

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 August 2018
- JSA claimants as % of the working population March 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 August 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
Melton	Mainly Rural (rural including hub towns $\geq 80\%$)	2.333
Wyre	Largely Rural (rural including hub towns 50-79%)	1.663
Chiltern	Urban with Significant Rural (rural including hub towns 26-49%)	1.633
Lancaster	Urban with Significant Rural (rural including hub towns 26-49%)	1.609
Corby	Urban with City and Town	1.529
Bromsgrove	Urban with City and Town	1.455
Wakefield	Urban with City and Town	1.424
Newcastle-under-Lyme	Urban with City and Town	1.404
Richmondshire	Mainly Rural (rural including hub towns $\geq 80\%$)	1.400
Aylesbury Vale	Largely Rural (rural including hub towns 50-79%)	1.366

4 of these local authority areas are classed as Predominantly Rural, 2 are classed as Urban with Significant Rural, and 4 are classed as Predominantly Urban. No authority that featured in the May 2018 analysis list remains in this August 2018 list.

Table showing the 10 best performing Local Authority areas:

Authority	Categorisation	Flow
North Devon	Largely Rural (rural including hub towns 50-79%)	0.139
Weymouth and Portland	Urban with City and Town	0.150
Harrow	Urban with Major Conurbation	0.178
Leicester	Urban with City and Town	0.182
Kingston upon Thames	Urban with Major Conurbation	0.184
Islington	Urban with Major Conurbation	0.197
Havering	Urban with Major Conurbation	0.212
Christchurch	Urban with City and Town	0.214
Torridge	Mainly Rural (rural including hub towns $\geq 80\%$)	0.216
Coventry	Urban with City and Town	0.223

8 of the best performing authorities when looking at claimant flow ratio are classed as being Predominantly Urban, 2 are classed as Predominantly Rural. Weymouth & Portland continues to feature in this top 10 as it did in the May 2018 and the February 2018 analysis, 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 (March 2018) :

Local Authority	Categorisation	LEP	JSA%
Middlesbrough	Urban with City and Town	Tees Valley	5.12%
South Tyneside	Urban with Major Conurbation	North Eastern	4.98%
Nottingham	Urban with Minor Conurbation	Derby, Derbyshire, Nottingham and Nottinghamshire	4.20%
Kingston upon Hull	Urban with City and Town	Humber	3.95%
Birmingham	Urban with Major Conurbation	Greater Birmingham and Solihull	3.86%
Wolverhampton	Urban with Major Conurbation	Black Country	3.80%
Sandwell	Urban with Major Conurbation	Black Country	3.58%
Redcar and Cleveland	Urban with Significant Rural (rural including hub towns 26-49%)	Tees Valley	3.57%
Darlington	Urban with City and Town	Tees Valley	3.30%
Blackpool	Urban with City and Town	Lancashire	3.15%

Blackpool has entered the list of highest JSA claimants as a proportion of working population since the previous quarters analysis, replacing North East Lincolnshire. Apart from this one movement, there has once again been no change in the ten authorities with highest levels of JSA claimant (March 2018) listed above since the December 2017, 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 (March 2018) :

Local Authority	Categorisation	LEP	JSA%
Harrogate	Urban with Significant Rural (rural including hub towns 26-49%)	Leeds City Region	0.15%
Richmondshire	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.19%
Bath and North East Somerset	Urban with Significant Rural (rural including hub towns 26-49%)	West of England	0.19%
Mendip	Mainly Rural (rural including hub towns >=80%)	Heart of the South West	0.19%
West Somerset	Mainly Rural (rural including hub towns >=80%)	Heart of the South West	0.20%
Stratford-on-Avon	Mainly Rural (rural including hub towns >=80%)	Coventry and Warwickshire	0.21%
Stroud	Urban with Significant Rural (rural including hub towns 26-49%)	Gloucestershire	0.22%
Cherwell	Urban with Significant Rural (rural including hub towns 26-49%)	Oxfordshire	0.22%
Eastleigh	Urban with City and Town	Solent	0.22%
Taunton Deane	Urban with Significant Rural (rural including hub towns 26-49%)	Heart of the South West	0.23%

For the ten authorities with lowest levels of JSA claimant as at March 2018 listed above, 4 are classed as Predominantly Rural, 5 are Urban with Significant Rural, and 1 is Predominantly Urban. Stroud, Cherwell and Taunton Deane have entered the list since the previous quarters analysis, taking the place of Harborough, Rugby and Ryedale 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.