

# 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 March 2016
- JSA claimants as % of the working population December 2015

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 March 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
Richmondshire	Mainly Rural (rural including hub towns $\geq 80\%$ )	1.5
Tamworth	Urban with City and Town	1.284210526
Mendip	Mainly Rural (rural including hub towns $\geq 80\%$ )	1.208333333
Salford	Urban with Major Conurbation	1.207815275
Basildon	Urban with City and Town	1.183673469
Crawley	Urban with City and Town	1.180412371
Newcastle upon Tyne	Urban with Major Conurbation	1.158490566
Milton Keynes	Urban with City and Town	1.15
Craven	Mainly Rural (rural including hub towns $\geq 80\%$ )	1.142857143
Breckland	Mainly Rural (rural including hub towns $\geq 80\%$ )	1.141242938

4 of these local authority areas are classed as Predominantly Rural (down from 6 as of January 2016, in addition to 2 classed as Urban with Significant Rural), the remaining authorities being classed as Predominantly Urban. There are no authorities within this current list that appeared in the January 2016 list.

Table showing the 10 best performing Local Authority areas:

Authority	Categorisation	Flow
Hounslow	Urban with Major Conurbation	0.29774127
Sutton	Urban with Major Conurbation	0.427083333
West Somerset	Mainly Rural (rural including hub towns >=80%)	0.523076923
Ryedale	Mainly Rural (rural including hub towns >=80%)	0.532110092
Isle of Wight	Mainly Rural (rural including hub towns >=80%)	0.556109726
East Lindsey	Mainly Rural (rural including hub towns >=80%)	0.55890411
Rushcliffe	Largely Rural (rural including hub towns 50-79%)	0.56462585
Rochford	Urban with City and Town	0.590551181
Melton	Mainly Rural (rural including hub towns >=80%)	0.609756098
Forest Heath	Mainly Rural (rural including hub towns >=80%)	0.615384615

The 10 best performing authorities when looking at claimant flow ratio, are split between 7 Predominantly Rural authorities, the remaining 3 being Predominantly Urban. Only Sutton remains in the list of 10 best performing local authorities from the previous quarters analysis, which indicates a period of sustained improvement.

### **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 (December 2015) :

Local Authority	Categorisation	LEP	JSA%
Middlesbrough	Urban with City and Town	Tees Valley	6.29%
Redcar and Cleveland	Urban with Significant Rural (rural including hub towns 26-49%)	Tees Valley	5.66%
Kingston upon Hull, City of	Urban with City and Town	Humber	5.54%
South Tyneside	Urban with Major Conurbation	North Eastern	5.42%
Wolverhampton	Urban with Major Conurbation	Black Country	5.09%
Birmingham	Urban with Major Conurbation	Greater Birmingham and Solihull	4.94%
Hartlepool	Urban with City and Town	Tees Valley	4.89%
Nottingham	Urban with Minor Conurbation	Derby, Derbyshire, Nottingham and Nottinghamshire	4.50%
Sandwell	Urban with Major Conurbation	Black Country	4.32%
Great Yarmouth	Urban with Significant Rural (rural including hub towns 26-49%)	New Anglia	4.30%

For the ten authorities with highest levels of JSA claimant as at December 2015 listed above, only one new addition has been made from the September 2015 position. Great Yarmouth has entered at position 10, replacing Sunderland that also held the tenth spot in September 2015. 8 of the authorities are classed as Predominantly Urban (the remaining 2 authorities being Urban with Significant Rural).

Table showing local authorities with the 10 lowest levels of JSA claimants (December 2015) :

Local Authority	Categorisation	LEP	JSA%
Stratford-on-Avon	Mainly Rural (rural including hub towns >=80%)	Coventry and Warwickshire	0.34%
Harrogate	Urban with Significant Rural (rural including hub towns 26-49%)	Leeds City Region	0.36%
South Oxfordshire	Mainly Rural (rural including hub towns >=80%)	Oxfordshire LEP	0.39%
Eden	Mainly Rural (rural including hub towns >=80%)	Cumbria	0.44%
Cherwell	Urban with Significant Rural (rural including hub towns 26-49%)	Oxfordshire LEP	0.46%
Mid Sussex	Urban with City and Town	Coast to Capital	0.46%
West Oxfordshire	Mainly Rural (rural including hub towns >=80%)	Oxfordshire LEP	0.47%
South Lakeland	Mainly Rural (rural including hub towns >=80%)	Cumbria	0.48%
Lichfield	Urban with Significant Rural (rural including hub towns 26-49%)	Greater Birmingham and Solihull	0.48%
West Berkshire	Urban with Significant Rural (rural including hub towns 26-49%)	Thames Valley Berkshire	0.48%

For the ten authorities with lowest levels of JSA claimant as at December 2015 listed above, 5 are classed as Predominantly Rural, 4 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 fallen between September 2015 and December 2015 (shown above), indicating an overall improved position for the authorities within the top ten.

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

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.