

27 February 2017

Dear Colleague,

This Conservative government spends around £50 billion a year to support people with disabilities and health conditions with part of that support coming through Personal Independence Payment (PIP).

PIP is a new, more modern, benefit than its predecessor, DLA. The PIP assessment is designed to focus more support on those who are likely to have a higher level of need, and higher costs associated with their disability. For example claimants who require help with therapy at home, like dialysis, are likely to have higher levels of need generally than someone who needs help to take medication. Similarly, people who cannot carry out a journey because of a visual or cognitive impairment are likely to have higher levels of need than someone who experiences isolated psychological distress when they undertake a journey, for example as a result of social phobia or anxiety.

People are not awarded PIP because of their medical condition, but because of the way their impairment or health condition affects their ability to live an independent life.

Over a quarter of those on PIP receive the highest level of support, compared to 15% of DLA's working-age claimants and there are more people with mental health conditions receiving the higher rates of both PIP components than the DLA equivalents.

Recent legal judgments have interpreted the assessment criteria for PIP in ways that are different to what was originally intended. The government is now making amendments to clarify the criteria, to restore the original aim of the policy and ensure support goes to those most in need.

This is not a policy change and will not result in any claimants seeing a reduction in the amount of PIP previously awarded by the Department for Work and Pensions (DWP). The purpose is to restore the original intention of the benefit which has been expanded by the legal judgments, clarify the assessment criteria for PIP and make sure that help continues to be targeted at those who need it most.

There is already a wide range of state-funded support available to those with longterm health conditions, particularly those who need support to manage their medication or monitor a health condition. Spending on disability benefits has risen by more than £3 billion in real terms since 2010, and will remain higher in each year to 2020, than in 2010. The government is also spending more on mental health than ever before – a record £11.4 billion a year. Failing to reinstate the original intention of the policy would have led to substantial unplanned increases to public expenditure totalling £3.7 billion (between 2016 to 2017 and 2021 to 2022).

If you have any questions, the Minister for Disabled People, Health and Work will be holding a tea room surgery at 17.30-18.30 on Tuesday 28th February. Please let Mark Pawsey or Peter Heaton-Jones know if you would like to attend.

With best wishes

The Rt Hon Damian Green MP

SECRETARY OF STATE FOR WORK AND PENSIONS

Damus Green