

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 June 2019
- JSA claimants as % of the working population March 2019

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 June 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
Dartford	Urban with Major Conurbation	1.607
Mid Devon	Mainly Rural (rural including hub towns >=80%)	1.545
South Northamptonshire	Mainly Rural (rural including hub towns >=80%)	1.500
Rutland	Mainly Rural (rural including hub towns >=80%)	1.429
Three Rivers	Urban with Major Conurbation	1.353
Bath & North East Somerset	Urban with Significant Rural (rural including hub towns 26-49%)	1.348
Halton	Urban with City and Town	1.323
Erewash	Urban with Minor Conurbation	1.310
Harborough	Mainly Rural (rural including hub towns >=80%)	1.294
West Oxfordshire	Mainly Rural (rural including hub towns >=80%)	1.273

5 of these local authority areas are classed as Predominantly Rural, 1 is 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
Camden	Urban with Major Conurbation	0.211
Blackpool	Urban with City and Town	0.225
Sandwell	Urban with Major Conurbation	0.230
Westminster	Urban with Major Conurbation	0.236
Hackney	Urban with Major Conurbation	0.238
Redcar & Cleveland	Urban with Significant Rural (rural including hub towns 26-49%)	0.275
Kensington & Chelsea	Urban with Major Conurbation	0.278
Brent	Urban with Major Conurbation	0.287
Kingston upon Hull, City of	Urban with City and Town	0.288
Sheffield	Urban with Minor Conurbation	0.288

9 of the best performing authorities when looking at claimant flow ratio are classed as being Predominantly Urban, the other being classed as Urban with Significant 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 (March 2019) :

Local Authority	Categorisation	LEP	JSA%
Kingston upon Hull	Urban with City and Town	Humber	3.22%
Middlesbrough	Urban with City and Town	Tees Valley	2.77%
Blackpool	Urban with City and Town	Lancashire	2.68%
Redcar and Cleveland	Urban with Significant Rural (rural including hub towns 26-49%)	Tees Valley	2.48%
South Tyneside	Urban with Major Conurbation	North Eastern	2.45%
Nottingham	Urban with Minor Conurbation	Derby, Derbyshire, Nottingham and Nottinghamshire	2.35%
Sandwell	Urban with Major Conurbation	Black Country	2.22%
Birmingham	Urban with Major Conurbation	Greater Birmingham and Solihull	1.98%
Bolton	Urban with Major Conurbation	Greater Manchester	1.92%
Northumberland	Largely Rural (rural including hub towns 50-79%)	North Eastern	1.91%

Birmingham rejoins the list of highest JSA claimants as a proportion of working population since the previous quarters analysis, taking the place of Liverpool, who had only joined the list in the previous quarter.

Table showing local authorities with the 10 lowest levels of JSA claimants (March 2019) :

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

For the ten authorities with lowest levels of JSA claimant as at March 2019 listed above, 6 are classed as Predominantly Rural, 3 are Urban with Significant Rural, and 1 is Predominantly Urban. West Oxfordshire has

entered the list since the previous quarters analysis, taking the place of Rugby.

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.