



A response to the Work and Pensions Committee consultation on the proposal to replace DLA with Personal Independence Payment

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Citizens Advice Scotland and its 81 CAB offices form Scotland's largest independent advice network. CAB advice services are delivered through 261 service points throughout Scotland, from the islands to city centres.

The CAB service aims:

to ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities, or of the services available to them, or through an inability to express their need effectively

and equally

to exercise a responsible influence on the development of social policies and services, both locally and nationally.

The CAB service is independent and provides free, confidential and impartial advice to everybody regardless of race, sex, disability or sexuality.

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Introduction

1. Citizens Advice Scotland (CAS) is the umbrella organisation for Scotland's network of 81 Citizens Advice Bureau (CAB) offices. These bureaux deliver frontline advice services through at 261 service points across the country, from the city centres of Glasgow and Edinburgh to the Highlands, Islands and rural Borders communities.
2. CAS welcomes the opportunity to respond to the Work and Pensions committee consultation on the proposal to replace DLA with Personal Independence Payment (PIP).
3. Citizens advice bureaux provide advice to a significant number of clients who are unable to work because of ill health or disability – in 2009/10, around one in six Scottish CAB clients were in this category. In 2006, CAS carried out research on the costs of illness and disability for CAB clients claiming Incapacity Benefit (IB) and/or Disability Living Allowance (DLA)¹, which highlighted the vulnerability of this client group. The report found:
 - Just over half reported a physical disability
 - Over a third reported a mental health condition
 - A quarter had multiple health conditions
 - Eighty per cent said that their condition was fluctuating or getting worse
 - Just under a third had a monthly household income of less than £400
 - Clients in this group were five times more likely than the general population to be in financial difficulty.
4. During 2009/10, citizens advice bureaux in Scotland dealt with 188,969 new benefit issues for clients – just over a third of all issues brought to bureaux. That is over 500 new benefit issues for every day of the year. More than 55,000 of these new problems were issues related to the various sickness and disability benefits.
5. More than 37,500 of those enquiries concerned Disability Living Allowance (DLA) – a fifth of benefit issues and nearly 1 in 15 of all new issues brought to bureaux.
6. CAB provide advice on many areas of the benefit process, including advising on entitlement, helping with the claiming process, advising and providing representation in appeals, and dealing with payment and administration problems.

¹ *Paying the Price: The real costs of illness and disability for CAB clients* (July 2006)

Consultation on the proposal to replace DLA with Personal Independence Payment

Question 1 – How well understood DLA is; why the DLA caseload and expenditure has increased

7. The majority of DLA clients understand that DLA is a non-means-tested benefit that can be used as the individual chooses, in recognition of the extra costs incurred by disabled people due to their disability.
8. The process of claiming DLA is a complex maze for many clients, and the primary reason for DLA being the biggest single issue bureaux deal with. Last year CAB dealt with over 37,500 enquiries concerning DLA. The majority of these enquiries relate to entitlement and processing issues by the Department for Work and Pensions.
9. Many clients who apply for DLA struggle to access and claim the benefits they are entitled to. This can be due to complexity, poor information and a lack of awareness of DLA entitlement.
10. Research by Citizens Advice Scotland in 2006 evidenced that 40% of CAB DLA clients struggle with complexity of the claim forms and 14% needed help and support in making their claim². This can lead to financial hardship for many clients and their families.

A West of Scotland CAB reports of a client who suffered from chronic fatigue syndrome and wanted to apply for DLA. He found the form very confusing and did not have the energy to fill it in himself. Additionally, he was not sure what to write and stated he would have given up after 30 minutes. Even with the bureau adviser's help, it took over two hours to complete the form.

A West of Scotland CAB reports of a client who had been awarded high rate DLA mobility for life fifteen years ago. The client recently had a heart attack which meant he needed further care. The client was scared if he re-applied for DLA hoping to be awarded the care component, his mobility component might be removed.

A West of Scotland CAB reports of a client who couldn't understand the DLA application form and the accompanying information notes. The client had been struggling for over two months to fill in the form. He had come to the bureau to assist him to fill it in. The client had been accessing crisis loans and borrowing off friends and family to survive. It wasn't until he was told by a friend that a citizens advice bureau could help him with his forms he began to think about trying to claim again.

² Paying the Price: The real costs of illness and disability for CAB clients, CAS, 2006

A North of Scotland CAB reports of a client who suffered from Paranoid Schizophrenia and was given a lifetime award of DLA. The client was then told by DWP he would have to undertake a review even though he was receiving a lifetime award. The client didn't respond to the review notice and consequently has had his benefits stopped. The client was enquiring about how to claim a crisis loan as he had no money. The lack of information concerning his entitlement and the review had meant the client was very confused.

11. The increase in the number of DLA claimants can largely be explained by the overall increase in population since 1992 and the fact that the UK has an ageing population. Furthermore, an individual must be under 65 to claim DLA for the first time, but once s/he has started receiving it s/he can continue to do so regardless of age. This means that in 1992, all claimants were under 65 – but now there will be claimants up to the age of 84.
12. This has meant more clients visiting bureaux in recent years who are confused about their DLA entitlement and suffering due to administration/processing issues. Bureaux across Scotland support clients to understand their DLA claim and ensure they receive what they are entitled to. In 2010/11, using a snapshot of 4296 DLA clients, bureaux ensured a client financial gain of £11,376,065 or £2648 for each of these clients.
13. The number of DLA claimants receiving bureau advice and support has resulted in an increased understanding and awareness of DLA entitlement. The increase in population has meant more people claiming what they are entitled to and has resulted in the increased expenditure on DLA.

Question 2 – The implications of a reduction in expenditure, including: the implications of focusing on those with the greatest needs; the likely impact of having only two rates of PIP in the ‘daily living’ component

14. The Government's intention is to reduce expenditure on DLA by over £1 billion a year by introducing a new benefit PIP.³ The objective will only be achieved by a significant reduction in the number of claimants.
15. A significant majority of CAB DLA clients are unemployed and just over half have significant debts. If the UK government make disability benefits available to only those whose need is the greatest, it will leave many unemployed disabled clients without vital income. These clients will be left in poverty trying to fund a disability and the associated costs if DLA is reserved only for those with the greatest need to claim.
16. In 2006, almost three quarters of CAB DLA clients stated that their disability had caused them to stop working, and for 12% it had prevented them from ever being employed. This translates to 84% of DLA clients solely relying on

³ HM Government, *Budget 2010*, Table 2.1

benefits to live their life and has left many of these clients in financial hardship and living in poverty⁴.

A North of Scotland CAB reports of a client who had worked as a painter and decorator for over twenty years. The client had recently become disabled and had to stop working, relying on DLA and other benefits to support himself. The client is struggling to make ends meet and can't afford to turn on the heating. The lack of heating is affecting his disability even more.

A West of Scotland CAB reports of a client who had two strokes and had to leave his job and claim DLA. The client came to bureau to see if he could access any other benefits as he needs more money to buy food. The client had been unable to eat properly for over two weeks and had been relying on food parcels from the Salvation Army.

17. DLA clients' inability to work has left many struggling on low incomes and in poverty. In fact, CAB DLA clients are five times more likely as the general population to be in some form of financial difficulty. DLA is a tax free benefit for disabled children and adults to cover extra costs incurred as a result of a disability. Unfortunately, many of our clients' independence suffers because DLA does not cover these extra costs.
18. Over 50% of CAB DLA clients have outstanding debts, most commonly in relation to credit cards and Council Tax arrears. Around 40% of CAB DLA clients have debts over £5000. Many CAB DLA clients juggle their finances to cope with their debt, while others try to reduce expenditure or go without essentials to cope with their debts.

An East of Scotland CAB reports of a client who was appealing a reduction in his DLA which had meant that his Income Support had been stopped. The client had got into debt on credit cards to pay utility costs. The client also had rent arrears which meant he was facing being evicted and homelessness.

A West of Scotland CAB reports of a client who has had her Employment and Support Allowance (ESA) appeal rejected and is currently in the process of dealing with a DLA appeal. The client has no money, but has taken out a loan with a doorstep lender and can't afford to make her repayments. The client wanted to claim a crisis loan but cannot get through by telephone and has had calls that have had her waiting up to two hours. The client is now feeling suicidal.

⁴ Paying the Price: The real costs of illness and disability for CAB clients, CAS, 2006

19. A solution to the problem of CAB DLA clients living in financial hardship and poverty would be to uprate the components of disability living allowance to reflect the inability to work and the extra costs of living independently. The DWP's own statistics show that the poverty rate of disabled people is higher – without even attempting to take account of these costs.⁵ Research shows that the rates of benefit are not adequate to meet the costs that many disabled people face and further changes could also act as barrier to independence.⁶

Impact of having only two rates of PIP

20. There will be two components of PIP. These will be “daily living” and “mobility”; both will be paid at one of two rates – “standard” or “enhanced”. The assessment to decide these will be points-based, focussing on certain fundamental activities, with a number of descriptors for each one.
21. The activities to be assessed for PIP are very limited in scope which will result in a loss of entitlement for those who have less severe disabilities, or those who have adapted well. No provision is present to give special recognition to night time care needs. This is a departure from the current structure of the DLA care component.
22. Many who require ‘continual supervision’ and receive middle rate care under DLA regulations will find it difficult to qualify under the new criteria, which only recognises intervention from another person in the form of ‘assistance’ or ‘prompting’. As an example, claimants with uncontrolled epilepsy who have regular seizures may not satisfy the medication and monitoring health condition descriptors as drafted.
23. Many vulnerable people will be left in poverty and financial exclusion trying to fund a disability and the associated costs if DLA is reserved only for those with the greatest need to claim.

Question 3 – The extent to which overlaps in funding exist, particularly with local authority and NHS funding,

24. DLA is a benefit paid to people in recognition of the additional mobility and care costs of people who have a disability or illness. It is intended to help with the additional costs associated with illness or disability. However, CAS evidence shows that the current benefit rate does not suffice to cover extra costs of living with a disability. These extra costs are currently not funded by local authority or NHS funding⁷.
25. The most common extra needs are prescription charges, other chemist items, transport and mobility related needs, energy costs, aids and adaptations, dental costs and childcare.

⁵ Households Below Average Income: an analysis of the income distribution, DWP, 2009

⁶ Disability Poverty in the UK, Save the Children, 2008

⁷ Paying the Price: The real costs of illness and disability for CAB clients, CAS, 2006

A North of Scotland CAB reports of a client who is claiming DLA. The client requires medication for his disability which costs over £50 a month. The client cannot afford these prescription charges from the money he receives from his DLA. The client is in a desperate position where he can't afford medicine to improve his condition.

An East of Scotland CAB reports of a client who suffers from MS who volunteers for the Salvation Army. The client's travel costs have recently increased and he can no longer afford to get a taxi to and from his place of volunteering. The client's DLA doesn't cover the increased costs and has left him without the opportunity to volunteer and socialise.

26. The removal of DLA financial support will lead to increased reliance on social care and other local authority services. This extra burden on local authorities will be felt disproportionately in Scotland where many local authorities take disability benefits – such as the care component of DLA - into account when they are calculating care charges. As DLA is reduced, so will the available income of service users and, in turn, the amount that local authorities are able to charge for care packages. This will not be the case to the same extent in England, where the Department of Health has issued guidance on fair charging of disabled people.⁸
27. Furthermore, the mobility component of DLA is often used to informally subsidise, upgrade or repair publically provided wheelchairs, aids and adaptations. If DLA (or its equivalent) is removed from 20% of claimants, then this burden will fall on local authority and the NHS.

Question 4 - Should some health conditions or impairments mean an automatic entitlement to the benefit

28. CAS recommends consulting with third sector health organisations and healthcare professionals to decide what these exemptions should be.

Question 5 - The implications of a six month qualifying period

29. The extension of the qualification period will act to exclude disabled people at the very time when adequate financial support can make the most positive difference. Government statistics suggest, the additional cost of six months of disability could range from £43.44 to £9,078⁹. Lack of any support with these costs limits the ability of thousands of people to live independently and increases their financial hardship.

⁸ Rapid Response Report on Disability Related Expenditure, Capability Scotland, February 2011

⁹ Capability Scotland, Rapid Response Report, Disability Related Expenditure, February 2011

Question 6 - The design of the PIP assessment, including: the assessment criteria and design; whether the assessment can objectively assess those with mental, intellectual and cognitive conditions and with fluctuating conditions

30. CAS is deeply concerned that the introduction of a medical assessment for DLA will be similar to that used for Employment and Support Allowance (ESA) claims. The consultation does not acknowledge the recently published review of the work capability assessment, which raises serious concerns over how the system functions and clearly highlights how ESA claimants are not being treated with dignity and respect¹⁰. The Harrington Review recommendations for changes to WCA are enthusiastically accepted in an ESA context. Lessons need to be learnt from this review before any PIP assessment is introduced.
31. Citizens Advice Bureaux have reported a number of clients with fluctuating conditions who were found fit for work after their work capability assessment (WCA) when claiming ESA. Many of these clients voiced their frustration that the WCA did not reflect their capability on an average day. CAB have seen a number of clients with varying conditions, such as mental health issues, Multiple Sclerosis and Parkinson's Disease, who have been found fit for work after being assessed on a 'good day' for their condition. It is essential that the new DLA medical assessment is able to take into account both the 'good days' and the many other 'bad days' that a claimant may experience.

A West of Scotland CAB reports of a client who suffers from Paranoid Schizophrenia who was assessed fit for work. The client's condition is variable and can change on a weekly basis and he often ends up sectioned. On the day of his Employment and Support Allowance Work Capability Assessment, the client was having one of his better days and was found fit for work. No supporting evidence was taken into account from his healthcare professionals

32. Any one-off new medical assessment for DLA may be inappropriate for clients who have medically diagnosed fluctuating conditions. For these claimants, it is fundamentally important that emphasis is placed on supporting medical evidence from GP's, consultants and other healthcare professionals. These healthcare professionals are likely to have a much better impression of the capabilities of their patients over an extended period of time.
33. The new DLA medical assessment must be designed to assess the true disability of a claimant with a fluctuating condition. The medical assessment must be flexible enough to allow substantial input from a claimant, especially where a fluctuating condition has been diagnosed. This would ensure that claimants feel that their condition was accurately assessed.

¹⁰ An independent review of the Work Capability Assessment, Harrington, 2010

Question 7 - Who should make the award decisions; whether there are lessons to be learned from the Harrington Review of the Work Capability Assessment; and interaction with other eligibility assessments

34. A number of clients have complained that their supporting medical evidence has been ignored by DWP decision makers who have effectively 'rubber stamped' the recommendation from the WCA as part of their ESA assessment. This medical evidence is then often used to successfully appeal the decision. The Harrington Review found that decision makers follow the advice of the medical assessors in 98% of cases. We strongly support Professor Harrington's recommendation that the DWP decision maker take a far more active role in making decisions based on both the assessment and the supporting medical evidence. These recommendations should be an integral part of any PIP assessment

Question 8 - The extent to which PIP will act as a gateway to other benefits

35. DLA has proved extremely useful in providing access to other services and entitlements for many CAB DLA clients. CAS would like to see these passporting/gatekeeping arrangements remain under PIP.
36. As PIP will not be devolved to the Scottish Parliament, this legislation will impact on claimants in Scotland in different ways due to its interaction with devolved matters, principally health and social care. In Scotland local authorities are able to include DLA care component in financial assessments for non-residential care services. Claimants in residential care or hospital already have their entitlement to the care component withdrawn.

Question 9 - How DLA/PIP should be applied to children and people over the state pension age

37. CAS would have serious concerns if children had to undertake a medical assessment. It is unclear whether that would happen under the new benefit PIP. Additionally, it is unclear how children will be assessed if there is not a medical assessment. CAS suggests there needs to be further consultation on this issue.
38. The recent report on the importance of the early years of a child's life for future outcomes evidences the long term benefits and financial savings that would result from making it easier for young children to qualify for the new benefit PIP. This is not to suggest that older children do not require the same support¹¹.
39. The communication by government on this matter has remained opaque. CAS recommends that the Work and Pensions committee provides clarity on whether PIP will apply to under 16s and those over 65 or not.

¹¹ Monitoring Poverty and Social Exclusion, Joseph Rowntree Foundation, 2010

Question 10 - The steps DWP needs to take to ensure that its reform proposals are clearly and effectively communicated to claimants and the general public and transitional arrangements

40. If the change from DLA to PIP is not a smooth transition and the application process and new medical assessment are not fit for purpose, bureaux across Scotland will see a significant increase in the numbers needing advice on disability benefits. Last year CAB in Scotland reported a 50% increase in sickness benefits enquiries. The vast majority of this increase was due to the change from Incapacity Benefit to Employment and Support Allowance.
41. To minimise this impact it is important that correct signposting to advice is available. Also all advice given by DWP advisers should be reviewed to ensure accuracy. It is important that claimants are advised to apply for the correct benefit when PIP is introduced. CAB report of the stress and financial hardship caused to our clients when wrong advice is given by DWP on which DLA component they are entitled to.
42. The impact of a poor transition from DLA to PIP will not solely be felt by DLA claimants but advice agencies as well. To cope with the transition and the increase of numbers needing signposting and direct advice, advice services would need increased funding. This would ensure a smoother transition and give advice services the capacity to deal with many extra enquiries generated by these changes