

Employment and Support Allowance (ESA), which replaced incapacity benefits in October 2008, offers support for ill or disabled people. Claimants must participate in a Work Capability Assessment (WCA) to check eligibility and are placed in the Work Related Activity Group (WRAG) which offers support in preparing for work, or the Support Group (SG) for those unable to work. If they are not eligible to claim ESA they are found Fit for Work (FFW). Since October 2013, if claimants disagree with their assessment outcome, they can ask for a Mandatory Reconsideration (MR). If they still disagree with the MR outcome they can appeal to Her Majesty's Courts & Tribunal Service (HMCTS).

## Main stories

- Overall assessment volumes have remained stable in the latest quarter to September 2016. Completed initial assessment volumes fell from 95,000 to 86,000 and completed repeat assessment volumes rose from 120,000 to 130,000. Repeat assessments were re-started in December 2015 after being suspended in January 2014 due to capacity issues at the provider.
- The number of ESA-WCA MRs registered in January 2017 increased by 900 to 17,000 in the latest month. 88% of MRs cleared in January 2017 were not revised.
- The number of appeals heard on FFW decisions on initial assessments (for claims which started between October 2015 and December 2015) remained stable in the latest quarter at 4,000. 41% of the completed appeal decisions in this quarter were upheld.

## Work Capability Assessment

Completed initial assessments continue to fall and repeat assessments volumes have risen

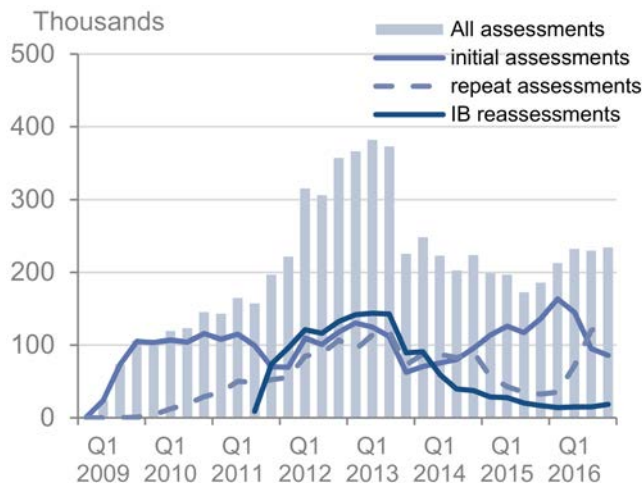
## Mandatory Reconsiderations

MR registrations continued to fluctuate with a generally increasing trend

## Appeals

Appeals on initial FFW outcomes have remained stable. 41% of decisions were upheld\*

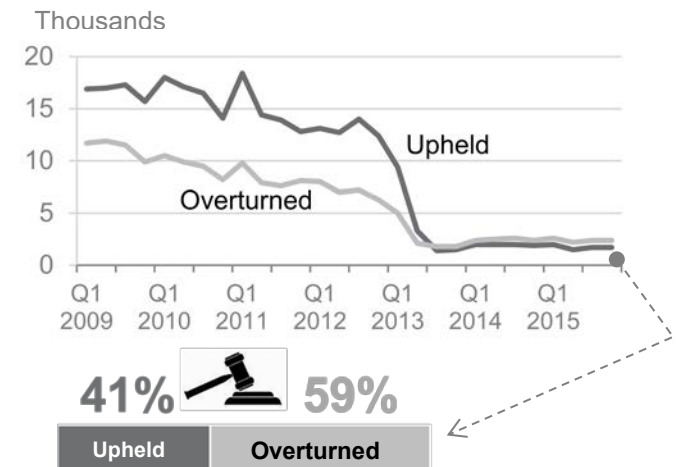
All Completed Assessments



Mandatory Reconsiderations registered



Appeals completed (for initial assessments)



\*Note: percentages of upheld/overturned appeal decisions have been slightly revised since first published

## At a glance

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Comments? We welcome feedback

Published: 9<sup>th</sup> March 2017

Next edition: June 2017

ISBN 978-1-78425-908-2

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## What you need to know

These statistics are released quarterly and cover ESA-WCA outcomes, MRs and appeals information sourced from:

- DWP's benefit administration datasets including MR data
- Healthcare provider assessment data
- HMCTS appeals data for completed appeals

In addition to the ESA-WCA national statistics contained in this release, we have developed some extra experimental ESA-WCA cohort figures by merging MR data with benefit, assessment and HMCTS data to allow us to track claimants through the stages of their ESA-WCA journey – see page 3.

These extra statistics are labelled 'experimental' and are not National Statistics until they have been assessed by the UK Statistics Authority's Office for Statistics Regulation as fully meeting the Code of Practice for Official Statistics. They are included here as they are undergoing evaluation and to allow a fuller analysis of the statistics. *Users should be aware of possible methodology issues and data limitations whilst using them.* See [methodology note](#) for more information.

**Note:** robust data for both the regular and experimental cohort information is only available for claims that began at least 9 months ago due to time required to complete assessments, record and process data accurately and align with other publications. **Hence, only claims made before the end of June 2016, assessments which were completed up to end of September 2016 and appeal outcomes for ESA claims which started up to December 2015 are included in these statistics.** Throughout the release, figures are presented by assessment date, unless otherwise stated.

## ESA Work Capability Assessment, Mandatory Reconsiderations and Appeals process

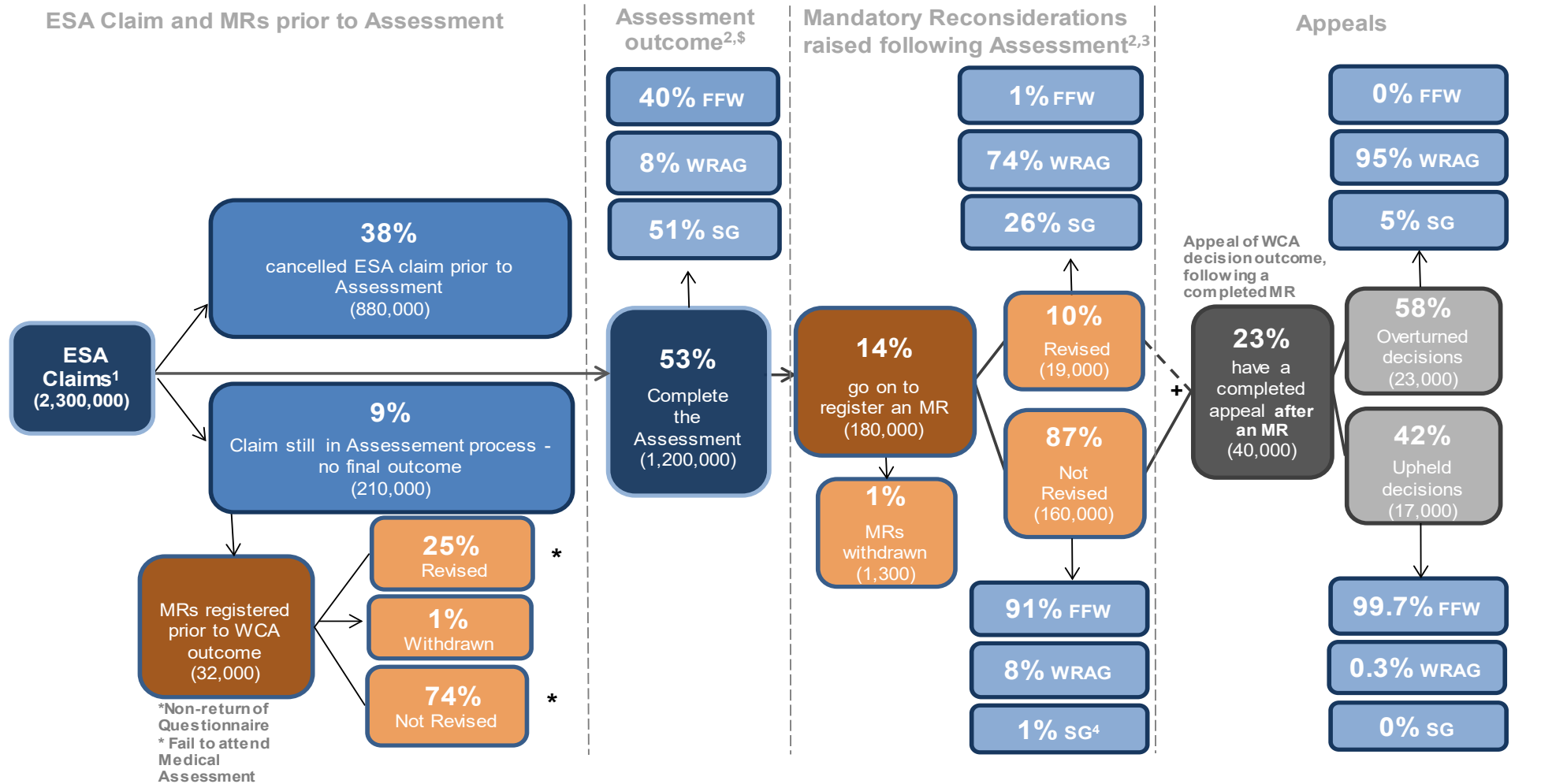
The following flow chart, containing experimental cohort data, shows the claim process to assess ESA entitlement. If claimants disagree with their assessment outcome they can ask the Department for Work and Pensions to review it by registering an MR. Following the MR outcome if the claimant still disagrees with the decision, they can appeal to HMCTS.

There are 3 types of Work Capability Assessments:

- Initial assessment – for new ESA claims
- Repeat assessment – existing claimants must undergo regular reviews; timescales depend on medical condition
- Incapacity Benefit reassessment (IBR); all IB claimants will eventually be reassessed for ESA

The figures presented in both the flow chart and sankey diagram cover all parts of the ESA-WCA process for claimants starting their ESA claim between October 2013 and June 2016 for **initial and repeat assessments only**.

# Overview of the Work Capability Assessment, Mandatory Reconsideration (MR) and Appeals process for initial and repeat ESA claims starting October 2013 – June 2016 - (Experimental)



## Footnotes:

1) All ESA initial and repeat claimants between October 2013 and June 2016\* (the latest period that allows sufficient time for final outcomes to have been recorded). Totals may not sum due to rounding. Figures are rounded to the nearest 10. FFW=Fit for Work, WRAG=Work Related Activity Group, SG=Support Group.

\* A small number (around 10%) of pre-assessment MR registrations may go onto appeal their MR decision. + Some claimants may still not agree with the group they have been placed in and go on to appeal the MR decision. Less than 2% of all post ESA WCA appeals come from the revised grouping.

2) Statistics show the outcome based on healthcare provider recommendation - in some cases this may not always be the final outcome as outcomes are sometimes changed due to reconsideration. Due to data source recording limitations, this is the best proxy available. A proxy is also used to determine a small proportion of revised MR outcome results - where the final result is not captured.

3) A number of FFW cases have their case outcomes revised but still fall within FFW group as they still aren't awarded enough points to move to a different group.

4) A small amount of cases are 'Not Revised' and appear in SG. We are currently unaware of the exact reasoning for this. Therefore please treat these cases with caution.

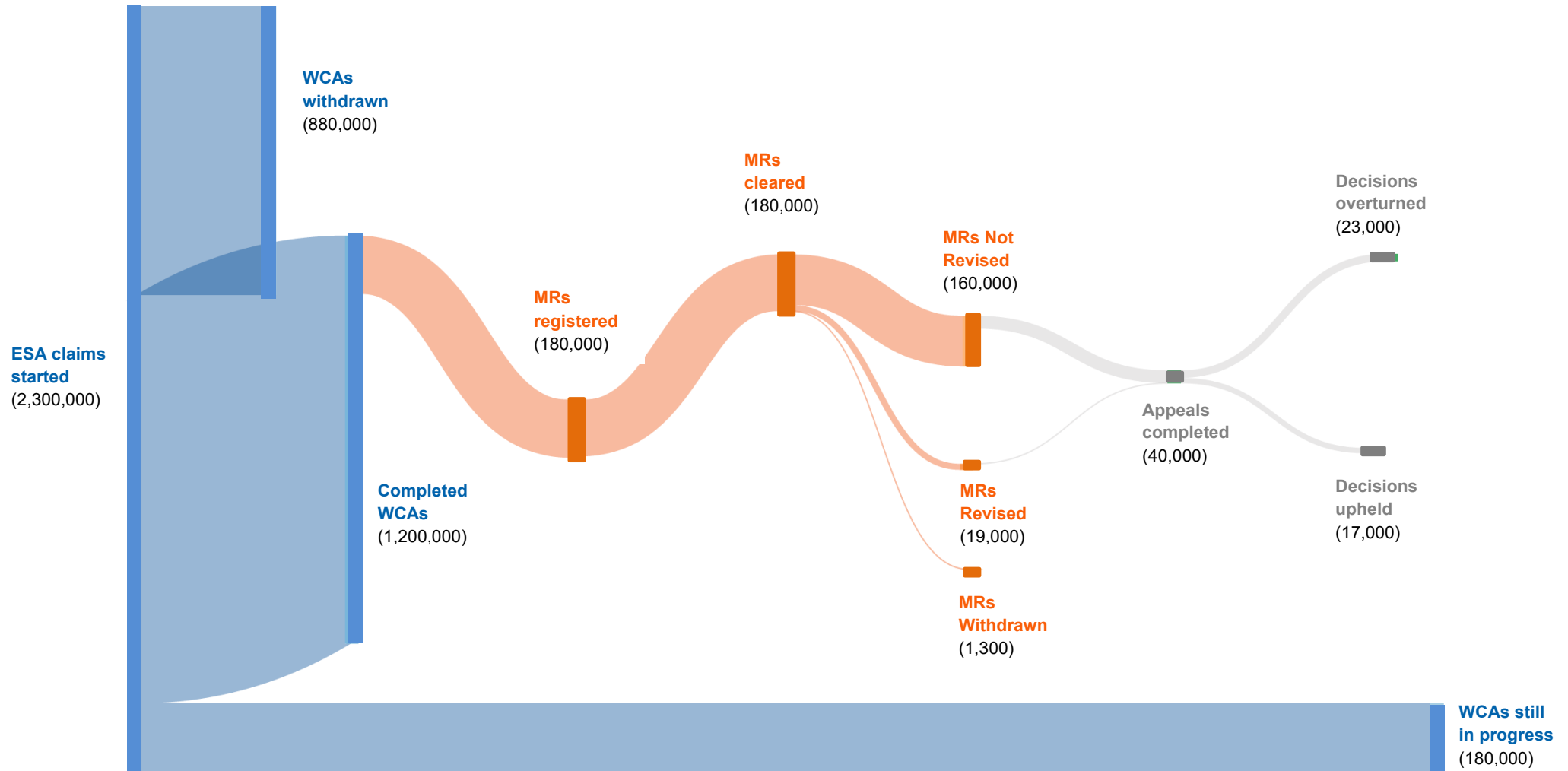
\$ Some cases may not yet have an outcome, or may have been withdrawn, cancelled, clerical cases - so WCA outcome percentages are derived using those with an actual FFW, WRAG or SG outcome. We only get information for completed appeals - so we don't know how many appeals are in progress.

5) Numbers of claimants are rounded therefore percentages may not be fully representative of figures shown.

## Overview of the Work Capability Assessment, Mandatory Reconsideration and Appeals process October 2013 – June 2016 cohort - (Experimental)

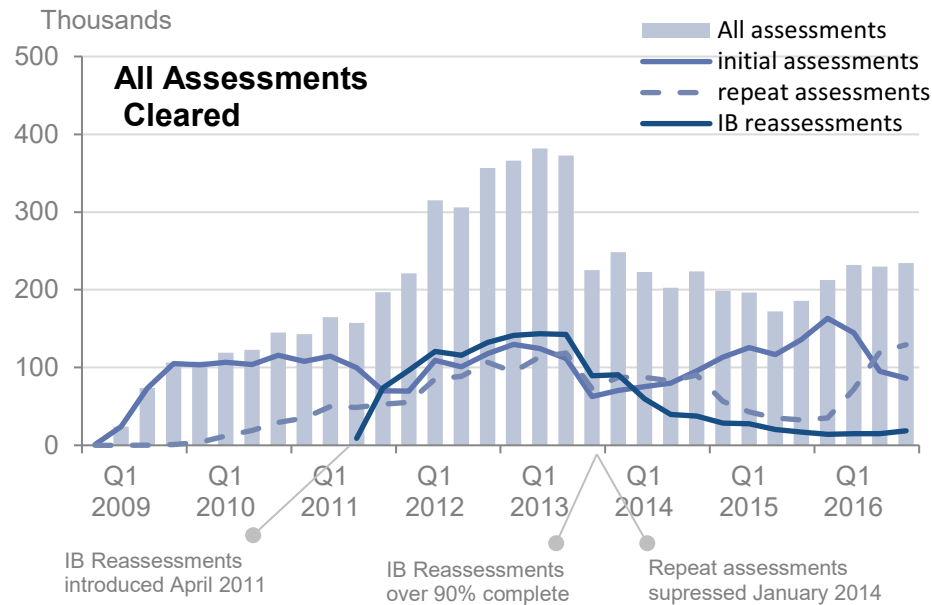
The following diagram gives a visual representation of proportions at each stage of the ESA Work Capability Assessment (WCA) process. The relative thickness of each segment represents the volume of cases flowing through each stage. For all ESA claims which started between October 2013 and June 2016:

- Around 53% have had a completed WCA (1,200,000 assessments). WCAs relating to the remaining claims are either still in progress or have been withdrawn/cancelled.
- 180,000 MRs have been registered in relation to the 1,200,000 completed WCAs.
- The diagram shows that 98% of these MRs have been cleared, with the decision maker's original decision being revised 10% of the time.
- Almost one in four claimants who have registered an MR, then go on to have a completed appeal. Of this group (40,000 cases), the latest case decision was upheld 42% of the time.



# ESA initial and repeat assessment outcomes, IB reassessments

55 % of assessments cleared in the latest quarter were for ESA repeat assessments



## Main Findings

In the latest quarter to September 2016 the majority of cleared ESA-WCA assessments were for repeat assessments.

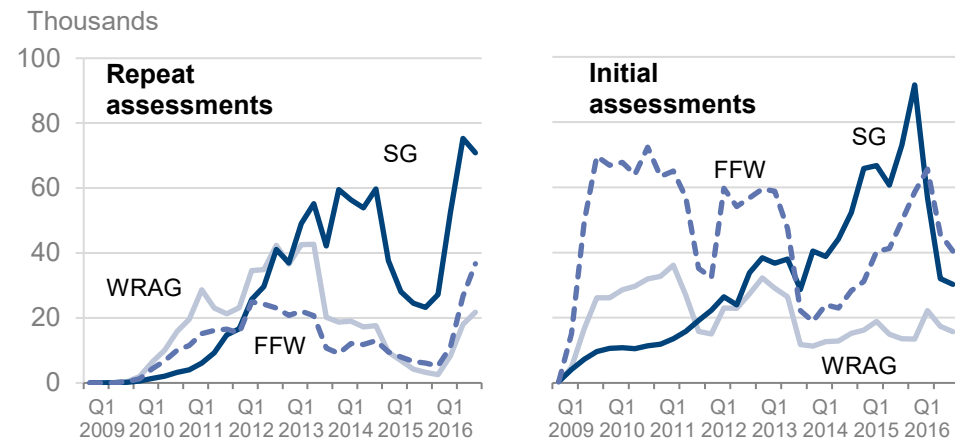
At the end of 2013, IB reassessment and repeat assessment volumes dropped significantly. The majority of IB reassessments were completed by that point and the focus was moved from assessing existing claims (including repeat assessments) to clearing new claims. IB reassessments are now 97%<sup>1</sup> complete.

As expected, ESA repeat assessment volumes have increased in recent quarters as processing was re-introduced in December 2015, after a year of focussing on initial claims.

The effects of this can be seen in recent quarters. In the latest quarter to September 2016, 130,000 repeat assessments were cleared compared to only 33,000 for the same period a year earlier.

See accompanying [tables](#) for full data.

A decrease in initial assessments is broadly offset by a corresponding increase in repeat assessments this quarter



Overall, combined numbers of initial and repeat claims assigned to SG, WRAG and FFW remain fairly stable this quarter (see main stories).

However, in recent quarters the number of repeat assessments being undertaken has sharply increased, meaning greater numbers of SG, WRAG and FFW outcomes.

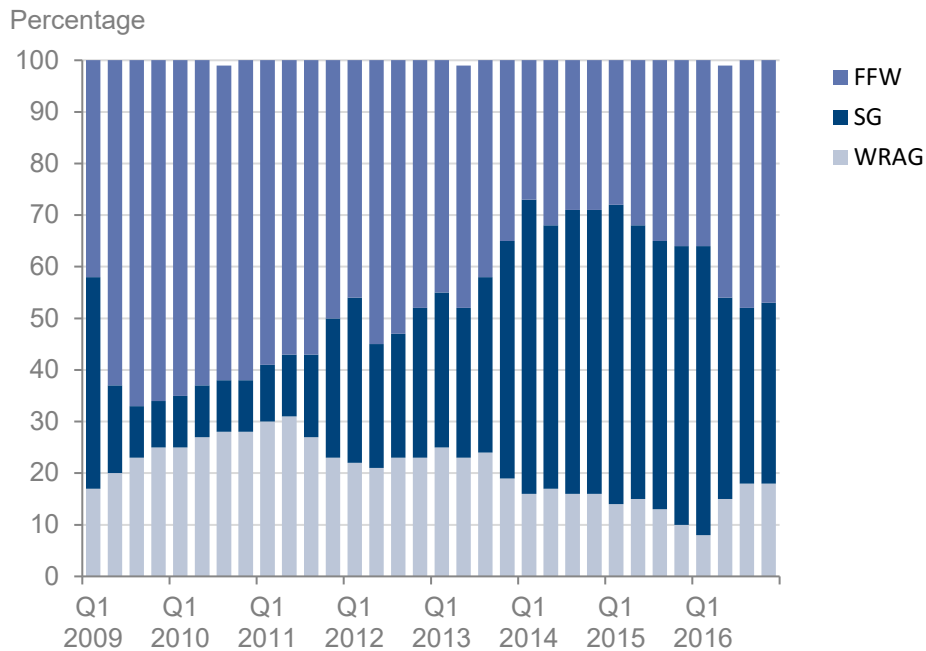
At the same time, SG, WRAG and FFW numbers have decreased for initial assessments due to fewer initial assessments being completed.

See accompanying [tables](#) for full data.

<sup>1</sup> The percentage shown excludes all IB cases still in progress

# Assessment outcomes for ESA initial assessments

The proportion of Support Group outcomes remains stable for ESA initial assessments after a recent drop



## Main Findings

For the 86,000 ESA initial assessments cleared in the latest quarter to September 2016:

- Support Group 35% **Up 1** percentage point since previous quarter
- Work Related Activity Group 18% **No change** since previous quarter
- Fit for Work 47% **Down 1** percentage points since previous quarter

Outcomes of initial assessments entitled to ESA fell by 3,700 in the latest quarter to September 2016 to stand at 46,000.

Historically, SG outcomes have been gradually increasing, however they began dropping in March 2016 and continue to fall in the latest quarter from 32,000 to 30,000. This fall could partly be due to updated guidance on the application of risk introduced in January 2016, to restate the original policy intent and place the question of risk in the context of work-related activity (or potentially work).

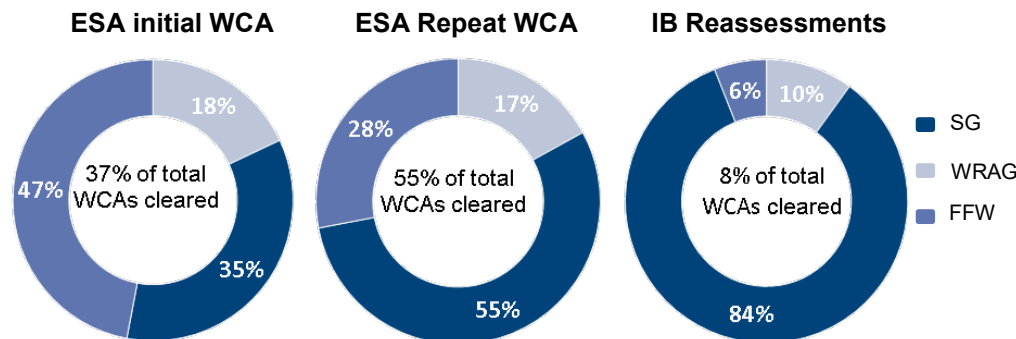
The proportion assigned to WRAG this quarter is stable but actual numbers have dropped from 17,000 to 16,000 for WRAG.

FFW outcomes fell 5,200 to 40,000 - partly due to decreasing numbers of initial assessments completed and their outcomes characteristics detailed below.

See accompanying [tables](#) for full data.

**Note:** assessment outcomes are shown by assessment date. Percentages may not sum to 100 due to rounding

## ESA and IBR assessments: Cleared outcomes for the latest quarter show big differences across claim types



For assessments cleared in the latest quarter to September 2016, 37% were initial ESA claims, 55% were ESA repeat assessments and 8% were IB reassessments.

Repeat assessments account for 55% of total WCA clearances this quarter, an increase in proportion of 31% since the quarter to March 2016, due to them being re-introduced in December 2015 after a year of focussing on initial assessments.

The majority of IB reassessments and repeat assessments have Support Group outcomes - 84% and 55% respectively, in contrast to 35% for ESA initial assessments. This is due to IB claimants and existing ESA claimants already receiving benefit for an existing medical condition.

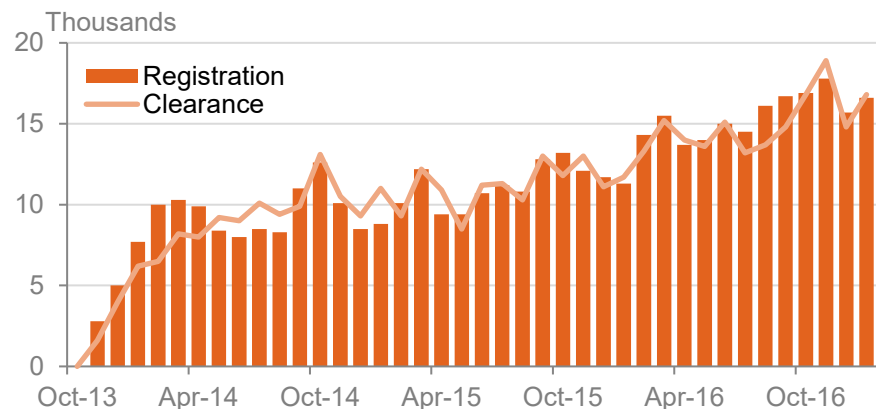
Initial ESA assessments have the highest FFW rate at 47%. This is expected as, unlike IB reassessments and repeat claims, these claimants don't have a previously known medical condition.

# ESA-WCA Mandatory Reconsideration registrations, clearances and clearance times

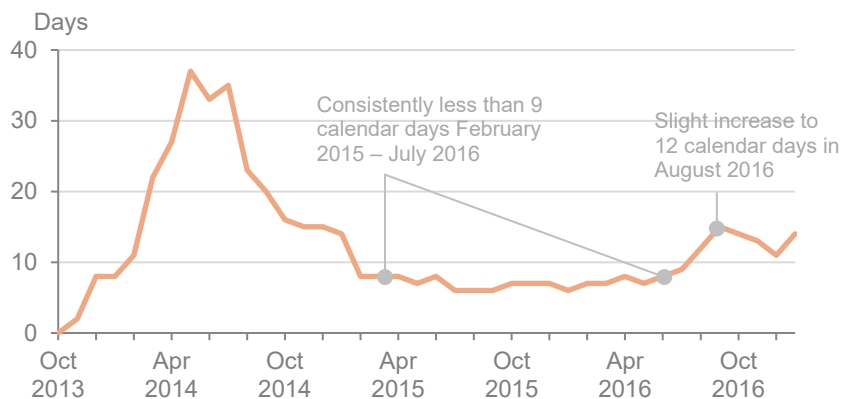
If a customer disagrees with their assessment decision they have the opportunity to raise a **Mandatory Reconsideration** and ask DWP to formally review the decision. The aim of MR is to resolve disputes as early as possible without the need for an appeal hearing.

See [methodology](#) note for a more detailed explanation.

## Mandatory Reconsideration registrations have fluctuated with a general increasing trend



## Mandatory Reconsideration median monthly clearance times have shown a slight rise since July 2016



## Main Findings

Since the introduction of the MR process in October 2013 there has been an overall increasing trend in MR registration volumes and they remain stable in the latest month following a slight dip in December 2016. 17,000 were registered in January 2017 compared to 11,000 for a year earlier in January 2016.

The chart shows rapid increases in registrations as MRs were introduced and thereafter, monthly numbers have increased gradually, fluctuating slightly each month. Since September 2015 there has been an overall increasing trend in the number of MRs registered.

When the MR process was first introduced, clearance numbers were low in comparison to registrations. However, since May 2014, clearance volumes have improved, as the process became established. Since September 2015 there is a general increasing trend in clearance volumes. In January 2017 clearance numbers surpassed registrations at 17,000.

In January 2017, the median monthly clearance time was 14 calendar days.

Initially, the median ESA-WCA MR clearance time increased steeply until May 2014, standing at 37 days, then decreased rapidly as the process became embedded. Between February 2015 and July 2016 the median clearance settled and didn't exceed 9 calendar days.

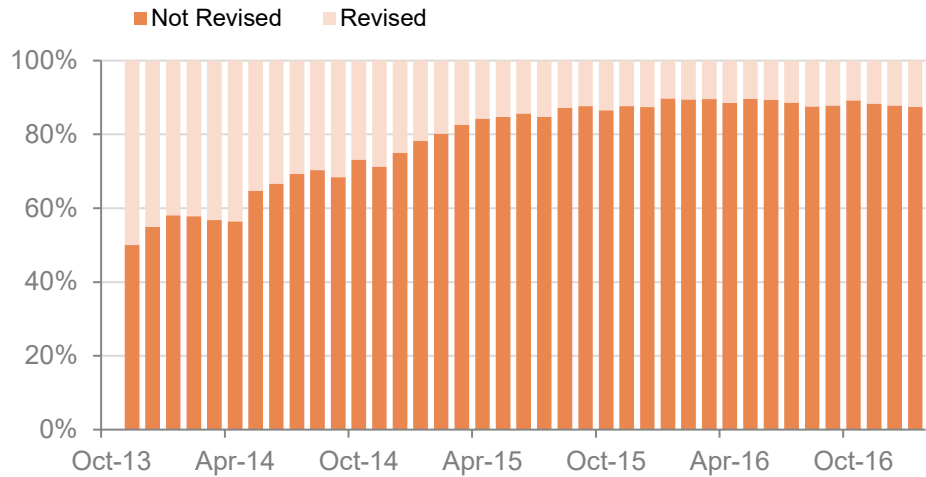
In August 2016, there was an increase in the clearance time to 12 calendar days, and it currently stands at 14 days in January 2017. This is in line with the steeper increase in MR registrations over this period.

See [methodology](#) note and page 9 for how median clearance times have been derived.

See accompanying [tables](#) for full data.

# ESA-WCA Mandatory Reconsiderations outcomes

88% of assessment outcomes were not revised at Mandatory Reconsideration in the latest month, January 2017



**Note:** MR figures require less retrospection than the cohort data and are therefore reported monthly to allow the most recent figures to be included.

## Main Findings

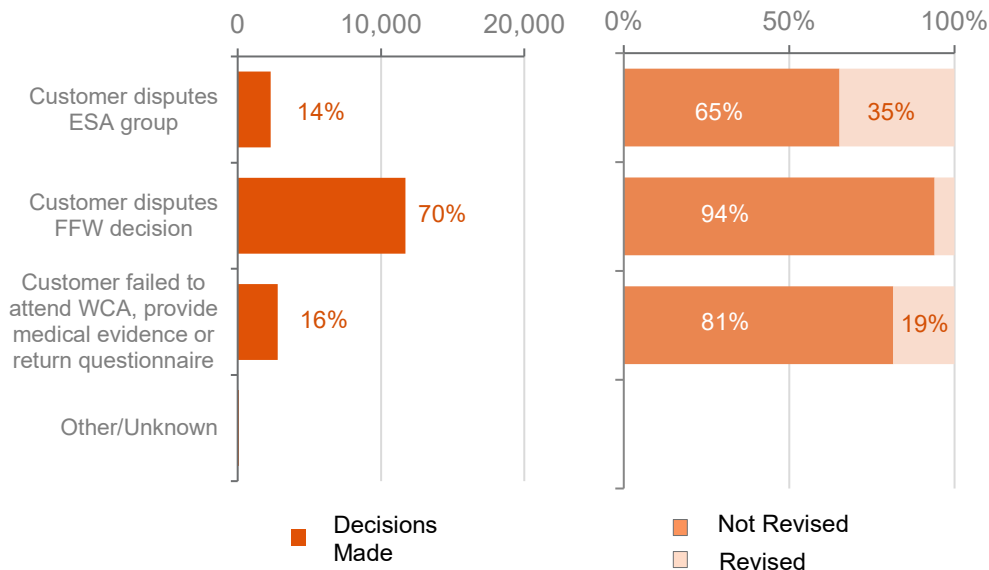
During the MR process, the DWP Decision Maker will review the evidence for the decision under dispute to either revise or not revise the decision.

Generally, since the MR process was introduced, there has been a decreasing trend in the number of decisions being revised each month. It settled at 10% in January 2016 and has fluctuated very slightly since. Latest figures for January 2017 show 13% were revised that month.

In January 2017, 88% of MRs were not revised; 15,000 decisions were not revised compared with 2,100 decisions revised.

See accompanying [tables](#) for further details.

## Fit for Work disputes are the main cause of ESA-WCA Mandatory Reconsideration decisions in January 2017



The vast majority of MRs raised during the ESA-WCA process in January 2017 were due to FFW decisions. These types of MRs are less likely to be revised than the other categories.

In January 2017, 12,000 MR decisions (70%) were made on disputes about Fit for Work assessment outcomes. Only 6% of FFW disputes resulted in a revision in October.

In January 2017, 17% of MR decisions were made on disputes for reasons where the claimant has not followed the claim procedures correctly. These reasons include failing to return the initial questionnaire, failing to provide medical evidence or not attending their assessment. 19% of these disputes were revised this quarter.

The breakdown of revised/not revised decisions per MR category for January 2017 is shown in the chart.

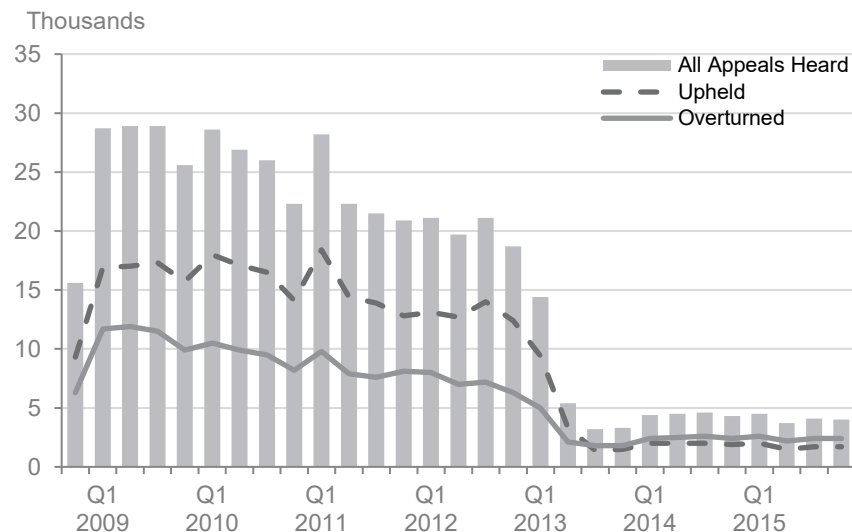
See accompanying [tables](#) for further details.



## Appeals clearances and outcomes

Following an MR decision, the claimant can dispute the decision further by appealing to Her Majesty's Courts & Tribunal Service where an official appeal hearing will take place to consider the decision evidence. At appeal, the decision under dispute will either be upheld or overturned.

### The number of appeals heard on initial FFW decisions has fallen slightly



**Note:** appeals outcomes are shown by appeal start date.

### Main Findings

Being found FFW at assessment is the primary reason for claimants disputing a decision and therefore the main reason for appeal hearings. These figures focus on FFW appeals for initial assessments.

The total number of appeals heard on FFW decisions for initial assessments are very low over the last 18 months with little fluctuation.

The chart shows that in the latest quarter to December 2015, the number of appeals heard on FFW decisions for initial assessments has again remained stable with a very slight decrease from 4,100 to 4,000.

The low numbers of appeals over recent quarters may be due in part to the introduction of the MR process, although there could be other factors which have also contributed. The purpose of MRs is to give the customer an opportunity to present evidence against a decision for review without the need for formal appeal processes, therefore when the new system was introduced fewer appeals were expected.

### Just over four in ten initial FFW decisions were upheld at appeal this quarter\*



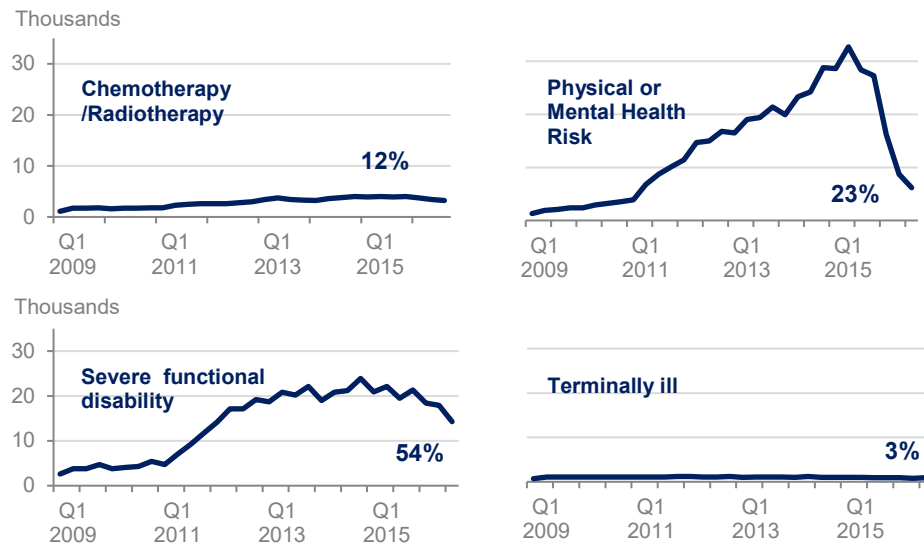
This quarter 41% of decisions under dispute were upheld at appeal\*. This is in line with outcome levels seen over the last couple of years, where the upheld rate for appeal decisions on FFW disputes for initial assessment is consistently between 41% and 45%.

See accompanying [tables](#) for further details.

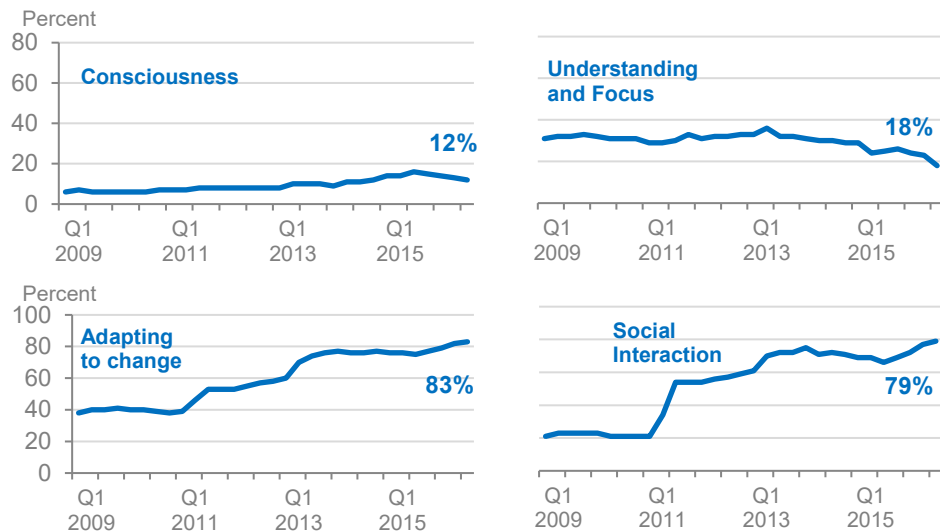
\*Note: Percentages of upheld/overturned appeals decisions have been slightly revised since first published

# Health Conditions and ESA group allocation for initial assessments

**‘Physical or mental health risk’ and ‘severe functional disability’ remain the main reasons for SG allocation this quarter**



**‘Adapting to change’ and ‘Social interaction’ remain the main reasons for WRAG allocation (with 15 points or more) this quarter**



## Main Findings

The charts to the left, show the main reasons for claimants who started their ESA claim in the latest quarter to June 2016 being assigned to the SG, is due to health conditions linked to ‘physical or mental health risk’ or ‘severe functional disability’.

These two leading categories made up 77% of all SG allocations this quarter.

There has been a decreasing trend in allocation to the Physical or Mental Health risk group since the start of the year. This could partly be due to updated guidance on the application of risk introduced in January 2016 to restate the policy intent and place the question of risk in the context of work-related activity. Volumes dropped sharply from 16,000 to 7,700 last quarter and continue to fall this quarter to 6,200.

Chemotherapy/radiotherapy and terminally ill numbers have fluctuated very slightly in the last two years and have been falling slightly over the last several quarters.

The charts show the four main functional impairment categories in which claimants have scored points when assigned to the WRAG, scoring 15 points or more at initial assessment. Receiving 15 points or more is the main reason for assignment to the WRAG at initial assessment however; claimants can also be assigned to the WRAG at reconsideration or after appeal.

‘Adapting to change’ and ‘social interaction’ remain the most common reasons for WRAG allocations (with 15 points or more) this quarter, with 83% of claimants having an ‘adapting to change’ condition and 79% present in the ‘social interaction’ group. **Note** that claimants can have multiple functional impairments therefore appear in more than one category.

‘Understanding and focus’ affects 18% of WRAG claimants (with 15 points or more) this quarter. Other reasons for being assigned to the WRAG (with 15 points or more) which aren’t shown (Upper Limb, Sensory, Continence, and Lower Limb) are less common.

See accompanying [tables](#) for statistics on all reasons and health conditions assigned to the WRAG.

## About these statistics

This product has recently been assessed by the UK Statistics Authority for National Statistics status and has been awarded National Statistics designation for the first time. National Statistics designation is awarded to the subset of official statistics that are judged to be of good quality, value and trustworthiness. This badge does not currently apply to the experimental cohort figures.

### Key uses of the statistics include:

- Providing the evidence base for assessing the potential effect of changes, monitoring and evaluation of DWP policy
- Answering Parliamentary Questions and Freedom of Information requests and Forecasting benefit expenditure (in conjunction with expenditure statistics)
- Policy development and evaluation by local authorities and other welfare to work and pensions stakeholders and providers.

### Terminology:

- **Registration** - Claimant registers an application for a WCA, MR or appeal
- **Clearance** - DWP decision maker has determined whether the claimant should or should not be entitled to claim ESA.
- **Mandatory reconsideration** - Claimant wishes to dispute a decision made on their claim and requests DWP to reconsider the decision.
- **MR clearance time** - The clearance time begins from the point the MR is raised on the DWP administrative system by the Benefit Centre as a valid MR, having considered whether they can initially change the decision in the light of any new information. The total clearance time therefore includes the time taken to transfer the case to the Dispute Resolution Team and the time taken for the decision maker to make a decision.
- **Repeat assessment** - An existing claim that has been reassessed for ESA, as opposed to a new claim. A repeat assessment is the second or subsequent WCA undertaken on an existing, continuous ESA claim, usually between 3 and 24 months after the previous assessment. These claimants will have already been assessed as having a limited capability for work at their initial WCA and the repeat assessment will assess if their capability for work has changed.

### MR outcomes:

- If a decision is categorised as '**Not Revised**' this means that the decision the claimant is questioning has not been changed.
- If the decision under dispute is classed as '**Revised – Allowed**' then the DM has changed the decision in the claimant's favour. So someone found FFW would be awarded ESA or someone put in the Work Related Activity Group (WRAG) claimant would be put in the Support Group (SG).
- If the decision is categorised as '**Revised – Disallowed**', the DM, having reconsidered the decision, decides that the claimant is not entitled to ESA at all. This would apply where someone put in the WRAG seeks a revision to go into the SG but is then found FFW. These decisions are not at all common – less than 2% to date.
- If the decision is categorised as '**Withdrawn**', the claimant has chosen to remove their MR request.

### MR Decision categories:

There are many reasons that result in an ESA claimant raising a MR. For these statistics only those reasons relating to the WCA process have been included. The main reasons have been categorised and shown in the accompanying tables as follows;

- The primary reason for a claimant raising a MR is when they are found FFW following a medical assessment. All MRs relating to this topic are categorised as 'Customer disputes FFW decision'.
- The second category 'Customer failed to attend WCA, provide medical evidence or return questionnaire' incorporates reasons where the claimant has failed to follow the required claim procedures. The MR gives them an opportunity to explain why they didn't comply.
- The third category is 'Customer disputes ESA group' and contains MRs where the claimant is already assigned to an ESA group.

### Experimental cohort statistics:

MR statistics have been added to the regular cohort data to build on the story of the end to end customer journey. The cohort MR statistics are less timely than the stand alone MR statistics due to time lags in the benefits data and assessment data they are linked to in the cohort process. Time lags are present to allow stages within the process sufficient time to complete. These statistics give a feel for the volumes flowing through each stage of the ESA WCA process. For robust figures on individual stages, please use the stand-alone figures within the published tables (not table 17).