

# Unemployment Claimant Flows as an Indicator of Economic Performance

## Introduction

One powerful and easy way of looking at fluctuations within economies at local authority level is to consider the trends around the number of JSA claimants and flows on and off the JSA register. This information is available from the Office of National Statistics.

This analysis is provided as part of the RSN Observatory, which has a wide range of analysis and information for rural areas.

- How does it work?

This spreadsheet includes benchmarked information for our member authorities. There are two spreadsheets attached to this analysis:

- Claimant Flows January 2017
- JSA claimants as % of the working population September 2016

You can click your authority on the drop down box on the spreadsheet to see the quartile trend for your authority. You can also compare how it performs against categories of authority by using the box below, for example the district average, or Mainly Rural authorities.

We will update this analysis on a quarterly basis.

## Claimant Flow Commentary

This graph in the attached analysis shows the claimant flow up to the period January 2017.

Where the flow of claimants is 1, there is no net change in the total number of claimants. Figures greater than one mean that there are more people signing on to claim for Job Seekers Allowance than there are leaving the register. A figure less than 1 shows that more people are leaving the register than joining it. You can use these figures to help gauge the relative dynamism of the labour market in each local authority.

Table showing the 10 worst performing Local Authority areas:

Authority	Categorisation	Flow
Rutland	Mainly Rural (rural including hub towns >=80%)	2.875
Fylde	Urban with City and Town	2.116
Carlisle	Urban with Significant Rural (rural including hub towns 26-49%)	2.000
East Staffordshire	Urban with Significant Rural (rural including hub towns 26-49%)	1.956
Cotswold	Mainly Rural (rural including hub towns >=80%)	1.818
Oadby & Wigston	Urban with City and Town	1.788
South Ribble	Urban with City and Town	1.764
Wellingborough	Urban with Significant Rural (rural including hub towns 26-49%)	1.696
Eastbourne	Urban with City and Town	1.681
Hart	Urban with Significant Rural (rural including hub towns 26-49%)	1.667

2 of these local authority areas are classed as Predominantly Rural, 4 are classed as Urban with Significant Rural, and the remaining 4 are classed as Predominantly Urban. Cotswold is the only authority that remains in the list since the October 2016 analysis.

Table showing the 10 best performing Local Authority areas:

Authority	Categorisation	Flow
Hammersmith & Fulham	Urban with Major Conurbation	0.155
Swindon	Urban with City and Town	0.167
Taunton Deane	Urban with Significant Rural (rural including hub towns 26-49%)	0.167
Southwark	Urban with Major Conurbation	0.178
Melton	Mainly Rural (rural including hub towns >=80%)	0.188
Hartlepool	Urban with City and Town	0.220
Hastings	Urban with City and Town	0.271
Mendip	Mainly Rural (rural including hub towns >=80%)	0.391
Hambleton	Mainly Rural (rural including hub towns >=80%)	0.414
Lancaster	Urban with Significant Rural (rural including hub towns 26-49%)	0.432

The 10 best performing authorities when looking at claimant flow ratio are split between 3 Predominantly Rural authorities, 2 Significantly Rural authorities, the remaining 5 being Predominantly Urban. Mendip and Lancaster remain in the top ten since the previous quarters analysis. Melton and Taunton Deane interestingly move from being in the bottom 10 authorities in terms of claimant flow in the previous quarter, to now being in the top ten best performing authorities.

### **Job Seekers Allowance Commentary**

We have also analysed levels of JSA Claimants to give RSN members a simple overview of how their authority can be benchmarked with other authorities. They can also see trends which can help provide a fuller picture of economic performance and the direction of travel. Whilst we have included JSA data at higher authority and LEP levels for comparison purposes, it works best at district level.

Table showing local authorities with the 10 highest levels of JSA claimants (September 2016) :

Local Authority	Categorisation	LEP	JSA%
Middlesbrough	Urban with City and Town	Tees Valley	3.66%
Wolverhampton	Urban with Major Conurbation	Black Country	3.41%
South Tyneside	Urban with Major Conurbation	North Eastern	3.37%
Birmingham	Urban with Major Conurbation	Greater Birmingham and Solihull	3.30%
Hartlepool	Urban with City and Town	Tees Valley	3.19%
Redcar and Cleveland	Urban with Significant Rural (rural including hub towns 26-49%)	Tees Valley	3.02%
Kingston upon Hull	Urban with City and Town	Humber	2.94%
Sandwell	Urban with Major Conurbation	Black Country	2.74%
Nottingham	Urban with Minor Conurbation	Derby, Derbyshire, Nottingham and Nottinghamshire	2.65%
Thanet	Urban with City and Town	South East	2.52%

There has been no change in the ten authorities with highest levels of JSA claimant (September 2016) listed above since the June 2016 position, although relative positions may have altered.

Table showing local authorities with the 10 lowest levels of JSA claimants (September 2016) :

Local Authority	Categorisation	LEP	JSA%
Harrogate	Urban with Significant Rural (rural including hub towns 26-49%)	Leeds City Region	0.26%
Stratford-on-Avon	Mainly Rural (rural including hub towns >=80%)	Coventry and Warwickshire	0.38%
South Lakeland	Mainly Rural (rural including hub towns >=80%)	Cumbria	0.38%
Ryedale	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.38%
Richmondshire	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.39%
Bath and North East Somerset	Urban with Significant Rural (rural including hub towns 26-49%)	West of England	0.41%
Harborough	Mainly Rural (rural including hub towns >=80%)	Leicester and Leicestershire	0.43%
Purbeck	Mainly Rural (rural including hub towns >=80%)	Dorset	0.45%
Ribble Valley	Mainly Rural (rural including hub towns >=80%)	Lancashire	0.46%
Mid Sussex	Urban with City and Town	Coast to Capital	0.47%

For the ten authorities with lowest levels of JSA claimant as at September 2016 listed above, 7 are classed as Predominantly Rural, 2 are Urban with Significant Rural, and 1 is Predominantly Urban.

Three authorities have not moved out of the top ten since September 2015, with Stratford-on-Avon, South Lakeland, and Harrogate remaining in the list of authorities with the lowest levels of JSA claimant in September 2016.

It should be noted in considering these results that the continuing closure of job centres in rural areas, (there are local authority areas without a job centre plus office), forces residents in rural areas to travel significant distances, often with poor public transport options. This in turn can result in unemployment figures being underreported for rural locations.

In addition, it should also be considered that a number of residents in rural areas may commute to larger urban centres for employment, slightly affecting the full picture of the local labour market.

It is for Local Authorities to use the information provided to assess their levels of JSA claimants compared to other areas and the trends in levels to help them to determine where targeted support for their local economies may be required.