

North East Derbyshire District Council
Growth Scrutiny Committee – 19th July 2018
Employment and Skills Update

1. Background

- 1.1 The Housing and Economic Development Strategy 2015-2020 has 8 key strategic objectives. One of which is 'maximising employment, skills and training opportunities'.
- 1.2 To meet this objective the following actions were identified:
- 1.2.1 To work with partners to upskill both local residents and the local workforce
 - 1.2.2 To work with partners to reduce unemployment through targeted initiatives
 - 1.2.3 Improved access to and support for apprenticeships

2. Progress

Progress – To work with partners to upskill both residents and the local workforce.

- The Higher and Degree Level Apprenticeship Marketplace took place on the 30th April 2018 in NEDDC offices. Residents and businesses were invited to drop in at any time in the afternoon to talk to the Universities and Chesterfield College who are all having a market stand to promote their apprenticeship offer. The Careers Service also had a market stand to support adults in identifying careers and progression routes. This was a proactive approach to make the pathways and information more accessible and in one place. 25 individuals and 8 businesses attended the event and feedback from the event was very positive.
- NEDDC's Business News (May 2018) was used to promote Derby University's Internship Programme, Higher Qualifications at Nottingham Trent University and Higher Level Qualifications being offered by Chesterfield College. These also support the action – Improved access to and support for Apprenticeships
- Key Performance Indicator (EDU 05 - Work towards increasing NED NVQ level 4 and above qualifications % to be equal to or above the Derbyshire %) was introduced in June 2017 to focus on increasing level 4 skills levels. In June 2017, the baseline that was taken for Derbyshire % was at 33.1% and North East Derbyshire % was at 31.7%. In June 2018, to include GB:

Qualifications – NVQ level 4

| Date | North East Derbyshire | North East Derbyshire (%) | Derbyshire (%) | Great Britain (%) |
|---------------|-----------------------|---------------------------|----------------|-------------------|
| Jan 14-Dec 14 | 19,400 | 31.8 | 31.9 | 36.0 |
| Jan 15-Dec 15 | 18,900 | 31.0 | 33.2 | 37.1 |
| Jan 16-Dec 16 | 18,500 | 31.7 | 33.1 | 38.2 |
| Jan 17-Dec 17 | 15,700 | 27.3 | 33.0 | 38.6 |

Source Nomis

- As can be seen from the above table. There is a drop in NVQ Levels 4 in both Derbyshire and North East Derbyshire, which NED having a substantial drop of 4.3%.
- There is also the uncertainty of Brexit and the impact this has on businesses, which is also likely to impact on skills levels.

Progress - To work with partners to reduce unemployment through targeted initiatives

Key Statistics as at 30/6/18

Unemployment Rate – Claimant Count (Universal Credit and JSA)

| Date | NED no's. | NED % | East Midlands % | England % |
|----------|-----------|-------|-----------------|-----------|
| May 2018 | 835 | 1.4 | 1.8 | 2.1 |
| May 2017 | 870 | 1.5 | 1.6 | 1.9 |
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Source: Derbyshire Observatory

Unemployment Rate – JSA Count

| Date | NED no's | NED % | East Midlands % | England % |
|----------|----------|-------|-----------------|-----------|
| May 2018 | 546 | 0.9 | 1.1 | 1.1 |
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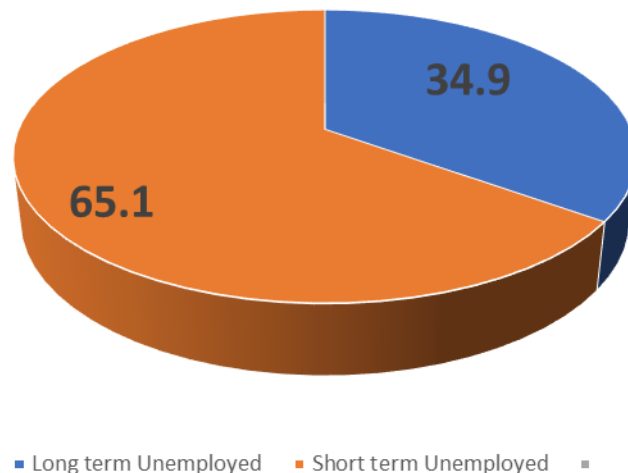
Source: Derbyshire Observatory

Long-Term (Greater than 1 year) JSA Count (as a % of all JSA Claimants)

| Date | NED | East Midlands | England |
|----------|------|---------------|---------|
| May 2018 | 34.9 | 30.4 | 35.6 |
| May 2017 | 28.8 | 32.1 | 31.4 |
| May 2016 | 30.8 | 27.5 | 27.9 |

Source: Derbyshire Observatory

Length of Unemployment for JSA Claimants in Derbyshire
May 2018



- **Working Communities Project** provides 1-1 support for residents who are facing redundancy or are unemployed.
 - There are two KPIs to measure the success of the Working Communities Project. These are '20 people into work' and '60 people with pre-employment activities'. In q 1 2018/2019, 13 people into work and 66 people supported with pre-employment activities. Mark has a current live caseload of 42 clients.
 - The Working Communities Project continues to be developed further as part of a transformation review. Rebranding is currently taking place. Closer working with the homeless team has also been agreed – individuals will be discussed as appropriate on a case by case basis. A Welcome Pack is being developed so that the service looks more professional and an Individual Learning Plan is being introduced as a motivational tool for clients. Group sessions are also being developed for Working Communities clients to support them become more IT literate and to help them register with Universal Credit. A policy and statistical review (see appendix 1) of unemployment statistics will take place to support the transformation project and enable it to stay high impact.
 - Costings for an additional adviser as requested by Scrutiny in April 2018: Salary + salary + NI = £34,849

- **The Ambition Project** was funded with DWP Youth Contract Underspend monies to support 18-24 year old JSA claimants into employment. The Ambition Project finished on 30/8/17 and underspend was used to continue with a similar project. Following on from the last update, an update on progress follows:

Project X 01/09/2017 – 31/09/18

| SCR | Original Target | Actual To Date 28/6/18 |
|------------------|-----------------|---------------------------|
| Placements | 13 | 22 |
| 4 weeks in work | 11 | 37 |
| 13 weeks in work | 9 | 13 |
| 26w in work | 5 | 8 |

An extension of the project is currently underway and there may be a possibility of an additional 7 month for two employees or 12 month for one employee.

- **The Talent Match Project** is funded with Big Lottery funding. This is a SCR 5 year project that ends Dec 2018. An update on progress follows.

| KPI | NED Cumulative Target to Dec 18 | NED Cumulative Actual as at 31/5/18 | NED % Cumulative Target Achieved |
|---|--|--|--|
| Employment/Enterprise | | | |
| No of yp securing employment | 50 | 51 | 102% |
| No of yp securing sustained employment (6 months +) | 23 | 31 | 135% |
| No of yp securing self employment/enterprise | 2 | 2 | 100% |
| No of yp sustained self employment/enterprise (12 months +) | 1 | 2 | 200% |
| Work Experience | | | |
| No of yp undertaking work placement | 18 | 28 | 156% |
| Training, Skills and Education | | | |
| No of yp underaking basic skills training opportunities | 35 | 38 | 109% |
| No of yp into apprenticeships | 4 | 3 | 75% |
| No of yp completed apprenticeships | 3 | 2 | 67% |
| No of yp into formal education (accredited) | 20 | 46 | 230% |
| Volunteering | | | |
| No of yp undertaking volunteering | 20 | 23 | 115% |
| No of yp regularly undertaking volunteering (2 months +) | 14 | 22 | 157% |
| Young People Engagement | | | |
| No of yp who were previously classes as "hidden" | 36 | 22 | 61% |
| No of yp engaged | 119 | 119 | 100% |

There was an underspend that was identified from years 1 – 4 which amounted to £400k and a new 12 month project was created to utilise this underspend – Legacy 6. This will provide intensive and targeted support to a small caseload of clients that are identified as being furthest away from the labour market and therefore requiring the greatest level of support. As the funding is significantly smaller than the existing Talent Match programme, Sheffield Futures who are the programme managers, undertook a lot of analysis (Appendix 1) to select three providers and three geographical areas within the SCR. Derbyshire County Council have been selected as one of the three providers, and that the area identified as in greatest need is Bolsover.

2.2.4 Employment conditions have been included in all new major planning employment and housing sites (EDU 04 Service Plan). These vary from housing developments with 10 dwellings and can include a minimum of a health and safety talk with the local primary school, labouring jobs being made available to local residents and career talks in secondary schools. From 1st October 2018, there are new regulations associated with pre-commencement planning conditions and local authorities are being encourage to avoid pre-commencement conditions wherever possible. Where pre-commencement conditions are introduced, then at least 10 days' notice of intending to include these has to be included. A decision has now been made to not continue to include employment conditions into planning applications, however efforts will continue to be made to work with developers and builders to seek the above mentioned opportunities.

2.2.5 Derbyshire Local integration Board. Progress - discussions are taking place with regards to re-shaping the Strategic Health and Wellbeing Board for Bolsover, Chesterfield and North East Derbyshire. This may be the best format for the Strategic Local Integration Board and a workshop to start consultation on this is taking place on 17th July. The pilot Operational Integration Board has had its first meeting on 20th June 2018. Two cases were discussed, from Talent Match programme and actions going forward were agreed to progress further before next meeting on 30th July 2018.

Progress: Improved access to and support for apprenticeships

- Nationally apprenticeships starts have dropped considerably which will impact on this target.
- The Apprenticeship Levy was introduced in April 2017. This is a levy on UK employers to fund new apprenticeships and is charged at a rate of 0.5% of an employer's paybill. Each employer will receive an allowance of £15,000 to offset against their levy payment. The levy was designed to counteract the long-term decline in employer investment in training in the UK. At the

same time there were a number of reforms to improve the quality of the apprenticeships. These include a minimum duration of 12 months, a requirement for 20% of the training to be undertaken off the job, and the creation of new employer-led apprenticeship standards. Both the Levy and the reforms are still in their early days and are going through teething problems. Some of the difficulties are:

- Employers are reporting difficulties with knowing what apprenticeships are now available and if the Levy applies to them or not.
- Employers are confused about their digital account – payments are made monthly and employers are not aware of this. As they think they have to pay the full amount in advance, they lose interest.
- As there are difficulties with the digital account, some employers just write off their tax.
- There are challenges with the 20% off the job training, in particular for small companies as they need staff working full time. In manufacturing to cover apprentices when they are on their off the job training, backfill is brought in, which is charged at time and a half. So the actual cost of the off the job training is 30%
- The new apprenticeship standards are taking time in getting approved.
- For some of the apprenticeships, it is cheaper for businesses to pay for the full time training, rather than apprenticeships, eg AAT (accounting) is £2,500 for the full time course and the apprenticeship costs £9,000.
- The public procurement process for local authorities is slow and laborious and is slowing the selection of training provider and the apprenticeships.
- Some of the standards are written by large employers and are not suitable for the small employers. Eg for manufacturing, smaller companies require fabrication welding however the standard has been written to include coded welding which takes place in the larger companies only. Fabrication is not included in the standard which makes the standard unsuitable for the smaller companies, of which there are more of.
- The end point assessment is putting people off applying for apprenticeships as they struggle with exams.

Additional information requested by Growth Strategy in April 2018

1. Other employment programmes available and opportunities arising.

Method of identifying delivery providers

Legacy 6 providers have been identified based on the following cross-sectional analysis of data:

A. Furthest from Labour Market Analysis

Using CRESR's measure of 'Proximity to Labour Market Indicators' TMSCR CDF data was analysed to identify TMSCR young people's starting point and how far they had progressed after 12 months. The data provided insight into:

- which types of young people had required the most support
- which partners had recruited young people that needed higher levels of support
- which partners had made the greatest impact toward progressing young people closer to the labour market

B. Progression and Performance Analysis Methodology

In order to establish a fair representation of progression and performance, Clive data was also analysed in addition to the CDF data above.

- i. Measure of Performance Analysis assessed hard outcomes.

Outcome percentages ranged between 0% and 54.9%, thus a benchmark of 20% or more in each outcome group was adopted as a fair measurement.

- ii. Measure of Individual Client Need Analysis assessed young peoples' background, health, wellbeing and disability needs.

Client need percentages ranged between 0% and 38.7%, thus a benchmark of 10% or more in each client need group.

- iii. Measure of Cohort Complexity Analysis, combined CDF and Clive data to identify partner organisations engaging young people who required most support.

Overall progression and performance analysis combined these three measures.

C. Geographical location of FFLM clients

In addition to the above data sets, an overall investigation into the locations of clients falling into FFLM group 1 has been carried out.

D. Conclusion

Cross-sectional analysis and comparison of all data sets detailed above ensured fair and reliable validation of the providers to be included in Legacy 6. This methodology has been approved by our Co-ordinating Partners and the Big Lottery.

Employment and Skills Related Programmes available in Derbyshire**1st June 2018**

| LEP | Programme | Funding | Target Audience | End date |
|------------|---------------------------------|--|---|-----------------|
| D2N2 | Inspire Local | ESF (£4,542,324) | Supporting people who have difficulty in gaining employment due to a disability or health condition, having little or no work experience, living in isolated or rural areas, or in areas with high levels of social exclusion. 50 + years, 25 + years on health related benefits | 31/12/19 |
| D2N2 | Employ Local | ESF (£5,400,000) Derbyshire allocation £2,375,280) | Business and local unemployed (6 month + / graduates) people 'match and fill' service | 31/3/19 |
| D2N2 | Skills Local | ESF (£6,300,000) | A local service to provide SMEs with support and incentives to upskill their workforce and grow their business. 19 + years | 31/7/18 |
| D2N2 | Building Better Opportunities | Money Sorted ESF (£1,544,250) | Financially excluded | 31/10/19 |
| | | Framework Housing ESF (£2,317,400) | Multiple and complex needs | 31/10/19 |
| | | Towards Work ESD (£3,700,850) | Barriers to employment Women returners | 31/10/19 |
| D2N2 | Careers Local | ESF (£1,731,676) | Careers Local funding is available to education and learning providers in the D2N2 LEP region to provide careers, enterprise and employability support for 15-19 year olds who are NEET, or at risk of becoming NEET. In Derbyshire – Careers Inspiration Programme NEET | 31/3/19 |
| D2N2 | Step Forward | ESF (£2,879,650) Derbyshire allocation (£1,613,484) | | 31/3/19 |
| D2N2 | Careers and Enterprise Company | ESF | The Enterprise Advisor Network is a funded programme that helps to prepare young people for the world of work by connecting businesses to local schools. The Network consists of Enterprise Coordinators who build careers and employer engagement plans with schools and match them with Enterprise Advisors - high calibre business volunteers - who support the work of the schools/coordinators and connect them with other local businesses. Derbyshire Local Authorities have been asked for match funding contributions to continue with the project. NEDDCs requested contribution is £12,500. However discussions are taking place within DCC on other routes to fund this. | August 2018 |
| D2N2 | Youth Engagement – Step Forward | ESF | Helping young people to “choose work” and giving them the skills and behaviours they need to thrive in local businesses. | November 2019 |

| | | | | |
|------|------------------------|--|---|--------------------------|
| D2N2 | Stay Ahead project | ESF | Assist employed individuals to overcome barriers, which prevent them from undertaking in work training, and increasing their skills levels. Individuals must work in one of five target sectors: Construction, Creative & Digital Industries, Health & Social Care, Low Carbon and Transport Equipment Manufacturing. Support SME's to access high quality innovative in work training solutions for their existing workforce. | November 2019 |
| SCR | Talent Match | Big Lottery | 18 – 24 year olds. Long term unemployed | December 2018 |
| SCR | Legacy 6 | Big Lottery Talent Match underspend | 18 – 24 year olds. Long term unemployed Research undertaken on specific criteria to focus on which individuals will benefit the most. Bolsover was the only area from BBNED area. | January to December 2019 |
| SCR | Ambition + Project X | DWP Youth Contract underspend | 18 – 24 year olds. JSA claimants | September 2018 |
| SCR | RISE | SCR Growth Hub? (SHU and Sheffield University) | Introduces graduates who want to work hard and do great things to the region's businesses, who appreciate an injection of energy and new ideas. | |
| SCR | Better Working Futures | ESF | Replaced the Work Programme. Work and Health Programme being delivered by Reed in Partnership. Numbers small. Package area from Scotland to Derbyshire. Supporting people with health related issues, furthest away from the labour market. | |
| | | | | |

Potential Funding available

| LEP | Funding | Target audience | Call Expected | Funding amount |
|-------------|----------------------------|--|---|--|
| D2N2 | ESF – Active Inclusion | <p>To address poverty and social exclusion. In particular the call is to provide targeted support to those most disadvantaged in the current labour; those with multiple barriers to progression and least able or likely to benefit from ‘organic’ local growth, and to do so in a way which is locally appropriate and sensitive to the needs of those communities and individuals.</p> <p>Theme 1: Multiple & Complex Needs (1.4.1) Theme 1 aims to support people with multiple and complex barriers to participation to address these underlying issues and to move closer to the labour market.</p> <p>Theme 2: Progress Towards Work (1.4.3) Theme 2 aims to engage marginalised individuals and support them to engage or re-engage with education, training or employment. Activity must be additional to existing skills and employability provision and focus on those furthest from the labour market and with complex needs.</p> | <p>Call to be published March 2018.</p> <p>Contracts issued October 2018</p> <p>Update: open call on 5/6/18. August 21st 2018</p> | The ESF funding allocation to support this activity is £4,200,000 and is proportioned across the two themes. Applicants will need to have eligible match funding for the balance of costs which must be from a source other than the European Union. |
| D2N2 | ESF – Health and Wellbeing | <p>To identify opportunities to maximise and capture the potential for health and wellbeing interventions to generate economic benefits.</p> <p>Align current investment models for health and wellbeing delivery (both mainstream and third sector investment / delivery) with ESF to deliver and capture greater opportunities for the local economy. Including those that deliver improved wellbeing of the existing workforce to the benefit of SMEs, providing a wrap-around service to support individuals into the sector (with additional support for those in receipt of health-related benefits or build capacity to join up existing services and activity.</p> <p>Module 1 – Health & Social Care Workforce Development (£??)</p> <p>The module will support activities that deliver:</p> <ul style="list-style-type: none"> Improving workforce planning and development across both health and social care (design and implementation); involving but not limited to employability and skills providers, Talent Academies, HEE, local authority children’s and adult’s social care, Health & Wellbeing Boards and NHS and social care providers. Improving awareness of careers in the HSC sector and the coordination of information, resources and services; including improving the ‘image’ of careers, particularly in social care; building on a utilising existing services which operate strategically across the LEP | <p>The call for Module 1 will be published in January 2018.</p> <p>Call not published as at 1/6/18 Contracts to be issued from August 2018 with delivery commencing after this point.</p> | The ESF funding allocation to support ‘employment’ is £12,100,000 million. Applicants will need to have eligible match funding for the balance of costs which must be from a source other than the European Union. |

| | | | | |
|----------|--|--|--|-------------|
| | | <p>area (e.g. the D2N2 Enterprise Advisor Network which links with all schools).</p> <ul style="list-style-type: none"> Improved access to employment opportunities within the HSC sector for people with additional barriers to work or progression; including physical, cultural or qualification barriers. Improved access to work experience, training and in-work development in order to improve job progression and retention rates – addressing specific barriers to this in social care settings Extra support for apprenticeship opportunities in careers with low staffing ratios or personalised support models, including back-fill. <p>Module 2 – Improving the Health of the Local Workforce (£xx)</p> <p>This module will capture and expand existing and evidenced good practice in health or other settings in supporting individuals to tackle their health and wellbeing issues to support sustained employment outcomes.</p> <p>The module will support activities that deliver:</p> <ul style="list-style-type: none"> Integration of health support with employment and skills activity to deliver enhanced health, wellbeing and economic outcomes; Improved referral pathways between GPs and other health professionals and employment / inclusion support services – including co-location of complimentary services; Early identification of those managing or developing long term conditions whilst in work or at risk of or in early stages of extended or repeated sickness absence; Increased employer awareness of occupational health services and referral processes; Supporting people in SMEs with long term conditions to manage those conditions better in work; Supporting SME employers to make adjustments which enable employees to manage their health needs in work. Improved leadership and management within SMEs in relation to workforce wellbeing Locally embedded and aligned to existing provision and circumstances Support for carers | <p>Module 2 will be commissioned to coincide with the completion of the DWP opt-in programme INSPIRE Local in December 2019.</p> <p>Therefore the planned published date will be June 2019 with contracts to be issued in January 2020</p> | |
| National | Big Lottery Dormant Account Youth Fund | <p>16 – 24 year olds</p> <p>The core principles that will underpin this programme include:</p> <ul style="list-style-type: none"> Placing young people at the heart of designing | Summer 2018 | £90 million |

| | | | | |
|--|--|---|--|--|
| | | <p>and ongoing delivery of programmes – demonstrating their value to the economy, and ensuring that they get the support they need.</p> <ul style="list-style-type: none">• Encouraging local solutions, recognising regional and racial disparity and variation.• Focusing on long-term, sustained improvement to the local support already in place to support young people.• Inspiring new partnerships between business, education and youth organisations, bringing their strengths together and building a resilient and sustainable infrastructure of support, which delivers results for young people.• Exploring scope for re-payable finance and match funding, particularly the use of social impact bonds, as a means of enhancing impact. | | |
|--|--|---|--|--|

DRAFT version 1.

Working Communities Policy and Statistical Review

A number of policy drivers are steering employment policy in the UK. A focus on productivity (such as through the Industrial Strategy) and a focus on providing incentives to work (such as through universal Credit).

National Policy Universal Credit: Welfare that Works (2010)

In 2010 the Government released the white paper “Universal Credit: Welfare that Works”. The aim of this was to bring about a simplification of the benefit system, and make it more rewarding for people on benefits to move into full-time employment.

The Universal Credit system will replace the existing system of multiple types of benefit, controlled by multiple different agencies, with a single benefit scheme operated and managed by a single agency.

The scheme will increase the amount of earned income people can keep whilst on benefits, whilst at the same time increasing the conditionality and sanctions for those who are not working, but who are able to.

Through the changes in the welfare system brought about by the move to Universal Credit, the government expects to see a reduction in the number of workless households of approximately 300,000.

The change to Universal Credit, and its dual role of rewarding work and sanctioning those who are eligible to work but do not, means that a number of NED residents who are currently on benefits and not actively seeking work, may have a change of heart, and be more willing to work with programmes such as Working Communities, to obtain employment.

Universal Credit Implementation issues

In July 2018, residents of North East Derbyshire will begin to be moved to Universal Credit.

In June 2018, the National Audit Office produced a report entitled “Rolling Out Universal Credit”. This report analysed how the Government had performed in implementing the change to Universal Credit to date.

The report noted that there have been a number of issues that have been created through the change in system, which have impacted upon the lives of claimants. These include:

- Some claimants have struggled to adjust to Universal Credit – the report finds that through the NAO’s investigations, many claimants claimed that they suffered hardships and difficulties through changing onto Universal Credit. This was a combination of issues with the schemes design and its implementation. However, the Government does not have adequate systems in place to be able to accurately monitor and track those who are vulnerable. A survey

Appendix 1

conducted by the Government found that 4 out of every 10 claimants were suffering financial difficulties.

- Approximately 1 in 5 claims are currently being paid late. The NAO reports states that they estimate that in 2018, between 270,000 and 338,000 claims will be paid late

These findings show that it can be expected that as more and more unemployed residents of North East Derbyshire begin to be moved over to the Universal Credit system over the summer of 2018, more issues and hardships can be expected, with people likely to be waiting for their claims to be paid, and also with people struggling to adapt to the changes (e.g. changing from being paid weekly under the old benefit system to being paid monthly through Universal Credit etc).

The Governments Industrial Strategy 2017

This strategy was created by the Government as they wish “to create an economy that boosts productivity and earning power throughout the UK.”

The strategy has 5 foundations to help meet this aim. These include:

- People – good jobs and greater earning power for all.

Key policies that the government will introduce through the implantation of this strategy include:

- Create a new National Retraining Scheme that supports people to re-skill, beginning with a £64m investment for digital and construction training.

Within the ‘People’ foundation, the Government also recognises a number of challenges that they need to meet. These include:

- “...we need to tackle entrenched regional disparities in education and skills levels.”
- “...we need to ensure that everyone, no matter what their background or level of skill, has an opportunity to enter into and progress at work and through the education and training system.”

This shows that the Government have recognised the importance of ensuring people of all ages and backgrounds have the opportunity to re-skill throughout their lifetime, as well as recognising that parts of the country are in need of additional assistance to ensure that their skill level reaches the national standard.

Therefore, it is important that North East Derbyshire has the policies and programmes in place to ensure we can react to any future initiatives the government puts in place to tackle these issues, such as the National Re-Training Scheme, and helping people into work..

Productivity in North East Derbyshire (Ref D2N2 2017)

GVA per FTE stats in North East Derbyshire are very healthy, as seen below:

Productivity per FTE

East Midlands £58,007

Appendix 1

| | |
|----------------------|----------------|
| D2N2 Area | £57,185 |
| Derbyshire | £58,926 |
| Nottinghamshire | £58,427 |
| Nottingham | £48,842 |
| Derby | £65,089 |
| NE Derbyshire | £64,652 |
| England | £68,005 |

However, the D2N2 State of the Economy Report (2017) notes that there is a GVA gap - £49,726.00 between GVA per fte (£64,652 and GVA per head, of £14,926.00), and that median annual average earnings are low.

One of the ways to improve productivity and prosperity for the area, would be to help move people into the productive sector.

Unemployment in North East Derbyshire.

- The Economically Active Unemployment Rate (model-based) is now very low in North East Derbyshire and has come down much faster than the UK average.

For example:

| Unemployed Rate | North East Derbyshire | Great Britain |
|-----------------|-----------------------|---------------|
| 2011 | 9% | 7.9% |
| 2017 | 3.5% | 4.4% |

Ref Nomis 2018 LA Profile.

Other Key Statistics

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Appendix 1

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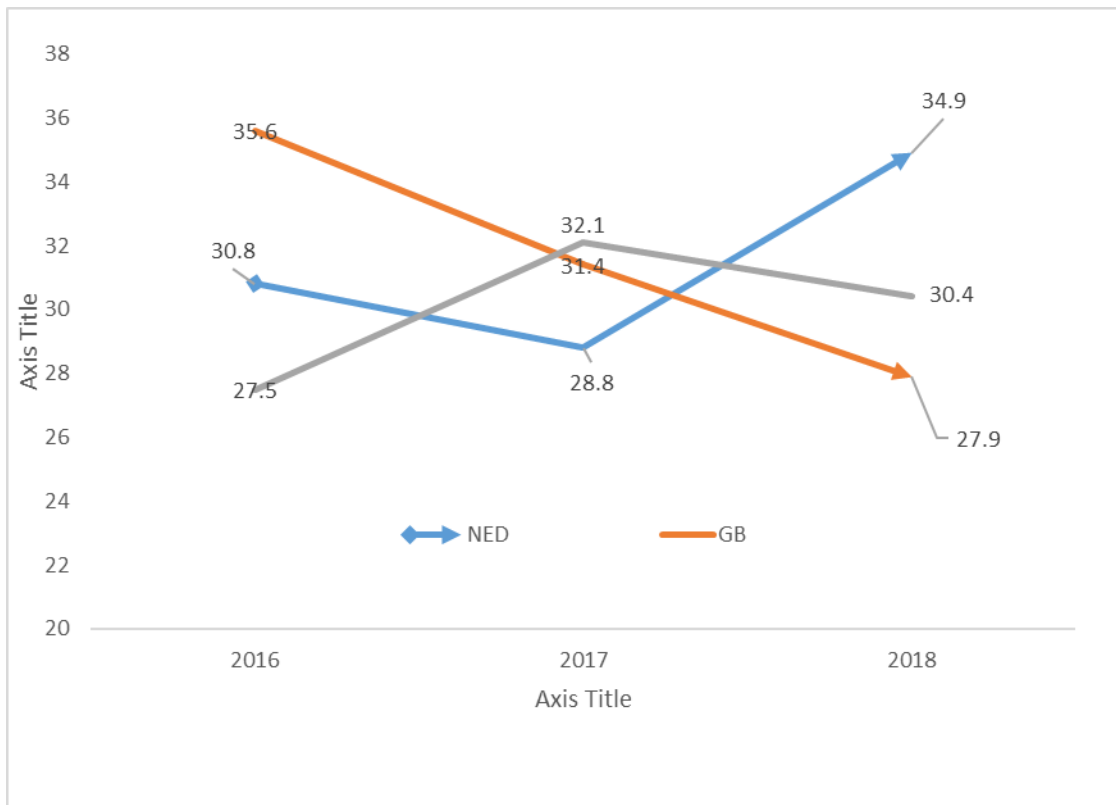
Long-Term (Greater than 1 year) JSA Count (as a % of all JSA Claimants)

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| May 2017 | 28.8 | 32.1 | 31.4 |
| May 2016 | 30.8 | 27.5 | 27.9 |

Source: Derbyshire Observatory

Long Term Unemployed – Direction of Travel – East Midlands, North East Derbyshire and GB.

Appendix 1



Data Source: Derbyshire Observatory

- The proportion of long term unemployed in North East Derbyshire is increasing, while nationally it is decreasing.
- This is a concern and may be as a failure of programmes to respond to this trend.
- Long term unemployed often have more complex needs to address.

ESA

What is ESA about?

Employment and Support Allowance (ESA) is about focusing on what a person can do, rather than what they can't.

Under Incapacity Benefit, statistics showed that after two years on the benefit someone was more likely to die or retire than to find a job again. (Ref: <https://www.communities-ni.gov.uk>).

Underpinning this is the work capability assessment.

Appendix 1

ESA aims to ensure that no-one is written off and that everyone who is able to work is given assistance to help them back into employment.

ESA and North East Derbyshire

ESA and Incapacity Benefit Claimants - % of Working age population

| Date | NED no's | NED | East Midlands | Great Britain |
|----------|----------|-----|---------------|---------------|
| Nov 2016 | 4,040 | 6.7 | 6.0 | 6.1 |
| Nov 2015 | 3,930 | 6.6 | 5.9 | 6.2 |
| Nov 2014 | 3,760 | 6.2 | 5.8 | 6.3 |
| Nov 2013 | 3,720 | 6.1 | 5.8 | 6.2 |

Source: NOMIS

These figures show that in terms of general unemployment, the district of North East Derbyshire performs well compared to the national and regional averages, and has a much lower claimant rate.

However, when looking at ESA claimants, the district performs poorly compared to the national average, and is getting comparatively worse over time.

ESA and Incapacity Claimants tend to be residents who are suffering from long term health and other issues that impacts upon their ability to gain employment.

This suggests that the district has a relatively high proportion of unemployed people who suffer from more complex issues.

Income-related Employment and Support Allowance is one of the benefits that Universal Credit is replacing.

Conclusion

Government policy and strategy is geared towards providing an overhaul to the benefit system, as well as to implement a range of projects and initiatives that provide people with the ability to make themselves work ready, for employment that is as high skilled as possible, and is relevant to the individual.

The Government aims to ensure that the productivity of the nation is raised, and it aims to do this by ensuring as many of the working age population as possible are in employment.

North East Derbyshire as a district does not suffer from significant amounts of unemployment, although there are pockets within certain communities. However, the district does suffer from significant amounts of people with long-term issues who are currently on ESA benefits.

Appendix 1

It is likely that whilst a proportion of these are unable to work at all, there will be a significant amount who would be considered able to work in certain circumstances. Therefore, if they do not begin to look to gain employment, they will potentially face the threat of sanctions on their benefits. These people will need significant support if they are going to benefit from the initiatives that the government is putting in place to ensure the country's employment is maximised.

- Unemployment in North East Derbyshire is historically low.

However this masks a more complex picture

- The Long term unemployed are increasing in North East Derbyshire – with a need to address underlying issues for those that can work.
- The Universal Credit roll out is likely to cause problems and issues for many claimants making the transition.
- There is a need to focus on supporting claimants with more complex needs with employment support.