

# August economic review

2015

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# National economy



- Unemployment rise

In the April to June period there were 25,000 more people classed as unemployed. The second consecutive rise and signs that the labour market is cooling off.



- Wage growth slows

In the April to June period earnings (excluding bonuses) were 2.4% higher than a year earlier. This is slower than the 3.2% annual growth witnessed in the March to May period. Including bonuses, annual earnings growth was unchanged at 2.8%



- Number of people in work falls

The total number of people now in work is 31.03million, which is 63,000 fewer than in the previous three month period



- Job vacancies remain high

In the May to July period there were 735,000 job vacancies



- Trade deficit widens

Weaker demand in the Eurozone contributed to a deficit of £1.6billion in June. Almost double the deficit of £855 million in May .

# Local labour market - Job Seekers' Allowance (JSA)



- Fall in JSA claimants slows

In July there were 6,662 people in the LEP claiming JSA. A fall of 98 from the previous month. The rate of working age population claiming JSA is now 0.9%



- Reduction not concentrated to one geography or age group

All districts saw a fall in the JSA rate except Ryedale and Scarborough which only increased by 1 and 2 claimants respectively. The reduction of claimants were evenly spread amongst the 16-24, 25-49 and 50-64 age categories.



- Top 5 LEPs for JSA claimants.

Our LEP has a claimant rate of 1.1% for people aged 16-24 which is the joint 9<sup>th</sup> lowest out of the 39 LEPs. 1.0% of those aged 25-49 claim JSA which is the joint 7<sup>th</sup> lowest. The 50-64 year old age group has a claimant rate of 0.8% which is the joint 7<sup>th</sup> lowest. Our overall rate of 0.9% is the joint 5<sup>th</sup> lowest.



- Rise in Universal Credit claimants

There was a rise of 157 people claiming universal credit in the LEP of which 153 were not in employment.

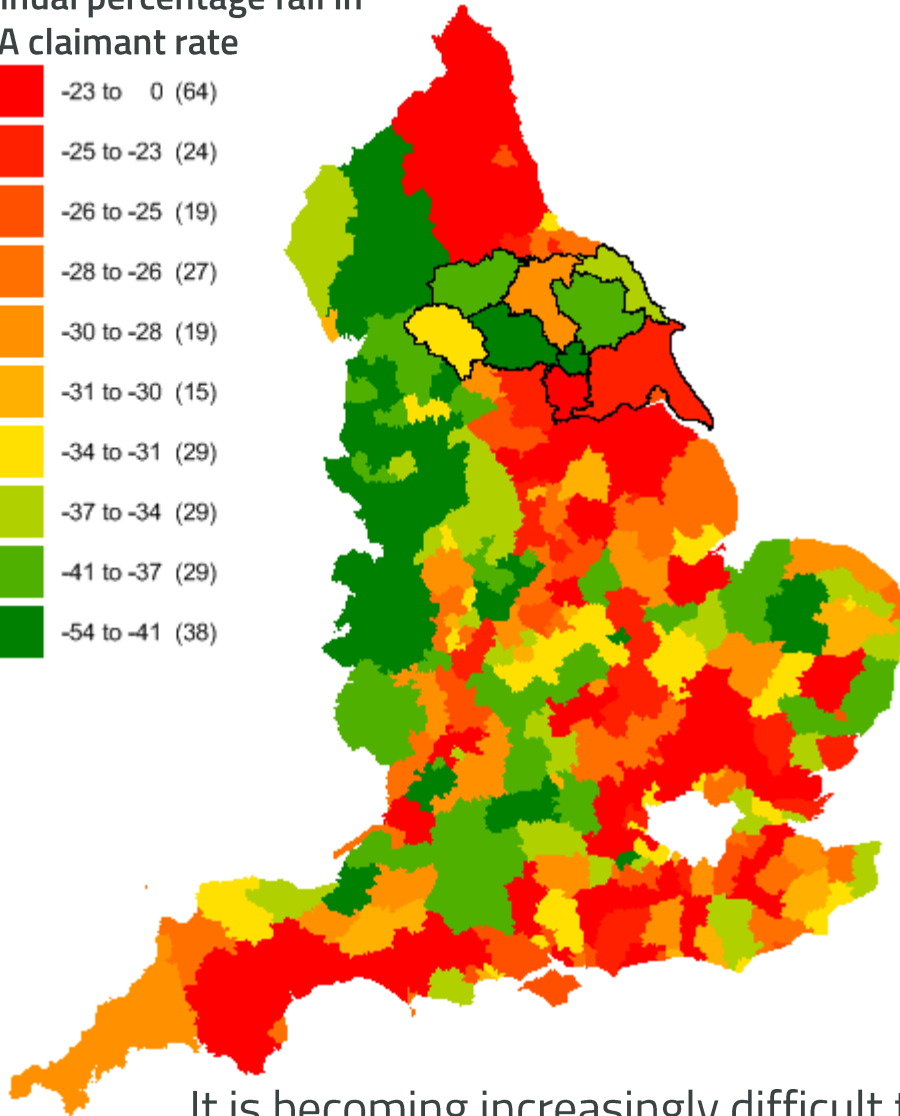


- Jobs market cooling off

As the rise in unemployed UC claimants was higher than the fall in JSA claimants it is likely that there was a net loss of LEP residents in work between June and July 2015

## JSA claimant reduction

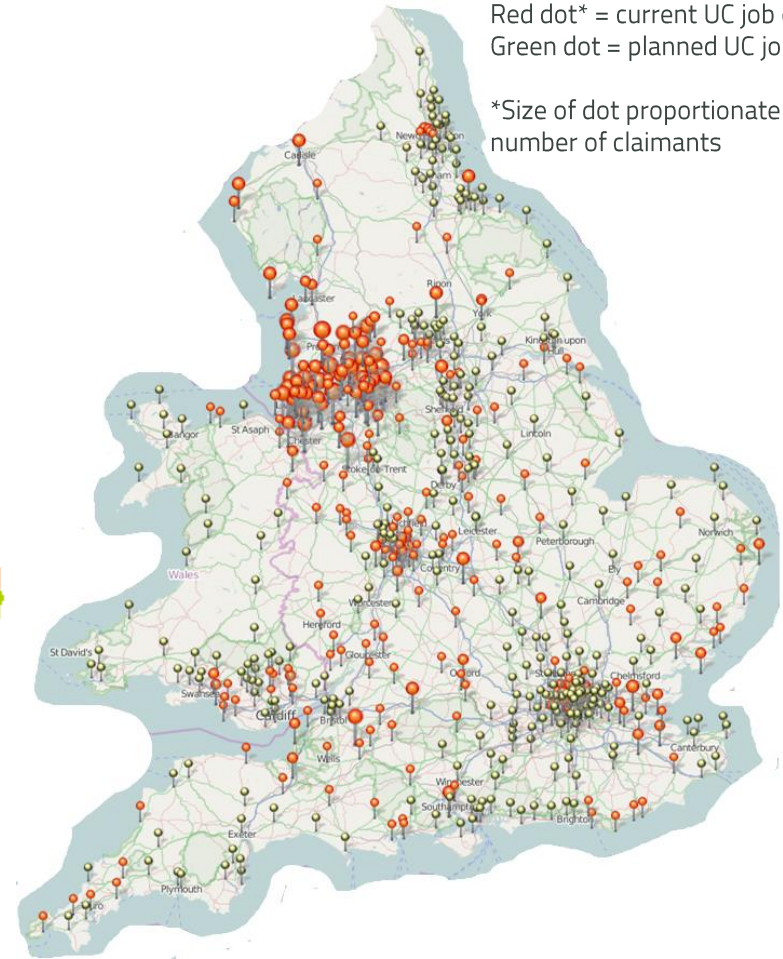
Annual percentage fall in  
JSA claimant rate



## Universal Credit caseload

Red dot\* = current UC job centre  
Green dot = planned UC job centre

\*Size of dot proportionate to number of claimants



It is becoming increasingly difficult to determine trends in the labour market due to the existence of two different types of employment benefit

# Department for Work and Pensions benefit Claimants – three months to Feb 2015



- Housing Benefit down in May

There were 59,669 housing benefit claimants in May 2015. Down 525 from the previous month. The cost of housing benefit in LEP LAs totalled £4,721,445 in May.



- More people claiming ESA ,IB and Carers Allowance

There was a 1.5% rise in the number of Employment support allowance and Incapacity Benefit claimants to a total of 31,980. An additional 150 people claiming carers allowance meant that this benefit had 1.9% more claimants



- Reduction in Lone Parent, Disabled and Other claimants

Both in the LEP and nationally these three types of benefits saw quarterly and annual reductions.



- Key Out-of-Work employment benefits rises

most likely because the data is taken over the winter months, the quarterly rise in JSA and ESA/IB claimants outweigh falls in the other two Out-of-work measures (lone parent and others). This was the case both in the LEP and nationally.



- LEP remains below national average for benefit claimants

The LEP consistently has a lower rate than nationally for all types of benefit except the "bereaved" and "others" categories where they have the same rate

	York, North Yorkshire and East Riding			England		
Data Sets	Headline Figure (Number of People)	Quarterly	Annual Change	Headline Figure (Number of People)	Monthly Change	Annual Change
JSA	1.2% (8,750)	↑0.0pp (↑160) (↑1.9%)	↓0.7pp (↓4,870) (↓35.8%)	1.9% (652k)	↑0.0pp (↑14.7k) (↑2.3%)	↓0.0pp (↓316.4k) (↓32.7%)
ESA and Incapacity Benefit	4.5% (31,900)	-0.0pp (↑420) (↑1.3%)	↑0.2pp (↑1,661) (↑535%)	6.1% (2.08m)	↑0.1pp (↑11k) (↑0.5%)	↑0.2pp (↑66.8k) (↑3.3%)
Lone Parent	0.6% (4,500)	↓0.1pp (↓80) (↓1.7%)	↓1.1pp (↓260) (↓5.5%)	1.1% (387k)	-0.0pp (↓6.6k) (↓1.7%)	↓0.1pp (↓28.2k) (↓6.8%)
Carer	1.1% (8,010)	↑0.0pp (↑150) (↑1.9%)	↑0.0pp (↑530) (↑7.1%)	1.5% (508k)	↑0.1pp (↑11.4k) (↑2.3%)	↑0.2pp (↑46) (↑9.9%)

**Guide:** (Positive, Neutral, Negative, ↑ increase, ↓ decrease)

Current Rate (year ending march 2015)	Employment Rate	76.3%	↓0.5pp	Percentage point change in the rate
Measure	Rate	(529,000)	(↑2,900)	Actual Change in number of People
Number of People			(↑0.9%)	Percentage change in number of people

Sources: Annual Population Survey ([www.nomisweb.co.uk](http://www.nomisweb.co.uk))

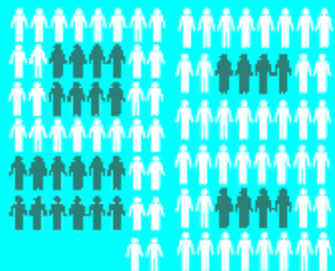
	York, North Yorkshire and East Riding			England		
Data Sets	Headline Figure (Number of People)	Quarterly	Annual Change	Headline Figure (Number of People)	Monthly Change	Annual Change
Others	0.3% (1,760)	-0.0pp (↓ 100) (↓ 5.4%)	-0.0pp (↓ 450k) (↓ 20.4%)	0.3% (100k)	-0.0pp (↓ 5,430) (↓ 5.2%)	-0.0pp (↓ 19.5k) (↓ 16.3%)
Disabled	0.9% (6,350)	-0.0pp (↓ 150) (↓ 2.3%)	-0.0pp (↓ 320) (↓ 4.8%)	1.1% (374.7k)	-0.0pp (↓ 7,660) (↓ 2.0%)	-0.0pp (↓ 14k) (↓ 3.6%)
Bereaved	0.2% (1,380)	-0.0pp (↑ 40) (↑ 3.0%)	-0.0pp (↓ 50) (↓ 3.5%)	0.2% (62.2k)	-0.0pp (↑ 1,180) (↑ 1.9%)	-0.0pp (↓ 720) (↓ 1.1%)
Key Out of Work Benefits	6.7% (46,980)	↑ 0.1pp (↑ 13.6k) (↑ 0.9%)	↓ 0.5pp (↓ 3,940k) (↓ 7.7%)	9.4.4% (3.2m)	-0.0pp (↑ 13.6k) (↑ 0.4%)	↓ 0.9pp (↓ 297k) (↓ 8.4%)

**Guide:** (Positive, Neutral, Negative, ↑ increase, ↓ decrease)

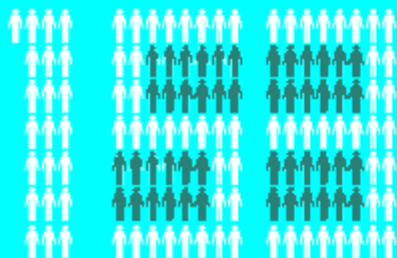
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Number of People			(↑ 0.9%)	Percentage change in number of people

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# Economic review – headline figures



**98 fewer people claiming Job Seekers Allowance in July 2015 compared to a month earlier in the York, North Yorkshire and East Riding Local Enterprise Partnership area.**



**153 more people in York, North Yorkshire and East Riding were claiming Universal Credit Allowance whilst not in employment**



**York, North Yorkshire and East Riding now has the joint 5th lowest JSA claimant rate of the 39 Local Enterprise Partnerships. Our highest ever rank.**