

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 March 2019
- JSA claimants as % of the working population December 2018

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 March 2019.

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
Cotswold	Mainly Rural (rural including hub towns $\geq 80\%$)	1.556
South Buckinghamshire	Urban with Significant Rural (rural including hub towns 26-49%)	1.545
Lancaster	Urban with Significant Rural (rural including hub towns 26-49%)	1.375
Hinckley and Bosworth	Largely Rural (rural including hub towns 50-79%)	1.370
Corby	Urban with City and Town	1.200
Stratford-on-Avon	Mainly Rural (rural including hub towns $\geq 80\%$)	1.150
Warrington	Urban with City and Town	1.091
Hounslow	Urban with Major Conurbation	1.060
Redditch	Urban with City and Town	1.000
Rutland	Mainly Rural (rural including hub towns $\geq 80\%$)	1.000

4 of these local authority areas are classed as Predominantly Rural, 2 are classed as Urban with Significant Rural, and 4 are classed as Predominantly Urban.

Table showing the 10 best performing Local Authority areas:

Authority	Categorisation	Flow
Blackpool	Urban with City and Town	0.142
Kensington and Chelsea	Urban with Major Conurbation	0.171
Camden	Urban with Major Conurbation	0.179
Rossendale	Urban with City and Town	0.190
Boston	Urban with Significant Rural (rural including hub towns 26-49%)	0.206
Maidstone	Urban with Significant Rural (rural including hub towns 26-49%)	0.210
Liverpool	Urban with Major Conurbation	0.211
Havant	Urban with City and Town	0.214
Eden	Mainly Rural (rural including hub towns >=80%)	0.214
Ribble Valley	Mainly Rural (rural including hub towns >=80%)	0.217

6 of the best performing authorities when looking at claimant flow ratio are classed as being Predominantly Urban, 2 are classed as Urban with Significant Rural, and 2 are classed as Predominantly Rural.

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 (December 2018) :

Local Authority	Categorisation	LEP	JSA%
Kingston upon Hull	Urban with City and Town	Humber	4.12%
Blackpool	Urban with City and Town	Lancashire	3.82%
Middlesbrough	Urban with City and Town	Tees Valley	3.76%
Redcar and Cleveland	Urban with Significant Rural (rural including hub towns 26-49%)	Tees Valley	3.28%
Sandwell	Urban with Major Conurbation	Black Country	3.11%
Nottingham	Urban with Minor Conurbation	Derby, Derbyshire, Nottingham and Nottinghamshire	2.91%
South Tyneside	Urban with Major Conurbation	North Eastern	2.81%
Northumberland	Largely Rural (rural including hub towns 50-79%)	North Eastern	2.52%
Bolton	Urban with Major Conurbation	Greater Manchester	2.32%
Liverpool	Urban with Major Conurbation	Liverpool City Region	2.27%

Birmingham, Sunderland and Darlington have been replaced on the list of highest JSA claimants as a proportion of working population since the previous quarters analysis, replaced with Liverpool, Bolton and Northumberland.

Table showing local authorities with the 10 lowest levels of JSA claimants (December 2018) :

Local Authority	Categorisation	LEP	JSA%
Harrogate	Urban with Significant Rural (rural including hub towns 26-49%)	Leeds City Region	0.11%
Cherwell	Urban with Significant Rural (rural including hub towns 26-49%)	Oxfordshire	0.11%
Stroud	Urban with Significant Rural (rural including hub towns 26-49%)	Gloucestershire	0.11%
Richmondshire	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.12%
Harborough	Mainly Rural (rural including hub towns >=80%)	Leicester & Leicestershire	0.12%
Craven	Mainly Rural (rural including hub towns >=80%)	Leeds City Region	0.13%
South Somerset	Largely Rural (rural including hub towns 50-79%)	Heart of the South West	0.13%
Eastleigh	Urban with City and Town	Solent	0.13%
Ryedale	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.13%
Rugby	Urban with City and Town	Coventry and Warwickshire	0.14%

For the ten authorities with lowest levels of JSA claimant as at December 2018 listed above, 5 are classed as Predominantly Rural, 3 are Urban with Significant Rural, and 2 is Predominantly Urban. Harborough, Craven and Rugby have entered the list since the previous quarters analysis, taking the

place of Bath & North East Somerset, Mendip and West Somerset from the top ten.

Harrogate remains 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.