



The cost of not getting
Personal Independence Payment
decisions right first time

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The Administrative Justice Council is the oversight body of the administrative justice system in the UK, advising government, including the devolved governments, and the judiciary on the development of that system. It aims to keep the operation of the administrative justice system under review and to consider how to make the administrative justice system more accessible, fair and efficient.

Executive summary

Each year, the UK government provides around £12 billion of support to disabled people and people with health conditions through Personal Independence Payments (PIPs). After the Employment & Support Allowance, PIPs are the second biggest source of welfare benefit provided by the Department of Work and Pensions (DWP) to this group of individuals, distributing additional payments to 2.7 million people to help them with their higher costs of living.

Yet a wealth of evidence suggests the process of awarding PIPs is not currently fit for purpose. Despite surveys showing that PIP awards have a highly significant positive impact on the lives of recipients, multiple independent reviews have found that the vast majority of people who go through the PIP assessment process have a negative experience. More than a quarter of people who go through the process believe that the measurements and functional tests involved are not relevant or appropriate to them, and the same share believe that it doesn't provide them with the opportunity to explain the impact of their disability on their daily lives.

The consensus from such high proportions of claimants that the process requires major improvements is borne out by the high rate of decisions which are not right first time. Of the 780,000 claims made in 2019/20, 92,200 had their award changed after they requested a Mandatory Reconsideration and a further 59,400 were successful at getting their decision overturned at the appeals stage. Taken together this means that that 1 in 5 of claimants had their original decision changed at either of the two stages.

Our analysis conservatively estimates that the administrative costs to DWP for processing the cases where initial PIP decisions were overturned at appeal in 2019/20 could have been £23-29 million. This excludes the costs of other Mandatory Reconsiderations that saw initial decisions overturned and there are also additional administrative costs for other agencies like the HM Courts and Tribunals Service. At a time of heavy pressure on departmental spending, the opportunity for savings that better decision making would provide should not be ignored.

Yet this administrative waste is just the tip of the iceberg of costs to the taxpayer which arise from poor decision making on PIPs, as the impact of stopped, reduced or delayed payments can have serious effects on individuals' wellbeing. People applying for PIPs may have to wait over a year from their initial claim until completion of an appeal before they are able to receive money to pay for vital assistive equipment to help them with daily essential tasks such as bathing or reading.

Those individuals having to go through the reassessment process to restore or increase a previous PIP award generally have their original payments stopped or reduced while they await a revised decision. This can mean that for long periods claimants have to live without vital financial support and other essentials such as adapted vehicles which are often a lifeline. This predicament can be exacerbated by knock-on effects to their personal incomes through simultaneous cuts in other benefits such as Universal Credit and housing benefits.

The effect that these consequences can have are numerous and serious. Claimants who are already in vulnerable positions as they await a revised decision are more likely to experience increased stress and uncertainty, financial hardship, increased risk of homelessness and reliance on food banks, and reduced mobility and ability to deal with their health conditions. An extended period without or with reduced PIP support has the potential to have negative impacts on an individual's mental and physical health, and can lead to increased negative behavioural and psychological outcomes. Indeed, independent reviews of the appeals process found many people who go through the experience believe that it notably worsened their disability.

The costs of these indirect impacts – particularly on already stretched NHS services and local authorities – could potentially be substantial. For example:

- If 1 in 10 claimants who successfully had their decision changed in 2019/20 have to pay one additional visit to the GP, then it would cost the NHS an additional 2,300 GP hours, at a cost of around £600,000 per annum.
- If 1 in 20 of those who successfully had their decision changed in 2019/20 have to pay one more visit to A&E, for example, then it would cost around £1.1 million per annum.

- If 1 in every 100 people who successfully had their decision changed in 2019/20 required statutory homelessness support whilst they await the outcome of their MR or appeal, it could cost an additional £4.4 million.
- If 1 in 200 of those who successfully had their decision changed in 2019/20 require community social care in the interim, then it could cost an additional £9.9 million.

Yet different approaches are possible. The Scottish government has announced its plans to provide Short-Term Assistance to retain payments to claimants whilst they go through an appeal process. This could significantly reduce the harm that is likely to be resulting from the current system.

As the government looks to reform how it supports disabled people and people with health conditions through the Health and Disability Green Paper, and simultaneously seeks to manage its expenditure as the country emerges from the pandemic, making the PIP process fit for purpose would benefit taxpayers, departmental budgets, and individuals alike.

Introduction

“Transforming our support for disabled people and people with health conditions to promote independent living and improve the customer experience.”

One of Department for Work and Pensions’ strategic objectives¹

As the Department for Work and Pensions (DWP) sets out to overhaul the support it provides to disabled people across the UK, improving how decisions on benefits are made is key among the objectives of *Shaping future support: the health and disability green paper*. In addition, they will be seeking out new ways to conduct initial assessments and querying whether it’s providing practical support such as aids, appliances and services in the right way.

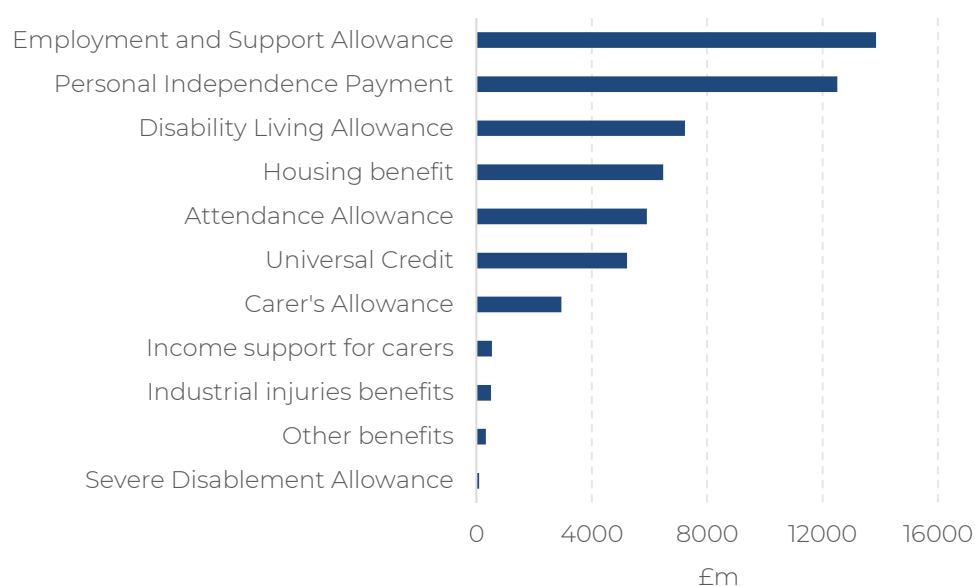
Getting the answers to these questions right is crucial, not least because of the scale on which they have an impact. Currently, one in five people aged 16-64 in the UK is disabled and one in three people aged 16-64 in the UK has a long-term health condition². These figures are anticipated to continue to increase. Ensuring that claimants encounter an effective, accurate and efficient system is not only important for the individuals involved, but also the taxpayer, HM Treasury, and for DWP itself.

While the full range of support for people who are living with a health condition or disability is in scope for the government’s review, one of the most essential is Personal Independent Payments (PIPs). PIPs made up 22% (£12.5bn) of the £55.6bn of support given to disabled people and people with a health condition by DWP in 2019-20.

¹ DWP July 2021: The DWP Outcome Delivery Plan for 2021 to 2022

² Office for National Statistics, May 2021, Table A08: Labour market status of disabled people

Figure 1. PIP is the second largest component of DWP Support for disabled people and people with a health condition



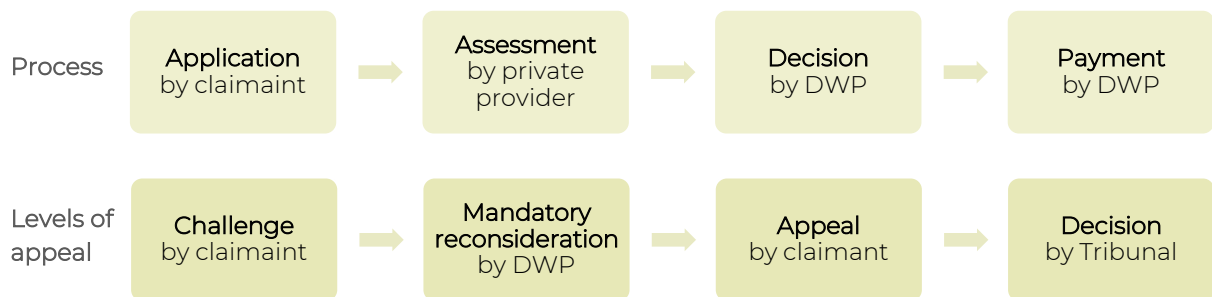
Source: Department for Work and Pensions Annual Report and Accounts 2019-20

PIPs are primarily designed to help people meet the additional costs of living with a disability, including helping people get out and move around through support with mobility costs, and helping people accomplish tasks in their daily lives which might be more challenging, such as preparing and eating food or reading and communicating.

To apply for PIPs, most people have to take part in a face-to-face or telephone assessment to determine whether they are eligible and how much they will receive. If an application is denied, a potential claimant can request a Mandatory Reconsideration (MR), where another team in DWP will review the decision on the basis of existing or further evidence. If the initial decision is upheld, they can appeal to the First-tier Tribunal (Social Security and Child Support). Decisions can also be changed by DWP without these stages if new evidence is presented.

This process of MRs and appeals is also available for claimants when PIPs are reviewed. Reviews can take place anywhere from several months to 10 years after payment begins, depending on the time limit placed on the claim or if the claimant has a change in circumstances. If the review concludes that payments should be reduced or stopped and the claimant disagrees, they follow the same process.

Figure 2. The PIP application and appeals process



Source: National Audit Office: A short guide to the Department of Work and Pensions

The initial decision making process for PIP is not working

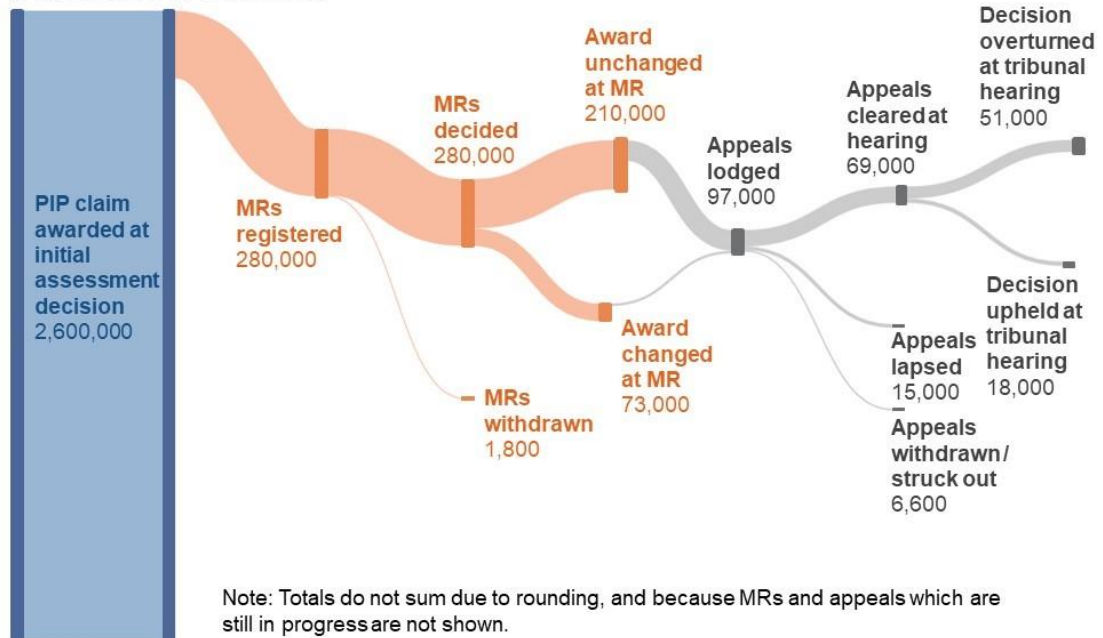
A very significant number of people go through the process of Mandatory Reconsideration and appeals. In the 7 years to March 2020, 158,000 awards have been changed at MR stage following initial assessment, and 181,000 awards have been changed at appeal. Of the 269,000 claims which have been originally disallowed by DWP and cleared at an appeal hearing, 67% have had the original decisions made by DWP overturned³. This large volume of cases with a very high success rate suggests that there is a problem with the initial decision-making process. It is also worth noting survey evidence highlights that many people are put off pursuing MRs and appeals as a result of the stress of the process, which suggests there may be more poor quality decisions which never go through the full extent of the reconsideration process.⁴

³ DWP June 2021: Personal Independence Payment statistics to April 2021 <https://www.gov.uk/government/statistics/personal-independence-payment-statistics-to-april-2021>

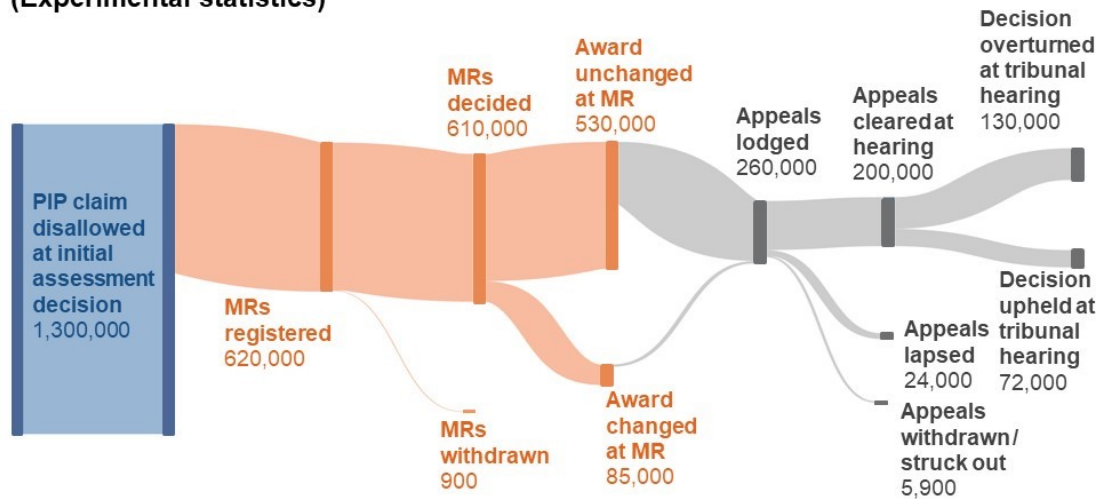
⁴ DWP September 2018: Personal Independence Payment: claimant experiences of the claim process, <https://www.ipsos.com/ipsos-mori/en-uk/personal-independence-payment-pip-claimant-research>

Figure 3. The PIP Process 2013-20

**Initial Awarded Decisions through to MR and Appeal, April 2013 to March 2020
(Experimental statistics)**



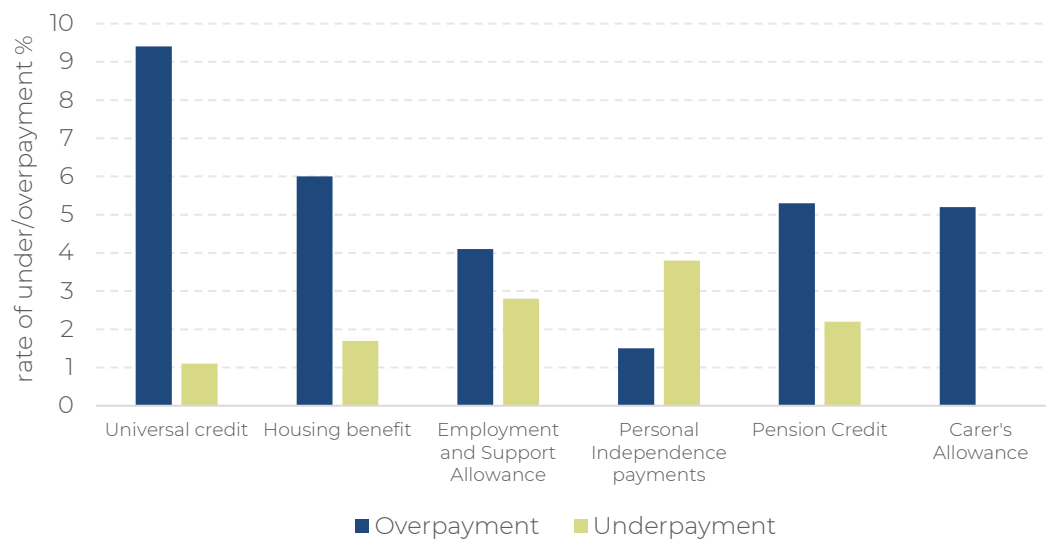
**Initial Disallowed Decisions through to MR and Appeal, April 2013 to March 2020
(Experimental statistics)**



Source: DWP Personal Independence Payment Official Statistics April 2013 to March 2019, Experimental Statistics

The administration of benefits is complex and some element of error is inevitable given that some claimants may not provide the correct information on time. That is why reconsideration processes like MRs and appeals exist. However, PIPs are distinct from other payments because of their higher rates of underpayment and low rates of overpayment. As Figure 4 demonstrates, PIPs have the highest rates of underpayment of the major benefits, at 3.8%. One of the ways in which underpayments are identified is when claimants appeal incorrect decisions successfully, and receive the backdated payments owed to them or if an initial decision awards a lower than appropriate level of payment. A comparably high rate of underpayments is further evidence of poor decision making on this benefit in particular.

Figure 4. Rates of overpayment and underpayment



Source: Department for Work and Pensions Annual Report and Accounts 2019-20

This poor decision making in the process and the high rates of underpayments have serious consequences for the individual, which in turn have wider impacts for the economy, public finances and public services. As the logic model below sets out, this report will focus on some of the impacts on individuals, on health, finances and housing, as well as the costs of administering the reconsideration process.

Case Study A

A had a Road Traffic Accident in 2007 which caused nerve damage to his lower spine, hip, and upper spine. He is in constant pain and as a result of his restricted mobility, suffers with depression. A has been on the enhanced rate of the mobility component of Personal Independence Payments (PIP) since 2016.

At a health reassessment for PIP, A scored just 4 points for the mobility component, 10 points less than previous entitlement. A felt that the assessor did not thoroughly consider the medical evidence available to them. This was A's second appeal to the First Tier Tribunal for PIP, their previous appeal being heard in 2018.

For years, A relied on the car he had been given in exchange for their enhanced mobility component of PIP and DLA. The car had been a lifeline and provided him with the freedom to travel safely and to his local park for gentle exercise to alleviate some of the pain and the symptoms of his depression. After his reassessment, A was forced to return his car.

The effect of losing his car meant that, on the whole, he is unable to leave the house. The difficulties he has in walking to the bus stop or tube station and managing stairs means he has become isolated and this has exacerbated his depression. A also lives alone with no friends or family in the area to assist him with daily tasks such as trips to the pharmacy and has to push through the pain to complete them. He has been unable to visit his park to undertake the gentle exercise that is recommended by his GP and physiotherapist, impacting both his physical and mental wellbeing.

A is still awaiting the outcome of his appeal and suffers with a lifelong condition which will unfortunately worsen over time and experiences anxiety when it comes to his reassessments. With this being his second appeal for the mobility component of PIP, he feels disheartened and frustrated by the process. A was unable to work during this period and struggled financially, forced to rely on ASDA vouchers provided via a charity.

Figure 5. The logic model⁵

Trigger

An incorrect initial decision
is on Personal
Independence Payments
(PIPs)

Consequences

Anxiety over decision
Housing challenges
Additional finance needs

Outcomes

Physical health deteriorates
Mental health deteriorates
Rent arrears/house move
Debt problems

Economic impacts

Government:
Use of health services
Temp. accom. costs
Other benefits costs
Debt advice

Individual:
Mental/physical health
costs
Move home/rent arrears
Debt service/
repayment

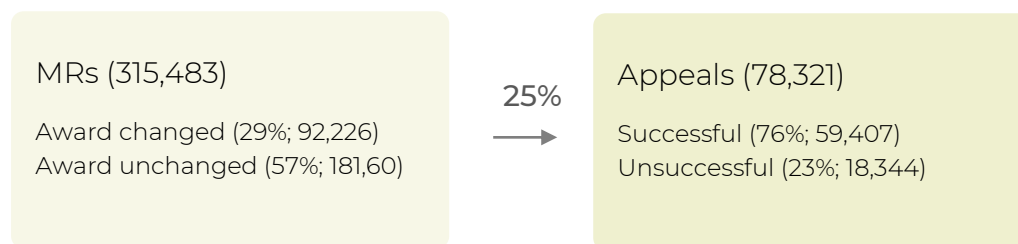
⁵ Note that there are likely to be a range of other effects on the individual which are not monetised as an “economic impact”.

Poor decision making has a direct administrative cost for government

According to the official PIP statistics published by DWP, in the fiscal year of 2019/20, there were 781,152 initial decisions made about PIP awards. The diagram below shows that among these initial decisions 315,483 were reviewed at the Mandatory Reconsideration (MR) stage, the first step if claimants want to challenge a decision and where they formally ask the Department to reconsider its decision. Claimants cannot appeal a PIP decision to the Tribunal without first going through a MR.

29% (92,226) of these cases had the initial award changed and 57% (181,360) of the cases were not successful at the MR stage (the remainder were withdrawn or cancelled). 78,321 cases (the initial decisions of which may or may not have changed at the MR stage) go on to lodge an appeal. Among these cases that reached the appeal stage, 76% of them (59,407) were successful.

Figure 6. PIP decisions and appeals 2019/20



Source: PIP official statistics by DWP and Stat-Xplore

Using data on the costs of appeals processes from a Freedom of Information request⁶ and publicly available information on the number of cases cleared, it is possible to estimate the costs to DWP of administering appeals that overturn initial PIP decisions.⁷

We estimate that:

- Each case at the MR stage costs the DWP £66-£92 to administer
- Each case at the appeal stage costs the DWP £285-£399 to administer

⁶ FOI2020/09416 – provided in Annex D.

⁷ Further details of the calculations are provided in Annex A.

- The total cost of administering the 59,407 cases that were successfully appealed as part of the PIP process in 2019/20 is estimated to range between £23.1 - £29.1 million.

These figures, which include both staff costs and overheads at DWP, are likely to be extremely conservative as they focus solely on cases that reached appeal stage and exclude decisions that were overturned at the MR stage and “lapsed cases” where DWP changes a decision before an appeal is heard and they exclude costs to other departments such as the HM Courts and Tribunal Services.

But these are just the tip of the iceberg when it comes to the costs of poor PIPs decisions.

Case Study B

B is 65 years old, he suffers with diabetes, asthma, arthritis, depression, short term memory problems and prostate issues. His mobility is poor due to foot and knee pain caused by diabetes and breathlessness due to asthma. He also has weakened eyesight due to diabetes. He worked in the catering industry for many years before having to stop work due to poor health. B's Personal Independence Payments (PIP) stopped three months before the end of the award date, following a reassessment. He was given 0 points, despite deterioration of his health since he was last awarded PIP in 2016.

The termination of his PIP award resulted in B being subject to the 'benefit cap'. With a large family to support, B's housing benefit was reduced under the cap to just 50p per week. Unable to pay his rent, B's housing association threatened possession action using the accelerated procedure. He was forced to apply to the Council for a Discretionary Housing Payment (DHP), which the Council agreed to pay and the Housing Association has subsequently agreed to keep action on hold until the outcome of his PIP appeal is known.

B's wife also has lost her Carer's Allowance due to the loss of B's PIP. The client is still waiting for his tribunal date, which has likely been delayed by the pandemic. The impacts on B of the decision to stop his PIP payment and the stress of the appeals process where B went into rent arrears of over £4000 before his local authority cleared this with a DHP. B's existing depression was exacerbated by the threat of homelessness. B's family was referred to the foodbank and provided with supermarket vouchers via a hardship fund. B did eventually win their PIP appeal and as a result is no longer subject to the benefits cap.

The experience of applying for PIP is lengthy and stressful

Claimants for Personal Independence Payments often have to wait for long periods of time to have decisions on their claims reconsidered. On average it takes 55 weeks to get a final decision following an appeal: 17 weeks for the initial decision, 7 weeks for the reconsideration and 31 weeks for the appeal. If a decision is corrected following an MR, the average wait is 24 weeks for the decision⁸.

Significant proportions of people submitting appeals and requesting MRs report the reconsideration process having a detrimental impact upon them. Two independent reviews of PIP have been conducted.^{9,10} Each of these included a call for evidence through the completion of a survey, which drew responses from approximately 800 individuals and organisations during the first review and over 1,700 individuals and organisations during the second review.

The independent reviews found that:

- **PIP assessment phase:** The vast majority of people who went through the PIP assessment process had a negative experience. Issues that were frequently raised included the stress of the application, the length of the process, and inadequate training among the health professionals conducting the assessments. For instance, those with mental health conditions often felt that assessments should have been made by professionals that specialise in the field of mental health. This concern is validated by other research, which finds that DLA claimants with a mental health illness are 2.4 times more likely to have their benefits removed following a PIP assessment than DLA claimants with musculoskeletal conditions, neurological conditions, or diabetes.¹¹

⁸ Ministry of Justice June 2020: Tribunal Statistics Quarterly: January to March 2020 <https://www.gov.uk/government/statistics/tribunal-statistics-quarterly-january-to-march-2020>

⁹ Paul Gray (2014): An Independent Review of the Personal Independence Payment Assessment

¹⁰ Paul Gray (2017): The Second Independent Review of the Personal Independence Payment Assessment

¹¹ Pybus et al. (2019): Discrediting experiences: outcomes of eligibility assessments for claimants with psychiatric compared with non-psychiatric conditions transferring to personal independence payments in England.

- **Mandatory Reconsideration phase:** Feedback specifically on the mandatory reconsideration process was also mainly negative, with many feeling that the evidence they submitted was ignored and that they were not given enough time to gather this evidence. This concern was echoed by professionals and organisations who were doubtful that further evidence submitted by claimants was taken seriously.¹² This result is corroborated by a report on the experiences of four PIP claimants who were represented at tribunal by Merseyside Welfare Rights.¹³ This is likely to be an important factor that explains the high number of decisions that are overturned at the appeals stage.

Nearly two-thirds (63%) of professionals and organisations did not think that it was clear what further evidence claimants were being asked to provide as part of their PIP application. The vast majority (87%) of professionals and organisations believed that claimants faced barriers to providing further evidence, such as the financial cost associated with collecting evidence, the time required to do so, and a lack of clarity surrounding the process in general. It has been highlighted that, more recently, some improvements have been made in the MR process that have increased the success rate of claims at this stage, saving the need to pursue a case at the appeal stage.¹⁴

- **Appeals phase:** Following mandatory reconsideration, claimants who proceed to the appeals process must take their case to a tribunal. The majority of those who went through this process found it to be very stressful, with many believing that the experience worsened their disability. Again, this concern was echoed by many professionals and organisations who felt that the stressfulness and length of the appeals process were contributing to a worsening of claimants' health.

The appeals process did receive some elements of positive feedback. For instance, many respondents indicated that the tribunal panel at

¹² Professionals and organisations are classed as individuals or organisations with a professional interest in the PIP process. This can include healthcare professionals, Atos or Capita staff, or DWP staff.

¹³ T Varshini (2016): The United Kingdom's welfare state in practice: A case study of Personal Independence Payment (PIP)

¹⁴ Justice / Administrative Justice Council (2021): Reforming benefits decision making, available here: <https://justice.org.uk/our-work/civil-justice-system/current-work-civil-justice-system/reforming-benefits-decision-making/>

the appeals stage was more willing to carry out a thorough review of the available evidence and provide due consideration to claimants' individual circumstances when making its decision. Additionally, claimants often indicated that the PIP assessment process was better than the assessment process for Employment and Support Allowance (ESA). However, respondents' experiences of the PIP assessment process generally compared negatively to social care assessments. Whilst it should be recognised that social care assessments are different in nature, one individual said that "...social care assessments are better. I get to agree an approach with my social worker, rather than them just imposing their views on me.". Another stated that "There is more flexibility with these [social care & occupational health assessments] which is important when everyone is different."

A follow-up survey conducted by Ipsos MORI highlighted that:¹⁵

- **PIP awards have a highly significant impact on the lives of recipients:** Among PIP claimants who received an award, 48% said that this would improve their quality of life, while nearly a fifth (17%) stated that it would improve their mental health or reduce stress.
- **Individual assessors can have an impact on how effective the process is:** The most common reasons were that the process was stressful (cited by 42% of eligible respondents) was that the assessor's manner was poor (cited by 24% of eligible respondents), and that the assessor was unhelpful (cited by 21% of eligible respondents).
- **Stress-related factors are driving away applicants:** One in ten (10%) claimants that did not request a Mandatory Reconsideration took this decision because they thought the process would be too stressful. Meanwhile, among those who unsuccessfully went through the MR phase but did not proceed to Appeal, more than a third (37%) did so because they thought the process would be too stressful. This was the most frequently cited reason for not challenging the decision at the MR phase. The high rate at which decisions made at the MR phase are later overturned at Appeal suggests that many incorrect decisions are not being rectified due to applicants opting not to proceed to the appeal stage.

¹⁵ DWP September 2018: Personal Independence Payment: claimant experiences of the claim process, <https://www.ipsos.com/ipsos-mori/en-uk/personal-independence-payment-pip-claimant-research>

These findings echo those of other reports that highlighted the devastating impact that being denied benefits can have on an individual's life and their family. It concluded that the benefits systems was not working as well as it should for those with health conditions and disabilities.¹⁶

While it is positive that many of the incorrect decisions being made by the DWP during the PIP assessment and MR stages are eventually being overturned upon appeal, the process is having considerable impacts on the applicants' lives. The fact that nearly half of PIP claimants who receive an award state that the award will improve their quality of life illustrates how important this benefit is to its recipients. However, much like other changes to benefits system, the applicants repeatedly perceive the process as overly long, stressful and unfair.¹⁷

The process impacts on the health and wellbeing of applicants

The prolonged uncertainty generated by rejections at the PIP assessment and MR stages represent a significant source of stress for many, which is likely to result in a wide range of negative health, behavioural and psychological effects.¹⁸

Research by the Mental Health Foundation's 2018 study¹⁹ has demonstrated the very wide range of ways in which stress can impact on an individual's life. The study had a sample size of 4,619 respondents and is the largest known study of stress levels in the UK, and concluded that the psychological effects of stress were significant:

- 51% of adults who felt stressed reported feeling depressed and 61% reported feeling anxious.
- Stress was also correlated with an increase in the risk of unhealthy behaviours, with 46% of respondents reporting that they ate too much or ate unhealthily due to stress, 29% reporting that they started drinking or increased their drinking as a result of stress and 16% reporting that stress led to them starting smoking or increased their smoking.

But the stress of the reconsideration process is clearly not the only impact, as demonstrated by the case studies (see pages 11, 14, 22, 26) which were

¹⁶ Justice / Administrative Justice Council (2021)

¹⁷ See: Dwyer et al. (2019): Work, welfare, and wellbeing: The impacts of welfare conditionality on people with mental health impairments in the UK or Katikireddi et al. (2018): Effects of restrictions to Income Support on health of lone mothers in the UK: a natural experiment study.

¹⁸ Mental Health Foundation 2018: Stress: Are we coping?:

<https://www.mentalhealth.org.uk/sites/default/files/stress-are-we-coping.pdf>

conducted specifically for this report. As summarised below, these highlight a much broader range of issues that occur as a consequence of the lost payments and the knock-on impacts on other income streams, in addition to the stress of the process itself:

- A felt that the assessor did not thoroughly consider the medical evidence available to them and they lost the car they relied on for independence and mobility as they lost the mobility component of PIP. A felt disheartened and frustrated by the process. A was unable to work during the Appeal period and struggled financially, forced to rely on ASDA vouchers provided via a charity (see page 11)
- The termination of B's PIP award resulted in him being subject to the 'benefit cap' and his housing benefit was reduced under the cap to just 50p per week. Unable to pay his rent, B's housing association threatened possession action and he was forced to apply to the Council for discretionary support. B's wife also has lost her Carer's Allowance and B's existing depression was exacerbated by the threat of homelessness and B's family had to be referred to the foodbank. B did eventually win their PIP Appeal (see page 14).
- The removal of PIP made C subject to the benefit cap and having to resort to applying for discretionary funding from the local authority to cover the shortfall in the rent payments while she appealed. C sought assistance from the food bank and had to take out a doorstep loan with an interest rate of over 500% APR. She stopped paying her water bill completely, accrued arrears, and this was eventually deducted from her Income Support benefit. She felt an increase in her anxiety leading up to the Appeal hearing which did overturn the original decision (see page 22).
- D has had to appeal the removal of the mobility component of PIP several times in recent years despite her chronic health condition. D is completely overwhelmed by the situation and struggles to manage her health needs. Since 2018 she has been in a constant state of uncertainty regarding her benefits and there is a significant sense of frustration and hopelessness (see page 26).

These negative impacts on the health and wellbeing of PIP applicants can be seen well beyond a handful of case studies. Our analysis of the UK Household Longitudinal Survey (UKHLS) suggests that among the group that transitioned from DLA to neither DLA or PIP there was a significant deterioration in mental wellbeing, represented by a 2% fall in their Mental Component Summary (MCS) score (see Appendix B). This group will include both those who were unsuccessful in applying for PIP and those

who are no longer in need of support as a result of an improvement in their health condition. The presence of this latter group is likely to have skewed the average change in the MCS score upwards, since an improvement in overall health conditions will often be associated with an improvement in mental health. Consequently, the decline in mental wellbeing among the group that lost their benefit payments is likely to have been even greater than suggested above.

Another concerning result is the deterioration in the physical health of those transitioning from the DLA to PIP. One potential explanation for this is the “20 metre rule” in the PIP’s assessment process, which means that those that can walk more than 20 metres do not receive the higher rate of mobility support. Under the DLA, people were awarded the higher rate of mobility support if they could not walk more than 50 metres.²⁰ As a result of this change, many PIP claimants have lost access to Motability vehicles, which could be contributing to the overall worsening of physical health outcomes among the group transitioning from DLA to PIP.

This contrasts significantly with those that successfully transitioned from DLA to PIP, who experienced an accompanying increase in mental wellbeing.²¹ A potential driver of this trend is that for those that do go on to receive a PIP award, the share that receive an increased benefit relative to the DLA is higher than the share that receive a reduced benefit.

Although there is currently insufficient evidence to robustly quantify the value of these negative impacts on physical health, mental health and overall wellbeing of those applicants where decisions are not made first time, they will have a significant negative impact on these individual’s quality of life that might otherwise be avoided.

²⁰ [Over 100,000 DLA claimants lose Motability vehicles after PIP reassessment | Disability Rights UK](#)

²¹ The UK Household Longitudinal Survey (UKHLS) is a survey of around 40,000 households in the UK, tracking their health, wellbeing, and financial situation at approximately one-year intervals. Each wave of the UKHLS provides data on the specific types of welfare payments that respondents are receiving, allowing an assessment of how the transition from DLA to PIP has affected the mental health, physical health and wellbeing of those involved. Further details of our analysis are provided in Annex B.

Incorrect PIP decisions will increase costs for other public services

The financial, physical and emotional toll that poor decision making on PIPs can create for individuals has knock-on impacts for their use of other public services such as health, social care and homelessness prevention services.

This section considers the potential impact of incorrect PIP decisions on other public sector costs. Because there is less direct evidence available in these areas, we have explored these knock-on effects through three hypothetical but plausible scenarios, based on a thorough literature review.

Scenario 1: Costs from increased GP Visits and A&E visits

The PIP appeals process is likely to lead to increased demand for healthcare for two reasons. Firstly, the evidence that assessments for disability benefits harms claimants' mental health.²² Secondly, disability and health benefits such as the PIP provide claimants with important resources that they use to cope with their medical and care needs. If these resources are not available, they are more likely to seek out medical help. This is supported by evidence that reductions in social care spend increase demand for health care.²³

Two prominent ways in which additional healthcare needs are met is through additional GP and A&E visits, and there is some evidence to suggest these increase as a result of changes to disability benefits. For example, a survey by the MS Society on people with MS who claimed for PIP found that 39% of people who received less under the PIP than under the DLA used the GP more, and 9% have increased use of A&E.²⁴

We draw on evidence relating to the typical cost per GP and A&E visit to estimate that:²⁵

- If 1 in 10 claimants who successfully had their award changed in 2019/20 has to pay one additional visit to the GP as a result of poor decision making during the PIP process, we estimate that it could

²² Barr et al. (2016), *Journal of Epidemiol Community Health*;70:339–345. doi:10.1136/jech-2015-206209

²³ Crawford et al. (2020), IFS Working Paper W20/40

²⁴ MS Society (2018), *PIP: A Step Too Far*

²⁵ See Appendix 3 for full details of sources and methodology

generate an additional burden of 2,300 GP hours, costing the NHS an additional £0.6 million.²⁶

- If 1 in 20 claimants who successfully had their award changed in 2019/20 has to pay one more visit to A&E than otherwise would have been the case as a result of poor decision making during the PIP process, we estimate that it could generate 7,600 additional visits to A&E, costing the NHS of £1.15 million.

Scenario 2: Costs from statutory homelessness

Disabled people are already at increased risk of homelessness.²⁷ 40.8% of people who councils identified as homeless or at risk of homelessness had either a history of mental health issues (25.2%) or physical ill health or disability (15.6%). One of the reasons for this is that disabled people are less likely to own their own homes and more likely to require housing benefits to help them pay their rent: 30% of people who receive PIPs also receive housing benefit.²⁸ There is evidence that previous changes in housing benefit increased the risk of homelessness - a reduction in housing benefit by an average £600 per person increased homelessness by 13% and increased the number of people living in council-provided temporary accommodation by 18%.²⁹ The study found for every £1 saved by the cut, councils had to spend an additional 53p on homelessness related services such as temporary accommodation. For those applicants for PIP currently on housing benefit it is likely that further withdrawals of income could have a similar effect.

If just 1 in every 100 people who successfully had their award changed in 2019/20 require statutory homelessness support whilst they await the outcome of their MR or appeal, it could cost local authorities an additional £4.4 million.

²⁶ See: G. Irving, A L Neves, H Dambha-Miller, International variations in primary care physician consultation time: a systematic review of 67 countries *BMJ Open*, 2017. Reports that the average GP appointment time in the UK is 9.2 minutes. This is multiplied by the estimated 15,200 people affected.

²⁷ Bramley and Fitzpatrick (2018), *Housing Studies* Vol 33 Issue 18

²⁸ Data from DWP Stat-Xplore relating to 2019/20. Note that Housing Benefit is slowly being replaced by Universal Credit so this is likely to underestimate the proportion of claimants receiving support for housing costs.

²⁹ Fetzer et al (2020), *CAGE Working Paper* 444

Case Study C

C has experienced both historic sexual assault and more recent domestic abuse. She lived with significant anxiety, panic attacks, agoraphobia, psoriasis, and back pain. She went through two Personal Independence Payment (PIP) appeals, in 2017 and 2020. The first claim was refused, awarding 7 points for daily living and 4 points for mobility initially and the tribunal awarded the standard rate of both components in 2017. The second (renewal) claim was also refused, awarding 2 points for daily living and 4 points for mobility, and then the tribunal awarded the enhanced rate of both components in 2020.

The client rented privately, she lived with her three children and removal of PIP made her subject to the benefit cap; the rent shortfall of £69.12 per week in a private tenancy made her insecure and vulnerable to eviction if she allowed arrears to accrue. Discretionary funding had to be sought from the local authority to cover the shortfall in the rent payments while she appealed. She had lost the PIP money of £55.65 + £22.00 per week, plus the severe disability premium of £65.85 per week; the combined weekly benefit loss plus the Housing Benefit decrease was £212.62 per week.

C increasingly relied on her mother to top up her food shopping, and sought assistance from the food bank via a referral from her children's school. She took out a further doorstep loan with an interest rate of over 500% APR. She stopped paying her water bill completely, accrued arrears, and this was eventually deducted from her Income Support benefit. Her boyfriend provided some financial and care support, but she felt uneasy relying more heavily on him due to her previously abusive relationship. As C had been through the criminal courts in relation to the historic abuse; the tribunal was held over the phone instead of at the magistrates' court to try and minimise her distress; nevertheless she confided that she felt an increase in her anxiety leading up to the hearing.

Scenario 3: Costs from increased Social Care reliance

As well as increasing demand for health care, incorrect PIP awards are likely to increase demand for social care.³⁰ This could result from claimants no longer having the financial support necessary to manage their health conditions effectively or experience a deterioration in their health due to the stress of the process. Social care can be expensive per user and research suggests that a community social care support package for adults with physical disabilities can cost as much as £796 per week per user. This is a lot more costly than PIP, which typically costs £105 per week per claimant.^{31 32} If a claimant had to resort to additional social care support for the full duration of a 38 week-long appeal (including the 7 week MR time), it would cost around £30,000. To err on the side of caution this excludes any ongoing costs beyond the appeal period which may be incurred in some cases.

If just 1 in 200 people who successfully had their award changed in 2019/20 require additional community social care support for the duration of their MR and appeal, it could cost an additional £9.9 million.

³⁰ Hancock et al. (2019), Fiscal Studies Vol 40 No. 1 suggests that 11% of the sample who receive disability benefits also receive state funded social care.

³¹ University of Kent (2020), Unit costs for health and social care

³² Data from DWP Stat-Xplore

Case Study D

Since birth D has endured chronic renal failure. She underwent dialysis for 9 years, had numerous blood transfusions and underwent a kidney transplant operation. The drugs she takes to prevent her body rejecting the kidney have significant debilitating side-effects including chronic fatigue, muscle weakness, Raynaud's disease (numbness in the extremities of the body), difficulty regulating her body temperature, reduced mobility, hallucinations, heavy sensations in her arms and upper body, sciatica, anaemia and gout.

Due to her chronic health conditions D relies on state benefits. Over the past three years D has had ongoing difficulties in securing the level of benefits to which she is entitled. When the transfer to PIP took place in 2018 she retained the Care Component but lost the Mobility Component and D appealed this decision. The appeal took one year and the Court agreed in 2019 that they would reinstate the Mobility Component of PIP, but at a lower rate than she was previously receiving.

In December 2020, D received the PIP re-application paperwork and although she completed this well in advance, due to circumstances relating to Coronavirus, the application was not reviewed and her benefit was ended in February 2021.

With the help of her MP, a necessary reassessment was carried out quickly in April 2021 but the Mobility Component of PIP was again removed. This was despite the fact that her mobility has deteriorated and she is able to walk much less than 50m. Further, when D does mobilise she is in severe pain at all times and quickly becomes exhausted.

D is completely overwhelmed by the situation. She already struggles to manage her health needs and this ongoing battle with the benefits agency has taken a toll on her. Since 2018 she has been in a constant state of uncertainty regarding her benefits. There is a significant frustration that, following a successful Court appeal in 2019, the benefits agency has still decided to reverse this decision with no explanation. D is left with a sense of hopelessness at what is seen as an unjust process and having to again rely on appeals in order to achieve a fair outcome.

Conclusion

From adapted cutlery and screen readers to the additional energy required to charge power wheelchairs, everyday living comes with a higher price tag for many disabled people. With estimates that this price tag averages in the thousands of pounds per individual, effective support to disabled people to manage the additional cost of living is vital.³³

At present, the PIP system which is intended to provide this support and give claimants their independence in making decisions about how they manage their needs is evidently not fit for purpose. Tens of thousands of decisions are made by the Department for Work and Pensions each year which are subsequently overturned by internal reviews and appeals at tribunal. The lengthy process kicked off by incorrect initial decisions generates an estimated £23-31 million of administrative waste in the DWP itself, and generates significant stress for the people affected.

As people wait for a PIP decision to be overturned or revised, they are more likely to experience increased stress and uncertainty, financial hardship, increased risk of homelessness and reliance on food banks, and reduced mobility and ability to deal with their health conditions.

These additional costs are not borne by the DWP and the disability benefits system alone, but have knock on impacts for other public services such as the NHS.

Different approaches are possible. The Scottish government has announced its intention to provide Short-Term Assistance by continuing payments whilst cases are reviewed on appeal. This would help reduce some of the impacts described above. Yet, improving the administration of PIP to ensure fewer wrong decisions and fewer cases in the courts in the first place would make a bigger difference - benefitting the department, the individuals and the taxpayer.

³³ Joseph Rowntree Foundation (2004): *Disabled people's costs of living – more than you would think*, Joseph Rowntree Foundation

Appendix A: Estimating administrative costs to DWP

Our approach to estimating the administrative costs to DWP from incorrect initial decisions relating to PIP payments focuses is on the 59,407 cases in 2019/20 which appealed successfully because at least some of the costs associated with these cases could have been saved if the initial decisions were assessed correctly.

We break our analysis costs into two parts:

- Direct costs associated with staff undertaking the activities (staff and non-staff local costs), and;
- Other administrative costs which includes costs such as higher level support which could include management and corporate overheads.

Direct administrative costs

Direct administrative cost includes costs associated with staff undertaking the activities (staff and non-staff local costs), but not higher-level support costs such as management and corporate overheads.

For the estimation of direct administrative cost (referred to as *direct admin cost* below) associated with the PIP MR/ appeal cases, the following data is used:

- Direct admin cost associated with all cases at the MR stage (or appeal stage) for years 2016/17 - 2018/19 provided by DWP in response to a Freedom of Information request.
- Number of cases cleared at MR and Appeal stages for years 2016/17 to 2018/19, obtained from official statistics published by DWP³⁴.

To estimate the direct admin cost associated with the relevant cases in 2019/20, the following three steps are taken with this data:

- i. Calculate direct admin cost per case using direct admin cost for MR/Appeal cases divided by the volume of cases cleared for years 2016/17 to 2018/19.
- ii. Uprate the cost per case to 2019/20 prices, considering trends over the previous 3 years.

³⁴ DWP July 2021: Personal Independence Payment statistics to January 2021

- iii. Use estimated cost per case in 2019/20 and the actual volume of cases in 2019/20 (59,407) to estimate the total direct admin costs in 2019/20.

Figures 7 and 8 summarise the process of estimating direct admin cost per case.

Given the relatively short time series of data step ii highlighted above uses two different approaches to provide a range for cost per case and ultimately the total direct admin costs. Firstly, the average annual change in cost per case in previous years is very high but data is only available for a short period so we cautiously grow costs in line with the GDP deflator - an increase of 1.9%.³⁵ This provides an estimated cost of around £66 per case at the MR stage and £285 at the appeals stage.

Figure 7. Estimating direct admin cost per case for 2019/2020: MRs

Year	MR cases cleared total	Direct admin cost (£'000)	MR cost per case (£)	annual % change in cost per case: PIP	MR cost per case estimated (£)
2016/17	316,242	13,678.30	43		
2017/18	316,423	17,488.84	55	12%	
2018/19	304,337	19,721.22	65	10%	
2019/20	315,483			1.9%	66

Source: DWP PIP official statistics and PBE calculations.

³⁵ This is in line with government guidance for economic appraisal, see HM Treasury (2021): The Green Book; appraisal and evaluation in central government.

Figure 8. Estimating direct admin cost per case for 2019/2020: appeals

Year	Appeal cases cleared total	Direct admin cost (£'000)	Appeal cost per case (£)	Annual % change in cost per case: PIP	Appeal cost per case estimated (£)
2016/17	70,329	13,446.74	191		
2017/18	83,886	19,456.31	232	21%	
2018/19	84,463	23,629.81	280	21%	
2019/20	78,321			1.9%	285

Source: DWP PIP official statistics and authors' own calculations.

In 2019/20, the direct admin cost associated with the 59,407 cases which later on appealed successfully in 2019/20 is estimated at £3.9 million at MR stage. At the appeals stage the direct admin cost associated with the 59,407 cases which appealed successfully in 2019/20 is estimated at £16.9 million. Overall the direct admin costs associated with both the MR and appeals stage of the 59,407 cases is estimated at £20.8 million.

Other administrative costs

So far the calculations have only included those direct administrative costs associated with the cases and has not included other administrative costs which includes higher level support costs which could include management and corporate overheads.

To estimate the other admin cost incurred at the MR and appeal stage associated with the relevant cases the following additional data from the central government main supply estimates of departmental spending associated with DWP is used.

The main supply estimates are central government expenditure presented to the House of Commons each year for parliamentary authority. Estimates are presented on a budgetary basis to enable the Treasury to monitor and control departmental spending.

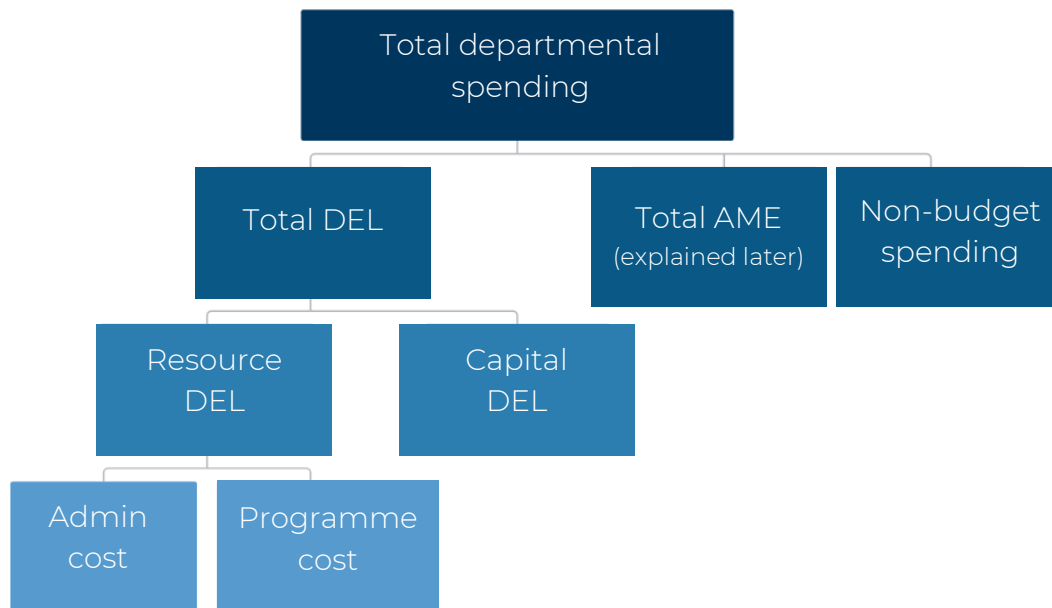
Departmental Expenditure Limits (DEL) is part the departmental spending reported in the main supply estimates. DEL spending forms part of Total Managed Expenditure (TME) and includes that expenditure which is generally within the departments control and can be managed with fixed multi-year limits. At the departmental level, this includes:

- **Administration cost:** resources consumed directly by departments that forms part of the Departmental Expenditure Limit (DEL). This Includes things such as staff costs, purchases of goods and services, rentals, etc, where they are not directly associated with frontline service delivery.
- **Programme cost:** planned benefits expenditure and other costs of running the programmes such as staff cost, purchases of goods and services, rentals etc.

Total DEL includes both resource DEL and capital DEL. In 2019/20, resource DEL accounts for 98.7% of total DEL and capital DEL is excluded for this analysis.

Departmental operating cost is a key element of the Resource DEL. *Departmental operating cost* includes both *administration and programme cost* as defined above. Figure x below provides a simplified illustration of different types of costs in the main supply estimates mentioned above.

Figure 9. Departmental spending based on central government main supply estimates



Source: Central Government Main Supply Estimates and DWP Annual Accounts

For the purposes of this analysis the budgetary figures are used as they are provided at a more detailed level including *programme cost* and *administration cost* respectively. These figures have also been cross checked for consistency with the actual spending in 2019/20 in DWP's annual accounts published by the National Audit Office.

It is assumed that the ratio of *departmental administration cost* to departmental programme gives an indication of the ratio of the indirect admin cost to direct admin costs. The table below shows that the average ratio over the 2016/17 to 2019/20 period is 0.4.

Figure 10. Estimating the ratio of administration cost to programme cost

Year	Departmental operating cost (£'000)		Ratio of admin cost to programme cost
	Administration cost	Programme cost	
2016/17	859,406	2,100,887	0.41
2017/18	815,697	2,072,449	0.39
2018/19	758,427	2,054,226	0.37
2019/20	742,451	1,765,041	0.42
Average			0.4

Source: Central government main supply estimates, DWP

If this ratio is applied to the previous estimate of direct administration costs then it would suggest that:

- In 2019/20, the other admin cost associated with the 59,407 cases which later on appealed successfully in 2019/20 is estimated at £1.60 million at MR stage.
- At the appeals stage the other admin cost associated with the 59,407 cases which appealed successfully in 2019/20 is estimated at £6.8 million.

Overall the other admin costs associated with both the MR and appeals stage of the 59,407 cases is estimated at £8.3 million

Combining direct and other administrative cost estimates

Overall the estimate of total administrative (direct and other admin) costs associated with the 59,407 cases at both the MR and appeals stage of the PIP process is estimated to range between £23.1 -29.1 million.

Caveats and assumptions in administrative cost estimates

While there is some degree of uncertainty around these estimates they have erred on the side of caution because the intention is to illustrate the scale of costs associated with rectifying poor decision making rather than precise estimates.

These can be considered cautious estimates because:

- **Lapsed cases are not included.** According to DWP , from April 2013 until April 2020, two out of five (40%) of completed MRs of initial PIP decisions go on to lodge an appeal, and one out of ten (10%) of appeals lodged were “lapsed” (where DWP changed the decision in

the customer's favour before the appeal was heard at tribunal). These lapsed cases are not included in the estimates above and would suggest that some costs of the poor decision making are not included in these estimates.

- **Costs outside DWP are excluded.** DWP is not the only government department to incur costs associated with the appeals process. HM Courts and Tribunals Service (HMCTS) is responsible for the administration of criminal, civil and family courts and tribunals in England and Wales and non-devolved tribunals in Scotland and Northern Ireland. HMCTS employ around 17,000 staff and operate from locations in England, Wales, Scotland and Northern Ireland. Again these costs are not included suggesting that these estimates are done on a prudent basis.
- **More decisions are overturned at the MR stage.** Better first-time decision making could also save on the administration costs of the 92,226 cases that the initial decision is changed at the MR stage. We have excluded these for simplicity in our calculations but they would add significantly to the potential costs of administering the process.

Appendix B: Analysis of the UK Household Survey

Specifically, changes in the following variables have been analysed:

1. Mental Component Summary (MCS) score;
2. Physical Component Summary (PCS) score, and;
3. Self-reported life satisfaction.

Changes in the above variables are analysed at an individual-level between the seventh and eight waves of the UKHLS. Wave 7 of the UKHLS was carried out between 2015 and 2017, while wave 8 was conducted between 2016 and 2018. This captures a period when many claimants were making the transition from Disability Living Allowance (DLA) to PIP. To provide a point of comparison, the average change in the variables listed above among those transitioning from DLA to PIP is compared with the average change among those that remained on the DLA during both time periods as well as the average change among those that remained on the PIP during both time periods.

This analysis yields the following results, with the margins for error covered in the square brackets. Although these are large given the small sample sizes the analysis is still helpful in highlighting some of the different outcomes in the PIP process that could potentially impact on mental and physical health.

Figure 11. Analysis from the UK Household Longitudinal Survey

	Group that remained on the DLA across both periods	Group that remained on PIP across both periods	Group that transitioned from DLA to PIP	Group that transitioned from DLA to neither DLA nor PIP
Sample size	1,217	239	154	319
Change in MCS score	-0.83 [0.55]	0.28 [1.16]	0.45 [1.84]	-0.99 [1.23]
Change in PCS score	-0.33 [0.44]	-0.33 [0.92]	-1.14 [1.55]	-0.04 [1.08]
Change in life satisfaction score	-0.14 [0.08]	-0.17 [0.18]	0.15 [0.25]	-0.10 [0.19]

Figures in square brackets denote margin of error at 90% confidence level

The results suggest that for those that successfully transitioned from DLA to PIP, there is an accompanying increase in mental wellbeing, as measured by the MCS score and self-reported life satisfaction. A potential driver of this trend is that for those that do go on to receive a PIP award, the share that receive an increased benefit relative to the DLA is higher than the share that receive a reduced benefit.

Among the group that transitioned from DLA to neither DLA or PIP there is a significant deterioration in mental wellbeing, as measured by the MCS score. This group will include both those that were unsuccessful in applying for PIP and those that are no longer in need of support as a result of an improvement in their health condition. The presence of this latter group is likely to have skewed the average change in the MCS score upwards, since an improvement in overall health conditions will often be associated with an improvement in mental health. Consequently, the decline in mental wellbeing among the group that lost their benefit payments is likely to have been even greater than suggested in the table.

Appendix C: Scenarios for wider public sector impact

We have developed three scenarios to demonstrate the potential impact of incorrect PIP decisions on wider public services. In this section we provide further details for how we have estimated the potential cost in each scenario.

Scenario 1: Costs from increased GP Visits and A&E visits

It is estimated that the unit cost per visit to the GP is £39 per appointment.³⁶ The latest available estimate of the cost per A&E visit is £151. However, this estimate is likely to underestimate the costs from a person with a disability attending A&E, given their existing needs they are more likely to require more expensive treatment than the average patient. The calculations only include the costs from attendance via A&E and do not estimate costs from non-emergency admission to hospitals or follow up treatment. For both these reasons the estimates are likely to be conservative.

If 1 in 10 claimants who successfully have their award changed has to pay one additional visit to the GP as a result of poor decision making during the PIP process, we estimate that it would generate additional costs to the NHS of around £0.6 million. If 1 in 20 claimants who successfully has their award changed has to pay one more visit to A&E than otherwise would have been the case as a result of poor decision making during the PIP process, we estimate that it would generate additional costs to the NHS of £1.15 million.

Figure 12. Scenario analysis of health costs

	GP	A&E
Number of successful MRs 2019/20	92,226	92,226
Number of successful appeals 2019/20	59,407	59,407
Unit cost per visit (£)	39.23	151
Proportion of claimants who successfully have their award changed undertaking 1 extra visit	0.1	0.05
Total cost due to successful MRs (£m)	0.362	0.696
Total cost due to successful appeals (£m)	0.233	0.449
Total cost (£m)	0.60	1.15

³⁶ Curtis, L. & Burns, A. (2020) Unit Costs of Health and Social Care 2020, Personal Social Services Research Unit, University of Kent, Canterbury
<https://www.pssru.ac.uk/project-pages/unit-costs/unit-costs-2020/>

Scenario 2: Costs from homelessness

We take an estimate for the average cost to government from a case of statutory homelessness and assume this is incurred by one in every hundred applicants experiencing an incorrect initial decision for PIP.³⁷

Figure 13. Scenario analysis of homelessness costs

	GP
Number of successful MRs 2019/20	92,226
Number of successful appeals 2019/20	59,407
Unit cost per case	2,909
Proportion of claimants experiencing statutory homelessness	0.01
Total cost due to successful MRs (£m)	2.7
Total cost due to successful appeals (£m)	2.7
Total cost (£m)	4.4

We note that this estimated cost is significantly lower than the £40m cost if we assumed that the reduction in PIP payments had the same effect as Fetzer et al (2020) found for Housing Benefit suggesting that 1 in every 100 maybe a very conservative scenario for the potential impact on statutory homelessness.

Scenario 3: Costs from increased Social Care reliance

We combine unit cost information on the costs of a “community social care support package for people with physical disabilities per week” with the average length of an appeal to estimate the potential cost if 1 in every 200 (0.5%) of appeals results in an applicant requiring additional social care support.^{38 39}

³⁷ We use cost estimate HO3.0 from GMCA (2019): *Unit Cost Database*

³⁸ We use cost estimate SS11.6 from GMCA (2019): *Unit Cost Database*

³⁹ It is likely that there will be a wide range of different types of care provided. Adult Social Care Finance and Activity Report 2019/20 highlighted that in 2019/20 12.6% of requests for support were provided short term support to help them maximise their independence, 8.6% of requests resulted in long term care, which is split between community care, nursing care and residential..

Figure 14. Scenario analysis of social care costs

	Appeal	MR
Weighted average weekly cost of community social care support package for people with physical disabilities (£)	796	796
Average length of time of appeal (weeks)	31	7
Percentage chance of requiring residential care for that period of time	0.5%	0.5%
Number of successful PIP appeals/MRs (2019/20)	59,407	92,226
Total cost (£m)	7.3	2.6

Appendix D: Freedom of Information Request relating to costs of DWP appeals process

FOI2020/09416

Thank you for your Freedom of Information (Fol) request received on 2 March. You asked for:

"I am writing to you under the Freedom of Information Act 2000 to request the following information regarding Personal Independent Payment (PIP) and Employment Support Allowance (ESA) claims:

1. *How many appeals for a) ESA and b) PIP did the DWP receive in each of the last four years?*
2. *How much did the DWP spend on direct staffing costs for a) ESA and b) PIP mandatory reconsiderations in each of the last four years?*
3. *How much did the DWP spend on direct staffing costs for a) ESA and b) PIP tribunal appeals in each of the last four years?*
4. *How many complaints about a) ESA and b) PIP did the DWP receive in each of the past four years?*
5. *Does the DWP have plans to pilot a scheme offering legal advice to people with social welfare problems (as cited in this article <https://www.bbc.co.uk/news/uk-49891159><*

If it is not possible to provide the information requested due to the information exceeding the cost of compliance limits, please provide advice and assistance, under your Section 16 obligations, as to how I can refine my request to be included in the scope of the Act.

In any case, if you can identify ways that my request could be refined please provide further advice and assistance to indicate this.

I look forward to your response within 20 working days, as stipulated by the Act.

If you have any queries about my request please don't hesitate to contact me via email or phone and I will be happy to clarify what I am asking for."

DWP Response

I can confirm that we hold the recorded information to respond to your request.

In relation to part 1, the information is exempt under Section 21 of the Freedom of Information Act because the information is reasonably accessible to you, as it is already in the public domain. However, to be helpful you can find the information you seek on the number of Personal Independence Payment (PIP) and Employment and Support Allowance (ESA) appeals lodged at Table SSCS_1 of the Tribunal Statistics Quarterly Main Tables, available here:

<https://www.gov.uk/government/collections/tribunals-statistics>

For parts 2 and 3, data has been taken from the DWP's Activity Based Models at an Operating Costs level which includes direct costs (£) relating to staff undertaking the activities (staff, and local non-staff costs only). They do not include higher level support costs such as management and corporate overheads relating to administration activities.

This data is derived from the Department for Work and Pension's Activity Based Model (ABM) and/or Departmental Activity Based Model (DABM) and is unpublished management information which was collected for internal Departmental use only, and has not been quality assured to National Statistics or Official Statistics publication standards. It should therefore be treated with caution. The Departmental Activity Based models are a snapshot of how many people were identified as undertaking specified activities as assigned by line managers.

2a

	16/17	17/18	18/19
ESA Reconsiderations	10,306,517	12,128,985	8,736,099

2b

	16/17	17/18	18/19
PIP Reconsiderations	13,678,302	17,488,842	19,721,218

3a

	16/17	17/18	18/19
ESA Appeals	6,378,079	11,249,692	8,788,980

3b

	16/17	17/18	18/19
PIP appeals	13,446,743	19,456,310	23,629,811

In relation to part 4, the number of complaints about a) ESA and b) PIP DWP received during the period 2016-17 to 2018-19 are shown in the table below:

Tier 1 intake	16-17	17-18	18-19
ESA	9,937	7,765	6,277
PIP	5,941	5,000	5,394

In relation to part 5, the Department does not have any plans to pilot a scheme offering legal advice to people with social welfare problems as described in the article linked to.

If you have any queries about this letter, please contact me quoting the reference number above.

Yours sincerely,

Policy Group Fol Team
Department for Work and Pensions



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