There are a number of ways to measure unemployment. This bulletin looks at the three most commonly used local measures of unemployment and the differences between them. It also looks at an additional dataset which measures unemployment at national and regional level and is widely reported on in the news.

The measures are:

- The **Claimant Count** from the Office for National Statistics. This provides the lowest measure of unemployment

- The **Alternative Claimant Count** from the Department for Work & Pensions

- Model based unemployment (compatible with the ILO definition of unemployment) from the Office for National Statistics. This provides the highest measure of unemployment.

- An additional dataset published by the Office for National Statistics presents unemployment estimates at national and regional level. These estimates are published monthly and are the figures widely reported in the news.

The following bulletin explains the differences between each of the datasets.
The Claimant Count
The Claimant Count, produced by The Office for National Statistics, is a measure of the number of people claiming benefits principally for the reason of being unemployed and is a bi-product of the administration of the benefits system.

The Claimant Count is not a true count of unemployment, rather it counts the number of people who are claiming a benefit (Universal Credit or Jobseekers Allowance) because they are unemployed. Due to eligibility rules, a number of people cannot or do not claim unemployment benefits. For example a person aged 16 or 17 years old would only be eligible for unemployment benefits under extreme circumstances. Those in full-time education would not generally be eligible for unemployment benefits while searching for work, which particularly affects those aged 18 to 21.

A key advantage of using JSA and UC claimant counts as the basis for local unemployment data is that geographically it is available down to ward level and it can also be broken down by gender and age band.

Another benefit of this dataset is that it also provides a seasonally adjusted breakdown.

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.

Additionally, under Universal Credit, a broader span of claimants are required to look for work than under Jobseeker’s Allowance. This has the effect of increasing the Claimant Count irrespective of how the economy performs.

This data is published monthly (one month in arrears) and provides information to small geographies. It provides a count of people claiming benefits and therefore is not subject to sampling errors. It is the basis for the monthly unemployment bulletin which Strategic Commissioning - Analytics publishes for Kent, which can be found [here](#).

Claimant Count unemployment rates are calculated as a proportion of the population who are eligible to claim (i.e. all those aged 16-64).

This data provides the lowest count of "unemployment".
The Alternative Claimant Count
The Alternative Claimant Count, produced by the Department for Work and Pensions, also measures the number of people claiming unemployment related benefits.

These new experimental statistics measure the number of people claiming unemployment related benefits by modelling what the count would have been if Universal Credit had been fully rolled out since 2013 (when Universal Credit began) with the broader span of people this covers.

The Alternative Claimant Count includes the following benefit claimants:

- Jobseeker’s Allowance
- Universal Credit – Searching for Work conditionality (excluding those on the health journey pre-Work Capability Assessment)
- Estimates of those additional claimants who would have been searching for work under Universal Credit had it existed over the entire time period from 2013

Data from the Alternative Claimant Count are published on a quarterly basis, three months in arrears. It is available for a range of geographies, including down to Lower Super Output Area (LSOA) which allows local area analysis. It is available from the DWP Stat Xplore website.

It is possible to break the data down by sex and age and benefit type (Universal Credit or Jobseekers Allowance).

Alternative Claimant Count unemployment rates are calculated as a proportion of the population who are eligible to claim (i.e. all those aged 16-64).

This dataset is considered to be a consistent claimant unemployment series and may provide a better indicator of local labour market change over time than the Claimant Count.

Model based estimates of ILO unemployment
Model-based estimates are produced by the Office for National Statistics.

The International Labour Organisation or ILO definition of unemployment was created as a standard definition of unemployment that could be used for comparisons of the level of unemployment in different countries. The ILO definition of unemployment is “anyone who has been out of work for the last 28 days and is still actively seeking work”.

This is a wider definition of unemployment, as it is not restricted to an individual’s eligibility to claim unemployment benefit, so the unemployment
numbers and rates tend to be higher than for the monthly unemployment benefits claimant count.

The model-based unemployment estimates for local authorities are presented as part of the ONS Annual Population Survey suite of publications.

As those who are unemployed form a small percentage of the population, the Annual Population Survey (APS) unemployed estimates within local authority districts are based on very small samples so for many areas are unreliable. To overcome this, model-based estimates have been developed that provide better estimates of total unemployed for local authorities.

The model-based estimates of unemployment dataset give the official unemployment figures for local authority district or unitary councils only. Estimates of unemployment for other geographies (county, region, local enterprise partnerships and countries) are available from the Annual Population Survey and can be used in conjunction with the model-based estimates to provide comparisons.

Model-based estimates are only available for total unemployed; they are not produced for male or female unemployed.

The model-based estimates are created using information from the Labour Force Survey supported by information from the Claimant Count to produce an estimate that is more precise. The claimant count is not itself a measure of unemployment but is strongly correlated with unemployment, and, as it is an administrative count, is known to be without sampling error. This helps to produce better estimates for areas of smaller sample size.

These data are published quarterly, six months in arrears. They provide an estimate of those people aged 16 and over who are unemployed (according to the ILO definition of unemployment). The unemployment rates are calculated as a proportion of the economically active population aged 16-64. Economically active are those who are in work or actively seeking work.

This data generally provides the highest count of unemployment as the definition is much broader.

**ONS Unemployment – National and regional estimates**

Estimates of unemployment at national and regional level are published on a monthly basis by the Office for National Statistics. These estimates of unemployment are those generally used in national news reports.

These unemployment estimates measure people without a job who have been actively seeking work within the last four weeks and are available to start work
within the next two weeks. The unemployment rate is calculated as the proportion of the economically active population (those in work plus those seeking and available to work) who are unemployed.

The figures are taken from employment, unemployment and economic inactivity estimates data collected from the ONS Labour Force Survey (a survey run by field interviewers with people across the UK every month).

Unemployment is different from the Claimant Count, which measures only those people who are claiming unemployment-related benefits. The Claimant Count is normally the lower measure because some unemployed people are not entitled to claim unemployment-related benefits or choose not to do so.

Estimates are produced every month for a rolling three-month period; for example, figures published in September for the period May to July will be followed in October by data for June to August.

Further information about Labour Market Statistics and the different measures of unemployment is available from the ONS Guide to Labour Market Statistics.

The following chart and table compare the three unemployment measures available at county and local authority district level.

Chart: Comparison of unemployment measures
<table>
<thead>
<tr>
<th>Month</th>
<th>Claimant Count</th>
<th>% 16-64 population</th>
<th>Alternative Claimant Count</th>
<th>% 16-64 population</th>
<th>Modelled unemployment</th>
<th>% 16-64 economically active population</th>
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<tbody>
<tr>
<td>January 2018</td>
<td>17,025</td>
<td>1.8</td>
<td>25,133</td>
<td>2.7</td>
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<td>February 2018</td>
<td>17,870</td>
<td>1.9</td>
<td>25,917</td>
<td>2.7</td>
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<td>March 2018</td>
<td>18,180</td>
<td>1.9</td>
<td>26,310</td>
<td>2.8</td>
<td>33,500</td>
<td>4.3</td>
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<td>April 2018</td>
<td>18,805</td>
<td>2.0</td>
<td>26,727</td>
<td>2.8</td>
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<tr>
<td>May 2018</td>
<td>18,310</td>
<td>1.9</td>
<td>26,065</td>
<td>2.8</td>
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<tr>
<td>June 2018</td>
<td>17,935</td>
<td>1.9</td>
<td>25,637</td>
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<td>39,700</td>
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Source: ONS; DWP
Presented by: Strategic Commissioning - Analytics, Kent County Council