

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 February 2018
- JSA claimants as % of the working population September 2017

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 February 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
Ribble Valley	Mainly Rural (rural including hub towns $\geq 80\%$)	2.214
St. Helens	Urban with Major Conurbation	2.040
East Staffordshire	Urban with Significant Rural (rural including hub towns 26-49%)	2.000
Salford	Urban with Major Conurbation	1.987
Boston	Urban with Significant Rural (rural including hub towns 26-49%)	1.985
Rossendale	Urban with City and Town	1.959
Derby	Urban with City and Town	1.937
Rochdale	Urban with Major Conurbation	1.890
Stoke-on-Trent	Urban with City and Town	1.887
Eden	Mainly Rural (rural including hub towns $\geq 80\%$)	1.880

2 of these local authority areas are classed as Predominantly Rural, 2 are classed as Urban with Significant Rural, and 6 are classed as Predominantly Urban. No authority that featured in the November 2017 analysis list remains in this February 2018 list.

Table showing the 10 best performing Local Authority areas:

Authority	Categorisation	Flow
Weymouth & Portland	Urban with City and Town	0.195
Thanet	Urban with City and Town	0.200
Welwyn Hatfield	Urban with City and Town	0.217
Eastbourne	Urban with City and Town	0.246
St. Albans	Urban with City and Town	0.273
Swale	Largely Rural (rural including hub towns 50-79%)	0.277
Brentwood	Urban with Significant Rural (rural including hub towns 26-49%)	0.282
Watford	Urban with Major Conurbation	0.298
St. Edmundsbury	Largely Rural (rural including hub towns 50-79%)	0.313
Reading	Urban with City and Town	0.322

The 10 best performing authorities when looking at claimant flow ratio are split between 2 Predominantly Rural authorities, 1 Significantly Rural authority, the remaining 7 being Predominantly Urban. Both Weymouth & Portland and Welwyn Hatfield are now in this top 10 having previously been in the bottom 10 performing local authority areas (Nov'17).

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 (September 2017) :

Local Authority	Categorisation	LEP	JSA%
Birmingham	Urban with Major Conurbation	Greater Birmingham and Solihull	4.44%
Middlesbrough	Urban with City and Town	Tees Valley	4.44%
South Tyneside	Urban with Major Conurbation	North Eastern	4.12%
Wolverhampton	Urban with Major Conurbation	Black Country	4.06%
Nottingham	Urban with Minor Conurbation	Derby, Derbyshire, Nottingham and Nottinghamshire	3.82%
Sandwell	Urban with Major Conurbation	Black Country	3.48%
Kingston upon Hull	Urban with City and Town	Humber	3.38%
Redcar and Cleveland	Urban with Significant Rural (rural including hub towns 26-49%)	Tees Valley	3.12%
Darlington	Urban with City and Town	Tees Valley	3.06%
Stockton-on-Tees	Urban with City and Town	Tees Valley	2.81%

Stockton-on-Tees has moved back into the list of highest JSA claimants as a proportion of working population since the previous quarters analysis, replacing Thanet. Apart from this one movement, there has once again been no change in the ten authorities with highest levels of JSA claimant (September 2017) listed above since the 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 (September 2017) :

Local Authority	Categorisation	LEP	JSA%
Richmondshire	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.16%
Harrogate	Urban with Significant Rural (rural including hub towns 26-49%)	Leeds City Region	0.17%
Mendip	Mainly Rural (rural including hub towns >=80%)	Heart of the South West	0.19%
Bath and North East Somerset	Urban with Significant Rural (rural including hub towns 26-49%)	West of England	0.21%
West Somerset	Mainly Rural (rural including hub towns >=80%)	Heart of the South West	0.22%
Stratford-on-Avon	Mainly Rural (rural including hub towns >=80%)	Coventry and Warwickshire	0.22%
Ryedale	Mainly Rural (rural including hub towns >=80%)	York & North Yorkshire	0.24%
Rugby	Urban with City and Town	Coventry & Warwickshire	0.25%
Harborough	Mainly Rural (rural including hub towns >=80%)	Leicester and Leicestershire	0.25%
South Lakeland	Mainly Rural (rural including hub towns >=80%)	Cumbria	0.28%

For the ten authorities with lowest levels of JSA claimant as at September 2017 listed above, 7 are classed as Predominantly Rural, 2 are Urban with Significant Rural, and 1 is Predominantly Urban. South Lakeland has entered

the list since the previous quarters analysis, taking the place of Sedgemoor 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.