
Report To: Health & Social Care Committee **Date:** 25 August 2016

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Officer)
Inverclyde Health and Social
Care Partnership (HSCP) **Report No:** SW/36/2016/HW

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Subject: Disability Living Allowance (DLA) Migration to Personal
Independence Payment (PIP).

1.0 PURPOSE

- 1.1 To update Committee on the introduction of the new welfare benefit Personal Independence Payment (PIP); the reassessment process for migrating working age Disability Living Allowance recipients to Personal Independence Payment; and the emerging issues and mitigation responses.

2.0 SUMMARY

- 2.1 Disability Living Allowance (DLA) was introduced in 1992 in recognition of the additional costs associated with disability. Personal Independence Payment (PIP) has now replaced DLA for working age claimants. All new claims for disability support are made for Personal Independence Payments, whilst all existing working age DLA claimants in Inverclyde are being invited to apply, and be reassessed for PIP on a rolling programme between October 2015 and late 2017.
- 2.2 There are approximately 3,700 working age DLA claimants in Inverclyde. The first national DWP statistics for outcomes of DLA to PIP reassessments showed 32% of those reassessed in Inverclyde lost all entitlement to disability benefit. Analysis of initial outcome decisions for the DLA to PIP reassessment cases in Inverclyde, notified to Inverclyde Advice Services by DWP, has allowed for extrapolation from DWP caseload statistics to project possible impacts. Analysis suggests an estimated 1,357 existing DLA claimants currently receiving either High or Middle Rate Care stand to lose entitlement to PIP Daily Living Component.
- 2.3 Concerns have been raised as to the PIP claim and reassessment process in addition to decision making in general. Assessments for Inverclyde residents are by and large conducted in Glasgow, in spite of the availability of DWP assessment facilities in Greenock.
- 2.4 Of those Inverclyde claimants who challenge adverse assessment decisions at appeal with Welfare Rights representation, 73 per cent of appeals are found in the claimants favour.
- 2.5 DLA/PIP helps disabled people pay for extra costs, supports daily living and assists with them remaining independent in the community. If the income of the disabled person is reduced it will be more difficult for them to meet their basic needs and as a

result possibly increase the demand for social care to help meet those needs.

- 2.6 At the same time, DLA/PIP income that has played a part in subsidising the cost of social care through charging will no longer be available and lost to the social care system.
- 2.7 The cumulative loss of disability benefit to Inverclyde claimants, and thereby the Inverclyde economy, from the DLA to PIP reassessment process has been estimated at approximately £9 million per annum.
- 2.8 In order to best support members of the community, a range of activities have commenced in addition to the welfare benefits and appeals and representation already in place. This includes establishment of data sharing protocols; in-depth analysis of cases; and on-going research to capture and reflect the consequences of loss of disability benefit on individual claimants to inform future policy development.

3.0 RECOMMENDATIONS

- 3.1 That the Committee note the content of the report and the possible impact of the reassessment from DLA to PIP process on Inverclyde claimants, HSCP service delivery, and the wider Inverclyde economy.
- 3.2 That the Committee recommend that Inverclyde Council formally approach DWP with a request for greater utilisation of the facilities available at Duff Street in order that PIP assessments for Inverclyde claimants can be conducted in Inverclyde.
- 3.3 That the Committee note the range of proactive measures in place to support claimants and consider at a future committee the findings of the DLA/PIP monitoring exercise.
- 3.4 That the Committee await further information from the Scottish Government on the new Social Security Bill, which includes the devolvement of disability benefits to Scotland.

Brian Moore
Corporate Director, (Chief Officer)
Inverclyde HSCP

4.0 BACKGROUND

- 4.1 Disability Living Allowance (DLA) was introduced in 1992 in recognition of the additional costs associated with disability: additional food costs as a result of a special diet, additional heating costs, costs to meet on-going transport needs that allow access to essential services and maintain a degree of independence and social contact.
- 4.2 Personal Independence Payment (PIP) has now replaced DLA for working age claimants. All new claims since 2015 are made for PIP. Existing DLA working age claimants in Inverclyde will be invited to apply for PIP on the basis of a rolling programme between October 2015 and late 2017.
- 4.3 It is important to note that PIP does not directly replace DLA and as it is classed as a completely different benefit, existing DLA claimants have to apply for PIP. Current entitlement to DLA at the highest levels or that a DLA award has been made for an indefinite period or on a life time basis are immaterial and offer no guarantee of securing any entitlement to PIP. If an existing DLA claimant fails to respond to their invitation to claim PIP from DWP their entitlement to DLA will nevertheless stop.
- 4.4 Although PIP is a different benefit, it shares many similarities with DLA. It is not means tested, not based on National Insurance contributions, acts as a passport to other entitlements, is based on need, is not an earnings replacement benefit and as such is available to those both in and out of work.

5.0 DLA TO PIP MIGRATION IMPACTS

- 5.1 A stated aim of Government in phasing out DLA and introducing PIP was to reduce the numbers receiving disability benefit thereby reducing expenditure on welfare. The June 2010 Budget announced that reform of DLA would save more than £1 billion per year by 2014/15. (HM Treasury, June 2010). The Department of Work and Pensions (DWP) Impact Assessment published in 2012 predicted there would be 500,000 fewer people receiving PIP by 2015/16 than would have received DLA under the existing rules.

(DWP, Disability Living Allowance Reform Impact Assessment)

- 5.2 Between 2013 and 2018, 190,000 working age DLA claimants in Scotland will be reassessed to determine eligibility for PIP. On the basis of DWP projections, it is estimated that approximately 150,000 reassessed disabled claimants will lose some or all of their disability benefit by 2018 with a loss of at least £1,134 per claimant per year. Of those, 47 per cent are estimated to receive no PIP award and the remaining 53 per cent to receive a reduced PIP award. Savings stemming from a stricter test of mobility will result in a decrease of £35 per week or a loss of £57 per week for an estimated 47,000 disabled people in Scotland.

(Scottish Government, Financial Impacts of Welfare Reform on Disabled People in Scotland, August 2014)

- 5.3 Further savings will arise as under PIP there is no replacement of the lowest care component of DLA (£21.80 per week, £1,134 per year) which is currently claimed by approximately 88,630 claimants in Scotland.

(DWP Tabulation Tool)

- 5.4 The Extra Costs Commission recently published the "Driving down the extra costs

disabled people face” report which found that disabled people pay on average £550 per month more than people who are not disabled on everyday living costs. The average award of DLA/PIP is £360 per month. Disability organisations have voiced concern that losses or reductions in entitlement will lead to many current DLA claimants facing financial hardship. A UK survey conducted by the Papworth Trust found that: *“Three-quarters of disabled people would not have enough money if their DLA was cut. Six in ten would lose some of their independence [and] 86 per cent of disabled people would cut back on essentials like food and transport if their DLA was cut”*.

(Papworth Trust, Changes to Disability Living Allowance Survey Results)

5.5 Criticism has been levelled at the PIP claim process from initial claim to assessment through to appeal. Concerns nationally include:

- Application is by way of completion of a 35 page form which is perceived as too long, too complex, often requiring explanation of multiple fluctuating symptoms and cognitive difficulties.
- Participants described the process of claiming PIP as stressful and demoralising from the outset. This caused exacerbation of physical symptoms as well as added emotional distress.
- PIP assessments were perceived as adversarial, designed to be as difficult as possible, and failure inevitable.
- The impact was increased stigma and isolation from family and friends as the process left them fearful and feeling judged, ‘like a criminal’. In some cases this placed a strain on family relationships.
- The emphasis on having to prove their disability was disempowering for claimants, and incompatible with the NHS emphasis on self-management.
- Delays and frequent need for appeal tribunals left some in severe financial hardship, with increased debt and dependency.

(A Deeply Dehumanising Experience. M.E/CFS Journeys Through the PIP Claim Process in Scotland. March 2016, Newcastle University.)

5.6 Ministry of Justice statistics published on 10th March 2016 indicate an increase of 47% in the number of social security appeals from October to December 2015 compared to the same period in 2014. The same statistics reveal PIP appeals is now the largest appeal jurisdiction accounting for 39 per cent of all appeals.

6.0 INVERCLYDE

6.1 There are approximately 3,700 working age DLA claimants in Inverclyde who will be reassessed for PIP. The first set of DLA to PIP reassessment statistics was published by DWP in December 2015. The statistics fail to provide case load numbers but do provide percentage breakdowns of outcomes for completed reassessments.

6.2 The figures for Inverclyde show 32% of those reassessed had lost all entitlement to disability benefit. No breakdown is provided for the 68% securing an award to indicate if the award of PIP was a reduced award compared to that previously received under DLA.

(PIP: Registrations, Clearances and Awards to October 2015, DWP 16/12/15).

- 6.3 Almost 40% of all enquiries to Inverclyde HSCP Advice First were in relation to sickness and disability related benefits such as Personal Independence Payments/Disability Living Allowance.
- 6.4 In the year April 1st 2015 to March 31st 2016, Advice Services provided advice on PIP entitlement for 343 clients, assistance to challenge PIP decisions for 239 clients, and provided representation at PIP appeals for 81 clients securing entitlement of £643,704 in the process.
- 6.5 Within Inverclyde, adverse PIP decisions which are progressed to appeal and are represented by Inverclyde HSCP Welfare Rights, have a 73% success at this appeal stage. This is indicative of both poor DWP decision making at the assessment stage and the effectiveness of HSCP Welfare Rights representation at the Tribunal Hearing. For comparison, the national figure for appeals found in favour of the claimant stands at 61%.

(Ministry of Justice, Tribunal Statistics Quarterly Oct – Dec 2015, published 10/3/16)

- 6.6 Of particular concern for Inverclyde residents is that PIP assessments are most often held in Glasgow, this in spite of DWP facilities at Duff Street in Greenock being suitable for assessment. The required journey to Glasgow involving in excess of one hour's travel can exhaust claimants impairing their ability to participate in the assessment effectively.

7.0 EMERGING ISSUES

- 7.1 The impact of welfare changes such as the introduction of PIP has to be set in the context of an individual's life circumstances. For example, a claimant's ability to navigate the benefits system depends on their health at that point of time. Health is a primary focus and determinant of well-being that can constrain a claimant's ability to tackle the process of applying for benefits and can pose a significant barrier to tackling the complexity of the benefits system. This may well be at a point where an individual has few material resources to fall back on, and at the same time as struggling to make ends meet due to the high costs imposed by ill-health and/ or disability. This means that even temporary delay or loss of benefit can have a substantial negative impact.
- 7.2 Inverclyde Council, in common with other local authorities, means-tests for social care to take account of a client contribution that includes an element of DLA/PIP. If service users lose entitlement to DLA/PIP the contribution towards the costs of social care from DLA/PIP is also lost. It is also possible that the cumulative effect of the loss of an award of DLA/PIP and associated passport entitlements could leave an individual less able to meet the costs of their basic needs, leave the individual potentially housebound and consequently unable to work, socialise and struggle to attend to the requirements of day to day living. It is likely in such a set of circumstances that for some disabled people the dependency on eligibility for, and access to social care will substantially increase at the same time as the client contribution towards the cost of care is reduced.
- 7.3 Receipt of PIP Daily Living Component is a core qualifying criterion in allowing for a carer to receive Carers Allowance. This is awarded in respect of care provided by the carer to the disabled person claiming PIP. If PIP entitlement is lost and as a consequence carers are rendered ineligible for Carers Allowance this could result in a significant financial burden on social care services as many carers would no longer be able to continue to provide unpaid social care, transferring the burden to the HSCP.
- 7.4 Powers over benefits for disabled people and carers are devolved to the Scottish

Parliament and it is likely that the Social Security Bill will be introduced over the coming years. Given the complexities and practicalities of the issues involved, benefits such as PIP will probably continue to exist in broadly their current form for a number of years. Consideration should be given as to how existing eligibility can be improved and how assessment should better reflect the needs of disabled people and the impact of their disability or health condition on day to day living. There is the potential to better align the ill-health, disability and carers benefits with other devolved services, especially in the health and social care field.

(Creating A Fairer Scotland. A New Future For Social Security In Scotland. Scottish Government – March 2016.)

8.0 MITIGATION RESPONSES

8.1 In order to best support members of the community, a range of activities have commenced in addition to the welfare benefits appeals and representation already in place. This includes establishment of data sharing protocols; in-depth analysis of cases; and on-going research to capture and reflect the consequences of loss of disability benefit on individual claimants to inform future policy development.

9.0 ADVICE AND REPRESENTATION

9.1 A number of organisations within Inverclyde provide direct support to clients who are applying for PIP or migrating from DLA to PIP. The HSCP Advice Services team provides a comprehensive support package from initial enquiry through to advice including completion of forms and also representation at appeal if required. Riverclyde Homes, Inverclyde Council on Disability and Financial Fitness all provide welfare benefits advice and in addition ICOD are funded by Inverclyde Council to support vulnerable people at their assessments if required. The latest Impact of Welfare Reform in Scotland Tracking Study Sweep 4 - June 2016 highlights the importance of practical and moral support in navigating the benefits system.

10.0 DATA SHARING PROTOCOL

10.1 HSCP Advice Services and Inverclyde Council Revenue and Benefits Service have entered into a formal data sharing agreement in relation to information received by Revenue and Benefits from DWP of outcome decisions following reassessment of DLA to PIP cases. This data sharing agreement allows the HSCP Advice Service to be proactive in offering support to those affected by the DLA to PIP reassessment process in challenging adverse decision and exploring avenues of income maximisation to mitigate the impacts of the reassessment process as far as possible.

11.0 DETAILED ANALYSIS

11.1 Details of the first set of outcome cases were passed to HSCP Advice Services in March. This has allowed for analysis of outcomes and by extrapolating from the most up to date DLA Claimant Count for Inverclyde (August 2015) use the DWP Tabulation Tool to project possible future impacts of the reassessment process. The analysis focused on detailed outcomes for 59 claimants going through the DLA to PIP reassessment process during the four months from January to April of this year. Results after April were not included due to restrictions in the data shared by Revenue and Benefits Service from this point that now only covers those cases where income loss has occurred as a result of the reassessment process.

Results:

- Before reassessment the total weekly DLA received by the 59 claimants was £4,962.
- After reassessment the total weekly PIP received by the 59 claimants was £2,174.
- Weekly income lost as a result of the reassessment process for the 59 claimants was £2,788 (57% of their collective entitlement to Disability Benefit).

Consideration of outcomes by individual component type in addition to overall outcomes has allowed for a more detailed analysis. A further longitudinal analysis will be conducted later in the year to track the claimant experience of the reassessment process allowing for consideration of more comprehensive data including the outcome of challenges to DWP decisions by way of appeal.

Projections:

- By the end of 2017 the expectation from DWP is that all 3,700 working age DLA claimants living in Inverclyde will be reassessed for PIP.
- The total weekly DLA received by working age claimants in Inverclyde in August 2015 was £305,000.
- If the early outcomes are indicative, the total loss to Inverclyde will be in the region of £174,000 a week, or £9,152,000 per annum.

Considerations:

It should be noted the above projections take no account of the loss of associated premiums and other passported entitlements awarded as a result of disability benefit than can often be of greater monetary value than the actual award of DLA/PIP itself.

- The projected loss of PIP standard rate care for existing DLA claimants means claims to Carers Allowance will no longer be applicable;
- The projected loss of PIP enhanced rate mobility for existing DLA claimants excludes applications to the Motability Scheme and loss of any current Motability vehicle;
- The projected loss of PIP mobility at any rate for existing DLA low rate mobility claimants will primarily fall on those whose current DLA low rate mobility entitlement is predicated on mental ill-health problems.

12.0 INVERCLYDE PIP MONITORING INFORMATION

12.1 In order to determine an Inverclyde wide perspective on DLA to PIP demand on services, HSCP Advice Services; Riverclyde Homes, Inverclyde Council on Disability and Financial Fitness have agreed to collate on a monthly basis the numbers of clients seeking advice and support (appendix 1). The first return for all these organisations is still in the process of collation however, the return from HSCP Advice Service for the period December 1st 2015 to May 31st 2016 shows:

- 179 advice interventions relating to questions of PIP entitlement;
- 142 advice interventions dealing with PIP decision making disputes;
- 42 PIP Appeal Hearings with Welfare Rights representation; and
- 77% of Appeal Hearing outcomes found in favour of the client.

13.0 INVERCLYDE PIP CLAIMANT EXPERIENCE QUESTIONNAIRE

13.1 In order to inform future redesign of PIP or proposals as to the possible shape of devolved disability benefits, Inverclyde Financial Inclusion Partnership has developed a PIP monitoring questionnaire covering claimant experience of the claims, assessment and decision making process. Claimant experience should be central to establishing if the current provision of disability benefit and assessment treats claimants fairly and with dignity or if it falls short. As part of Inverclyde Council's funding arrangements, partner organisations have entered into formal service level agreements that include provision to make comprehensive use of the monitoring return. This will help ensure that the impacts of PIP on claimants in Inverclyde can be captured and reflected upon and perhaps form the basis for disabled claimants being directly involved in the co-production of the future design of devolved disability benefits in Scotland. Due to the long term timescale from initial application to appeal, the initial returns will be collated over the summer allowing for further analysis of the impact of the introduction of PIP and reassessment of existing DLA claimants in Inverclyde in the autumn. (appendix 2)

14.0 IMPLICATIONS

FINANCE

14.1 Financial Implications:

There are no financial implications in this report.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments

LEGAL

14.2 There are no legal issues within this report.

HUMAN RESOURCES

14.3 There are no human resources issues within this report.

EQUALITIES

14.4 Disabled people are one of the protected characteristic groups under the national Equality legislation

Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
	NO – This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

REPOPULATION

14.5 There are no repopulation issues within this report.

15.0 CONSULTATION

15.1 This report has been prepared by the Chief Officer, Inverclyde Health and Social Care Partnership (HSCP) after due consultation with officers from the Inverclyde Financial Inclusion Partnership and HSCP Advice Service.

17.0 BACKGROUND PAPERS

17.1 None.

Personal Independence Payment Survey

Organisation _____

Month _____

New PIP Applications	
Number of customers supported with application	
Number of successful applications	
Number of mandatory reconsiderations submitted	
Number of appeals	
Appeal outcome	

DLA to PIP Migrations	
Number of customers supported with application	
Number of successful applications	
Number of mandatory reconsiderations submitted	
Number of appeals	
Appeal outcome	
Were any awards lower than previous award? If yes, please explain	
Explain impact of loss for lower/no award	

Inverclyde Financial Inclusion Partnership (IFIP)

Personal Independence Payment Survey

By completing this survey you will help IFIP to respond to Government consultations, informing the Government what needs to change to improve the benefits system for disabled people.

Section 1: The Application Form

1. How easy or difficult did you find the questions on the claim form?			
Easy	Manageable	Difficult	Extremely Difficult
Please provide any comments			

2. How important was it to get support to complete the claim form?			
Extremely Important	Somewhat Important	Made no difference	Not important at all
Please provide any comments			

3. To what extent do you agree with the following statement? "I felt I was able to explain the impact of my impairment or health condition on all aspects of my life in the claim form"			
Strongly Agree	Agree	Disagree	Strongly Disagree

Section 2: The Award

4. Did you receive an award?	Yes	No

5. If you received DLA prior to the claim for PIP was the award you received:		
Lower	The same	Higher
Please provide details about how much you lost.		

6. If you received a lower award or lost your award entirely what has been, or what do you think will be, the impact? (tick all that apply)			
I lost/will lose my mobility car	<input type="checkbox"/>	I can/will no longer get around independently	<input type="checkbox"/>
I am/will be unable to fund necessary aids and adaptations	<input type="checkbox"/>	There has been/will be an impact on other benefits myself, partner or family can now claim	<input type="checkbox"/>
I had/will have to stop working or reduce my hours	<input type="checkbox"/>	I was in training but had/will have to give it up	<input type="checkbox"/>
My partner has had/will have to provide care for me	<input type="checkbox"/>	I struggle/will struggle to get to medical appointments	<input type="checkbox"/>
I struggled/will struggle to pay bills	<input type="checkbox"/>	I now don't/wont have enough money to live on	<input type="checkbox"/>
It has negatively impacted/will negatively impact my relationships with friends/family	<input type="checkbox"/>	I am/will be more isolated and less able to see friends and family	<input type="checkbox"/>
I have had to/will have apply for increased social care support from Inverclyde HSCP	<input type="checkbox"/>		<input type="checkbox"/>

Section 3: The Face to Face Assessment

7. Did you attend a face to face appointment at an assessment centre in Glasgow?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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8. How long did your journey take?			
Less than 30 mins	30-60 mins	60-90 mins	90mins+
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9. Please provide details if this journey caused you any difficulty in terms of your disability.

10. How much did your journey cost and did it cause you financial difficulty?				
£	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

11. Did you ask for your assessment to take place any where else (ie Greenock or at home)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Please provide details if why the request was refused.				

12. How long did your appointment take?			
Less than 30 mins	30-60 mins	60-90 mins	90mins+
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13. Tick the statement(s) which best describe your experience.	
I found the experience a stressful experience	<input type="checkbox"/>
I found the assessment had a negative impact on my mental health	<input type="checkbox"/>
I found the assessment had a negative impact on my physical health	<input type="checkbox"/>
I found the assessment had no impact on my physical or mental health	<input type="checkbox"/>

14. If you received a copy of your assessment report do you agree it reflects the impact of your impairment or health condition on your ability to undertake daily activities?					
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>

15. Would you like to add anything else about your assessment?

Section 4: Dealing with the DWP

16. Do you agree that the reasons for the decision on your claim to PIP were explained clearly by the DWP?			
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

17. To what extent do you agree with the decision on your PIP claim?							
Strongly Agree	<input type="checkbox"/>	Agree	<input type="checkbox"/>	Disagree	<input type="checkbox"/>	Strongly Disagree	<input type="checkbox"/>

18. Thinking about how DWP contacted you throughout the PIP process (including letters and calls), which of the following best describes your experience?	
The information was always clear and I understood what I needed to do	<input type="checkbox"/>
The information was sometimes clear and only sometimes I was clear what I needed to do	<input type="checkbox"/>
The information was rarely clear and I was often confused as to what I needed to do	<input type="checkbox"/>

Section 7: Other Comments

19. Anything else you would like to tell us about your claim for PIP

Thank you for taking the time to complete this survey. The evidence you provide will help Inverclyde Financial Inclusion Partnership to make suggestions as to how the benefits system can be improved for Disabled people.