
Improvements to DWP published Jobseekers Allowance statistics



Statistical Services

Information Directorate

March 2008

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Section 1 - Summary

1.1 This paper describes methodological improvements to the Department for Work and Pensions (DWP) statistics on Jobseekers' Allowance (published quarterly via the DWP Tabulation Tool¹).

1.2 The improvements follow an internal review of the way DWP JSA statistics are compiled, following investigations into the differences between DWP JSA statistics and Office for National Statistics (ONS) statistics on Jobseekers' Allowance ('Claimant Count', published monthly via NOMIS²).

1.3 The improvements affect DWP JSA statistics only – the ONS Claimant Count is unaffected. The result of improvements is a downward revision in historical estimates of the JSA caseload, released via the DWP Tabulation Tool. On average the number of JSA claimants has been revised downward by 3 per cent.

1.4 In addition, small revisions³ have made to historical data on DWP statistics for Client Group Analysis of all ages, and Client Group Analysis of Working Age.

1.5 DWP JSA statistics now follow the trend in ONS Claimant Count statistics very closely. Existing differences are now due to known definitional differences between the two series.

¹ <http://www.dwp.gov.uk/asd/tabtool.asp>

² <http://www.nomisweb.co.uk>

³ see http://www.dwp.gov.uk/asd/compliance_statement.pdf for DWP's compliance statement

Section 2 – Background

2.1 There are five main known differences between the headline Claimant Count measure of the number of people claiming JSA, and DWP statistics on the number of people claiming JSA:

- (i) The headline Claimant Count covers UK, whereas DWP JSA statistics cover GB only.
- (ii) The headline Claimant Count measures 'live' claimants on the second Thursday of the month, whereas DWP JSA statistics measures 'live' claimants on the last day of the quarter.
- (iii) The headline Claimant Count includes claims which are processed clerically, whereas the DWP JSA statistics only include computer processed claims.
- (iv) The headline Claimant Count statistics are seasonally adjusted, whereas the DWP JSA statistics are not seasonally adjusted.
- (v) Claimant Count statistics allow approximately 3 weeks for late processed claims to be input onto the DWP computer systems, whereas DWP JSA statistics allows at least 9 weeks.

Summary of the two JSA data sources

	ONS Claimant Count	DWP JSA data
Geographical Coverage	UK	GB
Source	Computerised claims on JSAPS and clerical claims	Computerised claims on JSAPS only
Frequency	Monthly from June 1983	Quarterly from Aug 1999
Dates	2 nd Thursday of each month	Last day of each quarter
Time allowed for updating computer systems	3 weeks	At least 9 weeks

2.2 Newly available data has allowed matching of the two data sources at individual level, which allows a detailed investigation into differences to be carried out. A paper highlighting differences between the two sources was published on 15 November 2006⁴.

⁴ <http://www.dwp.gov.uk/asd/asd1/tabtools/differences.pdf>

Section 3 – Results of investigations

3.1 The 'headline' Claimant Count figure is a UK, seasonally adjusted estimate, and includes clerical claims. However, a publicly available Claimant Count series which just covers GB, is not seasonally adjusted, and excludes clerical claims, can be obtained from NOMIS.

3.2 Although the published DWP statistics refers to the number of JSA caseload on the last day in a month, it is possible to obtain estimates of JSA caseload for a 'count date' of the second Thursday in the month to be used (in line with the Claimant Count count date).

3.3 Therefore, the first four known reasons (described in section 2) can be taken account of and, on this 'like-for-like' basis, the Claimant Count figure for February 2007 was 944,625 and the DWP JSA figures was 955,530.

3.4 Although the overall difference between the two figures is relatively small (around 1 per cent), analysis at individual level revealed that a significant number of people were recorded as claiming JSA within the DWP JSA figure and not the Claimant Count figure, and vice versa.

JSA Claimants - 8th Feb 2007, GB excluding clerical claims

DWP JSA statistics	955,530
Claimant Count	944,625
<i>Cases recorded as 'live' on both</i>	<i>903,430</i>
<i>Cases recorded as 'live' within DWP JSA statistics but not the Claimant Count</i>	<i>52,100</i>
<i>Cases recorded as 'live' within the Claimant Count but not DWP JSA statistics</i>	<i>41,190</i>

3.5 A proportion of the individuals recorded in one set of figures and not the other will be due to retrospection. This may happen, for example, if it takes a long time for action on an individual's claim to be finalised and input on to the DWP computer payment system.

Examples					
	Claim Start	Claim End	Date claim end entered on Computer system	Recorded as live on 8 th Feb	
				ONS statistics	DWP statistics
Person 'X'	1 st Nov 06	3 rd Feb 07	7 th Feb 07	No	No
Person 'Y'	14 th Nov 06	9 th Feb 07	13 th Feb 07	Yes	Yes
Person 'Z'	15 th Dec 06	30 th Jan 07	6 th Mar 07	Yes	No

3.6 However, taking account of an estimation of the effect of retrospection, a significant number of individuals were recorded in one set of figures and not the other (and vice versa) which could not be explained by retrospection.

3.7 Linking data at individual level with administrative data held within DWP, and reviewing the way that JSA statistical data is processed within DWP highlighted that, for 8th February 2007, there were approximately 30,000 individuals recorded as claiming JSA within the DWP JSA statistics who were not claiming at that point, and approximately 10,000 individuals not recorded as claiming at that point who were actually claiming.

Section 4 – Improvements and Effects

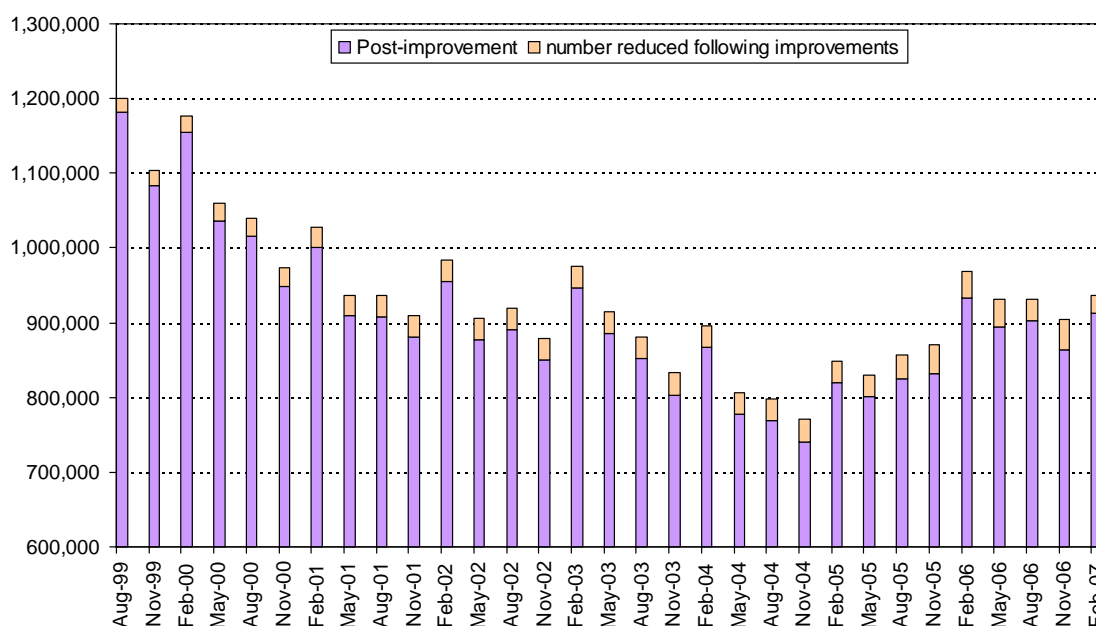
4.1 Following a review of the methodology for compiling DWP JSA statistics, improvements were identified to the way in which the data was processed within DWP.

4.2 To ensure that the DWP JSA statistics remained consistent over time, the improved methodology was applied to historical data, as well as data on an ongoing basis.

4.3 The improved methodology involved (a) using individual level Claimant Count data and additional DWP administrative data to set claim end dates for cases previously recorded as 'live' within DWP JSA statistics, that were not live; and (b) using individual level Claimant Count data to identify cases that should be recorded as live JSA cases.

4.4 The improvements affected all quarterly estimates of the number of JSA claimants within the DWP JSA statistics, going back to the beginning of the series in August 1999. The effect was to reduce the number of recorded JSA claimants by, on average, 3 per cent. However, the trend in the numbers claiming JSA is very similar over the series of the statistics.

Chart 1: Number of people claiming JSA: DWP 100% measure

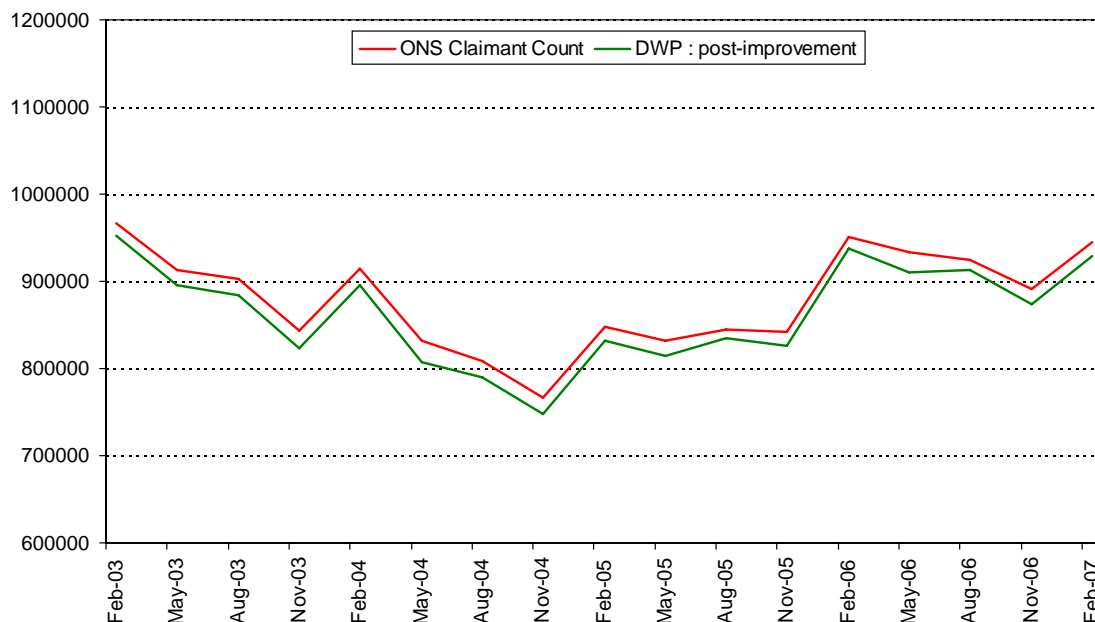


4.5 Following the improvements to DWP JSA statistics, the series is now much more consistent with the Claimant Count, with remaining differences between the two series now due to the known reasons described in paragraph 2.1.

4.6 On a like-for-like basis, eliminating the known differences apart from retrospection, the DWP JSA statistics are consistently around 2 per cent lower

than the Claimant Count. Again, the trend in numbers claiming JSA is very similar between the two series.

Chart 2: JSA Claimants (GB excluding clerical claims) – Count Date of 2nd Thu in month



4.7 The make-up of JSA claimants is largely unchanged as a result of the changes, with the proportion of claimants broken down by gender, age, and geographical area showing no significant changes. A table containing a full comparison of characteristics of JSA claimants pre- and post- improvements can be found in Annex 1.

4.8 A knock-on effect of improving the DWP 100% JSA statistics are revisions to DWP's Working Age Client Group statistics, with the major change, as expected, within the 'Jobseeker' category. There are very small changes within some of the other Client Group categories. This is because if a person is no longer in the Jobseeker category they may be instead classified within one of the other categories (people claiming JSA were all placed in the Jobseeker category, ahead of any other category they may also belong to).

<u>Statistical Group, May 07</u>	Existing Tabulation Tool	Improved data	Change	
			number	percentage
Job Seeker	837,460	807,270	-30,190	-3.6%
Incapacity benefits	2,685,320	2,685,240	80	0.0%
Lone Parent	765,630	765,620	10	0.0%
Carer	716,580	716,940	360	0.0%
Others on income related benefits	2,531,850	2,532,280	430	0.0%
Disabled	1,963,270	1,963,620	350	0.0%
Bereaved	129,130	129,240	110	0.1%
Receiving State Pension Only	7,957,780	7,959,900	2,120	0.0%

Annex 1 – Comparison of existing and improved DWP 100% JSA statistics, time-series

	<u>Existing DWP</u>	<u>Improved</u>	<u>Difference</u>	
	<u>100% JSA</u>	<u>DWP 100%</u>		
	<u>data</u>	<u>JSA data</u>	<u>number</u>	<u>percent</u>
	<u>number</u>	<u>number</u>		
August 1999	1,199,720	1,181,860	17,860	1.5%
November 1999	1,103,750	1,083,030	20,720	1.9%
February 2000	1,177,220	1,154,970	22,250	1.9%
May 2000	1,060,360	1,037,010	23,350	2.2%
August 2000	1,040,250	1,015,830	24,420	2.3%
November 2000	974,080	948,660	25,420	2.6%
February 2001	1,027,380	1,001,080	26,300	2.6%
May 2001	936,380	909,150	27,230	2.9%
August 2001	935,920	907,680	28,240	3.0%
November 2001	909,200	880,360	28,840	3.2%
February 2002	984,130	955,450	28,680	2.9%
May 2002	906,060	877,380	28,680	3.2%
August 2002	919,220	890,540	28,680	3.1%
November 2002	878,740	850,050	28,690	3.3%
February 2003	974,830	946,160	28,670	2.9%
May 2003	914,520	885,780	28,740	3.1%
August 2003	880,120	851,370	28,750	3.3%
November 2003	832,610	803,880	28,730	3.5%
February 2004	896,220	867,420	28,800	3.2%
May 2004	806,350	777,400	28,950	3.6%
August 2004	798,290	769,250	29,040	3.6%
November 2004	770,210	741,060	29,150	3.8%
February 2005	848,870	819,680	29,190	3.4%
May 2005	830,110	800,660	29,450	3.5%
August 2005	856,300	825,110	31,190	3.6%
November 2005	870,520	836,710	33,810	3.9%
February 2006	969,040	935,200	33,840	3.5%
May 2006	930,860	895,880	34,980	3.8%
August 2006	931,450	900,920	30,530	3.3%
November 2006	904,230	860,220	44,010	4.9%
February 2007	936,300	904,040	32,260	3.4%
May 2007	837,460	807,270	30,190	3.6%

Annex 2 – Comparison of existing and improved DWP 100% JSA statistics, May 2007

	<u>Existing DWP 100% JSA data</u>		<u>Improved DWP 100% JSA data</u>	
	<i>number</i>	<i>percent</i>	<i>number</i>	<i>percent</i>
Male	609,490	73%	590,190	73%
Female	227,960	27%	217,080	27%
under 18	8,860	1%	8,630	1%
18 - 24	234,840	28%	232,130	29%
25 - 34	199,290	24%	192,610	24%
35 - 44	175,360	21%	167,220	21%
45 - 49	76,390	9%	72,160	9%
50 - 54	67,370	8%	65,090	8%
55 - 59	63,510	8%	61,840	8%
60 - 64	8,850	1%	7,400	1%
White: British	571,430	68%	567,930	70%
White: Irish	5,960	1%	5,890	1%
White: Other white	15,320	2%	15,170	2%
Mixed: White & Black Caribbean	5,870	1%	5,860	1%
Mixed: White & Black African	1,810	0%	1,800	0%
Mixed: White & Asian	1,470	0%	1,470	0%
Mixed: Other Mixed	3,460	0%	3,440	0%
Asian or Asian British: Indian	14,650	2%	14,470	2%
Asian or Asian British: Pakistani	19,290	2%	19,270	2%
Asian or Asian British: Bangladeshi	9,090	1%	9,080	1%
Asian or Asian British: Other Asian	6,040	1%	6,030	1%
Black or Black British: Black Caribbean	24,860	3%	24,900	3%
Black or Black British: Black African	22,400	3%	22,340	3%
Black or Black British: Other Black	5,810	1%	5,780	1%
Chinese or Other Ethnic Group: Chinese	1,940	0%	1,930	0%
Chinese or Other Ethnic Group: Other Ethnic Group	18,330	2%	18,100	2%
Prefer not to say	73,860	9%	72,550	9%
Unknown	35,870	4%	11,270	1%
North East	48,950	6%	47,630	6%
North West	108,940	13%	105,000	13%
Yorkshire and The Humber	82,540	10%	79,420	10%
East Midlands	58,550	7%	56,380	7%
West Midlands	101,380	12%	99,170	12%
East of England	60,570	7%	58,290	7%
London	144,220	17%	139,760	17%
South East	71,710	9%	67,750	8%
South West	42,460	5%	39,680	5%
Wales	40,100	5%	38,650	5%
Scotland	77,870	9%	75,360	9%
Nil payment	60,210	7%	59,620	7%
Under £20.00	5,860	1%	5,900	1%
£20.00 to under £40.00	15,260	2%	15,360	2%
£40.00 to under £60.00	616,040	74%	616,880	76%
£60.00 to under £80.00	10,040	1%	10,220	1%
£80.00 to under £100.00	69,270	8%	70,300	9%
£100.00 to under £150.00	8,980	1%	9,240	1%
£150.00 and over	3,320	0%	3,460	0%
Unknown payment	48,480	6%	16,280	2%