

# Indicator 4: Entrenched worklessness

## Rationale

Entrenched worklessness can leave children without a role model and contribute to and compound problems experienced by adults: mental health problems are more common among people who are out of work than those in employment, whilst large numbers of those claiming benefit experience problematic drug and alcohol use or have a history of offending.

Work is undeniably the best and most sustainable route out of poverty; about two-thirds of parents in poverty who enter work subsequently move out of poverty. Apart from its obvious economic benefits, for people recovering from problems such as drug dependency or mental ill-health, work can provide a stable environment to support their ongoing recovery.

## Definition

Indicator 4 measures the proportion of the working-age population who are claiming working-age benefits and have been for at least three out of the past four years, focusing on those capable of work or work-related activity. The benefits treated as indicating a capacity for work or work-related activity are Jobseeker's Allowance (JSA), Employment and Support Allowance Work Related Activity Group (ESA WRAG), ESA assessment phase (ESA AP), or Income Support (IS) for lone parents.

## Latest results

Table 1 shows the proportion of time spent on one of the main DWP working-age benefits for those receiving one of the following:

- Jobseeker's Allowance;
- Employment and Support Allowance, Assessment Phase (AP) or the Work Related Activity Group (WRAG) only, and;
- Income Support for lone parents (ISLP).

From Table 1 we can see that of the 2.1 million claimants receiving one of these benefits as at 31<sup>st</sup> March 2014, over 1.1 million had been claiming one or more of the main DWP working-age benefits for at least three of the preceding four years.

**Table 1: JSA, ESA (AP and WRAG) and lone parent IS claimants on 31 March 2014, by proportion of time spent on one of the main DWP working-age benefits from 1 April 2010 to 31 March 2014, GB**

	<b>0-25% (up to 1 year)</b>	<b>25-50% (1 to 2 years)</b>	<b>50-75% (2 to 3 years)</b>	<b>75-100% (3 to 4 years)</b>	<b>Total</b>
<b>Claimants on JSA, ESA AP and WRAG, ISLP on 31 March 2014</b>	364,000	271,000	292,000	1,148,000	2,075,000
Proportion of claimants	17.5%	13.0%	14.1%	55.3%	100.0%
Of which are currently on:					
JSA	11.3%	7.1%	7.2%	18.1%	43.8%
ESA AP	3.6%	2.1%	2.1%	6.3%	14.0%
ESA WRAG	0.5%	1.2%	1.6%	18.3%	21.6%
IS Lone Parents	2.1%	2.7%	3.2%	12.6%	20.6%

**Source:** DWP National Benefits Database September 2014, GB

(1) Figures include some people working less than 16 hours and on one of the benefits listed.

(2) Figures only include those who are aged 22 to 59 on 31 March 2014

(3) Values are rounded to the nearest 1,000 and percentages rounded to one decimal place. Totals may not be the sum of the individual cells due to rounding.

Table 2 shows the time series of the number of live claims for ESA AP, ESA WRAG or ISLP on 31st March in which the claimant had been claiming one or more of the main working age benefits for at least three of the preceding four years. On 31st March 2014 this number was 1.1 million individuals; representing 3.7 per cent of the GB population aged 22-59.

These figures show that the proportion of the GB population aged 22-59 who were claiming one of this selected subset<sup>1</sup> of working-age benefits on 31 March each year, and who had been claiming one of the main DWP working-age benefits for at least three of the preceding four years, has been increasing since 2008. This increase coincides with the introduction of ESA, and the transition of claimants receiving predecessor incapacity benefits to the ESA AP, the ESA WRAG and, in some cases, JSA.

<sup>1</sup> JSA, ESA (Assessment Phase or WRAG) or ISLP

**Table 2: Selected working-age benefit claimants on 31 March of each year, 2006 to 2014 who had been in receipt of one or more of the main DWP working-age benefits for at least three of the preceding four years, GB**

	Number of claimants in receipt of <b>JSA, ESA (Assessment Phase or WRAG) or ISLP (1)</b> as at 31 March, who had been in receipt of one or more of the main working-age DWP benefits for a total period of at least three of the preceding four years	Estimate of population aged 22-59 throughout the four year period (million)	Number of claimants, as a percentage of the population
2006	660,000	30.2	2.2%
2007	652,000	30.4	2.1%
2008	619,000	30.5	2.0%
2009	634,000	30.6	2.1%
2010	694,000	30.7	2.3%
2011	723,000	30.9	2.3%
2012	963,000	31.1	3.1%
2013	1,244,000	31.2	4.0%
2014	1,148,000	31.4	3.7%

Source: benefit data is from the National Benefits Database, GB. As explained in methodology section the 2006 to 2013 figures are based on Sept 2013 NBD and the 2014 data on the Sept 2014 NBD.

Population estimates are from the Annual Population Survey (APS), April to March of the relevant year i.e. 2014 is based on APS April 2013 to March 2014.

(1) Figures include some people working less than 16 hours and on one of the benefits listed.

(2) Figures only include those who are aged 22 to 59 on 31<sup>st</sup> March 2014

(3) Values are rounded to the nearest 1,000 and percentages rounded to one decimal place. Totals may not be the sum of the individual cells due to rounding.

(4) Some figures may differ from previous year's releases. This is due to; (i) revisions as a result of using an updated NBD release and; (ii) using the Annual Population Survey (APS) to calculate population estimates, rather than the Labour Force Survey (LFS).

## Further information

An extensive explanation of the latest indicator update can be found at this link:

<https://www.gov.uk/government/collections/duration-on-working-age-benefits-statistics>

## Status

**Updated:** April 2015

**Next update:** April 2016