

Sheffield Economic Bulletin

May 2024

Sheffield Data Round-Up

Employment Rate



73.1% (Dec-23)

Down from 75.1% (Sep-23)
Up from 72.8% (Dec-22)

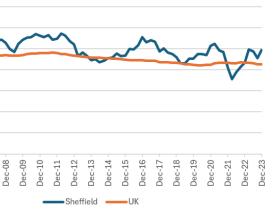
Unemployment Rate*



3.9% (Dec-23)

Up from 3.6% (Sep-23)
Down from 4.7% (Dec 22)

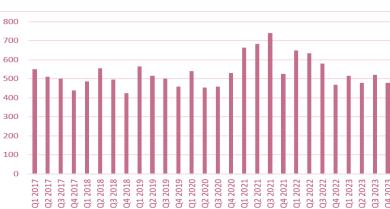
Economic Inactivity Rate



24.7% (Dec-23)

Up from 22.8% Sep-23
Up from 21.7% (Dec-22)

Business Start Ups



480 (Q4 2023)

Down from 520 (Q3 2023)
Up from 470 (Q4 2022)

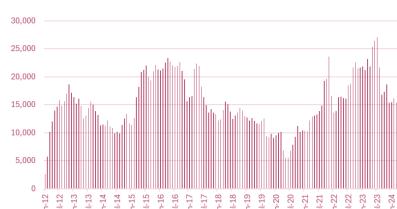
Business Deaths



500 (Q4 2023)

Up from 420 (Q3 2023)
Down from 520 (Q4 2022)

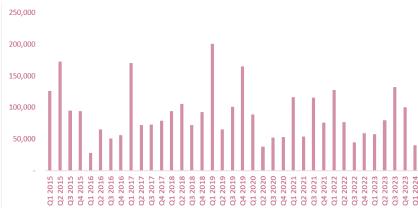
Unique Job Postings



15,404 (Mar-24)

Down from 16,209 (Feb-24)
Down from 23,148 (Mar 23)

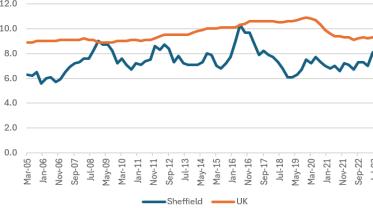
Office Take Up



39,824 sq ft (Q1 2024)

Down from 100,242 (Q4 2023)
Down from 57,911 (Q1 2023)

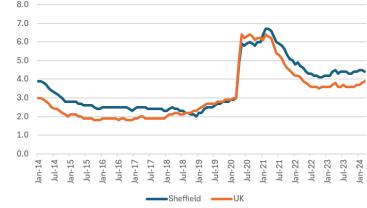
Self Employment



7.1% (Dec-23)

Same as Sep-23
Down from 7.3% (Dec-22)

Claimant Count



4.4% (Mar-24)

Same as last quarter
Same as March 2023

The direction of the arrows in the above infographic refers to changes from the previous quarter, with the colour **green** denoting a positive change and **red** a negative change. Annual data is included where appropriate in order to give a better understanding of trends over time.

*Model based unemployment rate.

Headlines

National headlines

GDP is estimated to have fallen by 0.3% in Q4 2023, following a fall of 0.1% in the previous quarter. Although these are estimates and may be revised higher later, this suggests that the UK entered recession at the end of 2023. A recession is defined as two or more consecutive quarters of contraction.

However, early estimates for 2024 show the economy may have already turned a corner. Across the three months to February the economy grew for the first time since last summer, with growth of 0.1% in February following on from 0.3% in January.

The latest labour market statistics show that recent trends of falling vacancy numbers have continued, but now at a reduced pace. More positively, the rate of inflation growth has slowed and real earnings growth has increased.

Inflation is currently at its lowest level in two and a half years, with figures in March rising by 3.2%, down from 3.4% the previous month. This does not mean prices are coming down, but that they are rising less quickly. Inflation has been falling gradually since it peaked at 11.1% in late 2022

There are tentative signs that the jobs market is cooling, with a fall in employment rate and a drop in the total number of people on payrolls from HMRC data. However due to lower sample sizes, current headline employment data should be treated with caution.

Local Headlines

Local labour market figures show a drop in employment and a slight uptick in unemployment in Q4 2023. Despite the increase however, unemployment is still very low at 3.9%.

Economic inactivity also increased in the final quarter of 2023, from 22.8% in Q3 to 24.7%. The number of people inactive due to long term sickness continued to rise but more slowly.

Long term sickness accounts for the highest proportion of those economically inactive. In March 2022 there were 17,500 people inactive due to long term sickness, this number now stands at 32,400, 34% of all inactivity.

Job postings are currently lower than average, suggesting the job market is cooling in Sheffield as well as nationally. The most common job vacancies are currently for teaching assistants, support workers, primary school teachers and cleaners.

City centre office take up also got off to a slow start in 2024, with just 39,824 sq ft of office take up in Q1 2024 compared 59,911 sq ft a year earlier in Q1 2023. This was the lowest quarterly take up since Q2 2020 when the pandemic hit.

Business start ups slowed in December, as they did in all core cities with the exception of Birmingham, meanwhile business closures increased across the core cities including Sheffield—with the exception of Liverpool.

Self-employment levels are roughly at a ten year average.