

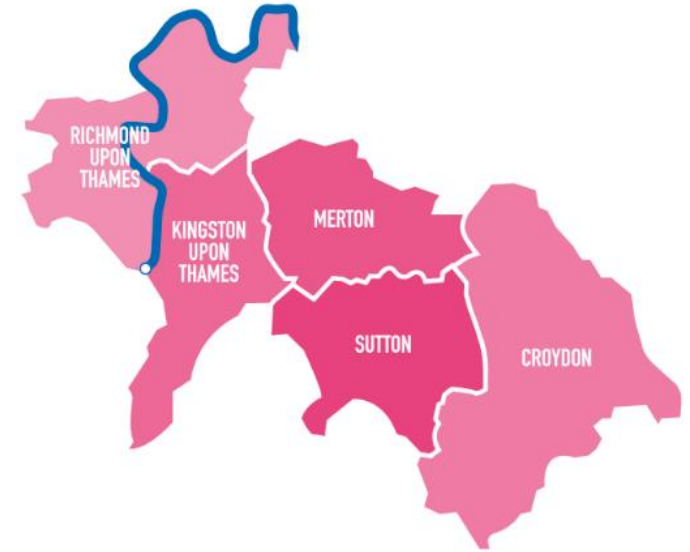


SLP Economic Insights

February 2023

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Behalf of the South London Partnership



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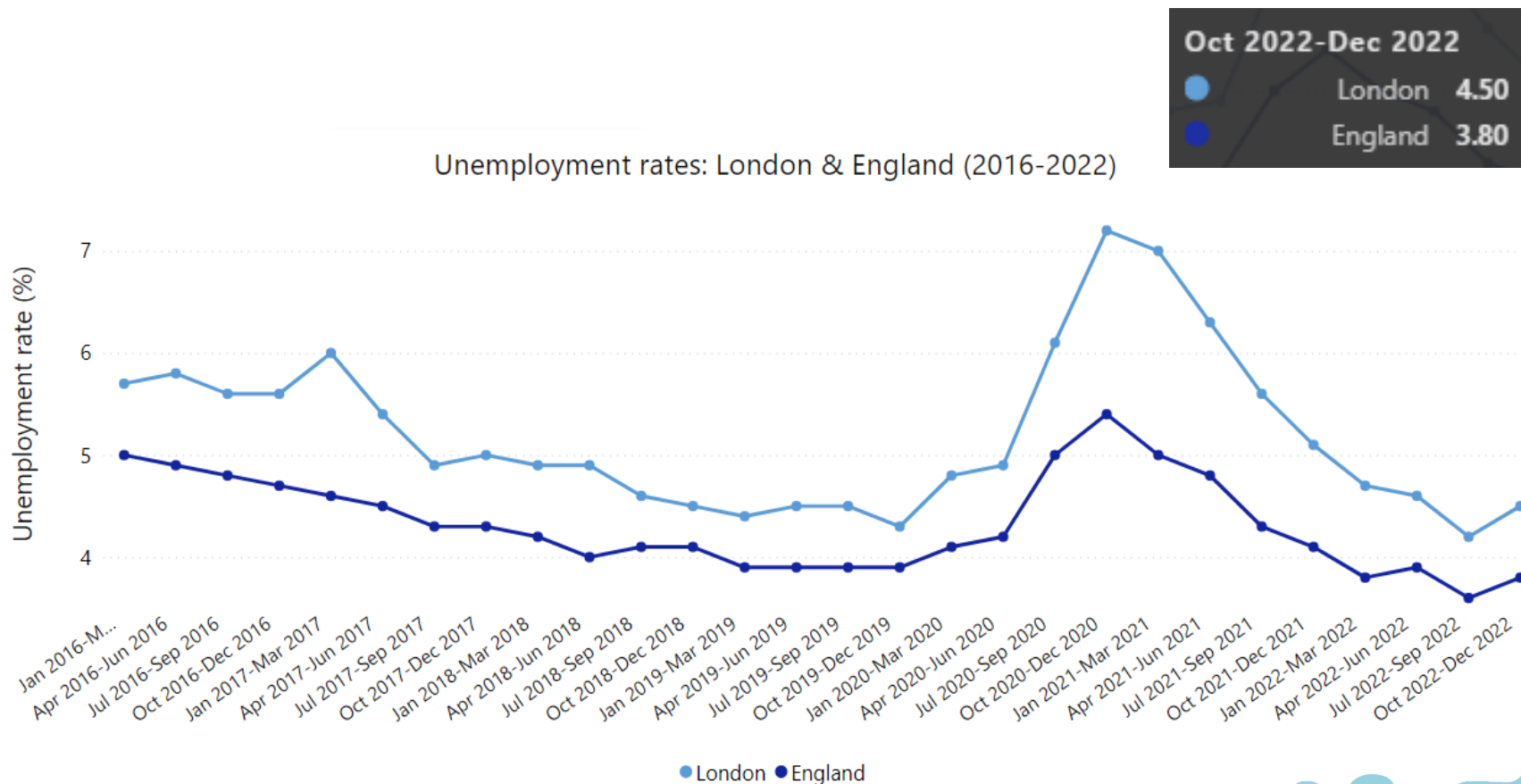
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Headlines

- Unemployment rates for London and England have risen slightly over the last Qtr. although the latest data to December 2022 shows rates were still around the lowest since the start of the pandemic.
- The recent rise in unemployment in London, over the last Qtr. comes after a long period of decline from a peak in Oct-Dec 2020.
- The unemployment rates for all SLP boroughs in September 2022 were below those of September 2019, except Richmond which was 0.2% above the rate in September 2019. These rates may be expected to increase when more recent data becomes available reflecting the London and England trend.
- The number of Universal Credit claimants has been on the rise since October 2022, although the number of claimants is still below the peak of December 2021.
- Job postings for 2022 rose from January to March and then fell throughout the remainder of the year but rose again between December 2022 and January 2023.
- The proportion of people economically active has decreased across all SLP boroughs, with the exception of Merton over the last 12 months

Unemployment rates for London & England have risen over the last quarter (Oct – Dec 22) following a steady decline from the high rates of the pandemic, but are still around pre-pandemic levels

- The unemployment rate for **London** has risen by 0.3% over the last quarter.
- The unemployment rate for **England** has risen by 0.2% over the last quarter.
- The unemployment rate for London has been consistently higher than that of England with the current difference 0.7%.



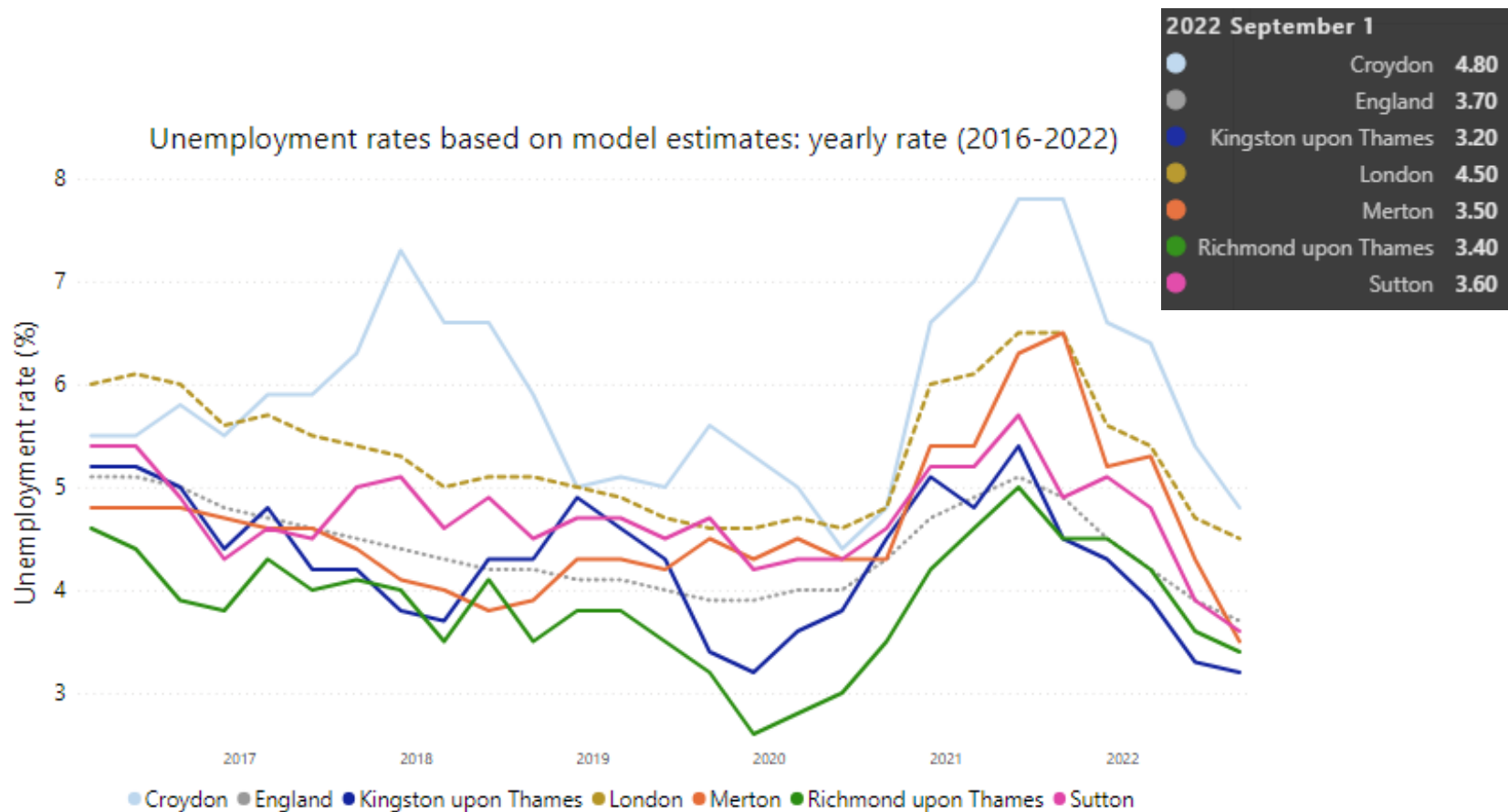
Unemployment rates have risen for females in London over the last two quarters in contrast to a continued decline in unemployment amongst males in London

- Since the start of the pandemic there has been a higher rate of unemployment amongst females than males in London.
- The unemployment rate for **females in London** has risen by 0.8% over the last two quarters while the unemployment rate for males in London has decreased by - 0.8% over the same period.
- The rate for London **males** is currently **47% lower** than at its peak at the end of 2020, while the rate for London **Females** is **28.6% lower** than its peak at the end of 2020.



Unemployment rates for all SLP boroughs have been continually falling since the end of 2021 to September 2022

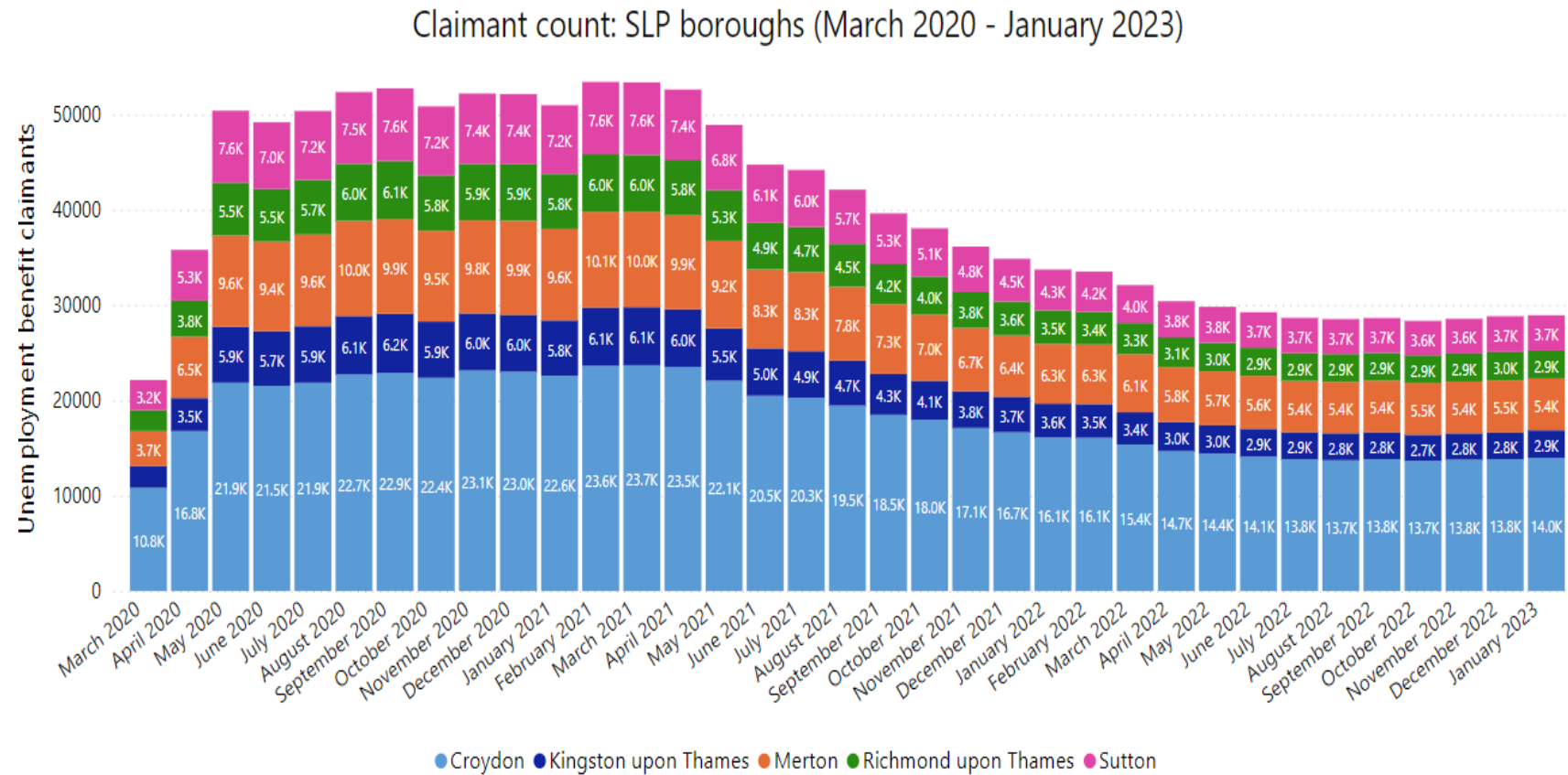
- Croydon (4.8%) is the only SLP borough with a rate of unemployment above that of London (4.5%) although the gap to the London rate is at its narrowest since 2020.
- All other SLP boroughs are below the rate for both London and England (3.7%).



*Data points are based on the previous 12 months. The last available data is for Oct 2021 – Sep 2022.

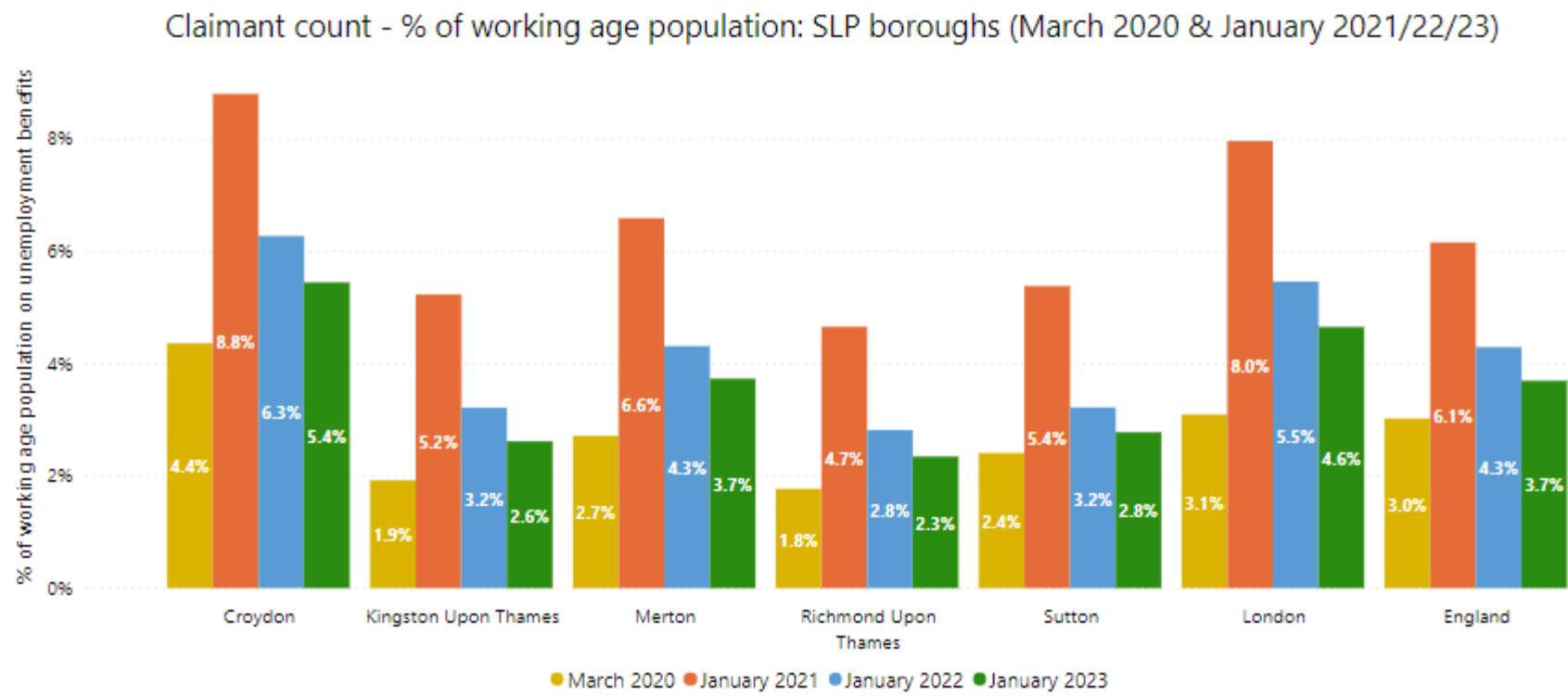
The overall number of people claiming unemployment related benefits across SLP boroughs has been slowly rising for the last three months

- **28,930** people in SLP boroughs were claiming unemployment related benefits in January 2023.
- The increase between December 2022 and January 2023 is largely due to increases in Croydon and Kingston
- The number of claimants has risen since October 2022 when it reached its lowest level since March 2020.
- Claimant count levels at January 2023 are still higher than at the start of the pandemic in March 2020.
- These slides have been updated to use the ONS Claimant Count. The ONS Claimant Count covers the number of people claiming Jobseeker's Allowance, plus those who claim Universal Credit and are required to seek work and be available for work.



The **ONS Claimant count** as a proportion of the working age population has fallen for all SLP boroughs over the last year, in-line with the London and England trend but is still above the levels for March 2020 (pre-pandemic)

- Unemployment benefits as a proportion of the working age population for Croydon (5.4%) are higher than London (4.6%).
- Unemployment benefits as a proportion of the working age population for Kingston (2.6%), Richmond (2.3%) and Sutton (2.8%) are lower than England (3.7%).
- Unemployment rates for Merton (3.7%) are the same as England but lower than London.



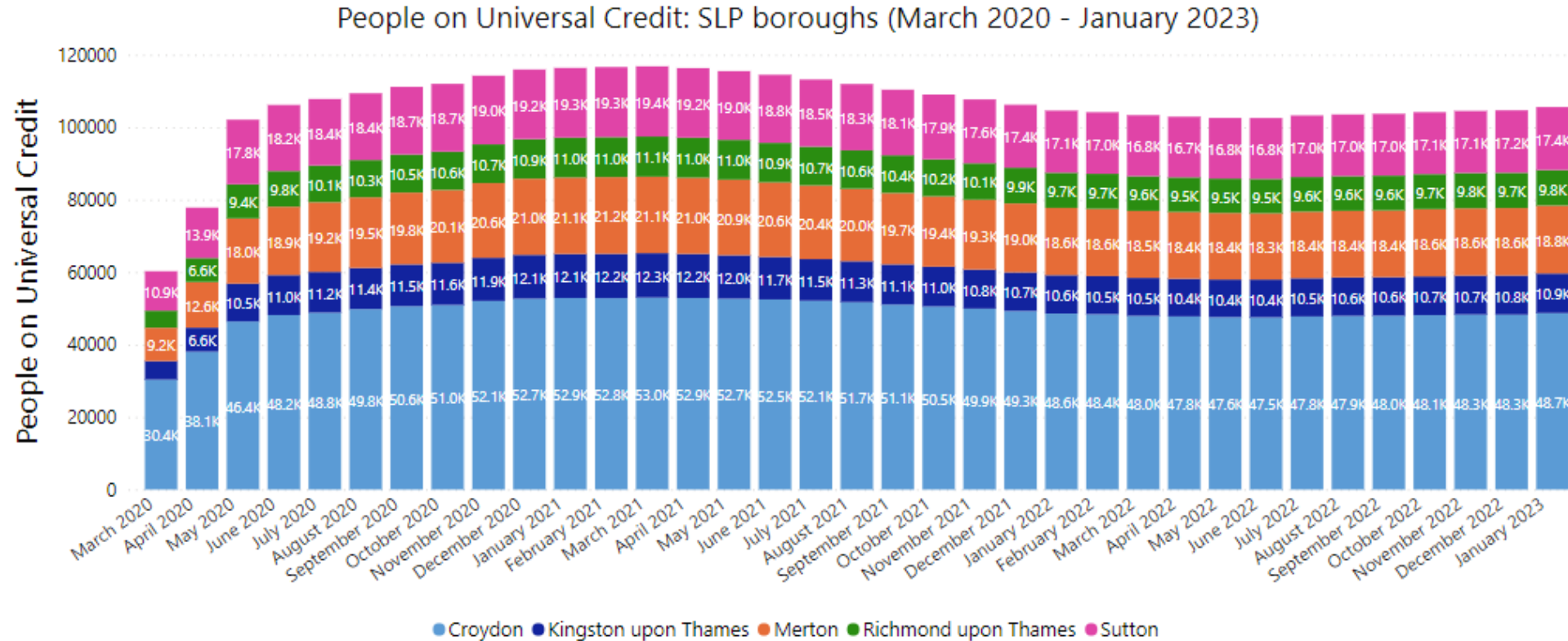
**Mid-year estimates for 2021 were published in December 2022 so these updated population figures have been used when calculating the proportion of working age residents from 2021 onwards.*

Source: Office for National Statistics
Updated: 14 February 2023



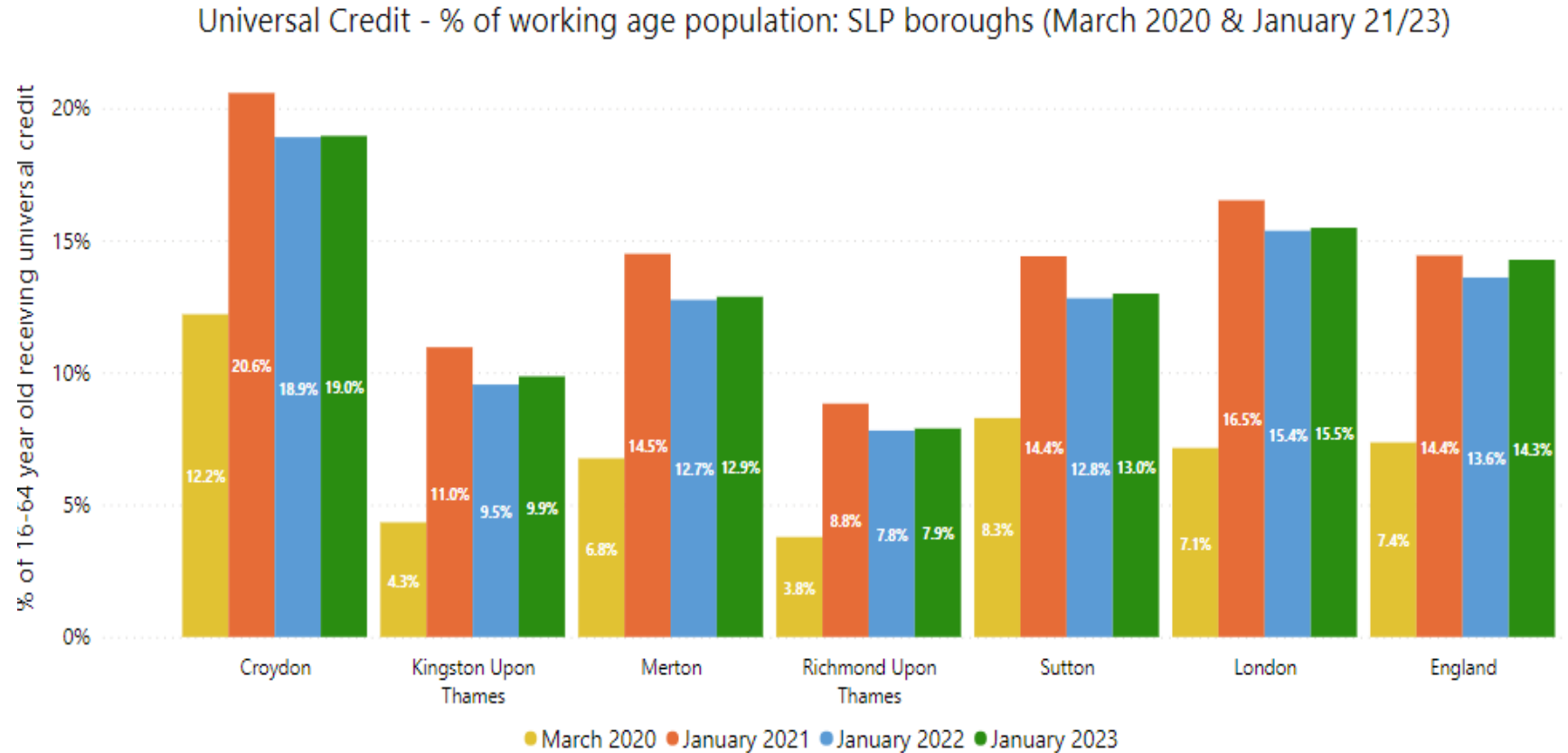
The overall number of **Universal Credit** claimants for SLP boroughs has risen slowly each month since May 2022 and is only slightly below peak pandemic levels

- There are **105,574** people claiming Universal Credit in January 2023.
- The number of people on universal credit is currently 75% above that of March 2020.
- The number of claimants in January 2023 is only 9.6% below the highest number of claimants during the pandemic (seen in March 2021).



Universal Credit claimants as a proportion of the working age population has increased slightly in all SLP boroughs over the last year

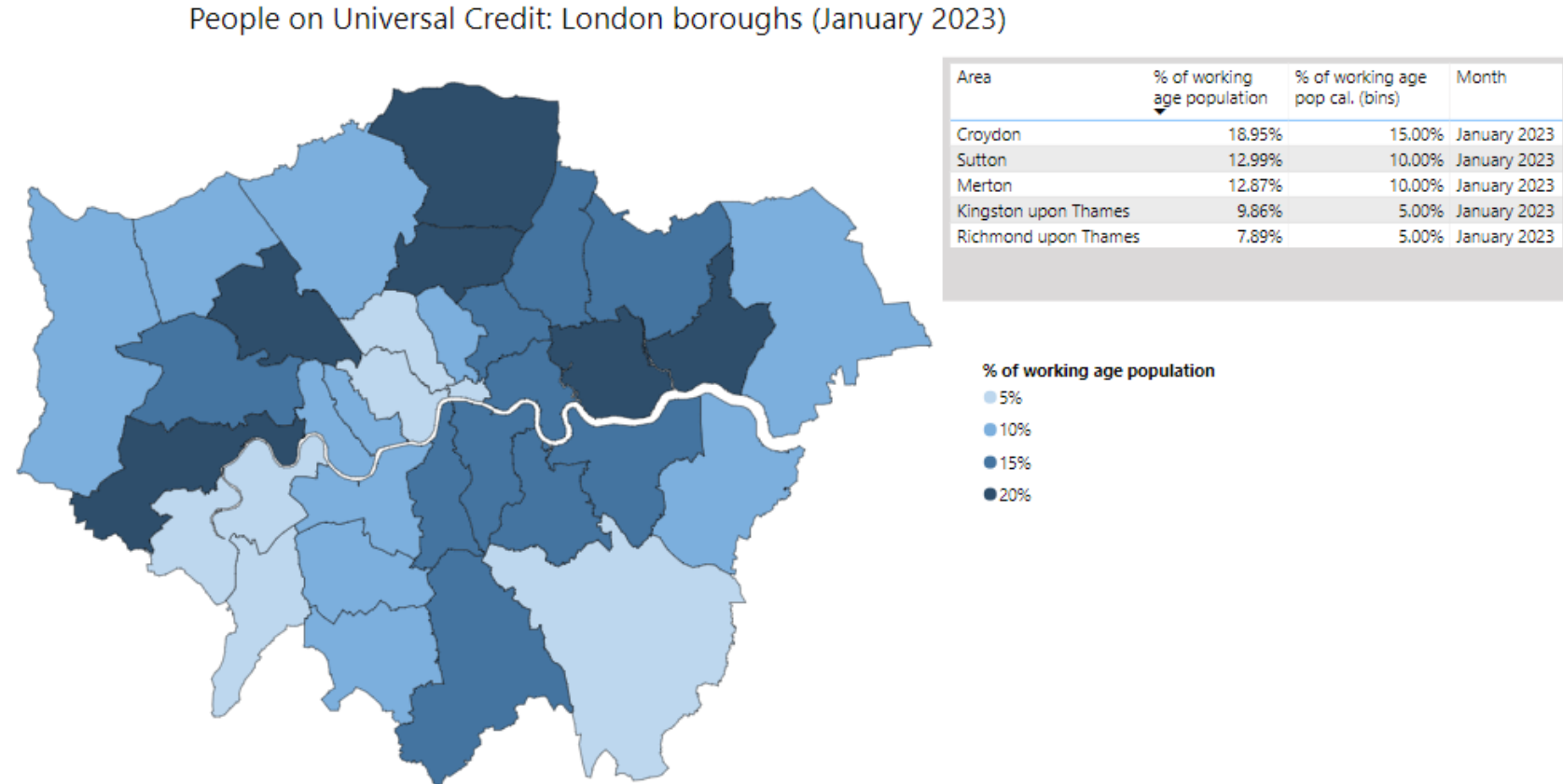
- There has been a small increase in the proportion of claimants over the last 12 months as is also the case for London and England.
- The change in the proportion of Universal claimants from Jan 2022 to Jan 2023 is:
 - Croydon up by 0.5%
 - Kingston up by 4%
 - Merton up by 1.6%
 - Richmond up by 1.3%
 - Sutton up by 1.6%



**Mid-year estimates for 2021 were published in December 2022 so these updated population figures have been used when calculating the proportion of working age residents from 2021 onwards.*

Croydon is in the top third of London boroughs for the proportion of people on **Universal Credit** with Sutton and Merton in the mid third and Kingston and Richmond in the bottom third

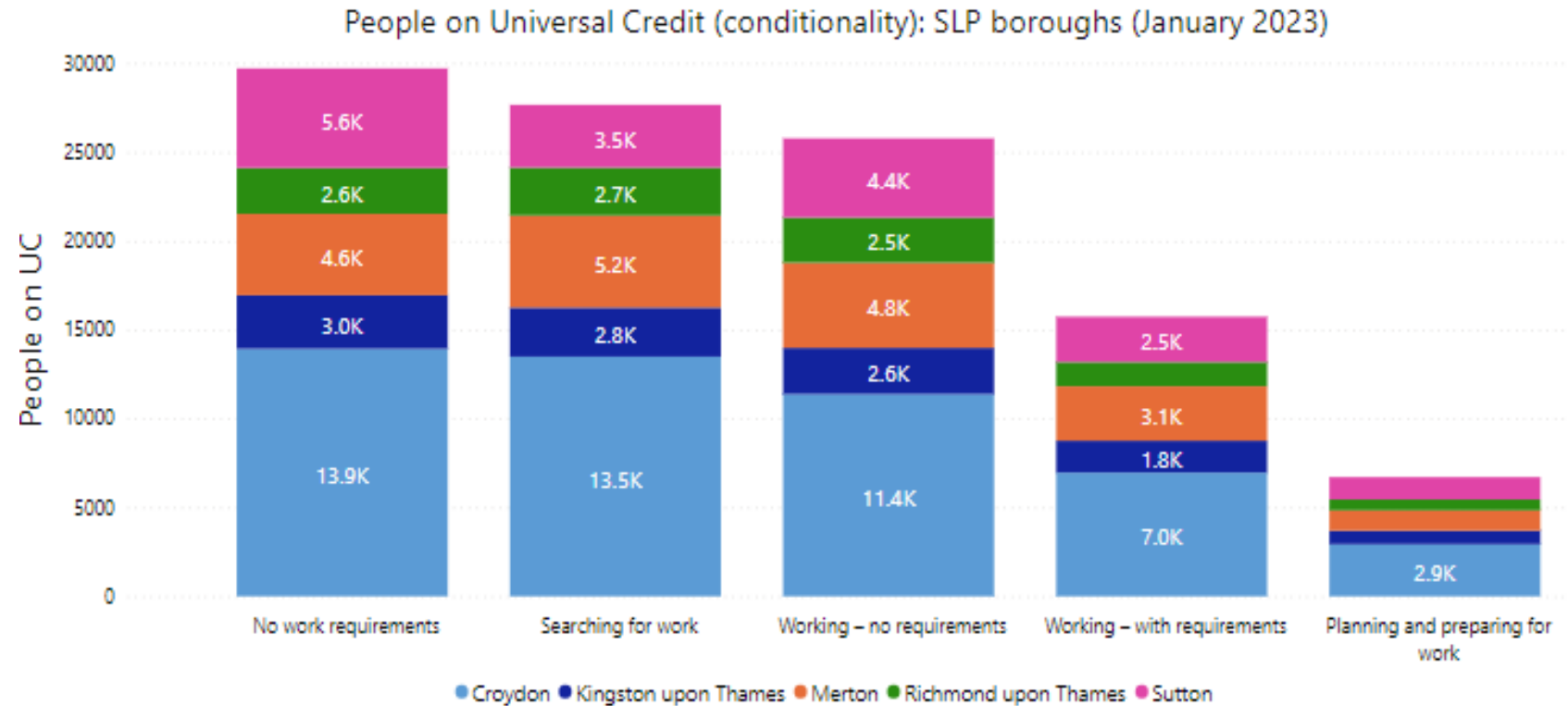
- Croydon joint **5th highest** (proportion of people on universal credit) of the 33 boroughs.
- Sutton **13th lowest** out of the 33 boroughs.
- Merton **12th lowest** out of the 33 boroughs.
- Kingston **4th lowest** out of the 33 boroughs.
- Richmond **2nd lowest** out of the 33 boroughs, **lowest** if you exclude the City of London.



Source: Stat-Xplore/Department for Work and Pensions. Population estimates 2021 – Office for National Statistics
Updated: 14 February 2023/ 30 June 2022

39% of **Universal credit** claimants in SLP boroughs were 'in work' at January 2023, a level that has remained steady over the last 12 months

- No work requirements – 29,709 makes up **28.1%** of claimants
- Those **Searching for work** – 27,659 makes up **26.2%** of all claimants
- Working with no requirements – 25,770 makes up **24.4%** of claimants
- Working with requirements – 15,735 makes up **14.9%** of claimants
- Planning and preparing for work – 6,708 makes up **6.4%** of claimants.

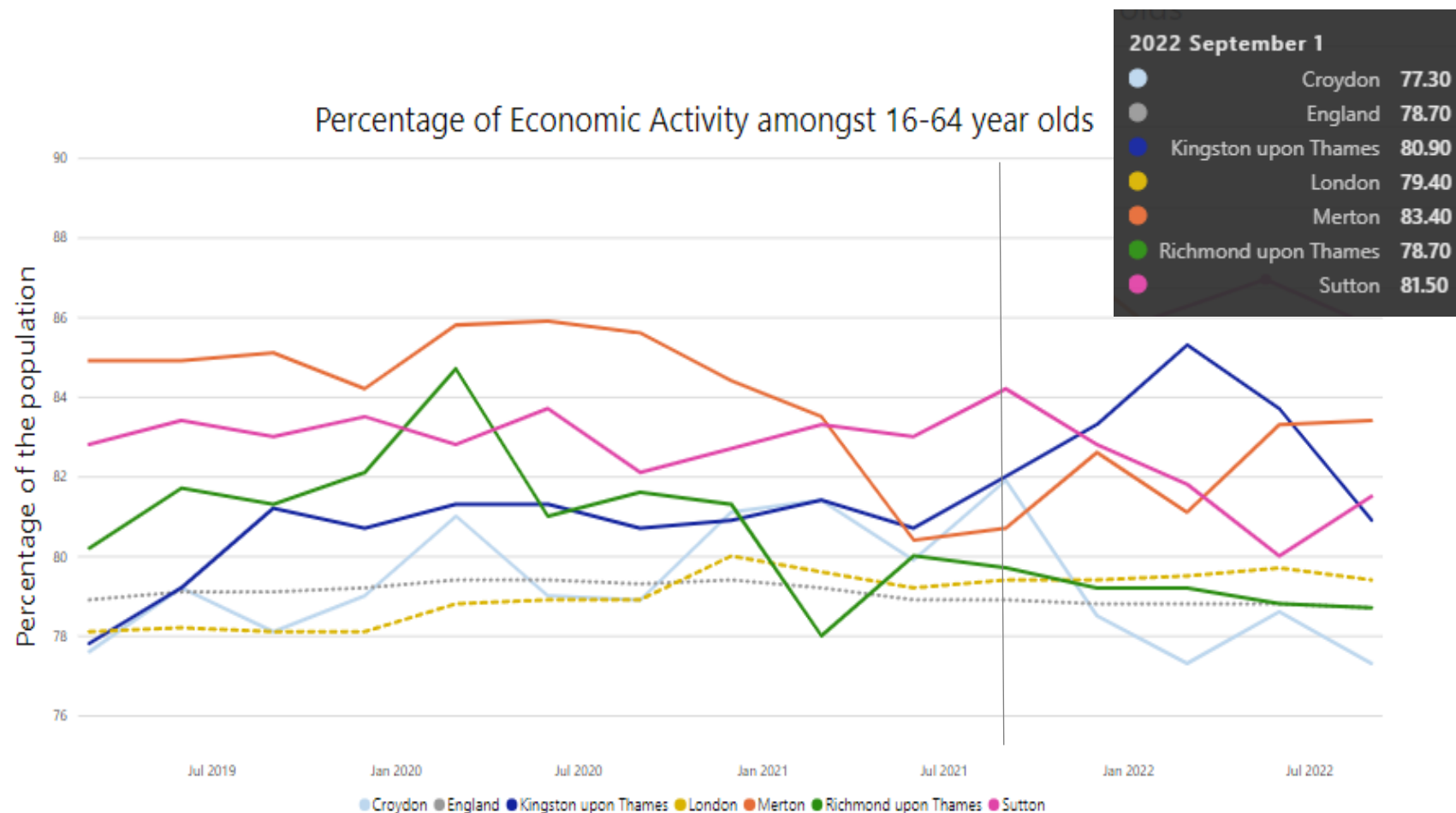


- **Searching for work:** Not working, or with very low earnings. Claimant is required to take action to secure work - or more / better paid work.
- **Working - no requirements:** Individual or household earnings over the level at which conditionality applies.
- **No work requirements:** Not expected 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

All SLP boroughs with the exception of Merton have seen a decline in the **Economically Active population (16 to 64)** in the 12 month period to September 2022

When comparing the data point* for Sep 21 (grey line) to the data point for Sep 22.

- Croydon's Economic Activity has **reduced** by -4.6pp.
- Kingston's Economic Activity has **reduced** by -1.1pp.
- Merton's Economic Activity has **increased** by +2.7pp.
- Richmond's Economic Activity has **reduced** by -1pp.
- Sutton's Economic Activity has **reduced** by -2.7pp.
- The economic activity rates in all SLP boroughs are below those in March 2020.



*Data points are based on the previous 12 months. The last available data is for Oct 2021 – Sep 2022

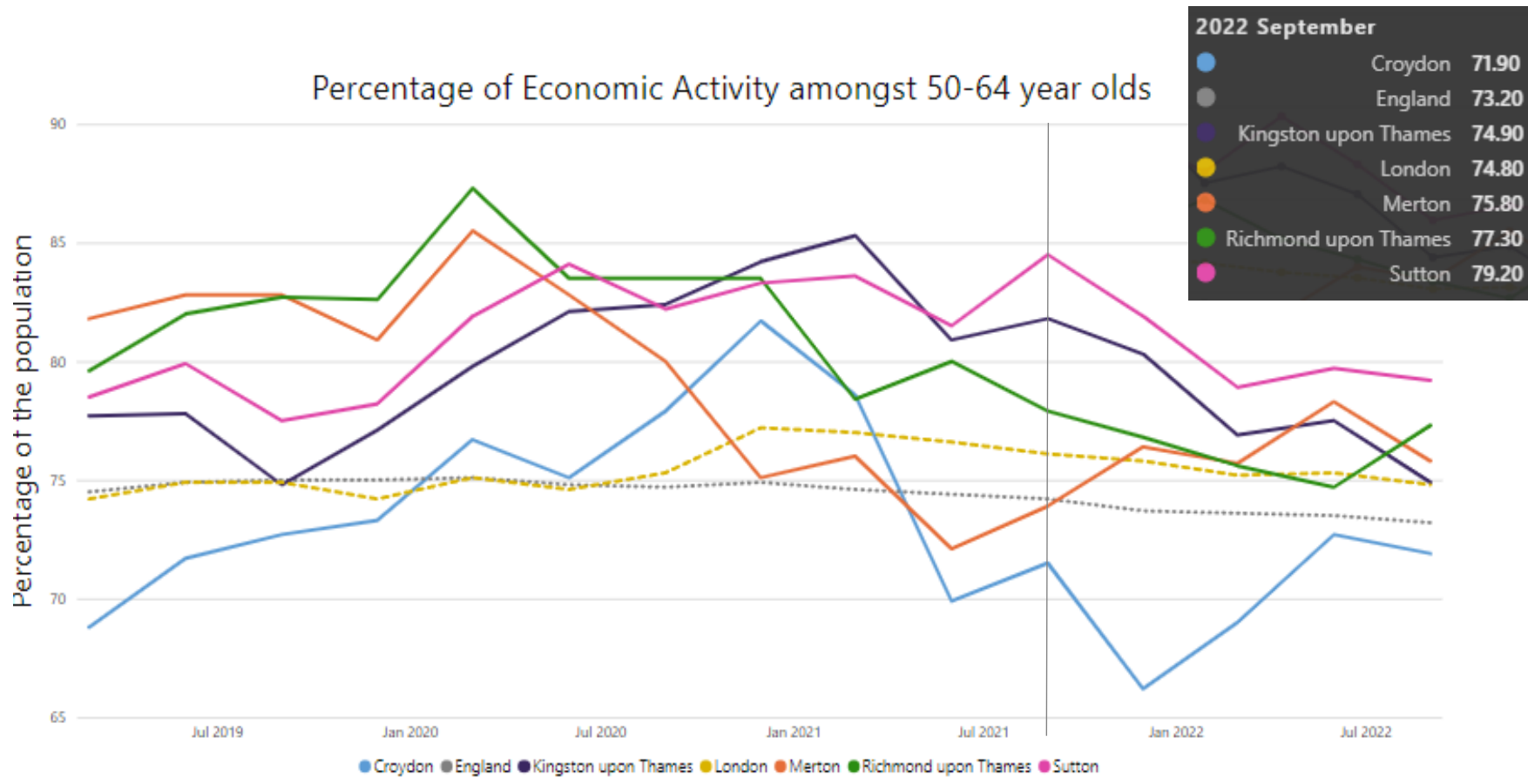
Changes in economic activity amongst 50-64 year olds across SLP boroughs in the past 12 months has been mixed with Kingston and Sutton seeing sharp declines, Richmond a slight decline and Croydon and Merton slight increases

Economic activity rates for 50-64 year olds when comparing the data point* for Sep 21 (grey line) to the data point for Sep 22:

- Increased by 0.4pp in Croydon
- Reduced by -6.9pp in Kingston
- Increased by 1.9pp in Merton
- Reduced by -0.6pp in Richmond
- Reduced by -5.3pp in Sutton

Activity rates of 50-64 year olds compared to 16-64 year olds:

- Croydon 5.4pp lower
- Kingston 6pp lower
- Merton 7.6pp lower
- Richmond 1.4pp lower
- Sutton 2.3pp lower

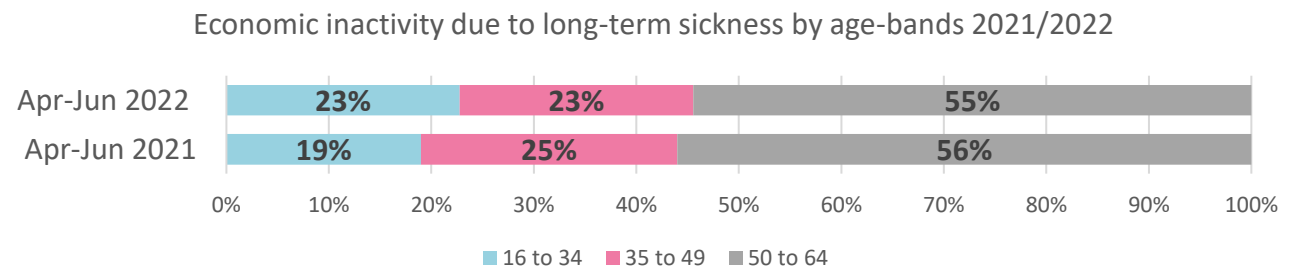
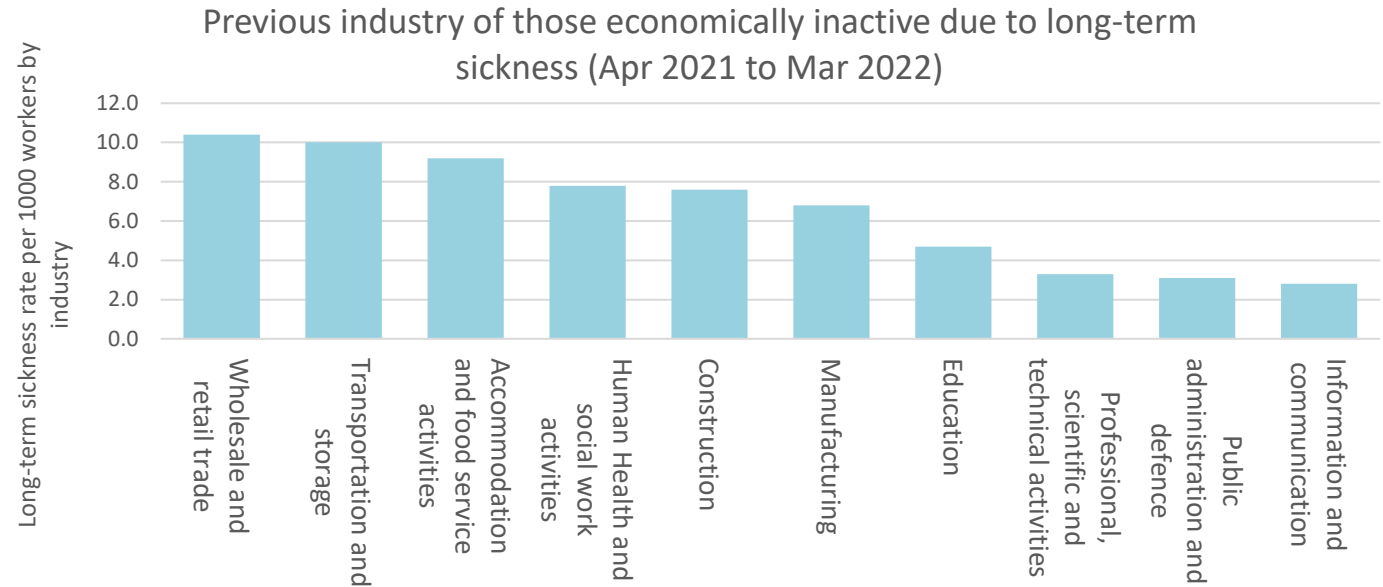


*Data points are based on the previous 12 months. The last available data is for Oct 2021 – Sep 2022

The type and volume of **Economic Inactivity** due to long-term sickness in the UK changes and increases with age with older people much more likely to be economically inactive due to long term sickness

The top three health conditions in the UK listed for Long-term sickness in Apr-June 2022 were different when viewed by age group:

- 16-34 top three long term conditions:
 - Mental illness or suffer from phobias, panics or other nervous disorders (19%)
 - Depression, bad nerves or anxiety (19%)
 - Autism (19%)
- 35-49 top three long term conditions:
 - Mental illness or suffer from phobias, panics or other nervous disorders (18%)
 - Other health problems or disabilities (15%)
 - Depression, bad nerves or anxiety (14%)
- 50-64 top three long term conditions
 - Other health problems or disabilities (15%)
 - Problems or disabilities connected with back or neck (14%)
 - Problems or disabilities connected with legs or feet (11%)



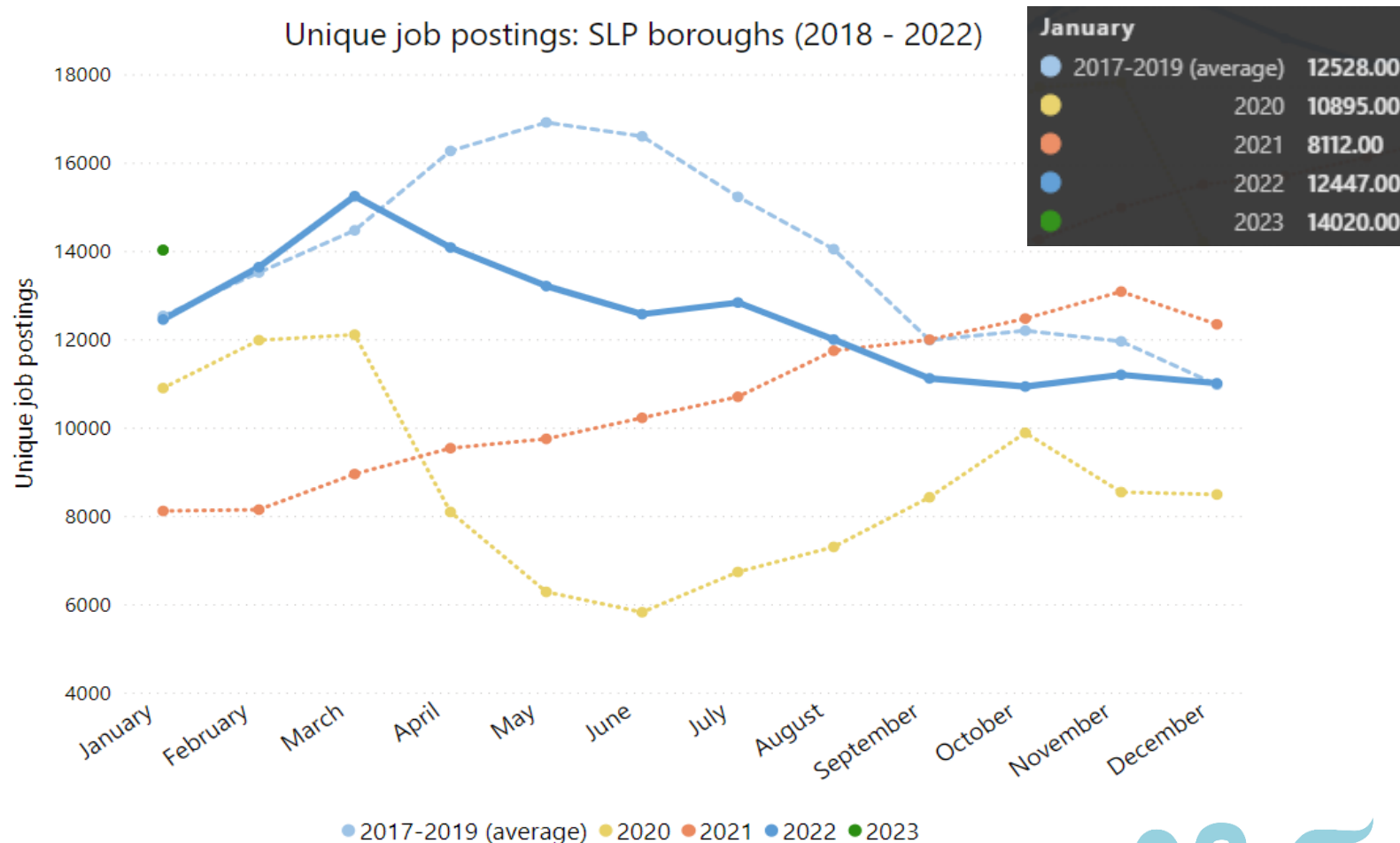
*Source: [Data on economic inactivity because of long-term sickness - \(ons.gov.uk\)](https://ons.gov.uk). This analysis was part of an ad hoc article that looks at the profile of and trends in those who are inactive from the labour market due to long-term sickness. The data in this spreadsheet has been taken from the Labour Force Survey (LFS) and the Annual Population Survey (APS). **Published: 10 November 2022***

The number of **unique job postings** in SLP boroughs continued on a downwards trend through 2022, but has risen by 27% between December 2022 and January 2023

- There were **14,020** unique job postings for SLP boroughs in January 2023.
- In January 2023 the number of jobs posted was 1,573 higher than the number of jobs posted in January 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.



Source: Emsi
Updated: February 2023

Census 2021 – Key Statistics and Resources

Census 2021	Croydon	Kingston	Merton	Richmond	Sutton
Population	390,718	168,064	215,188	195,278	209,640
Population % increase	7.5%	5%	7.8%	4.4%	10.3%
16 – 64 population	239,893	109,432	137,718	124,756	124,925
16 – 64 population % change	7.3%	1.6%	5.8%	-0.3%	7.2%
Median age of residents	37	38	37	41	39
Age increase	2 years	3 years	3 years	3 years	1 year

More resources available to explore Census Data:

- [Census Maps - Census 2021 data interactive, ONS](#)
- [Build a custom area profile - Census 2021, ONS](#)

Borough specific reports on how the borough has changed since the previous census:

- [How life has changed in Croydon: Census 2021](#)
- [How life has changed in Kingston upon Thames: Census 2021](#)
- [How life has changed in Merton: Census 2021](#)
- [How life has changed in Richmond upon Thames: Census 2021](#)
- [How life has changed in Sutton: Census 2021](#)

Census 2021 – Labour Market and Travel to Work Topic Summary

[Labour market and travel to work: Census 2021](#): Census 2021 responses were collected during the coronavirus (COVID-19) pandemic, a period of unparalleled and rapid change; the labour market topic will have been affected by the national lockdown, associated guidance and furlough measures.

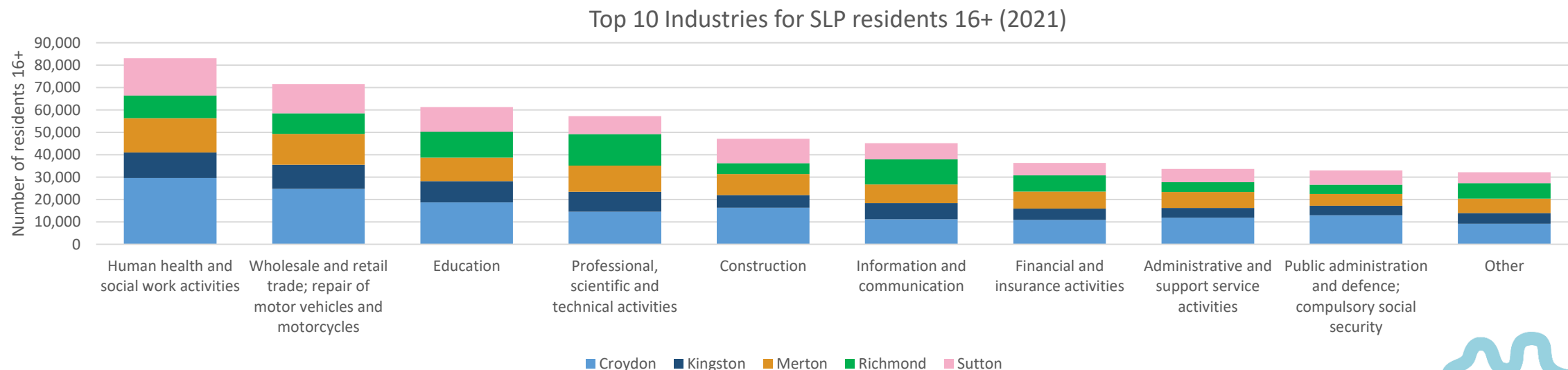
Data collected from the census differ to that collected on the Labour Force Survey (LFS) because of data collection and question design differences. Estimates from the census of those in employment are lower than those estimated on the LFS for most groups in the population, with the majority of the difference being classified as economically inactive and the remainder as unemployed. Estimates from the census for economically inactive adults who are looking after their family or home are significantly larger than on the LFS. Estimates from the census for economically inactive adults who are retired, or long-term sick or disabled, differ to the LFS because of differences in data collection methods.

Percentage of the 16+ population Active/Inactive	Croydon	Kingston	Merton	Richmond	Sutton
Economically active:	65.8	66	68.8	66	66.3
Economically active (excluding full-time students) - In employment	59.3	60	63.2	61.4	61.6
Economically active (excluding full-time students) - Unemployed	4.1	3	3.5	3	2.9
Economically active and a full-time student - In employment	1.7	2.1	1.7	1.2	1.3
Economically active and a full-time student - Unemployed	0.6	0.8	0.5	0.4	0.4
Economically inactive:	34.2	34	31.2	34	33.7
Retired	15.5	16.1	13.9	18.1	17.7
Student	5.9	7.4	5.5	6	4.9
Looking after home or family	5.3	5.1	5.8	5.1	5.1
Long-term sick or disabled	3.6	2.5	2.5	2.2	3.1
Other	4	2.8	3.4	2.6	2.9

Census 2021 – Industries of residents living in SLP Boroughs (may actually work outside of the borough)

Top three overall industries for SLP residents in 2021 are:	Top three overall industries for SLP residents in 2011 were:
1. Human health and Social Work Activities	1. Wholesale and retail trade; repair of motor vehicles and motorcycles
2. Wholesale and retail trade; repair of motor vehicles and motorcycles	2. Human health and social work activities
3. Education	3. Professional, scientific and technical activities

- Resident of Croydon, Kingston and Sutton have the same top three industries as the SLP overall in 2021.
- In Merton the third largest industry of residents is Professional, scientific and technical activities rather than Education.
- Richmond residents have a different industry profile to the other SLP boroughs with Professional, scientific and technical activities being the top industry, followed by Education and then Information and Communication.



Further intelligence

[Economic activity and social change in the UK, real-time indicators](#): (ONS, published 23 Feb 2023) - weekly findings on consumer behaviours, transport, and business and workforce.

- When compared with the previous week, there was a notable increase in overall retail footfall, and spending on "pubs, restaurants and fast food", coinciding with Valentine's Day and the school half term period in parts of England
- A quarter (25%) of trading businesses are considering raising the prices of goods or services they sell in March 2023; energy prices remain the top reason these businesses are considering doing so, with 35% reporting this

[Employment in the UK](#): (ONS, published 14 Feb 2023) - Estimates of employment, unemployment and economic inactivity for the UK

- Oct to Dec 2022 estimates show an increase in the employment and unemployment rates compared with the previous three-month period (July to September 2022) and a decrease in the economic inactivity rate.
- Total hours worked decreased compared with the previous three-month period and remain below pre-coronavirus (COVID-19) pandemic levels.
- The UK economic inactivity rate was estimated at 21.4%, 0.3pp lower than the previous three-month period and 1.2pp higher than before the pandemic.

[Public opinions and social trends, Great Britain](#): (ONS, 8 Feb to 19 Feb 2023) - Social insights on daily life and events, including the cost of living, working arrangements and well-being from the Opinions and Lifestyle Survey (OPN)

- When asked about the important issues facing the UK today, the most commonly reported issues continue to be the cost of living (91%), the NHS (85%), the economy (74%), and climate change and the environment (58%).
- Around 1 in 30 (3%) working adults reported that they missed work because of industrial action when thinking of the past seven days at the time of the survey.

[Labour Market Statistics, Jan 2023 | Institute for Employment Studies \(employment-studies.co.uk\)](#): includes findings from the **ONS Vacancy Survey**, which collects employer data on open vacancies; and from the **Monthly Wages and Salaries Survey**, which collects pay data from businesses in order to estimate Average Weekly Earnings.

[London's challenges in 2023 - and how to tackle them | Trust for London](#): What are going to be some of the major issues for Londoners in 2023 and what changes do we need to tackle them?