

Disability Living Allowance: Growth in the Number of Claimants 2002/03 to 2010/11

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Background

Disability Living Allowance (DLA) is a non-means tested benefit that provides a cash contribution towards the extra costs of needs arising from an impairment or health condition. 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 – which research has shown to be the greatest sources of extra costs. The decision about whether to award benefit is made not 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 long claim form which requests detailed information about the impact that their impairment or health condition has on their ability to manage their care or get around. The claim form is considered by a Decision Maker alongside other evidence such as reports from the claimant's General Practitioner or consultant where necessary. Awards are currently payable at two mobility and three care rates leading to a possible 11 different combinations of payable rates of benefit.

Further information on DLA is available at:

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

The Department publishes a range of statistical information on DLA claimants at <http://research.dwp.gov.uk/asd/index.php?page=tabtool> including statistics on the numbers receiving care and mobility components.

This ad hoc analysis shows how the number of DLA claimants has grown between 2002/03 and 2010/11. It attempts to decompose the main drivers of growth, focusing specifically on the growth in the per cent of the population claiming DLA (referred to as receipt per head).

The Excel document complements this analysis. It contains a breakdown of the DLA claimants by age, gender, care and mobility combination and per cent of the population in receipt of DLA. The information goes back to the introduction of DLA in 1992.

Methodology

This analysis is based upon the Work and Pensions Longitudinal Study (WPLS), which is 100% administrative data. This data is available from 2002/03, and so the analysis focuses on this period, to ensure it is based on a consistent time-series.

Data back to 1992/93 when DLA was introduced is provided in the Excel document based on 5% administrative data, aligned to the WPLS.

The analysis is based on those DLA cases in payment, not all entitled cases. Payment cases exclude cases who have had their payment suspended for example, because they are in hospital.

Estimates of the per cent of the population claiming DLA are calculated by dividing the DLA claimants (broken down by age and gender) by the ONS 2008 mid-year population

estimates. This is referred to as receipt per head. These have been linearly interpolated to compare with the quarterly statistical data.

Annual estimates are based on the average over four quarters. 2010/11 is based on three quarters worth of data, as February 2011 data is not yet available.

Results

The number of DLA claimants has grown by 29% over the last eight years (Figure 1). Essentially the drivers for this growth can be categorised as: changes in the size of the population; changes in the age structure of the population; the “maturing” of the benefit (this concept is explained further below); and increases in receipt per head of DLA. This analysis breaks down the 29% to show how much each factor contributes to the total growth.

‘Receipt per head’ is defined as the percentage of the population of a given age claiming DLA.

Table 1 shows the growth in DLA claimants, broken down between growth as a result of an increase in receipt per head and growth as a result of demographic change. Demographic change includes both the growth of the population and changes in its age and gender structure.

The headline growth over this period is 29%. Of this, 21% can be attributed to an increase in receipt per head, part of which is due to the maturing of DLA. The remaining 8% is due to a growth in the population and a change in the age and gender structure of the population.

There have been substantial increases in the receipt per head among those aged 65 and over as a result of the “maturing” of DLA. This distorts the overall picture of growth. In order to receive DLA, a claimant must claim before the age of 65 but then can continue to receive the benefit beyond 65 if they remain eligible. Therefore, with a few exceptions (some people who had received Mobility Allowance before 1992), there were no claimants aged 65 or over when DLA was introduced in 1992. However, DLA continues to be paid over the age of 65 provided the conditions of entitlement continue to be satisfied. This has meant that the maximum age of claimants has been increasing each year, and a growing proportion of people aged 65 or over receive DLA. For example, at the start of 2002/03 the maximum age (with the aforementioned exception) was 75, but by the end of 2010/11 it had reached 84. So irrespective of any demographic change, or any increase in the propensity of this group to claim DLA, there would be an increase in the number of people in receipt of DLA aged over 65 due to this “maturing” effect. This effect can be expected to continue into the future, though with diminishing impact as number of people declines with age (it is expected it would plateau around 2020).

If those aged over 65 are excluded, then the number of DLA claimants has increased by 23% - and this increase has been the same for both males and females. This is largely driven by an increase in receipt; 16% of total growth is due to an increase receipt per head and 7% is a result of demographic change. The remainder of this analysis focuses on people under the age of 65.

Table 2 shows the percentage change in male DLA claimants broken down between change due to receipt per head and change due to demographics. There is a large

variation between age groups. Growth among young males is driven almost entirely by substantial increases in receipt per head whereas growth among the older age group is driven by population. Figure 2 draws out further the trends among males.

Table 3 and Figure 3 show the picture for females. Overall the growth in DLA female claimants is the same as for males. However, the growth in receipt per head among young females, while still substantial and much larger than for older age groups, is significantly less than that for males. For older females growth in the percentage of people in receipt of DLA is much greater than that for males.

In summary: Overall the number of DLA claimants has grown by 29% since 2002/03. Among those aged under 65 the number of claimants has grown by 23%. For those aged under 65:

- Demographics account for about a third of this 29% growth. This includes growth due to increases in the population and changes in the age structure of the population due to the ageing of particular cohorts.
- The remaining two thirds of this 29% growth is due to increases in the percentage of the population claiming DLA (receipt per head).
- The increase in receipt per head is particularly notable among younger people, which will in time be a significant driver of working age DLA growth.

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Figure 1: DLA Claimants, 2002/03 to 2010/11

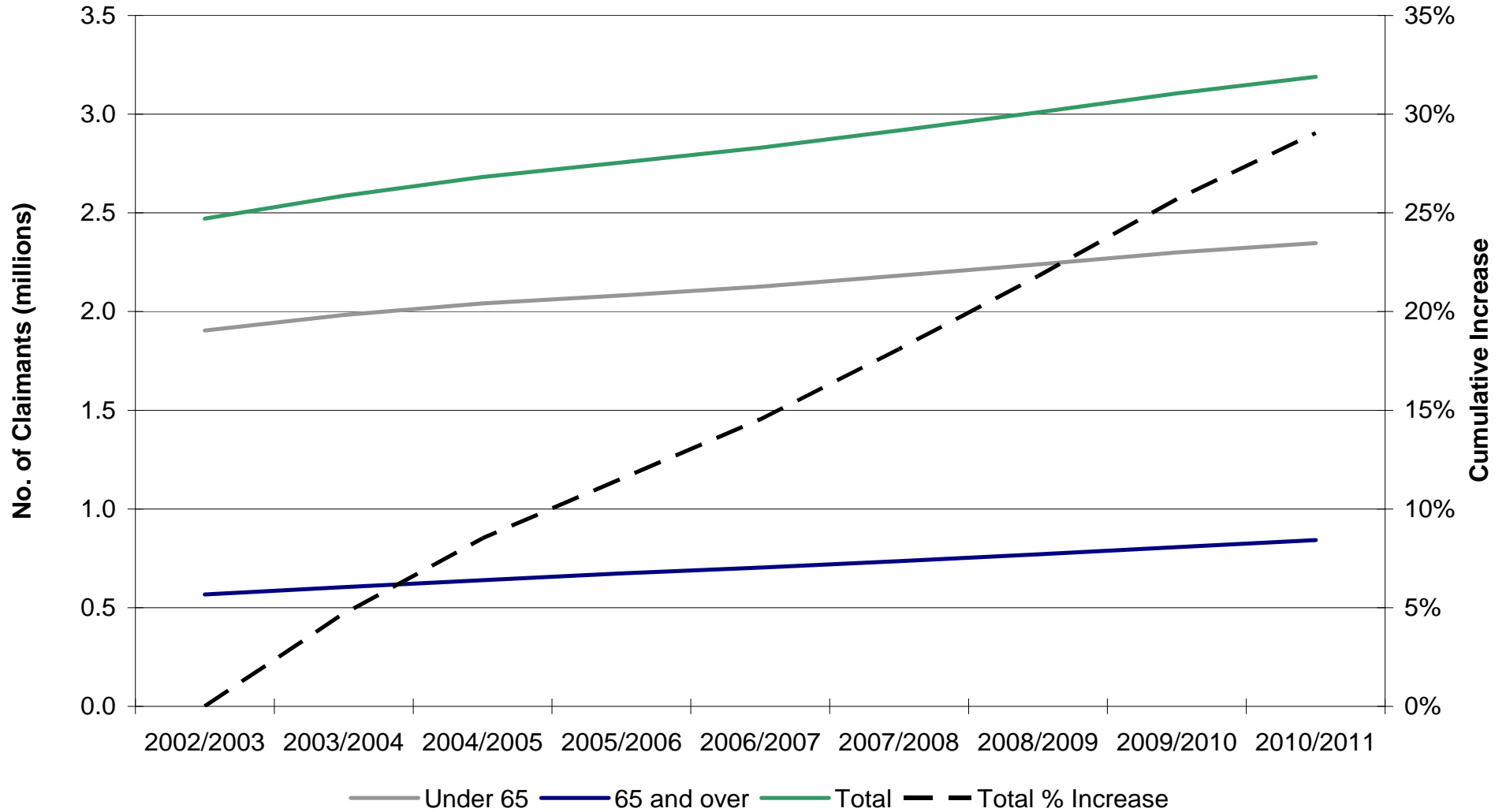
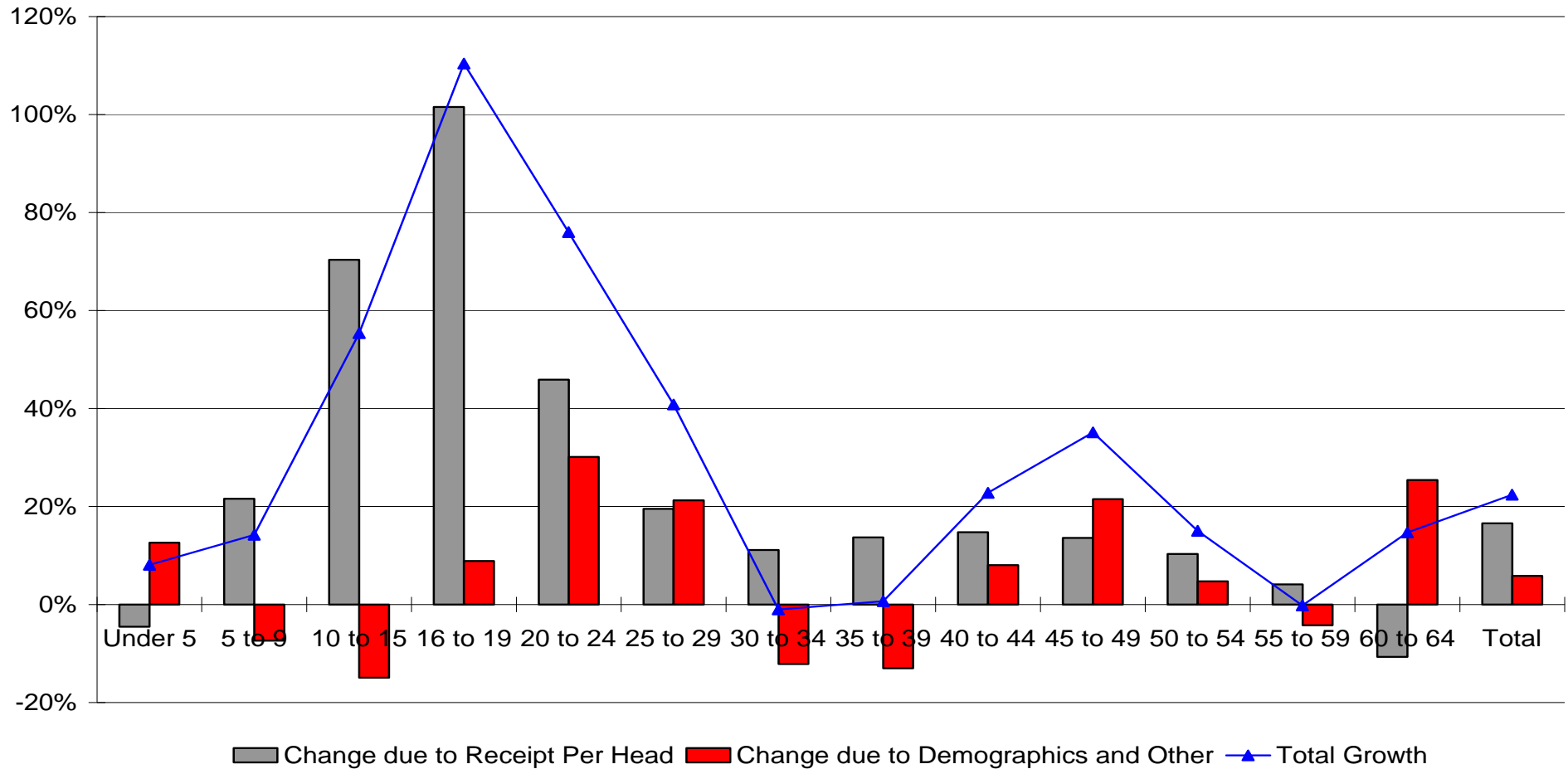
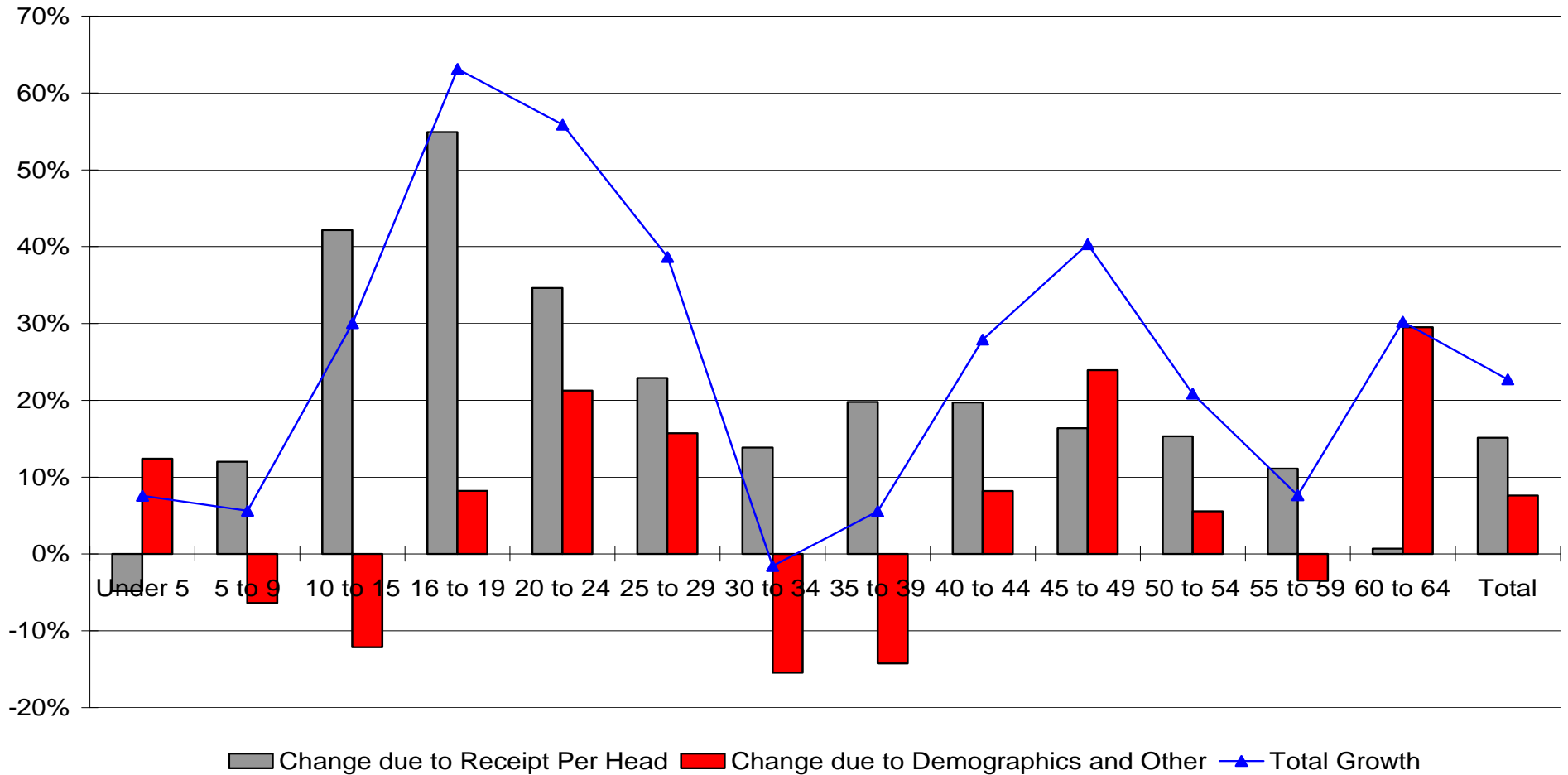


Figure 2: Percentage Change in DLA Male Claimants 2002/03 to 2010/11



- Receipt of DLA per head has increased for all age groups, apart from among males aged under 5 and 60 to 64.
- There has been a steep increase in DLA claimants among young men, particularly those aged 10 to 19.

Figure 3: Percentage Change in DLA Female Claimants 2002/03 to 2010/11



- Among women aged 10-15 there has been a similar increase in DLA claimants. This is almost entirely driven by an increase in receipt per head. However, the total increase among the 10-15 age group is smaller for women (30%) than men (54%)
- Among women aged 60-64 there has been a steep increase in DLA claimants driven largely by population. The reduction seen in receipt per head among men is not evident among women.

Table 1: DLA Claimants, 2002/03 and 2010/11

Age Band	2002/03 Claimants (000s)	Receipt Per Head 2002/03	Receipt Per Head 2010/11	Implied 2010 Claimants due to Receipt per Head (000s) ¹	Actual 2010 Claimants (000s)	Growth due to Receipt Per Head (000s)	Growth due to Population and Other (000s)	Growth due to Receipt Per Head %	Growth due to Population and Other %	Total Growth %
Under 5	42	1.3%	1.2%	40	45	-2	5	-5%	13%	8%
5 to 9	96	2.7%	3.2%	114	107	18	-7	18%	-7%	11%
10 to 15	120	2.7%	4.3%	193	177	73	-17	61%	-14%	47%
16 to 19	51	1.8%	3.2%	94	99	43	5	83%	9%	92%
20 to 24	60	1.7%	2.4%	85	101	25	16	41%	26%	67%
25 to 29	71	1.9%	2.4%	86	99	15	13	21%	19%	40%
30 to 34	108	2.5%	2.8%	122	107	14	-15	12%	-14%	-1%
35 to 39	144	3.1%	3.7%	168	148	24	-20	17%	-14%	3%
40 to 44	164	3.9%	4.6%	192	206	28	13	17%	8%	25%
45 to 49	183	4.9%	5.7%	211	253	28	42	15%	23%	38%
50 to 54	232	6.2%	7.0%	262	274	30	12	13%	5%	18%
55 to 59	300	8.3%	9.0%	324	312	24	-12	8%	-4%	4%
60 to 64	332	11.7%	11.1%	316	407	-16	91	-5%	27%	23%
65 to 69	294	11.5%	12.2%	313	350	18	38	6%	13%	19%
70 to 74	187	8.2%	10.8%	247	260	60	12	32%	7%	39%
75 to 79	64	3.4%	8.1%	153	158	88	5	138%	8%	146%
80 and over	21	0.8%	2.8%	70	80	49	10	235%	49%	285%
Total	2471	4.3%	5.3%	2990	3182	519	192	21%	8%	29%
Total Under 65 Only	1904	3.9%	4.7%	2218	2347	314	129	16%	7%	23%

1 – This is calculated as the 2002/03 claimants multiplied by the growth in the percentage of people claiming DLA between 2002/03 and 2010/11. It shows the number of people who would have been claiming in 2010/11 if the only thing that had changed was an increase in the percentage of people claiming.

Table 2: Male DLA Receipt, 2002/03 and 2010/11

Age Band	2002/03 Claimants (000s)	Receipt Per Head 2002/03	Receipt Per Head 2010/11	Implied 2010 Claimants due to Receipt per Head (000s) ¹	Actual 2010 Claimants (000s)	Growth due to Receipt Per Head (000s)	Growth due to Population and Other (000s)	Growth due to Receipt Per Head %	Growth due to Population and Other %	Total Growth %
Under 5	26	1.5%	1.5%	25	28	-1	3	-5%	13%	8%
5 to 9	64	3.5%	4.3%	78	73	14	-5	22%	-7%	14%
10 to 15	80	3.4%	5.8%	136	124	56	-12	70%	-15%	55%
16 to 19	31	2.1%	4.2%	62	65	31	3	102%	9%	110%
20 to 24	33	1.9%	2.7%	49	59	15	10	46%	30%	76%
25 to 29	38	2.1%	2.5%	45	53	7	8	20%	21%	41%
30 to 34	55	2.6%	2.9%	62	55	6	-7	11%	-12%	-1%
35 to 39	71	3.1%	3.6%	81	72	10	-9	14%	-13%	1%
40 to 44	79	3.8%	4.3%	91	97	12	6	15%	8%	23%
45 to 49	86	4.7%	5.3%	97	116	12	18	14%	22%	35%
50 to 54	107	5.8%	6.4%	118	123	11	5	10%	5%	15%
55 to 59	140	7.8%	8.2%	145	139	6	-6	4%	-4%	0%
60 to 64	163	11.7%	10.5%	145	187	-17	41	-11%	25%	15%
Total	973	4.0%	4.7%	1134	1191	161	57	17%	6%	22%

Table 3: Female DLA Receipt, 2002/03 and 2010/11

Age Band	2002/03 Claimants (000s)	Receipt Per Head 2002/03	Receipt Per Head 2010/11	Implied 2010 Claimants due to Receipt per Head (000s) ¹	Actual 2010 Claimants (000s)	Growth due to Receipt Per Head (000s)	Growth due to Population and Other (000s)	Growth due to Receipt Per Head %	Growth due to Population and Other %	Total Growth %
Under 5	16	1.0%	0.9%	15	17	-1	2	-5%	12%	8%
5 to 9	32	1.8%	2.0%	35	33	4	-2	12%	-6%	6%
10 to 15	41	1.8%	2.6%	58	53	17	-5	42%	-12%	30%
16 to 19	21	1.5%	2.3%	32	34	11	2	55%	8%	63%
20 to 24	27	1.5%	2.0%	36	42	9	6	35%	21%	56%
25 to 29	33	1.8%	2.2%	40	46	8	5	23%	16%	39%
30 to 34	53	2.4%	2.8%	60	52	7	-8	14%	-15%	-2%
35 to 39	72	3.1%	3.8%	87	76	14	-10	20%	-14%	6%
40 to 44	85	4.0%	4.8%	102	109	17	7	20%	8%	28%
45 to 49	98	5.2%	6.1%	114	137	16	23	16%	24%	40%
50 to 54	125	6.6%	7.6%	144	151	19	7	15%	6%	21%
55 to 59	161	8.8%	9.8%	179	173	18	-6	11%	-3%	8%
60 to 64	169	11.7%	11.8%	170	220	1	50	1%	30%	30%
Total	931	3.9%	4.6%	1072	1143	141	71	15%	8%	23%