



Department  
for Work &  
Pensions

# Sahaviriya Steel Industries (SSI) Redcar Closure

Updated statistics

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September 2016

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# Introduction

The statistics in this report present a one-off ad hoc analysis in support of a report due to be issued by the SSI Taskforce, one year after announcements about the future of SSI.

Sahariviya Steel Industries (SSI) went into liquidation on 2<sup>nd</sup> October 2015. DWP issued an ad-hoc statistical release on 21<sup>st</sup> January 2016 detailing support activity and Jobseeker's Allowance for those formerly employed at SSI or in its supply chain. Those statistics were based on local data systems created specifically for the SSI closure.

Existing published DWP Official Statistics do not include benefit outcomes from former employees of specific employers and are usually produced from data sources that have an established quality assurance process which can result in a significant elapsed time from the reference date to the publication date. Also, those quality-assured statistical systems do not allow the production of statistics that would be timely enough to be relevant for the one-year-on report.

# Methodology

Jobcentre Plus created a database specifically for supporting the services they were delivering as a result of the closure of SSI, both managing support to individuals and to ensure they had up to date management information. The database was populated with records collected by Jobcentre Plus at open “Rapid Response” information sessions for those people choosing to attend. The database also included any JSA claimant who identified themselves to Jobcentre Plus as a former employee of one of SSI’s supply chain companies who had been made redundant as a result of the closure of SSI.

The data has been improved since the ad-hoc statistical publication in January to include records for all staff formerly employed by SSI. This allows greater confidence in the statistics. Quality assurance comparing records from the local tracking database and the quality assured statistical systems used for the ad-hoc statistics released in March 2016 has also begun.

It is not yet possible to produce statistics for the relevant time period from DWP’s normal quality assured statistical systems.

# Results

1,550 former SSI Employees had made a benefit claim between 2<sup>nd</sup> October 2015 and 31st August 2016. 1450 (94%) of these people had ended that claim by 31st August.

610 people who identified themselves having been working in businesses in SSI's supply chain and affected by the closure of SSI made a benefit claim over the same period. Of these 530 (87%) ended that claim over the same period.

In total 2,150 people directly employed by SSI or who identified themselves as affected supply chain employees made a benefit claim. Of these 1990 (93%) ended that claim over the same period.

Data for this time period are not yet available from DWP's quality-assured statistical systems. They are from a bespoke Jobcentre Plus local tracking system covering SSI employees plus others in the wider labour market identified themselves as having been affected as a result of SSI's closure. DWP used this information to identify claims to one of the following benefits – Jobseekers Allowance, Universal Credit, Income Support, Employment and Support Allowance. The table shows the number and proportion of people where this claim has since.

Some of those who claimed and then moved off benefit may make a subsequent claim in the future due to normal labour market turnover.

The figures above include all SSI claims to benefit (National) and other, self-identified, claims in the Durham and Tees Valley District

It should not be assumed that those not claiming JSA were all in new jobs. Other outcomes could include:-

- Being on other benefits including Employment and Support Allowance, State Pension Income Support and Universal Credit
- Being a dependent partner on a benefit claim made by the former SSI employee's partner
- Choosing to retire but not claim benefits
- Temporarily being re-employed at SSI by the official receiver
- Leaving the UK

# Contact Point for Further Information

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