

## 3.1.1 Employment and unemployment in Bradford district

### Context

More than 1 in 3 people of working age in the Bradford district are currently out of work. Bradford has one of the lowest proportions of working age residents in employment of any local authority in the Yorkshire and Humber region and the proportion is lower than the national average. Worklessness is much higher among women in Bradford compared to regional and national averages. Ethnic minority groups experience higher than average workless benefit claimant rates. Those with no, or low qualification levels have the highest levels of worklessness and are the most disadvantaged group in the labour market.

Worklessness rates vary by age but are higher within the younger population, with 42% of 16 to 24 year olds out of work. Disability or illness is a significant factor, with around 37% of the workless population in Bradford classed as disabled. Youth unemployment will be of increasing concern, as more school leavers and graduates enter a labour market where jobs are scarce.

Employment rates improved prior to the recession and the gap with regional and national rates narrowed. Economic activity rates also improved. The onset of recession has seen employment levels fall significantly and Bradford now has the second lowest employment rate in Yorkshire and the Humber. Bradford's unemployment rate, at 11.1%, is 5th highest of the 21 authorities in the Yorkshire and Humber Region. Self employment has not fallen by the same degree which has, to a degree, mitigated the impact of falls in the number of private sector employee jobs.

Getting more people into work is at the heart of local and national strategies to reduce poverty. There is also a strong evidence base showing that work is generally good for physical and mental well-being. Bradford's workforce is growing and it is predicted that we will have one of the fastest growing working-age populations of any major city in the UK. The growth of our workforce will largely be driven by an increase in working age people from Black and Minority Ethnic (BME) populations. This growth presents both opportunities and challenges. Raising skills levels is key to ensuring local people are equipped to take up employment in occupations both within and outside the district.

### National and local targets

The national target is to increase employment rates to 80% by 2010. By historical and international standards, this is an ambitious aspiration. Only one country in the world, Iceland, has employment substantially above 80%.

We have included two employment related national indicators in our Local Area Agreement (LAA).

- NI 151: Overall Employment rate (working-age)
- NI 153: Working age people claiming out of work benefits in the worst performing neighbourhoods

Current performance can be summarised as follows:

**NI 151:** Results for the twelve months to June 2010 show the effects of the recession, as the district's employment rate fell from 69.2% over the previous year to 63.6%, representing a reduction of 17,300 in the number of people in employment. The current rate is significantly below the previous LAA target. There is some potential for further small falls due to the impacts of public sector cuts, particularly if the private sector recovery is weak.

**NI 153:** There has been a further rise in the out of work benefit claimant rate in the worst performing neighbourhoods in Bradford to 31.8%. The rate has continued to be pushed up as a result of the

increasing numbers of people claiming Job Seekers Allowance, which is the major component of out of the work benefits, as the recession continues to impact on unemployment. Targets are currently being revised in-line with guidance from Government Office Yorkshire and Humber. It is anticipated that the revised targets, which will take the effects of the recession into account, will be met in Bradford district.

## Relevant strategies and local documents

- Bradford District Economic Strategy 2007
- Scrutiny of Worklessness in the District: Bradford Council Regeneration and Economy Improvement Committee, July 2007
- The Big Plan 2008 - 2011, the Sustainable Community Strategy for Bradford District
- Bradford District Local Area Agreement 2008 -2011
- Bradford District Local Economic Assessment 2010
- Employment and Skills Strategy for Bradford District 2011-2015 (completion pending)

## What do the data tell us?

### Employment

Latest data from the Office for National Statistics (ONS) Labour Force Survey for the year to June 2010, showed that 63.6% of the working age population in Bradford district were in employment. This was lower than the regional rate of 68.9% and the national (UK) rate of 70.2%.

Over the five years to June 2010, total employment in the district rose by 700, to 205,100. The working age population increased by 20,700 over the same period, resulting in a big fall in the overall employment rate. Self-employment more than doubled over the same period, increasing by 13,500 to 25,600 working age residents. This mitigated a fall in the number of working age employees and represents a significant shift in working patterns, with self employment becoming much more prevalent.

### Unemployment

Data from the ONS Annual Population Survey for the year to June 2010 showed that there were 25,600 unemployed people in Bradford district. This equates to an unemployment rate of 11.1%, which was higher than the regional rate of 9.0% and the national rate of 7.8%. This represents a worsening picture compared to December 2009 data, where Bradford's unemployment rate was below the regional average.

In July 2010 the claimant unemployment count in Bradford district was 14,643, down by 1,370 claimants on the previous year. Bradford's claimant rate remained at 4.5% of the working age population, above the regional (4.1%) and national (3.6%) averages. The largest increases in out-of-work benefit claimants have been within the 16-24 year old age group.

### Economic Activity

Data from the ONS Annual Population Survey for the year to June 2010, showed that 71.5% of the working age population were economically active compared to a regional rate of 75.7% and a national rate of 76.2%.

Economic activity rates have remained largely static at around 73% over the past five years due to increases in the work age population, but activity rates fell sharply over the year to June 2010. The male economic activity rate stands at 83.3%, higher than both the regional and national rates of 81.5% and 82.5% respectively. At 59.7%, the female activity rate is significantly lower than the regional rate (69.9%) and the national rate (70.0%).

## Future needs and gaps in provision

Employers need people who are literate, numerate, reliable and positive. Many local people currently lack these basic skills. We are working with partners to ensure access to effective basic skills training, targeted where it is needed most.

Job brokerage through the Council's Local Impact team (Jobs@) provides demand-led solutions working alongside Jobcentre Plus with employers and within communities to help local people into local jobs. The New Deal aims to help long term unemployed local people into sustained employment through individual tailored support, including training, advice and work experience.

Public agencies will consider the development and co-ordination of placements, apprenticeships and traineeships to increase local employment and reduce recruitment shortages. £1 million of Working Neighbourhood Fund has been allocated to increasing the number of public sector apprenticeships.

The University of Bradford has the highest graduate employment rate in Yorkshire but there is evidence of under-employment, partly as a result of the desire to work locally and the limited desire to travel. The city region Skills and Labour Market Panel will raise awareness of graduate job opportunities and encourage willingness to work outside the district.

Bradford Council is lead body for the Future Jobs Fund. This runs until September 2011 and will create over 1,000 new jobs by March 2011. With over 60 employers already signed-up, nearly 500 people have gained employment through this scheme during 2010.

Promoting self employment has become an increasingly important way of improving employment rates. The Bradford Kickstart programme has provided intensive pre-start support to over 3,000 businesses and individuals, and has supported 946 new business start ups in the three years of Local Enterprise Growth Initiative (LEGI) delivery.

## Summary of priorities

### Securing Employment

- Increase employability through effective basic skills training and targeted language programmes.
- Introduce new measures for supporting lone parents into work and modernise of the New Deals for both younger and older people.
- Help disabled people into work through rolling out the Pathways to Work programme.
- Support those older people who want to work, or need to work, through targeted employment services and by encouraging employers to tackle age discrimination.

### Promoting Business Growth

- Promote enterprise, increase new business start-ups and grow local businesses by delivering the Local Enterprise Growth Initiative "Kickstart" programmes.
- Support manufacturing and key growth sectors, such as financial services, health, tourism, and environmental, digital, cultural and creative industries.
- Work with the university and colleges to develop spin-off companies and graduate enterprises.
- Maximise local impact of public procurement and support for social enterprise.
- Improve services to investors to attract new businesses and promote the supply of land for development across the district.
- Develop overseas links to grow international trade.