



# **Birmingham Labour Market Update**

**April 2019**



**Economic Research & Policy**  
**Economy Directorate**

# Labour Market Dashboard

## Claimant Count Unemployment - March 2019

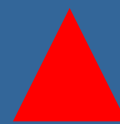
Seasonally Adjusted



**42,872**  
+693



**8.1%**  
+0.1% points

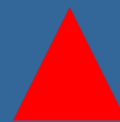


**Youth  
18-24**

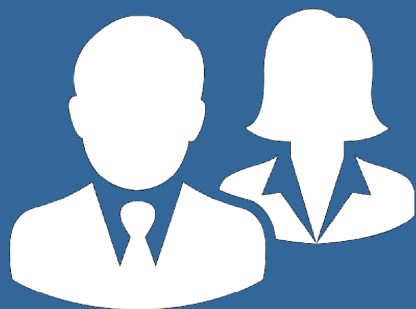
**7,838**  
+93



**10.8%**  
+0.2% points



## Resident Employment 16-64 - Q4 2018



**475,900**  
+1,200



**65.3%**  
+0.1% points



## 16-64 Economic Inactivity - Q4 2018



**212,800**  
-4,900



**29.2%**  
-0.7% points



## Important Notice - Universal Credit Roll Out Impact on Claimant Count

The Claimant Count is the number of people claiming Jobseeker's Allowance plus those who claim *Universal Credit and are required to seek work and be available for work*. It is the new headline measure of those claiming benefits principally for the reason of being unemployed.

The full service roll out of Universal Credit in the city between Nov 17 and Feb 18 has led to an increase in the claimant count in the city (as it has done in other full service areas), this is for two main reasons:

- Universal Credit requires a broader span of people to look for work than was the case for existing benefits such as ESA.
- New claimants who are awaiting or appealing Work Capability Assessments are being required to look for work and thus being counted as unemployed rather than economically inactive.

## Seasonally Adjusted Unemployment

The latest claimant unemployment figures released by the Office for National Statistics (ONS) show that seasonally adjusted claimant unemployment in Birmingham increased by 693 in March 2019 to stand at 42,872; the rate increased to 8.1%.

**42,872**

**+693**



**8.1%**

**+0.1% Point**

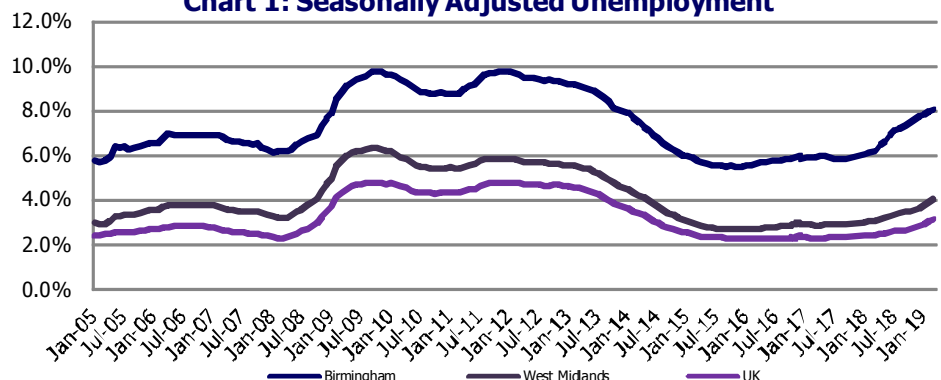


Seasonally adjusted claimant count unemployment increased in the West Midlands and nationally last month. Chart 1 illustrates that after falling sharply to return to pre recession levels unemployment in the city had been relatively stable but has begun to increase during 2018 due to the benefit eligibility changes associated with the roll out of Universal Credit.

**Table 1 - Seasonally Adjusted Claimant Unemployment March 2019**

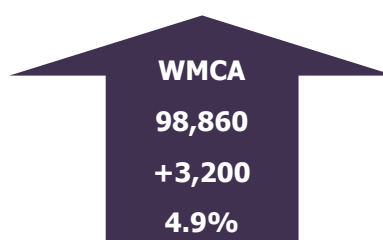
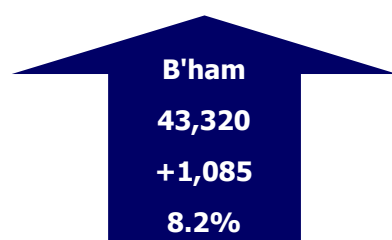
Area	Total	
	Number	Claimant Rate
United Kingdom	1,066,167	3.2%
West Midlands Region	117,297	4.1%
<b>Birmingham</b>	<b>42,872</b>	<b>8.1%</b>

**Chart 1: Seasonally Adjusted Unemployment**



## Unadjusted Unemployment

In Birmingham, the unadjusted claimant count increased by 1,085 to 43,320 in March. The unadjusted rate increased to 8.2%. Unadjusted unemployment also increased for the WMCA (3 LEPs) and the UK as a whole last month.



## Unadjusted Unemployment - Core Cities

Table 2 shows that Birmingham has a comparatively high claimant unemployment rate. At 8.2%, Birmingham's claimant unemployment rate is the highest of the core cities - significantly above the core city average of 5.2%. Unadjusted claimant count unemployment increased in all of the 10 core cities last month.

**Table 2 - Unadjusted Claimant Unemployed: Core Cities March 2019**

Area	JSA Claimants	Out of Work UC Claimants	Total Claimant Unemployed		
			Number	Claimant Proportion	Claimant Rate
Birmingham	10,269	33,051	43,320	5.9%	8.2%
Newcastle	977	8,278	9,255	4.6%	6.3%
Liverpool	4,259	9,031	13,290	4.0%	5.5%
Manchester	1,934	13,666	15,600	4.1%	5.5%
Glasgow	6,462	9,753	16,215	3.7%	5.4%
Nottingham	3,617	4,278	7,895	3.4%	5.1%
Cardiff	1,404	6,041	7,445	3.0%	3.8%
Leeds	5,561	8,514	14,075	2.7%	3.4%
Sheffield	4,608	4,617	9,225	2.4%	3.1%
Bristol	1,910	5,115	7,025	2.2%	2.7%
<i>Core Cities</i>	<i>41,001</i>	<i>102,344</i>	<i>143,345</i>	<i>3.8%</i>	<i>5.2%</i>
WMCA (3 LEPS)	24,540	74,320	98,860	3.8%	4.9%
GBS LEP Area	12,657	42,213	54,870	4.3%	5.6%
Greater London	36,593	120,072	156,665	2.6%	3.2%
United Kingdom	259,980	841,010	1,100,990	2.7%	3.3%
Claimant proportion: claimants divided by working age population					
Claimant rate: claimants divided by economically active working age residents.					

**Birmingham**

**8.2%**

**Core Cities**

**5.2%**

**WMCA**

**4.9%**

## Birmingham Constituencies

Table 3 shows claimant unemployment data relating to the constituencies. Ward data is shown on page 5.

The constituency of Hodge Hill has the highest claimant unemployment rate (12.3%). The Sutton Coldfield constituency has the lowest unemployment rate (2.1%).

**Table 3—Unadjusted Unemployment by Constituency March 2019**

Constituency	JSA Claimants	Out of Work UC Claimants	Total Claimant Unemployed		
			Number	Claimant Proportion	Claimant Rate
Edgbaston	831	2,689	3,520	5.0%	8.0%
Erdington	1,154	3,526	4,680	7.1%	9.0%
Hall Green	920	3,730	4,650	6.0%	8.7%
Hodge Hill	1,407	4,238	5,645	7.2%	12.3%
Ladywood	2,003	5,837	7,840	7.5%	11.0%
Northfield	908	2,812	3,720	5.9%	8.2%
Perry Barr	1,233	3,707	4,940	6.8%	9.6%
Selly Oak	702	2,488	3,190	4.3%	5.5%
Sutton Coldfield	226	889	1,115	2.0%	2.1%
Yardley	885	3,140	4,025	5.7%	7.6%
<b>Birmingham</b>	<b>10,269</b>	<b>33,051</b>	<b>43,320</b>	<b>5.9%</b>	<b>8.2%</b>

## Birmingham Wards

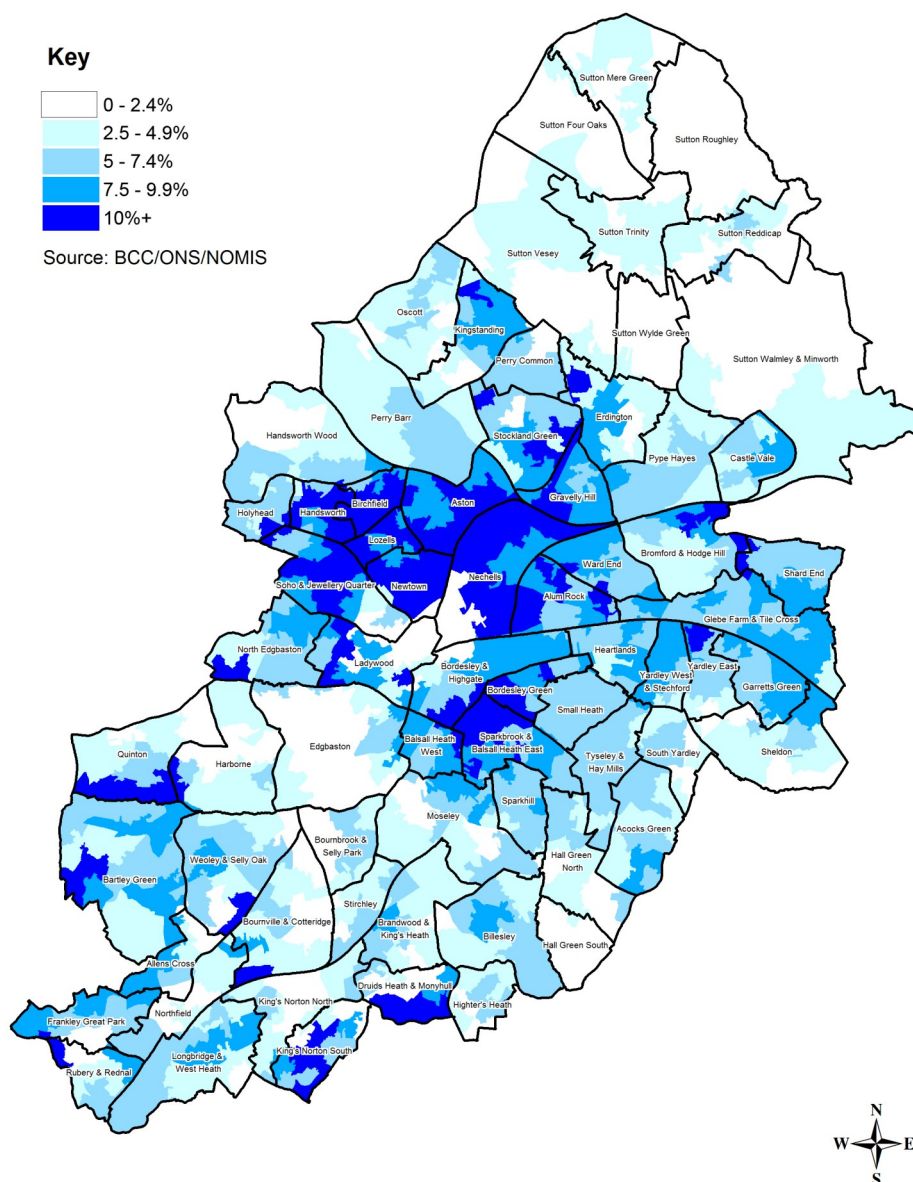
Table 4, on page 5, shows claimant unemployment data for the Birmingham wards. The ward unemployment proportions vary widely with the 7 Sutton wards having the lowest proportions and Birchfield (12.1%) and Handsworth (11.8%) the highest .

Table 4 also shows the annual change in claimant count unemployment at ward level. All of the city's 69 wards have more claimant unemployed compared with the same point last year.

The number of youth (18-24) claimants in each ward is also contained in Table 4. Aston ward (313) and Alum Rock (304) have the highest number of youth claimants in Birmingham. Sutton Trinity (11) and Sutton Four Oaks (8) have the fewest.

Map 1 below displays claimant unemployment in Birmingham by Super Output Area (SOA). It shows that the highest levels of unemployment are largely concentrated in the inner city areas of Birmingham with some pockets in outer city areas.

**Map 1 Birmingham Claimant Count Unemployment Proportions February 2019**



Date: 03/04/2019  
Scale 1:110,000

**Table 4— Ward Claimant Unemployment – March 2019**

Ward	Total Claimant Unemployed		Monthly Changer	Annual Change	18-24 Claimants
	Number	Claimant Proportion			
Acocks Green	837	5.4%	0	232	144
Allens Cross	417	6.1%	14	70	115
Alum Rock	1,494	8.9%	- 9	339	304
Aston	1,581	10.3%	28	339	313
Balsall Heath West	621	7.8%	17	86	89
Bartley Green	1,028	7.3%	24	282	198
Billesley	711	5.8%	5	226	131
Birchfield	986	12.1%	30	141	135
Bordesley & Highgate	878	8.3%	23	236	169
Bordesley Green	674	8.9%	32	178	125
Bournbrook & Selly Park	452	2.3%	35	164	95
Bournville & Cotteridge	469	4.2%	2	116	92
Brandwood & King's Heath	528	4.3%	2	110	105
Bromford & Hodge Hill	762	5.9%	3	168	159
Castle Vale	395	6.5%	10	85	75
Druids Heath & Monyhull	566	7.7%	16	91	103
Edgbaston	431	2.6%	7	97	51
Erdington	752	5.8%	5	164	113
Frankley Great Park	509	7.0%	29	116	118
Garretts Green	487	7.6%	3	93	101
Glebe Farm & Tile Cross	1,097	7.5%	17	271	196
Gravelly Hill	702	9.7%	29	169	114
Hall Green North	576	4.1%	21	138	109
Hall Green South	123	1.9%	0	19	13
Handsworth	957	11.8%	40	254	171
Handsworth Wood	689	5.0%	10	124	126
Harborne	658	4.2%	18	145	83
Heartlands	565	7.2%	22	133	126
Highter's Heath	275	3.9%	5	64	54
Holyhead	552	6.9%	29	90	89
King's Norton North	306	4.4%	- 2	40	67
King's Norton South	515	7.6%	22	135	96
Kingstanding	862	6.6%	22	152	170
Ladywood	1,192	5.2%	38	234	152
Longbridge & West Heath	649	5.1%	30	121	139
Lozells	717	11.7%	30	157	116
Moseley	850	5.7%	23	212	144
Nechells	779	6.2%	15	148	100
Newtown	957	9.6%	5	141	182
North Edgbaston	1,159	6.7%	29	245	221



**Table 4— Ward Claimant Unemployment – March 2019 Continued**

Ward	Total Claimant Unemployed		Monthly Changer	Annual Change	18-24 Claimants
	Number	Claimant Proportion			
Northfield	260	4.0%	9	64	38
Oscott	462	3.7%	14	116	78
Perry Barr	536	4.0%	28	119	109
Perry Common	425	6.0%	15	108	80
Pype Hayes	377	5.6%	14	109	56
Quinton	620	4.9%	35	145	125
Rubery & Rednal	410	6.4%	22	117	78
Shard End	513	6.9%	20	104	79
Sheldon	469	3.8%	- 2	108	94
Small Heath	792	6.1%	44	207	164
Soho & Jewellery Quarter	1,386	7.2%	13	263	222
South Yardley	301	4.4%	0	47	47
Sparkbrook & Balsall Heath East	1,533	9.3%	49	359	286
Sparkhill	888	6.6%	9	181	183
Stirchley	321	4.7%	6	82	62
Stockland Green	1,246	7.9%	34	293	245
Sutton Four Oaks	63	1.2%	- 5	10	8
Sutton Mere Green	102	1.9%	0	34	20
Sutton Reddicap	218	3.5%	0	38	40
Sutton Roughley	86	1.3%	2	12	15
Sutton Trinity	119	2.2%	12	32	11
Sutton Vesey	257	2.1%	21	106	37
Sutton Walmley & Minworth	184	1.9%	9	67	39
Sutton Wylde Green	94	1.8%	5	26	24
Tyseley & Hay Mills	496	6.7%	42	97	91
Ward End	614	7.6%	2	120	144
Weoley & Selly Oak	914	6.0%	15	242	189
Yardley East	326	5.1%	- 5	78	71
Yardley West & Stechford	570	7.4%	19	126	105
<b>Birmingham</b>	<b>43,320</b>	<b>5.9%</b>	<b>1,085</b>	<b>9,485</b>	<b>7,915</b>

## Seasonally Adjusted Youth (18-24) Unemployment

The latest seasonally adjusted youth (18-24) claimant unemployment figures released by the Office for National Statistics (ONS) show that seasonally adjusted youth claimant unemployment in Birmingham increased by 93 in March 2019 to stand at 7,838, the rate rose to 10.8%.

**7,838**  
+93



**10.8%**  
+0.2% points

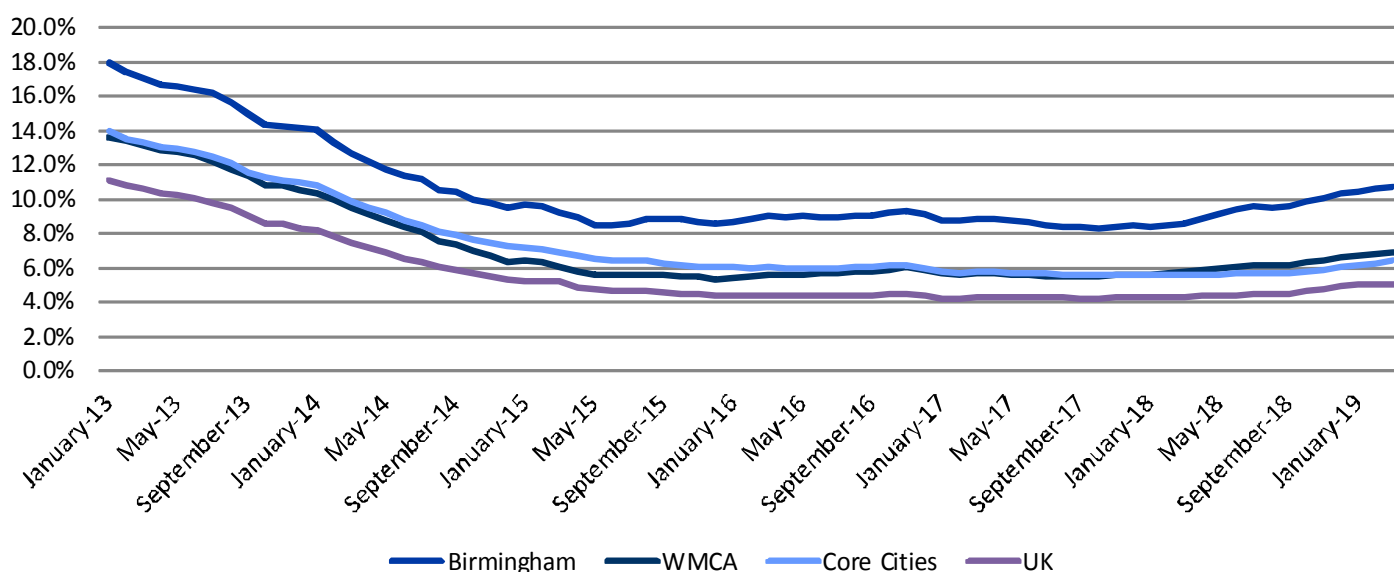


**Table 5 - Seasonally Adjusted Youth Claimant Unemployment - March 2019**

	Number	Claimant Rate	Claimant Proportion
Birmingham	7,838	10.8%	5.7%
WMCA (3 LEP Area)	18,294	6.9%	4.6%
Core City Average	25,154	6.4%	3.2%
United Kingdom	197,845	5.2%	3.4%

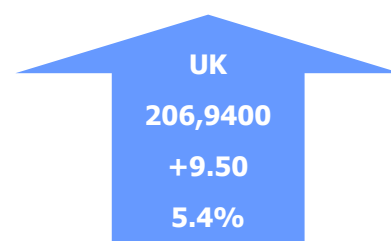
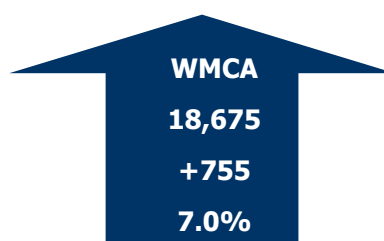
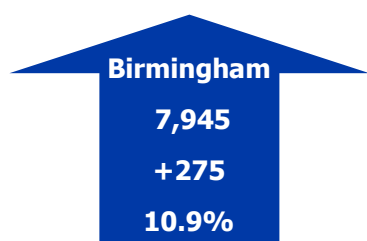
Seasonally adjusted claimant count unemployment for young people increased in the WMCA and the UK last month. Chart 1 illustrates that after falling sharply to return to pre recession levels youth unemployment in the city had been relatively stable but has been increasing since the turn of the year, again in part driven by changes in benefit eligibility associated with the roll out of Universal Credit.

**Seasonally Adjusted Youth Claimant Count Unemployment rate**



## Unadjusted Youth Unemployment

In Birmingham, the unadjusted youth claimant count increased by 275 to 7,945 in March. The unadjusted rate rose to 10.9%. The unadjusted 18-24 count increased for the WMCA (3 LEPs) and for the UK last month.





## Birmingham Wards

**Table 6—Unadjusted 18-24 Claimant Count Unemployment by Ward – March 2019**

Constituency	Total Claimant Unemployed		Annual Change
	Number	Claimant Proportion	
Acocks Green	144	6.0%	19
Allens Cross	115	10.7%	27
Alum Rock	304	8.9%	61
Aston	313	10.8%	78
Balsall Heath West	89	5.0%	-5
Bartley Green	198	9.0%	58
Billesley	131	7.8%	33
Birchfield	135	8.7%	-5
Bordesley & Highgate	169	7.5%	48
Bordesley Green	125	9.0%	30
Bournbrook & Selly Park	95	0.7%	30
Bournville & Cotteridge	92	4.3%	32
Brandwood & King's Heath	105	6.8%	20
Bromford & Hodge Hill	159	7.0%	42
Castle Vale	75	7.6%	25
Druids Heath & Monyhull	103	9.6%	19
Edgbaston	51	0.7%	5
Erdington	113	6.5%	13
Frankley Great Park	118	11.6%	34
Garretts Green	101	9.6%	14
Glebe Farm & Tile Cross	196	8.5%	47
Gravelly Hill	114	9.3%	22
Hall Green North	109	4.7%	-3
Hall Green South	13	1.5%	-10
Handsworth	171	13.3%	50
Handsworth Wood	126	5.5%	19
Harborne	83	3.0%	15
Heartlands	126	8.3%	35
Highter's Heath	54	5.6%	0
Holyhead	89	7.1%	8
King's Norton North	67	7.0%	18
King's Norton South	96	9.4%	19
Kingstanding	170	8.3%	13
Ladywood	152	2.4%	42
Longbridge & West Heath	139	7.8%	30
Lozells	116	9.9%	21
Moseley	144	6.8%	41
Nechells	100	1.7%	13
Newtown	182	5.3%	38
North Edgbaston	221	6.6%	59

## Birmingham Wards

**Table 6—Unadjusted 18-24 Claimant Count Unemployment by Ward – March 2019 Continued**

Constituency	Total Claimant Unemployed		Annual Change
	Number	Claimant Proportion	
Northfield	38	4.2%	3
Oscott	78	4.5%	5
Perry Barr	109	4.3%	25
Perry Common	80	8.0%	13
Pype Hayes	56	6.5%	15
Quinton	125	7.6%	25
Rubery & Rednal	78	8.5%	26
Shard End	79	7.4%	7
Sheldon	94	5.4%	22
Small Heath	164	6.2%	11
Soho & Jewellery Quarter	222	6.1%	54
South Yardley	47	5.3%	2
Sparkbrook & Balsall Heath East	286	9.4%	37
Sparkhill	183	7.2%	17
Stirchley	62	6.7%	19
Stockland Green	245	10.0%	74
Sutton Four Oaks	8	1.3%	-6
Sutton Mere Green	20	3.4%	4
Sutton Reddicap	40	5.1%	-5
Sutton Roughley	15	2.0%	-3
Sutton Trinity	11	1.8%	-1
Sutton Vesey	37	2.2%	8
Sutton Walmley & Minworth	39	3.6%	24
Sutton Wylde Green	24	3.9%	-7
Tyseley & Hay Mills	91	7.9%	11
Ward End	144	9.8%	33
Weoley & Selly Oak	189	6.0%	35
Yardley East	71	7.7%	12
Yardley West & Stechford	105	8.2%	24
<b>Birmingham</b>	<b>7,915</b>	<b>5.6%</b>	<b>1,560</b>

## Latest Resident Employment



### Birmingham Q4 2018

16-64 Employed

**475,900**  
**+1,200**

Employment Rate

**65.3%**  
**+0.1pp**

### West Midlands Dec 2018 to Feb 2019

16-64 Employed

**2.84m**  
**+ 45,000**

Employment Rate

**74.3%**  
**+ 1.1p**

### UK

16-64 Employed

**31.4m**  
**+166,000**

Employment Rate

**76.1%**  
**+0.3pp**

The latest Annual Population Survey employment data for Birmingham (Q4 2018) shows working age employment levels increasing by 1,200 in the last quarter to stand at 475,900. The employment rate also increased, up from 65.2% in Q3 2018 to 65.3% in Q4 2018.

The latest Labour Force Survey figures for the West Midlands region for the three month period December to February 2019 show that the number of working age people employed has increased by 45,000 compared with the previous quarter (Sep to Nov 2018). Employment rates regionally rose by 1.1% points compared to the previous quarter. Nationally the employment rate rose to 76.1% a increase of 0.3% points.

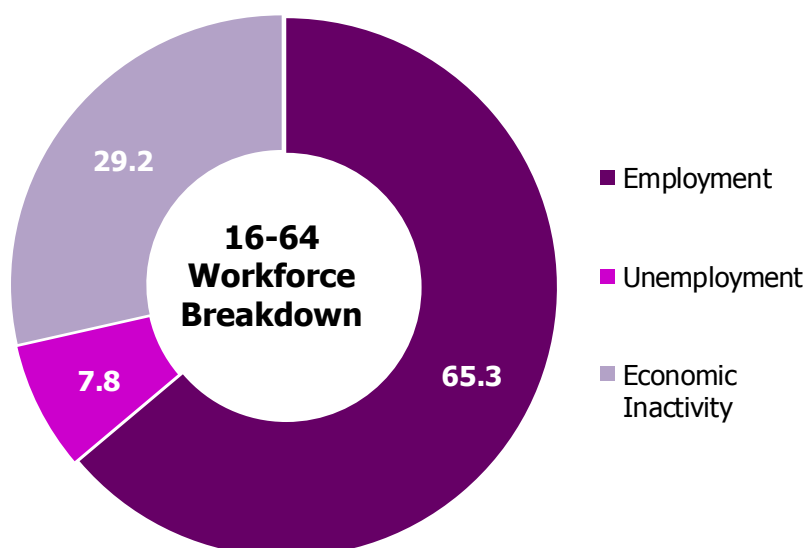
## Employment, Unemployment & Economic Inactivity

The working age population of the city can be broken down into 3 component labour market cohorts those who are:

- i. Employed
- ii. Unemployed but actively seeking work
- iii. **Economically inactive** - This includes those who are full time students, looking after family and those who are unable to work for health reasons.

} **Economically Active**

The latest APS data for Q4 2018 shows that there are 729,000 16-64 year old residents in Birmingham. Of these 70.8% are economically active (in work or seeking work) and 29.2% are economically inactive. This compares to a corresponding figure of 78% and 22% for the UK and 74% and 26% across the core cities as a whole.



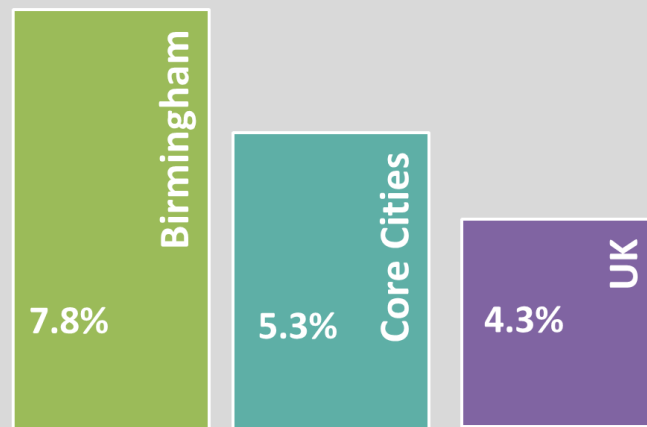
## ILO Unemployment

An alternative and widely used measure which defines unemployment as those who are not in employment but actively seeking work, regardless of benefit eligibility (see page 11 for further details)

The latest available local data from the APS shows that in Q4 2018 there were 40,400 working age Birmingham residents who declared themselves as unemployed an unemployment rate of 7.8%.

Unemployment in the city was above the national and core city average and increased by 4,500 on the previous quarter with the rate up by 0.8 percentage points.

### ILO Unemployment - Q4 2018



## Skill Levels

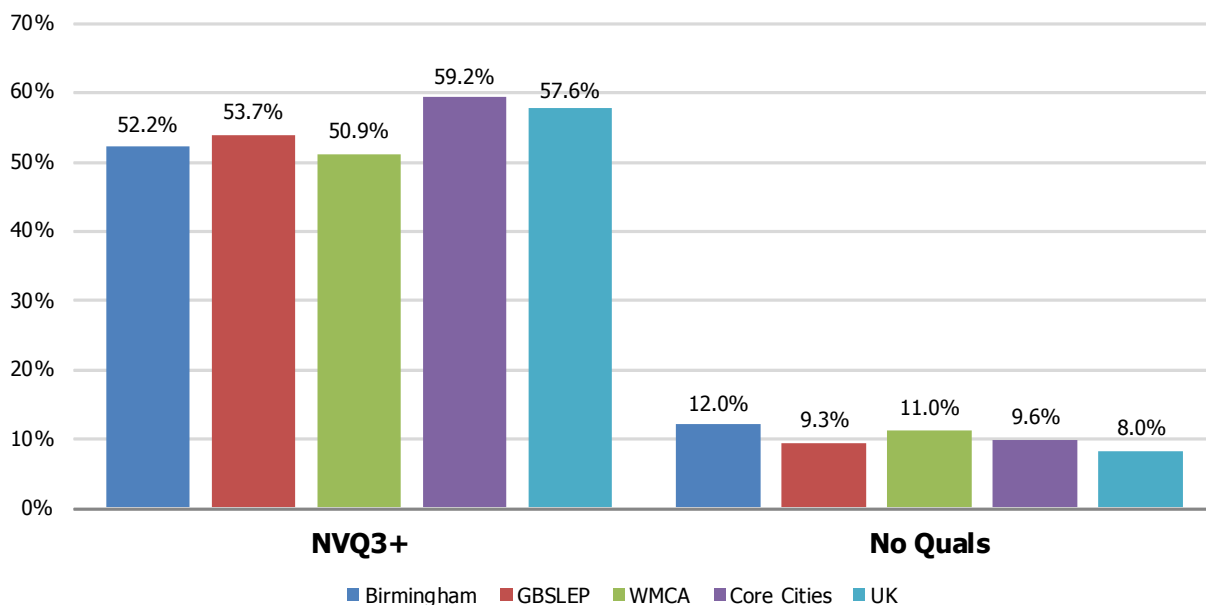
On the supply side comparatively high unemployment and low employment rates in the city are linked to the skills gap that exists locally with residents having lower skills and qualification levels than the national average.

The chart below highlights this showing how Birmingham (12.0%) has a greater proportion of working age residents

with no qualifications compared to the UK (8.0%) and the core city average (9.6%).

The city (52.2%) also has a correspondingly lower proportion of residents with NVQ3+ qualifications than the UK (57.6%) and core city average (59.2%).

Chart 4: Qualification Levels - 2018



## Methodology Notes

### Universal Credit—Impact on Claimant Count

From May 2015 onwards there has been a phased introduction of Universal Credit (UC) in Birmingham which will replace a number of existing benefits including (means tested) Job Seekers Allowance for new claimants.

The Claimant Count is therefore the number of people claiming Jobseeker's Allowance plus those who claim Universal Credit and are required to seek work and be available for work. It is the new headline measure of those claiming benefits principally for the reason of being unemployed.

The full service roll out of Universal Credit in the city between Nov 17 and Feb 18 has led to an increase in the claimant count in the city (as it has done in other full service areas), this is for two main reasons:

- Universal Credit requires a broader span of people to look for work than was the case for existing benefits such as ESA.
- New claimants who are awaiting or appealing Work Capability Assessments are being required to look for work and thus being counted as unemployed rather than economically inactive.

**From March 2017 the ONS are no longer reporting claimant count data as part of the UK and Regional Labour Market Statistical Bulletins, due to concerns regarding the impact of the introduction of UC on the accuracy of the claimant count data.**

### New Ward Data

In May 2018 Birmingham adopted new ward boundaries, official ward data is not yet available for these new wards so the data presented in this update are estimates based on a best fit approach using SOA data.

### Seasonally Adjusted Unemployment

The seasonally adjusted unemployment count and rate is our headline measure of unemployment. Seasonally adjusted data removes the changes in the series that are merely due to seasonal factors, such as the dip in unemployment caused by seasonal employment over the Christmas period. It therefore gives a more accurate picture of real trends and movements in unemployment.

### Unemployment Rates and Proportions

Claimant count unemployment can be expressed as a rate or a proportion.

#### Unemployment Rate

The claimant unemployment *rate* is the number of claimant count unemployed as a percentage of the economically active 16+ population. The unemployment *rate* is the most robust measure of unemployment – and allows Birmingham to be compared with national claimant rates published by the ONS.

#### Claimant Proportion

The *claimant proportion* is simply the proportion of the 16-64 year old population who are claimant unemployed. This includes those who are economically active and those who are economically inactive and who are not engaged in the labour market. The claimant proportion is therefore always smaller than the claimant unemployment rate due to having a larger denominator.

### Youth (18-24) Claimant Count Unemployment

Youth claimant unemployment refers to those aged 18 to 24 who are in receipt of JSA or out of work UC.

#### Youth Unemployment Rate

The youth claimant unemployment *rate* is the number of 18-24 claimant count unemployed as a percentage of the economically active 18-24 population. This is only available at a city level and not for wards.

#### Youth Claimant Proportion

The *claimant proportion* is the proportion of the total 18-24 year old population who are claimant unemployed. This includes those who are economically active and those who are economically inactive and who are not engaged in the labour market i.e. full time students. The claimant proportion is therefore always smaller than the claimant unemployment rate due to having a larger denominator.

### ILO Unemployment

An alternative and widely used measure of unemployment which is consistent with International Labour Organisation (ILO) guidelines. This way of defining unemployment is not limited to benefit eligibility as in the claimant count measure but is survey based and defines unemployment as all those who are not in employment but who are actively seeking work and is calculated in the same way as the headline Labour Force Survey unemployment measure used at a national level. The data is taken from the ONS Annual Population Survey which is released quarterly.

### Denominators

The denominators are based on the latest available data. *Unemployment rates* in tables 1, 2 and 3 are derived using the economically active 16+ population from the Annual Population Survey (APS). For the *claimant proportion* the total 16-64 year old population (18-24 for youth) is used, derived from the latest ONS Mid Year Population Estimates.

Planning Policy  
Birmingham City Council

Phone: 0121 303 3760

[www.birmingham.gov.uk/birminghameconomy](http://www.birmingham.gov.uk/birminghameconomy)

Email: [BirminghamEconomy@birmingham.gov.uk](mailto:BirminghamEconomy@birmingham.gov.uk)