HOUSE OF COMMONS

Work and Pensions Committee

Oral evidence: Universal Credit Rollout, HC 336

Wednesday 4 July 2018

Ordered by the House of Commons to be published on 4 July 2018.

Watch the meeting

Members present: Frank Field (Chair); Heidi Allen; Jack Brereton; Alex Burghart; Rosie Duffield; Ruth George; Nigel Mills; Chris Stephens; Justin Tomlinson.

Questions 665-724

Witnesses

I: Rob Holland, Co-Chair, Disability Benefit Consortium and Public Affairs Manager, Mencap, Gemma Hope, Director of Policy, Marketing and Communications, Shaw Trust, and Daphne Hall, Vice Chair, National Association of Welfare Rights Advisers.

II: Afzal Rahman, Senior Policy Researcher, Citizens Advice, Daniel Norris, Welfare Rights Adviser, Early Warning System, Child Poverty Action Group, and Sam Royston, Director of Policy, Research and Public Affairs, The Children's Society.

Written evidence from witnesses:

The Children's Society

Examination of witnesses

Witnesses: Rob Holland, Gemma Hope and Daphne Hall.

Q665 **Chair:** Welcome. I am sorry we are a little late. I hope this session proves as interesting as the previous one. Could you introduce yourselves and your organisations as the beginning of our proceedings, please?

Gemma Hope: I am Gemma Hope. I am the Director of Policy, Marketing and Communications at Shaw Trust. Shaw Trust is a national charity aimed at helping people get into work, improve their skills and rebuild their lives.

Rob Holland: I am Rob Holland. I am Public Affairs Manager at Royal Mencap Society and also Co-Chair of the Disability Benefits Consortium, which is a consortium of 80 disability charities.

Daphne Hall: I am Daphne Hall. I am the Vice Chair of the National Association of Welfare Rights Advisors and I also work for the social welfare law website rightsnet where we have a discussion forum where people contribute from all over the UK. Via both sources I get lots of information from frontline advisers.

Q666 **Alex Burghart:** A nice easy one to start. Gemma, could you set out for the Committee why it might be difficult for people with disabilities to deal with their UC claims online?

Gemma Hope: Shaw Trust works for people when they are referred to us in work and health programmes. We don't work with people at the start of their claim process but we do work with people who have their Universal Credit online account. For us there are three reasons why they have difficulties accessing their Universal Credit online account. The first is it is because of having a disability. The system is not necessarily the most accessible for people with, say, learning disabilities or who are neurodiverse. For people with vision impairments, it does not always work very well with screen readers. The second reason is digital literacy particularly among older workers. There is not that much support available if someone is struggling to help them access their account. The third reason is geography. We have a lot of people who live in rural areas. If you don't have a laptop or a smartphone in your house, you have to make a journey to a library or your local Jobcentre to access your account. You could be getting a message from your adviser every day, which means you have to travel every day and that can be really cumbersome for people, particularly if they have a disability and mobility is limited.

Q667 **Alex Burghart:** Thank you. That was very helpful. I remember once seeing a statistic from Scope that suggested that a surprisingly high proportion of disabled people were not online. That was from a survey that they had organised. Does that reflect the experience of everyone on the panel?

Rob Holland: Yes. I am not familiar with the stats from the Scope survey but Ofcom published a report that found that one in five disabled people did not have ready access to the internet. That does vary among different groups. It is two in five when it comes to people with learning disabilities, for example, which Gemma has touched upon. There are specific groups that face digital exclusion and certain groups that will require support to do things online. That is a range of things such as banking, registering to vote and, of course, making the UC application but then also maintaining the logbook, which is done online. People with learning difficulties, for example, might need support from a family member, a carer or support worker, which is going to be absolutely critical. If you are lucky enough to have that support you might be able to complete the application but if you don't have that support you are reliant on either contacting the UC helpline and them completing it for you or going to a third-sector agency that might be able to help you.

Q668 **Alex Burghart:** Daphne, feel free to comment on the earlier questions, but how do you think it could be made easier for disabled people to make claims online?

Daphne Hall: I will do the first bit first, if that is all right. I fully support everything they have said. A lot of people can't necessarily afford things like assistive technology themselves. At Jobcentres generally the computers don't have any screen readers or anything like that. They are bog standard computers, and I think that is often the case at libraries. They don't have the technology to enable people with certain disabilities like sensory loss or whatever to use them.

Q669 **Alex Burghart:** That is a really important point for us. As you may know, we have done quite a lot on assistive technology and I don't think anyone has previously highlighted that very important obvious point that you have made that computers in Jobcentres don't have those themselves.

Daphne Hall: I think flagship ones might have one or at most two but that is it. I have feedback via operational stakeholders.

Q670 **Chair:** Daphne, where are some of these flagships?

Daphne Hall: London Bridge is one. I think that was one of the first ones to go on the new all singing all dancing computers and open plan and everything. I sit on the Operational Stakeholders Forum. I remember when that happened and one of the questions we asked was how many of the computers had assistive technology and they went, "Oh" and it was like they had not thought about it. That was two or three years ago. I don't know whether they have improved it now.

Chair: We will ask a question on it. It is really important. Thank you.

Daphne Hall: The other thing that was brought up by somebody who works with sensory loss is that sometimes the BSL links are not that easy to understand. There is quite of lot of regional variation in BSL and that is an issue and not just with the BSL links on the computer system but also

with interpreters. The DWP will only use thebigword. Often the interpreters come from a long way away rather than using the local interpreters and, because of the regional variations with BSL, it can be really difficult for people to understand and communicate effectively.

I have quite a long list here, sorry. Although DWP are doing home visits for people who can't get out or access a computer, they are going and helping them with the online claims, but it is only the claim, it is not managing the claim afterwards. They will get them set up but then that is it. Some advisers in London are telling me now that it is getting harder to get a home visit as more go on to Universal Credit. We have to remember that we are still at really low numbers. I think for the 870,000 on Universal Credit, maybe only about half are full service and only a small proportion of them will be vulnerable, so it is only going to get more. There is an issue of whether they can meet the demand. It is also taking longer to get a home visit to see somebody, so that delays the claims. Until they have collected all the information, the payment can't be made so that leads to a longer delay for people, which can be difficult to manage.

There is quite a reluctance to accept phone claims. If you try to make a phone claim you tend to get pushed towards going into the Jobcentre, which I think one of you said that sometimes is not very accessible, it might be quite distant, travel might be an issue. If they could make phone claims more accessible would be one of my answers to my second point.

Q671 **Heidi Allen:** Would Skype not work for that?

Daphne Hall: It depends. Possibly for some people who can manage Skype, yes.

Heidi Allen: It is different options for different people.

Daphne Hall: Yes, sometimes that is really effective for people. It does depend on how digitally literate they are. Just on that digital literacy, with Universal Support there is support to get help elsewhere. One adviser told me you can get digital support between 2.00 and 4.00 on a Thursday in their area. That is a bit of a tight window for people, isn't it, but that literally is what they can get and that is for the whole area. How many people can they help in two hours? It is really quite limited.

Q672 **Chair:** Can you just pause on that?

Daphne Hall: Sorry, I have got a lot of things.

Chair: We have had raised regularly about what was the original image or vision for Universal Support and what is being offered now.

Daphne Hall: I know Croydon did quite a lot as one of the first areas and they were finding initially that it was working quite well. Jobcentre was referring people through but very quickly they just did not have the resources. I have heard similar experiences from Taunton where they had

some quite good digital and budgeting support set up but it just was not enough to support. We are still in small numbers and I think the real fear for welfare rights advisers is that the support is not there.

Q673 **Alex Burghart:** Daphne, while you are on the subject of Universal Support, at the moment it is just debt and IT but if the resourcing should quickly progress what other issues would you like to see dealt with by the Universal Support package?

Daphne Hall: That is an interesting one just on the spur of the moment. Debt and IT are the main things but it is just to a much higher level. There are some people who are never going to be able to manage an online claim. Learning difficulties is perhaps a classic one. I had somebody who works for Macmillan who had a case of a couple, both with mild learning difficulties and the woman had breast cancer and had to give up her job, and they failed for months to make a Universal Credit claim. They just couldn't do it. They tried and they finally got picked up by the Macmillan adviser who helped them, but then they couldn't manage the online. They kept trying and they would press the wrong button; they didn't understand what they were meant to do.

Q674 **Alex Burghart:** Universal Support, in an ideal world, could be offering that sort of assistance to make sure that people did not have to seek the support of third-party organisations to make a claim.

Daphne Hall: That is right. They were going back to the Macmillan adviser every time and fortunately she was able to do it and they were lucky to have her, but it was quite a high resource for her and obviously there was time with other people. It can take quite a long time.

Q675 **Jack Brereton:** Do you see in all cases that there is partnership work going on and that there is colocation of other services in Jobcentres or is it more sporadic? That is certainly something that we have had raised at previous evidence sessions, that if we could have that one-stop shop it would be much more effective.

Daphne Hall: It is definitely working well in some areas where they have somebody in the Jobcentre and there is really good together working, but again it is about resources because they are finding it tight. There is more people coming on and that is the worry about whether the resource will be there.

Q676 **Chair:** Gemma and Rob, do you want to comment about the Universal Service?

Gemma Hope: Yes. I think it is important to also acknowledge that I know the Government are committed to digital by default but it can't be a default for everyone. As Daphne has highlighted, not everyone can use the online system. It is very hard to make the Universal Credit online system accessible and put in plain English for people with learning disabilities. There does need to be some workaround for people who are struggling. I completely agree with Daphne that there need to be more

resources and more support available for people who are struggling with the online system.

Q677 **Chair:** Gemma, you say there needs to be work done in this area. Can you be more precise? We are always thinking about how we can translate ideas into recommendations.

Gemma Hope: When you design a website on an online system you do user journeys. I know that DWP has done user journeys for Universal Credit but I think it needs to take into consideration that not everybody can use the system that it has designed. How would you design working and coproducing with disabled people who are struggling to use the online system, how could you design a workaround that works for everyone, not making it more cumbersome for work coaches so that there is 100 different versions of a system? I think that coproduction and making sure disabled people's voices are heard is really important.

Q678 **Chair:** Have all three of you offered to work with DWP to make these changes and improvements?

Gemma Hope: Shaw Trust has. We have fed back.

Q679 **Chair:** Fine, you have. Rob?

Rob Holland: Yes, we have. We have had members of the Universal Credit team come to the Disability Benefits Consortium and talk in that forum with the different charities about how to make the application process and logging into the logbook as accessible as possible.

Q680 **Chair:** And the results?

Rob Holland: They have always said that they are listening and taking these things on board. I guess it is two things. There is more to be done to make the process as accessible as possible, whether that is ensuring it is screen reader ready, ensuring there is Easy Read information available for people with learning disabilities and so on. But as Gemma and Daphne have said, there is always going to be people for whom online is not going to work, so should the Government be looking at resourcing third-sector agencies to support people through or should it be looking at doing that through Universal Support?

Q681 **Chair:** Daphne, on that quick question?

Daphne Hall: I think there has to be an option for paper claims and paper letters. There will be some people who cannot manage online. I accept that the Government want digital and for loads of people the digital system works really well. For people who can manage it that is fine, but there are some people who have taken a long time to learn to manage letters and everything and to learn a whole new system is too much. I think for reasonable adjustments there should be a paper thing.

Q682 **Ruth George:** At the start of someone's claim, they are often waiting for a work capability assessment and their work coach in the meantime has

to impose work conditionality on them. How is that working in practice?

Daphne Hall: They don't have to impose conditionality on them. Regulation 99 gives them an opportunity to lift it completely and they can apply easements, but it is not happening in reality. I am not saying in all cases but certainly advisers are seeing where it is not. One case came in where they had claimed in November 2016 and it can take a long time to do the assessment. They did not do the assessment until a year later, November 2017, when they were put in the support group, but for the first 10 months they were having full conditionality put on them until the adviser got involved and it was lifted. Another one had 17 sanctions over 12 months. They just could not understand. Their diagnosis was delusional disorder, which the work coach had no knowledge of. Fair enough, they are not medical experts.

I think there are huge expectations put on the work coaches. They need all sorts of skills like empathy, listening skills, understanding, but the two big things that they don't have is time and privacy. The average work coach interview is 10 minutes—I think that was in a parliamentary question—and I appreciate some will be longer. In the NAO report that just came out, the workload for work coaches currently is 83 and they expect it to be 373 by 2024-25. With 373 clients on their books, how can they possibly offer time? As a welfare rights adviser—I am talking too much again.

Q683 **Chair:** Rob and then Gemma?

Rob Holland: Yes, just to echo what Daphne is saying, how it should work with these interim claimant commitments is that you should be sitting down with the work coach and talking through what might be reasonable for you to do in the timeframe, how many applications you should be putting in, and so on. Instead, we have had cases where people have been presented with a generic claimant commitment and said, "Well, you need to really agree this in order to progress your application" and people agreeing that, not necessarily understanding what they are signing up to and being sanctioned following that.

Gemma Hope: We don't work with people that early on in the claim but we do share experience in the work programme of people with health problems. You could be claiming Jobseeker's allowance and have been allocated into that group after your work capability assessment or claiming employment support allowance. The people who were mandated to the work programme felt that they did not agree with the work capability assessment result. They spent their time wanting to fight that decision and were not focused on trying to find work, but also they saw Shaw Trust as part of that system, because they were mandated to us, and that eroded the trust between our advisers and the individual. It was a real struggle. As Daphne said, work coaches don't have enough time to build that relationship and try to regain that trust. If the conditionality is imposed at that stage, our advice would be don't, because we can't see

how it would really support people moving into work. They are just focused on getting the right benefit for them.

Q684 **Ruth George:** You are seeing a considerable number of sanctions placed on people before they have had a capability assessment?

Daphne Hall: Yes, and even if it is not sanctions, the stress that is put on people is overwhelming. It is impossible for the work coach to work with the claimant until they know what their condition is. They go into the first appointment and they have no idea what their diagnosis is, what their conditions are. It is extremely hard for a person to go into the Jobcentre, a busy place, sit down in an open plan thing and talk about their health problems, which the work coach has no knowledge of and they have to present it all and get it across to them. It is almost like an impossible ask and until that information is through to the work coach they should not be putting that pressure on the claimant.

Q685 **Rosie Duffield:** Daphne mentioned about this kind of open plan office and we visited an office. We were assured this time last week by the Minister that there was the possibility of screens for privacy because people are talking about extremely personal and private conditions that, as you said, someone is not necessarily familiar with. Are you saying that you are finding that is not the case?

Daphne Hall: What we have been told is they can ask for a private room but there are no signs up saying, "If you need a room in private please ask for one". They are not encouraged; nobody is asked if they want a private room. Again, you have people who are really vulnerable and you have to be quite assertive to say, "Excuse me, I want a private room". At the very least there should be posters up saying, "If you want a room". If the work coach picks up that they are distressed, vulnerable, then they should say, "Can we make an appointment in a private room?" You wouldn't want to get out all your innermost things when there are people listening, particularly if you have paranoia or anything but even if you haven't.

Rob Holland: I think an important point is about are people well supported at these appointments with work coaches. If you have someone with a learning disability, autism, mental health for example, and they don't have someone to support them at that conversation, the work coach should really be questioning why that is and perhaps rearranging it so that there is appropriate support there, otherwise they might end up with a claimant commitment that is inappropriate.

Gemma Hope: I completely agree with that. There needs to be access to private space, because it is not just talking about health conditions. A lot of people we work with have housing issues, debt issues. That is not the easiest thing to talk about, so feeling comfortable and having the appropriate time to talk to someone about it is really important.

Q686 **Ruth George:** Are you seeing any flexibilities being modelled into

claimant commitments? You have answered a little bit on that, that there is just not time to go into it, but we have the generic six categories. Are you seeing any sort of flexibility to take account of disability in general in the commitments?

Rob Holland: Coming back to the resource point again is that we are not seeing those flexibilities across the board. We have seen some good examples and some bad examples. The Department's own research, which the NAO has highlighted and I will quote from, says, "Work coaches lacked the time and ability to identify claimants who needed additional support. They lacked the confidence to apply processes flexibly and make appropriate adjustments and felt overwhelmed by the volume of claimants reporting health problems." If you think that there are over 2 million people in receipt of ESA, that is a huge number that will soon be going through the managed migration process. If they are feeling overwhelmed by what to them is a relatively new cohort at the moment—they are used to dealing with single, non-disabled people without dependants—there is going to be a huge number of complex cases coming to them. Their ability to apply bespoke arrangements to everyone is going to be very limited unless it is resourced appropriately.

Daphne Hall: I think you can get the easements. For example, with the guy with the 17 sanctions the adviser got involved, and I think you are going to ask about this. The employment advisers know about the existence of disability but there is no clear referral process through to them. The claimants don't know about them. In fact, the adviser this time had to get the partnership liaison officer and the office manager involved, and the DEA did get involved. He said once they got involved it was good. They brought in changes to the payment commitment and that was really helpful. They were not able to do anything about the sanctions, as it happened unfortunately, although they were quite shocked at the number of sanctions there were. It is possible but it is not easy and that is what it should be.

There should not be conditionality for people waiting for the work capability assessments. It should just be about support, support, support until we know where we are. They need to have time to listen to the claimant and for the claimant to get their point across. I think it is about confidence to say, "Yes, we can say let's lift this for the moment. Let's just worry about your housing at the minute, let's worry about your debt issues, and forget about that".

Gemma Hope: We have had a slightly different perspective because when people are referred to the work and health programme we do our own assessments. We don't see a copy of the claimant commitments. We are very reliant on individuals telling us about their own claimant commitments but where we see that we don't necessarily agree with what they have recommended; we have had some positive conversations with work coaches about trying to make changes. I would say that those

changes are not routinely applied but we have been able to make easements to people's claimant commitments in similar situations.

Q687 **Ruth George:** Have the same issues been arising with people who have been refused ESA and have had to go on to Universal Credit because they are going through an appeal process for ESA? Have you seen conditionality imposed in those circumstances?

Gemma Hope: From our experience, when somebody has been found fit for work, yes, the conditionality is imposed. I spoke earlier about the easements and when we have made those assessments it is generally for that group of individuals who have been found fit for work and actually still have health conditions and still need support to manage those.

Rob Holland: I don't have much to add.

Daphne Hall: Aside from what Gemma said for people who have failed the work capability assessment, if somebody, for example, on ESA has moved into Universal Credit for service area, they still have their limited capability for work status. What we find is that they move on to UC and that status is not carried through, which it should be under the regulations, and they have been sent for work capability assessment and conditionality applied. We have done quite a lot of work on this and been in correspondence with Neil Couling.

Chair: Who is that?

Daphne Hall: Yes, well, exactly. It is a manual process because the claim form does not ask, "Were you on ESA?" The Universal Credit person has to send an MGP1 form through to ESA who fill in what group they were in and that has to go back to UC and they have to input it into the computer in order for it all to happen smoothly. Not surprisingly, that is not always happening. It is better than it was. It was appalling. Neil Couling thinks it is now resolved despite our telling them it is not fully resolved, and it isn't. They should have the status there and it should not be an issue, but they are still having problems and it is just not being picked up.

Q688 **Chris Stephens:** I want to ask a question on DWP's disability employment adviser model. Do you believe that is working well for claimants and work coaches or could it be better?

Rob Holland: Disability employment advisers play a second line role in the new system in that they don't interact directly with claimants. As we understand it, they provide support to the work coaches. The first point is about resourcing of DEAs. We don't have the latest data on the numbers of DEAs but we think it could be as little as one or two per Jobcentre. That would suggest that there is a limited impact that that person can do in supporting work coaches. What disabled people continually tell us is that whenever they interact with the benefit system they talk to people who on the whole they feel don't understand their disability, their

impairment, the types of support they need, the right agencies to be referred to, and therefore they don't have faith in the system.

We don't think that they are playing a role that is tackling that and for us it is very much about how do you build specialism into the system so that disabled people feel that they are talking to someone who has an understanding about their condition, their impairment. If you have a mental health condition you see a work coach who has an understanding about mental health or you have more disability employment advisers who are specialists working much more closely and effectively with work coaches. For us, that is something that really needs to be tackled.

Gemma Hope: In our experience there is definitely some room for improvement in that system. When we have individuals being referred to work and health programme, we are still tackling health conditions that should have really been picked up or dealt with at the Jobcentre. We are registering people for GPs, we are getting them access to IAPTS, intensive access to psychological therapy services, and mental health support.

Rob picked up on the point about the specialism and expertise of disability employment advisers. We have a similar set-up for work and health. We have a health and wellbeing team that provides additional support to our support managers but can support the participants as well. Those people are qualified occupational therapists and psychologists and they work part-time for us and are still in clinical practice, so they have the latest qualifications, up-to-date information and links to the local area. We are finding that model working really well because, as Rob said, those people have an understanding of the health conditions. If there is something they don't understand and they can't give specialist support to, they know someone who can give that support.

Although DEAs have more specialism than the average work coach, they are still not clinical experts in various conditions. Unless more expertise is put into the system, that DEA model is not going to effectively support work coaches who really do need a bit more guidance and support and resources to do their job well.

Daphne Hall: I don't have much to add really. I agree that there should be specialist work coaches, which I know is something the Committee has recommended before, for mental health or learning disability or something like that. I also think there needs to be a clear referral process through to the DEAs. As I said, it is not happening, people don't know about them so they don't know how to use them and that doesn't help. I think Gemma's point about more specialists would be great as well.

Q689 **Rosie Duffield:** This is mostly to Gemma. What early data is there from the work and health programme? Are you getting the numbers of referrals that you expected?

Gemma Hope: Until the statistics are published in September I can't make a specific reference to them, but I can talk about what trends we are seeing. Referrals in the initial stage are lower than expected—our referral profile is 12 months—so we are working very hard with Jobcentre Plus to get that back up to where it was and that has been promising. The reasons why it is lower than expected so far is partly because of Universal Credit rollout in some areas that is taking up work coach time; people are maxed out in capacity so they don't have time to learn about the work and health programme and the referral process to it. Also it is a new system and it is just taking a little while to embed it.

We are working with Jobcentre Plus work coaches. We are doing job shadowing in some areas of the country so we can see what the work and health programme is. We are going to district team meetings to really market provision to work coaches and we have invited them to our centres to see what we are doing there. That has helped to start increasing referral numbers. We hope that by the end of the year and the end of the 12-month period it should be what we expected. Job outcomes has been quite positive so far and we are sort of on target to where we thought we would be.

With the work and health programme you get a job outcome if you meet a new threshold, so it is the equivalent of 16 hours a week for three months but we have up to 21 months to work with an individual to get to that point so you can build up your hours gradually. We had modelled that people would be starting probably entry level jobs and then progressing their careers and increasing their earnings, but I think the voluntary nature of the programme—because 88% of referrals are on a voluntary basis—means that we have more time to work with people. Some of the fear about moving into work is taken away.

One of the positive bits with this system is if you are on Universal Credit and you need to leave work because that job is not right for you or if your hours need to change, you don't have to change your benefit. It is, in theory, done for you from the Jobcentre, so we are finding more people are going into higher paid work to begin with and work that is more suited to them. That is something positive we are taking from it in the initial phase.

Q690 **Rosie Duffield:** What effect do you think the scaling down of the work programme has had on the caseload and workload of work coaches?

Gemma Hope: It has definitely increased the caseloads of work coaches. The work programme was for some people with health conditions but also long-term unemployed people who could be referred to it if they had been out of work for 12 months. Now you can only access the work and health programme for long-term unemployed people if they have been out of work for two years and that is about 12% of our caseload. There are not many places for a work coach if somebody needs that additional support. Unless they have got a really good local support offer in the

area, things such as a dynamic purchasing system, there is not very much they can refer those individuals to, so the caseloads are increasing.

Q691 **Justin Tomlinson:** On a broader point on this, if I was a claimant and I had been referred, what tangible difference would I now see under the work and health programme in the support that you are allowed to give me?

Gemma Hope: In comparison to what? Could you expand on that question?

Justin Tomlinson: As I have now been referred, you get me 12 weeks different programmes. Do you feel that is sufficient support?

Gemma Hope: For work and health programme, the support we offer and how it differs from Jobcentre is that our advisers have an average caseload of 1 to 40, so they are able to give a lot more one-to-one support and time to those individuals. We have regular contact and that is based on each person's own preference with our support managers. Our support managers' role is not just to give that one-to-one support for building your CV, finding the right jobs, talking to employers, but it is to refer you to whatever support you need in your local area. We are doing a lot of work at the moment on getting people into appropriate housing, tackling debt and finance, which is a really big problem, and the wraparound health and wellbeing support. In our hubs you can access a wraparound health and wellbeing offer, so we offer things like tai chi, yoga, Pilates, walking clubs. We also have a knitting group. When we piloted this approach in our community hubs pilot in the 2014 work programme there was a lot of scepticism about that wraparound health and wellbeing support, but what it does is it gets people engaged, it gets them wanting to come into our centres and talk to advisers, it gets them friends and it builds up peer support. That helps them have the confidence to move into work.

Another big difference is the in-work support we do supporting employers. We do a lot to tackle myths around employing disabled people, a lot of support on job carving and making sure job roles are appropriate. For example, we had a young man with a learning disability who was referred from the Jobcentre and his work coach said, "I can't do anything more with him. I don't think I can get him a job", so he was referred to us. He didn't have a CV and had never worked, so we helped address that and we found out his interest was classic cars so we got him some work experience with a local classic cars firm. We did a lot of support because they were really nervous about taking somebody with Asperger's syndrome, "What happens if something happens and we can't cope?" Our work coach, our support manager was there on the work trial and basically they were so impressed with his encyclopaedic knowledge of classic cars and the support we gave them to cope that they have now given him a permanent job, which is starting this month. That wraparound support for the individual and the employee is the big difference.

Q692 **Justin Tomlinson:** I have done countless visits and work coaches speak very highly of what you do and the other similar organisations who can provide that more in-depth support that you have just described. But when I was the Minister I remember the work coaches' biggest frustration was that they were limited to the number of referrals and it was almost a case of whoever got into the office first and made the first phone call at 9 o'clock in the morning got the one place that was available. Why do you think referrals are now falling, because before there was a much greater demand than you were allowed to supply?

Gemma Hope: The demand is still there. You can refer from a signposting organisation to Jobcentre Plus and then people come into the work and health programme. Before if you were a signposting organisation you could refer directly to us and we would be able to take you onboard. We know that early access people like ex-service personnel are not coming through. We think the reason is capacity for Universal Credit rollout. In some areas the work coaches don't have time to go through the referral system to work and health programme. It is quite a long system, there is a gatekeeper and a decision-maker. It is quite bureaucratic. Secondly, it is just training and being aware that they exist. Work and health programme is a sixth of the size of the previous programmes; it is tiny. There is other local provision there that we are in competition with, which might be more appropriate for some people. We have to make sure we are marketing ourselves and making sure that work coaches are aware of what we do and know that it can be appropriate for some people they are working with.

Q693 **Justin Tomlinson:** Rob, I always had great pleasure working with you with your policy hat on because you would come in with brilliant suggestions and help shape what we do. One of my big worries, and I was at PLUS—sorry, Gemma, the other team—on Friday to do a visit and you both do the very best you can within the rules but I am not convinced it is how you would design the support available. From your perspective or with your members, my big worry is that even where people are referred it is not always necessarily the right support. People end up looping in the system, and each time they loop and then are referred back because they have not been able to find work—and that could be one hour a week, which could be a huge achievement for somebody, to full-time work—their confidence is bashed a little bit more and they move further and further away from the jobs market. From all your research, would you change the support that is available and if so how?

Rob Holland: I will speak with my Mencap hat on about our experience and not necessarily that of the members. We have delivered employment services for many years. We have supported about 2,000 with learning disabilities into paid work over the last five years including work choice—

Q694 **Chair:** Can we just pause there? It is a great achievement for Mencap, but 2,000 in five years—what do you think the demand is for your services?

Rob Holland: Well, huge. If there is a million people with learning disabilities of working age in the UK, the majority of whom wish to work, it is a tiny figure in comparison to the number who want to work.

Chair: Back to Justin and the point that you were making. Sorry, Rob.

Rob Holland: We have taken the decision as an organisation not to engage in the health and work programme because we don't think it is flexible enough for us to deliver. What we are doing instead is focusing on other areas where we think we can make the support work and in particular what we call our three ships model—apprenticeships, traineeships and supported internships—and in particular testing the Paul Maynard taskforce recommendations about flexibilities for apprenticeships. We are very much focused on that work. If we were to design the system, what we know from working with employers is that they want to take on people with learning disabilities but they don't know how to and they need the support to do that. The focus of our employment support is upfront with employers giving them skills, tools, knowledge, helping them make their recruitment processes accessible, training their staff in learning disability awareness and then a place-and-train model with support as appropriate.

Justin Tomlinson: The key bit there is that you have already sourced the employers, you have given them the confidence and the skills, particularly the small businesses that don't have HR departments, and then you match the individuals. I think the bit that the Jobcentre misses out on is that they will refer people to organisations like yours who equip people ready but there are not enough vacancies, interviews, placements, opportunities available. I think the Jobcentres need to be far more proactive at sourcing those employers. All the big major ones, your Tescos and Marks & Spencers, brilliant, they are signed up, but they are only a finite number and I think that is where it is. Then your groups will concentrate on getting them ready and it removes that looping problem.

Chair: But also, Justin, overall we are concerned about reducing the disability employment gap and you are talking about thousands and in the national figure we are talking millions. When we come to our recommendations we clearly have to think of how do we add to the existing model with resources for people, like the organisations that we have interviewed on this, for them to have a much more strategic role in delivering this. Otherwise, we are going to do nothing on this, are we, Justin?

Justin Tomlinson: That is right.

Chair: I have stopped people's thought processes. Can Alex come in and then we will come back to you, Justin?

Q695 **Alex Burghart:** Rob, I think you just said that the health and work programme did not offer you the flexibility that you think you would need to run it yourself. What flexibilities would you need to see in the health and work programme for you to become a partner in it?

Rob Holland: I should add that I think the new health and work programme does work for some people, but for our client group we had to take the decision as an organisation that it was not flexible for us. That is specifically, as I was saying in response to Justin's question, about working upfront with employers to prepare them for that person coming into the workforce. That means that we have to have that money upfront in order to do it. Under work choice when it started out, for example, you could get 70% of your money upfront in order to place that person. That was reduced as work choice went on and now under the new health and work programme it is down to 30%. You get the rest of your money after that person has earned a salary of £3,000, which might actually take quite a long time if you are working only a couple of hours a week. It is an issue for the provider and how we operate. I would suggest that it is less of an issue for larger providers and a big issue for smaller providers.

Q696 **Justin Tomlinson:** Just specifically on this point, would it not be better that there was an individual within the Jobcentre who proactively drove around, door-stepped businesses and found opportunities and then passed them to the relevant support organisation? If you were helping people with a learning disability and somebody said, "We could potentially", they match them rather than each of you having to go to, in effect, the same businesses. Surely it would be better that there was a role there within the Jobcentre to go and source those opportunities externally.

Rob Holland: I think that is a really interesting suggestion. It is a bit what we do but on a larger scale. We will go to organisations that don't have readily available suitable roles for people with learning disabilities and say, "What is your business model? How do you work? Well, that role that you are recruiting for might be suitable for someone with a learning disability", so trying to create the vacancies as well.

Daphne Hall: I don't have much experience for support in work. Ours is more about making the claims and managing the claims.

Q697 **Chair:** Can I bring together some of the thoughts for how we are going to make recommendations? We have the key from the work coach. We have always praised it, we have always built it up in our reports, but for the people I know doing this role the 10-minute rule is quite a hard and fast rule for how much time they can spend with claimants. There is that question that we have to raise in our reports, isn't there? I tried to apply for Universal Credit but my half an hour was up before I got terribly far with it. But if, say, I couldn't read very well and with somebody helping me, would they put that on my claim so that the work coach would know that I had some difficulties?

Daphne Hall: I don't believe there is space to put that. That is the trouble, the claim does not give space for anything like that. Another thing it does not give space for is the appointee's address and once an e-mail address is on the system it won't accept another one, so there are huge problems with appointees.

Q698 **Chair:** Could you think about all these as we are going along and come back to us to refine these ideas for us? Then there is the issue that Rosie and Justin have raised. Here you are giving specialist services but the amount that you can give is tiny compared with what the work coaches might like to draw upon. We have had this example of who is in the office first making the first phone call might get the place. It is as crude as that in allocation. We can't jump to what is the ultimate we would love it to be. Could you think for us and then come back on what are the steps by which we can consistently increase the support that you have been talking about and on which Justin has been visiting and also trying to nurture, so that each six months we know that the Department is making progress on using a pool of talent that work coaches can refer to? Is that all right? That is really good and helpful. Thank you very much, but we might come back and talk to you by correspondence more as we build up our report.

Daphne Hall: Can I just add that terminal illness really needs addressing? There is no fast tracking for terminal illness, like there is under PIP and ESA. Somebody can't make the claim on their behalf. Terminal illness needs addressing really importantly in Universal Credit.

Rob Holland: And motor neurone disease.

Q699 **Chair:** When you come back will you also emphasise the points that Jack raised about how universal is the Universal Support, so that we don't just keep stamping on people but encourage people saying, "Can you tell us where it is really working well in your experience?" and we can say to the Department, "Can you keep trying to match this standard?"

Daphne Hall: We will just give you a nice list of recommendations then.

Chair: Yes, "These are all our recommendations". Huge thanks on behalf of the whole Committee.

Examination of witnesses

Witnesses: Afzal Rahman, Daniel Norris and Sam Royston.

Q700 **Chair:** Could you begin this session of our inquiry by introducing yourselves?

Sam Royston: I am Sam Royston. I am Policy Director at The Children's Society. I was also one of the authors of the "Holes in the Safety Net" report a few years ago on the impact of Universal Credit on disabled people and their families.

Afzal Rahman: I am Afzal Rahman. I am Senior Policy Researcher at Citizens Advice. At Citizens Advice last year, we helped 2.6 million people and over two-fifths of those were disabled people. People with health conditions and disability benefits continue to be our biggest advice area as a service.

Daniel Norris: Good morning. My name is Dan Norris. I work for the Child Poverty Action Group where I run a service called the Early Warning System that seeks to understand and evaluate the impact of post-2013 welfare reforms.

Q701 **Jack Brereton:** First we want to ask a few questions about the impact on disabled students. Could you add your thoughts about the impact of Universal Credit on disabled students?

Daniel Norris: One of the main issues that we have seen at CPAG, raised to us by advisers in the field, is the difficulty that disabled students wishing to claim means-tested subsistence benefits—Universal Credit in this instance—have in becoming eligible for Universal Credit. Universal Credit largely excludes students in full-time advanced education on the basis that they are in receipt of education. There are some exceptions, which include disabled students who have a limited capability for work and an entitlement to a disability benefit such as personal independence payments or disability living allowance. Under the old system under the employment and support allowance a claimant could be treated as having a limited capability for work before they underwent a DWP work capability assessment on the basis that they were supplying a medical certificate from their GP to cover the period until the DWP arranged a work capability assessment.

Under Universal Credit, that provision is not available. Some people can be treated as having a limited capability for work but it does not include the provision that a person supplying a medical certificate can be so treated. That means that disabled students who are claiming Universal Credit in a full service area either have to wait a period before they can get any Universal Credit support once they have been assessed to have a limited capability for work or having their applications refused because at the outset of the claim, prior to having a work capability assessment, they have not got a limited capability for work and, therefore, fall to be excluded from the Universal Credit on the basis that they don't reach the sufficient thresholds to allow to claim.

Afzal Rahman: It is not an area that we have done policy work on but we have seen people dealing with it. I think the main issue for disabled people is that the system is simple to navigate. We see things like this where it is not clear where responsibility for making sure things work lies and it is falling between two posts. There are similar things in free school meals and medical evidence and it leads to design problems. More joined-up thinking is probably needed in this area and it can't be claimants that lose out.

Q702 **Jack Brereton:** DWP has suggested that other entitlements such as the disabled students allowance and other student-specific labels are widened. As you suggested, students are not entitled to Universal Credit. Do you feel that they cover the full cost for disabled students?

Daniel Norris: I think that that explanation for the current situation where many first-time Universal Credit claimants who are also disabled students are unable to get their entitlement poses a problem. It means that there are two classes of disabled students, those who already have a limited capability for work because they have had an assessment under Universal Credit, or they had an assessment under ESA prior to being transferred to Universal Credit, are entitled to receive UC to top up their student finance provision. The suggestion that other groups, those disabled students who can't get Universal Credit because they initially don't have a limited capability for work, can rely simply on the student finance system—if the suggestion is that the student finance system is amended or beefed up to take account of the requirements of disabled students, that would have some positives in the sense that the students would not be relying on the social security system and associated stigma, but at the moment it does not have that.

There are disabled student allowances but those are course-specific, so they are paid in order to support disabled students to pursue their courses. The Universal Credit entitlement allows for the student to get means tested support by virtue of the fact they are disabled and face extra expenses. No, I don't think that the student finance system as it currently stands can replace the top-ups available under Universal Credit. They don't account for the circumstances and the specific needs of those disabled students adequately.

Q703 **Jack Brereton:** But what you are saying is that it might not necessarily be for DWP. It could be through the student finance system to address these issues.

Daniel Norris: That is certainly a possibility and there are certain advantages to that. The disabled students who are pursuing education are doing so to not be workless, not be dependent on the social security system and they avoid the stigma of being benefit dependent, and some of the problems and difficulties of claiming and maintaining a UC claim have been addressed in the earlier session. I think the obvious problem with that approach is that there is already, in Universal Credit and the Department for Work and Pensions, the resources and the structure to assess somebody's disability. We have the work capability and it also assesses their means and their needs, so it can do a means-tested calculation.

If we were to move that provision over to the student finance system, that would seem to imply that you need to replicate the assessment process to find out how disabled a person was and whether they had a limited capability for work or whatever the equivalents might be called under the student system. It would seem to me to require replicating the whole system again in another Department, which might not be willing to do so, and it entails a great deal of inefficiency, I guess, that Universal Credit is set out to avoid.

Q704 **Jack Brereton:** Do you think any other further improvements could be

made to help support disabled students?

Daniel Norris: The panel earlier on talked about the issues of accessing Universal Credit and maintaining a claim and I would echo all of those problems. They are problems we have seen at Child Poverty Action Group while I have worked there. I think the return of some of the disability premiums, which I think you will probably discuss later this morning, would further support students who are often some of the most disabled and the most vulnerable in that they live alone if they are entitled to the severe disability premium, the enhanced disability premium, and they are taking what are probably the only reasonable steps available to them to find employment. I think an increase in support by the return of the premiums would go some way to support those students.

Q705 **Chair:** Daniel, can I be clear, are you saying that the assessment of the disability should be Universal Credit's and even if additional payments are made they should be through student finance? I am just anxious. Quite a lot of my students, where it is a straightforward application for student support, don't get it easily let alone adding this complication.

Heidi Allen: Forgive me, I thought the trigger in the legacy system was if you were on PIP or DLA. Why can't that be the same flag for the student loans and come out of the Education budget rather than DWP?

Daniel Norris: One fairly straightforward improvement would be to amend the Universal Credit regulations so that a student who is in receipt of disability living allowance or personal independence payments and was undertaking a course of education, an undergraduate degree, could be treated as having a limited capability for work until their work capability assessment was completed. They would be allowed to make and continue a claim, receive Universal Credit top-ups to their student finance support until a work capability assessment was completed and it could be decided whether or not they had a limited capability for work.

Q706 **Heidi Allen:** I can't help but feel that that is still going round in circles a bit. This is about somebody who is in education. Going back to Jack's probing, is it for the DWP to provide that top-up or is it for an alternative mechanism? The scenario you have described is a little bit like going round in circles. It should not be about capability for work. You are a student. In the old system PIP or DLA was applied; PIP can still be the flag. Ultimately it is all Government money, it is all taxpayers' money, isn't it, but it pops up in the student loans budget rather than the DWP, which I think is what DWP is pushing for.

Q707 **Chair:** That is what you are pushing for, Daniel. You want to keep as many people off Universal Credit as possible.

Daniel Norris: Off Universal Credit?

Chair: Yes, even if the designation for the additional payments comes through DWP.

Daniel Norris: Yes. Under the old system you had to have a limited capability for work in addition to receiving PIP or DLA. The advantage under the old system is that you could be treated as having a limited capability for work by production of a medical certificate. That is not available under Universal Credit. That is where the problem lies. I think there are positives to supplying all of the payments or support for disabled students through the Education Department, as I say stigma being one of them and not having the difficulties of claiming Universal Credit. I think the downside of taking that approach is that the existing student financial system does not have a particularly sophisticated or all-encompassing assessment of disability for the small amount of disability additional support that is available through the Education Department. The DWP already has this procedure in place through work capability assessments and assessment by third-party private organisations. It would seem to me that if you want to continue that assessment you could do that under the Department for Work and Pensions and make the payments under the Education Department but, to be honest with you, I think it matters less.

Q708 **Heidi Allen:** Hasn't PIP been done? If the person has PIP, that is the flag and you do not need another assessment, or am I missing something here?

Daniel Norris: At the moment, to be entitled to Universal Credit as a student, you have to receive PIP and have a limited capability for work. That was the case under the legacy benefit system. It is not PIP alone. I think to make extra support available for students through the student finance system, if they have PIP, would reduce the requirement and would be a more generous offer to a disabled student. Yes, I think I would be in favour of that. It would be an easier solution. It would expand the number of people who are entitled to the help because it would take away the extra threshold that you have a limited capability for work. That has cost implications but I think it would be money well spent.

Afzal Rahman: As I say, we have not done policy work in this area.

Q709 **Heidi Allen:** Daniel, you hinted at this next topic. This whole inquiry today is about what is life like for disabled people in the new world of Universal Credit compared with the legacy system. One of the biggest changes is the removal of severe and enhanced disability payments. I would like you all to give me your general views on what that means for disabled people and their carers, families, because it is often the family and not just the person, and also in light of the announcement that came out of the DWP on 7 June about this transitional protection. Talk me through how far that gets us to where we need to be and whether there are still flaws in the future state for disabled people.

Sam Royston: I think the removal of the severe disability premium within Universal Credit is one of or possibly the biggest mistake in the transition to the new system. It is an awful lot of money, is the first thing to say. The SDP is worth an extra £64 a week. It is paid to severely

disabled adults who do not have a non-disabled person to look after them, neither a non-disabled partner in the household nor another person receiving carer's allowance to look after them. On top of that the EDP, the enhanced disability premium, is effectively paid to people in the support group for ESA. It is worth £16 for single people, £24 per week for couples.

Under Universal Credit, as you say, both of them are scrapped altogether. However, it is worth pointing out that the support component equivalent within Universal Credit has been substantially increased. There is a £38 a week increase in the level of what is now called the limited capability for work and work-related activity component, but I will just call it the support component. The greatest loss is for people who do not receive that additional top-up, the extra £38 per week, people who would be in the work-related activity group for ESA at the moment. However, one thing that is really important is that even people in the support group face a substantial loss as a result of the removal of the SDP.

Q710 **Heidi Allen:** That is just one component of it, isn't it?

Sam Royston: Once you take into account the loss of the SDP and the EDP and you offset that against the increase in the value of the support component, people in the support group are worse off by around £180 a month. We will come on to the transitional arrangements in a moment but I think there is an error in the draft regulations, because they suggest they will be worse off by £80 a month rather than £180 a month.

Chair: It could be a typing error the wrong way, couldn't it?

Sam Royston: Who knows, but it is certainly something that we will be very keen to get resolved very quickly.

The Children's Society are particularly concerned about the impact of this on two groups, in particular, that we do work with. One is disabled parents with young carers. This would normally be single parents with a disability, with a young person in the household. The young person cannot receive a carer's allowance, and we think rightly cannot receive a carer's allowance if they are under 18, and the parent can receive the severe disability premium. That additional support is absolutely crucial for enabling them to pay for private care services, people to come in to do housework, somebody to come in and help with the garden, all of those things that reduce the care burden on the child and enable them to participate in the normal activities that a child should be involved in and make sure that they are able to be involved in their education and so on.

The other group that we are very concerned about is young disabled people making a first move into independent living. The reason for this is that they are affected by a number of changes to their ESA simultaneously as a result of the introduction of Universal Credit. If you had a 23 year-old claimant in the mid-rate care group, the standard daily living component for PIP, with limited capability for work, under ESA they

would currently receive a personal allowance of £73 a week. They receive the over-25 rate of personal allowance rather than the under-25 rate because they are on ESA. They would receive the work-related activity component of £29 a week, assuming they claimed before April 2017, and the SDP of £64. Their overall ESA entitlement would be around £166 a week.

Under Universal Credit, their total ESA entitlement is £58 a week in exactly the same circumstance. That is because they have lost the work-related activity component, they move from the older person's rate of personal allowance, from £73 a week down to £58 a week, and they lose the severe disability premium. That is a cut in their overall ESA entitlement of two-thirds. I do not know how you cope in that situation.

Q711 **Heidi Allen:** The announcement on 7 June patches over that a little bit.

Sam Royston: It certainly helps. The announcement is enormously welcome. It broadly falls into three parts: first, preventing most people receiving a severe disability premium from transitioning on to Universal Credit; secondly, changing the transitional payment arrangements a little bit to reduce the circumstances under which those can be lost.

Heidi Allen: It is back paid as well, isn't it, for anybody who is already in the situation?

Sam Royston: Thirdly, introducing this additional payment, a transitional top-up payment, for those losing the SDP and back paying that to the point where they first moved on to the Universal Credit.

Broadly there are four big problems with the transitional provisions that have been introduced. The first is what I think and hope is an error in the draft regulations, which provides for an additional top-up of £80 a month for those with limited capability for work-related activity. That seems to leave them about £100 a month short.

Chair: We have that point. Second?

Sam Royston: The second is that there are still circumstances under which people can lose the transitional protection. For example, very strangely, it appears that if they are a couple where both partners receive the severe disability premium—that would be if you have two disabled partners—if they separate, they lose their SDP protection, which I do not understand at all.

Thirdly, there will be circumstances under which people can migrate to Universal Credit when they are not entitled to the SDP, but then if they were later to come into entitlement to the SDP, they would not get it. For example, if you have an 18 year-old with a disabled parent who has migrated on to Universal Credit, the disabled parent would not receive SDP at that point, so when the young person moves out of the household they would not get the SDP back and they would not get any additional protections.

Fourthly, of course, the measures fail to address the long-term impact of the loss of the SDP. For new claimants, they will not get the SDP in the future. The long-term impact of this change remains the same.

Q712 **Chair:** That is brilliant. So that we can get our list together, Afzal, what would you add to it, please?

Afzal Rahman: I would echo the concerns about the £80 top-up that is being suggested in the rates.

Chair: What we would love, Afzal, is any new ones.

Afzal Rahman: You would love new ones?

Heidi Allen: Is there anything extra that Sam has not covered? He is clearly quite geeky and knowledgeable on this.

Afzal Rahman: People can lose their transitional protection if their circumstances change and then they change back. If somebody was on ESA with the SDP and moved into work, was not on the SDP anymore, they would lose that transitional protection. If they were then to be dismissed from work and moved back on to out-of-work benefits, they would have to claim the UC.

Q713 **Heidi Allen:** Is that a change in circumstances? As you say, two people splitting up, in and out of work, anything that rocks the boat, they are a new UC applicant.

Afzal Rahman: Yes, and we also know that the SDP is not the only way that disabled people can lose out on moving on to UC, so it is welcome that the Government have announced these changes, and it is reassuring the Government are continuing to make changes for disabled people as they move on to Universal Credit.

However, there are other groups. Sam talked about people who were in the WRAG group losing the WRAG and the enhanced disability premium will not be protected. With that specific combination of disability premiums, they will end up with just a standard element on UC. They will not be protected because the protections are only for people on the SDP and similar combinations for people on JSA.

Then there are broader groups such as disabled workers. Disabled workers would have got the disabled workers element in tax credits. If they transition on to Universal Credit, it is quite likely that they have no additional recognition of working with a disability in the system, something that has always existed in tax credits. That is worth about £3,000 a year, again a similar amount to the SDP. There are other groups such as people on community work. It is great that we are looking to protect disabled people, to see what we can do, but there is more that we need to identify.

Q714 **Heidi Allen:** Daniel, is it a correct assessment that it fixes those who have been on it and will be moved on to UC or have been moved on to

UC, where nothing in their lives will change, but with one little disruption they lose that transitional protection?

Daniel Norris: Yes, absolutely. Echoing all the points that have been made, I think it is important to see this in context, particularly that transitional protection only protects those currently getting the financial support. Those who are becoming disabled at the moment or are going to make the claim are going to lose out. These are the most disabled people in our community. They are also quintessentially isolated. They live without another able-bodied adult, and that responsibility falls on their children or can fall on their children in a caring responsibility.

The question of cost has to be seen within the context of the fact that it will produce knock-on effects for the wellbeing and education of their children, of the claimant's mental and physical health. It should also, as has been alluded to, be seen in the context of other cuts that Universal Credit embodies, such as the reduced support for lone parents who are under 25, freezing of many elements of Universal Credit and the loss of the limited capability for work. It is not an isolated cut, if you see what I mean.

Afzal Rahman: We have to think about where people face cumulative losses, where some of those cuts come together for a person. It is not just if there is the SDP that that covers some of the people with some of the greatest losses, but there are other combinations that you can come across where you have lost entitlement to different things that are not recognised in the UC. There is not the tailoring available within the new system for those cumulative losses.

Q715 **Heidi Allen:** Can I ask one final question? It is a little bit provocative. Do any of you think the announcement on 7 June was an acknowledgement of the new Secretary of State realising, "Do you know what? This isn't right. We have dropped the ball here and we need to fix it"? It is incredibly welcome, because up until that point I had certainly felt that nobody knew about SDP and suddenly they do. It is good news that they are attempting to fix it but we need to encourage them to go further.

Afzal Rahman: Yes, it is reassuring that the Government have acknowledged this problem and acknowledged that there are disabled people who face losses in the Universal Credit. It is a big step forward.

Heidi Allen: But it is just not everything.

Sam Royston: I think only time will tell. It is a very hopeful step forward. In some ways, the biggest indication that the Government would like to do something longer term is that not only have they enhanced transitional protections, but are paying this top-up as well, that they recognise that there is this group of SDP claimants who are going to be left considerably worse off and, as a result, they are going to introduce an additional element, effectively, within the Universal Credit entitlement. I think we just have to see, and very much hope that they do something that permanently improves the Universal Credit for this group.

Q716 **Ruth George:** I am interested in what the impact of the loss of SDP will have on people's ability to live independently, and what knock-on costs that could have and far greater costs on the social care system. Do any of you have a comment, particularly around maybe young disabled people who are looking to move into independent living, and what impact the changes will have on them?

Daniel Norris: My experience is I worked at a food bank, until I took this role on at CPAG, as an adviser there. It was in Tower Hamlets and the Universal Credit was rolled out over 18 months ago. The SDP was paying, under people's legacy benefit claims, things like the shortfall between the help that was available under the housing benefit and their actual rent liability, which is to an extent a widening gap. It stabilises people's homes and their children's home. With the loss of council tax benefit and the introduction of localised council tax-reduction schemes, many of those are less generous, and it enables those people to pay their post-2013 council tax liability.

From my experience at the food bank, it clearly adds a great deal of pressure to the shoulders of people who are often disabled and lone parents living alone and therefore entitled to the SDP. That feeds through and affects all of the members of the family, inevitably. I think it is almost undoubtedly the case that if the parents have less ability to cater for their own care needs, those care needs will fall on their children and their children's welfare will suffer as a result. That has a cost implication as well as a wider social implication for those children.

Afzal Rahman: People who get the SDP currently may use it to pay for some care, cover some expenses of people who come to help them, maybe their family. In losing that support, they may need to rely more on those people and have less money to cover those needs.

On the point about young disabled people, not having the SDP there disincentivises them from taking steps towards their independence. Universal Credit is all about moving people forward. If we are put in a situation where if somebody does want to move out, live alone, become more independent, that financial support is not there for them when they do that and that is a stop right in the sand for them.

Sam Royston: Young people living independently, under 25s with severe disabilities, could see their ESA cut by effectively two-thirds under Universal Credit. I just do not know how you could cope with that level of reduction.

As part of the "Safety Net" report, we did a survey of disabled people in different circumstances. Broadly, the things that people talked about spending the SDP on fell into housework, shopping, help with cooking, help with personal care, gardening and other costs. There are so many different bits and pieces that you face if you do not have a carer to look after you. People talked about very simple tasks like collecting post from the shed. One person said that opening parcels, recycling the packaging

from that parcel, putting the rubbish out, even simple tasks like that, if you do not have a partner to provide those care needs for you or you do not have somebody receiving a carer's allowance to do it, you need to either not do them or find some way to pay for somebody to do them for you.

The group that I mentioned we are particularly concerned about is the group of single parents with young carers. In our survey, around 40% of those who would be affected, single parents affected by the loss of the SDP, had children spending more than 15 hours a week assisting their parents already; 70% of households with at least one child over 10 had support from them for over 10 hours a week. They are already concerned about the social exclusion of their children as a result of this. One person said, "My local authority no longer provides homecare and I need to pay them for personal care. My son cannot cope with school and my needs and care for the home as well. His likelihood of obtaining his highers this year are nil. His whole future has been ruined because of our circumstances". This is the circumstance that people are already in. If they lose the SDP as well and those additional care needs are passed on to their children, it is going to make life nigh on impossible.

Q717 **Chair:** How many groups where there are young carers do The Children's Society work with? How many groups around the country do The Children's Society support where the key person in the whole household is the young carer?

Sam Royston: I cannot give you the number exactly off the top of my head. It is some number. We provide, through the Include service, a lot of networking for young carers as well. A lot of our support goes directly to the young carer rather than support for the parents. For example, last weekend we held a Young Carers Festival, a national festival for young carers, to give them the opportunity to come together and have a bit of leisure time and an outlet where they can experience some social activities and interact with other young people with caring responsibilities as well. Some thousands of young carers came to that.

Q718 **Chair:** Brilliant. We are thinking all the time about our report. Could you give us some up-to-date examples of what this means if you are a young person in a household, whether you have slipped into it—it can never be a free decision for a 10 year-old to take on these roles—and the different levels of financial support? I know you have it in there, but you have just had a big festival. Did you get any more up-to-date information for us?

Sam Royston: We did ask young people about their experiences of benefits. We are collating the experience.

Chair: Could we have that for our report?

Sam Royston: We are collating the evidence from that at the moment. I do not have it to hand but I am sure we would be able to pass some of that on.

Chair: We want it for our report. If we can do it from The Children's Society, it would be brilliant.

Sam Royston: Of course, I am sure we can do that.

Q719 **Ruth George:** Can I clarify one point? You said that ESA would fall by about two-thirds for young disabled adults moving into independent living. What would they have been on before with ESA and what is it dropping down to?

Sam Royston: This is if they are on the standard rate daily living component of PIP. If they are on the higher rate, it should be said that it would be lower. If they are in the support group, it would be lower. Currently they would receive £73 personal allowance for their ESA—assuming they claimed before April 2017—£29 work-related activity component and £64 top-up through their severe disability premium. In total it comes to about £166 per week.

Q720 **Ruth George:** That will drop by two-thirds, down to about £50 or £60?

Sam Royston: That drops down to £58 a week, the lower rate of standard allowance. Effectively, the young person's rate of standard allowance within Universal Credit is all of the equivalent support that they would get. They would get some additional support in both the current system and the new system, through DLA, through housing benefit. Those are not included within that, but their ESA entitlement is cut by around two-thirds.

Q721 **Ruth George:** Thank you. We have heard a lot about how the system is going to impact on disabled people. Do each of you have any recommendations for ways of offsetting the removal, particularly of the premiums for those who are most adversely affected, and what are the costs implications for this? Do you have any proposals for us?

Daniel Norris: Our proposal would be that they are restored, obviously. There have been other suggestions of solutions to the problem that are less financially costly to the state. What it will cost is what it is currently costing, because there are relatively few people, especially who would qualify for SDPs, on the Universal Credit. For most people the cuts have yet to come, so we are not talking about an extra expense, rather offsetting a cut.

If you are going to consider the cost to the Exchequer of continuing to pay SDP or coming up with some sort of amelioration, an alternative, what needs to be considered is the cost on other services—social services, the National Health Service, education, even the criminal justice service—of making this cut to some of the most vulnerable people in the community. I do not think it is a particularly contentious point to say that that will have a knock-on effect on other budgets. It is not so much what it will cost but what it will save.

Q722 **Chair:** The trouble is, Daniel, that the Government will not listen to that

argument. Whatever the political colour of the Government, of course they should but they do not. What we would love—you cannot do it now but we invite everybody to contribute to this—is if you can think in the licensing of Universal Credit how we might add to the Universal Credit arrangement—support, whatever we are thinking about—so the Government do not have to climb down but we get some movement. Therefore, in a sense it feels like a natural progression development of Universal Credit rather than saying, "We want to hoick back something" that the Government clearly now regard is going into the past. Afzal, you might also have some—without the new name, what about Ruth's question?

Afzal Rahman: I think an immediate concern, thinking just before the long term, is that the people who have already moved on to Universal Credit and will benefit from the protection that the Government have just announced are identified quickly, those 4,000 people, and the correct payments are in place for those people. Sam mentioned that the regulations mention an £80 top-up for those in the support group who get the enhanced disability premium and severe disability premium. That needs to move closer to £180. We need to get that right first.

In the longer term, our position remains the same. Sam talked about the holes in the "Safety Net" report. That was co-authored with Citizens Advice. Our position remains similar to what we suggested then. We suggested introducing a self-care element. This would be done in the way that elements work in Universal Credit, things like the carer's element. It would have advantages over the way the severe disability premium worked in the past because it would maintain the work incentives and prevent the cliff edges that Universal Credit's design is meant to do.

You could introduce a self-care element that is set at the same level as the carer's element to ensure parity between people who have a carer who lives with them and those who do not. That is about £156 per month. That remains our position and we are broadly in that space.

Q723 **Chair:** Sam, people have been telling us what you are going to say, but is there something more specific you have in mind for us?

Sam Royston: To build on that suggestion around the self-care element, it is very welcome what the Government have done with the carer element within Universal Credit, in particular removing the earnings' limit. That means that if you have a carer in the household they can both work and provide the care responsibilities that they do and you can continue to receive some additional support as a result of that.

Q724 **Chair:** As you would expect with a young child. You would expect them still to go to school and provide the care, wouldn't you?

Sam Royston: Indeed, although you would not receive that carer element if you have a child in the household.

Chair: No, I am saying you may have other roles to carry out but we still

expect you to care, or allow you to care.

Sam Royston: You are quite right. The additional support that has been very welcome in that area has increased the cliff edge between the circumstance where there is a carer in the household and there is not a carer in the household. Suppose you have a family with two parents, one severely disabled, and a child in the household. Say the non-disabled partner is providing care for the partner but also in full-time work. In that circumstance the household receives a carer element within the Universal Credit entitlement, gets the full-time earnings from the person in employment and has the additional care support for the disabled partner. If that partner then moves out of the household, they not only lose the full-time care support but they also lose the carer element and they do not get any replication for a self-care element.

The bare minimum, it would seem, that would be sensible to do would be to say in that circumstance, where someone is providing that care, or effectively a disabled person is providing that care for themselves, they are given the same amount of financial support that you would provide to a carer for looking after them so that they can purchase that care in for themselves.

Chair: I am conscious of time. That is a good high note to end on because it is also one that I think the public could see the sense of if we recommend that. I am immensely grateful for all three of you coming and adding to our list of proposals. Thank you very much. Before we go, Alex, we are still in session. Can I register your declaration of interest so that it is on the record? All right, thank you.