



# Briefing on the latest HMRC's Official Statistics on the self-employment support scheme

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**Background and data notes**



**Self-Employed Income Support Scheme (SEISS)**

# Background and context

In response to Covid-19 the Government introduced two significant employment support schemes aimed at preventing large rises in unemployment and longer-term labour market scarring :

1. **Coronavirus Job Retention Scheme (CJRS)** - for employees (PAYE)
2. **Self-Employment Income Support Scheme (SEISS)** - for the self-employed

This release covers analysis on the latest SEISS data. GLAE has analysis on the latest CJRS release, previous releases, and other labour market analysis on our **COVID-19 labour market analysis page**.

The SEISS is a one-off grant paid directly to those who are eligible. This differs from the CJRS, paid weekly depending on an employee's furlough status.

There have been two grants so far and this analysis compares total claims submitted to date between each grant:

- **Grant 1:** Taxable grant worth 80% of average monthly trading profits, paid out in a single instalment covering 3 months' worth of profits, and capped at £7,500 total. Closed for claims on 13 July 2020 for those who experienced disruption from March.
- **Grant 2:** On the 17 August 2020 applications for the second grant of SEISS opened. Taxable grant worth 70% of average monthly trading profits, paid out in a single instalment covering 3 months' worth of profits, and capped at £6,570 total. Covers those disrupted from 14<sup>th</sup> July (including those who had received Grant 1). Grant 2 will close on 19<sup>th</sup> October

There have been five data releases so far, in this analysis we compare:

- **August** release – total cumulative claims as at 31<sup>st</sup> July for Grant 1 (final release covering Grant 1)
- **October** release – total cumulative claims as at 30<sup>th</sup> September for Grant 2



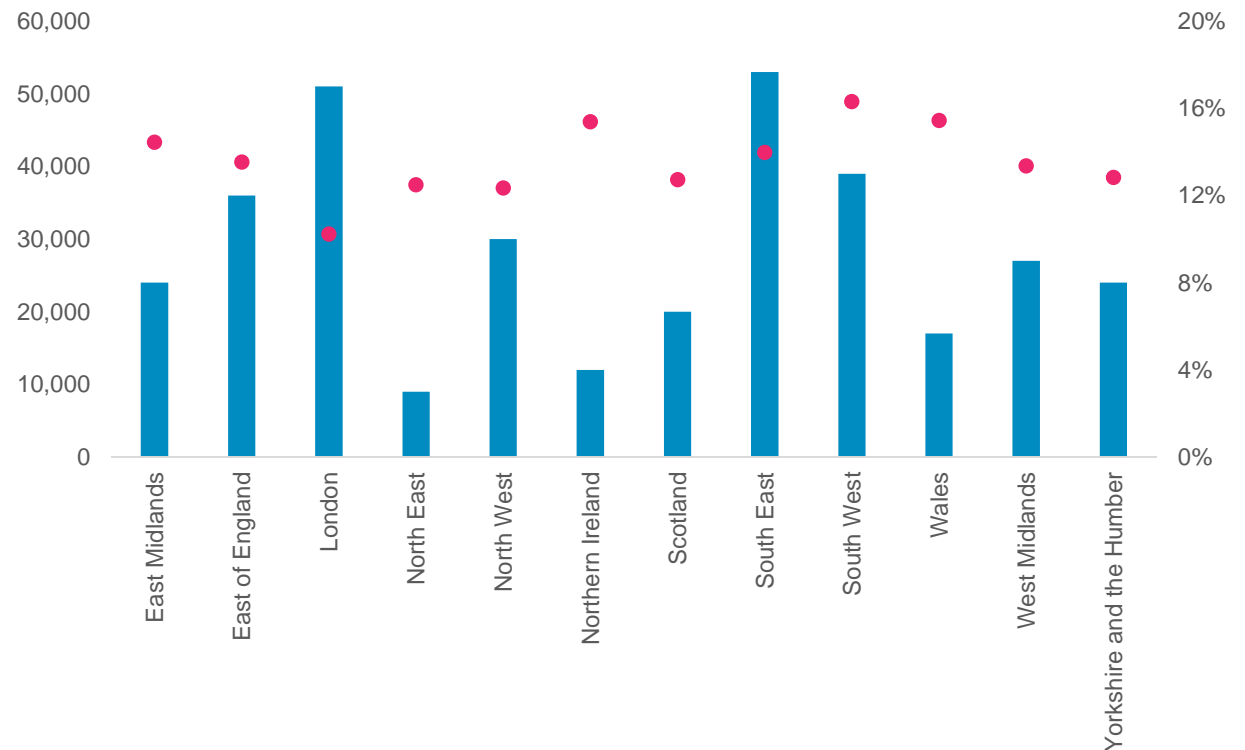
# Data notes

- These official statistics published by HMRC are directly and primarily based on the data from SEISS claims and refer to all claims up until 30<sup>th</sup> September
- It also combines these sources with other HMRC data such as **HMRC's Pay As You Earn (PAYE)** Real Time Information (RTI) system or **Self assessment data**.
- Because these statistics draw on administrative data, they provide a more comprehensive picture of the SEISS than other existing forms of data (i.e. surveys).
- Take up rates are calculated as a proportion of all those who are eligible based on their PAYE and Self employment tax returns information.

# The number of Londoners claiming Grant 2 of the SEISS is currently 10% lower than for Grant 1

- There have been total of 447,000 SEISS claims for **London** in Grant 2 as at 30th September.
- This is 51,000 claims lower than for Grant 1, although claims for Grant 2 have not yet closed (they close 19th October) .
- To date, the number of SEISS claims in the **UK** was down 343,000 to 2,26 million.
- Only the South East had a higher absolute fall in claims than **London**.
- Despite London's large absolute fall, it had the lowest % decrease:
  - **London** fell 10%
  - the **rest of the UK** (excl. London) fell 14%

**Absolute (000s, LHS) and percentage (% , RHS) falls in SEISS claims between Grant 1 and Grant 2**

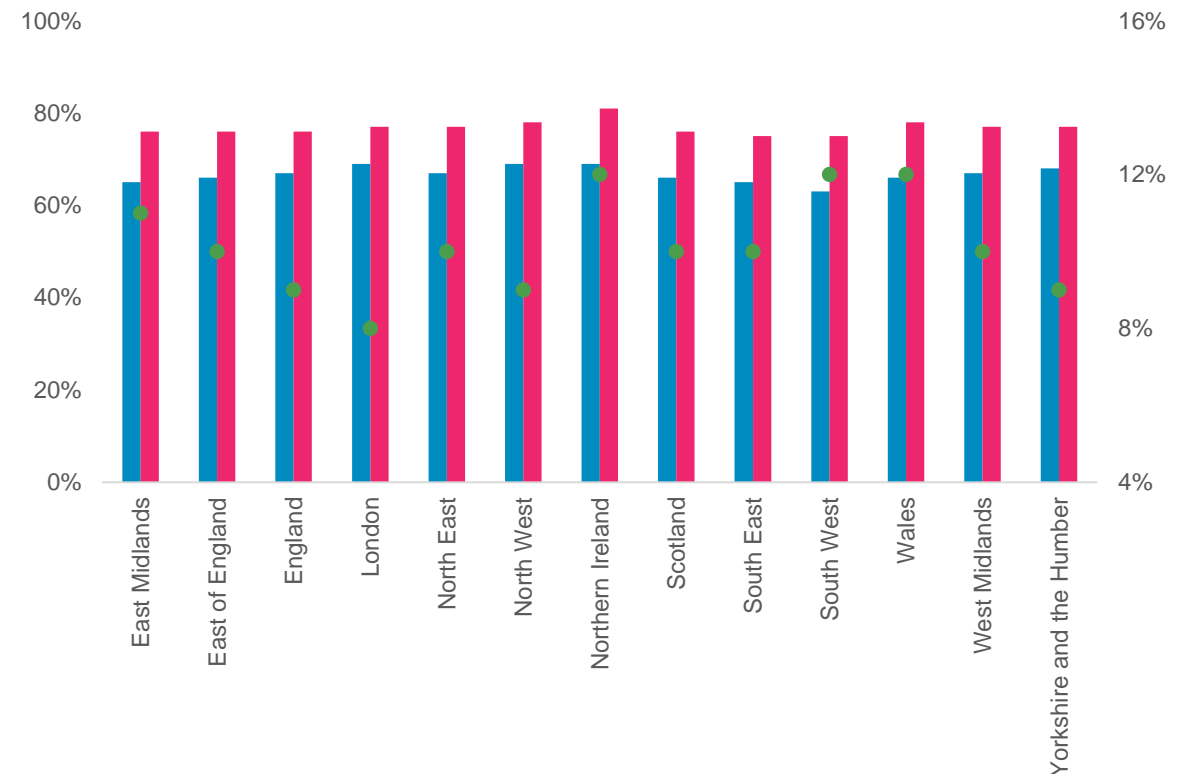


# London's take-up rate fell least and is highest among regions

The take-up rate is down for all regions between Grant 1 and 2:

- **London's** take-up rate fell by the least, down 8pp to 69%
- Because **London** started with a relatively high take up rate for Grant 1 and had the smallest fall, **London** now has the highest take up rate for Grant 2 (as of 30th September).
- All regions have a high take-up rate for Grant 2 relative to Grant 1, considering the large falls in CJRS take-up rates since the peak of lockdown. The South West fell by 12pp to have the lowest take up rate of 63% (only 6pp lower than **London**).
- The take up rate for the **UK** as a whole is down from 77% to 67% (down 10pp).

Take up rates **Grant 1** and **Grant 2** by region and **respective change (RHS, pp)**

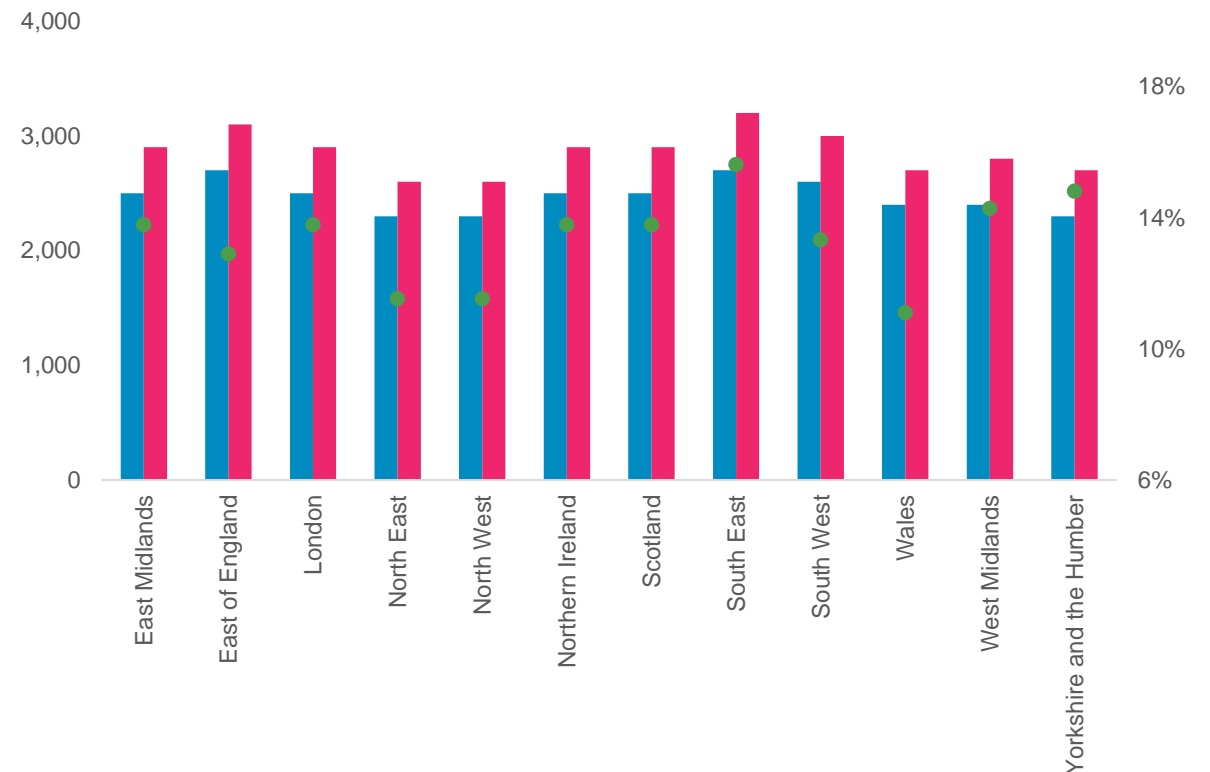


# London's average claim value fell in line with lower government support for Grant 2

Aside from the number of claims, any change in average claim values can indicate a change in demand but the level of government support changed between grants. Grant 2 provides a maximum of 70% of average trading profits relative to 80% for Grant 1 (see slide 3), so some fall was expected.

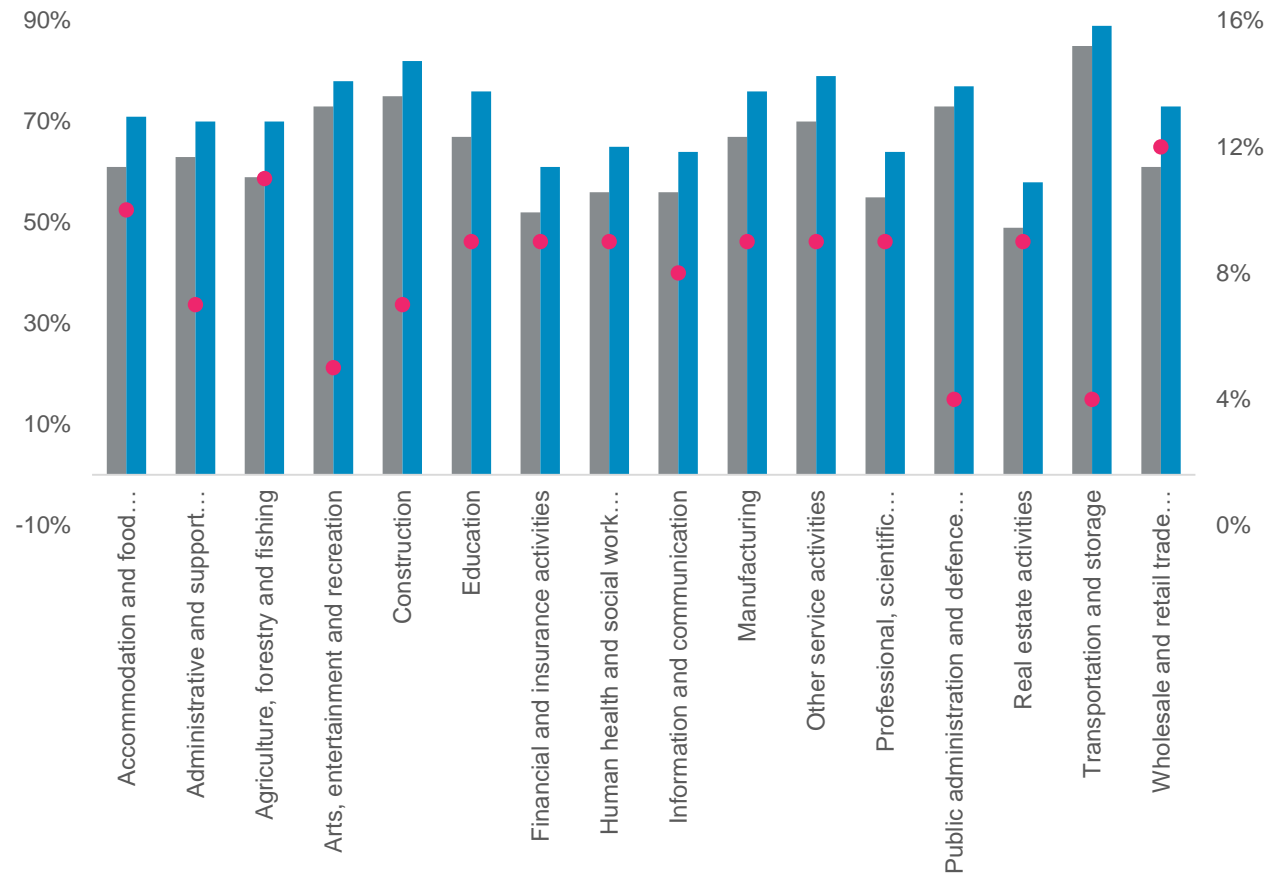
- Average claims are down between 11% and 16% for all regions. A 12.5% fall would cover the difference in support level.
- **London's** average claim value is down 14%, from £2,900 for Grant 1 to £2,500 for Grant 2, indicating minimal change in demand beyond the level of support available.

Take up rates (LHS, %) Grant 1 and Grant 2 by region and respective change (RHS, pp)



# Transportation and storage remains industry with highest take-up rate

London SEISS take up rates by sector (LHS,%) for Grant 1 and Grant 2 and respective change (RHS, pp)



All sectors in **London** have lower SEISS claims between Grant 1 and Grant 2 to date.

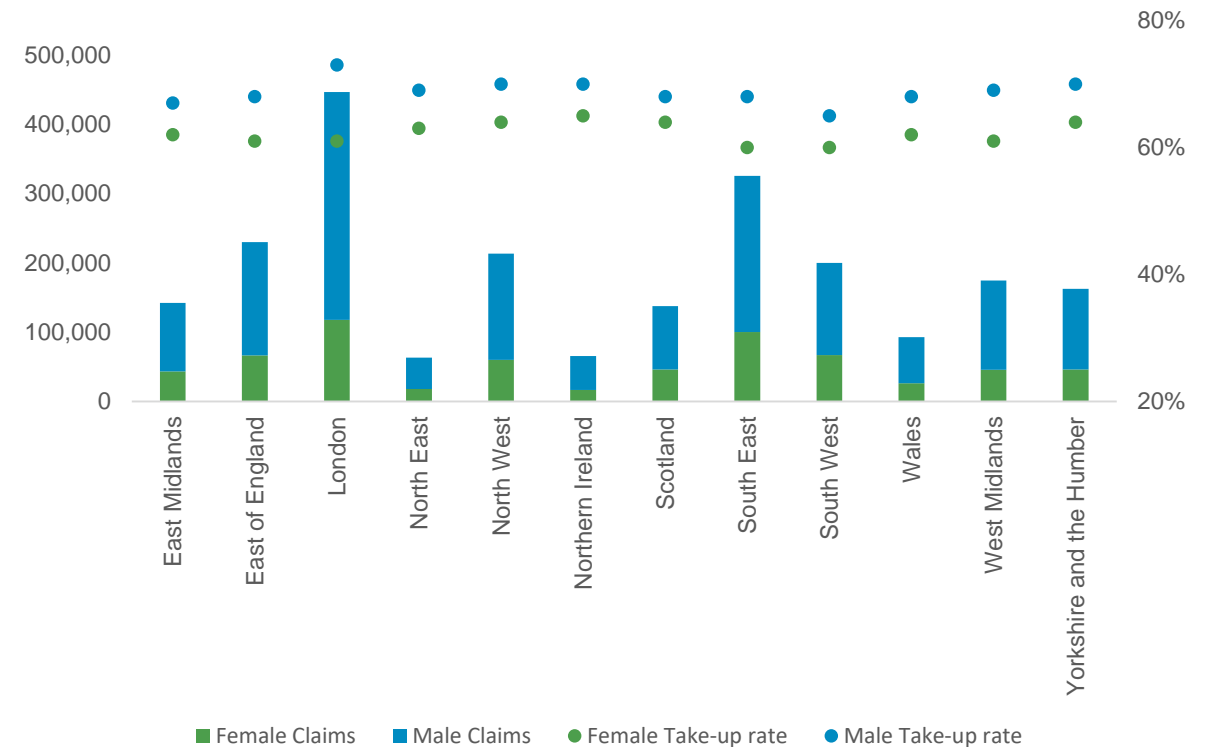
- Wholesale and retail trade is down the most, down 12pp to 49%
- Real estate activities is down 9pp to have the lowest take-up rate of any industry, at 49%
- Transport and storage is down by the least, down 4pp to 85% - retaining its position as the industry with the highest take-up rate



# London had the largest difference in take up rates between men and women

- **London** has a total of 118,000 female SEISS claims and 328,800 male SEISS claims for Grant 2.
- London has the highest take-up rate for males, at 73%. The South west has the lowest at 65%
- London has a take-up rate of 61% for females – close to the lowest rate, shared by the South East and South West at 60%.
- Across all regions, there were higher take up rate for males but the 12pp difference in London was the largest.
- The difference in take-up rates between males and females remained similar between Grant 1 and Grant 2 for all regions.

SEISS claims (LHS,000s) and respective take up rate (RHS, %) for females and males by region



# Take-up rates now similar across ages except those 65+

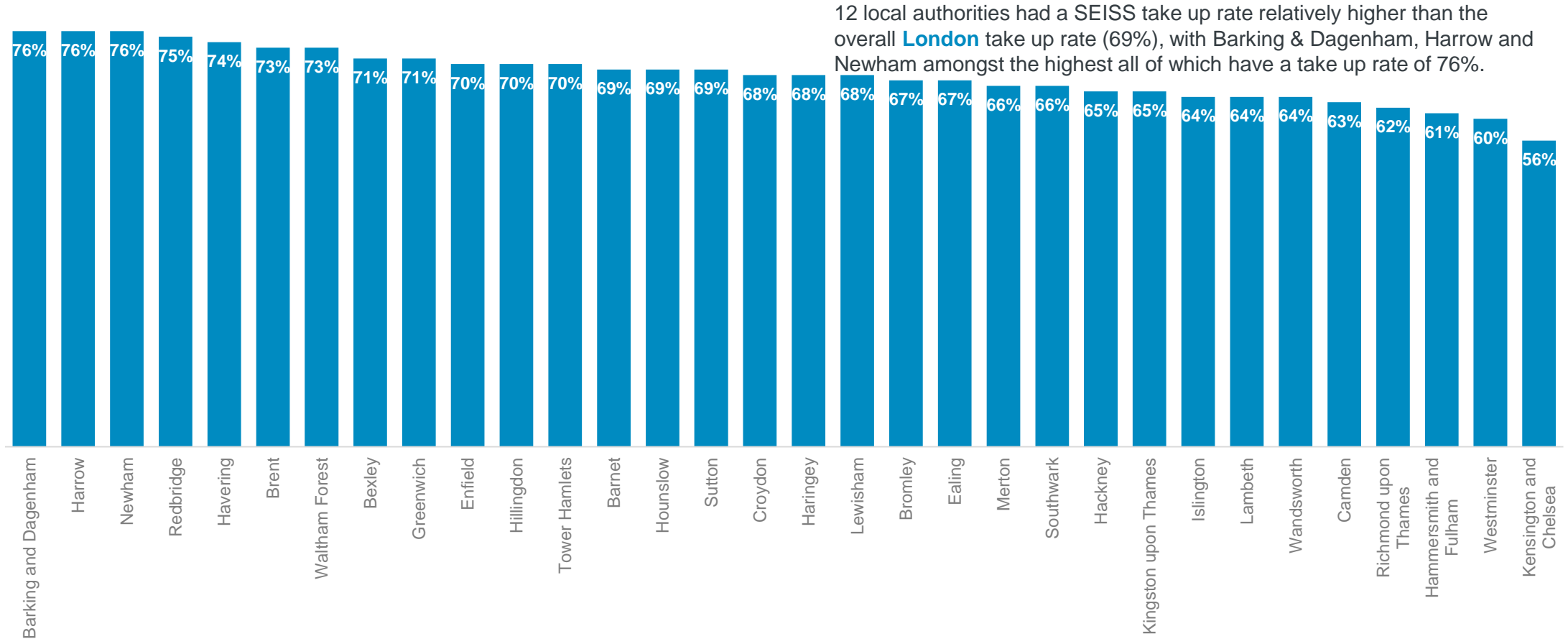
- In **London**, those aged 16-24 and 25-34 are seeing the smallest declines in take-up rates between Grant 1 and Grant 2 (4pp and 6pp respectively).
- The small fall for those aged 25-34 places them with the 45-54 bracket as having the highest take-up rates, both at 71%.
- Take-up rates for the 55-64 and 65+ brackets is down most - by 10pp and 9pp respectively. These falls placed those age brackets with the lowest take up rates – 67% and 55% respectively.
- There was minimal variation in take-up rates between males and females by age bracket – the rates for males were between 10 and 13pp higher.

SEISS take up rate by age (LHS,%) for London in **Grant 1** and **Grant 2** and **respective change (RHS, pp)**



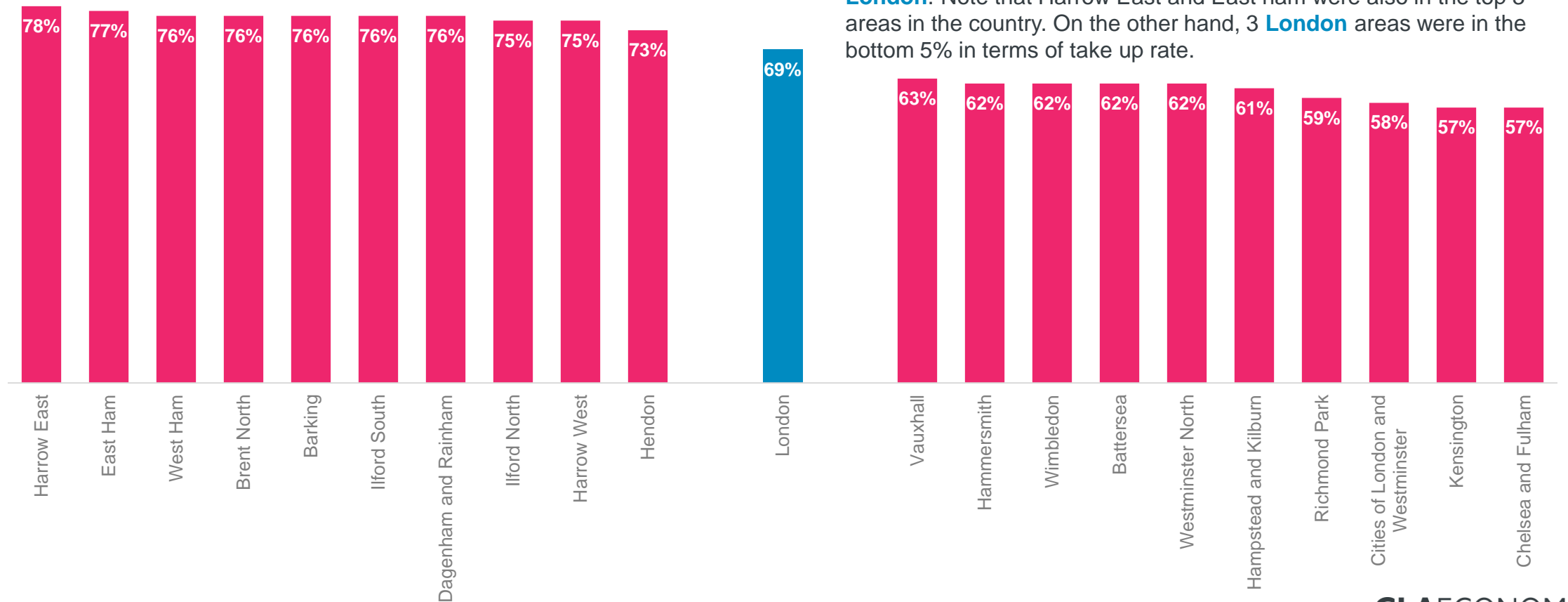
# Barking & Dagenham, Harrow and Newham now have the highest SEISS take up rates in the capital by local authority

## SEISS take up rates by local authority



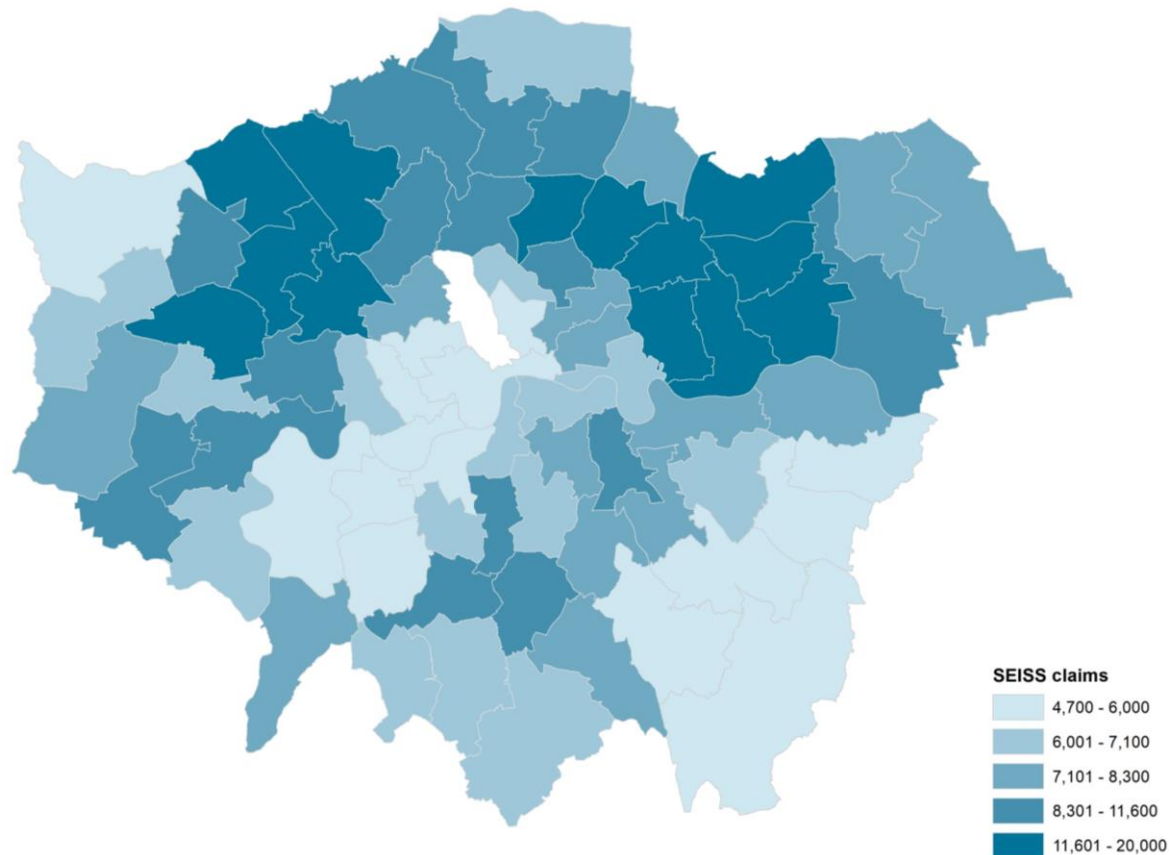
# Just over a quarter of the areas with the highest take up rates are in London

Top and bottom 10 London SEISS take up rates by parliamentary constituency



# West ham, East ham and Brent North have the highest SEISS claims levels in terms of constituency

## SEISS claims by parliamentary constituency



Like the CJRS, West Ham have the highest number of SEISS claims in the 2<sup>nd</sup> round of claims with 15,100 claims (76% take up).

This is followed by East ham with 14,400 (77% take up) and Brent North (76% take up) with 12,900.

Chelsea and Fulham (2,700) and Kensington (2,900), had the fewest number of claims (excluding Cities of London and Westminster) both of which had a 57% take up rate. This is followed by Westminster North with 3,100 claims (62% take up)