Institution: University of Essex

Unit of Assessment: 23 – Sociology

Title of case study: Informing policy debate on 'incapacity', employment, and social security benefits

1. Summary of the impact

There has long been concern about the large number of people claiming incapacity benefits in Britain. Repeated policies to reduce the caseload have had little effect. Professor Richard Berthoud has addressed the issues by exploring the interaction between disabled people's impairments and employers' expectations. He has been continuously engaged with policymakers and has influenced the policy debates about these benefits. He has made presentations to the Department for Work and Pensions and social security adjudication judges, and has provided research and advice for the Office for Disability Issues, the Equalities Review and the National Equalities Panel, and the Citizens Advice Bureau.

2. Underpinning research

'Incapacity benefits' is the generic term for social security provision for people unable to work because of ill-health or impairment – successively Sickness Benefit, Invalidity Benefit, Incapacity Benefit and Employment and Support Allowance. There was a striking increase in the number of claimants of these benefits between the mid-1970s and the mid-1990s, signalling problems for disabled people (exclusion from the labour market, poverty) and problems for government (shrinkage of the labour force, increased public expenditure). A series of reforms implemented by governments of all colours since 1996 seems to have capped, but not reduced, the number of people dependent on these benefits.

The strategic policy issue for successive governments has been the question of how to improve the employment rate among disabled people, and thus reduce the number of benefit claimants. The tactical issue has been how to distinguish between those who are capable and incapable of work, and how to enable (or compel) those on the margins of work to re-enter the labour market. There has been some inconsistency of approach, with policymakers responsible for equal opportunities and disability-specific issues focussing on discrimination against disabled people, while policymakers responsible for incapacity benefits (and the media) have demonised claimants as exaggerating their impairments and avoiding a return to work.

Berthoud's research has explored these areas and issues and shown that:

- At a theoretical level, neither the medical model of disability, nor the social model, provides a fully effective explanation for disabled people's employment prospects. Both models need to be taken into account, and to inform policy analysis (Berthoud 2008).
- The 'disability employment penalty' varies widely according to the condition, the type of impairment and severity experienced by the individual concerned. Some are unaffected by disability; some have virtually no chance of employment; many are in between and can be thought of as having about a 50:50 probability. This evidence does not fit well with benefit policies, which assume that people are either fully capable, or wholly incapable, of work (Berthoud 2008, 2011a, 2011b).
- Well-educated disabled people living in prosperous regions are not much worse off than non-disabled people with the same characteristics. But under-qualified disabled people living in depressed regions are heavily disadvantaged by their impairments, even in comparison with the relatively poor prospects of their non-disabled peers (Berthoud 2008, 2011a).

- Analysis of survey data on the prevalence of disability, and on the employment rates of disabled people over time, is broadly consistent with official statistics on the number of claimants, but does not support the idea that major changes in benefit rules influenced kinks in the trends (Berthoud 1998, 2011a).
- Increases in prevalence and reductions in employment rates have affected disabled people at all levels of severity. There is no evidence that the rise in benefit dependence is mainly associated with trivial complaints (Berthoud 2011a).

3. References to the research

Analysing employment rates and penalties among disabled people

Berthoud, R. (2004) The profile of exits from incapacity related benefits over time. DWP Working Paper 17. ISBN 1841237582

Berthoud, R. (2006) *The employment rates of disabled people*. DWP Research Report 298. ISBN 1841239151

Berthoud, R and M. Blekesaune (2007) *Persistent employment disadvantage*. DWP Research Report 416. ISBN 978 1 84712 158 5

Berthoud, R. (2008) Disability employment penalties in Britain. *Work, Employment and Society*, 22 (1): 129-148. DOI:10.1177/0950017007087420

Berthoud, R. (2011a) Trends in the employment of disabled people in Britain. ISER Working Paper 2011-03, University of Essex. https://www.iser.essex.ac.uk/files/iser_working_papers/2011-03.pdf

Analysing benefits policies and procedures

Berthoud, R. (1998) *Disability benefits: A review of the issues and options for reform*. Joseph Rowntree Foundation. ISBN 1899987770

Berthoud, R. (2011b) The Work Capability Assessment and a "real world" test of incapacity: lessons from, and for, quantitative research. ISER Working Paper 2011-22, University of Essex. https://www.iser.essex.ac.uk/publications/working-papers/iser/2011-22.pdf

Research funding

Research grants awarded to Richard Berthoud:

Secondment agreement for Professor Berthoud. Department for Work and Pensions, 22.09.03 to 31.10.04, £69,280.

(with M. Blekesaune) *Equalities Review.* Department for Work and Pensions, 15.02.05 to 28.04.06 £42,400.

Disability and employment: A quantitative analysis. Nuffield Foundation, 01.10.06 to 30.04.10, £152,547.

Total: £264,227

4. Details of the impact

Berthoud's research has had impact across government departments and agencies, the third sector, and the judiciary. Provided here are examples of the impact of his work on: the Department for Work and Pensions; Upper Tribunal judges; the Equalities Review and the National Equality Panel; the Office for Disability Issues; and the Citizens Advice Bureau.

Influencing the work of the Department for Work and Pensions

Berthoud gave two presentations to officials in the Department for Work and Pensions (DWP) between 2008 and 2010. The presentations were based on his work on employment penalties suffered by disabled people, and changes over time in employment trends among disadvantaged groups. A former Economic Advisor at the DWP has confirmed that Berthoud's presentations offered new findings and explanations on key topics, and that he brought the British Household Panel Survey to the DWP's attention. The former Economic Advisor goes on to state that "Richard's presentations, his research papers and his help and guidance have helped to influence policy on labour market interventions for disabled people and those with health conditions within the Department" [corroborating source 1].

Providing analysis and expertise for the Office for Disability Issues

Berthoud has been an active member of the Analytical Advisory Group which developed the Office for Disability Issues' (ODI) evidence base for the Government's disability strategy (known as "Fulfilling Potential"). This involved detailed comment on the whole of the ODI's draft publication, as well as specific advice on analytical issues, and new bespoke analysis of employment penalties for inclusion in the published report (2013). A senior member of the Disability Employment Strategy Team at the ODI has confirmed that Berthoud's research profile and expertise were the reasons for him being asked to contribute to the evidence base and that his publications were reviewed by the team in the early phases of its development [corroborating source 2]. He attended a number of meetings throughout 2012, and the report, *Fulfilling Potential: Building a deeper understanding of disability in the UK today*, was published in February 2013. This report cited his work on disability employment penalties (2008) and trends in the employment of disabled people (2011a) [3].

Informing the judiciary

Berthoud was approached by an Upper Tribunal Administrative Appeals Chamber judge in 2011 to give a keynote speech at a judicial training day. The audience consisted of around 25 Upper Tribunal judges and 10 registrars. The judge who invited Berthoud to speak did so based on reading his 'Trends in the employment of disabled people in Britain' ISER Working Paper, and he also stated that he made the decision due to Berthoud's reputation as the "top social scientist in this field" [4]. According to the judge, Berthoud's presentation was "very well received" and prompted debate from the audience [4]. The rationale for inviting Berthoud to speak was that he could provide an understanding of the broader context of the changes to the ESA benefit system. The judge has explained that Berthoud was successful in fulfilling this aim and that his presentation "was extremely useful in furthering our understanding of the wider social context and in particular the underlying reasons for trends in receipt of incapacity for work benefits" [4]. In addition, the judge confirmed that positive feedback was received from the participants in the session, including praise for Berthoud's focus on detailed statistical issues as well as the broader picture he gave of incapacity benefits [4].

Informing the Equalities Review and the National Equality Panel

Berthoud's research on employment penalties faced by disadvantaged social groups (2008) has informed the work of the Equalities Review (ER) and the National Equality Panel (NEP). The former Head of the Secretariat to the NEP and Lead Analyst for the ER has confirmed that "I and my team made substantial use of the analysis of Professor Berthoud" [5]. He also states that "Professor Berthoud's work on the employment rates of disabled people has been fundamental to the National Equality Panel's analysis of disability and the key role of qualifications" [5]. Further to this, he states that Berthoud's work on 'intersectionalities' between equality strands (including disability) "has come to define a lot of the equality debate in policy terms" [5]. Berthoud's work, including his research on the employment rates of disabled people, was referenced numerous

times in the National Equality Panel's *An Anatomy of Economic Inequalities in the UK report* [6].

Working with the Citizens Advice Bureau

The Citizens Advice Bureau (CAB) asked Berthoud to interpret the implications of his empirical research for the possible development of a discretionary "real world" test of incapacity, to complement the formal Work Capability Assessment (WCA). In 2010 CAB put forward an initial submission to Professor Harrington, who was chairing a Government review of the WCA. Professor Harrington asked CAB to further investigate the feasibility of developing a "real world" test as part of the WCA. This led CAB to approach Berthoud, based on his record of research, to produce a paper for submission to the Harrington Review [7] – this was later published as an ISER Working Paper and is listed above (Berthoud, 2011b). His paper highlighted that the sliding scale of impact on someone's ability to work at different levels of impairment depended on the level of educational qualifications and experience of the person. A Policy Officer at CAB states that "his paper was extremely useful evidence on this issue. Unfortunately it became clear that any further exploration of this route was politically unacceptable at that point" [7].

However, the fact that "real world assessment" has not been included in the WCA only serves to demonstrate the need for a better means of assessing a person's capability to work. The Policy Officer points out that CAB continues to look at the problems of the WCA and in so doing continues to use Berthoud's research [7].

5. Sources to corroborate the impact

All documents are available from HEI on request.

[1] Former Economic Advisor, Department for Work and Pensions.

[2] Senior Analyst, Disability Employment Strategy Team, ODI.

[3] Office for Disability Issues (2013) *Fulfilling potential: Building a deeper understanding of disability in the UK today*. Department for Work and Pensions. See p. 24, p. 44, p. 45; references on p. 96.
http://odi.dwp.gov.uk/docs/fulfilling-potential/building-understanding-main-report.pdf

[4] Judge, Upper Tribunal Administrative Appeals Chamber.

[5] Former Head of the Secretariat to the National Equality Panel and Lead Analyst for the Equalities Review.

[6] National Equalities Panel (2010) *An Anatomy of Economic Inequalities in the UK*. Government Equalities Office. See: p. 117, p. 272, p. 275, p. 316, p. 391; references on pp. 435-6.
http://eprints.lse.ac.uk/28344/1/CASEreport60.pdf

[7] Policy Officer, Citizens Advice Bureau.