DISABILITY **BENEFITS** **CONSORTIUM**	**Action for Blind People, Disability Alliance, Leonard Cheshire, Macmillan Cancer Relief, Mencap, Mind, Motor Neurone Disease Association, Parkinsons Disease Society, Radar, RNIB, RNID, Scope, Sense and Skill as well as Age Concern, Carers National Association, Child Poverty Action Group, Citizens Advice, Contact a Family, L'Arche UK, and the TUC.**

November 2005

Briefing: Incapacity Benefit – the facts

The Disability Benefits Consortium has prepared this briefing to help inform the debate around the reform of Incapacity Benefit (IB). Much of the media coverage of the debate has been inaccurate and has caused offence and distress to disabled people.

We know very many disabled people want to work and we share the Government's desire to assist them to do so. We believe the most effective way of doing this is to build on the success of the Pathways to Work pilots, where the inclusion of rehabilitation services and active support seem to have been particularly helpful. It is our view that reductions and restrictions on IB will only serve to push disabled people and their families further into poverty, and will make it impossible for Government to meet its targets on ending child poverty.

Question: Aren't the numbers of people on IB still rising?
Answer: No, the number of people getting IB has fallen by 22% since 1995 and is now 1.44m (Feb 2005).
Q. So where does the figure of 2.7 million – used extensively by the press – come from?
A. This is the number of people who claimed IB, not the number receiving it. Not everyone is successful, some fail the medical test, others have not paid sufficient national insurance contributions. Many of those who pass the medical test will be able to get means-tested income support and be exempt from signing on as a jobseeker.

Q. There must be something wrong if the nation is getting healthier and all these people are on IB.
A. Although overall the health of the nation has improved this masks deep inequalities. The Acheson Report (1998) [i]found that in the early 1970s the mortality rate of men in social class V was twice that of those

in Class 1. By the early 1990s it was **three** times as high. Levels of life expectancy show similar trends. *"Little evidence [was found] that the population is experiencing less morbidity or disability than 10 or 20 years ago"*[ii]. Research on inequalities in heart disease by the National Heart Forum produced similar findings[iii]. In addition, it is the view of Government adviser Professor Layard that the incidence of mental health problems is increasing.[1]

Q. But why do the proportions of people on IB vary so much - surely something is wrong if such a high proportion of men in South Wales are on IB?

A: There are very marked regional variations in the incidence of disability and severe disability. The Government's own research[iv] found that age standardised disability rates per 1,000 population were highest in Wales, the North and North West. This is consistent with the pattern of regional variations in other indicators of health status such as mortality and morbidity rates. The report states *"…regions with a high prevalence of disability of all levels of severity also had high rates of more severe disability. Regional variations in this latter indicator were substantial, in Wales, for example, the proportion of the population who were seriously disabled was twice as high as in the South East*." These facts go a long way to explaining why there are a higher proportion of people on IB in certain parts of the country – indeed there would be something wrong with the administration of the benefits system if there were not.

Q. Don't GPs just sign people off and that's it for years?

A. No, all claimants go through a Personal Capability Assessment (PCA) after 28 weeks on benefit. Some go through the test from the start of their claim. The PCA is carried out by a DWP approved doctor (supplied by Atos Origin, a contracted company). Applicants will be sent for a medical examination unless there is already sufficient medical evidence or they fall into an exempt category (eg. paraplegic, dementia, terminal illness). Regular re-testing takes place, at a frequency which depends on the nature of the person's condition. Evidence that testing is tough is borne out by the number of people who are successful at an Appeal Tribunal – up to 70% of cases where both the disabled person and their representative attended.

Q. Aren't many people on IB really unemployed, not disabled?

A. Disability groups disagree. However, the Government introduced new eligibility conditions for incapacity benefit in April 2001 as part of the Welfare Reform and Pensions Act 1999. This change severely limits the circumstances in which someone can move from being unemployed onto incapacity benefit.

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[1] Layard R (December 2004) Mental Health: Britain's Biggest Social Problem www.strategy.gov.uk/downloads/files/mh_layard.pdf

Q. But doesn't the fact the IB pays more than Jobseekers' Allowance (JSA) mean that it acts as an incentive to people to give up work
A. JSA is worth £56.20pw. The short-term lower rate of IB is worth £57.65pw, an extra £1.45 a week - hardly an incentive. Although after a year IB does go up to £76.45 this is less than 15% of average earnings. In fact, the average payment of IB in May 1995 (when it was introduced) was £83.48. In February 2005 it was £83.86 – just 38p a week more.

Q. Isn't there a problem with people taking early retirement and going on to Incapacity Benefit?
A. Disability groups disagree. However, the Government introduced new rules, in the Welfare Reform and Pensions Act 1999, specifically in order to tackle this. From April 2001 people who have an occupational or private pension of more than £85pw have their IB reduced.

Q. What about levels of fraud?
A. We share the Government's view that fraud is not a problem in IB. The last Government investigation showed it was less than 0.5%.

Q. Isn't it the case that many people on IB could work?
A. Yes, and surveys show that many people on IB want to work. However, people's impairments and the pain and fatigue which result mean they have to be restricted about the level and nature of the work they can do. And how far they can travel to work. Many people could work if they had a supportive employer but there is plenty of evidence that employers' attitudes, especially towards people who have had mental ill-health problems, or are visually impaired, are a major barrier. According to the Chartered Institute of Personnel and Development, more than sixty per cent of employers surveyed disregarded applications from people with drug or alcohol problems, criminal records, a history of mental health problems or incapacity. Fifty five per cent of respondents said nothing would persuade them to recruit from these "core jobless" groups.

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[i] Independent Inquiry into Inequalities in Health, The Acheson Report, 1998
[ii] ibid
[iii] Social Inequalities in Coronary Heart Disease, National Heart Forum 1998
[iv] Disability in Great Britain, DSS1999