

Statistical bulletin

# Regional Labour Market: February 2016

Regional, local authority and parliamentary constituency breakdowns of changes in UK employment, unemployment, economic inactivity and other employment-related statistics.



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# 1. Main points

The UK employment rate, for the 3 months ending December 2015, was highest in the East of England (78.0%) and lowest in Northern Ireland (68.8%). The employment rate estimates showed few large movements for the regions and countries of the UK.

The UK unemployment rate, for the 3 months ending December 2015, was highest in the North East (8.1%) and lowest in the South West (3.7%). The general pattern for all regions is still for flat or gently decreasing unemployment rates.

The UK inactivity rate, for the 3 months ending December 2015, was highest in Northern Ireland (26.8%) and lowest in the East of England (18.7%). The largest changes in the inactivity rate, compared with the same period last year, were in the South West, Wales and Northern Ireland, which all decreased by 1.1 percentage points.

The UK Claimant Count rate, for January 2016, was highest in Northern Ireland (4.2%) and lowest in the South East (1.2%). Compared with December 2015, the only regions to show a decrease in the Claimant Count rate were the North West, Yorkshire and The Humber, East of England, Wales and Northern Ireland, all at 0.1 percentage point, while all other regions remained unchanged.

The largest increase in UK workforce jobs, for September 2015, was in the South West, at 39,000. The largest decrease was in the North East, at 26,000.

The highest proportion of workforce jobs in the service sector was in London, at 91.7%, which has remained unchanged since June 2015. The West Midlands had the highest proportion of jobs in the production sector, at 12.9%.

The highest average actual weekly hours worked, for the 12 months ending September 2015, was in Northern Ireland, at 33.6 hours and lowest in Yorkshire and The Humber, at 31.3 hours. For both full-time and part-time workers, it was highest in Northern Ireland, at 38.3 hours and 17.0 hours, respectively.

## 2. In this bulletin

This bulletin shows the latest main labour market statistics for the regions and countries of the UK, along with statistics for local authorities, travel-to-work areas and parliamentary constituencies.

Data for Northern Ireland, although included in this bulletin, are available separately, in full, in the [Northern Ireland Labour Market Report](#) on the NISRA economic and labour market statistics website.

### Updated this month

Labour Force Survey estimates for the period October to December 2015  
Claimant Count for January 2016

### Also in this release

Public and private sector employment for September 2015  
Workforce jobs estimates for September 2015  
Annual Population Survey estimates for the period October 2014 to September 2015

### 3. Summary of latest regional labour market statistics

Table A shows the latest estimates for employment, unemployment and economic inactivity for October to December 2015 and a comparison with the previous quarter (July to September 2015). Comparing non-overlapping periods (October to December 2015 with July to September 2015) provides a more robust short-term comparison. Table B shows the latest Claimant Count rate for January 2016, and shows how these figures compared with the previous month (December 2015) and the previous year (January 2015).

**Table A: Summary of latest headline estimates, seasonally adjusted, October to December 2015**

UK regions

	Employment rate <sup>1</sup> (%) aged 16 to 64	Change on Jul to Sep 2015	Unemployment rate <sup>2</sup> (%) aged 16 and over	Change on Jul to Sep 2015	Inactivity rate <sup>3</sup> (%) aged 16 to 64	Change on Jul to Sep 2015
North East	70.4	2.1	8.1	-0.5	23.3	-2.0
North West	73.1	1.0	4.9	-0.6	23.1	-0.6
Yorkshire and The Humber	71.8	-0.2	6.1	0.3	23.4	0.0
East Midlands	74.3	-0.6	4.5	0.1	22.1	0.5
West Midlands	71.4	-0.1	5.2	-0.4	24.5	0.4
East	78.0	0.5	3.9	-0.3	18.7	-0.3
London	72.9	0.5	6.3	-0.1	22.2	-0.4
South East	77.6	0.5	3.9	0.0	19.2	-0.4
South West	77.5	-0.3	3.7	-0.2	19.4	0.6
England	74.4	0.3	5.0	-0.2	21.6	-0.2
Wales	71.2	0.3	5.3	-0.8	24.6	0.3
Scotland	74.8	0.7	5.8	-0.2	20.5	-0.6
Great Britain	74.3	0.4	5.1	-0.2	21.6	-0.2
Northern Ireland	68.8	0.9	5.8	-0.1	26.8	-0.9
UK	74.1	0.4	5.1	-0.2	21.8	-0.2

Source: Office for National Statistics

Notes:

1. Calculation of headline employment rate: Number of employed people aged from 16 to 64 divided by the population aged from 16 to 64. Population is the sum of employed plus unemployed plus inactive.
2. Calculation of headline unemployment rate: Number of unemployed people aged 16 and over divided by the sum of employed people aged 16 and over plus unemployed people aged 16 and over.
3. Calculation of headline economic inactivity rate: Number of economically inactive people aged from 16 to 64 divided by the population aged from 16 to 64. Population is the sum of employed plus unemployed plus inactive.

**Table B: Summary of latest Claimant Count estimates, seasonally adjusted, January 2016 (experimental statistics)**

UK regions

	Level (thousands) aged 18 and over	Change on December 2015	Change on January 2015	Rate (%) aged 18 and over	Change on December 2015	Change on January 2015
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North East	47.0	-0.3	-2.4	3.9	0.0	-0.2
North West	111.5	-3.2	7.3	3.0	-0.1	0.2
Yorkshire and The Humber	74.9	-1.5	-16.0	2.8	-0.1	-0.6
East Midlands	45.4	-0.8	-8.7	2.0	0.0	-0.4
West Midlands	77.5	-1.3	-10.0	2.7	0.0	-0.3
East	45.8	-1.7	-7.2	1.5	-0.1	-0.2
London	109.1	-0.8	-14.8	1.9	0.0	-0.3
South East	56.8	-1.0	-7.9	1.2	0.0	-0.2
South West	37.2	-0.9	-3.1	1.3	0.0	-0.1
England	605.2	-11.7	-62.8	2.1	0.0	-0.2
Wales	42.2	-0.9	-5.1	2.9	-0.1	-0.3
Scotland	75.0	-1.4	-7.2	2.7	0.0	-0.3
Great Britain	722.4	-14.0	-75.1	2.2	0.0	-0.2
Northern Ireland	37.8	-0.8	-10.3	4.2	-0.1	-1.2
UK	760.2	-14.8	-85.4	2.2	0.0	-0.2

Source: Department for Work and Pensions

Notes:

1. Calculation of headline Claimant Count rate: Number of people aged 18 and over claiming Jobseeker's Allowance plus out-of-work Universal Credit claimants.

## 4. Understanding and working with labour market statistics

Labour market statistics measure many different aspects of work and jobs and provide an insight into the economy. They are also very much about people, including their participation in the labour force, the types of work they do, the earnings and benefits they receive and their working patterns.

We have developed a framework for labour market statistics to describe the concepts within the labour market and their relationship to each other. The framework is based on labour supply and demand.

Labour supply consists of people who are employed, as well as those people defined as unemployed or economically inactive, who are considered to be potential labour supply. Our framework distinguishes between these 3 categories of worker, and also between the different working arrangements of those in employment such as employees, the self-employed and those on government schemes.

Labour demand is represented by employers, who have a need for work to be done, and who offer compensation for this work to the employees who undertake it. Employers group this work to form jobs.

This approach has wide international acceptance, including by the International Labour Organisation (ILO). Users of labour market statistics include central and local government, economists, financial analysts, journalists, businesses, trade unions, employer associations, students, teachers, industrial tribunals, academic researchers and lobby groups.

They use them for the analysis, evaluation, monitoring and planning of the labour market and economy. Labour market statistics are also used for social analysis and help inform a wide range of government policies towards population groups of particular concern (women, young people, older people and jobless households).

## Labour market statuses

Everybody aged 16 or over is either [employed](#), [unemployed](#) or [economically inactive](#). The employment estimates include all people in work including those working part-time. People not working are classed as unemployed if they have been looking for work within the last 4 weeks and are able to start work within the next 2 weeks. A common misconception is that the unemployment statistics are a count of people on benefits; this is not the case as they include unemployed people not claiming benefits.

Jobless people who have not been looking for work within the last 4 weeks or who are unable to start work within the next 2 weeks are classed as economically inactive. Examples of economically inactive people include people not looking for work because they are students, looking after the family or home, because of illness or disability, or because they have retired.

## What is the relationship between the Annual Population Survey (APS) and the Labour Force Survey (LFS)?

The Labour Force Survey (LFS) is a household survey using international definitions of employment, unemployment and economic inactivity and compiles a wide range of related topics such as occupation, training, hours of work and personal characteristics of household members aged 16 years and over. Estimates are produced every month for a rolling 3 monthly period for example, January to March data in a release will be followed by data for February to April in the next release.

The Annual Population Survey (APS), which began in 2004, is compiled from interviews for the LFS, along with additional regional samples. The APS comprises the main variables from the LFS, with a much larger sample size. Consequently the APS supports more detailed breakdowns than can be reliably produced from the LFS. Estimates are produced every quarter for a rolling annual period for example, January to December data will be followed by data for April to March when they are next updated.

This bulletin includes labour market estimates at a regional level from the LFS on total employment, unemployment and economic inactivity. More detailed regional estimates for employment by age, full-time and part-time working, economic activity and inactivity by age, and reasons for inactivity are provided using the APS. Any estimates for geographic areas below regional level are provided using the APS. In tables where APS estimates are provided for detailed geographic areas, regional and national estimates are also provided from APS for comparability.

## Making comparisons with earlier data

The most robust estimates of short-term movements in estimates derived from the Labour Force Survey (LFS) are obtained by comparing the estimates for October to December 2015 with the estimates for July to September 2015, which were first published on 11 November 2015. This provides a more robust estimate than comparing with the estimates for September to November 2015. This is because the October and November data are included within both estimates, so observed differences are only between September and December 2015. The LFS is representative of the UK population over a 3 month period, not for single month periods.

## Accuracy and reliability of survey estimates

Most of the figures in this statistical bulletin come from surveys of households or businesses. Surveys gather information from a sample rather than from the whole population. The sample is designed carefully to allow for this, and to be as accurate as possible given practical limitations such as time and cost constraints, but results from sample surveys are always estimates, not precise figures. This means that they are subject to a margin of error which can have an impact on how changes in the numbers should be interpreted, especially in the short-term.

Changes in the numbers reported in this statistical bulletin (and especially the rates) between 3 month periods are usually not greater than the margin of error. In practice, this means that small, short-term movements in

reported rates (for example, within plus or minus 0.3 percentage points) should be treated as indicative, and considered alongside medium and long-term patterns in the series and corresponding movements in administrative sources, where available, to give a fuller picture.

Further information is available in Quality information, in the background notes section.

## Seasonal adjustment

All estimates discussed in this statistical bulletin are seasonally adjusted except where otherwise stated. Like many economic indicators, the labour market is affected by factors that tend to occur at around the same time every year; for example, school leavers entering the labour market in July and whether Easter falls in March or April. In order to compare movements other than annual changes in labour market statistics the data are seasonally adjusted to remove the effects of seasonal factors and the arrangement of the calendar.

A [glossary](#) is also available to explain the main labour market terms.

## Where to find explanatory information

We have produced a number of items to help aid understanding and highlight common misunderstandings of labour market statistics, all of which are available on our website:

- [interpreting labour market statistics](#)
- [a detailed guide to labour market statistics](#)
- [a glossary of labour market terms](#)

## 5. Employment

[Employment](#) measures the number of people in work; it differs from the number of jobs because some people have more than one job.

Employment consists of employees, self-employed people, unpaid family workers and people on government supported training and employment programmes. Unpaid family workers are people who work in a family business who do not receive a formal wage or salary but benefit from the profits of that business. The government supported training and employment programmes series does not include all people on these programmes; it only includes people engaging in any form of work, work experience or work-related training who are not included in the employees or self-employed series. People on these programmes not engaging in any form of work, work experience or work-related training are not included in the employment estimates; they are classified as unemployed or economically inactive.

A [comparison between estimates of employment and jobs](#) article is available on our website.

## Regional employment

The employment rate for people aged from 16 to 64 for the UK was 74.1%, for the period October to December 2015. This is an increase of 0.4 percentage points from the previous period (July to September 2015).

The UK region with the highest employment rate was the East of England, at 78.0%, followed by the South East, at 77.6% and the South West, at 77.5%. The highest rate for the same period last year was in the South East, at 76.5%.

The region with the lowest employment rate was Northern Ireland, at 68.8%, followed by the North East, at 70.4% and Wales, at 71.2%. The lowest rate for the same period last year was also in Northern Ireland, at 67.8%.

The region with the largest increase in the employment rate on the previous period (July to September 2015), was the North East, with an increase of 2.1 percentage points, followed by the North West, with an increase of 1.0 percentage point and Northern Ireland, with an increase of 0.9 percentage points.

The increase for the North East is particularly large. It follows a period through the middle of 2015 where the employment rate estimates for the North East were particularly low, showing a general pattern of falling employment rates, while other regions' employment rates have been flat or growing. The estimates towards the end of the year now bring the annual change for the region up to a modest increase, more in line with the majority of other regions.

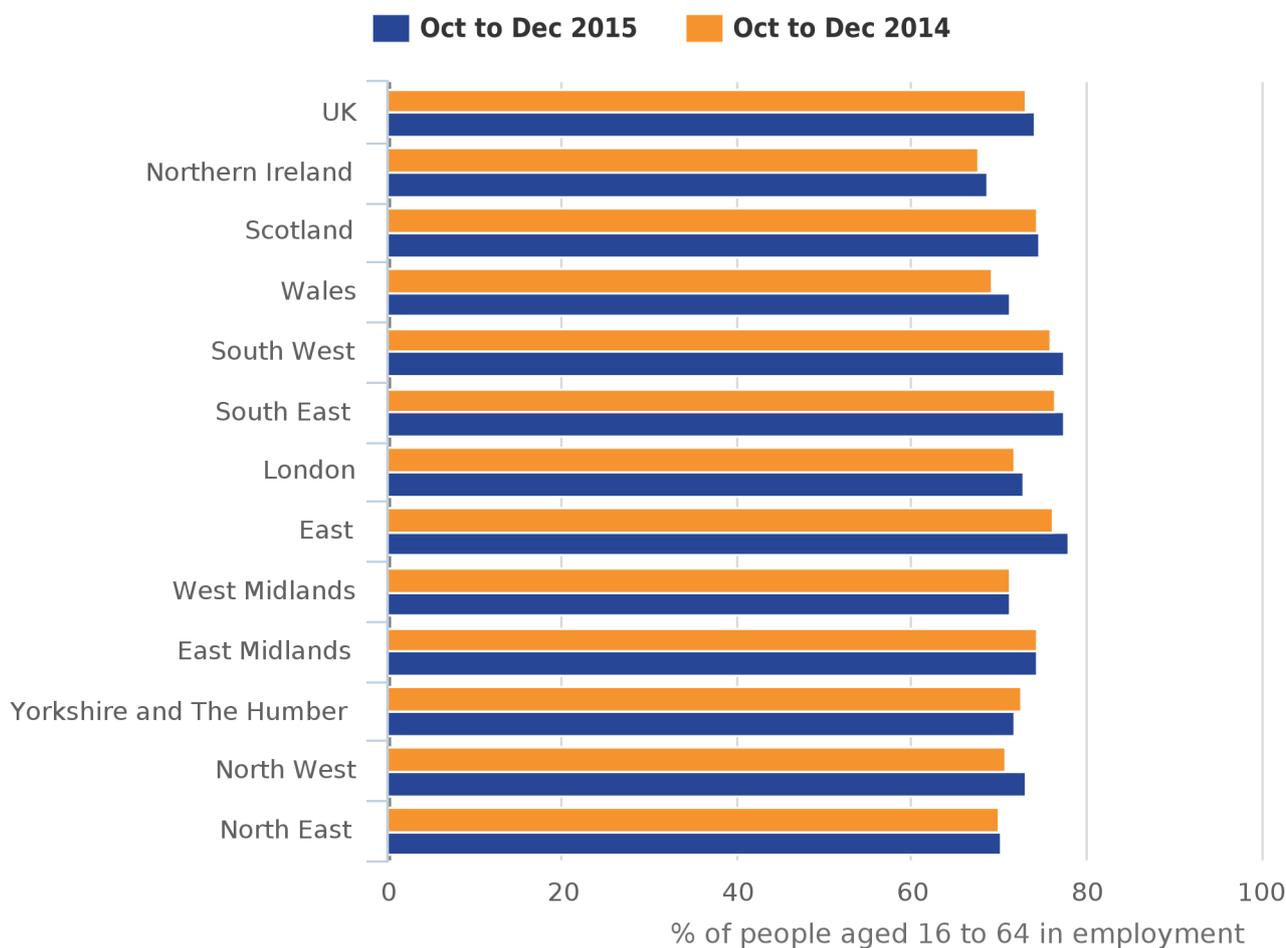
The East Midlands had the largest decrease in the employment rate, with a decrease of 0.6 percentage points. This is partially due to some unusually high estimates through the summer. Despite the latest fall, the underlying pattern for employment rate estimates in the East Midlands have been generally flat over the year.

The East Midlands was followed by the South West, with a decrease of 0.3 percentage points in the employment rate and Yorkshire and The Humber, with a decrease of 0.2 percentage points.

The employment rates for the North East and North West are at a record high. Meanwhile the employment levels for the North East, Yorkshire and The Humber, East of England, Wales and Scotland are all at record highs.

**Figure 1: Employment rates by region and comparison year on year, seasonally adjusted, October to December 2014 and October to December 2015**

**UK regions**



Over the year, the region with the largest increase in the employment rate was the North West, with an increase of 2.2 percentage points, followed by Wales, with an increase of 2.0 percentage points and the South West and East of England, both with an increase of 1.6 percentage points.

There were only 2 regions that saw a decrease in the employment rate; Yorkshire and The Humber, at 0.9 percentage points and the East Midlands, at 0.2 percentage points.

## Where to find data about employment

Employment estimates are available for each region at Tables [HI00 – Headline LFS indicators for all UK regions \(10.03 Mb Excel sheet\)](#) and [HI01 to HI12 – Headline indicators for individual UK regions \(95.5 Kb Excel sheet\)](#) (Tables 1 and 2), and Tables LI01 to [LI05 Local indicators for sub-regional areas of Great Britain \(95.5 Kb Excel sheet\)](#), for this and further estimate breakdowns by age or geographies.

These tables contain data produced from the Labour Force Survey (LFS) and Annual Population Survey (APS). A note in the section “Understanding and working with labour market statistics” on the relationship between the LFS and APS entitled “What is the relationship between the APS and the LFS?” is included in this bulletin.

## 6. Workforce jobs (first published on 16 December 2015)

[Workforce jobs](#) measures the number of filled jobs in the economy. The estimates are mainly sourced from employer surveys such as the Short-Term Employment Surveys (STES) and the Quarterly Public Sector Employment Survey (QPSES). Workforce jobs is a different concept from employment, which is sourced from the Labour Force Survey (LFS), as employment is an estimate of people and some people have more than one job.

A [comparison between estimates of employment and jobs](#) article is published on our website.

The service sector consists of the following industries:

- wholesale and retail trade
- repair of motor vehicles and motor cycles, transport and storage
- accommodation and food service activities
- information and communication
- financial and insurance activities
- real estate activities
- professional, scientific and technical activities
- administrative and support service activities
- public admin and defence
- compulsory social security
- education
- human health and social work activities

- arts, entertainment and recreation
- other service activities
- people employed by households, etc

The production sector consists of the following industries:

- mining and quarrying
- manufacturing
- electricity, gas, steam and air conditioning supply
- water supply, sewerage, waste and remediation activities

The “other” sector consists of agriculture, forestry, and fishing and construction industries.

The Northern Ireland self-employed component of the workforce jobs are published by NISRA as part of the economic and labour market statistics.

## **Regional workforce jobs**

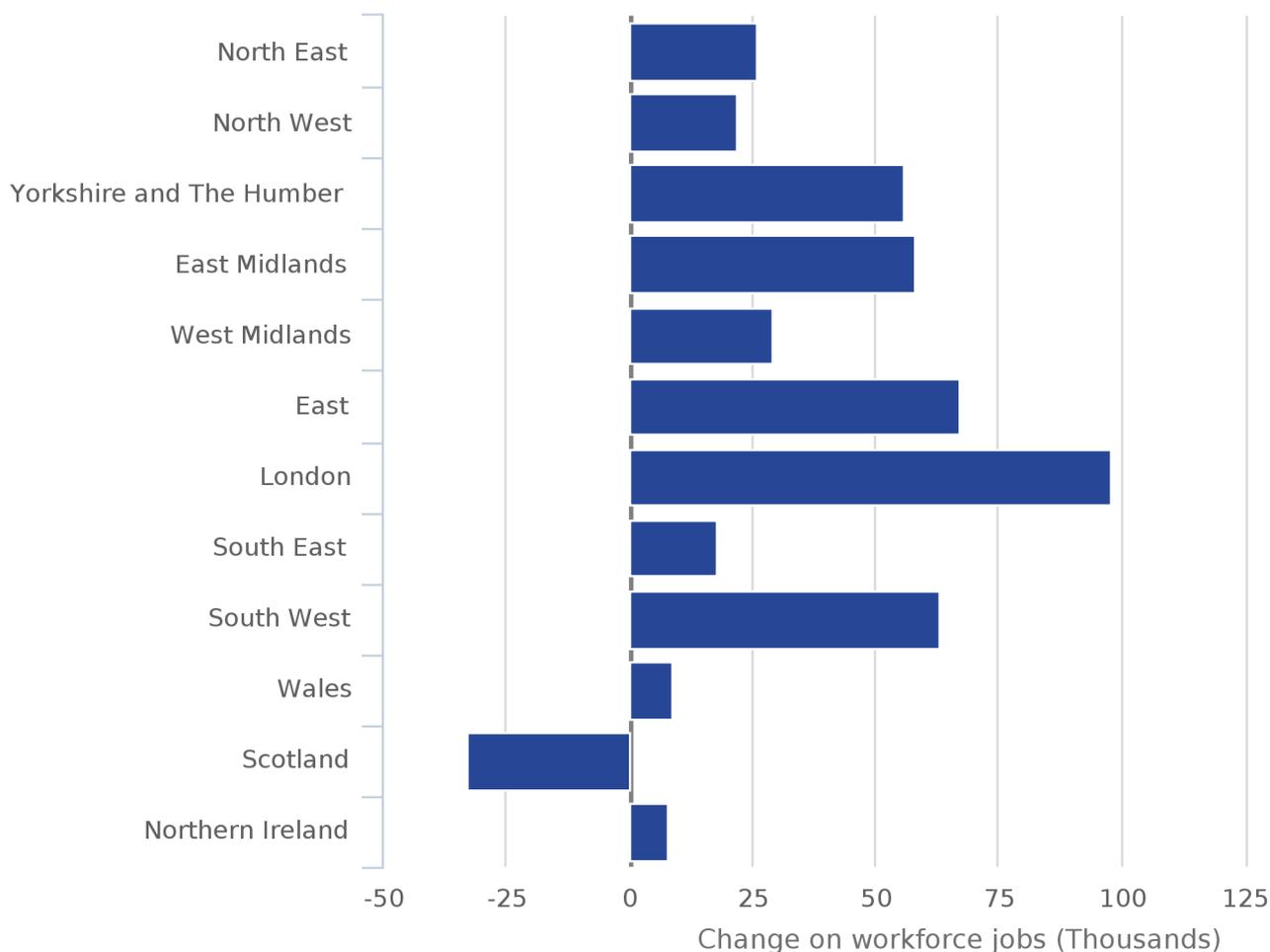
Workforce jobs increased in 8 of the 12 regions of the UK between June and September 2015. The largest increase of 39,000 was in the South West, followed by the North West and South East, which both increased by 34,000.

The largest decrease of 26,000 was in the North East, followed by the West Midlands, which decreased by 16,000.

Compared with the same month last year (September 2014), the largest increase in workforce jobs was in London, with an increase of 98,000. This was also the largest overall change. The only decrease was in Scotland, at 33,000.

**Figure 2: Change in workforce jobs, by region, seasonally adjusted, September 2014 and September 2015**

**UK regions**



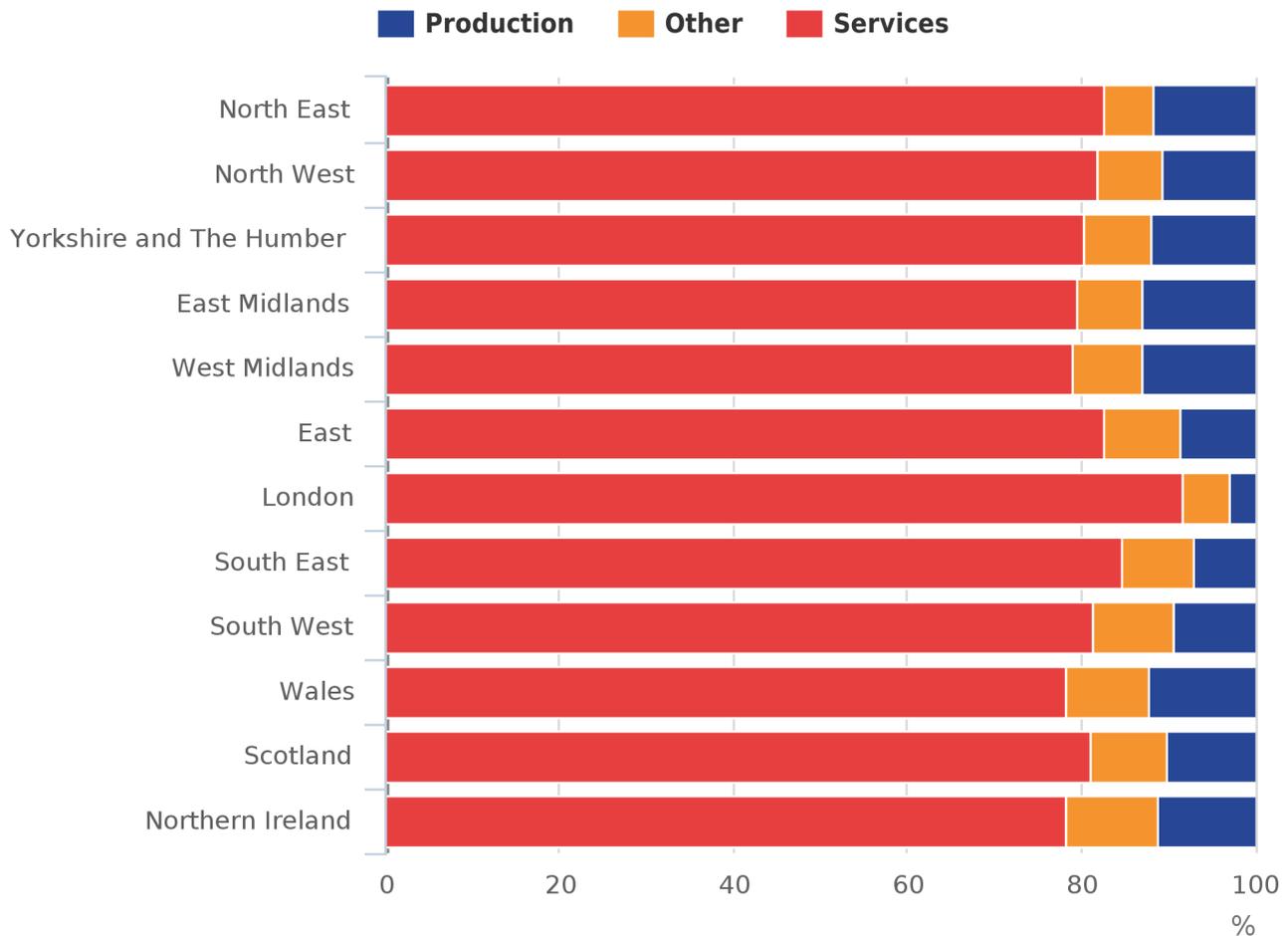
**Source: Short Term Employment Survey (GAPS) - Office for National Statistics**

The West Midlands had the highest proportion of jobs in the production sector, at 12.9%, whilst London had the lowest proportion, at 3.0%. This is due to London having primarily service-based industries within its region, such as financial and administrative sectors.

For the service sector, London had the highest proportion, at 91.7%, whilst Wales and Northern Ireland had the lowest proportions, both at 78.3%. The service sector currently accounts for 83.1% of the total workforce jobs in the UK.

**Figure 3: Proportion of workforce jobs by broad industry group, by region, September 2015**

UK regions



Source: Short Term Employment Survey (GAPS) - Office for National Statistics

## Where to find data about workforce jobs

Workforce jobs estimates are available for each region at Tables [HI01 to HI12 – Headline indicators for individual UK regions \(95.5 Kb Excel sheet\)](#) (Tables 4 and 5).

While comparable estimates for workforce jobs by industry begin in 1978, there is information back to 1841, based on census data, not comparable with the latest estimates, available from [2011 Census Analysis, 170 years of industry](#) on our website.

## 7. Actual hours worked (first published on 20 January 2016)

[Actual hours worked](#) measures the number of hours worked in the economy. Changes in actual hours worked reflect changes in the number of people in employment and the average hours worked by those people.

## Regional actual hours worked

For the period October 2014 to September 2015, the UK region with the highest average actual weekly hours worked, for all workers, was Northern Ireland, at 33.6 hours, followed by London, at 33.2 hours and the East Midlands and East of England, both at 32.5 hours. The lowest was Yorkshire and The Humber, at 31.3 hours, followed by the North East and South West, both at 31.4 hours.

The UK region with the largest increase in the average hours worked, compared with the same period last year (October 2013 to September 2014) was Wales, an increase of 0.5 hours, a percentage increase of 1.7%. This was followed by Northern Ireland and the West Midlands, both with an increase of 0.4 hours (1.3% and 1.1% respectively). The largest decrease in the average hours worked, was in Yorkshire and The Humber, with a decrease of 0.8 hours (2.4%) and the South East, with a decrease of 0.5 hours (1.5%).

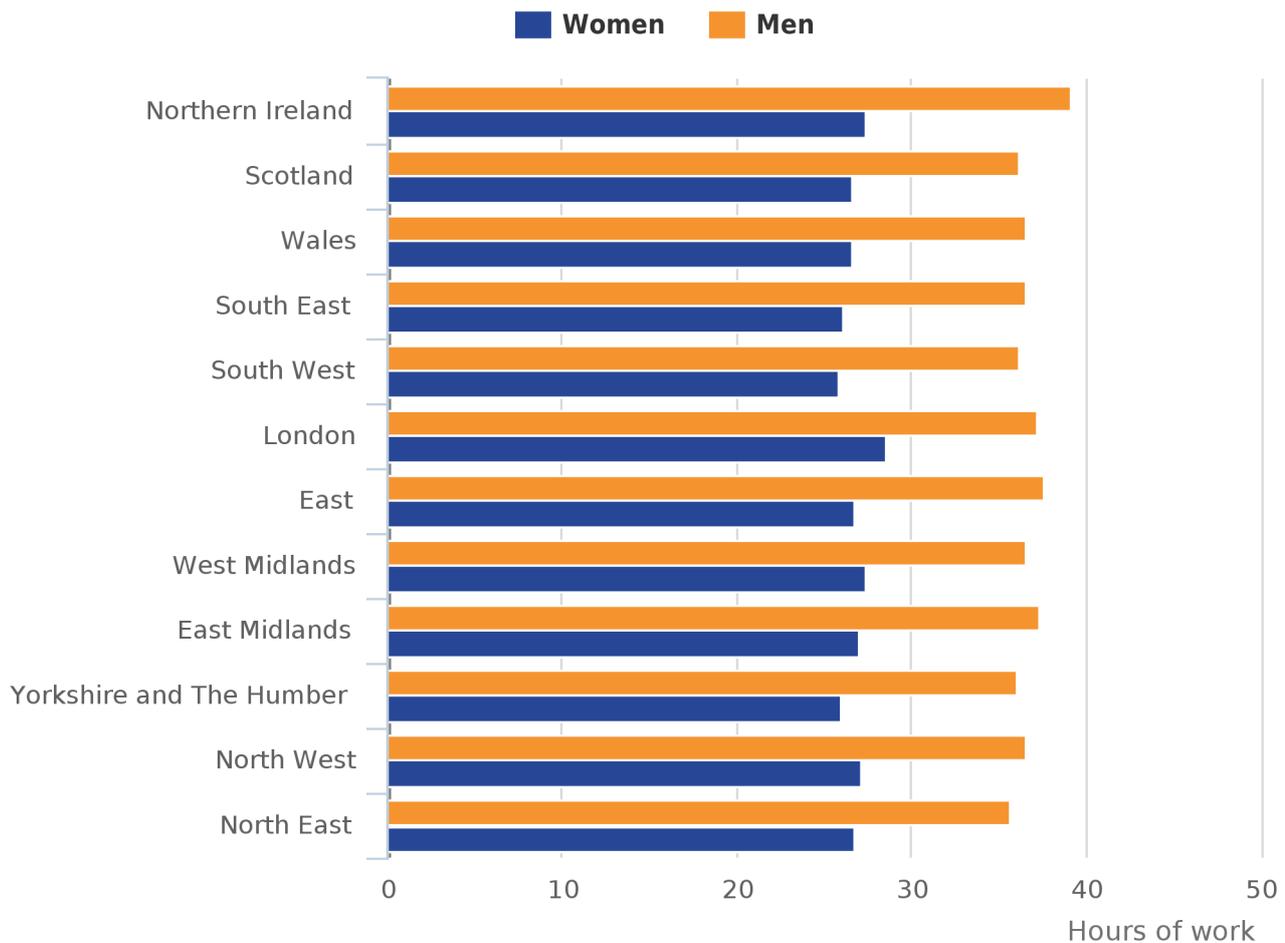
The region with the highest average actual weekly hours worked in full-time jobs, was Northern Ireland, at 38.3 hours, an increase of 0.2 hours, a percentage increase of 0.5%, compared with the same period last year. The lowest was Scotland, at 36.6 hours, which has decreased by 0.4 hours, a percentage decrease of 1.1%. For part-time jobs, the region with the highest average hours worked was Northern Ireland, at 17.0 hours and the lowest was the South East, at 15.3 hours.

For men the region with the highest average hours worked was Northern Ireland, at 39.1 hours and for women it was London, at 28.5 hours. The largest difference in average hours worked between men and women was in Northern Ireland, where men worked on average 11.7 more hours a week than women. The largest change compared with the same period last year (October 2013 to September 2014), was seen for women in Yorkshire and The Humber, where the average hours worked decreased by 2.9%; a decrease from 26.8 hours to 26.0 hours per week.

The region with the largest difference in total hours worked between men and women was the South East, where men worked a total of 32.0 million more hours than women. The region with the smallest difference was Northern Ireland, where men worked only 6.0 million more hours than women.

**Figure 4: Average (mean) actual weekly hours of work, by region and by sex, October 2014 to September 2015**

UK regions



Source: Annual Population Survey (APS) - Office for National Statistics

## Where to find data about hours worked

Hours worked estimates are available for each region at Tables [HI01 to HI12 – Headline indicators for individual UK regions \(95.5 Kb Excel sheet\)](#) (Table 6). These estimates are based on data from the Annual Population Survey (APS).

The national data is also available at Tables 7 and 7(1) of the UK labour market statistical bulletin at Tables [Hour1 - Actual weekly hours worked \(seasonally adjusted\)](#) and [Hour2 – Usual weekly hours worked \(seasonally adjusted\)](#). These estimates are based on data from the Labour Force Survey (LFS).

## 8. Unemployment

[Unemployment](#) measures people without a job who have been actively seeking work within the last 4 weeks and are available to start work within the next 2 weeks.

## Regional unemployment

Regional estimates for the unemployment rate are quite volatile, which needs to be allowed for when considering the pattern of change over time.

The unemployment rate for people aged 16 and over for the UK was 5.1%, for the period October to December 2015. This is a decrease of 0.2 percentage points from the previous period (July to September 2015).

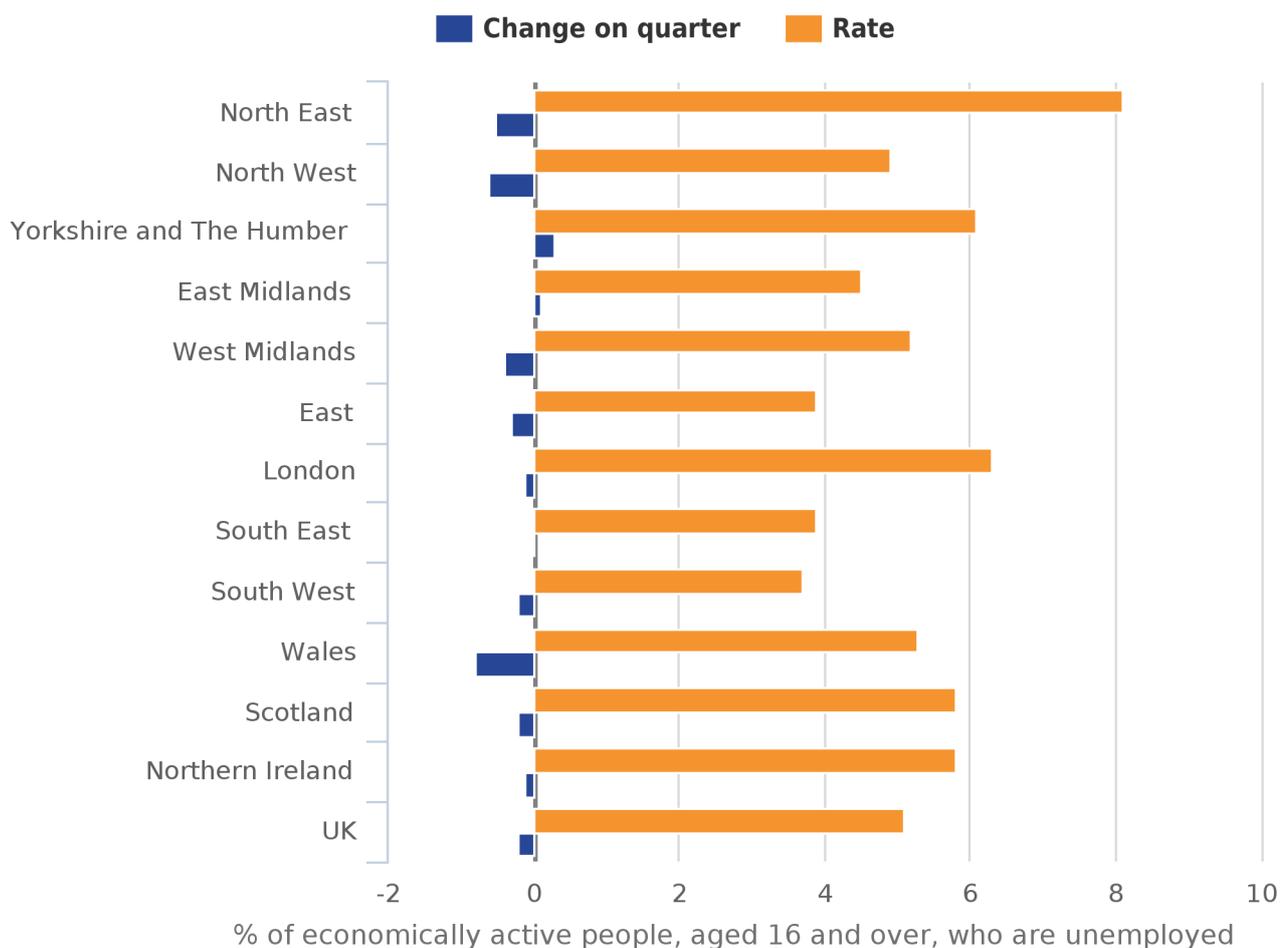
The UK region with the highest rate was the North East, at 8.1%. This was also the region with the highest rate, for the same period last year, at 8.0%. The next highest rates were seen in London, at 6.3% and Yorkshire and The Humber, at 6.1%. The region with the lowest rate was the South West, at 3.7%, followed by the South East and East of England, both at 3.9% and the East Midlands, at 4.5%.

The region with the largest decrease in the unemployment rate on the previous period (July to September 2015), was Wales, at 0.8 percentage points, although the general pattern of movements for Wales have been showing more modest decreases. This was followed by the North West, at 0.6 percentage points and the North East, at 0.5 percentage points. Yorkshire and The Humber and the East Midlands are the only regions that have seen an increase; 0.3 and 0.1 percentage points respectively, compared with the previous period.

The general pattern for all regions is still for flat or gently decreasing unemployment rates.

**Figure 5: Unemployment rates by region, seasonally adjusted, October to December 2015**

UK regions



Source: Labour Force Survey - Office for National Statistics

Most regions are showing decreases in the unemployment rate compared with a year ago, with the exception of Scotland and the North East, which increased by 0.4 and 0.1 percentage points respectively and Yorkshire and The Humber and Northern Ireland remaining unchanged. The largest decrease was in the North West, at 1.6 percentage points, followed by Wales, at 1.4 percentage points. The smallest decrease in the rate was in London, at 0.1 percentage point.

An interactive chart showing [regional unemployment rates over time](#) is available on our website.

## Where to find data about unemployment

Unemployment estimates are available for each region at Tables [HI00 – Headline LFS indicators for all UK regions \(10.03 Mb Excel sheet\)](#) and [HI01 to HI12 – Headline indicators for individual UK regions \(95.5 Kb Excel sheet\)](#) (Table 2(2)), and Tables [LI01 to LI05 – Local indicators for sub-regional areas of Great Britain \(95.5 Kb Excel sheet\)](#), for further estimate breakdowns by age or geographies.

These tables contain data produced from the LFS and APS. A note in the section “Understanding and working with Labour Market Statistics” on the relationship between the LFS and APS entitled “What is the relationship between the APS and the LFS?” is included in this bulletin.

## 9. Claimant Count (Experimental Statistics)

### Special note: Changes to the Claimant Count

In editions of this statistical bulletin prior to June 2015, the headline measure of the Claimant Count included claimants of Jobseeker’s Allowance (JSA) only. Since the June 2015 edition, the headline measure of the Claimant Count includes some claimants of Universal Credit as well as JSA claimants. These Universal Credit estimates are still being developed by the Department for Work and Pensions. We have therefore decided that the Claimant Count estimates including Universal Credit (which have been published as an alternative measure since July 2014) will continue to be designated as experimental statistics even though they are now the headline measure.

The coverage of the Universal Credit estimates does not precisely match the Claimant Count definition, because it includes some claimants who are not required to seek work.

### What is the Claimant Count?

The [Claimant Count](#) measures the number of people claiming benefit principally for the reason of being unemployed:

- from November 2013, the Claimant Count includes all out of work Universal Credit claimants as well as all JSA claimants
- between May 2013 and October 2013, the Claimant Count includes all claimants of Universal Credit (including those who were in work) as well as all JSA claimants
- between October 1996 and April 2013, the Claimant Count is a count of the number of people claiming Jobseeker’s Allowance (JSA)
- between February 1971 (when comparable estimates start) and September 1996, it is an estimate of the number of people who would have claimed unemployment-related benefits if Jobseeker’s Allowance had existed at that time

Ideally only those Universal Credit claimants who are out of work and required to seek work should be included in the Claimant Count, but it is not currently possible to produce estimates on this basis. The Claimant Count therefore currently includes some out of work claimants of Universal Credit who are not required to look for work; for example, due to illness or disability.

The Claimant Count includes people who claim unemployment-related benefits but who do not receive payment. For example, some claimants will have had their benefits stopped for a limited period of time by Jobcentre Plus. Some people claim JSA in order to receive National Insurance Credits.

See “Notes for Claimant Count” <sup>1,2,3,4,5</sup> at the end of this section and background notes for further details.

## **Regional Claimant Count**

The seasonally adjusted Claimant Count rate for the UK was 2.2% in January 2016; unchanged from December 2015, with the level down 14,800.

The UK region with the highest rate was Northern Ireland, at 4.2%; a decrease of 0.1 percentage point from the previous month. The next highest rates were in the North East, at 3.9%, the North West, at 3.0% and Wales, at 2.9%. Northern Ireland was also the region with the highest rate for the same period last year, at 5.4%.

The region with the lowest rate was the South East, at 1.2%, followed by the South West, at 1.3% and the East of England, at 1.5%.

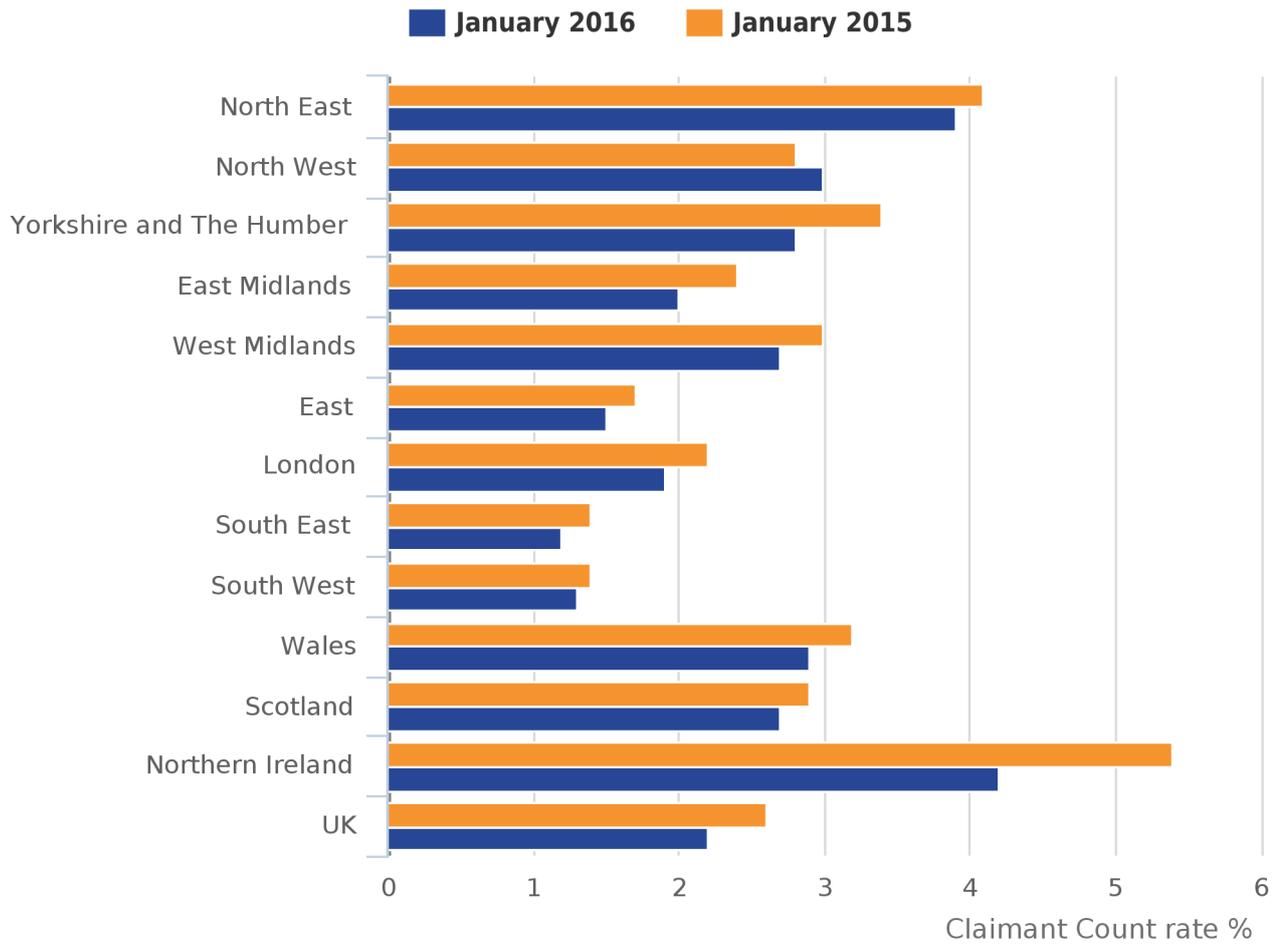
The largest change in the Claimant Count level from the previous month was seen in the North West, with a decrease of 3,200, followed by the East of England, which decreased by 1,700. The North West has recently had increases in the Claimant Count while the figures for other regions have been falling. It is also the region where the roll-out of Universal Credit is furthest progressed which may account for the differing pattern of movements in the Claimant Count.

Over the last 12 months the average Claimant Count rates decreased in 11 out of 12 regions, with Northern Ireland showing the largest change, with a decrease of 0.1 percentage points.

The Claimant Count levels for men have decreased across all regions of the UK. Notably, the largest change in the Claimant Count level for men is in the North West, which has decreased by 2,700. The levels for women are showing mostly small decreases, with the exception of the North East, which increased by 100. The largest decrease for women occurred in the North West, where the level decreased by 600.

**Figure 6: Claimant Count rate by region and comparison year on year, seasonally adjusted, January 2015 and January 2016**

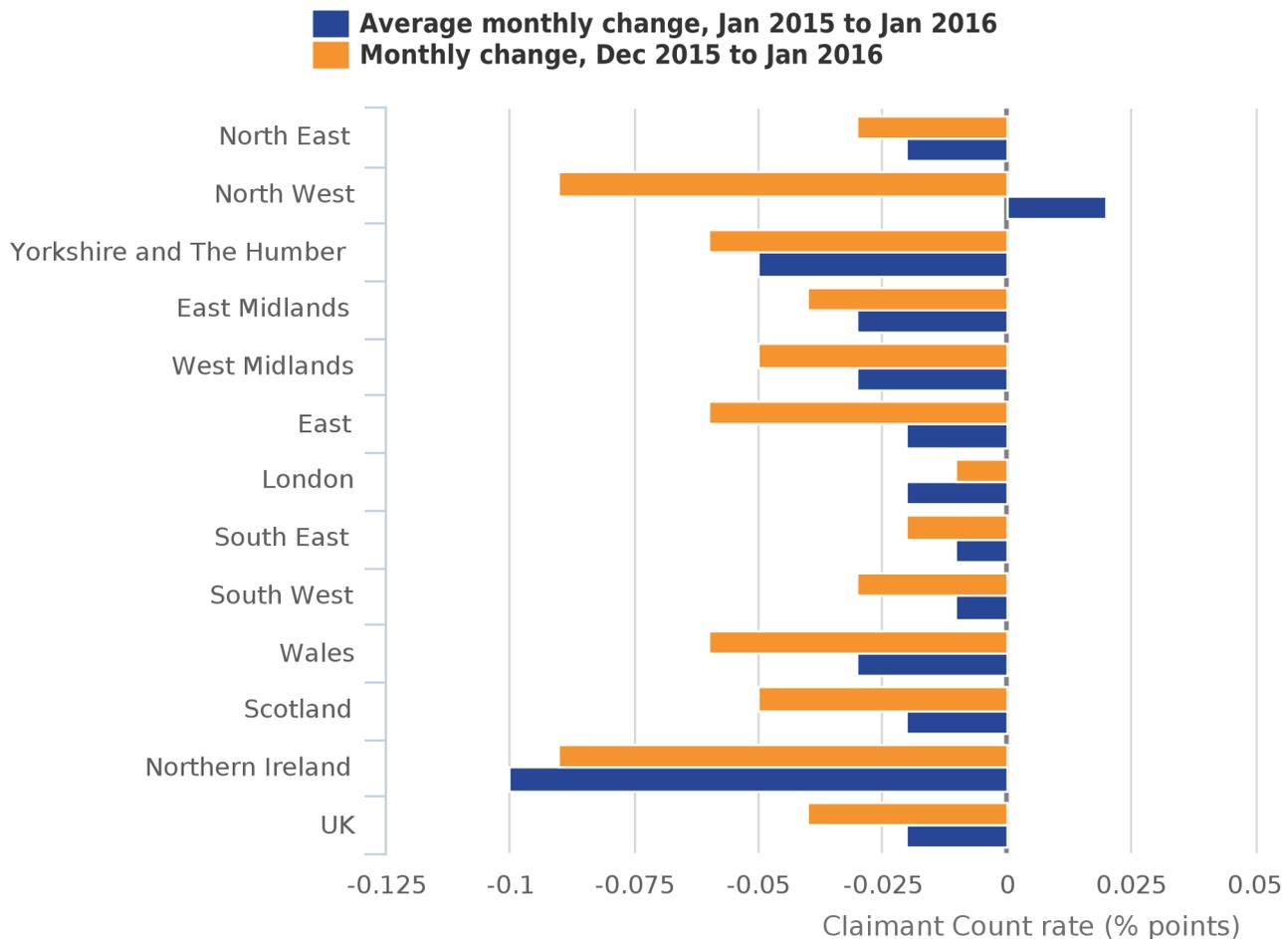
UK regions



Source: Department for Work and Pensions

**Figure 7: Comparison of Claimant Count rate, annual average change and monthly change, January 2016**

UK regions



Source: Department for Work and Pensions

## Notes for Claimant Count

1. The Claimant Count now includes people claiming Universal Credit. The background notes to this statistical bulletin have further details.
2. The Claimant Count includes people who claim Jobseeker's Allowance but who do not receive payment. For example, some claimants will have had their benefits stopped for a limited period of time by Jobcentre Plus; this is known as "sanctioning". Some people claim Jobseeker's Allowance in order to receive National Insurance Credits.
3. An article explaining how [unemployment and the Claimant Count](#) series are defined and measured and the difference between the 2 series is available, along with an article to help users [interpret labour market statistics](#) and highlight some common misunderstandings.
4. Universal Credit has not yet been introduced in Northern Ireland and so the "Claimant Count" for Northern Ireland will only be the number of people claiming Jobseeker's Allowance.
5. Estimates of Claimant Count by region are available on a comparable basis back to April 1974. The figures from April 1974 to September 1996 are estimates of the number of people who would have claimed unemployment-related benefits if JSA had existed. The national records start in 1971, and some data back to 1881 (which do not have National Statistics status) are available from the "Historic Data" worksheet within data table [CLA01 – Claimant Count \(experimental statistics\)](#) in the UK Labour Market bulletin.

## Where to find data about Claimant Count

Claimant Count estimates are available for each region at Tables [HI01 to HI12 – Headline indicators for individual UK regions \(95.5 Kb Excel sheet\)](#) (Table 7) and at Tables [CC01 – Claimant Count by unitary and local authority \(198 Kb Excel sheet\)](#) and [CC02 – Claimant Count by parliamentary constituency \(189.5 Kb Excel sheet\)](#) for further estimate breakdowns by geographies.

Tables showing estimates of Jobseeker's Allowance are still available at [HI01 to HI12 – Headline indicators for individual UK regions \(95.5 Kb Excel sheet\)](#) (Tables 7(1), 8 and 8(2)), and in Tables [JSA01 – Jobseeker's Allowance for local and unitary authorities in the UK \(259.5 Kb Excel sheet\)](#), [JSA02 – Jobseeker's Allowance for Westminster parliamentary constituencies in the UK \(632.5 Kb Excel sheet\)](#), [JSA02.1 – Jobseeker's Allowance for Scottish parliamentary constituencies \(122 Kb Excel sheet\)](#) and [JSA03 – Jobseeker's Allowance for Local Enterprise Partnerships in England \(99.5 Kb Excel sheet\)](#), for further estimate breakdowns by sub-regional geographic areas. However these estimates are not designated as National Statistics. The back data for Jobseeker's Allowance, at a regional level, is available from [Nomis](#). Workplace-based denominators used for the Claimant Count are also available at Table [\(S03\) – Claimant Count denominators \(147 Kb Excel sheet\)](#).

## 10. Economic inactivity

[Economically inactive](#) people are not in employment but do not meet the internationally accepted definition of unemployment. This is because they have not been seeking work within the last 4 weeks and/or they are unable to start work within the next 2 weeks.

### Regional economic inactivity

The inactivity rate for people aged from 16 to 64 for the UK was 21.8%, for the period October to December 2015. This is a decrease of 0.2 percentage points from the previous period (July to September 2015). The UK region with the highest rate was Northern Ireland, at 26.8%, followed by Wales, at 24.6%. The region with the lowest rate was the East of England, at 18.7%, followed by the South East, at 19.2% and the South West, at 19.4%.

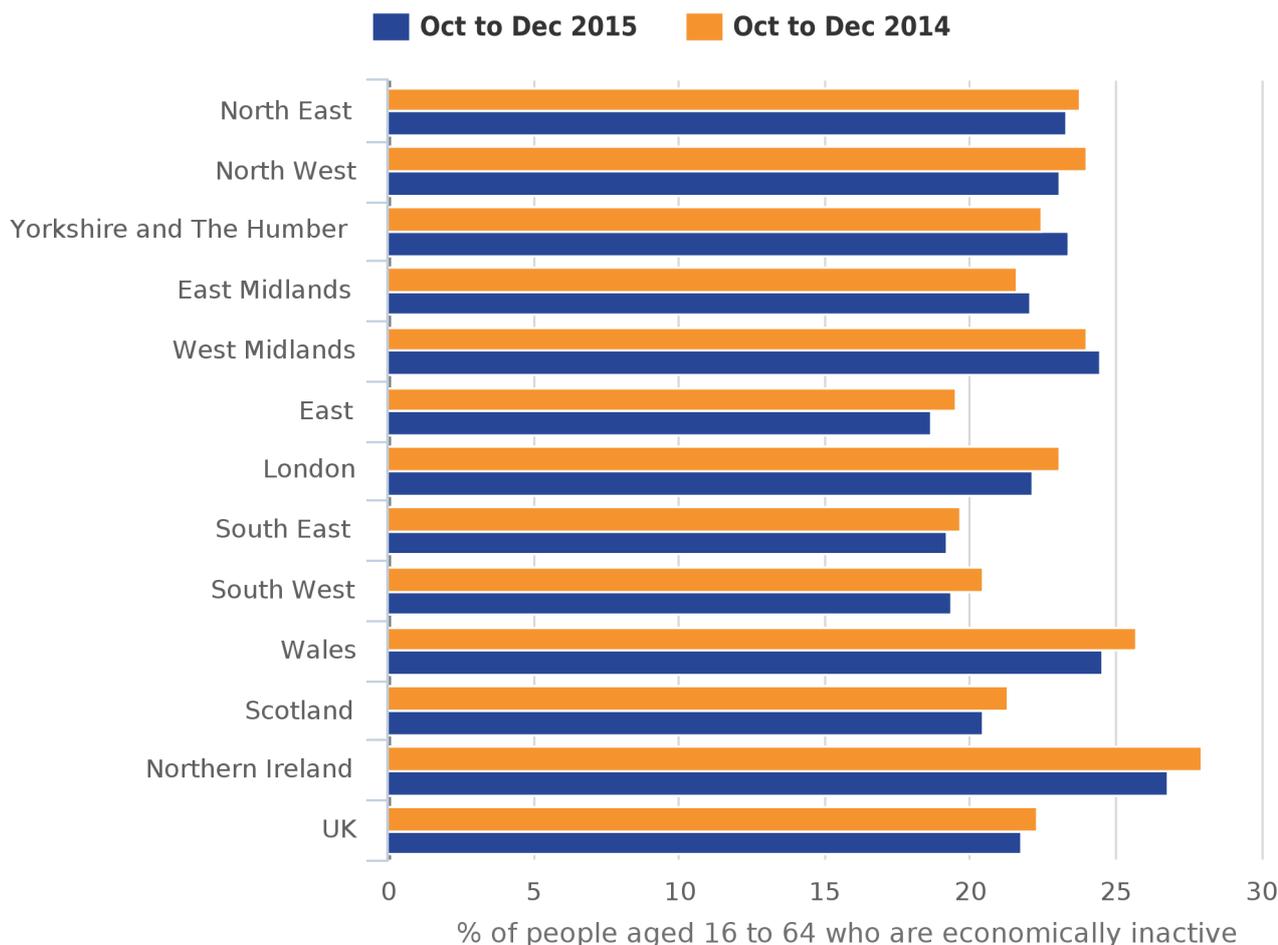
The region with the largest increase in the inactivity rate on the previous period (July to September 2015), was the South West, with an increase of 0.6 percentage points, followed by the East Midlands, at 0.5 percentage points. The North East had the largest decrease in the rate, with a decrease of 2.0 percentage points, followed by Northern Ireland, at 0.9 percentage points.

Over the year, the region with the largest increase in the inactivity rate was Yorkshire and The Humber, with an increase of 0.9 percentage points, followed by the West Midlands and East Midlands, both with an increase of 0.6 percentage points. The largest decreases in the rate were in the South West, Wales and Northern Ireland, all at 1.1 percentage points, followed by the North West, at 1.0 percentage point.

Northern Ireland also had the highest inactivity rate, at 28.0%, in the same period in 2014, decreasing by 1.1 percentage points over the last year. The rate is now 5.0 percentage points higher than the UK rate.

**Figure 8: Economic inactivity by region and comparison year on year, seasonally adjusted, October to December 2014 and October to December 2015**

UK regions



Source: Labour Force Survey - Office for National Statistics

## Where to find data about economic inactivity

Inactivity estimates are available for each region at Tables [HI00 – Headline LFS indicators for all UK regions \(10.03 Mb Excel sheet\)](#) and [HI01 to HI12 – Headline indicators for individual UK regions \(95.5 Kb Excel sheet\)](#) (Tables 10 and 11), and Tables [LI01 to LI05 – Local indicators for sub-regional areas of Great Britain \(95.5 Kb Excel sheet\)](#), for further estimate breakdowns by age, reason or geographies.

These tables contain data produced from the LFS and APS. A note in the section “Understanding and working with labour market statistics” on the relationship between the LFS and APS entitled “What is the relationship between the APS and the LFS?” is included in this bulletin.

## 11. Local labour market indicators

Local labour market indicators cover employment, unemployment, economic inactivity, Jobseeker’s Allowance and jobs density, for sub-regional geographic areas such as local and unitary authorities, counties and regions in the UK for the most recent 12 month period available of the Annual Population Survey (APS). The job density of an area is the number of jobs per head, of resident population, aged 16 to 64.

### Indicators from the Annual Population Survey

For the period October 2014 to September 2015, the local authorities with the highest employment rate in Great Britain were Rushmoor, at 88.0%, Winchester, at 87.7%, the Orkney Islands, at 87.5% and West Somerset, at 86.6%. The City of London is the local authority with the lowest rate, at 50.7%, followed by Liverpool at 59.4%; these are the only 2 local authorities with an employment rate lower than 60%. For the same period last year, the highest rates were in Oadby and Wigston, at 85.9% and Huntingdonshire, at 85.6%; these areas are now 73.7% and 82.4%, respectively.

For the period October 2014 to September 2015, the local authority with the highest unemployment rate in Great Britain was Middlesbrough, at 11.0%, followed by Barking and Dagenham, at 10.5% and Wolverhampton, at 10.0%. The local authorities with the lowest rate were Stratford-on-Avon, at 2.0%, followed by Harrogate and Eden in Cumbria, both at 2.2% and Derbyshire Dales, South Northamptonshire, Harborough and the Shetland Islands, all at 2.3%. These were followed by 3 local authorities, all at 2.4%, 2 local authorities, both at 2.5% and a further 34 local authorities, all under 3.0%. For the same period last year, there were only 6 local authorities with a rate of less than 3.0%.

## **Indicators using Claimant Count data (Experimental Statistics)**

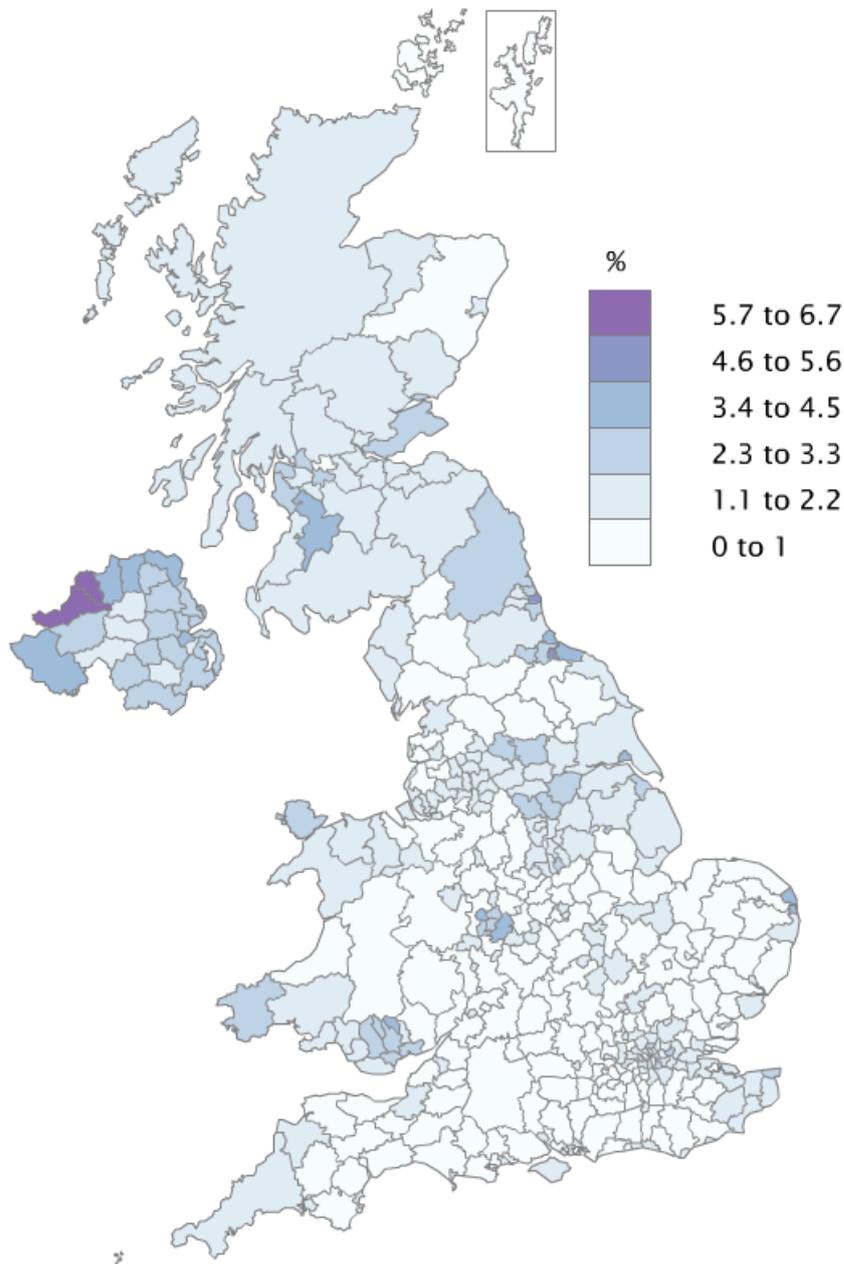
In January 2016, excluding the Isles of Scilly, the UK local authorities with the lowest proportion of the population, aged from 16 to 64 years, claiming Jobseeker's Allowance or out-of-work Universal Credit, were Stratford-on-Avon and Hart in Hampshire, both at 0.4%, followed by 13 local authorities, all at 0.5% and 20 other local authorities, all at 0.6%. There were a further 64 local authorities with a proportion of less than 1.0%.

The proportion was highest in Derry and Strabane, at 6.4%, followed by Middlesbrough and Hartlepool, both at 4.9%. The next highest rates were in South Tyneside, at 4.6%, Redcar and Cleveland, at 4.5% and Belfast and North Ayrshire, both at 4.4%. There were a further 36 local authorities with a proportion of 3.0% or more in the UK.

Currently it's not possible to produce a detailed map for local areas using Claimant Count based on claimants of Jobseeker's Allowance and Universal Credit. Consequently, the local authority map in Figure 9 reflects claimants of Jobseeker's Allowance only, which will be affected by the roll-out of Universal Credit. Due to technical issues it is not currently possible to show the latest Northern Ireland districts on this map. In the meantime we will continue to show the Northern Ireland districts as they were prior to the April 2015 reorganisation.

**Figure 9: Jobseeker's Allowance map, January 2016**

Proportion of people aged 16 to 64 claiming Jobseeker's Allowance in local authorities in the UK



Contains Ordnance Survey data © Crown copyright and database right 2016.

An interactive version of this map showing [Jobseeker's Allowance proportions by local authority over time](#) is available. It shows Jobseeker's Allowance proportions for males, females, 18 to 24 year olds and those claiming for over 12 months.

### **Job densities (first published on 17 April 2015)**

The job density of an area is the number of jobs per head, of resident population, aged 16 to 64. In 2013, the highest jobs density in Great Britain was the City of London, at 81.79 and the lowest was East Renfrewshire, at 0.40. Westminster (4.35), Camden (2.15) and Islington (1.36), all in London, were the next highest jobs densities.

The highest jobs density outside London was Watford, at 1.32. After East Renfrewshire, the lowest jobs densities were Lewisham, at 0.41, followed by Barking and Dagenham, at 0.44 and East Dunbartonshire, Waltham Forest, Redbridge and Haringey, all at 0.45.

## Where to find data about local labour market indicators

APS estimates are available at Tables [LI01 to LI05 – Local indicators for sub-regional areas of Great Britain \(95.5 Kb Excel sheet\)](#) and Claimant Count estimates are available at Tables [CC01 – Claimant Count by unitary and local authority \(198 Kb Excel sheet\)](#) and [CC02 – Claimant Count by parliamentary constituency \(189.5 Kb Excel sheet\)](#) in this statistical bulletin.

These tables contain data produced from the APS. A note in the section “Understanding and working with labour market statistics” on the relationship between the LFS and APS entitled “What is the relationship between the APS and the LFS?” is included in this bulletin.

## 12. Where to find more information about labour market statistics

### Other tables within the regional labour market release:

[Guide to tables in regional labour market statistical bulletin \(95.5 Kb Excel sheet\)](#)

[Summary of headline indicators \(S01\) \(148.5 Kb Excel sheet\)](#)

[Sampling variability and revisions summary \(S02\) \(141 Kb Excel sheet\)](#)

[Model based estimates of unemployment \(M01\) \(3.25 Mb Excel sheet\)](#)

[Estimates of employment by age \(experimental statistics\) \(X01\) \(6.96 Mb Excel sheet\)](#)

[Estimates of unemployment by age \(experimental statistics\) \(X02\) \(6.92 Mb Excel sheet\)](#)

[Estimates of inactivity by age \(experimental statistics\) \(X03\) \(6.96 Mb Excel sheet\)](#)

[Regional public and private sector employment \(RPUB1\) \(172 Kb Excel sheet\)](#)

### Other regularly published labour market releases:

- [UK labour market statistics](#)
- [Public sector employment](#)
- [Young people not in education, employment or training \(NEET\)](#)
- [Labour productivity](#)
- [Annual survey of hours and earnings \(ASHE\)](#)
- [Business register and employment survey \(BRES\)](#)

- [regional and local area statistics are also available at NOMIS®](#)

We have also produced:

- [ad hoc data and analysis](#)
- [methodological articles](#)

## Historic articles published in Economic and Labour Market Review and Labour Market Trends

Articles about labour market statistics were published in [Labour Market Trends](#) (up until 2006) and in Economic and Labour Market Review (from 2007 to 2011). Editions of Labour Market Trends are available from July 2001 until January 2006 when the publication was discontinued. Editions of [Economic and Labour Market Review](#) are available from the first edition, published in February 2007, up until the last edition published in May 2011.

## 13. Quality information

One indication of the reliability of the main indicators in this bulletin can be obtained by monitoring the size of revisions. These summary measures are available in Table [S02 regional labour market sampling variability \(141 Kb Excel sheet\)](#) spreadsheet and show the size of revisions over the last 5 years.

The revised data may be subject to sampling or other sources of error. Our standard presentation is to show 5 years worth of revisions (that is, 60 observations for a monthly series, 20 for a quarterly series). Further information on the quality of and methods for workforce jobs estimates can be found in the [summary quality report](#)

### Other quality information

[Quality and methodology information papers](#) for labour market statistics are available. Further information about the Labour Force Survey (LFS) is available from:

- [the LFS user guide](#)
- [LFS performance and quality monitoring reports](#)

## 14. Background notes

### 1. Changes in this month's bulletin

There were no changes to this month's bulletin

### 2. Next month's bulletin

In next month's release, there will be revisions to the Claimant Count back to 2013, resulting from improved estimates of out of work Universal Credit claimants from the Department for Work and Pensions. The Claimant Count estimates will continue to be designated as Experimental Statistics (see Background Note 3).

### 3. Incorporation of estimates of Universal Credit into the Claimant Count

Since the June 2015 release, the headline measure of the Claimant Count has been changed to include some claimants of Universal Credit (UC) as well as JSA claimants, resulting in upward revisions to the Claimant Count. Previously the headline measure did not include UC claimants.

The Claimant Count measures the number of people claiming benefits principally for the reason of being unemployed. Between October 1996 and April 2013, the only unemployment-related benefit in the UK was Jobseeker's Allowance (JSA) and the Claimant Count was therefore a count of the number of people claiming JSA.

The introduction of Universal Credit started on 29 April 2013 with the introduction of this new benefit in one Jobcentre Plus office. This has been extended to further Jobcentre Plus offices across Great Britain. GOV.UK has a [list of Jobcentres where Universal Credit is available](#).

Universal Credit is replacing a number of means-tested benefits including the means-tested element of Jobseeker's Allowance (JSA). It will not replace contributory-based JSA.

Following a consultation in 2012, it was decided that, with the introduction of Universal Credit, the Claimant Count would include:

- people claiming contribution-based JSA (which is not affected by the introduction of Universal Credit)
- people claiming income-based JSA during the transition period while this benefit is being gradually phased out
- people claiming Universal Credit who are not working and who are subject to a full set of labour market jobseeker requirements, that is, required to be actively seeking work and available to start work

The experimental estimates of Universal Credit are still being developed by the Department for Work and Pensions and they currently include all out of work Universal Credit claimants including those who are not required to look for work (who should ideally be excluded from the Claimant Count).

The number of Jobcentre Plus offices introducing Universal Credit has increased substantially over the last few months. Consequently we have concluded that the experimental measure of the Claimant Count has now become the best estimate of the number of people claiming benefits principally for the reason of being unemployed. We are therefore no longer publishing 2 measures of the Claimant Count. Instead we are publishing a single measure of the Claimant Count which includes the experimental estimates of Universal Credit claimants. These experimental Claimant Count estimates are available at Reference Tables [HI01 to HI12 – Headline indicators for individual UK regions \(95.5 Kb Excel sheet\)](#) (Table 7).

It is not currently possible to produce estimates of inflows and outflows for the new measure of the Claimant Count, however, estimates of JSA inflows and outflows continue to be available and are available at Reference Tables [HI01 to HI12 – Headline indicators for individual UK regions \(95.5 Kb Excel sheet\)](#) (Table 7(1)).

Similarly, it is not currently possible to produce a regional age or duration breakdown for the new measure of the Claimant Count. Estimates of JSA by age and duration continue to be available and are now published at [HI01 to HI12 – Headline indicators for individual UK regions \(95.5 Kb Excel sheet\)](#) (Tables 8 and 8(2)).

A breakdown for local geographies for the new measure of the Claimant Count is now available at Tables [CC01 – Claimant Count by unitary and local authority \(198 Kb Excel sheet\)](#) and [CC02 – Claimant Count by parliamentary constituency \(189.5 Kb Excel sheet\)](#). However, estimates of JSA continue to be available and are published at Tables [LI01 to LI05 – Local indicators for sub-regional areas of Great Britain \(95.5 Kb Excel sheet\)](#) and Tables [JSA01 to JSA03 – Jobseeker's Allowance for sub-regional areas of the UK \(95.5 Kb Excel sheet\)](#).

The JSA estimates published at data Tables [JSA01 to JSA03 – Jobseeker's Allowance for sub-regional areas of the UK \(95.5 Kb Excel sheet\)](#) are no longer designated as National Statistics because they are no longer the best estimate of the number of people claiming unemployment related benefits, as explained in correspondence between the National Statistician and the UK Statistics Authority:

- [letter from National Statistician to UK Statistics Authority, 9 June 2015](#)

- [reply from UK Statistics Authority to National Statistician, 10 June 2015](#)

The article “Jobseeker’s Allowance, Universal Credit and the Claimant Count: Changes to the measurement of the Claimant Count” provides further information and can be found on the [labour market articles and reports page](#).

#### 4. **Publication policy**

A list of the job titles of those given [pre-release access](#) to the contents of this statistical bulletin is available on our website.

#### 5. **Special events**

We have published commentary, analysis and policy on “Special events” which may affect statistical outputs. For full details, go to the [Special events page](#) on our website.

6. Details of the policy governing the release of new data are available by visiting [www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html](http://www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html) or from the Media Relations Office email: [media.relations@ons.gsi.gov.uk](mailto:media.relations@ons.gsi.gov.uk)

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs
- are well explained and readily accessible
- are produced according to sound methods
- are managed impartially and objectively in the public interest

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.