

Destination of Benefit Leavers, 2004

Introduction

The 2004 'Destination of Benefit Leavers' survey is part of the Department of Work and Pensions (DWP) Longitudinal Study, which focuses on improving information on the destinations of working age benefit leavers and monitoring the number of claimants flowing off benefits and into work. The DWP commissioned BMRB Social Research to carry out a large-scale survey of people leaving Income Support and Incapacity Benefit and leavers from Jobseeker's Allowance whose destination is recorded as unknown in the administrative systems.

The aims of the research were to provide data on the destinations of these key working age benefit leavers, similar to the information currently collected for JSA leavers.

The survey was designed to provide DWP with information on the first destination of the leaver, earnings/employment information for those who have entered work, any subsequent changes to the first destination (where applicable) and demographic information not already held administratively.

The sample population comprised all individuals who were recorded as leaving either Income Support (IS) or Incapacity Benefit (IB) between 1 February and 14 May 2004 and Jobseeker's Allowance (JSA) clients with unknown destinations, who left between 1 February and 15th May (regardless of their time spent claiming benefit).

Client groups are defined as:

- Sick and disabled (all Income Support (IS) leavers with a disability premium and all Incapacity Benefit (IB) leavers, including credit only cases).
- Lone parents (Income Support leavers with dependent children and no partner).
- JSA unknown destinations (Jobseeker's Allowance leavers with destination code W – other reason, F – unknown reason, H – failed to attend, A – ceased claiming or blank/missing codes).

A sample of 38,101 leavers was interviewed between June and October 2004, typically between four and six months after leaving benefit. Completed interviews were obtained with 17,166 leavers, equivalent to an overall response rate of 64 per cent (after adjusting for inaccurate contact details and opt out).

Main findings

- Sick/disabled benefit leavers from the South East represented the highest proportion returning to full time work (63 per cent). London's sick/disabled group contained the fewest: 35 per cent. Both figures were significantly different from the 50 per cent of all sick/disabled clients. JSA clients from the London and North East were the most likely of all respondents to have returned to full-time education or training of 16 hours or more: 11 per cent and 13 per cent compared to six per cent of all JSA clients. Lone parents in London were also above average in

this respect, with six per cent starting full-time education or training compared to two per cent of all lone parents.

- Differences can also be seen in London in terms of the number of sick/disabled clients moving onto other benefits: over a quarter (26 per cent) had done so compared to 19 per cent overall. A similar amount in Scotland (25 per cent of sick/disabled clients) had moved to a different benefit for people out of work.
- Applicable only to the sick/disabled group, the number of those who left benefit because they failed the medical assessment was highest in the East Midlands (11 per cent). Looking at those who were told they were no longer eligible for the benefit/ benefit stopped, JSA clients in the South East were above average (17 per cent, compared to 10 per cent overall).
- As previously stated, lone parents are most likely to have had changes in their partner status or began living with a partner. By government region it can be noted that almost a quarter (23 per cent) of lone parents in Yorkshire and Humberside had begun living with a partner, a significant difference from the one in ten (10 per cent) in London.

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Table 1 Lone Parents, 2004

Destination after leaving benefits (%)

	North East	North West	Yorks/ Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland
Returned to/started working 16 hours or more	58	61	50	58	51	55	51	50	56	60	55
Returned to/started full-time training or education 16 hours or more	2	1	1	1	3	1	6	2	1	1	2
Moved onto another benefit for people who are out of work	12	8	9	14	11	5	11	8	8	10	9
Returned to/started working less than 16 hours	0	1	*	1	1	1	3	2	0	0	2
Partner status changed/partner started claiming on their behalf	8	7	5	3	10	8	6	5	8	9	10
Began living with partner	14	13	23	15	14	19	10	19	18	15	14
Told no longer eligible/benefit stopped	2	3	1	3	3	2	6	4	3	1	3
Retired	0	*	0	0	0	0	1	0	0	0	1
Went abroad/to prison/moved house	0	1	0	0	*	2	*	0	2	0	1
Temporary break from claim/problem with claim	2	1	*	0	*	1	1	1	1	0	1
Other	2	1	2	2	1	1	1	2	1	2	1
Not stated	0	3	6	1	3	2	2	7	1	2	*
Don't know	1	1	1	1	2	3	1	1	*	2	1
Base: Total who finished a claim	392	963	673	587	532	661	812	768	695	456	699

Whether worked as an employee or self-employed after leaving benefit (%)

Employee	89	94	92	96	90	87	85	90	96	96	96
Self-employed	3	3	5	4	6	10	8	9	4	4	3
Not stated	8	3	2	0	4	3	7	1	0	0	0
Base: work 16hrs or more/week	246	597	386	340	283	390	413	410	431	274	433

Number of hours worked per week after leaving benefit (%)

Less than 16 hours	5	1	2	2	2	1	3	1	3	1	1
16 – 29 hours	67	73	74	70	64	77	43	67	69	73	71
30 or more	28	25	23	27	34	21	53	31	27	25	28
Don't know	0	1	1	1	1	1	1	2	1	1	1
Base: work 16hrs or more/week	239	595	382	339	280	387	407	409	431	273	430

Usual take home pay after leaving benefit (%)

Less than £4.50	33	42	43	39	45	33	16	35	35	36	42
£4.50 up to £5	10	12	11	16	6	9	6	10	4	6	8
£5 up to £7	14	21	18	19	25	29	29	25	31	26	26
£7 or more	18	13	9	12	13	15	25	11	19	15	10
Don't know	18	12	18	14	12	15	25	17	10	19	13
Base: work 16hrs or more/week	246	597	386	340	283	390	413	410	431	274	433

Source: DWP. *: sample too small

Table 2 Sick/disabled, 2004**Destination after leaving benefits (%)**

	North East	North West	Yorks/ Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland
Returned to/started working 16 hours or more	48	52	50	49	49	58	35	63	58	47	40
Returned to/started full-time training or education 16 hours or more	2	2	1	*	1	1	2	1	1	2	4
Moved onto another benefit for people who are out of work	22	15	21	17	22	18	26	10	18	18	25
Returned to/started working less than 16 hours	2	4	2	3	5	3	2	5	2	1	4
Partner status changed/partner started claiming on their behalf	1	2	1	1	1	1	1	1	2	4	3
Began living with partner	1	*	1	1	2	0	0	2	1	1	2
Failed medical assessment	10	5	7	11	6	6	10	4	4	8	7
Told no longer eligible/benefit stopped	10	9	7	8	6	5	6	5	7	5	7
Retired	1	2	1	2	3	1	2	*	1	1	1
Went abroad/to prison/moved house	0	*	1	1	2	1	4	1	1	2	1
Temporary break from claim/problem with claim	*	3	3	2	2	3	5	1	1	2	1
Other	1	2	3	2	2	2	5	4	3	3	2
Not stated	1	3	1	1	*	1	2	1	2	3	2
<i>Base: Total who finished a claim</i>	<i>601</i>	<i>962</i>	<i>591</i>	<i>557</i>	<i>474</i>	<i>524</i>	<i>326</i>	<i>369</i>	<i>600</i>	<i>704</i>	<i>910</i>

Whether worked as an employee or self-employed after leaving benefit (%)

Employee	74	77	74	71	77	70	67	61	75	80	80
Self-employed	22	22	24	23	23	28	33	38	25	20	17
Not stated	4*		1	6	0	3	0	0	0	1	3
Base: work 16hrs or more/week	298	532	284	272	240	291	108	206	366	363	427

Number of hours worked per week after leaving benefit (%)

Less than 16 hours	1	2	4	4	5	1	3	4	5	3	2
16 – 29 hours	24	23	26	29	35	30	21	23	28	21	29
30 or more	70	70	67	64	58	66	72	69	62	73	65
Don't know	5	6	3	3	2	3	4	4	5	3	3
Base: work 16hrs or more/week	297	528	284	272	240	284	106	205	365	362	424

Usual take home pay after leaving benefit (%)

Less than £4.50	27	22	29	19	32	20	14	20	24	27	29
£4.50 up to £5	14	8	10	9	7	5	6	6	12	12	14
£5 up to £7	18	20	25	19	25	21	17	24	22	23	23
£7 or more	15	15	15	29	14	24	32	25	20	8	11
Don't know	26	33	21	24	21	30	32	25	20	30	23
Base: work 16hrs or more/week	298	532	284	272	240	291	108	206	366	363	427

Source: DWP. *: sample too small

Table 3 JSA Unknown, 2004
Destination after leaving benefits (%)

	North East	North West	Yorks/ Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland
Returned to/started working 16 hours or more	40	50	59	42	47	62	44	53	54	59	44
Returned to/started full-time training or education 16 hours or more	13	4	3	0	9	0	11	1	3	7	9
Moved onto another benefit for people who are out of work	14	8	6	5	7	2	7	6	13	12	7
Returned to/started working less than 16 hours	0	3	1	1	5	1	3	3	1	5	1
Partner status changed/partner started claiming on their behalf	2	1	4	3	2	1	2	0	1	0	2
Began living with partner	0	1	0	1	1	*	1	0	0	0	2
Failed medical assessment	0	1	0	1	0	0	0	0	0	0	0
Told no longer eligible/benefit stopped	9	9	8	11	5	10	10	17	12	10	13
Retired	0	2	2	0	0	1	*	3	0	0	0
Went abroad/to prison/moved house	0	2	4	7	6	4	4	6	2	0	5
Temporary break from claim/problem with claim	10	8	3	9	5	7	4	2	3	0	9
Other	13	9	10	13	11	9	10	7	8	5	6
Not stated	0	1	0	2	2	1	*	0	2	3	2
Don't know	0	2	0	5	1	1	1	1	0	0	1
<i>Base: Total who finished a claim</i>	<i>65</i>	<i>1,680</i>	<i>108</i>	<i>86</i>	<i>160</i>	<i>109</i>	<i>174</i>	<i>121</i>	<i>86</i>	<i>56</i>	<i>160</i>

Whether worked as an employee or self-employed after leaving benefit (%)

Employee	93	97	86	81	89	87	86	80	87	88	84
Self-employed	7	3	14	19	8	13	14	20	13	12	16
Not stated	0	0	0	0	1	0	0	0	0	0	0
Base: work 16hrs or more/week	28	81	62	35	69	61	80	60	47	34	71

Number of hours worked per week after leaving benefit (%)

Less than 16 hours	0	3	2	0	4	5	8	0	3	9	4
16 – 29 hours	15	12	23	14	14	4	14	22	14	8	16
30 or more	73	84	71	82	81	80	74	65	81	78	76
Don't know	13	1	4	5	2	11	5	13	3	5	4
Base: work 16hrs or more/week	27	81	62	34	68	60	80	59	46	34	69

Usual take home pay after leaving benefit (%)

Less than £4.50	29	45	42	28	34	25	12	30	46	33	40
£4.50 up to £5	11	13	5	13	13	11	3	2	8	13	12
£5 up to £7	25	21	20	22	11	22	24	17	25	16	14
£7 or more	22	5	11	10	13	8	28	26	3	13	13
Don't know	14	17	30	27	29	29	31	21	16	25	22
Base: work 16hrs or more/week	28	81	62	35	69	61	80	60	47	34	71

Source: DWP. *: sample too small