

Suffolk Economy & Employment Update September 2022



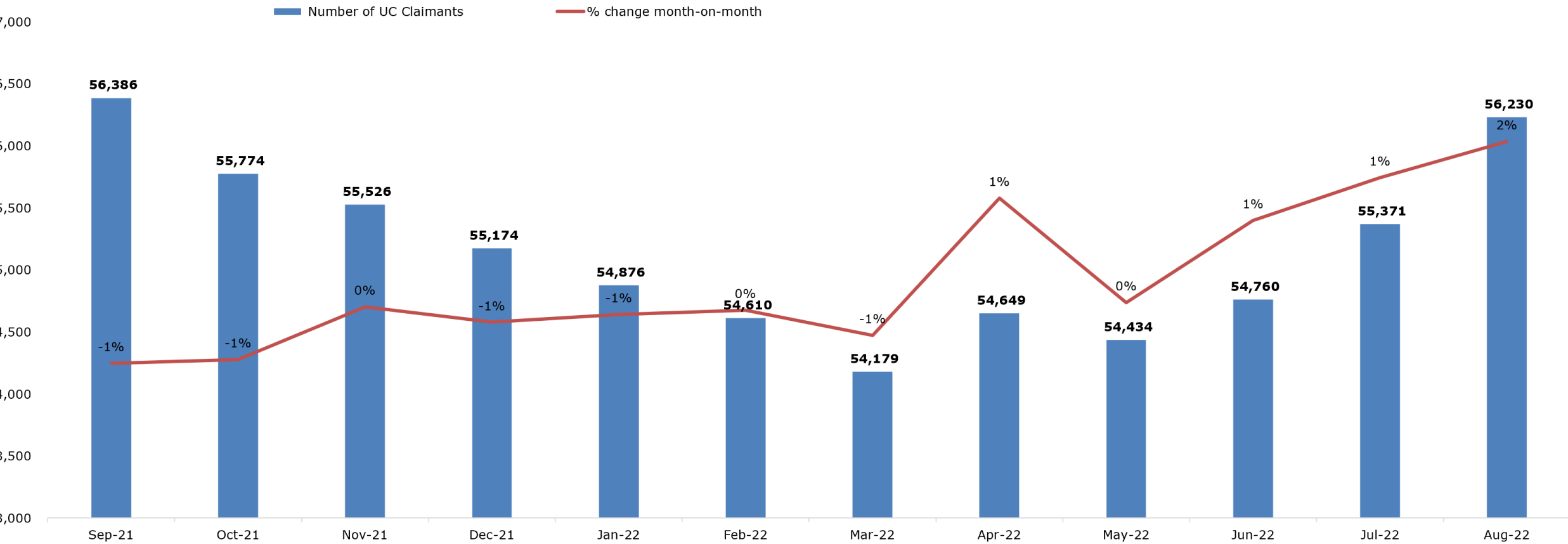
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Key Findings

- In May 2022, around 2.8% of 16-64s were classed as unemployed across Suffolk. However, these averages mask local differences, with Alternative Claimant Count numbers ranging in different wards from 0.6% to 6.8% of the total 16-64 population.
- In August 2022, 12.7% of all 16-64s were claiming Universal Credit, with the proportion of those in employment compared to those not in employment continually increasing.
- Traditionally, wages have been lower across Suffolk than nationally. The median weekly gross pay gap in 2021 was £39.
- According to data from the Citizen's Advice Bureau, the number of people unable to top up their prepayment electricity meters in January to July 2022 was nearly 3 times higher than the same period in 2021.
- In July 2022, the CPI measure of annual inflation was at 10%. Road fuel costs have increased at a much faster rate, with diesel fuel costing 41% more than one year previously.
- Over the past year (based on latest available data), Nursing & Care job postings dominated the Suffolk employment market – with 8,238 unique job postings between September 2021 and August 2022. Top 5 skills referenced in job postings in August 2022 were communications, customer service, management, sales and detail oriented.
- Recent analysis by Lightcast looked at the strength and weaknesses of local economies. This showed, for example, that while Real Estate is a growing sector nationally, it is not as abundant or strong in Suffolk, so could represent an opportunity for growth. Equally, while Agriculture, Forestry & Fishing is a shrinking industry nationally, it is strong in Suffolk, which could be a risk as demand is declining.

In August 2022, there were 56,230 Universal Credit claimants in Suffolk, which equates to 12.7% of the total 16-64 population.

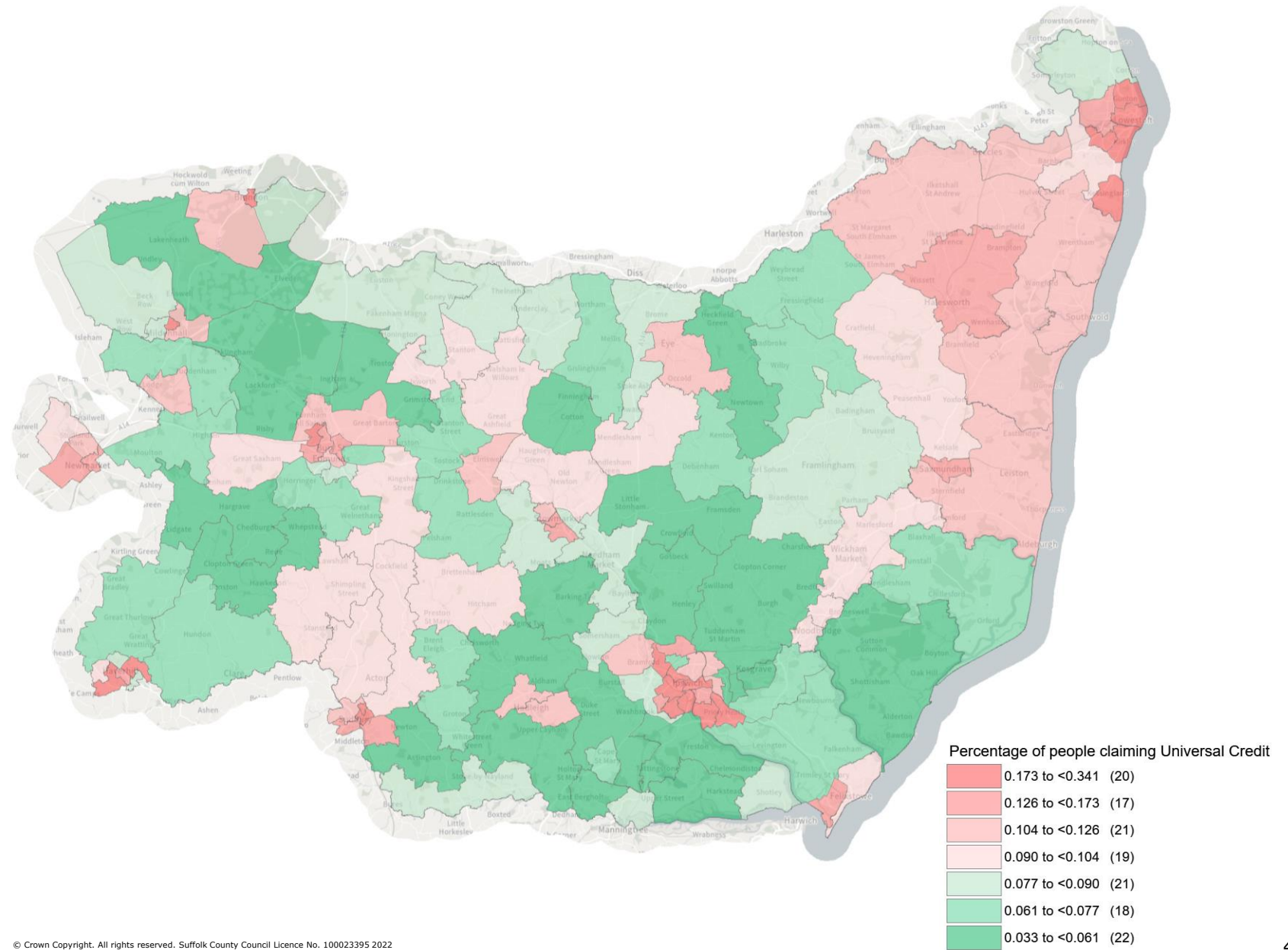
Number of Universal Credit Claimants and % change (vs. previous month), Suffolk, Sep 21 – Aug 22
(Source: DWP, People on Universal Credit)



This map shows the proportion of people in the 16-64 age range who are claiming universal credit, at ward level.

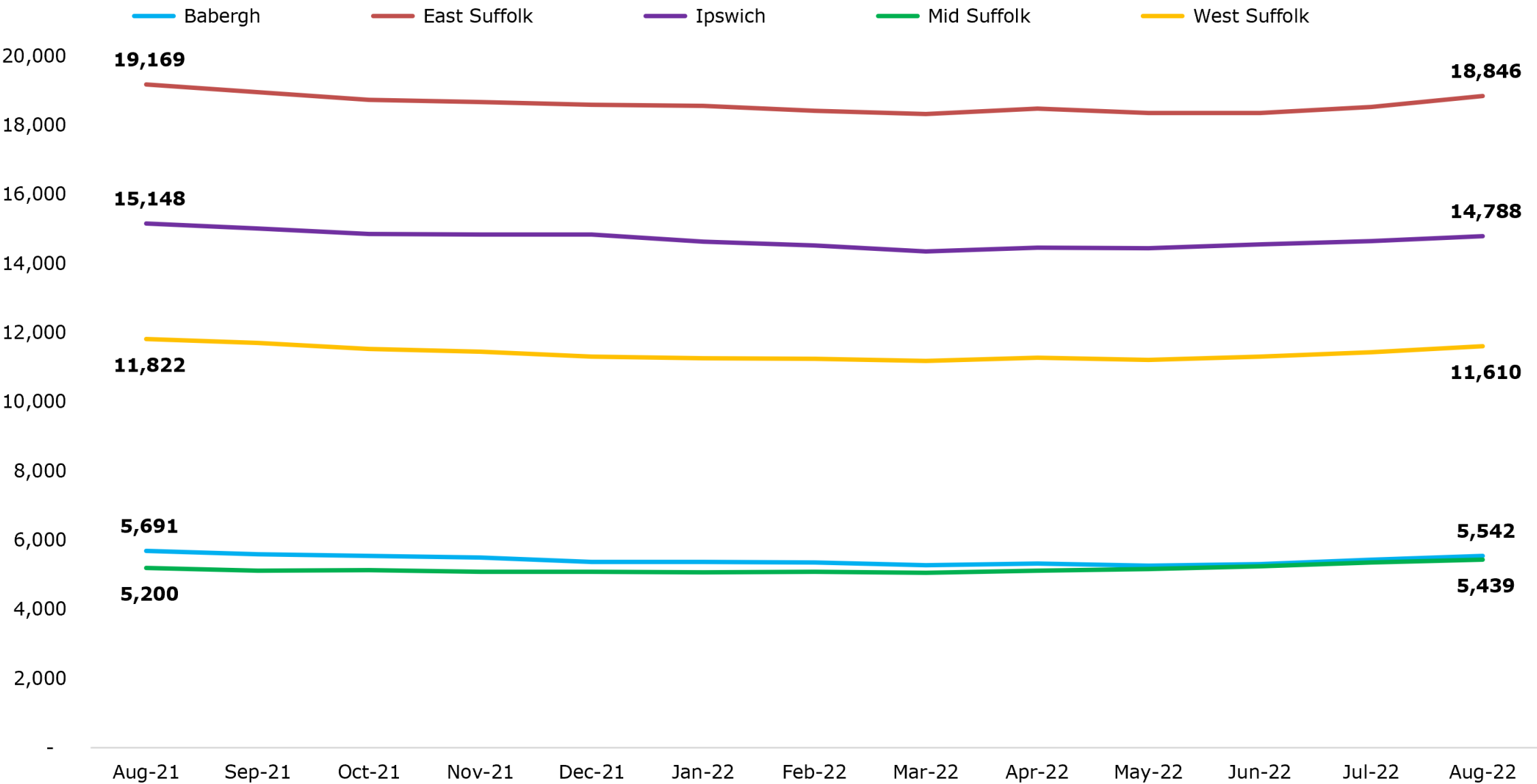
There are higher proportions of universal credit claimants in East Suffolk, as well as a concentration in the larger towns, such as Ipswich, Lowestoft, Felixstowe, Haverhill and Bury St Edmunds.

Proportion of Universal Credit claimants, June 2022
(Source: DWP, People on Universal Credit; ONS Population Estimates 2020)



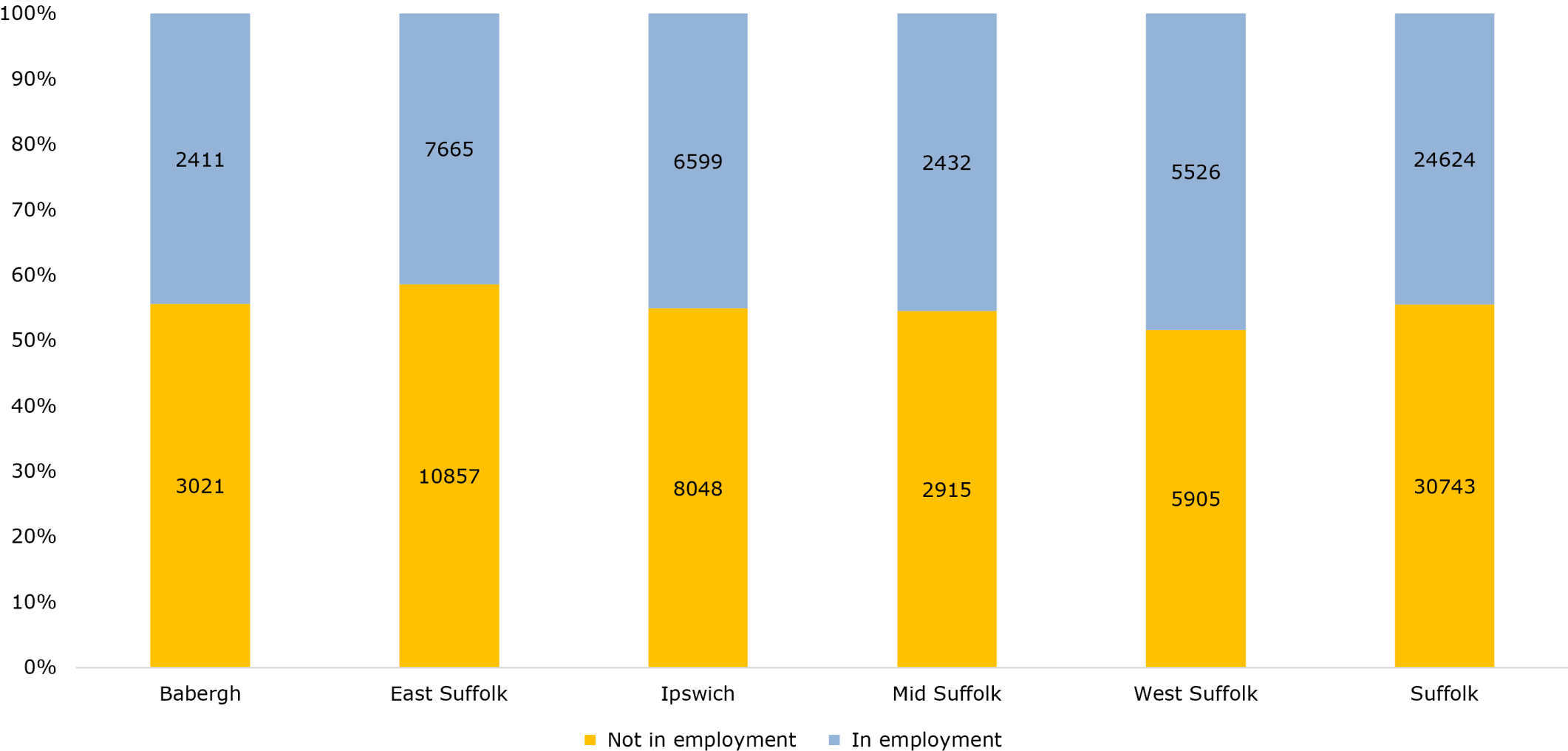
The highest number of UC claimants continue to be recorded in East Suffolk and Ipswich.

Number of Universal Credit Claimants by District, Aug 21 – Aug 22
(Source: DWP, People on Universal Credit)



In July 2022, 24,624 working people were claiming Universal Credit across Suffolk. This means 5.6% of all 16-64s were in claiming Universal Credit whilst in employment.

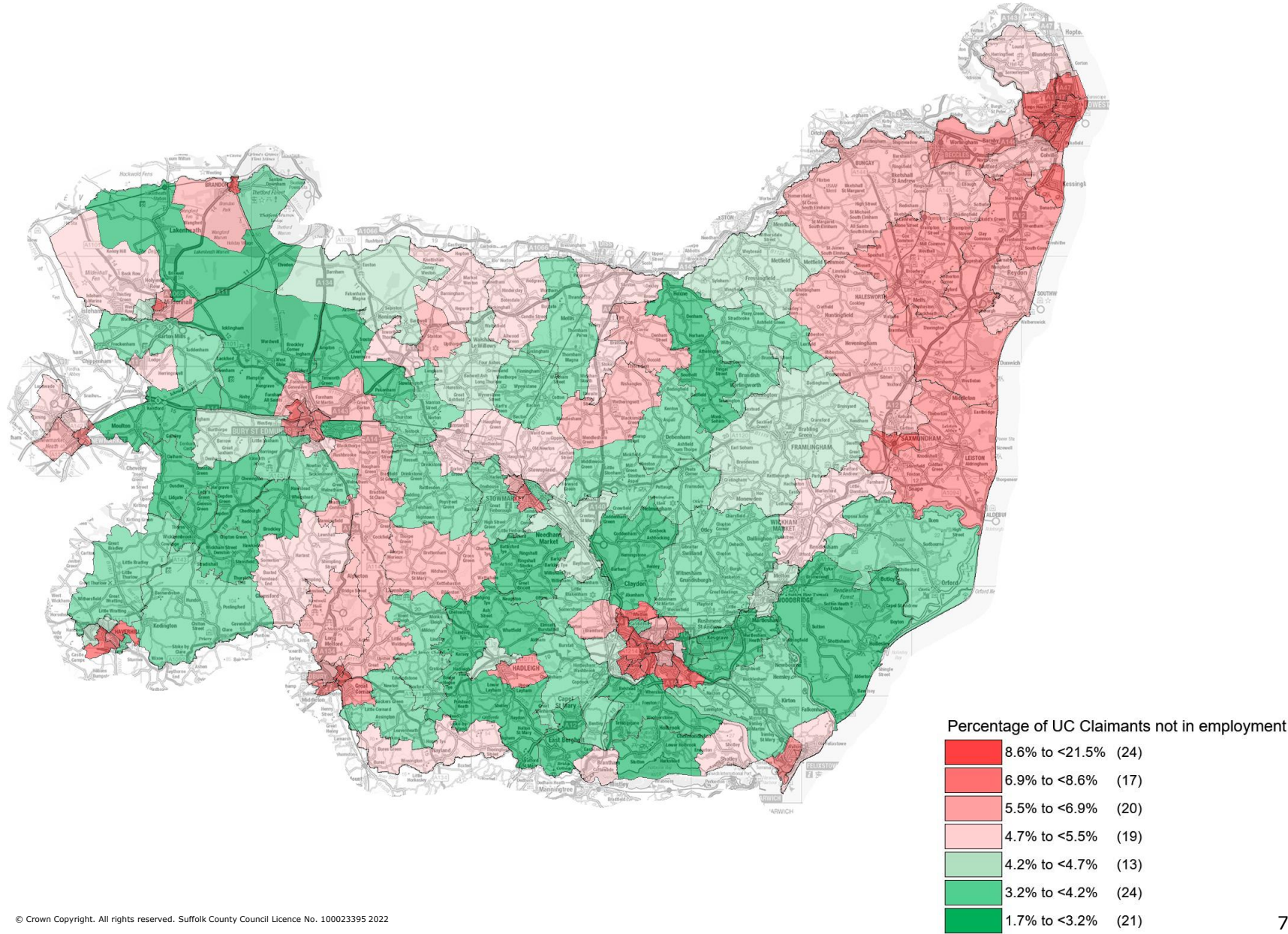
Number and % split of Universal Credit claimants by employment indicator, July 2022
(Source: DWP, People on Universal Credit)



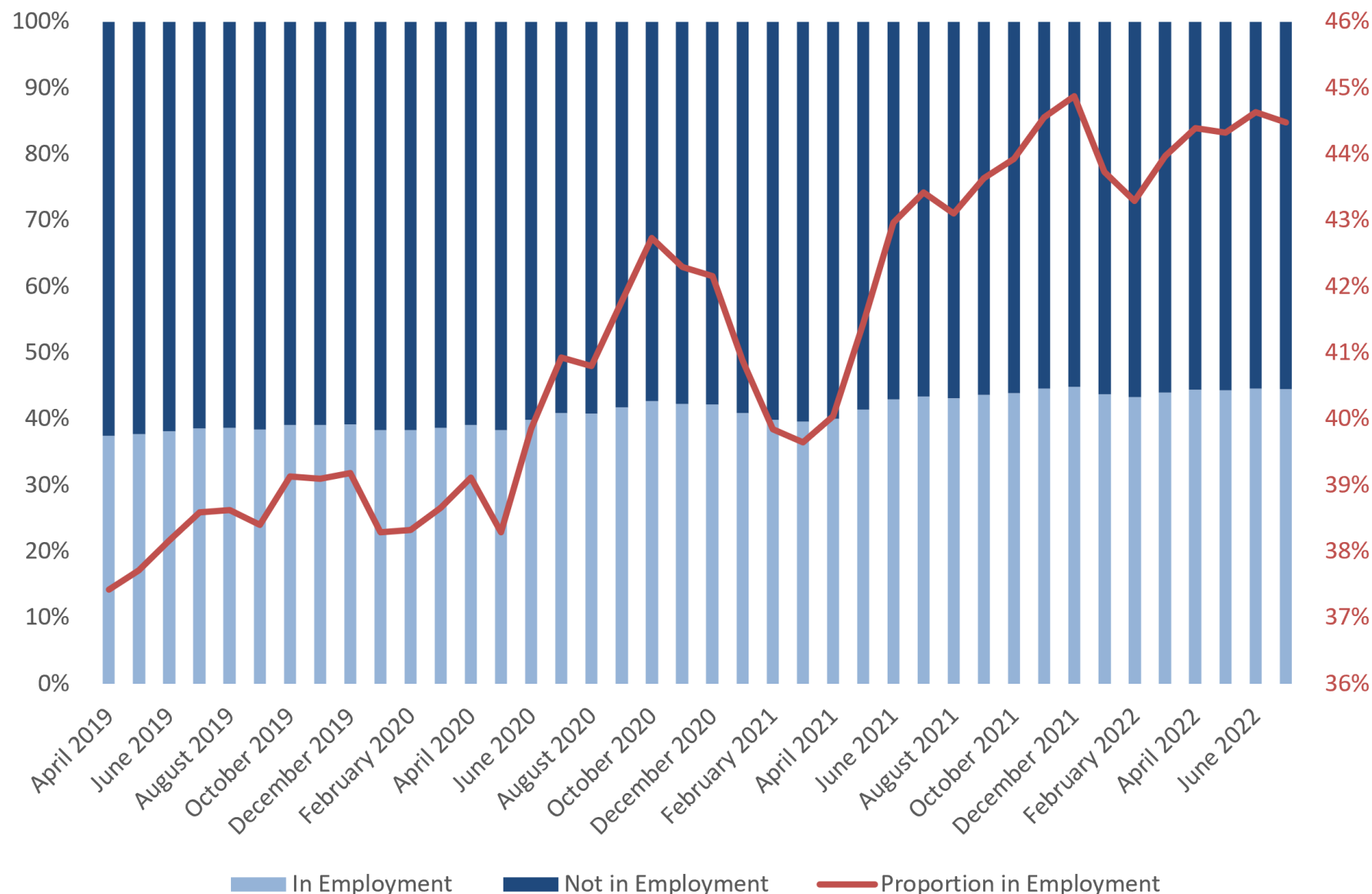
This map shows the proportion of universal credit claimants who are not in employment (in the 16-64 age range) at ward level.

The larger towns (Ipswich, Haverhill, Lowestoft and Brandon) have a greater proportion of universal credit claimants who are not in employment, compared to the rest of Suffolk.

Proportion of Universal Credit claimants not in employment, June 2022
(Source: DWP, People on Universal Credit; ONS Population Estimates 2020)



Universal Credit Claimants – Employment Status, Suffolk, July 2022
(Source: DWP, People on Universal Credit)



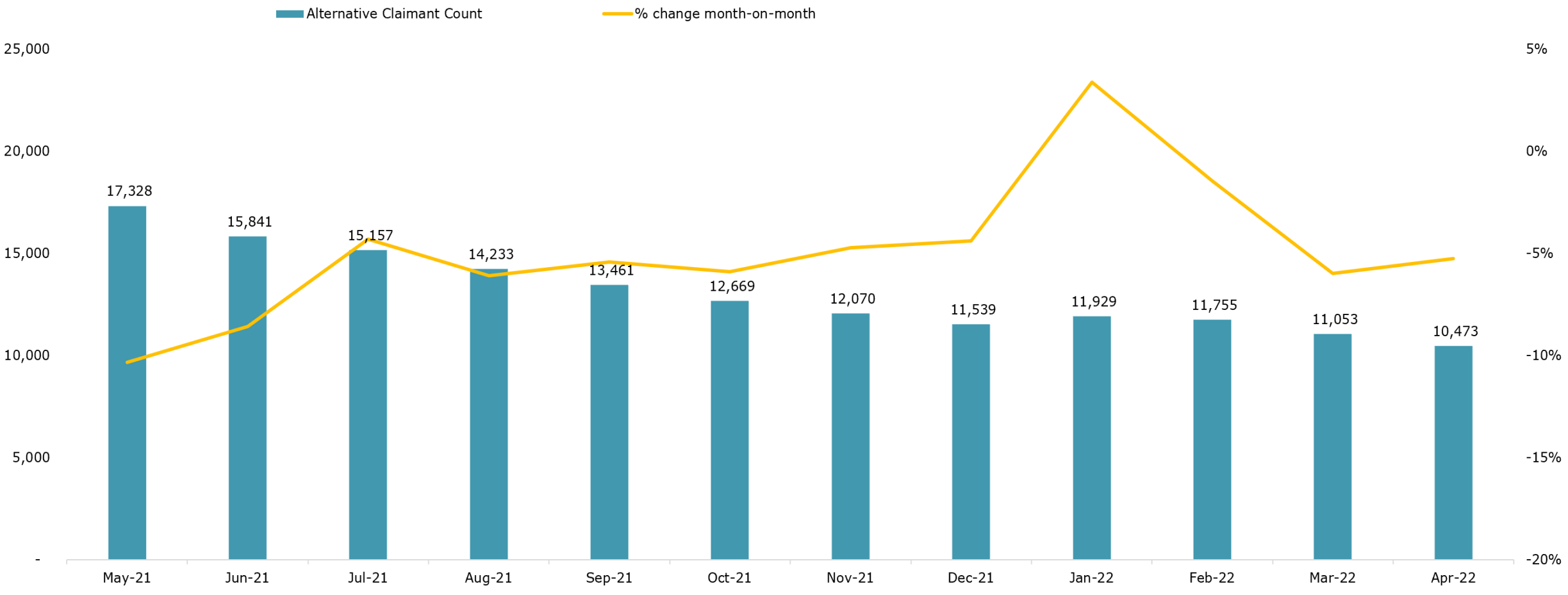
Over time, the proportion of Universal Credit claimants in employment has grown as a total of all Universal Credit claimants.

In April 2019, 37% of Universal Credit claimants were in employment. In July 2022, this figure was around 44%.

This highlights growing in-work poverty, with many not being able to earn enough money whilst in work.

Based on DWP’s Alternative Claimant Count* statistics, there were 10,473 16-64s classed as unemployed by DWP in April 2022, which equates to 2.4% of Suffolk’s total 16-64 population.

Number of people classed as ‘unemployed’ by DWP and % change (vs. previous month), Suffolk, May 21 – Apr 22
(Source: DWP, Alternative Claimant Count)

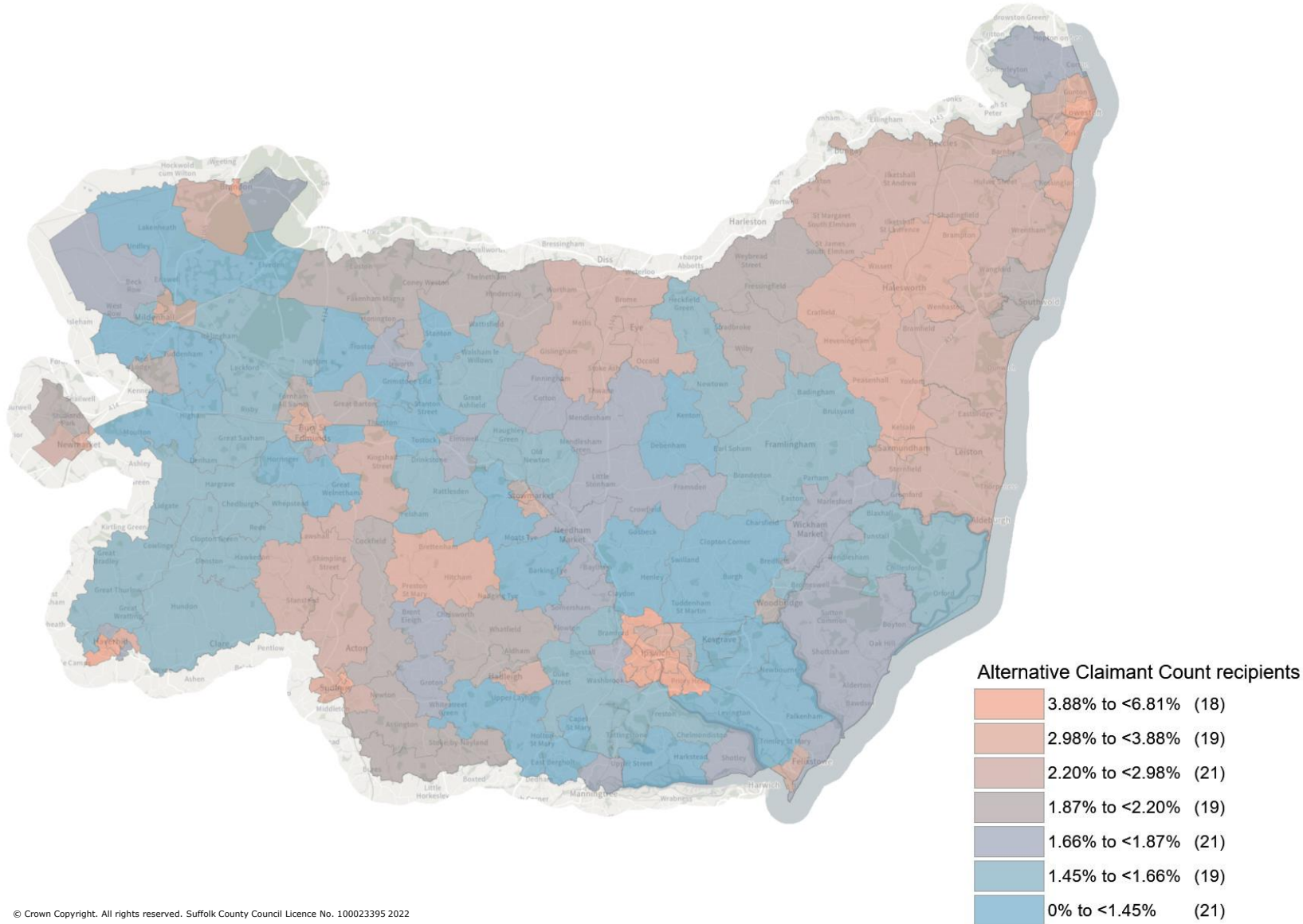


* DWP’s Alternative Claimant Count is currently under evaluation by the UK Statistics Authority and therefore published as Experimental Official Statistics. It provides detailed information about the number of people classed as “unemployed”, under the new Universal Credit regime while also still including anyone on relevant JSA legacy benefits.

The DWP Alternative Claimant Count also provides the number of those classed as unemployed at low geographical levels

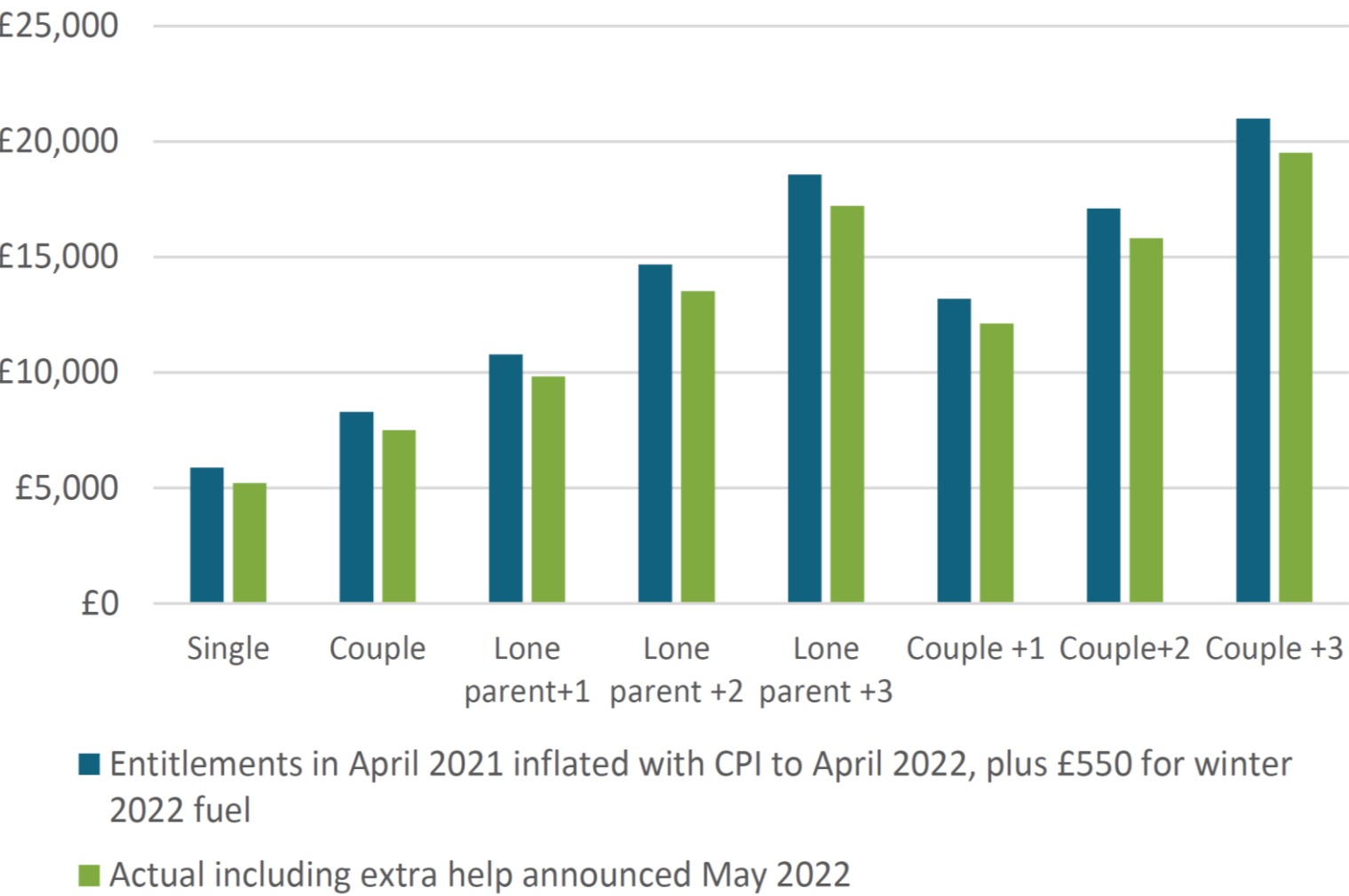
This map shows the percentage of the 16-64 population by ward that were classed as unemployed within Suffolk in May 2022, highlighting the areas with above average unemployment rates for the county.

Alternative Claimant Count, May 2022
(Source: DWP, Alternative Claimant Count; ONS Population Estimates 2020)



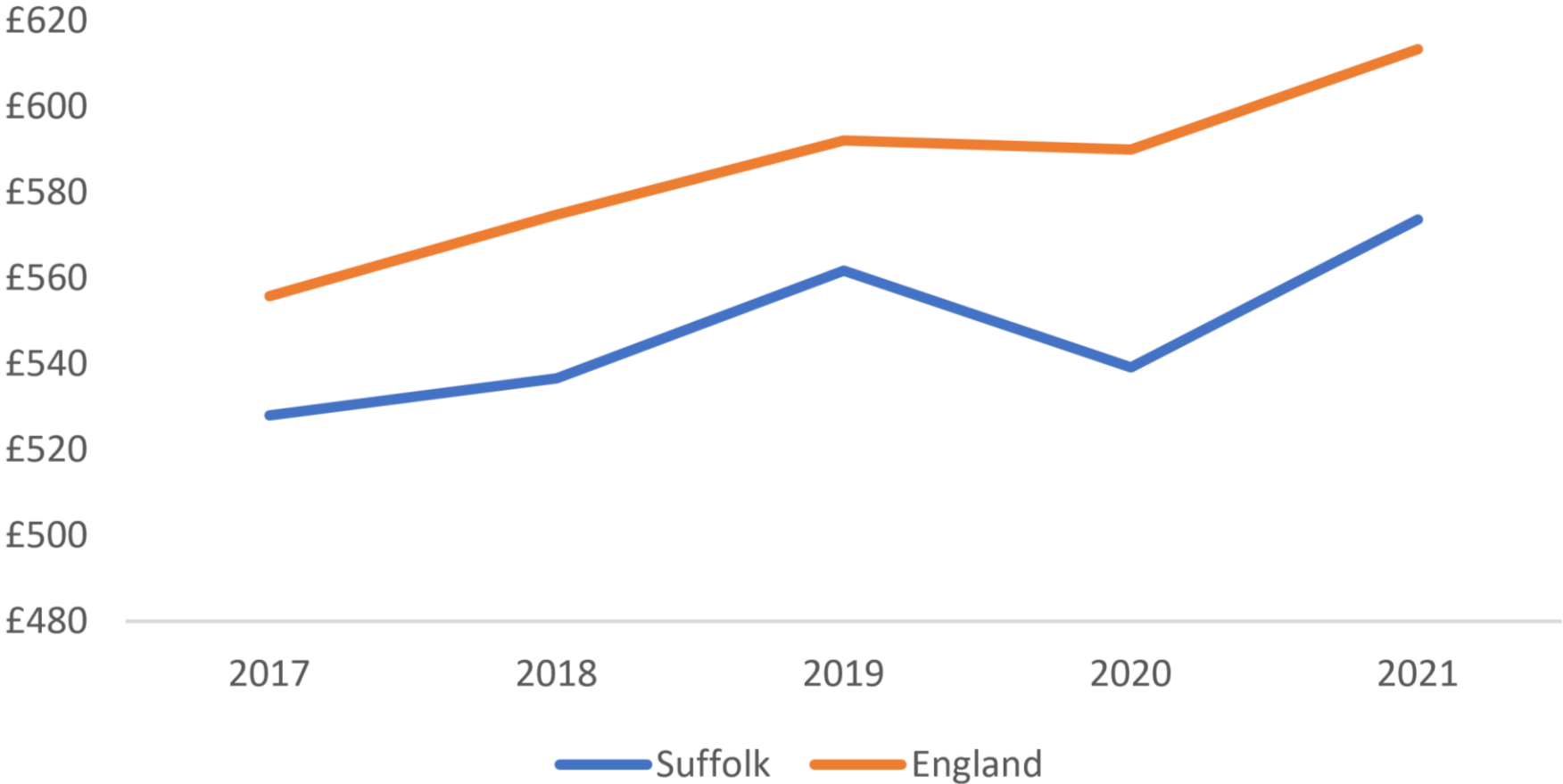
For a range of working age households of different compositions, benefit income in 2022/23 is significantly lower than it would have been if benefits had been set 9% higher than they were a year earlier in April 2022, and further assistance had covered additional fuel bills from October.

Annual Income on Universal Credit when unemployed – 2022/23
(Source: Loughborough University, Is cost of living support enough?)



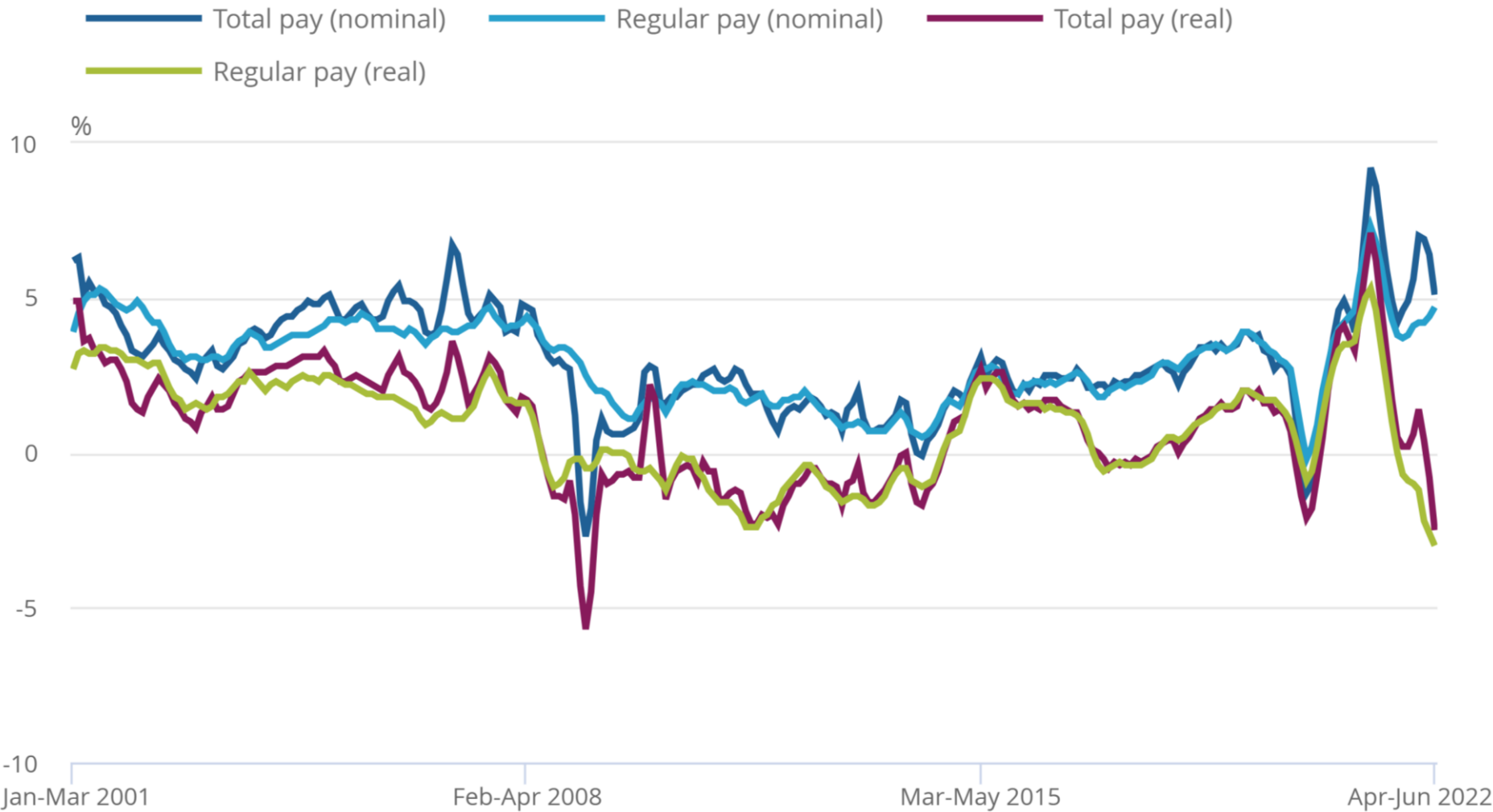
Median gross weekly pay of residents in Suffolk has roughly been following national increases over the past few years. However, weekly pay remains consistently lower in Suffolk than across England, for example in 2021 the gap was £39.

Median gross weekly pay of employees (resident-based), Suffolk, 2017 - 2021
(Source: ONS, Annual Survey of Hours and Earnings)



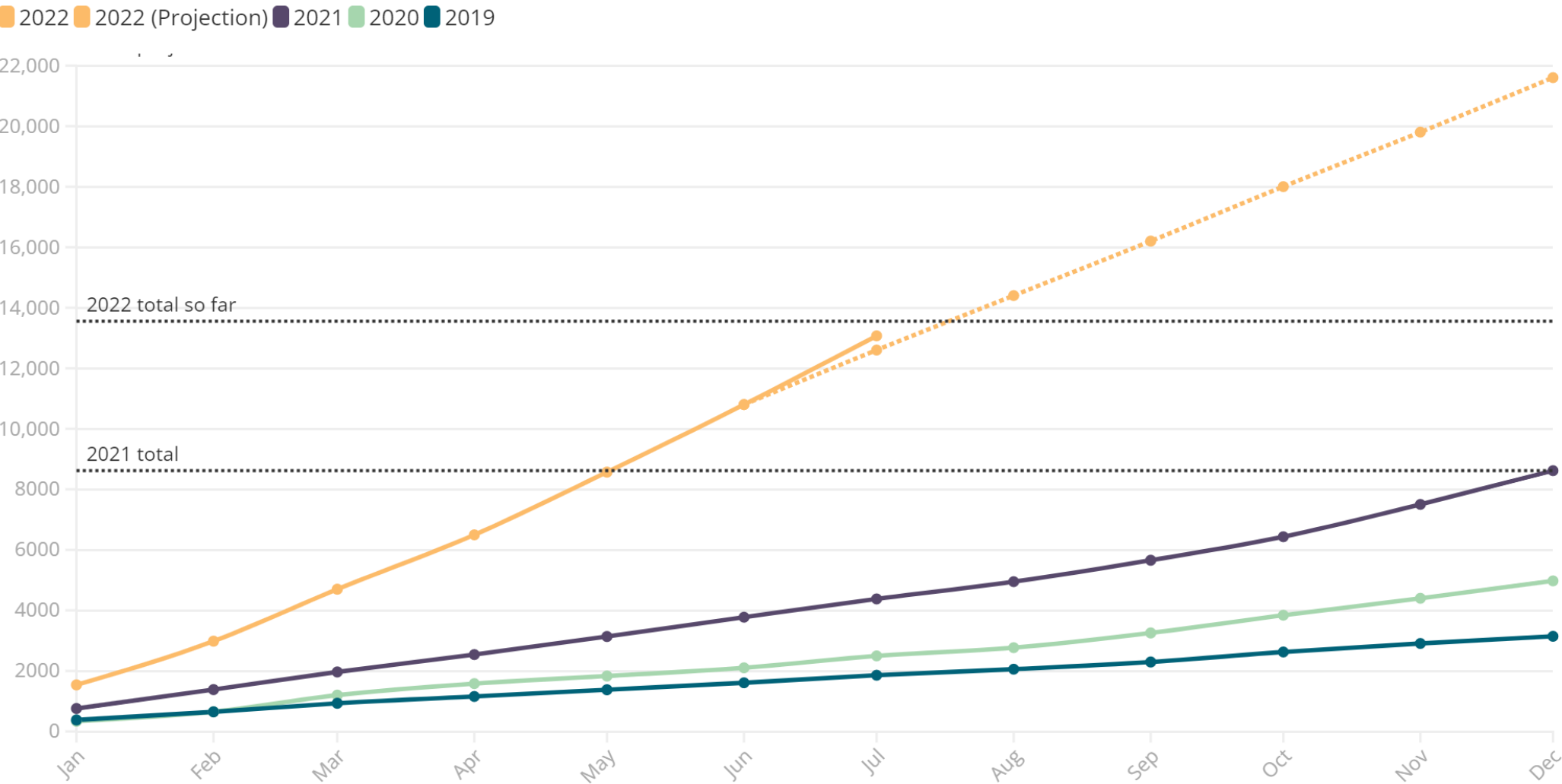
Although nominal regular pay and total pay (including bonuses) have been increasing since June 2020, both real (adjusted for inflation) regular and total pay have been reducing since March, because of extremely high inflation rates.

Annual growth rates of average weekly earnings, Great Britain, 2001-2022
(Source: ONS, Average Weekly Earnings in Great Britain)



The number of people in England and Wales who were unable to top-up their prepayment electricity meters from January to July has increased from 4,380 in 2021 to 13,073 in 2022; an increase of 298%.

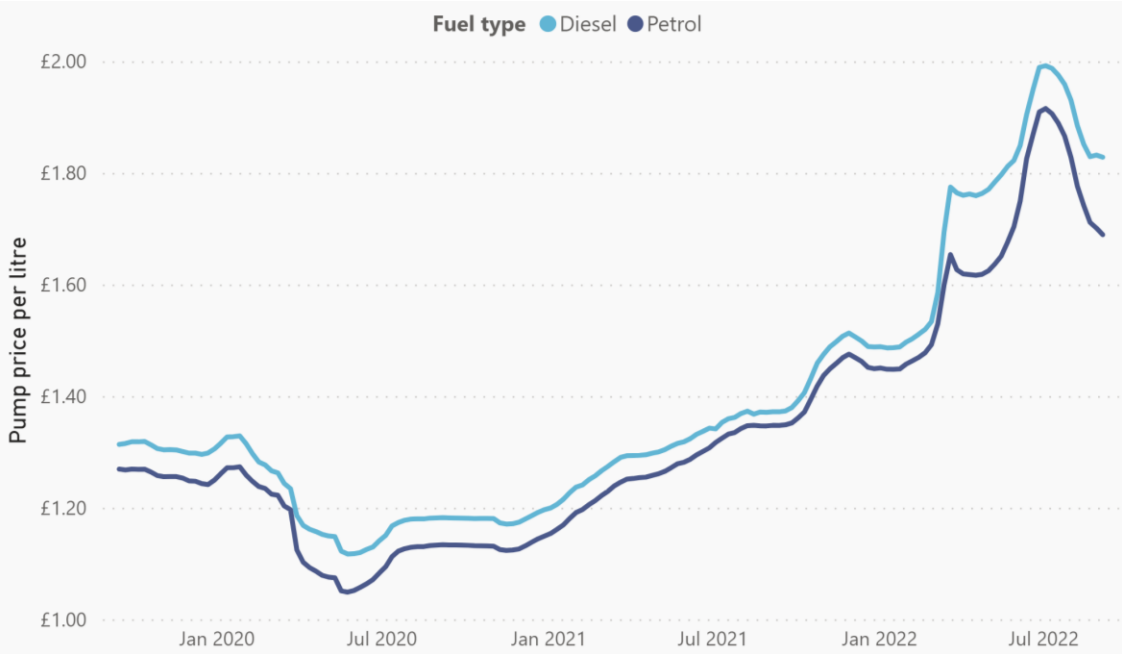
Cumulative number of people unable to top up their prepayment meters, England & Wales, 2019 - 2022
(Source: [Cost of Living Dashboard](#), Citizens Advice)



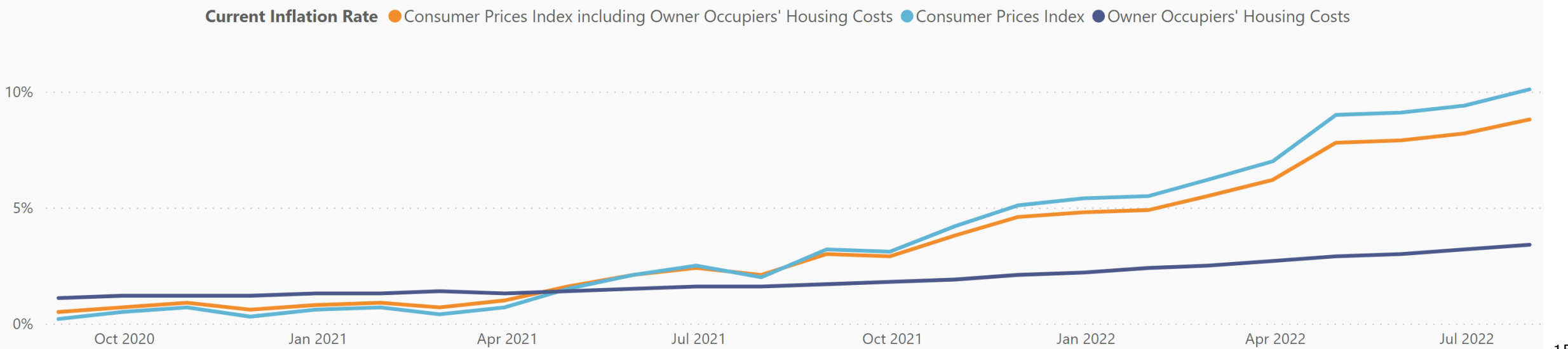
In July 2022, the price of road fuels increased to a peak of £1.99 (diesel) and £1.92 (petrol) per litre. This represents a 55% increase from the recent low in May 2020 during the midst of the COVID-19 pandemic.

As of July 2022, the CPI measure of inflation was at 10%. Owner Occupier's Housing Costs measures the costs of owning, maintaining and living in a home and council tax change over time.

Average price of road fuels, United Kingdom, 2019 - 2022
(Source: [Cost of Living Profile](#), Healthy Suffolk)



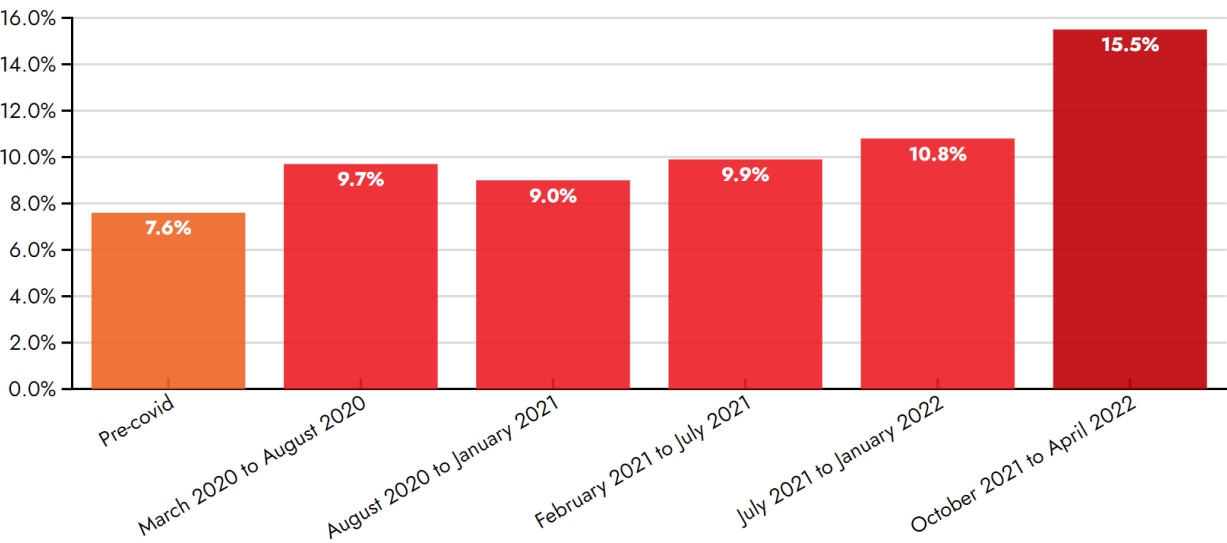
Annual Inflation Rate, United Kingdom, 2020 - 2022
(Source: [Cost of Living Profile](#), Healthy Suffolk)



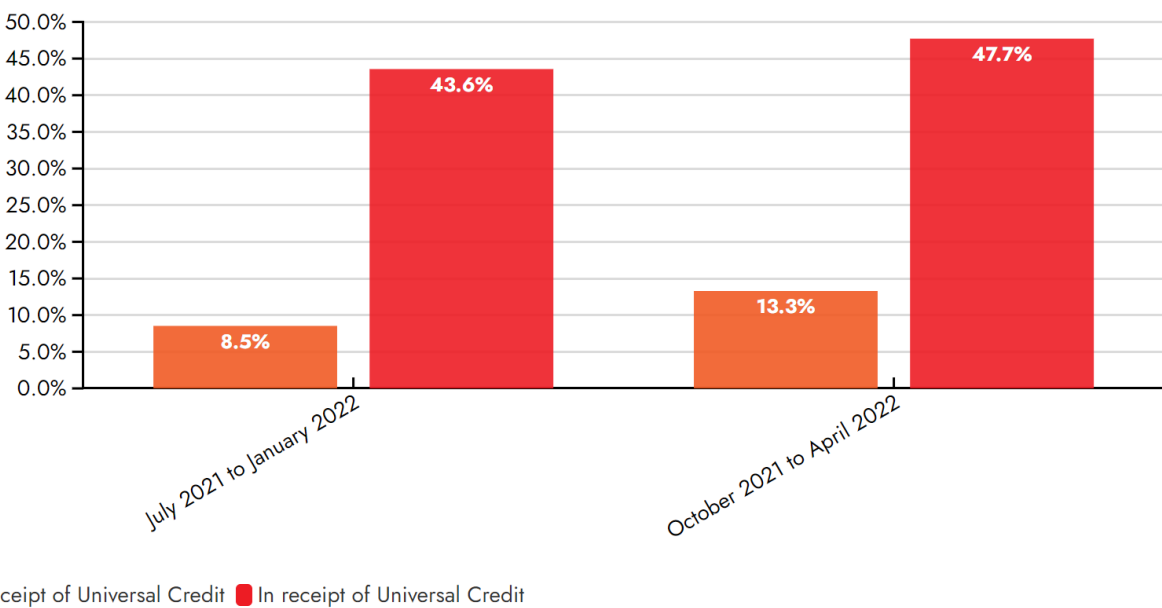
Food insecurity is the state of being without reliable access to a sufficient quantity of affordable, nutritious food. These graphs show how the proportion of people facing food insecurity across the UK has increased since the beginning of the pandemic.

Households on Universal Credit were over 3 times as likely to have been experiencing food insecurity in the 6 months up to April 2022, compared to those not in receipt of Universal Credit.

% of households experiencing food insecurity*, UK, 2019-22
(Source: The Food Foundation, Food Insecurity Tracking)



% of households on UC experiencing food insecurity, UK, 2021-22
(Source: The Food Foundation, Food Insecurity Tracking)

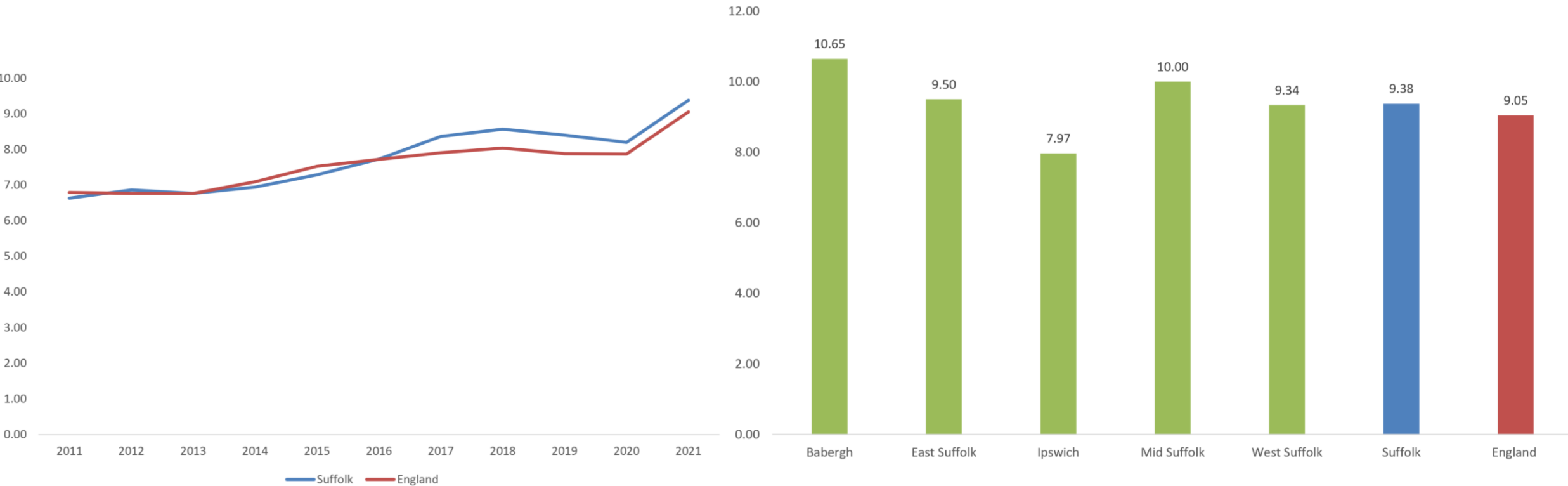


* Food insecurity during the pandemic (6-month recall period) compared with pre-Covid (12-month recall period).

Housing affordability* has become worse across England, but more so in Suffolk than the national average: while 10 years ago housing affordability in Suffolk was in line with England averages, median housing affordability is now worse than in England overall. This is due to a combination of low incomes and relatively high house prices and rents in Suffolk.

In 2021 the median housing affordability ratio was 9.38 across Suffolk - ranging from 7.97 in Ipswich to 10.65 in Babergh - compared to 9.05 nationally.

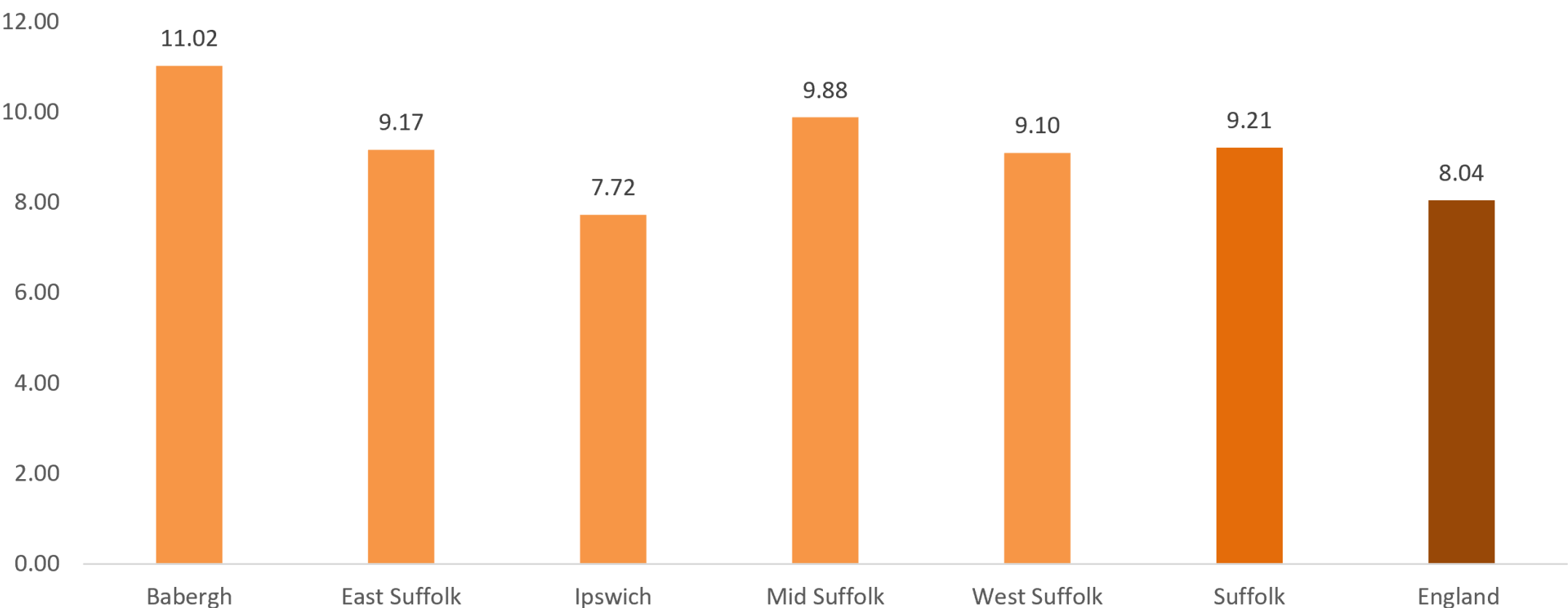
Housing Affordability: Ratio of median house price to median residence-based income, Suffolk, 2011 - 2021
(Source: ONS, House price to residence-based earnings ratio, 2021)



* Higher ratio = less affordable

The difference in the ratio* of house prices to earnings between Suffolk and England, is much greater for the lowest 25% of earners (9.21 - 8.04) compared with those in the median income bracket (9.38 – 9.05). This means that housing is much less affordable for Suffolk’s lowest earning residents than their equivalents across England.

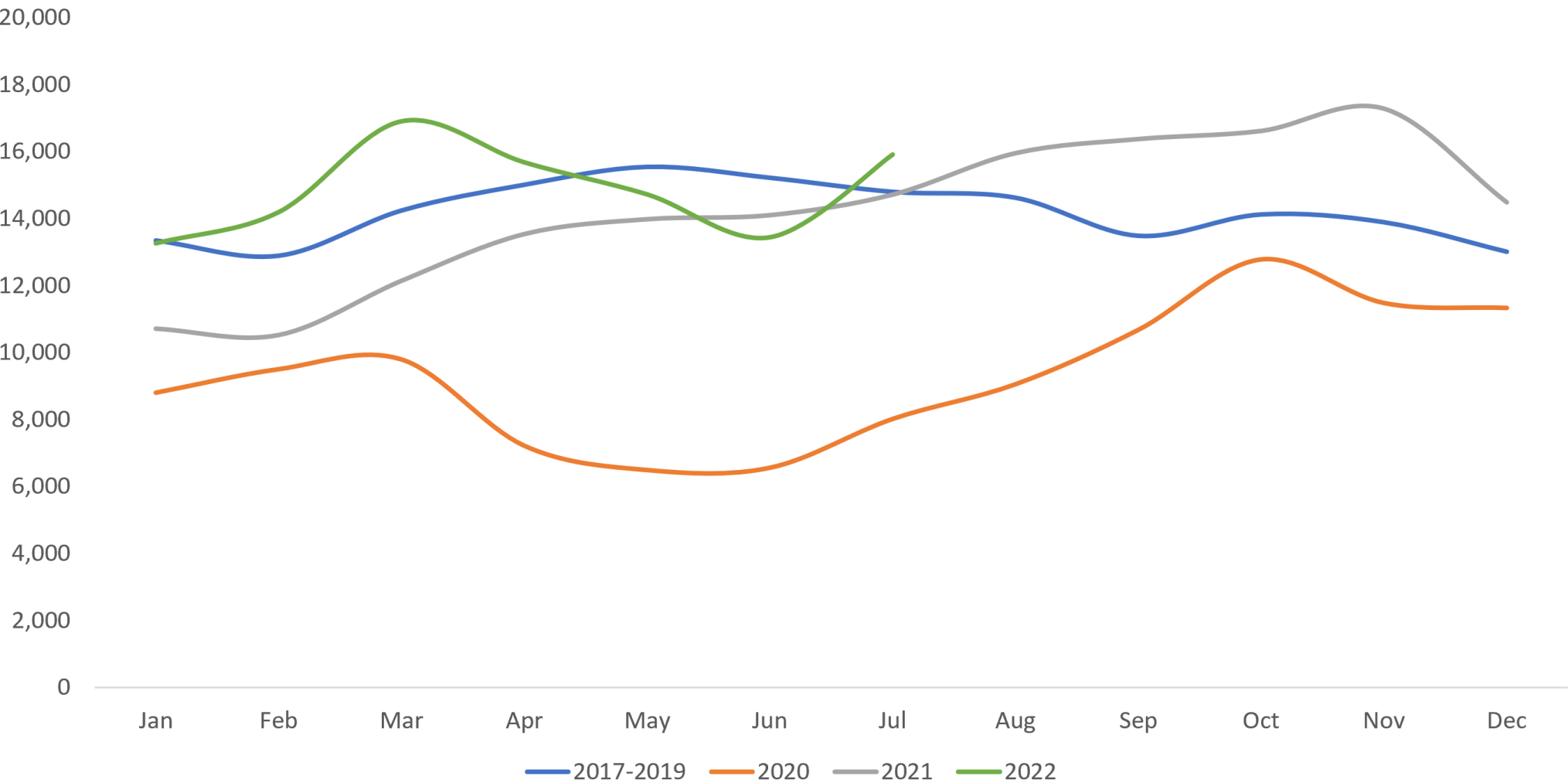
Housing Affordability: Ratio of lower quartile house price to lower quartile residence-based income, 2021
(Source: ONS, House price to residence-based earnings ratio)



* Higher ratio = less affordable

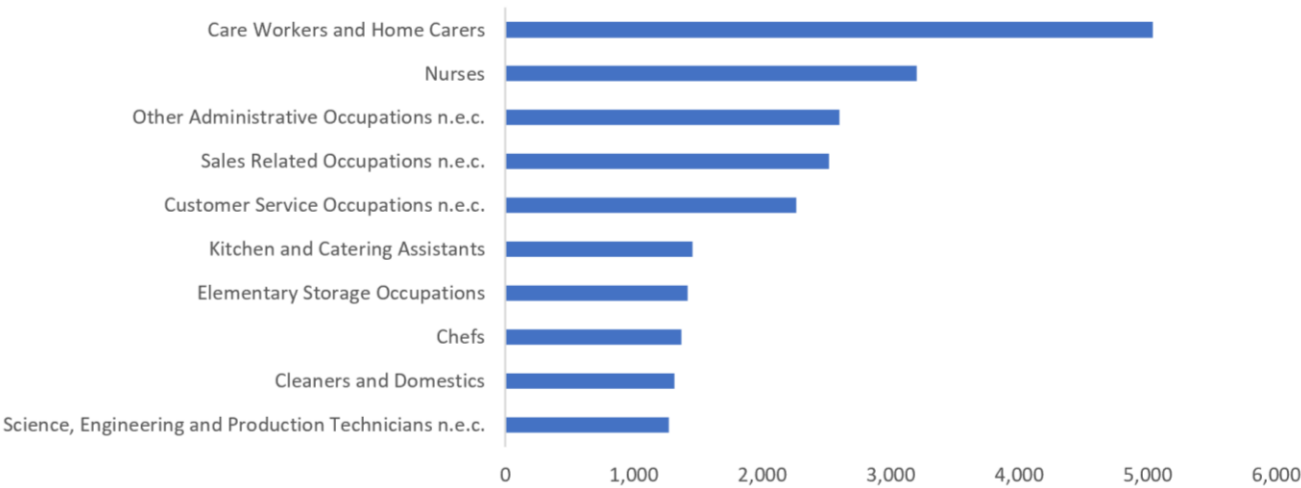
Although job postings declined significantly after the first lockdown in March 2020, since July 2021 job postings have been mainly higher than the 2017-2019 average, with a slight dip in recent months.

Monthly Job Postings, Suffolk, 2017 - 2022
(Source: Lightcast, Job Posting Analytics)

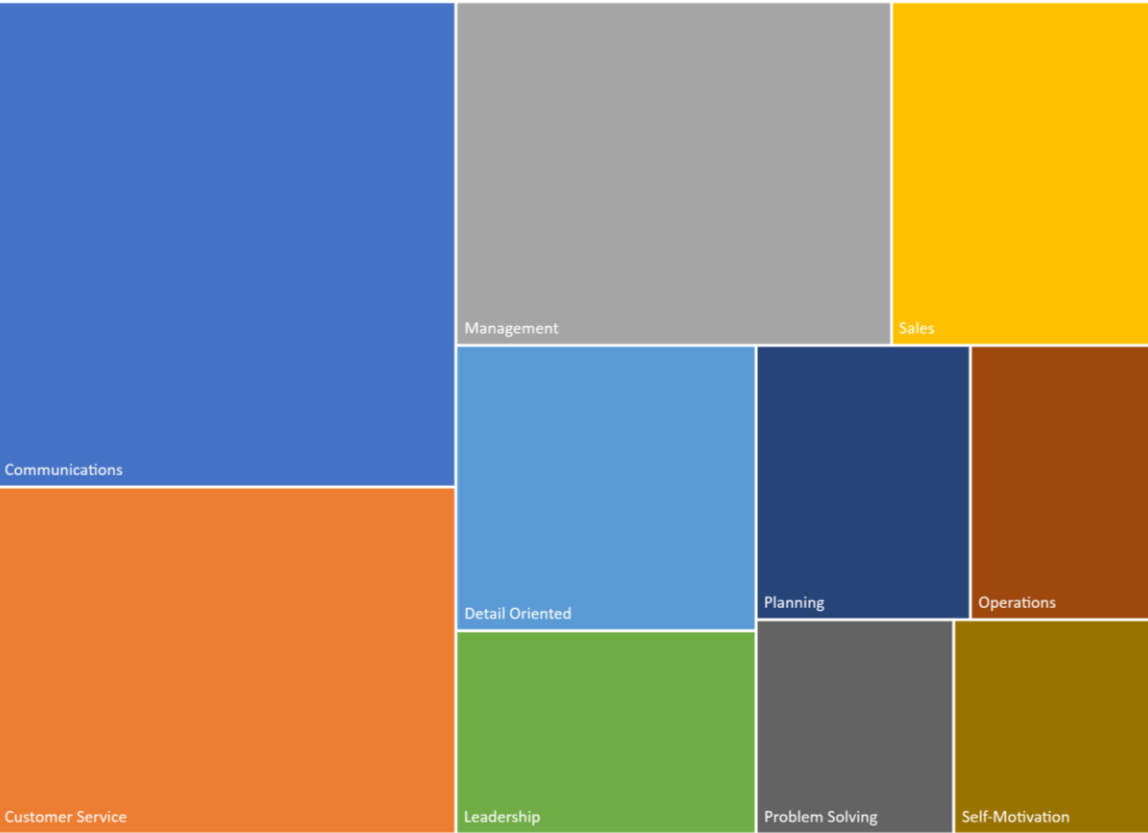


Over the past year (based on latest available data), Care Worker and Home Carer job postings dominated the Suffolk employment market – with 5,036 unique job postings between September 2021 and August 2022. The top 5 skills referenced in job postings in August 2022 were Communications, Customer Service, Management, Sales and Detail Oriented.

Unique Job Postings by Occupation, Suffolk, Sep 21 – Aug 22
(Source: Lightcast, Job Posting Analytics)

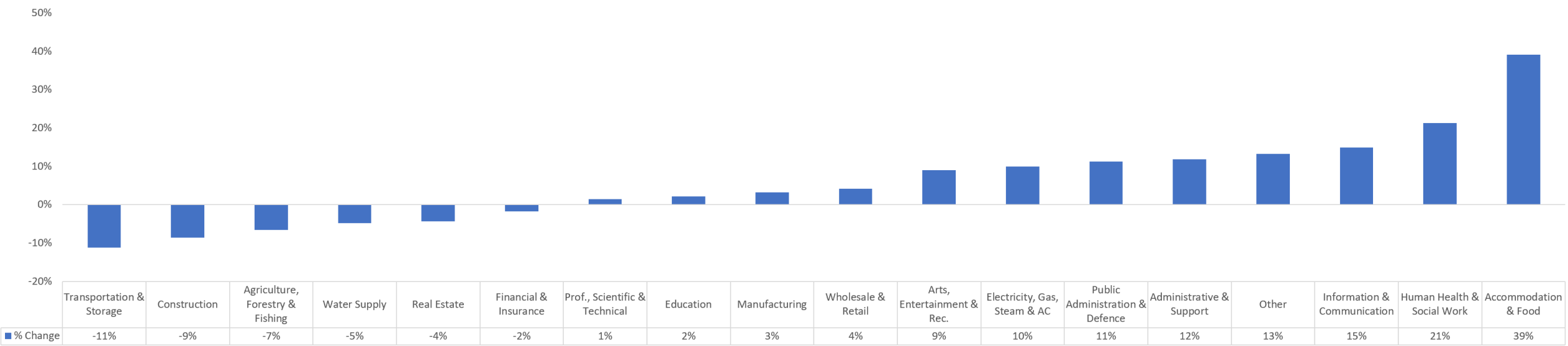


Top skills sought job postings, Suffolk, August 2022
(Source: Lightcast, Hot and Cold Skills by Job Postings)



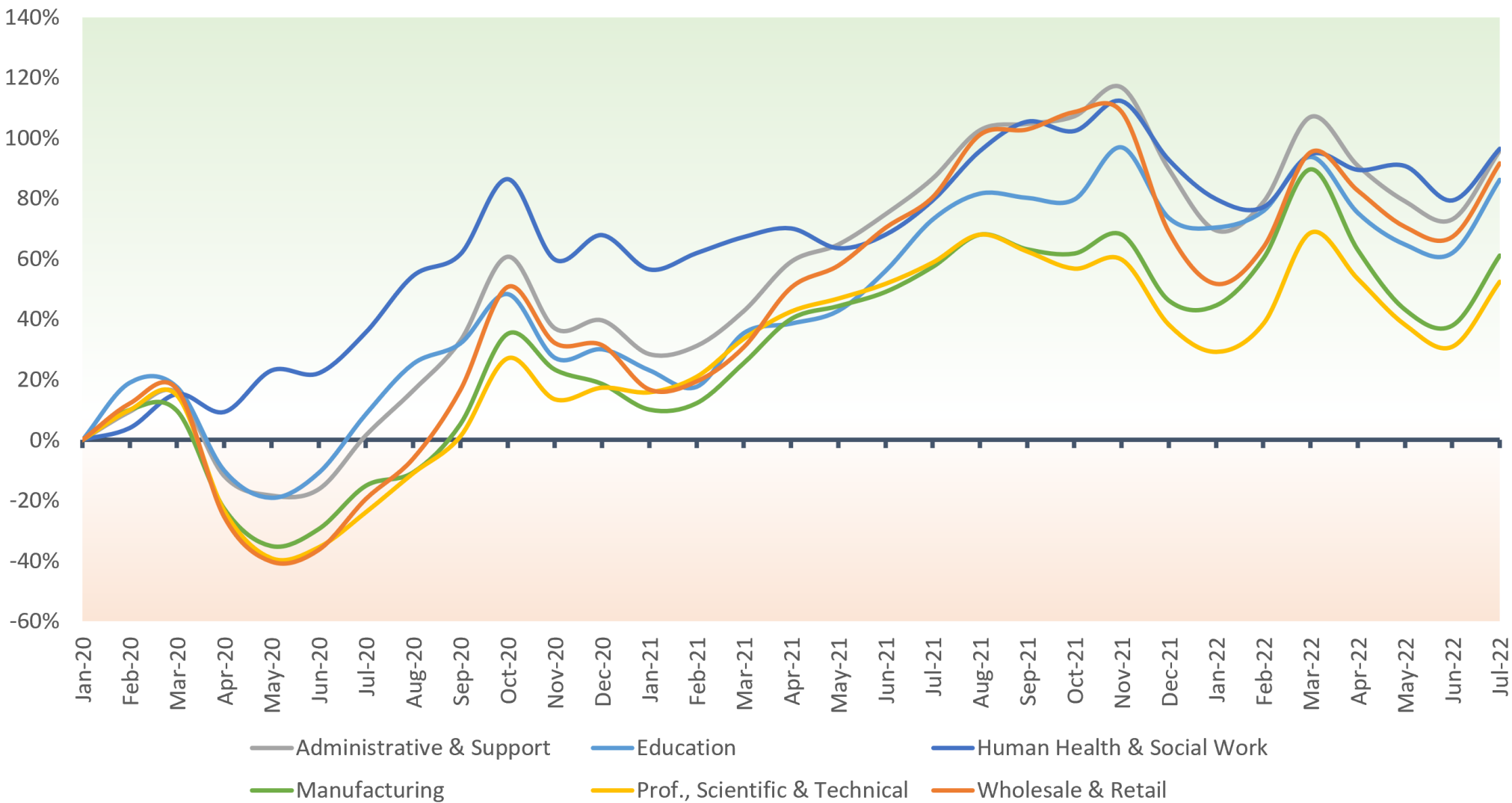
Between July 2021 and June 2022, the sectors in Suffolk with the largest percentage growth in job postings were Accommodation & Food; Human Health & Social Work; and Information & Communication. The sectors in Suffolk with the largest percentage reduction in job postings were Transportation & Storage; Construction; and Agriculture, Forestry & Fishing.

1-Year Percentage Change in Job Postings, Suffolk, June 2022
(Source: Lightcast, Job Posting Analytics)



Although the proportion of job postings since January 2020 dipped from March to September of that year (with the notable exception of Human Health & Social Work), all sectors have seen significant growth in job postings since that point.

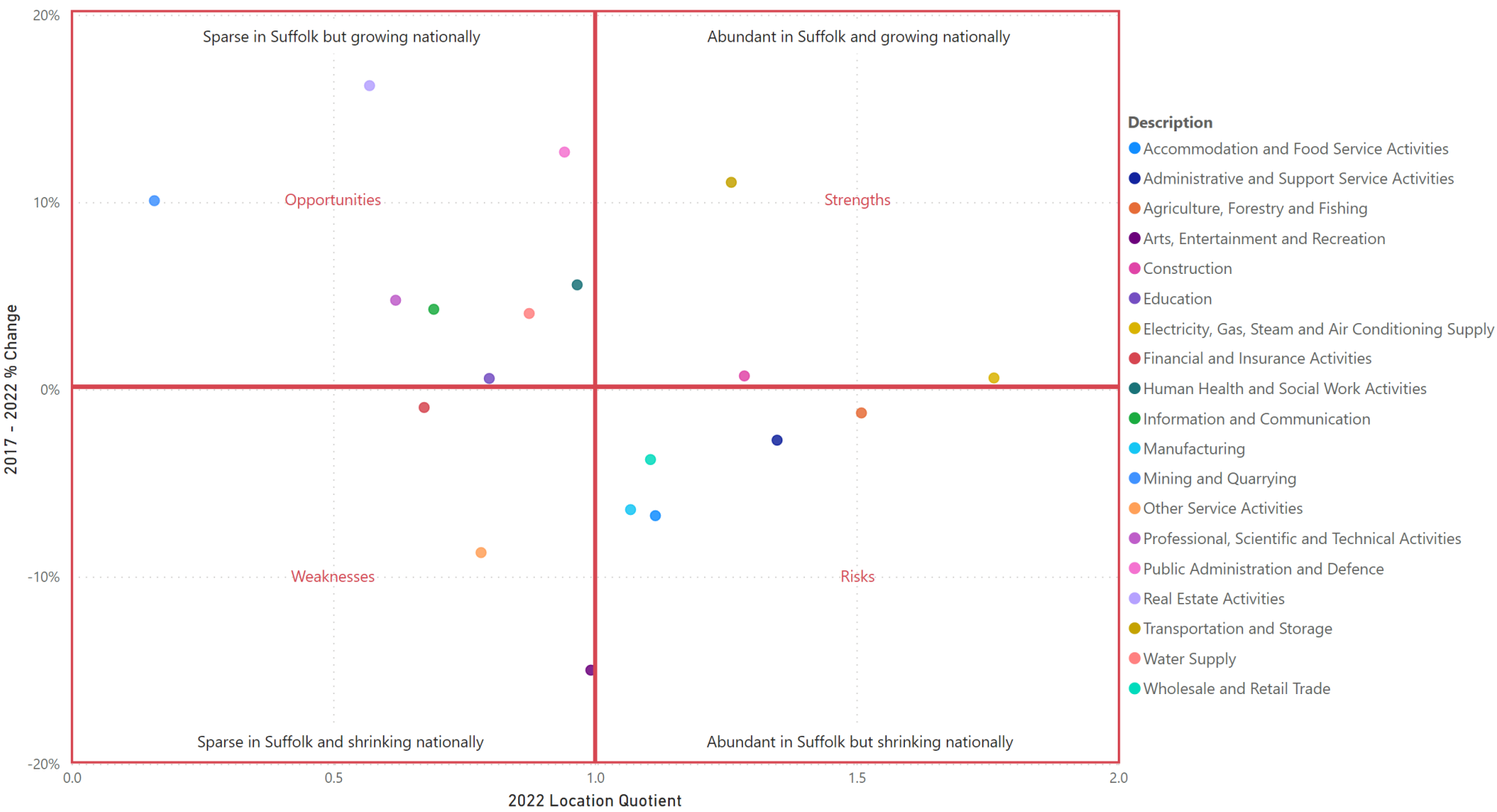
Percentage Change in Job Postings, Suffolk, Jan 20 – Jul 22
(Source: Lightcast, Job Posting Analytics)



The following analysis shows the the change in growth of industries between 2017 and 2022 plotted against the Location Quotient* for each industry.

Across Suffolk, Electricity, Gas, Steam & Air Conditioning Supply has emerged as a new strength; with Agriculture, Forestry and Fishing becoming a risk in 2022 while Mining and Quarrying has grown nationally to become a new opportunity.

Industry Strengths and Weaknesses, Suffolk, August 2022
(Source: Lightcast, Industries)

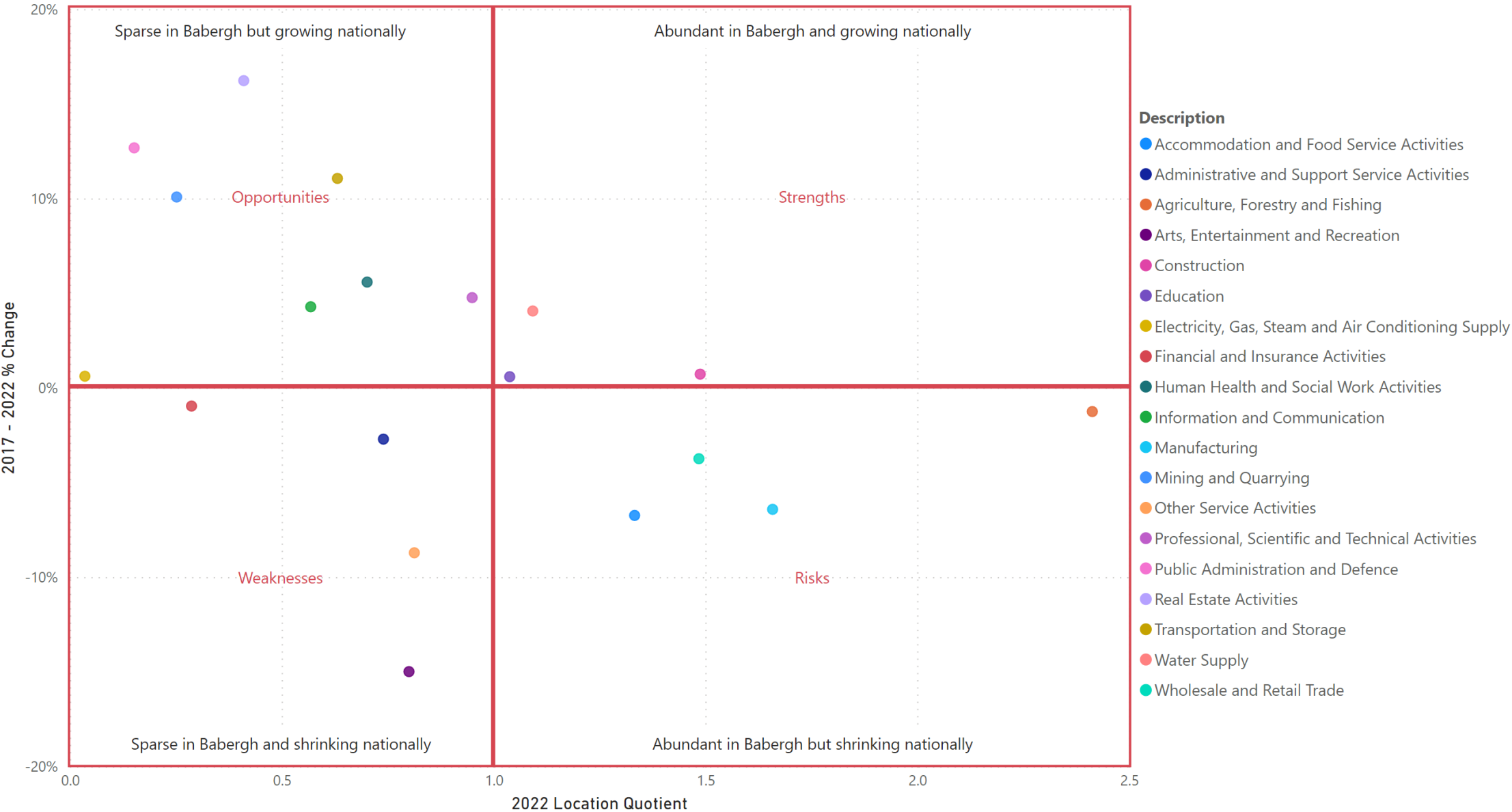


* Location quotient (LQ) highlights the industries that are more concentrated in Suffolk than on average across England. The basic uses of location quotient include:

- Determining local or regional specialisation – i.e. which industries stand out because of their higher than average per capita employment. This is what makes an economy unique.
- Identifying the region’s export industries - industries with a high LQ are often those that are exporting a lot of goods and services out of the community and are therefore net-importers.
- Identifying endangered export industries that could erode the region’s economic base.
- Identifying industries and occupations that are below equilibrium in the economy and that might be fighting to gain balance.

In 2022, Water Supply has emerged as a new strength in Babergh, with Agriculture, Forestry and Fishing becoming a risk. Mining and Quarrying has also grown nationally to become an opportunity.

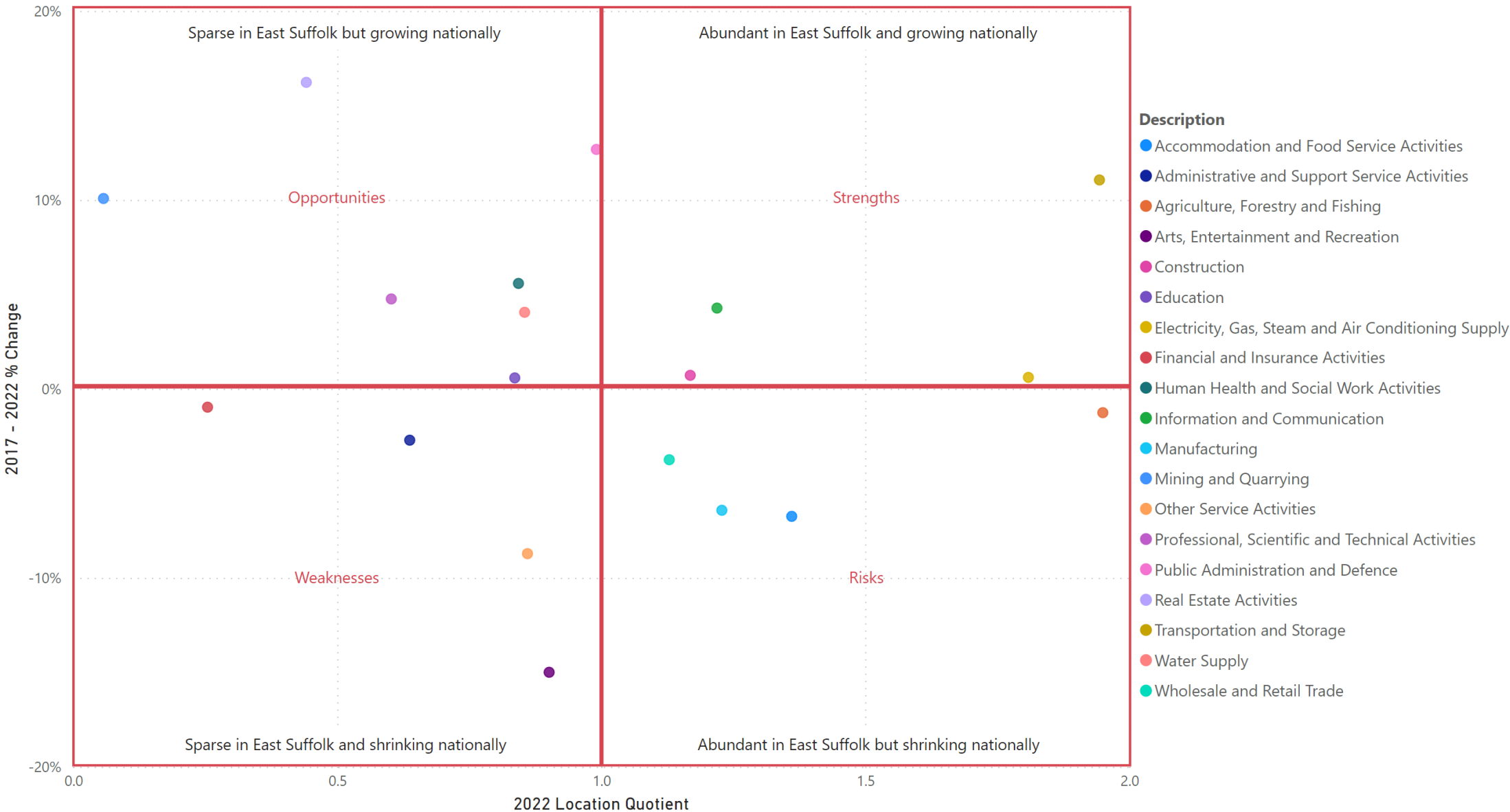
Industry Strengths and Weaknesses, Babergh, August 2022
(Source: Lightcast, Industries)



In 2022, Agriculture, Forestry & Fishing and Wholesale & Retail Trade have emerged as new risks in East Suffolk. Public Administration & Defence and Water Supply have also grown nationally to become opportunities.

Industry Strengths and Weaknesses, East Suffolk, August 2022

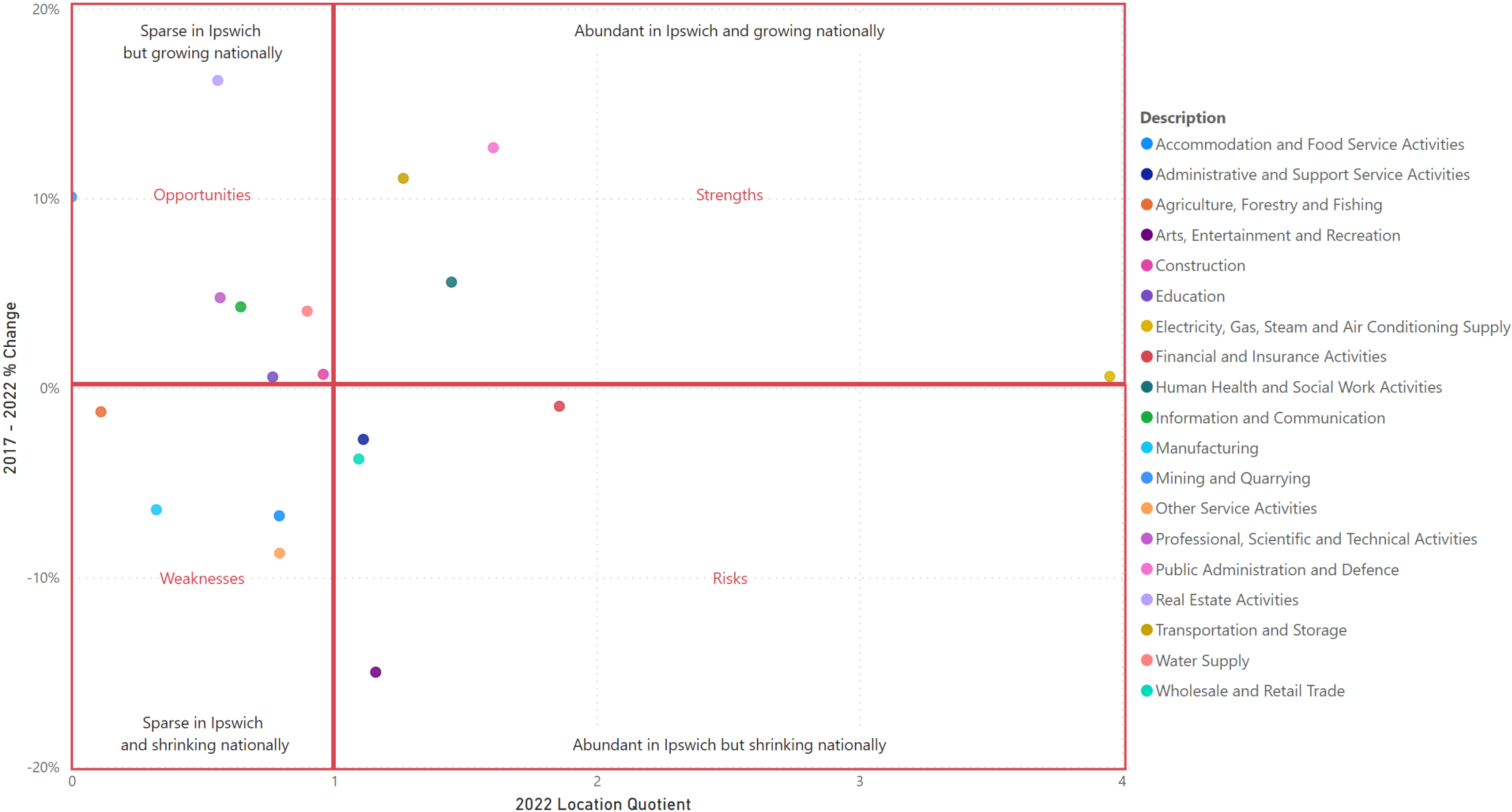
(Source: Lightcast, Industries)



In 2022, Public Administration & Defence has emerged as a new strength in Ipswich. Wholesale & Retail Trade has become a risk; and Water Supply is growing nationally and has become an opportunity.

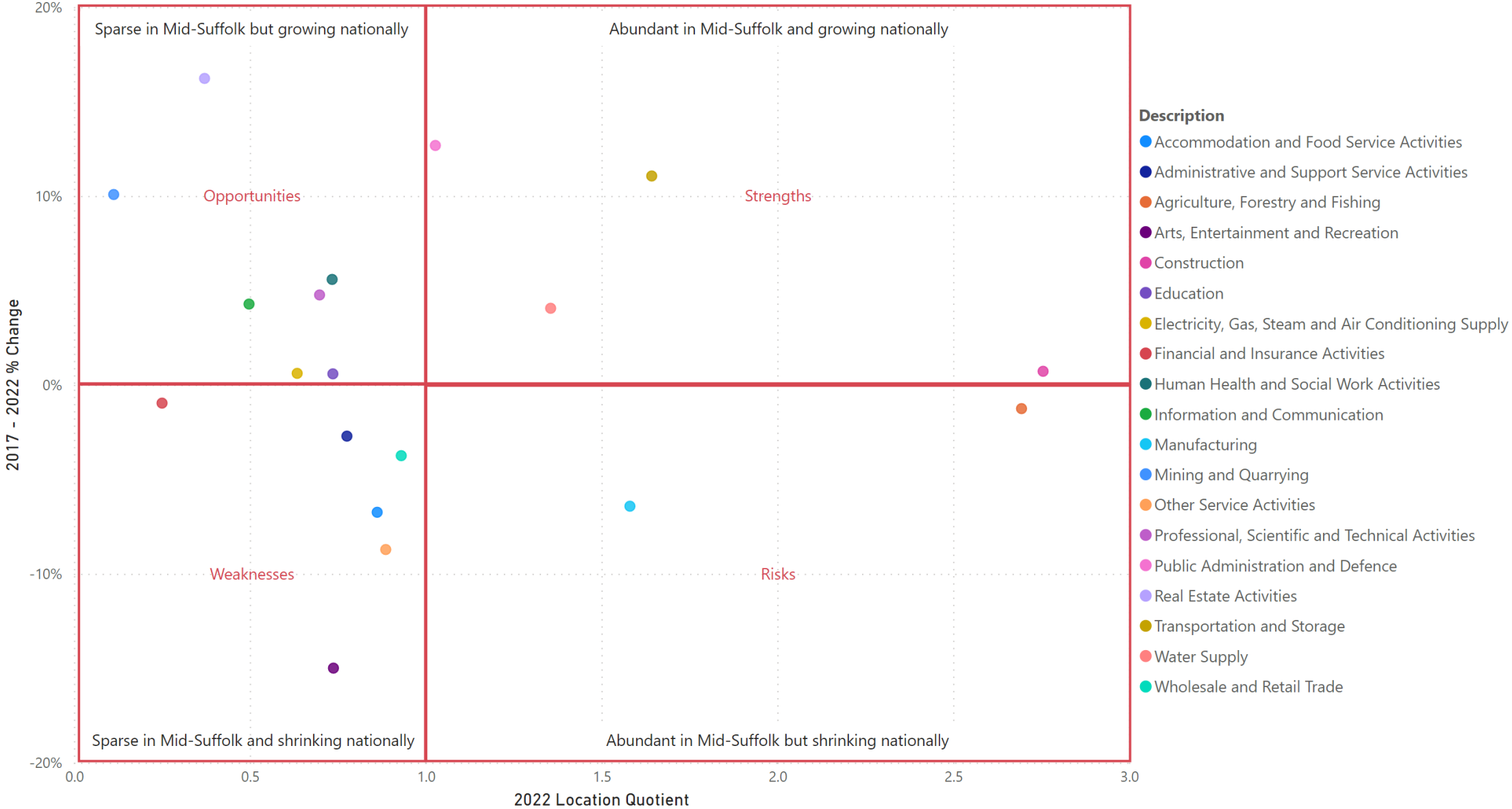
Industry Strengths and Weaknesses, Ipswich, August 2022

(Source: Lightcast, Industries)



In 2022, Public Administration & Defence and Water Supply have emerged as new strengths in Mid-Suffolk. Agriculture, Forestry & Fishing has become a risk; and Mining & Quarrying is growing nationally and has become an opportunity.

Industry Strengths and Weaknesses, Mid-Suffolk, August 2022
(Source: Lightcast, Industries)



In 2022, Administrative & Support Service Activities have emerged as a new risk in West Suffolk. Mining & Quarrying and Water Supply are growing nationally and have become an opportunity.

Industry Strengths and Weaknesses, West Suffolk, August 2022
(Source: Lightcast, Industries)

