

Sustainability of employment in the UK's Work Programme

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Abstract:

Returning to employment after a period on welfare benefits is particularly challenging for people aged over 50 and those with disabilities. However, there is little evidence on what happens to different types of job seeker after they first enter employment. This paper provides new evidence on the both the pattern and sustainability of employment after re-entering work as part of a major welfare-to-work programme, the UK's Work Programme, for those with chronic illness and disabilities compared to others. It uses a sample of 13,318 clients who were randomly allocated to a Work Programme provider in 2013 and 2014 and followed-up for two years. Employment and unemployment spells were calculated for each client, sequence index plots produced and visualisations explored by benefit type (those with a work limiting disability/health condition and in receipt of Employment and Support Allowance, ESA clients; and other unemployment claimants in receipt of Jobseeker's Allowance, JSA clients) and by age group (under 50 and 50+). Despite the lower numbers of ESA clients with a job start, visualisations revealed that ESA clients spend relatively more time in employment after their first job start. A work retention index (proportion of time in employment after the first job start) was: JSA clients under 50, 0.67; JSA clients 50+, 0.68; ESA clients under 50, 0.73; ESA clients 50+, 0.79. The conclusions are that although people receiving disability benefits enter employment at lower rates, they actually sustain employment more than other unemployed clients, suggesting support for policies aimed at reducing the disability employment gap.