

Employment and Skills Briefing (February 2015)



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The following information summarises the DWP (Central England Group) [State of the Group Report February 2015](#) and provides a focus on East Midlands through District level / local authority / LEP data.

National data is also covered, providing a context for regional and local employment and skills.

JSA Unemployment (claimant count)

The seasonally adjusted JSA Register (Central England Group) currently stands at **160,100**. This is **down 7,100 (4.2%)** from the previous month (January), continuing a downward trend from Summer 2012.

Employment Rate

UK: 73.2% (for the period October to December 2014) **up 0.2%** from the previous quarter.

East Midlands: 74.7%, **up 0.5%** from the previous quarter.

Unemployment Rate

When seasonally adjusted, the national JSA claimant count reduced by 4.5% over the past month.

For the Central England Group it is currently 2.0% (compared to 3.1% a year ago).

The JSA claimant count **fell by 4.2% in the East Midlands** (to 54,200).

The ILO Unemployment* rate for the UK is: 5.7% (down 0.3% from the previous quarter). For the East Midlands it is 4.9%, down 0.8% from the previous quarter.

Vacancies

ONS statistics show 718,000 UK job vacancies for the period November 2014 to January 2015. This is the highest level recorded since comparable records began in 2001.

New JSA Claims on-flows (unadjusted)

Unadjusted on-flows for the Central England Group are down by 22.7% for the year and 9.8% for the quarter.

In the **East Midlands**, unadjusted on-flows were down by 10.3% on the previous quarter, and down 23% on the corresponding period 12 months ago (Nov 2013-Jan 2014).

Stopping JSA Claims (off-flows)

Seasonally adjusted off-flow rates (the number of people stopping JSA claims) in the Central England Group are down 19.5% from the previous quarter, and 20% on the same period last year.

In the **East Midlands**, they are down by 20.2% from the previous quarter and 21% on the same period last year.

Age and Duration of the Unemployed

The number of people who have been claiming for more than 6 months (Central England Group) has fallen by 38% over the past year to 69,610.

The 25-49 age band is the largest unemployed group; 56.7% of all claimants in Central England (compared to UK: 56.8%).

Youth Unemployment

The Central England Group continues to see significant reductions in its 18-24 register. Bar a small seasonal increase from the previous month, the current total of 38,730 is the lowest ever recorded since comparable records began in 1985.

In the **East Midlands**, the number of young people (18-24) claiming for more than 6 months has fallen by 41% since January 2014.

**ILO Unemployment is different from the claimant count, which measures only those people who are claiming unemployment-related benefits (JSA since 1996). The claimant count is normally the lower measure because some unemployed people are not entitled to claim unemployment-related benefits, or choose not to do so.*

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JSA Claimant Count (unadjusted): Local Enterprise Partnerships (East Midlands), December 2014 to January 2015

Local Enterprise Partnership	2014	2015	Change	
	number	number	change	% change
Greater Lincolnshire	15,058	15,758	700	4.6
Derby, Derbyshire, Nottingham and Nottinghamshire	27,042	28,343	1,301	4.8
Northamptonshire	6,728	7,473	745	11.1
South East Midlands	15,673	16,957	1,284	8.2
Leicester and Leicestershire	10,172	10,638	466	4.6

Skills: Qualification levels in the East Midlands

Data on the qualification levels of the working age population is currently available for the year to December 2013

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

(East Midlands District data below):

District	NVQ level 4+	NVQ level 3+	NVQ level 2+	NVQ level 1+	% No Quals
Leicestershire & Northamptonshire	31.4%	53.0%	70.0%	82.7%	10.5%
Midland Shires*	27.9%	50.6%	69.5%	83.2%	10.2%
Lincolnshire, Nottinghamshire & Rutland	29.2%	52.6%	69.5%	82.8%	10.7%

*Includes Derbyshire

Statistical First Release: 19+ years FE and Skills (England)

Provisional data (first quarter of 2014/15 AY):

- 1.4 million adult learners
- 573,700 funded Apprentices participated on an Apprenticeship
- 5,000 Traineeship starts
- 51,700 learners with a 24+ Advanced Learning Loan
- The overall 2013/14 Education and Training success rate for government funded adult learners was 87.6%
- The overall 2013/14 Apprenticeship success rate was 68.9%, a decrease of 3.4% from 2012/13. Decreases were seen for Intermediate and Advanced Apprenticeships but an increase was seen for Higher Apprenticeships
- Decreases were seen across all age ranges, in particular for those aged 25+

For full release please click [here](#)



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Statistical Release: Education and Training Statistics for the UK (2014)

- 9.9 million full-time and part-time pupils in around 32,300 schools in the UK in 2013/14 compared with 9.7 million pupils in 33,100 schools in 2009/10
- 160 universities and other higher education institutions in the UK in 2012/13. Compared with the previous year there are 6 more universities and 8 fewer higher education institutions
- 14% increase in the number of undergraduate first degrees being taken compared to 2008/09
- 22% rise in the number of postgraduate students studying for a PhD since 2008/09
- 6% decrease in the number of students studying for a Masters since last year

For full release please click [here](#).

Potential redundancies notified by employers in East Midlands (November 2014)

This data should be treated as an indicator of redundancies that are due to occur where employers have announced at least 20 job losses at a single site (via HR1 notifications)

District	All employers notifying redundancies	Public sector employers notifying redundancies	All potential job losses	Public sector potential job losses
Leicestershire & Northamptonshire	6	3	253	123
Midland Shires*	9	1	543	295
Lincolnshire, Nottinghamshire & Rutland	6	0	467	0
<i>Central England</i>	<i>49</i>	<i>6</i>	<i>3922</i>	<i>1730</i>

*Includes Derbyshire

Stopping JSA Claims: Off-flow Destinations (Central England Group), January 2015

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.

Reason	November 2013 – January 2014	% Total	November 2014 – January 2015	% Total
Found work or increased work to	66,075	45%	53,275	45%
Claimed benefit other than JSA	5,405	4%	4,055	3%
Government supported training	710	0.5%	445	0.4%
Education or approved training	770	1%	470	0.4%
Gone abroad	3,675	3%	2,500	2%
Ceased claiming	5,040	3%	4,625	4%
Failed to sign	43,800	30%	35,100	30%
Other reasons	3,070	2%	1,470	1%
Not known	18,115	12%	15,430	13%

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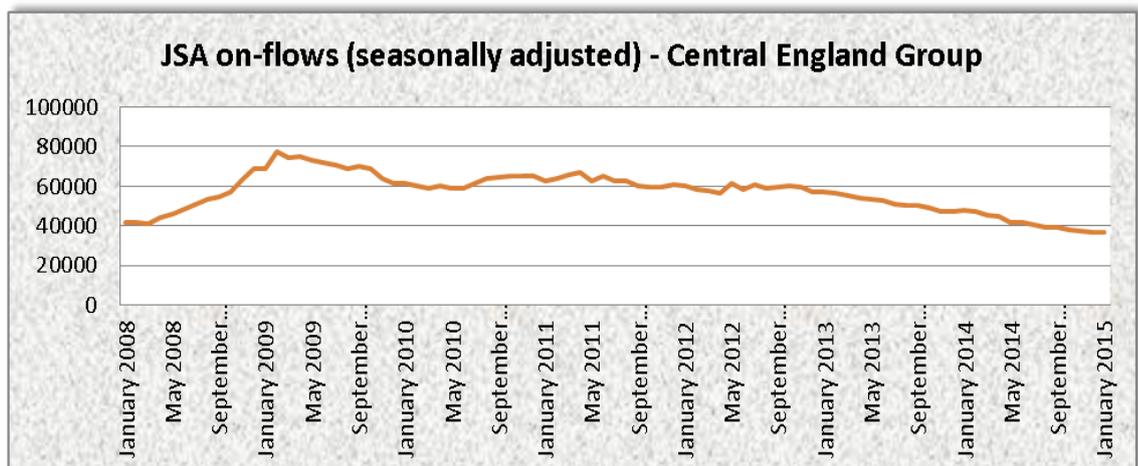
Jobs Sought by Occupation (Central England Group)

Over the past 3 months, jobseekers who have made new claims in the Central England Group have registered for work in the following top 15 occupational areas

It is worth noting that the SOC code for 'senior officials in national government' is '1111' and it is possible this accounts for the strangely high volumes for this occupation (i.e. people may be typing this in to complete a mandatory field instead of don't know')

Occupation	Jobseeker volumes	Percentage of Total Jobseekers
Sales and retail assistants	45,365	42.2%
Senior officials in national government	10,715	9.7%
Other goods handling and storage occupations	10,525	9.6%
General office assistants/clerks	6,195	5.6%
Labourers in process and plant operations	2,275	2.1%
Packers, bottlers, canners, fillers	1,710	1.6%
Van drivers	1,310	1.2%
Retail cashiers and check-out operators	1,290	1.2%
Cleaners, domestics	1,290	1.2%
Care assistants and home carers	1,230	1.1%
Kitchen and catering assistants	1,040	0.9%
Labourers in other construction trades	1,010	0.9%
Customer care occupations	985	0.9%
Bar staff	970	0.9%
Labourers in building and woodworking trades	880	0.8%

JSA On-Flows (Central England Group)-January 2008 to January 2015



Employment and Skills Briefing (February 2015)

UK Labour Market, February (ONS)

Key Points for October to December 2014

- Comparing the estimates for October to December 2014 with those for the previous quarter, employment continued to rise and unemployment continued to fall
- There were 30.90 million people in work. This was 103,000 more than for the previous quarter and 608,000 more than for a year earlier
- The proportion of people aged from 16 to 64 in work (the employment rate), was 73.2%, 0.2% higher than the previous quarter
- There were 1.86 million unemployed people. This was 97,000 fewer than the previous quarter and 486,000 fewer than a year earlier
- The unemployment rate was 5.7%, lower than the previous quarter (6.0%) and lower than for a year earlier (7.2%)
- There were 9.05 million people aged from 16 to 64 who were out of work and not seeking or available to work (known as economically inactive). This was 22,000 more than for the previous quarter
- The proportion of people aged from 16 to 64 who were economically inactive (the inactivity rate) was 22.3%, virtually unchanged compared with the previous quarter
- Comparing October to December 2014 with a year earlier, pay for employees in Great Britain increased by 2.1% including bonuses and by 1.7% excluding bonuses

For full report please click [here](#)

Regional Labour Market, February (ONS)

Key Points for October to December 2014

- The employment levels for the North East, North West, Yorkshire and The Humber, **East Midlands** and Scotland are all at record highs
- The employment rate in Great Britain was highest in the South East (76.5%) and lowest in Wales (69.2%)
- The headline Claimant Count rate in Great Britain was highest in the North East (4.1%) and lowest in the South East and South West (1.4%)
- The largest decreases in the unemployment rate estimates for the three months to December 2014 (compared to the three months to September 2014) were for the North East and West Midlands, at 1.2%, Yorkshire and The Humber, at 1.0% and the **East Midlands**, at 0.8%
- Over the year, the regions with the largest increase in the employment rate were the North East, with an increase of 2.5%, followed by the North West, with an increase of 2.2% and the **East Midlands** and the West Midlands, both with an increase of 2.1%
- The unemployment rate for people aged 16 and over for the UK was 5.7%, for the period October to December 2014. The region with the highest rate in Great Britain was the North East, at 8.0%. The regions with the lowest rate were the South West, at 4.5%, followed by the South East, at 4.6% and the **East Midlands**, at 4.9%

For full report please click [here](#)

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Trends in the UK Economy: 1980 to 2014 (ONS)

The most recent economic downturn had less of an effect on overall employment and unemployment rates when compared with the downturns of the early 1980s and 1990s. Meanwhile, a key feature of the labour market since 1980 has been the continued increase in the employment rate and economic activity rate of women.

Growth

- From 1992 to 2007 there were 16 consecutive years of growth before output fell in 2008 and 2009
- From 2010, output has been growing again – regaining pre-downturn levels in the third quarter of 2013
- Over the period 1980 to 2014, real GDP growth has averaged 2.2% per year
- UK productivity levels remain subdued; Growth in productivity was negative in 2012 and 2013

Trade

- Exports and imports continue to increase, but the UK has run a trade deficit since 1998
- UK tends to run a deficit on its trade in goods (imports of goods exceed exports of goods), but a surplus on its services (exports of services exceed imports of services)

Inflation and interest rates

- The inflation rate currently stands at 0.3%, its lowest level for over 50 years (The inflation rate measures the rate at which the average prices of goods and services change, and the Bank of England's goal is to maintain this rate close to a target that ensures price stability, which is 2%)
- The primary method that the Bank of England uses to maintain price stability is the interest rate at which it lends to financial institutions
- The official bank rate has been 0.5% since March 2009, which is very low compared to historic trends. A low interest rate can have a positive impact on the economy, because it reduces the cost of borrowing and makes savings less attractive – so people invest and consume more

Public sector finances

- Government expenditure has been larger than government income for most years since 1980
- Government spending for the latest full financial year ending 2014 was £97.3 billion higher than government receipts
- UK government debt as a percentage of GDP is rising (Government debt is an accumulation of each year's budget deficit, and the government must pay interest payments on this debt)
- The government has operated a budget deficit for most financial years since the financial year ending 1981. As a consequence, the total level of debt has also risen in almost every year since that time. In the financial year ending 2014, it reached 79.1% of GDP

For full report please click [here](#)

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Chart 1: UK Employment rate (16 to 64), seasonally adjusted, 2009-2014

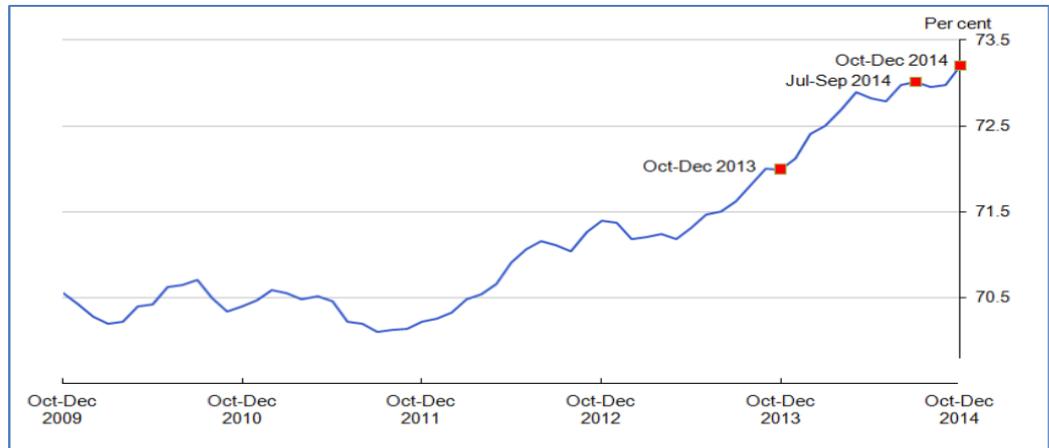


Chart 2: UK Unemployment rate (16 and over), seasonally adjusted, 2009-2014

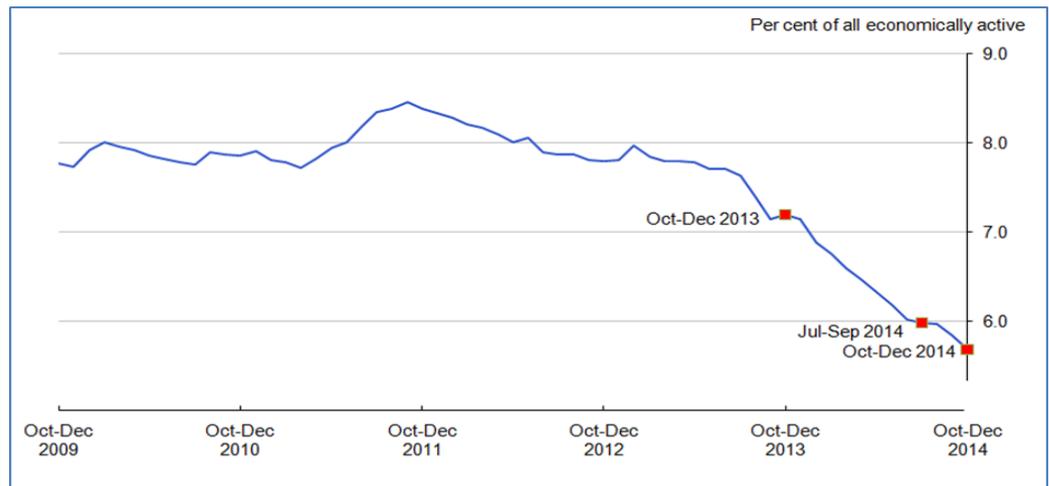
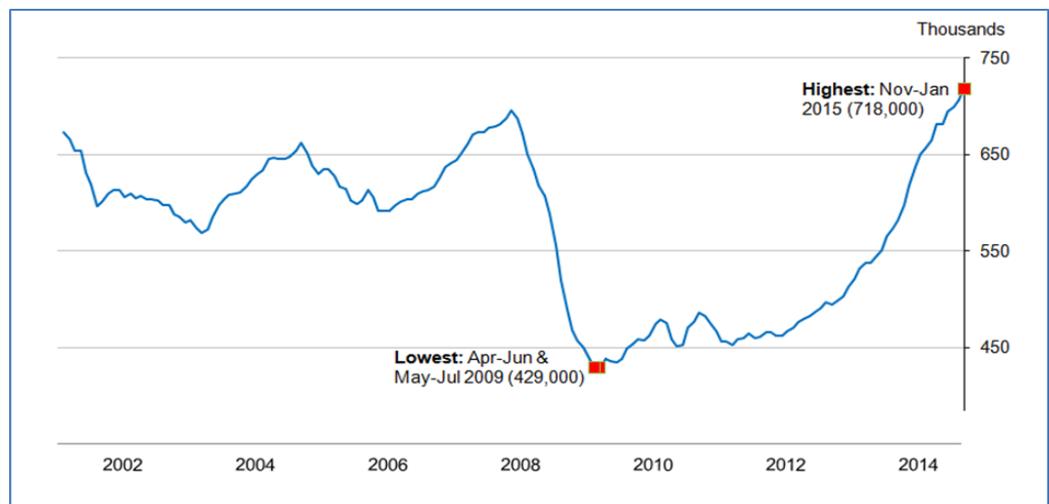


Chart 3: UK Vacancies (seasonally adjusted), 2002-2014



Source: ONS