HOUSE OF COMMONS

Work and Pensions Committee

Oral evidence: Progress with Personal Independence Payment implementation 2014, HC 644

Wednesday 10 September 2014

Ordered by the House of Commons to be published on 10 September 2014

Written evidence from witnesses:

- Department for Work and Pensions
- Department for Work and Pensions (supplementary)

Watch the meeting

Members present Dame Anne Begg (Chair), Debbie Abrahams, Graham Evans Kwasi Kwarteng, Paul Maynard, Nigel Mills, Teresa Pearce

Questions 1-108

Witnesses: **Mr Mark Harper MP,** Minister for Disabled People and **Noel Shanahan,** Director General, Operations, Department for Work and Pensions, gave evidence.

Q1 Chair: Can I welcome you here this morning, Minister, to your first appearance in front of this Committee? It was remiss that during DWP questions the other week I forgot to welcome you to your new position; it is not that new anymore, as you have been here for a wee while, but we are very pleased that you could come along this morning. I think it was already in the diary with your predecessor. I wonder if you can introduce yourself and your colleague for the record, please.

Mr Harper: Sure. Dame Anne, it is a great pleasure to be here in front of the Committee. We had obviously a little exchange about it at oral questions last week to whet the appetite. I am here and also Noel Shanahan, who is the Director General for Operations, is here because, looking at the questions that the Committee had sent in, there were some where I think Mr Shanahan may be able to furnish the Committee with some operational information that will give you a flavour for the improvements that we have made. If I may, I will ask Noel perhaps to add to some of the answers that I give in response to your questions, if that is okay.

Q2 Chair: That is perfectly acceptable. The PIP was announced to great fanfare saying that it will be fairer, that people with the highest need will get the most, but the implementation of PIP and the rollout to new claimants really has not gone very well; it is a bit of mess, isn't it?

Mr Harper: I was very up front about this at oral questions in the House last week. It is fair to say that, yes, in terms of the delays to the assessment process it is not in good shape. I was very frank about that in front of the House and it would be foolish to pretend otherwise. We all have constituency cases and I sign a lot of correspondence to Members, including members of the Committee that sets that out. The Secretary of State has made a very clear commitment though to get things moving in the right direction and we have made a lot of progress since the beginning of the year in terms of delays with assessment providers, in terms of them making significantly more assessments in each of the months, and we set that out in the memorandum that we provided to the Committee. The Department has also increased the number of staff working on this, and also the productivity of those staff to make sure that we can make the decisions more quickly, and as those assessment reports flow through the system, they flow through the system and we do not just move backlogs to a different place. I absolutely accept there is a problem; it is literally my top priority and I have been spending a lot of time working on it since I was appointed on 15 July, and things are moving in the right direction. That is as far as delays are concerned.

In terms of the assessment itself, and also the outcomes, they have delivered what was said. The evidence suggests that more of the people that getting PIP are getting it at the enhanced rates. For those people with various impairments whom I think were unfairly treated under Disability Living Allowance—people with mental health conditions, with things like autism and intellectual disabilities—there is some evidence that actually they are being more fairly treated by Personal Independence Payments. Those things are moving in the right direction, but, of course, the whole story is obviously not as effectively told given the delays in the assessments, and that is obviously what we are working to fix as quickly as we can.

Q3 Chair: When will the statistics be published, because the latest statistics still do not tell us how long the average claim is taking? How long is the average claim? When will the statistics be published? I think there is a load of statistics due to be published tomorrow. Will the actual time taken to process claims be in that?

Mr Harper: The Committee will know that the next release of PIP statistics is going to take place on 17 September, next week, and that date was communicated to the Committee a while ago, so it was always after my appearance. Obviously I cannot comment on any of the statistics that are going to be published next week; that would be a breach of the code of practice.

On the time taken for clearance, I set out in the House last week at oral questions that we are going to publish those, but we are going to publish them when we have got them right. The reason for doing that is twofold. The statistics, really, are going to do two things. One is

we want to make sure they give an accurate impression, both to Members of Parliament and, most importantly to those claiming the benefit, and those that work with them, on how long things are taking. If you do not design the statistics correctly you can end up with a misleading picture: for example, if you just publish the time taken to clear cases that is measured for those cases that are cleared, as you work through a backlog, the published statistics can actually look worse even though you are fixing the problem, because you are only measuring the clearance time when you publish it.

The other thing we want to do is make sure we do not set out a set of statistics that drive perverse incentives, either by the Department or by the providers. For example, if you set out statistics that look at the proportion of cases that have waited a particular period, the danger is you set up an incentive not to look at cases once they have taken longer than that. Analysts in the Department are working on that carefully. We will hopefully set out next week, when the current statistics are published, the plans for future statistical publication in future quarters, so we hope to be able to say some more about that next week.

Q4 Chair: Surely you must know on average how long each new claim is taking now, not the backlog. How long will somebody presenting today, putting in a claim for PIP, have to wait before they have got a determination?

Mr Harper: We do obviously have management information, but, in fact, we were taken to task by the Committee a little while ago. Ms Gilmore, as you know, wrote to Sir Andrew Dilnot, the Chairman of the UK Statistics Authority, complaining about some information that had been given to the Committee by an official in the Department using unpublished management information, for information that was subsequently going to be published. Sir Andrew made it very clear that that sort of behaviour was to be deprecated, and we were supposed to rely on published statistics rather than unpublished management information. I am afraid for the statistical information you will have to wait for the published statistics.

Q5 Chair: Let me try it another way. You have already stated that by the end of 2014 no one will be waiting longer than 16 weeks for a PIP assessment. Are you going to hit that target?

Mr Harper: Yes. That is our intention. The Secretary of State made it quite clear. He gave two commitments: he said that by the autumn no one would be waiting longer than 26 weeks for an assessment, and by the end of the year no one would be waiting longer than 16 weeks for an assessment. Those are his targets; they are my targets. That is what we are both working to hit and I am sure we will go on with more detail. Those are the plans that we have asked the providers to do, so that if we hold them to their plans we will be able to deliver on both of those commitments, and that is what we intend to do. I am sure you will ask me to come back at the end of year to check that we have done so.

Q6 Chair: Have you managed to hit the 26-week target?

Mr Harper: We will set that out—

Chair: It is autumn; it is September, so have you met the 26-week target if you are going to hit the 16 week target?

Mr Harper: We are on track to do that. Autumn, as you know, I have discovered in Parliament, is not quite as rigid as it is in the outside world.

Chair: Yes, it includes winter. Let us go for the end of the year—

Mr Harper: It is not going to slip too far because we have said we are not going to do the very flexible autumn, because we have got the end of year commitment as well, so we have been very clear by the end of the year nobody will be waiting longer than 16 weeks for an assessment. That is a very clear commitment that the Secretary of State has made, which I am happy to repeat today, and that we are working with the providers to ensure that we hit.

Q7 Chair: 16 weeks is still four months. Do you think that is an acceptable length of time for somebody who may have developed a disability and suddenly has a lot of costs associated with that disability—which is what PIP is all about—to wait four months before they get the money to pay for the adaptations they might need in order to live their life or in order to adjust for the disability?

Mr Harper: No. I would like us to be able to make decisions or make the whole process work faster than that, but there is no point getting ahead of ourselves. There is clearly a problem. The Secretary of State made two commitments, effectively milestones, on improving that process. When we hit them then I think we will be in a position to set out some clearer expectations, both to the Committee and to those claiming the benefit, about how long—in fact, not just the assessment process, but the commitment the Secretary of State has given is obviously about how long you wait for an assessment. I think we will want to think about this in terms of what we set out, that what is actually more meaningful for someone claiming the benefit and what they really want to know is from when they have returned their PIP2 form when they get a decision about whether they are going to be getting the benefit or not, and if they are going to be getting the benefit, when they get the first payment of that benefit. It is the end-to-end process that is important. What we will want to do when we have hit the milestones that the Secretary of State has set out is think about what our ambition is in terms of the overall journey.

Q8 Chair: Is it not the case that the Government underestimated that period it takes to do the assessment and to get either ATOS or Capita to get the information to the DWP to make the decision? That is what is taking the time; that is what is much, much longer than under the old system. Is that not fair?

Mr Harper: I think there have been issues in the past with all of the parts of the process in terms of the assessments. It has partly been about what information people needed to send in with their claim form. You will know that we have published further guidance about the sorts of information that is useful, and the sorts of information that is not useful, to try and get

as much information as possible to enable decisions to be made. That has had some impact, so providers are now making significantly more decisions on paper because the information is clear, than they were able to at the beginning.

Q9 Chair: We have got questions about that, so we will come back to that. What was the average length of time it took to process a DLA claim?

Mr Harper: Off the top of my head, I do not have that information to hand, but to some extent it is not a sensible comparison, because the DLA process in the vast majority of cases did not have an assessment process. Somebody would complete the form; they would send that back; the decision maker would review the claim; sometimes they would have to go back either to the claimant or to one of their healthcare providers to get further information, You just did not have a big chunk of that process. You cannot really compare the two benefits.

Q10 Chair: We call that a paper-based claim now; what you have just described is what a paper-based claim is. Mr Shanahan, do you know?

Mr Harper: The point is, the vast majority of those cases were being made, even in cases where it probably was not appropriate to make a decision, because you needed to properly assess the impact; you were not validating the information that was in the form.

Q11 Chair: The individuals are having to wait an awful lot longer, so there is a valid comparison in as much as how long did they had to wait until they got a determination and the money under DLA, and how much longer they are going to have to wait under this process.

Mr Harper: Yes. I am not trying to avoid your conclusion. I am simply saying that just to compare the two processes and saying one takes longer than the other. It is almost inevitable in cases where someone has to attend a face-to-face assessment, compared to a process where in the vast majority of cases somebody did not, there is clearly going to be some time added to the process for that. Our challenge is to make sure that time is minimised and in those cases where the right decision can be taken based on the paper evidence, that the right information is assembled and that decision can be taken without having to call someone in for an assessment. That is our challenge.

Q12 Chair: It would still be useful. Can your colleague tell us how long the average DLA claim took?

Mr Harper: I am happy for Noel to answer that, if we cannot we will obviously write to the Committee with the information.

Noel Shanahan: It was about 45 days, but, as the Minister said, it was a completely different benefit. We are not happy at all right now about the backlogs that we have got. We are working very hard to drive those backlogs down; we have got our first assumption that we want to get to. We expect to get to 16 weeks at the end of the year. When we get there we

will assess what else we can do to drive that down further, so we are not happy where we are at. We think we are making progress; we think we will make further progress. We have got a number we want to get to by the end of the year, 16 weeks, when we get there we will see how further we can drive it down.

Q13 Chair: One of the suspicions about the introduction of PIP was that it came through the Budget, not as an announcement through the DWP. Attached to that was a savings amount and that has always been something that people have felt very suspicious of. Minister, you quite rightly said that in the way the PIP has been constructed there is a hope that more people with cognitive behavioural problems and mental health problems might get more. If that is the case, where are the savings?

Mr Harper: First of all, at this point, for this Parliament, in this year and next year, we will be spending more on DLA and PIP together than when we came to office in the first place. If you look at the information that we have published, in the early years PIP slows down the growth in what would have been the DLA budget for working age adults if we had not implemented reform. You then get some savings when you get to 2017-18, 2018-19. We were very clear that it was about focusing the help on the people that needed it the most, and there is some evidence of that if you look at the proportions of awards that people are getting that have the enhanced daily living and mobility components. That indicates that we are delivering the help to people that need it the most.

Q14 Nigel Mills: Can I just quickly ask about the 16-week target again? That is for the assessment. When you are talking to Atos and Capita, how long are you saying to them they ought to take to complete writing up the assessment? That should be a couple of weeks at most, shouldn't it?

Mr Harper: You are right to focus on that, Mr Mills, because in the response I had to the Chair, if you look at the whole process, there are various parts of that where they have tried to drive up productivity. Part of it is about being more efficient in the use of their estate, and the way they book appointments and they utilise their healthcare professionals. One of the things that was also taking too long was the writing up of the form and we have made some improvements to the form that they used to complete that speeds up that process. It helps them focus the information in the assessment report that is necessary for the decision maker to make the decision and guides them through that. The early evidence is that that process is helping to speed up the assessment, writing up the assessment and then getting that information to the Department, so that the decision maker can take the decision.

Q15 Nigel Mills: Presumably it is much better that the person doing the assessment writes it up while they can remember the assessment, rather than trying to come back to it in an idle half an hour six weeks later, and trying to remember who on earth that person was.

Mr Harper: Yes, it is.

Q16 Nigel Mills: It must be over a relatively short time period that we need that.

Mr Harper: I will ask Noel to fill this in. My understanding is that the different providers have different approaches. In some I think the healthcare professional will do an assessment and will write up the report immediately afterwards. In some cases they do a batch of assessments on a particular day and then write up the forms. You are quite right, though: it is not best practice for them to be doing a set of assessments and then writing up the forms at a great distance afterwards, both because of the accuracy involved in that process and because it delays the process. We have made some improvements in how that is operationally happening at both of the providers. Noel, do you want to flesh some of that out?

Noel Shanahan: Yes. In the main, on the same day or almost immediately after the assessment the report should be being written up. Some of the improvements we have made with the service providers are that we have enhanced the IT. It is faster; it is more responsive; it is more user-friendly; there are opportunities now to have drop-down tables, so you can get through a lot faster. That means as they are going through the assessment a lot of it is immediately being keyed into the report, and just at the end of it there is almost a summing up and the key activities and the decisions on those are put in.

In the main, it is pretty well on the same day. As the Minister said, there has been lots of work by the service providers working with ourselves to improve the speed and the productivity. Just a couple of examples on that: we know that in the field where people are mobile health professionals they are half as productive as people in clinics, for example. There is always going to be a high proportion of healthcare professionals who are mobile, but what the service providers have found is if they move some of those healthcare professionals into clinics and they build their estate, they are twice as productive. That is just as one example.

The other part of that dynamic is the clinics that they have got. At one point in time a healthcare professional had their clinic all day and they would do four assessments, and they would do the writing up. What the service providers have now done is said the healthcare professional has a clinic in the morning, does the assessments and writes up immediately afterwards. A different healthcare professional comes in the afternoon. That is simple and straightforward, but you can see how the dynamics of that drive the productivity and the volume of assessments that they are now completing.

Q17 Nigel Mills: I was trying to get you to 16 weeks for an assessment and then how long for Capita or Atos to come up with their report. That sounds like it could be a day, but presumably there would have to be some internal review on that as well.

Noel Shanahan: Absolutely right.

Q18 Nigel Mills: Are we talking a week or two weeks for that bit?

Noel Shanahan: On average that is around about a week; some of them have to go through an audit process, but that is pretty well under a week.

Q19 Nigel Mills: Right, I have got the 16 weeks. That is a week there and then we get the DWP process. How long are you aiming for that to take between you getting that and issuing the decision?

Noel Shanahan: First of all, the 16 weeks will include the week. It will be within that.

Q20 Nigel Mills: Okay, so 16 weeks for an assessment is 16 weeks for a written up assessment.

Noel Shanahan: Yes. Then that information comes back to DWP.

Mr Harper: It is worth just saying on that point that the providers do not get paid for doing assessments. They get paid for doing assessments and providing the reports of those assessments to the Department so a decision can be taken. It is not in the interests of either of the providers to have healthcare professionals doing assessments and not writing them up and sending the information to the Department. From our point of view, that is not an assessment that has been completed and it is not one for which they are going to get paid. Just to be clear.

Q21 Chair: To be clear, what is the length of time from someone making their initial phone call to getting their payment? There is the 16 weeks in the middle of that, so what is your aim for that full process? That is what Nigel is trying to get at.

Mr Harper: At the moment our aim is to get the assessment piece to no more than 16 weeks.

Q22 Chair: Yes, but for the claimant they need the money they are entitled to. They have been assessed that they need it, so when?

Mr Harper: I agree. The process is, as you know, there is the phone call at the beginning, we issue the PIP2 form, there is a period obviously then that the claimant will complete the form and assemble the information they are sending in.

Q23 Chair: Sorry, Minister, you have quantified that bit as 16 weeks. You must have quantified how long there is at the beginning and you must have quantified how long it takes at the end before the determination is made and payment is in place. We are just asking for how long is your aim, by the end of the year, for that whole process?

Mr Harper: This comes down to being careful about what you are measuring because if you include the front end of the process—

Q24 Chair: For the claimant, it does not matter what you measure. They have made a claim and they get the money at the end of it.

Mr Harper: The point is it depends where you define it from. If you define it from where they make the original call and the PIP2 form is sent out, part of that process, some of that time, is under the control of the claimant. They have got to complete the form and assemble their information. If you are measuring it from when they return the form, that bit obviously is under the—

Q25 Chair: Well, give us that one because that is under your control.

Mr Harper: At the moment, when they send the form back—and that is the point at which there is going to be a process to decide whether you can make a decision on the papers or whether you are going to need to call them in for a face-to-face assessment—that bit is taking too long. That is the bit where we have the aspiration to get to no more than 16 weeks by the end of the year. Then you have got the bit that is taking place in the Department. I do not think we have set out publicly what that should be, and in terms of what it is actually taking, the same answer is going to apply as what I said to you at the beginning about not giving you unvalidated management information.

Q26 Chair: I will tell you what the problem is. People watching at home—and lots of disabled people watch this Committee at home—will hear the 16 weeks and they will think that in four months they can expect to get their money, because that is what they hear. You are saying it is more than that, because there could be anything up to a month or more at the beginning of the process after they get their form. I still have not quite quantified, and this is what Nigel was trying to do, how long it is at the other end. Is it another month? Are we actually looking at a six-month process, rather than a four-month process? Otherwise they are going to complain to us as MPs that, "Well, I have been longer than 16 weeks", but you are actually saying it will be longer than 16 weeks.

Mr Harper: To be fair, the Secretary of State was crystal clear in what he said. I think he used plain language; he said that, "At the moment there is a significant wait for people to get an assessment" and that that is taking too long, and he made the two commitments to get that down. We have been very clear in what we have said, and in what I have used in correspondence to Members of Parliament, including colleagues around this table, that the commitment is about the length of time it takes for an assessment.

I set out at the beginning of our exchange, Chair, because you asked me about what our aspiration was post hitting that target—you are absolutely right, for a claimant it is the end-to-end journey. It is from when they make the original contact with the Department to suggest that they may be able to claim PIP to when they get a decision and, if they are entitled to the benefit, they get the payment. What we need to think about is, once we have hit our 16 weeks for an assessment, does it make sense to continue talking about how long it takes to get an assessment or do we want to think about what the total journey time is.

We do have to be careful, because if it is from when they first contact the Department, some of that process is under their control and the control of their existing healthcare

professionals who they will seek information from. The question then is: is it reasonable to measure the Department's performance on things it does not control? That is why we need to think carefully about what we say we are going to do and how we measure it so that we are giving people a fair picture.

Chair: But you are only measuring a bit of the power, which is the assessment, and not the other bit. Anyway, I think Nigel has got more questions?

Q27 Nigel Mills: You gave us the welcome news that you had doubled the amount of staff in DWP that deal with this process. I think that was the number you gave us earlier on. Can you just talk us through where they came from, whether that has weakened resource elsewhere, whether you think that is enough people doing this now, whether that is a permanent allocation to this, and whether it is to clear the backlog?

Mr Harper: Let me say a little bit about that in terms of the approach to it and then perhaps I will ask Noel to set out some of the specifics. This really picks up on what the Chair has just said. What we were aiming to do was we are putting a huge amount of effort into fixing the delays that there have been in getting assessments done. What we were very careful we did not want to do was fix that process and then, with the increased volume of assessment reports, not have the Department in a position where it was not to be able to make decisions on a timely basis.

Q28 Nigel Mills: A timely basis being?

Mr Harper: I will ask Noel to say a little bit about that. I think we said this in the memorandum: we have driven up the number of staff involved in doing that process; we have increased their productivity to seven or eight decisions a day, which is significantly higher than at the beginning of the year. Looking at how we expect the number of cases to flow through the system, we are confident that as the providers improve their process, the back end of that process, which is done by the Department and the decision makers, and then putting claims into payment where people are granted it, is going to work properly.

In terms of the staffing, we have taken that staff from across the Department. We constantly keep staff across the department on operational level under review, and there are detailed plans to do that across the Department. Perhaps I will let Noel say a little bit more about the operational implementation, if that is alright.

Noel Shanahan: As the Minister said, we do not want a backlog at the service providers being converted to a backlog at DWP. We have built up the headcount that we have got in our decision-making teams significantly, so we basically added double that. We are going to add another 600 of our decision makers by the end of the year, to make sure that we keep pace with the volume that is coming in. We have a forward projection of assessments that are going to come back. We have knowledge about productivity and, frankly, we just work out how many people we need.

Your specific question was about where they come from. They come from different parts of the organisation. Operations in DWP is in excess of 70,000 people, so at different points in time I have some benefits that are decreasing in volume and some that are going up. I also have tasks to make sure I drive efficiency in the business as well. As an example of where some staff come from on this, there was a point in time where for our general line for benefits enquiries, about 30% of those calls that we got in we had to call back because of the complexity of the call. We have done a lot of work with our front line staff—we have given them extra training, extra tools—and we have halved that, so now it is about 10-15% of the calls we have to call back. That frees up hundreds of staff. Then I have growth areas. PIP is the current growth area. I have also got child maintenance in the growth area. We move people around the business. We also take opportunities sometimes when that growth is not there to reduce the number of headcount that we have got, and we have lost some people over the last couple of years on voluntary terms as well, to keep that efficiency.

Our expected time at the end of the process is that we really want to do that within 10 working days, and we are achieving within 10 working days operational information. We do not want the backlog in service providers becoming a DWP backlog. We are conscious of the customer journey, the claimant journey, and we do not want that claimant journey seeing the benefits that we believe we will deliver over the coming months being extended by backlogs, frankly, in our part of the process.

We are working very hard to drive up the headcount, which we have done—doubled, another 600 coming in—and drive up the productivity. As the Minister said, in the last few months we have around doubled the productivity that we get out of our people and that is because of further training, further guidance, and we have enhanced the IT. Again, we have very stable IT, faster IT. We have enhanced the capability of the IT, so it has dropdown menus, so the repetitive work that our decision makers have to do is now heavily automated. That, again, is driving efficiency. We know the volume is going to come from service providers. We know what is going to come to us, we know when it is going to come to us, and we have a headcount plan and a training plan that delivers against that to keep us up to the same speed as the service providers.

Q29 Debbie Abrahams: You have just acknowledged, Mr Shanahan, that 1,000 experienced DWP members of staff were made voluntarily redundant. This is at the same time when there was an escalating backlog in PIP assessments. Why did you do that?

Noel Shanahan: As I said, we have differing volumes and sometimes that work that comes in for certain grades and certain roles just is not there. The people that we use on the decision-making are very skilled people that have a certain grade.

Q30 Debbie Abrahams: Out of the 1,000, 600 experienced decision makers were made redundant. Why?

Noel Shanahan: It will be because, of those decision makers that are there, most of the people will have been at the wrong grades, not experienced in PIP and not experienced in this benefit.

Q31 Debbie Abrahams: You made a decision to make these people redundant because they were at the wrong grade. Could they not make the decisions?

Noel Shanahan: Not only could they not make those decisions, we had more than enough people still within the business we could port across to this decision-making role within PIP.

Q32 Debbie Abrahams: Why was there a backlog then? Why now are you to recruit if you say they had too many?

Noel Shanahan: The backlog, as we have discussed, is very much with the service provider, so we are keeping up to speed with the service provider coming back. As we know, the service provider volumes are going up. We are moving people from other parts of the business, so classically we have got people who are very experienced in ESA in that sort of arena. We are bringing with those skills those who have done DLA decision making as well in the past, and we are tweaking their training to bring them up to speed with PIP.

Q33 Debbie Abrahams: You did not need them then because the backlog was with Atos or Capita. You do need them now, so you have had to recruit. Are you going to make these redundant if there is a fall in demand in the future?

Noel Shanahan: My task is to run an operation that is as efficient as possible and to meet the demand with the headcount that we have got. If that demand goes down, the task on me and the Department is to run an efficient Department and an efficient operation.

Q34 Debbie Abrahams: Whose decision was it? Was it yours or was it the Minister's?

Noel Shanahan: That will be a decision that I, with my team, will take. It will be one that, of course, Ministers will be involved in, but I will have to be able to justify that we can deliver the right level of service with the headcount that we have got available to us. Similarly, I have to justify if I have got spare headcount and why I am keeping it.

Q35 Paul Maynard: Going back to what Nigel was asking about regarding changes to your processes, we have had multiple reports from different committees: this Committee published a report earlier in the year; we had the Public Accounts Committee. In your own evidence you talk about a philosophy of continuous improvement. What improvements have you made to the process specifically since the last time this Committee reported and you responded? What has occurred in recent months and weeks, rather than over the course of the past year?

Noel Shanahan: In recent months the examples I gave you about enhancing the IT specifically have been there to make it more robust, more resilient and faster. The tools that I described—the look-up tables and the dropdown menus that both we and the health professionals use have significantly speeded up that process. In addition to that, we found

that the timeliness of a healthcare professional doing the assessment was taking longer than we anticipated. That led to some of that backlog. We spent a lot of time with our own medics and we got our own doctors as well, looking at assessments, seeing what was going on, and we identified the form they were using—it was electronic, but it was a form—was very lengthy. It drove them to write a lot of data, but it was not crisp; it did not bring out against the activities the justification easily enough.

We worked with them. We designed a new pro forma. That means that with each of the activities now that we look at at PIP, when there is a mark given by the health professional they have to justify it. They have to write a few sentences and justify whatever that mark is. That has speeded up the process significantly. In addition to the IT, now they can synchronise; they can work from home and write up reports; they can write on the move, etc. When that report then comes back to our decision makers, what was happening was the decision makers had to trawl through quite a lengthy healthcare professional report originally, and that was taking longer than we anticipated. The crispness in this new report means that our healthcare professional can go, "That is the mark that has been given. Is that justification strong enough? Do I buy it?" That has made the thing a lot faster, which is why that has been quite a big contributor to our doubling of the productivity in our own headcount.

Q36 Paul Maynard: On that specific issue of the face-to-face assessments, at the last evidence session back in December your colleague, Jason Feeney, was suggesting that these face-to-face assessments were taking up to 90-120 minutes, which was longer than had been intended and that this was due to a lack of familiarity with the process. What you now seem to be saying is that it was not so much familiarity as the structure of the actual assessment. What timescale have these assessments now come down to if 120 minutes was too long? What have you been able to bring it down to?

Noel Shanahan: We are on a journey on that—

Paul Maynard: Where have you reached on your journey?

Noel Shanahan: On that journey we have got hundreds of healthcare professionals, some of whom are now experienced at this and have been doing it for a while; they are absolutely within our expected timeframe. We expected that this would be in the region of about 1 hour and 15 or an hour and a half, about 80-85 minutes. Of course, new medics and new healthcare professionals are arriving. They take a little while to get used to it, and they grow and they get used to the technology. We are working with the service providers so we get everybody more or less to the same standard, and that is, as you can see through our numbers and our expectations of productivity improvements, part of what we bake into that expectation.

Q37 Paul Maynard: Forgive me for pressing. I do apologise, but back in December 90 minutes was seen to be too long; you are now suggesting that 90 minutes is acceptable, even incorporating the improvements you have made to the process and the presumption of greater familiarity with the system. Therefore, that would logically mean that you are still

not completing more assessments per day, particularly in terms of home assessment with Capita. Would that be correct?

Noel Shanahan: No, we are increasing the per day amounts. There is a range of time that healthcare professionals will take on this. Working with the service providers now, we are expecting the productivity, certainly, to increase up to maybe doing four or five assessments a day. That had not been the case before.

Mr Harper: There are a couple of things that I alluded to at the beginning and it is also worth just saying in terms of the process that there are two things that determine the process. There is partly their estate, for those where they are holding those assessments in clinics, and the number of staff they have got, but it is also how well they utilise it. One of the things we are looking at is making sure, for example, that all of the clinic space that is available for assessments is being used more efficiently. For example, picking up the point about writing up the reports, if you use the clinic space to do the assessments you may then have someone go and write the reports elsewhere on the provider's estate. So what they are actually doing is, as well as hiring more people and having more space, they are using that space more efficiently and that is driving up the productivity. You are right it is partly about how long the actual assessment takes and the time they spend with the claimant. It is also about writing up the report. It is also about the utilisation of their own premises and their own resources, and that is getting better as well.

Q38 Nigel Mills: Can you just update us on where we are now with claims by terminally ill people? I think we were told they were up to 10 days now, is that still the case?

Mr Harper: The expected time that we want to do claims for terminally ill people is correctly, as you say, 10 working days. Indications are that processing times are approaching that number. My caveat about being precise about it is the same as what I used with the Chair at the beginning. We will publish that information in due course, but we are approaching the level that we set out.

Q39 Nigel Mills: When Mr Penning was in your job, I think he suggested the target was seven days rather than 10. Is that still the aspiration?

Mr Harper: The expected level that we have set out is 10 and that is what we are approaching. When we have got the performance of the service providers where we want to get it and where we have committed to get it by the end of the year, we will think about what we will set out as whether we can do that faster. We clearly want those cases to be dealt with as quickly as we can. I think that with the changes that we have made, working closely with organisations like Macmillan—my predecessor, as you correctly indicated, put a lot of focus on this—we have made a considerable amount of progress in what is a very important area, and we want to take some of that success, effectively and use it elsewhere in the process.

Q40 Nigel Mills: There was one slight anomaly in the June statistics, where it suggested that up to the end of March there had been 15,100 decisions for people with

terminal illnesses, but only 13,900 claims had been registered. Is that just a timing problem? It just looks like you have managed to make more decisions than there were claims.

Noel Shanahan: Yes, sadly some customers that go and apply under normal rules convert into terminally ill a little later on in the process.

Q41 Nigel Mills: So the registration does not change then. It is just the decision that changes.

Noel Shanahan: No.

Chair: Thanks for that because it did seem rather strange.

Q42 Debbie Abrahams: Could you tell us, in terms of when you intend to take this forward, about making existing DLA claimants go through the assessment for PIP, when do you think that will happen?

Mr Harper: For managed reassessments—that is people where their DLA claim is enforced—that date that we set out publicly of October 2015 has not changed. That is our current plan. Is that what you were referring to?

Q43 Debbie Abrahams: It is indeed. Thank you very much. What are the criteria that you are going to use to assess that the system is capable of coping with this?

Mr Harper: We will look clearly at the volumes of cases that will have to be decided; we will look at the performance of the process at that point and we will also look at the way that we do it. You will know for the natural reassessment cases that my predecessor last October decided to do that in a phased way. We have not decided how we will do that for managed reassessment. We will make that decision closer to the time, but that may be one of the things that we will look at. We want to do it in a careful way. By then we will have the system, clearly, based on our commitments, working efficiently and well and what we will not want to do is do anything about reassessing those cases that will put at risk what will then be a very well-functioning system. We will have to look at the volumes, how those volumes and cases are located geographically and what we think will be the most efficient way of doing that.

Q44 Debbie Abrahams: I do not know if Mr Shanahan wants to comment at this stage. Presumably you will be looking at a comprehensive indicator set so that you are confident that we will not have the debacle that we have had over the last 18 months or so. Are you confident that those measures will enable that to proceed effectively?

Mr Harper: In terms of data that we publish, as I indicated in my exchange with the Chair at the beginning, our analysts are looking at the statistics we will publish on a regular basis for the PIP process.

Q45 Debbie Abrahams: Do you mean the measures, Minister, rather than the statistics? Statistics are just the result of the measures that you are using, so do you mean the measures that you will be using?

Mr Harper: Yes. In terms of the way we will decide—are you talking about the way we will go about doing it?

Q46 Debbie Abrahams: Yes, what are the measures that you will use to determine that we can go ahead with a robust and effective rollout?

Mr Harper: I will ask Noel to add to some of this. It will be about looking at the volumes of cases that we are expecting to reassess, where they are located geographically, and it will be looking at the capacity, both of the Department, but also of the providers to manage that. We will be looking at that on an ongoing basis. Just so you know, in terms of the way we are managing these contracts now and the way we will continue managing them, we have got some of our own staff working very closely embedded with the providers at their locations. I have officials working with those providers on both a daily and weekly basis, and I look at this every single week looking at the data with my team about how it is performing. That close scrutiny of how the process is working is what I would expect to continue when we decide how we are going to do that managed reassessment process to make sure that we can deliver a good level of service to all of those current DLA claimants.

Noel Shanahan: Yes, it is really a numbers productivity table, so it is how many people have we got doing the assessments? What is the productivity of those people? How does it feed through? It is fairly standard fare in DWP because we are a volume business. As an example, today we will answer 275,000 phone calls; we will do 114,000 face-to-face interviews. We have metrics and models that help us understand what volume is going to come in and what those measures underneath have to be in terms of headcount and productivity. We work in our own headcount in that way, and we are working with our service providers to make sure, before we give them that volume of assessments, that they can work with us and prove with us that they can stack up and deliver that. As the Minister said, we have now got our teams embedded in the service providers; we have teams located in their offices. We talk with them every day; we go through their numbers every day. We meet with them every week as well in an official performance meeting, so we will know if we can flick that switch.

Q47 Debbie Abrahams: What has gone wrong then in the past? If you are going to be applying this process to the rollout, what has gone wrong in the past?

Noel Shanahan: Again, hands up. We are not happy where we are on the backlog with the service providers. As has been said before, there are two real things. The first one is that the assessments were taking longer than we anticipated. Secondly, the service providers simply did not have the volume of health professionals that they expected on board. We have learnt those lessons. It was painful, but we have learnt them, so we are going to be on top.

Q48 Paul Maynard: Just while we are on natural reassessment, very quickly, back in December Jason Feeney said it was far too early to give any indication of what the level of appeals was for natural reassessments because they had come in so shortly before. Nine months on, do you have a better overview of the level of appeals for these natural reassessments, because that is clearly a critical part of the overall timeframe for any claimant journey?

Mr Harper: The overall level of appeals is still very low, but the position at the moment is to some extent it is still too early because of the issues we have had with the delays in assessment providers. What I am told by my analysts is that the volume is not sufficient for you to be able to draw lots of sensible conclusions from it, so we still do not have a very clear idea.

Q49 Chair: Can I be clear what happens in the geographic areas that do not have natural migration? Lots of people in those areas are sitting on time-limited DLA and it comes to an end. What happens to them? Do they get reassessed for DLA?

Mr Harper: There are two parts to that question. For the areas where we currently do not have natural reassessment taking place, we will obviously have to take some decisions in due course about whether we have got the process and the system working such that we can start natural reassessment.

Q50 Chair: That is not my question. What is happening now is over the last year there will be people in Scotland who have reached the end of their DLA claim because it was time-limited—and quite a lot are despite what the Government used to say about everybody getting it for life; there were time-limited ones. In those circumstances, what happens? Do they carry on getting their DLA even though it has officially run out or it is lime limited? Do they go through a DLA assessment? They cannot go through a PIP assessment because it has not moved to that area. What happens?

Mr Harper: My understanding—and I will write and confirm this—is that if the DLA claim comes to an end then they will have to make a new claim for PIP and go through the PIP process.

Chair: But that is natural reassessment.

Noel Shanahan: Can I help? I understand your question: those claimants continue to get paid on DLA; they get informed that we are not asking them at this moment in time to come forward for a reassessment. They will be treated either in natural reassessments or they will be treated then when it comes to managing the base later on, so they continue getting those DLA payments.

Q51 Chair: Even though they have got a bit of paper that says, "Your DLA will stop in April 2014", those are still the payments in the non-geographical areas?

Noel Shanahan: Correct.

Q52 Chair: That is extremely useful, because I know that a lot of people have asked about that. I think you gave the example yourself of where someone whose claim has come to an end and they have to make a new claim for PIP in the area, so that is the geographic areas where there is natural reassessment. What we have been told is that although they are then awarded the PIP award, they do not get that and they might be awarded the PIP at a higher level than their own DLA. That is perhaps why they ask for a reassessment because their condition has deteriorated. So they are awarded a higher level of PIP than they were on DLA, but we are being told that the DLA, if they are time-limited, runs on until the end of their time-limited element of DLA and it is only then that they get the enhanced PIP, rather than getting the PIP, which would be more money for them at the point that the assessment has been determined.

Mr Harper: My understanding of the difference—and I will let Noel correct me if I am wrong—is in cases where someone is not getting DLA, as you know, when the decision is taken the PIP amount is backdated to the date of the claim. Where someone is getting DLA, there is a four-week run-on period once the PIP decision is taken, and that is whether or not the PIP amount was higher or lower than the DLA claim. It does not run on to the end of whenever the DLA claim was scheduled; there is a four-week run-on period. I accept that is disappointing for those people where the PIP amount is higher, but it was designed to reflect and give some extra security to those where the PIP amount was going to be lower than the DLA payments, so there is that four-week run-on period.

Q53 Chair: We have been told as a Committee that it is not that four-week run-on; it can be anything up to nine months. In fact, someone has put "because their circumstances have changed" as why they have initiated the new claim and, of course, as a new claim it has to be PIP; it cannot be a new claim for DLA. Where there is a time-limited DLA award in place, they do not get the new, enhanced PIP until that time-limited DLA has run out.

Noel Shanahan: I absolutely understand the question. I do not know the answer, so I could guess. I can come back.

Mr Harper: I will write to the Committee with an answer.

Q54 Chair: Certainly what we have been told is not what you are actually saying. We are just wondering: does it work the other way, where there is somebody who is on DLA, circumstances change and they put in a new claim for PIP, but they were on the lower rate care and that is the bit that does not exist in PIP, so they do not get an award. Does their DLA run on until it runs out or does their DLA stop because they have got a new assessment and they do not get the PIP? In other words, the benefit stops.

Mr Harper: You can tell me if you think this is helpful and then I will get you the answer. Let me take the two specific cases you have given, but it may be helpful if I ask officials just to draw me up a table, perhaps with the different scenarios in it, just in case if you then come with some other cases brought to your attention you do not have to keep coming back. I will get something done and write to the Committee.

Chair: That would be extremely useful because it is causing a great deal of confusion and people just do not understand what is happening.

Q55 Kwasi Kwarteng: I wanted to ask a question about providers. Do you think that Atos and Capita are operating at terms that you think are acceptable?

Mr Harper: They clearly are not because we are not hitting the commitments at the present time that the Secretary of State said. Both of them though are improving their performance. I think we set out in the memorandum that they are moving much faster than at the beginning of the year; they have got more people on board; they have got a good plan for continuing to increase the number of staff they have got; they are increasing the productivity of the staff. I think we set out in the memorandum that the number of assessments they are making has increased significantly and continues to do so.

Q56 Kwasi Kwarteng: At what point did they realise that they had too few staff? There is clearly a question here about why it took them so long to get to the adequate staffing levels, because they knew the nature of the problem. Why was there a period in which they did not know how many people to employ?

Mr Harper: My honest answer, in terms of how have we got here, is I am afraid I am going to fall back on that I have been doing the job since July. I do not know all the thought processes within the providers. Clearly this has been an issue for some time and that is not new news for you. We are very focused on it now. In terms of where we are now, the providers are very clear about what is going on. Using my professional background, I have sat down and gone through the models for both of the providers about how their operations work, how the number of healthcare professionals works and drives through the performance of the business, and my officials are doing that on a daily and weekly basis with the providers.

Q57 Kwasi Kwarteng: On a more specific note, how many assessment centres are each of the providers operating? How many are they operating now?

Mr Harper: I will through that one over to Noel.

Noel Shanahan: I cannot tell you the specific number of buildings. What I can tell you is they are, to some degree, moving from mobile home visits to increasing their clinics. Between now and the end of the year there will be another 300 clinical rooms added. It is of that sort of scale; it is quite a significant scale. As we have discussed earlier, in the clinical room we are finding productivity is twice as much as they were expecting before. In a number of those rooms, we are also doing almost twice the number of assessments where they swap the healthcare professional—one in the morning; one in the afternoon—and use the whole room. In addition to that, they are working Saturdays; there are Saturday appointments. During the week there are extended hours. In addition to that they do work on Sundays too, not always assessments. We are into a seven-day operation to catch up from

where we are, to get rid of this backlog, and we are in with them every single day monitoring that process.

Q58 Kwasi Kwarteng: Are you satisfied that extending the opening hours is fitting in with the claimants' needs as well? Is there evidence to suggest that that is something that claimants are finding particularly useful?

Noel Shanahan: It is always helpful for people because the hours are longer, but, of course, the claimants have a choice. We contact the claimants; we offer appointments. If they do not like those appointments they can change them. We send a text two days beforehand to remind them of the appointment; they could come back on that text and say, "Can't make it", and we can change it and get a different date. It is very important. From the service provider's point of view, they go "kerching" when they complete assessments and write it up. They want to do assessments and they want to meet the customers' needs on that.

Q59 Debbie Abrahams: Could you clarify, in terms of something that my office was told when we were enquiring about one of my constituents, in terms of how claims are prioritised? Is it chronological? Is it needs-based? My office was told that Atos said if a claimant is already in receipt of another form of benefit they will not be prioritised. They had been waiting six months for an assessment. Could you tell me about that?

Mr Harper: From a policy perspective, my understanding is we work through the cases in chronological order. We obviously look at special rules for terminal illnesses; there is a special process for that to do those more quickly. My understanding is there certainly would not be a judgment about what other benefits people were getting.

Q60 Debbie Abrahams: That is what my office has been told, so I would like some clarity on that, if I could.

Noel Shanahan: I can help you. From an operational point of view, as the Minister says, we go oldest cases first. The software in both suppliers now is they set appointments up from the oldest date; we set appointments on the oldest date. That is part of our strategy to try and get to our ambition for the end of the year of nothing over 16 weeks. The technology drives oldest first. There is no search on other benefits that goes through that process, as the Minister said. Terminally ill cases clearly are extracted out. If you have got specifics on a case I would be very happy to have a look at it, but that is not part of our operation.

Debbie Abrahams: I will follow that up. Thank you.

Q61 Paul Maynard: Back in December, we were told that one of the interesting aspects of the contract was that both Atos and Capita were using radically different business models in terms of home visits versus going to a medical centre. It is going to be an interesting thing to consider which was the most effective business model. Have any views been reached or conclusions drawn about which is currently the most effective model, both

for clearing the backlog and for providing a more effective end-to-end journey for each claimant?

Noel Shanahan: Yes. In terms of clearing the backlog, it is clearly the model that delivers the volume. It is as simple as that. Both providers have found two things. One, that when somebody is driving round the country trying to fit appointments in, it is simply less productive than customers and claimants turning up at a clinic. It just is, because they spend time driving around. Both of them have also found that managing mobile resource in any operation is more difficult than managing clinical resource. The control mechanism is less. Those have been the big and real findings for them. Of course there are opportunities in claimants that really need a mobile visit, so they have both got that capacity, but what they have learnt is that clinics are more productive and clinics are easier to control. That is what they have found.

Q62 Chair: I will just pick up on that because Paul is right. The original contract that Capita had was that 70% were going to be home visits—you called them mobile visits—but you are now saying that there has been a big shift to them doing it in centres, so it is much closer to the Atos model. Does that mean that the contract has had to be renegotiated with Capita?

Noel Shanahan: No. The first thing I would point out is it has not been a big shift yet. There has been a shift. The question was: what were their findings? Their findings are it is less easy to manage.

Q63 Chair: They must have known that. Of course it is a lot more efficient to have people coming in to them than them going out. That is common sense. That must have been built into the contract that they signed.

Noel Shanahan: Ultimately, it is the control mechanism of being able to know how many people are in and the appointments. They found it easier with clinics. We have not had to modify the contract in that way and we will work with them to see how they move more to clinics and what proportion is still mobile. This is a voyage of discovery to see what is the most ideal model and we can see through the volume increase in assessments being completed that they are finding their way through this and finding a more efficient and effective model.

Q64 Chair: I am wary of mentioning WCA and ESA because they get mixed up too much with PIP anyway, but there have obviously been some changes around the fact that Atos are dropping their WCA contract. Is the whole retendering of that contract having any implication on the Health and Disability Assessment Service, and who they are contracted to in order to deliver the assessments? It is not just PIP; it is obviously WCA and there are other medical assessments that it apparently carries out as well.

Mr Harper: You are quite right. One of the things I have found in this job is being very clear with people and not getting them mixed up.

Chair: Never get them mixed up.

Mr Harper: No, those two things are very separate. The Committee is very familiar on the WCA about the agreed exit from that contract, so that process is underway to get a new provider and that will take place in due course. That is not having an impact on Atos's ability to deliver their PIP assessment. They have different teams of people managing that.

Q65 Chair: I am thinking of any new provider coming in because there is a limited number of people who can do these health assessments. At the moment, they are either working for Atos or for Capita, unless there is a brand new player in the wings that is going to come in and take up the WCA contract. If they do, they are still going to have to employ the same pool of health assessors that Atos are using. The people who have been trained up to that level are going to be the ones that they are going to use, so there must be implications for that group of people who are health assessors, who are employed at the moment either by Atos, by Capita or by any of the other big companies that the Government might contract with.

Mr Harper: Clearly, there are people currently employed by Atos doing the work on the WCA. Atos has some commitments that we have agreed with them to the end of their contractual period. They have staff and obviously when we move to a new provider there are rules through TUPE and so forth about what happens to those staff. Part of my challenge and the Department's challenge will be getting the new provider and then, in the process between awarding that contract and that new provider starting, to make sure that transitional process from Atos to the new provider works as smoothly as possible, both in terms of estate and in terms of the healthcare professionals doing the WCA and all of the associated work. That is clearly our challenge.

Q66 Chair: I understand that Capita has withdrawn from bidding for the HDAS work, is that right?

Mr Harper: The contractual process and the bidding process are underway and it is not really appropriate for me to provide a running commentary on them. When the process is concluded and we are in a position to award the contract, then clearly we will notify Parliament and this Committee in due course.

Q67 Paul Maynard: We have heard a lot about journeys of discovery, voyages and troubles today. Perhaps the most important trip for any claimant is to the face-to-face assessment. Last December, we heard that around 90% of claimants were going for face-to-face assessment. Subsequent information suggests that this was as high as 97% or 98% when the desirable figure cited by Esther McVey, your predecessor but one, was roughly 75%. What is the current figure in terms of the percentage of face-to-face assessments?

Mr Harper: You are quite right. When this process was happening, cases where, frankly, the decision should have been able to have been taken on the paperwork not with a

face-to-face assessment was very low, and you cite the figure, Mr Maynard. Again, for the reasons I set out to the Chair, I am not going to effectively publish the statistics and management information in this Committee, but the current position is that figure has significantly improved by an order of magnitude of several times. We are much closer to what my predecessor but one, Esther McVey, set out. We have provided better guidance to claimants about the information they should provide to us in the first place, but most importantly, we have been much clearer with the two providers about the sorts of cases where it is appropriate to make a decision on the paperwork and given them the confidence to do that.

I think I am right in saying, and Noel can correct me if I am wrong, that one of the issues was there was just, at the beginning of the process, a lack of confidence in taking decisions on the paperwork and a sense that if there was any doubt whatsoever you would pull someone in for an assessment. That is clearly not right, because both for cases where someone is clearly not entitled and cases where someone clearly is, you want the decision to be taken on the paperwork without bringing someone in for a pointless face-to-face assessment. We have got that in much better shape than it was at the beginning, so there is a lot of progress made on that particular issue.

Q68 Paul Maynard: Nigel and I both raised this at DWP Questions last week, but to what extent is the decision to call in for assessment being incentivised by an absence of medical information from either GPs or NHS specialists?

Mr Harper: That issue, as you correctly said, you did raise at Questions. One of the things we are trying to do is to improve in terms of the information we provide to claimants, but we are also working with GPs and we are looking as well at the guidance we give to them through their professional bodies about the sort of information that it is relevant to give us. We are also looking at working with them on making the process work better. Again, without falling into the trap of straying too far into other benefits, there are different rules with the different benefits. On ESA, the information provided by GPs they are contractually obliged to provide to the Department as part of the GP contract. For the information that we ask GPs to provide for PIP it is not in their contract, they will charge for it and the Department will pay them. For secondary care for hospital trusts, again they are contractually obliged; there are rules about providing that information to the Department within a certain time period and without cost. We are working with each of those to make sure they properly understand what information is helpful and again I think we have made some progress there. There is still work to do, but we have got that better so that we are getting more of the right information to enable us to take decisions where you can take decisions on the paperwork without calling someone in for an assessment.

Q69 Paul Maynard: Reading the various reports for evidence sessions, particularly the reports for this Committee, there seems to be a degree of philosophical confusion over the role that face-to-face assessments play. The reduction from 90%-plus to 75% would almost seem to be a bad thing was the subtext of some of the Committee's reports. For the benefit of

the Committee, can you just remind us what percentage of DLA claims led to a face-to-face assessment?

Mr Harper: I think it was around 6% of DLA claims led to a face-to-face assessment. In answer to your question, it is worth remembering—and this is something that people do sometimes get confused about—both DLA and PIP, of course, are benefits that are focused on supporting people based on the impact of the medical condition or the impairment that they have; they are not benefits triggered by a particular diagnosis. So the medical information is clearly very important and there will be some medical conditions, particularly very serious neurological conditions, where there are some impacts of those that follow almost invariably from the diagnosis, but you have to consider the impact. So where the impact is clear from what the claimant says and from the medical information that helps inform that, then someone can take a decision on the paperwork. Where you have to take someone in for an assessment that is where you need to have that face-to-face assessment to correctly assess the impact together with the other information. It is not whether it is better or worse; it is about making the right decision the first time in the best possible way and for some cases that will be possible on the paperwork, for some it will require a face-to-face assessment.

Q70 Paul Maynard: Finally on this section, you have been very clear what proportion or what sections of the claimant journey are under the Department's control and which are under the claimant's control. Obviously, the main part under the claimant's control is the PIP2 form that I believe they have four weeks to fill in. At the previous evidence-taking in December, there was a suggestion that the Department was routinely extending that four-week period up to as far as eight weeks. What have you sought to try to do to make the PIP2 form easier to complete and more likely to be completed within that four-week timescale? What can you do to help the claimants keep within that four-week timescale?

Mr Harper: Part of it is about the guidance that we provide about just the factual information, about why it matters that it comes in on time and being clear about the consequences if it does not. One of the things that I know can slow the process down is where claimants have to wait to get some of that other medical evidence, so it is about being clear about what evidence is required and what is not. In a lot of cases, some of that will be evidence that the claimant already has, information they already have from their general practitioner or their other medical professional. It is also being clear with them when the original phone call takes place about the expectations and we have been, in some of the letters we have been sending claimants, much clearer about what the expectation is and how long things are taking. One of the things where people have had the process delayed, is that people have been annoyed that it has been taking longer, and that is perfectly understandable, but they have also been annoyed—and I know this is fed through from contact with MPs—because they cannot get a straight answer about how long it should be taking. One of the things we have been frank with in some of our communications now is the fact that there is a delay and it is taking longer than we would hope, so at least people have clear expectations about the process. I think that is helping as well.

Q71 Chair: I was interested in what you said, Minister, that people will often already have the evidence from their medical for the PIP2 form. My understanding is that the Department will only accept original letters and not photocopies, and very often what people have are photocopies, because they sent the original when it was needed perhaps sometime before. Is that causing a problem? It must be causing a problem for individuals to go back to their health professional to get an original copy of a letter they already have, if you follow me.

Mr Harper: Off the top of my head, I am not aware of that issue being one that is causing particular difficulties in terms of the feedback we have had, but it is probably better if I go and ask for that to be checked to see what feedback we are having. It is also something, perhaps, which will be hopefully informed by Paul Gray's[1] review that we are expecting him to report on by the end of the year, because in his terms of reference one of the things he will be looking at is the process from a claimant's point of view, both the assessment itself and the process. I have met with Mr Gray and one of the things that he will be commenting on is the assessment itself and how well that is working. Clearly he will have received feedback from people about the problems in the other parts of the process, the delay and the communications. No doubt, he will have some advice for the Secretary of State when he reports before the end of the year.

Q72 Chair: Can you also look at the communications that go out to people with regard to the possibility of a paper-based assessment? This obviously does not apply to PIP, because the people I am talking about are already on DLA and will have lifetime awards. However, a number of parents of severely disabled adults are distressed at the moment because they are getting letters in and it will be around ESA and WCA. They are coming to me to say, "They are expecting my severely disabled son or daughter to turn up at an assessment centre". I am trying to allay their fears and say, "You will probably be done with a paper-based assessment", but it is obviously not clear in the paperwork that is going out to these claimants, especially as they are now the group that has been migrated from IB to ESA. It is causing a degree of alarm that suddenly somebody with severe cerebral palsy is going to have to appear at a work-focused interview.

Mr Harper: Let me take that away. I take your point, because sometimes people think the word "assessment" inevitably, invariably means a face-to-face assessment, so let me just take that away. Let me see if that is something that Paul Gray is going to specifically comment on. Let me have officials go away and look at what we are saying, just to see whether we can be clearer, explicitly, that where we say "an assessment" that could be paper-based or face-to-face and that will obviously depend on the case. That is just so people do not invariably assume that the use of the word "assessment" must mean face-to-face. Let me take that one away and I will write to the Committee with the conclusions of the advice I get and any subsequent decision.

[1] Paul Gray is the Chair of the Social Security Advisory Committee and is leading the first independent review of the PIP assessment.

Q73 Chair: I raised two issues at DWP Questions that have come to me and, I think, other members of the Committee and thank you for the letter that we got back last night. With regard to the effect on the capital limits, you said that that should not be a problem because any backlog that goes into their bank for a period of 52 weeks is disregarded in the calculation of capital for a period of 52 weeks, which is a year. However, it might be the case that people still have some residue. They already had £2,500 sitting in their bank, because a lot of people do—my mother used to talk about having the money to bury her—and so they might just be over the capital limit even after a year, simply because they got a large lump sum at one time and they previously spent that money, so they still have it.

I know I raised housing benefit, but also it has occurred to me since that it may impact on their social care bill or what they are charged and whether local authorities are always aware of where that money has come from that is in their bank account that they are now using to discount them from getting extra money through the social care budget.

Mr Harper: There are two different questions there. On the benefits point, my understanding is for all benefits—and I will come to social care in a minute—the 52-week disregard is a statutory one. It is not just guidance; it is what the law says. Let me take away your specific question about social care and I will ask officials to look at two things. One is: do local authorities have the discretion—I think they do but let me just check—or does the law cover the capital part of social care? The second question would be: if they have discretion, are they sufficiently aware of it and are they using it? Let me ask officials to go away and do that and maybe talk through the LGA and through the Department of Health.

On your second question, which is about whether 52 weeks long enough, I will go and have officials dig out for me why 52 weeks was set. My starting position there is if we are paying arrears to people over a period, if people were to have got the money in the first place and not spent it all that would clearly count as capital.

Chair: Yes, but they were not in a position to have it.

Mr Harper: No, no, I accept that.

Q74 Chair: The reason it is acute at the moment is that for some people it is almost a year's worth they are getting in one lump sum and they have had to scrimp and save to get through that year until they got the award. The size of the award is higher because of the backlog.

Mr Harper: I accept that, but, just logically, if they have been awarded the benefit and the backdating—and I know there have been some cases of this—has been up to 52 weeks, it does not seem unreasonable, given that that would effectively be a 52-week benefit, that 52 weeks seems the right length of time.

Q75 Chair: They have to spend it in that 52 weeks; that is the point. Anyway, I am sure you will come back to us if there is a problem.

Mr Harper: The point is, if we just assume that the decision had been taken instantly and they had had the money in the first place and been paid the benefit over the 52 weeks, if they had not spent it over a year, then any money that they had left would have counted as capital. I do not think this is putting people, because of that 52-week period, in a disadvantageous position compared to if we had paid them the benefit in the first place.

Q76 Chair: Yes, but they might have had a Motability car for that year, so that money would not have directly come to them and that has been the problem with the delay. People who desperately need a Motability car cannot get it until they get a determination that they have the PIP, and that comes a year later. That is why it is really important that the delays and the backlogs are dealt with, because these are people for whom the reason they are getting the money is because they really need the money.

Mr Harper: I accept that and, as I said, in terms of the point you raised, I think 52 weeks is a significant period of time to allow that impact to be disregarded. I take your point though. The way to fix this, of course, is to make the decision more quickly and pay the benefits on time and then it is not an issue. You do raise a very sensible point, though, on social care, so let me take that one away and I will come back to the Committee.

Q77 Chair: I think the 52 weeks should apply, but I am not absolutely sure whether local authorities are necessarily aware. It could be in some cases that local authorities are applying the rules wrongly and, again, it is a particular issue at the moment because of the backlogs. It has not been an issue in the past.

Mr Harper: Sure. My briefing was very clear it applied to benefits, but I do not want to over-expand that and say it does definitely apply to social care. So I will go and check, and I will check both points: does it apply and, if it does apply, make sure to see whether local authorities are applying it and whether there is any need for further guidance.

Q78 Chair: Okay. The second thing that I raised at DWP Questions was about the computer glitch that meant that when PIP went into payment the ESA payment, which is a completely different benefit, was stopped. In your letter you say that, yes, that is the case and there is a computer glitch. My question is: what are you doing to fix it?

Mr Harper: There are two things. The computer bit is not the blip. The point of what happens—and I will set this out for the Committee if they have not had chance to see the letter—is when a PIP decision is made and DLA is ended, the information is sent to the benefit system to put a stop on benefits and it is to make sure that we do not overpay people. What then has to happen is a member of staff has to confirm that the payment is okay to go. If that does not take place promptly, the payment can stop. What had happened was in some parts of the organisation the impact of not doing that on a timely basis had not been properly recognised. It now has been and it has been fixed, but just to be clear: it is not a computer glitch.

Q79 Chair: So it is a human person who does not take a decision quickly enough.

Mr Harper: Correct, and it was not because they had a lot of work to do and were not doing it; it was because there was not the understanding of what the impact was. However, I just want to be clear: the system deliberately flags this up to avoid overpaying people, so it is not a computer glitch. The computer part of the process is working as it was intended. What was happening in these cases is that the human intervention was not taking place on a timely basis, which had caused some issues for ESA. Have I set that out correctly, Noel?

Noel Shanahan: Yes.

Mr Harper: But it is now fixed.

Q80 Chair: It is now fixed, so we will not get any more complaints.

Mr Harper: No and if you do, do please flag them up to us, because we can then just see if there is still an issue.

Q81 Chair: Complaints came in from all over the country and if you get one complaint you might think that is a particular issue, but this was one was much wider.

Mr Harper: No, there was an issue and, as I said, as far as we are aware, it is fixed.

Q82 Teresa Pearce: Just to ask a quick question to Mr Shanahan. You talked about people putting their claim in and having to collate the medical evidence. Does the DWP give any advice or any guidance notes to GPs on this process, so that they understand what it is that is required? Claimants in my constituency with one GP practice have a perfectly fine time and with another GP practice do not. I just wondered if there is any role for the DWP to give a guidance note through the profession.

Mr Harper: We do give guidance to GPs and I cannot remember who I was answering, but one of the things we are looking at is whether we can improve that, both with information we give to GPs directly and also to work with their professional bodies to just be clear about both what their role is and also what it is not. I am very clear it is not the GP's job to make decisions or to imply they are involved in making decisions. Their job is to provide medical evidence to inform the decision maker. You are right the position is variable, so we are looking at what we can do to strengthen both the guidance directly that we give to GPs, but also what we do with their professional bodies, just to make sure it is clear about the expectations.

Teresa Pearce: So there is that dialogue.

Mr Harper: That dialogue is underway.

Q83 Teresa Pearce: Earlier on, you mentioned about delays and about the providers, the two contractors, and that they had more assessments to carry out than they realised and that they did not have enough staff. Is what you said correct for why the delays were?

Noel Shanahan: I was trying to explain how the backlog arrived at where it was.

Q84 Teresa Pearce: Was that the same for both of the providers? Was it different for one and the other? Was it across the board?

Mr Harper: I think it is the case that both of the providers were not performing to the level that they should have been. Both of them have made improvements. It was not that one provider was great and the other one was not. There were issues with both of the providers and we are working with both of them.

Q85 Teresa Pearce: Given Atos's experience with the Work Capability Assessment, it is quite disappointing that they underestimated what they were meant to do and how many staff they were meant to have. So that happened and so there is that backlog. The Department has been put in a position where it has let 1,000 people take voluntary severance and it has now had to recruit new people, so you have had to flex yourself because of this backlog and because of the lack of capability of these processes. Have any sanctions or any penalties been levelled on their contracts?

Mr Harper: I think this was made clear by my predecessor. In the contracts we have with them there are service levels that they have to hit and there are service credits that we can implement where they are not hitting those service levels. My predecessor confirmed—and it is not rocket science to work out—that they have not been hitting quite a lot of their service levels around the times they are supposed to be doing these things. Therefore, we have been using those service credits as part of that process, so they will not have been receiving the money that they would have been if they had been delivering these assessments on time.

Q86 Teresa Pearce: Sorry, I will just clarify that. They have been paid for the assessments they have carried out, so they have not received as much money as they expected because they did not do as many assessments, but have they been penalised for falling below the standard?

Mr Harper: There are service levels that are set out in the contract and, if they do not hit those service levels, there are service credits. In other words, amounts of money that we then do not have to pay them based on that poor performance. You are right. They only get paid for doing assessments, but they are also supposed to hit some service levels. I think my predecessor confirmed when he gave evidence, and I am confirming as well, that that regime, effectively, has had effect. It will have cost them money.

Q87 Teresa Pearce: At the moment, somebody sends their form in and there is no real time limit as to when that is going to be dealt with. We have talked about what the time limit should be, but it depends. Then you have the provider, who can take from X to Y to do whatever. Then it goes to the decision maker. So the only people at the moment who have a time limit are the claimants, who have a month to appeal or that's it. That does not seem fair, does it? If they disagree with the decision, they have one month to appeal and if they do not appeal in a month that's it. They have to stick to the timetable, but for everybody else there are lots of reasons why they cannot. Could there not be any flexibility on that month to appeal, given how long it has taken to get a decision to them?

Mr Harper: You are quite right the process is not working as well as it ought to be. I have been very frank about that and we are working very hard to make sure it does. I do not think you make the system better by changing the other parts. You make the system better by making the bits work properly.

Q88 Teresa Pearce: You could allow flexibility on the month to get the form back because it is a month to get the form back. It just seems to me that if you get a response that says, "No, you are not entitled" and then you have got to sit and think why not, and see if you can get further evidence, it could take you longer than a month to do that. That is my view, anyway.

Let's go on to the questions I was meant to ask. In December 2012, there was an assessment of the likely impact on the introduction of PIP and what expected results there would be. These were that 26% would have no award, 29% would have a decreased award, 29% increased and 15% no change. That was the estimate. How do those estimates stack up to the statistics that have been published and the ones you are expecting to publish?

Mr Harper: I have got the statistics that have been published. What I do not have in front of me is a comparison of the two. My general point would be this: because of the fact that we are not as far through this process as we should be, because we have not made as many decisions, because we have not had as many assessments through, I would be quite loath to draw dramatic conclusions from the decisions that have currently been taken.

Q89 Teresa Pearce: Are you saying that the June 2014 statistics will not be enough to draw any conclusions from?

Mr Harper: No, I am not saying you cannot draw any conclusions. All I am saying is that if you take the decisions made to date, clearly the success rate for normal rules cases and terminally cases are different, so almost every claim for a terminally ill PIP is agreed and more of those early cases are special rules for terminally ill cases, so that will skew the figures to some extent, and we have been working through, as I said, all the oldest cases. All I am saying is you can draw some conclusions, but I just think because we are still fairly early on in the process because of the delays I would just be a bit cautious about drawing enormous conclusions. That is all. As I say, I have got the statistics, but what I have not done—and your question will prompt me to go away and do it—is I will go back and look at the original information we published in the impact assessment and compare it to where we are at and see whether there is any conclusion I can draw.

Teresa Pearce: I think I have just asked Graham's question, sorry.

Chair: Graham had two questions before that one, so I am going to go to Graham, because I know he may have to leave and then I will come back to Teresa to do number 14, which is the question you were meant to do. Sorry for the breakdown in communication. Graham, you ask the first couple of questions you had.

Q90 Graham Evans: How did the outcomes in June 2014 of the official PIP statistics turn out compared with DWP estimates, the number of claims in which an award was made and the number of enhanced rates awarded?

Mr Harper: Let me just see if I can find my statistical information. While I am looking for the actual numbers, in terms of the broad approach, I indicated in my answer to the Chair it does indicate that PIP is doing what it was intended to do. A greater proportion of PIP participants is getting both the higher rates than in DLA: 22% of the normal rules claims compared to 16% under DLA. The February statistics that were published: 36,800 people had PIP being paid to them, 22% got the daily living award, 10% got the mobility award only and 68% got both, 72% got an award at the enhanced rate, 28% at the standard rate. If you split that up into the normal rules cases and those for people with terminal illnesses, 60% of normal rules claims got an award at the enhanced rate and 100% of people who were terminally ill. That enhanced rate is higher than under DLA, so I think it fits with what the benefit was intended to do, which is to focus the support on those with the greatest needs.

Q91 Graham Evans: Is that likely to be continued? Will they be consistent—those proportions?

Mr Harper: If you split the normal rules and the terminally ill cases out, there is no reason to think that that would necessarily change, although I do not know statistically whether any of the early cases were different; that may be the case. Clearly, you do have to split the two things out, though, because the terminally ill success rates are much higher than those under the normal rules, so we will have to see. Coming back to the question that Mr Maynard asked about assessments in the early stage of the process and decision-making, I do not know, as the skill levels of the healthcare professionals and the decision-making settles down, whether that will change. However, those are the figures we have so far and we will have to look at each subsequent publication of the statistics to see whether there is a change or whether the numbers settle down into a consistent pattern. We know what we know at the moment, but I am always a bit loath to draw huge, sweeping conclusions from a rather limited set of statistics.

Q92 Graham Evans: Sure. The introduction of PIP was intended to reduce the amount of caseload, but also to save £1 billion by 2014-2015. Where do you think we are with that assessment?

Mr Harper: What was set out was some savings compared to where the benefit would have been without reform kicking in for 2015-2016, 2016-2017, 2017-2018 and 2018-2019. I am not sure when we are going to publish the figures. There clearly will have been an impact on the fact that we have made the decisions more slowly than had originally been intended. Originally, when we set the figures out it would have been on the basis of having done natural reassessment more quickly and having worked through this process more quickly, but we have not remodelled those statistics or published them.

Q93 Graham Evans: Can you remind the Committee what the growth in benefits was prior to 2010? Do you have those figures to hand?

Mr Harper: My understanding is, for DLA, if we had not reformed DLA and moved it into PIP, we would have seen by 2018-2019 the benefit cost having grown to £15 billion over that period. With the reform of the benefit, by that period we are expecting to save a significant amount of money each year. That is relevant, because of course all of the major parties have signed up to the welfare cap, and so if you do not control costs in one area, that has to be paid for by cuts in other areas of spending. That is going to be a difficult process for whichever party or parties form the Government after the next election, and there are going to be some trade-offs and difficult to choices to make. Not having taken the decision that we did would have had some very significant consequences and if, effectively, somebody wanted to reverse it they would have to find significant amounts of cuts to other benefits to fund it.

Q94 Debbie Abrahams: I appreciate what you are saying about it being difficult to make projections based on the numbers that you have at the moment, but you did make estimates on which you projected the savings around the case mix and the level of award that would be granted. The previous Minister last October or November said that they would be producing revised estimates on case mix, and obviously there will be revised savings associated with those estimates. We have not had any revised estimates, so we are walking around in fog here, are we not, in terms of whether there will be any savings, because you have not been able to make projections on what the case mix will be? Is that not the case?

Mr Harper: Just to be clear, the process is that estimates of future projections of benefit expenditure, both on PIP and on other things as well, will take place and those figures will be published in the Autumn Statement.

Q95 Debbie Abrahams: I am talking specifically about the estimates that you made in 2012 of the caseload mix that you would have, so I am talking specifically about the savings that were said from the Autumn Statement and what the savings associated would be. You have since said you need to revise those estimates and that was, as I say, nearly a year ago now. You have not published those revised estimates, so you really do not know what the savings are going to be.

Mr Harper: I was just saying that there is a process for doing that, as you alluded to from where the 2012 figures came from, so that process will be part of the Autumn Statement.

It will not just be our numbers; those numbers will be tested and validated by the independent Office for Budget Responsibility. That process will take place as part of the Autumn Statement process. As part of that, as you know from the processes that happened earlier this year, because of the impact of the welfare cap, for all of the benefits that are within the welfare cap there will be forecasts published as part of the Autumn Statement process, so that will take place when the Chancellor makes that on 3 December.

Debbie Abrahams: It was promised before, but I will leave it there, thank you.

Chair: Teresa, back to the original question.

Q96 Teresa Pearce: Sorry, Graham. I was channelling Glenda; that is what it was, asking everybody's questions.

The service provided to claimants: we are all constituency MPs, we all have a postbag, and we all know that with any service there are always instances where it goes wrong. With this service, there have been a number of instances, a lot of them around delays, some of them around challenged decisions. You talked earlier, Mr Shanahan, about productivity and you talked about numbers of phone calls; it is all about numbers and processes, but what about the claimant journey? What about the softer side of it? What about treating customers fairly and that sort of thing? How do you monitor those service levels to claimants? Obviously you are monitoring the contracts and we talked earlier about the numbers of people seen and how you can claw back on that, but what about the experience? Just seeing someone and making an assessment is one thing, but was the assessment right, how was the person treated, were they turned away, all of those things—how do you monitor that?

Noel Shanahan: You are right that in operations it is heavily a numbers business, so I talk numbers a lot, but the bottom line here is that there are real people at the end of it. We are very cognisant of that. The reason why we are making sure that we do not create delays in DWP is to ensure that the claimant journey improves, so that when the service providers have got rid of the backlog we make sure we keep up to date with it. We are very cognisant of the end-to-end journey for the customer, so, first of all, we monitor the end-to-end journey and at each point on that journey we are constantly looking to see how we can improve the efficiency of that process. We are doing that. At the moment, we have an independent reviewer in who is also looking at our end-to-end process, including the technology. We are talking to claimants, talking to healthcare professionals, talking to decision makers, so we are going to get a review of, again, what the customer experience is from that point of view. We run our own surveys of customers' experience and we monitor our performance on that too.

Q97 Teresa Pearce: Is there an expected level of customer satisfaction within the contracts to Atos and Capita?

Noel Shanahan: There is a range of service levels and services that are tied in to that contract. The details of them I do not know off the top of my head, but certainly within

those contracts, where we have the opportunities to have financial remedies it is on volume, on service levels and on quality, so we do look at all those three things.

Q98 Teresa Pearce: When you say "quality", what we heard with the Work Capability Assessment with Atos the quality was how the form was filled in, whether it was complete. It was not quality that the claimant would believe was quality, which is how they were treated. Is that the sort of quality you mean?

Noel Shanahan: It will be more in the service end of it, but it will be our own surveys of customers that we take out periodically as well across a number of benefits, and also the independent reviewer will give us a great deal of insight having talked to a number of claimants and also third-party claimants as well.

Mr Harper: I would add two things, if I could, Ms Pearce. One of Paul Gray's specific parts of his terms of reference is to look at the operation of the assessment and clearly that will cover the issues around delays and so forth, but specifically one of the terms of reference is the claimants' experience of the process, both the process and the assessment itself. Therefore, one of the things he has been doing is making sure he talks to claimants. He has observed assessments in progress, as it were, with the claimants' permission, and I know he has met with stakeholders. Also, both of the providers have panels of stakeholders with both claimants and various organisations involved in this, to listen to those sorts of concerns and to reflect them. I think I am right in saying the general view—this will not be invariable—is that generally the assessment itself, for most people, has been conducted well. There has been loads of grief around the delays, absolutely right, but I certainly have not seen significant evidence around the assessment process itself. Of course, individual cases yes, and certainly if I measure it by the correspondence that I sign to colleagues, not all of it but the vast majority of it has been around the process and the delay, rather than, "I went for the assessment and I was poorly treated".

Q99 Teresa Pearce: Therefore, the complaints that you monitor tend to be around a delay in the service rather than the service itself.

Mr Harper: That is certainly the case at the moment, yes. However, as I said, one of the specific things that we have asked Paul Gray to look at is the claimants' experience, so absolutely from the point of view of our constituents. The helpful thing if you are a Minister is you are a constituency MP as well, so when I get cases brought to me—

Q100 Teresa Pearce: Do you have to write to yourself?

Mr Harper: Obviously I cannot do my own ones, but when I sign letters to colleagues I always ask myself the question: if I were the MP getting this letter, does this answer the question for my constituent? Therefore, I always try to make sure I provide an update on a specific case, so that even if it is not great news, in the sense that they have not yet had their assessment or their decision, we can at least try to give them some information in the process, because I know that is one of the frustrating things.

Q101 Teresa Pearce: Are you confident that, if the delays can be remedied, we will not have the level of complaints that we had about the Work Capability Assessment with the PIP assessment?

Mr Harper: Based on what I know so far from information we have had back from providers, but without prejudging Paul Gray's report, when we fix the time issues I do not think we are going to have huge problems with people complaining about the assessment itself. Indeed, as I said in my answer to the Chair, some of the things that the PIP assessment was supposed to fix that were not reflected in DLA—so people with cognitive impairment, mental health issues—there is quite a lot of evidence that PIP is much better at dealing with those issues and reflecting them than DLA was. That is one of the key things that we were trying to deliver with the new benefit.

Q102 Chair: Is there a way that claimants can feed back, rather than follow a complaints system, but perhaps observations? For instance, I hear that if they have a mental health problem they will only accept evidence just going back for 15 months—no further than that—as part of their medical history in order to make the assessment. Obviously, people with mental health problems might have a longer-term condition than that, so I just wondered whether that kind of feeling that perhaps that has not been taken into account can be fed back in. It would not be a formal complaint if somebody was in that position, but they have an observation that might be worthwhile you looking at and taking up.

Mr Harper: I will ask Noel to comment, but it may be helpful if I check and set out for the Committee the processes that exist, if you like, the survey work and things we do to test customer experience and also the formal mechanisms that customers can feed things back by—both complaints and, if it is not a complaint per se, an observation.

Chair: It is an observation that it is perhaps not fair.

Mr Harper: Let me just check what mechanisms we have to do that and perhaps I can set those out for the Committee, because it would clearly be helpful to more widely share those. Noel may have a contribution to make.

Noel Shanahan: One of the big routes is that we, DWP and both the service providers, spend a fair bit of time talking to stakeholder groups that represent people with a whole range of illnesses. That really is the prime and key route. That is a very open conversation; it is feedback on the service, on the experience. Such items as you mentioned there, Chair, will be the sorts of things that will come up that we would take on board. In many cases we have seen some real advantage in those conversations. We have seen some advantage in how our process can be monitored and changed. Any insight like that from those groups, by talking to us and to the two service providers, that is where we welcome that information and we do get it.

Q103 Chair: You have mentioned the Paul Gray independent review a few times in your evidence. Has that been expanded, because the way you have been talking about it today it is as though he is looking at the whole process, the end-to-end process—the claimant experience as well as the assessment? However, the original terms of reference were just looking at the assessment process, so has it been expanded? Is it manageable for one person to do by the end of this year?

Mr Harper: It is about the assessment. It is the claimants' experience of taking part in the assessment, but it is also the operation of it. You cannot have a conversation with someone about the operation of the assessment without having a conversation about how long it has taken them to get there. You are right: he is not looking at the end-to-end process, but in looking at the operation of the assessment he clearly is going to get feedback about how long it has taken and all of those issues, so those will be things he will cover in his report. So I do not think it has expanded the terms of reference; it is just that there is more feedback that he will have received under that bit of the terms of reference than he otherwise would have done, because if it was all working fine he would not have heard very much about how it had operated, whereas he probably will.

Q104 Chair: Will you be expecting him to make recommendations, for instance, when it would be right to start the migration of DLA to PIP? You said you are trying to get assessments and everything right, but the real problem with the ESA and the WCA was once you started to deal with what is horribly called "the stock"—the people who were on the predecessor benefit. That is where a lot of the issues arose about the treatment and you start taking money away from people; there is no getting away from it. There will be people who will lose.

Mr Harper: His terms of reference do not explicitly ask him to do that and I think this picks up one of the points that Ms Abrahams was asking about earlier. Clearly, though, if you look at the terms of reference and his conclusions and any recommendations he makes, it will absolutely inform how we go about doing that, because he will cover claimants' experience of taking part in the assessment, perceptions of the other people involved in the process, but also how it correctly identifies people who are eligible for it. Now, those are all factors, of course, but accentuated for those people who are currently getting a benefit, because I guess anyone who is currently getting a benefit who does not get it will not be enormously overjoyed. However, if they feel that the assessment was a fair assessment of their needs and we have some objective evidence that it was effective, you can not like an outcome of a process, but you can feel that the process was fair. You can have both of those things, and that happens in a lot of the processes that we, as constituency MPs, deal with all the time. People can not like the outcome, but they can feel they were given a fair crack of the whip and a fair opportunity. Our challenge will be judging that we think this is working well, so that when we do managed reassessment for those people who are getting DLA, although some of them will not like the outcome they will at least feel that it was a fair process and that it properly assessed the impact of their disability. That is what we are looking for.

Chair: Good luck with that.

Mr Harper: I do not have any illusions that someone who is currently getting benefit and does not is going to thank us, but it is important that the process is fair and that people think it is fair and you can think it is a fair process and not like the outcome, as we see in our constituency work or whatever. That does make a difference to people's perceptions and how well received it is. If people do not think it is fair, does not properly assess their needs, then they absolutely will not like the outcome at all and there will be lots of noise about that, so we do need to look at Paul Gray's report very carefully and take account of his recommendations. I think the Committee can have some confidence in that if you look at the reports we have had on the Work Capability Assessment, we have taken those seriously, we have adopted most of them and there have been some significant changes. I am not going to pre-commit, not having seen his report and not having seen his recommendations, to accept them all, but if he does a thorough job of work, as we expect him to, and he makes sensible recommendations to improve the process then we will look at them very seriously.

Q105 Chair: This is the final question. We have talked about the backlog with regard to the assessment, but I do not think we have had a figure this morning about the overall backlog and the size that that is sitting at. It was about 270,000 in March or so. What is the backlog sitting at currently?

Mr Harper: What we have published in terms of statistics is the number of claims that have been made and the number of decisions taken, but we have not published a backlog figure.

Q106 Chair: Can you not take one from the other?

Mr Harper: Not entirely, because we have not published the number of claims, for example, that people withdraw, so you cannot work out the backlog number accurately from the published information.

Q107 Chair: Are we not going to get that next week when you have the next statistical release?

Mr Harper: Somewhere here I do have what we are publishing. Not the statistics, because it would be quite inappropriate to publish them beforehand; I would get into terrible trouble with statisticians. I am just having a look to see if I can find what we are publishing; I do not think I can. Let me write to you afterwards.

Q108 Chair: Okay, because it is quite difficult for us to judge whether you are being successful in getting the backlog down if we do not know what the figures are.

Mr Harper: I will have to write to you. I can tell you what we are publishing next week. I just do not have to hand that list, but obviously I cannot tell you the actual statistics. Let

me drop you a quick note after the Committee about which statistics we are publishing next week.

Q109 Chair: We have exhausted our questions. I should have welcomed Paul Maynard as a new member of the Committee at his first meeting. Obviously, the whole issue of PIP will run for some time. Thank you very much for coming along this morning. I look forward to receiving all the written answers, which we will publish on our website once we receive them as well, so people at home can find out what some of the answers are for some of the questions today. Thanks very much again.