

# 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 November 2018
- JSA claimants as % of the working population June 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 November 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
Hambleton	Mainly Rural (rural including hub towns $\geq 80\%$ )	1.818
Blackpool	Urban with City and Town	1.630
Fylde	Urban with City and Town	1.397
Wyre	Largely Rural (rural including hub towns 50-79%)	1.299
Boston	Urban with Significant Rural (rural including hub towns 26-49%)	1.286
South Northamptonshire	Mainly Rural (rural including hub towns $\geq 80\%$ )	1.271
Pendle	Urban with City and Town	1.270
Copeland	Mainly Rural (rural including hub towns $\geq 80\%$ )	1.250
West Berkshire	Urban with Significant Rural (rural including hub towns 26-49%)	1.217
South Kesteven	Largely Rural (rural including hub towns 50-79%)	1.208

5 of these local authority areas are classed as Predominantly Rural, 2 are classed as Urban with Significant Rural, and 3 are classed as Predominantly Urban. Only Wyre authority has remained in the list since the August 2018 analysis.

Table showing the 10 best performing Local Authority areas:

Authority	Categorisation	Flow
Hackney	Urban with Major Conurbation	0.136
Greenwich	Urban with Major Conurbation	0.147
Salford	Urban with Major Conurbation	0.150
Torbay	Urban with City and Town	0.156
Darlington	Urban with City and Town	0.162
Portsmouth	Urban with City and Town	0.162
Middlesborough	Urban with City and Town	0.172
Stevenage	Urban with City and Town	0.178
Islington	Urban with Major Conurbation	0.184
Lewisham	Urban with Major Conurbation	0.194

All 10 of the best performing authorities when looking at claimant flow ratio are classed as being Predominantly Urban. Islington is the only authority that has remained within this list since the August 2018 analysis.

### **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 (June 2018) :

Local Authority	Categorisation	LEP	JSA%
Middlesbrough	Urban with City and Town	Tees Valley	5.00%
South Tyneside	Urban with Major Conurbation	North Eastern	4.58%
Nottingham	Urban with Minor Conurbation	Derby, Derbyshire, Nottingham and Nottinghamshire	4.00%
Kingston upon Hull	Urban with City and Town	Humber	3.93%
Sandwell	Urban with Major Conurbation	Black Country	3.60%
Darlington	Urban with City and Town	Tees Valley	3.41%
Redcar and Cleveland	Urban with Significant Rural (rural including hub towns 26-49%)	Tees Valley	3.37%
Birmingham	Urban with Major Conurbation	Birmingham and Solihull	3.20%
Blackpool	Urban with City and Town	Lancashire	3.19%
Sunderland	Urban with Major Conurbation	North Eastern	3.17%

Sunderland has entered the list of highest JSA claimants as a proportion of working population since the previous quarters analysis, replacing Wolverhampton. Apart from this one movement, the list of ten authorities with highest levels of JSA claimant (June 2018) remains fairly static since June 2016, although relative positions within this listing have altered.

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

Local Authority	Categorisation	LEP	JSA%
Harrogate	Urban with Significant Rural (rural including hub towns 26-49%)	Leeds City Region	0.14%
Richmondshire	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.16%
Ryedale	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.17%
Cherwell	Urban with Significant Rural (rural including hub towns 26-49%)	Oxfordshire	0.17%
Mendip	Mainly Rural (rural including hub towns >=80%)	Heart of the South West	0.17%
Eastleigh	Urban with City and Town	Solent	0.18%
Stroud	Urban with Significant Rural (rural including hub towns 26-49%)	Gloucestershire	0.18%
Bath and North East Somerset	Urban with Significant Rural (rural including hub towns 26-49%)	West of England	0.19%
South Somerset	Largely Rural (rural including hub towns 50-79%)	Heart of the South West	0.19%
West Somerset	Mainly Rural (rural including hub towns >=80%)	Heart of the South West	0.20%

For the ten authorities with lowest levels of JSA claimant as at June 2018 listed above, 5 are classed as Predominantly Rural, 4 are Urban with

Significant Rural, and 1 is Predominantly Urban. Ryedale and South Somerset have entered the list since the previous quarters analysis, taking the place of Taunton Deane and Stratford-on-Avon from the top ten.

This is the first time Stratford-on-Avon has dropped from the top ten since the September 2015 analysis. 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.