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Local Labour Market Outlook

STOKE-ON-TRENT

19 January 2022

Overview

2021 was a rollercoaster year for the UK economy and labour market. After a lockdown in the early months, the summer and autumn saw an unprecedented recovery with surging demand, before the prospect of Omicron bought a chill in December. As we look ahead to the hopes of further recovery in 2022, using the data in this report we can take stock of the changed circumstances brought by 2021.

This report — part of a series — looks at the path of the labour market in Stoke-on-Trent during 2021. At the start of the year, all parts of the UK were in full lockdown, with months of boredom from being locked in doors to come. Fortunately, things began to improve in the Spring as the Covid-19 vaccination programme gathered momentum and the UK Government and devolved administrations began to remove lockdown restrictions, signalling a return to relatively normal circumstances without the restrictions on society and the economy.

In tandem with the move back to normal, the economy continued to recover from the initial shock caused by Covid-19, building upon the large gains made in the Summer of 2020 and reaching pre-pandemic GDP levels in November 2021. During this period, the UK Government began to wind down support schemes such as the Coronavirus Jobs Retention Scheme and Self-Employment Income Support Scheme that proved significant in protecting the economy, moving back towards typical operating conditions for businesses.

This has not stopped businesses from moving to hire new workers. Job postings volumes in the UK over the course of 2021 increased significantly, with the number of new job postings per month increasing to 1,161,340 on average between May and December 2021. In comparison, new job postings per month averaged 903,590 between May and December 2019, indicating higher labour demand relative to the last period when businesses were operating in normal conditions. This also occurred in Stoke-on-Trent, when new job postings averaged 3,580 per month between May and December 2021, compared to 2,730 postings per month between May and December 2019.

As the year wore on, higher labour demand fed into regular reports of employers having difficulties finding workers, and then as the year ended the discovery of the highly infectious Omicron variant raised discussions of potential lockdowns. Luckily, as of the time of writing these fears have not come to pass, and in spite of the potential headwinds — not least from surging energy prices — the year 2021 ended much more positively than it began.

In this report, we look back at the economic and labour market characteristics of Stoke-on-Trent in 2021, setting the scene for what lies ahead in 2022.

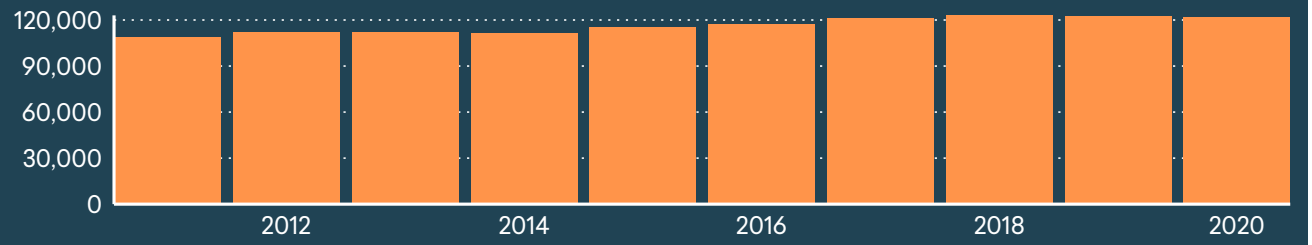
KEY TRENDS

We begin examining the economy and labour market of Stoke-on-Trent by looking at historic employment, benefit claimant and job posting trends. In the first chart, we can see how the number of jobs in Stoke-on-Trent changed between 2011 and 2020. Overall, jobs increased by 12,990 in Stoke-on-Trent, representing growth of 12.0%.

More recently, the number of people claiming benefits for the reason of being unemployed in Stoke-on-Trent decreased by -1,860 (-15.1%), indicating people may be moving off benefits and returning to employment as the impact of the pandemic subsides. Additionally, new monthly job postings increased from 2,340 in January 2021 to 3,730 in December 2021, suggesting that labour demand at the end of the year was higher than during the initial stage of the post-Christmas national lockdown.

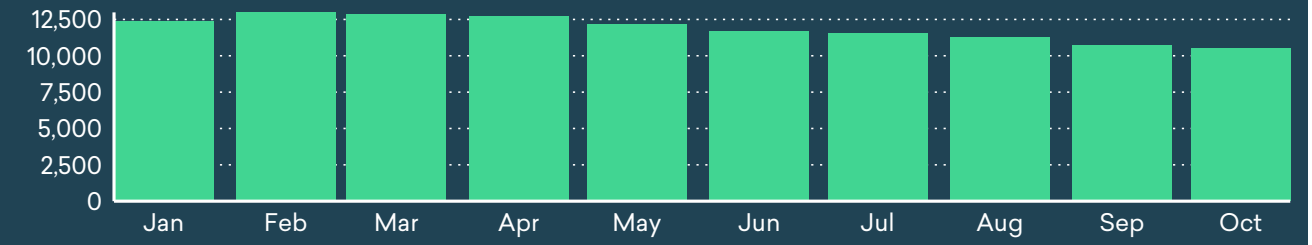
CHANGE IN JOB NUMBERS 2011-2020

12,990 change, 12.0%



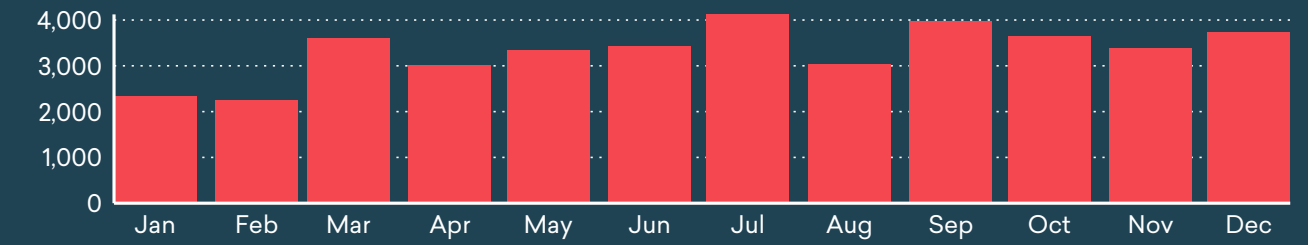
CHANGE IN CLAIMANT COUNTS 2021

-1,860 change, -15.1%



CHANGE IN JOB POSTINGS 2021

1,390 change, 59.6%



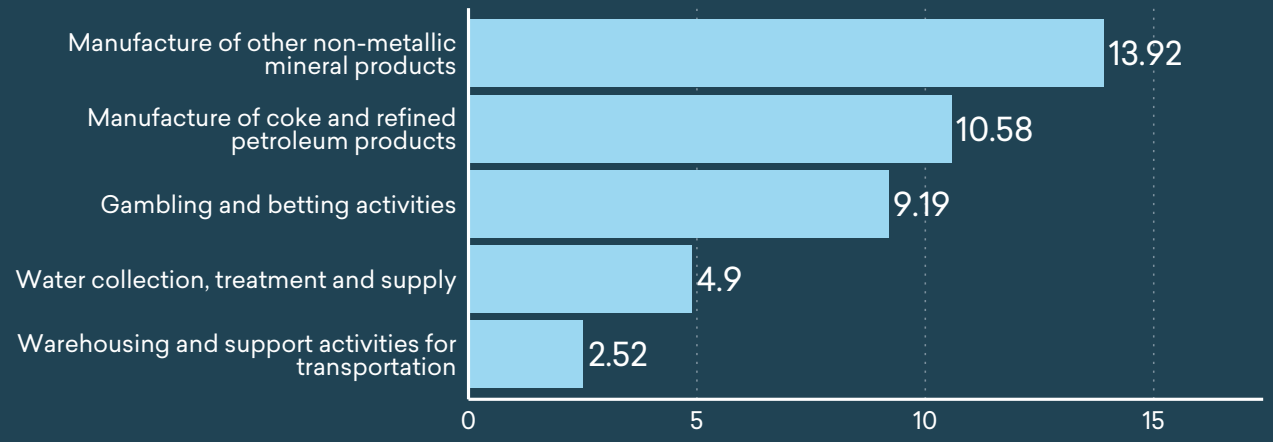
TOP INDUSTRIES

These charts highlight the top five most concentrated industries in Stoke-on-Trent measured using a Location Quotient (LQ) - industries are defined using two digit Standard Industrial Classifications (SIC). An LQ is the ratio between an industry or occupation's share of local employment and the share nationally, such that as the value goes above 1 it represents a relative concentration for that industry or occupation.

The most concentrated industry in Stoke-on-Trent in 2020 was manufacture of other non-metallic mineral products, which contained 4,550 jobs. In comparison, the industry with the lowest LQ of the five most concentrated industries (i.e. warehousing and support activities for transportation) in Stoke-on-Trent contained 5,450 jobs. Between 2011 and 2020, jobs changed by 13% and 70% in the two industries respectively.

TOP 5 INDUSTRIES BY LOCATION QUOTIENT

Industry Location Quotient, 1 = UK



	Total Jobs in 2020	Change 2011-2020	% Change 2011-2020
Manufacture of other non-metallic mineral products	4,550	540	13%
Manufacture of coke and refined petroleum products	360	260	258%
Gambling and betting activities	2,900	620	27%
Water collection, treatment and supply	800	640	413%
Warehousing and support activities for transportation	5,450	2,250	70%

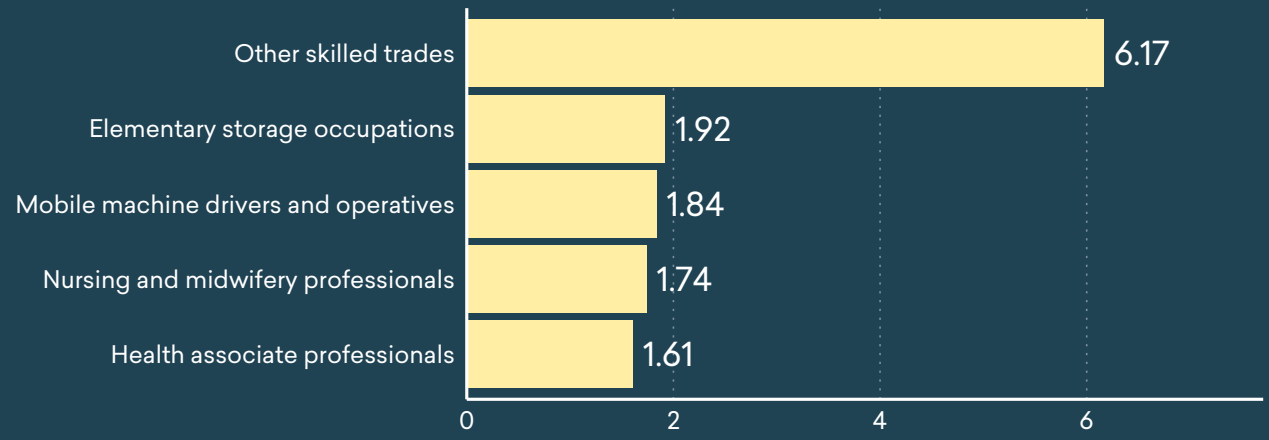
TOP OCCUPATIONS

These charts present the top five most concentrated occupations in Stoke-on-Trent measured again using Location Quotients and the number of jobs in each occupation — occupations are defined using three digit Standard Occupational Classifications (SOC). The first chart indicates the three most concentrated occupations in Stoke-on-Trent are other skilled trades, elementary storage occupations and mobile machine drivers and operatives, with LQs of 6.17, 1.92 and 1.84 respectively.

Of the top most five most concentrated occupations, nursing and midwifery professionals and health associate professionals in 2020 had the highest and lowest numbers of jobs. Jobs changed in these occupations between 2011 and 2020 by 27% and 36% respectively.

TOP 5 OCCUPATIONS BY LOCATION QUOTIENT

Occupation Location Quotient, 1 = UK

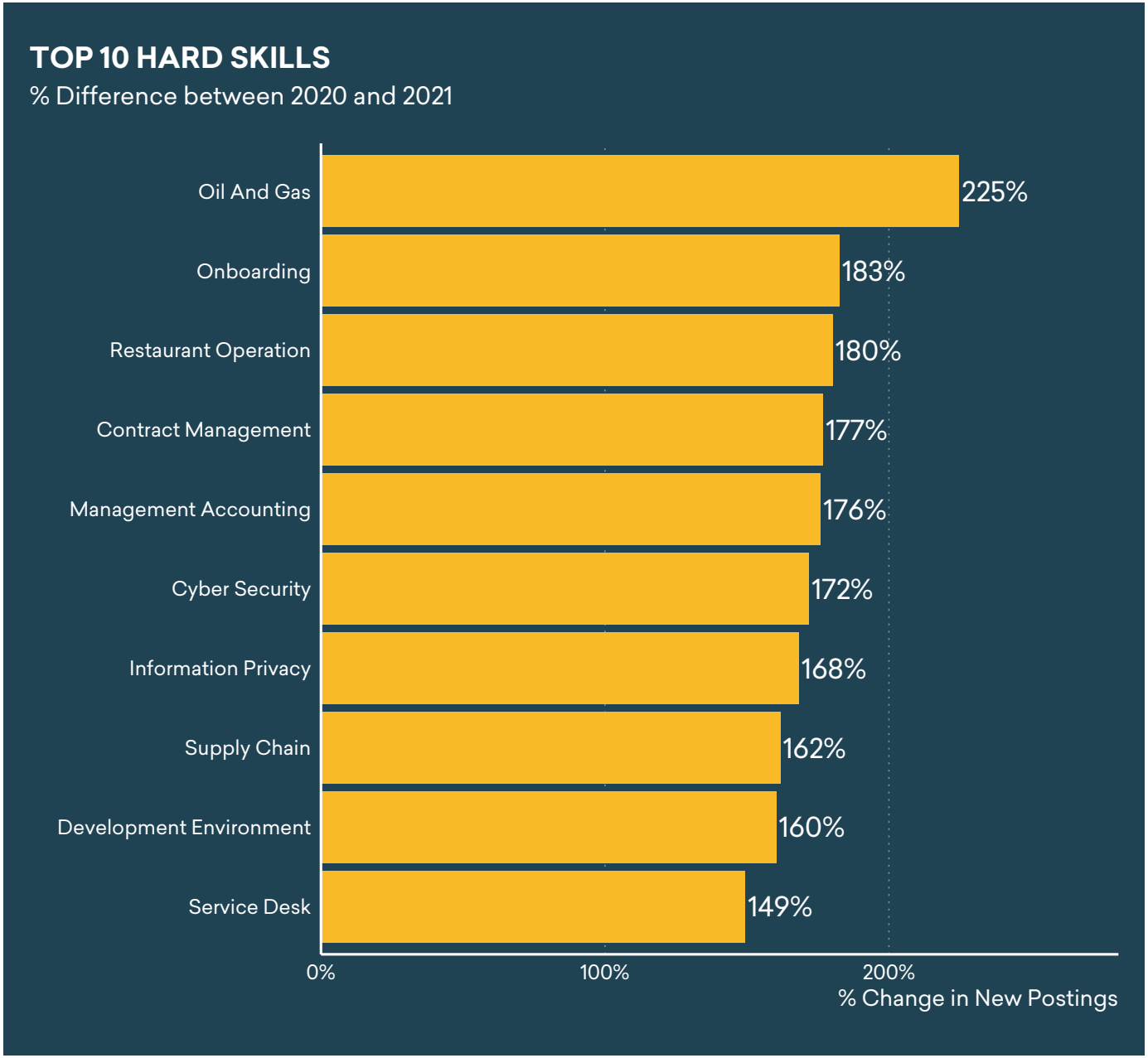


	Total Jobs in 2020	Change 2011-2020	% Change 2011-2020
Other skilled trades	1,650	-10	-1%
Elementary storage occupations	4,530	1,120	33%
Mobile machine drivers and operatives	1,280	320	33%
Nursing and midwifery professionals	5,120	1,090	27%
Health associate professionals	690	180	36%

DEMAND FOR SKILLS

Using Emsi Burning Glass Job Postings Analytics and our Skills library, it is possible to identify change in demand for hard skills within different areas of the UK. Hard skills represent abilities that have been either taught or learnt by a person. Examples of hard skills include the capability to use programming languages and ability to undertake specific laboratory tasks.

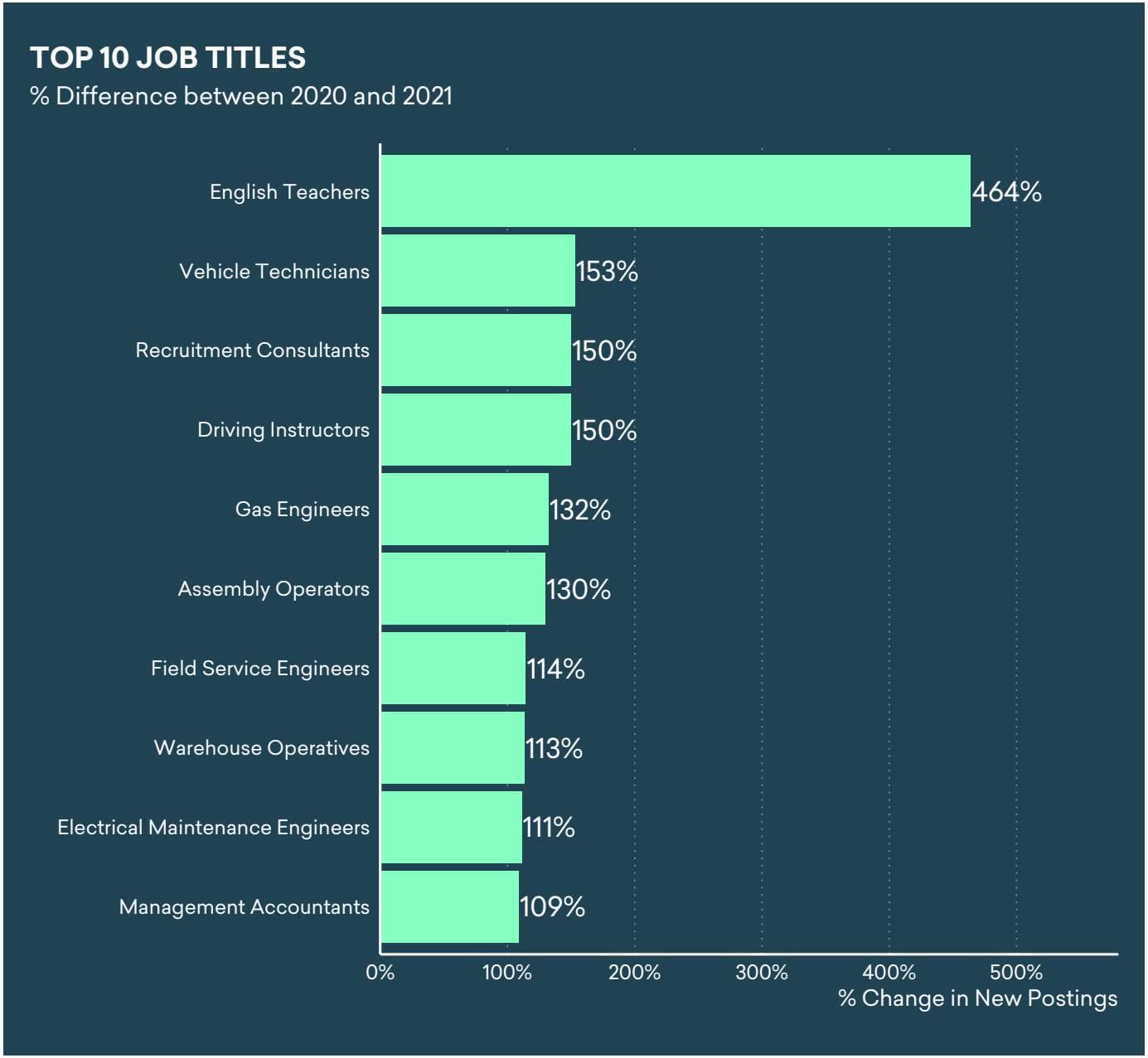
The chart highlights the ten hard skills in Stoke-on-Trent that saw the proportionately largest increases in the number of job postings they were tagged in between 2020 and 2021. The analysis behind the chart is based on taking the 300 hard skills with the highest number of tags in 2020 to lower the risk of hard skills with numerically insignificant but proportionately high gains from distorting the results. A minimum tag number threshold has also been used to further lower the risk.



DEMAND FOR JOB ROLES

Emsi Burning Glass job postings data in combination with our normalised job titles library enables for the identification of changes in demand for specific job roles, providing more nuanced insight compared to what is possible using SOCs.

To look at the change in demand for specific job titles in Stoke-on-Trent, the same approach as used for hard skills on the previous page has been applied. This includes using the same timeframe and the combination of taking the 300 most tagged job titles in 2020 and a minimum tag number threshold to lower the risk of distorted results.



Emsi Burning Glass data

Our data is at the heart of what we do and we are confident that it is the most reliable, accurate and granular labour market insight available in the UK. We take the view that to get a realistic picture of your focus labour market, rather than looking at traditional labour market intelligence or 'big data' like job postings or profiles alone, you need them together. This is why we have uniquely integrated these different data sources, to give you one seamless dataset describing various aspects of the economy in your area and beyond — available through software tools, research consulting, or API access.

LABOUR MARKET INTELLIGENCE

Over 2 billion data points ranging across jobs, earnings, employment levels, education output, and more. Data are sourced from a range of government datasets; but we synthesise them and model to infer missing cases; then we project forward job counts ten years from latest BRES (now to 2028), detailed down to local areas (LAU1) and specific occupations (4-digit SOC) and industries (4-digit SIC).

JOB POSTING ANALYTICS

Harvested from tens of thousands of job boards, JPA is updated every month with between 800,000 and 1 million new unique postings — we have a database of more than 60 million postings as of writing. Every posting is categorised across occupation (4-digit SOC), detailed job title, location, company name and against Emsi Burning Glass' continuously updated library of nearly 30,000 common and hard skills. Metrics include posting counts, but also posting intensity, posting duration and salary.

PROFILE ANALYTICS

A database of 11 million professional employment profiles, Profile Analytics provides a supply-side counterpart to the content-rich, demand-side intelligence from JPA. Each profile captures occupation, detailed job title and location, just as with job postings, as well as categorising against Emsi Burning Glass' skills library. In addition, the data allows identification of universities and degree subject areas, as well as in some cases the career path through which a professional has reached their current role.