

Freedom of Information request 2205/2013

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Information request

Please would you provide me with the calculations done, and evidence used in making those calculations, pertaining to determining the required income to maintain an adequate standard of living for:

A single disabled person.

A single disabled person considered severely disabled.

This relates to the current necessary income to provide an adequate standard of living provided by DWP benefits such as Income Support, Employment Support Allowance, former Incapacity Benefit, and made up in part by disability premiums including Severe Disability Premium, and relating to Universal Credit which lacks the Severe Disability Premium.

DWP response

We are not aware of any exercises undertaken by Government on adequacy of benefits. The current rates of income-related benefits do not represent a minimum requirement, and are not described as such in legislation or Government literature. The Government specifies the rates which are applicable to different benefits, and these may vary according to the claimants' circumstances as each person has different requirements. Income-related benefit rates are not made up of separate amounts for specific items of expenditure such as food or fuel charges, and beneficiaries are free to spend their benefit as they see fit, in the light of their individual commitments, needs and preferences.

The law that we rely on is the specific legislation under which the relevant benefit award (the 'applicable amount') is calculated. The following income-related benefits highlight the relevant law.

- Income Support Regulations 17 to 22B of the Income Support (General) Regulations 1987 (Statutory Instrument number 1987/1967)
- Income-based Jobseeker's Allowance Regulations 79 to 85, 86A to 86C and 87 of the Jobseeker's Allowance Regulations 1996 (Statutory Instrument number 1996/207)
- Income-related Employment and Support Allowance Regulations 67 to 69 of the Employment and Support Allowance Regulations 2008

(Statutory Instrument number 2008/794)

These statutory instruments (as amended) together with all other social security legislation are available via the internet from the DWP website at:

<http://www.dwp.gov.uk/publications/specialist-guides/law-volumes/the-law-relating-to-social-security/>

The severe disability premium is included in the calculation of income-related benefits. The premium is paid to those severely disabled people who live independently, and who are most likely to need to purchase care. It is paid to those who receive Attendance Allowance, or the higher or middle care component of Disability Living Allowance, who live alone, and who do not have a carer receiving Invalid Care Allowance in respect of caring for them. It is paid in addition to other premiums, and, if both members of a couple qualify, a higher rate is paid.

The current system of financial support for working age disabled people is extremely complex. It comprises a mix of additions, premiums and add-ons with seven separate components paid at different rates. These have a variety of qualifying conditions and purposes, which many people find perplexing.

Universal Credit will provide more generous support for disabled adults and disabled children than it does for people in similar circumstances who are not disabled. This is in recognition of the fact that disabled people may spend longer on benefit than someone who is not disabled.

Rather than maintain the complexities and confusion inherent in the current system, we think that the right levels of support can be provided through two limited capability for work elements. The higher element for more severely disabled people will be more generous, resulting in higher benefit rates for many people who do not currently qualify for all possible premiums.

The rate for the higher limited capability element (LCWRA) for severely disabled people in Universal Credit will be £152 per calendar month higher than the current Support Component in Employment and Support Allowance. When Universal Credit is introduced, it will be £303.66 per calendar month (equivalent to £69.88 per week) rising to £383.08 a month (£88.23 pw) in 2020 (at 2013/14 prices).

The Department calculates a maximum award of Universal Credit by adding together the elements that apply to an individual claim. Universal Credit has a monthly assessment period and all amounts shown below are monthly figures.

There are 2 rates of standard allowance for a single claimant, dependent on their age:

Single claimant aged under 25 - £246.81

Single claimant aged over 25 - £311.55

These amounts are the monthly equivalent of the current weekly personal allowance in Jobseeker's Allowance and Income Support.

A disabled person may be eligible for one of 2 additional elements:

Limited capability for work - £123.62, this is the monthly equivalent of the current Employment and Support Allowance work-related activity component.

Limited capability for work and work and work-related activity - £303.66.

An award of Universal Credit may also include a housing costs element if the claimant is liable to make payments in respect of accommodation they occupy as their home.