

4.5 Adults and parents

With around 1 in 6 working age residents out of work and dependent on benefits, Walsall faces a major challenge to increase the employment rate of local residents to a level which matches the averages for West Midlands and England¹. Current economic conditions make this more difficult than ever and there are too few jobs available for local people to access. The effect that being out of work has on the health and wellbeing of individuals has already been outlined in the introductory paragraphs, but that effect is compounded when those individuals are parents with dependent children who are reliant on the income of the adult(s).

Access to jobs requires employers who need workers, Walsall is home to around 7,180 businesses – a shortage of 2,760, when compared with the national average per size of adult population – and this means there are only 0.56 jobs per working age person, compared to 0.70 nationally². Many residents also lack the necessary skills to gain and sustain employment. Latest figures show that 17% of working age adults living in Walsall have no qualifications, compared with just 9.5% nationally.

Although Walsall has seen significant improvements since 2006 when there was a high of 28.7%, this 17% figure still equates to 26,200 adults in the borough who hold no formal qualifications³.

Indicators:

Walsall has a resident working age population of 167,300 people aged 16-64⁴. Of these, 26,580 people are not working and are claiming an 'out of work' benefit⁵, which includes:

- *12,030 people claiming Employment Support Allowance (ESA)/Incapacity Benefit (IB)*
- *10,340 unemployed people on Jobseeker's Allowance (JSA)*
- *3,210 lone parents on Income Support*
- *1,000 others on income-related benefits*

This equates to 15.9% of the working age population, although the borough has seen improvements over the past few years, the gap between Walsall and England (11.3%) continues to be a concern.

The number of claimants of ESA/IB in Walsall has remained relatively stable over the past decade, indicating the extent of poor health and wellbeing issues faced by our communities and the lack of progress in making headway with this customer group. In contrast, as you would expect the number of jobseekers has seen major fluctuations linked to the state of the wider economy and its influences on ours.

¹ DWP benefit claimants - working age client group, Feb 13

² ONS Business Demography 2011 & mid 2011 population estimates

³ ONS Annual Population Survey, 2012

⁴ ONS Mid-2011 Population Estimates

⁵ DWP benefit claimants - working age client group, Nov 2012

There was a huge increase in unemployment claimants during the recession, when Walsall fared even worse than England overall, and has still not fully recovered; reducing benefit dependency continues to be a priority for the borough.

As shown in Figure 1, the west of the borough is home to the majority of Walsall's benefit claimants, with Blakenall, Birchills Leamore, Pleck, Darlaston and parts of Bloxwich and Willenhall having the highest concentrations. There are also large differences in the rates of claimants between the west and the east of the borough.

Near Walsall town centre, around a third (32%) of adults in some neighbourhoods are claiming out of work benefits, while in parts of Streetly and Aldridge the figure is only around 10%. However, it should also be noted that there are also pockets of low benefit dependency in the west of Walsall, and vice versa.

A report by the Centre for Regional Economic and Social Research⁶ suggests that there may also be extensive 'hidden' unemployment, with evidence pointing towards a significant number of people who do not appear in official measures of unemployment because they have instead been diverted into claiming other types of benefits, or because they are outside the benefit system altogether.

In Walsall, an estimated 5,300 people may have been diverted onto incapacity benefits instead of unemployment benefits; these do not represent fraudulent claims, but are people who with the right employment opportunities and support could more easily re-enter the labour market. A further 2,600 people identify themselves (via the Labour Force Survey) as unemployed, but are either not entitled to unemployment benefits or choose not to make a claim – so do not appear in the benefit claimant figures above.

The following map illustrates the levels and geographical locations of residents claiming 'Out of Work Benefits', further illustrating the divide between the West and the East of the borough.

⁶ Beatty C, Fothergill S & Gore T, (2012) The Real Level of Unemployment 2012, Centre for Regional Economic and Social Research, Sheffield Hallam University

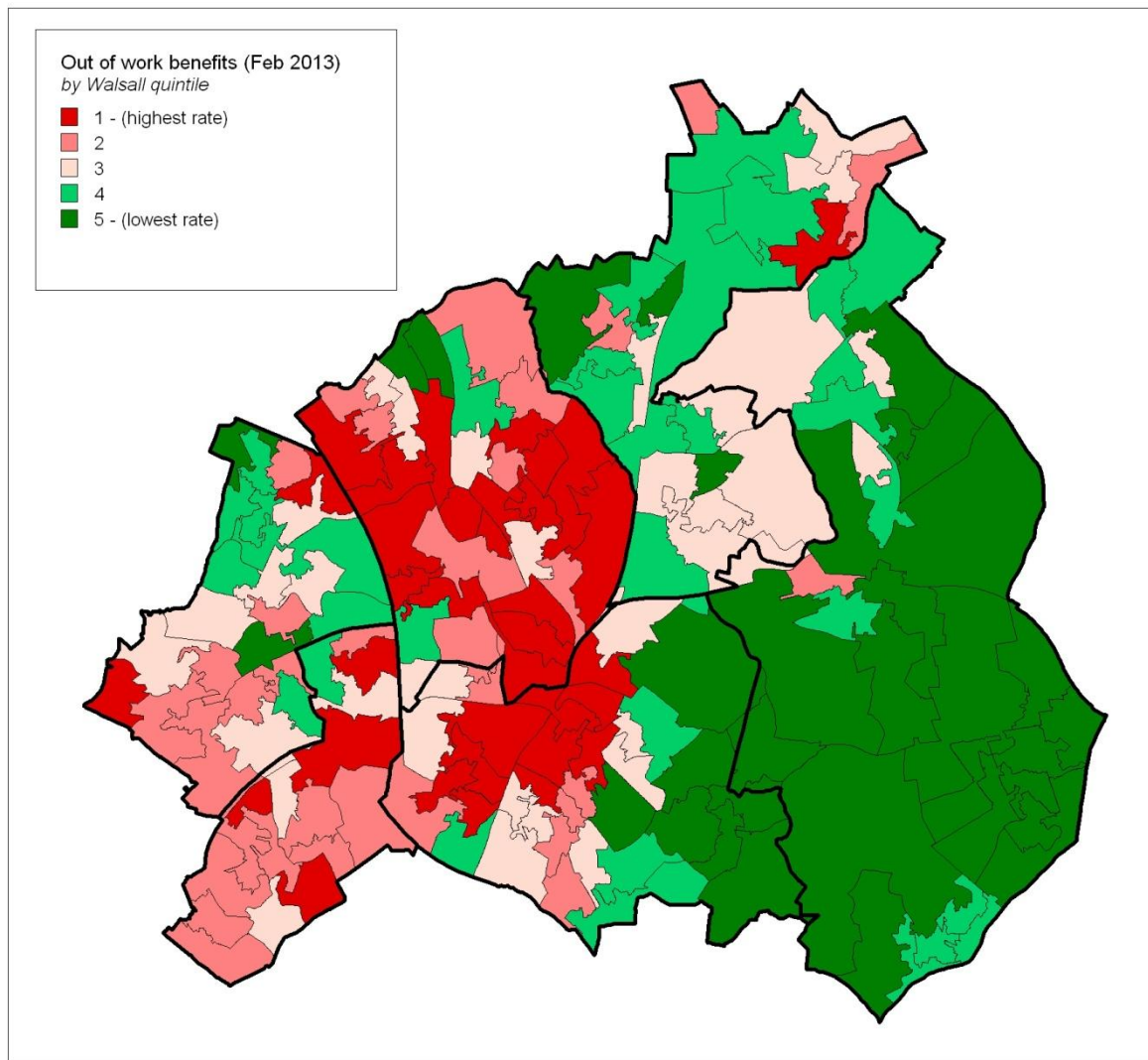


Figure 1 Walsall working age residents claiming out-of-work benefits by LSOA - February 2013

Priorities for action:

Walsall Council and its partners have a number of initiatives in place to tackle worklessness that complement mainstream provision, but it is essential to ensure that these are expanded. The end of Working Neighbourhoods Fund (WNF), which previously supported many of these schemes, poses a new challenge to identify alternative funding streams to maintain the initiatives that have proved successful in the past and to develop new projects that meet local gaps in provision. We need to:

- *Increase the availability of jobs in the borough by encouraging enterprise and inward investment, concentrating on key sectors which have the potential for growth*
- *Ensure jobs and opportunities are available at all levels and requiring different categories of qualifications, from apprenticeships through to highly skilled workers.*
- *Improve employability and access to job vacancies for local people*
- *Improve the skill levels and qualifications of local residents and match these to the needs of local businesses*

- *Increase the availability of opportunities for supported work placements and volunteering in order to facilitate individuals in gaining relevant work experience and appropriate skills*
- *Understand and tackle the barriers to work, including the problems posed by ill health or circumstances that include dependents such as young children requiring childcare*
- *Explore and utilise any available external funding (European, Lottery etc.) to support local people into training and employment.*
- *Provide appropriate support to allow people with a history of mental illness or health problems to access work placements, training and employment opportunities – and to assist those who already have jobs to remain in employment and not become long-term sick or dependent on incapacity benefits*
- *Promote and support the role of employers in maintaining and improving employee health e.g. through the NHS Healthy Workplace programme, setting up and promoting corporate health and wellbeing schemes, and identifying and tackling work place accidents/occupational disease*
- *Provide support to Walsall businesses to ensure compliance with legal requirements (including health and safety legislation) to ensure that they are competitive, able to thrive, create an environment for confident consumers and thus are able to create employment opportunities*