

Claimant count QMI

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Table of contents

1. [Methodology background](#)
2. [Executive summary](#)
3. [Output quality](#)
4. [About the output](#)
5. [How the output is created](#)
6. [Validation and quality assurance](#)
7. [Concepts and definitions](#)
8. [Other information](#)
9. [Sources for further information or advice](#)

1 . Methodology background

Frequency	Monthly
How compiled	Based on third party data
Geographic coverage	UK
Last revised	8 December 2016

2 . Executive summary

The Claimant Count is a measure of the number of people claiming benefits principally for the reason of being unemployed, based on administrative data from the benefits system.

The Claimant Count does not attempt to measure unemployment, which is a concept defined by the International Labour Organisation (ILO) as all those who are out of work, actively seeking work and available to start work. However, since the people claiming benefits are generally a particular subset of the unemployed, the Claimant Count can provide a useful indication of how unemployment is likely to vary between areas and over time. The differences between the Claimant Count and unemployment are expanded on in the sections on Relevance and Coherence and comparability.

The Claimant Count is based on a tabulation of monthly extracts from the Department for Work and Pensions (DWP) administrative systems. Results are published approximately 5 weeks after the reference date that they relate to. Seasonally adjusted figures are produced for the important series.

The headline measures are published in the monthly UK labour market release, along with regional results in the Regional labour market statistics in the UK release and a simultaneous publication of a wide variety of detailed information on our [Nomis](#) website.

The Claimant Count has undergone a number of changes since the introduction of Universal Credit (UC) in 2013. This has led to some inconsistency in coverage and ongoing development work which has caused the series to be reclassified from National Statistic status to Experimental Official Statistics. This period of development is likely to be ongoing until the new benefit is fully rolled out.

This document contains the following sections:

- Output quality
- About the output
- How the output is created
- Validation and quality assurance
- Concepts and definitions
- Other information, relating to quality trade-offs and user needs
- Sources for further information or advice

3 . Output quality

This document provides a range of information that describes the quality of the data and details any points that should be noted when using the output.

We have developed [Guidelines for Measuring Statistical Quality](#); these are based upon the 5 European Statistical System (ESS) Quality Dimensions. This document addresses these quality dimensions and other important quality characteristics, which are:

- relevance
- timeliness and punctuality
- coherence and comparability
- accuracy
- output quality trade-offs
- assessment of user needs and perceptions
- accessibility and clarity

More information is provided about these quality dimensions in the sections below.

4 . About the output

Relevance

(The degree to which statistical outputs meet users' needs.)

The Claimant Count is a measure of the number of people claiming benefits for unemployment related purposes taken from DWP administrative sources. Currently the Claimant Count is a composite of the number of people claiming Jobseeker's Allowance (JSA) and those claiming Universal Credit (UC) who are required to seek work to qualify for their benefits. Combining these two identifies all the people claiming benefit principally for the reason of being unemployed. Many users' interest in the Claimant Count specifically relates to its tracking of the claimants of benefits for this purpose.

However, due to the large correlation between those claiming benefits for unemployment-related purposes and people who are unemployed, the Claimant Count is also often used as a proxy for unemployment. This is particularly the case for smaller domains such as local geographic areas and for specific age. Due to sampling variability, the estimates of unemployment available from other sources, such as the Labour Force Survey (LFS) and Annual Population Survey (APS), will have high volatility for these smaller domains, which is not the case with an administrative dataset.

The Claimant Count does not measure unemployment and there are a number of ways in which the two differ with regard to who is covered by the two measures.

Due to eligibility rules, a number of groups of people cannot or do not claim unemployment benefits. Those who are 16- or 17-years-old would only be eligible for unemployment benefits under extreme circumstances. Those in full-time education will not generally be eligible for unemployment benefits while searching for work, which particularly affects 18- to 21-year-olds.

Those over state pension age, while they may still look for work and be unemployed, will not generally be eligible for unemployment benefits. To claim unemployment benefits you usually need to be looking for full-time work; consequently those who are looking for part-time work will not generally be eligible. This particularly affects women with children of school age. Also those people who have partners who earn above a certain threshold will not normally be eligible beyond an initial period.

Conversely, there will also be a small number of people who are employed or economically inactive who will be eligible for unemployment benefits. For example, some part-time workers, with very low earnings, may be eligible while seeking full-time work. Also some claimants may qualify for some exemptions from work search requirements at particular times.

The effect of this is that the Claimant Count tends to be much lower than the unemployment level.

However, despite its differences from unemployment, the Claimant Count does still have value as a proxy. This is because the differences that the eligibility rules cause are relatively consistent geographically and over short spans of time. Firstly, this means that comparisons between different geographic areas are meaningful; a higher Claimant Count in one area is a good indicator of a high unemployment in that area. Also, it means that the Claimant Count and unemployment will move in similar ways over time, making it useful for looking at how things have changed for small domains.

Prior to the introduction of UC, the Claimant Count used to measure the numbers of people claiming, the number of people flowing into and out of and the duration that people had been claiming unemployment benefits. Since the introduction of UC it has not been possible to produce the flows or durations measures, due to the availability of suitable information. It is hoped that these measures can be reintroduced as part of the Claimant Count through the ongoing development work.

Timeliness and punctuality

(Timeliness refers to the lapse of time between publication and the period to which the data refer. Punctuality refers to the gap between planned and actual publication dates.)

The Claimant Count references to a count date, which falls on the second Thursday of each month.

Monthly figures are published around 5 weeks after the count date. Sometimes this becomes 6 weeks, particularly if a significant number of bank holidays occur during the period.

The figures are published as part of the UK labour market release, which presents labour market statistics from a range of sources in a single integrated release.

For more details on related releases, the [UK Statistics Release Calendar](#) is available online and provides 12 months' advance notice of release dates. In the unlikely event of a change to the pre-announced release schedule, public attention will be drawn to the change and the reasons for the change will be explained fully at the same time, as set out in the [Code of Practice for Official Statistics](#).

5 . How the output is created

The Claimant Count is based on information extracted from the DWP administrative systems relating to claimants of unemployment related benefits.

Three weeks after the count date, extracts are produced including all cases that were live on the administrative system at the previous month's count date. The 3-week delay allows time for the administrative processes that may occur between an initial claim being made and it being validated by Jobcentre Plus staff as a live claim. It also allows for the full cycle of fortnightly interviews to occur between the count date and the extract being produced.

Information is validated for valid codes for measures such as gender and marital status. Where postcode information is missing, a postcode is imputed using donor imputation based on similar previous employment characteristics for other cases registered at the same Jobcentre Plus office. Postcodes are then geo-referenced to Output Areas for tabulation purposes.

The Claimant Count level is the number of claims that were live on this month's count date.

Flows data measured all those claims that had either started since the previous count date, ended since the previous count date, or in some cases both started and ended between the two count dates. Cases that have started and closed between count dates would be counted as part of the flows, but would never contribute towards the overall level. Start dates of cases were used to determine the duration of a live claim. However, both the flows and duration data are currently suspended until suitable data can be extracted from the UC systems to combine with JSA data.

In addition to the claims extracted from the DWP administrative systems, a small number of clerical claims, which are live but not held on the computer, are collected from Jobcentres. Currently these account for fewer than 0.2% of all claims. Only location and sex are recorded for clerical claims. Consequently, clerical claims contribute to the overall Claimant Counts, but are not used in detailed breakdowns, such as those based on age or duration of claim.

The total number of live claims in each region by sex is seasonally adjusted, with region and UK totals being calculated from the sum of seasonally adjusted regional data.

When the figures were available, the number of on-flows and off-flows were standardised to a 4 one-third week month using a simple pro rata, then independently seasonally adjusted within region by sex. Consequently, seasonally adjusted flows and levels information were not fully coherent, that is, the change in the level did not equal to the difference between on-flows and off- flows.

The parameters for seasonal adjustment are reviewed annually with any changes and revisions to historical series applied in April. Claimant Count rates are calculated using a denominator based on an aggregate of Workforce Jobs and Claimant Count levels. A rate is calculated for each year and applied to all periods within that year. Denominators are updated at the same time as the annual seasonal adjustment review. Figures for cross-tabulations that can be used to produce answers for small domains are rounded to the nearest five for publication.

6 . Validation and quality assurance

Accuracy

(The degree of closeness between an estimate and the true value.)

As of November 2016, the Claimant Count includes those claimants of Jobseeker's Allowance (JSA) and the claimants of Universal Credit (UC) who are considered to be jobseekers, that is claimants who are required to seek work in order to remain eligible for benefits. This therefore matches the definition of the Claimant Count.

In the normal course of processing, the JSA element of the Claimant Count, prior to seasonal adjustment, is not revised in later periods. The UC element is normally revised back 1 month. The 3-week lag between the count date and the extracts being produced allows for the majority of administrative processes to take place. However, there are circumstances where claims will be backdated to before a count date outside of these retrospection periods. Similarly, there are circumstances where claims may be retrospectively terminated. The Claimant Count processes do not allow for these historical revisions and only apply such changes to the period of the extract where the information is received. This accounts for some of the difference between figures for the Claimant Count and figures produced by the Department of Work and Pensions (DWP) which are published 6 months after a reference period, allowing for much longer retrospection.

Because of the limited information submitted for clerical claims, figures that use characteristics such as age, duration, ethnicity, sought occupation etc, do not include these claims. Clerical claims currently account for less than 0.2% of all claims.

Coherence and comparability

(Coherence is the degree to which data that are derived from different sources or methods, but refer to the same topic, are similar. Comparability is the degree to which data can be compared over time and domain for example, geographic level.)

Because the Claimant Count is based on administrative data relating to particular benefits, it is affected by changes to the benefit system and employment-related policy. These changes are considered to be one of two distinct types; definition changes and policy changes.

A definition change is where the coverage or definition of the benefit changes to include or exclude people that were previously ineligible or eligible for the benefit. For example, at one time unemployment benefit was only available to those people aged 18 and over. A change in the definition of the benefit was introduced so that it was available to 16- and 17-year-olds, albeit under extreme circumstances resulting in relatively few cases. This would be considered a definition change.

When definition changes occur, the Claimant Count is treated in such a way so that there is no discontinuity resulting from the change, for example by making an adjustment to the historic series.

A policy change does not change the overall coverage or definition of the Claimant Count series. However, in many cases they have a much larger impact on the series by introducing different work search regimes, or changing other benefits that may encourage or allow more or fewer people to be part of the Claimant Count. For example, when the eligibility criteria changed affecting lone parent's access to income support, this had the effect of a large number of people moving into the Claimant Count while they searched for work. The definition and eligibility for the Claimant Count did not change. Also, changes in work search regimes and work search initiatives may mean that some people are more or less likely to be involved in these programmes which would ultimately affect their inclusion within the Claimant Count. Again, the definition and eligibility for the Claimant Count did not change. These would both be considered as policy changes.

When policy changes occur, no adjustments are made to the count for these effects. It is true that the subsequent movements may not be measures of the underlying labour market conditions that the Claimant Count is often used as a proxy to investigate. However, the Claimant Count is a measure of those claiming the benefit. Therefore, in that context it is right that these changes should be reflected as increases or decreases in the count.

Although the Claimant Count is not adjusted for policy changes, additional information or commentary is provided to help users understand the policy impact on the series.

Within this context, the Claimant Count is a consistent series with no definitional discontinuities from the introduction of UC in 2013, going back to 1971 at a national level and 1974 at a regional level.

However, there have been numerous policy changes over that period, which mean that the series relationship to the level of unemployment has changed significantly over time.

Currently the Claimant Count is being affected by the introduction of UC. Since the details of how the policy works and how those outcomes will be reflected in the Claimant Count is undergoing ongoing development, it is still too early to fully determine the impact of the change on the count. Therefore the Claimant Count since the introduction of UC may have some definitional changes and some policy changes that we are not yet fully able to understand, treat within the series, or explain to users.

As explained earlier, the Claimant Count is often used as a proxy for unemployment, but does not seek to measure this labour market concept. It is a measure of those receiving benefits for unemployment-related purposes. Consequently, the coverage of the measure differs from the wider unemployment measure, being constrained by the eligibility criteria for the related benefits. More detail is given in the section on Relevance.

7 . Concepts and definitions

(Concepts and definitions describe the legislation governing the output and a description of the classifications used in the output.)

The Claimant Count measures the number of people claiming unemployment related benefit in the UK. At different times historically this was based on claimants of Unemployment Benefit, National Assistance or Supplementary Benefit. From 1988, this became unemployment related Income Support administered by the Department of Social Security. From 1996, this was replaced by Jobseeker's Allowance, which became the sole basis of the Claimant Count until the introduction of UC in 2013.

Since 2004, records have been geo-referenced using Output Areas. These building blocks are used to produce a range of higher level geographic areas. Periods prior to 2004 have geographic codes directly referenced from the postcode directory appropriate at the time.

8 . Other information

Output quality trade-offs

(Trade-offs are the extent to which different dimensions of quality are balanced against each other.)

The JSA element of the Claimant Count is based on the information as it exists in an extract produced from the administrative system three weeks after the count date for the latest month. No subsequent revisions are made to the non-seasonally adjusted JSA figures after that date. The UC element of the Claimant Count allows for revisions to the data for one previous month.

This means that the Claimant Count does not take account of later actions which are backdated to an earlier date, such as the outcome of an appeals process. In cases such as this, the action will only take place in the month in which the update occurs to the administrative system. For example, a successful appeal, backdated for three months, would only be counted as a claim and a flow in the latest period and not appear in the previous month's figures. However, in this case, the duration calculated for that claim would be based on the start date as entered in the administrative system, that is. it would be counted as a 3-month-old claim for duration purposes. NB Flows and duration data are currently suspended.

This lack of retrospection or revision accounts for some of the difference between the Claimant Count and statistics on claimants which are produced by DWP as part of their working age benefit statistics. These counts are produced several months after the reference period and allow for most issues to be resolved.

Seasonally adjusted estimates are revised on a regular basis. Each month the previous estimate is revised to be based on a consistent seasonal adjustment run to the latest estimate, giving the best estimate of change for the latest period. Once a year, a longer run of seasonal adjustment revisions is allowed, to coincide with the seasonal adjustment review. Typically, the last 3 years are revised in April as part of the seasonal adjustment review.

The approach for the Claimant Count means that the published figures for previous periods will not necessarily be the same as if the figure for the period was recalculated later. However, because all

periods are produced in the same way, any bias is fairly consistent geographically and over time. This gives a consistent count whilst not presenting users with constant revisions.

Assessment of user needs and perceptions

(The processes for finding out about users and uses, and their views on the statistical products.)

The most recent assessment of user need and perceptions was the result of a consultation on the measurement of the Claimant Count with the introduction of UC. This consultation elicited responses from government departments, local authorities, academia, the charity sector and individual.

The majority of users agreed with our proposals to produce a series from UC that continued the general aim of identifying those who are receiving benefit for unemployment related purposes.

A small subset would prefer that the general aim was to use the benefit information as the basis of producing a measure of unemployment, rather than to measure benefit recipients.

In addition to the latest consultation, the Claimant Count comes under the coverage of a number of user liaison groups including the Labour Market Theme Group, Labour Market User Group, Central and Local Information Partnership (CLIP) Labour Market Group, as well as a number of bilateral meetings with key government users.

9 . Sources for further information or advice

Accessibility and clarity

(Accessibility is the ease with which users are able to access the data, also reflecting the format in which the data are available and the availability of supporting information. Clarity refers to the quality and sufficiency of the release details, illustrations and accompanying advice.)

Our recommended format for accessible content is a combination of HTML web pages for narrative, charts and graphs, with data being provided in usable formats such as CSV and Excel. Our website also offers users the option to download the narrative in PDF format. In some instances other software may be used, or may be available on request. Available formats for content published on our website but not produced by us, or referenced on our website but stored elsewhere, may vary. For further information please refer to the contact details at the beginning of this document.

For information regarding conditions of access to data, please refer to the links below:

- [terms and conditions \(for data on the website\)](#)
- [accessibility](#)

In addition to this Quality and Methodology Information, Basic Quality Information relevant to each release is available in the background notes of the relevant statistical bulletins:

- [UK labour market](#)
- [Regional labour market statistics in the UK](#)