

Item 9 – Evidence Deep Dive for West Yorkshire All Age Careers & Employment Support Blueprints

Report to:	Business, Economy and Innovation Committee
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Subject:	Employment Support & All Age Careers Blueprints
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ALL AGE CAREERS EVIDENCE DEEP DIVE

The following section examines the role of careers support in relation to key labour market issues, viewed in the specific context of West Yorkshire and summarises the nature and scale of these issues in order to demonstrate the rationale for an All-Age Careers Blueprint.

Effective careers education, information, advice and guidance [CEIAG] promotes engagement with learning and improves the functioning of the education and training system. It can contribute to increasing students' engagement and success by clarifying the relevance of subjects to future opportunities. There are a range of issues in West Yorkshire which could be addressed through a high-quality careers support offer as part of a wider strategy to confront socio-economic issues.

- **Relatively low qualification attainment among young people in West Yorkshire at various stages of development.** For example, only 77% of young people in West Yorkshire achieve a qualification at Level 2 equivalent by age 19 compared with a national average of 82%. The proportion falls to 72% for Bradford. The proportion achieving a qualification at Level 3 by age 19 is 55%, 6 points lower than the national average of 61%.
- **Significant prevalence of young people who are not in education, employment or training (NEET).** Around 3,500 young people aged 16 and 17 in West Yorkshire were classed as NEET in 2022/23. This is 6.2% of the overall cohort, a higher prevalence than nationally (5.2%) and an increase on 2021/22 (5.5%).
- **Relatively low progression into higher education within some local authority areas in West Yorkshire.** For example, the proportion of pupils entering higher education by age 19 is 44% in Leeds and 40% in Wakefield, compared with a national average of 47%.

Research evidence suggests that when students have been exposed to substantial careers education from a young age, they are more likely to express broader career expectations and aspirations and are less likely to be constrained by societal and/or familial pressures. This is relevant to the following labour market issues:

- **Gender stereotyping and distinct patterns of occupational segregation by gender.**
 - For example, whereas females account for 52% of all apprenticeship starts in West Yorkshire and 83% of starts in the subject area of Health, public services and care, they make up only 7% of apprenticeship starts in Construction.
 - Similarly, only 2% of people working in Construction trades in West Yorkshire are female, whereas 92% of people working in Secretarial occupations are female.
- **Under-representation of some ethnic groups with regard to some learning pathways and in some occupational segments.**
 - For example, only 20% of apprenticeship starts among young people aged 16-24 relate to people from ethnic minorities (including white minorities) even though 36% of West Yorkshire's population aged 16-24 are from a minority group.
 - People from the Pakistani ethnic group account for 8% of residents in employment in West Yorkshire but only 2% of people working in Culture, media and sports occupations. Conversely, they contribute 22% of people employed in Transport and mobile machine driver roles.

A key purpose of the labour market is to match the skills required by employers with the capabilities of current and potential employees. Careers support can contribute to more effective matching by ensuring that individuals have access to rich, meaningful and relevant information about available career opportunities and the skills and learning pathways that provide access to them. In this way, careers support can help to minimise skills mismatches that impact on business performance and the ability of individuals to fulfil their potential. There are a number of dimensions to these mismatches.

- Employers in West Yorkshire indicate that they find it difficult to fill more than a third of their total vacancies due to a shortage of people with the required skills. These skill shortage vacancies are most acute for occupations that demand substantial technical skills combined with workplace experience, ranging from professional roles in health, engineering and digital to a variety of skills trades such as electricians.
- Under-utilisation of skills is a significant challenge in West Yorkshire and is typified by people with higher level qualifications working in administrative, caring, retail and elementary roles despite being (notionally) over-qualified for roles at this level. Close to a third (30%) of employers in West Yorkshire say that they

have workers whose skills / qualifications are in advance of those needed for the job. Labour Force Survey data for West Yorkshire indicate that 128,000 people working in non-graduate roles (as their main job) hold qualifications at Level 4 and above. This is equivalent to 22% of all people working in non-graduate roles.

- There are marked differences between the occupational profile of people in work and the occupational backgrounds of unemployed and inactive people who would like a job, which suggests a potential misalignment between the skills held by individuals and those needed in the current labour market. The occupational background of both the unemployed and inactive is weighted towards lower-skilled occupations, principally the lowest skilled elementary roles.

Careers support facilitates social inclusion and social mobility; for example, by helping young people to develop the career management skills, social capital and networks for career success, by assisting unemployed people and labour market returners to re-engage with the world of work and by facilitating investment in skills and career development by people with low level qualifications or who are in low-paid work.

- Young people facing disadvantage are much less likely to engage with a range of education and training opportunities. Pupils who were eligible for free school meals are less likely to go on to achieve a qualification at Level 2 or Level 3 by the age of 19; they are less likely to take up an apprenticeship; and they are less likely to progress into higher education.
- People who are qualified to a lower level are less likely to participate in job-related training. Only 14% of people qualified at Level 3 and below participate in job-related training in West Yorkshire, around half the prevalence of training among those who are qualified at Level 4 and above¹.

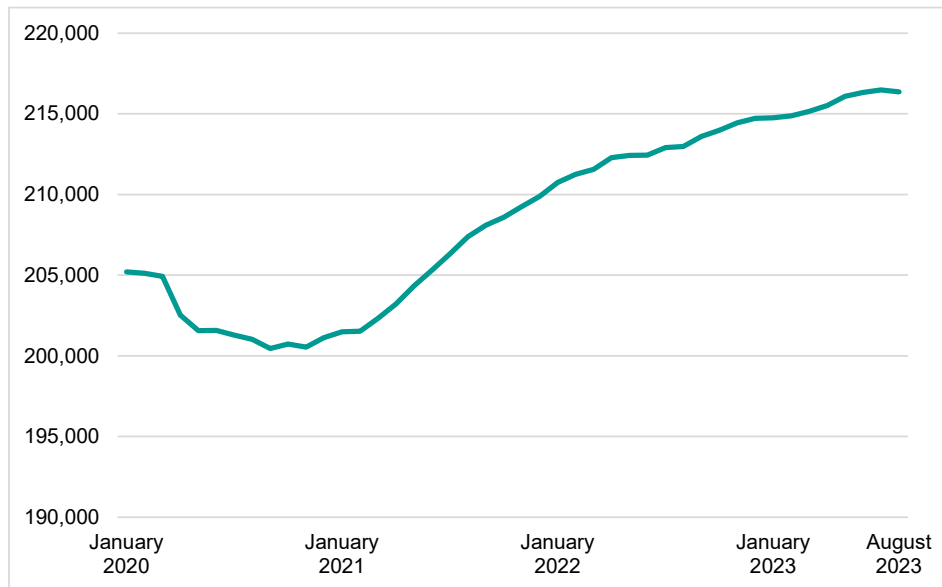
EMPLOYMENT SUPPORT EVIDENCE DEEP DIVE

Labour market conditions in West Yorkshire are showing signs of softening, reflecting the national position and the impact of interest rate rises and slow growth in the economy. Employment growth has levelled-off in recent months, whilst the average level of pay is starting to decline. The claimant count has been growing since late 2022, albeit at a modest rate. The region also faces structural challenges arising out of high levels of economic inactivity, particularly for groups who are disadvantaged in the labour market. These issues were examined in the employment support [paper](#) prepared for the July meeting of the Committee

Real-time information on the count of payrolled employees in West Yorkshire shows that the level of employment in the region has remained largely unchanged between April and August 2023, following a period of sustained growth from early 2021 onwards.

¹ Source: Annual Population Survey, January to December 2022. Indicator relates to participation in job-related training over a 13-week period.

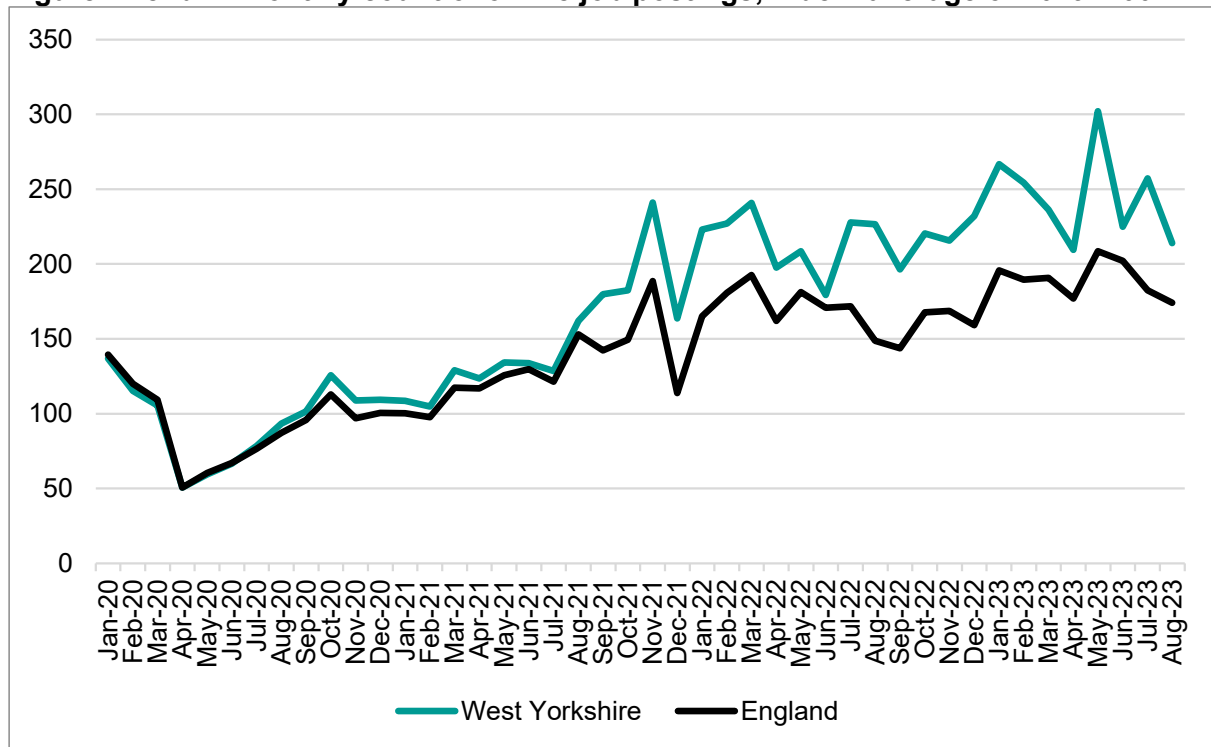
Figure: Count of payroll employees from PAYE Real-time information (seasonally adjusted)



Source: HMRC

Recruitment demand in West Yorkshire has been stronger than nationally since the pandemic. The monthly volume of online job postings in West Yorkshire in August 2023 was 114% higher than the average for 2019, whereas the equivalent national growth figure was only 74%. The monthly count of postings, although volatile, has remained at elevated levels throughout 2023. There is no clear evidence of decline at this stage – the average monthly count of postings in the 3 months to August 2023 was 10% higher than the same period in 2022.

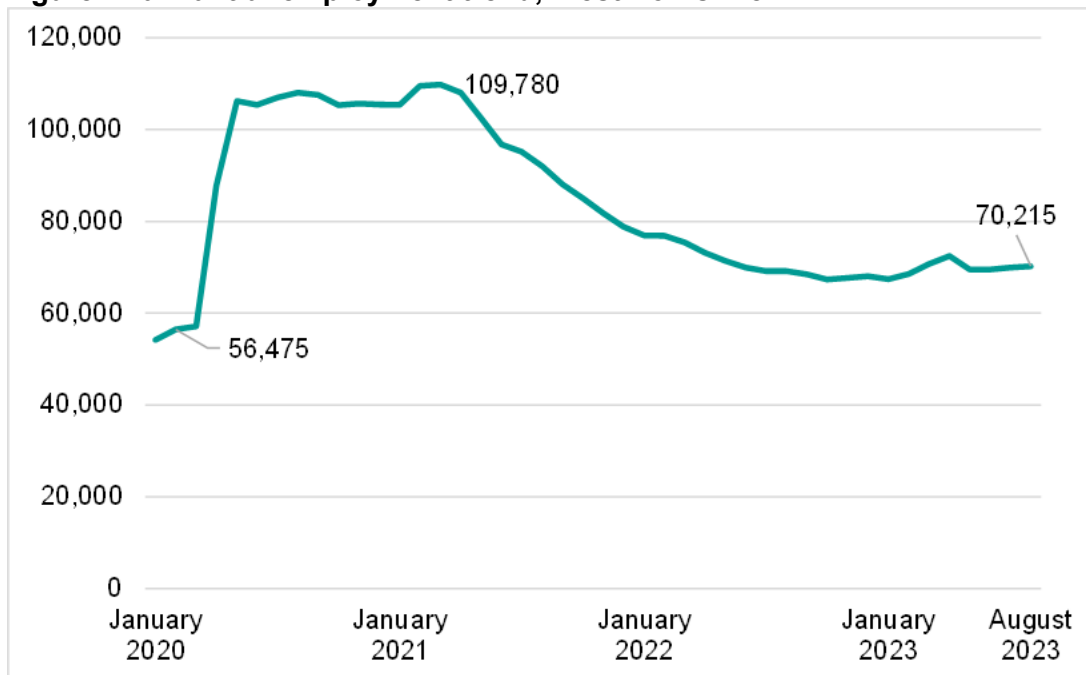
Figure: Trend in monthly count of online job postings; Index: average of 2019=100



Source: Lightcast

The claimant count – the official count of people who are claiming benefits primarily because they are unemployed - has been on an upward trend in West Yorkshire and nationally since October 2022. This growth has been modest: West Yorkshire’s count has grown by 4% or around 2,900 during the period from October 2022 to August 2023. This follows a long period of steady decline starting in early 2021 coinciding with the lifting of lockdown restrictions. The level of claimant unemployment in West Yorkshire is now (as of August 2023) 70,215, 24% higher than pre-pandemic level (February 2020). The claimant rate (claimant count as a percentage of the working age population) is higher in West Yorkshire than nationally, at 4.7% versus 3.8%. At local authority level the rate ranges from 3.5% in Wakefield to 6.5% in Bradford.

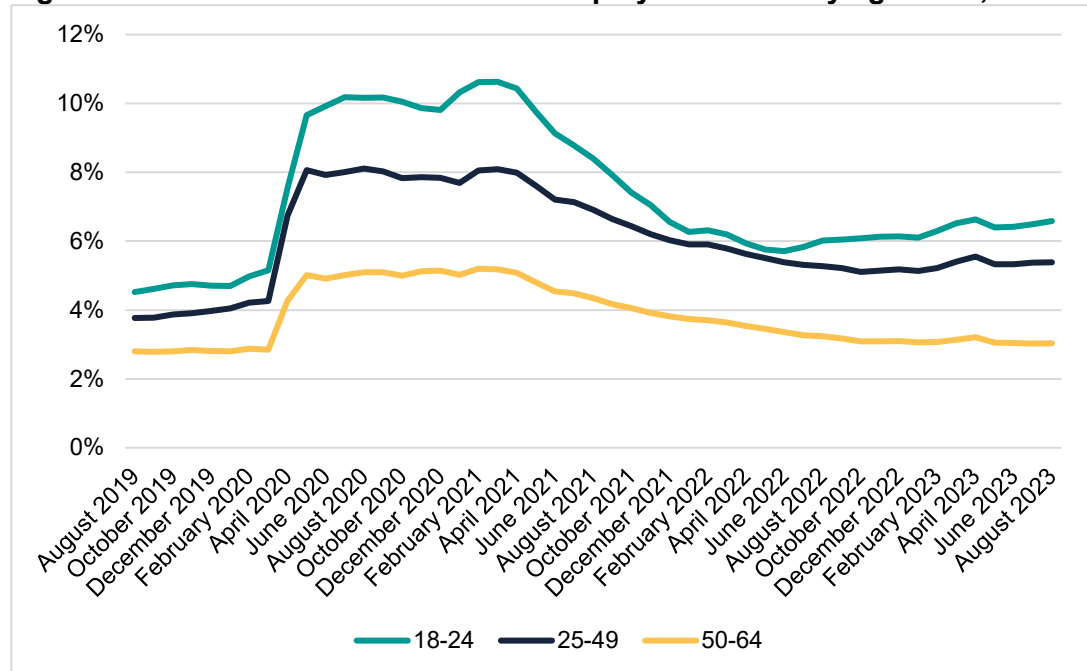
Figure: Claimant unemployment trend, West Yorkshire



Source: NOMIS

According to the latest figures for West Yorkshire, young people aged 16-24 account for 14,300 claimants, around 20% of the total, with 60% being people aged 25-49 and 19% people aged 50-64. Official claimant rates by age are not published but the following chart shows claimants expressed as a proportion of the population in each age band. It indicates that the claimant rate for young people aged 18-24 (16-17 year olds are excluded from the rate calculations because they are typically not eligible for the relevant benefits) started to grow in the summer of 2022, in advance of the 25-49 age group. The estimated rate for 18-24 year olds is the highest of the broad age groups at 6.6%, compared with an overall rate for people aged 16+ of 3.8%.

Figure: Trend in estimated claimant unemployment rates by age band, West Yorkshire



Source: NOMIS

Recent labour market statistics indicate that employment rates amongst young people continue to fall. Economic activity also continues to rise amongst younger age groups. This may, in part, be attributable to instances of ill-health, with long-term sickness rising across all age groups.

[Analysis](#) by the Resolution Foundation finds that economic inactivity due to ill health among 18-24 year-olds has nearly doubled nationally over the past decade, and is heavily concentrated among those with low levels of skills, with four-in-five young people who are too ill to work having only qualifications at GCSE-level or below. Young people in areas dominated by small towns and villages are more likely to be workless due to ill health than those living in large cities. Around 2.5% of young people in West Yorkshire are not working due to ill health, slightly below the national average of 2.9%.

Specific groups of young people face significant levels of disadvantage when attempting to access the labour market. 41% of care leavers nationally aged between 19-21 are not in education, employment or training, and are likely to experience barriers related to supported accommodation costs that may disincentivise regular work. 31.2% of Youth Offenders reoffended within one year of caution, conviction or release. The national employment rate gap for disabled people aged 18-24 sits at almost 20%. Sustained and well-paid employment plays a key role in encouraging social mobility, but barriers to accessing the labour market are significant and often leave individuals requiring additional support in conjunction with employment-related provision.

Almost all Jobcentre Plus districts across West Yorkshire have experienced an increase in Intensive Work Search (IWS) caseloads amongst the 18-24 age bracket, contributing to an overall rise in claimant count. Those designated as being within the IWS are expected to find and move into work as soon as possible.

Figures show that there are around 3,500 young people in West Yorkshire that are not in education, employment or training (NEET), or whose labour market status would be considered 'unknown'. There is a higher prevalence of NEETs in West Yorkshire (6.2% of total 16-17 year old cohort) than nationally (5.2%). 2022/23 saw an increase (for the second successive year) in the number and proportion of young NEETs/not-knowns in West Yorkshire, with an increase of 14%.

Targeted and bespoke provision is required to meet the needs of groups that face disadvantage within the labour market. An enhanced employment support system can provide tailored solutions that take a place-based approach to removing barriers that individuals may face to accessing and retaining employment. The West Yorkshire Employment Support Blueprint will outline how further devolved powers and funding can allow for an employment support ecosystem that best supports our residents and businesses.