%	755	22.0%
Solihull	3.3	3.3	3.2	4,190	-45	-1.1%	540	14.8%
Staffordshire	**3.0**	**3.0**	**3.0**	**15,805**	**-85**	**-0.5%**	**3,755**	**31.2%**
Worcestershire	3.1	3.0	3.0	10,925	-110	-1.0%	2,620	31.5%
Warwickshire	2.8	2.6	2.6	9,425	-45	-0.5%	1,595	20.4%
Herefordshire, County of	2.5	2.5	2.5	2,675	-45	-1.7%	565	26.8%
Shropshire	2.4	2.3	2.3	4,370	-10	-0.2%	360	9.0%
East Staffordshire	3.5	3.8	3.9	3,000	60	2.0%	1,280	74.4%
Tamworth	3.7	3.5	3.6	1,740	15	0.9%	250	16.8%
Cannock Chase	3.6	3.4	3.4	2,115	0	0..0%	460	27.8%
Newcastle-under-Lyme	3.2	3.2	3.2	2,400	-25	-1.0%	420	21.2%
South Staffordshire	2.8	2.6	2.6	1,710	-5	-0.3%	400	30.5%
Stafford	2.5	2.7	2.6	2,130	-55	-2.5%	475	28.7%
Lichfield	2.5	2.5	2.3	1,470	-85	-5.5%	150	11.4%
Staffordshire Moorlands	2.0	2.2	2.2	1,240	5	0.4%	320	34.8%

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

- The claimant count in Staffordshire saw a **decrease of 85 claimants in April**, with the **total number now at 15,805**. In contrast, we have seen increases both regionally and nationally this month.

- Over the last month, the **claimant rate for Staffordshire has remained the same at 3.0%** of the working age population.

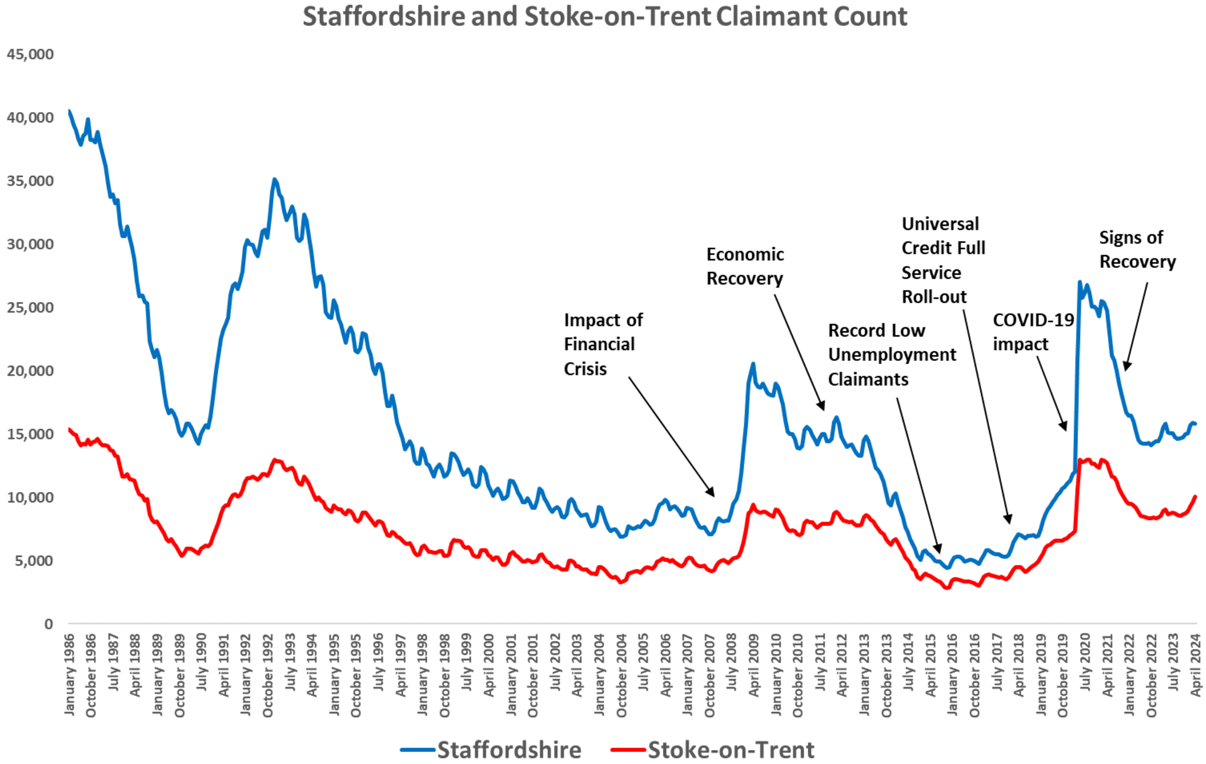
- The **rate in Staffordshire continues to be one of the lowest rates in the West Midlands and is far lower than the average for the region of 5.0%, and lower than the average for England at 3.9%**.

- Stoke-on-Trent saw an **increase of 405 claimants** over the same period with **a total of 10,050 claimants in April**, with the **rate increasing from 6.0% to 6.2%.**

- Staffordshire saw a 0.5% decrease monthly change in claimants whereas nationally we saw a 0.5% increase and regionally a 0.3% increase. **Staffordshire continues to be one of the lowest claimant rates in the region.**

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

- **The total number of Universal Credit (UC) claimants in Staffordshire is now 31% or 3,755 higher than the level seen in March 2020 (pre-COVID)**, which is in-line with the 32% increase seen nationally but higher than the 28% 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 important 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 3.0% of the working age population compared to 5.0% regionally and 3.9% nationally. In Stoke-on-Trent, the Claimant Count remains above both the regional and national averages at 6.2%.**

- For those that find themselves out of work, **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 ensure that there is the support in place to help people that unfortunately find themselves unemployed to move into the high number of job vacancies that are present across Staffordshire.

- This month there were decreases in the claimant count across four of the districts in Staffordshire (Newcastle-under-Lyme, South Staffordshire, Stafford and Lichfield).

- East Staffordshire has the highest claimant rate at 3.9% and Staffordshire Moorlands has the lowest at 2.2%. However, all districts have a lower claimant rate than the regional rate and equal to or lower than the national rate.

Youth Claimant Count

Youth Claimant Count (Universal Credit) Statistics: April 2024

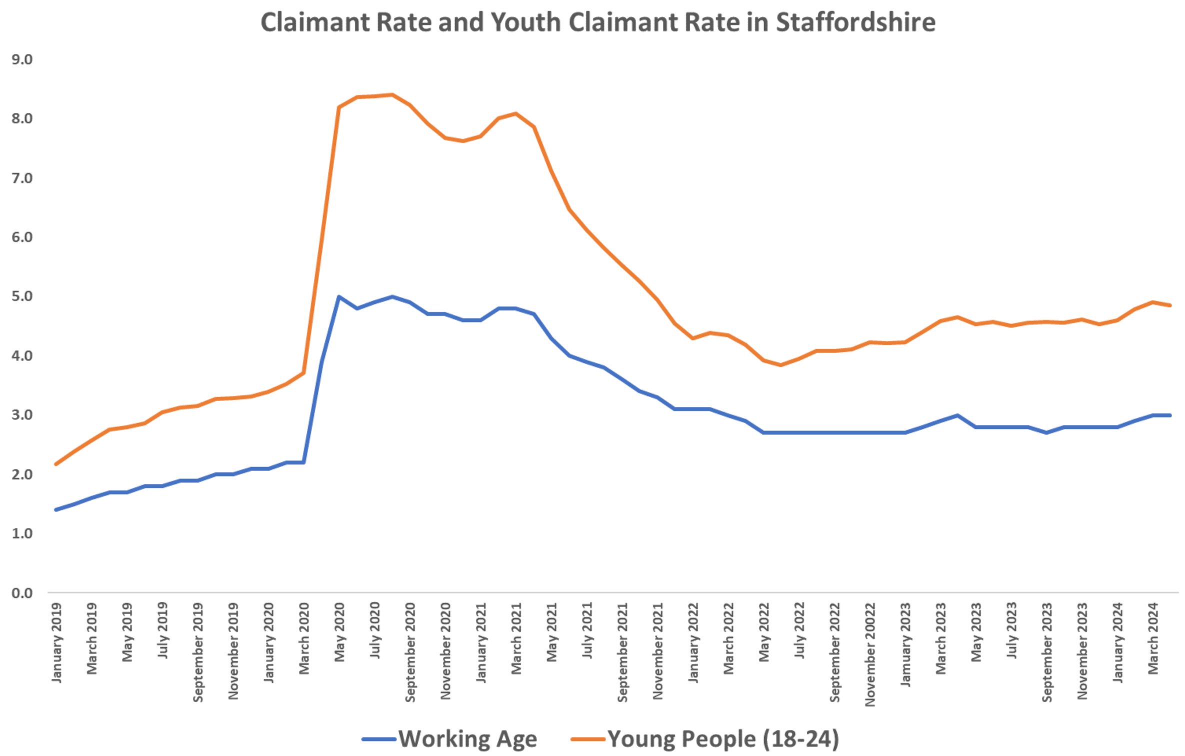
Area	Youth Claimant Count Rate (April 2023)	Youth Claimant Count Rate (March 2024)	Youth Claimant Count Rate[1] (April 2024)	Number of Youth Claimants (April 2024)	Monthly Change in Youth Claimants (Numbers)	Monthly Change in Youth Claimants (%)	Change in Youth Claimants since March 2020 (Numbers)	Change in Youth Claimants since March 2020 (%)
England	4.9	5.3	5.2	245,870	-1,095	-0.4%	48,140	24.3%
West Midlands	6.6	7.1	7.1	35,800	-115	-0.3%	7,895	28.3%
Staffordshire & Stoke-on-Trent	5.4	5.8	5.8	4,915	-10	-0.2%	1,095	28.7%
Wolverhampton	10.7	11.0	10.9	2,320	-40	-1.7%	410	21.5%
Birmingham	8.7	9.8	9.9	12,860	95	0.7%	3,755	41.2%
Wallsall	9.0	9.7	9.5	2,150	-40	-1.8%	235	12.3%
Sandwell	9.0	9.5	9.5	2,705	-15	-0.6%	590	27.9%
Stoke-on-Trent	**7.5**	**8.2**	**8.3**	**1,880**	**30**	**1.6%**	**475**	**33.8%**
Dudley	7.5	7.8	7.7	1,825	-15	-0.8%	75	4.3%
Telford and Wrekin	5.6	6.0	5.9	885	-5	-0.6%	125	16.4%
Solihull	5.3	5.9	5.7	855	-30	-3.4%	30	3.6%
Coventry	5.1	5.4	5.5	2,360	25	1.1%	825	53.7%
Staffordshire	**4.6**	**4.9**	**4.8**	**3,035**	**-40**	**-1.3%**	**620**	**25.7%**
Worcestershire	4.7	4.8	4.7	1,950	-65	-3.2%	355	22.3%
Herefordshire, County of	4.1	4.3	4.2	490	-5	-1.0%	75	18.1%
Warwickshire	3.9	3.9	3.8	1,715	-5	-0.3%	380	28.5%
Shropshire	3.5	3.5	3.5	765	-10	-1.3%	-60	-7.3%
Tamworth	6.5	6.7	6.9	395	10	2.6%	100	33.9%
Cannock Chase	6.4	6.3	6.2	440	-5	-1.1%	75	20.5%
East Staffordshire	5.1	5.5	5.4	485	-5	-1.0%	165	51.6%
South Staffordshire	5.0	4.9	4.8	355	-10	-2.7%	105	42.0%
Stafford	4.1	4.6	4.5	390	-5	-1.3%	75	23.8%
Newcastle-under-Lyme	4.0	4.2	4.1	480	-15	-3.0%	55	12.9%
Lichfield	3.7	4.0	3.9	280	-5	-1.8%	10	3.7%
Staffordshire Moorlands	2.7	3.6	3.6	210	-5	-2.3%	35	20.0%

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

- This month the **youth claimant count in Staffordshire also saw a decrease of 40 claimants with a total of 3,035 young people**. Decreases were also seen both regionally and nationally.

- **The proportion of young people in Staffordshire aged 18-24 that are claiming work-related Universal Credit decreased from 4.9% to 4.8% this month.** This continues to be lower than the national rate of 5.2%, which decreased from 5.3%, and far lower than the regional rate of 7.1%, which remained unchanged this month.

- **Stoke-on-Trent saw an increase of 30 claimants to a total of 1,880 claimants with the rate increasing from 8.2% to 8.3% this month.**



- This month the majority of districts in Staffordshire saw decreases with the exception of Tamworth which saw an increase of 2.6%.

- Tamworth has the highest rate at 6.9%, whilst Staffordshire Moorlands has the lowest rate at 3.6%. Newcastle-under-Lyme and East Staffordshire have the highest number of youth claimants at 480 and 485 respectively, whilst Staffordshire Moorlands has the lowest number of youth claimants at 210.

- Given that it is harder for youth claimants to find a new job our focus continues to be to engage with our younger residents and support them to find employment or continue in education and training, 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

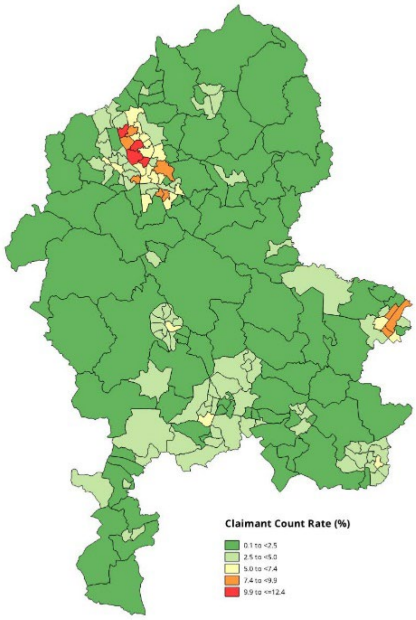
The following maps and tables provide the latest breakdown of the claimant count by wards in Staffordshire & Stoke-on-Trent.

Claimant Count Rate April 2024

Of the 201 wards in Staffordshire & Stoke-on-Trent, 60 were above the England average of 3.9% for the number of claimants as a proportion of the working age population.

Within the twenty highest claimant count rate wards, sixteen were in Stoke-on-Trent with the highest rates in Joiner's Square: 12.4%/565; Etruria & Hanley: 12.1%/655; Moorcroft: 11.0%/405; Tunstall: 10.0%/425; Burslem Central: 9.1%/415 total claimants.

In Staffordshire, the four wards with the highest claimant count rates were all in East Staffordshire with Anglesey: 8.5%/460; Burton: 8.3%/250; Eton Park: 7.5%/365; Shobnall: 7.2%/390 total claimants.

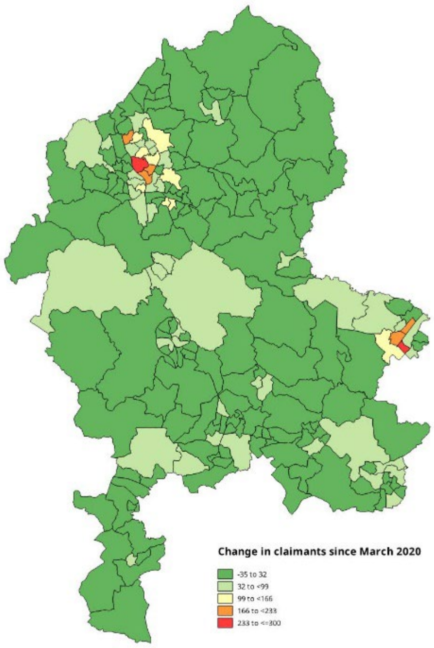


Staffordshire County Council

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 (300 increase to 655); Hanley Park & Shelton (200 increase to 385); Joiner's Square (190 increase to 565); Tunstall (175 increase to 425); Moorcroft (145 increase to 405); Lightwood North & Normacot (145 increase to 290).

Of the remaining four wards in the top ten, all were in East Staffordshire including Anglesey with a 270 increase to 460 claimants; Eton Park with a 185 increase to 365 claimants; Shobnall with a 180 increase to 390 claimants; and Branston with a 150 increase to 225 claimants.



Staffordshire County Council

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

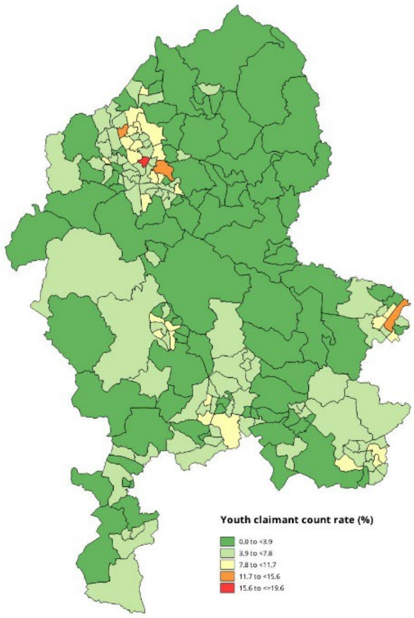
The following maps and tables provide the latest breakdown of the youth claimant count by wards in Staffordshire & Stoke-on-Trent.

Youth Claimant Count Rate April 2024

Of the 201 wards in Staffordshire & Stoke-on-Trent, 87 were above the England average of 5.2% 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, seven were in Stoke-on-Trent including Joiner's Square: 19.6%/150; Bentilee & Ubberley: 14.4%/130; Tunstall 12.2%/75; Moorcorft: 11.2%/60; Burslem Central: 10.6%/65; Little Chell & Stanfield: 10.6%/70; Etruria & Hanley: 10.4%/90 total youth claimants.

In Staffordshire, the three wards with the highest claimant count rates were Burton (East Staffordshire): 14.2%/55; Knutton (Newcastle-under-Lyme):10.9%/30; Cannock North (Cannock Chase): 10.3%/55 total youth claimants.

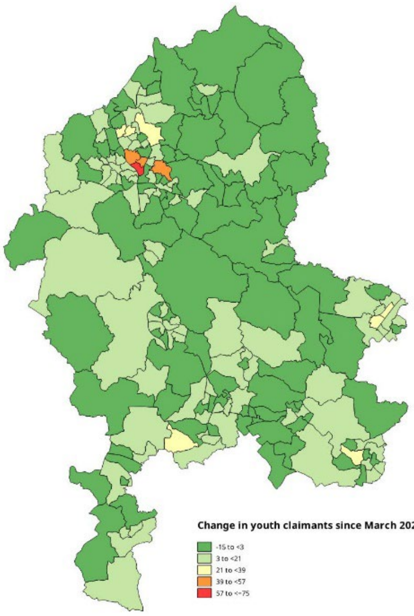


Staffordshire County Council

Change in Youth Claimant Count since March 2020

Of the top ten wards in Staffordshire with the highest change in the number of youth claimants since March 2020, seven were in Stoke-on-Trent including Hanley Park & Shelton (75 increase to 105); Joiner's Square (50 increase to 150); Etruria and Hanley (45 increase to 90); Bentilee & Ubberley (40 increase to 130); Tunstall (35 increase to 75); Little Chell & Stanfield (30 increase to 70); Baddeley, Milton & Norton (30 increase to 90).

In Staffordshire, the three wards with the highest change in the number of youth claimants since March 2020, were Eton Park (East Staffordshire) with a rise of 35 to 65; Shobnall (East Staffordshire) with a rise of 30 to 65; Castle (Tamworth) with a rise of 25 to 40 total youth claimants.



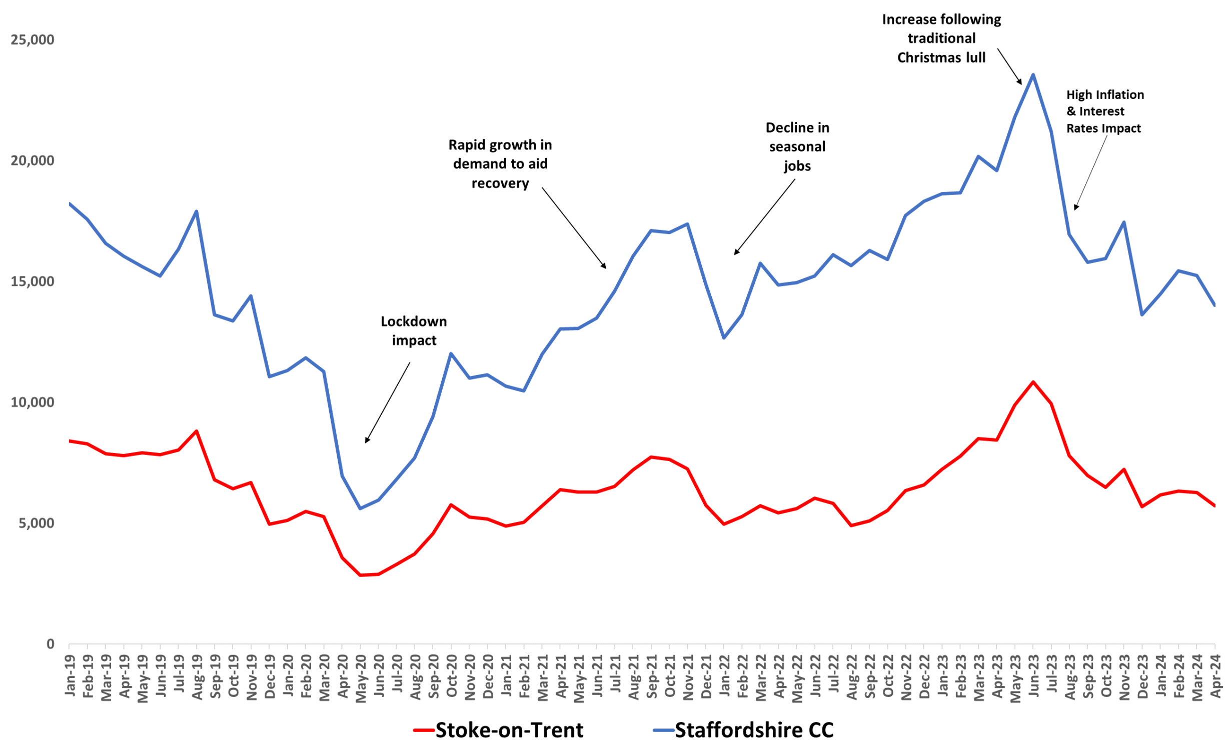
Staffordshire County Council

Job Vacancies[3]

- **Staffordshire saw a 9% decrease in the number of available job vacancies between March and April to a total of 14,000[4]. This is lower than the number of work-related benefit claimants. Stoke-on-Trent also saw a 9% decrease in job vacancies to a total of 5,700 which is significantly lower than the number of claimants.**

- **Across the region in the last month there was a 10% decrease, and nationally there was also a 10% decrease in job vacancies. Generally, job vacancies have been declining since July last year.**

- In April 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 29% lower, whilst Stoke-on-Trent decreased 32%. The chart below indicates a general declining trend overall from July last year suggesting a slowdown in the jobs market as a result of business sectors delaying recruitment due to increased costs and uncertainty in the economy. Overall, the outlook remains positive and recruitment demand is strong with new job postings higher than pre-pandemic levels with Staffordshire job vacancies 18% higher and Stoke-on-Trent 4% higher. Our focus continues to be to support those that unfortunately find themselves unemployed, to transition into work.



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 occupational groups saw a decrease in vacancies during April, with 'Managers, Directors & Senior Officials' occupations seeing the highest decrease of 13%.

- The occupations to see the most significant increases during April include **Receptionists; Electrical Engineers; Health & Safety Managers & Officers; Electricians & Electrical Fitters; HR Administrative; Call & Contact Centre; Metal Machining Setters & Setter operators; Sales & Retail Assistants; Civil Engineers and Mechanical Engineers.**

Annual Trends in job vacancies

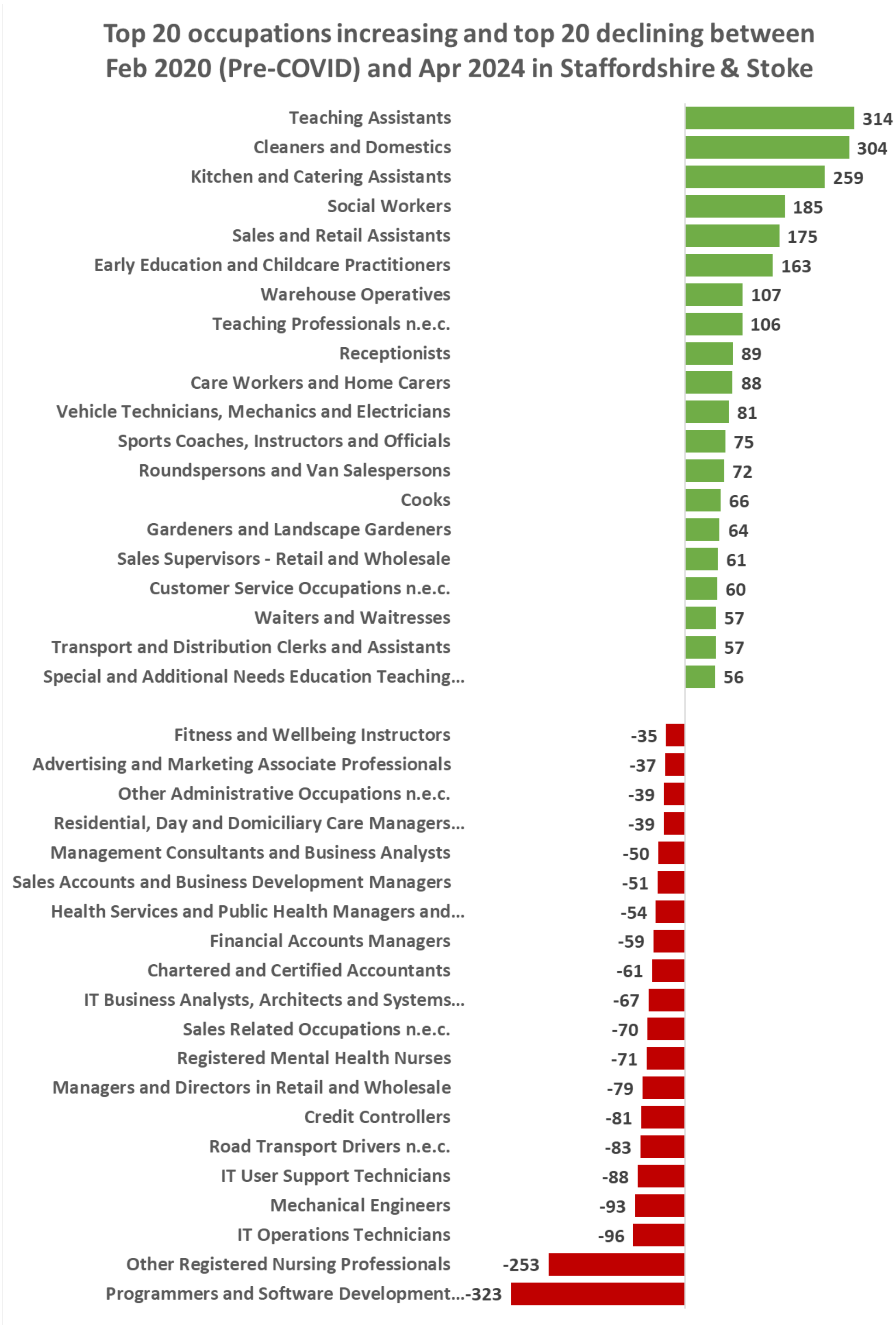
- The occupations to see the largest year-on-year increases include Logistics (Large Goods Vehicle Drivers), Education (Teaching Assistants), Construction (Quantity Surveyors, Groundworkers), Motor Trade (Vehicle Valeters & Cleaners), Cross Sector Business Roles (Health & Safety Managers and Officers; Business Sales Executives; Security System Installers & Repairers), Childcare (Early Education & Childcare Practitioners; Nannies & Au Pairs), Health (Dental Practitioners; Other Psychologists; Pharmacy & Optical Dispensing Assistants), Sport (Sports Coaches, Instructors and Officials), Gardeners & Landscape Gardeners, Estate Agents & Auctioneers, Veterinarians, , IT (Computer System & Equipment Installers/Servicers), Engineering (Engineering Project Managers & Project Engineers).

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:

    - **Education** (Teaching Assistants; Teaching Professionals; Special & Additional Needs Education & Teaching Professionals)
    - **Housekeepers & related occupations** (Cleaners & Domestics)
    - **Hospitality** (Kitchen and Catering Assistants; Cooks; Waiters & Waitresses)
    - **Health and Social Care** (Social Workers; Care Workers and Home Carers)
    - **Retail & Wholesale** (Sales and Retail Assistants; Sales Supervisors)
    - **Childcare** (Early Education & Childcare Practitioners)
    - **Logistics** (Warehouse Operatives; Roundspersons & Van Salespersons; Transport & Distribution Clerks/Assistants)
    - **Cross sector business roles** (Receptionists; Customer Service)
    - **Motor Trade** (Vehicle Technicians, Mechanics and Electricians)
    - **Sport** (Sports Coaches, instructors & Officials)
    - **Agricultural** (Gardens & Landscape Gardeners)

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 Staffordshire and Stoke-on-Trent**, 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', 'Cleaners & Domestics', and 'Teaching Assistants', also have strong demand.**

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

- The Logistics sector continues to have high demand for **'Large Goods Vehicle Drivers', 'Warehouse Operatives' 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 Hospitality sector, **'Kitchen & Catering Assistants' remain the roles most in demand.**

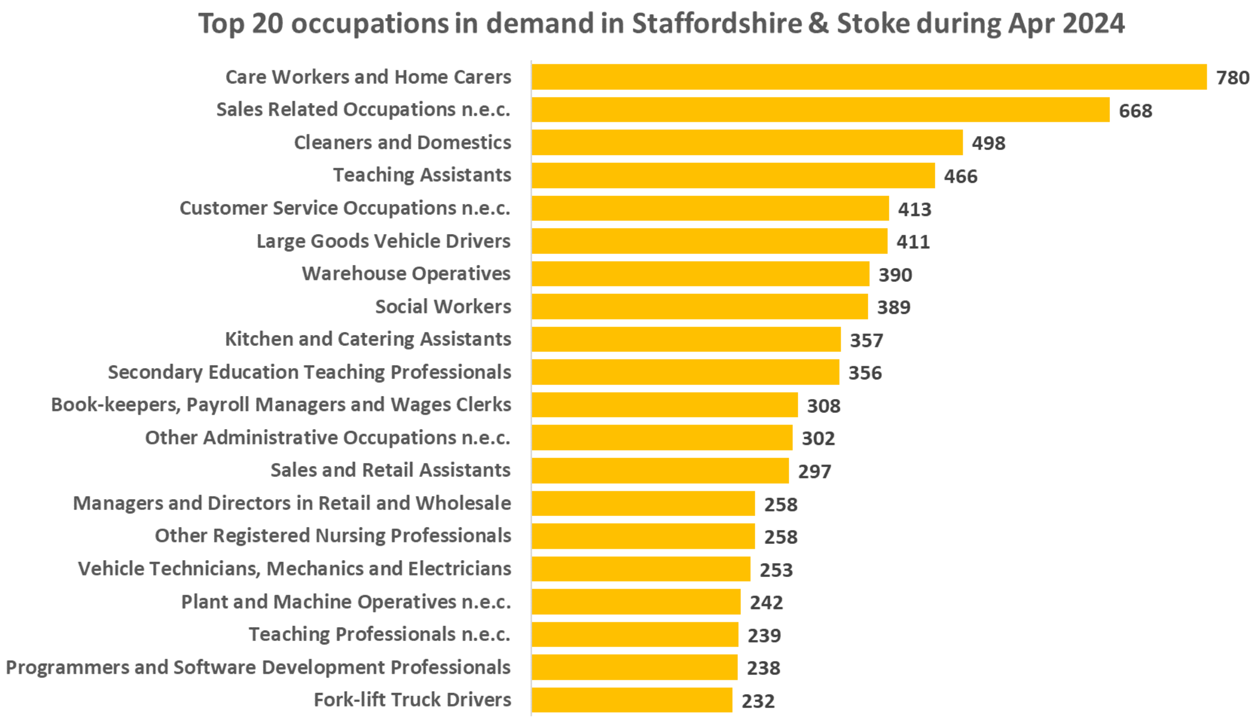
- In the Education sector there is particularly high demand for **'Secondary Education Teaching Professionals' and 'Teaching Professionals'.**

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

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

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

- 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.