

Alternative Claimant Count 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 people claiming unemployment related benefits and flows on and off the register. This information is available from the Department for Work and Pensions.

This analysis is provided as part of the RSN Economic Profiling service. The RSN also offers a wide range of analysis and information for rural areas.

- How does it work?

The analysis includes benchmarked information for our member authorities. There are two spreadsheets attached to this analysis:

- Claimant Flows February 2020
- Claimants as % of the working population December 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.

Alternative Claimant Count Flow Commentary

The graph in the attached analysis shows the claimant flow up to the period February 2020.

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 an unemployment related benefit 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
Eden	Mainly Rural (rural including hub towns $\geq 80\%$)	1.948
East Cambridgeshire	Mainly Rural (rural including hub towns $\geq 80\%$)	1.788
Winchester	Largely Rural (rural including hub towns 50-79%)	1.674
Oldham	Urban with Major Conurbation	1.667
North Devon	Largely Rural (rural including hub towns 50-79%)	1.635
Newcastle-under-Lyme	Urban with City and Town	1.628
Maldon	Mainly Rural (rural including hub towns $\geq 80\%$)	1.628
East Staffordshire	Urban with Significant Rural (rural including hub towns 26-49%)	1.610
City of London	Urban with Major Conurbation	1.600
East Hampshire	Mainly Rural (rural including hub towns $\geq 80\%$)	1.600

6 of these local authority areas are classed as Predominantly Rural, 1 is classed as Urban with Significant Rural, and 3 are classed as Predominantly Urban.

Table showing the 10 best performing Local Authority areas:

Authority	Categorisation	Flow
Ryedale	Mainly Rural (rural including hub towns >=80%)	0.929
East Hertfordshire	Urban with Significant Rural (rural including hub towns 26-49%)	0.946
Westminster	Urban with Major Conurbation	0.988
Cotswold	Mainly Rural (rural including hub towns >=80%)	0.993
Richmondshire	Mainly Rural (rural including hub towns >=80%)	1.000
West Lancashire	Urban with Significant Rural (rural including hub towns 26-49%)	1.003
West Devon	Mainly Rural (rural including hub towns >=80%)	1.023
Rother	Largely Rural (rural including hub towns 50-79%)	1.029
Fenland	Largely Rural (rural including hub towns 50-79%)	1.031
Mole Valley	Urban with Significant Rural (rural including hub towns 26-49%)	1.034

6 of the best performing authorities when looking at claimant flow ratio are classed as being Predominantly Rural, 3 are classed as Urban with Significant Rural and 1 are classed as Predominantly Urban. What is particularly interesting in this quarter is that there are only 4 authorities for which claimant on flow is lower than claimant off flow. So virtually all authorities in this quarter saw an increase in their claimant count.

Alternative Claimant Count Commentary

We have also analysed Alternative Claimant Count 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.

Table showing local authorities with the 10 highest levels of claimants
(December 2019) :

Local Authority	Categorisation	LEP	Alternative claimant count as proportion of working population%
Birmingham	Urban with Major Conurbation	Greater Birmingham and Solihull	9.6%
Middlesbrough	Urban with City and Town	Tees Valley	9.2%
Blackpool	Urban with City and Town	Lancashire	8.9%
Wolverhampton	Urban with Major Conurbation	Black Country LEP	8.6%
South Tyneside	Urban with Major Conurbation	North Eastern	8.0%
Kingston upon Hull	Urban with City and Town	Humber LEP	7.7%
Hartlepool	Urban with City and Town	Tees Valley	7.4%
Thanet	Urban with City and Town	South East LEP	7.3%
Sandwell	Urban with Major Conurbation	Black Country LEP	7.3%
Bradford	Urban with Major Conurbation	Leeds City Region LEP	7.2%

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

Local Authority	Categorisation	LEP	Alternative claimant count as proportion of working population%
City of London	Urban with Major Conurbation	London	1.0%
Hart	Urban with Significant Rural (rural including hub towns 26-49%)	Enterprise M3	1.3%
Guildford	Urban with City and Town	Enterprise M3	1.3%
Mid Sussex	Urban with City and Town	Coast to Capital	1.3%
South Lakeland	Mainly Rural (rural including hub towns >=80%)	Cumbria	1.4%
Harborough	Mainly Rural (rural including hub towns >=80%)	Leicester and Leicestershire LPE	1.4%
Wokingham	Urban with City and Town	Thames Valley Berkshire	1.4%
South Cambridgeshire	Largely Rural (rural including hub towns 50-79%)	Greater Cambridge & Greater Peterborough	1.4%
Fareham	Urban with City and Town	Solent LEP	1.4%
Mole Valley	Urban with Significant Rural (rural including hub towns 26-49%)	Coast to Capital	1.4%

For the ten authorities with lowest levels of claimant as at December 2019 listed above, 3 are classed as Predominantly Rural, 2 are Urban with Significant Rural, and 5 are Predominantly Urban.