

To: Economy and Jobs Policy Board

On: 28th August 2016

Report by: Director of Development and Housing Services

Heading: Labour Market Update at July 2016

1. Summary

- 1.1 This paper provides the Policy Board with the most recent labour market statistics for Renfrewshire (end of July 2016). Where the data is available a comparison is made with the Scottish and UK figures.
- 1.2 It should be noted that the reporting of unemployment stats has been changed nationally to incorporate new experimental Universal Credit figures. The report now reports on "Claimant Count" unemployed (a combination of JSA and UC claimants) where previously (prior to May 2016) only JSA figures were available.
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2. Recommendations

Board members are asked to:

- (i) Note the employment and claimant count figures for July 2016
 - (ii) Note the change in reporting to new experimental statistics incorporating the Universal Credit figures;
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3. Background

- 3.1 The report provides the most recent employment and claimant count figures (published for end July 2016).
- 3.2 As previously reported, there have been changes to the claimant count on **nomis**, which is part of the Office for National Statistics (ONS). Now, Job Seeker's Allowance (JSA) and Universal Credit (UC) are measured together in one statistic: **the claimant count**.
- 3.3 The overall, long term goal of **nomis** is that **the claimant count** will be the **total number of JSA claimants + unemployed UC claimants**. These statistics are still experimental, but they allow for a comparison of Renfrewshire with Scotland and the UK.
- 3.4 For Renfrewshire, we currently have information on the following:
- **All Ages: 16+ (16-64)**
 - **Youth: 18-24**
 - **25-49**
 - **50+**
- 3.5 The claimant count is a measure of the number of people with live claims for the principal reason of being unemployed. Previously, Job Seeker's Allowance (JSA) was the main unemployment benefit. Now, Universal Credit (UC) is a new benefit also incorporated. However, UC is not an unemployment benefit entirely, given that some UC claimants will be in work, while others are unemployed but not required to seek work.
- 3.6 The experimental statistics still include UC claimants who are not in-work, but are also not required to seek work – a group that skew the statistics for as long as they are counted.
- 3.7 These new experimental statistics that now combine JSA and UC stretch as far back as January 2013 when the first pilots were introduced. Although experimental, this new claimant count is now the new standard. By contrast, the previous norm of using purely JSA claimants is no longer the official claimant count and is being slowly phased out.
- 3.8 Board reports from May 2016 now report on the Claimant Count figures.
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4. Labour Market Statistics for the month of July 2016

- 4.1 Renfrewshire's employment rate continues to be above both the Scottish and UK average with 74% in employment compared to 72.9% (Scotland) and 73.7% (UK).
- 4.2 A further breakdown of the employment figures show that the female employment rate is considerably higher than the Scottish and UK averages but the male figures are lower.
- 4.3 Renfrewshire is currently ranked 18th out of 32 local authorities for employment.
- 4.4 Renfrewshire's overall Claimant Count (experimental) figure for July 2016 is 2.6% with 2905 people claiming JSA. This figure remains unchanged over the past 3 months but still represents a fall from 2.9% at the same time last year.
- 4.5 Renfrewshire's youth unemployment rate is currently reported as a Claimant Count (experimental) figure of 4.1% with claimants totalling 620 for July 2016. This month the rate increased by 0.3% and Renfrewshire is currently ranked 19th out of the 32 local authorities.
- 4.6 Adult unemployment for Claimants aged 25 – 49 has remained constant at 2.8% with claimants totalling 1,615. The rate was higher this time last year at 3.1%.
- 4.7 The adult Claimant rates for those aged 50+ has decreased in the second quarter and is currently 1.8% with claimants totalling 665. The Claimant Count (experimental) figures now show that the rate for this group has decreased from last year's figure of 1.9%.
- 4.8 The attached newsletter contains additional statistical information and graphs.

Implications of the Report

- 1. **Financial** - None
- 2. **HR & Organisational Development** – None
- 3. **Community Planning** –
Jobs and the Economy - Labour market intelligence is vital to informing future policy and service delivery decision making across the Community Planning Partnership.
- 4. **Legal** – None
- 5. **Property/Assets** – None

6. **Information Technology** – None
7. **Equality & Human Rights** -
The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only.
8. **Health & Safety** – None.
9. **Procurement** – None
10. **Risk** – None
11. **Privacy Impact** - None

List of Background Papers

- (a) None

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Renfrewshire Economic Development Newsletter – July 2016



This newsletter provides the most recent stats for Renfrewshire, published by NOMIS on 16th August 2016.

Employment and Unemployment (Apr 2015-Mar 2016)

	Renfrewshire numbers	(%)	Scotland (%)	Great Britain (%)
All people				
Economically active†	88,900	77.9	77.4	77.8
In employment†	84,500	74.0	72.9	73.7
• Employees†	76,500	67.2	64.5	63.2
• Self employed†	7,700	6.5	7.9	10.2
Unemployed (model-based)§	5,200	5.8	5.7	5.1
Males				
Economically active†	44,500	79.9	81.6	83.2
In employment†	41,800	75.0	76.3	78.7
• Employees†	36,600	65.9	65.3	64.6
• Self employed†	4,900	8.5	10.5	13.7
Unemployed§	2,700	6.0	6.3	5.2
Females				
Economically active†	44,400	75.9	73.4	72.5
In employment†	42,700	73.0	69.7	68.8
• Employees†	39,900	68.4	63.8	61.8
• Self employed†	2,800	4.6	5.4	6.6
Unemployed§	1,700	3.8	4.9	5.0

Source: ONS annual population survey

† - numbers are for those aged 16 and over, % are for those aged 16-64

§ - numbers and % are for those aged 16 and over. % is a proportion of economically active

The Claimant Count

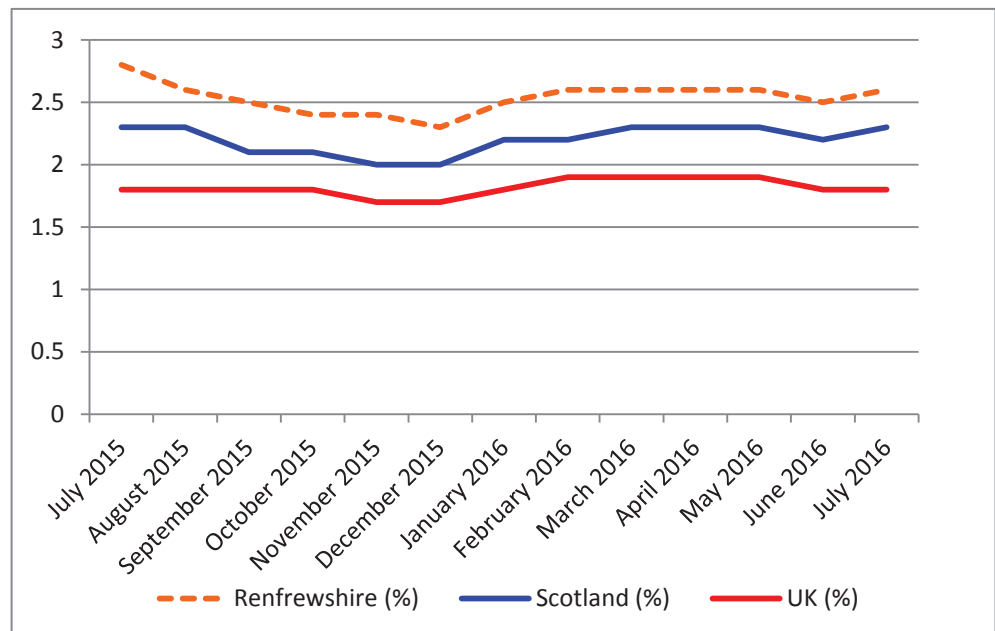
The claimant count figures are new experimental statistics that combine JSA and UC. These figures have been used since May 2016. At that point all JSA stats were amended back to January 2013 when Universal Credit started to roll out in pilot areas. Although experimental, this new claimant count is now the new standard.

July 2016: Claimant Count Figures

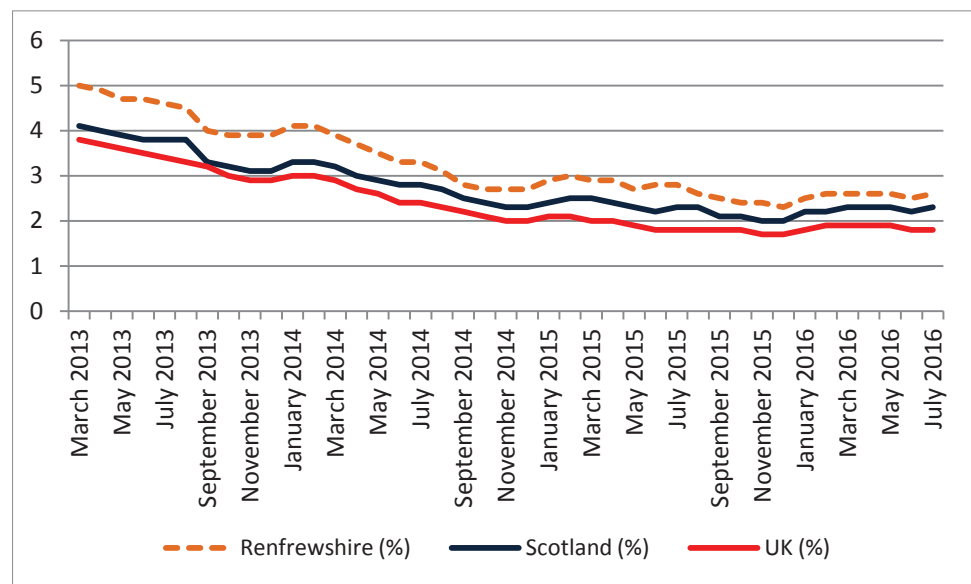
Claimant Count: All Ages (16+)

- The claimant count rate for Renfrewshire for July 2016 was 2.6%, with claimants totalling 2,905.
- This month the rate has increased by 0.1%
- The rate this time last year was higher at 2.8%.
- Renfrewshire is currently 24th out of 32 local authorities for the claimant count. The highest rate is 4.4% in North Ayrshire and the lowest 0.8% in Orkney Islands.

All Ages(16+): Claimant count rate 2015-2016



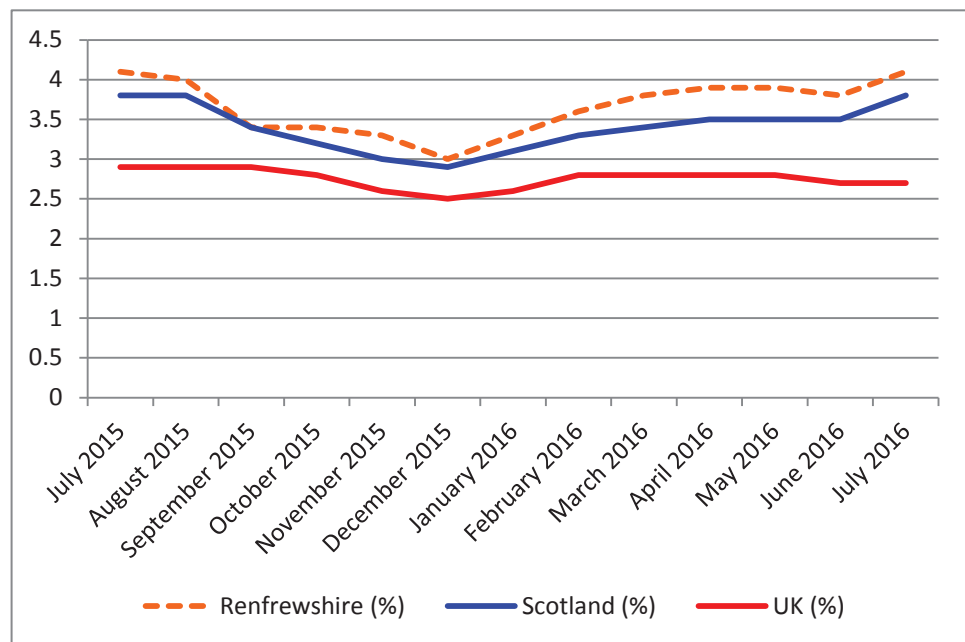
All Ages(16+): Claimant count rate 2013-2016



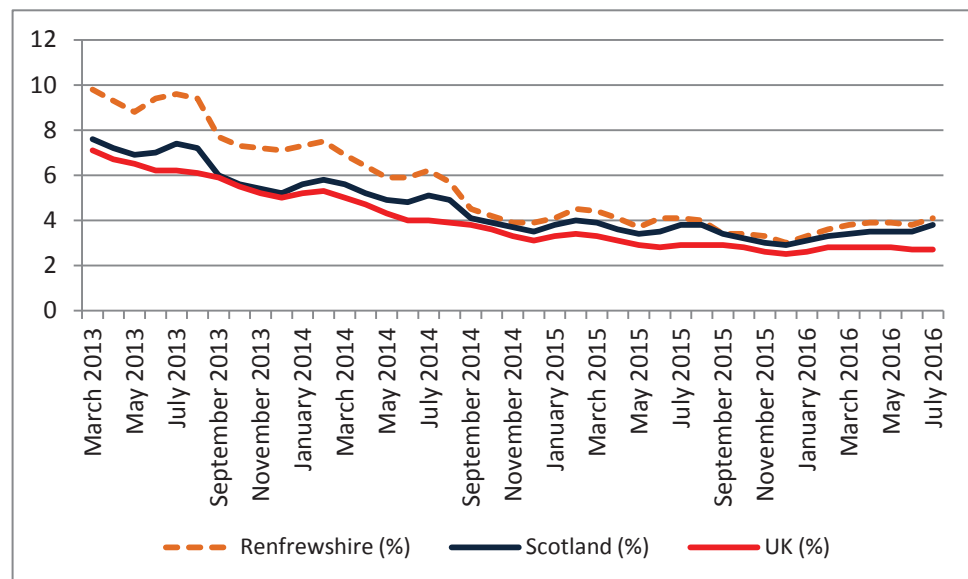
Claimant Count: Youth (18-24)

- The claimant count rate for Renfrewshire for July 2016 was 4.1 with claimants totalling 620.
- This month the rate has gone up by 0.3% and largely reflects the end of the academic year across FE/HE in Scotland.
- The Scottish rate went up by a similar figure.
- The rate this time last year was also 4.1%
- Renfrewshire is currently 19th out of the 32 Scottish Local Authorities for youth unemployment. The highest rate is 8.1% (North Ayrshire) and the lowest 1.7% (City of Edinburgh)

Youth (18-24): Claimant count rate 2015-2016



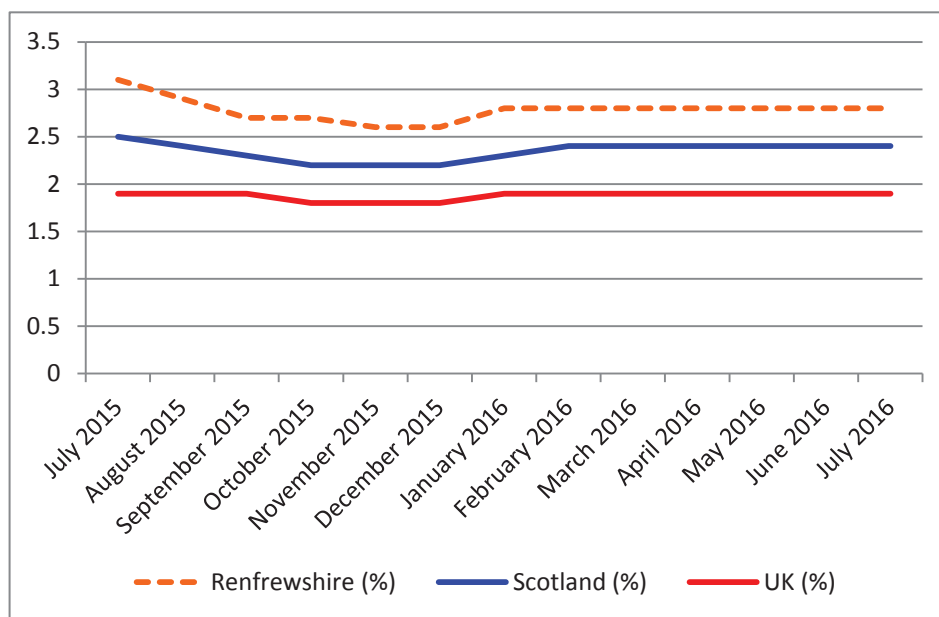
Youth (18-24): Claimant count rate 2013-2016



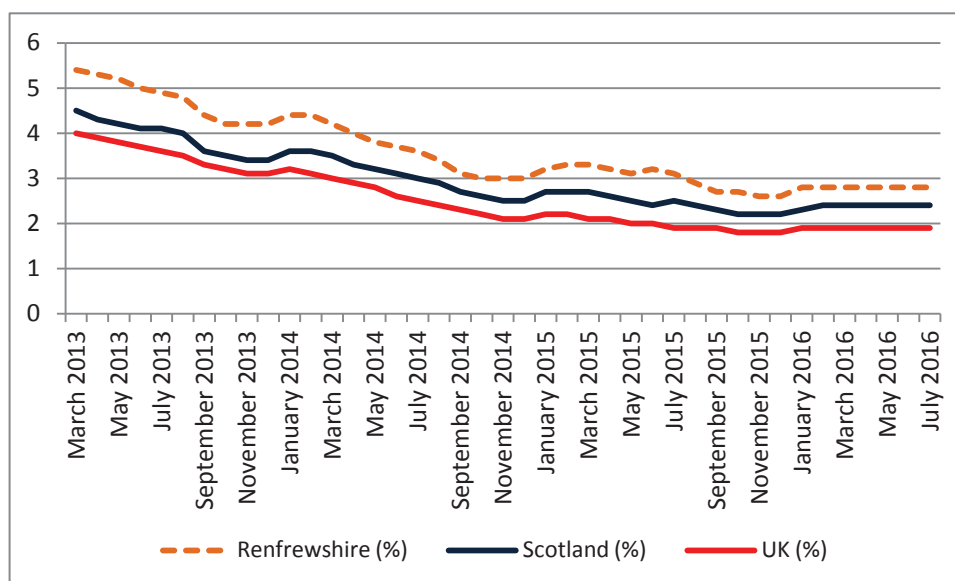
Claimant Count: 25-49

- The claimant count rate for Renfrewshire for July 2016 was 2.8% with claimants totalling 1,615.
- This rate has remained constant for the past 4 months.
- The rate this time last year was higher at 3.1%
- Renfrewshire is currently 25th out of the 32 local authorities for this group with the highest 4.7% in North Ayrshire and lowest 0.6% in the Shetland Islands.

25-49: Claimant count rate 2015-2016



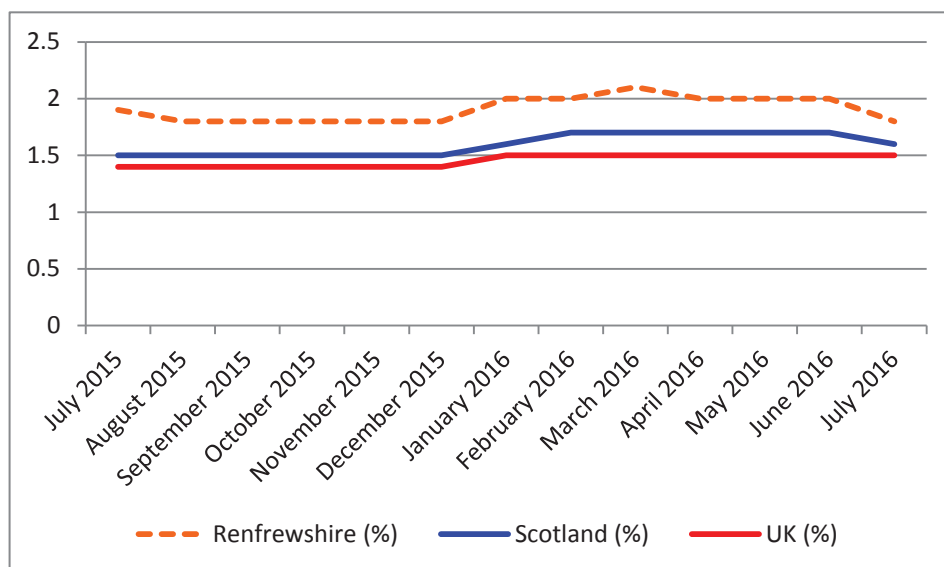
25-49: Claimant count rate 2015-2016



Claimant Count: 50+

- The claimant count rate for Renfrewshire for July 2016 was 1.8% with claimants totalling 665.
- This month the rate has decreased by 0.2%.
- The rate this time last year was higher at 1.9%
- Renfrewshire is currently 22nd out of 32 local authorities for 50+ Claimant Count with the highest Dundee City with 2.9% and the lowest the Orkney Islands with 0.5%.

Ages 50+: Claimant count rate 2015-2016



Ages 50+: Claimant count rate 2015-2016

