

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 July 2017
- JSA claimants as % of the working population March 2017

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 July 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
East Dorset	Urban with Significant Rural (rural including hub towns 26-49%)	1.361
Stratford-on-Avon	Mainly Rural (rural including hub towns >=80%)	1.319
Eden	Mainly Rural (rural including hub towns >=80%)	1.313
Mid Sussex	Urban with City and Town	1.273
Ryedale	Mainly Rural (rural including hub towns >=80%)	1.273
Fenland	Largely Rural (rural including hub towns 50-79%)	1.266
South Derbyshire	Urban with Significant Rural (rural including hub towns 26-49%)	1.260
Blaby	Urban with City and Town	1.250
West Somerset	Mainly Rural (rural including hub towns >=80%)	1.250
Basingstoke & Deane	Urban with Significant Rural (rural including hub towns 26-49%)	1.220

5 of these local authority areas are classed as Predominantly Rural, 3 are classed as Urban with Significant Rural, and the remaining 2 are classed as Predominantly Urban. No authority that featured in the April 2017 analysis list remains in this July 2017 list.

Table showing the 10 best performing Local Authority areas:

Authority	Categorisation	Flow
Bedford	Urban with Significant Rural (rural including hub towns 26-49%)	0.249
Dover	Urban with Significant Rural (rural including hub towns 26-49%)	0.300
South Somerset	Largely Rural (rural including hub towns 50-79%)	0.317
Oldham	Urban with Major Conurbation	0.318
Corby	Urban with City and Town	0.339
Southampton	Urban with City and Town	0.344
Erewash	Urban with Minor Conurbation	0.353
Calderdale	Urban with Major Conurbation	0.384
Burnley	Urban with City and Town	0.388
Taunton Deane	Urban with Significant Rural (rural including hub towns 26-49%)	0.408

The 10 best performing authorities when looking at claimant flow ratio are split between 1 Predominantly Rural authorities, 3 Significantly Rural authority, the remaining 6 being Predominantly Urban. Southampton and Corby remain in the top ten from the previous quarters analysis.

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 (March 2017) :

Local Authority	Categorisation	LEP	JSA%
Middlesbrough	Urban with City and Town	Tees Valley	3.55%
South Tyneside	Urban with Major Conurbation	North Eastern	3.35%
Birmingham	Urban with Major Conurbation	Greater Birmingham and Solihull	3.28%
Wolverhampton	Urban with Major Conurbation	Black Country	3.18%
Redcar and Cleveland	Urban with Significant Rural (rural including hub towns 26-49%)	Tees Valley	2.92%
Kingston upon Hull	Urban with City and Town	Humber	2.81%
Sandwell	Urban with Major Conurbation	Black Country	2.63%
Nottingham	Urban with Minor Conurbation	Derby, Derbyshire, Nottingham and Nottinghamshire	2.61%
Thanet	Urban with City and Town	South East	2.53%
Stockton-on-Tees	Urban with City and Town	Tees Valley	2.41%

Hartlepool has moved out of the list of highest JSA claimants as a proportion of working population since the previous quarters analysis, and has been replaced by Stockon-on-Tees. Apart from this one movement, there has once again been no change in the ten authorities with highest levels of JSA claimant (March 2017) listed above since the December 2016, September 2016 and June 2016 positions, although relative positions within this listing have altered.

Table showing local authorities with the 10 lowest levels of JSA claimants (March 2017) :

Local Authority	Categorisation	LEP	JSA%
Harrogate	Urban with Significant Rural (rural including hub towns 26-49%)	Leeds City Region	0.13%
Richmondshire	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.15%
Ryedale	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.18%
Stratford-on-Avon	Mainly Rural (rural including hub towns >=80%)	Coventry and Warwickshire	0.19%
Mendip	Mainly Rural (rural including hub towns >=80%)	Heart of the South West	0.21%
Bath and North East Somerset	Urban with Significant Rural (rural including hub towns 26-49%)	West of England	0.22%
Harborough	Mainly Rural (rural including hub towns >=80%)	Leicester and Leicestershire	0.22%
Rugby	Urban with City and Town	Coventry & Warwickshire	0.23%
West Somerset	Mainly Rural (rural including hub towns >=80%)	Heart of the South West	0.26%
Hounslow	Urban with Major Conurbation	London	0.30%

For the ten authorities with lowest levels of JSA claimant as at March 2017 listed above, 6 are classed as Predominantly Rural, 2 are Urban with Significant Rural, and 2 are Predominantly Urban. West Somerset and Hounslow have entered the list since the previous quarters analysis, taking the place of Cherwell and South Derbyshire from the top ten.

Stratford-on-Avon and Harrogate have remained in the list of authorities with the lowest levels of JSA claimant since the September 2015 analysis.

It should be noted in considering these results that the 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.