

Welfare reform summit

In April this year Staffordshire University hosted a welfare reform summit, funded by the Social Policy Association and delivered in partnership with CPAG and the Centre for Health and Development. The aim of the summit was to explore the impact of welfare reform on claimants and the organisations that support them. Over 80 delegates attended from a wide range of backgrounds, including welfare rights and housing professionals, and social policy academics and students. A series of workshops gave delegates the opportunity to share their experience. Richard Machin, Dan Norris and Professor Martin Jones discuss the issues raised.

The scale, timing and extent of benefit changes

Delegates at the summit discussed the cumulative negative impact of welfare reform and the fact that many benefit claimants have also been affected by other significant policy changes. Reservations were expressed about the way radical benefit reforms have been introduced at a time when many people are experiencing vulnerabilities in relation to employment (eg, zero-hour contracts and wage caps) and housing (eg, instability and rising costs in the private-rented sector and changes to allocations in the social-rented sector).

Many delegates expressed concern that welfare reform has not only affected claimants financially, but has also often led to feelings of insecurity. Revised benefit eligibility criteria, the removal of lifetime awards for many disability benefit claimants and confusion over the appropriateness of claiming 'legacy' benefits or moving onto universal credit has created an environment of real concern and anxiety for many claimants. A system which ostensibly should support people at times of vulnerability or financial need is seen to be compounding claimant apprehension. Advisers at the summit acknowledged that this has always been the case, but that in the last five to six years we have moved into a new phase of uncertainty and anxiety.

The evidence provided by delegates is consistent with research undertaken by a wide range of organisations, which demonstrates the dam-

aging impact of cumulative welfare reforms and their disproportionate impact on some vulnerable groups. Research commissioned by the Local Government Association analysed the impact of pre-2017 benefit changes on 9.1 million low-income households.¹ It found an average income loss of £23 per week for each working-age household. The roll-out of universal credit will mean a further weekly income loss of £11.18 per week. The research concluded that, in real terms, losses will be substantially greater due to the freezing of benefit rates and increasing housing costs – with families with children, tenants in the private-rented sector and households with a disability benefit claimant being the most severely affected.

Sheffield Hallam University research focused on the uneven impact of welfare reform.² It concluded that welfare reform is widening the 'prosperity gap' between local authorities, as many of the most deprived local authorities (particularly older industrial areas, some London boroughs and less prosperous seaside towns) have had the greatest financial losses. Findings from the Equality and Human Rights Commission concur with this, concluding that the combined impact of policy changes between 2010 and 2018 has been regressive and has had a disproportionately negative impact on large households with disabled members, lone parents, women and some ethnic minority groups.³

Many delegates at the summit felt that the recent programme of welfare reform has been

accompanied by a change in the relationship between advisers and the Department for Work and Pensions (DWP). At a local level, advisers have often built good relationships with DWP staff and decision makers, but this has been compromised by the shift to a more automated, call centre system. These diminishing connections were reported to have had a negative impact on the timely and appropriate resolution of many benefit issues.

Poor decision making on disability benefits

When considering the impact of welfare reform, delegates emphasised that the focus should not only be on universal credit and the 'bedroom tax'. For many specialist welfare rights teams, a significant amount of casework time is spent assisting people appeal decisions about personal independence payment or employment and support allowance.

It was inevitable that the introduction of personal independence payment over five years ago would cause significant uncertainties for both claimants and advisers. The government's aims were explicit: to reduce the number of disability benefit claimants and to create a system underpinned with a new ideology and administration.⁴ A new claimant journey, which for most people includes a face-to-face assessment undertaken by a health professional working for Capita or Atos, was always going to create challenges. Welfare rights advisers had built up a huge knowledge of the legal and practical aspects of disability living allowance since its inception in 1992 and the roll-out of personal independence payment necessitated a new period of learning and reflection.

Significant queries were raised at the summit about the appropriateness of the assessment process for disability benefits and whether recent changes to eligibility criteria allow robust and accurate decisions to be made.

In particular, concerns were expressed about the ongoing uncertainties for personal independence payment claimants, particularly those with mental health problems. Welfare rights advisers welcomed the decision of the High Court last year, which found the revised eligibility criteria for the enhanced rate of the mobility component for people with mental health problems to be discriminatory and without justification.⁵ However, this illustrates that the government's 'test and learn' approach creates unreasonable insecurity for benefit claimants, who should be able to rely on a

transparent social security system. Following this decision, the DWP must now review all personal independence payment claims, demonstrating that while the ideology and rhetoric that underpins welfare reform may be clear, the eligibility, assessment and adjudication of many benefits lack cohesion and clarity.

A statement by Sarah Newton, the Minister of State for Disabled People, on 5 June 2018 said:⁶

We will continue to work closely with stakeholder groups and our Assessment Providers to improve the quality of claimant communications, assessments, decision making and the overall claimant experience.

Welfare rights advisers would perhaps welcome this with some caution.

Delegates expressed concern that, in some parts of the country, appeal tribunals are now heard in court buildings. This can create a judicial environment and appellants can easily feel they are in a formal court setting.

The latest Ministry of Justice statistics indicate that 66 per cent of all social security appeals are decided in favour of the appellant – 71 per cent for personal independence payment appeals and 70 per cent for employment and support allowance appeals.⁷ The input of welfare rights advisers is critical to these success rates, and concerns have been raised by CPAG and others that the move to online social security appeals may have a negative impact on vulnerable claimants' access to a fair hearing.

Concerns about universal credit

Predictably, many delegates expressed concerns about universal credit. The extent of these concerns depended on whether the universal credit 'full service' had been introduced in their area. However, while many delegates expressed genuine and significant concern about universal credit, this was largely in the wider context of anxiety about welfare reform in general. While much focus politically and in the media remains on universal credit, the evidence submitted at the summit indicated that claimants are being assisted with multi-dimensional queries, of which universal credit is often only one part.

The tensions between the supposed streamlined and simplified nature of universal credit and the practical complexities of administering the benefit are clear. Delegates reported that both claimants and DWP staff are often unsure

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about the eligibility criteria and claims process. There is clearly confusion around the timing of universal credit claims and the potential for ongoing payment of 'legacy' benefits. While universal credit ostensibly creates a simpler system, it fails to recognise the diversity and complexity of people's lives. Universal credit is claimed by people in a diverse range of circumstances (eg, lone parents, jobseekers, unemployed people and those in low-paid employment), and delegates said that there appears to be a lack of appreciation that a 'one size fits all' approach does not work.

Many delegates felt that the DWP was overly optimistic about the access claimants have to online facilities and the skills required to make and manage a claim. This often results in support being provided which is completely inadequate. The evidence submitted at the summit comes against a backdrop of reports that one in five universal credit claims fail for non-compliance with the application process (such as not attending an initial interview or signing the claimant commitment).⁸

Issues with universal credit encountered by advisers were shared at the summit. These reflect the problems reported by CPAG⁹ (eg, 'migration' to universal credit after a change of circumstances, entitlement to the carer element, and work-related requirements pending an assessment of limited capability for work) and Citizens Advice¹⁰ (eg, conflicting advice to the self-employed, inconsistent advice from DWP and housing benefit staff, and lack of clarity about entitlement to contributory benefits).

Concerns were raised that both the DWP and claimants are ill-prepared for the continuing roll-out of universal credit. The assumption that claimants, especially those with complex needs, have internet access and the ability to navigate complex online systems was challenged. Delegates from the advice sector voiced concerns about the capacity of advice agencies to be able to respond to the increasing and changing demands that will inevitably result as universal credit goes full service.

Given the above problems, the provision of the DWP-funded 'universal support' to assist claimants manage online claims and budget their monthly payments is important.¹¹ The latest *Universal Credit Local Authority Bulletin* (August 2018) states that only a third of expected numbers have accessed this support, indicating that methods of delivery need to be reviewed.¹²

Consent issues

Given the complexities of universal credit, the ability of advisers to liaise with the DWP to assist with and resolve issues is of paramount importance. Before the introduction of the universal credit 'full service', a system of 'implicit consent' has been in operation for most DWP benefits. This allows a claimant's representative to make enquires on her/his behalf if verbal or written consent can be implied, thus allowing the DWP to use some discretion to decide whether a representative is genuine. Neil Couling, Director General of Universal Credit, issued guidance to advisers in January 2017, setting out the new 'explicit consent' arrangements.¹³ As universal credit is managed through an online account holding personal, financial and medical information, the DWP has stipulated that a claimant must give her/his consent through this online account, by phone (with both the claimant and representative being present) or in person at a job centre. Explicit consent does not last indefinitely and only covers a single query.

Delegates at the summit appreciated the importance of data protection, but were concerned about the reduced capacity that advisers will have to make enquiries on behalf of claimants and how this may impede the resolution of both reasonably straightforward and also more complex queries.

Conditionality and sanctions

Delegates expressed concerns about the conditionality and sanctions regime that is now an intrinsic feature of the benefits system. There are clear geographical differences in how sanctions are administered and in the success of advisers in challenging decisions. Some delegates reported that they had a good track record in challenging decisions, while others stated that mandatory reconsiderations and appeals rarely succeeded. Delegates expressed concerns that universal credit sanctions are often longer in length than those for jobseeker's allowance and employment and support allowance. Particular concerns were voiced about the inability of disabled and homeless claimants to comply with the conditions specified in their claim because of their circumstances and, therefore, sanctions became almost inevitable. There were calls for better communication from the DWP so that claimants have a clearer understanding of the conditions they must meet.

The evidence submitted at the summit is consistent with the findings of a five-year research

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project in conditionality, completed by researchers from six universities.¹⁴ This found that universal credit sanctions are ‘redundant as a motivator’ and act as a source of stress which can be counter-productive for claimants who are seeking work. The in-work progression that should be a key feature of universal credit is undermined by the fact that universal credit assumes a full-time working model which does not take account of local economic factors or the circumstances of claimants, such as parents and carers. Perhaps most damagingly, the research found that support to move into work was inadequate and relationships with work coaches ‘coercive’. Meaningful help to secure employment was undermined by a lack of tailored support from work coaches and referrals to the online resource Universal Jobmatch. The research identifies a need to reform the universal credit sanctions regime, removing financial penalties for vulnerable claimants and reducing the length and severity of sanctions. The evidence presented at the welfare reform summit strongly indicates that delegates would support these recommendations.

What next?

CPAG has developed an ‘Early Warning System’ to collect and analyse evidence on the impact of welfare reform. This is then disseminated to decision makers, service planners, politicians and third-sector organisations to develop policy and practice which mitigates the negative impact of benefit changes.

The case studies and evidence shared at the welfare reform summit have been recorded on CPAG’s Early Warning System and several case studies informed CPAG’s recent report on the problems faced by universal credit claimants as a result of the strict benefit assessment periods.¹⁵

Many of the issues raised at the summit were presented at CPAG’s meeting with the Secretary of State for Work and Pensions and Universal Credit Director General Neil Couling in June, and in the following report.¹⁶ The latest edition of the Early Warning System ebulletin features an in-depth look at one of the issues raised by a delegate at the summit in relation to universal credit housing costs and non-dependant deductions.

Discussions about benefit sanctions at the welfare reform summit have inspired CPAG to dedicate workshops at its CPAG welfare rights conference to this issue and it is likely that this workshop will become a standalone training session, and the case studies and evidence will

continue to inform areas of future campaigning work for CPAG. ■

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