## **Claimant Count Statistics during Universal Credit Pathfinder**

The Universal Credit Pathfinder started on 29 April 2013. Ashton-under-Lyne Jobcentre in Tameside will be the first Jobcentre to accept claims for Universal Credit. Oldham, Wigan and Warrington Jobcentres will take claims for Universal Credit from July 2013. Universal Credit will start to affect the Claimant Count from the May 2013 figures due to be published on 12 June 2013.

The Claimant Count is a measure of the number of people claiming benefit principally for the reason of being unemployed. In periods prior to the introduction of Universal Credit (UC) the Claimant Count reflected the number of people claiming Jobseeker's Allowance (JSA) or National Insurance Credits. As UC replaces a number of existing means-tested benefits, including the means-tested element of JSA, there will be people claiming benefits principally for the reason of being unemployed both from JSA and a subset of the total range of UC claimants.

Following a consultation in 2012 by ONS, it was agreed that the Claimant Count would reflect those people who were still receiving JSA, plus the subset of UC claimants who were claiming benefits principally for the reason of being unemployed. This UC element would be defined as those claimants who are not earning and subject to a full set of labour market jobseeker requirements, that is required to be actively seeking work and available to start work in order to qualify for benefits.

Once the transition to UC has completed, the Claimant Count will consist of those still claiming contributory based JSA, plus the subset of jobseeker UC claimants. However, during the transition it will also include the remaining people claiming means-tested based JSA until those cases are migrated.

On 29 April 2013, the Department for Work and Pensions (DWP) started a Pathfinder for UC which created the first jobseeker UC claimants. The first Claimant Count after the start of the Pathfinder is the count for May 2013, based on a count date of 9 May, due for publication in the Labour Market Statistical Bulletin on 12 June.

ONS is working with DWP to include jobseeker UC claimants within the Claimant Count statistics at the earliest opportunity. UC information will be collated and quality assured by statisticians within DWP to ensure they meet the necessary quality standards. Information will then be passed to ONS for inclusion within the regular Claimant Count statistical series.

In the interim period, until DWP are able to provide a quality assured UC series, ONS will add notes to the Claimant Count to indicate that it does not include UC cases. Alongside this ONS will highlight figures relating to the number of JSA cases in local areas affected by the Pathfinder prior to and following the introduction of UC, to help users understand the possible impact of the absence of UC cases from the count. Since the Pathfinder at first covers just one Jobcentre and is limited to a subset of new claimants, the initial impact on the Claimant Count is expected to be very small.

Once DWP are able to provide a quality assured UC series, ONS intends to include these in the headline Claimant Count series and revise the figures for earlier periods back to May 2013 to reflect the full Claimant Count. No timetable is currently available as to when this will occur.

For statistics covering the period of the Pathfinder, ONS will not have access to the full computerised records of Universal Credit claims and will only receive the overall number of claimants at each participating Jobcentre. This lack of detail will not affect the number of claimants in the headline national and regional Claimant Count series (Tables CLA01 in the National Labour Market Statistical Bulletin and table 7 of HI01 to HI11 of the Regional Labour Market Statistical Bulletin). It will, however, have a small effect on the number of inflows and outflows as it would be impossible to ascertain when these claims start or finish and, hence, which month they should be included as a flow. It will also affect the Claimant Count age and duration series (CLA02 and table 10 of HI01 to HI11) as the relevant information will not be available. The impact on the age and duration series will be relatively small as the Pathfinder will be limited in its scope.

There will also be an impact on the Claimant Count local area tables JSA01 and JSA02 as only limited geographic information on Universal Credit claims will be available during the Pathfinder. ONS will treat these in line with existing claims with incomplete geographic information which may result in a small number of claims being allocated to incorrect areas. Again, the impact of this is expected to be relatively small.

Similarly, age and duration and small area information available on <u>Nomis</u> will be affected by this lack of detail along with other information from computerised sources such as the occupation and ethnicity Claimant Count breakdowns.

ONS will keep users informed of the impact of Universal Credit on existing statistics as more information becomes available.

Universal Credit will progressively roll out from October 2013. Initially new claimants will begin to move to Universal Credit instead of Jobseeker's Allowance, with a migration of the existing caseload and recipients of other welfare benefits following at a later date. ONS aims to include these new Universal Credit claimants in the Claimant Count in line with the proposals laid out in its recent consultation on the production and dissemination of Claimant Count statistics following the introduction of Universal Credit. Further details will be published nearer the time.

An assessment of the future of the local authority level model based estimates of unemployment, which uses the Claimant Count as one of its inputs, will be made at the end of the Pathfinder. It is, however, likely that this series may have to be suspended and revisited after the full roll-out of Universal Credit is compete.

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## Revisions

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This document was revised to fully reflect the latest available information on the availability of Universal Credit statistics.