

Written Evidence – Professor Tom Kirchmaier and Carmen Villa-Llera (PTC0011)

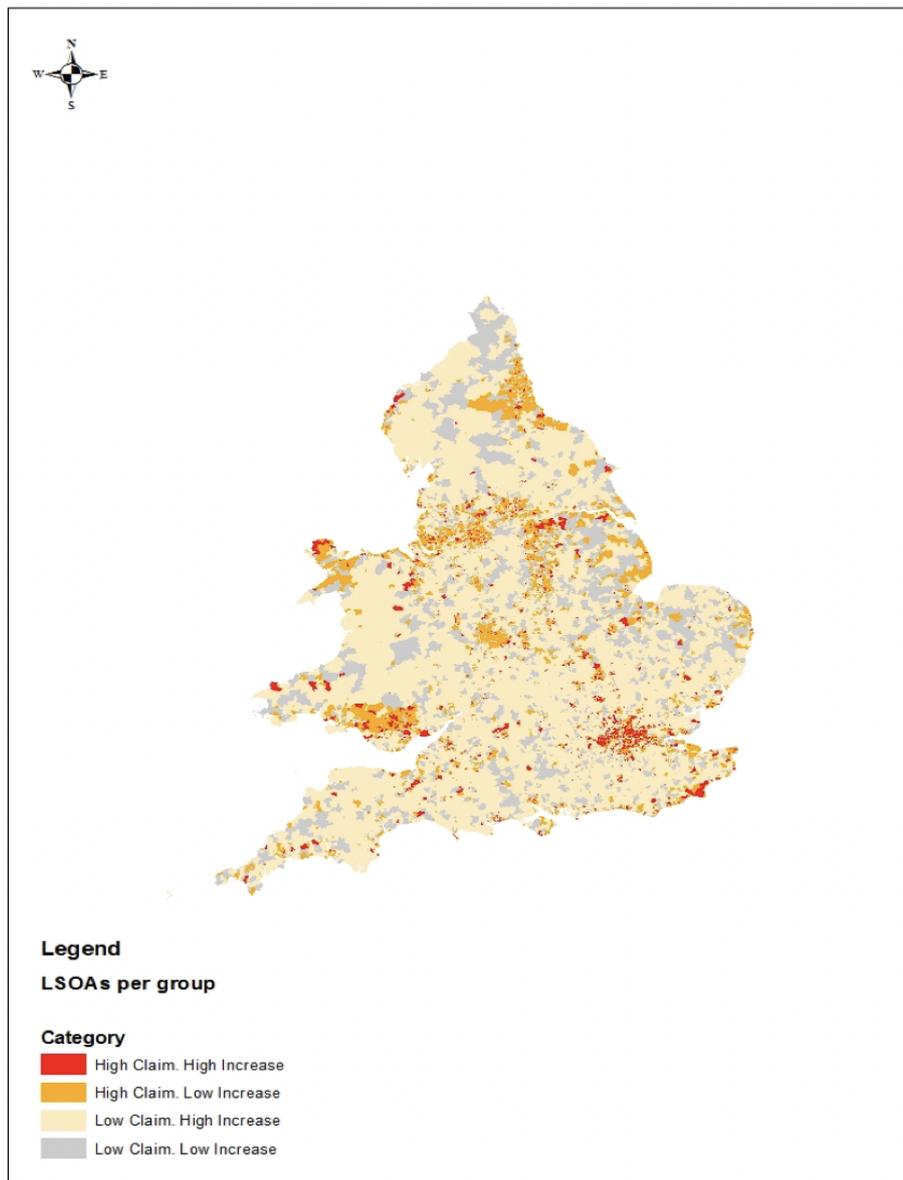
The Effect of the Pandemic on Towns and Cities

Centre for Economic Performance, London School of Economics and Political Science

- In this short submission we focus on the Committee’s interest in the changing nature of employment, providing context based on our research on crime during the pandemic. Our research sets out concerning correlations between areas with high, and increased, levels of unemployment, and rising levels of crime during lockdowns. The research further points to where central, regional and local government should target employment initiatives to limit negative post-pandemic effects. We would be happy to provide further details to the Committee for this, or a future, inquiry.
- Our research clearly indicates that unemployment and crime correlate strongly. In the short run, increases in unemployment may change incentives to commit crime either through economic need or out of frustration. In the longer-run, poverty and growing up in deprived environment contributes to the normalisation of crimes, and the joining of gangs, among other entries into criminality. By better tackling the unemployment problem in the UK, the Government will see significant positive knock-on effects on many of the problems that negatively impact wellbeing and prevent growth in the UK.
- In 2020 we analysed the impact of lockdown on claimant and furlough figures in England and Wales and uncovered great heterogeneity in job loss through the pandemic.
- The map in this link (<https://benjamingebert.carto.com/builder/528add57-e851-44cd-89f1-33e21c3eae9/embed>) visualises the important spatial differences in claimant count increases per Lower Layer Super Output Area (LSOA) from March to September 2020, as well as in furlough take-up rates.
- While furlough take-up was scattered evenly across the country (in the sense that socio-economic determinants do not appear to strongly predict which areas were more likely to take up furlough), the claimant count increase took place in areas with relatively lower levels of unemployment pre-pandemic and with higher levels of Black populations.
- In order to correlate these changes in employment rates with crime, we used a data-driven process to divide the country into 4 groups. Using the pre-pandemic level of claimants, and calculating the increase in claimants during the pandemic, allowed us to break England and Wales into:
 - Areas with low level of claimants pre-pandemic and below-median increase
 - Areas with low level of claimants pre-pandemic and above-median increase
 - Areas with high level of claimants pre-pandemic and below-median increase
 - Areas with high level of claimants pre-pandemic and above-median increase

- The last group (high-risk group) is characterised by lower levels of educational attainment, a proportionately higher Black and Asian population, a higher proportion of lone parents and worse health. A map of the distribution of these areas is included below in Figure 1 and can be shared in higher resolution.

Figure 1- Map of England and Wales – LSOAs per category according to claimants average rates 2017-Jan 2020, and increase in claimant count March-Sep 2020



- Our key question for the Committee’s inquiry was whether the pandemic had affected differentially these areas in terms of crime counts and rates. For that we set up a difference-in-differences model such that, considering each of the area’s characteristics (mean crime levels), as well as week-month trends, we could learn whether crimes were on average higher or lower during and after lockdown in each of these areas. The formal equation and results can be found in Kirchmaier and Villa-Llera, 2020.

- Our most interesting (and concerning) result for policymakers is that the most vulnerable areas (with high pre-pandemic unemployment, and an above-median increase during the pandemic) experienced higher anti-social behaviour, bicycle thefts and increased drug offences after the first lockdown.
- Furthermore, while across the country social distancing measures have been reflected in a decrease in various other acquisitive crimes, this decrease is smaller in these areas. That is also the case for violent offences which have decreased overall but are concentrated more and more in these high-risk areas.
- Going forward, we expect that the high uncertainty, together with lasting difficulties in the labour market will continue to impact negatively on many different parts of the country. Lockdown easing and the return of sports events, together with the continuous turmoiled drug market will mean higher demand for policing across the country, and in the most deprived areas most strongly.
- This evidence should give a strong impetus for all layers of government to target employment and skills policies and programmes on these areas of the most concern.

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