

# Turning the Tap Off!

Incapacity Benefit in Glasgow and Scotland: Trends over the past five years

**July 2007**

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## Incapacity Benefit in Glasgow and Scotland – Trends over the past five years

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## **KEY FINDINGS**

This report examines the “stock” of incapacity benefit (IB) claimants and investigates the “on” and “off” flow.

### ***The IB stock population***

1. Glasgow has a particular problem in terms of the absolute size of its IB claimant population (61,850 in 2005) and the fact that this population represents such a high proportion of the working age population (16.4% in 2005). Between the years 2000 and 2005, there has been a reduction in IB stock claimants in Glasgow and the rest of Scotland. This is mainly due to a decrease in on flow.
2. There is a higher proportion of the working age population in Glasgow claiming IB than in the rest of Scotland. Glasgow’s IB stock population is more likely to have a poor work history (higher proportion of credits only claimants).
3. The male:female ratio of IB claimants is constant over time and geography. Females are over represented in the poor work history group (credits only claimants).
4. In Glasgow, the largest proportion of IB claimants are in the 40-60 age group, which has increased between 2000 and 2005 as well. Strikingly, 35% of 55-59 year olds in Glasgow are on IB. There is a remarkable difference in age profile between payment and credits only claimants. Claimants with a poor work history (credits only) are younger. In both Glasgow and Scotland, more than 50% of payments claimants are aged over 50 compared to under 30% of credits only claimants.
5. Mental health problems account for 50% of those claiming IB in Glasgow. Claimants with mental health problems are more likely to have had a poor work history (credits only).
6. The majority of claimants have been receiving IB for greater than five years. There has been a decrease in the number claiming for between two and five years and an increase in over five years.

### ***On flows and off flows to the IB stock***

7. In 2005, 3.8% of the working age population in Glasgow moved on to IB while 2.5% of the working age population in Scotland moved on to IB. In Glasgow, the on flow is made up of more people with a poor work history (credits only) while in Scotland as a whole the opposite is true. Although the on flow rate is higher in Glasgow the rate of on flow in Glasgow has fallen by 21% while in Scotland the rate of on flow has fallen by 16% since 2000.
8. The absolute number of claimants moving off IB has remained fairly constant however the rate of off flow has increased (21.4% in 2000 to 24.0% in 2005 for Glasgow and 24.4% in 2000 and 25.3% in 2005 for Scotland). As a result, although Glasgow still has lower off flow rates, it has gone some way towards closing the gap with the rest of Scotland. Off flow rates are higher for people under 30 with a particularly striking increase in Glasgow in this age group. Off flow rates have increased in both Glasgow and Scotland for claimants in every category of duration of claim except for those claiming over five years, for which they have fallen.

This is the first stage of a study that will further investigate the interaction between the health status, the labour market and policy interventions as they affect this vulnerable population.

## **INTRODUCTION**

### **The UK context**

The proportion of the working age population in receipt of incapacity benefit (IB) has increased from around 3% in the 1960s to over 7% today<sup>1</sup>. Many claimants saw this as the end of their working lives. Now, most people coming onto these benefits expect to get back to work but a very large number never do. After two years on IB a person is more likely to die or retire than find a new job. Three-quarters of people claiming IB in Britain have been claiming it for two years or more.

### **Glasgow's challenge**

In Glasgow, more than one quarter (110,500) of the working age population is economically inactive<sup>2</sup>. The 'workless' population has been defined as, 'working age people who are economically inactive but who have indicated that they would like to work if appropriate support was provided'. Nearly one fifth (18% or 62,000) of Glasgow's working age population are claimants of the sickness-related benefit Incapacity Benefit. Glasgow has a much larger number (and a higher proportion) of the population on IB than any other city in Britain. While unemployment has fallen by half since 1996 (from 32,000), the number claiming IB has remained at a high level.

### **The policy response**

The UK government recently published 'A new deal for welfare: Empowering people to work' (2006): a consultation document that sets out the measures it wishes to take to overhaul the IB system in the UK<sup>1</sup>. The aim is to help those on IB with routes back to work. The measures include 'Pathways to Work', an initiative that is being tested in a number of regions before roll out to the rest of the UK.

### **Definitions**

Incapacity Benefit (IB) is the key contributory benefit for people who are incapable of work because of illness or disability. In order to qualify for IB, claimants must be incapable of work, not entitled to Statutory Sick Pay and have sufficient National Insurance contributions. IB is paid to women up to age 60 and to men age 65.

### **Types of IB claimants**

There are two categories of IB claimants: 'payment' and 'credits only' claimants. Definitions are complex and the benefits system as a whole tries to ensure that individuals receive broadly equivalent amounts from the State – but the source may vary.

For our purposes, the key difference is that 'payment' IB claimants have a good recent work history and receive IB payment. 'Credits only' claimants receive financial support from other sources but are 'credited' with pension contributions and gain access to other benefits like Income Support with a disability premium. These claimants have less good recent work histories.

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<sup>1</sup> Department for Work and Pensions. A new deal for welfare: Empowering people to work. 2006. London.

<sup>2</sup> Glasgow Community Planning Partnership. Regeneration Outcome Agreement 2006-2008. 2005.

### ***How much is IB payment?***

For the payment claimants, IB is paid at three rates. There are two short-term rates and one long term rate:

1. The lower rate (IBST(L)) is paid for the first 28 weeks of sickness (currently £59.20 per week)
2. The higher rate (IBST(H)) for weeks 29 to 52 (currently £70.05 per week).
3. The long-term rate (IBLT) applies to people who have been sick for more than a year (currently £78.50 per week).

### ***Severe Disablement Allowance (SDA)***

SDA is a benefit for people who are not able to work, have not been able to work for at least 28 weeks and do not have enough NI contributions to claim IB. Since April 2001 SDA has not existed for new claimants. In 2005 there were 4,410 SDA claimants in Glasgow (7% of total IB claimants). In this analysis IB and SDA claimants are treated as a single group.

## **AIMS AND PURPOSE**

The overall aim of the research is to draw upon a range of statistical and other sources to build up a detailed picture of the IB population in Glasgow and to compare this with the West of Scotland and Scotland.

Our intention is to begin a body of work that will influence policy and aid in the challenge of improving the health and wellbeing of this population.

## **APPROACH AND METHODS**

This report is based on quarterly 100% sample data from the Department for Work and Pensions (DWP) Information Directorate Work and Pensions Longitudinal Study.

The 'stock IB' population refers to those claiming IB at any given time. The 'on flow' refers to those starting to claim IB and the 'off flow' refers to those whose claim has terminated.

The stock IB claimants data has been provided quarterly from June 1999 until February 2006. Figures are rounded to ten for data protection purposes, therefore breakdowns may not sum to the total shown. Where yearly data are shown in the report, they have been calculated by taking a mean of the data from four quarters. For example, yearly data for 2005 were calculated by taking a mean of the data from the four quarters commencing December 2004 and ending in November 2005.

The on flows and off flows to IB have been provided quarterly from September 1999 to November 2005. The on and off flow data have been computed into yearly data. For example, data for the year 2005 are the sum of the four quarters from December 2004 to the quarter ending November 2005.

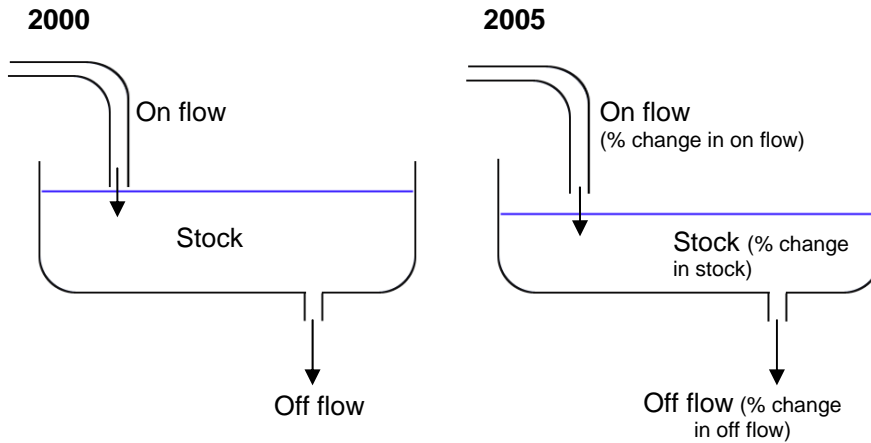
In addition, information is provided about the age, sex, reason on IB, time on IB and previous benefit history of IB claimants.

The stock IB data can be broken down into payment and credits only claimants.

Data are presented for three geographies; Glasgow City, the West of Scotland (East Ayrshire, East Dunbartonshire, East Renfrewshire, Inverclyde, North Ayrshire, North Lanarkshire, Renfrewshire, South Ayrshire, South Lanarkshire, West Dunbartonshire and Glasgow City) and all of Scotland.

In this report we have used a bath water analogy. The stock IB population are represented by the amount of bath water. The on and off flow populations are represented as the tap water and the outflow respectively.

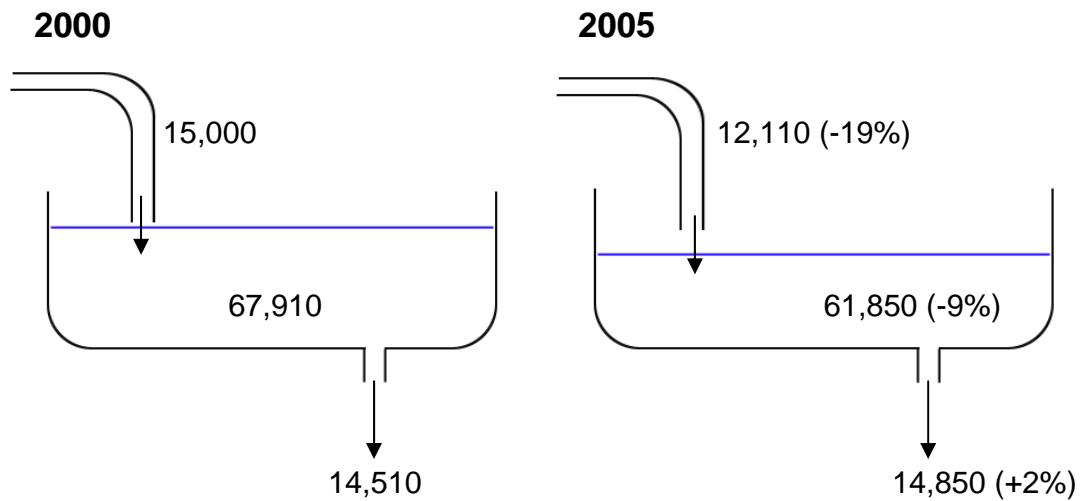
### IB stock, on flow and off flow



## FINDINGS

Figures 1 to 3 show the on flow, stock and off flow for Glasgow City, the West of Scotland and Scotland at the beginning and end of the five year period.

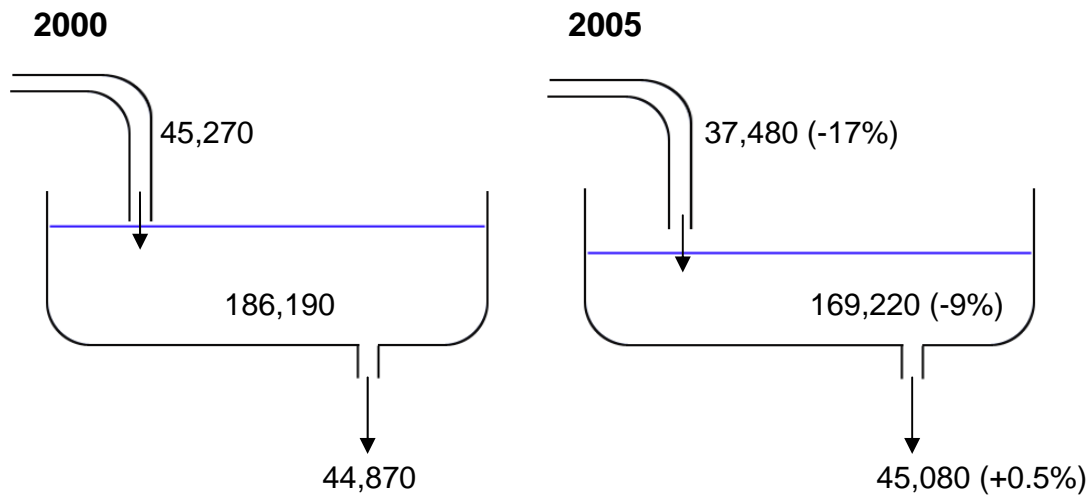
**Figure 1: Stock IB claimants, on and off flows in Glasgow in 2000 and 2005**



In Glasgow the on flow has reduced by 19% while the off flow remains fairly constant (small increase of 2%). The result is that the stock population has decreased by 9% over the five year period.

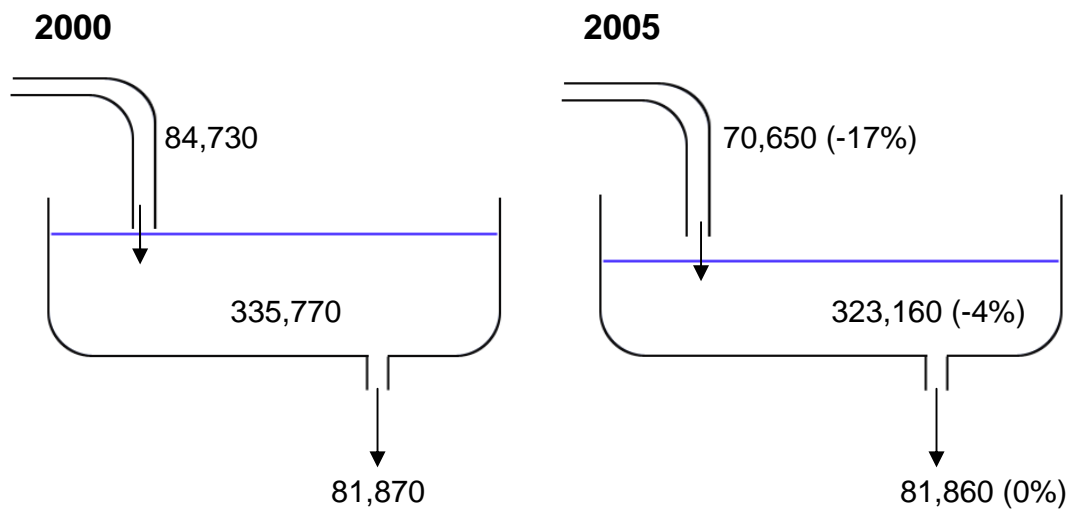
Later, the off flow is presented as a proportion of the stock population. This reveals a more important change.

**Figure 2: Stock IB claimants, on and off flows in West of Scotland in 2000 and 2005**



In the West of Scotland the on flow has reduced by 17% while the off flow remains unchanged (very small increase of 0.5% increase). The result is that the stock population has decreased by 9% over the five year period.

**Figure 3: Stock IB claimants, on and off flows in Scotland in 2000 and 2005**



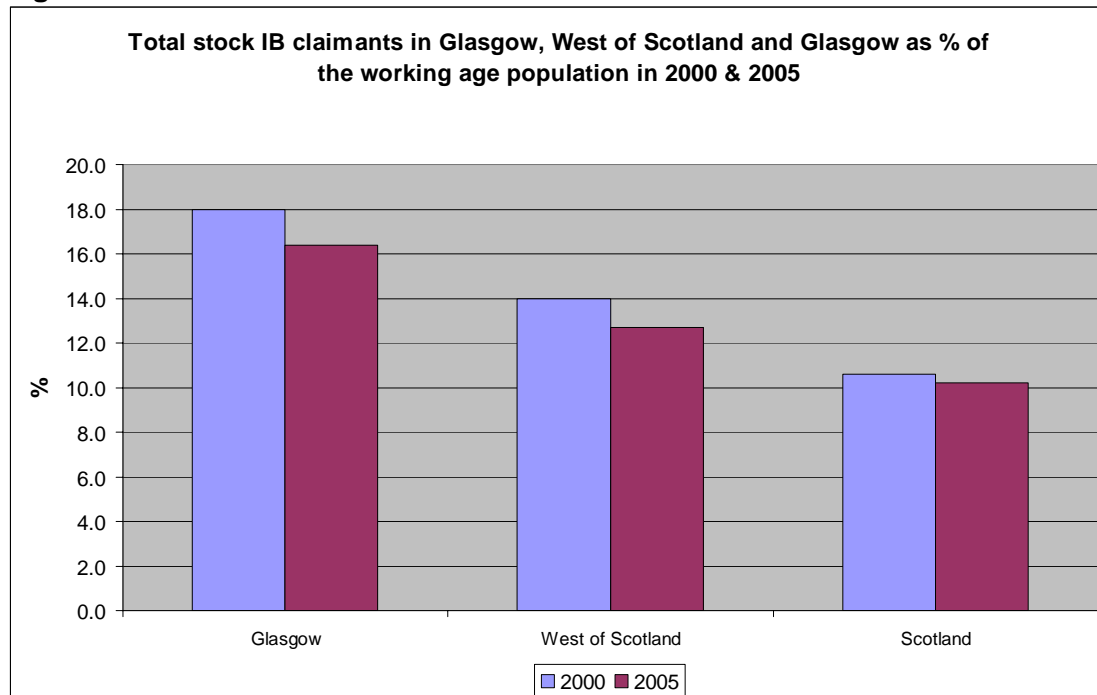
In Scotland the on flow has reduced by 17% while the off flow remains unchanged. The result is that the stock population has decreased by 4% over the five year period.

Therefore, similar trends are observed across the three geographies whilst there has been a larger reduction in the stock IB population in Glasgow and West of Scotland over the five year period than in Scotland.



Appendix 1 shows stock IB claimants, on and off flow to IB in Glasgow, West of Scotland and Scotland in table form.

**Figure 4**



The percent of working age population (WAP) claiming IB has decreased between 2000 and 2005 across the three geographies. There is a far higher proportion of the working age population in Glasgow City claiming IB (16.4% in 2005) than the West of Scotland (12.7% in 2005) and Scotland (10.2% in 2005).

Appendix 2 shows total, payment and credits only claimants<sup>3</sup> as percent of WAP for Glasgow, West of Scotland and Scotland. The payment claimants expressed as a percent of the WAP has decreased over the five year period but the credits only claimants expressed as a percent of the WAP has increased.

<sup>3</sup> 'Payment' IB claimants have a good recent work history and receive IB payment. 'Credits only' claimants receive financial support from other sources but are credited with pension contributions. These claimants have less good recent work histories.

Appendix 3 shows yearly stock IB claimants broken down into payment and credits only claimants for Glasgow, West of Scotland and Scotland. The number of payment claimants has decreased between 2000 to 2005 in Glasgow, West of Scotland and Scotland whereas the number of credits only claimants has increased in the three areas.

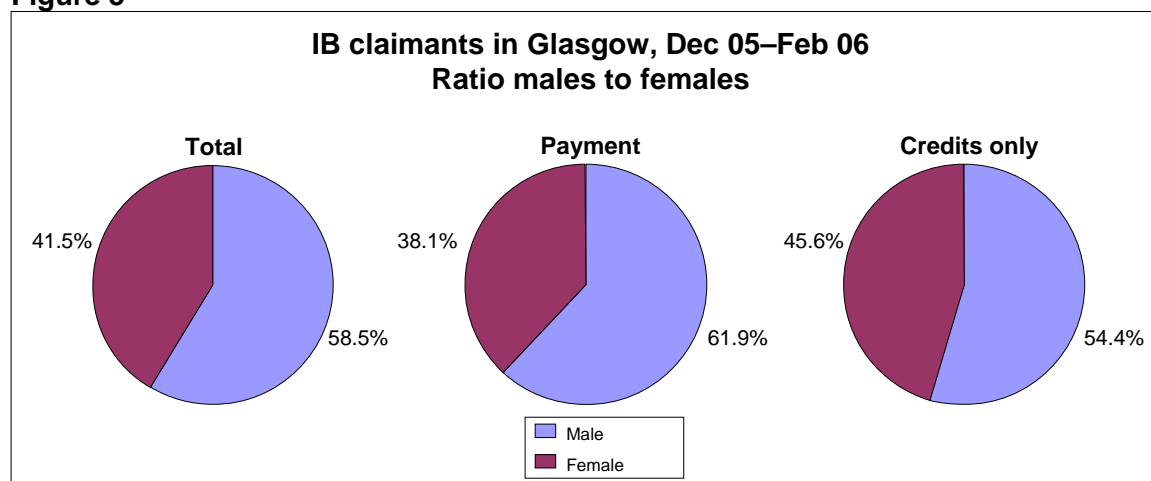
**Table 1: Credits only claimants (expressed as percent of total claimants) in Glasgow, West of Scotland and Scotland**

Credits only IB claimants			
Year	Glasgow	West of Scotland	Scotland
2000	38.9%	29.4%	27.6%
2005	44.9%	35.8%	33.5%

The percentage of credits only claimants has increased across the three geographies. The percentage of credits only claimants started off higher in Glasgow and has remained higher than Scotland in 2005. This suggests that the recent employment history of claimants in Glasgow is not as good as elsewhere.

### Characteristics of the stock IB population

**Figure 5**



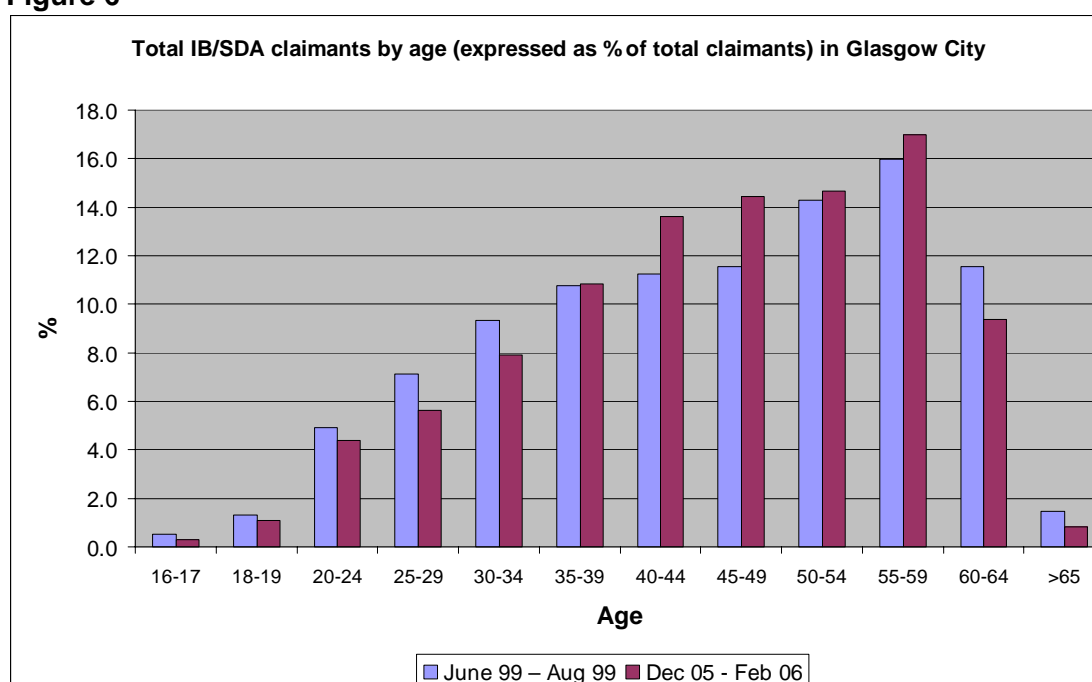
Women are over-represented among IB credits only claimants compared to payment claimants (for Glasgow the figures are 45.6% compared to 38.1%). This reflects the fact that they tend to spend time out of the labour force looking after their family. These ratios have remained consistent over time. The picture is similar in the West of Scotland and Scotland (Appendix 4). Appendix 4 also shows the percentage of working age males and females in Glasgow, West of Scotland and Scotland claiming IB (by total claimants, payment and credits only claimants).

Table 2 and Figure 6 show the age distribution of total IB claimants in Glasgow from June 99 – Aug 99 and Dec 05 – Feb 06.

**Table 2**

	Age of total IB/SDA claimants expressed as % of total claimants in Glasgow City											
	16-17	18-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	>65
June 99 – Aug 99	0.5	1.3	4.9	7.1	9.3	10.7	11.2	11.6	14.3	16.0	11.6	1.5
Dec 05 – Feb 06	0.3	1.1	4.4	5.6	7.9	10.8	13.6	14.4	14.6	17.0	9.4	0.8

**Figure 6**



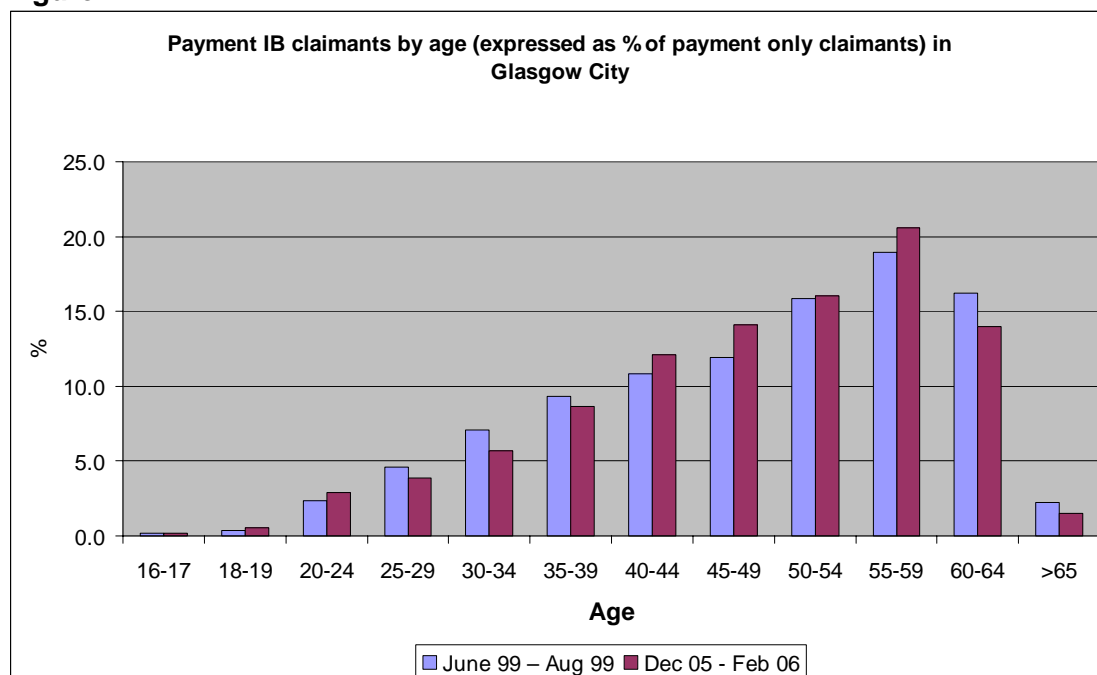
The age groups with the largest percentage of claimants are 40–60 year olds, and the percentage has increased with time. There have been decreases in the younger age categories and the oldest age groups.

Table 3 and Figure 7 show the age distribution of payment IB claimants in Glasgow from June 99–Aug 99 and Dec 05–Feb 06.

**Table 3**

	Age of payment claimants expressed as % of payment claimants in Glasgow City											
	16-17	18-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	>65
June 99 – Aug 99	0.2	0.4	2.4	4.6	7.1	9.3	10.8	11.9	15.9	18.9	16.2	2.3
Dec 05 – Feb 06	0.2	0.6	2.9	3.9	5.7	8.6	12.1	14.1	16.1	20.6	14.0	1.5

**Figure 7**



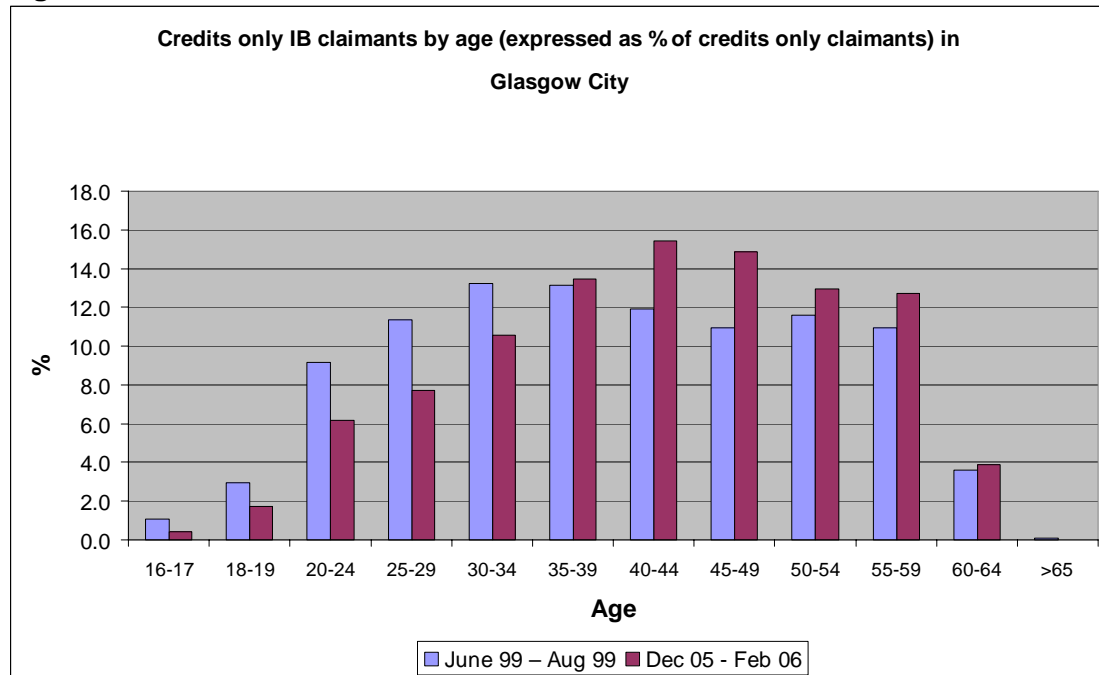
The percentage of payment IB claimants increases with age with the majority of claimants aged over 40. The percentage of payment IB claimants between 40 and 60 has increased over time.

Table 4 and Figure 8 show the age distribution of credits only IB claimants in Glasgow from June 99–Aug 99 and Dec 05–Feb 06.

**Table 4**

	Age of credits only claimants expressed % of credits only claimants in Glasgow City											
	16-17	18-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	>65
June 99 - Aug 99	1.1	2.9	9.2	11.3	13.2	13.1	11.9	10.9	11.6	10.9	3.6	0.1
Dec 05 - Feb 06	0.4	1.7	6.2	7.7	10.6	13.5	15.4	14.8	12.9	12.7	3.9	0.0
% change	-0.6	-1.2	-3.0	-3.6	-2.6	0.4	3.5	3.9	1.4	1.8	0.3	-0.1

**Figure 8**



The age of credits only claimants is more evenly distributed across age categories. The profile of credits only claimants is changing more than that of payment claimants, in that there has been a decrease in the proportion who are younger claimants and an increase in proportion of older credits only claimants.

Appendix 5 shows all age data in Glasgow, West of Scotland and Scotland by total claimants, payment and credits only claimants.

**Key points**

- The most common age groups are the 40-60 age groups.
- The older age groups have grown modestly over time.
- This pattern is mirrored in the West of Scotland and Scotland.

Appendix 5 also shows claimant age expressed as a percent of the corresponding working age population.

One striking statistic from this Appendix is so important it is highlighted below.

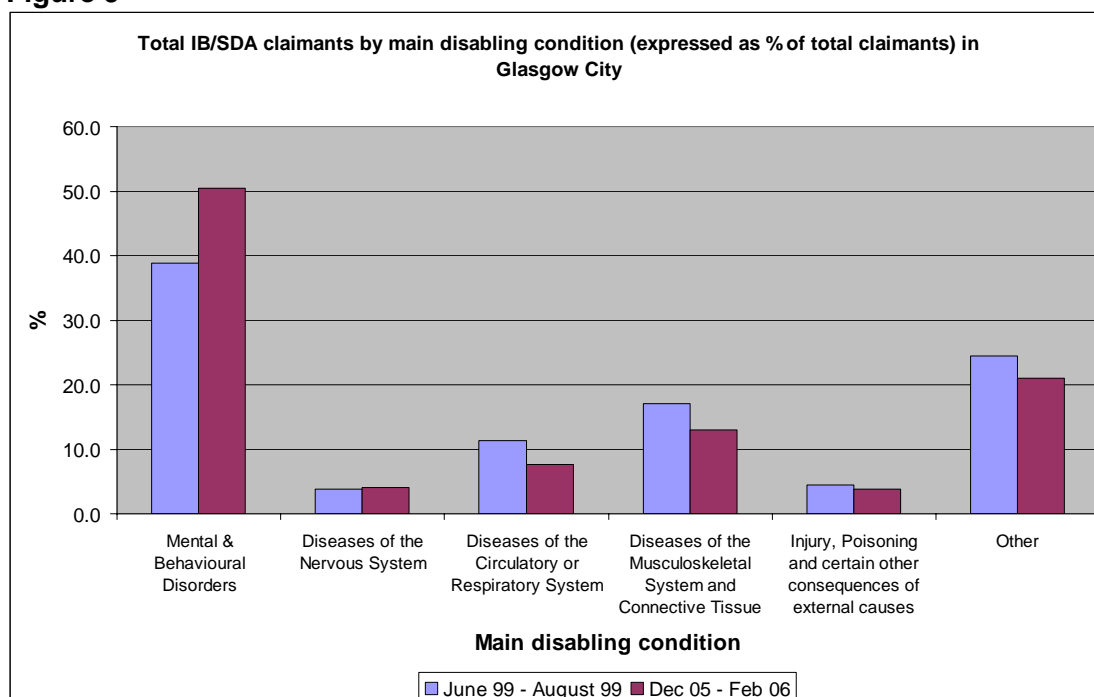
**Table 5: Percent of 55-59 year olds claiming IB/SDA in Glasgow, West of Scotland and Scotland**

Year	% of 55-59 year olds claiming IB/SDA		
	Glasgow	West of Scotland	Scotland
June 99–Aug 99	37.3	27.4	18.1
Dec 05–Feb 06	34.9	25.8	18.6

Overall, in both Glasgow and Scotland, the proportion of IB claimants rises with age, peaking in the 55-59 age group. Glasgow has a higher proportion of the working age population on IB than Scotland in every age group, but the city's excess of claims compared to Scotland is concentrated in the older age groups. The proportion of older working age people on IB in Glasgow is therefore particularly high, reaching 34.9% of 55-59 year olds, compared to 18.6% in Scotland.

From the 1960s to the 1990s, musculoskeletal disorders were the leading reason for claiming IB in the UK. However, since then, their numbers have fallen slightly whereas mental health conditions have increased and these now outnumber musculoskeletal disorders as the main disabling condition.<sup>4</sup>

**Figure 9**



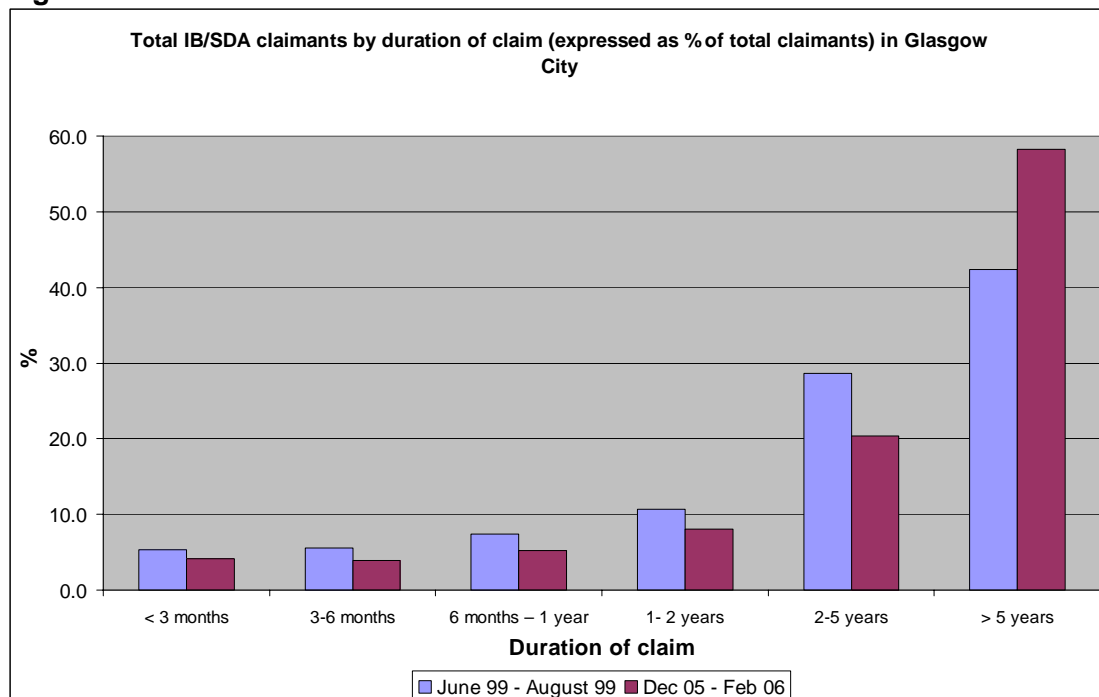
The main reason for claiming IB is now 'mental and behavioural disorders', which have increased from 38.9% (June 99–Aug 99) to 50.4% (Dec 05–Feb 06).

<sup>4</sup> Waddell, G and Aylward, M. The Scientific and Conceptual Basis of Incapacity Benefits. 2005. London, The Stationery Office.

The 'reason on IB' data in Glasgow, the West of Scotland and Scotland are shown separately for payment and credits only claimants in Appendix 6. Appendix 6 shows that more credits only claimants are receiving IB because of mental and behavioural disorders than payment claimants in Glasgow. (For Dec 05–Feb 06, 42.8% of payment claimants were receiving IB because of a mental and behavioural disorder, compared with 59.5% of credits only claimants.)

Similar trends are observed in West of Scotland and Scotland but the percentage share of those with mental health problems in Glasgow was slightly greater. (For Dec 05–Feb 06, the % of total claimants claiming because of mental and behavioural disorder was 50.4% in Glasgow, 44.9% in West of Scotland and 43.2% in Scotland). Clearly there is a need to explore the circumstances of people claiming because of mental or behavioural disorders and this will be carried out in a future study.

**Figure 10**



The majority of claimants have been claiming for more than two years, with 58.2% claiming for over five years in the quarter Dec 05–Feb 06. There have been decreases in all the duration of claim categories except for the 'greater than five years' category.

Appendix 7 shows payment and credits only claimants by length of time on IB in Glasgow. There are more payment than credits only claimants in the greater than five years category (for Dec 05–Feb 06, 65.6% of payment claimants as compared to 49.3% of credits only claimants had been receiving IB for more than five years). However there has been a larger increase in the percentage of credits only claimants in the greater than five year category between June 99–Aug 99 and Dec 05–Feb 06.

Similar trends are observed in the West of Scotland and Scotland (Appendix 7).

## **Looking more deeply into the current position of the stock IB population**

Detailed tables showing the breakdown of payment and credits only claimants in Glasgow and Scotland are included in Appendix 8.

The reason why credits only claimants have been increasing relative to payments claimants appears to lie at least partly in the fact that the national insurance contribution conditions for receiving payments were tightened up in 2001 for new claimants. Since then, fewer of the people coming on to IB have qualified for payments. However, there may well be other factors at work and a full understanding requires more research.

### ***Stock IB claimants and age***

There is a striking difference in age profile between payment and credits only claimants. In both Glasgow and Scotland, just over half of payments claimants are aged over 50, compared to under 30% of credits only claimants. The reason why the age distribution of payments claimants is older than that of credits only claimants almost certainly lies in the fact that ill-health increases with age. As a consequence of this, in the older age groups, more people who have a strong personal employment history develop conditions which require them to give up work and move on to sickness benefits. Because of their strong employment record, they qualify for IB payments. By contrast, in the younger age groups, people who are not working because of ill-health or disability are more likely to have had the condition for long enough for their employment record to be affected, so that they are less likely to qualify for IB payments.

Glasgow has a higher proportion of every population age group on credits only IB than does Scotland. For most groups the proportions are at least double. However, for payment IB there is a contrast between younger and older age groups. For age groups over 30, Glasgow has a higher proportion of the population on payment IB than Scotland, but for those under 30 the proportion in Glasgow is lower. This again appears to reflect Glasgow's worse employment history, in that a smaller proportion of young people have a strong employment record.

### ***Stock IB claimants and reason on benefit***

Mental health or behavioural problems account for 50% of those claiming IB in Glasgow, compared to 43% in Scotland. For credits only claimants this proportion rises to almost 60%, compared to 55.5% in Scotland. These are mainly mild to moderate conditions. IB claimants with mental health or behavioural problems represent 8.0% of Glasgow's working age population – almost one in 12 – compared to 4.3% in Scotland.

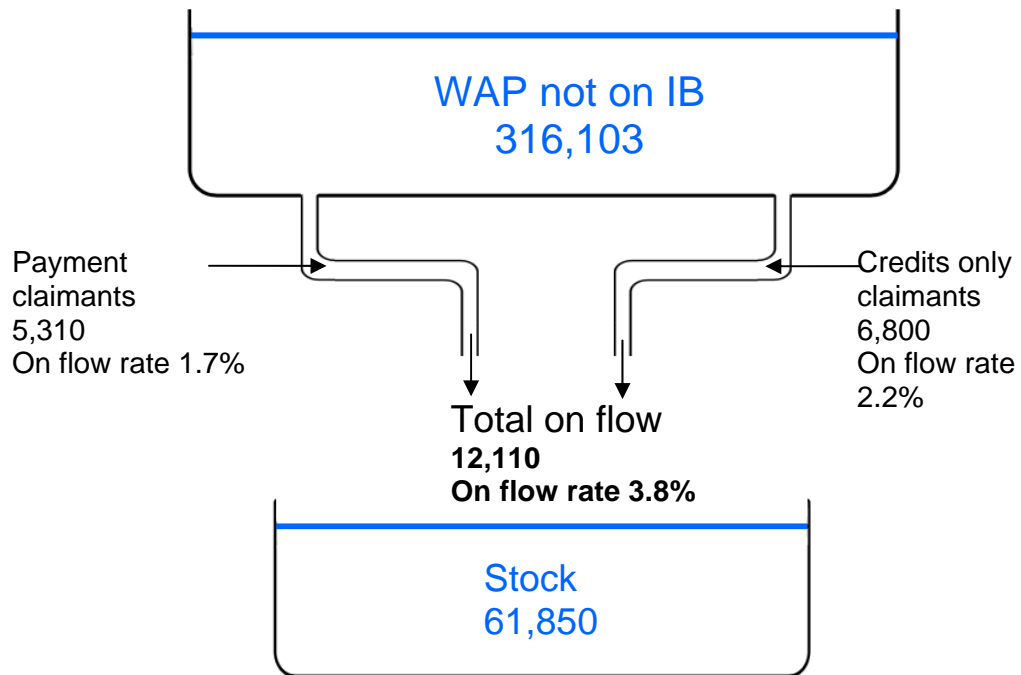
It is possible to obtain some idea of how far Glasgow's higher levels of IB claimants reflect a higher level of underlying ill-health in the population by considering special Census tabulations obtained for this project. The proportion of Glasgow's working age population in April 2001 with a limiting long-term illness (LLTI) was 21.7%, compared to 15.6% in Scotland. This would by itself suggest that Glasgow would be likely to have a higher level of IB claims. However the ratio of IB claimants at May 2001 to working age people with a LLTI at April 2001 was substantially higher in Glasgow (0.861) than in Scotland (0.693). This suggests the higher level of IB claimants in Glasgow cannot simply be explained by a higher level of longstanding illness.



**On flows**

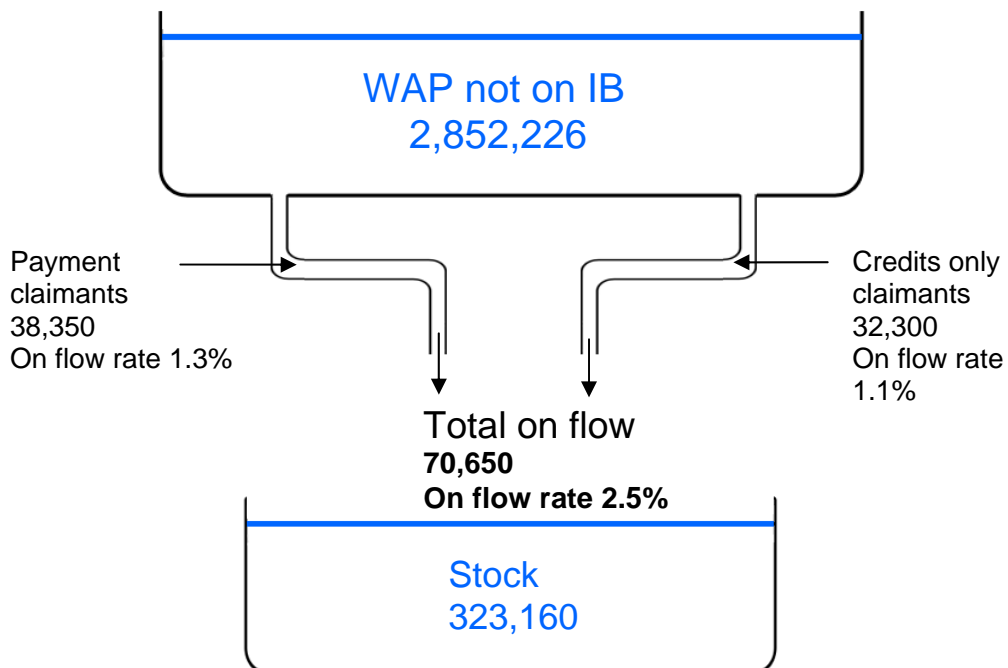
On flow data is presented as yearly totals. A full set of tables for Glasgow City, West of Scotland and Scotland is shown in Appendix 9.

**Figure 11: On flows in Glasgow in 2005**



The rate of on flow for 2005 is expressed as a percent of the working age population (WAP) not on IB. This is the 'population at risk' of moving onto IB. The on flow was 3.8% in 2005. More of the on flow was made up of credits only claimants than payment claimants.

**Figure 12: On flows in Scotland in 2005**



The rate of on flow in Scotland for 2005 was 2.5%. More of the on flow was made up of payment claimants than credits only claimants.

Tables 6 – 9 show on flows and rates of on flows in Glasgow and Scotland in 2000 and 2005.

**Table 6: On flows in Glasgow 2000 and 2005**

IB/SDA on flows Glasgow			
Year	Total claimants	Payment claimants	Credits only claimants
2000	15,000	6,580	8,420
2005	12,100	5,310	6,800
Difference	-2,900	-1,270	-1,620

The on flow has decreased in Glasgow for all claimants in 2005 compared to 2000. On flows were 2,900 claimants less in 2005 than in 2000.

**Table 7: On flows as per cent of working age population not on IB in Glasgow in 2000 and 2005**

<b>IB/SDA on flows Glasgow</b>			
<b>Year</b>	<b>Total claimants as % of WAP not on IB</b>	<b>Payment claimants as % of WAP not on IB</b>	<b>Credits only claimants as % of WAP not on IB</b>
2000	4.8	2.1	2.7
2005	3.8	1.7	2.2

The rate of on flow has decreased by 21% in Glasgow (4.8% in 2000 to 3.8% in 2005). The rate of on flow was higher for credits only claimants than payment claimants and has remained so.

**Table 8: On flows in Scotland in 2000 and 2005**

<b>IB/SDA on flows Scotland</b>			
<b>Year</b>	<b>Total claimants</b>	<b>Payment claimants</b>	<b>Credits only claimants</b>
2000	84,730	47,350	37,380
2005	70,650	38,350	32,300
Difference	-14,080	-9,000	-5,080

The on flow has decreased in Scotland for all claimants in 2005 compared to 2000. On flows were 14,080 claimants less in 2005 than in 2000.

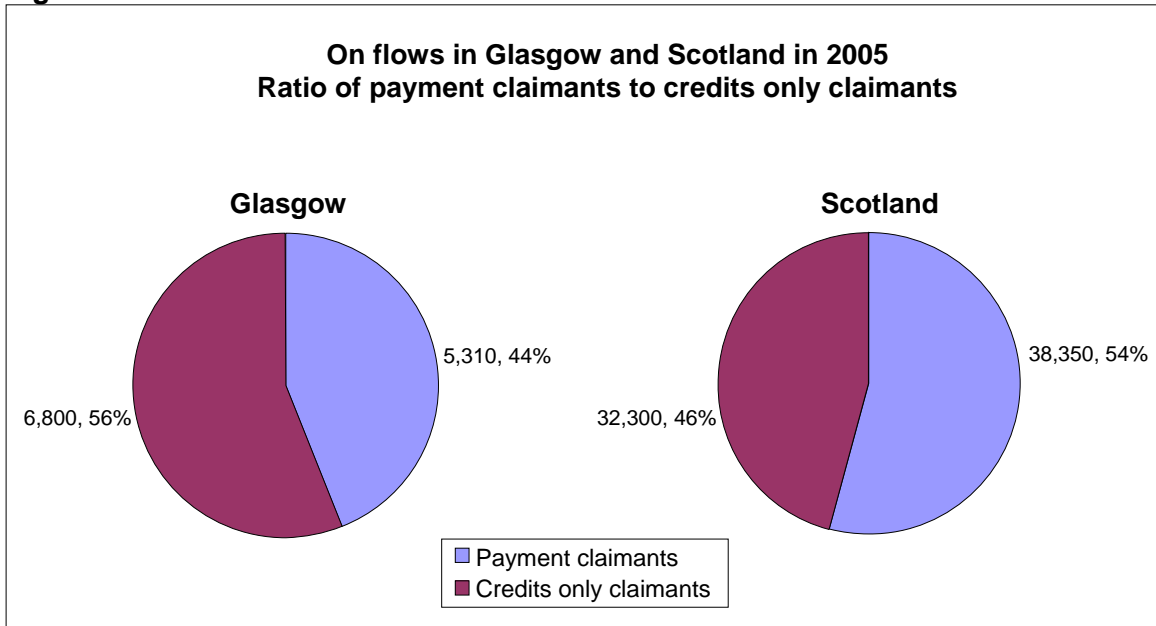
**Table 9: On flows as per cent of working age population not on IB in Scotland in 2000 and 2005**

<b>IB/SDA on flows Scotland</b>			
<b>Year</b>	<b>Total claimants as % of WAP not on IB</b>	<b>Payment claimants as % of WAP not on IB</b>	<b>Credits only claimants as % of WAP not on IB</b>
2000	3.0	1.7	1.3
2005	2.5	1.3	1.1

The rate of on flow has decreased by 16% in Scotland (3.0% in 2000 to 2.5% in 2005). The rate of on flow was higher for payment claimants than credits only claimants and has remained so.

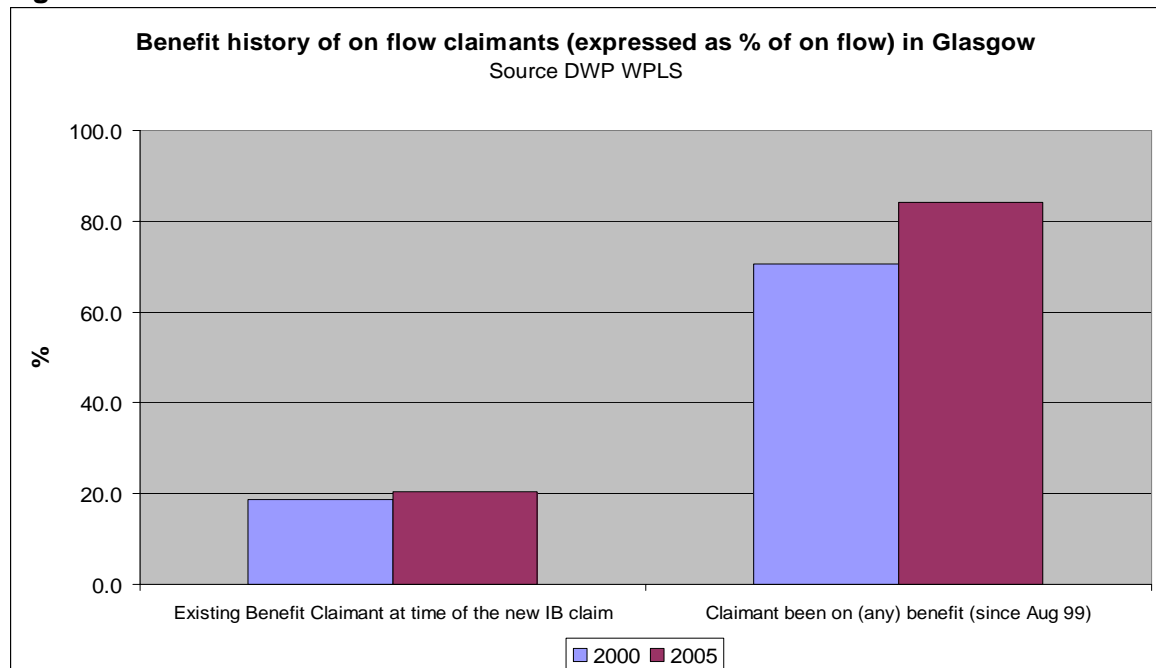
**The on flow in Glasgow has declined and has done so at a slightly higher rate than for Scotland as a whole.** The rate in Glasgow is still higher than Scotland (3.8% v 2.5% in 2005).

**Figure 13**



The on flow in Glasgow is made up of more credits only claimants (with less work history) than in Scotland.

**Figure 14**



Around 20% of new IB claimants in Glasgow are already claiming other benefits. In 2000, 70% of new claimants had been on benefit before and this increased to 84% in 2005.

Also reflecting Glasgow's worse employment history is the fact that a higher proportion of entrants to IB (20.4% in 2005) are moving from another benefit than is the case for Scotland as a whole (18.5% in 2005) (see Appendix 9).

Differences between on flow in Glasgow and Scotland are summarised below.

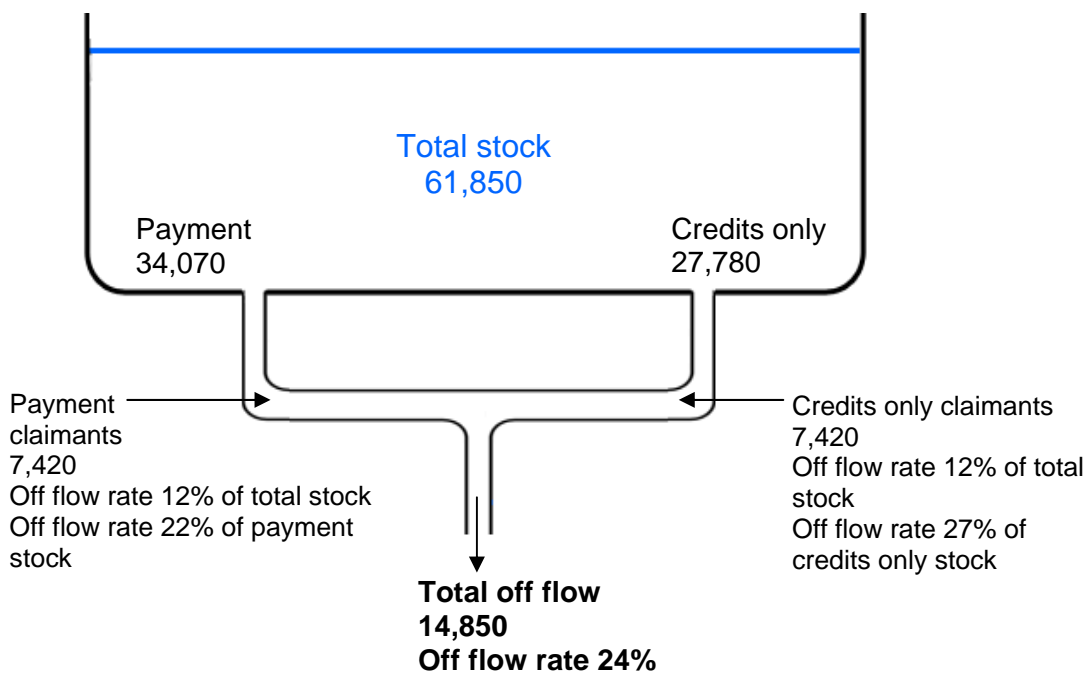
- The rate of on flow in 2000 and 2005 is higher in Glasgow than in Scotland.
- The on flow in Glasgow has declined and has done so to a greater extent than for Scotland.
- In Glasgow the on flow is made up of more credits only claimants.
- Reductions in payment claimant on flows have been the same for Glasgow and Scotland at 0.4% of the working age population not already on IB, but Glasgow has had a much larger reduction in credits only on flows at 0.5% of the working population compared to 0.2% for Scotland.

On flow data by sex, age and reason on benefit are shown in Appendix 9. These data are not broken down into payment and credits only claimants.

**Off flows**

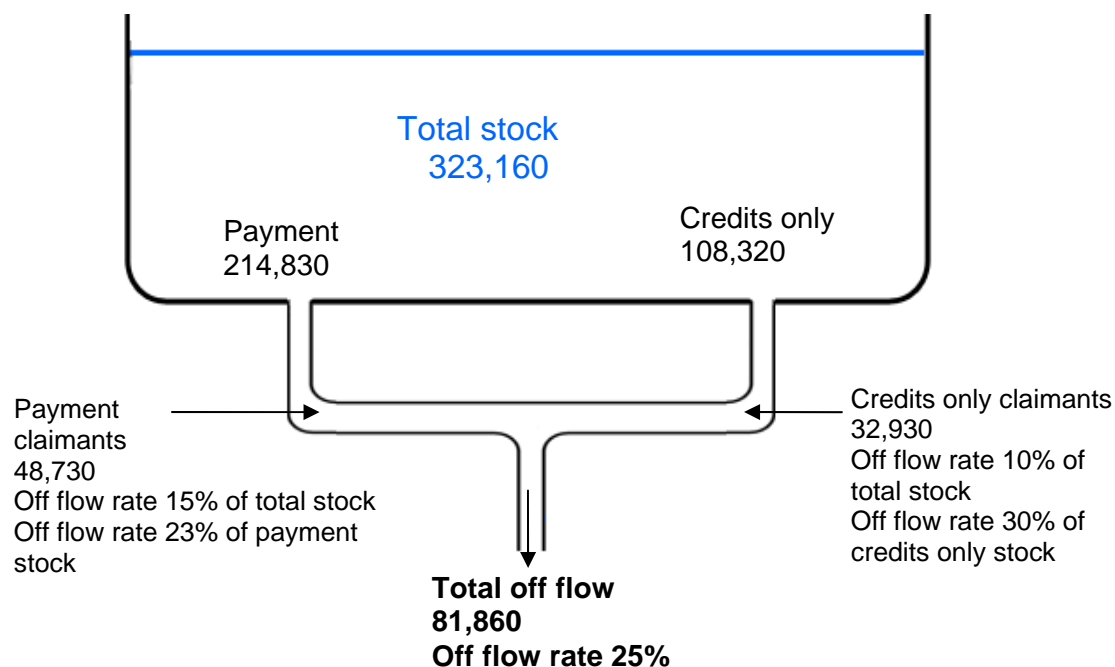
Off flow data are presented as yearly totals. A full set of tables for Glasgow City, West of Scotland and Scotland is shown in Appendix 10.

**Figure 15: Off flows in Glasgow in 2005**



The rate of off flow is expressed as a per cent of the total stock population. This is the 'population at risk' of moving off IB. The total rate of off flow was 24% in 2005. This is made up of equal numbers of payment and credits only claimants; however, the off flow *rate* for payment claimants is 22% compared with 27% for credits only claimants.

**Figure 16: Off flows in Scotland in 2005**



The rate of off flow is expressed as a per cent of the total stock population. This is the 'population at risk' of moving off IB. The total rate of off flow was 25% in 2005. This was made up of more payment than credits only claimants. However the *rate* of off flow for credits only claimants was 30%, compared with 23% for payment claimants when expressed over corresponding stock.

Tables 10 – 13 show off flows and rates of off flows in Glasgow and Scotland in 2000 and 2005.

**Table 10: Off flows in Glasgow in 2000 and 2005**

IB/SDA off flows Glasgow			
Year	Total claimants	Payment claimants	Credits only claimants
2000	14,510	7,740	6,760
2005	14,850	7,420	7,420
Difference	+340	-320	+660

There have been small changes in the absolute numbers of off flow claimants in Glasgow from 2000 to 2005. Total claimant numbers have increased by 340, payment claimants have decreased by 320 and the credits only claimants have increased by 660.

**Table 11: Off flows in Glasgow as percent of the corresponding stock IB population in 2000 and 2005**

<b>IB/SDA off flows Glasgow</b>			
<b>Year</b>	<b>Total claimants as % of Total stock claimants</b>	<b>Payment claimants as % of Payment stock claimants</b>	<b>Credits only as % of Credits only stock claimants</b>
2000	21.4	18.7	25.6
2005	24.0	21.8	26.7

The rate of off flow in Glasgow has shown a small increase from 21.4% to 24.0% from 2000 to 2005. There have also been small increases in the rates of off flow of payment claimants (even though the actual number of off flow payment claimants has fallen) and credits only claimants.

**Table 12: Off flows in Scotland in 2000 and 2005**

<b>IB/SDA off flows Scotland</b>			
<b>Year</b>	<b>Total claimants</b>	<b>Payment claimants</b>	<b>Credits only claimants</b>
2000	81,870	52,260	29,380
2005	81,860	48,730	32,930
Difference	-10	-3,530	+3550

There have been small changes in the absolute numbers of off flow claimants in Scotland between 2000 to 2005. Total claimant numbers decreased by 10, payment claimants decreased by 3530 and the credits only claimants increased by 3550.

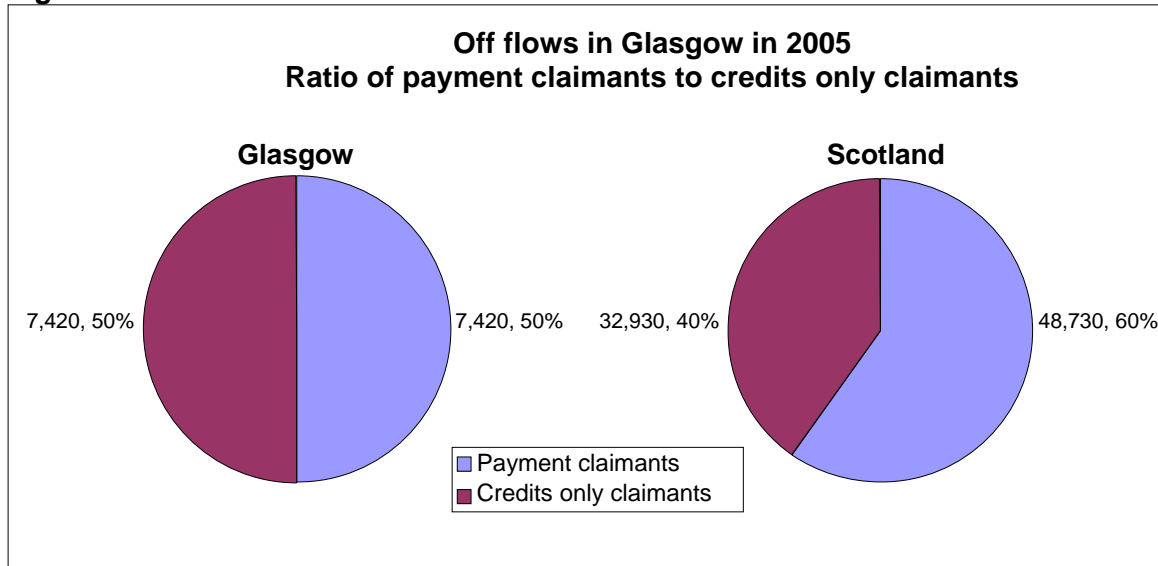
**Table 13 Off flows in Scotland as a per cent of the corresponding stock IB population in 2000 and 2005**

<b>IB/SDA off flows Scotland</b>			
<b>Year</b>	<b>Total claimants as % of Total stock claimants</b>	<b>Payment claimants as % of Payment stock claimants</b>	<b>Credits only as % of Credits only stock claimants</b>
2000	24.4	21.5	31.7
2005	25.3	22.7	30.4

The rate of off flow in Scotland has shown a small increase from 24.4% to 25.3% from 2000 to 2005. There has also been a small increase in the rate of off flow of payment claimants (even though the actual number of off flow payment claimants has fallen) but a small decrease in the off flow rate of credits only claimants.

In absolute terms there has only been an increase of 340 off flow claimants in 2005 compared with 2000 in Glasgow. This is small compared to the decrease in on flow claimants (2900). Nonetheless, there has been a change in the proportion of stock who have moved off the IB stock, rising from 21.4 % in 2000 to 24.0% in 2005.

**Figure 17**



The off flow in Glasgow is made up of a higher percentage of people with a poorer work history.

All data for total on flow claimants by sex, age, reason on benefit and length of time on IB are shown in Appendix 10.

Appendix 10 shows that the sex and the reason on benefit of the off flow claimants are similar to the stock population. In all three geographies more of the off flow is made up of shorter (rather than longer term claimants) and younger (rather than older) claimants. Shorter-term and younger claimants make up a higher proportion of the off flow than the stock population in Glasgow, the West of Scotland and Scotland.



### ***Changes in off flows***

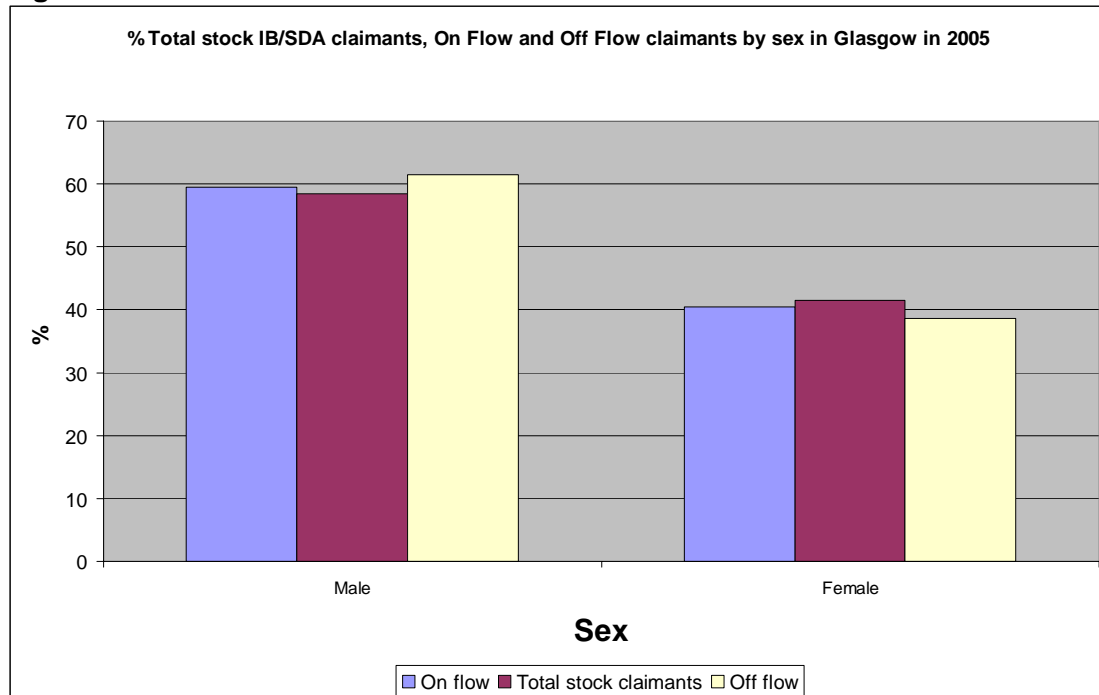
The increase in off flows has been more significant than appears at first sight (see Appendix 10 for detailed tables showing breakdown of off flow claimants). The potential size of off flows from IB depends on the size of the stock of claimants, and since this has been falling, the off flows would have fallen also, even if the probability of an individual claimant moving off benefit had not changed. However, if off flows are measured as a percentage of the stock, between 2000 and 2005 there has been an increase in off flows for both payments and credits only claimants in Glasgow, from 18.7% to 21.8% and from 25.6% to 26.7% respectively. In Scotland as a whole, there has been no change in off flows overall, although they have increased slightly for payments claimants and fallen slightly for credits only claimants. As a result, although Glasgow still has lower off flow rates, it has gone some way towards closing the gap with the whole of Scotland.

Off flow rates in both 2000 and 2005 are higher for people under 30. There has been a particularly striking increase in Glasgow for this age group. Whereas in 2000 the off flow rate was 5% lower than in Scotland (at 41.0% compared to 46.5%), by 2005 it was 5% higher (55.1% compared to 50.0%).

Off flow rates have increased between 2000 and 2005 in both Glasgow and Scotland for claimants in every category of duration of claim except for those claiming over five years, for which they have fallen. However, off flow rates have increased in Glasgow *relative* to Scotland in every category of duration of claim, with the result that Glasgow now has higher off flow rates than Scotland in every category of duration of claim longer than six months. The increase in off flow rates in Glasgow has been particularly marked for claims between three and six months in duration and those between six months and one year long.

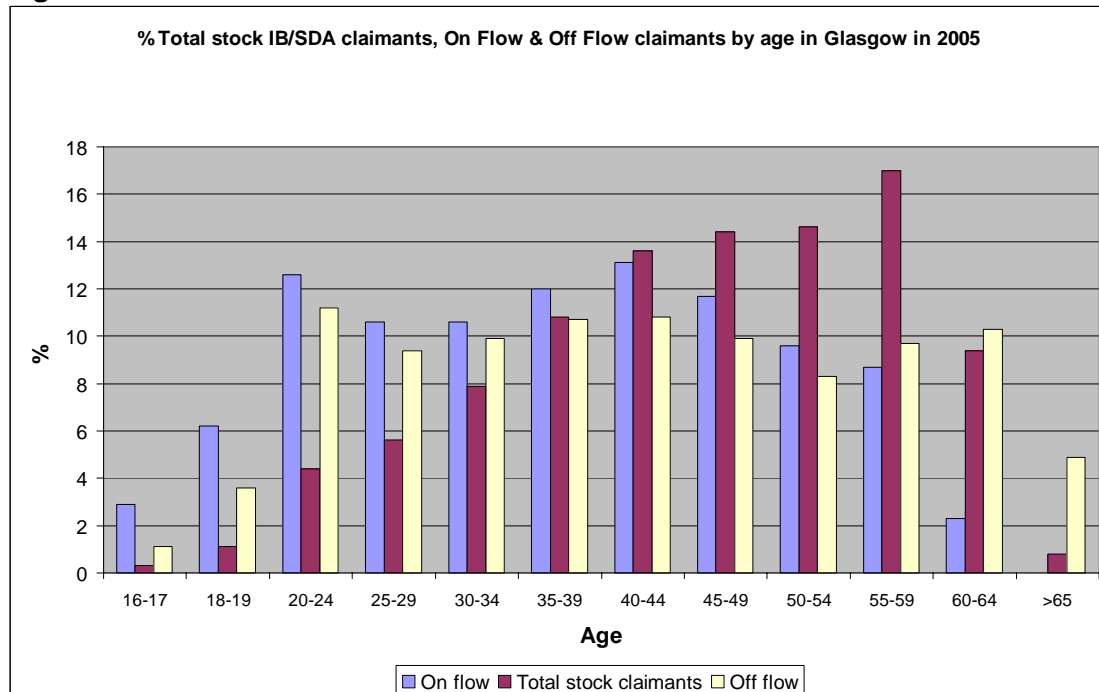
## Comparing the characteristics of claimants and on and off flow populations

**Figure 18**



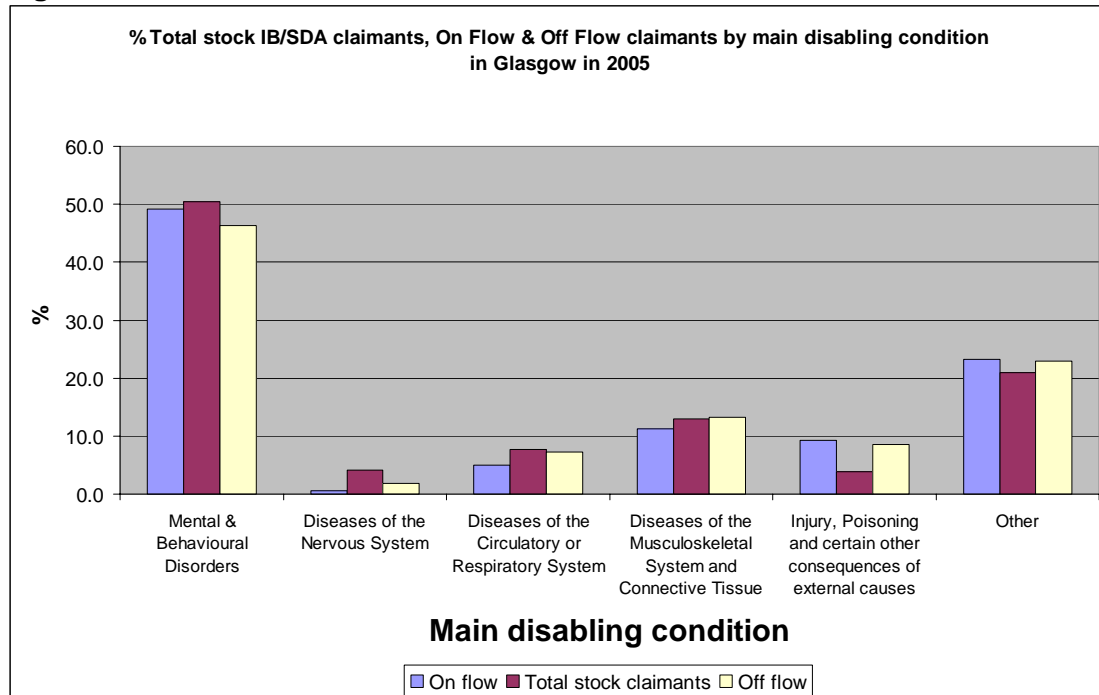
The gender distribution is similar in the three populations: stock claimants, on flow and off flow.

**Figure 19**



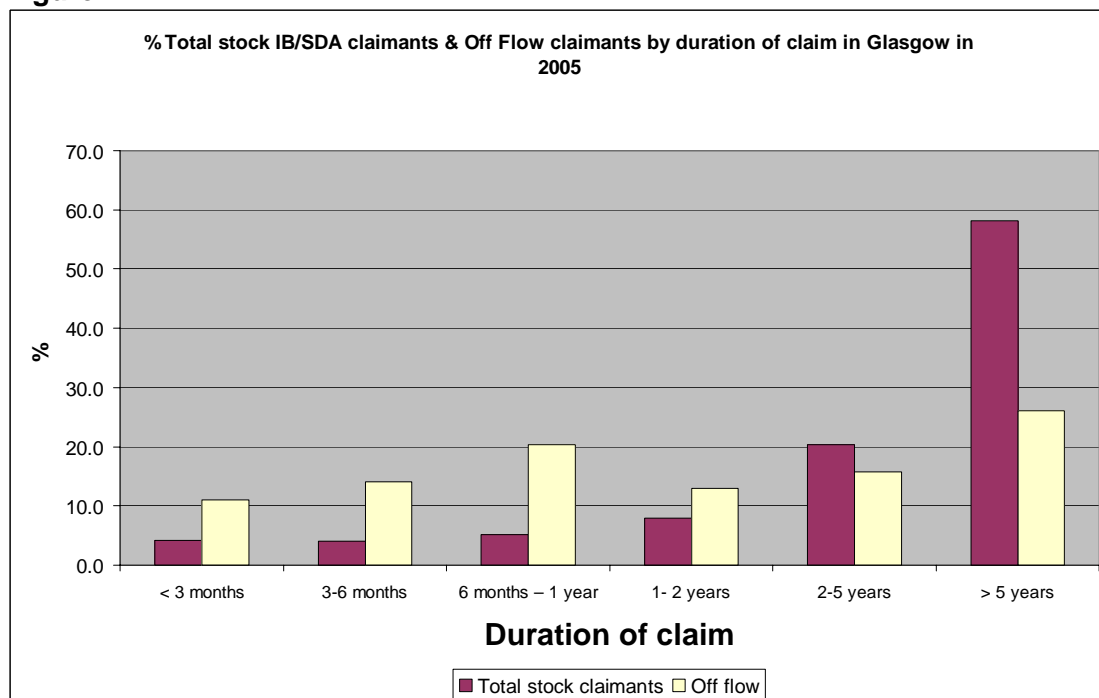
The stock IB population tends to comprise older claimants. The on and off flow populations are made up of younger claimants.

**Figure 20**



In terms of the reason for claiming IB, the on and off flow are similar to the stock population.

**Figure 21**



The stock population is dominated by those who have been on IB for greater than five years (>50% of claimants). In contrast the off flow population is fairly equally represented by claimants of all durations.

## CONCLUSIONS AND FUTURE DIRECTIONS

1. Glasgow has an important problem in terms of the absolute size of its IB claimant population (61,850 in 2005) and the fact that this population represents such a high proportion of the working age population (16.4% in 2005).
2. The size of the IB population is declining slowly, mainly because the rate of on flow has been reduced.
3. In recent years, considerable investment has gone into increasing the off flow by supporting IB claimants through return to work schemes. The time period for this study (2000 – 2005) may be too early to have detected the full impact of this recent investment.
4. Compared to Scotland, the IB population in Glasgow is characterised by:
  - Being older
  - Having been on IB for greater than five years
  - Having a mental health diagnosis
  - Being a credits only claimant (less good recent employment history). *However there are still more payment claimants in Glasgow than credits only claimants. The difference is that there are more credits only claimants in Glasgow compared to the West of Scotland and Scotland. You are more likely to be a credits only claimant in Glasgow than you are in the rest of Scotland.*

This report is only a beginning. The authors intend to develop a programme of work to achieve the following:

1. Set up the capacity to report on the number and nature of the stock, on flow and off flow claimants in as close to real time as possible. This will provide important information for those developing interventions.
2. To discover more about the determinants of successful return from IB claimant status to work.
3. To better understand the dynamic relationship between health status, the labour market and policy interventions as they affect this vulnerable population.
4. To provide feedback from the above to policy makers, professionals and the public.

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## Acknowledgements

This work would not have been possible without the help of Penny Sinclair and Gary Gifford at the Information Directorate, Department for Work and Pensions who provided the data.

The authors are also grateful to the following:

- David Walsh (Glasgow Centre for Population Health), Michael Kennedy (Scottish Executive), Raymond Wallace (Healthy Working Lives South Lanarkshire), Jack Martin (Head of Scottish Incapacity Benefits Innovations Unit), Mark Kennedy (Director of Condition Management Programme, NHS Lanarkshire), Robert McKay (Work Implementation Manager, JobCentre Plus/DWP Glasgow), Carol Dutch (Pathways To Work Implementation Manager, Lanarkshire and East Dunbartonshire), Raymond Johnston and David Seers (Workforce Plus, Scottish Executive), who all helped with early discussions of the study.
- Linda Taylor at General Register Office for Scotland for the production of a new census table.
- Mike Daly and James Battye, Disability and Work Division Sheffield, DWP.
- Dr Bill Gunnyeon, Chief Medical Adviser, Medical Director and Chief Scientist to the DWP.
- Prof Carol Tannahill (Director), Dr Russell Jones (Public Health Programme Manager) and the Glasgow Centre for Population Health.

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