

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 May 2018
- JSA claimants as % of the working population December 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 May 2018.

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
Oadby and Wigston	Urban with City and Town	1.583
Amber Valley	Urban with Minor Conurbation	1.557
Derby	Urban with City and Town	1.384
Stevenage	Urban with City and Town	1.373
High Peak	Largely Rural (rural including hub towns 50-79%)	1.349
Westminster	Urban with Major Conurbation	1.341
Tandridge	Urban with Significant Rural (rural including hub towns 26-49%)	1.294
Derbyshire Dales	Mainly Rural (rural including hub towns $\geq 80\%$)	1.293
Gravesham	Urban with Major Conurbation	1.283
Walsall	Urban with Major Conurbation	1.270

2 of these local authority areas are classed as Predominantly Rural, 1 is classed as Urban with Significant Rural, and 7 are classed as Predominantly Urban. Derby is the only authority that featured in the February 2018 analysis list that remains in this May 2018 list.

Table showing the 10 best performing Local Authority areas:

Authority	Categorisation	Flow
Lambeth	Urban with Major Conurbation	0.141
Slough	Urban with City and Town	0.170
Tameside	Urban with Major Conurbation	0.188
Lincoln	Urban with City and Town	0.189
Barking and Dagenham	Urban with Major Conurbation	0.207
Gloucester	Urban with City and Town	0.223
Hyndburn	Urban with City and Town	0.225
North East Lincolnshire	Urban with City and Town	0.225
Ealing	Urban with Major Conurbation	0.227
Weymouth and Portland	Urban with City and Town	0.242

The 10 best performing authorities when looking at claimant flow ratio are all classed as being Predominantly Urban. Weymouth & Portland continues to feature in this top 10 as it did in February 2018, having previously been in the bottom 10 performing local authority areas in November 2017.

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 2017) :

Local Authority	Categorisation	LEP	JSA%
Middlesbrough	Urban with City and Town	Tees Valley	4.55%
Birmingham	Urban with Major Conurbation	Greater Birmingham and Solihull	4.29%
South Tyneside	Urban with Major Conurbation	North Eastern	4.20%
Wolverhampton	Urban with Major Conurbation	Black Country	3.98%
Nottingham	Urban with Minor Conurbation	Derby, Derbyshire, Nottingham and Nottinghamshire	3.71%
Kingston upon Hull	Urban with City and Town	Humber	3.51%
Sandwell	Urban with Major Conurbation	Black Country	3.21%
Redcar and Cleveland	Urban with Significant Rural (rural including hub towns 26-49%)	Tees Valley	3.11%
Darlington	Urban with City and Town	Tees Valley	2.91%
North East Lincolnshire	Urban with City and Town	Greater Lincolnshire	2.71%

North East Lincolnshire has entered the list of highest JSA claimants as a proportion of working population since the previous quarters analysis, replacing 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 (December 2017) listed above since the September 2017, June 2017, March 2017, 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 (December 2017) :

Local Authority	Categorisation	LEP	JSA%
Richmondshire	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.15%
Harrogate	Urban with Significant Rural (rural including hub towns 26-49%)	Leeds City Region	0.16%
Mendip	Mainly Rural (rural including hub towns >=80%)	Heart of the South West	0.19%
Bath and North East Somerset	Urban with Significant Rural (rural including hub towns 26-49%)	West of England	0.20%
Ryedale	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.20%
Eastleigh	Urban with City and Town	Solent	0.21%
Stratford-on-Avon	Mainly Rural (rural including hub towns >=80%)	Coventry and Warwickshire	0.21%
Rugby	Urban with City and Town	Coventry & Warwickshire	0.23%
West Somerset	Mainly Rural (rural including hub towns >=80%)	Heart of the South West	0.24%
Harborough	Mainly Rural (rural including hub towns >=80%)	Leicester and Leicestershire	0.24%

For the ten authorities with lowest levels of JSA claimant as at December 2017 listed above, 6 are classed as Predominantly Rural, 2 are Urban with Significant Rural, and 2 are Predominantly Urban. Eastleigh has entered the list since the previous quarters analysis, taking the place of South Lakeland 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.