

Economic Wellbeing

Introduction

Economic wellbeing requires an income level that sustains a reasonable quality of life, financial resources to provide a buffer against adversity, and opportunities for satisfying employment for those who are, or wish to be, employed.

The relationship between income and health and wellbeing is well documented (Marmot 2010 pg. 74 and LHIN 2013) and involves not only employment income but, importantly, ensuring full take-up of eligible benefits for vulnerable residents.

This section of the JSNA concentrates upon the impact of employment on economic wellbeing, and on the measures being taken to reduce the barriers to employment and broaden available routes into employment for local residents.

For those of working age, and increasingly for older people who wish or need to remain in the labour force, good-quality employment is not only the surest path to avoiding deprivation but has major benefits for wellbeing:

Work can strengthen social connections and it can provide a sense of meaning, purpose and value which are important for encouraging feelings of self-worth and satisfaction. (LGID, 2010)

The Marmot Review identifies 3 ways in which unemployment affects levels of morbidity and mortality:

- Lowers living standards, reduces social integration and lowers self-esteem
- Triggers distress, anxiety and depression
- Impacts on health behaviour – increased smoking and alcohol consumption, and decreased physical exercise. (Marmot 2010, pg. 69)

The relationship between unemployment and poor health runs in both directions. Unemployment contributes to ill-health, and poor health increases the likelihood of unemployment, and the two can become mutually reinforcing.

Being in paid work is not, of course, always a guarantee of wellbeing, and many people in employment earn inadequate incomes and their workplace is a source of distress.

It must also be recognised that many people who live in poverty *are* in paid employment, but that this employment does not provide them with a [living wage](#). The Office for National Statistics (ONS) estimates 23% of jobs in the UK outside London pay less than the living wage. The level among females (29%) is much higher than males (18%).

In Bedford Borough, ONS estimates that 20.6% of jobs, equating to around 15,000 jobs, paid less than the living wage in 2014 (ONS 2015)¹.

In the very worst cases, the workplace can represent a risk to health, with musculoskeletal disorders and mental health issues being particularly common.

Too often, though, the relationship between employment and wellbeing is viewed solely from the risks to health, ignoring the important positive impacts that satisfying employment can generate for individuals, families and communities.

This section examines key issues in the Bedford Borough employment market and looks at the barriers to employment which many residents face as a result of: lack of skills and qualifications; disabilities and limiting conditions; parenting and caring responsibilities; transport; age; language; and other factors constraining their ability to secure and retain employment.

It is organised around two areas:

- Measures being taken by the public, private, and voluntary and community sectors to reduce employment barriers faced by Borough residents.
- Measures to expand the local economy and create a growing number and range of quality employment opportunities in the Borough.

What do we know?

Current Employment and Unemployment Levels in the Borough

The levels of employment and unemployment in the Borough are discussed in detail in the [Employment and Income](#) section of the JSNA.

Claimant Count unemployment, which is based on Jobseeker's Allowance (JSA) and Universal Credit claimants, stood at 2,115 or 2.1% of the working age population in September 2016. This compared to rates of 1.8% in England, and 1.2% in the East of England.

Claimant Count unemployment has declined substantially since its high of 4,363 (4.3%) in February 2013. Unemployment among young people aged 18-24 has also declined significantly, though still remains a concern. These reductions in local unemployment reflect a national picture of declining JSA unemployment.

The broader International Labour Organisation (ILO) measure of unemployment, which includes people looking and available for work but who are not eligible for JSA, was an average of 3,800 or 4.4% of the economically active population for the

¹ In July 2015, the Chancellor of the Exchequer announced that the UK Government will introduce a compulsory 'national living wage' from April 2016 at the rate of £7.20 per hour for those aged 25+. This compares to the current UK Living Wage of £8.25 per hour (outside London).

period July 2015 - June 2016. This compared to 5.1% in England, and 3.7% in the East of England.

Barriers to Employment – The National Picture

ONS has identified the following groups as being of particular risk of exclusion from the labour market:

- Disabled people
- Lone parents
- Ethnic minorities
- People aged 50 and over
- The lowest qualified
- Residents of the most deprived wards

For people of working age who are in none of these disadvantaged groups, the employment rate is 82.6%, falling to 75.4% for those in one disadvantaged group. For those in multiple groups, the employment rate falls dramatically - for those in 5 or 6 groups it is just 14.5% (Barrett 2010).

Nationally, the employment rate of those aged 16-64 who have an Equality Act core long-term disability which limits their day-to-day activities or who have a work-limiting disability is 49.1%. This compares to 78.6% among those without a disability (ONS, Annual Population Survey, April 2014 – March 2015).

In addition, people with a disability who are in employment are much more likely to work part-time and to work under 15 hours/week compared to those without a disability (ONS, 2011 Census, Table LC6302EW).

Additional issues which can present barriers to employment include:

- Transport – especially rural residents and young people reliant upon public transport.
- Caring responsibilities – those providing unpaid care, and parents who may be limited by the availability, cost and hours of operation of day care.
- Young people who were previously looked-after children.
- New migrants with poor English skills.
- It is estimated that 1.275 million part-time workers in the UK, or 15% of all part-time workers, would like a full-time job. This represents significant under-employment and masks the true level of unemployment.
- An estimated 1 million people, many of whom are younger people, are employed on [‘zero-hours’](#) contracts where their employment hours and shift patterns are entirely at the discretion of the employer. This can create problems of income insecurity and difficulty in planning other responsibilities such as child care.

The barriers to employment faced by disadvantaged groups are discussed in detail

in Barrett 2010 and Marmot 2010.

Barriers faced by those with a limiting long-term illness or disability are discussed in detail in ONS 2011 and Marmot 2010.

Barriers faced by older workers are examined in Tinsley 2012.

Key Employment Inequalities in Bedford Borough

The Borough's employment profile lags behind its neighbours and is linked to hotspot pockets of deprivation and inequality across the Borough. The area continues to have a structural problem with persistent unemployment, including youth unemployment which is a key priority locally, though unemployment levels fell significantly in 2014 and continued to decline in the first half of 2015.

Barriers to employment in the Borough include:

- Persistent **unemployment hotspots**. At ward level, there are large differences in claimant count unemployment rates (Jobseeker's Allowance), ranging from under 1% in some rural wards to 4.4% in Castle ward (September 2016).
- Similarly, **out-of-work benefits** claimant levels are far higher in the more deprived wards, exceeding 12% of the 16-64 population in Castle and Harpur wards in February 2016 compared to the Borough average of 8.1%.
- Though unemployment is concentrated in the urban wards, the Borough also has pockets of 'hidden' unemployment and deprivation in **rural areas**, though these are difficult to identify and quantify.
- More than 200 residents currently claiming out-of-work benefits report **transport** as a significant barrier to accessing employment.
- The employability of school leavers, including 5.4% of 16-18 year olds who were 'non participating' in education, employment or training (**NEET**) on average between November 2014 and January 2015. The highest NEET rates were in Castle, De Parys and Kingsbrook wards.
- In September 2016 there were 415 Jobseeker's Allowance claimants aged **18-24** (3.3%). This represented a major reduction from the 1,045 (7.6%) claimants in May 2013.
- **GCSE** results in the Borough's schools have traditionally lagged national levels, but there was a major improvement in 2012/13 with 60% of pupils in the Borough's maintained schools achieving 5+ A*-C passes including English and Maths. Partly as a result of a new national measurement regime, this

declined to 52.0% in 2013/14 and remained static at 52% in 2014/15. This mirrors static results at National and Statistical Neighbour level over the same period meaning Bedford Borough remains 5% adrift from both.

- GCSE results vary greatly by **deprivation** level, with just 32.9% of pupils resident in the 20% most deprived LSOAs achieving 5+ A*-C passes including English and Maths, compared to 54.1% of pupils living in the 80% least deprived LSOAs (2013/14).
- While it was generally believed that **qualifications** in the Borough lagged national averages, the 2011 Census suggests that this is no longer the case. Of the 16-64 population, 30.1% have Level 4 (degree-level) qualifications compared to 29.8% in England and 28.1% in the region. The proportion of the 16-64 population with No Qualifications (13.3%) is also lower than England (14.8%) or the region (14.1%) (ONS, 2011 Census, Table DC5107EW1a).
- Some **ethnic groups** have significantly lower formal economic activity rates; the most pronounced differences in the Borough are among Bangladeshi and Pakistani females where just 30% of Bangladeshi females aged 25-49 and 46% of Pakistani females are economically active, compared to over 80% among the total female population aged 25-49. It should be recognised, however, that these lower participation rates may partly result from cultural differences and norms, and are not totally due to restricted access to employment opportunities.
- **English language (ESOL), literacy and numeracy training** needs, along with access to support services are cited as barriers to employment amongst minority ethnic groups, both from established and new migrant communities.
- Of the 16-64 population, 11% indicated that they have a **long-term health problem or disability** which affects their day-to-day activities 'a lot' (4,500) or 'a little' (6,550). Of those Borough residents aged 16-64 who described their health as *Very Bad or Bad* only 29% were economically active and only 17% in full-time employment. This compares to 82% and 55% among those with *Very Good or Good* health (ONS, 2011 Census, Table CT0126).
- In May 2016, there were 4,930 Employment and Support Allowance claimants in the Borough. The main conditions were Mental and Behavioural Disorders (2,390) and Diseases of the Musculoskeletal System (630). Many of those with a **work-limiting illness**, such as a mental health condition or an illness or injury, could return to work if provided with the right support and management (Centre for Mental Health 2013).
- There are an estimated 2,400 adults aged 18-64 in the Borough with a

learning disability. Less than 1 in 10 of those known to social services has any form of paid employment and, of those, very few work more than 16 hours per week.

- There are an estimated 17,100 **unpaid carers** in Bedford Borough in 2015. People providing high levels of unpaid care have much lower economic activity levels than those without caring responsibilities. Among the Borough's total population aged 25-64 in 2011, 77.4% were in employment. There was little difference between those who did not provide care (78.3%) and those who provided 1-19 hours each week (78.9%). However, those who provided higher levels of care had much lower employment rates, with 64.8% of those providing 20-49 hours of care being in employment, and only 46.5% of those providing 50+ hours of care each week (*ONS, 2011 Census, Table CT0126*). Furthermore, even when they are in employment, carers are also much more likely than non-carers to be employed only part-time.
- There were an estimated 340 **young carers** aged under 16 in 2011 and a further 870 aged 16-24. Many young carers have low GCSE attainment, embedding a barrier to future economic wellbeing from an early age.
- The number of **lone parents** in the Borough with dependent children rose from 3,210 in 2001 to 4,860 in 2011. While an increasing number of lone parents have entered the labour market in recent years, 38% of female and 24% of male lone parents in the Borough are still not in any form of paid employment (*ONS, 2011 Census, Table KS107EW*).
- The number of **graduates** in Bedford Borough is increasing rapidly. Degree holders in Bedford Borough rose by 13,200 between the 2001 and 2011 Censuses. Putting these skills to work requires ongoing growth in the number of higher value-added employment opportunities.
- Between 2001 and 2011 the number of economically active people in the Borough **aged 50+** increased by 27%, the fastest-growing segment of the labour market, though economic inactivity levels among those aged 50+ remain a concern. This increase reflected the ageing of the population, Government initiatives to increase employment opportunities for older workers, and the growing desire of older people, particularly those over State Pension Age, to continue in work. Self-employment among those 50 and over also grew strongly between 2001 and 2011 (by 36%).
- The increasing numbers of people over **State Pension Age** who wish to remain in the labour force, either due to financial need or for the social contact and wellbeing benefits which employment offers, presents opportunities to improve economic wellbeing but also presents challenges. Accommodation of this demand will require additional growth in employment opportunities across the Borough, and a more flexible approach on the part of employers.

Bedford Borough Job Creation and Recruitment Issues

The Brexit decision is publicised nationally as causing some trepidation and lack of confidence in commercial property investment and occupation. Some consultation with local businesses and specifically manufacturers highlighted the weaker pound as raising costs of raw materials and therefore impacting profit margins. Despite aforementioned issues in property sector, a number of large significant employment sites along the A421 in Bedford are progressing as investment agreed and not predicted to stall. Residential development around the borough is also progressing well with construction progressive and around 1000 unit completions per annum.

Bedford Borough is maintaining a relatively high level of interest in new investment and business enquiries with approximately 672 enquiries received by the Council for the period 2015/16. The number of jobs created and safeguarded following inward investment and indigenous company relocation during 2015/16 was 309.

The town centre Riverside North leisure scheme is on course to complete next year and a number of other sites / significant units are now occupied and operational including Apex Business Park on Cambridge Road by Travis Perkins related brands and the large centrum building on Cambridge Road occupied by FTSE 100 company Johnson Matthey.

The latest performance figures for 2014/15 show 1,350 all-age apprenticeship starts, a rise of almost 12% from the previous year compared to a national increase less than 1%. The Borough is performing well this year relative to England; however it still has a 'catch up' challenge with the national figures in terms of apprenticeship participation per head of population and a relatively low number of vacancies available.

Connecting those residents who are most in need to jobs and local opportunities, and supporting business to create additional local jobs for the unemployed are key local priorities.

Local recruitment issues which have been identified in surveys and in discussions with employers, job applicants, and professionals and community groups involved in employment and training include:

- A mismatch between the jobs that unemployed residents are looking for versus the type, level and remuneration of jobs available
- Challenges in identifying sufficient young emerging talent within schools to support local employers' needs
- Limited and fragmented support towards enterprise, since the withdrawal of

Business Link services

- Groups of residents with limited language, literacy and numeracy skills preventing them from accessing employment
- Lack of practical mathematics and measurement skills demanded by employers
- Lack of general employability skills, confidence and the motivation to access local opportunities available
- A growing trend towards online recruitment brings challenges of IT skill requirements and the ability to succeed in online applications. This challenge is faced by young school leavers as well as older residents.

The South East Midlands Local Enterprise Partnership (SEMLEP) commissions an Annual Business Survey. The main objective of the research is to identify the economic challenges and opportunities facing businesses in the area and inform the Council's approach to the development and delivery of economic development activities.

Current Activity and Services

Raising economic participation levels is a priority for Bedford Borough. More job opportunities are critical; however, market failures and barriers to economic participation prevent some residents who require additional support from taking advantage of the opportunities available.

Work already taking place includes:

- Launching **The Jobs Hub Programme** in July 2012 ([link](#)). Funded by the Bedford Borough Partnership Board, Jobcentre Plus and Bedford Borough Council, The Jobs Hub works with employers, training partners and a network of volunteers to provide individual support to help residents into work, training and business.
- As of 31st October 2016, the Jobs Hub had a total **footfall of 26,870**. The Hub had recorded 1,468 customer outcomes: 1164 into work, 169 into training and 135 into self-employment. Among the specialist services provided are NHS health checks, self employment advisors, as well as partners who work specifically with young people. The Hub works closely with the CVS to support disadvantaged residents, including a network of volunteers to provide specialised mentoring and coaching.
- Just a year after it opened on Greyfriars in Bedford Town Centre, the pioneering Jobs Hub received **national recognition** for the results it had achieved. The Jobs Hub won the 'Delivering Better Outcomes' category at the Municipal Journal Awards 2013.
- Successful delivery of 9 **European Social Funded Projects**, through the local authority Co-Financing Programme between 2011 and 2015, which

provided targeted employability and 'barrier tackling' support to a number of disadvantaged groups, with project activity including:

- Supporting and Inspiring Young People (14-16 year olds)
 - Choices for NEETs (16-18 year olds)
 - Migrant Employment Support
 - Enterprise Coaching
 - Volunteering into Employment
 - Community Employment Support (residents of social landlords)
 - Work limiting illness support
 - Improving Employability for Adults with Learning Disabilities
 - Skills for Growth
- A local **Apprenticeship Delivery Group** was established in 2011 with membership from Bedford Borough Council, the National Apprenticeship Service, and training providers to drive forward apprenticeship growth. Recent activity includes business engagement, development of a local Ambassador scheme, the use of online/social media platforms, and a programme of annual events focusing on apprenticeships. .
 - Connecting those most in need to jobs by offering a programme of **Back to Work** events and **Job Markets** in partnership with training providers, employers, and the voluntary and community sector.
 - A new Strategic Partnership was established during 2012 to focus on increasing the economic wellbeing of **14-19 year olds**. Bedford Borough Council (Economic Development), the Federation of Small Business and the Chamber of Commerce are providing support to schools to increase their business engagement activity and provide Labour Market Information (LMI) reporting to support the progression of young people. Initiatives include the [Bedford Borough Schools Mentoring Programme](#) which links Year 10-13 students (age 15-18) with working adults and university students in the Borough.
 - **Adult Supported Employment Service**, which is a specialist supported employment service for adults with a disability. For further information, click [here](#) or refer to Trotter (2013).
 - The development of a local [Growth Plan](#) to support further investment and business growth in Bedford Borough. The Plan includes a discretionary reduction in business rates to attract and support new business investment and growth. It is proposed that those employing more than 50 staff will be asked to commit to put in place a local Work and Skills Plan to maximise local community benefit.

Priorities and Key Issues

- Connect those most in need to jobs, services and opportunities
- Targeted support to overcome barriers to economic participation.
- Support businesses to create additional jobs
- Improve the employability of school leavers
- Increase apprenticeships, particularly for 16-24 year olds
- Facilitate closer partnerships between the private sector and training providers to promote demand-led skills development
- Increase skills investment in growth sectors, reinforcing their growth potential

This section links to the following sections in the JSNA:

Carers

Deprivation

Education and Skills

Employment and Income

Learning Disabilities

Mental Health (Adults)

Physical Disabilities and Sensory Impairment

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