

## Work and Pensions Committee

### Oral evidence: DWP's response to the coronavirus outbreak, HC 178

Wednesday 18 November 2020

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Members present: Stephen Timms (Chair); Shaun Bailey; Siobhan Baillie; Steve McCabe; Nigel Mills; Selaine Saxby; Dr Ben Spencer; Chris Stephens; Sir Desmond Swayne.

Questions 274 - 313

#### Witnesses

**I:** Paul Johnson, Director, Institute for Fiscal Studies; Torsten Bell, Chief Executive, Resolution Foundation; Baroness Philippa Stroud, Chief Executive Officer, Legatum Institute; and Zoe Charlesworth, Head of Policy, Policy in Practice.

**II:** Andrew Forsey, National Director, Feeding Britain; Stella West-Harling, Founder and CEO, Dartmoor Community Kitchen Hub; Jason Strelitz, Director of Public Health, Newham Council; Samantha Carter, Debt Adviser, StepChange; and Gary Vaux, National Association of Welfare Rights Advisers and Head of Money Advice Unit at Hertfordshire County Council.



## Examination of witnesses

Witnesses: Paul Johnson, Torsten Bell, Baroness Philippa Stroud, and Zoe Charlesworth.

Q274 **Chair:** I warmly welcome everybody to this meeting of the Work and Pensions Select Committee and thank all of the witnesses on both of our panels this morning for joining us at quite short notice. We are looking forward very much to hearing from each of you. I will start by asking each member of the first panel to tell us who you are and your organisation. We are going to hear in our second panel later on from the Feeding Britain organisation, which has reported a “truly staggering” increase in demand for food banks during the pandemic, including from people it describes as “newly hungry”. Do you think the pandemic has created entirely new problems or has it just made worse problems that were already there? Could each of you on the first panel comment briefly on that?

**Baroness Stroud:** Thank you, Chairman. It is a pleasure to be joining the Select Committee hearing this morning. My name is Philippa Stroud and I am from the Legatum Institute, but I am also Chairman of the Social Metrics Commission.

I think one of the big problems is the lack of real data in analysing who has been made newly poor and needing the provision of food and who was already poor. We can see that there are about 14 million people in the UK who we would consider to be income vulnerable, to be poor. Of those, about 7 million have been in poverty for nearly three years, so are significantly more vulnerable. Of those, 4.5 million are in deep poverty and of those, 2.4 million are in deep and persistent poverty.

If you take those groups, you can see that if a pandemic comes through, you have a large group of people who are vulnerable, for whom small changes in their income levels or their work status, through loss of hours, loss of income or loss of a job, can cause real problems. We know that it is those who are in the deepest poverty, 50% below the income line, who have been most vulnerable to being furloughed. If they were in employment before, they are 65% more likely to have been furloughed, to have lost hours or to have lost their jobs. We know that we have a very vulnerable group.

At a time like this you have a vulnerable group, those in deep poverty, who are already in need of food banks and being fed but then you have a greater vulnerability added by the furlough scheme and loss of jobs, loss of earnings and so on for this group. On top of that, you have a whole group who were just above the poverty line who have now come down into this group. We know that Universal Credit, the £20 extra, will have made a significant difference in acting as a buffer but we also have to acknowledge that there is real vulnerability for those in deepest poverty. There aren't statistics on this. People on the front line say that it is those who are young, who have lost their jobs, who maybe had housing costs



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that they could not avoid—so those who own their properties or have mortgages or are in the private rental sector—are perhaps the new group who are needing access to food.

Those are some of our observations on the vulnerabilities and some of the new people who may be in need of food support.

**Zoe Charlesworth:** Good morning. I am Zoe Charlesworth from Policy in Practice, which is a social policy organisation. We work with organisations who are helping claimants on the front line and we do that mostly through data analysis of the local authority data that they hold on people applying for either housing benefit or council tax reduction. Through this we can see changes in caseload and patterns and trends of what is happening to those on the very lowest income. On top of what Baroness Stroud said, we are looking at those at the very, very bottom—those who are reliant on means-tested benefits. There are all those layers above, and we are seeing changes.

We have two things happening with Covid. With the move to Universal Credit, typically 10% of people who were on legacy benefits within the caseloads we are looking at are moving over to Universal Credit. Flux always causes income shocks. That period means that they might be waiting for benefit. They might be waiting to get used to the new levels of benefit if benefit levels have changed. I think that is having a big effect. On top of that, there are all the new claimants coming into the administrative datasets that we look at. For those people, of course there is a big income shock. They might be getting an advance, they might be waiting for their first payment, but typically they have waited a long time before claiming anyway. We are seeing all these people who have suddenly had income shocks and changes within the datasets because of that.

In the work that we have done looking at free school meals, having children at home a lot—and a lot of schools are sending children home even during term time—is making a lot of difference. An additional 4% of households could cope—our data shows that their cost of normal bills can be coped with if the children are at school but not when they are at home. Everyone being at home, in lockdown, is also having an effect on support. There was a lot of informal support before benefit levels even before Covid, and our analysis showed one in five households on benefit could not cover the cost of standard bills. Any costs you add to that means that more and more are going to fall into that category.

**Torsten Bell:** Good morning. I am Torsten Bell from the Resolution Foundation. The most important thing to say that is different now, as compared to pre-March last year, is the scale of the income shocks going on and the speed of them, neither of which is remotely normal for a recession. It certainly is not normal for any period under which Universal Credit has operated since 2012. I think everyone knows that is true for the number of people who had to be furloughed, because their jobs



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stopped entirely and that is not what any normal recession looks like. It is also particularly true if we look at what has happened to the self-employed, where, even by September, one in six of the previously self-employed had no work at all. The scale of those income shocks is reverberating into our existing social security and support system.

In some cases, we are recognising the inadequacies of the system when confronted with that scale of income shock, which is why we introduced the job retention scheme. In reality, the level of income replacement that would have been provided by the benefit system, had we suddenly brought in lots of people who would never have imagined they would have been relying on the benefit system, was not something people were prepared to countenance from an individual perspective, where there is definitely a fairness question of that versus other times, and it certainly was not possible in the macroeconomic context either.

On the self-employed side, similarly, we have introduced schemes because basically we have decided that we are not prepared to have a level of income support that is roughly half the minimum income standard—actually, it was half the absolute poverty line prior to the £20 a week increase. That is the big picture: huge levels of income shocks; a recognition that the level of adequacy provided by our benefit system was not something that we were collectively prepared to live with.

We are seeing different groups coming in needing support, which is what we have seen in previous crises. That is different in scale but not in nature. The benefit population becomes more middle-class in general as you move into recessions. That will have brought some elements of challenges with the existing benefit system into sharper relief, particularly on levels of rent payments. If you look at what has happened to the labour market bit of the shock, it has been concentrated on renters. The data is encouraging generally on homeowners and the opposite for social and private renters.

The benefit system's problem with not wanting to pay even the increased level of the 30th percentile of local rents means that if you are in a typical rented property, a normal renter who lost their job, you will face quite a significant shortfall on your rent. We are definitely seeing that showing up in the number of renters saying that they are struggling to pay their bills and that is feeding through into hardship. We can see the percentages, with one in five saying that they have stopped paying some essentials to do that.

We are creating new forms of hardship within the new schemes, which is particularly visible in the self-employment scheme, which has very, very rough justice—in fact, unacceptably rough justice for a scheme that has now been running for what will be a year by the time we get to the last payment. To give you an example, we are seeing large numbers of people getting large payments despite having no income falls. They have



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very high replacement rates of well over 100% and are costing us billions of pounds.

Then we have very large numbers—we estimate almost 500,000 in September—who were previously self-employed and had no work in September and received no support at all from the self-employment income support scheme. The hit to the self-employed is far more evenly spread across earners, so it is hitting higher-earning self-employed people, whereas among employees, it is more focused on lower earners in particular. You are seeing big income shocks happening to some of those groups. That might have been understandable given the speed of the initial need to roll out the programme, but makes no sense now.

Broadly, the scale of the income drop is the thing that marks the crisis out. The Government have stepped in to say that the fall in GDP cannot translate into a fall in income on that scale and they have succeeded in doing that in aggregate—a 25% fall in GDP. We did not see that kind of scale in the fall in income; it was probably nearer 5% at the peak of the crisis. That income fall has not gone away over the summer as the economy has reopened. It has slightly reduced but it has not gone away.

There is some very rough justice visible as you go through the system, some of which relates to existing features of the benefit system, such as saving thresholds and means testing in Universal Credit, and some of which relates to the new system, in particular the flaws of the self-employment income support scheme.

**Paul Johnson:** I am Paul Johnson from the Institute for Fiscal Studies. I have three things, reflecting on your question, Stephen, about what we may have learnt as a result of this crisis.

One thing we have learned is that the Universal Credit system works in at least an administrative sense, and it has been quite an impressive performance. The huge spike in claims that we had in March and April was dealt with pretty effectively, so the system has not had the problems that other parts of the public sector have had over the last nine months. I think there is some good news there.

The second thing that we have learned, which we should probably have known, is that there is something slightly odd about running the Universal Credit system alongside the legacy benefit system. To have had the increases in the generosity of the Universal Credit system but not the legacy system has created a range of unfairness. For quite a lot of people coming on to the system, the legacy JSA and so on has been a problem, certainly for those remaining on that. That was obviously unexpected. I think that we still do not know what is going to happen to the supposedly temporary increases in Universal Credit next spring, but if those increases are to be kept, it will be particularly bizarre not to do the same for legacy benefits at the same time and that will require a decision quite quickly to make that happen.



The third thing we have learned—which, to some extent, reflects what other witnesses have said—is that it has been very striking for a lot of people seeing the scale of income loss as they have moved on to the benefit system. Our system contrasts with those in many other western European countries where the benefit system in the short run is designed to replace a higher fraction of income. The immediate cut in the spending of people who move on to Universal Credit is enormous and far more than the cut in the spending of those, for example, who were on furlough schemes. There is a very high probability that they will fall behind on rent and mortgage payments and payments of that kind. Whether that tells us something about how we want to change the system in the future, given that this is a very particular moment, is a very interesting point for debate.

Finally, that is to some extent related to the fact that it is a new and unusual group of people moving on to the system. They are more likely to be graduates, high skilled, higher paid, although on average they remain from lower-paid backgrounds and occupations and on average are very much younger than is normally the case.

**Chair:** Thank you all very much.

Q275 **Chris Stephens:** I have some questions in relation to sick pay and other associated payments and the impact that is having. I will start with Torsten. The Resolution Foundation put together a report that said that seven in eight workers will not qualify for the £500 test and trace support payment and that the statutory sick pay payment is too low and excludes millions of workers. Is not getting the support that workers need while isolating increasing poverty?

**Torsten Bell:** There is a number of ways to come at this. The objective is that we are collectively asking people to isolate, because, remember, the reason we are asking lots of people to isolate is not to protect their own health but to stop the collective spread of the virus—that is our overall policy objective. To do that, we have to ensure people's incomes during that period and you can tell from the compliance rates we are seeing with test and trace that that is not happening. I am not saying it is the only problem with the test and trace regime, and disentangling which problem is causing which challenge is hard, but I think SAGE says that we need to get to 80% and we are currently somewhere around 60% to 70%, so we have a problem.

The system is very complicated. We have four systems for supporting people who are meant to be self-isolating. Sick pay is the one that people tend to think of, which is £95 a week. The 2 million low earners who earn below the £120-a-week threshold do not qualify for sick pay and obviously it does not cover the self-employed either. With all else equal, I think the consensus, rightly, is that our level of sick pay is too low anyway. The Government's own view is that the threshold exclusion of the 2 million low earners was not desirable, but that was their view prior to this crisis.



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Rather than remove that threshold and raise the level during the crisis, in part presumably because of the worry about what you are doing for Covid versus what you are doing for lasting changes to sick pay, which in the UK, with the exception of during this Covid pandemic for small businesses, is paid by the firms nowadays since the change—people still think of it as a benefit but it is not; it is provided by companies in most cases with the exception of this change during the Covid phase for small companies—the Government have instead introduced this £500 test and trace support payment. Our initial response to the Government when they did that was to say to them, “It is very generous for those who qualify for it”. It is much more generous than the previous system for sick pay, particularly because to get it you have to also be on a means-tested benefit. If your earnings are falling, you will be getting your benefits increased and getting the £500 test and trace payments. That would only apply to one in eight workers who are on means-tested benefits.

That was our worry at the design stage. My actual worry now that we are in implementation phase is that no one is claiming this benefit, full stop. There is almost no take-up of this test and trace payment going on, administered by local authorities in England. The qualification is a problem but the problem is bigger than that and I think we need to recognise that.

To further complicate matters, since they introduced the test and trace payment, the Government have now U-turned on their view on the continuation of the job retention scheme through to the end of March, which was meant to come to an end at the end of October. In the real world, that would provide the route for firms to provide income support to isolating workers, but, I have to say, the Government’s guidance on this is very unclear for firms about the degree to which they are allowed to do that. In practice, I think the Government think they basically should do that if they need to help workers isolate, but the guidance does not say that clearly to firms and some of it could be read as saying, “You shouldn’t really be doing that. You should be doing it only if you would furlough them otherwise”.

My honest view is that the answer for now is to give firms really clear guidance that, “You should be furloughing workers if they have to self-isolate”, and we should not be messing around with the other schemes that are much harder to implement, but that is not the long-term answer, because we are going to need test and trace to be operative even when we are rolling out a vaccine.

The vaccine does not remove the need for test and trace until we have got to our end state. To get the most effective control of the virus when we have a partially vaccinated population, we still need to be testing and tracing. The furlough scheme ends at the end of March, so we should for now get on with making sure the furlough scheme provides our income support and then we need to have a proper answer.



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There are obviously groups for whom the furlough scheme provides no support, and particularly the self-employed. If you are self-employed at the moment and you ring up test and trace, they will tell you to claim your self-employment income support payment, which obviously you have already done or you do not qualify for it, so that is not very helpful, or they tell you to claim ESA. That is the fallback option here for people who don't qualify for sick pay or the job retention scheme or the other forms of support. The point Paul was making is that we have not increased the level of ESA in line with the level of Universal Credit, so that is still lower than statutory sick pay payments.

We have a dog's dinner of support schemes going on here. The design problems are significant in the test and trace system but in the real world the actual problem is that no one is getting this thing, full stop, so there is a delivery problem going on. No one has heard of it; people don't ask for it and test and trace is not pushing it. In the short term, we have an answer for that for most employees, which is to use the furlough scheme properly and then we need to sort ourselves out for the end of March.

**Q276 Chris Stephens:** Thanks, Torsten. You have made a number of suggestions there, which I know the Committee will have a look at and see if we can pick them up.

Zoe, I am conscious that your organisation has also put out a recent report that said that insufficient sick pay could contribute to a second wave of the virus. How have the Government responded to the report? Has the view of your organisation changed as a result of any changes or is your view reinforced because of events?

**Zoe Charlesworth:** We still stick with the analysis we did, that people who are reliant on sick pay—I go back to what I said earlier that we only look at the very lowest; those who are on Universal Credit or means-tested benefits—would lose 50% of their income. A lot of people will not be able to cover their bills because of that and they will not self-isolate. We are looking at a 60% drop in income for the people who don't qualify for sick pay, the group that Torsten was talking about.

I completely agree with Torsten. Go to some of the local authority sites to see how you apply for test and trace. There is a list as long as your arm of the paperwork they require, with rules around this having to be applied for within 14 days of the end of isolation and big notices saying, "We have run out of discretionary support so don't even ask for it".

Even if you did find out about it and you thought, "I will contact my local authority and see if I can get this", there are huge barriers put in the way of people applying. I am not surprised. I did not know that it had not been taken up until I heard from Torsten, but, after looking at some of the local authority websites, they are not exactly inviting people in. I think, for most people, sick pay is going to be the main means of support and the drop in income means that most people will choose not to self-isolate.





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Q277 **Chris Stephens:** Thanks, Zoe. Philippa and Paul, just to bring you in briefly, if you look at sick pay and compare it to other countries, the UK is one of the least generous. Do you have a view about how this affects our resilience to the virus, and is there anything you want to say about sick pay?

**Paul Johnson:** I think the key point here is that we want to use sick pay through this crisis for a reason that is different from what it was designed for. As Torsten was saying, the point of it here is to get people to self-isolate even if they are not sick themselves, which is not what the thing was designed for and it is not generous enough to persuade people to do that. It is a moot point as to whether it is generous enough in any case for people who are sick, but it is clearly not going to be enough to persuade people to do something that is essentially a public good. That is why, if that is what you want people to do, you clearly need to do more to support them when they are doing it.

The other point is that we effectively have something like the coronavirus job retention scheme for most employees at the moment, so this may not be a huge problem up to March but we are going to have to fix it past March for this specific reason. It is important to be clear that that is a different reason for thinking about what you might want to do for sick pay in the long run and when it goes back to being essentially about supporting people when they are too sick to go into work.

The second, much broader, question that is raised, which again is simply to repeat what Torsten was saying, is that the self-employed are left with a benefit scheme that has been cobbled together over decades, which did not make enormous sense before and makes vastly less sense now. The second thing that ought to come out of this crisis is a serious look at how we support the self-employed on low incomes when they are sick, when they leave work and so on.

Q278 **Chris Stephens:** I will pick up on that, Paul. You may be aware of the ONS report in July that found that offering staff in care homes sick pay made it significantly less likely that there would be Covid cases among residents in care homes. Do you think that the relationship between sick pay and care for the elderly is sufficiently understood by Government?

**Paul Johnson:** I do not know the answer to that question specifically, but those results certainly bear out the idea that people will respond to the incentives or to their capacity to isolate when they need to. It brings into very sharp relief the idea that this is something that is effectively encouraging people to behave for the public good. That is probably 100 times more important for those who are working in care homes than for those who are working in most other spaces.

**Chris Stephens:** Thanks, Paul. Baroness Stroud, is there anything you want to add?

**Chair:** Apologies, we do need to move on. I will come to you, if I may, Philippa, once we have raised the next question.



Q279 **Nigel Mills:** I will turn to the new support package or at least the extended, varied version of an old one that the Government announced in response to the Marcus Rashford campaign, which effectively involves funding going to local authorities and them allocating it to families in need. What are the panel's thoughts on how effective a route of funding that is and whether the resources there are sufficient to tackle this problem?

**Baroness Stroud:** Thank you for that, Nigel. It was interesting that the free school meals campaign was for £20 million to fund free school meals through the holiday period. What the Government have done is come up with three different packages to tackle this issue. The first is the £170 million that is being given to councils as a winter grant scheme. That is covering December to March and is specifically for food and bills.

I think this time they have learnt the lesson of last time, where it just went into the general pot. This has been ring-fenced specifically for food and utility bills, with 80% of it going to families and 20% of it going to individuals. Local authorities know who are the most vulnerable in their areas and if we want to get this money into the hands of those in the deepest poverty, which is what this is aimed at, this is probably one of the better strategies.

In my mind, I view all the Universal Credit payments as a buffer against general levels of poverty, but this sort of provision is specifically for those who are struggling the most. There is £60 million that has been given to food distribution charities, such as FareShare, and they are also launching their holiday activity and food programme. As a whole package—this was in response to Henry Dimbleby and Marcus Rashford—they are genuinely trying to tackle the issue of food poverty and the trading off between heating and food going on in households, and trying to provide for that going through the December to March period. This is probably a really helpful step in the right direction.

Q280 **Nigel Mills:** You are very confident that councils know who the families most in need are. How can you be so sure? On one level, you think that schools know who has free school meals, so you can quite easily direct the money to them, although I accept that free school meals are not necessarily a great proxy for who is most in need. If families are not engaging with their council, how do the councils know who the most in need are? Are we expecting a claim system for people to apply to in the run-up to Christmas or something?

**Baroness Stroud:** I am not sure how they are going to do this at a local level, but it is interesting listening to Policy in Practice talking about the fact that local authorities do have the data. When we have been working with local authorities, they have been running the Troubled Families programme and have been across the local families in their areas. Some will have the flexibility to give this to schools and say, "You use this in the way that is most appropriate". The point is that they will have the flexibility to do it to solve this particular challenge.



Q281 **Chair:** Zoe, what is your reflection on this?

**Zoe Charlesworth:** We work with a lot of local authorities who do a lot of targeting around households that are in need. We use administrative data and that goes into a dashboard so they can target people who may be in danger of food poverty or low financial resilience. The problem we have is this move over to Universal Credit. The particular problem at the moment is that there is a gap. We are seeing people drop off legacy benefits who appear a couple of months later but there is a gap while they are waiting to claim for council tax reduction. They only come into the local authority's vision if they claim council tax support because Universal Credit data is not shared.

Under legacy benefits, all the data was shared with local authorities because people were making housing benefit claims, so they had an awful lot of visibility of poverty in their area. With Universal Credit, that is only shared if the person has indicated they want to make a council tax support claim. That often comes further down the line because a lot of people will not claim. They don't understand they need to claim council tax reduction initially, so you have this gap.

There is an awful lot that local authorities can do with targeting, using their data, if they have the resources to do it. We have to remember that local authorities are really struggling at the moment. Unless we get to the stage where DWP automatically shares all Universal Credit data with local authorities, we are going to be stuck in the position where local authorities will have this sort of gap in visibility of a lot of people in their area and they will not be able to help them in the way they did in the past.

**Paul Johnson:** I think the question was initially partly about free school meals but I think this raises a big question about how we see the benefit system. We have moved over a long period—Universal Credit is the last part of that move—to a very rules-driven, centralised system, from a century or more ago where it was very much locally administered and much less rules-driven. We have basically designed a system that is an income-based, income-replacement system with a few little bits, like free school meals and one or two other things around prescriptions and so on where we give individual uplifts but we leave people to spend the money that we give them.

The focus on free school meals out of term time and so on brings a different, almost philosophical perspective to this because you could equally achieve the same thing in value for people in income terms by increasing the rates of Universal Credit either in and out of term time or out of term time. Clearly, the free school meals within Universal Credit is a cliff edge; you either get it or you don't. It is not tapered away like the rest of the system.

I think what we are learning through the use of food banks and the popular call for support on the food side is that there might be a case for



a system that is possibly more locally driven, possibly more focused on particular things like food or fuel, which is different to the way that policy makers have been thinking about this for the last numerous decades. I am not saying it is the right way or the wrong way, but I think it is quite a challenge to the model that we have simply come to accept here.

On the sorts of things that the Committee might think about, one of the deeper issues that this crisis has thrown up is about what we want from our system. If you asked people not so long ago whether the right way of supporting people on very low incomes was effectively through something that looked a bit like food stamps or doling out particular kinds of goods, that might have offended people's sense of liberal desire to leave people to spend their money as they wish. It is not clear; it looks like that consensus is breaking down a bit and that is an interesting thing to look at rather more.

**Q282 Nigel Mills:** The problem about a cliff-edge system of course is that it is great if you are the right side of it. If you are one of the 1.7 million children whose families do not get free school meals because they are earning slightly too much, it is not so good because you get absolutely nothing, do you? Is that another sign that we have a problem here and we need to try to find a system that gets to everyone who needs the help and not draw an arbitrary line somewhere?

**Paul Johnson:** I think that is exactly right. That is the problem with cliff edges and, you are right, people who are just the wrong side of it lose out in a big way. I do not know how people respond to this but it clearly means you are better off if you earn a little bit less, and that is exactly what Universal Credit was intended to avoid.

**Torsten Bell:** Let me go on from where Paul's thinking is going. The national focus on the issue of poor children, and particularly the food that poor children get, has been a good thing, particularly as a sign for children that the whole of society cares and not just their individual support networks. We are having a discussion here about roughly in the order of £200 million-worth of spending without a lot of clarity, as we have discussed, about how some of it is spent. By contrast, the £9 billion-worth of extra benefit spending that the Government put in place in April dwarfs it many times over and is much more important for supporting poor children.

Even though the way in which we have done the £20 a week Universal Credit increase—which is a per-household payment of £20 rather than taking into account the number of people and the number of children, in the family—is not optimally targeted, it is so large and Universal Credit payments are so focused on young families, in particular, that this is what matters for whether people can look after their children. They are getting support from society that we owe to those families. I slightly worry that we have spent a lot of this autumn talking about this, as a relatively small issue.



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The real issue is that the Government are delaying announcing the semi-inevitable—that they will be maintaining the £20 a week Universal Credit payment into next year, at some level disagreeing about whether they announce that in the Spending Review next week or wait until January, and that is a problem. Telling families that they may or may not have a £1,000 reduction in their income next April only two months before it happens is madness. That is what we should be focused on while welcoming the focus on children and poor children in particular.

The big picture, if we think about the debates about child poverty in our country, is that child poverty has been creeping up for the last five or six years. What it will do during this recession is complicated but in measures of absolute poverty, we will almost certainly see a deterioration, even though the relative poverty measures are complicated. That is what we need to make sure we are focusing on, as well as some of the smaller schemes.

**Q283 Nigel Mills:** Are you optimistic that the £20 uplift will stay for at least for another year?

**Torsten Bell:** For at least another year, yes.

**Baroness Stroud:** I want to comment, following Torsten's comments just then. He is absolutely right. We are currently doing some modelling work to look at the poverty impact of the pandemic and of the Government's process, which we will send to the Committee. We are hoping to publish it next week. It definitely shows the shielding impact of Universal Credit in protecting large numbers of people from falling into poverty.

What is interesting about this £170 million is that it will never show up in any poverty data because, in effect, it goes straight to the experience of people who are poor and improves their experience but does not actually improve their pocket, as it were. When we have these discussions, we can be talking about something that dramatically improves the lives of vulnerable people and those in the deepest poverty but never shows up in a statistic anywhere. It is interesting for our poverty conversation.

**Q284 Sir Desmond Swayne:** Philippa, the experience of Henry Dimpleby at the food bank in Tower Hamlets was that the most important thing that was dispensed was actually advice. We are told from the Trussell Trust research that seven out of 10 food bank users have, in the preceding 12 months, experienced some form of traumatic experience in their life—separation, violence or addiction. Last week, we were told that children who were not at school during lockdown had forgotten how to use a knife and fork or to control their bowel movements. To what extent is the question one of simply more money to address poverty, or is there an intensive care that is absent that needs to be provided?

**Baroness Stroud:** Thank you so much, Desmond. The reason why we have structured the Social Metrics Commission measure of poverty in the



way we have—which is a balance sheet of income, persistence, depth and then the lived experience indicators—is that poverty is not just about money. It is about money, but it is not just about money. In terms of our most vulnerable families, it is interesting when you talk about the shock of violence. These families are more likely to experience violence, to be a victim of violence, to have only one adult living in the household. There are many social factors connected with the issue of poverty that we need to be addressing as well.

As we improve the lived experience of people, we improve their mental health and their actual health—we are seeing a huge correlation between Covid and poverty at the moment, so not just their mental health but their actual health—we then enable them to earn their own way out of poverty as well. I think you are right to draw attention to the multifaceted nature of poverty. There will always be a huge debate about cause and effect: does ill health cause poverty? Yes, but do those who experience mental illness and ill health find themselves poorer? Yes. It is both.

**Q285 Sir Desmond Swayne:** It does include more money. We need to know how much more money and the impacts that that will have. Coming to you, Paul, on comparisons with average earnings and aspirations to close— [*Inaudible.* ]—between earnings and the benefit system, do they come with a danger that unemployment performs like any other commodity, so the more you pay for it, the more you will have of it? Certainly, many of us have experience of enterprises that have been unable to fill vacancies because their perception is that it is not worth people's while leaving the benefit system to take on that employment.

**Paul Johnson:** Perhaps I can just start by saying that the sound quality from that room makes it almost impossible to hear. I think that you were asking about the possible impact of increasing benefits on incentives to work. Is that right? I do not know if others are having this problem but all of you speaking from that room are very, very hard to hear. But is that right?

**Sir Desmond Swayne:** That is right.

**Paul Johnson:** Yes, of course you are right. The higher the level of benefits in general, the more that that can create disincentives to work, but in a sense, it is not quite that simple. It is worth saying that there is some evidence that having higher levels of benefits for a period gives people more of a chance, if they do lose their job, to find the right work to go into rather than going into the first job that they find. The match between the individual and their skills and the employment they find can be better. That may be a case, as is frequent in a lot of other jurisdictions, for having a period—maybe three months, maybe six months—of higher benefits, because the impact, the purpose of our very low levels of benefits, is that people are encouraged to take the first job that they can find.



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Again, there are trade-offs there. Being in work is incredibly valuable relative to not being in work in terms of future movement, but equally, moving someone who is high skilled into very low-paid, low-skilled work because that is necessary given the low levels of their benefits, may be costly. There is a trade-off there.

Secondly, of course, the whole purpose of the tax credit system and then the Universal Credit system is to improve the incentives for people to move into work by continuing to pay benefits while people are in work. But that again comes with a trade-off because, within the Universal Credit system, the effective tax rate is really very high over a significant period, so the bigger the incentive to move into work, the bigger the cost, or the lower the incentive of then moving further up the income distribution or achieving a promotion, or what have you.

You are absolutely right. There are trade-offs everywhere here. There is no simple answer. Simply saying that it would be good to increase benefits clearly comes at the risk of reducing incentives to go into work, so you need to design these things very carefully. You need to have conditionality. You need to have conditionality regimes, but you need to trade that off against the desire and the need to have benefits that are adequate for people to live on, and that give people time to move into work that is appropriate for them and results in the right match between the employee and the employer.

**Chair:** I can see others want to come in but we are a bit pressed for time. I will ask Siobhan Baillie to put her question and then, if our witnesses can pick up any additional points that they want to make on Des's question in answering the question from Siobhan, that would be great. We are trying to sort out the sound issues, by the way, and I apologise for the difficulty you are having.

Q286 **Siobhan Baillie:** How feasible do you think it would be for DWP to link the rates at which benefits are paid with measures of the cost of living? I am thinking about the Joseph Rowntree Foundation's minimum income standards strategy. Can I ask you, Zoe, to talk about your work on Londoners' level of income, because I know you have done some reports on that?

**Zoe Charlesworth:** Yes, I will get on to that. I just want to go back to the previous question. Looking at the data we have on people who are claiming means-tested benefit, under 20%, depending on the local authority area, are expected to work. The majority are living with illness, living with disability or caring for infants. To design benefit levels that do not impede people going into work is designing a whole benefit system around a very small group of people who rely on means-tested benefits, and we need to consider that. I do agree that there does need to be some sort of level of conditionality, but not at a level that prevents people and puts them off claiming Universal Credit until they are in a crisis situation.



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Whether benefit levels should be linked to some sort of minimum income standard, I think that is the normal one. Back in 1979, of course, it was. Most people here were not alive then, but when I started in benefits, benefits were linked. They were called the needs allowance not the applicable amount. It was based on the amount somebody needed to live on. It was based on the lowest level that anybody needed to survive. That link was broken. We increased it by RPI and then CPI.

The fact is that we now have a welfare safety net underneath our welfare safety net—the welfare safety net is no longer the means-tested benefits or the discretionary support that surrounds it; it is discretionary housing payments, local welfare assistance, free school meals. There is now a welfare safety net underneath a welfare safety net.

It would be good to bring some sort of link back where we could say, “This is a minimum amount we expect people to live on”. If we do not have that, we end up doing things like taking off 30% because we think that is how much people should be paying back for an advance, and we start reducing it because of sanctions. To have an amount that says, “This is a minimum that people are expected to live on” seems to me an obvious way forward. It is going around in circles. It is going back to where benefits were, but it seems the obvious way forward.

The low-income Londoners project has been really interesting. We have just done the last analysis that took us up to this year. We are finding that about a quarter are likely to see at least a £100 drop in income by the end of next year. We are seeing that 20% more Londoners have moved into not being able to make ends meet.

What is interesting is that the London figures are very different to those outside London. Outside London we see probably about 16%—and with the new benefit uplift, that has gone down to about 10%—of people who cannot pay their bills. In London, it looks like, by the end of the year, it will be about one in four people who are on means-tested benefits. Obviously, this relates to rental costs in London and additional costs in London.

**Baroness Stroud:** Touching on the previous question and then this question, Universal Credit was designed to incentivise work. There are three parts to it. The first is the work allowance, which rewards the move into work. The second is the taper, which rewards progression in work. The third is conditionality, which was the push in that direction as well. Within that context, you can then set it wherever you want to.

That is the link through to the last question, which was whether the benefit system can be structured around some sort of minimum income requirement. It absolutely can. The DWP benefit system is only a vehicle through which money is then pushed. You can alter the levels by policy decisions. I think we have had this discussion at the Select Committee before.





What is interesting is that we are having this current debate around poverty and income levels and there is, to date, no agreement as to what actually is poverty. There is no agreement around what a minimum income standard should be. We do not know what level our benefit system is even trying to hit. It has completely lost any link with poverty or income. There is no strategy for tackling poverty, so we are making these stabs in the dark. There is no dashboard of data saying, “We have a problem over here. We do not have a problem over here”.

My big concern is this: we are walking through a major pandemic in the dark and we are making Government decisions, some of which are very good, but they are in the dark. We really, really need to decide on what we as a society believe is poverty. We need to measure it; we need to track with it and use it as an early warning system to prevent vulnerable people from being hit. It is a serious matter that we are going into Budgets and Spending Reviews and we are spending £200 billion, but we have no sense at all as to the impact on poverty. That is concerning.

**Q287 Siobhan Baillie:** Just before we move on, as a cheeky out-loud thought, I have asked the Chair to think about putting on to the agenda for a future debate a look at reviewing poverty measures, because there are always arguments in the media. I think it is confusing for the public and it would be quite helpful. I also understand that the Government did make commitments to look at these issues and have not fulfilled them, so we should be looking at that. I am interested to know from the rest of the panel whether you think it is now time to have a proper review and a proper look at the poverty measures, as well as thinking about minimum income.

**Torsten Bell:** We need to be clear what is a theoretical consideration that should appear in some economic journals and what is a real-world thing that we should be thinking about. On the levels of benefits and the challenge on the incentives to work, obviously we should always be thinking about that, but in the real world, if we do not keep the £20 a week next April, we will have the lowest real-terms unemployment support we have had since 1990 and we will have the lowest ever compared to average earnings. It may be that there is a theoretical constraint; that is not a binding constraint right now.

Secondly, what does the empirical work show us? Yes, levels of benefits can affect work incentives, but they affect certain groups in particular. The effect on the main earner in a household is not that large. We do not see big effects from benefit changes, for example, on male prime-age earners in particular. They are much more significant in their impact on second earners in households. That is why some of the challenges with the way in which we have—as Philippa says, they are not essential to the way in which Universal Credit works but we have now baked in a system that does not provide as strong a work incentive for the second earner to go into work as the first. That is where we know financial incentives matter most.



If you are worried about work incentives, first base it on the real world, not on theory. Secondly, we have learnt a lot over the last 20 years about which work incentives really matter, and it particularly matters to second earners. That is not about the overall level of the benefit payment. It is specifically about how we design a support where there is no work allowance for the second earner. That is where our work incentive worries should be focused.

The challenges we face are about combining our concerns about the very poorest and the level of income support that is being provided to them. That is not the thing that has driven the big changes in benefits and to the JRS and the self-employed income support over this crisis. This is to do with levels of income replacement for people during a shock.

The reason why we are taking a different approach now is worth reflecting on, which is that the anxiety about whether people can go straight into another job is very different in an era where no one is going into new jobs, full stop. We are all focused in the news on redundancies driving up unemployment, but as important in driving up unemployment is that nobody can find a new job. That is happening because the labour market has been semi-shut down over the course of the last eight months. That is why the persistence of the income shock as well as its size—and not just size relative to a poverty line, but size relative to what people's expenditure was set at prior to having that income shock—is so important. That is the reason underpinning why we have ended up reinventing a social security system within the course of about two weeks at the end of March and in early April.

I think, in general, that the level of the conversation around some of the job retention scheme discussions is all about how many months exactly we should keep the scheme or what level we should ramp up the employer contributions to. In the end, the bigger picture is that your view about what is a fair way of providing income support changes, it turns out, when a crisis hits and particularly when it is an unusual crisis where the state is doing more of the causing of the crisis by asking people to shut down bits of the economy.

What we need to decide, which is going back to something Paul was saying earlier, is: how much of that do we think should apply maybe in all recessions? Should some of it apply in normal times, and where does our view sit when we are trying to deal with the poverty problem and the scale of the income hit for people even if they do not get to poverty, because they cannot stop paying rent that was well above average just because the benefit system is not set to provide for them?

**Chair:** Paul, you may have something to add to this but can I bring in one final question, because time is pressing, before I come to you? It is a question that Steve McCabe wants to ask.

Q288 **Steve McCabe:** I want to ask very quickly about the deductions from Universal Credit payments for outstanding debts. I think the Department



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says that 40% of all Universal Credit claims are subject to debt repayment reductions, with an average of £60 being deducted. I know that there was a pause at the start of the pandemic and then some of the repayments started in July. I think that during the pause, Universal Credit advances were not included.

I wondered two things. First, do you have a view on the impact of deductions in the sense of how likely they are to push people into poverty? Should the DWP be required to take into account people's ability to pay, as is required when we are looking at private sector companies?

**Chair:** I should say this is the final round of questions for this panel, so I can take a comment from all of you. Paul, do you want to respond to that question or the previous one? If you would like to say something, please do.

**Paul Johnson:** I will respond to the previous ones. Others will be in a much better place to respond to that question. The previous question was about whether we should have broader ways of thinking about measuring and looking at poverty. I think the answer has to be yes. Indeed, there are official statistics that give us interesting indications that go beyond the straightforward fractions of below 60% of median income and so on, which is what we tend to use.

There is at least some good news within that, which is quite related, to some extent, to this concept of what is the amount of money that people need to live on, because people are also asked: do they have enough money to feed themselves or keep warm, keep up with bills and so on?

The numbers, for example, saying that they do not have enough money to keep their home warm or to keep up with bills and debt repayments, or to replace broken goods and so on, have fallen reasonably significantly over the last decade or so. This is up to 2018, rather than through the pandemic when no doubt these numbers will have changed quite dramatically. Those sorts of numbers, based on people's actual capacity to pay for things, are published by Government and are collected in the main household surveys but get remarkably little focus, relative to the big numbers.

Part of the issue here is that obviously poverty is multidimensional. We all try to find single numbers to measure poverty: that X% of the population are in poverty and Y% are not. That captures a lot and it is much easier to communicate, but it is important for those who are making policy to be aware of a much wider range of information, including the JRF work on minimum income standards, including the numbers on means-tested benefits who are struggling, including food banks and including the numbers I have just quoted.

We have an inevitable tension between single numbers that are telling the overall story in a straightforward way and numbers that policy makers should be using—the kind of dashboard that Philippa was talking



about— where it really is important to have a clear dashboard to work off.

**Zoe Charlesworth:** This was an issue that came up in some work we did with the Joseph Rowntree Foundation around the drivers for people not being able to manage on Universal Credit. It was the interrelationship of various different drivers. One of the big ones was taking the advance. In the datasets we looked at, a quarter of people were having advances made of more than 20% of their personal allowance. I know typically it is 30%.

I do not know if you have CPAG on your next panel, but I know that it is taking a judicial review on this because the regulations do specify lower amounts—25% for earners and 15% for non-earners. DWP argue this is an offset, rather than a loan, so high levels can apply, so we might see it come down anyway. It was one of the particular drivers to people not being able to manage on Universal Credit over the subsequent months. I am happy to send the report to the panel after this. It definitely feeds into the question.

On your question about whether there should be an individual assessment—absolutely. That is a key conclusion of the report. It was that it is not an individual—it is not a one-size-fits-all. It is a combination of various things that will mean whether an advance would cause people ongoing poverty issues.

You have got the balance, haven't you? The benefit system has to make a balance between having a simple system—which really proved itself under the pandemic and the number of people it has managed to get on to benefit—and that more individualised response. When it comes to asking people to pay back so much of their personal allowance, probably an in-depth personal assessment of all the factors that would cause poverty in the long term should be taken into account.

**Baroness Stroud:** If I look through our Social Metrics Commission lived experience indicators and we look at households that are behind with a bill, 27% of them are behind with a bill as opposed to 7% of those not in poverty. Of those in poverty, 70% have no adult in the family that saves, as opposed to 38% of those not in poverty. A third of Brits have less than £600 in savings.

When you look at those sorts of financial circumstances before you even start, and then you look at the debt repayments that are required on top of that, you can see that households are dealing with such small margins here—the trade-offs that they are having to make all the time. If they pay this repayment over here, they are almost paying the cash flow—“Well, I can go to the food bank if I pay this debt over here, but next week, if I don't have to pay that debt, maybe I can buy fresh vegetables”. These are the trade-offs that people are genuinely making.



I like the idea—I had not heard of it before—of doing some sort of assessment on debt repayments: is it actually possible for this household to repay all of these different debts that they might be having to handle? On top of that, in Universal Credit you obviously have the tax-credit debt that these households were not expecting. Many of them did not know that they had these tax-credit debts. They move on to Universal Credit and suddenly find there is a backlog. I have said so many times that I think that needs to be dealt with and should not be brought forward into Universal Credit.

**Torsten Bell:** I agree with everything that Zoe and Philippa have said on debts. All I would say on that is that we could do with quite a lot more data from DWP on the levels of debt collection that are going on—in fact, data on the level of debt more broadly that is within the benefit system is badly lacking, beyond the 41% headline of people who are having deductions, most of which will be about advance repayments, but we do not know anywhere near enough about that. That is a serious problem.

Within that context—particularly given that we are talking about this at the stage in this crisis where the hopes that people expressed about this being a short, sharp shock have gone away and we are recognising this is here for the longer haul—the need for an assessment on things like debt collection and on the level of benefits has to recognise that persistence matters as much as the level of the income shock.

If we look at people who were lower income in September than they were pre-crisis, 81% of those people had also had lower income in the lockdown phase of this crisis. For lots of people this is now a persistent income hit. Among those groups where it is persistent, we are seeing higher material deprivation. We are also seeing that they are much more likely to take on debt and we are seeing people with the lowest levels of savings being most likely to draw down on them.

A lot of the time our discussion about adequacy levels is about—if households were companies, we would say it is the profit and loss. It is what is happening in that particular time period. What the persistence of this crisis is doing is throwing more of the pressure on to those household balance sheets—on to their debt levels and their savings levels. It is crucial that that is taken into account when DWP is making decisions. What someone can afford, in terms of the level of their benefits that are being clawed back by way of debt repayments, is materially affected by their savings and their debt positions, more broadly. We cannot ignore the persistence of the crisis on that.

**Chair:** Thank you all very much. Thank you for giving us a very interesting and thoughtful session. Thank you for joining us.

## Examination of witnesses



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Witnesses: Andrew Forsey, Stella West-Harling, Jason Strelitz, Samantha Carter and Gary Vaux.

Q289 **Chair:** We now move on to the second panel, who I welcome. I think you were all listening to the first one, so thank you very much for doing that. There are five people on the second panel. I would like to ask each of you in turn to introduce yourselves and tell us very briefly about the work that you and your organisation have been doing during this pandemic, so we have a sense of where you are coming from for this.

**Andrew Forsey:** Good morning, Chair, and thank you for inviting me to contribute to this morning's session. There are four main types of provision that we set up in support across our network. The first of those is called Pathways from Poverty, under which we commission specialist benefits and advice within food bank settings. That is helping people who have already been referred for help on the grounds of low or no income.

Secondly, under similar referral criteria, we support fuel banks within those settings for people who cannot afford to top up their gas or electricity meter at home. Thirdly, we support a network of citizens' supermarkets, which provide low-cost food and similar kinds of support for people who have yet to hit crisis points but are just about keeping their heads above water from one week to the next. That operates with a membership scheme for people either meeting a certain income threshold or who live and work within a certain area.

Fourthly, there is our programme of school holiday food and fun for children and their families, which, although it operates along universal lines, is based almost exclusively in areas of relatively high deprivation. Practically, every family drawing on that support is either eligible for free school meals or just above the threshold, about which we heard in the first session.

**Samantha Carter:** I am Samantha Carter; I am from StepChange Debt Charity. I am a debt adviser here so my job role is to be on the frontline speaking to clients who are in financial difficulty. A lot of our advice is based on problem debt, financial difficulty and low incomes, but it is also about trying to balance people's budgets—anyone who is in a deficit budget and struggling, a bit of money management and trying to get them to a position where they can balance and move forward.

**Chair:** Thank you. Just a word about how your work has changed during the pandemic.

**Samantha Carter:** It has certainly become a little bit quieter, just because of payment holidays and things like that from creditors. We have also seen an increase in people on reduced income come in, who potentially were not in any problem before but are now struggling all of a sudden and it has been for a prolonged period of time, so it means that they may have exhausted all of their financial resilience and are now



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coming to us as a completely new set of circumstances that they have never seen before.

**Stella West-Harling:** Thank you very much for inviting me along. I live on Dartmoor, which is a beautiful place to be, and I have a number of hats. I will start with the first one, which is that we have something called the Dartmoor Community Kitchen Hub. This is the first of a number of kitchen hubs that we are wanting to set up, so it also acts as a research model as well. At the moment, we are providing nutritional meals for the elderly in our area as well as a hot meal service. We also had a loneliness café, which we had to close when Covid struck, which has been very much missed. We had 600 members and it was very popular.

Our research is looking into a national nutritional standard for the elderly. I will not go into that, because it is quite lengthy. In March, we started a food bank to deal with the crisis in our area, because our elderly people initially contacted us and they could not get food because there was no food in the shops and there were no fruit and vegetables. Then we started getting people who could not afford to get food. That has been what I have been involved in now. It is quite a big project now with the food system.

**Chair:** Thank you very much indeed. We will raise a number of those points with you as we go through.

**Jason Strelitz:** Hi everyone, I am Jason Strelitz. I am Director of Public Health in the London borough of Newham in east London. Quite clearly, the pandemic has touched every aspect of local authority life. The provision of support around food has been one very major aspect of that. We started early pre the first lockdown. We identified that this was going to be a massive need in many ways that the previous witness spoke about—initially with real challenges around people isolating at home and unable to get food, and supermarket shelves going empty. That evolved and emerged into a wider economic challenge as well, as the pandemic evolved and developed.

Through the pandemic, initially we had our Help Newham, which was around a huge amount of delivery by the local authority to people who had food poverty, food security and access issues, as well as working with the local authority. That has evolved over the months into a very large operation with our community and voluntary sector, and with faith organisations, trying to ensure that we are able to tackle the food security issues that have mounted up in the borough over these past few months.

**Gary Vaux:** Thank you for inviting me along. I am head of a Money Advice Unit in Hertfordshire County Council, but I am here today also representing the National Association of Welfare Rights Advisers, which is the umbrella body for advice workers in both the statutory and voluntary sectors. I am also on the board of trustees of rightsnet, which is the information service that welfare rights officers have.



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In my job in Hertfordshire, as well as managing a team of 25 frontline advisers, I have also been involved in both the test and trace and the winter support grant and free school meals debates. I was very interested to hear some of things that were being said earlier about how they work, particularly the relevance of the free school meals payments. Obviously, we are very pleased to see free school meals extended over the holidays, but that gives a value of £30 for the two weeks over Christmas. We have families in Hertfordshire who are benefit-capped and the average loss there is nearly £230 a month. There are 150,000 families, and that number went up 93% between February and May of this year, so although we are very pleased about the free school meals money, you have to set it in context. The biggest driver for poverty for those families is not the availability of free school meals, but the fact that they are losing maybe £250 a month from their Universal Credit because of the benefit cap.

**Chair:** Yes, we will certainly come back to that. Thank you very much indeed.

Q290 **Selaine Saxby:** Good morning. We have had a lot of evidence from people like the Independent Food Aid Network and Feeding Britain to say there has been a truly staggering increase in food bank usage and of debt charities, like StepChange. We have also heard that it is quite hard to quantify that increase. Do you have any data that you could share for each organisation in terms of how many people you are seeing who have never needed these sorts of services before and what sorts of trends you expect to see as we head into the winter?

**Andrew Forsey:** Broadly speaking, one in five people seeking our help are doing so for the first time, without having really contemplated before not being able to put food on the table for their families once they have paid their housing costs and their utilities. There have been sort of three broad phases that, in a weird twist of fate, have overlapped with the three categories that Charles Booth deployed in his early 20th century study of poverty: namely, the very poor, the poor and the comfortable, as he called those three groups.

In the first few weeks following lockdown, it was the very poor, whose low income had been often compounded by isolation, who were among the first group to seek our help. They were swiftly followed by the groups whom Booth would have referred to as the poor, namely those whose work from zero-hours contracts, temp or agency gigs all of a sudden disappeared. Together with the Independent Food Aid Network, there were reports of people who turned up for work one day and were told, "Sorry, we don't need you. We'll call you again in a couple of months" and they needed to turn to the food bank to feed themselves.

Thirdly, there was the group to whom Booth would have referred as the comfortable—namely, those who were doing relatively well from self-employment or in some cases full employment with retail and hospitality firms, whose savings were drawn down in those first couple of months of





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the pandemic and, come June, the savings had run dry and they really needed to turn for help to their community to put food on the table. Those have been the three broad phases since March that have led to one in five people seeking help for the first time.

**Jason Strelitz:** Just to put another kind of data forward as an answer to that question, in the first quarter of this year, our understanding from FareShare, who are huge partners in distributing surplus food, is that about 8 tonnes of food from FareShare came into Newham, so pre-pandemic. Since then, from FareShare alone—and we have other partners—627 tonnes of surplus food have come through the borough. As a local authority, we are working collaboratively with FareShare to distribute that to food banks, community and voluntary organisations who are then getting it out to our public in need. It is an absolutely staggering step-change in the amount of food that is coming through the borough.

It is important to say that most of that food is directed towards issues of food poverty rather than the food needs of the shielding population. We have largely different mechanisms for supporting those who can afford food but are self-isolating due to shielding reasons. Most of that additional food is absolutely about trying to address issues of food poverty.

**Samantha Carter:** To put some figures on what we have seen differently, we have seen a huge reduction in income mainly from lower furlough payments. People were living off commission and tips and things like that. We have seen, in September, 43% of people over the phone who are now claiming Universal Credit who maybe have never claimed anything in the past. That is fine, because they are getting the initial Government help but they are just not aware of what other help is available out there. I have never mentioned so much on the phone, “Do you know about council tax reductions?”

People talk about sending their children to school with school uniforms from last year because they do not know that there is support to fund that. Signposting to food banks has never been so apparent—just to say, “I’m living off one meal a day” and for us to say, “You can’t do that. Are you aware of food banks out there?” We are pushing that support because they are making difficult decisions to choose between keeping a roof over their heads and feeding their children first. They are putting themselves in perhaps compromising positions in having to make those decisions and choices.

**Chair:** Thank you, Sam. Stella, do you have any numbers from your work that you could tell us?

**Stella West-Harling:** Yes. We had only 20 people out of the 130 people coming to the food bank—and that was a broad spectrum of the community as well, with all the sorts of people the previous speakers have mentioned; the newly poor, as we are calling them at the moment—



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who had ever used a food bank before. We had some tragic people who were absolutely empty, with no food in their houses, before they came to us. I found that very difficult to deal with, because they were emotionally distressed. People do forget that poverty is something that creates so much anxiety and stress throughout the whole of the family, not just one or two people.

It does make a huge difference if they have some support, but it is very hard for them to want to come to a food bank. They find that very difficult, and we have a lot of them here in Devon because of hospitality and tourism. We have a lot of hospitality businesses that are not operating at all or have done takeaway meals and things like that to keep themselves going. We have been hit very hard by that.

Q291 **Chair:** Stella, on the 130 people you mentioned, what is the period over which they were coming to you?

**Stella West-Harling:** We started the food bank on about 20 March. That was up to about June, because we had a dip of people. Some people came and went. We have a range of people of all ages who are, what I would say, long-term people who do not have enough money to feed themselves or their families. I have numerous examples of that.

I did a brief look at what people were getting in terms of benefits and there was a huge gap. Almost £100 a month was missing because the benefits were not enough. We have heard from the other panel about the availability for going to the council for extra support, but our councils are looking at the moment at trying to save £3 million, so it is very difficult for them to be able to help too many people.

**Chair:** Point taken. Selaine, is there anything you want to pick up further?

Q292 **Selaine Saxby:** Yes, I just want to follow on the point that Samantha made about people not knowing what other help is available. We are all obviously very aware of food banks and recognise that, in Maslow's hierarchy of needs, that is the first thing that you need when the money runs dry. Moving beyond that immediate sign, what other support do you think the Department should be putting forward at this time to address some of this? I would be interested to hear from all of you.

**Gary Vaux:** We are working with our partners in Citizens Advice to get advisers attached to food banks because we see that that is obviously very important. We also realise that some people will not go to food banks, so we are using different methods to reach out to people, one of them being a project we just started where both ourselves and Citizens Advice are going to be picking up referrals from GP surgeries under the social prescribing model. We will get referred on people coming into their GPs with stress, anxiety and all the mental health issues that are arising out of the pandemic. They may not be coming in specifically for benefits advice to their doctor's surgery—they are coming in for antidepressants—



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but we are getting those referrals sent through to us as part of the package that we can support people with.

Looking at benefits issues, I echo what Samantha said regarding knowledge of things like council tax. In many of the cases, we are not seeing unemployment so much as under-employment, where people have dropped their hours from 24 hours a week to 15. They are not seeing themselves as unemployed; they are just seeing themselves as flat broke and that is what they are having to struggle with.

From that, with a lot of the clients that we see in my own organisation—and I think this is echoed in welfare rights units across the country—the poverty caused by the pandemic is often linked to other aspects that also bring them into poverty. There could be a disability as well as the poverty. There could be caring responsibilities as well as poverty.

We are seeing a lot of people who have taken the opportunity to study while on benefits because they realise that maybe there is no employment opportunity. When they try to access, particularly, further education, they are finding that the benefit system does not work well with further education. In higher education at least, there is student finance. In further education, there is not. Many people see the opportunity of maybe getting better qualifications and then are finding that, when they do, they are stymied because there is very little or no support available to them.

It is not just the pandemic. It is often linked to another measure—a disability, caring or becoming a student. We cannot just concentrate on the poverty issues; we have to look at the holistic needs of that family. They are often much broader and deeper than the straightforward, “You’ve lost £50 a week”. There are often lots of issues within each household on top of the immediate poverty.

**Q293 Chair:** Thank you. I can see that Jason is indicating something—I will take Jason, and then Chris Stephens wants to pick something up in this area before I bring in the other witnesses.

**Jason Strelitz:** I strongly echo what the previous witness said. We absolutely see presentation with food shortages as a symptom of different things that may be going on in that person’s and that family’s lives. We have created a social welfare alliance to work with our 32 or more partners delivering food support in the community to try to be able to wrap around people better, to be able to support people and use that moment of coming forward to identify what those underlying needs are, whether it is debt advice, access to advice around entitlements—in our context in east London there is a big issue around immigration advice, where there are significant numbers of people with no recourse to public funds—or whether there are the health issues that the previous witness mentioned as well: mental health issues or other physical health issues and disability issues. It is about how we can use that moment to wrap around the right support, but it is a massive challenge.



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As another witness mentioned, the challenges that local authorities face in terms of resources right now means that marshalling the level of advice and support that is required is a challenge. We are doing what we can to build a community of partners, right across the council and our local voluntary sector, to do as much as we can and put it in a place where it is most needed.

**Q294 Chris Stephens:** Jason has pre-empted my question in relation to no recourse to public funds. Obviously, we are seeing this as an issue in terms of increased food bank use, which is certainly the case in Glasgow. Jason, do you think that the no recourse to public funds policy should be suspended during the pandemic?

**Jason Strelitz:** As a director of public health, I come to this kind of question both from the issues of concerns around poverty and social justice and of managing the pandemic and infection control. On both counts, that would be an appropriate thing to do. As well as the real hardship that there is in our community, we are also seeing long queues of people who are destitute and, therefore, queuing up for basic support in ways that are not conducive to managing the pandemic. What we know less about—to go back to this—are housing situations, which are probably very, very suboptimal from the perspective of managing the pandemic. On both fronts, I would absolutely say yes to that question.

**Q295 Chair:** Can I check whether any of the other witnesses wants to say anything about no recourse to public funds before I go back to Chris for a further question?

**Gary Vaux:** Yes, certainly the reports from welfare rights officers around the country is that no recourse to public funds is an issue from both the poverty side and from the public health point of view. The test and trace payments are almost designed not to reach people with no recourse to public funds. They tend to be very much in the professions, industries and workplaces where there is probably more danger than there would be in many other occupations—so yes, it would make a great step forward from both the poverty and the public health point of view if the no recourse to public funds policy was looked at again.

**Q296 Chris Stephens:** Can I just refer the Committee to my entry in the register of Members' interests? My question is specifically for Stella and Andrew in relation to those who are being supported for the first time. I want to ask about the trend: is there any particular employment status we are seeing that you are spotting for the first time—those on zero hours contracts, for example? Of those who are being helped for the first time, are there any particular sectors of the economy we are seeing where there is an increase in food bank use?

**Stella West-Harling:** In our area, as I say, we have hospitality and tourism and it is a rural economy, so we do have a lot of people coming to us who have been furloughed. Having been furloughed, of course, they lose that 20% because the employer cannot afford to pay it so their



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wages have gone down by 20%. Basically, that is their food money and expenses. That is the main number of people; we have had quite a few of those. We have had a lot of people recently being made redundant after furlough, which has also been in our hospitality and tourism area. They are the ones who are coming to us.

We have another lot of people who I am trying to persuade to come in to us. Those are people who have literally lost their businesses. They are small-business owners of things like cafés—things that are tourism-led, but certainly in the food industry. That is absolutely dreadful because they are selling their possessions before they would even dream of coming along to ask for food. They need food. What I would love to do is to create some type of card, almost like a credit card, that you could give to them so that they could go and shop at a supermarket or a local shop. It would have a limit on it each week or each month. They feel ashamed of the fact that they have folded, and it is terrible. In my small area, I know so many people who have lost their businesses.

**Andrew Forsey:** A short answer to Chris's previous question is yes. In posing his second question, Chris is almost inviting us to lift the lid on Pandora's box, because within these broad trends that we are seeing—of work drying up for self-employed brickies, cabbies, sparkies, actors and so on; new start-up businesses falling through the cracks in Government support schemes; work drying up totally for those on zero hours, agency and temp jobs; and full-time employees in retail and hospitality either being offered fewer shifts or being made redundant—there is a whole host of issues in play alongside that relating to the availability of childcare, and the breakdown of relationships because of the intolerable strain that the pandemic has placed on people's personal lives. Within this Pandora's box, we have the reasons why people are hungry. Any one of these issues can interact with one another at a certain point. If you chuck in a leaking roof or the need to buy a new school uniform for one or two kids in the household, or even a broken fridge, freezer or washing machine, that really does give us the toxic mix that gives rise to food bank use.

To echo Stella's point, it is about the feeling of hitting rock bottom, that sense of shame that people feel once they have reached that situation. There are people who have been in steady employment all of their lives. Work has disappeared and because they do not want to be recognised by people in the area they live, they will literally walk to the other side of town to redeem a food voucher at that food bank where they stand less of a chance of being recognised, such is the sense of humiliation and despair that people are feeling.

Q297 **Steve McCabe:** I want to ask a question about poverty and debt repayments first, and then I have something else about child maintenance payments. First, as I asked the earlier panel—if you heard that—what do you think has been the impact of the resumption of debt-repayment deductions on benefits? Is there any specific DWP policy that



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has not already been mentioned this morning that you think is creating real difficulty for the people you support?

**Chair:** Sam, are you seeing much of this in your work for StepChange?

**Samantha Carter:** Yes, we see a lot of people who have that pause for benefits, where the deductions have been reduced for that short period of time, and then they have got back into having the deductions. Even with that extra money when they were not having the reductions, it was just closing the pinch so they were still having difficulties. Because they have such a burden from the debt problem, they will allow deductions to continue and then, instead, they will make difficult decisions on their own essential costs. Food banks might be a last point of call for them but, certainly, I have people on the phone saying, "I am sat here with no heating on", which is negatively affecting their health in general, or they will go out and pick clothes off the street and wash them and wear them before they would choose to go to a food bank.

It is certainly having a direct impact on their health, but also on their mental health. Because they have the burden of still wanting to pay the debt back and that is in the back of their minds, but they cannot, it negatively impacts them. Their ability to obtain work is impacted, to get them out of that situation, because they have the worry of the finances behind that—so, certainly, it is about understanding people's situations and ability to pay the debt back, and the positions they are in. Quite a lot of the time, vulnerable people will not be up-front in telling you how it affects them and how better you may be able to support them before taking certain deductions from them.

Q298 **Chair:** Does anyone else have a comment to make on deductions?

**Andrew Forsey:** Before the pandemic and since that suspension has been lifted, every week I speak with food bank staff, volunteers and advice workers and ask them to wave a magic wand to gain the single policy reform they could, and without fail every week at the top of the list is, if not to eliminate their deductions in their entirety, then at least to ease the rate of deductions that are taken.

In a sense, the Government seems to agree, because in March, the Chancellor announced their intention to halve the rate of deductions and lower the cap on the amount that can be deducted, but not until October 2021. At the very least, in waving my own magic wand, I would say let us have that policy brought forward and implemented now because that could reduce at least some of the need for food banks and emergency provision.

Q299 **Steve McCabe:** The Department tells us that there has been a substantial improvement in compliance over Child Maintenance payments, but the survey by Gingerbread and Mumsnet painted a very different picture. They said 68% of people reported irregular payments and 34% none at all. Do you think the Department gave enough support to those dependent on Child Maintenance payments in the early stages of



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the pandemic, and do you have any idea what the scale of non-payment is in terms of Child Maintenance for people at the moment?

**Chair:** Gary, do you have any information on that subject? Indeed, you might want to make a point about the deductions point that was raised earlier.

**Gary Vaux:** It is quite interesting that, in the advice sector, we get very few queries regarding Child Maintenance. It is not one of the topics, and you would think it would be considering the number of people who we are dealing with who are lone parents for whatever reason. I have asked this of my colleagues in other local authorities and it is not a major issue from the advice point of view.

In many instances, when we have come across it, there is almost an assumption that people are not going to get the maintenance. It is almost as if they do not see the possibility of them ever getting it. In some cases, they are very worried about getting it because of the link that they make between access and maintenance. Some parents are very worried that by accepting maintenance it is accepting access, which can be problematic, although that is not the case.

It is an unusual subject because very large sums of money can be involved and it can make a substantial difference with it being fully disregarded, and in fact sometimes even that message about Child Maintenance being fully disregarded still has not got across to large parts of the population. When the Child Support Agency was created, and I am unfortunately old enough to remember that, the Child Support Agency money was deducted. There is still almost a disbelief that if you get Child Maintenance, it is bonus income. Whether you get that bonus income where the absent parent may well have lost their job, or whatever, is another matter, but I think there needs to be a stronger emphasis on the bonus nature of those payments if they can be obtained.

In relation to the deductions issue, the particular concern we have is tax credit overpayments because they just magically appear on a person's Universal Credit statement. There is no justification, no figure and no communication from Revenue and Customs to say, "You owe us £2,400 from 2016"; there is simply a figure, and if you try to challenge it with HMRC they say, "It is not us anymore. Contact Universal Credit". Speak to Universal Credit and they say, "We just get the figures from HMRC and we deduct what they tell us to deduct". The ability to challenge overpayments is almost non-existent. There is a specific issue there on tax credits.

**Chair:** Interesting point.

Q300 **Nigel Mills:** Can I just ask some questions that I asked the previous panel regarding the Government's funding announcement in response to the Marcus Rashford campaign on free school meals? What are the panel's views on the amount of money that has been allocated to that and how it has been structured, and do they think that that will be an



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effective way of attacking the hunger of children in that situation?

**Chair:** Lots of the money is going to go to the local authorities. Let us ask Jason, first of all, if you think it is the right approach.

**Jason Strelitz:** Clearly, we really welcome it. It is a significant investment. It does allow us to ensure that children who are on free school meals continue to get support through the holidays, as well as there being additional resource in there to try, working through our community partners, through our Newham Food Alliance, to reach out to those who have needs but are not eligible for free school meals.

The point was made strongly in the previous panel that it is a massive situation. In Newham, there are many people who float not far above the eligibility threshold for free school meals and will have a really pressing need. The amount of money, from our point of view, does allow us to both target those children and put in additional provision, working with our voluntary community partners to try to reach others.

Q301 **Chair:** Sorry, I was just going to follow up, Nigel, by asking Jason if you know who the people are who need the help. How confident are you that you know?

**Jason Strelitz:** We do not fully know. We can target in different ways. Clearly, those who meet the eligibility criteria for free school meals would be one group that we would identify as in likely need. There are other ways in which we can use our data to try to target those who may be in need. The other thing we can do is try to make it as straightforward as possible for people who have needs to present, while totally recognising and agreeing absolutely with all of the challenges. The issues, for example, of shame that were discussed in answer to previous questions, are unavoidable parts of a targeted system.

We did, for example, recently—through the half-term that we have been through—try to make it as straightforward as possible for people to seek support where they had needs, and we did see significant numbers coming forward. I think we would balance the two approaches of targeting need where we have confidence, but also making it as accessible and straightforward as possible for people to access support where they have needs.

Q302 **Nigel Mills:** Are you planning on asking schools to distribute this for you for the Christmas holidays, or part of it, or are you planning a different approach for the upcoming school holiday?

**Jason Strelitz:** Both. We will be working really closely with schools. We started talking to schools—we see them as absolutely key—as well as working with community partners. It will be a combined approach.

Q303 **Nigel Mills:** Do you think you can do all that by the time we get to mid to late December? Is that enough time to get all those plans in place and get the money out where it needs to be?





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**Jason Strelitz:** We have started planning, we are working on it right now, therefore I do feel we can be in a decent place by the time of the holidays in terms of that.

Q304 **Nigel Mills:** Do you think this is better than just extending the free school meals voucher scheme? Do you think we can achieve more than we could have achieved by doing what was done last summer?

**Jason Strelitz:** The thing that it allows us to do is to try and reach some of those who are not eligible and provide some support for those. Again, the point was made about the cliff edge for free school meal eligibility in the previous panel and, as I said, we have very large numbers who float not far above that threshold locally. The additional money that is in this, beyond just extending free school meal eligibility, allows us to do some of that.

In Newham, like a very small number of boroughs, we have recognised that food poverty is a very significant issue and provide free school meals to all primary school children, largely because we see so many who do have needs who do not meet the criteria for free school meals. The additional resource does allow us to do some of that targeting.

Q305 **Nigel Mills:** Presumably you can target families whose children are not of school age yet, who obviously cannot get free school meals but may well have much the same need.

**Jason Strelitz:** Absolutely, and we work closely with children's centres and with health visitors to get information out to families and try to identify where those needs are. We have been doing quite a lot of that throughout the pandemic.

Q306 **Nigel Mills:** Does anybody else on the panel have any observations on how this funding ought to work or whether there are any changes they would make to it?

**Chair:** I see Sam and Gary have their hands up. Let us take Sam first. Could I ask you to be quite brief? Time is a bit tight.

**Samantha Carter:** Obviously, it is a very positive thing to have the funding there and it is certainly something to be able to target different types of people who do not hit that mark for the school meals, because then, with the embarrassment of going to food banks, they may be able to spend it elsewhere, say, on fuel needs or other needs—taking that away so they can shop themselves, giving them a bit of a boost, maybe, in their mental health, pushing them back on track. Certainly, I think it is a better way to go about it than the free school meals.

**Gary Vaux:** In my own authority, we are trying to take the burden off the schools as a distribution mechanism. We are centralising it and issuing electronic vouchers—80% of our school meals applicants apply online. For those who do not apply online, we are going to be sending it to mobile phones so that they can use it off their phone. If they do not



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have the email and the phone, we will be issuing paper vouchers. If necessary, we will be coming around knocking on doors to deliver the paper vouchers, or we will use the post.

We do not want to put too much burden on the schools themselves to distribute the payments. The other advantage of it is that people can use the voucher scheme that we are using at any supermarket, rather than the one nearest to the school, which may not be the one that the parent chooses to use.

We are confident about the mainstream funding; it is identifying the younger children. We are doing some specific work for care leavers, for example. We are looking at care leavers who are living independently, who often struggle with their bills. We are looking to see what financial support we can give them as corporate parents. We are trying to chip away at those other groups, concentrating initially on the free school meals but then using the rest of the money, which is relatively generous, to pick off other targeted groups.

**Q307 Shaun Bailey:** I want to touch a little bit more on the wider support offer. I know we have talked about this today, particularly around some of the linked issues of people accessing services. I want to ask everyone what you have noticed in terms of people accessing your service who have linked issues, particularly around mental health or the need for budgetary assistance, and whether that pressure has increased.

We have heard evidence during the pandemic of a real ramp-up of people who have had mental health needs or specific additional needs because their support networks have gone. I am just curious to understand what you have noticed in your work, how you have tailored your support and if you think, as a result of the onset of winter now and the pandemic, that is going to be exacerbated further in the support that you offer.

**Stella West-Harling:** We get referrals, though not fully coming directly from our referrals. We have GP surgeries, social prescribers, churches, and other charities in the community. We have found that we have a high percentage of people who need more than just food support. They need a lot more careful handling. I have had examples relatively recently of some very distressed ladies who have been living alone and who have had very much—I cannot say “mental health issues”, but they are suffering. This is something that I did not quite expect to see in so many people. I should say that probably 30% of the people who I see have some form of need that is not just food.

**Samantha Carter:** Certainly our services will be getting busier over the winter months, mainly because people are in different situations. Particularly vulnerable people may not have the same budget as other people and, during the pandemic, they may have had no choice but to use their local convenience store because they have not had that face-to-face direct support from support workers or anyone else who is able to go food shopping for them. Are they able to get out and top up and have



that emergency support? They are not able to change their utility tariff either, because they are now in debt with them. It pushes them further and further into severe debt problems, and it is trying to get back out of that. There will definitely be a higher need for our service and helping them manage finances as well as the debt.

**Q308 Dr Ben Spencer:** I wanted to ask a bit about the impact of the different restrictions that we have had over the last few months in terms of demand on your services. Where you have services that cross-cut either different areas which have gone into different tiers or just looking longitudinally from the first national lockdown to reduction, tiering and now the second national lockdown, what has been your experience of whether the different restrictions have impacted demand on your services? What do you anticipate the long-term effects will be on the people who are using your services, and your services in general?

**Gary Vaux:** In the initial phase of the lockdown, the amount of work and the number of referrals we got dropped off significantly. I think it was because people were losing touch with support networks. They were losing touch with family and people who would maybe make referrals to advice services. They themselves could not get to the advice services because we were having to adjust to different ways of working.

In the initial lockdown we saw quite a huge drop-off in people coming forward for advice, which slightly threw us, initially. Then, as the country and the economy opened up, those people started to come back in, but now, of course, we are back in the dip again. My own authority was never at one of the higher tiers anyway.

Now we are better equipped. I think the advice sector has itself transformed slightly to be able to respond better to people who cannot come in for face-to-face advice. All our local Citizens Advice, for example, are operating a very good telephone-based system now whereas previously they would have had 20 people in the waiting room, which in itself is very off-putting. It has been quite interesting looking at demand for advice services: as I say, an initial drop-off but then it has picked up to its pre-coronavirus levels.

**Q309 Chair:** Sam, you were talking about a dip to begin with, were you not? Was that the point you made earlier?

**Samantha Carter:** We had a dip at the beginning of the first lockdown, the same, I think because there was a bit of a forbearance with creditors anyway—stopping payments, stopping collections, no evictions, no bailiff collections—so that took that worry away a little bit about them, just concentrating on their own finances.

However, certainly we have had people who have run out of their financial resilience, where it has gone back to them dealing with a backlog of arrears, and we are starting to see that rise again. The rise is, again, not just the debt problems; it is all the other vulnerabilities that



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have gone with it—the added mental health issues. The self-isolation as well, not having face-to-face contact, means that there is maybe more to tackle during our service than just the debt problem at the moment, so that it does move them forward and help as a whole so they can concentrate on each section at a time for them.

**Jason Strelitz:** Many of the partners we work with, community organisations and faith organisations, have stepped into this space of supporting the community around food poverty and food security issues. That is a space they were not in previously. That has absolutely displaced their ability to do other things that they were doing.

Also, they tell us that it is getting harder for sure. It is getting harder in terms of the stretch on their funds to be able to do it and on the volunteering capacity that they have, either because there are cohorts of people who could volunteer earlier in the pandemic who are less able to do so now, or because some volunteers are shielding. In terms of the question, many are doing things that they were not doing previously and doing an amazing job, but it is clearly having an impact on their organisations and a lot of what they perceive as their core work.

Q310 **Shaun Bailey:** Obviously, all of your organisations take a multi-stakeholder approach. I am just conscious that when it comes to DWP, we see constantly that the engagement with stakeholders more widely could be something they could improve on. I am curious from each of you how you find, as stakeholders, the DWP engages and what improvements you think they could make in that engagement model, because it is something that we hear quite consistently.

**Chair:** Let us start with Andrew for that. I think Andrew may have frozen. We will try to come back to Andrew shortly. Stella, are you talking to DWP?

**Stella West-Harling:** Not really, is the answer to that. *[Interruption.]*

**Chair:** Sorry, I am not sure what is happening there. Stella, let us come back to you. You were telling us you are not talking to DWP.

**Stella West-Harling:** I do not really get involved at that sort of level. I am much more at the coalface at the moment. I will pass on that one.

Q311 **Chair:** No, that is a helpful point. Jason, relations with DWP?

**Jason Strelitz:** Sorry, again, I am probably not the right person to speak to that. There would be other colleagues in the local authority who would be better to speak about that relationship at present.

Q312 **Chair:** Sam, do you talk to DWP at StepChange?

**Samantha Carter:** I think the policy team do talk to DWP, just to push a few things forward about extending perhaps the £20 that you have done for Universal Credit across to other legacy benefits so that it is fair across the board, but also just talking about general support for evictions for



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council properties and other rental properties, as well as bailiff support and if you can understand people's circumstances before handing collect debts in safely for people, really. That is my limited knowledge.

Q313 **Chair:** Gary, does your organisation talk to DWP much?

**Gary Vaux:** Yes, actually, we do. I am a bit of a rarity here. I am a member of what is called the Operational Stakeholders Engagement Forum, which is a national body, and it is mostly the large voluntary organisations, local authorities and others. We used to meet quarterly. We are now meeting about every four weeks, virtually. Yes, we do get a fair amount of information that way. There is good communication.

At local level, it is almost more difficult now because things like Universal Credit are barely administered locally. We have a reasonable relationship with our Jobcentres but the Jobcentres themselves are mostly closed unless you have an appointment. There is not a lot of contact that we can have at local level.

We are finding that when we are dealing with some of the national contact centres for DWP—dealing with either Personal Independence Payment or Employment Support Allowance—the quality of staff engagement, shall we say, has not been as good as it could be, and I think that reflects maybe the number of new staff that they have recruited and the fact that a large number of experienced staff were moved over to Universal Credit from those other teams. I think it left them a little bit short of experience in other areas.

There is a mixed picture. National co-ordination and national information have been quite good, but the impact at local level maybe less so.

**Chair:** Interesting. Andrew, I think you are now back with us. A final word from you on engagement with DWP. Perhaps you are not. Andrew, are you able to hear me? No, I do not think so. We seem to have lost Andrew again. Apologies to Andrew for that.

Thank you all very much indeed. You have given us a very interesting and useful session. Lots for us to think about and to reflect on. We are very grateful to all of you for being willing to help us this morning, as you have all done in a very welcome way, from our point of view. Thank you all very much indeed.