

REPORT TO: SCRUTINY COMMITTEE ECONOMY
Date of Meeting: 18 June 2015
Report of: Economy & Tourism Manager, Economy
Title: Unemployment in Exeter

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive. This report is for information only.

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 Going forward, data will be collected and reported on for the wider area of Exeter, East Devon, Mid Devon and Teignbridge.

2.3 A report is brought back to Scrutiny Committee Economy detailing trends in employment, salary levels, skills and qualifications for Exeter and the wider area, with comparisons nationally.

3. Reasons for the recommendation:

3.1 That Members are made aware of any issues and trends regarding unemployment within 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 & Tourism Manager keeps a monthly watching brief on unemployment levels within the city, which are reported to SMT on a monthly basis.

5. Section 151 Officer comments:

5.1 There are no financial implications contained in this report.

6. What are the legal aspects?

6.1 None.

7. Monitoring Officer's comments:

7.1 This report raises no issues of concern to 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, as shown within graph 2 within this report.

8.2 The following tables and graphs give you a visual representation of the numbers and trends in Jobseekers' Allowance and Key Benefit Claimants, of those living in Exeter over an 18 month period.

8.3 The number of claimants in Exeter had reduced by 31.69% (from 1,240 to 847) across the board over the previous 12 months, as shown in the table below and within Appendix 1. The most notable reduction is with people claiming JSA for 6 – 12 months a reduction of 58.43% (from 175 to 85) and people claiming JSA for 12 months plus +, a reduction of 57.89% (from 285 to 120).

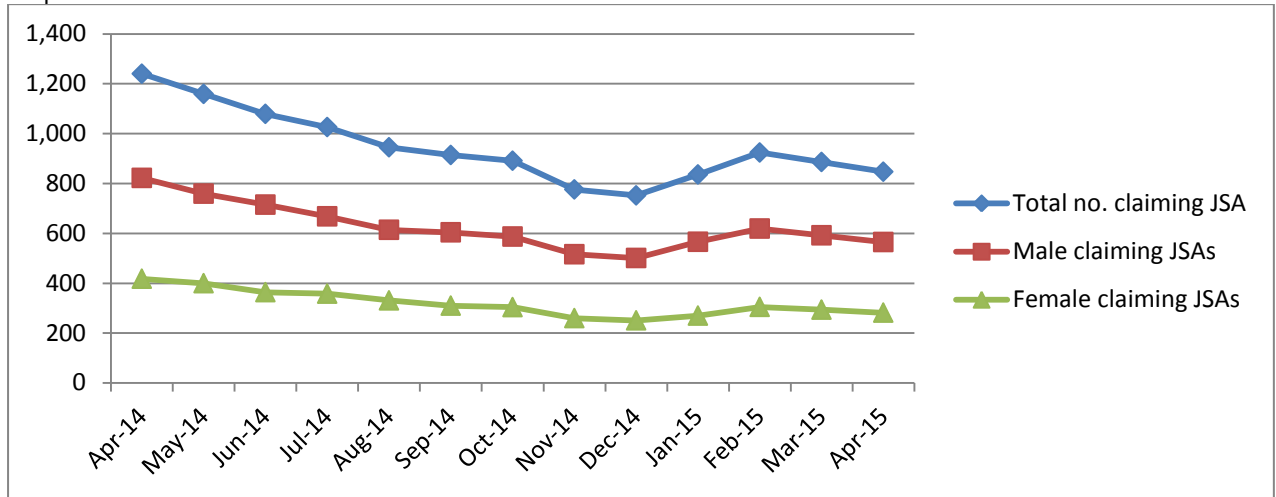
8.4 The table below highlights changes within unemployment over the previous 12 months within Exeter, and comparing the city with the rest of the South West. The city has fared well for those claiming JSA for 6 months or more, reducing by over 50% for both categories: 6 – 12 months and 12 months +.

April 2015 compared to April 2014	Exeter	South West
Number of JSA claimants	-31.69%	-35.48%
Number of male claimants	-31.27%	-35.58%
Number of female claimants	-32.54%	-35.29%
JSA claimants for less than 6 months	-17.15%	-28.15%
JSA claimants for 6 – 12 months	-58.43%	-43.51%
JSA claimants for 12 months +	-57.89%	-43.20%
JSA claimants aged 18 – 24 years	-39.29%	-40.64%
JSA claimants aged 25 – 49 years	-31.47%	-34.26%
JSA claimants aged 50 – 65 years	-21.28%	-25.55%
Key benefit claimants in Exeter	-5.15%	-5.37%

8.5 Graph one shows the reduction in and the numbers of JSA claimants over the previous 12 months, and the breakdown between male and female. The rise in the number of

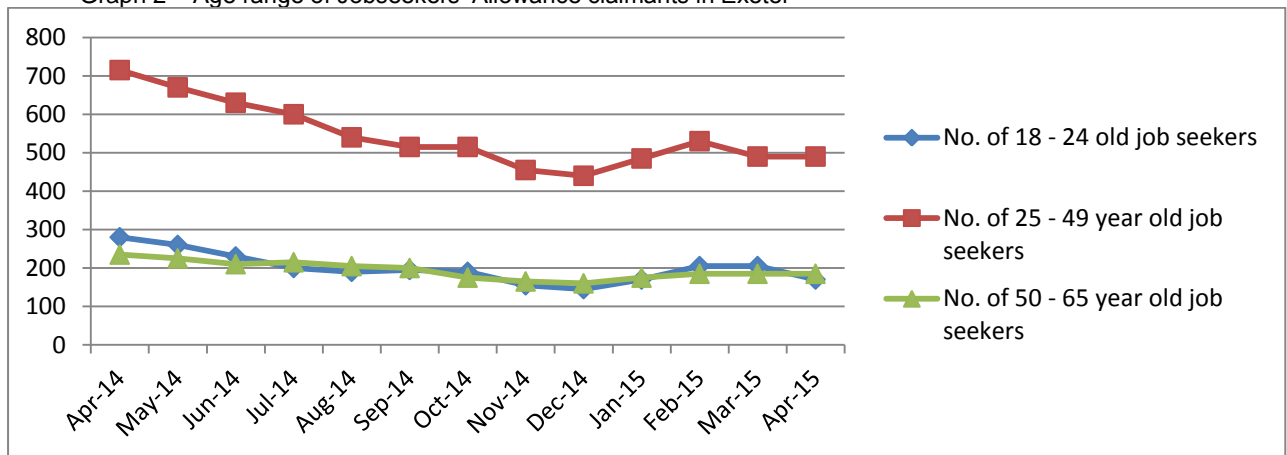
JSA Claimants in January and February 2015 was due to seasonal Christmas employment opportunities ceasing and people resigning after the Christmas period. JobCentre Plus in Exeter expects the decline featured in March and April to continue.

Graph 1 – Overall Jobseekers' Allowance claimants in Exeter



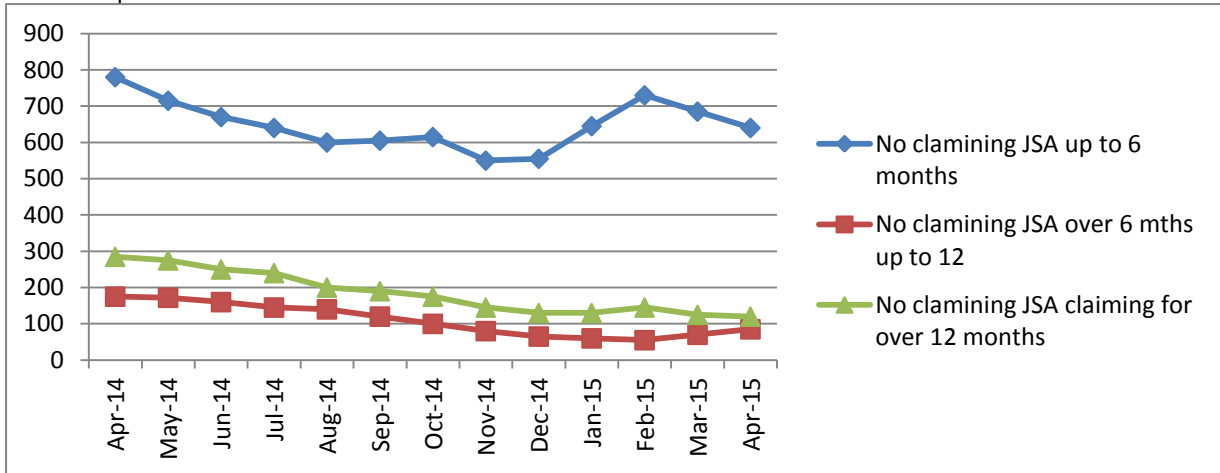
8.6 During 2013 there was a concern regarding the high level of young people aged 18 – 24 years old receiving JSA within the city, as shown in graph 2. Over the previous 12 months this has reduced by over 39% from 280 to 170. There has been a wide range of local and national initiatives that have played their part in getting young people back into employment or training, featured within section 9 of this report.

Graph 2 – Age range of Jobseekers' Allowance claimants in Exeter



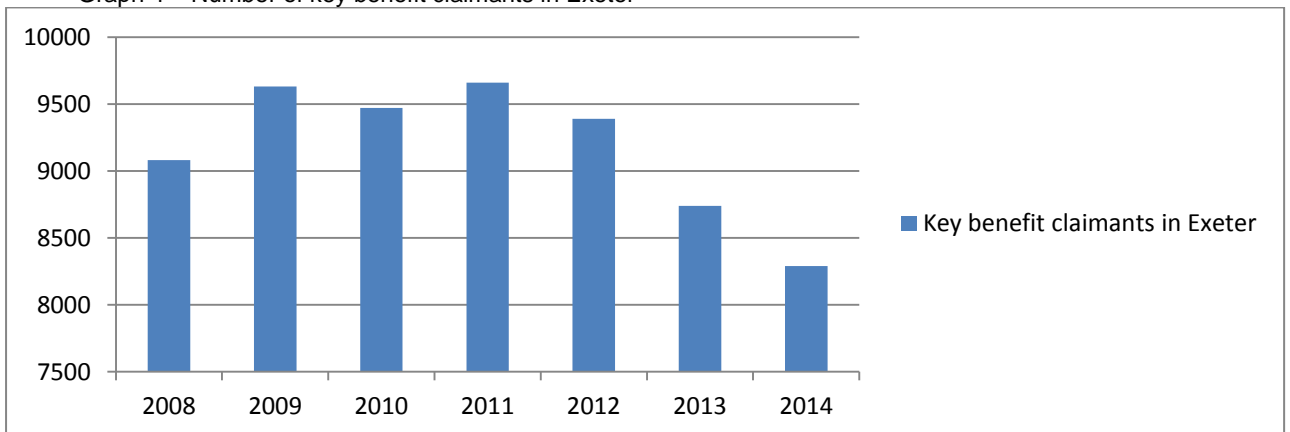
8.7 There was also concern regarding the number of people claiming JSA for long periods of time (12 months +). This has reduced over the previous 12 months by 57.89% from 285 to 120 in April 2015.

Graph 3 – Period of time of Jobseekers' Allowance claimants in Exeter



8.8 The full range of benefit claimants in Exeter has reduced by just over 5% (from 8,740 to 8,290) comparing 2014 to 2013. Within the South West this has reduced by 5.37% (from 378,490 to 358,150) over the same period of time.

Graph 4 – Number of key benefit claimants in Exeter



8.9 Data on key 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.

9. Support available to assist 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.

REEP

9.3 The Exeter & the Heart of Devon Employment & Skills Board, submitted an application to the Local Response Fund (administered by the Heart of the South West LEP) to fund a Rugby World Cup 2015 project for young unemployed people aged 16 – 24 years old living in the city. The application was successful and the scheme was rolled out February 2015 with 9 taking part and completing the programme; and of these 9, 8 being successful in gaining employment. A further cohort took place May 2015, with 5 starting and 4 completing the programme. Numbers were lower for the second cohort due to a recent reorganisation within JobCentre plus and young people not being referred to the programme.

9.4 REEP (Rugby 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. 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

9.5 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

9.6 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

9.7 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.

Football in the Community

9.8 Exeter City FC and Football in the Community run Creating Chances courses in conjunction with Exeter CVS, which works on employability skills and the principals of sports coaching for 16 – 24 year olds. These are six week courses funded by Devon County Council. A new course has started at Petroc College in Tiverton.

9.9 They also run Activity Leadership NVQs for 16-18 year olds that are NEET's (Not in Education, Employment or Training) in the city. This is a 12 week course, with courses running throughout the year.

Personalised Mentoring Project

9.10 From early March 2015 JobCentre Plus in Exeter introduced a Personalised Mentoring Project for young people aged between 18 – 24 years old who have been unemployed for 12 weeks or more. This initiative is part of the Plymouth and Southwest Peninsula City Deal.

Youth Contract

9.11 The £1 billion Youth Contract is available for 18 to 24 years olds who can get extra help, including voluntary work placements, apprenticeships and careers guidance to assist young unemployed people get a job. The purpose of the Youth Contract is to engage with young people who are hardest to reach and support them into education, training or a job with training. The programme also supports 16 and 17 year olds who are not participating in education, employment or training (NEET) and who have:

- no GCSEs at A* - C
- 1 GCSE at A* - C
- young offenders released from custody/serving a community sentence (with 1 or more GCSEs at A* - C)
- young people in care or who were in care (with 1 or more GCSEs A* - C)

Work Together

- 9.12 Job Centre Plus, through Work Together, encourages unemployed people to think about volunteering as a way of improving their employment prospects while they are looking for work.
- 9.13 Flexibility has been introduced so claimants who have been on Jobseeker's Allowance for 6 months or more may attend full-time training and remain on Jobseeker's Allowance rather than moving onto a training allowance. This only applies to training of up to and including 30 hours a week and which lasts for a maximum of 8 weeks.

Work Programme

- 9.14 The Work Programme provides personalised support, work experience and training for up to 2 years to help people find and stay in work.
Eligible candidates for the Work Programme are:
- in receipt of Job Seekers' Allowance for more than 3 months
 - in receipt of Employment and Support Allowance and in the Work-Related Activity Group (where you'll have regular interviews with an adviser)

New Enterprise Allowance

- 9.15 The New Enterprise Allowance was introduced to help unemployed people who want to start their own business. It can provide mentoring support and money to help people start their own business if they are in receipt of certain benefits and have a business idea that could work.

Work Choice

- 9.16 There is support available for disabled people who need more help to find and keep a job, through Work Choice. Money is provided through the Access to Work scheme towards the costs that will help a disabled person do their job

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

- 10.1 The local and national projects and initiatives listed within this committee report are aimed at getting people back into employment and training. These tie into the purpose of 'Help me with my financial and housing problem' and the key actions of:
- Supporting business and economic growth
 - Sharing the benefits of growth

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

- 11.1 The Economy & Tourism Manager monitors trends related to unemployment on a monthly basis, going forward this will also include neighbouring local authority areas. If there are any unusual adjustments, 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.

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 No decision are being undertaken within this report. Projects and initiatives referred to within this report are being delivered across the city and across a wide range of communities - with some initiatives improving young people's health and wellbeing, as well as their employment and training prospects.

13. Are there any other options?

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

Victoria Hatfield, Economy & Tourism Manager

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

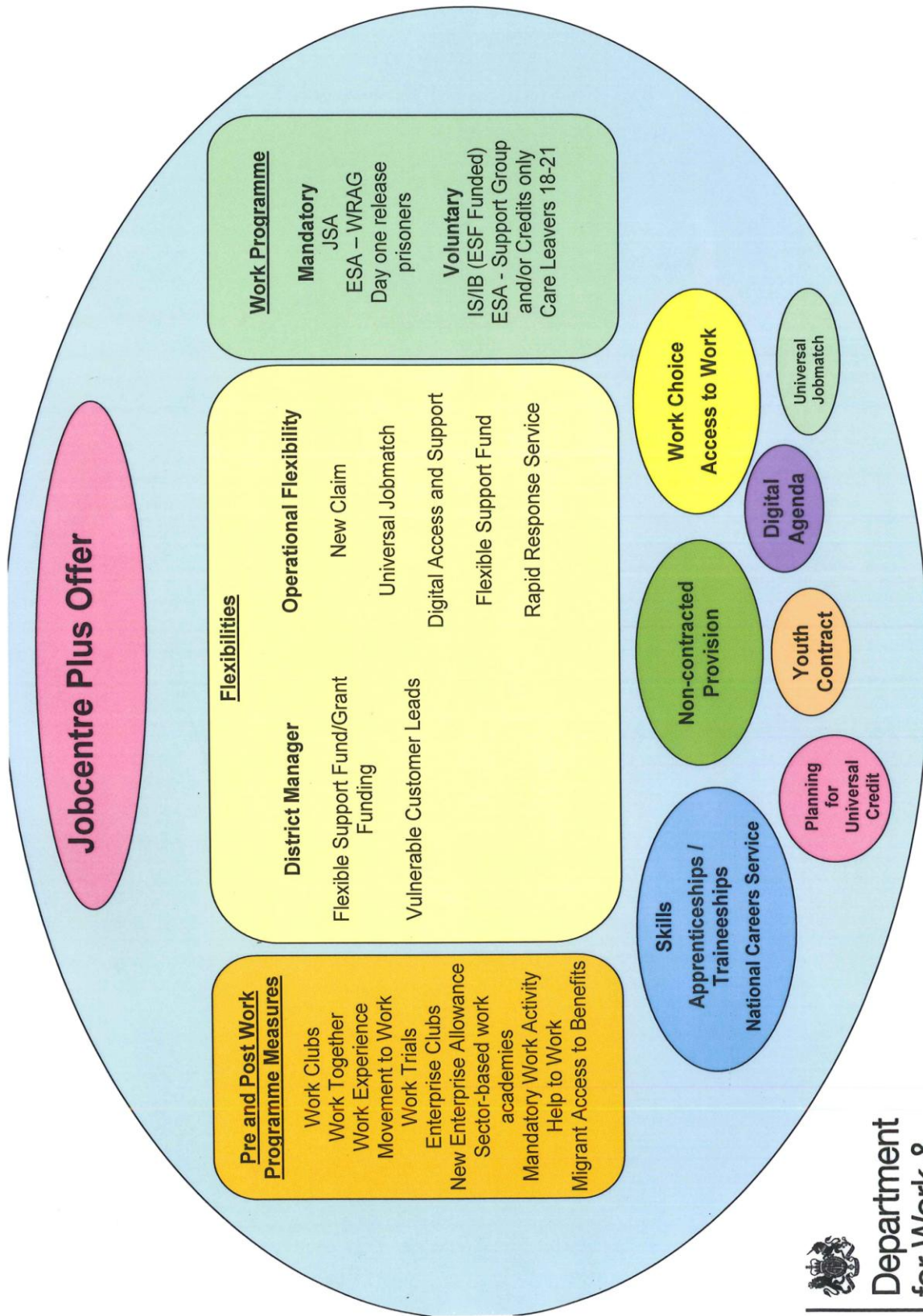
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APPENDIX 1

Population, benefit claimant data and salary averages for Exeter the wider area (April 2015)

	Exeter	East Devon	Teignbridge	Mid Devon	Plymouth	Bristol	Devon	South West	National
Population	121,800	134,900	126,000	78,700	259,200	437,500	758,100	5,377,600	62,275,900
Population aged 16 – 64	83,300	74,400	74,000	46,900	169,300	297,700	452,500		
	68.4%	55.2%	58.7%	59.6%	65.3%	68.0%	59.7%	61.7%	63.8%
Economically active	67,600	60,300	62,800	40,400	137,000	257,100			
	83.1%	80.1%	79.3%	82.5%	77.4%	76.6%	80.3%	80.2%	77.3%
Economically inactive	13,600	14,200	15,400	7,900	39,100	76,800			
	16.9%	19.9%	20.7%	17.5%	22.6%	23.4%	19.7%	19.8%	22.7%
Key benefit claimants	8,290	6,630	7,880	4,520	26,370	40,820			
	10.0%	8.8%	10.5%	9.5%	15.6%	13.7%	10.1%	10.8%	12.5%
JSA claimants	847	576	643	386	3,053	5,928			
	1.0%	0.7%	0.9%	0.9%	1.8%	2.0%	0.9%	1.2%	1.9%
No of males	565	358	390	235	2,073	3,874			
	1.4%	0.9%	1.2%	1.1%	2.4%	2.6%	1.2%	1.6%	2.4%
No of females	282	218	253	151	980	2,054			
	0.7%	0.5%	0.6%	0.7%	1.2%	1.4%	0.6%	0.8%	1.3%
Claiming up to 6 mths	640	440	495	265	1,905	3,640			
	0.8%	0.5%	0.7%	0.6%	1.1%	1.2%	0.6%	0.8%	1.1%
Claiming 6 – 12 mths	85	50	50	35	425	820			
	0.1%	0.1%	0.1%	0.1%	0.3%	0.3%	0.1%	0.2%	0.3%
Claiming 12 mths +	120	85	100	85	725	1,460			
	0.1%	0.1%	0.1%	0.2%	0.4%	0.5%	0.1%	0.2%	0.5%
No. Of 18 – 24 year olds	170	130	140	105	800	1,270			
	0.8%	1.1%	1.7%	1.9%	2.3%	2.1%	1.4%	1.9%	2.8%
No of 25 – 49 year olds	490	300	310	200	1,705	3,525			
	1.2%	0.8%	0.9%	1.9%	2.0%	2.1%	0.9%	1.3%	2.0%
No of 50+ year olds	185	145	195	75	545	1,120			
	1.0%	0.5%	0.8%	0.6%	1.2%	1.7%	0.7%	0.9%	1.4%
Residence weekly pay	£455.10	£462.90	£449.70	£440.20	£471.50	£508.70	£460.70	£495.60	£520.80
Workplace weekly pay	£512.30	£440.50	£439.80	£444.20	£515.70	£526.80	£450.80	£485.00	£520.20

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 complementing 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.

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

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.