

Submission from Lothian Centre for Inclusive Living (LCiL) to the Health and Sport Committee Scrutiny of the UK Welfare Reform Bill and Legislative Consent Memorandum

1. **Lothian Centre for Inclusive Living (LCiL)** is a user led Disabled People's Organisation which supports the right of disabled people to live independently in the community of their choice. LCiL works with disabled people to take control of their own lives, support their choice to take up their rights and enable their full participation in society. LCiL's Information Service, Grapevine, provides comprehensive benefits advice to disabled people in the Edinburgh and Lothian area.

2. Welfare Reform

Last year the UK Government announced £18 billion worth of cuts to the welfare budget with £9 billion of these cuts falling directly on disabled people. The scale of the welfare cuts is unprecedented and will have a damaging impact on millions of households. According to the Child Poverty Action Group (CPAG), 19 million claimants and 8 million households in the UK will be affected by the introduction of the Universal Credit. The UK Government has stated that its aim is to simplify the benefits system but it is LCiL's view that the proposals in the Welfare Reform Bill indicate that the main aim is to reduce the welfare budget and to remove essential income from benefit claimants including disabled people and their families. In the UK, 51% of disabled people are not in work and rely on the welfare benefit system for their basic survival and daily living costs, and will be disproportionately affected by the welfare reforms. The Department of Work and Pensions (DWP) acknowledges that the fraud rate on disability benefits like Disability Living Allowance is very low at 0.5%, and yet the focus of the Welfare Reform Bill is to cut the essential benefits from many disabled people who are genuine claimants.

3. Proposals in the Welfare Reform Bill

3.1 Time Limiting of Contributory Employment Support Allowance

The Welfare Reform Bill proposes to introduce a **time limit of 1 year for all claimants receiving Contributory Employment Support Allowance.**

According to the Department of Work and Pensions:

- **700,000 people will lose entitlement to contributory ESA by 2015/16**, with around 58% of these claimants being men and 49% being aged between 50 and 65.
- **The time limiting of contributory ESA will save the UK government £1.4million**

Contributory Employment and Support Allowance (ESA) is currently paid to those disabled people who have made sufficient national insurance contributions before stopping work due to illness or impairment. People who currently get contributory Incapacity Benefit may also find that their benefit becomes time limited once they have been transferred onto Employment Support Allowance. If the Welfare Reform Bill is passed, the changes will be introduced in Spring 2012 and those who have already received contributory ESA for 12 months or more will have their benefit stopped straight away.

LCiL strongly objects to the proposal to time limit Contributory based Employment Support Allowance for the following reasons:

- Contribution based benefits are paid on the basis of the National Insurance contributions previously made whilst a claimant has been in work. Disabled people who have contributed through employment should not then be penalised when they are unable to work due to impairment or ill health.
- A third of disabled people live in poverty, removing an essential benefit worth **£90 per week** will further increase levels of poverty.
- Disabled people who are living with a partner who is earning will be further penalised as they may not be able to claim income based Employment Support Allowance.
- Contributory based Employment Support Allowance is paid to people who have been assessed as having limited capability for work and may include people with conditions such as: Cancer, Multiple Sclerosis, Parkinson's, Arthritis or Mental Health issues. These people need to be supported financially and not to be excluded from receiving benefits.

3.2 Roll out of Employment Support Allowance to existing Incapacity Benefit claimants

In addition to the time limiting of contributory Employment Support Allowance, the Department of Work and Pensions is currently reassessing all claimants receiving Incapacity Benefit, Income Support on the grounds of incapacity, or Severe Disablement Allowance and moving them on to Employment Support Allowance or Job Seekers Allowance. Around **30,000** claimants are being reassessed per week.

There is much evidence to demonstrate that the current **Work Capability Assessment** being used for this reassessment process is not effective. Citizens Advice in Scotland are getting a **70% success rate on appeals** on decisions where claimants have been found fully fit for work and there have been over **400,000 appeals to tribunals so far**.

On a daily basis, LCiL is hearing about many of our own service users, many of whom have high support needs, who are going through the Work Capability Assessment process and being found Fully Fit for Work, even when the disabled person's own GP has assessed them as being unfit for work.

The emotional distress that the process of the reassessment of benefits, the refusal of benefits and the appeal to tribunal, is difficult to fully measure, but it is of great

concern to LCiL that genuinely disabled people are being treated like this by a system that is supposed to support them.

Emphasis on Disabled People and Work

LCiL objects to the UK Government's view that benefit claimants should be moving towards returning to work and moving off benefit. Lord Freud, representing the UK Government in the House of Lord's Committee on the Welfare Reform Bill recently stated: 'We expect people on benefit to take up the help and support available, through Jobcentre Plus or the work programme, to move off benefit and into work.' LCiL is strongly of the view that there are many disabled people who will never be able to take up paid employment due to the barriers they face from employer's attitudes, lack of support and/or because they lack the physical capacity to work. Furthermore, in the current economic climate there are very few jobs available and this is unlikely to change in the near future.

It is LCiL's view that disabled people can and do make a valuable contribution to society regardless of whether they are in work or not. The emphasis of the UK Government that everyone must work in order to be able to contribute to society creates further prejudice against disabled people who are benefit claimants, portraying them as being worthless and 'benefit scroungers'. As an active member of the Independent Living Movement and Disabled People's Movement in Scotland, LCiL is firmly of the view that disabled people deserve dignity, respect, equality and to be treated as valued members of society, whether or not they are in work.

3.3 Personal Independence Payment

The Welfare Reform Bill proposes to abolish Disability Living Allowance (DLA) and replace it with a new benefit, the Personal Independence Payment (PIP) in 2013.

Disability Living Allowance (DLA) is currently paid to disabled people to help to pay for the additional costs they face living in a disabling society, particularly to help pay for care costs and mobility costs.

LCiL is greatly concerned that the introduction of the new Personal Independence Payment is being driven by budget cuts. It is not focused on increasing Independent Living for disabled people and will instead increase the number of disabled people living in poverty and lead to further disadvantage of disabled people from being able to participate in mainstream society.

Cut to DLA Budget and Caseload of 20%

The budget and caseload for Disability Living Allowance (DLA) is to be cut by 20% and it is estimated, by the Disability Alliance, that around **800,000 claimants across the UK will lose their DLA.**

In addition, Personal Independence Payment (PIP) will have 2 rates of care, currently there are three. **Everyone on the lowest rate of care will lose their entitlement to DLA.**

The City of Edinburgh Council is predicting that in **Edinburgh, a 20% reduction in** the number of recipients could affect **over 4,500 disabled people** and that over **6,000** Edinburgh recipients are in receipt of the lower rate of care award, which is to be abolished under the new PIP. This is likely to impact not only upon existing social care service users, but is also likely to increase the demand for social care services by disabled people.

Removal of DLA Mobility for people in Residential Care

The Welfare Reform Bill also proposes to remove the DLA mobility component for people living in residential care homes resulting in **84,000 disabled people** across the UK losing this benefit. In Edinburgh it is estimated around 600 care home residents will be affected, will reduce the income of care home **residents in Edinburgh by £1.2 million** (based on estimates provided by DWP).

3.4 Personal Independence Payment – Draft Regulations

The Department of Work and Pensions have recently published Draft Regulations for the new Personal Independence Payment (PIP) which show that the new system of assessment for PIP will be by a computer based, strict and narrow scoring system, similar to that used for the current Work Capability Assessment. This raises concerns because the Work Capability Assessment system is failing to adequately assess people's capability for work and it is unlikely that a similar assessment system for PIP will provide fair results.

The system for assessing entitlement for PIP will focus on the basic tasks the disabled person can/cannot do, rather than assessing the support that the person needs. This is a very medical based approach which will not be able to accurately measure the additional support that disabled people need with paying for support/care, transport, housing and adaptations whilst living in a society that is still very inaccessible to them. This type of narrow scoring/task based system goes against the principles of Independent Living which is about carrying out an individual assessment of the person's individual needs for support.

The new assessment does not include any criteria for support that a person may require at night, support with moving around in doors or using stairs, support following a fall or seizure, these are all included in the current assessment for Disability Living Allowance. Our concern is that many disabled people will fail to qualify for PIP under the new scoring system which will result in them experiencing further poverty and exclusion.

4.0 Legislative Consent Memorandum

LCiL understands that the Scottish Parliament will soon be considering a proposal to refuse legislative consent to the Welfare Reform Bill in Scotland. LCiL would ask the Committee to recommend that the parliament refuses legislative consent to the Welfare Reform Bill.

LCiL believes that the Welfare Reform Bill will have a detrimental impact on thousands of disabled people across Scotland, as well as a negative financial impact

on local authority budgets, an increased demand on support services and will set the rights of disabled people and disability equality back by many years.

LCiL agrees with the proposal by Inclusion Scotland that the Scottish Parliament should do everything possible to secure genuine change in the Welfare Reform Bill.

The Scottish Parliament & Government should seek assurances that all of the following amendments to the Bill's proposals are adopted -

- (i) Allow those living in residential care to continue to claim the Mobility Component of Personal Independence Payments (PIP).
- (ii) The time limit on contribution based Employment Support Allowance should be removed.
- (iii) Those with sufficient supporting evidence should be exempted from independent medical assessments for Personal Independence Payment.
- (iv) The UK Government should reverse its decision to reduce the disability premiums that families with disabled children receive by 50%.
- (v) The UK Government should reverse changes to Housing Benefit which will have a massively disproportionately affect on disabled people.

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