

# Scottish Observatory for Work and Health

University of Glasgow

## Scotland Incapacity Benefit Claimant Profile

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April 2010

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## **Summary & Key Findings**

### **Scotland Incapacity Benefit claimant Profile**

1. This incapacity benefit (IB) claimant profile for Scotland gives detailed information on IB claimants by sex, age, reason for claiming IB and length of time on IB. Comparisons with the UK are shown.

2. In 2008 there were 295,170 IB claimants in Scotland. The IB rate, on flow rate and off flow rate were determined for Scotland from 2000 to 2008. The percent of the working age population claiming IB has decreased from 10.7% to 9.1% from 2000 to 2008. The rate of on flow has decreased from 3.0% to 2.1% and the off flow rate has increased from 24.4% to 26.3%.

3. The proportion of 'payment' IB claimants is larger in Scotland compared to the UK for both males and females. The proportion of male and female 'credits only' IB claimants (those with a poor work history) have increased from 2000 to 2008. There are more female 'credits only claimants' than males although this proportion is still lower in Scotland than the UK.

4. The proportion of each age group who are claimants rises with age, peaking in the 60-64 age group. However there are decreases in all age groups over time. Scotland has a higher proportion of the working age population on IB compared to the UK in every age group. For example, in 2008 16.6% of 55-59 year olds in Scotland were claiming IB compared to 13.6% in the UK.

The percentage of 'payment' IB claimants increases with age with the majority of claimants aged over 40. The age of 'credits only' claimants is more evenly distributed across age categories.

The on flow is more evenly distributed across the age categories.

Off flow rates are higher for people under 30.

5. The main reason for claiming IB is 'mental and behavioural disorders' which has increased from 2000 to 2008. In 2008 45.2% of all IB claimants were claiming because of a mental health problem in Scotland, compared with 42.0% in the UK.

6. The majority of claimants have been claiming for more than two years, with 58.8% claiming for over 5 years in Scotland in 2008.

Off flow rates decrease dramatically as length of time on IB increases.

7. This profile highlights the striking levels of inequality in the level of worklessness related to ill health. While the overall trend is of improvement, this profile confirms a continuing need to prioritise interventions which can improve social inclusion and work capacity.

*The Scottish Observatory for Work and Health is funded by the Glasgow Centre for Population Health, NHS Greater Glasgow and Clyde, NHS Lanarkshire, Scottish Centre for Healthy Working Lives and the Scottish Government Health Directorates. We are grateful to DWP for providing these data.*

## Scotland Incapacity Benefit Claimant Profile

### Introduction

Incapacity benefit (IB) is the key contributory benefit for people who are incapable of work because of illness or disability.

This profile is one of fourteen incapacity benefit profiles that have been produced by the Scottish Observatory for Work & Health using DWP data. Each profile examines the “stock” of IB claimants and the “on” and “off” flow to IB. This profile provides the following data on IB claimants from 2000 to 2008:

1. A ‘bath water’ diagram
2. IB rates (% of working age population claiming IB)
3. On flow rates (expressed as a percent of the WAP not on IB)
4. IB off flow rates (expressed as a percent of the total IB population)
5. Breakdown of IB claimants by sex
  - IB rate by sex
  - On flow rate by sex
  - Off flow rate by sex
  - Payment/credits by sex
6. Breakdown of IB claimants by age
  - IB rate by age
  - On flow rate by age
  - Off flow rate by age
  - Payment/credits by age
7. Breakdown of IB claimants by reason for claiming IB
  - Total claimants by illness
  - Comparison of mental health and musculoskeletal claimants
  - Mental Health IB rate
  - On flow by illness
  - Off flow rate by illness
8. Breakdown of IB claimants by length of time on IB
  - Total claimants by length of time on IB
  - Off flow rate by length of time on IB
9. Off flow destination *restricted access*

Comparisons with the UK are shown.

Individual profiles are available for the following geographies:

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Scotland  
*Local authorities*  
Glasgow City  
North Lanarkshire  
South Lanarkshire  
East Dunbartonshire  
East Renfrewshire  
Inverclyde  
Renfrewshire  
West Dunbartonshire  
*Community Health & Care Partnerships*  
East Glasgow  
North Glasgow

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South East Glasgow  
South West Glasgow  
West Glasgow

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An **overview IB claimant profile** has also been produced which compares IB rates and on and off rates and shows 'bath water' diagrams for all geographies.

Yearly stock data have been calculated by taking a mean of the data from four quarters. For example, yearly data for 2008 were calculated by taking a mean of the data from the four quarters commencing December 2007 and ending in November 2008.

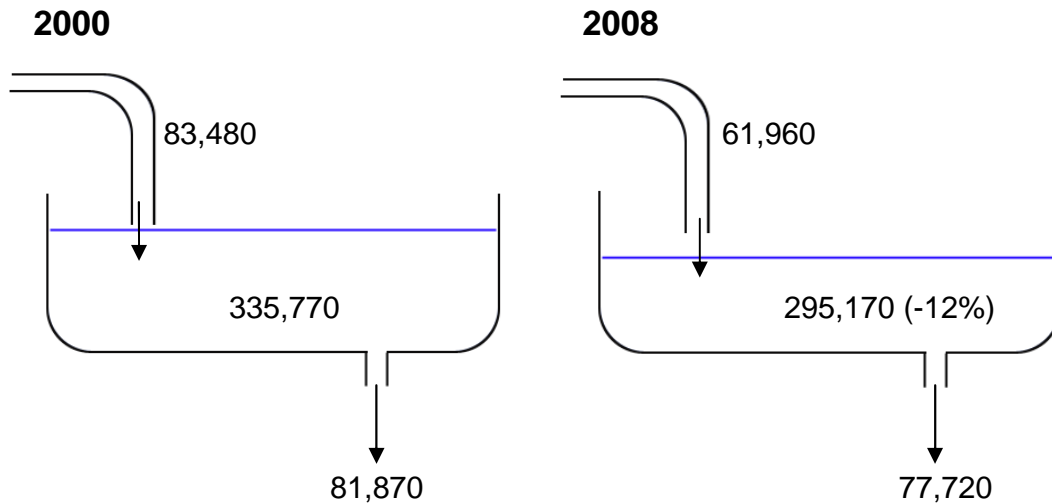
The on and off flow data have been computed into yearly data. For example, data for the year 2008 are the sum of the four quarters from December 2007 to the quarter ending November 2008.

This profile investigates IB claimants in Scotland from 2000 to 2008. There are important changes with DWP data for 2008. Employment and Support Allowance (ESA) was introduced on the 27<sup>th</sup> October 2008 and replaced IB and Income Support paid on incapacity grounds for *new* customers only. ESA claimants are not included in the IB figures for 2008.

## 1. Bath water diagram

Figure 1

### Scotland



We have previously created a dynamic model of the IB population using a 'bath water' analogy.<sup>1,2</sup> The 'bath water' diagrams detail the incapacity benefit population (those claiming IB at any given time), the on flow (those starting to claim IB) and the off flow (those whose claim has terminated) in a given year. The population on IB are represented by the amount of bath water. The on and off flow populations are represented by the tap water and the outflow respectively. Bath water diagrams are shown for 2000 and 2008 for Scotland (figure 1). They show that the decrease in the population on IB is mainly due to decreases in the on flow rather than increases in the off flow. However in order to fully understand the on and off flow data the numbers need to be expressed as on and off flow *rates* – see 3 & 4.

## 2. IB Rates

Figure 2 shows IB rates from 2000 to 2008 for the UK and Scotland and are expressed as the number of IB claimants as a percent of the working age population (WAP).

Figure 2

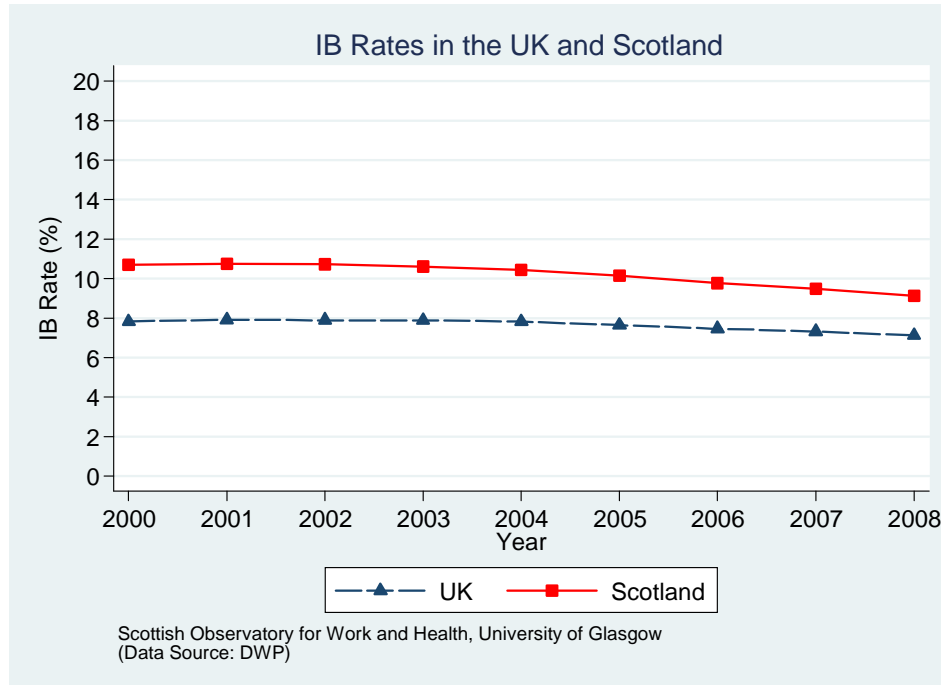


Table 1 shows the IB rates for Scotland from 2000 to 2008

Table 1

Year	IB rate (%)
2000	10.7
2001	10.8
2002	10.7
2003	10.6
2004	10.4
2005	10.1
2006	9.8
2007	9.5
2008	9.1

The percent of the working age population claiming IB has decreased from 10.7% to 9.1% from 2000 to 2008 for Scotland.

### 3. On flow rates

Figure 3 shows on flow rates from 2000 to 2008 for the UK and Scotland and are expressed as a percent of the WAP not on IB. This is the 'population at risk' of moving into IB.

Figure 3

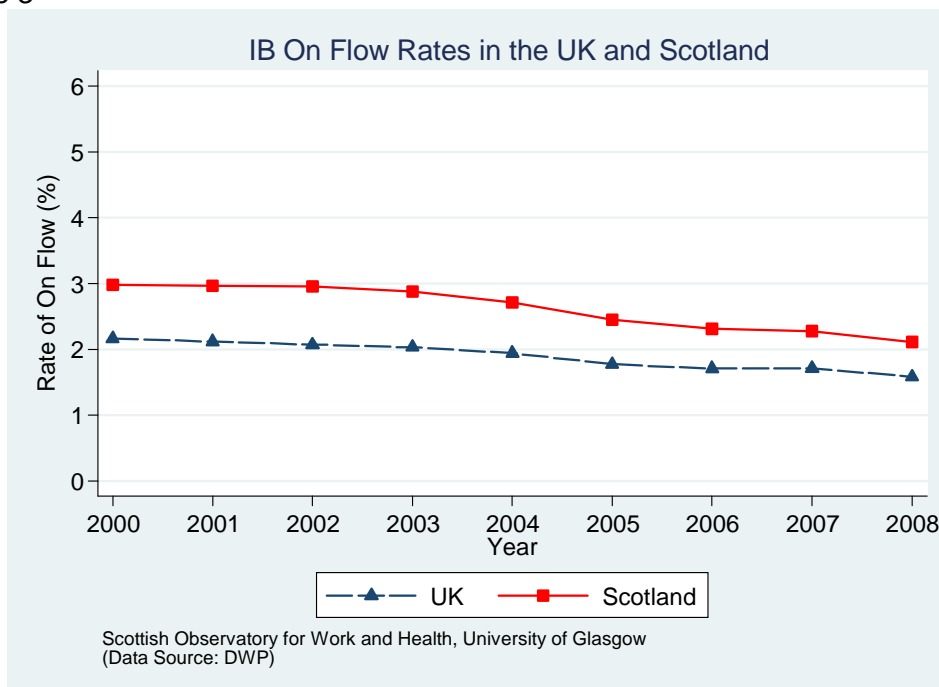


Table 2 shows the IB on flow rates for Scotland from 2000 to 2008.

Year	On flow rate (%)
2000	3.0
2001	3.0
2002	3.0
2003	2.9
2004	2.7
2005	2.5
2006	2.3
2007	2.3
2008	2.1

The rate of on flow has decreased in Scotland. There has been a drop of 0.9 percentage points for Scotland from 2000 to 2008 and a drop of 0.6 percentage points for the UK.

#### 4. Off flow rates

Figure 4 shows off flow rates from 2000 to 2008 for the UK and Scotland and are expressed as a percent of the total IB population. This is the 'population at risk' of moving off IB.

Figure 4

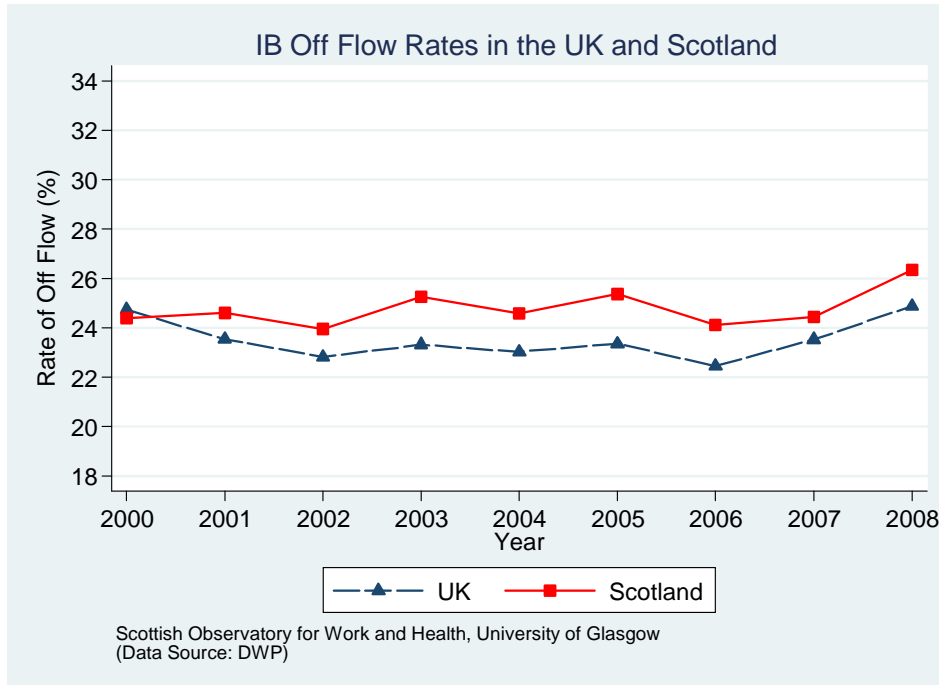


Table 3 shows the IB off flow rates for Scotland from 2000 to 2008

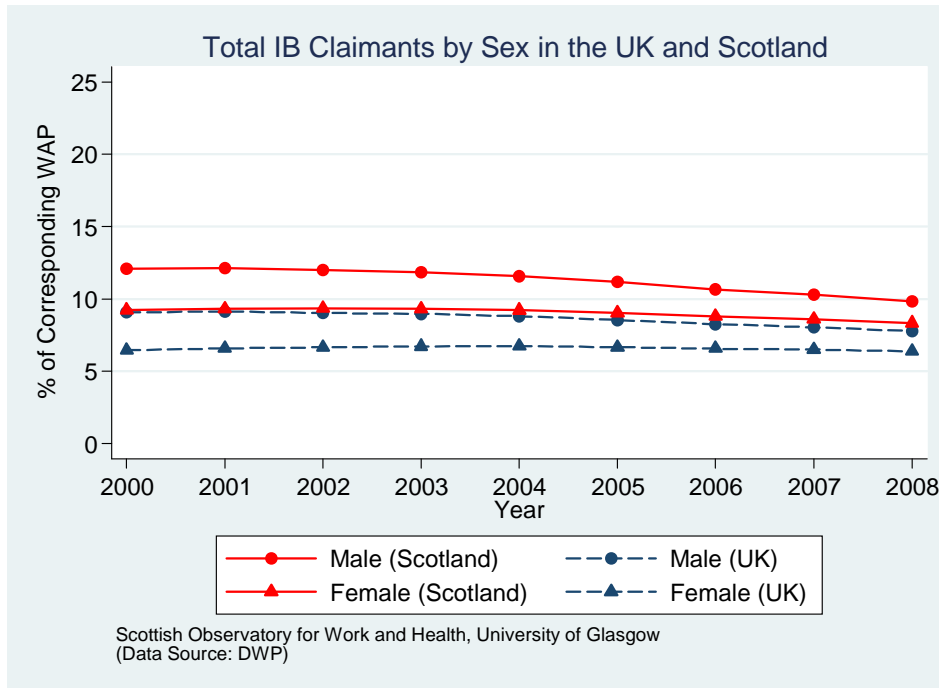
Year	Off flow rate (%)
2000	24.4
2001	24.6
2002	23.9
2003	25.2
2004	24.6
2005	25.4
2006	24.1
2007	24.4
2008	26.3

The off flow rates are more variable in Scotland and the UK between 2000 and 2008. Scotland's off flow rate has increased from 24.4% in 2000 to 26.3% in 2008.

## 5. IB Claimants by Sex

Figure 5 shows the percentage of working age males/females in the UK and Scotland claiming IB from 2000 to 2008.

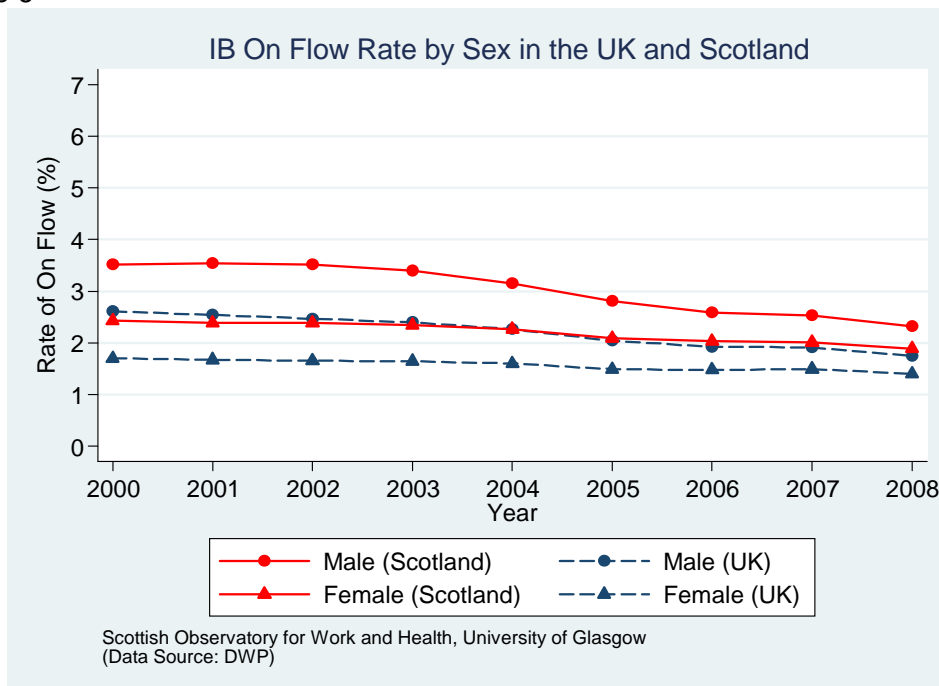
Figure 5



In 2000, in Scotland 12.1% of males were claiming IB and 9.2% of females. By 2008, 9.8% of males and 8.3% of females were now claiming IB.

Figure 6 shows the rate of on flow by sex in the UK and Scotland. The rate of on flow is expressed as a percentage of the corresponding male/female WAP not on IB. This is the 'population at risk' of moving onto IB.

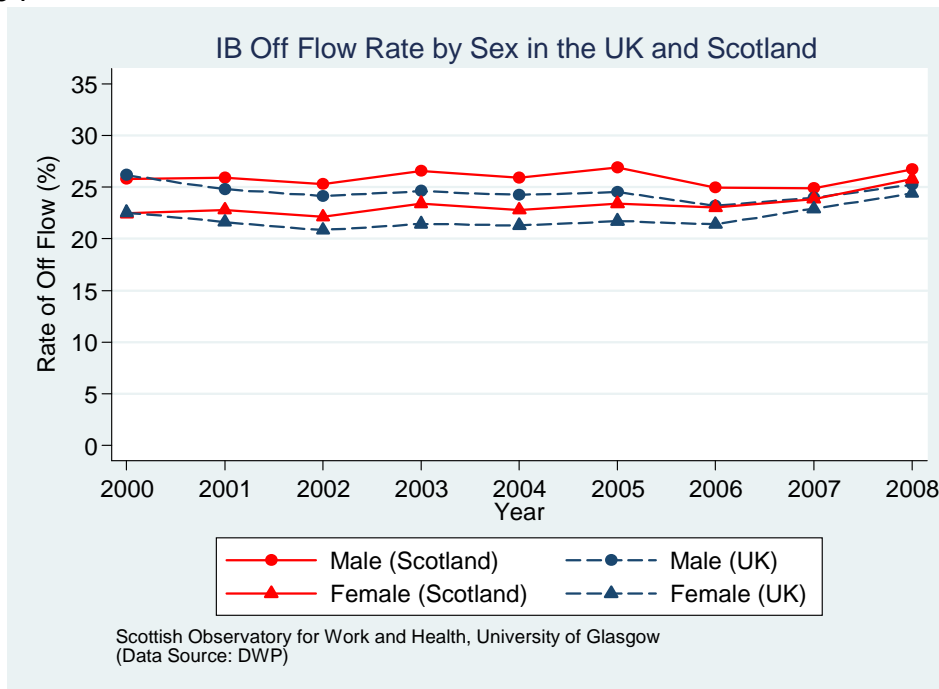
Figure 6



The male and female on flow rates in Scotland are higher than the corresponding sex-specific rates in the UK. There have been larger decreases in the male on flow rate than female for both Scotland and the UK.

Figure 7 shows the rate of off flow by sex in the UK and Scotland. The rate of off flow is expressed as a percentage of the corresponding male/females stock population. This is the 'population at risk' of moving off IB.

Figure 7

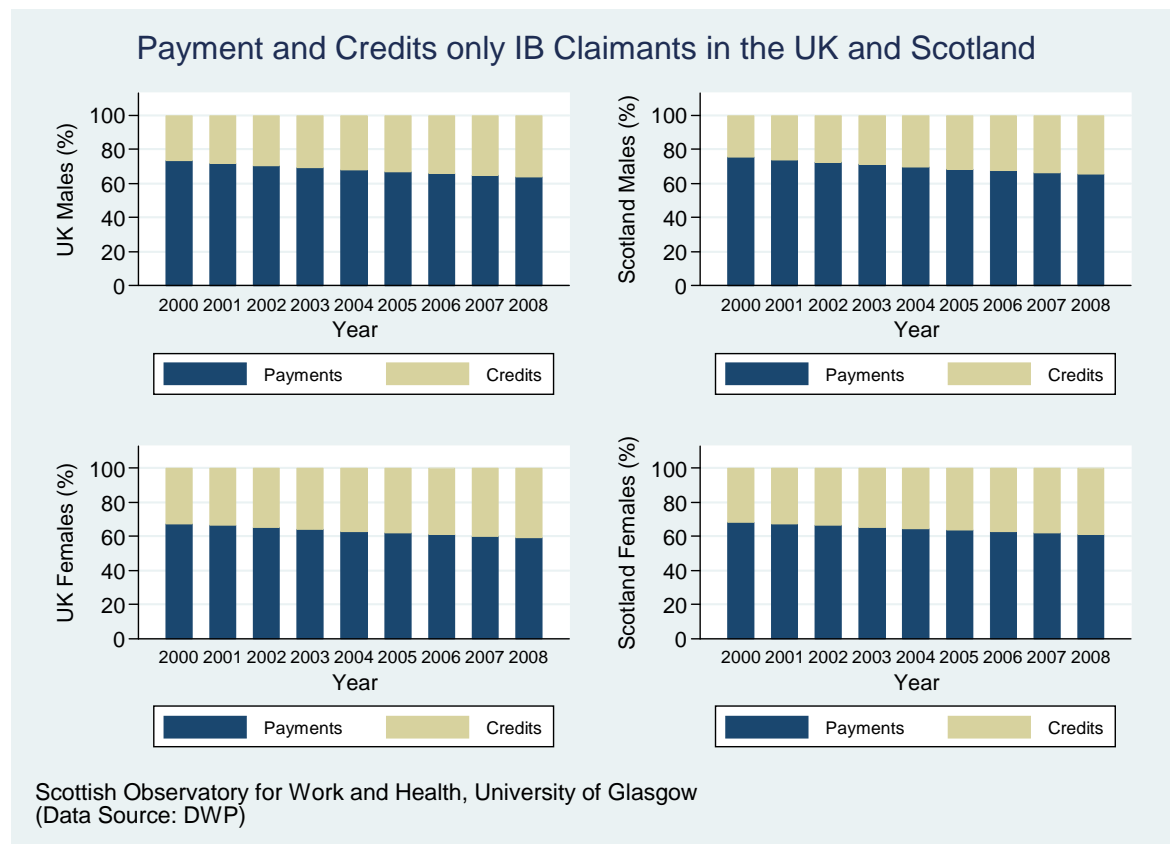


Off flow rates for both males and females are higher in Scotland compared to the respective UK rates.

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.

Figure 8 shows the percentage of male and female 'payment' and 'credits only' claimants in Scotland and the UK.

Figure 8



The proportion of 'payment' claimants is larger in Scotland compared to the UK for both males and females. The proportion of male and female 'credits only' claimants have increased from 2000 to 2008. There are more female 'credits only' claimants than males although this proportion is still lower in Scotland than the UK.

## 6. IB Claimants by Age

The IB population can be broken down into 11 age categories. Figures 9 & 10 show total IB claimants by age (expressed as percentage of the corresponding denominator age group) for the UK and Scotland from 2000 to 2008.

Figure 9

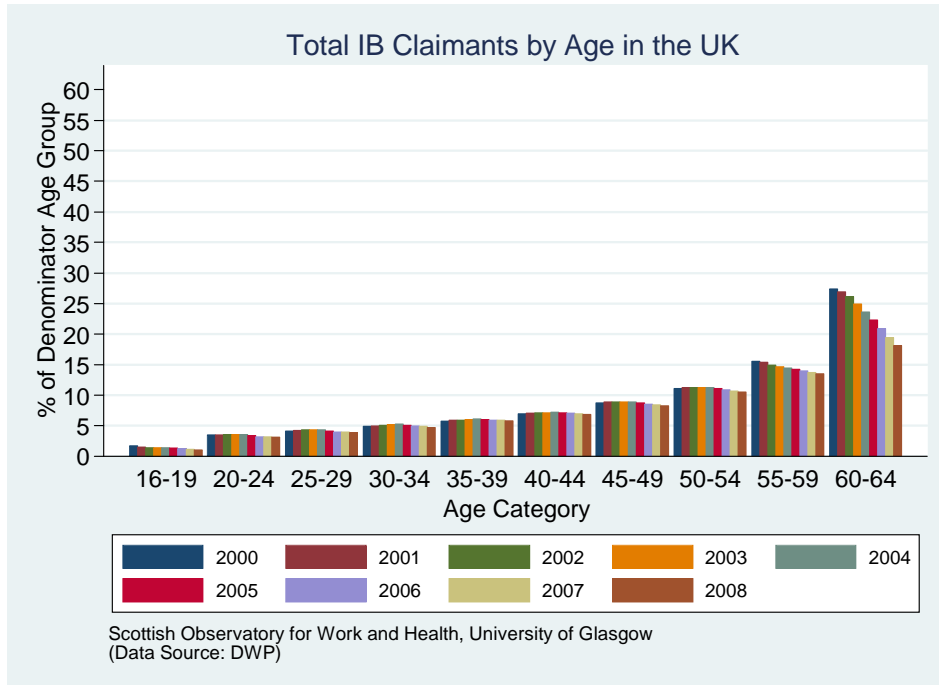
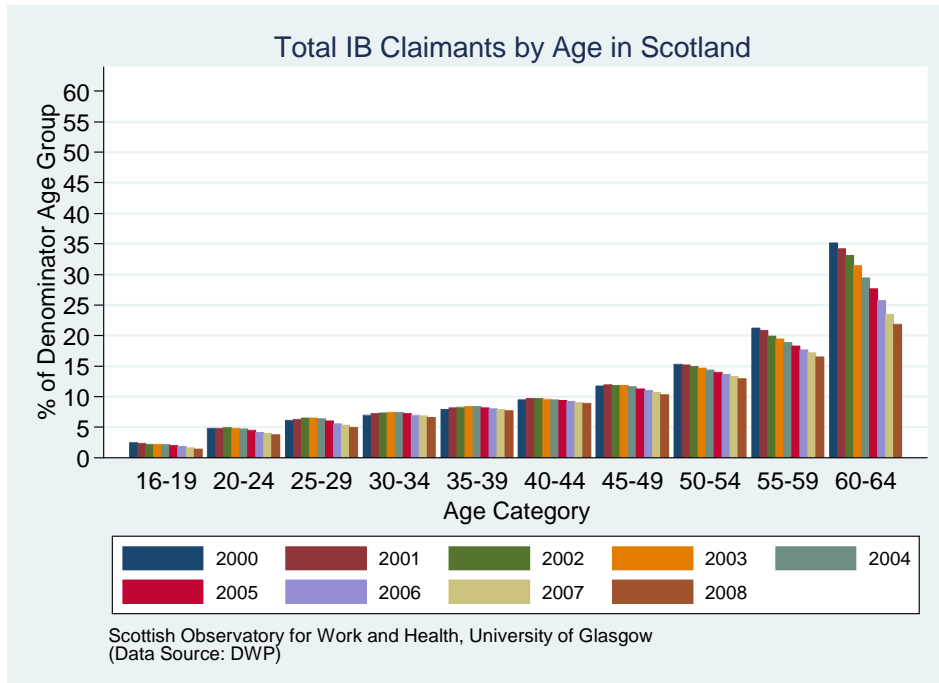


Figure 10



The proportion of each age group who are claimants rises with age, peaking in the 60-64 age group. However there are decreases in all age groups over time. Scotland has a higher proportion of the working age population on IB compared to the UK in every age group. For example, in 2008 16.6% of 55-59 year olds in Scotland were claiming IB compared to 13.6% in the UK.

Figures 11 & 12 show the rate of on flow by age in the UK and Scotland. The rate of on flow is expressed as a percentage of the working age population in that age group not on IB. This is the 'population at risk' of moving onto IB.

Figure 11

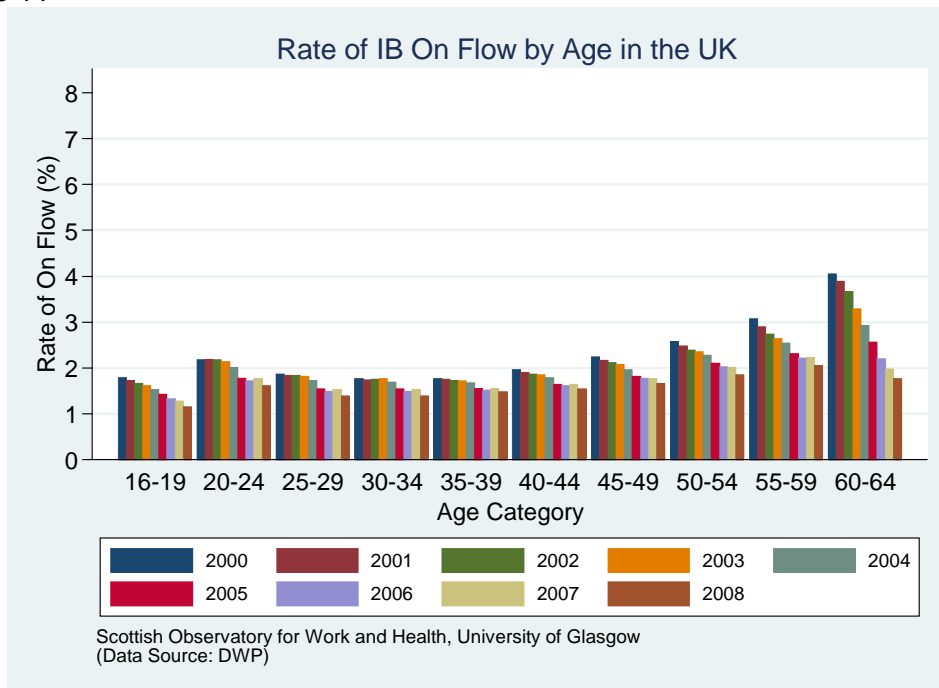
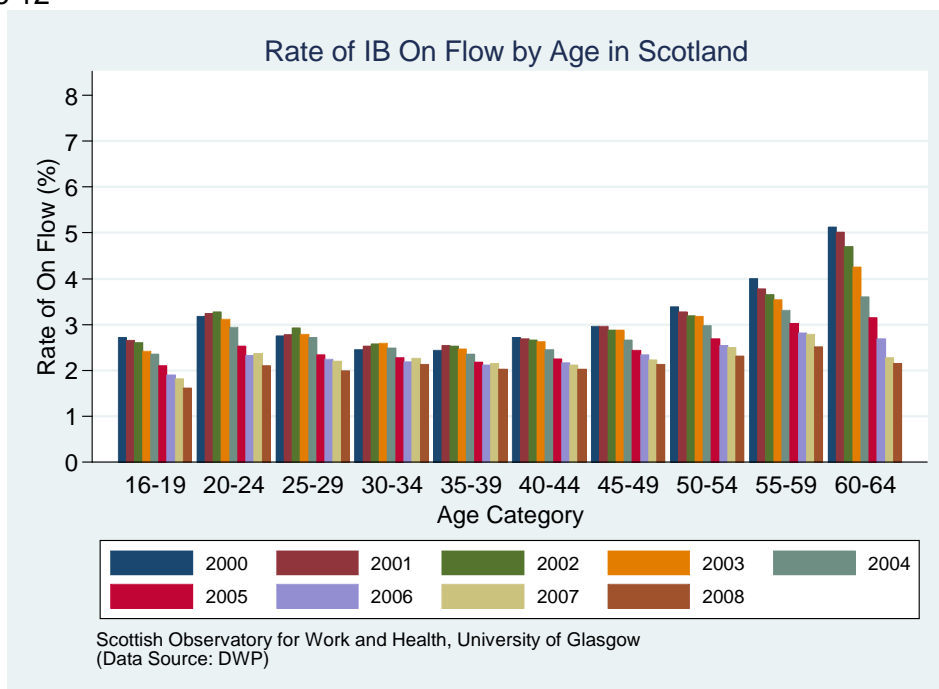


Figure 12



The on flow is more evenly distributed across the age categories. Scotland has higher on flow rates in all age categories compared to the UK.

Figures 13 & 14 show the rate of off flow in the UK and Scotland. The rate of off flow is expressed as a percentage of the total stock population in that age group. This is the 'population at risk' of moving off IB.

Figure 13

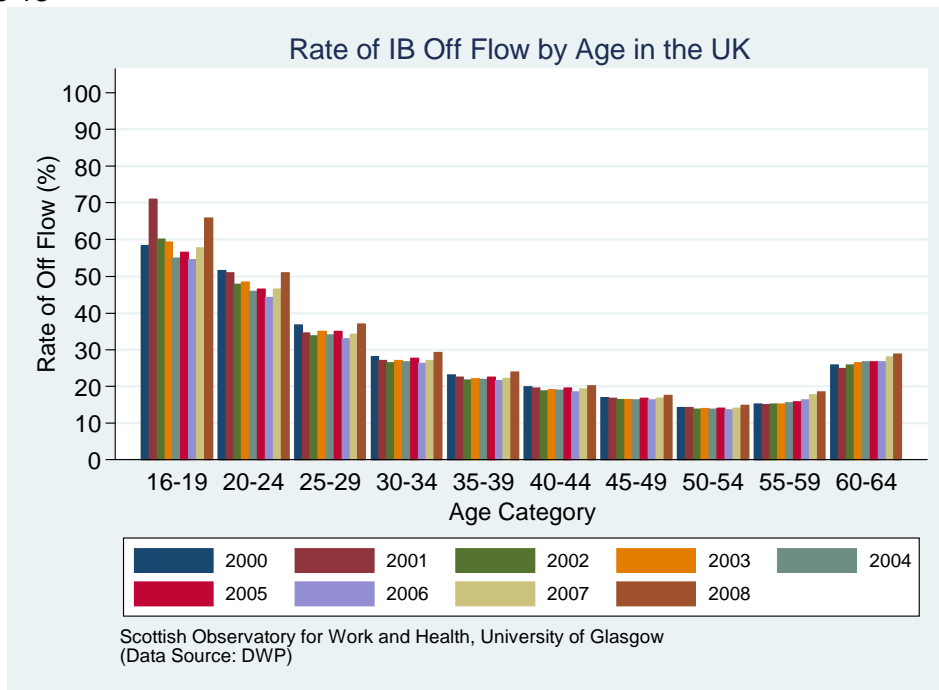
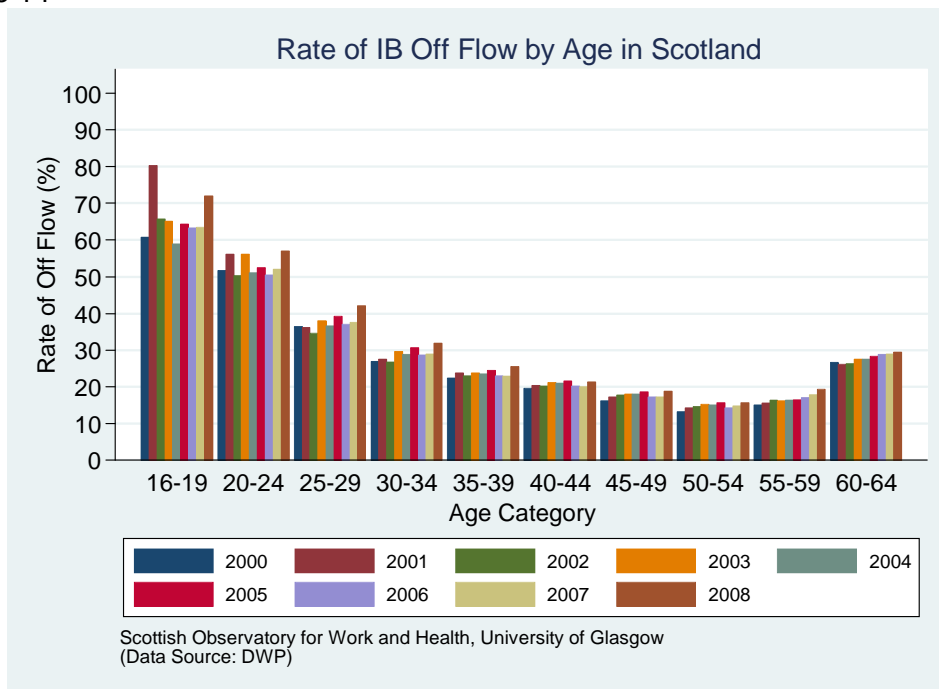


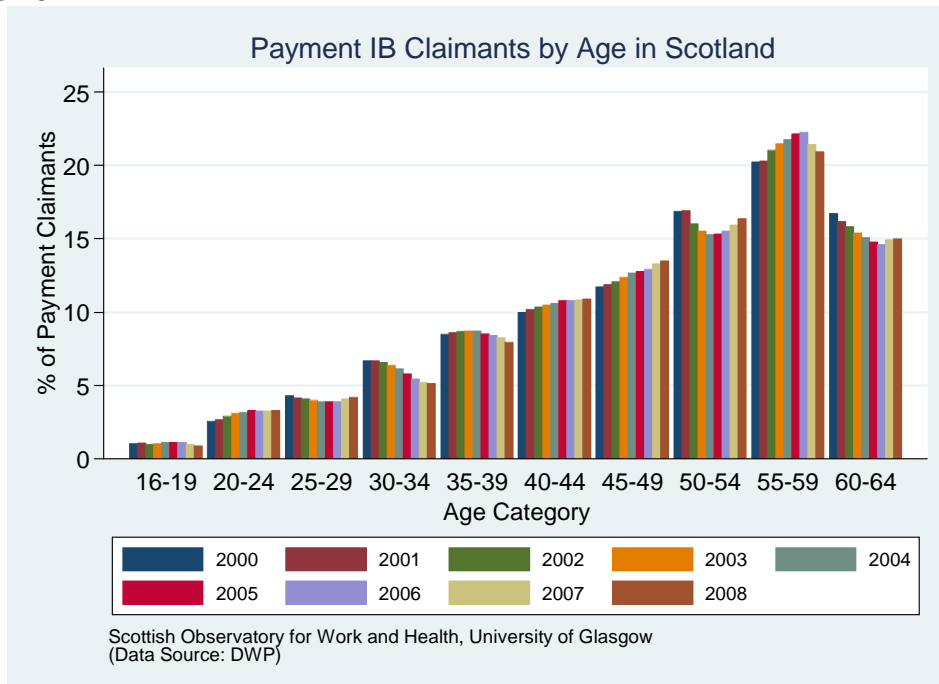
Figure 14



Off flow rates are higher for people under 30.

Figure 15 shows 'payments' claimants by age in Scotland. The number of 'payments' claimants in each age group are expressed as a percent of all payment claimants.

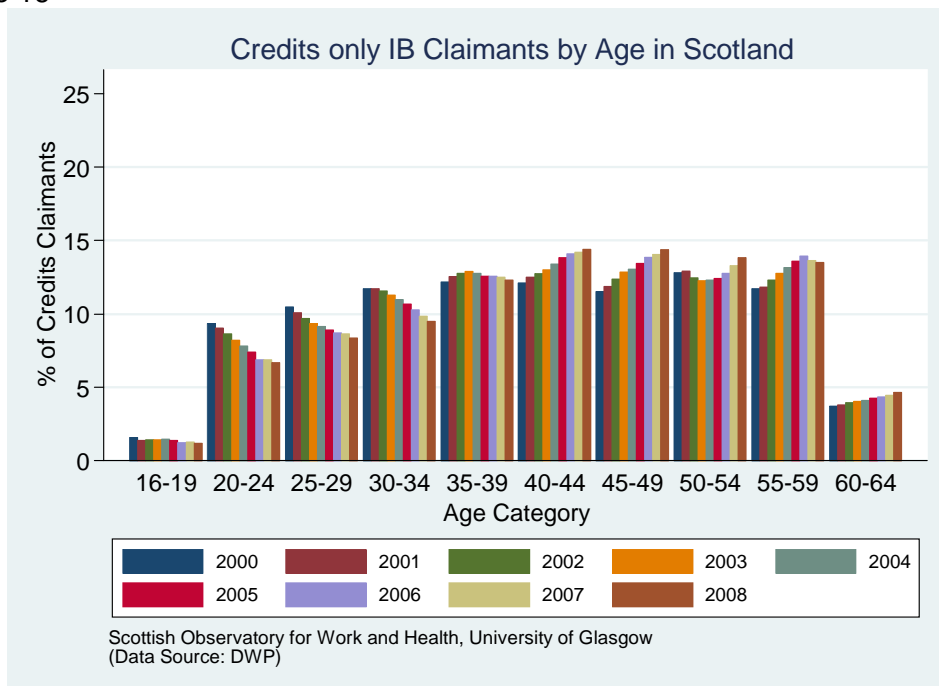
Figure 15



The percentage of 'payment' IB claimants increases with age with the majority of claimants aged over 40.

Figure 16 shows 'credits only' claimants by age in Scotland. The number of 'credits only' claimants in each age group are expressed as a percent of all 'credits only' claimants.

Figure 16



The age of 'credits only' claimants is more evenly distributed across age categories.

## 7. IB Claimants by Illness

Figures 17 & 18 show the number of IB claimants by illness category expressed as a percent of the total stock population in the UK and Scotland.

Figure 17

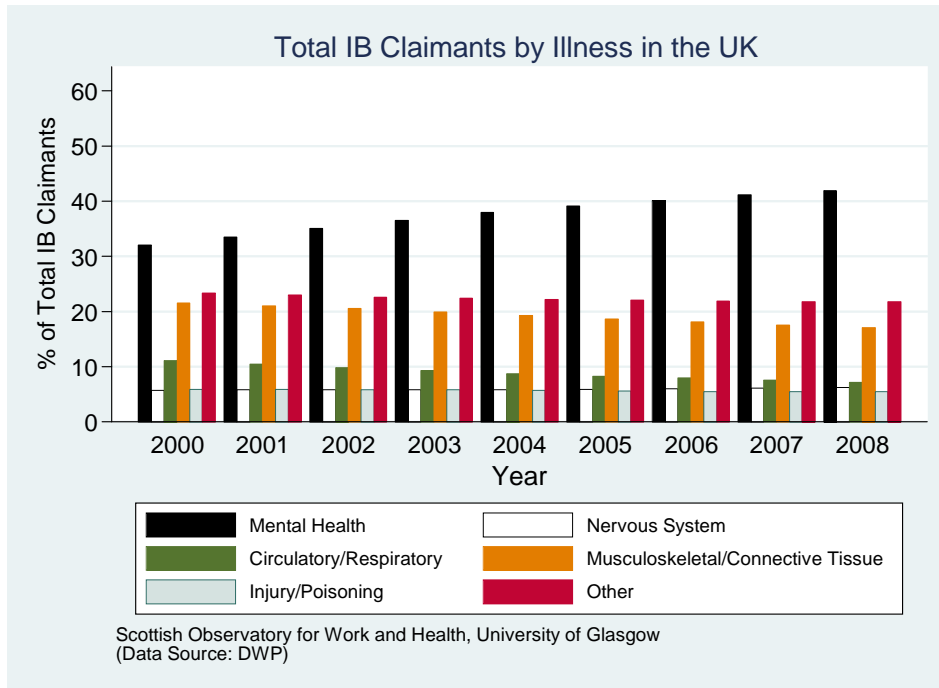
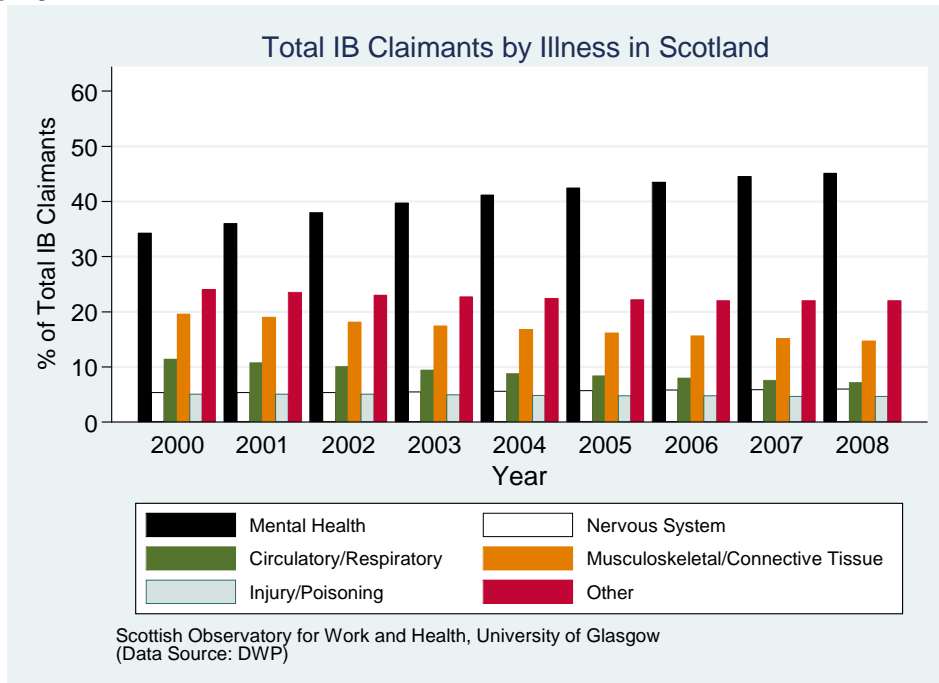


Figure 18



The main reason for claiming IB is 'mental and behavioural disorders' which has increased in both the UK and Scotland from 2000 to 2008. In 2008 45.2% of all IB claimants were claiming because of a mental health problem in Scotland compared to 42.0% in the UK.

There has been a gradual increase in the number of IB claimants claiming because of a mental health problem and a decrease in the number claiming because of a musculoskeletal problem from 2000 to 2008. Figure 19 compares the UK and Scotland.

Figure 19

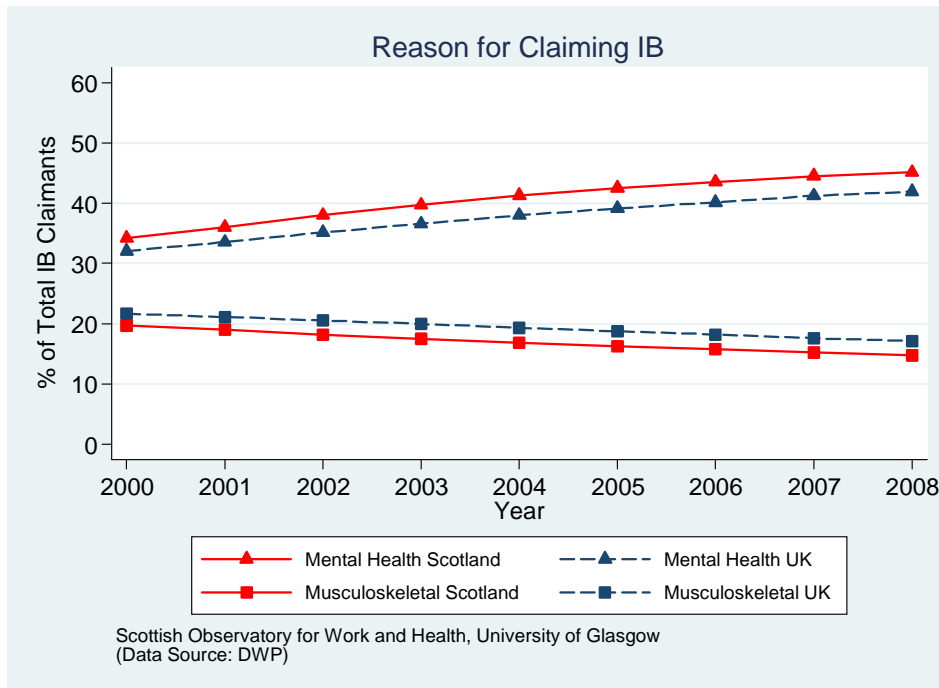


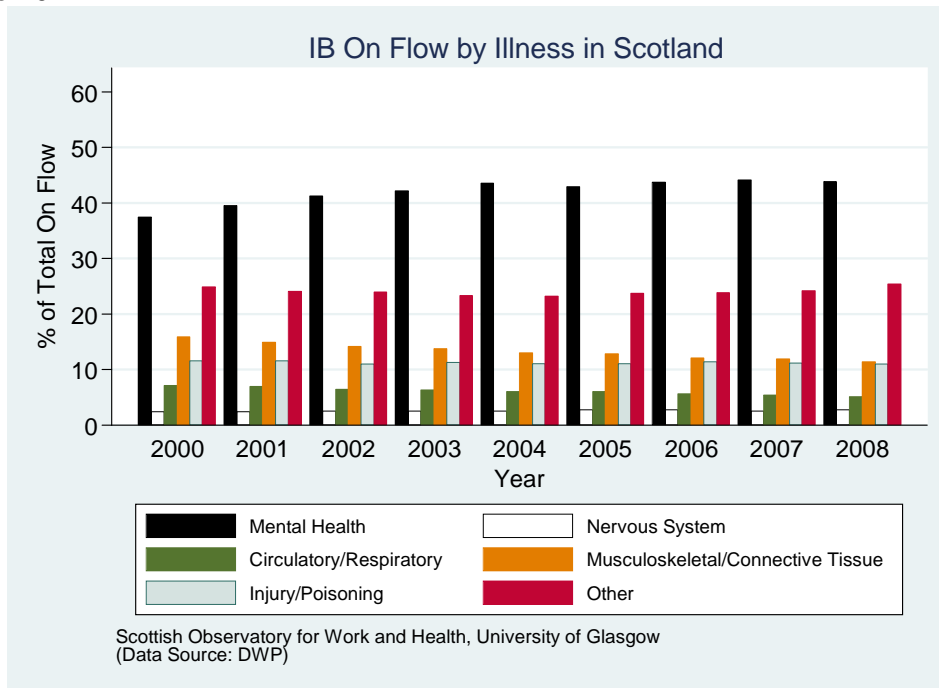
Table 6 shows mental health IB rates from 2000 to 2008 for Scotland and the UK and are expressed as the number of mental health IB claimants as a percent of the working age population (WAP).

Table 6

Mental Health IB rate (% of WAP)		
Year	UK	Scotland
2000	2.5	3.7
2001	2.7	3.9
2002	2.8	4.1
2003	2.9	4.2
2004	3.0	4.3
2005	3.0	4.3
2006	3.0	4.2
2007	3.0	4.2
2008	3.0	4.1

Figure 20 shows the on flow for each illness expressed as a percent of the total on flow in Scotland from 2000 to 2008.

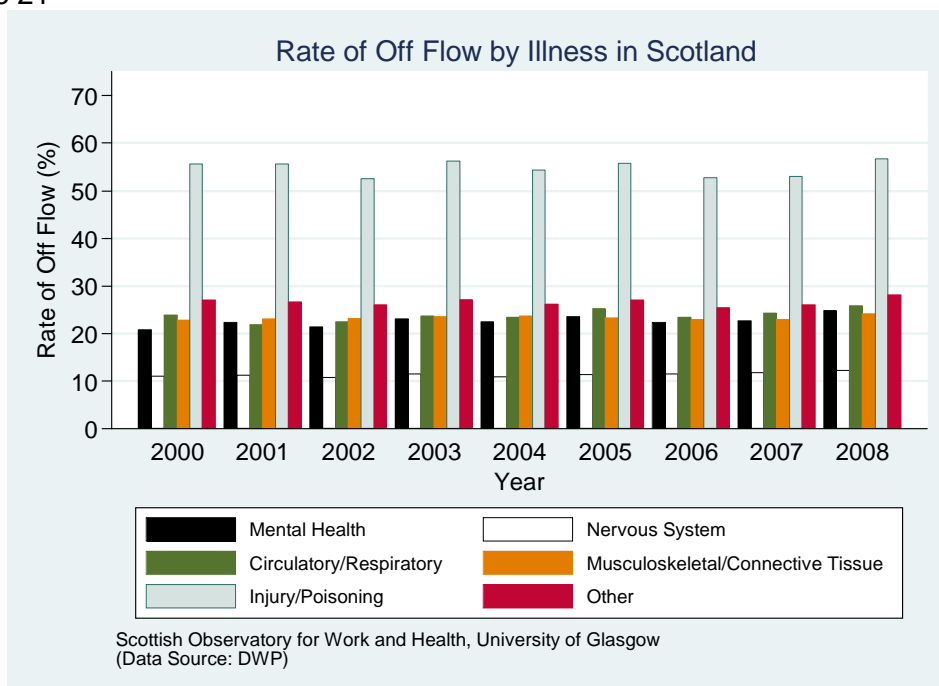
Figure 20



Those claiming because of mental health problems make up the largest category coming onto IB. There has been an increase in this category from 2000 to 2008 (44% of total in 2008).

Figure 21 shows the rate of off flow by the reason for claiming IB for Scotland from 2000 to 2008. The rate of off flow is expressed as a percentage of the total stock population in that illness category.

Figure 21



The highest off flow rates were for the injury group. However the numbers in the injury group are smaller than other groups. There were 7,860 people who left IB in 2008 having been on IB because of injury from a total off flow of 77,720. Therefore the injury group only made up 10.1% of the total off flow compared to 42.7% for the mental health group.

### 8. IB Claimants by length of time on IB

Figures 22 & 23 show the number of IB claimants by length of time on IB expressed as a percent of the total stock population in the UK and Scotland.

Figure 22

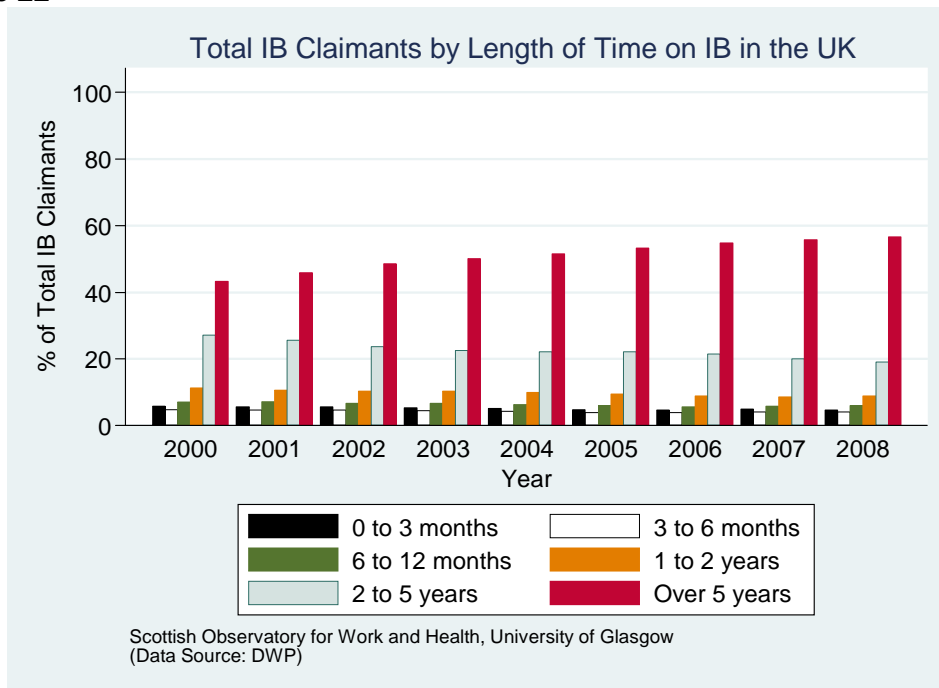
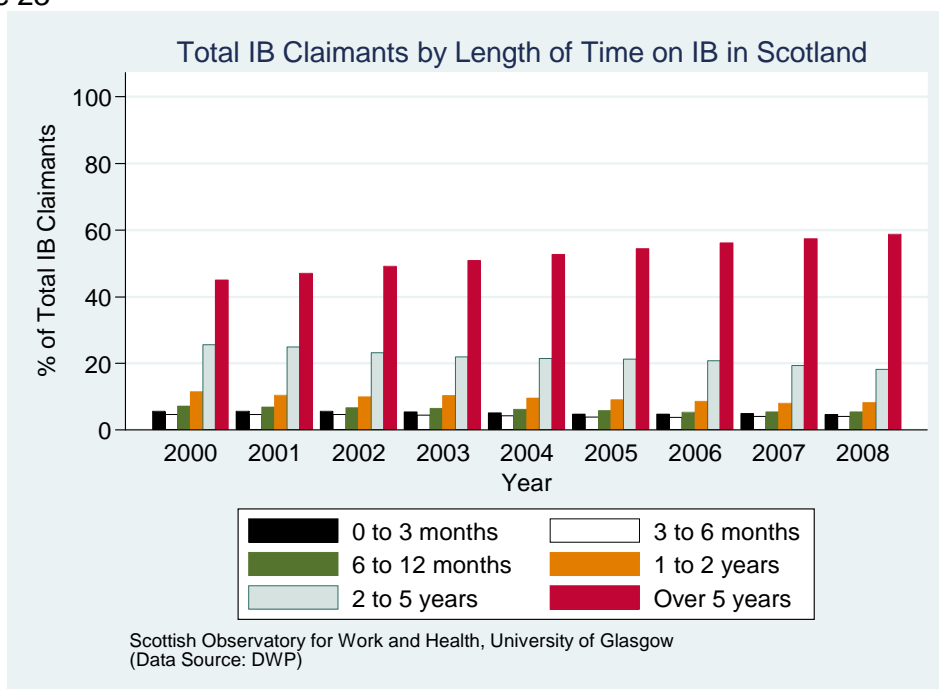


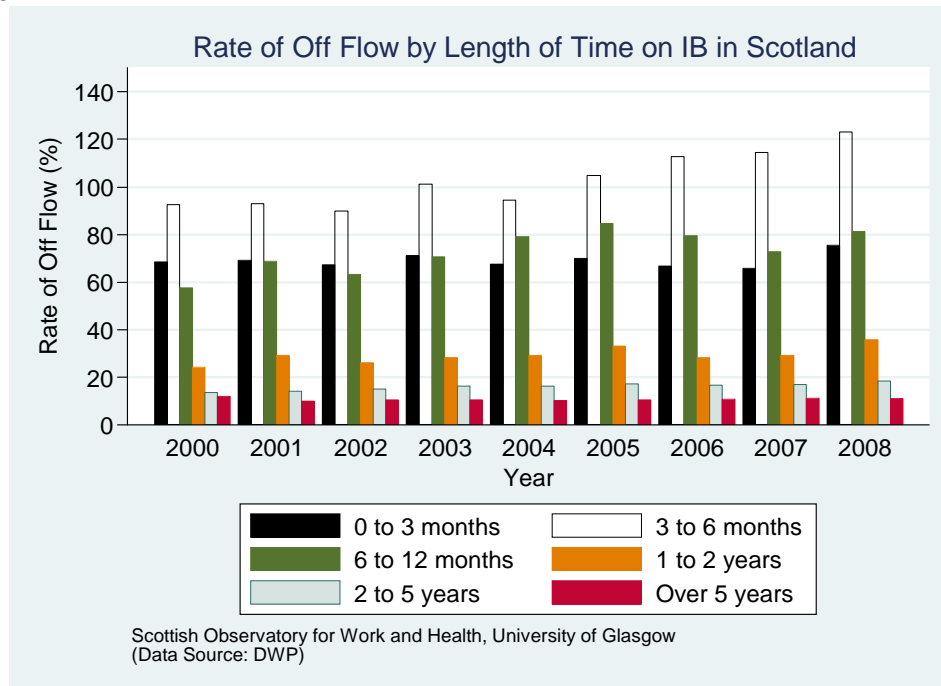
Figure 23



The majority of claimants have been claiming for more than two years, with 58.8% claiming for over 5 years in Scotland in 2008.

Figure 24 shows the rate of off flow by the length of time claiming IB for Scotland from 2000 to 2008. The rate of off flow is expressed as a percentage of the total stock population in that length of time on IB category.

Figure 24



Off flow rates decrease dramatically as length of time on IB increases.

### 9. Off flow destination data – restricted access

We have data from 2007 and 2008 which allows us to answer the following specific research questions. However at this stage the data has restricted access and can not be placed in the public domain.

1. What is the first destination of the off flow claimants?
2. How many IB claimants return to work after leaving IB?
3. What characteristics delineate those who enter work after leaving IB?
4. How many people remain in work 3 months, 6 months and 12 months after leaving IB?

## References

1. Brown, J, Hanlon, P, Webster, D, Turok, I, Arnott, J, and Macdonald, E. B. Turning the tap off! Incapacity benefit in Glasgow and Scotland - Trends over the past five years. 2007. The Glasgow Centre for Population Health.
2. Brown J, Hanlon P, Turok I, Webster D, Arnott J, Macdonald EB. Establishing the potential for using routine data on Incapacity Benefit to assess the local impact of policy initiatives. *Journal of Public Health* 2008;**30**:54-9.

The Scottish Observatory for Work and Health is funded by the Glasgow Centre for Population Health, NHS Greater Glasgow and Clyde, NHS Lanarkshire, Scottish Centre for Healthy Working Lives and the Scottish Government Health Directorates.

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We are grateful to DWP for providing these data. We would also like to acknowledge Bruce Whyte and David Walsh from the Glasgow Centre for Population Health for their help with the population data.