



# Understanding the journeys from work to Employment and Support Allowance (ESA)

By Lorna Adams, Katie Oldfield, Catherine Riley, Becky Duncan and Christabel Downing

The purpose of this research was to strengthen the evidence base on the journeys from work to making a claim for Employment and Support Allowance (ESA).

The Independent Review of Sickness Absence<sup>1</sup> examined how to prevent job loss due to ill health and reduce associated costs. The review recommended further investigation to understand why some individuals move straight from work to ESA with no sickness absence first, and identifying for who this is most likely, as an important first step in understanding how to develop support in this area.

The provision of sickness absence by employers is important as it gives employers and employees time to work together to agree any necessary adjustments that will enable a return to work whilst individuals recuperate, or to explore other alternative duties if a return to the same role is not possible.

The findings from this research will inform measures to prevent people from falling out of work due to ill health.

## Main findings

- Around one-fifth (19 per cent) of **all** claimants moved straight from work to claiming ESA without any period of sickness absence. A further 45 per cent did have a period of sickness absence prior to leaving work (36 per cent were paid and 9 per cent unpaid). The remainder, 36 per cent, were unemployed immediately before making their ESA claim.
- Of those who were in **work immediately** before making their ESA claim, 29 per cent moved straight from work to claiming ESA without any period of sickness absence. This is a much lower than the 57 per cent reported in the DWP research published in 2011<sup>2</sup>.
- Those most at risk of leaving work without a period of sickness absence were: on a casual or agency contract; new to their job or part-time workers.

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<sup>2</sup> Sissons, P., Stevens, H. and Barnes, H. (2011). *Routes onto Employment and Support Allowance*. DWP Research Report No 774. Available at: [www.gov.uk/government/publications/routes-onto-employment-and-support-allowance-rr774](http://www.gov.uk/government/publications/routes-onto-employment-and-support-allowance-rr774)

For information the latest survey excludes those who have not worked for the last 12 months before submitting their ESA claim, self-employed unless on contract or employment agency (7 per cent of sample was self-employed), those who have had claim rejected. In contrast the earlier study included all claims for ESA during a certain time period (regardless of eligibility or previous work history).

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<sup>1</sup> Dame Carol Black and David Frost CBE. (2011). *Health at work – an independent review of sickness absence*. TSO. Available at: [www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/181060/health-at-work.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181060/health-at-work.pdf)

- Claimants with mental health conditions were more likely to report an attachment to the labour market and a greater appetite for accessing support services offered by employers. However those with mental health conditions were: **less likely** to have discussed their condition with their employer or to find adjustments helpful; and **more likely** to feel employers had not been supportive or to be unemployed immediately prior to their ESA claim.
- Only one-third of all claimants (33 per cent) had access to an employer provided occupational health (OH) service. Claimants who had used this service, where it was available, were more likely to have had a period of paid sickness absence, to still be formally employed when claiming ESA and to have received workplace adjustments (compared with those who had access to OH but did not use it).

## Method

The research consisted of:

- a quantitative survey – 3,301 telephone interviews with individuals who submitted a claim for ESA between December 2013 and January 2014 and had worked at some point in the 12 months prior to their claim;
- qualitative case studies interviews with 22 employers and 16 claimants. The depth interviews were conducted face-to-face with management level staff in organisations that had employed an ESA claimant who took part in the survey. Follow-up depth interviews were also conducted with claimants from the survey.

## Sickness absence and sick pay patterns of ESA claimants

In 2010, the Government commissioned an independent review of sickness absence<sup>3</sup> to

<sup>3</sup> Dame Carol Black and David Frost CBE. (2011). *Health at work – an independent review of sickness absence*. TSO. Available at: [www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/181060/health-at-work.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181060/health-at-work.pdf)

examine how to prevent job loss due to ill health and reduce associated costs. The Review was informed by earlier research<sup>4</sup>, which suggested that around one half (51 per cent) of ESA claimants were in employment immediately prior to claiming ESA. Of this group, more than half (57 per cent) appeared to have had no intervening period of sickness absence.

The latest survey revealed that 64 per cent were **in work** immediately before making their ESA claim and of this group, 29 per cent moved straight from work to claiming ESA without any period of sickness absence. This is lower than the 57 per cent reported in the *Routes onto ESA* research<sup>5</sup>.

Individuals most at risk of leaving work without a period of sickness absence were more likely to be: not directly employed by the organisation they were working for i.e. on a casual or agency contract; new to their job; and part-time workers.

Overall 61 per cent of claimants reported having had some sickness absence between starting their last role and submitting their claim for ESA. Women or, those working for public sector organisations or for large organisations were all more likely to have taken a period of sickness absence.

Where sick pay was received in a claimant's final period of sickness absence before claiming ESA most reported having received SSP, 66 per cent exclusively and 15 per cent in combination with

<sup>4</sup> Sissons, P., Stevens, H. and Barnes, H. (2011). *Routes onto Employment and Support Allowance*. DWP Research Report No 774. Available at: [www.gov.uk/government/publications/routes-onto-employment-and-support-allowance-rr774](http://www.gov.uk/government/publications/routes-onto-employment-and-support-allowance-rr774)

<sup>5</sup> For information the latest survey excludes those who have not worked for the last 12 months before submitting their ESA claim, self-employed unless on contract or employment agency (7% of sample was self-employed), those who have had claim rejected. In contrast the earlier study included all claims for ESA during a certain time period (regardless of eligibility or previous work history).

Occupational Sick Pay (OSP). A further 13 per cent received OSP only. Therefore, 29 per cent received some OSP.

## Employer practices

The qualitative research revealed that most employers reported applying discretion with their sickness absence policies. This was more common among smaller organisations, who tended to apply their policies on a case-by-case basis. Discretion was generally applied to favour members of trusted staff who had worked at the organisation for a long period of time, staff who had certain conditions such as cancer, or those who had suffered an accident at work.

There was some evidence to suggest that employers had not always followed regulations and guidance about SSP entitlements and processes.

Around one-third of employees (35 per cent) who had not received sick pay during their last sickness absence immediately before claiming ESA reported that their employer had told them that they were not entitled to it.

Among those who were advised that they were not entitled to any sick pay, more than half (55 per cent) said this was because they were employed on a probationary period, temporary contract or as an agency worker and just over one-third (36 per cent) because they worked variable or part-time hours. However, guidance<sup>6</sup> stipulates that casual and agency staff are eligible to SSP and that the minimum earnings for eligibility are £111 a week. Qualitative research confirmed these findings, and highlighted cases of temporary or agency workers and/or part-time or newly employed individuals having left work assuming they were not entitled to any pay, but had not generally checked this assumption with their employer.

Furthermore, although employees can self-certify a sickness absence for up to seven consecutive calendar days, the survey revealed

that employees were commonly required to produce proof of illness sooner than this in order to qualify for SSP. Most claimants (70 per cent) said that they were required to supply a fit note; and just over half (55 per cent) of these said they were required to do so within the standard self-certification period (and 25 per cent within 3 days). This is despite existing guidance which explains the seven days self-certification requirement.

## Support while still in work

Around a quarter of claimants (24 per cent) had not discussed their health condition with either HR or a line manager. This was higher among those with a mental health condition (33 per cent compared with 20 per cent for those with a physical health condition).

A third of all claimants (33 per cent) had access to an employer-provided OH service. There were some positive findings relating to the role of OH services. Claimants that had used this service where it was available were more likely to have had a period of paid sickness absence, to still be formally employed when claiming ESA and to have received workplace adjustments (compared with those who had access to OH but did not use it).

Nearly three-fifths (59 per cent) of claimants with a health condition had at least one adjustment made for them at work. The most common adjustment provided, was being able to take time off at short notice. Adjustments viewed as most useful included those involving a reduction in overall workload, provision of specialist equipment or changes to the working environment. Overall, however only 52 per cent of claimants with a health condition found adjustments useful in helping them stay in work longer. Those with a mental health condition were less likely to find any adjustments made helpful to stay in work.

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<sup>6</sup> The full list of criteria can be found on <https://www.gov.uk/employers-sick-pay/eligibility-and-form-ssp1>

## **Support for employees with mental health conditions**

For those with mental health conditions the picture was mixed. On the one hand claimants with mental health conditions were more likely to report an attachment to the labour market and a greater appetite for accessing support services offered by employers. However the research found that those with mental health conditions were:

- less likely to have discussed their condition with an employer;
- more likely to feel employers had not been supportive;
- less likely to find adjustments helpful to stay in work;
- more likely to be unemployed immediately prior to their ESA claim.

## **Working in the future**

Most claimants surveyed were not currently doing any paid work (91 per cent) and in general did not feel ready to return to work. Attitudes to work, however, were generally positive (60 per cent stated they would be prepared to do any job they could do; and 66 per cent agreed that people who work are always better off financially). Among those expecting a return to work in the future, most felt that flexible or part-time working would make a return to work easier (73 per cent).

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The full report of these research findings is published by the Department for Work and Pensions (ISBN 978 1 910219 77 5. Research Report 902. June 2015).

You can download the full report free from: <https://www.gov.uk/government/organisations/department-for-work-pensions/about/research#research-publications>

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