

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 April 2017
- JSA claimants as % of the working population December 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 April 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
City of London	Urban with Major Conurbation	1.750
Winchester	Largely Rural (rural including hub towns 50-79%)	1.660
North East Derbyshire	Urban with City and Town	1.354
South Bucks	Urban with Significant Rural (rural including hub towns 26-49%)	1.317
Fareham	Urban with City and Town	1.250
Epsom & Ewell	Urban with Major Conurbation	1.230
Adur	Urban with City and Town	1.211
Bedford	Urban with Significant Rural (rural including hub towns 26-49%)	1.208
Forest Heath	Mainly Rural (rural including hub towns $\geq 80\%$)	1.207
Hounslow	Urban with Major Conurbation	1.206

2 of these local authority areas are classed as Predominantly Rural, 2 are classed as Urban with Significant Rural, and the remaining 6 are classed as Predominantly Urban. No authority that featured in the January 2017 analysis list remains in this April 2017 list.

Table showing the 10 best performing Local Authority areas:

Authority	Categorisation	Flow
Hastings	Urban with City and Town	0.187
Melton	Mainly Rural (rural including hub towns >=80%)	0.200
Southampton	Urban with City and Town	0.209
Hartlepool	Urban with City and Town	0.221
Newcastle upon Tyne	Urban with Major Conurbation	0.233
Corby	Urban with City and Town	0.257
Warrington	Urban with City and Town	0.275
Hammersmith and Fulham	Urban with Major Conurbation	0.326
Great Yarmouth	Urban with Significant Rural (rural including hub towns 26-49%)	0.326
Hinckley and Bosworth	Largely Rural (rural including hub towns 50-79%)	0.390

The 10 best performing authorities when looking at claimant flow ratio are split between 2 Predominantly Rural authorities, 1 Significantly Rural authority, the remaining 7 being Predominantly Urban. Hastings, Melton, Hartlepool and Hammersmith & Fulham all remain in the top ten since the previous quarters analysis. Melton has not only remained in the top ten since the previous quarter, but is interesting in that it had previously been in the bottom 10 authorities in terms of claimant flow in the quarter before that.

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 2016) :

Local Authority	Categorisation	LEP	JSA%
Middlesbrough	Urban with City and Town	Tees Valley	3.59%
South Tyneside	Urban with Major Conurbation	North Eastern	3.30%
Hartlepool	Urban with City and Town	Tees Valley	3.11%
Birmingham	Urban with Major Conurbation	Greater Birmingham and Solihull	3.09%
Wolverhampton	Urban with Major Conurbation	Black Country	3.08%
Redcar and Cleveland	Urban with Significant Rural (rural including hub towns 26-49%)	Tees Valley	2.95%
Kingston upon Hull	Urban with City and Town	Humber	2.71%
Sandwell	Urban with Major Conurbation	Black Country	2.61%
Thanet	Urban with City and Town	South East	2.46%
Nottingham	Urban with Minor Conurbation	Derby, Derbyshire, Nottingham and Nottinghamshire	2.40%

Once again there has been no change in the ten authorities with highest levels of JSA claimant (December 2016) listed above since the both September 2016 and June 2016 positions, although relative positions may have altered.

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

Local Authority	Categorisation	LEP	JSA%
Harrogate	Urban with Significant Rural (rural including hub towns 26-49%)	Leeds City Region	0.14%
Ryedale	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.17%
Richmondshire	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.18%
Rugby	Urban with City and Town	Coventry & Warwickshire	0.21%
Bath and North East Somerset	Urban with Significant Rural (rural including hub towns 26-49%)	West of England	0.22%
Stratford-on-Avon	Mainly Rural (rural including hub towns >=80%)	Coventry and Warwickshire	0.23%
South Derbyshire	Urban with Significant Rural (rural including hub towns 26-49%)	Derby, Derbyshire, Nottingham & Nottinghamshire	0.26%
Harborough	Mainly Rural (rural including hub towns >=80%)	Leicester and Leicestershire	0.27%
Cherwell	Urban with Significant Rural (rural including hub towns 26-49%)	Oxfordshire	0.27%
Mendip	Mainly Rural (rural including hub towns >=80%)	Heart of the South West	0.28%

For the ten authorities with lowest levels of JSA claimant as at December 2016 listed above, 5 are classed as Predominantly Rural, 4 are Urban with Significant Rural, and 1 is Predominantly Urban.

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