

People

List of figures, maps and tables	2
People SWOT	4
Population	5
Labour Market	5
The Population of Cambridgeshire	5
Population, Housing and Employment Forecasts: Technical Report	9
Migration and Migrant Workers	10
Gypsies and Travellers	12
Traveller Skills	13
Economic Activity and Employment	14
Economic Activity and Employment	14
Employment by Ethnic Group	20
Self-employment and Part-time Working	21
Access to Employment	23
Occupations, Earnings and Income	24
Occupational Structure	24
Residents' Weekly Pay	26
Median Household Income	28
Qualifications, Aspirations and Skills	32
Qualifications of the Working Age Population	32
Participation in Education, Employment and Training	35
Participation and Attainment of Young People in Education	36
Apprenticeships and Sector Subject Areas of Learners	39
Higher Education in the County	40
Access to Education	41
Skills Demand and Forecasting	41
Accessibility and Quality of Life	42
Unemployment, Economic Inactivity and Receipt of Benefits	43
Unemployment and Economic Inactivity	43
Economic Inactivity and Unemployment by Ethnic Group	45
Disability	47
Out-of-Work Benefits Claimants	47
Out-of-Work Benefits Claimants	48
Jobseeker's Allowance Claimants	49
Incapacity Benefit, Severe Disablement Allowance & Employment and Support Allowance Claimants	53
Welfare Reform	55
Indices of Deprivation 2010	56

List of figures, maps and tables

Figure 1: Forecast % population change 2011-2021	7
Figure 2: Cambridgeshire districts' population change by age 2010-2021.....	8
Figure 3: Age structure of Cambridgeshire's population in 2010 and 2021 (% of population)	9
Figure 4: Potential population of Cambridgeshire at 2031	9
Figure 5: Number of NINo and WRS registrations in Cambridgeshire	10
Figure 6: Percentage of resident population aged 16-74 in employment in 2001 and 2011.....	16
Figure 7: Economic activity of Cambridgeshire residents aged 16-74 in 2001 and 2011 by gender .	17
Figure 8: Working hours of employed Cambridgeshire residents in 2001.....	17
Figure 9: Working hours of employed Cambridgeshire residents in 2011.....	18
Figure 10: Employment rates (% of population aged 16+) by ethnic group	20
Figure 11: Cambridgeshire employment rates (% of population aged 16+) by ethnic group and gender	20
Figure 12: Proportion of employed residents who are self-employed	21
Figure 13: Proportion of employed residents working part-time.....	21
Figure 14: Total early-stage Entrepreneurial Activity (TEA) in participating G7 (2002-2009)	22
Figure 15: Total early-stage Entrepreneurial Activity in participating UK and BRIC Countries (2002-2009)	22
Figure 16: Cambridgeshire & England's occupational structure (% of employed resident population)	24
Figure 17: Median gross weekly full-time employee pay (£) by district of residence in 2012	26
Figure 18: Median gross weekly full-time employee pay by district of residence 2002-2012	27
Figure 19: Median household income	28
Figure 20: Low income households - % households with annual income under £20,000	28
Figure 21: % of 19-59/64 population qualified to different NVQ levels in 2011	33
Figure 22: % of 19-59/64 population with Level 2 or higher qualifications 2001-2011.....	34
Figure 23: % of 19-59/64 population with no qualifications in 2011	34
Figure 24: % of 16-19 year olds NEET by Cambridgeshire district, January 2013.....	35
Figure 25: % of people studying in a district at age 15 reaching Level 2/Level 3 by age 19.....	37
Figure 26: % of pupils at end of Key Stage 4 achieving 5+ GCSEs A*-C inc. Maths & English, by location of residence in 2011/12.....	37
Figure 27: Unemployment rate (% of economically active resident population aged 16-74)	44
Figure 28: Workless households as percentage of all households 2004-2011	44
Figure 29: Economic inactivity (% of population aged 16+) by ethnic group.....	46
Figure 30: Unemployment (% of economically active population aged 16+) by ethnic group.....	46
Figure 31: Jobseeker's Allowance claimants as % of population aged 16-64 2002-2013	49
Figure 32: Cambridgeshire's Jobseeker's Allowance claimants as % of population aged 16-64.....	50
Figure 33: Incapacity Benefit & Employment and Support Allowance claimants as % of population aged 16-64 2000-2012.....	53
Figure 34: % of population aged 16-64 claiming IB/SDA/ESA by district in May 2012.....	54
Map 1: Median annual household income by ward	29
Map 2: % of households with an annual income of less than £20,000 by ward	30
Map 3: % of households with an annual income of more than £75,000 by ward.....	31
Map 4: % of population aged 16-64 (working age) claiming JSA by ward, January 2013	51
Map 5: Percentage point change in the JSA claimant rate by ward, January 2011-January 2013....	52
Map 6: Index of Multiple Deprivation 2010	57
Map 7: Employment Deprivation 2010	58
Map 8: Education, Skills and Training Deprivation 2010	59
Table 1: 2011 population of Greater Cambridge and its constituent districts	6
Table 2: Future population change by district and source of forecast/projection.....	8
Table 3: Economically active and inactive residents aged 16-74 in Greater Cambridge districts in 2001	15

Table 4: Economically active and inactive residents aged 16-74 in Greater Cambridge districts in 2011	15
Table 5: Change in total jobs 2001-11 and employed residents 2001-11	18
Table 6: Percentage change in the method of travel to work of Cambridgeshire residents 2001-11 ..	19
Table 7: Accessibility of employment	23
Table 8: Occupational structure of the employed resident population	25
Table 9: % of area's employed resident population working in 'high value' occupations.....	25
Table 10: Median gross weekly full-time employee pay (£) by district of residence and gender in 2012	27
Table 11: Qualifications of people aged 19-59/64 (NVQ equivalents) in 2011	32
Table 12: Participation of 16 and 17 year olds in education or work-based learning (WBL).....	36
Table 13: % of pupils at end of Key Stage 4 achieving 5+ GCSEs A*-C inc. Maths & English, by location of school and location of residence in 2011/12	38
Table 14: % of pupils at end of Key Stage 4 achieving 5+ GCSEs A*-C inc. Maths & English, by pupil characteristics in 2011/12	38
Table 15: Number of workless households and workless households as % of all households 2004-2011	45
Table 16: Economic inactivity and unemployment by ethnicity	47
Table 17: Economic activity and employment among disabled people (% of population aged 16-64)	47
Table 18: Out-of-work benefits claimants and claimants as % of population aged 16-64 in February 2012	48
Table 19: Number of Jobseeker's Allowance claimants, December 2011 to December 2012	50
Table 20: Number of LSOAs among most deprived 20% nationally	56

People SWOT	
Strengths	
High proportion of residents employed in high value occupations throughout commuter belt.	p24
Cambridgeshire has a higher than average employment rate.	p19
Generally high skills levels in the south and east of the county.	p32
Convergence in economic activity levels between men and women.	p17
Weaknesses	
Very low attainment levels of school children from poorer backgrounds – among lowest in England.	p39
Minority groups (including Travellers) face barriers to work and education, their economic potential is not realised.	p12
Lower economic activity rates and significantly lower earnings among women.	p26
Pay gap significant between residents in the north and south of the county.	p27
Low proportions of residents qualified to intermediate skills level (NVQ level 3) across Greater Cambridge could mean skills shortages for businesses needing skilled trade/professionals.	p32
Very poor 14-19 and adult skills levels in Fenland and in parts of Huntingdon, St Neots and Cambridge.	p32
Opportunities	
High labour market demand for people with NVQ level 3 and above skills levels.	p33
There has been an increase in further education/apprenticeship take up of engineering, science and technology subjects.	p41
Growing apprenticeship and further education participation gives opportunity to meet business needs and improve employment outcomes.	p41
Awareness of need to strengthen workplace and technical skills of young people leading to emergence of new school and college business initiatives (e.g. Fenland Enterprise in Education, CAP Employer Project, University Technical College at CRC). Opportunity for business to be directly involved in improving employment prospects of young people.	
An economy regarded as highly entrepreneurial, yet UK entrepreneurial performance lags behind the most rapidly growing international economies.	p21
Threats	
Patterns of population growth and economic activity likely to compound differences in economic prosperity between the south and north of the county.	p7
Over-representation of 18-24 year olds among the unemployed, particularly in Fenland and very low educational attainment among young people from deprived backgrounds.	p38
A reduced rate of house-building due to the recession could make it harder for first-time buyers to get on the housing ladder.	p7
Increasing trend of part-time workers brings the problem of underemployment.	p18
High levels of income inequality.	p26

Population

Labour Market

Labour markets cross local authority boundaries.

Although Cambridgeshire as a whole has a relatively self-contained labour market, the north of the county has strong commuting links with Peterborough and West Norfolk; East Cambridgeshire has strong commuting links with Forest Heath; and Cambridge acts as a regional centre of employment, with nearly 20% of its workforce residing outside the county.

Cambridgeshire's labour market is relatively self-contained, with 80% of Cambridgeshire's residents working in the county, and 81% of Cambridgeshire's workers living in the county. These figures have not changed significantly since 2001; however there has been a slight increase in the number of residents commuting to London, mainly from South Cambridgeshire and Huntingdonshire. Most other areas of the region have also experienced increased levels of commuting to London.

Cambridgeshire's most significant out-commuter flows continue, however, to be to Peterborough and Forest Heath. Around 30% of out-commuters (6% of residents) commute to Peterborough, and around 15% to Forest Heath (3% of residents). Strong two way commuting links exist between Peterborough, Fenland and Huntingdonshire (nearly a third of Fenland residents commute to Peterborough and Huntingdonshire to work), and between Forest Heath and East Cambridgeshire. In addition, Fenland draws a significant number of workers from King's Lynn and West Norfolk.

Cambridge and South Cambridgeshire together have a relatively self-contained labour market with 87% of Cambridge residents and 85% of South Cambridgeshire residents working in Cambridge or South Cambridgeshire. However, both districts also draw significant numbers of workers from Huntingdonshire, East Cambridgeshire and St Edmundsbury. Approximately 60% of Cambridge workers reside outside the district and nearly 20% reside outside the county, underlining Cambridge's importance as a regional centre of employment.

New travel to work statistics will become available for Cambridgeshire in 2014, when workplace data gathered by the 2011 Census is released.

The Population of Cambridgeshire

Potential of labour market not fully realised in north or south of county.

While Cambridgeshire has a similar age structure to the region and country as a whole, Cambridge City's large student population significantly raises the proportion of the resident population who are of working age. Economic activity among the City's students is much lower than nationally. Although Fenland has a lower proportion of working age residents than the national average, a large workless population means there is plenty of labour supply in the medium term. However, there is a significant risk that the workless population do not have the skills required by the businesses seeking to grow in Fenland.

Potential competition for part-time work in Cambridge.

While Cambridgeshire has a similar age structure to the region and country as a whole, Cambridge City's large student population significantly raises the proportion of the resident population who are of working age. Although undergraduate students at Cambridge University are not permitted to work during term time (and economic activity among the City's students is therefore much lower than among students nationally), the student population of both Cambridge universities may still exert a supply influence on the labour market for part-time work – to the potential detriment of unemployed people seeking similar openings. In 2011/12, 18,187 students attended Cambridge University and Anglia Ruskin had a student population of 9,296 at the Cambridge Campus.

Cambridgeshire has an estimated resident population of 621,210, making up 10% of the population of the East of England. Huntingdonshire and South Cambridgeshire are the most populous districts, together making up over half of the county's population, and East Cambridgeshire is the least populous.

Overall, Cambridgeshire has a fairly similar age structure to the region and country as a whole. 66% of the population is of working age (aged 16-64), which is only slightly higher than the regional average and the national average. Within the county, the proportion of working age is highest in Cambridge City (74%) due to the student population, and lowest in Fenland (62%).

Table 1: 2011 population of Greater Cambridge and its constituent districts

Source: Census 2011- Population and Household Estimates for England and Wales

Area	Population Estimate	Male (16-64)	Female (16-64)	Total	% population of working age
Cambridge City	123,867	47,634	43,772	91,406	73.8%
East Cambridgeshire	83,818	26,507	26,667	53,174	63.4%
Fenland	95,262	29,480	29,683	59,163	62.1%
Huntingdonshire	169,508	55,235	54,622	109,857	64.8%
South Cambridgeshire	148,755	47,307	47,333	94,640	63.6%
Cambridgeshire	621,210	206,163	202,077	408,240	65.7%
Forest Heath	59,748	20,040	18,950	38,990	65.3%
North Hertfordshire	127,114	40,066	40,611	80,677	63.5%
St Edmundsbury	111,008	35,655	34,038	69,693	62.8%
Uttlesford	79,443	24,734	25,090	49,824	62.7%
Greater Cambridge	998,523	326,658	320,766	647,424	64.8%
Greater Cambridge Greater Peterborough	1,366,974	442,281	436,392	878,673	64.3%
East	5,846,965	1,848,095	1,866,056	3,714,151	63.5%
England	53,012,456	17,092,634	17,236,457	34,329,091	64.8%

Box 1: Sources of population estimates

The official source of population data for local authorities in England is the Office for National Statistics, which publishes annual estimates. In addition, some local authorities, such as Cambridgeshire County Council, produce their own estimates, which are able to take account of local knowledge and local data. Differences between the ONS and Research and Performance Team estimates for Cambridgeshire in the past have mainly been attributed to long-running problems with ONS' method for estimating international out-migration, especially for Cambridge City.

District	Research and Performance Team Estimate 2010	ONS Population Estimate 2010	Difference
Cambridge City	119,800	105,500	14,300
East Cambridgeshire	80,900	86,400	-5,500
Fenland	94,200	94,500	-300
Huntingdonshire	165,200	167,600	-2,400
South Cambridgeshire	145,200	147,300	-2,100
Cambridgeshire	605,300	601,400	3,900

Table 1 includes the total population figures from the 2011 Census, and shows that the CCC Research and Performance Team's estimate of the City's total population in 2010 aligns much more closely with the Census population figure for 2011 than does the ONS 2010 estimate.

Forecast Population Change

Future population growth likely to continue in south of county.

Forecast population growth in Cambridge City and South Cambridgeshire is significantly higher than projected for the region or England as a whole. The population aged over 45 is forecast to increase in absolute terms in all districts. Cambridge City is the only district forecast to see a marked increase in the population aged 25 to 44. Future economic growth is likely to follow the same pattern.

Cambridgeshire's population is forecast to grow considerably in coming years, although current uncertainty about future levels of house-building makes accurate forecasting difficult. Under the previous Government housing targets were set out in Regional Spatial Strategies that were developed by the Regional Assemblies. As part of the review of the East of England Plan, the County Council worked closely with the Cambridgeshire Districts to come up with housing figures for the period to 2031 that the authorities considered were appropriate to guide the future growth of Cambridgeshire.

These figures were put forward to the review process and were accepted by EERA and published in the Draft East of England Plan in March 2010.

The figures were:

- Cambridge City - 700 new homes a year
- East Cambridgeshire - 550 new homes a year
- Fenland - 550 new homes a year
- Huntingdonshire - 550 new homes a year
- South Cambridgeshire - 1,050 new homes a year

Although these figures were proposed in 2010, the economic situation has meant that the number of homes built has not matched these proposals. However, following the publication of the draft Plan, the Coalition Government was elected and Regional Spatial Strategies have now been abolished, so the draft Plan will not be taken any further. As a result of this the Cambridgeshire Authorities will be responsible for setting future house building targets as part of their Local Plan/Core Strategy reviews.

The County Council Research and Performance Team's 2010-based population forecasts, which are consistent with the levels of house-building set out in the Draft East of England Plan, suggest that the county's population may grow by 13% between 2011 and 2021. Comparable forecasts are not available for other areas; however the government's trend-based forecasts suggest this level of growth is higher than projected for the sub-region, the region or England as a whole.

Figure 1: Forecast % population change 2011-2021

Source: CCC Research and Performance Team 2010-based forecasts

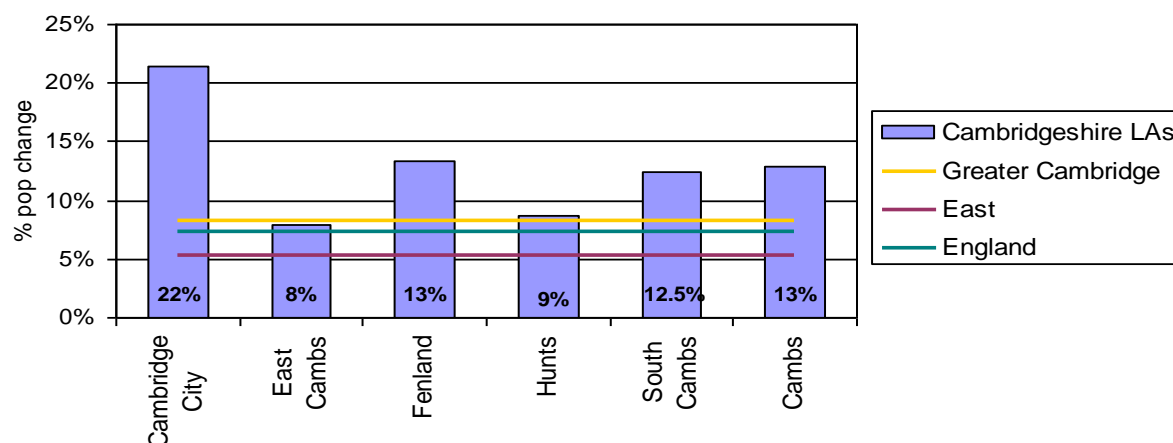


Table 2 compares the different population forecasts currently available for Cambridgeshire and the sub-region. More explanation of the differences between these forecasts is given in Box 2: Sources of population forecasts.

Table 2: Future population change by district and source of forecast/projection

Source: CCC Research and Performance Team 2010-based forecasts; ONS 2008-based population projections; ONS 2011-based population projections

Area	Research and Performance Team		ONS 2011-based		ONS 2008-based			
	Change 2011-21	% Change	Change 2011-21	% Change	Change 2011-21	% Change	Change 2011-31	% Change
Cambridge City	26,100	21.52%	-1,800	-1.50%	6,300	5.16%	15,100	12.38%
East Cambs	6,600	8.11%	17,200	20.43%	12,600	14.55%	23,100	26.67%
Fenland	12,800	13.52%	13,800	14.48%	11,600	12.21%	22,200	23.37%
Hunts	14,400	8.64%	14,100	8.30%	11,600	6.90%	22,900	13.63%
South Cambs	18,300	12.53%	22,100	14.75%	17,600	11.91%	32,300	21.85%
Cambs	78,200	12.82%	65,400	10.51%	59,700	9.64%	115,600	18.66%
Forest Heath	n/a	n/a	8,400	13.94%	7,400	11.73%	13,600	21.55%
North Hertfordshire	n/a	n/a	13,300	10.43%	11,000	8.69%	21,500	16.98%
St Edmundsbury	n/a	n/a	5,400	4.85%	8,500	8.09%	16,600	15.79%
Uttlesford	n/a	n/a	11,500	14.42%	7,800	10.16%	14,700	19.14%
Greater Cambridge	n/a	n/a	104,000	10.39%	94,400	9.53%	182,000	18.37%
East	n/a	n/a	595,400	10.16%	585,200	9.94%	1,131,800	19.23%
England	n/a	n/a	4,580,600	8.63%	3,855,400	7.33%	7,493,600	14.25%

Box 2: Sources of population forecasts

The official source of population projections for local authorities in England is the Office for National Statistics, which publishes annual projections. These are trend-based, which means that future change is assumed to reflect the continuation of past trends. The ONS projections therefore do not take account of local planning policy or the location of future house-building. Some local authorities, such as Cambridgeshire County Council, produce their own forecasts, which take account of local policies such as local house-building plans. These forecast the population impact that local policies will have, and so are useful for service planning, but are not available on a comparable basis for other local authorities.

Figure 2 compares future population change by age across the Cambridgeshire districts. This shows that only Cambridge City will experience an absolute increase in the population of all age groups. Additionally, all districts will see an increase in the number of people in their population aged over 45. The increase will be most marked in the population aged over 65. In East Cambridgeshire and South Cambridgeshire, these increases will be offset by decreases in the number of people aged 25-44, and by those aged 15-24 in Huntingdonshire. Cambridge City is the only district forecast to see a large rise in the population aged 25-44.

Figure 2: Cambridgeshire districts' population change by age 2010-2021

Source: CCC Research and Performance Team 2010-based forecasts

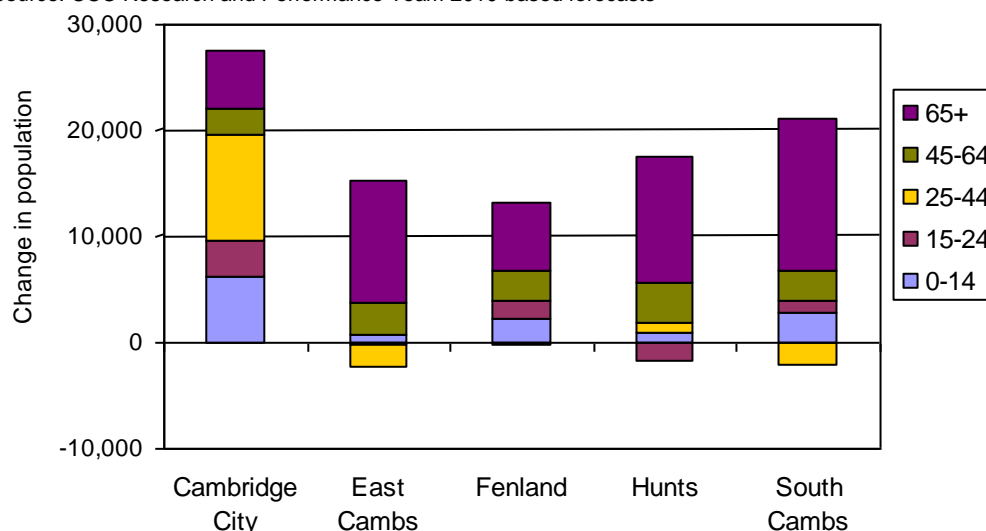
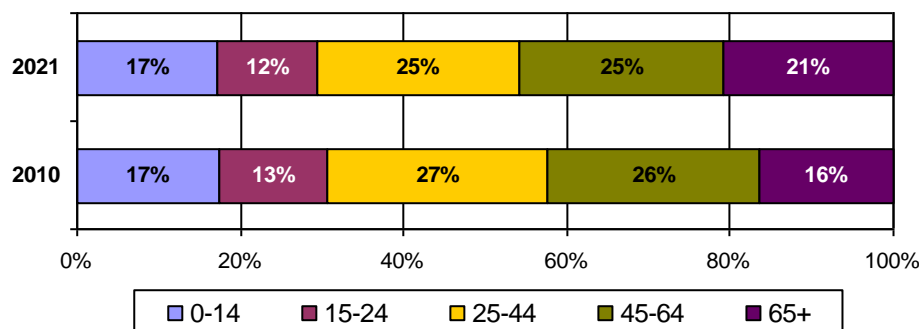


Figure 3 shows the effect that these changes have on Cambridgeshire's overall age structure. Most age groups make up broadly similar proportions of the population in 2021. The most marked change is in the 65+ population. In 2010 this formed 16% of the population but by 2021 is forecast to form 21%. The impact of this ageing will be felt in all districts except Cambridge City. Conversely, the proportion aged 25-44 is forecast to fall from 27% to 25%. Falls in the proportion of other age groups are modest.

Figure 3: Age structure of Cambridgeshire's population in 2010 and 2021 (% of population)

Source: CCC Research and Performance Team 2010-based forecasts (totals may not equal 100% due to rounding)



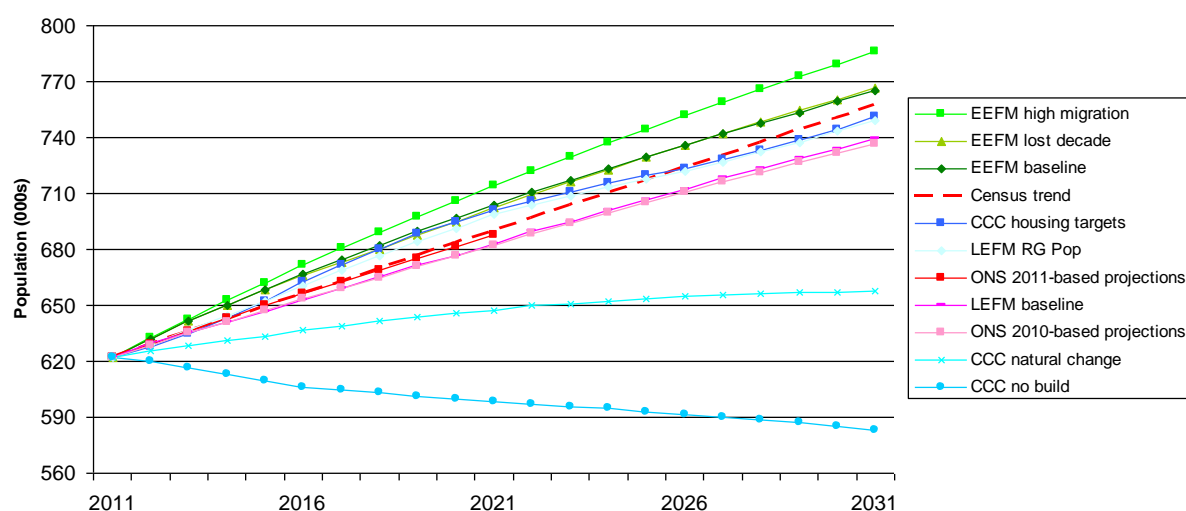
Population, Housing and Employment Forecasts: Technical Report

The technical report¹ determines an indicative population figure for the county in 2031 by comparing a variety of population forecasts, shown in Figure 4. The chart is therefore able to indicate not only the outliers, but also the broad convergence of population figures in 2031. Considering all of the forecasts together, an indicative population figure for the county is determined, which is based on past trends, reflects the economic and demographic evidence, and encapsulates, within a single figure, the overall outlook for the county's population in 2031.

Cambridgeshire's population forecasts for 2031 range between 583,200 (CCC no build) and 786,000 (EEFM high migration). Most of the forecasts appear to converge around a figure in the region of 763,000 for 2031, which increases to a figure in the region of **767,000** at 2031 when the implications of the additional jobs growth in Huntingdonshire, to be generated by the enterprise zone at Alconbury, and the loss of South Cambridgeshire's armed forces population by 2031 are taken into account. The implications of this population growth for jobs and dwellings are considered further in the Place section of Cambridgeshire's Economic Assessment.

Figure 4: Potential population of Cambridgeshire at 2031

Source: CCC Research and Performance - Population, Housing and Employment Forecasts Technical Report 2013



¹ http://www.cambridgeshireinsight.org.uk/housing/current-version/PopHseEmp_TechReport2013

Migration and Migrant Workers

Dependency on migrant workers in north and south of county.

International migration and migration within the UK are and will continue to be, important drivers of population and economic growth in Cambridgeshire; the hi-tech and health sectors are highly dependent on a supply of skilled labour, which cannot be met within the region or country. There are risks that these sectors may face further skill shortages in the future due to visa restrictions and competition from London. In the north of the county, migrant workers generally stay temporarily, working in seasonal employment such as farming and low value manufacturing. Evidence suggests that businesses in some sectors would not be able to function to full capacity if migrant workers were not available; however it is acknowledged that migrant workers have increased competition for work in traditional areas of work for lower skilled workers, particularly Cambridgeshire's Gypsy/Traveller population. The increase in NINo (National Insurance Number) registrations will mean that there is an impact on labour supply competition and if the trend continues, the level of competition may increase over the longer term.

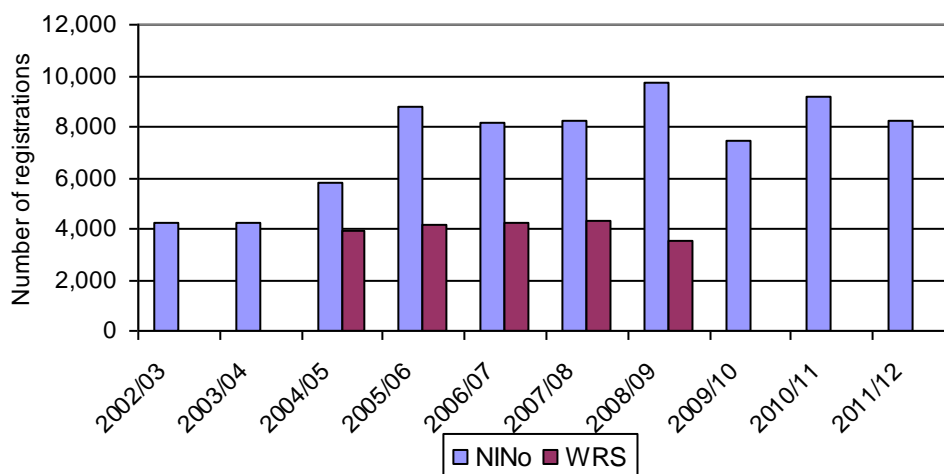
Cambridgeshire County Council Research and Performance Team estimates that net migration (both internal and international) accounted for 70% of the county's population change between 2001 and 2010. Indicative figures from ONS suggest that around half of net migration was internal (from within the rest of the UK) and half was international. Migration is expected to remain an important driver for population growth in Cambridgeshire in the future. The Research and Performance Team's 2010-based forecasts indicate that migration will account for 66% of population growth between 2010 and 2021. International migration would be expected to remain a significant element of this.

The level of international migration into the UK, and into Cambridgeshire, has increased since 2001, and with it the level of public and media interest.

Between 2002/03 and 2011/12, 74,140 overseas people registered for a National Insurance Number (NINo) in Cambridgeshire. Of these, 47% registered in Cambridge City, 16% in Fenland and approximately 12% each in Huntingdonshire, South Cambridgeshire and East Cambridgeshire. 48% of registrations were by Eastern Europeans, 22% were by Western Europeans and 15% were by Asians. The sharp increase in registrations between 2004/5 and 2005/6 reflects EU expansion. The rise from 2007/8 to 2008/9 runs counter to regional and national trends where migration declined following the recession. Both locally and nationally, the number of NINo registrations decreased between 2010/11 and 2011/12.

Figure 5: Number of NINo and WRS registrations in Cambridgeshire

Source: DWP and Home Office (via Local Government Analysis and Research)



Worker Registration Scheme (WRS) figures for Cambridgeshire show the highest numbers of WRS registrations were in Fenland, East Cambridgeshire and Cambridge City. In all districts, the highest number of registrations was from Polish migrants. The main sectors of employment were administration, business and managerial industries and agriculture in the north of the county and the hospitality sector in Cambridge City. From 2004/05 to 2008/09 approximately 20,200 A8 nationals registered with the WRS. Apart from Fenland, in 2008 all districts experienced their lowest levels of registration since the start of the Scheme. These decreases are generally in line with national trends. The worker registration scheme for A8 countries was closed on the 30th of April 2011 as the A8 countries became full members of the European Union.

The 2011 Census recorded 84.5% of Cambridgeshire residents as White British, 0.8% White Irish, 0.2% Gypsy or Irish Traveller, 7.1% White other and 7.5% from ethnic groups other than White. The highest proportion of ethnic minority groups was found in Cambridge City, most likely reflecting the high number of international students, and the lowest was in Fenland. Cambridgeshire's largest ethnic minority group was Asian/Asian British.

There are no sources showing the number of migrant workers leaving the county therefore no accurate way of establishing how many migrant workers reside in the county; however, Census data shows that the proportion of residents born abroad has increased from 8.8% in 2001 to 13.8% in 2011. This translates into an additional 37,000 migrants living in Cambridgeshire in 2011 compared to 2001. The highest percentage change in the number of residents born abroad occurred in Fenland where there was a 211.5% increase. The resulting change in demographic has meant that 8,209 foreign born residents made up 8.6% of the Fenland population in 2011, a change from 2001 where 2,635 residents not born in the UK made up 3.2% of the population.

The Working Lives Institute, in undertaking research for the East of England Development Agency (EEDA) in 2005, found that the largest employers of migrant workers in agriculture and horticulture were based around Ely and Wisbech, which have a high demand for seasonal employment at peak times of the year. These workers tended to be a relatively young group, often working below their skills level due to language issues or lack of transferability of qualifications (Working Lives Institute, 2005).

The increase in the proportion of residents born abroad in Cambridge City may reflect the settling of highly skilled migrants who were originally recruited into the hi-tech, academic and health industries - industries that are highly dependent on a supply of skilled labour which cannot be met within the region or country. There is a risk that the hi-tech sector might face increased labour and skills shortages in the future. Overseas students have traditionally filled a proportion of vacancies in the hi-tech sector but tighter new work visa and student visa regimes restrict their opportunities to work in the UK. Furthermore, there are significant numbers of migrants in Cambridge who initially worked in the area, but now commute out due to higher salaries (IPPR, Migrant Worker Availability in the East of England, 2009).

Migrant workers also play important roles in innovation and entrepreneurship, which increase competitive advantage and productivity. As the detrimental effect that visa restrictions could have on Cambridgeshire's economy becomes apparent, new immigration rules have been proposed. The Greater Cambridge City Deal Bid supports an initiative designed to allow 1,000 international MBA graduates from British universities to remain in the UK for a year after graduating. Included in Government proposals to help retain highly skilled international students, it is hoped that these graduates will pursue their own business propositions and start-ups which will allow them to remain in the UK as skilled workers in the long term. In this way, Cambridge should be able to capitalise on some of the bright business talent that is attracted to the city.

Gypsies and Travellers

Significant economic and educational disadvantage among Travellers.

Travellers are estimated to form the second largest ethnic minority group in the Cambridgeshire area, yet suffer severe levels of economic and educational disadvantage. Migrant workers working in seasonal employment such as farming has meant increased competition in traditional areas of work.

The 2011 Census identified that there are around 1,500 people in Cambridgeshire who identify themselves as having an ethnic origin as White: Gypsy or Irish Traveller. This figure is considerably lower than previously estimated. A Traveller Needs Assessment completed in 2006 estimated the local Traveller population to be at 6500-7000², this would make them potentially the second largest ethnic minority in the study area, similar in size to the Indian population. Although the 2011 Census may seem to return a figure much lower than expected, the Traveller Needs Assessment does highlight the fact that a census may underestimate the Traveller population. As a result of living at a postcode which identifies a caravan site, Gypsy and Traveller households may end up being omitted from a census.

The Communities and Local Government (CLG) bi-annual count of Gypsy and Traveller caravans across England shows a decline over the last two years in the number of caravans within the county, counter to an increasing trend nationally. This decrease may be due to a decline in traditional farm work and increased competition from cheaper immigrant labour. The majority of sites (both authorized and unauthorized) are based in South Cambridgeshire and Fenland.

The following information is taken from paragraphs 2.2.4 and 2.3.1 of the Need Assessment:

Most Gypsies/Travellers prefer self-employment, in such occupations as farm and land work, tree-logging, vehicle trading, tarmacking, carpet-dealing and external building work. The survey found evidence that:

- a) Types of work had changed over the years, with a decline in traditional farm work, and increased competition from cheaper immigrant labour.
- b) Gypsies/Travellers find it increasingly difficult to make a living from traditional occupations, contributing to severe economic disadvantage and social exclusion.
- c) Difficulties in travelling, and being moved frequently, made it harder to get work. Some Gypsies now travel more to continental Europe, and Irish Travellers have entered the sub-region in search of work.
- d) Family networks and informal reciprocal arrangements are important for encouraging and sustaining economic activity.
- e) Seasonal social security benefits are important income sources, especially for those on council sites.
- f) Difficulties with the theory part of the driving test (because of low literacy levels) is affecting younger Gypsies/Travellers.

Further reported issues amongst the Traveller community include a high incidence of serious health problems (especially children's special educational and care needs) and educational disadvantage, high levels of racism from neighbours, feelings of isolation and loss of identity and drug abuse on estates.

² The Needs Assessment estimated the Gypsy/Traveller population in Cambridgeshire together with Peterborough, Forest Heath, St Edmundsbury and King's Lynn and West Norfolk.

Traveller Skills

Future economic opportunities for Traveller communities are strongly linked to access to flexible training and education.

Traveller communities have a strong preference for self-employment; however a recent reduction in some employment opportunities has caused high levels of unemployment. Focus group work suggests that future economic opportunities were strongly linked to access to training and education that takes account of the difficulties of travellers in accessing mainstream service provision.

A piece of research undertaken in 2006 by the Ormiston Trust looked at skills and employment among Traveller communities.

For many Gypsies and Travellers, school is only one aspect within a broader concept of education. Some Travellers note that time spent in school is at the expense of “learning to be a successful Traveller”. Teachers also need to recognise the ‘adult’ status of young people from Gypsy and Traveller communities and the importance to some pupils of learning the family business. Boys in particular are often encouraged to work with their fathers and learn life skills rather than stay in school.

Evidence from France, where distance learning materials have been more fully developed, has reported high levels of success in delivering education to Travelling families.

Very little research or consultation relating to Gypsies and Travellers and skills and employment exists. What research does exist suggests that there is a strong preference for self employment among communities and there is a broad skill base that goes unrecognised. There has been a reduction in some employment opportunities (such as agriculture) traditionally filled by Gypsies and Travellers. There is evidence of high levels of unemployment among those living on local authority sites. Opportunities to develop social enterprise, recycling initiatives and support for small businesses with Gypsy and Traveller groups should be explored further.

Focus group work with travellers identified that future economic opportunities were strongly linked to access to training and education. Among the focus group members there was unanimous support for greater access to adult learning opportunities, particularly in relation to basic skills and IT.

Current uptake by Gypsies and Travellers of existing training provision and further education appears to be extremely low. However this does not appear to reflect a lack of interest but rather a difficulty in accessing existing service provision. Studies examining post-16 learning opportunities within Hertfordshire highlighted a range of barriers. Of these, respondents identified childcare and family commitments as the major barrier (this could be reflective of a respondent group in which 80% were female). Other reasons given included a lack of access to transport, a lack of confidence, a lack of support, financial reasons, and a lack of time. In identifying strategies to help participation in formal learning opportunities, respondents identified the key factors as flexible times, childcare provision, transport, one to one lessons and personal support.

First hand work experience was recognised to be the preferred method of training for employment among many young Travellers and felt by many to be the most beneficial preparation for adult roles.

Economic Activity and Employment

Economic Activity and Employment

Box 3: Economic activity

A person is economically active if they are either employed or unemployed and have been actively seeking work in the last four weeks or are available to start work in the next two weeks. People are economically inactive if they are out of work and not seeking or available for work. This may include students, those looking after their home or family and those unable to work through sickness or disability. Traditionally, the economically active population was thought to form the potential labour supply in an area; however it is now acknowledged that a proportion of the economically inactive may wish/be able to work if they were given the right opportunity.

Convergence in economic activity rates among men and women.

Levels of economic activity and employment across the county are relatively high. Although economic activity is higher among men than women, levels are converging between genders.

Increases in the proportions of part-time and self-employed workers.

The proportion of residents in part-time work in Cambridgeshire has increased slightly. A larger proportion of the workforce not working as many hours as they would like brings with it the problem of underemployment.

Greater increase in employed residents than in jobs across Cambridgeshire.

The number of residents in work appears to have increased more than the number of jobs. This may be partly explained by employed residents out-commuting to their place of work.

The change in the economic climate between 2001 and 2011 has had an effect on economic activity and employment in Cambridgeshire. The data recorded by the Censuses taken in these years, allow comparisons to be made over this ten year period.

From 2001 to 2011, the percentage of people aged 16 to 74 in employment across the county remained almost unchanged, increasing only slightly from 67.8% in 2001 to 68.5% in 2011. This rise mirrored a similar increase at the regional level, but was slightly lower than the rise seen nationally, although the county's employment rate remains above the national figure of 64.7%. At a district level Huntingdonshire was the only district in which the employment rate fell, from 72.5% to 71.0%.

Unemployment rates (% of all people aged 16 to 74) have increased across all districts in the Greater Cambridge area, but in 2011 they still remain below the national figure of 5.2%. However, the increase in unemployment rates has not been distributed evenly across the districts of Cambridgeshire. Tables 3 and 4 below show that the unemployment rate in Cambridge City increased by 0.7 percentage points between 2001 and 2011. This contrasts with Fenland and Huntingdonshire where the unemployment rate rose by 1.9 and 1.4 percentage points, respectively. With Fenland and Huntingdonshire already having some of the highest unemployment rates in 2001, an increasing divide is perhaps evidence of a growing differential in deprivation levels and evidence for a more volatile labour market in the more rural areas of the county.

The proportion of residents in self-employment has risen across the county³. East Cambridgeshire saw the largest rise in the level of self-employment, rising 1.1 percentage points from 10.8% to 11.9% of the population aged 16 to 74. The district with the lowest increase was Fenland, where the rate rose by 0.6 percentage points from 8.7% to 9.3%. It is likely that the rises seen are as a result of people being made unemployed, and subsequently starting their own business. Of all the Cambridgeshire districts, only East and South Cambridgeshire have higher proportions of self-employed workers in 2011 than is seen nationally. This may be evidence of entrepreneurial ventures

³ Note that, as the necessary tables were not available at the time of writing, self-employed students are not included in the 2001 and 2011 Census self-employment statistics.

being less easy to start in the more rural districts of Huntingdonshire and Fenland. It is interesting to note that, the self-employment rate in Cambridge is also lower than that seen nationally.

The economic inactivity level has fallen across the county, with particular reductions in the number of residents that are classified as long term sick or disabled and those looking after a home or family. Overall, the proportion of the population aged 16 to 74 that is economically inactive has reduced from 30% to 28%. It appears, therefore, as if the upward trend in the unemployment rate is influenced by previously inactive individuals moving into economic activity, rather than a decrease in the proportion of people in employment. This is possibly the result of welfare reform, discussed on page 57, which is classifying fewer people as economically inactive.

Table 3: Economically active and inactive residents aged 16-74 in Greater Cambridge districts in 2001

Source: 2001 Census

	Economically Active				Economically Inactive	
	In Employment		Unemployed			
Cambridge	49,234	57.7%	2,357	2.8%	33,755	39.6%
East Cambridgeshire	37,195	70.0%	1,250	2.4%	14,678	27.6%
Fenland	37,757	63.2%	1,732	2.9%	20,275	33.9%
Huntingdonshire	82,315	72.5%	2,450	2.2%	28,762	25.3%
South Cambridgeshire	69,151	72.9%	1,679	1.8%	23,964	25.3%
Cambridgeshire	275,683	67.8%	9,465	2.3%	121,443	29.9%
Forest Heath	28,299	70.8%	945	2.4%	10,725	26.8%
North Hertfordshire	58,814	70.2%	1,928	2.3%	23,023	27.5%
St Edmundsbury	50,181	70.1%	1,679	2.3%	19,692	27.5%
Uttlesford	35,050	70.3%	947	1.9%	13,861	27.8%
Greater Cambridge	447,996	68.7%	14,967	2.3%	188,735	29.0%
Greater Cambridge Greater Peterborough	598,054	67.5%	22,234	2.5%	265,751	30.0%
East	2,579,377	66.4%	110,378	2.8%	1,194,348	30.7%
England	22,441,498	63.2%	1,315,209	3.7%	11,775,384	33.1%

Table 4: Economically active and inactive residents aged 16-74 in Greater Cambridge districts in 2011

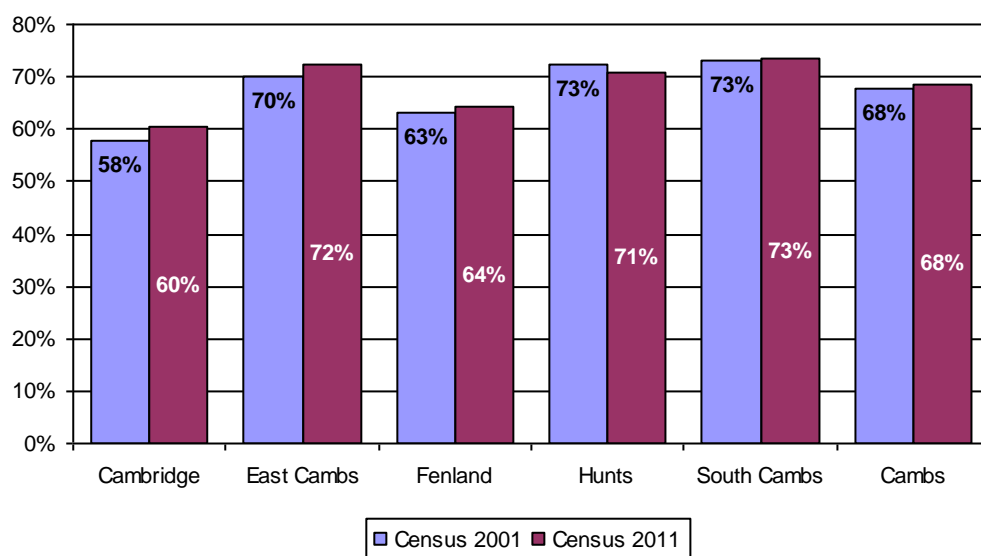
Source: 2011 Census

	Economically Active				Economically Inactive	
	In Employment		Unemployed			
Cambridge	59,437	60.5%	3,449	3.5%	35,397	36.0%
East Cambridgeshire	43,919	72.3%	2,001	3.3%	14,794	24.4%
Fenland	44,514	64.3%	3,315	4.8%	21,429	30.9%
Huntingdonshire	88,991	71.0%	4,490	3.6%	31,865	25.4%
South Cambridgeshire	79,139	73.4%	2,940	2.7%	25,700	23.8%
Cambridgeshire	316,000	68.5%	16,195	3.5%	129,185	28.0%
Forest Heath	31,540	71.6%	1,575	3.6%	10,938	24.8%
North Hertfordshire	64,990	71.0%	3,574	3.9%	22,946	25.1%
St Edmundsbury	56,483	69.8%	2,841	3.5%	21,644	26.7%
Uttlesford	40,772	71.4%	1,701	3.0%	14,613	25.6%
Greater Cambridge	509,785	69.4%	25,886	3.5%	199,326	27.1%
Greater Cambridge						
Greater Peterborough	683,134	68.2%	38,645	3.9%	279,179	27.9%
East	2,849,512	67.1%	188,578	4.4%	1,207,454	28.4%
England	25,162,721	64.7%	2,020,413	5.2%	11,698,240	30.1%

Census 2011 figures show that Cambridgeshire has a total employed population of 316,000. This equates to employment rates of 70.4% among men and 61.1% among women aged 16 to 74. These figures are above the averages for England as a whole, although the employment rates of men and women in Cambridge City are below the national average at 58.2% and 52.8% respectively. This is indicative of the high student population living in the city, and is due to the high number of resident students who are economically inactive; 22% of the 16 to 74 population in Cambridge are classed as economically inactive students. As undergraduate students at Cambridge University are generally not permitted to work during term time, this figure will be higher than in other cities with a similar student population.

Figure 6: Percentage of resident population aged 16-74 in employment in 2001 and 2011

Source: 2001 Census and 2011 Census



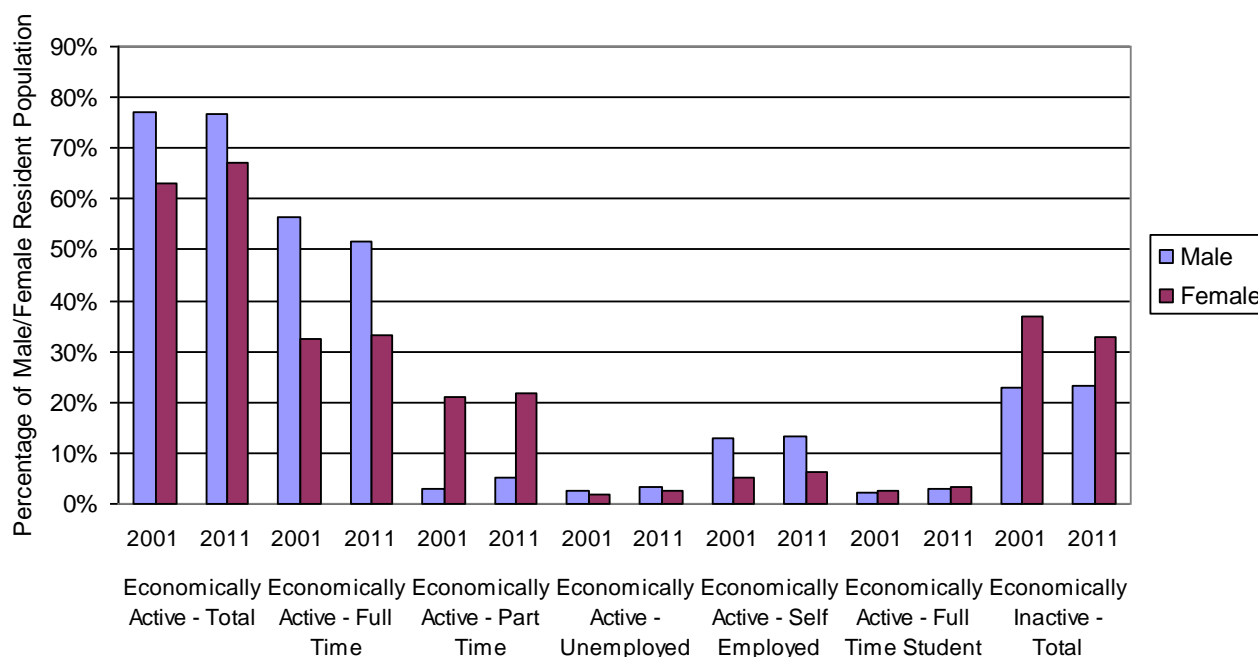
Although in 2011 economic activity rates for women remain lower than for men, there are signs that the economic activity rates for 2011, relative to 2001, have increased for women to a greater extent than for men. The total level of economic activity for men fell from 77.2% of the male population in 2001 to 76.9%, this contrasted to the proportion of the female population that was economically active, which rose from 63.1% to 67.0%. Significantly, this increase in female economic activity resulted in an increase in full-time and part-time work, where the number of women in full-time employment rose by 9,983 compared to 5,127 for men; and the number of women in part-time employment rose by 6,979 compared to 6,110 for men.⁴

As shown in Figure 7 overleaf, a greater proportion of the male population than the female population was made up of economically active individuals in both 2001 and 2011. However, it appears that this decade has been a period of limited convergence, especially in the overall proportion of either sex that is economically active.

⁴ Note that, as the necessary tables were not available at the time of writing, economically active students are not included in the 2001 and 2011 Census male/female statistics.

Figure 7: Economic activity of Cambridgeshire residents aged 16-74 in 2001 and 2011 by gender

Source: 2001 Census and 2011 Census



As shown in Tables 3 and 4 and discussed above, the total level of employment in Cambridgeshire appears to have remained at a fairly constant level between 2001 and 2011; however, these figures do not take into account the type of employment within the economy. This slight rise may, therefore, to an extent be misleading as it masks the nature of this employment increase.

A trend seen nationally has shown that from 2001 to 2011 there has been an increasing proportion of people working part-time hours and this trend can also be observed within the working age population of Cambridgeshire. As shown in Figures 8 and 9 below, there has been a movement away from working more than forty-nine hours a week and towards part-time hours. In 2001, full-time workers made up 76% of the total working population; by 2011, this figure had dropped to 73%. This trend brings with it the problem of underemployment, whereby people would either like to work more hours in their current job, would like an additional job, or would like to work in another job with more hours.

Although the ONS Labour Force Survey shows that the East of England had the second lowest average underemployment rate in the country from 2009-12, the social costs associated makes it increasingly necessary to identify the working hours of employment as well as overall employment rates themselves.

Figure 8: Working hours of employed Cambridgeshire residents in 2001

Source: 2001 Census

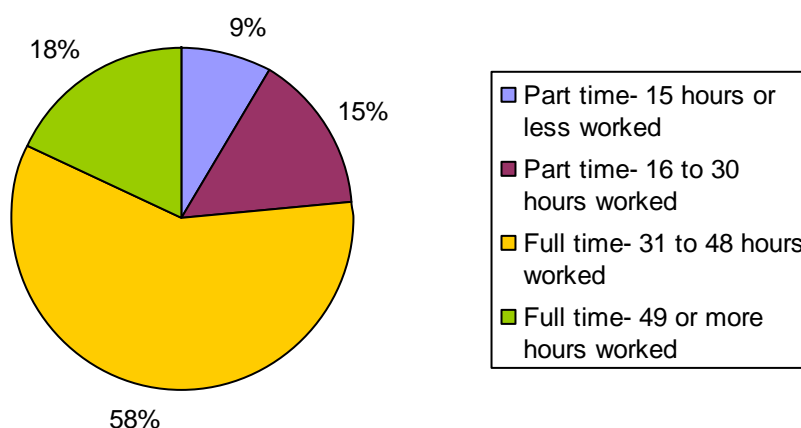
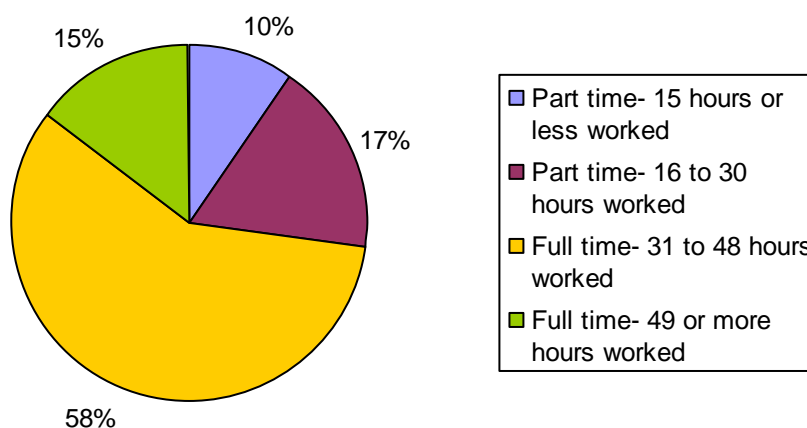


Figure 9: Working hours of employed Cambridgeshire residents in 2011

Source: 2011 Census



Changes in the economy both within Cambridgeshire and outside Cambridgeshire have had an effect on where jobs are located and where those who are employed live between 2001 and 2011. The interaction between the two variables can suggest trends in commuting patterns and housing growth.

Table 5: Change in total jobs 2001-11 and employed residents 2001-11

Source: ONS Jobs Density, 2001 Census and 2011 Census

Area	Number of jobs			Number of employed residents			Approx net out commuting 2001	Approx net out commuting 2011	Change in net out commuting
	2001	2011	Change 2001-11	2001	2011	Change 2001-11			
Cambridge	96,000	98,000	2,000	49,000	59,000	10,000	-47,000	-39,000	8,000
East Cambridgeshire	26,000	29,000	3,000	37,000	44,000	7,000	11,000	15,000	4,000
Fenland	33,000	35,000	2,000	38,000	45,000	7,000	5,000	10,000	5,000
Huntingdonshire	74,000	81,000	7,000	82,000	89,000	7,000	8,000	8,000	0
South Cambridgeshire	67,000	82,000	15,000	69,000	79,000	10,000	2,000	-3,000	-5,000
Cambridgeshire	296,000	325,000	29,000	276,000	316,000	40,000	-20,000	-9,000	11,000
Forest Heath	28,000	28,000	0	28,000	32,000	4,000	0	4,000	4,000
North Hertfordshire	59,000	53,000	-6,000	59,000	65,000	6,000	0	12,000	12,000
St Edmundsbury	55,000	68,000	13,000	50,000	56,000	6,000	-5,000	-12,000	-7,000
Uttlesford	39,000	42,000	3,000	35,000	41,000	6,000	-4,000	-1,000	3,000

Table 5 above shows a comparison of the number of jobs, shown by the total jobs figures, and the number of employed residents, shown by the Census figures. The total jobs figures are used, as the 2011 Census workplace population figures are not released until the end of 2013; however they provide a good indication of how the workplace population in the area may have changed over the same ten year period.

The comparison shows that in the majority of areas, and across the county as a whole, there has been a greater increase in the number of employed residents than in the number of jobs. This is seen to the greatest extent in Cambridge, where the number of employed residents increased by 8,000 more than the number of jobs, a similar trend can also be seen to a lesser extent in East Cambridgeshire and Fenland. This may be partly explained by employed residents out-commuting to their place of work. By looking at the method of travel people use in order to get to work, the relationship between these variables can be explored further.

Table 6: Percentage change in the method of travel to work of Cambridgeshire residents 2001-11**Source: 2001 Census and 2011 Census**

Method of travel to work	Cambridge		East Cambridgeshire		Fenland		Huntingdonshire		South Cambridgeshire		Cambridgeshire	
	number	% change	number	% change	number	% change	number	% change	number	% change	number	% change
Residents in employment	10,195	20.7%	6,699	18.0%	6,757	17.9%	6,672	8.1%	9,980	14.4%	40,314	14.6%
Work mainly at or from home	2,373	56.3%	1,810	44.3%	1,185	32.1%	2,482	30.8%	3,086	40.1%	10,936	39.4%
Underground, light rail, tram	32	33.0%	7	16.3%	22	104.8%	62	124.0%	45	61.6%	170	60.3%
Train	1,228	80.4%	1,352	143.1%	203	48.1%	824	35.3%	895	48.8%	4,504	63.8%
Bus, minibus or coach	1,232	48.3%	-151	-17.7%	56	6.7%	-84	-3.7%	608	21.9%	1,663	17.9%
Taxi	38	25.3%	27	45.8%	21	15.3%	54	27.4%	-43	-27.6%	90	12.7%
Motorcycle, scooter or moped	-125	-20.4%	-88	-22.9%	-37	-10.7%	-160	-22.1%	-192	-19.9%	-595	-19.7%
Driving a car or van	-624	-3.4%	3,924	15.8%	4,841	20.2%	4,036	7.6%	4,295	9.9%	16,472	10.0%
Passenger in a car or van	-204	-11.2%	-117	-5.3%	49	1.7%	-727	-14.2%	-295	-8.9%	-1,294	-8.5%
Bicycle	4,447	34.9%	-163	-11.8%	-524	-20.7%	-477	-13.2%	1,345	28.8%	4,628	18.5%
On foot	1,739	25.2%	82	3.6%	929	33.8%	663	10.3%	290	7.3%	3,703	16.6%
Other	59	33.9%	16	11.3%	12	6.9%	-1	-0.4%	-54	-16.7%	37	3.4%

Table 6 shows that relative to the change in the number of residents in employment, the proportion of employed residents using the train to get to work has increased across the county, with Cambridge and East Cambridgeshire showing the largest percentage increases. Assuming that people using the train to get to work are more likely to be travelling long distances, this would provide a degree of evidence for the assertion that there are now more out-commuters resident in the county.

Furthermore, major housing developments near Cambridge Railway Station would suggest that there has been increasing demand for flats in this area. It follows that a proportion of these households will locate there for the good transport links to London and elsewhere.

Although an increase in net out-commuting appears to be in evidence for the majority of the county, in-commuting may explain why the number of jobs in South Cambridgeshire increased more than the number of employed residents. It is possible that people are choosing to move where house prices are cheaper and commuting to work in this district. For example, moving to East Cambridgeshire and working in South Cambridgeshire.

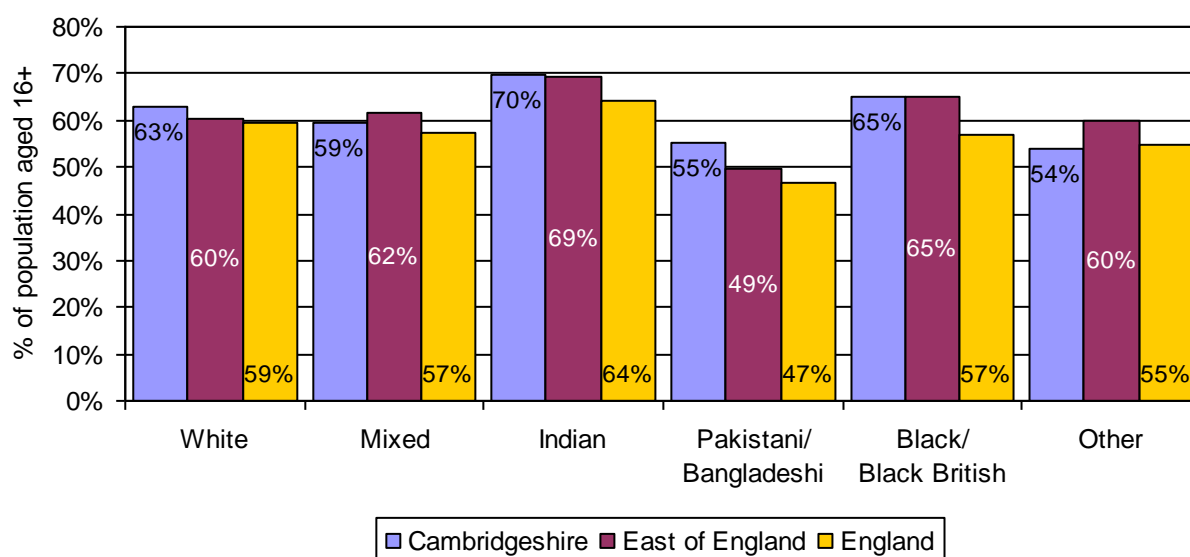
Employment by Ethnic Group

Large variations in the employment rates amongst ethnic groups, with the Pakistani/Bangladeshi population consistently showing the lowest employment rates and the Indian population the highest. With the exception of the Black/Black British population, for each ethnic group, employment rates for women are lower than for men.

In 2011, the employment rate among all ethnicities in the East of England was above that seen nationally. Cambridgeshire did not compare so consistently, with higher rates of employment than the Eastern region in the White, Pakistani/Bangladeshi and Indian ethnic groups, but lower proportions in the Mixed and Other populations. As shown in Figure 10, the Indian population had the greatest proportion of those aged 16+ in employment across all three areas. The Pakistani and Bangladeshi population had by far the lowest proportion of those aged 16+ in employment in the East of England and England, and it had the second lowest proportion in Cambridgeshire.

Figure 10: Employment rates (% of population aged 16+) by ethnic group

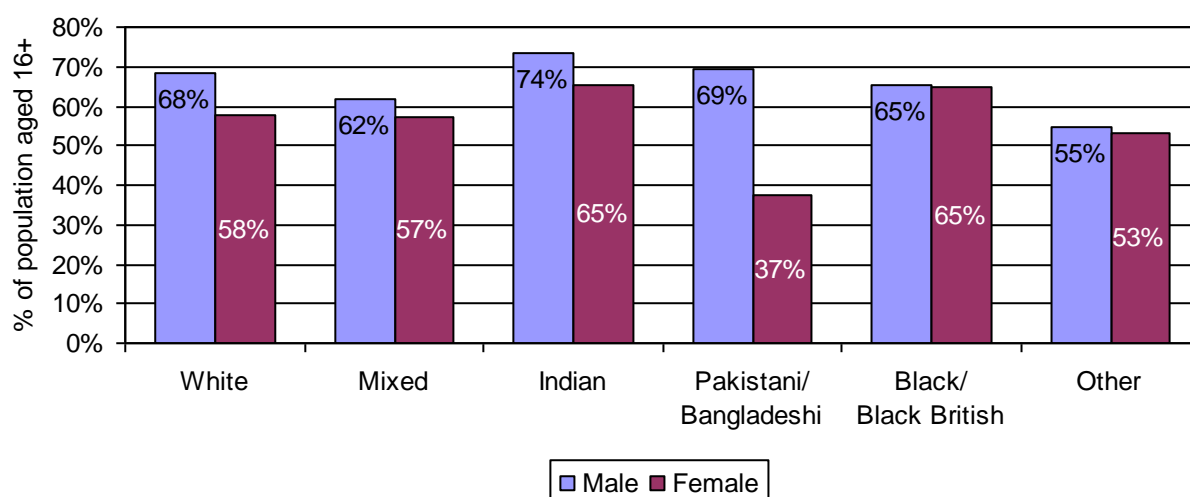
Source: Census 2011



The 2011 Census showed that in Cambridgeshire, employment rates among all males and females were again highest amongst the Indian population. The lowest rates overall were found among Pakistani/Bangladeshi women, of whom 37% were in employment.

Figure 11: Cambridgeshire employment rates (% of population aged 16+) by ethnic group and gender

Source: Census 2011



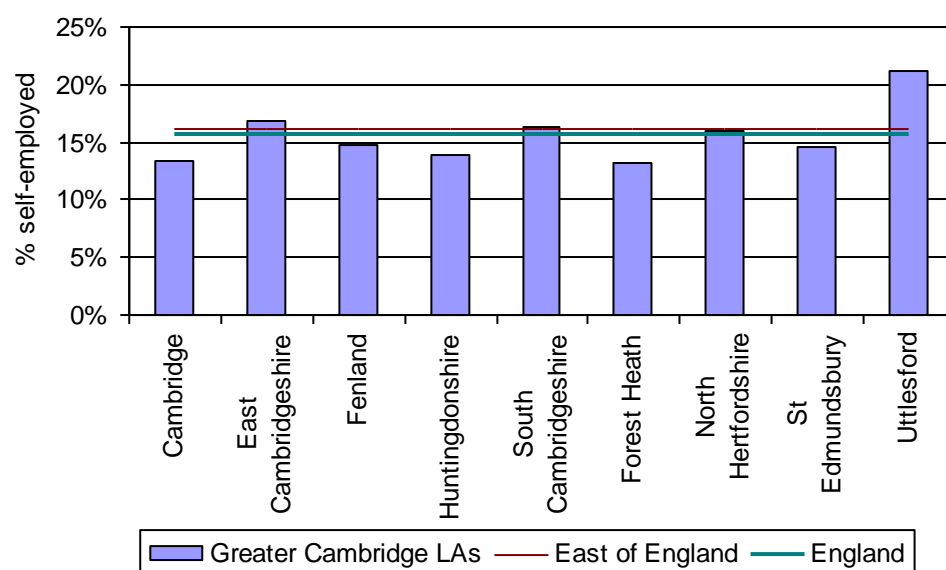
Self-employment and Part-time Working

Self-employment is higher in East Cambridgeshire than in other districts in the county. The region is regarded as highly entrepreneurial, however, in comparison with the fastest growing economies, the UK performs poorly. Levels of part-time working are relatively low across the county. The proportion of people working part-time is generally lower in Cambridgeshire than nationally. Part-time work can be an important route back into work for the unemployed including parents.

15% of Cambridgeshire's employed residents are self-employed. This is a percentage point lower than seen nationally. Within the county proportions vary from 17% in East Cambridgeshire, to 13% in Cambridge City, as shown in Figure 12.

Figure 12: Proportion of employed residents who are self-employed

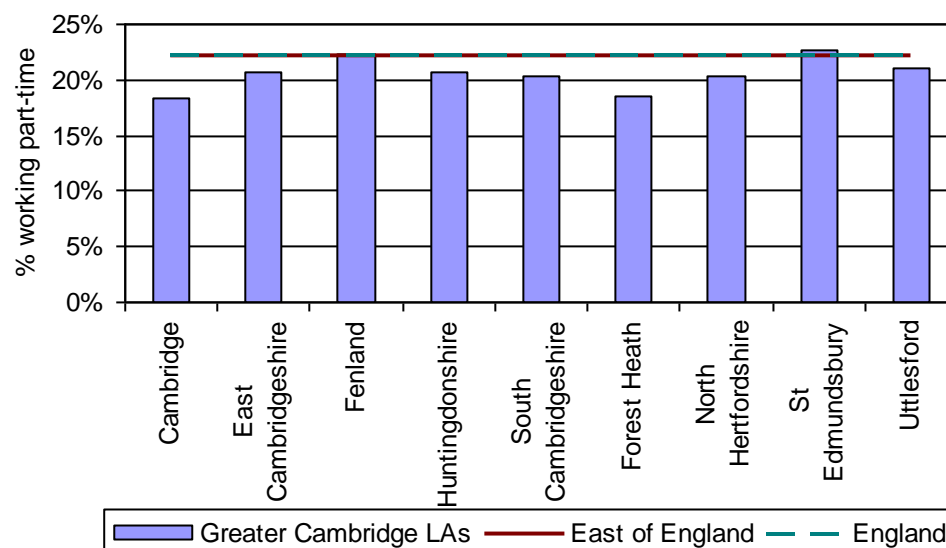
Source: Census 2011



Part-time working is slightly less common in Cambridgeshire than nationally, with 20% of local residents working part-time compared to 22% nationally. Fenland and St Edmundsbury have higher proportions of part-time workers than nationally. Forest Heath and Cambridge City have the lowest proportions of part-time workers at 19% and 18% respectively. A lack of available part-time work could act to the detriment of unemployed people, particularly parents, seeking more flexible hours and the ways in which people offer jobs (i.e. flexibly) can have a significant impact on worklessness.

Figure 13: Proportion of employed residents working part-time

Source: Census 2011



The 2009 Global Entrepreneurship Monitor (GEM) report regarded the East of England as one of the most entrepreneurial regions in the UK, with a particularly high rate of business start-ups among people aged between 18 to 24 and women, so it is surprising that self-employment rates in Cambridgeshire are not slightly higher than those reported.

The Global Entrepreneurship Monitor (GEM) produces annual monitoring reports on entrepreneurial activity in different countries around the world including UK. The GEM measures the proportion of total early-stage entrepreneurial activity (TEA) as an important element of entrepreneurship. GEM identifies two types of early-stage entrepreneurs: a) nascent entrepreneurs (those who begin to commit resources to starting a business but have been paying wages for less than 3 months) and b) new business owner-managers (those whose businesses have been paying salaries for more than three months but not more than 42 months).

The GEM UK 2009 Monitoring Report found that:

- The East of England had the second highest total early-stage entrepreneurial activity rate in the UK, at around 6.9% compared to the UK average of 5.8%.
- The East of England had the second highest level of female early-stage entrepreneurial activity in 2009 at 4.7%. Male early-stage entrepreneurial activity was third highest at 9.1%.
- The East of England had one of the highest proportions of the non-entrepreneurially active population reporting that there were good start-up opportunities in their local area in the next 6 months.

The Cambridge cluster competes globally; therefore it is useful to compare entrepreneurship in the UK with other countries. The figures show that the TEA rate in the UK was about the same as the average rate of G7 countries, but significantly lower than the US and most emerging countries such as India, Brazil and China. (Note that comprehensive data on all countries is not collected by GEM – shown as gaps in the graphs below.)

Figure 14: Total early-stage Entrepreneurial Activity (TEA) in participating G7 (2002-2009)

Source: Global Entrepreneurship Monitor United Kingdom Monitoring Report 2009

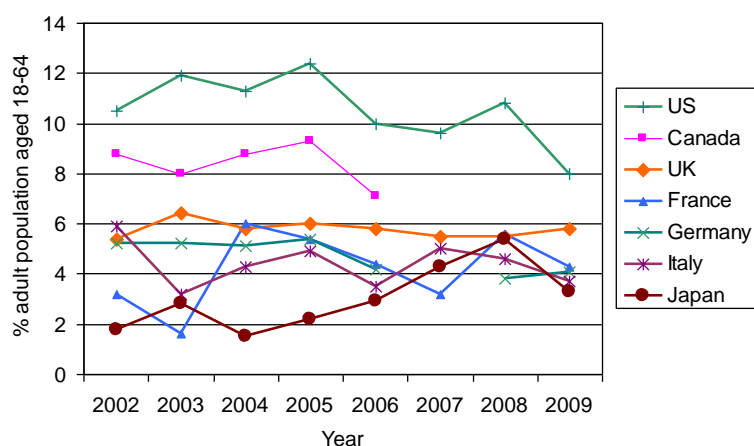
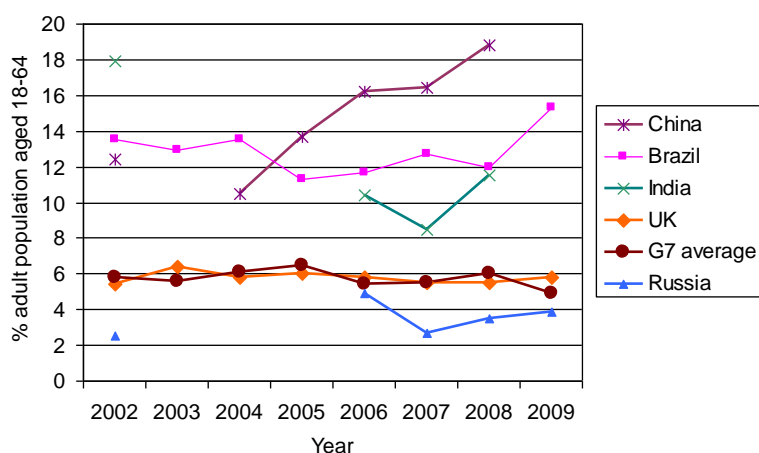


Figure 15: Total early-stage Entrepreneurial Activity in participating UK and BRIC Countries (2002-2009)

Source: Global Entrepreneurship Monitor United Kingdom Monitoring Report 2009



Access to Employment

Accessibility of employment is relatively low.

Accessibility of jobs by public transport, cycling or walking is relatively low across Cambridgeshire, as it is in many other rural counties. Residents of Cambridge City are most likely to be able to access jobs by sustainable means while residents of East Cambridgeshire are least likely.

The Department for Transport measures the percentage of people of economically active age with access within a reasonable time to more than 500 jobs by public transport, cycling and/or walking.

79% of Cambridgeshire residents are able to access more than 500 jobs within a reasonable time by public transport, cycling and/or walking. This is on a par with many of the more rural authorities. Within the county, residents of Cambridge City have the greatest access to employment with 86% of residents and 85% of Jobseeker's Allowance (JSA) claimants able to access employment by public transport, cycling or walking. In contrast, 72% of East Cambridgeshire and 76% of Fenland residents are able to access employment by the same means.

Table 7: Accessibility of employment

Source: DfT core accessibility data 2008

Area	% of working aged people who have access to job by alternative travel mode	% of Jobseekers who have access to jobs by alternative travel mode	Number of jobs accessible by:		
			Public transport or walking	Cycle	Car
Cambridge City	86%	85%	> 5000	> 5000	> 5000
East Cambridgeshire	72%	73%	> 5000	>1000	> 5000
Fenland	76%	76%	> 5000	>1000	> 5000
Huntingdonshire	78%	80%	> 5000	>1000	> 5000
South Cambridgeshire	78%	79%	> 5000	>1000	> 5000
Cambridgeshire	79%	79%			
Forest Heath	80%	82%	> 5000	>1000	> 5000
St Edmundsbury	79%	81%	> 5000	>1000	> 5000
North Hertfordshire	80%	81%	> 5000	>1000	> 5000
Uttlesford	78%	80%	> 5000	>1000	> 5000
Greater Cambridge	79%	80%			

Occupations, Earnings and Income

Occupational Structure

A high proportion of residents are employed in high value occupations throughout the commuter belt.

The occupational structure of Cambridgeshire's employed population is broadly similar to England; however there is a distinct variation by district. Cambridge City, South Cambridgeshire and Huntingdonshire have higher than average proportions of residents working in 'high value' occupations; East Cambridgeshire and St Edmundsbury are close to average, whereas Fenland and Forest Heath are below average. This illustrates the strength of the wider commuter belt extending to Huntingdonshire, East Cambridgeshire and St Edmundsbury.

As shown in Figure 16, the occupational structure of Cambridgeshire's employed population is broadly similar to England as a whole, except for the proportion of people working in professional occupations. 22% of Cambridgeshire residents works in a professional occupation, compared to 18% nationally. This high figure mostly reflects the occupational structure of Cambridge City residents, of whom 38% have a professional occupation.

Figure 16: Cambridgeshire & England's occupational structure (% of employed resident population)

Source: Census 2011

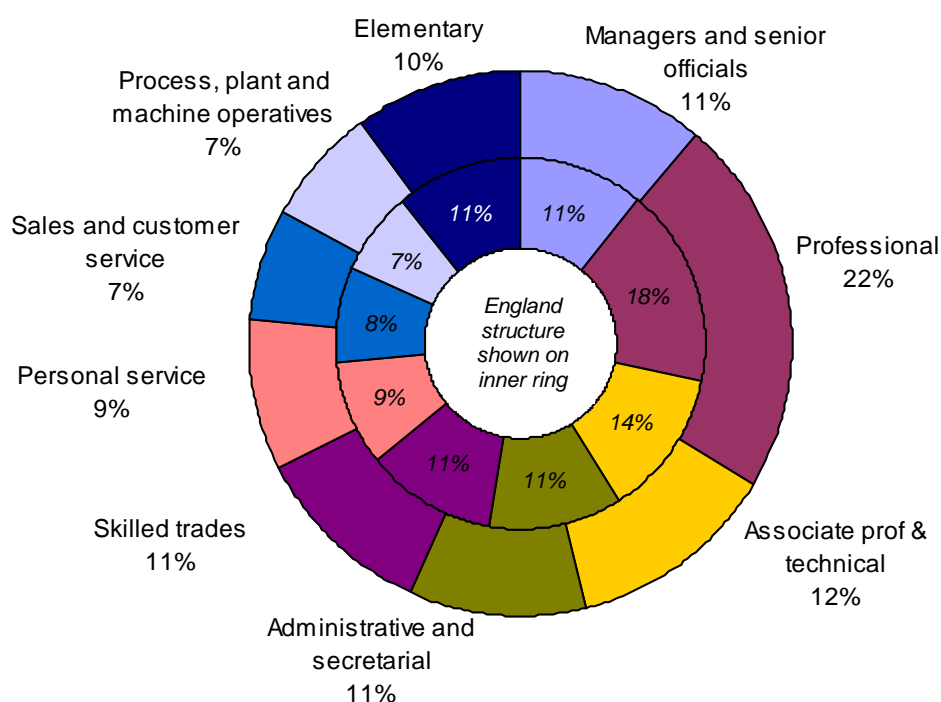


Table 8 shows the variation in occupational structure between districts. Cambridge City has a high proportion of residents in professional and associate professional occupations and a low proportion in all other occupational groups. East Cambridgeshire also has a high proportion of residents in professional occupations. Fenland has the highest proportion of people working in skilled trades in the county and high proportions in personal services (such as health care assistants, social care, child care or animal care), of process, plant and machine operatives, and in elementary occupations. Huntingdonshire has a high proportion of managers and senior officials, and the highest proportion of people in associate professional and technical occupations in the county. South Cambridgeshire has the joint highest proportion of managers and senior officials in the county and a high proportion of people in professional occupations.

Table 8: Occupational structure of the employed resident population

Source: Census 2011

Area	Managers and senior officials	Professional	Associate prof & technical	Administrative and secretarial	Skilled trades	Personal service	Sales and customer service	Process, plant and machine operatives	Elementary
Cambridge City	8.6%	38.0%	11.3%	7.8%	6.6%	7.3%	6.5%	3.4%	10.5%
East Cambridgeshire	12.4%	18.4%	11.8%	11.2%	13.0%	10.0%	6.8%	7.5%	8.8%
Fenland	9.2%	9.4%	9.8%	10.1%	14.2%	10.6%	7.7%	14.4%	14.6%
Huntingdonshire	12.4%	16.8%	14.0%	12.1%	11.5%	8.9%	7.3%	7.5%	9.5%
South Cambridgeshire	12.4%	26.8%	13.1%	10.7%	10.5%	8.2%	5.9%	4.6%	7.8%
Cambridgeshire	11.2%	22.5%	12.3%	10.5%	10.9%	8.8%	6.8%	7.0%	9.9%
Forest Heath	10.0%	10.2%	17.1%	9.9%	13.7%	11.8%	6.5%	8.9%	11.9%
North Hertfordshire	12.8%	22.2%	14.7%	11.1%	9.9%	8.3%	6.9%	5.9%	8.3%
St Edmundsbury	11.2%	14.7%	13.3%	10.6%	12.6%	10.1%	7.5%	8.3%	11.7%
Uttlesford	15.5%	18.4%	14.9%	11.3%	11.7%	8.4%	6.1%	5.5%	8.2%
Greater Cambridge	11.7%	20.5%	13.2%	10.6%	11.2%	9.0%	6.8%	7.0%	9.9%
Greater Cambridge Greater Peterborough	11.3%	18.7%	12.8%	10.6%	11.5%	9.2%	7.2%	7.8%	11.0%
East	11.4%	16.7%	12.9%	12.0%	12.0%	9.3%	7.9%	7.3%	10.6%
England	10.9%	17.5%	12.8%	11.5%	11.4%	9.3%	8.4%	7.2%	11.1%

Table 9 summarises the proportion of employed residents working in 'high value' occupations by district. This includes those working as managers, those in professional, associate professional and technical occupations, and those working in a skilled trade. Across Cambridgeshire, 57% of employed residents work in a 'high value' occupation, compared to 53% across England. The proportion varies considerably within the county, from a high of 65% in Cambridge City to a low of 43% in Fenland.

Table 9: % of area's employed resident population working in 'high value' occupations

Source: Census 2011

Note: 'High value' occupations defined as: managers and senior officials; professional; associate professional & technical; skilled trades

Area	% employed in 'high value' occupations
Cambridge City	64.5%
East Cambridgeshire	55.6%
Fenland	42.6%
Huntingdonshire	54.7%
South Cambridgeshire	62.8%
Cambridgeshire	56.9%
Forest Heath	51.0%
North Hertfordshire	59.6%
St Edmundsbury	51.8%
Uttlesford	60.5%
Greater Cambridge	56.6%
East	53.0%
England	52.6%

Residents' Weekly Pay

Wide pay gap between north and south. Women earn significantly less than men.

Median gross weekly pay in Cambridge is over 40% higher than in Fenland and Forest Heath although the gap, which steadily increased between 2002 and 2009, has decreased slightly in recent years. The wide gap indicates a much higher demand for labour coupled with higher value activities in the south of the county than in the north. In all five Cambridgeshire districts, women earn 15%-30% less than men. This is a greater disparity than seen across England.

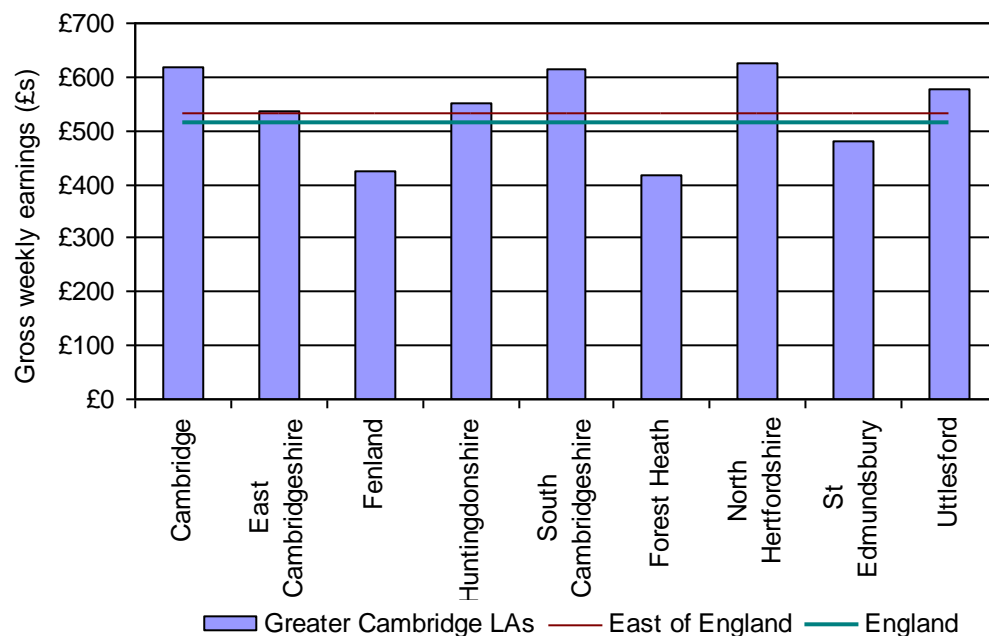
Wage earnings are a key indicator of the interaction between labour supply and demand in an economy, and the living standards of its employees. High earnings can be an indicator of strong labour demand as well as higher value activities in an economy, whilst low wages could imply either low demand for labour or lower value added activities.

Across Cambridgeshire, the full-time workers' median weekly pay of £551.00 is higher than the England average of £512.70. Within the county pay varies considerably, as shown in Figure 17, from a low of £424.50 in Fenland to a high of £618.90 in Cambridge City. Median weekly pay in Cambridge is therefore nearly 46% higher than in Fenland. Pay across the broader sub-region is similar, although median pay in Forest Heath is slightly lower than Fenland, suggesting lower demand for labour and lower value jobs in both Fenland and Forest Heath.

Within both East Cambridgeshire and Huntingdonshire, there is a considerable difference between the earnings of employed residents and the earnings of those working in the district, suggesting high levels of out-commuting to higher paid, higher value jobs.

Figure 17: Median gross weekly full-time employee pay (£) by district of residence in 2012

Source: ONS Annual Survey of Hours and Earnings (Resident Analysis)



Median weekly pay is higher among men than women in all areas. Across most of the county women earn around 25% less than men, which is a greater disparity than seen nationally, though this disparity has been decreasing slightly in recent years. Note that these figures are for full-time workers only, so are not affected by higher levels of part-time working among women. Within the county, pay is most equitable in Fenland and least equitable in Cambridge City, where women earn around 29% less than men.

Table 10: Median gross weekly full-time employee pay (£) by district of residence and gender in 2012

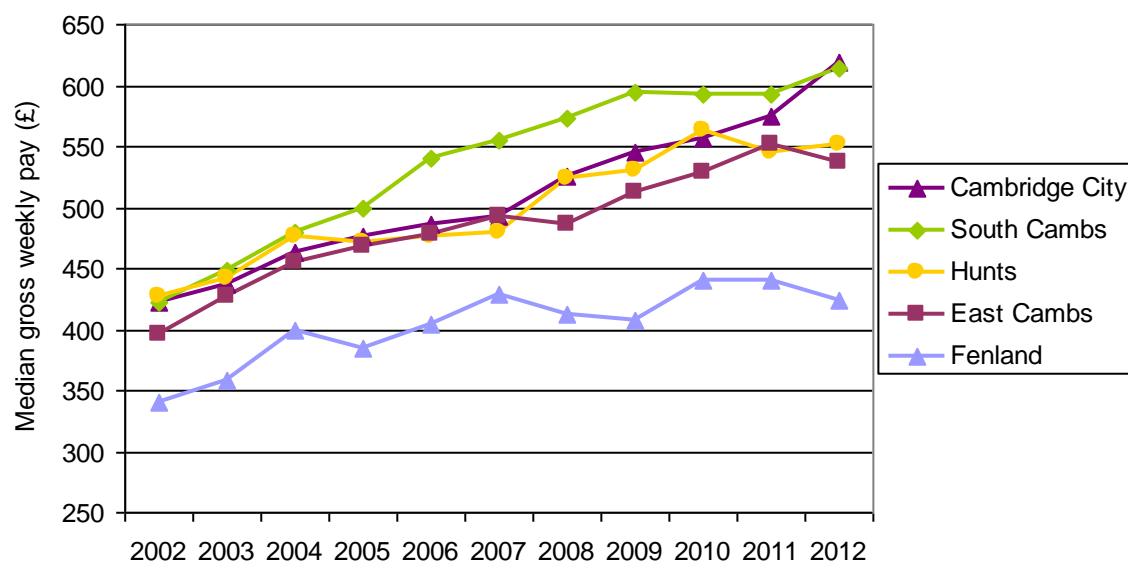
Source: ONS Annual Survey of Hours and Earnings (Resident Analysis)

Area	All Full-Time workers	Male Full-Time	Female Full-Time	Female earnings as % of male earnings
Cambridge City	£618.90	£726.20	£516.20	71.1%
East Cambridgeshire	£537.10	£571.50	£442.80	77.5%
Fenland	£424.50	£452.90	£380.70	84.1%
Huntingdonshire	£551.50	£610.60	£446.40	73.1%
South Cambridgeshire	£614.20	£689.90	£502.40	72.8%
Cambridgeshire	£551.00	£603.80	£472.30	78.2%
Forest Heath	£417.70	£495.80	£396.90	80.1%
North Hertfordshire	£624.00	£650.20	£513.90	79.0%
St Edmundsbury	£480.80	£503.80	£417.10	82.8%
Uttlesford	£576.30	£596.10	£524.10	87.9%
Greater Cambridge	-	-	-	-
Greater Cambridge	-	-	-	-
Greater Peterborough	-	-	-	-
East	£531.00	£580.40	£461.10	79.4%
England	£512.70	£553.30	£453.00	81.9%
United Kingdom	£505.90	£545.80	£448.60	82.2%

Figure 18 compares median weekly pay among the Cambridgeshire districts between 2002 and 2012. At the start of the time-series, pay was similar in South Cambridgeshire, Cambridge City and Huntingdonshire, but pay has since risen faster in Cambridge City and South Cambridgeshire than elsewhere. In 2002 the pay gap between the districts with the highest and lowest median pay was just under £88 per week; by 2009 this had more than doubled to £187 and has increased slightly in 2012 to £194.40.

Figure 18: Median gross weekly full-time employee pay by district of residence 2002-2012

Source: ONS Annual Survey of Hours and Earnings (Resident Analysis)



Median Household Income

Single-person or single-income households in Cambridge City may lower median household income relative to weekly pay.

Patterns of household income are broadly similar to those shown by median weekly pay; however annual household income is relatively low in Cambridge City, suggesting more single-person or single-income households. Overall, there is a clear geographic trend in income levels, with households in the south and west of the sub-region having higher incomes and households to the north and east having lower incomes.

Figure 19 compares median annual household income by district. These figures take into account all salaries in a household, together with income from investments, welfare support and means-tested benefits. Within the county income is highest in South Cambridgeshire and lowest in Fenland. Cambridge City performs differently under the two pay/income measures: while gross weekly pay for full-time workers is the highest, annual household income is the second lowest in the county. This may be because there are more single-person households in the city so there are fewer households with a joint income.

Figure 19: Median household income

Source: CACI PayCheck 2010

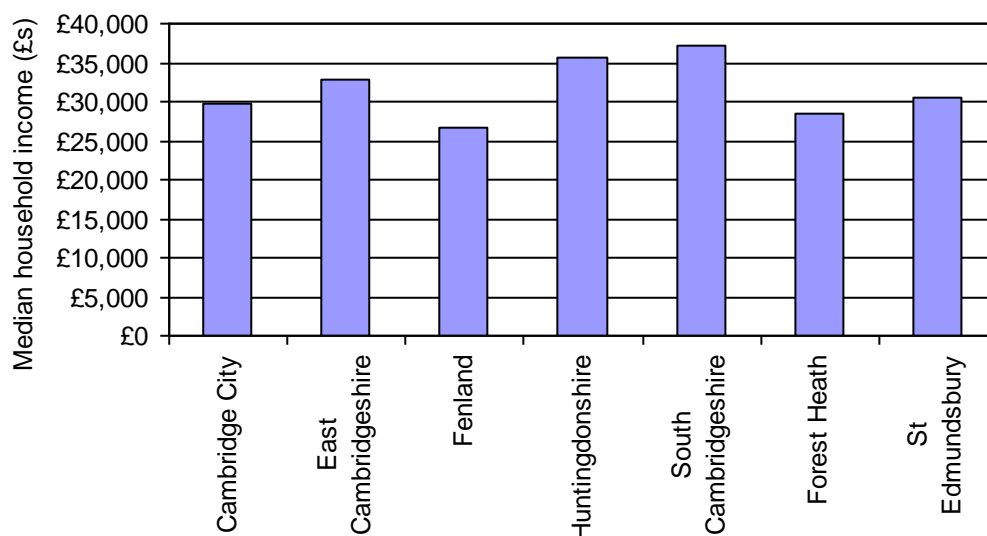
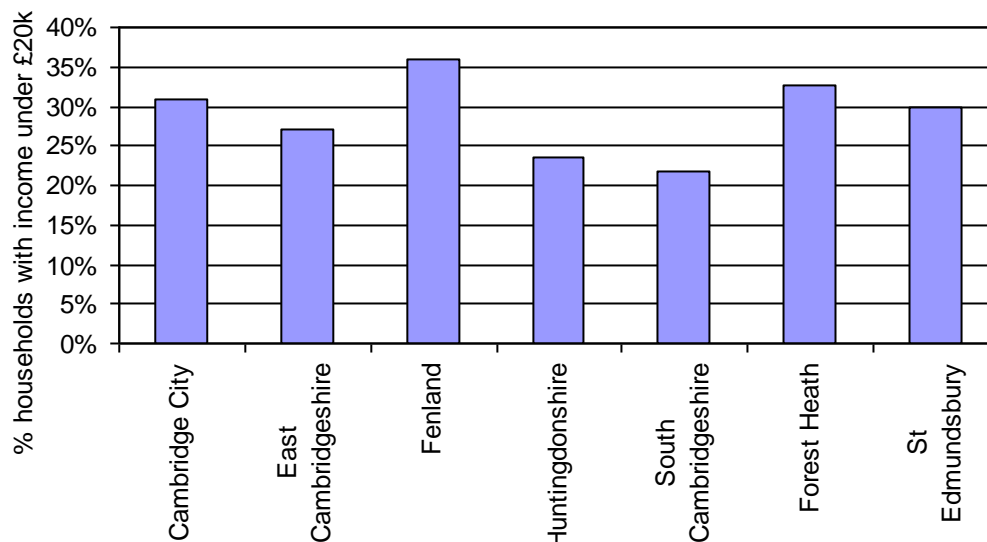


Figure 20 shows that the districts vary considerably in terms of the proportion of households with low incomes. While over one in three households in Fenland has an income below £20,000, in South Cambridgeshire the proportion is slightly more than one in five.

Figure 20: Low income households - % households with annual income under £20,000

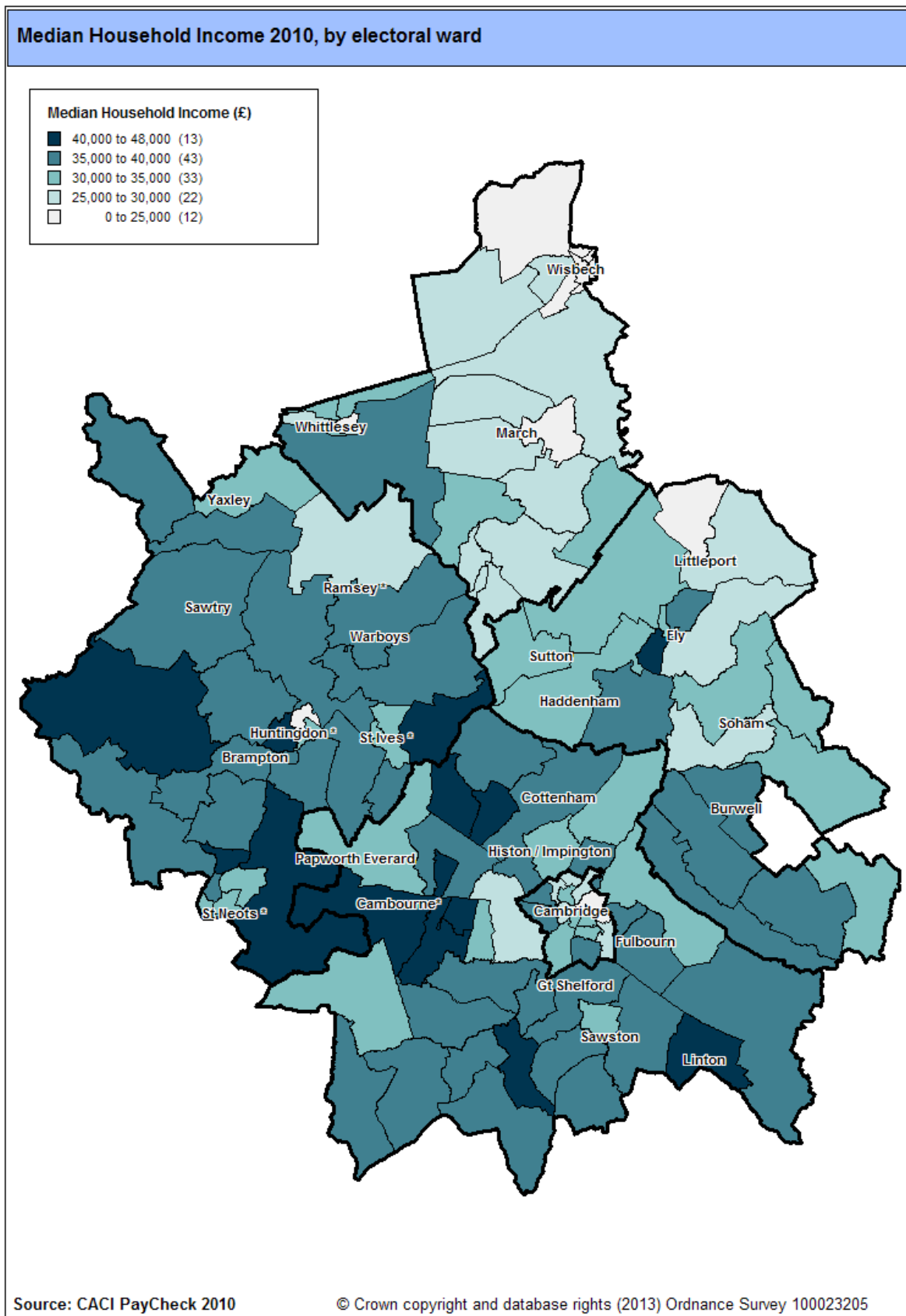
Source: CACI PayCheck 2010



Maps 1 to 3 show household income data by electoral ward. Map 1 compares median income by ward, with areas of lower income shaded lighter than areas of higher income. This shows a clear geographical pattern across the county, with lower income areas concentrated in the north and east and higher income areas to the south and west. This pattern also applies within Cambridge City. The highest median income in the county is found in Caldecote ward in South Cambridgeshire (£47,900) and the lowest is in Waterlees ward in Wisbech (£20,300). On average, the income of households in Caldecote is more than double that of households in Waterlees.

Map 1: Median annual household income by ward

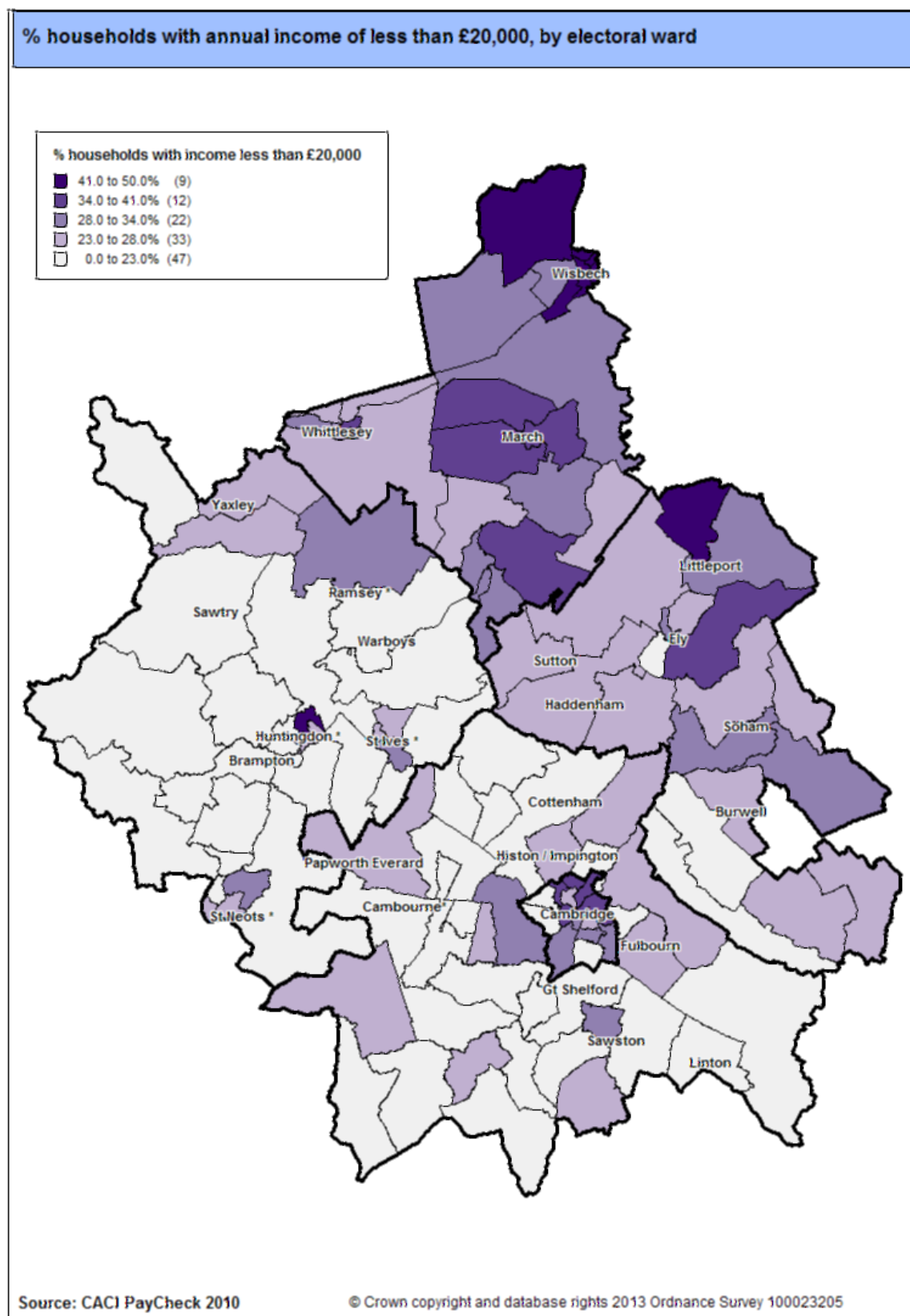
Source: CACI PayCheck 2010



Map 2 compares the proportion of households with an income of under £20,000; areas shaded darker have a higher proportion of low income households. As might be expected, the pattern here is broadly similar to that shown in Map 1, with high proportions of low income households clustered to the north and east of the county, in Huntingdon North and in parts of Cambridge City. 12% of households in Caldecote ward have an income of under £20,000, compared to 49% in Waterlees ward.

Map 2: % of households with an annual income of less than £20,000 by ward

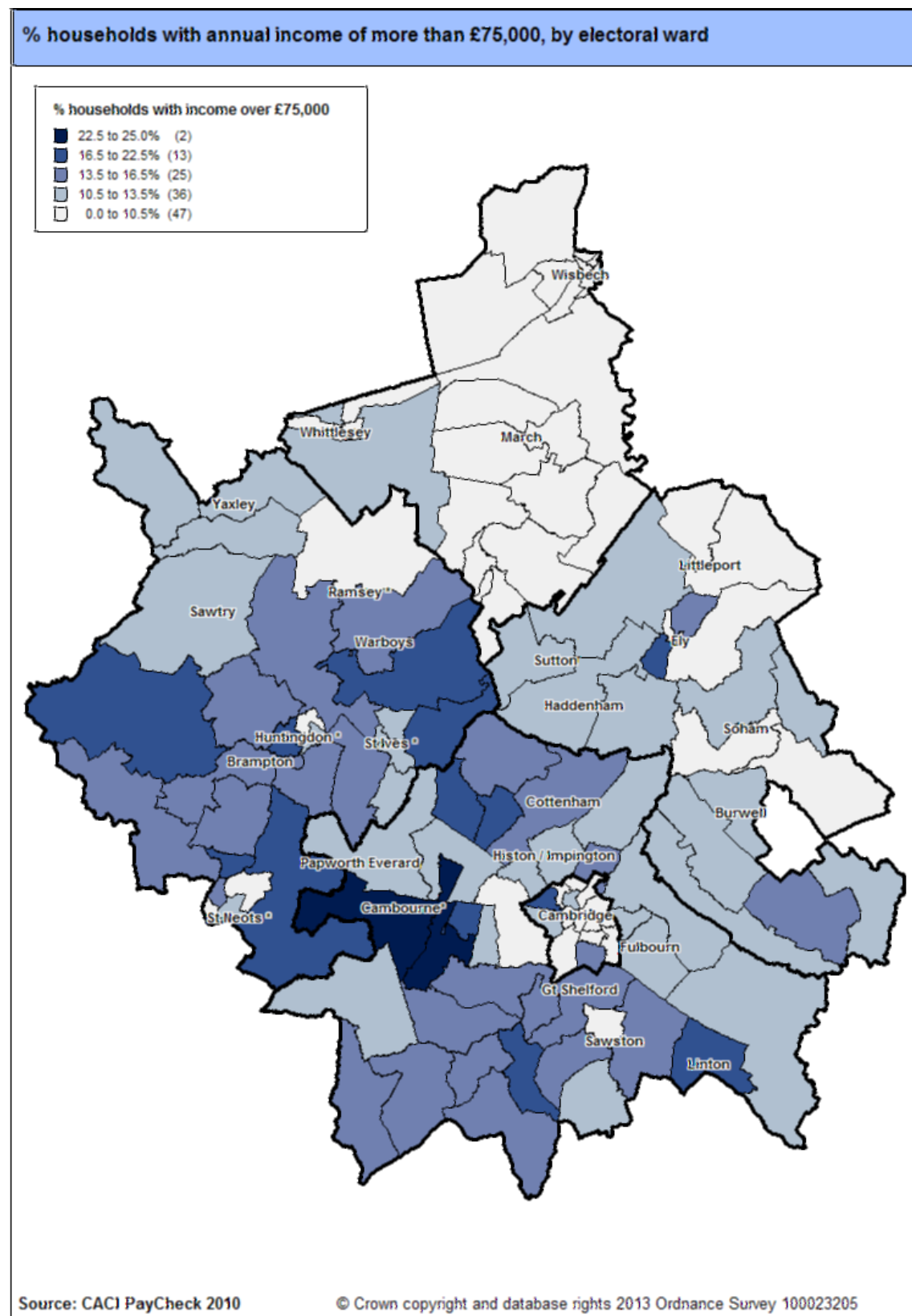
Source: CACI PayCheck 2010



Map 3 shows the location of high income households across the county, with areas with a higher proportion of households with an income of over £75,000 shaded darker. Higher income households are most common in South Cambridgeshire, particularly the Bourn area, and rural parts of Huntingdonshire. Interestingly, most Cambridge City wards have relatively low proportions of high income households. 23% of households in Bourn ward have an income of over £75,000, compared to just 2% of households in Waterlees in Wisbech.

Map 3: % of households with an annual income of more than £75,000 by ward

Source: CACI PayCheck 2010



Qualifications, Aspirations and Skills

Qualifications of the Working Age Population

Very poor skills levels in the north – significant at a national level of comparison.

Cambridgeshire residents are on average more qualified than across the region or country as a whole, however there is significant variation by district, with particular skills issues in the north of the county. A higher proportion of Fenland residents have no qualifications than is the case nationally. Fenland also performs well below the national average in terms of the proportion of residents qualified to NVQ levels 2, 3 and 4. The high level of inequality in skills levels between residents in the north and south of the county is illustrated by those educated to degree level, where Fenland ranks 11th lowest of all local authorities in the country while Cambridge City ranks 11th highest.

Low levels of intermediate skills.

Two out of five districts in Cambridgeshire have lower than average proportions of their population holding level 3 as their highest qualification. Nationally, skills shortages are most acute in skilled trade occupations, where the typical qualification is NVQ level 3. It is therefore possible that the recruitment problem at this level of occupation is even more acute across Cambridgeshire.

Cambridgeshire residents aged between 19 and retirement-age are, on average, more qualified than across the region or country as a whole. 40% of Cambridgeshire residents are qualified to NVQ level 4 or higher (broadly equivalent to a degree or higher qualification), compared to 35% across England. Just 6% of Cambridgeshire residents have no qualifications, compared to 9% nationally.

Table 11: Qualifications of people aged 19-59/64 (NVQ equivalents) in 2011

Source: DUIS derived from ONS Annual Population Survey

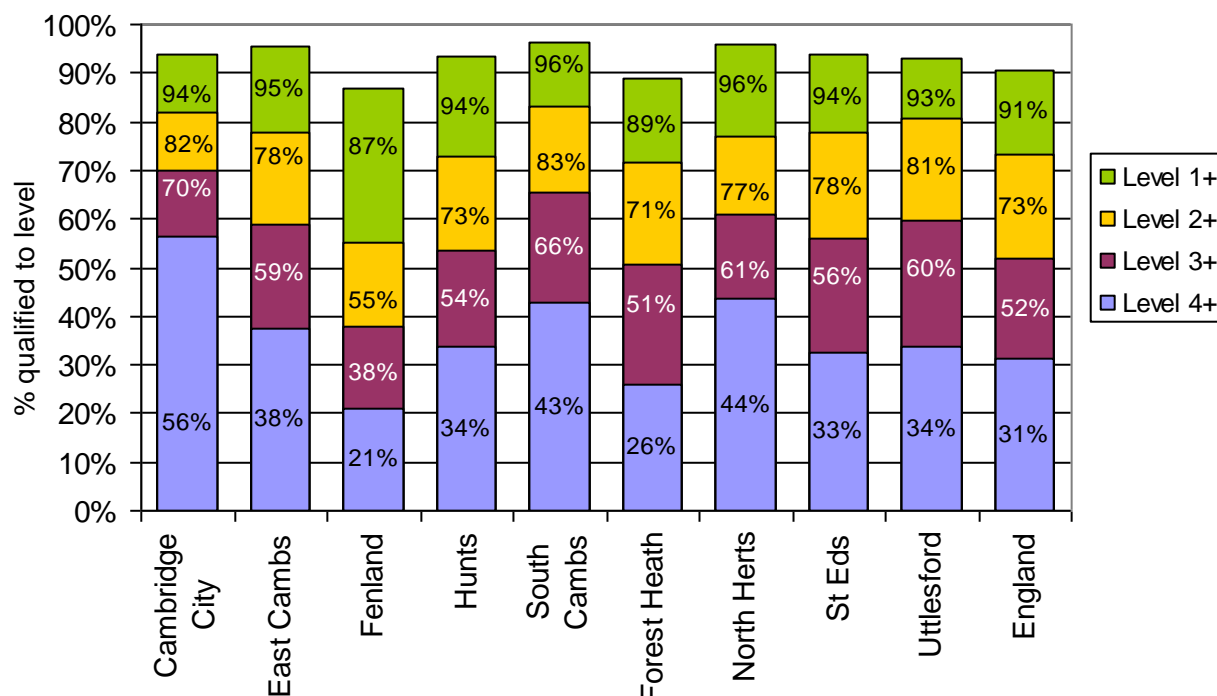
Note: NVQ levels are defined as follows: Level 1: Foundation GNVQ; 4-5 GCSEs grade D-E or equivalents; Level 2: Intermediate GNVQ; 5 GCSEs A*-C; 2 A/S Levels or equivalents; Level 3: 2 A Levels A-E; 4 A/S Levels or equivalents; Level 4+: Foundation or first degree; degree level professional qualifications; HNC/HND; higher degrees

Area	Proportion of working age population qualified to level:				
	NVQ4+	NVQ3	NVQ2	NVQ1	No qualifications
Cambridge City	56.3%	13.8%	11.8%	12.0%	6.1%
East Cambs	37.6%	21.4%	18.8%	17.5%	4.6%
Fenland	21.1%	16.9%	17.1%	31.6%	13.3%
Hunts	33.7%	19.8%	19.4%	20.6%	6.5%
South Cambs	42.7%	22.8%	17.5%	13.2%	3.8%
Cambridgeshire	40.1%	18.5%	17.1%	17.9%	6.2%
Forest Heath	25.8%	24.9%	20.7%	17.4%	11.2%
North Herts	43.6%	17.1%	16.3%	18.9%	4.1%
St Eds	32.6%	23.5%	21.6%	16.3%	6.0%
Uttlesford	33.7%	26.0%	21.1%	12.2%	7.1%
Greater Cambridge	38.1%	20.0%	18.2%	17.3%	6.2%
Greater Cambridge					
Greater Peterborough	34.5%	20.0%	19.6%	18.2%	7.3%
East	31.4%	20.3%	21.6%	18.3%	8.4%
England	35.0%	19.3%	19.8%	16.6%	9.3%

There is significant variation in qualification levels within the county, however, and Figure 21 shows how each district compares in terms of the proportion of the population reaching each of the qualification levels.

Figure 21: % of 19-59/64 population qualified to different NVQ levels in 2011

Source: DUIS derived from ONS Annual Population Survey



Within Cambridgeshire, the highest proportion of the population with Level 2 or higher qualifications is in South Cambridgeshire, where 83% of people have these qualifications, followed by Cambridge City and East Cambridgeshire. The proportion in Huntingdonshire is the same as the national average however in Fenland, just 55% of people have Level 2 qualifications or higher, which is well below the national average.

In terms of proportions reaching Level 3 or higher, all Cambridgeshire districts except Fenland fall above or about equal to the national average, with levels highest in Cambridge City and South Cambridgeshire. This broadly corresponds to people with A-Level or equivalent qualifications.

Variation in the proportion reaching Level 4 or higher is particularly interesting. This broadly corresponds to people educated to degree-level or equivalent and is generally recognised as the skill level required to drive innovation and leadership within an economy and to enable businesses to compete globally. Over half the population in Cambridge City is qualified to this level, and approaching half in South Cambridgeshire. On this measure for January 2011 to December 2011, Cambridge City ranks 11th highest of all local authorities in the country; one of the most qualified outside London. In contrast, just 21% of people in Fenland are qualified to this level; the district ranks 11th lowest of all local authorities in the country. There is therefore a great deal of inequality in terms of high level qualifications within the county.

Figure 22 shows the changing proportion of residents of each Cambridgeshire district with Level 2 or higher qualifications. The variation from year to year occurs as sample sizes at a district level are fairly small. However, there is a clear rise in the proportion qualified to at least Level 2 in South Cambridgeshire and East Cambridgeshire, while the other districts have remained more stable.

Figure 22: % of 19-59/64 population with Level 2 or higher qualifications 2001-2011

Source: DUIS derived from ONS Annual Population Survey

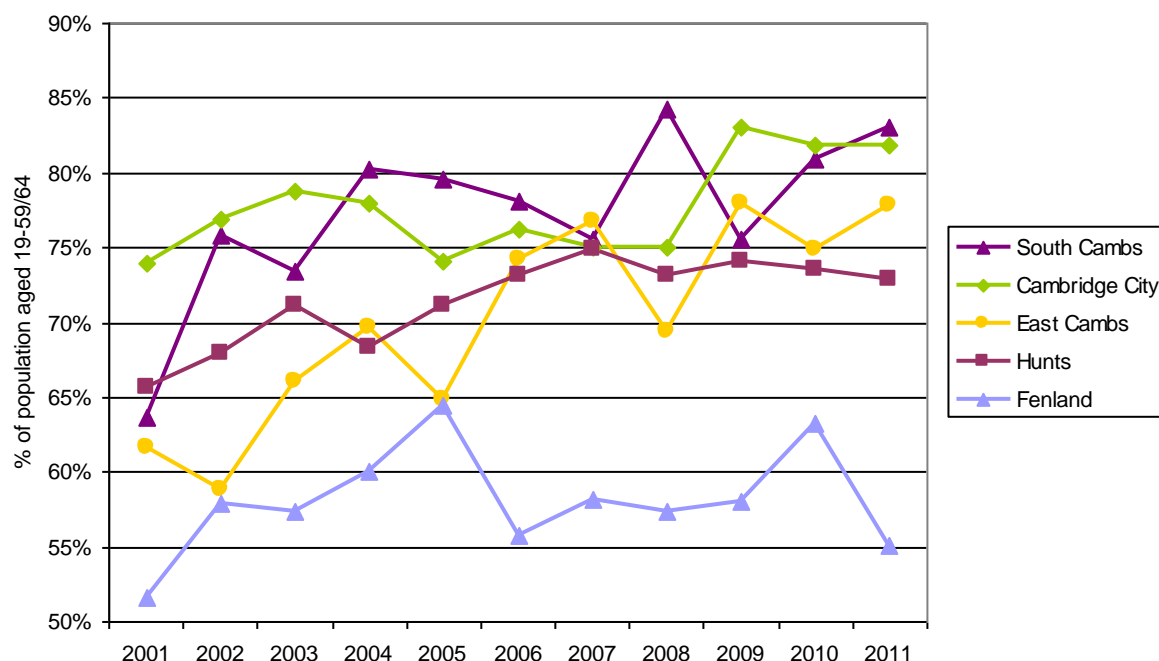
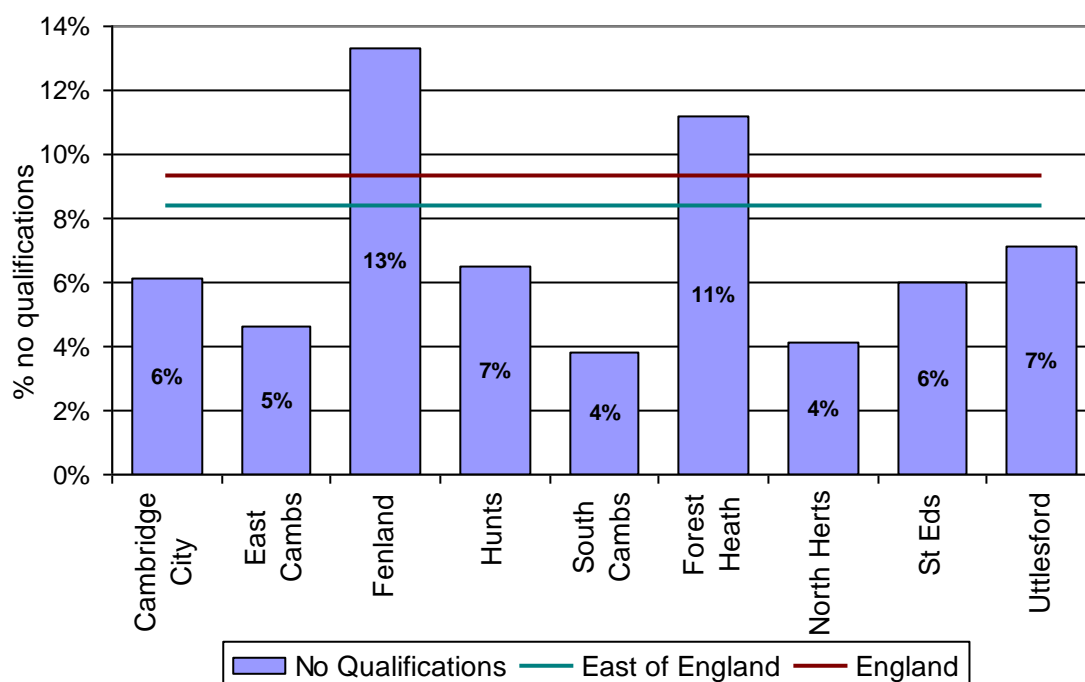


Figure 23 compares the proportion of residents with no qualifications across the Greater Cambridge districts. The proportion is lower than the national average across all districts in Cambridgeshire except Fenland, where 13% of the population has no qualifications.

Figure 23: % of 19-59/64 population with no qualifications in 2011

Source: DUIS derived from ONS Annual Population Survey



Participation in Education, Employment and Training

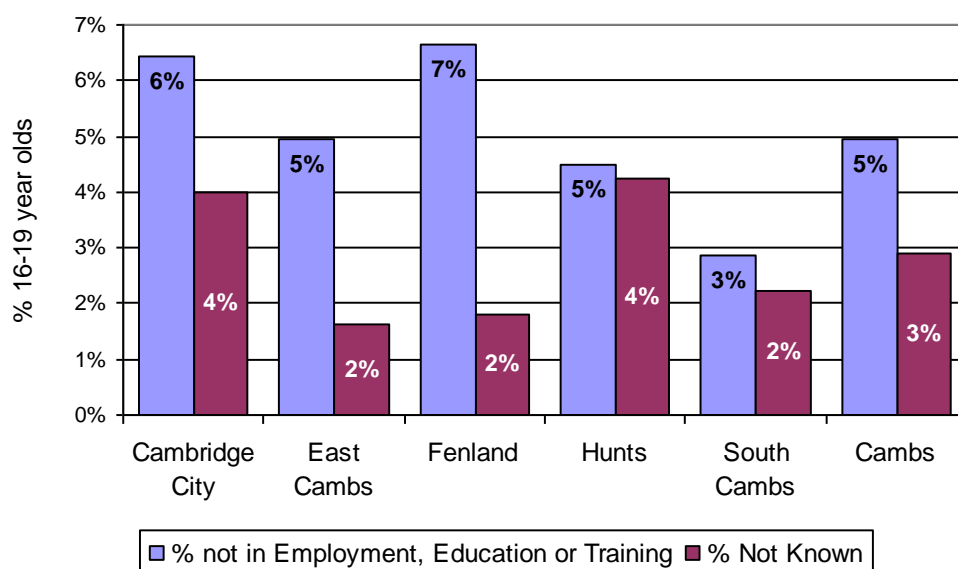
Low qualifications in Fenland; NEET hotspots in Fenland and Cambridge City.

A higher proportion of Fenland's 19-59/64 population has no qualifications than is seen nationally and proportions of 16-19 year olds that are NEET are highest in Fenland and Cambridge City. As individuals with low skill levels are limited in their employment opportunities it will be important to raise skills levels in these districts in order to reduce future economic and social exclusion.

Local data on the numbers and proportions of young people who are not in education, employment or training (known as NEET) are available from Cambridgeshire Connexions. Figure 24 compares proportions across the Cambridgeshire districts. Note that the data shown here may not be comparable to those published elsewhere as time periods, age coverage and denominators may vary. Proportions of young people NEET are highest in Fenland (6.7%) and Cambridge City (6.4%) and lowest in South Cambridgeshire (2.9%). These figures have remained remarkably similar to 2011.

Figure 24: % of 16-19 year olds NEET by Cambridgeshire district, January 2013

Source: Cambridgeshire Connexions 2012/13



Individuals with low skills levels are limited in their employment opportunities, which in turn limit income levels. Low skills are linked with poor health, crime and low social cohesion. Low skills also impact on the productivity and competitiveness of business and economies. Consequently, the number of young people who are NEET is a major predictor of future economic and social exclusion (EP Study 2009⁵).

Further identification of appropriate provision is necessary to engage and retain 18 year olds in education and work-based learning in order to reverse the widening of the gap between 18 and 17 year olds.⁶

In terms of Further Education retention of 16-18 year olds, Cambridgeshire is not showing the same improved rates as other areas in the sub-region with 17 year old male and 18 year old female rates both falling.⁷

⁵ <http://www.eeda.org.uk/3411.asp>

⁶ YPLA 2010 sub regional analysis

⁷ Individual Learner Records 2007/08 to 2008/09, as quoted in the YPLA 2010 sub regional analysis.

Participation and Attainment of Young People in Education

Low attainment levels of young people in the north and across more deprived areas.

Participation and attainment are generally high across Cambridgeshire for 16-19 year olds and 14-16 year olds; however this masks significant variation by district and by pupil background. Fenland and Cambridge City have significant numbers of young people not in education, employment or training – a major predictor of future economic or social exclusion. Of those remaining in education, attainment levels at age 19 and age 16 are below the national average among Fenland residents, significantly lower than other Cambridgeshire districts. The proportion entering higher education is low across all districts apart from South Cambridgeshire and Huntingdonshire. The achievement gap between pupils eligible for free school meals and those who are not is wider than it is nationally. Improving basic and intermediary skills in the north of the county will be essential in meeting the needs of local employers and subsequently raising economic participation levels in the resident population.

Across England, 96% of 16 year-olds and 87% of 17 year-olds participate in education or work-based learning. Of these, the vast majority are in education. Participation in education is slightly higher than average in Cambridgeshire, whereas participation in work-based learning is slightly lower than average.

Table 12: Participation of 16 and 17 year olds in education or work-based learning (WBL)

Source: DfE Participation in Education, Training and Employment by 16-18 Year Olds in England, Provisional 2010 figures

Area	% of 16 year olds			% of 17 year olds			% of 16 & 17 year olds		
	Education	WBL	Total	Education	WBL	Total	Education	WBL	Total
Cambridgeshire	95%	2%	98%	83%	4%	88%	90%	3%	93%
Essex	89%	4%	93%	78%	7%	84%	83%	5%	88%
Hertfordshire	99%	2%	100%	88%	4%	92%	93%	3%	96%
Suffolk	90%	3%	93%	78%	5%	84%	84%	4%	88%
East of England	92%	3%	95%	81%	5%	86%	87%	4%	91%
England	92%	4%	96%	81%	6%	87%	87%	5%	91%

In 2005/06, 3,270 (11%) of LSC Cambridgeshire residents aged 18-20 entered full-time Higher Education (HE), accounting for 13% of the East of England total. This proportion was lower than the average for the East of England (13%). The proportion of the cohort entering full-time HE varied significantly between the Cambridgeshire districts from 18% to 5%. Both the greatest volume and percentage of learners entering full-time HE were from South Cambridgeshire and Huntingdonshire. Cambridge City had the joint lowest proportion of residents in the region entering HE with 5%.

In 2009/10, 47% of those who entered A-levels in 2008/09 went on to study in Higher Education. This was similar to the percentage of students that went on to Higher Education in Suffolk and Peterborough, and was the median percentage of students going on to Higher Education across the East of England region.

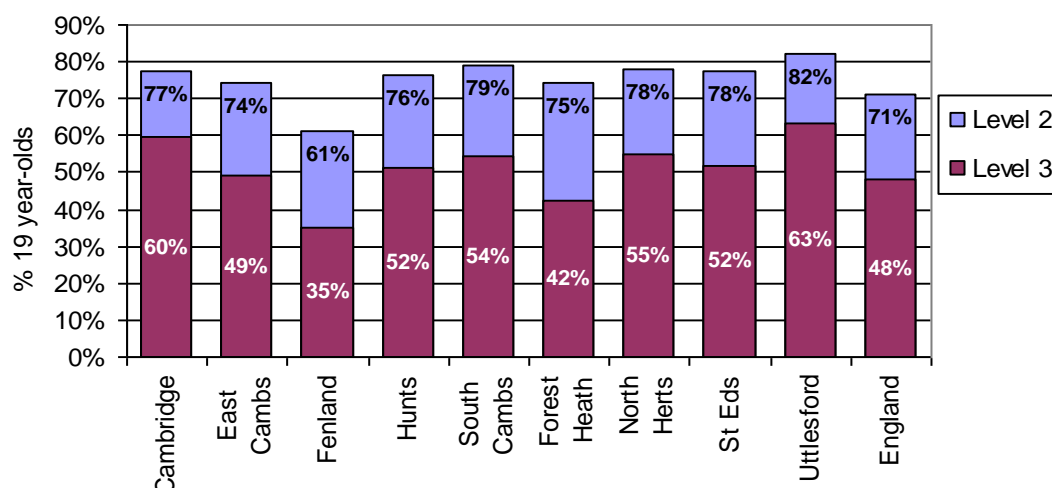
The proportion of 15 year olds reaching level 2 or level 3 by age 19 is relatively high compared with national figures across all Greater Cambridge districts, as shown in Figure 25, apart from Fenland, where the proportions reaching both level 2 and level 3 are significantly lower. Fenland's cohort of young people who were 19 in 2007 was ranked forty-eighth out of forty-eight districts in the East of England for the percentage that had achieved level 2 by the age of 16. By the time they were 19, Fenland's ranking had improved one place to forty-seventh.⁸

Since 2006/07 only county level data has been available for the proportion of 15 year olds reaching level 2 or level 3 by age 19. It is, therefore, only possible to show that Cambridgeshire as a whole has remained above the national average at both these levels since this point. For Cambridgeshire in 2010/11, 83% of those aged 19 had reached level 2 since aged 15 and 59% of those aged 19 had reached level 3 since aged 15. This compared to 82% reaching level 2 and 56% reaching level 3 in the East, and 81% reaching level 2 and 55% reaching level 3 in England.

⁸ LSC 2008

Figure 25: % of people studying in a district at age 15 reaching Level 2/Level 3 by age 19

Source: LSC FFT matched administrative dataset 2006/07



Attainment at age 14-16 shows a very similar pattern. Overall, young people in Cambridgeshire have consistently performed better than the national and regional average. Over the last three years, achievement in Cambridgeshire has risen significantly, such that in 2011/12 57.5% of pupils achieved five or more GCSEs graded A*-C including Maths and English. However, performance varies significantly by district shown by Figure 25.

Nearly 70% of pupils living in South Cambridgeshire achieve at least five GCSEs graded A*-C including Maths and English, which is well above the national and regional average. Performance is just below average in East Cambridgeshire and Huntingdonshire and below average in Cambridge City. Performance is well below average among pupils living in Fenland, with just 49% of pupils reaching this level of attainment, and even lower is Forest Heath at 37%.

Figure 26: % of pupils at end of Key Stage 4 achieving 5+ GCSEs A*-C inc. Maths & English, by location of residence in 2011/12

Source: DfE GCSE Attainment by Pupil Characteristics, in England

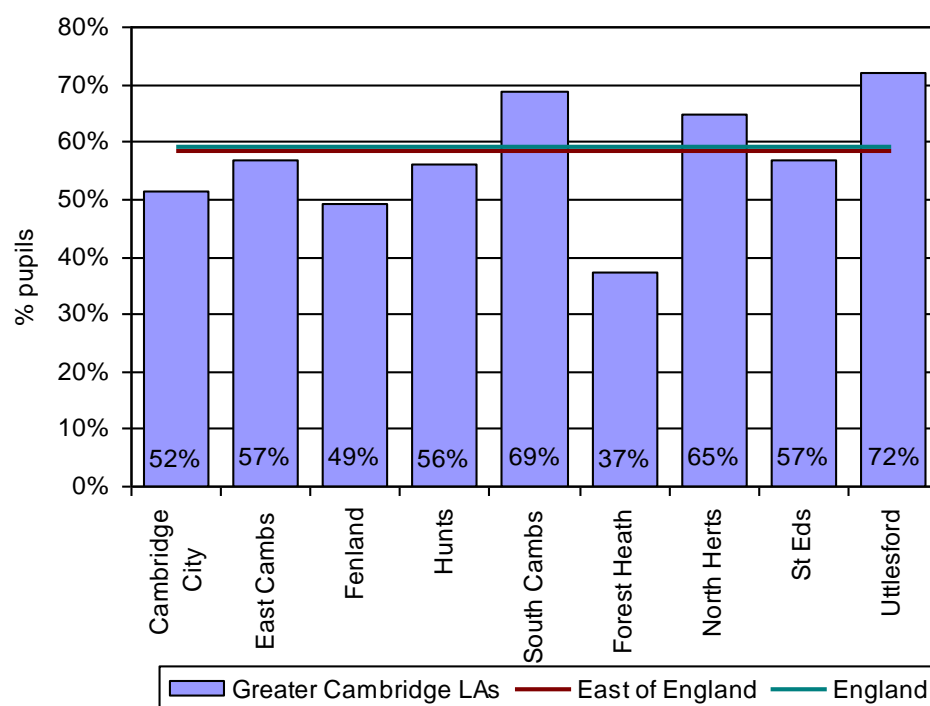


Table 13 compares pupil attainment by local authority district of residence with attainment by local authority district of school location. In most districts these figures are broadly similar; however there are some notable differences. In Cambridge City, pupils attending schools in Cambridge perform better than pupils living in Cambridge. This implies that school performance in the City may be boosted by pupils living outside Cambridge. Conversely, performance is higher among pupils living in Huntingdonshire and South Cambridgeshire than is reflected by the performance of those attending schools in these districts. This implies that pupils opting out of local schools in Huntingdonshire and South Cambridgeshire tend to do better.

Table 13: % of pupils at end of Key Stage 4 achieving 5+ GCSEs A*-C inc. Maths & English, by location of school and location of residence in 2011/12

Source: DfE GCSE Attainment by Pupil Characteristics, in England

LA District	By local authority of residence	By local authority of school
Cambridge	52%	55%
East Cambridgeshire	57%	57%
Fenland	49%	49%
Huntingdonshire	56%	55%
South Cambridgeshire	69%	68%
Forest Heath	37%	32%
North Hertfordshire	65%	67%
St Edmundsbury	57%	58%
Uttlesford	72%	70%
East of England	58%	58%
England	59%	59%

Table 14 compares pupil attainment in terms of certain pupil characteristics. In Cambridgeshire, as nationally, pupils whose first language was not English perform less well on average than pupils whose first language was English. Girls outperform boys in all local authorities.

The greatest disparity in Key Stage 4 attainment is between those who are eligible for free school meals and those who are not. To be eligible for free school meals, pupils' parents must receive a means-tested benefit such as Income Support or Jobseeker's Allowance. Within Cambridgeshire, the achievement gap is wider than seen nationally, at just 25% among eligible pupils compared to 61% among those who are not eligible. This shows that while Cambridgeshire pupils enjoy high levels of achievement on average, those pupils growing up in families at risk of income or employment deprivation perform far less well, leaving them more vulnerable to these types of deprivation in their own adult lives.

Table 14: % of pupils at end of Key Stage 4 achieving 5+ GCSEs A*-C inc. Maths & English, by pupil characteristics in 2011/12

Source: DfE GCSE Attainment by Pupil Characteristics, in England

Area	1st language		Free school meal eligibility		Gender	
	English	Other than English	Eligible	Not eligible	Boys	Girls
Cambridgeshire	58%	49%	25%	61%	52%	63%
Essex	59%	63%	34%	61%	53%	65%
Hertfordshire	66%	65%	36%	68%	61%	70%
Suffolk	51%	39%	27%	53%	46%	56%
East of England	59%	54%	32%	61%	53%	63%
England	59%	58%	36%	63%	54%	64%

The same gap exists when viewing figures for level 2 achievement at age 19. In 2011, Cambridgeshire's gap in achievement between those eligible for free school meals and those not eligible was 28 percentage points, this was higher than the national average which was 22 percentage points⁹. This was the joint highest of all authorities in the Sub Regional Grouping and has not shown clear signs of reducing since 2005. This does not compare favourably to the East as a whole which has shown steady reduction in the gap from 30 to 21 percentage points from 2005 to 2011. The gap in Cambridgeshire at level 3 is also evident, reaching 6 percentage points above the regional figure in 2011.

In comparison with its statistical neighbours¹⁰, Cambridgeshire also performs poorly on this measure. It is obviously a priority within Cambridgeshire to engage and retain disadvantaged learners and support them to achieve their full potential. Disadvantaged young people need to have access to a good range of curriculum opportunities and, if the current offer is not engaging them, further action may be required to widen their choice and recognise the difficulties that they face in participating and achieving¹¹.

Apprenticeships and Sector Subject Areas of Learners

Increased take up of Social Sciences within further education. Hairdressing, Hospitality and Catering and Business Administration continue to be the most popular apprenticeships.

Of those apprenticeships started in 2010/11 the most popular were Hairdressing and Hospitality and Catering. Within further education, science and mathematics saw an increase in the proportion of learners from 2008/09 to 2009/10.

There were 3,220 apprenticeships starting in Cambridgeshire in 2011/12. This total accounts for 8% of the overall programme starts for the East of England.

The top six apprenticeship subjects for Cambridgeshire in 2010/11 were: Hairdressing; Hospitality and Catering; Business Administration; Construction; Vehicle Maintenance and Repair; and Engineering. Provisional figures for 2011/12 suggest that these subjects will remain as the most popular.

The top six aims in further education by sector subject area for Cambridgeshire in 2009/10 were: Science and Mathematics; Arts Media and Publishing; Languages, Literature and Culture; Preparation of Life and Work; Social Sciences; and History, Philosophy and Theology. Of these sector subject areas, Social Sciences saw the largest increase in proportion of subject areas from 2008/09 to 2009/10, increasing by 10%.

Further education participation in health, public services and care and retail and commercial enterprise does, to some degree, reflect some of the main employment sectors and areas where growth and opportunity are expected. However, more could be done to promote education within the main occupational areas available within the Sub Regional Grouping.

⁹ DfE: Level 2 and 3 Attainment by Young People in England Measured Using Matched Administrative Data: Attainment by Age 19 in 2011

¹⁰ "Statistical neighbours" refers to LAs that are considered 'similar' in terms of the socio-demographic composition. Some consider this a more meaningful comparison than comparison with geographical neighbours.

¹¹ YPLA 2010 Strategic Analysis.

Higher Education in the County

Lack of retention of skilled graduates.

Few highly skilled graduates of Cambridge University or Anglia Ruskin University appear to seek employment within the county; potentially a missed opportunity in terms of growing a hi-tech economy experiencing skills shortages. Both universities exert a significant influence as an employer in the sub-region, leading to concerns over what impact government cuts in Higher Education and publicly funded R&D will have on the area.

Cambridgeshire is home to two universities, both located in Cambridge City: the University of Cambridge and Anglia Ruskin University (ARU). The 2008 Research Assessment Exercise shows the University of Cambridge to have 49 out of 50 subjects rated as world-leading quality (grade 4*) or internationally excellent quality (grade 3*) and ARU to have 2 out of 9 subjects achieving world-leading or internationally excellent quality. Both universities also provide good business education, with the Judge Business School of Cambridge University (recognised as one of the top business schools in the world) and Ashcroft International Business School of ARU. Both business schools attract students from across the world. They also have established global networks of businesses and academic partnerships.

Both universities have a large number of students every academic year (in 2011/12 ARU had 9,296 students at its Cambridge Campus, Cambridge University had 18,187 students).

There are no published data on numbers of students from within the local area, however it is widely recognised that ARU takes a high proportion of 'local' students whereas Cambridge University takes very few. In 2011/12 around 20% of Cambridge University students were international. Around 22% of ARU students at the Cambridge Campus were international students.

The large student population has a significant impact on the local economy, both positive (spending on goods and services, highly skilled labour force) and negative (increased competition for housing in the city centre and some increased competition for part-time work).

Anecdotal information suggests that the majority of graduates leave the area after completing their studies and London is their first destination area. Of those that do stay within the East of England region, most of them are employed in the city of Cambridge and its immediate surrounding (i.e. CB postcode). Although the population in the south of the county is very high skilled, anecdotally many businesses still experience skills shortages, therefore finding ways to retain the graduate population would potentially benefit the local economy.

A significant proportion of the local population is employed by the universities, with over 25% of Cambridge City employees working in education. Employment in Education and Health has grown significantly over the last 10 years, particularly in Huntingdonshire and South Cambridgeshire. This increased dependency on public sector employment leads to concerns over what impact the government cuts in Higher Education and publicly funded R&D will have on the area.

Access to Education

Accessibility data collected by the DfT suggests that ease of access to both secondary and further education is lowest in East Cambridgeshire, Fenland, South Cambridgeshire and Forest Heath.

In 2009/10, 85% of Cambridgeshire residents participating in Further Education (FE) did so in Cambridgeshire, with 11% travelling to surrounding counties, predominantly to Peterborough Regional College, the Norfolk Campus of the College of West Anglia and Bedford College. Early year data for 2009/10 shows that Cambridgeshire residents were more likely to leave the area to take Level 2 courses, with 22% attending FE provision outside the area, compared with 13% travelling for Level 3 courses and 11% travelling for Level 1 courses. However, the main reason for the travel to learn patterns appears to be geographical proximity, with some element of choice around Level 2. The proportion of Cambridgeshire residents that travel out of the area to study in school sixth forms is much higher than the other Local Authorities in the Peterborough, Cambridgeshire, Norfolk and Suffolk Sub Region. 9% of Cambridgeshire residents travel to neighbouring counties, predominantly to Stanground College, the Kings School in Peterborough, King Edward VII School in Norfolk and Newmarket College in Suffolk.¹²

Most of the out-commuting for learning seems to be to counties to the north of Cambridgeshire, suggesting movement out from Fenland. It is currently unclear whether young people who travel out of an area to study are more likely to drop out than people who do not.

Skills Demand and Forecasting

Skills demand in health, retail, tourism, creative industries, agriculture, and manufacturing.

Pre-recession, education and health, business services and construction saw the largest growth, however the recession hit construction and business services hard, and higher education budgets have recently been significantly reduced. In the short and medium term, health, retail and business services are likely to provide the greatest number of opportunities for employment however recent vacancy levels are significantly lower than those previously seen, limiting the opportunities available for the unemployed. Longer term, health, tourism, creative industries, agriculture and high value manufacturing may be the sectors that pull Cambridgeshire out of the recession.

Drawing on labour market statistics, local strategic documentation and a focus group with local stakeholders, this section considers where future employment opportunities are most likely so that future provision can be designed to support and prepare workless individuals towards and into real, sustainable jobs.

Recent Employment Trends

Learning first from the five years leading up to the start of the recession, employment growth in Cambridgeshire was greatest in:

- *By industry:* public administration; education and health; financial and business services; and construction.
- *By occupation:* professional occupations; and managers and senior officials.

In contrast, manufacturing employment declined but by only 4% suggesting that Cambridgeshire's high-tech manufacturing is more robust than the traditional manufacturing functions elsewhere. By occupation declines were greatest in lower-skilled service sector occupations such as administrative and secretarial, sales and customer service, and personal service occupations.

¹² ILR LO1 and Termly School Census SO2, quoted in YPLA Strategic Analysis 2010.

Current and Short-Term Opportunities

Using Jobcentre Plus vacancy data and local input, the greatest numbers of opportunities currently or recently available are in:

Health and care sector. The sector is widely viewed as a growing employment sector but struggles to recruit and retain staff due to the perceived negative image of the sector.

Retail sector. The retail sector has been affected by the recession with a number of prominent high street chains closing, but the high turnover rates within the sector mean there is a regular flow of entry-level vacancies in Cambridgeshire.

Business and professional services. The sector, which spans ICT, legal, finance and accounting, marketing and advertising, and real estate services, is a major employer in Cambridgeshire and had a high number of vacancies in 2009.

Elementary occupations. Jobs such as seasonal agricultural jobs in Fenland and security jobs will continue to become available.

However, in mid-late 2010 the number of vacancies advertised through Jobcentre Plus had significantly reduced. During 2011, however, the number of notified vacancies across Cambridgeshire increased steadily with a peak of 4,100 full-time vacancies in October, and continued to increase during 2012, with a peak of 4,200 full-time vacancies in September.

Longer-Term Opportunities

Looking further forward, the local focus group highlighted opportunities from the *New Industry*, *New Jobs* growth sectors and the high-tech cluster sectors of biotechnology, software, instruments and engineering, ICT non-software, sound and imaging, materials, printing and packaging, and environmental goods and services. However, it was recognised that the number of lower-skilled jobs within these sectors may be limited. The local construction industry is also expected to pick up – especially with the first phase of the new development at Northstowe, where there are plans for approximately 10,000 new homes ultimately. Beyond these, the *Greater Cambridge Sub-Regional Economic Strategy 2009-2012* put forward the following potentially important sectors.

- **Health** – linked to the biotechnology cluster.
- **Tourism and hospitality** – with particular benefits flowing from the 2012 Olympics and legacy.
- **Creative industries** – in particular publishing, computer games and software.
- **Agriculture** – remains an important sector with future opportunities from building on the existing success of the agri-business sector and in diversifying into biorenewables.

Accessibility and Quality of Life

Cambridgeshire is partly a rural county. The rural geographies have low population densities and this impacts on residents' access to jobs and education, training and employability services (EP Study 2009¹³).

Rural communities are characterised by low levels of economic participation due to the lack of local opportunities. Limited access to jobs and education, training and employability services means individuals without access to private transport and on low incomes are particularly affected. Many young people move away from rural areas because of the limited job opportunities. Access to transport is likely to be a key barrier to the economic participation rate in rural areas. In Cambridgeshire 17% of the economically inactive 16 to 74 year olds live in a household without access to a private car (2001).

¹³ <http://www.eeda.org.uk/3411.asp>

Unemployment, Economic Inactivity and Receipt of Benefits

Unemployment and Economic Inactivity

Box 4: The workless population

The workless population is defined as all those people who are out of work but would like a job. This can include those labelled as 'economically inactive' in addition to the unemployed, labelled as 'economically active'.

A person is economically inactive if they are out of work and not seeking or available for work. This may be because, for example, they are a student; they are looking after their home or family or unable to work through sickness or disability. People who are unemployed are considered economically active. To be unemployed, a person must be out of work but available to start work in the next two weeks. They may be waiting to start a job or they may have been actively seeking work in the last four weeks.

Traditionally, the economically active population was thought to form the potential labour supply in an area, however more recently it has been acknowledged that a proportion of the economically inactive may wish/be able to work if they were given the right opportunity.

Box 5: Sources of unemployment estimates

A number of different data sources can be used to measure or track unemployment. The Jobseeker's Allowance claimant count has traditionally been the official measure of unemployment. This is, however, a 'narrow' measure of unemployment, as it only includes those people who are actually entitled to claim, and do claim, Jobseeker's Allowance. This measure does not include those people who do not claim or are not entitled to claim, but who are actively seeking work. The Jobseeker's Allowance claimant count remains a useful indicator as counts are released monthly and for small areas; this data source will therefore be considered later in this section.

Unemployment in labour market terms has an internationally agreed definition as recommended by the International Labour Organisation (ILO). Unemployment in this context refers to people without a job, who want a job, who have actively sought work within the last four weeks and are available to start work in the next two weeks; it also refers to people who have found a job and are waiting to start in the next two weeks. The percentage of economically active people who are unemployed by this definition is now considered to provide a more realistic indication and measure of 'true' unemployment.

The ONS Annual Population Survey provides estimates of unemployment along with data on economic activity and inactivity as presented elsewhere in this report. As the APS has a relatively small sample size, however, and as the unemployed form only a small proportion of the population, measures from the APS can be prone to fluctuation and unreliability. To overcome this, the Office for National Statistics has developed a statistical model that provides more robust estimates of unemployment for local authorities by 'borrowing strength' from claimant count data. The model-based unemployment estimates cannot be broken down by population characteristics; however, therefore although the model-based estimates are the most reliable, data from the APS are also presented in this section.

47,900 workless individuals and 29,300 workless households.

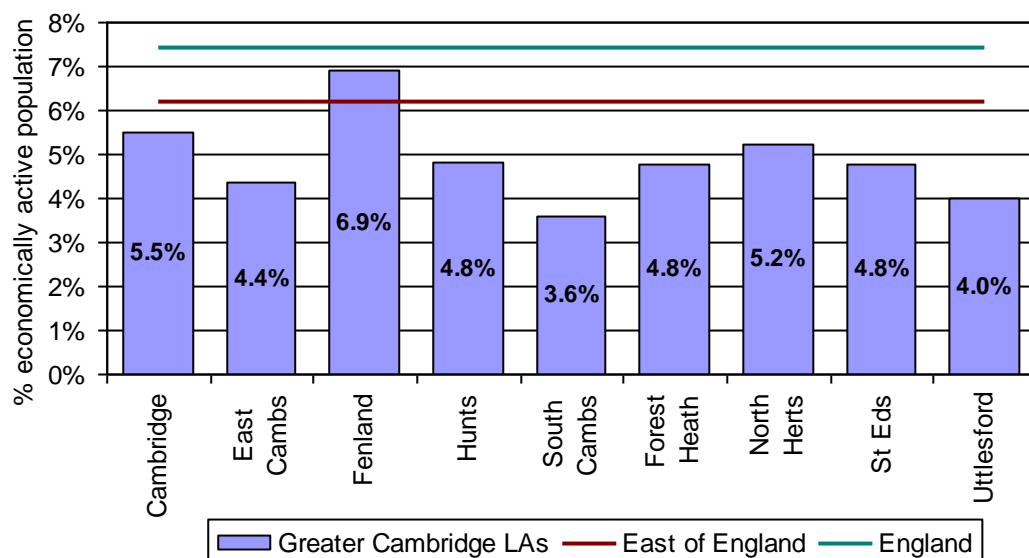
The unemployment rate in Fenland is close to the national average of around 8% of the economically active population. Unemployment across the rest of the county is relatively low and relatively low economic inactivity rates across most Cambridgeshire districts means that there should be more opportunity to get the estimated 47,900 residents who are workless into jobs when the economy recovers, providing they have the right skills. There are currently 29,300 households within the county that include at least one person aged 16 to 64, where no individuals aged 16 and over are in employment.

In 2011, unemployment across all Cambridgeshire districts was below the national average of 7.4%. The district with the highest rate of unemployment is Fenland, where 6.9% of the economically active

population aged 16 to 74 is unemployed. Within the county, unemployment is lowest in South Cambridgeshire at 3.6%.

Figure 27: Unemployment rate (% of economically active resident population aged 16-74)

Source: Census 2011



Census 2011 figures suggest that men are slightly more likely to be unemployed than women in Cambridgeshire.

A slightly lower proportion (28.0%) of Cambridgeshire's population aged 16 to 74 was economically inactive in 2011 than was the case regionally (28.4%). Cambridge City had a much higher level of economic inactivity (36.0%), this is mainly explained by Cambridge's student population, whilst South Cambridgeshire had a low figure (23.8%), demonstrating the variation within the county of Cambridgeshire.

Economic inactivity is defined as being out of work and not seeking work or being unavailable to start work, however, the Census does not ask those identified as economically inactive whether they want a job. For Cambridgeshire, the Annual Population Survey for Oct-11 to Sep-12 estimates that 29.2% of the economically inactive population wanted a job.

Combining the economically inactive wanting a job with the total number of unemployed gives an indicative figure of just under 48,000 working age residents who are currently without work but who may be able to work, given the right opportunity.

Figure 28: Workless households as percentage of all households 2004-2011

Source: ONS Household Annual Population Survey

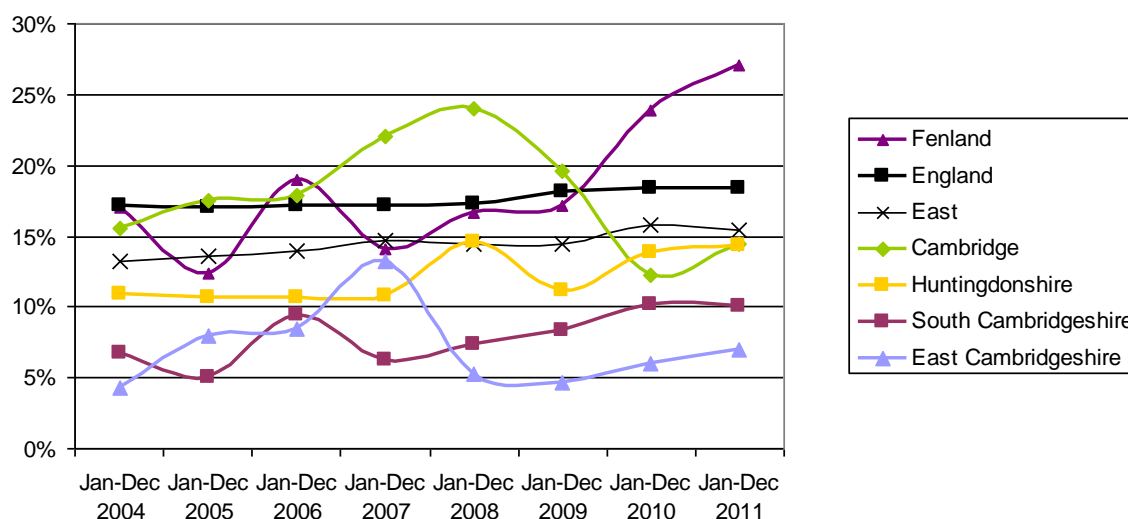


Table 15: Number of workless households and workless households as % of all households 2004-2011

Source: ONS Household Annual Population Survey

Area	Annual Population Survey 2004		Annual Population Survey 2011		Change 2004-2011	
	number	%	number	%	number	%
Cambridge	5,400	15.6%	6,500	14.4%	1,100	20.4%
East Cambridgeshire	1,000	4.3%	2,000	7.0%	1,000	100.0%
Fenland	4,500	17.0%	7,900	27.1%	3,400	75.6%
Huntingdonshire	6,300	10.9%	8,300	14.3%	2,000	31.7%
South Cambridgeshire	3,000	6.7%	4,700	10.1%	1,700	56.7%
Cambridgeshire	20,200	10.8%	29,300	14.2%	9,100	45.0%
Forest Heath	1,700	8.0%	2,500	10.5%	800	47.1%
North Hertfordshire	3,700	9.4%	5,300	12.7%	1,600	43.2%
St Edmundsbury	4,700	13.7%	5,900	15.8%	1,200	25.5%
Uttlesford	2,800	12.2%	2,600	10.6%	-200	-7.1%
Greater Cambridge	33,100	10.9%	45,700	13.7%	12,600	38.1%
Greater Cambridge	50,900	12.3%	62,800	14.1%	11,900	23.4%
Greater Peterborough						
East	236,700	13.2%	296,600	15.4%	59,900	25.3%
England	2,818,400	17.1%	3,178,800	18.4%	360,400	12.8%

A workless household is a household where no individual aged 16 to 64 and living within the household is currently in employment. Table 15 shows that the number of workless households has increased across the county between 2004 and 2011, from around 20,200 workless households in 2004 to around 29,300 workless households in 2011. East Cambridgeshire saw the highest increase in the rate of workless households; however this is because the numbers it has in both years are low. It actually had the lowest number of workless households in both 2004 and 2011. Huntingdonshire has seen the biggest increase in the number of workless households from 2004 to 2011 which was around 3,400; this resulted in a percentage increase of nearly 76%.

Economic Inactivity and Unemployment by Ethnic Group

Minority groups face increased barriers to work.

The ethnic minority population in Cambridgeshire is growing. For ethnic minorities, language barriers and cultural issues can make it difficult for individuals to engage in economic activity, resulting in overrepresentation of some ethnic minority groups in the economically inactive and unemployed population.

For ethnic minorities, language barriers and cultural issues can make it difficult for individuals to engage in economic activity. Also inflexible and below standard support provision allied with cultural misconceptions can limit the opportunities available (East of England Economic Participation Study 2009¹⁴).

Figure 29 compares levels of economic inactivity by ethnic group in Cambridgeshire, the East of England and England. Across both the region and the country, ethnic minorities are less likely to be economically inactive than the White population, however this masks some variation between ethnic minority groups. Both regionally and nationally the rates are highest among the Pakistani/Bangladeshi population, which reflects particularly low economic activity among women. However in Cambridgeshire, the Other ethnic group population has the highest rate of economic inactivity. Economic inactivity rates are particularly low in the Indian and Black/Black British populations across all three areas.

¹⁴ <http://www.eeda.org.uk/3411.asp>

Figure 29: Economic inactivity (% of population aged 16+) by ethnic group

Source: Census 2011

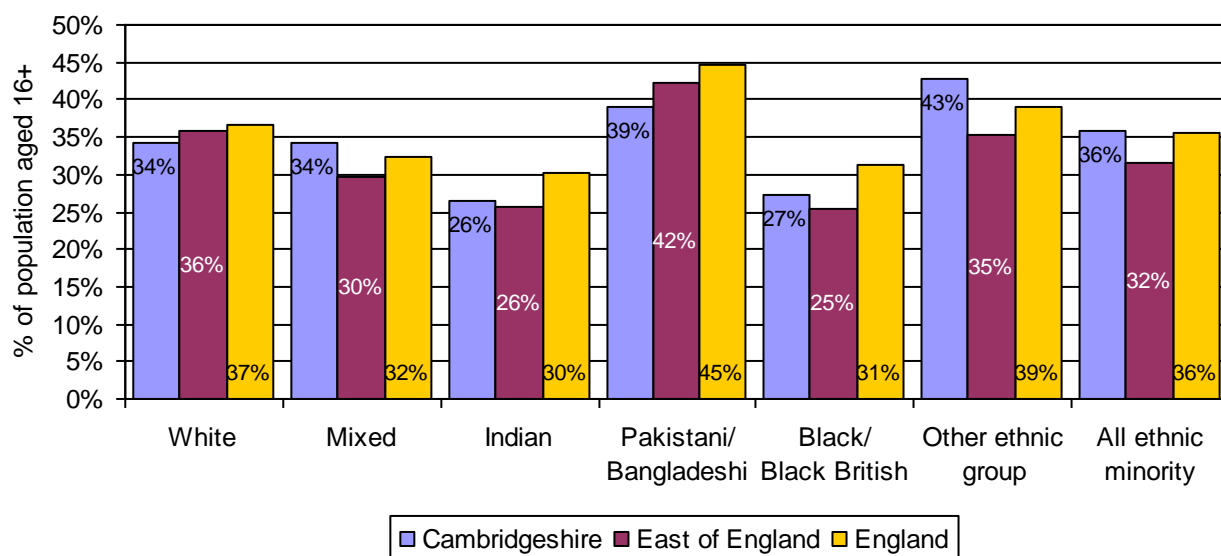


Figure 30 compares levels of unemployment by ethnic group across Cambridgeshire, the East of England and England. For all three areas, people from ethnic minority groups are more likely to be unemployed than the White population. In each area, unemployment is particularly high in the Mixed, Pakistani/Bangladeshi and Black/Black British populations.

Figure 30: Unemployment (% of economically active population aged 16+) by ethnic group

Source: Census 2011

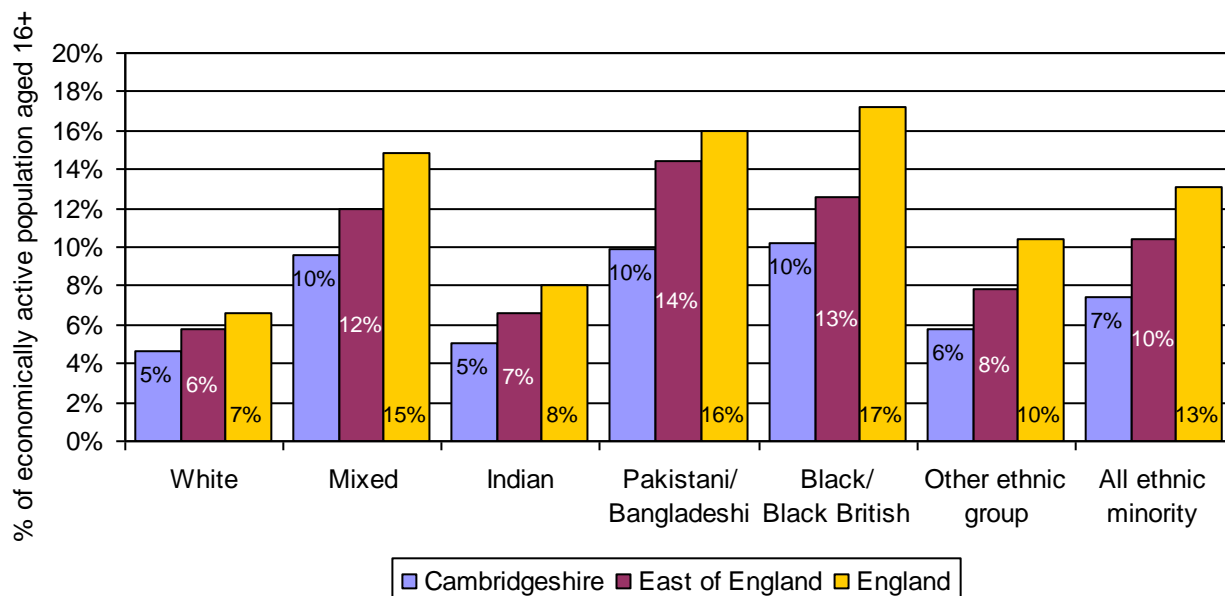


Table 16 compares summary measures of economic inactivity and unemployment by ethnic group. Across Cambridgeshire, ethnic minorities make up 6.8% of the population aged 16 and over, but represent 7.1% of the economically inactive population and 10.2% of the unemployed population. This means that ethnic minority groups are over-represented among those economically inactive. Similarly, while 34.2% of the White population is economically inactive, the proportion among ethnic minorities is 35.9%; and while the Census indicates that 4.7% of the White economically active population is unemployed, the comparable figure among ethnic minority groups is 7.4%.

Table 16: Economic inactivity and unemployment by ethnicity

Source: Census 2011

Note: Economic activity rate is as % of population aged 16+; unemployment rate is as % of economically active population aged 16+

Area/ethnic group	% of population aged 16+ from ethnic group	% of econ inactive population from ethnic group	% of unemployed population from ethnic group	Economic inactivity rate of ethnic group	Unemployment rate of ethnic group
Cambs White	93.2%	92.9%	89.8%	34.2%	4.7%
Cambs ethnic minority	6.8%	7.1%	10.2%	35.9%	7.4%
East White	92.0%	92.9%	85.8%	35.8%	5.8%
East ethnic minority	8.0%	7.1%	14.2%	31.5%	10.4%
England White	87.1%	87.4%	76.9%	36.5%	6.5%
England ethnic minority	12.9%	12.6%	23.1%	35.6%	13.1%

Disability

High level of disability and incapacity benefit claimants in Fenland.

Nearly one in three Fenland working age residents consider themselves disabled according to the Annual Population Survey; considerably more than the national average of one in five. The disabled populations of all districts, excluding Fenland, are more likely to be in employment than is the case nationally. The high level of disability reported in Fenland reflects a particularly high proportion of residents claiming Incapacity Benefit/Employment and Support Allowance.

When responding to the Annual Population Survey, 22.5% of working age Cambridgeshire residents consider themselves to have a work limiting disability and/or current disability that affects their day to day activities. This is similar to the national average. Rates vary from 15% in South Cambridgeshire to 33% in East Cambridgeshire, although it should be noted that these estimates are based on relatively small sample sizes.

In all districts across Cambridgeshire other than Fenland, the economic activity and employment rates among disabled people are higher than seen nationally, although the rates are lower than those of non-disabled people for all districts.

Within Cambridgeshire, Fenland shows the lowest rates of economic activity and employment among disabled people, while South Cambridgeshire shows the highest economic activity and employment rates.

Table 17: Economic activity and employment among disabled people (% of population aged 16-64)

Source: ONS Annual Population Survey, Oct-11 to Sep-12

Area	% of Working Age Population that is Disabled	Economic Activity Rate		Employment Rate	
		Disabled	Non-Disabled	Disabled	Non-Disabled
Cambridge	19.4%	61.9%	77.9%	59.4%	73.5%
East Cambridgeshire	32.8%	72.3%	85.2%	66.2%	78.3%
Fenland	31.0%	48.0%	81.8%	44.9%	68.3%
Huntingdonshire	22.2%	70.0%	84.6%	65.6%	79.7%
South Cambridgeshire	14.8%	76.4%	84.3%	72.8%	79.0%
Cambridgeshire	22.5%	65.7%	82.7%	61.7%	76.5%
Forest Heath	15.6%	62.8%	93.0%	57.2%	87.6%
North Hertfordshire	17.6%	67.1%	79.9%	61.5%	70.2%
St Edmundsbury	19.0%	78.5%	90.2%	68.4%	86.9%
Uttlesford	17.4%	78.2%	88.8%	78.2%	87.8%
Greater Cambridge	20.7%	67.6%	84.3%	63.1%	78.4%
Greater Cambridge					
Greater Peterborough	21.4%	64.4%	84.0%	58.3%	78.3%
East	19.8%	63.7%	84.0%	57.1%	78.6%
England	20.4%	56.1%	82.3%	49.4%	76.3%
United Kingdom	20.7%	55.0%	82.4%	48.3%	76.3%

Out-of-Work Benefits Claimants

Box 6: Out-of-work benefits

Out-of-work benefits claimants include both those individuals classed as economically active (job seekers) and economically inactive (incapacity benefits claimants, lone parent claimants and others on income related benefits). More information on individual benefits can be found later in this section.

Worklessness concentrated in the west and north.

Huntingdonshire and Fenland account for over 50% of the county's out-of-work benefits claimants. A high proportion of Fenland's working age residents claim Employment and Support Allowance/Incapacity Benefit (ESA/IB) compared with local, regional and national figures. This reflects high levels of job loss and unemployment going back to the 1980s when claimants were first shifted onto Incapacity Benefit, and a traditional industrial structure of manual labour in sectors such as farming and manufacturing.

Table 18 below shows the total number of out-of-work benefits claimants, grouped by their primary benefit as determined by the Department for Work and Pensions. In practice there could be more individuals claiming lone parent or other income related benefits but if they also claim Jobseeker's Allowance (JSA) or ESA/IB they are grouped under one of these two headings in order to avoid double counting. Huntingdonshire and Fenland have the largest numbers of benefits claimants. Over 7,000 more residents claim Employment and Support Allowance or Incapacity Benefit as claim Jobseeker's Allowance.

Table 18: Out-of-work benefits claimants and claimants as % of population aged 16-64 in February 2012

Source: DWP Benefits

Area	Economically Active		Economically Inactive						Total Out-of-Work Benefits	
	Out-of-Work Benefits Claimants									
	Job Seeker	ESA and Incapacity Benefits	Lone Parent		Others on income related benefit					
Claimants % of pop	Claimants % of pop	Claimants % of pop	Claimants % of pop	Claimants % of pop	Claimants % of pop	Claimants % of pop	Claimants % of pop			
Cambridge	1,800	2.0%	3,400	3.8%	700	0.7%	200	0.2%	6,100	6.8%
East Cambridgeshire	1,200	2.2%	1,800	3.4%	400	0.7%	100	0.2%	3,500	6.6%
Fenland	2,300	3.8%	4,100	6.9%	900	1.5%	300	0.5%	7,500	12.7%
Huntingdonshire	2,700	2.5%	4,300	3.9%	1,000	0.9%	300	0.3%	8,200	7.5%
South Cambridgeshire	1,300	1.4%	2,900	3.0%	600	0.6%	200	0.2%	4,900	5.1%
Cambridgeshire	9,300	2.3%	16,500	4.0%	3,500	0.9%	1,000	0.3%	30,300	7.4%
Forest Heath	1,000	2.5%	1,500	3.9%	400	0.9%	200	0.4%	3,000	7.8%
North Hertfordshire	2,000	2.5%	3,100	3.8%	900	1.1%	200	0.2%	6,200	7.7%
St Edmundsbury	1,800	2.5%	2,700	3.9%	600	0.9%	200	0.3%	5,300	7.6%
Uttlesford	800	1.6%	1,400	2.7%	300	0.6%	100	0.2%	2,600	5.2%
Greater Cambridge	14,900	2.3%	25,200	3.9%	5,600	0.9%	1,700	0.3%	47,400	7.3%
Greater Cambridge Greater Peterborough	24,500	2.8%	39,600	4.5%	9,100	1.0%	2,600	0.3%	75,800	8.6%
East	121,600	3.3%	182,000	4.9%	46,100	1.2%	13,400	0.4%	363,000	9.8%
England	1,356,600	3.9%	2,094,900	6.1%	507,000	1.5%	146,200	0.4%	4,104,700	12.0%

Table 18 also shows that although the numbers claiming Employment and Support Allowance or Incapacity Benefit are very similar in Fenland and Huntingdonshire, the claimants make up a significantly larger proportion of the working age population in Fenland. All other benefit claimant categories within Fenland are at proportions just slightly higher than national figures. Fenland has significantly higher proportions of claimants in all categories compared to other districts across Cambridgeshire.

Jobseeker's Allowance Claimants

Box 7: Jobseeker's Allowance

Jobseeker's Allowance (JSA) is the main benefit for people of working age who are out of work. To qualify, recipients must be: available for and actively seeking work; between 18 and State Pension age; and working less than 16 hours per week on average. Recipients must be capable of work – those too ill to work may now receive Employment and Support Allowance (ESA) or other benefits for people who are sick or disabled.

JSA claimants are considered a 'narrow' measure of unemployment. As not all unemployed people claim JSA, claimant rates are lower than shown by 'broad' measures such as the ONS model-based estimates.

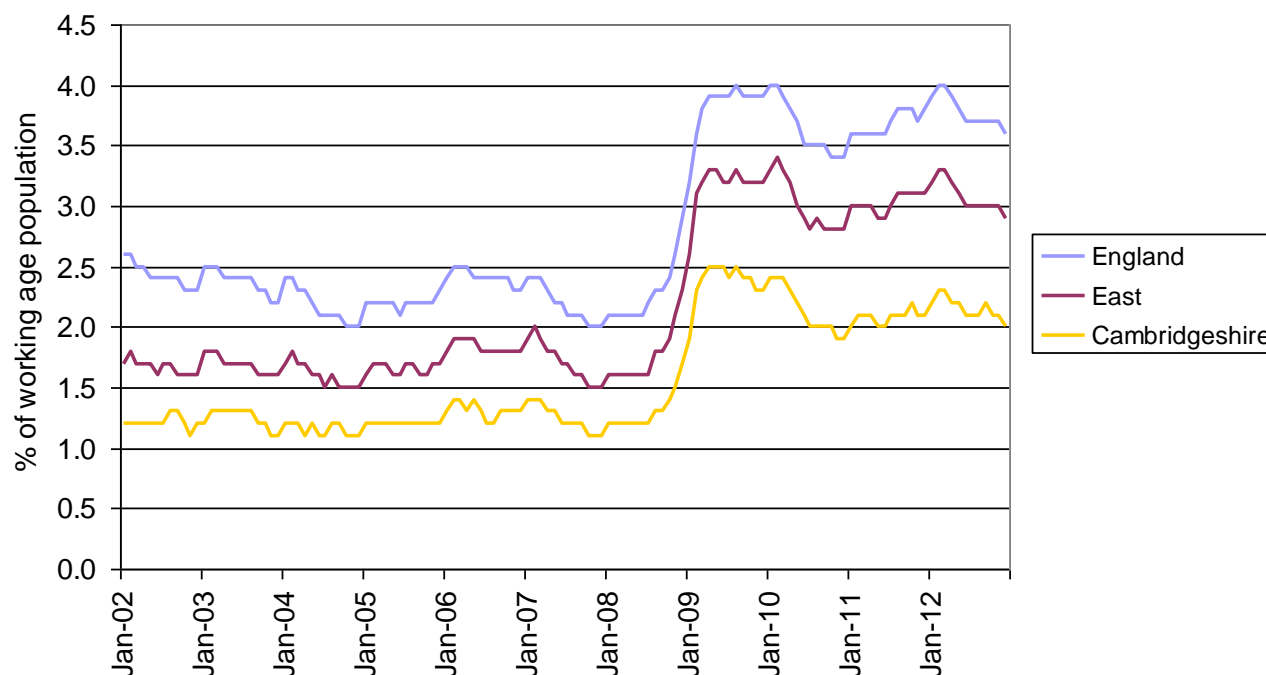
Increasing employment inequalities.

The highest increases in JSA claimant rate have occurred in those areas with the highest rates, notably Fenland, specifically Wisbech and March, along with parts of St Neots and Littleport. The recession is therefore likely to have increased employment inequalities across the county and employability service provision needs to reflect this. Younger (18-24) claimants are over-represented within the JSA claimant population, particularly in Fenland where the resident age profile is older than average. Data suggests that a significant proportion of ethnic minority unemployed people are not claiming benefits, meaning they are unlikely to be engaging with mainstream employability provision. One impact of the recession has been many people taking jobs lower than their skill level, impacting negatively on people with lower skills levels competing for the same jobs.

Figure 31 shows the trend in the proportion of the working age population claiming Jobseeker's Allowance over the last eleven years. JSA claimant rates in Cambridgeshire continue to be below the national average, however nationally, the claimant rate fell slightly over much of the decade, narrowing the gap relative to Cambridgeshire, and then increased sharply in 2008/09 as the effects of the recession were felt throughout the country. Post recession, rates in Cambridgeshire have been consistently lower and have increased less than nationally but still continue to rise.

Figure 31: Jobseeker's Allowance claimants as % of population aged 16-64 2002-2013

Source: ONS Claimant Count



As displayed in Table 19 and Figure 32, the recession has had varying impacts on the Cambridgeshire districts in terms of the claimant count rate.

Table 19: Number of Jobseeker's Allowance claimants, December 2011 to December 2012

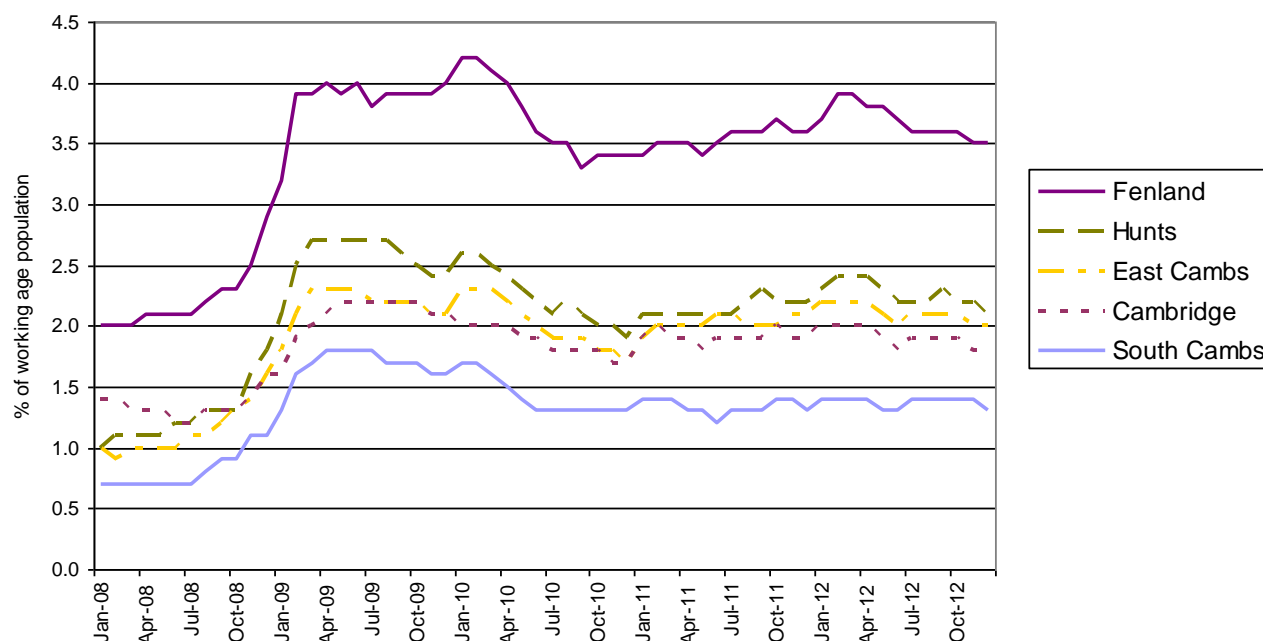
Source: ONS Claimant Count

Area	Number of Claimants					% Change Dec-11 to Dec-12
	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	
Cambridge	1,678	1,830	1,669	1,693	1,645	-2.0%
East Cambridgeshire	1,130	1,163	1,076	1,128	1,076	-4.8%
Fenland	2,107	2,293	2,210	2,139	2,055	-2.5%
Huntingdonshire	2,366	2,689	2,397	2,507	2,284	-3.5%
South Cambridgeshire	1,280	1,379	1,237	1,350	1,264	-1.3%
Cambridgeshire	8,561	9,354	8,589	8,817	8,324	-2.8%
Forest Heath	885	1,019	902	887	892	0.8%
North Hertfordshire	1,890	2,039	1,889	1,942	1,936	2.4%
St Edmundsbury	1,624	1,774	1,652	1,645	1,560	-3.9%
Uttlesford	827	832	688	704	742	-10.3%
Greater Cambridge	13,787	15,018	13,720	13,995	13,454	-2.4%
Greater Cambridge Greater Peterborough	22,160	24,722	23,039	23,353	22,271	0.5%
East	114,215	123,131	112,772	111,895	109,273	-4.3%
England	1,293,890	1,370,504	1,282,669	1,274,291	1,248,667	-3.5%

All Greater Cambridge districts except Forest Heath and North Hertfordshire have shown a percentage drop in the claimant count between December 2011 and December 2012. The drop has been most pronounced in Uttlesford, where the number of claimants reduced by 10%. The increases in claimants in Forest Heath and North Hertfordshire have been slight, at 0.8% and 2.4% respectively. However, as a whole the number of claimants in Greater Cambridge has decreased. Within Cambridgeshire, only the number of claimants in East Cambridgeshire has dropped by more than the national average, although in Huntingdonshire the percentage change was the same as seen nationally.

Figure 32: Cambridgeshire's Jobseeker's Allowance claimants as % of population aged 16-64

Source: ONS Claimant Count

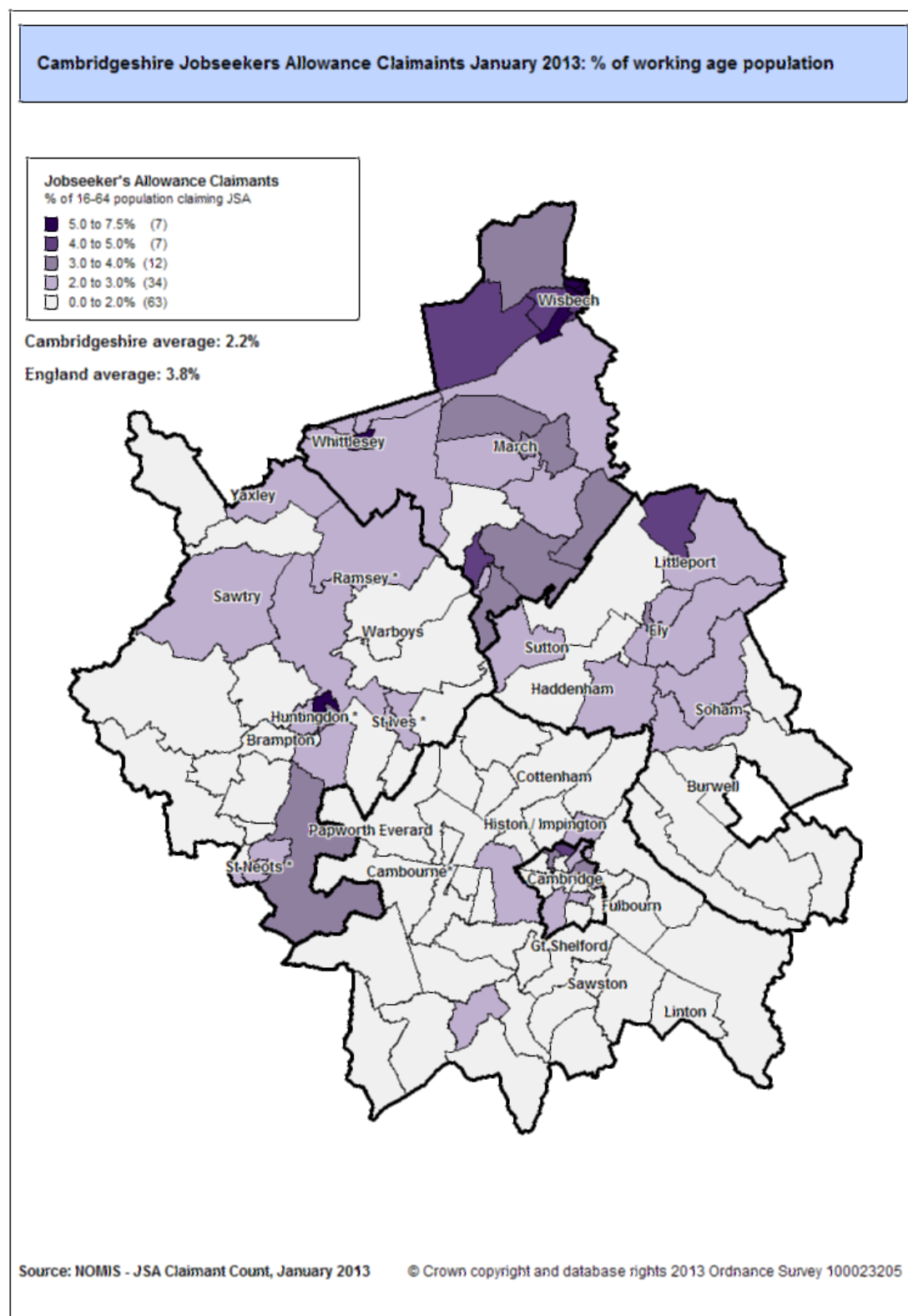


Another impact of the recession has been underemployment. The recession has caused more people to take on jobs below their skill level, impacting negatively on individuals with lower skills competing for the same jobs. Furthermore, many individuals are being encouraged or choosing to undertake Level 4 qualifications even when their desired job doesn't require it.

The distribution of JSA claimants within Cambridgeshire is explored further in Map 4, which compares the claimant rate across the county's electoral wards. This shows that the claimant rate is low (under 2%) across most of South Cambridgeshire and rural parts of East Cambridgeshire and Huntingdonshire. Areas where the rate is similar to or higher than the national average are concentrated in the north of Cambridge, Huntingdon North, parts of March, Chatteris and Whittlesey and much of Wisbech and its surrounding rural area.

Map 4: % of population aged 16-64 (working age) claiming JSA by ward, January 2013

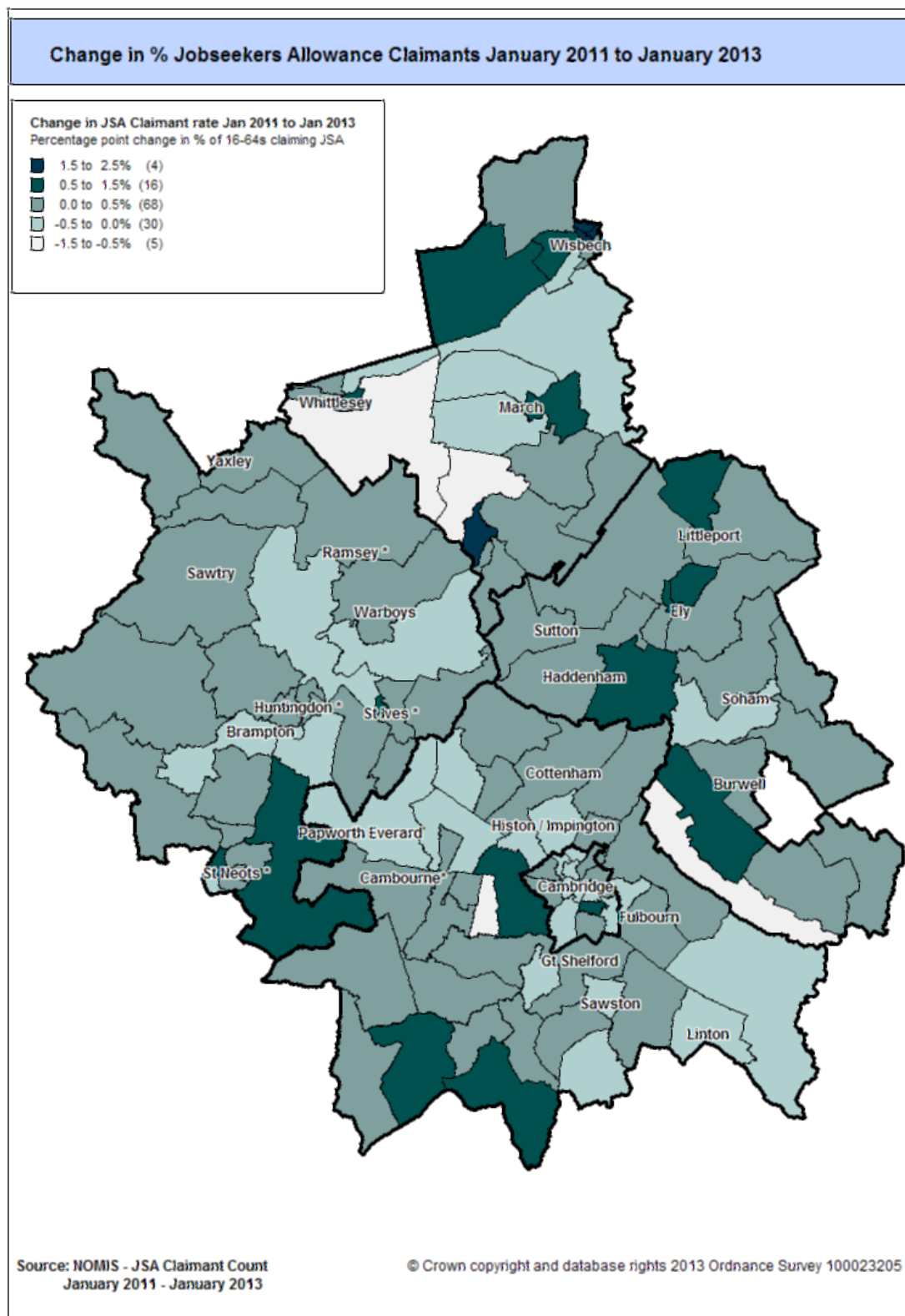
Source: ONS Claimant Count



Map 5 shows the percentage point change in the claimant rate over the two years from January 2011 to January 2013. The highest increases between 2011 and 2013 were concentrated in the areas with the highest rates, notably Fenland along with parts of St Neots and Littleport. The implication of this is that the recession had a more profound impact on communities that were already doing less well. In this sense the recession is likely to have increased inequalities across the county. Between 2011 and 2013, however, Map 5 shows that the claimant rate fell in some of these areas, most notably in Doddington and Benwick, Coats and Eastrea wards, although the rate continued to rise in other areas, such as parts of Wisbech and around March.

Map 5: Percentage point change in the JSA claimant rate by ward, January 2011-January 2013

Source: ONS Claimant Count



In January 2013, around 65% of JSA claimants are male in all Cambridgeshire districts, reflecting the national trend. The majority of JSA claimants are in the 25-49 age bracket, however, the 16-24 age bracket is disproportionately represented with around a quarter of all claimants falling into this category across the county. Fenland and East Cambridgeshire have particularly high proportions of younger claimants (18-24) at 30.2% and 29.4% respectively. The distribution of claimants across all age groups shows a peak in the 18-24 category and a positive skew towards the older age groups.

Incapacity Benefit, Severe Disablement Allowance & Employment and Support Allowance Claimants

Box 8: Incapacity Benefits

Incapacity Benefit (IB) is a payment for people who become incapable of work while under State Pension age. Employment and Support Allowance (ESA) was introduced on 27 October 2008 and replaces Incapacity Benefit for new claimants. Existing IB recipients moved to the new benefit between 2010 and 2013. Severe Disablement Allowance (SDA) has not been available to new claimants since 2001, but some people who began claiming prior to then still receive it. New claimants would since have received IB and subsequently ESA instead.

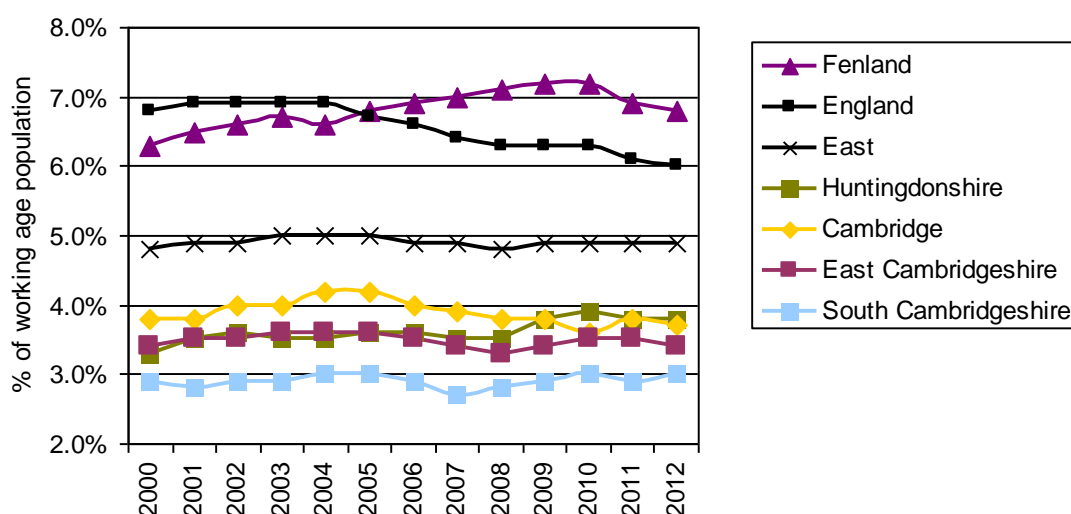
The number of residents claiming out-of-work benefits increased steadily from 2000, with a sharp increase from 2008 to 2009 caused by increased numbers of JSA claimants, reflecting the impact of the recession. The number of residents claiming out-of-work benefits continues to rise slowly.

Employment and Support Allowance/Incapacity Benefit (ESA/IB) claimants form a significant proportion of all out-of-work benefits claimants and are responsible for much of the steady increase from 2000, yet as a proportion of the working age population, the ESA/IB claimant rate has remained fairly constant across most districts in Cambridgeshire apart from Fenland.

Until 2010, the number of ESA/IB claimants in Fenland increased at a faster rate than any other district in the sub-region. Since 2010, Fenland has seen a marked decrease in the percentage of the working age population claiming ESA/IB, dropping 0.4 percentage points. However this is partly as a result of an increase in the working age population, as the number of claimants has stayed fairly steady. The rate drop in Fenland mirrors a similar steady decrease seen nationally.

Figure 33: Incapacity Benefit & Employment and Support Allowance claimants as % of population aged 16-64 2000-2012

Source: DWP Benefits



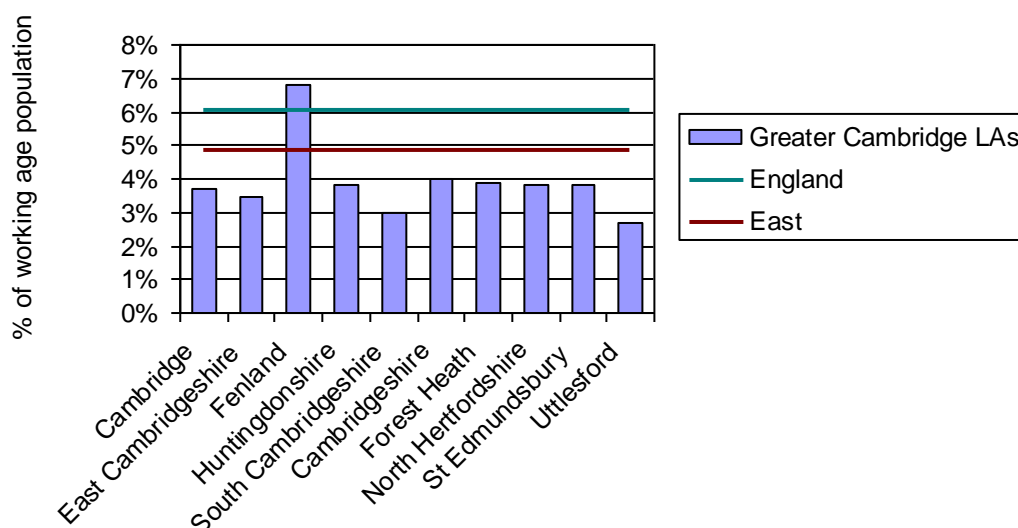
Long term claimants – variations in pattern and nature of ESA/IB claims between Fenland and Cambridge City.

Almost 7% of Fenland's working age population claim IB/SDA/ESA, more than 4,000 individuals. Almost half of these claimants have been claiming for over five years. A high proportion of Fenland based IB/ESA claims are for musculoskeletal disorders, reflecting the district's background in agriculture and heavy industry. A high proportion of Cambridge City based IB/ESA claims are for mental/behavioural disorders. Cambridge City also has a high proportion of male IB/ESA claimants aged between 25 and 49. Provision of support for IB/ESA clients needs to ensure it is sensitive to these variations.

Figure 34 shows how the proportion of the working age population claiming one of these benefits varies by district. The proportion of claimants in Fenland is approaching double that of Huntingdonshire, which has the next highest proportion in the county. In contrast, the rates in South Cambridgeshire and Uttlesford are around half of the national average.

Figure 34: % of population aged 16-64 claiming IB/SDA/ESA by district in May 2012

Source: DWP Benefits



In May 2011, over half of people claiming IB/SDA/ESA across Cambridgeshire had been claiming one of these benefits for over five years and 15% began claiming within the last year.

The most common conditions associated with an IB/SDA claim in Cambridgeshire were mental and behavioural disorders. 43% of claims were made for this reason, which is a similar proportion to nationally. In Cambridge City, however, the proportion is much higher at 58%. The proportion of people claiming due to diseases of the musculoskeletal system or connective tissue disease is higher than nationally in Fenland with nearly a quarter of claimants in this category. Claims related to diseases of the nervous system are more common than nationally in Uttlesford.

Broadly the distribution across age and gender of Cambridgeshire claimants matched the national and regional distribution; however Cambridge had a particularly high proportion of male claimants aged between 25 and 49.

Welfare Reform

Changes to the welfare system brought about by the Welfare Reform Act 2012 signal some of the broadest reforms in its history. Aimed at trying to reduce the welfare bill, the Act brings about some major new changes. Briefly, some of these are:

- The introduction of Universal Credit system which will replace many existing means tested benefit schemes, including Housing Benefit, Employment and Support Allowance and Jobseeker's Allowance.
- Personal Independence Payment will replace Disability Living Allowance.
- Restrictions to Housing Benefit for social housing tenants who live in a house larger than considered necessary.
- A benefit cap of £26,000 per year (£500 per week) or £350 per week for single person households.
- A 4% real terms cut in the welfare budget overall.

Welfare reforms will affect people differently depending on the characteristics of those in question, and will rely on what combination of issues is affecting the household. Examples of factors may include, whether the house is 'under-occupied', how many hours an individual currently works, how many earners in a household, how many children are in the household or level of disability.

Research by the Institute of Fiscal Studies suggests that Universal Credit will benefit poorer families more than richer ones. In terms of family type, the research also shows that:

*"In the long run, families with children are much more likely to be affected than those without, both positively and negatively; and single-adult families are more likely to be affected than couple families, both with and without children. Lone parents are the most affected group: about 610,000 lone parents (33%) will benefit from the introduction of Universal Credit, and, in the long run, around 370,000 (20%) will lose, and about 670,000 (36%) will not be affected because of the similarity between Universal Credit and the current system (rather than because they are too rich)."*¹⁵

Crucial to understanding the different effects that Universal Credit will have on families, is employment status. If families have no adults in work, they are more likely to have a negative change in income than those with a single adult in work. Those with two adults in work are less likely to be affected because they are less likely to be entitled to any kind of benefit.

Importantly, the report raises concerns regarding the part local authorities will play in the reform of the Council Tax Benefit. Although no details have been released, Council Tax Benefit is to be localised from 2013-14 with local authorities responsible for administering and implementing their own scheme. In more detailed analysis, Adam and Browne¹⁶ propose that a localised Council Tax Benefit can be a positive by allowing more flexibility to pursue local priorities and to learn to improve systems through comparison with other authorities. However, the authors also highlight potentially more significant disadvantages. Reductions in transparency, combined with the increase in bureaucracy brought about by the administration of hundreds of schemes could undermine the simplification brought about by Universal Credit. Furthermore, there is the danger Council Tax Benefit policies set independently by Local and National Government could be used to offset one another.

¹⁵ Brewer, Browne and Jin (2011): *Universal Credit: A Preliminary Analysis*, Institute of Fiscal Studies <http://www.ifs.org.uk/bns/bn116.pdf>

¹⁶ Adam and Browne (2012): *Reforming Council Tax Benefit*, Institute of Fiscal Studies <http://www.ifs.org.uk/comms/comm123.pdf>

Indices of Deprivation 2010

The Indices of Deprivation, published by Communities and Local Government, present a comprehensive measure of relative deprivation across small areas of England. The Indices contain seven 'domains' of deprivation, which are combined to give the overall Index of Multiple Deprivation (IMD). The IMD allows direct comparison between areas while recognising the multidimensional nature of deprivation. The seven individual domains are: income deprivation; employment deprivation; health deprivation and disability; education, skills and training deprivation; barriers to housing and services; living environment deprivation; and crime.

The Indices of Deprivation measure deprivation at lower super output area (LSOA) level. Each LSOA is made up of a grouping of Census output areas and contains, on average, about 1,500 residents. There are 365 LSOAs in Cambridgeshire and 32,482 in England. Each domain of the Indices is composed of a number of different indicators, which are combined to give each LSOA a score. The scores are then ranked, with the LSOA ranked 1 being the most deprived. It is this *relative* position that is key to the Indices of Deprivation; the scores do not allow absolute deprivation to be determined, but allow comparison of an area's deprivation relative to other areas.

Fenland wards among most deprived in the country.

There is a clear geographical pattern to deprivation in Cambridgeshire, with more deprived areas clustering to the north and east of both the county and of Cambridge City, and less deprived areas clustering to the south and west. Fenland contains seven small areas among the most deprived in national terms.

Table 20 summarises the number of LSOAs in each district that fall within the most deprived 20% nationally on a selection of domains. On the overall Index of Multiple Deprivation, Fenland has seven LSOAs among the most deprived and Cambridge City has two. This means that these nine LSOAs are the only ones in the county that would be considered 'deprived' in national terms. North Hertfordshire also has one LSOA among the most deprived. More LSOAs feature among the most deprived for individual domains. 30 LSOAs in Cambridgeshire are among the most deprived nationally in terms of education, skills and training. These are mostly located in Fenland and Huntingdonshire.

Table 20: Number of LSOAs among most deprived 20% nationally

Source: CLG ID2010

Area	Total number of LSOAs	Number of LSOAs among most deprived national 20%				
		IMD	Income	Employment	Education	Health
Cambridge City	68	2		2	4	10
East Cambridgeshire	47				1	
Fenland	54	7	4	10	14	4
Huntingdonshire	106		3		11	
South Cambridgeshire	90					
Forest Heath	34				4	
North Hertfordshire	79	1	2	2	6	2
St. Edmundsbury	61		1	1	10	
Uttlesford	43					
Total	582	10	10	15	50	16

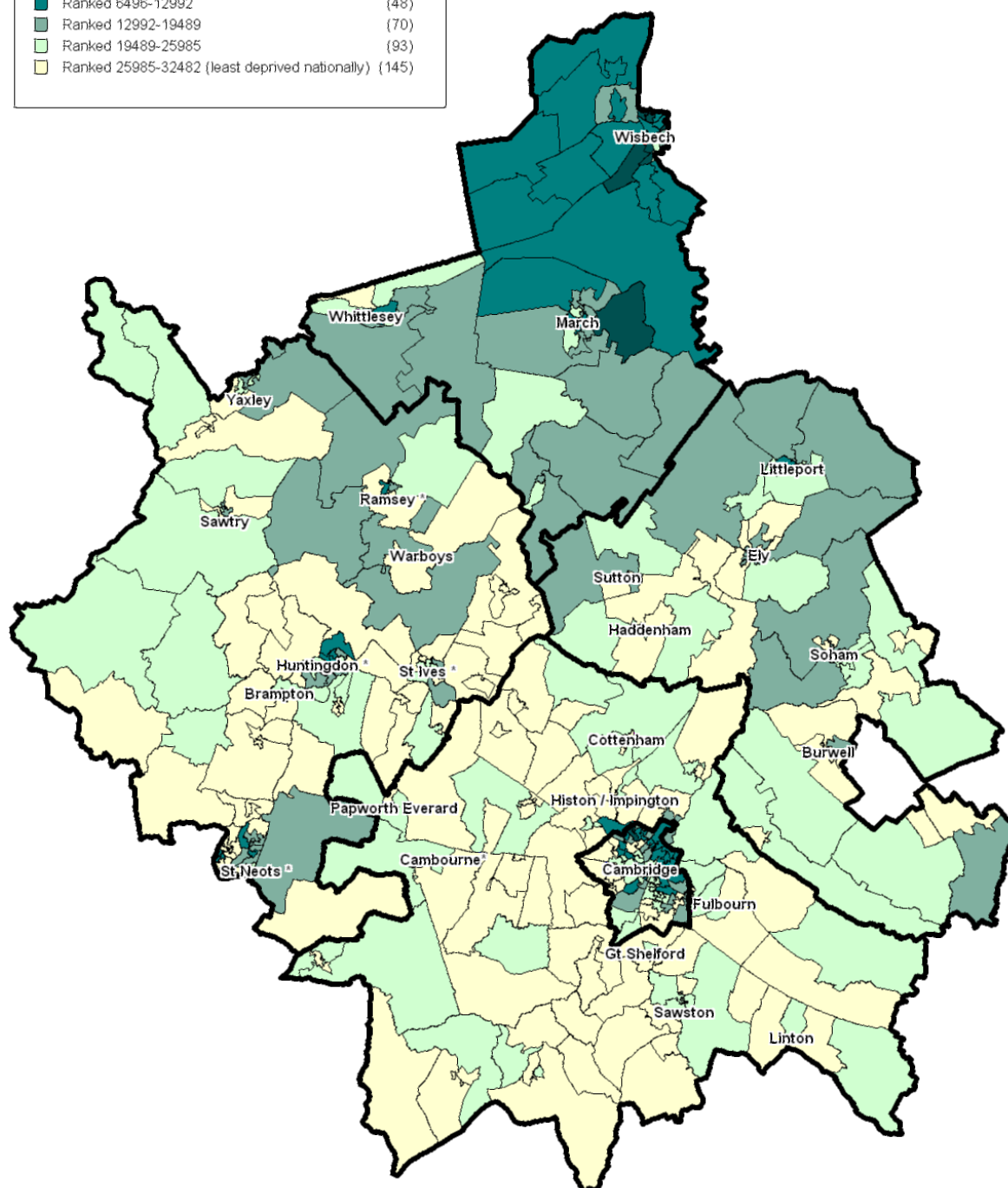
Maps 6 to 8 overleaf show the Index of Multiple Deprivation by LSOA in Cambridgeshire and a selection of individual domains. These are shaded relative to national deprivation quintiles, so only those LSOAs among the most deprived nationally are shaded the darkest colour. Overall, there is a consistent geographical pattern seen across all the maps, which is broadly shared with the income and benefit claimant maps presented previously. In all cases, areas to the north and east of the county tend to rank among the more deprived nationally, while areas to the south and west tend to rank among the less deprived. The same pattern can be seen within Cambridge City. The main exceptions to this geographical trend tend to be parts of Huntingdon and St Neots.

Map 6: Index of Multiple Deprivation 2010

Source: CLG ID2010

Indices of Deprivation 2010: Index of Multiple Deprivation, rankings relative to England**IMD national rank**

Ranked 1-6496 (most deprived nationally)	(9)
Ranked 6496-12992	(48)
Ranked 12992-19489	(70)
Ranked 19489-25985	(93)
Ranked 25985-32482 (least deprived nationally)	(145)



Source: CLG Indices of Deprivation 2010

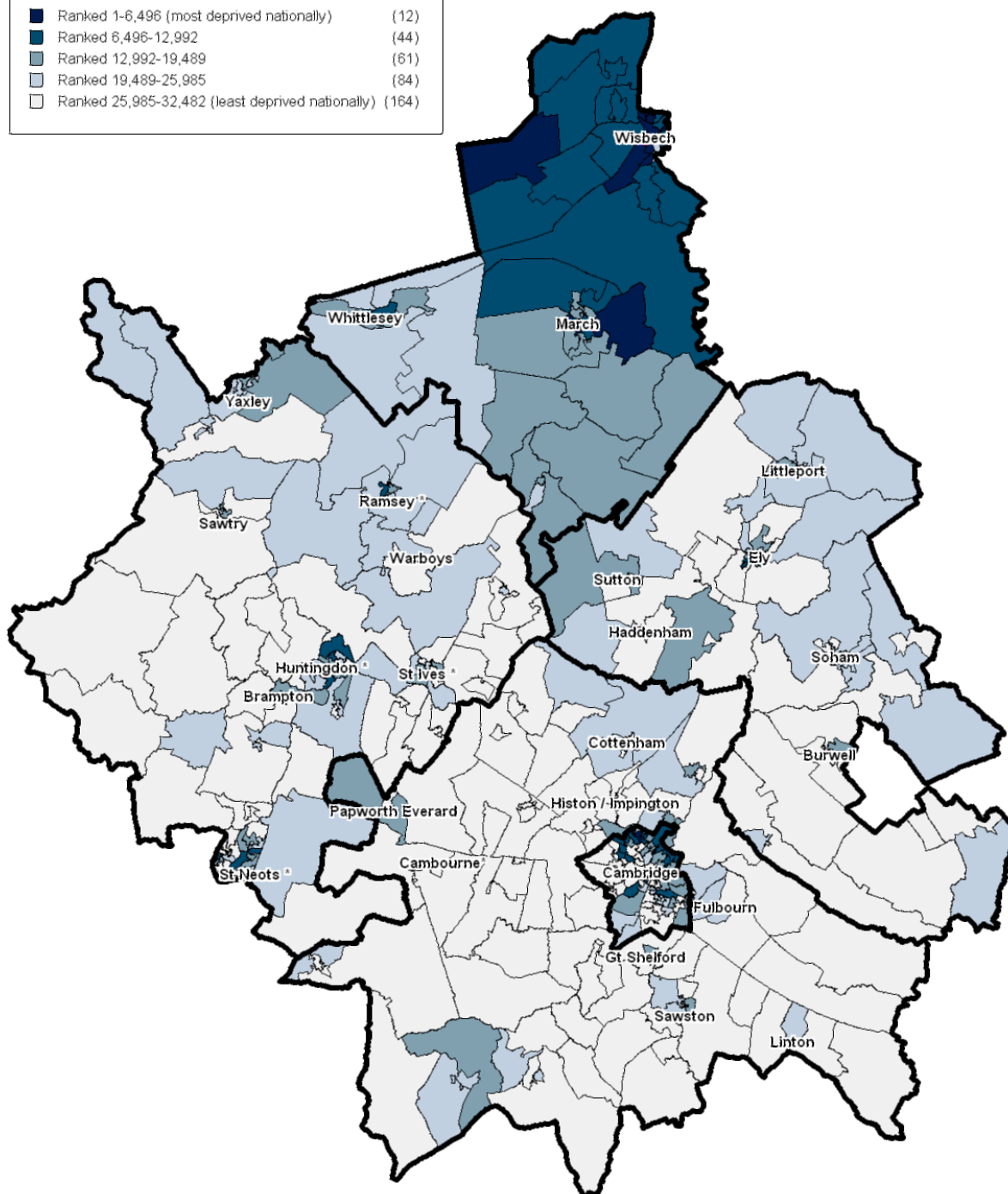
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Map 7: Employment Deprivation 2010

Source: CLG ID2010

Indices of Deprivation 2010: Employment Deprivation, rankings relative to England**Employment Deprivation National Rankings**

Ranked 1-6,496 (most deprived nationally)	(12)
Ranked 6,496-12,992	(44)
Ranked 12,992-19,489	(61)
Ranked 19,489-25,985	(84)
Ranked 25,985-32,482 (least deprived nationally)	(164)



Source: CLG Indices of Deprivation 2010

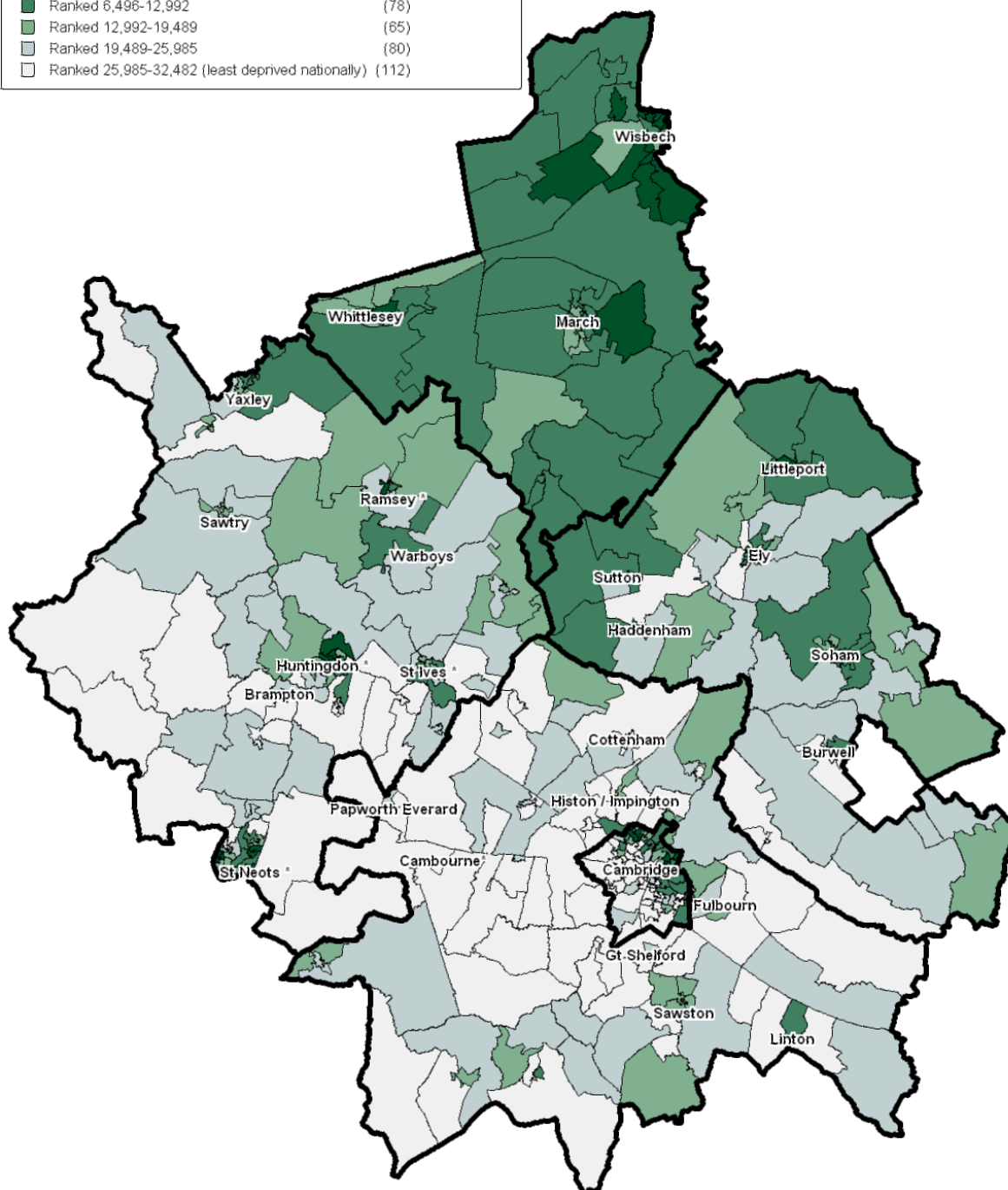
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Map 8: Education, Skills and Training Deprivation 2010

Source: CLG ID2010

Indices of Deprivation 2010: Education, Skills & Training Deprivation**Education, Skills & Training Deprivation National Ranks**

Ranked 1-6,496 (most deprived nationally)	(30)
Ranked 6,496-12,992	(78)
Ranked 12,992-19,489	(65)
Ranked 19,489-25,985	(80)
Ranked 25,985-32,482 (least deprived nationally)	(112)



Source: CLG Indices of Deprivation 2010

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