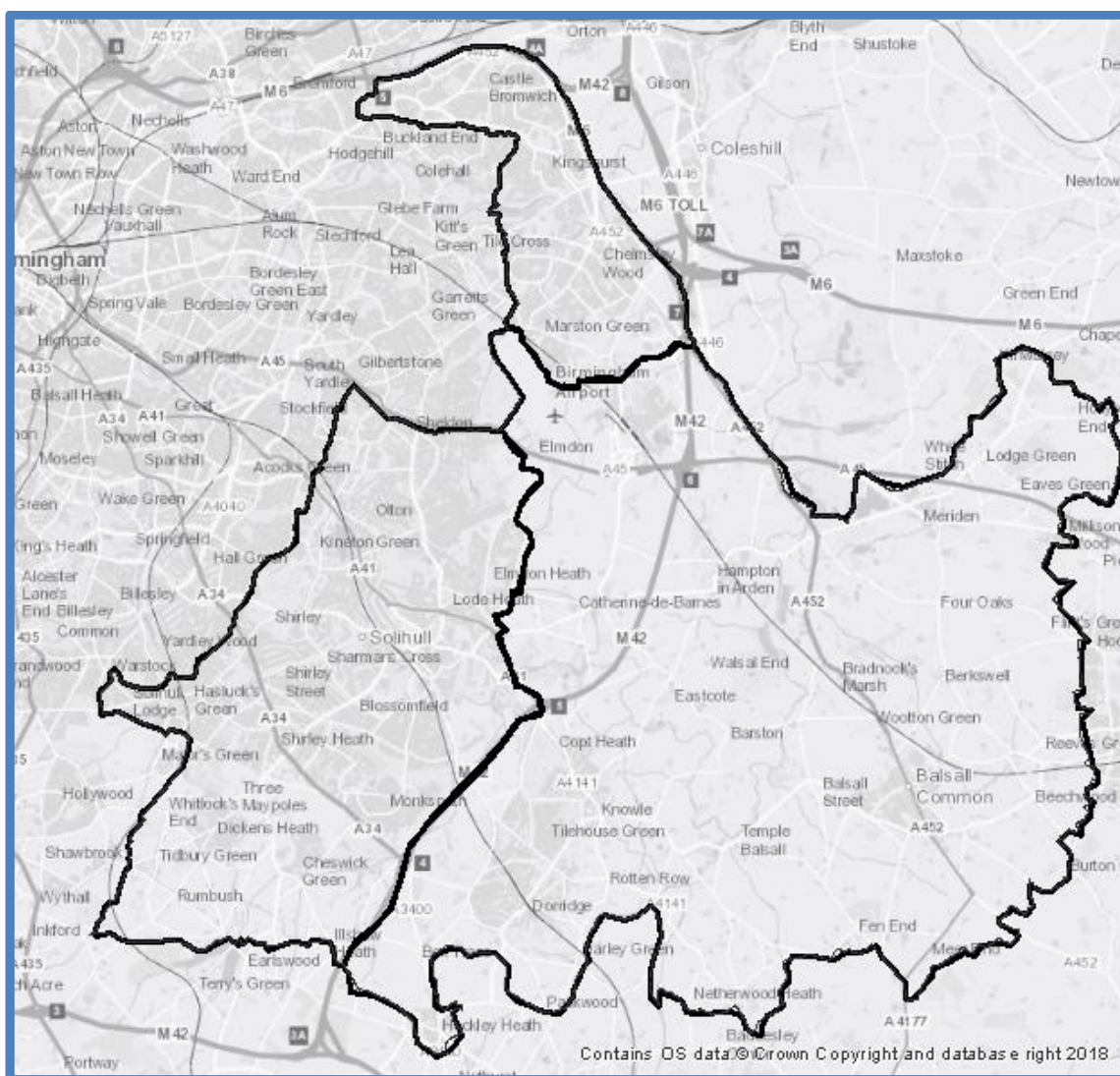


# Solihull Quarterly Labour Market Brief

## June 2025



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## Solihull Labour Market Headlines

This report summarises the latest labour market indicators for Solihull, doing so in the context of national and regional trends. The report draws on a range of indicators to provide the most rounded picture possible.

Nationally, the labour market has cooled over recent months, with the number of vacancies still falling and unemployment, including the claimant count, rising. Economic inactivity continues to exert a significant impact with high levels of inactivity due to sickness.

Solihull has a strong labour market characterised by above average employment and low levels of unemployment.

The Solihull claimant count is below national and regional benchmarks but has been rising over the year among both men and women and for all age groups. Solihull rates of 18-24 claimant unemployment remain relatively high with this age group subject to above national average increases in the last year.

## National and Regional Labour Market Trends

### National and Regional Headlines

In April to June 2025, the number of UK people aged 16+ in employment was **34.21 million**, and the employment rate for people aged 16-64 was **75.3%**. Employment levels increased by nearly 725,000 over the last year.

- The employment rate in the West Midlands is 73.6%, with the number of people in employment increasing by over 70,000 in the last year.

The UK unemployment rate was **4.7%**, and 1.67 million people aged 16+ were unemployed. Unemployment levels increased by nearly 206,000 over the last year, and the unemployment rate rose.

- The unemployment rate in the West Midlands is 5.8%, with the number of unemployed people increasing by +31,800 in the last year.

**9.07** million UK people aged 16-64 were economically inactive, and the inactivity rate was **21.0%**. Both inactivity levels and the inactivity rate fell in the last year following a prolonged post-Covid increase.

- In the West Midlands the economic inactivity rate is 21.9%, with the number of people inactive falling by -54,800 in the last year.

### Labour Force Survey Data

This section of the report summarises figures from the Labour Force Survey (LFS). The LFS is a study of the employment circumstances of the UK population. It is the largest household study in the UK and provides the official measures of employment and unemployment.

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The ONS has expressed some concerns about the quality of LFS data due to falling response rates for household surveys and in response relaunched a reweighted LFS timeseries in February 2024. However, the ONS recognises that reweighting does not address the volatility in the LFS that has been seen in recent periods and which they expect to see to some extent in the future. The ONS has a comprehensive plan to address these concerns but advises caution when interpreting short-term changes in headline rates and emphasises that the LFS should be used in conjunction with other labour market indicators such as the claimant count.

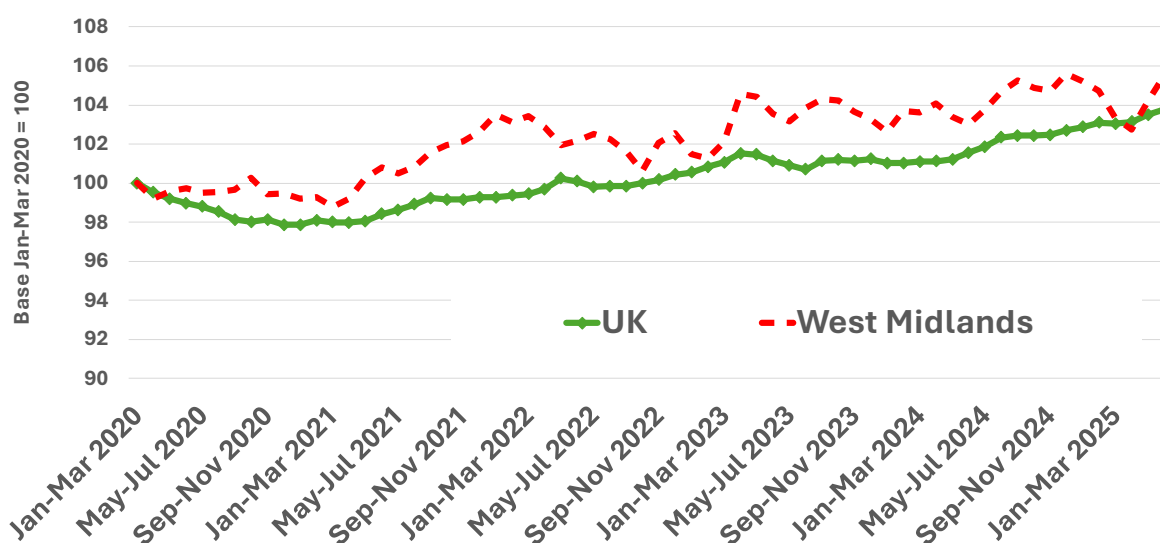
### **National and Regional Employment**

There are 34.21 million people aged 16 and over in employment in the UK, equating to employment rate of 75.3% of 16–64-year-olds. At 73.6% the West Midlands employment rate is ranked 6<sup>th</sup> out of nine regions in England.

<b>Employment Indicators – April to June 2025</b>			
Metric	UK	England	West Midlands
Current rate (16–64-year-olds)	75.3%	75.6%	73.6%
Rate last year (16–64-year-olds)	74.6%	75.1%	72.7%
Level (millions)	34.21	29.17	2.95
Change on year	+724,700	+607,700	+70,450
<i>Source: ONS Labour Force Survey</i>			

The number of people employed in the UK increased substantially following the outbreak of Covid-19, rising by over 1.2 million between the start of 2021 and spring 2023 (from 74.4% to 75.5%). Following a period of stability the number of UK adults in employment has been rising again. The number increased by +724,700 between Apr-Jun 2024 and Apr-Jun 2025 (from 74.6% to 75.3%).

### **People Aged 16+ Employed 2020-2025**



Source: Labour Force Survey

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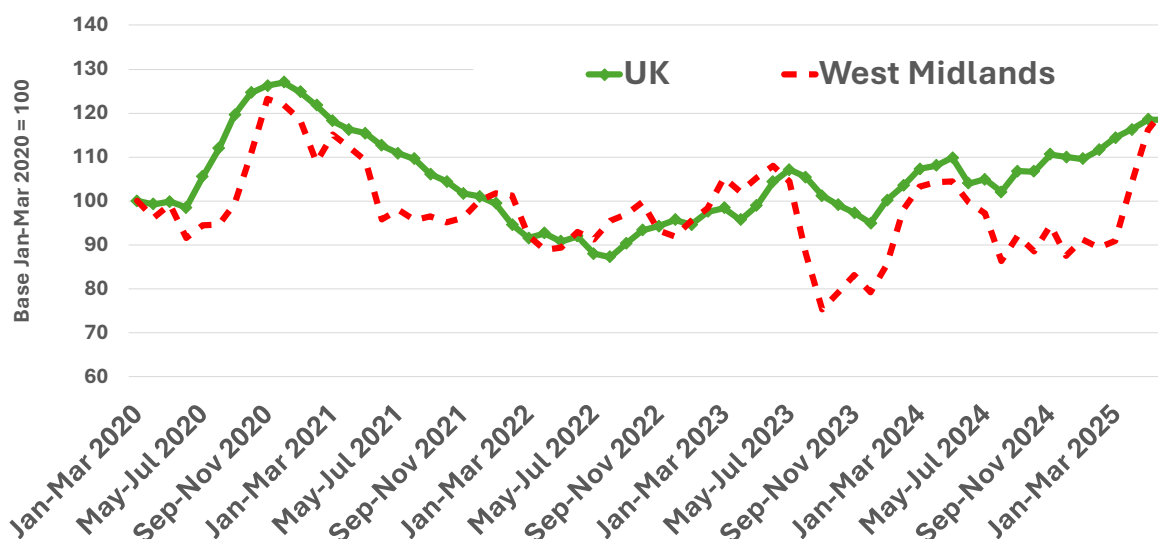
## National and Regional Unemployment

There are 1.67 million people aged 16 and over unemployed in the UK, equating to unemployment rate of 4.7%. At 5.8% the West Midlands unemployment rate is ranked as the 2<sup>nd</sup> highest out of nine regions in England.

Unemployment Indicators – April to June 2025			
Metric	UK	England	West Midlands
Current rate (16+)	4.7%	4.8%	5.8%
Rate last year (16+)	4.2%	4.3%	4.9%
Level (millions)	1.67	1.48	0.18
Change on year	+205,500	+204,600	+31,800
Source: ONS Labour Force Survey			

The number of people unemployed in the UK has been trending upwards since the summer of 2022, rising by +441,700 between Jun-Aug 2022 and Apr-Jun 2025 (from 3.6% to 4.7%).

## People Aged 16+ Unemployed 2020-2024



Source: Labour Force Survey

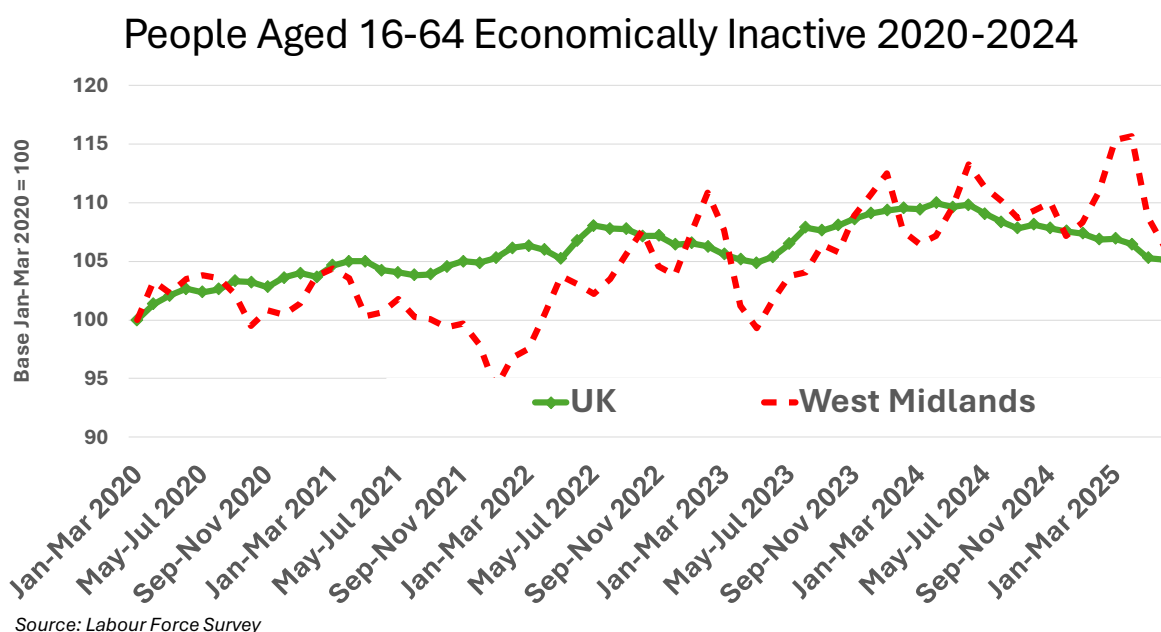
## National and Regional Economic Inactivity

There are 9.07 million people aged 16-64 years economically inactive in the UK, equating to an economic inactivity rate of 21.0%. At 21.9% the West Midlands economic inactivity rate is ranked as the 4<sup>th</sup> highest out of nine regions in England.

Economic Inactivity Indicators – April to June 2025			
Metric	UK	England	West Midlands
Current rate (16–64-year-olds)	21.0%	20.5%	21.9%
Rate last year (16–64-year-olds)	22.1%	21.5%	23.5%
Level (millions)	9.07	7.53	0.83
Change on year	-403,900	-304,700	-54,800
Source: ONS Labour Force Survey			

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The rise in economic inactivity has been one of the big stories of the UK labour market in recent years, with the number of working aged people economically inactive increasing steadily since the onset on the Covid-19 pandemic in early 2020. Economic inactivity has accelerated since the spring of 2023 reaching new heights in early 2024 going from 21.3% in Mar-May 2023 to 22.1% in Mar-May 2024. It has eased back in the second half of 2024 and into 2025, suggesting that economic inactivity has peaked. It has now returned to levels last seen in the spring of 2023.



### **Focus on National Economic Inactivity**

As the UK has recovered from the economic shock of the Covid-19 pandemic a key feature of the labour market has been the consistent increase in people who are economically inactive, essentially opting out of the labour market. As described above following an acceleration in economic activity during 2023 and early 2024 it eased back from last summer onwards. Nevertheless, the role of economic inactivity in the UK labour market and its increased importance since 2020 is worthy of further consideration.

As a proportion of the population economic inactivity is highest among those under 25 years (impact of young people in full-time education) and among people aged 50+ (impact of early retirement).

Economic inactivity decreased among all age groups in the year to Apr-Jun 2025.

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<b>Economic Inactivity by Age Group</b>				
Age Group	Inactivity Rate		Change in Inactive Population in Year to Apr-Jun 2025	
	Apr-Jun 2024	Apr-Jun 2025	Number	%
Age 18-24	33.0%	31.2%	-74,700	-4.0%
Age 25-34	13.0%	12.2%	-69,200	-5.8%
Age 35-49	12.5%	11.5%	-95,500	-5.8%
Age 50-64	27.3%	26.1%	-168,000	-4.6%
<i>Source: ONS Labour Force Survey</i>				

Of the 9.07 million economically inactive working age people in the UK the largest groups are those who are long-term sick (31%) and students (26%). Economic inactivity fell among all groups in the year to Apr-Jun 2025 except for those classified as other (+75,100).

<b>Reasons for Economic Inactivity in UK Apr-Jun 2025</b>			
Reason	% of Inactive Total	Change Apr-Jun 2024 to Apr-Jun 2025	
		Number	%
Student	25.8%	-222,900	-8.7%
Looking after family / home	17.8%	-136,200	-7.8%
Temp sick	2.2%	-28,000	-12.2%
Long-term sick	30.7%	-41,500	-1.5%
Discouraged workers	0.3%	-1,250	-4.6%
Retired	11.2%	-49,100	-4.6%
Other	12.0%	+75,100	+7.4%
<i>Source: ONS Labour Force Survey</i>			

Sickness has been a particular feature of economic inactivity and the UK labour market in general since the outbreak of Covid-19. Of the nearly 3 million working aged people who are currently either long-term sick (2.79 million) or temporarily sick (202,000) 27% want a job while 73% don't want a job.

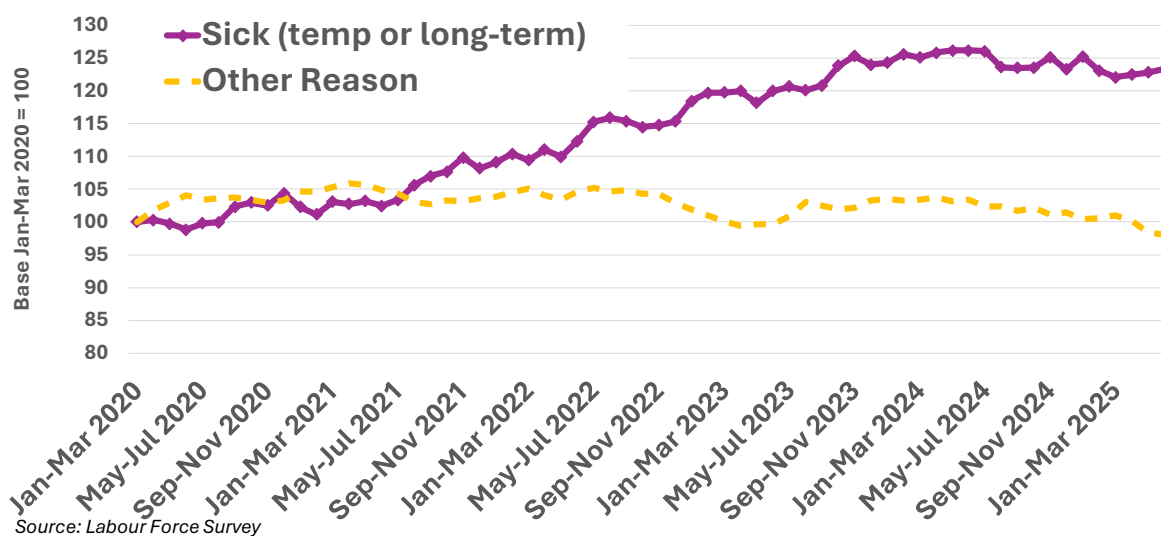
At the outbreak of the Covid-19 pandemic 28% of all economically inactive working age people cited either long-term or temporary sickness as the reason, but the proportion has now increased to 33% of the total. This reflects an increase in inactivity due to sickness of +23% (+564,400 people) in the period Jan-Mar 2020 to Apr-Jun 2025 compared to a decrease of -2% (-121,800) in the number of people inactive for any other reason over this same period<sup>i</sup>.

<sup>i</sup> Other reasons of inactivity (i.e. non-sickness related): student, looking after/family home, discouraged, retired, other



August 12, 2025

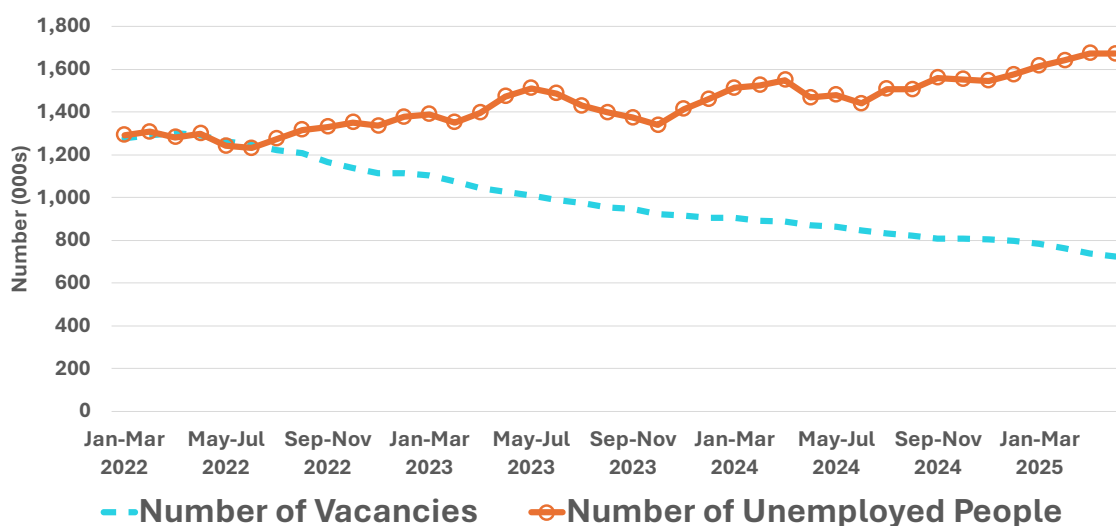
## People Aged 16-64 Economically Inactive in UK by Reason



### National Vacancies

There are currently **725,000 vacancies** in the UK, continuing a downward trend evident since the middle of 2022. The number of vacancies fell from 1,276,000 in Jan-Mar 2022 to 725,000 Apr-Jun 2025 (-551,000, -43%). In mid-2022 for every unemployed person there was a vacancy, but with unemployment increasing and vacancies falling there are now 2.3 unemployed people for every vacancy.

## Vacancies and Unemployment in the UK



Source: Labour Force Survey



## Solihull Labour Market Estimates

Solihull has a strong labour market as evidenced by data from the Annual Population Survey (APS) with significantly lower levels of unemployment a notable feature. Labour market data from the APS is consistent with the figures in the Labour Force Survey described above, but the local area sample size is small, and a degree of caution needs to be applied to local authority level data.

### **Annual Population Survey Labour Market Data**

The Annual Population Survey (APS) is a household survey, covering the UK, with the aim of providing estimates between censuses of the main labour market variables at a local area level. Due to sample size limitations, APS data is not available below local authority level (i.e. data is not available for wards and super output areas). The APS comprises 12 months of survey data and is published at quarterly intervals.

Like all survey data results from the APS are subject to a margin of error and results should be treated with caution and used in combination with other labour market indicators, particularly at Local Authority level.

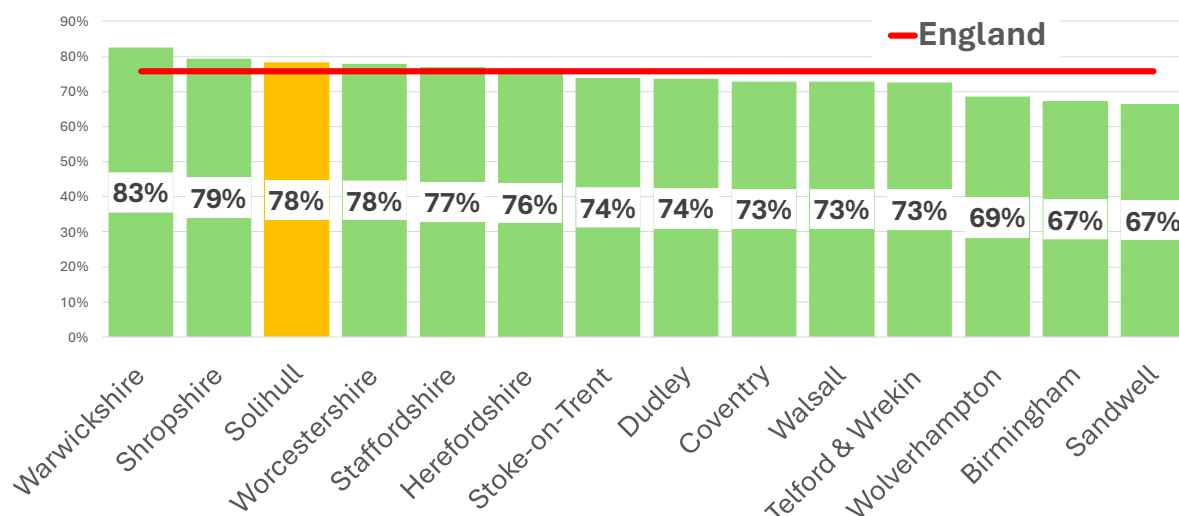
### **Solihull Employment**

According to the Annual Population Survey the employment rate in Solihull over 12 months to March 2025 was 78.4%, higher than the England (75.7%) or regional benchmarks.

<b>Employment Rate (16-64 Year Olds) March 2025</b>		
Area	Rate (%)	Confidence Interval +/- %
Solihull	78.4%	3.5%
England	75.7%	0.3%
West Midlands Combined Authority	70.0%	1.6%
West Midlands region	73.9%	1.0%
<i>Source: Annual Population Survey</i>		

In the West Midlands the employment rate ranges from 83% (Warwickshire) to 67% (Birmingham and Sandwell). At 78% Solihull has the highest employment rate of the upper-tier metropolitan areas in the region.

## Working Age Employment Rate March 2025



Source: Annual Population Survey

### **Solihull Unemployment**

The unemployment rate for all people aged over 16 years in Solihull over the 12 months to March 2025 was 2.4%, much lower than the England (4.0%) or regional benchmarks. This data should be treated with caution. By way of context, at the time of the 2021 Census the 16+ unemployment rate in Solihull was much more closely aligned with that of England (5.3% vs 5.7%).

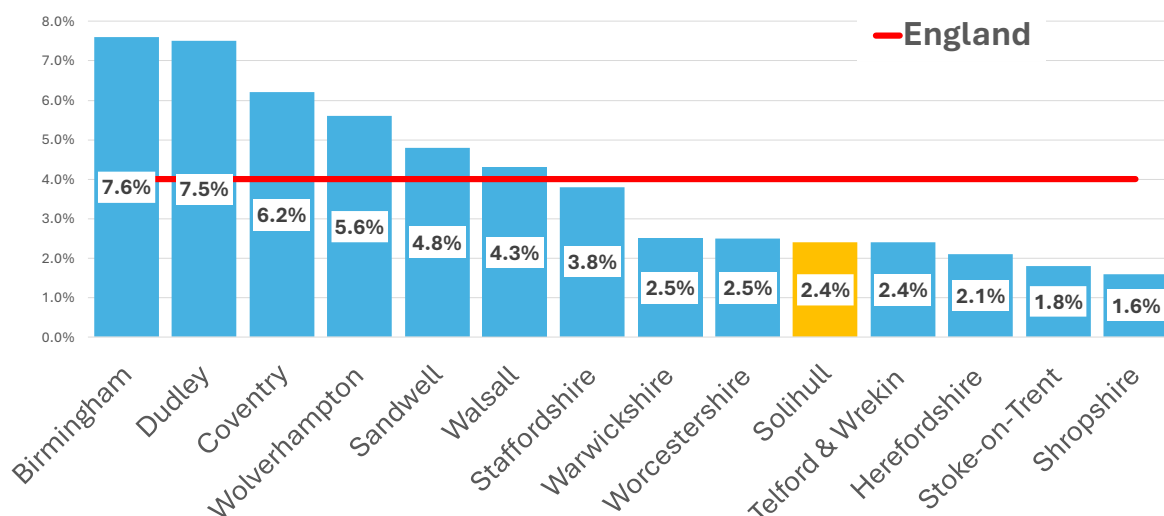
Unemployment Rate (people aged 16+) March 2025		
Area	Rate (%)	Confidence Interval +/- %
Solihull	2.4%	1.4%
England	4.0%	0.2%
West Midlands Combined Authority	6.3%	0.9%
West Midlands region	4.4%	0.5%

Source: Annual Population Survey

In the West Midlands the 16+ unemployment rate ranges from 7.6% (Birmingham) to 1.6% (Shropshire). Like Solihull, sample sizes are small and so the local authority data should be treated with caution.

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## 16+ Unemployment Rate March 2025



Source: Annual Population Survey

### Solihull Economic Inactivity

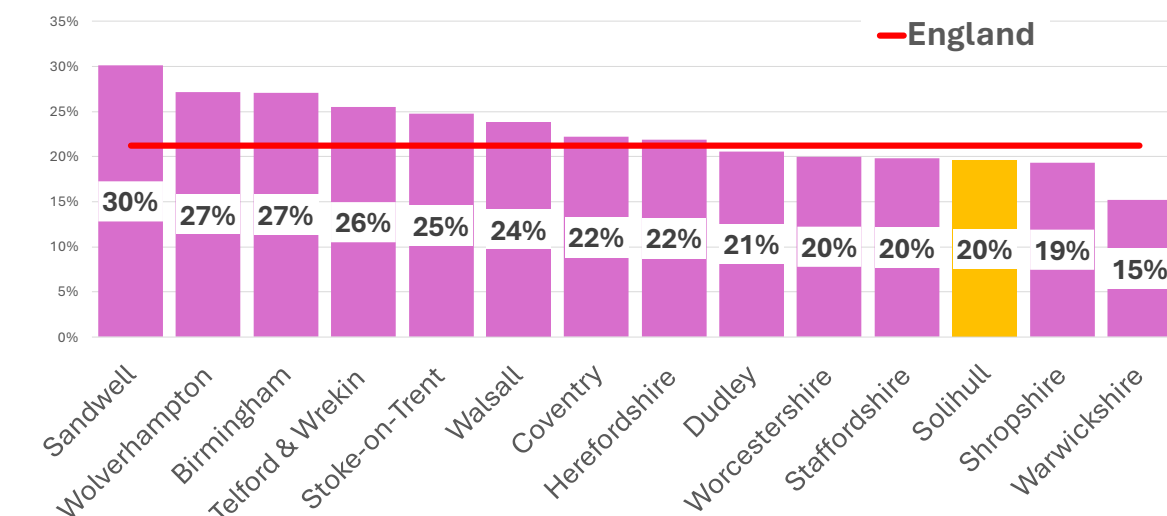
The economic activity rate for Solihull 16–64-year-olds is at 19.6% lower than the England (21.2%) or regional benchmark averages. Of the approximately 25,000 working age people in Solihull who were economically inactive in the year to March 2025 23% want a job and 77% don't want a job. The split in England is 19% want a job, 81% don't want a job.

Economic Inactivity Rate (16-64 Year Olds) March 2025		
Area	Rate (%)	Confidence Interval +/- %
Solihull	19.6%	3.3%
England	21.2%	0.3%
West Midlands Combined Authority	25.3%	1.5%
West Midlands region	22.6%	1.0%

Source: Annual Population Survey

Among the West Midlands upper tier local authorities the economic activity rate ranges from 30% (Sandwell) to 15% (Warwickshire).

## Working Age Economic Inactivity Rate March 2025



Source: Annual Population Survey

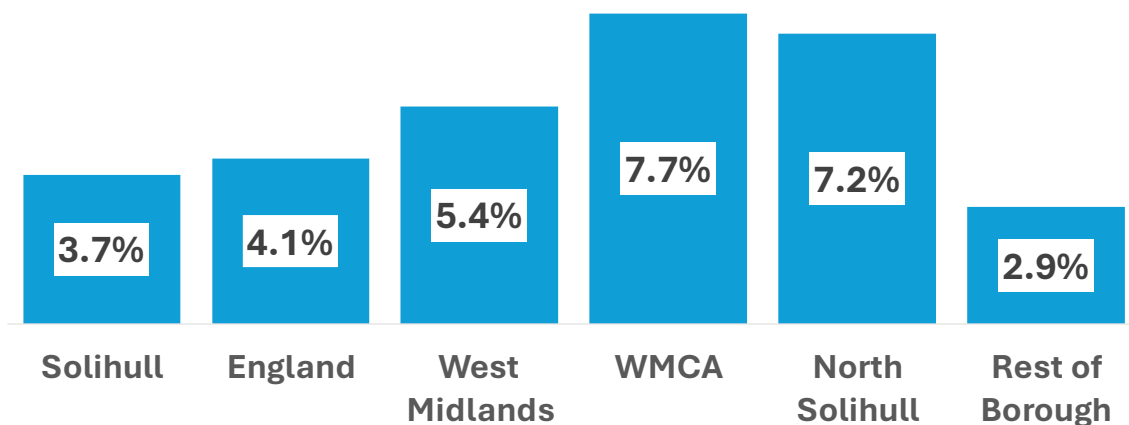
## Claimant Count Unemployment

### Claimant Unemployment Data

The claimant count is the number of people claiming Jobseeker's Allowance plus people claiming Universal Credit who are required to seek work. This series provides reliable figures for local area claimant unemployment, but is affected by changes to benefit rules, like the introduction of Universal Credit. It represents most, but not all, people who are unemployed.

The current working age (16-64 years) and youth (18-24 years) claimant unemployment rates for Solihull have been benchmarked against the England, West Midlands region and West Midlands Combined Authority (WMCA) averages. At a sub-borough level, the claimant unemployment rates for the 17 Solihull wards demonstrate the diversity of unemployment in the borough.

Changes in the number of working age and young people claiming unemployment benefit in Solihull over these periods are benchmarked with a particular focus on more recent trends. The outbreak of Covid-19 and the subsequent shutdown of much of the UK economy and labour market acted as a seismic shock to the system and it remains an important comparison point. However, since early 2023 its direct influence on the claimant unemployment rate has been muted with, for instance, the number of people in Solihull claiming unemployment benefit falling by 46% (-3,400 people) in the two years January 2021-23.

**16–64-Year-Old Working Age Claimant Unemployment****Working Age (16-64 Years) Claimant Unemployment**  
*June 2025*

Source: ONS/Nomis

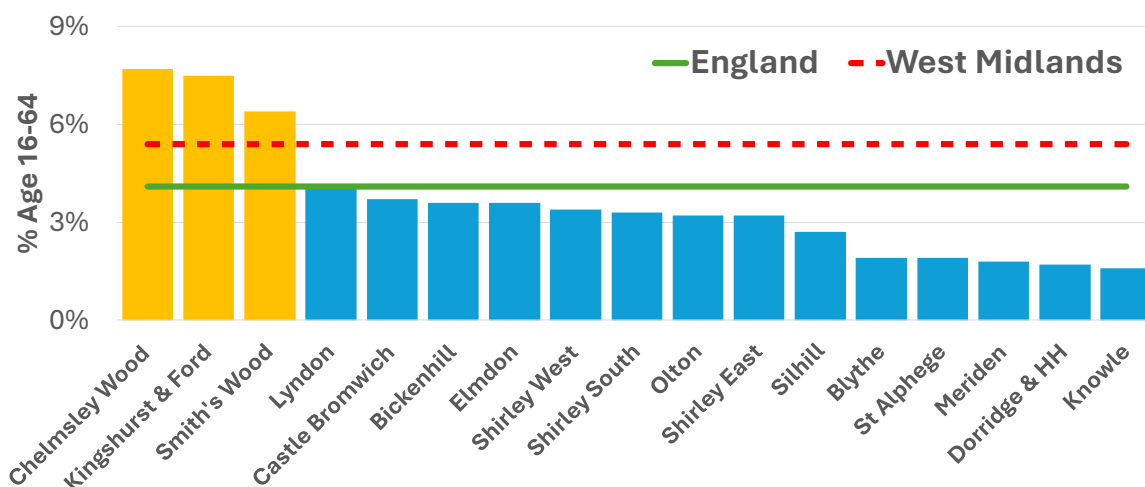
In June 2025 4,735 people in Solihull were unemployed and claiming benefits. The claimant unemployment rate in Solihull is 3.7%, lower than both the England (4.1%) and West Midlands (5.4%) averages.

The average rate in the three north Solihull regeneration wards (Chelmsley Wood, Kingshurst & Fordbridge and Smith's Wood) is 7.2% (1,735 individuals) compared with 2.9% across the rest of the Borough (3,000 individuals).

Only three out of Solihull's wards have a claimant unemployment rate higher than the West Midlands average Chelmsley Wood (7.7%), Kingshurst & Fordbridge (7.5%) and Smith's Wood (6.4%).

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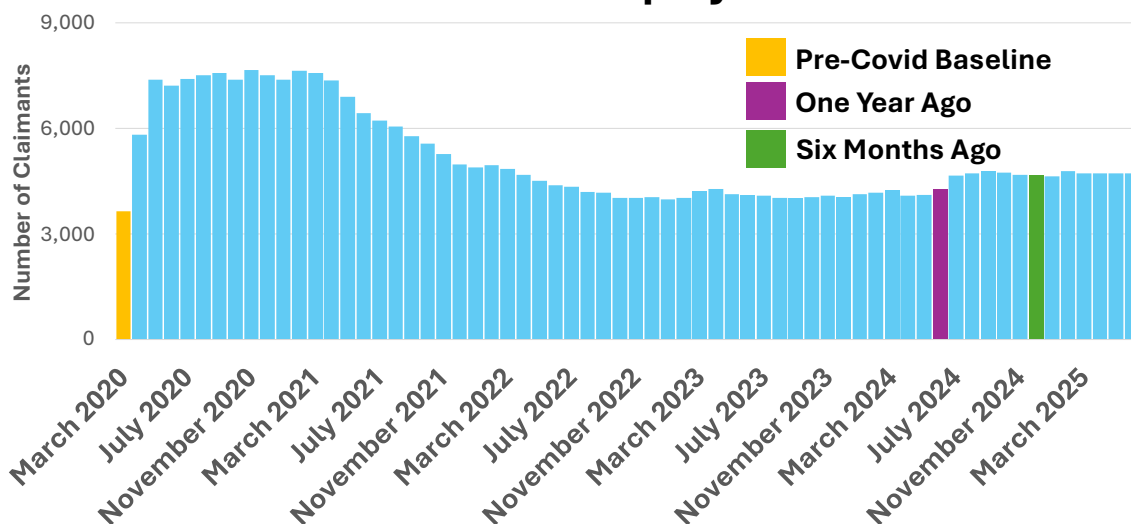
## Working Age (16-64 Years) Claimant Unemployment June 2025



Source: ONS/Nomis

The number of Solihull working age unemployment benefit claimants increased very sharply between March 2020 and March 2021 followed by an extended downward trend. There has been a slight uptick in the number of Solihull claimants since the summer of 2023, albeit with some short-term fluctuations.

## Change in Solihull Working Age (16-64 Years) Claimant Unemployment

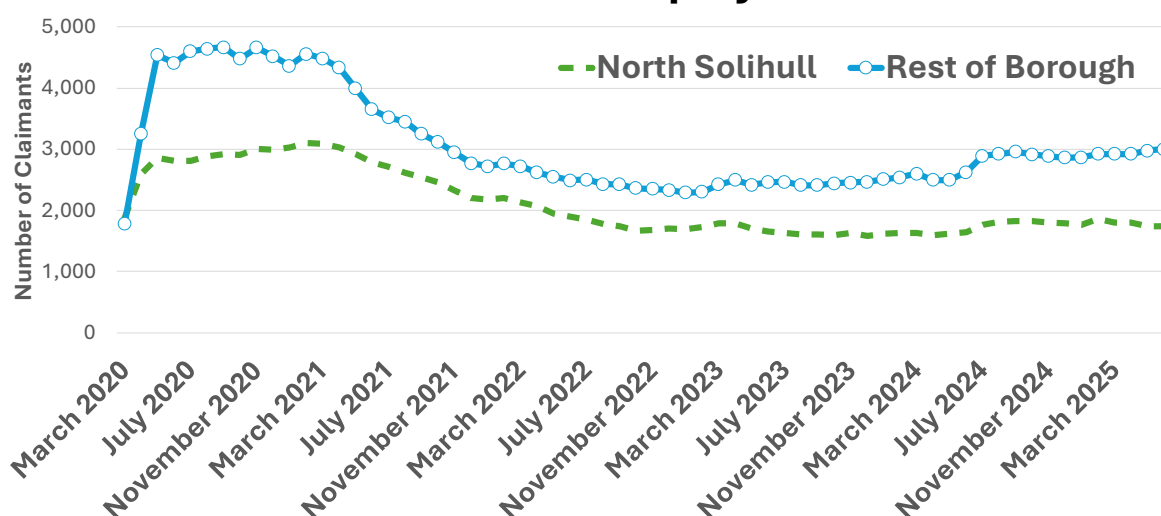


Source: ONS/Nomis

The same pattern is evident in both north Solihull and in the rest of the borough, although the increase in claimants in 2020 was more severe in the rest of the borough as has been the uptick over the last nine months.

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## Change in Solihull Working Age (16-64 Years) Claimant Unemployment



Source: ONS/Nomis

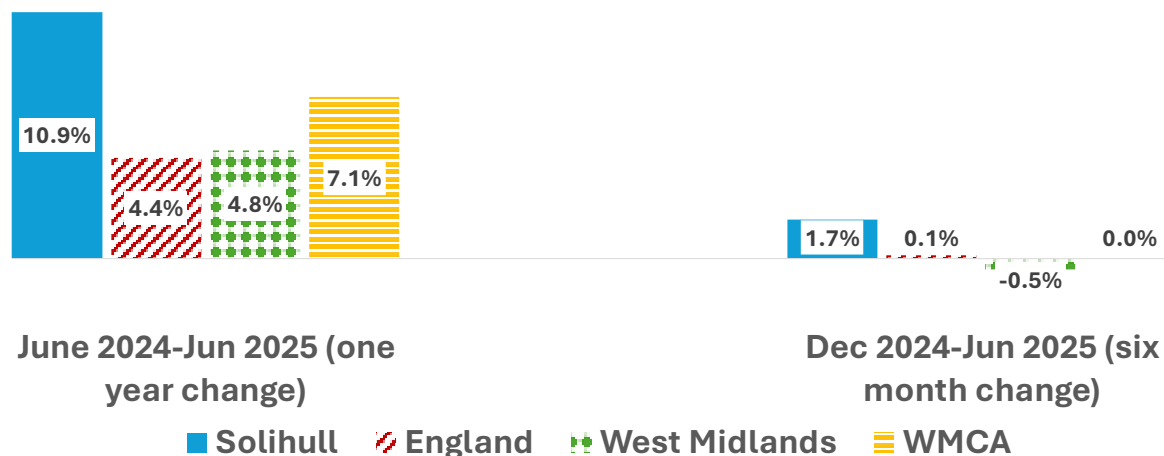
In the year to June 2025 the 11% increase in the number of working age unemployment claimants in Solihull is larger than the increase across England (4%), the West Midlands (5%) and the WMCA (7%). Over the longer-term trends in unemployment in Solihull have tended to be more positive than national or regional benchmarks since the onset of Covid-19 in March 2020.

% Change in Working Age Claimant Unemployment			
	Since Covid-19 (Mar 2020-Jun 2025)	1 Year (Jun 2024-Jun 2025)	6 Months (Dec 2024-Jun 2025)
Solihull	30%	11%	2%
North Solihull	-7%	5%	-3%
Rest of Borough	69%	14%	5%
England	40%	4%	0%
West Midlands	41%	5%	0%
WMCA	46%	7%	0%

Source: ONS/Nomis



## Change in the Number of Working Age Unemployment Claimants

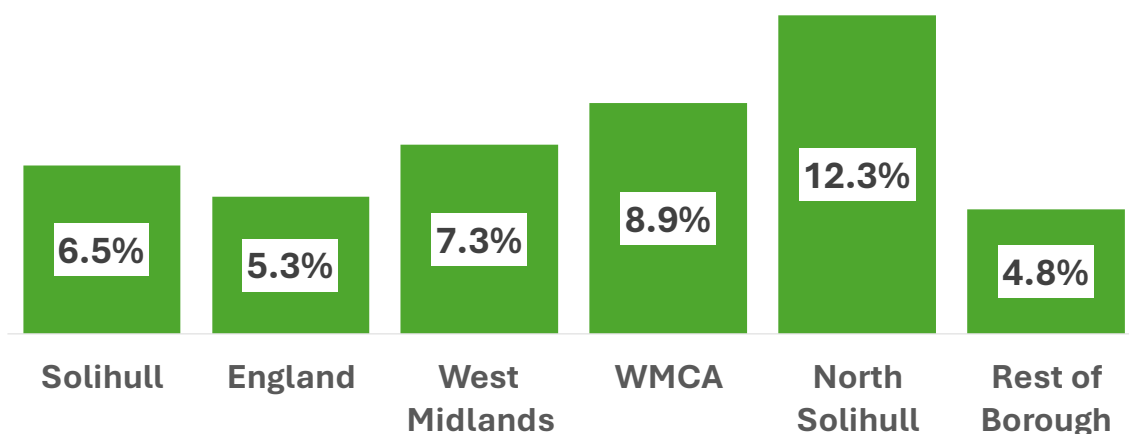


Source: ONS/Nomis

### 18–24-Year-Old Youth Claimant Unemployment

## Youth (18–24 Years) Claimant Unemployment

June 2025



Source: ONS/Nomis

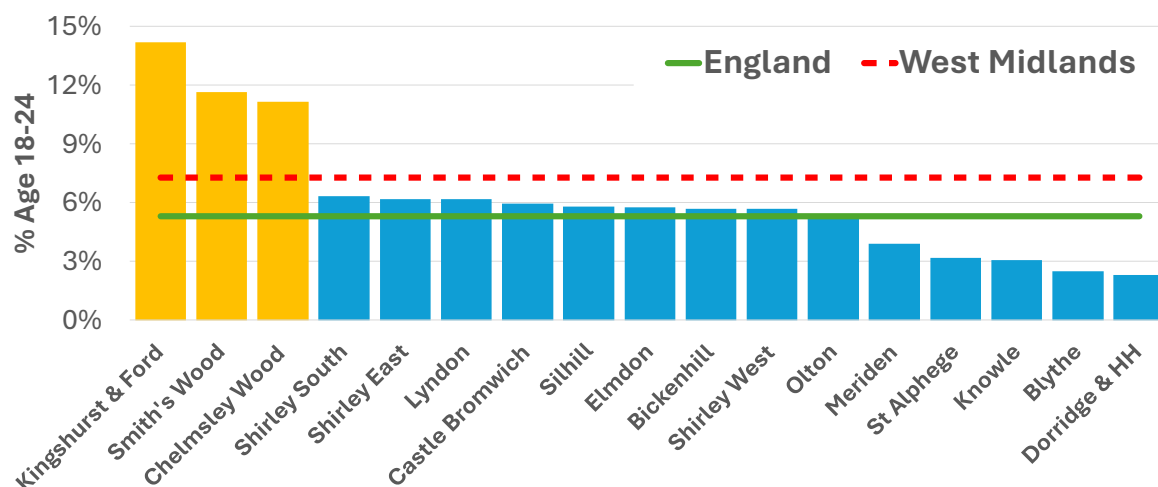
In June 2025 950 18–24-year-olds in Solihull were unemployed and claiming benefits. The 18–24-year-old claimant unemployment rate in Solihull is 6.5%, compared to 5.3% for England and 7.3% for the West Midlands.

The average 18–24-year-old rate in North Solihull is 12.3% (400 individuals) compared with 4.8% (550 individuals) across the rest of the Borough. Three Solihull wards have an 18-24 claimant unemployment rate higher than the West Midlands average: Kingshurst & Fordbridge (14.2%), Smith's Wood (11.6%) and Chelmsley Wood (11.1%).

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## Youth (18-24 Years) Claimant Unemployment

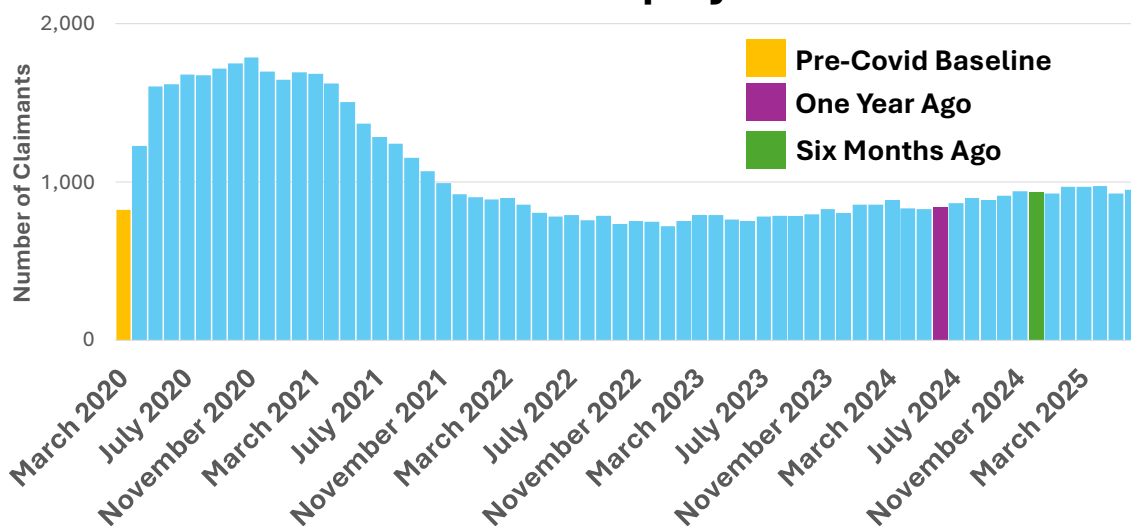
### June 2025



Source: ONS/Nomis

The number of Solihull youth unemployment benefit claimants aged 18-24-years fell sharply in the aftermath of the Covid-19 spike (March 2020 to March 2021). More recently the number of young claimants in Solihull has been rising steadily since the summer of 2023.

## Change in Solihull Youth (18-24 Years) Claimant Unemployment

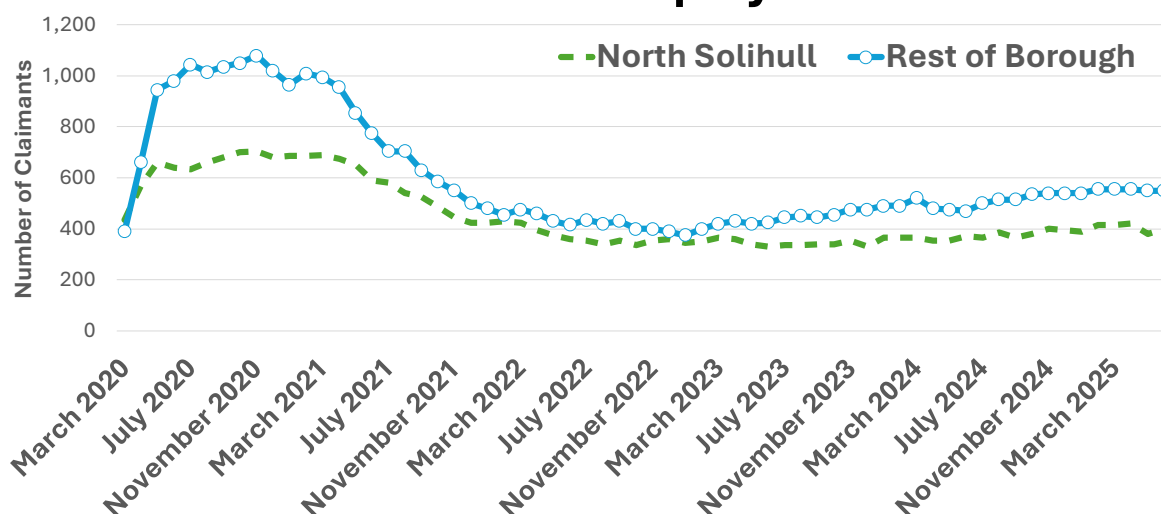


Source: ONS/Nomis

This pattern is replicated in both north Solihull and the rest of the borough.

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## Change in Solihull Youth (18-24 Years) Claimant Unemployment



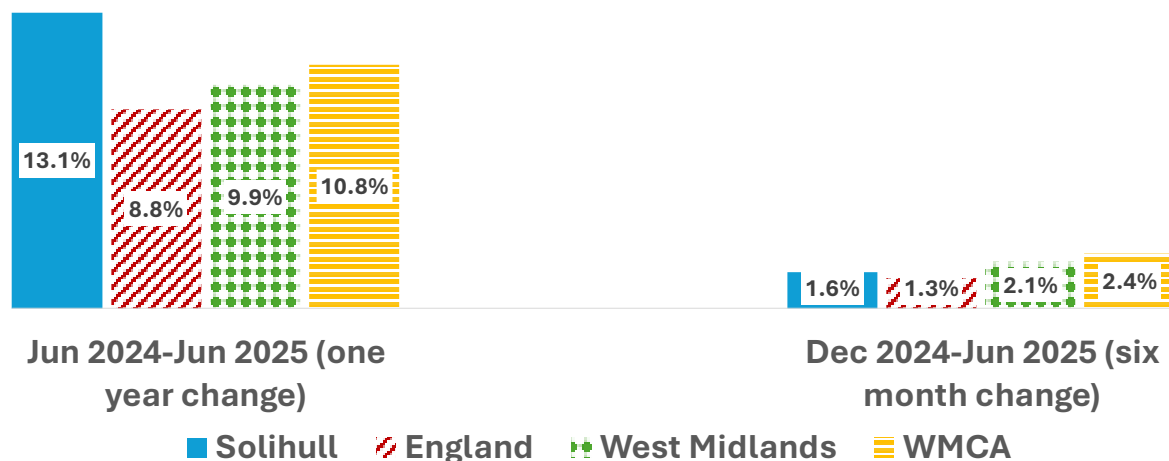
Source: ONS/Nomis

In the year to June 2025 the 13% increase in the number of 18-24-year-old unemployment claimants in Solihull is slightly higher than that for England (9%), the West Midlands (10%) and the WMCA (11%). Over the longer-term trends in youth unemployment in Solihull have tended to be more positive than national or regional benchmarks since the onset of Covid-19 in March 2020.

% Change in 18-24-Year-Old Claimant Unemployment			
	Since Covid-19 (Mar 2020-Jun 2025)	1 Year (Jun 2024-Jun 2025)	6 Months (Dec 2024-Jun 2025)
Solihull	15%	13%	2%
North Solihull	-8%	8%	1%
Rest of Borough	41%	17%	2%
England	31%	9%	1%
West Midlands	37%	10%	2%
WMCA	42%	11%	2%

Source: ONS/Nomis

## Change in the Number of Youth Unemployment Claimants Aged 18-24 Years



Source: ONS/Nomis

### Gender Claimant Unemployment Differences

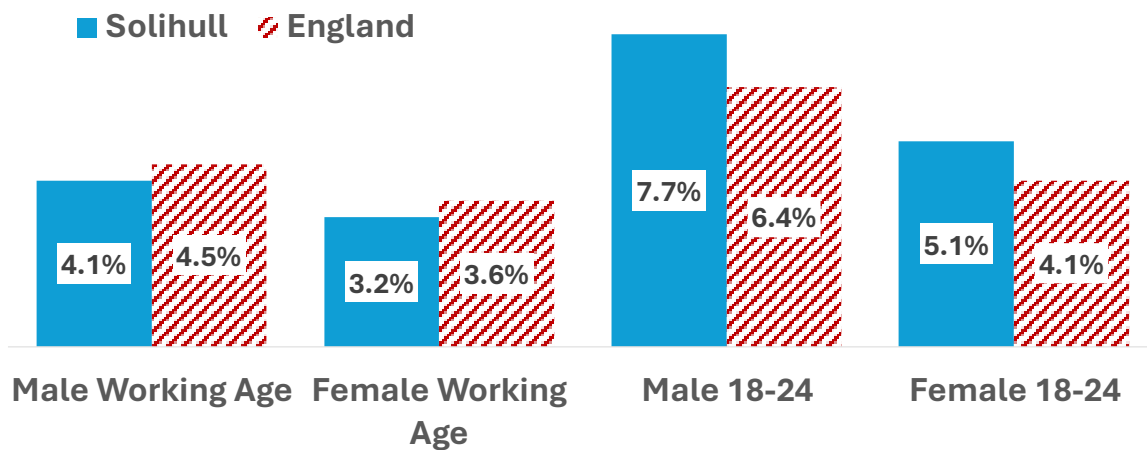
Males account for 55% of Solihull working age unemployment claimants and 63% of all claimants aged 18-24-years, in-line with the split nationally. The claimant unemployment rates among the working age population in Solihull are lower than the England average for both males and females. However, the rates among young people aged 18-24 years in Solihull are above average for both males and females.

Claimant Unemployment Rates by Gender June 2025			
Gender	Solihull Count	Rate (% Age and Gender Population)	
		Solihull	England
Male all age	2,620	4.1%	4.5%
Female all age	2,115	3.2%	3.6%
Male 18-24	600	7.7%	6.4%
Female 18-24	350	5.1%	4.1%

Source: ONS/Nomis

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## Claimant Unemployment Rates by Gender

*June 2025**Source: ONS/Nomis*

In the year to June 2025 the increase in working age claimant unemployment in Solihull has been the same for men and women.

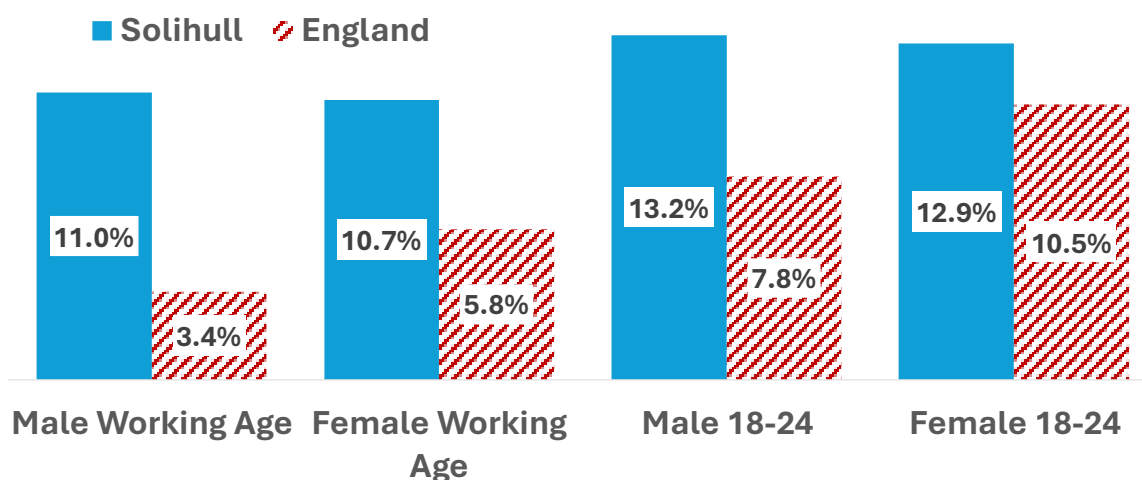
% Change in Claimant Unemployment in Solihull by Gender			
Gender	Since Covid-19 (Mar 2020-Jun 2025)	1 Year (Jun 2024-Jun 2025)	6 Months (Dec 2024-Jun 2025)
Male working age	27%	11%	5%
Female working age	33%	11%	-1%
Male 18-24	14%	13%	2%
Female 18-24	17%	13%	1%

*Source: ONS/Nomis*

In the year to June 2025 the increase claimant unemployment has been higher in Solihull than England for both men and women of both age groups (working age; young people 18-24 years).

## Change in Claimant Unemployment Count by Gender

### One year June 2024 - June 2025



Source: ONS/Nomis

### Age Group Claimant Unemployment Differences

Nearly, a third of Solihull claimants are under 30 years old (1,515 people, 32% total), including the largest single age group, those aged 18-24 years who comprise 20% (950 people) of the total.

Except for those under 30 years old the rates in Solihull are all lower than the England average, with that positive differential increasing among those aged 40 and over.

Claimant Unemployment by Age June 2025				
Age Band	Solihull Count	% Solihull Total	Rate (% Age Band Population)	
			Solihull	England
Aged 18-24	950	20%	6.5%	5.3%
Aged 25-29	565	12%	4.7%	4.5%
Aged 30-34	565	12%	4.3%	4.4%
Aged 35-39	585	12%	4.1%	4.8%
Aged 40-44	530	11%	3.8%	4.7%
Aged 45-49	420	9%	3.2%	4.3%
Aged 50-54	385	8%	2.6%	3.4%
Aged 55-59	365	8%	2.4%	2.8%
Aged 60-64	300	6%	2.2%	2.5%
Total	4,735		3.7%	4.1%

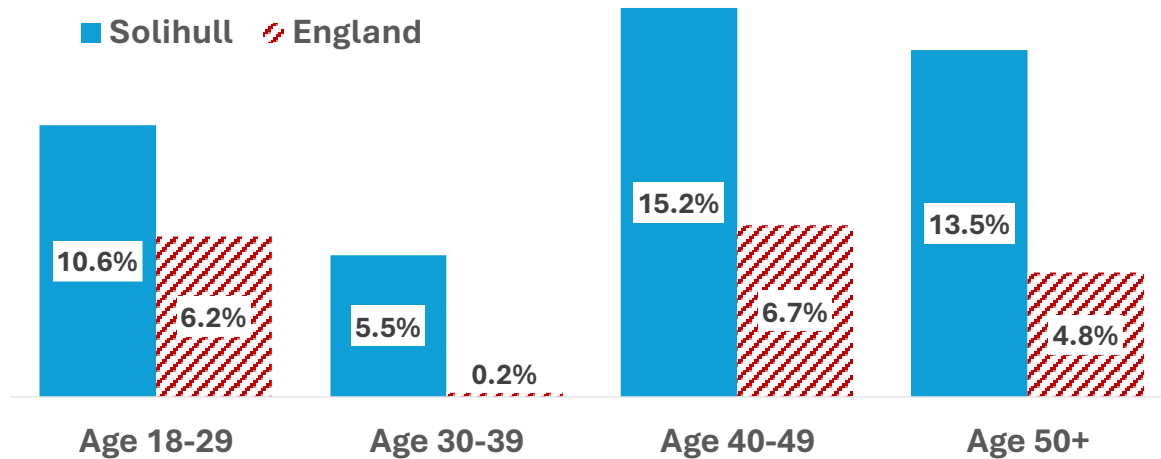
Source: ONS/Nomis

In both Solihull and England, the upward trend in claimant unemployment in the year to June 2025 has been more pronounced among older age groups.

Solihull experienced a larger increase in claimant unemployment than England across all age groups in the year to June 2025.

## Change in Claimant Unemployment Count by Age

*One year June 2024 - June 2025*



Source: ONS/Nomis