

Personal Independence Payment – Policy briefing note

Required period condition

Objectives

1. As with Disability Living Allowance (DLA), to ensure support goes to those with the greatest need, Personal Independence Payment will be available only to those with a long-term health condition or impairment rather than short term conditions where other financial and in-kind support mechanisms exist.

Considerations

2. The current mechanisms in Attendance Allowance (AA) and DLA to establish that a condition is likely to be long-term are through the operation of a “qualifying period” (during which no benefit can be paid) and a “prospective test”. For AA a person needs to meet a six month qualifying period. For DLA a person must meet a three month qualifying period and a six month prospective test. The qualifying period is passed if someone has established that they would have met the conditions of entitlement to AA or either component of DLA in the previous three/six months (measured from when the benefit can first become payable) and the prospective period is passed if someone is likely to meet those conditions of entitlement for a further six months.
3. Although the criteria for establishing that a disability is likely to be long term operate slightly differently for AA and DLA they both serve the same purpose: to ensure that support is focused on those who face the greatest challenges to taking part in everyday life.
4. Key to the reform of DLA is that entitlement to Personal Independence Payment should be on the basis of an individual-based approach rather than by labelling people according to their disability or impairment. We want to avoid the current situation where a specified impairment or diagnosis leads to automatic entitlement, instead ensuring the benefit is better targeted towards those with assessed, long-term needs.
5. For both AA and DLA we make an exception to the qualifying period and prospective tests for people who are terminally ill and can be expected to die within six months.

Key policy proposals

6. In the *Disability Living Allowance reform* consultation we proposed that to meet the principle of supporting people with the greatest challenges to living an independent life Personal Independence Payment would operate a six month qualifying period and a six month prospective test – the required period condition. Clause 79 of the Welfare Reform Bill sets out those periods that make up the required period condition together with powers to allow them to be modified in prescribed circumstances.

7. Draft Regulations under those powers have been made available to the Committee in advance of their formally being tabled and debated following Royal Assent to the Bill. These draft Regulations, which also cover the assessment criteria for Personal Independence Payment, are intended to keep the Committee, and other interested parties, informed of our development of the reforms and to invite comment.
8. The consultation document also made clear that we will bring forward into Personal Independence Payment the existing provisions which allow for exemption from the qualifying period and prospective test for people who are terminally ill. This will mean that terminally ill people will be able to get immediate payment of the enhanced rate of the daily living component without having to demonstrate that they have a severely limited ability to carry out daily living activities. Immediate entitlement to either rate of the mobility component will also be available, subject to someone having the necessary limitations on their ability to carry out mobility activities.

Rationale

9. Whilst the qualifying period for Personal Independence Payment will be longer than that currently applied in DLA it will align with that for AA. Additionally, the combined effect of the six month qualifying period and the six month prospective test will align our definition of long-term disability with that generally used for the Equality Act 2010 and the guidance for that Act recently published. The required period condition will, therefore, continue to establish long-term disability within the context of a cash benefit paid to contribute towards the extra costs of disability.
10. While we acknowledge that some impairments or conditions may appear long-term at their outset, and that additional costs may arise as a result, this may not always be the case. Where disability-related costs do arise early on, for instance as a result of having to make frequent hospital visits for treatment, additional support mechanisms provide an element of coverage before the qualifying period is satisfied, for example through the NHS travel costs scheme or other social security benefits.

How it will work in practice

11. In practice most people will have completed some or all of the qualifying period of the required period condition when they submit their claim. This means that people will not necessarily have to wait for six months from the date a claim is submitted before payment of Personal Independence Payment can start. As part of the assessment process the trained independent assessor will provide advice to the decision maker on when the qualifying period has, or will be, satisfied as well as whether or not the prospective test is likely to be satisfied.
12. We also intend to use the Regulation making powers to ensure that those people with conditions that can be expected to have periods of remission, where continued payment of Personal Independence Payment would be inappropriate, will not have to fulfil the qualifying period again if they make a further claim within a year of the date they were last entitled.

13. Finally, the required period condition will follow the current rules whereby it is reapplied where someone's condition deteriorates and they become entitled to a higher rate of the daily living or mobility components. This provision is applied on the basis that the deterioration in someone's condition must also be of a long-term nature rather than a temporary fluctuation.

Further work we will do

14. A further draft of the Regulations, informed and updated by debate during the Parliamentary passage of the Bill, will be formally tabled in due course after the Bill has received Royal Assent. Those Regulations will be subject to the affirmative procedure and will require approval by each House of Parliament before becoming law.