



This is a regular quarterly bulletin and covers periods prior to the Covid-19 outbreak. However additional analysis has been included where possible to show some impacts of the outbreak. Some additional contextual information on the rural economy and poverty in rural areas has been also included.

In England, 9.6 million people (17% of the population) live in rural areas; 46.7 million (83%) live in urban areas¹.

This bulletin presents statistics for a selection of economic indicators that are released on a quarterly basis.

Timescales are different across the various datasets.

- The most recent and previous quarters are compared below.
- Annual comparisons for the most recent quarter are overleaf.

[1] ONS 2019 mid-year population estimates

Quarterly
change

Rural

Urban

House prices

average sale price
year ending Q4 2020 to
year ending Q1 2021

£373,000

▲ by 3.7%

£335,400

▲ by 3.1%

Percentage
unemployed

aged 16 and over
seeking work
Q2 2021 to Q3 2021

2.9%

unchanged

4.8%

▼ by 0.1%

Claimant count

percentage of working
age population on
Jobseeker's Allowance
Q2 2021 to Q3 2021

0.2%

unchanged

0.4%

unchanged

Redundancies per

1,000 workers
Q2 2021 to Q3 2021

2.8

▲ from 2.3

4.3

▲ from 3.9

Note: some figures are liable to revision in subsequent quarters and so comparisons with previous bulletins should be treated with caution. This is particularly the case for house prices, for which previous quarters may be revised significantly.

All changes are based on unrounded figures and therefore may not agree exactly to the figures presented in the text and tables which are rounded to 1 decimal place.

House prices annual change (Q1 2020 to Q1 2021)

Publication of Q1 2021 data was delayed to 9th November with subsequent updates running later than usual.

Annual average sale price of houses¹

Category	Year ending Q1 2020	Year ending Q1 2021	Change ¹
Rural ²	£339,100	£373,000	10.0% ▲
Rural town and fringe ²	£305,100	£331,300	8.6% ▲
Rural village & hamlet	£374,400	£416,200	11.2% ▲
Urban	£311,300	£335,400	7.7% ▲
Urban (excl London)	£247,900	£268,200	8.2% ▲
London ²	£609,600	£651,100	6.8% ▲
England	£316,200	£342,000	8.2% ▲

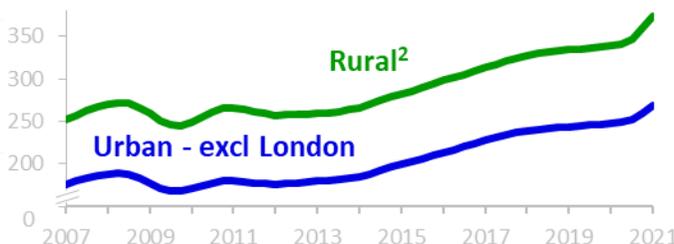
Source: ONS house price statistics for small areas

[1] Change is calculated using unrounded figures whereas prices are shown rounded to the nearest £100.

[2] There are a total of 983 London MSOAs, all of which are classified as urban except for one which is classified as rural town and fringe and is excluded from the rural figures.

- The **average house sale price** increased by 10.0% in rural areas and 8.2% in urban areas excluding London between year ending Q1 2020 and year ending Q1 2021.

Annual average sale price of houses (£000s), year ending Q1 2007 to year ending Q1 2021



Source: ONS house price statistics for small areas

- Average prices in rural areas have been consistently above the average found in urban areas excluding London (by 39% in year ending Q1 2021) and higher than urban areas overall (by 11% for the same period).
- In year ending Q1 2021 average house prices in rural town and fringe areas were 24% higher than the average found in urban areas excluding London (but 1% lower than urban overall), while average house prices in rural village and hamlet areas were 55% higher (and 24% higher than urban overall).

Economic activity annual change (Q3 2020 to Q3 2021)

Percentage of people economically active and inactive¹

Status	Rural ²		Urban ²	
	Q3 2020	Q3 2021	Q3 2020	Q3 2021
Employed ³	77.9	77.9 ◀▶	74.9	75.4 ▲
Unemployed ⁴	3.6	2.9 ▼	5.5	4.8 ▼
Inactive ⁵	39.1	40.2 ▲	35.1	35.1 ◀▶
Of which retired	28.1	29.0 ▲	19.8	19.9 ▲

Source: ONS (Labour Force Survey, not seasonally adjusted).

[1] All changes are based on unrounded figures and therefore may not agree exactly to the figures presented in the text and tables which are rounded to 1 decimal place.

[2] According to the Rural-Urban Classification 2011.

[3] As a percentage of people aged 16 to 64 bringing this figure in line with other publications where employment rate is shown as percentage of people aged 16 to 64.

[4] As a percentage of people aged 16 and over who are economically active (in or seeking work).

[5] As a percentage of all people aged 16 and over.

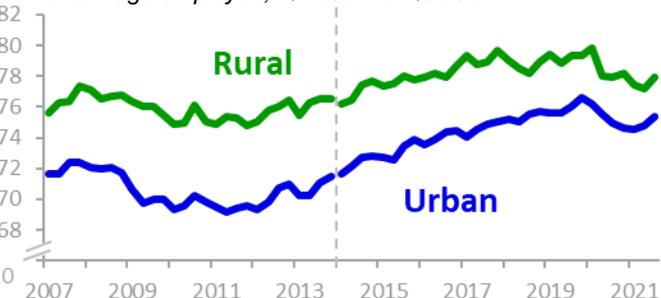
- **Rural employment** is now shown as a percentage of people aged 16 to 64 in line with other standard indicators of employment. It did not change, and was 2.6 percentage points above urban areas in Q3 2021.

- **Unemployment** (as a percentage of those aged 16 and over) decreased by 0.7 percentage points in rural areas and was 2.0 percentage points below urban areas in Q3 2021.

- The **inactivity** rate (not in employment or unemployed) in rural areas increased by 1.1 percentage points, and was 5.1 percentage points lower in urban areas.

- Within inactivity, the retirement rate increased slightly in rural and in urban areas.

Percentage employed, Q1 2007 to Q3 2021



Source: ONS (Labour Force Survey).

Dashed line: 2001 Rural-Urban Classification (RUC) applied up to Q4 2013; 2011 RUC applied from Q1 2014; some areas may have changed category between RUC versions.

Claimant count *annual change (Q3 2020 to Q3 2021)*

Jobseeker's Allowance claimants as a percentage of the working age population

Category ¹	Q3 2020		Q3 2021		Per cent point change
	Count	Per cent	Count	Per cent	
Rural	31,500	0.6	13,700	0.2	0.3▼
Rural town & fringe	18,700	0.6	8,200	0.3	0.4▼
Rural village & hamlet	12,800	0.5	5,500	0.2	0.3▼
Urban	246,800	0.8	120,000	0.4	0.4▼
England	278,300	0.8	133,700	0.4	0.4▼

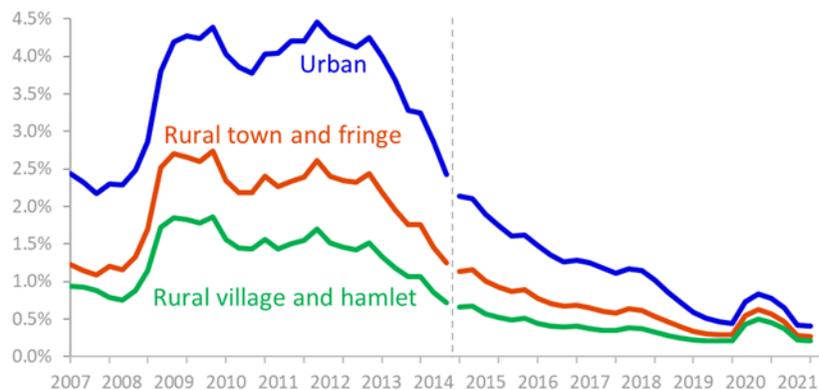
Sources: ONS Jobseeker's Allowance data (via Nomis) and Defra.

Does not include people claiming Universal Credit.

[1] Using the Lower-Layer Super Output Area classification 2011.

- Between Q3 2020 and Q3 2021, the percentage of the working age population claiming **Jobseeker's Allowance** decreased by 0.3 percentage points in *rural* areas and 0.4 percentage point in *urban* areas.

Claimants of Jobseeker's Allowance as a percentage of the working age population, Q1 2007 to Q3 2021



Sources: ONS Jobseeker's Allowance data (via Nomis) and Defra.

Does not include people claiming Universal Credit. For further information please see the article 'Jobseeker's Allowance, Universal Credit and the Claimant Count Changes to the Measurement of the Claimant Count' which can be found at: webarchive.nationalarchives.gov.uk/20160105160709/http://www.ons.gov.uk/ons/guide-method/method-quality/specific/labour-market/articles-and-reports/index.html

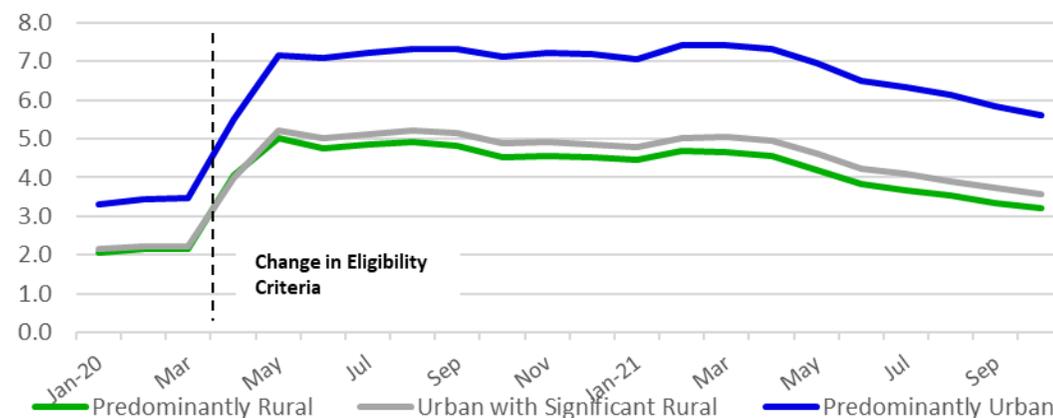
Dashed line: 2001 Lower-Layer Super Output Area (LSOA) classification applied up to Q2 2014; 2011 LSOA classification from Q3 2014.

Claimant count, monthly data to October 2021

This section covers the COVID-19 outbreak

- Between September 2021 and October 2021 there has been a decrease in people claiming **Universal Credit or Job Seeker's Allowance** whilst seeking work.
- In October 2021, 220,000 people living in predominantly rural areas (3.2 per cent of the working age population) claimed Universal Credit or Job Seeker's Allowance whilst seeking work, compared with 1,328,000 people living in urban areas (5.6 per cent of the working age population).
- Between September 2021 and October 2021 the number of people claiming Universal Credit or Job Seeker's Allowance decreased by 3.8 per cent in predominantly rural areas and also decreased by 3.8 per cent in predominantly urban areas.

Percentage of the working age population claiming Universal Credit or Job Seeker's Allowance whilst being required to search for work by Local Authority Classification, in England, Jan 2020 – Oct 2021



	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021
Predominantly Rural	4.6%	4.5%	4.4%	4.7%	4.7%	4.6%	4.2%	3.8%	3.7%	3.5%	3.3%	3.2%
Urban with Significant Rural	4.9%	4.9%	4.8%	5.0%	5.0%	4.9%	4.6%	4.2%	4.1%	3.9%	3.7%	3.6%
Predominantly Urban	7.2%	7.2%	7.1%	7.4%	7.4%	7.3%	7.0%	6.5%	6.3%	6.1%	5.8%	5.6%
England	6.4%	6.4%	6.3%	6.6%	6.6%	6.5%	6.1%	5.7%	5.5%	5.3%	5.1%	4.9%

Sources: ONS Claimant Count data using data from Jobcentre Plus administrative system, ONS mid-year population statistics

Notes: These data are experimental and consist of claimants of Job Seekers Allowance (JSA) and some Universal Credit (UC) claimants. The UC claimants that are included are those who are required to search for work (i.e. within the Searching for Work conditionality regime as defined by the Department for Work & Pensions).

Areas forming settlements with populations of over 10,000 are urban, while the remainder are defined as rural town and fringe; village; or hamlet and isolated dwellings. For more information about the 2011 Rural-Urban Classification visit:

www.gov.uk/government/organisations/department-for-environment-food-rural-affairs/series/rural-urban-definition

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Redundancies *annual change (Q3 2020 to Q3 2021)*

Count of redundancies and rates¹ per 1,000 workers

Category ²	Q3 2020		Q3 2021	
	Count	Rate ¹	Count	Rate ¹
Rural	45,000	11.8	11,000	2.8
Urban	226,000	11.5	85,000	4.3
England	271,000	11.6	96,000	4.1

Source: ONS (Labour Force Survey).

[1] Ratio of the number of workers (aged 16 and over) made redundant for the given quarter to the number of employees (aged 16 and over) in the previous quarter multiplied by 1,000, based on location of residence.

[2] 2001 Rural-Urban Classification (RUC) applied up to Q3 2015, 2011 RUC from Q4 2015.

- In Q3 2021 11,000 people living in *rural* areas were made redundant, 34,000 less than a year earlier in Q3 2020.
- The **redundancy** rate in *rural* areas decreased from 11.8 to 2.8 redundancies per 1,000 workers between Q3 2020 and Q3 2021, in *urban* areas the rate decreased from 11.5 to 4.3 redundancies per 1,000 workers.

Count of redundancies and rates¹ per 1,000 workers, split by sector, Q3 2021

Sector	Rural ²		Urban ²	
	Count	Rate ¹	Count	Rate ¹
Agriculture, fishing, energy and water	*	*	*	*
Manufacturing industries	*	*	7,000	3.6
Construction	*	*	4,000	5.2
Distribution, hotels and restaurants	2,000	2.9	30,000	8.7
Transport and communication	*	*	6,000	5.0
Finance and business services	2,000	2.7	17,000	4.1
Education, health and public administration	3,000	2.1	13,000	1.9
Other services	*	*	*	*
All industries	11,000	2.8	85,000	4.3

Source: ONS (Labour Force Survey).

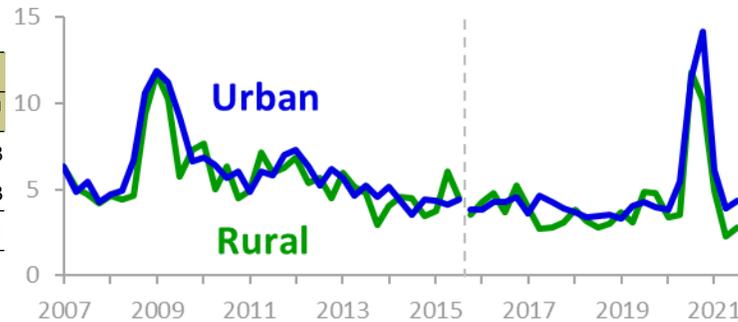
[1] Ratio of the number of workers (aged 16 and over) made redundant for the given quarter to the number of employees in the previous quarter multiplied by 1,000, based on location of residence rather than workplace.

[2] According to the Rural-Urban Classification 2011.

[*] Data suppressed to prevent disclosure.

[-] Count value less than 1,000.

Redundancies per 1,000 employees, Q1 2007 to Q3 2021



Source: ONS (Labour Force Survey).

Dashed line: 2001 Rural-Urban Classification (RUC) applied up to Q3 2015, 2011 RUC from Q4 2015.

Covid-19 SME business support grants

Latest available data

A range of support grants have targeted SME businesses that have been impacted by national and local restrictions. As of end of August 2021, predominantly rural local authorities have been more effective at distributing grant payments. They have reportedly distributed:

- 643,000 grants with a value of £1,420m from the Local Restrictions Support Grant to businesses hampered by local restrictions.
- 139,000 grants with a value of £370m from the Additional Restrictions Grant to businesses hampered by national restrictions.
- 121,000 grants with a value of £910m from the Restart Grant to assist businesses reopening after restrictions are lifted.

Covid-19 furlough scheme

Latest available data

- The Coronavirus Job Retention Scheme covers 80% of the wages of workers on temporary leave up to £2,500/month.
- As of the 30th September, 157,000 employments in predominantly rural areas and 684,000 employments in predominantly urban areas had been on furlough, which is 3 per cent and 4 per cent of total employments, respectively.

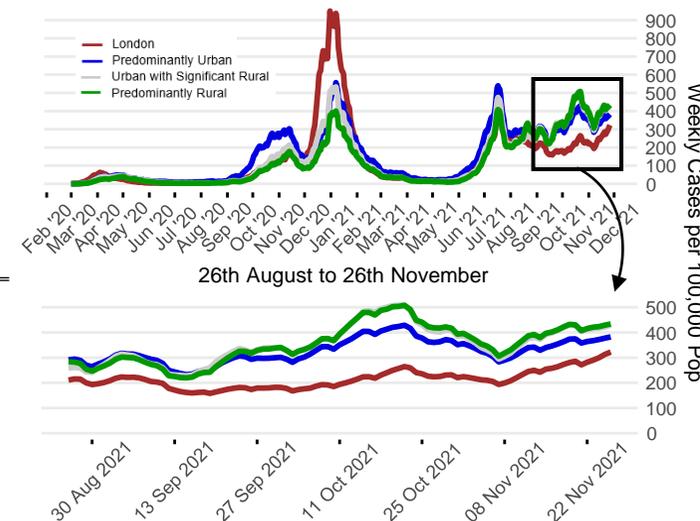
Incidences of COVID-19

- Over the 7 days to 26th November there was a rate of 434 new cases per 100,000 population in predominantly rural areas, compared with 383 new cases per 100,000 population in predominantly urban areas (excl. London).
- This represents a 0.4 per cent increase in the week-on-week weekly case rate in predominantly rural areas, compared with a 2.3 per cent increase in predominantly urban areas (excl. London).

Number of lab confirmed cases in the 7 days to 26th Nov, in England, by Local Authority Area classification

Type of Local Authority Area	Cases	Cases per 100,000 Population
Predominantly Rural	52,683	434.0
Urban with Significant Rural	29,861	430.3
Predominantly Urban (excl. London)	108,047	382.5
London	28,911	322.6
England	220,306	391.4

7 Day Rolling Total of Covid Cases per 100,000 Population, ending on 26th November



Source: Public Health England

Notes: Positive lab-confirmed cases are matched to area codes using the home postcode of the person tested. This is aggregated up to Local Authorities by PHE.

Limitations: 1) The aggregation of the data may be overstating the number of rural cases, 2) The testing rate is inconsistent across all regions, 3) Excess-death figures suggests there are undiagnosed cases of Covid-19.

The rural economy - context

This section covers a period prior to the COVID-19 outbreak

Predominantly rural areas contribute £261bn to the economy

- 11.7 million people live in local authorities regarded as predominantly rural area, 21% of England's population.
- These areas contribute £261bn (15.9%) to England's economy.

Rural economies are as diverse as urban economies

- 85% of rural businesses are unrelated to agriculture, forestry or fishing.
- Education, health and social work provide 17% of employment.
- Wholesale and retail plus the repair of motor vehicles combined provide 13% of employment.
- Manufacturing provides 11% of employment.

Small firms play a key role

- ½ m registered businesses (24% of England), employing 3.6 million (13% of England).
- 71% of employment in small and medium enterprises (41% in urban areas).
- 28% of employment in registered businesses with 1 to 9 employees (19% in urban areas).
- 18% of registered businesses have no employees (7% in urban areas).
- It is estimated that in England there are an additional 2.7 million unregistered businesses i.e. those who are not registered for VAT and do not have employees registered for PAYE.

Tourism-related businesses are important

- 70,000 tourism-related businesses, employing 0.6 million people.
- 14% of employment (11% in urban areas)
- In the more sparsely populated areas tourism becomes more important, providing 22% of employment.

Poverty in rural areas - context

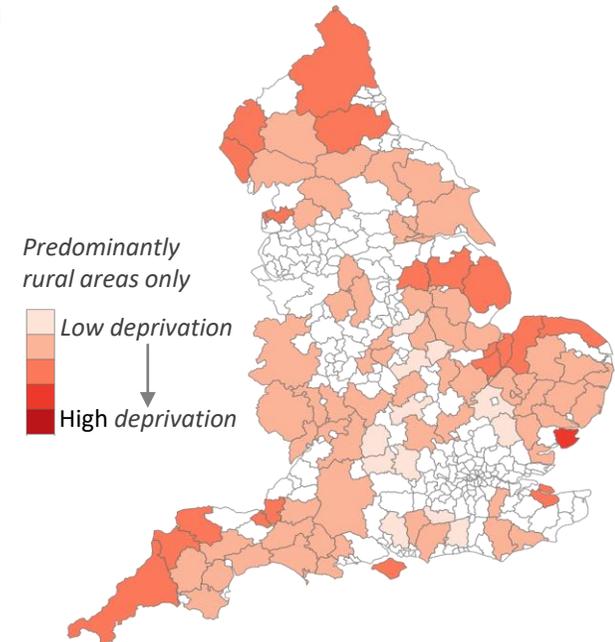
This section covers a period prior to the COVID-19 outbreak

Poverty is more dispersed

- For all principal measures of Households Below Average Income (households, working-age people, children and pensioners) there are proportionally fewer households in poverty than in urban areas.
- However unlike in urban areas, where poverty can be concentrated in certain areas, in rural areas it tends to be more dispersed.

Index of Multiple Deprivation suggests deprivation is less prevalent but there are predominantly rural areas with high levels of deprivation

- 1 per cent of people living in rural areas are in areas that are within the most deprived 10 per cent of the Index of Multiple Deprivation.
- At a local authority level there are predominantly rural areas with high levels of overall deprivation (see map) particularly in the North, East and South West.
- The Index takes account of several factors affecting deprivation.



Housing is less affordable

- In predominantly rural areas the average lower quartile house price was 8.8 times the average lower quartile earnings in 2018, compared with 7.5 times in predominantly urban areas (excluding London).

Lower average earnings for those working in rural areas

- Average earnings for those living in rural areas is higher than for those living in urban areas.
- However, for those working in rural areas average earnings are lower.