Analysis of Disability Living Allowance: DLA Awards

March 2011
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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 costs. 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 3,176,200 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).


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 Some additional analyses of DLA National Statistics are detailed below, along with some previously unpublished management information

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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

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


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

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


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

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Fixed</th>
<th>Indefinite</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-15</td>
<td>310,900</td>
<td>13,300</td>
<td>324,300</td>
</tr>
<tr>
<td>16-64</td>
<td>583,800</td>
<td>1,416,700</td>
<td>2,000,500</td>
</tr>
<tr>
<td>65plus</td>
<td>23,200</td>
<td>828,300</td>
<td>851,500</td>
</tr>
<tr>
<td>Total</td>
<td>917,900</td>
<td>2,258,300</td>
<td>3,176,200</td>
</tr>
</tbody>
</table>

% 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 uprated 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
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

<table>
<thead>
<tr>
<th>Age group</th>
<th>Number of cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>16-64</td>
<td>71290</td>
</tr>
<tr>
<td>65plus</td>
<td>56460</td>
</tr>
<tr>
<td>Total</td>
<td>127750</td>
</tr>
</tbody>
</table>


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

<table>
<thead>
<tr>
<th>Age group</th>
<th>April 1992- August 2000</th>
<th>September 2000 - August 2010</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-15</td>
<td>1100</td>
<td>323200</td>
<td>324300</td>
</tr>
<tr>
<td>16-64</td>
<td>360600</td>
<td>1639900</td>
<td>2000500</td>
</tr>
<tr>
<td>65plus</td>
<td>389200</td>
<td>462300</td>
<td>851500</td>
</tr>
<tr>
<td>Total</td>
<td>750900</td>
<td>2425300</td>
<td>3176200</td>
</tr>
</tbody>
</table>

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 uprated 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
March 2011
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>
<thead>
<tr>
<th>Period</th>
<th>New Special Rules Claims Registered</th>
<th>Average Actual Clearance Time (days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 08 – March 09</td>
<td>21,900</td>
<td>5.9</td>
</tr>
<tr>
<td>April 09 – March 10</td>
<td>21,600</td>
<td>6.7</td>
</tr>
<tr>
<td>April 10 – January 11</td>
<td>17,900</td>
<td>5.8</td>
</tr>
<tr>
<td>(10 month period)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Period</th>
<th>% decisions with no additional evidence</th>
<th>% decisions with further non-medical evidence</th>
<th>% decisions with further medical evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan – Dec 2009</td>
<td>21</td>
<td>31</td>
<td>48</td>
</tr>
<tr>
<td>Jan – Dec 2010</td>
<td>16</td>
<td>36</td>
<td>48</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Period</th>
<th>% fixed award</th>
<th>% indefinite award</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan – Dec 2009</td>
<td>76</td>
<td>24</td>
</tr>
<tr>
<td>Jan – Dec 2010</td>
<td>77</td>
<td>23</td>
</tr>
</tbody>
</table>

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

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

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

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.

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March 2011