

Personal independence payment

Personal independence payment (PIP) is a new benefit that will be introduced from April 2013, replacing disability living allowance (DLA) for working-age people (aged 16-64).

The basic provisions to implement the new benefit are set out in the Welfare Reform Act 2012 ('the Act'), and more detail has been provided in draft regulations and briefing notes.

When will it be introduced?

8 April 2013	New claims for PIP to be introduced from this date in most of Northern England. No new working age claims for DLA in this area.
June 2013	Subject to evaluation of the new claim processes, it is intended that PIP will be introduced for new claims throughout the UK.
October 2013	The transfer of existing working age DLA claimants begins for three groups: <ul style="list-style-type: none">• those whose existing DLA award ends;• claimants who report a change in their circumstances; <i>or</i>• a pilot of the 'managed transfer' of longer term DLA awards.
January 2014	The national transfer of working age DLA claimants to PIP begins.
December 2016	Transfer of working age claimants to PIP completed, no working age DLA claims still in payment

Who will be able to claim personal independence payment?

To be able to make a claim for PIP, claimants will have to satisfy the following basic conditions:

- Be over 16 and under 65;
- Not be 'subject to immigration control';
- Meet residence and presence conditions (this may include being 'habitually resident', and having been present in Great Britain for two of the past three years);
- Satisfy the disability conditions for one or other of the two components (see below);
and
- Not already be getting DLA (unless the claimant is being transferred from DLA to PIP as part of the process set out above).

PIP will not be taxable or means tested, and there will be no National Insurance conditions. It will be paid to claimants who qualify regardless of whether they are in or out of work.

What are the disability conditions for personal independence payment?

Personal independence payment is divided into two components – the daily living component and the mobility component. It is possible for a person to qualify for both if they meet the entitlement conditions for both.

Each component will be payable at two rates, a standard rate and an enhanced rate:

- to qualify for the standard rate, the claimant's ability to undertake daily living or mobility activities must be 'limited' by her/his physical or mental condition; *or*
- to qualify for the enhanced rate, the claimant's ability to undertake daily living or mobility activities must be 'severely limited' by her/his physical or mental condition.

For both components, a 'required period' condition must also be satisfied, which means that claimants must have had the appropriate level of need for three months to qualify, and be expected to have those needs for a further nine months.

The only exception to these rules is if the claimant makes a claim because s/he has a terminal illness (which means that the claimant has a progressive disease and death from that disease can reasonably be expected from that disease within six months). Terminally ill claimants will not have to satisfy a required period condition; and will automatically receive the enhanced rate of the daily living component.

The daily living and mobility activities will be set out in regulations which have to be approved separately by Parliament. They are currently expected to be finalised in about November 2012. In the current draft assessment there are nine daily living activities and two mobility activities. The table below shows the current draft activities.

Daily living Activities
1. Preparing food and drink
2. Taking nutrition
3. Managing therapy or monitoring a health condition
4. Bathing and grooming
5. Managing toilet needs or incontinence
6. Dressing and undressing
7. Communicating
8. Engaging socially
9. Making financial decisions
Mobility activities
10. Planning and following a journey
11. Moving around

Each activity contains a list of statements describing different difficulties with the activities, called 'descriptors'. Each descriptor scores a certain number of points. The claimant will be awarded points for one descriptor in each activity, and the scores will be added together to give a total for daily living activities and a total for mobility activities. There will be a 'threshold' score to become entitled to a component.

The proposed thresholds are:

- 8 points for the standard rate of a component; *and*
- 12 points for the enhanced rate of a component.

As some conditions fluctuate over time, the regulations will set out how to score points if the claimant's needs vary from day to day. The intention is that a claimant who should score points for one or other of the descriptors in an activity on over half the days in the one year 'required period' will be given some points in the assessment.

How will you claim and get paid?

The main method of claiming PIP will initially be by telephone, and eventually online claims will also be available. Paper claim forms will be provided for people who can't use these methods.

The initial claim form will only contain quite basic information, and there will be a separate stage of evidence gathering. This will probably involve a paper questionnaire about the impact of the claimant's disability or health problem on the specified daily living and mobility activities; and also a face to face assessment for most people. The Act allows a decision to be made disallowing a claim if the claimant fails to provide information or take part in an assessment without good reason. The assessor may contact the claimant's doctor or other relevant professionals, but does not have to do so. The claimant will be able to bring someone to the assessment to offer support, and to send in supporting evidence with the questionnaire.

Payments will normally be made 4-weekly, paid directly into a claimant's bank account. The date of payment will be set by the date on which the decision on the claim is made. There will still be provision to pay PIP weekly in advance to terminally ill claimants.

The rates at which PIP will be paid have not yet been announced.

What will happen if you are in hospital, care or prison?

Personal independence payment will not normally be paid to people who are in hospital, residential care or prison. There will be two exceptions to this rule:

- the mobility component will still be paid to claimants in residential care; *and*
- payment will continue as normal for the first 28 days in hospital, prison or care.

How long will awards be made for?

The Act says that an award must be made for a fixed time unless this would not be appropriate. There will be official guidance produced to explain how long awards should be made for. It has been suggested that where a claimant's condition may improve over time an award of up to two years could be made. Longer awards will be made where change is unlikely; and indefinite awards in a few cases. All awards will be systematically checked for accuracy, and the intention is that anyone can be reassessed at any point during their award, to check whether they still satisfy the entitlement conditions.

What happens when you reach 65?

It is proposed that the rules about personal independence payment for claimants who reach the age of 65 will be similar to the current disability living allowance rules.

- A claimant who reaches the age of 65 and is receiving PIP will be able to continue to receive it as long as they still meet the entitlement conditions.
- It will be possible to renew an award, or make a new claim if entitlement ceased within the past year and the claimant still has the same medical condition(s).
- It will not be possible to qualify for the mobility component for the first time after the age of 65, or move to a higher rate of it than already awarded.
- It will be possible to qualify for the daily living component after the age of 65 if the mobility component is in payment; or to move between if the claimant's needs change.

What will happen to existing disability living allowance claimants?

Existing working age DLA claimants will be transferred to PIP, using the process below.

- DLA claimants who were under 65 on 8 April 2013 will be contacted at some point between October 2013 and March 2016, and invited to make a claim for PIP.
- If a claim is made, the process will be similar to a new claim. The DLA award will end when the PIP claim is decided, whether PIP is awarded or not.
- If there is no response from the claimant to the invitation to claim PIP, the DLA award will be suspended four weeks later. If the claimant claims PIP within the four weeks after suspension, the DLA award will be restored until a decision is made on the PIP claim.
- If there is no contact within 8 weeks of the invitation to claim PIP, the DLA award will be terminated. There will only be limited appeal rights against this decision.
- The process will be different for DLA claimants approaching their 16th birthday, as people under 16 will not be able to make a claim for PIP. If the claimant or their appointee expresses an intention to claim PIP, special rules will allow the DLA award to continue after the 16th birthday, until a decision is made on the PIP claim.

How will personal independence payment affect other benefits?

- If a claimant is entitled to the daily living component of PIP, then a carer may be able to claim carer's allowance for looking after her/him.
- PIP will not be counted as income for means-tested benefits or tax credits.
- Being entitled to PIP will give access to the system of disability premiums in the current benefits system, in a similar way to how DLA does at present.
- If a young person still included in her/his parents' universal credit claim is entitled to PIP, a disabled child amount will be payable in the household's universal credit award.

Is there a right of appeal?

There will be a right of appeal to the First-tier Tribunal (Social Entitlement Chamber) against most decisions concerning entitlement to PIP. However, the Act includes a power to require consideration of a revision before an appeal. If a PIP decision notice says that the right of appeal only arises after the Secretary of State has considered whether to revise the decision, then the claimant must first request a revision before being able to appeal.

Further information

The DWP have a dedicated PIP webpage: www.dwp.gov.uk/pip

Further information and draft regulations are on their welfare reform webpage:

www.dwp.gov.uk/welfare-reform/