

## Written evidence from the Disability Poverty Campaign Group COL0045

1. The Disability Poverty Campaign Group (DPCG) is a countrywide coalition led by DPOs (Disabled people's organisations) with **one mission: to end poverty among Disabled people in the UK**. We are also working with many national and local Disabled people's charities and organisations working to end poverty. The DPCG steering group includes the Cheshire Disabled People's Panel, Disability Rights UK, Inclusion Barnet, and Inclusion London.
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### Response to Committee Questions:

- **How effectively will the new Cost of Living Payments protect different types of households from increases in the cost of living?**
3. The recent payments announced by the Chancellor are welcome, but they are deeply insufficient for the horrendous situation Disabled people are facing. They also do not address the needs and problems of people who care for Disabled people, because people receiving carers' benefit were not included in any of the targeted support groups announced in May.
  4. Disabled people have faced over a decade of erosion of our living standards. A report by the Equality and Human Rights Commission in 2017 showed Disabled people have been the worst affected by the government's austerity programme 'with cash losses of over £5,500 per year [since 2010]. In percentage terms this is a loss of over 13% of their net incomes on average.'<sup>1</sup> Losses have continued since this date, notably

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<sup>1</sup> <https://www.equalityhumanrights.com/sites/default/files/impact-of-tax-and-welfare-reforms-2010-2017->

with the failure to include Legacy Benefits in the £20 uplift that was supplied to people receiving Universal Credit during the pandemic, and dramatically increasing costs for basic goods and services, including care, which many Disabled people must pay towards themselves, including from means-tested benefits income.

5. It is very expensive to be Disabled, as we face paying for additional needs and specialist equipment that is not provided on the NHS or through disability benefits. Scope calculated that in 2019 the average Disabled person had to spend £583 per month more than an equivalent non-disabled person to achieve the same quality of life. For one in five of us, the extra amount we had to pay was over £1,000.<sup>2</sup> These additional costs will now be even higher, due to massive price increases. ‘Extra costs benefits’ designed to address the additional costs (for example, PIP, DLA, and AA) are insufficient, and have never been pegged to the actual amount of extra costs Disabled people face.
6. Disabled people’s energy needs are higher on average than those of non-disabled people. Many disabled people need to use heating more often, to use electricity to charge mobility equipment or run medical devices, and to operate washing machines and other domestic appliances more often. Carolynne Hunter, mother to Freya, a Disabled child, must keep the heating on in Freya’s room and medical equipment (including an oxygen concentrator, suction machine, nebuliser, saturation monitor, and medication fridge) plugged in, all day, every day, to prevent life-threatening illness.
7. In April, the ‘energy price cap’ increased by 54%, making household energy bills even more expensive. Carolynne found her direct debit for gas and electricity rising to £1026.86 per month (£12,322.36 annually). After negotiating with her supplier, she will still have to pay over £400 a

month, and worries that this might not cover her essential usage, leaving her in arrears. She cannot afford even the £400 a month, yet her daughter's health is reliant on the equipment.

8. The £150 additional payment to people who receive PIP announced by the government in May will barely touch one month's worth of the energy bill increase Carolynne and Freya have seen, let alone addressing all the other additional costs that have increased for them. In addition, the government recently changed the criteria for the Warm Home Discount, removing the priority given to people who receive PIP. This means that this winter, people like this family will lose the £150 discount they would previously have received on their energy bill – so for many people the £150 one-off payment simply replaces what the government have just taken away.
9. The additional £650 cost of living payment to those also in receipt of a mean-tested benefit is welcome, but also insufficient. It covers less than the average increase in energy bills we are expecting this year, even though all costs are rising. More importantly, the problems we are facing are not just caused by the recent surge in inflation (although that has certainly increased the emergency): benefits levels were already grossly insufficient for Disabled people's and carers' needs even before recent cost increases. Almost a third<sup>3</sup> of all Disabled people in the UK already lived in poverty before the recent surge in inflation, after over a decade of erosion of social security, and a disproportionate impact falls on disabled women, family carers and immigrant people. A quarter of disabled people responding to a survey in February 2022 had missed meals or not heated their homes in the last year.<sup>4</sup> As a one-off payment, it does nothing to address the ongoing poverty crisis facing Disabled

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<sup>3</sup> <https://www.jrf.org.uk/report/uk-poverty-2022>, p57

<sup>4</sup> Poll conducted by ComRes on behalf of Leonard Cheshire: <https://comresglobal.com/polls/leonard-cheshire-disabled-adults-polling/>

people. We believe that an emergency uprating of benefits would have been a better approach to the crisis.

10. People who care for Disabled people also urgently need additional support, after carer's benefit was excluded from the targeted additional sums announced in May. In addition, we are concerned about the position of Disabled people and carers with 'no recourse to public funds' status, who are facing enormous price increases on top of existing extra costs, with little or no support.

- **What approach should the Government take to the uprating of benefits and state pensions in future years?**

11. The Government must combat the poverty within the Disabled community urgently. An emergency mechanism must be introduced to deal with cases in which large increases in inflation happen between the point at which inflation is measured and the point at which the uprating is applied. In addition, current official inflation measures fail to consider how the poorest households specifically (including households with a Disabled member) are hit by rising prices. Price rises do not always happen evenly, and in April writer Jack Monroe pointed out that inflation had been particularly high in supermarket value food ranges. The Office of National Statistics is currently working on a new way to measure inflation, taking this problem into account. Future benefits upratings should be based on the new methodology, and provide increases according to the inflation felt by people who are in receipt of benefits.

12. A better approach to claiming benefits available is pivotal. The current system is far too complex and inaccessible to Disabled claimants, with many unaware of the benefits they are entitled too. The system is also hostile, causing unnecessary trauma, especially but not only for people living with mental distress, and discouraging people who desperately

need support from applying. The DWP and the benefit system need a drastic overhaul to make them accessible and humane.

- **Following the Chancellor's announcement on 26 May, are there other ways in which the Government should increase support for people on legacy benefits and state pensions ahead of the next scheduled benefit uprating in Spring 2023?**

13. The Autumn budget should include an uprating of all benefits to account for two things: 1) the discrepancy between the 3.1% uprating delivered in April and the actual inflation figure of 9% in April, and 2) inflation figures in Autumn, which projections have suggested will reach the double digits. This will require an increase greater than the Autumn inflation figures.

14. In addition, people on legacy benefits should always be treated equally with those on newer forms of benefit. At the beginning of the pandemic, people on Universal Credit were given an emergency increase of £20 per week, but disabled people on legacy benefits were left behind. Disabled people are still struggling with the consequences of this discrimination.

- **What changes should DWP make to their deductions policies and practices to protect those on Universal Credit and legacy benefits from reduced incomes?**

15. The DWP should ensure any deductions taken from Universal Credit awards are first subjected to an affordability assessment. They should only be made in accordance with what a claimant can afford to repay. This process must take into account the extra costs disabled people face due to managing living with disability.

16. The temporary pause to the Fuel Direct Scheme, which allows energy suppliers to deduct arrears from benefits before they are received by the claimant, should be extended for as long as fuel prices remain high.

- **How can the Government act to increase Pension Credit take up to help pensioners with rising living costs?**

17. The government must tackle some of the myths that may stop people applying. Having savings, a pension, or owning a home are not necessarily barriers to receiving Pension Credit. Many Disabled people are also unaware that 'extra costs benefits' such as PIP, DLA, and AA do not count as income and therefore do not affect pension credits.

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