



Public consultation

Disability Living Allowance reform

Executive summary

Ministerial foreword

The Coalition Government is committed to helping disabled people to exercise choice and control over their lives. Disability Living Allowance (DLA) helps us to deliver on this commitment.

We have been absolutely clear that our welfare reform plans are designed to protect people in the most vulnerable situations, including disabled people. We are committed to a sustainable and fair system that allows people to work when they can and provides unconditional support to those who are unable to work. As we move towards legislating for and implementing major reform through Universal Credit and our flagship Work Programme, I believe it is also time to bring disability benefits into the 21st Century.

We are steadfast in our support for the principles of DLA, as a non-means tested cash benefit contributing to the extra costs incurred by disabled people. However, we need to ensure that the benefit reflects the needs of disabled people today, rather than in the 1990s. It is time that we had a disability benefit which is easier for individuals to understand and provides clear criteria and consistent awards.

This is why I want to replace DLA with a new benefit – Personal Independence Payment. This is our opportunity to improve the support for disabled people and better enable them to lead full, active and independent lives. Personal Independence Payment will maintain the key principles of DLA, providing cash support to help overcome the barriers which prevent them from participating fully in everyday life, but it will be delivered in a fairer, more consistent and sustainable manner. It is only right that support should be targeted at those disabled people who face the greatest challenges to leading independent lives and this reform will enable that, along with a clearer, more straightforward assessment process.

Personal Independence Payment will also be a more dynamic benefit – it will take account of changes in individual circumstances and the impact of disabilities as well as wider changes in society, such as social attitudes and equality legislation.

Just as we are committed to providing unconditional support to those who are unable to work, we know that work is the best form of welfare for those who are able to do so. That's why I want as many disabled people as possible to benefit from employment – it is not acceptable for anyone to be trapped in a cycle of dependency. By giving people the right level of support through Personal Independence Payment, I hope that many more disabled people will be able to work and enjoy the advantages that an active working life can bring.

This is why I believe the time is right to reform DLA. We need to create a new, more active and enabling benefit of which British people can be proud – a benefit fit for the 21st Century.

Maria Miller MP

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Parliamentary Under Secretary of State and Minister for Disabled People

Purpose of the consultation document

The Government proposes to replace Disability Living Allowance (DLA) with a new benefit - Personal Independence Payment - which enables people to remove the barriers they face to leading full and independent lives. This consultation document seeks your views to inform our policy for reforming DLA and introducing a new objective assessment. We would especially like to hear from disability organisations and disabled people. The public consultation applies to England, Wales and Scotland.

This document will give you some background information about DLA and explains why we want to reform the benefit. We will be clear about what we will change, and what will remain the same. We explain the changes, and ask you questions on how we might change the benefit. The questions we want to ask are clearly highlighted, and at the end of the document we ask if there is anything else you would like to add.

This document was published on 6 December 2010. We need you to respond to the questions by 14 February 2011. Details of how to respond are in Chapter 6.

If you have any queries about this consultation, or would like to receive the consultation document in a particular format, for example, large print, Braille, audio, or Easy Read, please contact:

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Executive summary

- 1. The Government is committed to supporting disabled people to lead independent and active lives. We recognise that disabled people can face additional challenges to leading independent lives and we are committed to maintaining an extra costs, non-means-tested disability benefit to support disabled people.
- 2. Disability Living Allowance (DLA) has become confusing and complex. The rising caseload and expenditure is unsustainable, the benefit is not well understood and there is no process to check that awards remain correct. That is why the Government will reform DLA, to create a new benefit, Personal Independence Payment, which is easier to understand, more efficient and will support disabled people who face the greatest challenges to remaining independent and leading full and active lives.
- 3. We plan to introduce the new benefit in 2013/14, when we will begin reassessing the working age (16-64 year olds) caseload. We are considering whether to reassess children and people aged over 65.
- Currently DLA measures an individual's 'care' and 'mobility' needs and uses this as 4. a proxy for the extra costs faced. Personal Independence Payment will consider the impact an individual's impairment or health condition has on their daily life. We will prioritise support on those individuals who face the greatest day-to-day challenges and who are therefore likely to experience higher costs. Personal Independence Payment will have two components. The 'Mobility' component will be based on the individual's ability to get around, while the 'Daily Living' component will be based on ability to carry out other key activities necessary to participate in everyday life.
- 5. To ensure that support goes to those who face the greatest challenges, the benefit will only be available to people with a long-term health condition or impairment. Individuals will have to qualify for the benefit for a period of six months and be expected to continue to qualify for a further six months before an award can be made.

- 6. Currently individuals on DLA with certain health conditions or impairments are automatically entitled to specific rates of the benefit without a full assessment. We propose that for Personal Independence Payment there are no automatic entitlements, other than the special rules for people who are terminally ill. Instead, each case will be looked at individually, considering the impact of the impairment or health condition, rather than basing the decision on the health condition or impairment itself.
- 7. Key to the benefit will be an objective assessment of individual need, which we are developing in collaboration with a group of independent specialists in health, social care and disability, including disabled people. The new assessment will focus on an individual's ability to carry out a range of key activities necessary to everyday life. We will gather information from the individual, as well as healthcare and other professionals who work with and support them. We also believe that advice from an independent healthcare professional should be an important part of the new process. In most cases we envisage that this will involve a face-to-face meeting with an independent healthcare professional, allowing an in-depth analysis of an individual's circumstances.
- 8. Successful use of aids and adaptations can increase an individual's ability to lead a full, active and independent life. We believe that Personal Independence Payment should take greater account of aids and adaptations. We are considering how best to take account of aids and adaptations in the assessment in a way that reflects how they are used and paid for.
- 9. We know that some people's needs may change over time, and sometimes so gradually that the customer themselves won't notice. To ensure that everyone continues to receive the correct amount of benefit, we plan to periodically review all awards. Individuals will still be responsible for reporting changes that occur between reviews and, in line with the Government's new strategy on fraud and error, there will be penalties if an individual knowingly fails to report a change that would have resulted in a reduction in benefit.
- 10. We want to make Personal Independence Payment a more active and enabling benefit and we are exploring ways to help individuals to manage their health condition or impairment. For example, as part of the administration of the benefit we could signpost individuals to other support, or ensure they have the opportunity to discuss their health condition or impairment with an appropriate professional.
- 11. As well as providing cash support, DLA currently entitles or 'passports' the individual to other help and support. We recognise the importance of this feature and will take it into account in developing our reforms. In addition, we will consider how the benefit interacts with other forms of support, for example adult social care, and explore whether it is possible to share information at the assessment stage and eliminate areas of overlap.
- 12. Responses from this consultation will inform secondary legislation on the detailed design of the benefit, including requirements for the new assessment. We would like to hear from anyone who is interested, especially disabled people and disability organisations.