

Report To: Health & Social Care Committee **Date:** 23 February 2017

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Care Partnership (HSCP) **Report No:**
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Subject: PERSONAL INDEPENDENCE PAYMENTS (PIP)

1.0 PURPOSE

- 1.1 To update Committee on the latest information regarding the impact of the introduction of Personal Independence Payments (PIP) and the on-going migration of Disability Living Allowance (DLA) to this new benefit.

2.0 SUMMARY

- 2.1 The introduction of Personal Independence Payment is well underway with a significant numbers of clients within Inverclyde now applying or being reassessed.
- 2.2 Information is now available both nationally and locally which shows the impacts on clients, both in terms of the assessment process, and the financial impacts of a negative decision. The financial loss to Inverclyde as a result of the replacement of DLA by PIP is estimated to be £6,274,400 per annum.
- 2.3 A range of mitigation measures to support vulnerable clients are in place and the impact of Personal Independence Payment (PIP) roll out will continue to be monitored.

3.0 RECOMMENDATIONS

- 3.1 That the Committee note the contents of this report and the on-going impacts of Personal Independence Payments
- 3.2 That the Committee note the mitigation efforts by Inverclyde Council, HSCP and its Financial Inclusion Partners.
- 3.3 That the Committee await further information of the new Scottish Social Security system which will replace a number of benefits, including Personal Independence Payments.

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4.0 BACKGROUND

- 4.1 Personal Independence Payment (PIP) replaced DLA for working age claimants in 2013. 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.
- 4.2 A previous report to August 2016 Committee provided a full report on the introduction of this new benefit and outlined some of the impacts known at that time
- 4.3 Statistics have now been released by DWP which highlight the outcomes for people who have either applied or migrated to Personal Independence Payment (PIP).
- 4.4 Locally, information is available from the HSCP Advice Service which highlights the outcomes and impacts for clients in Inverclyde.

5.0 IMPACTS AND OUTCOMES

- 5.1 Statistics published by DWP on December 14th 2016 provided details of PIP awards in Inverclyde up to October 31st 2016. The information provided outlines that decisions have been made in relation to 3,097 applications, including 302 PIP reassessments, resulting in 1,615 awards (percentage of decisions awarded 51%).
- 5.2 DWP have yet to provide statistics that allow for local authority level analysis of the numbers of DLA to PIP reassessments that have resulted in benefit being disallowed or reduced. The statistics did, however, publish a national figure that indicated 48% of DLA to PIP reassessments have resulted in benefit being disallowed or reduced.
- 5.3 Concerns continue to be expressed at a national level as to standards of DWP decision making and use of contractors such as ATOS to conduct medical assessments for PIP. The statistics published by DWP on December 14th revealed that when asked to look at their decision again by way of a request by the claimant for mandatory reconsideration, DWP upheld their original decision in 80% of cases. This stands in contrast to the statistics giving a 65% success rate for claimants who go on to appeal at Tribunal the DWP mandatory reconsideration decision.
- 5.4 The data produced by DWP has included information at a local level of the reasons for people claiming PIP. In Inverclyde, the two conditions of psychiatric disorders and musculoskeletal disease account for 71% of all PIP claims.
- 5.5 Without a further breakdown from DWP it is difficult to extrapolate impacts at a local level. A report, however, to the Social Security Committee of the Scottish Parliament in October 2016 by Sheffield Hallam University paralleled findings made by the same University in March 2016 that allows for some estimate of the impact. The report provided a table detailing the UK's worst affected local authorities in terms of the replacement of DLA by PIP. Inverclyde ranked 11th highest in the UK and 3rd highest in Scotland.
- 5.6 The report calculated the cost of this per working age individual, per annum, in Inverclyde at £124. The Office for National Statistics gives Inverclyde a working age population of 50,600. On that basis the financial loss to Inverclyde as a result of the replacement of DLA by PIP is £6,274,400 per annum.
- 5.7 DWP have commissioned Paul Gray Chief Executive of NHS Scotland to undertake a second review of PIP as required by Section 89 of the Welfare Reform Act 2012. A call for evidence to inform the review was made in July 2016 ending in September 2016. The review is expected to be laid before Parliament by April 2017. A main

focus of the review is to consider:

“How data may be better shared across the Department and with external organisations, such as the Health and Social Care sector to support the claim process.”

- 5.8 The Disability Benefits Consortium (DBC) is a national coalition of over 60 different charities and other organisations. The response from the DBC to the call for evidence was informed by a survey of service users:

80% of respondents indicated difficulties in completing the PIP claim form;
93% of respondents found the process of applying for PIP stressful;
82% of respondents agreed or strongly agreed that the process of applying for PIP had a negative impact on their condition.

DBC survey respondents who had received a lower award or lost all their entitlement reported a range of negative impacts:

41% said that they could no longer get around independently;
42% said they struggle to pay bills;
40% said they don't have enough money to live on;
7% said they had to stop work or reduce their hours;
5% said their partner had to give up work in order to care for them; and
54% reported being more isolated and less able to see friends and family.

- 5.9 Motability cars have received national press attention of late and the position with a Motability vehicle at present is that following an unsuccessful reassessment from DLA to PIP, the car is returned within 28 days or thereabouts whether or not the claimant appeals. An announcement has recently been made by the Minister for Disabled People, Health and Work that this will be reviewed and that discussions with relevant Departments are underway to enable PIP claimants to keep their vehicle pending appeal.

6.0 INVERCLYDE HSCP ADVICE SERVICES

- 6.1 Advice Services are continuing to support clients and monitor the impact of PIP locally. For the period June 1st to November 30th 2016, Advice Services provided advice/assistance in relation to 276 PIP entitlement matters securing a recorded £110,270 gain in the process. In addition, support was given to 222 clients undergoing PIP disputes; and finally tribunal representation was provided at 151 PIP Appeal Hearings, generating a further entitlement of £188, 270.

- 6.2 A data sharing protocol is in place with Revenues and benefits that refer clients to Advice Services if they are alerted to a change following application/migration to PIP. A snapshot of 18 cases in October 2016 highlighted the following:

- 15 related to DLA/PIP migration cases or renewal claims;
- 3 related to new claims with all 3 resulting in a nil award.
- Of the 15 migration/renewal cases, 13 (87%) received a reduction in entitlement compared to their previous award. 2 received an increase in overall entitlement;
- Out of the 15, 7 involved consideration of previous awards of Enhanced/High Rate Mobility. On renewal all 7 were unsuccessful in terms of securing a comparable award. If on Motability, all 7 stand to lose their Motability vehicle;
- The average loss of entitlement was £67.86 per week, £3582.72 per year;
- The 2 claimants who secured an increase in entitlement both received an additional £11.50 per week, £598 per year;

- 6.3 Examples of client impact include one client whose DLA award of £139.75 per week was reduced to a PIP award of £21.80 per week. Another client's loss £55.10 of Standard Rate Care became a cumulative loss of £125.72 per week as a result of subsequent reductions in Housing benefit and Council Tax Reduction.
- 6.4 The Council currently funds an advice worker who works closely with the vulnerable groups of homeless, and those affected by drugs and alcohol. Statistics show that for those clients who engaged with the service, 59% of new PIP claims made with the assistance of Advice Services are successful; and 72% of DLA to PIP reassessments completed with the assistance of Advice Services are successful.

7.0 MITIGATION

- 7.1 A formal request was made by the HSCP to DWP to increase the use of their Duff Street Greenock premises for medicals to save clients travelling to Glasgow for assessments. A response has been received from ATOS advising that the journey time from Inverclyde to Glasgow City Centre falls within the agreed threshold of 90 minutes by public transport or 60 minutes by car to attend assessments therefore they will not utilise a new site. They have also advised that clients are able to ask for a home consultation if mobility or other health conditions mean that travelling the distance required will cause them difficulty as they have a home consultation health professional based in PA14 who carries out such assessments and appointments which can easily be scheduled via their team.
- 7.2 This issue was also raised by the Leader of the Council with the Minister for Employment who has recently responded with similar information, however this also states that home visits will only be arranged when the client can provide evidence from a health professional that a home visit is required.
- 7.3 The data sharing agreement with Revenues and Benefits will continue to ensure any clients known to that service that have been adversely affected by PIP will have their details passed to Advice Services for advice and support.
- 7.4 A campaign highlighting PIP and in particular requests for home visits will shortly be launched through local and social media, highlighting the need to ensure clients obtain advice from HSCP Advice Services or another Inverclyde Financial Inclusion Partner prior to contacting DWP. Advice from Health Professionals will only be sought as and when necessary.
- 7.5 Welfare Reform earmarked reserves are currently being utilised on a temporary basis to support Inverclyde Council on Disability (ICOD) to provide clients who require support to attend medicals in Glasgow as part of their reassessments. Since April 2016, 59 clients have been supported to attend.
- 7.6 CoSLA has recently requested information on the impacts in local authorities of DLA to PIP through a national survey. This will be reported on later in the year.
- 7.7 Work is underway nationally to devise a new model for health and sickness benefits in Scotland as part of the new social security system. The HSCP Service Manager for Inequalities, Migration and Strategic Housing is a member of a national group currently reviewing what the new model could entail.

8.0 IMPLICATIONS

Finance

- 8.1 There are no specific financial implications from this report. All activity will be

contained within existing budgets.

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

Annually Recurring Costs/ (Savings)

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

Legal

8.2 There are no legal issues

Human Resources

8.3 There are no human resources issues

Equalities

8.4 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.

Personal Independence Payments (PIP) by their nature affects one of the protected characteristic equality groups.

Repopulation

8.5 There are no repopulation issues

9.0 CONSULTATION

9.1 None.

10.0 BACKGROUND PAPERS

10.1 None.