

**Department for Work and Pensions**

**Research Report No 516**

# **Routes onto Incapacity Benefit: Findings from a follow-up survey of recent claimants**

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A report of research 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 on behalf of the Department for Work and Pensions

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# Contents

Acknowledgements .....	vii
The Authors.....	viii
Abbreviations.....	ix
Summary .....	1
1 Introduction .....	7
1.1 Policy context .....	7
1.2 Routes onto Incapacity Benefit.....	8
1.3 Aims of the research .....	9
1.4 Research methods .....	9
1.5 Changes in personal circumstances .....	10
1.6 Structure of the report .....	12
2 Health and disability.....	13
2.1 Summary .....	13
2.2 Health conditions.....	14
2.3 Health trajectory .....	17
2.4 Waiting list for health treatment .....	21
2.5 Receiving health treatment .....	24
3 Benefit status.....	27
3.1 Introduction .....	27
3.2 Summary .....	27
3.3 Benefit status at baseline .....	27

3.4	Changes in Incapacity Benefit status .....	29
3.5	Why people had stopped claiming Incapacity Benefit .....	30
3.6	Expectations about likely claim duration.....	31
3.7	Other social security benefits .....	33
4	Work status .....	35
4.1	Introduction .....	35
4.2	Summary .....	35
4.2	Employment status .....	36
4.4	Going back to work.....	38
4.5	Job search .....	39
4.6	Expectations about work .....	40
4.7	Barriers to work .....	41
4.8	Importance of work .....	44
4.9	Work status trajectories .....	47
5	Conclusions .....	51
Appendix	Logistic regressions of the determinants of being in paid work and of reporting being permanently off work due to sickness or disability .....	55
References	.....	57

## List of tables

Table 1.1	Changes in personal circumstances .....	11
Table 2.1	Did respondents still have a health condition or disability at follow-up?.....	15
Table 2.2	Whether respondents still had a health condition at follow-up, by whether they were in work in the previous week .....	15
Table 2.3	Main health condition and disability.....	16
Table 2.4	Whether respondents' health had changed since baseline.....	17
Table 2.5	Whether respondents' health had changed since baseline.....	18
Table 2.6	Whether respondents' health had changed since baseline, by whether they were in work in the previous week .....	18
Table 2.7	Whether health would be better or worse in six months' time ....	19
Table 2.8	Whether health would be better or worse in six months' time, by ethnic group .....	20

Table 2.9	Whether health would be better or worse in six months' time, by age group .....	20
Table 2.10	Whether health would be better or worse in six months' time, by whether they were in work in the previous week .....	21
Table 2.11	Whether respondents were on a waiting list for medical treatment .....	22
Table 2.12	Whether respondents who were waiting for medical treatment at the baseline survey were waiting for treatment at the follow-up survey .....	22
Table 2.13	Whether respondents were on a waiting list for medical treatment or psychological services, by age group.....	23
Table 2.14	Whether respondents were on a waiting list for medical treatment or psychological services, by whether they were in work in the week prior to the baseline or follow-up survey .....	24
Table 2.15	Whether respondents were receiving medical treatment or psychological services .....	25
Table 2.16	Proportion of respondents who were currently receiving medical treatment or psychological services, by age group .....	25
Table 3.1	Whether recent claimants were receiving IB at the time of the baseline survey interview, by age group .....	28
Table 3.2	Whether respondents had received IS or JSA in the two years before their recent IB claim .....	29
Table 3.3	Whether recent claimants were receiving IB .....	29
Table 3.4	Respondent's IB status at follow-up, by age group .....	30
Table 3.5	Main reason why respondents had stopped claiming IB .....	31
Table 3.6	How long people expected to remain on IB.....	32
Table 3.7	How long people expected to remain on IB when they made their recent claim, by how long they expected, at follow-up, to remain on IB.....	33
Table 3.8	Reported receipt of other social security benefits at follow-up.....	34
Table 4.1	Employment status .....	37
Table 4.2	Participation in job search activities .....	40
Table 4.3	What respondents were most likely to be doing in six months' time .....	41
Table 4.4	Barriers to work.....	43
Table 4.5	Barriers to work among respondents who answered the barriers question at both baseline and follow-up.....	44
Table 4.6	Attitudes to paid work.....	46
Table 4.7	Work status trajectories .....	48
Table 4.8	Work status at follow-up by route onto IB .....	49
Table 4.9	Work status by number of health conditions.....	50



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# Abbreviations

CATI	Computer Assisted Telephone Interviewing
CTB	Council Tax Benefit
CTC	Child Tax Credit
DLA	Disability Living Allowance
DWP	Department for Work and Pensions
ESA	Employment and Support Allowance
HB	Housing Benefit
IB	Incapacity Benefit
IS	Income Support
JSA	Jobseeker's Allowance
SDA	Severe Disablement Allowance
WTC	Working Tax Credit



# Summary

## Introduction

- This report presents findings from a follow-up telephone survey of people who had recently claimed Incapacity Benefit (IB), conducted approximately one year after their claim began.
- The study was commissioned by the Department for Work and Pensions (DWP) and 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 fieldwork was conducted by Ipsos MORI.
- Recent claimants took part in a face-to-face interview between September 2006 and January 2007, approximately six months after they had made their claim for IB. Participants in that survey who agreed to be contacted again for research purposes, were interviewed for the follow-up survey, which was conducted in the summer of 2007 approximately six months after the initial ('baseline') survey.
- The follow-up survey was commissioned by DWP in order to provide quantitative information on the position of recent claimants approximately six months after the baseline interview, in order to further our understanding of the processes associated with remaining on, or leaving, this out-of-work benefit.
- Interviews were completed with 801 recent claimants, an adjusted response rate of 74 per cent. The results were weighted to ensure they were representative of recent IB claimants in Great Britain.
- Two-thirds (65 per cent) of people had experienced no major changes in their household circumstances since the baseline survey. However, many had experienced changes in their health, social security benefit or employment status, which are discussed in subsequent chapters of this report.

## Health and disability

- By the time of the follow-up interview, the proportion of recent IB claimants with a health condition had fallen from 96 per cent to 70 per cent.
- People who were not in work in the week prior to the follow-up survey were much more likely to still have a health condition or disability that affected their everyday activities than those who were working (84 per cent compared with 16 per cent).
- Recent claimants whose main health condition at baseline was mental ill-health, were more likely than those with other types of main condition to report having no health conditions at follow-up.
- Three-quarters of people reported that their health had changed in one way or another since we had previously spoken to them. Thirty per cent said that their health had improved, 23 per cent that it had got worse and 24 per cent that it had been changeable in the period since the first interview. The remaining 24 per cent reported that it had stayed the same.
- Looking to the future, 45 per cent of people thought their health would be about the same in six months' time. A further 30 per cent thought it would be better and nine per cent thought it would be worse. Meanwhile, 16 per cent said they did not know whether their health would be better, worse or about the same. People with a mental health condition were more likely to think their health would be better, and less likely to think it would be worse, in six months time compared with now.
- In the baseline survey, 41 per cent of respondents had said that they were currently on a **waiting list** for 'medical treatment'. In the follow-up survey, six months later, 25 per cent of respondents reported that they were currently on a waiting list for 'medical treatment or psychological services'.
- Thirty-eight per cent of respondents reported that they were currently receiving 'medical treatment or psychological services'; among people who currently had a health problem that affected their every day activities, it was 48 per cent.
- Respondents who were not working in the week prior to the follow-up interview were both more likely to be waiting for treatment, and more likely to be currently receiving it, than people who were in paid work.

## Benefit status

- At the time of the follow-up interview, 43 per cent of people were in receipt of IB. Thirty-eight per cent were no longer claiming IB; 16 per cent had had their claim rejected and three per cent said that their claim for IB was still being processed. Eighty-seven per cent of people in receipt of IB were still on their initial claim from the previous year, whilst 12 per cent were onto a new claim.

- Among people who had stopped receiving IB since the baseline interview, the most common reason given was that their health had improved and they had returned to work (46 per cent). This was the main reason for going back to work among people with mental health problems and those who had only physical health conditions. A further 12 per cent of people's health had improved but they had not returned to work and 12 per cent had returned to work even though their health had not improved.
- Forty-seven per cent of people claiming IB at the time of the follow-up survey did not know how long they would remain on IB. Relatively few people expected to stay on IB for under a year (19 per cent).
- Around a third of claimants were also in receipt of Housing Benefit (HB) and a third were in receipt of Council Tax Benefit (CTB), at the time of their follow-up interview.

## Employment status

- By the follow-up interview, roughly a year after their recent claim for IB, the proportion of respondents who were in work was 26 per cent, double what it had been at the baseline survey (13 per cent).
- Meanwhile, the proportion of people who described themselves as being permanently off work because of sickness or disability had also increased, from 27 per cent to 38 per cent over the same period (compared with only eight per cent immediately prior to their recent claim for IB).
- Among people who were neither working nor permanently off work due to sickness or disability, nine out of ten (89 per cent) reported that they had not done any paid work since the baseline interview; only 11 per cent said that they had worked at some point during that six-month period.
- Among the people who were in paid employment at the follow-up interview, 70 per cent had found work with a new employer and 30 per cent were working for the same employer as before their recent claim. Just under half (45 per cent) were doing a similar type of job or role as before and just over half (55 per cent) were doing a different type of job or role.
- Five out of six respondents who were neither working nor permanently off work had undertaken one or more job search activities (e.g. 72 per cent had looked at job advertisements in a newspaper).
- Asked what, in terms of work, they were likely to be doing in six months' time, 43 per cent of recent claimants who were neither working nor permanently off work because of sickness or disability said they were most likely to be in paid work. Twelve per cent thought they would be looking for work. Sixteen per cent said that they would be retired and nine per cent that they would be looking after the home or their children or caring for someone who was frail, sick or disabled.

- Differences in expectations about work in six months' time between people who were still on IB and those who were not and between respondents who had mental health problems and those with only physical health conditions, were not significant.
- Recent claimants who were neither in paid work nor permanently off work due to sickness or disability, were much more pessimistic about their chances of getting a job at follow-up than they were at baseline. Higher proportions of the people who answered this question in both surveys felt they faced barriers to work and the average number of barriers that people believed they faced had increased, at follow-up compared with at baseline.
- The overwhelming majority (89 per cent) of recent IB claimants reported that having a job was very important to them. Nevertheless, a substantial minority also felt that they should not be expected to take a job that paid less, or was less interesting, than their previous one.
- People whose route onto IB was from 'work' (see Section 1.2) were significantly more likely to be in paid work at follow-up than were those who came from the 'work to non-work' route or the 'non-work' route. Recent claimants whose route onto IB was via non-work, were much more likely than people from the other two routes to regard themselves as permanently off work because of sickness or disability, when interviewed in the follow-up survey.
- The most important determinant of whether respondents classified themselves as being permanently off work due to sickness or disability appeared to be the severity of their health, as measured by the number of health or disability conditions that they had.
- The odds of being in paid work at follow-up were **lower** for people who still had a health condition or disability, had mental health problems, were aged 55 and above (compared with young adults under 25) or who lived in social housing.
- The odds of being in paid work at follow-up were **higher** for people who had a full, current driving licence or had claimed IB on a previous occasion.
- The odds of being in paid work at the follow-up interview were **unrelated** to ethnicity, whether or not the respondent was a lone parent and whether or not the level of unemployment in the local authority area was high.

## Conclusions

- An important aim of the follow-up survey was to examine what had changed in the time period since the baseline interview. So far as people's household circumstances were concerned, the majority of respondents reported that there had been no significant changes. But most had experienced change to their health over the previous six months and in many cases this had implications for their employment status.

- Many of the people whose health or disability condition no longer existed or whose overall health had improved, had returned to work since we last spoke to them. At the same time, many of the people whose health had got worse now felt that they were permanently off work due to sickness or disability.
- Meanwhile, a declining, but substantial, minority (36 per cent) of recent claimants were neither in work nor considered themselves to be permanently off work. However, by the time of the follow-up interview, only a third (33 per cent) of this 'other' group was receiving IB. Among those who were no longer on IB, 79 per cent were receiving at least one other social security benefit or tax credit.
- Most of the recent claimants who were in this 'other' group (that is, neither working nor permanently off work due to sickness or disability) said that having a job was very important. However, many of them also had health conditions and faced employability barriers that they felt would make it difficult for them to get a job in the immediate future.



# 1 Introduction

This report presents findings from a follow-up telephone survey of people who had recently claimed IB. Recent claimants took part in a face-to-face interview between September 2006 and January 2007, approximately six months after they had made their claim for IB (Kemp and Davidson, 2008). Participants in that survey who agreed to be contacted again for research purposes were interviewed for the follow-up survey, which was conducted in the summer of 2007, approximately six months after the initial ('baseline') survey.

The follow-up study was commissioned by the DWP and carried out by the University of Oxford and the Social Policy Research Unit at the University of York, with fieldwork conducted by Ipsos MORI.

## 1.1 Policy context

Like many other advanced economies (Kemp *et al.*, 2006; OECD, 2003), the proportion of the working age population claiming incapacity-related benefits in Britain is high. Currently, about 2.67 million people, or 7.5 per cent of the working age population, are claiming incapacity-related benefits (DWP, 2007). Although the number of claimants has fallen by about 100,000 in recent years, the caseload remains at historically high levels despite a substantial fall in unemployment and an increase in the employment rate since the mid-1990s.

The Government aims to reduce the number of people claiming incapacity-related benefits by one million. Because this ambitious goal is unlikely to be achieved without further policy innovation, a radical reform of incapacity-related benefits is due to be introduced for new claimants in October 2008. The new Employment and Support Allowance (ESA) will replace both IB and Income Support (IS) paid to people on the grounds of incapacity (DWP, 2007).

New claimants, other than those with the most severe disabilities and health conditions, will be expected to participate in Work-Focused Interviews (WFIs) and other work-related activities in order to qualify for the new ESA. In this way, the 'rights and responsibilities' framework of benefit conditionality embodied in the New Deals will be extended to people in receipt of the ESA. New claimants

with the most severe disabilities and health conditions will be exempt from this conditionality requirement and will be paid at a higher level than other claimants of the ESA. Other changes include a revised Personal Capability Assessment (medical test), which will become more focused on assessing people's capability for work.

This reform of incapacity-related benefits builds on the Pathways to Work pilot scheme that was introduced during 2003 in order to help new IB claimants move towards and into paid work. The Pathways pilots have shown that appropriate advice and support can help some people on IB to return to work who would not otherwise have done so (Bewley *et al.*, 2007).

In addition to reform of incapacity-related benefits, the Government seeks to encourage the development of more healthy workplaces, and early interventions in sick leave, in order to reduce the number of people who lose their jobs because of ill-health. The Government also plans to more actively engage with GPs and other health professionals to help tackle the problem of sickness management (DWP, 2008). These developments are consistent with the recommendations of Dame Carol Black's recent review of the health of Britain's working age population, *Working for a Healthier Tomorrow* (Black, 2008).

## 1.2 Routes onto Incapacity Benefit

Recent research has considered the processes and routes by which people come to claim IB in the first instance. The DWP commissioned a qualitative study of routes onto IB which identified a number of routes to claiming IB (Sainsbury and Davidson, 2006). First, some people had moved from a period of long-term work onto IB. Second, others moved from a period of long-term 'non-work' onto IB. And third, some people had moved through a relatively short transition from work to non-work to IB. The findings to emerge from that research pointed to the importance of understanding people's labour market opportunities, their health conditions, access to health care and their friends and family, as important factors that may affect the process of claiming IB.

The qualitative study was complemented by a large-scale survey of 1,843 recent claimants of IB (Kemp and Davidson, 2008). The aims of the survey were to provide quantitative information about new IB, claimants and to further our understanding of the processes associated with claiming this benefit.

The baseline survey revealed that about half (53 per cent) of recent IB claimants had come from the 'work to IB' route, a quarter (26 per cent) from the 'work to non-work to IB' route and a fifth (21 per cent) from the 'non-work to IB' route. By the time of the baseline interview, approximately six months after their recent claim, almost half (47 per cent) of respondents were not receiving IB. In most cases this was either because they had ceased claiming it (20 per cent) or because their claim had been rejected (20 per cent). The remainder (seven per cent) said that they were still waiting for their claim to be processed.

The baseline survey also found that, once they had moved onto IB, recent claimants had become, on the whole, more detached from the labour market. Six months after their recent claim, only a minority (14 per cent) were working. Immediately prior to their recent claim, about half (56 per cent) were 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.

Thus, by the time of the baseline survey, over a quarter of recent IB claimants saw themselves as being permanently unable to work. In addition, among those who did not have a job (they could return to) and who 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. Moreover, 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 felt that 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 (Kemp and Davidson, 2008).

The present research was commissioned by DWP in order to provide quantitative information on the position of recent claimants approximately six months after the baseline interview, in order to further our understanding of the processes associated with remaining on, or leaving, IB.

### 1.3 Aims of the research

The follow-up survey was carried out with recent claimants of IB. The main aims of the survey were to:

- quantify and examine the claimant characteristics associated with any changes in health, benefit and work status since the baseline interview;
- identify any discernible benefit-work-health trajectories.

### 1.4 Research methods

The data for this study were generated via short, structured interviews with 801 of the 1,277 people who had agreed to be re-contacted in their baseline interview. All but one of the interviews was conducted by telephone using CATI. One interview was conducted face-to-face at the request of the respondent.

The questionnaire was designed by the research team in consultation with DWP and included the following topics:

- changes in health, benefit and work status since the initial interview;
- future work and health expectations;
- factors associated with the successful return to work;
- barriers to working and attitudes to work.

The questionnaire was piloted with ten respondents in order to test it for comprehension and length, after which some minor revisions were made. Face-to-face briefings were carried out with the interviewers and included guidance about conducting interviews with disabled people.

The fieldwork was completed by the survey firm, Ipsos MORI, during the summer of 2007. Potential participants were sent a letter approximately two weeks before fieldwork commenced, in order to give them the opportunity to opt out of the survey. Interviews were carried out approximately 12 months after people had made their recent claim for IB and six months after they had taken part in the baseline survey.

The unadjusted response rate was 66 per cent. When account is taken of invalid telephone numbers and addresses (e.g. non-residential properties), ineligible respondents, people who had moved away and those who were too ill to be interviewed, the adjusted response rate was 74 per cent. In order to make the sample representative of the IB population, the data was weighted by age, area and unemployment level. In order to avoid cluttering up the tables, it was decided to include only the weighted bases in the report. All differences described in the text are statistically significant.<sup>1</sup>

It should be noted that the health condition classification used for this report is based on the one used by DWP for social surveys. It is not the same as that used by the Department for administrative purposes. Moreover, the former is based on respondents' self-reporting of their health conditions, while the administrative data are based on diagnoses made by doctors. Consequently, the health condition data in this report are not directly comparable to that presented in the DWP's administrative statistics on IB claimants.

## 1.5 Changes in personal circumstances

This report focuses on changes in health, social security benefit and employment status since the baseline interview. These are examined in subsequent chapters. Before doing so, however, this section discusses changes in other personal circumstances experienced by people in the six-month period between the baseline and the follow-up surveys. People were asked in the follow-up interview whether

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<sup>1</sup> At the 95 per cent confidence level or higher.

they had experienced any significant changes in their personal or household situations. Table 1.1 outlines the types and prevalence of changes that people had experienced.

**Table 1.1 Changes in personal circumstances**

	%
Separated from partner/spouse	5
Partnered or repartnered	2
Had a child or acquired step-child(ren)	4
Children/step-children left home	4
Moved house	9
Gained vocational qualifications	4
Gained academic qualifications	3
Went on a training course	11
Death in the family	1
Other	1
No significant changes	65
Don't know/can't remember	1
Refused	3
<i>Base</i>	<i>801</i>

Multiple response question so respondents could give more than one answer. In total, 895 responses were given by the 801 respondents.

Two-thirds (65 per cent) of people had experienced no major changes in their lives since the baseline survey. Of the changes reported, the most common change was having gone on a training course (11 per cent) followed by having moved house (nine per cent). As Table 1.1 shows, relatively small numbers of people experienced any one change. Younger people were more likely to have experienced significant changes than were middle aged, and especially older, people.

There was relatively little change in partner's employment status in the period between the two surveys. Ninety-three per cent of partners who were in employment at the time of the follow-up interview had also been in employment when the baseline survey was conducted. Similarly, 91 per cent of partners who were not in work at the time of the follow-up interview had not been in work at the time of the baseline survey.

## 1.6 Structure of the report

The remainder of the report is structured as follows:

**Chapter 2** outlines the findings from the follow-up survey in relation to health and disability.

**Chapter 3** explores changes since the baseline survey in IB status. It also outlines other social security benefits and tax credits that recent claimants were receiving when the follow-up interviews were carried out.

**Chapter 4** examines changes in employment status since the baseline survey and also looks at attitudes to work.

**Chapter 5** presents the main conclusions from the follow-up survey.

## 2 Health and disability

This chapter examines whether recent IB claimants interviewed in the follow-up survey had experienced any changes in their health since the baseline survey. In particular, it looks at whether people still had a health condition or disability that affected their everyday activities, whether they thought their health had improved since the baseline survey or was likely to improve over the next six months and whether they were currently on a waiting list or receiving medical treatment.

### 2.1 Summary

- By the time of the follow-up interview, six months after the baseline survey, the proportion of recent IB claimants with a health condition had fallen from 96 per cent to 70 per cent.
- People who were not in work in the week prior to the follow-up survey were much more likely to still have a health condition or disability that affected their everyday activities than those who were working (84 per cent compared with 16 per cent).
- Recent claimants whose main health condition at the baseline survey was mental ill-health were more likely than those with other types of main condition to report having no health conditions at follow-up.
- Three-quarters of people reported that their health had changed in one way or another since we had previously spoken to them. Thirty per cent said that their health had improved, 23 per cent that it had got worse and 24 per cent that it had been changeable in the period since the first interview. The remaining 24 per cent reported that it had stayed the same.
- Looking to the future, 45 per cent of people thought their health would be about the same in six months' time. A further 30 per cent thought it would be better and nine per cent thought it would be worse. Meanwhile, 16 per cent said they did not know whether their health would be better, worse or about the same.

- In the baseline survey, 41 per cent of respondents had said that they were currently on a waiting list for 'medical treatment'. In the follow-up survey, six months later, 24 per cent of respondents reported that they were currently on a waiting list for 'medical treatment or psychological services'.
- Thirty-eight per cent of respondents reported that they were currently receiving 'medical treatment or psychological services'; among people who currently had a health problem that affected their every day activities, it was 48 per cent.
- Respondents who were not working in the week prior to the follow-up interview were both more likely to be waiting for treatment, and more likely to be currently receiving it, than people who were in paid work.

## 2.2 Health conditions

When interviewed in the baseline survey, 84 per cent of respondents reported that they currently had a health condition or disability that affected their every day activities; a further 12 per cent said that they had had such a condition in the previous 12 months. Thus, altogether, almost all recent claimants (96 per cent) had a health condition or disability (hereafter 'health condition' for ease of exposition) either when interviewed or at some point in the year before the baseline interview. The baseline survey was conducted about six months after their recent claim for IB.

By the time of the follow-up interview, another six months or so later, the number of recent IB claimants with a health condition had fallen significantly. In the follow-up survey, 70 per cent of respondents reported that they had a health condition that affected their every day activities. Among those who had a health condition at the baseline survey, 72 per cent still had one when interviewed in the follow-up survey.<sup>2</sup> Of those who no longer had a health condition, 18 per cent had had one at the time of the baseline survey and ten per cent had had one in the 12 months prior to the baseline survey (Table 2.1). Older people were more likely to still have a health condition than younger people.

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<sup>2</sup> Fourteen per cent of the people who did not have a health condition at the baseline survey did have one at follow-up; though this figure should be treated with caution as the numbers involved were very small.

**Table 2.1 Did respondents still have a health condition or disability at follow-up?**

	<i>Column percentages</i>
	<b>%</b>
Yes	72
No	28
<b>Total</b>	<b>100</b>
<i>Weighted base</i>	<i>772</i>

Base: respondents who had a health condition or disability at baseline or in the previous 12 months.

Whether or not recent claimants still had a health condition or disability was an important factor affecting their current employment status: people who still had such a condition were much less likely to be in work than those who no longer had one (Table 2.2).

**Table 2.2 Whether respondents still had a health condition at follow-up, by whether they were in work in the previous week**

	<i>Column percentages</i>	
	<b>In work</b>	<b>Not in work</b>
Still has health condition	37	84
No longer has health condition	63	16
<b>Total</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	<i>196</i>	<i>575</i>

Totals may not sum to exactly 100 due to rounding.

Base: all respondents with a health condition at baseline or in the previous 12 months.

Table 2.3 shows a summary of respondents' main health condition, if any, at the baseline survey and at the follow-up survey. The first two columns of data show the percentages for all respondents and the last two columns show the percentages for respondents that had a health problem, at the time of each survey.

**Table 2.3 Main health condition and disability**

	<i>Column percentages</i>			
	Percentage of all respondents		Percentage with health condition	
	Baseline	Follow-up	Baseline	Follow-up
Mental health	24	15	25	22
Musculo-skeletal	39	33	40	47
Chronic or systemic	18	14	19	20
Other condition	15	8	16	12
No health condition	4	30		
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	<i>801</i>	<i>801</i>	<i>772</i>	<i>560</i>

Totals may not sum to exactly 100 due to rounding.

Among respondents with a health condition, the main difference between the two surveys is that the proportion with a musculo-skeletal problem had increased from 40 per cent at baseline to 47 per cent at follow-up. The proportion with a mental health problem had fallen from 25 to 22 per cent. Meanwhile, the proportion with an 'other' condition had decreased from 16 to 12 per cent (Table 2.3).

However, since the proportion of claimants with a health condition had fallen between the two surveys, it is more interesting to look at the distribution of such conditions among all respondents rather than just those who had one. Table 2.3 shows that the proportion of all recent IB claimants with a mental health problem had fallen from 24 to 15 per cent by the time of the follow-up survey. There was a much smaller decline between the two surveys in the proportion whose main condition was either musculo-skeletal or chronic/systemic.

Recent claimants whose main health condition at the baseline survey was related to their mental health were more likely than those with other types of main condition to report having no health conditions at follow-up. Thus, 40 per cent of them had no health conditions when interviewed in the follow-up survey but the same was true of only 27 per cent of people who had a musculo-skeletal condition, 14 per cent of those who had a chronic or systemic condition and 27 per cent of those who had an 'other' type of main condition at the baseline survey.

However, when all people who had mental health problems were compared with those who only had physical health conditions at baseline, there was no significant difference between them as to whether they still had a health condition at the time of the follow-up survey. These results are not consistent with a survey of IB leavers conducted in 1997 (Dorsett *et al.*, 1998). It found that people who had entered IB with a mental health condition were more likely to report having made a complete recovery, or to be much better, on leaving IB than those who said they had other health problems.

Further analysis revealed that the existence of health conditions at follow-up among people who had mental health problems varied according to whether mental ill-health was their only or main condition at baseline. Thus, the proportion of people who no longer had a health condition at follow-up was 47 per cent among people whose only condition at baseline was mental ill-health; 37 per cent among those for whom mental ill-health was their main, but not their only, condition at baseline; and 13 per cent among those for whom mental ill-health was neither their main nor their only condition. Among people who had only physical health conditions at baseline, 27 per cent no longer had a health condition at follow-up.

### 2.3 Health trajectory

In the follow-up survey, all respondents were asked whether, overall, they thought their health had changed since the baseline survey. Altogether, three-quarters of people reported that their health had changed in one way or another since we had previously spoken to them. As Table 2.4 shows, 30 per cent said that their health had improved, 23 per cent that it had got worse and 24 per cent that it had been changeable in the period since the first interview. The remaining 24 per cent reported that it had stayed the same.

**Table 2.4 Whether respondents' health had changed since baseline**

	<i>Column percentages</i>
	<b>All %</b>
Got better	30
Got worse	23
Stayed the same	24
Been changeable over time	24
<b>Total</b>	<b>100</b>
<i>Weighted base</i>	<i>800</i>

Totals may not sum to exactly 100 due to rounding.

Base: all respondents in the follow-up survey.

Respondents who said that their ethnic background was white were significantly less likely than other people to report that their health had got better since the baseline interview (28 per cent compared with 47 per cent). White respondents were more likely than other people to say that their health had been changeable (25 per cent compared with ten per cent).

Whether or not people's health had got better or worse also varied by age, with younger respondents more likely to say it had improved and older ones more likely

to say it had got worse. About four out of ten recent claimants aged under 35 reported that their health had improved since the baseline survey. This compares with around three out of ten aged between 35 and 54 and with one in six aged 55 or more (Table 2.5).

**Table 2.5 Whether respondents' health had changed since baseline**

	<i>Column percentages</i>				
	<b>16 to 24</b>	<b>25 to 34</b>	<b>35 to 44</b>	<b>45 to 54</b>	<b>55+</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Got better	42	39	29	29	18
Got worse	14	16	22	23	34
Stayed the same	24	26	23	21	25
Been changeable over time	20	19	27	27	23
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	<i>97</i>	<i>130</i>	<i>172</i>	<i>202</i>	<i>196</i>

Totals may not sum to exactly 100 due to rounding.

Base: all respondents in the follow-up survey.

Recent IB claimants who were in paid work or self-employment in the week prior to the follow-up survey, were significantly more likely than those who were not, to report that their health had got better since the baseline survey six months earlier. Thus, whereas 59 per cent of people who were in work reported that their health had improved, only 19 per cent of those who were not in work said the same (Table 2.6).

**Table 2.6 Whether respondents' health had changed since baseline, by whether they were in work in the previous week**

	<i>Column percentages</i>	
	<b>In work</b>	<b>Not in work</b>
	<b>%</b>	<b>%</b>
Got better	59	19
Got worse	6	30
Stayed the same	16	26
Been changeable over time	19	25
<b>Total</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	<i>211</i>	<i>588</i>

Totals may not sum to exactly 100 due to rounding.

Base: all respondents in the follow-up survey.

Respondents in the follow-up survey were also asked whether, looking to the future, they thought their health in six months' time was likely to be better or worse. The most common answer, voiced by 45 per cent of people, was that they thought their health would be about the same as now. A further 30 per cent thought it would be better and only nine per cent thought it would be worse. Thus, three times as many people thought their health would be better as thought it would be worse (Table 2.7). People with a mental health condition were more likely to think their health would be better, and less likely to think it would be worse, in six months' time compared with now.

**Table 2.7 Whether health would be better or worse in six months' time**

	<i>Column percentages</i>
	<b>All</b>
	<b>%</b>
Better than now	30
Worse than now	9
About the same as now	45
Don't know	16
<b>Total</b>	<b>100</b>
<i>Weighted base</i>	<i>801</i>

Totals may not sum to exactly 100 due to rounding.

Base: all respondents in the follow-up survey.

Women were slightly more likely than men to think their health would be better (32 per cent compared with 28 per cent) and less likely to think it would be worse (six per cent compared with 12 per cent) in six months' time. There were significant differences in expectations by ethnic group about whether respondents thought their health would be better or worse in six months' time. White respondents were less likely than other people to say that their health had improved since the baseline survey and also less likely to expect their health to improve in the next six months (Table 2.8).

**Table 2.8 Whether health would be better or worse in six months' time, by ethnic group**

	<i>Column percentages</i>	
	<b>White ethnic group</b>	<b>Other ethnic group</b>
	%	%
Better than now	29	39
Worse than now	10	7
About the same as now	47	29
Don't know	15	26
<b>Total</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	<i>730</i>	<i>70</i>

Totals may not sum to exactly 100 due to rounding.

Base: all respondents in the follow-up survey.

Expectations about health in six months' time also varied by age group: younger people were more likely to say they thought their health would be better, and older people were more likely think it would be worse, than now (Table 2.9).

**Table 2.9 Whether health would be better or worse in six months' time, by age group**

	<i>Column totals</i>				
	<b>16 to 24</b>	<b>25 to 34</b>	<b>35 to 44</b>	<b>45 to 54</b>	<b>55+</b>
	%	%	%	%	%
Better than now	36	40	32	24	22
Worse than now	2	3	4	12	19
About the same as now	48	44	48	48	40
Don't know	14	13	16	16	18
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	<i>99</i>	<i>130</i>	<i>173</i>	<i>203</i>	<i>196</i>

Totals may not sum to exactly 100 due to rounding.

Base: all respondents in the follow-up survey.

There were differences in expectations about whether their health would be better or worse in six months' time, between recent claimants who were in work in the week prior to the follow-up survey and those who were not. About three out of ten in both groups expected their health to be better in six months' time, but people who were not in work were more likely to expect their health to get worse (12 per cent compared with three per cent for those in work) (Table 2.10).

**Table 2.10 Whether health would be better or worse in six months' time, by whether they were in work in the previous week**

	<i>Column percentages</i>	
	<b>In work %</b>	<b>Not in work %</b>
Better than now	31	29
Worse than now	3	12
About the same as now	60	40
Don't know	6	19
<b>Total</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	<i>210</i>	<i>590</i>

Totals may not sum to exactly 100 due to rounding.

Base: all respondents in the follow-up survey.

## 2.4 Waiting list for health treatment

In the baseline survey, two out of five respondents (41 per cent) said that they were currently on a waiting list for 'medical treatment'. In the follow-up survey, six months or so later, a quarter 25 per cent of all respondents reported that they were currently on a waiting list for 'medical treatment or psychological services'.<sup>3</sup> Among people who said they currently had a health condition or disability that affected their every day activities, the proportion on a list was three out of ten (30 per cent) (Table 2.11).<sup>4</sup>

<sup>3</sup> The follow-up questionnaire distinguished between psychological services and other forms of medical treatment, whereas the baseline survey did not.

<sup>4</sup> Twelve per cent of people who did not currently have a health condition or disability that affected their every day activities reported that they were on a waiting list for medical treatment or psychological services (3.8 per cent of all respondents).

**Table 2.11 Whether respondents were on a waiting list for medical treatment**

	<i>Column percentages</i>	
	All respondents %	Respondents with a health condition %
Yes – medical treatment	19	23
Yes – psychological services	4	5
Yes – both	2	2
No	76	70
<b>Total*</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	<i>793</i>	<i>552</i>

Totals may not sum to exactly 100 due to rounding.

\* Excluding those who did not know or could not remember.

Two-fifths (39 per cent) of people who reported in the baseline survey that they were on a waiting list for medical treatment also said they were on a waiting list at the follow-up interview. People with mental health problems (34 per cent) were less likely than those with only physical health problems (42 per cent) to be waiting for treatment at both survey dates. Meanwhile, one in seven (14 per cent) of people who were not on a waiting list at baseline said they were on a waiting list for medical treatment or psychological services at the follow-up survey (Table 2.12). Altogether, exactly one half of all respondents were on a waiting list either at baseline or follow-up or both.

**Table 2.12 Whether respondents who were waiting for medical treatment at the baseline survey were waiting for treatment at the follow-up survey**

Waiting for treatment at follow-up?	<i>Column percentages</i>	
	Waiting for treatment at baseline?	
	Yes %	No %
Yes	39	14
No	61	86
<b>Total*</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	<i>324</i>	<i>458</i>

Totals may not sum to exactly 100 due to rounding.

\* Excluding those who did not know or could not remember.

Women were no more or less likely than men to be waiting for medical treatment or psychological services when interviewed at follow-up. Likewise, there were no significant differences in this respect between people who described their ethnic background as white and those who were from other ethnic groups. However, younger age groups were, in general, less likely than older ones to be on a waiting list for treatment. For instance, whereas 89 per cent of people aged under 25 were not on a waiting list, 70 per cent of those aged 55 or more were on a list. The main difference between age groups was in respect of 'medical' treatment rather than psychological services (Table 2.13).

**Table 2.13 Whether respondents were on a waiting list for medical treatment or psychological services, by age group**

	<i>Column percentages</i>				
	<b>16 to 24</b>	<b>25 to 34</b>	<b>35 to 44</b>	<b>45 to 54</b>	<b>55+</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Yes – medical treatment	4	22	21	14	27
Yes – psychological services	5	5	6	3	3
Yes – both	2	5	1	1	1
No	89	68	73	82	70
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	99	130	168	201	195

Totals may not sum to exactly 100 due to rounding.

Base: all respondents in the follow-up excluding those who did not know or could not remember.

A smaller proportion of the people who were in work than of those who were not in work, in the week prior to the follow-up survey, reported that they were waiting to receive medical treatment or psychological services. In total, 17 per cent of people in work compared with 27 per cent of those who were not in work, were on a waiting list (Table 2.14).

**Table 2.14 Whether respondents were on a waiting list for medical treatment or psychological services, by whether they were in work in the week prior to the baseline or follow-up survey**

	<i>Column percentages</i>	
	<b>In work %</b>	<b>Not in work %</b>
Yes – medical treatment	15	20
Yes – psychological services	1	5
Yes – both	1	2
No	83	73
<b>Total</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	<i>211</i>	<i>582</i>

Totals may not sum to exactly 100 due to rounding.

Base: all respondents in the follow-up survey excluding those who did not know or could not remember.

## 2.5 Receiving health treatment

In the follow-up survey, respondents were asked if they were currently receiving 'medical treatment or psychological services' (Table 2.15).<sup>5</sup> Two-fifths (38 per cent) of them reported that they were receiving such treatment. Among people who currently had a health problem that affected their every day activities, the proportion was closer to a half (48 per cent).

Women were significantly more likely than men to be receiving treatment (44 per cent compared with 34 per cent). However, there was no difference statistically in receipt of medical treatment between respondents whose ethnic origin was white and people from ethnic minorities: approximately two-fifths of both groups reported that they were currently receiving medical treatment or psychological services.

<sup>5</sup> This question was not asked in the baseline survey.

**Table 2.15 Whether respondents were receiving medical treatment or psychological services**

	<i>Column percentages</i>	
	<b>All respondents</b>	<b>Respondents with a health condition</b>
	%	%
Yes – medical treatment	28	36
Yes – psychological services	5	6
Yes – both	5	6
No	62	51
<b>Total*</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	<i>798</i>	<i>556</i>

Totals may not sum to exactly 100 due to rounding.

\* excluding those who did not know or could not remember.

Once again, however, there were differences between age groups, with the percentage receiving treatment generally increasing with age. The proportion receiving medical treatment or psychological services or both, increased from 23 per cent among people under 25, to 44 per cent among those aged 45 or more (Table 2.16).

**Table 2.16 Proportion of respondents who were currently receiving medical treatment or psychological services, by age group**

	<i>Column percentages</i>				
	<b>16 to 24</b>	<b>25 to 34</b>	<b>35 to 44</b>	<b>45 to 54</b>	<b>55+</b>
	%	%	%	%	%
Yes	23	37	34	44	44
<i>Weighted base</i>	<i>99</i>	<i>130</i>	<i>168</i>	<i>201</i>	<i>195</i>

Totals may not sum to exactly 100 due to rounding.

Base: all respondents in the follow-up excluding those who did not know or could not remember.

Finally, people who were not in work in the week prior to the follow-up survey were about twice as likely as those who were in work, to report that they were currently receiving medical treatment or psychological services. Altogether, 44 per cent of people not in work were receiving one or both of these types of treatment, but the same was true of only 21 per cent of respondents who were in work.

Thus, recent claimants of IB who were not working in the week prior to the follow-up interview were both more likely to be waiting for treatment, and more likely to be currently receiving it, than people who were in paid work. This reflects the fact that people not in work were much more likely to still have a health condition or disability that affected their everyday activities than those who were working.

## 3 Benefit status

### 3.1 Introduction

This chapter discusses the benefit status of recent claimants. It begins by providing a brief summary of their benefit status immediately prior to their recent claim for IB. It then looks at the changes in their IB status since the baseline survey and the reasons for those changes. Next, it examines the expectations of people who were claiming IB at follow-up about how long they were likely to stay on the benefit. The final section of the chapter looks at whether respondents were receiving other social security benefits and tax credits when they were interviewed in the follow-up survey.

### 3.2 Summary

- At the time of the follow-up interview, 43 per cent of people were in receipt of IB. Thirty-eight per cent were no longer claiming IB; 16 per cent had had their claim rejected and three per cent said that their claim for IB was still being processed. Eighty-seven per cent of people in receipt of IB were still on their initial claim from the previous year, whilst 12 per cent were onto a new claim.
- The most common reason why people had stopped receiving IB since the baseline interview was that their health had improved and they had returned to work (46 per cent). A further 12 per cent of people's health had improved but they had not returned to work and 12 per cent had returned to work even though their health had not improved.
- Forty-seven per cent of people claiming IB at the time of the follow-up survey reported that they did not know how long they would remain on IB. Relatively few people expected to stay on IB for under a year (19 per cent).

### 3.3 Benefit status at baseline

The interviews for the baseline study with recent claimants were completed approximately six months after respondents had made their recent claim for IB. By

the time they were interviewed, almost half (47 per cent) of recent claimants were not receiving IB. In most cases, this was either because their claim had been rejected (20 per cent) or because they had ceased claiming IB (20 per cent). The remainder (seven per cent) said they were still waiting for their claim to be processed.

There were no significant differences by gender or ethnic background in whether recent claimants were receiving IB when they were interviewed for the baseline survey but there were significant differences by age group. The proportion receiving IB increased progressively by age group, from only a third among respondents aged under 25 to two-thirds among those aged 55 and over (Table 3.1).

**Table 3.1 Whether recent claimants were receiving IB at the time of the baseline survey interview, by age group**

Age group	Not receiving		Total	Base
	Receiving IB	IB		
16 to 24	32	68	100	266
25 to 34	47	53	100	285
35 to 44	49	51	100	391
45 to 54	59	41	100	473
55+	66	34	100	424

Totals may not sum to exactly 100 due to rounding.

Base: all respondents.

Immediately prior to their recent claim for IB, a third (32 per cent) of all recent claimants of IB were getting IS, Jobseeker's Allowance (JSA) or both IS and JSA. Eleven per cent of recent claimants were getting IS, 21 per cent were getting JSA, and one per cent were getting both IS and JSA.

As Table 3.2 shows, a substantial minority of the people who had been working, or were off sick from their job, immediately prior to their recent claim for IB, had also received IS or JSA at some point during the previous two years. This suggested that there was not a clear-cut boundary between work and out of work benefit receipt in the pathway to claiming IB.

**Table 3.2 Whether respondents had received IS or JSA in the two years before their recent IB claim**

Employment status prior to claim	Receiving IS or JSA in past two years?			Base
	No	Yes	Total	
Working	69	31	100	421
Off sick from work	70	30	100	613
Not in work, but getting IS or JSA	0	100	100	514
Not in work, but not getting IS or JSA	74	26	100	288
All recent IB claimants	51	49	100	1,836

*Row percentages*

Totals may not sum to exactly 100 due to rounding.

Base: all respondents.

### 3.4 Changes in Incapacity Benefit status

At the follow-up interview, approximately six months after the baseline survey, 43 per cent of respondents were in receipt of IB. In the great majority of cases, they were still on the 'recent claim' that they had made about a year before. Thus, 87 per cent of people in receipt of IB were on the same claim and 12 per cent were on a new claim.<sup>6</sup> Meanwhile, 38 per cent of all respondents were no longer claiming IB, 16 per cent had had their claim rejected and three per cent said that their claim for IB was still being processed (Table 3.3).

**Table 3.3 Whether recent claimants were receiving IB**

	<i>Column percentages</i>	
	Baseline %	Follow-up %
Yes, receiving IB	53	43
No, claim is still being processed	7	3
No, claim was rejected	20	16
No, no longer claiming IB	20	38
<b>Total</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	<i>1,843</i>	<i>801</i>

Totals may not sum to exactly 100 due to rounding

Base: all respondents.

<sup>6</sup> That is, 12 per cent had ceased their recent claim but subsequently made a new claim for IB at a later date.

There were significant differences in benefit status by age group. The proportion of respondents in receipt of IB increased with age, rising from 18 per cent among people under 25 to 56 per cent among people aged 55 and above. This mirrors, but at a lower level of benefit receipt, the age group pattern found in the baseline survey (Table 3.4).

**Table 3.4 Respondent's IB status at follow-up, by age group**

Age group				<i>Row percentages</i>	
	Receiving IB	Not receiving IB	Total		<i>Weighted base</i>
16 to 24	18	82	100		99
25 to 34	29	71	100		130
35 to 44	38	62	100		172
45 to 54	54	46	100		203
55+	56	44	100		196

Totals may not sum to exactly 100 due to rounding.

Base: all respondents in the follow-up survey.

### 3.5 Why people had stopped claiming Incapacity Benefit

Respondents who were no longer claiming IB at follow-up were asked for the main reason why. By far the most common reason was that they had stopped claiming IB because their health had improved and they had returned to work (46 per cent). A further 12 per cent said they were no longer claiming IB because their health had improved but they had not returned to work.<sup>7</sup> Another 12 per cent of people said that they had returned to work but their health had not improved (Table 3.5).<sup>8</sup>

Men were significantly more likely than women to report that the main reason they had stopped claiming IB was because their health had improved and they had gone back to work (52 per cent compared with 39 per cent). However, there were no significant differences by ethnic background or age group in relation to whether people had mainly stopped claiming IB because their health had improved and they had returned to work or for other reasons.

<sup>7</sup> The number of people whose health had improved but who had not returned to work was too small (n = 36) to analyse separately, but three-fifths of them said they were unemployed and looking for work.

<sup>8</sup> Because of small numbers, it is not possible to reliably disaggregate the results in Table 3.5 by sub-population (e.g. age, gender, ethnicity). However, it is possible to look at sub-groups by comparing the responses of people who said their health had improved and they returned to work with the combined answers of those giving the other responses shown in the table.

**Table 3.5 Main reason why respondents had stopped claiming IB**

	<i>Column percentages</i>
	<b>%</b>
Health improved – returned to work	46
Health improved – did not return to work	12
Health did not improve – returned to work	12
Claim was disallowed	8
Moved onto other benefits	9
Retired/reached pension age	4
Other	9
Don't know/can't remember	1
<b>Total</b>	<b>100</b>
<i>Base</i>	<i>304</i>

Totals may not sum to exactly 100 due to rounding.

Base: respondents who had stopped claiming IB since the baseline survey.

The great majority (85 per cent) of people who had stopped claiming IB because their health had improved and they had gone back to work, were still working in the week prior to the follow-up interview. Altogether, 44 per cent of the people who, for whatever reason, were no longer claiming IB at follow-up were working and 56 per cent were not.

### 3.6 Expectations about likely claim duration

The 43 per cent of respondents who were currently receiving IB when interviewed in the follow-up survey were asked how long they expected to stay on that benefit. As Table 3.6 shows, by far the most common answer to this question was that they did not know how long they would remain on IB (47 per cent). One in five (19 per cent) thought they would stay on IB for up to another year and a further third (34 per cent) for more than a year.

**Table 3.6 How long people expected to remain on IB**

	<i>Column percentages</i>
	<b>%</b>
Less than three months	5
Three months but less than six months	6
Six months but less than 12 months	8
One year but less than two years	10
Two or more years	24
Did not know	47
<b>Total</b>	<b>100</b>
<i>Weighted base</i>	<i>343</i>

Totals may not sum to exactly 100 due to rounding.

Base: all respondents receiving IB at follow-up.

Table 3.7 provides a comparison between how long the people on IB at the follow-up interview expected to stay on benefit with the expectations they had when they initially made their recent claim. It is important to keep in mind that the follow-up interview was conducted approximately one year after the recent claim for IB was made. If initial expectations had been fulfilled then, for instance, respondents who expected to be on benefit for less than a year would no longer have been on benefit at the follow-up interview.<sup>9</sup>

Among people still on IB, expectations about the likely length of their claim had changed. Of those respondents who initially thought they would be on IB for less than one year, a quarter (26 per cent) now thought they would stay on IB for at least one more year and just under half (45 per cent) did not know how long they would continue on this benefit. The remaining 30 per cent expected to be on IB for less than one year. Among people who initially expected to be on IB for one or more years, two-fifths (41 per cent) now thought they would continue on benefit for a similar period, even though a year or so had elapsed since their recent claim. On the other hand, 45 per cent of the people who recalled in the baseline survey that they did not know how long they would be on IB when they made their recent claim, now did feel able to give an estimate (Table 3.7).

<sup>9</sup> The results in Table 3.7 are for people who were on IB, which in the great majority (87 per cent) of cases was their recent claim rather than a new one.

**Table 3.7 How long people expected to remain on IB when they made their recent claim, by how long they expected, at follow-up, to remain on IB**

<i>Row percentages</i>					
<b>Expectations at baseline</b>	<b>Expectations at follow-up</b>			<b>Total %</b>	<i>Base %</i>
	<b>Less than one year %</b>	<b>One or more years %</b>	<b>Do not know %</b>		
Less than one year	30	26	45	100	105
One or more years	15	41	44	100	39
Did not know	18	27	55	100	138
Did not expect to return to work	5	57	38	100	61

Totals may not sum exactly to 100 due to rounding.

Base: all respondents receiving IB at follow-up.

### 3.7 Other social security benefits

In the follow-up interview, people were asked whether they were in receipt of a range of other social security benefits and tax credits. Table 3.8 shows the proportions who reported receiving each of these specified benefits. In fact, just over a third of people (34 per cent) were not in receipt of any of the benefits listed.

Leaving aside IB, the two benefits most commonly being received at the time of the follow-up interview were CTB and HB. Around a third of respondents (34 per cent) were in receipt of CTB and a third (32 per cent) were in receipt of HB. One in five (21 per cent) were receiving IS, of whom just over a third were getting a disability premium. About a fifth of respondents were getting Disability Living Allowance (DLA) and a fifth was in receipt of the Child Tax Credit (CTC). One in ten (ten per cent) were getting Working Tax Credit (WTC) and a similar proportion (nine per cent) were on JSA (Table 3.8).

**Table 3.8** Reported receipt of other social security benefits at follow-up

	Men %	Women %	All %
IS with a disability premium	8	7	8
IS without a disability premium	10	17	13
JSA	13	5	9
HB	31	34	32
CTB	33	36	34
DLA	18	19	19
CTC	15	29	21
WTC	9	11	10
Child/family benefit	2	6	4
Pension Credits	4	2	3
Other	2	2	2
None of these	38	30	34
Don't know	-	1	1
<i>Weighted base</i>	461	329	790

Respondents could mention more than one benefit.

Base: all respondents at follow-up.

# 4 Work status

## 4.1 Introduction

This chapter examines a range of issues related to paid work. In particular, it looks at changes in employment status since the baseline interview, job search, expectations about work in six months' time, barriers to finding a job and attitudes to paid work.

## 4.2 Summary

- By the follow-up interview, roughly a year after their recent claim for IB, the proportion of respondents who were in work was 26 per cent, double what it had been at the baseline survey (13 per cent).
- The proportion of respondents who were off work – either temporarily or permanently – due to sickness, injury or disability, had increased from 47 per cent immediately prior to the recent claim to 69 per cent at the baseline interview. By the follow-up survey, it had gone back down to 50 per cent. But an increasing proportion of them were permanently, rather than temporarily, sick or disabled.
- Among people who were neither working nor permanently off work due to sickness or disability, only 11 per cent said that they had worked at some point during that six-month period.
- Among the people who were in paid employment at the follow-up interview, 70 per cent had found work with a new employer and 30 per cent were working for the same employer as before their recent claim. Just over half (55 per cent) were doing a different type of job or role.
- Five out of six respondents who were neither working nor permanently off work, had undertaken one or more job search activities (e.g. 72 per cent had looked at job advertisements in a newspaper).

- Asked what, in terms of work, they were likely to be doing in six months' time, 43 per cent of recent IB claimants who were neither working nor permanently off work, said they were most likely to be in paid work. Twelve per cent thought they would be looking for work. Sixteen per cent said that they would be retired and nine per cent that they would be looking after the home or their children or caring for someone who is frail, sick or disabled.
- Recent claimants who were neither in paid work nor permanently off work were much more pessimistic about their chances of getting a job at follow-up than they were at baseline. Higher proportions of them felt they faced barriers to work and the number of barriers that people believed they faced on average had increased, from 1.4 barriers at baseline to 2.3 at follow-up.
- The overwhelming majority (89 per cent) of recent IB claimants reported that having a job was very important to them; but, nevertheless, a substantial minority also felt that they should not be expected to take a job that paid less, or was less interesting, than their previous one.
- People whose route onto IB was from 'work' were significantly more likely to be in paid work at follow-up than were those who came from the 'work to non-work' route or the 'non-work' route. Recent claimants whose route onto IB was via non-work were much more likely than people from the other two routes to regard themselves as permanently off work because of sickness or disability, when interviewed in the follow-up survey.
- The most important determinant of whether respondents classified themselves as being permanently off work due to sickness or disability, appeared to be the severity of their health, as measured by the number of health conditions that they had.
- The odds of being in paid work at the follow-up interview were **lower** for people who still had a health condition or disability, had mental health problems, were aged 55 and above (compared with people under 25) or who were living in social housing. The odds of being in paid work at follow-up were **higher** for people who had a full, current driving licence or had claimed IB on a previous occasion. The odds of being in paid work at the follow-up interview were **unrelated** to ethnicity, whether or not the respondent was a lone parent and whether or not the level of unemployment in the local authority area was high.

## 4.2 Employment status

Table 4.1 shows the self-reported employment status of recent claimants of IB at three points in time. The first column of data shows their employment status immediately prior to their recent claim. The second column shows their employment status in the week prior to the baseline survey, which was conducted around six months after their recent claim. The third column shows the same for the week prior to the follow-up survey, which was conducted approximately six months after the baseline interview or about a year after their recent claim.

**Table 4.1 Employment status**

	Prior to recent claim %	Baseline %	Follow-up %
Working – employed or self-employed	25	13	26
Off sick from job	34	23	4
Temporarily sick or injured – no job to return to	5	19	8
Permanently off work due to sickness or disability	8	27	38
Unemployed and looking for work*	18	10	12
Looking after children or home or caring	5	4	4
Other	5	6	9
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>
<i>Weighted base</i>	<i>801</i>	<i>801</i>	<i>801</i>

\* Including on a Government scheme.

Totals may not sum to exactly 100 due to rounding.

Base: all respondents in the follow-up survey.

Not surprisingly, perhaps, when comparing the position immediately prior to their recent claim for IB and the baseline survey, there was a decline in the proportion of respondents who were in work. Although some recent claimants had moved into work by the baseline survey, most of them were not working. The proportion who were temporarily sick or injured but had no job to return to, had increased from five to 19 per cent in that first six-month period, while the number who described themselves as permanently off work because of sickness or disability had increased from eight to 27 per cent (Table 4.1).

By the follow-up interview, the proportion in work was twice that at baseline. As a result, roughly a year after their recent claim for IB, the proportion of respondents who were in work had recovered to about a quarter (26 per cent) the level that it had been immediately prior to their claim (25 per cent). The proportion of people who were off sick from their job had fallen to only four per cent, from 34 per cent prior to the recent claim and 23 per cent at the baseline survey. Meanwhile, the proportion of respondents who were sick but did not have a job to return to, had fallen back to eight per cent at follow-up, after having increased from five per cent prior to the recent claim to 19 per cent at the baseline interview. Finally, the proportion of respondents who reported that they were permanently off work due to sickness or disability increased substantially, rising from eight per cent immediately prior to their recent IB claim, to 38 per cent at the follow-up survey a year or so later (Table 4.1).

Altogether, the proportion of respondents who were off work – either temporarily or permanently – due to sickness, injury or disability, had increased from 47 per

cent immediately prior to the recent claim, to 69 per cent at the baseline interview. By the follow-up survey, it had gone back down to 50 per cent.<sup>10</sup> However, the proportion of these 'sickness cases' who reported being off work permanently had increased from 17 per cent prior to the recent claim, to 39 per cent at the baseline survey and 76 per cent at the follow-up survey.<sup>11</sup>

In the follow-up survey, people who were not working or permanently off work due to sickness or disability, were asked whether they had done any paid work since the baseline interview. Only 11 per cent said that they had worked at some point during that six-month period. Respondents who had done paid work since the baseline survey (but were not working at follow-up) were asked for the main reasons why that job had ended. The number of people answering this question was very small ( $n=30$ ) and cannot be analysed reliably. With that important caveat in mind, it can be noted, firstly, that the most important reason why these jobs had terminated was that they were temporary contracts that had come to an end; and, secondly, that respondents' health condition or disability had played a role in a third of job terminations.

#### 4.4 Going back to work

Among the people who were in paid employment at the follow-up interview, 70 per cent had found work with a new employer and 30 per cent were working for the same employer as before their recent claim. Just under half (45 per cent) were doing a similar type of job or role as before and just over half (55 per cent) were doing a different type of job or role.

Those in employment at the time of the follow-up interview were asked whether their employer had made any changes to their job or working conditions to accommodate their health condition or disability. Twelve per cent said that they no longer had a health condition or disability (and so presumably did not require any workplace adjustments to be made). A further 23 per cent of people reported that some workplace adjustments had been made but the majority (64 per cent) said that none were made.

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<sup>10</sup> These figures are the sum of the percentages in Table 4.1 for people who were either off sick from their job, temporarily sick with no job to return to or permanently off sick due to sickness and disability. For ease of exposition, they are collectively referred to here as 'sickness cases'.

<sup>11</sup> These figures are calculated as follows, using the figures at follow-up as an example. At follow-up, four per cent of respondents were off sick from their job, eight per cent were temporarily sick but had no job to return to and 38 per cent were permanently off sick. Thus, 50 per cent of all respondents at follow-up were 'sickness cases' ( $4 + 8 + 38 = 50$ ), of which 76 per cent were permanently off sick ( $38$  as a percentage of  $50 = 76$ ).

A variety of workplace changes had been made but the numbers involved (n=37) are too small to analyse reliably. However, the most commonly mentioned changes were adjustments to work duties, changes in working hours, and more flexible hours of work. Nine out of ten people who had had changes made to accommodate them at work said that these had helped them to keep doing their job. This finding highlights the important role that employers can potentially play in helping people with health conditions or impairments to do paid work (Black, 2008; HMG, 2005).

Eighty per cent of respondents said that improvement in their health had been important in helping them get back to work. However, an even larger number (92 per cent) reported that family and friends had been helpful in getting them back to work. Seventy-three per cent said that help and support from their GP had been helpful; and 72 per cent of people said that getting relevant health care had been important. Just under half (47 per cent) said that support from other health professionals had been helpful to them. Thirty-four per cent said that Jobcentre Plus had been either very or fairly helpful, and 25 per cent that other advice workers had been helpful, in their return to work.

Thus, in addition to improvements in health and workplace adjustments, advice and support from a range of people and organisations is perceived, by recent claimants of IB, as being important in helping them to get into work. This finding is consistent with the findings from the Pathways to Work evaluation research (Dixon and Warrener, 2008).

## 4.5 Job search

In the follow-up survey, recent IB claimants who were not working, and who did not report that they were permanently off work because of sickness or disability, were asked if they had undertaken various forms of job search (see Table 4.2).

Five out of six respondents who were neither working nor permanently off work had undertaken one or more job search activities. Seven out of ten (72 per cent) had looked at job advertisements in a newspaper and over half (55 per cent) had looked at adverts in a Jobcentre Plus office or on their website. Just under half had spoken to a Personal Adviser at Jobcentre Plus (47 per cent) and a similar proportion had enquired locally about job vacancies (45 per cent). Forty-four per cent had actually applied for a job (Table 4.2).

Thus, the majority of people who, one year after their recent claim, were neither in work nor permanently off work, had engaged in some type of work-focused activity. This is an important finding because this group of IB claimants are people who, potentially, could be helped to enter paid employment or self-employment.

**Table 4.2 Participation in job search activities**

	<i>Row percentages</i>		
	<b>Men</b>	<b>Women</b>	<b>All</b>
	<b>%</b>	<b>%</b>	<b>%</b>
Looked at job adverts in a newspaper	75	68	72
Looked at job adverts in a Jobcentre Plus office or their website	65	41	55
Registered with a private employment agency	29	12	21
Enquired locally about job vacancies	53	35	45
Looked for job vacancies on websites (excluding Jobcentre Plus)	40	31	36
Applied for a job	55	31	44
Talked to a Personal Adviser at Jobcentre Plus	51	42	47
Talked to a Disability Employment Adviser	12	4	8
Talked to a New Deal Job Broker	13	4	9
Done any kind of rehabilitation or training course	21	9	16
Looked for work in other ways	21	8	15
Or none of these?	15	23	18
<i>Weighted base</i>	<i>145</i>	<i>118</i>	<i>263</i>

Base: respondents who were neither working nor permanently off work because of sickness or disability.

## 4.6 Expectations about work

Recent IB claimants who were neither working nor permanently off sick were also asked what, in terms of work, they were likely to be doing in six months' time. Over half (55 per cent) thought they would be economically active in six months' time, either in work or looking for a job. Forty per cent thought it most likely that they would be in paid employment, with three per cent expecting to be self-employed. Twelve per cent thought they would be looking for work. Meanwhile, 16 per cent said that they would be retired and nine per cent that they would be looking after the home or their children or caring for someone who is frail, sick or disabled (Table 4.3).<sup>12</sup>

Among respondents who were neither working nor permanently off work, a higher proportion of men than of women said that they were likely to be in paid

<sup>12</sup> Because of small numbers it is not possible to meaningfully disaggregate these different categories of employment status by, for example, gender, ethnicity and age. However, by collapsing these categories into two types – according to whether the respondent thought they would be in paid work or not – it is possible to make comparisons between different population sub-groups.

work in six months' time. Thus, half (50 per cent) of all men, but only a third (34 per cent) of women thought they would be working. Young adults under 25 (64 per cent) were much more optimistic about the likelihood of being in work than were older people, especially those aged 55 and over (20 per cent).

**Table 4.3 What respondents were most likely to be doing in six months' time**

	<i>Column percentages</i>
	<b>%</b>
In paid work	43
Off sick from work	4
Looking for work	12
Looking after the home, children or caring	9
Retired	16
Something else*	15
<b>Total</b>	<b>100</b>
<i>Weighted base</i>	263

\* Including 'don't know'.

Base: respondents who were not in work and not permanently off work because of sickness or disability.

However, differences in expectations about work in six months' time between people who were still on IB and those who were not and between respondents who had mental health problems and those with only physical health conditions, were not significant. Surprisingly, perhaps, people who had spent most of their life in steady jobs or self-employment were less likely than respondents who had more chequered employment histories, to think they would be working in six months' time. Only 39 per cent of the former, compared with 58 per cent of the latter, said they were most likely to be in paid work. It is possible that a higher proportion of people with interrupted employment histories expected to return to work because they have experience of doing so after spells of ill-health or unemployment. In contrast, people who have always been in work may see the loss of employment as more catastrophic and hence, find it harder to envisage being able to return to the labour market.

## 4.7 Barriers to work

Recent IB claimants who were neither working nor permanently off work were also asked whether, thinking about their job prospects, a series of statements applied to them (see Table 4.4). These statements reflected a range of possible barriers to finding work. The question had been asked in the baseline survey as well, so it is possible to compare the responses given then with the answers in the follow-up interviews. It is important to note that the wording of the childcare

statement was changed for the follow-up survey, so the results for that one are not strictly comparable between surveys.

A similar proportion of respondents at baseline and at follow-up agreed with the statement that *'I am unlikely to get a job because of my health condition or disability'*. In both surveys, around four out of ten recent claimants agreed with this statement (Table 4.4). However, for most of the other statements, the proportion of respondents who agreed with them was higher in the follow-up survey than in the baseline interviews. Recent claimants who were asked this question in the follow-up survey were, in general, more pessimistic about their employability than those who were asked this question in the baseline survey (Table 4.4).

The fact that, for most of the statements, a higher proportion of respondents at follow-up than at the baseline survey agreed with them raises the question of whether this was due to a change in the **composition** of the respondents answering this question or a change in the **perception** of respondents between surveys. The composition of respondents answering the work barriers question changed because it was only asked of people who were neither in work nor permanently off work because of sickness or disability. Some of the respondents who were asked this question at baseline had moved into work or classified themselves as permanently off work, by the time of the follow-up survey. Conversely, a smaller number of respondents, who were in one of those categories at baseline were not in either at the follow-up and hence, were asked the barriers question in the latter survey only.

The explanation appears to be that both composition and perception effects lie behind the increase between baseline and follow-up in the proportion of respondents agreeing with the statements. However, of these, the most important was a change in perception. When comparing the responses at baseline of people who were asked the barriers question at baseline only with those who were asked it at both surveys, there were only four statements for which they were significantly different. This compares with nine statements when the responses of people who were asked the barriers questions in **both** surveys are compared (Table 4.5).

Table 4.5 shows that, when comparing the answers of the respondents who were asked the barriers question in both surveys, there was an upward shift in the proportion agreeing with nine of the statements. Thus, it appears that the cohort of people who answered the barriers question in both surveys had become markedly more pessimistic about their chances of getting a job in the six months or so between the baseline and the follow-up interview. Significantly higher proportions of them felt they faced each barrier at follow-up than did so at baseline. Moreover, the number of barriers that people faced, on average, had increased between surveys, rising from a mean of 1.4 barriers at baseline to 2.3 at follow-up. The fact that perceived barriers to work had increased in the six months since the baseline survey highlights the importance of early interventions to help people return to work, a point that was emphasised in the *Working for a Healthier Tomorrow* report (Black, 2008).

Comparing the responses of people who had mental health problems with those who had only physical health conditions, there were no statistically significant differences for ten out of the eleven statements. The only one where there was such a difference was the statement that *'My confidence about working is low'*. Fifty-three per cent of people with mental health problems, compared with 23 per cent of respondents with only physical health conditions, agreed with this statement.

**Table 4.4 Barriers to work**

	<i>Row percentages</i>	
	Baseline survey %	Follow-up survey %
There aren't enough job opportunities locally for people with my skills	14	35
I haven't got the right qualifications or experience to find work	12	29
I couldn't get the sort of job I would want	10	38
I am unlikely to get a job because of my age	14	32
I am unlikely to get a job because of my health condition or disability	40	44
I am unlikely to get a job because of my sickness record	13	21
I am unable to work because I look after children or the home*	6	-
I am unable to work because of childcare responsibilities*	-	12
I am unable to work because I need to look after someone who is frail, sick or disabled	2	5
I would be worse off financially if I got a job	7	20
My confidence about working is low	20	34
None of these	16	11
Don't know	2	-
<i>Weighted base</i>	<i>1,088</i>	<i>263</i>

Respondents could agree with more than one statement.

\* The wording for this statement changed between the baseline and follow-up surveys.

Base: people who were neither working nor permanently off work because of sickness or disability.

**Table 4.5 Barriers to work among respondents who answered the barriers question at both baseline and follow-up**

	<i>Row percentages</i>	
	Baseline survey %	Follow-up survey %
There aren't enough job opportunities locally for people with my skills	19	42
I haven't got the right qualifications or experience to find work	15	31
I couldn't get the sort of job I would want	16	39
I am unlikely to get a job because of my age	16	33
I am unlikely to get a job because of my health condition or disability	28	42
I am unlikely to get a job because of my sickness record	7	21
I am unable to work because I look after children or the home*	11	-
I am unable to work because of childcare responsibilities*	-	13
I am unable to work because I need to look after someone who is frail, sick or disabled	2	3
I would be worse off financially if I got a job	7	23
My confidence about working is low	22	36
None of these	15	9
Don't know	1	-
<i>Weighted base</i>	<i>197</i>	<i>197</i>

Respondents could agree with more than one statement.

\* The wording for this statement changed between the baseline and follow-up surveys.

Base: people who were neither working nor permanently off work because of sickness or disability and who answered this question in both the baseline and the follow-up surveys.

## 4.8 Importance of work

In order to examine how important paid work was to recent claimants of IB, all respondents, other than those who said they were permanently off work because of sickness or disability, were asked a series of four attitudinal questions (see Table 4.5).

The first two statements address the issue of whether people should be expected to take a job that pays less, or is less interesting, than their previous one. This is relevant to people who, for example, may not be able to find work that is as skilled as their previous line of work. For example, because of deindustrialisation, people previously doing a skilled trade in industry may find that the demand for such work has declined and that the only work available locally is in less skilled or less well paid service sector jobs.

Table 4.6 shows that almost half (46 per cent) of recent claimants – excluding those permanently off sick – agreed with the statement that *'I should not be expected to take a new job earning less than in my previous job'*. In contrast, well over a third (37 per cent) disagreed with this statement. A further sixth (17 per cent) were unable to either agree or disagree with it.

Just over a third (36 per cent) of respondents agreed that they *'should not be expected to take a new job with less interesting responsibilities or tasks than in my previous job'*. Meanwhile, almost half (48 per cent) disagreed with it and about one in eight (15 per cent) could not decide.

Thus, there was less agreement, and more disagreement, with the statement about being expected to take a less interesting job than there was about a less well paid one. Pay appears to be more important than job satisfaction in this respect. However, there was far more agreement and less indecision with the statement that *'Once you've got a job, it's important to hang onto it, even if you don't really like it'*. Sixty-three per cent of respondents agreed with this statement, including 42 per cent who strongly agreed with it. Hence, far more people felt it was important to hang onto an existing job that they did not really like, than thought they should be expected to take a new job that was less interesting than their previous one. Nonetheless, 31 per cent disagreed that it was important to hang onto a job even if they did not really like it; of whom two-thirds (or 20 per cent of all respondents) disagreed strongly (Table 4.6).

Finally, nine out of ten (89 per cent) respondents agreed – with eight out of ten (83 per cent) agreeing strongly – that *'Having a job is very important to me'*. Only eight per cent disagreed with this statement and only three per cent could not say whether they agreed or disagreed (Table 4.6). Thus, the overwhelming majority of recent IB claimants reported that having a job was very important to them; but, nevertheless, a substantial minority also felt that they should not be expected to take a job that paid less, or was less interesting, than their previous one.

As for the age of respondents, the only difference of any note was also in relation to the importance of having a job. Over nine out of ten respondents aged under 55 agreed that having a job was very important to them. But among those aged 55 and above, only three-quarters (75 per cent) agreed that having a job was very important to them. Thus, people who were close to the State Pension age were less likely than younger people to agree that having a job was very important to them.

**Table 4.6 Attitudes to paid work**

	<i>Column percentages</i>
	<b>%</b>
<b>I should not be expected to take a new job earning less than in my previous job</b>	
Agree strongly	29
Agree slightly	17
Neither agree nor disagree*	17
Disagree slightly	20
Disagree strongly	17
<b>Total</b>	<b>100</b>
<b>I should not be expected to take a new job with less interesting responsibilities or tasks than in my previous job</b>	
Agree strongly	21
Agree slightly	15
Neither agree nor disagree*	15
Disagree slightly	26
Disagree strongly	22
<b>Total</b>	<b>100</b>
<b>Once you've got a job, it's important to hang onto it, even if you don't really like it</b>	
Agree strongly	42
Agree slightly	21
Neither agree nor disagree*	6
Disagree slightly	11
Disagree strongly	20
<b>Total</b>	<b>100</b>
<b>Having a job is very important to me</b>	
Agree strongly	83
Agree slightly	6
Neither agree nor disagree*	3
Disagree slightly	4
Disagree strongly	4
<b>Total</b>	<b>100</b>
<i>Weighted base</i>	<i>498</i>

\* Including people who said they did not know.

Base: all respondents except those who were permanently off sick due sickness or disability.

A comparison of the answers of recent claimants who were economically active and those who were not, revealed significant differences in relation to two of the four attitudinal statements about paid work:<sup>13</sup> First, people who were economically active were significantly more likely than those who were economically inactive to agree that *'once you've got a job, it's important to hang onto it, even if you don't really like it'* (67 per cent compared with 54 per cent). Second, people who were economically active were significantly more likely than the economically inactive to agree that having a job was very important to them (97 per cent compared with 74 per cent).

## 4.9 Work status trajectories

Section 4.3 showed that there had been significant change in the employment status of recent claimants in the six months or so since their baseline interview. The proportion of respondents who were in employment or self-employment had increased, rising from 13 per cent at baseline to 26 per cent at follow-up. Meanwhile, the proportion of people who described themselves as being permanently off work because of sickness or disability had also increased, from 27 per cent to 38 per cent over the same period (compared with only eight per cent immediately prior to their recent claim for IB).

Between these two extremes of either being in work or of being permanently off sick, was a residual category of respondents, the size of which fell over time (Table 4.7). If one assumes that people who classify themselves as permanently unable to work because of sickness or disability would also be regarded as such under the new ESA<sup>14</sup>, then it is the residual category that is likely to be the main focus of work-related activities and to receive the employment element of the ESA.<sup>15</sup> By the time of the follow-up interviews, the residual category ('Others' in Table 4.7) had shrunk to just over a third (36 per cent) of all recent claimants. There were no

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<sup>13</sup> The 'economically active' are people who are either working or looking for work. The 'economically inactive' are people who are neither in work nor looking for work, but may instead regard themselves as, for example, full-time carers, permanently sick, or retired.

<sup>14</sup> In practice, it is unlikely that the two will map directly onto each other. Most of the people who are in the Support group under the ESA are likely to regard themselves as permanently off work, but it is not clear that most of the people who regard themselves as permanently off work will be allocated to the Support group when they apply for ESA.

<sup>15</sup> The new ESA applies only to people who claim this new form of incapacity benefit after it has been introduced in the autumn of 2008. In practice, therefore, it will not apply to the people interviewed in this survey unless they make a new claim for benefit after that date.

statistically significant differences in commitment to work (high, medium or low)<sup>16</sup> between the people in this group and those who were in paid employment.<sup>17</sup>

**Table 4.7 Work status trajectories**

	<i>Column percentages</i>		
	<b>Prior to IB claim %</b>	<b>Baseline %</b>	<b>Follow-up %</b>
Working	25	13	26
Permanently off work	8	27	38
Others	67	61	36
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>
<i>Base</i>	<i>801</i>	<i>801</i>	<i>801</i>

Totals may not sum to exactly 100 due to rounding.

Base: all respondents to the follow-up survey.

People whose route onto IB was from 'work' were significantly more likely to be in employment or self-employment at follow-up than were those who came from the 'work to non-work' route or the 'non-work' route.<sup>18</sup> Recent claimants whose route onto IB was via non-work were much more likely than people from the other two routes to regard themselves as permanently off work because of sickness or disability, when interviewed in the follow-up survey (Table 4.8). Thus, the closer that people were to the labour market immediately prior to their recent claim (as indicated by their route onto IB), the more likely they were to be in paid work a year later. This emphasises the importance of helping people to retain their employment, or their links with the labour market, when they claim IB. This point was emphasised by the *Working for a Healthier Tomorrow* report (Black, 2008).

<sup>16</sup> In order to calculate 'work commitment', the five possible responses to each of the four 'attitudes to paid work' questions (see Table 4.6) were given a score ranging from one to five. For example, for the sentence 'Having a job is very important to me' the scores were 5 (agreed strongly), 4 (agreed slightly), 3 (neither agreed nor disagreed), 2 (disagreed slightly) and 1 (disagreed strongly). When summed across the four questions, the combined scores ranged from a minimum score of four to a maximum of 20. Combined scores of four to eight were classified as 'low work commitment', scores of nine to 15 as 'medium work commitment and scores of 16 to 20 as 'high work commitment'.

<sup>17</sup> People who described themselves as being permanently off work due to sickness or disability were not asked the questions about how important having a job was to them.

<sup>18</sup> As elsewhere in this report, references to work mean paid employment or self-employment (and not, for example, unpaid caring or volunteering).

Only 14 per cent of people who said they were permanently off work at follow-up had said the same (when interviewed at baseline) about their employment status immediately prior to their IB claim. It is, therefore, interesting to look at their health trajectories since the baseline interview. In fact, people who regarded themselves as being permanently off work were much more likely than the working group or the 'other' group to report that their health had deteriorated. Only six per cent of the working group, and 19 per cent of the 'other' group, said that their health had got worse since we last spoke to them. In contrast, two out of five (40 per cent) of the people who were permanently off work at follow-up said that their health had deteriorated in the six months since the baseline interview. They accounted for two-thirds (65 per cent) of the respondents who reported that their health had deteriorated, and one in nine (12 per cent) of those who said their health had improved, over that period.

**Table 4.8 Work status at follow-up by route onto IB**

	<i>Column percentages</i>		
	<b>Work to IB</b>	<b>Work to non-</b>	<b>Non-work to IB</b>
	<b>%</b>	<b>work to IB</b>	<b>%</b>
		<b>%</b>	<b>%</b>
Working	34	23	6
Permanently off work	36	29	57
Others	30	48	37
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>
<i>Base</i>	<i>457</i>	<i>199</i>	<i>145</i>

Totals may not sum to exactly 100 due to rounding.

Base: all respondents to the follow-up survey.

People who were permanently off sick also suffered from more health and disability conditions than those who were in work or in the 'other' category. Nine out of ten (87 per cent) people who were permanently off work due to sickness or disability had at least two health or disability conditions. By comparison, only a quarter (25 per cent) of people in work and half (52 per cent) of those in the 'other' category had that many conditions (Table 4.9). The mean number of such conditions reported by the permanently off work group was 4.4, compared with 1.1 for people in work and 2.2 for others.

**Table 4.9 Work status by number of health conditions**

	<i>Row percentages</i>				
	None	One	Two or more	Total	Base
Working	65	10	25	100	210
Permanently off work	2	12	87	100	303
Others	35	13	52	100	287

Totals may not sum to exactly 100 due to rounding.

Base: all respondents to the follow-up survey.

Logistic regression analysis (see Appendix) suggests that the most important determinant of whether respondents classify themselves as being permanently off work due to sickness or disability is the severity of their health, as measured by the number of health or disability conditions that they have. For each extra health or disability condition, the predicted odds of a respondent being permanently off work at follow-up (i.e. about one year after their recent claim for IB) increased by 1.6.

Further analysis shows that the odds of being in paid work at the follow-up interview were **lower**, other things being equal, for people who:

- still had a health condition or disability;
- had mental health problems;
- were aged 55 and above (compared with young adults under 25);
- were living in social housing.

The odds of being in paid work at follow-up were **higher**, other things being equal, for people who had:

- a full, current driving licence;
- claimed IB on a previous occasion.

The odds of being in paid work at the follow-up interview, other things being equal, were **unrelated** to:

- whether or not the respondent was a lone parent;
- ethnic background;
- whether or not the level of unemployment in the local authority area was high.

## 5 Conclusions

This report has presented findings from a follow-up survey of people who had made a claim for IB about a year earlier. An important aim of the follow-up survey was to examine what had changed in the period since the baseline interview. So far as people's household circumstances were concerned, the majority of respondents reported that there had been no significant changes. Most recent claimants appeared to have relatively settled household circumstances. This was especially true for older people in the sample. Only a third of people had experienced a significant change in household circumstances and relatively few of them had experienced any one type of change. For example, nine per cent had moved house, five per cent had separated from a partner and two per cent had newly partnered.

The same was not true of health and disability. For most of the respondents, their health had changed in one way or another over that period. In the first place, 28 per cent of respondents who had a health condition or disability at baseline no longer had one at follow-up. Secondly, when asked about their health overall, only 24 per cent reported that it had not changed since we last spoke to them. Meanwhile, 30 per cent said their health had improved, 23 per cent that it had got worse and the remainder that it had been changeable over that period.

Moreover, many respondents expected their health to change in the immediate future. When asked in the follow-up survey what they thought their health would be like in six months' time, 30 per cent said that they expected it to be better and nine per cent expected it to be worse. Just under half (45 per cent) thought it would be about the same and the remainder felt unable to say how it was likely to be in six months' time. The main change, compared with the baseline survey, was that a substantially lower proportion of respondents at follow-up expected their health condition to get worse.<sup>19</sup>

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<sup>19</sup> At baseline, 26 per cent of respondents reported that their overall health was getting worse, while at follow-up nine per cent said that they expected their health to get worse over the next six months.

The fact that the health of many respondents had changed since the baseline interview had implications for their employment status. Many of the people whose health condition or disability no longer existed, or whose overall health had improved, had returned to work since we last spoke to them. At the same time, many of the people whose health had got worse now felt that they were permanently off work due to sickness or disability. As a result, by the time of the follow-up survey, an increasing proportion of recent claimants were either in paid work or said they were permanently off work due to sickness or disability.

It is not clear from this survey how many of the people who regarded themselves as being permanently off sick could, in fact, be enabled to return to work if they were offered appropriate health and employment support combined with suitable employment opportunities. However, the evidence from the Pathways to Work pilot may shed some light on this issue. Evaluation of the Pathways extension to 'existing customers' (people who had claimed IB prior to the start of the pilot) found that these claimants commonly thought that the nature of their health condition was such that it was not appropriate to ask them to return to work (Dixon *et al.*, 2007). Nevertheless, the evaluation has also found that, in practice, Pathways significantly increased the rate of entry into employment among existing IB claimants (Bewley *et al.*, 2008). Moreover, the evaluation also found that a proportion of customers were able to return to work despite having a health condition; and this included some people whose condition affected their ability to undertake everyday activities a great deal (Baily *et al.*, 2007).

Meanwhile, a declining, but substantial, minority of recent claimants were neither working nor permanently off work. By the follow-up survey, 36 per cent of respondents were in this 'other' category. However, only a third (33 per cent) of people in the 'other' group was receiving IB at the follow-up survey. Among those who were no longer on IB, 79 per cent were receiving at least one other social security benefit or tax credit.

From a policy perspective, the people who were neither working nor permanently off sick are an especially important group because they are potentially people who could, perhaps with appropriate support, enter paid employment or self-employment. In fact, about one in ten (11 per cent) of them had done some paid work in the six months since the baseline survey; and, in most cases, their most recent job had ended because it was only temporary or because of their health condition. Moreover, the majority of people in this group had undertaken work-focused activities, such as job search, in the previous six months. In addition, the great majority reported that having a job was very important to them (though almost half felt they should not have to take a job that paid less, or was less interesting, than their previous one).

However, the majority (65 per cent) of the people in this 'other' group (that is, people who were neither working nor permanently off work) still had a health condition or disability that affected their everyday activities and indeed half of them (52 per cent) reported having two or more health conditions. The great

majority of people in this group also believed that they faced significant barriers to work. Indeed, compared with the baseline survey, the proportion of them who said they faced each of the ten listed barriers to work had increased substantially. Whether this increased pessimism about their employability and employment prospects reflected a more accurate assessment of their position in the labour market than the one they had at baseline or simply a loss of confidence, is unclear. Either way, it is apparent that considerable support – such as advice, counselling, training, workplace adjustments, accommodating employers, medical treatment – and hence time, will almost certainly be necessary to help significant numbers of them to tackle these barriers and enter paid employment.



# Appendix

## Logistic regressions of the determinants of being in paid work and of reporting being permanently off work due to sickness or disability

The logistic regression analysis was used to examine the correlates of being in the 'permanently off work' group, as opposed to the work and 'other' group (see Section 4.9). The advantage of logistic regression is that it is possible to explore, statistically, the relationship between an independent variable (such as age) and a categorical dependent variable (such as being permanently off work) while holding all other independent variables constant.<sup>20</sup>

A range of variables that might plausibly have an independent effect on whether or not a recent claimant self-classified themselves as being permanently off work because of sickness or disability, was used in the logistic regression model. These included gender, ethnic background, age group, lone parenthood, being a social housing tenant, previous claims for IB, literacy or numeracy problems, holding a full driving licence, level of unemployment in the local authority area and number of health conditions (among other health condition variables).

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<sup>20</sup> Strictly speaking, these independent variables are better described as correlates as they may be statistically related to the dependent variable but not necessarily have a causal impact upon it.

In practice, the overall statistical 'fit' of the models was poor and only two variables proved to be statistically significant: the number of health conditions and whether the respondent had literacy or numeracy problems. When the number of health and disability conditions was entered into the model first and the remainder in a second block (or blocks representing personal/household characteristics and employment/skills), there was little improvement in the explanatory power of the model over that achieved by the number of health conditions alone. Entered just on its own, number of health conditions correctly predicted 69 per cent of cases.

Logistic regression models were also run to examine the correlates of a respondent being in paid work at the follow-up survey. Similar variables were entered as were used for the previous analysis of being permanently off work. The logistic regressions for being in work had a reasonably good statistical 'fit' and a range of variables proved to be statistically significant.

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