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**DEPARTMENT FOR WORK AND PENSIONS
CENTRAL ENGLAND GROUP
STATE OF THE GROUP REPORT
FEBRUARY 2016**

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STATE OF THE GROUP REPORT CENTRAL ENGLAND GROUP

1. Introduction

The claimant count in Central England Group currently stands at 143,844. This figure counts the number of people claiming Jobseeker's Allowance plus those who claim Universal Credit who are not in work. It is up 11,757 (8.9%) from the previous month – this is a normal seasonal trend for the New Year – but the underlying trend remains downwards.

- The claimant count level is down by 13% on this time last year and, seasonal trend aside, is at its lowest level for over forty years. Over the course of the last recession the claimant count peaked at 348,341 in February 2010.
- Claimant count new claim levels (both Jobseeker's Allowance and Universal Credit) are down by around 11% on this time last year although the recent trend is steady. On-flows peaked in the early months of 2009 since when they have fallen by around 60%.
- ONS statistics show that across the UK there were 776,000 job vacancies available at any one time for the period November 2015 to January 2016. This is the highest the figure has been since comparable records began in 2001. It is up 23,000 on the previous quarter (August to October 2015) and is up 45,000 from a year earlier.

1.1. The Current Employment Position

Data is available from the Annual Population Survey – Workforce Analysis for the year up to September 2015. When we compare the data for Central England Group with a period prior to the recession (year to December 2007) overall levels of employment have risen by 2.4%. The total number of working age people in employment is estimated at 5,642,900 (the highest since comparable records began in 2004). The figure fell to a low of 5,360,200 in 2010 during the recession. Compared to the same period a year ago the total has risen by 1.7%, or 93,400.

The proportion of working age people in part-time employment is currently 26% - this proportion is unchanged from a year previously; in fact the proportion has remained consistently around a quarter since prior to the recession.

The most significant fall since December 2007 has been in the construction sector which fell by 20%, with 97,600 fewer people in employment. A significant fall was also seen in the manufacturing sector, which fell by 12.2% with 108,800 fewer jobs.

Many sectors saw an overall rise in employment since 2007 however, in particular banking, finance & insurance which rose by 17.4% and other services which rose by 17.4%.

Over the past year however there has been a turnaround in the manufacturing and construction sectors, both of which have seen modest rises in employment levels. Stronger upturns were seen in other services (up 8.6%) and public administration, education and health (up 3.5%).

The seemingly anomalous rise in public sector employment over the course of the recession may be explained by the sampling criterion used – many people responding to the survey may class themselves as working for the public sector when they are actually employed by private sector organisations contracted to the public sector.

The table below shows the workforce by sector position in September 2015 compared to both a year earlier and pre-recession (Dec 2007). Alongside the figures are the proportions they comprise of the total workforce.

Industry	January 2007 – December 2007		October 2013 – September 2014		October 2014 – September 2015		Change since 2007	Change in last year
Agriculture and fishing	65,800	1%	75,800	1%	86,200	2%	31.0%	13.7%
Energy and water	95,300	2%	102,100	2%	87,400	2%	-8.3%	-14.4%
Manufacturing	894,600	16%	772,600	14%	785,800	14%	-12.2%	1.7%
Construction	486,800	9%	379,600	7%	389,200	7%	-20.0%	2.5%
Distribution, hotels & restaurants	1,081,900	20%	1,115,700	20%	1,120,100	20%	3.5%	0.4%
Transport & communications	491,900	9%	493,100	9%	485,300	9%	-1.3%	-1.6%
Banking, finance & insurance	688,900	13%	791,900	14%	808,700	14%	17.4%	2.1%
Public administration, education & health	1,542,900	28%	1,705,900	31%	1,765,900	31%	14.5%	3.5%
Other services	281,900	5%	304,800	5%	330,900	6%	17.4%	8.6%
Total	5,508,400		5,549,500		5,642,900		2.4%	1.7%

Employment Rate

The employment rate for working age people in the UK was 74.1% for the period October to December 2015. This is up 0.4 percentage points from the previous quarter and is the highest rate recorded since comparable records began in 1971. It equates to a record 31.4 million people of working age in work. The lowest employment rate on record was 65.6% in 1983 during the economic downturn of the early 1980s. The employment rate has been on a general upward trend since early 2012.

At a regional level, employment rates for the period October to December 2015 are:

- **West Midlands** **71.4%** (down 0.1%pts from previous quarter)
- **East Midlands** **74.3%** (down 0.6%pts from previous quarter)
- **East of England** **78.0%** (up 0.5%pts from previous quarter).

East of England now has the highest employment rate nationally, ahead of both the South East (77.6%) and the South West (77.5%). The lowest employment rates are in Northern Ireland (68.8%) and the North East (70.4%).

The North East saw the largest percentage point increase in its employment rate over the last quarter, rising by 2.1%pts to 70.4%. The North West had the second largest increase, up 1.0%pts to 70.0%.

Compared to this time last year the employment rate in the UK has risen by 0.9%pts. The North West region achieved the largest increase, up 2.2%pts to 70.4%. The East of England region

saw a 1.6%pt rise and the West Midlands a rise of 0.1%pt. The East Midlands saw a small reduction of 0.2%pts.

More local employment rates are available for the period October 2014 to September 2015. The employment rate across Central England Group as a whole rose by 0.2% from the previous period (July 2014 to June 2015).

Employment Rate: October 2014 – September 2015		
	Oct-14 – Sep- 15	Change from Jul-14 – Jun 15
Birmingham and Solihull	64.2%	1.5%
Black Country	65.9%	-0.3%
East Anglia	76.7%	0.5%
Leicestershire and Northamptonshire	74.8%	0.0%
Mercia	75.5%	0.0%
Midland Shires	74.6%	0.4%
Lincolnshire, Nottinghamshire & Rutland	71.9%	-0.6%
Central England	72.9%	0.2%

There are significant variations in the employment rate for particular groups in the Central England Group, for example:

- An employment rate of 47.1% for working age disabled people;
- an employment rate of 59.3% for ethnic minorities of working age;
- an employment rate of 66.6% for people aged between 20 and 24
- an employment rate of 69.3% for people aged between 50 and 64.

There are also significant geographical differences in employment rates within the Group. At local authority level the highest employment rates are South Cambridgeshire (82.9%), Rugby (82.6%) and St Edmundsbury (82.5%). The lowest rates are in Wolverhampton (62.6%), Birmingham (62.6%) and Nottingham (63.5%).

1.2 Unemployment

The current unadjusted Claimant Count in Central England Group stands at 143,844 (January 2016). This is comprised of people claiming Jobseeker's Allowance and those receiving Universal Credit who are not in employment. This is an increase of 11,757 (8.9%) from the previous month; this is a normal New Year seasonal trend as the temporary recruitment over the Christmas period comes to an end. The underlying trend is still downwards, a trend that began around May 2012. Seasonal trends aside, it is the lowest it has been for over 40 years (June 1975). At the peak of the recent recession, unemployment reached 348,341 in February 2010.

The claimant count is currently 13% lower than this time last year (165,615). The claimant count unemployment rate currently stands at 1.6% of the working age population compared to 2.1% a year ago.

Seasonally adjusted Claimant Count

National and regional Claimant Count figures can be seasonally adjusted to take account of labour market factors that tend to occur around the same time every year; for example, school leavers and students entering the labour market in the summer, and temporary recruitment on the approach to Christmas. This allows for a clearer view of the underlying trend if you are looking at month-on-month figures.

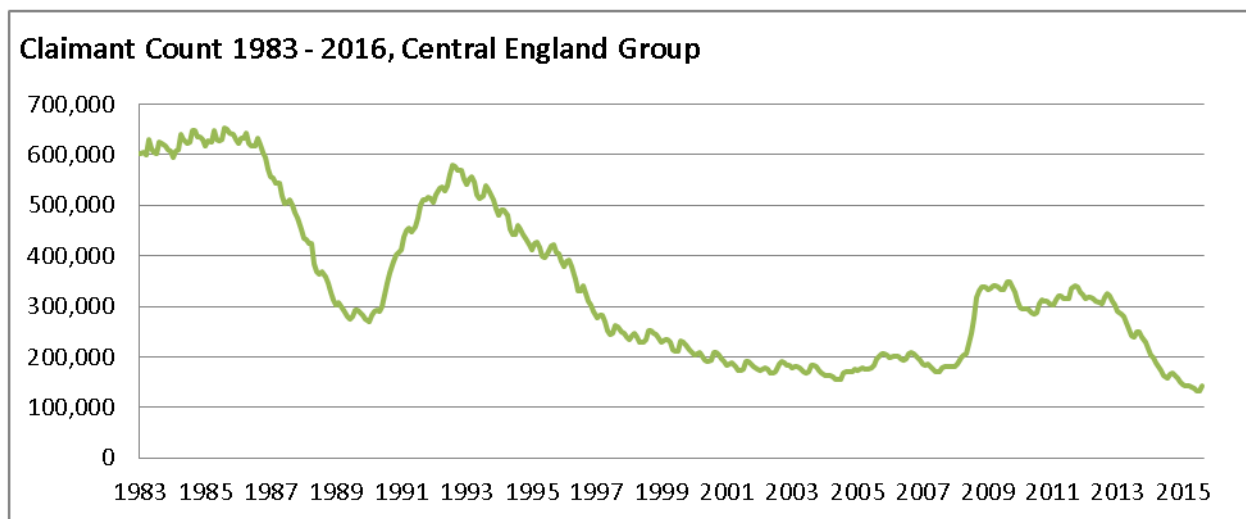
The national seasonally adjusted claimant count saw a modest fall of 0.5% compared to the previous month; the East of England, East Midlands and West Midlands regions also saw small reductions.

Region	December 2015	January 2016	Change (actual and %)	
East	47,467	45,788	-1,679	-3.5
East Midlands	46,244	45,402	-842	-1.8
West Midlands	78,802	77,468	-1,334	-1.7
United Kingdom	774,971	760,197	-14,774	-1.9

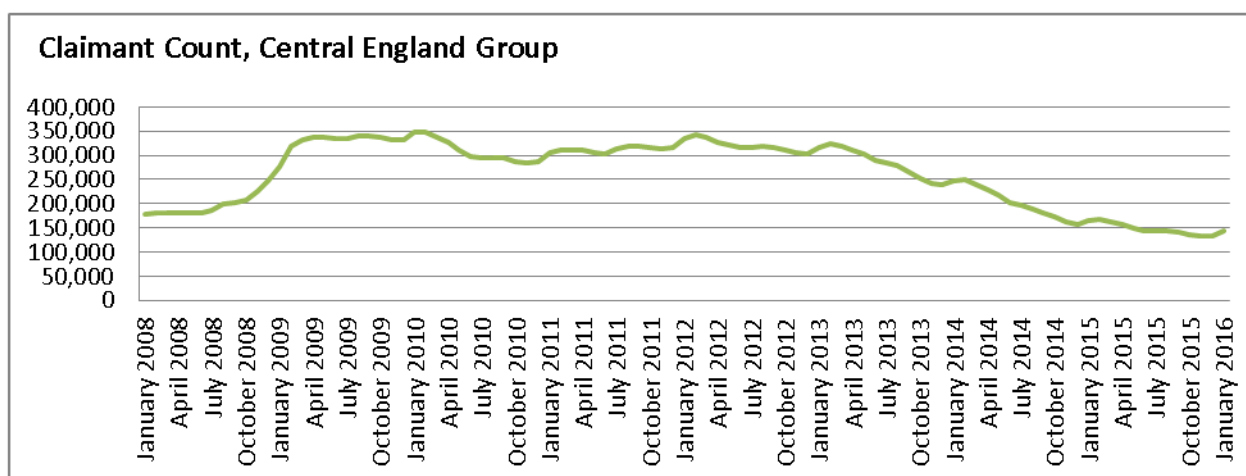
Seasonally adjusted claimant count figures are not available for Central England Group or its Districts.

Claimant Count (unadjusted)

The graph below charts the claimant count in Central England Group back to 1983:



The further graph below focuses on the more recent trend (2008 to date) showing the strong downward trend over the past three years:



Changes in Claimant Count Registers by Group/Country (unadjusted)

Across Great Britain the unadjusted Claimant Count register rose by 7.4% over the past month with all Groups seeing a traditional January rise in their registers. Increases range from 4.0% in London & the Home Counties to 9.6% in Southern England. Over the past year, Central England has seen the biggest fall in unemployment of all Groups in the country.

Area	January 2015	December 2015	January 2016	change in month		Change in year	
	number	number	Number	number	%cha	number	%cha
Central England	165,615	132,087	143,844	11,757	8.9%	-21,771	-13.1%
London and the Home Counties	177,014	150,739	156,778	6,039	4.0%	-20,236	-11.4%
North East England	146,491	119,174	127,587	8,413	7.1%	-18,904	-12.9%
North West England	107,517	108,803	116,945	8,142	7.5%	9,428	8.8%
Southern England	92,491	75,908	83,172	7,264	9.6%	-9,319	-10.1%
Wales	50,017	41,602	44,919	3,317	8.0%	-5,098	-10.2%
Scotland	84,742	71,150	77,790	6,640	9.3%	-6,952	-8.2%
Great Britain	823,889	699,463	751,037	51,574	7.4%	-72,852	-8.8%

District Claimant Count Levels (unadjusted)

All Districts in Central England Group saw an increase in their claimant counts over the past month. These range from 5.9% in Birmingham & Solihull to 14.1% in Midland Shires. Over the past year, the register has fallen by 13.1% across the Group with East Anglia seeing the largest fall of all (16.6%).

Area	January 2015	December 2015	January 2016	change in month		change in year	
	number	number	number	number	%cha	number	%cha
Birmingham and Solihull	33,876	29,733	31,483	1,750	5.9%	-2,393	-7.1%
Black Country	26,277	21,635	23,084	1,449	6.7%	-3,193	-12.2%
East Anglia	20,926	15,698	17,443	1,745	11.1%	-3,483	-16.6%
Leicestershire and Northamptonshire	18,111	13,827	15,418	1,591	11.5%	-2,693	-14.9%
Mercia	14,965	11,793	13,124	1,331	11.3%	-1,841	-12.3%
Midland Shires	24,732	18,174	20,730	2,556	14.1%	-4,002	-16.2%
Lincolnshire, Nottinghamshire & Rutland	26,728	21,229	22,568	1,339	6.3%	-4,160	-15.6%
Central England	165,615	132,087	143,844	11,757	8.9%	-21,771	-13.1%

At county/unitary local authority level, all areas have seen a decrease in their claimant counts over the past year. Remember this includes both Jobseeker's Allowance claimants plus those receiving Universal Credit who are not in work. The largest decreases were seen in Peterborough (31.1%), Leicester (24.0%) and Rutland (23.3%). The smallest were seen in Birmingham (7.1%), Herefordshire (8.1%) and Dudley (8.5%).

Local Authority	January 2015	January 2016	Change (actual and %)	
Peterborough	2,500	1,720	-780	-31.1
Leicester	6,390	4,850	-1,535	-24.0
Rutland	175	135	-40	-23.3
Derby	3,245	2,565	-680	-21.0
Telford and Wrekin	2,050	1,630	-420	-20.6
Derbyshire	7,480	6,055	-1,420	-19.0
Norfolk	8,715	7,170	-1,540	-17.7
Shropshire	2,480	2,045	-435	-17.5
Nottingham	8,525	7,140	-1,385	-16.3
Nottinghamshire	9,100	7,690	-1,410	-15.5
Worcestershire	5,035	4,290	-745	-14.8
Walsall	5,265	4,510	-755	-14.4
Lincolnshire	8,930	7,685	-1,245	-13.9
Wolverhampton	7,445	6,450	-995	-13.4
Coventry	4,945	4,310	-635	-12.8
Sandwell	7,565	6,615	-950	-12.6
Suffolk	6,330	5,550	-775	-12.3
Leicestershire	4,250	3,750	-500	-11.8
Staffordshire	5,705	5,085	-620	-10.9
Solihull	2,275	2,040	-240	-10.5
Cambridgeshire	3,390	3,040	-355	-10.4
Warwickshire	3,870	3,480	-390	-10.1
Stoke-on-Trent	3,785	3,420	-365	-9.6
Northamptonshire	7,480	6,830	-650	-8.7
Dudley	6,005	5,490	-515	-8.5
Herefordshire, County of	1,115	1,025	-90	-8.1
Birmingham	31,605	29,365	-2,240	-7.1

The Central England Group holds four of the top ten parliamentary constituencies nationally with the highest percentage of unemployed claimants (taken as a percentage of the working age population). All four are in Birmingham: Ladywood (2nd place at 6.0%), Hodge Hill (6th place at 5.2%), Erdington and Perry Barr (joint 7th place at 5.1%). There are 651 parliamentary constituencies nationally.

ILO Unemployment

ILO (International Labour Organisation) unemployment in the UK for the period October to December 2015 stands at 1,690,000. This is a decrease of 60,000 from the previous quarter (July to September 2015) and is 172,000 fewer than a year earlier. This represents an unemployment rate of 5.1% of the economically active population, down 0.2%pts from the previous quarter and 0.6%pts from the same time last year. The unemployment rate is at a ten-year low - it has not been below this level since the three months to October 2005.

At a regional level, ILO unemployment currently stands at:

- 145,000 in the West Midlands (5.2%) – rate down 0.4%pts from previous quarter
- 106,000 in the East Midlands (4.5%) – rate up 0.1%pts from previous quarter
- 124,000 in the East of England (3.9%) – rate down 0.3%pts from previous quarter.

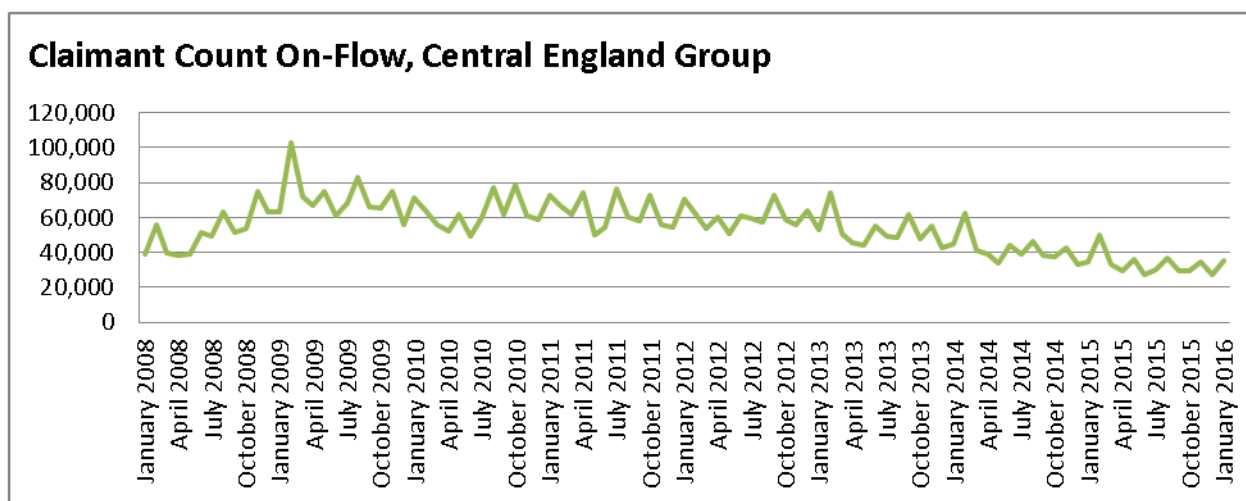
The region with the highest unemployment rate (by a considerable margin) is the North East at 8.1%, followed by London (6.3%) and Yorkshire & the Humber (6.1%). The South West region has the lowest unemployment rate with 3.7%; close behind are the South East and East of England regions with 3.9%.

Our unemployment rate of 5.1% compares favourably with the total EU rate which is 9.0%. Within the EU, the highest unemployment rates are for Greece (24.5%) and Spain (20.8%); only Germany (4.5%), the Czech Republic (4.5%) and Malta (5.1%) have lower (or same) unemployment rates than us. The unemployment rate for the United States is 4.9%. The unemployment rate in the United States peaked at 10% in October 2009 (when the rate for the UK was 7.9%). US unemployment has moved in a downwards direction since early 2010, and since early 2013 it has been usually been slightly lower than the rate for the UK.

1.3 On Flows

Claimant count on-flows (the number of people making new claims to Jobseeker’s Allowance or Universal Credit) in the Central England Group totalled 97,416 over the three-month period November 2015 to January 2016, down 12% on the corresponding period a year ago. Across the whole of Great Britain, on-flows fell by 11%. The recent trend has been steady – there has been a small increase of 2% since the previous quarter (August to October 2015).

The chart below, dating back to January 2008, illustrates the general downward trend in the number of people making new claims each month over the past few years. The figure peaked in February 2009 during the recent downturn.



Changes in Claimant Count on-flows (unadjusted)

When comparing the period November 2015 to January 2016 with the corresponding period 12 months ago, all Districts saw a notable fall in their claimant count on-flow levels (looking at both Jobseeker’s Allowance and Universal Credit claims). Decreases ranged from 6.4% in the Black Country to 14.3% in Birmingham & Solihull.

Compared to the previous quarter (August to October 2015) the position is more static, with changes ranging for a fall of 2.8% in Birmingham & Solihull to a rise of 7.2% in both East Anglia and Midland Shires.

District	Total On-flows (Jobseeker's Allowance and Universal Credit)			% Change	
	Nov 2014 – Jan 2015	Aug – Oct 2015	Nov 2015 – Jan 2016	Year	Quarter
	Birmingham & Solihull	16,247	14,325	13,927	-14.3%
Black Country	14,492	12,984	13,565	-6.4%	4.5%
East Anglia	17,282	14,105	15,121	-12.5%	7.2%
Leicestershire & Northamptonshire	14,127	12,469	12,214	-13.5%	-2.0%
Mercia	11,573	10,061	9,965	-13.9%	-1.0%
Midland Shires	19,794	16,757	17,959	-9.3%	7.2%
Lincolnshire, Nottinghamshire & Rutland	16,730	14,789	14,678	-12.3%	-0.8%
Central England	110,245	95,482	97,416	-11.6%	2.0%

We don't have any seasonally adjusted data available for Universal Credit starts, nor any local authority level data.

1.4 Off Flows

Universal Credit claimants do not off-flow (ie, close their claim) on starting employment. It can still be useful however to monitor off-flow rates for Jobseeker's Allowance claims.

Seasonally adjusted off-flows in the Central England Group over the period November 2015 to January 2016 totalled 88,400 and are down by 30.1% on the same period last year. The downward trend is continuing; off-flows are down by 4.4% from the previous quarter (August to October 2015).

Looking at District levels (unadjusted figures) across the year, off-flow rates have also fallen in all Districts, with decreases ranging from 20.2% in East Anglia to 33.5% in Birmingham & Solihull. Compared to the previous quarter (August to October 2015) decreases in off-flow rates have ranged from 6.8% in East Anglia to 15.6% in Leicestershire & Northamptonshire.

District	Nov 2015 – Jan 2016	Aug – Nov 2015	Nov 2015 – Jan 2016	% Change	
				Year	Quarter
Birmingham and Solihull	17,759	13,260	11,802	-33.5%	-11.0%
Black Country	16,482	13,353	11,745	-28.7%	-12.0%
East Anglia	17,119	14,653	13,657	-20.2%	-6.8%
Leicestershire & Northamptonshire	14,920	13,265	11,198	-24.9%	-15.6%
Mercia	12,336	10,328	8,756	-29.0%	-15.2%
Midland Shires	21,470	17,910	15,296	-28.8%	-14.6%
Lincolnshire, Nottinghamshire & Rutland	17,276	15,604	13,535	-21.7%	-13.3%
Central England Group	117,362	98,373	85,989	-26.7%	-12.6%

Off-flow Destinations

It can be interesting to look at the reasons why people stopped claiming Jobseeker's Allowance (off-flow destinations). The table below lists the reasons people stopped claiming in the past quarter and compares this to the same period last year – there is no notable change in the distribution of reasons. A significant proportion is noted as 'failed to sign' or 'not known' – ie,

they stop claiming but do not tell us why, but most likely they have found work. It is generally recognised however that around two thirds of all people who leave JSA do so because they have found work.

Reason	Nov 2014 – Jan 2015	% Total	Nov 2015 – Jan 2016	% Total
Found work or increased work to more than 16 hours a week	53,275	45%	39,890	46%
Claimed benefit other than JSA	4,055	3%	3,405	4%
Government supported training	445	0%	170	0%
Education or approved training	470	0%	270	0%
Gone abroad	2,500	2%	2,105	2%
Ceased claiming	4,625	4%	3,840	4%
Failed to sign	35,100	30%	22,925	27%
Other reasons	1,470	1%	1,595	2%
Not known	15,430	13%	11,800	14%

Universal Credit – in employment

The proportion of Universal Credit claimants in employment fell from 40% to 31% over the past month, the first time the proportion has fallen since May 2015. This needs to be seen in the context of continuing expansion of Jobcentres introducing Universal Credit; also data for the latest month can be revised as real-time data from HMRC about earnings catches up. Many UC claimants will have ended seasonal employment after the Christmas period however.

	Apr-2015		May-2015		Jun-2015		Jul-2015	
	UC - in employment	% of all UC claims	UC - in employment	% of all UC claims	UC - in employment	% of all UC claims	UC - in employment	% of all UC claims
Birmingham and Solihull	0	0%	142	21%	332	23%	640	25%
Black Country	6	21%	58	27%	104	27%	165	25%
East Anglia	5	17%	55	29%	114	32%	185	34%
Leicestershire and Northamptonshire	25	30%	75	36%	119	38%	187	37%
Mercia	203	36%	236	33%	271	33%	339	34%
Midlands Shire	21	31%	90	27%	214	34%	362	33%
Nottinghamshire, Lincolnshire and Rutland	25	31%	62	30%	92	32%	141	33%
Central England Group	286	33%	725	28%	1,246	29%	2,026	30%
	Aug-2015		Sep-2015		Oct-2015		Nov-2015	
	UC - in employment	% of all UC claims	UC - in employment	% of all UC claims	UC - in employment	% of all UC claims	UC - in employment	% of all UC claims
Birmingham and Solihull	1,066	27%	1,443	29%	1,872	31%	2,346	34%
Black Country	299	26%	439	29%	579	30%	745	34%
East Anglia	278	35%	344	36%	431	38%	502	36%
Leicestershire and Northamptonshire	290	36%	397	39%	497	41%	618	41%
Mercia	445	36%	528	38%	644	41%	753	39%
Midlands Shire	575	34%	746	35%	981	39%	1,191	40%
Nottinghamshire, Lincolnshire and Rutland	200	30%	279	34%	372	37%	470	35%
Central England Group	3,155	30%	4,169	33%	5,374	35%	6,624	36%
	Dec-2015		Jan-2016					
	UC - in employment	% of all UC claims	UC - in employment	% of all UC claims				
Birmingham and Solihull	3,116	39%	2,857	33%				
Black Country	987	37%	981	30%				
East Anglia	679	39%	649	27%				
Leicestershire and Northamptonshire	818	45%	771	33%				
Mercia	974	41%	971	31%				
Midlands Shire	1,565	44%	1,504	34%				
Nottinghamshire, Lincolnshire and Rutland	667	37%	682	27%				
Central England Group	8,803	40%	8,413	31%				

1.5 Age and Duration of the Unemployed – January 2016

The age breakdown below is that of the Claimant Count in Central England Group – those claiming Jobseeker’s Allowance and those in receipt of Universal Credit who are not in employment.

Claimant Count: Central England Group Age breakdown

Age band	Numbers	% of Total	Great Britain %
18-24	31,464	21.9%	21.8%
25-49	79,959	55.6%	55.3%
50+	32,191	22.4%	22.8%

Although we have data on Universal Credit claim durations, they are not comparable with Jobseeker’s Allowance data. Claimants on Universal Credit can move in and out of employment while their claim remains active so claim durations would not be an indicator of long-term unemployment.

The table below shows the duration breakdown of our Jobseeker’s Allowance register:

Jobseeker’s Allowance: Central England Group Duration Breakdown

	Numbers	% of Total	Great Britain %
0-6 months	70,725	56.4%	58.8%
6-12 months	17,420	13.9%	14.6%
1-2 years	14,095	11.2%	10.9%
2 years+	23,075	18.4%	15.6%

The number of people who have been claiming Jobseeker’s Allowance for more than six months has fallen sharply over the past year, down by 22% to 54,595, the lowest figure since 2005 (excepting a small seasonal increase on the previous month). The total peaked at 152,205 in June 2012 during the downturn.

The proportion of customers who have been claiming Jobseeker’s Allowance for less than six months is currently 56.4%. This figure peaked at 77% in early 2009 at a time when unemployment was increasing rapidly. A ‘low’ of 49.6% was reached in June 2013; it has fluctuated since then but is recently fairly stable.

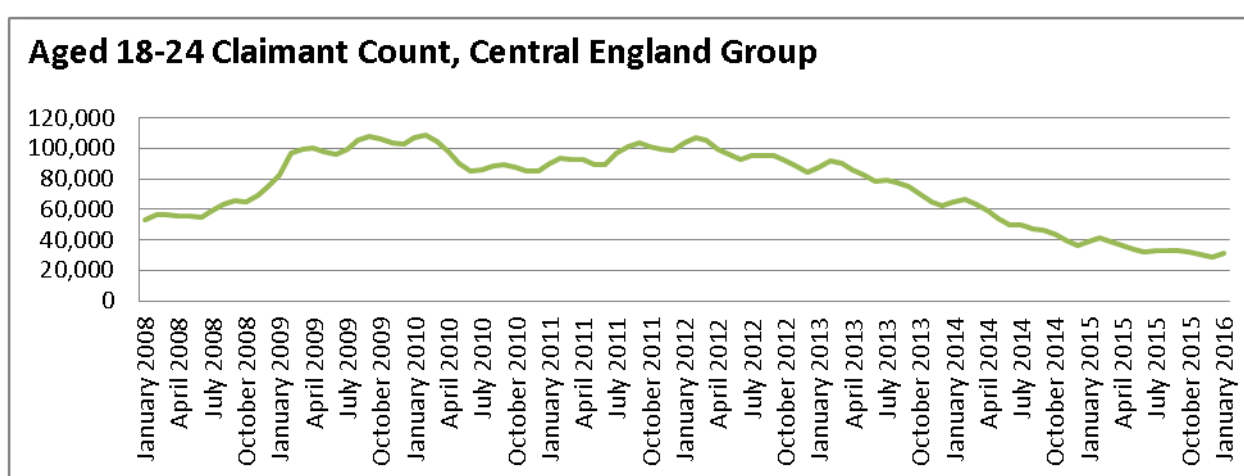
Both of these observations need to be seen in the context that significant volumes of people who would have claimed Jobseeker’s Allowance over the last few months have claimed Universal Credit instead.

Youth Unemployment in Central England Group

The Group continues to see significant reductions in its aged 18-24 Claimant Count register (young people receiving either Jobseeker’s Allowance or Universal Credit (not in employment)). The current total of 31,466 is, seasonal increase for January aside, the lowest ever recorded since comparable records began in 1985 (to put this into context, there were over 200,000 young people claiming unemployment benefits in late 1985!). In the past month the 18-24 claimant count register rose by 3,084, or 10.9%. Over the past year the register has fallen by 7,387 young people, a fall of 19%. This is a greater proportional fall than was seen in the Claimant Count register as a whole which fell by 12.6% - those aged 18-24 are the biggest age

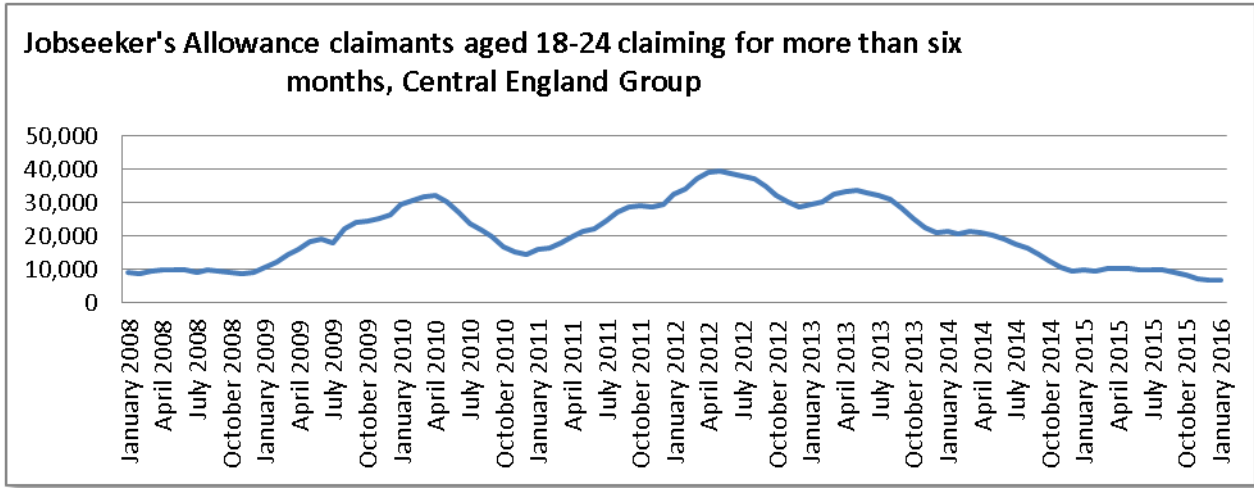
group claiming Universal Credit. At District level, decreases over the year range from 8.4% in Birmingham & Solihull to 24.4% in Midland Shires.

Area	All 18-24 claimants (JSA and UC not in employment)			Change month	Change year
	Jan 2015	Dec 2015	Jan 2016		
Birmingham and Solihull	7,435	6,315	6,814	7.9%	-8.4%
Black Country	6,310	4,654	5,075	9.0%	-19.6%
East Anglia	4,990	3,376	3,872	14.7%	-22.4%
Leicestershire and Northamptonshire	3,710	2,680	3,098	15.6%	-16.5%
Mercia	3,148	2,333	2,578	10.5%	-18.1%
Midland Shires	6,335	4,092	4,787	17.0%	-24.4%
Lincolnshire, Nottinghamshire & Rutland	6,930	4,935	5,249	6.4%	-24.3%
Central England	38,853	28,382	31,466	10.9%	-19.0%

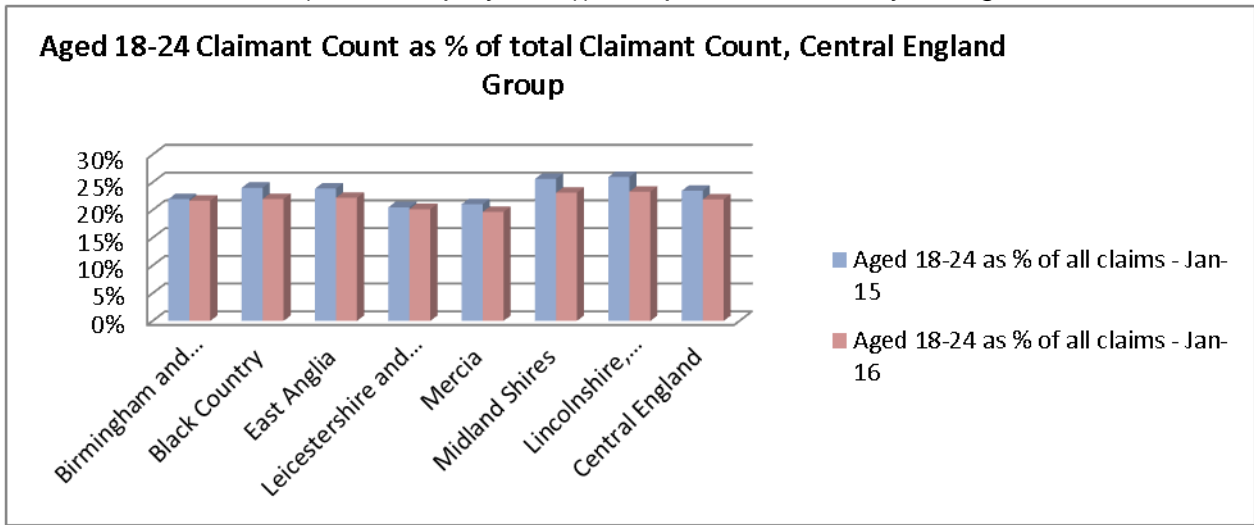


As mentioned earlier, the duration of a Universal Credit claim is not a clear indication of long term unemployment. For interest however, the number of 18-24 year-olds who have been claiming Jobseeker's Allowance for more than six months rose slightly to 6,925 in the past month; in-month seasonal increase aside this is the lowest figure since 2002. It has fallen by 29% in the last year alone.

Area	Aged 18-24 Claiming JSA for more than six months			Change month	Change year
	Jan 2015	Dec 2015	Jan 2016		
Birmingham and Solihull	2,125	1,720	1,705	-0.9%	-19.8%
Black Country	1,945	1,365	1,365	0.0%	-29.8%
East Anglia	965	615	670	8.9%	-30.6%
Leicestershire and Northamptonshire	785	475	525	10.5%	-33.1%
Mercia	625	445	475	6.7%	-24.0%
Midland Shires	1,370	745	740	-0.7%	-46.0%
Lincolnshire, Nottinghamshire & Rutland	1,960	1,395	1,440	3.2%	-26.5%
Central England	9,770	6,755	6,925	2.5%	-29.1%

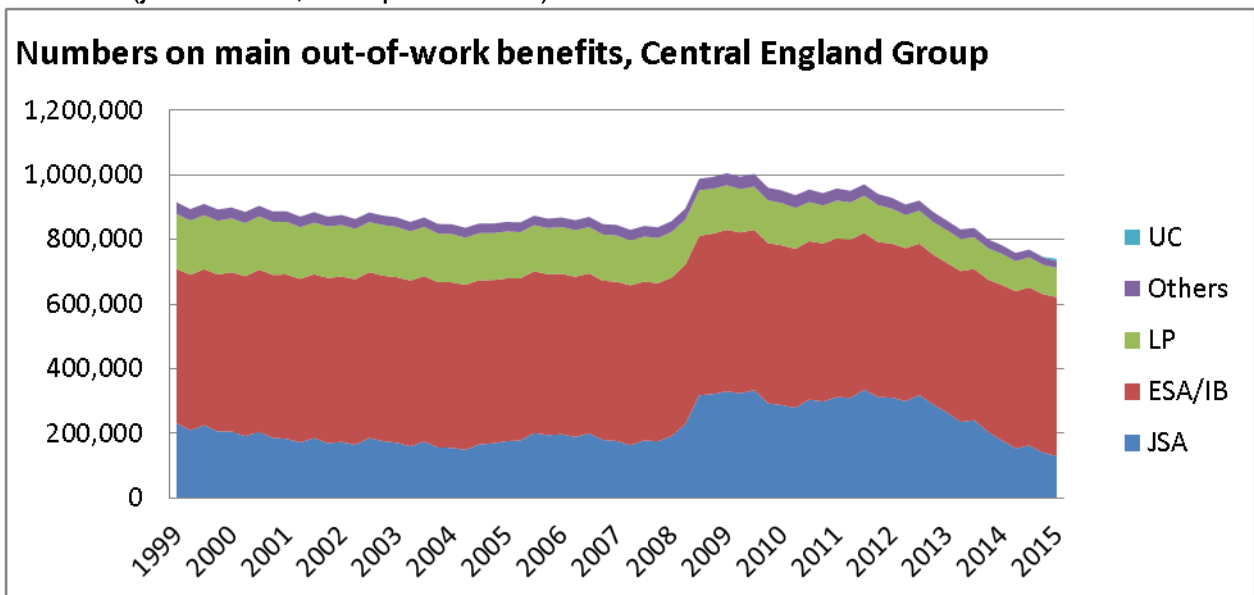


Young people (aged 18-24) comprise 22% of the total Claimant Count (Jobseeker's Allowance and Universal Credit (not in employment)) compared to 23% a year ago.



1.6 Incapacity benefits and lone parents

Sick and disabled claimants comprise an increasing proportion of the DWP out-of-work working age register. They account for two-thirds of all working-age people claiming out-of-work benefits in Central England Group compared to just over half in 1999. In general terms, the number of sick and disabled claimants has remained static throughout that period whilst other volumes (jobseekers, lone parents etc) are much reduced.



The total number of people claiming out-of-work benefits in Central England is currently 740,338 (August 2015). It has fallen by more than a quarter since 2009 (when it exceeded 1,000,000) and is at its lowest level since comparable records began in 1999.

The latest figures (August 2015) show there are 491,620 people receiving incapacity benefits in Central England Group (adding together Employment and Support Allowance and Incapacity Benefit). The total is currently on a slight upward trend but the long term trend has been stable. The register is up 2.1% from a year ago and down 0.6% from five years ago.

District	Incapacity benefits (ESA/IB) August 2010	Incapacity Benefits (ESA/IB) August 2014	Incapacity Benefits (ESA/IB) August 2015	% of working age population	% Change Year	% Change 5 Years
Birmingham and Solihull	59,350	62,110	63,660	7.7%	2.5%	7.3%
Black Country	55,170	54,020	56,080	7.8%	3.8%	1.6%
East Anglia	78,850	79,330	80,420	5.4%	1.4%	2.0%
Leicestershire & Northamptonshire	56,490	55,110	55,510	5.1%	0.7%	-1.7%
Lincolnshire, Nottinghamshire & Rutland	79,500	73,770	75,340	6.4%	2.1%	-5.2%
Mercia	54,890	54,240	55,600	5.4%	2.5%	1.3%
Midland Shires	110,160	102,850	105,010	6.4%	2.1%	-4.7%
Central England	494,410	481,420	491,620	6.2%	2.1%	-0.6%

At country/unitary local authority level, Stoke-on-Trent has the highest proportion of working age people receiving incapacity benefits (ESA and IB) by a considerable margin at 10.3%. The Central England Group average is 6.2%.

County/unitary Local Authorities with highest proportions of working age people claiming out-of-work incapacity benefits:

Stoke-on-Trent	16,420	10.3
Sandwell	16,620	8.4
Wolverhampton	13,360	8.4
Birmingham	57,110	8.1
Walsall	13,400	8.0
Nottingham	17,310	7.9
Telford and Wrekin	8,170	7.6
Leicester	16,660	7.4
Derby	11,470	7.2
Peterborough	8,360	6.9

At a more local level, hotspots include Great Yarmouth (9.2%), Mansfield (9.0%) and Chesterfield (8.8%). The lowest rates are recorded in South Northamptonshire (2.5%), Rutland (2.7%) and South Cambridgeshire and Harborough (both 3.0%).

Employment and Support Allowance

Looking at Employment and Support Allowance cases in more detail, it is worth noting that the proportion of Support Group cases has increased significantly in recent years (the Support Group are those who are not required to take part in interviews or undertake work-related activity but can voluntarily access support). The most recent published figures (initial Work Capability Assessments completed for new claims during the period January to March 2015)

show that, across Great Britain, 26% of claimants were found fit for work, 62% were placed in the Support Group and only 11% were placed in the Work Related Activity Group.

Within Central England Group 57% of all current Employment and Support Allowance claims are in the Support Group – up from 39% two years earlier:

Date	Total	Assessment phase	Assessment phase % Total	Work related activity group	Work related activity group % Total	Support group	Support group % Total	Unknown	Unknown % Total
February 2010	89,680	57,840	64	15,170	17	6,270	7	10,400	12
May 2010	98,870	59,380	60	20,780	21	8,030	8	10,690	11
August 2010	105,250	60,050	57	25,470	24	9,230	9	10,500	10
November 2010	111,480	59,120	53	30,180	27	10,600	10	11,580	10
February 2011	118,020	59,960	51	34,700	29	12,030	10	11,330	10
May 2011	123,900	59,960	48	39,050	32	13,740	11	11,150	9
August 2011	136,950	65,590	48	42,140	31	18,260	13	10,950	8
November 2011	161,660	73,120	45	49,990	31	28,140	17	10,400	6
February 2012	187,450	79,280	42	57,170	30	39,130	21	11,860	6
May 2012	213,960	84,440	39	66,360	31	51,160	24	11,990	6
August 2012	244,550	90,810	37	76,490	31	64,940	27	12,320	5
November 2012	273,620	90,890	33	87,180	32	81,580	30	13,980	5
February 2013	299,540	90,680	30	96,570	32	98,070	33	14,220	5
May 2013	328,620	89,300	27	105,690	32	118,980	36	14,650	4
August 2013	356,360	93,640	26	110,670	31	139,050	39	13,000	4
November 2013	382,210	97,570	26	110,630	29	161,040	42	12,970	3
February 2014	399,550	98,590	25	109,770	27	177,750	44	13,450	3
May 2014	412,570	99,820	24	106,740	26	192,700	47	13,300	3
August 2014	428,600	106,860	25	102,260	24	205,090	48	14,390	3
November 2014	437,930	102,570	23	99,220	23	221,120	50	15,020	3
February 2015	447,460	100,390	22	97,160	22	234,950	53	14,950	3
May 2015	452,370	94,760	21	94,590	21	247,700	55	15,330	3
August 2015	457,990	90,740	20	92,160	20	259,140	57	15,940	3

To clarify, claimants in the ‘Assessment Phase’ are those waiting for a Work Capability Assessment. The assessment determines if a claimant is to be placed in the Work Related Activity Group (WRAG) or the Support Group. The rapid increase in the total register is largely attributable to ex-Incapacity Benefit claimants moving over to Employment and Support Allowance in addition to new claimants to Employment and Support Allowance. As of August 2015, there are 39,110 people in Central England Group still receiving Incapacity Benefit/Severe Disability Allowance.

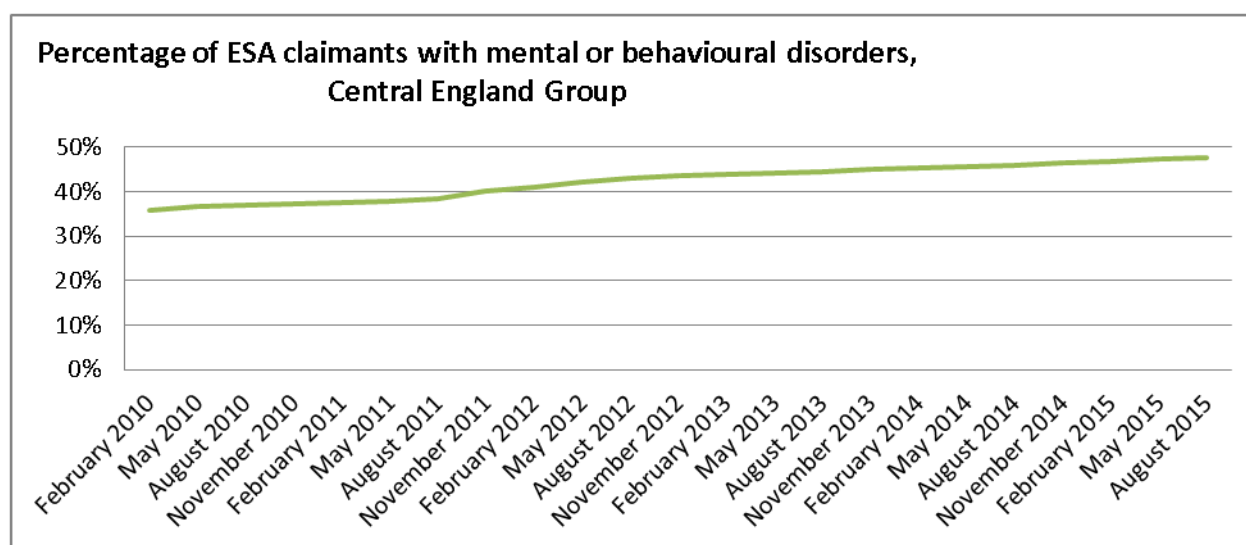
A significant proportion of Employment and Support Allowance claimants in Central England Group – 42% - are aged over 50. This contrasts with the unemployed where the figure is only 22%. Only 9% of Employment and Support Allowance claimants are under 25 years old. A half of all Employment and Support Allowance claimants in the Group have been claiming for more than two years.

Employment and Support Allowance – Age and Duration Central England Group (August-15)		
Aged under 25	41,410	9.0%
Aged 25-49	222,270	48.5%
Aged 50+	194,300	42.4%
Up to 6 months	62,020	13.5%
6 months – 1 year	50,480	11.0%
1 year – 2 years	94,550	20.6%
Over 2 years	250,940	54.8%

The table overleaf lists the Top 10 medical conditions of people receiving Employment and Support Allowance, and what proportion they make of the total (*August 2015*):

Medical Condition	ESA volumes	% of all claimants
Mental and behavioural disorders	217,790	47.6%
Diseases of the musculoskeletal system and connective tissue	65,540	14.3%
Symptoms, signs and abnormal clinical and laboratory findings, not elsewhere classified	41,290	9.0%
Diseases of the nervous system	30,000	6.6%
Injury, poisoning and certain other consequences of external causes	22,670	4.9%
Diseases of the circulatory system	18,100	4.0%
Neoplasms	10,630	2.3%
Diseases of the respiratory system	10,200	2.2%
Endocrine, nutritional and metabolic diseases	6,940	1.5%
Diseases of the digestive system	6,850	1.5%

The proportion of Employment and Support Allowance claimants with mental and behavioural disorders is increasing over time – up from 36% in 2010 to 48% today:



Lone Parents

The number of lone parents claiming Income Support has fallen more significantly, from 130,650 in August 2010 to 90,230 in August 2015, a fall of nearly a third. This is partially attributable to changes in benefit rules.

District	Lone parents Aug 2010	Lone parents Aug 2014	Lone parents Aug 2015	% Change Year	% Change 5 Years
Birmingham and Solihull	21,640	15,370	14,540	-5.4%	-32.8%
Black Country	17,040	12,860	12,300	-4.4%	-27.8%
East Anglia	18,900	13,930	13,050	-6.3%	-31.0%
Leicestershire & Northamptonshire	15,960	11,390	10,810	-5.1%	-32.3%
Lincolnshire, Nottinghamshire & Rutland	18,450	14,350	13,500	-5.9%	-26.8%
Mercia	14,690	10,480	9,830	-6.2%	-33.1%
Midland Shires	23,970	17,530	16,210	-7.5%	-32.4%
Central England	130,650	95,910	90,230	-5.9%	-30.9%

1.7 Skills

Data on the qualification levels of the working age population is currently available for the year to December 2014. This shows that people in the Central England Group have generally lower levels of qualifications than the national average although there is some variation to this at District level.

10.8% of people in Central England Group are recorded as having no qualifications (the highest rate of all Groups). At a regional level, the West Midlands had a rate of 13.2% - only Northern Ireland had a higher rate (17.2%).

District	% qualifications to NVQ level 4+	% qualifications to NVQ level 3+	% qualifications to NVQ level 2+	% qualifications to NVQ level 1+	% no qualifications
Birmingham and Solihull	29.7%	47.9%	63.5%	76.8%	14.4%
Black Country	23.0%	43.0%	61.2%	74.9%	16.7%
East Anglia	32.6%	53.4%	71.5%	85.3%	8.2%
Leicestershire & Northamptonshire	32.2%	54.0%	72.4%	85.2%	8.6%
Mercia	35.0%	55.2%	71.7%	83.5%	11.2%
Midland Shires	29.4%	53.1%	71.4%	84.1%	10.3%
Lincolnshire, Nottinghamshire & Rutland	29.4%	51.8%	69.9%	83.2%	10.5
Central England	30.5%	51.9%	69.6%	82.7%	10.8%
United Kingdom	35.8%	56.5%	73.1%	84.8%	9.0%

1.8 Jobs Sought by Occupation

Over the past 3 months people who have made new claims to Jobseeker's Allowance in the Central England Group have registered for work in the following top 15 occupational areas.

Occupation	Jobseeker volumes	Percentage of Total Jobseekers
Sales and retail assistants	46,460	51.2%
Other goods handling and storage occupations	5,980	7.0%
General office assistants/clerks	3,705	4.4%
Labourers in process and plant operations	1,285	1.5%
Retail cashiers and check-out operators	920	1.1%
Packers, bottlers, canners, fillers	775	0.9%
Van drivers	645	0.8%
Care assistants and home carers	585	0.7%
Cleaners, domestics	565	0.7%
Labourers in other construction trades	475	0.6%
Kitchen and catering assistants	455	0.5%
Labourers in building and woodworking trades	395	0.5%
Customer care occupations	370	0.4%
Bar staff	365	0.4%
Shopkeepers and wholesale/retail dealers	345	0.4%

Appendix One: Additional notes

Claimant Count

The Claimant Count includes all **out of work** Universal Credit claimants as well as all JSA claimants. Ideally only those Universal Credit claimants who are out of work and required to seek work should be included in the Claimant Count but it is not currently possible to produce estimates on this basis. The Claimant Count therefore currently includes some out of work claimants of Universal Credit who are not required to look for work; for example, due to illness or disability (those these should be few in number). The Claimant Count includes people who claim unemployment related benefits but who do not receive payment. For example some claimants will have had their benefits stopped for a limited period of time by Jobcentre Plus. Some people claim JSA in order to receive National Insurance Credits.

ILO Unemployment

*1. ILO unemployment is different to the claimant count as it is defined as people who are:

- Without a job, want a job, have actively sought work in the last four weeks and are available to start work in the next two weeks or:
- Out of work, have found a job and are waiting to start it in the next two weeks.

Some unemployed on the ILO measure either chose not to claim their benefits or are not entitled to them. Examples include partners of people in full time work and students. This measure of unemployment is more commonly reported in the media. ILO Youth unemployment rates are notably higher than claimant count rates for 18-24 year-olds partly because of the high volumes of students, who may consider themselves available for and looking for work, but cannot claim JSA.

If you have any queries or feedback about this report, please contact Ian Mitchell at ian.mitchell3@dwp.gsi.gov.uk or on 0121 626 2143.