

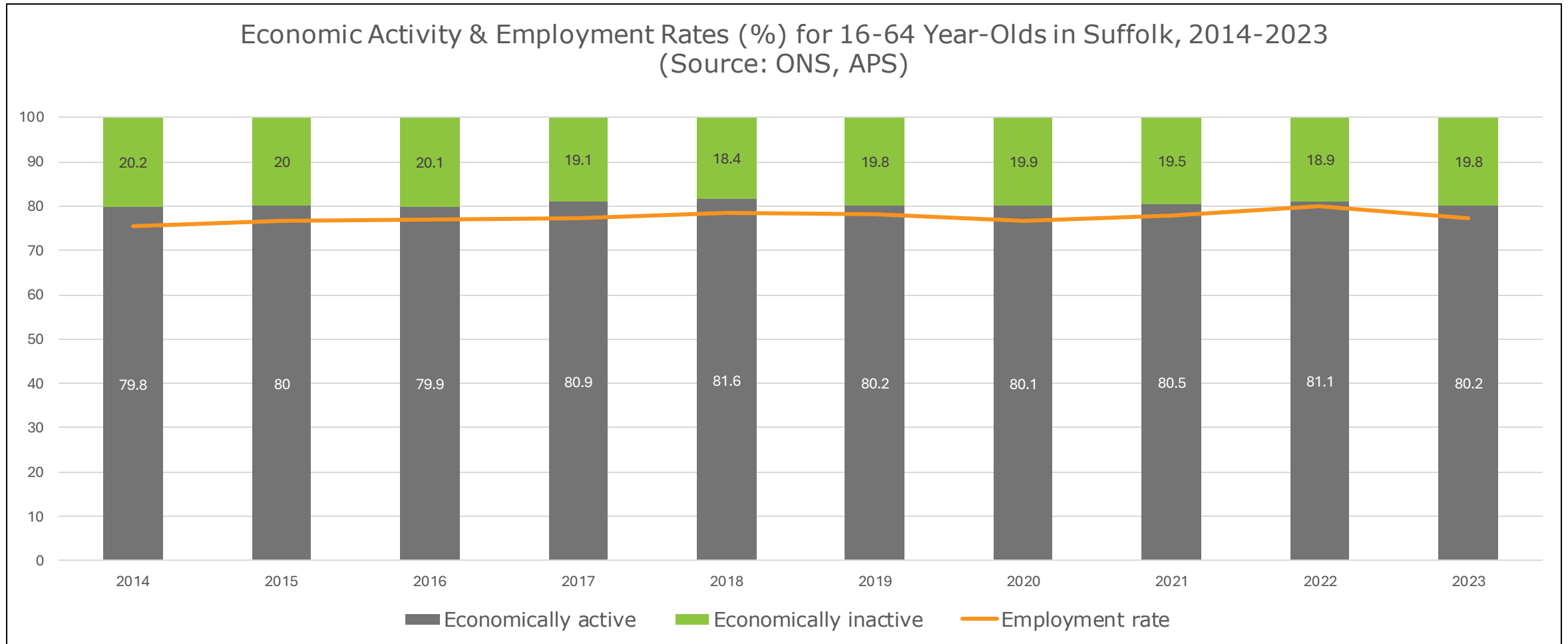


SUFFOLK ECONOMY & EMPLOYMENT UPDATE

23 April 2024

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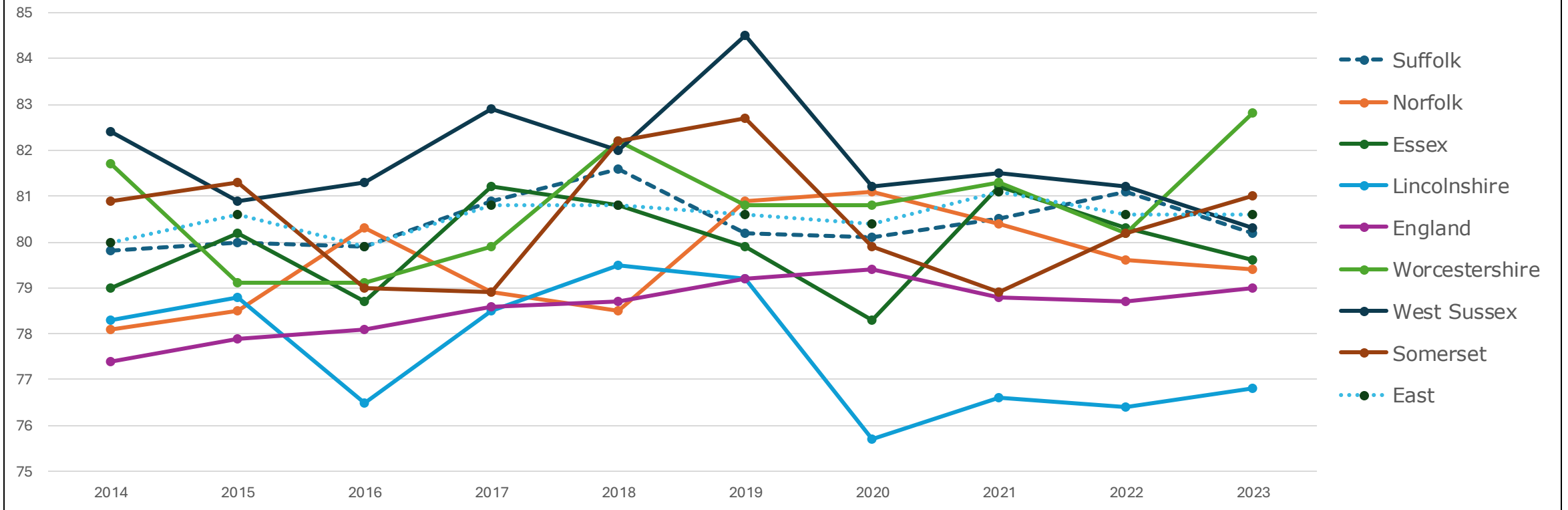
In the 12 months to December 2023, the proportion of economically active 16-64 year-olds in Suffolk fell 0.9% and the employment rate dropped 2.8%. However, 2022 saw a notable rise in both rates and economic activity of 80.2% in 2023 is not dissimilar to other annual rates for the past 10 years.



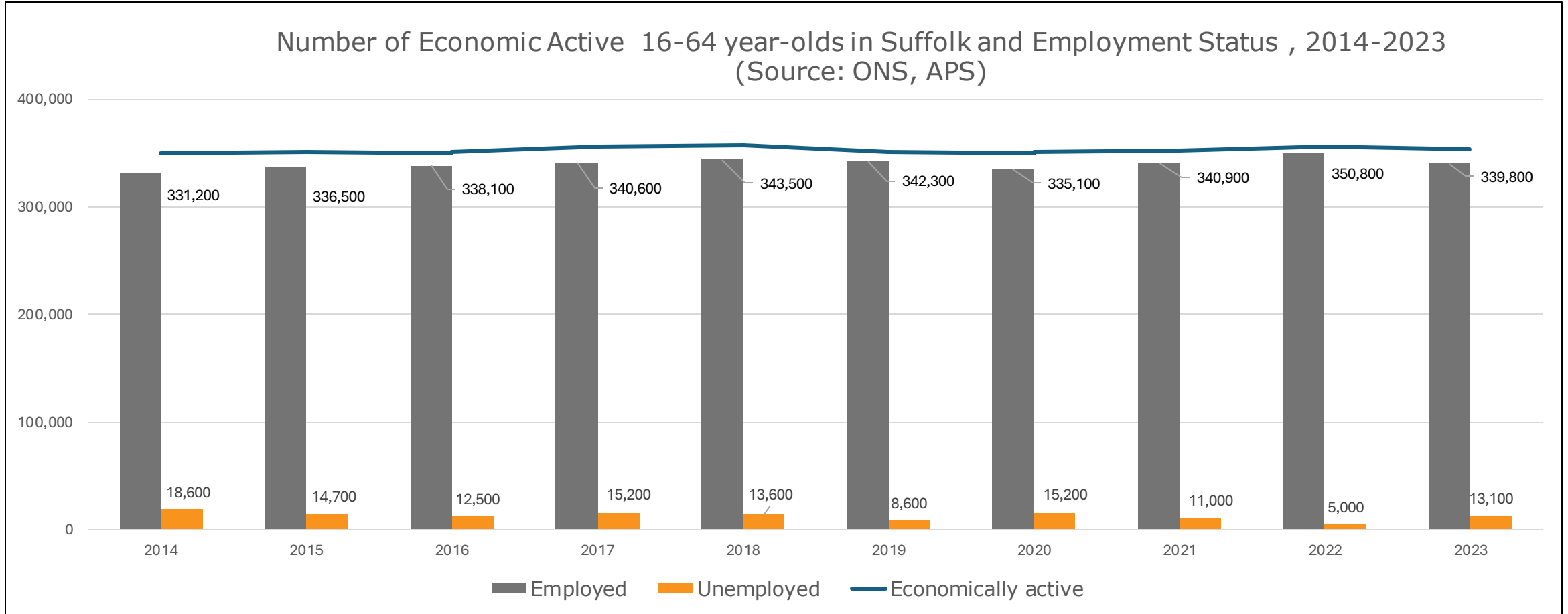
Whilst economic activity rates in some CIPFA neighbours (Essex, West Sussex, Somerset and Lincolnshire) fell markedly during the COVID pandemic (1999 and 2020), Suffolk mirrored the milder regional decline before rising significantly in 2021 and 2022 and falling again in 2023.

Economic Activity Rates (%) for Suffolk, England and some CIPFA Neighbours, 2014-2023
(Source: ONS, APS)

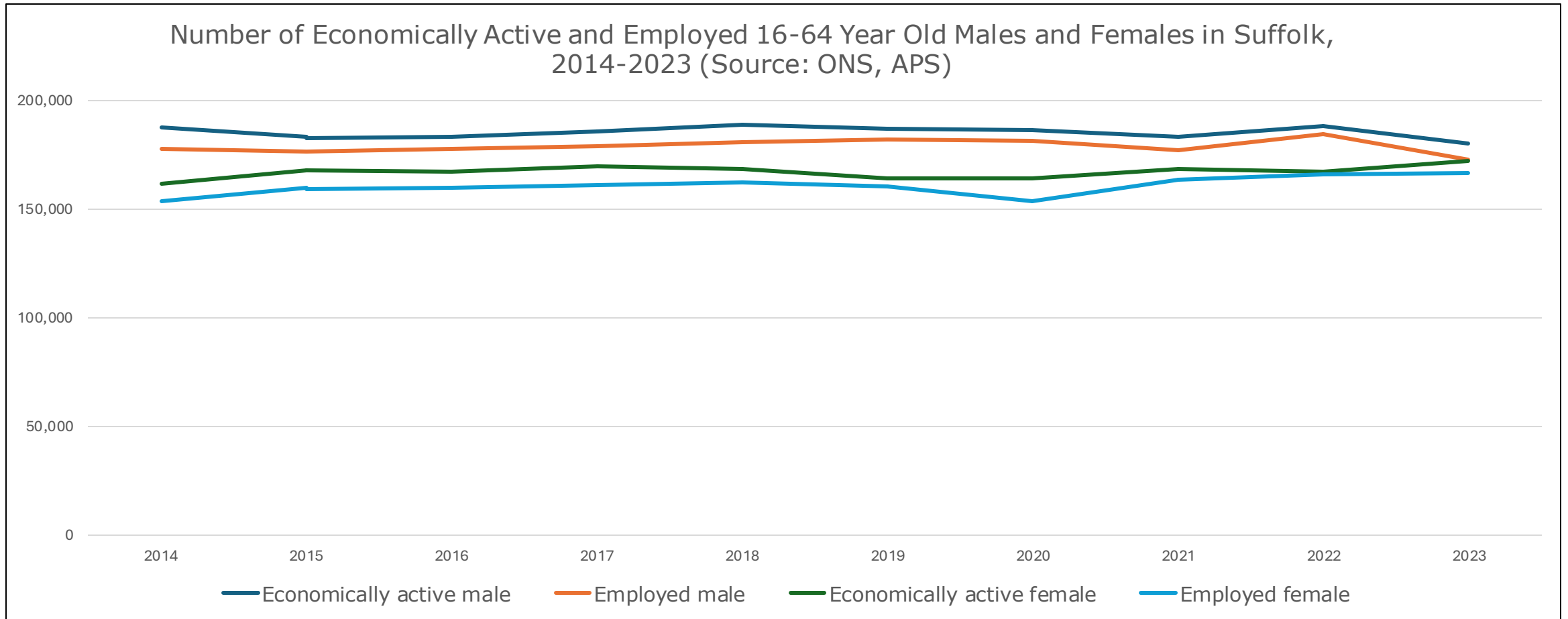
Note: The graph has been truncated to start at 75% in order to see changes and trends better.



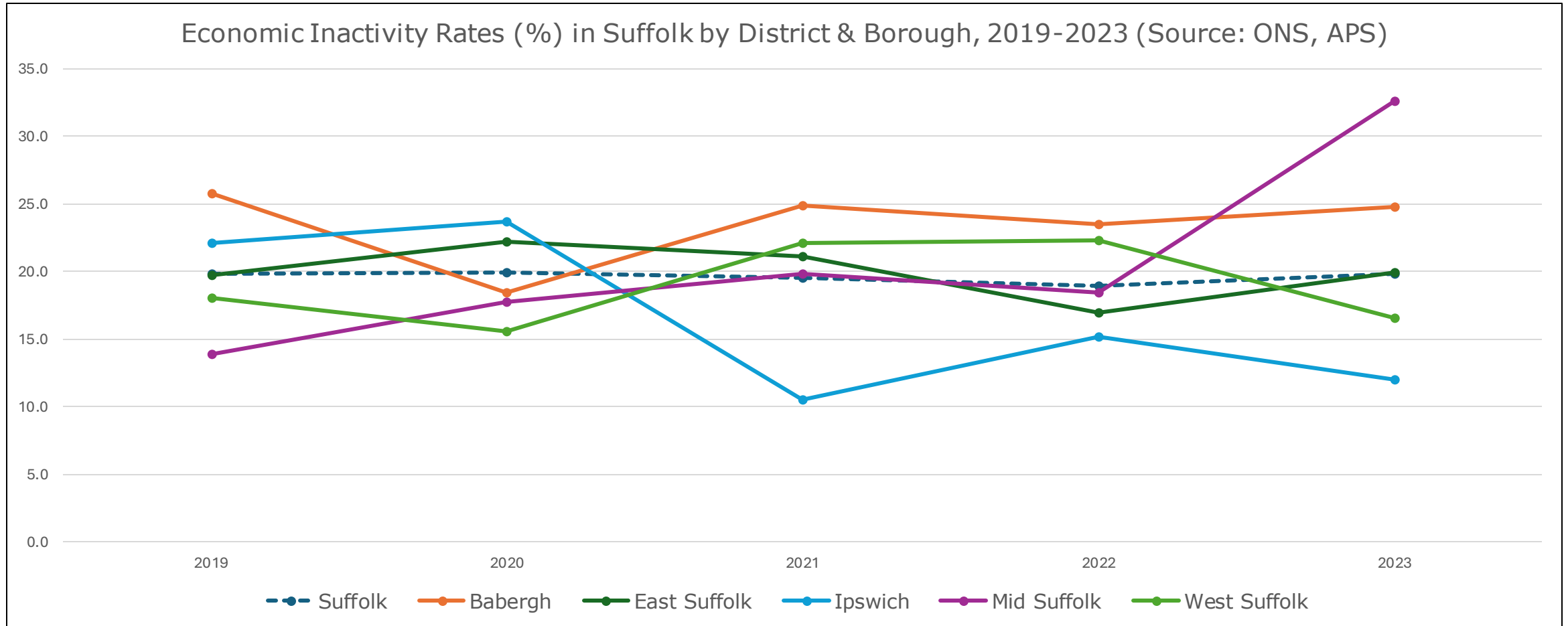
The proportion of economically active 16-64 year-olds in Suffolk in employment has fluctuated significantly. There was a decline from 350,800 (80% of 16-64-year-olds) in 2022 to 339,800 (77.2%) in 2023, the lowest annual number in employment since 2016 except for the pandemic-related fall in 2020.



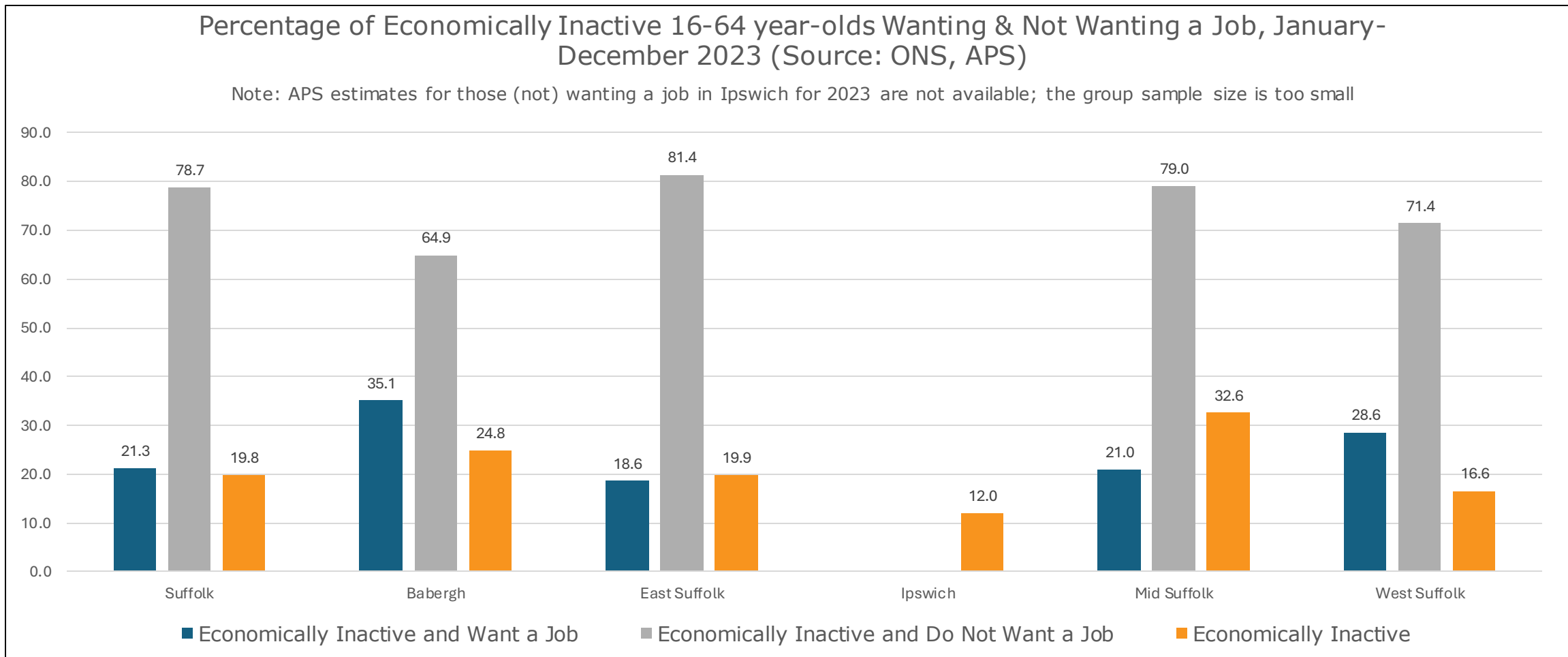
The gap between economically active males and females in Suffolk continues to close; the number of economically active men has fallen 0.04% over the last 10 years (to 180,400 in 2023), while female economic activity has grown 0.09% (to 172,500 in 2023).



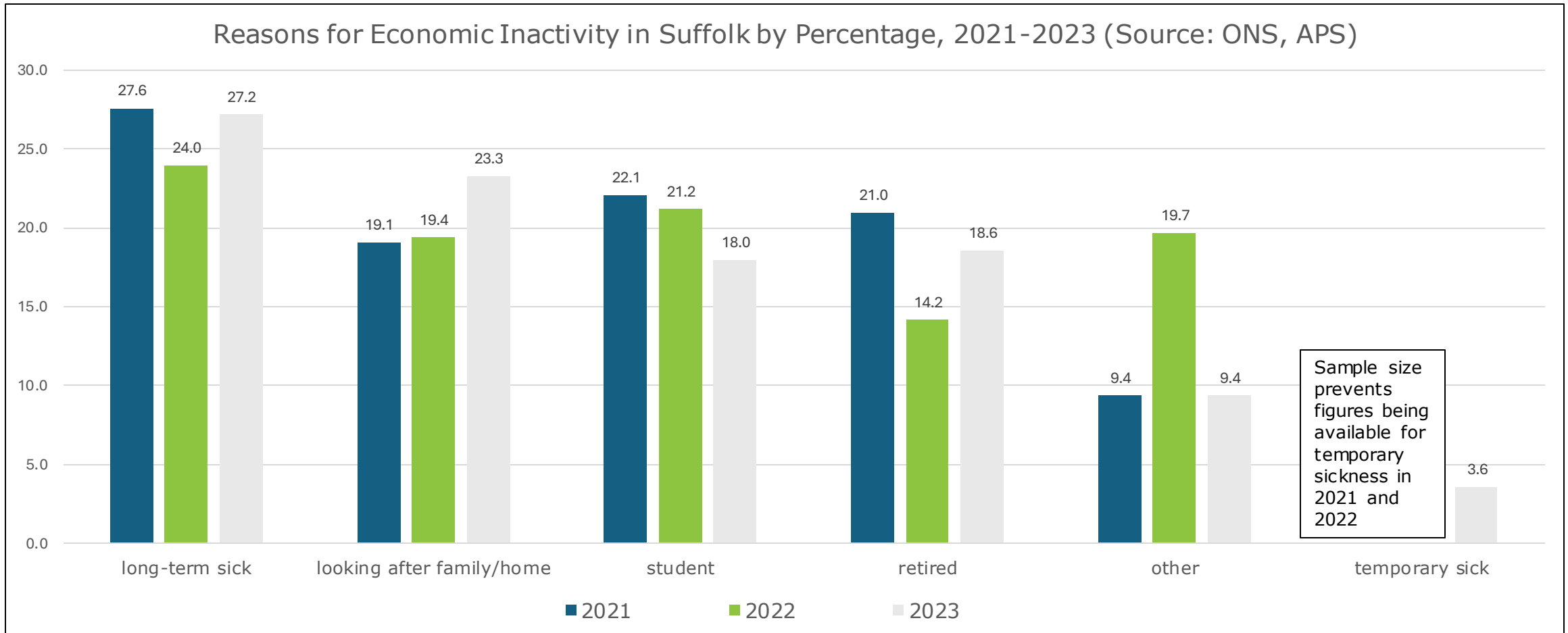
The wide variation in inactivity rates for 16–64-year-olds across Suffolk continued in 2023 with Mid Suffolk (32.0%) and Ipswich (12.0%) at either ends of the spectrum. East Suffolk (19.9%) was closely aligned to the county's overall rate (19.8%) – more than the Eastern region's rate of 19.4% but stronger than the 21.0% in England.



There is a wide variance across districts and boroughs in the percentage of economically inactive 16–64 year-olds who do want a job; Babergh and West Suffolk both have a higher proportion (35.1% and 28.6% respectively) than the Suffolk average of 21.3% whilst East Suffolk has 18.6%.

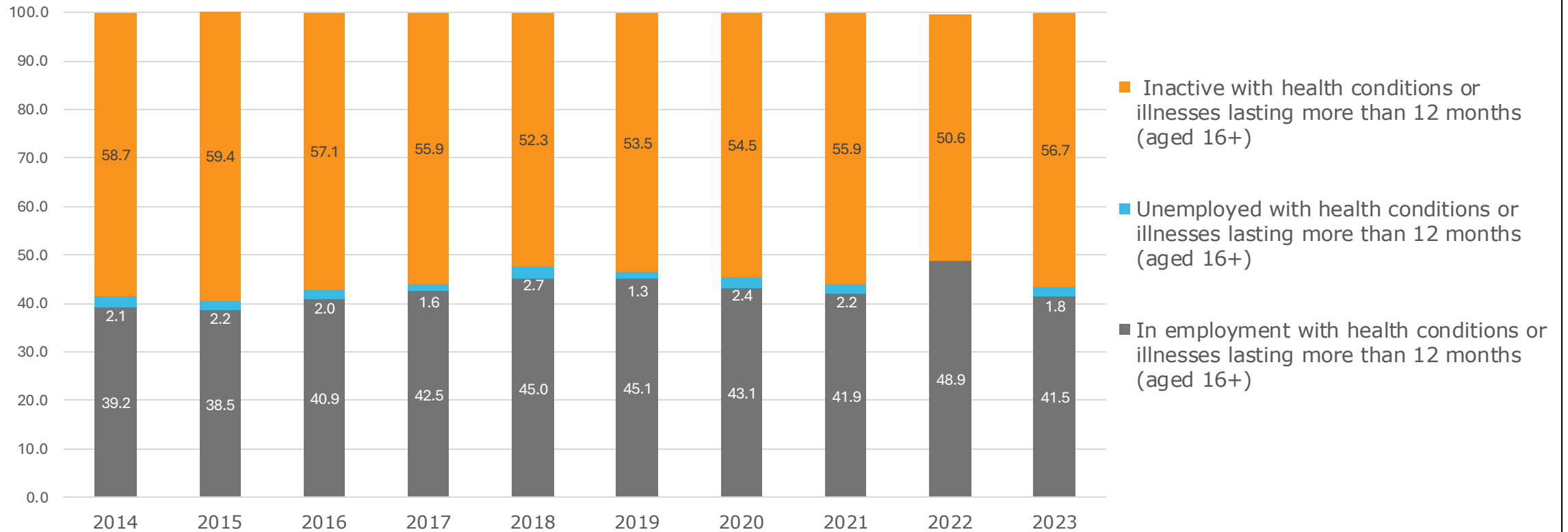


The main reason for economic activity continues to be long-term sickness. However, the proportion of economically inactive 16–64-year-olds caring for family and/or the home (23.3%) has risen markedly, overtaking the proportion of students or retired individuals.



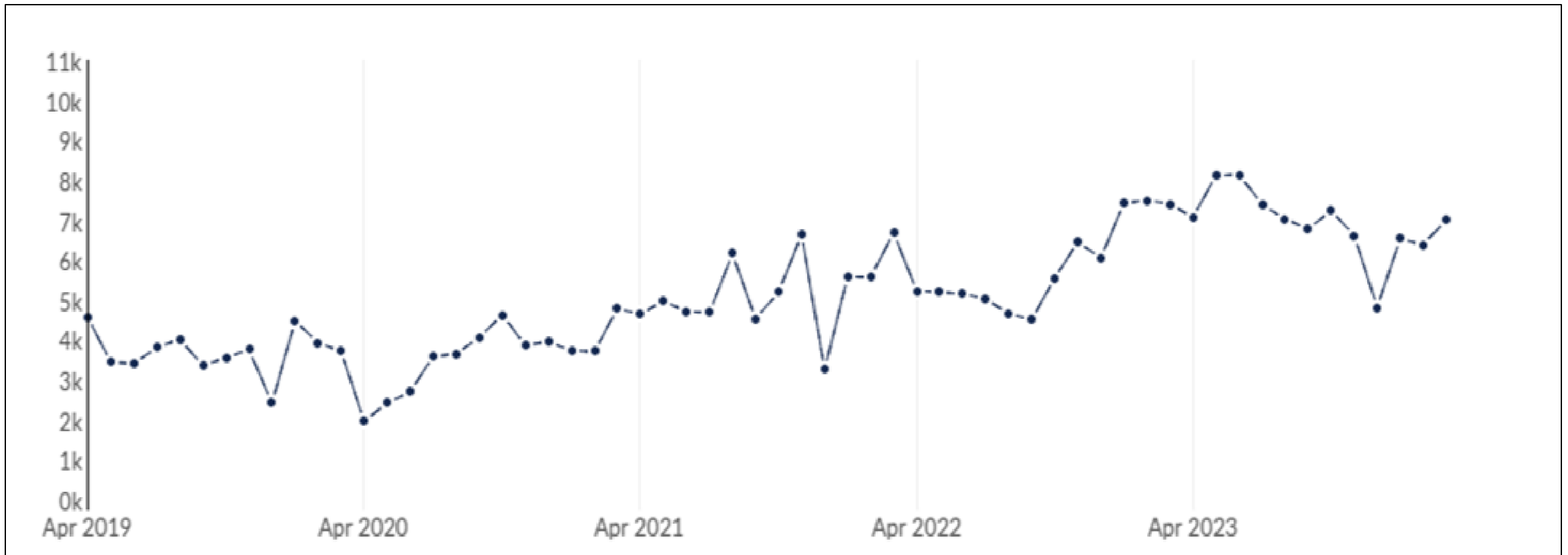
The proportion of individuals with a health condition or illness lasting more than 12 months who are economically inactive has jumped 6.1% in the 12 months to December 2023 (from a drop of 5.3% in 2022) but has otherwise remained relatively stable over the last 10 years.

Economic Activity by Health Condition or Illness Lasting 12 Months or More (%), 2014-2023
(Source: ONS, APS)



There has been a general upward trend in job postings coming out of the COVID pandemic with a significant rise from mid-2022 to a peak in May and June 2023. The last 9 months has been more varied but appear positive; after a seasonal slump in December 2023, postings picked up in January 2024 and again last month.

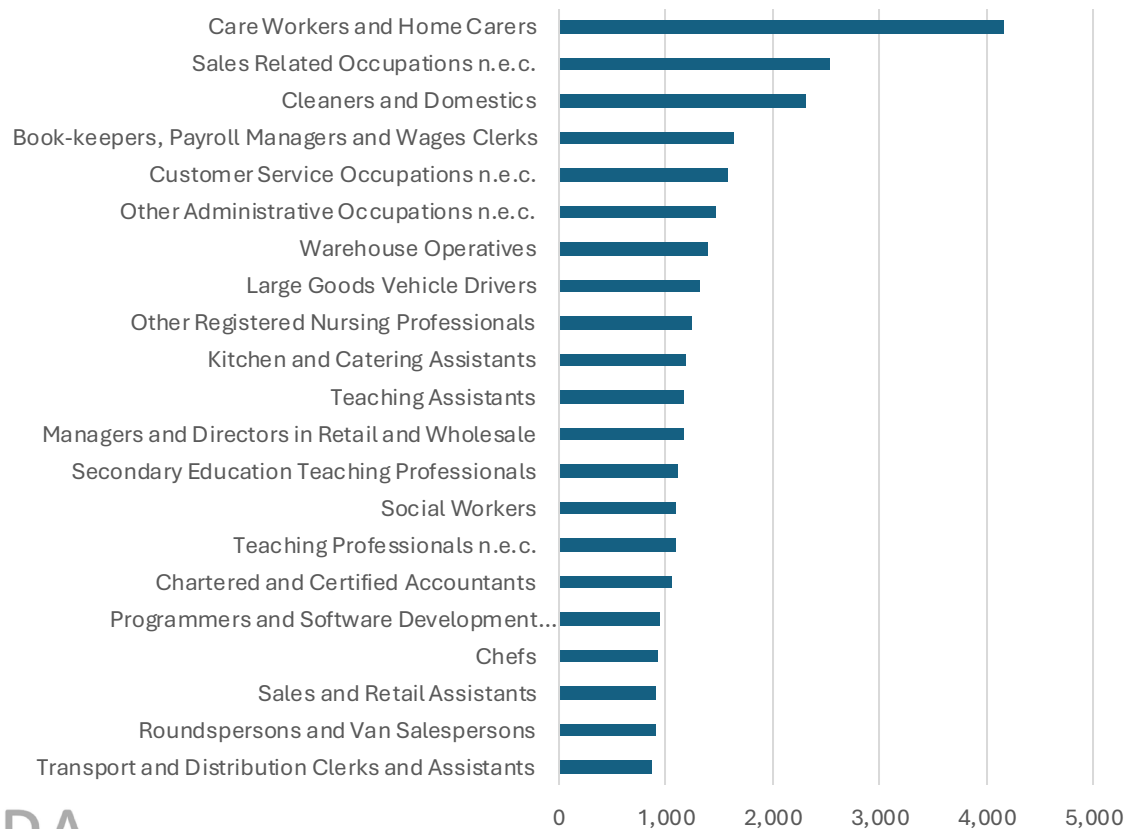
Monthly Unique Job Postings, April 2019-March 2024 (Source: Lightcast, Job Posting Analytics)



Care workers and home carers have been by far the most sought after occupations in Suffolk over the last five years, with 4163 unique job postings in the 12 months to March 2024. The most common skills required in postings are communication, management and customers service; these appear far more frequently than any specialised skills.

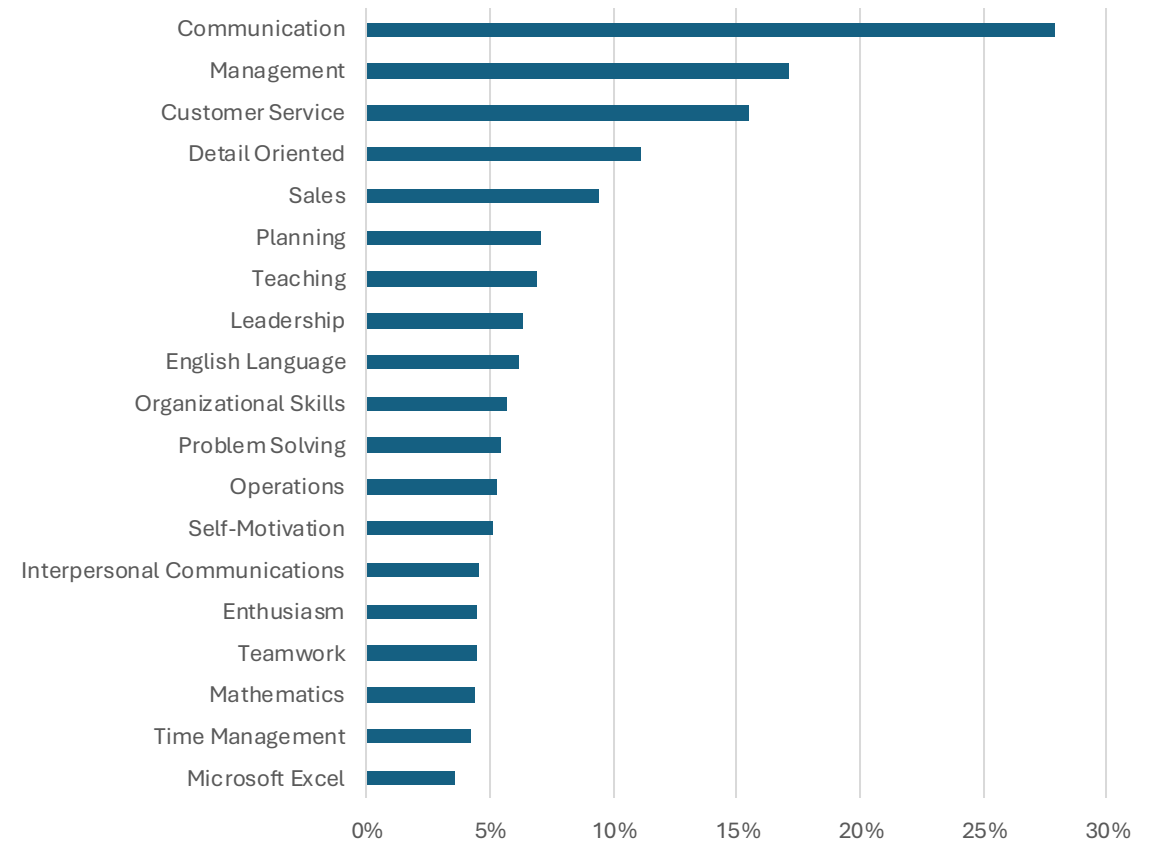
Number of Unique Job Postings by Occupation, April 2023-March 2024

(Source: Lightcast, Job Posting Analytics)



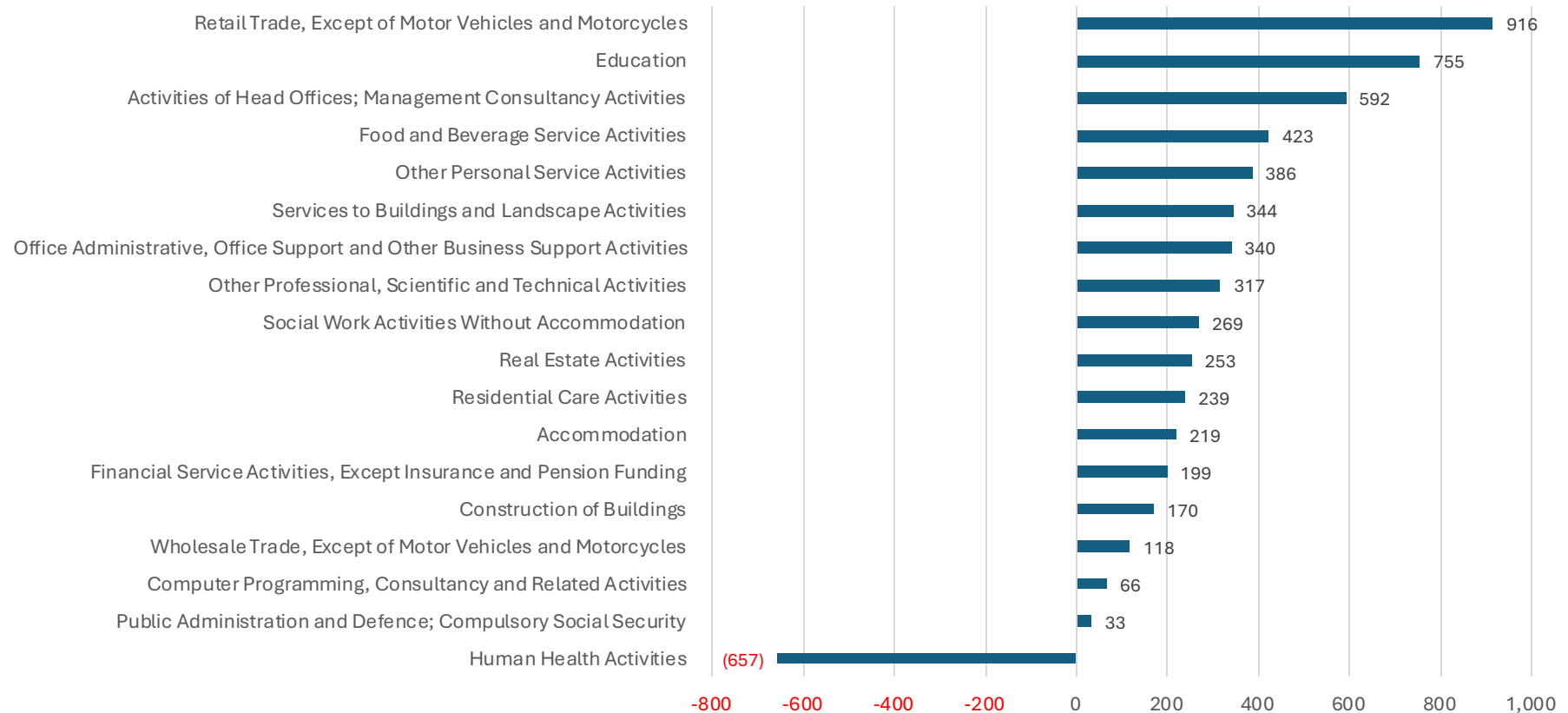
The Most Common Skills Required in Unique Job Postings (%), April 2023-March 2024

(Source: Lightcast, Job Posting Analytics)



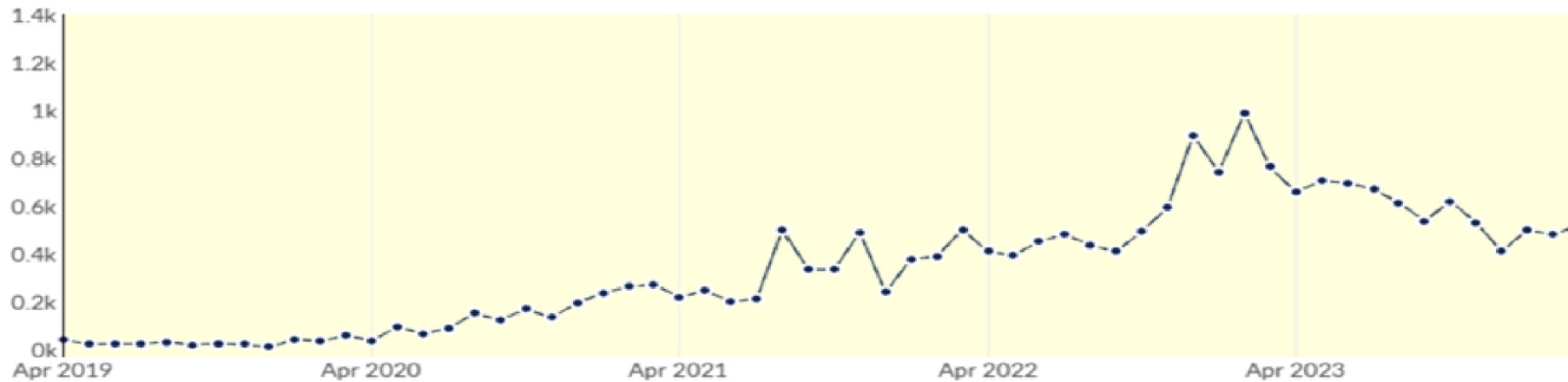
There has been a substantial increase in job postings in the retail sector in the last 12 months, suggesting a more positive outlook for consumer spending. Education postings have also seen a sharp rise, reflecting the demand for teachers and teaching assistants. In contrast, Human Health Activity postings fell 9.9% but remained the top industry by postings.

One-Year Change in the Number of Unique Job Postings by Industry, March 2024
 (Source: Lightcast, Job Posting Analytics)

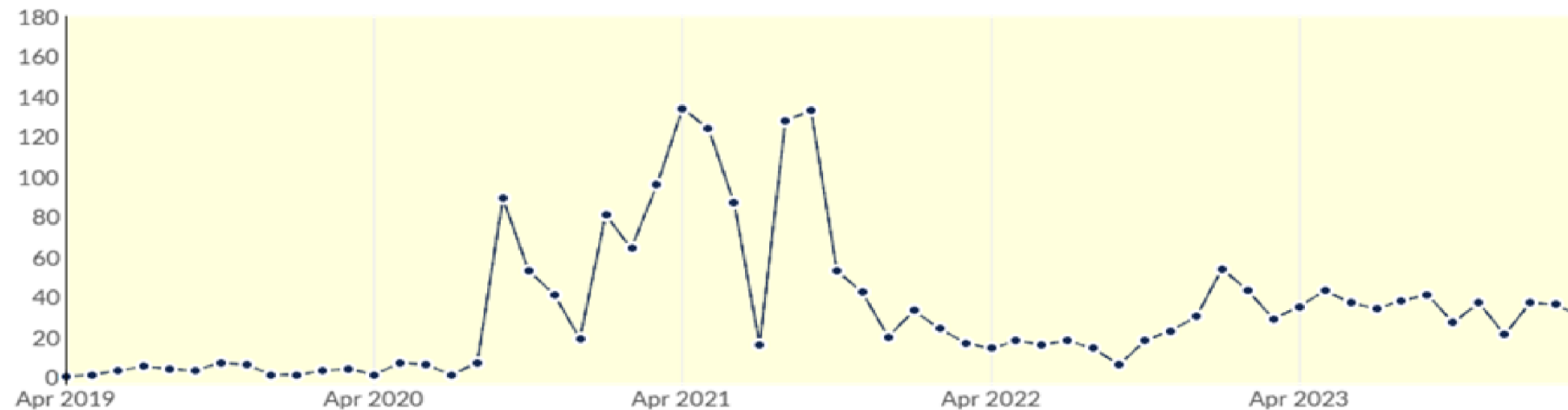


The demand for remote or hybrid working for jobs in Suffolk has risen dramatically since 2019. However, postings for jobs that do not include remote working are in far greater demand; there was an initial post-pandemic recruitment surge in postings from mid 2020 to early 2022 that has since calmed, but continues to reflect the need for workers in many customer-facing sectors.

Job Postings for Remote or Hybrid Working, April 2019-March 2024 (Source: Lightcast, Job Posting Analytics)

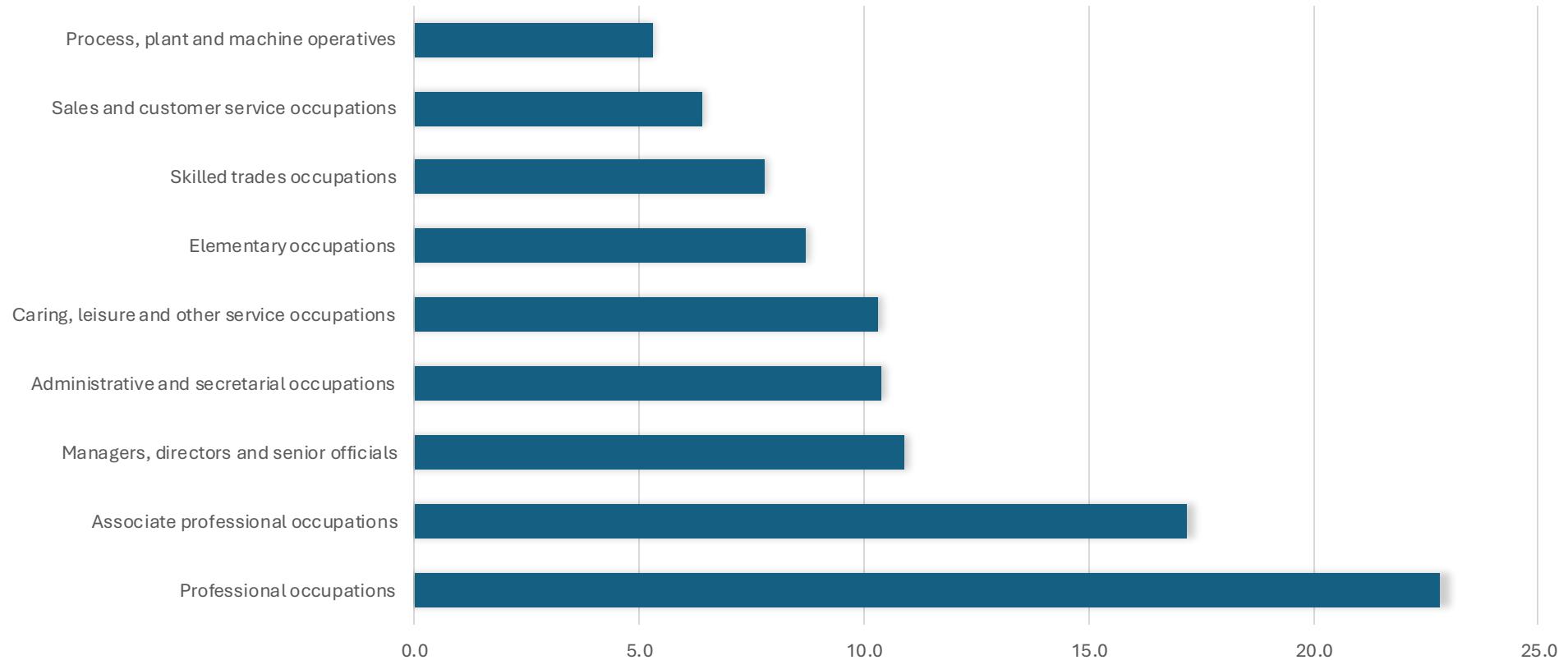


Job Postings for Non-Remote Working, April 2019-March 2024 (Source: Lightcast, Job Posting Analytics)



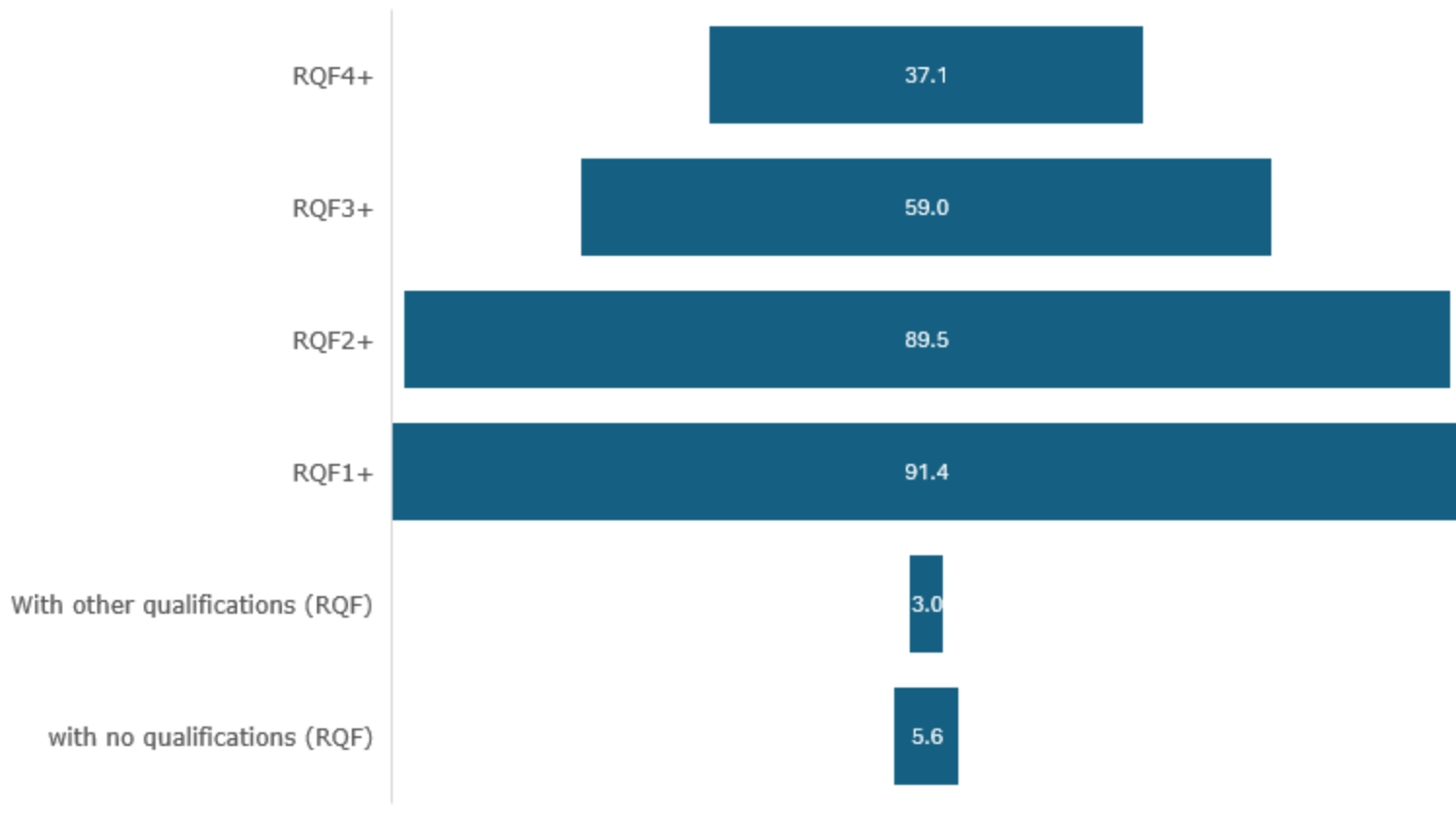
40% of Suffolk's economically active population are in professional or associate professional occupations. By contrast, only 9% are in elementary occupations and 5% are process, plant and machine operatives.

Occupation of 16-64 Year Olds as a Proportion (%) of Total Jobs, January-December 2023 (Source: ONS)



Suffolk has a higher than national average proportion of 16–64-year-olds with a Regulated Qualification Framework (RQF) Level two or higher, but significantly lower proportions with more than level three (59.0% in Suffolk, 67.4% in England) or level 4 (37.1% in Suffolk, 46.7% in England). The proportions with no qualifications (5.6% in Suffolk, 6.2% in England) are not dissimilar, however.

Proportion of Suffolk's 16-64 Year-Olds by Regulated Qualification Framework Level, 2023 (Source: ONS, APS)



Regulated Qualifications Framework (RQF)

RQF 4 – Vocational Qualification level 4, CertHE, HNC

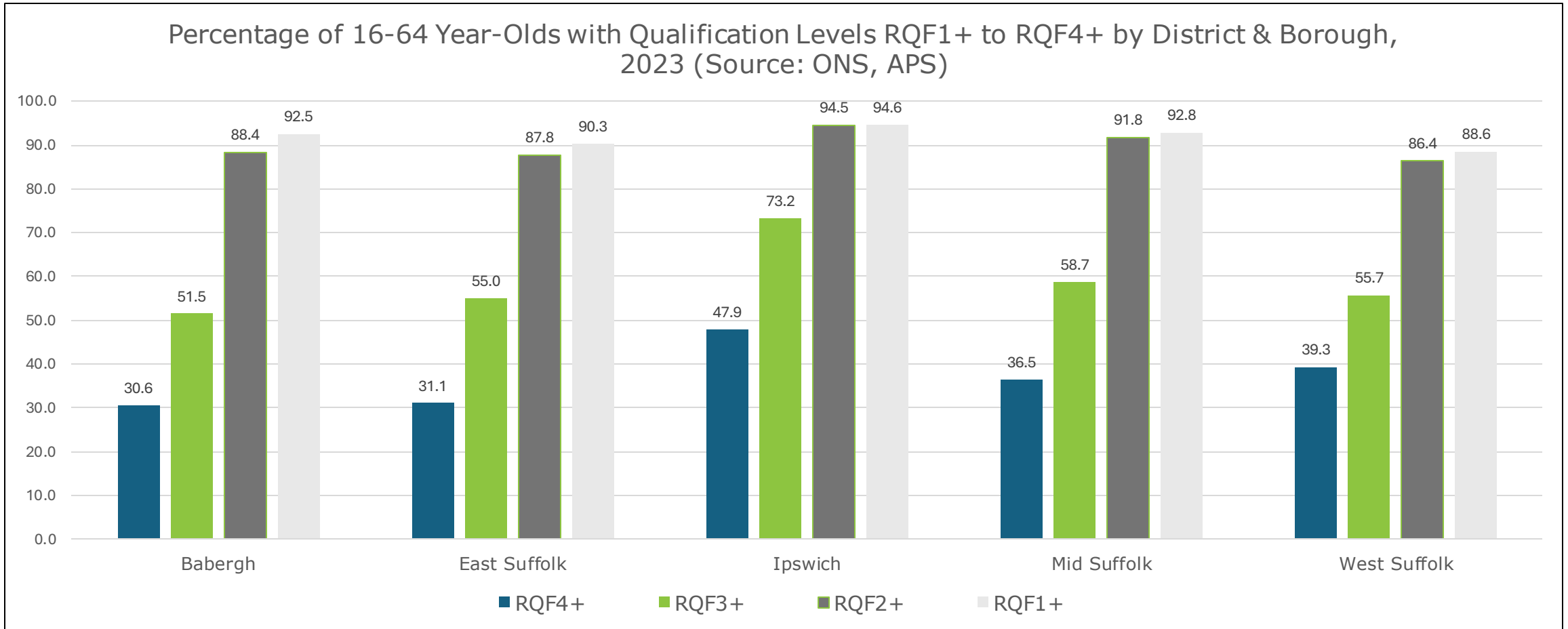
RQF 3 – Advanced level (A level) grade A-E, AS level, Vocational level

RQF 2 – GCSEs (grades 9-4: previously A*-C), CSE grade 1, O level grade A, B or C

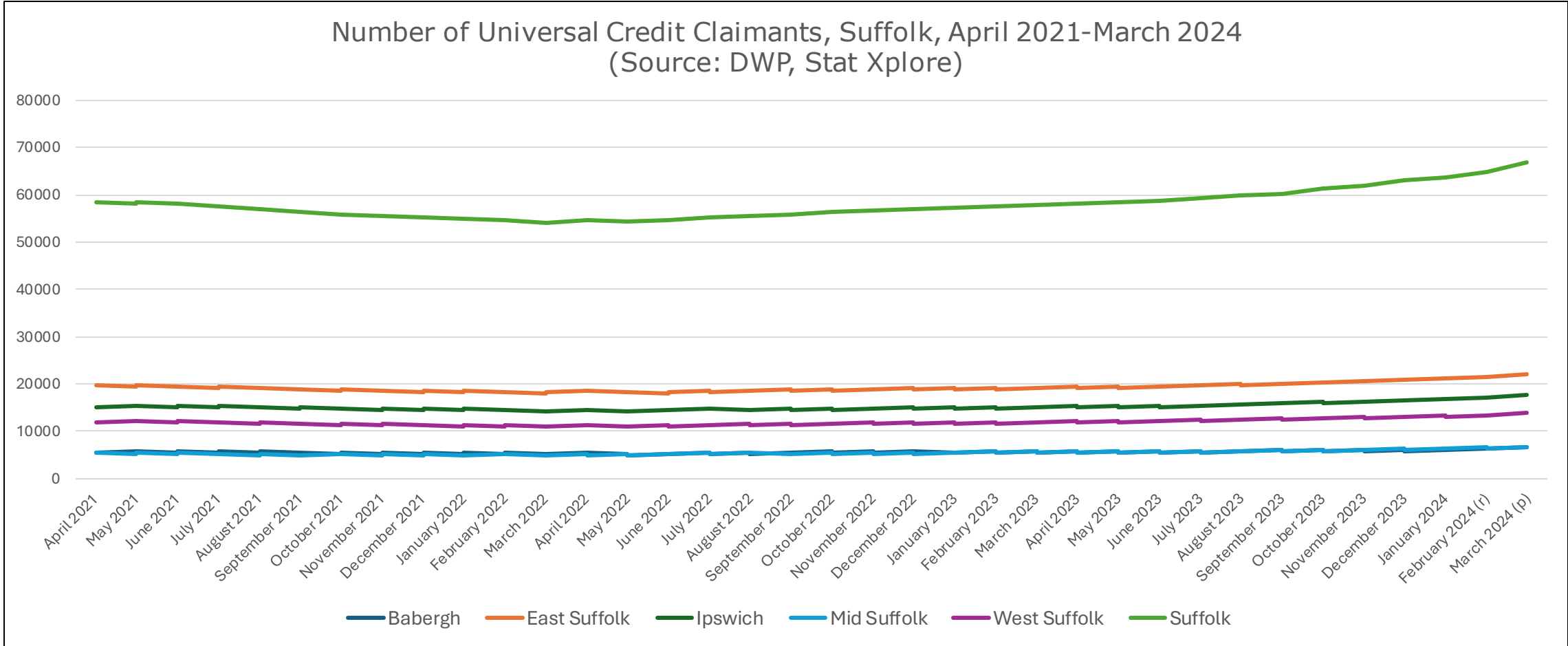
RQF 1 – GCSEs (grades 3-1: previously D-G)



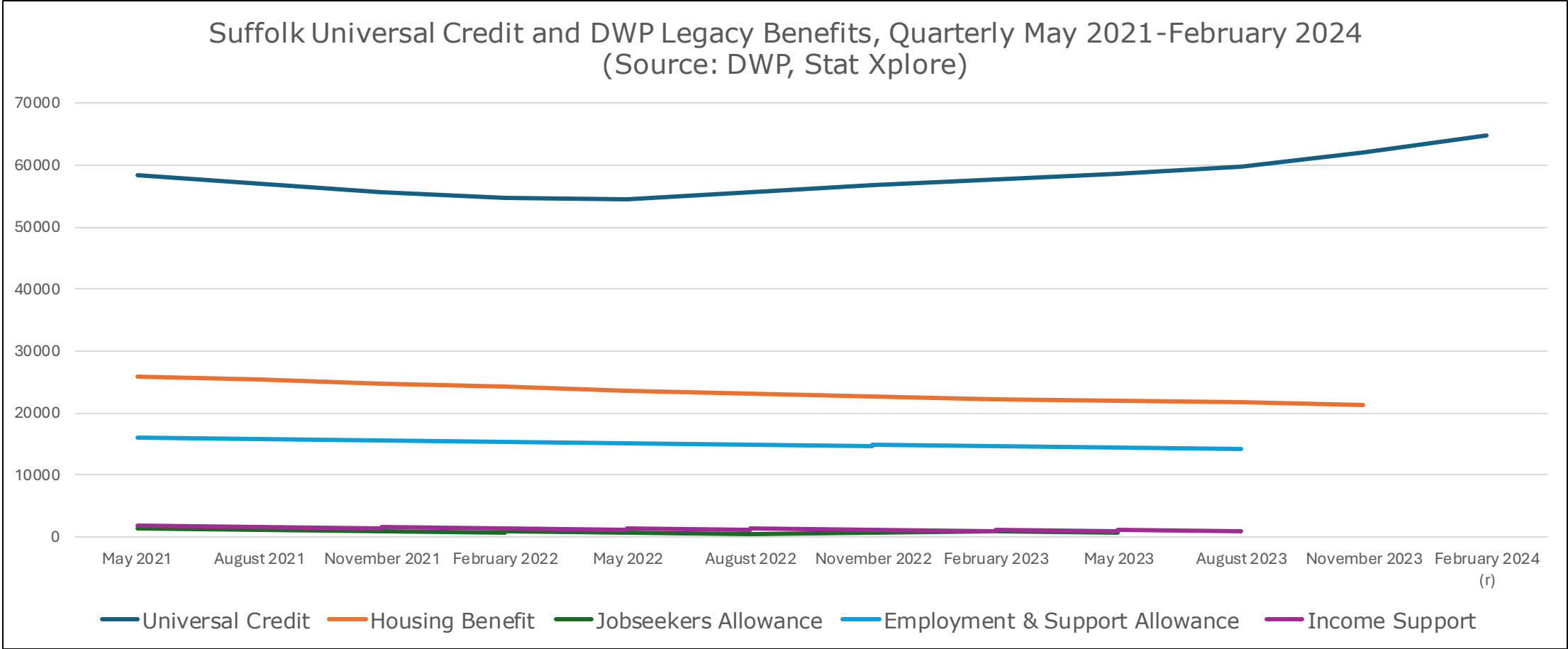
Ipswich has a substantially higher proportion at all qualification levels from Regulated Qualification Framework (RQF) level one upwards. However, all other districts have a substantially lower proportion of qualifications at level three or more and level four or more than the national average.



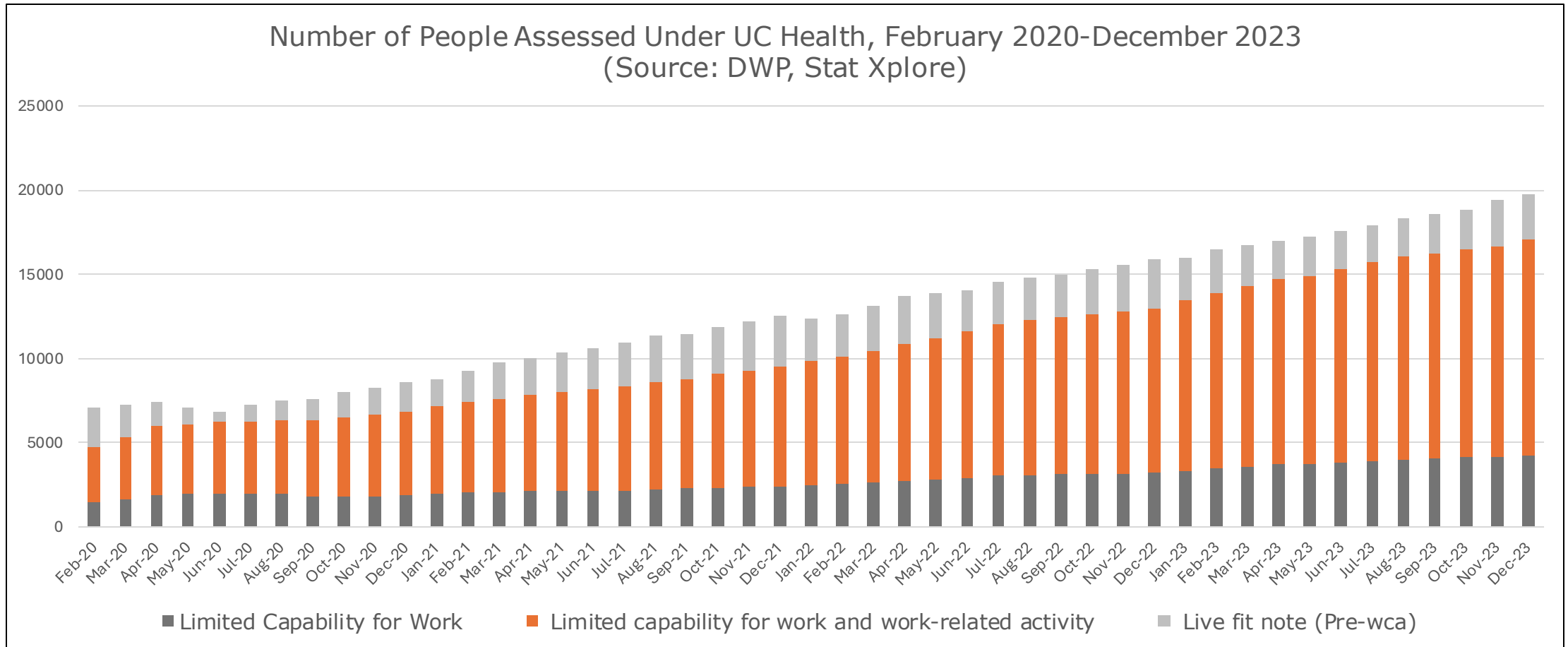
The number of Universal Credit (UC) claimants has continued to rise (to 66,843 provisionally in March 2024) since its roll-out, in part due to the numbers being moved off DWP legacy benefits and in larger part due to the consequences and policies of the COVID pandemic and Cost-of-Living crisis.



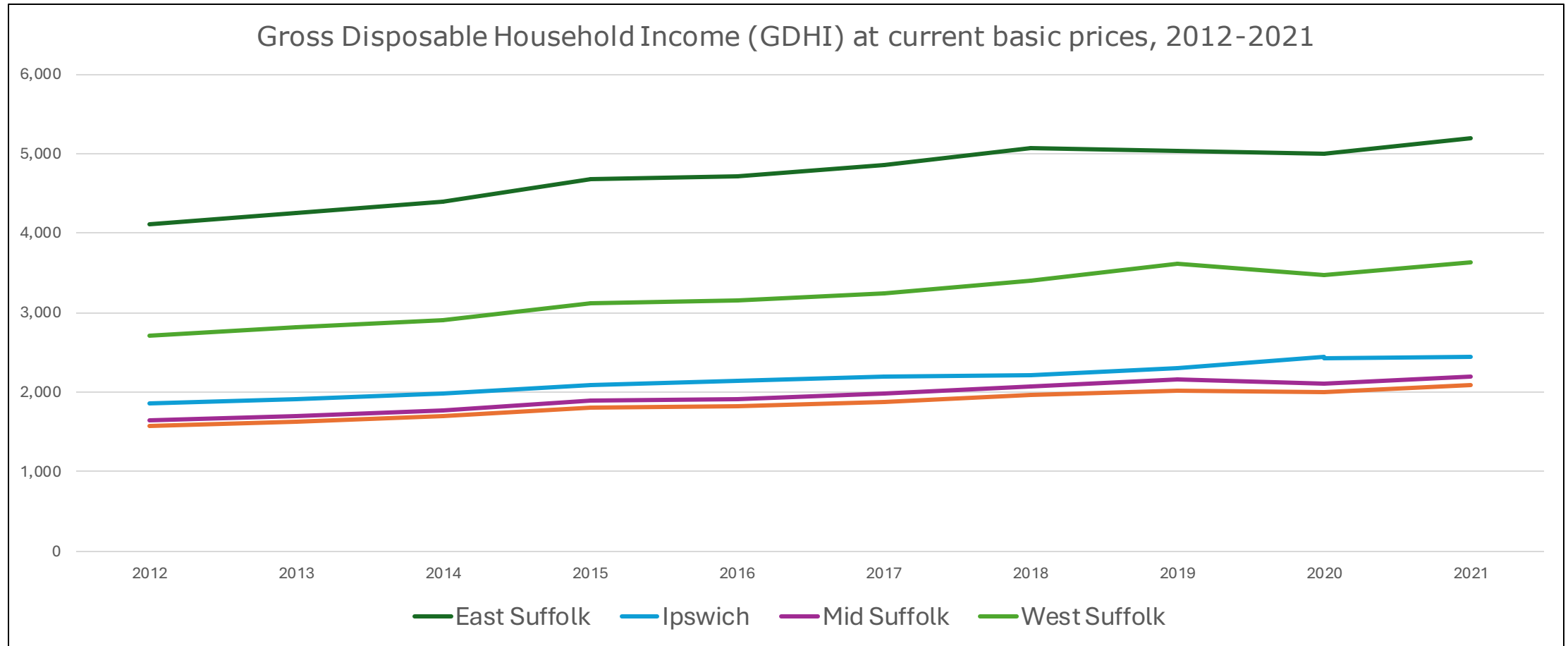
The number of legacy benefit claimants understandably declines as new claimants start on Universal Credit (UC) and existing claimants gradually switch over to UC. However, the significantly disproportionate increase in UC continues to indicate that much of this rise is due to 'new need'.



When Universal Credit (UC) claimants declare they have a restricted ability to work due to their health condition and DWP receives medical evidence in support of the claim, the claimant is placed on UC health. The UC Health Caseload has continued to increase dramatically led by claimants with limited capability for Work and Work-Related Activity.



There is a significant difference between districts and boroughs when it comes to gross disposable household incomes (GDHI). Indeed, the GDHI in East Suffolk has been consistently more than double that of Babergh.



Growth in gross disposable household income per head followed a similar pattern for each Suffolk district and borough until 2018. Ipswich had fewer dramatic changes in growth of GDHI until 2019, remaining more resilient to peaks and troughs. It will be important to observe more recent trends when differences in 2021 census timings are accounted for in official figures.

