



Department  
for Work &  
Pensions

# Sahaviriya Steel Industries (SSI) Redcar closure

Jobseeker's Allowance statistics

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March 2016

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# Introduction

The statistics in this report present a one-off ad hoc analysis in support of a press notice issued by the Department for Business Innovation & Skills.<sup>1</sup>

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. At the time it was not yet possible to produce statistics using the data systems used for production of National and other official statistics. That meant there were limits to the quality assurance that could be done for the statistics.

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. This report uses the same underlying data systems as those established statistics but has had a bespoke quality assurance process to allow for more timely statistics for former SSI employees only focussing particularly on Jobseekers Allowance and employment.

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<sup>1</sup> <https://www.gov.uk/government/news/business-minister-returns-to-redcar-6-months-after-steel-plant-closure>

# Methodology

DWP routinely produces statistics based on data extracted from the systems used to administer benefits systems via [Stat-Xplore](#) and the DWP Statistics Tabulation Tool. Some data on Jobseeker's allowance is passed to the Office for National Statistics (ONS) who publish stock and flow statistics at [NOMIS](#). None of these sources produce statistics for individual employers

DWP has created a database containing records for all staff employed at SSI on 2<sup>nd</sup> October 2015, all of whom were made redundant on that date (though some were immediately re-employed). This list was supplied by the Insolvency Service, who had taken over SSI's operations and had full access to SSI's records and could guarantee the accuracy of the list.

For these individuals DWP added dates for the start and end periods of time for which those individuals made a claim Jobseeker's Allowance and Employment & Support Allowance. This data was drawn from the same benefits administration systems used to provide National Statistics. At the time of producing this report this included data up to the end of February 2016.

DWP has also included records supplied by the Insolvency Service of staff who were re-employed at SSI, and those who have subsequently left SSI.

DWP has not included data for other benefits including State Pension, Universal Credit and Income Support.

DWP statisticians have worked with Jobcentre Plus District Staff and the Insolvency Service to integrate the data to ensure records are matched for the correct individuals, that dates are accurate.

Some people made redundant from companies in SSI's supply chain identified themselves to DWP so we could deliver and monitor services to them. However, since there could be more people in the supply chain affected by the closure of SSI we cannot be confident in the completeness of this list. This report therefore does not include statistics for people in that list and instead focuses solely on former employees of SSI itself.

# Results

All figures are rounded to the nearest 10. Therefore individual figures may not add to the total.

2,070 people were employed by SSI and were made redundant on 2<sup>nd</sup> October 2015. Of these, 1,350 (65%) had made one or more claims to JSA by the end of February 2016.

540 people (or 25% of people who were employed by SSI and were made redundant on 2<sup>nd</sup> October 2015) were claiming JSA at the end of February 2016. This is 40% of those SSI employees who had made a claim for JSA.

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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