Labour market and economy in Lambeth
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Outline

• Demographic profile and changes

• Lambeth residents
  – Qualifications
  – Employment
  – Unemployment and benefits

• Businesses in Lambeth

• Low pay
Lambeth has seen significant population growth in the last decade – mainly among ‘working age’ residents

Lambeth’s total population increased by 46,800 in the last decade, rising from 277,600 in 2005 to 324,400 in 2015...

... the rate of growth exceeded both the London and England averages – due to an increase in the number of 16-64 year olds

Source: ONS MYPE
High proportion of people in their late twenties and early thirties

Profile of working age population by broad age group (% aged 15-64)
Young working age people move to the borough whilst older working age residents with children leave.

Net internal migration by five year age group (year ending June 2013)

Source: ONS Internal Migration Estimates
Migration is the major driver of change for Lambeth’s resident population.

Source: ONS Migration Indicators Tool (2015)
People move to Lambeth from more expensive parts of London or cities with large universities; and leave to go to more affordable neighbouring boroughs.

<table>
<thead>
<tr>
<th>Borough</th>
<th>Net movement</th>
<th>Borough</th>
<th>Net movement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Westminster</td>
<td>+ 310</td>
<td>Croydon</td>
<td>- 1,930</td>
</tr>
<tr>
<td>Hammersmith and Fulham</td>
<td>+ 310</td>
<td>Lewisham</td>
<td>- 800</td>
</tr>
<tr>
<td>Camden</td>
<td>+ 310</td>
<td>Bromley</td>
<td>- 760</td>
</tr>
<tr>
<td>Oxford</td>
<td>+ 260</td>
<td>Merton</td>
<td>- 400</td>
</tr>
<tr>
<td>Leeds</td>
<td>+ 210</td>
<td>Southwark</td>
<td>- 380</td>
</tr>
<tr>
<td>Newcastle</td>
<td>+ 190</td>
<td>Sutton</td>
<td>- 330</td>
</tr>
<tr>
<td>County Durham</td>
<td>+ 160</td>
<td>Greenwich</td>
<td>- 320</td>
</tr>
<tr>
<td>Birmingham</td>
<td>+ 150</td>
<td>Hackney</td>
<td>- 200</td>
</tr>
<tr>
<td>Cambridge</td>
<td>+ 150</td>
<td>Wandsworth</td>
<td>- 200</td>
</tr>
</tbody>
</table>

Source: ONS Internal Migration Estimates 2017
International migration to Lambeth from Mediterranean EU countries has increased

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Number</th>
<th>Rank</th>
<th>Country</th>
<th>Number</th>
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<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Poland</td>
<td>7,750</td>
<td>1</td>
<td>Spain</td>
<td>5,520</td>
<td>1</td>
<td>Spain</td>
<td>5,521</td>
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<tr>
<td>2</td>
<td>Australia</td>
<td>4,730</td>
<td>2</td>
<td>Italy</td>
<td>4,790</td>
<td>2</td>
<td>Italy</td>
<td>4,620</td>
</tr>
<tr>
<td>3</td>
<td>France</td>
<td>2,630</td>
<td>3</td>
<td>Poland</td>
<td>4,550</td>
<td>3</td>
<td>Portugal</td>
<td>2,628</td>
</tr>
<tr>
<td>4</td>
<td>Portugal</td>
<td>2,440</td>
<td>4</td>
<td>Australia</td>
<td>3,980</td>
<td>4</td>
<td>Poland</td>
<td>2,488</td>
</tr>
<tr>
<td>5</td>
<td>Italy</td>
<td>2,020</td>
<td>5</td>
<td>Portugal</td>
<td>3,810</td>
<td>5</td>
<td>France</td>
<td>2,159</td>
</tr>
<tr>
<td>6</td>
<td>New Zealand</td>
<td>1,590</td>
<td>6</td>
<td>France</td>
<td>3,690</td>
<td>6</td>
<td>Romania</td>
<td>2,045</td>
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<tr>
<td>7</td>
<td>Jamaica</td>
<td>1,590</td>
<td>7</td>
<td>Ireland</td>
<td>1,980</td>
<td>7</td>
<td>Australia</td>
<td>1,915</td>
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<td>8</td>
<td>Nigeria</td>
<td>1,470</td>
<td>8</td>
<td>Nigeria</td>
<td>1,540</td>
<td>8</td>
<td>Ireland</td>
<td>1,108</td>
</tr>
<tr>
<td>9</td>
<td>Spain</td>
<td>1,350</td>
<td>9</td>
<td>New Zealand</td>
<td>1,410</td>
<td>9</td>
<td>Bulgaria</td>
<td>844</td>
</tr>
<tr>
<td>10</td>
<td>Ghana</td>
<td>1,270</td>
<td>10</td>
<td>Brazil</td>
<td>1,250</td>
<td>10</td>
<td>New Zealand</td>
<td>696</td>
</tr>
</tbody>
</table>

Leading nationalities for National Insurance Number Registrations (NINo) to overseas nationals in Lambeth (pre vs. post-recession)

Source: ONS MYPE
Significant further population growth expected in North Lambeth, as well as Brixton and Streatham.

Source: GLA population projections - based on 2013 SHLAA data
The employment rate has also risen significantly, surpassing the London average...

- **78.0% of 16-64 year olds in Lambeth were in employment** in the year to June 2018, compared to 75.0% nationally and 74.2% across London.
- Overall, the *number* of working age residents in employment has increased by **35,700 or 22%** since the year to December 2010, similar to 21% for London as a whole.

Source: ONS APS
... with a particularly sharp increase in employment among female residents...

Employment rate by gender (% aged 16-64)

Source: ONS APS
... bringing the employment rate for Lambeth residents among the highest in London

Employment rate by London Borough (% aged 16-64, Jan 2016-Dec 2016)

- Lambeth recorded the highest employment rate in London in the year to December 2016, followed by Wandsworth (80.5%) and Sutton (79.5%).
- While survey data fluctuates slightly, employment rates are generally highest among the boroughs in the south-west of the capital...
- ...and Lambeth has a particularly high employment rate when compared to ‘central’ London (CLF) boroughs.

Source: ONS APS. Note: this does not include the City of London.
The employment rate varies significantly by ethnicity, but with some signs of improvement

- It is estimated that 85.8% of ‘white’ Lambeth residents aged 16-64 were in employment in the 12 months to July 2015 vs. 70.1% of ‘ethnic minority’ residents in the same age group.
- While the employment gap remains considerable, the ethnic minority employment rate in Lambeth appears to have moved in-line with the London average in recent years.

Source: ONS APS. Note: data for 2009/2010 is missing.
Most Lambeth residents in employment are still working as full-time employees

A relatively high share of those in employment are working full-time (84%) and a lower share work part-time (16%).

Most residents in work are employees (82%), but self-employment and other flexible employment are above the national average.

Source: ONS APS
Rising participation reflects the changing skills profile among the borough's population...

• **64.4% of 16-64 year olds were qualified at NVQ Level 4 or above** in 2016, compared to 52.0% of working age residents across London and 37.9% nationally (and 40.5% in 2006)
• While there are still 23,700 Lambeth residents qualified at NVQ1 or below - at 9.7% of working age residents, this is below the London (14.2%) and national (19.1%) averages.

**Source:** ONS APS
...with significant changes in the qualifications held by the borough’s residents in the last decade...

Source: ONS APS
... and residents increasingly employed in higher-paid occupations...

Lambeth: employment by major occupation group (2006-2016)

- Higher-paid: +53,000 (2006-2016)
- Lower-paid: +19,800 (2006-2016)
- Mid-paid: +900 (2006-2016)

Source: ONS APS / ONS ASHE
The link between skills and employability is particularly strong among Lambeth residents

- The employment rate for working age residents in Lambeth qualified at NVQ4+ (92%) was almost three times higher than for residents qualified at NVQ1 or below (34%) in 2016 (compared to less than two-times higher for both London and England).

Source: ONS APS
Qualifications and attainment varies considerably by ethnic group in Lambeth...

Highest qualification of WA population by ethnic group (% aged 16-64) (2011)

- **White**: Level 4+ 58.6, Level 3; Trade App; Level 2 17.1, Level 1 or below 14.9, Other quals 9.4
- **Mixed/multiple ethnic group**: Level 4+ 37.8, Level 3; Trade App; Level 2 27.1, Level 1 or below 24.8, Other quals 10.3
- **Asian/Asian British**: Level 4+ 48.1, Level 3; Trade App; Level 2 20.1, Level 1 or below 20.0, Other quals 11.8
- **Black/African/Caribbean/Black British**: Level 4+ 29.5, Level 3; Trade App; Level 2 32.3, Level 1 or below 29.1, Other quals 9.1
- **Other ethnic group**: Level 4+ 30.9, Level 3; Trade App; Level 2 20.7, Level 1 or below 24.8, Other quals 23.6

Source: ONS Census 2011
...impacting the kinds of employment opportunities available...

Share of employment by occupation and ethnic group (% aged 16-64) (2011)

- **White**: 64.6% Higher skilled, 15.7% Intermediate, 19.7% Lower skilled
- **Mixed/multiple ethnic group**: 49.9% Higher skilled, 16.7% Intermediate, 33.3% Lower skilled
- **Asian/Asian British**: 55.8% Higher skilled, 16.6% Intermediate, 27.6% Lower skilled
- **Black/African/Caribbean/Black British**: 33.3% Higher skilled, 19.4% Intermediate, 47.3% Lower skilled
- **Other ethnic group**: 33.6% Higher skilled, 16.8% Intermediate, 49.6% Lower skilled

Source: ONS Census 2011
Economic inactivity is below the London average, especially among female residents

- There were 44,500 economically inactive residents aged 16-64 in the 12 months to June 2018.
- This is equivalent to 17.8% of working age residents, compared to 21.7% across London and 21.6% for England.
- As the chart (left) shows, the proportion of economically inactive females is particularly low compared to the London average.

Source: ONS APS
With a relatively large proportion of economically inactive students in the borough

**Economic inactivity, aged 16-64 (Jul 2017-Jun 2018)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Lambeth</th>
<th>London</th>
<th>Great Britain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>44,500</td>
<td>17.8</td>
<td>21.7</td>
</tr>
<tr>
<td>Student</td>
<td>18,200</td>
<td>41</td>
<td>32</td>
</tr>
<tr>
<td>Looking After Family/Home</td>
<td>7,300</td>
<td>16.4</td>
<td>28.8</td>
</tr>
<tr>
<td>Temporary Sick</td>
<td>!</td>
<td>!</td>
<td>2.4</td>
</tr>
<tr>
<td>Long-Term Sick</td>
<td>9,200</td>
<td>20.7</td>
<td>16.8</td>
</tr>
<tr>
<td>Discouraged</td>
<td>!</td>
<td>!</td>
<td>0.4</td>
</tr>
<tr>
<td>Retired</td>
<td>#</td>
<td>#</td>
<td>6.5</td>
</tr>
<tr>
<td>Other</td>
<td>6,400</td>
<td>14.5</td>
<td>13.1</td>
</tr>
<tr>
<td>Wants A Job</td>
<td>7,900</td>
<td>23.1%</td>
<td>25.7%</td>
</tr>
<tr>
<td>Does Not Want A Job</td>
<td>26,400</td>
<td>76.9%</td>
<td>74.3%</td>
</tr>
</tbody>
</table>

% is a proportion of those economically inactive, except total, which is a proportion of those aged 16-64 (numbers are for those aged 16-64)

Source: ONS APS. # = Sample size too small for reliable estimates; ! = estimate is not available since sample size is disclosive.
Lambeth’s overall unemployment rate is in-line with the London average

- An estimated **11,500 Lambeth residents were unemployed** in the year to June 2018 – equivalent to 5.5% of economically active residents aged 16 and over.
- This was slightly higher than London as a whole (5.1%), and above the national average (4.2%).

Source: ONS APS – note: ILO unemployment refers to anyone aged 16 and over without a job who are: a) available to start work within two weeks; and b) looking for work.
But despite a significant decline in the number of unemployment benefits claimants...

- There were 7,525 working age residents claiming benefits principally for the reason of being unemployed in Lambeth in November 2018.

Source: ONS Claimant Count
...the Claimant Count rate remains higher than London and England rates...

- **3.1% of 16-64 year olds were claiming unemployment benefits** in Lambeth in November 2018, compared to 2.3% of working age residents across London and nationally.
- This is because a higher proportion of unemployed people in Lambeth claim benefits

**Claimant Count rate (% aged 16-64)**

Source: ONS Claimant Count
... particularly for the long-term unemployed and especially older residents

Lambeth has one of the highest rates of unemployment among 50-64 year olds in London...

... and one of the highest rates of long-term JSA unemployment in London (>12 months)

Source: ONS Claimant Count
People with a disability are much less likely to be in employment, although the level is similar to the London and national average.

Source: ONS APS
There is a strong link between unemployment and housing tenure.

Unemployment by tenure (aged 16-64, household reference person)

Source: ONS Census 2011
There are a large number of people claiming incapacity benefits in Lambeth...

- The largest group of **out-of-work benefit claimants** (12,350 people) are claiming benefits for reasons for incapacity.
- While **ESA/IB, JSA and IS (Lone Parents) claimants** are all relatively high in Lambeth

**Working-age client group - main benefit claimants (November 2016)**

<table>
<thead>
<tr>
<th>By Statistical Group</th>
<th>Lambeth</th>
<th>London</th>
<th>England</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Claimants</td>
<td>23,720</td>
<td>9.9</td>
<td>9.3</td>
</tr>
<tr>
<td>Job Seekers</td>
<td>4,110</td>
<td>1.7</td>
<td>1.2</td>
</tr>
<tr>
<td>ESA And Incapacity Benefits</td>
<td>12,350</td>
<td>5.1</td>
<td>4.8</td>
</tr>
<tr>
<td>Lone Parents</td>
<td>2,750</td>
<td>1.1</td>
<td>1.0</td>
</tr>
<tr>
<td>Carers</td>
<td>2,220</td>
<td>0.9</td>
<td>1.3</td>
</tr>
<tr>
<td>Others On Income Related Benefits</td>
<td>530</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Disabled</td>
<td>1,510</td>
<td>0.6</td>
<td>0.7</td>
</tr>
<tr>
<td>Bereaved</td>
<td>230</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Main Out-Of-Work Benefits†</strong></td>
<td>19,750</td>
<td>8.2</td>
<td>7.2</td>
</tr>
</tbody>
</table>

Source: DWP benefit claimants - working age client group. *Main out-of-work benefits includes the groups: job seekers, ESA & incapacity benefits, lone parents and others on income related benefits. Note: % is a proportion of resident population aged 16-64.; figures do not yet include claimants of Universal Credit.
... and, while the total stock of out-of-work benefits claimants has declined recently, the numbers on ESA/IB have remained flat.

Lambeth: out-of-work benefit claimants (2006-2016)

Source: DWP benefit claimants - working age client group. Figures in this chart do not yet include claimants of Universal Credit.
Lambeth residents continue to be affected by welfare reforms

Number of Households Benefit Capped

Source: DWP benefit cap statistics
With single parent households and those with more than 2 children particularly impacted

Currently 406 households in Lambeth are benefit capped

<table>
<thead>
<tr>
<th>No. of children</th>
<th>Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>48</td>
</tr>
<tr>
<td>1</td>
<td>37</td>
</tr>
<tr>
<td>2</td>
<td>95</td>
</tr>
<tr>
<td>3</td>
<td>115</td>
</tr>
<tr>
<td>4</td>
<td>73</td>
</tr>
<tr>
<td>5+</td>
<td>34</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Amount capped per week</th>
<th>Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; £50</td>
<td>230</td>
</tr>
<tr>
<td>£50-£100</td>
<td>100</td>
</tr>
<tr>
<td>£100-£150</td>
<td>42</td>
</tr>
<tr>
<td>£150-£200</td>
<td>11</td>
</tr>
<tr>
<td>£200-£250</td>
<td>13</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Household composition</th>
<th>Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single adult, no children</td>
<td>48</td>
</tr>
<tr>
<td>Single adult, with children</td>
<td>319</td>
</tr>
<tr>
<td>Couple, no children</td>
<td>0</td>
</tr>
<tr>
<td>Couple, with children</td>
<td>34</td>
</tr>
</tbody>
</table>

Source: DWP benefit cap statistics (November 2018)
The number of households on Universal Credit in Lambeth is steadily increasing.

Source: DWP Stat-Xplore
There are significant levels of commuting to and from Lambeth

Lambeth commuting patterns (2011)

Workplace population

<table>
<thead>
<tr>
<th>Live and work in Lambeth</th>
<th>Home workers</th>
<th>No fixed place of work</th>
<th>Out-commuter (other LAs)</th>
<th>Outside UK or offshore</th>
<th>In-commuter</th>
</tr>
</thead>
<tbody>
<tr>
<td>20,700</td>
<td>14,000</td>
<td>16,500</td>
<td>87,000</td>
<td>115,500</td>
<td></td>
</tr>
</tbody>
</table>

Source: ONS Census 2011
The main destinations for out-commuters are inner London boroughs and the City of London...

Main destinations for out-commuters from Lambeth (2011)

Source: ONS Census 2011
…while in-commuters largely travel from neighbouring boroughs

Main origins for in-commuters to Lambeth (2011)
There were 184,000 jobs in the Lambeth economy in 2015, up 30% in the last decade compared to 22% growth across London.

But – at 0.76 jobs per resident – jobs density is still below the London (0.98) and England (0.84) averages (reflecting commuting trends).

Source: ONS Jobs Density. Total jobs includes employees, self-employed, government-supported trainees and HM Forces.
The number of businesses in Lambeth has increased (but trend needs to be monitored closely)

Source: ONS UK Business Counts;
... with business growth around average for London (2010-2018)

Source: ONS UK Business Counts;
Key sectors in the local economy include Health and Business Administration & Support

Jobs by industry in Lambeth (2017)

Source: ONS BRES
With the same industries, along with arts and public administration, reflecting specialisms in Lambeth

Employment by sector, Location Quotient to London (2013)

Source: ONS BRES (edited for 2013)
The most significant increases in jobs in Central London have been in the more highly skilled industries.
And employment growth is projected to continue in a number of industries where Lambeth has a specialism.

Source: GLA trends based projections
Businesses in Lambeth are concentrated in the north of the borough, reflecting this area’s role as part of the Central Activities Zone.

Source: ONS UK Business Count
On average, wage levels are relatively high in Lambeth – but stagnant in recent years...

- The median annual wage for employees living in Lambeth was £29,200 in 2016, in-line with the London average (£28,900) and above the England average (£23,400).
- Median earnings rose by 2.0% in nominal terms between 2015 and 2016, but slow growth in recent years means that average pay still remains below 2012 levels (£30,200).

Source: ONS ASHE.
... and, despite a slight improvement, low pay and in-work poverty remain important issues...

20% of Lambeth residents who are in work are low paid
16% of jobs in Lambeth are low paid
... with significant differences in the incidence of ‘low-pay’ by sector across London

- Across London, sectors with above average rates of low pay are: hotels and restaurants (64%); retail and wholesale (29%); and arts and entertainment (25%).
- Only 10% of jobs in private sector services were low paid in 2016, but because this is a large sector of employment, these make up around 1 in 5 of all low-paid jobs.

Source: London’s Poverty Profile / ONS ASHE
Low pay by qualification

Data source: Labour Force Survey, ONS.

Proportion of workers who are low paid

- Degree or equivalent
- Higher education
- GCE A level or equivalent
- GCSE grades A*-C or equivalent
- Other qualification
- No qualifications or don't know

Chart Source: trustforlondon.org.uk/data
Low pay by ethnicity

Data source: Labour Force Survey, ONS.

Proportion of group that are low paid/proportion of low-paid Londoners that are in each group

- Proportion who are low-paid
- Share of all low-paid

Chart Source: trustforlondon.org.uk/data
Summary

• Lambeth is home to a young, highly qualified population, with high employment levels
• But not everyone is benefiting from the economic growth
• Long-term unemployment linked to health issues and low qualifications is a significant issue
• The future jobs market will require higher levels of qualifications
• Getting a job is no longer the goal – it needs to be a well paid job