



Sheila Gilmore MP
Edinburgh East Constituency

09 April 2013

Mr Andrew Dilnot
UK Statistics Authority
1 Drummond Gate
London
SW1V 2QQ

Our Ref: MB/GILM02002/02130983
Your Ref:

Dear Mr Dilnot

I am writing to you in your capacity as the leading authority on the use of Government statistics. On 30 March 2013 an article by Patrick Hennessy entitled '900,000 choose to come off sickness benefit ahead of tests' was published in the Sunday Telegraph. Please find a copy enclosed. I believe that the headline and the subsequent story are fundamentally misleading because they conflate two related but separate sets of statistics. I would be grateful if you could confirm that my interpretation of what has happened is correct.

The sickness benefit in question is Employment and Support Allowance (ESA). People have been able to make new claims for ESA since October 2008, but those in receipt of the benefits it replaced – Incapacity Benefit, Severe Disablement Allowance, and Income Support on the grounds of disability – only started migrating across in April 2011.

The article implied that many of this latter group were dropping their claim rather than having to go through a face-to-face assessment, with the implication that they were never really ill in the first place and had been 'playing the system'.

However I have checked the figures published by the Department for Work and Pensions and it would appear that the figure of 900,000 actually refers to all those who have made new claims for ESA since its introduction over four years ago, but who have since withdrawn their application before undergoing a face-to-face assessment. These people were not claiming the benefit before and generally drop out of the system for perfectly innocent reasons – often people become ill, apply as a precaution, but withdraw when they get better.

Of the 600,000 people who have been migrated from Incapacity Benefit over the past two years, only 19,700 have dropped their claim. This is the figure that should have featured in the headline, but the 900,000 figure was used instead.

For your convenience the statistics on new claims can be found here:
http://statistics.dwp.gov.uk/asd/workingage/index.php?page=esa_wca

Statistics on the migration of claims can be found here:
http://research.dwp.gov.uk/asd/workingage/index.php?page=esa_ibr



Sheila Gilmore MP
Edinburgh East Constituency

I set this out in a letter to the Sunday Telegraph on 3 April 2013. Unfortunately this was not published in the subsequent edition of the newspaper and I have thus lodged a formal complaint with the Press Complaints Commission. However I felt it would also be worthwhile writing to you to ask if you could confirm whether the interpretation I have set out above is correct.

I look forward to hearing from you.

Yours sincerely

Sheila Gilmore MP
Edinburgh East

BRENNAN, Matthew

From: GILMORE, Sheila
Sent: 03 April 2013 10:59
To: stletters@telegraph.co.uk
Cc: patrick.hennessy@telegraph.co.uk; BRENNAN, Matthew
Subject: Letter for Sunday Telegraph from Sheila Gilmore MP, Member of Work and Pensions Select Committee

Letter for Sunday Telegraph

SIR – In the Sunday Telegraph on 30 March 2013 Patrick Hennessy wrote an article entitled '[900,000 choose to come off sickness benefit ahead of tests](#)', apparently inspired by some figures from Tory Chairman Grant Shapps. The headline and the subsequent story are fundamentally misleading because they conflate two related but separate processes.

The sickness benefit in question is Employment and Support Allowance (ESA), which replaced Incapacity Benefit for new claims from October 2008.

The figure of 900,000 refers to all those who have applied for ESA since its introduction over four years ago, but who have withdrawn their claim before undergoing a face to face assessment. These people weren't claiming the benefit before and generally drop their claim for perfectly innocent reasons – often people become ill, apply as a precaution but withdraw when they get better.

Since April 2011 people who were on Incapacity Benefit have been migrated to ESA. This has yet to be completed but of the 600,000 who have already been processed, only 19,700 have dropped their claim.

19,700 makes a far weaker headline than 900,000, but Grant Shapps has never been one to let facts get in the way of a good story. This is only amplified when he accuses Labour of using Incapacity Benefit to 'hide the unemployed', conveniently forgetting that numbers soared under Thatcher, and Labour introduced ESA in an effort to get people back to work.

Sheila Gilmore
Labour MP for Edinburgh East
Member of Work and Pensions Select Committee

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900,000 choose to come off sickness benefit ahead of tests

Nearly 900,000 people who were on incapacity benefit dropped their claim to the payments rather than undergo a tough medical test, latest government figures show.



Mr Duncan Smith having effectively given up trying to reduce the welfare bill Photo: GEOFF PUGH

By Patrick Hennessy

9:00PM GMT 30 Mar 2013

The 878,300 who decided not to have an official assessment of whether they were fit for work was more than a third of the total number of people claiming sickness-related benefits.

The statistics also revealed that some claimants cited conditions such as “blisters”, “sprains and strains” and “acne” as preventing them from having a job.

More than 46,120 people claimed incapacity benefit because of “behavioural disorders due to the use of alcohol” while 29,130 claimants cited drug use.

Ministers said the figures showed the full extent of how millions had been “trapped on welfare” for decades.

Grant Shapps, the Conservative Party chairman, said the old system was “evil” and accused Labour of using sickness benefits to “hide the unemployed” when the party was in power.

The statistics emerged ahead of a raft of controversial changes to the benefits system which will come into force this week - including the "bedroom tax" which sees council and social housing tenants facing reductions to their benefits if they have empty rooms in their homes.

Also coming in is an overall benefits "cap", which will prevent any household receiving more than £26,000 a year in total benefit payments - a figure set to reflect the average gross salary of a full-time worker.

Labour say the average household will be £891 worse off in 2013-14 because of tax and benefits changes.

Iain Duncan Smith, the Work and Pensions Secretary, has faced criticism after scaling back a pilot scheme for his flagship universal credit - which will merge dozens of different out-of-work benefits into a single payment with the aim of ensuring an individual is always better off in work than on benefit.

Instead of being tested in four job centres, the new system will only be piloted in one from this week amid claims the new scheme is in chaos.

Mr Duncan Smith has admitted, as revealed by *The Telegraph*, that ministers have effectively given up trying to reduce the overall welfare bill and that the government is simply trying to "manage" the rise in payments.

Speaking in Scotland he said in "reality" Britain was "not cutting welfare" unlike other European nations.

Ministers will hit back in the row over welfare this week by publishing a raft of figures which they say show that tough measures - or the threat of them - are already "changing behaviour" by seeing people drop their claims.

These include the figures on incapacity benefit. As well as the 878,300 who chose to drop their claims, another 837,000 who did take the a medical test were found to be fit to work immediately, while a further 367,300 were judged able to some level of work.

Only 232,000 (one in eight of those tested) were classified by doctors to be too ill to do any sort of job.

Some 30 people claimed they were unfit to work because of blisters, while 60 cited acne and 2,110 said "sprains and strains" rendered them unfit for employment.

The vast majority of these have since dropped their claims or been found to be fit for work,

according to the Department for Work and Pensions figures.

The assessments part of the Work Programme introduced by Mr Duncan Smith, a scheme costing up to £5 billion under which private-sector providers are paid to help the long-term unemployed find work.

More than 2 million people who previously claimed sickness payments are gradually being assessed to determine whether they are eligible for the main incapacity benefit, Employment and Support Allowance (ESA).

If they are not, and cannot find work, they have to claim the less generous Jobseekers Allowance (JSA).

Mr Shapps said: "One of the cruelest things about this welfare system, which had developed over decades...is that it traps people who want to work hard and get on in life with no other option but to be trapped into a life on welfare.

"It's cruel, I think the system had actually become literally cruel, even evil to people. People suspected for a long time that incapacity benefit had been used by the previous government to hide the unemployed.

"This is a new figure, nearly a million people have come off incapacity benefit...before going for the test. They've taken themselves off. My big argument here is this is not these people were trying to play the system, as much as these people were forced into a system that played them."

Ed Balls, the shadow chancellor, said: "On average families will be £891 worse off this year because of changes introduced since 2010. All this comes at a time when a flatlining economy has seen prices rise faster than wages and unemployment rise again this month.

"And while ministers trumpet the small rise in the income tax personal allowance, they should admit that it is hugely outweighed by things like cuts to tax credits and child benefit, higher VAT, the bedroom tax and the granny tax.

"They are giving with one hand, but taking away much more with the other."

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