



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

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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 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:

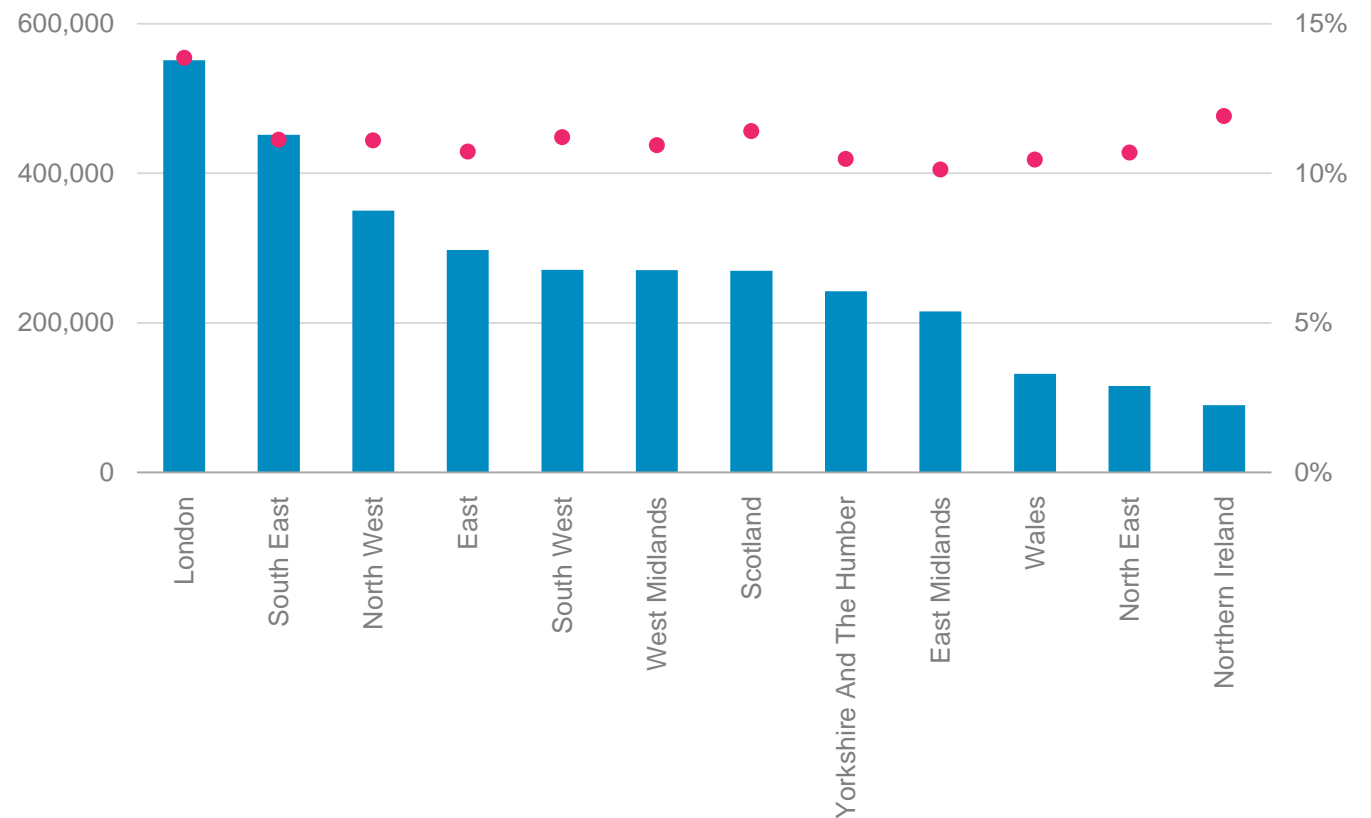
- The CJRS will continue to cover 80% of an employee's wages until 30 June 2021.
- From 1 July the grant will cover 70% of wages and employers will be required to top up an additional 10%.
- From 1 August the grant will cover 60% of wages and employers will be required to top up 20%.

There were around 511,000 furloughed employments in London at the end of April 2021, with take up rate remaining the highest among UK regions

As at 30 April 2021:

- Provisional data indicates there were at least 551,300 furloughed employments in London and 3.4 million across the UK as a whole.
- With a take up rate of 14%, London continued to be the region/country with highest take up rate in the UK (12% across the UK on average).
- London had a total of 261,600 female staff (13% take up) and 289,600 male staff (15% take up) on furlough.
- The take up rate for both female and especially male staff remained higher than in other parts of the UK (male take up rates in other UK regions/countries were only between 10-12%).

Furloughed employments (LHS) and take up rates (% , RHS)
by UK region/nation, as at 30 April 2021 (provisional)



The number of furloughed employments in London fell over March and April, broadly in-line with the national picture

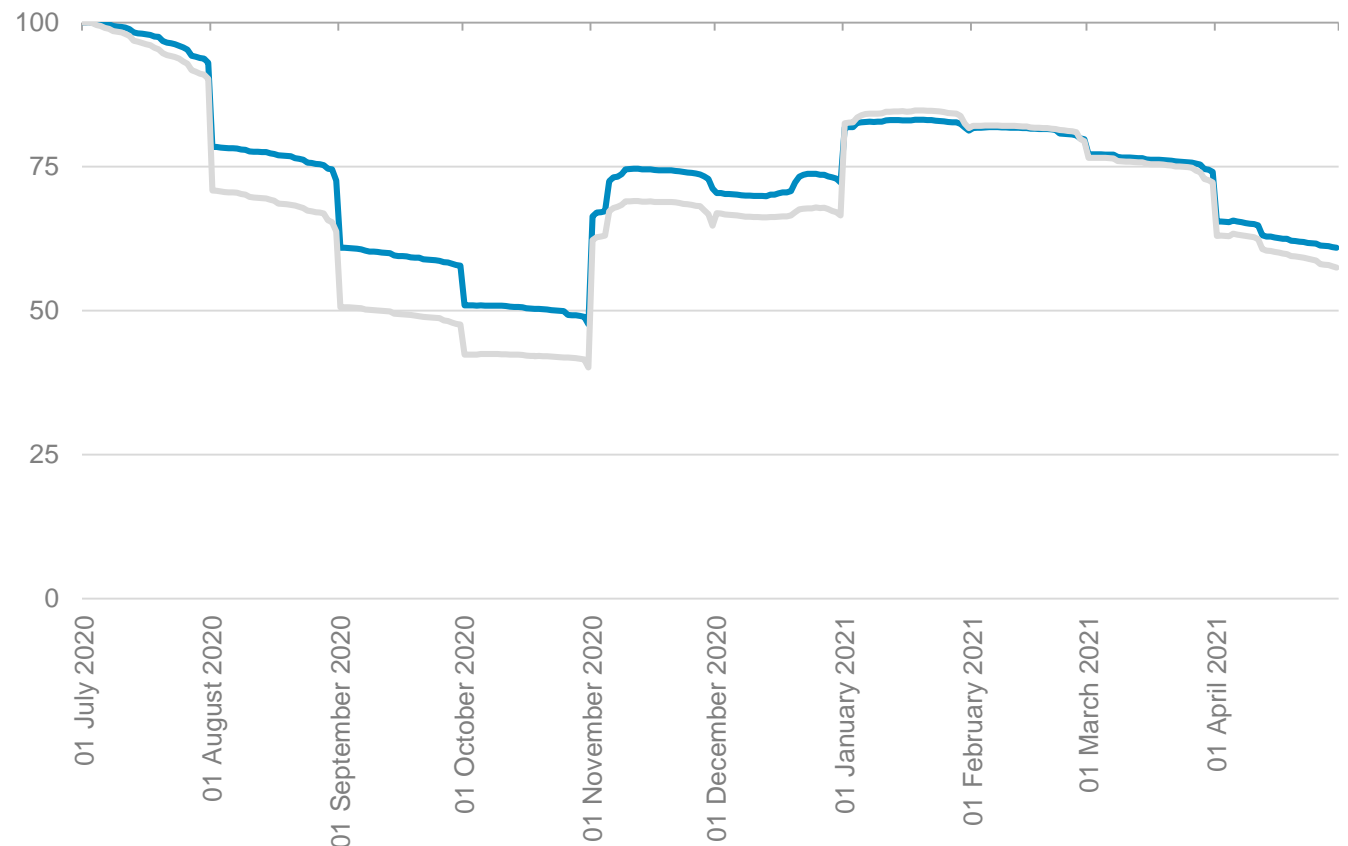
Across all regions and countries, the number of furloughed employments declined over recent months, reflecting the easing of restrictions on business activity seen throughout the UK.

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.

- From 28 February to 30 April 2021, the number of furloughed employments in London declined by 170,700 or 24% (down by 28% across the UK).
- Focusing on the change between 31 March and 30 April 2021, the number of furloughed employments in the capital declined by 18% (down by 20% across the UK).

Trend in furloughed employments for London and UK

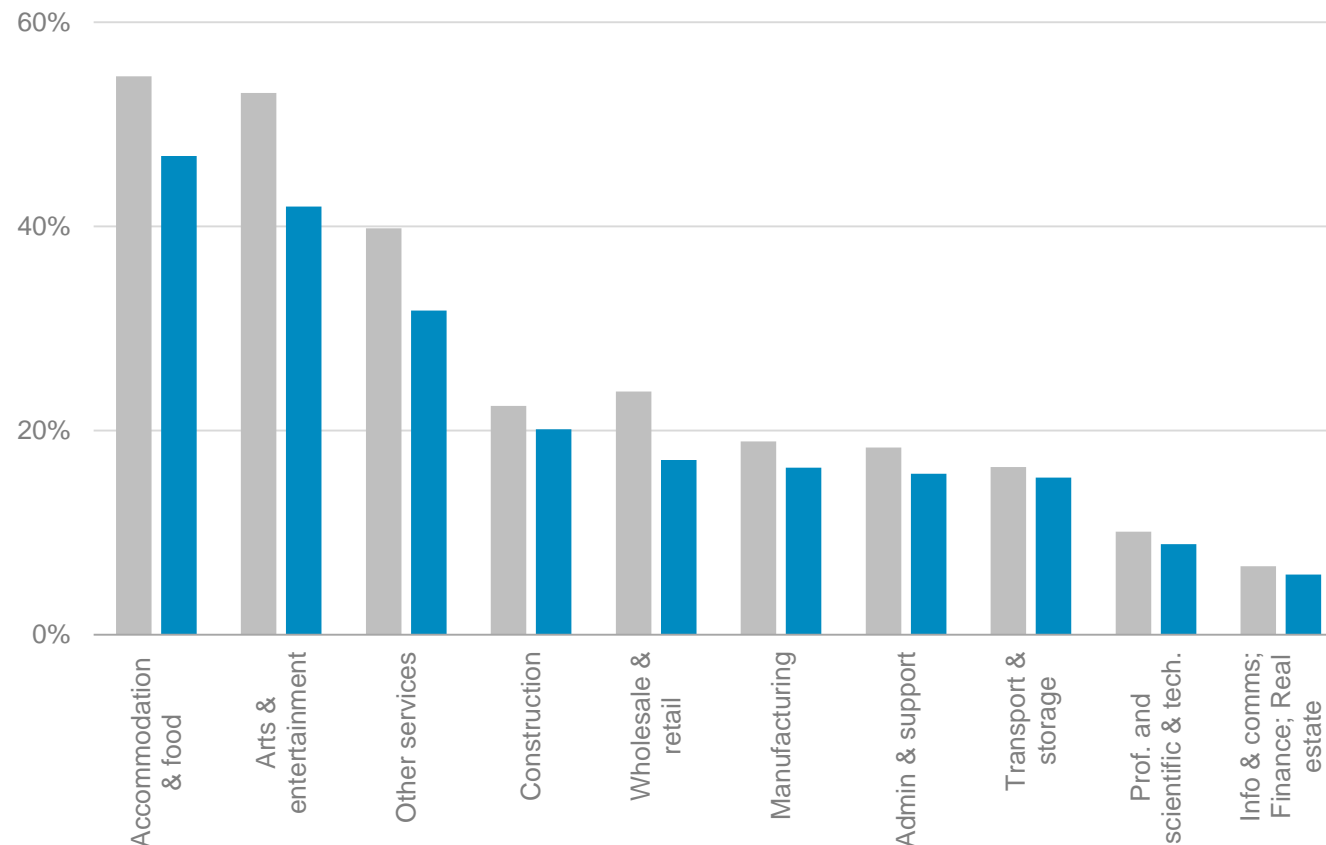
Index, 100 = 1 July 2020, latest provisional data for April 2021



Sectors with the highest furlough take up in London also saw the biggest declines in take up rates in April – led by the arts & entertainment sector

Furlough take up rates by selected sectors for London

March 2021 and April 2021 (April 2021 data is provisional)



As at 30 April 2021:

- At 47% of eligible employments, accommodation & food services had the highest take up rate by sector.
- This was followed by arts & entertainment with a 42% take up rate and Other services with a take up rate of 32%.

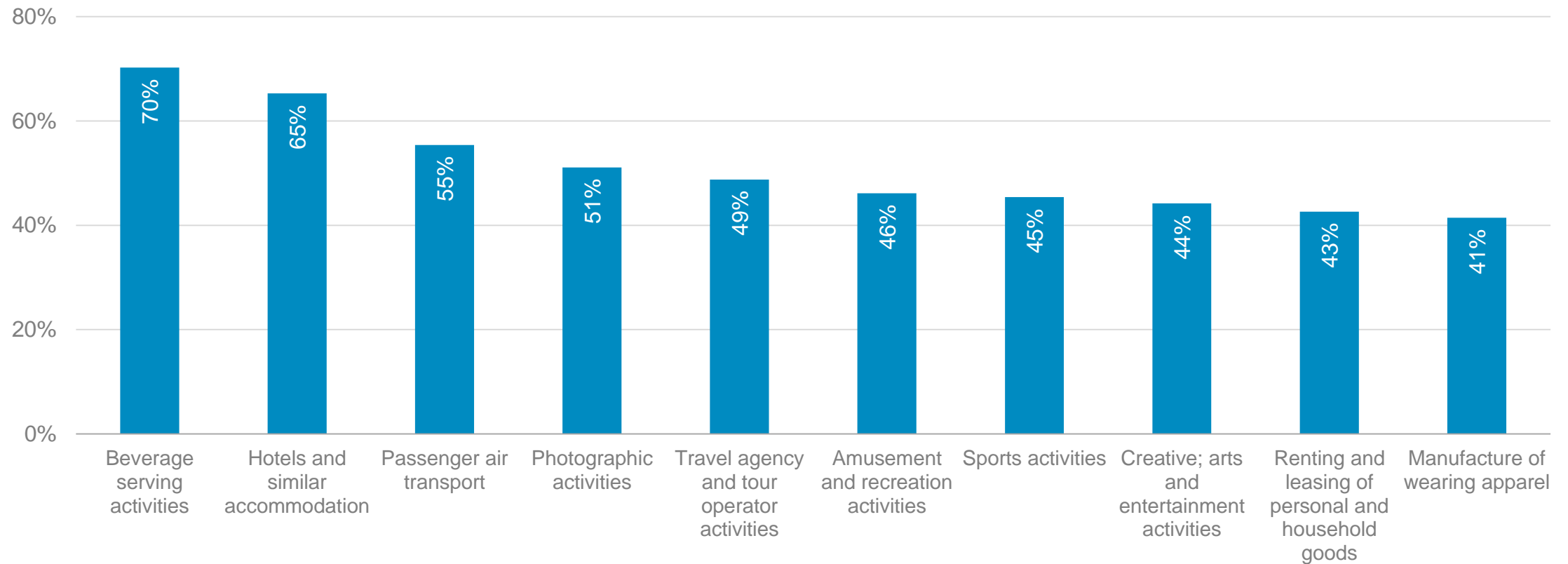
Between 31 March and 30 April 2021:

- Arts & entertainment saw the biggest decline in take up – down by 11.1 percentage points.
- This was followed by other services (down by 8.1 percentage points) and accommodation & food services (down by 7.8 percentage points).

Despite drops in overall furlough rates, UK-level data shows that some sub-sectors remain heavily reliant on the CJRS

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

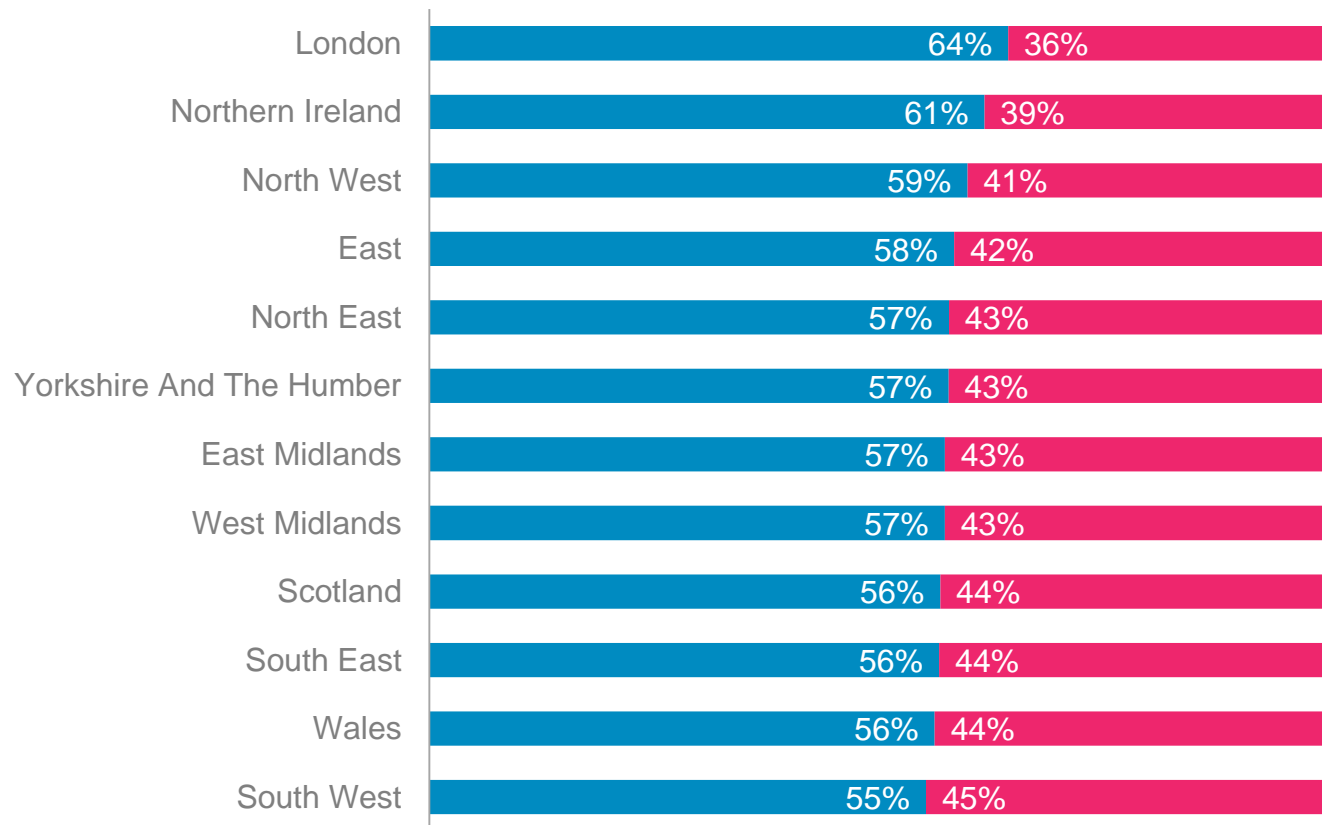
As at 30 April 2021 (provisional)



The share of London employments on partial furlough has increased in recent months – although by less than in other parts of the country

Full and partial furlough share by UK region/country

% of total furloughed employments, as at 30 April 2021 (provisional)



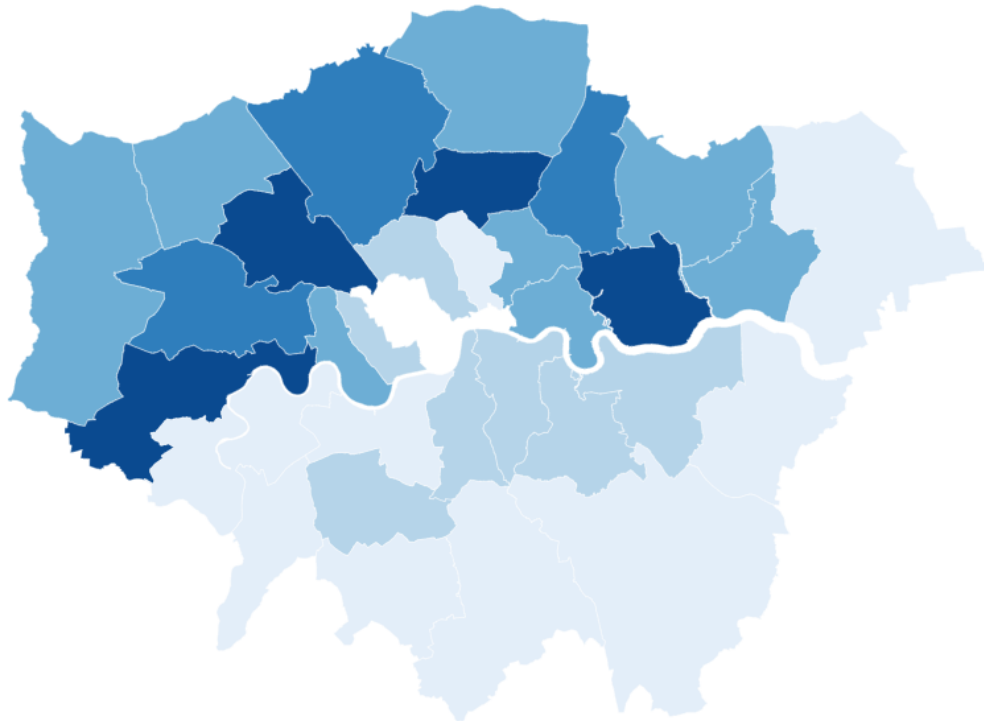
As at 30 April 2021:

- 36% of furloughed employments in London were on partial furlough (199,300 employments) – up from 24% at the end of February.
- Despite this change, the capital continued to record the highest proportion on full furlough of any UK region/country, at 64% (351,900).
- All UK regions/countries saw a rise in the partial furlough share over the course of April when compared with the end of March.
- And only Northern Ireland saw a slower pickup (+6.6 percentage points) in its partial furlough share than London (+10 percentage points).

According to the latest data Newham, Haringey and Brent continue to have the highest furlough take up rates in London

CJRS take up rate (%) by local authority

As at 30 April 2021 (provisional data)



As at 30 April 2021:

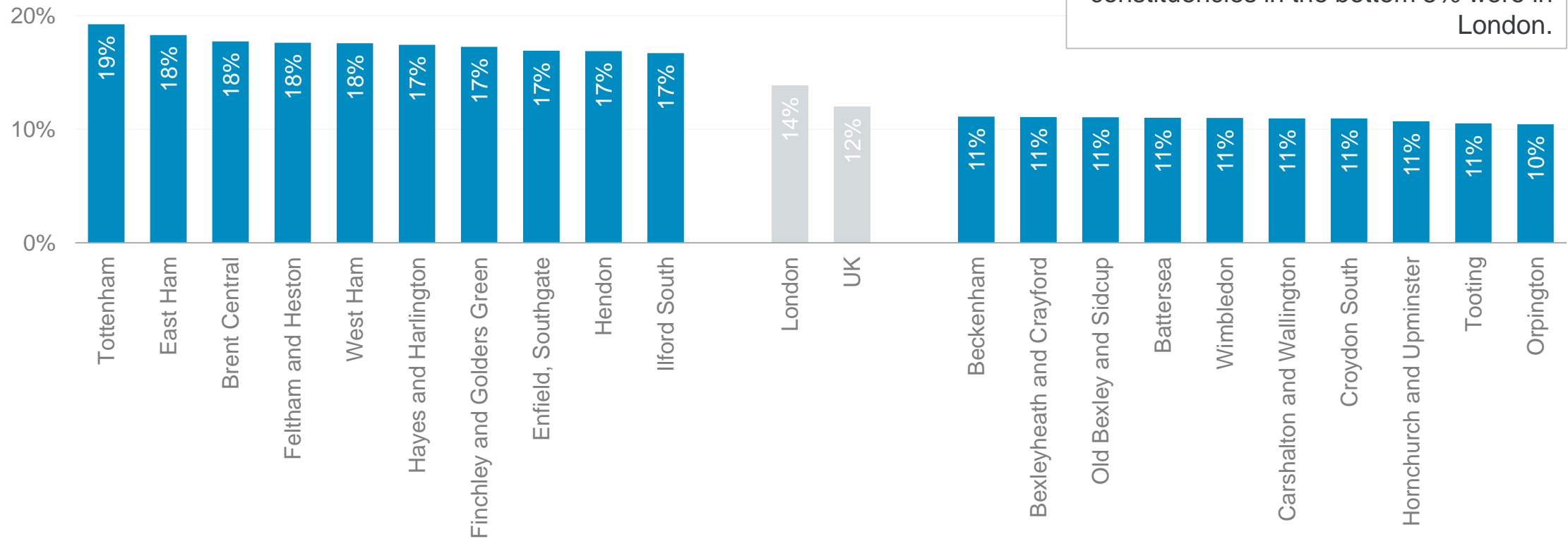
- Newham had the highest take up rate among London authorities (18% or 28,200 furloughed employments).
- This was followed by Brent and Haringey - both with take up rates of 17% (21,900 and 25,200 furloughed employments respectively).
- At 11% of eligible employments, Sutton (9,900 furloughed employments), Bromley (16,300) and Bexley (11,900) had the joint-lowest take up rates.

Looking at all claims submitted to HMRC since the start of the scheme:

- Newham had the highest number employments on furlough with a *cumulative* total of 80,000 jobs supported by the CJRS at various times.
- This was followed by Ealing (74,700 cumulative claims) and Brent (73,000 cumulative claims).

Several parliamentary constituency areas in London have take up rates that are well above the London and national averages – led by Tottenham

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



21 of the 33 (64%) 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: one other parliamentary constituency in London (Leyton and Wanstead) had a take up rate of 17% and four other areas had take up rates of 11%.



Notes on the data

This briefing provides analysis of official statistics published by HMRC based on administrative data from CJRS claims. The latest data refers to **claims made up to 30 April 2021**. The data used includes claims submitted to HMRC by 14 May 2021.

The data for April 2021 is not yet fully complete as while claims relating to April 2021 should have been filed by 14 May 2021, employers could file claims later with the agreement of HMRC if they had a reasonable excuse. Claims for April 2021 can also be amended until 28 May 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 CJRS. 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.