



Department
for Work &
Pensions

PE1508/G

Ned Sharratt
Assistant Clerk to the Public Petitions
Committee
Scottish Parliament
Edinburgh
EH99 1SP

16 April 2014

Dear Ned,

I refer to your letter to Richard Cornish dated 19 March 2014. Thank you for giving DWP the opportunity to respond to petition PE1508 which calls on the Scottish Parliament to urge the organising Committee to drop Atos Healthcare as a sponsor for the 2014 Commonwealth Games. It is the responsibility of the Commonwealth Games "Glasgow 2014" Organising Committee to appoint sponsors and therefore not appropriate for the Department to comment on this matter. Nevertheless, I have provided some factual information on the Atos contract with DWP and offered some comments on the issues raised in the official report to assist the Committee.

Following the Department's decision in 2005 to outsource medical services, DWP went through a fair and open procurement process, and the national contract was awarded to Atos Origin. We take a robust approach to managing the contract with Atos Healthcare, and the contract has also been continually changed and updated to reflect changes to policy. The current contract involves delivery of elements of the Work Capability Assessment (WCA) process, which was introduced in 2008 and is used by DWP to determine an individual's eligibility for Employment and Support Allowance (ESA).

On 27 March 2014, a Written Ministerial Statement announced that the Department for Work and Pensions would be seeking a new provider to replace Atos Healthcare to deliver the WCA. The priority for the new provider will be to increase the number of assessments and reduce waiting times. Atos Healthcare will not receive any compensation from the taxpayer for the mutually-agreed early termination of their contract. Instead Atos Healthcare has made a substantial financial settlement to the DWP

The Department's reforms to the welfare system are aimed at ensuring people who are able to work are given the help and support required to do so, whilst those who face the greatest barriers to employment receive the financial support they need. Atos Healthcare, who are contracted to conduct the WCA on behalf of the Department, have worked with us to help deliver these reforms. It is important to note, however, that Atos do not 'take away' claimant's benefits: whilst they play an important role in the WCA process they do not make the final decision on an individual's benefit entitlement. Decisions are taken by a DWP Decision Maker, using all the evidence available to them.

I would now like to take this opportunity to clarify a few points which are stated in the Public Petitions Committee's official report. It is mentioned that 600,000 people in Britain and 60,000 people in Scotland have lost their benefits due to the WCA. Whilst it is difficult to substantiate these figures, it might be helpful to know that we are committed to continually improving our processes and that the proportion of claimants entitled to ESA is at its highest ever level. In addition, through a Department-led review and a series of independent reviews we believe good progress has been made in refining the assessment over the last four years.

It is also stated that 2,200 people have died while going through the WCA, either committing suicide having lost their benefits or being terminally ill. The Department published some statistics regarding deaths of disability benefit claimants in July 2012: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/223050/incap_decd_recips_0712.pdf. This showed that between January and November 2011, 2,200 people had indeed died before their WCA had been completed. The reason for these deaths was not reported. This is at odds to the suggestion that these many claimants died or committed suicide having lost their benefits which was not the case since no decision on entitlement had been made at that point.

Furthermore, whilst any death is always tragic it has to be expected that as some ESA claimants receive disability benefits due to life-threatening conditions or terminal illnesses that some will inevitably lose their lives during the WCA process. Separately, in the case of suicide, if DWP are informed then the Department and Atos Healthcare carry out a full investigation in order to see what lessons can be learned.

I hope this information is of some assistance to the Committee.

Yours sincerely,

James Bolton
Deputy Director, Health and Well-being Directorate