

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 July 2016
- JSA claimants as % of the working population March 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 July 2016.

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 $\geq 80\%$)	1.61
City of London	Urban with Major Conurbation	1.43
Staffordshire Moorlands	Largely Rural (rural including hub towns 50-79%)	1.26
Stratford-on-Avon	Mainly Rural (rural including hub towns $\geq 80\%$)	1.22
Exeter	Urban with City and Town	1.21
Fylde	Urban with City and Town	1.20
Vale of White Horse	Largely Rural (rural including hub towns 50-79%)	1.19
St Edmundsbury	Largely Rural (rural including hub towns 50-79%)	1.19
West Oxfordshire	Mainly Rural (rural including hub towns $\geq 80\%$)	1.18
South Somerset	Largely Rural (rural including hub towns 50-79%)	1.17

7 of these local authority areas are classed as Predominantly Rural (up from 4 as of March 2016), the remaining authorities being classed as Predominantly Urban. There are no authorities within this current list that appeared in the March 2016 list.

Table showing the 10 best performing Local Authority areas:

Authority	Categorisation	Flow
Great Yarmouth	Urban with Significant Rural (rural including hub towns 26-49%)	0.05
Sedgemoor	Largely Rural (rural including hub towns 50-79%)	0.14
Bath & North East Somerset	Urban with Significant Rural (rural including hub towns 26-49%)	0.16
Croydon	Urban with Major Conurbation	0.21
Rugby	Urban with City and Town	0.23
Waveney	Urban with Significant Rural (rural including hub towns 26-49%)	0.26
Hounslow	Urban with Major Conurbation	0.38
Sutton	Urban with Major Conurbation	0.46
Ryedale	Mainly Rural (rural including hub towns >=80%)	0.54
King's Lynn & West Norfolk	Largely Rural (rural including hub towns 50-79%)	0.66

The 10 best performing authorities when looking at claimant flow ratio, are split between 3 Predominantly Rural authorities, 3 Significantly Rural authorities, the remaining 4 being Predominantly Urban. Hounslow, Sutton and Ryedale all remain in the list of 10 best performing local authorities from the previous quarters analysis, which indicates a period of sustained improvement. This is the 3rd quarter analysis in which Sutton has appeared in the best ten performing authorities.

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 2016) :

Local Authority	Categorisation	LEP	JSA%
Middlesbrough	Urban with City and Town	Tees Valley	6.43%
South Tyneside	Urban with Major Conurbation	North Eastern	6.14%
Redcar and Cleveland	Urban with Significant Rural (rural including hub towns 26-49%)	Tees Valley	5.85%
Kingston upon Hull, City of	Urban with City and Town	Humber	5.51%
Wolverhampton	Urban with Major Conurbation	Black Country	5.41%
Hartlepool	Urban with City and Town	Tees Valley	5.25%
Birmingham	Urban with Major Conurbation	Greater Birmingham and Solihull	5.14%
Nottingham	Urban with Minor Conurbation	Derby, Derbyshire, Nottingham and Nottinghamshire	4.64%
Great Yarmouth	Urban with Significant Rural (rural including hub towns 26-49%)	New Anglia	4.57%
Sandwell	Urban with Major Conurbation	Black Country	4.29%

For the ten authorities with highest levels of JSA claimant as at March 2016 listed above, there have been no new additions since the December 2015 position.

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

Local Authority	Categorisation	LEP	JSA%
Stratford-on-Avon	Mainly Rural (rural including hub towns >=80%)	Coventry and Warwickshire	0.41%
South Oxfordshire	Mainly Rural (rural including hub towns >=80%)	Oxfordshire LEP	0.42%
Harrogate	Urban with Significant Rural (rural including hub towns 26-49%)	Leeds City Region	0.42%
Ribble Valley	Mainly Rural (rural including hub towns >=80%)	Lancashire	0.46%
Mid Sussex	Urban with City and Town	Coast to Capital	0.48%
South Lakeland	Mainly Rural (rural including hub towns >=80%)	Cumbria	0.48%
Harborough	Mainly Rural (rural including hub towns >=80%)	Leicester and Leicestershire	0.49%
Hart	Urban with Significant Rural (rural including hub towns 26-49%)	Enterprise M3	0.50%
Cherwell	Urban with Significant Rural (rural including hub towns 26-49%)	Oxfordshire LEP	0.51%
Vale of White Horse	Largely Rural (rural including hub towns 50-79%)	Oxfordshire LEP	0.52%

For the ten authorities with lowest levels of JSA claimant as at March 2016 listed above, 6 are classed as Predominantly Rural, 3 are Urban with Significant Rural, and 1 is Predominantly Urban.

Overall, for those authorities with the lowest percentage of JSA claimants, the proportion of JSA claimants have increased between December 2015 and March 2016 (shown above), indicating an overall worsening position for the authorities within the top ten.

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