

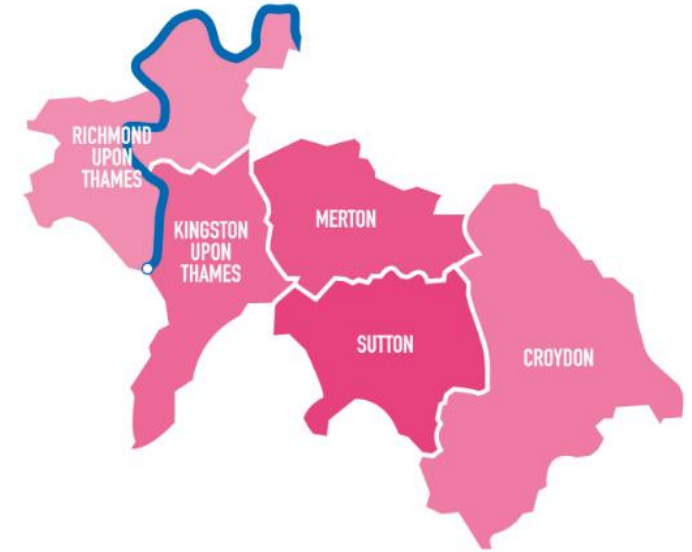


SLP Economic Insights

August 2022

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on Behalf of the South London Partnership



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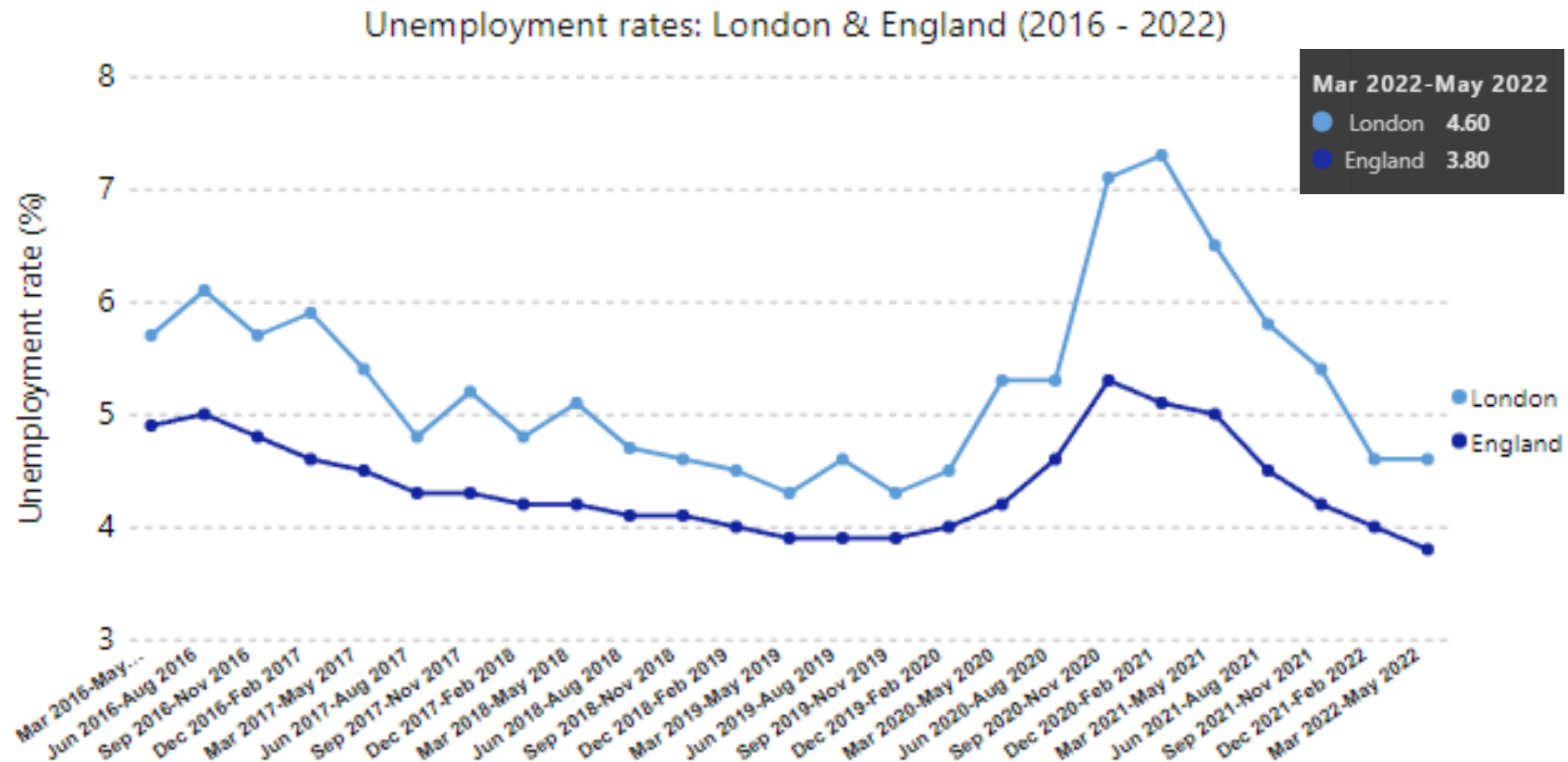
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Headlines

- Unemployment rates for London have reduced by 37% from a peak at the end of 2020 / beginning of 2021 to 4.6% at end of May 2022. The London unemployment rate is now much closer to the England rate than it was during the pandemic when it was considerably higher.
- Unemployment rates for all SLP boroughs are still higher than pre pandemic with the unemployment rate across SLP boroughs at 5.36% for the year to March 2022. This is the same as for London (5.4%) but higher than the England rate of 4.2%.
- While there has been a reduction of -44.5% in Unemployment benefit claimants from the peak in February 2021 to June 2022 the number of claimants is still higher than pre pandemic.
- The number of universal credit claimants rose rapidly in SLP boroughs at the start of the pandemic and has remained relatively high with the volume of claimants in June 2022 still 71.6% higher than pre-pandemic in March 2020.
- Following a period of growth since January 2021 job postings have been falling since March 2022.

Unemployment rates for London & the UK have returned to the pre-covid rates seen around the start of 2020 after reducing each quarter since the beginning of 2021

- The rate of unemployment for London has maintained a rate of 4.6% for the last quarter (after falling consistently for the last four quarters) and the rate of unemployment for England has dropped to 3.8% (-0.2%)
- There is now a gap of 0.8% between London and England compared to the previous quarter where the gap was 0.6%



Source: Office for National Statistics/Nomis
Updated: 19th July 2022

London saw a sharp increase in **unemployment rates** for females at the end of 2020 and although this has steadily decreased it has remained higher than the rate for males over the last two years

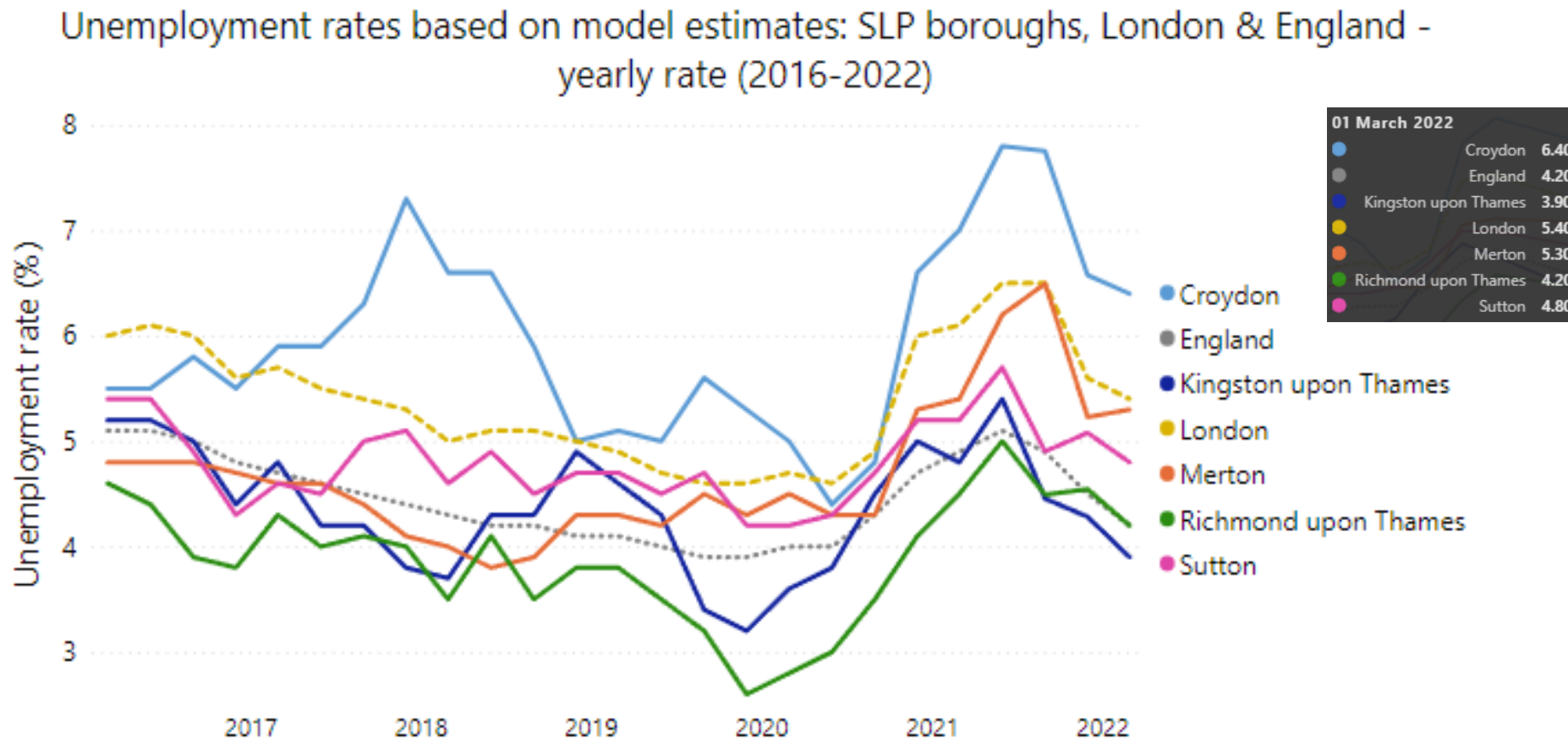
- The rates of unemployment for both males and females in England, as well as females in London all saw a similar decreasing trend; however, unemployment among males in London saw an increase in the last quarter
- The rate of unemployment for Males in London has **risen** from 4.0% to 4.4% in the last quarter.



Source: Office for National Statistics/Nomis
Updated: 19th July 2022

Unemployment rates for all SLP boroughs are lower in March 2022 than for March 2021, which follows the trends of both London and England

- Unemployment rates for all boroughs are still higher than pre pandemic (March 2020).
- Croydon is the only one of the SLP boroughs with a rate above the London rate reflecting a longer-term trend.

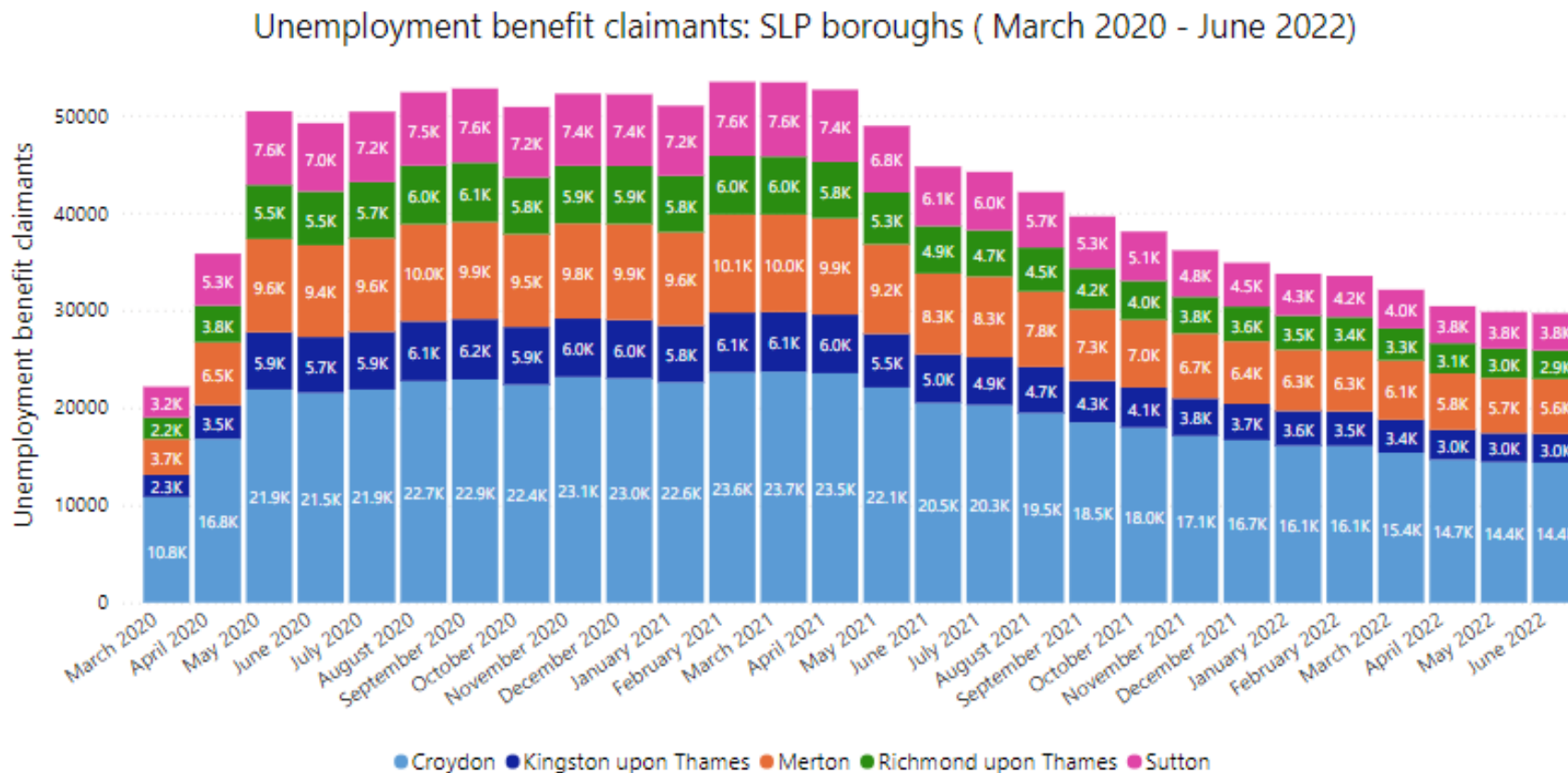


*Data points are for March, June, September and December (based on the previous 12 months). The last available data is for April 2021 – March 2022.

Source: Office for National Statistics
Updated: 16th Aug 2022

The number of people claiming **Unemployment Benefit** across SLP boroughs has declined consistently since February 2021, stabilising over the last three months

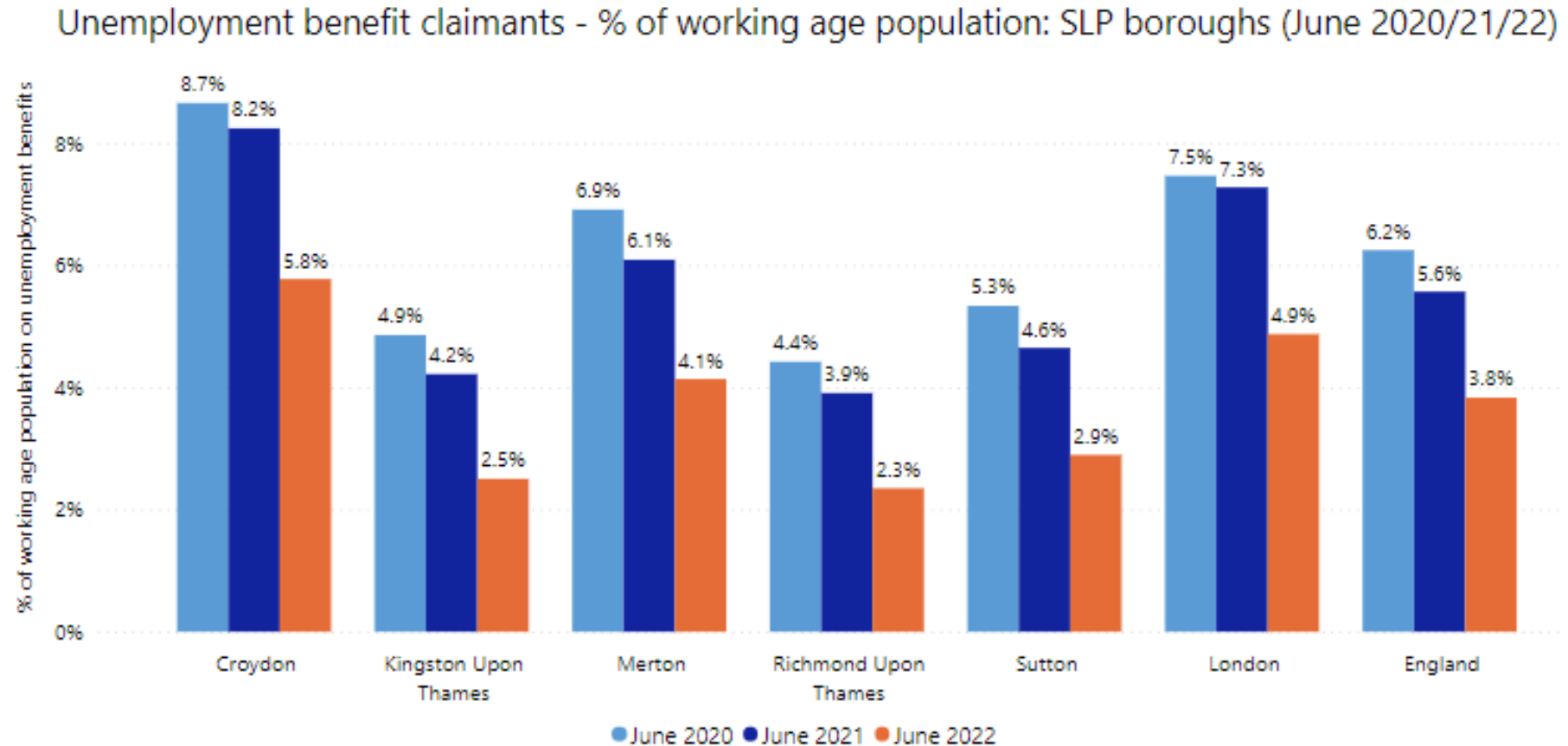
- The volume of claimants in June 2022 is still 34% higher than pre-pandemic in March 2020.
- There were 29,670 SLP residents claiming unemployment benefits in June 2022, a slight reduction (150/-0.5%) from May 2022.
- The peak number of claimants was in February 2021 when the number of claimants reached 53,415. This means there has been a -44.5% reduction in the number of claimants in the last 16 months.



Source: Office for National Statistics
Updated: 19th July 2022

Unemployment Benefit claimants as a proportion of the working age population has fallen consistently in SLP boroughs over the past 12 months, consistent with London and England

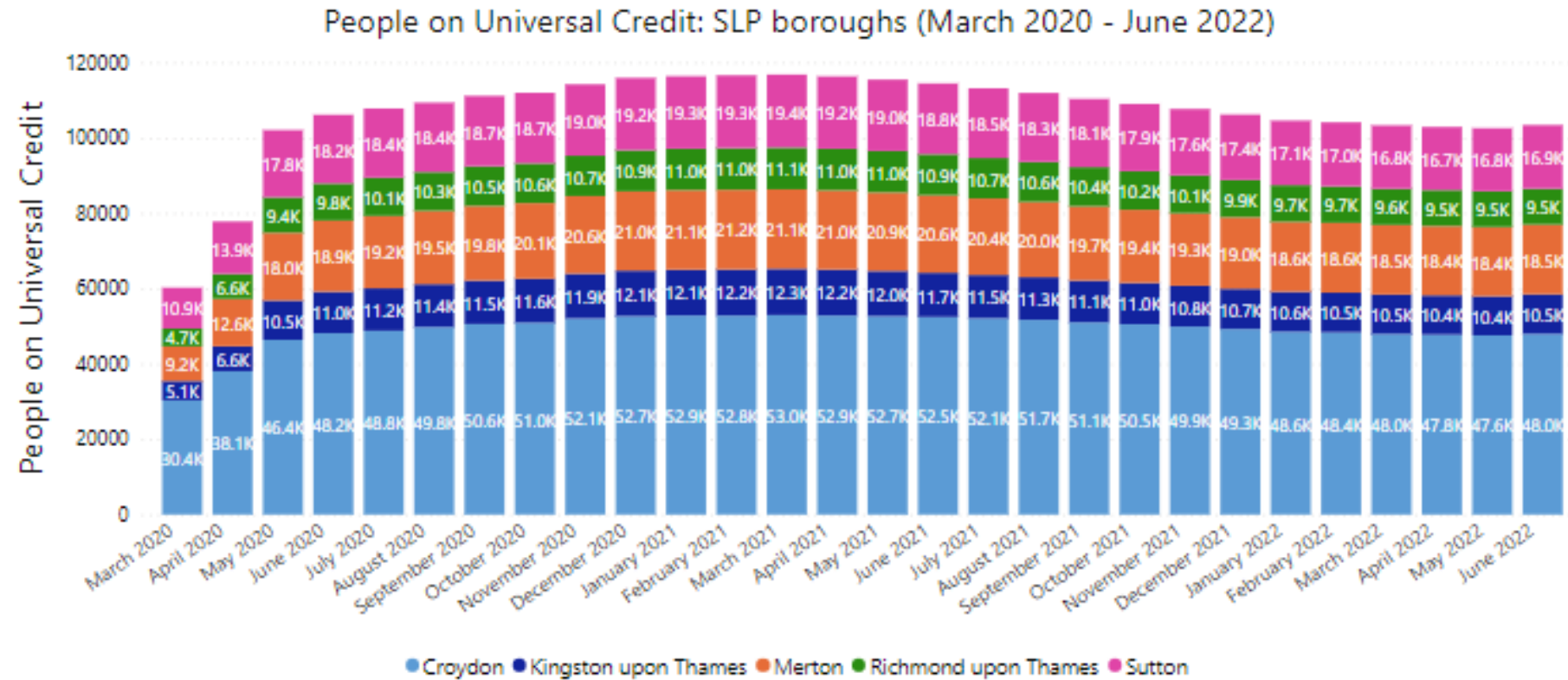
- Croydon (5.8%) is the only SLP borough with a higher proportion of unemployment claimants than the **London** rate (4.9%) at June 2022.
- Croydon (5.8%) and Merton (4.1%) are above the **England** rate (3.8%) of universal credit claimants at June 2022.
- 3.91% of the working age population for SLP boroughs were claiming unemployment benefits in June 2022, a fall from 4.34% in March 2022.



Source: Office for National Statistics
Updated: 19th July 2022

The number of **Universal Credit** claimants in SLP boroughs has been falling since March 2021 though this has levelled out over the last three months.

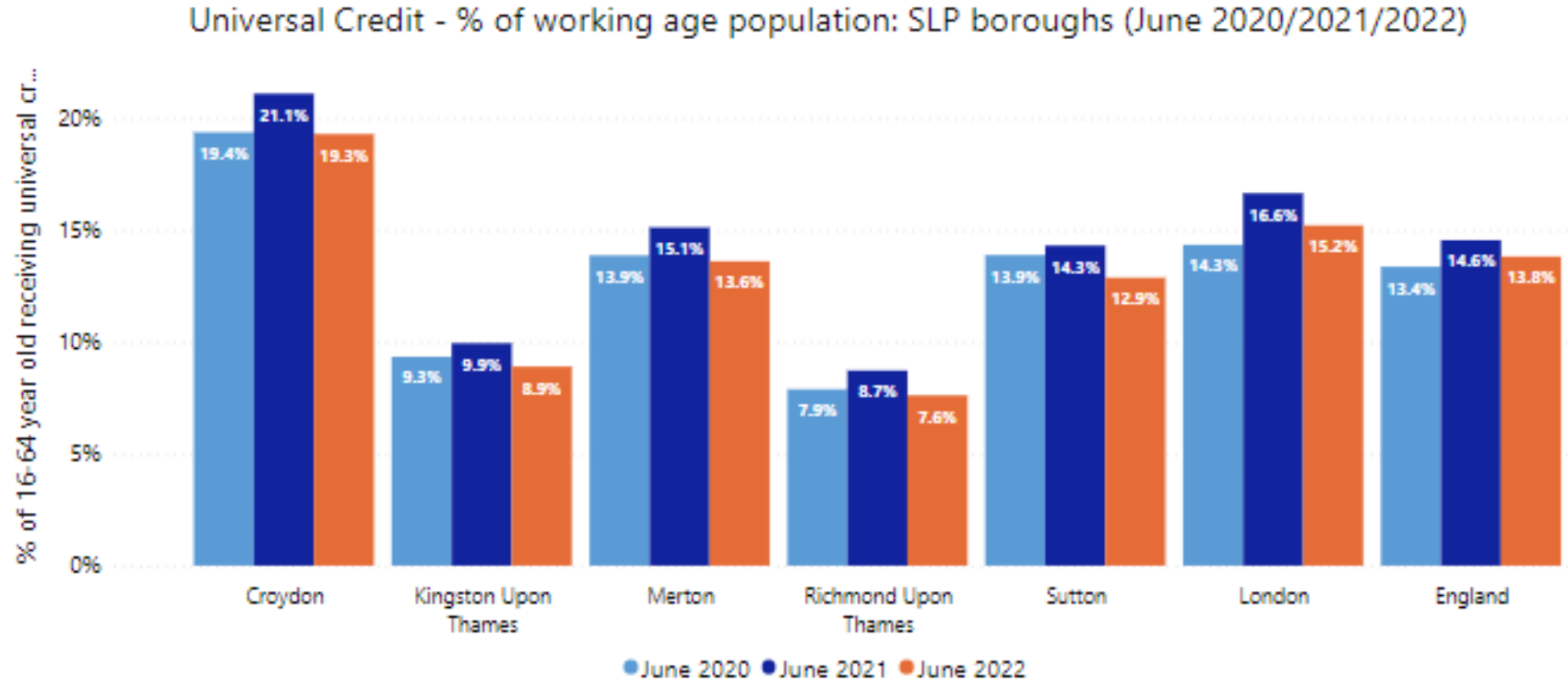
- The volume of claimants in June 2022 is still 71.6% higher than pre-pandemic in March 2020.
- The peak number of Universal Credit claimants in SLP boroughs was 116,821 in March 2021.
- The number of claimants for June 2022 is currently 103,429 and is 11.5% lower than the March 2021 peak.



Source: Stat-Xplore/Department for Work and Pensions
 Updated: 19th July 2022

The proportion of **Universal Credit** claimants in SLP boroughs in June 2022 is lower than June 2021 and June 2020, in contrast to London and England where the 2022 rates are still slightly higher than 2020

- Croydon (19.3%) is the only SLP borough with a higher proportion of universal credit claimants than the **London** rate (15.2%) at June 2022.
- The rate of universal credit claims for England in June 2022 is 13.8% and all the other SLP boroughs are below the rate for England as well as London.

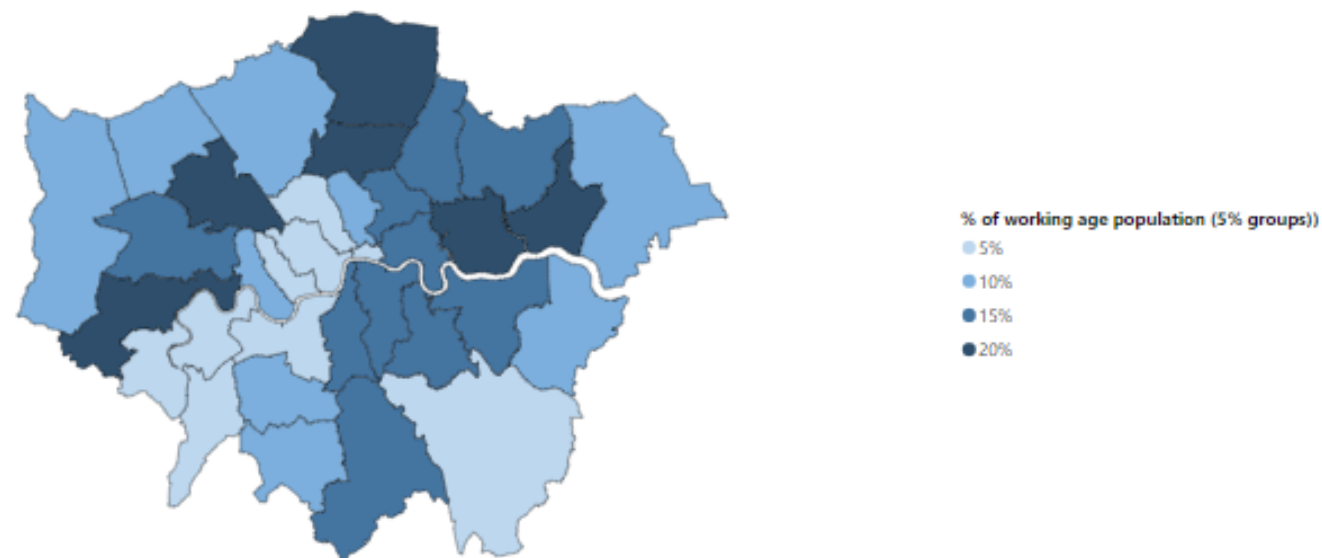


Source: Stat-Xplore/Department for Work and Pensions
Updated: 19th July 2022

SLP boroughs have all improved or maintained their position relative to other London boroughs in terms of the proportion of **Universal Credit** claimants since June 2020

- Croydon – improved by four places to **7th largest** percentage of universal credit claimants from the 3rd largest in June 2020.
- Merton – improved by one place to **14th smallest** percentage of universal credit claimants from the 15th smallest in June 2020.
- Sutton –improved by four places to **12th smallest** percentage of universal credit claimants from the 16th Smallest in June 2020.
- Kingston - improved by three places to **3rd smallest** percentage of universal credit claimants from the 6th Smallest in June 2020.
- Richmond - improved by one place to the **smallest** percentage of universal credit claimants from the 2nd smallest in June 2020.
- Except for Croydon all SLP boroughs are in the bottom third of London boroughs for the proportion of universal credit claimants at June 2022

People on Universal Credit: London boroughs (June 2022)



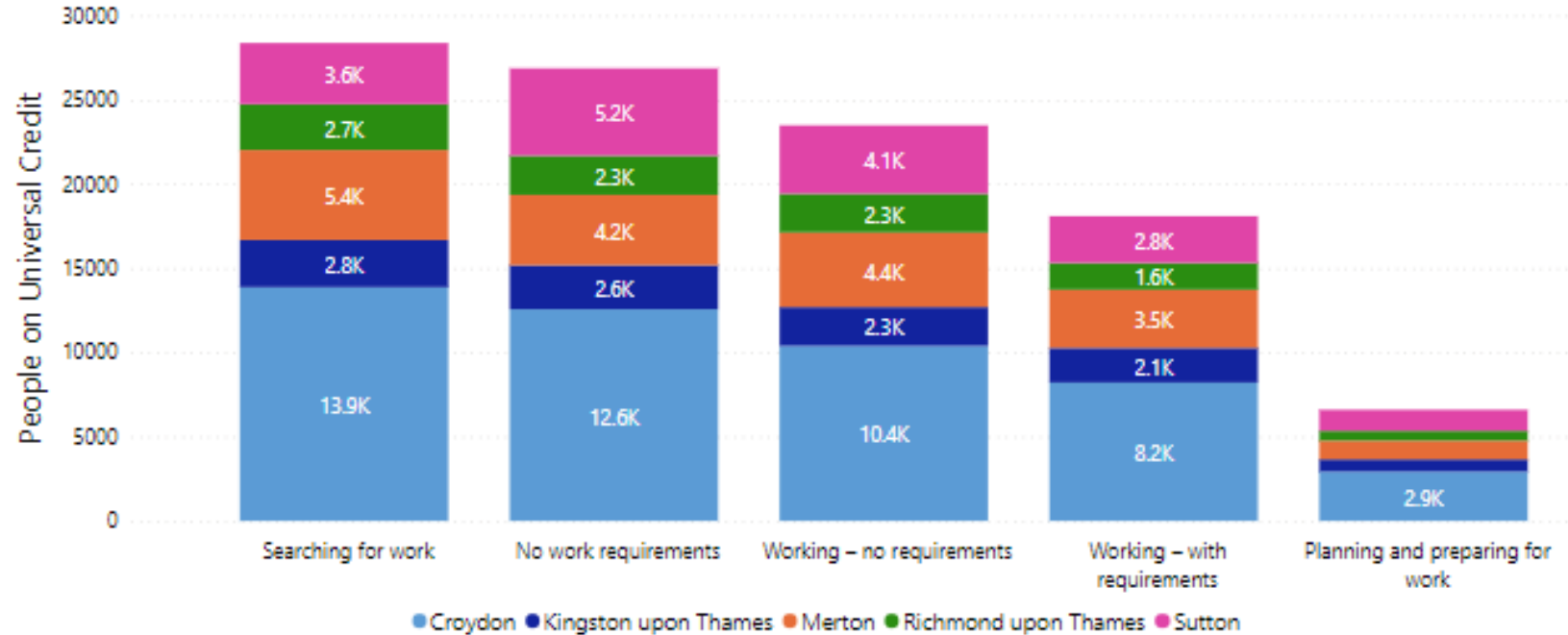
% of working age population (bins)		5%		10%		15%	
Area	% of working age population	Latest Month	% of working age population	Latest Month	% of working age population	Latest Month	
7 of 33	Croydon			19.30%	June 2022		
20 of 33	Merton		13.61%	June 2022			
22 of 33	Sutton		12.87%	June 2022			
31 of 33	Kingston upon Thames	8.90%	June 2022				
33 of 33	Richmond upon Thames	7.61%	June 2022				

Source: Stat-Xplore/Department for Work and Pensions.
 Population estimates 2020 – Office for National Statistics
 Updated: 19th July 2022/ 25th June 2021

40.2% of **Universal credit** claimants in SLP boroughs were 'in work' at June 2022 with the proportion of claimants with 'No work requirements' increasing to 26%

- Searching for work - 28,374 **down** 3,143(-10%) since March 2022.
- No work requirements - 26,870 **up** 1,661(6.6%) since March 2022.
- Working with no requirements - 23,485 **down** 292(-1.2%) since March 2022.
- Working with requirements - 18,092 **up** 377 (2.1%) since March 2022.
- Planning and preparing for work - 6,599
- The number of claimant with 'No work requirements' has increased by 10% in the past two years, from 16% in June 2020 to 26% at June 2022.

People on Universal Credit (conditionality): SLP boroughs (June 2022)



- **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

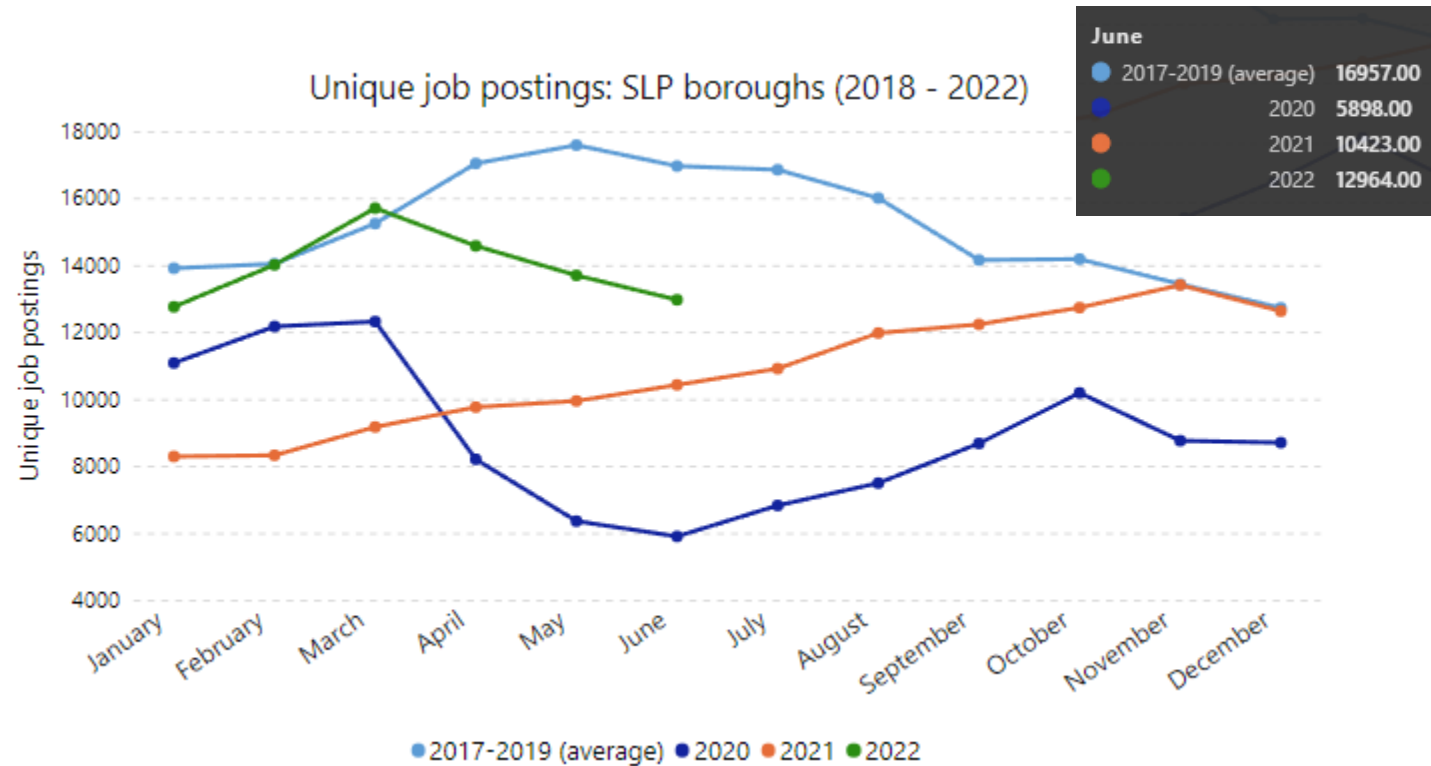
Source: Stat-Xplore/Department for Work and Pensions
Updated: 19th July 2022

The number of **unique job postings** in SLP boroughs rose consistently from March 2021 until March 2022 (excluding December 2021), but then began falling from April 2022

- In March 2022 there were 15,701 jobs listed and this has fallen to 12,964 (-17.4%) at June 2022.
- The volume of listings in June 2022 is still 19.6% higher than June 2021 and 54.5% higher than June 2020.

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 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.



Source: Emsi
Updated: July 2022

Further intelligence

[Economic activity and social change in the UK, real-time indicators](#): (ONS, published 4th Aug 2022) - weekly findings on consumer behaviours, transport, and business and workforce.

- Consumer behaviour indicators showed mixed activity in the latest week with notable week-on-week increases in UK seated diners (12 percentage points) and "park" visits (8%) in line with usual seasonal effects (OpenTable, Google Mobility).
- The business and workforce indicators showed a varied picture in the latest period with a fall in the volume of online job adverts and an increase in company voluntary dissolution applications (Adzuna, Companies House).
- Transport indicators this week were stable with overall road traffic data remaining unchanged, while UK daily flights data were 86% of the equivalent week of 2019 (Department for Transport, EUROCONTROL).

[Public opinions and social trends, Great Britain](#): (ONS, covering 20 to 31 July 2022) - 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.

- Around 9 in 10 (89%) adults reported their cost of living had risen over the past month; this is the same as the previous period (6 to 17 July) but an increase since we first started asking this question in the period 3 to 14 November 2021 (62%).
- Three-quarters (75%) of adults reported being very or somewhat worried about rising costs of living in the last two weeks; this estimate has remained relatively stable since we first started asking this question in the period 27 April to 8 May 2022.
- Over 4 in 10 (44%) adults who pay energy bills found it very or somewhat difficult to afford them, compared with 46% in the previous period.
- Around 1 in 5 (19%) working adults neither travelled to work nor worked from home, an increase from 15% in the previous period; this could be explained by more working adults taking annual leave during the summer holidays.

[Are older workers leaving the London labour market?](#): (GLA Economics – Published 13 June 2022)

- The level of participation in the labour market has been falling across the UK following the onset of the coronavirus (COVID-19) pandemic, particularly among people aged 50 and over.
- Evidence suggests that Londoners aged 50-70 years who lost their jobs during the pandemic had been more likely to return to paid employment than in other UK regions. This seemed to be down to a combination of push (e.g. financial pressures) and pull (e.g. enjoyment of work) factors.