

Inclusion London's evidence to the APPG for health in all policies inquiry 3 years: Assessing the Impact of the Welfare Reform and Work Act (2016) on Children and Disabled Adults

1.0) Inclusion London

Inclusion London is a London-wide user-led organisation which promotes equality for London's Deaf and Disabled people and provides capacity-building support for over 70 Deaf and Disabled People's Organisations (DDPOs) in London and through these organisations our reach extends to over 70,000 Disabled Londoners.

1.2) We welcome the opportunity to submit evidence to the All Party Parliamentary Group for health in all policies' inquiry: 3 years on: The impact of the Welfare Reform and Work Act 2016 on children and Disabled adults.

2.0) Executive Summary

- Although the UK is a signatory to international covenants on economic rights including the UN Convention on the Right of Persons with Disabilities the government has ignored these rights and instead imposed welfare benefit reforms, which have caused further poverty and destitution amongst Deaf and Disabled people.
- At least 63% of those impacted by the benefit cap are Deaf and Disabled people.
- Before the cut of nearly £30 per week Deaf and Disabled people in the Employment Support Allowance (ESA) Work Related Activity Group (WRAG) were already struggling financially,¹ the cut adds to Deaf and Disabled people's hardship.
- Deaf and Disabled people are one of the groups most effected by the cumulative impacted of the governments changes to taxes and welfare benefits. The benefit freeze is one of the key elements in the negative impact.²
- Inaccurate assessments result in Deaf and Disabled people losing their welfare benefit and then become subject to measures in the WRW Act such as the benefit freeze and benefit cap.
- The impact of the measures in the WRW Act need to be seen in the context of other welfare reforms as the impact is cumulative.

2.1) Summary of Recommendations

- We call on the APPG to urge the government to proactively promote the rights in the international covenants through all its policies and to place these rights in domestic law so they cannot be overridden by the government in the future.
- The cut in nearly £30 for Disabled people in the WRAG is abolished.
- Deaf and Disabled people are exempt from the benefit cap and the benefit freeze.
- The current assessment systems are scrapped and are replaced by assessments co-designed with Deaf and Disabled People's Organisations, based on the social model of disability.

¹ <https://disabilitybenefitsconsortium.wordpress.com/2015/10/27/almost-70-of-disabled-people-say-cuts-to-esa-will-cause-their-health-to-suffer-and-half-may-return-to-work-later/>

² <https://www.equalityhumanrights.com/sites/default/files/cumulative-impact-assessment-report.pdf>

- The APPG calls on the government to undertake a cumulative impact assessment of all tax and welfare reforms on Deaf and Disabled people.

3.0) Overview

Human rights

The right to an adequate standard of living is enshrined in Article 28 of the UN Convention on the Right of Persons with Disabilities,³ Article 25 of the Universal Declaration of Human Rights,⁴ and Article 11 of the International Covenant on Economic, Social and Cultural Rights.⁵

3.1) Although the UK is a signatory to all the international conventions mentioned above, the government has ignored these rights and instead have deliberately created a hostile environment for Deaf and Disabled welfare benefits claimants, through benefit fraudsters rhetoric⁶ at the same time as developing a punitive welfare benefits system through the Welfare Reform Act 2012 compounded by the Welfare Reform Work Act (WRW) Act (2016) which can systematically deny Deaf and Disabled people's their benefit entitlements through inaccurate assessments and sanctions resulting in poverty and destitution.

3.2) Half of those living in destitution (1.5 million) are disabled (75,000). According to a Joseph Rowntree Foundation (JRF) survey conducted in 2017, one-quarter of all interviewees reported destitution due "to loss of disability or sickness-related benefits". Most had been migrated from ESA to JSA or UC, after being assessed as fit for work. This usually meant a lower rate of benefit, a much higher degree of conditionality and an increased risk of being sanctioned.⁷ Another survey of 1,609 Disabled adults in the UK aged 18-65 published in April 2018 revealed that:

- almost a quarter said they missed a meal (23%)
- a fifth said they were not able to keep their home warm (20%) because they couldn't afford it.⁸

Recommendation

We call on the APPG to urge the government to proactively promote the rights in the international covenants through all its policies and to place these rights in domestic law so they cannot be overridden by the government in the future.

4.0) The reduction of the benefit cap (to £23,000 in London, £20,000 the rest of the UK)

According to the latest statistics at least 63% of those impacted by the benefit cap are Deaf and Disabled people as 51% (27,000) of people claiming Income support were impacted by the benefit cap as well as 13% (6,800) of people on Employment and Support Allowance, (ESA) (Assessment stage

³ <https://www.ohchr.org/EN/HRBodies/CRPD/Pages/ConventionRightsPersonsWithDisabilities.aspx#28>

⁴ <http://www.un.org/en/universal-declaration-human-rights/index.html>

⁵ <https://www.ohchr.org/en/professionalinterest/pages/cescr.aspx>

⁶ <http://www.dailymail.co.uk/news/article-2018874/Incapacity-benefit-Just-1-14-sickness-claimants-unfit-work.html>

<https://www.telegraph.co.uk/news/politics/7935823/Bounty-hunters-to-cut-benefit-fraud-by-1bn.html>

<http://www.telegraph.co.uk/news/politics/9263502/Iain-Duncan-Smith-Im-not-scared-to-light-the-fuse-on-disability-reform.html>

<http://www.telegraph.co.uk/news/politics/9263453/500000-to-lose-disability-benefit.html>

⁷ <https://www.jrf.org.uk/report/destitution-uk-2018>

⁸ <https://www.leonardcheshire.org/about-us/latest-news/press-releases/human-cost-social-care-crisis-revealed>

and Work-Related Activity Group (WRAG) only,⁹ as those in the support group are exempt . Also a proportion of those on Job Seekers Allowance (JSA) will also be Deaf and Disabled so the percentage is likely to be higher.

4.1) The Equality Impact assessment for the benefit cap says ‘The cap was originally established to enhance work incentives as part of the Welfare Reform Act.....’ Regarding the lower cap, the document says: ‘... The changes we are making to the benefit cap will support our ambition of moving to full employment.’¹⁰

4.2) The benefit cap covers Deaf and disabled people in the ESA WRAG – yet those in ESA WRAG are deemed not fit for work and legislation specifically states they are not required to ‘apply for a job or undertake work, whether as an employee or otherwise’;¹¹ So a measure which aims to incentivise people into work is it is highly inappropriate for those in the WRAG.

4.3) ‘Zacchaeus Trust says 2000 (Z2T) ‘... most of the households actually affected by the cap we have helped cannot move easily into employment because they are disabled / seriously unwell or have young children....’

4.4) A case studies provided by the Z2T in their evidence to the Work and Pensions Committee’s inquiry on the benefit cap illustrates how the loss of a welfare benefit such as Employment Support Allowance (ESA) together with the benefit cap resulted in a total loss of income and no money to buy food.¹²

Recommendation

Deaf and Disabled people in the ESA WRAG and the equivalent under Universal credit are exempt from the benefit cut.

5.0) The ‘freeze’ in the value of certain benefits for 4 years

The freeze in benefits applies to Deaf and Disabled people on Employment Support Allowance (ESA) in the Work related Activity Group. Those in the Support Group under ESA were exempt.

5.1) The Joseph Rowntree Foundation described the four-year freeze in working-age benefits and tax credits as the “single biggest policy driver behind rising poverty, hitting families in and out of work”.¹³ A report by the National Audit Office links homelessness with government’s welfare reforms ‘including the benefit cap and freeze’ together with less affordable rents in the private sector.¹⁴

⁹Statistics are for the period April 2013 to November

2018:https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/776934/benefit-cap-statistics-november-2018.pdf

¹⁰https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/548741/welfare-reform-and-work-act-impact-assessment-for-the-benefit-cap.pdf

¹¹ <http://www.legislation.gov.uk/uksi/2011/1349/made>

¹² <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/work-and-pensions-committee/benefit-cap/written/90224.html>

¹³ <https://www.jrf.org.uk/report/uk-poverty-2017>

¹⁴ <https://www.nao.org.uk/wp-content/uploads/2017/09/Homelessness.pdf>

5.2) The Equality and Human Rights Commission's research into the cumulative impact of tax and welfare benefit changes mentions the benefit freeze in working age benefits as a key element in the negative impact of tax and welfare benefit reforms on people on low incomes and those in protected groups including Disabled people, certain ethnic groups, and women.¹⁵

Recommendation

Deaf and Disabled people are exempt from the benefit cap and the benefit freeze.

6.0) Limiting support (from child tax credit or the child element of Universal Credit) to 2 children

Households with 3 or more children are impacted by this reform even if a child is disabled.¹⁶ It is difficult to find disaggregated data regarding the number of households with Disabled children impacted by the 2 child limit. But the limit will be another contributory factor to the cumulative impact of previous welfare reforms. We give some details on the cumulative impact later in this evidence.

7.0) Removing the work-related activity support component in Employment and Support Allowance

The decision to abolish the Work Related Activity Component – the £29.05 a week additional payment for new ESA claimants in the Work-Related Activity Group, together with the corresponding Limited Capability for Work element in Universal Credit from April 2017 was made in spite of evidence indicating how the reduction would lead to impoverishment as it resulted in a loss of nearly £30 per week.¹⁷ Previously those in the WRAG received £102.15 per week, this dropped to £73.10 per week. The government's reasoning for this reform was that it would:

'ensure the right incentives and support are in place for those closer to the labour market to help them make this transition when they are ready.'¹⁸

7.1) However, there is a startling lack of evidence for this assertion. On the contrary, available evidence points to the negative impact of this measure.¹⁹ Being able to maintain a standard of living is essential to taking part in work related activity regardless of the level of job search support available. Also employment can have many positive benefits for health and well-being, but unsuitable employment or taking up employment before you are ready can also have lasting negative consequences.²⁰

¹⁵ 'These negative impacts are largely driven by changes to the benefit system, in particular the freeze in working-age benefit rates, changes to disability benefits and reductions in UC rates'.

<https://www.equalityhumanrights.com/sites/default/files/cumulative-impact-assessment-report.pdf>

¹⁶ <http://cpag.org.uk/content/changes-welfare-reform-and-work-act-2016>

¹⁷ This was reduced by nearly £30 a week despite widespread opposition including two rebellions by the House of Lords.

¹⁸ HM Treasury, Summer Budget 2015, HC 264 2015-16, para 41. <https://www.gov.uk/government/publications/summer-budget-2015>

¹⁹ 'Working Welfare': a radically new approach to sickness and disability benefits' by REFORM: <https://www.base-uk.org/sites/default/files/workingwelfare.pdf>

<https://reform.co.uk/research/working-welfare-radically-new-approach-sickness-and-disability-benefits>

²⁰ As illustrated by the case below:

Lucas has complex mental health support needs. He found paid employment in a cafe. Not long after starting work his employer moved him onto the morning shift. Lucas found it difficult to get into work on time due to the side effects of his medication and after being late every day was threatened with the sack. As a result he stopped

7.2) Before the proposed reduction has taken place, research has shown that 28% of claimants in the WRAG could not afford to eat on the current rate of benefit they receive and 38% had been unable to heat their home.²¹ In July 2018, members of the cross-party House of Commons Work and Pensions Committee questioned the Secretary of State over witness evidence they had received showing the cuts were “increasing stress and poverty for people in the WRAG” and had provided a “disincentive to get to work”.²²

7.3) Significant numbers of Disabled people wrongly assessed as capable of work related activity and put in the WRAG are subsequently placed in the Support Group (SG) on appeal. Deaf and Disabled people have emailed us many examples of inaccurate assessments. A National Audit Office report published in 2016 found that only 13% of ESA and PIP assessments met contractual standard targets i.e. 87% did not reach required standard.²³ The Work and Pensions Select Committee inquiry on ESA and PIP assessments heard of ‘thousands of accounts of “shoddy, error-ridden reports” produced by private contractors for DWP’²⁴

Recommendation

The cut in nearly £30 a week for Disabled people in the WRAG is abolished.

7.4) Sanctions

When looking at the impact of the WRW Act the impact of sanctions also needs to be considered as Disabled people in the ESA WRAG group, who have already lost nearly £30 a week are also subject to sanctions. The loss of income due to a sanction adds a further blow on top of the loss of £30 a week, driving more Deaf and Disabled people into poverty and destitution.

8.0) Replacing current mortgage interest support to loans for mortgage interest payments

The case below illustrates how homes belonging to Deaf and Disabled people have to be sold because the mortgage interest support has stopped, causing huge stress which can exacerbate mental health support needs. Also the Disabled person concerned highlights that this measure is unfair as the mortgages of buy to let landlords is still paid:

‘The Mortgage interest being stopped has forced me to have sell my family home or get into debt... this is unfair.. if I private rent... the benefit pay the landlords buy to let mortgage....

taking his medication so he could get to work on time. The outcome was that Lucas ended up sectioned for a period of three months.

²¹ <https://disabilitybenefitsconsortium.wordpress.com/2015/10/27/almost-70-of-disabled-people-say-cuts-to-esa-will-cause-their-health-to-suffer-and-half-may-return-to-work-later/>

²² Work and Pensions Committee (2018) *Oral Evidence: Disability Employment, HC 1147* [online] Available at: <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/work-and-pensions-committee/disability-employment/oral/86763.html>

²³ <https://www.nao.org.uk/wp-content/uploads/2016/01/Contracted-out-health-and-disability-assessments.pdf>

²⁴ <https://www.parliament.uk/business/committees/committees-a-z/commons-select/work-and-pensions-committee/news-parliament-2017/slavery-victims-welfare-systems-17-19/>
<https://www.parliament.uk/business/committees/committees-a-z/commons-select/work-and-pensions-committee/news-parliament-2017/pip-esa-full-report-17-19/>
<https://publications.parliament.uk/pa/cm201719/cmselect/cmworpen/829/829.pdf>

how is this fair.... I have worked hard for what I have..nobody handed me a golden spoon.
Having a mental health condition and being on benefits has Made my life hell.....'

9.0) **The impact of the Act directly and indirectly on other legislation, services or access to these services, and vice versa, e.g., earlier welfare reforms (Universal Credit, sanctions, Personal Independence Payments, Work Capability and other assessments), taxation, housing, education, courts and probation services, NHS**

9.1) One of the key issues for Deaf and Disabled people is that you are exempt from the benefit cap²⁵ and the benefit freeze²⁶ if you receive Disability Living Allowance (DLA)/Personal Independence Payment (PIP) or Attendance Allowance (AA) or if you are in the ESA support group. However, if you are reassessed or claim for the first time and deemed not to be eligible for these benefits then you suddenly become subject to the benefit cap and the benefit freeze.

9.2) Many incorrect decision regarding ESA and PIP are made due to inaccurate assessments. The percentage of overturned decisions re PIP and ESA is 72% and DLA is 65%.²⁷ In December 2017 Sir Ernest Ryder, Britain's most senior tribunal judge said that most of the benefits cases that reach court are based on bad decisions where the DWP has no case at all and that the quality of evidence provided by the DWP is so poor it would be "wholly inadmissible" in any other court.²⁸ UC also presents difficulties for many Deaf and Disabled people find the whole application process for UC inaccessible and not enough support is available.

9.3) As well as suddenly becoming eligible for the benefit cap and the benefit freeze Deaf and Disabled people also become eligible for full council tax while at the same time housing benefit and free travel can be lost.²⁹ The sudden loss of income and increase in financial outgoings can result in rent arrears, debt and eviction. The impact of inaccurate assessments is huge.

Currently the assessment system for welfare benefits is failing Deaf and Disabled people.

Recommendation

The current assessment systems are scrapped and are replaced by assessments co-designed with Deaf and Disabled People's Organisations, based on the social model of disability.

10.0) **Cumulative impact**

The measures in the WRW Act compound the impact of those in the Welfare reform Act 2012. Deaf and Disabled people claiming welfare benefits are experiencing multiple cuts to their income.

²⁵ <https://www.gov.uk/benefit-cap/when-youre-not-affected>

²⁶ <https://www.turn2us.org.uk/About-Us/News/Working-age-benefits-to-be-frozen>

²⁷ [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/766114/Tribunal and GRC statistics Q2 201819 revised2.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/766114/Tribunal_and_GRC_statistics_Q2_201819_revised2.pdf)

²⁸ 60% of cases were "no-brainers" where there was nothing in the law or facts that would make the DWP win. He said: "It's an inappropriate use of judicial resources, it's an inappropriate experience for the users, and the cost is simply not right https://www.buzzfeed.com/emilydugan/most-dwp-benefits-cases-which-reach-court-are-based-on-bad?utm_term=.tq9pQEJMP#.qf7bZLk1R

²⁹ <https://www.z2k.org/about-us/latest/z2k-publishes-new-report-on-disability-benefits/>

10.1) Research commissioned by the Equality and Human Rights Commission analysed all policy changes made between May 2010 and January 2018 which will have been implemented by the financial year 2021–22. The analysis revealed that those on low incomes experienced the largest impact and people in protected groups including Disabled people, certain ethnic groups, and women experience a ‘disproportionately negative impact’.³⁰ ‘Negative impacts are particularly large for households with more disabled members, and individuals with more severe disabilities, as well as for lone parents on low incomes.’ For instance:

- ‘On average, disabled lone parents with at least one disabled child lose ‘almost three out of every ten pounds of their net income. In cash terms, their average losses are almost £10,000 per year.’
- Couples with children with at least one disabled adult, and at least one disabled child also experience substantial average losses: slightly under one in every five pounds of net income – an average cash loss of almost £8,000 per year.
- ‘...In general, households with greater numbers of disabilities lose more on average than households with fewer disabilities.’³¹

10.2) The government continues to avoid carrying out a cumulative impact assessment so the full impact of the welfare reforms are acknowledged continues to be ignored.

Recommendation

The APPG calls on the government to undertake a cumulative impact assessment of all tax and welfare reforms on Deaf and Disabled people.

11.0) Conclusion

The impact of the measures in the WRW Act need to be seen in the context of other welfare reforms as the impact is cumulative i.e. while one cut in income may be possible to sustain for a while multiple cuts push Deaf and Disabled people into poverty and destitution. Also the impact of all the welfare reforms will increase over time as the need for expenses such as shoes or clothes cannot be delayed any longer and large costs such as a new fridge or washing machine become more likely while the ability to borrow more money dries up.

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³⁰ <https://www.equalityhumanrights.com/sites/default/files/cumulative-impact-assessment-report.pdf>

³¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/724322/Social_rented_sector_report.pdf

