



Scottish Health Equity
Research Unit

Insights, analysis and action on the socio-economic factors
that shape health

New awards of disability benefits for adults

Comparing Scotland with
England and Wales

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The number of people awarded adult disability benefits has risen across Great Britain post-pandemic, with a more substantial rise in Scotland.

Adult disability benefits are non-means tested payments available to people with ill health or a disability to compensate for some of the additional costs of living. These payments are not dependent on work status and are different to the out of work benefits available through Universal Credit for those who cannot work due to their health or disability (usually referred to as incapacity benefits).

Analysis by the Institute for Fiscal Studies (IFS)[i] and the Resolution Foundation[ii] have documented the increase in new awards for Personal Independence Payment (PIP) in England and Wales in the post-pandemic period. In Scotland, a new benefit has been rolled out to replace PIP: Adult Disability Payment (ADP). The rollout started in 2022, and now all new adult claims for adult disability benefits are channelled through ADP. Alongside this, the existing PIP caseload for Scottish claimants is gradually being transferred.

The IFS have more recently looked at the trend for new awards for ADP in Scotland, since 2022[iii] and echoing previous work by the Scottish Fiscal Commission (SFC)[iv], have showed a higher rate of growth in awards in Scotland compared to England and Wales in the 2022/23 and 2023/24 financial years. As eligibility criteria are broadly the same, the increase was nonetheless expected due to the level of publicity surrounding the launch of ADP and changes intended to make ADP applications more straightforward.

Whilst the IFS and the SFC are primarily interested from the perspective of fiscal sustainability (i.e. how much it will cost the Scottish Government) there is also interest from a health inequalities perspective. Payments to cover additional costs of ill health and disabilities can be a protective factor against economic disadvantage in which case higher numbers of awards could signal that more people are claiming their entitlements. Conversely, a rise in new claims could be due to rises in the prevalence of health conditions, or a worsening of economic circumstances meaning that more people are seeking out additional sources of income.

In this briefing we replicate IFS analysis with data from the two years prior to the pandemic (2018-19 and 2019-20) and two years post pandemic (2022-23 and 2023-24). We also look briefly at the latest data for May - July 2024 where there are indications of ADP claimants falling in Scotland relative to England and Wales. See 'Sources' section for data definition.

Overall trends in new awards of adult disability benefits

New awards to adults for disability payments were hovering around 2000 a month in the two years prior to the pandemic (2018-19 and 2019-20). Over the course of the pandemic there was no clear trend with peaks and troughs throughout, but 2021 saw the start of a gradual rise in new awards, followed by a substantial rise through 2023.

The roll out of Adult Disability Payment in Scotland started in March 2022, and within a year all but a handful of new awards were being made through ADP rather than PIP.

The start of the rise in awards predates the rollout of ADP, but there is a clear acceleration in new awards post ADP rollout in 2023.

The gradual upwards trend in awards starting in 2021 was also evident in the England and Wales data.

However, the acceleration post ADP rollout led to a divergence from March 2023 with much higher rates of awarded applications in Scotland relative to England and Wales.

This lasted until March 2024. Since then we have seen a convergence followed by an increase in awards in England and Wales.

The divergence between new awards in Scotland was predicted due to changes made to the application process for ADP compared to PIP. For example, the introduction of online and face-to-face options for applying for ADP, more ways of accessing pre-application advice and greater transparency of eligibility criteria[v]. It was assumed that due to these changes, ADP awards in Scotland would remain permanently higher than PIP.

Chart 1: Monthly new disability payment awards: Scotland

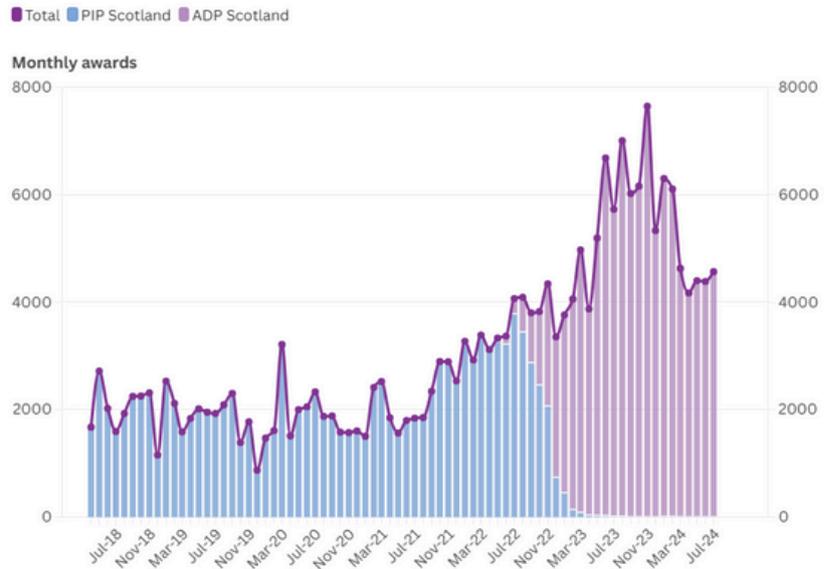
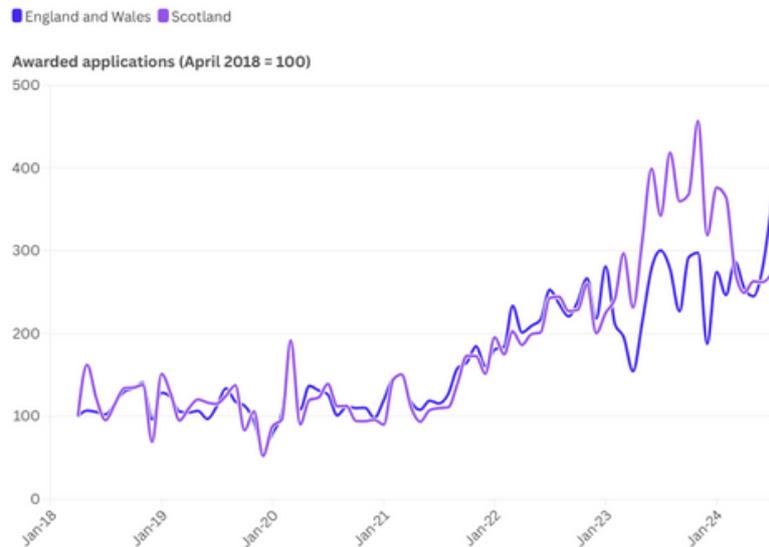


Chart 2: Trend between Scotland and England & Wales

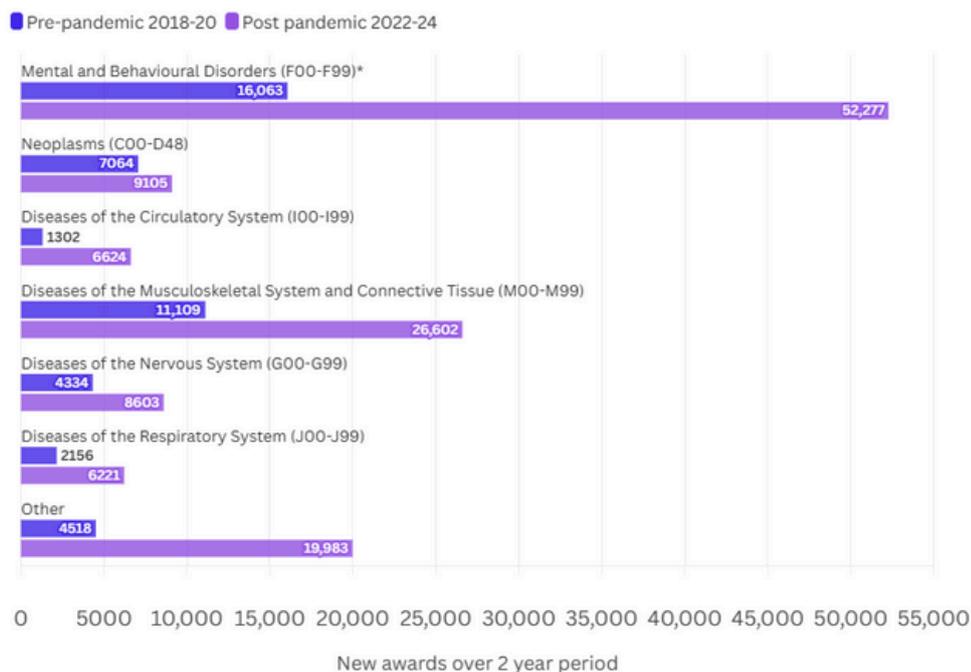


New awards of adult disability benefits by condition

Here we we look at primary conditions that were the basis for claims and compare the two periods pre and post pandemic (2018-19 and 2019-20 vs 2022-23 and 2023-24).

In Scotland, we see increases across every category of condition, with the most notable rise in numbers being for Mental and Behavioural Disorders and the smallest increase for neoplasms (cancers). In proportional terms, Diseases of the Circulatory System has seen the largest rise, albeit from a relatively small base.

Chart 3: New awards by condition (ICD-10 code) pre and post pandemic



A note on the condition definitions in Social Security Scotland statistics

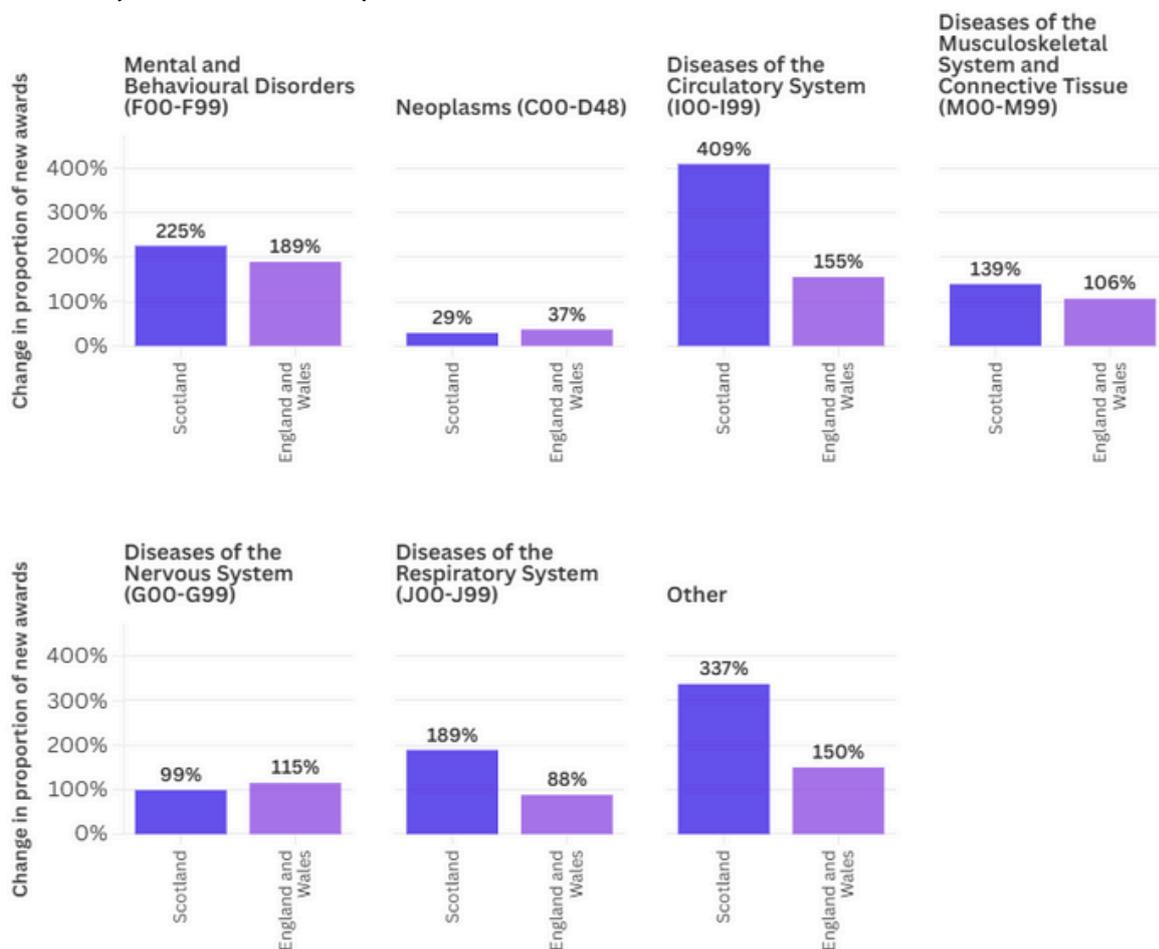
Social Security Scotland only publish data on primary conditions using the International Statistical Classification of Diseases and Related Health Problems (ICD-10) categorisations. In DWP's published data, an alternative breakdown by 'disability' is also included. For example, in the DWP disability breakdown, there is a standalone category for people with learning disabilities. In the Social Security Scotland data, we assume most people with learning disabilities will be categorised either under 'Chromosomal Abnormalities' (Q90-99) (included in other in the Chart 3) or the outdated (and offensive) term 'Mental Retardation (F70-79)' category (included in Mental and Behavioural Disorders in Chart 3).

Social Security Scotland have emphasised that ICD-10 categorisations are not used as part of the decision making process, and only used for statistical reporting purposes. They also told us that they would not use the phrase 'Mental Retardation' in public facing reporting. Nevertheless, the use of ICD10 categories in statistical reporting is at odds with the principals of a rights based approach that underpin the operation of Social Security Scotland. As well as limiting the ability to disaggregate the data to groups of policy interest, this methodology also limits the wider public accessibility of the data by using terms that are not commonly in use outside medical settings (e.g. neoplasms rather than cancers).

Comparing Scotland to England and Wales

The post pandemic period saw higher growth of awards in Scotland compared to England and Wales, and we have looked at whether this was across all conditions, or focussed on claims for specific conditions. To show this, we have looked at the percentage change in new awards by condition. It is a mixed picture, with many conditions showing similar growth rates, but notable differences in others. The biggest difference is in the Diseases of the Circulatory System category where there is a clear difference between Scotland and England and Wales. Within the 'other' category, there has also been more growth in Scotland due to the cumulation of small differences across a number of conditions.

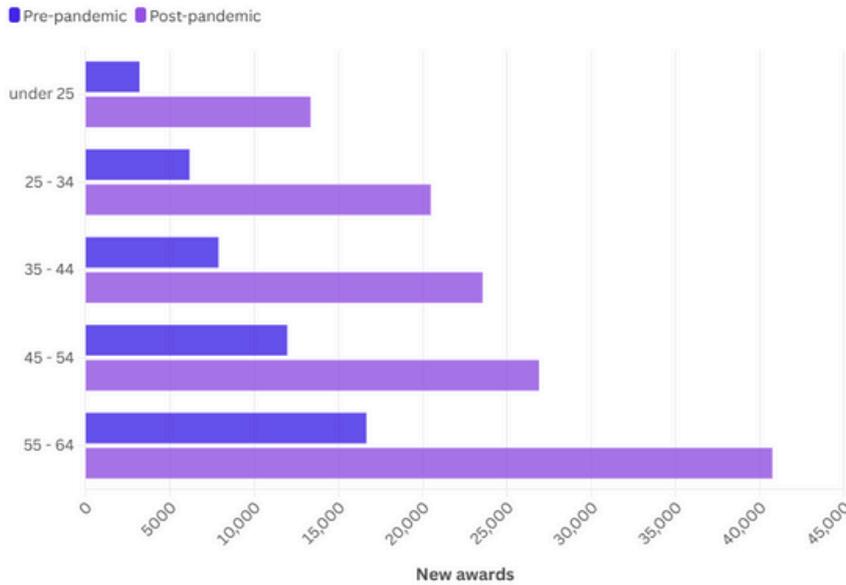
Chart 4: New awards by condition (ICD-10 code) pre-pandemic (20218-19 & 2019-20) and post pandemic (2023-24 & 2024-25)



We wanted to look further at sub-conditions that make up Mental and Behavioural Disorders, particularly because there has been a spike in new awards in England and Wales for people with autism. Limits on the data published by Social Security Scotland make this difficult. Social Security Scotland does not provide this breakdown for new awards, but in a separate table provides a breakdown of new applications in caseload for Autism and Developmental Disorders. Unfortunately these two figures are calculated on different basis and are not comparable. Tracking down the equivalent data for new applications in caseload in DWPs data shows a rise in new applications in Scotland for Autism and Developmental Disorders, and higher growth than is the case in England and Wales over an equivalent period.

New awards of adult disability benefits by age

Chart 5: New awards by age pre-pandemic (20218-19 & 2019-20) and post pandemic (2023-24 & 2024-25)



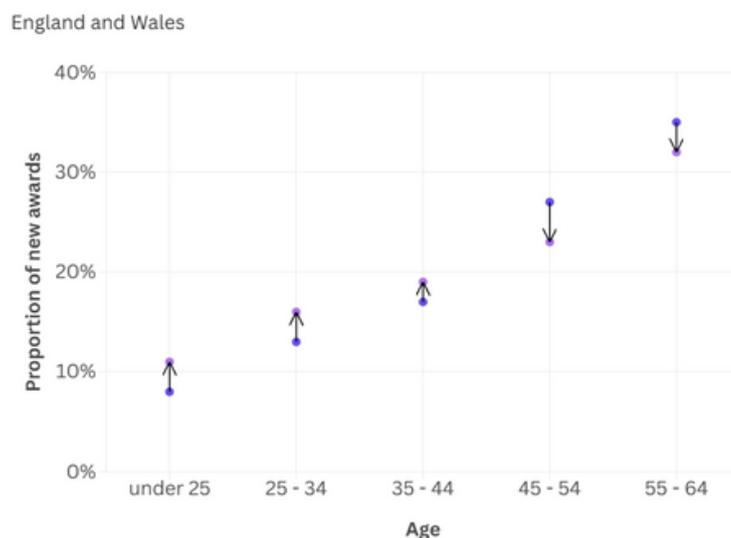
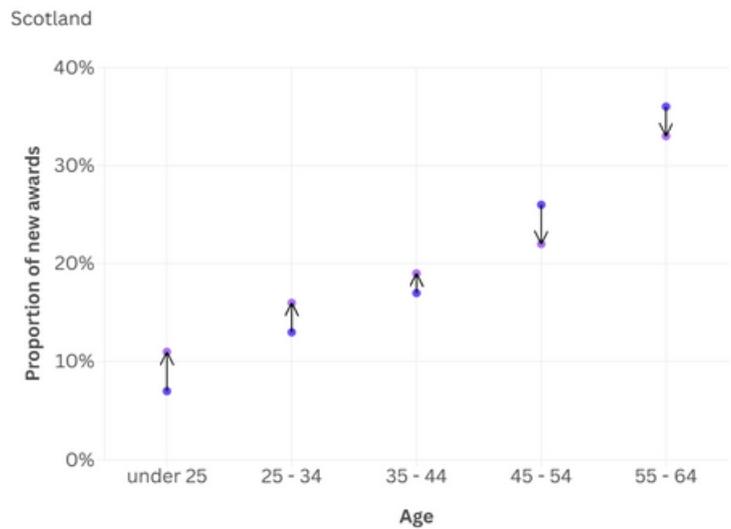
There have been increases across every age group claiming adult disability benefit in Scotland. In absolute terms, the increases have been bigger for the older 55-64 age group but the rise has been larger for younger age groups in proportional terms because they have grown from a lower base.

Chart 6 : Change in new awards by age pre and post pandemic

Younger people make up a larger proportion of awards post-pandemic, and older working age people make up a smaller proportion of awards, particular those in the 45 - 54 age band

The pattern of changes in England and Wales looks broadly similar to Scotland as seen in Chart 6. New applications from under 25s rose from 7% to 11% of caseload in Scotland compared to 8 - 11% in England and Wales, compensated for by a marginally higher reduction in the proportion of awards to older applicants in Scotland.

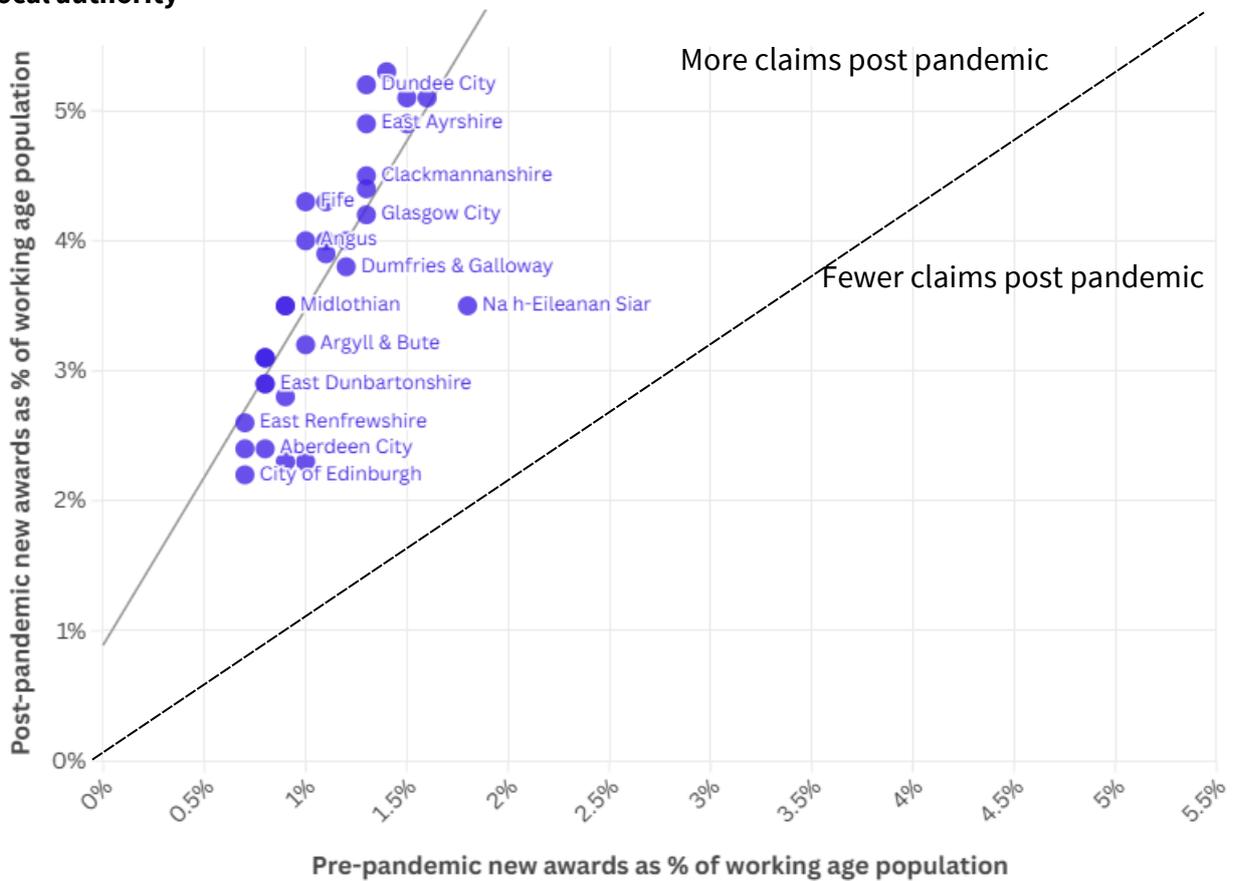
All differences are small, and do not suggest the emergence of a markedly different age profile for awards under ADP compared to PIP.



New awards of adult disability benefits by local authority

Across Scotland, in common with England and Wales, there are differences in the proportion of working age people claiming disability benefits. The highest rates post-pandemic are in the former industrial areas surrounding Glasgow (North & East Ayrshire, North Lanarkshire, West Dunbartonshire, Inverclyde) along with Dundee. The areas with the lowest claims as a proportion of the working age population include Edinburgh, Aberdeen, Aberdeenshire, Shetland and Orkney. Areas with the highest rates of awards also tend to be areas of high levels of economic disadvantage (for example, high levels of deprivation and child poverty) and vice versa for areas with lower award rates.

Chart 7: Awards pre-pandemic (20218-19 & 2019-20) and post pandemic (2023-24 & 2024-25) by local authority



The analysis for England and Wales carried out by the IFS showed that the concentration of claims in the highest claiming areas had stayed broadly the same pre and post pandemic. This is also the case in the Scottish data with only Na-h- Elieanan Siar the slight exception.

Although awards as a proportion of the population has increased in Na-h- Elieanan Siar, the increase has not been as marked as in the rest of Scotland. This means the local authority area has gone from having one of the highest rates of disability payments as proportion of the working age population to being middle of the pack. Social Security Scotland do not publish enough information to enable analysis of why this change may have happened - for example we can't look at conditions by local authority as we can with DWP data.

Changes since April 2024

As noted earlier, since April 2024, there has been a fall in awarded applications in Scotland relative to England and Wales. Looking into this in more detail, we find that awarded application rates for every age group, except younger adults (under 25), are increasing at a lower rate in Scotland than in England and Wales. Across all conditions the growth in awarded applications is much lower in Scotland than in England and Wales.

It is difficult to know whether the emergence of lower growth in awarded applications in Scotland compared to England and Wales will continue. The Scottish Fiscal Commission previously expected awards in Scotland to remain higher permanently due to changes to the application process to make it more straightforward. However, the IFS point out that England and Wales have also made (less publicised) changes to their assessment process which may be having a similar effect. The IFS also note that some of the difference can be attributed to lower approval rates for applications in Scotland compared to England and Wales in the most recent period May - July 2024 (42% in Scotland vs 48% in England & Wales). We will continue to monitor this as and when new data is released.

Reflections

In comparing Scotland to England and Wales, a number of unexpected themes and unanswered questions emerge when we consider what this means for health inequalities.

In terms of the numbers of overall new awards, first and foremost, there remains uncertainty as to why claims for disability benefits across Great Britain have risen so much post pandemic. Secondly, whilst it was predicted that awards would be higher in Scotland in the initial stages of ADP, higher growth over April and July 2024 in England and Wales relative to Scotland was not expected.

It has been interesting to note there is no clear pattern in the data that can be singled out as the determining factor for why claims are higher. For example, it is not solely mental health conditions that are driving the change, nor is it younger age groups where the growth has been concentrated. Growth is also broad based across Scotland.

Quantitative data can only paint a partial picture. Qualitative analysis could help explain the drivers behind the increased claims. For example, whether more people are taking up their entitlements, or whether the rise is due to new or worsening conditions, or something else.

Nevertheless, we have found that the quantitative data available in Scotland is severely limited, and indeed lags far behind DWP's offer. In particular, we would like to see a move away from the sole use of medical codes for condition disaggregation and either more detailed breakdowns published routinely or an alternative to published tables being pursued (for example, DWP's Statxplorer allows users to create their own tables based on available data) to allow a wide range of intersectional analysis.

Acknowledgements

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Citation

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DOI: <https://doi.org/10.17868/strath.00091280>

Sources

Data on PIP for England and Wales is sourced from DWP Statxplare. Data for Scotland is a combination of PIP awards (both pre and post ADP rollout) from DWP Statxplare and data on ADP from Social Security Scotland. New awards are referred to as ‘Authorised Awards’ in Social Security Scotland data and as ‘PIP clearances: New Claims’ in DWP data.

2023-24 includes April 2024 due to limits on when Social Security Scotland time series. ADP data for 2022-23 contains the last few days of March 2022.

Working age population rates in Chart 7 use mid-year populations statistics for 2019 and 2023 from the National Records of Scotland.

[i] Institute for Fiscal Studies (September 2024) ‘Health-related benefit claims post-pandemic: UK trends and global context. Available here: <https://ifs.org.uk/publications/health-related-benefit-claims-post-pandemic-uk-trends-and-global-context>

[ii] Resolution Foundation (2024) ‘Under strain: Investigating trends in working-age disability and incapacity benefits. Available here: <https://www.resolutionfoundation.org/publications/under-strain/>

[iii] Institute for Fiscal Studies (November 2024) ‘What has happened to disability benefits in Scotland? Available here: <https://ifs.org.uk/articles/what-has-happened-disability-benefits-scotland-update>

[iv] See Scottish Fiscal Commission (2024), Fiscal Update – August 2024. Available here: <https://fiscalcommission.scot/wp-content/uploads/2024/08/Fiscal-Update>

[v] [Scottish Government \(2020\) Social Security policy position paper - disability benefit applications: making applications. Available here](https://www.gov.scot/publications/make-application-social-security-scotland-disability-benefit/) <https://www.gov.scot/publications/make-application-social-security-scotland-disability-benefit/>



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