

# Moving between sickness and unemployment

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## Key points

- Research indicates that benefit clients who experience both unemployment and ill health or disability – and have spells on both Jobseeker's Allowance (JSA) and Incapacity Benefit (IB) as a result – share a number of characteristics that mean they are disadvantaged in the labour market. Survey data showed they were older than other clients, less well qualified, more likely to report problems with basic skills, lacked recent work experience and were less likely to have access to private transport.
- Physical or mental health conditions that are enduring and/or variable can be the most difficult to combine with work. Some people suffered from depression as a result of other health problems or the way these affected their lives, further limiting their ability to find suitable work.
- Many movers would like to work but lacked confidence and were pessimistic about their chances of finding a job. Clients with health problems or disabilities often found employers intolerant of these and ignorant of their implications. Most had not worked for some time and tended to be less focused than other jobseekers in their search for work.
- Some 22 per cent of movers from JSA to IB had been on JSA for two years or more. This group tended to be more disadvantaged in labour market terms than movers in the opposite direction. Although they had applied for as many jobs as other jobseekers, only 5 per cent had received job offers.
- Many of those who came to JSA from IB said that their ability to work continued to be affected by their health or disability. Clients who were disallowed IB were far more likely to move to JSA than those who left IB voluntarily. Some 57 per cent of entrants to JSA from IB were still on JSA six to nine months later; and only 25 per cent had moved into work.

***This article draws on research findings to examine the characteristics and labour market position of benefit clients who experience both ill health or disability and unemployment.***

## Introduction

EVERY YEAR, substantial numbers of benefit clients experience periods of both unemployment and sickness, or disability, and move from Jobseeker's Allowance (JSA) to Incapacity Benefit (IB) or from IB to JSA as a result. A previous article used administrative data to look at some of the characteristics of ex-IB recipients on JSA and their destinations after leaving JSA (see pp79-83, *Labour Market Trends*, February 1998). Little detail, however, has been available on the characteristics or labour market experiences of the clients who move between these benefits, or their reasons for moving. The Department for Work and Pensions

therefore commissioned research to explore these issues. This article is based on the findings of that research and examines the characteristics and labour market position of clients who have moved from JSA to IB or vice versa.

## The data

Administrative data show that substantial numbers of people move from JSA to IB or from IB to JSA each year. For example, in the year to April 1999 around 190,000 clients left JSA and began a spell on IB within a month.<sup>1</sup> In the year to the end of November 2000,

about 110,000 clients moved from IB to JSA.

The following is based on findings from the secondary analysis of data from two surveys (the JSA Evaluation Survey and the Leaving Incapacity Benefit Survey) as well as a complementary qualitative study with clients who had moved between JSA and IB and Employment Service (ES) and Benefits Agency (BA) staff (see *technical note*). Using this research, a more detailed picture of the characteristics and experiences of clients who move from JSA to IB (or vice versa) can be gained.

### Who are the movers?

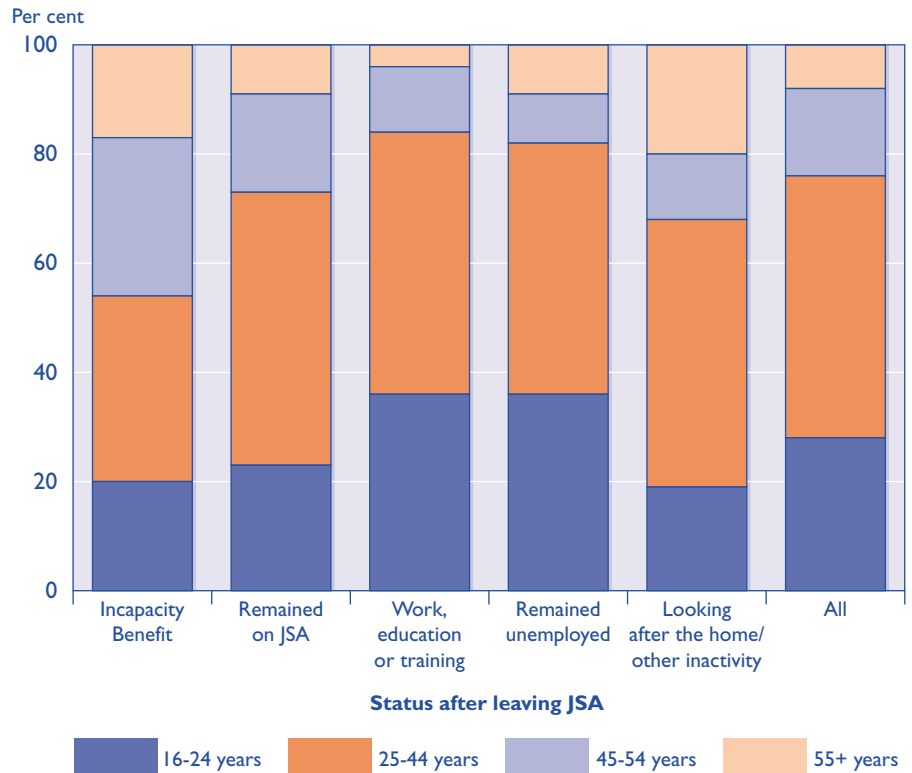
#### Sex and age

Administrative data show that during the year to the end of March 2001 about 71 per cent of movers in both directions were men. The survey data showed that movers tended to be older than other groups (see *Figures 1 and 2*). Those who moved from JSA to IB averaged 40 years, compared with 34 years for all JSA leavers. Entrants to JSA from IB averaged 38 years, compared with 33 years for all entrants to JSA. About 17 per cent of those who moved between JSA and IB (in either direction) were aged 55 or more and about 27 per cent were aged 45 to 54. The qualitative research showed that older clients felt that their age combined with their health and other problems to form a powerful barrier to finding work.

#### Health

Clients reported that their health problems and disabilities could restrict the environments they could work in and the hours they could work, as well as the activities they could carry out. For example, one woman with asthma could not work in dusty or fibre-filled environments, such as clothing factories; a woman with epilepsy could not work with computer screens. Sometimes these impairments were obvious in nature and effect, but sometimes they were more complex or less tangible. For instance, someone with an anxiety problem could not do work that involved decision-making or much

Figure 1 Jobseeker's Allowance leavers by age group and destination; Great Britain; July 1995 to June 1996 and July 1997 to June 1998



Source: JSA Evaluation Survey

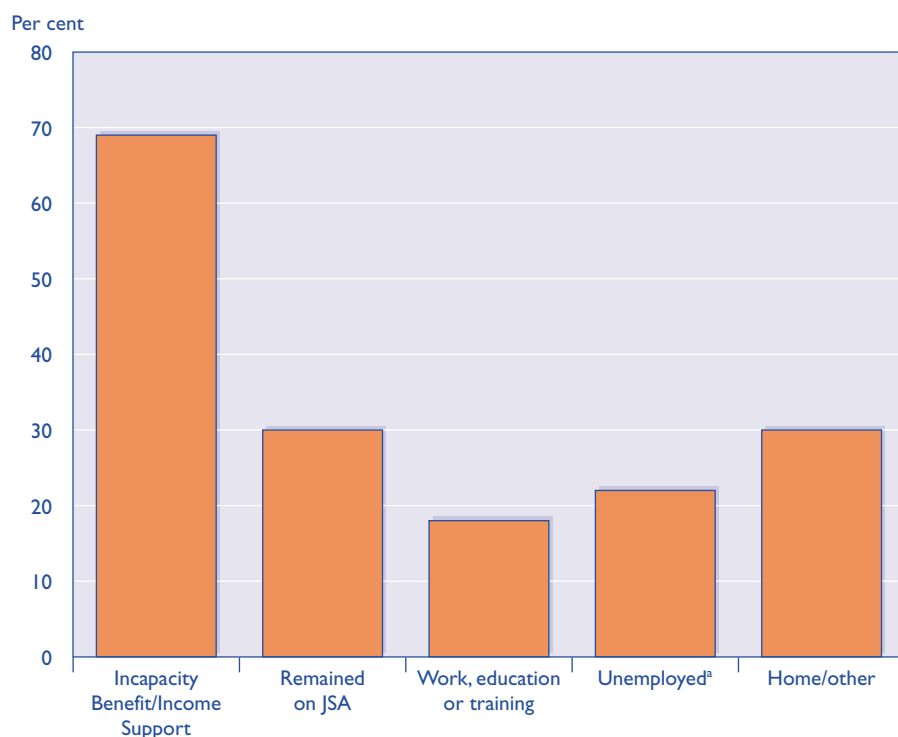
Figure 2 Jobseeker's Allowance entrants by age group and status before claiming; Great Britain; July to August 1997



Source: JSA Evaluation Survey

a Not on benefits.

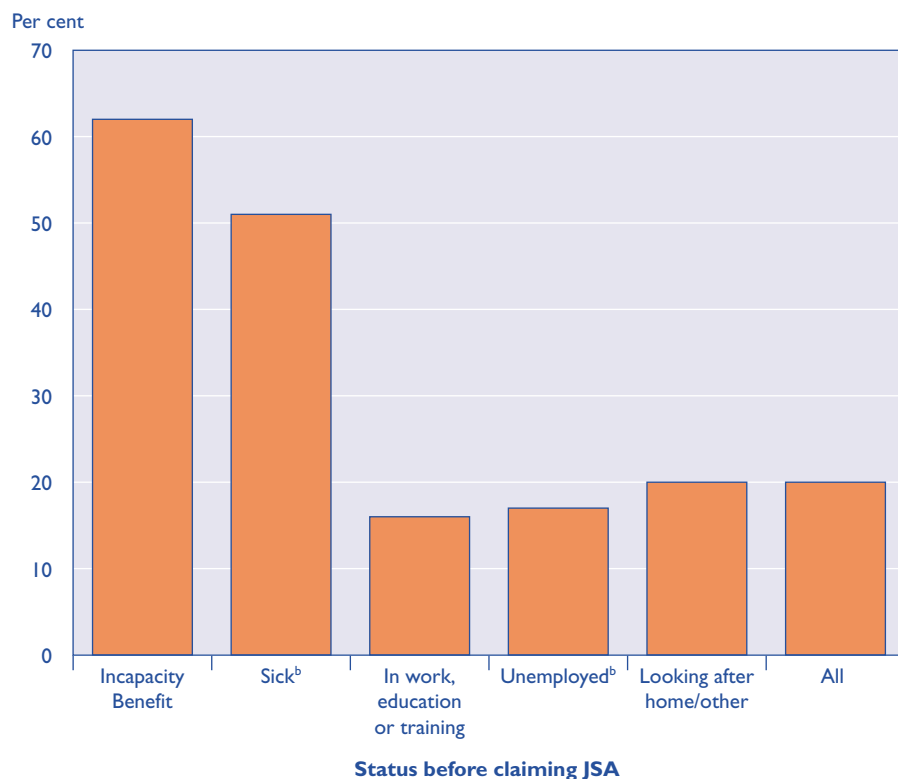
**Figure 3** Proportion of Jobseeker's Allowance leavers reporting health problems that affect their ability to work by destination; Great Britain; September to October 1995 and September to November 1997



Source: JSA Evaluation Survey

a Not on benefits.

**Figure 4** Proportion of entrants to Jobseeker's Allowance reporting health problems<sup>a</sup> by status before claiming; Great Britain; July to August 1997



Source: JSA Evaluation Survey

a Health problem or disability affecting ability to work.

b Not on benefits.

social interaction. Some conditions affected people's reliability; they may have to take more time off work or experience periods of low or erratic performance when their health problems flared up.

The kinds of health problems that can be most difficult to combine with work are those that are enduring and variable. These can be physical, like arthritis, or mental, like depression, and they can alternate on long- or short-term cycles. Some clients reported that they had waited long periods – months or even years – to receive an accurate diagnosis of their condition. This caused confusion and made it even more difficult for them to know what kind of work they could do.

Large numbers of people in the JSA Evaluation Survey reported health problems that restricted their ability to work. This would not be surprising if it were limited to those who left JSA for IB, but this was not the case (see *Figure 3*). Around 30 per cent of those who remained on JSA throughout the duration of the survey also reported such health problems at their first interview, illustrating that people do not necessarily move to IB when they develop a health problem that affects their ability to work. This confirms previous research (Shaw *et al.*, 1996; Smith *et al.*, 2000) that has demonstrated the slow rate at which jobseekers with health problems leave unemployment-related benefits and their consequent build up in the stock of JSA clients. In addition, 20 per cent of the flow of all entrants to JSA also reported a health problem or disability that affected their ability to work, including 62 per cent of those who came to JSA from IB (see *Figure 4*). The majority (81 per cent) expected the problem to last more than a year.<sup>2</sup>

Administrative data covering the year to the end of March 2001 show that the majority of movers from JSA to IB had physical ailments or disabilities (66 per cent); 27 per cent were recorded as having mental health problems and 6 per cent as being alcohol or drug users.<sup>3</sup> More detailed analysis revealed that a 'depressive episode' was the largest single category listed (15 per cent), followed by back pain

(10 per cent), 'other pain' (7 per cent) and 'other anxiety disorders' (6 per cent).<sup>4</sup> It is notable how intangible some of these categories are, possibly making it more difficult for the clients and their advisers to identify the kinds of work that might be suitable for them.

Some people had more than one health problem: many suffered with depression as a result of their primary health problem, or the employment and other everyday difficulties that arose from it. This could reduce clients' confidence and motivation in the job market, making it more difficult to present themselves positively to a potential employer.

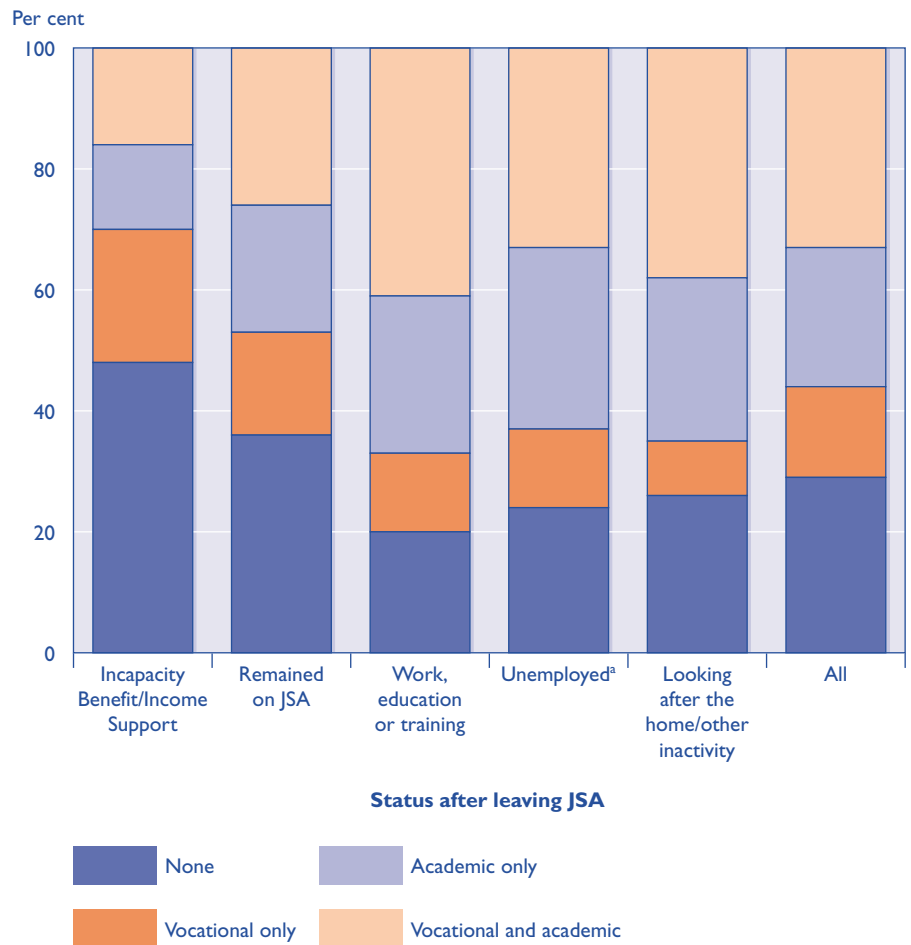
Clients who were suffering from mental health problems often found it difficult to talk about this publicly. They felt that they faced discrimination among employers, an opinion that was supported by staff. Indeed, research with employers has found that they are less willing to take on people with mental health problems than with physical disabilities (Bunt *et al.*, pp34-5).

It was widely believed by clients that many employers are intolerant of ill health or disabilities, ignorant about the real nature and implications of these, or prejudiced about the people who have them. Some staff concurred with this view. Epilepsy, for example, was mentioned by a number of participants as being poorly understood by employers, resulting in discrimination. Some employers were said to be insensitive when allocating people to tasks, which could result in people being laid off. For instance, one man with severe arthritis lost his job because he could not cope with the excessive bending and lifting that it involved, even though he thought there were lots of other jobs within the same workplace that he could comfortably have done. The Disability Discrimination Act (1995) has been designed to reduce such problems.

### Qualifications and basic skills

Many movers between JSA and IB were disadvantaged in terms of their qualifications and basic skills. Nearly half (48 per cent) of those who left JSA for IB had no vocational or academic

Figure 5 Jobseeker's allowance leavers by qualifications and destination; Great Britain; July 1995 to June 1996 and July 1997 to June 1998



<sup>a</sup> Not on benefits.

Source: JSA Evaluation Survey

qualifications, compared with 29 per cent of all JSA leavers (see Figure 5). Movers with qualifications were less likely than other groups to hold academic qualifications; previous research has shown that vocational qualifications are associated with longer duration on benefit than academic qualifications. Entrants to JSA from IB were better qualified than movers in the other direction, but they were similarly disadvantaged compared with other jobseekers (see Figure 6).

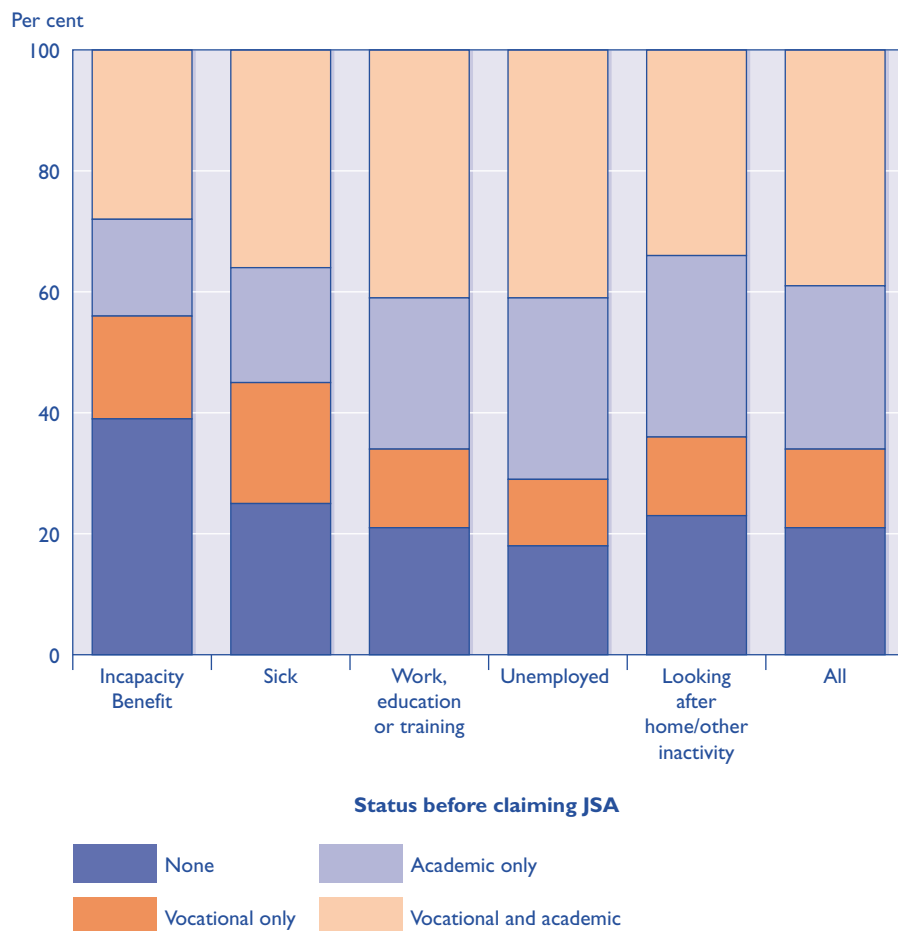
Clients who had moved from JSA to IB faced greater numeracy and literacy problems than any other group of jobseekers. Some 14 per cent said they had problems with numeracy and 22 per cent with literacy. For all JSA leavers the averages were 8 per cent and 12 per cent respectively. Entrants to JSA from IB were less disadvantaged than those who left JSA for IB in

terms of these basic skills, but were still the group of JSA entrants most likely to report problems with numeracy (9 per cent) and literacy (13 per cent).

### Attitudes to work and labour market experience

Many of those moving between these benefits would like a job. Working was seen to have many benefits, including: helping to avoid a sense of dependency, depression and isolation; restoring self-respect, confidence, a sense of personal worth and independence; and providing a means of keeping active. Clients lacked confidence in several ways: in their ability to find a job that they were able to do; get that job; do the job without aggravating their health problems; or keep the job

Figure 6 Entrants to Jobseeker's Allowance by status and qualifications; Great Britain; July to August 1997



without inconveniencing their employers. These worries about coping with work often made them nervous about leaving the security of benefits. This section looks at how movers approached the job market and how successful they were at finding work.

### Movers from JSA to IB

At their first interview, respondents in the JSA Survey were asked to rate their chances of finding work in the following three months. Those who later left JSA and moved to IB were the most pessimistic: 72 per cent viewed their chances of finding a job as fairly bad, or very bad. This may not be surprising given that many had been on JSA for some time. Some 22 per cent of leavers to IB had been on JSA for two years or more, confirming a relationship (though not necessarily a causal one) between long-term unem-

ployment and movements to IB (see *Table 1*).

Movers' uncertainty and lack of confidence appeared to be reflected in their jobsearch strategies, which were less focused than other groups. Some 42 per cent of movers from JSA to IB were looking for any job; only 27 per cent restricted their search to a range of jobs. They were more likely than other jobseekers to use Jobcentre display boards (79 per cent) and shop windows (42 per cent) as sources of vacancies, and less likely to use private recruitment agencies (10 per cent) or approach employers directly (28 per cent) (see *Table 1*).

The success of job applications was measured by calculating a 'hit rate' (the ratio of job interviews to job applications) for each of the comparison groups. Those who left JSA for IB had a lower hit rate (4.5): although they

had applied for a relatively large number of jobs (6.7 on average in the last week), only 5 per cent had received job offers. They appear, then, to have been struggling to compete in the labour market. Many were living in tight local labour markets: 36 per cent of those who left JSA for IB lived in areas of high unemployment, compared with 26 per cent of the entire sample.<sup>5</sup> Their situation would not have been improved by the fact that the majority (73 per cent) did not have access to private transport, restricting the area in which they could look for work (see *Table 1*).

Staff often reported a decline in the number of low-skill non-manual job opportunities that may be appropriate, for example, for those who are no longer able to do their former manual work due to health problems, but have no other skills or experience to call on. In principle the answer to this might be retraining, but in practice someone in this position might lack the aptitude or educational background to enable them to cope easily with the transition from, say, delivery driver to data input clerk.

### Movers from IB to JSA

Overall, a quarter of participants in the Leaving Incapacity Benefit Survey (24 per cent) made an initial move to JSA. However, *Table 2* shows that clients who left IB because their claim was disallowed were three times more likely to move to JSA than voluntary leavers, who were far more likely to move directly into work. Among those whose IB claim was disallowed, 32 per cent claimed JSA and only 10 per cent moved into work. The evidence seems to indicate that people left IB voluntarily if they had a previous job to go back to or had found a new job, presumably when they felt well enough to go back to work. Disallowed leavers were more likely either to rely on another source of income (such as a working partner) and remain economically inactive or move to JSA for financial support. *Table 3* shows that those who moved to JSA were less likely than other groups to have access to other sources of income such as savings or a pension, and they were also less likely to have a working partner.

| Table   | Jobseeker's Allowance leavers: claim duration and attitudes to work; Great Britain; July 1995 to June 1996 and July 1997 to June 1998 |                    |                                      |                         |   |     | Per cent   |
|---|---|--------------------|--------------------------------------|-------------------------|---|-----|------------|
|   | Status after leaving JSA  |                    |                                      |                         |   | All |            |
|   | Incapacity Benefit/<br>Income Support   | Remained<br>on JSA | In work,<br>education<br>or training | Unemployed <sup>a</sup> | Looking after<br>the home<br>or other<br>inactivity |     |            |
| <b>Number of weeks on JSA</b>                               |   |                    |                                      |                         |   |     |            |
| 1-26  | 24  | 12                 | 44                                   | 31                      | 25  |     | 25         |
| 27-52   | 31  | 23                 | 28                                   | 33                      | 35  |     | 26         |
| 53-104  | 23  | 32                 | 21                                   | 24                      | 26  |     | 28         |
| 105+  | 22  | 33                 | 8                                    | 12                      | 15  |     | 22         |
| <b>Total</b>  | <b>100</b>  | <b>100</b>         | <b>100</b>                           | <b>100</b>              | <b>100</b>  |     | <b>100</b> |
| <b>Expectation of finding work in the next three months</b> |   |                    |                                      |                         |   |     |            |
| Very good   | 1   | 5                  | 18                                   | 11                      | 8   |     | 9          |
| Fairly good   | 22  | 26                 | 42                                   | 43                      | 23  |     | 31         |
| Fairly bad  | 35  | 33                 | 23                                   | 20                      | 32  |     | 30         |
| Very bad  | 37  | 28                 | 11                                   | 20                      | 28  |     | 23         |
| Don't know  | 5   | 8                  | 7                                    | 7                       | 10  |     | 8          |
| <b>Total</b>  | <b>100</b>  | <b>100</b>         | <b>100</b>                           | <b>100</b>              | <b>100</b>  |     | <b>100</b> |
| <b>Job sought</b>   |   |                    |                                      |                         |   |     |            |
| A particular job  | 31  | 28                 | 31                                   | 30                      | 40  |     | 30         |
| A range of jobs   | 27  | 33                 | 35                                   | 40                      | 31  |     | 34         |
| Any job   | 42  | 39                 | 34                                   | 30                      | 29  |     | 36         |
| <b>Total</b>  | <b>100</b>  | <b>100</b>         | <b>100</b>                           | <b>100</b>              | <b>100</b>  |     | <b>100</b> |
| <b>Jobsearch activities</b>                                 |   |                    |                                      |                         |   |     |            |
| Local newspaper   | 93  | 91                 | 90                                   | 89                      | 92  |     | 91         |
| National newspaper  | 38  | 45                 | 46                                   | 42                      | 39  |     | 45         |
| Trade or professional journal                               | 17  | 17                 | 22                                   | 22                      | 21  |     | 19         |
| Shop window, notice board                                   | 42  | 33                 | 29                                   | 30                      | 34  |     | 32         |
| Recruitment agency  | 10  | 8                  | 21                                   | 14                      | 10  |     | 14         |
| Jobcentre display board                                     | 79  | 76                 | 71                                   | 72                      | 70  |     | 74         |
| Approached employer directly                                | 28  | 34                 | 40                                   | 39                      | 26  |     | 36         |
| <i>Average number of jobs applied for</i>                   | 6.7   | 6.3                | 8.0                                  | 6.5                     | 5.1   |     | 6.9        |
| <i>Average number of job interviews</i>                     | 0.3   | 0.5                | 1.1                                  | 1.0                     | 0.2   |     | 0.8        |
| <i>Ratio of interviews to applications (%)</i>              | 4.5   | 7.9                | 13.8                                 | 15.4                    | 3.9   |     | 11.6       |
| <b>Local unemployment levels<sup>b</sup></b>                |   |                    |                                      |                         |   |     |            |
| High  | 36  | 28                 | 24                                   | 20                      | 25  |     | 26         |
| Low   | 26  | 32                 | 30                                   | 36                      | 29  |     | 31         |
| Medium  | 39  | 41                 | 45                                   | 45                      | 46  |     | 43         |
| <b>Total</b>  | <b>100</b>  | <b>100</b>         | <b>100</b>                           | <b>100</b>              | <b>100</b>  |     | <b>100</b> |
| <b>Access to private transport</b>                          |   |                    |                                      |                         |   |     |            |
| Yes   | 27  | 33                 | 47                                   | 56                      | 58  |     | 40         |
| No  | 73  | 67                 | 53                                   | 44                      | 42  |     | 60         |
| <b>Total</b>  | <b>100</b>  | <b>100</b>         | <b>100</b>                           | <b>100</b>              | <b>100</b>  |     | <b>100</b> |

Source: JSA Evaluation Survey

a Not on benefits.

b See note 5 on p204.

Employers are known, other things being equal, to prefer to take on people with (preferably recent) work experience (Atkinson *et al.*, 1996). This can be difficult for those who move to JSA from IB. Some 35 per cent of IB leavers had been on IB for two years or more (see *Figure 7*) and 55 per cent of those who entered JSA from IB had no work experience during the two years before signing on (see *Figure 8*). Perhaps not surprisingly, then, entrants to JSA from IB were more pessimistic than other groups about their chances of finding work, although not as pessimistic as those who left JSA for IB. Half of those moving from IB to JSA rated their chances as bad, including a quarter who rated them as very bad.

Like those who left JSA for IB, those who moved from IB to JSA were relatively unfocused in their jobsearch: 39 per cent of entrants were looking for any job and 28 per cent a range of jobs. They were less likely than other groups to use recruitment agencies (7 per cent) and more likely to use Jobcentre display boards (77 per cent) as sources of vacancies. Unlike those who left JSA for IB, their hit rate, at 12.0, was only slightly lower than for other groups of entrants to JSA. But they applied for fewer jobs than other jobseekers; half as many as those who entered JSA from work, education or training.

The qualitative research showed that some clients who were disallowed IB did not agree that they were now 'fit

for work'. ES advisers found these clients difficult to deal with and particularly hard to place because they tended to arrive on JSA with a negative attitude towards working and the system that exists to help them move into work. This was often because these clients were not clear about their benefit and appeal options, and so were not ready to talk about work. Findings from the ONE evaluation indicate that some people who moved from IB to JSA did not feel ready to talk about work at their first meeting with their personal adviser and were keen to sort out their benefit claims first (p35, Davies *et al.*, 2001).

Participants in the JSA Evaluation Survey were re-interviewed six to nine months after their first interview. *Figure 9* shows that former IB claimants on JSA were relatively unsuccessful at finding work. While overall the majority of JSA clients were now working (54 per cent), only 25 per cent of ex-IB recipients had moved into work. The majority of this group was still on JSA at their second interview (57 per cent). Ex-IB recipients were more likely than any other group to remain on JSA and least likely to have moved into work.

Participants in the Leaving Incapacity Benefit Survey were interviewed between five and ten months

**Table 2** Status of Incapacity Benefit leavers by reason for leaving; Great Britain; June to November 1996

|  | Reason for exit from Incapacity Benefit |                  | Per cent   |
|--|---|------------------|------------|
|  | Claim disallowed                        | Left voluntarily | All        |
| <b>Status after leaving</b>              |   |                  |            |
| Claimed JSA within one month             | 32                                      | 10               | 24         |
| In employment                            | 10                                      | 67               | 30         |
| Unemployed and seeking work <sup>a</sup> | 15                                      | 7                | 12         |
| Economically inactive                    | 44                                      | 15               | 34         |
| <b>Total</b>                             | <b>100</b>                              | <b>100</b>       | <b>100</b> |

Source: Leaving Incapacity Benefit Survey

a Not on benefits.

**Table 3** Status of Incapacity Benefit leavers by personal financial position; Great Britain; March to June 1997

|  | Status after leaving Incapacity Benefit |            |                                 |                       | Per cent   |
|--|---|------------|---------------------------------|-----------------------|------------|
|  | Claiming JSA                            | In work    | Unemployed but not claiming JSA | Economically inactive | All        |
| <b>Value of personal savings<sup>a</sup></b> |   |            |                                 |                       |            |
| Less than £8,000                             | 13                                      | 21         | 14                              | 13                    | 15         |
| More than £8,000                             | 5                                       | 8          | 8                               | 10                    | 8          |
| Not known                                    | 3                                       | 9          | 5                               | 9                     | 7          |
| Nil  | 79                                      | 63         | 73                              | 68                    | 70         |
| <b>All</b>                                   | <b>100</b>                              | <b>100</b> | <b>100</b>                      | <b>100</b>            | <b>100</b> |
| <b>Pension income<sup>b</sup></b>            |   |            |                                 |                       |            |
| Receiving                                    | 15                                      | 12         | 22                              | 26                    | 18         |
| Not receiving                                | 85                                      | 88         | 78                              | 74                    | 82         |
| <b>All</b>                                   | <b>100</b>                              | <b>100</b> | <b>100</b>                      | <b>100</b>            | <b>100</b> |

Source: Leaving Incapacity Benefit Survey

a Includes partner's savings.

b Occupational or private pension, including partner's.

after they had left IB. Of those who had made an initial claim for JSA after leaving IB, 37 per cent had left JSA to become economically inactive due to sickness or disability. Of these, 19 per cent were back on IB, either through successfully reclaiming it or successfully appealing against their disallowance. When the follow-up postal survey was conducted 12 to 18 months after clients had left IB, 52 per cent of those describing themselves as 'sick or disabled' were back on IB. Overall, 23 per cent of the sample moved back to IB.

Comparison of the characteristics of the IB leavers who moved to JSA and were still there five to ten months later with those who had left JSA for work, education or training shows how some of the characteristics described earlier could apparently act as barriers to work in the longer term (see Table 4). The relationship between health and likelihood of moving into work continued, with those who had found work much more likely than those still on JSA to say that they had no health problem or that their health had improved since they left IB. Those still on JSA were more likely to report experiencing both physical and mental health problems. Some 68 per cent of those still on JSA had no qualifications, compared with 55 per cent of those who were economically active. And 36 per cent had been on IB for two years or more, compared with 23 per cent of those who were economically active.

### Conclusion

Movers had many characteristics in common and were disadvantaged in comparison with other groups. Apart from persistent health problems, they tended to be older, lacked qualifications, had more problems with literacy and numeracy, lacked recent work experience, and were less likely to have access to private transport. Many of these characteristics, which encompass issues relating to both capability and employability, can be barriers to work. In addition, they experience barriers arising from their own and employers' beliefs, images and attitudes. In combination these can be con-

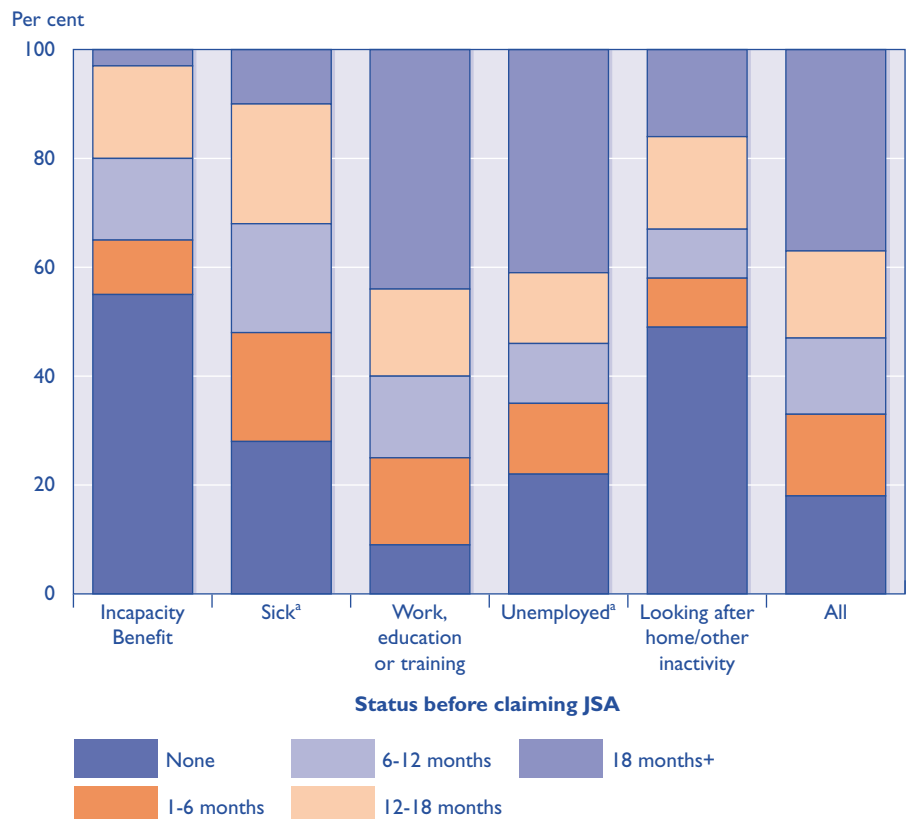
Figure 7 Duration of IB leavers' IB claim by destination; Great Britain; clients left IB June-November 1996



Source: Leaving Incapacity Benefit Survey

a Not on benefits.

Figure 8 Jobseeker's Allowance entrants: number of months in work during two years before claiming by status; Great Britain; July to August 1997



Source: JSA Evaluation Survey

a Not on benefits.

**Table 4** Jobseeker's Allowance entrants: characteristics five to ten months after leaving Incapacity Benefit; Great Britain; June to November 1996

|  | Destination five to ten months after leaving IB |                                   |                                     | Per cent   |
|--|---|-----------------------------------|-------------------------------------|------------|
|  | Remained on JSA                                 | Had left JSA: economically active | Had left JSA: economically inactive | All        |
| <b>Health 5-10 months after leaving IB compared with on leaving IB</b> |   |                                   |                                     |            |
| No health problem  | 11  | 18                                | 2                                   | 11         |
| Much better  | 8   | 21                                | 3                                   | 11         |
| A little better  | 12  | 12                                | 7                                   | 11         |
| Same   | 46  | 40                                | 38                                  | 42         |
| A little worse   | 10  | 3                                 | 16                                  | 9          |
| Much worse   | 13  | 7                                 | 34                                  | 16         |
| <b>Total</b>   | <b>100</b>                                      | <b>100</b>                        | <b>100</b>                          | <b>100</b> |
| <b>Type of health problem</b>  |   |                                   |                                     |            |
| Physical only  | 66  | 71                                | 63                                  | 67         |
| Mental only  | 4   | 11                                | 4                                   | 6          |
| Both physical and mental   | 30  | 18                                | 33                                  | 27         |
| <b>Total</b>   | <b>100</b>                                      | <b>100</b>                        | <b>100</b>                          | <b>100</b> |
| <b>Highest academic qualification</b>                                  |   |                                   |                                     |            |
| No qualifications  | 68  | 55                                | 74                                  | 66         |
| 'O' level  | 15  | 26                                | 15                                  | 18         |
| 'A' level  | 4   | 2                                 | 4                                   | 3          |
| Degree   | 2   | 5                                 | 2                                   | 3          |
| Other  | 11  | 12                                | 6                                   | 10         |
| <b>Total</b>   | <b>100</b>                                      | <b>100</b>                        | <b>100</b>                          | <b>100</b> |
| <b>Duration of IB claim</b>  |   |                                   |                                     |            |
| 1-6 months   | 25  | 24                                | 20                                  | 23         |
| 7-12 months  | 21  | 29                                | 13                                  | 21         |
| 1-2 years  | 19  | 24                                | 21                                  | 21         |
| 2-3 years  | 11  | 8                                 | 13                                  | 11         |
| 3-4 years  | 10  | 6                                 | 12                                  | 9          |
| 4+ years   | 15  | 9                                 | 20                                  | 15         |
| <b>Total</b>   | <b>100</b>                                      | <b>100</b>                        | <b>100</b>                          | <b>100</b> |

Source: Leaving Incapacity Benefit Survey data

siderable, particularly if a client's inability to do the type of work done in the past leads to an unfocused job-search strategy.

Clients who experience several of the barriers described above are often the hardest to help. Although they may well want to work, they could find they are limited in the number and nature of jobs to which they have access and that these may be the most poorly paid vacancies. If their health or disability limits the number of hours they are able to do there may be real difficulties in making work pay, a factor that can further reduce motivation. Policy developments, such as working fami-

lies' tax credit, disabled person's tax credit, national minimum wage and New Deal 50-plus are designed to help to address this problem.

Those who moved from JSA to IB were more disadvantaged than movers in the other direction, and they were likely to be long-term JSA clients, who, despite applying for as many jobs as other jobseekers, did not receive many job offers. Many of those who move to JSA from IB have been disallowed IB and said that their health or disability continued to affect their ability to work. They were relatively unsuccessful at finding work and many remained on JSA for longer than other jobseekers. A large minority

later left JSA to become economically inactive due to sickness or disability.

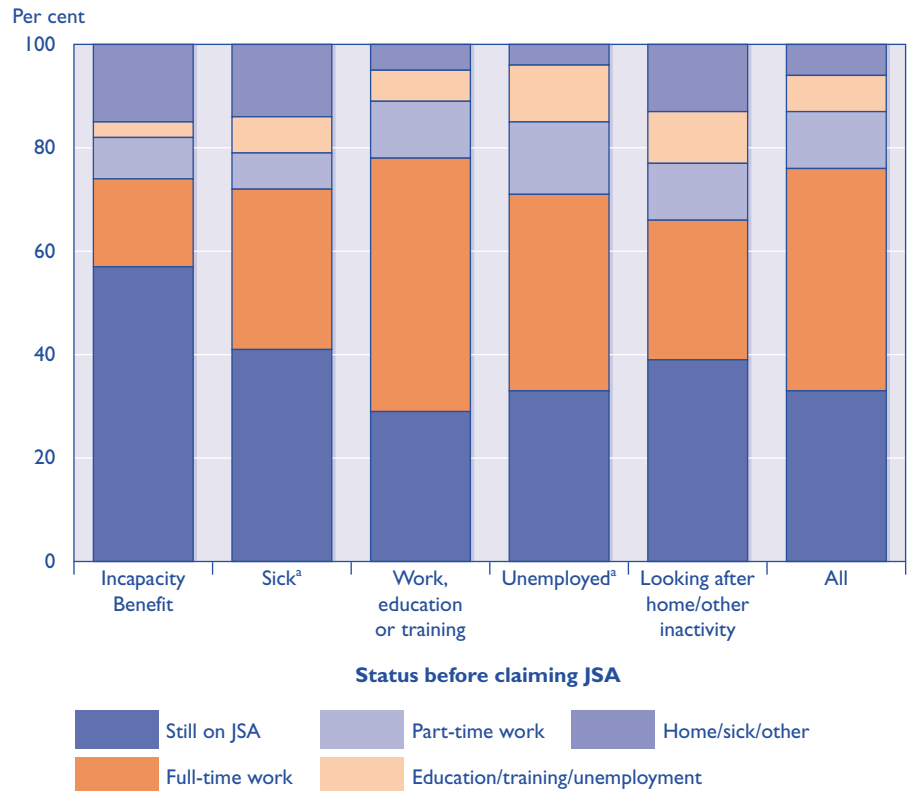
The barriers to work and experiences of looking for work described above indicate that many people moving to JSA from IB, or IS for sickness, need preparation and support to establish a positive mental attitude and to foster confidence and motivation, as well as to improve basic skills and acquire new occupational skills. The relationship between incapacity and employability is not always straightforward. For example, it may not be easy to predict barriers to work simply from a client's medical diagnosis, partly because, when combined with a diversity of cir-

cumstances, this can have very different impacts on people's mental states and attitudes. Particularly difficult are long-term problems that vary in severity, some of which can take time to be diagnosed. The resulting lack of certainty and predictability may call for a job with a flexible workload that is not time-critical. It requires skill on the part of the adviser to properly address and untangle these complexities to help the client establish a viable way of moving towards work.

## Notes

- 1 This is the latest period for which data are currently available.
- 2 Claiming JSA with a health problem or disability is within benefit rules. IB is intended only for those clients whose disability or health condition is such that it is not considered reasonable to require them to actively seek work as a condition of receiving benefit.
- 3 Clients are categorised according to the first condition listed on their medical forms by the doctor. This might not necessarily be their primary health condition. Figures quoted are based on analysis of those moving from JSA to IB or Severe Disablement Allowance (SDA) in the year to the end of March 2001. Those whose claim for IB/SDA began within a month of the termination of their JSA claim are included.
- 4 Based on analysis of a random sample of 638 clients in five areas who had moved from JSA to IB/IS for sickness or vice versa between February 1999 and May 2000; used as the sampling database for the qualitative research.
- 5 Areas were defined in terms of claimant count rates using the standard Travel-to-Work areas based on commuting flows from the 1991 Census. Local unemployment levels were defined differently for Cohorts 1 and 2. Cohort 1: low <6.3 per cent; medium 6.3-10.2 per cent; high >10.2 per cent. Cohort 2: low <6.5 per cent; medium 6.5-8 per cent; high >8 per cent.

Figure 9 Jobseeker's Allowance entrants: destinations seven to 11 months after claiming by status; Great Britain; July to August 1997



a Not on benefits.

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### Further information

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## Technical note

*Well enough to work?*, published in July 2001, reported findings from the secondary analysis of data from two earlier surveys, the Jobseeker's Allowance Evaluation Survey and the Leaving Incapacity Benefit Survey. The JSA Evaluation Survey had a 'before and after' design and was carried out in Scotland, England and Wales. Two cohorts of about 5,000 unemployed benefit recipients were interviewed twice, one cohort before the introduction of JSA in October 1996, and the other after. For both cohorts, the interviews were between six and nine months apart. Data were collected on clients' work and benefit histories in the two years before the first interview and the time between the first and second interviews. For the *Well enough to work?* report, those who left JSA and became economically inactive due to sickness or disability were compared with other groups of JSA leavers and those who remained on JSA for the 'observation period' of the survey. To look at movements in the opposite direction, those who were claiming IB in the week prior to signing on for JSA were compared with other groups of entrants to JSA. The Leaving Incapacity Benefit Survey was another large-scale survey covering England, Scotland and Wales. It involved a 'flow' sample of 2,263 people who left IB at about the same time. The research included only

clients who had been receiving IB; those receiving IS for sickness or disability (known as 'credits only cases') were not included. Respondents were interviewed five to ten months after leaving IB and were followed up with a postal questionnaire 12 to 18 months after leaving. This provided data on IB leavers at three points in time: immediately after leaving IB, five to ten months after leaving and 12 to 18 months after leaving.

Findings from the qualitative study were reported in *Moving between sickness and work*, published in October 2001. This involved in-depth interviews with clients and staff from the Employment Service (ES) and the Benefits Agency (BA). Fieldwork took place in five areas. Forty clients were selected from a sample identified from the administrative records as having moved from JSA to IB or IS for sickness, or vice versa, during the period February 1999 to May 2000. Participants were selected to represent a range of experiences, in terms of the number and pattern of benefit moves they had made, the nature of their health problem or disability, the duration of their time on benefit and socio-demographic factors. In addition, 34 members of ES and BA staff were interviewed in six small groups. These included Disability Employment Advisers (DEAs), BA Decision Makers, front-line and benefit processing staff.