



SLP Economic Insights

May 2022

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The data in the following slides refers to a range of dates dependent on when the latest data is available which ranges between September 2021 and April 2022.

Headlines

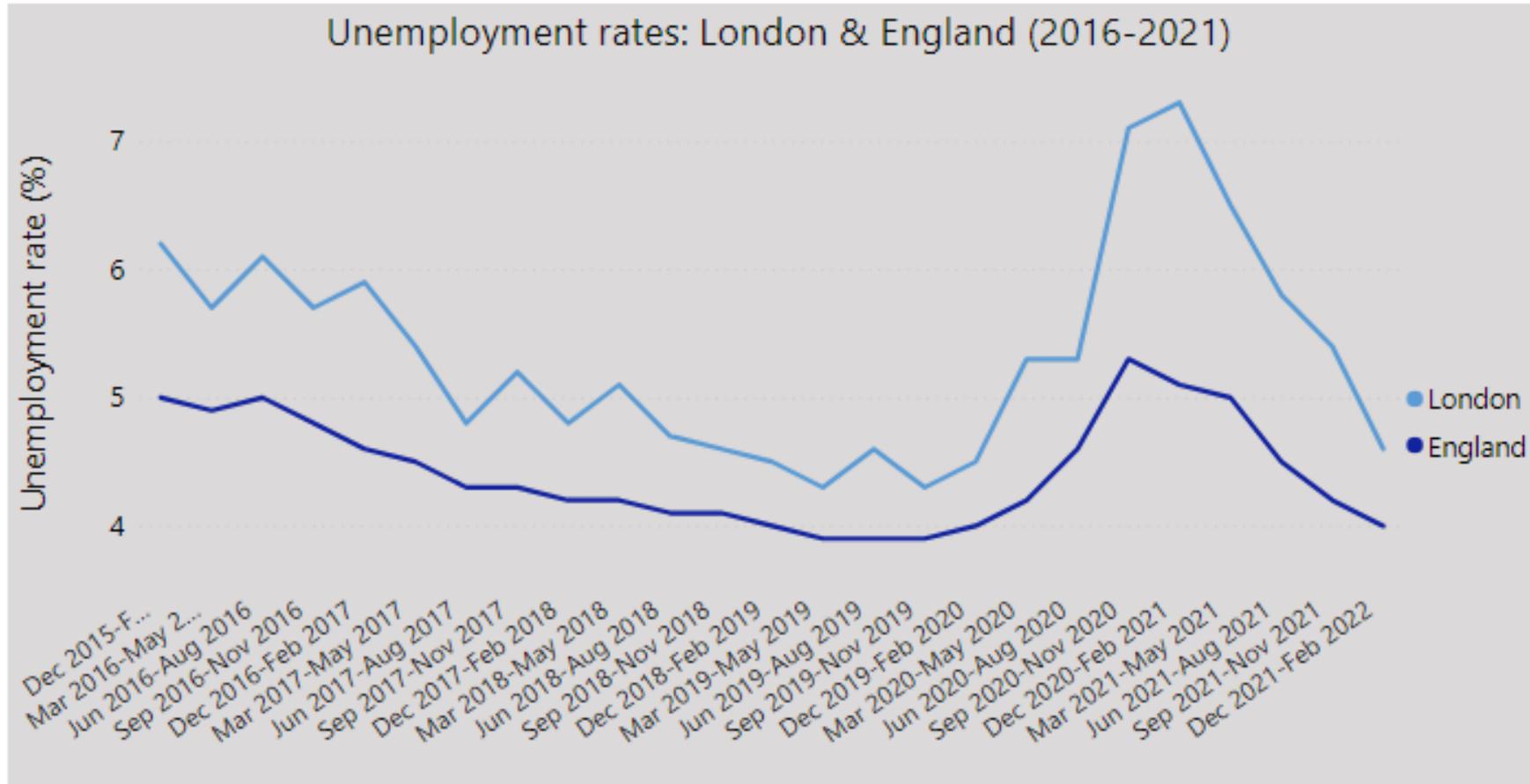
- The annual unemployment rate across SLP boroughs as a whole has continued to decline over the last 12 months and stands at 5.6% for the year to December 2021. This is the same as the London rate but higher than the England rate of 4.3%. The quarterly England and London unemployment rates for February 2022 (which are not yet available at borough level) are also showing a continued decline.
- 5.8% of the working age population in SLP boroughs were receiving unemployment benefits in March 2022 with this declining since the pandemic peak in February 2021. This differs to the proportion of the working age population receiving universal credit which has seen very little decline since the steep rise at the start of the pandemic. This could be explained by 40% of people receiving universal credit while in employment, suggesting high levels of in-work poverty.
- The number of job vacancies continues to increase in 2022 after a dip at the end of the 2021 – this follows the same pattern as in previous years.



Unemployment rates and benefits

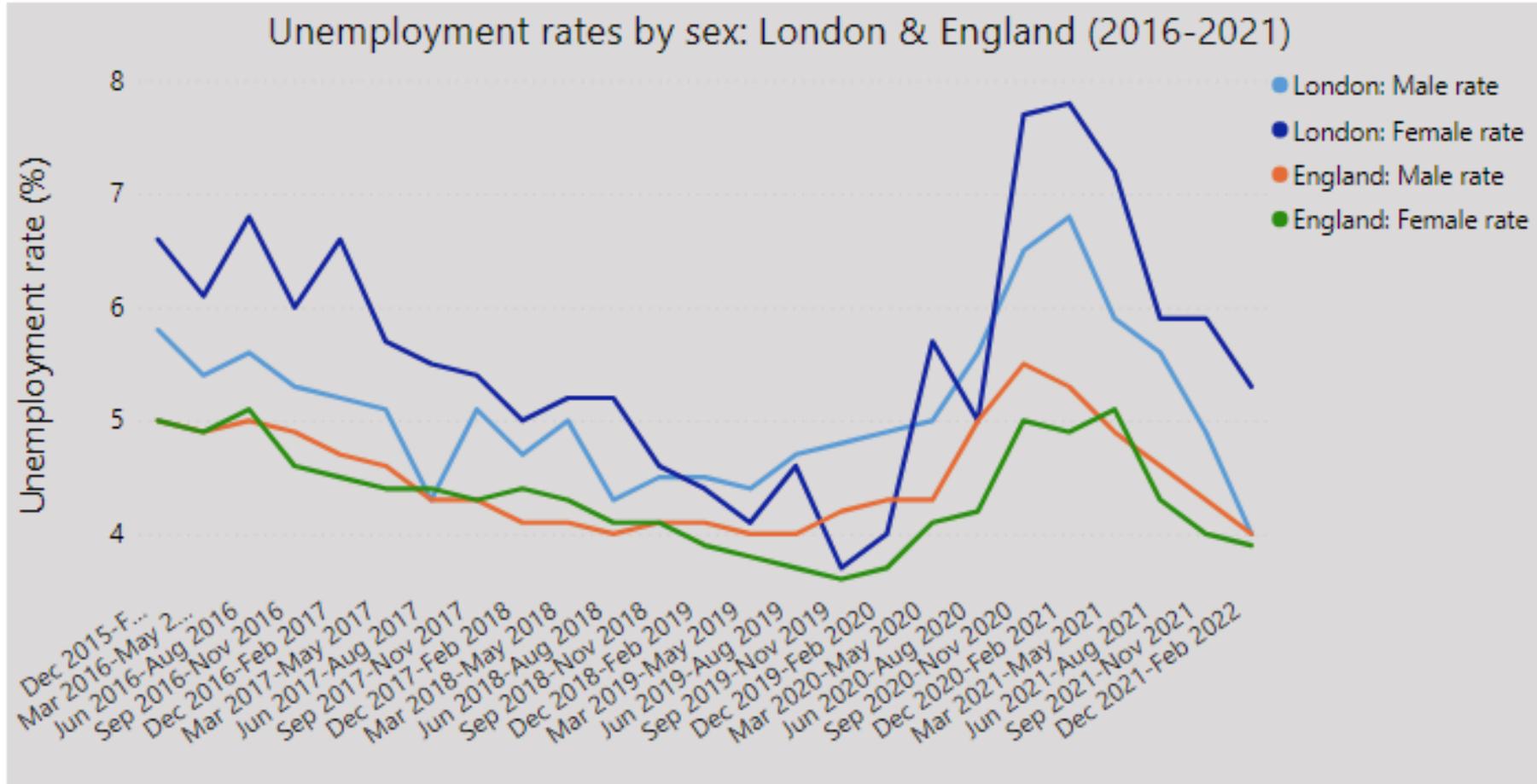
Unemployment in London declined steeply throughout 2021 to 4.6% at end of February and is now back to pre-pandemic levels

Following a steep rise between Q2 and Q4 2020 unemployment rates in London declined steeply in 2021 though are not yet back to pre Covid levels. At February 2022 the London unemployment rate was 4.6%, still higher than the England rate of 4% - although the gap continues to close.



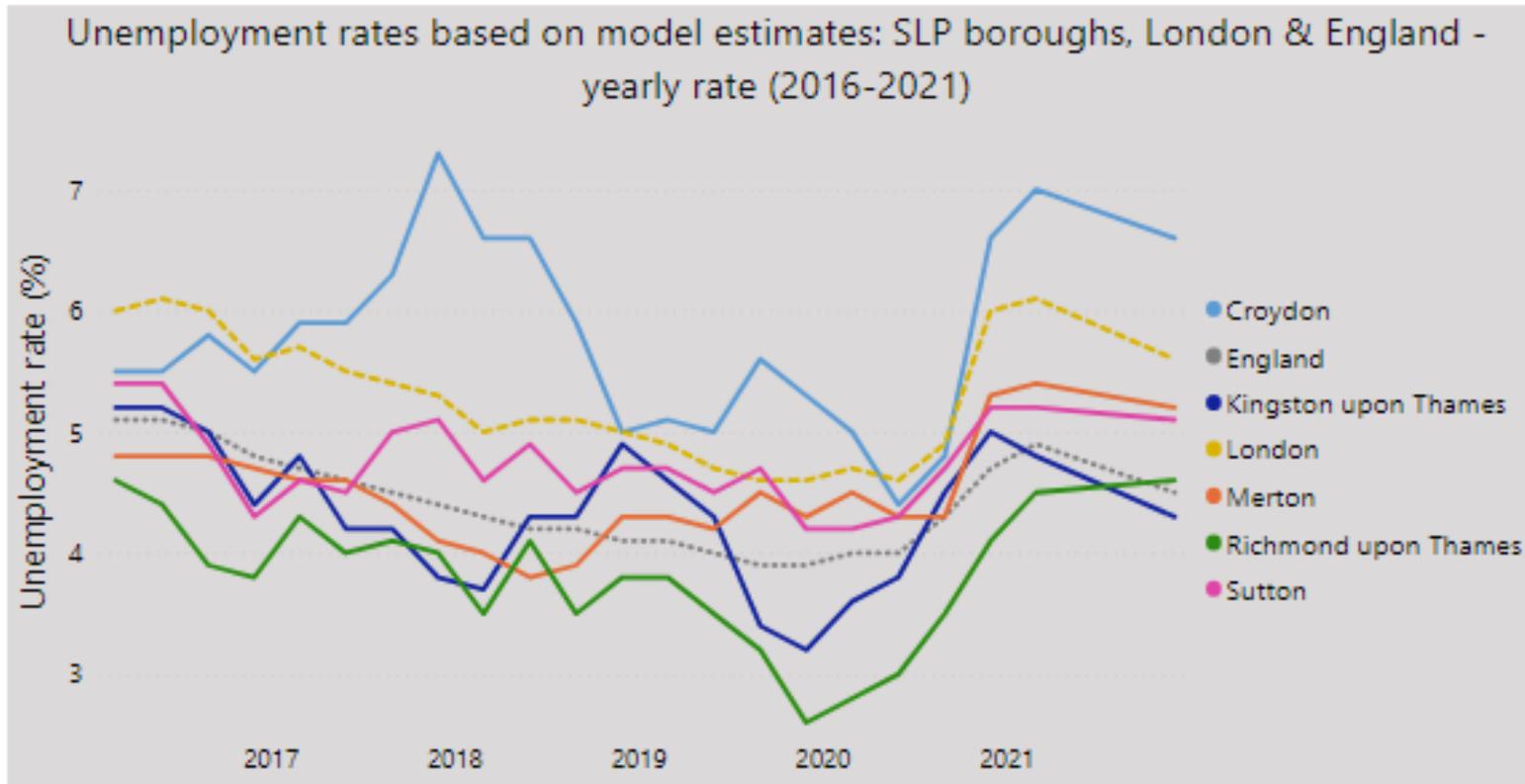
The unemployment rate for males in London at February 2022 was below the rate pre-covid (4% compared to 4.9%). However the female rate in London is still much higher – 5.3% compared to 4%

Unemployment rate is higher for females in London but males currently have a higher unemployment rate across England, although the difference in England is smaller than in London.



Unemployment rates in SLP boroughs, except Richmond, all decreased in the 12 months to December 2021

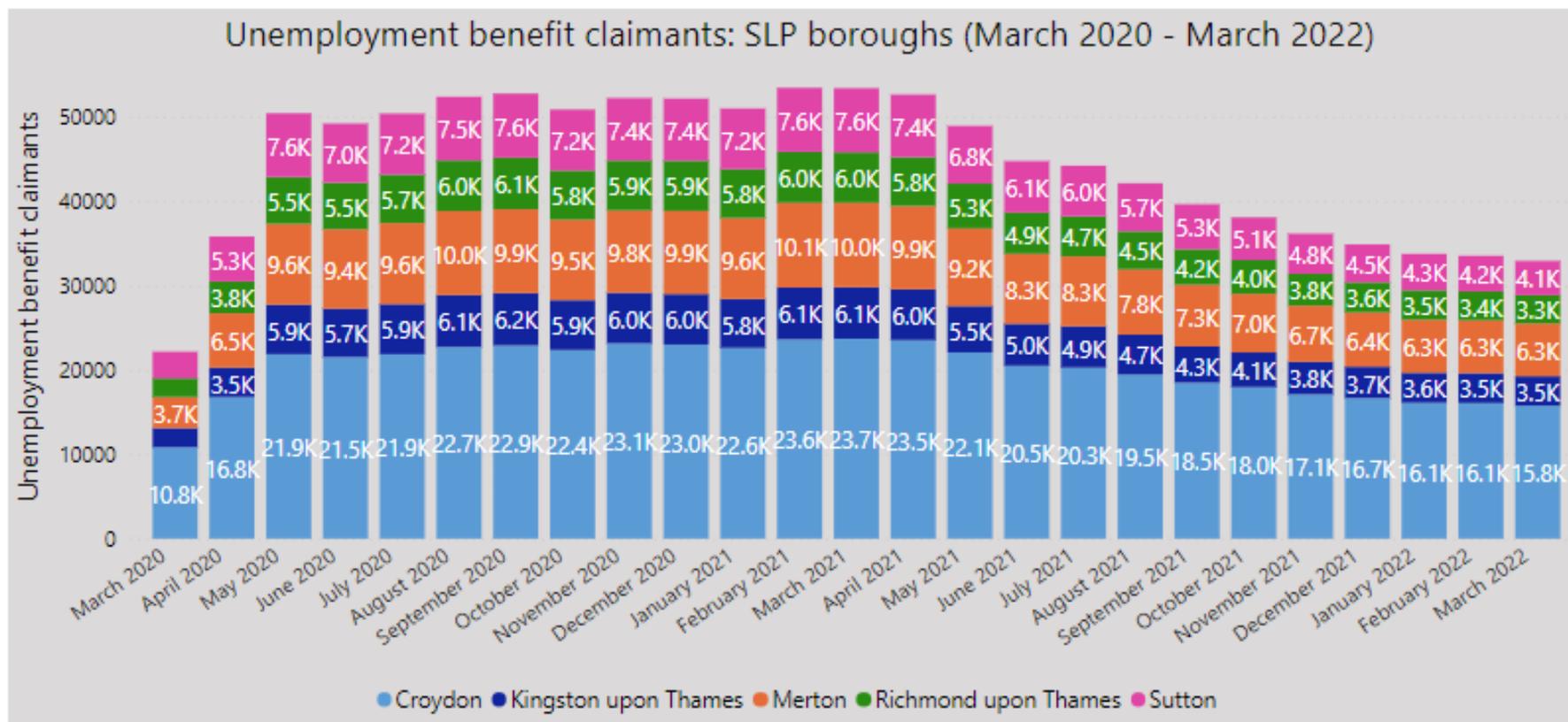
All boroughs saw steep rises in unemployment during the pandemic, particularly in 2020 though patterns were more variable in 2021 with some boroughs continuing to increase, others declining or remaining steady. Only Croydon has a rate above the London average for the period January 2021 - December 2021 and Kingston is the only SLP borough with a lower rate than England.



*each datapoint is the unemployment rate for the previous year.
The last available data is for January 2021 - December 2021.

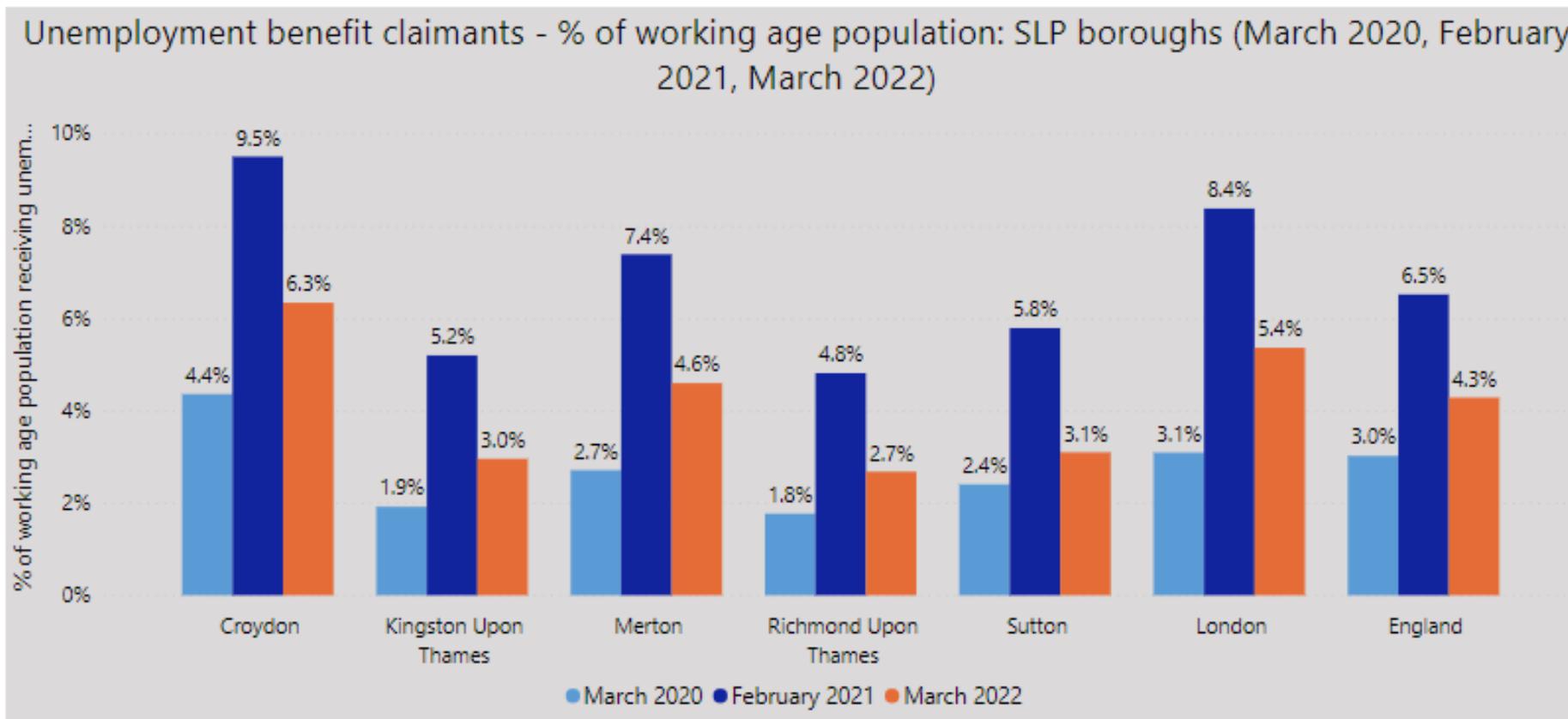
Unemployment Benefit claimants across SLP boroughs have declined by a third since the Covid peak in March 2021 but at March 2022 were still almost double the pre Covid levels

The total number of unemployment benefit claimants peaked at 53,370 across SLP boroughs in March 2021. At March 2022 there were 32,905 unemployment benefit claimants in SLP boroughs, a 38% decline (20,465 claimants) in the past year. This represents the first consistent decline in the total number of claimants since the start of the pandemic, although the decline is slowing.



Unemployment Benefit claimants as proportion of working age population have declined from the Covid peak levels of February 2021 but remain high at March 2022 compared to March 2020

4.34% of the working age population across SLP boroughs was claiming Unemployment Benefits in March 2022, a considerably higher rate than before the first lockdown. With the exception of Croydon, all SLP boroughs have lower levels of unemployment benefit claimants than the London average.

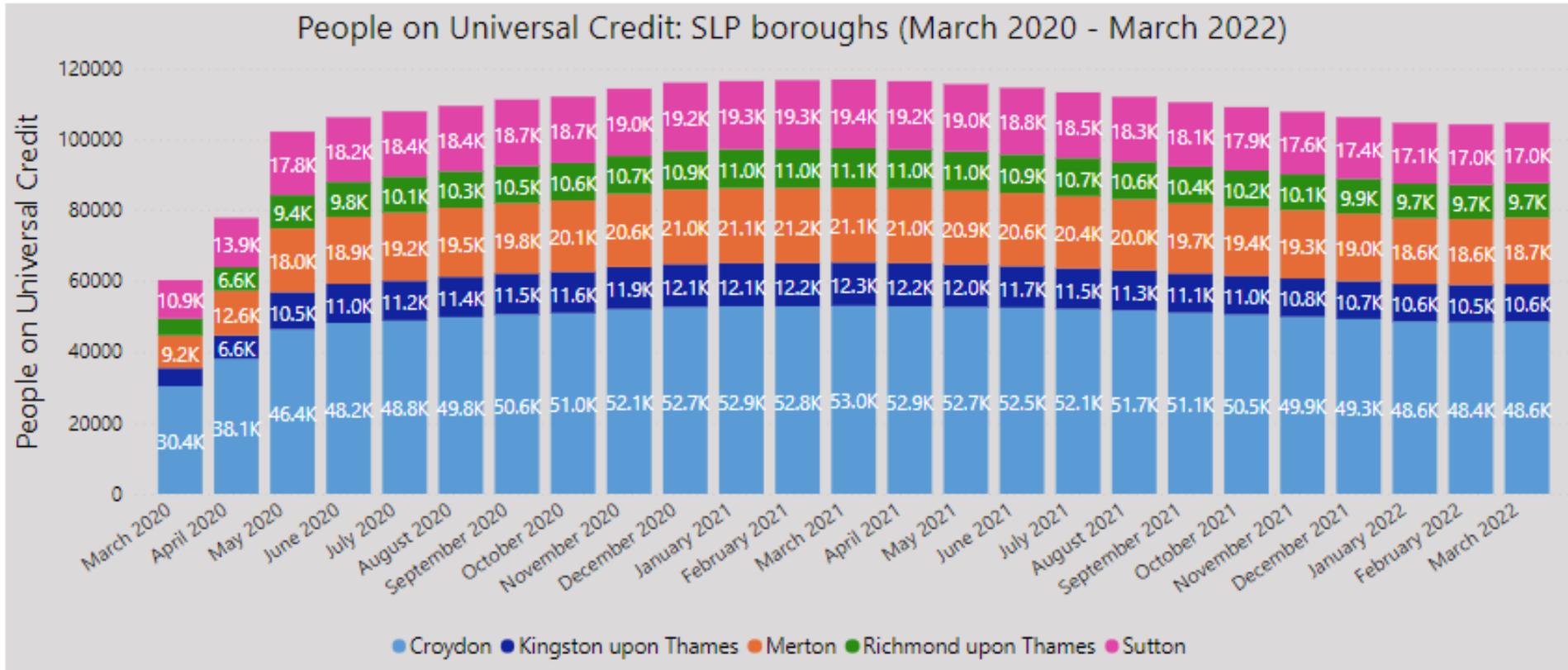




Universal credit

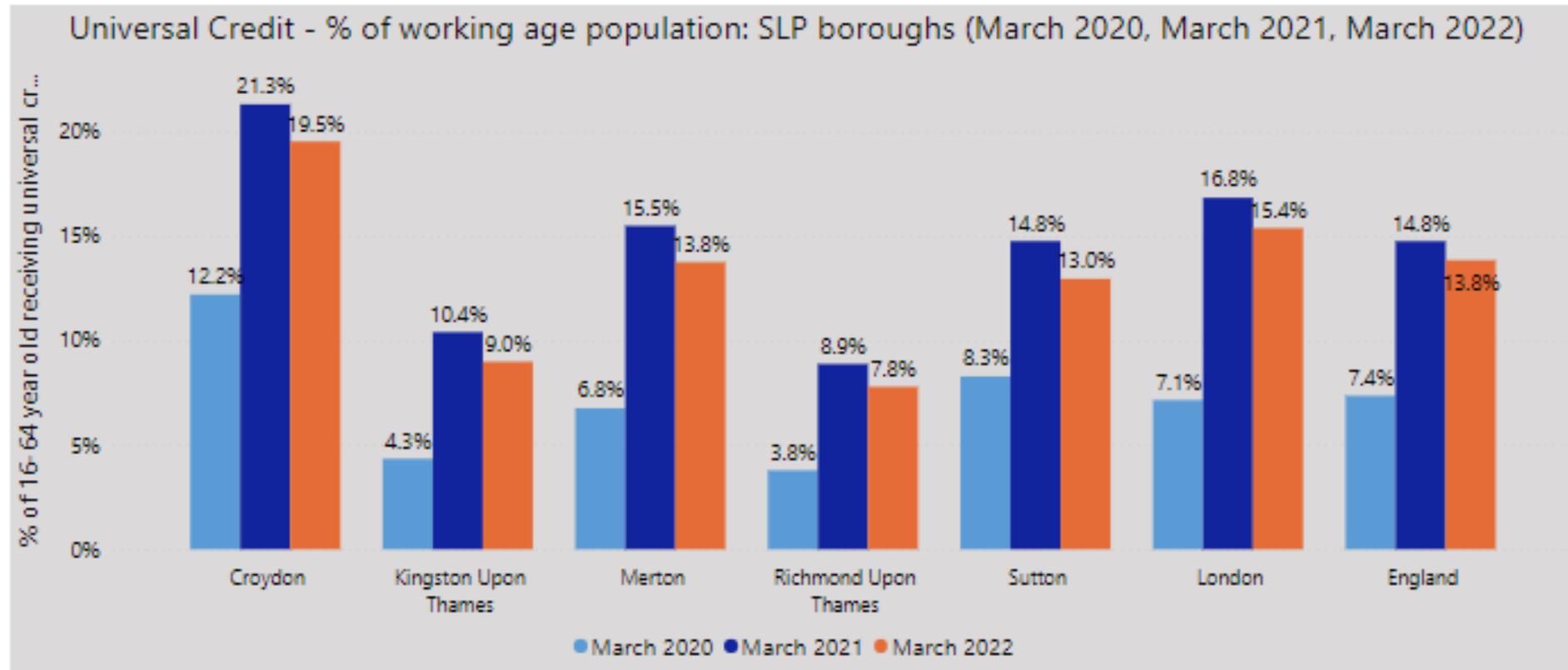
The number of Universal Credit claimants across SLP boroughs has stabilised at the start of 2022 after slowly declining since March 2021

Universal Credit claimants across SLP boroughs peaked at a total of 116,821 in March 2021, with this figure falling to 114,479 in June 2021 and 104,595 in January 2022. However there was a slight increase to 104,149 in February 2022 and then a slight decrease to 104,628 in March 2022. The decrease in the number of universal credit claimants throughout 2021 was smaller than was seen for Unemployment Benefit claimants indicating that benefits for those still working or unrelated to unemployment may still be required to a large extent.



There has been only a slight decline in the proportion of working age population claiming Universal Credit in SLP boroughs between March 2021 and March 2022 with levels remaining around double those seen in March 2020

In March 2022 Universal Credit claimants remained close to double the level seen in March 2020 across SLP boroughs. In March 2022, the average rate of claimants across the SLP boroughs was 13.8%, below the London average of 15.4% with only Croydon and Merton having higher or the same levels as the London average. Similar to Unemployment Benefits, Croydon has had a higher rate of Universal Credit claimants than other SLP boroughs and London since the start of the pandemic in March 2020.

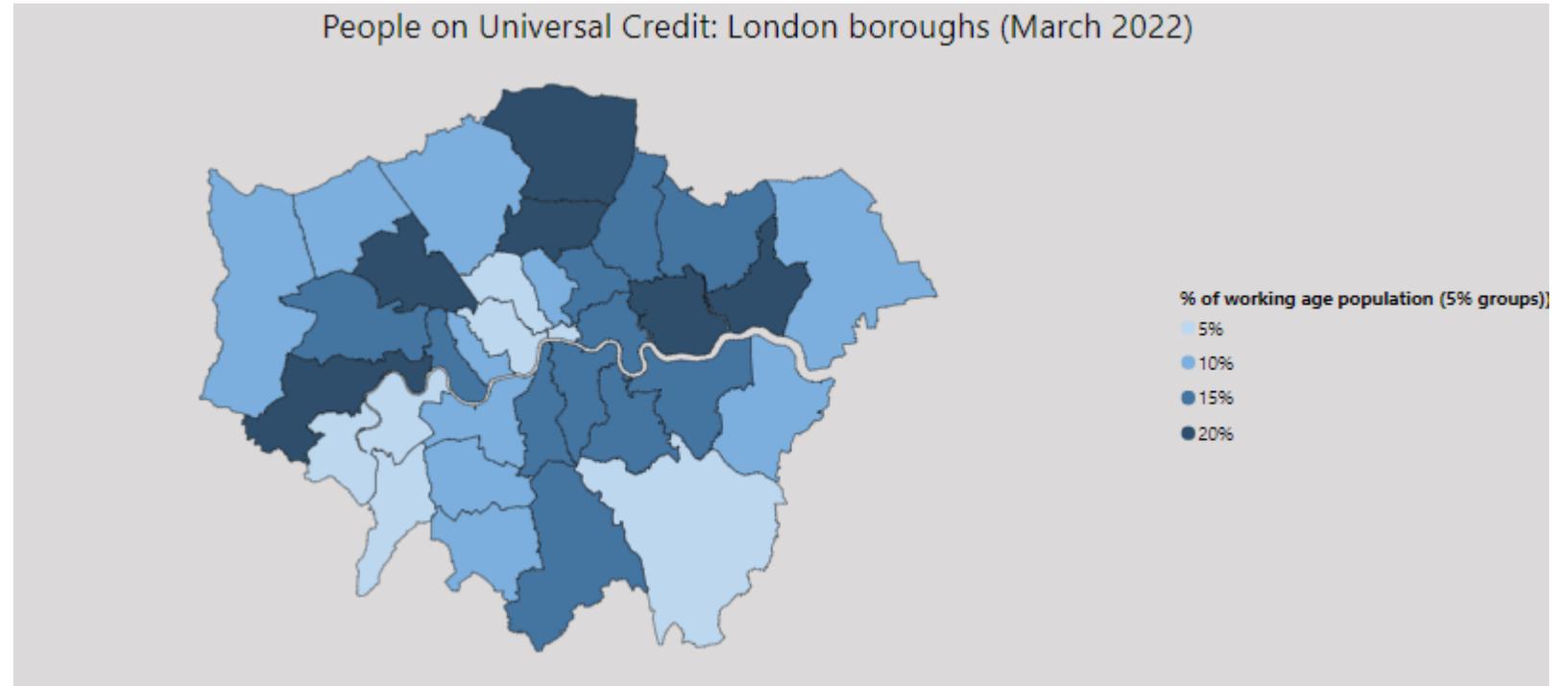


Across London, Croydon is the 7th highest borough in terms of its proportion of working age population receiving universal credit in March 2022, with the other SLP boroughs in the lowest half.

Richmond and Kingston are amongst the London boroughs with the lowest proportion (5%-10%) of people receiving universal credit. Merton and Sutton are in the middle with between 10%-15% of people receiving universal credit. Croydon is in the highest 10 boroughs with over 20% of people on universal credit.

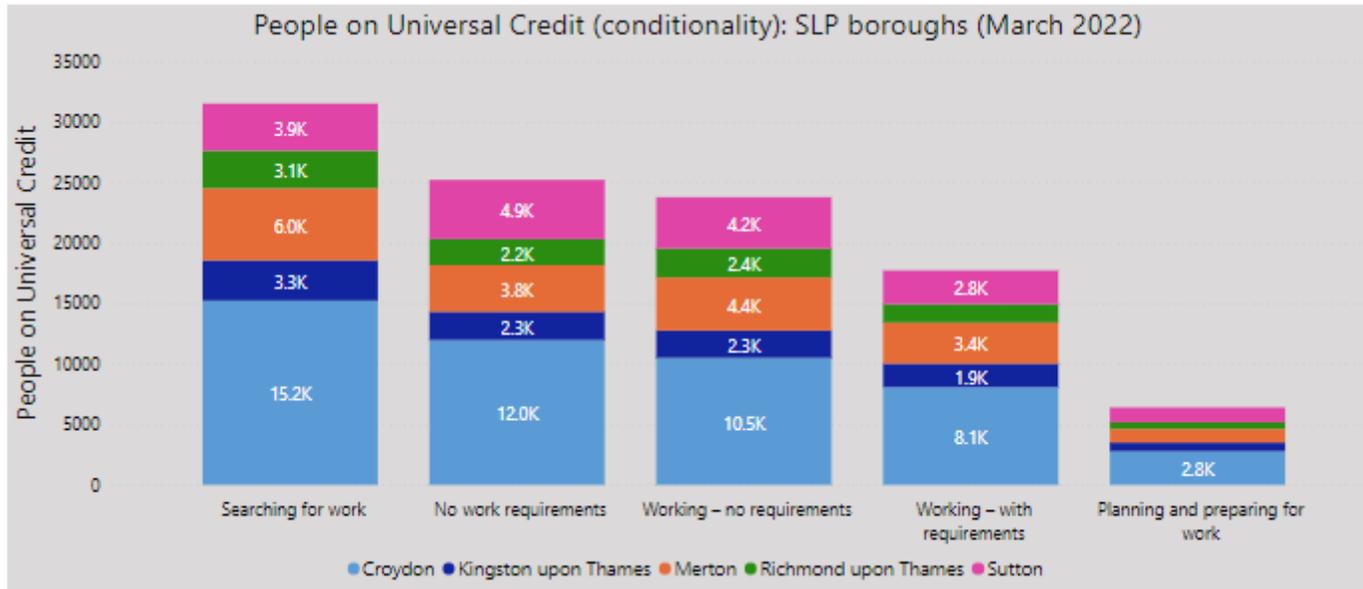
Ranks of SLP boroughs

- 7. Croydon
- 20. Merton
- 22. Sutton
- 31. Kingston
- 33. Richmond



Approximately 40% of universal credit claimants in SLP boroughs were in employment at March 2022. However, the majority of claimants (60%) are searching for work

Some people on universal credit have conditions and requirements regarding employment - 31,517 are searching for work, 25,209 have no work requirements, 23,777 people are working and have no further requirements, and 17,715 people are working with additional requirements. Around 40% of people on universal credit in SLP boroughs are in employment and many have requirements to look for better paid work, suggesting in-work poverty.



Searching for work: Not working, or with very low earnings. Claimant is required to take action to secure work - or more / better paid work.

Working - no requirements: Individual or household earnings over the level at which conditionality applies.

No work requirements: Not expected to work at present. Health or caring responsibility prevents claimant from working or preparing for work.

Working - with requirements: In work but could earn more, or not working but has a partner with low earnings

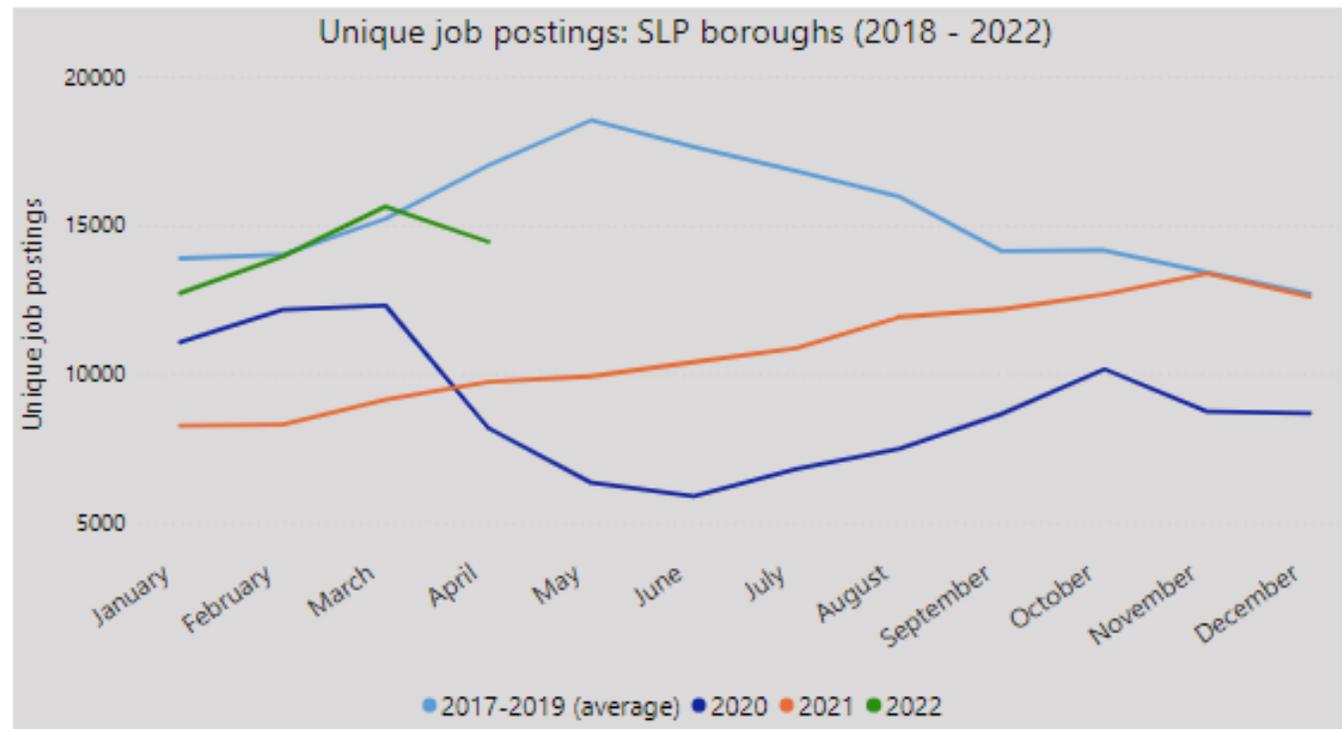
Planning for and preparing for work - expected to work in the future and expected to start preparing for future



Job postings

There has been a rise in the number of unique job postings in SLP boroughs throughout 2021 and into 2022 although there was a slight dip over Christmas and Easter

Job postings increased month-on-month throughout 2021 with the exception of December where there was a slight dip with the total number of postings across SLP boroughs reaching 12,600 in December 2021 a slight decline from 13,600 in November 2021. The number of job postings continued to rise in 2022 and was In March – above the 2017-2019 average. There was a slight dip to 14,444 in April 2022.



Note: Job postings data is limited to only those job adverts posted online and does not include offline adverts. Often a job located within an SLP borough only has the location attributed to London, which has not been included in this analysis, therefore counts only for SLP boroughs may undercount the true number of postings for jobs located in SLP boroughs.

Emsi have recently changed how they calculate unique job postings, removing spam posts and improving de-duplications – this has significantly reduced the number of active job postings reported.

Further intelligence

[Economic activity and social change in the UK, real-time indicators](#) – ONS: weekly findings on consumer behaviours, transport, and business and workforce.

- Consumer behaviour indicators show growth in UK credit and debit card purchases (by 6 percentage points), with growth in all spending categories
- Transport indicators largely showed an increase this week, with daily UK flights, total ship visits, and cargo and tanker visits increasing by 2%, 7%, and 10%, respectively; meanwhile, road traffic decreased by 19 percentage points, which is consistent with the fall in traffic volume of previous bank holidays
- Total online job advert volumes increased by 2% in the latest week; the largest weekly category increase was in "HR and recruitment" (14%), while "travel and tourism" online job adverts showed the largest decrease (4%)

[Household Costs Indices, UK](#) – ONS: Household Costs Indices (HCIs) are a set of measures currently in development that aim to measure UK households' experience of changing prices and costs, broken down by different types of households.

- High-income households experienced a higher rate of inflation than low-income households in the latter half of 2021, driven by transport costs and changes to taxes paid on property transactions; housing and food account for a bigger share of expenditure for low-income households than high-income households.
- Owner occupiers have experienced higher inflation than renter households towards the end of 2021, driven by changes to taxes paid on property transactions.
- Retired and non-retired households have experienced similar inflation throughout 2020 and 2021.

[Public opinions and social trends, Great Britain](#) – ONS: Social insights on daily life and events, including impacts on health and well-being, the cost of living, and goods shortages

- Around 9 in 10 (91%) adults reported their cost of living had risen
- Among those who pay energy bills, 4 in 10 (40%) said they found it very or somewhat difficult to afford their energy bills
- 39% adults reported they were very or somewhat worried about the effect of the coronavirus (COVID-19) pandemic on their lives right now.