

Staffordshire & Stoke-on-Trent Economic Bulletin

Issue 47 – July 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 Evers
Director for Economy, Infrastructure and Skills, Staffordshire County Council



Key Messages

Local Picture

- In Staffordshire having seen **improvement in the local economy and labour market following the COVID pandemic**, as seen nationally, we have seen unemployment, youth unemployment and dependency on work-related benefits increase during the energy and cost-of-living crisis.
- This month we have **seen an increase in the Claimant Count which is in part reflective of the ongoing economic conditions but also due to benefit system changes introduced in May.**
- **Although job vacancies have declined it is positive that they remain above pre-pandemic levels meaning that there are 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 increased by 495 this month to a total of 15,800 claimants.** We have also seen increases both regionally and nationally this month.
- **The claimant rate for Staffordshire has increased this month from 2.9% to 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 5.4%, and lower than the average for England at 4.1%, which both increased from 5.0% and 3.9% respectively. 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.
- On a positive note, this month the **youth claimant count in Staffordshire saw a small decrease of 15 claimants with the total number of youth claimants now standing at 2,945.** This was in contrast to the increases seen regionally and nationally. **The proportion of young people in Staffordshire aged 18-24 claiming work-related Universal Credit remained the same at 4.5% this month. This continues to be lower than the national rate of 5.1% and far lower than the regional rate of 6.7%.** Our focus continues to be to engage with our younger residents and support them to find employment or to continue in education and training.

- Turning to job vacancies, **Staffordshire saw a 3% decrease in the number of available job vacancies between May and June to a total of 13,800. This is lower than the number of work-related benefit claimants. Stoke-on-Trent saw a 2% decrease in job vacancies to a total of 5,600 which is significantly lower than the number of claimants. Across the region in the last month there was a 4% decrease, and nationally there was also a 2% decrease in job vacancies.**
- Although we are seeing a slight 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.**
- Considering the **top 20 job vacancy occupations in Stoke-on-Trent and Staffordshire**, demand for roles in social care continue to remain high with **'Care Workers and Home Carers' being the most in demand occupations.**
- The following occupations **'Sales Related,' 'Teaching Assistants' and 'Secondary Education Teaching Professionals'** also have strong demand.
- The Logistics sector continues to have high demand for **'Large Goods Vehicle Drivers' and 'Warehouse Operatives.'**
- **There continues to be strong demand for Housekeepers & Related Occupations - Cleaners & Domestics.**
- 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.**
- There is **strong demand for 'Customer Service,' 'Administrative' and 'Bookkeepers, Payroll Managers & Wages Clerks'** across business sectors to support business in their recovery, survival, and new methods of working.
- 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 Education sector there is particularly high demand for **'Teaching Professionals' and 'Special & Additional Needs Education Teaching Professionals.'**
- In the Engineering sector **'Mechanical Engineers' and 'Production & Process Engineers'** are most in demand.
- 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 (ONS) latest report indicates the UK economy grew faster than expected in May by 0.4% with the Construction sector reporting its fastest rate in almost a year. Whilst there are positive indications with easing pressure on household finances and a slowdown in inflation, many families and businesses are still facing challenging financial pressures. The number of job vacancies have continued to shrink this month, and the ONS has reported the latest unemployment rate remains at 4.4% in the three months to May. **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 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 from 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. As well as improving everyday life, the move to gigabit technology could boost the local by hundreds of millions of pounds, and also supports the county council's climate change commitments - with smart technology reducing energy consumption and cutting carbon emissions. The county council launched the Community Fibre Partnership support fund for communities which could not be reached by the main programme which helped nine communities to benefit, with a further 24 communities benefitting from the Gigabit Broadband Top-up Voucher scheme. The new Gigafast Staffordshire website has launched to help everyone understand the benefits of gigabit connectivity at www.gigafaststaffordshire.co.uk.
- **Staffordshire County Council** is also supporting our residents and businesses through the **[Here to Help - cost of living support programme](#)**. This website signposts to a range of support that is already available to people.

- The Government has launched the **Skills for Life** campaign which highlights the range of training and employment schemes available for businesses wanting to boost their workforce capabilities, including apprenticeships, traineeships, and T-Levels. The Government's [Skills for Life](#) website showcases hundreds of government-funded skills opportunities. It promotes online learning options and free essential skills courses, such as numeracy, English and digital, sector specific qualifications, Skills Bootcamps, Free Courses for Jobs, and in-work training, as well as personalised support and guidance from the National Careers Service. Refreshed [campaign toolkits](#) for the skills campaigns currently running for employers, adults and young people are available to share via your networks and channels, with your own audiences, staff and customers to help extend the reach of the campaigns to those people who will benefit most. [Find out more](#).

- **New employer information and advice service - Support with Employee Health and Disability:** A digital information and advice service for businesses is live on [GOV.UK](#), providing tailored guidance on health and disability, to prevent avoidable job loss and help people thrive at work. Employers and disability organisations have been involved in the design and testing of the service which will continue to be developed throughout 2022/23. Current features include:

- Helping employers to feel more confident having conversations about health and disability.
- Encouraging early intervention and sustained support.
- Signposting to trusted expert support and resources.
- Helping employers understand their legal responsibilities.

Please use the [feedback link](#) as your thoughts on how the content and design are shaped really will make a difference. [Read the press release](#)

- **Stoke-On-Trent & Staffordshire Growth Hub have partnered with the Federation of Small Businesses (FSB) to offer free 1-2-1 virtual business support sessions.** Are you looking to start a business or in the embryonic stages of growth? Are you:

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

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

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

If you feel you might benefit from one of these virtual sessions, please email karen.woolley@fsb.org.uk 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.
- **A developer partner has been selected by Staffordshire County Council to progress a major regeneration scheme in the centre of Stafford.** ION Developments will now work with the county council to take forward the Eastgate regeneration scheme. The redevelopment aims to increase the area's attraction to

new residents, businesses and visitors, helping to establish Stafford as a leading UK county town. Outline proposals have been submitted by ION for residential and mixed-use developments on the sites including the potential reuse of a large part of the former county council offices which are currently vacant.

- **A new fund has been launched to help support Staffordshire Moorlands SMEs on their business growth journey.** Overseen by Staffordshire Moorlands District Council and Staffordshire County Council, the 'To Thrive' grants of between £2,000 to £5,000 will be available for costs associated with the implementation of plans to achieve business growth. This can include:
 - Purchase of equipment or machinery costing less than £10k
 - Website design including online payment facilities
 - Review of business strategy
 - Computers/laptops for new starters only ie if a new job has been created in the last three months or is going to be created imminently.
- To be eligible for the scheme, your business must meet certain criteria including being based in Staffordshire Moorlands, employing fewer than 250 full-time equivalent persons, having an annual turnover not exceeding 50 million euros and/or have an annual balance sheet total not exceeding 43 million euros. For a full list of criteria, further information and to request an expression of interest form please contact julie.evans@staffordshire.gov.uk

National Context

- Much has happened since the last Economic Bulletin in May, we witnessed further **disappointment for the Three Lions**, coming so close to a first Euro's win and a further change in leadership now in progress, let's hope the new manager can take the team that one step further.
- We have also seen the **Labour Party win the General Election** with Sir Keir Starmer taking over as the UK's Prime Minister with Government operations being restructured around Labour's five missions.
- **King Charles has outlined the new Labour government's law-making plans in a speech to Parliament.** The speech outlined 39 bills that ministers want to pass in the next parliamentary session,. Key points from the King's Speech include:

Housing and planning

- A **Planning and Infrastructure Bill** will streamline the process for approving critical infrastructure, and overhaul rules on the compulsory purchase of land.
- A **Renters' Rights Bill**, will ban so-called no fault evictions and extend a series of building safety rules for social tenants, known as Awaab's Law, to private renters.
- A draft **Leasehold and Commonhold Reform Bill** will curb ground rent for existing leaseholders, and ban forfeiture - where leaseholders are threatened with losing their home - over small unpaid debts.

Energy and infrastructure

- A **new state-owned energy investment and generation company, GB Energy**, will be created by the **Great British Energy Bill**.
- A **National Wealth Fund Bill** will set up a new fund to invest £7.3bn over five years in infrastructure and green industry.
- A **Water (Special Measures) Bill** will make the bosses of private water companies personally liable for lawbreaking, and give the water regulator new powers to ban bonuses.

Transport

- A **Passenger Railway Services Bill** will allow the government to renationalise nearly all passenger rail services, when existing contracts expire.
- A **new body to oversee track and trains, Great British Railways**, will be established by a separate **Railways Bill**.
- A **Better Buses Bill** will allow a wider range of local leaders to take over responsibility for running bus services.
- A **High Speed Rail Bill**, previously tabled to build the now-scraped northern leg of the HS2 rail link, will bring in powers to build new rail infrastructure in northern England.

Crime and borders

- A **Crime and Policing Bill** will give police new powers to tackle antisocial behaviour and make assaulting shopworkers a specific crime.
- The **Terrorism (Protection of Premises) Bill**, published in draft form by the

Tories, will enact Martyn's Law, requiring large venues to put in place procedures to deal with the threat of terrorism.

- A new **Victims, Courts and Public Protection Bill** will introduce new rules requiring offenders to attend sentencing hearings and to strip parental rights from child sex offenders.

Migration

- A **Border Security, Asylum and Immigration Bill** will allow police to use counter-terror powers to tackle gangs smuggling migrants into the UK.

Employment

- An **Employment Rights Bill** will ban the "exploitative" use of zero-hours contracts and introduce various new workers' rights promised ahead of the election.
- A **Race Equality Bill** will extend the right to make equal pay claims under the Equality Act to ethnic minority workers and disabled people, and bring in new pay reporting requirements for bigger firms.

Health and education

- Labour will introduce a gradual ban on smoking by bringing back the **Tobacco and Vapes Bill** first announced under Rishi Sunak.
- A **Mental Health Bill** will tighten rules on sectioning people, and change the rules on care for people with learning difficulties.
- A **Children's Wellbeing Bill** will force councils in England to maintain registers of children not educated full-time in school, and deliver a manifesto promise for breakfast clubs in all primary schools in England.
- The **Skills England Bill** will set up a new arms-length body of the same name to boost and regionalise training.
- A draft **Conversion Practices Bill** will introduce new restrictions on "abusive" practices intended to change people's sexual orientation or gender identity.

Technology

- A **Digital Information and Smart Data Bill** will allow people to use digital ID to buy age-restricted products and for things like pre-employment checks.
- A **Cyber Security and Resilience Bill** will set out new rules designed to protect critical infrastructure from attackers.

Constitutional measures

- An **English Devolution Bill** will streamline the process to transfer more powers to elected mayors in combined council areas.
- A **new bill will phase out the remaining hereditary peers sitting in the House of Lords.**
- A **separate bill will prolong measures designed to boost the number of female bishops in the House of Lords** that are due to expire next year.
- An as-yet **unnamed bill will deliver a pledge for a 'Hillsborough law'**, in the wake of the football stadium disaster, to place a legal duty of candour on public servants.

Tax and spending

- A **Budget Responsibility Bill** will ensure official forecasts have to take place ahead of Budgets.
- A **Pension Schemes Bill** will introduce new rules and requirements for private-sector pension schemes.
- A **bill will allow the Crown Estate to borrow from the government to invest in new infrastructure projects**, an idea suggested under the previous Conservative administration.

Other bills

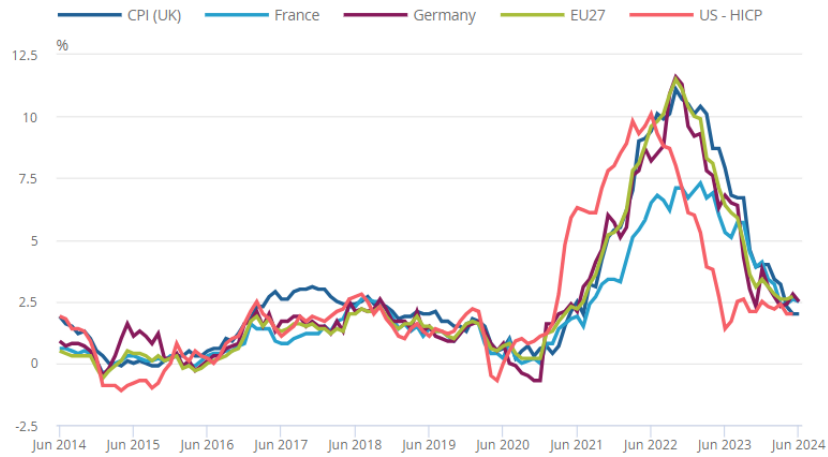
- Another law halted because of the election, the **Football Governance Bill**, will set up a set up a regulator for the top five divisions of men's football.
- There is also a **bill to set up an Armed Forces Commissioner**, with powers to inspect faulty kit and military accommodation.
- Alongside finding out further details of Labour's plans, it was also interesting to see that there was **not a specific bill mentioned on regulating artificial intelligence** - although the speech said ministers would bring in "appropriate legislation" to regulate the most powerful AI models. There was also **no mention of legislation to scrap the two-child benefit cap** introduced in 2016, despite pressure from campaigners or a **bill to reduce the voting age to 16** - but Labour says it is still committed to bringing it in later on.
- It is sure to be an interesting period over the coming months as the new Government starts to make changes which will impact society and the economy.

Cost of Living

- **UK inflation remained at the Bank of England's target level of 2 per cent in the 12 months to June 2024**, the same rate as the 12 months to May 2024 following the decline from 2.3 per cent in the 12 months to April 2024.
- On a monthly basis, the Consumer Prices Index (CPI) rose by 0.1% in June 2024, the same rate as in June 2023.
- The largest upward contribution to the monthly change in the CPI came from restaurants and hotels, where prices of hotels rose more than a year ago; the largest downward contribution came from clothing and footwear, with prices of garments falling this year having risen a year ago.

Figure 9: UK inflation below France and Germany in June 2024

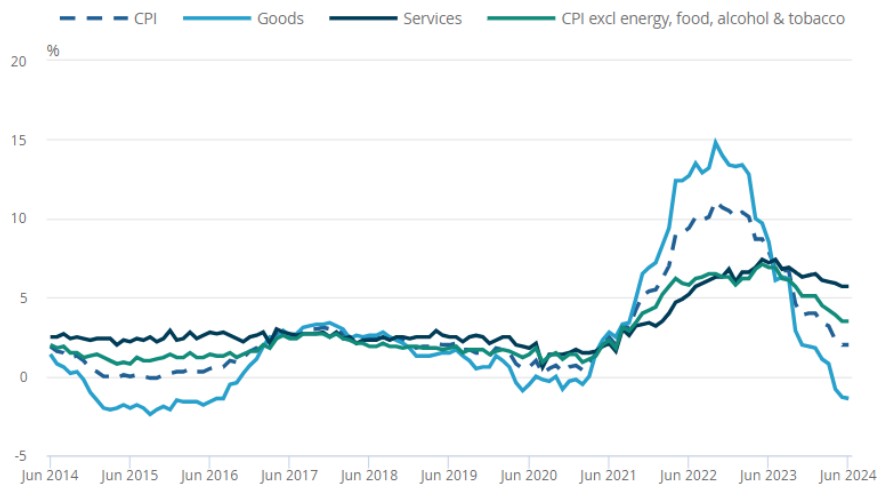
CPI compared with selected G7 and EU annual inflation rates, June 2014 to June 2024



Source: Consumer price inflation from the Office for National Statistics, Eurostat, and US Bureau of Labor Statistics

Figure 10: Largest negative CPI goods inflation rate since August 2016

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

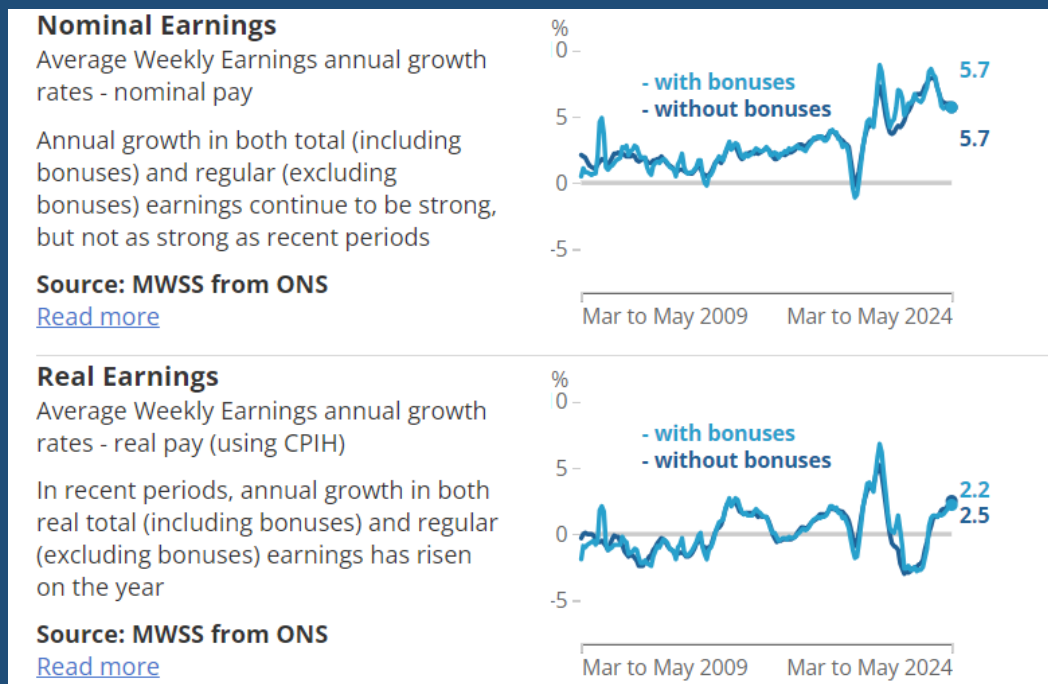


Source: Consumer price inflation from the Office for National Statistics

- Given that inflation has remained at the target of two per cent, some economists have predicted that the Bank of England would cut **interest rates** at its August meeting from the current rate of 5.25% the highest level for 16 years.
- However, the Bank also considers other measures of inflation when deciding how to change rates, and some of these remain higher than it would like. The latest figures show that some parts of the economy, like the services sector - which includes everything from restaurants to hairdressers - are still seeing significant price rises.

This might mean the Bank decides to hold rates in August and cut at its next meeting in September.

- **Real pay growth continues to be higher than inflation.** Annual growth in employees' average regular earnings (excluding bonuses) in Great Britain was 5.7% in March to May 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 2.5% in March to May 2024, and for total pay was 2.2%.



- **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 is lower than previously, there were still an estimated 49,000 working days lost because of labour disputes across the UK in May 2024.

Economy

- **The UK economy grew by more than initially estimated in the first three months of 2024 as the UK emerged from recession,** with revised official figures from the Office for National Statistics showing that **between January and March the economy grew by 0.7 per cent** up from the previous figure of 0.6 per cent.
- The latest monthly figures show that real **gross domestic product (GDP) is estimated to have grown by 0.4% in May 2024** after showing no growth in April 2024.
- **Real gross domestic product is estimated to have grown by 0.9% in the three months to May 2024** compared with the three months to February 2024, driven by a growth of 1.1% in services output.
- This growth was boosted by football fans spending during the Euros, but growth has

also been hampered by particularly wet weather putting off shoppers and slowing down construction.

- **Services** output grew by 0.3% in May 2024, following growth of 0.3% in April 2024 (revised up from 0.2%), and was the largest contributor to monthly GDP growth in May 2024.
- **Production** output grew by 0.2% in May 2024 following an unrevised fall of 0.9% in April 2024, and showed no growth in the three months to May 2024.
- **Construction** output grew by 1.9% in May 2024, following a fall of 1.1% in April 2024 (revised up from a fall of 1.4%), and fell by 0.7% in the three months to May 2024.

GDP Monthly index, January 2007 to May 2024, UK

Figure 1: UK GDP is estimated to have grown by 0.4% in May 2024, and by 0.9% in the three months to May 2024

Monthly index, January 2007 to May 2024, UK

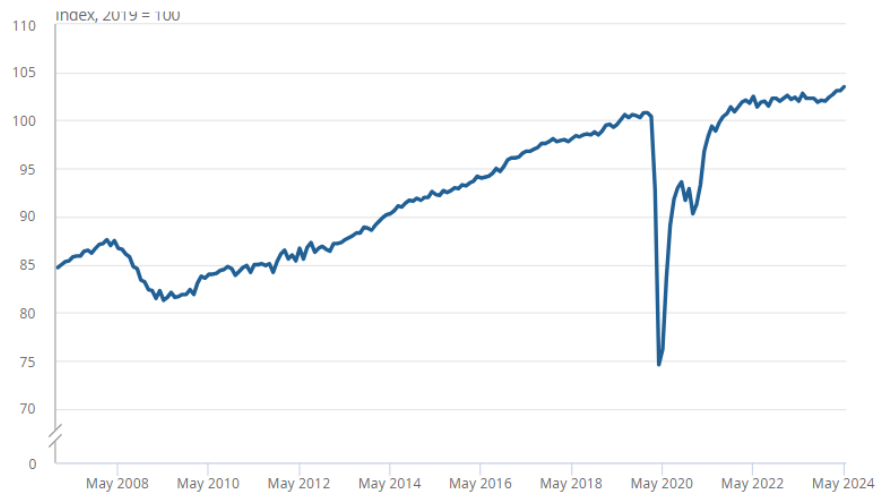
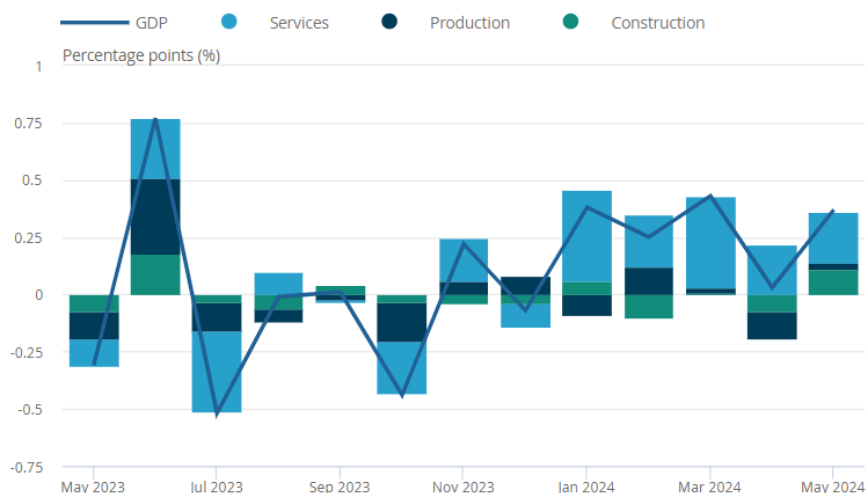


Figure 2: All three main sectors contributed positively to GDP growth in May 2024

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



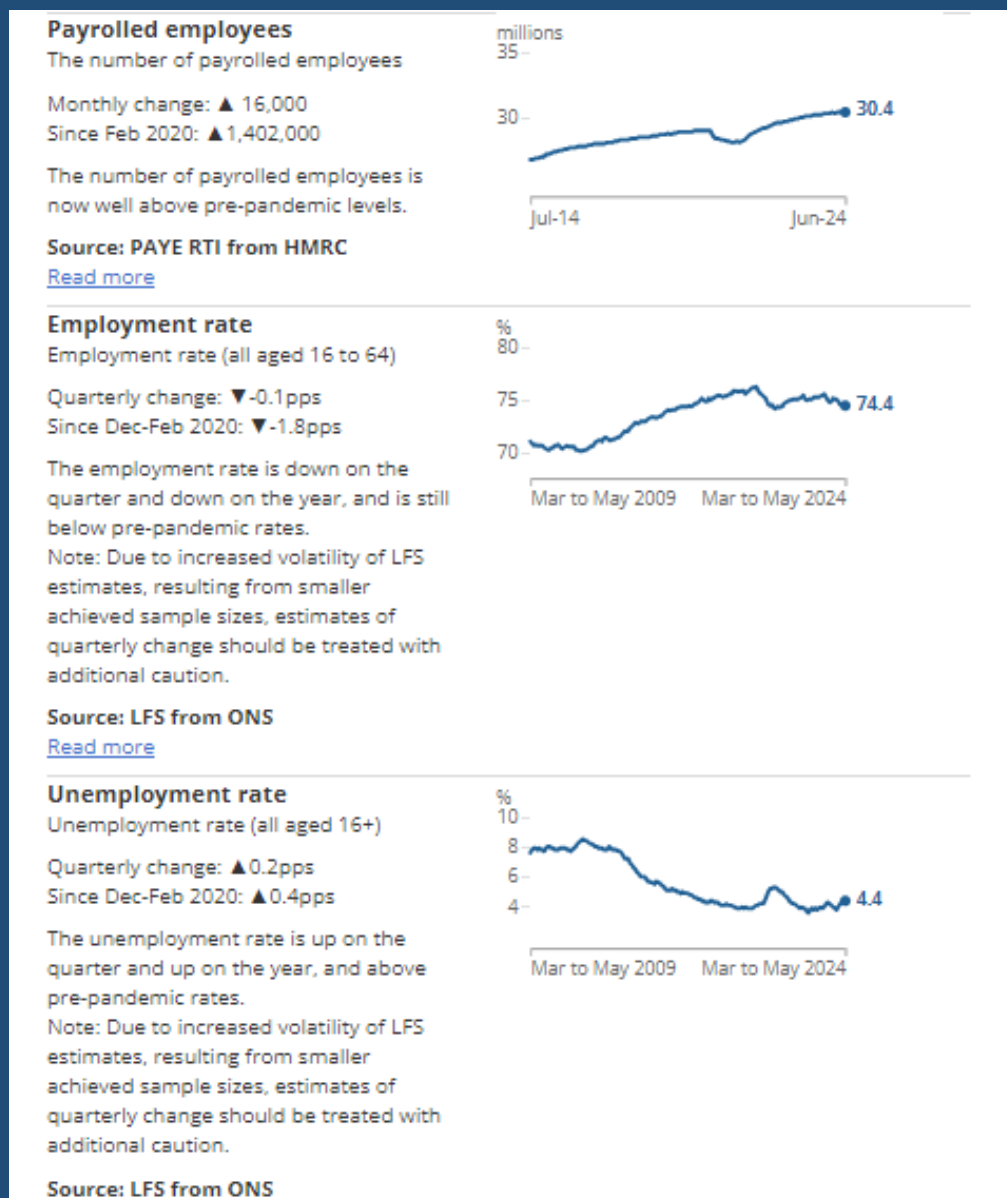
Source: GDP monthly estimate from the Office for National Statistics

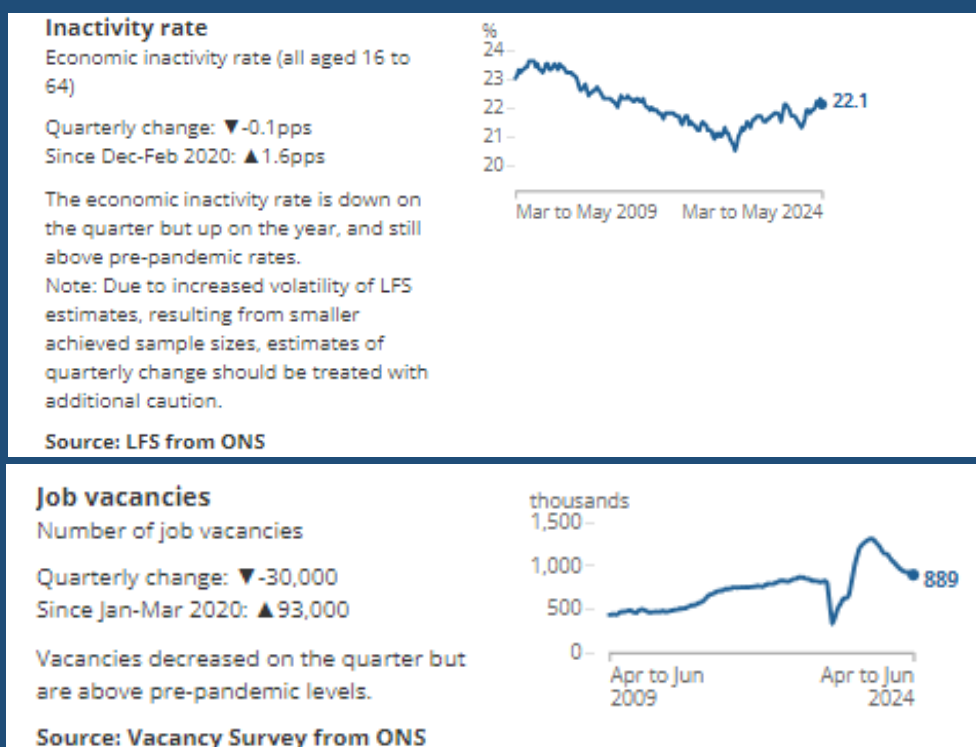
Business Conditions

- 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.**
- The latest results from Wave 112 of the **Business Insights and Conditions Survey (BICS)**, which was live from 1 to 14 July 2024 suggest that business conditions continue to remain challenging, with **the proportion of trading businesses expecting their turnover to increase, falling from a high of 22% for March 2024, to 15% for August 2024.**
- More than 1 in 5 (22%) trading businesses reported that their **turnover** had decreased in June 2024 compared with May 2024, 16% reported their turnover was higher, while 54% reported their turnover had stayed the same; these figures are all broadly stable from last month.
- More than 1 in 5 (21%) trading businesses reported an increase in the **prices of goods or services bought** in June 2024 when compared with May 2024, while less than 1 in 10 (8%) reported an increase in the **prices of goods or services sold**; these are the lowest proportions reported since these response options were introduced in March 2022.
- More than two thirds (69%) of trading businesses **expect the prices of goods or services they sell in August 2024** to stay the same, broadly stable with expectations for July 2024; 9% reported that they expect prices to increase, down 2 percentage points over the same period, and the lowest proportion reported since the question was introduced in April 2022.
- Fewer than 1 in 10 (6%) businesses with 10 or more employees experienced **global supply chain disruption** in June 2024, broadly stable with May 2024.
- In early July 2024, 10% of all businesses and 21% of businesses with 10 or more employees reported that they were **experiencing worker shortages**; both figures are broadly stable with early June 2024.
- The latest business insolvencies data which shows that **in June 2024 there were a total of 2,352 company insolvencies in England and Wales, 9% higher than the number registered in the previous year (2,167 in June 2023), and 95% higher than the number registered three years previously: 1,206 in June 2021).** The main concern around company and individual insolvencies are associated issues such as mental health and homelessness.
- It is important that we continue to support viable businesses through these challenging times to survive and then grow.

Labour Market

- This month's **labour market figures continue to show signs of gradual cooling, with the number of vacancies still falling and unemployment rising. Earnings growth remains relatively strong although lower than a few months ago.**
- In summary, there has been a further fall in the headline employment rate from the ONS Labour Force Survey but a slight rise 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 again to its highest for almost a year and is above its pre-pandemic level, while economic inactivity saw a slight decrease but 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 April 2024 to June 2024:





- Estimates for **payrolled employees** in the UK increased by 54,000 (0.2%) between April and May 2024, and rose by 265,000 (0.9%) between May 2023 and May 2024.
- The early estimate of payrolled employees for June 2024 increased by 16,000 (0.1%) on the month and increased by 241,000 (0.8%) on the year, to 30.4 million and 1.4 million above pre-pandemic level. The June 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. 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 74.4% in March to May 2024, below estimates of a year ago, and decreased in the latest quarter and 1.8pp below pre-pandemic level.
- The **UK unemployment rate** (for people aged 16 years and over) was estimated at 4.4% in March to May 2024, above estimates of a year ago, and increased in the latest quarter and 0.4pp above pre-pandemic level.
- The **UK economic inactivity rate** for people aged 16 to 64 years was estimated at 22.1% in March to May 2024, above estimates of a year ago, but decreased in the latest quarter and 1.6pp above pre-pandemic level.
- The **UK Claimant Count** for June 2024 increased on the month and on the year, to 1.663 million. Commencing in May 2024, the Department for Work and Pensions are rolling out an increase in the administrative earnings threshold for full work search conditionality. This change is likely to affect around 180,000 claimants over a

period of around 6 months, increasing the Claimant Count over that time.

- In April to June 2024, the estimated number of **vacancies** in the UK decreased by 30,000 on the quarter to 889,000. Vacancies decreased on the quarter for the 24th consecutive period but are still 93,000 above pre-pandemic levels.

Green Economy

- **Low-carbon heating systems will need to become cheaper if the UK is to reach its goal of net zero emissions by 2050**, according to a report by the Public Accounts Committee. Heat pumps are too expensive for ordinary families to install and run, the Energy Secretary Claire Coutinho has been warned by MPs.
- **The Government has approved three new solar farms which could power more than 400,000 homes**, according to estimates. Energy Secretary Ed Miliband has approved the plans for projects at Mallard Pass, Rutland and Lincolnshire, Sunnica in Suffolk and Cambridgeshire, and Gate Burton in Lincolnshire.

Conclusion

- In conclusion, we have **seen a change in Government over the last month, with significant new policies starting to emerge which will impact the way we live and work.**
- **Inflation has remained at the Bank's target of 2 per cent**, although there remain some parts of the economy where prices are still rising quicker, and this may delay any potential interest rate cuts. While **wage levels continue to rise** above the rate of inflation and will further ease cost of living pressures.
- **The economy continues to grow with all three main sectors contributing positively to GDP growth in May 2024.** Although for **some businesses they continue to operate in challenging conditions** with high interest rates and energy prices, increased commodity costs, wage pressures, supply-chain constraints, lower consumer confidence and labour market challenges.
- The **labour market continues to cool with the number of vacancies still falling and unemployment rising.** There is the positive that **for the first time in months we saw economic inactivity decline** and **although vacancies continue to decline they still remain above pre-pandemic levels meaning that there are still opportunities for those looking for work.**
- We need to continue to **support those still struggling with the cost-of-living, residents to transition into work and viable businesses to survive and grow.** By reducing the impact on our business base, we can see faster recovery and greater 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**

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 statistics¹ for June 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 June 2024 there were a total of 2,352 company insolvencies in England and Wales.

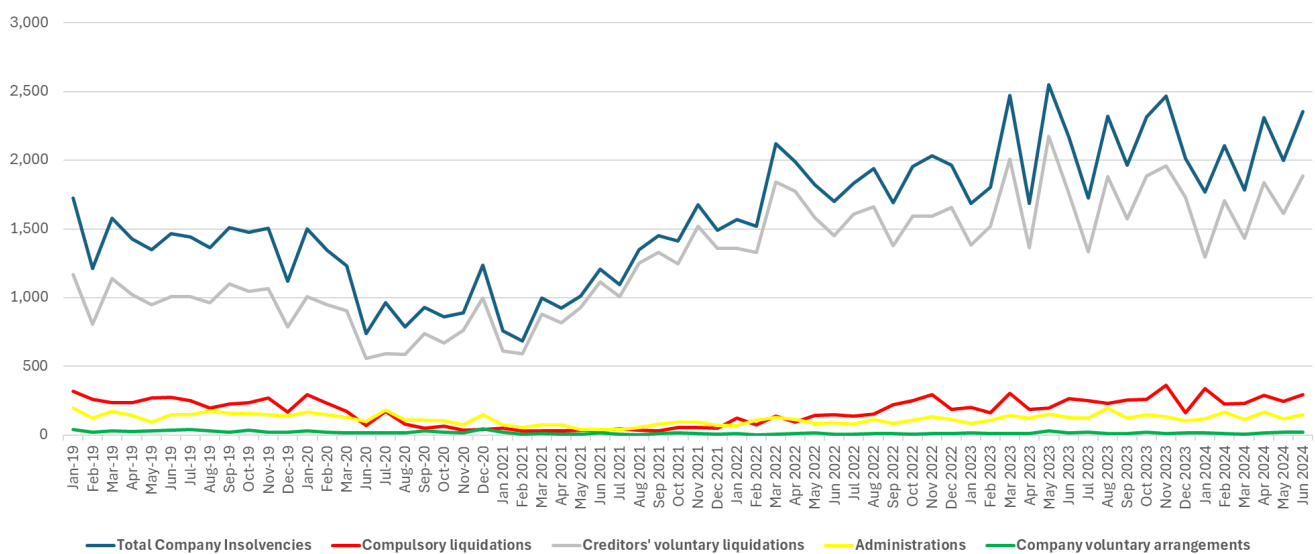
The overall number of **company insolvencies are 9% higher than the number registered in the previous year (2,167 in June 2023), and 95% higher than the number registered three years previously: 1,206 in June 2021).** Please note that due to the volatility of the underlying data the Insolvency Service recommends comparisons are made with the same month in previous years rather than with the previous month.

There were 297 compulsory liquidations in June 2024, which is 13% higher than the number in June 2023, and 703% higher than in June 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 June 2024 there were 1,884 Creditors' Voluntary Liquidations (CVLs), 7% higher than June 2023, and 69% higher than June 2021. Numbers of administrations are higher than pandemic levels at 279% higher than June 2021, and Company Voluntary Arrangements (CVAs) are also higher than pandemic levels at 64% above June 2021 levels, although numbers are low.

Company insolvencies between July 2023 and June 2024 are 6% higher compared to a year earlier, representing 1,400 more businesses.

Company Insolvencies in England and Wales



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

¹Source: The Insolvency Service [Company Insolvency Statistics, June 2024](https://www.gov.uk/government/statistics/company-insolvency-statistics-june-2024) GOV.UK (www.gov.uk)

The sectors to have seen the largest number of company insolvencies between June 2023 and May 2024 continue to be the **Construction sector (4,287)**, **Wholesale & Retail sector (3,811)** and **Accommodation & Food Service sector (3,752)**. Levels exceed those seen for the same period the previous year with the Construction sector 2% higher, Wholesale & Retail sector 5% higher, and Accommodation & Food Service sector 20% 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 **9,710 total individual insolvencies in June 2024**, which was 19% higher than in June 2023, and 1% lower than in June 2021.

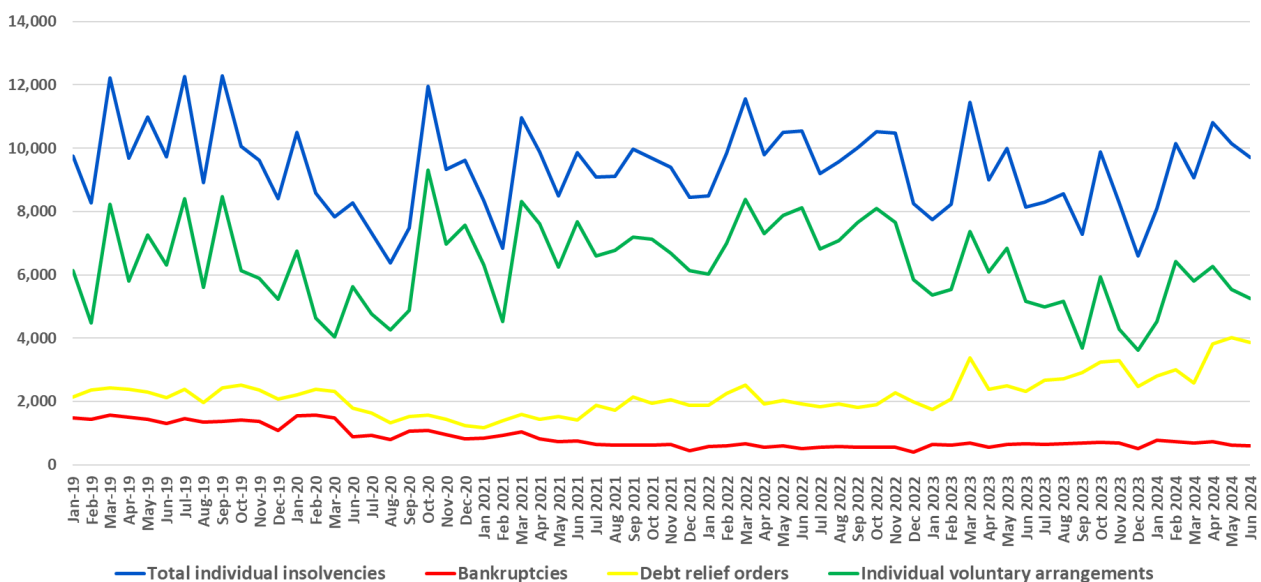
For individuals, **599 bankruptcies were registered in June 2024**, which was 9% lower than in June 2023, and 20% lower than in June 2021.

There were **3,869 Debt Relief Orders (DROs) in June 2024**, which was 67% higher than in June 2023, and 173% higher than in June 2021.

There were **5,242 Individual Voluntary Arrangements (IVAs) registered in June 2024**, which is 2% higher than June 2023, and 32% lower than June 2021.

Total Individual Insolvencies between July 2023 and June 2024 are 5% lower than the same period a year earlier, representing a decrease of 5,700.

Individual Insolvencies in England and Wales



Sources: Insolvency Service

There were **6,970 Breathing Space registrations in June 2024, which is 12% lower than the number registered in June 2023**. 6,874 were Standard breathing space registrations, which is 12% lower than in June 2023, and 96 were Mental Health breathing space registrations, which is 14% lower than the number in June 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 Count²

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: June 2024

Area	Claimant Count Rate (June 2023)	Claimant Count Rate (May 2024)	Claimant Count Rate ¹ (June 2024)	Number of Claimants (June 2024)	Monthly Change in Claimants (Numbers)	Monthly Change in Claimants (%)	Change in Claimants since March 2020 (Numbers)	Change in Claimants since March 2020 (%)
England	3.7	3.9	4.1	1,450,835	51,710	3.7%	387,330	36.4%
West Midlands	4.9	5.0	5.4	197,285	12,710	6.9%	52,935	36.7%
SSLEP	3.4	3.6	3.7	25,615	745	3.0%	6,245	32.2%
Birmingham	8.5	9.1	10.0	73,400	6,205	9.2%	24,030	48.7%
Wolverhampton	7.6	7.2	7.6	12,585	635	5.3%	2,205	21.2%
Sandwell	6.2	6.2	6.7	14,550	1,195	8.9%	3,770	35.0%
Stoke-on-Trent	5.4	5.9	6.1	9,815	255	2.7%	2,495	34.1%
Coventry	5.7	5.6	6.0	13,470	785	6.2%	5,470	68.4%
Walsall	5.7	5.5	6.0	10,380	760	7.9%	1,775	20.6%
Dudley	4.6	4.5	4.8	9,360	545	6.2%	845	9.9%
Telford and Wrekin	3.4	3.7	3.9	4,495	255	6.0%	1,065	31.0%
Solihull	3.2	3.2	3.4	4,340	225	5.5%	690	18.9%
Worcestershire	3.0	3.0	3.2	11,440	455	4.1%	3,135	37.7%
Staffordshire	2.8	2.9	3.0	15,800	495	3.2%	3,750	31.1%
Herefordshire, County of	2.4	2.5	2.7	2,905	170	6.2%	795	37.7%
Warwickshire	2.7	2.6	2.7	9,955	435	4.6%	2,125	27.1%
Shropshire	2.3	2.4	2.5	4,795	300	6.7%	785	19.6%
East Staffordshire	3.4	3.8	3.9	3,020	85	2.9%	1,300	75.6%
Tamworth	3.4	3.4	3.4	1,675	-15	-0.9%	185	12.4%
Cannock Chase	3.4	3.2	3.3	2,085	80	4.0%	430	26.0%
Newcastle-under-Lyme	3.1	3.0	3.1	2,340	40	1.7%	360	18.2%
South Staffordshire	2.6	2.5	2.7	1,770	110	6.6%	460	35.1%
Stafford	2.5	2.6	2.7	2,195	75	3.5%	540	32.6%
Lichfield	2.4	2.2	2.3	1,440	15	1.1%	120	9.1%
Staffordshire Moorlands	1.9	2.1	2.3	1,275	100	8.5%	355	38.6%

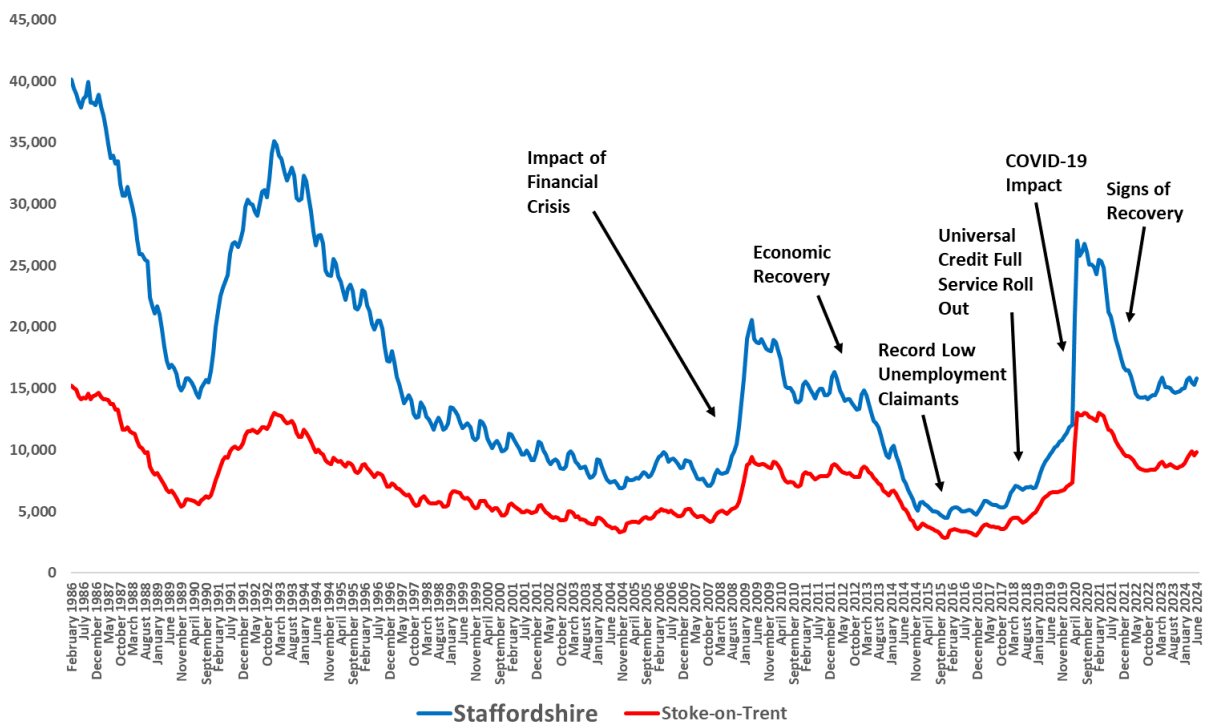
¹ The claimant rate is the proportion of the working age population claiming Universal Credit

- The claimant count in Staffordshire saw an **increase of 495 claimants in June**, with the **total number now at 15,800**. We have also seen increases both regionally and nationally this month which is in part reflective of the ongoing challenging economic conditions many businesses face but also due to benefit system changes introduced in May. Whereby a number of those claiming Universal Credit to top up their income but not expected to search for more work were not captured by the Claimant Count are now expected to increase their hours of work or pay to continue to receive Universal Credit and are now captured by the Claimant Count - New rules require 180,000 on Universal Credit to increase working hours - GOV.UK (www.gov.uk).
- Over the last month, the **claimant rate for Staffordshire has increased from 2.9% to 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 5.4%, and lower than the average for England at 4.1%**.

² Source: <https://www.nomisweb.co.uk/>

- Stoke-on-Trent saw an **increase of 255 claimants** over the same period with a **total of 9,815 claimants in June**, with the **rate increasing from 5.9% to 6.1%**.
- Staffordshire saw a 3.2% increase monthly change in claimants whereas nationally we saw a 3.7% increase and regionally a 6.9% increase. **Staffordshire continues to be one of the lowest claimant rates in the region.**
- **The total number of Universal Credit (UC) claimants in Staffordshire is now 31.1% or 3,750 higher than the level seen in March 2020 (pre-COVID)**, which is lower than the 36.4% increase seen nationally and the 36.7% increase seen regionally.

Staffordshire and Stoke-on-Trent Claimant Count



- **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 5.4% regionally and 4.1% nationally. In Stoke-on-Trent, the Claimant Count remains above both the regional and national averages at 6.1%.**

- For those that find themselves out of work, **demand for labour remains high with the number of vacancies still above pre-pandemic levels.**
- 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.
- There were increases in the claimant count this month across the majority of the districts in Staffordshire except for Tamworth which saw a small decrease. All districts have a lower claimant rate than the regional and national rates.
- East Staffordshire has the highest claimant rate at 3.8% and Staffordshire Moorlands has the lowest at 2.1%. However, all districts have a lower claimant rate than the regional and national rates.

Youth Claimant Count

Youth Claimant Count (Universal Credit) Statistics: June 2024

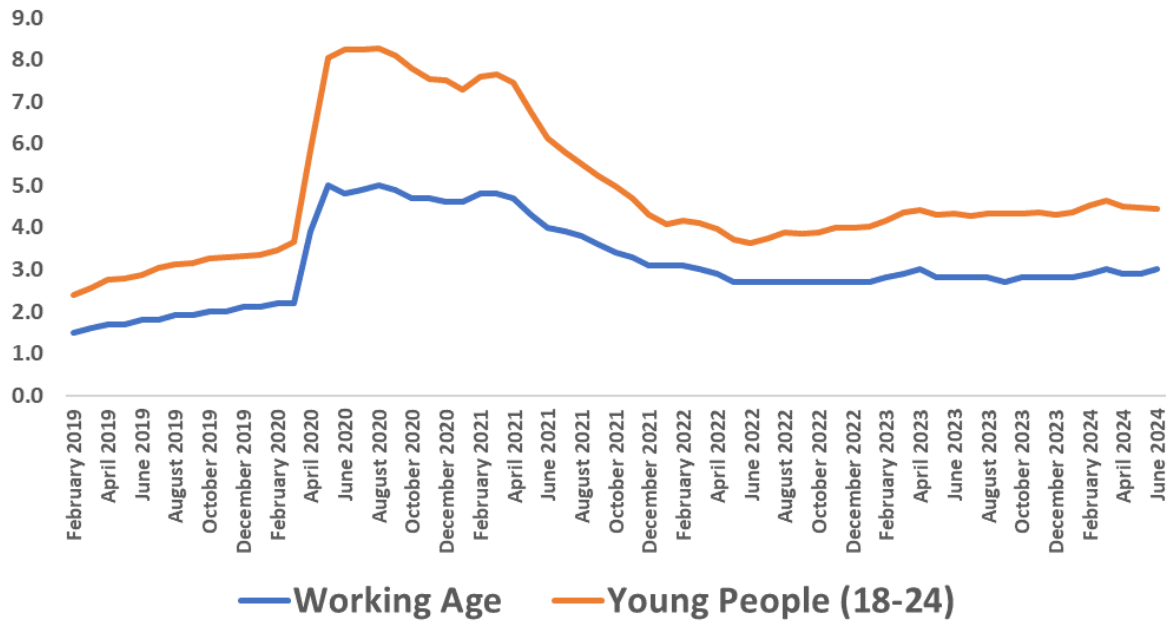
Area	Youth Claimant Count Rate (June 2023)	Youth Claimant Count Rate (May 2024)	Youth Claimant Count Rate ¹ (June 2024)	Number of Youth Claimants (June 2024)	Monthly Change in Youth Claimants (Numbers)	Monthly Change in Youth Claimants (%)	Change in Youth Claimants since March 2020 (Numbers)	Change in Youth Claimants since March 2020 (%)
England	4.8	5.1	5.1	241,490	1,280	0.5%	43,760	22.1%
West Midlands	6.2	6.6	6.7	35,315	345	1.0%	7,410	26.6%
Staffordshire & Stoke-on-Trent	5.0	5.3	5.3	4,715	-20	-0.4%	895	23.4%
Wolverhampton	10.7	10.6	10.7	2,275	15	0.7%	365	19.1%
Sandwell	9.5	10.0	10.2	2,705	65	2.5%	590	27.9%
Birmingham	8.1	9.0	9.2	12,940	225	1.8%	3,835	42.1%
Wallsall	8.8	9.1	9.1	2,080	-5	-0.2%	165	8.6%
Stoke-on-Trent	7.0	7.5	7.5	1,770	-5	-0.3%	365	26.0%
Dudley	7.2	7.3	7.3	1,735	-5	-0.3%	-15	-0.9%
Telford and Wrekin	5.4	5.9	5.9	885	0	0.0%	125	16.4%
Solihull	5.0	5.5	5.6	855	25	3.0%	30	3.6%
Worcestershire	4.5	4.5	4.5	1,885	10	0.5%	290	18.2%
Staffordshire	4.3	4.5	4.5	2,945	-15	-0.5%	530	21.9%
Coventry	4.1	4.3	4.4	2,320	30	1.3%	785	51.1%
Shropshire	3.5	3.7	3.7	780	10	1.3%	-45	-5.5%
Herefordshire, County of	3.8	3.8	3.7	455	-5	-1.1%	40	9.6%
Warwickshire	3.7	3.7	3.7	1,695	10	0.6%	360	27.0%
Tamworth	6.3	6.6	6.5	375	-5	-1.3%	80	27.1%
Cannock Chase	6.3	5.8	5.9	430	5	1.2%	65	17.8%
East Staffordshire	5.5	5.5	5.5	470	5	1.1%	150	46.9%
South Staffordshire	4.4	4.2	4.5	360	20	5.9%	110	44.0%
Stafford	3.8	4.3	4.3	395	5	1.3%	80	25.4%
Lichfield	3.8	3.8	3.7	260	-10	-3.7%	-10	-3.7%
Newcastle-under-Lyme	3.2	3.5	3.2	450	-40	-8.2%	25	5.9%
Staffordshire Moorlands	2.6	3.0	3.2	205	10	5.1%	30	17.1%

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

- On a positive note, this month the **youth claimant count in Staffordshire saw a small decrease of 15 claimants with a total of 2,945 young people.** This was in contrast to the increases seen regionally and nationally.
- **The proportion of young people in Staffordshire aged 18-24 that are claiming work-related Universal Credit remained the same at 4.5% this month.** This continues to be lower than the national rate of 5.1%, and far lower than the regional rate of 6.7%, which also remained unchanged this month.

- **Stoke-on-Trent saw a decrease of 5 claimants to a total of 1,770 claimants with the rate remaining the same at 7.5% this month.**

Claimant Rate and Youth Claimant Rate in Staffordshire



- This month the majority of districts in Staffordshire saw small increases with the exception of Lichfield, Newcastle-under-Lyme and Tamworth which saw small decreases of -10, -40 and -5 claimants respectively.
- Tamworth has the highest rate at 6.5%, whilst Staffordshire Moorlands has the lowest rate at 3.2%. East Staffordshire has the highest number of youth claimants at 470, whilst Staffordshire Moorlands has the lowest number of youth claimants at 205.
- Our focus continues to be to engage with our younger residents and support them to find employment or to 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

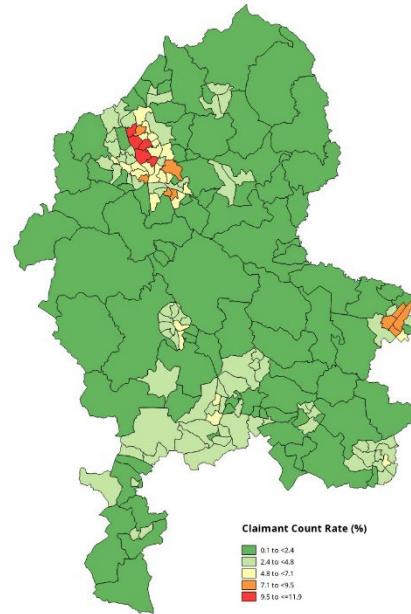
The following maps and tables provide the latest breakdown of the claimant count by wards in Staffordshire & Stoke-on-Trent.

Claimant Count Rate June 2024

Of the 201 wards in Staffordshire & Stoke-on-Trent, 51 were above the England average of 4.1% 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: 11.9%/545; Moorcroft: 11.5%/430; Etruria & Hanley: 11.4%/615; Tunstall: 10.2%/ 435; Burslem Central: 9.5%/435 total claimants.

In Staffordshire, the four wards with the highest claimant count rates were all in East Staffordshire with Anglesey: 8.9%/480; Burton: 8.8%/265; Eton Park: 7.7%/375; Shobnall: 7.5%/410 total claimants.

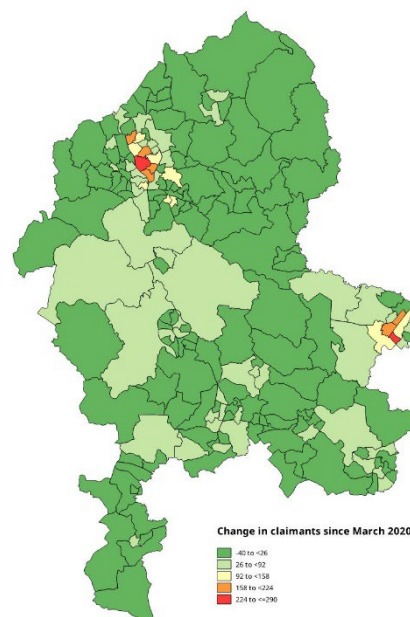


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Change in Claimant Count since March 2020

Of the top ten wards in Staffordshire with the highest change in the number of claimants since March 2020 there were seven in Stoke-on-Trent including Etruria & Hanley (260 increase to 615); Tunstall (185 increase to 435); Hanley Park & Shelton (180 increase to 365); Joiner's Square (170 increase to 545); Moorcroft (170 increase to 430); Lightwood North & Normacot (150 increase to 295); Bentilee & Ubberley (135 increase to 535).

Of the remaining three wards in the top ten, all were in East Staffordshire including Anglesey with a 290 increase to 480 claimants; Shobnall with a 200 increase to 410 claimants; and Eton Park with a 195 increase to 375 claimants.



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

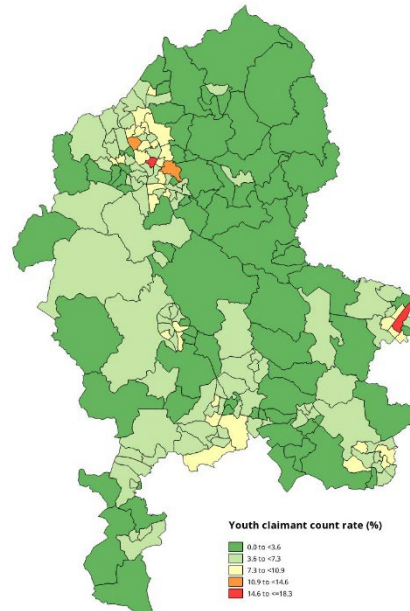
The following maps and tables provide the latest breakdown of the youth claimant count by wards in Staffordshire & Stoke-on-Trent.

Youth Claimant Count Rate June 2024

Of the 201 wards in Staffordshire & Stoke-on-Trent, 84 were above the England average of 5.1% for the number of claimants aged 18-24 as a proportion of the 18-24 population.

Of the top ten wards with the highest youth claimant count rate, seven were in Stoke-on-Trent including Joiner's Square: 18.3%/140; Bentilee & Ubberley: 13.9%/125; Burslem Central: 11.4%/70; Tunstall 10.5%/65; Moorcroft: 10.2%/55; Sneyd Green: 10.2%/40; Bradeley & Chell Heath: 10.2%/45 total youth claimants.

In Staffordshire, the three wards with the highest claimant count rates were Burton (East Staffordshire): 15.5%/60; Cannock North (Cannock Chase): 10.3%/55; Forebridge (Stafford): 10.3%/30 total youth claimants.

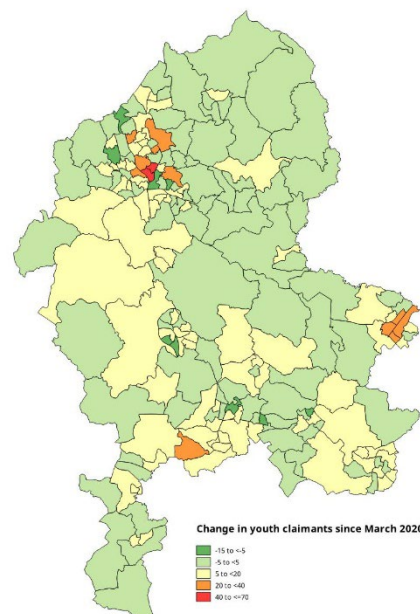


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Change in Youth Claimant Count since March 2020

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 (70 increase to 100); Joiner's Square (40 increase to 140); Bentilee & Ubberley (35 increase to 125); Etruria and Hanley (35 increase to 80); Baddeley, Milton & Norton (30 increase to 90); Tunstall (25 increase to 65); Sneyd Green (25 increase to 40).

In Staffordshire, the three wards with the highest change in the number of youth claimants since March 2020, were all in East Staffordshire: Shobnall with a rise of 35 to 70; Burton with a rise of 25 to 60; Eton Park with a rise of 25 to 55 total youth claimants.

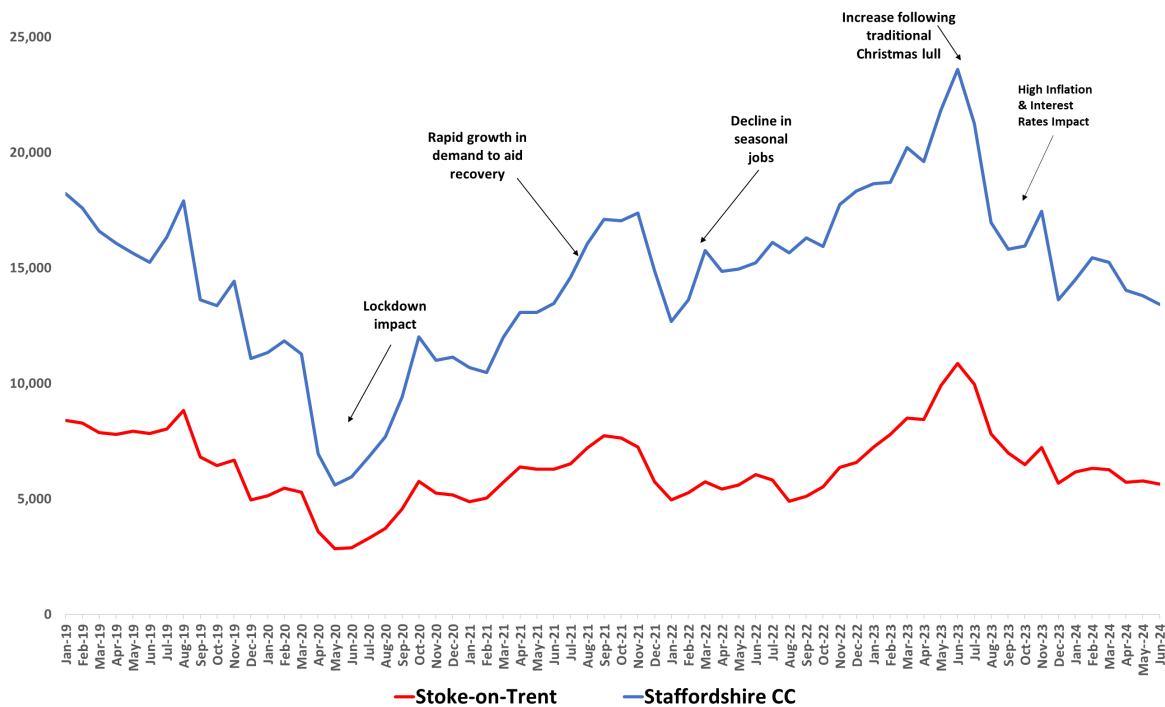


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Job Vacancies³

- **Staffordshire saw a 3% decrease in the number of available job vacancies between May and June to a total of 13,400⁴. This is lower than the number of work-related benefit claimants. Stoke-on-Trent saw a 2% decrease in job vacancies to a total of 5,600 which is significantly lower than the number of claimants.**
- **Across the region in the last month there was a 4% decrease, and nationally there was a 2% decrease in job vacancies.**
- In June 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 43% lower, whilst Stoke-on-Trent decreased 48%. 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 13% higher and Stoke-on-Trent 3% higher. Our focus continues to be to support those that unfortunately find themselves unemployed, to transition into work.

Staffordshire and Stoke-on-Trent Unique Job Vacancies Trend



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

- The majority of occupational groups saw a decrease in vacancies during June. 'Professional,' 'Skilled Trades,' and 'Caring, Leisure & Other Service' occupations remained at similar levels with negligible change.
- The occupations to see the most significant increases during June include **Secondary Education Teaching professionals; Medical & Dental Technicians; Higher Education Teaching Professionals; Special & Additional Needs Education Teaching professionals; Other Vocational & Industrial Trainers; Large Goods Vehicle Drivers; Road Transport Drivers; Vehicle Technicians, Mechanics & Electricians; Business Sales Executives; Chefs; Physiotherapists; Housekeepers & Related occupations; Sales & Retail Assistants; Solicitors & Lawyers; Science, Engineering & Production Technicians.**

Annual Trends in job vacancies

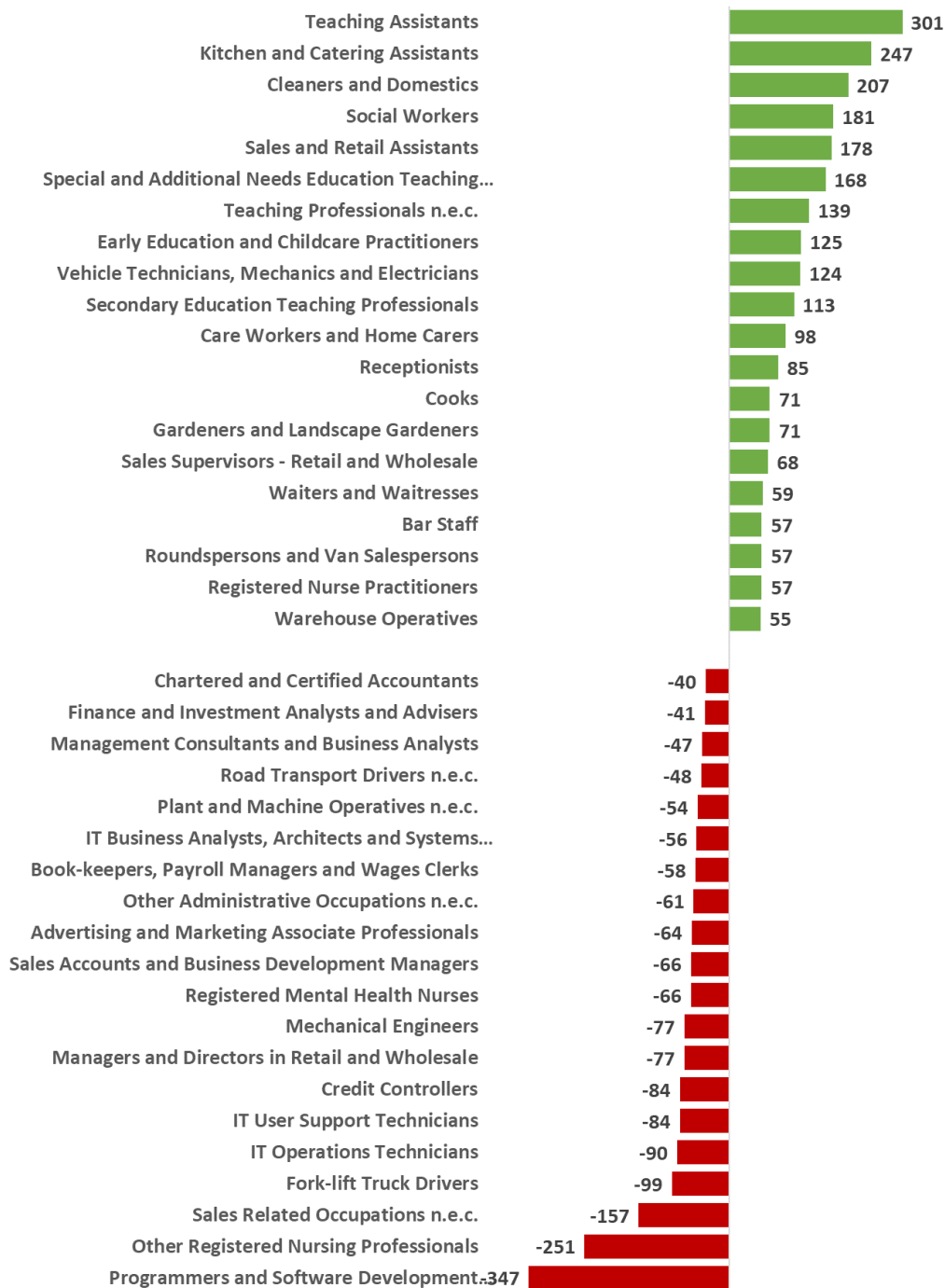
- The occupations to see the largest year-on-year increases include Veterinarians, Health & Social Care (Dental Practitioners; Registered Children's Nurses; Midwifery Nurses; Counsellors), Law (Legal Professionals; Legal Associate Professionals), Sport (Sports Coaches, Instructors and Officials), Personal Care (Beauticians & Related occupations; Hairdressing & Beauty Salon Managers/Proprietors), Library Clerks & Assistants, IT (Computer System & Equipment Installers/Serviceers), Non Commissioned Officers and other ranks, Water & Sewerage Plant Operatives, Sewing Machinists, Senior Officers in Fire, Ambulance, Prison & related services, Production Managers & Directors in Construction, Caretakers, Pest Control Officers, Probation Officers.

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

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

Top 20 occupations increasing and top 20 declining between Feb 2020 (Pre-COVID) and June 2024 in Staffordshire & Stoke

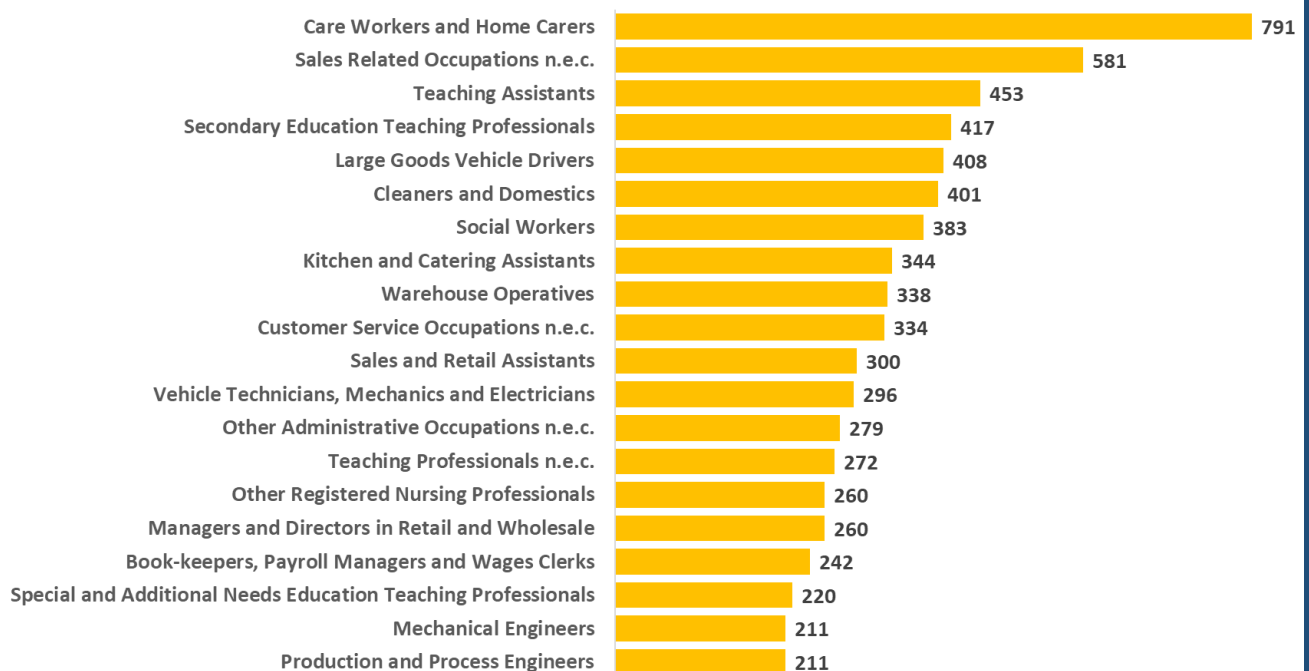


Top Occupations in Demand

- 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,' 'Teaching Assistants'** and **'Secondary Education Teaching professionals'** also have strong demand.

- The Logistics sector continues to have high demand for **'Large Goods Vehicle Drivers' and 'Warehouse Operatives.'**
- **There continues to be strong demand for Housekeepers & Related Occupations** (Cleaners & Domestic).
- 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.**
- There is **strong demand for 'Customer Service,' 'Administrative,' 'Bookkeepers, Payroll Managers & Wages Clerks'** occupations across business sectors to support business in their recovery, survival, and new methods of working.
- 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 Education sector there is particularly high demand for **'Teaching Professionals' and 'Special & Additional Needs Education Teaching Professionals.'**
- In the Engineering sector **'Mechanical Engineers' and 'Production & Process Engineers'** are most in demand.

Top 20 occupations in demand in Staffordshire & Stoke during June 2024



- 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 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 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.