

## 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 trends around the number of jobs advertised. This information was available through the Office of National Statistics. Trends in notified vacancies run around three months in advance of up or down turns in local economies more generally and using this information you can develop inferences about the direction of travel of your economy. This data is no longer collected however analysing the flow of claimants on and off of the JSA register does provide a useful alternative.

As part the RSN profiling service we have systemised and benchmarked information on claimant flows for our members. The spreadsheet which accompanies this note shows the performance of all authorities in quartiles. By clicking on the drop down box you can see the quartile trend for your authority. You can also compare how it performs against categories of authorities by using the drop down box immediately below – you can select the District average or the average for authorities in the rural 50 and rural 80 categories.

We will update this information on a regular basis and produce a commentary on trends. The data analysed in this current commentary covers the period up to March 2013 with the tables based on results for that month.

### Claimant Flow Commentary

#### Worst Performers

Where the flow of claimants is 1 there is no net change a change the more significant the change in terms of increasing unemployment the higher the ratio of flows will be – ie above 1. By comparing ratios we can gauge the net change in those entering and leaving JSA. This helps gauge the relative dynamism of the labour market in each local authority.

Authority	Categorisation	Flow
1. Rugby Borough Council	Significant Rural	1.03235
2. Welwyn Hatfield Council	Other Urban	1.01262
3. Chorley Borough Council	Significant Rural	1.00781
4. Burnley Borough Council	Other Urban	0.98859
5. Craven District Council	Rural-80 Average	0.97414
6. Gosport Borough Council	Large Urban	0.97384
7. Surrey Heath Borough Council	Other Urban	0.9697
8. Preston City Council	Large Urban	0.96714
9. Newcastle-under-Lyme Borough Council	Large Urban	0.95946
10. North Kesteven District Council	Rural-80 Average	0.94845

Only two authorities Craven and North Kesteven District Council are predominantly rural albeit Rugby, which tops the list and Chorley have significant rural hinterlands. There is no coherent geographical distribution of those places with the best claimant flows although the North West and South East each have 3 authorities in the list.

### Best Performers

Authority	Categorisation	Flow
1. Eastleigh Borough Council	Significant Rural	0.64578
2. Torridge District Council	Rural-80 Average	0.65476
3. Broadland District Council	Significant Rural	0.66071
4. Great Yarmouth Borough Council	Significant Rural	0.66718
5. Rother District Council	Rural-50 Average	0.67033
6. Amber Valley Borough Council	Significant Rural	0.67093
7. Chiltern District Council	Significant Rural	0.671
8. East Devon District Council	Rural-50 Average	0.6755
9. Dover District Council	Rural-50 Average	0.67712
10. Ryedale District Council	Rural-80 Average	0.68657

5 of the authorities with the best declining claimant counts are predominantly rural and a further 5 have significant rural hinterlands.

### Job Seekers Allowance

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 and placed in the context of trends which provide useful contemporary indicators of economic performance. Whilst we have JSA data at higher authority and LEP levels for comparison purposes it works best at District level. The attached spreadsheet enables you to look at JSA at LEP and District levels.

### Worst Performers

The Districts with the top 10 highest levels of JSA claimants are set out below:

Local Authority	Categorisation	LEP	JSA %
1. Middlesbrough	Predominantly Urban Average	Tees Valley	11.53%
2. Hartlepool	Predominantly Urban Average	Tees Valley	11.36%
3. Hull	Predominantly Urban Average	Humber	11.26%
4. Wolverhampton	Predominantly Urban Average	Black Country	11.21%
5. Birmingham	Predominantly Urban Average	Greater Birmingham and	10.67%

		Solihull	
6. Sandwell	Predominantly Urban Average	Black Country	10.41%
7. Newham	Predominantly Urban Average	London	10.22%
8. Blackpool	Predominantly Urban Average	Lancashire	10.01%
9. Liverpool	Predominantly Urban Average	Liverpool City Region	9.84%
10. Great Yarmouth	Predominantly Rural Average	New Anglia	9.74%

### Best Performers

The ten authorities with the lowest levels of JSA claimants are set out below:

Local Authority	Categorisation	LEP	JSA %
1. Hart	Significant Rural Average	Enterprise M3	1.38%
2. Mid Sussex	Significant Rural Average	Coast to Capital	1.44%
3. Wokingham	Predominantly Urban Average	Thames Valley Berkshire	1.47%
4. S Northamptonshire	Significant Rural Average	South East Midlands	1.47%
5. Ribble Valley	Significant Rural Average	Lancashire	1.53%
6. Mole Valley	Predominantly Urban Average	Coast to Capital	1.54%
7. East Dorset	Predominantly Rural Average	Dorset	1.57%
8. Winchester	Significant Rural Average	Solent	1.63%
9. Eden	Predominantly Rural Average	Cumbria	1.64%
10. South Oxfordshire	Predominantly Rural Average	Oxfordshire LEP	1.65%

This analysis shows a very clear urban/rural split, with none of the 10 authorities with the highest levels of JSA claimants being in predominantly rural areas and 9 of those with the lowest levels of JSA claimants being predominantly rural.

### Overall Analysis

The relatively recent state of local economies revealed by looking at unemployment flows and JSA claimants reveals a picture of greater relative unemployment in urban areas. Rural areas also come out as having more dynamic labour markets in terms of a positive trend of more people flowing off than on the register. It is important to bear in mind as a caveat however that many of the employees in rural areas are employed in urban areas and it is important therefore to avoid making a too simplistic assumption that rural labour markets themselves are more robust and dynamic.