

RURAL LENS REVIEW



Plan for Jobs
Protecting,
supporting and
creating jobs

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At a glance

Rural Services Network's thoughts on a **Plan for Jobs**:

- Needs more nuanced policies if rural areas are to benefit proportionately to urban
- Local access to support measures (including further education, skills training and apprenticeships) is essential
- Improvements to digital connectivity are essential
- Support must include SME's and the self-employed
- Support for Housing Enablers is key

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EXECUTIVE SUMMARY

The coronavirus pandemic is the most significant shock to the UK economy since the second world war.

The impact of the pandemic and the lockdown associated with it has been disproportionately felt in many settlements in rural England.

The Government has put in place a range of measures, unprecedented in recent times and amounting to approaching £300 billion to address the impact of the pandemic.

In its most recent announcements on ameliorating the impact of the pandemic the Government on 8th July 2020 published a "Plan for Jobs".

The overall impression gained from the Government's most recent announcements in this area are that:

- Some measures are short term and essentially confidence raising / political (eat out to help out)
- Some measures seek to mitigate immediate impacts
- Some potentially structural responses

There are three core elements to the Plan for Jobs:

Supporting Jobs – a package of support measures to provide learning, employment, and work-placement opportunities principally for 16-24-year olds.

Protecting Jobs – a package of fiscal measures aimed at sustaining the hospitality and leisure sectors

Creating Jobs – a package of fiscal measures aimed at stimulating and flexing the impact of the housing market

These are supplemented by a package of 25 measures announced by the Prime Minister on 30 June 2020. A number of these measures in terms of housing, planning and direct support to employers and sectors, which predominate in rural areas could make a significant contribution to the regeneration of rural economies.

There is no significant rural lens applied to any of these activities in detail in the Plan for Jobs. A careful consideration of enabling measures to run alongside this package of investment could ensure it has the maximum impact desired in rural areas. The enabling measures relate to:

Age bands –whilst the proposals may create an opportunity to both attract and retain young people to develop economically in their communities if they choose to do so, widening eligibility for a number of schemes in rural settings to overcome the fact that a smaller proportion of the workforce is in the 16-24 age band would also be helpful .

Small business – a series of refinements to enable the small business sector, which predominates in rural areas, to have sufficient capacity to participate fully in the measures.

VCSE Infrastructure – ensuring an adequate supply of workplace and volunteering opportunities in rural areas by investing in the capacity of local Voluntary, Community and Social Enterprise Sector organisations to identify and sustain these opportunities.

Business Support – working with the Leisure and Hospitality sectors to provide the advice and mentoring support to enable them to maximise the impact of the short-term fiscal incentives for people to use their services. Alongside this, supporting them to achieve this as effectively as possible through local business networking.

Housing Enablers – investing in greater capacity to enable affordable housing in rural areas to ensure the housing measures in the plan reach the most challenged areas.

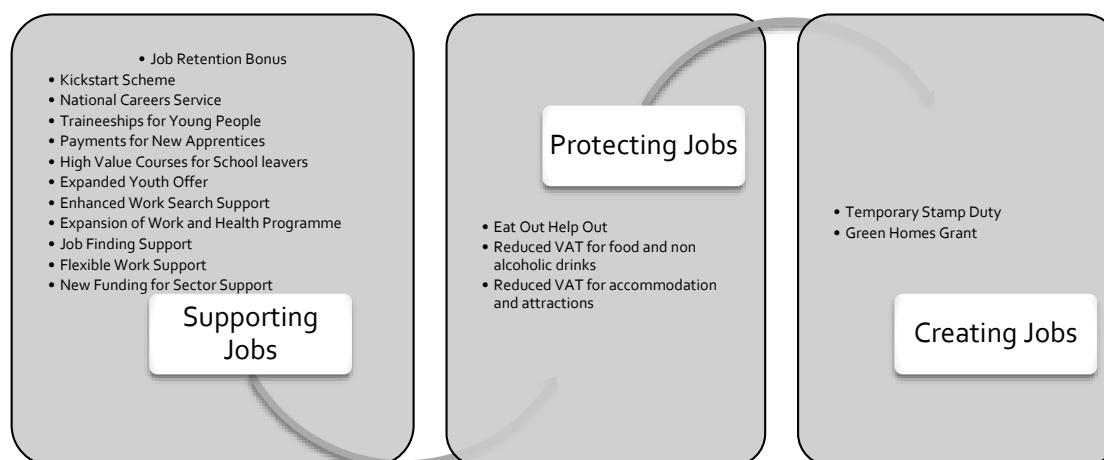
Digital – requiring the recipients of infrastructure funding (i.e. LEPs) to identify opportunities to enhance rural digital connectivity (both Broadband and Mobile) and supporting communities to develop their own digital networks and solutions

Access – providing travel bursary resources to ensure those in the most remote settings can access the package of measures in the Supporting Jobs aspect of the Plan.

Enterprise – consideration of an extension to the supply of employment opportunities available through the Plan for Jobs to rural residents by looking at opportunities to include self-employment in a number of the measures offered within the Supporting Jobs aspect of the Plan.

1. INTRODUCTION

- 1.1 On 8 July The Chancellor announced a package of up to £30 billion under the banner of a new Plan for Jobs. This builds on £159 billion of direct fiscal support and £123 billion of tax deferrals and approved loans since 11 March 2020 in response to the coronavirus. The key measures along with additional announcements made on 30 June by the Prime Minister (PM) are set out in the Government's Plan for Jobs¹.
- 1.2 The measures are split into 3 categories: supporting jobs, protecting jobs and creating jobs with a further cluster of activities linked to the PM announcement on 30th June 2020. A schematic of the measures is set out below.



¹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/898421/A_Plan_for_Jobs_Web_.pdf

2. RURAL ECONOMIES AND THE CORONAVIRUS

2.1 Whilst rural economies and urban economies, using the rural urban classification² as a differentiator are sectorally similar in terms of employment they can be clearly distinguished by a number of contextual characteristics. The OECD Review of Rural Policy in England 2011 still provides the most powerful exposition of the need to include wider contextual considerations into an analysis of the English rural economy³.

Key distinctions include:

- **A higher proportion of small businesses**
- **An older labour market**
- **Lower wages**
- **Longer distances in terms of supply chains and access to markets**

2.2 There are also some important sectoral distinctions when we nuance the definition of rural in more detail these include:

- A higher proportion of land-based industries in more remote rural areas
- A higher proportion of tourism and hospitality businesses in both rural and coastal areas
- A higher proportion of manufacturing businesses due to the trend since the 1970s of a move outwards from urban centres – particularly in edge of town and city locations

2.3 There are also some contextual differences in terms of the wider economic determinants of rural areas including:

- **Higher property prices (especially relative to local wages/salaries)**
- **Poorer broadband and mobile connectivity**
- **More challenging planning conditions**
- **More intense levels of commuting over longer distances**
- **Lower job density – the relationship between the number of employees and the stock of local jobs**
- **Difficulties in access to higher education and apprenticeship opportunities and less choice available.**

² <https://www.gov.uk/government/collections/rural-urban-classification>

³ https://www.oecd-ilibrary.org/urban-rural-and-regional-development/oecd-rural-policy-reviews-england-united-kingdom-2010_9789264094444-en

2.4 These differences all provide a very useful means of differentiating the likely impact of the Plan for Jobs strategy in rural economies.

2.5 As ever, policy tends not to pick up on specifically rural issues – but there is a genuine opportunity at present.

1. An increased focus on the ability to work anywhere may result in:

- a. Better broadband
- b. Less centralisation of leisure / retail / office developments
- c. A renewed view of a ‘sustainable community’ – planning decisions around towns / village hubs and preservation of local service provision

2. Discontinuity in the predominantly urban workplace message:

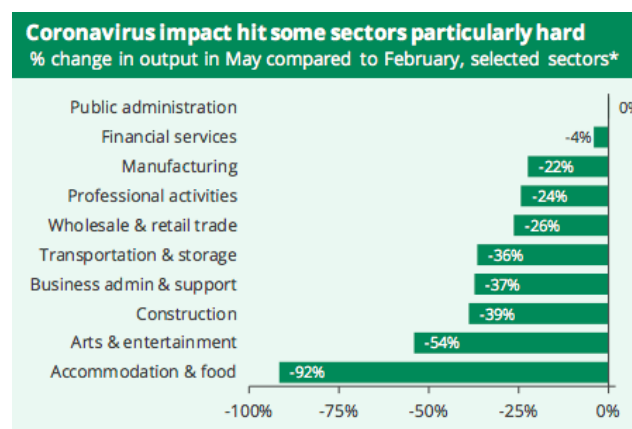
- a. Local office hubs
- b. Re-thinking the office / lifestyle environment

3. Need for jobs resulting in:

- a. Transition to low carbon supporting new industry, new installation, and home improvements
- b. More diversification within existing rural land use provision
- c. Digital connectivity allowing better rural networks imitating economies of agglomeration

3. THE MACRO-ECONOMIC IMPACT OF THE PANDEMIC

3.1 The coronavirus pandemic has brought an unprecedented impact to the functioning of the UK Economy. The House of Commons Coronavirus Economic Impact Briefing Paper of 31 July 2020⁴ identifies, based on Office for Budget Responsibility (OBR) projections, a national reduction overall in Gross Domestic Product by 12.4% in 2020. This is made up of a differential fall in output amongst different sectors. The chart below shows how Arts and Entertainment and Accommodation and Food (both major sectors in rural places) have borne the brunt of the impact.



3.2 Supply side shocks to the economy are identified by the Parliamentary Library publication as:

- Dislocation in the global supply chain
- Workers off sick
- School closures
- Businesses forced to shut down as a consequence of social distancing

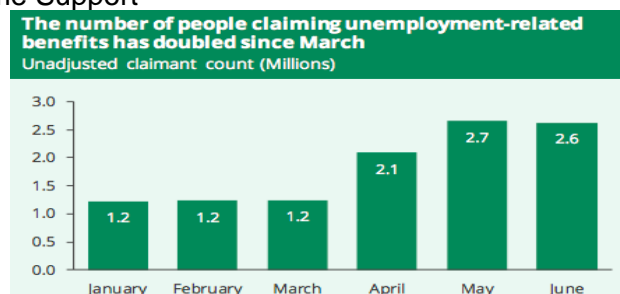
⁴ <https://commonslibrary.parliament.uk/research-briefings/cbp-8866/>

3.3 Unemployment nationally is anticipated according to the OBR to rise to one in 8 or 12%. The chart below shows how the number of unemployment related claimants has more than doubled in a month and is projected to grow more significantly as the furlough scheme which helps meet the salary of over 7 million workers at present tails off from the end of August 2020 onwards.

3.4 As at July, 2020 of the employees in Predominantly Rural (PR) areas, 30% were Furloughed (the same as the England average)

3.5 Nationally as at July, 2020 of the total employees in business types/sectors important to the rural economy

- 53% were Furloughed in Micro Businesses (1-9 employees)
- 48% were Furloughed in Small Businesses (10-49 employees)
- 73% were Furloughed in the Accommodation & Food Sector
- 73% had taken up Self Employed Income Support



4. THE PLAN FOR JOBS FROM A RURAL PERSPECTIVE

4.1 The scale and nature of the impact of the coronavirus at a global and a UK level is the largest economic shock since the second world war.

4.2 It is clear that there are some differentiating factors, which lead to a differential set of challenges facing rural economies when compared to the picture for the UK as a whole in relation to these shocks.

- 4.3 The Plan for Jobs represents a prodigious intervention by Government. There has clearly not been time to rural proof this set of measures, but it is important to consider how they are likely to impact on the economies of rural places. This is because a “one size fits all” assumption that the measures will have a universally similar impact fails to take account of the differences between rural and urban economies.
- 4.4 We have developed a grid to facilitate this analysis taking the measures down the first column and looking at their relationship with the key characteristics of rural economies across subsequent columns. Detailed descriptions of each measure in the Plan for Jobs are set out at Appendix 2. We have colour coded each measure (**using a traffic light system**) in terms of its likely impact in terms of rural economies.

Supporting Jobs							
Plan for Jobs	Low Job Density	Sectoral Features	High Proportion of Small Businesses	Older Workforce than the national average	Lower Wages /Productivity	Supply Chain Challenges	Higher Property Prices
Jobs Retention Bonus		This scheme will support businesses in maintaining key employees.	The scheme will be equally applicable irrespective of the size and scale of the businesses concerned.	This scheme will help older people to retain their employment.		This scheme will maintain local employment and wider expenditure in local economies.	
Kick Start Scheme	The relatively lower stock of jobs in rural areas will provide fewer choices in terms of this programme for younger people.	The sectors principally reliant on furloughing are also those with the highest representation in rural economies. These are least likely to be able to participate in the scheme.	Smaller businesses are less well-resourced to take on additional staff.	A smaller proportion of the workforce in rural areas are eligible to participate in this measure.			

Supporting Jobs continued							
Plan for Jobs	Low Job Density	Sectoral Features	High Proportion of Small Businesses	Older Workforce than the national average	Lower Wages /Productivity	Supply Chain Challenges	Higher Property Prices
Careers Service Funding	There are fewer employment opportunities in rural economies.	The business base is more vulnerable in rural communities with more employees on furlough and fewer employment choices.	More limited career progression opportunities in smaller businesses.	A focus on career development for older workers provides a positive context as they have a more varied set of work experiences.			
Traineeships	The relatively lower stock of jobs in rural areas will provide fewer choices in terms of this programme for younger people.	The sectors principally reliant on furloughing are also those with the highest representation in rural economies. These are least likely to be able to participate in the scheme.	Smaller businesses are less well-resourced to take on additional staff.	A smaller proportion of the workforce in rural areas are eligible to participate in this measure.			
Apprenticeship Incentives	There are fewer employment choices for young people in rural areas.	The business base is more vulnerable in rural communities with more employees on furlough. Those wishing to grow their workforce however will have an easier opportunity to employ young people.	The scheme will provide an opportunity for small businesses to employ young people at lower risk in the short term.	A smaller proportion of the workforce in rural areas are eligible to participate in this measure.			

Supporting Jobs continued							
High Value Courses for School Leavers	This scheme does provide the potential for young people to continue their learning and development in rural settings.			A smaller proportion of the workforce in rural areas are eligible to participate in this measure.			
Expanded Youth Worksearch Offer	This measure will potentially decant young people in rural areas into urban settings which have more jobs choices.	There are fewer employers to target for young people seeking employment in rural settings.		This measure does not provide support for older workers who are a more sizable aspect of the rural workforce.			
Enhanced Work Search Support	This measure will potentially decant young people in rural areas into urban settings which have more jobs choices.	There are fewer employers to target for young people seeking employment in rural settings.		A focus on career development for older workers provides a positive context as they have a more varied set of work experiences.			

Supporting Jobs continued							
Plan for Jobs	Low Job Density	Sectoral Features	High Proportion of Small Businesses	Older Workforce than the national average	Lower Wages /Productivity	Supply Chain Challenges	Higher Property Prices
Expansion of the Work and Health Programme	This will provide positive career development opportunities for those in rural communities.	The sectors principally reliant on furloughing are also those with the highest representation in rural economies. These are least likely to be able to participate in the scheme.	Smaller businesses are less well-resourced to participate in this measure.	This scheme will provide good opportunities for older workers, particularly those furthest from the labour market, in rural areas to increase their employability			
Job Finding Support Service		This scheme will help those at greatest risk of job loss in rural areas, where a higher proportion of workers are on furlough.					
Flexible Support Fund				This will provide enhanced support for workers in rural areas who are either unemployed or at risk of unemployment.			
New Funding for Sector Based Work Academies	The relatively lower stock of jobs in rural areas will provide fewer choices in terms of this programme.	This scheme provides an opportunity to engage employers in signature sectors: tourism, hospitality, manufacturing in rural areas.	Smaller businesses are less well-resourced to participate in this measure.				

Protecting Jobs							
Plan for Jobs	Low Job Density	Sectoral Features	High Proportion of Small Businesses	Older Labour Market	Lower Wages /Productivity	Supply Chain Challenges	Higher Property Prices
Eat Out to Help Out		A higher proportion of accommodation and hospitality providers in rural areas will get positive benefit through this scheme.	There are a disproportionately number of smaller businesses active in the hospitality and food sectors which will benefit from this scheme.			An upsurge in business activity in the restaurant sector will have a positive multiplier effect in local economies.	
Temporary VAT cuts for food, non-alcoholic drinks, accommodation, and attractions		A higher proportion of accommodation and hospitality providers in rural areas will get a disproportionately positive benefit through this scheme.	A higher proportion of accommodation and hospitality providers in rural areas will get a disproportionately positive benefit through this scheme.			An upsurge in business activity in the restaurant sector will have a positive multiplier effect in local economies.	

Creating Jobs		
Plan for Jobs	Supply Chain Challenges	Higher Property Prices
Temporary Stamp Duty Land Tax Cut	The impact of an upsurge in local property sales has the potential to enhance economic activity in rural areas.	This is a temporary measure and could bring down property prices in rural areas. However, those prices will remain unaffordable to most who earn their living in the rural economy. It will serve the market for “urban flight” and push up property values. It could well change who lives and works in rural areas -, creating a socio-economic trend with different customer groups, skills and demographic. More people may move to the countryside and work (at least part time) from home. New services will be needed to support their needs creating a major opportunity for local producers and service industries in rural areas...
Green Homes Grant	The impact of an upsurge in local property sales has the potential to enhance activity in rural areas.	There are a higher proportion of properties in rural areas which are inefficient from an energy point of view, this should lead to a greater proportionate take up of the scheme. On the other hand, planning restrictions and property types in rural areas will make energy enhancements difficult. Any scheme will need to make allowances for the rural context - including how tackling rural deprivation is incorporated

5. ANALYSIS

There is a clear distinction between the three categories of measures in the Plan for Jobs.

5.1 Supporting Jobs

The Supporting Jobs suite of activities focus principally on people in apprenticeships, short term supported employment and jobs search/work experience activities. Their main focus from an age perspective is young people. **Whilst these activities and their focus are laudable overall, they are likely to have a more limited impact in rural areas.** This is because:

- Younger people form a smaller proportion of the workforce.
- A higher proportion of businesses in rural areas are small and less likely to have the capacity to participate in the schemes.
- There is a smaller stock of overall jobs in rural areas meaning that there is a relatively more limited range of sectoral opportunities for participants to engage with. Better public transport is essential for young people to be able to access job opportunities in local market towns etc.
- Many of the employers in rural areas are in the most vulnerable economic sectors in terms of the impact of the pandemic and may be less likely to participate in the schemes as a consequence of this.

Only the job retention bonus which is more employer and less workforce focused provides scope for equally positive impact in terms of rural and urban communities in England.

5.2 Protecting Jobs

The protecting jobs activities are **likely to have a strongly positive impact** in rural areas because they support the tourism, accommodation, and hospitality sectors, which make up a significant proportion of rural employment, particular in coastal rural areas. They are also likely to increase overall economic activity in the areas and have a correspondingly positive impact on the local multiplier effect of economic growth in rural economies.

5.3 Creating Jobs

Both measures are likely to be positive on some measures – although the Stamp Duty reduction is a short-term measure and will do little about the underlying problem of the unaffordability of housing (to buy or rent) relative to locally earned income. See comments in the table above.

5.4 Prime Minister's Announcements 30 June

It could be argued that a number of the proposals in the above statement, which are reported retrospectively as part of the Plan for Jobs have a more potentially potent impact in rural England. There are 25 measures overall set out in Appendix 2 to this report. Critics may argue that this list is in part a re-reporting of previous funding commitments, it nonetheless serves to demonstrate the significant amount of investment currently available to support the economic development of rural areas. **The measures, which are of most significance are** set out below:

- **Construction Talent Retention Scheme** – there are a relatively high number of people employed in construction in rural England
- **Public Sector Decarbonisation Scheme** – this scheme will facilitate public sector investment in their buildings helping the construction sector and its wider supply chain in rural areas
- **Green Jobs Challenge Fund** – the landscape and land use focus of this initiative will support rural businesses
- **Social Housing Decarbonisation Fund** – this scheme will facilitate more investment in social housing in rural areas
- **Affordable Homes** – this major scheme will provide more opportunity for people of modest means to both work and live in rural settings and therefore make rural labour markets work more effectively
- **Planning Reform** – changing the balance **slightly** in favour of development will help the economic development of some rural areas, particularly in terms of enabling people to live in rural communities – but will not address the housing cost v locally earned income issue, the Plan for Jobs identifies a key aim of this aspect of its focus as follows: “The government will introduce new legislation in summer 2020 to make it easier to build better homes in places people want to live.” **The detail will be important here in general there is no evidence that development in rural areas is held back by the planning processes. Planning reform is focused on home ownership and will not increase (indeed could decrease, the supply of genuinely affordable homes for the local low-income workforce.**
- **School Estate Funding** – this will enable some rural schools to benefit from an enhanced package of investment making them potentially more viable
- **Local Infrastructure Projects** – the proposals to increase investment in local infrastructure, particularly in terms of digital connectivity provide an opportunity for an enhancement of economic development in rural settings

- **Towns Fund Accelerated Projects** – the agreement to release up to £100 million of Towns Fund investment early will help a significant number of small rural service centres to increase their economic viability.

6. THE CASE FOR NATIONAL NUANCING

A more targeted approach to the implementation of these measures could increase their impact in rural areas. Details are set out below:

6.1 Age bands

In recognition of the relatively more limited range of jobs available in rural areas and to take account of the fact that young people make up a smaller proportion of the rural workforce extend the 16-24 age bands in the Plan for Jobs to 16 -30 in rural settings.

6.2 Small Businesses

In recognition of the more limited capacity of small employers to participate in job creation schemes increase the level of incentives for businesses with under 5 employees in rural areas – this could be managed through a local determination fund lodged with local authorities able to make on the ground assessments of the applicability and viability of additional support.

6.3 Investment in Infrastructure Bodies

Volunteer and work placement activities are relatively more challenging in rural areas due to the dispersed nature of employers and potential workers. Investment in the capacity of VCS infrastructure bodies to identify and support (directly and indirectly) work related volunteering opportunities to ensure an adequate supply in rural areas would be very worthwhile. One approach could be to route this funding through an established Infrastructure Framework Organisation such as NCVO or ACRE.

6.4 Leisure and Hospitality

The very severe impact of the lockdown on these businesses has left many organisations in desperate need of business advice and support. Creation of a dedicated team of Leisure and Hospitality advisers operating at the very local level able to support the planning of the recovery of these businesses in the context of the Plan for Jobs Protecting Jobs measures would make a significant contribution to the effective take up of these measures. These individuals could also broker new and help refresh existing leisure and hospitality marketing networks, where these have scope to sustain the sector in specific landscape settings, through linking place marketing and food for example.

6.5 Housing

The measures announced within the Plan for Jobs provide a tantalising prospect in terms of making rural labour markets function more effectively through helping people to live and work in the same place. This has been a long-term ambition of policy makers at least since

Matthew Taylor's seminal report "Living, Working Countryside" 2008. There is a danger however that without careful direction the market will choose the "lowest hanging fruit" developing housing in mainly urban settings and the opportunities to revive small and remote settlements will be lost. A package of further investment in rural housing enablers would make a significant contribution to ensuring this risk was avoided. The shift in working culture where more people work flexibly and from home in rural locations requires providing support for housing delivery bodies to enable this.

6.6 Digital

Digital capacity enables the growth of rural workforces by shrinking distance and enabling people to live and work in remote settlements⁵. Without careful consideration and direction of digital investment there is a risk that the most rural places will be disadvantaged by a number of the measures in the Plan for Jobs, which will effectively decant young people out of rural areas due to a lack of local opportunity. This should be addressed by thinking carefully about additional guidance to LEPs and other intermediary bodies involved in the implementation of infrastructure funding to ensure they target rural connectivity as part of their investment strategies applying an "outside-In" approach. Getting 4G to areas currently not served to that level should be a priority. This will enhance the economic viability of rural settings. The Independent Networks Cooperative Association⁶ has also shown the significant impact rural communities can have when they provide their own networks. Support and funding for more community-based solutions should be considered as part of the roll out of this aspect of the Plan for Jobs.

Digital access is the new critical enabler for business, social care & lifestyle. This is not changing – but CV-19 may have accelerated the change. As a result:

1. Government should fund digital roll-out. It is clear that previous contracts have allowed most providers to fund the marginal using Government funds and cross subsidy from those areas with strong take up. There is a risk that those left behind are marginalised.
2. Mobile and digital access is key – small example but authentication codes sent to mobiles after a website access is an impossible dream in many rural areas – with further marginalisation
3. 'Sandpit' opportunities for rural developers to use digital to revolutionise rural solutions can transform economies and lives – and should take account of other super-connected economies (Sweden, Canada etc.)

⁵ A strong exposition of the step change which digital can make is set out in the Government's Tech Nation Reports see: <https://technation.io/>

⁶ <https://www.inca.coop/>

6.7 **Access**

Many of the potential beneficiaries of the Supporting Jobs element of the Plan for Jobs are disadvantaged by the high cost of travel and a lack of public transport options. A specific travel bursary should be built into the measures under this aspect of the Plan for Jobs to ensure maximum take up by people in rural settings. Support to opening up the countryside to support the country's health and wellbeing would also provide a boost for the rural tourism, hospitality and service sectors

6.8 **Enterprise**

A lack of employment opportunities in rural areas can often be overcome by carefully thought through approaches to the creation of self-employment strategies. In Wales agencies such as Planed have a strong tradition of facilitating such strategies as does Highlands and Islands Enterprise in Scotland. An enterprise strand considering, in rural areas, how self-employment could be introduced as a component into the Supporting Jobs elements of the Plan for Jobs should be considered.

APPENDIX 1

A Lincolnshire Case Study

Lincolnshire provides an ideal case study for the impact of the pandemic at a local rural level. It is a predominantly rural county with 7 local authority districts set out on the map below (we have not included details for North and North East Lincolnshire which are separate unitary authorities):



Emerging Picture of the Impact of the Coronavirus in Central Lincolnshire

Graph 1 sets out the long-term trends in the unemployment claimant rate since 1992. As of April, 2020⁷, claimant rates in the area are the highest since 1998, and greater than seen during the 2008 recession.

⁷ ONS Claimant Count via NOMIS (2020)

Graph 1: Unemployment Claimant Counts for Central Lincolnshire districts – 1992-2020



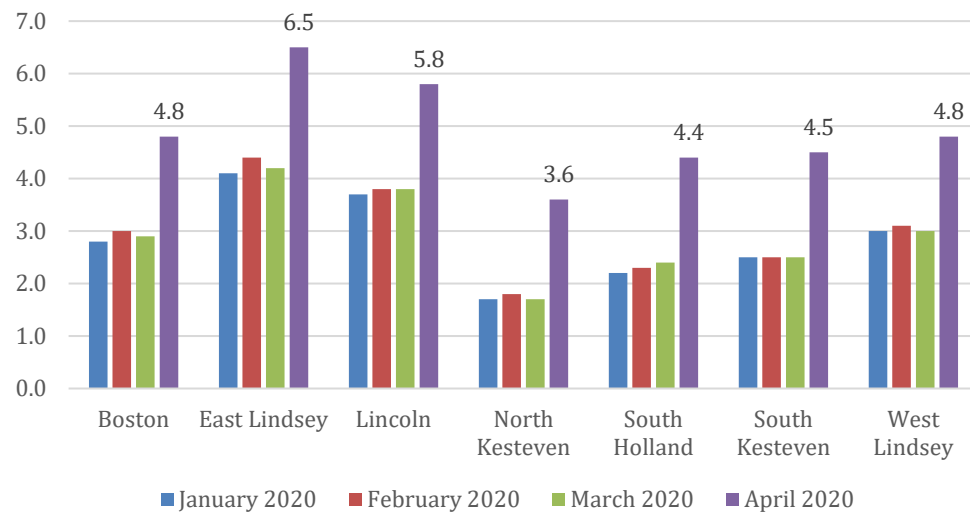
Table 1 and Graph 2 show the change in the number and rate of unemployment claimants between January and April for all local authority districts in Lincolnshire⁸. It shows a significant increase in claims across the county, with more than 9,000 new claimants. Lincoln has the second highest number of claimants, after East Lindsey, although the rate of change is lower than other districts because Lincoln started from a relatively high base of claimants. North Kesteven has seen the greatest change, with its rate doubling since January, albeit from a low base of 1,155.

Table 1: Unemployment Benefit Claims – January-April 2020

	Jan-20	Feb-20	Mar-20	Apr-20	change	% change
Boston	1,170	1,240	1,225	2,005	835	71
East Lindsey	3,180	3,405	3,250	4,985	1,805	57
Lincoln	2,485	2,570	2,555	3,900	1,415	57
North Kesteven	1,155	1,215	1,195	2,450	1,295	112
South Holland	1,215	1,270	1,290	2,420	1,205	99
South Kesteven	2,055	2,125	2,100	3,740	1,685	82
West Lindsey	1,655	1,720	1,680	2,645	990	60
Lincolnshire Total	12,915	13,545	13,295	22,145	9,230	71

⁸ ONS Claimant Count via NOMIS (2020)

Graph 2: Unemployment Benefit Claims, as % of working age population – Jan-Apr 2020



Further analysis by age suggests that the claimant rate increase has been highest among those aged 25-49 than for those aged 16-24 and 50+.

The RSA has conducted a study to identify local authority districts that are most at risk of job losses⁹, based on rates of jobs furloughed. This is based on findings from the ONS Business Impact of Coronavirus Survey (BICS), which identifies the proportion of workforce that has been furloughed among a sample of businesses from different sectors. Analysis of this data undertaken by Oxford Consultants for Social Inclusion (OCSI) suggests that Lincoln, along with Boston, has the lowest proportion of jobs at risk in Lincolnshire. Significantly these are the two largest settlements in the county.

⁹ RSA (2020) One-in-Three Jobs in Parts of Britain at Risk due to Covid-19, available online at: www.thersa.org/about-us/media/2020/one-in-three-jobs-in-parts-of-britain-at-risk-due-to-covid-19-local-data-reveals

Table 2: At Risk Jobs, by local authority district

Local Authority	% jobs at risk
Boston	23.7-24.7
East Lindsey	34
Lincoln	23.7-24.9
North Kesteven	25.8-27.1
South Holland	25.8-27.1
South Kesteven	24.9-25.8
West Lindsey	25.8-27.1
UK overall	

The BICS survey has identified the rates of furlough for each sector, as set out in Table 3. The highest rates can be observed in tourism and arts-related activities, while education and health activities show the lowest proportion of jobs on furlough. The RSA identifies that districts with a high proportion of knowledge-intensive businesses are least at risk, while rural districts dependent on tourism and hospitality activities are most at risk.

Table 3: Estimated percentage of sector workforce furloughed, UK

Sector	% on furlough
Manufacturing	31.1%
Construction	46.2%
Wholesale and Retail Trade	21.5%
Accommodation and Food Service Activities	73.3%
Transportation and Storage	32.0%
Information and Communication	13.0%
Professional, Scientific and Technical Activities	13.2%
Administrative and Support Service Activities	31.3%
Education	6.8%
Human Health and Social Work Activities	8.5%
Arts, Entertainment and Recreation	69.9%
All Industries	28.4%

We have applied a similar methodology to that used by the RSA. This has involved taking the percentage of jobs identified as furloughed for each sector (Table 3) and applying this to the industrial composition of each Lincolnshire local authority district. The employment data for industrial sectors comes from the Business Register and Employment Survey (BRES) 2018, which is publicly accessible via NOMIS. Using this approach, the approximate number of jobs furloughed per sector in Lincoln and other Lincolnshire districts are presented in Table 4 below.

The BICS survey currently does not provide data for public administration and defence, and a number of small sectors such as finance and property. It has therefore not been possible to infer numbers for these sectors. The estimates provided in Table 4 are therefore conservative. Looking at the data for Lincoln, it is estimated that at least 13,000 jobs have been furloughed, which is the third highest volume of jobs after South Kesteven and East Lindsey. Within Lincoln, the visitor economy and retail sector appear to have been hit hardest, with more than 3,000 jobs furloughed in the hospitality sector alone. By comparison, the high proportion of jobs retained in Lincoln’s health and education sectors appear to have a protective effect for now.

Table 4: Estimated number of jobs furloughed, by sector and local authority district

Industry	BB	EL	LC	NK	SH	SK	WL
1: Agriculture, forestry & fishing*	#	#	#	#	#	#	#
2: Mining, quarrying & utilities	24	97	174	63	49	139	70
3: Manufacturing (C)	1,400	1,400	1,244	1,866	2,799	2,177	1,089
4: Construction (F)	416	809	693	1,155	809	1,040	1,040
5,6,7: Retail and Wholesale	1,183	1,613	2,043	1,451	1,484	2,311	882
8: Transport & storage (inc postal)	480	400	480	400	960	560	288
9: Accommodation & food services	1,095	5,840	3,650	1,825	1,095	3,285	1,278
10: Information & communication	20	78	195	195	39	195	59

Industry	BB	EL	LC	NK	SH	SK	WL
11: Financial & insurance*	#	#	#	#	#	#	#
12: Property*	#	#	#	#	#	#	#
13: Professional, scientific & technical	91	195	325	293	130	455	195
14: Business administration & support services	1,878	783	1,565	939	1,878	939	470
15: Public administration & defence*	#	#	#	#	#	#	#
16: Education	136	238	408	204	136	340	170
17: Health	510	425	935	425	213	765	213
18: Arts, entertainment, recreation & other services	489	2,097	1,748	1,398	699	2,097	874
Furloughed jobs (estimated)	7,721	13,973	13,459	10,213	10,289	14,303	6,624
Percentage of all jobs furloughed (estimated)	24%	32%^	24%	26%	26%	26%	25%

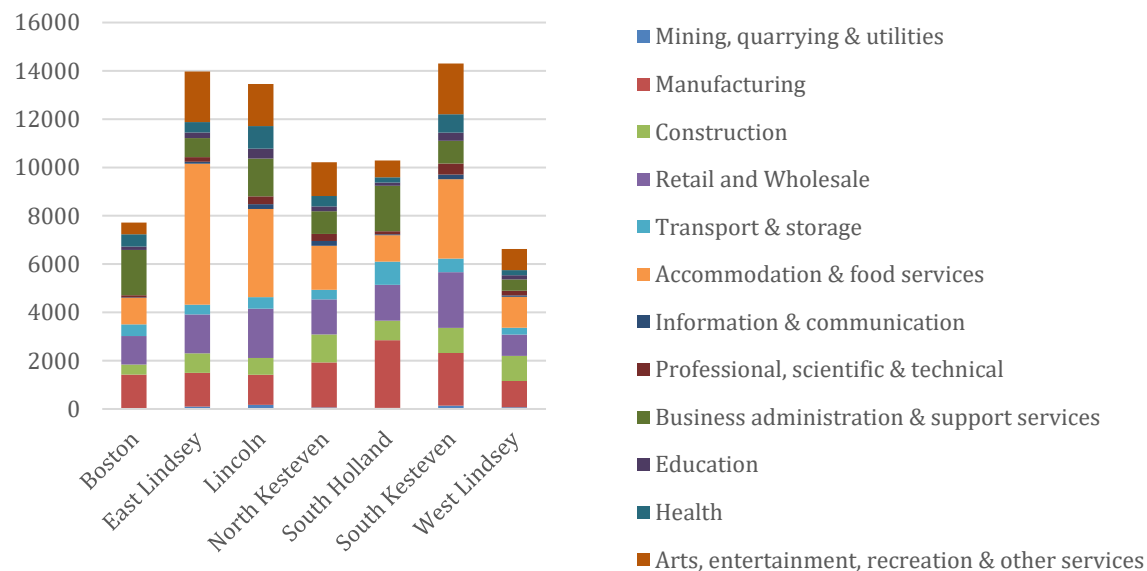
Source: Developed using Business Register of Employment Survey (2018) and BICS (2020)

*results for these sectors not provided by the BICS Survey

^analysis by OCSI suggests a furlough rate of 34% in East Lindsey

This table is shown in graph form below:

Graph 2: Estimated number of jobs furloughed, by sector and local authority district



Overview

The two largest settlements in the county have the fewest projected jobs at risk.

The sectors, which characterise rural and coastal communities:

- Accommodation and Food Services
- Arts and Leisure
- Manufacturing

represent by far the highest proportion of furloughed workers.

Unemployment is also rising very rapidly in those local authority areas where these sectors predominate, particularly in Lincolnshire's coastal district East Lindsey. This chimes with the recent RSA analysis overall which indicates a disproportionately negative impact of the pandemic in rural settings.

Appendix 2

THE PLAN FOR JOBS

Supporting Jobs

Job Retention Bonus – The government will introduce a one-off payment of £1,000 to UK employers for every furloughed employee who remains continuously employed through to the end of January 2021. Employees must earn above the Lower Earnings Limit (£520 per month) on average between the end of the Coronavirus Job Retention Scheme and the end of January 2021. Payments will be made from February 2021. Further detail about the scheme will be announced by the end of July.

Kickstart Scheme – The government will introduce a new Kickstart Scheme in Great Britain, a £2 billion fund to create hundreds of thousands of high quality 6-month work placements aimed at those aged 16-24 who are on Universal Credit and are deemed to be at risk of long-term unemployment. Funding available for each job will cover 100% of the relevant National Minimum Wage for 25 hours a week, plus the associated employer National Insurance contributions and employer minimum automatic enrolment contributions.

New funding for National Careers Service – The government will provide an additional £32 million funding over the next 2 years for the National Careers Service so that 269,000 more people in England can receive personalised advice on training and work.

High quality traineeships for young people – The government will provide an additional £111 million this year for traineeships in England, to fund high quality work placements and training for 16-24-year olds. This funding is enough to triple participation in traineeships. For the first time ever, the government will fund employers who provide trainees with work experience, at a rate of £1,000 per trainee. The government will improve provision and expand eligibility for traineeships to those with Level 3 qualifications and below, to ensure that more young people have access to high quality training.

Payments for employers who hire new apprentices – The government will introduce a new payment of £2,000 to employers in England for each new apprentice they hire aged under 25, and a £1,500 payment for each new apprentice they hire aged 25 and over, from 1st August 2020 to 31st January 2021. These payments will be in addition to the existing £1,000 payment the government already provides for new 16-18-year-old apprentices, and those aged under 25 with an Education, Health and Care Plan – where that applies.

High value courses for school and college leavers – The government will provide £101 million for the 2020-21 academic year to give all 18-19-year olds in England the opportunity to study targeted high value Level 2 and 3 courses when there are not employment opportunities available to them.

Expanded Youth Offer – The government will expand and increase the intensive support offered by DWP in Great Britain to young jobseekers, to include all those aged 18-24 in the Intensive Work Search group in Universal Credit.

Enhanced work search support – The government will provide £895 million to enhance work search support by doubling the number of work coaches in Jobcentre Plus before the end of the financial year across Great Britain.

Expansion of the Work and Health Programme – The government will provide up to £95 million this year to expand the scope of the Work and Health Programme in Great Britain to introduce additional voluntary support in the autumn for those on benefits that have been unemployed for more than 3 months. This expansion will have no impact on the existing provision for those with illnesses or disabilities in England and Wales.

Job finding support service – The government will provide £40 million to fund private sector capacity to introduce a job finding support service in Great Britain in the autumn. This online, one-to-one service will help those who have been unemployed for less than three months increase their chances of finding employment

Flexible Support Fund – The government will increase the funding for the Flexible Support Fund by £150 million in Great Britain, including to increase the capacity of the Rapid Response Service.¹ It will also provide local support to claimants by removing barriers to work such as travel expenses for attending interviews.

New funding for sector-based work academies – The government will provide an additional £17 million this year to triple the number of sector-based work academy placements in England in order to provide vocational training and guaranteed interviews for more people, helping them gain the skills needed for the jobs available in their local area.

Protecting Jobs

Eat Out to Help Out – In order to support around 130,000 businesses and to help protect the jobs of their 1.8 million employees, the government will introduce the Eat Out to Help Out scheme to encourage people to return to eating out. This will entitle every diner to a 50% discount of up to £10 per head on their meal, at any participating restaurant, café, pub or other eligible food service establishment. The discount can be used

unlimited times and will be valid Monday to Wednesday on any eat-in meal (including on non-alcoholic drinks) for the entire month of August 2020 across the UK. Participating establishments will be fully reimbursed for the 50% discount.

Temporary VAT cut for food and non-alcoholic drinks – From 15 July 2020 to 12 January 2021, to support businesses and jobs in the hospitality sector, the reduced (5%) rate of VAT will apply to supplies of food and non-alcoholic drinks from restaurants, pubs, bars, cafés and similar premises across the UK. Further guidance on the scope of this relief will be published by HMRC in the coming days.

Temporary VAT cut for accommodation and attractions – From 15 July 2020 to 12 January 2021, to support businesses and jobs, the reduced (5%) rate of VAT will apply to supplies of accommodation and admission to attractions across the UK. Further guidance on the scope of this relief will be published by HMRC in the coming days.

Creating Jobs

Temporary Stamp Duty Land Tax (SDLT) cut – The government will temporarily increase the Nil Rate Band of Residential SDLT, in England and Northern Ireland, from £125,000 to £500,000. This will apply from 8 July 2020 until 31 March 2021 and cut the tax due for everyone who would have paid SDLT. Nearly nine out of ten people getting on or moving up the property ladder will pay no SDLT at all.

Green Homes Grant – The government will introduce a £2 billion Green Homes Grant, providing at least £2 for every £1 homeowners and landlords spend to make their homes more energy efficient, up to £5,000 per household. For those on the lowest incomes, the scheme will fully fund energy efficiency measures of up to £10,000 per household. In total this could support over 100,000 green jobs and help strengthen a supply chain that will be vital for meeting our target of net zero greenhouse gas emissions by 2050. The scheme aims to upgrade over 600,000 homes across England, saving households hundreds of pounds per year on their energy bills.

Announced by the PM on 30 June

Construction and Investment

Construction Talent Retention Scheme – The government is funding a Construction Talent Retention Scheme to support the redeployment of workers at risk of redundancy. This will help retain construction skills and match talented workers to opportunities across the UK.

Office for Talent – The government will create a new Office for Talent based in No.10, with delivery teams across government departments. The Office will focus on attracting, retaining, and developing top research and science talent across the UK and internationally.

Delivering a green recovery

Public Sector Decarbonisation Scheme – The Clean Growth Strategy set out the government’s ambition to halve greenhouse gas emissions from the public sector by 2032. To help achieve this and support economic recovery; the government will invest £1 billion over the next year in a Public Sector Decarbonisation Scheme that will offer grants to public sector bodies, including schools and hospitals, to fund both energy efficiency and low carbon heat upgrades.

Green Jobs Challenge Fund – The government will invest up to £40 million in a Green Jobs Challenge Fund for environmental charities and public authorities to create and protect 5,000 jobs in England. The jobs will involve improving the natural environment, including planting trees, restoring habitats, clearing waterways, and creating green space for people and wildlife.

Direct Air Capture – The government will provide £100 million of new funding for researching and developing Direct Air Capture, a new clean technology which captures CO2 from the air.

Automotive Transformation Fund – Building on the announcement last year of up to £1 billion of additional funding to develop and embed the next generation of cutting-edge automotive technologies, the government is making £10 million of funding available immediately for the first wave of innovative R&D projects to scale up manufacturing of the latest technology in batteries, motors, electronics and fuel cells. The government is also calling upon industry to put forward investment proposals for the UK’s first ‘gigafactory’ and supporting supply chains to mass manufacture cutting-edge batteries for the next generation of electric vehicles, as well as for other strategic electric vehicle technologies.

Courts sustainability – The government will invest £40 million to improve the environmental sustainability of the courts and tribunals estate in England and Wales, investing in initiatives to reduce energy and water usage.

Housing

Social Housing Decarbonisation Fund – The government will establish a new Social Housing Decarbonisation Fund to help social landlords improve the least energy-efficient social rented homes, starting with a £50 million demonstrator project in 2020-21 to decarbonise social housing. This will mean warmer homes and lower annual energy bills for some of the lowest income households.

Affordable Homes Programme – The government has confirmed that the £12.2 billion Affordable Homes Programme announced at Budget will support up to 180,000 new affordable homes for ownership and rent in England. The £12.2 billion will be spent over five years, with the majority of homes built by 2025-26 and the rest by 2028-29. The Affordable Homes Programme will also include a 1,500-unit pilot of First Homes.

Short-Term Home Building Fund extension – The government will support small- and medium-sized housebuilders that are unable to access private finance by boosting the Short-Term Home Building Fund, providing an additional £450 million in development finance to smaller firms. This is expected to support around 7,200 new homes in England, boosting housing supply and adding resilience to the market. A proportion of this fund will be reserved for firms using innovative approaches to housebuilding such as ‘Modern Methods of Construction’.

Brownfield Housing Fund – The government will allocate a £400 million Brownfield Housing Fund to seven Mayoral Combined Authorities to bring forward land for development and unlock 24,000 homes in England. To allow authorities to begin delivering projects quickly, 90% of the fund will be allocated immediately on a per capita basis, with 10% to be allocated through a competitive process.

Planning reform – The government will introduce new legislation in summer 2020 to make it easier to build better homes in the places people want to live. New regulations will make it easier to convert buildings for different uses, including housing, without the need for planning permission. In July 2020, the government will launch a policy paper setting out its plan for comprehensive reforms of England’s planning system to better support the economy and release more land for housing in areas that need it most. Accelerating investment

NHS maintenance and A&E capacity – The government will provide £1.05 billion in 2020-21 to invest in NHS critical maintenance and A&E capacity across England.

Modernising the NHS mental health estate – The government will provide up to £250 million in 2020-21 to make progress on replacing outdated mental health dormitories with 1,300 single bedrooms across 25 mental health providers in England.

Health Infrastructure Plan – The government will provide a further £200 million for the Health Infrastructure Plan to accelerate a number of the 40 new hospital building projects across England.

Further Education (FE) estate funding – Building on the £1.5 billion commitment for FE capital funding made at Budget 2020, the government will bring forward £200 million to 2020-21 to support colleges to carry out urgent and essential maintenance projects. This will be the first step in the government’s commitment to bring the facilities of colleges everywhere in England up to a good level.

School estate funding – The government will provide additional funding of £560 million for schools in England to improve the condition of their buildings and estates in 2020-21. This is on top of the £1.4 billion already invested in school maintenance this year.

School rebuilding programme – The government has announced over £1 billion to fund the first 50 projects of a new, ten-year school rebuilding programme in England. These projects will be confirmed in the autumn, and further detail on future waves will be confirmed at the Comprehensive Spending Review. Construction on the first sites will begin in September 2021.

Court modernisation – The government will invest £102 million to modernise the court estate in England and Wales. This will include £55 million for essential court maintenance, £37 million for technology to fast-track the digitalisation of the courts, and £10 million for local regeneration projects outside London and the South East which will support employment and economic growth.

Prison and probation estate funding – The government will invest £143 million to improve the prison and probation estate in England and Wales. This will include £20 million to accelerate the digitalisation of prisons, £60 million for 1,000 temporary prison units to expand the capacity of the estate, and £63 million in additional maintenance.

Local infrastructure projects – The government will provide £900 million for shovel ready projects in England in 2020-21 and 2021-22 to drive local growth and jobs. This could include the development and regeneration of key local sites, investment to improve transport and digital connectivity, and innovation and technology centres. Funding will be provided to Mayoral Combined Authorities and Local Enterprise Partnerships.

Towns Fund capital acceleration – The government will accelerate £96 million of investment in town centres and high streets through the Towns Fund this year. This will provide up to 101 towns across England with funding for projects such as improvements to parks, high streets, and transport.

Local road maintenance – The government will invest £100 million to deliver 29 local road maintenance upgrades across England in 2020-21, including eight bridge and viaduct repairs and improving local roads. This is in addition to the government's plans to spend £1.5 billion in 2020-21 on filling potholes, resurfacing roads and improving local highway infrastructure.

Unblocking Manchester's railways – The government will provide £10 million to develop plans for improving the reliability and capacity of the Manchester rail network.

World-class laboratories – The government will provide a £300 million investment in 2020-21 to boost equipment and infrastructure across universities and institutes across the UK.

Document produced by Ivan Annibal on behalf of the Rural Services Network