

Equality Analysis for JSA and ESA: Increase in waiting days for new claims.

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(2) Equality Analysis for the increase from 3 to 7 waiting days for new claims to JSA and ESA.

(3) Introduction

(4) This document records the analysis undertaken by the Department to enable Ministers to fulfil the requirements placed on them by the Public Sector Equality Duty (PSED) as set out in section 149 of the Equality Act 2010. The PSED requires the Minister to pay due regard to the need to:

(5) • eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;

(6) • advance equality of opportunity between people who share a protected characteristic and those who do not; and

(7) • foster good relations between people who share a protected characteristic and those who do not.

(8) Brief outline of policy

Waiting days are designed to prevent payment of benefit for short periods of time – currently three days- where it is reasonable for people to manage on their own resources. The measure also prevents large numbers of very short-term claims for illness or unemployment.

In his Budget statement of 19 March, the Chancellor of the Exchequer confirmed that waiting days will be increased from 3 to 7 from October for both Jobseeker's Allowance (JSA) and Employment and Support Allowance (ESA) This means there would be no payment of benefit for the first 7 days of the claim.

The provision applies to both the contributory and income-related elements of both JSA and ESA and is consistent with our goal of ensuring that everyone is treated consistently at the outset of their claim.

Many people who claim JSA or ESA may also have entitlement to other benefits such as housing benefit and child tax credits to which waiting days are not applicable. This new policy measure does not affect entitlement to these other benefits.

As per the current Universal Credit (UC) migration assumption, there are not expected to be any new claims for income-related JSA or income-related ESA by October 2016. A similar policy is being introduced for new claims to UC.

Evidence and analysis

Impact of policy on protected groups

The following sections look specifically at the possible impact of the policy changes in terms of the protected groups (age, gender, disability, race, sexual orientation, gender re-assignment, pregnancy and maternity, marriage and civil partnership and religion and belief).

The group exempted from this policy change are primarily those with linked claims as they have already served a waiting day period. A JSA claim is linked if the claimant has claimed JSA, ESA, Income Support, Incapacity Benefit or Carer's Allowance in the previous three months before their JSA claim.

30% of JSA claims between September 2011 and August 2012 were linked.

In ESA, a claim is linked if the claimant has claimed JSA, ESA, Income Support, Incapacity Benefit, Carer's Allowance, Severe Disablement Allowance, State Pension Credit or Maternity Allowance in the previous three months, but also includes whether they received Statutory Sick Pay (SSP) directly before their ESA claim. 40% of ESA claims were linked in the same period excluding SSP. This is 60% if including SSP.

We have used administrative data from the Work and Pensions Longitudinal Study (WPLS) on the overall JSA/ESA on flows in 2011/12 and this data was then matched with data from the latest Family Resource Survey (FRS) for 2011/12 for the characteristics of the claimants.

There are two types of analysis presented. The distribution of unlinked new claimants by characteristic are compared to all claimants of these benefits from the FRS as well to the overall working age population from the FRS.

Age

Tables 1 and 2 shows a percentage breakdown by age of JSA and ESA claimants

The data set out in Table 1 suggests that the policy may have a marginally greater impact on those claiming JSA who are over 45. 34.5% of those potentially affected by the policy in JSA are over 45 compared to 24.7% of the total JSA caseload. However, the overall JSA caseload is generally younger compared to the overall working age population –with 41.9% of the working age population over 45.¹

Table 2 shows that for those claiming ESA, the policy may have a marginally greater on the over 45's. 56.6% of those affected by the policy are over 45 compared to 48.7% for the overall ESA caseload. The overall ESA caseload tends to be older than the overall working age population.

Table 1: JSA Age Distribution

	Unlinked JSA Claimants	All JSA claimants	Working Age Population
Under 18	0.6%	0%	0.5%
18-24	24.0%	28.1%	11.4%
25-34	19.7%	22.6%	21.1%
35-44	21.3%	24.6%	25.1%
45-54	21.9%	17.1%	24.1%
55 and over	12.6%	7.6%	17.8%

¹ Taken from the Family Resources Survey 11/12

Table 2: ESA Age Distribution

	Unlinked ESA Claimants	All ESA claimants	Working Age Population
Under 18	0%	0%	0.5%
18-24	8.2%	14.2%	11.4%
25-34	12.6%	14.0%	21.1%
35-44	22.5%	23.2%	25.1%
45-54	33.5%	30.6%	24.1%
55 and over	23.1%	18.1%	17.8%

Conclusions

This policy measure will affect all new claims to JSA and ESA, and does not take account of the age of the claimant. Our analysis shows that the over 45 age group are very slightly more likely to be affected by this change than younger claimants. This is a very marginal effect and is likely to reflect that older workers are more likely to claim JSA or ESA after a period of work, rather than moving from another benefit.

Gender

Table 3 gives the gender breakdown for the total JSA caseload and those potentially affected by the policy proposal. It appears similar levels of males and females could be affected when compared with the JSA caseload.

Table 4 gives the gender breakdown for the total ESA caseload and those potentially affected by the policy proposal. It appears similar levels of males and females could be affected when compared with the ESA caseload.

The difference in the gender composition of each potentially affected subgroup is small.

Table 3: JSA Gender Distribution

	Unlinked JSA claimants	All JSA claimants	Working Age Population
Male	59.3%	62.6%	49.8%
Female	40.7%	37.4%	50.2%

Table 4: ESA Gender Distribution

	Unlinked ESA claimants	All ESA claimants	Working Age Population
Male	47.3%	46.3%	49.8%
Female	52.7%	53.7%	50.2%

Conclusions

This policy measure could apply to all new JSA and ESA claimants and does not distinguish between gender. On the basis of the above analysis, we are content that there is no gender specific disadvantage brought about by this policy measure.

Disability

Tables 5 and 6 show percentage breakdowns of JSA and ESA claimants according to whether a defined DDA disability is recorded for them within our records.

For measuring disability rates among the populations, we looked at whether respondents reported that they are disabled according to the Disability Discrimination Act (DDA) definition or not.

Table 5 shows there is little difference between those unlinked JSA claimants and the overall JSA claimant population for those reported as having a disability according to the DDA definition².

Table 6 shows that, given the nature of the benefit, the potentially affected group and the overall ESA caseload are much higher than the working age population at 81.8% and 93.1% respectively. The proportion of the unlinked claimants that may be affected by this policy change shows a lower percentage self report having a disability compared to overall ESA.

Table 5: JSA Disability Distribution

	Unlinked JSA claimants	All JSA claimants	Working Age Population
Has a DDA defined disability	29.5%	28.2%	26.4%
Does not have a DDA defined disability	70.5%	71.8%	74.6%

Table 6: ESA Disability Distribution

	Unlinked ESA claimants	All ESA claimants	Working Age Population
Has a DDA defined disability	81.9%	93.2%	26.4%
Does not have a DDA defined disability	18.1%	6.8%	74.6%

Conclusions

This policy measure will apply to all JSA and ESA new claimants and does not consider disability status. However on the basis of the available data, our analysis concludes that for claimants with a defined disability there is a disadvantage as a result of the extension of waiting days compared to the general working age population. This is as a result of the relatively high proportion of ESA claimants who have a defined disability. However this group of claimants will be able submit claims for short term benefit advances which would smooth the impact of extended waiting days across a longer period. In addition any new ESA claimant with a terminal illness are already

² Taken from the Family Resources Survey 11/12

provided with an exemption from serving waiting days where they would have applied.

Race

Due to small sample sizes, the breakdown has been limited to white and other ethnic backgrounds.

Table 7 shows an ethnicity breakdown of the potentially affected group and the overall JSA caseloads. The proportion of the unlinked claimants group that is white is slightly higher than the proportion of the overall JSA caseload. Though this higher proportion is similar to the proportion in the working age population which the FRS estimates is 88.7%.

Table 8 shows that the proportion of the subgroup caseload that is white is estimated slightly higher at 91.8% and the proportion of the overall ESA caseload is 90.4%

Table 7: JSA Ethnicity Distribution

	Unlinked JSA claimants	All JSA claimants	Working Age Population
White	89.6%	83.2%	88.7%
Other ethnic background	10.4%	16.8%	11.3%

Table 8: ESA Ethnicity Distribution

	Unlinked ESA claimants	All ESA claimants	Working Age Population
White	91.8%	90.4%	88.7%
Other ethnic background	8.2%	8.6%	11.3%

Risk of negative impacts and mitigation

This policy measure will apply to all JSA and ESA new claimants irrespective of race. Our analysis shows that the ethnic distribution of claimants likely to be affected by this policy is in line with the overall working age population, and does not show a particular disadvantage to any ethnic group.

The Department has considered equality in respect of the introduction of this change on the remaining “protected characteristic” groups below, but there is no or limited data available to impact the policy on these groups:

- Gender reassignment
- Sexual orientation
- Pregnancy and maternity
- Religion and belief
- Marriage and civil partnerships

This policy measure applies to all new JSA and ESA claimants. The primary factor used to determine whether a claimant serves waiting days is whether they have a linking claim from another benefit. Therefore, we do not believe

that any of the above groups will be disproportionately affect through the implementation of this policy.

Sign off

This Equality Assessment has been signed off by Iain Walsh, Working Age Benefits Strategy.