



Neuadd y Sir / County Hall, Llandrindod, Powys, LD1 5LG

QUESTIONS AT ANY TIME TO CABINET PORTFOLIO HOLDERS

Response by the Portfolio Holder:

1. Unemployment Data

The reasons for the sharp rise in the unemployment claimant count in Powys has been investigated. While it is acknowledged that the causes of changes to unemployment claimants are often varied and complex, the findings suggest a trend between the adoption of Universal Credit go live dates and the spike in claimants (in Powys Universal Credit rollout began in October 2018). Each of the top 15 local authority areas in the UK which have experienced the fastest growth in claimant count followed this trend with a slight dip in figures the month after the transition to Universal Credit, consistent with adoption of new processes or systems, before a consistent and sharp rise thereafter.

The move to Universal Credit has seen a change in the way the claimant count is calculated, the Claimant Count is a measure of the number of people claiming benefits principally for the reason of being unemployed, based on administrative data from the benefits system. Following the introduction of Universal Credit, the Claimant Count is now measured as the number of people claiming JSA plus the number of Universal Credit claimants who are required to look for work. The administration of Universal Credit requires more people to look for work, and so includes a broader group of people. Therefore, in Powys beyond October 2018 the claimant data provided didn't factor in the new calculations and wider UC changes leading to an inaccurate picture.

The continued increase in claimant numbers in Universal Credit Full-Service areas means that the claimant count is no longer a good indicator of trends in the number of people who are looking for work. In response to this increase the Department for Work and Pensions (DWP) undertook a consultation process, the outcomes of the process led to the DWP publishing an 'alternative' claimant count series. The alternative series models what the count would have been if Universal Credit had always been in place since 2013 and is intended to adjust for the impact of Universal Credit Full Service. Specifically, the alternative series includes:

- People claiming Jobseeker's Allowance
- People claiming Universal Credit who are required to seek work (minus those awaiting a Work Capability Assessment)
- 'Additional' claimants who may not have been claiming unemployment benefits at the time, but who would have been required to seek work had Universal Credit been in place

Sources:

<https://researchbriefings.files.parliament.uk/documents/CBP-7927/CBP-7927.pdf>

<https://www.gov.uk/government/statistics/alternative-claimant-count-statistics-great-britain-january-2013-to-november-2018>

2. Examples of Measures to Mitigate Unemployment

i. Economic Development Services

The Council's Economic Development Team provides a range of services and works collaboratively to support the local economy, businesses and job creation in the County. These are outlined on the Grow in Powys website: <https://www.growinpowys.com/>

The Team is the process of preparing a new Economic Development Strategy for Powys. This will set out key objectives and prioritised actions to help support businesses and the creation of more and better paid employment opportunities. It is also involved in the development of a Regional Economic Strategy and the Mid Wales Growth Deal which will deliver a programme of strategic investments to help drive economic growth in the region.

ii. Employability Programmes

The Economic Development Team is currently managing two projects which are supporting unemployed and economically inactive people in Powys into employment. The projects are:

- Workways+ Powys - aims to support people to get or to move closer to work. The council has been involved in delivering Workways+ since February 2017, initially supporting people aged 54 and over but more recently the age range was lowered to 40. Our delivery partner is PRIME Cymru. The project is part-funded by the European Social Fund (ESF) and is nearing completion in February 2020.
- Communities for Work+ Powys - provides employability support to those aged 16+. 1-1 support is provided by Mentors who assist participants with securing volunteering and work placements, training and ultimately, to secure employment. The project is funded by the Welsh Government, delivery commenced in August 2018 and funding is confirmed for this financial year. We are expecting further funding to continue the project into financial year 2020/21.

The Team is also working closely with Careers Wales and their new 'Working Wales' scheme, as well as other employability projects being run across Wales by the Welsh Government and Department for Work & Pensions such as ReACT and PaCE so that participants can be signposted to the most appropriate programme of support.

iii. Skills & Employability Strategy

Along with other rural areas, many businesses in Powys report significant challenges in recruitment and attracting staff with the right skills. The Council's Education Service is currently developing a Skills & Employability Strategy to help co-ordinate learning and training in the county. Work is also taking place at a regional level through the Growing Mid Wales Partnership to help address this skills gap and support more and better paid employment opportunities for local communities.