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Unemployment Benefits data

Summary

1. This paper sets out the latest position concerning the most recent unemployment benefits datasets and the potential impact on the 2025-26 Local Government Settlement.

Views Sought

2. The DSG are asked to consider the unemployment benefits datasets and outline their views for the 2025-26 settlement and agree to use the latest data.

Related Papers

3. Distribution Sub-Group (2023) - Paper 14 - Unemployment benefits dataset update
4. Distribution Sub-Group (2022) - Paper 12 - Unemployment benefits dataset update
5. Distribution Sub-Group (2021) - Paper 17 - Unemployment benefits dataset update.

Background

6. Benefits data are used as proxies for deprivation in Settlement indicators to distribute funding, through a combination of unemployment benefits datasets (Income Support, JSA, Pension Credit and Universal Credit (UC) not in employment) for all ages or working age; and disability related benefits (PIP, SDA, DLA).
7. Due to the seasonal and COVID-19 volatility in this data a 12-quarter average was agreed through DSG in the past and is used within the Settlement to smooth the year-on year changes, with 4 quarters of the 12 being updated each settlement year.
8. On 1 April 2013, the [Council Tax Reduction Scheme \(CTRS\)](#) replaced Council Tax Benefit (CTB) in Wales and eligible households were automatically transferred onto the new scheme. The CTRS Regulations were closely based on previous CTB rules. This ensured households retained their entitlement to support in meeting their council tax liability. We have amended the original Regulations each year since to maintain entitlements.

Analysis

9. **Table 1** in [Annex A](#) shows the underlying average of 12 quarters data by different benefit combinations. Generally, this follows recent trends that income support, jobseeker allowance, and pensions credit claimants have decreased over the past few years as changes to the benefit system of the employment-based benefits means people are gradually moving from these legacy benefits onto universal credit. Overall, all local authorities have seen a gradual increase in claimants.

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10. **Table 2** shows the relative share change and Standard Spending Assessment (SSA) element for the Benefits Datasets.
11. For the **‘PENSIONER CLAIMANTS OF INCOME SUPPORT’ indicator** changes range from a 0.07 percentage point decrease in Rhondda Cynon Taff to a 0.05 percentage point increase in Swansea. For context, in 2024-25 this data set was used to distribute £123m of Standard Spending Assessment (SSA), therefore a 0.01 percentage point change would equate to £12k change in SSA.
12. For the **‘Total Claimants of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment’ indicator** changes range from a 0.10 percentage point decrease in Gwynedd to a 0.09 percentage point increase in Swansea. For context, in 2024-25 this data set was used to distribute £33.5m of Standard Spending Assessment (SSA), therefore a 0.01 percentage point change would equate to £3k change in SSA.
13. For the **‘Total Under 65's of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment’ indicator** changes range from a 0.13 percentage point decrease in Conwy to a 0.11 percentage point increase in Carmarthenshire. For context, in 2024-25 this data set was used to distribute £31.7m of Standard Spending Assessment (SSA), therefore a 0.01 percentage point change would equate to £3k change in SSA.
14. For the **‘SEVERE DISABLEMENT AND DISABILITY ALLOWANCE’ indicator** changes range from a 0.06 percentage point decrease in Neath Port Talbot to a 0.04 percentage point increase in Newport. For context, in 2024-25 this data set was used to distribute £136.4m of Standard Spending Assessment (SSA), therefore a 0.01 percentage point change would equate to £13k change in SSA.
15. **Table 3** shows the relative share change and Standard Spending Assessment (SSA) element for the CTRS Datasets.
16. For the **‘CTRS expenditure’ indicator** changes range from a 0.21 percentage point decrease in Cardiff to a 0.20 percentage point increase in Swansea. For context, in 2024-25 this data set was used to distribute £244m of Standard Spending Assessment (SSA), therefore a 0.01 percentage point change would equate to £24k change in SSA.
17. For the **‘CTRS caseload’ indicator** changes range from a 0.11 percentage point decrease in Gwynedd to a 0.25 percentage point increase in Swansea. For context, in 2024-25 this data set was used to distribute £5m of Standard Spending Assessment (SSA), therefore a 0.01 percentage point change would equate to £500 change in SSA.

Distributional impact of updating the data

18. **Table 4** in [Annex B](#) provides an exemplification of the latest benefits data on the 2024-25 settlement. Overall, the distributional impact in AEF is relatively small with the largest decreases in Rhondda Cynon Taf (£108k) and Conwy (£93k).
19. **Table 5** in [Annex B](#) provides an exemplification of the latest CTRS data on the 2024-25 settlement. Overall, the largest decreases can be seen in Cardiff (£522k) and Gwynedd (£390k).
20. **Table 6** in [Annex B](#) provides an exemplification of the latest Benefits and CTRS data on the 2024-25 settlement. Overall, the largest decreases can be seen in Cardiff (£519k) and Gwynedd (£464k).

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Recommendation

21. As the distributional impacts are minimal it is recommended that we continue to use the benefits data as a proxy for deprivation, in line with the approach taken for the 2024-25 Settlement i.e. continue to use a 12-quarter average, with 4 quarters of the 12 being updated.

Conclusion

22. DSG members are asked to consider the information provided within this paper and the subsequent recommendation.

**Local Government Finance Policy and Sustainability
Welsh Government**

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Annex A

Table 1: Combined caseload of benefit indicators by local authority and settlement year

	Average of 12 quarters May 2021 to February 2024 (2025-26 Settlement)				Average of 12 quarters May 2020 to February 2023 (2024-25 Settlement)			
	PENSIONER CLAIMANTS OF INCOME SUPPORT	Total Claimants of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment'	Total Under 65's of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment'	SEVERE DISABILITY AND DISABILITY ALLOWANCE	PENSIONER CLAIMANTS OF INCOME SUPPORT	Total Claimants of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment'	Total Under 65's of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment'	SEVERE DISABILITY AND DISABILITY ALLOWANCE
Isle of Anglesey	2,112	5,837	3,596	3,197	2,199	5,899	3,594	2,963
Gwynedd	3,489	9,048	5,397	4,591	3,639	9,372	5,591	4,190
Conwy	3,725	10,220	6,302	5,831	3,839	10,519	6,517	5,433
Denbighshire	3,175	9,422	6,068	5,963	3,315	9,582	6,103	5,526
Flintshire	3,542	11,905	8,135	7,135	3,658	12,075	8,217	6,551
Wrexham	3,364	11,747	8,159	7,162	3,481	11,944	8,262	6,572
Powys	3,370	8,671	5,120	5,437	3,468	8,731	5,107	5,037
Ceredigion	1,909	5,015	3,006	2,998	1,976	5,028	2,965	2,844
Pembrokeshire	3,580	10,343	6,557	6,294	3,697	10,483	6,614	5,849
Carmarthenshire	5,322	15,671	10,049	11,101	5,483	15,538	9,796	10,302
Swansea	6,705	23,121	15,988	14,800	6,877	22,974	15,736	13,686
Neath Port Talbot	4,369	14,915	10,274	10,709	4,528	14,817	10,063	10,005
Bridgend	3,589	12,737	8,887	8,980	3,677	12,791	8,888	8,325
The Vale of Glamorgan	2,831	9,599	6,595	5,988	2,929	9,668	6,589	5,497
Rhondda,Cynon,Taff	6,829	22,886	15,658	16,303	7,110	23,003	15,585	15,112
Merthyr Tydfil	1,800	6,439	4,519	4,599	1,848	6,455	4,506	4,240
Caerphilly	5,250	17,602	12,018	12,608	5,415	17,452	11,767	11,649
Blaenau Gwent	2,301	8,031	5,566	5,498	2,380	7,934	5,419	5,063
Torfaen	2,570	9,533	6,776	6,364	2,624	9,475	6,700	5,909
Monmouthshire	1,861	5,458	3,476	3,582	1,906	5,481	3,470	3,323
Newport	3,858	15,899	11,774	9,058	3,969	15,868	11,680	8,309
Cardiff	7,554	32,649	24,519	17,847	7,789	32,798	24,545	16,501
Wales	83,103	276,747	188,440	176,043	85,807	277,886	187,713	162,884

Distribution Sub-Group (2024) Paper 12 –Benefits datasets and CTRS

Table 2: Relative share change percentage point (pp) and SSA element distribution difference (£'000s)

	Relative Share difference (pp)				SSA Element distribution difference (£'000s)				Total (£'000s)
	PENSIONER CLAIMANTS OF INCOME SUPPORT	Total Claimants of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment'	Total Under 65's of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment'	SEVERE DISABILITY AND DISABILITY ALLOWANCE	PENSIONER CLAIMANTS OF INCOME SUPPORT	Total Claimants of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment'	Total Under 65's of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment'	SEVERE DISABILITY AND DISABILITY ALLOWANCE	
Isle of Anglesey	-0.02	-0.01	-0.01	0.00	-26	-5	-2	-4	-37
Gwynedd	-0.04	-0.10	-0.11	0.04	-52	-34	-36	48	-75
Conwy	0.01	-0.09	-0.13	-0.02	10	-31	-40	-31	-93
Denbighshire	-0.04	-0.04	-0.03	-0.01	-52	-15	-10	-7	-84
Flintshire	0.00	-0.04	-0.06	0.03	-1	-15	-19	42	8
Wrexham	-0.01	-0.05	-0.07	0.03	-11	-18	-23	45	-6
Powys	0.01	-0.01	0.00	0.00	16	-3	-1	-5	7
Ceredigion	-0.01	0.00	0.02	-0.04	-6	1	5	-59	-60
Pembrokeshire	0.00	-0.04	-0.04	-0.02	0	-12	-14	-22	-47
Carmarthenshire	0.01	0.07	0.11	-0.02	16	24	36	-25	51
Swansea	0.05	0.09	0.10	0.00	65	29	32	7	133
Neath Port Talbot	-0.02	0.06	0.09	-0.06	-25	19	29	-81	-58
Bridgend	0.03	0.00	-0.02	-0.01	41	0	-6	-14	21
The Vale of Glamorgan	-0.01	-0.01	-0.01	0.03	-8	-4	-3	36	21
Rhondda,Cynon,Taff	-0.07	-0.01	0.01	-0.02	-85	-3	2	-23	-108
Merthyr Tydfil	0.01	0.00	0.00	0.01	16	1	-1	13	29
Caerphilly	0.01	0.08	0.11	0.01	8	27	34	14	84
Blaenau Gwent	-0.01	0.05	0.07	0.01	-7	16	21	20	51
Torfaen	0.03	0.03	0.03	-0.01	42	12	8	-17	45
Monmouthshire	0.02	0.00	0.00	-0.01	22	0	-1	-8	13
Newport	0.02	0.03	0.03	0.04	22	12	8	60	102
Cardiff	0.01	-0.01	-0.06	0.01	15	-2	-20	10	3
Wales SSA Element (£)					122,560,000	33,501,905	31,723,108	136,409,363	

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Table 3: CTRS data by settlement year

	2025-26 Settlement		2024-25 Settlement		Relative share difference & SSA element share difference £'000s				
	2023-24 CTRS expenditure	2023-24 CTRS caseload	2022-23 CTRS expenditure	2022-23 CTRS caseload	CTRS expenditure	CTRS caseload	Total		
Isle of Anglesey	6,029,938	5,554	6,235,872	5,606	-0.16	-384	0.00	0	-384
Gwynedd	9,552,887	8,105	9,613,264	8,487	-0.16	-384	-0.11	-5	-390
Conwy	11,719,670	9,607	10,989,641	9,716	0.08	204	0.00	0	204
Denbighshire	10,841,284	8,830	10,486,887	9,030	-0.03	-81	-0.04	-2	-83
Flintshire	12,297,950	10,215	11,795,963	10,231	0.00	-8	0.04	2	-6
Wrexham	12,365,432	11,064	11,735,196	11,025	0.04	98	0.06	3	101
Powys	11,106,773	9,083	10,624,444	9,104	0.01	17	0.03	1	19
Ceredigion	6,476,459	5,163	6,138,123	5,294	0.02	58	-0.03	-1	57
Pembrokeshire	9,849,864	8,999	9,480,593	9,194	-0.01	-34	-0.04	-2	-36
Carmarthenshire	18,137,721	15,284	16,863,153	15,225	0.18	438	0.08	4	442
Swansea	24,153,460	21,102	22,577,022	20,667	0.20	481	0.25	12	494
Neath Port Talbot	18,973,967	15,461	18,296,930	15,751	-0.04	-94	-0.05	-2	-96
Bridgend	15,566,192	12,437	14,885,220	12,808	0.01	29	-0.09	-4	24
The Vale of Glamorgan	11,535,215	8,990	11,045,814	9,073	0.00	8	0.00	0	9
Rhondda,Cynon,Taff	25,655,786	23,453	24,656,353	23,587	-0.02	-56	0.04	2	-54
Merthyr Tydfil	6,801,574	5,792	6,548,299	5,923	-0.01	-25	-0.03	-1	-26
Caerphilly	16,632,359	16,048	15,393,849	16,017	0.19	460	0.08	4	464
Blaenau Gwent	9,703,463	8,282	9,472,793	8,442	-0.06	-145	-0.03	-1	-146
Torfaen	10,256,444	9,506	10,185,107	9,716	-0.12	-298	-0.04	-2	-300
Monmouthshire	7,403,264	5,500	7,129,257	5,557	-0.01	-28	0.00	0	-28
Newport	13,299,708	12,151	12,436,959	12,375	0.11	261	-0.04	-2	259
Cardiff	34,516,047	28,554	33,698,077	29,087	-0.21	-518	-0.09	-4	-522
Wales	302,875,457	259,180	290,288,817	261,915	SSA Element	£244,000,000	SSA Element	£4,856,820	

Table 4: Exemplification of combined caseload of benefit indicators on the 2024-25 settlement

Unitary Authority	Average of 12 quarters May 2020 to February 2023 (2024-25 Settlement)	Average of 12 quarters May 2021 to February 2024 (2025-26 Settlement)	£'000s Difference Value	Difference %
Angelsey	127,586	127,549	-37	-0.03%
Gwynedd	233,317	233,242	-75	-0.03%
Conwy	203,526	203,433	-93	-0.05%
Denbighshire	200,795	200,710	-84	-0.04%
Flintshire	258,527	258,535	8	0.00%
Wrexham	232,865	232,859	-6	0.00%
Powys	235,865	235,873	7	0.00%
Ceredigion	135,286	135,226	-60	-0.04%
Pembrokeshire	218,870	218,823	-47	-0.02%
Carmarthenshire	350,646	350,697	51	0.01%
Swansea	435,021	435,154	133	0.03%
Neath Port Talbot	285,594	285,536	-58	-0.02%
Bridgend	258,925	258,946	21	0.01%
Vale of Glamorgan	209,781	209,802	21	0.01%
Rhondda Cynon Taff	485,567	485,459	-108	-0.02%
Merthyr	123,492	123,521	29	0.02%
Caerphilly	348,864	348,948	84	0.02%
Blaenau Gwent	144,044	144,094	51	0.04%
Torfaen	178,733	178,778	45	0.03%
Monmouthshire	126,019	126,032	13	0.01%
Newport	304,045	304,147	102	0.03%
Cardiff	623,158	623,161	3	0.00%
Total Unitary Authorities	5,720,524	5,720,524		

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Table 5: Exemplification of CTRS data on the 2024-25 settlement

Unitary Authority			£'000s	
	2022-23 CTRS Data Settlement 2024-25	2023-24 CTRS Data Settlement 2025-26	Difference Value	Difference %
Angelsey	127,586	127,202	-384	-0.30%
Gwynedd	233,317	232,927	-390	-0.17%
Conwy	203,526	203,730	204	0.10%
Denbighshire	200,795	200,712	-83	-0.04%
Flintshire	258,527	258,521	-6	0.00%
Wrexham	232,865	232,965	101	0.04%
Powys	235,865	235,884	19	0.01%
Ceredigion	135,286	135,343	57	0.04%
Pembrokeshire	218,870	218,835	-36	-0.02%
Carmarthenshire	350,646	351,088	442	0.13%
Swansea	435,021	435,514	494	0.11%
Neath Port Talbot	285,594	285,498	-96	-0.03%
Bridgend	258,925	258,949	24	0.01%
Vale of Glamorgan	209,781	209,790	9	0.00%
Rhondda Cynon Taff	485,567	485,513	-54	-0.01%
Merthyr	123,492	123,466	-26	-0.02%
Caerphilly	348,864	349,328	464	0.13%
Blaenau Gwent	144,044	143,897	-146	-0.10%
Torfaen	178,733	178,432	-300	-0.17%
Monmouthshire	126,019	125,991	-28	-0.02%
Newport	304,045	304,304	259	0.09%
Cardiff	623,158	622,635	-522	-0.08%
Total Unitary Authorities	5,720,524	5,720,524		

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Table 6: Exemplification of Benefits and CTRS data on the 2024-25 settlement

Unitary Authority	Settlement 2024-25	Benefits and CTRS	£'000	
			Difference Value	Difference %
Angelsey	127,586	127,165	-421	-0.33%
Gwynedd	233,317	232,852	-464	-0.20%
Conwy	203,526	203,637	111	0.05%
Denbighshire	200,795	200,627	-167	-0.08%
Flintshire	258,527	258,529	2	0.00%
Wrexham	232,865	232,960	95	0.04%
Powys	235,865	235,891	26	0.01%
Ceredigion	135,286	135,283	-3	0.00%
Pembrokeshire	218,870	218,787	-83	-0.04%
Carmarthenshire	350,646	351,139	493	0.14%
Swansea	435,021	435,648	627	0.14%
Neath Port Talbot	285,594	285,440	-154	-0.05%
Bridgend	258,925	258,970	45	0.02%
Vale of Glamorgan	209,781	209,811	29	0.01%
Rhondda Cynon Taff	485,567	485,405	-162	-0.03%
Merthyr	123,492	123,495	3	0.00%
Caerphilly	348,864	349,411	547	0.16%
Blaenau Gwent	144,044	143,948	-96	-0.07%
Torfaen	178,733	178,477	-255	-0.14%
Monmouthshire	126,019	126,004	-15	-0.01%
Newport	304,045	304,405	360	0.12%
Cardiff	623,158	622,638	-519	-0.08%
Total Unitary Authorities	5,720,524	5,720,524		