

Response by the Department of Work and Pensions to Select Committee Questions – following 11 December 2013 oral evidence session

Independent Living Fund

1. The number of transfer reviews which have been carried out and details of what the status is of transfer review reports which have already been prepared (Qs 28-29).

The ILF was asked by DWP to cease all closure related activity as of 6 November 2013 (the date of the Court of Appeal judgment), including the Transfer Review Programme (TRP), and return to a 'business as usual' state.

In addition, on 6 November:

- 3,337 cases that were already in the TRP process were halted;
- 789 TRP visits were cancelled in full;
- there were over 2,000 on-going TRP cases requiring a number of administrative activities; and
- 100 cases that were completed by the ILF on 6 November required action to stop and retrieve letters, rewrite and reissue communications and support plans.

Final work has now been completed on calculating the number of reviews from generation to completion of ILF administration (up to and including the issue of a support plan to the user) to date. The table below shows up-to-date figures;

Transfer Review Programme as at 6 November 2013		
Transfer Review Visits generated	Transfer Review Visits undertaken	Transfer Review Action ILF administration completed in full
8,797	6,318	5,448

The Independent Living Fund regularly communicates with fund users and does so via appropriate means.

In the case of the Court of Appeal judgment, the ILF took immediate steps to inform users; letters were sent to all users to inform them of the judgment and a telephone enquiry service was set up to address any immediate concerns. The ILF will continue to inform users immediately after any further decisions are arrived at which affect them.

Personal Independence Payment (PIP)

2. Financial implications (including for AME) of changes to PIP implementation timetable announced in October 2013 (Qs 46-49).

As explained at the Committee hearing on 11 December, we are unable to estimate the financial impacts of the change to the schedule for natural reassessment until the full roll-out timetable is available.

At the Committee hearing on 11 December, the Minister announced that natural reassessment would be extended from 13 January and 3 February 2014. On 18 December, we published the areas included in these phases. From 13 January, natural reassessment will be rolled-out in postcodes beginning DG (Dumfries and Galloway), EH (Edinburgh), TD (Galashiels) and ML (Motherwell); and from 3 February to postcodes beginning with CA (Carlisle), DL (Darlington), HG (Harrogate), LA (Lancaster) and YO (York).

Taking into account experiences from live running, we will extend natural reassessment to the remaining areas of Great Britain, after which, a complete assessment of the financial implications will be available.

The Minister will write to the Committee with these further details as and when they become available.

3. Number/percentage of PIP new claims which have been unsuccessful compared with numbers of DLA new claims for working-age claimants which were unsuccessful (Qs 51-52).

There have not been enough new claims through the PIP application and decision process for there to be sufficient data to make meaningful comparisons with working-age DLA new claims.

For DLA new claims, around 54% of decisions made in 2012-13 were not to award DLA. This figure includes child and adult claims made under both the normal and special rules for terminally ill people. This compares to an estimated rate of 50% for PIP new claims in the period April to November 2013. However, these rates are not directly comparable as the PIP award rate contains a higher proportion of special rules for the terminally ill claims.

Once we have quality-assured and meaningful data the Minister will write to the committee again.

4. Statistics on time taken to process a PIP claim against the 12-15 week target (Q79).

Although limited data has started to feed through, we need to wait until the Department has quality-assured and meaningful figures for publication.

The Department is working to guidelines set by the UK Statistics Authority to ensure we are able to publish statistics that meet high quality standards at the earliest opportunity. We intend to publish Official Statistics on Personal Independence Payment from spring 2014.

However, to manage the gap between PIP go-live and the first release of Official Statistics in spring 2014, we are assessing whether we can release some information by early 2014. If the quality-assurance of this information shows that it is sufficiently robust and reliable, then it will aim to pre-announce and publish this information via an ad-hoc statistical release. We are still considering the specification for any early 2014 release of PIP information and what statistical data it may contain. It is clearly in the public interest to ensure that publication of PIP statistics is a properly planned and managed process to ensure that the statistics are accurate, robust and comprehensive, and are available to all members of the public at the same time.

For these reasons, we are not currently in a position to be able to release the information you have asked for.

We would also like to clarify that 12-15 weeks is not a target, but our expectation about how long the claim process would take before the benefit went live.

5. Estimated savings from adopting the 20 metre threshold for the *Moving around* criteria rather than 50 metres (Q117).

The Committee asked what our estimates are of the savings in PIP expenditure as a result from moving from the second draft of the assessment criteria to the final draft incorporating a 20 metre threshold. This information is not available, as the Department has not modelled the impact on potential savings of the specific changes made to the *Moving around* activity from the second to final drafts of the assessment criteria. The decision to make the changes in the final draft was not taken on a financial basis, but to ensure that the assessment could achieve the policy intent in an effective way, following concerns raised in consultation that the activity was unclear.

We consider, however, that the impact on expenditure would likely have been small. As we set out in the Consultation document on the *Moving around* activity, the changes made to the *Moving around* activity in the final draft had only a minimal impact on estimated caseload. This is because the number of individuals estimated to score 12 or more points from the

Moving around activity would be broadly the same under both the second and current drafts of the criteria. This is shown in Table 1 below.

Table 1: Enhanced Mobility component caseload from the moving around activity

	2nd draft assessment	Final assessment
October 2015	121,000	120,000
May 2018	284,000	289,000

Note: figures have been rounded to the nearest 1,000

It is important to state, however, that comparing the impact of the second and final drafts of the *Moving around* activity is not comparing the impact of a 50 metre threshold and a 20 metre threshold. Under the second draft of the activity, an individual who could not walk 50 metres did not automatically receive the enhanced rate of the mobility benefit, but could receive either the standard or enhanced rate depending on the type of aids or appliance they needed. This lack of clarity was a key reason why we made the changes in the final draft – to make the activity clearer and more easy to apply, without changing the overall policy intent.

To measure the impact of changing the threshold from 20 metres to 50 metres, we are required to consider the potential impact of replacing all references to “20 metres” in the final draft of the *Moving around* activity, published in the Social Security (Personal Independence Payment) Regulations 2013, with “50 metres”. The Department carried out this modelling as we considered the response to the recent consultation on the *Moving around* activity. This was completed before the Minister decided whether the criteria should be amended and this data was considered by the Minister.

We estimate that such a change would increase the caseload of claimants eligible for the enhanced rate of the Mobility component by 87,000 by October 2015.

The estimated impact on the caseloads is set out in more detail in Table 2.

Table 2: Comparison of PIP caseload compositions if 20 metres were changed to 50 metres in the final draft of the assessment criteria

	Caseload in October 2015	
	Enhanced rate mobility	Standard rate mobility
Final criteria	254,000	273,000
Final criteria – if 20m changed to 50m	341,000	192,000
<i>Difference if 20m changed to 50m</i>	+87,000 +34%	-81,000 -30%

Note: figures have been rounded to the nearest 1,000, percentages to the nearest 1%.

9 January 2014