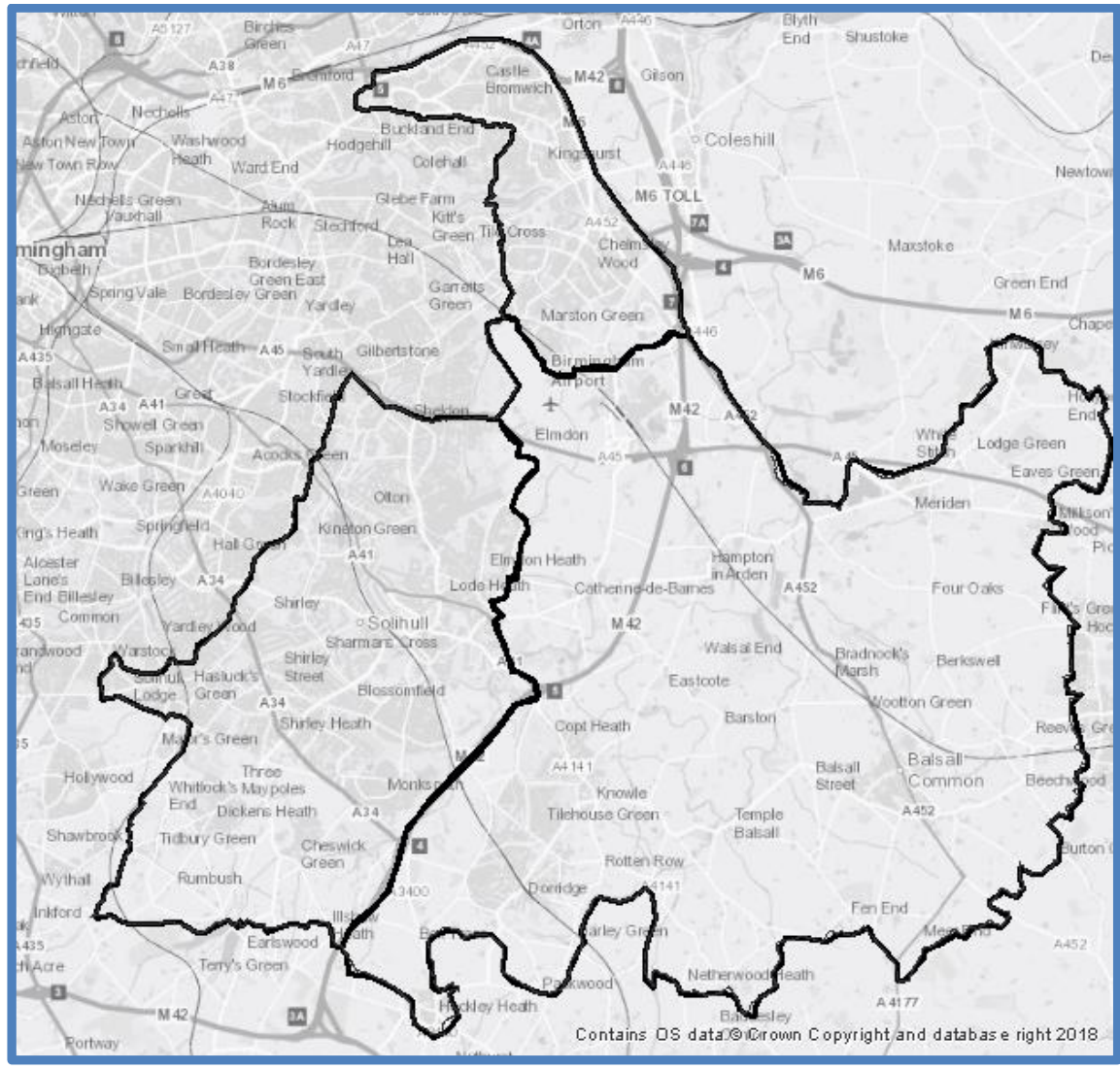


# Solihull Quarterly Labour Market Brief

## March 2026



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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, rising. Economic inactivity continues to exert a significant impact with high levels of inactivity due to sickness.

The Solihull working age claimant count is below national and regional benchmarks. However, the borough's rate for 18–24-year-olds remains relatively high and both young men and especially women in Solihull have been subject to above national average increases in the claimant count over the last year.

## National and Regional Labour Market Trends

### **National and Regional Headlines**

In January to March 2026, the number of UK people aged 16+ in employment was **34.39 million**, and the employment rate for people aged 16-64 was **75.0%**. Employment levels increased by 416,400 over the last year.

- The employment rate in the West Midlands is 73.8%, with the number of people in employment rising by +65,800 in the last year.

The UK unemployment rate was **5.0%**, and 1.81 million people aged 16+ were unemployed. Unemployment levels increased by 192,000 over the last year, and the unemployment rate rose by 0.5 percentage points.

- The unemployment rate in the West Midlands is 5.4%, with the number of unemployed people increasing by +33,200 in the last year.

**9.1 million** UK people aged 16-64 were economically inactive, and the inactivity rate was **20.9%**. 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 -63,000 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.

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

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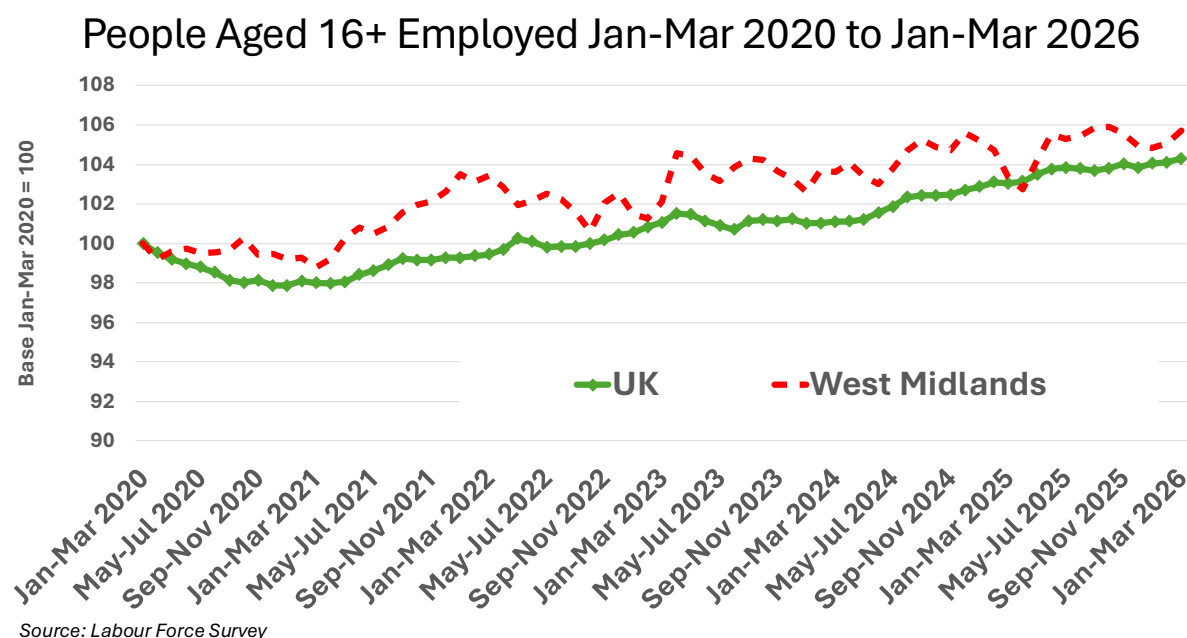
2024. However, the ONS recognises that reweighting does not address the volatility in the LFS that has been seen in recent periods and which they expect to see to some extent in the future. The ONS has a comprehensive plan to address these concerns but advises caution when interpreting short-term changes 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 34.39 million people aged 16 and over in employment in the UK, equating to employment rate of 75.0% of 16–64-year-olds. At 73.8% the West Midlands employment rate is ranked 7<sup>th</sup> out of nine regions in England.

<b>Employment Indicators – January to March 2026</b>			
Metric	UK	England	West Midlands
Current rate (16–64-year-olds)	75.0%	75.4%	73.8%
Rate last year (16–64-year-olds)	75.0%	75.4%	72.7%
Level (millions)	34.39	29.36	2.89
Change on year	+416,400	+412,200	+65,800
<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%). The number of UK adults in employment has continued to rise over the last year (by +416,400), although short-term indicators suggest that employment levels are levelling.



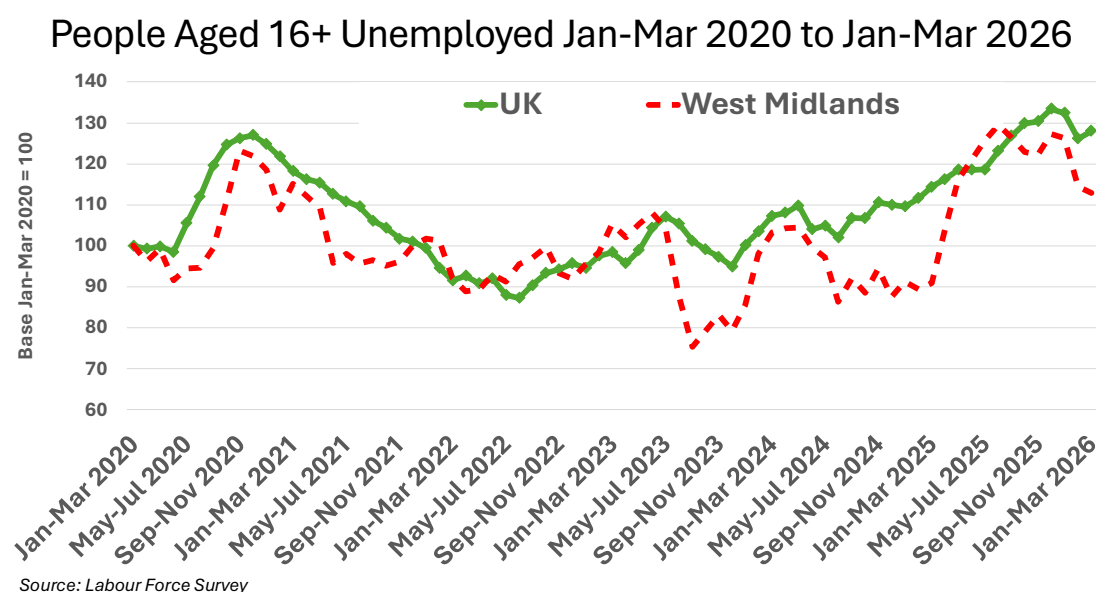
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## National and Regional Unemployment

There are 1.81 million people aged 16 and over unemployed in the UK, equating to unemployment rate of 5.0%. At 5.4% the West Midlands unemployment rate is ranked as the 5<sup>th</sup> highest out of nine regions in England.

Unemployment Indicators – January to March 2026			
Metric	UK	England	West Midlands
Current rate (16+)	5.0%	5.2%	5.4%
Rate last year (16+)	4.5%	4.6%	4.5%
Level (millions)	1.81	1.61	0.17
Change on year	+192,000	+208,200	+33,200
<i>Source: ONS Labour Force Survey</i>			

The number of people unemployed in the UK has been trending upwards since the summer of 2022. In total UK unemployment increased by +575,200 (+47%) from a low point in the summer of 2022 to early 2026 (from 3.6% to 5.0%).



## National and Regional Economic Inactivity

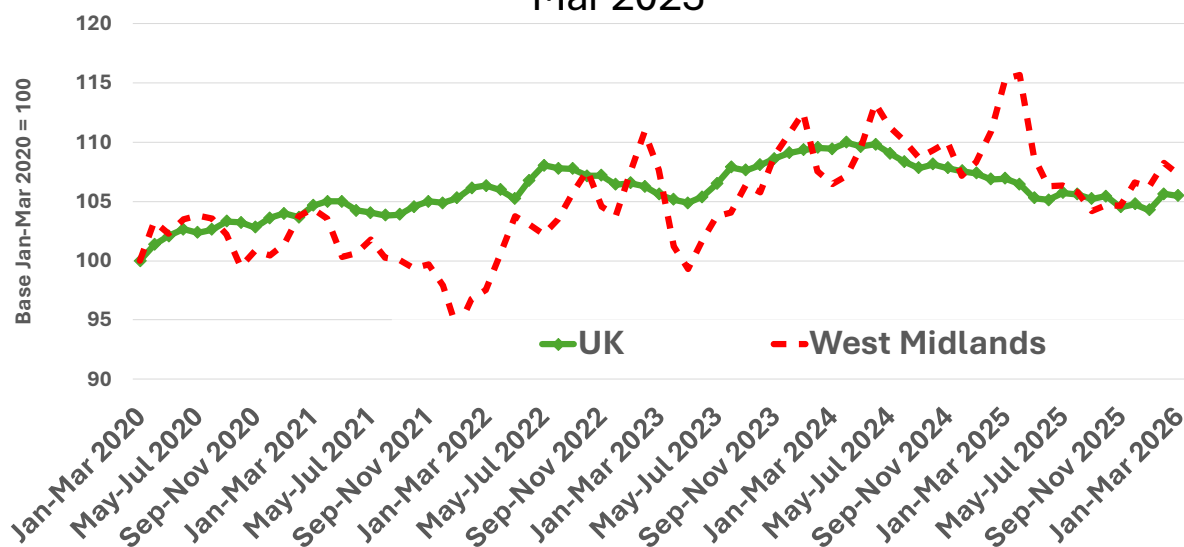
There are 9.10 million people aged 16-64 years economically inactive in the UK, equating to an economic inactivity rate of 20.9%. At 21.9% the West Midlands economic inactivity rate is ranked as the 4<sup>th</sup> highest out of nine regions in England.

Economic Inactivity Indicators – January to March 2026			
Metric	UK	England	West Midlands
Current rate (16–64-year-olds)	20.9%	20.4%	21.9%
Rate last year (16–64-year-olds)	21.4%	20.9%	23.8%
Level (millions)	9.10	7.53	0.84
Change on year	-126,400	-150,200	-63,000
<i>Source: ONS Labour Force Survey</i>			

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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. Since the second half of 2024 it has eased back, suggesting that economic inactivity has peaked. It has now returned to levels last seen in the spring of 2023.

### People Aged 16-64 Economically Inactive Jan-Mar 2020 to Jan-Mar 2025



Source: Labour Force Survey

### 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 has eased back over the last 18 months. 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 most age groups in the year to January-March 2026, the exception being those aged 35-49 years.

Economic Inactivity by Age Group				
Age Group	Inactivity Rate		Change in Inactive Population in Year to Jan-Mar 2026	
	Jan-Mar 2025	Jan-Mar 2026	Number	%
Age 18-24	32.0%	31.3%	-5,900	-0.3%
Age 25-34	12.4%	11.5%	-76,600	-6.8%

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Age 35-49	11.6%	12.2%	+105,200	+6.7%
Age 50-64	26.5%	25.6%	-139,300	-4.0%
<i>Source: ONS Labour Force Survey</i>				

Of the 9.10 million economically inactive working age people in the UK the largest groups are those who are long-term sick (31%) and students (27%). Economic inactivity increased in the year to January-March 2026 among those who were temporarily sick (+16.9k) and students (+3.3k). This was offset by falls in the numbers of those looking after family/home (-79k), retirees (-30.8k) and those classified as other (-33.9k).

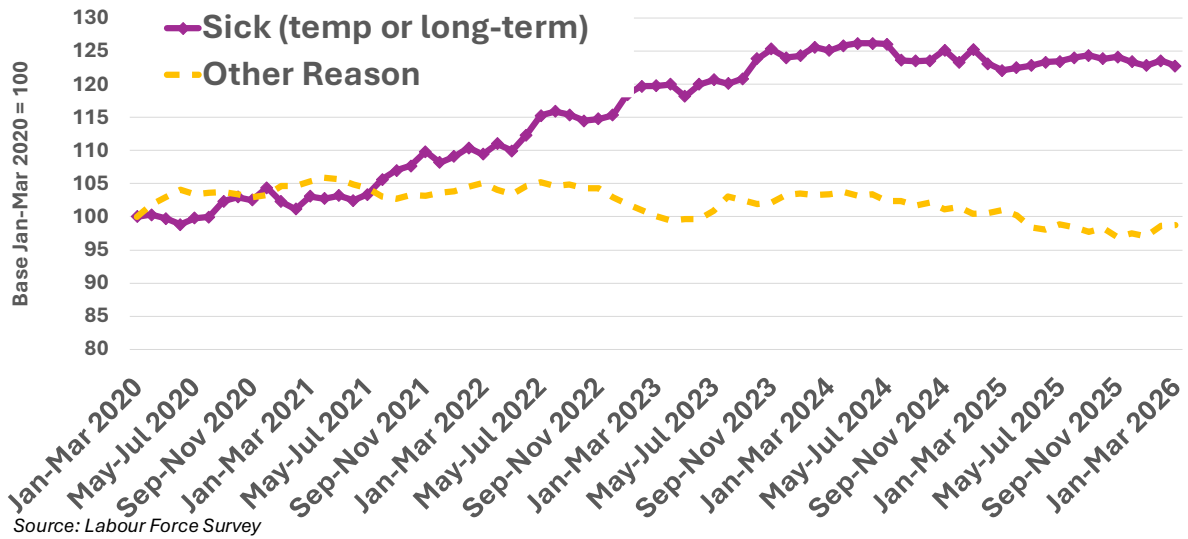
<b>Reasons for Economic Inactivity in UK Jane-Mar 2026</b>			
Reason	% of Inactive Total	Change Jan-Mar 2025 to Jan-Mar 2026	
		Number	%
Student	27.0%	+3,300	+0.1%
Looking after family / home	17.1%	-79,000	-4.8%
Temp sick	2.1%	+16,900	+9.5%
Long-term sick	30.5%	-500	0.0%
Discouraged workers	0.3%	-2,300	-7.1%
Retired	11.3%	-30,800	-2.9%
Other	11.6%	-33,900	-3.1%
<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 2.97 million working aged people who are currently either long-term sick (2.78 million) or temporarily sick (195,000) 28% want a job while 72% 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% (+550,900 people) in the period Jan-Mar 2020 to Jan-Mar 2025 compared to a decrease of -1% (-78,200) 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

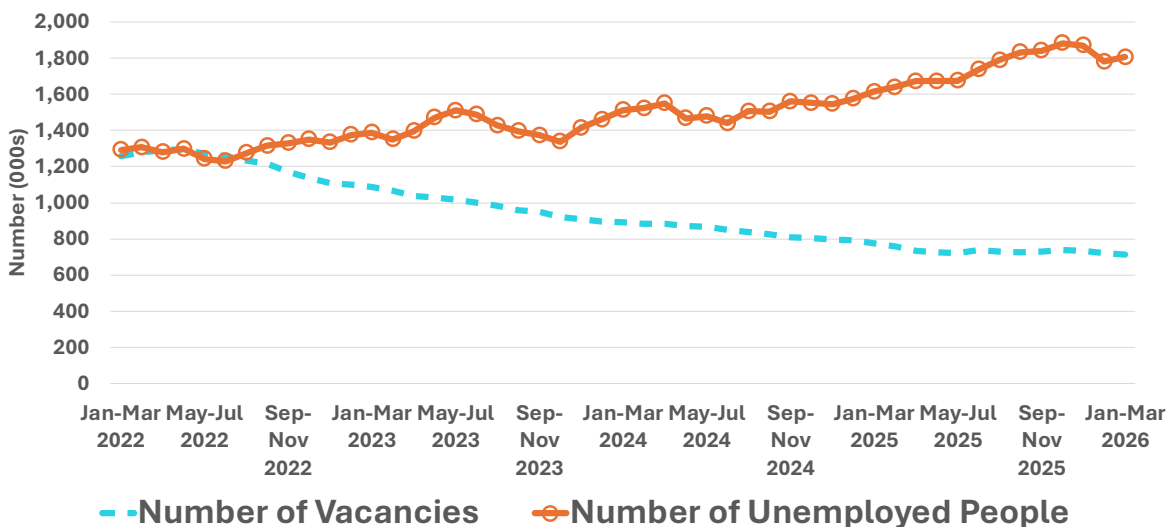
## People Aged 16-64 Economically Inactive in UK by Reason



### National Vacancies

There are currently **712,000 vacancies** in the UK. The number of vacancies trended downward from the middle of 2022, falling from 1,276,000 in Jan-Mar 2022 to 712,000 Jan-Mar 2026 (-547,000, -43%). In mid-2022 for every unemployed person there was a vacancy, but with unemployment increasing and vacancies falling there are now 2.5 unemployed people for every vacancy.

## Vacancies and Unemployment in the UK



Source: Labour Force Survey

## Solihull Labour Market Estimates

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**

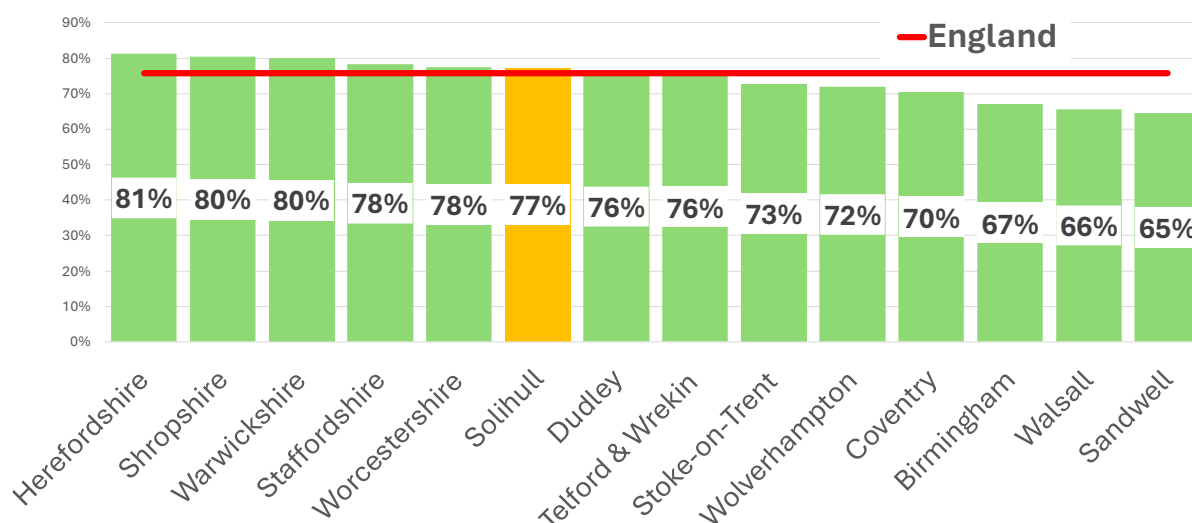
According to the Annual Population Survey the employment rate in Solihull over 12 months to December 2025 was 77.2%, higher than the England average (75.8%) as well as the regional benchmarks.

<b>Employment Rate (16-64 Year Olds) December 2025</b>		
Area	Rate (%)	Confidence Interval +/- %
Solihull	77.2%	3.5%
England	75.8%	0.3%
West Midlands Combined Authority	69.2%	1.5%
West Midlands region	73.6%	1.0%
<i>Source: Annual Population Survey</i>		

In the West Midlands the employment rate ranges from 81% (Herefordshire) to 65% (Sandwell).

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## Working Age Employment Rate December 2025



Source: Annual Population Survey

### **Solihull Unemployment**

The unemployment rate for all people aged over 16 years in Solihull over the 12 months to December 2025 was 5.1%, higher than the England average (4.5%) but slightly below that for the West Midlands region (5.7%). 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%).

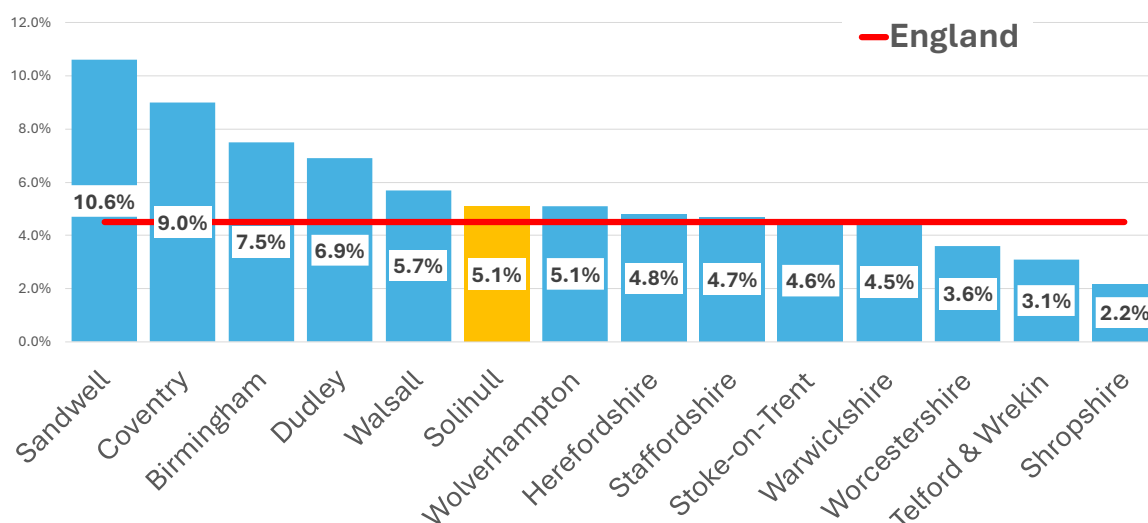
Unemployment Rate (people aged 16+) December 2025		
Area	Rate (%)	Confidence Interval +/- %
Solihull	5.1%	2.0%
England	4.5%	0.2%
West Midlands Combined Authority	7.4%	0.9%
West Midlands region	5.7%	0.6%

Source: Annual Population Survey

In the West Midlands the 16+ unemployment rate ranges from 10.6% (Sandwell) to 2.2% (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 December 2025



Source: Annual Population Survey

### **Solihull Economic Inactivity**

The economic activity rate for Solihull 16–64-year-olds is at 18.6% is lower than England's (20.5%) as well as the regional benchmark averages. Of the approximately 24,000 working age people in Solihull who were economically inactive in the year to December 2025 20% want a job and 80% don't want a job. The split in England is 21% want a job, 79% don't want a job.

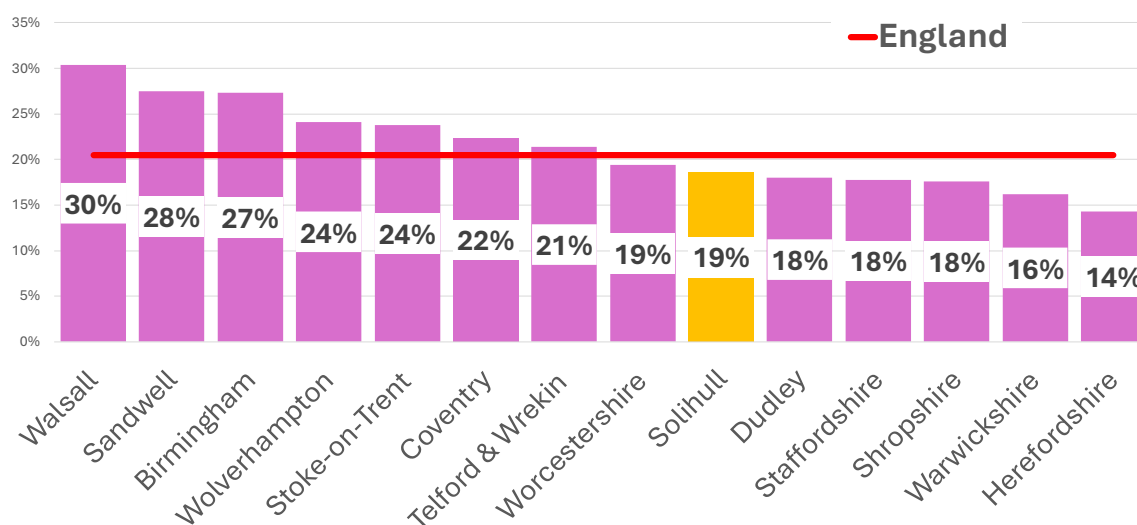
Economic Inactivity Rate (16-64 Year Olds) December 2025		
Area	Rate (%)	Confidence Interval +/- %
Solihull	18.6%	3.2%
England	20.5%	0.3%
West Midlands Combined Authority	25.1%	1.4%
West Midlands region	21.8%	0.9%

Source: Annual Population Survey

Among the West Midlands upper tier local authorities the economic activity rate ranges from 30% (Walsall) to 14% (Herefordshire).

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## Working Age Economic Inactivity Rate December 2025



Source: Annual Population Survey

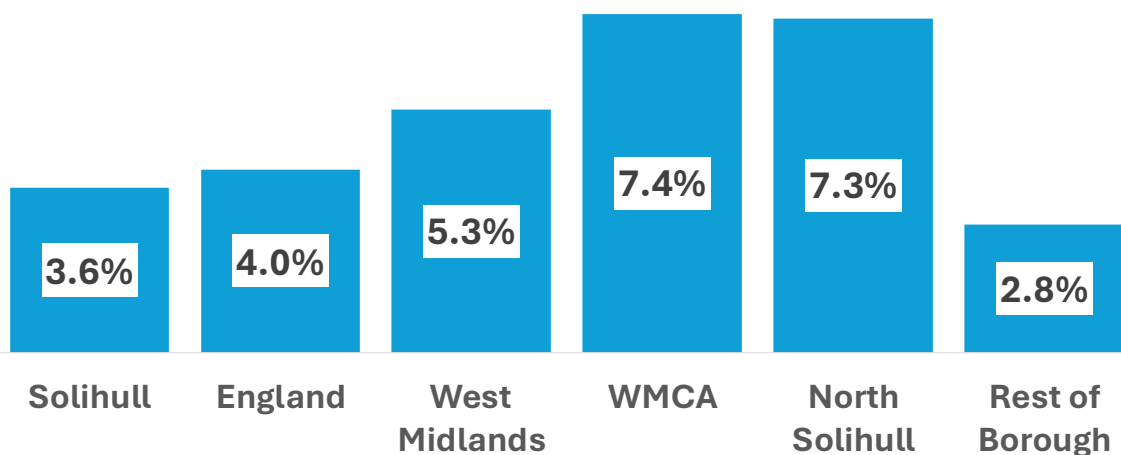
## Claimant Count Unemployment

### 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**  
*March 2026*

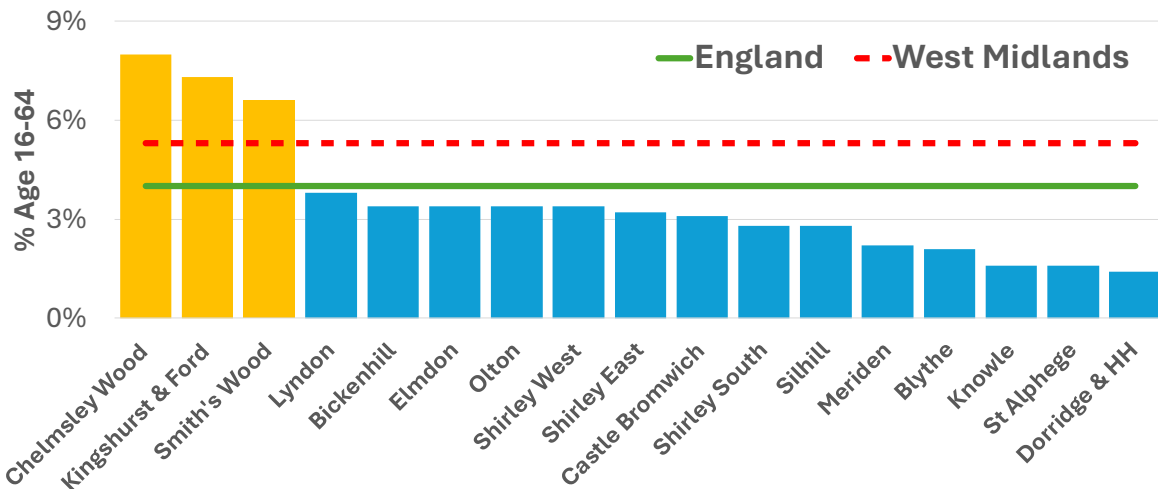
Source: ONS/Nomis

In March 2026 4,715 people in Solihull were unemployed and claiming benefits. The claimant unemployment rate in Solihull is 3.6%, lower than both the England (4.0%) and West Midlands (5.3%) averages.

The average rate in the three north Solihull regeneration wards (Chelmsley Wood, Kingshurst & Fordbridge and Smith's Wood) is 7.3% (1,785 individuals) compared with 2.8% across the rest of the Borough (2,930 individuals).

Only three out of Solihull's 17 wards have a claimant unemployment rate higher than the West Midlands average Chelmsley Wood (8.0%), Kingshurst & Fordbridge (7.3%) and Smith's Wood (6.6%).

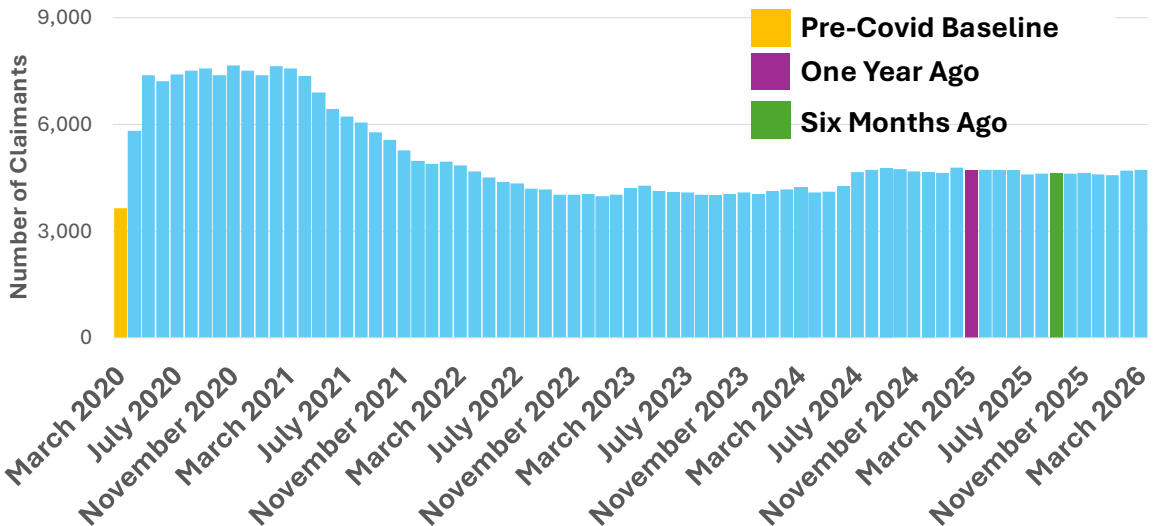
## Working Age (16-64 Years) Claimant Unemployment March 2026



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

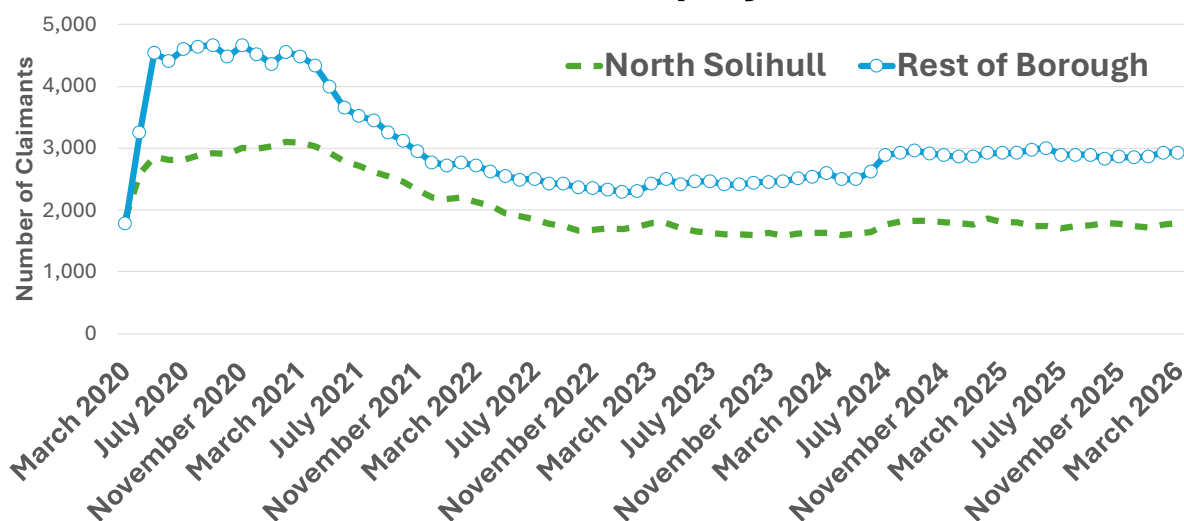


Source: ONS/Nomis

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 18 months.

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



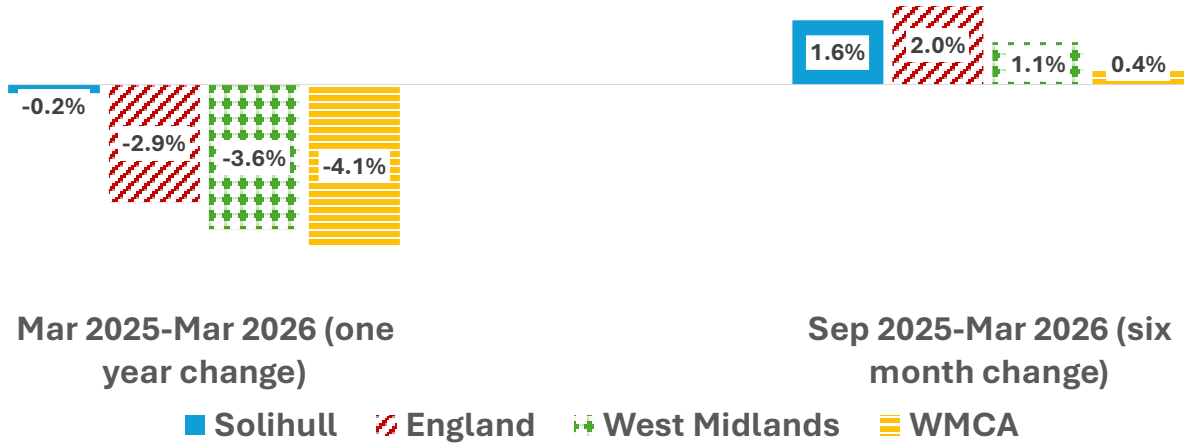
Source: ONS/Nomis

In the year to March 2026 the -0.2% fall in the number of working age unemployment claimants in Solihull is slightly smaller than the fall across England (-3%), the West Midlands (-4%) and the WMCA (-4%). 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-Mar 2026)	1 Year (Mar 2025-Mar 2026)	6 Months (Sep 2025-Mar 2026)
Solihull	29%	0%	2%
North Solihull	-5%	-1%	2%
Rest of Borough	65%	0%	1%
England	40%	-3%	2%
West Midlands	39%	-4%	1%
WMCA	43%	-4%	0%

Source: ONS/Nomis

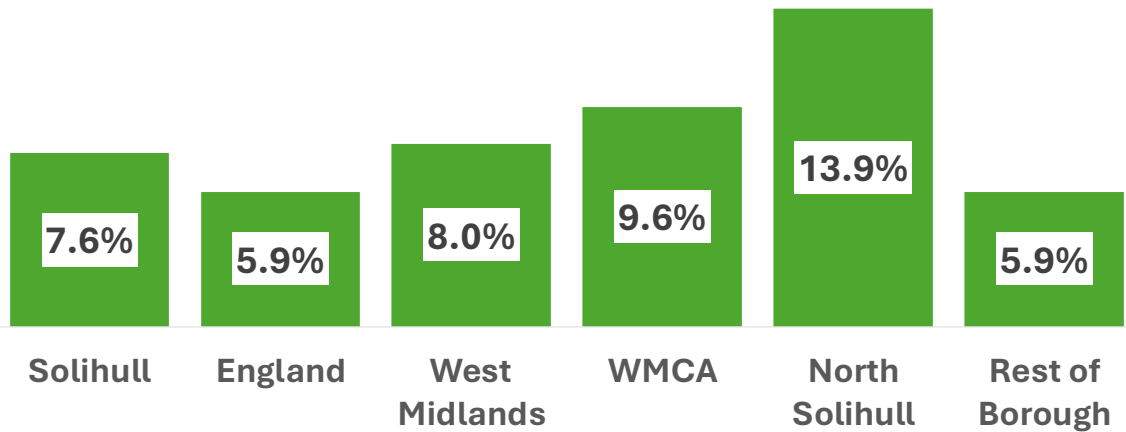
## Change in the Number of Working Age Unemployment Claimants



Source: ONS/Nomis

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

## Youth (18-24 Years) Claimant Unemployment March 2026



Source: ONS/Nomis

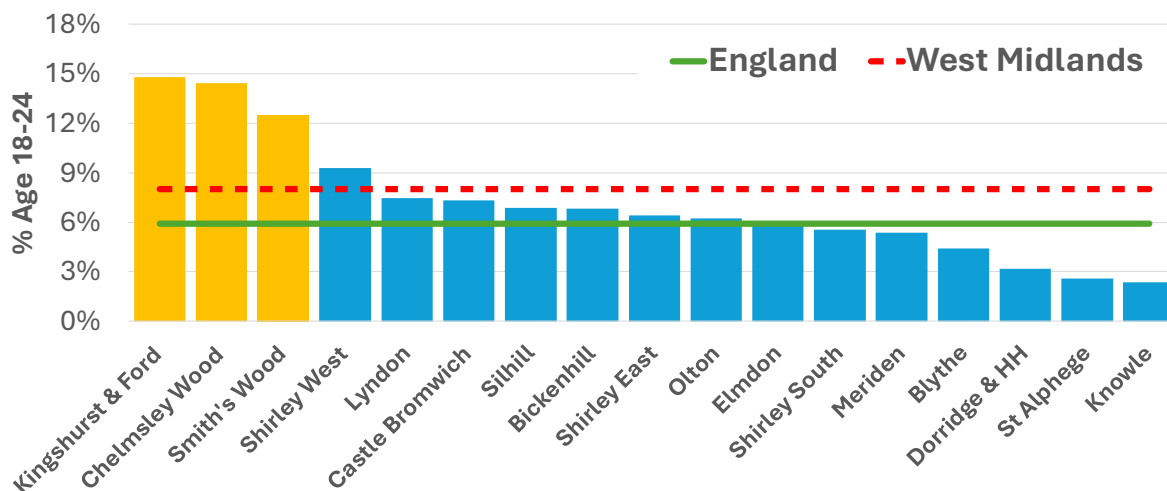
In March 2026 1,120 18–24-year-olds in Solihull were unemployed and claiming benefits. The 18–24-year-old claimant unemployment rate in Solihull is 7.6%, compared to 5.9% for England and 8.0% for the West Midlands. The number of young claimants in Solihull is at its highest since August 2021.

The average 18–24-year-old rate in North Solihull is 13.9% (450 individuals) compared with 5.9% (670 individuals) across the rest of the Borough. Four Solihull wards have an 18-24 claimant

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unemployment rate higher than the West Midlands average: Kingshurst & Fordbridge (14.8%), Chelmsley Wood (14.5%), Smith's Wood (12.5%) and Shirley West (9.3%).

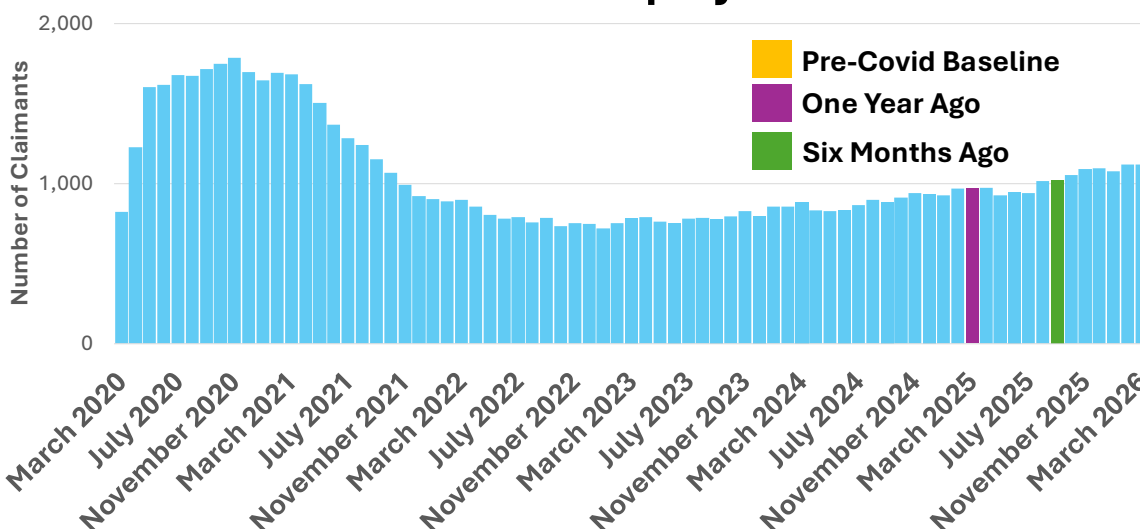
## Youth (18-24 Years) Claimant Unemployment March 2026



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

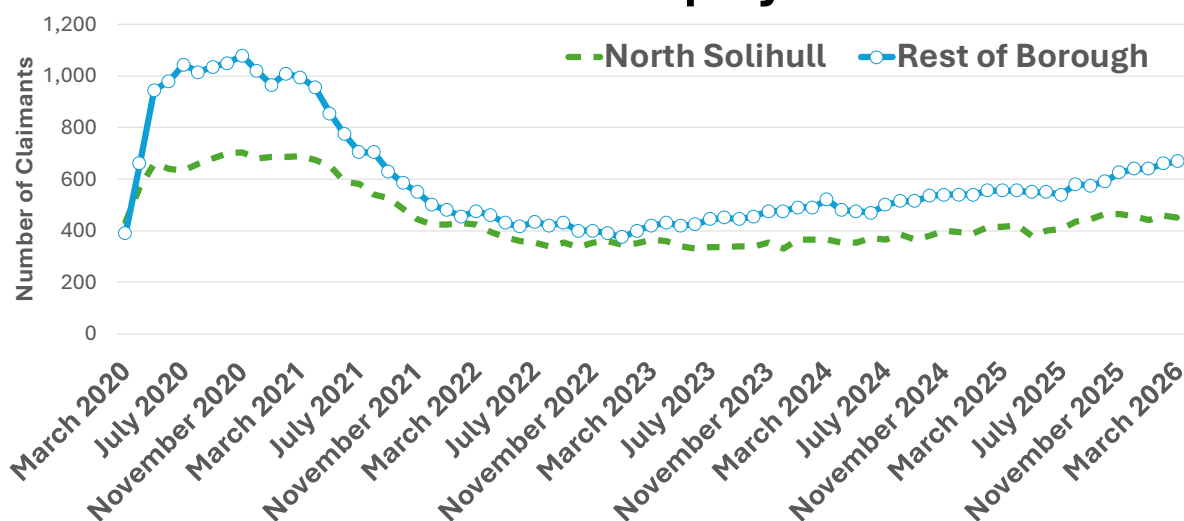


Source: ONS/Nomis

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



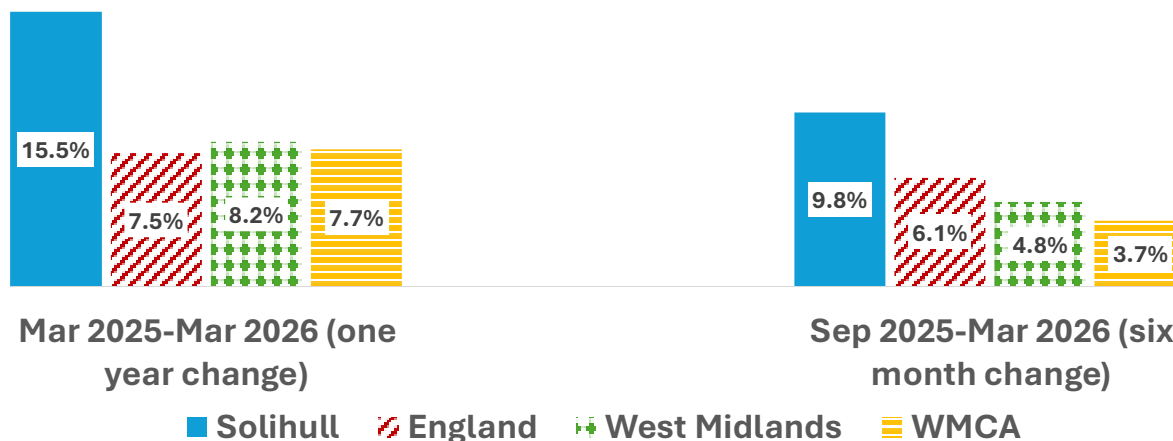
Source: ONS/Nomis

In the year to March 2026 the 15% increase in the number of 18-24-year-old unemployment claimants in Solihull is higher than that for England (8%), the West Midlands (8%) and the WMCA (8%). 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-Mar 2026)	1 Year (Mar 2025-Mar 2026)	6 Months (Sep 2025-Mar 2026)
Solihull	36%	15%	10%
North Solihull	3%	8%	1%
Rest of Borough	72%	21%	17%
England	46%	8%	6%
West Midlands	50%	8%	5%
WMCA	54%	8%	4%

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 56% 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.

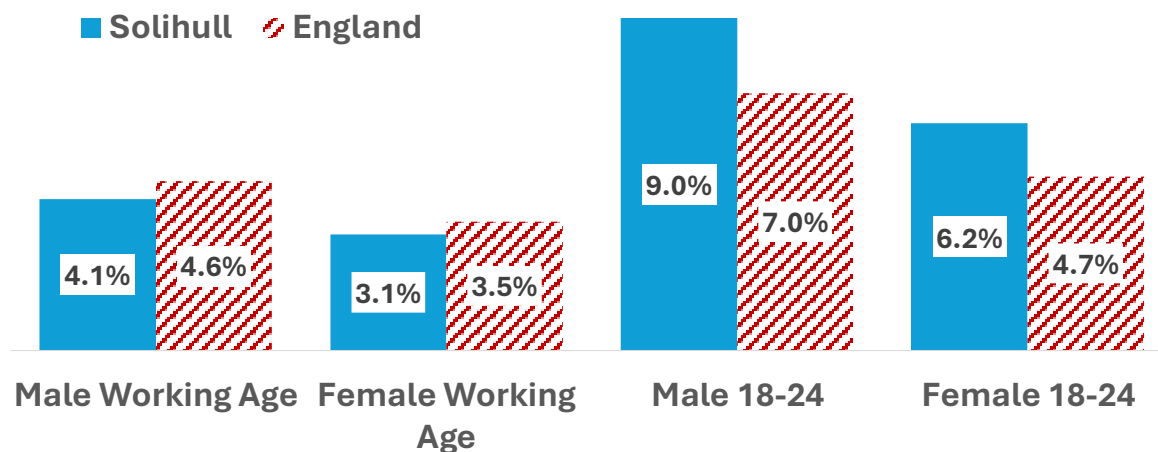
Claimant Unemployment Rates by Gender March 2026			
Gender	Solihull Count	Rate (% Age and Gender Population)	
		Solihull	England
Male all age	2,625	4.1%	4.6%
Female all age	2,095	3.1%	3.5%
Male 18-24	705	9.0%	7.0%
Female 18-24	420	6.2%	4.7%

Source: ONS/Nomis

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## Claimant Unemployment Rates by Gender

### March 2026



Source: ONS/Nomis

In the year to March 2026 the number of Solihull working age men and women claiming has remained largely unchanged. By contrast the numbers of 18-24-year-olds of both genders has risen, especially young women (+22%).

% Change in Claimant Unemployment in Solihull by Gender			
Gender	Since Covid-19 (Mar 2020-Mar 2026)	1 Year (Mar 2025-Mar 2026)	6 Months (Sep 2025-Mar 2026)
Male working age	27%	0%	3%
Female working age	32%	0%	0%
Male 18-24	34%	13%	15%
Female 18-24	40%	22%	4%

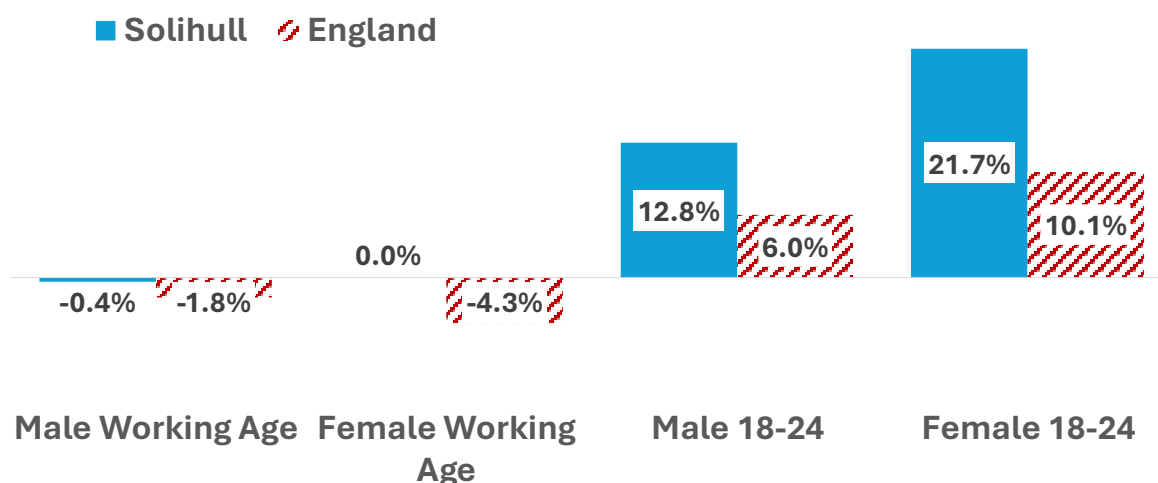
Source: ONS/Nomis

In the year to March 2026 the pattern in Solihull is similar to the national average, although in Solihull the increase in the claimant count for 18-24-year-olds has been more pronounced among both men and women.

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## Change in Claimant Unemployment Count by Gender

### One year March 2025 - March 2026



Source: ONS/Nomis

### Age Group Claimant Unemployment Differences

Over a third of Solihull claimants are under 30 years old (1,645 people, 35% total), including the largest single age group, those aged 18-24 years who comprise 24% (1,120 people) of the total.

Except for those under 25 years old the rates in Solihull are all lower than the England average, with that positive differential increasing among those aged 40 and over.

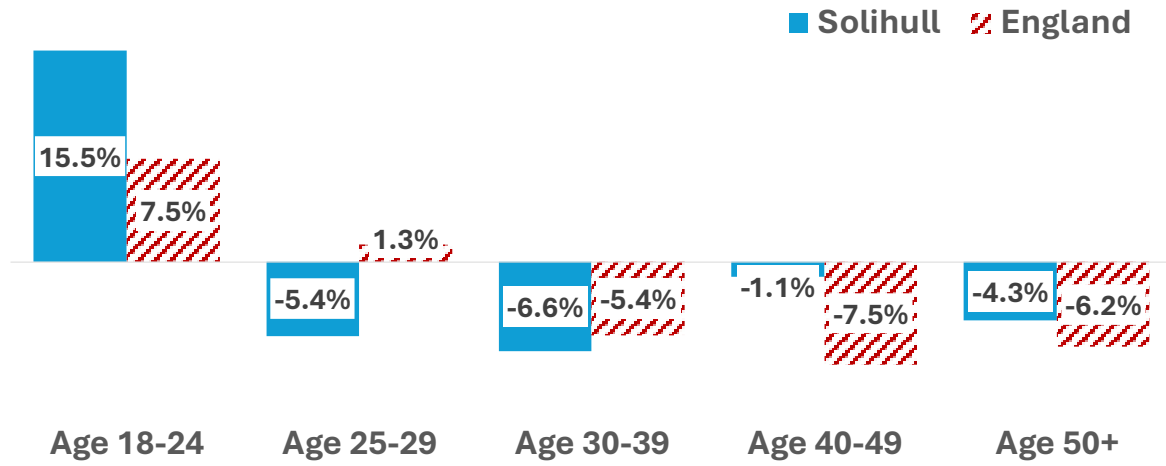
Claimant Unemployment by Age March 2026				
Age Band	Solihull Count	% Solihull Total	Rate (% Age Band Population)	
			Solihull	England
Aged 18-24	1,120	24%	7.6%	5.9%
Aged 25-29	525	11%	4.4%	4.6%
Aged 30-34	510	11%	3.9%	4.2%
Aged 35-39	560	12%	3.9%	4.6%
Aged 40-44	510	11%	3.6%	4.5%
Aged 45-49	410	9%	3.1%	4.1%
Aged 50-54	350	7%	2.4%	3.2%
Aged 55-59	360	8%	2.3%	2.7%
Aged 60-64	300	6%	2.2%	2.6%
Total	4,715		3.6%	4.0%

Source: ONS/Nomis

Solihull claimant unemployment in the year to March 2026 fell among all age groups 25 and over, partially offset by a large increase in those aged 18-24 years. Except for a national rise in the number of claimants aged 25-29 years this is consistent with the pattern across England.

This increase in the number of youth claimants in the year to March 2026 was more pronounced in Solihull than across England (15% vs 8% for England).

## Change in Claimant Unemployment Count by Age *One year March 2025 - March 2026*



Source: ONS/Nomis