



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

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



Overview of the CJRS

Coronavirus Job Retention Scheme

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. From 1 July 2020, for example, the furlough scheme was made more flexible so that furloughed employees could be brought back part-time. A full 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%.



Notes on the data

This release provides analysis of official statistics published by HMRC based on administrative data from CRJS claims. The latest data refers to **claims made up to 31 January 2021**.

The data for January is provisional. While claims relating to January should have been filed by 15 February 2021, employers could file claims later with the agreement of HMRC if they had a reasonable excuse. Claims for January can also be amended until 1 March 2021.

HMRC provide a geographical breakdown of CJRS claims based on the residential address information that HMRC holds for employees. 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.

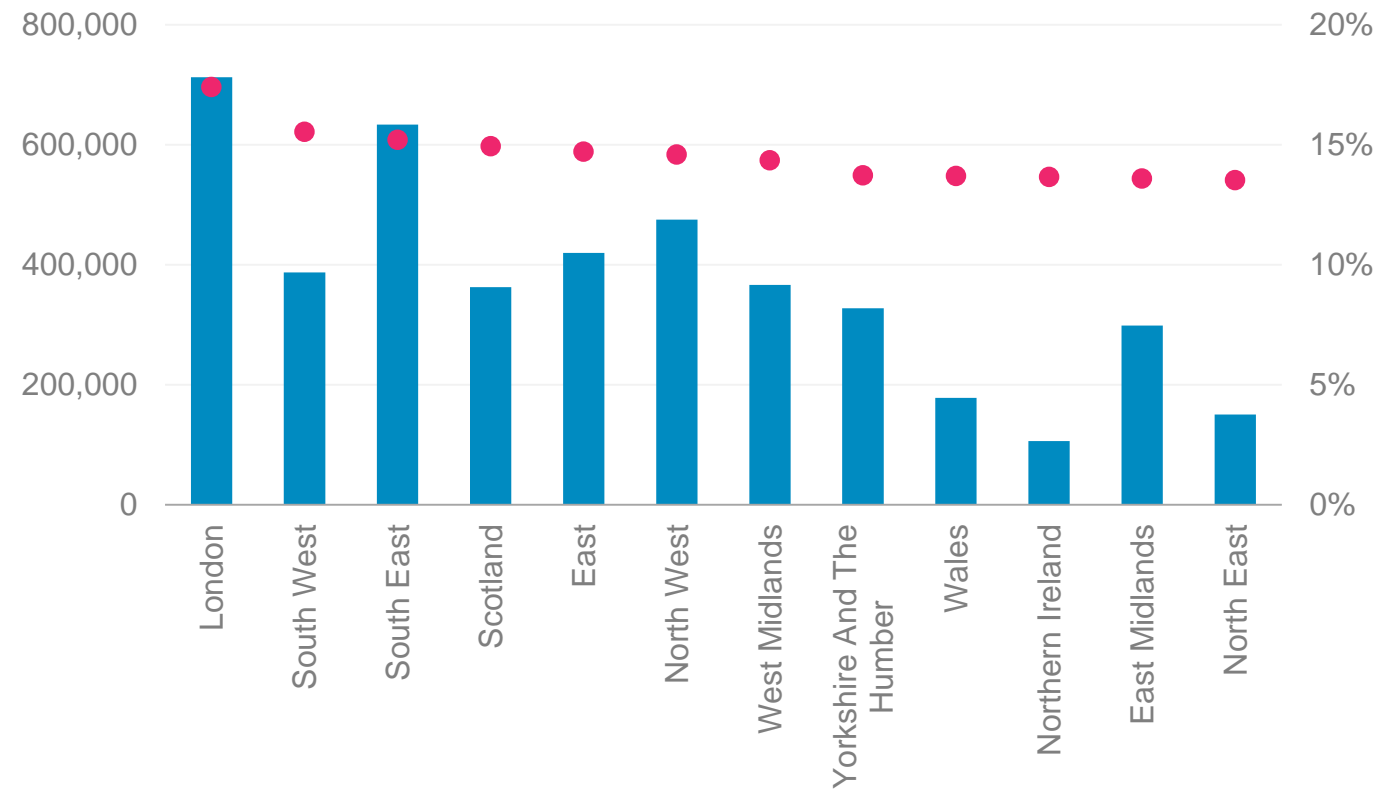
- There are small, but not insignificant, proportions of 'unknowns' within the breakdowns. Differences in the proportion of unknown observations are due to the matching of CJRS claims to other HMRC data sources.
- Industrial breakdowns may not reflect the true operational activities of the individuals on furlough. It reflects the main operation of the employers' rather than the workers' activities.
- Earlier releases had provided cumulative totals for regions. All data reported here is of a snapshot at a given point in time.

There were over 710,000 furloughed jobs in London by the end of January 2021, the highest in the country

As at 31 January 2021:

- Provisional data indicates there were at least 712,200 furloughed employments in London and 4.7 million across the UK as a whole.
- London had a total of 4.3 million employments potentially eligible for furlough. With a take up rate of 17%, London remains the region/country with highest take up rate (16% across the UK).
- London had 350,600 females (17% take up) and 361,600 males (18% take up) on furlough.
- The male take up rate in London remains notably higher than in other regions/countries (all male take up rates between 13-15%).

Furloughed employments (LHS) and take up rates (%), (RHS)
by UK region/nation, as at 31 January 2021 (provisional)



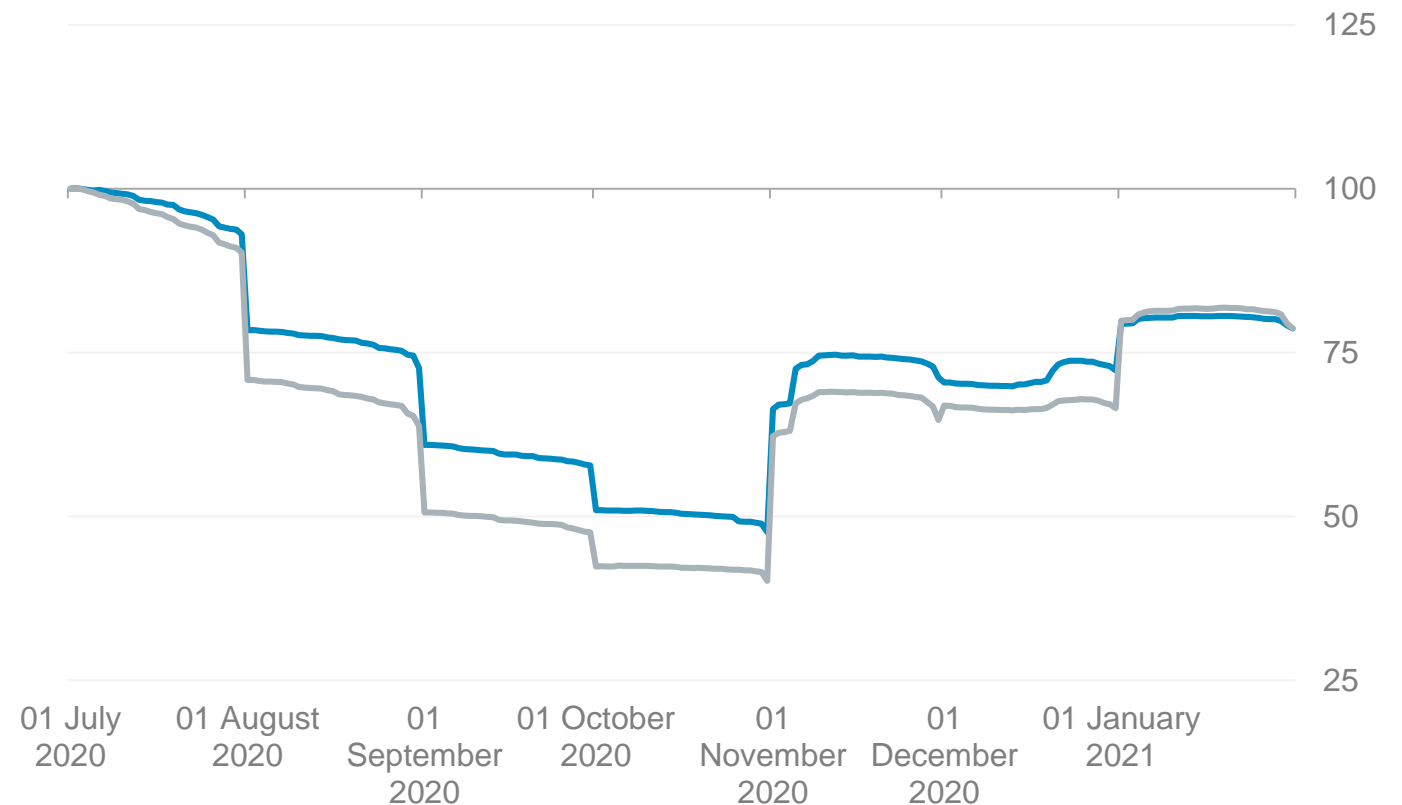
The number of furloughed employments rose by 9% between December 2020 and January 2021

Across all UK regions and countries, the number of employments furloughed increased between 31 December 2020 and 31 January 2021.

- Despite recording a smaller rate of increase than in other parts of the country in the last month, London continues to have the highest number of furlough claims of any UK region/country.
- Provisional data shows that furlough levels rose by around 9% in London between 31 December 2020 and 31 January 2021 – equal to an additional 58,100 employments on furlough.
- Furlough levels in London have closely followed national trends. The latest furlough levels in London were 21% below that seen at the start of July 2020, in line with the UK (also 21% below).

Trend in furloughed employments for London and UK

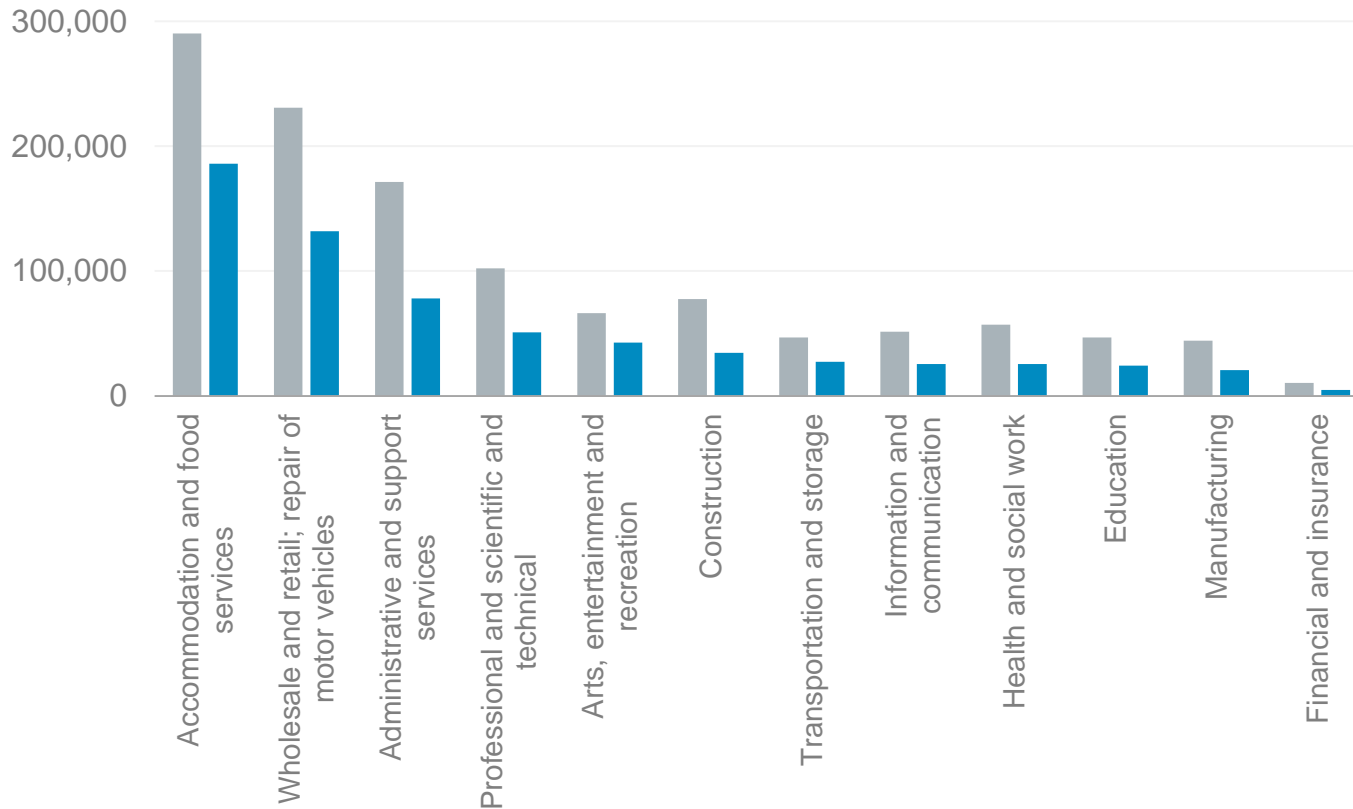
Index, 100 = 1 July 2020, latest data for 31 January 2021



Note: data for January 2021 is provisional

Accommodation & food and Wholesale & retail remain the sectors with the highest number of furloughed jobs in London

Furloughed employments in London by sector at 30 June 2020 and 31 January 2021 (provisional)



Note: data for some sectors data is unavailable

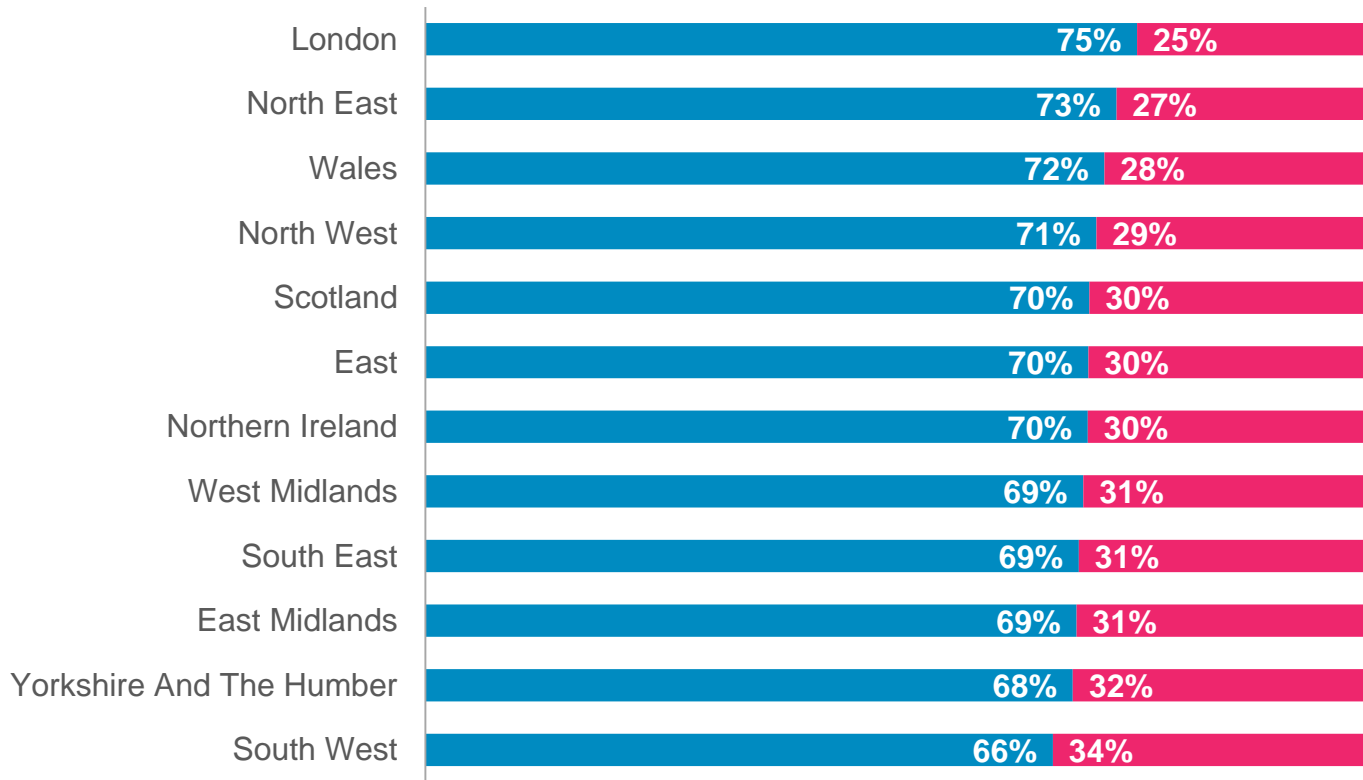
Furlough levels across most sectors were considerably lower at end of January 2021 than they were at the end of June 2020.

- Accommodation and food services had the highest number of furloughed employments at the end of January 2021 (185,900)
- This was followed by Wholesale & retail (131,900) and Administrative & support services (78,000).
- Health and social work, construction and admin and support services had the biggest sectoral declines all around 55%.

Only a quarter of furloughed jobs in London were on partial furlough by the end of January, the lowest rate in the country

Full and partial furlough share by UK region/country

% of total furloughed employments, as at 31 January 2020 (provisional)



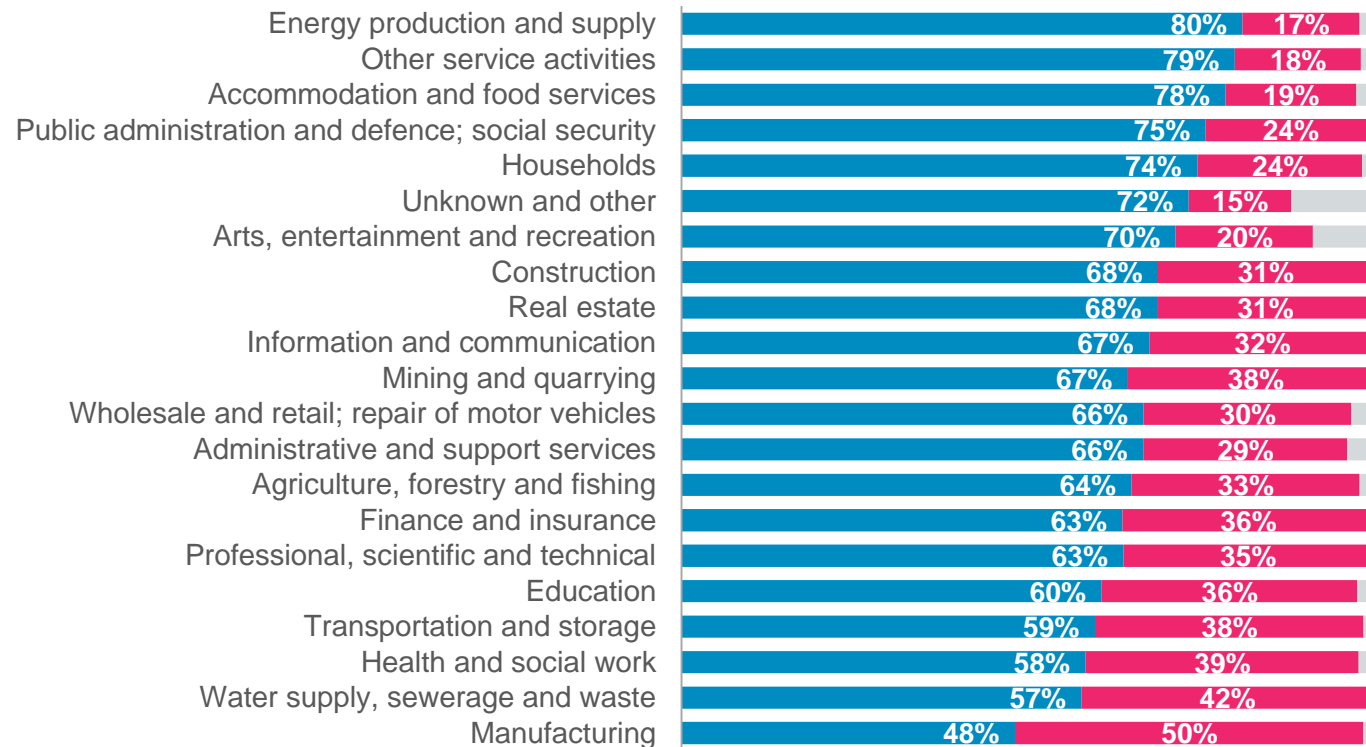
As at 31 January:

- Only 1 in 4 (177,500) furloughed jobs in London were on partial furlough– down from 36% at the end of December 2020.
- The capital also recorded the highest proportion of full furloughing of any UK region/country, at 75% (534,700).
- When compared with 31 December, all regions saw a rise in full furlough claims, with London seeing a 11 percentage point rise. This is consistent with greater restrictions on business activity in January.

Energy Production, Other services and Accommodation & food services had the highest full furlough shares at the UK level

Full, partial or unknown furlough shares for the UK

% of total furloughed employments, as at 31 January 2020 (provisional)



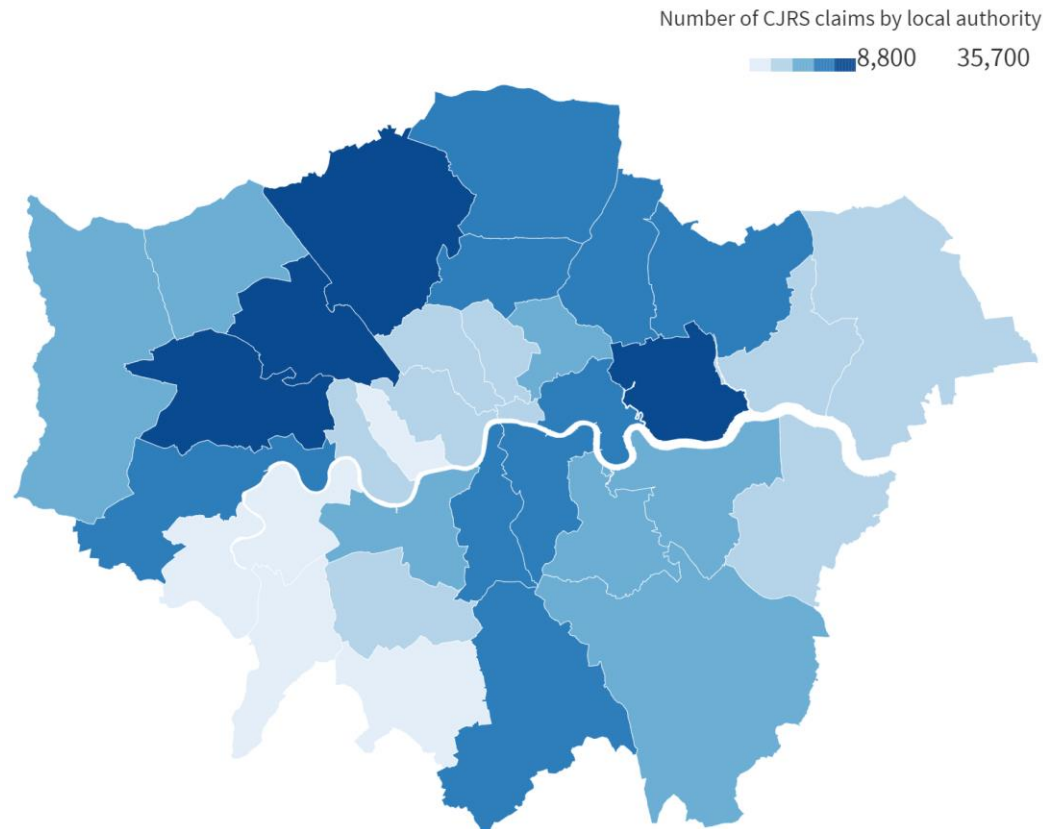
The Energy (80%), Other services (79%) and Accommodation & food services (78%) sectors had the highest full furlough shares at the UK level at the end of January 2021. Manufacturing had the lowest full furlough share, at 48%.

Since the end of December 2020, the proportion of employments on partial furlough has scaled back across all sectors:

- Four sectors saw a substantial decline of more than 10 percentage points.
- Other services saw the largest decline in its partial furlough share of 24 percentage points (pp).
- The Accommodation & food and Households sectors saw 16pp declines.
- Arts, entertainment & recreation saw a 14pp decline.

Newham, Ealing and Barnet were the London boroughs with the highest number of furloughed jobs at the end of January 2021

Furloughed employments by London borough
as at 31 January 2020 (provisional)



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As at 31 January 2021:

- Newham (35,700), Ealing (33,300) and Barnet (33,000) had the highest absolute number of employments furloughed in London.
- Kensington and Chelsea (8,800), Richmond upon Thames (12,200) and Kingston upon Thames (12,500) had the lowest number of jobs furloughed.

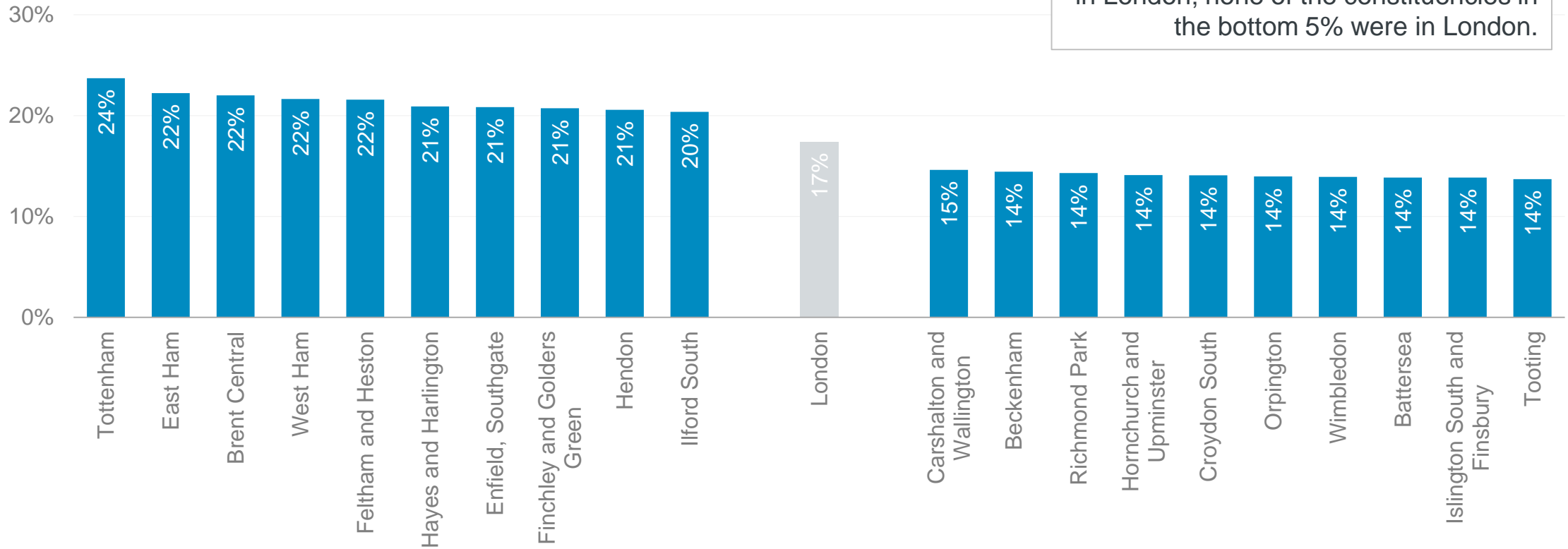
In terms of take up rate (as a share of those eligible):

- Newham also had the highest take up rate in London, at 22%, followed by Haringey and Brent (both 21%)
- Whereas Richmond and Wandsworth had the lowest take up rates (both 14%), followed by Bromley (15%).

By parliamentary constituency, Tottenham had the highest take up rate in London, followed by East Ham and Brent Central

Top and bottom 10 London furlough take up rates by parliamentary constituency
as at 31 January 2020 (provisional)

17 of the 33 UK constituency areas (top 5%) with the highest take up rates were in London; none of the constituencies in the bottom 5% were in London.



Note: seven other parliamentary constituencies in London had take up rates of 18% and 15 other areas had take up rates of 15%.



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.