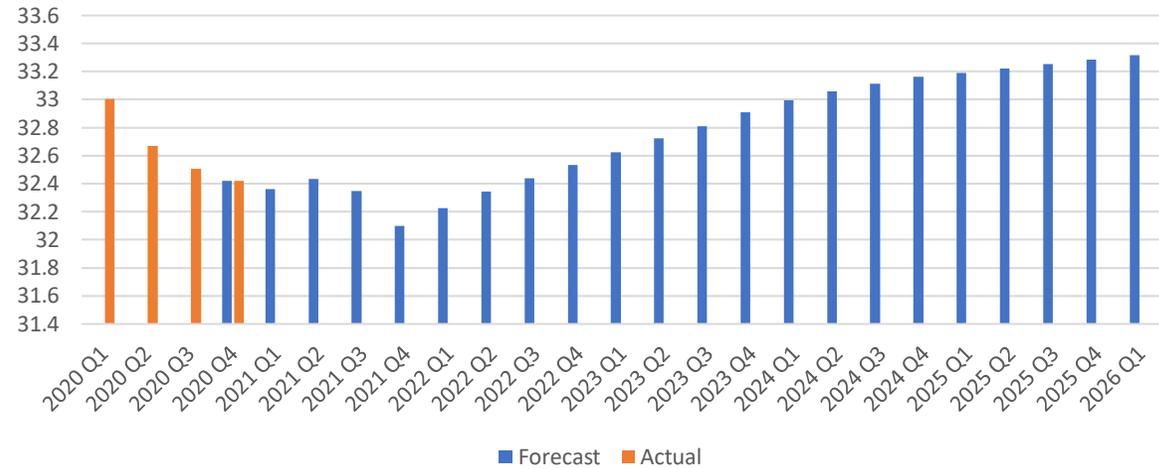


The Impact of C-19 on the Cheshire and Warrington Labour Market

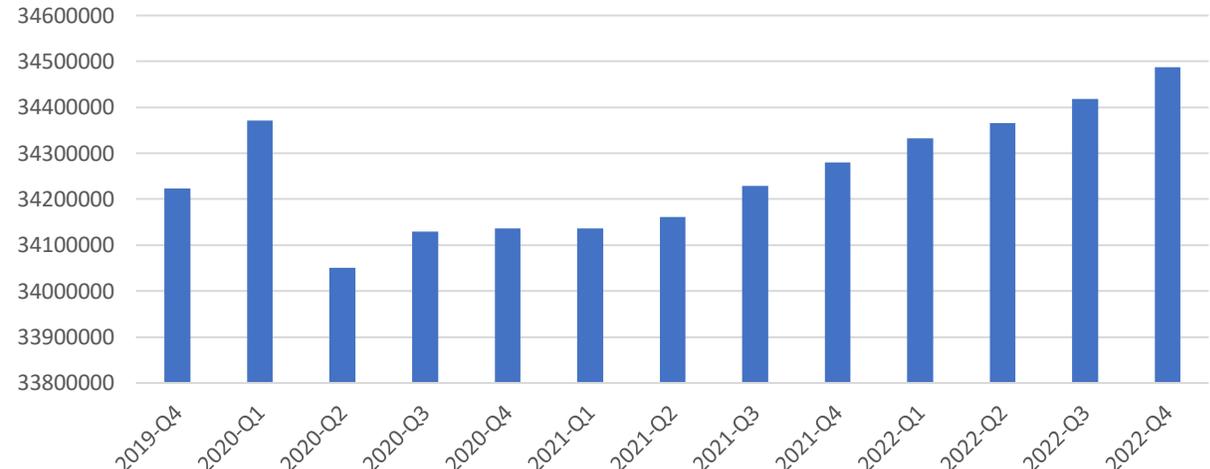
David Brennan 27/7/21

Forecasters have converged on similar UK forecasts with unemployment peaking and employment bottoming out in the final quarter of this year following the end of furlough. Furlough has provided a significant cushion to the labour market shock.

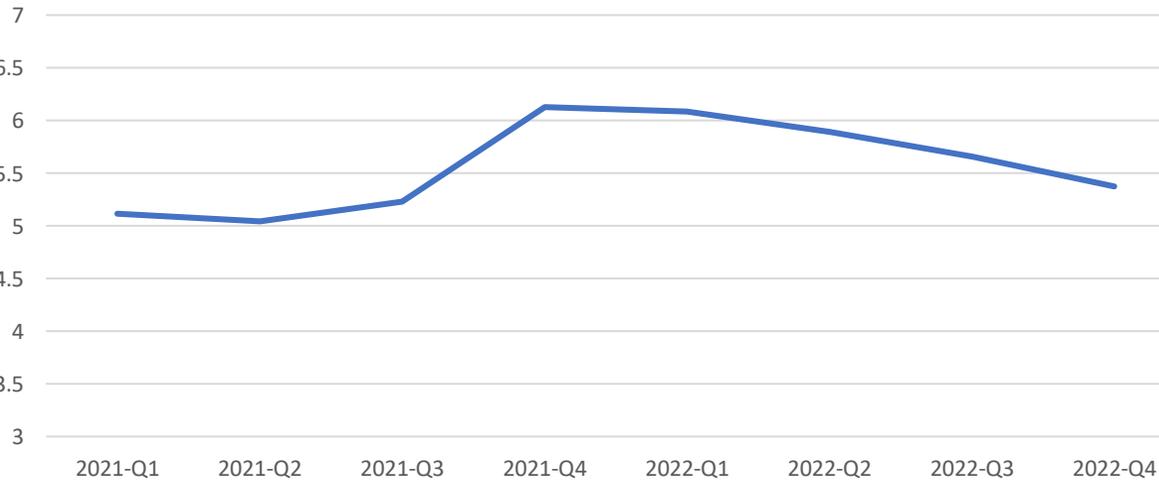
Actual and forecast UK employment 2020-2026 (OBR)



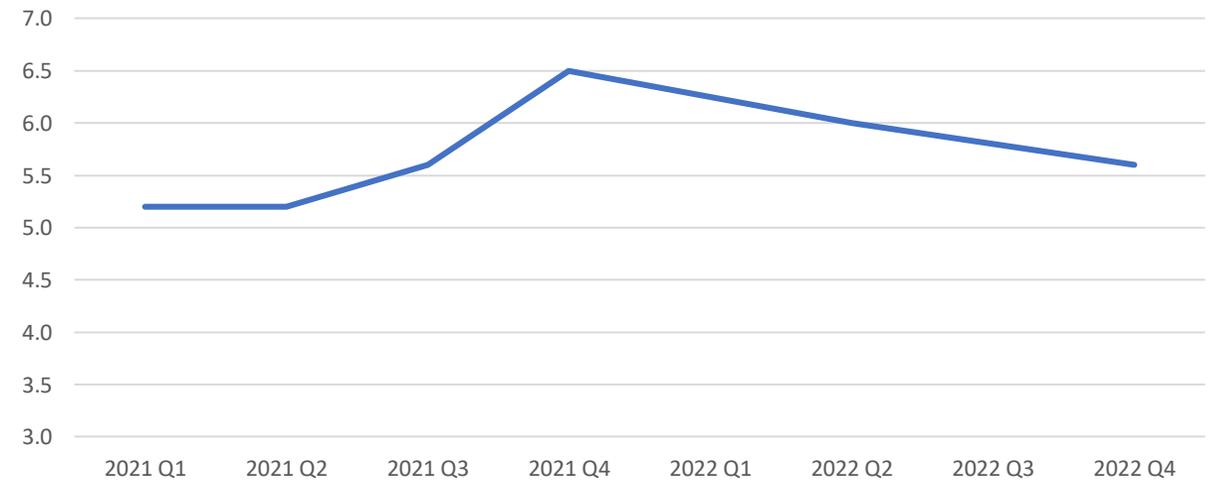
Forecast size of the labour force, UK (OECD)



Forecast UK unemployment rate 2021-2022 (OECD)

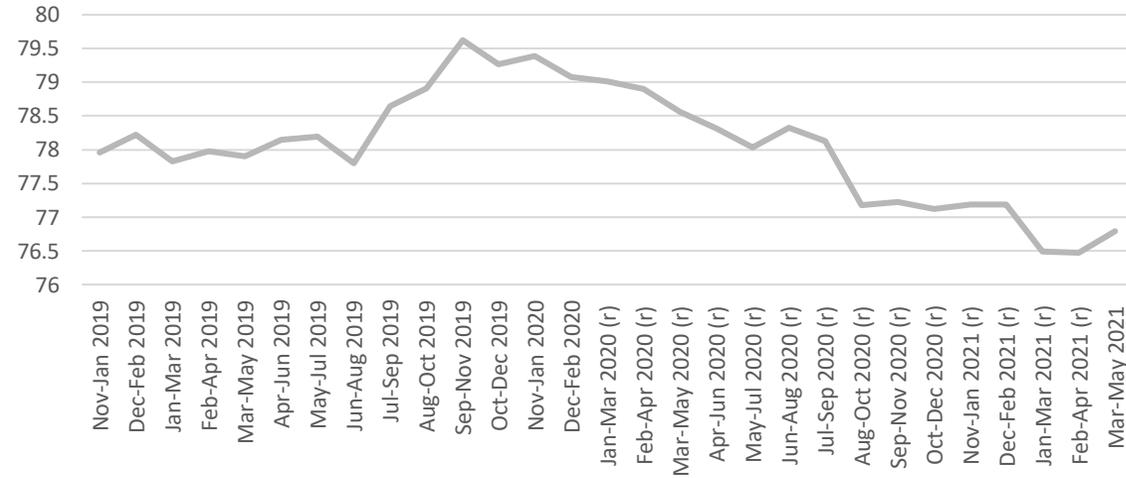


UK unemployment forecast 2021-2022 (OBR)

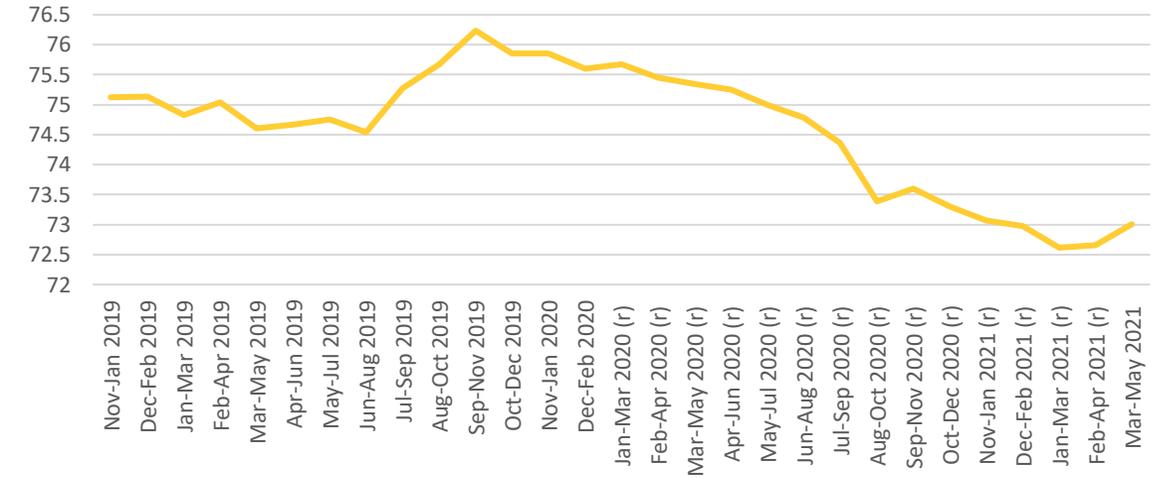


Most recent LFS data for the Northwest shows a decrease in economic activity, an increase in economic inactivity, a decrease in employment and an increase in unemployment since the onset of the pandemic

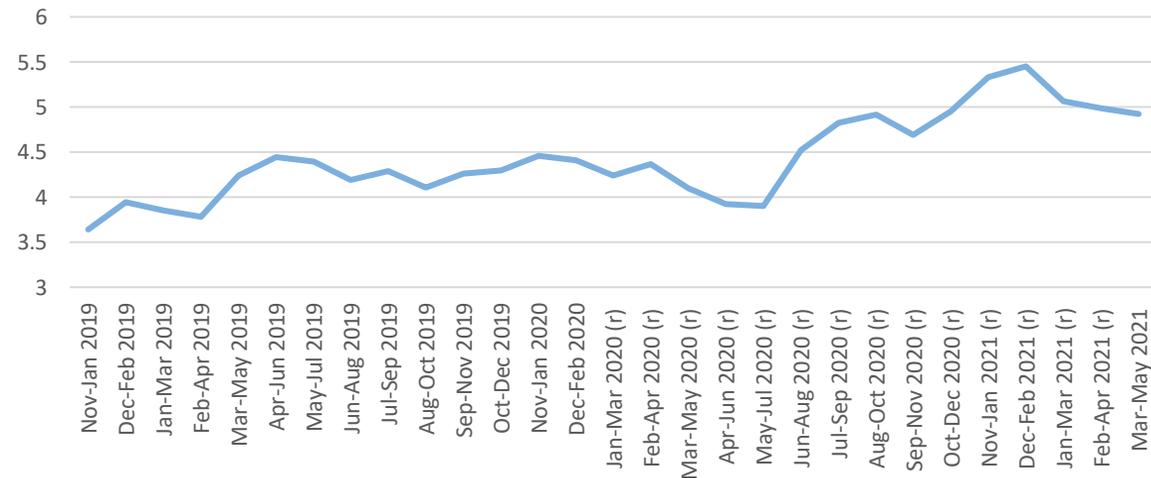
Economic activity rate (%) in NW 2019-2020



Employment rate (%) in NW 2019-2020



Unemployment rate (%) in NW 2019-2021

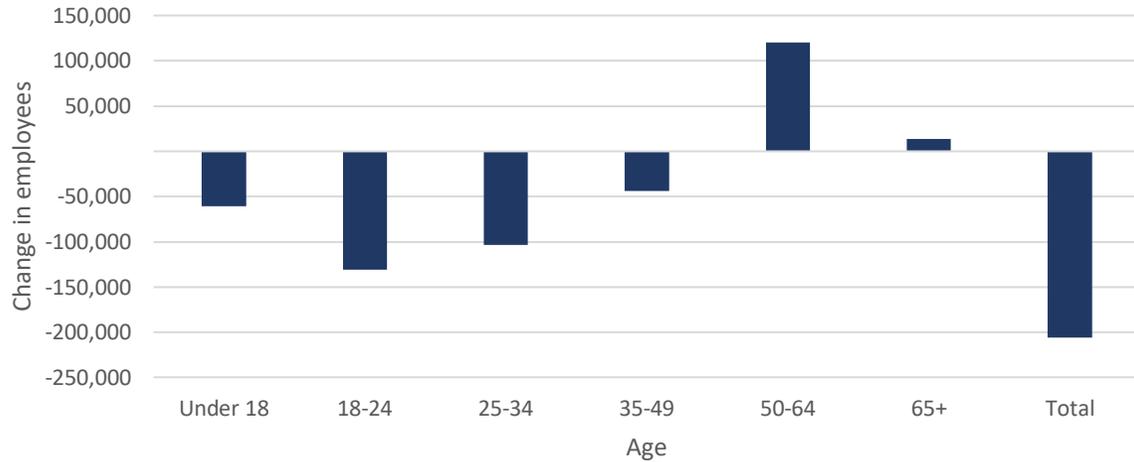


Economic inactivity rate (%) in NW 2019-2021

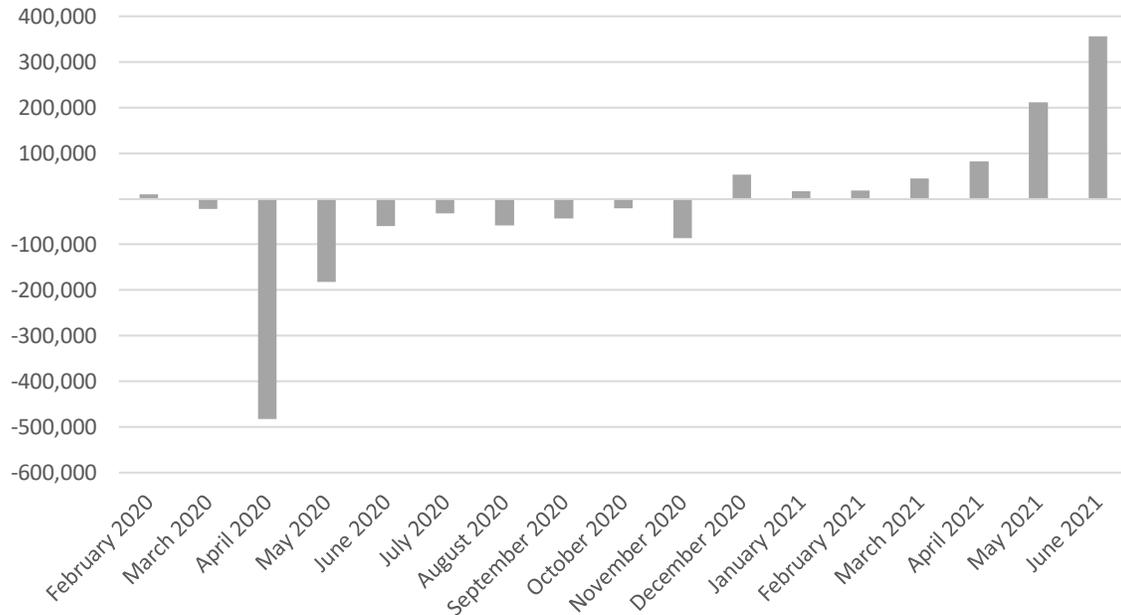


This is reinforced by HMRC pay roll data with UK numbers 200k down (net) compared to pre-pandemic, with over 200k fewer jobs in accommodation and food services and over 200k more jobs in health and social work

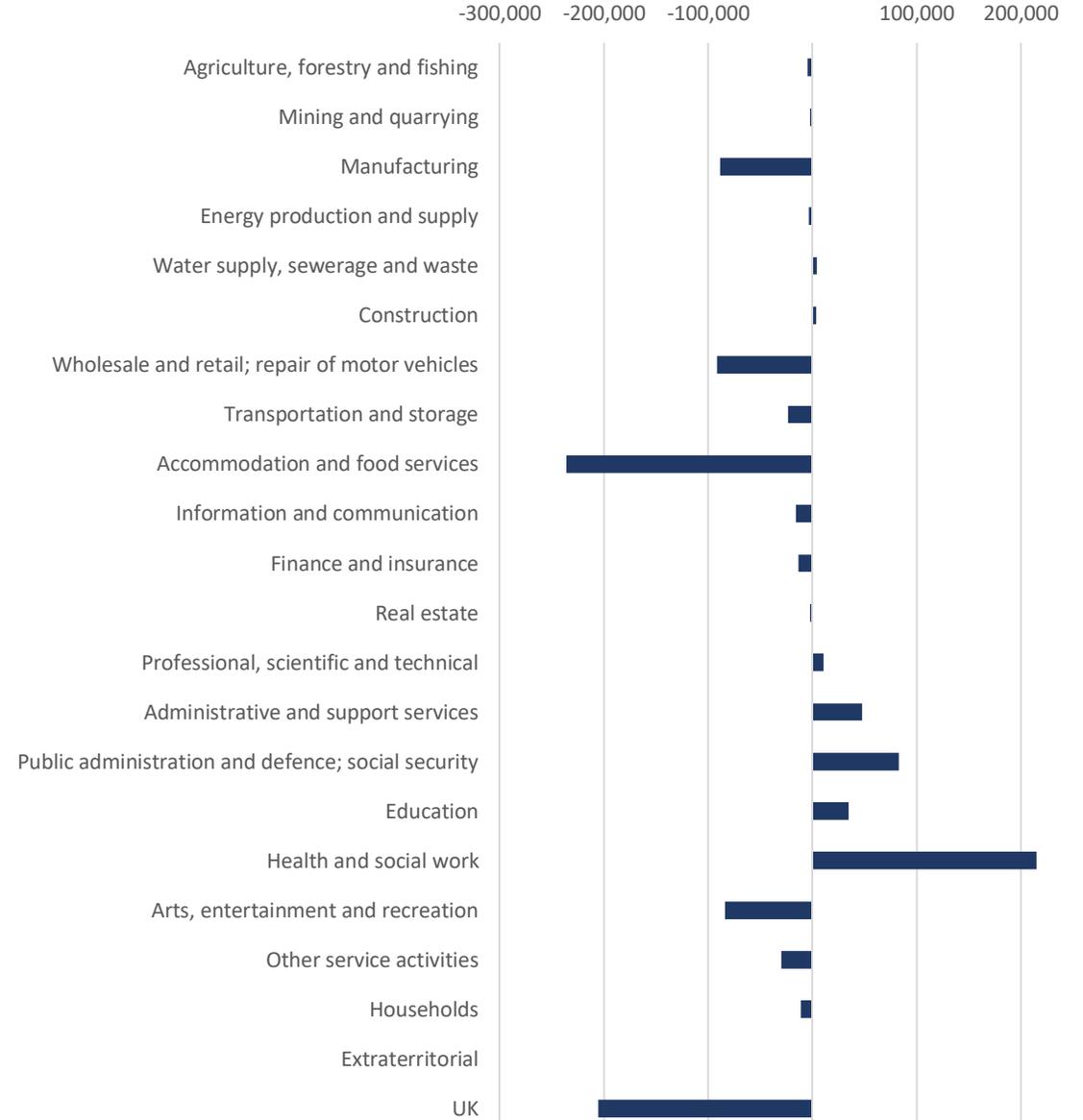
Change in payroll employees in the UK, Feb 20 - Jun 21, by age



Change in payrolled employees in UK, Feb 20 - Jun 21

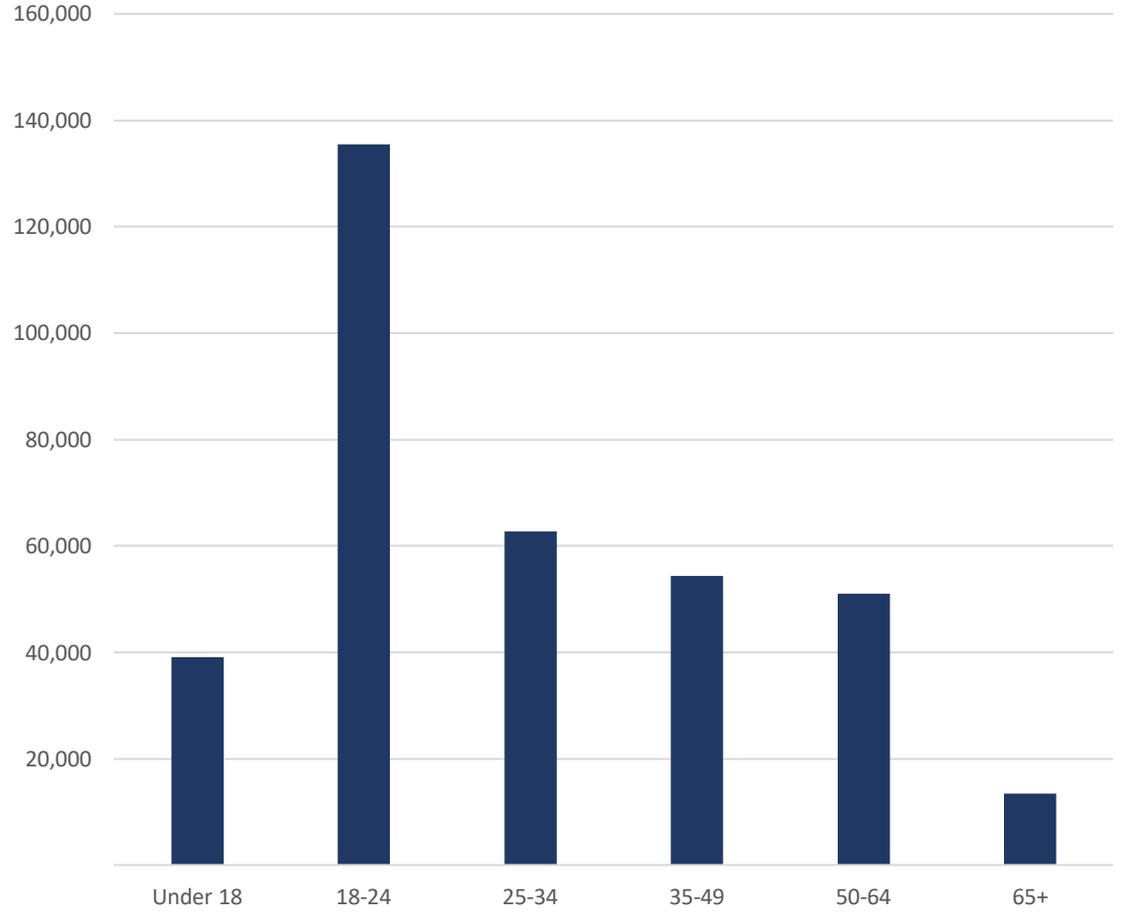


Change in payroll employees Feb 20 - Jun 21, by Industry sector, UK

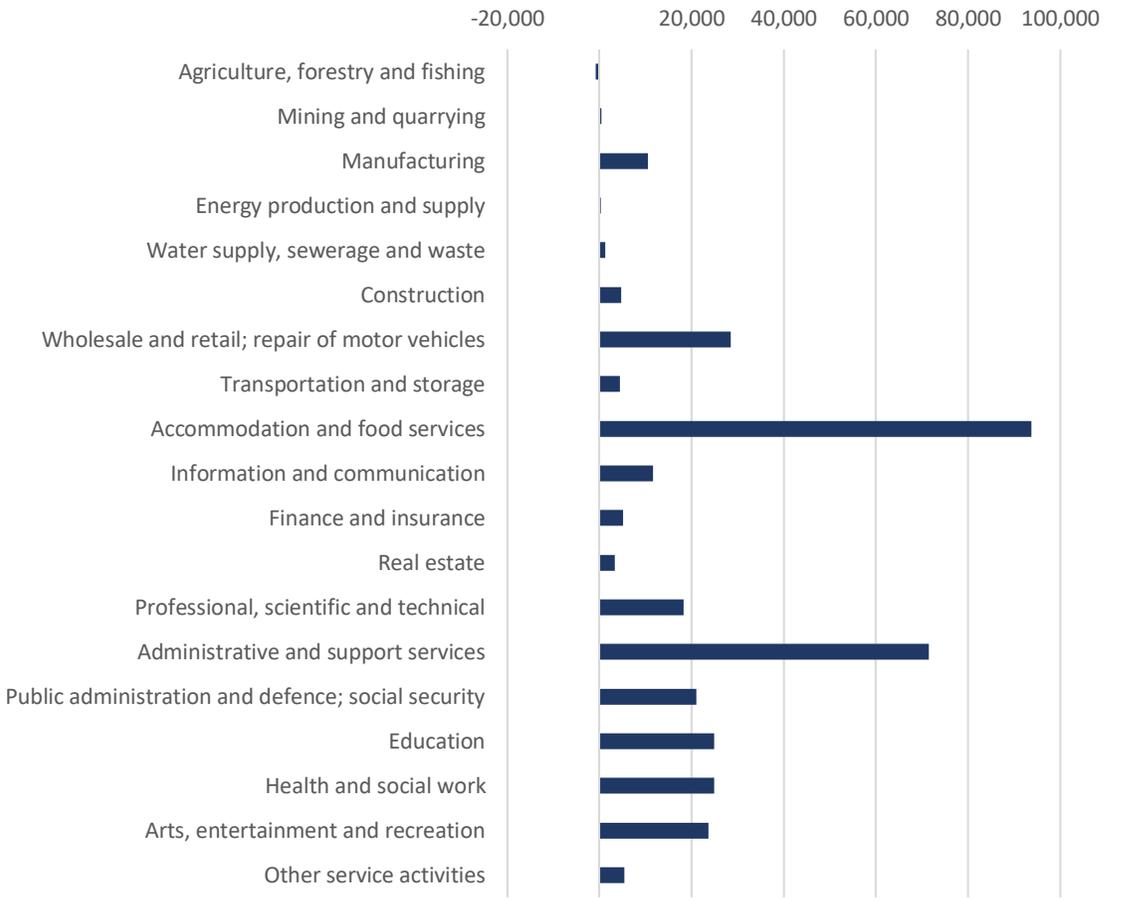


However between May and June 2021 there has been a very sharp rise in payroll numbers in the UK, particularly for the under 25s and in accommodation and food services.

Change to pay roll numbers in the UK by age, May-June 2021



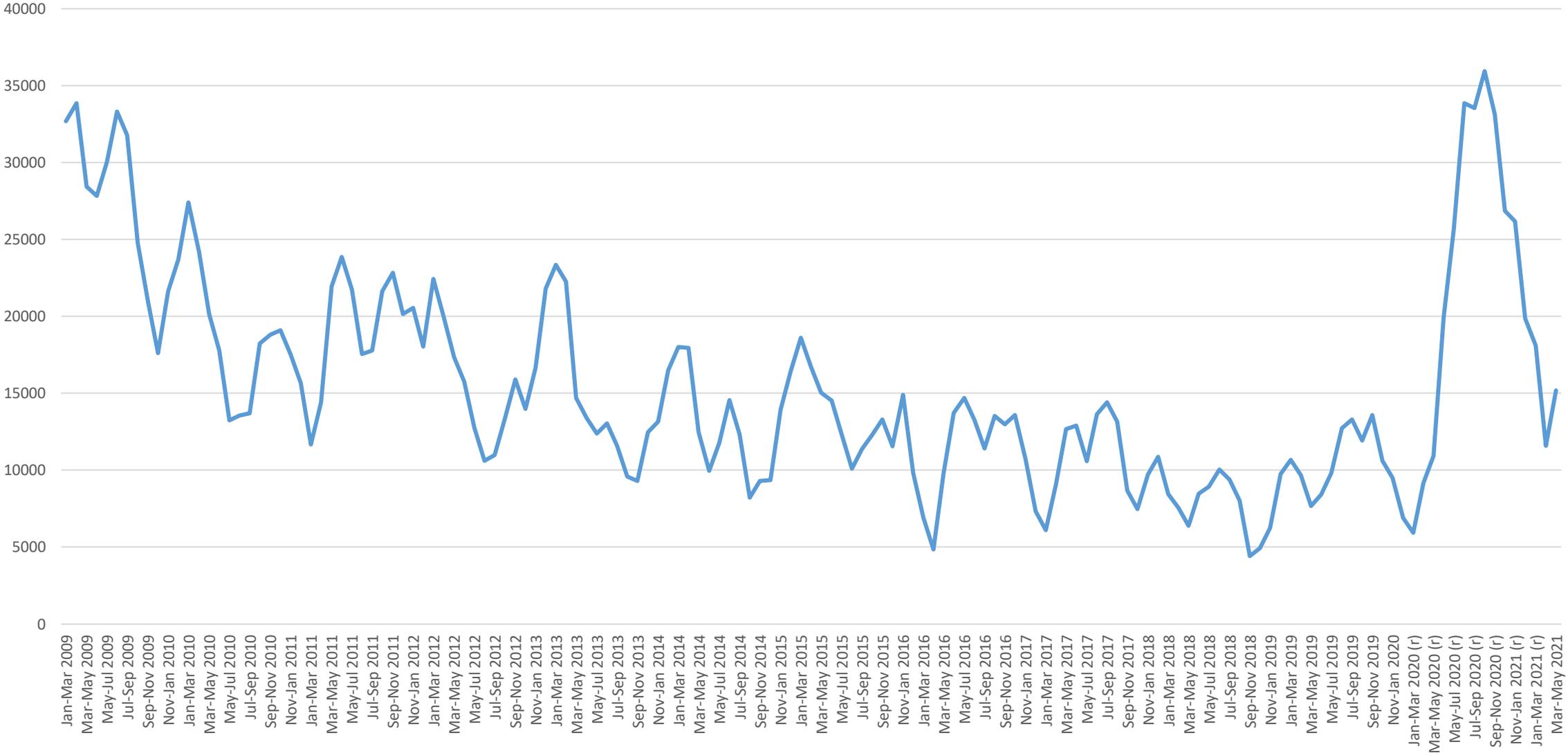
Change to pay roll volumes in the UK by sector May-Jun 2021



Source: HMRC

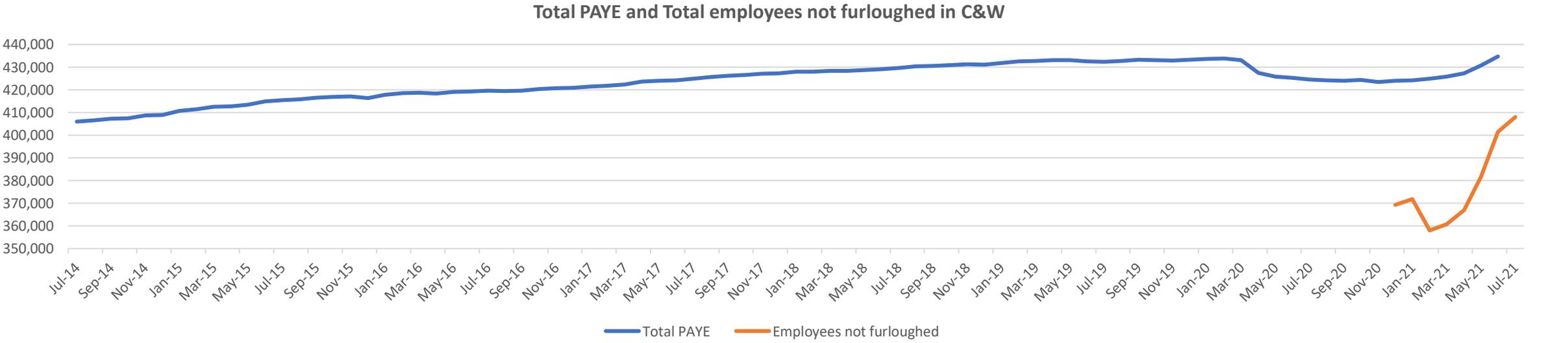
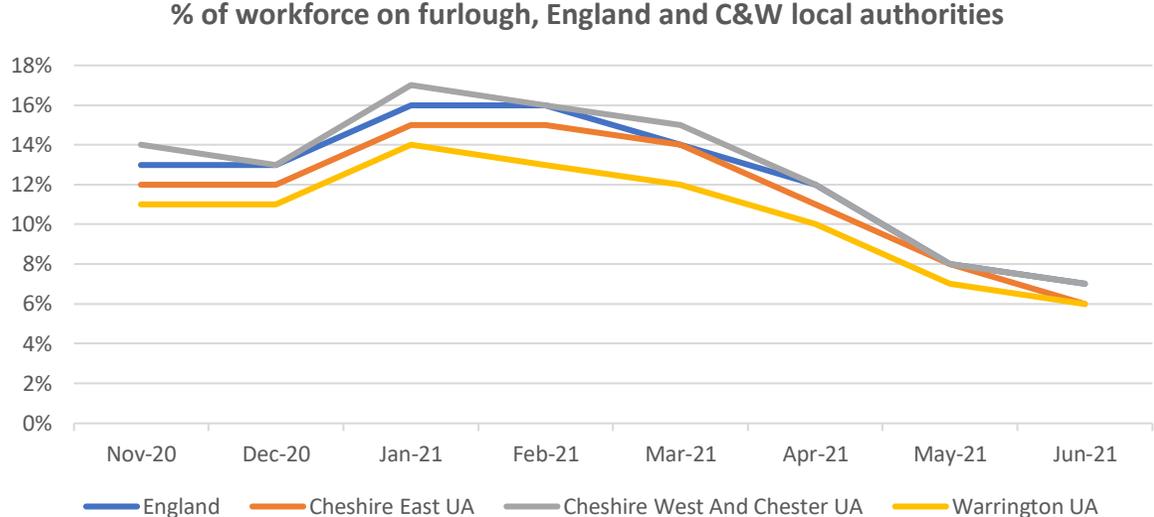
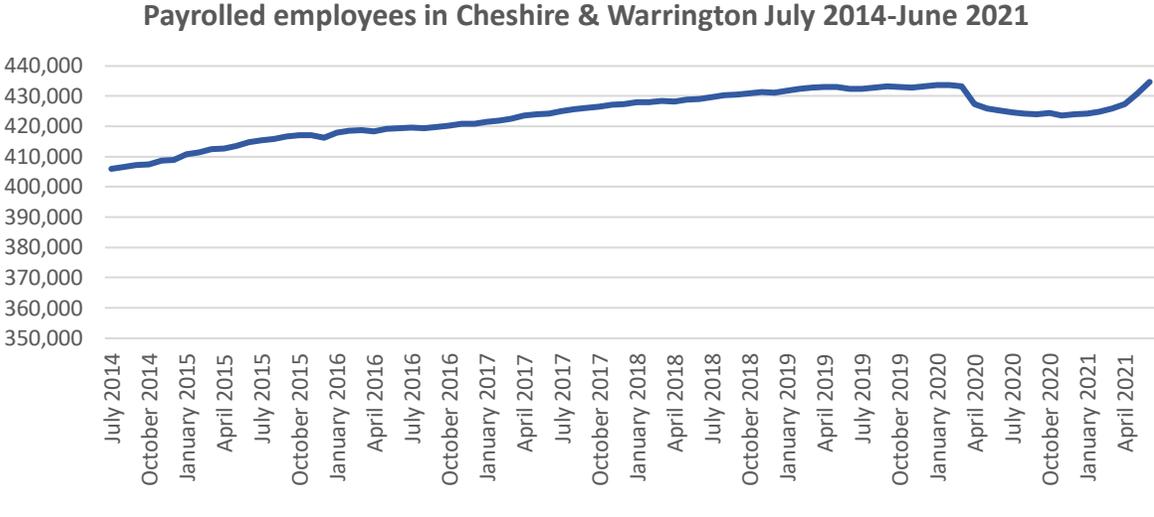
Redundancies in the Northwest are now at pre-pandemic levels following a very sharp peak in redundancies in the autumn coincident with the originally announced date for the end of furlough

Redundancies in the North West 2009-2021



Source: Labour Force Survey

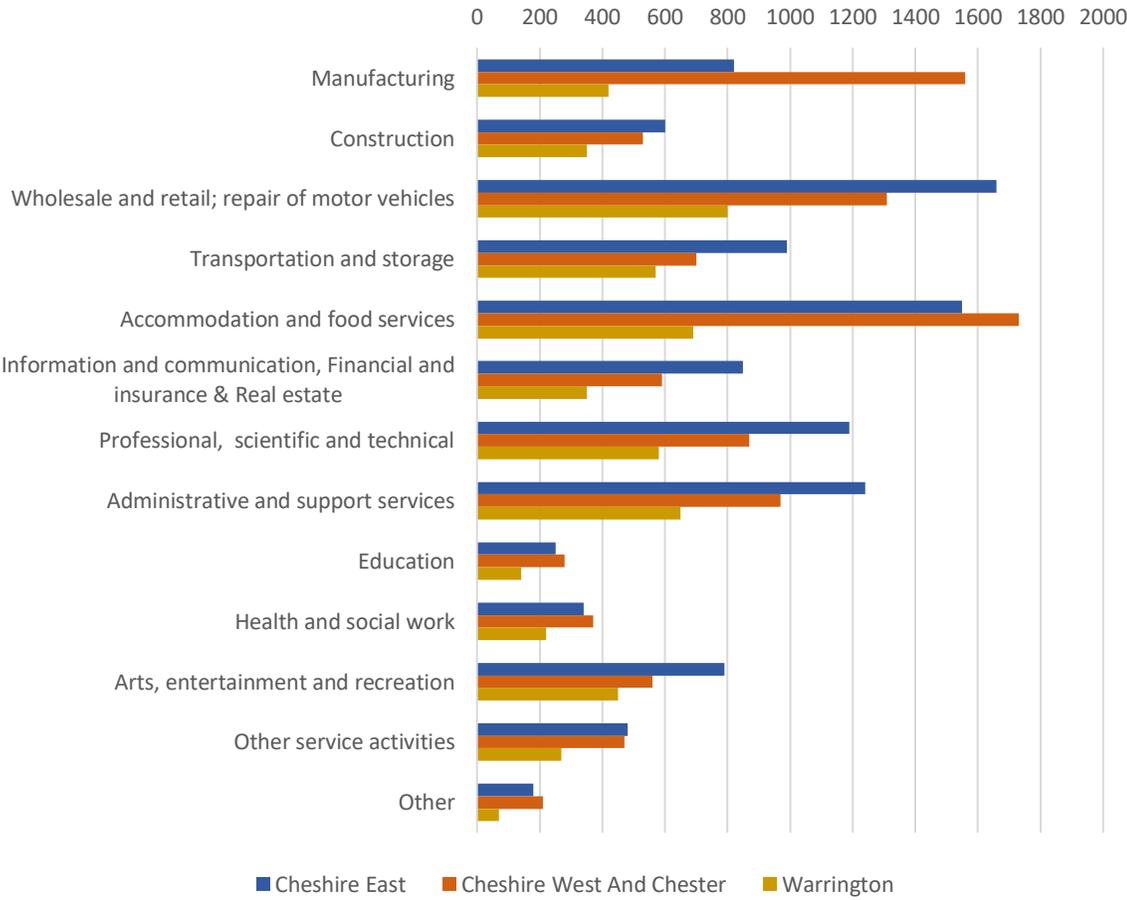
Pay roll numbers in C&W are now *higher (+1k)* than before the pandemic. However, at the end of June 2021, 26,650 employees were still on furlough.



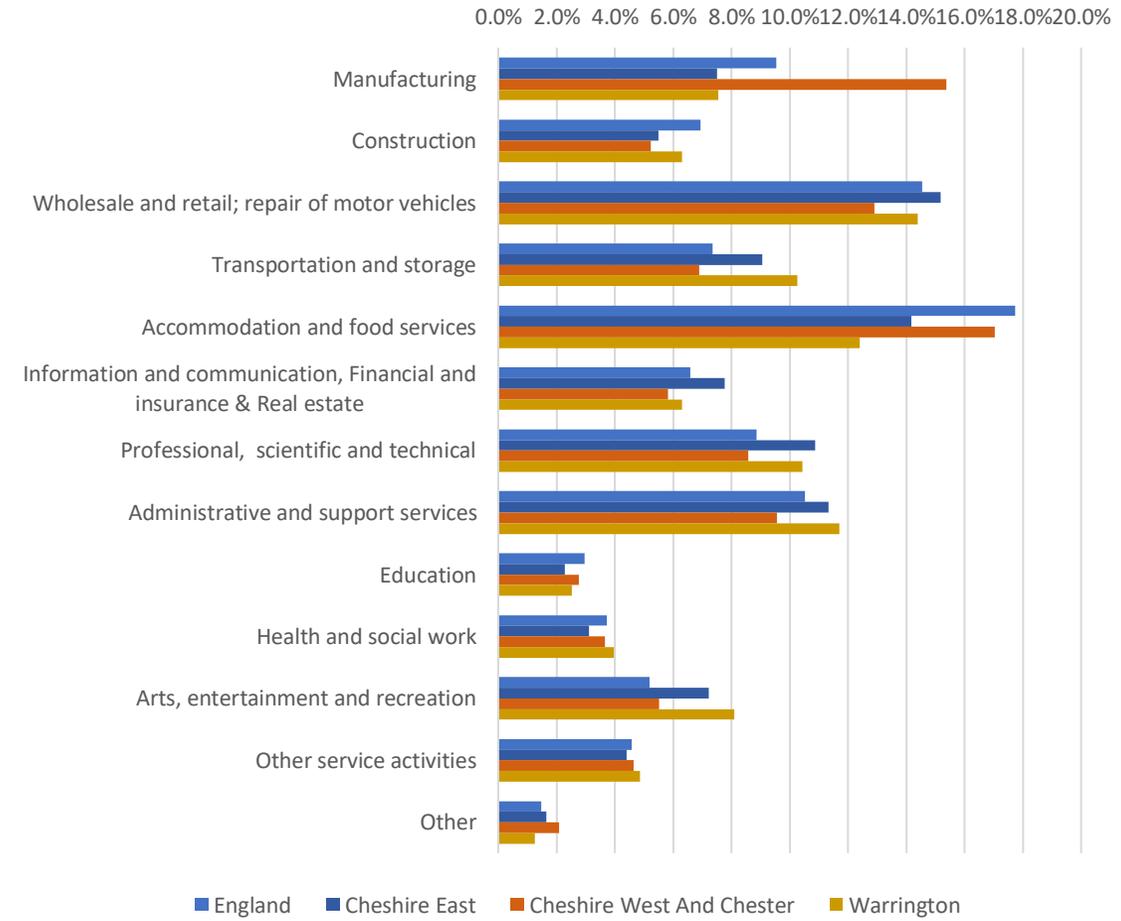
Sources: HMRC PAYE real time information, HMRC CJRS statistics

At the end of June, c4k were still furloughed in accommodation and food services, and in Wholesale and retail in C&W. The proportions on furlough by industrial sector were similar for C&W when compared with England at the end of June. Outliers were Manufacturing in Cheshire West and Chester and Accommodation and food in Warrington.

Residents of C&W local authorities on furlough by sector end of June 2021



Percentage of the workforce on furlough by sector, local authorities and England, end of June 2021



Source: HMRC

Official data on self-employment in C&W is quite old but showed a decrease of c6k in self-employment in the first 9 months of the pandemic. By May 2021 over 18k (slightly less than half of those eligible in C&W) were claiming self-employment income support.



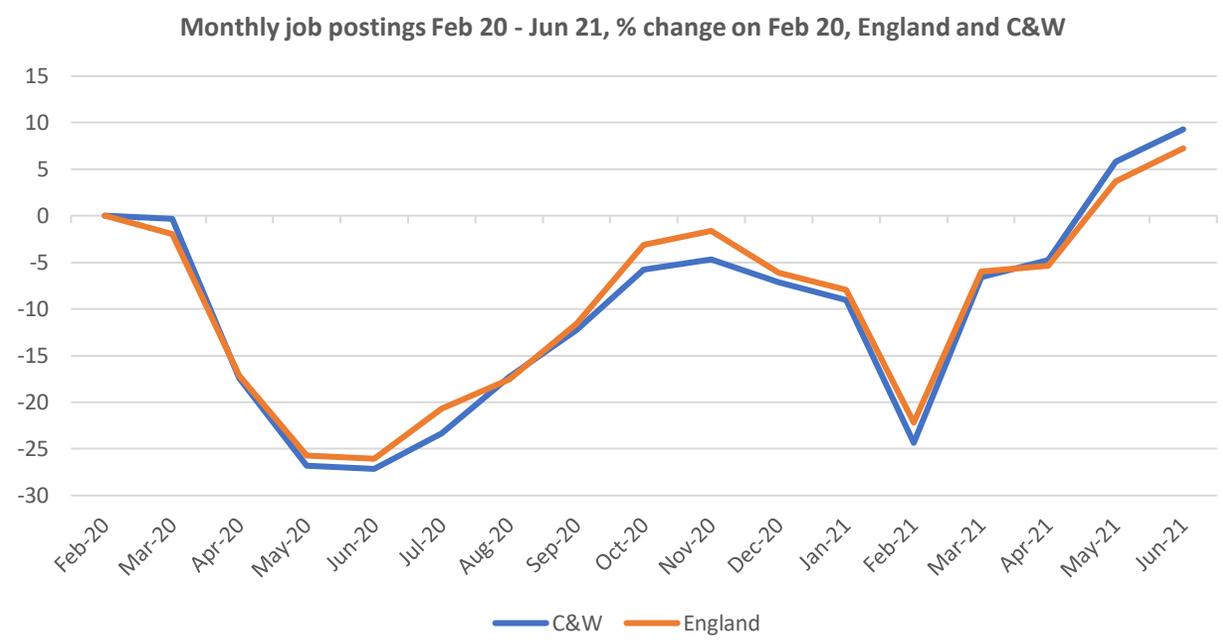
SEISS take-up UK and C&W local authorities 9/5/21					
County and district / unitary authority	Total potentially eligible population	Total no. of claims made	Total Take-Up Rate	Male Take-Up Rate	Female Take-Up Rate
Cheshire East UA	17000	7500	44%	43%	45%
Cheshire West And Chester UA	14200	6800	48%	47%	48%
Warrington UA	7900	4100	51%	52%	50%
United Kingdom	3364000	1680000	50%	52%	46%

Source: HMRC SEISS Statistics, June Release

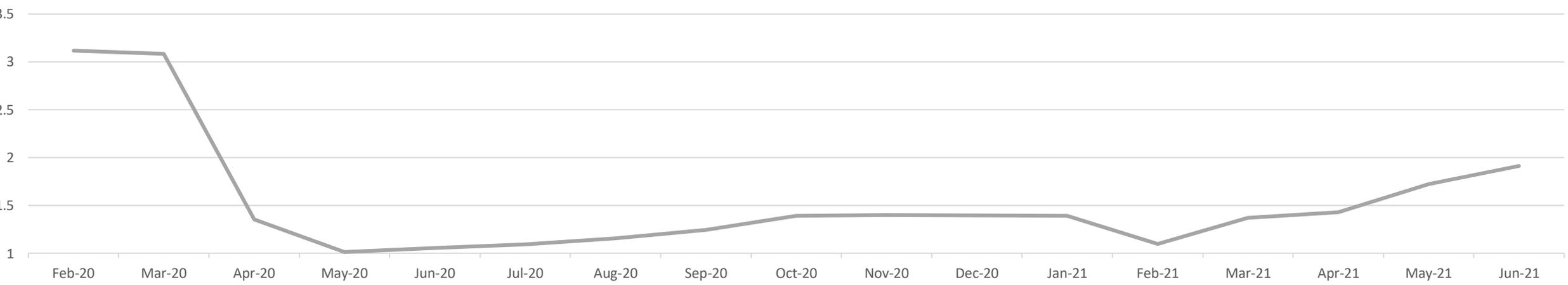
Analysis by Resolution Foundation suggests that the national labour market is quite slack. The Bank of England has a similar view. Local data suggests that this is also the case in C&W, although there are likely to be sectoral bottlenecks.



Source: RF analysis of ONS, Labour Market Flows and Adzuna weekly job vacancies. The chart shows the ratio of vacancies to the sum of the number of people moving into work and between jobs. © Resolution Foundation 2021 resolutionfoundation.org



Vacancies per claimant in Cheshire and Warrington, Feb 20 - Jun 21



Sources: Resolution Foundation, EMSI Job Postings, StatXplore

May/June 2021 saw high levels of demand from employers in C&W for roles in health and care, ICT, hospitality, and logistics. Users of the Opportunities Portal searched most for roles in administration; health and care; logistics; and retail.

Job Postings >500 in June 21 in C&W, posting intensity and monthly change May-Jun 21

Occupation	Jun 2021 Unique Postings	Avg. Posting Intensity	% Change
Total Across All Occupations	44915	8 : 1	3%
Nurses	2071	17 : 1	-2%
Sales accounts and business development managers	1473	7 : 1	2%
Care workers and home carers	1279	10 : 1	-3%
Programmers and software development professionals	1180	10 : 1	-2%
Book-keepers, payroll managers and wages clerks	1166	9 : 1	7%
Elementary storage occupations	993	8 : 1	12%
Van drivers	909	6 : 1	8%
Chefs	850	6 : 1	10%
Other administrative occupations n.e.c.	837	7 : 1	10%
Primary and nursery education teaching professionals	822	7 : 1	0%
Business sales executives	795	7 : 1	11%
Human resources and industrial relations officers	766	7 : 1	3%
Finance and investment analysts and advisers	739	8 : 1	2%
Cleaners and domestics	728	6 : 1	13%
Metal working production and maintenance fitters	720	8 : 1	8%
Kitchen and catering assistants	700	6 : 1	12%
Business and financial project management professionals	691	7 : 1	2%
Sales and retail assistants	588	6 : 1	5%
Teaching assistants	571	6 : 1	7%
Business and related associate professionals n.e.c.	554	7 : 1	5%
Customer service occupations n.e.c.	547	8 : 1	13%
Science, engineering and production technicians n.e.c.	520	7 : 1	3%
Civil engineers	501	7 : 1	-2%

Source: EMSI Analyst (23/7/21)

What opportunities are being searched for by individuals (>40 searches)

Search category	Users
Admin/Administration/Administrator/Office/admin	249
Healthcare Nurse Care Nursing Home Support Medicine Medical Carer Outpatients OT Dental Mental health/ Healthcare Nurse Care Nursing Home Support Medicine Medical Carer Outpatients Occupational Therapist	181
Driving Warehouse Operative HGV LGV Driver Delivery Courier Supply Pickers Packaging Transport/Warehouse/Driver/Driving	122
Retail/retail	92
IT, developer, digital, analyst, coder, project manager, HTML, software, computer web systems analyst/IT/It/ IT, developer, analyst, coder, project manager, HTML, software/ it, developer, digital, analyst, coder, project manager, html, software, computer web systems analys	86
manufacturing engineering engineer process plant machine metal electrical electronic/ engineering manufacturing/ engineering/Engineering	85
Biomedical Biotechnologist Biochemist Microbiologist Pharmacist Toxicologist Scientist Laboratory/ biomedical biotechnologist biochemist microbiologist pharmacist toxicologist scientist laboratory	74
finance investment accounts banking business administrator professional customer business advisor ac/Finance	70
Construction/ construction building trades electrical electronic production manager architect town planner operative/Construction	50
Education/School	40

Source: Opportunities Portal MI May 21, aggregation of relevant searches with >10 instances

In May/June in C&W, jobs posting data suggests that the hardest to fill vacancies were in health and care, ICT, and science roles, with high average posting intensities for skills linked to nursing/care and ICT in particular. Interest from individuals seems to be reasonably aligned with this employer demand, with most individuals seeking information about health and social care, digital and technology and life sciences.

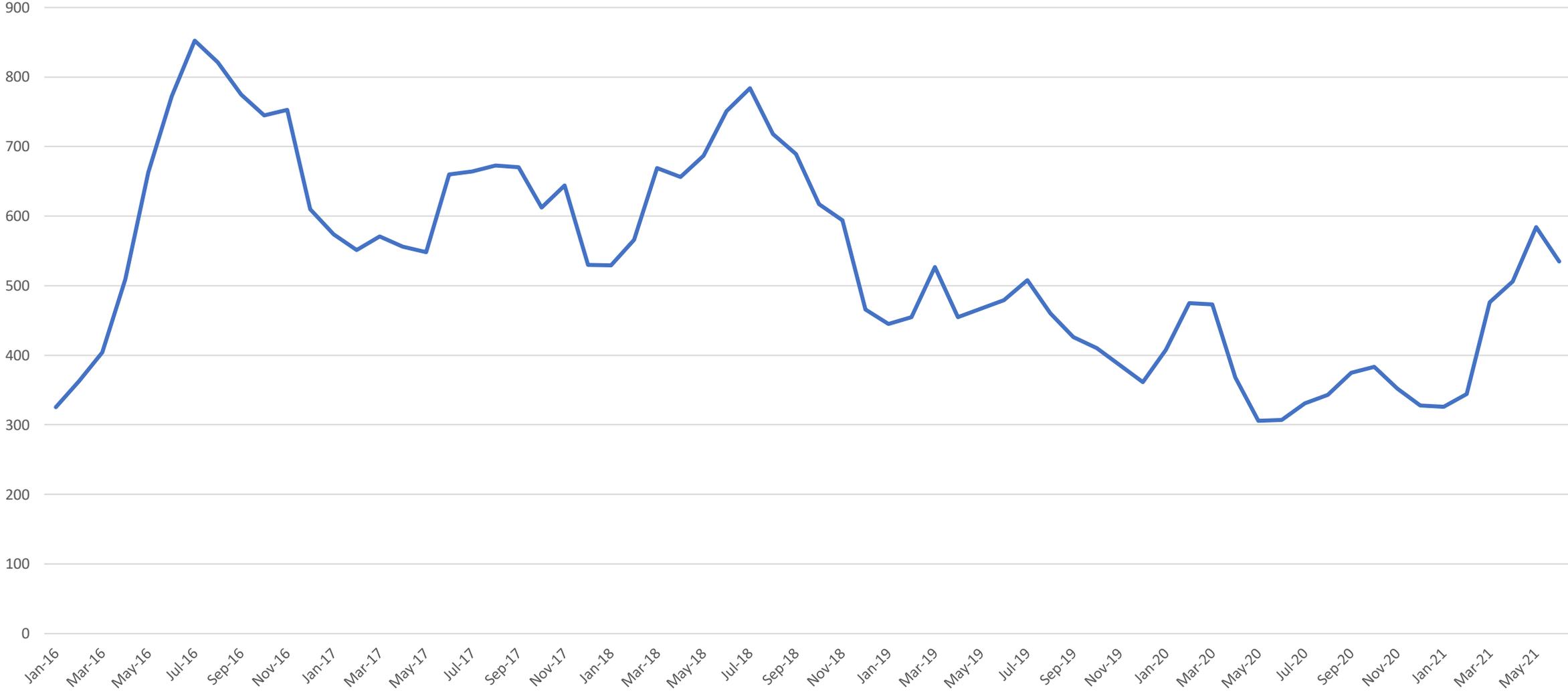
Job postings >200 in C&W with posting intensity above average, May-June 2021			
Occupation	Unique Postings	Average Posting Intensity	Median Hourly Wages
Natural and social science professionals n.e.c.	222	18 : 1	18.36
Nurses	2777	17 : 1	18.11
Teaching and other educational professionals	251	14 : 1	16.62
Residential, day/domiciliary care managers/proprietors	404	11 : 1	17.24
Senior care workers	221	11 : 1	10.80
Design and development engineers	405	10 : 1	20.64
Programmers and software development professionals	1516	10 : 1	21.46
Authors, writers and translators	219	10 : 1	15.70
Care workers and home carers	1775	10 : 1	9.68
Production and process engineers	280	9 : 1	19.83
IT business analysts, architects and systems designers	305	9 : 1	22.31
Web design and development professionals	613	9 : 1	14.77
Research and development managers	208	9 : 1	20.98
Quantity surveyors	342	9 : 1	23.46
Quality assurance and regulatory professionals	400	9 : 1	20.89
Book-keepers, payroll managers and wages clerks	1502	9 : 1	12.14
Total Across All Occupations	58953	8 : 1	14.01
<i>Source: EMSI Analyst (23/7/21)</i>			

Skills sought in C&W with posting intensity above 10:1, May-June 2021		
Skill or Qualification	Unique Postings	Avg. Posting Intensity
Nursing	1726	17 : 1
Compassion	1104	13 : 1
.NET Framework	645	12 : 1
Pharmaceuticals	1317	11 : 1
SQL (Programming Language)	1156	11 : 1
C# (Programming Language)	818	11 : 1
Learning Disabilities	681	11 : 1
Agile Methodology	1451	10 : 1
Mental Health	1368	10 : 1
Personal Care	1158	10 : 1
Risk Analysis	1108	10 : 1
JavaScript (Programming Language)	891	10 : 1
Cascading Style Sheets (CSS)	600	10 : 1
Software Development	595	10 : 1
<i>Source: EMSI Analyst (23/7/21)</i>		

What sector pages are being visited by individuals (ranked)
Health and Social Care
Digital and Technology
Life Sciences
Finance and Business Services
Energy
Logistics and Distribution
Manufacturing
<i>Source: Opportunities Portal MI May 21</i>

Job postings for apprenticeships in C&W have seen a recent sharp increase and the figures for June 2021 are slightly higher than for June 2019.

Job postings for apprenticeships in C&W 2016-2021



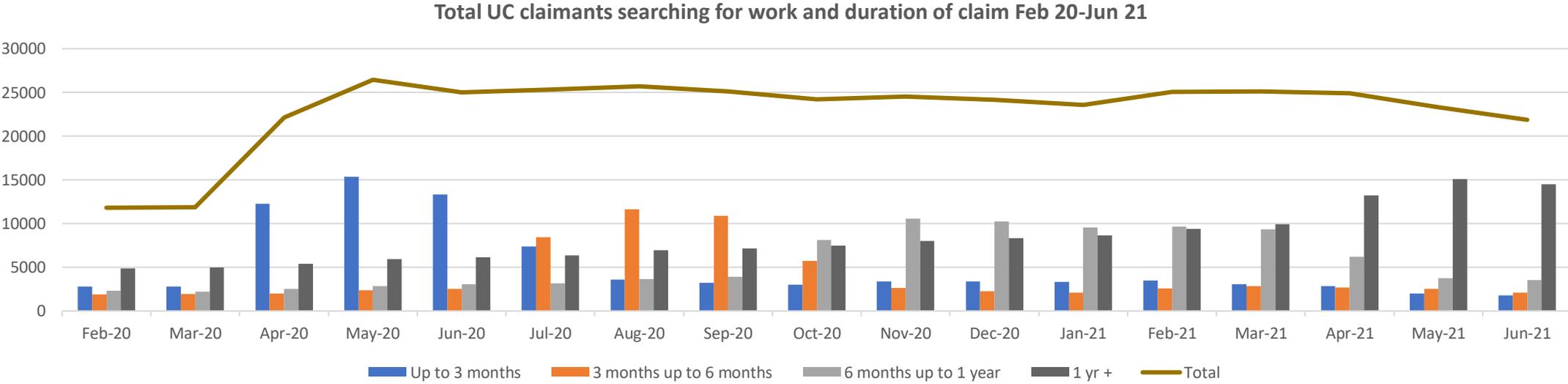
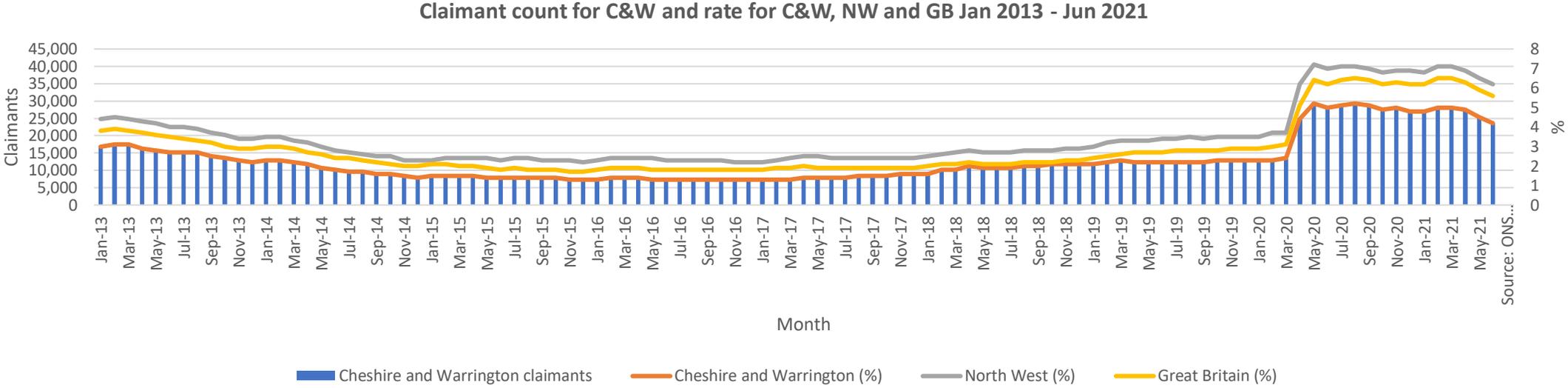
Source: EMSI Analyst

Job postings for C&W suggest that most apprenticeship opportunities are in admin occupations, logistics and hospitality roles. Admin roles also rank highly in learner searches on the Opportunities Portal. Logistics and hospitality do not.

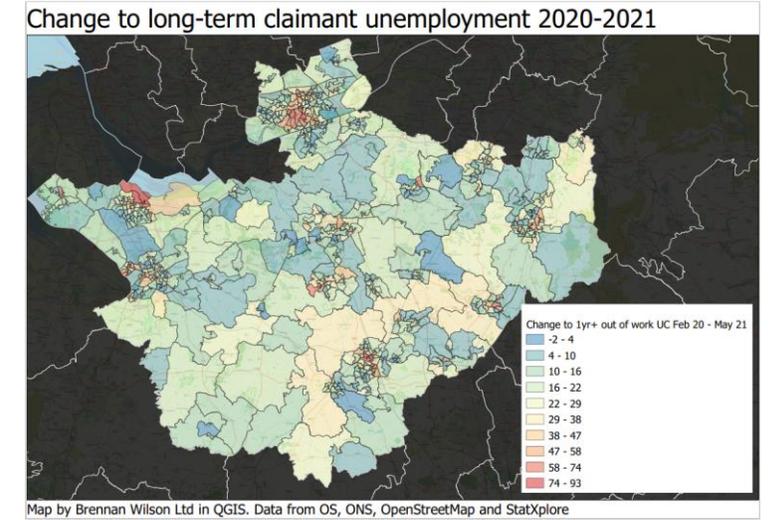
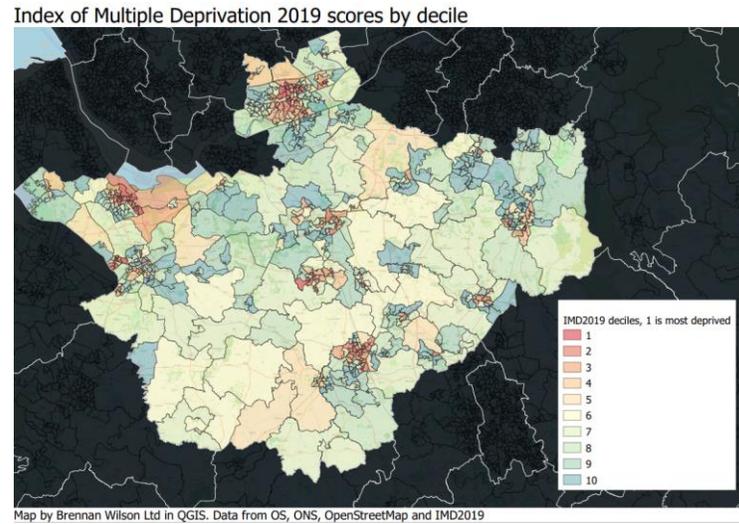
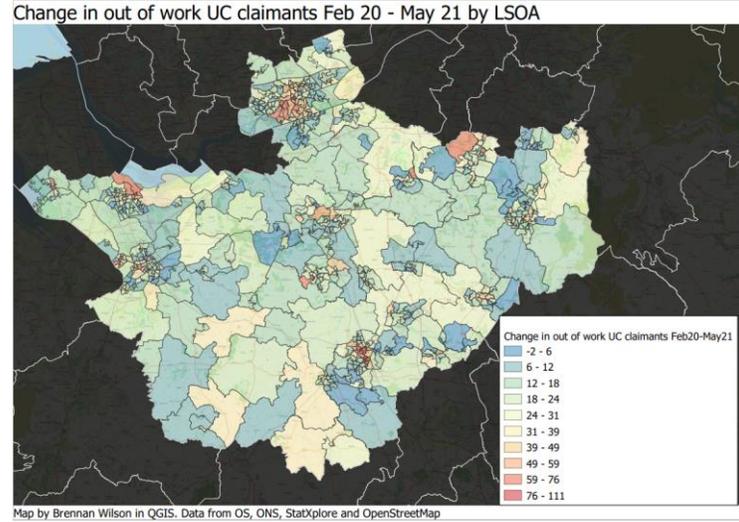
Postings for apprenticeships in C&W >10 unique postings in June 2021		
SOC	Occupation	Unique Postings
4159	Other administrative occupations n.e.c.	46
5434	Chefs	45
1162	Managers and directors in storage and warehousing	31
9272	Kitchen and catering assistants	22
6121	Nursery nurses and assistants	22
3113	Engineering technicians	20
3119	Science, engineering and production technicians n.e.c.	20
3543	Marketing associate professionals	20
3563	Vocational and industrial trainers and instructors	19
4122	Book-keepers, payroll managers and wages clerks	15
3131	IT operations technicians	14
4138	Human resources administrative occupations	12
2136	Programmers and software development professionals	12
4151	Sales administrators	11
2424	Business and financial project management professionals	11
Source: EMSI Analyst		

What apprenticeships are being searched for by individuals (ranked)
Digital Marketing Apprentice
Business Administration Apprenticeship
Tesla Apprentice Technician
Apprentice Quantity Surveyor
Business Administration Apprentice
Apprentice Architectural Technician
Digital Marketing and Social Media Apprenticeship
Engineering Operative Apprenticeship
Accountancy Apprenticeship
Apprentice Support Worker
Training Coordinator Apprenticeship
Apprentice Joiner
Apprentice Land and Engineering Surveyor
Business Admin Apprenticeship within the Consumer Contact Team
Business Administrator Apprentice
Safety Health and Environment Technician Apprentice
Source: Opportunities Portal MI May 21

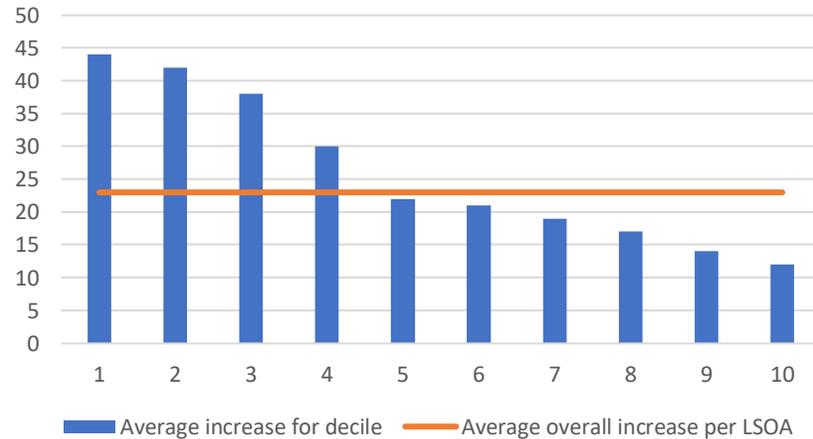
Numbers of claimant unemployed in C&W, whilst still at historically high levels, have seen a recent slight reduction. However, two thirds of UC claimants searching for work have now been claiming for a year or over.



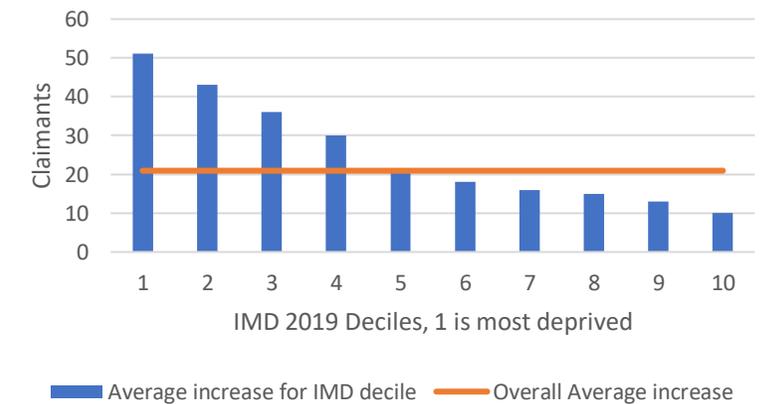
The places with the highest increases in claimant unemployment and in long-term (1yr+) claimant unemployment tend to be the places with high levels of deprivation. The average increase in UC claimants searching for work is almost 4 times higher in the most deprived LSOAs compared to the least deprived, and five times higher for 1yr+ UC claimants seeking work.



Average increase in out of work UC claimants by IMD2019 deciles 2020-2021



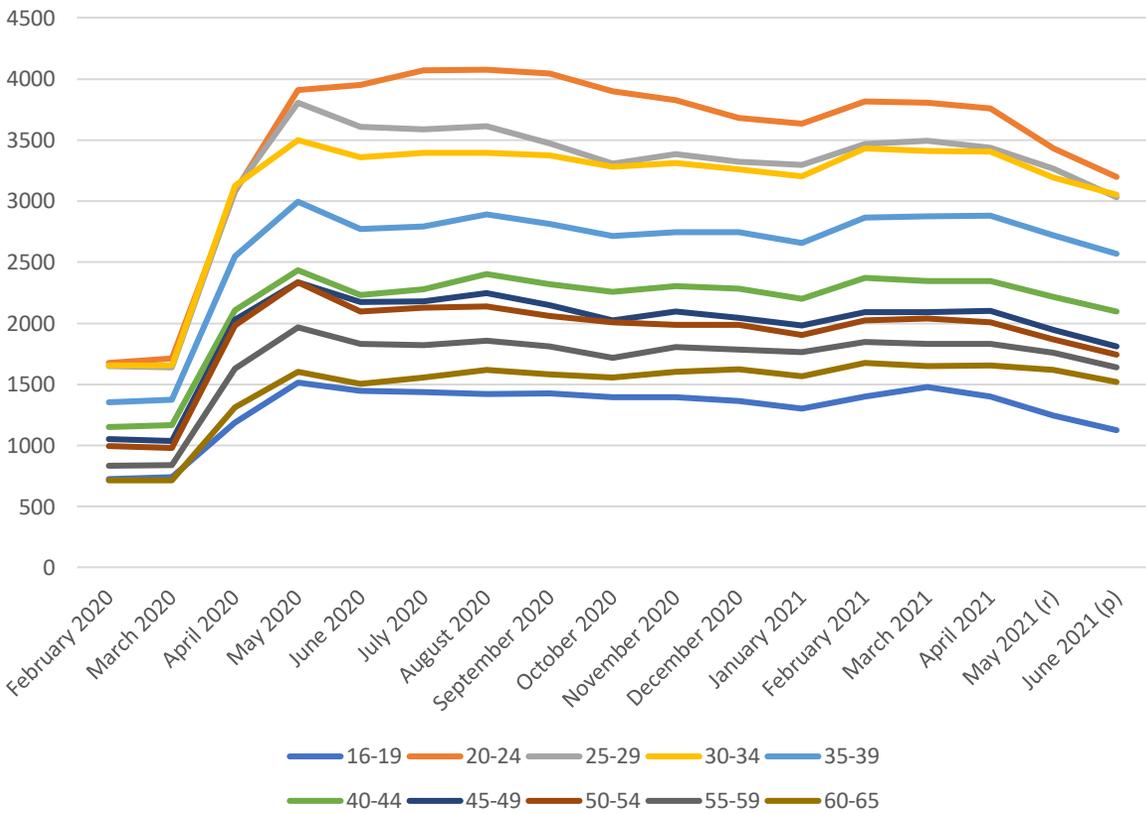
Feb 2020 - May 2021 increase in 12 month+ UC claimants seeking, planning for, or preparing for work in LSOAs by IMD decile



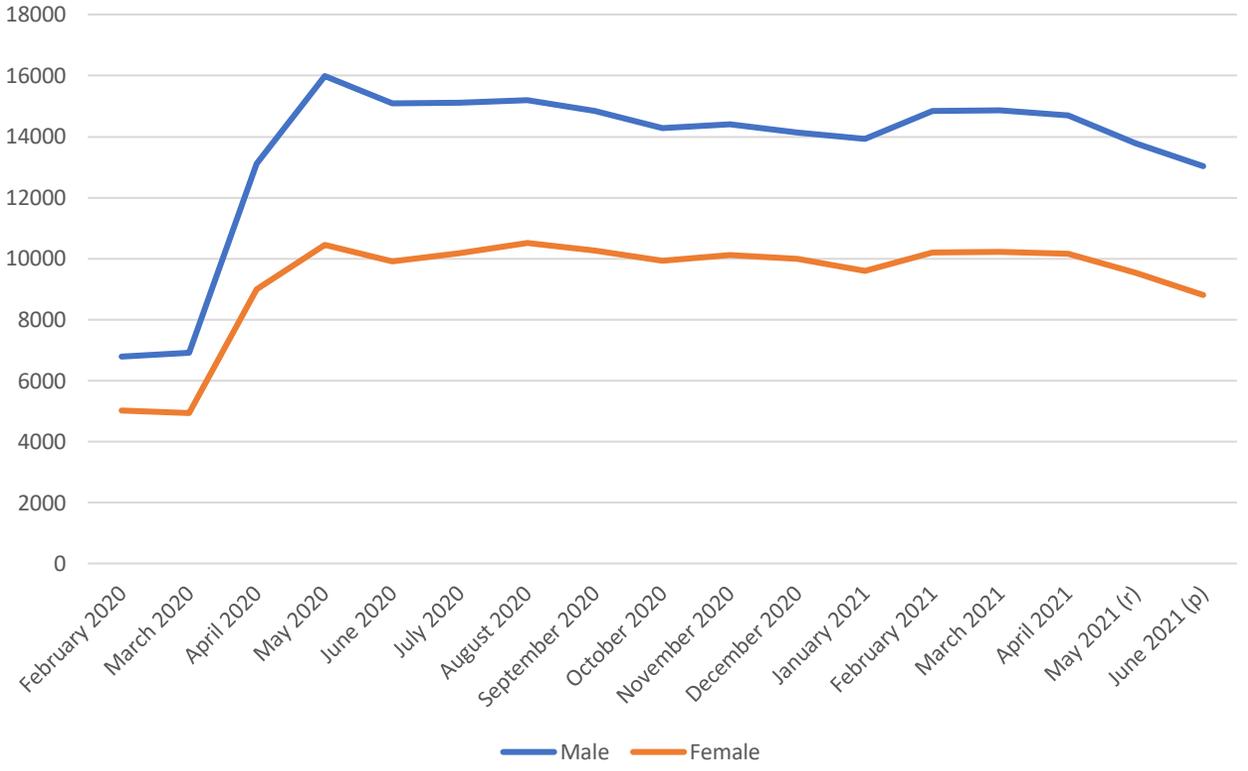
Sources: StatXplore and IMD2019

Slight decreases recently in claimant unemployment for all age groups and both sexes.

UC claimants searching for work Feb 20 - Jun 21 by age

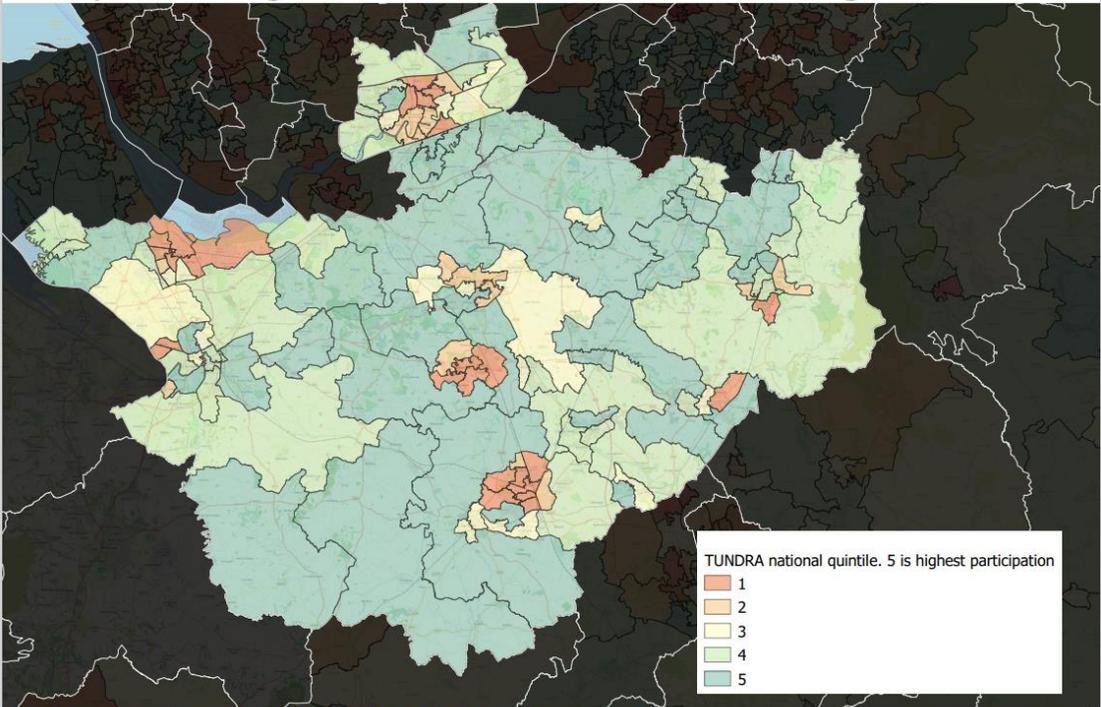


UC claimants searching for work Feb 20 - Jun 21, by gender



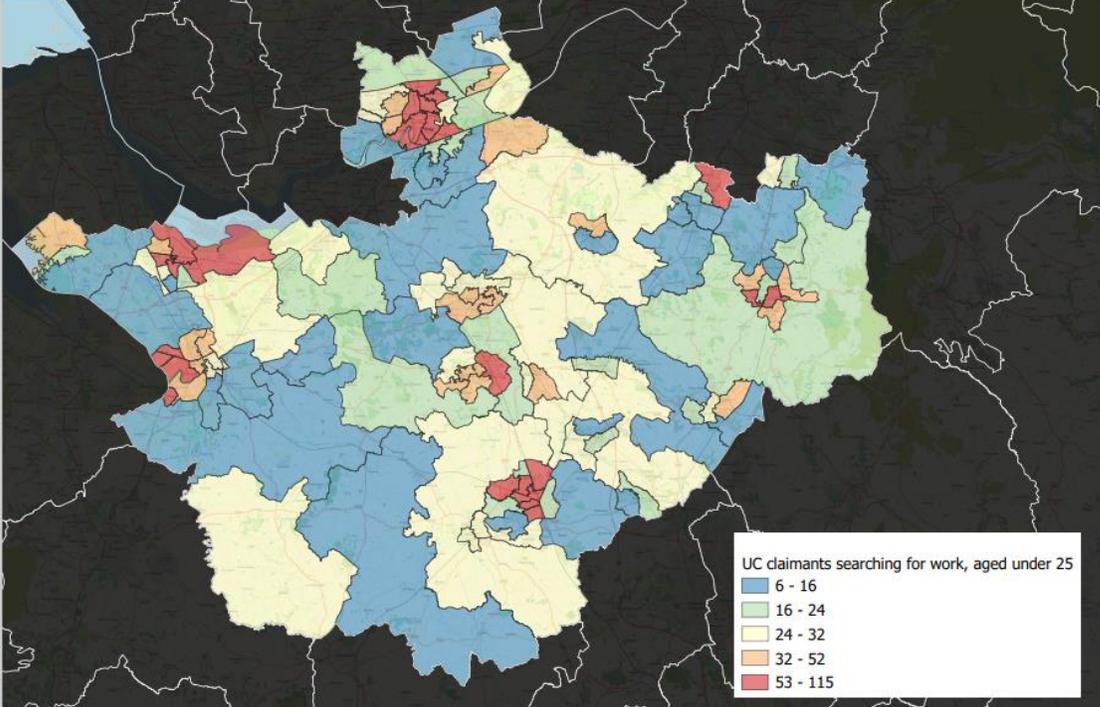
MSOAs with low HE participation rates are often, but not always, coincident with MSOAs with high claimant volumes for those under 25.

Participation in Higher Education in Cheshire and Warrington



Map by Brennan Wilson Ltd in QGIS. Data from OfS, OS and OpenStreetMap

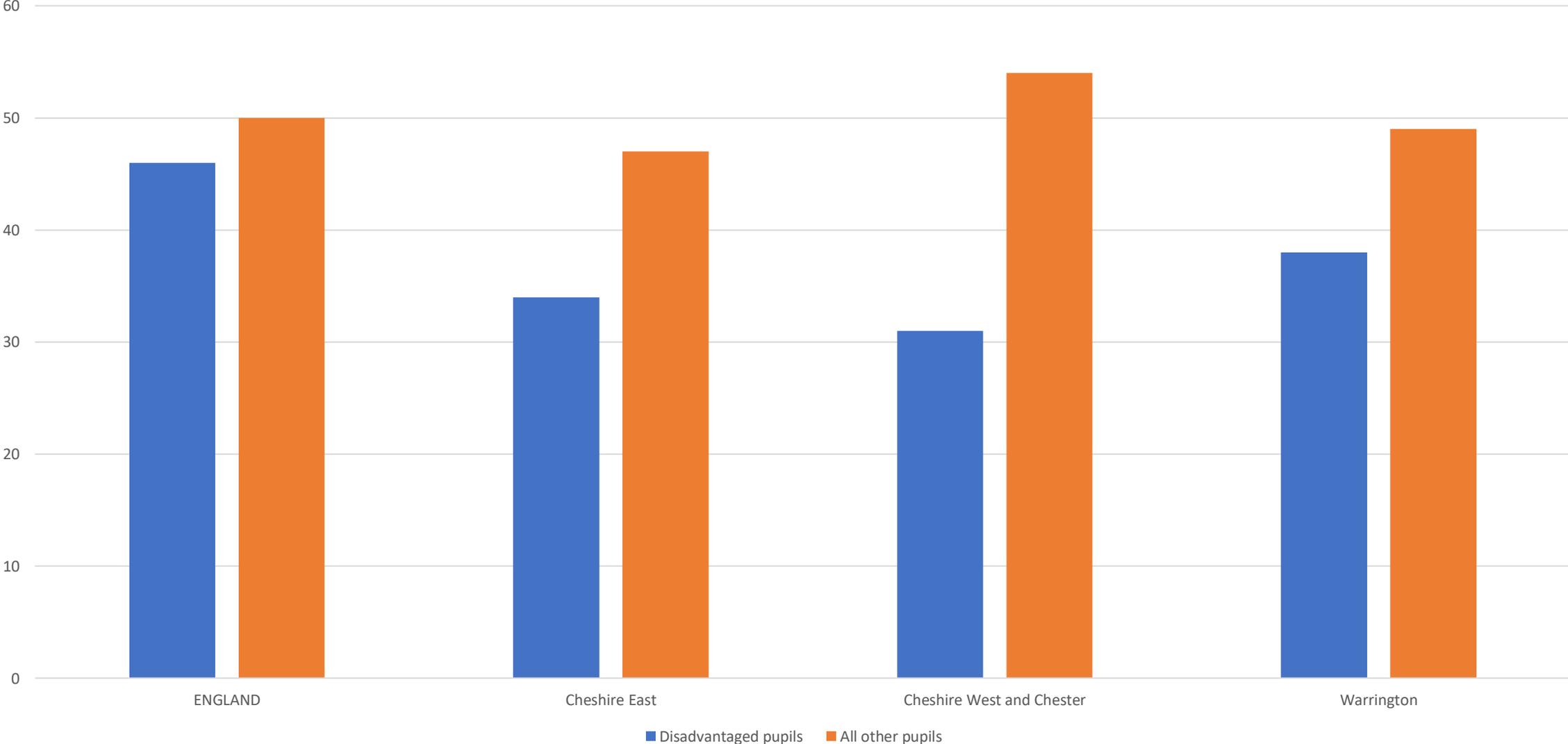
Universal Credit claimants aged under 25 who are searching for work in C&W



Map by Brennan Wilson Ltd in QGIS. Data from StatXplore, OS and OpenStreetMap

Considering 18 yr olds with a Level 3, the FSM HE progression gap is 4% in England, compared with 13% in Cheshire East, 23% in Cheshire West and Chester, and 11% in Warrington

18 yr olds with a level 3 that progress to HE (FSM/non-FSM), C&W local authorities and England



Going into the pandemic, the proportion eligible for FSM had increased by 58%, 69% and 79% since 2015/16 in Cheshire West and Chester, Cheshire East and Warrington respectively compared with a 37% increase in England

% eligible for Free School Meals in C&W 2015/16 - 2020/21

