Staffordshire & Stoke-on-Trent Economic Bulletin

Issue 49 – September 2024

Welcome to the latest edition of the Staffordshire & Stoke-on-Trent Economic Bulletin produced by our Economy, Skills, and Insight Teams, which provides the timeliest analysis of official Government data, national intelligence, and local insights on the state of the local economy.

Alongside information on the Claimant Count and Job Vacancies that will be a part of every Bulletin, this month's issue also provides more detailed youth claimant count analysis and updated ward level analysis of the claimant count to help identify areas which are being impacted the hardest by unemployment and a reliance on work-related benefits across Staffordshire & Stoke-on-Trent and where there may be a greater need for support. We also provide analysis of the latest business insolvency data to further understand how businesses are faring during the current economic climate.

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

Stay Safe,
Darryl Eyers
Director for Economy, Infrastructure and Skills, Staffordshire County Council

Key Messages

Local Picture

- In Staffordshire having seen **improvement in the local economy and labour market following the COVID pandemic**, as seen nationally, we have seen unemployment, youth unemployment and dependency on work-related benefits increase during the energy and cost-of-living crisis.
- This month we have **seen a small 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 60 this month to a total of 16,745 claimants.**
- It is of note that Staffordshire had the smallest percentage increase of all areas in the West Midlands and lower than the national average.
- **The claimant rate for Staffordshire remained unchanged at 3.1%** of the working age population. Staffordshire continues to have one of the lowest rates in the West Midlands, far lower than the average for the region of 5.8% which increased from 5.7%, and lower than the average for England of 4.4% which remained unchanged. 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 the **youth claimant count in Staffordshire saw an increase of 45 claimants with the total number of youth claimants now standing at 3,035**. This was a lower percentage increase than seen both regionally and nationally this month. **The proportion of young people in Staffordshire aged 18-24 claiming work-related Universal Credit has remained unchanged at 4.8% this month. It is important to note that Staffordshire continues to be lower than the national rate of 5.4% and far lower than the regional rate of 7.4%.** 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 4% decrease in the number of available job vacancies between July and August to a total of 13,000. This is**

lower than the number of work-related benefit claimants. Stoke-on-Trent saw an 8% decrease in job vacancies to a total of 5,200 which is significantly lower than the number of claimants. Across the region in the last month there was a 5% decrease, and nationally there was a 4% 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,' 'Large Goods Vehicle Drivers' and 'Cleaners & Domestics' also have strong 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.
- The Logistics sector continues to have high demand for **'Warehouse Operatives.'**
- In the Hospitality sector, **'Kitchen and Catering Assistants' remain the roles most in demand.**
- There is high demand in the Health and Social Care sector for **'Social Workers'** and **'Registered Nursing Professionals.'**
- Demand for **'Managers & Directors' and 'Sales and Retail Assistants'** in the Retail and Wholesale sector remain strong.
- In the Education sector there is particularly high demand for **'Secondary Education Teaching Professionals,' 'Teaching Assistants,' and 'Teaching Professionals.'**
- In the Motor Trade **'Vehicle Technicians, Mechanics and Electricians'** are in demand.
- In the Engineering sector **'Production & Process Engineers' and 'Engineering Technicians'** are most in demand.
- Demand for **'Programmers and Software Development Professionals'** in the ICT sector remains 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.
- **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 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. 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
- **A programme designed to empower a new generation of thriving start-up businesses across Staffordshire is set to drive growth across the county.** Offering fully-funded places for budding entrepreneurs to access business training sessions, masterclasses, coaching and mentoring, the new programme has been launched by Staffordshire County Council and funded by UK Government. Delivered by business support specialists, The NextGen, which has a track record in helping fledgling businesses in the county plot a successful growth curve, the programme also offers networking opportunities, a comprehensive digital marketing audit and mentor matching survive. **Apply for fully-funded start-up support**

National Context

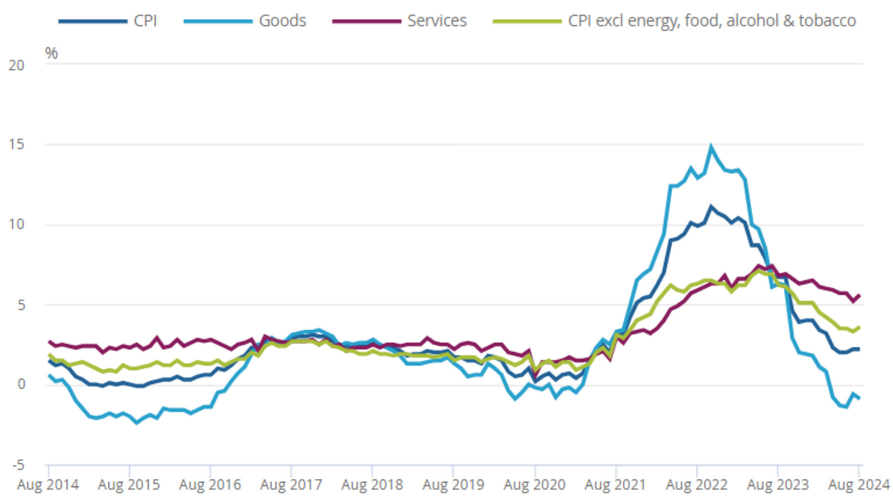
- This month we have seen the **return of parliament following the summer recess**, with growing anticipation as to what will be announced at next month's Budget.
- **Chancellor Rachel Reeves will deliver her first Budget on Wednesday 30 October** and has stated that it will **involve "difficult decisions" on tax, spending and benefits.**
- Her warning follows new figures which show the **UK economy failed to grow in July, after flatlining in June.**

Cost of Living

- **UK inflation has held steady at 2.2 per cent in the year to August**, despite a jump in the cost of flights. The rise in air fares was offset by lower fuel prices and prices in restaurants increasing more slowly.
- It means **inflation remains slightly above the Bank of England's target of 2 per cent** but is significantly lower than at the peak of the cost-of-living crisis in 2022.

: Annual CPI core and services inflation rose in August 2024, while the goods rate grew more negative

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

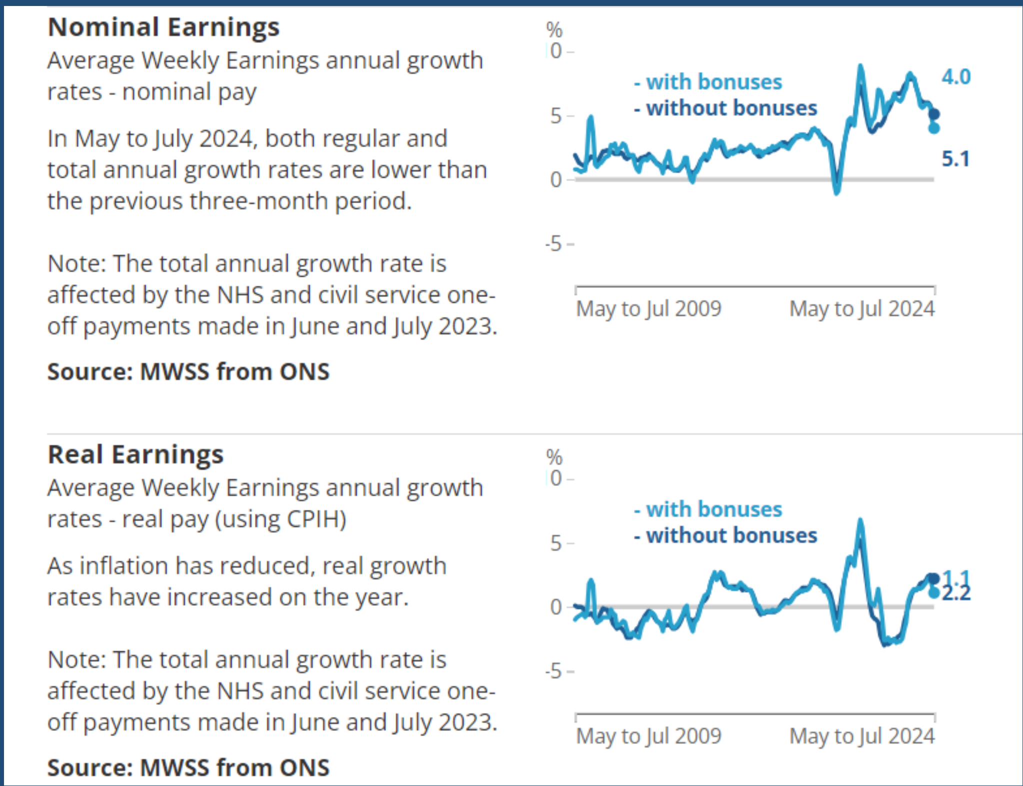


Source: Consumer price inflation from the Office for National Statistics

- The **Bank of England held interest rates at 5 per cent**, but the Bank of England governor said that **rates are "now gradually on the path down" following the cut from 5.25 per cent last month**. Andrew Bailey said inflation had "come down a long way" but warned the Bank would need to see more evidence that it will remain low before cutting rates further.
- **Energy prices are forecast to rise as winter approaches, according to consultancy Cornwall Insight**. The increase means that a household using the

typical amount of gas and electricity would pay £1,714, up from the current annual bill of £1,568.

- **Real earnings continue to increase.**
- **Annual growth in employees' average regular earnings (excluding bonuses) in Great Britain was 5.1% in May to July 2024, and annual growth in total earnings (including bonuses) was 4.0%**. This total annual growth is affected by the NHS and civil service one-off payments made in June and July 2023.
- **Annual growth in real terms (adjusted for inflation using the Consumer Prices Index including owner occupiers' housing costs (CPIH)) for regular pay was 2.2% in May to July 2024, and for total pay was 1.1%**.



- **There were an estimated 42,000 working days lost because of labour disputes across the UK in July 2024**. Most of the strikes were in the health and social work sector. Although it is positive to hear that the junior doctors and rail worker disputes appear to be coming to an end.

Economy

- **The UK economy did not grow in July, despite expectations from many economists that there would be some growth of 0.2 per cent over the summer months.** It follows an unexpected economic slowdown in June.
- **However, real GDP is estimated to have grown by 0.5% in the three months to July 2024 compared with the three months to April 2024**, with widespread growths in the services sector in this period.
- **Services output grew by 0.1% in July 2024**, following a decrease of 0.1% in June 2024, and grew by 0.6% in the three months to July 2024.

- **Production output decreased by 0.8% in July 2024**, following a growth of 0.8% in June 2024, and decreased by 0.1% in the three months to July 2024.
- **Construction output decreased by 0.4% in July 2024**, following a growth of 0.5% in June 2024, but grew by 1.2% in the three months to July 2024, its first positive three-month growth since September 2023.

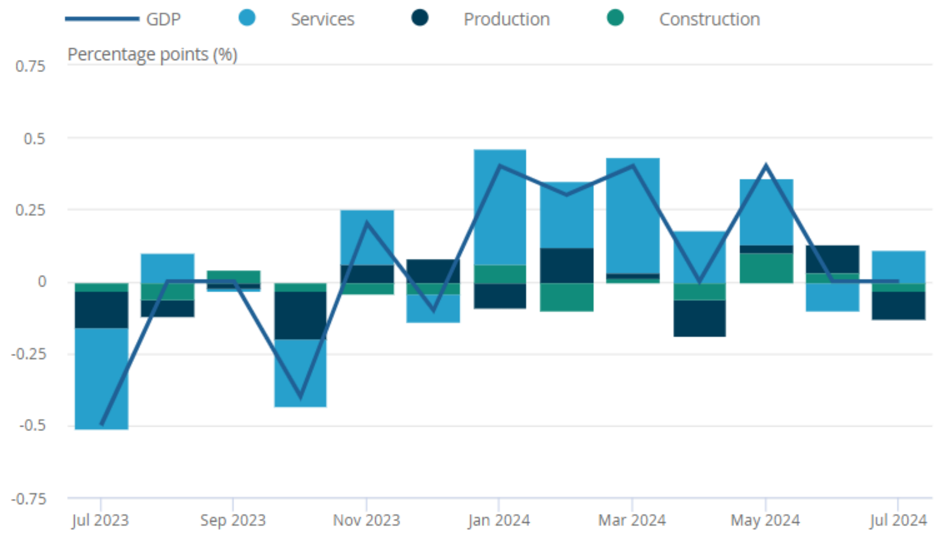
GDP Monthly index, January 2007 to July 2024, UK

Figure 1: UK GDP is estimated to have shown no growth in July 2024, but increased by 0.5% in the three months to July 2024

Monthly index, January 2007 to July 2024, UK

Figure 2: Monthly GDP showed no growth in July 2024, with falls in production and construction output being offset by a rise in services output

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



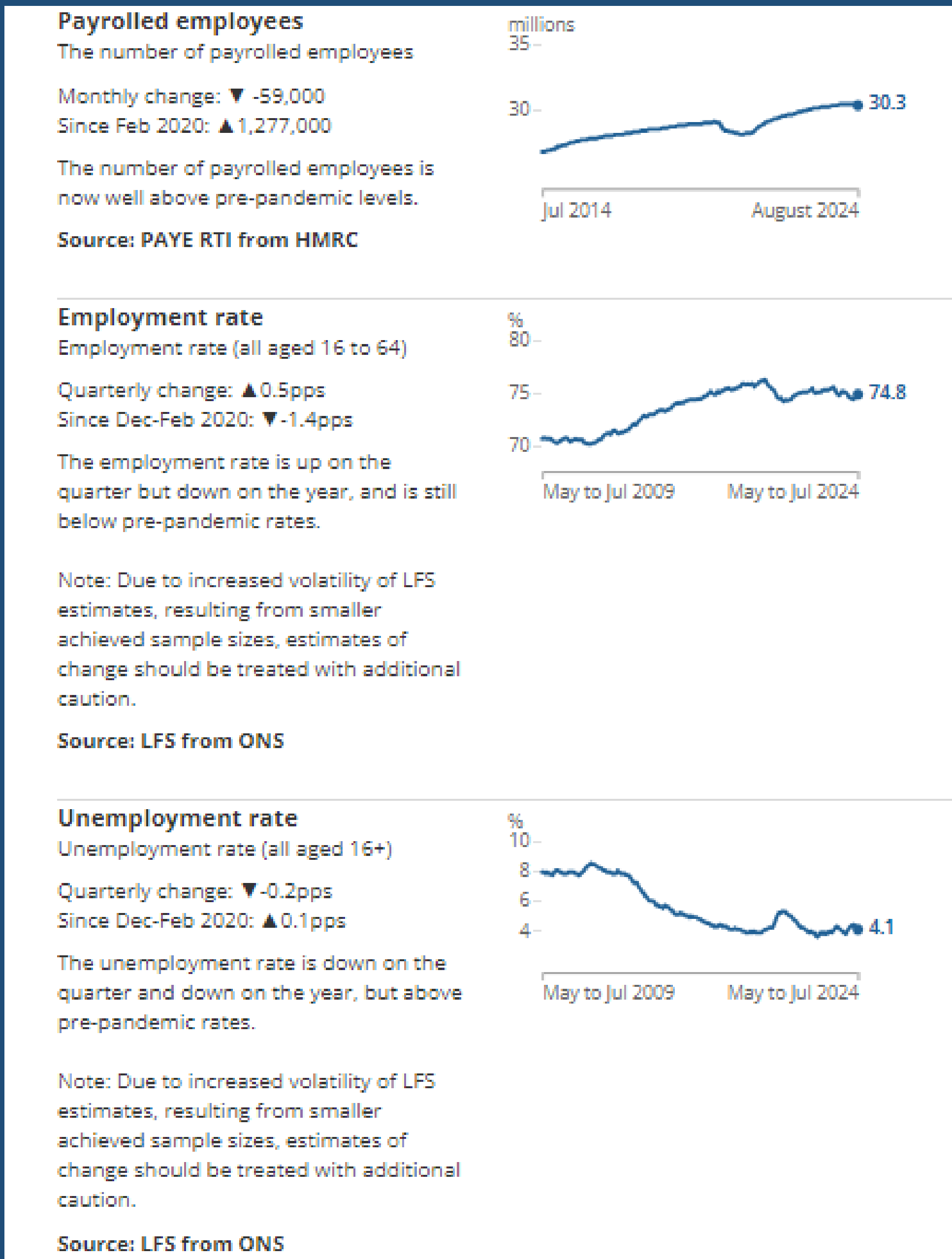
Source: GDP monthly estimate from the Office for National Statistics

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 116 of the **Business Insights and Conditions Survey (BICS)**, which was live from 2 September to 15 September 2024 suggest that business conditions continue to remain challenging.
- **More than a quarter (26%) of trading businesses reported a decrease in their turnover in August 2024 compared with July 2024, up 3 percentage points from last month and the highest proportion reported since January 2024**; in contrast, 14% reported an increase in their turnover, remaining broadly stable from last month.
- **Almost 1 in 5 (19%) trading businesses expect an increase in turnover in October 2024**, with 53% expecting turnover to stay the same up 2 and down 5 percentage points on expectations for September 2024; in contrast **14% expect a fall in turnover**, remaining broadly stable over the same period.
- **Approximately 1 in 5 (20%) trading businesses reported an increase in the prices of goods or services bought in August 2024 when compared with July 2024, while less than 1 in 10 (6%) 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 (67%) of trading businesses expect the prices of goods or services they sell to stay the same in October 2024**, up 3 percentage points on expectations for September 2024; the proportion of businesses that expect to increase their prices in October 2024 was 11%, remaining broadly stable with September 2024.
- **In early September 2024, 8% of all businesses and 20% of businesses with 10 or more employees reported that they were experiencing worker shortages**; both figures are broadly stable with early August 2024.
- The latest business insolvencies data shows that **in August 2024 there were a total of 1,893 company insolvencies in England and Wales, 18% lower than the number registered in the previous year (2,318 in August 2023), and 41% higher than the number registered three years previously: 1,347 in August 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

- In summary, **there are signs that the labour market is cooling, though it remains relatively tight**. This month's labour market figures show employment has increased but remains down on pre-pandemic levels, while unemployment and economic inactivity have both decreased but both remain above pre-pandemic levels. 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 May 2024 to July 2024:



Inactivity rate

Economic inactivity rate (all aged 16 to 64)

Quarterly change: ▼-0.3pps
Since Dec-Feb 2020: ▲1.4pps

The economic inactivity rate is down on the quarter but 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 change should be treated with additional caution.

Source: LFS from ONS

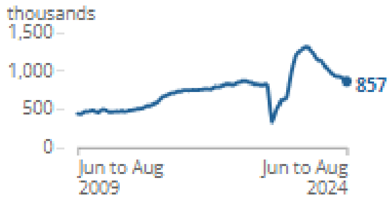
Job vacancies

Number of job vacancies

Quarterly change: ▼-42,000
Since Jan-Mar 2020: ▲61,000

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

Source: Vacancy Survey from ONS



- Estimates for **payrolled employees in the UK decreased by 6,000 (0.0%) between June and July 2024, but rose by 203,000 (0.7%) between July 2023 and July 2024**.
- The early estimate of payrolled employees for August 2024 decreased by 59,000 (negative 0.2%) on the month but increased by 122,000 (0.4%) on the year, to 30.3 million. The August 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 change should be treated with additional caution. We recommend using them as part of our suite of labour market indicators, alongside Workforce Jobs (WFJ), 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 74.8% in May to July 2024, below estimates of a year ago, but increased in the latest quarter.
- The **UK unemployment rate** (for people aged 16 years and over) was estimated at 4.1% in May to July 2024, below estimates of a year ago, and decreased in the latest quarter.
- The **UK economic inactivity rate** (for people aged 16 to 64 years) was estimated at 21.9% in May to July 2024, above estimates of a year ago, but decreased in the latest quarter.
- The **UK Claimant Count** for August 2024 increased on the month and on the year, to 1.792 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 six months, increasing the Claimant Count over that time.

- In June to August 2024, the estimated number of **vacancies** in the UK decreased by 42,000 on the quarter to 857,000. Vacancies decreased on the quarter for the 26th consecutive period but are still above pre-pandemic levels.
- In June 2024, the estimated number of **workforce jobs** was 37.1 million, up by 503,000 from the level of a year ago but down by 28,000 on the quarter. Employee jobs increased by 386,000 from the level a year ago and by 62,000 on the quarter to 32.7 million.
- **One in five working age adults is claiming sickness benefits in some areas of the country, with a surge driven by mental health problems among younger people**. Every local authority in England and Wales bar one has had a rise in claims since the pandemic, bring the number on sickness benefits to 3.9 million people, up 38 per cent in four years.
- **The Institute for Employment Studies and the Commission on the Future of Employment Support has warned that Britain's worklessness crisis is costing taxpayers £16 billion a year through lost tax revenue and an inflated benefits bill**. There analysis shows that the country's workforce was shrinking at the fastest rate since the 1980s, leading to a shortfall in employment-related taxes, while the number of people claiming benefits because of ill-health has also spiked.
- **Fixing the NHS to cut the number of days staff take off ill is the top issue for business leaders**, according to a new poll. Around 46 per cent of 1,000 business leaders said the Government should prioritise strengthening the health service "to ensure a healthy workforce and minimise absenteeism", in a survey conducted by consultancy Savanta last month.
- **The creation of a "pre-NHS" focusing on preventive healthcare could lead to a 33 per cent reduction in ill health, according to the head of a taskforce investigating new improvements to the nation's wellbeing**. Prof John Deanfield, the Government champion for personalised prevention, has concluded that a parallel health service is required to save an NHS struggling to heal an increasingly unhealthy public.

Green Economy

- **Great Britain's renewable energy auction has secured enough new clean electricity projects to power 11 million UK homes after the Government made record funding available to suppliers**. The £1.5 billion auction will support 131 new projects including windfarms, solar farms and tidal power projects after ministers increased the amount of funding available to seven times the sums offered last year.
- **The Government will relax planning rules to make it easier and cheaper to build solar farms and onshore wind turbines** capable of powering hundreds of thousands of homes, as they want to streamline the process for building turbines and solar projects. They are planning to double the threshold at which onshore wind

turbines are required to go through an enhanced planning process and treble it for solar farms. Ministers believe that this will allow more solar and onshore wind turbines to be built through the local planning process, speeding up approvals and reducing costs.

- **Ed Miliband, Secretary of State for Energy Security and Net Zero, has announced plans to require all council and housing association social homes in England to achieve an energy performance certificate rating of at least C by 2030**. The policy aims to reduce energy costs for tenants and contribute to government climate goals, currently 1.2 million social homes are rated at a D or below.

Housing

- **The Deputy Prime Minister, Angela Rayner has announced changes to planning rules in England to help deliver on the Government's promise of 1.5million new homes by 2029**. The Secretary of State for Housing, Communities and Local Government said that local housing targets would become mandatory again and announced plans to make building easier on low quality green belt land, reclassifying it as "grey-belt".
- **Planning approvals for new houses in England have dropped to a 10-year low**, according to new figures. The data, from the Home Builders Federation, shows the number of new houses being approved is just over half what it was three years ago, having fallen lowest level since 2014.
- **UK house prices rose at the fastest annual pace since the end of 2022 last month**. Prices increased 2.1 per cent year on year in July, representing a monthly rise of 0.3 per cent, according to the latest figures from building society Nationwide.
- **A survey by Citizens Advice found 45 per cent of private renters are currently experiencing damp, mould or excessive cold in their home**. The research also found 48 per cent of these households have been living with the disrepair for more than a year.

Conclusion

- In conclusion, we have seen the **return of parliament following the summer recess** and await next month's Budget at a time when the growth of the economy has stalled.
- **UK inflation has remained just above the Bank of England's target at 2.2 per cent**, but is significantly lower than the peak seen during the cost-of-living crisis. **The Bank has delayed any further cut in interest rates which remain at 5 per cent**, but has indicated that rates are likely to decline over the coming months. While **wage levels continue to rise further easing cost of living pressures**.
- Unfortunately, we have **seen a second month without any growth in the UK economy** amidst a decline in business and consumer confidence due to concerns regarding what may be announced at the next Budget.

- It is clear that for **many businesses conditions remain challenging due to a wide range of factors and this has seen more businesses report a decline in their turnover**.
- There are **signs that the labour market is cooling, though it remains relatively tight**. Although we have seen a recent reduction in unemployment the decline in job vacancies continues at a faster pace. It is **positive that economic inactivity has continued to fall**, with both the economically inactive and unemployed moving into work and **helping to boost the employment rate**.
- 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 skills provision has 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 August 2024, which shows the number of new companies and individuals who are unable to pay debts and enter a formal insolvency procedure.

Company Insolvencies

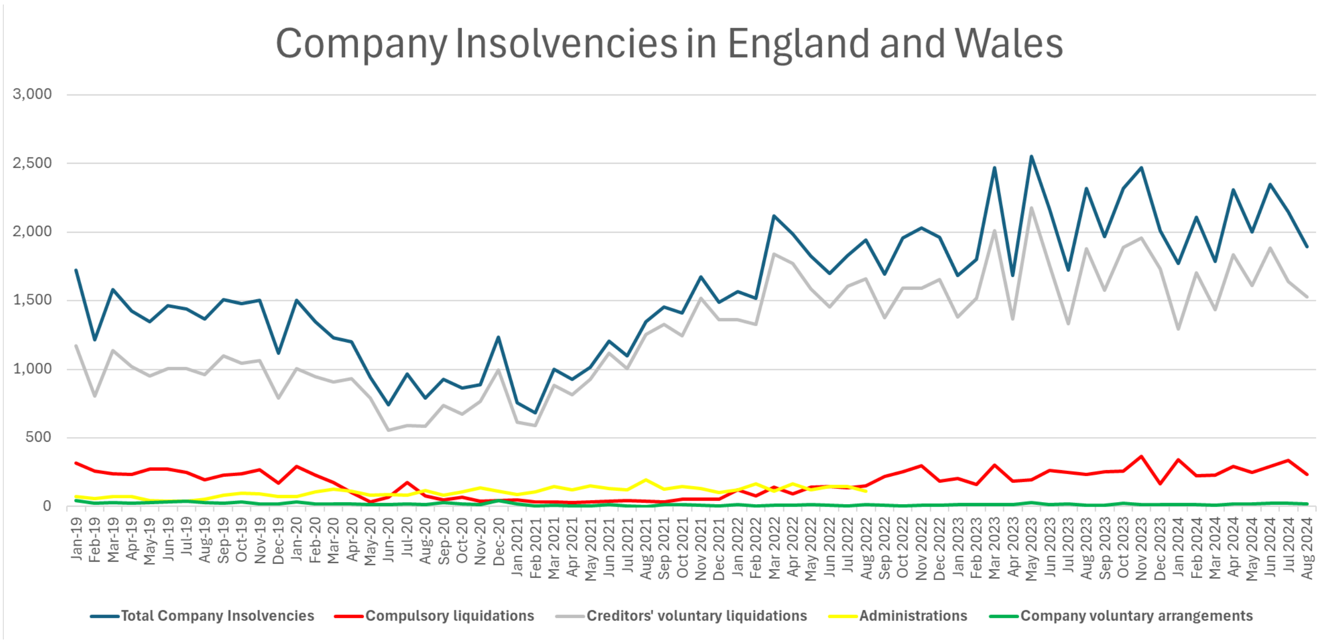
In August 2024 there were a total of 1,893 company insolvencies in England and Wales.

The overall number of **company insolvencies are 18% lower than the number registered in the previous year (2,318 in August 2023), and 41% higher than the number registered three years previously: 1,347 in August 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 236 compulsory liquidations in August 2024, which is 2% higher than the number in August 2023, and 521% higher than in August 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 August 2024 there were 1,527 Creditors' Voluntary Liquidations (CVLs), 19% lower than August 2023, and 22% higher than August 2021. Numbers of administrations are higher than pandemic levels at 100% higher than August 2021, and Company Voluntary Arrangements (CVAs) are also higher than pandemic levels at 900% above August 2021 levels, although numbers are low.

Company insolvencies between September 2023 and August 2024 are 4% higher compared to a year earlier, representing 1,079 more businesses.



Sources: Insolvency Service (compulsory liquidations only); Companies House (all other insolvency types)[1]

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

The sectors to have seen the largest number of company insolvencies between August 2023 and July 2024 continue to be the Construction sector (4,373), Wholesale & Retail sector (3,904) and Accommodation & Food Service sector (3,822). Levels exceed those seen for the same period the previous year with the Construction sector 4% higher, Wholesale & Retail sector 6% higher, and Accommodation & Food Service sector 16% 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

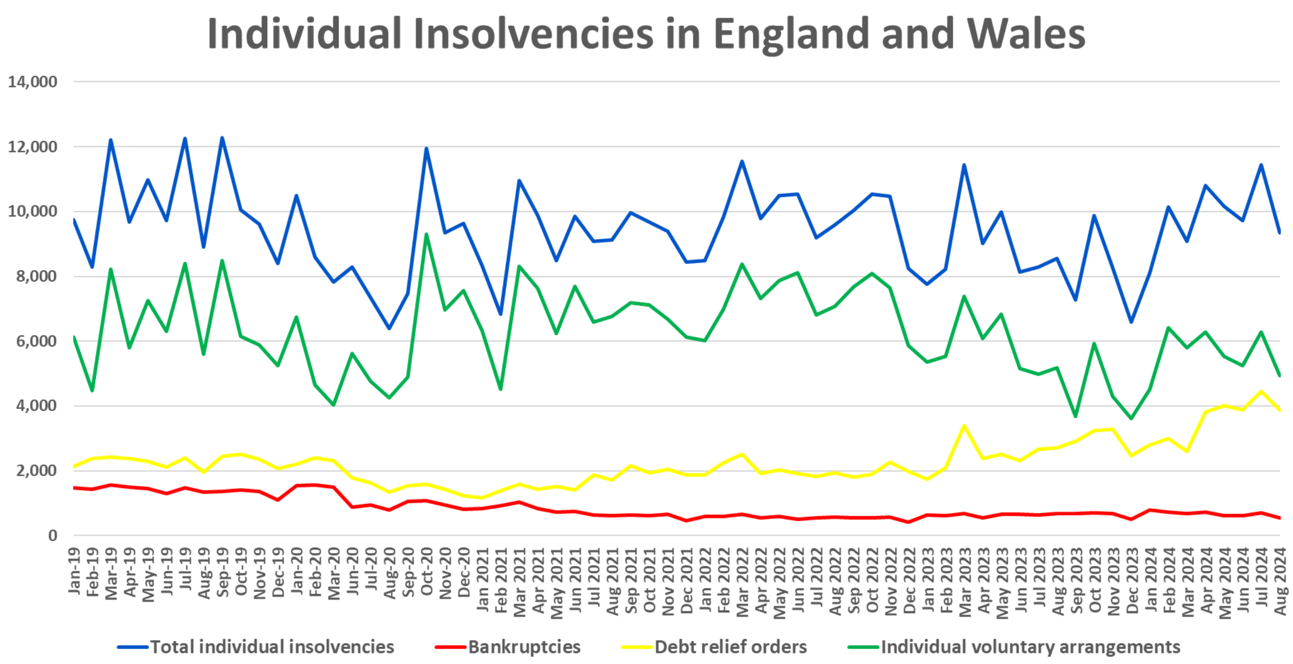
There were **9,348 total individual insolvencies in August 2024**, which was 9% higher than in August 2023, and 3% higher than in August 2021.

For individuals, **538 bankruptcies were registered in August 2024**, which was 20% lower than in August 2023, and 14% lower than in August 2021.

There were **3,871 Debt Relief Orders (DROs) in August 2024**, which was 43% higher than in August 2023, and 125% higher than in August 2021.

There were **4,939 Individual Voluntary Arrangements (IVAs)** registered in August 2024, which is 4% lower than August 2023, and 27% lower than August 2021.

Total Individual Insolvencies between September 2023 and August 2024 are 0.1% higher than the same period a year earlier, representing an increase of 149.



Sources: Insolvency Service

There were **7,256 Breathing Space registrations in August 2024, which is 5% lower than the number registered in August 2023**. 7,138 were Standard breathing space registrations, which is 5% lower than in August 2023, and 118 were Mental Health breathing space registrations, which is 1% higher than the number in August 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 individual voluntary arrangements and bankruptcies remain lower, 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: August 2024

Area	Claimant Count Rate (August 2023)	Claimant Count Rate (July 2024)	Claimant Count Rate[1] (August 2024)	Number of Claimants (August 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	4.4	4.4	1,565,940	13,685	0.9%	502,435	47.2%
West Midlands	4.8	5.7	5.8	213,625	3,760	1.8%	69,275	48.0%
Staffordshire & Stoke-on-Trent	3.4	3.9	3.9	26,985	100	0.4%	7,615	39.3%
Birmingham	8.5	10.6	10.8	79,820	1,725	2.2%	30,450	61.7%
Wolverhampton	7.4	8.1	8.2	13,510	220	1.7%	3,130	30.2%
Sandwell	6.1	7.3	7.5	16,270	430	2.7%	5,490	50.9%
Walsall	5.5	6.4	6.6	11,450	255	2.3%	2,845	33.1%
Stoke-on-Trent	5.4	6.3	6.4	10,240	40	0.4%	2,920	39.9%
Coventry	5.6	6.2	6.3	14,065	140	1.0%	6,065	75.8%
Dudley	4.6	5.2	5.2	10,305	135	1.3%	1,790	21.0%
Telford and Wrekin	3.4	4.0	4.2	4,825	130	2.8%	1,395	40.7%
Solihull	3.1	3.6	3.7	4,800	135	2.9%	1,150	31.5%
Worcestershire	2.9	3.4	3.4	12,305	155	1.3%	4,000	48.2%
Staffordshire	2.8	3.1	3.1	16,745	60	0.4%	4,695	39.0%
Warwickshire	2.6	2.9	3.0	10,975	225	2.1%	3,145	40.2%
Herefordshire, County of	2.4	2.8	2.9	3,140	40	1.3%	1,030	48.8%
Shropshire	2.3	2.7	2.7	5,180	70	1.4%	1,170	29.2%
East Staffordshire	3.3	4.1	4.0	3,125	-80	-2.5%	1,405	81.7%
Cannock Chase	3.4	3.5	3.6	2,275	75	3.4%	620	37.5%
Tamworth	3.3	3.6	3.6	1,745	-20	-1.1%	255	17.1%
Newcastle-under-Lyme	3.0	3.3	3.3	2,520	10	0.4%	540	27.3%
South Staffordshire	2.5	2.8	2.8	1,850	35	1.9%	540	41.2%
Stafford	2.4	2.8	2.8	2,265	-5	-0.2%	610	36.9%
Lichfield	2.3	2.5	2.5	1,615	25	1.6%	295	22.3%
Staffordshire Moorlands	1.9	2.4	2.4	1,350	25	1.9%	430	46.7%

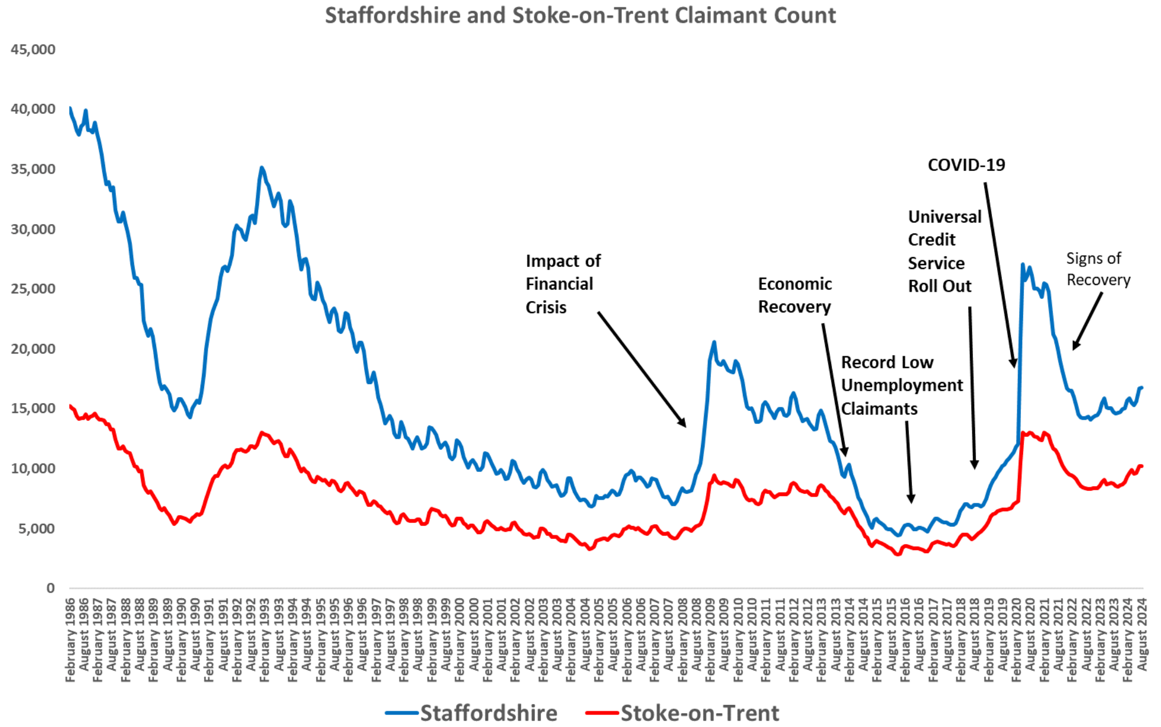
[1] The claimant rate is the proportion of the working age population claiming Universal Credit

- The claimant count in Staffordshire saw a **small increase of 60 claimants in August**, with the **total number now at 16,745**.
- It is of note that Staffordshire had the smallest percentage increase of all areas in the West Midlands and lower than the national average.
- Over the last month, the **claimant rate for Staffordshire has remained unchanged at 3.1%** 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 5.8%, and lower than the average for England of 4.4%**.
- Stoke-on-Trent saw an **increase of 40 claimants** over the same period with **a total of 10,240 claimants in August**, with the **rate increasing from 6.3% to 6.4%.**

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

- Staffordshire saw a 0.4% increase monthly change in claimants whereas nationally we saw a 0.9% increase and regionally a 1.8% 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 39.0% or 4,695 higher than the level seen in March 2020 (pre-COVID)**, which is lower than the 47.2% increase seen nationally and the 48.0% 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 3.1% of the working age population compared to 5.8% regionally and 4.4% nationally. In Stoke-on-Trent, the Claimant Count remains above both the regional and national averages at 6.4%.**

- 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 decreases in the claimant count this month in three of the districts in Staffordshire, with increases seen in the other five districts. It is important to note that all districts have a lower claimant rate than both the regional and national rates.

- East Staffordshire has the highest claimant rate at 4.0% and Staffordshire Moorlands has the lowest at 2.4%. It is important to note all districts have a lower claimant rate than the regional and national rates.

Youth Claimant Count

Youth Claimant Count (Universal Credit) Statistics: August 2024

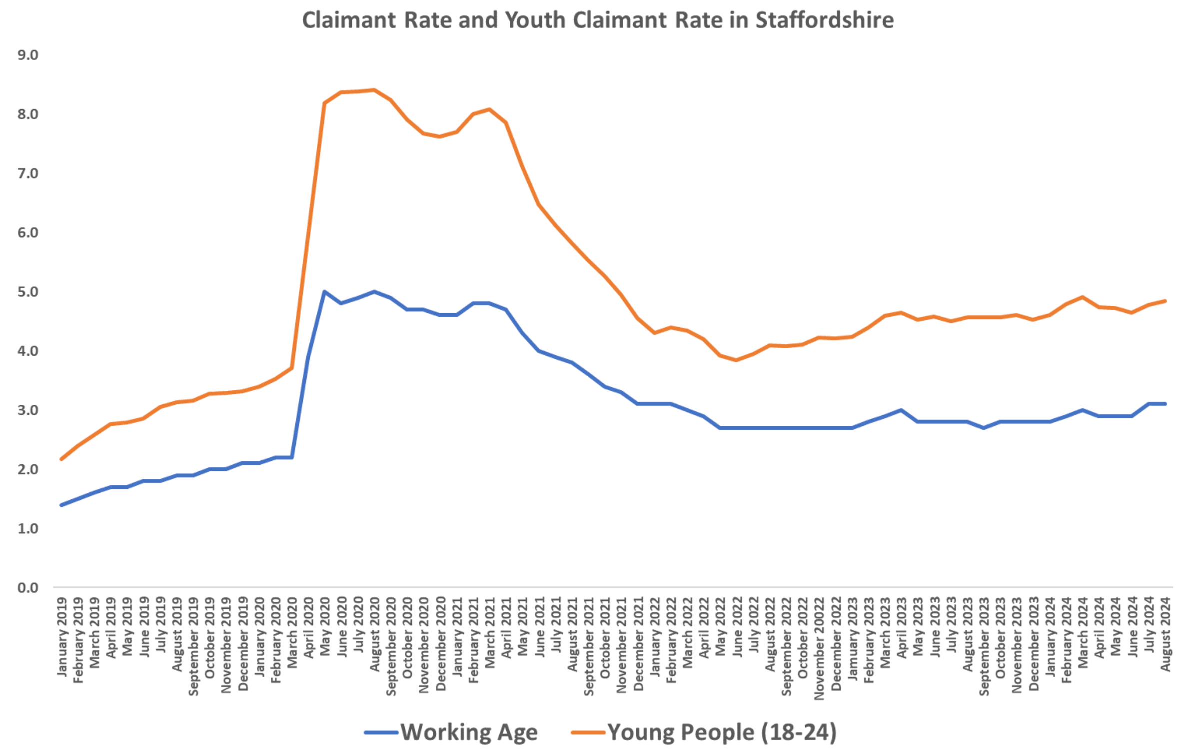
Area	Youth Claimant Count Rate (Aug 2023)	Youth Claimant Count Rate (July 2024)	Youth Claimant Count Rate[1] (Aug 2024)	Number of Youth Claimants (Aug 2024)	Monthly Change in Youth Claimants (Numbers)	Monthly Change in Youth Claimants (%)	Change in Youth Claimants since March 2020 (Numbers)	Change in Youth Claimants since March 2020 (%)
England	4.9	5.3	5.4	252,380	5,745	2.3%	54,650	27.6%
West Midlands	6.6	7.1	7.4	37,285	1,295	3.6%	9,380	33.6%
Staffordshire & Stoke-on-Trent	5.4	5.6	5.7	4,875	85	1.8%	1,055	27.6%
Wolverhampton	10.4	10.8	11.0	2,360	60	2.6%	450	23.6%
Birmingham	9.1	10.1	10.6	13,730	550	4.2%	4,625	50.8%
Sandwell	8.9	9.5	9.9	2,835	130	4.8%	720	34.0%
Wallsall	9.1	9.3	9.8	2,210	110	5.2%	295	15.4%
Stoke-on-Trent	**7.6**	**8.0**	**8.1**	**1,840**	**40**	**2.2%**	**435**	**31.0%**
Dudley	7.4	7.5	7.6	1,805	35	2.0%	55	3.1%
Telford and Wrekin	5.4	6.2	6.3	935	10	1.1%	175	23.0%
Solihull	5.2	5.8	6.1	910	45	5.2%	85	10.3%
Coventry	5.1	5.4	5.6	2,400	65	2.8%	865	56.4%
Worcestershire	4.6	4.7	4.9	2,040	65	3.3%	445	27.9%
Staffordshire	**4.6**	**4.8**	**4.8**	**3,035**	**45**	**1.5%**	**620**	**25.7%**
Warwickshire	3.7	4.0	4.1	1,845	60	3.4%	510	38.2%
Herefordshire, County of	4.0	4.0	4.0	470	0	0.0%	55	13.3%
Shropshire	3.4	3.6	4.0	870	75	9.4%	45	5.5%
Tamworth	5.9	6.6	6.6	375	0	0.0%	80	27.1%
Cannock Chase	6.2	6.1	6.5	460	30	7.0%	95	26.0%
East Staffordshire	5.3	5.4	5.3	475	-5	-1.0%	155	48.4%
South Staffordshire	4.6	4.8	4.7	350	-10	-2.8%	100	40.0%
Stafford	4.2	4.5	4.7	405	20	5.2%	90	28.6%
Newcastle-under-Lyme	4.0	4.2	4.1	485	-10	-2.0%	60	14.1%
Lichfield	3.7	3.9	4.0	285	5	1.8%	15	5.6%
Staffordshire Moorlands	3.0	3.1	3.3	195	10	5.4%	20	11.4%

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

- This month the **youth claimant count in Staffordshire saw an increase of 45 claimants with a total of 3,035 young people**. This was a lower percentage increase than seen both regionally and nationally this month.

- **The proportion of young people in Staffordshire aged 18-24 that are claiming work-related Universal Credit has remained unchanged at 4.8%, whereas the majority of areas in the West Midlands saw increases in the youth claimant rate this month.** It is important to note that Staffordshire continues to be lower than the national rate of 5.4%, and far lower than the regional rate of 7.4%.

- **Stoke-on-Trent saw an increase of 40 claimants to a total of 1,840 claimants with the rate increasing from 8.0% to 8.1% this month.**



- This month four districts in Staffordshire saw decreases in the youth claimant rate or no change, with the other four districts seeing increases.

- Tamworth has the highest rate at 6.6%, whilst Staffordshire Moorlands has the lowest rate at 3.3%. Newcastle-under-Lyme has the highest number of youth claimants at 485, whilst Staffordshire Moorlands has the lowest number of youth claimants at 195.

- 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

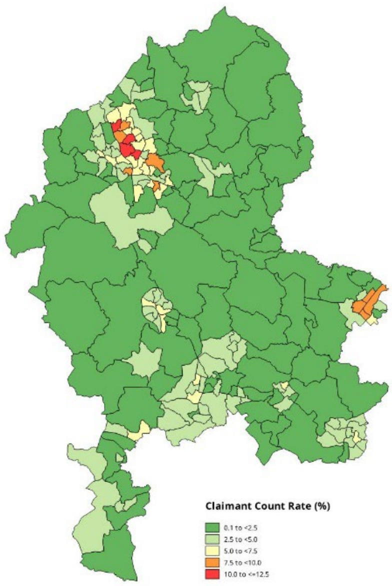
The following maps and tables provide the latest breakdown of the claimant count by wards in Staffordshire & Stoke-on-Trent.

Claimant Count Rate August 2024

Of the 201 wards in Staffordshire & Stoke-on-Trent, 52 were above the England average of 4.4% 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: 12.5%/570; Etruria & Hanley: 11.7%/630; Moorcroft: 10.9%/405; Tunstall: 10.4%/440; Burslem Central: 9.9%/450 total claimants.

In Staffordshire, the four wards with the highest claimant count rates were all in East Staffordshire with Anglesey: 9.1%/495; Shobnall: 8.3%/450; Burton: 8.1%/245; Eton Park: 7.7%/375 total claimants.

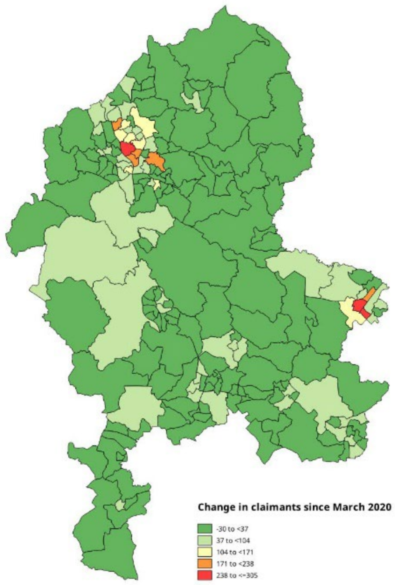


Staffordshire County Council

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 seven in Stoke-on-Trent including Etruria & Hanley (275 increase to 630); Bentilee & Ubberley (200 increase to 600); Joiner's Square (195 increase to 570); Tunstall (190 increase to 440); Hanley Park & Shelton (190 increase to 375); Moorcroft (145 increase to 405); Lightwood North & Normacot (145 increase to 290).

Of the remaining three wards in the top ten, all were in East Staffordshire including Anglesey with a 305 increase to 495 claimants; Shobnall with a 240 increase to 450 claimants; and Eton Park with a 195 increase to 375 claimants.



Staffordshire County Council

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

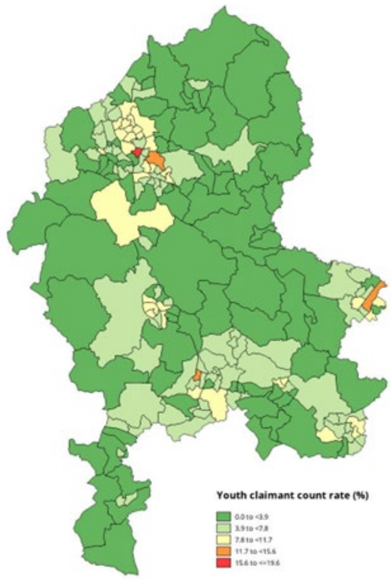
The following maps and tables provide the latest breakdown of the youth claimant count by wards in Staffordshire & Stoke-on-Trent.

Youth Claimant Count Rate August 2024

Of the 201 wards in Staffordshire & Stoke-on-Trent, 82 were above the England average of 5.4% 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, five were in Stoke-on-Trent including Joiner's Square: 19.6%/150; Bentilee & Ubberley: 15.5%/140; Burslem Central: 11.4%/70; Moorcroft: 10.2%/55; Sneyd Green 10.2%/40 total youth claimants.

In Staffordshire, the five wards with the highest claimant count rates were Cannock North (Cannock Chase): 13.1%/70; Burton (East Staffordshire): 13.0%/50; Shobnall (East Staffordshire): 10.3%/75; Forebridge (Stafford): 10.3%/30; Amington (Tamworth): 10.2%/65 total youth claimants.

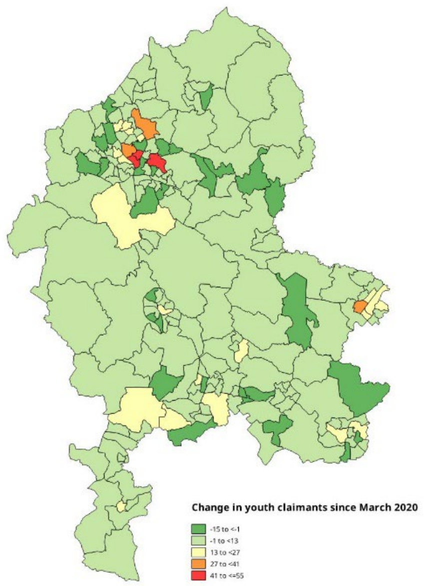


Staffordshire County Council

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 (55 increase to 85); Joiner's Square (50 increase to 150); Bentilee & Ubberley (50 increase to 140); Etruria and Hanley (40 increase to 85); Baddeley, Milton & Norton (35 increase to 95); Sneyd Green (25 increase to 40); Hartshill & Basford (25 increase to 50).

In Staffordshire, the three wards with the highest change in the number of youth claimants since March 2020, were Shobnall (East Staffordshire) with a rise of 40 to 75; Cannock North (Cannock Chase) with a rise of 25 to 70; Castle (Tamworth) with a rise of 25 to 40 total youth claimants.



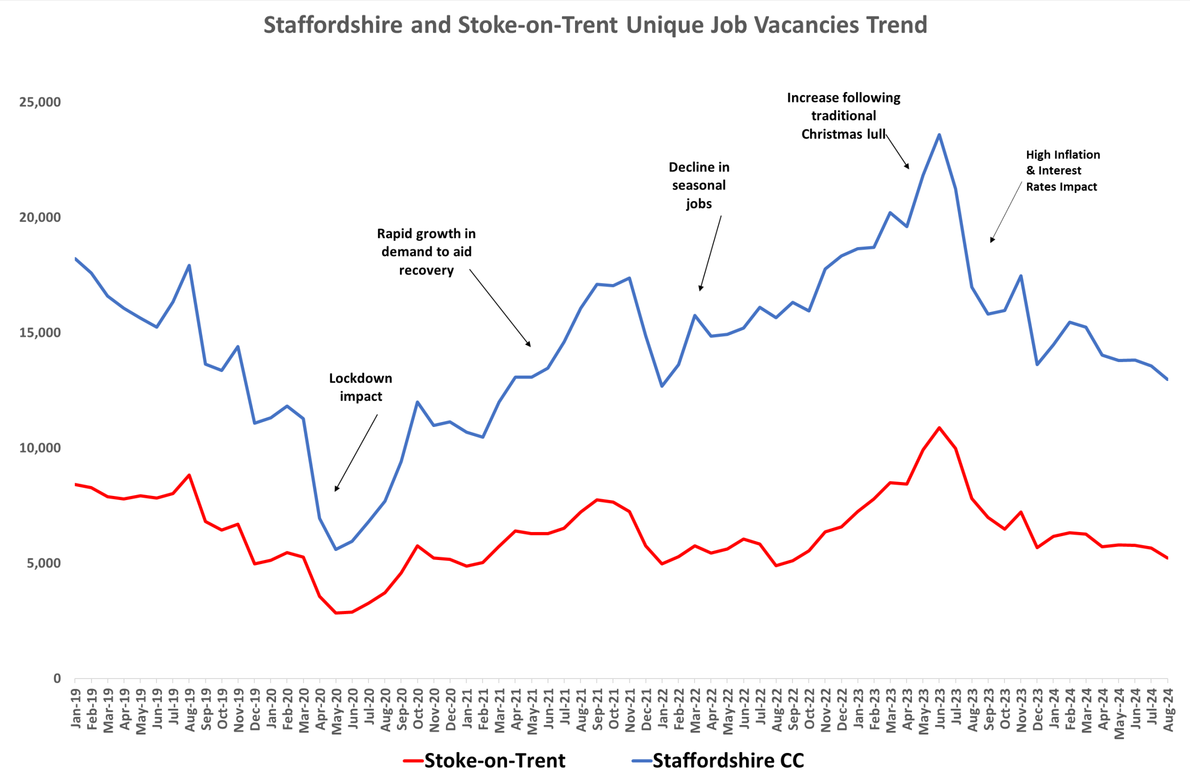
Staffordshire County Council

Job Vacancies[3]

- **Staffordshire saw a 4% decrease in the number of available job vacancies between July and August to a total of 13,000[4]. This is lower than the number of work-related benefit claimants. Stoke-on-Trent also saw an 8% decrease in job vacancies to a total of 5,200 which is significantly lower than the number of claimants.**

- **Across the region in the last month there was a 5% decrease, and nationally there was a 4% decrease in job vacancies.**

- In August 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 24% lower, whilst Stoke-on-Trent decreased 33%. 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 10% higher. In contrast, Stoke-on-Trent job vacancies however are 4% lower. 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

- The majority of occupational groups saw a decrease in vacancies during August. However, 'Managers, Directors & Senior Officials,' and 'Administrative & Secretarial' occupations saw small increases of up to 2%.

- The occupations to see the most significant increases during August include **Cleaners & Domestics; Large Goods Vehicle Drivers; Managers & Directors in Retail & Wholesale; Managers in Transport & Distribution; HR & Industrial Relations Officers; HR Administrative; Legal Secretaries; Waiters & Waitresses; Credit Controllers; Welding Trades; Civil Engineers; Chefs; office Managers; HR managers & directors; Skilled Metal, Electrical & Electronic Trades Supervisors; Coffee Shop Workers; Specialist Medical Practitioners; Restaurant & catering Establishment Managers/Proprietors; Engineering Technicians and Health & Safety Managers & Officers.**

Annual Trends in job vacancies

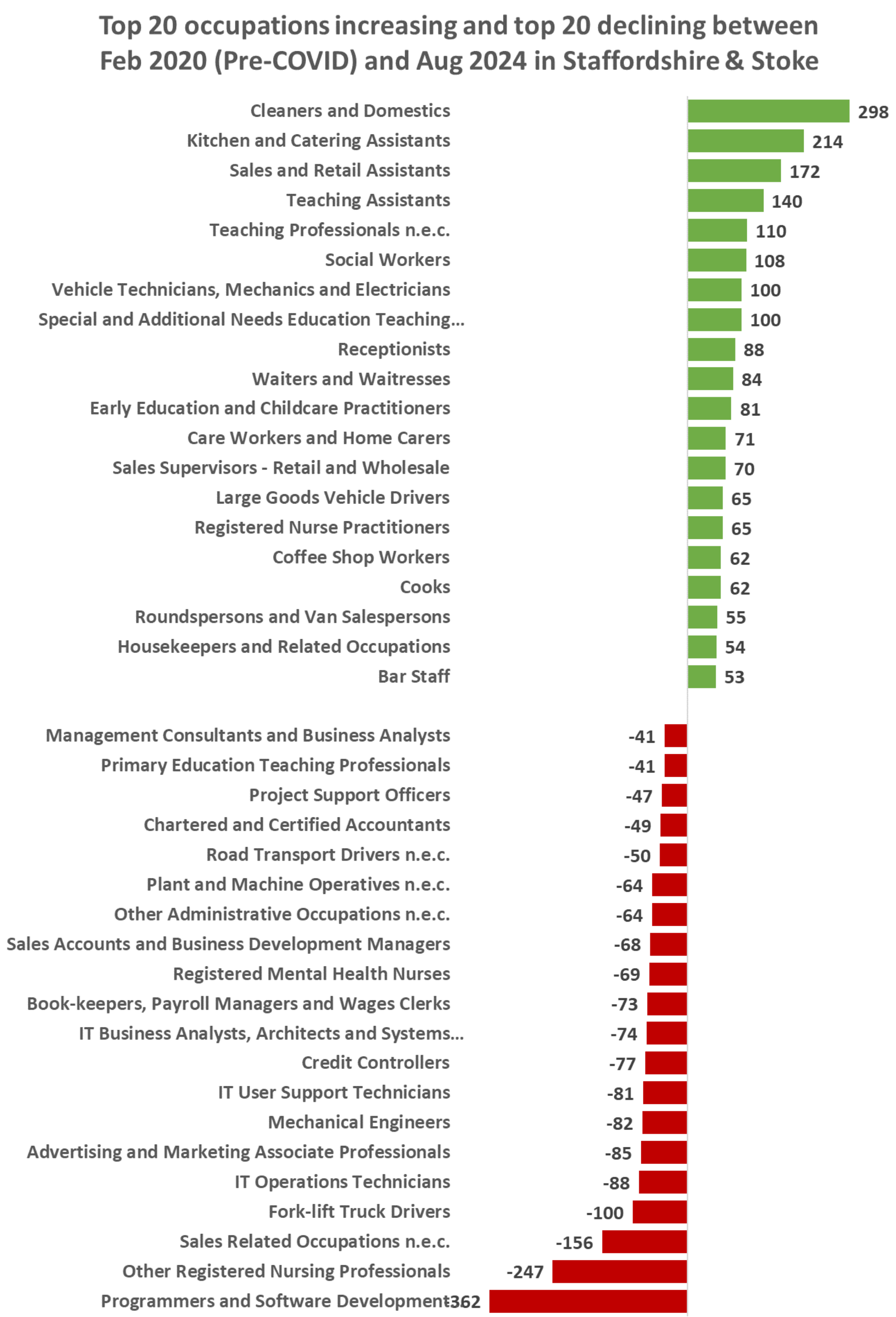
- The occupations to see the largest year-on-year increases include Logistics (Large Goods Vehicle Drivers; Road Transport Drivers), Teaching (Secondary Education Teaching; Special & Additional Needs Education Teaching Professionals; HE Teaching Professionals; Teaching Professionals, Other Vocational & Industrial Trainers), Retail (Shelf Fillers), Health & Social Care (Dental Practitioners), Research & Development Managers, Laboratory Technicians, Hospitality (Waiters & Waitresses), Engineering (Civil Engineers; Electronics Engineers), Legal Secretaries, Childcare (Childminders), Real Estate (Property, Housing & Estate Managers), Transport (Train & Tram Drivers), Personal Care (Beauticians & Related), Gardeners & Landscape Gardeners.

Pre-COVID baseline trends in job vacancies

- It is also found that the main occupations with higher vacancies compared to pre-COVID are mainly found within:

  - **Housekeepers & Related Occupations** (Cleaners & Domestics; Housekeepers & Related occupations)
  - **Hospitality** (Kitchen & Catering Assistants; Waiters & Waitresses; Cooks; Coffee Shop Workers; Bar Staff)
  - **Retail & Wholesale** (Sales & Retail Assistants; Sales Supervisors)
  - **Education** (Teaching Assistants; Teaching Professionals; Special & Additional Needs Education & Teaching Professionals)
  - **Health and Social Care** (Social Workers; Care Workers and Home Carers; Registered Nurse Practitioners)
  - **Motor Trade** (Vehicle Technicians, Mechanics and Electricians)
  - **Cross Sector Business Roles** (Receptionists)
  - **Childcare** (Early Education & Childcare Practitioners)
  - **Logistics** (Large Goods Vehicle Drivers; Roundspersons & Van Salespersons)

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,' 'Large Goods Vehicle Drivers' and 'Cleaners & Domestics' also have strong 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.

- The Logistics sector continues to have high demand for **'Warehouse Operatives.'**

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

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

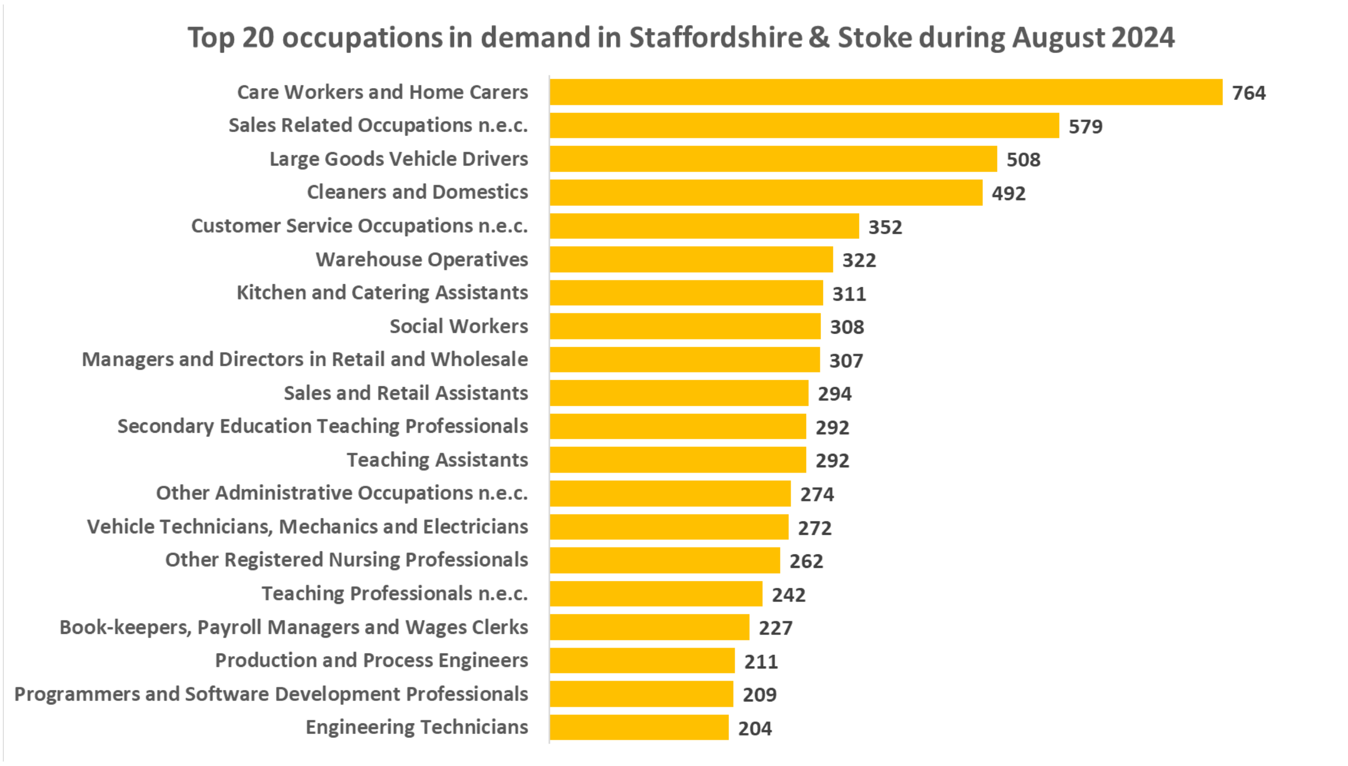
- Demand for **'Managers & Directors' and 'Sales & Retail Assistants'** in the Retail and Wholesale sector remain strong.

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

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

- In the Engineering sector **'Production & Process Engineers' and 'Engineering Technicians'** are most in demand.

- Demand for **'Programmers and Software Development Professionals'** remains 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.