Economic Update

Employment and Skills Board Presentation February 2022

SEPTEMBER 2021

18 months of Government Support came to an end

Self Employment Income Support Scheme

- 118,200 claims made
- Totalling £334.9 million

The Coronavirus Job Retention Scheme

- 139,500 employments furloughed
- Representing 26% of employees

Wave 1 (to June 2020)

- 107,300 employments furloughed
- Representing 30% of employees

Wave 4 (to September 2021)

- 12,100 employments furloughed
- Representing 2.3% of employees

Some good news in the data

Locally, take up rates *(based on eligible employments)* have **remained low**. For the first few waves, these were **below the regional and national levels**. For the latter waves, take up remained in line with regional and national rates.

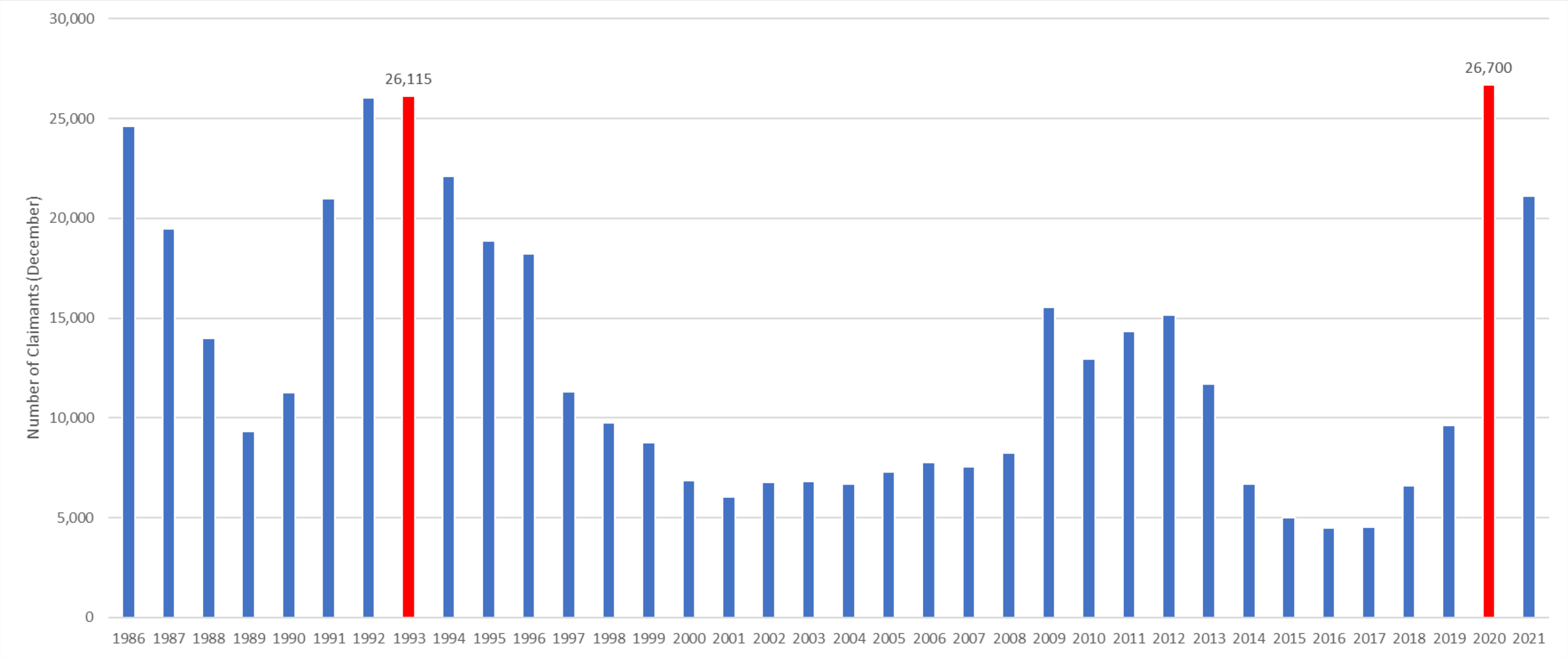
Suggesting more resilience in the economy locally.

Health and social work **3%** (-1% lower than nationally)	Professional, scientific and technical **10%** (same as nationally)	Accommodation and food services **13%** (same as nationally)	Transportation and storage **10%** (+2% higher than nationally)	Manufacturing **8%** (-3% lower than nationally)	Other **8%** (+4% higher than nationally)
ICT, financial services, insurance and real estate **8%** (-1 lower than nationally)	Administrative and support services **11%** (same as nationally)	Other service activities **4%** (-1% lower than nationally)	Wholesale and retail **15%** (same as nationally)	Construction **7%** (-1% lower than nationally)	Arts, entertainment and recreation **2%** (-2% lower than nationally)

Which sectors were affected the most?

Claimant numbers are decreasing but remain high

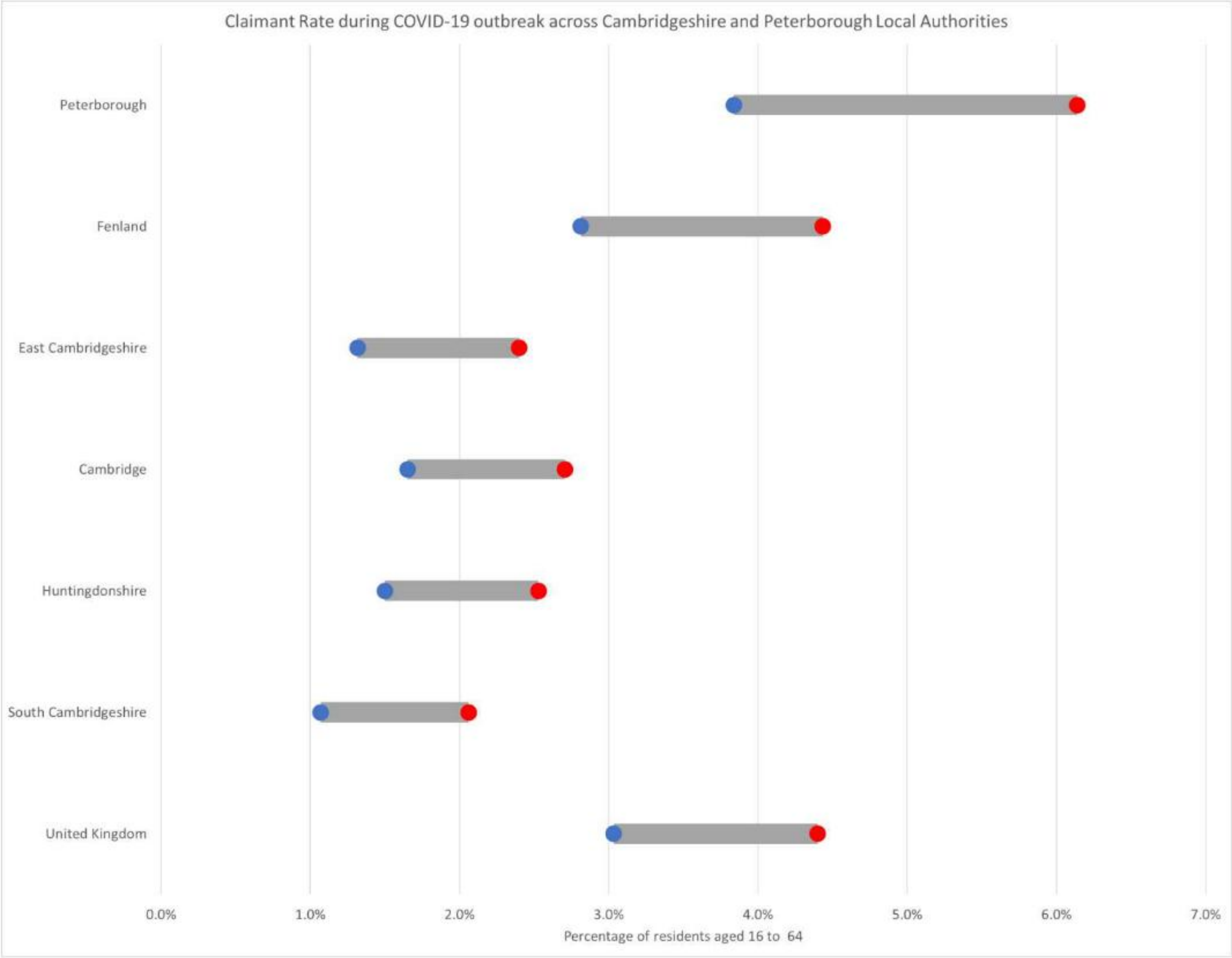
- **Following the peak in August 2020, since April 2021 the number of claimants across Cambridgeshire and Peterborough have been decreasing.**
- **Number of claimants remain at highest levels the area has seen since mid-late 1990's**



- **18,680 claimants in December, representing 3.5% of residents 16-64.**
- **Claimant count numbers 66% higher than March 2020 levels.**

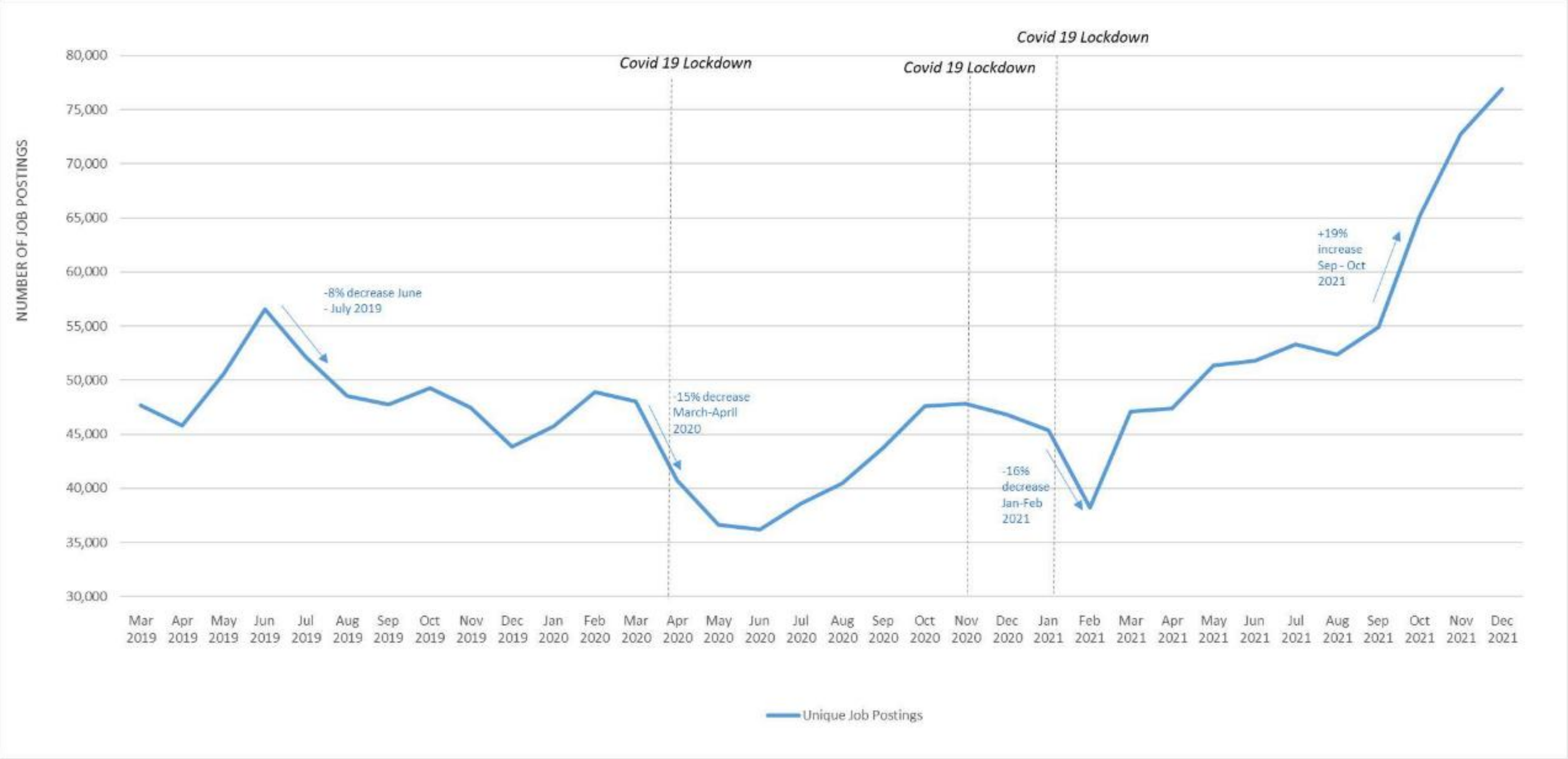
Evidence of widening inequalities locally

- **Peterborough and Fenland have both seen increases in Claimant rates higher than the UK average.**
- **The claimant rate in Fenland is now higher than the UK average.**



Vacancy numbers have been increasing at pace throughout 2021

- **December 2021 saw the highest number of unique job posting across Cambridgeshire and Peterborough for the past five years.**

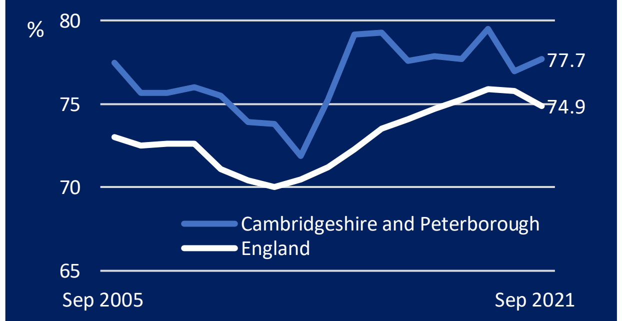


- **Unique job postings were 58% higher than the pre-Covid average. This is lower than the UK average at 63%.**

Redundancy picture

(information redacted – not for public release)

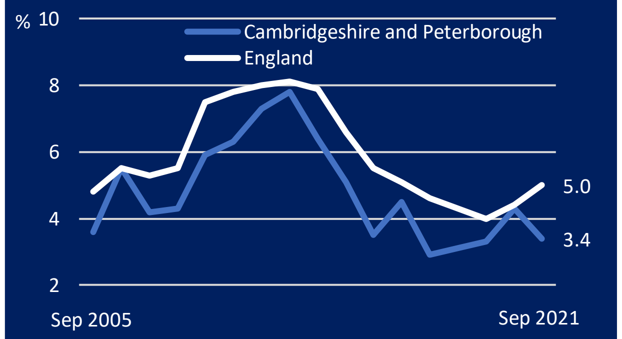
Employment Rate



Quarterly change: ▼ 0.2pp
Since Mar 20: ▼ 1.9pp

Employment rate remains above the national average

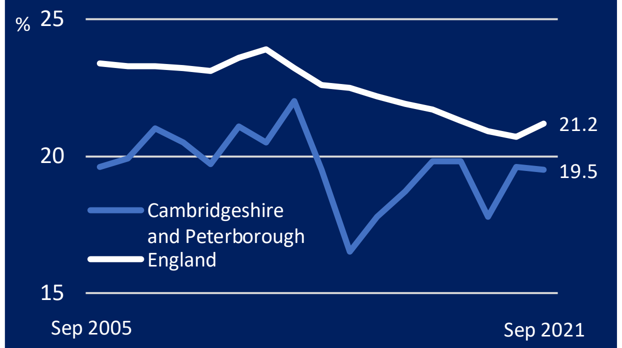
Unemployment Rate



Quarterly change: ▼ 0.2pp
Since Mar 20: ▲ 0.8pp

Unemployment rate remains below the national average

Inactivity Rate



Quarterly change: 0pp
Since Mar 20: ▲ 2.1pp

Economic Inactivity rate remains below the national average

Headline Summary *(at end of support)*

Employment rate decreases at a national level during the pandemic period have been largely driven by younger workers (aged 16 to 24 years) falling.

Over a third of businesses with 10 or more employees experienced a shortage of workers in late November 2021. The most common reasons for businesses of all sizes finding vacancies more difficult to fill were a low number of applications and a lack of qualified applicants.

Business Insights and Conditions Survey (BICS

Those aged under 35 years were most likely to change occupation or become unemployed.

The movement of workers into redundancy (including voluntary redundancies) has increased for those aged 55 years and over; early retirement also saw an increase during the pandemic period.

Q2 2020 saw unusually low numbers of workers entering the workforce and high numbers leaving, creating conditions for potential labour shortages. A year later, in Q2 2021 saw the highest influx of workers since 2016*.

National Findings

What does the picture look like now the mask is lifted?

Data is only one piece of the jigsaw

With the absence of the data picture of the past few months, what are the Employment and Skills Board members seeing/hearing/feeling on the ground?

Next Steps

- **Analyse the first quarter data post end of support schemes – what has this done to rates?** **[released w/b 14th February 2022]**

- **Analyse vacancy data at a sector level**
  – are the vacancies in specific sectors or across the board?
  [anticipated release February 2022]

What else would be helpful for the Employment and Skills Board?