

**Targets and Proposed Indicators for Edinburgh City Jobs Strategy**  
**Revision: December 2007**

**Our main targets are:**

- An 82% employment rate for the City by 2011.
- An employment rate of 80.7% by June 2009.
- A 3% stretch on the forecast reduction of people claiming key benefits (Incapacity Benefit; Income Support for Lone Parents and Jobseekers Allowance) by May 2009.
- Reducing the gap in the claimant count rate between the most deprived areas and the city average by 25% by 2011.
- Reduce the percentage of the population claiming Incapacity Benefit to 5.6% by 2011.

**1. Headline Target**

The government's aspiration is to increase the national employment rate to **80%**. The latest figure for Edinburgh is **77.2%** (March 2007). The aspirational target for Edinburgh set by the Jobs Strategy Group is an employment rate of **82%** across the city which would indicate significant stretch on this government target.

Aligning the **82%** target with the decrease in benefit caseload outlined in the DWP's standard targets would mean that it would take until 2011 to achieve an **82%** employment rate in Edinburgh. Of course, this would mean that the Consortium would have to maintain the momentum generated during the first two years of the Pathfinder. We have aligned our underpinning local targets with this timescale.

It should be noted however, that Edinburgh has recently had an influx of migrant workers from the EU accession states. Between 2002/03 and 2005/06, there have been **27,110** NI Numbers to Foreign Nationals in Edinburgh.<sup>1</sup> This has the potential to cause a displacement effect within the local labour market and will have influenced the trend from which DWP forecast population growth and unemployment decline.<sup>2</sup> The impact of this will be monitored by the consortium.

	2006	2007	2008	2009	2010	2011
Working age population <sup>34</sup>	295,700 (Dec: Actual)	296,315 (June: Estimate)	297,402 (June: Estimate)	298,489 (June: Estimate)	299,576 (June: Estimate - CCP)	300,663 (June: Estimate - CCP)
Number of people in employment (DWP forecast or trend on forecast)	229,090	231,270	235,629	239,988	244,347	248,706
Number of people in	227,800	-	-	-	-	-

<sup>1</sup> reference is 100% sample, 17/06/2006, NI recording system, DWP

<sup>2</sup> Statistics from NOMIS, population is GRO (S) 2005 mid year estimate.

<sup>3</sup> Actual Working Age Population from Annual Population Survey, NOMIS, latest figure at 11/10/2007

<sup>4</sup> Estimated Working age population from City Strategy Targets issued by DWP, August 2007

employment (actual)						
Proposed employment rate	77% (actual)	78% (DWP estimate)	79.2% (DWP estimate)	80.4% (DWP estimate)	81.6% (CCP estimate)	TARGET >82%

## 2. DWP Standard Targets

DWP has set the Edinburgh City Strategy Pathfinder two targets in the format common to all Pathfinders. The first is an employment rate target which is currently set at an increase to 80.7% from a forecast of 80.4%. (This is likely to be reviewed by DWP by the end of 2007 to align with most recent data.)

The second is a Benefit-related target which includes a reduction in numbers on key benefits. DWP have provided actuals, forecasts and target figures at the Edinburgh City level. Overall the figures require a reduction of the total by **2,755** by May 2009, which represents a **three** per cent stretch on forecasts.

Although the DWP has provided targets disaggregated to 3 benefits; JSA, IB/SDA and IS-LP (see below) the overall target is a **3%** reduction on the forecast of the number of people on these benefits by May 2009. The Edinburgh Consortium can therefore choose to target one or more of these client groups to achieve that reduction and stretch.

DWP has asked that we agree to their targets. The question arises as to the meaning of our agreeing to them: the role of these targets. The spirit in which we accept them is that they provide the target which we aim to achieve and which therefore drives the plans and actions which we take. Our task is to work out what we think we have to do to get there and anticipate the barriers we may face. The Consortium believes that these targets represent a considerable challenge and we cannot confidently predict that we will be able to meet them. Equally, not meeting them does not correspond to clear evidence of failure if we can identify the reasons and either start to address them or accept that they are exogenous (e.g. macro-economic trends).

### Employment rate target

The DWP employment rate target is as follows:

	Actual (12/06)	DWP Forecast (06/09)	DWP Target (06/09)
Number employed	227,800	239,988	240,963
Actual Working Age Population	295,700	298,489	298,489
Employment Rate	77.0%	80.4%	80.7%

### Benefit target

Within this section there are three separate targets; combined they represent a target of **2,755** less people claiming these benefits by May 2009. This will correspond to a

minimum of **2,755** more people in employment in the City of Edinburgh but it is unlikely that changes in the employment rate will be fed only from those on benefit.<sup>5</sup>

### Job Seeker Allowance

DWP has tasked the Edinburgh Consortium with reducing the JSA load by **214** as a component of the Benefit Target. As the trend in JSA loads has been relatively stable for a number of years DWP analysts have agreed that the forecast figure should remain the same as at August 06. The **214** therefore indicates a **3%** stretch on that forecast.

	Actual	DWP Forecast	DWP target (3% stretch)
August 2006	7,150		
November 2006	6,490	7,150	7,150
February 2007	6,640	7,150	7,150
May 2007		7,150	7,150
August 2007		7,150	7,123
November 2007		7,150	7,096
February 2008		7,150	7,070
May 2008		7,150	7,043
August 2008		7,150	7,016
November 2008		7,150	6,989
February 2009		7,150	6,962
May 2009		7,150	6,936
			Total reduction: 214

### Incapacity Benefit – Sick and Disabled

As a component of the Benefit Target the Consortium will aim to reduce the number of people claiming IB/SDA to **20,270** from a May 2009 forecast of **20,897**. This represents an overall reduction of **627** on the IB/SDA claimant count.

	Actual	DWP Forecast	DWP Target (3% stretch)
August 2006	21,950		
November 2006	22,050	21,929	21,929
February 2007	21,980	21,877	21,877
May 2007		21,825	21,825
August 2007		21,774	21,696
November 2007		21,722	21,566
February 2008		21,671	20,436

<sup>5</sup> Actual figures from Work and Pensions Longitudinal Study. This measure uses the highest statistical group to eliminate double-counting.

May 2008		21,619	20,306
August 2008		21,568	20,176
November 2008		21,131	20,661
February 2009		21,014	20,465
May 2009		20,897	20,270
			Total reduction: 627

### Income Support – Lone Parent

The Lone Parent component of the Benefit Target is a reduction of **135** on a forecast of **4,475** clients claiming Income Support for Lone Parents.

	Actual	DWP Forecast	DWP target (3% stretch)
August 2006	5,170		
November 2006	5,040	5,107	5,107
February 2007	5,010	5,044	5,044
May 2007		4,980	4,980
August 2007		4,917	4,900
November 2007		4,854	4,820
February 2008		4,791	4,740
May 2008		4,727	4,660
August 2008		4,664	4,580
November 2008		4,601	4,500
February 2009		4,538	4,420
May 2009		4,475	4,340
			total reduction: 135

### 3. Local Targets

Edinburgh City Strategy Pathfinder builds on the work of the Joined up for Jobs Strategy which takes its targets from the Edinburgh Regeneration Outcomes Agreement (2005-08). These have, therefore, been reprofiled for the purposes of the City Jobs Strategy to take into account the longer timescale.

#### Local Target 1

##### Closing the gap between the most deprived areas and the city average

The City Strategy for Edinburgh intends to accelerate the reduction in the gap between the most deprived areas of Edinburgh and the city as a whole. We have an aspirational target of reducing this gap by **25%**. Edinburgh has a marked difference between opportunity in the more affluent areas and those of relative deprivation. When compared to other areas in Scotland Edinburgh shows by far the biggest gap between the city's overall position (second top) and the position in the most deprived data zones (third bottom).<sup>6</sup> The reduction of this inequality is a key target for Edinburgh's City Jobs Strategy. We have used the number of Jobseeker's Allowance claimants in the **61** deprived datazones as a proxy for overall deprivation in these areas.<sup>7</sup>

	2006 (baseline)	2009	2011
JSA Unemployment Rate in Edinburgh	2.3%	2.2%	1.9%
JSA Unemployment Rate in 61 Datazones	6.8%	6.14%	5.28%
Gap	4.5%	3.94%	3.38%
Target Reduction %	-	12.5%	25%

#### Local Target 2

##### Reduce Incapacity Benefit Claimant Count

It is the government's stated aim that 1 million people should be helped off Incapacity Benefit and back into work. The new Pathways to Work contract, to be introduced in Edinburgh in December 2007, and the introduction of the Employment and Support Allowance will contribute to our overall target of reducing benefit dependency. It is unclear what impact these new interventions will have on this target and as such targets are likely to be reviewed. However, at the moment the partners aim to reduce the percentage of the working age population on IB/SDA from **7.47%** to **5.6%**. Monitoring of the IB/SDA claimant count will be done on a quarterly basis at datazone level with data from Nomis. The table below uses figures from the WPLS using the Sick and Disabled Statistical group:

<sup>6</sup> Scottish Neighbourhood Statistics website, March 07

<sup>7</sup> DWP tabulation tool, March 07

	2007	2010	2011
Edinburgh Working Age population <sup>8</sup>	296,315	299,576	300,663
No. Incapacity Benefit / SDA claimants <sup>9</sup>	22,135	19,592	16,837
%IB/SDA claimants of Working Age Population	7.47%	6.54%	5.6%

#### 4. Key Indicators

To support our work on meeting Targets the Consortium has also agreed to regularly monitor and report a number of Key Indicators. These will be discussed at the relevant sub group of the Jobs Strategy Group. The indicators below are indicative of what will be monitored but the numbers of indicators and their scope may change as the Pathfinder progresses.

##### a. BME indicator

An overall picture of the employment rate of BME groups compared to the total population can be derived from the Annual Population Survey. Unfortunately we are unable to see much of a trend from these figures as the APS only began in 2004 and the latest figures are up to March 2007.<sup>10</sup> The most recent picture is as follows:

Variable	number	denominator	percent	confidence
Employment rate – working age – total pop	228,500	295,900	77.2%	2.6%
Employment rate – working age – non white	10,500	14,100	74.3%	2.4%
% who are economically inactive – working age total pop	54,700	295,900	18.5%	24.7%
% who are economically inactive – working age – non white	2,500	14,100	17.7%	unreliable

(these figures are from samples and the confidence rating is low)

The table above shows a **2.9%** variance between the employment rates of non-whites and the population as a whole. However, numbers are relatively low: there are **2,500** economically inactive people who are non-white in a total working-age population of **295,900**. As this data is derived from a sample and there are confidence issues with the data it will be difficult to use the Annual Population Survey as an indicator. We therefore propose that we base the target on the number of JSA claimants who are from black and minority ethnic groups. Following the DWP's assertion that there is a flat trend for JSA claimants in the city we will apply a **5%**

<sup>8</sup> Population projected from DWP's forecast (see employment rate target above)

<sup>9</sup> DWP tabulation tool, March 07

<sup>10</sup> Annual Population Survey, NOMIS,

stretch to the figures for August 2006. This date will allow comparison with the DWP Standard Target. (This indicator uses the JSA claimant count figures on NOMIS as WPLS does not capture ethnicity data.) Considering that the numbers involved are so low it may be inappropriate to have this indicator. The Consortium proposes that this indicator is monitored but that we investigate the possibility of either interrogating existing data or performing new research on the levels of worklessness in the Black and Ethnic Minority population.

Interim Indicator: Number of JSA claimants from Black and Ethnic Population<sup>11</sup>

JSA claimants (City of Edinburgh)	August 2006	July 2007	Target – May 2009
Total	7295	5,748	
White	6445	5,020	
Non-White	280	285	266

### b. Ex-Prisoner Indicator

At present there is no baseline for the numbers of people leaving prison and entering work, education or training. The Scottish Executive releases figures for the numbers of people leaving prison who have an Edinburgh postal address. These are set out below. The Jobcentre Plus district office can give figures of those receiving benefits who are ex-prisoners but these carry a health-warning as they are based on the customer's willingness to disclose this information and the completion of the clerical task of populating the customer's record. At present there are **212** people who are receiving benefit are categorised as being ex-prisoners on JCP systems.<sup>12</sup> It is the intention of the Consortium to achieve and report on a reliable baseline figure.

	2004	2005	2006
No. of prisoners leaving prison to Edinburgh Addresses	2,064	1919	1816

### c. Reduce Child Poverty

Whilst the overall Government child poverty target - to eradicate child poverty by 2020 - is not explicitly underpinned by the Cities Strategy targets from the DWP, joining up work on worklessness in local areas is intended to have a positive impact. As part of the Strategy, Edinburgh will undertake to regularly report on child poverty indicators. The most reliable indicator of child poverty available for the City of Edinburgh is the 'Children in Workless Households' figure collected by the Scottish Executive from the annual population survey. At present the figures do not go below the level of the City but we intend to do more work to get the level at datazones. In 2005, the proportion of children living in workless households in the **15%** most deprived areas in Scotland was estimated to be **43.5%**, over four times that for the rest of Scotland at **10.8%**. As the disparity in child poverty at National level is so marked we can anticipate a similar disparity in the City of Edinburgh. Our target would therefore to continue the overall downward trend and to work close the gap

<sup>11</sup> Claimant Count figures, NOMIS,

<sup>12</sup> Figures from JCP's Business Information System, received 03/05/2007

between the most deprived children in the city and the city average. Therefore, detailed target projections will have to await this baseline.

The Consortium will also have a regular report on those claiming Lone Parent benefits which can be used as an indicator of child poverty.

		2003	2004	2005	2006
% of Children in Workless Households	Scotland	16.7%	16.7%	16.1%	16.2%
	City of Edinburgh	17.0%	13.5%	8.9%	10.4%

DWP has also suggested that the Consortium monitor the 'Children dependent on workless benefits' indicator provided by their Information Directorate. In 2006 19.7% of children were dependent on workless benefits compared to an average in Scotland of 18.06% and in Great Britain 20.2%.

#### d. Reduce numbers of 16-19 year olds Not in Education, Employment or Training (NEET)

The City of Edinburgh has a NEET strategy in place which looks at targeted action to increase the numbers of young people leaving school and moving on to further education, employment or training. The City Strategy will adopt and monitor performance on the targets adopted by the Edinburgh NEET Strategy Group.<sup>13</sup> The Consortium will also prepare a business case for establishing a 100% baseline by using data-sharing enabling measures. The proposal is that we compare the Careers Scotland School-leavers destination analysis with Jobcentre Plus beneficiary records.

No		2004	Baseline 06	Target 08	No reduced	% reduced
1.	School leavers u/e & seeking	460	533	474	59	11%
2.	School leavers u/e & not seeking	250	87	78	9	10%
3.	Benefits - JSA	470	625	575	50	8%
4.	Benefits - IB	320	315	290	25	8%
5.	Benefits - LP	180	200	192	8	4%
6.	Benefits - Other	70	30	29	1	4%
7.	Unknown	450	450*	432	18	4%
8.	TOTAL	2200	2240	2070	170	8%

#### e. People with a disability indicator

Indicator: Working age employment rates and levels for people with a disability<sup>14</sup>

Geography (residence based)	2004	2005	2006
	Proportion	Proportion	Proportion
Scotland	44.3%	45.7%	47.4%
City of Edinburgh	48.7%	54.0%	54.9%

<sup>13</sup> Edinburgh NEET Strategy, April 2007

<sup>14</sup> Annual Population Survey, Scottish Executive, 2007

**f. Care Leaver Indicator**

There is no reliable indicator for the numbers of young people leaving care and not going on to a positive destination (education, training or employment). The Consortium will work with other agencies to achieve a reliable baseline.

**g. Drug Misuser Indicator**

Indicator: Number of Drug Misusers claiming IB/SDA<sup>15</sup>

Nos. in Edinburgh	2005	2006
Drug Misuser	5,872	7,537
Drug Misusers on IB/SDA	2,100 (feb)	2,470 (feb)

**h. Homeless Indicator**

Number of homeless people on Edinburgh Homeless database who have accessed employment, education or training<sup>16</sup>

	2004	2005	2006/07
Total numbers	4391	3846	4058
Accessing employment education or training	593	477	671
Percentage	13.5%	12.4%	16.5%

**i. IB category indicator**

Indicator: Reason for claiming IB/SDA<sup>17</sup>

Date	Total claimants	Mental	Nervous System	Respiratory / Circulatory	Musco-skeletal	Injury / Poison	Other
Nov 04	22,555	10,465	1,405	1,460	2,830	905	5,490
Nov 05	22,400	10,705	1,395	1,360	2,760	875	5,305
Nov 06	22,375	11,170	1,390	1,270	2,640	865	5,040

**j. JOT target indicator**

<sup>15</sup> University of Glasgow capture – recapture method and DWP

<sup>16</sup> City of Edinburgh Council, Homelessness Database, 2005/06

<sup>17</sup> Work and Pensions Longitudinal Study, NOMIS, 18/05/2007

Progress on JCP's Job Outcome Target will be reported to the Consortium.

#### **k. Lone Parent indicator**

Indicator: Number of people claiming Lone Parent benefits.

Whilst the caseload of Lone Parents form part of the DWP standard targets the Edinburgh Consortium intends to monitor trends at datazone level using data from Jobcentre Plus.

#### **l. Job-related training indicator**

Indicator: Proportion of working age people in employment receiving job-related training in the last 3 months by workplace local authority area, 2004-05<sup>18</sup>

	<b>2004</b>	<b>2005</b>	<b>2006</b>
Scotland	31.4%	30.1%	30.1%
Edinburgh	35.1%	36.5%	34.2%

#### **m. Employer Engagement Indicator**

In previous years the measure used to inform the progress of vacancy filling processes nationally have been dictated by the procedures for taking and handling vacancies within JCP. Interpretation of this data acknowledges the changes to these procedures in recent years in particular, from May 2006 when JCP introduced changes to their vacancy handling procedures. Prior to May 2006, vacancies notified to Jobcentre Plus were followed up with the employer to ascertain whether (a) they should remain available to jobseekers, or (b) whether they should be closed or had been filled by clients referred by Jobcentre Plus. Vacancies filled were monitored as one strand of Jobcentre Plus performance. From May 2006 Jobcentre Plus performance is being assessed differently and there is consequently no longer an operational need to follow up vacancies. Vacancies notified to Jobcentre Plus now have a closure date agreed with the employer. Vacancies are automatically withdrawn on the closure date unless the employer advises that a later closure date is required. The number of notified vacancies in Edinburgh in August 2007 was **3,619**.

As this information is no longer reliable, the Consortium will look at other ways of developing an indicator to measure the impact of any changes to employers' satisfaction. Using the Employer Outcome Target (EOT) JCP has also been measuring their service by using a survey method conducted by an independent external company. This is completed on a monthly basis and the key measures within that are resolution, responsiveness and matching. The proposed indicator for this area of work will look to see how this can be developed across the employer engagement network within Edinburgh.

#### **n. Gender**

Indicator of gender within benefit claimant target

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<sup>18</sup> Annual Population Survey, Scottish Executive, 2007

	06/2006	03/2007 (latest figures)
JSA – male	5,370	4,990
JSA – female	1,750	1,660
IB/SDA – male	12,950	13,080
IB/SDA – female	8,910	8,900
LPIS – male	290	270
LPIS - female	4,830	4,730