

REPORT TO: PLACE SCRUTINY COMMITTEE
Date of Meeting: 12 January 2017
Report of: Economy & Enterprise Manager, Growth & Enterprise
Title: Unemployment in Exeter

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive.

1. What is the report about?

1.1 To update members on the levels of unemployment in Exeter, comparing the city with our neighbours and against regional and national trends.

1.2 This report also provides an update on the support available to people who are currently unemployed in Exeter.

2. Recommendations:

2.1 That Members note and comment on the report and agree to a watching brief through an annual update on unemployment within the city, unless trends change.

2.2 Work more closely with the Exeter & the Heart of Devon Employment & Skills Board and Innovation Exeter to increase skills levels, salary levels and productivity within the city.

3. Reasons for the recommendation:

3.1 That Members are made aware of any issues and trends regarding unemployment within the city and the impact this has on the city.

3.2 Going forward, Members are aware of changes within the employment sector within and surrounding Exeter.

4. What are the resource implications including non financial resources.

4.1 There are no financial or significant personnel implications as a result of this report. The Economy & Enterprise Manager keeps a monthly watching brief on unemployment levels within the city and the surrounding area, which are reported to SMT on a monthly basis.

5. Section 151 Officer comments:

5.1 There are no financial implications contained within this report.

6. What are the legal aspects?

6.1 None identified.

7. Monitoring Officer's comments:

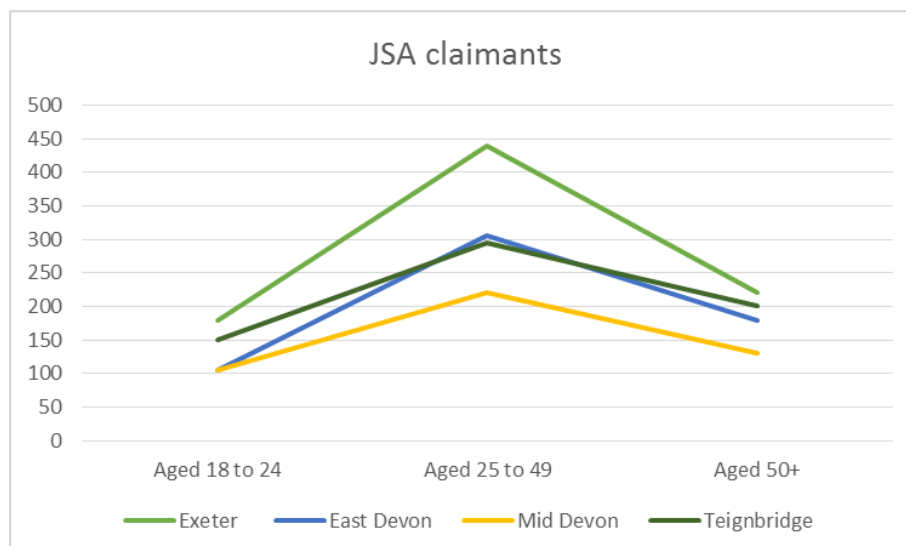
7.1 This report is in line with the Executive’s decision regarding the development of the Greater Exeter Growth and Development Board and as such it raises no issue for the Monitoring Officer.

8. Unemployment trends in Exeter

8.1 Being long-term unemployed is damaging to an individual, their family and the community in which they live. Research suggests that being unemployed affects mental and physical health, and holds back economic growth. Older people who are out of work can find it more difficult to get a job and they are more likely than younger people to remain unemployed for longer. The graph below shows the number of Job Seekers Allowance (JSA) claimants for Exeter & the Heart of Devon (EHOD) for October 2016. The highest proportion of JSA claimants are within the 25 to 49 age bracket for all four local authority areas.

As a percentage of the population who claim JSA, Exeter is joint top with Mid Devon:

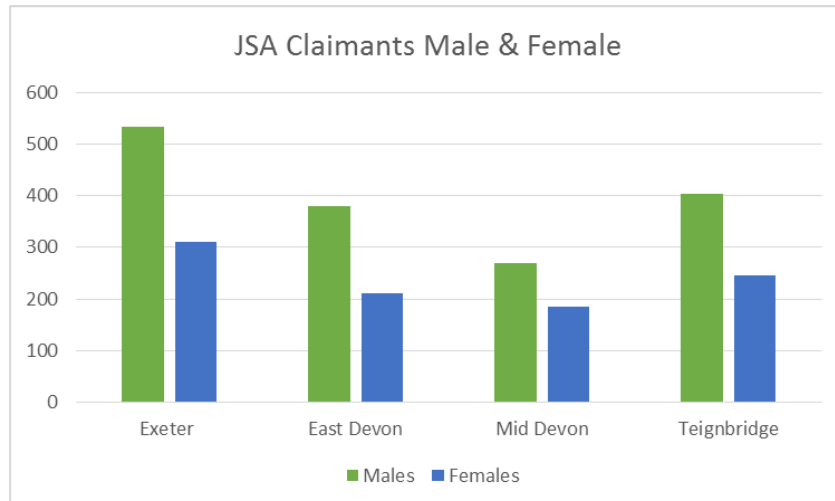
- Exeter – 1.0%
- Mid Devon – 1.0%
- Teignbridge – 0.9%
- East Devon – 0.8%



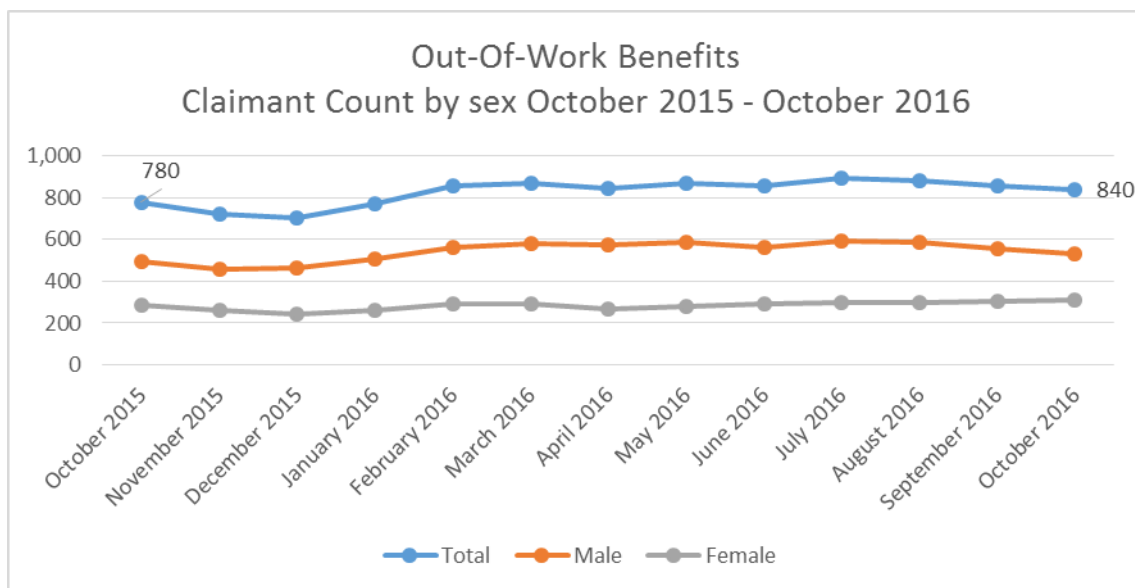
8.2 A comparison of Exeter against other locations, regionally and nationally can be seen in Appendix 1.

8.3 The table below gives a breakdown of male and female JSA claimants for all four local authority areas for October 2016. The number of JSA claimants for neighbouring local authorities have all risen in the previous 12 months.

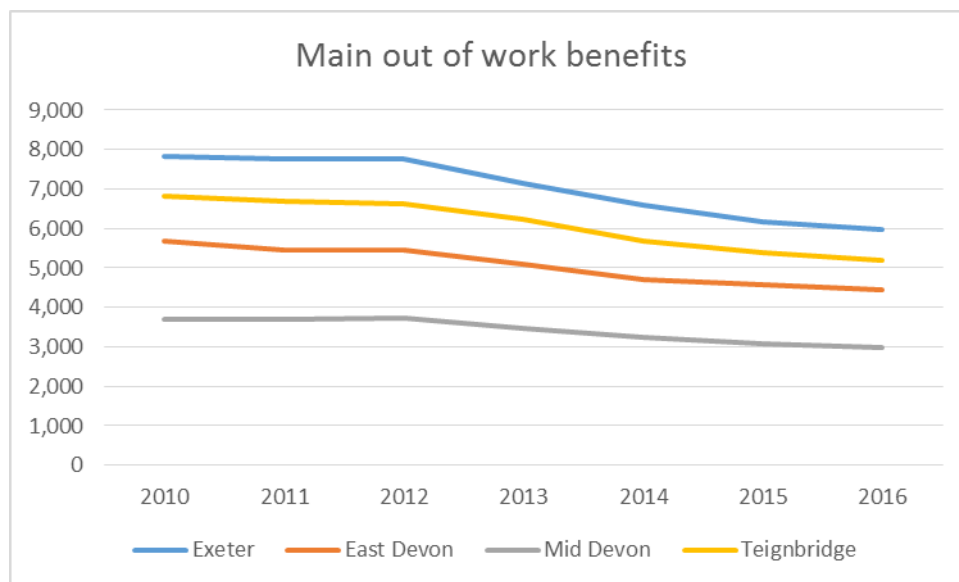
- Teignbridge: risen from 605 to 640 (5.79%)
- Mid Devon: risen from 375 to 450 (20%)
- East Devon: risen from 555 to 590 (6.31%)
- Exeter: risen from 780 to 840 (7.69%)



8.4 The table below show the male and female breakdown of JSA claimants for Exeter for the previous 12 months. The number of JSA claimants in Exeter has risen by 60 in the previous 12 months, from 780 to 840, a rise of 7.69%. Both male and female claimants have risen equally over this period of time. The rise in the number of JSA Claimants in January and February is due to seasonal Christmas employment opportunities ceasing and people resigning after the Christmas period. This reduced slightly April but didn't manage to reach post-Christmas levels.



8.5 The full range of out of work benefit claimants in Exeter has reduced by just over 23% comparing 2010 to 2016 and by just over 16% comparing 2013 to 2016. Within neighbouring local authorities the number of main out of work benefits have also reduced, as shown in the graph and table below.



	Comparing 2010 to 2016	Comparing 2013 to 2016
Exeter	-23.72%	-16.25%
East Devon	-21.52%	-12.57%
Mid Devon	-19.95%	-14.66%
Teignbridge	-24.05%	-16.99%

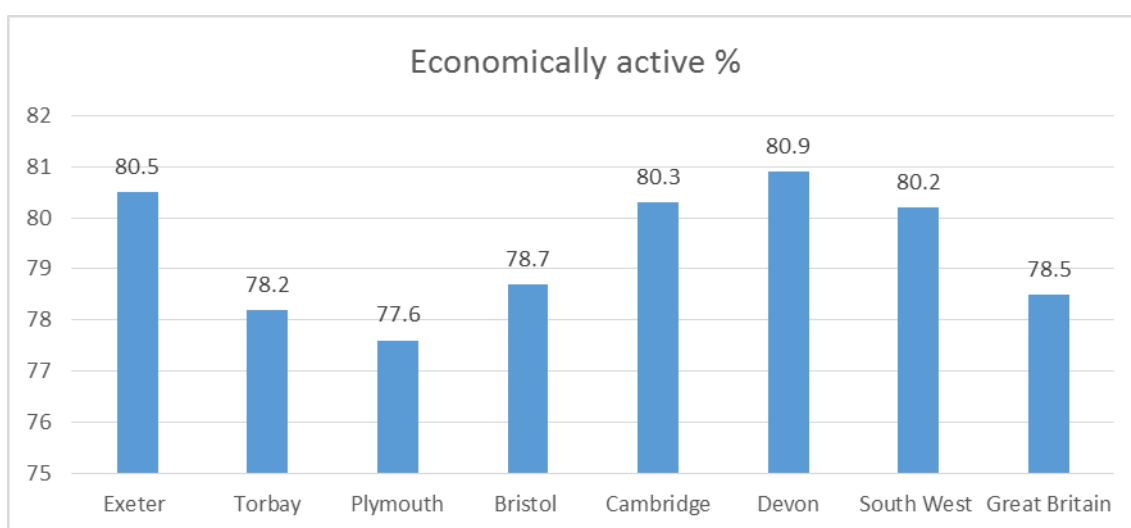
8.6 A comparison of Exeter against other locations, regionally and nationally can be seen in Appendix 1.

8.7 Data on main benefit claimants is released every quarter by government, and includes:

- **Job Seekers Allowance (JSA)**
 - People can apply for help while they are looking for work. To receive JSA they usually have to be 18 or over, be available for work and meet the rules for eligibility. When applying for JSA the claimant must go to an interview and accept a Claimant Commitment, an agreement that the claimant will complete certain tasks, eg make a work plan.
- **Employment & Support Allowance**
 - If someone is ill or disabled, ESA offers them financial support if they are unable to work, and personalised help so that they can work if they are able to do so.
- **Incapacity Benefit**
 - This benefit is gradually being replaced with ESA (above).
- **Lone Parent**
 - Available if an individual meets specific conditions such as: if they and their partner have no income or a low income, are working less than 16 hours a week and you haven't signed on as unemployed.
- **Carers**
 - Carer's allowance is available to help look after someone with substantial caring needs. They must be 16 years old or over and spend at least 35 hours a week caring for them

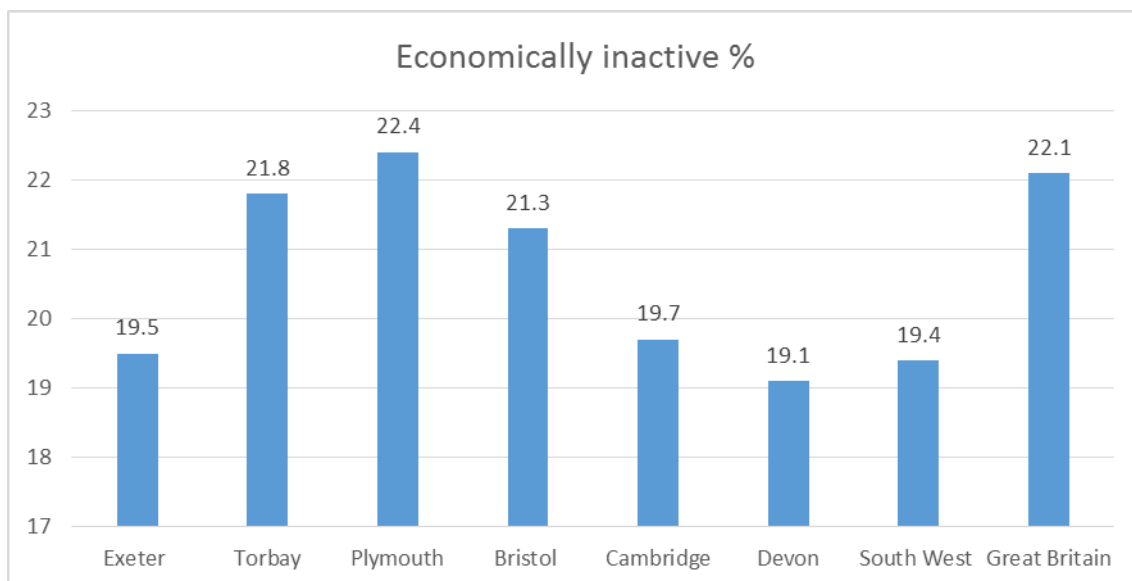
- **Disability Living Allowance**
 - Personal Independence Payment (PIP) is gradually replacing this benefit. It helps with some of the extra costs caused by long-term ill-health or a disability. The allowance depends on how a condition affects a person, not the condition itself.
- **Bereavement Payment**
 - If a husband, wife or civil partner has died you may be able to receive a one-off, tax-free, lump-sum payment of £2,000. If the claimant is on low income they may get Funeral Payment to assist paying for a funeral. A claimant might be able to claim Bereavement Allowance (previously known as Widow's Pension) if they are widowed between 45 and State Pension age.
- **Others on income related benefit**
 - Available to those on a low income, that claim Council Tax benefit, Pension Credit and Housing benefit.

8.8 The graph below shows the percentage of the total population who are economically active within Exeter and comparing the city to other locations and regionally and nationally. Economically active people are either in employment or unemployed aged between 16 and 64. Exeter fairs very well locally and against other significant locations and nationally. Independent research has shown that Exeter is the economic powerhouse for the wider region and supports the economy of Devon.



- 8.9 Economically inactive people are neither in employment nor unemployed and could include people:
- who are looking after a home or retired
 - not in employment who want a job but are not classed as unemployed because they have either not sought work in the last four weeks or are not available to start work
 - who are neither in employment nor unemployed and who do not want a job.

Again, Exeter fairs well comparing the city to other locations.



8.10 Due to Exeter and the surround local authority areas having near full employment, future projects and initiatives through the Growth & Enterprise team will focus on working in partnership with the Employment & Skills Board, Innovation Exeter and our neighbouring local authorities, to raise productivity (GVA per job) through increasing skills and wage levels within and surrounding the city. This is the subject of another report to this committee - **Exeter & the Heart of Devon, a shared economic strategy. A Collaborative Approach to Growth & Productivity 2017 - 2020.**

9. Specialised local support available to assist young people back into employment

9.1 Government initiatives, and some local ones, are assisting people back into work or training covering a wide range of ages, some are listed below, with the majority featured within Appendix 2 and 3.

9.2 There are a wide range of initiatives and projects that are developed and managed locally, addressing issues for key sectors of the community. There are three specific projects for supporting young people addressing opportunities to gain employment, based around sport and activity: The majority of national projects and initiatives are delivered by JobCentre Plus.

BEEP

9.3 BEEP (Business Empowering Employment Programme) is a 10 day programme delivered by Motiv-8 South West and Sampson Hall through experiential learning with fun and engaging practical activities that get young people ready and fit for work. BEEP is a continuation of the success REEP (Rugby Empowering Employment Programme), which was delivered as part of the Rugby World Cup 2015 legacy programme.

9.4 The programme focuses on:

- giving the right first impression
- setting goals and motivating yourself
- being a team player
- building self confidence
- learning to budget

- health, fitness and well being

Each participant is partnered with a buddy/mentor from the local business community to assist them in gaining employment during and after the programme.

HITZ Rugby

9.5 HITZ Rugby is an award winning national programme that tackles some of the challenges young people face on a day to day basis. Delivered nationally by Premiership Rugby, HITZ uses rugby to increase young peoples' resilience, self-reliance and self confidence. It gives young people aged 16 – 18 years old the skills they need to get back into education, vocational training, apprenticeships and employment. Through the programme young people will:

- develop confidence, communication, maths, English and teamwork skills
- achieve a Level 1 Diploma in Sports & Active Leisure
- take part in weekly personal social development sessions
- develop work based skills in employability sessions
- gain work experience in the sports and active leisure industry

9.6 Referrals are from youth offending teams, probation and social/youth services. There is a commitment for young people to attend for 50 weeks. HITZ Ambassadors (professional rugby players) from Exeter Chiefs attend sessions to provide inspiration and offer training sessions for the attendees.

Exeter City Community Trust

9.7 Over the previous five years Exeter City Community Trust (formerly Football in the Community) has delivered a number of mentoring, leadership and employability programmes for young people and adults in the greater Exeter area, using sport and physical activity to engage with participants. Many courses were delivered in partnership with Active Devon, Devon County Council and The Dame Kelly Holmes Trust, using key local partners and business contacts to provide real-life experiences and opportunities for young people.

9.8 The Trust also deliver a highly successful 14-16, post 16 (BTEC) and higher education (FdA) programme in partnership with Exeter College, with over 130 young people enrolled across all courses. Again, using the combination of sport and physical activity as a way to keep young people engaged with full-time education. Many of the students that enrol on these courses are offered full-time and part-time/casual work with the Trust following the completion of their studies.

9.9 Working on 'hard to reach' programmes, which are funded by the Premier League, has allowed the Trust to engage with young people aged 8-19 years in areas of deprivation across the greater Exeter area. Staff and first team players are utilised as positive role models to promote the importance of training, leadership, education and hard work.

9.10 The Trust employs a number of apprentices that work across a broad spectrum of community work, which have led to the creation of full-time and part-time roles for the young people when their course finishes. The Trust is launching a new traineeship programme January 2017 which will allow 16-18 year old NEET participants the opportunity to undertake a 12 week placement where they will go through a list of short courses and qualifications, such as functional skills, employability modules and sports coaching courses, which will help to create a pathway into employment, further education courses or an apprenticeship.

9.11 Finally, the National Citizen Scheme is a government funded initiative offering a once in a lifetime opportunity for young people aged 15-17 over their summer holiday or autumn/spring half-term which is delivered through the Trust. The project mixes young people from over 30 different schools and colleges from across the area, taking them out of their comfort zone and their local community on two residential adventure weeks. Following the initial two weeks, the programme combines outdoor physical activities with the opportunity to discover more about their community and also important life-skills for the future. The course finishes with a week of action, where the young people raise awareness and funds for local charities, organisations and community groups.

10. How does the decision contribute to the Council's Corporate Plan?

10.1 Local and national projects and initiatives listed within this committee report are aimed at getting people back into employment and or training. These tie into the purpose of 'Help me with my financial and housing problem' and 'Help me run a successful business', and covers the Portfolios of:

- Customer access
- Economy & Culture
- Communities & Neighbourhoods

11. What risks are there and how can they be reduced?

11.1 The Economy & Enterprise Manager monitors trends related to unemployment on a monthly basis, which now includes neighbouring local authority areas. If there are any unusual changes, these will be discussed with JobCentre Plus, Exeter & the Heart of Devon Employment Skills Board, Devon County Council and the Local Enterprise Partnership to determine support that could be made available to people recently unemployed or those experience long-term unemployment.

11.2 The Growth & Enterprise team also work closely with businesses based within the city through the Exeter Key Employer Programme. Staff visit a wide selection of businesses on an annual basis to help and assist them with any issues that may affect them, which may result in them relocating elsewhere or closing down.

12. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

12.1 Projects and initiatives referred to within this report are being delivered across the city and across a wide range of communities, with some initiatives directed towards improving opportunities for young people, lone parents and people with disabilities.

13. Are there any other options?

13.1 None – it is advised to continue to monitor trends on a monthly basis and report back to Place Scrutiny Committee on an annual basis or when appropriate if there are any marked changes in the situation.

Victoria Hatfield, Economy & Enterprise Manager

Background papers used in compiling this report:-
None

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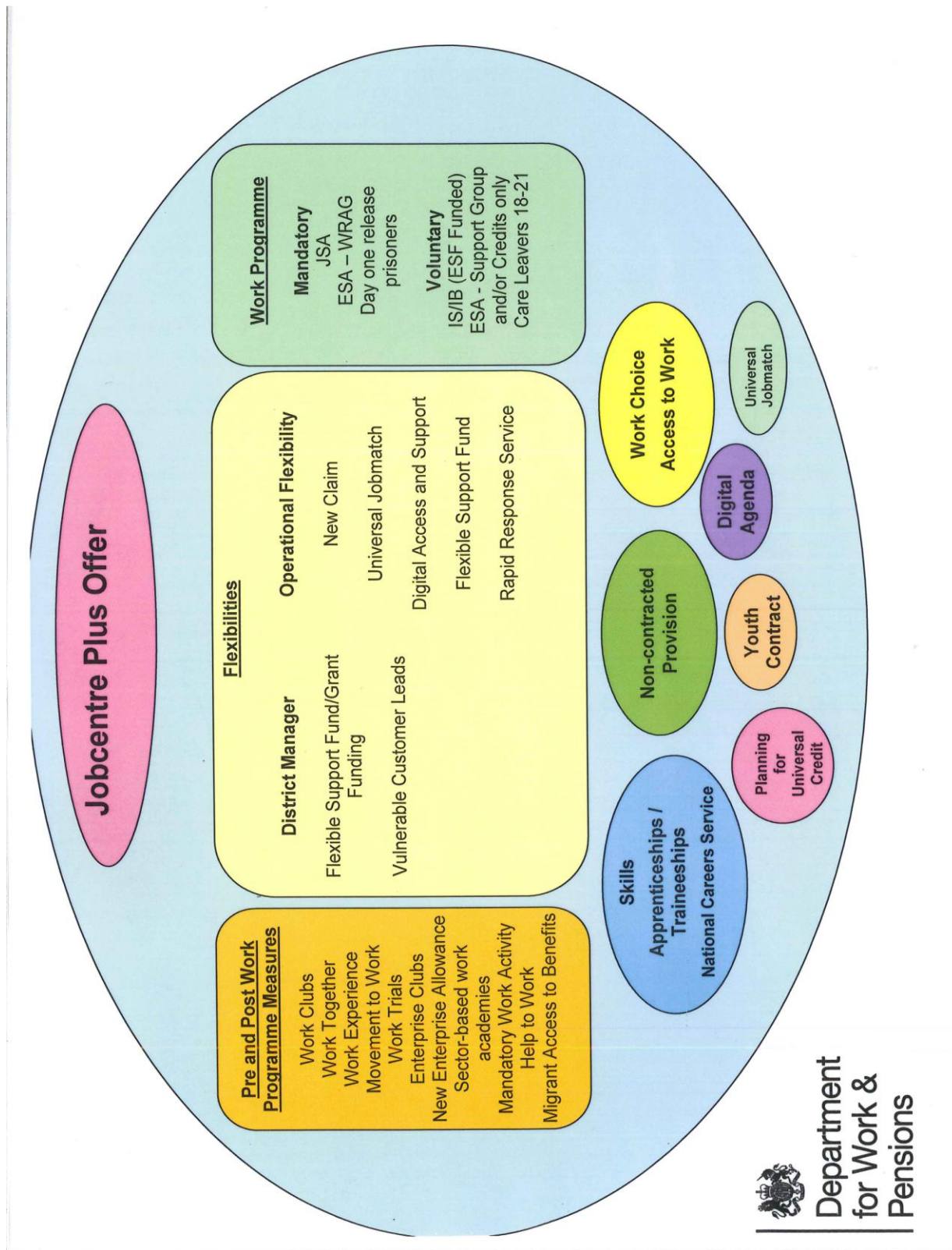
APPENDIX 1

Population, benefit claimant data and salary averages for Exeter the wider area (October 2016)

	Exeter	East Devon	Mid Devon	Teignbridge	Torbay	Plymouth	Bristol	Cambridge	Devon	South West	Great Britain
Total population	127,300	138,100	79,500	128,800	133,400	262,700	449,300	130,900	773,100	5,471,200	63,258,400
Working age population 16-64	87,800	75,300	46,900	75,000	76,800	170,000	306,300	94,900	457,700	3,344,700	40,066,400
Economically active	68,900	70,400	43,600	68,300	61,900	134,800	246,300	76,800	398,100	2,817,000	32,511,000
Economically active %	80.5	85.6	87	83.4	78.2	77.6	78.7	80.3	80.9	80.2	78.5
Economically inactive	16,600	10,800	6,100	12,100	16,300	38,000	65,000	18,400	87,100	640,900	8,801,400
Economically inactive %	19.5	14.4	13	16.6	21.8	22.4	21.3	19.7	19.1	19.4	22.1
Total benefits claimants	7,940	6,290	4,270	7,430	13,260	24,900	36,010	5,920	43,420	338,190	4,610,800
Jobs density	1.2	0.81	0.77	0.71	0.75	0.77	0.97	1.19	0.87	0.86	0.82
JSA Claimants	840	590	450	650	1415	3,755	5,210	680	4,035	40,025	733,635
Males	535	380	270	405	975	2,420	3,295	440	2,550	25,240	459,450
Females	310	210	185	245	440	1,335	1,915	235	1,490	14,785	274,180
Aged 18 to 24	180	105	105	150	280	915	1,020	120	870	9,030	165,990
Aged 25 to 49	440	305	220	295	700	1,995	3,005	355	1,960	20,480	390,130
Aged 50+	220	180	130	200	430	830	1,180	200	1,195	10,415	176,150
Residence weekly Pay	526.40	519.50	499.40	455.40	443.30	481.50	526.80	589.10	484.50	513.20	541.00
Workplace weekly pay	547.80	485.00	442.00	429.40	421.80	519.80	536.60	612.70	477.10	505.00	540.20

APPENDIX 2

Exeter JobCentre Plus support available



APPENDIX 3

Exeter JobCentre Plus support available

Flexible Support

- District Managers have the autonomy to use resources at their disposal to provide the support needed locally
- Advisers have greater flexibility to;
 - work with claimants to identify barriers to employment
 - use the menu of support & flexibility around interviews depending on claimant need

Flexible Support Fund

- funding support at the discretion of the District Manager
- is a key enabler to meet claimant & partner needs in order to maximise off flows into work
- can help with childcare and/or transport costs
- Grant Funding enables Jobcentre Plus (JCP) to support partnership activity through one-off contributions to the cost of the partnership

Work Clubs

- organised by voluntary organisations, partners & employers
- encourages claimants to share experiences & jobsearch skills, identify opportunities & make contacts

Work Together

- enable claimants to develop new work skills/experience through volunteering & to build their confidence

Work Experience

- JCP is working with employers to provide voluntary opportunities for young claimants including 16-17 year olds on JSA
- Adviser discretion to refer 25+ claimants
- will help claimants gain an insight into the world of work & offer 2-8 week work placements extendable to 12 weeks for 18-24 year olds to support an apprenticeship start

Movement to Work (MtW)

- As part of the national Movement to Work programme the Civil Service has agreed to offer 6,000 MtW 4-6 week work placements in 2014/15 for NEETs between the ages of 18 and 24

Enterprise Clubs

- will encourage claimants to exchange ideas and skills, share experience & work through their business ideas

New Enterprise Allowance

- to support claimants from day 1 who wish to start their own business
- business mentors will provide guidance and help develop the business plan through early stages of trading
- an allowance worth up to £1275 will be payable for the first 6 months of trading
- a loan of up to £1000 is also available to help with start up costs

Sector-based work academies

- will offer accredited, sector-specific pre-employment training, work experience and a guaranteed interview

Mandatory Work Activity

- For claimants who need support to gain work related discipline and focus their jobsearch. Up to 4 week placements are an option.

Rapid Response Service

- provides support to people/employers affected by redundancy or other workforce management measures

Work Choice

- provides long-term help and tailored support for individuals with more complex disability needs

Access to Work

- assists disabled people who are in paid employment (or with a job or Work Trial to start) by providing practical support in overcoming related obstacles from disability
- may contribute towards additional employment costs resulting from disability

DWP European Social Fund

- The DWP European Social Fund is investing in jobs and skills – focusing on people who need support the most and helping them fulfil their potential, transforming lives through better skills and better job prospects.

Lone Parent Obligations

- Lone parents with children over 5 are no longer eligible to claim IS solely on the grounds of being a lone parent and need to claim another benefit if they are not in paid employment
- Support is provided to those lone parents who have a youngest child aged under five and who are claiming Income Support on the grounds of being a lone parent
- some will still be eligible if they receive carers allowance, have a foster child or a child entitled to DLA middle or higher rate care component

Support for 16-17 Year Olds

- government announced initiatives that will provide;
 - early access to the Work Programme for vulnerable 18 year olds
 - increased support for NEETs
 - a yearly £10 million DWP Innovation Fund

Skills Conditionality

- JSA and ESA WRAG claimants who have skills need preventing them moving into work should be mandated

to skills provision funded by SFA where the need is less clear

- sanctions may be applied to claimants who fail to attend, participate or complete provision

Youth Contract

- is a package of support for unemployed people that builds on support already available via JCP and the Work Programme
- includes a number of key elements;
 - an extra 250,000 Work Experience or sbwa placements over the next 3 years with an offer of a Work Experience placement for every 18-24 year old who wants one before entering the Work Programme

JSA Full Time Training Flexibility

- allows claimants who have been claiming JSA for 6+ months and have been mandated as part of Skills Conditionality to take part in training of up to and including 30 hours per week and remain on JSA, as long as the training is for 8 weeks or less

Work Programme

- contracted service providers have the autonomy to decide how best to support claimants
- a radical change to payment by results and performance measures
- a coherent package of provision complimenting the Get Britain Working measures and JCP support
- eligibility ranges from day 1 for ex-offenders, 3 months (for JSA NEETs, YP, former IB claimants) to 12 months for 25+ claimants. IB/SDA, care Leavers 18-21 from day 1, IS claimants and stock ESA claimants are eligible anytime with all other ESA claimants being eligible from the WCA outcome date

Migrants' Access to Benefits

- Introduced new measures to ensure that only those who clearly establish residence in the UK, and come to the UK to work and have a realistic chance of finding work, are able to access the benefits system.

- For young people aged between 18 – 24 years old who have been unemployed for 12 weeks or more

IB Reassessment

- the key tool to support reassessment is the Work Capability Assessment (WCA)
- the WCA will identify the most severely disabled people and/or with the most severe health conditions & place them in the ESA Support Group
- those assessed as capable of undertaking some work related activity will be placed in the ESA Work Related Activity Group
- those assessed as fully capable of work will be invited to claim JSA, claim/remain in IS if they satisfy an alternative condition of entitlement, or move off benefits

Help to Work

- A package of measures to maintain the momentum to help claimants enter employment at the earliest opportunity including:-
 - 20 minute Quarterly Work Search Interviews every 13 weeks
 - English language skills screening at new claims and mandates assessments and training for all identified as needed
 - Requirement and help to set up an email address, prepare a suitable CV and to register on Universal Jobmatch
 - additional weekly work search reviews, the focus given to those who need extra support or who are not fully engaging with the system.
 - Increased Lone Parent conditionality
 - three intensive support options for Work Programme completers.
 - the Mandatory Intervention Regime
 - Daily Work Search Reviews or
 - Community Work Placements

Personalised Mentoring Project

Universal Jobmatch

(www.gov.uk/jobsearch)

An important part of DWP's digitalisation agenda, the web-based job posting & matching service delivered by Monster for jobseekers and companies

Universal Credit

- will be a single income-related payment reflecting a claimant's circumstances rolling out nationally from February 2015
- replaces IS, income-based JSA & ESA, Housing Benefit, Child & Working Tax Credits as a single payment
- will be withdrawn as earnings rise at a rate of 65p per pound net earnings
- designed to ensure work will always pay
- UC has been successfully rolled out to many Pathfinder sites including Bath and includes both single and couples claiming benefits
- the Claimant Commitment places a strong focus on the responsibilities that claimants must fulfil.

Digital Agenda

- work is underway for claimants of JSA, ESA, IS, DLA, AA and CA to be able to set up an account online, track claim/appeal progress, access a full breakdown of their award & taxable benefits, check payment dates & history and report changes of address and/or payment method
- current services available online include;
 - State Pension online (via Gov.uk website), JSA and Universal Credit online, jobsearch (via Universal Jobmatch), online Benefits Adviser entitledto.co.uk, Rapid Reclaims, Child Maintenance & Enforcement Commission and associated claims

to Housing and/or Council Tax
Benefit

- Jobcentres have installed over 6000 Wi-Fi enabled Web Access Devices to support claimants to make a claim online and for their jobsearch.