



# Improving employment outcomes for young black men in London MOVING on UP BRIEFING PAPER No 3

**FEBRUARY 2015** 

Moving on Up is a free and exciting employment initiative set up to help young black men (age 16 to 24) who are actively seeking work.

#### **DATA HEADLINES**

# **Population**

 More than 83,000 young men in London are from black and mixed black ethnic groups. Young black men (YBM) make up 19%, or almost 1 in 5, of all young men in London.

# **Employment**

- 66% of economically active YBM in London are in employment, compared with 86% of young white men (YWM).
- The employment rate for economically active YBM in London has <u>increased</u> from the baseline of 64% (the baseline period is Jan to Dec 2014) but the gap in employment rates for YBM and YWM remains virtually unchanged at around 20 percentage points.

## Unemployment

• The unemployment rate for economically active YBM in London is 34%, compared with 14% for YWM.

## JSA claimants

- The <u>number</u> of YBM in London who are claiming Jobseekers Allowance (JSA) has <u>decreased</u> since the last briefing paper in this series; from 3,375 in June 2015 to 2,835 in November 2015.
- Of all young men in London claiming JSA, around 30% are YBM, compared with about 19% of the young male population.

### INTRODUCTION

This is the third in a series of briefing papers on employment and unemployment of young black men in London.

These briefing papers are produced by the Black Training and Enterprise Group (BTEG) to help focus discussion and services on improving employment outcomes for young black men.

These briefing papers contribute to and capture learning from the work which is taking place through the Moving on Up (MoU) initiative, a two year programme, jointly funded by Trust for London and the City Bridge Trust, to help improve employment outcomes for young black men in London.

The contents of this briefing paper are:

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PLEASE NOTE: Within the Moving on Up programme, and in this paper, by 'young' we mean people aged 16 to 24 and within the term 'black' we include people from black British, black African, black Caribbean, other black and mixed black ethnic groups. There are slight variations in the age range and ethnic groups included within the data presented in the following sections. Please refer to the notes on page 10 of this briefing paper for further information about definitions and sources of data.

### ONE: THE MOVING ON UP LONDON ADVISORY GROUP

## The Advisory Group's purpose

The MoU London Advisory Group was established in early 2015 for two main purposes: (1) To agree a target for reducing the YBM unemployment rate in London and (2) To provide advice to the practical work being funded as part of the MoU initiative. The Advisory Group meets quarterly and is chaired by Bola Abisogun, founder and CEO of Urbanis Ltd.

# The Advisory Group's ambition

In November 2015, the Advisory Group agreed to adopt the following ambition: to increase the employment rate for economically active young black men in London by 20 percentage points, from 64% to 84%, by 2020.

This ambition is designed to reflect and contribute to the Government's target to get 20% more black and ethnic minority people into employment by 2020. A detailed note explaining how the Advisory Group ambition has been set and how progress will be measured is available from BTEG or Trust for London.

# **Networking event**

BTEG, Trust for London and other Advisory Group members are organising a Moving on Up networking event which will place in April 2016. Similar to the successful Moving on Up launch event in 2015, the networking event will be an opportunity for London employers and young black men to find out more about each other's needs and ambitions.

# Government target for increasing ethnic minority employment

The Government has set a target to increase the ethnic minority employment rate by 20% by 2020. The Advisory Group Chair, with BTEG and Trust for London, will be meeting with DWP officials in February 2016 to discuss the Government's plans for achieving this target.

## **Government plans for increasing Apprenticeships**

The Government is committed to creating three million apprenticeships by 2020. BTEG chairs the government's advisory group on Equality and Diversity in Apprenticeships and is seeking to encourage improvements in apprenticeship take up by ethnic minority young people.

# Opportunities for young black men

Bola Abisogun, chair of the Advisory Group, is taking a group of ten young black men on a visit to Atlanta in March 2016. The young men are involved with the Hackney CVS peer leaders programme. Bola, whose company is based in Hackney, believes that seeing the success of black-owned businesses in Atlanta will be inspirational for the group.

# Who is on the Moving on Up London Advisory Group?

Bola Abisogun, Urbanis (CHAIR)

Jeff Hayes, Chair of Trust for London

Albert Tucker, Social Business Network

Ciaran Rafferty, City Bridge Trust

Junior Johnson, Department for Work and Pensions

Tim Riley, Greater London Authority

Prathiba Ramsingh, Jobcentre Plus, West London District Office

Julie Hutchinson, East London Business Alliance

Arun Batra, National Equality Standard, Ernst & Young

Stephen Bediako, The Social Innovation Partnership

Tony Wilson, Centre for Economic and Social Inclusion

John Thorn, National Apprenticeship Service

Ian Ashman, Hackney Community College

Daniel Quirke, London Councils

Jermain Pryce, Dairy's Dutchpot

Bharat Mehta & Sioned Churchill, Trust for London

Jeremy Crook & Liz Mackie, BTEG

## TWO: EMPLOYMENT RATES AND NUMBERS

The number and proportion of economically active YBM in employment has increased.

At the baseline stage (the 12 month period ending December 2014) 64% of economically active YBM were in employment. This rose to 66% for the 12 month period ending March 2015 and remains at 66% for the most recent 12 month period (ending September 2015).

Table I: Economically active young males in London in employment, April 2014 to March

2015

2010		Jan 14 to Dec 14	Apr 14 to Mar 15	Oct 14 to Sept 15
BLACK	Number	21,911	23,818	24,312
BLACK	% within this ethnic group	64.4%	66.4%	65.8%
VA/LUTE	Number	147,822	148,234	158,611
WHITE 	% within this ethnic group	84.8%	84.7%	86.2%
MIXED	Number	11,530	11,799	7905
MIXED	% within this ethnic group	74.0%	72.0%	69.7%
INIDIANI	Number	10,116	12,419	11,443
INDIAN	% within this ethnic group	82.8%	78.1%	71.1%
PAKISTANI &	Number	11,188	11,258	13701
BANGLADESHI	% within this ethnic group	76.2%	73.6%	77.7%
ALL VOUNC MEN	Number	221,151	226,193	236,315
ALL YOUNG MEN	% of all young men	79.9%	79.5%	80.4%

The proportion of all YBM who are economically active has decreased from 54% in the 12 month period to March 2015 to 47% in the 12 month period to September 2015.

Table II: Economic activity status of young men in London

	Apr 14 to Mar 15								
	Econo	Economically active							
	Employed	Total	inactive						
		ed							
BLACK	35.5	18.0	53.5	46.5					
WHITE	56.7	10.2	66.9	33.1					
ALL	46.4	11.9	58.3	41.7					
ALL	40.4	11.9	30.3	41.7					

Oct 14 to Sept 15							
Econo	mically activ	е	Economically				
Employed	Unemploy	Total	inactive				
	ed						
31.0	16.1	47.1	52.9				
61.4	9.8	71.2	28.8				
48.5	11.8	60.3	39.7				

## THREE: JOBSEEKERS ALLOWANCE CLAIMANTS

Briefing Papers 1 and 2 reported Jobseeker's Allowance (JSA) claimant figures for March 2015 and June 2015 respectively. The most recent figures available for this Briefing Paper are for November 2015.

Between June and November 2015, the <u>number of YBM JSA</u> claimants in London <u>decreased</u>, from 3,375 to 2,835. This is a decrease of 540 YBM over the three month period, or 16%.

Across London, the <u>proportion</u> of young male JSA claimants who are black has <u>increased</u> slightly from around 30% in June 2015 to around 31% in November. This means that 31% of all young male JSA claimants in London are black. By comparison, around 16% of all young males in London are black.

Table III: JSA Claimants in London (YBM includes mixed black groups)

	Mar 2015	Jun 2015	Nov 2015	Number of YBM claimants	% of young male claimants who are black
Number of YBM claimants	3,725	3,375	2,835	Down by	Unchanged
% of young male claimants who are black	28.4	30.4	30.8	16%	-

Table IV shows the number of YBM JSA claimants in the London boroughs which are covered by the six MoU projects. The most recent JSA figures are compared with those for March 2015. This comparison shows that:

- The <u>number</u> of YBM JSA claimants <u>decreased</u> in <u>all</u> the MoU target boroughs.
- The <u>proportion</u> of all young male JSA claimants who are black <u>increased</u> in Brent, Ealing, Hackney, Newham and Southwark.

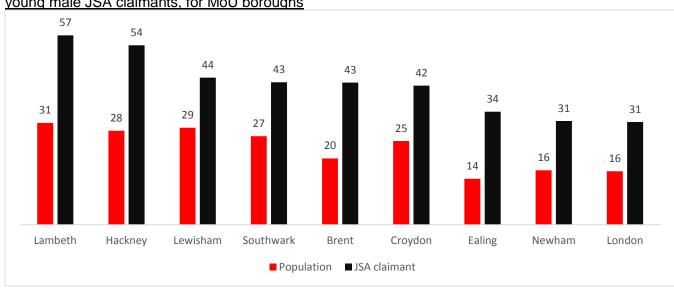
Chart I compares the representation of YBM within the JSA claimant count and within the borough population. This comparison shows that:

- YBM are greatly over-represented in the JSA claimant numbers in all the MoU boroughs.
- The greatest over-representation is in Ealing, where the proportion of YBM on JSA is 2.5 times greater than the proportion of YBM in the local young male population.

Table IV: Young black male JSA claimants in London and selected London boroughs

Borough	Number of YBM claimants % of young male claimants who are black	Mar 2015	Jun 2015	Nov 2015	Change in number of YBM claimants (Jun-Nov)	Change in % of young male claimants who are black (Jun-Nov)	
BRENT	Number	190	145	115	Down by 20%	Up 5	
	Percentage	40%	38%	43%	2070	percentage points	
CROYDON	Number	240	240	215	Down	Down 1	
	Percentage	39%	43%	42%	by10%	percentage point	
EALING	Number	175	145	100	Down by 31%	Up 1	
	Percentage	34%	33%	34%	31%	percentage point	
HACKNEY	Number	210	220	215	Down by 2%	Up 1	
	Percentage	45%	53%	54%	<b>-</b> 2%	percentage point	
LAMBETH	Number	320	300	270	Down by	No change	
	Percentage	52%	57%	57%	10%		
LEWISHAM	Number	235	250	225	Down by	Down 3	
	Percentage	39%	47%	44%	10%	percentage points	
NEWHAM	Number	205	160	140	Down by	Up 3	
	Percentage	30%	28%	31%	13%	percentage points	
SOUTHWARK	Number	265	220	190	Down by	Up 3	
	Percentage	42%	40%	43%	1470	percentage points	

Chart I: Percentage of YBM within young male population and percentage of YBM within young male JSA claimants, for MoU boroughs



## FOUR: NUMBERS OF UNEMPLOYED YOUNG BLACK MEN

In November 2015 there were 2,835 YBM claiming JSA in London. The Annual Population Survey indicates that the number of unemployed YBM in London in the 12 month period ending September 2015 was slightly more than 12,600. This suggests that the number of YBM in London who are unemployed may be four times higher than the number who are claiming JSA.

Table V shows the claimant rate for YBM and YWM as at November 2015 and what this represents as a percentage of all YBM and YWM in London. This table shows the number of YBM per borough who would need to come off JSA in order to bring the YBM claimant rate down to the YWM rate.

<u>Table V: Number of young black men who need to come off JSA to reduce the YBM claimant rate to the YWM claimant rate (November 2015)</u>

	YOUN	IG BLACK	MEN	YOUN	IG WHITE	MEN	No of	Number of
	Pop	Number on JSA	% of pop on JSA	Рор	Number on JSA	% of pop on JSA	YBM claimants if rate was same as for YWM	YBM who need to come off JSA to get to this
Brent	4,600	115	2.5	6100	50	0.8	37	78
Croydon	6,550	215	3.3	9100	190	2.1	52	163
Ealing	3,050	100	3.3	8400	70	0.8	24	76
Hackney	4,100	215	5.2	7000	105	1.5	33	182
Lambeth	5,350	270	5.0	9750	120	1.2	43	227
Lewisham	5,750	225	3.9	6850	195	2.8	46	179
Newham	5,550	140	2.5	7050	105	1.5	44	96
Southwark	6,600	190	2.9	10250	155	1.5	53	137
London	93,900	2,835	3.0	260,000	3,615	1.4	751	2,084

Pop = GLA population projection data for 2015.

## **FIVE: APPRENTICESHIPS**

The number of Apprenticeship starts in London rose in 2014/15 but has not yet reached the peak number achieved in 2011/12. Apprenticeship starts in London continue to be very low for the size of London's population and in comparison with other English regions.

Table VI: Apprenticeship starts in London

	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of starts	17,180	20,350	41,400	47,230	45,070	40,050	45,440
% of national starts	7.2	7.3	9.1	9.1	8.8	9.2	9.1

The proportion of young people starting an Apprenticeship in London who are black has been <u>decreasing</u> since 2011/12. In 2013/14, black people made up 14% of young people who started an apprenticeship, compared with 16% of those starting in 2011/12.

Table VII: Apprenticeship starts for young people (aged 16-24) by ethnic group, London

	Number of starts % of all 16-24 starts	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14
BLACK	Number	1,280	2,030	3,670	3,830	3,450	3,220
	%	10.8	12.3	15.6	15.7	14.7	13.5
WHITE	Number	8,240	11,020	14,200	14,750	14,510	14,600
	%	69.4	67.0	60.2	60.4	61.7	61.2

Nationally, black candidates make up around 7% of all Apprenticeship applicants who apply through the Apprenticeship Vacancy (AV) system, but only 3% of those who start an Apprenticeship. By comparison, white candidates make up around 75% of the AV applicants, but around 90% of Apprenticeship starts.

Table VIII: % of AV applications and % of Apprenticeship starts by people from Black and

White ethnic groups, England

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		2008/9	2009/10	2010/11	2011/12	2012/13	2013/14
BLACK	Applications	8	7	7	7	7	7
	Starts	2	2	3	3	3	3
WHITE	Applications	74	77	76	76	76	76
	Starts	91	91	89	89	89	89

A comparison of AV applications and Apprenticeship starts in 2013/14 shows that there were 4 AV applications by white candidates for every 1 white person who started an Apprenticeship, while there were 8 applications by black candidates for every 1 black person who started an Apprenticeship. This disproportionality is particularly high for Caribbean applicants who made 11 applications for every 1 start.

## SIX: DATA SOURCES AND DEFINITIONS

#### **Headlines and Section Two: Employment rate**

Source: Annual Population Survey. Office for National Statistics. Social Survey Division, *Annual Population Survey, October 2014 – September 2015*, Colchester, Essex: UK Data Archive [distributor], January 2016. SN: 7742, http://dx.doi.org/10.5255/UKDA-SN-7742-1

Young: people aged 16 to 24

Black: Black African, Black Caribbean or Black Other

Employment rate: The employment rate is shown as the proportion of economically active people who are in employment. The economically active population comprises those in employment plus those meeting the International Labour Organisation definition of unemployed (a person who has actively sought work within the last 4 weeks and is available to start work in the next 2 weeks, or has found a job and is waiting to start in the next 2 weeks). The employment rate is calculated by:

<u>employed</u> employed +unemployed

Please note that the employment and unemployment rates are derived from survey samples and are subject to error. When the population of interest is very small (e.g. young black men in London) the margin of error increases. The statistics in this section indicate trends and are useful for comparisons between groups but should not be read as an exact measure of the unemployment or employment rates or numbers for young black men.

Section Three: Jobseeker's Allowance claimants

Claimant count source: NOMIS

Population data source: 2011 Census

Young: people aged 18 to 24

Black: Black African, Black Caribbean, Black Other, Mixed White & Black Caribbean, Mixed White and Black

African

Section Four: Numbers of unemployed young black men

Claimant count source: NOMIS

Population data source: Greater London Authority GLA trend based population projections for 2015 https://www.london.gov.uk/mayor-assembly/mayor/publications/gla-intelligence/demography/population

Young: people aged 18 to 24

Black: Black African, Black Caribbean, Black Other

**Section Five: Apprenticeships** 

Source: FE Data Library at www.gov.uk

Young: people aged 16 to 24

Black: Black African/Caribbean/Black British

## SEVEN: CONTACT INFORMATION

For more information or to discuss the contents of this Briefing Paper, please contact Jeremy Crook OBE, Director, BTEG, <a href="mailto:jeremy@bteg.co.uk">jeremy@bteg.co.uk</a>

For more information about the Moving on Up programme, please contact Sioned Churchill, Director of Special Initiatives and Evaluation, Trust for London, <a href="mailto:sioned@trustforlondon.co.uk">sioned@trustforlondon.co.uk</a>