

Benefit Claims in Edinburgh

Capital City Partnership Working Paper Series

Working Paper 2

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Monitoring and Evaluation



Working Paper 2

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1.0 Summary

- Edinburgh has a substantial proportion of its population who rely on state support through benefits.
- In August 2005 – there were (p2.):
 - **11,860** Recipients of Attendance Allowance
 - **20,160** Recipients of Disability Living Allowance
 - **22,450** Recipients of Incapacity Benefit and Severe Disability Allowance
 - **18,010** Recipients of Income Support
 - **17,430** Recipients of Pension Credit Claimants
 - **6,720** Recipients of Job Seekers Allowance Claimants
 - **75,360** Recipients of State Pension
- The number of Disability Living Allowance claimants would appear to have increased by around **20%** since 2001 (p2).
- In 2001, it was estimated that nearly **£90million** of Attendance Allowance and Disability Living Allowance was unclaimed by eligible people in Edinburgh (p3).
- This is of interest to JU4J as people who are working can claim DLA and therefore this can make the difference between work being financially attractive and helping in the transition to work (p3).
- Incapacity Benefit /Severe Disability Allowance claimants have also increased by **20%** (p2).
- In May 2005, around **67%** of IB/SDA claimants in Edinburgh had been claiming for 3 years or more (p11).
- Income Support with the disability premium claimants have increased by around **13%** (p2).
- The Scottish Neighbourhood Statistics site highlights that in 2002, **9.8%** of the working age population of Edinburgh were claiming ‘employment’ based benefits (p4).
- SNS site also presents a similar combination of benefits for ‘income’ deprived and in 2002 **11.8%** of adults and children were in households receiving key income benefits or credits (p4).
- Work and Pensions Longitudinal Study (WPLS) is probably the most accurate data set for benefit dependency in the city, suggesting that in the third quarter of 2005 there were **40,400** people claiming benefits. However even with this there are still some problems as at present Housing Benefit (HB), Council Tax Benefit (CTB) and Industrial Injuries Benefits are not included in WPLS (p4).
- Around 50% of IB/SDA claimants in the city have mental health problems (p10).

2.0 Purpose of this Paper

This working paper is the second in a regular series of papers compiled by CCP that look at issues of relevance to Joined up for Jobs. The first looked at the NEET group and future working papers will examine topics around issues such as migrant workers, a specific focus on Incapacity Benefit, outcomes and outputs from projects supported under the getting people into work heading of the ROA, etc. We are open to suggestions from JU4J partners for future topics.

Overall these working papers are intended to be useful background resources that can be used for base lining programs or simply providing context. In other instances the papers will provide a 'literature review' type function, distilling information and informing the group of what research and data that has recently become available. They are not necessarily documents that reach conclusions or provide answers, nor will they necessarily call for future research.

In the context of Joined up for Jobs this particular paper will be of interest as it will not only highlight the number of people claiming employment related benefits –JSA and IB/SDA- it will also indicate trends in the level of claiming and will break this down in terms of wards, providing a geographical profile of benefit claiming in the city. One thing that this geographic profile highlights is that there are more people claiming benefits such as IB/SDA in wards that are not the focus of interventions than there are in the 12 focus wards. This is also the case for JSA and Income Support. This isn't surprising as the focus for the Regeneration Outcome Agreement is on areas of *multiple deprivation* what it does highlight is that for the Joined up for Job Partners there is a client group outside the focus areas that may also need support.

3.0 Introduction

On the face of it Edinburgh is a vibrant booming city, with high levels of employment, high levels of home ownership and an affluent population. Whilst this may be true for a large percentage of the population of the city, there is a substantial minority that has to rely on state support through benefits, allowances and pensions. This is something that CCP are clearly aware of as poverty and income is one of the areas that direct our work.

This paper looks at the number of benefit claimants in the city, by benefit type. As the focus of much of the work of CCP is on the geographies identified as deprived this report also highlights benefit claimants by ward. The final stage was to take these figures and apply them to an average benefit claim. This has allowed us to arrive at an estimate of the amount of benefit going in to a local area.

4.0 Benefit Claimants in Edinburgh

The Table below highlights the numbers of people in receipt of some eight of the Department of Work and Pension Benefits and compares the situation in August 2005, with that in August 2004, 2003, 2002 and 2001. The roman numerals refer to endnotes that give information on claiming these benefits.

We can see that data trends are fairly consistent over the period with a couple of exceptions. Attendance Allowance seems to have stabilised in 2004 and 2005 after increasing in 2002 and 2003. The DLA seems to have increase relatively uniformly year on year and the overall number

of DLA claimants would appear to have increased by around **20%** since 2001. Since 2001 there has been a 20% increase in IB/SDA numbers, but what is different here is that most of the increase seems to have taken place in 2001 and 2002. For the last three years the number has remained fairly consistent at around 22,400.

Table 1 Number of Key Benefit Claimants in Edinburgh

	August 2005	August 2004	August 2003	August 2002	August 2001
Attendance Allowance ⁱ	11,860	11,820	11,680	11,310	<i>N/A</i>
Disability Living Allowance ⁱⁱ	20,160	19,090	18,365	17,440	16,700
Incapacity Benefit and Severe Disability Allowance ⁱⁱⁱ	22,450	22,305	22,375	19,130	18,665
Income Support ^{iv}	18,010	18,090	30,080	29,935	30,005
Income Support (Disability)	11,400	10,900	10,600	10,500	10,100
Pension Credit ^v	17,430	17,175	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
Job Seekers Allowance ^{vi}	6,720	6,715	7,490	6,916	7,015
State Pension ^{vii}	75,360	75,755	75,615	76,290	76,055

All data from the DWP web site except JSA for August 2002 which has been sourced from LLMU August 2003 Bulletin

In 2004 we can see that there was a major drop in the number of income support claimants in the city. This is likely to be due to the fact that in 2004 pensioners were no longer entitled to income support, and for them this was replaced by Pension Credit. When this was introduced in October 2003 it resulted in a fall in the number of people entitled to Income Support. Prior to that pensioners had been entitled to Income Support through the Minimum Income Guarantee scheme. Income support is what is known as a passport benefit (entitlement to income support gives access to other benefits such as free prescriptions, school meals, etc.). As a result this benefit would normally have a high level of take up. That said, since the introduction of Pension Credit there has been an increase in the number of people claiming pension credit **and** income support. There has been an increase in the number of people claiming Income Support with the disability premium. People who don't have the necessary NI contributions for Incapacity Benefit will receive this benefit. The number of JSA claimants is the only one that has fallen, by **4%**, since 2001.

It is difficult to reach categorical conclusions about how many people in the city are claiming benefits as often people can claim more than one benefit, and looking at it benefit by benefit (as we have done in this paper) means that we don't have information on people who receive more than one benefit. What we can see is that at least **18,000** working age people in Edinburgh didn't have enough money to live on in 2005 (Income Support Claimants). At the same time there was at least **17,000** older people who needed additional financial support (Pension Credit).

In 2001, it was estimated that nearly **£90million** of Attendance Allowance and Disability Living Allowance was unclaimed by eligible people in Edinburgh¹. This is of interest to JU4J as people who are working can claim DLA and therefore this can make the difference between work being financially attractive and helping in the transition to work. It will be interesting to note what numbers of clients are receiving DLA in the area based employment access intermediaries and

¹ Developing an Income Maximisation Strategy for Edinburgh, Briefing Note May 2004

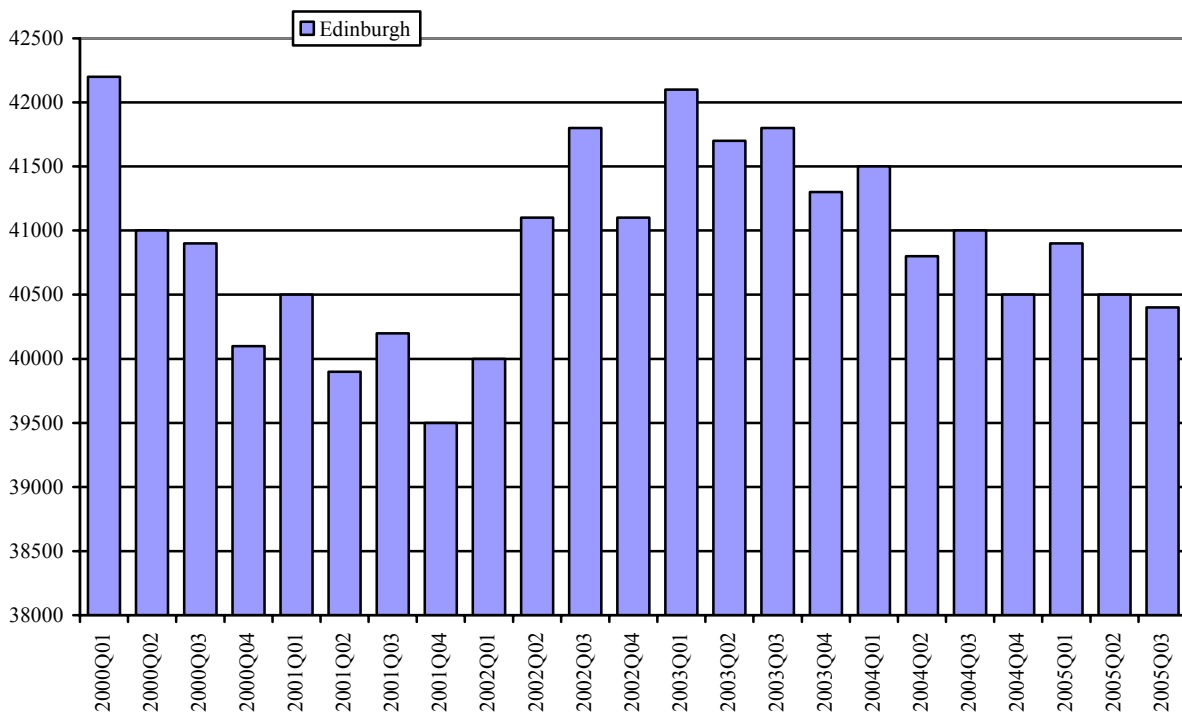
liaise with them whether they refer clients to the Disability Income Group (DIG). This would reflect a link between the JU4J strategy and the Income Maximisation strategy.

The Scottish Neighbourhood Statistics site has some information on benefits. The site highlights that in 2002, 9.8% of the working age population of Edinburgh were claiming ‘employment’ based benefits. This is based on the working age population (16-64 for men and 16-59 for women) who are on the unemployment claimant count, are in receipt of Incapacity Benefit/ Severe Disablement Allowance or are Compulsory New Deal participants (New Deal for the under 25s and New Deal for the 25+ not included in the unemployment claimant count).

The site also presents a similar combination of benefits for income deprived and in 2002 **11.8%** of adults and children were in households receiving key income benefits or credits. This indicator is the percentage of adults and children living in households in receipt of Income Support, Income Based Job Seekers Allowance, Working Families Tax Credit below a low income threshold or Disability Tax Credit below a long income threshold.

For both of these statistics there is no updated data available on the SNS site. As a result this data although interesting, simply presents a statistical snapshot, and we can’t really see if there has been any positive or negative movement as a time series is not available.

Figure 1 The Number of Working Age Benefit Claimants in Edinburgh



The data used for the chart above refers to the number of working age benefit claimants and is derived from the Work and Pensions Longitudinal Study (WPLS). The dataset provides counts of benefits claimants categorised by their statistical group (their main reason for interacting with the benefit system), gender and age. Double counting of claimants of multiple benefits has been removed as each claimant can only be assigned to one of the 8 groups that the study looks at in detail. As a result this is probably the most accurate data set for benefit dependency in the city, suggesting that in the third quarter of **2005 there were 40,400 people claiming benefits-** this is

close to **10%** of the cities population. However even with this there are still some problems as at present Housing Benefit (HB), Council Tax Benefit (CTB) and Industrial Injuries Benefits are not included in WPLS.

What we can see from all of the sources discussed in this section is that there around 1 in 10 of Edinburgh's population who receives key benefits. It is likely that this is not spread equally around the city and that it is concentrated in particular areas. It is this area focus that will be looked at next.

5.0 Benefit Profile of Focus Areas

The geographic focus for the work of the Capital City Partnership is to look at reducing the inequalities between the deprived areas of the city and the city as a whole. The deprived areas have been defined for us by the Scottish Index of Multiple Deprivation, which ranked all of the neighbourhoods in Scotland (represented by Data Zones) in terms of their score in an index of multiple deprivation. The financial focus for intervention was determined to be the 15% worst data zones- Edinburgh had 61 of these and they are the focus areas for the Regeneration Outcome Agreement. In the following discussion we have chosen to reflect ward level data and to achieve this we have identified 12 wards that contain the data zones that are the focus of the SIMD.

IBSDA (Table 2)

We can see that there have been some positive movements with 33 of the wards showing a fall in the number of claimants over the last 5 years. However there are still a large number of wards that have seen the number of IBSDA claimants increase over the last 5 years. What is also worth pointing out is the number of wards that can be seen as being 'affluent' that have seen an increase in the number of IBSDA claimants. That said the actual number of claimants are low of these wards and it is still Craigmillar and Muirhouse/Drylaw that have by far the highest number of claimants.

We can see from the Table 2 that in August 2005 there were **9,375** IB/SDA claimants in the 12 focus wards and a further **13,285** in the remaining 46 wards in the city. Although it is clear that the focus wards dominate in terms of the proportion of the population claiming IBSDA (2/5ths of the cities IBSDA claimants when simply in population² terms there should only be 1/5th), the majority of people in Edinburgh claiming IBSDA live outside the focus areas. The point to make is that there is a clearly a need for mainstream providers, and agencies that aren't charged with focusing on particular geographies, to continue to support people from elsewhere in Edinburgh off of benefits and into work.

JSA (Table 3)

Looking now at JSA claimants we can see a similar situation with some wards (28) showing a fall in the number of claimants whilst others have seen the number of claimants increase. If we compare JSA with IB/SDA it is obvious that although not unsubstantial the number of JSA claimants is minor compared to IB/SDA claimants.

² 2001 Census the population in the 12 focus wards was 95,095 and in the city as a whole it was 448,624

Table 2 Incapacity Benefit / Severe Disablement Allowance Claimants

	2001	2001	2003	2004	2005	Increase or Decrease
Balerno	170	165	180	180	190	↑
Baberton	185	185	170	170	175	↓
Dalmeny/Kirkliston	285	290	280	285	290	↑
Queensferry	200	185	205	225	220	↑
Cramond	170	165	165	155	150	↓
Davidson's Mains	145	160	155	135	140	↓
<i>Muirhouse/Drylaw</i>	<i>1110</i>	<i>1120</i>	<i>1085</i>	<i>1090</i>	<i>1040</i>	↓
Craighleith	175	170	165	165	150	↓
<i>Pilton</i>	<i>760</i>	<i>735</i>	<i>785</i>	<i>755</i>	<i>735</i>	↓
<i>Granton</i>	<i>735</i>	<i>725</i>	<i>755</i>	<i>785</i>	<i>740</i>	↑
Trinity	175	165	170	170	165	↓
<i>Newhaven</i>	<i>680</i>	<i>660</i>	<i>665</i>	<i>655</i>	<i>625</i>	↓
East Craigs	405	415	415	410	425	↑
N.E. Corstorphine	185	185	180	170	175	↓
Murrayfield	135	125	130	120	120	↓
Dean	105	105	100	105	95	↓
Stockbridge	175	175	170	155	160	↓
New Town	215	210	205	190	180	↓
Broughton	375	405	375	375	395	↑
Calton	430	430	415	400	380	↓
<i>Harbour</i>	<i>685</i>	<i>640</i>	<i>685</i>	<i>705</i>	<i>710</i>	↑
Lorne	555	575	590	600	565	↑
Gyle	175	160	160	150	160	↓
S.E. Corstorphine	200	195	205	210	210	↑
<i>Parkhead</i>	<i>670</i>	<i>715</i>	<i>755</i>	<i>745</i>	<i>740</i>	↑
Craiglockhart	165	165	155	155	150	↓
Stenhouse	540	525	570	565	575	↑
Moat	400	400	420	435	465	↑
Shandon	265	255	260	280	270	↑
Dalry	515	555	565	590	575	↑
Fountainbridge	335	355	345	355	350	↑
Tollcross	440	455	415	415	395	↓
Southside	420	430	415	410	415	↓
Holyrood	725	725	725	710	695	↓
Meadowbank	385	395	360	370	335	↓
Mountcastle	445	425	440	430	380	↓
Leith Links	400	365	385	395	380	↓
<i>Restalrig</i>	<i>960</i>	<i>995</i>	<i>970</i>	<i>965</i>	<i>960</i>	↔
Portobello	375	385	375	355	345	↓
Milton	470	480	480	450	450	↓
<i>Murray Burn</i>	<i>805</i>	<i>760</i>	<i>790</i>	<i>800</i>	<i>815</i>	↑
<i>Sighthill</i>	<i>495</i>	<i>495</i>	<i>475</i>	<i>505</i>	<i>520</i>	↑
Colinton	115	125	110	120	115	↔
Firrhill	475	475	460	420	405	↓
Merchiston	130	130	135	140	140	↑
North Morningside/Grange	295	290	280	275	245	↓
Marchmont	80	90	90	90	75	↓
Sciennes	125	135	125	130	130	↑
Newington	170	155	155	150	125	↓
Prestonfield	285	280	250	265	260	↓
South Morningside	140	155	170	155	150	↑
Fairmilehead	115	120	120	110	110	↑
Alnwickhill	385	380	385	405	400	↑
<i>Kaimes</i>	<i>665</i>	<i>625</i>	<i>630</i>	<i>630</i>	<i>645</i>	↓
<i>Moredun</i>	<i>685</i>	<i>695</i>	<i>700</i>	<i>715</i>	<i>750</i>	↑
Gilmerton	495	490	485	480	485	↓
<i>Craigmillar</i>	<i>1315</i>	<i>1330</i>	<i>1285</i>	<i>1240</i>	<i>1240</i>	↓
<i>Duddingston</i>	<i>405</i>	<i>410</i>	<i>390</i>	<i>370</i>	<i>375</i>	↓

Source: DWP Information Directorate

Table 3 Jobseeker's Allowance Claimants

Ward Name	2001	2002	2003	2004	2005	Increase or Decrease
Balerno	55	35	45	45	40	↓
Baberton	50	55	55	35	40	↓
Dalmeny/Kirkliston	95	95	100	95	75	↓
Queensferry	80	85	90	100	80	↔
Cramond	65	60	60	65	50	↓
Davidson's Mains	45	40	50	55	55	↑
<i>Muirhouse/Drylaw</i>	310	300	355	370	365	↑
Craighleith	50	60	50	45	65	↑
<i>Pilton</i>	185	215	230	240	280	↑
<i>Granton</i>	190	215	225	195	190	↔
Trinity	55	80	80	80	60	↑
<i>Newhaven</i>	210	200	195	175	205	↓
East Craigs	95	90	110	90	100	↑
N.E. Corstorphine	45	45	60	65	65	↑
Murrayfield	70	80	75	60	55	↓
Dean	75	95	75	60	65	↓
Stockbridge	95	90	95	80	80	↓
New Town	110	125	115	85	75	↓
Broughton	145	175	175	160	145	↔
Calton	175	160	175	150	135	↓
<i>Harbour</i>	195	195	220	195	240	↑
Lorne	200	185	205	195	195	↓
Gyle	55	50	65	55	75	↑
S.E. Corstorphine	55	60	70	75	45	↑
<i>Parkhead</i>	260	240	240	190	225	↑
Craiglockhart	40	50	60	50	50	↓
Stenhouse	115	105	120	115	130	↑
Moat	100	105	130	145	125	↑
Shandon	125	130	140	135	125	↑
Dalry	255	225	245	230	200	↓
Fountainbridge	175	185	165	145	145	↓
Tollcross	200	185	155	155	140	↓
Southside	130	140	135	145	135	↑
Holyrood	235	210	225	200	200	↓
Meadowbank	115	135	145	125	140	↑
Mountcastle	105	100	110	90	95	↓
Leith Links	115	105	135	120	145	↑
<i>Restalrig</i>	185	185	200	230	210	↑
Portobello	100	120	100	110	110	↑
Milton	105	100	120	105	110	↑
<i>Murray Burn</i>	315	320	260	245	250	↓
Sighthill	175	180	190	170	165	↓
Colinton	45	40	65	50	40	↓
Firrhill	120	130	155	120	95	↓
Merchiston	115	110	110	100	85	↓
North Morningside/Grange	70	70	60	65	65	↓
Marchmont	105	70	75	65	65	↓
Sciennes	70	70	70	80	60	↓
Newington	60	75	60	65	45	↓
Prestonfield	75	80	65	60	55	↓
South Morningside	55	45	50	55	60	↑
Fairmilehead	55	45	55	50	55	↔
Alnwickhill	75	80	90	75	80	↑
<i>Kaimes</i>	150	145	175	190	190	↑
<i>Moredun</i>	180	160	185	180	180	↑
Gilmerton	100	90	100	85	80	↓
<i>Craigmillar</i>	260	270	285	315	325	↑
<i>Duddingston</i>	85	100	105	95	90	↑

Source: DWP Information Directorate

Table 4 Income Support Claimants By 2003 Ward Boundaries

Ward Name	2001	2002	2003		2004	2005	Increase or Decrease 2004-2005
Balerno	220	190	215		100	105	↑
Baberton	190	165	165		70	75	↑
Dalmeny/Kirkliston	320	320	330		200	200	↔
Queensferry	215	225	235		145	140	↓
Cramond	195	195	200		80	80	↔
Davidson's Mains	135	125	125		50	60	↑
<i>Muirhouse/Drylaw</i>	1555	1570	1560		1030	1010	↓
Craigleith	185	180	200		115	100	↓
<i>Pilton</i>	1100	1105	1110		780	785	↑
<i>Granton</i>	985	960	960		645	615	↓
Trinity	215	200	195		95	90	↓
<i>Newhaven</i>	840	805	835		515	520	↑
East Craigs	525	525	550		300	295	↓
N.E. Corstorphine	260	255	240		115	115	↔
Murrayfield	185	165	170		80	65	↓
Dean	155	140	140		60	55	↓
Stockbridge	300	285	275		95	105	↑
New Town	220	200	195		100	115	↑
Broughton	450	475	445		260	280	↑
Calton	585	560	570		330	310	↓
<i>Harbour</i>	905	885	910		575	580	↑
Lorne	745	720	735		445	415	↓
Gyle	220	205	225		80	85	↑
S.E. Corstorphine	235	230	250		145	155	↑
<i>Parkhead</i>	955	1020	1040		800	775	↓
Craiglockhart	175	165	160		65	75	↑
Stenhouse	785	770	825		450	470	↑
Moat	650	635	650		355	375	↑
Shandon	320	270	290		200	200	↔
Dalry	660	680	690		515	495	↓
Fountainbridge	435	450	450		270	245	↓
Tollcross	510	480	490		330	295	↓
Southside	525	545	535		305	300	↓
Holyrood	875	860	860		550	540	↓
Meadowbank	395	420	395		245	220	↓
Mountcastle	595	560	595		335	305	↓
Leith Links	495	450	480		275	285	↑
<i>Restalrig</i>	1320	1345	1360		805	795	↓
Portobello	450	450	445		250	240	↓
Milton	705	665	690		345	345	↔
<i>Murray Burn</i>	1135	1070	1095		835	850	↑
Sighthill	660	655	660		470	485	↑
Colinton	120	125	120		50	45	↓
Firrhill	685	665	685		385	375	↓
Merchiston	170	170	160		85	80	↓
North Morningside/Grange	265	260	250		120	105	↓
Marchmont	80	90	90		55	50	↓
Sciennes	200	195	180		65	75	↑
Newington	185	175	180		85	75	↓
Prestonfield	420	410	390		170	160	↓
South Morningside	170	170	180		90	85	↓
Fairmilehead	55	55	65		45	40	↓
Alnwickhill	660	610	610		265	255	↓
<i>Kaimes</i>	920	870	885		615	645	↑
<i>Moredun</i>	1030	1010	985		640	630	↓
Gilmerton	715	710	700		380	380	↔
<i>Craigmillar</i>	1855	1835	1805		1295	1245	↓
<i>Duddingston</i>	480	490	455		285	280	↓

Source: DWP Information Directorate

Again the focus wards tend to have higher numbers of claimants and the wards of Muirhouse Drylaw and Craigmillar once again dominate. Also worth pointing even in the wards that have not ranked highly at all in terms of deprivation there are JSA claimants, in much the same way as there are IB/SDA claimants in these more affluent wards. For instance in Baberton in 2005 there were **175** IBSDA claimants and **40** JSA claimants and in the New Town there were **180** IBSDA claimants and **75** JSA claimants. The point being made is that whilst the highest numbers of claimants can be found in the most deprived areas, benefit dependency is also found in areas of affluence.

Once again it can be seen that the 12 focus wards have a higher proportion of the city's claimants than would be expected based on population alone. In August 2005 there were **2,750** JSA claimants in the 12 focus wards and a further **4,300** in the rest of the city. Overall therefore 1/3rd of the city's JSA claimants live in the 12 focus wards – in population terms it should have been 1/5th. This is a smaller proportion than is the case for IBSDA but still more than one would expect, simply based on population.

Income Support (Table 4)

Table 4 (above) highlights the situation as regards income support. We might expect that the number of claimants for this benefit are higher as it is a passport benefit (entitlement to income support unlocks access to other benefits). However we can see that although there are more Income Support claimants than Job Seeker Allowance Claimants, Incapacity Benefit/Severe Disability Allowance is claimed by more people in the wards. One thing to point out is that because of the introduction of Pension Credit in 2003, data from 2004 on is not compatible with that which preceded it. This can be clearly seen in the table below.

Again there are a higher proportion of claimants from the focus wards than from the city as a whole. In terms of Income Support in August 2005 there were **8,730** Income Support claimants in the 12 focus wards and **9,445** in the rest of the city. From this we can see that almost half of the city's IS claimants lived in the 12 focus wards. Again this illustrates that the focus on these 12 wards is appropriate, but that there are slightly more people living in the other 46 wards of the city, who through successfully claiming income support, do not by definition 'have enough money to live on'. Once again there is a case for continued work with clients based in the other 48 areas of the city, to improve employability and to reduce poverty.

It has been pointed out that as we focus on data zones in the city we should be focusing on data zones in this report. This is a good point and is something worth considering for future reports, however it is also useful to be able, at a glance to, geographically visualise the distribution of benefit dependency in the city- something that can be done by looking at wards but is more difficult when we look at data zones.

6.0 Value of Benefits to the City

We have taken the figures discussed above and have used them to try and work out an estimate of the amount of money entering the city through benefits. In terms of Joined up for Jobs this might be seen as slightly tangential, but one would hope that it is useful if only as context setting. Although not done in this paper it would be possible to estimate an average amount of benefit received by an individual which may be useful as a means of highlighting how much more people may earn if they were able to enter the labour market.

In the UK as a whole in 2004/05 the exchequer spent close to £135 billion³ on social security benefits and tax credits. To arrive at a figure for Edinburgh we have taken the number of claimants of particular benefits at any one time and applied an estimate of what, in terms of pounds and pence, an average benefit would be. It should be stressed before moving on that these are ESTIMATES. Assumptions and extrapolation methods have been used to arrive at these figures and different circumstances for claimants will result in different entitlements.

Looking at one benefit in detail will give some indication of the complications involved in arriving at an estimate of the value of any particular benefit, as well as giving some indication of how we have done it. It will also provide more details on the most commonly claimed benefit in the city- Incapacity Benefit/ Severe Disability Allowance, one which contains the target group for projects such as Healthy Return and Social Prescription in South Edinburgh. As a result it is one benefit that has also been the focus for more examination.

6.1 Incapacity Benefit and Severe Disability Allowance

It is paid to people who are assessed as being incapable of work and who meet the appropriate contribution conditions and although it is focused on working age there is an option for the benefit to be paid to people over state pension age. For those over state pension age the short-term rate of Incapacity Benefit, based on Retirement Pension entitlement, is paid for up to a year but only if incapacity began before pension age. The long-term rate is not paid for people over pension age.

In February 2005 there were **2,387,000** IB claimants and **1,444,800** IB beneficiaries in Britain and a breakdown in terms of the constituent parts of the country is shown in the table below. The difference between a *claimant* and a *beneficiary* is given as a note to Table 1.2 in DWP Quarterly Statistical Summary (National Statistics, 2006). In effect beneficiaries are those that are receiving money. Claimants not only include beneficiaries, it also includes those receiving national insurance credits and no monetary payment- we can see that in GB there were just over a million people who fall into this category.

Table 5 Incapacity Benefit

	Claimants	Beneficiaries	Amount
GB	2,387,000	1,444,800	£6,300,368,256
England	1,911,300	1,134,800	£4,948,545,056
Scotland	281,500	174,300	£760,073,496
Wales	184,900	127,300	£555,119,656

Tables IB1.4 and IB2.5 of the IB/SDA quarterly summary statistics, gives an average weekly payment for a *beneficiary* of £83.86 (£4,360.72 per annum). If we apply this to the figures we can estimate the amount of money going on IB in February 2005 and this is shown in the right hand column. We can see that from this in February 2005 there was £6,300,368,256 spent on IB in Britain and £760 million being spent in Scotland.

If you were getting Severe Disablement Allowance (SDA) in April 2001 you will normally continue to receive it but since April 2001 it has not been possible to make a new claim for SDA. Claimants must be aged between 16 and 65 when they make their claim. There is no upper age limit for receiving the allowance once it has been awarded.

³ The Treasury 2004 Spending Review Annex A Table A.1

In GB in February 2005 there were **294,500** SDA beneficiaries. As can be seen in the table below beneficiaries and claimants are almost the same. The table also gives an indication of an average weekly claim for beneficiaries. From this we can estimate that in Feb 2005 £886 million was spent on SDA in GB and in Scotland the figure was £101 million.

Table 6 Severe Disability Allowance

	Claimants	Beneficiaries	Annual Amount
England	<i>240,800</i>	<i>240,400</i>	£723,671,312
Scotland	<i>33,800</i>	<i>33,700</i>	£101,604,152
Wales	<i>19,900</i>	<i>19,900</i>	£60,018,400
Overseas	<i>500</i>	<i>400</i>	£1,176,864
			£886,470,728

Using figures that are available for August 2005 looking at the situation for Edinburgh we can see that there were **22,450** IB/SDA claimants at that time. If we assume that **90%** of these are IB claimants and **10%** are SDA claimants (using the statistics in the tables above to arrive at this) and for the IB claimants only around **60%** are beneficiaries (i.e. actually get money) we can estimate that in Edinburgh there are around 12,000 IB beneficiaries and 2,200 SDA beneficiaries. What does this mean in terms of actual money being spent? Using the average weekly amounts paid we estimate that **£58,900,000** is being spent each year on IB/SDA in Edinburgh - £52,300,000 on IB and £6,600,000 on SDA.

For Edinburgh we have more information regarding how long the claimant has actually been receiving the particular benefit. We can see in the table below In terms of the profile of the claimant and it is clear that well over half of claimants had been claiming the benefit for three years or more and that over the last 5 years, the number of claimants has remained broadly similar, but the number of these long term claimants has increased.

Table 7 Length of Time People Have Been Claiming IBSDA Edinburgh

Date	up to 3 months	3-6 months	6-12 months	12-24 months	24-36 months	36 months or more
May 2001	<i>1,100</i>	<i>800</i>	<i>1,900</i>	<i>2,300</i>	<i>1,900</i>	<i>13,900</i>
May 2002	<i>800</i>	<i>800</i>	<i>1,500</i>	<i>2,700</i>	<i>1,900</i>	<i>14,500</i>
May 2003	<i>1,100</i>	<i>900</i>	<i>1,200</i>	<i>1,800</i>	<i>2,200</i>	<i>14,700</i>
May 2004	<i>1,000</i>	<i>800</i>	<i>1,500</i>	<i>2,100</i>	<i>1,500</i>	<i>15,500</i>
May 2005	<i>700</i>	<i>1,200</i>	<i>1,400</i>	<i>2,100</i>	<i>1,800</i>	<i>14,800</i>

People claiming these benefits can have a variety of health issues, but a significant number of IB/SDA claimants have mental health problems. For instance in Edinburgh in February 2006 **9,810** of the IBSDA claimant population had mental and behavioural disorders. Around a quarter of these, and about **10%** of all IBSDA claimants, had mental and behavioural disorders due to psychoactive substance use. The overwhelming majority of claimants have been claiming for 3 years or more.

Table 8 Estimate of the amount of Benefit Going to Wards Based on August 2005 Claimant Counts

Ward name	Income Support		JSA		IBSDA	
	Number of Claimants	Annual Amount	Number of Claimants	Annual Amount	Number of Claimants	Annual Amount
Balerno	105	£327,600	40	£116,480	190	£497,122
Baberton	75	£234,000	40	£116,480	175	£457,876
Dalmeny/Kirkliston	200	£624,000	75	£218,400	290	£758,765
Queensferry	140	£436,800	80	£232,960	220	£575,615
Cramond	80	£249,600	50	£145,600	150	£392,465
Davidson's Mains	60	£187,200	55	£160,160	140	£366,300
Muirhouse/Drylaw	1010	£3,151,200	365	£1,062,880	1040	£2,721,089
Craigleith	100	£312,000	65	£189,280	150	£392,465
Pilton	785	£2,449,200	280	£815,360	735	£1,923,078
Granton	615	£1,918,800	190	£553,280	740	£1,936,160
Trinity	90	£280,800	60	£174,720	165	£431,711
Newhaven	520	£1,622,400	205	£596,960	625	£1,635,270
East Craigs	295	£920,400	100	£291,200	425	£1,111,984
N.E. Corstorphine	115	£358,800	65	£189,280	175	£457,876
Murrayfield	65	£202,800	55	£160,160	120	£313,972
Dean	55	£171,600	65	£189,280	95	£248,561
Stockbridge	105	£327,600	80	£232,960	160	£418,629
New Town	115	£358,800	75	£218,400	180	£470,958
Broughton	280	£873,600	145	£422,240	395	£1,033,491
Calton	310	£967,200	135	£393,120	380	£994,244
Harbour	580	£1,809,600	240	£698,880	710	£1,857,667
Lorne	415	£1,294,800	195	£567,840	565	£1,478,284
Gyle	85	£265,200	75	£218,400	160	£418,629
S.E. Corstorphine	155	£483,600	45	£131,040	210	£549,451
Parkhead	775	£2,418,000	225	£655,200	740	£1,936,160
Craiglockhart	75	£234,000	50	£145,600	150	£392,465
Stenhouse	470	£1,466,400	130	£378,560	575	£1,504,448
Moat	375	£1,170,000	125	£364,000	465	£1,216,641
Shandon	200	£624,000	125	£364,000	270	£706,437
Dalry	495	£1,544,400	200	£582,400	575	£1,504,448
Fountainbridge	245	£764,400	145	£422,240	350	£915,751
Tollcross	295	£920,400	140	£407,680	395	£1,033,491
Southside	300	£936,000	135	£393,120	415	£1,085,819
Holyrood	540	£1,684,800	200	£582,400	695	£1,818,420
Meadowbank	220	£686,400	140	£407,680	335	£876,505
Mountcastle	305	£951,600	95	£276,640	380	£994,244
Leith Links	285	£889,200	145	£422,240	380	£994,244
Restalrig	795	£2,480,400	210	£611,520	960	£2,511,775
Portobello	240	£748,800	110	£320,320	345	£902,669
Milton	345	£1,076,400	110	£320,320	450	£1,177,394
Murray Burn	850	£2,652,000	250	£728,000	815	£2,132,392
Sighthill	485	£1,513,200	165	£480,480	520	£1,360,545
Colinton	45	£140,400	40	£116,480	115	£300,890
Firrhill	375	£1,170,000	95	£276,640	405	£1,059,655
Merchiston	80	£249,600	85	£247,520	140	£366,300
N. Morningside/Grange	105	£327,600	65	£189,280	245	£641,026
Marchmont	50	£156,000	65	£189,280	75	£196,232
Sciennes	75	£234,000	60	£174,720	130	£340,136
Newington	75	£234,000	45	£131,040	125	£327,054
Prestonfield	160	£499,200	55	£160,160	260	£680,272
South Morningside	85	£265,200	60	£174,720	150	£392,465
Fairmilehead	40	£124,800	55	£160,160	110	£287,808
Alnwickhill	255	£795,600	80	£232,960	400	£1,046,573
Kaimes	645	£2,012,400	190	£553,280	645	£1,687,599
Moredun	630	£1,965,600	180	£524,160	750	£1,962,324
Gilmerton	380	£1,185,600	80	£232,960	485	£1,268,970
Craigmillar	1245	£3,884,400	325	£946,400	1240	£3,244,376
Duddingston	280	£873,600	90	£262,080	375	£981,162
Edinburgh		£56,706,000		£20,529,600		£59,288,349

6.2 Values of Other Benefits to the city

The next step is to widen this out from just Incapacity Benefit and look at the situation in the wards. As one would expect, the wards containing data zones that are within the 15% most deprived (as identified by the SIMD 2004) receive the most (for instance Craigmillar receives over £5million per year in terms of income support)⁴. Looking at benefit take up from a ward level also highlights the ‘pocketing’ of poverty, illustrated by the fact that even in affluent wards, such as Baberton and Newington, people were in receipt of benefits i.e. in 2003 half a million pounds of income support was received by residents of Baberton and Newington.

Overall we estimate that in terms of IB/SDA almost £59 million was coming into the city in August 2005. In terms of Income Support, as at August 2005, there was almost **£54 million** coming into the city. In terms of Job Seekers Allowance we estimate that in 2005 **£20 million** came to Edinburgh to support JSA claimants. In 2005 we found that close to **£44 million** was received by residents of the city from Disability Living Allowance social security payments. This is based on the figures for the city as a whole. An alternative approach is to look at the figures for each ward and build up the city picture from the ground up. This is done in Table 8 above where an estimated weekly amount of benefit is multiplied by the number of claimants in any one ward (for IB/SDA and estimate of *beneficiaries* are used). The weekly total is then multiplied by 52 to arrive at an annual figure for each ward.

We can see that there are differences between this figure and that arrived at from looking at the city as a whole. This is likely to be due to the fact that for each ward the DWP rounds the figure up to the nearest 5. This is done to ensure confidentiality.

References

2004 data for Edinburgh from

http://www.dwp.gov.uk/asd/asd1/neighbourhood/2004/IBSDA_2004_Scotland.xls

Feb 2005 data for GB *Incapacity Benefit and Severe Disablement Allowance Quarterly Summary Statistics: February 2005*

http://www.dwp.gov.uk/asd/asd1/ib_sda/ib_sda_feb05_rounded.xls

In particular Table SDA2.2, IB1.4 IB 2.2 and IB2.5

National Statistics (2006) *DWP Quarterly Statistical Summary*, Newcastle DWP

ⁱ **Attendance Allowance** (AA) is a benefit for people over the age of 65 who are so severely disabled, physically or mentally, that they need a great deal of help with personal care or supervision. They could need either frequent attention coping with their bodily functions or continual supervision to stop them hurting themselves or others. This could be either during the day or at night. People disabled before the age of 65 can claim Disability Living Allowance provided they make their claim prior to their 65th birthday. DLA was introduced in April 1992. For detailed and up-to-date eligibility conditions and rules for claiming DLA see DWP Website: http://www.dwp.gov.uk/lifeevent/benefits/attendance_allowance.asp

ⁱⁱ **Disability Living Allowance** (DLA) is a benefit for people who become disabled before the age of 65. It replaced and extended Attendance Allowance and Mobility Allowance. People who could not qualify for Mobility Allowance or Attendance Allowance can get the lower rates of Disability Living Allowance. To get DLA the claimant must have needed help for three months (the qualifying period) and be expected to need help for at least a further six months (the prospective test). People who are not expected to live longer than six months because they have a terminal illness do not have to satisfy either the qualifying period or the prospective test. Once a claimant has been awarded DLA they will get it as long as they meet the conditions of entitlement. For detailed eligibility conditions and rules for claiming DLA see DWP Website

⁴ A breakdown by ward is attached at the end of this report.

For those aged 16 and over: http://www.dwp.gov.uk/lifeevent/benefits/disability_liv_allowance.asp For those aged under 16: http://www.dwp.gov.uk/lifeevent/benefits/disability_liv_allowance2.asp

iii **Incapacity Benefit** is paid to people who are assessed as being incapable of work and who meet the appropriate contribution conditions. After the first 28 weeks of incapacity, people previously in work are assessed on the 'own occupation' test - the claimant's ability to do their own job. Otherwise, incapacity is now based on the 'Personal Capability Assessment' which assesses ability to carry out a range of work-related activities. The test applies after 28 weeks of incapacity. Certain people are exempt from this test. For detailed and up-to-date eligibility conditions and rules for claiming Incapacity Benefit see the DWP Website:
<http://www.jobcentreplus.gov.uk/cms.asp?Page=/Home/Customers/WorkingAgeBenefits/492>

Severe Disablement Allowance is paid to people who are incapable of work and do not satisfy the contribution conditions for Incapacity Benefit (IB) may get SDA. Claimants must be aged between 16 and 65 when they make their claim. There is no upper age limit for receiving the allowance once it has been awarded. Claimants must have been incapable of work for at least 28 weeks. Anyone who became incapable of work before their 20th birthday may qualify on this basis alone. People who became incapable of work after their 20th birthday must also prove they have been 80% disabled for at least 28 weeks. For detailed and up-to-date eligibility conditions and rules for claiming Severe Disablement Allowance see the DWP Website:
<http://www.jobcentreplus.gov.uk/cms.asp?Page=/Home/Customers/WorkingAgeBenefits/500>

iv **Income Support** can be paid to a person who:

- is in Great Britain;
- is aged 16 or over;
- is not working 16 hours or more a week
- has less money coming in than the law says they need to live on. From October 1996, Jobseeker's Allowance replaced IS for unemployed people. In general IS is now only available to people who are not required to be available for work such as carers, lone parents and sick and disabled people. Pension Credit replaced the Minimum Income Guarantee (MIG) on 6 October 2003, adding a Savings Credit element to the guarantee element already present under MIG. Claimants receiving MIG on 6 October 2003 were automatically transferred onto Pension Credit. For detailed eligibility conditions and rules for claiming IS see DWP Website:
<http://www.jobcentreplus.gov.uk/cms.asp?Page=/Home/Customers/WorkingAgeBenefits/493>

v **Pension Credit**, introduced on 6 October 2003, is an entitlement for people aged 60 and over living in Great Britain. It is not necessary to have paid National Insurance contributions to be eligible. Pension Credit has replaced the Minimum Income Guarantee (MIG). However, the principle of a guaranteed minimum income continues to apply. There are two parts to Pension Credit: the guarantee credit and the savings credit. The guarantee credit provides financial help for people aged 60 or over whose income is below a certain level set by the law. The level that applies depends on your circumstances, this is the standard, minimum guarantee. The awarded amount will depend on other sources of income, such as other pensions and savings. Extra amounts will be added to the standard minimum guarantee for those who have:

- relevant housing costs;
- severe disabilities;
- caring responsibilities

The savings credit is an extra amount for people aged 65 or over who have made some provision for their retirement (such as savings or a second pension) which brings their income above a level set by Parliament, called the 'savings credit threshold'. The aim is to reward pensioners who have modest income or savings. You can get a savings credit on top of a guarantee credit. You may still get a savings credit even if your income is above the standard minimum guarantee level.

For further and up-to-date information on Pension Credit see:
<http://www.thepensionservice.gov.uk/pensioncredit/home.asp>

vi **Jobseeker's Allowance** is payable to people under pensionable age who are available for, and actively seeking, work of at least 40 hours a week. Certain groups of people, including carers and those with a physical or mental condition, are able to restrict their availability to less than 40 hours depending upon their personal circumstances. In addition, to be entitled to JSA the person must: be in Great Britain; be capable of work; not be in relevant education; be working less than 16 hours a week on average. For detailed and up-to-date eligibility conditions and rules for claiming JSA see the DWP Website:
<http://www.jobcentreplus.gov.uk/cms.asp?Page=/Home/Customers/WorkingAgeBenefits/497>

vii **State Pension** There are two main types of State Pension contributory and non-contributory. The two main conditions for payment are that

- the person has reached State pension age (65 for men, 60 for women), and
- the contributions conditions are satisfied.

People who meet the contribution conditions, get a flat-rate basic pension at the standard rate. If the conditions are only partly met, the basic pension is reduced. The minimum basic pension paid is 25% of the standard rate. Since April 1978, a person's contribution record can be protected, if their opportunities to work are limited because of responsibilities at home, such as bringing up a family or looking after a sick or disabled person. There are also special arrangements to help widows and widowers qualify for a retirement pension. Extra money for dependant children can be paid with Category A or B pensions. Extra money can also be added to a Category A pension for a dependent spouse or someone who looks after the children. For detailed and up-to-date eligibility conditions and rules for claiming State Pension see the DWP Website:

http://www.thepensionservice.gov.uk/resource_centre/state-pension-emp-np46.asp