

Analysis of Disability Living Allowance: DLA Awards

March 2011

Contents

Background.....	4
<u>Analyses of DWP National Statistics</u>	
Reasons for the adjustment of DLA payments.....	5
Table1: Adjusted DLA awards by reason of adjustment.....	5
Table 2: Total DLA awards affected by a new adjustment in the current quarter	5
Proportion of customers receiving fixed and indefinite awards of DLA.....	6
Table 3: Term of DLA award by age group	6
DLA employment rate.....	6
DLA cases where awards have not changed since 1992.....	7
Table 4: DLA cases where awards have not changed since 1992.....	7
Start date of most recent DLA award.....	7
Table 5: Start date of the most recent DLA award.....	8
DLA recipients by main disabling condition, term of award and age group.....	8
<u>Statistics from Pensions Disability and Carers Service Management Information</u>	
Methodology.....	9
Results.....	11
Table 6: Number of new Special Rules claims registered and average clearance time for these claims.....	11
Table 7: Breakdown of evidence used in DLA new claim decisions.....	12

Table 8: Proportion of new DLA awards given a fixed versus indefinite award.....12

Table 9: Comparison between numbers of claimants who are awarded and disallowed at new claim, and the number of appeals registered...13

Table 10: Estimates of the proportion of appeals arising from new claims, which led to an overturn of the PDCS decision.....14

Background

DLA is a benefit that provides a cash contribution towards the extra costs of needs arising from an impairment or health condition. DLA is a non-means-tested benefit payable regardless of employment status. It is part of a wider range of support and services available to disabled people, including support with housing and Council Tax costs, and in the form of services or direct payments from Local Authorities to meet social care needs.

Although it is intended to contribute towards extra costs, measuring each individual's expenditure would be administratively complex and expensive. Entitlement and award levels are, therefore, based on proxies – care and mobility – as research at the time of DLA's introduction showed that they were the greatest sources of extra costs¹. The decision about whether to award benefit is not made on the basis of an individual's costs, but on the severity of their care and mobility needs.

To apply for DLA, individuals complete a claim form which requests detailed information about the impact that their impairment or health condition has on their ability to manage their care themselves and/or get around. The claim form is considered by a Decision Maker alongside other evidence such as reports from the claimant's General Practitioner (GP) or consultant. Currently, additional medical evidence is gathered in around half of all cases. The Decision Maker either awards or turns down the claim. Awards are currently payable at two mobility and three care rates leading to a possible 11 different combinations of payable rates of benefit. Awards can be made for any duration, including indefinitely. Awards are reviewed if an individual reports a change, but there is currently no process to systematically review all awards.

There are currently 3,176,200² individuals in receipt of DLA, of which 2,000,500 are in the 16-64 year old age group. Forecast expenditure for the 2010/11 financial year is £12 billion in real terms (2010/11 prices)³.

Further information on DLA is available at:

http://www.direct.gov.uk/en/DisabledPeople/FinancialSupport/DisabilityLivingAllowance/DG_10011731.

The Department publishes a range of National Statistics on DLA recipients at <http://research.dwp.gov.uk/asd/index.php?page=tabtool>. Some additional analyses of DLA National Statistics are detailed below, along with some previously unpublished management information

¹ Office of Population Censuses and Surveys, *The financial circumstances of disabled adults living in private households*, 1988.

² Department for Work and Pensions, Information Directorate: Work and Pensions Longitudinal Study, August 2010

³ DWP Benefit tables: http://research.dwp.gov.uk/asd/asd4/index.php?page=medium_term

Analyses of DWP National Statistics

Reasons for the adjustment of DLA payments

Entitlement to DLA mobility and/or care component can be affected by changes in individual circumstances – for example changes in their conditions, hospital admission, etc.

Table 1 show the total number of cases in August 2010 where the DLA awards have been adjusted for a specific reason. This figure includes not only those cases where an adjustment was made in the current quarter but also those cases where the reason for the adjustment occurred in the past and is still valid.

Table 2 show the total number of cases that have been affected by adjustments to their DLA award in the last four quarters. These are cases where the award of DLA was unadjusted in the previous quarter and then adjusted in the current quarter, e.g. a DLA recipient who had their award adjusted because they were admitted to hospital in the current quarter.

Table 1: Adjusted DLA awards by reason of adjustment - August 2010

Age group	Stay in Care Home	Imprisonment	Stay in Hospital	Other reasons	Total
0-15	2070	0	90	90	2260
16-64	55740	3210	16040	2360	77350
65plus	21830	220	6150	570	28770
Total	79640	3430	22280	3020	108370

Source: Department for Work and Pensions, Information Directorate: Work and Pensions Longitudinal Study

Table 2: Total DLA awards affected by a new adjustment in the current quarter – Year November 2009 to August 2010

Age group	Stay in Care Home	Imprisonment	Stay in Hospital	Other reasons	Total
0-15	750	0	140	70	960
16-64	5770	2850	10220	340	19190
65plus	3300	70	4000	100	7470
Total	9820	2930	14360	510	27620

Source: Department for Work and Pensions, Information Directorate: Work and Pensions Longitudinal Study

Notes:

- (1) Caseloads are rounded to the nearest 10. Totals may not sum due to rounding.
- (2) The caseloads shown in table 2 may not equal the number of cases affected when the reasons for adjustment are considered based on the individual reason for adjustment. This is due to a few individuals having their DLA award adjusted for one reason in a particular

quarter and then another reason in the following quarter. For example, an individual could move from imprisonment in one quarter to a stay in hospital in the next quarter.

Proportion of customers receiving fixed and indefinite awards of DLA

DLA can be awarded for a fixed or an indefinite period. People can continue to receive DLA after reaching age 65 if they continue to satisfy the entitlement conditions.

Table 3: Term of DLA award by age group – August 2010

Age Group	Fixed	Indefinite	Total
0-15	310,900	13,300	324,300
16-64	583,800	1,416,700	2,000,500
65plus	23,200	828,300	851,500
Total	917,900	2,258,300	3,176,200
% of total	29%	71%	100%

Source: Department for Work and Pensions, Information Directorate, 5% sample.

Notes:

(1) The preferred statistics on benefits are now derived from 100% data sources. However, the 5% sample data still provide some detail not yet available from the 100% data sources, in particular, more complete information on the disabling condition of DLA claimants. DWP recommends that, where the detail is only available on the 5% sample data, or disabling condition is required, the proportions derived should be scaled up to the overall 100% total for the benefit. These figures have been scaled up to the overall total.

(2) Figures are rounded to the nearest hundred and have been updated to be consistent with the WPLS. Totals may not sum due to rounding.

(3) Caseloads show the number of people in receipt of an allowance, and exclude people with entitlement where the payment has been suspended, for example if they are in hospital. Reports that they have had a change in their need their award will be reviewed. However, if their award components were unchanged because of the review it would not be recorded. Therefore, some of the customers shown in this table may have had contact with the department, but it has not been recorded.

(3) Caseloads show the number of people in receipt of an allowance, and exclude people with entitlement where the payment has been suspended, for example if they are in hospital.

DLA Employment rate

The employment rate of 16-64 year olds in receipt of DLA is 14%. The employment rate is the proportion of those receiving either, or both the DLA components and is in employment, as defined by the International Labour Organisation (ILO).

The employment rate was calculated from information collected using the Family Resources Survey (FRS) during the period April 2008 to March 2009 across the United Kingdom. The FRS is produced by the Department for Work

and Pensions. More information on the FRS can be found at http://research.dwp.gov.uk/asd/frs/2008_09/index.php?page=intro .

DLA cases where awards have not changed since 1992

DLA came into existence in 1992 and all cases in receipt of its predecessor benefits were transferred to DLA. Table 4 show the numbers of cases that were transferred in 1992 and where the awards of either component of DLA have not changed since then.

Please note: This does not mean that these customers have not been in contact with the department. For example some of these customers may have been in touch with the department to notify us of a change of address, and in these instances the department does not review the customer's award. Customers may also have contacted the Department with regard to other social security benefits which may not have an affected their DLA or AA entitlement.

Table 4: DLA cases where awards have not changed since 1992 – August 2010

Age group	Number of cases
16-64	71290
65plus	56460
Total	127750

Source: Department for Work and Pensions, Information Directorate: Work and Pensions Longitudinal Study.

Notes:

- (1) Caseloads are rounded to the nearest 10. Totals may not sum due to rounding.
- (2) Note that these figures are an upper estimate of the number of cases that have not been reassessed since 1992. This is due to the limitations of the available data. If a customer reports that they have had a change in their need their award will be reviewed. However, if their award components are unchanged as a result of the review it would not be recorded. Therefore, some of the customers shown in this table may have had contact with the department, but it has not been recorded.
- (3) Caseloads show the number of people in receipt of an allowance, and exclude people with entitlement where the payment has been suspended, for example if they are in hospital.

Start date of the most recent DLA award

Table 5 shows the date on which the most recent award of DLA was made for those in receipt of DLA in August 2010. Overall 23.6% of the current awards of DLA, made between April 1992 and August 2000, have not changed since September 2000.

Table 5: Start date of the most recent DLA award – August 2010

Age group	April 1992- August 2000	September 2000 - August 2010	Total
0-15	1100	323200	324300
16-64	360600	1639900	2000500
65plus	389200	462300	851500
Total	750900	2425300	3176200

Source: Department for Work and Pensions, Information Directorate, 5% sample.

Notes:

(1) The preferred statistics on benefits are now derived from 100% data sources. However, the 5% sample data still provide some detail not yet available from the 100% data sources, in particular, more complete information on the disabling condition of DLA claimants. DWP recommends that, where the detail is only available on the 5% sample data, or disabling condition is required, the proportions derived should be scaled up to the overall 100% total for the benefit. These figures have been scaled up to the overall total.

(2) Figures are rounded to the nearest hundred and have been updated to be consistent with the WPLS. Totals may not sum due to rounding.

(3) Caseloads show the number of people in receipt of an allowance, and exclude people with entitlement where the payment has been suspended, for example if they are in hospital.

DLA recipients by main disabling condition, term of award and age group

Detailed tables of the main disabling conditions of DLA recipients by the term of award and age group are published in a separate Excel spreadsheet alongside this document.

Stephen le Roux (stephanus.le-roux@dwp.gsi.gov.uk)

Department for Work and Pensions

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Statistics from Pensions Disability and Carers Service Management Information

Methodology

The results given in this section are Management Information collected by the Pension, Disability and Carers Service (PDCS). DWP's preference is to provide Official/National Statistics, but in this case, we only have Management Information available. It is not quality assured to the same extent as Official/National Statistics.

The number of new DLA Special Rules cases per year and the Average Actual Clearance Time for DLA Special Rules claims. (Financial Years 2008/09 and 2009/10; and year to date 2010/2011)

Normally, in order to be entitled to DLA, a claimant must have had their care or mobility needs for at least six months. However if they have a progressive disease and are not expected to live for more than another six months, there are Special Rules for claiming the benefit to make sure it is processed more quickly and easily.

The number of new claims made under the Special Rules each year and the clearance time for these claims, is collected as Management Information for PDCS.

Breakdown of DLA new claims, by evidence used to make the decision. (Calendar Years 2009 and 2010)

When a new claim is made for DLA, the PDCS Decision Maker will consider whether he/she can make their decision based on the claim form alone. If not, the Decision Maker will request further evidence, for example, he/she may contact the claimant, or may contact a relevant medical third party for more information. This analysis shows the proportion of decisions where further medical evidence is required.

The evidence used in DLA new claim decisions each month is operational Management Information, which has been collected by PDCS since October 2008.

This data source is limited, in that, it does not capture all new claim activity, however we know that around 90% of new claim decisions are recorded in this data. This limitation means that we do not report volumes using this data

source but only report proportions. These results should be treated as estimates only.

The proportion of new DLA awards which are fixed term and which are indefinite awards. (Calendar Years 2009 and 2010)

When a claimant is awarded DLA, the award is either given for a fixed period, at the end of which the claimant is invited to renew their claim; or is given indefinitely.

The award durations of DLA new awards given each month is operational Management Information, which has been collected by PDCS since October 2008.

This data source is limited, in that, it does not capture all new claim activity, however we know that around 90% of new claim decisions are recorded in this data. This limitation means that we do not report volumes using this data source but only report proportions. These results should be treated as estimates only.

The number of DLA claimants who are awarded and disallowed at new claim, and the number of appeals registered. (Financial Years 2006/07 to 2009/10)

Estimates of the proportion of appeals, arising from new DLA claims, which led to the PDCS decision being overturned. (Financial Years 2006/07 to 2009/10)

The number of new claims to DLA, which are awarded and disallowed, the number of appeals registered, and the outcomes of appeals are PDCS Management Information.

If a claimant wishes to dispute the decision made on their DLA claim, they have the right of appeal. Appeals are registered both by claimants who are disallowed at new claim, and claimants who are awarded but are dissatisfied with the level of award.

The Management Information on appeals does not allow us to break down this total into the number of appeals, which arose from disallowed claims, and the number of appeals, which arose from awarded claims.

This analysis shows the number of claimants who are awarded and disallowed at new claim each year, and the total number of appeals registered in new claims units. However, it is not possible to say what proportions of the awarded and disallowed claimants go on to make an appeal.

The proportion of these appeals, which led to the PDCS decision being overturned, is also shown in this analysis.

Results

Throughout, these figures show data, which covers both adult and child, DLA claimants, for Great Britain.

The number of new DLA Special Rules cases per year and the Average Actual Clearance Time for DLA Special Rules claims. (Financial Years 2008/09 and 2009/10; and year to date 2010/2011)

Table 6: Number of new Special Rules claims registered and average clearance time for these claims.		
Period	New Special Rules Claims Registered	Average Actual Clearance Time (days)
April 08 – March 09	21,900	5.9
April 09 – March 10	21,600	6.7
April 10 – January 11 (10 month period)	17,900	5.8

Source: Department for Work and Pensions - RDA60201 report - DLA Management Information Statistics

Note:

1. The numbers of new special rules claims registered have been rounded to the nearest hundred.

Breakdown of DLA new claims, by evidence used to make the decision. (Calendar Years 2009 and 2010)

Table 7: Breakdown of evidence used in DLA new claim decisions.

Period	% decisions with no additional evidence	% decisions with further non-medical evidence	% decisions with further medical evidence
Jan – Dec 2009	21	31	48
Jan – Dec 2010	16	36	48

Source: Pension, Disability and Carers Service Operational Management Information.

Notes:

1. Due to limitations of the operational data source, the proportions shown here are estimates only.
2. These figures include both Normal Rules and Special Rules new claims.
3. Further non-medical evidence used in decision-making includes phone calls to the claimant, supporting information from another person, or a report from a non-medical professional.

The proportion of new DLA awards which are fixed term and which are indefinite awards. (Calendar Years 2009 and 2010)

Table 8: The proportion of new DLA awards which are fixed term and which are indefinite awards

Period	% fixed award	% indefinite award
Jan – Dec 2009	76	24
Jan – Dec 2010	77	23

Source: Pension, Disability and Carers Service Operational Management Information.

Notes:

1. Due to limitations of the operational data source, the proportions shown here are estimates only.
2. These figures include both Normal Rules and Special Rules new awards.

Comparison between the number of DLA claimants who are awarded and disallowed at new claim, and the number of appeals registered. (Financial Years 2006/07 to 2009/10)

Table 9: Number of claimants awarded and disallowed at new claim and number of appeals.

Period	No. awarded at new claim	No. disallowed at new claim	No. of appeals registered in new claims units
2006/07	196,000	227,000	45,000
2007/08	207,000	249,000	38,000
2008/09	214,000	253,000	36,000
2009/10	214,000	267,000	36,000

Source: Department for Work and Pensions - RDA60209 & RDA60205 reports - DLA Management Information Statistics

Notes:

1. Figures have been rounded to the nearest 1000.
2. Appeals can be made both by claimants who are disallowed at new claim, and by claimants who are awarded but who are dissatisfied with the level of award. It is not possible to say how many of the appeals were from awarded and how many were from disallowed customers. Therefore, we cannot say what proportion of each of these groups of customers go on to appeal.
3. Note that PDCS new claims units also process a small number of other decisions, which have the right of appeal, for example, certain types of reviews. This means that a small number of the appeals shown above may be due to decisions other than New Claims.
4. This table has been corrected and supersedes the version previously published.

The estimates of the proportion of appeals, arising from new DLA claims, which led to the PDCS decision being overturned. (Financial Years 2006/07 to 2009/10)

Table 10: The estimates of the proportion of appeals arising from new claims, which led to the PDCS decision being overturned

Period	No. of appeals registered in new claims units	No. of decisions overturned at appeal	% of appeals leading to overturn
2006/07	45,000	16,000	36%
2007/08	38,000	16,000	42%
2008/09	36,000	15,000	42%
2009/10	36,000	14,000	39%

Source: Department for Work and Pensions - RDA60209 & RDA60205 reports - DLA Management Information Statistics

Notes:

1. Figures have been rounded to the nearest 1000.
2. The number of overturned decisions includes those both favourable and unfavourable for the claimant.
3. Appeals can be made by both claimants who are disallowed at new claim, and claimants who are awarded but who are dissatisfied with the level of award. It is unlikely that all of the appeals shown above arose from disallowances only.
4. Note that PDCS new claims units also process a small number of other decisions, which have the right of appeal, for example, certain types of reviews. This means that a small number of the appeals shown above may be due to decisions other than New Claims.

Helen Capocci (helen.capocci@dwp.gsi.gov.uk)

Department for Work and Pensions

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