



# **Briefing on the latest HMRC Official Statistics on the furlough support scheme**

Adama Lewis and Nick Jacob, GLA Economics

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# Background

In response to the coronavirus (COVID-19) pandemic, the Government introduced two significant employment support schemes aimed at preventing large rises in unemployment and longer-term labour market scarring:

- [Coronavirus Job Retention Scheme](#) – for employees (PAYE)
- [Self-Employment Income Support Scheme](#) – for the self-employed

This briefing provides statistics and analysis of the latest Coronavirus Job Retention Scheme (CJRS) data for London.

Previous briefings and other labour market analysis can be found on our [COVID-19 labour market analysis page](#).



# Overview of the Coronavirus Job Retention Scheme (CJRS)

The CRJS provides grants to employers to 'furlough' eligible employees. This is to ensure that employers can retain and continue to pay staff, despite the effects of the pandemic.

Furlough levels largely rise and fall with changes in lockdown restrictions and with changes to the scheme.

Since it was first introduced, in March 2020, there have been a number of extensions and adjustments to the CRJS. A summary of previous announcements can be found [here](#).

## **Budget 2021**

On 3 March the government announced that the CJRS would be extended from 1 May to 30 September 2021:

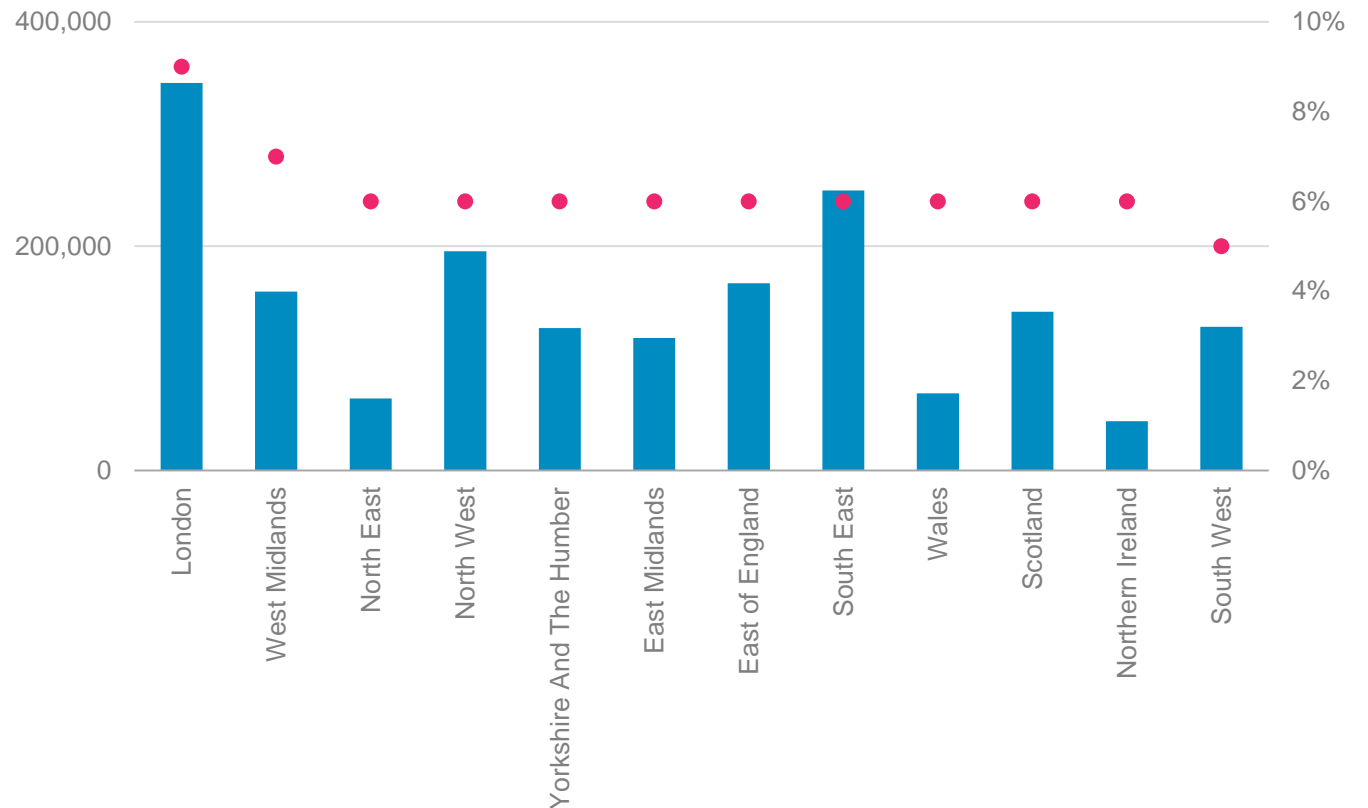
- The CJRS will continue to cover 80% of an employee's wages until 30 June 2021.
- From 1 July the grant will cover 70% of wages and employers will be required to top up an additional 10%.
- From 1 August the grant will cover 60% of wages and employers will be required to top up 20%.

# Roughly 345,000 Londoners furloughed at the end of June as take up rate remains highest in the capital

At 30 June 2021:

- Provisional data indicates there were around 345,400 furloughed employments in London and 1.9 million across the UK as a whole.
- At 9% of eligible employments, London continued to record a higher take up rate than in any other UK region or country (ranging from 5-7%). The UK as whole had a take up rate of 6%.
- Take up rates in London remained particularly higher for male employments – with a total of 186,000 male staff (10% take up) and 159,400 female staff (8% take up) on furlough at the end of May.

**Furloughed employments (LHS) and take up rates (% , RHS)**  
by UK region/country, at 30 June 2021 (provisional)



# Furlough levels in London fell by almost 20% across June - the fifth consecutive monthly decline

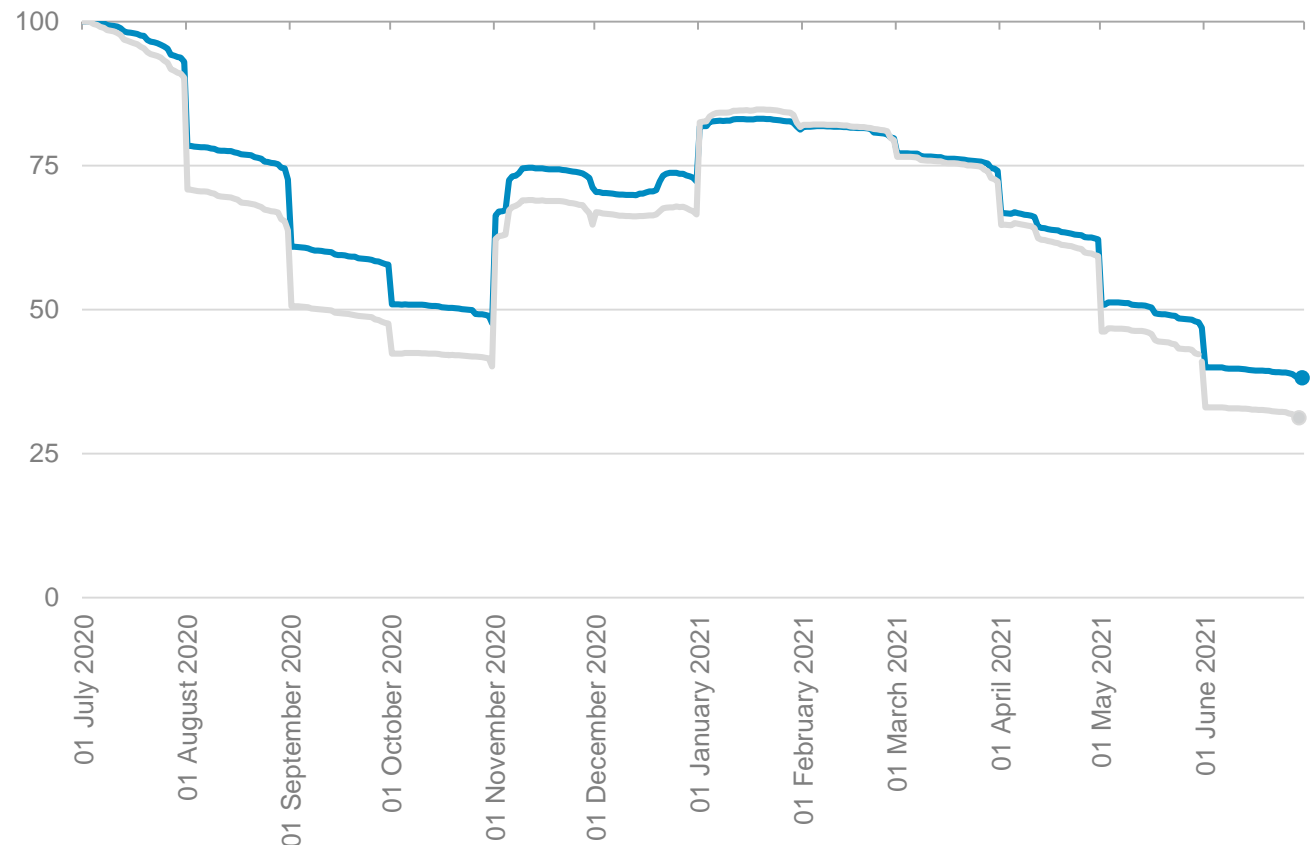
Across all regions and countries, the number of furloughed employments has declined since February. This reflects the easing of restrictions on business activity seen throughout the UK.

While London's recovery has been slightly slower than the UK average, the overall trend in CJRS claims since 1 July 2020 has been broadly similar.

- Between 31 January 2021 and 30 June 2021, the number of furloughed employments in London declined by just over half (approximately 390,200 or 53%) while the UK furlough level declined by roughly 3.03 million or 62%
- Focusing on the last month alone – between 31 May and 30 June 2021 – the number of furloughed employments in the capital declined by 19% compared to a 24% fall across the UK.
- At the UK level furlough levels are now less than a third (31%) of what they were at the start of July 2020. Whereas London furlough levels are around two-fifths (38%) of what they were at the start of July 2020 (see chart).

## Trend in furloughed employments for London and UK

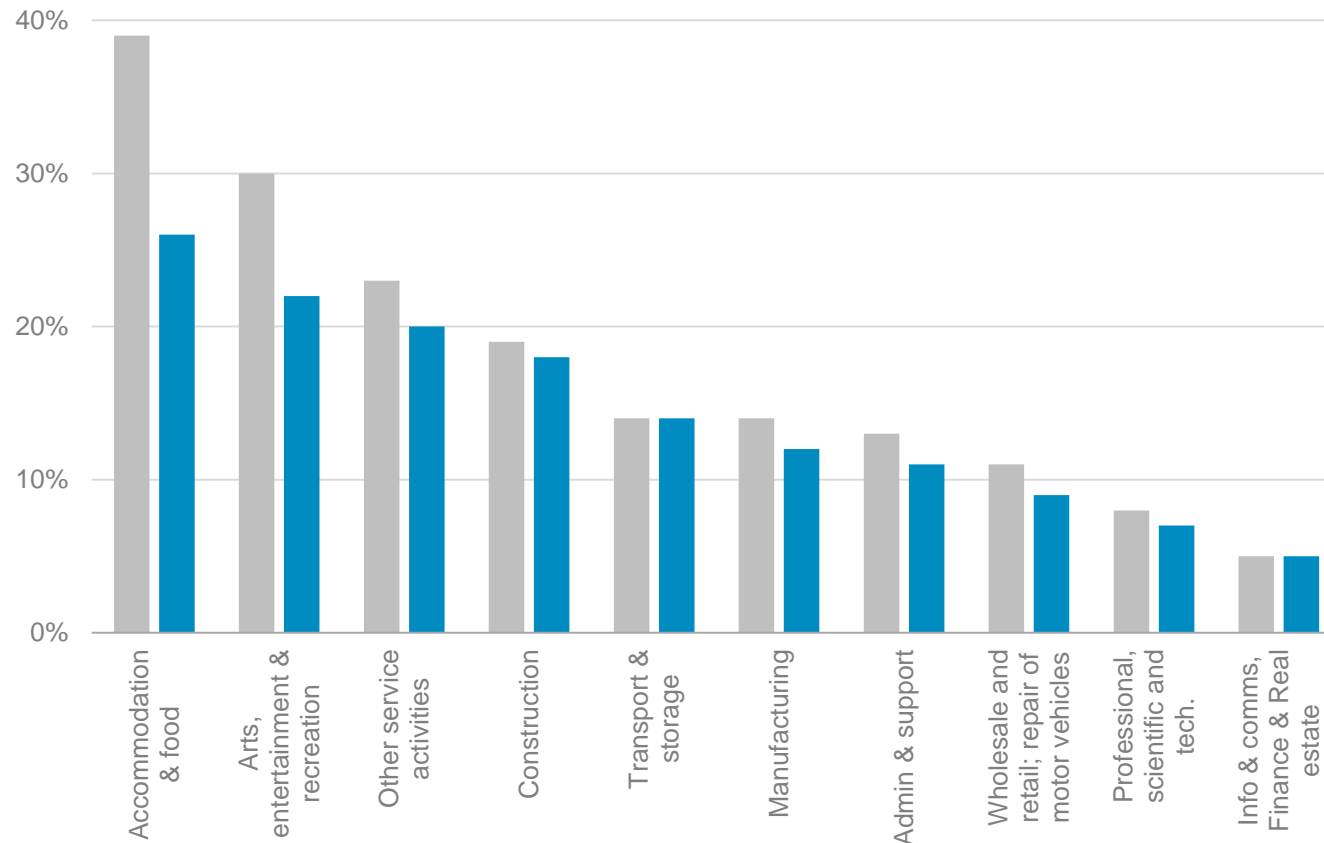
Index, 100 = 1 July 2020, June 2021 data is provisional



# Accommodation and food and Arts, entertainment and recreation saw the sharpest declines by sector in London

## Furlough take up rates by selected sectors for London

May 2021 and June 2021 (June 2021 data is provisional)



At 30 June 2021:

- At 26% of eligible employments, accommodation & food services had the highest take up rate by sector.
- This was followed by arts & entertainment with a 22% take up rate and other services with a take up rate of 20%.

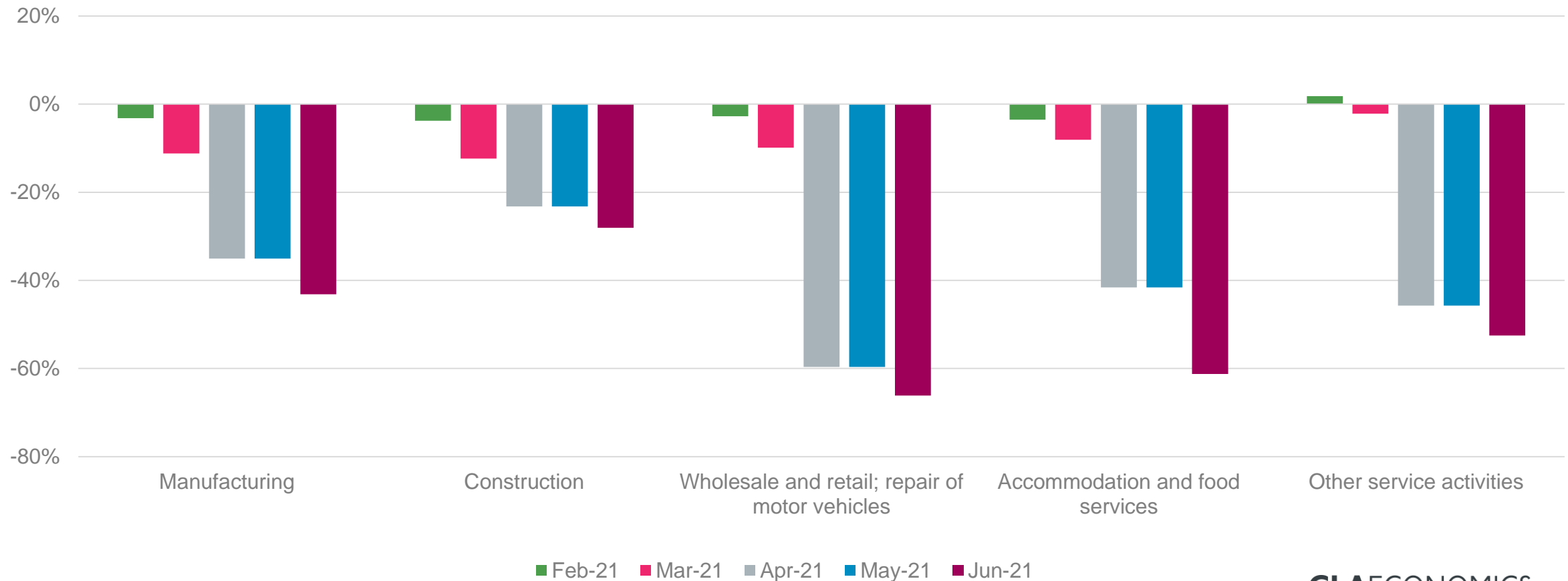
Between 31 May and 30 June 2021:

- The top three sectors also saw the biggest declines. Accommodation & food had the largest decline in take up – down by 13 percentage points.
- This was followed by Arts, entertainment & recreation with a decline of 8 percentage points and Other services with a decline of 3 percentage points.

# Furlough levels in Wholesale & retail are down by two-thirds since the start of the year, whilst accommodation and other services also saw substantial declines

## Percentage change (%) in furlough level since January 2021 by selected sectors

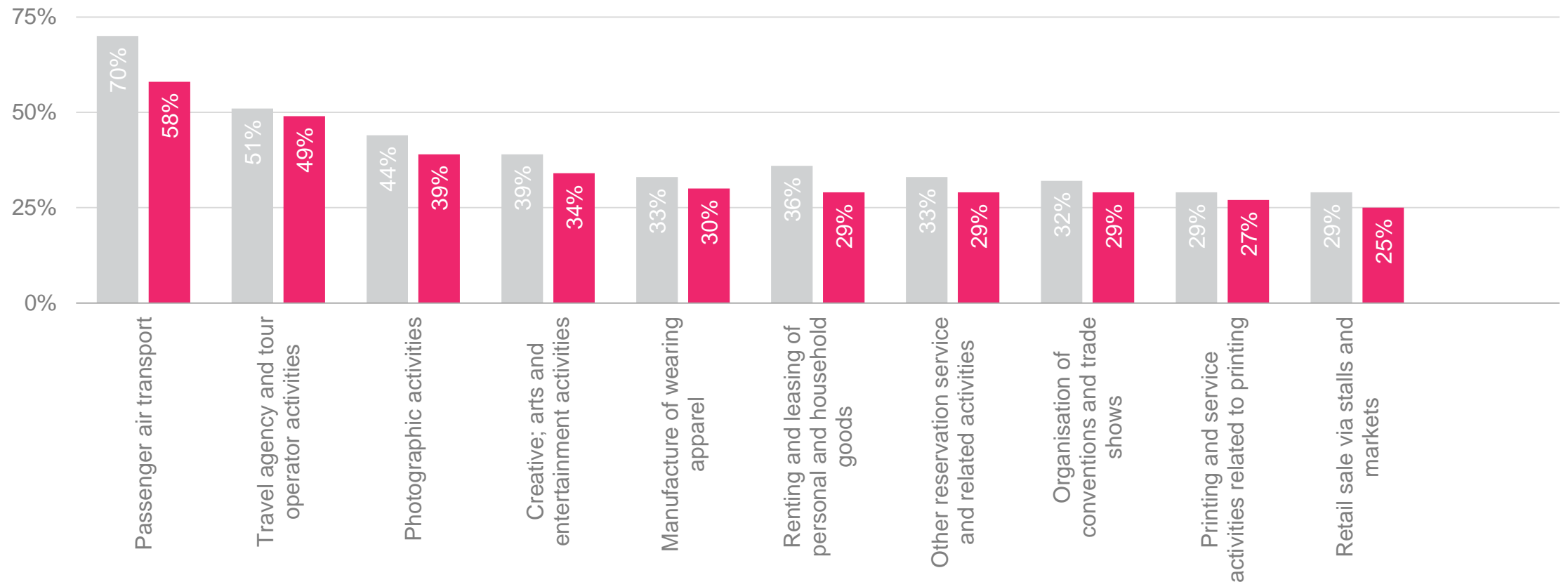
London, June 2021 data is provisional



Looking at UK data and 3-digit subsectors, Passenger air transport saw a notable decline in take up whilst sectors such as Hotels and similar accommodation and Beverage service activities no longer feature in the top ten sub-sectors

### Top 10 furlough rates by 3-digit sub-sectors for UK

May 2021 and June 2021 (June 2021 data is provisional)

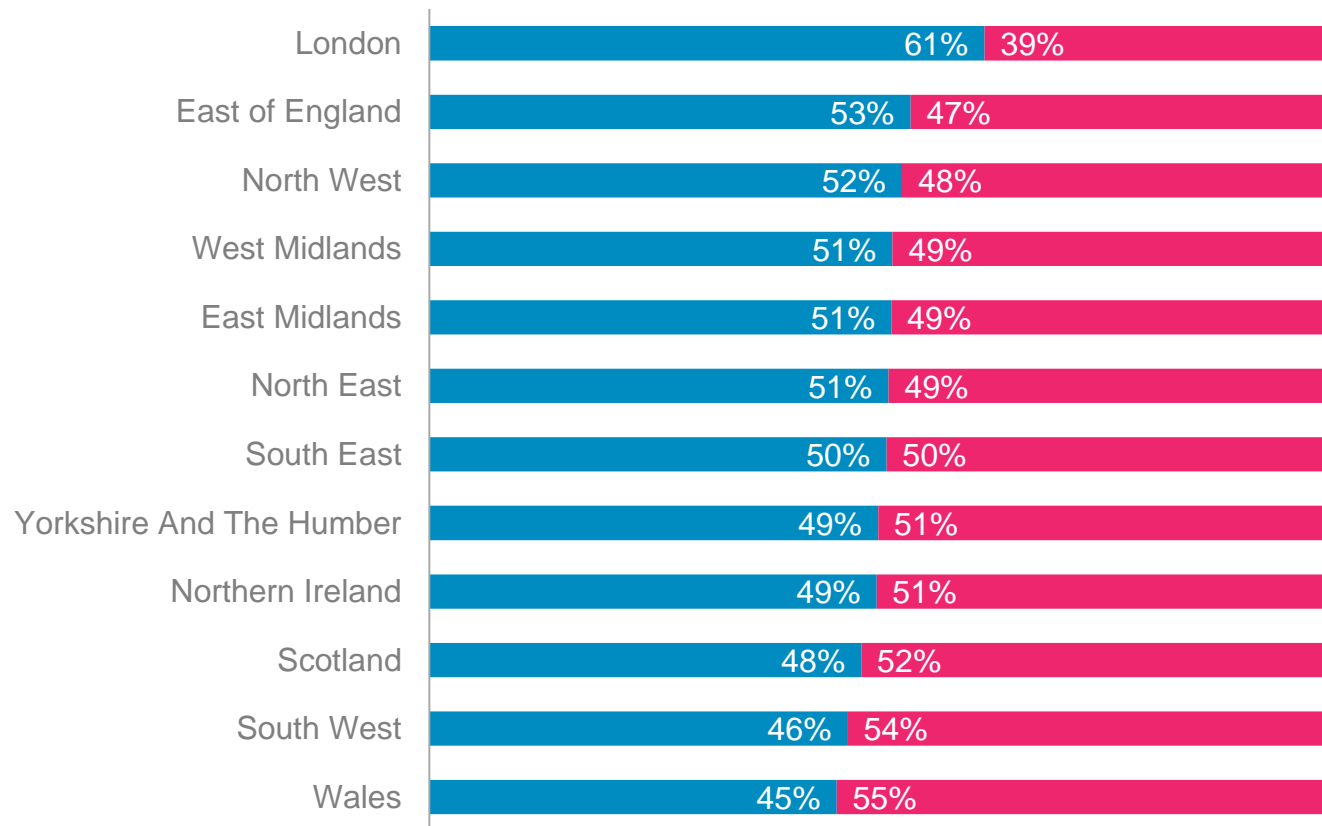


Note: 3-digit sub-sectors breakdowns are not available at a London level



# Flexible furlough proportions remain relatively low in London compared to other regions/countries

**Full and partial furlough share by UK region/country**  
% of total furloughed employments, at 30 June 2021 (provisional)



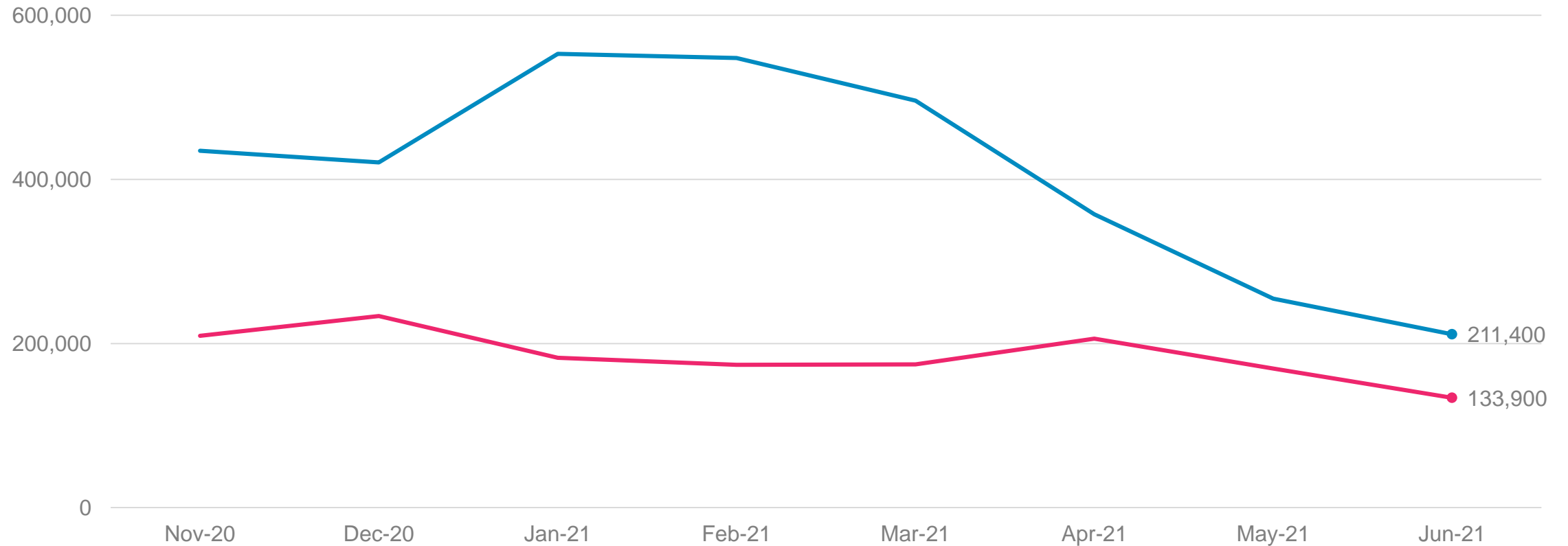
At 30 June 2021:

- The proportion of employments on partial furlough in London increased to 39%. This means that staff were working at least some of their usual hours.
- At 61%, the capital continued to record the highest proportion of staff on full furlough of any UK region/country. This remained 8 percentage points higher than the UK average of 52%.
- The following slide shows the trend in partial and full furlough since the end of November.

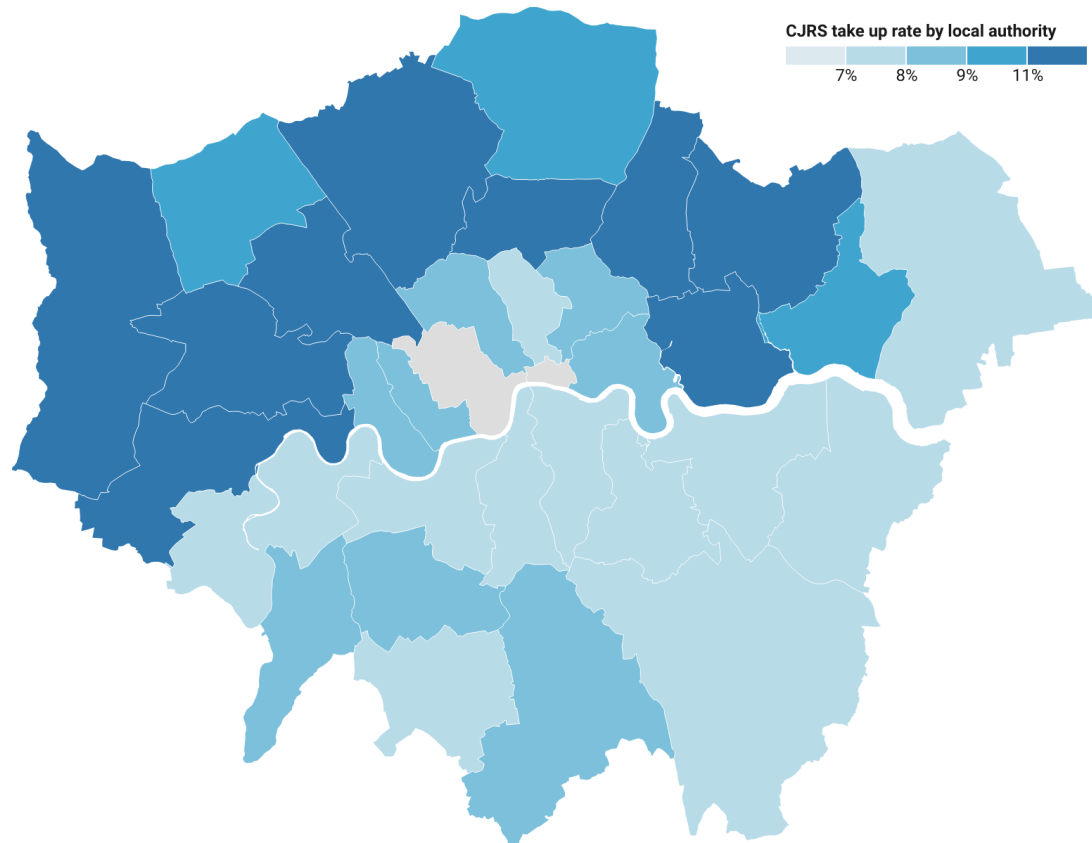
# Full and partial furlough levels declined at a similar rates during June

## Full and partial furlough levels since November 2020

London, June 2021 data is provisional



# Newham and Hounslow now have the highest furlough take up rates in London as the range in take up across London decreases



Map data: © Crown copyright and database right 2018 • Created with Datawrapper

As at 30 June 2021:

- Newham and Hounslow had the joint highest take up rate of 12% (18,000 and 14,800 furloughed employments respectively).
- Several other local authorities had a take up rate of 11% as the range in take up in London decreases.

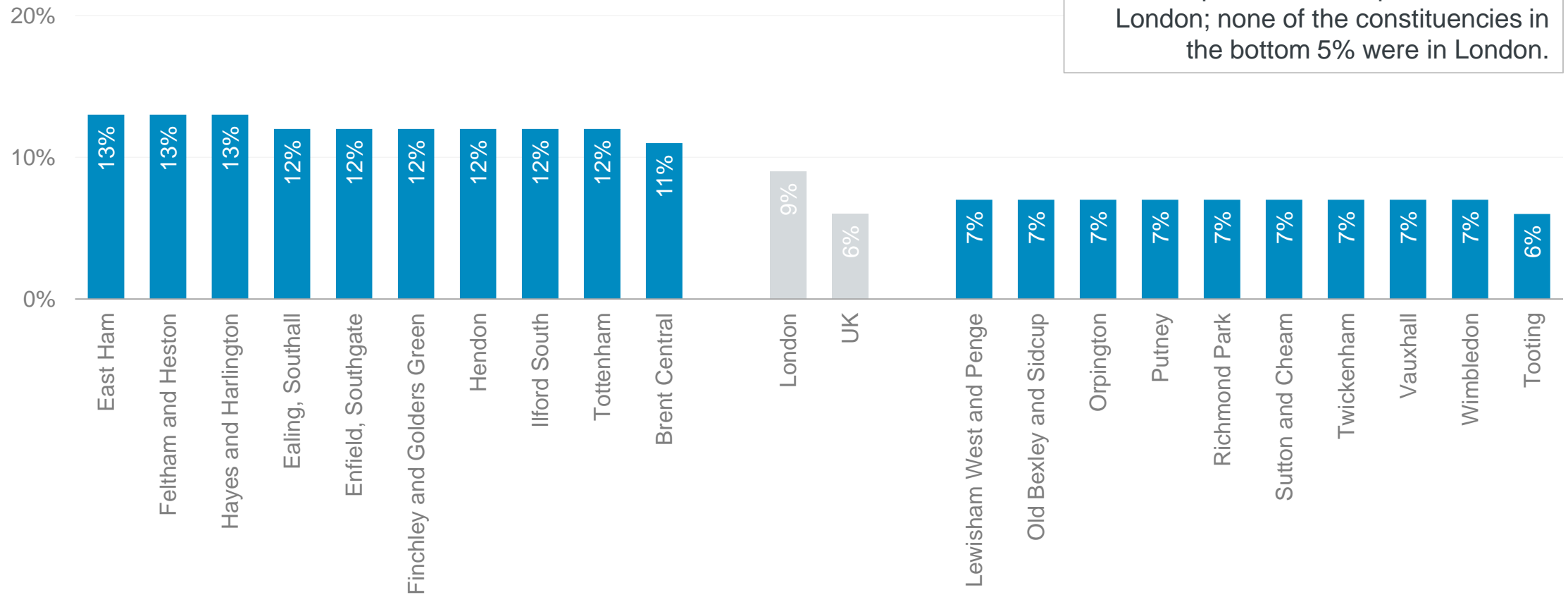
In terms of total furloughed to date (cumulative total):

- Newham remains the highest with 80,800 furloughed to date, followed by Ealing and Brent (74,800 and 73,400 respectively)

# London continued to dominate the highest furloughed areas with nine of the ten UK parliamentary constituencies with the highest furlough rates in the capital

**Top and bottom 10 London furlough take up rates by parliamentary constituency**  
at 30 June 2021 (provisional)

Almost 70% of UK constituency areas in the top 5% for take up rates were in London; none of the constituencies in the bottom 5% were in London.



Note: seven other parliamentary constituency in London had take up rate of 11% and several other areas also had take up rates of 7%.



## Notes on the data

This briefing provides analysis of official statistics published by HMRC based on administrative data from CRJS claims. This is the thirteenth release of Official Statistics on the CJRS. This release provides analysis of claims for periods up to 30 June 2021. The data used includes claims submitted to HMRC by 14 July 2021.

The data for June 2021 is not yet fully complete as while claims relating to June 2021 should have been filed by 14 July 2021, employers could file claims later with the agreement of HMRC if they had a reasonable excuse. Claims for June 2021 could also be amended until 28 July 2021. Together these factors are likely to have a small effect on the statistics.

HMRC provide a geographical breakdown of CJRS claims based on the residential address information that HMRC holds for employees. It should be noted that:

- This does not directly translate to the employee's usual place of work or their employer's centre of operations, which may be in a different region.
- There are small, but not insignificant, proportions of 'unknowns' within the breakdowns. Differences in the proportion of unknown observations are due to the matching of CJRS claims to other HMRC data sources.

Industrial breakdowns may not reflect the true operational activities of the individuals on furlough. It reflects the main operation of the employers' rather than the workers' activities.



## Key definitions

1. **Employer** is statistically defined as those on a Pay As You Earn (PAYE) Scheme. In some circumstances this does not map directly to what is commonly understood to be an employer. For example, some organisations operate multiple payrolls and in other situations, a group of companies may pool their payrolls together under one PAYE scheme. However, HMRC take the view that PAYE schemes provides a reasonable proxy for employers for the purposes of this release.
2. **Employment** is defined as a count of anyone who meets the scheme criteria set out within the published guidance and has claimed for CRJS. HMRC have applied this definition in order to simplify the complexities in separating out Office Holders (such as directors) from what are generally considered employees. However, these findings solely report on employees and the CJRS is to be considered separate from the Self-Employment Income Support Scheme (SEISS).
3. **Take up rates** are calculated as a proportion of all those who are eligible based on their PAYE tax returns information.

Note – if an employee has a job with more than one employer and has also been furloughed by more than one employer, they will be counted in these statistics once for each employment that has been furloughed.