DWP requires a range of functional health assessments. Functional health assessments help by providing advice to DWP Decision Makers to determine eligibility for a range of benefits paid to claimants. Currently, this primarily focuses on Personal Independence Payment (PIP), Employment and Support Allowance (ESA), and Universal Credit (UC).

In July 2020, the Department published a VEAT notice advising the market of its intention to extend the current PIP and Health and Disability Assessment Services (HDAS) contracts for up to 24 months. This was a result of the impact of Covid-19 on the procurement planned for 2020.

The Department intends to procure Functional Assessment Service (FAS) contracts from 1st August 2023, to provide functional health assessments through a single supplier in each geographical Lot. This is part of the Department’s long term plans to transform health assessment services by creating an integrated health assessment service. Current functional health assessments primarily help to determine eligibility for PIP, ESA, and UC. These benefits may be subject to future changes in Government policy.

As a result of the Government’s commitment to improving support for disabled people and people with health conditions, there is the possibility of changes in Government policy relating to delivery and scale of health assessment services during the life of the FAS contracts. Suppliers will hold a partnership role in any reforms and the FAS contracts will be structured to facilitate change, including impacts on volumes and service design.

In March 2020, as part of the Government’s long term plans to transform health assessment services, we announced that the Department will initially develop the new single integrated Health Assessment Service (HAS), supported by a single digital platform developed by DWP, on a small scale in a controlled environment known as a Departmental Transformation Area (DTA). The first site in the DTA will be in London and is scheduled to start from April 2021. This approach recognises that our claimants include some of the most vulnerable in society and it is critical that we carefully develop the new integrated HAS.

The DTA will provide a safe environment to test and adapt HAS, whilst learning from new ideas and processes. Our intention is to roll out the HAS and associated learning on a greater scale into pre-defined areas of the country during the life of the FAS contracts, ahead of full roll out into Next Generation contracts. Further details on the DTA and its impact on FAS will be provided in due course.