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George Howarth MP

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In Guye

Thank you for your email of 5 October on behalf of a number of your constituents regarding welfare reform and Employment and Support Allowance (ESA). I am replying as the Minister for Employment.

It might be helpful to bring to your attention the principles behind the welfare measures announced at the 8 July Budget and also to detail our on-going work to support people with disabilities.

The Chancellor recently announced a series of measures to reform welfare, and the four principles that have underpinned these reforms. First, the welfare system should support the elderly, vulnerable and disabled people; second, those who can work should be expected to look for work, and take work when it is offered; third, the working-age benefit system has to be more sustainable and fourth, the system should not support lifestyles or rents not available to the taxpayers who pay for that system.

Based on the above principles the Chancellor announced a number of protections for the most vulnerable in our society: exempting benefits for the additional costs of disability and Carer's Allowance from the Working-age Benefits freeze; maintaining the State Pension triple lock; exempting the most vulnerable disabled people from the Benefit Cap; and exempting the disabled/severely disabled child elements in Child Tax Credits (and their Universal Credit equivalent) from the Tax

Credits/Universal Credit payment limits. These exemptions show that safeguarding the vulnerable is at the very heart of our reforms.

The Chancellor also announced a new National Living Wage at the Budget. This will be set at £7.20 an hour from next April, and will rise to £9 by 2020. This will benefit over two million workers and by 2020 a full-time worker will see their earnings rise by over £5,000 a year.

I note your constituents' concerns about the reform of ESA and those who have been diagnosed with cancer.

A key aim of this Government is increasing employment levels amongst people with disabilities and health conditions. 61 per cent of ESA claimants in the Work-Related Activity Group (WRAG) want to work and I believe that it is only fair that those who are capable of taking steps to prepare for work, and who want to work, receive the same rate of income-replacement benefit as out-of-work claimants.

We therefore announced this reform to ESA and new funding for additional practical support for this group to ensure the right incentives and support are in place to help those with limited capability for work to take steps to move closer to the labour market, and when they are able, back to work.

From April 2017, new ESA claimants who are placed in the WRAG will receive the same rate of benefit as those claiming Jobseeker's Allowance. This change only affects new claims made after that date and there will be no cash losers among those who are already in receipt of ESA.

I can also confirm that claimants in the ESA WRAG will not be required to carry out the same job-seeking activities as a Jobseeker's Allowance claimant as a result of this change. However, claimants in the WRAG will continue to be required to undertake work-related activity. There is a great deal of flexibility in the types of work-related activity that claimants may be asked to participate in and activities must be appropriate and reasonable for each individual claimant taking into account their circumstances.

It is important to note that the vast majority of people claiming ESA with cancer are in the Support Group. This includes anyone who is preparing for, receiving, or recovering from chemotherapy or radiotherapy that will significantly limit their ability to work.

Only a small proportion of individuals whose initial diagnosis is cancer will end up in the WRAG (approximately 4,880 people with cancer are in the WRAG) and employment can play a vital part in supporting an individual's recovery.

Macmillan recognises this, stating in a report that: "Many people who are working when they are diagnosed with cancer would prefer to remain in work, or return to their job, during or after treatment."

As highlighted above, the Budget announced that claimants with limited capability for work will receive additional support to help them take steps back to work, investing £60 million by 2017/18 increasing to £100 million by 2020/21.

In addition, the Secretary of State recently announced that we will be looking at how we support disabled people into work, and in particular the assessment we use for ESA. To do this, we need a system focussed on what a claimant can do and the support they will need, and not just on what they cannot do. In a world with Universal Credit that is more personalised and stays with people, it is time to think about how we can improve the way people are assessed for sickness benefits that is less 'binary' and more positive in looking at what people can do and the support they will need to do it.

Let me re-iterate that those with the most severe work-limiting conditions and disabilities who are furthest from work will continue to receive the extra financial support ESA provides for those in the Support Group. Disabled people will continue to be able to claim Personal Independence Payment to help meet some of the costs incurred by having long-term ill health or a disability.

These announcements are not about claiming that disabled people will be more likely to return to work if they have their benefits cut. Instead, it is about emphasising that it is not fair to simply write disabled people off – if they can do some work, even small amounts, we should be encouraging them to do so.

These measures will ensure the right incentives and support are in place for those closer to the labour market in order to help them make this transition when they are ready.

All of this ties into this Government's vision for disabled people which was set out in our cross-government disability strategy: Fulfilling Potential.

Our strategy aims to remove the barriers that disabled people face to enable them to fulfil their potential and have equal opportunities to play a full and active role in society. We developed our approach with disabled people and it reflects what they have said is important to bring about the changes that will have a real and lasting impact on their day-to-day lives.

That means changing attitudes towards disability and creating more inclusive and accessible communities. It means continuing to work in partnership with disabled people and their organisations, business, the voluntary sector and others to deliver change. And it means supporting disabled people to take full advantage of employment opportunities wherever possible to halve the disability employment gap.

There are many examples of how we are supporting disabled people into employment. In 2013, we launched the Disability Confident campaign to change attitudes, make the recruitment and retention of disabled people usual practice across business and industry and so narrow the employment gap between disabled people and non-disabled people. We know that disabled people often stay in the job for longer, have a strong commitment to their job, have lower absenteeism, and can help businesses understand the needs of disabled customers and so broaden their customer base.

Access to Work is key to supporting employers in working with Government to halve the disability employment gap. It assists disabled workers and their employers to overcome workplace barriers resulting from a disability or health condition by considering a grant to assist with the additional costs of employing someone with a disability, within the wider context of potential solutions and adjustments.

Support comprises of help which is over and above what an employer might be expected to reasonably provide to meet their responsibilities under the Equality Act 2010.

Work Choice provides tailored support to help disabled people who face the most complex barriers to employment find and stay in work and ultimately help them progress into unsupported employment, where it is appropriate for the individual. Work Choice has helped 29,520 disabled people into work since 2010.

Furthermore, Jobcentre Plus has a dedicated network of Disability Employment Advisers who provide support and advice for disabled people who need help finding and retaining employment. They can refer individuals to specialist programmes, including Work Choice, and can use the professional expertise of Work Psychologists, who specialise in working with disabled people. Disability Employment Advisers advocate with employers on the individual's behalf and help employers to explore job solutions such as the restructuring of a job's tasks, environment, or the provision and change of equipment.

We are fully committed to ensuring disabled people live independent lives and have the same opportunities and support to realise their full potential as anybody else. The introduction of Personal Independence Payment to replace Disability Living Allowance for people of working age is a real step forward and reflects a modern understanding of disability, supporting disabled people and enabling them to lead full, active and independent lives. It is only right that support should be targeted at those who require the most assistance to lead independent lives.

This Government is spending £21 billion a year supporting disabled people. Our welfare reforms will ensure the billions we spend better reflect today's understanding of disability and offer the targeted support that disabled people need in order to realise their potential and enjoy full and equal participation in society.

I also want to highlight the fact that, according to the latest Organisation for Economic Cooperation and Development (OECD) data, the public spending on sick and disabled people in the UK stood at 2.5 per cent of GDP, above the OECD average of 2.2 per cent. To put that in perspective, that is a higher proportional spend on incapacity than France, Germany or Japan.

The Secretary of State outlined our ambition to look again at the support we offer disabled people in a speech he delivered on 24 August, which you may find of interest.

It can be found at: <https://www.gov.uk/government/speeches/work-health-and-disability>.

If I can be of further assistance please do not hesitate to contact me.

A handwritten signature in dark ink, appearing to read 'Priti Patel', written in a cursive style.

Rt Hon Priti Patel MP
Minister for Employment