

issue 03 march 2008 • published by the economic development service • the city of edinburgh council • joined up for jobs

Welcome to the latest edition of the Edinburgh Labour Market Bulletin. Produced by the City of Edinburgh Council's Economic Development Service in conjunction with the City's Jobs Strategy Partnership, this quarterly bulletin provides a regular picture of labour market conditions in the Scottish Capital and short features on hot topics within the local economy. This quarter we take a look at Social Enterprise.

Summary Analysis

Like the weather, the Scottish labour market has demonstrated some signs of a post-Christmas cool down since the last bulletin, with small increases in the claimant count unemployment rates recorded at both the Scottish and Lothian levels. This is also reflected in Edinburgh with small increases in the number of people claiming Jobseekers Allowance, although this has had no impact on the overall unemployment rate which is on par with October 2007. These increases do not give any cause for concern however as they are likely to be due to the impact of seasonal trends within the labour market.

Current vacancy statistics from the Job Centre Plus support this seasonal effect. The volume of vacancies notified in January, at both the Scottish and city level, were around one third of the number notified in October, when many businesses were recruiting for the busy festive trading period. This pattern has been recorded across every industrial sector but has been most significant in the retail trade, hotels and restaurants and in primary activities.

When compared to the same time last year however, the volume of vacancies notified in Edinburgh has increased from 1,459 to 2,367. Interestingly this increase has not been shared equally by all occupations or all industries. Occupational increases have been most significant in personal service and elementary occupations while the volume of vacancies notified in sales and customer service occupations fell. Increases in vacancies notified by industry have been greatest in the transport and communication and financial services industries while a modest drop has been recorded in hotel and restaurant jobs and a larger drop in the primary and energy sectors.

Our regular press round-up indicates that there have been slightly more jobs lost over the last quarter than gained with the relocation of around 100 staff from Sport Scotland and the announcement of the loss of 14 highly skilled jobs at Stem Cell Sciences being particularly unwelcome news. However, some important gains have also been announced at companies such as CMC Markets, Accenture and Jones Lang la'Salle.

In our regular feature on page 7, we take a closer look at what has been termed the 'third sector' and discuss the role of social enterprise within the economy. Just what are the key differences between this model and more traditional public or private sector provision and what are the major benefits?

We hope that you find this bulletin useful and would be delighted to receive any feedback via the Access to Employment team at workingcapital@edinburgh.gov.uk



City and National Trends Quarter 1, 2008

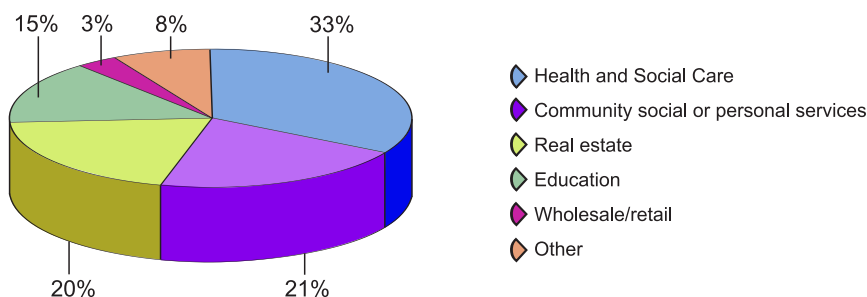
Key Indicators

	Edinburgh City	Lothian	Scotland
In employment (July 06 – June 07)	76.7%	77.5%	75.9%
Economically inactive (July 06 – June 07)	19.7%	18.7%	20.1%
Claimant unemployed (% working age population, January 08)	1.7%	1.8%	2.3%
Long term unemployed (> 12 months, January 08)	11.1%	10.4%	12.3%

Source: NOMIS

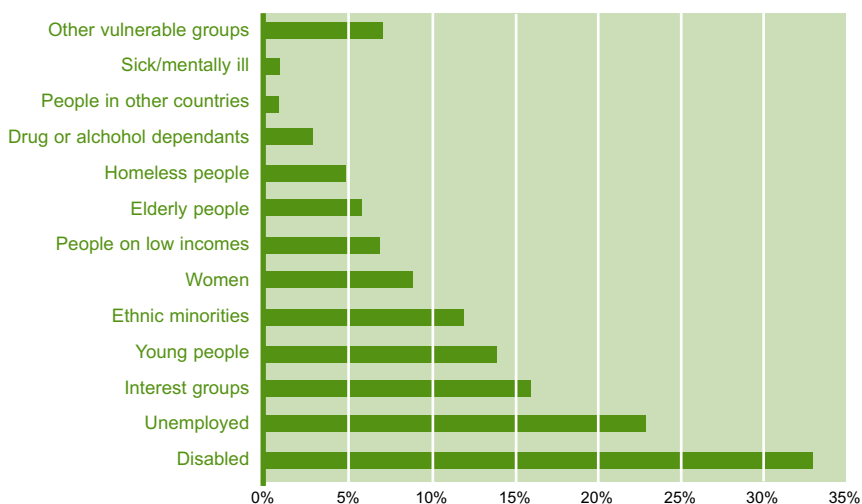
For more about Social Enterprise see our special feature on page 7.

Activity undertaken by Social Enterprises



Source: ONS and City Development Department, City of Edinburgh Council (Planning Information Section)

Groups of people employed in Social Enterprises



Source: The Small Business Service, Survey of Social Enterprises across the UK.



Ward Labour Supply statistics January 2008

Presented below is a labour market snapshots for each of the wards in the city. Due to the current lack of data for the new wards information is constructed using clusters of the previous wards on which statistics have been gathered. It should be noted that this is not an exact match.

Priority action areas as defined in the Regeneration Outcome Agreement are **highlighted** within the relevant grouping.

All information presented in this section is sourced via the NOMIS Labour Market Statistical website and the Census data 2001. The % figures are based on the working age population living in each ward and LTU = long term unemployed.

Symbols used in the Labour Supply statistics.

The arrows denote how the claimant count unemployment rate has changed since the previous bulletin figures.

The symbols denote how the claimant count unemployment rate in each ward compares to the City rate.

Ward 1: Almond

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	79.4	17.6	151	1.0	11.9	-1.3	-24.5		
Dalmeny/Kirkliston	79.3	17.4	61	1.2	14.8	-16.4	-23.8		
Queensferry	82.6	14.6	65	1.1	10.8	25.0	-26.1		
Cramond	75.1	21.9	25	0.6	8.0	-10.7	-21.9		

Ward 2: Pentland Hills

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	71.1	25.4	185	1.2	7.8	6.9	-22.6		
Balerno	79.2	18.2	34	0.7	8.8	21.4	9.7		
Baberton	79.1	19.1	32	0.7	9.7	-3.0	-15.8		
Sighthill	58.8	35.8	119	1.9	7.0	6.3	-30.0		

Ward 3: Drum Brae/Gyle

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	79.4	17.6	151	1.0	14.6	-3.8	-22.6		
East Craigs	76.5	19.5	73	1.6	9.6	4.3	-33.6		
Gyle	84.7	13.1	48	0.9	18.8	6.7	4.3		
North East Corstorphine	76.2	21.0	30	0.7	20.0	-28.6	-23.1		

Ward 4: Forth

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	66.6	28.0	765	3.9	9.5	12.0	-16.1		
Muirhouse/Drylaw	54.8	37.0	286	5.5	8.9	13.9	-19.2		
Pilton	67.0	27.7	218	4.2	10.2	10.1	-18.0		
Granton	65.7	29.1	210	4.6	10.0	12.3	-12.1		
Trinity	80.7	16.9	51	1.1	7.8	8.5	-3.8		

Ward 5: Inverleith

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	79.6	17.8	151	0.8	10.6	-7.4	-17.9	↓	🟡
Craigleith	75.4	22.1	32	0.7	9.4	-13.5	-17.9	↓	🟡
Dean	82.1	15.2	49	0.9	10.2	6.5	-2.0	↓	🟡
Stockbridge	81.0	15.8	43	0.8	14.0	-20.4	-32.8	↓	🟡
Davidsons Mains	79.0	19.0	27	0.6	7.4	3.8	-12.9	↓	🟡

Ward 6: Corstorphine/Murrayfield

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	77.7	19.3	183	1.3	10.4	12.3	-16.1	↓	🟡
Murrayfield	79.8	17.3	32	0.7	6.2	23.1	-23.7	↓	🟡
South East Corstorphine	81.9	15.8	32	0.7	6.2	-27.3	-36.0	↓	🟡
Stenhouse	70.9	25.3	119	2.7	12.6	28.0	-5.6	↓	🔴

Ward 7: Sighthill/Gorgie

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	67.9	26.6	546	3.6	10.1	6.6	-17.5	↓	🔴
Parkhead	65.7	28.3	188	3.9	10.6	2.7	-16.1	↓	🔴
Moat	72.1	24.1	103	2.1	10.7	-8.0	-34.0	↓	🔴
Murray Burn	66.1	27.3	255	4.8	9.5	17.5	-9.6	↓	🔴

Ward 8: Colinton/Fairmilehead

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	76.7	20.2	116	0.8	7.8	-15.9	-36.6	↓	🟡
Colinton	77.6	20.2	19	0.3	0.0	-17.4	-32.1	↓	🟡
Firrhill	71.7	23.1	80	1.7	10.1	-15.8	-31.6	↓	🟡
Fairmilehead	80.3	17.6	17	0.3	5.9	-15.0	-55.3	↓	🟡

Ward 9: Fountainbridge/Craiglockhart

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	77.4	18.4	248	1.5	9.3	6.0	-27.3	↓	🟡
Craiglockhart	79.0	18.5	27	0.6	11.1	58.8	-28.9	↓	🟡
Shandon	81.9	14.2	115	1.8	10.4	8.5	-21.8	↓	🔴
Fountainbridge	71.0	23.2	106	2.0	7.5	-4.5	-32.1	↓	🔴

Ward 10: Meadows/Morningside

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	69.8	26.7	158	0.7	10.1	-2.5	-24.0	↓	🟡
Merchiston	74.0	22.1	50	0.9	4.0	8.7	-13.8	↓	🟡
North Morningside/Grange	73.0	23.7	44	1.0	20.5	-2.2	-21.4	↓	🟡
Marchmont	55.9	40.0	29	0.5	6.9	-31.0	-45.3	↓	🟡
South Morningside	78.6	18.8	35	0.7	8.6	20.7	-14.6	↓	🟡

Ward 11: City Centre

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	68.8	26.1	312	1.7	11.9	6.8	-17.7	↓	↔
Dalry	72.2	22.9	152	2.3	14.5	4.1	-14.6	↓	↔
New Town	72.1	24.3	49	0.9	12.2	-2.0	-23.4	↓	↕
Tollcross	61.8	31.6	111	1.9	8.1	15.6	-19.0	↓	↔

Ward 12: Leith Walk

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	75.9	19.9	404	2.4	14.0	6.0	-21.6	↓	↔
Broughton	78.0	18.4	116	1.9	13.0	17.2	-29.3	↓	↔
Calton	76.1	19.8	109	1.9	14.7	0.0	-21.0	↓	↔
Harbour	73.2	21.7	179	3.6	14.1	3.5	-16.0	↓	↔

Ward 13: Leith

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	76.1	19.7	458	3.0	12.5	3.9	-19.8	↓	↔
Newhaven	73.0	22.7	179	3.5	10.7	13.3	-21.5	↓	↔
Lorne	75.3	19.8	171	3.3	13.5	-4.5	-19.7	↓	↔
Leith Links	80.0	16.5	108	2.1	14.2	3.8	-16.9	↓	↔

Ward 14: Craightinny/Duddingston

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	69.8	25.5	572	2.8	13.4	0.9	-9.5	↓	↔
Holyrood	57.9	34.8	172	3.4	15.2	-0.6	-12.2	↓	↔
Meadowbank	80.3	16.5	121	2.2	13.3	11.0	-6.9	↓	↔
Mountcastle	75.4	21.0	84	1.8	10.8	3.7	-11.6	↓	↔
Restalrig	65.1	30.1	195	3.8	13.0	-4.4	-7.6	↓	↔

Ward 15: Southside/Newington

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	59.2	36.6	196	0.9	13.3	-4.9	-31.0	↓	↕
Southside	56.2	39.1	97	1.5	14.4	1.0	-22.4	↓	↕
Sciennes	66.5	29.6	29	0.5	17.9	-12.1	-39.6	↓	↕
Newington	70.9	26.5	36	0.8	11.1	-2.7	-25.0	↓	↕
Prestonfield	45.8	48.8	34	0.6	8.8	-15.0	-46.0	↓	↕

Ward 16: Liberton/Gilmerton

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	70.1	25.6	400	2.0	8.5	4.2	-21.1	↓	↔
Alnwickhill	74.6	22.1	67	1.5	6.0	17.5	-23.0	↓	↕
Kaimes	65.8	29.1	116	2.4	8.6	-15.9	-31.8	↓	↔
Moredun	64.8	29.6	155	3.3	11.0	16.5	-13.9	↓	↔
Gilmerton	74.4	22.0	62	1.1	4.9	10.7	-11.4	↓	↕

Ward 17: Portobello/Craigmillar

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	70.0	25.7	439	2.4	11.4	6.6	-21.5	↓	⬇️
Portobello	77.5	19.7	65	1.5	16.9	-4.4	-38.7	↓	⬆️
Milton	73.0	23.0	95	2.2	9.5	11.8	-3.1	↓	⬇️
Craigmillar	52.2	40.6	208	4.8	11.5	6.1	-21.8	↓	⬇️
Duddingston	76.6	20.1	71	1.5	8.5	12.7	-20.2	↓	⬆️

EDINBURGH

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Edinburgh	78.0	18.4	5,435	1.7	11.1	4.1	-19.9	↓	N/A

The base used for calculation of UNEMPLOYMENT RATES is the working age population of each ward, based on **GROS** mid year population estimates.

Demand for Labour January 2008

Labour Demand Summary Statistics

Vacancies (January 2008)	SCOTLAND		Movement since last year	EDINBURGH		Movement since last year
	Q1 2008	Q1 2007		Q1 2008	Q1 2007	
Notified	16,109	13,667	↑	2,367	1,459	↑
Average length (weeks)	7.53	7.23	↑	4.30	5.25	↓
Proportion >13 weeks old	15.3%	16.8%	↓	3.6%	7.6%	↓
...notified by Occupation						
Managers and Senior Officials	479	468	↑	91	53	↑
Professionals	303	281	↑	56	22	↑
Associate Professionals and Technicians	1,486	1,203	↑	210	97	↑
Administrative and Secretarial	1,493	1,469	↑	198	174	↑
Skilled Trades	1,545	1,391	↑	197	159	↑
Personal Services	1,248	1,148	↑	352	97	↑
Sales and Customer Service	3,954	3,309	↑	358	423	↓
Process, Plant and Machine Operatives	1,228	1,067	↑	99	52	↑
Elementary Occupations	4,373	3,340	↑	806	382	↑
...notified by Industry						
Primary Activities and Energy	452	226	↑	18	121	↓
Manufacturing	670	433	↑	38	18	↑
Construction	381	399	↓	50	20	↑
Distribution, Hotels and Restaurants	2,817	2,867	↓	365	379	↓
Transport and Communications	683	511	↑	374	47	↑
Financial Services	8,408	6,436	↑	1,181	615	↑
Public Sector and Other Services	2,698	2,805	↓	341	259	↑
Hotels and Restaurants	1,144	1,310	↓	177	238	↓
Retail	883	874	↑	99	104	↓

Source: NOMIS

Public sector

More than 100 jobs are to be lost from Edinburgh, as **sportscotland's** headquarters are set to relocate to Glasgow. The government agency, which currently employs around 145 staff at the Gyle, is to be restructured with four decentralised sports hubs, one of them to be based in Edinburgh. It is understood that around 30 to 35 posts will be retained in the Capital, with the HQ and most of the jobs moving to Glasgow within the next year, to be based eventually at the new indoor arena being built for the Commonwealth Games.

Retail

Thirty-five jobs were lost as the **Somerfield** store in East Craig's was closed on the 11th February. It is understood the site has been sold to a developer to make way for flats, which will include a shopping facility.

Meanwhile, at Quatermile, two big names have been confirmed as investors. **Sainsbury's** and **Starbucks** have each taken out 15-year deals on units facing Middle Meadow Walk and are both due to open in March. They will join prestigious Swedish bakery **Peter's Yard** also opened for business in the same area in December. The £450m Quatermile development is Scotland's largest urban redevelopment project and is set to support more than 3800 jobs.

Finance

CMC Markets opened its doors for business at 40 Princes Street on the 23rd January. The group, whose business includes spread betting and trading Contracts for Difference (CFDs), has selected the Capital for its first base in Scotland, as it continues to expand its global network of more than 20 offices. Initially, the group will employ five staff, but this is expected to soon reach the office capacity of 12.

Leisure

Jobs have been lost as **Gala Bingo** in West Granton closed its doors in February. The club has seen an 80 per cent drop in customers over the past two years. The smoking ban, growth of online bingo and the closure of a bus service bringing customers in from Leith are all thought to have played a part in the drop.

Business Services

Management consultancy **Accenture** is seeking ten graduates for its Edinburgh office. The group opened up in St Andrew Square in March last year in a bid to push into the Scottish Market, and already have a workforce of 40. The firm is pitching for work with the Scottish Government and local authorities, and developing its links with financial services companies in Scotland. Business opportunities being provided by the new Scottish Government is thought to be largely responsible for this rapid growth.

Jones Lang LaSalle is to move to new offices in Edinburgh's Exchange district as it continues to grow its presence across Scotland. The relocation comes as the company undergoes significant growth in Scotland and expands into new areas, such as planning consultancy. Thirteen new staff across all divisions have recently been appointed. The relocation is expected to take place in April this year.

IT

Computer giant Dell began operations in the Capital in early February. The firm said the move underlined their commitment to Scotland. The new office on Multrees Walk employs 30 finance specialists, adding to its 830 staff in Glasgow.

Life Sciences

The Capital's life sciences sector was dealt a major blow in February as one its key companies announced it is to close its Edinburgh headquarters. **Stem Cell Sciences**, based at the University of Edinburgh's King's Buildings, chose to move its HQ to Cambridge. The company has ambitious plans for expansion and stated 'tired and cramped' conditions, along with a 50 per cent increase in rent as reasons for the decision. Its 14 staff have been offered the opportunity to relocate to Cambridge or take redundancy.

Known total gain: 58

Known total loss: 149

Social Enterprise

In today's society there is an ongoing debate on the best way to provide products and services – should it be the public or private sector route?

Social Enterprise seeks to be the third option, an alternative way of doing business where the success of the organisation is measured not only in terms of profit it generates, but also in the social benefits that accrue from its trading activities and business decisions.

Examples of the added social value social enterprises can bring include;

- improving the quality of public service delivery to vulnerable and disadvantaged individuals
- increasing employability amongst these groups
- enabling communities to work towards regenerating their local neighbourhoods
- promoting environmentally sustainable initiatives.

Similar to traditional business models the range and structure of Social Enterprise is varied, but includes types of organisation that we are all familiar with; development trusts, community enterprises and co-operatives, with each aiming to widen the number of people who directly benefit from its existence beyond shareholders and customers.

This positioning of Social Enterprise in the grey area between the public sector and private sectors makes it especially difficult to define, but recent government data suggests that there are more than 55,000 social enterprises in the UK with a combined turnover of £27 billion.

In trading terms, social enterprises fall into five broad types of activity:

- Health and social care (33%),
- Community, social or personal services (21%),
- Real estate (20%),
- Education (15%)
- Wholesale/retail (3%).

with the majority of enterprises focusing on services to the most vulnerable in society, such as people with disabilities, children and young people, the elderly and those on low incomes.

The Scottish Executive clearly see social enterprise as a dynamic and sustainable business model that can bring social, economic and environmental benefits to Scotland. "Better Business: A Strategy and Action Plan for Social Enterprise in Scotland" (2007) has as one of its key objectives

"to develop the trading capacity of social enterprises by providing better business support".

In Edinburgh there is a strong tradition of social enterprises with an estimated 70 Social Enterprises actively delivering a variety of goods and services.

This includes nationally recognised success stories such as Forth Sector, the Capital Credit Union, Edinburgh Bicycle Co-operative, The Albion Trust and The Engine Shed which provides support and employment opportunities for individuals with learning disabilities.

It is to build on this strong base that the Edinburgh Social Economy Partnership was established. Involving key economic development agencies it seeks to help local organisations and groups to develop new social enterprise activities through the Social Enterprise Edinburgh Business Development Service including one-to-one support and workshops.

The forthcoming transfer of management responsibility for Business Gateway services to local authorities provides The City of Edinburgh Council with an opportunity to further develop this work. Through integrating business development support for both mainstream business and Social Enterprise models it is hoped to further develop the potential of Social Enterprise and provide long term economic and social benefits for the city.

Further Reading

A Survey of Social Enterprises across the UK (DTI 2005)

Better Business: A Strategy and Action Plan for Social Enterprises. Scottish Government (2007)

Social Enterprise Edinburgh website: www.go4see.info for further details of help available locally.

www.edinburgh.gov.uk/socialenterprise

Useful Definitions, Documents and Links

Unemployment

Unemployment rates are based on Job Seekers Allowance (JSA) Claimant Count data which records the number of people claiming JSA and National Insurance credits at Job Centre Plus local offices.

Economic inactivity

Economic inactivity is a measure of the proportion of the working aged population who are not actively seeking employment. This would include those on long-term disability benefits, students and home-makers.

Long-Term Unemployed (LTU)

Are defined as those in receipt of Job Seekers Allowance for 12 months or more.

Economic activity

Economic activity is a measure of the proportion of the working aged population considered to be playing an active role in the labour market. This therefore includes those who are unemployed but available for and actively seeking work as well as those currently in employment.

Vacancies notified

Data about vacancies is based on the total vacancies notified to employment service job centres in any given period. Since not all vacancies are notified in this way these data are not a comprehensive source and provide only an indication of the type and level of vacancies available at any time.

ROA wards

The Regeneration Outcome Agreement is a commitment with Central government to support the regeneration of communities falling within the worst 15% of data zones, as defined in the Scottish Index of Multiple Deprivation (SIMD 2004). Further details can be found at; http://www.joinedupforjobs.org.uk/employment/docs_agreements.shtml

Ward Boundaries

Maps of the "New" (fourth review) and "Old" (third review) ward boundaries used in the bulletin can be found at <http://www.bcomm-scotland.gov.uk/index.html>

For more information visit our websites or contact the Access to Employment team



Joined up for Jobs website (Labour Market information) <http://www.joinedupforjobs.org.uk>



Capital Review website (Economic information) <http://www.capitalreview.co.uk>

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