

Education, skills and jobs in regions of England, in the context of COVID

Evidence report

Session 4: September 2021

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Summary

There is a significant and growing body of evidence showing that the pandemic has not impacted on all communities equally, with evidence that deprived communities have seen more impacts in terms of exposure to the virus as well as economic and social effects.

In [analysis published in the summer of 2020](#), the Institute for Fiscal Studies (IFS) notes that standard measures of local socio-economic deprivation do not accurately identify the areas most vulnerable to the impacts of COVID. Looking at the make-up of regions along health, economic and social lines, often tells the more complicated story of how COVID has affected areas differently.

Coastal towns (already ranked highly in terms of overall deprivation), are likely to see inequalities with non-coastal areas become even wider given the disruption caused by the pandemic. Areas in the North of England are more vulnerable than average along health and family dimensions: these include South Yorkshire, Derbyshire and Nottinghamshire, which have older, more deprived populations. Other such areas are clustered in the West Midlands (particularly around Birmingham) and in the cities of the North West and North East.

Within London, boroughs with younger, healthier populations have seen fewer COVID deaths. However, many London boroughs will see long-term significant economic and social costs of the pandemic, as sectors such as hospitality, retail and tourism remain depressed in 2021, and a proportionately high number of schoolchildren are from disadvantaged families, where home learning has been more difficult.

Analysis

Employment rates by region

As we move from lockdown, there are steady improvements in employment rates across England as a whole, but with a mix of regional trends.

Payrolled employee growth rates in all regions followed a similar pattern: rapidly declining but beginning to improve again in recent months. The North East, North West, and East Midlands continue to be above pre-COVID levels for payrolled employees. For the three months ending June 2021, the highest employment rate estimate in the UK was in the East of England (78.1%) and the lowest was in the North East (71.6%). The North West saw the largest change in employment rate estimate compared with the previous year, with a decrease of 2.0 percentage points; the West Midlands saw a record increase of 1.6 percentage points compared with the previous quarter (January to March 2021).

Unemployment

For the three months ending June 2021, the highest unemployment rate estimate in the UK was in London (6.4%) and the lowest was in the South West (3.6%); London saw the largest change compared with the same period last year, with an increase of 1.5 percentage points.

For the same period, the lowest economic inactivity rate estimate in England was in the South East (18.4%); the North East and North West saw the largest changes compared with the same period last year, both with an increase of 1.4 percentage points.

Table 1: Summary of headline estimates and quarterly changes for regions, seasonally adjusted, April to June 2021

	Employment rate ¹ (%) aged 16 to 64 years	Change on January to March 2021	Unemployment rate ² (%) aged 16+	Change on January to March 2021	Inactivity rate ³ (%) aged 16 to 64 years	Change on January to March 2021
England	75.3	0.4	4.8	-0.2	20.8	-0.2
North East	71.6	-0.4	5.8	0	24.1	0.7
North West	73.2	0.6	4.7	-0.3	23.1	-0.4
Yorkshire & the Humber	72.9	0.5	5	0	23.2	-0.6
East Midlands	75.3	0.5	4.3	-0.8	21.2	0.2
West Midlands	74.5	1.6	5	-1.1	21.4	-0.9
East	78.1	0.4	3.9	0	18.7	-0.4
London	74.7	0.2	6.4	-0.5	20.2	0.3
South East	77.9	-0.3	4.4	0.9	18.4	-0.5
South West	77	0.3	3.6	-0.2	20	-0.1

Source: ONS

www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/regionallabourmarket/august2021

Employment by gender and region

In all UK regions and countries, men had higher employment rates than women. This is largely because women are more likely to be economically inactive (not in work and not seeking work).

Table 2: Employment rate (%) by gender. Jan-Dec 2020

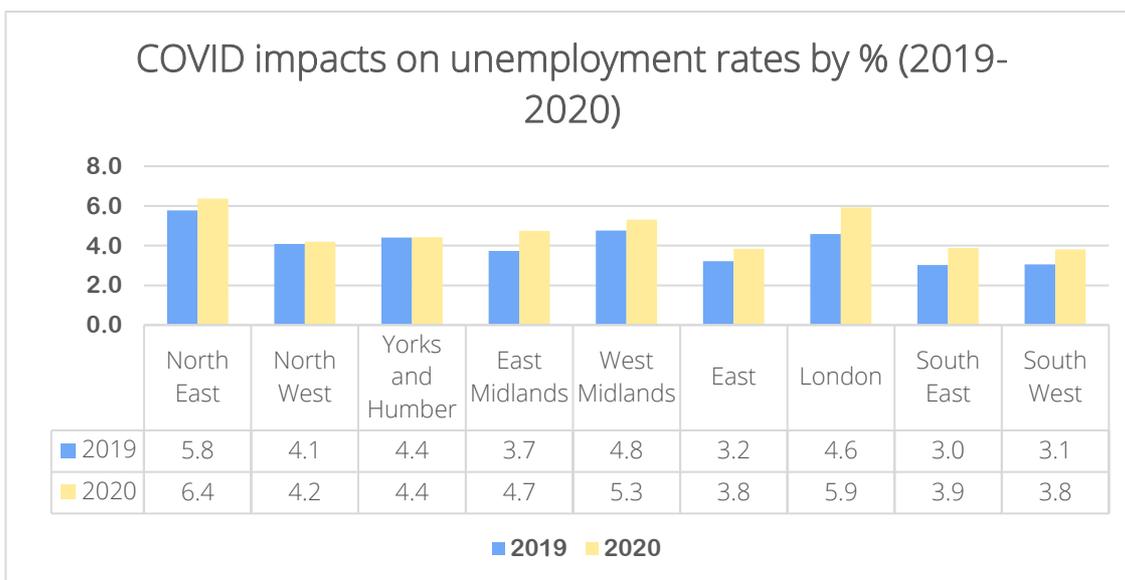
	Men	Women
North East	73.8	69.2
West Midlands	77.3	70.2
North West	77.6	70.9
Yorks and Humber	78.3	70.9
London	78.6	71.8
East Midlands	79.7	71.9
South West	80.0	75.6
East	81.4	73.0
South East	81.8	74.9

Source: ONS

The East showed the biggest difference between employment rates for men and women; the rate for men was 8.5 percentage points higher than the rate for women. The difference was smallest in the South West where the employment rate for men was 4.4 percentage points higher than the rate for women.

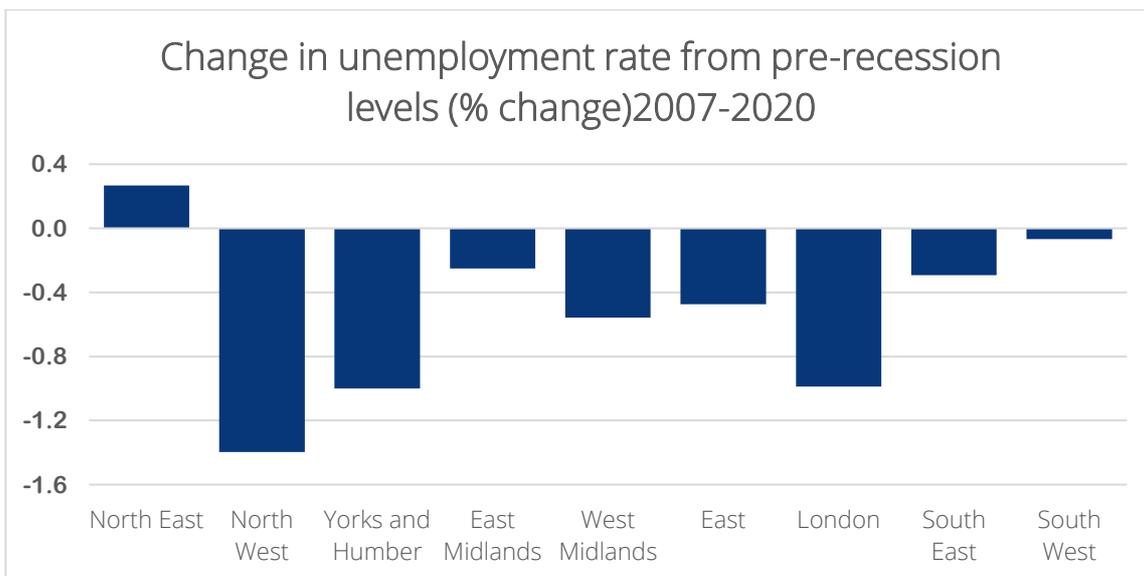
Unemployment rate changes by region

Most regions saw unemployment rise as a result of the pandemic. The largest increase was in London (+1.3%) in Yorks and Humber there was no overall increase, although it should be noted this data precedes the phasing out of the furlough scheme.



Source ONS

In all UK regions, unemployment rates increased following the financial crisis of 2008/09. Since 2011, the unemployment rate had been falling, until the pandemic hit in 2020. Despite this, the unemployment rate remains below the 2008 recession levels in all regions except the North East.



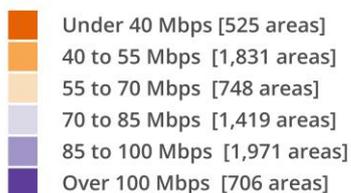
Digital Connectivity

The move to large scale remote working and learning has highlighted the need for widely available and reliable digital infrastructure across all areas of the country. Although the UK has comparatively high availability of *superfast broadband*, 1.5 million premises (5%) still do not have access to superfast speeds. These premises are generally the most expensive or difficult premises to reach with new infrastructure; 58% are in rural areas. A UK [Parliament Research Paper](#) sets out the Government target announced in 2020 is for at least 85% of UK premises to have access to faster *gigabit broadband* by 2025.(download speeds of at least 1Gb/ps delivered by full fibre connections, high-speed cable broadband and potentially 5G)

A UK [Parliamentary Paper](#) in December 2020 looked at concerns around the digital divide in the context of the pandemic, with concerns cited around lack of access to high-speed internet having negative outcomes in terms of access to education, work and healthcare.

The map below shows average broadband speeds in June 2020, many of the slowest connections are clustered in remote and rural areas.

Mean average download speed by MSOA, June 2020



How to read this cartogram

On this map, areas are approximately scaled in size according to their populations. Each small hexagon represents a Middle-Layer Super Output Area (MSOA) with a population of around 7,000-10,000 people.

Areas are grouped by ceremonial counties, conurbations, and other recognisable sub-national areas. These groups include unitary authorities (e.g. Nottingham UA in the Notts group) and don't all reflect current local gov structures.

Dark lines between hexagons represent local authority boundaries. Extra labels are provided for large towns & cities to help you locate particular cities and towns (e.g. 'Lut.' = Luton).

Light grey shaded areas between county groups don't represent data and serve only as a background.

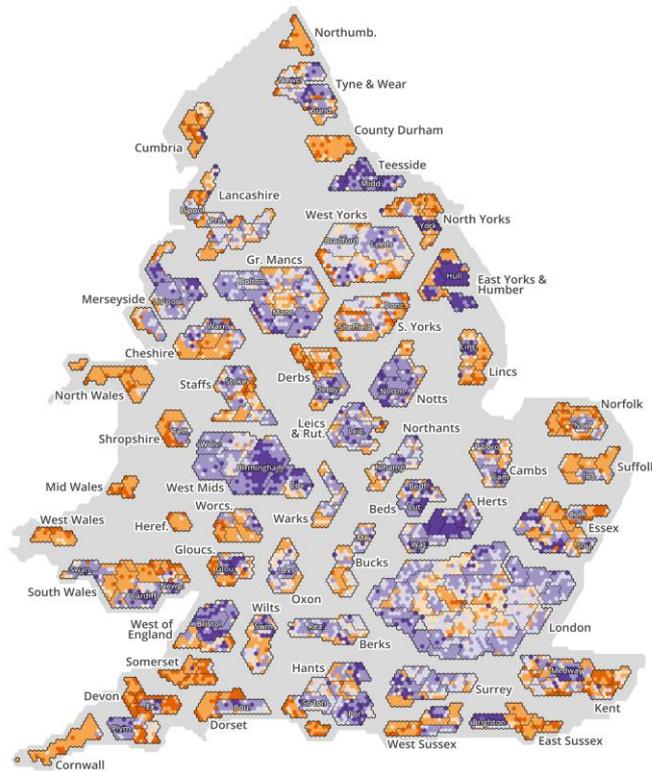
Population scale (approx)



Data: Ofcom Connected Nations 2020

Map: @commonslibrary

Template: <https://tinyurl.com/HCL-hex-cartograms>



Source: <https://commonslibrary.parliament.uk/constituency-data-broadband-coverage-and-speeds/>

Coastal Communities

Analysis by the [National Coastal Tourism Academy](#) in Feb 2021 shows that the severe economic impacts on coastal areas are continuing in 2021. Most coastal communities have between 15-20% of employment directly in tourism, and can be as high as 50%+ in parts of the South West ([Centre for Towns analysis](#)). Whilst the summer of 2021 has seen some return to normal trading for many businesses, for many communities the impact of the previous 12 months have been devastating. 32% of all visits to the coast take place in July and August, 84% between March and October. Despite the boost given by many UK residents opting for domestic tourism

during summer 2021, coastal communities will see big impacts this autumn as both the conference and events markets and international education tourism remain depressed.

COVID in 'left behind' areas

A 2020 [All Parliamentary Group \(APPG\)](#) looked at the impact of COVID in areas of England designated as 'left behind'. These areas are 225 wards in England, often located on the peripheries of towns and cities which rank in the top 10% of the multiple deprivation index but do not have the social structures in place to maximise benefits of public or lottery funds and initiate transformation.

'Left behind' neighbourhoods have a higher proportion of people in 'high risk' health groups, with a higher proportion of people with a limiting long-term illness (23.8%) than other deprived areas, (21.3%) and England as a whole (17.6%). There is a higher prevalence of key 'high risk' health conditions including cancer, obesity, and COPD in 'left behind' neighbourhoods than in deprived non-'left behind' areas and England as a whole. People in 'left behind' neighbourhoods are also more likely to be working in the health and social care sector (14.5% of workers) than across other deprived areas (14%) and England as a whole (12.4%), leading to increased exposure to the virus.

There have been large rises in unemployment across all areas since March 2020, with unemployment rising faster in 'left behind' neighbourhoods at the beginning of the pandemic (by 4.1 percentage points) than the national average (3.4 percentage points over the March-May 2020 period). More than one-in-ten (10.6%) of working age people living in 'left behind' neighbourhoods were identified as unemployed in June 2020, compared with 6.5% across England as a whole.



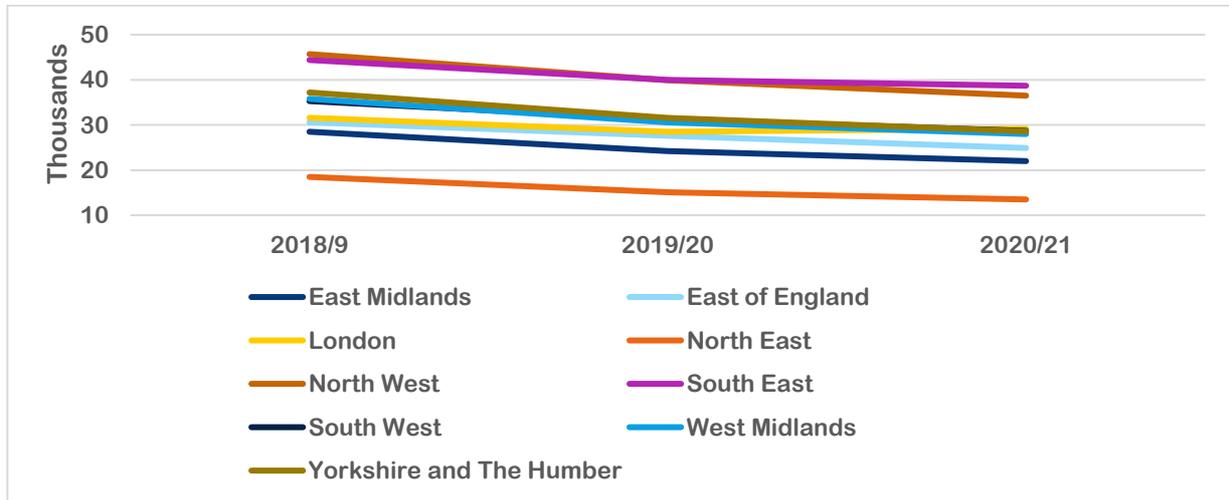
Figure 1 : Location of Left Behind Areas in England. (Reproduced from APPG - Communities at risk: the early impact of COVID-19 on 'left behind' Neighbourhoods)

Access to Education and Skills

Apprenticeships

Apprenticeship starts fell again in all regions in 2020/21, continuing a five year trend. The region with the largest fall was the North East with a 27% drop in starts in 20/21 compared to 18/19. The London region saw the least falls with just an 8% drop.

Graph 1: Apprenticeship starts



Source: ONS

Regional inequalities in education compounded by variation in school absences

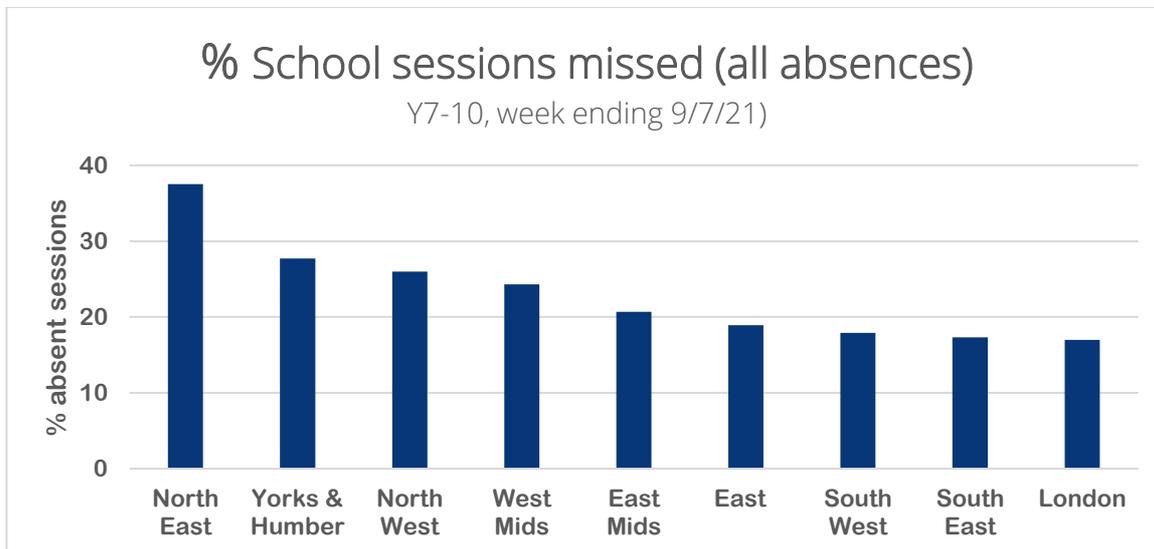
There are considerable existing inequalities across regions with regards to disadvantage and access to higher education (HE). Variable rate of attendance at school, seen throughout the pandemic are likely to compound this with some regions seeing much larger rates of self-isolation amongst school pupils. Table 1 shows the pre-pandemic differences in the percentage of young people accessing HE by region and Free School Meal (FSM) status.

Table 3: Percentage of young people entering HE by region and FSM status

Region	FSM (%)	Non-FSM (%)	Gap (ppt)
East of England	19	42	23
East Midlands	20	41	21
London (all)	45	57	12
• Inner London	48	58	9
• Outer London	42	57	15
North East	19	44	25
North West	23	46	22
South East	18	44	26
South West	18	39	22
West Midlands	27	45	18
Yorkshire and the Humber	22	43	21

Source: Dept for Education (2019) adapted from IFS

Citing school attendance rate analysis, an [IFS Report](#) from March 2021 considered the variation across local authorities in England. For example, in October 2020 Liverpool and Knowsley saw COVID case numbers of over 600 per 100,000 and secondary school attendance rates well below 70 per cent), compared to South West England with average over 90 per cent. IFS assert poor educational performance (on account of reduced learning) may feed into subsequent educational progression and contribute to inequalities of regional post-18 qualifications and skills.

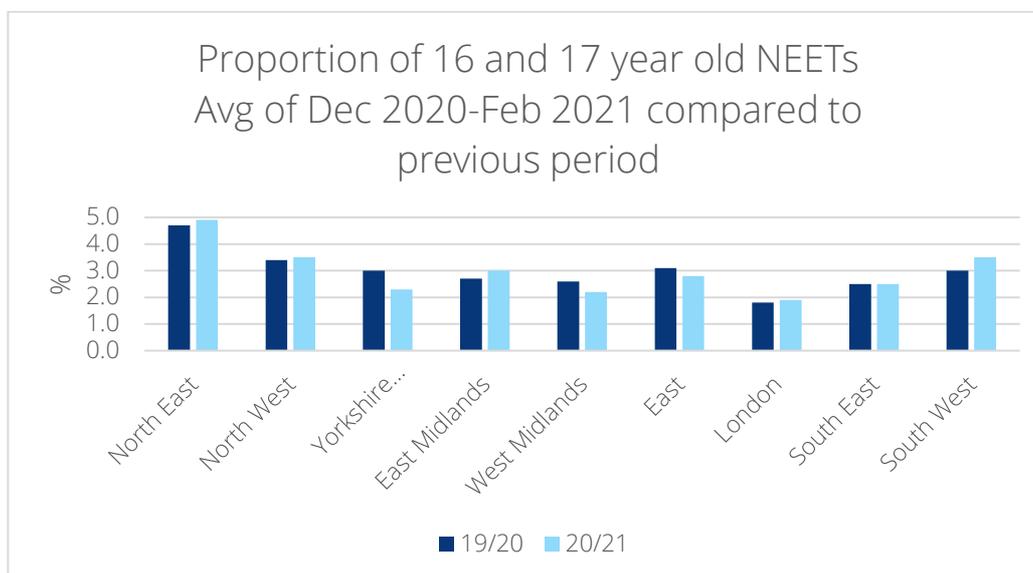


Source: FFT July 2021 <https://ffteducationdatalab.org.uk/2021/07/covid-cases-and-secondary-school-absence-surge-in-the-north-east/>

Young people not in education, employment or training (NEET)

NEET levels are at a record low in the UK. ONS data shows in January to March 2021, an estimated 10.6% of all people aged 16 to 24 years were NEET, the lowest recorded figure since data was first compiled in 2001. An estimated 11.8% of men were NEET, and for women the proportion was a record low of 9.4%.

The total number of people aged 18 to 24 years who were NEET was a record low of 679,000 (12.6%). Of the 728,000 young people (16-24) who were NEET, 413,000 were men and 315,000 were women (a record low for the series).



Source: ONS <https://www.gov.uk/government/publications/neet-and-participation-local-authority-figures>