

**To: Economy and Jobs Policy Board**

**On: 1<sup>st</sup> February 2017**

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**Report by: Director of Development and Housing Services**

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**Heading: Labour Market Update at December 2016**

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**1. Summary**

- 1.1 This paper provides the Policy Board with the most recent labour market statistics for Renfrewshire (end of December 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 December 2016
  - (ii) Note the change in reporting to new experimental statistics incorporating the Universal Credit figures;
  - (iii) Note the update on Chivas.
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### 3. Background

- 3.1 The report provides the most recent employment and claimant count figures (published for end December 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 December 2016**

- 4.1 Renfrewshire's employment rate continues to be above both the Scottish and UK average with 74.2% in employment compared to 72.8% (Scotland) and 73.9% (UK).
- 4.2 A further breakdown of the employment figures show that the female employment rate 74.2% is considerably higher than the Scottish (69.1%) and UK (69%) averages but the male figures are lower.
- 4.3 Renfrewshire is currently ranked 17th out of 32 local authorities for employment.
- 4.4 Renfrewshire's overall Claimant Count figure for December 2016 is 2.4% with 2,695 people claiming JSA and Universal Credit. This figure marginally increased, by 0.1% from the same time period year.
- 4.5 Renfrewshire's youth unemployment rate is currently reported as a Claimant Count figure of 3.5% with claimants totalling 530 for December 2016. This month the rate decreased by 0.4% and Renfrewshire is currently ranked 19<sup>th</sup> out of the 32 local authorities.
- 4.6 Adult unemployment for Claimants aged 25 – 49 has marginally decreased but with the rate remaining at 2.6% and with claimants totalling 1,465. The rate from this period last year was higher at 2.7% and 1,515 claimants.
- 4.7 The adult Claimant rates for those aged 50+ has marginally increased by 0.1% in the fourth quarter and is currently 1.9% with claimants totalling 690. The Claimant Count figures show that the rate for this group has also increased by 0.1% from the same period last year.
- 4.8 The attached newsletter contains additional statistical information and graphs.

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#### **5. New Developments and Updates**

##### **5.1 Chivas, Paisley**

- 5.2 In November 2016 Pernod Ricard (parent company of Chivas) announced that they were consulting employees on a potential relocation of their bottling and distribution business from Paisley to Kilmalid in Dumbarton. On 16 January 2017 the company confirmed their decision to proceed with the proposed relocation.
- 5.3 Chivas currently employs 450 staff at Paisley although it also has a number of temporary contract employees, the number of whom fluctuates according to the

busiest periods of the year for the company. This makes the company one of the largest employers in the Paisley area. The company's proposed position is that all 450 permanent employees will be offered employment at the enlarged Dumbarton site, with assistance being offered on travel from Paisley and flexible working options considered on an individual employee basis.

- 5.4 Following the announced consultation, the Council Leader and Chief Executive met Pernod Ricard's Chief Executive and company representatives in December 2016 during the employee consultation period. The meeting also included Paul Whitehouse (Minister for Community Safety & Legal Affairs) and Gavin Newlands MP as well as Scottish Enterprise representatives.
- 5.5 In discussions with the First Minister the Leader of Renfrewshire Council has secured a commitment to convene a "task force" to fully examine the implications of this decision for local employees and to consider the future use of the Renfrew Road site. The first meeting of this group will take place in early February 2017.
- 5.6 Further reports will follow to Board once the group has been established and started to work through the various issues.

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## 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

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**List of Background Papers**

- (a) None

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# Renfrewshire Economic Development Newsletter – January 2016



## The Claimant Count

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 included.

These new experimental statistics that now combine JSA and UC stretch 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. By contrast, the previous norm of using purely JSA claimants is no longer the official claimant count and is being slowly phased out.

### Employment and unemployment (Oct 2015-Sep 2016)

	Renfrewshire (Numbers)	Renfrewshire (%)	Scotland (%)	Great Britain (%)
All People				
Economically Active†	89,100	78.8	76.7	77.8
In Employment†	84,800	74.8	72.8	73.9
Employee‡	76,400	67.5	64.2	63.1
Self Employed‡	8,300	7.1	8.2	10.4
Unemployed (Model-Based)§	4,700	5.2	4.9	4.9
Males				
Economically Active†	44,800	80.4	81.2	83.1
In Employment†	42,200	75.5	76.7	78.8
Employee‡	36,200	65.0	65.2	64.4
Self Employed‡	5,800	10.2	11.1	14.0
Unemployed§	2,700	5.9	5.4	5.1
Females				
Economically Active†	44,300	77.2	72.4	72.6
In Employment†	42,600	74.2	69.1	69.0
Employee‡	40,200	70.0	63.2	61.7
Self Employed‡	2,500	4.2	5.4	6.9
Unemployed§	1,700	3.8	4.4	4.8

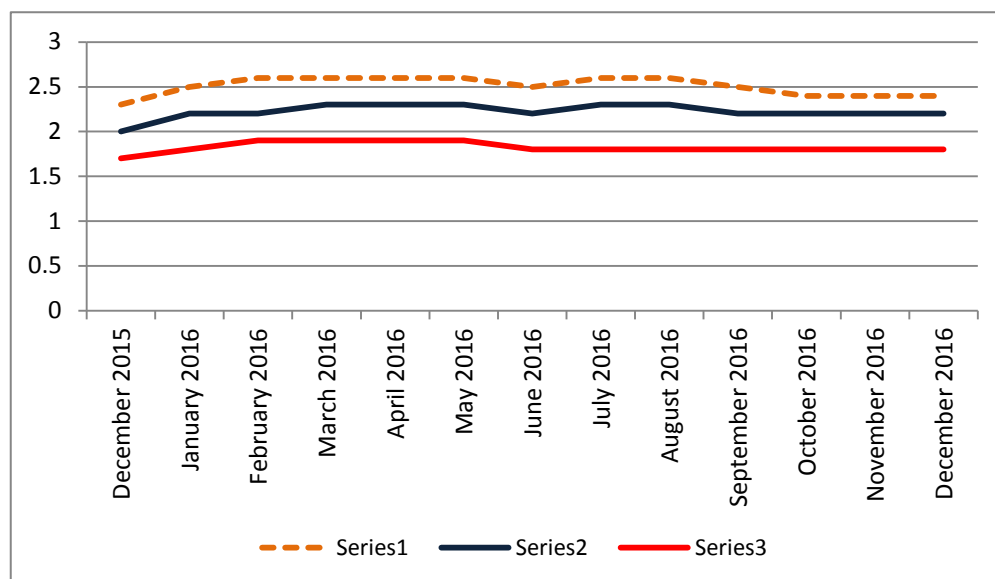
Source: ONS annual population survey

## December 2016: Claimant Count Figures

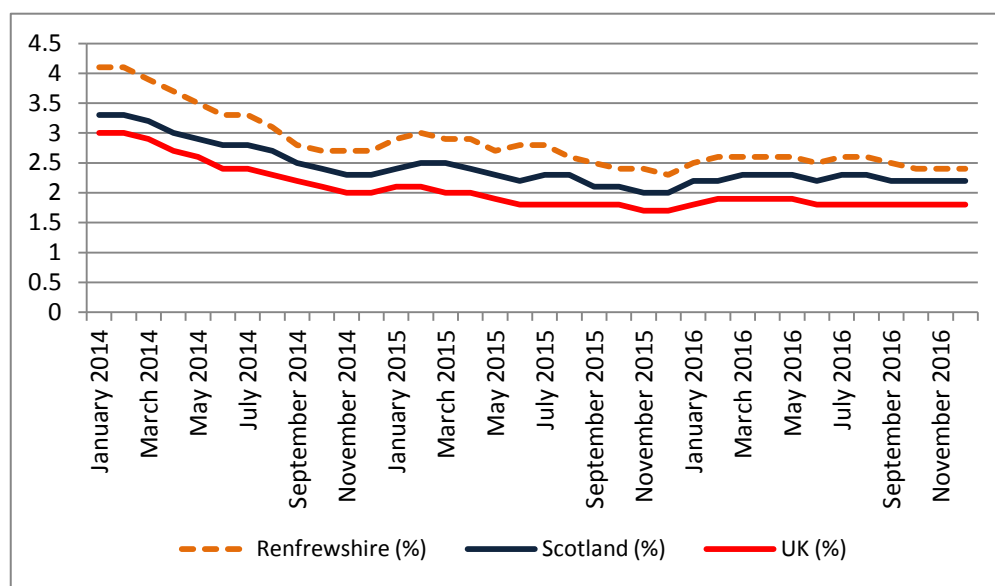
### Claimant Count: All Ages (16+)

- The claimant count rate for Renfrewshire for December 2016 was 2.4%, with claimants totalling 2,695.
- This month the rate has marginally decreased.
- The rate this time last year was 2.3%.
- Renfrewshire is currently ranked 22nd out of 32 local authorities for unemployment.

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



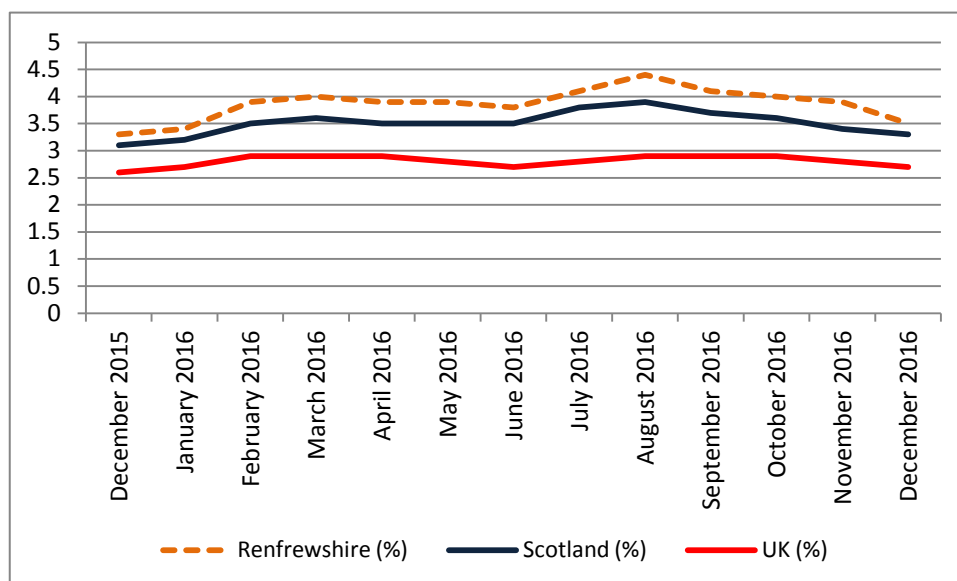
All Ages(16+): Claimant count rate 2014-2016



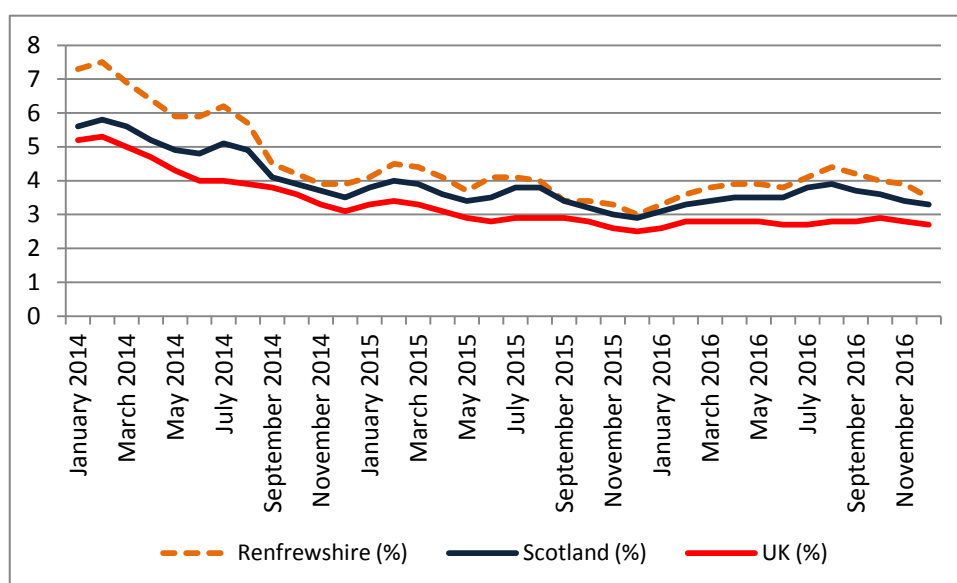
## Claimant Count: Youth (18-24)

- The claimant count rate for Renfrewshire for December 2016 was 3.5% with claimants totalling 530.
- This month the rate has decreased, by 0.4%.
- The rate this time last year was 3.3%
- Renfrewshire is currently ranked 19<sup>th</sup> out of the 32 local authorities.

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



**Youth (18-24): Claimant count rate 2014-2016**

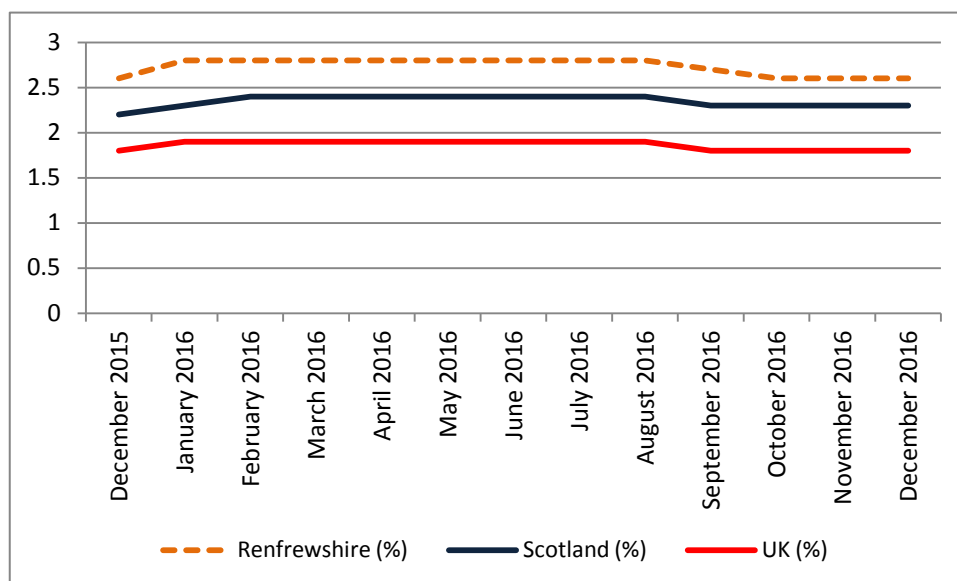




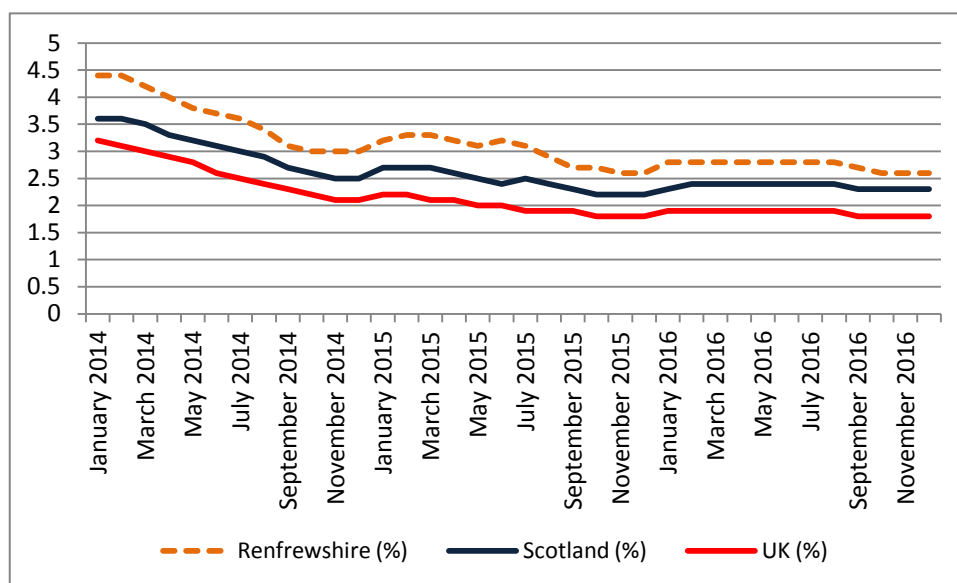
## Claimant Count: 25-49

- The claimant count rate for Renfrewshire for December 2016 was 2.6% with claimants totalling 1,465.
- This month the rate has marginally decreased.
- The rate this time last year was 2.7%

**25-49: Claimant count rate 2015-2016**



**25-49: Claimant count rate 2014-2016**



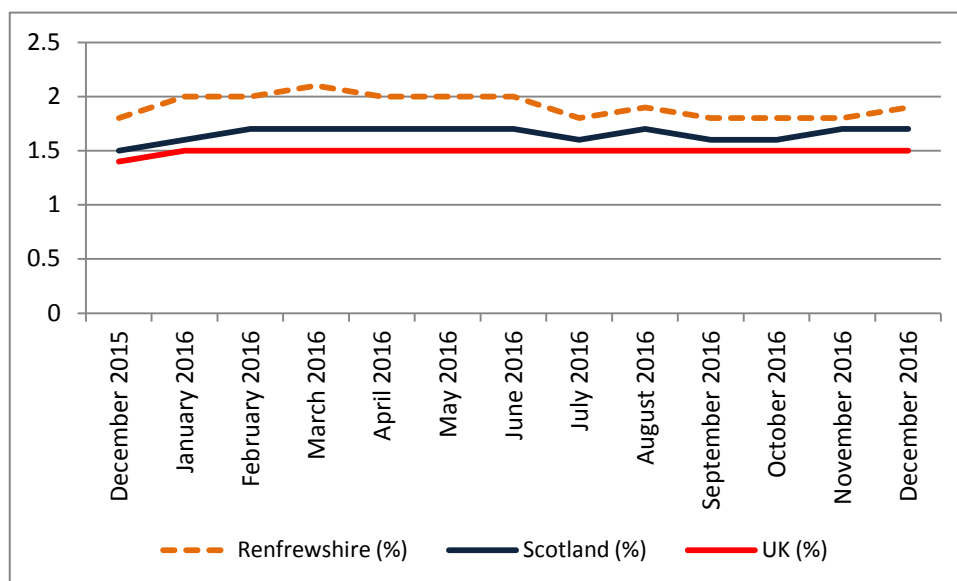
## Claimant Count: 50+

- The claimant count rate for Renfrewshire for December 2016 was 1.9 with claimants totalling 665.
- This month the rate has marginally increased, by 0.1%.
- The rate has increased by 0.1% from this time last year at 1.8%

**Source:** ONS claimant count by sex and age

**Note:** % is number of claimants as a proportion of resident population of the same age

### Ages 50+: Claimant count rate 2015-2016



### Ages 50+: Claimant count rate 2014-2016

