

Routes onto Incapacity Benefit: Findings from a survey of recent claimants

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The processes by which people come to claim incapacity related benefits are not well understood. This study was commissioned by the Department for Work and Pensions (DWP) to provide detailed information on the characteristics and circumstances of new claimants of Incapacity Benefit (IB). It also sought to provide statistical information about routes onto IB that had previously been identified in a linked qualitative study conducted for the DWP.¹

The quantitative study involved face-to-face, structured interviews with a representative sample of 1,843 recent claimants of IB. 'Recent claimants' were defined as people who had made a new claim for IB in the previous three months. Interviews were carried out approximately six months after people had made their claim for IB.

The research was carried out by the Department of Social Policy and Social Work at the University of Oxford and the Social Policy Research Unit at the University of York. The survey fieldwork was conducted by Ipsos MORI.

Claimant characteristics

Recent claimants were disproportionately male and drawn from older age groups. Almost half were living as part of a couple, of whom 45 per cent had children under 19 living with them. Compared with the general population, single

people living alone and lone parents were over-represented among recent claimants of IB.

The ethnic background of recent claimants was similar to that for the general population: 91 per cent described their ethnic background as white, five per cent as Asian or Asian British, two per cent as black or black British, and one per cent said they were of a mixed ethnic background.

Owner-occupiers were under-represented among recent claimants of IB: only 42 per cent were owner-occupiers, compared with 69 per cent among the general population. Conversely, tenants, especially those renting from social housing landlords, were over-represented. Thus, 40 per cent of recent IB claimants, compared with 21 per cent of the general population, were renting from a social housing landlord.

Recent IB claimants were twice as likely as the general population to have no academic or vocational qualifications (34 per cent compared with 14 per cent). A fifth (21 per cent) of recent claimants had either literacy problems, numeracy problems or both.

Recent IB claimants were less likely to have a driving licence or access to a car than the general population. Fifty-six per cent of recent IB claimants had a full, current driving licence, of which 82 per cent had access to a car. Thus, in total, 46 per cent of recent claimants had both a driving licence and access to a car.

¹ Sainsbury, R. and Davidson, J. (2006) *Routes into Incapacity Benefit: findings from qualitative research*, DWP Research Report No. 350, CDS: Leeds.

Employment

Just over half of recent claimants had some connection with paid work immediately prior to their claim: 23 per cent had been in work and 33 per cent had been on sick leave from their job. Nine per cent had considered themselves as permanently off work due to sickness or disability, ten per cent were off sick with no job to return to, 19 per cent were unemployed and looking for work, and six per cent had been looking after the home or care-giving.

Compared with the general population, recent IB claimants were over-represented in unskilled manual and service occupations. Three-quarters of recent claimants worked in the private sector (73 per cent) and a quarter (23 per cent) worked for the public sector. Two-fifths (40 per cent) of claimants had been employed in firms with less than 50 employees; and, at the other extreme, just over a third (35 per cent) of recent claimants had been employed in firms with over 500 employees.

The majority (70 per cent) of recent IB claimants had spent most of their working lives in steady employment. Four-fifths (79 per cent) of recent claimants had been on permanent employment contracts and the remaining fifth had been on temporary contracts of one sort or another. On the whole, recent claimants were in relatively low paid work before making their claim for IB. The mean gross hourly pay (including overtime) was £6.69, which compares with £13.37 for employees in the UK as a whole in 2007.² Men (£7.20) earned more than women (£5.94) and claimants whose ethnic background was white (£6.77) earned more per hour than people from other ethnic backgrounds (£5.70).

² The source for UK earnings is the 2007 Annual Survey of Hours and Earnings. These data are for employee jobs paid at adult rates (including overtime) and that are not affected by absence.

Health and disability

Ninety-six per cent of recent claimants of IB said either that they currently or in the previous 12 months had at least one health condition or impairment. The most commonly reported health problems and disability were depression, stress and anxiety, or musculo-skeletal conditions.

The conditions reported by men and women were broadly similar, except that more women reported having depression or stress and anxiety, while more men had heart problems or high blood pressure. Men were more likely than women to say that the major cause of their main health condition or disability was related to their work or the result of an accident or injury. Women were more likely than men to report that their condition was a non work-related disease or illness.

Among people who were not in paid work or on sick leave in the week before their survey interview but who had worked in the past, 62 per cent reported that their health condition or disability had played some role in their most recent job coming to an end.

Among people who were in paid work or on sick leave immediately prior to their claim for IB, 78 per cent of health conditions or disabilities affected their ability to do their job.

The role of employers

Just under a third (30 per cent) of recent claimants who had been in paid work or on sick leave prior to their claim for IB did not discuss their condition(s) with their employer.

Among those who had told their employer, the most common timing was after the job had started but as soon as the condition had become a problem (51 per cent). Two-thirds of those who had discussed their condition with their employer had thought them to have been either very or fairly helpful. A third of employees had perceived their employer to be either fairly or very unhelpful.

The majority of claimants (83 per cent) who had been in work or on sick leave prior to their claim for IB and had a condition which affected their ability to do their job, said that no workplace changes had been made by their employer to help accommodate them. Of those for whom workplace adaptations had been made, three-quarters (74 per cent) thought that the changes helped them to remain in work for longer than would otherwise have been possible.

The majority of recent claimants (71 per cent) who had been in paid work or on sick leave before their claim for IB had had no access to occupational health services through their employer. About seven out of ten (69 per cent) recent claimants who had been in paid work or on sick pay immediately prior to their claim for IB said that they had consulted people other than their employer (for example a trade union representative, a GP or friends or relatives) about the effect of their condition on their ability to do their job.

Claiming Incapacity Benefit

Two-thirds (68 per cent) of recent claimants were claiming IB for the first time and one-third (32 per cent) were repeat claimants.

About three-fifths (57 per cent) of first-time claimants had been told about IB by someone and two-fifths (40 per cent) already knew about it. First-time claimants who had been told about IB had most commonly heard about it from Jobcentre Plus (36 per cent). Other commonly cited informants were employers (17 per cent), relatives or friends (16 per cent) and GPs (12 per cent).

Just over half of recent claimants had either been working (23 per cent) or off sick from their job (33 per cent) immediately prior to their recent claim for IB. Two-thirds of the remainder had been getting Income Support (IS) or Jobseeker's Allowance (JSA) immediately prior to their claim for IB. Altogether, a third (32 per cent) of all recent IB claimants had been getting IS or JSA (or both), either immediately prior to their claim or at some other point in the previous two years.

Just over half of recent claimants had moved onto IB from being in work (either working or off sick from their job). Another quarter (26 per cent) had claimed IB from a 'non-work' route but had nonetheless been in work at some point in the previous two years. A fifth (21 per cent) had come from a 'non-work' route and had not worked for at least two years or had never worked.

When asked how long they had initially expected to be on IB, the most common response (given by 37 per cent of recent claimants) was that they did not know. A third (33 per cent) had expected to remain on IB for less than six months. About one in ten (nine per cent) thought it would be at least a year and a similar proportion (11 per cent) did not ever expect to return to work.

Approximately six months after their claim, just over half (53 per cent) of recent claimants were receiving IB. One in five (20 per cent) were no longer claiming IB, one in fourteen said they were waiting for their claim to be processed (seven per cent), and the remainder (20 per cent) had had their claim rejected.³

Work expectations and barriers

Once they had moved onto IB, recent claimants became, on the whole, more detached from the labour market. Immediately prior to their recent claim, about half (56 per cent) had been either working or off sick from their job, but six months later this was the case for only about a third (36 per cent) of recent claimants. The proportion that was sick or injured with no job to return to had increased from four to 17 per cent. And the proportion that described themselves as being permanently unable to work due to sickness or disability had trebled, rising from nine per cent prior to their claim to 27 per cent in the week prior to the interview.

³ This may occur where the claimant 'fails' their Personal Capability Assessment (PCA). Because it may take place some months after the initial claim has been made, claimants are usually paid benefit up until the PCA has been completed.

Thus, by the time of the survey, over a quarter of recent IB claimants saw themselves as being permanently unable to work. Among those who did not have a job (they could return to) and did not regard themselves as being permanently unable to work, two-fifths said that they were unlikely to get a job because of their health or disability.

In addition, many respondents who did not have a job (they could return to) and who did not regard themselves as being permanently unable to work, had doubts about their employability. Thus, 14 per cent of them believed there were insufficient jobs in their area for people with their skills; 12 per cent said they did not have the right qualifications or experience to find work; 14 per cent believed they were unlikely to get a job because of their age; and 13 per cent thought that employers would not give them a job because of their sickness record.

What is not clear from the data is how accurately these recent claimants' perceptions reflected the reality of their potential position in the labour market. What is evident, however, is that even after a short period on IB many of them had become perceptibly more distant from the labour market. It is also clear that it was not just because of their health and their sickness record that many of them were not expecting to work in the future; it was also their age or the lack of experience, qualifications and skills they thought they could offer to potential employers. In other words, they not only had health conditions, but also faced other labour market disadvantages that affected their employability.

The full report of these research findings is published for the Department for Work and Pensions by Corporate Document Services (ISBN 978 1 84712 313 8. Research Report 469. December 2007). It is available from Paul Noakes at the address below.

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