



Department
for Work &
Pensions

Minister for Disabled People,
Health and Work
4th Floor
Caxton House
Tothill Street
LONDON
SW1H 9DA

www.dwp.gov.uk

Dr Stephen Brien
Chair
Social Security Advisory Committee
7th Floor
Caxton House
Tothill Street
London
SW1H 9NA

14 July 2021

Dear Stephen,

MOTABILITY REPORT

I would like to thank the Social Security Advisory Committee for your report on the use of public funds in supporting the mobility needs of disabled people throughout Great Britain. The report provides valuable insights into the mobility needs of disabled people entitled to higher rates of mobility allowances and the effectiveness of, and potential barriers to uptake of, the Motability scheme.

DWP supports disabled people to overcome barriers to mobility and independence through the provision of mobility allowances within Personal Independence Payment and Disability Living Allowance which provide a passport to the Motability scheme. These benefits are non-means tested and non-contributory making them available to anyone meeting the assessed criteria set out in legislation. This system allows individuals who qualify, to spend their allowance however they choose, to best support their needs.

Motability is of course an independent charitable organisation, entirely separate of government, and responsibility for the terms and administration of the Scheme sit with Motability and its Board of Governors.

More than 630,000 people currently benefit from their participation in the Motability Scheme¹, and customer satisfaction surveys are undertaken bi-annually by Motability's Scheme Oversight Committee with consistently high scores. In April 2020 this was measured at 97% and was validated externally by the National Institute of Customer Service, who rated Motability Operations' services at 94.4%.²

¹ Motability Annual Report and Accounts 2019/20

² Motability Operations Annual Report and Accounts 2020

Three recommendations in your report are directed to DWP (The recommendations are set out in full at **Annex A**).

Recommendation 1: Equality of access to bus services.

Public transport strategy and delivery affects our claimants' mobility choices. While DWP's powers don't extend to shaping this area of public policy, given your committee's recommendation, officials have engaged with relevant Government departments.

Accessibility of public transport is on the agenda of the Cabinet Office's Disability Unit, the Department for Transport (DfT) and both the Welsh and Scottish Governments. The Ministry for Housing, Communities and Local Government indicated that this area was outside their remit.

Each of these organisations has considered:

- Accessibility of the public transport infrastructure and regional differences.
- Accessibility of public transport vehicles.
- Accessibility of information.
- Attitudes of public transport staff and fellow passengers.

Additional detail is given at **Annex B**.

DfT published its National Bus Strategy for England³ on 15th March 2021 and Welsh Government published its new National Transport Strategy⁴ on 19th March 2021. The upcoming National Disability Strategy will encompass the Government's wider strategy around disabled people and transport. These major announcements, along with the outcomes of further recent and planned consultation work by DfT, will also provide further detail on the promotion of equality of access by disabled people to bus services in the UK.

Recommendation 2: Extend equivalent tax reliefs to claimants not on the Motability scheme.

In exploring the feasibility of this recommendation, officials sought views from HM Treasury who are responsible for taxation policy. HMT notes that many transport options already benefit from VAT relief. Public transport is subject to the zero rate of VAT⁵, and taxi charges will not include VAT where the taxi business operates below the VAT registration threshold of £85k, which must be met before businesses can charge VAT to consumers.⁶

HMT also highlighted a difficulty in controlling, measuring and effectively targeting tax reliefs due to HMRC being unable to collect data on who uses reliefs and for what purpose. This would make tax reliefs less effective in delivering targeted support.

³ <https://www.gov.uk/government/publications/bus-back-better>

⁴ <https://gov.wales/llwybr-newydd-wales-transport-strategy-2021>

⁵ <https://www.gov.uk/guidance/the-vat-treatment-of-passenger-transport-notice-744a>

⁶ <https://www.gov.uk/vat-registration-thresholds>

Given the tax relief already in place, extending the tax reliefs beyond that currently available to Motability and its Scheme customers is unlikely to improve access for disabled people to a variety of transport options.

Recommendation 3: Opportunity in the Health and Disability Green Paper to consider policies impacting on access to the Motability scheme.

The upcoming Health and Disability Support Green Paper will explore how the welfare system can better meet the needs of disabled people and people with health conditions now and in the future, including how we can better meet mobility needs. The Green Paper will be strongly influenced by the views of disabled people and representatives from disability organisations, drawing on the significant engagement we have conducted so far.

PIP award lengths

PIP award rates and durations are set on an individual basis, based on the claimant's needs and the likelihood of those needs changing. Regular reviews are a key feature of the benefit and ensure that payments accurately match the claimants' current needs. Award durations are based on an individual's circumstances and can vary from nine months to an on-going award, with a light touch review at the 10-year point.

Guidance, introduced in 2018, ensures that those claimants in receipt of the highest level of support, whose needs will not improve, receive an on-going award of PIP with a light touch review at the 10-year point. Existing claimants in receipt of the highest level of support have been and continue to be identified prior to their award review to ensure they receive a 10-year award.

PIP/DLA mobility component eligibility criteria

Only children over the age of three can claim the mobility component of DLA, as all younger children have substantial mobility needs. The Department has however recognised the difficulties faced by families with severely disabled children under three, and so explored options for helping these children with the Motability and Family Fund charities. A first phase 18-month pilot scheme was launched, in January 2018. Those eligible benefitted from a fully funded leased vehicle via Motability Operations, and the scheme was funded by Motability. Motability have extended the successful pilot to the end of July 2021 while considering next steps.

There is no current intention to extend eligibility for those who acquire long term mobility needs related to a disability after state pension age. The aim of DLA and PIP is to provide additional help with the extra costs of disability to people who are severely disabled early, or relatively early in life and who, as a result, have had fewer opportunities to work, earn and save. Attendance Allowance is available for those whose disability needs arise after State Pension age, although this has never included a mobility component as it is expected that many people will develop mobility issues as they get older. AA therefore cannot be used to lease a vehicle through the Motability scheme.

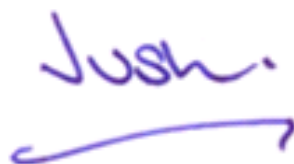
Reassessment to appeal timeframe

It can take time for individuals to have their appeal heard at a tribunal if they are dissatisfied with a mandatory reconsideration decision. These appeals are administered by HMCTS, and as such, tribunal hearing waiting times are not within DWP's control. The Department has however implemented a new 'holistic' approach to decision making. This approach allows decision makers further opportunity to gather additional evidence, helping ensure that the correct decision is reached at the earliest possible point in the claimant journey and reducing the need for unnecessary appeals. At Mandatory Reconsideration stage the percentage of decisions resulting in a change in award was at 33% in the period July-September 2020, an increase of 7% on the same quarter in 2019.⁷ The Department continues to work closely with HMCTS and is considering how we can further reduce the pressures on the tribunal service. As part of the upcoming Health and Disability Green Paper, we will explore further ways to improve the decision making and appeals process.

Several of your recommendations focus on Motability. Over the past two years, Motability have informed us of many changes to their governance, procedures, and website information in response to the recommendations of the 2018 NAO report. I welcome this progress and the commitment of Motability and Motability Operations in confronting these changes.

Going forward, my officials will continue to work closely with Motability to ensure that disabled people receive the mobility support they need. I continue to be supportive of your aim to improve transport accessibility for disabled people and am encouraged by the measures across Government that help disabled people to overcome barriers to mobility and independence.

Kind Regards,



Justin Tomlinson MP
Minister for Disabled People, Health & Work

⁷ <https://www.gov.uk/government/statistics/personal-independence-payment-statistics-to-january-2021/personal-independence-payment-statistics-to-january-2021#customer-journey-experimental-statistics>

Annex A: Recommendations to DWP

Recommendation 1

1. DWP to work with the Cabinet Office's Disability Unit, the Department for Transport, the Ministry for Housing, Communities and Local Government and devolved governments to explore what can be done to promote equality of access by disabled people to bus services throughout the UK, regardless of time of day or region.

Recommendation 2

2. DWP, in collaboration with colleagues in other government departments as appropriate, to explore the feasibility of extending to those who do not obtain a private vehicle via Motability advantages for broader transport options that are equivalent in value to the tax reliefs that those who do use Motability benefit from. This may include taxi schemes, buses on demand or other community bus schemes, as well as alternative vehicle lease providers to compete with Motability Operations.

Recommendation 3

3. Although the PIP eligibility criteria and reassessment process are outside of the scope of this report and were not included in the Committee's call for evidence, many respondents referred to them in their submissions. Given the force of those comments, we suggest that the Department – in consultation with other government departments where appropriate – may wish to take the opportunity presented by an imminent Green Paper to consider some of the practical and financial impacts of its policies and processes on claimants' ability to use the Motability Scheme. For example:

- reviewing the length of PIP awards (particularly for life-long and progressive conditions).
- reviewing eligibility criteria for PIP/DLA (the ages at which a mobility element is not currently included in an award, and specifically considering whether there is merit in extending it to children under three and for some who acquire a disability after state pension age).
- exploring whether the length of time between reassessment and appeal can be shortened to prevent those with an ongoing entitlement from losing their car and having to re-apply.

Annex B: Further detail on accessibility work around bus travel

Department for Transport

4. DfT produced its Inclusive Transport Strategy in 2018, which considers different modes of transport individually, and sets out strands of work within each mode.

Details of existing provisions for accessible bus services are summarised in the report, including:

- The legal requirements for the accessibility of bus vehicles - Public Service Vehicles Accessibility Regulations (PSVAR) 2000. 99% of buses on local routes in Great Britain now comply with these regulations.
 - The legal requirements for bus drivers, detailing the level of service they need to provide to disabled passengers - Public Service Vehicles (Conduct of Drivers, Inspectors, Conductors and Passengers) Regulations 1990.
 - The provision of concessionary travel to older and eligible disabled people.
5. In December 2020 DfT published disability and equality training - REAL training (Respect, Empathise, Ask, Listen) – aimed at transport staff and including a specific module on the bus and coach sector.
 6. A public awareness campaign named “It’s everyone’s journey” was also launched by DfT in 2019, aiming to improve the public transport travel experience for disabled people by helping to change the attitudes of other passengers. (This has currently been put on hold due to the Covid-19 pandemic.)
 7. Other work aimed at supporting disabled passengers to travel independently has seen DfT commit to investing £3.5m via The Real Time Information Group to help bus operators introduce audible and visible information onboard their vehicles.⁸ There was also a public consultation in 2018 on draft Accessible Information Regulations considering a requirement for audible and visible next-stop announcements to be provided on bus services. Subject to final analysis, these Accessible Information Regulations should be made by summer 2022. This is a reserved matter, so will be relevant across Great Britain.
 8. The new Bus strategy for England ‘Bus Back Better’ commits £3bn of investment to return bus patronage to pre-COVID-19 levels and aims to level-up services across the country.
 9. From 1st July 2021 only Local Transport Authorities (LTAs) and operators who have committed to establishing Enhanced Partnerships under the Bus Services Act or have begun the statutory process of franchising services will continue to receive the COVID-19 Bus Services Support Grant (CBSSG) and transformational funding from 2022. A total of £25m is being made available in

⁸ Announced 29th October 2019 by Transport Secretary Grant Shapps and Accessibility Minister Nusrat Ghani.

2021/22 to support LTA's in forming partnerships and developing plans, including a Bus Centre of Excellence.

10. In lower-density and rural areas DfT will support new forms of service provision such as demand responsive travel, in smaller vehicles. These innovations may be how we improve evening and Sunday services in places currently lacking, by integrating with conventional buses in busier periods.
11. DfT plans to consult in 2021 on draft amendments to the Public Service Vehicles (Conduct of Drivers, Inspectors, Conductors and Passengers) Regulations 1990, to ensure that the wheelchair space and priority seats are made available for passengers who need them.
12. Bus Back Better also states a future requirement for the design of bus infrastructure improvements to be informed by the experience of disabled people and consulted on with a range of passengers.

Welsh Government

13. Welsh Government ran a recent consultation exercise between November 2020 and 25th January 2021 ahead of the publication of Llwybr Newydd (New Path) on 19th March 2021. Replacing the existing strategy published back in 2008, the new Welsh transport strategy sets out priorities for the next five years, and longer-term ambitions over the next twenty years. The strategy is focused on three pillars which Welsh Government have identified as crucial aspects of their future transport system – accessibility, sustainability and efficiency.
14. Within the new strategy are plans for delivery in each of the transport modes or sectors. The bus plan recognises that bus use has either been stable or fallen in recent years, with public confidence over expense, reliability and frequency becoming growing concerns. Bus travel is towards the top of Welsh government's 'sustainable travel hierarchy' and to encourage more people to use public transport, accessibility will need to be addressed.
15. The strategy indicates that by 2040 Wales will have a more reliable network of bus routes and services so that people will not miss out on job opportunities or access to healthcare and social contact because of where they happen to live. This includes making bus services and facilities fully accessible and connecting rural communities, to address some of the difficulties faced by disabled users.
16. Priorities for the next five years include helping bus drivers better understand the spectrum of disabilities and keep such training up to date as well as the delivery of more innovative, flexible bus services in partnership with local authorities and commercial sectors. These priorities will be delivered through a National Transport Plan, supporting Llwybr Newydd, engagement with local authorities and bus operators, and planned legislation giving the public sector more control over local bus services.

Scottish Government

17. Following consultation between July and October 2019, Scottish Government followed up on its National Transport Strategy of 2006 with publication of the new National Transport Strategy (NTS2) in February 2020. NTS2 sets out policies in four priority areas in its vision for the future of transport in Scotland – reducing inequalities, taking climate action, delivering inclusive economic growth and improving health and wellbeing.
18. Scotland (like Wales) is faced with additional challenges due to regional differences and the lack of sufficient accessible public transport in rural areas and on its islands. Social isolation has been recognised as a problem, with many disabled people feeling trapped due to this gap in accessible provision. NTS2 sets out a policy intent to minimise the connectivity and cost disadvantages faced by island communities and those in remote and rural areas, and to ensure that barriers to connectivity and accessibility of public transport are addressed by supporting the development and implementation of Scotland’s Accessible Travel Framework (2016).
19. A progress update on the Accessible Travel Framework was published in January 2021, which acknowledged that with bus patronage already subject to long-term decline, current circumstances in the climate of the Covid-19 pandemic have also accelerated the trend. The Transport (Scotland) Act 2019 will play a key role in tackling the decline in bus patronage by providing local transport authorities with an enhanced tool kit of options to improve bus services.
20. Scottish government launched the Bus Partnership Fund in November 2020, with a commitment of over £500 million to support a shift from cars to bus travel as a mode of transport. This support for local authorities, in partnership with bus operators will deliver bus priority infrastructure such as bus lanes/gates to reduce the negative effects of congestion, making bus journeys more reliable. The Fund requires bidders to be working towards a Bus Service Improvement Partnership, as defined in the Transport (Scotland) Act.
21. The Transport (Scotland) Act also includes measures to improve information for passengers so that bus travel is more accessible and attractive, together with other enhancements such as smart ticketing.