Evaluation of the Disabled Person’s Tax Credit: A Survey of Recipients

By John Atkinson, Nigel Meager and Sara Dewson

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1. Executive Summary

This report sets out the results from a representative survey of 1,315 recipients of the Disabled Person’s Tax Credit (DPTC) conducted during the summer and autumn of 2001. It forms part of a comprehensive programme launched by the Revenue to monitor and evaluate WFTC and DPTC.

DPTC was introduced in October 1999, and at the time of the research nearly 27,000 individuals and households were receiving it. The research covered people who were receiving DPTC at the time and some who had received it but no longer did so; it did not cover unsuccessful applicants, however.

- The personal characteristics of DPTC recipients were found to be similar to those of economically active disabled people in general, with the exceptions that:
  - they were much more likely to be single, or to have dependent children, or both (two-fifths were single parents)
  - they were more likely to have no (or poor) educational or vocational qualifications.
- The process through which they had found out about and applied for DPTC was generally found to be straightforward. Although 60 per cent of them knew about the DPTC helpline, only a quarter of them had needed to use it.
- Similarly, of those who had needed to re-apply for a subsequent award of DPTC (it is paid in six-monthly awards) most reported no difficulty in re-applying.
- Nine out of every ten respondents were economically active at the time of the fieldwork, with three-quarters working as employees and 13 per cent self-employed.
- DPTC recipients were more likely to be working part-time than working disabled people generally. Half of those in work were working part-time (less than 30 hours a week) and half of them were working under 20 hours.
- Nearly two-thirds of our respondents (61 per cent) said that they were not aware of the DPTC 30 hours credit for those working 30 hours or more, and only 13 per cent said that DPTC had encouraged them to work more hours than they would otherwise have done.
Conversely, among those not working when they found out about DPTC, nearly a quarter (23 per cent) said that DPTC had enabled them to work fewer hours than they otherwise would.

A substantial minority of the employees (18 per cent) were working in supported employment; mostly in an ordinary firm or organisation, but with the support of a caseworker.

Almost 80 per cent of all the respondents had found the DPTC they received to be either essential (43 per cent) or very helpful (36 per cent).

About a third (32 per cent) reported that DPTC had allowed them to work, or had made work more worthwhile financially, either for themselves or their partner. A critical factor here is that nearly three-quarters of them (72 per cent) were already working when they first found out about DPTC. Among those who were not, it had proved to be a positive incentive to work for more than half.

We identified a high impact group, of 23 per cent, who claimed that they would not be doing their present job without DPTC. Furthermore, among them, DPTC was often the decisive factor in their decision to work or keep working. Women, older people, the self-employed, and most particularly, single parents, were over-represented in this high impact group.
2. Introduction and Summary of Main Findings

Social security expenditure relating to disabled people is the second largest item of social security spending after expenditure on pensions. Furthermore, the number of people receiving such benefits has grown fairly consistently during the last 20 years, such that in 1998 some seven per cent of the working population was claiming benefits on grounds of incapacity (compared with five per cent unemployed). Concern grew during the 1980s over the fact that disabled people were twice as likely as their counterparts to be economically inactive. Further, the underlying problem was one of falling outflows rather than rising inflows; that is to say that the problem was not that more people were becoming disabled, but rather that once they had started to receive some kind of disability benefit, the rate at which they subsequently returned to work was decreasing.

2.1 DPTC and benefit off-flows

During the years since then, there has existed an uneasy balance between two explanations for this propensity to stay on benefit:

- The dominant view has been that many disabled people face a disincentive to leave benefits, as they are likely to be little better off in work, sometimes no better off, or indeed worse off. A government review, The Way Ahead (DSS, 1990), concluded that the benefit system did indeed operate in this way by sustaining too sharp a distinction between benefits and earnings, and by shutting off the former too sharply as people moved to the latter. The Disability Working Allowance (DWA) was introduced in 1992. It aimed to top-up earnings of some disabled people in low paid work and so to help people on qualifying benefits to make the transition to work, providing both a stepping stone back into the labour market, and long-term support in work.

- A second view has been that the problem resides mainly in the difficulties which disabled people face in finding acceptable work in the face of employer discrimination and a competitive labour market. As recently as 1998, research conducted at PSI, Leaving Incapacity Benefit (DSS, 1998) found that nearly half of those leaving Incapacity Benefit for work were back on benefits
again within six months. Even this figure was significantly influenced by the high incidence among those still working of people who voluntarily left Incapacity Benefit having recovered their health, without them, it seems likely that an even higher proportion would have been back on benefit. Indeed, among those who left involuntarily, and/or who still had a significant disability or health problem, employment rates were much lower. The modest take-up of the DWA has sometimes been cited (see, for example, Rowlingson and Berthoud, DSS, 1996) as proof that this labour market constraint tends to over-ride any fine tuning of benefit regulation.

In the first perspective, the root of the problem is the design of the benefit system, and the way forward is to improve in-work benefits for this group. The Disabled Person’s Tax Credit (DPTC) is the present policy incarnation of this view.

In the second, employer discrimination is more to blame because it can reduce the chance of finding any employment, and certainly has the effect of making it more difficult for disabled people to get, and hold, the kind of job they deserve. In this view, employer discrimination, whether overt or subtle, whether deliberate or not, effectively pushes disabled people lower down the labour market than they would otherwise be, or out of it altogether. The Disability Discrimination Act is the present policy incarnation of this view.

Of course, these two views are not really that distinct. To the extent that there has been a benefit trap, then only one side of it is caused by too sharp a curtailment of benefit on entry to work. The other side has been the gains from work of disabled people in comparison to their non-disabled counterparts in the labour market. It therefore seems more sensible to concentrate on the combination of these two features of disabled people’s experiences in trying to get back to work that really does the damage, and as a result, the research presented here considers both the benefit experiences of recipients of DPTC and their labour market experiences.

### 2.2 DPTC and the employment of disabled people

The Government has set out twin objectives of delivering employment opportunity for all and tackling child poverty. In accordance with these aims, it has introduced an ambitious set of reforms to help people move from welfare into work and to help make work pay. The Working Families’ Tax Credit (WFTC) and Disabled Person’s Tax Credit (DPTC) were introduced in October 1999. They are designed to help make work pay for low and moderate income families, and for workers with long-term illness or disabilities, and to provide a Minimum Income Guarantee.
In October 2000, a year after DPTC was launched, and when this research was commissioned, nearly 27,000 people and households were in receipt of DPTC.

DPTC builds on the help provided by the Disability Working Allowance (DWA) but provides more generous support. DPTC is open to people who:

- are at least 16 years old, and are resident in the UK
- work for 16 hours a week or more, as either an employee or self-employed
- have an illness or disability which puts them at a disadvantage in getting a job, and
- are (or have been) receiving one of a range of incapacity or disability benefits.

A new route into DPTC, the Fast-Track Gateway, was introduced a year later, in October 2000. This provides access to DPTC early on for people who become sick and disabled while they are in work, to help them remain in employment.

Prior to DPTC, in-work support for disabled people had been provided through the benefits system; most obviously through DWA but also through Family Credit. From October 1999, DPTC, administered by the Inland Revenue, replaced DWA. Supporting working disabled people through a tax credit rather than benefits was intended to demonstrate more clearly the rewards from work compared with welfare, and to remove any stigma associated with receiving benefits. From April 2000, DPTC has been paid through the employer where appropriate, and most recipients will receive their DPTC through their pay packet.

DPTC is targeted towards people on low to middle incomes, and the amount they receive is calculated by taking into account their income from work and their family circumstances. In spring 2000, at the same time that our fieldwork was launched, the maximum elements of DPTC were:

- a basic tax credit of £56.05 a week for a single person, or £86.25 a week for a couple or lone parent
- an extra 30-hour tax credit of £11.45 a week (where the applicant works at least 30 hours a week)
- a tax credit for each child in the family, with different rates according to the child's age:
  - £26.00 a week from birth to 16

1 During the course of the fieldwork, some of the rates were updated. Thus, the single person rate rose to £61.05, and that for couples or lone parents to £91.25, while the childcare tax credit was increased to £135 for one child, and up to £200 for two children.
• £26.75 a week from the September following their 16th birthday up to the day before their 19th birthday
• an extra disabled child’s tax credit of £30 a week for each child who gets Disability Living Allowance or is registered blind, or has been registered blind in the last 28 weeks
• a childcare tax credit worth up to 70 per cent of eligible childcare costs, up to a maximum cost of £100 a week for families who pay for childcare for one child, and £150 a week for families who pay for childcare for two or more children.

The amount of DPTC for which a person qualifies is calculated by adding together the tax credits appropriate to that person’s circumstances. The amount of tax credit actually payable depends on net earnings and other income after tax, National Insurance, and half of any contributions to a personal or occupational pension have been taken off.

If net income is above £71.10 per week for a single person, the maximum DPTC is reduced by 55 pence for each £1 of income above £71.10. If net income is above £91.45 for a couple or lone parent, the maximum DPTC is reduced by 55 pence for each £1 of income above £91.45. If net income is below these amounts, the maximum DPTC is payable.

At the time of the research, the average weekly payments were:
• £93.36 for couples
• £60.85 for singles.

The highest payments were for lone parents (usually single females with children). They received an average award of £116.92.

2.2.1 DPTC payments

Tax credit awards run for 26 weeks. At the start of a tax credit award, tax credits are paid directly to the recipient by the Tax Credit Office. These payments are made fortnightly (a week in arrears and a week in advance). After an initial period, employees are normally paid their DPTC with their wages or salaries; payment is via the employer (PVE).

After a successful application, employers will pay the tax credit with wages or salary at the same frequency as those wages or salary. The Tax Credit Office tells employers how much to pay, when to start paying and when to stop. Employers are told only that recipients are receiving a tax credit, not specific personal details (for example, which tax credit they are receiving).

After a successful application, payments are generally fixed for a period of 26 weeks, and re-applications are made at that point. This means that many of an individual’s circumstances may
change during that time, but their DPTC receipt will not (until their re-application reflects their new circumstances). Some major changes, for example, the birth of a child into the family, are immediately reflected in the award, however.

Self-employed applicants may be paid by either Automatic Credit Transfer (ACT) or by order book. ACT allows payments to be made directly into bank or building society accounts fortnightly. Payment by Order Book is made by cashing weekly orders at the Post Office. Payments by both methods are made in arrears.

2.2.2 The application

To apply for DPTC, applicants need both to know about it, and to be in work, but either can come first; ie some DPTC recipients will already have been working without being aware of DPTC, while others might find out about DPTC first and go looking for a job as a result. There are several further possibilities, as follows:

- Some individuals who were already working and in receipt of DWA, were simply invited to apply for DPTC as they neared the end of their DWA award.
- Others who were already working, but not eligible for DWA, may have become eligible for DPTC, and applied accordingly.
- For still others, their applications will follow the entry into work (except for Fast-Track applicants who are already working).

DPTC must be applied for by the person with the disability, who must also be working. Persons unable to act for themselves can appoint someone to act on their behalf.

Application packs are widely available from Inland Revenue Enquiry Centres, Benefits Agency and Social Security offices, and Employment Service Jobcentres. Applications are made by post on form DPTC1, which is included in the DPTC application pack. There is a Disabled Person’s Tax Credit Helpline, which will both send out application packs and offer help on completing the form. The helpline is accessible by telephone, and offers advice and information on DPTC.

Other sources of advice include:

- For people who have been claiming JSA, the Client Adviser at the local Employment Service Jobcentre will be able to give advice.
- For other people, such as lone parents, staff at the local Benefits Agency office, Social Security office or Inland Revenue Enquiry Centre can help.
• Benefits Enquiry Line for people with disabilities. Staff here can answer queries about DPTC and help with completing the application form.

2.2.3 Evidence of earnings

Applicants for DPTC are asked to provide evidence of earnings, in the form of:

• the last seven payslips for the weekly paid, or
• the last four, if paid any other way.

Those who have just started work and have yet to receive a payslip, can give form TC200 (enclosed in the application pack) to the employer to complete.

The self-employed can send in a set of accounts which are less than 12 months old.

2.2.4 Evidence of childcare costs

Those who qualify for extra help with the cost of childcare need to provide information about the type and costs of childcare taken up. In addition, the providers needs to certify this, and give further information about what is included in the service, or in the price.

2.2.5 Qualifying benefit tests

With the exception of DPTC Fast-Track applicants, people are required to satisfy the qualifying benefit test by virtue of receiving an incapacity or disability-related benefit, either at the time of application or in the previous 26 weeks.

To be eligible for DPTC, the applicant must be getting, at the date of application, one of the following benefits:

• Disability Living Allowance
• Attendance Allowance
• War Disablement Pension, which includes Constant Attendance Allowance for the applicant, or a mobility supplement for the applicant
• Industrial Injuries Disablement Benefit, which includes Constant Attendance Allowance for the applicant
• an invalid carriage, or any other vehicle provided under the invalid vehicle scheme.

Alternatively, the applicant must have been getting one of the following benefits at any time in the 182 days (26 weeks) before the DPTC application:
- Incapacity Benefit at the short-term higher rate or long-term rate
- Severe Disablement Allowance
- Income Support, which includes a Disability Premium for the applicant, or a Higher Pensioner Premium for the applicant
- Jobseeker’s Allowance — income based, which includes a Disability Premium for the applicant or a Higher Pensioner Premium for the applicant
- Housing Benefit, which includes a Disability Premium for the applicant or a Higher Pensioner Premium for the applicant
- Council Tax Benefit, which includes a Disability Premium for the applicant or a Higher Pensioner Premium for the applicant.

The rules for Fast-Track applicants are different. For at least 20 weeks of incapacity for work ending in the eight weeks before the application for DPTC Fast-Track, they must have been in receipt of:

- Statutory sick pay; or
- Occupational sick pay; or
- lower rate short-term incapacity benefit; or
- Income Support on the grounds of incapacity for work; or
- National Insurance credits awarded on the grounds of incapacity for work.

In addition, the illness or disability which puts them at a disadvantage in getting a job must seem likely to last for at least six months, or the rest of their life, and their gross earnings must be at least 20 per cent less than they were before they had the illness or disability — with a minimum reduction of £15 a week.

### 2.3 The research

As noted above, DPTC has superseded the Disability Working Allowance (DWA), provides more generous support than DWA did and is delivered to the recipient in a different way. DWA was not an unambiguously successful programme. Research published by DSS in 1996 (Disability, Benefits and Employment, Rowlingson and Berthoud) found that:

- awareness of DWA did not significantly increase someone’s chances of moving into work and most people felt that it would make no differences to their chances of getting it either
- only about one in five of eligibles had claimed it; and
- most recipients had been in work for some time before they found out about and claimed DWA. Consequently, it is unlikely to have encouraged them to enter work, although it
could have helped them stay in it (the evaluation evidence here suggested that about two-fifths of DWA recipients would not have stayed in work without it).

It should properly be noted, however, that the economy was quite depressed when this work was conducted (in 1993) and that ‘the general lack of jobs’ was reported to be the main barrier to being in employment among respondents who were not.

The present evaluation of DPTC includes two elements, as follows:

- A two-phase qualitative study with DPTC recipients is being conducted by the Social Policy Research Unit at York University.
- A cross-sectional quantitative survey of recipients, which is reported here.

Both pieces of research contribute to a wider evaluation and monitoring of DPTC, and indeed of tax credits in general.

DPTC is relatively new, and is in some respects quite complex. The influences on the decisions made by disabled people about working are numerous and complicated, and DPTC is likely to interact with them in different ways. As a result, conclusions about how DPTC seems to be operating which are derived from a single isolated set of results may be ambiguous. To avoid this, the quantitative work provides a robust and reliable framework into which the more closely delineated results of the qualitative work can fit, while the latter will provide useful support for the interpretation of quantitative data.

### 2.3.1 Research aims and methodology

A detailed exposition of the research methods adopted for this research can be found in Appendix 1.

However, for the moment we can summarise it as follows.

The research was based on a face-to-face survey with a representative sample of 1,315 current and past recipients of DPTC in Great Britain. It aimed to provide a detailed and reliable assessment of DPTC recipients, which:

- was reliably descriptive in exploring the personal, domestic, financial and employment characteristics of recipients. We needed to identify clearly the kinds of people (and their circumstances) who were taking up a relatively new provision with quite ambitious aims.
- found out how DPTC recipients became aware of DPTC, and the extent to which recipients were aware of, and/or influenced by, other government labour market initiatives targeted on sick and disabled people. Again, this was intended
to help with the marketing and delivery of a relatively new initiative, and perhaps help to identify routes towards it that might be problematic.

- assessed any early impact of DPTC on in-work incomes for recipients and their families. As the key purpose of DPTC is to improve on DWA in the way in which it makes work pay, this is clearly a central purpose of the work.

- conducted an analysis of recipients' views of, and attitude towards, possible variation within DPTC provision

- combined recipients' views on any barriers to, or within, employment, and their reported behavioural changes, to arrive at an assessment of the impact of DPTC on their engagement with the labour market, particularly in relation to non-financial constraints which the credit does not address, but might ameliorate or offset.

The fieldwork, which was administered by MORI, took place between 23rd June and 9th October 2001, providing results on 1,315 cases. A pilot survey was also conducted with 57 recipients, in Bristol and Birmingham, in May 2001, but these results are not included in the data discussed in this report.

The sample for the survey was drawn at random from the database of past and present DPTC recipients held by the Inland Revenue, and was structured only by region.

Recipients were initially contacted by post, and were allowed an opportunity to opt out of the research if they wished. Very few chose to opt out, however, and participation rates were high. Subsequent contacts were mainly by telephone, to fix up an appointment for the interview. These used a discussion guide designed by IES in consultation with IR and MORI. The interviews lasted about an hour. We made provision for proxy interviews if the named respondent faced difficulties in participating fully, but only 44 actually took place.

### 2.4 Summary of main findings

This section summarises by chapter the main findings of the research set out in full in the substantive text.

#### 2.4.1 Personal characteristics of DPTC recipients

Chapter 3 considers the characteristics of DPTC recipients. It begins by comparing DPTC recipients with some key comparator groups, notably disabled people in general, disabled people in employment, and the population of working age in receipt of the qualifying benefits which confer eligibility for DPTC.
Personal characteristics

- The age distribution of DPTC recipients was similar to any population of economically active or working disabled people, which we would expect to be concentrated in the 20-50 age ranges. This was clearly the case for these DPTC recipients, whose distribution showed marked concentrations of individuals in their 30s and 40s. However, compared with the population of disabled people of working age, DPTC recipients were heavily skewed towards the younger age ranges.

- Some 57 per cent of DPTC recipients were male, and this gender balance was close both to that of disabled people in work, and to that of disabled people receiving the benefits which would make them eligible for DPTC.

- Similarly, seven per cent of DPTC recipients belonged to minority ethnic groups.

- Just 40 per cent of the sample were married or living with another adult as a couple, reflecting their age structure. As a result, DPTC recipients were much more likely to be single than disabled people as a whole, disabled people in work, or disabled people receiving the benefits which would make them eligible for DPTC.

- Exactly half the sample had dependent children, and were much more likely to have them than disabled people as a whole, disabled people in work, or disabled people receiving the benefits which would make them eligible for DPTC.

- Lone parenthood was widespread among these respondents: among every ten respondents, five of them had parental responsibilities, and two of these five were lone parents.

- 41 per cent of respondents said that they had no educational or vocational qualifications, which is a far higher proportion than is found among disabled people in work and disabled people as a whole. It does more closely reflect the situation for disabled people receiving the benefits which would make them eligible for DPTC.

Contrast with DWA recipients

- Broadly speaking, the personal characteristics of DPTC recipients did not seem to be significantly different from those previously in receipt of DWA, save in one respect: ‘new’ DPTC recipients (ie who never received DWA) were much more likely to have children, although their propensity to be married/partnered was about the same. As a result, DPTC appeared to have been more attractive to single parents than DWA may have been.
Disability and employment

- Physical disabilities or health problems were the most commonly reported among DPTC recipients, although problems of ‘depression, bad nerves or anxiety’ were also widely reported.
- Compared with disabled people in general (and especially with disabled people in work), DPTC recipients were more likely to report multiple disabilities.
- Compared with disabled people in work, these DPTC recipients seem more likely to report learning difficulties, speech impediments, and mental health problems.
- Severe or specific learning difficulties, and difficulty in seeing, were both disabilities which, if present, seemed to have the most profound impact on respondents’ ability to work.
- The most widespread impact of the reported disabilities and health problems seemed to be on the type or kind of paid work that respondents could do, followed by impacts on the level of wages that the respondents believed they could earn in work.
- Respondents’ interpretation of their labour market experiences in the light of their reported disabilities or health problems were predominantly negative, and they appear to be more pessimistic than average (as estimated by previous research) about their labour market chances and employer behaviour.

2.4.2 Engaging with DPTC

Chapter 4 examines how recipients found out about DPTC and assesses their experience of the application process.

Initial circumstances

- Nearly three-quarters of respondents to the survey were working (as an employee or on a self-employed basis) when they first heard of DPTC; most of them (46 per cent of all respondents) were claiming DWA, and 28 per cent were not working.
- Among those not working, most cite a combination of factors (combining their disability, inability to find work and low pay in relation to benefits) as keys to their inactivity.

Finding out about DPTC

- The most common means of learning about DPTC was via the Benefits Agency (21 per cent) and the Tax Office/Inland Revenue (18 per cent). One in ten respondents found out about DPTC via word-of-mouth.
Applying for DPTC

- In making their application, most had experienced no problems with the application form. Sixty-one per cent of respondents completing a form, either themselves or by proxy, found it easy to understand.
- For nearly a third of respondents, some other person had (wholly or largely) completed the form on their behalf; a further 28 per cent had received help of some kind (usually from relatives) in completing it.
- Just over one-third of respondents had received help to work out whether they would be better off receiving DPTC.
- Awareness of the DPTC helpline was high (60 per cent), although only 45 per cent of these respondents had actually contacted it. This amounts to just over one-quarter (27 per cent) of the sample as a whole.
- Most users had found the helpline to be helpful; among them, ten per cent (i.e., three per cent of the whole sample) at one extreme had found it essential, and the same proportion at the other had not found it helpful.

Receiving DPTC

- In the first instance, almost half of all DPTC recipients received their initial payment directly into their bank account (48 per cent).
- The majority of recipients then went on to receive DPTC directly from their employer (PVE). A substantial minority of these recipients (25 per cent) maintained that they were not aware that they would be paid in this way.
- PVE was not universally popular; while over half of those moving on to it were happy to receive DPTC in this way, a substantial minority (44 per cent) were not.

2.4.3 DPTC and childcare

Chapter 5 considers the ways in which, and the extent to which, DPTC recipients with children have benefited from the childcare provisions included in it. It shows that:

Childcare and work

- Although half of the respondents taking part in this survey had dependent children, only 18 per cent reported that they had incurred any childcare costs as a result of being in work.
- These respondents used an average of 19.9 hours of childcare per week, mostly using childminders, friends/neighbours/family, or a day nursery.
The average cost of childcare for DPTC recipients who require it was £48 per week.

88 per cent of these respondents (i.e. 44 per cent of the whole sample) maintained that they would not have been able to work without childcare.

The childcare tax credit

Among DPTC recipients with childcare needs, 71 per cent were aware of the childcare tax credit. However, only 42 per cent of them had actually received it, reflecting the fact that many of them used childcare that is not eligible for help with childcare costs under the childcare tax credit, such as friends, neighbours, etc.

Few reported any problems in applying for the childcare tax credit, and nine out of ten of the applicants had received it.

The childcare tax credit was widely reported to have allowed recipients to take up work (32 per cent of recipients), or stay in it (57 per cent); it had much less effect on the hours of work undertaken, however.

Less than half (45 per cent) of childcare tax credit recipients felt that the credit paid was adequate to meet their childcare needs.

The disabled child tax credit

Awareness of the disabled child tax credit was lower, with less than half of respondents with children knowing about it (40 per cent). Of these, only 14 per cent had actually applied for it.

2.4.4 Re-applying for DPTC

Chapter 6 considers the relationship between the DPTC award periods which run for six months at a time, and changes in respondents' family or working circumstances which may impact on their household income during these six-monthly periods. It shows that:

Duration of DPT claims

At least three-quarters of the respondents had re-applied for DPTC at some point. Three-quarters of them had experienced no problems with their subsequent application(s).

Changing circumstances among recipients

Just over one-quarter of all respondents (27 per cent) reported that they had experienced changes in their household income whilst they had been receiving DPTC.
• The changes had left just over 40 per cent of these respondents better off, whilst for 48 per cent, their income had decreased such that they were worse off.

• For close to two-thirds of these respondents, the changes had either been quite modest in size, or had not affected their net household income.

In the main, these changes were due to altered working circumstances (65 per cent) and changes in their personal circumstances (24 per cent). The former mainly involve increases in salary (31 per cent), and working more or fewer hours (20 per cent and 18 per cent respectively), while the latter centre on changes in the number of earners or benefit recipients in the household.

• Although the majority of respondents thought that the six-monthly award period was the right length of time to receive DPTC before reassessment was necessary (62 per cent), among those who had experienced changes in their income or circumstances, some 44 per cent would have preferred an immediate adjustment.

Leaving DPTC

• 14 per cent of survey respondents no longer received DPTC. The main reason for this was that 43 per cent of these respondents were no longer working. Changes in working circumstances had rendered 28 per cent of them ineligible for DPTC, as did changes to personal circumstances for 15 per cent of those respondents who were no longer receiving it.

2.4.5 Employment patterns among DPTC recipients

Chapter 7 looks at the jobs and employment circumstances of DPTC recipients. It shows that:

Current activity

• Nine out of ten of the respondents were economically active, with 75 per cent working as employees, 13 per cent self-employed, and four per cent active but not working at present, mainly unemployed.

• Their contractual status (ie employee/self-employed, or permanent/temporary) was very similar to that displayed by working disabled people in general.

Working time

• Those in work were fairly evenly divided between those working part-time (less than 30 hours in a week) and those working full-time. There is a substantial minority who work
relatively few hours, with fully one-quarter of them working less than 20 hours a week.

- Although three in four of the working disabled work full-time, this applies to just half of our DPTC recipients. Furthermore, among those working part-time, DPTC recipients were much more likely than the working disabled in general to work few hours, with fully a quarter of them working less than 20 hours, compared with just 15 per cent of the larger population.

**Character of employment**

- Those in employment, while having some representation right across the occupational spectrum, were concentrated in unskilled manual jobs and in administrative and secretarial work, and to a lesser extent in selling and customer service jobs. This might be expected in view of the tapering of DPTC awards with income. The self-employed were more prominent in managerial and professional occupations than were the employees.

- Among the employees, two in three were employed in the private sector, just over one-quarter (28 per cent) were working in the public sector, and seven per cent were employed in the voluntary sector.

- Only five per cent of the respondents were in jobs which they knew to be explicitly temporary.

- A substantial minority of employees (18 per cent) were working in some form of supported employment; two-thirds of these individuals had an Interlink-style placement, working in an ordinary firm or organisation, but with the support of a caseworker. Most of the rest were working in a supported or sheltered workshop.

**2.4.6 Impact of DPTC on recipients**

Chapter 8 looks at the extent to which, and the ways in which, DPTC payments had impacted on recipients. It shows that:

**General impact**

- Almost 80 per cent of respondents overall had found the DPTC they received to be either essential (43 per cent) or very helpful (36 per cent).

- Recipients’ perceptions about the helpfulness of DPTC to them turn rather more on the direct income effect, and on the subsequent effect of that cash on their psyche and general well-being, than it does on their participation in work and the quality of their working lives.
• Thus, 52 per cent of them (multiple response) reported that DPTC had made a general (or in some case, specific) contribution to their household incomes, standard of living or avoidance of debt.

• Half of them reported that DPTC had simply eased their worries about budgeting or making ends meet, had made them feel more secure, and/or had increased their self esteem.

DPTC and work

• About a third (32 per cent) reported that DPTC had allowed them to work, or had made work more worthwhile financially, either for themselves or their partner.

• Nearly three-quarters of DPTC recipients (72 per cent) were already working when they first found out about DPTC. It seems reasonable, then, to infer that however else DPTC may have affected their lives, it was not a strong influence on the basic decision of whether to work or not.

• Among the group who were not already working, DPTC had been a powerful influence for the majority to take up work. Over half (56 per cent) said that it had influenced them either a lot or somewhat, although over one-third (37 per cent) said that it was of no importance in their decision.

• DPTC was, however, much less influential on the kind of work undertaken, the hours worked, or the level of their reservation wage. Thus, 73 per cent said that it had not influenced their job choice, 61 per cent that it had not influenced their working time, and 63 per cent that it had not influenced the level of wages which they could accept when they took a job.

• Nearly two-thirds of our respondents (61 per cent) said that they were not aware of the DPTC 30 hours credit for those working 30 hours or more and only 13 per cent said that DPTC had encouraged them to work more hours than they would otherwise have done.

• Conversely, among those not working when they found out about DPTC, nearly a quarter (23 per cent) said that DPTC had enabled them to work fewer hours than they otherwise would.

Working, or not, in the absence of DPTC

• Looking once again at all the respondents, whatever their status when first encountering DPTC, we found that three-quarters of them would have taken, or stayed in, their job even if DPTC had not been available; more than half of them (54 per cent) saying that they definitely would have done so.

• This leaves a high impact group, of 23 per cent, who claim that they would not be doing their present job without DPTC.
We observed that this tendency was more common among women, among older people, among the self-employed, and most particularly among single parents, among whom fully 47 per cent would not have been working without DPTC.

Other attributes of high impact were that:

- as the absolute value of DPTC payments increased, so did the tendency of the recipient to deny that they would have taken work without it
- as the proportion of gross income represented by the DPTC award increases, so did the tendency of the recipient to deny that they would have taken work without it; and
- as the number of hours worked increased, so fewer recipients said that they would have taken work without it.

We concluded that the more significant the job, either in terms of the income derived from it, or the hours committed to it, the less likely were respondents to say that DPTC had influenced them to take it or stay in it.

Finally, where DPTC had made such an impact on decisions about working, it was often the decisive factor; fully 78 per cent of those who claimed that it had influenced them a lot, said that it was the decisive factor. This equates to 19 per cent of the sample as a whole.

### 2.5 Structure of the report

Following this introduction, Chapter 2 sets out the methodology used to undertake the research, as well as looking at the representativeness of the results.

The report then breaks into three substantive sections:

Part 1 considers the socio-demographic characteristics of DPTC recipients.

Part 2, comprising three chapters, looks in turn at recipients’ initial engagement with DPTC, at DPTC provisions and childcare, and at the re-application process.

Part 3, comprising two chapters, looks in turn at recipients’ current employment patterns, and then at the impact of DPTC on both decisions about work, and more generally on their lives and well-being.
Part 1: Circumstances and Characteristics of DPTC Recipients
3. Characteristics of DPTC Recipients

This chapter sets out what the survey tells us about the kinds of people who were (or had been) receiving DPTC, building on what is already known about them from administrative records. It discusses their personal characteristics, their domestic and family circumstances, their disabilities, their employment situation, etc.

In addition, the chapter takes the key characteristics of DPTC recipients, and compares/contrasts them with data from other sources on:

- all disabled people of working age: distinguishing, where appropriate between:
  - disabled people in general in the population of working age; and
  - disabled people in employment.
- the population of working age in receipt of the qualifying benefits which confer eligibility for DPTC.

The main aims here are to consider to what extent DPTC:

- appealed to the kinds of disabled people who were already likely to be working; or
- appealed to others who were more likely not to be working?

Finally, we will look at the published evidence on the characteristics of DWA recipients to assess how far, and in what way, DPTC may be appealing to a wider/different population.

3.1 Key findings

Key findings in Chapter 3 include:

- In many of their personal characteristics, DPTC recipients were not very different from other working disabled people.

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1 In particular, we make use of data from the Labour Force Survey (LFS) for these comparisons.
• However, they were generally concentrated in their 30s and 40s.
• They were much more likely to be single, and to have children, than are disabled people as a whole.
• They were generally more poorly qualified than are other working disabled people.
• Their labour market perspectives, in the light of their reported disabilities or health problems, were predominantly negative, and they were quite pessimistic about their labour market chances and employer behaviour towards them.

3.2 Demographic profile of DPTC recipients

The survey sought information about the characteristics of DPTC recipients and households to extend what we know about DPTC recipients beyond what could be ascertained from their applications forms.

Here, we examine the key demographic indicators relating to the personal characteristics of DPTC recipients.

3.2.1 Age

There is a large body of previous evidence showing that the prevalence of disability in the population increases significantly with age. Most disabled people acquire their impairments during (or after) their working lives. In the working age population as a whole, therefore, we observe a clear increase in the prevalence of disability as age increases.

The pattern among the economically active population is rather different, however, since this pattern is influenced not only by variations in disability prevalence by age, but also by variations in economic activity rates by age. The evidence suggests that the disabled population shares with the non-disabled population a pattern of relatively low economic activity rates among younger people in the 16-19 age range (due largely to high rates of participation in education), followed by gradually increasing activity rates peaking in the 35-49 age range, followed by declining

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1 See, for example, Grundy E, Ahlburg D, Ali M, Breeze E and Sloggett A (1999), Disability in Great Britain: Results from the 1996/97 Disability Follow-Up to the Family Resources Survey, Department of Social Security Research Report No. 94.

activity rates after 50. There are two key differences between disabled and non-disabled people in this respect, however:

- The first is that overall, and in every age group, disabled people exhibit significantly lower economic activity rates than their non-disabled counterparts.¹

- The second is that in the older age ranges, the decline in economic activity rates among disabled workers is much more marked than among non-disabled people. Thus, LFS data for 2000² show that whereas among 25-34 year olds the activity rate of disabled people (at 62 per cent) is 70 per cent of that of non-disabled people (at 88 per cent), among 50-59/64 year olds³ it falls to 42 per cent, which is only half of the non-disabled rate (at 84 per cent). This reflects the fact that disability is itself a major reason for early withdrawal from the labour market among older workers. Thus, not only are people who are already disabled more likely to leave the labour market as they get older, but the data also reflect the fact that with age, increasing numbers of people become disabled and move from the ‘non-disabled’ to ‘disabled’ part of the dataset.

The net effect of these factors (variations with age in both disability prevalence rates, and economic activity rates) is that we expect any population of economically active or working disabled people to be concentrated in the 20-50 age ranges. As Figure 3.1 shows, this was clearly the case for DPTC recipients, whose distribution shows marked concentrations of individuals in their 30s and 40s. The figure also shows, however, that compared with the population of disabled people of working age, DPTC recipients were heavily skewed towards the younger age ranges; and this applies whether we look at all disabled people, or only those in employment.

¹ The Spring 2001 Labour Force Survey shows, for example, that the overall economic activity rate of working age disabled people is 52 per cent, compared with 85 per cent for non-disabled people (reported in: Disability Rights Commission, Research and Evaluation Unit, Disability Briefing: September 2001).

² Reported in Twomey (2001) op. cit.

³ The working age population is defined as 16-59 year old women and 16-64 year old men.

⁴ We have presented LFS data based on a broad definition of disability corresponding to that of Twomey (2001) op. cit., ie we have counted as ‘disabled’ anyone who reports having a current long-term disability (lasting 12 months or more), which substantially affects their ability to carry out normal day-to-day activities (e corresponding to the definition of disability used in the DDA), and/or which is a work-limiting disability (one that limits the kind or amount of work that can be done), or both.
Of course, recipients of DPTC are not drawn exclusively from all those who might regard themselves as ‘disabled’ according to the definitions of the Labour Force Survey, but rather from a sub-set of them who are also in receipt of qualifying benefits. In an attempt to match the eligible population of DPTC recipients better, therefore, we have identified from the LFS, those people who:

- report themselves as being disabled on a broad definition of disability; and

- report receipt of one or more of the following benefits: ¹
  - Incapacity Benefit
  - Severe Disablement Allowance
  - Disability Working Allowance/ DPTC
  - Disability Living Allowance
  - Attendance Allowance
  - Industrial Injury Disablement Benefit.

¹ It should be noted that there is a group of LFS respondents who report themselves as being in receipt of one or more of these benefits, but who do not report themselves as being disabled. This group accounts for some seven per cent of the 2.2 million people reported as in receipt of these benefits, and they have been excluded from the tables and figures reported here. Further, it should be noted that this group is only an approximation to the population in receipt of qualifying benefits for DPTC as some of the ‘minor’ benefits could not be identified from the LFS data.
Figure 3.2 shows the comparison between this group (the vast majority of whom — nearly 90 per cent — report themselves as economically inactive) and DPTC recipients. This group of qualifying benefit recipients was, to an even greater extent than disabled people as a whole, concentrated in the upper age ranges, and the difference between their age profile and that of the DPTC recipients is even more marked.

It would appear, therefore, that DPTC recipients were much more likely to be found in the prime working age range of 20-40 than disabled people as a whole (working or not), or disabled people in receipt of the qualifying benefits used to define eligibility for DPTC.

3.2.2 Gender

Table 3.1 shows that some 57 per cent of DPTC recipients in the survey were male (this accurately reflects the overall population of DPTC recipients, as recorded in the Inland Revenue database).

While men were somewhat over-represented among DPTC recipients compared with their representation in working age disabled people as a whole (53 per cent according to the LFS), this gender balance was close both to that of disabled people in work, and to that of eligible benefit recipients (55 and 58 per cent respectively).
3.2.3 Ethnic origin

In Table 3.2, we look at the distribution of DPTC respondents by ethnic origin, and again compare this with the broader populations of disabled people. Caution should be exercised in drawing conclusions about individual non-white ethnic groups, due to small cell sizes in the IES survey. We note, though, that although black and minority ethnic groups were slightly under-represented among DPTC recipients when compared with all disabled people, the difference was very small (seven per cent and eight per cent respectively). When we compare DPTC recipients, however, with disabled people in work, and with disabled people in receipt of eligible benefits, black and minority ethnic groups were slightly over-represented among DPTC recipients compared with the latter two groups (where they account for six per cent of the group in both cases).

Table 3.2: Distribution of DPTC recipients, disabled people, and disabled people in receipt of eligible benefits, by ethnic origin

<table>
<thead>
<tr>
<th>Ethnic origin</th>
<th>IES Survey (% )</th>
<th>Labour Force Survey (% )</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DPTC recipients</td>
<td>All disabled people</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disabled people in work</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disabled people in receipt of eligible benefits</td>
</tr>
<tr>
<td>White</td>
<td>93.4</td>
<td>92.5</td>
</tr>
<tr>
<td>Mixed</td>
<td>0.3</td>
<td>0.6</td>
</tr>
<tr>
<td>Asian or Asian British</td>
<td>3.7</td>
<td>4.1</td>
</tr>
<tr>
<td>Black or Black British</td>
<td>2.4</td>
<td>1.7</td>
</tr>
<tr>
<td>Chinese</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Other</td>
<td>0.0</td>
<td>0.8</td>
</tr>
<tr>
<td>Total (N = 100%)</td>
<td>1,313</td>
<td>6.24m</td>
</tr>
</tbody>
</table>

Note: respondents to the IES survey and the LFS not specifying their ethnic origin are excluded from this table.

Source: IES Survey; Labour Force Survey, Spring 2001 (Great Britain)
At a more detailed level it would appear that the ‘black and black British’ group, in particular, was over-represented among DPTC recipients, but again we should note the very small sample size on which this finding is based.

### 3.2.4 Marital status

Just 40 per cent of our sample were married or living with another adult as a couple. Among the remainder, as Figure 3.3 shows, we observe three roughly even-sized groups, with 23 per cent living alone having separated or divorced, 20 per cent living alone having never married, and a slightly smaller group of another 15 per cent who are single and living with parents, friends or family.

![Figure 3.3: Marital status of DPTC recipients (N = 1,315)](image)

This pattern of marital status among DPTC recipients reflects their age structure (discussed above), and was markedly different from that of disabled people as a whole (and disabled people in work), as well as of disabled people in receipt of qualifying benefits (Table 3.3). In particular, it is clear that DPTC recipients were much more likely to be single than are their counterparts in these broader groups, and much less likely to be married or living with another adult as a couple. This pattern is consistent with the younger age distribution of the DPTC sample, noted above. It is less clear, however, that the apparently high representation of separated and divorced people in the DPTC sample, relative to the population comparator groups, can similarly be explained by the different age distributions of the various groups.
3.2.5 Dependent children

Exactly half the sample had dependent children, whom we defined as ‘aged under 16, or 16-18 and in full-time education, for whom the respondents were legally or financially responsible, and who lived with them as part of the family unit’.

Female respondents were slightly more likely to report such responsibilities (56 per cent, compared with 46 per cent for men), as were people from a minority ethnic group (67 per cent compared with 49 per cent for whites).

However, as one might expect, the main correlation here seems to be with age; some two-thirds of respondents aged between 30 and 49 reported that they had child dependent(s), with the rate falling to 30 per cent for those in their 20s or 50s.

This age pattern also explains the finding that DPTC recipients (who, as we have seen above, are concentrated in their 20s, 30s and 40s) were much more likely to have dependent children than disabled people as a whole, disabled people in work, or disabled people in receipt of qualifying benefits (Figure 3.4).

Among those without a partner, just over one-third (36 per cent) reported that they had child dependent(s), while among those with one, this rate virtually doubles to 71 per cent. Thus, among every ten respondents, five of them had parental responsibilities, and two of the five were single parents.
3.2.6 Housing tenure

We included a question about housing tenure, as this both reflects the economic circumstances of respondents, and can in turn influence those economic circumstances (whether directly in terms of their pattern of expenditure and access to capital assets, or indirectly, in terms of their potential access to certain benefits, notably Housing Benefit).

Figure 3.5 shows that our respondents demonstrated a wide variety of different tenures. Nearly half (46 per cent) of respondents were renting, and so potentially eligible for Housing Benefit, while slightly fewer (45 per cent) were buying, or had bought, their
houses. Another eight per cent were living with friends or relatives, although this group was highly concentrated among the youngest age group.

Table 3.4 compares the housing tenure status of DPTC respondents with that of the broader populations of relevance. Compared with disabled people in general, and working disabled people in particular, DPTC recipients were less likely to be home owners, more likely to be renting, or living rent-free with family or friends. These differences are likely to reflect, in part, the younger age structure of the DPTC sample, but may also simply reflect the likelihood that the DPTC population was less well-off and somewhat more disabled than other disabled people who are not on qualifying benefits. This is partly confirmed by the fact that DPTC recipients’ pattern of housing tenure was rather closer to that of recipients of qualifying benefits. The main differences are that compared with those on qualifying benefits, DPTC recipients were less likely to have bought their own homes outright (rather than be paying off a mortgage), and more likely to be living with friends or family — again, this is consistent with the younger age distribution of the DPTC sample.

Table 3.4: Housing tenure of DPTC recipients, disabled people, and disabled people in receipt of eligible benefits

<table>
<thead>
<tr>
<th>IES Survey (%)</th>
<th>Disabled people of working age</th>
<th>Labour Force Survey (%)</th>
<th>Disabled people in receipt of eligible benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DPTC recipients</td>
<td>All disabled people</td>
<td>Disabled people in work</td>
</tr>
<tr>
<td>Owner occupier; owned outright</td>
<td>12.4</td>
<td>21.3</td>
<td>19.7</td>
</tr>
<tr>
<td>Owner occupier; mortgage or loan</td>
<td>32.7</td>
<td>40.9</td>
<td>58.1</td>
</tr>
<tr>
<td>Rented (council or private)</td>
<td>46.3</td>
<td>36.7</td>
<td>20.9</td>
</tr>
<tr>
<td>Living rent-free with family/friends</td>
<td>8.5</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Part rent, part mortgage</td>
<td>1.1</td>
<td>0.3</td>
<td>0.4</td>
</tr>
<tr>
<td>Total (N = 100%)</td>
<td>1,301</td>
<td>6.62m</td>
<td>3.13m</td>
</tr>
</tbody>
</table>

Source: IES Survey; Labour Force Survey, Spring 2001 (Great Britain)

3.2.7 Qualifications

Fully 41 per cent of respondents said that they had no educational or vocational qualifications (which we defined as ‘qualifications from school or college, or connected with work, or a government training scheme’). This lack of qualifications was most marked among those respondents who also indicated that they had a
learning difficulty, with fully 72 per cent of them having none. Otherwise, we observed that close on half of the men (46 per cent) reported no qualifications, compared with just over a third (34 per cent) among the women. As is the case among the general population, achieved qualification levels in our sample are closely related to age, with the proportion having no qualifications rising steadily from 36 per cent among those in their 20s and 30s, to 43 per cent in the 40s age group, 48 per cent among the 50s, and 62 per cent among those aged 60 or over. It may be that the relatively low incidence of qualifications evident among DPTC recipients in part reflects the high incidence of learning difficulties among them.

Among those with some qualifications, we asked about the level of their highest qualification, using a detailed showcard covering all the most common qualifications, and grouping them into six equivalence bands, as follows:

- Below NVQ/SVQ Level 1, mainly basic skills qualifications, and other qualifications, not classifiable into the NVQ framework.
- NVQ/SVQ Level 1, or GCSE/'O' levels, below grade C.
- NVQ/SVQ Level 2, or GCSE/'O' levels, grades A-C.
- NVQ/SVQ Level 3, or ‘A’ levels.
- NVQ/SVQ Level 4, or first degree.
- NVQ/SVQ Level 5, or higher degree.

The overall distribution, including those with no qualifications, is shown in Figure 3.6.

**Figure 3.6: Qualifications of DPTC recipients (N = 1,313)**

![Bar chart showing the distribution of qualifications among DPTC recipients.](chart)

Source: IES Survey, 2001
Table 3.5 compares the qualification levels of our sample with those of disabled people in general, disabled people in work, and disabled people in receipt of qualifying benefits.

It is immediately obvious that a high proportion of our respondents were without qualification, and that in this respect they were more similar to the inactive group, disabled people in receipt of eligible benefits, than to the working disabled, or disabled people of working age in general. It may be that the earnings restrictions which DPTC regulations contain means that there was an over-representation here of fairly low paying jobs, occupied by relatively poorly qualified people. As we shall observe later, when looking at their employment, this is indeed the case. Nevertheless, in view of the relatively young age structure of our respondents, it is surprising to find them so poorly qualified.

Moving on to consider the kind of qualifications which they did have, we can see that only just over a fifth were qualified to NVQ Level 3 and above. It is difficult to compare this structure of qualifications with the ones derived from the LFS because that survey is able to go into the questioning about qualifications in more detail than the timing of our questionnaire allowed us. In particular, LFS data have an ‘other’ category (filled in an open-ended question within LFS) which we were not able to pursue. Despite this, the comparison shown in the table seems consistent with a relatively under-qualified DPTC cohort, compared with working disabled people in general.

Table 3.5: Qualifications of DPTC recipients, disabled people and disabled people in receipt of eligible benefits

<table>
<thead>
<tr>
<th>Highest qualification</th>
<th>IES Survey (%)</th>
<th>Disabled people of working age</th>
<th>Labour Force Survey (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DPTC recipients</td>
<td>All disabled people</td>
<td>Disabled people in work</td>
</tr>
<tr>
<td>None</td>
<td>40.6</td>
<td>29.7</td>
<td>16.1</td>
</tr>
<tr>
<td>Other qualifications</td>
<td>0.0</td>
<td>9.6</td>
<td>9.4</td>
</tr>
<tr>
<td>Below NVQ1</td>
<td>4.6</td>
<td>2.0</td>
<td>1.9</td>
</tr>
<tr>
<td>NVQ1</td>
<td>13.7</td>
<td>4.3</td>
<td>4.5</td>
</tr>
<tr>
<td>NVQ2</td>
<td>19.1</td>
<td>17.8</td>
<td>20.9</td>
</tr>
<tr>
<td>NVQ3</td>
<td>12.0</td>
<td>21.7</td>
<td>25.9</td>
</tr>
<tr>
<td>NVQ4</td>
<td>6.4</td>
<td>12.1</td>
<td>17.5</td>
</tr>
<tr>
<td>NVQ5</td>
<td>3.5</td>
<td>2.2</td>
<td>3.5</td>
</tr>
<tr>
<td>Not known</td>
<td>0.2</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Total (N = 100%)</td>
<td>1,315</td>
<td>6.62m</td>
<td>3.13m</td>
</tr>
</tbody>
</table>

Source: IES Survey; Labour Force Survey, Spring 2001 (Great Britain)
3.3 Contrasts between DWA recipients and DPTC entrants

When DPTC superseded DWA, the (then) recipients of DWA were invited to apply for it when their DWA awards expired. Like any other DPTC recipient, former DWA recipients then have to reapply at six monthly intervals.

DPTC was designed to be more generous to recipients than DWA had been, and it had wider eligibility in terms of income limits. That it should have a bigger potential constituency is therefore not surprising, but it is important to be able to assess whether DPTC is appealing to different kinds of people than did DWA.

Nearly half our respondents had previously been in receipt of DWA, and this naturally restricts any obvious contrasts between recipients of the two. Since our data were a mixture of both ex-DWA recipients (as well as a few people who had received DWA, stopped doing so, but then applied for DPTC from the outset) and new post-DWA entrants, it will be convenient to distinguish between these two groups, rather than to contrast our entire (mixed) sample with external data about DWA recipients.

This contrast is shown in Table 3.6, and here we can see that the age distribution between the two groups is very similar, save that ‘new’ DPTC recipients were somewhat younger; they were more likely to be in their 20s, and correspondingly less likely to be in their 50s. However, the difference is not large, nor is it statistically significant. We ought perhaps not to make too much of it.

Table 3.6: Characteristics of ‘new’ DPTC recipients, compared with those who had previously received DWA (N = 1,315)

<table>
<thead>
<tr>
<th>Age distribution</th>
<th>Under 20</th>
<th>20-29</th>
<th>30-39</th>
<th>40-49</th>
<th>50-59</th>
<th>60+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex-DWA recipients</td>
<td>1</td>
<td>17</td>
<td>31</td>
<td>29</td>
<td>17</td>
<td>4</td>
</tr>
<tr>
<td>New DPTC recipients</td>
<td>1</td>
<td>20</td>
<td>32</td>
<td>29</td>
<td>14</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male</th>
<th>Female</th>
<th>Ethnicity</th>
<th>White</th>
<th>MEG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex-DWA recipients</td>
<td>58</td>
<td>42</td>
<td>Ex DWA recipients</td>
<td>93</td>
<td>7</td>
</tr>
<tr>
<td>New DPTC recipients</td>
<td>55</td>
<td>45</td>
<td>New DPTC recipients</td>
<td>93</td>
<td>7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Family circumstances</th>
<th>Couple</th>
<th>Single</th>
<th>With children</th>
<th>No children</th>
<th>Single parents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex-DWA recipients</td>
<td>40</td>
<td>59</td>
<td>46</td>
<td>54</td>
<td>18</td>
</tr>
<tr>
<td>New DPTC recipients</td>
<td>39</td>
<td>59</td>
<td>56</td>
<td>44</td>
<td>25</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
Both groups had an identical ethnic mix, at least at the simple level of white/minority ethnic group. We do not have enough respondents within these minority groups to compare the distinction at a more detailed level, however.

The ‘new’ DPTC recipients were slightly more likely to be female, and the reason for this seems to lie in the last comparison, at the bottom of the table. Here, comparing the family circumstances of the ‘new’ DPTC recipients with the ex-DWA group, we can see that the former were much more likely to have children (56 per cent of them had children compared with 46 per cent of the ex-DWA group). However, their propensity to be married was about the same. As a result, we can see that DPTC has been much more attractive to single parents than DWA seems to have been; fully a quarter of the ‘new’ DPTC recipients were single parents, compared with 18 per cent of the ex-DWA group.

3.4 Disability profile of DPTC recipients

This section outlines what the survey can tell us about recipients’ disabilities, looking in turn at:

- whether respondents report having a disability or health problem according to various definitions
- the types of disability or health problem reported; and
- the extent to which respondents reported multiple disabilities.

It is important to note that the DPTC database provides no information on the severity of recipients’ disabilities, and the implications for their work and general activity. However, in view of the length and complexity of the questioning needed to ascertain this fully, we decided simply to ask a number of very straightforward but general questions on this topic, within the timeframe of the questionnaire.

3.4.1 Do DPTC recipients report being disabled?

Survey respondents were asked a range of questions about the nature of their impairment or health condition. These questions were designed, as far as possible, not only to correspond to the eligibility criteria for DPTC, but also to be compatible with questions in the LFS relating to the nature of respondents’ ‘health problems or disabilities’.

It might be expected that all DPTC recipients would report that they are disabled. This needed to be explored, rather than assumed, however, for at least three reasons:

- It is possible that some respondents’ health conditions or disability status have changed since the time of their DPTC award, such that they no longer regarded themselves as
‘disabled’ (they may, nevertheless continue to receive DPTC until the six month renewal period).

- One key eligibility criterion for receipt of DPTC is prior receipt of one of the ‘qualifying benefits’. As noted earlier, the LFS shows that a small minority of people who report receipt of one or more of these benefits, do not regard themselves as ‘disabled’ in response to LFS questions about disability.

- The survey includes some respondents who were no longer receiving DPTC at the time of the interview.

Therefore we began our questions about disability by asking whether respondents had at that time any health problem(s) or disability(ies).

As the graphic below shows, only 14 people (one per cent of the sample) said that they did not. Among them, six individuals reported that although they did not now, they had recently had a health problem or disability.

Eight of the 14, however, stated that they had not recently had a health problem or disability, and one other did not know. On further questioning, however, all bar one of these eight respondents stated that they had indeed had some kind of health problem or disability at the point when they first applied for DPTC (and subsequent questioning focused on this previous health problem or disability).

In this way, we established that all bar one of our respondents either had now, or had had at some point in the past when they applied for DPTC, some kind of health problem(s) or disability(ies).

Respondents were then asked whether their (current or previous) health problem or disability substantially limited their ability to carry out normal day-to-day activities (a key element of the definition of ‘disability’ in the Disability Discrimination Act.)
Altogether, 11.9 per cent of respondents indicated that their health problem(s) or disability(ies) did not substantially limit their ability to carry out normal day-to-day activities.

Although it is difficult to generalise from such relatively small numbers, and although this is not a clear measure of ‘severity’ of disability in the sense which has been used in some other major recent disability surveys\(^1\), it is notable that the proportion of respondents who report that their disability or health problem limits their ability to carry out day-to-day activities increased significantly with age, as Figure 3.7 shows. This relationship with age is broadly similar to that observed for most measures of ‘severity’, although there is some decline in the 60-plus group (this group is mainly men, and it is likely that this decline reflects permanent withdrawal from the labour market in this group among those whose disabilities have the greatest impact on day-to-day activities).

### 3.4.2 Types of health problem/ disability

DPTC recipients were asked to identify, from a detailed list (presented to respondents on a show card), which health problems or disabilities they had (previously or currently). A similar question is asked of all LFS respondents who say that they have a long-term health problem or disability, and Table 3.7 compares our survey responses with those from the LFS.

The first clear finding is that compared with disabled people in general (and especially with disabled people in work), DPTC recipients were more likely to report multiple disabilities. On

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\(^1\) See, for example, Meager et al. (op. cit.), and Grundy et al. (op. cit.).
average, DPTC respondents reported having 2.5 of the listed health problems or disabilities, compared with 2.3 among disabled people in general, and 1.7 among disabled people in employment. Compared with disabled recipients of qualifying benefits, however, DPTC recipients reported, on average, fewer disabilities or health problems (recipients of qualifying benefits on average report 3.2 health problems or disabilities). In part, this latter difference reflects the younger age structure of DPTC respondents, as the incidence of multiple disabilities/health problems increases with age.

Table 3.7: Incidence of disability types among DPTC recipients, disabled people, and disabled people in receipt of eligible benefits

<table>
<thead>
<tr>
<th>Health problem/disability</th>
<th>IES Survey (%)</th>
<th>Labour Force Survey (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DPTC recipients</td>
<td>Disabled people of working age</td>
</tr>
<tr>
<td></td>
<td></td>
<td>All disabled people</td>
</tr>
<tr>
<td>Problems... with arms, hands</td>
<td>31.3</td>
<td>22.6</td>
</tr>
<tr>
<td>Problems... with legs, feet</td>
<td>45.5</td>
<td>30.4</td>
</tr>
<tr>
<td>Problems... with back, neck</td>
<td>34.9</td>
<td>34.5</td>
</tr>
<tr>
<td>Difficulty in seeing</td>
<td>8.1</td>
<td>5.4</td>
</tr>
<tr>
<td>Difficulty in hearing</td>
<td>8.1</td>
<td>7.0</td>
</tr>
<tr>
<td>Speech impediment</td>
<td>5.8</td>
<td>1.4</td>
</tr>
<tr>
<td>Severe disfigurement, skin conditions, allergies</td>
<td>6.0</td>
<td>8.3</td>
</tr>
<tr>
<td>Chest, breathing problems</td>
<td>16.0</td>
<td>24.0</td>
</tr>
<tr>
<td>Heart, blood pressure</td>
<td>12.7</td>
<td>23.9</td>
</tr>
<tr>
<td>Stomach, liver, kidney digestion</td>
<td>9.7</td>
<td>13.0</td>
</tr>
<tr>
<td>Diabetes</td>
<td>4.1</td>
<td>7.7</td>
</tr>
<tr>
<td>Depression, bad nerves or anxiety</td>
<td>21.7</td>
<td>15.4</td>
</tr>
<tr>
<td>Epilepsy</td>
<td>5.7</td>
<td>3.6</td>
</tr>
<tr>
<td>Learning difficulties</td>
<td>12.4</td>
<td>3.4</td>
</tr>
<tr>
<td>Mental illness</td>
<td>13.0</td>
<td>7.5</td>
</tr>
<tr>
<td>Progressive illness n.e.c</td>
<td>6.2</td>
<td>5.6</td>
</tr>
<tr>
<td>Other health problems/disabilities</td>
<td>12.9</td>
<td>13.0</td>
</tr>
<tr>
<td>Average no. of disabilities/health problems reported</td>
<td>2.5</td>
<td>2.3</td>
</tr>
<tr>
<td>Total (N = 100%)</td>
<td>1,315</td>
<td>6.61m</td>
</tr>
</tbody>
</table>

Note: All columns sum to more than 100 per cent, as respondents could cite more than one health problem or disability.

Source: IES Survey; Labour Force Survey, Spring 2001 (Great Britain)
Among DPTC recipients, the most commonly reported disabilities or health problems were physical, often mobility-related ones, particularly problems or disabilities (including arthritis or rheumatism) connected with:

- the legs or feet (46 per cent)
- the back or neck (35 per cent)
- the arms or hands (31 per cent).

Also commonly reported were problems of ‘depression, bad nerves or anxiety’ (22 per cent).

There are also many differences between the distribution of disabilities/health problems among DPTC recipients and that among the various comparator populations.

Thus, looking first at qualifying benefit recipients, it is clear that nearly all the identified disabilities/health problems were less prevalent among DPTC recipients than among qualifying benefit recipients. There are two main exceptions to this pattern, however: DPTC recipients were nearly twice as likely to report learning difficulties or a speech impediment than qualifying benefit recipients (although even among DPTC recipients these disabilities were reported by only a small minority — 12 and six per cent respectively). At the other extreme, heart, blood pressure and circulation problems, along with stomach, liver, kidney or digestive problems were less than half as likely to be reported among DPTC recipients as among qualifying benefit recipients.

If we compare DPTC recipients with disabled people in general, or disabled people in work, however, nearly all types of disability and health problem were more prevalent among DPTC recipients. Thus, looking at disabled people in work, this applies particularly to:

- speech impediments (12 times more prevalent among DPTC recipients)
- learning difficulties (seven times more prevalent among DPTC recipients)
- mental illness (six times more prevalent among DPTC recipients)
- people with depression, bad nerves or anxiety (four times more prevalent among DPTC recipients)
- heart, blood pressure and chest/breathing problems (almost double for non-DPTC recipients).

Once again, these findings are consistent with the hypothesis that the profile of DPTC recipients is significantly different from that of disabled people who generally participate in the labour market, and the relatively high representation of respondents with
learning difficulties, mental ill-health and related conditions is particularly notable.

DPTC recipients responding to the survey were also asked to identify which of their disabilities or health problems affected them the most in terms of their ability to do paid work. Their responses (including those who reported only one health problem or disability) are shown in Figure 3.8. Here we have ordered the various categories of disability/health problem by the frequency with which it was identified as affecting ability to work (shown by the shaded column). The top rows in each case shows the prevalence of each kind of disability/health problem among the sample (as in Table 3.7 above, on page 37).

Generally speaking, the distribution of disabilities in terms of their impact on ability to work, is fairly similar to their distribution in terms of overall prevalence. There are, however, some differences. In particular, the disabilities which, if present, were most likely to be cited as the most important impact on respondents’ ability to work\(^1\) are:

---

**Figure 3.8: Types of disability/health problem reported, and types of disability/health problem most affecting ability to work (N = 1,315)**

<table>
<thead>
<tr>
<th>Disability/Health Problem</th>
<th>% Reporting Disability</th>
<th>% Reporting Disability as Most Affecting Ability to Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Problems or disabilities with the legs or feet</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Problems or disabilities with the back or neck</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Problems or disabilities with the arms or hands</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depression, bad nerves or anxiety</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chest or breathing problems, asthma, bronchitis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mental illness, phobia, panics or other nervous disorders</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other health problems or disabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heart, blood pressure or blood circulation problems</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Severe or specific learning difficulties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stomach, liver, kidney or digestive problems</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difficulty in hearing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difficulty in seeing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Progressive illness not included elsewhere</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Severe disfigurement, skin conditions, allergies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A speech impediment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Epilepsy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diabetes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001

\(^1\) Note: this may be either because these disabilities, if present with other disabilities, are more likely to be seen as having the biggest impact on ability to work, or because these disabilities, if present, are more likely to be the only disability reported by the respondent.
- severe or specific learning difficulties; and
- difficulty in seeing.

On the other hand, the disabilities which, if present, were least likely to be seen as the most important impact on respondents’ ability to work are:

- severe disfigurement, skin conditions, allergies
- speech impediment
- diabetes
- stomach, liver, kidney or digestive problems; and
- blood pressure or blood circulation problems.

### 3.5 Disability benefit history

In this section, we will briefly review evidence from the survey to assess previous receipt of benefits, and of disability benefits in particular.

Looking at the (self-reported) benefit record of respondents during the past two years, we can see in Figure 3.9 that:

- Disability Living Allowance and Disability Working Allowance had been the most widely received benefits, with respectively 69 and 46 per cent of the sample having received them at some point during that time.

**Figure 3.9: Disability and related benefits claimed in past two years (N = 1,315 — multiple response)**

Source: IES Survey, 2001
Similarly, large proportions of the sample had received ‘general’, or income-replacement benefits on account of low family incomes, rather than specifically related to their disabilities, with 35 per cent having received Council Tax Benefit and 29 per cent Housing Benefit. A further 19 per cent had been receiving Income Support with a Disability Premium.

- Some 17 per cent had received Incapacity Benefit.
- Other sources of benefit income had been received by quite small percentages of the respondents (five per cent or less).

3.6 Impact of disability on employment

This section will outline what the survey can tell us about recipients’ perceptions of the ways in which their disabilities or health problems are perceived to have influenced their employment experiences, looking in turn at:

- reported impact of disability on:
  - the kind of work they are able to do
  - the amount of work they are able to do
  - their susceptibility to travel-to-work constraints
  - the sort of employer they can work for
  - the level of wages they believe they could secure
  - anything else.

- wider perceptions about the impact of their disability on:
  - employer attitudes
  - ease/otherwise of getting work
  - ease/otherwise of keeping a job
  - ease/otherwise of getting promotion
  - pay levels in work.

3.6.1 Respondents’ perceptions of the impact of their disability on their employment

Survey respondents were asked a range of questions about how they believed their disability or health problem affected their participation in employment, focusing on the type and amount of work they can do, the ease with which they can travel to work, the kind of employer they could work for, and the level of wages they believed they were likely to earn in work.

These questions, along with other attitudinal questions were not asked of those respondents (44 in total) who were interviewed on a ‘proxy’ basis (e.g. via a carer, personal assistant or relative). The
exclusion of these respondents is likely to bias the results slightly, if only because this group is likely to be atypical of the sample as a whole (eg they may be more likely than average to experience the constraints explored in the questions reported below).

In each case, respondents were asked how much their disability/health problem affected the factor in question, using the following scale:

- a lot
- somewhat
- just a little; or
- not at all.

In presenting the data below, we have combined the categories ‘somewhat’ and ‘just a little’.

Respondents’ answers to these questions, summarised in Figure 3.10, suggest that the most widespread impacts are those on the type or kind of paid work that a respondent could do. These are followed by impacts on the level of wages that the respondent believes they could earn in work. The fact that as many as 55 per cent thought that their disability or health problem influenced the wages ‘a lot’ (plus a further 29 per cent responding with ‘somewhat’ or ‘just a little’), is clearly relevant to the potential impact of DPTC participation; it is precisely this impact to which DPTC is directly addressed.

At the other extreme, only just over a third (still a significant proportion) said that their disability or health problem had a major impact on the kind of travelling to work they were able to do.

**Figure 3.10: What effect does respondent’s disability/health problem have on various aspects of employment? (N = 1,271)**

![Bar chart showing the percentage of respondents reporting the effect of their disability/health problem on various aspects of employment.]

Source: IES Survey, 2001
### Table 3.8: Other impacts of disability on respondent’s employment

<table>
<thead>
<tr>
<th>Additional ways in which respondent’s disability/health problem affects respondent at work or in jobsearch</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>No other ways</td>
<td>383</td>
<td>30.1</td>
</tr>
<tr>
<td>Other specific health problems mentioned, eg Asthma/breathing difficulties</td>
<td>188</td>
<td>14.3</td>
</tr>
<tr>
<td>Limited type of work/finding correct work</td>
<td>124</td>
<td>9.8</td>
</tr>
<tr>
<td>Employers not interested</td>
<td>100</td>
<td>7.9</td>
</tr>
<tr>
<td>Problems with standing/walking too far</td>
<td>92</td>
<td>7.2</td>
</tr>
<tr>
<td>Problems with lifting/unable to lift anything heavy/carry things</td>
<td>58</td>
<td>4.6</td>
</tr>
<tr>
<td>Tiredness/fatigue</td>
<td>54</td>
<td>4.1</td>
</tr>
<tr>
<td>Limited to amount of hours able to work/difficult to work full-time</td>
<td>52</td>
<td>4.1</td>
</tr>
<tr>
<td>Driving problems/transport/travel problems</td>
<td>45</td>
<td>3.5</td>
</tr>
<tr>
<td>Public attitude/discrimination/ignorance of other people</td>
<td>31</td>
<td>2.4</td>
</tr>
<tr>
<td>Don’t know/never tried for other work</td>
<td>31</td>
<td>2.4</td>
</tr>
<tr>
<td>Anxiety/worry/nervous</td>
<td>30</td>
<td>2.4</td>
</tr>
<tr>
<td>Suffer pain/constant pain</td>
<td>30</td>
<td>2.4</td>
</tr>
<tr>
<td>Employer is understanding (including favourable comments on employers)</td>
<td>27</td>
<td>2.1</td>
</tr>
<tr>
<td>Poor sight/blindness</td>
<td>26</td>
<td>2.0</td>
</tr>
<tr>
<td>Unsympathetic employers/isolation from managers/lack of understanding</td>
<td>25</td>
<td>2.0</td>
</tr>
<tr>
<td>Sometimes better than others/problem comes and goes</td>
<td>25</td>
<td>2.0</td>
</tr>
<tr>
<td>Poor work record/gaps in employment</td>
<td>22</td>
<td>1.7</td>
</tr>
<tr>
<td>Type of environment/access to buildings (no lifts etc.)</td>
<td>22</td>
<td>1.7</td>
</tr>
<tr>
<td>Difficulty with reading/writing/spelling</td>
<td>21</td>
<td>1.7</td>
</tr>
<tr>
<td>Difficulty climbing/using stairs</td>
<td>21</td>
<td>1.7</td>
</tr>
<tr>
<td>Problems with sitting/sitting for long periods</td>
<td>20</td>
<td>1.5</td>
</tr>
<tr>
<td>Poor mobility/movement</td>
<td>19</td>
<td>1.5</td>
</tr>
<tr>
<td>Stress at work/stress when under pressure</td>
<td>17</td>
<td>1.3</td>
</tr>
<tr>
<td>Slow/speed at which I can work</td>
<td>16</td>
<td>1.3</td>
</tr>
<tr>
<td>Need to miss work for hospital/clinic appointments</td>
<td>15</td>
<td>1.2</td>
</tr>
<tr>
<td>Problems with interviews</td>
<td>15</td>
<td>1.2</td>
</tr>
<tr>
<td>Light duties only</td>
<td>15</td>
<td>1.2</td>
</tr>
<tr>
<td>Problems working with others/need to work on own</td>
<td>14</td>
<td>1.1</td>
</tr>
<tr>
<td>Lack of concentration</td>
<td>14</td>
<td>1.1</td>
</tr>
<tr>
<td>Other</td>
<td>11</td>
<td>0.8</td>
</tr>
<tr>
<td>Lack of confidence</td>
<td>10</td>
<td>0.8</td>
</tr>
<tr>
<td>Hinders promotion prospects</td>
<td>10</td>
<td>0.8</td>
</tr>
<tr>
<td>Problems with using telephone/switchboard</td>
<td>9</td>
<td>0.7</td>
</tr>
<tr>
<td>Reliance/support from other people</td>
<td>9</td>
<td>0.7</td>
</tr>
<tr>
<td>Learning difficulties/slow to learn</td>
<td>9</td>
<td>0.7</td>
</tr>
<tr>
<td>Self-employed/flexibility to work when well enough</td>
<td>9</td>
<td>0.7</td>
</tr>
<tr>
<td>Unable to use computer</td>
<td>8</td>
<td>0.6</td>
</tr>
<tr>
<td>Need for special equipment</td>
<td>6</td>
<td>0.5</td>
</tr>
<tr>
<td>Stigma</td>
<td>5</td>
<td>0.4</td>
</tr>
<tr>
<td>Age</td>
<td>4</td>
<td>0.3</td>
</tr>
<tr>
<td>Yes, but no specific factor given</td>
<td>3</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Total (N = 100): note — multiple response</strong></td>
<td>1,271</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
Respondents were also asked whether there were other ways in which their health problem or disability had affected them at work, or in trying to find work. Thirty per cent said there were no other ways, and the other responses to this (open-ended) question have been grouped into broad categories, and are summarised in Table 3.8. It is clear that some of these responses referred to factors which are similar to those addressed in the previous questions (Figure 3.10), and some of them are simply an effective restatement of the nature of the respondent’s impairment, but there are also some additional factors identified by a minority of respondents.

3.6.2 Wider perceptions on employment and disability

Respondents’ labour market experiences and their attitudes towards them were further examined by asking them to indicate their agreement or otherwise to a series of statements. Some of these statements (or very similar statements) have also been used in a previous national survey of economically active and economically inactive disabled people, conducted in 1996 by IES. Where appropriate, we compare our responses with those obtained in the earlier survey. This research, conducted by IES for DfEE, is based on a large-scale national survey of 2,000 disabled people of working age, who were identified through a major screening exercise with some 26,000 households. It took place between July and October 1996, and aimed to provide a representative picture of the participation of disabled people in work in the UK, and a baseline from which to assess the impact of the Disability Discrimination Act, which was then about to come into force.

Table 3.9: Respondents’ perception of labour market experiences (1)

<table>
<thead>
<tr>
<th>DPTC Survey</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>'I have experienced difficulties getting employment because of my health problem or disability.'</td>
<td></td>
</tr>
<tr>
<td>Agree strongly</td>
<td>44.1</td>
</tr>
<tr>
<td>Agree</td>
<td>24.6</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>9.7</td>
</tr>
<tr>
<td>Disagree</td>
<td>13.9</td>
</tr>
<tr>
<td>Disagree strongly</td>
<td>3.3</td>
</tr>
<tr>
<td>Don't know/not answered</td>
<td>4.4</td>
</tr>
<tr>
<td>Total (N = 100%)</td>
<td>1,271</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001

1 Meager et al. (op. cit.)
First, DPTC recipients were asked whether or not they agreed with the statement:

‘I have experienced difficulties getting employment because of my health problem or disability.’

There was no directly comparable question in the earlier survey with which to compare the results from the present study (Table 3.9). These results show that respondents’ interpretation of their labour market experiences were predominantly negative ones, with over two-thirds of them agreeing or agreeing strongly that they had experienced difficulties obtaining work as a result of their disability.

Next, respondents were asked how far they agreed with the following statement:

‘Having a health problem or disability has not limited my employment opportunities.’

The identical wording was used in a question in the earlier survey, enabling a direct comparison between the two sets of results (Table 3.10). The main difference between the two studies was that the earlier study allowed respondents to express only three degrees of agreement/disagreement to the statement (compared with five in the present study).

A very clear difference emerges from the two surveys, with DPTC respondents exhibiting a far more negative view of the extent to which their disability had limited their employment opportunities than disabled respondents to the previous survey. Thus, only 14 per cent of DPTC recipients believed that their health problem/disability had not limited their employment opportunities, compared with 41 per cent of economically inactive and 63 per cent of economically active disabled people in the previous study.

Table 3.10: Respondents’ perception of labour market experiences (2)

<table>
<thead>
<tr>
<th>DPTC Survey</th>
<th>Previous IES survey of disabled people</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Economically inactive</td>
</tr>
<tr>
<td>Agree strongly</td>
<td>5.5</td>
</tr>
<tr>
<td>Agree</td>
<td>8.5</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>3.9</td>
</tr>
<tr>
<td>Disagree</td>
<td>33.2</td>
</tr>
<tr>
<td>Disagree strongly</td>
<td>47.0</td>
</tr>
<tr>
<td>Don’t know/not answered</td>
<td>1.9</td>
</tr>
<tr>
<td>Total (N = 100%)</td>
<td>1,271</td>
</tr>
</tbody>
</table>

Source: IES Survey, Meager et al., 1998
It is important to remember, of course, that the earlier survey drew on samples which were representative of disabled people at work and in inactivity. There are therefore significant differences in their personal and other characteristics between them and the DPTC recipients who were included in the present research.

Respondents were then presented with the statement:

‘ Employers are just as likely to employ people with health problems or disabilities like mine, as they are to employ people without health problems/disabilities’.

Table 3.11: Respondents’ perception of labour market experiences (3)

<table>
<thead>
<tr>
<th>DPTC Survey</th>
<th>Previous IES survey of disabled people</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Economically</td>
<td>Economically</td>
</tr>
<tr>
<td></td>
<td></td>
<td>inactive</td>
<td>active</td>
</tr>
<tr>
<td>Agree strongly</td>
<td>3.2</td>
<td>Agree</td>
<td>42</td>
</tr>
<tr>
<td>Agree</td>
<td>11.7</td>
<td></td>
<td>30</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>8.2</td>
<td>Neither agree nor disagree</td>
<td>16</td>
</tr>
<tr>
<td>Disagree</td>
<td>33.1</td>
<td>Disagree</td>
<td>42</td>
</tr>
<tr>
<td>Disagree strongly</td>
<td>40.0</td>
<td></td>
<td>54</td>
</tr>
<tr>
<td>Don’t know/not answered</td>
<td>3.7</td>
<td>Don’t know/not answered</td>
<td>—</td>
</tr>
<tr>
<td>Total (N = 100%)</td>
<td>1,271</td>
<td></td>
<td>219</td>
</tr>
<tr>
<td>Total (N = 1,416)</td>
<td></td>
<td></td>
<td>1,416</td>
</tr>
</tbody>
</table>

Source: IES Survey, Meager et al., 1998

The picture which emerges is that the DPTC respondents were much more pessimistic in this regard than their predecessors among disabled people in the earlier survey. Thus only 15 per cent of DPTC recipients agreed with the statement, compared with 42 per cent of economically active disabled people and 30 per cent of economically inactive disabled people in the earlier survey.

It is implausible that attitudes would have changed to this extent in the five years which separate the two surveys (if anything, given the extent of legislative change via the DDA, and the greater public policy emphasis on disability issues, it is likely that any attitudinal change might be in the opposite direction). Rather, the finding seems consistent with the hypothesis that the DPTC is successfully targeting a group of disabled people with more pessimistic than average views about their labour market chances, and about employer behaviour.

Table 3.12 (overleaf) shows responses from both surveys to the statement:

‘When applying for a job, I would always tell the employer about my health problem or disability’.
It is interesting to note that despite their generally greater level of pessimism regarding their employment experiences and prospects, DPTC recipients were rather more likely to tell a prospective employer about their health problem or disability than were their counterparts in the earlier survey. It is not clear what accounts for this difference, but it is possible that greater awareness of their rights under the law (e.g., as a result of the implementation of the DDA, since the previous survey) may have made respondents more willing to declare their health problem or disability to an employer. Equally, it is possible that as recipients of the DPTC, respondents would in most cases have believed that their employer was aware that they had a disability or health problem. While in fact this is not necessarily the case, this research (see Table 4.14) suggests that this nevertheless was a significant concern for a substantial minority of our respondents. The effect of this may be to outweigh any more general unwillingness to identify themselves to employers as ‘disabled’.

Respondents were then asked a series of questions to compare how they saw their own situations, in comparison with the situation of a similar, but not disabled person.

First they were asked:

‘Compared with other people in this area, of a similar age to you, and with similar skills and experiences, do you think that your health problem or disability makes it [easier or harder to get work]?’

A broadly similar question, with slightly different wording and with slightly different responses, was asked in the earlier study (the earlier study looked at getting and keeping work in the same question, whereas in the present study we separated out the impact on recruitment from the impact on retention). The results of the two surveys are shown in Table 3.13. Yet again, the table reinforces the impression that DPTC recipients were much more
likely than disabled respondents to the previous survey to regard themselves as disadvantaged by their disability (compared with similar non-disabled people) in getting work.

Table 3.14 shows the response to the question in the current survey relating to respondents' perception of the impact of their disability on their chances of retention in employment (a comparable question was not asked separately in the previous study). Again the balance of responses is predominantly negative, with more than two-thirds of respondents believing that their disability reduced their chances of retaining a job, compared with other people. Comparing this with the responses to the previous question (Table 3.13), however, it is clear that respondents were generally less pessimistic about retention than they were about recruitment.

Table 3.14: Respondents’ perception of labour market experiences (6)

<table>
<thead>
<tr>
<th>DPTC Survey</th>
<th>%</th>
<th>Economically inactive</th>
<th>Economically active</th>
</tr>
</thead>
<tbody>
<tr>
<td>'Compared with other people in this area, of a similar age to you, and with similar skills and experiences, do you think that your health problem or disability makes it...'</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>easier to stay in work?</td>
<td>3.3</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>harder to stay in work?</td>
<td>69.2</td>
<td>47</td>
<td>28</td>
</tr>
<tr>
<td>neither harder nor easier to stay in work?</td>
<td>24.1</td>
<td>42</td>
<td>65</td>
</tr>
<tr>
<td>Don't know/not answered</td>
<td>3.3</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Total (N = 100%)</td>
<td>1,315</td>
<td>217</td>
<td>1,416</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
Similar statements were asked relating to respondents’ perceptions of their promotion chances and their earnings levels, again in comparison with non-disabled people with otherwise similar characteristics. Once again, largely identical questions were incorporated in the previous IES survey of disabled people (although the latter survey asked these questions only of disabled respondents who were working as employees).

Table 3.15 and Table 3.16 compare the responses to these questions from the two surveys. In both cases the responses of DPTC recipients in the current survey are much more ‘pessimistic’ than those of disabled employees in the previous survey. Thus, 54

<table>
<thead>
<tr>
<th>DPTC Survey</th>
<th>Previous IES survey of disabled people</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘Compared with other people doing the same or similar jobs, does your health problem or disability make it...’</td>
<td>‘Compared with other people doing the same or similar jobs, but without a health problem or disability, does your health problem or disability make it...’</td>
</tr>
<tr>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>improve your chances of promotion at work?</td>
<td>0.8</td>
</tr>
<tr>
<td>worsen your chances of promotion at work?</td>
<td>54.4</td>
</tr>
<tr>
<td>make no difference to your chances of promotion at work?</td>
<td>37.8</td>
</tr>
<tr>
<td>Don’t know/not answered</td>
<td>7.0</td>
</tr>
<tr>
<td>Total (N = 100%)</td>
<td>1,315</td>
</tr>
</tbody>
</table>

Source: IES Survey, Meager et al., 1998

<table>
<thead>
<tr>
<th>DPTC Survey</th>
<th>Previous IES survey of disabled people</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘Compared with other people doing the same or similar jobs, but without a health problem or disability, do you...’</td>
<td>‘Compared with other people doing the same or similar jobs, but without a health problem or disability, do you...’</td>
</tr>
<tr>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>earn more than them?</td>
<td>2.1</td>
</tr>
<tr>
<td>earn less than them?</td>
<td>42.5</td>
</tr>
<tr>
<td>earn the same as them?</td>
<td>49.0</td>
</tr>
<tr>
<td>Don’t know/not answered</td>
<td>6.3</td>
</tr>
<tr>
<td>Total (N = 100%)</td>
<td>1,315</td>
</tr>
</tbody>
</table>

Source: IES Survey, Meager et al., 1998
per cent of the former, and only 15 per cent of the latter, believed that their disability limited their promotion prospects. Similarly, 42 per cent of DPTC recipients, but only six per cent of disabled employees in the previous survey, believed that they earned less than their non-disabled counterparts.
Part 2: Engaging with DPTC
4. Awareness and Understanding of DPTC

This chapter examines how recipients found out about DPTC and assesses their experience of the application process, including their contact with the DPTC helpline. The chapter also identifies the methods by which recipients received DPTC, and importantly, how they felt about these methods of payment.

4.1 Key findings

Key findings in Chapter 4 include:

- The most common means of learning about DPTC were via the Benefits Agency and the Tax Credit Office/Inland Revenue.
- Most had experienced no problems with the application form.
- Awareness of the DPTC helpline was high, and just over one-quarter of the sample had used it. Most had found it to be helpful.

4.2 Recipients' initial circumstances

Before discussing how recipients found out about DPTC, it is important to establish what they were doing at the time they first heard about the tax credit.

We can see from Table 4.1, overleaf, that over two-thirds of respondents to the survey were working (as an employee or on a self-employed basis) when they first heard about DPTC. Just over one in ten respondents were not working because of long-term sickness or disability whilst three per cent were not working due to temporary sickness or injury. Six per cent of respondents were unemployed when they first heard about DPTC but had been actively seeking work at that time. When we look more closely at their status at the time they first heard about DPTC, it is clear that recipients can be regrouped according to their prior labour market (and benefit) activities. We have identified four possible ‘starting points’ to DPTC, namely:

- those people not working prior to DPTC
- those working and claiming DWA
those working but not previously claiming DWA, and

- those entering via the Fast-Track route. There were only eight Fast-Track applicants in our sample. Although we tried to secure interviews with as many of them as possible, in fact we only managed to include three. If the initial eight provided a narrow basis on which to discuss Fast-Track, then the three achieved makes it impossible to discuss this entry route more fully. For this reason, we do not include Fast-Track entrants in the figures and tables which follow.

Figure 4.1 below illustrates the distribution of respondents according to this new classification.

**Figure 4.1: Status when first heard of DPTC (N = 1,312)**

- Working and not in receipt of DWA 46%
- Working and in receipt of DWA 26%
- Not working 28%

Source: IES survey, 2001
Not surprisingly, people who were working when they first heard about DPTC (ie prior to applying for it), and who were in receipt of DWA, make up the largest proportion of respondents to the survey (46 per cent). We have observed very similar proportions of respondents who were not working, and who were working but who were not in receipt of DWA (28 and 26 per cent respectively). We will look at each of these groups in turn to ascertain their key characteristics before moving on to examine how they found out about DPTC.

4.2.1 Not working

The group of respondents who were not working when they first heard about DPTC (prior to applying for it) are likely to be the one for whom DPTC had had the most pronounced impact, and we come back to this issue in Chapter 8. However, it is important at this stage to ascertain who these people were, and why they had been inactive prior to moving onto DPTC.

We can see from the gender and age patterns of the non-working group (Table 4.2) that almost half of them were female, and they were fairly evenly distributed across the age spectrum. Their key characteristics do not differ greatly from those of the sample as a whole, except that they are slightly more likely to be women.

In terms of marital status, we observe that one-fifth of respondents who were not in work prior to applying for DPTC were single and had never been married; just over one in ten were single and living with their parents, whilst 38 per cent were married or living with another adult as a couple. Approximately one-quarter were separated or divorced. Just over half of respondents who were not working prior to applying for DPTC had dependent children. Again, these characteristics are very much the same as those displayed by the sample as a whole (Table 3.3).

We have observed no real differences in the types of disability or health problems reported by this group of respondents, with the exception of depression, bad nerves or anxiety. These health

<table>
<thead>
<tr>
<th></th>
<th>All</th>
<th>Respondents not working prior to DPTC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Male</td>
<td>57</td>
<td>54</td>
</tr>
<tr>
<td>Female</td>
<td>43</td>
<td>46</td>
</tr>
<tr>
<td>Up to 29</td>
<td>19</td>
<td>20</td>
</tr>
<tr>
<td>30-39</td>
<td>32</td>
<td>32</td>
</tr>
<tr>
<td>40-49</td>
<td>29</td>
<td>30</td>
</tr>
<tr>
<td>50+</td>
<td>20</td>
<td>19</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
problems seem to be slightly more prevalent for these respondents than the sample as a whole (29 per cent of those not working prior to DPTC reported health problems in these areas compared to 22 per cent of respondents overall). The incidence of other disabilities and health problems was similar to that of the sample as a whole.

With regard to the disability benefits that these respondents claimed in the two years prior to DPTC, we have found, not surprisingly, that those who were not in work before DPTC were more likely to have been in receipt of Income Support (with a Disability Premium), Incapacity Benefit, Severe Disablement Allowance, Housing Benefit and Council Tax Benefit than the sample as a whole, and indeed the two groups of respondents who were working prior to applying for DPTC. Table 4.3 illustrates these differences for all respondents and for the three 'entry' groups.

As we have seen above, a significant proportion of respondents who were not in employment prior to applying for DPTC had been out of work due to illness or disability. Similarly, amongst those people not working prior to receiving DPTC who told us that they were unemployed and actively seeking work at that time, we observed that most reported this inactivity to be due in

| Table 4.3: Disability benefits by status prior to DPTC, all respondents (N = 1,312) |
|----------------------------------|---|---|---|---|
|                                  | Not working | Working and in | Working and not | All |
|                                  | %           | receipt of DWA | in receipt of DWA | %   |
| Income Support (with Disability Premium) | 37 | 8 | 19 | 19 |
| Disability Living Allowance      | 55 | 73 | 75 | 69 |
| Attendance Allowance             | 3 | 3 | 1 | 2 |
| Invalid Care Allowance           | 3 | 2 | 3 | 3 |
| Incapacity Benefit (was Sickness/Invalidity Benefit) | 35 | 8 | 13 | 17 |
| Severe Disablement Allowance     | 10 | 1 | 4 | 5 |
| Industrial Injury Disablement Benefit | 2 | 2 | 2 | 2 |
| Disability Working Allowance     | 25 | 75 | 18 | 46 |
| War Disablement Pension          | 1 | * | 1 | 1 |
| Housing Benefit                  | 44 | 22 | 25 | 29 |
| Council Tax Benefit              | 49 | 30 | 28 | 35 |
| Jobseekers Allowance (with disability or higher pensions premium) | 7 | 3 | 6 | 5 |
| Base (N)                         | 1,312 | 365 | 605 | 342 |

Source: IES Survey, 2001
part at least) to their health problem (88 per cent). However, 80 per cent of unemployed respondents also stated that they were unable to find the kind of work that they wanted, which resulted in this inactivity. It would seem that in many cases, it is a combination of ill-health and a lack of suitable job opportunities that results in unemployment for a significant number of disabled people. Around 70 per cent of unemployed respondents also reported that they were unable to find employment which would leave them financially better off in work than on benefits, or that they were unable to find work within a reasonable travelling distance of their home. Table 4.4 below summarises the reasons why some respondents were unemployed prior to moving onto DPTC.

### Table 4.4: Reasons for unemployment (N = 77)

<table>
<thead>
<tr>
<th>Statement</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>I was unable to find work because of my health problem/disability</td>
<td>88</td>
</tr>
<tr>
<td>I was unable to find the kind of work that I wanted to do</td>
<td>80</td>
</tr>
<tr>
<td>I was unable to find the kind of work that would make me financially better off in employment than on benefits</td>
<td>71</td>
</tr>
<tr>
<td>I was unable to find a suitable job within a reasonable travelling distance</td>
<td>69</td>
</tr>
<tr>
<td>I was unable to find a job of any kind</td>
<td>61</td>
</tr>
<tr>
<td>I could not afford the cost of childcare</td>
<td>22</td>
</tr>
<tr>
<td>I was unable to find work because of my caring responsibilities</td>
<td>20</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001

#### 4.2.2 Working but not claiming DWA

Turning now to the group of respondents who were working but who were not claiming DWA when they first heard about DPTC (i.e. prior to applying for it) (26 per cent of our sample as a whole), we observe once again that they shared similar characteristics to other DPTC recipients (Table 4.5 overleaf). Just over half of this group were men, and again they were fairly evenly spread across the various age groups.

In relation to marital status, we observed very similar patterns of marriage etc. among this group of respondents as we did for those who were not working prior to DPTC. Just over one-fifth of respondents who had been in work but not claiming DWA at the time they heard about DPTC were single and had never married. Sixteen per cent were single and living with parents, and 39 per cent were married or living with another adult as a couple. A further fifth were separated or divorced. Approximately half of respondents who had been working at the time they found out about DPTC, but who were not in receipt of DWA, had dependent children (51 per cent).
We found similar patterns of disability and health problems among this group of respondents as we did for all other groups, and indeed the sample as a whole. The most common disabilities and health problems were related to problems with legs or feet, back or neck, and arms or hands.

Respondents who had been working but not claiming DWA at the time they heard about DPTC were most likely to have claimed Disability Living Allowance in the two years prior to the survey. They were much less likely to have claimed Income Support, Incapacity Benefit, Housing Benefit and Council Tax Benefit than their non-working counterparts (see Table 4.3). Although this group of respondents was not receiving DWA at the time they found out about DPTC, 18 per cent reported that they had had received it at some point in the previous two years.

This is an interesting group of respondents for the research as they have been brought into DPTC although they were working (and likely to have been experiencing some kind of disability or health problem) prior to their engagement with it. It is important here to establish whether all of these respondents were aware of the existence of in-work benefits for people with disabilities, ie DWA prior to DPTC (we know that some must have been aware of it, as 18 per cent had received it at some earlier point) and to understand more fully why they did not continue to do so. This will give us some indication of the impact that DPTC has had on them.

Firstly, it is important to note that almost two-thirds of those who were working but not claiming DWA (ie 26 per cent of the sample as a whole) reported that they did not know about DWA when they were in work (62 per cent of this group said this was the case) whilst approximately one-third were aware of its existence (32 per cent). Of those respondents who knew about DWA, just over one-third told us that they had tried to claim it (37 respondents). This proportion seems too low when compared to the 18 per cent of all respondents who had been working but not claiming DWA prior

<table>
<thead>
<tr>
<th>Table 4.5: Gender and age of respondents working but not claiming DWA prior to DPTC (N = 342)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
</tr>
<tr>
<td>%</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Up to 29</td>
</tr>
<tr>
<td>30-39</td>
</tr>
<tr>
<td>40-49</td>
</tr>
<tr>
<td>50+</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
to DPTC, who said that they had received it at some point in the previous two years. It is possible that some of these respondents were confusing DWA with another benefit, such as DLA. However, the main reason given for why their claim had been unsuccessful was that their earnings had been too high (38 per cent). When we asked what had changed and thus enabled them to receive DPTC, we found that earnings had changed or that respondents were working fewer hours. Personal circumstances had also changed, such as the birth of a child or a partner had stopped working. All of these changes resulted in respondents becoming eligible for DPTC.

Among those who had not tried to claim DWA, we found that most respondents felt that they would not have been eligible for it (42 per cent) or that their claim would have been unsuccessful (11 per cent). Higher earnings and household income were also more commonly mentioned as barriers to trying to claim DWA (11 per cent and nine per cent of respondents who had not claimed DWA told us this was the case).

4.2.3 DWA recipients

DWA recipients made up the largest proportion of the DPTC client group (46 per cent) as we might expect. We have not observed any key differences among this group in terms of gender, age, marital status or the incidence of dependent children when we compare them to the DPTC client group as a whole, or indeed to respondents in the other ‘entry’ groups (Table 4.6).

Furthermore, when we looked at the existence of particular disabilities and health problems among this sub-group of respondents, we found that they were very similar to other respondents and the sample as a whole. We observed no real differences in the disabilities and health problems of this group of respondents compared to all other respondents.

Not surprisingly, this group of respondents were less likely to be in receipt of Income Support, Incapacity Benefit, Severe Disablement

<p>| Table 4.6: Gender and age of respondents working and claiming DWA prior to DPTC (N = 605) |
|--------------------------------------|--------------------------------------|--------------------------------------|</p>
<table>
<thead>
<tr>
<th>All</th>
<th>Respondents working but not claiming DWA prior to DPTC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>57 %</td>
</tr>
<tr>
<td>Female</td>
<td>43 %</td>
</tr>
<tr>
<td>Up to 29</td>
<td>19 %</td>
</tr>
<tr>
<td>30-39</td>
<td>32 %</td>
</tr>
<tr>
<td>40-49</td>
<td>29 %</td>
</tr>
<tr>
<td>50+</td>
<td>20 %</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
Allowance, Housing Benefit and Council Tax Benefit in the two years before the survey than their non-working counterparts (Table 4.3). They were, however, much more likely to report having been in receipt of Disability Living Allowance in the two years prior to the survey. Having said this, only 75 per cent of this group listed DWA as a benefit they had received in the recent past although they told us later in the survey that they were in receipt of DWA when they first heard about DPTC. This may be explained (in part at least) by some confusion between the different benefits (and particularly perhaps the difference between DWA and DLA).

4.2.4 Fast-Trackers

As discussed above, we found that only three respondents had come onto DPTC via the Fast-Track route (one male respondent and two female). With such a low number, we are unable to make any comment about their representativeness within the sample, or indeed their working circumstances both before and after applying for DPTC.

4.3 Awareness of DPTC

One of the key differences that we might expect as a result of the different ‘starting points’ for DPTC, are the ways in which recipients found out about the credit, and it is to this that we now turn.

We asked all respondents how they had found out about DPTC and the results are presented in Table 4.7 overleaf. When we look at all respondents as a whole we observe that the most common means of learning about DPTC was via the Benefits Agency (21 per cent of respondents cited this organisation) and the Tax Credit Office/Inland Revenue (18 per cent). One in ten respondents found out about DPTC via word-of-mouth, and fairly similar proportions reported that they had learned about it through the Department of Social Security, the Jobcentre, and the media. Relatively few respondents found out about DPTC through their Disability Employment Adviser (six per cent), their employer (four per cent), or indeed an organisation or agency representing disabled people.

When we look at respondents according to their different ‘starting points’ we find that people who were not in work prior to applying for DPTC had most commonly learned about the tax credit through the benefits system, ie the Jobcentre, Benefits Agency or DEA. While this may suggest that they had taken some steps towards taking up work before they were aware of DPTC, it is also encouraging to find that information about possible eligibility for DPTC is evident at these different portals to the labour market.
Among those respondents who were in work prior to applying for DPTC but who were not in receipt of DWA, we observe that the Benefits Agency and word-of-mouth were the most often quoted sources of information about DPTC. The Tax Credit Office/Inland Revenue was a particularly important conduit of information regarding DPTC for respondents who were working and in receipt of DWA prior to applying for the tax credit. Not surprisingly, the Benefits Agency (who administered DWA) was also an important source of information for this group.

It is clear from this analysis that people coming onto DPTC find out about the credit in different ways depending on their labour market (and prior benefit) status. However, it is also clear that employers were not a particularly important source of information for any of the respondents to this survey regardless of their prior activities. Moreover, the Tax Credit Office/Inland Revenue appears to have been a useful source for finding out/hearing about DPTC only to those people who were already in work and in receipt of DWA, but much less so to those who were not.

Table 4.7: How recipients found out about DPTC — by status

<table>
<thead>
<tr>
<th>Source of Information</th>
<th>All %</th>
<th>Not working %</th>
<th>Working and in receipt of DWA %</th>
<th>Working and not in receipt of DWA %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Credit Office/Inland Revenue</td>
<td>18</td>
<td>4</td>
<td>32</td>
<td>10</td>
</tr>
<tr>
<td>Benefits Agency</td>
<td>21</td>
<td>15</td>
<td>25</td>
<td>20</td>
</tr>
<tr>
<td>Department of Social Security</td>
<td>8</td>
<td>9</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>GP/consultant/nurse</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Social Services/Social Worker</td>
<td>5</td>
<td>6</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Local Authority eg Housing Benefit Office, Council Tax Office etc.</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Citizens Advice Bureau (CAB)</td>
<td>3</td>
<td>4</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Advertising/leaflets</td>
<td>5</td>
<td>7</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Word-of-mouth</td>
<td>10</td>
<td>9</td>
<td>6</td>
<td>16</td>
</tr>
<tr>
<td>Disability Employment Adviser</td>
<td>6</td>
<td>12</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>New Deal Personal Adviser</td>
<td>2</td>
<td>5</td>
<td>—</td>
<td>1</td>
</tr>
<tr>
<td>Other Jobcentre/Employment Service staff</td>
<td>8</td>
<td>20</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Employer</td>
<td>4</td>
<td>1</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Media – news/television/radio</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Organisation/agency representing disabled people</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Something else</td>
<td>9</td>
<td>10</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Don’t remember finding out about DPTC</td>
<td>4</td>
<td>1</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Base (N)</td>
<td>1,312</td>
<td>365</td>
<td>605</td>
<td>342</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
in work but not claiming DWA. It might be that employers would make a more suitable vehicle for promoting DPTC to potential applicants, among their employees, but they do not appear to be overly active in this way.

4.4 Applying for DPTC

Moving on to the procedure for applying for DPTC, we will now assess recipients’ experiences of the application process, the DPTC helpline, and how they found out about the outcome of their claim.

4.4.1 The application form

Most respondents reported that they had completed an application form for DPTC themselves (67 per cent of all respondents) whilst for a further 32 per cent of respondents, someone else had completed the form on their behalf (proxy applicant).

We asked these respondents how easy they (or their proxy applicant) had found the form to understand, and observed that most had experienced no problems with this (Figure 4.2). Sixty-one per cent of respondents completing a form, either themselves or by proxy, found it easy to understand, and a further 12 per cent found the form neither easy nor difficult.

It is important to remember that we are dealing here with ‘winners’; not only had all these individuals managed to complete the application form, they had done so accurately enough to secure DPTC. Our sample source precluded people who had found the form sufficiently difficult as to fail to complete it, and those who had been unable to complete it adequately.

Figure 4.2: Ease of understanding the application form — all those completing an application form themselves or with help (N = 1,292)

Source: IES Survey, 2001
Of the 24 per cent of respondents reporting some difficulty with understanding the form, over half said that some of the questions contained within it were ambiguous. There were no significant differences in the proportion of respondents reporting difficulties with the form according to whether they had been working and claiming DWA, working and not claiming DWA, or not working prior to applying for DPTC. Table 4.8 highlights the most common problems people had in understanding the application form. Approximately one-third of these respondents felt that the form was too long, had some overly-detailed questions, or contained language which was difficult to understand. Around one-fifth to one-quarter of people experiencing problems with understanding the form reported that it required too much precision or evidence.

When we asked respondents to tell us how easy they (or the proxy applicant) found it to complete the application form, we observed similar patterns to the ease of understanding the form (Figure 4.3).

**Table 4.8: Problems experienced when trying to understand the application form (N = 306)**

<table>
<thead>
<tr>
<th>Problem Description</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Some questions ambiguous</td>
<td>55</td>
</tr>
<tr>
<td>Form too long</td>
<td>36</td>
</tr>
<tr>
<td>Some questions too detailed</td>
<td>34</td>
</tr>
<tr>
<td>Language used is sometimes difficult to understand</td>
<td>30</td>
</tr>
<tr>
<td>Requires too much precision, eg dates</td>
<td>25</td>
</tr>
<tr>
<td>Requires too much evidence, eg pay slips</td>
<td>18</td>
</tr>
<tr>
<td>Other</td>
<td>25</td>
</tr>
<tr>
<td>Don’t know</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001

**Figure 4.3: Ease of completing the application form — all those completing an application form themselves, or with help (N = 1,292)**

- Easy: 62%
- Difficult: 22%
- Neither easy nor difficult: 13%
- Don't know: 3%

Source: IES Survey, 2001
Approximately two-thirds of respondents found the application form easy to complete, while one-fifth found it difficult. The problems most commonly reported with completing the form were that some questions were hard to understand, and that it required too much information or too much detailed information (Table 4.9).

### 4.4.2 The DPTC helpline

A fairly high proportion of all respondents were aware that there was a DPTC helpline (60 per cent) although only 45 per cent of these respondents had actually contacted it. This amounts to just over one-quarter (27 per cent) of the sample as a whole.

When we asked respondents who had used the helpline how useful they had found it, we observed a high degree of satisfaction (Figure 4.4).

One in ten of respondents who had contacted the helpline told us that it had been essential to them, while a further 64 per cent said it had been very helpful. However, ten per cent of helpline users reported that the service had not been helpful to them.

<table>
<thead>
<tr>
<th>Problem Description</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Some questions hard to understand</td>
<td>55</td>
</tr>
<tr>
<td>Amount of information required</td>
<td>46</td>
</tr>
<tr>
<td>Detail of information required</td>
<td>46</td>
</tr>
<tr>
<td>Questions on the effects of disability</td>
<td>16</td>
</tr>
<tr>
<td>Other</td>
<td>20</td>
</tr>
<tr>
<td>Don’t know</td>
<td>1</td>
</tr>
</tbody>
</table>

**Table 4.9: Problems experienced when trying to complete the application form (N = 288)**

Source: IES Survey, 2001

![Figure 4.4: Helpfulness of the DPTC helpline — all those using the helpline (N = 356)](image)

Source: IES Survey, 2001

Evaluation of the Disabled Person’s Tax Credit: A Survey of Recipients — Final Report
this represents only 48 respondents, it is worth noting that the main problems experienced with the helpline were:

- difficulty getting through or calling back (44 per cent of those experiencing problems with the helpline reported this difficulty)
- questions not answered satisfactorily (25 per cent)
- getting wrong or misleading information (23 per cent)
- questions not properly understood by helpline staff (17 per cent).

### 4.4.3 Additional help with the application

We asked respondents who had completed a form themselves, without the aid of a proxy applicant, if they had received help from any other person or organisation to complete the application, and 28 per cent told us that they had (some 244 respondents in all). A few had used more than one source and Table 4.10 below shows who provided this help.

We can see that relatives or friends were the most commonly used additional form of support. Somewhat surprisingly though, is the low incidence of additional help with completing the application form from the State (i.e. the DEA, Benefits Agency or Social Services) or indeed from disability organisations, because, between them, these organisations account for over a third of the initial sources of information about DPTC.

Although the base numbers are often small, we can see that respondents using additional sources of help to complete the application form were most likely to find this assistance essential or very helpful. Whilst not often used, the help respondents received from the DEA or Benefits Agency was generally regarded very highly.

<table>
<thead>
<tr>
<th>Help received</th>
<th>Essential %</th>
<th>Very helpful %</th>
<th>Not helpful %</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit Agency staff</td>
<td>6</td>
<td>40</td>
<td>54</td>
<td>7</td>
</tr>
<tr>
<td>Social Services</td>
<td>4</td>
<td>22</td>
<td>67</td>
<td>11</td>
</tr>
<tr>
<td>DEA/Personal Adviser/New Deal staff</td>
<td>7</td>
<td>42</td>
<td>58</td>
<td>19</td>
</tr>
<tr>
<td>Disability organisation</td>
<td>2</td>
<td>33</td>
<td>67</td>
<td>6</td>
</tr>
<tr>
<td>Relative or friend</td>
<td>61</td>
<td>30</td>
<td>68</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>19</td>
<td>28</td>
<td>68</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
The reasons offered by respondents to explain why the additional help provided by government agencies or disability organisations had been so useful included:

- knowledge of the benefits/tax credits that could be claimed
- familiarity with, and better understanding of, the forms; and
- experience of completing the forms and helping with difficult questions.

Relatives and friends had particularly helped to answer difficult questions, although this seems likely to turn more on their better knowledge of the applicant and their circumstances than would perhaps be the case for an official.

In addition to seeking help from other agencies, we asked respondents if they had received any help to work out whether they would be better off applying for DPTC, and altogether just over one-third told us that they had. This proportion varied somewhat according to respondents’ circumstances at the time. Thus, approximately half of respondents who were not in work at the time they first heard about DPTC had requested such a calculation, as had one-third who were in work but not claiming DWA, and just over one-quarter of those who were working and in receipt of DWA.

Table 4.11 below illustrates who undertook this calculation for these respondents. We note that 15 per cent of them maintained that they had done it themselves. If we exclude these, then this would reduce the proportion receiving help from another source, to 30 per cent.

We can see that the DEA (or other ES adviser) and the Tax Credit Office/DPTC helpline most often undertook the in-work DPTC

<table>
<thead>
<tr>
<th></th>
<th>% includes ‘self’</th>
<th>% excludes ‘self’</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEA/Personal Adviser/New Deal staff</td>
<td>21</td>
<td>24</td>
</tr>
<tr>
<td>Tax Credit Office/DPTC helpline</td>
<td>18</td>
<td>21</td>
</tr>
<tr>
<td>Self</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td>Friend/relative</td>
<td>11</td>
<td>13</td>
</tr>
<tr>
<td>Citizens Advice Bureau</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Tax Office/Inland Revenue</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Disability Organisation</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Other</td>
<td>18</td>
<td>21</td>
</tr>
<tr>
<td>Don't know/can't remember</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
calculation for respondents, followed by respondents themselves or another relative or friend. Importantly, over three-quarters of respondents who found out how much DPTC they would be entitled to said that this calculation had helped them to make the decision to apply for DPTC. When we asked whether this calculation had been accurate, 80 per cent of respondents reported that it had been; 12 per cent of respondents could not remember, whilst eight per cent stated that the calculation had been wrong.

4.4.4 Problems experienced

Aside from the difficulties discussed above with regard to understanding and completing the application form, we also asked respondents if they had any problems providing evidence of their household income. This is clearly an important part of the application procedure, and eight per cent of all respondents indicated that they had experienced some difficulties with this. The most prevalent of these difficulties were:

- inability to produce wage slips for self/partner
- no proof of self-employed earnings
- inability to produce evidence of other income, eg savings, benefits, and
- getting employers to supply information regarding earnings.

Table 4.12: Suggested improvements to the application process (N = 1,310)

<table>
<thead>
<tr>
<th>Suggested Improvement</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>No improvements necessary</td>
<td>36</td>
</tr>
<tr>
<td>Shorten the application form/fewer questions/make forms more simple</td>
<td>19</td>
</tr>
<tr>
<td>Simplify the process for ongoing claims</td>
<td>11</td>
</tr>
<tr>
<td>Extend the claims period</td>
<td>11</td>
</tr>
<tr>
<td>Reduce repetition in the application form</td>
<td>6</td>
</tr>
<tr>
<td>Make language more simple</td>
<td>4</td>
</tr>
<tr>
<td>Quicker processing of application forms</td>
<td>4</td>
</tr>
<tr>
<td>Better/clearer explanation or information leaflet about DPTC and application procedure</td>
<td>2</td>
</tr>
<tr>
<td>Renewal forms with necessary questions only</td>
<td>2</td>
</tr>
<tr>
<td>Access to an advisor or one-to-one help</td>
<td>2</td>
</tr>
<tr>
<td>Specific forms for individual circumstances, eg if self-employed</td>
<td>2</td>
</tr>
<tr>
<td>Reduce the amount of paperwork</td>
<td>2</td>
</tr>
<tr>
<td>Improve layout/use bigger boxes on application form</td>
<td>2</td>
</tr>
<tr>
<td>Put application form on-line</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
When we asked how the applications process could be improved, over one-third of respondents told us that no improvements were necessary. However, about two in ten of all respondents would like to see a shorter/simpler application form, while about one in ten reported that the process for ongoing claims could be simplified, or the claims period could be extended. Table 4.12 summarises the improvements that respondents would like to see.

### 4.4.5 Finding out the outcome of application

Turning now to the outcome of the claims procedure, almost all respondents recalled receiving written notification of the award from the Inland Revenue (95 per cent). A further two per cent of respondents told us that they had received a telephone call from the Inland Revenue to tell them of their award. Very few respondents had any difficulty understanding the amount of DPTC they were entitled to; indeed, almost three-quarters of respondents said this had been easy to understand (Figure 4.5). However, it remains that 16 per cent of respondents found it somewhat difficult to understand their award and, to the extent that transparency and perceived fairness in assessment is important, this may be cause for some concern.

**Figure 4.5: Ease of understanding DPTC award (N = 1,315)**

![Pie chart showing ease of understanding DPTC award]

- Easy: 74%
- Difficult: 16%
- Neither easy nor difficult: 7%
- Don't know: 3%

Source: IES Survey, 2001

### 4.5 Receiving DPTC

One of the key shifts in government welfare policy, and tax credits in particular, is the closer alignment of ‘benefits’ to work and the pay packet. Payment (of in-work support) via the employer (PVE) is one of the more prominent features of DPTC and it is to this that we now turn.

In the first instance, the majority of DPTC recipients received their initial payment directly into their bank account (48 per cent) with
the remaining respondents receiving the tax credit by a combination of giro cheque, order book and as part of their wages (Figure 4.6).

4.5.1 Payment via employers (PVE)

Two-thirds of respondents told us that this initial delivery mechanism had changed and the majority of these (84 per cent) went on to receive DPTC via their employer (PVE). We asked those respondents who went onto PVE whether they knew that DPTC was going to be paid via their employer and 74 per cent told us that they did. However, one-quarter of these respondents reported that they were not aware that they would receive DPTC in this way. Perhaps not surprisingly, then, we observed that a proportion of respondents who went onto PVE were unhappy that DPTC was paid in this way (54 per cent of these respondents told us that they liked the fact that DPTC was paid through their employer whilst 44 per cent did not). When we asked the 44 per cent who were unhappy with PVE how they would prefer to receive DPTC, we found that the majority would like the payment to come straight into their bank account (59 per cent), or via order book (35 per cent). Table 4.13 records the main reasons for preferring a change in the delivery mechanism for DPTC.

We can see from this table that almost half of those recipients who went on to receive DPTC on a PVE basis, and who were unhappy with this delivery mechanism, would prefer if their employer was not involved. One-third said they would like DPTC to be kept separate from their wages and one-quarter thought it would be quicker to receive DPTC through alternative means rather than in their wage packet.

Figure 4.6: Method of DPTC first payment (N = 1,315)

- Into bank account: 49%
- Girocheque: 24%
- Order book: 19%
- PVE: 7%
- Can’t remember: 1%

Source: IES Survey, 2001
We also asked respondents who went on to receive DPTC as part of their wages whether they had any specific concerns about this. The statements we posed to these recipients, and their responses were shown in Table 4.14 below.

Once again, we observe that half of these respondents would prefer a separate payment of DPTC rather than one which is included with their wages. Over one-third did not want their employer to know that they received a tax credit, whilst just under one-third were worried that their DPTC payment would be delayed if their wages were late. A similar proportion of these respondents also told us that it was difficult to budget their income when their wages and DPTC were paid together, and one-quarter wanted more frequent DPTC payments. Many respondents voiced concerns about DPTC having a negative impact on their chances of getting a pay rise. Almost one-fifth of respondents were also worried that receiving DPTC in this way would alert employers to their disability or health problem thus breaching confidentiality.

Table 4.13: Reasons why alternative delivery mechanisms preferred (N = 318)

<table>
<thead>
<tr>
<th>Reason</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prefer not to have employer involved</td>
<td>48</td>
</tr>
<tr>
<td>Prefer to have DPTC kept separate from wages</td>
<td>34</td>
</tr>
<tr>
<td>Quicker way to receive DPTC than waiting for wages</td>
<td>26</td>
</tr>
<tr>
<td>More convenient</td>
<td>26</td>
</tr>
<tr>
<td>More likely to be an accurate payment than via employer</td>
<td>11</td>
</tr>
<tr>
<td>Other</td>
<td>24</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001

Table 4.14: Concerns about PVE — respondents who went on to receive DPTC via their employer (N = 725)

<table>
<thead>
<tr>
<th>Concern</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>I don't like receiving DPTC in with my wages; I would prefer a separate payment of DPTC</td>
<td>50</td>
</tr>
<tr>
<td>I am worried about confidentiality - I do not want my employer to know that I receive a tax credit</td>
<td>37</td>
</tr>
<tr>
<td>I am worried about delays in the payment of DPTC if my wages were late</td>
<td>32</td>
</tr>
<tr>
<td>It is difficult to budget my income when DPTC comes with my wages</td>
<td>31</td>
</tr>
<tr>
<td>I get paid monthly but I would prefer to receive my DPTC more often than that</td>
<td>25</td>
</tr>
<tr>
<td>I am worried that I will not get a pay rise as my employer will know that I receive additional money from DPTC</td>
<td>22</td>
</tr>
<tr>
<td>I am worried about confidentiality - I do not want my employer to know that I have a disability/health problem</td>
<td>19</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
4.5.2 Attitudes towards DPTC and DWA

Having said this, we found that many respondents who had received DWA prior to transferring onto DPTC were generally positive about the new tax credit. Although not commenting on PVE particularly, we asked these respondents to tell us how they felt about a number of statements concerning DPTC vis-à-vis DWA (Table 4.15).

We have observed that almost half of those people who were on DWA feel that it is better that DPTC is administered by the Inland Revenue. Just under one-fifth of these respondents preferred the former administration of DWA through the Benefits Agency. Many respondents (51 per cent) agreed that it is better to receive a tax credit which is related to earnings rather than a benefit which is linked to a disability. It also appears that DPTC has removed (some of) the stigma related to claiming benefits for a significant number of recipients.

Table 4.15: Views on DPTC vis-à-vis DWA (N = 575)

<table>
<thead>
<tr>
<th>Statement</th>
<th>Agree</th>
<th>Neither agree nor disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I think it is better that DPTC is administered by the Inland Revenue/tax system</td>
<td>48</td>
<td>35</td>
<td>11</td>
</tr>
<tr>
<td>I preferred the system when DWA was administered by the Benefits Agency</td>
<td>19</td>
<td>40</td>
<td>35</td>
</tr>
<tr>
<td>I am not concerned either way, whether DPTC is administered by the Inland Revenue/tax office or the Benefits Agency</td>
<td>48</td>
<td>22</td>
<td>27</td>
</tr>
<tr>
<td>It is better to receive a tax credit related to my earnings rather than an allowance related to my health or disability status</td>
<td>51</td>
<td>24</td>
<td>16</td>
</tr>
<tr>
<td>It is more socially acceptable and less stigmatising to claim a tax credit than a benefit</td>
<td>61</td>
<td>25</td>
<td>9</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
5. Childcare and DPTC

This chapter considers the ways and the extent to which DPTC recipients with children have benefited from the childcare tax credit element included in it.

5.1 Key findings

Key findings in Chapter 5 include:

- Among DPTC recipients with childcare needs, 71 per cent were aware of the childcare tax credit. However, only 42 per cent of them had actually received it, reflecting the fact that many of them used informal childcare, such as friends, neighbours, etc.
- Few reported any problems in applying for the childcare tax credit, and nine out of ten of the applicants had received it.

5.2 Childcare needs

DPTC recipients eligible for the childcare tax credit can apply for it to cover the costs incurred during the award period. The childcare hours do not have to be linked specifically to work hours.

Although half of the respondents taking part in this survey have dependent children, only 18 per cent reported that they had incurred any childcare costs as a result of being in work. This much smaller group of respondents is the focus of this chapter. We can see from Table 5.1 overleaf that respondents (who have incurred some childcare costs) use both formal and informal childcare, the most common of which is:

- a registered childminder
- a friend or neighbour

1 At the time of the fieldwork, the childcare tax credit provided 70 per cent of eligible childcare costs up to £70 for one child and £105 for two. This has since been increased to £100 for one child and £150 for two or more children. Additionally, recipients have to be working for at least 16 hours a week (both individuals in the case of couples).
Table 5.1: Type of childcare used most recently while in work where costs had been incurred \((N = 122)\)

<table>
<thead>
<tr>
<th>Type of childcare</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered childminder</td>
<td>30</td>
</tr>
<tr>
<td>A friend or neighbour</td>
<td>24</td>
</tr>
<tr>
<td>Day nursery</td>
<td>16</td>
</tr>
<tr>
<td>Child's grandparents</td>
<td>16</td>
</tr>
<tr>
<td>Nursery school</td>
<td>8</td>
</tr>
<tr>
<td>Out-of-school club</td>
<td>8</td>
</tr>
<tr>
<td>Another relative</td>
<td>7</td>
</tr>
<tr>
<td>Holiday club/scheme</td>
<td>5</td>
</tr>
<tr>
<td>Crèche</td>
<td>2</td>
</tr>
<tr>
<td>Playgroup or pre-school</td>
<td>2</td>
</tr>
<tr>
<td>Spouse/partner</td>
<td>2</td>
</tr>
<tr>
<td>Child's older brother or sister</td>
<td>2</td>
</tr>
<tr>
<td>Ex-spouse/ex-partner</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001

- a day nursery, or
- grandparents.

Among those using formal childcare, respondents reported that local authorities and private businesses were the main suppliers or intermediaries of these forms of childcare (see Table 5.2). Approximately half of respondents who were using a registered childminder, nursery school, out-of-school club or holiday club/scheme used local authority provision. Day nurseries were most commonly offered by private businesses.

Table 5.2: Supplier of formal childcare

<table>
<thead>
<tr>
<th>Childcare supplier</th>
<th>Local Authority</th>
<th>Private business</th>
<th>Community/voluntary/charity organisation</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered childminder</td>
<td>36</td>
<td>17</td>
<td>15</td>
<td>2</td>
</tr>
<tr>
<td>Crèche</td>
<td>2</td>
<td>—</td>
<td>2</td>
<td>—</td>
</tr>
<tr>
<td>Nursery school</td>
<td>10</td>
<td>5</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Day nursery</td>
<td>19</td>
<td>1</td>
<td>17</td>
<td>—</td>
</tr>
<tr>
<td>Playgroup or pre-school</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>Out-of-school club</td>
<td>10</td>
<td>5</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Holiday club/scheme</td>
<td>6</td>
<td>3</td>
<td>—</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
The number of hours for which childcare is used clearly depends on the number of hours worked. On average, we have found that respondents who incur costs for childcare use a total of 19.9 hours of childcare per week. Just over half of these respondents need up to 19 hours of childcare per week (see Figure 5.1) whilst just 14 percent need more than 40 hours to meet their childcare needs.

Obviously, the cost of childcare relates closely to the type of childcare used and the number of hours for which it is required. The average incurred cost of childcare for DPTC recipients was £48 per week. Figure 5.2 illustrates the distribution of these costs for respondents with children requiring formal or informal childcare. Whilst the average cost is higher, we observe that nearly two-thirds of these respondents incur weekly costs of £50 per week or less.

**Figure 5.1: Cumulative hours of childcare required per week (N = 122)**

Source: IES Survey, 2001

**Figure 5.2: Cost of childcare per week (N = 121)**

Source: IES Survey, 2001
5.3 Childcare and work

When we explored how important childcare has been in relation to their ability to work, we found that it had been invaluable for most respondents who had incurred costs for childcare (Table 5.3). Eighty-eight per cent of these respondents told us that they would not have been able to work without childcare. Very few respondents reported that the availability of childcare had no bearing on their working arrangements.

Table 5.3: Importance of childcare (N = 122)

<table>
<thead>
<tr>
<th></th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>I could not have worked without it</td>
<td>88</td>
</tr>
<tr>
<td>I would have had to reduce my working hours without it</td>
<td>7</td>
</tr>
<tr>
<td>I would have to change my job without it</td>
<td>2</td>
</tr>
<tr>
<td>My partner would have had to change their working hours/arrangements</td>
<td>6</td>
</tr>
<tr>
<td>The availability of childcare has made no difference to my working arrangements</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001

5.4 The childcare tax credit

As we showed in Chapter 2, additional payments can be secured as part of DPTC for those with dependent children (the childcare tax credit). The calculation and estimation of this part of a DPTC award is undertaken in addition to the basic DPTC calculations, but the amounts paid are included into the single tax credit award.

We asked all respondents with childcare needs (ie those who incurred childcare costs as a result of being in work) whether they had heard of the childcare tax credit, and 71 per cent reported that they had. However, only 42 per cent of these respondents had actually received the childcare tax credit as part of their receipt of DPTC. To some extent, this is related to the fact that many respondents use childcare that is not eligible for help with childcare costs under the childcare tax credit, such as friends, neighbours and relatives, to take care of their children during working hours. As this kind of informal provision involves people who are not registered to provide childcare services, it is not eligible under the childcare tax credit.

The majority of those respondents who had applied for the childcare tax credit remembered completing an application form (90 per cent) and in the main they found the form was easy to

1 Just over one-quarter of respondents with families, who had not applied for the childcare tax credit, told us that this was how they provided childcare for their children.
understand. Only eight per cent of childcare tax credit applicants (just four respondents) reported any difficulties in understanding the application form. Similarly, most respondents told us that they found the childcare tax credit application form easy to complete, with only six per cent (or three applicants) experiencing any problems. Ninety-two per cent of applications for the childcare tax credit were successful, with only one respondent reporting that their application had been unsuccessful (this was due to working too few hours).

We can see from Figure 5.3 that almost one in three recipients of the childcare tax credit did not know how much they ‘received’. Approximately one-fifth of childcare tax credit recipients stated that they received up to £25 per week and a similar proportion reported that the childcare tax credit was worth between £26-£50 per week. However, we should also note the very low base of respondents from whom we have compiled these data, and the results should be assessed accordingly.

The two main influences of the childcare tax credit on recipients’ ability to work have been on job sustainability, and allowing respondents to move into work (Table 5.4). More than half of those respondents who received the childcare tax credit have been

<table>
<thead>
<tr>
<th>Table 5.4: Influence of the childcare tax credit on ability to move into work (N = 47)</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
</tr>
<tr>
<td>Able to move into work</td>
</tr>
<tr>
<td>Able to stay in work</td>
</tr>
<tr>
<td>Partner able to move into work</td>
</tr>
<tr>
<td>Partner able to stay in work</td>
</tr>
<tr>
<td>Made no difference</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
able to stay in work as a result of a successful application whilst one-third have been enabled to move into work because of it. Just over one in ten childcare tax credit recipients stated that the help they had received with childcare had made no difference to their (or their partner’s) decision to move into work.

When we looked at the influence of the childcare tax credit on the hours that recipients can work, we found that it had in fact a fairly negligible effect in most cases (almost three-quarters of recipients said that the childcare tax credit had not affected the hours they or their partner could work). However, one-quarter of recipients had been enabled to change the number of hours they worked as a result of applying for the childcare tax credit.

Unfortunately, we found that less than half of all the childcare tax credit recipients felt that the credit was adequate to meet their childcare needs (45 per cent of childcare tax credit recipients said that the credit was adequate whilst 55 per cent said this was not the case). Those who said that the childcare tax credit was inadequate told us that this was due not only to the amount of childcare tax credit that they received, but also to the cost, quality and quantity of childcare per se. Table 5.5 reports the changes that these respondents would like to see to better meet their childcare needs.

<table>
<thead>
<tr>
<th>Change required to meet childcare needs</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase the amount of childcare tax credit</td>
<td>75</td>
</tr>
<tr>
<td>Improve the quality of childcare services in local area</td>
<td>12</td>
</tr>
<tr>
<td>Increase the number of childcare providers in local area</td>
<td>8</td>
</tr>
<tr>
<td>Bring down the price of childcare in local area</td>
<td>38</td>
</tr>
<tr>
<td>Other</td>
<td>17</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001

5.5 Disabled child tax credit

In addition to discussing the childcare tax credit, we also asked respondents with children if they were aware of the disabled child tax credit and found that less than half knew about it (40 per cent). Of these, only 14 per cent (or 28 respondents) had actually received the credit. Although this figure is low, we observed that most respondents who had received this tax credit, had found it to be helpful or essential (93 per cent) in terms of improving household income.

Very few respondents (18 per cent or five respondents) who had received the disabled child tax credit had any knowledge of the enhanced disability tax credit for disabled children.
6. Re-Applying for, and Leaving, DPTC

Another key feature of DPTC is the award period which runs for six months at a time. During this period, awards are essentially fixed and independent of changing individual circumstances. Thus, it is important to assess whether respondents experience any changes in their family or working circumstances which may impact on their household income during these six-monthly periods. It is also important to explore respondents’ experiences of re-applying for DPTC, to ascertain if they incur any problems. We also consider here the reasons why some respondents have stopped receiving DPTC.

6.1 Key findings

Key findings in Chapter 6 include:

- Just over one-quarter of all respondents had experienced any changes in their household income whilst they had been receiving DPTC. These were slightly more likely to have left the household worse off, but were generally small scale changes.

- 14 per cent of survey respondents no longer received DPTC. The main reason for this was that respondents were no longer working.

6.2 Duration of receipt of DPTC

Figure 6.1 overleaf illustrates how long respondents had received DPTC, and we can see that most had received it for more than one year (71 per cent) with only four per cent receiving it for less than six months (up until the time of the survey). In this way, we can see that at least three-quarters of all survey respondents must have reapplied for DPTC at some point.
6.3 Sensitivity to fixed payment periods/amounts

Importantly, we asked all respondents whether they had experienced any changes in their household income while they had been receiving DPTC, and just over one-quarter of them (27 per cent) reported that they had. In the main, these changes were due to altered working circumstances (65 per cent) and changes in their personal circumstances (24 per cent). Tables 6.1 and 6.2 highlight these changes more clearly.

We can see from Table 6.1 that the primary changes in personal circumstances resulting in changes in the level of household income relate to fewer earners being contained within the household (24 per cent of respondents); changes to the earnings or employment status of members of the household (22 per cent) and less benefit income flowing into the household (18 per cent).

### Table 6.1: Changes in personal circumstances affecting amount of income received during period receiving DPTC (N = 85)

<table>
<thead>
<tr>
<th>Changes in family circumstances affecting income</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household composition changed — fewer earners</td>
<td>24</td>
</tr>
<tr>
<td>Changes to earning/employment of household members</td>
<td>22</td>
</tr>
<tr>
<td>Household composition changed — less benefit income</td>
<td>18</td>
</tr>
<tr>
<td>Household composition changed — more earners</td>
<td>13</td>
</tr>
<tr>
<td>Household composition changed — more benefit income</td>
<td>4</td>
</tr>
<tr>
<td>Other reason</td>
<td>32</td>
</tr>
<tr>
<td>Don't know</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
Changes to working circumstances resulting in changes to household income (Table 6.2 above) were most commonly concerned with increases in salary (31 per cent); and working more or fewer hours (20 per cent and 18 per cent of respondents).

Forty-three per cent of the respondents experiencing these changes reported that their household income had varied ‘a lot’ as a result, whilst a further 51 per cent thought that it had varied ‘a little’. Ultimately, these changes had left just over 40 per cent of these respondents better off whilst for 48 per cent their income had decreased such that they were worse off (Figure 6.2 illustrates the impact of these changes). Just over one in ten respondents said that the changes to their personal or working circumstances had made no difference to their overall household income.

Table 6.2: Changes in working circumstances affecting amount of income received during period receiving DPTC (N = 232)

<table>
<thead>
<tr>
<th>Changes in working circumstances affecting income</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recipient's/partner's salary has increased (same job)</td>
<td>31</td>
</tr>
<tr>
<td>Recipient/partner working more hours</td>
<td>20</td>
</tr>
<tr>
<td>Recipient/partner working fewer hours</td>
<td>18</td>
</tr>
<tr>
<td>Recipient/partner has been promoted to a higher paid job</td>
<td>12</td>
</tr>
<tr>
<td>Recipient/partner's salary has decreased (same job)</td>
<td>9</td>
</tr>
<tr>
<td>Recipient/partner made redundant</td>
<td>4</td>
</tr>
<tr>
<td>Recipient/partner has been moved/demoted to a lower paid job</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>22</td>
</tr>
<tr>
<td>Don't know</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001

Figure 6.2: Financial impact of changes to household income (N = 335)

Source: IES Survey, 2001
Bearing in mind that over one-quarter of all respondents have experienced some sort of change to their household income whilst receiving DPTC, we asked all respondents whether they thought the amount of DPTC should go up or down during the six-monthly award period if income also went up or down. Almost half of all respondents (44 per cent) reported that they thought DPTC should be changed in accordance with changes to income. Over two-thirds of all respondents also thought DPTC should be increased if a family had another child during the award period (67 per cent). In fact, if DPTC recipients have another child while still in receipt of DPTC, they can have their application reassessed. They would need to get in touch with the Tax Credit Office to do so.

The majority of respondents, however, thought that the six-monthly award period was the right length of time to receive DPTC before reassessment was necessary (62 per cent). Of the 35 per cent of respondents who thought the period should be different, we found that 14 per cent thought it should be shorter (between 0-6 months); 77 per cent of these respondents, though, wanted to see an extended period of between seven and 12 months, while six per cent of respondents thought claims to DPTC should not be reassessed until after 13 months or more.

### 6.4 Re-applying for DPTC

Seventy-one per cent of respondents had been in receipt of DPTC for longer than six months and were still in receipt of DPTC at the time of the survey. We asked these respondents if they remembered re-applying for DPTC, and most told us that they had (96 per cent). In line with their experiences understanding and completing the first DPTC application form, more than three-quarters of re-applicants had experienced no significant problem with their subsequent application(s). Looking at the other quarter, who said that they had experienced some kind(s) of difficulty, Table 6.3 overleaf shows what types of problems were being experienced.

We can see that the main problems people have with their reapplication are:

- delays in payment of the new award causing financial hardship, and
- the time taken to complete the application form.

Around one-fifth of respondents who had experienced any problems said these issues caused them the most difficulty. Approximately one in ten respondents experiencing problems also told us that their forms had been received late or that they had experienced some difficulties with the time limit for re-applying for DPTC. A fairly similar proportion of respondents complained
Just over one-third of respondents (35 per cent) saw a change in the amount of their DPTC award as a result of re-applying at the six-month stage; 52 per cent reported that the amount had gone down, 41 per cent said that it had gone up, whilst seven per cent of respondents said that the amount of DPTC they received had gone up and down. Once again, changes in the amount of DPTC awarded was primarily due to changes in working circumstances (40 per cent) and personal circumstances (19 per cent) although 24 per cent of respondents experiencing changes to their DPTC were not sure why this had happened.¹ Tables 6.4 (below) and 6.5 (overleaf) illustrate the main changes in working and personal circumstances which resulted in changes to the level of DPTC awarded.

¹ Changes to the DPTC award could also be due to an increase in DPTC rates which would take effect irrespective of any change in personal circumstances.
In the main, changes to working circumstances resulted in higher earnings and/or more working hours. Changes in family circumstances which have affected the amount of DPTC received following the reapplication process relate mostly to children. Respondents have lost child benefit, their children have left school or home, and new children have been born.

### 6.5 Leaving DPTC

Fourteen per cent of survey respondents no longer received DPTC and it is instructive to identify the reasons for this (Table 6.6). Perhaps not surprisingly, 43 per cent of these respondents were no longer working and were therefore not eligible for DPTC. However, changes in working circumstances rendered 28 per cent of respondents ineligible for DPTC, as did changes to personal circumstances for 15 per cent of those respondents who were no longer receiving it. Many reasons were given for changes in personal circumstances and these included improved or worsened health, children becoming independent, partners’ working status changing, and marital breakdown or reconciliation. Other reasons for no longer applying for DPTC included thinking that DPTC ran for six months only, and missing the deadline for re-applications.

#### Table 6.5: Changes in family circumstances affecting the amount of DPTC received (N = 74)

<table>
<thead>
<tr>
<th>Change in family circumstances</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in age of children/child benefit ceased</td>
<td>20</td>
</tr>
<tr>
<td>Child(ren) left school</td>
<td>15</td>
</tr>
<tr>
<td>Birth of child</td>
<td>14</td>
</tr>
<tr>
<td>Child(ren) left home</td>
<td>11</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001

#### Table 6.6: Reasons why DPTC has come to an end (N = 191)

<table>
<thead>
<tr>
<th>Reason</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stopped working and no longer eligible</td>
<td>43</td>
</tr>
<tr>
<td>Change in working circumstances and no longer eligible</td>
<td>28</td>
</tr>
<tr>
<td>Change in personal circumstances and no longer eligible</td>
<td>15</td>
</tr>
<tr>
<td>Other</td>
<td>13</td>
</tr>
<tr>
<td>Don’t know</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
Part 3: Outcomes and Impact
7. Employment Patterns Among DPTC Recipients

This chapter looks at the jobs and employment circumstances of DPTC recipients.

7.1 Key findings

Key findings in Chapter 7 include:

- Nine out of ten of the respondents were still economically active, with 75 per cent working as employees. They divided fairly evenly between full- and part-time working.
- Respondents were concentrated in unskilled manual jobs and in administrative and secretarial work, and to a lesser extent in selling and customer service jobs, as might be expected in view of the tapering of DPTC awards with income.
- A substantial minority of employees (18 per cent) were working in some form of supported employment.

7.2 Current activity

In order to take an overview of the current working situation of our respondents, we simply asked them what they were doing at the time of the interview. Figure 7.1 (overleaf) summarises their responses.

We can see that nine out of ten of our respondents were economically active, with:

- 75 per cent working as employees. This seems to be slightly more common among the women (78 per cent), and declines with age, with employee status at its peak at 84 per cent among those in their 20s, and declining consistently thereafter. It was somewhat lower, at 70 per cent, among minority ethnic groups.
- 13 per cent self-employed. Conversely, this was more popular among the men (17 per cent, compared with eight per cent for women); it increases with age (to 22 per cent among the over 50s), and it was more popular among the minority ethnic group respondents.
four per cent active, but not working at present. This group of 40 people were mainly unemployed (three of the four per cent), with a few on public employment training programmes, or temporarily laid off from their job. This tends to decline with age, but does not vary greatly across any of our analytical sub-groups.

The remaining eight per cent were not economically active. This group, comprising 100 individuals, was made up of:

- 78 individuals (six per cent of the whole sample) who were no longer working due to long-term health problems or disability. These appear to be people who had worked and applied for DPTC when doing so but who had either not been able to remain in employment with their condition or had faced deteriorating health, and so had withdrawn from work. As we might expect, this is associated with older respondents (20 per cent of the over 60s fall into this category), but it does not vary much otherwise.
- 25 individuals (nearly two per cent of the whole sample), who were not working because they were temporarily sick or injured
- 12 individuals, mainly women, who were looking after the home; and
- eight people who were not working and doing something else.

We can make some comparison between this breakdown of activities, and that shown for all disabled people by the Labour Force Survey. Of course, our sample deals with people who either were, or have until very recently been, economically active, whereas the LFS shows that nearly half of all disabled people of working age are inactive. However, if we recompose both samples...
to look just at those who are economically active, then a very similar picture emerges. We observe that among the economically active of both these DPTC recipients and the labour force as a whole, 80 per cent of both groups were working as employees. Rather more of our DPTC recipients were working on a self-employed basis (14 per cent as against 12 per cent for the LFS). By contrast, rather fewer of the DPTC group were now unemployed (five per cent compared with eight per cent for the LFS).

### 7.3 Working hours

As we can see from Figure 7.2, our sample is fairly evenly divided between those working part-time, which we define as less than 30 hours in a normal week, and those working full-time, for 30 or more hours a week. There is a substantial minority who work rather less, with fully one-quarter of our respondents working less than 20 hours a week. Overall, the average working time was 28.5 hours a week.

The men were more likely to be working full-time than the women (61 per cent over 30 hours, compared with 33 per cent), and whites were similarly more clustered in full-time work (at 50 per cent) than those from minority ethnic groups (41 per cent).

Average working hours were about the same for those who were employed, and those in self-employment, (28.3 and 29.4 hours a week respectively), but the distribution of hours worked is different and this is shown in Figure 7.3. Here we can see that the self-employed were somewhat less likely to work for only a few hours, but that they were less inclined than the employed group to work for 35 hours or more. In effect, their working hours were more bunched in the middle of the distribution than were those of the employed group.

---

**Figure 7.2: Normal working hours, all those economically active (N = 1,156)**

Source: IES Survey, 2001
Working hours were generally longer for men than for women, whatever the family circumstances, as Table 7.1 shows. Here, contrasting the average working time for different groups of recipients, we can also see that for couples, the presence of children is generally associated with an increase in working hours for the DPTC recipient, but for single parents, the situation is less clear cut; a single child does not seem to make much difference to the hours worked (the large difference between single men without children, and those with one child, is based on very few cases, and so cannot be relied on). However, when there were more children, for both men and women single parents, lower average working hours seems to be the result.

Table 7.1: Average working time: households with children and those without (N = 1,156)

<table>
<thead>
<tr>
<th>Household type</th>
<th>Average weekly hours</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single, no children</td>
<td>27.9</td>
<td>30.0</td>
<td>25.0</td>
</tr>
<tr>
<td>Single, one child</td>
<td>27.2</td>
<td>36.6</td>
<td>25.3</td>
</tr>
<tr>
<td>Single, more than one child</td>
<td>25.1</td>
<td>32.9</td>
<td>23.5</td>
</tr>
<tr>
<td>Couple, no children</td>
<td>27.1</td>
<td>28.8</td>
<td>22.3</td>
</tr>
<tr>
<td>Couple, one child</td>
<td>30.9</td>
<td>32.3</td>
<td>26.1</td>
</tr>
<tr>
<td>Couple, more than one child</td>
<td>31.6</td>
<td>32.8</td>
<td>26.0</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001

7.4 Type of employment among DPTC recipients

In this section we turn to look at the kinds of work undertaken by our respondents. We will go on in Section 7.5 below to compare and contrast these patterns with those of disabled people in
general, but for now we set out what the respondents were doing at the time of the fieldwork, beginning with their occupation.

7.4.1 Occupation

There is considerable variety among the different kinds of work undertaken by the DPTC recipients who were currently working, and this is accentuated by differences between those who were employed, and those in self-employment.

We can see from Figure 7.4 that those in employee status, while having some representation right across the occupational spectrum, were concentrated in unskilled manual jobs and in administrative and secretarial work. These two occupational groups accounted for 33 and 20 per cent of employees respectively. Another 12 per cent were in selling and customer service jobs. The self-employed were also widely distributed, but they tended to be concentrated in skilled and unskilled manual jobs, and in ‘other’ occupations (this latter perhaps representing the prevalence of micro businesses and sole traders in the self-employed sector). The self-employed were more prominent in managerial and professional occupations than were the employees.

There is a huge contrast between the occupational profile of DPTC recipients and those for disabled people in work in the population as a whole. In view of the focus of DPTC on the lower paid, this is only to be expected, and is indeed a reflection of the design parameters of the credit. For example, we note in Figure 7.4 that among those in employed status, 20 per cent of DPTC recipients were in clerical/admin jobs, and 33 per cent in unskilled manual jobs. This contrasts sharply with LFS data for disabled people as a whole at work, for whom the relevant proportions were 15 per cent and 16 per cent respectively. This distinction is also marked for the self-employed but shows a slightly different focus. For

Figure 7.4: Occupational structure by employment status (N =1,152)

Source: IES Survey, 2001
7.4.2 Earnings

At the pilot stage, we tried to have half the respondents estimate their actual net monthly pay, but this proved to be difficult and time-consuming for them to provide an exact figure. So, at the main stage, we used the procedure adopted for the other half of the pilot, and asked those who were presently working to estimate their net monthly pay, using a range of £100 pay bands.

The results are shown in Figure 7.5, distinguishing between employed and self-employed respondents.

It is immediately obvious that these were a relatively poorly paid group, with more than half of them earning less than £500 a month net, and only just over one in ten earning more than £800.

Furthermore, we should note that one-quarter of them were found at the extreme end of this spectrum, earning less than £300 a month.

Because most of these people were employees, the income distributions for ‘employed’ and ‘all respondents’ were very similar. However, we note that income levels among the self-employed were generally lower still, with fully 30 per cent of them earning less than £200 a month, and only four per cent of them earning more than £800.

Figure 7.5: Net monthly pay/income estimates — all those currently working (N = 1,152)

Note: Smoothed curves.
Source: IES Survey, 2001
7.4.3 Pay period

Our respondents were split fairly evenly between weekly paid (48 per cent, and monthly paid (44 per cent). The remainder were almost all paid at some period between — mostly fortnightly. A small number, however, were paid on a more varied, usually shorter basis, reflecting hours which varied a lot from day to day or week to week.

7.4.4 Industrial sector

Among the employees, who make up 90 per cent of those in work, two in three were employed in the private sector and just over one-quarter (28 per cent) were working in the public sector. Some seven per cent were employed in the third sector, in voluntary, charitable and various community and not-for-profit organisations.

Looking more closely at the spread of employment across the different industrial sectors, we can see in Figure 7.6 that DPTC recipients had found work right across the industrial and commercial spectrum, but with some obvious concentrations.

Among the employed, the retail sector and manufacturing were the most prominent sectors, accounting for 21 and 13 per cent of

Figure 7.6: Employment and self-employment by industrial sector — all working (N = 1,156)

Source: IES Survey, 2001
employees respectively. Public sector employment, in administration, health, education and community services, together accounted for fully a third of employee status respondents.

Retailing was equally popular among the self-employed. However, manufacturing (perhaps because of the high start up and capitalisation costs) was much less popular. Transport jobs, mainly driving, were also more common among the self-employed. Public sector jobs were much less common among the self-employed, but we observe a concentration in community and personal service activities.

7.4.5 Establishment size

Some 39 per cent of employees worked at establishments with fewer than 25 staff. Rather more (43 per cent) were in workplaces with 50 or more.

Nine out of ten among the self-employed did not employ staff, and while for some of them their self-employed status may reflect working practices in some sectors (e.g., taxi driving) rather than their entrepreneurial working style, it seems safe to assume that most of them were working either alone, or in relatively small establishments. Certainly, among those who did employ staff, none employed more than ten.

7.4.6 Permanent/temporary status

Only five per cent of the respondents were in jobs which they knew to be explicitly temporary. Among this small sub-group of only 52 respondents, about half were working with a fixed-term contract, 13 per cent were in casual jobs, ten per cent in seasonal work, and six per cent were working for temporary help agencies.

This is somewhat lower than the seven per cent of all employees whom the LFS shows to be in temporary jobs.

There were some small variations around this relatively low figure (for example, some eight per cent of those from minority ethnic groups, and ten per cent of those working in the voluntary sector, reported their jobs as temporary), but there is no evidence of certain kinds of respondents being especially associated with temporary jobs.

Looking at this the other way round though, we observe that among those who were no longer receiving DPTC, but who were still working (some 78 respondents), fully 13 per cent were in temporary jobs. This suggests that the limited tenure of these jobs is a factor associated with ceasing to receive DPTC.

Furthermore, there is some evidence that it is the inability to find and win a permanent job which explains a considerable part of the
rationale for taking jobs of this kind. We found that fully 44 per cent of those in temporary jobs had taken them because they had not been able to find permanent positions. This compares with a figure of 30 per cent for temporary workers as a whole, according to the LFS. In effect, although DPTC recipients were somewhat less likely to be in temporary jobs than employees in general, when in them they were much less likely to be doing so by choice.

7.4.7 Sustainability of employment

The relatively low proportion of respondents in temporary work is consistent with quite sustained patterns of job tenure among the 984 employed respondents. Further, we noted in Section 6.6 above that only a relatively small group of respondents (about six per cent of the whole sample) no longer received DPTC because they no longer worked. Figure 7.7 sets out the distribution of job tenures of working DPTC recipients.

Only one in ten of the employed respondents had been in their current post for less than six months, and another 18 per cent had been there for between six and 12 months. At the other end of the spectrum, nearly one-third (31 per cent) had been in the same job for more than four years.

The figure also shows cumulative durations of job tenure for the working age population of Great Britain as a whole. It is evident that there is considerably greater stability among them as a whole than among our respondents, albeit that a similar proportion have very short job tenures. The pattern of job tenure for disabled people in work is very similar to that for the population as a whole.

Figure 7.7: Tenure in present job; cumulative; DPTC recipients and Great Britain employed working age population — all currently employed (N = 984, N = 26.4m)

Source: IES Survey, 2001
7.4.8 Occupational mobility

All respondents who were working at the time of the interview were asked whether this was their ‘normal job’ or not.

As Figure 7.8 shows, most of the working respondents agreed they had a ‘normal job’, and most of them were doing it at that time.

**Figure 7.8: Engaged in usual job or not — all working (N = 1,156)**

There remains a substantial minority, though, who either did not have a ‘normal job’, or were presently not doing it.

The propensity to be engaged in the ‘normal job’ declined consistently with age, although it was also among those in their 20s that we found the highest proportion stating that they did not have such a job. As we might expect, it was among those who said that their job was temporary and in the voluntary/community sector, that we found the highest levels of people working outside their usual job.

7.4.9 Supported employment

Supported employment, sometimes also called sheltered employment, is paid employment for disabled people who are able to work, but who might be unable to get or keep a job in the open labour market without some kind of support. In some cases, this takes the form of a sheltered working environment, but more commonly it takes the form of an individual holding down a regular job, but with the help and support of a support worker of some kind. It is not therapeutic employment or day care.

A substantial minority of employees (18 per cent) were working in some form of supported employment, and this was somewhat more common among men (22 per cent) and single people without children (33 per cent). It was least common among members of non-white minority ethnic groups (11 per cent).
Two-thirds (64 per cent) of these individuals had an Interlink-style placement, working in an ordinary firm or organisation, but with the support of a caseworker. Most of the rest were working in a supported or sheltered workshop, either with Remploy (14 per cent) or some other provider. One in ten were with some other kind of organisation/situation, or were unable to say.

### 7.5 DPTC recipients’ employment compared with other disabled people

In Chapter 3, we compared and contrasted the personal and family characteristics of DPTC recipients, with those of other groups of disabled people, some of whom were working and others not. Here we extend this analysis, by comparing the working circumstances of our DPTC recipients with those of the working disabled in general (again using the broad definition of disability, corresponding to the DDA, as discussed in Section 3.1.1 above).

As Table 7.2 shows, the contractual status of DPTC recipients is very similar to those of the working disabled in general — ie only a minority were working in self-employment, and still fewer were in temporary positions.

However, there is a major contrast with disabled people in general when it comes to considering working hours. In some ways, the working time of DPTC recipients is more conditioned by the requirements and provisions of the credit itself — ie recipients must work at least 16 hours a week, and there are additional incentives to work more than 30 hours. However, by contrast with working disabled people in general, DPTC recipients were generally found to be working much fewer hours, as Table 7.3 (overleaf) shows.

It is immediately obvious that whereas three in four of the working disabled work full-time, this applied to just half of our DPTC recipients. Furthermore, within the part-time milieu, DPTC recipients were much more likely than are the working disabled in general to work few hours, with fully a quarter of them working

<table>
<thead>
<tr>
<th></th>
<th>DPTC</th>
<th>Working Disabled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>85</td>
<td>86</td>
</tr>
<tr>
<td>Self-employed</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>Permanent</td>
<td>95</td>
<td>93</td>
</tr>
<tr>
<td>Temporary</td>
<td>5</td>
<td>7</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
Table 7.3: Working hours of DPTC recipients compared with working disabled people (N = 1,156)

<table>
<thead>
<tr>
<th></th>
<th>DPTC %</th>
<th>Working Disabled %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Full-time</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>35 hours plus</td>
<td>40</td>
<td>69</td>
</tr>
<tr>
<td>30-34 hours</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td><strong>Part-time</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25-29 hours</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td>20-24 hours</td>
<td>17</td>
<td>7</td>
</tr>
<tr>
<td>Under 20 hours</td>
<td>25</td>
<td>15</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001

less than 20 hours, compared with just 15 per cent of the larger population. Indeed, for the latter group, there is no minimum number of hours which they can work, and so for them the relevant grouping runs down to just one hour. Even though it is a significantly bigger ‘slot’ than for the DPTC recipients (who must work at least 16 hours), there were still far fewer of them choosing to work such short hours.

7.6 Economic activity in six months time

We asked all the respondents where they saw themselves in six months time. For some 79 per cent, the response was that they expected to be in the same job which they now occupied, or in a different one but with similar terms and conditions. Some expected that they would be in a better job than now (eight per cent) but very few (only six people) anticipated being in a worse job than they now held.

Although this anticipation of continuity was the dominant response, people’s expectations were coloured according to their present circumstances, as Table 7.4 illustrates.

We observe that it is the present employees, and particularly the self-employed who were least likely to expect much by way of significant change; and for the most part, any change expected is change for the better; in terms of a better job than the one now held.

Those who regarded themselves as economically active, but who were not presently working, tended to be almost as optimistic, with some 60 per cent of them expecting to be back in work in a job similar to, or better than, the one they held previously. However, uncertainty about the future is more common among this group, with 13 per cent not knowing what they would be doing in six months, and a significant minority were clearly expecting to remain
out of work, whether in unemployment (11 per cent) or by returning to disability or sickness benefit of some kind (six per cent).

There is some sign of this optimism among the inactive group, with nearly a quarter hoping to return to employment (24 per cent) but the prospect of relative stability is again dominant, with nearly half expecting to be living on disability or sickness benefit (43 per cent), or to be unemployed (five per cent).

Although, as we have seen, age has some influence over respondents' present status, it does not seem to influence their expectations much with the different status groups, except that expectations of being in a better job decline with age, and the prospect of returning to disability or sickness benefit increase with it.

### 7.7 Working hours in six months time

We asked all those who anticipated being in work in six months time, whether or not they anticipated any change in their working hours. As Figure 7.9 (overleaf) shows, once again the vast majority were not expecting any change, but there were small proportions of respondents who were expecting either to increase or to decrease their hours.

While the anticipation of continuity of working time is dominant among all the sub-groups explored, there is some tendency for the intention to work less to be more prominent with age (and vice versa, the intention to work more varies inversely with age). There is a similar relationship with current working time, as Figure 7.10 (overleaf) shows. Although the majority had no expectation of any change, those working fewer hours were more likely to expect to work more, and those working the most were more likely to expect to work less.

<table>
<thead>
<tr>
<th>Expected circumstances in six months, by current status (N = 1,315)</th>
<th>All (%)</th>
<th>Employees (%)</th>
<th>Self employed (%)</th>
<th>Active, but not working (%)</th>
<th>Inactive (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Same or similar job</td>
<td>79</td>
<td>87</td>
<td>90</td>
<td>30</td>
<td>12</td>
</tr>
<tr>
<td>Better job</td>
<td>8</td>
<td>7</td>
<td>3</td>
<td>30</td>
<td>11</td>
</tr>
<tr>
<td>Worse job</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Unemployed, looking for work</td>
<td>1</td>
<td>—</td>
<td>1</td>
<td>11</td>
<td>5</td>
</tr>
<tr>
<td>Not working, claiming disability benefit</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>6</td>
<td>43</td>
</tr>
<tr>
<td>In education</td>
<td>1</td>
<td>1</td>
<td>—</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Don’t know</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>13</td>
<td>11</td>
</tr>
</tbody>
</table>

Note: Respondents who were not presently working were asked to make reference to their previous job.

Source: IES Survey, 2001
Nevertheless, the proportions expecting to change, in any direction, remain relatively small, and while we should be cautious in inferring people’s wishes and preferences from their expectations, there would not seem to be any evidence here to support a view that the present distribution of worked time is significantly out of alignment with people’s preferences.
8. Impact of DPTC

This chapter focuses on the extent to which, and the ways in which, DPTC payments had impacted on recipients, both in a general sense, and more specifically, as an incentive to work.

8.1 Key findings

Key findings in Chapter 8 include:

- Almost 80 per cent of respondents overall had found the DPTC they received to be either essential or very helpful.

- Although nearly three-quarters of DPTC recipients were already working when they first found out about it, a third still said that DPTC had allowed them to work, had made work more worthwhile financially, either for themselves or their partner.

- Where DPTC had made such an impact on decisions about working, it was often the decisive factor; fully 78 per cent of those who claimed that it had influenced them a lot, said that it was the decisive factor. This equates to 19 per cent of the sample as a whole.

- We identify a high impact group, of 23 per cent, who claim that they would not be doing their present job without DPTC. This was more common among women, older people, the self-employed, and most particularly, among single parents.

8.2 General impact of DPTC on recipients’ lives

Before passing on to look in detail at specific ways in which receiving DPTC had impacted on our respondents, it will be useful to take a more general perspective. To this end, we asked a simple question: ‘On balance, how much help has DPTC been to you?’ The response scale allowed for negative responses, but as can be seen in Table 8.1 below, the results are overwhelmingly positive.
Almost 80 per cent of respondents overall had found the DPTC they received to be either essential (43 per cent) or very helpful (36 per cent). Only four per cent had found it to be no help or not much help. One per cent of respondents could not answer, and are not shown in the table.

There were only modest variations across this pattern; it seems that whatever their circumstances, and however much/little money they had received, recipients were always likely to provide a very positive assessment of the general helpfulness of DPTC. We can see in the table that there is some variation according to the composition of the household; the presence of children evidently increases the proportion reporting that DPTC had been essential or very helpful. Couples without children also show very positive responses, and this seems to relate most strongly to couples in which one partner was not working. Thus, it seems that the need to provide for dependants in general increases the general level of positive responses.

There is also some variation according to the proportion of gross income accounted for by DPTC, as one might expect, but even here we can see that even those who had their income boosted only modestly were nevertheless likely to provide very positive and strong assessments of the general impact on their lives.

Looking more closely at the different ways in which DPTC had helped recipients and their families, we asked those who said that it had been in any way helpful an open-ended question which simply asked: ‘in what ways...?’ This produced a rich stream of
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data, which we have broadly grouped into three main categories. These are shown in Table 8.2 with each broken down into its component comments. Note that the coding treats the question as multiple response; numerous respondents gave more than one response, and so the percentages do not sum to 100.

Perhaps the most telling figure is that only six per cent of these respondents would not, or could not, say how DPTC had helped them. Everybody else was readily able to cite way(s) in which it had been helpful to them, and it seems clear that in addition to having a very positive impact (above), DPTC has evidently made a specific and noticeable difference to their lives which almost all of them can point to.

Table 8.2: Ways in which DPTC was perceived to help — all respondents reporting that it had helped (N = 1,248)

<table>
<thead>
<tr>
<th>Helped in relation to</th>
<th>Work/Work entry %</th>
<th>Finance %</th>
<th>Quality of life %</th>
</tr>
</thead>
<tbody>
<tr>
<td>All respondents who had found DPTC helpful (N = 1,315)</td>
<td>32</td>
<td>52</td>
<td>50</td>
</tr>
<tr>
<td>Allows respondent to work</td>
<td>20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Makes work more worthwhile financially</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allows respondent (or spouse) to live on lower wage or do fewer hours</td>
<td>7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensates for childcare needs/costs if respondent is to work</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensates for general or other specific costs associated with working (eg. travel, clothing, etc.)</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensates for benefits lost or foregone due to working</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Makes general contribution to household income, standard of living or avoidance of debt</td>
<td>22</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Makes specific contribution to household costs: HOUSEHOLD BILLS</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Makes specific contribution to household costs: FOOD CLOTHES</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Makes specific contribution to household costs: ACCOMMODATION</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Makes specific contribution to household costs: FAMILY, DOMESTIC COSTS, CHILDREN</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Makes specific contribution to household costs: EXTRAS, HOLIDAYS, TRIPS</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improves self esteem, self confidence, pride, pay own way, independence, etc.</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eases worries about budgeting, making ends meet, feel more secure</td>
<td>27</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Helps meet costs associated with disability (or child’s/spouse’s disability)</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other quality of life</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No answer/don’t know/not stated</td>
<td>6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
We have collated their many comments into three groups, associated with (1) DPTC help in working or entering work, with (2) DPTC as a financial benefit to the recipient (and/or their family) and with (3) the effect of DPTC on the quality of their personal lives. We note that all three categories are very well represented, but that there are five comments about finance or quality of life for every three about work and work entry. This would suggest that recipients’ perceptions about the helpfulness of DPTC to them turn rather more on the direct income effect, and on the subsequent effect of that cash on their psyche and general well-being, than it does on their participation in work and the quality of their working lives. Nevertheless, as the latter is cited unprompted by a third of these respondents (30 per cent of the whole sample), then its incidence remains substantial, if less widespread than the other two clusters.

Within the work incentives cluster, we see that the straightforward wage top-up character of DPTC is most widely cited; one-fifth of these respondents have found that DPTC has made it financially more worthwhile for them to work, made work a more attractive proposition to them or (as one put it): ‘made work an affordable proposition’. Another seven per cent pointed to the helpfulness of DPTC in allowing them to work on smaller incomes than they would otherwise have wished to (or been able to) afford, in some cases because they were able to work reduced hours than they might otherwise have been obliged to. More specific effects are much less widely cited, but we note that small numbers of these respondents had been particularly helped by the way in which DPTC had met/contributed to their childcare costs, their travel and other costs associated with working, or the loss of benefits resulting from working.

The dominance of these general features are carried over into their comments on the financial benefits of DPTC. Here again, over a fifth of these respondents (and just one-fifth of all respondents) commented that DPTC had helped them through making a general contribution to their household income, either through increasing their disposable income or through helping them avoid, or pay off, debts. Again, much smaller proportions cited specific ways in which DPTC had been helpful to their finances, but these are spread fairly evenly between major household bills (utilities, council tax etc.), more regular expenditure on food, clothing, etc., and on family and general child-rearing costs. Costs of accommodation, and of less essential (but costly) items like holidays, are somewhat less often cited.

DPTC seems to have had a major positive effect on over a quarter of these respondents in simply easing their worries and stress over making ends meet, and providing a sense of stability and security which perhaps their pay packets did not. Although few respondents explicitly mentioned the assured receipt of DPTC for six months however their circumstances might change, it seems
reasonable to suppose that this lies in part at the core of their enhanced sense of financial security. A substantial group also pointed to the psychological effect on their self image and psychic health; DPTC had: ‘given them back their pride’, ‘made life worth living’, and ‘stopped (them) feeling like a burden’.

Surprisingly, perhaps, very few mentioned that DPTC had helped them meet costs associated directly with their (own or family) disability. It should be mentioned that some of the work-related comments centred on the extra costs of (say) travel to work for disabled people, but here too the number was quite small.

8.3 DPTC and the decision to take a job

DPTC recipients approached work and their application for DPTC from a variety of different starting points. There are three main groups to consider here.

1. As we have already seen, only just over one-quarter of DPTC recipients (28 per cent) were not working when they first found out about DPTC.

2. Within the 72 per cent who were working, two-thirds (46 per cent of the whole sample) were receiving DWA, and most of them (92 per cent) simply applied for DPTC when their DWA award expired, without any break in employment or claim.

3. The remainder, some 26 per cent of our respondents, were also working when they first heard about DPTC, but were not claiming DWA.

It seems reasonable to infer that however else DPTC may have affected their lives, people who were already working when they first found out about DPTC were not strongly influenced by it on the basic decision of whether to start work or not. While DWA may have influenced their decision to start work or not, we are concerned here with the effect of DPTC, and not its precursor. Of course, since DPTC is a more generous programme, it may have had an effect on these second two groups in sustaining their employment, or influenced it in some other way, but for the moment, we will focus on the first group, DPTC job entrants, who were not working when they first encountered DPTC.

8.3.1 Characteristics of the DPTC job entrants

Looking just at those who were not working when they first heard about DPTC, we have identified 365 individuals in that position.

Table 8.3 overleaf compares the composition of this group with those of DPTC recipients as a whole. We note that those who were not working when they first came across DPTC tend to have fairly similar characteristics as recipients as a whole. Men were slightly less prominent among the former group, and those from minority
Table 8.3: Comparison between all DPTC recipients and those not in work, on first hearing about DPTC (N = 1,315 and 365)

<table>
<thead>
<tr>
<th></th>
<th>All</th>
<th>Not working</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 20</td>
<td>0.7</td>
<td>1.6</td>
</tr>
<tr>
<td>20-29</td>
<td>18.5</td>
<td>18.1</td>
</tr>
<tr>
<td>30-39</td>
<td>31.8</td>
<td>31.6</td>
</tr>
<tr>
<td>40-49</td>
<td>29.4</td>
<td>29.9</td>
</tr>
<tr>
<td>50-59</td>
<td>15.8</td>
<td>14.6</td>
</tr>
<tr>
<td>60+</td>
<td>3.8</td>
<td>4.1</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>56.9</td>
<td>54.2</td>
</tr>
<tr>
<td>Female</td>
<td>43.1</td>
<td>45.8</td>
</tr>
<tr>
<td><strong>Ethnicity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>92.0</td>
<td>94.5</td>
</tr>
<tr>
<td>Other</td>
<td>8.0</td>
<td>5.5</td>
</tr>
<tr>
<td><strong>Total N</strong></td>
<td>1,315</td>
<td>365</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001

ethnic groups rather less evident, but in general there were no obvious mismatches between the two groups, on these criteria, or on any others which we have examined.

As we can see from Figure 8.1, this group contains a high proportion of individuals with extended durations of unemployment or inactivity before they took up the work which allowed

Figure 8.1: Prior durations of inactivity or unemployment — those not working when first heard about DPTC (N = 365)

Source: IES Survey, 2001
them to apply for DPTC; over half of them had not worked for two years or more, and significant groups had been out of work for far longer than this.

Of course, this is not to suggest that most of them had been actively jobseeking during that time.

### 8.3.2 DPTC and recipients’ decision to work

All of these 365 respondents had become aware of DPTC before they entered work, but this does not imply that DPTC prompted their decision, or was even of much relevance to it. In order to establish just how far the availability of DPTC had influenced them in this decision, we asked in what ways, if at all, DPTC had been relevant.

Firstly, we asked about the decision to start working. As Table 8.4 shows, it had had a significant impact on their decision for most of them. Over half (56 per cent) said that it had influenced them either a lot or somewhat; thus, for the majority of them, it had been a powerful influence. For something over one-third (37 per cent) it was not thought to have been of any importance in their decision. There were few differences between different kinds of people, for example between men and women, but there is some indication that DPTC was more important for middle-aged people, and for those who were entering self-employment, rather than becoming employees.

<table>
<thead>
<tr>
<th>N =</th>
<th>Yes, a lot %</th>
<th>Yes, somewhat %</th>
<th>Yes, a little %</th>
<th>No, not at all %</th>
<th>DK %</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>365</td>
<td>42</td>
<td>14</td>
<td>6</td>
<td>37</td>
</tr>
<tr>
<td></td>
<td>198</td>
<td>43</td>
<td>13</td>
<td>7</td>
<td>36</td>
</tr>
<tr>
<td>Males</td>
<td>167</td>
<td>40</td>
<td>15</td>
<td>5</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>17</td>
<td>—</td>
<td>—</td>
<td>83</td>
</tr>
<tr>
<td>Females</td>
<td>66</td>
<td>30</td>
<td>15</td>
<td>9</td>
<td>44</td>
</tr>
<tr>
<td></td>
<td>115</td>
<td>38</td>
<td>19</td>
<td>6</td>
<td>34</td>
</tr>
<tr>
<td>Under 20</td>
<td>109</td>
<td>51</td>
<td>7</td>
<td>6</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>53</td>
<td>51</td>
<td>9</td>
<td>6</td>
<td>34</td>
</tr>
<tr>
<td>60+</td>
<td>15</td>
<td>33</td>
<td>33</td>
<td>—</td>
<td>33</td>
</tr>
<tr>
<td>White</td>
<td>345</td>
<td>42</td>
<td>13</td>
<td>6</td>
<td>37</td>
</tr>
<tr>
<td>MEG</td>
<td>20</td>
<td>35</td>
<td>20</td>
<td>10</td>
<td>35</td>
</tr>
<tr>
<td>Employee</td>
<td>251</td>
<td>40</td>
<td>12</td>
<td>7</td>
<td>39</td>
</tr>
<tr>
<td>Self-employed</td>
<td>54</td>
<td>57</td>
<td>13</td>
<td>6</td>
<td>24</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
8.3.3 DPTC and the kind of work taken

DPTC was much less influential on the kind of work undertaken, however, with nearly three-quarters (73 per cent) of those not working when they first heard about it denying that DPTC had had any influence on the kind of job they took.

Among those who did recognise that DPTC had had some influence on the kind of job they did, the most frequent response was to say that it had simply helped them to work in any job once again. This, plus some more general comments about the income from DPTC making work more remunerative, indicates that most respondents could not really identify a specific way in which DPTC had influenced their job choice. Among the few who did however identify such an influence, the most widespread comments were that:

- DPTC had enabled them to take a job offering fewer hours than they would otherwise have needed to do
- DPTC had increased their flexibility and choice by making a wider range of jobs/working arrangements open or affordable to them; and
- DPTC had provided a financial safety net which made work entry less risky.

We note though, that only few respondents gave any of these responses; most could not identify any specific way in which DPTC had influenced their choice of job.

We might have expected that DPTC might have influenced the decision to become self-employed, and indeed the proportion of those entering self-employment who denied that DPTC had influenced this choice was lower (at 63 per cent) than for the group as a whole. However, with just 19 per cent of those entering self-employment, and 11 per cent of those becoming employees, saying that DPTC had influenced the type of work they took up, it would seem that it is only a minority who were likely to be influenced in this way.

8.3.4 DPTC and the number of hours worked

By providing a supplement to wages, it may be that DPTC can permit people to work for fewer hours than they would otherwise need to in order to produce the same level of net income. This might be an important facet of the programme for some disabled people, or those with caring responsibilities, who might not wish, or were not able, to work full-time. This seems to be the case, and nearly one-quarter (23 per cent) of the recipients who were not in work when they first heard about DPTC said that it had influenced their working time by allowing them to work less.
Certainly this seems to be the case for single parents, 36 per cent of whom said that DPTC had allowed them to work fewer hours. This effect seems also to be somewhat more pronounced with age, rising from only 14 per cent for respondents in their 20s, to 31 per cent for those in their 50s.

Conversely, because of the design of DPTC, and in particular of the additional credit for those working 30 hours or more, it may also encourage some people to work more than they would otherwise. This seems to be rather less powerful, with only 13 per cent saying that DPTC had encouraged them to work more hours than they would otherwise have done. This effect seems to be less marked though among those working full-time (ie 35 hours and more), among whom only eight per cent said it had encouraged them to work more. Among those working just over 30 hours (30 to 34), the effect was slightly more evident (at 17 per cent), but the difference was small, and so were the numbers involved here. Curiously, about the same proportion of people who would not be eligible for the 30 hour credit (ie those working 25 to 29) also said that DPTC had encouraged them to work for longer.

The source of this relatively low impact of the additional hours provision may reside as much in a lack of awareness among potential applicants than irrelevance to their decision-making. Nearly two-thirds of our respondents (61 per cent) said that they were not aware of this DPTC provision, and although this proportion falls somewhat among those who were actually working for 30 hours or more, it nevertheless remains substantial, as Figure 8.2 shows.

Apart from those who were actually receiving it, there is no group in our analysis for whom awareness of this extra credit rose beyond 50 per cent.

Figure 8.2: Awareness of the 30 hours additional credit — all respondents (N = 1,315)

Source: IES Survey, 2001
Even among those who said that they were aware of the possible extra credit, the proportion who said that this awareness had influenced the hours which they worked was very low. We can see from Table 8.5 that it was only ever a minority, and usually a small one, who agreed that their choice of working time was influenced by the known availability of the extra credit. There was evidence of a less restricted impact around the 30 hours threshold; as we might expect, it is probably among these individuals that a relatively small proportionate shift in the hours they worked might bring them into eligibility. Clearly, there seems to be a group of respondents who were aware of the extra tax credit, and were then working just beyond the threshold, who said that it influenced their working time a lot, and more who said that there was some influence. Nevertheless, the group was numerically very small; even if we include in all those working more than 30 hours, those conceding any influence at all amounted to only three per cent of the entire sample.

### 8.3.5 Impact of DPTC on reservation wage

We asked all those who were not already in work when they first heard about DPTC whether or not it had influenced the level of wages which they could accept when they took a job.

Once again, most of these respondents (63 per cent) said that DPTC had not influenced them in this way, although here the proportion who conceded some influence was a more substantial one. Nearly one in five (18 per cent) said that it had influenced their reservation wage a lot, and a further 13 per cent said that it had been somewhat influential. Another five per cent said that it had had a small influence. Thus, over one-third of those who were not already earning a wage reported that DPTC made them in some degree more able to accept a lower wage than they would otherwise have sought.
The most common way in which DPTC had influenced the reservation wage was simply through lowering it, yet still making work remunerative. Rather less common was an indirect impact via hours; individuals could adjust downwards the hours they preferred to work (perhaps in the light of their disability) while DPTC moderated or offset the impact on their net earnings.

8.4 Job entry and stability in the absence of DPTC

In the above discussion, we have been concerned with individuals who were not working when they first found out about DPTC, and so who took up work knowing that it was available to them and that they could apply for it. However, we wished to supplement this focus on job entrants by asking all the respondents whether or not they would have been likely to have taken, or stayed in, their present job if DPTC had not been available (only the three Fast-track recipients were excluded from this question).

Here we observe that three-quarters of the respondents would have taken, or stayed in, their job even if DPTC had not been available; more than half of them (54 per cent) saying that they definitely would have done so. Those saying ‘no’, ie that they would not have taken or stayed in their job in the absence of DPTC, represent the key ‘impact group’ for our analysis.

Looking at them more closely, we observe that they were slightly more likely to be women than men (27 per cent compared with 23 per cent); that the propensity to say ‘no’, rises with age (albeit not consistently across all the age groups), that it is higher for the self-employed than for employees (34 per cent compared with 22 per cent) and that it is very high among single parents with one child (47 per cent).

This propensity not to work in the absence of DPTC increases fairly systematically against three factors, as Table 8.6 (overleaf) shows.

- As the absolute value of DPTC payments increases, so does the tendency of the recipient to deny that they would have taken work without it.
- As the proportion of gross income represented by the DPTC award increases, so does the tendency of the recipient to deny that they would have taken work without it; and
- As the number of hours worked increases, so fewer recipients say that they would have taken work without it.

We also asked these respondents to what extent they had been influenced by the availability of DPTC to take or continue in their job. Their responses fall very much in line with those above. Thus, for example, women were more likely to be influenced than men.
(37 per cent saying they were influenced a lot or somewhat by DPTC (compared with 31 per cent for men), and the self-employed being more influenced than employees (45 per cent compared with 31 per cent). Furthermore, their susceptibility to influence varied in much the same way as did their responses to the counterfactual question above. Both sets of response are summarised in Table 8.6.

This suggests that the more substantial the job in terms of the number of worked hours, and in terms of the income it generates compared with any DPTC award, the more likely were DPTC recipients to take it anyway, whether or not DPTC is available to them. Conversely, the higher the DPTC award, the more likely were they to be influenced by it.

Furthermore, for those who say that the availability of DPTC influenced them a lot in their decision to take work, for many of them it was the decisive factor; fully 78 per cent of those who claimed that it had influenced them a lot said that it was the decisive factor; this equates to 19 per cent of the sample as a whole.

<table>
<thead>
<tr>
<th>N =</th>
<th>Would not have taken job in absence of DPTC</th>
<th>Prompted a lot or somewhat by DPTC to take their job</th>
</tr>
</thead>
<tbody>
<tr>
<td>All respondents</td>
<td>1,312</td>
<td>24</td>
</tr>
<tr>
<td><strong>Working Time</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working less than 20 hours</td>
<td>291</td>
<td>29</td>
</tr>
<tr>
<td>Working 20-24 hours</td>
<td>200</td>
<td>26</td>
</tr>
<tr>
<td>Working 25-29 hours</td>
<td>91</td>
<td>22</td>
</tr>
<tr>
<td>Working 30-34 hours</td>
<td>115</td>
<td>24</td>
</tr>
<tr>
<td>Working 35 hours plus</td>
<td>454</td>
<td>19</td>
</tr>
<tr>
<td><strong>Absolute value DPTC</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>£25 or less</td>
<td>138</td>
<td>6</td>
</tr>
<tr>
<td>£26-£50</td>
<td>324</td>
<td>13</td>
</tr>
<tr>
<td>£51-£75</td>
<td>280</td>
<td>23</td>
</tr>
<tr>
<td>£76-£100</td>
<td>156</td>
<td>32</td>
</tr>
<tr>
<td>Over £100</td>
<td>414</td>
<td>37</td>
</tr>
<tr>
<td><strong>DPTC as percentage of gross income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 25 per cent</td>
<td>327</td>
<td>10</td>
</tr>
<tr>
<td>25-49 per cent</td>
<td>261</td>
<td>18</td>
</tr>
<tr>
<td>50-74 per cent</td>
<td>179</td>
<td>26</td>
</tr>
<tr>
<td>75 per cent plus</td>
<td>155</td>
<td>30</td>
</tr>
</tbody>
</table>

Source: IES Survey, 2001
whole. Again, we observe that this attribution increases with age, with self-employment, and with both the absolute and the relative value of the DPTC award. It declines with the number of hours worked, but not systematically.
Appendix 1: Research Methodology

The research was based on a face-to-face survey with a representative sample of current and past recipients of DPTC in Great Britain only.

The fieldwork, which was administered by MORI, took place between 23rd June and 9th October 2001, providing results on 1,315 cases. A pilot survey was also conducted with 57 recipients, in Bristol and Birmingham, in May 2001, but these results are not included in the data discussed in this report.

This chapter sets out details of the research methods used, looking in turn at:

- sample design and process
- contact procedures
- questionnaire development
- pilot
- mainstage fieldwork
- response rates
- call back exercise
- weighting.

A1.1 Sample design and process

The sample for the survey was drawn at random from the database of past and present DPTC recipients held by the Inland Revenue. Essentially, this database contains information supplied by the applicant when making an application, and filling out the application form. We used the data current up to January 2001.

It should be noted that this sample source has two noteworthy characteristics, as follows:

- An important intrinsic limitation, in that it only records recipients and not unsuccessful applicants, still less people who might have been interested and eligible, but who did not apply. It is important to remember therefore that our evaluation can say nothing about the appeal of DPTC to its target constituency as a whole, but only to those who, in
addition to being eligible, were aware of it, completed an application form, and actually received it.

- Furthermore, a substantial proportion of them had not initially applied for DPTC, but had been receiving DWA when DPTC replaced it. Their immediate award was simply continued for the full 26 weeks, and the individuals were then invited to apply for DPTC.

Our main aim in drawing the sample was to provide as representative as possible a cross-section of people who had experience of receiving DPTC, whether they were new applicants, ex-DWA recipients, current or past recipients, etc. We therefore sought to manipulate the sample source as little as possible, so that a simple random selection from it would produce the representativeness which we sought.

Our manipulation of the sample source was therefore restricted to three interventions, as follows:

- The database records successful applications, and DPTC recipients are required to re-apply for it every six months. They may also receive it for a while, drop out, and subsequently re-appear in the database, perhaps because they stopped working for a period, or became ineligible in some other way. Consequently, the first manipulation required was to remove any duplicate records from the data, in order to eradicate records for such repeat applications and renewals. In each case of a duplicate, we chose the most recent record for an individual, as we felt that this would give the most up-to-date information on their circumstances.

- The second manipulation was to stratify the sample by government office region (GOR) to ensure a representative geographical spread. This was important because the amounts of DPTC do not vary according to regional differences in cost of living, labour market buoyancy, etc. As a result, its real value to an applicant might differ from place to place according to these local circumstances.

- The third manipulation was that all recipients who applied for DPTC through the fast-track channel where included in the sample. The rationale here was that because the Fast-Track was relatively new, there would be few recipients using this route, and a random selection would not produce sufficient cases to enable any reliable analysis. In fact, this procedure created a sub-group of only eight recipients, and their response rate was significantly lower than that of recipients as a whole (we only managed to interview three), so this effort was not productive, and we do not present any analysis of this sub-group in the report.

Subject only to these three manipulations, we then drew a random sample from the database. Within GOR, the sample was ranked
by a random identifier and selected periodically to return the requisite number of records per region. A reserve sample was also drawn using this method, once the main sample had been extracted.

Table A1.1 below shows the sample issued against the geographical spread of all DPTC recipients and the target number of interviews in each GOR:

Table A1.1: Sample selection

<table>
<thead>
<tr>
<th>Region</th>
<th>All cases</th>
<th>%</th>
<th>Target interviews</th>
<th>Sample issued</th>
<th>Reserve sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>North East</td>
<td>1,882</td>
<td>6.3</td>
<td>84</td>
<td>111</td>
<td>33</td>
</tr>
<tr>
<td>North West</td>
<td>4,860</td>
<td>16.2</td>
<td>218</td>
<td>286</td>
<td>86</td>
</tr>
<tr>
<td>Yorkshire and Humberside</td>
<td>3,114</td>
<td>10.4</td>
<td>138</td>
<td>180</td>
<td>54</td>
</tr>
<tr>
<td>East Midlands</td>
<td>2,243</td>
<td>7.5</td>
<td>98</td>
<td>130</td>
<td>39</td>
</tr>
<tr>
<td>West Midlands</td>
<td>3,014</td>
<td>10.0</td>
<td>134</td>
<td>175</td>
<td>52</td>
</tr>
<tr>
<td>East of England</td>
<td>1,916</td>
<td>6.4</td>
<td>82</td>
<td>110</td>
<td>33</td>
</tr>
<tr>
<td>London</td>
<td>1,742</td>
<td>5.8</td>
<td>74</td>
<td>98</td>
<td>39</td>
</tr>
<tr>
<td>South East</td>
<td>2,726</td>
<td>9.1</td>
<td>120</td>
<td>156</td>
<td>47</td>
</tr>
<tr>
<td>South West</td>
<td>2,877</td>
<td>9.6</td>
<td>128</td>
<td>168</td>
<td>50</td>
</tr>
<tr>
<td>Wales</td>
<td>2,657</td>
<td>8.8</td>
<td>116</td>
<td>152</td>
<td>45</td>
</tr>
<tr>
<td>Scotland</td>
<td>2,997</td>
<td>10.0</td>
<td>132</td>
<td>176</td>
<td>53</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>30,028</strong></td>
<td>100.0</td>
<td><strong>1,324</strong></td>
<td><strong>1,742</strong></td>
<td><strong>532</strong></td>
</tr>
</tbody>
</table>

Source: MORI

A1.2 Contact procedures

A number of additional procedures were necessary to facilitate the contact with potential respondents, as follows.

A1.2.1 Postal address

Considerations of confidentiality meant that the database released to the research team did not contain the names and addresses of individual recipients. Once the sample was drawn, however, a data scan of whole database was then conducted by the Inland Revenue in May 2001. This added names and addresses to the cases included in the sample, and these were issued to MORI. In this way, the personal data used for sampling, and those providing individual names and addresses, were never brought together outside the Inland Revenue. National Insurance numbers were used to match the sample and reserve sample files against relevant names and addresses.
A1.2.2 Opting out

An advance letter was sent out by MORI on behalf of the Inland Revenue to all recipients who were included in the sample (a copy of this letter is included in Appendix 2). The letters were sent out by interviewers two weeks prior to fieldwork, to allow respondents the opportunity to opt-out of the survey by contacting MORI. As well as email and telephone number, a Freepost postcard accompanying the letter could be returned by respondents to indicate whether they wished to opt-out of being contacted (or indeed to opt-in to the survey if they were keen to take part).

A1.2.3 Telephone tracing

Potential respondents were therefore formally alerted to the research, and invited to take part in it, by letter. However, in order to maximise participation, and to make it easier to fix up suitable appointments, the procedure used to secure individual participation involved a telephone contact where this was possible. This information was not held on the database, and so telephone numbers were sought via a tracing exercise.

Telephone numbers were traced successfully for only just over a quarter of the main sample (485 DPTC recipients or 27 per cent). For the remaining three-quarters of the sample, for whom telephone numbers could not be traced, interviewers contacted respondents face-to-face.

A1.3 Questionnaire development

The questionnaire was designed by IES, drawing on inputs from MORI, the qualitative research team at SPRU and the Inland Revenue. The final version is shown in Appendix 3.

In practice, however, the questionnaire was embedded in a CAPI script to allow computer assisted personal interviewing. CAPI was used for the face-to-face interviews because of the advantages which it offers to the interviewing and data collection process – in particular the possibility of including and managing complicated and detailed question routings, relating to particular respondent sub-groups. Additionally, detailed consistency checks were incorporated within the questionnaire – including both ‘hard’ checks, requiring correction of unacceptable data, and ‘soft’ checks requiring the interviewer to check unlikely data.

A1.4 Pilot

The questionnaire was piloted among 57 respondents in May 2001. A separate tracing and opt-out exercise was conducted for the pilot, which took place in Birmingham and Bristol. The success rate for telephone tracing was 25 per cent. Opt-out letters were sent
out to 636 DPTC recipients altogether. Just three per cent of recipients opted out of the pilot, with a response rate at the point of contact (for both telephone and face-to-face contacts) of 80 per cent.

IES and MORI researchers personally briefed the pilot interviewers in both areas, and considerable attention was given to preparing the interviewers for work with the DPTC client group. Thus, for example:

- We prepared extensive briefing material on DPTC itself.
- We held discussions with representatives of disability interest groups, both about the special needs of disabled people in participating in interviews, and about the specific requirements of people with different disabilities.
- We prepared guidelines for interviewers in working with disabled people; and
- We recognised that some respondents might have difficulty understanding the questions (e.g., those with learning difficulties), and others might be fatigued in taking part. To allow for this, we made provision for proxy interviews to be held, if the DPTC recipient was unable or unwilling to take part. In such cases (in fact, we conducted 44 proxy interviews) we required both the agreement and the presence of the actual recipient. We did not conduct separate interviews with proxies alone.

After the completion of pilot fieldwork, a debrief was conducted involving interviewers and members of the research team from IES and MORI, as well as representatives from the Inland Revenue. A number of amendments to the questionnaire were made at this stage which are detailed in the appendices to this report.

**A1.5 Mainstage fieldwork**

The mainstage fieldwork, administered by MORI, took place between 23rd June and 9th October 2001. On this occasion, the IES/MORI research team briefed the MORI regional supervisors, who subsequently briefed all the fieldworkers in their respective areas, using briefing packs prepared by IES.

Fieldwork was closely monitored throughout the survey. As a supplement to the main sample, reserve samples were issued in four areas (the West Midlands, South West, London, and the South East) where the response rate was lower than other areas and sufficient reserve leads were available to boost achieved interviews to the target level. Letters to the reserve sample were sent out on 31st August with the sample issued to interviewers after the opt-out period of ten days.
A1.6 Response rate

Altogether, 1,315 of the target 1,324 interviews were achieved, from an issued sample of 1,910 respondents.

The overall response rate to the survey was 69 per cent, with an adjusted response rate (excluding invalid sample and other non-contacts) of 78 per cent. Table A1.2 shows the sample outcome in more detail.

Table A1.2: Response rate analysis — main stage

<table>
<thead>
<tr>
<th>Number</th>
<th>% of issued sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Base: Issued sample</td>
</tr>
<tr>
<td>B</td>
<td>Achieved interviews</td>
</tr>
<tr>
<td>C</td>
<td>Refused</td>
</tr>
<tr>
<td>D</td>
<td>No contact</td>
</tr>
<tr>
<td>E</td>
<td>Invalid sample</td>
</tr>
<tr>
<td>F</td>
<td>Not available</td>
</tr>
<tr>
<td>G</td>
<td>Other</td>
</tr>
</tbody>
</table>

Unadjusted response rate = B/A
Adjusted response rate = B/(A-D-E-F)

Source: MORI

A1.7 Call-back exercise

On examination of the completed interview data it was found that there had been a technical error in the CAPI routing. Three sections of the questionnaire were affected: questions 10.1 to 10.6A, 11.23 to 11.26A, and/ or 12.10 to 12.12.

A sample of 1,180 respondents who had missed one or more of these sections was identified. Those who had not agreed to be recontacted, or who had not provided a telephone number, were removed from the sample. A telephone call-back exercise was then undertaken between 25th October and 6th November 2001, so that the missing information could be collected. Table A1.3 overleaf indicates outcomes from the callbacks.

A1.8 Data preparation and data file

The CAPI questionnaire incorporated a number of checks as the data were being entered by interviewers. This was designed to alert the interviewer to possible keying errors and implausible answers.
Table A1.3: Outcomes from callbacks

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>% of callbacks</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>1,180</td>
<td>100</td>
</tr>
<tr>
<td>B</td>
<td>113</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>1,067</td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>882</td>
<td>83</td>
</tr>
<tr>
<td>E</td>
<td>28</td>
<td>3</td>
</tr>
<tr>
<td>F</td>
<td>105</td>
<td>10</td>
</tr>
<tr>
<td>G</td>
<td>52</td>
<td>5</td>
</tr>
</tbody>
</table>

Unadjusted response rate = D/C = 75%

Adjusted response rate = D/(C-F) = 92%

Source: MORI

Coding staff checked verbatim answers entered by interviewers at open and ‘other — specify’ questions. Code frames were prepared where the ‘other — specify’ responses rose above ten per cent with a relatively substantial base size.

A1.9 Weighting

We have carefully considered the representativeness of the achieved results against key parameters of the population (i.e. the Inland Revenue database) and the drawn sample. Weighting factors may sometimes be applied to certain of these parameters in order to compensate for any bias that may result from the under- (or over-) representation of certain kinds of respondent.

Weighting is not without its own drawbacks, however. Any weights which are applied have a ‘design effect’ which reduces the effective sample size and therefore increases sampling error. In addition, where weights might be applied to the basic demographic data with which we are dealing here, then other, unintended and unobserved bias may be introduced.

For this reason, any decision to apply weights or not should be a pragmatic one, determined by the degree of bias demonstrated in the results. Table A1.4 overleaf sets out our results, comparing population, drawn sample and achieved sample against the key parameters of region, respondent age group, respondent family type and gender. It shows that there is a very good match between the achieved sample and the population across these key parameters, and so we have decided that it is inadvisable to apply any weights to the data.
Table A1.4: Achieved sample profile compared with population and drawn sample

<table>
<thead>
<tr>
<th>Region (GOR)</th>
<th>Population</th>
<th>Sample</th>
<th>Interviews</th>
<th>Difference (B-A)</th>
<th>Weights (if used)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N (A)</td>
<td>N %</td>
<td>N (B)</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>North East</td>
<td>1,882</td>
<td>6.3</td>
<td>111</td>
<td>6.4</td>
<td>-0.3</td>
</tr>
<tr>
<td>North West</td>
<td>4,860</td>
<td>16.2</td>
<td>286</td>
<td>16.4</td>
<td>0.0</td>
</tr>
<tr>
<td>Yorkshire and Humberside</td>
<td>3,114</td>
<td>10.4</td>
<td>180</td>
<td>10.3</td>
<td>-0.2</td>
</tr>
<tr>
<td>East Midlands</td>
<td>2,243</td>
<td>7.5</td>
<td>130</td>
<td>7.5</td>
<td>0.0</td>
</tr>
<tr>
<td>West Midlands</td>
<td>3,014</td>
<td>10.0</td>
<td>227*</td>
<td>11.9</td>
<td>-0.1</td>
</tr>
<tr>
<td>East of England</td>
<td>1,916</td>
<td>6.4</td>
<td>143*</td>
<td>7.5</td>
<td>0.1</td>
</tr>
<tr>
<td>London</td>
<td>1,742</td>
<td>5.8</td>
<td>137*</td>
<td>5.6</td>
<td>-0.3</td>
</tr>
<tr>
<td>South East</td>
<td>2,726</td>
<td>9.1</td>
<td>203*</td>
<td>9.0</td>
<td>0.3</td>
</tr>
<tr>
<td>South West</td>
<td>2,877</td>
<td>9.6</td>
<td>168</td>
<td>6.6</td>
<td>0.5</td>
</tr>
<tr>
<td>Wales</td>
<td>2,657</td>
<td>8.8</td>
<td>152</td>
<td>8.7</td>
<td>0.4</td>
</tr>
<tr>
<td>Scotland</td>
<td>2,997</td>
<td>10.0</td>
<td>176</td>
<td>10.1</td>
<td>-0.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>30,028</strong></td>
<td><strong>100.0</strong></td>
<td><strong>1,742</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

* = includes issued reserve sample

**Age** * based on information available from sample frame

<table>
<thead>
<tr>
<th>Age</th>
<th>N (A)</th>
<th>N %</th>
<th>N (B)</th>
<th>%</th>
<th>Difference (B-A)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 30</td>
<td>6,272</td>
<td>22.4</td>
<td>379</td>
<td>21.8</td>
<td>19.2</td>
<td>-3.2</td>
</tr>
<tr>
<td>30-39</td>
<td>9,272</td>
<td>33.2</td>
<td>551</td>
<td>31.6</td>
<td>31.8</td>
<td>-1.4</td>
</tr>
<tr>
<td>40-49</td>
<td>7,781</td>
<td>27.8</td>
<td>499</td>
<td>28.7</td>
<td>29.4</td>
<td>1.6</td>
</tr>
<tr>
<td>50+</td>
<td>4,626</td>
<td>16.6</td>
<td>312</td>
<td>17.9</td>
<td>19.6</td>
<td>3.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>27,951</strong></td>
<td><strong>100.0</strong></td>
<td><strong>1,741</strong></td>
<td><strong>100.0</strong></td>
<td><strong>1,310</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

**Family Type** * based on information available from sample frame

<table>
<thead>
<tr>
<th>Family Type</th>
<th>N (A)</th>
<th>N %</th>
<th>N (B)</th>
<th>%</th>
<th>Difference (B-A)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men with child(ren)</td>
<td>6,850</td>
<td>24.5</td>
<td>391</td>
<td>23.5</td>
<td>26.0</td>
<td>1.5</td>
</tr>
<tr>
<td>Men, no children</td>
<td>9,077</td>
<td>32.5</td>
<td>535</td>
<td>32.2</td>
<td>30.9</td>
<td>-1.6</td>
</tr>
<tr>
<td>Women with child(ren)</td>
<td>5,907</td>
<td>21.1</td>
<td>273</td>
<td>16.4</td>
<td>24.0</td>
<td>2.9</td>
</tr>
<tr>
<td>Women, no children</td>
<td>6,117</td>
<td>21.9</td>
<td>464</td>
<td>27.9</td>
<td>19.1</td>
<td>-2.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>27,951</strong></td>
<td><strong>100.0</strong></td>
<td><strong>1,663</strong></td>
<td><strong>100.0</strong></td>
<td><strong>1,315</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

**Gender** * based on information available from sample frame

<table>
<thead>
<tr>
<th>Gender</th>
<th>N (A)</th>
<th>N %</th>
<th>N (B)</th>
<th>%</th>
<th>Difference (B-A)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>15,927</td>
<td>57.0</td>
<td>926</td>
<td>55.7</td>
<td>56.9</td>
<td>-0.1</td>
</tr>
<tr>
<td>Women</td>
<td>12,024</td>
<td>43.0</td>
<td>737</td>
<td>44.3</td>
<td>43.1</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>27,951</strong></td>
<td><strong>100.0</strong></td>
<td><strong>1,663</strong></td>
<td><strong>100.0</strong></td>
<td><strong>1,135</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: MORI
Appendix 2: Opt-Out Letter
Dear «Surname»

Your Views on Disabled Person’s Tax Credit

I am writing to you to ask for your help with an important study.

The Inland Revenue would like to find out how well the Disabled Person’s Tax Credit is working so that it can be improved for people receiving it now and in the future. The Inland Revenue has commissioned MORI to carry out a survey. We would like to know what you think about this tax credit, and to talk to you about your experiences of receiving it. Even if you are no longer receiving Disabled Person’s Tax Credit, we would still be very interested in what you have to say.

MORI is completely independent of government and political parties. Your name has been chosen at random and your participation in this research will be strictly confidential. Nobody will be able to identify you from the research, and nothing you say will affect any current or future dealings you may have with the Inland Revenue or any other government department.

We would like to contact you by telephone to arrange a convenient time for you to take part in this research, but we do not have a telephone number for you. I would be very grateful if you could contact Anthos Chrysanthou at MORI on 020 7347 3262 if you can give us your telephone number, or fill out and return the enclosed form (no stamp needed). I would also be grateful if you could let us know whether there is any support we can provide to make it easier for you to take part (for example, a signer).

I hope that you feel able to participate in this important survey.

Yours sincerely

Toby Taper
Research Director, MORI

Market & Opinion Research International

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E-mail: mori@mori.com Web site: www.mori.com

Registered Office: 32 Old Queen Street SE1H 9HP Registered in England and Wales registration number 948470
Appendix 3: Survey Questionnaire
## DPTC Questionnaire Structure

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Background information disability</td>
<td>123</td>
</tr>
<tr>
<td>2. Current economic activity</td>
<td>123</td>
</tr>
<tr>
<td>3. Previous economic activity, for those currently inactive</td>
<td>127</td>
</tr>
<tr>
<td>4. Partner’s economic activity</td>
<td>135</td>
</tr>
<tr>
<td>5. Disability and employment</td>
<td>135</td>
</tr>
<tr>
<td>6. Disability benefit history</td>
<td>140</td>
</tr>
<tr>
<td>7. Finding out about DPTC, economic activity at that time, influence of DPTC on economic activity</td>
<td>141</td>
</tr>
<tr>
<td>8. Applying for DPTC</td>
<td>150</td>
</tr>
<tr>
<td>9. Receiving DPTC, PVE</td>
<td>153</td>
</tr>
<tr>
<td>10. Financial aspects of DPTC, amount received, loss of passport benefits other entitlements</td>
<td>156</td>
</tr>
<tr>
<td>11. Childcare needs, childcare tax credit and disabled child tax credit</td>
<td>159</td>
</tr>
<tr>
<td>12. Better off/worse off – perceptions. Re-applying for DPTC, changes to DPTC, reasons for change, reflections on DPTC</td>
<td>165</td>
</tr>
<tr>
<td>13. The future and possible changes to employment</td>
<td>168</td>
</tr>
<tr>
<td>14. Ethnicity, housing tenure and educational background</td>
<td>170</td>
</tr>
</tbody>
</table>
1. Background information

I would like to start the interview with a few brief questions about your home circumstances.

1.1 Can I just check, what is your marital status?

1. single (never married) and living alone
2. single and living with parent(s), friend or sibling
3. married or living with another adult as a couple
4. separated or divorced
5. widowed
6. other

1.2 Do you have any dependent children (under 16, or 16-18 and in full-time education) for whom you are legally or financially responsible, living with you as part of your family unit?

1. yes
2. no

[If yes @ 1.2]

1.3 How many dependent children do you have?

Enter number

Thank you

2. Current economic activity

2.1 I now want to ask you some questions about your situation at the moment. What are you doing at the present time? (SHOWCARD for CURRENTSTATUS)

Code one only - Interviewer instructions: prioritise to give one code only. For respondents with more than one job, record the number of jobs they have, but prioritise the main job. All following questions then concern this ‘main job’.

1. working in a paid job or business as an employee
2. working in a paid job or business on a self-employed basis
3. (temporarily) laid off, or on short time at firm
4. unemployed and actively seeking work
5. on a special government training scheme or employment scheme
6. doing unpaid work for yourself or a relative
7. a full-time student
8. looking after the family or home
9. not working because temporarily sick or injured
10. not working because long-term sick or disabled
11. retired from paid work
12. other
2.2 When did you start this job? Month XX Year XXXX

2.3 What does the firm/organisation you work for mainly make or do (at the place where you work)? (If more than one job, ask about main activity i.e. job which accounts for the greatest number of hours)

Code to SIC 2-digit

2.4 What kind of organisation do you work for? Is it:

1. Private firm or business.
2. Public sector (local and central government, nationalised industries, public services etc.)

2.5 How many employees are there in total at the place where you work?

1. 1-10
2. 11-19
3. 20-24
4. don’t know but under 25
5. 25-49
6. don’t know but over 24
7. 50 or more

2.6 Are you working in supported (or sheltered) employment?

Note to interviewer (always explain as follows to the respondent, EVEN IF NO CLARIFICATION IS REQUESTED): Supported and sheltered employment are terms used to describe a variety of paid employment provision for disabled people who can work but who are unlikely to get and keep jobs in open employment without some support. Employment is in supported placements with firms, or in special workshops or factories. It is not therapeutic employment or day care.

1. yes
2. no
3. don’t know

2.7 If you are in supported or sheltered employment, what kind of organisation are you employed by? (Interviewer note: supported/sheltered employment is sponsored through voluntary bodies/charities, local authorities and Remploy (a government-sponsored private company). Interwork is Remploy’s supported placement initiative). (code one only).
1. Remploy factory
2. supported/ sheltered workshop
3. interwork placement or supported/ sheltered placement in an ordinary firm
4. private supported employment agency
5. some other kind of organisation (ask/ probe what?)
6. don't know

[if CURRENTSTATUS =1,3]

2.8 In the <organisation/ firm> where you work, what is the main job that you do?

(record response, probe for job title, occupation, profession, and any special qualifications necessary to do the job). Code to SOC (2 digits)

[if CURRENTSTATUS =1,3]

2.9 In your job, do you supervise or have managerial authority for the work of other people?

1. yes
2. no
3. don't know

[if CURRENTSTATUS =1,3]

2.10 Leaving aside your own personal intentions and circumstances, is your job:

1. a permanent job
2. or is there some way in which it is not permanent?

[if 2 @ 2.10]

2.11 In what way is your job not permanent? code one only

1. seasonal work
2. done under contract for a fixed period or for a fixed task
3. agency temping
4. casual type of work
5. not permanent in some other kind of way

[if 2 @ 2.10]

2.12 Did you take that kind of job rather than a permanent job because:

1. you had a contract which included a period of training
2. you could not find a permanent job
3. You did not want a permanent job
4. for some other reason (note to interviewers: probe and record .......)

[if 2 @ 2.10]
2.13 How long in all, from start to finish, is your job for?

1. less than 1 month
2. 1 month but less than 3 months
3. 3 months but less than 6 months
4. 6 months but less than 12 months
5. 12 months but less than 18 months
6. 18 months but less than 2 years
7. 2 years but less than 3 years
8. 3 years but less than 4 years
9. 4 years but less than 5 years
10. 5 years or more
11. time not yet fixed
12. don’t know

[IF CURRENTSTATUS = 2]

2.14 When did you start this job? Month XX Year XXXX

[IF CURRENTSTATUS = 2]

2.15 Are you working on your own or do you have employees?

1. on own/ with partner(s) but no employees
2. with employees

[if 2 @ 2.15]

2.16 How many people do you employ?

1. 1-10
2. 11-19
3. 20-24
4. don’t know but under 25
5. 25-49
6. don’t know but over 24
7. 50 or more

[IF CURRENTSTATUS = 2]

2.17 What does your business/ firm/ self-employed activity mainly make or do?

(record response, and probe as appropriate for manufacturing or processing, or distributing etc.; and main goods produced, materials used, wholesale or retail etc.) Code to SIC (2-digit)...

[IF CURRENTSTATUS = 2]

2.18 In your business/ firm/ self-employed activity, what is the main job that you do?

(record response, probe for job title, occupation, profession, and any special qualifications necessary to do the job). Code to SOC (2 digits)

[CURRENTSTATUS = 1,2,3]
2.19 How many hours a week do you normally work?
...enter hours

**RANGE TO, ACCEPT DON'T KNOW, REFUSAL**

[if CURRENTSTATUS = 1,2,3]

2.21 How often do you get paid?

1. weekly
2. fortnightly
3. monthly
4. other interval - please state

[if CURRENTSTATUS = 1,3]

2.22 How long have you been working for your current employer up to the present time?
Answer in months?

[if CURRENTSTATUS = 2]

2.23 How long have you been continuously self-employed?
Answer in months?

[if CURRENTSTATUS = 1,2,3]

2.24 Is this your usual kind of work? (ie your normal occupation)

1. yes
2. don't have a usual job
3. no, usually something else

(if CURRENTSTATUS = 4 through 12 ie not currently in paid work)

2.25 How long have you been <CURRENTSTATUS> for?
Answer in months

### 3. Previous economic activity for those currently inactive

*[QUESTIONS 3.1 THRU 3.44 (incl) ARE FOR THOSE WHOSE CURRENTSTATUS = 4 through 12 ie not currently in paid work]*

3.1 And before that time what were you doing? [WORKHISTORY]
Code one only - Interviewer instructions: prioritise to give one code only
1. working in a paid job or business as an employee
2. working in a paid job or business on a self-employed basis
3. (temporarily) laid off, or on short time at firm
4. unemployed and actively seeking work
5. on a special government training scheme or employment scheme
6. doing unpaid work for yourself or a relative
7. a full-time student
8. looking after the family or home
9. not working because temporarily sick or injured
10. not working because long-term sick or disabled
11. retired from paid work
12. other

[WORKHISTORY =1,3]

3.2 When did you start this job? Month XX Year XXXX  go to 3.3

3.3 What did the firm/organisation you work for mainly make or do (at the place where you work)? (if more than one job, ask about main activity ie job which accounts for the greatest number of hours)

Code to SIC 2-digit

go to 3.4

3.4 What kind of organisation did you work for? Was it:

   1. private firm or business
   2. public sector (local and central government, nationalised industries, public services etc.)
   3. voluntary sector/charity sector

go to 3.5

3.5 How many employees were there in total at the place where you worked?

   1. 1-10
   2. 11-19
   3. 20-24
   4. don’t know but under 25
   5. 25-49
   6. don’t know but over 24
   7. 50 or more

go to 3.6

3.6 Were you working in supported (or sheltered) employment?
1. Note to interviewer (always explain as follows to the respondent, EVEN IF NO CLARIFICATION IS REQUESTED): Supported and sheltered employment are terms used to describe a variety of paid employment provision for disabled people who can work but who are unlikely to get and keep jobs in open employment without some support. Employment is in supported placements with firms, or in special workshops or factories. It is not therapeutic employment or day care.

2. no
3. don't know

[if yes @ 3.6]

3.7 If you were in supported or sheltered employment, what kind of organisation were you employed by? (Interviewer note: supported/sheltered employment is sponsored through voluntary bodies/charities, local authorities and Remploy (a government-sponsored private company). Interwork is Remploy’s supported placement initiative). (code one only).

1. Remploy factory
2. supported/sheltered workshop
3. interwork placement or supported/sheltered placement in an ordinary firm
4. private supported employment agency
5. some other kind of organisation (ask/probe what?)

[if WORKHISTORY =1,3]

3.8 In the <organisation/ firm> where you worked, what was the main job that you did? (record response, probe for job title, occupation, profession, and any special qualifications necessary to do the job). Code to SOC (2 digits)

go to 3.9

3.9 In your job, did you supervise or have managerial authority for the work of other people?

1. yes
2. no
3. don't know

go to 3.10

3.10 Leaving aside your own personal intentions and circumstances, was your job:

1. a permanent job
2. or is there some way in which it is not permanent?

[if 2 @ 3.10]

3.11 In what way was your job not permanent? code one only

1. seasonal work
2. done under contract for a fixed period or for a fixed task
3. agency temping
4. casual type of work
5. not permanent in some other kind of way
3.12 Did you take that kind of job rather than a permanent job because:

1. you had a contract which included a period of training
2. you could not find a permanent job
3. You did not want a permanent job
4. For some other reason (note to interviewers: probe and record ………)

goto 3.13

3.13 How long in all, from start to finish, was your job for?

1. less than 1 month
2. 1 month but less than 3 months
3. 3 months but less than 6 months
4. 6 months but less than 12 months
5. 12 months but less than 18 months
6. 18 months but less than 2 years
7. 2 years but less than 3 years
8. 3 years but less than 4 years
9. 4 years but less than 5 years
10. 5 years or more
11. time not yet fixed
12. don’t know

[IF WORKHISTORY = 2]

3.14 When did you start this job? Month XX Year XXXX

goto 3.15

3.15 Were you working on your own or did you have employees?

1. on own/ with partner(s) but no employees
2. with employees

[if 2 @ 3.15]

3.16 How many people did you employ?

1. 1-10
2. 11-19
3. 20-24
4. don't know but under 25
5. 25-49
6. don’t know but over 24
7. 50 or more

[IF WORKHISTORY = 2]

3.17 What did your business/ firm/ self-employed activity mainly make or do? (record response, and probe as appropriate for manufacturing or processing, or distributing etc.; and main goods produced, materials used, wholesale or retail etc.) Code to SIC (2-digit)……….
3.18 In your business/ firm/ self-employed activity, what was the main job that you did? (record response, probe for job title, occupation, profession, and any special qualifications necessary to do the job). Code to SOC (2 digits)

[WORKHISTORY = 1,2,3]

3.19 How many hours a week did you normally work?

... enter hours

RANGE TO ACCEPT DON'T KNOW, REFUSAL

[if WORKHISTORY = 1,3]

3.20 How long did you work for your last employer?

Answer in months?

[if WORKHISTORY = 2]

3.21 How long were you continuously self-employed?

Answer in months?

[if WORKHISTORY = 1,2,3]

3.22 Was this your usual kind of work? (ie your normal occupation)

1. yes
2. don't have a usual job
3. no, usually something else

(if WORKHISTORY = 4 through 12)

How long were you <WORKHISTORY> for?

Answer in months

(if WORKHISTORY = 4 through 12)

3.24 When was the last time you worked?

1. within the last 6 months
2. 7-12 months
3. 13-24 months
4. 25-36 months
5. 37+ months
6. never worked

[If 1-5 @ 3.24]

When did you start this job? Month XX Year XXXX
3.26 When did you finish this job? Month XX Year XXXX

3.27 Were you: [LASTJOB]
   1. an employee
   2. self-employed

[if LASTJOB=1]

3.28 What did the firm/organisation you work for mainly make or do (at the place where you worked)? (if more than one job, ask about main activity ie job which accounted for the greatest number of hours)

Code to SIC 2-digit

3.29 What kind of organisation did you work for? Was it:
   1. private firm or business
   2. public sector (local and central government, nationalised industries, public services etc.)
   3. voluntary sector/charity sector

3.30 How many employees were there in total at the place where you worked?
   1. 1-10
   2. 11-19
   3. 20-24
   4. don't know but under 25
   5. 25-49
   6. don't know but over 24
   7. 50 or more

3.31 Were you working in supported (or sheltered) employment?

Note to interviewer (always explain as follows to the respondent, EVEN IF NO CLARIFICATION IS REQUESTED): Supported and sheltered employment are terms used to describe a variety of paid employment provision for disabled people who can work but who are unlikely to get and keep jobs in open employment without some support. Employment is in supported placements with firms, or in special workshops or factories. It is not therapeutic employment or day care.

   1. yes
   2. no
   3. don't know

[if yes @ 3.31]
3.32 If you were in supported or sheltered employment, what kind of organisation were you employed by? (Interviewer note supported/sheltered employment is sponsored through voluntary bodies/charities, local authorities and Remploy (a government-sponsored private company). Interwork is Remploy's supported placement initiative). (code one only).

1. Remploy factory
2. supported/sheltered workshop
3. interwork placement or supported/sheltered placement in an ordinary firm
4. private supported employment agency
5. some other kind of organisation (ask/probe what?)

[[if LASTJOB = 1]]

3.33 In the organisation/firm where you worked, what was the main job that you did? (record response, probe for job title, occupation, profession, and any special qualifications necessary to do the job). Code to SOC (2 digits) go to 3.34

3.34 In your job, did you supervise or have managerial authority for the work of other people?

1. yes
2. no
3. don't know

go to 3.35

3.35 Leaving aside your own personal intentions and circumstances, was your job:

1. a permanent job
2. or is there some way in which it is not permanent?

[[if 2 @ 3.35]]

3.36 In what way was your job not permanent? code one only

1. seasonal work
2. done under contract for a fixed period or for a fixed task
3. agency temping
4. casual type of work
5. not permanent in some other kind of way

go to 3.37

3.37 Did you take that kind of job rather than a permanent job because:

1. you had a contract which included a period of training
2. you could not find a permanent job
3. you did not want a permanent job
4. for some other reason (note to interviewers: probe and record ..........)

go to 3.38

3.38 How long in all, from start to finish, is your job for?
1. less than 1 month
2. 1 month but less than 3 months
3. 3 months but less than 6 months
4. 6 months but less than 12 months
5. 12 months but less than 18 months
6. 18 months but less than 2 years
7. 2 years but less than 3 years
8. 3 years but less than 4 years
9. 4 years but less than 5 years
10. 5 years or more
11. time not yet fixed
12. don’t know

[IF LASTJOB = 2]

3.39 Were you working on your own or did you have employees?

1. on own/ with partner(s) but no employees
2. with employees

[if 2 @ 3.39]

3.40 How many people did you employ?

1. 1-10
2. 11-19
3. 20-24
4. don’t know but under 25
5. 25-49
6. don’t know but over 24
7. 50 or more

[if LASTJOB = 2]

3.41 What did your business/ firm/ self-employed activity mainly make or do? (record response, and probe as appropriate for manufacturing or processing, or distributing etc.; and main goods produced, materials used, wholesale or retail etc.) Code to SIC (2-digit)... go to 3.42

3.42 In your business/ firm/ self-employed activity, what was the main job that you did? (record response, probe for job title, occupation, profession, and any special qualifications necessary to do the job). Code to SOC (2 digits)

[LASTJOB = 1,2]

3.43 How many hours a week did you normally work?

... enter hours

RANGE TO . ACCEPT DON’T KNOW, REFUSAL

[if LASTJOB = 1,2]

3.44 Was this your usual kind of work? (ie your normal occupation)
1. yes 
2. don't have a usual job 
3. no, usually something else 

4. **Partner’s economic activity** 

[If MARITAL STATUS = 3] 

4.1 We are also interested in your partner’s current situation as your application for DPTC may include them. Can I just check, is your partner currently in paid employment? [PARTNERCURRENTSTATUS] 

1. yes 
2. no 

[If 1 @ 4.1] 

4.2 In the <organisation/ firm> where your partner works, what is the main job that they do? (record response, probe for job title, occupation, profession, and any special qualifications necessary to do the job). Code to SOC (2 digits) 

go to 4.3 

4.3 How many hours does your partner work each week? 

Enter number of hours 

5. **Disability and employment** 

Thank you for answering all those detailed questions. I would now like to ask you a few questions about any disability(ies)/ health problem(s) that you have. This will only take a few minutes. 

5.1 Can I check, do you have any health problem(s) or disability(ies) at the present time? 

1. yes 
2. no 
3. don’t know 

[IF NO OR DON'T KNOW @ 5.1] 

5.2 Can I just check, have you had any recent health problem(s) or disability(ies)? 

1. yes 
2. no 
3. don’t know 

[IF NO OR DON'T KNOW @ 5.2]
5.3 You say that you do not have any current disabilities or health problems nor have you had any recently. However, I believe that you have received DPTC at some point during the last two years. In order to get this tax credit, you must be, or have recently been, either in receipt of a qualifying incapacity or disability benefit, and, or be able to show that you have some sort of disability or health problem which limits your day-to-day activities. Can I just check that you have applied for DPTC?

1. yes
2. no FINISH INTERVIEW HERE

[IF YES @ 5.3]

5.4 Can I just confirm then that you had a disability or health problem at that time?

1. yes
2. no

THE FOLLOWING QUESTIONS SHOULD THEN REFER TO THIS EARLIER DISABILITY/HEALTH PROBLEM.

[IF YES @ 5.1 OR 5.2 OR 5.4]

5.5 Overall, does this/do these (did this/these) health problem(s) or disability(ies) substantially limit your ability to carry out normal day-to-day activities?

1. yes
2. no
3. don’t know

[IF YES @ 5.1 OR 5.2 OR 5.4]

5.6 Can you tell me which of the health problems or disabilities you have/had from those listed below (show card/read out):

Code all that apply

1. Problems or disabilities (including arthritis or rheumatism) connected with the arms or hands.
2. Problems or disabilities (including arthritis or rheumatism) connected with the legs or feet.
3. Problems or disabilities (including arthritis or rheumatism) connected with the back or neck.
4. Difficulty in seeing.
5. Difficulty in hearing.
6. A speech impediment.
7. Severe disfigurement, skin conditions, allergies.
8. Chest or breathing problems, asthma, bronchitis.
9. Heart, blood pressure or blood circulation problems.
10. Stomach, liver, kidney or digestive problems.
11. Diabetes.
12. Depression, bad nerves or anxiety.
13. Epilepsy.
14. Severe or specific learning difficulties (mental handicap).
15. Mental illness or suffer from phobia, panics or other nervous disorders.
16. Progressive illness not included elsewhere (e.g. cancer not included elsewhere, multiple sclerosis, symptomatic HIV, Parkinson’s disease, muscular dystrophy).
17. Other health problems or disabilities (please specify).

Interviewer notes:

Code 4 - if difficulties in seeing can be effectively compensated for by wearing spectacles or contact lenses, this would not be considered a disability and should not be coded.
Code 5 - a hearing difficulty should be considered without the use of any hearing aid; the hearing difficulty is considered a disability, even if it is effectively compensated for by a hearing aid.
Code 7 - severe disfigurement should exclude those arising from tattoos, body piercing but would include scars, birthmarks, limb or postural deformation or diseases of the skin.
Code 8 - hay fever (seasonal allergic rhinitis) is explicitly excluded.
Code 14 - includes dyslexia and dyscalculia.
Code 15 - mental illness does not include the tendency to arson or to steal, the tendency to physical or sexual abuse of others, exhibitionism or voyeurism.
Code 16 - progressive illness should be recorded if there is some effect on normal day-to-day activities, even if it is minor at the time of the interview. However, medical diagnosis alone is not sufficient.

[IF MORE THAN ONE HEALTH PROBLEM/DISABILITY @ 5.6]

5.7 Which health problem or disability affects/affected you the most in terms of your ability to do paid work? Code one only

1. Problems or disabilities (including arthritis or rheumatism) connected with the arms or hands.
2. Problems or disabilities (including arthritis or rheumatism) connected with the legs or feet.
3. Problems or disabilities (including arthritis or rheumatism) connected with the back or neck.
4. Difficulty in seeing.
5. Difficulty in hearing.
6. A speech impediment.
7. Severe disfigurement, skin conditions, allergies.
8. Chest or breathing problems, asthma, bronchitis.
9. Heart, blood pressure or blood circulation problems.
10. Stomach, liver, kidney or digestive problems.
11. Diabetes.
12. Depression, bad nerves or anxiety.
13. Epilepsy.
14. Severe or specific learning difficulties (mental handicap).
15. Mental illness or suffer from phobia, panics or other nervous disorders.
16. Progressive illness not included elsewhere (e.g. cancer not included elsewhere, multiple sclerosis, symptomatic HIV, Parkinson’s disease, muscular dystrophy).
17. Other health problems or disabilities (please specify).

[IF YES @ 5.1 OR 5.2 OR 5.4]
5.8 Overall, how much does your/do your (did your) health problem(s) or disability(ies) affect you at work or in trying to find work? How much does it/do they (did they) affect:

The kind or type of paid work you are (were) able to do:

1. a lot
2. somewhat
3. just a little
4. or not at all

[IF YES @ 5.1 OR 5.2 OR 5.4]

5.9 The amount (ie hours) of paid work you are (were) able to do:

1. a lot
2. somewhat
3. just a little
4. or not at all

[IF YES @ 5.1 OR 5.2 OR 5.4]

5.10 The kind of travelling to work which you are (were) able to do:

1. a lot
2. somewhat
3. just a little
4. or not at all

[IF YES @ 5.1 OR 5.2 OR 5.4]

5.11 The sort of employer for whom you could work eg private or public sector employer, voluntary sector employer etc.

1. a lot
2. somewhat
3. just a little
4. or not at all

[IF YES @ 5.1 OR 5.2 OR 5.4]

5.12 The level of wages you can (could) earn in work:

1. a lot
2. somewhat
3. just a little
4. or not at all

[IF YES @ 5.1 OR 5.2 OR 5.4]

5.13 Are there other ways in which your health problems or disabilities have affected you at work or in trying to find work? (open ended)

[if 1,2,3 at Q 5.8 - 5.12 above]

5.14 How old were you when <health problem(s)/ disability(ies)> first began to have a substantial effect on the type of paid work you could do, or the amount of work you could do?
Code age ......... .... or ‘from birth’

[ALL]

5.14A And can I just check, are you engaging a personal assistant or carer to assist you?

1. Yes
2. No
3. D/ K

FOR QUESTIONS 5.15 THRU 5.22 [IF YES @ 5.1 OR 5.2 OR 5.4]

Moving onto some more general issues, I am going to read out a series of statements about employment and disability. Could you tell me, for each statement whether you:

- agree strongly
- agree
- neither agree nor disagree
- disagree, or
- disagree strongly.

5.15 I have experienced difficulties getting employment because of my health problem or disability.

5.16 Employers are just as likely to employ people with health problems or disabilities like mine, as they are to employ people without health problems/disabilities.

5.17 Having a health problem/disability has not limited my employment opportunities.

5.18 When applying for a job, I would always tell the employer about my health problem/disability.

5.19 Compared with other people in this area, of a similar age to you, and with similar skills and experiences, do you think that your <health problem(s)/disability(ies)> make(s) it:

1. easier to get work
2. harder to get work
3. neither harder nor easier to get work
4. don’t know

5.20 Compared with other people in this area, of a similar age to you, and with similar skills and experiences, do you think that your <health problem(s)/disability(ies)> make(s) it:

1. easier to stay in work
2. harder to stay in work
3. neither harder nor easier to stay in work
4. don’t know

5.21 Compared with other people doing the same or similar jobs does <health problem(s)/disability(ies)>

1. improve your chances of promotion at work
2. worsen your chances of promotion at work
3. make no difference to your chances of promotion at work
4. don’t know
5.22 Compared with other people doing the same or similar jobs, but without a health problem/disability, do you

1. earn more than them
2. earn less than them
3. earn the same as them
4. don’t know

[ALL]

5.23 I would like to talk about other ways in which working has had an impact on you. I am going to read out a number of statements and for each statement, I would like you to tell me whether you agree strongly, agree, neither agree nor disagree, disagree or disagree strongly.

1. I feel generally more confident when I am working
2. Being in work gives me greater independence
3. I prefer to work for my living rather than rely on benefits
4. I feel a greater sense of achievement and purpose when I am in work
5. I enjoy meeting people in the work environment
6. I feel more involved in society when I am working

6. Disability benefit history

6.1 And can I just ask you briefly about benefits. Can you tell me which of the following benefits you have received during the last two years? (tick all that apply)

NB As respondent states particular benefits, screen should prompt the interviewer to ask for (approx.) dates of claim ie from and to (XX month and XXXX year). Interviewer notes will be prepared regarding different benefits.

Income Support (with Disability Premium)
Disability Living Allowance
Attendance Allowance
Invalid Care Allowance
Incapacity Benefit (was Sickness/ Invalidity Benefit)
Severe Disablement Allowance
Industrial Injury Disablement Benefit
Disability Working Allowance
War Disablement Pension
Disabled Persons Tax Credit
Housing Benefit
Council Tax Benefit
Jobseekers Allowance (with disability or higher pensions premium)
7. Finding out about DPTC, economic activity at the time, influence of DPTC on economic activity

7.1 As I have mentioned earlier on in the interview, DPTC was introduced in 1999 for disabled people to provide them with financial assistance whilst in work. DPTC is usually paid by your employer, or in some cases directly from the Inland Revenue while you are in work. Can I just confirm, have you heard of DPTC?

1. yes
2. no
3. don't know

[if no or don’t know @ 7.1]

7.2 We believe that you have applied for DPTC at some point during the last two years when you were in employment. Interviewer to reiterate key features of DPTC. Can I just check again, have you heard of DPTC?

1. yes
2. no END INTERVIEW HERE
3. don't know (INTERVIEWER TO PROBE UNTIL YES OR NO RESPONSE)

[if yes @ 7.1 OR 7.2]

7.3 I am going to ask you a series of questions about when and how you heard about DPTC and then move on to discuss what you think about it. Before I do that though, can you just confirm that you have received DPTC?

Go to 7.4

7.4 And can I just check, are you still in receipt of DPTC?

1. yes
2. no
go to 7.5

7.5 Can you tell me when you first found out about the Disabled Person’s Tax Credit?

(Give date. Interviewer to probe and give approximate date if respondent not sure. N B. this is prior to the application date for DPTC – we want to establish the date at which they became aware of DPTC. For those respondents who transferred straight on the DPTC from DWA, this is likely to be sometime in October 1999)

[DATE1]

[FAST TRACK RECIPIENTS]

7.6 Can I just confirm that you applied for the DPTC using the Fast Track?

1. yes
2. no
3. D/ K
7.7 Fast Track is intended for people whose disability or health problem has forced them to change the work they were doing, and made them financially worse off as a result. Is this what happened to you?

1. yes
2. no
3. DK

7.8 Do you remember filling in this form (interviewer to show form DPTCC709)?

1. yes
2. no
3. DK

7.9 Thinking about the time before you applied for DPTC, can you tell me roughly how long you were off work for?

........... enter in weeks (should be over 20)

7.10 And when you went back to work, was it with the same, or a different employer?

1. same employer
2. different employer

7.11 Can you say when you decided that Fast Track DPTC would be useful to you, was it?

1. while you were off work
2. once you had gone back to work

7.12 What were you doing at that time [DATE1]?

1. working in a paid job or business as an employee
2. working in a paid job or business on a self-employed basis
3. (temporarily) laid off, or on short time at firm
4. unemployed and actively seeking work
5. on a special government training scheme or employment scheme
6. doing unpaid work for yourself or a relative
7. a full-time student
8. looking after the family or home
9. not working because temporarily sick or injured
10. not working because long-term sick or disabled
11. retired from paid work
12. other

[If DATE1STATUS = 1,2,3 & CURRENTSTATUS = 1,2,3]

OR

[IF FAST TRACK & CURRENTSTATUS = 1,2,3]

7.13 Are you still in this job?
   1. yes
   2. no

[EXCLUDE FAST TRACKERS] [If DATE1STATUS = 1,2,3]

7.14 Were you receiving Disability Working Allowance at DATE1?
   1. yes
   2. no
   3. don’t know

Note to interviewers: DPTC superseded Disability Working Allowance (DWA) which was a DSS benefit payable to disabled people in work. DWA is not to be confused with DLA - Disability Living Allowance still exists and is paid to people with disabilities. It is aimed at people who need help looking after themselves and at people who find it difficult to walk or get around. Some people may still be getting DLA.

[If yes @ 7.14]

7.15 Did you transfer straight over to DPTC from DWA?
   1. yes
   2. no

[EXCLUDE FAST TRACKERS]

[If DATE1STATUS = 4 through 12]

7.16 Can you say how long it had been since you had worked before then?
   ............ Months

   go to 7.17

[If DATE1STATUS = 4]

7.20 Although at that time you were unemployed, I’d like to ask you about your experiences in looking for work. Can you tell me how far each of the following statements applied to you at that time. Did they apply strongly, apply somewhat, or did they not apply?
1. I was unable to find the kind of work that I wanted to do
2. I was unable to find a job of any kind
3. I was unable to find the kind of work that would make me financially better off in employment than on benefits
4. I was unable to find a suitable job within a reasonable travelling distance
5. I could not afford the cost of childcare
6. I was unable to find work because of my caring responsibilities
7. I was unable to find work because of my health problem/ disability
8. Other (please state)

[If MARITALSTATUS = 3]

7.21 What was your partner doing at DATE1 [DATE1PARTNERSTATUS]

1. working in a paid job or business as an employee
2. working in a paid job or business on a self-employed basis
3. (temporarily) laid off, or on short time at firm
4. unemployed and actively seeking work
5. on a special government training scheme or employment scheme
6. doing unpaid work for yourself or a relative
7. a full-time student
8. looking after the family or home
9. not working because temporarily sick or injured
10. not working because long-term sick or disabled
11. retired from paid work
12. other

[If DATE1PARTNERSTATUS = 1,2,3 & PARTNERCURRENTSTATUS = 1,2,3]

7.22 Is your partner still in this job?

1. yes
2. no

(ALL)

7.23 How did you find out about DPTC. Did you find out from the: (tick all that apply)

1. Tax Office/ Inland Revenue
2. Benefits Agency
3. Department of Social Security
4. GP/ consultant/ nurse
5. Social Services/ Social Worker
6. Local Authority eg Housing Benefit Office, Council Tax Office etc
7. Citizens Advice Bureau (CAB)
8. advertising/ leaflets
9. word-of-mouth
10. Disability Employment Adviser
11. New Deal Personal Adviser
12. other Jobcentre/ Employment Service staff
13. employer
14. media – news/ television/ radio
15. organisation/ agency representing disabled people
16. something else (please specify)
17. don’t remember finding out about DPTC

7.24 I understand that you first applied for DPTC on [DAYSTA from IR database]. Does this sound about right to you?

1. Yes
2. No

[DATE2]

[EXCLUDE FAST TRACKERS] [If DATE1STATUS = 4 through 12]

7.27 You have said that you were not in paid employment when you first found out about DPTC. Did the availability of DPTC influence your decision to take up work?

1. Yes, a lot
2. Yes, somewhat
3. Yes, a little
4. No, not at all

[IF FAST TRACKER]

Did the availability of DPTC influence your decision to go back to work?

1. yes, a lot................
2. yes, somewhat........
3. yes, a little.......   
4. no, not at all.....

[if 1,2,3 @ 7.28]

7.28a In what way did the availability of DPTC influence your decision to go back to work? OPEN

[IF FAST TRACKER] [If DATE1STATUS = 4 through 12]

7.29 Did the availability of DPTC influence the type of work you could do?

1. yes, a lot................
2. yes, somewhat........
3. yes, a little.......   
4. no, not at all.....

[If 1,2,3 @ 7.29]

7.30 In what ways did the availability of DPTC influence the type of work you could do? OPEN

[IF FAST TRACKER] [If DATE1STATUS = 4 through 12]

7.31 Did the availability of the DPTC influence the number of hours you could work?
1. yes, I could work more hours
2. yes, I could work fewer hours
3. no, not at all….

[ALL]

7.32 I would like to ask you a couple of questions about the hours rules for DPTC. If you work more than 30 hours per week, you may be entitled to an additional amount of DPTC. Did you know about this extra credit?

1. yes
2. no
3. don't know

[if yes @ 7.32]

7.33 Did the fact that you could get more DPTC if you worked 30 hours or more influence you in your decision about the number of hours that you could work?

1. yes, a lot.............
2. yes, somewhat.......  
3. yes, a little......
4. no, not at all....

[ALL]

7.34 You can only receive DPTC if you work 16 hours or more in a week. Can you tell me whether there are times when you need to, or have to, work less than 16 hours in a week?

1. Yes
2. No
3. DK

[If yes @ 7.34]

7.35 How often do you need to, or have to, work less than 16 hours in a week?

1. Once every month
2. Once every three months
3. Once every six months
4. More frequently (please state)
5. Less frequently (please state)

[if yes @ 7.34]

7.36 Can you say briefly why you sometimes have to work less than 16 hours in a week?

[OPEN]

[if yes @ 7.34]

7.37 Would you still like to be able to receive DPTC at these times?
1. Yes
2. No
3. Dk

[IF FAST TRACKER] [If DATE1STATUS = 4 through 12]

7.38 Did the availability of the DPTC influence the level of wages you could accept?

1. yes, a lot..............
2. yes, somewhat.......
3. yes, a little......
4. no, not at all....

[If 1,2,3 @ 7.38]

7.39 In what ways did the availability of DPTC influence the level of wages you could accept?

OPEN

[EXCLUDE FAST TRACKER] [If DATE1STATUS = 4 through 12]

7.40 Can I just confirm that you were not working when you first became aware of DPTC (DATE1)?

1. yes
2. no

[If yes @ 7.40]

7.41 On what date did you start work? XX.XX.XX

go to 7.42

[EXCLUDE FAST TRACKER]

7.42 Would you have taken your job if DPTC had not been available?

1. yes, definitely
2. yes, probably
3. possibly
4. no
5. don’t know/ not sure

go to 7.43

[EXCLUDE FAST TRACKER]

7.43 So how far would you say that the availability of DPTC prompted you to take this job?

1. a lot
2. a little
3. somewhat
4. not at all
Would you say that the availability of DPTC was the most important factor in your decision to take this job?

1. yes
2. no
3. don’t know

Did you have any concerns that your application for DPTC would not be successful?

1. yes, definitely
2. some doubts
3. no doubts
4. don’t know/not sure

If you had not received DPTC, would you have been able to carry on working?

1. yes, I definitely would have been able to carry on working without DPTC
2. yes, I probably would have been able to carry on working without DPTC
3. I possibly would have been able to carry on working without DPTC
4. no, I would not have been able to carry on working without DPTC
5. don’t know/not sure

If you had not received DPTC do you think you would have had to change your job?

1. Yes, it is very likely that I would have had to change my job if I had not received DPTC.
2. Yes, it is quite likely that I would have had to change my job if I had not received DPTC.
3. Unsure.
4. No, it is not at all likely that I would have had to change my job if I had not received DPTC.

If you had not received DPTC, would your partner have had to change their working behaviour eg start work or increase their hours to improve the household income?

1. Yes, it is very likely that my partner would have had to change their work behaviour if I had not received DPTC.
2. Yes, it is quite likely that my partner would have had to change their work behaviour if I had not received DPTC.
3. Unsure.
4. No, it is not at all likely that my partner would have had to change their work behaviour if I had not received DPTC.
7.49 Although you were working when you heard about DPTC, you have said that you were not getting DWA, which was also a benefit for disabled people or those with health problems when they were in work. Did you know about DWA?

1. yes
2. no

[if yes @ 7.49]

7.50 Did you ever try to apply for DWA?

1. yes
2. no

[if no @ 7.50]

7.51 Can you tell me why you didn’t apply for DWA? (tick all those that apply)

1. earnings too high
2. household income too high
3. problems proving disability/ health problem
4. Didn’t know how to go about applying
5. Application forms are off-putting/ too difficult
6. Couldn’t find anyone to help complete application forms
7. Didn’t think I would be eligible
8. Didn’t think my application would be successful
9. Didn’t want to receive benefit
10. Didn’t think my job would last long/ temporary
11. other (please state)

[if yes @ 7.50]

7.52 Why was your application for DWA unsuccessful? (tick all those that apply)

1. earnings too high
2. household income too high
3. problems proving disability/ health problem
4. other (please state)

[if yes @ 7.50]

7.53 What changed and enabled you to receive DPTC? [OPEN]

Interviewer to probe – was it because of the earnings threshold change, change in personal circumstances (eg partner stopped working, had another child, marital status changed), change in my working circumstances (eg a change in working hours, different job).
8. Applying for DPTC

(ALL)

8.1 I now want to talk about the application process for DPTC. Did you have to complete a form to apply for DPTC?

1. yes
2. no
3. don’t know

[If yes @ 8.1]

8.2 How easy or difficult did you find it to understand the application form?

1. very easy
2. quite easy
3. quite difficult
4. very difficult
5. neither easy nor difficult
6. can’t remember

[if 3, 4 @ 8.2]

8.3 Can you say what problems you experienced in trying to understand the application form?

[OPEN]

[ALL]

8.4 How easy or difficult did you find it to complete the application form (or get someone to complete it for you?)

1. very easy
2. quite easy
3. quite difficult
4. very difficult

[if3, 4 @ 8.4]

8.5 Can you say what problems you experienced in trying to complete the application form?

[OPEN]

[ALL]

8.6 Do you know that there is a DPTC helpline?

1. yes
2. no
3. don’t know
8.7 Did you contact the DPTC helpline, in relation to your application for DPTC?
   1. yes
   2. no

8.8 How helpful did you find the DPTC helpline? Was it
   1. essential
   2. very helpful
   3. quite helpful
   4. not very helpful
   5. not at all helpful

8.9 Did you experience any problems with the helpline?
   1. yes
   2. no
   3. don’t know

8.10 Please tell us what these problems were
   (OPEN)

8.11 Did you get help from anybody else to complete the application form?
   1. yes
   2. no

8.12 Who did you talk to?
   1. Benefit Agency staff
   2. Social Services
   3. DEA/ Personal Adviser/ New Deal staff
   4. Disability organisation
   5. relative or friend
   6. other (please specify)

8.13 How helpful was it to talk to that person?

LOOP FOR EVERY PERSON/ORGANISATION @ 8.12
1. essential
2. very helpful
3. quite helpful
4. not very helpful
5. not at all helpful

[if 1,2,3 @ 8.13]

8.14 Can you tell me a bit more about why this service was helpful

(OPEN)

LOOP FOR EVERY PERSON/ORGANISATION

[ALL]

8.15 Did anybody work out whether you would be better off if you received DPTC i.e. work out how much DPTC you would be entitled to?

1. yes
2. no
3. don’t know

[If yes @ 8.15]

8.16 Who provided this service for you?

1. I did the calculation myself
2. Tax Credit Office/ DPTC helpline
3. Citizens Advice Bureau
4. Tax Office/ Inland Revenue
5. Disability Organisation
6. DEA/ Personal Adviser/ New Deal staff
7. friend/ relative
8. other (please state)

[if yes @ 8.15]

8.17 Did this calculation help you to make your decision to apply for DPTC

1. yes
2. no
3. don’t know

[if yes @ 8.15]

8.18 Was this calculation accurate?

1. yes
2. no
3. don’t know/ cannot remember

[ALL]
Did you experience any problems providing evidence of your household income when making your application for DPTC?

1. yes
2. no

(if yes @ 8.19)

8.20 What were these problems? (tick all that apply)

Unable to produce sufficient wage slips for myself and/or partner.
I am/was self-employed and didn’t have proof of earnings.
It was difficult to get my employer to supply information about my earnings.
Unable to produce evidence of other income eg savings, benefits.
Other (please specify).

[ALL]

8.21 Is there any way in which the application process could be improved? Please state

[OPEN]

[ALL]

8.22 How did you find out whether your application for DPTC had been successful or not?

I received a letter (award notice) from the Inland Revenue.
I received a telephone call from the Inland Revenue.
Other, please state.

[ALL]

8.23 How easy or difficult was it to understand how much DPTC you were entitled to?

very easy
quite easy
quite difficult
very difficult

9. Receiving DPTC, PVE

[ALL]

9.1 On what date did you receive your first payment of DPTC? [DATE3]

[ALL]

9.2 How did you receive your first payment of DPTC?
1. straight into my bank/building society account
2. by giro cheque
3. by order book
4. as part of wages (PVE)
5. other (please state)
6. can’t remember

[ALL]

9.3 Did this method of payment change?

1. yes
2. no
3. don’t know

[if yes @ 9.3]

9.4 How did you go on to receive DPTC?

1. straight into my bank/building society account
2. by giro cheque
3. by order book
4. as part of wages (PVE)
5. other (please state)
6. can’t remember

[if 4 @ 9.4]

9.5 Did you know that DPTC was going to be paid via your employer?

1. yes
2. no
3. don’t know

[if 4 @ 9.4]

9.6 Do you like receiving DPTC in this way?

1. yes
2. no
3. don’t know

[if no @ 9.6]

9.7 Please state how would you prefer to receive your DPTC?

1. straight into my bank/building society account
2. by giro cheque
3. by order book
4. other (please state)

[if no @ 9.6]

9.8 Can you tell me why you would prefer your DPTC to be paid in this way [OPEN]
9.9 Do you have any of the following concerns about the way in which DPTC is paid? [tick all that apply]

1. I am worried about confidentiality – I do not want my employer to know that I receive a Tax Credit.
2. I am worried about confidentiality – I do not want my employer to know that I have a disability/health problem.
3. I am worried about delays in the payment of DPTC if my wages are late.
4. I don't like receiving DPTC in with my wages, I would prefer a separate payment of DPTC.
5. It is difficult to budget my income when DPTC comes with my wages.
6. I get paid monthly but I would prefer to receive my DPTC more often than that.
7. I am worried that I will not get a payrise as my employer will know that I receive additional money from DPTC.

[If DATE1STATUS =1,3]

9.10 Can I just check, when you started receiving DPTC, did your employer know that you were disabled or that you had a health problem?

1. yes
2. no
3. don’t know/can’t remember

[ALL]

9.11 Did you or do you have any concerns or worries that your employer knows you are disabled or have a health problem?

1. yes
2. no

[if yes @ 9.11 & 4 @ 9.4]

9.12 Do you think because you receive(d) DPTC via your employer, that this alerts(ed) them to your disability or health problem?

1. yes
2. no

[if no @ 9.12]

9.13 Do you have any concerns that this could happen in the future?

1. yes
2. no

[If 1 @ 7.14]

9.14 DPTC is administered by the Inland Revenue/tax system whereas DWA was administered by the Benefits Agency. What do you think about this? For each statement
below, please say whether you agree strongly, agree, neither agree nor disagree, disagree, or disagree strongly.

1. I think it is better that DPTC is administered by the Inland Revenue/tax system.
2. I preferred the system when DWA was administered by the Benefits Agency.
3. I am not concerned either way whether DPTC is administered by the Inland Revenue/tax office or the Benefits Agency.
4. It is better to receive a tax credit related to my earnings rather than an allowance related to my health or disability status.
5. It is more socially acceptable and less stigmatising to receive a tax credit than a benefit.

[ALL]

9.15 At the moment, DPTC is a separate Tax Credit. Would you prefer to receive it as part of the more general Working Families Tax Credit?

1. Yes
2. No
3. Don’t mind
4. Don’t know

10. Financial aspects of DPTC, amount received, loss of passport benefits and other entitlements

I now need to talk about your financial situation before you applied for DPTC. I also want to talk to you about how much DPTC you received and what your current financial situation is like. I want to reassure you that all of this information is highly confidential and whatever you tell us will remain confidential and anonymous. We will not tell the Inland Revenue anything that you tell us now in relation to your individual personal financial situation.

10.1 Thinking back to [DATE2], the date at which you applied for DPTC, can you tell me what your total net (household) income was then. By net household income, I mean how much money was coming into the household unit after (any) deductions had been made for tax, national insurance, pensions etc.. You can tell me in weekly, monthly or annual amounts. Please say how much money (in total) was coming in from your paid employment (if any), your partner’s paid employment (if any), benefits (for yourself, your partner and dependent children (if any), interest/ dividends, pensions and any other income (please specify). This does not include DPTC.

Enter amount - £’s

[those entering amount @ 10.1]

10.2 Was this a weekly/ monthly/ annual amount?

1. Weekly
2. Monthly
3. Annual
[If respondent is unable or unwilling to specify actual amount @10.1, ask]:

10.3 Can you tell me from the income bands below, approximately how much your total weekly net (household) income was at [DATE2].

1. Less than £50
2. £50 - £99
3. £100 - £149
4. £150 - £199
5. £200 - £249
6. £250 - £299
7. £300 - £349
8. £350 - £399
9. £400 +

10.4 Thinking back to when your first found out about DPTC [DATE1], was your total net household income then:

1. about the same as when you made your application for DPTC
2. less than when you made your application for DPTC
3. more than when you made your application for DPTC
4. don’t know/ can’t remember

10.5 How much DPTC did you become entitled to when you made your first application?

Enter weekly amount - £xxx.xx

[CAPI to add DATE2 income and DPTC award together] ENSURE THAT UNIT OF CALCULATION IS THE SAME ie ALL WEEKLY

10.6 So, in that case, when you started to receive DPTC your total weekly net household income was £XXX.XX. Does this seem about right?

1. yes
2. no
3. don’t know

IF RESPONDENT DISAGREES WITH CALCULATION LOOP BACK TO FIND OUT WHY.

10.7 Did you lose any benefits or entitlements as a result of receiving DPTC?

1. yes
2. no
3. don’t know

[if yes @ 10.7]

10.8 Which of the following benefits or entitlements did you lose?

- housing benefit
- council tax benefit
- working families tax credit
- Jobseekers Allowance
- Income Support
10.9 Can you tell me whether you lost all or part of these benefits or entitlements? (Full/ part)

- housing benefit
- council tax benefit
- working families tax credit
- Jobseekers Allowance
- Income Support
- Incapacity Benefit
- Severe Disablement Allowance
- free prescriptions
- free dental treatment

[filter for each benefit/entitlement which is lost]

10.10 Did you know when you received DPTC that you could lose all or part of these benefits or entitlements?

1. yes  
2. no  
3. partly  
4. don’t know

[if yes @ 10.10]

10.11 Did you lose what you expected to, or more or less than you thought?

1. lost more than expected  
2. lost less than expected  
3. lost what I expected  
4. don’t know/ can’t remember

[if no @ 10.10]

10.12 Can I just confirm that you did not know that you could lose all or some of your benefits or entitlements when you started receiving DPTC?

[all who lost entitlement to SDA, Incapacity Benefit]

10.13 When you were thinking about taking up your job @ [DATE2], to what extent were you worried about not being able to re-establish your entitlement to [SDA/ Incapacity Benefit] if the job did not work out?

1. very concerned  
2. quite concerned  
3. not concerned at all  
4. don’t know/ can’t remember
10.14 When you were thinking about taking up your job @ [DATE2], were you aware of the so-called "linking rule" which enables someone who gets DPTC when they take up a job to return automatically to [SDA/ Incapacity Benefit] at their old rate, if the job does not work out within two years?

1. yes
2. no
3. don't know

[if yes @ 10.14]

10.15 Did this linking rule make any difference to you when you were thinking about whether to start work?

1. yes — it reassured/ encouraged me to take up work, knowing I could go back to my old benefit entitlement
2. no
3. don't know/ can't remember

[if no @ 10.14]

10.16 If you had known about this linking rule when you were thinking of taking up the job, would it have made any difference?

1. yes — would have reassured me/ encouraged me in my decision to take the job
2. no
3. don't know/ can't remember

[ALL]

10.17 Have you incurred any other costs as a result of being in work? Have you incurred costs for:

1. travelling to work – if yes, how much (£ weekly/ monthly/ annual) approx.
2. special clothing - if yes, how much (£ weekly/ monthly/ annual) approx.
3. special equipment – if yes, how much (£ weekly/ monthly/ annual) approx.
4. other (please specify) – if yes, how much (£ weekly/ monthly/ annual) approx.

11. Childcare needs, childcare tax credit and disabled child tax credit

[If 1@ 1.2]

11.1 Have you incurred any childcare costs as a result of being in work?

1. yes
2. no

[if 1 @ 11.1]
11.2 What type of childcare do you/ have you most recently used while in work? (code as many as apply)

Registered childminder
Nanny or au pair
Crèche *
Nursery school *
Day nursery *
Playgroup or pre-school *
Nursery class attached to a primary school *
Reception class attached to a primary school *
Out-of-school club *
Holiday club/ scheme *
Spouse/ partner
Ex-spouse/ ex-partner
Child’s grandparents
Child’s older brother or sister
Another relative
A friend or neighbour
Other (please describe)

If mention any * in Q11.2, which of these organisations best describes who is responsible for providing this childcare?

Local authority
A private business
A community or voluntary organisation, or a charity
An employer
Other (please state)

[if 1 @ 11.1]

11.3 How many hours of childcare do you/ did you require each week (cumulative number of hours to cover all dependent children)?

[If 1 @ 11.1]

11.4 How much were/ are your childcare costs?

Enter amount or don’t know

[If 1 @ 11.1]

11.5 Is this weekly, monthly or annually?

[If 1 @ 11.1]

11.6 How important is/ was the childcare that you use/ used in relation to your ability to do your job? (Please tick all statements which apply)

1. I could not have worked without it
2. I would have had to reduce my working hours without it
3. I would have to change my job without it
4. My partner would have had to change their working hours/ arrangements

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5. The availability of childcare has made no difference to my working arrangements

[If 1 @ 11.1]

11.7 Have you heard of the childcare tax credit?
1. Yes
2. No
3. D/K

[If 1 @ 11.1]

11.8 Have you applied for the childcare tax credit as part of your claim for DPTC?
1. Yes
2. No
3. Don’t know

[If 2 @ 11.8]

11.9 Can you say why you have not applied for the childcare credit? (multiple response)
1. I was working too few hours
2. My partner was not working and was not in receipt of a qualifying benefit
3. The childcare was informal/ ineligible and not allowed under the rules
4. My child/ children was/ were too old
5. I was unable to secure an approved childcare place
6. Other (please state)

[If 1 @ 11.8]

11.10 I now want to talk about the application process for the childcare tax credit. Did you have to complete a form to apply for the childcare tax credit?
1. Yes
2. No
3. Don’t know

[If yes @ 11.10]

11.11 How easy or difficult did you find it to understand the application form?
1. Very easy
2. Quite easy
3. Quite difficult
4. Very difficult
5. Neither easy nor difficult
6. Can’t remember

[If 3, 4 @ 11.11]

11.12 Can you say what problems you experienced in trying to understand the application form?
11.13 How easy or difficult did you find it to complete the application form (or get someone to complete it for you?)

1. very easy
2. quite easy
3. quite difficult
4. very difficult

11.14 Can you say what problems you experienced in trying to complete the application form?

11.15 Was your application for the childcare tax credit successful?

1. Yes
2. No
3. Dk

11.16 Can you tell me why your application for the childcare tax credit was unsuccessful? (multiple response)

1. I was working too few hours
2. My partner was not working and was not in receipt of a qualifying benefit
3. The childcare was informal/ ineligible and not allowed under the rules
4. My child/children was/ were too old
5. I was unable to secure (or lost) the approved childcare place while the application was being processed.
6. Other (please state)

11.17 How much childcare tax credit do you get as part of DPTC?

Enter amount or don’t know

11.18 Is this weekly, monthly or annually?

11.19 I want to know whether the availability of the childcare tax credit influenced your decisions about childcare and work. Has the childcare tax credit allowed you or your
partner to move into work or to stay in work? Can you tell me which of the following statements applies to your situation (tick all that apply)

1. Yes, I have been able to move into work because of the childcare tax credit.
2. Yes, I have been able to stay in work because of the childcare tax credit.
3. Yes, my partner has been able to move into work because of the childcare tax credit.
4. Yes, my partner has been able to stay in work because of the childcare tax credit.
5. No, the availability of the childcare tax credit has not made any difference to mine or my partner’s decisions about moving into or staying in work.
6. Don’t know.

[If 1 @ 11.15]

11.20 Has the availability of the childcare tax credit allowed you and/or your partner to change the number of hours that you work? Can you tell me which of the following statements applies to your situation (tick all that apply)

1. Yes, I have changed the number of hours that I work as a result of receiving the childcare tax credit.
2. Yes, my partner has changed the number of hours that they work as a result of receiving the childcare tax credit.
3. No, the availability of the childcare tax credit has not made any difference the number of hours I work nor to the number of hours that my partner works.
4. Don’t know.

[If 1 @ 11.15]

11.21 What do you think about the childcare tax credit that you receive? Do you think it is:

1. adequate for your childcare needs
2. not adequate for your childcare needs
3. don’t know

[If 2 @ 11.21]

11.22 How could your childcare needs be better met?

1. increase the amount of childcare tax credit
2. improve the quality of childcare services in my local area
3. increase the number of childcare providers in my local area
4. bring down the price of childcare in my local area
5. other (please state)

[If 1 @1.2]

11.23 Are you aware that there is a disabled child tax credit?

1. yes
2. no
3. don’t know

[If yes @ 11.23]

11.24 Have you applied for the disabled child tax credit?
1. yes
2. no
3. don’t know

[if yes @ 11.24]

11.25 How helpful have you found this additional tax credit in terms of improving household income?

1. essential
2. very helpful
3. quite helpful
4. not very helpful
5. not at all helpful

[if 4, 5 @ 11.25]

11.26 How could your disabled child’s needs be better met?

1. increase the amount of the disabled child tax credit
2. improve the quality of care services for disabled children in my local area
3. increase the number of care providers for disabled children in my local area
4. bring down the price of care for disabled children in my local area
5. other (please state)

[if yes @ 11.24]

11.26A Have you heard of the enhanced disability tax credit for disabled children?

1. Yes
2. No
3. D/ K

[ALL]

11.27 On balance, and taking everything into account, do you feel that you are better off or worse off on DPTC than you were before you made your application?

1. I am definitely much better off on DPTC.
2. I am slightly better off on DPTC.
3. I am neither better off nor worse off on DPTC – my income has stayed more or less the same.
4. I am slightly worse off on DPTC.
5. I am a lot worse off on DPTC.

[If 1 @ 7.14]

11.28 How does DPTC compare to DWA? Do you think you are/ were

1. better off when in receipt of DPTC than when in receipt of DWA
2. better off when in receipt of DWA than when in receipt of DPTC
3. no difference between DWA and DPTC
12. Better off / worse off - perceptions. Re-applying for DPTC, changes to DPTC, reasons for change, reflections on DPTC

We are interested to know whether you have experienced any changes to your income and/or DPTC during your receipt of the Tax Credit. We want to look at whether the rules for receiving DPTC are flexible enough to cope with any changes to your income or any changes to your family or working circumstances.

[ALL]

12.1 The amount of DPTC you receive is determined every six months. Can you please tell me how long you (have) received DPTC?

1. less than six months
2. over 6 months but less than 12 months
3. over 12 months but less than 18 months
4. over 18 months but less than 24 months

[ALL]

12.2 During this period, has/ did your household income varied/ vary much from the amount at the time when you made your application for DPTC [DATE2]?

1. yes
2. no
3. don’t know

[if 1 @ 12.2]

12.3 Can you tell me why your income has changed?

1. change in personal circumstances
2. change in working circumstances
3. other reason (please state………)

[if 1 @ 12.3]

12.4 Can you tell me more about the change(s) in family circumstances that brought about the change to your income? OPEN

But interviewers to probe (eg partner has left the family home/died, child(ren) left home/died, new baby, partner now living with you etc.)

[if 2 @ 12.3]

12.5 Can you tell me more about the change(s) in working circumstances that brought about the change to your income? OPEN

But interviewer to probe - these changes may concern DPTC recipient and their partner (eg increase or decrease in respondent’s/partner’s hours, different job with different rate of pay etc.)
12.6 Has your household income varied:
1. a lot
2. a little
3. not at all

12.7 Have these changes to your household income left you better off or worse off? Have they left you:
1. a bit better off
2. a lot better off
3. a bit worse off
4. a lot worse off

12.8 When did your receipt of DPTC come to an end? [DATE5]

12.9 Why did you stop receiving DPTC?
1. change in working circumstances meant that I was no longer eligible for DPTC
2. change in personal circumstances meant that I was no longer eligible for DPTC
3. I stopped working and was no longer eligible for DPTC
4. don’t know
5. other reason (please state ………..)

12.10 You have told me that you have been receiving DPTC for longer than 6 months. Did you have to reapply for DPTC following the first six months of the award?
1. yes
2. no
3. don’t know

12.11 Did you experience any problems re-applying for DPTC?
1. yes
2. no
3. don’t know

12.12 Can you tell me from the list below what problems you experienced? Tick all that apply
1. I was unable to produce sufficient wage slips for myself and/or partner.
2. I am/was self-employed and didn’t have proof of earnings.
3. It was difficult to get my employer to supply information about my earnings.
4. I was unable to produce evidence of other income eg savings, benefits.
5. I had problems proving that I had a disability/health problem.
6. My DPTC money was held up while the new application went through which caused me financial problems.
7. Problems with the time limit for re-applying for DPTC
8. Other problems (please specify).

[if 1 @ 7.4]

12.13 Has there been any change in the amount of DPTC you receive (other than the annual uprating of the award?)

1. yes
2. no
3. don’t know

[if yes @ 12.13]

12.14 Has the amount of DPTC you receive gone up or down since you first made your application?

1. the amount has gone up
2. the amount has gone down

[if yes @ 12.13]

12.15 Can you tell me why the amount of DPTC you receive has changed?

1. change in personal circumstances
2. change in working circumstances
3. other reason (please state……….)

[if 1 @ 12.15]

12.16 Can you tell me more about the change(s) in family circumstances that brought about the change to the amount of DPTC you receive? OPEN

But interviewers to probe (eg partner has left the family home/died, child(ren) left home/died, new baby, partner now living with you etc.)

[if 2 @ 12.15]

12.17 Can you tell me more about the change(s) in working circumstances that brought about the change to the amount of DPTC you receive? OPEN

But interviewer to probe - these changes may concern DPTC recipient and their partner (eg increase or decrease in respondent’s/partner’s hours, different job with different rate of pay etc.)

[if 1 @ 12.13]

12.18 How much DPTC do you now receive?
12.19 On balance, how much of a help has DPTC been/was DPTC to you?

1. essential – I could not have managed without it
2. very helpful
3. quite helpful
4. not much help
5. not at all helpful

[if 1,2,3 @ 12.19]

12.20 In what ways has DPTC helped you (and your family)? (OPEN)

12.21 As we have said, the amount of DPTC that you receive(d) is assessed when you make your application and then remains the same for six months. Do you think the amount should up or go down in that period if a person’s salary increases or drops?

1. Yes
2. No
3. Don’t know

12.25 Do you think the amount should go up if a family has another child during that 6-month period?

1. Yes
2. No
3. Don’t know

12.26 Do you think six months is about the right length of time before awards are re-assessed

1. Yes
2. No
3. Don’t know

[if no @ 12.26]

12.28 Can you say how often you think the awards should be re-assessed?

13. The future and possible changes to employment

13.1 Where do you see yourself in 6 months time?
1. in the same job or a different job with similar pay and conditions
2. in a different job with better pay and conditions
3. in a different job with worse pay and conditions
4. unemployed and looking for work
5. unable to work and claiming disability/ sickness benefits
6. in education
7. other (please specify)

[If 1,2,3 @ 13.1]

13.2 Do you think you will change the hours you work? Will you:

1. increase your hours
2. reduce your hours
3. stay the same

[If 1,2,3 @ 13.1]

13.3 Do you think you will change the work that you do? Will you change to a different type of work?

1. yes
2. no
3. don’t know

[If 1,2,3 @ 13.1]

13.4 Do you think you will change the work that you do? Will you change to a different employer?

1. yes
2. no
3. don’t know

[If 1,2,3 @ 13.1]

13.5 Do you think there will be any changes in your family circumstances eg children leaving home or starting work, partner starting or finishing work etc?

1. yes
2. no
3. don’t know

[If 1,2,3 @ 13.1]

13.6 Do you think you will re-apply for DPTC?

1. yes
2. no
3. don’t know
14. Ethnicity, housing tenure and educational background

14.1 Before I finish, I would just like to clarify a few personal details. Can I just check your date of birth?

14.2 To which of the following groups do you consider you belong? (One box only)

- British
- Irish
- Any other white background
- White and Black Caribbean
- White and Black African
- White and Asian
- Any other mixed background
- Indian
- Pakistani
- Refused
- Any other Asian background
- Caribbean
- African
- Any other Black background
- Chinese
- Any other ethnic group

14.3 Which of the following best describes your current home accommodation?

1. own it outright
2. buying it with the help of a mortgage or loan
3. pay part rent and part mortgage (shared ownership)
4. rent from local authority or housing association
5. rent from private landlord
6. live rent free (including rent-free in relatives'/ parents'/ friends’ property, excluding squatting)
7. squatting

14.4 I would like to ask you very briefly about your education and job-related training. Do you have:

1. any qualifications from school or college, or connected with work or a government (training) scheme
2. no qualifications
3. don’t know

[if 1 @ 14.4]

14.5 Looking at the table, can you please tell me the level of your highest qualification?

Enter level
<table>
<thead>
<tr>
<th>NVQ LEVEL</th>
<th>Academic Qualification Name</th>
<th>Vocational Qualification Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-NVQ Level 0</td>
<td>RSA Word Power</td>
<td>BTEC/ SCOTBEC/ SQA - First Certificate</td>
</tr>
<tr>
<td></td>
<td>RSA Number Power</td>
<td>BEC/ SCOTBEC – General Certificate/ Diploma</td>
</tr>
<tr>
<td></td>
<td>CLAIT</td>
<td>City &amp; Guilds – Operative Awards</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CPVE - Year 1 (Technician)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>LCCI/ RSA/ PEI – Elementary/ First Level</td>
</tr>
<tr>
<td></td>
<td></td>
<td>RSA - Vocational Certificate</td>
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<tr>
<td></td>
<td></td>
<td>Foundation GNVQ/ GSVQ</td>
</tr>
<tr>
<td>Level 1</td>
<td>GCSE/ SCE/ O-level Grades below C/ CSE Grades below 1</td>
<td>NVQ/ SVQ Level 1</td>
</tr>
<tr>
<td>Level 2</td>
<td>GCSE/ SCE/ O-level Grades at A-C/ CSE Grade 1</td>
<td>NVQ/ SVQ Level 2</td>
</tr>
<tr>
<td>Level 3</td>
<td>A level passes/ AS Levels</td>
<td>BEC/ SCOTBEC BTEC/ SCOTVEC/ SQA – National OND/ ONC</td>
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<tr>
<td></td>
<td></td>
<td>TEC/ SCOTEC – Certificate/ Diploma</td>
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<td></td>
<td></td>
<td>City &amp; Guilds – Advanced Craft</td>
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<tr>
<td></td>
<td></td>
<td>LCCI - Third Level Diploma</td>
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<tr>
<td></td>
<td></td>
<td>Pitmans - Level 3 Advanced Higher Certificate</td>
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<tr>
<td></td>
<td></td>
<td>RSA - Stage 3 Advanced Diploma</td>
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<tr>
<td></td>
<td></td>
<td>Advanced GNVQ/ GSVQ</td>
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<tr>
<td></td>
<td></td>
<td>Access to Higher Education Courses</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Advanced awards in ESOL and foreign languages</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NVQ/ SVQ Level 3</td>
</tr>
<tr>
<td>Level 4</td>
<td>Teaching Qualifications (including PGCE)/ First Degree</td>
<td>BEC/ SCOTBEC/ BTEC/ SCOTVEC/ SQA – HND/ HNC</td>
</tr>
<tr>
<td></td>
<td></td>
<td>TEC/ SCOTEC – Higher Certificate/ Diploma</td>
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<tr>
<td></td>
<td></td>
<td>LCCI - Advanced level</td>
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<tr>
<td></td>
<td></td>
<td>RSA - Advanced Certificate/ Higher Diploma</td>
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<td></td>
<td></td>
<td>Diploma in Higher Education Nursing (SRN)</td>
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<td></td>
<td>Certificate in Higher Education</td>
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<td></td>
<td>NVQ/ SVQ Level 4</td>
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<tr>
<td>Level 5</td>
<td>Higher Degree/ Graduate Membership of Professional Institute</td>
<td>Continuing Education Diploma</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other high level professional qualification (e.g NVQ Level 5 in management)</td>
</tr>
</tbody>
</table>