

## **WELFARE REFORM COMMITTEE**

### **WOMEN AND WELFARE INQUIRY**

#### **WRITTEN SUBMISSION RECEIVED FROM WOMEN FOR INDEPENDENCE**

Changes to the UK welfare system are punitive and are affecting women and children disproportionately. WFI are a campaigning organisation and as such do not directly support women receiving welfare. As an organisation however, we are very concerned about the direction of travel in our welfare system. WFI advertised on our Facebook page for our members to contact us with their views on welfare reform, we received the following:

“I have been unemployed due to health conditions since February 2008. I was diagnosed with M.E. (also known as Chronic Fatigue Syndrome) and Fibromyalgia (where I have lesions on my muscles) in June of 2003 and I also have depression and anxiety. I had surgery to remove my gallbladder in 2007 (digestive issues often go in hand with my other conditions).

Having these conditions makes it very difficult for me to hold down a regular job. I tire easily, have orthostatic intolerance (which means that I am unable to stand for long periods), and am most often in pain. My memory and concentration can also suffer when I am unwell, making me feel anxious and confused. I also have a weakened immune system due to past issues with my thyroid and when I am ill, it takes a longer time for me to recover. There is very little that modern medicine can do for me (I have been on all sorts of medication including anti-depressants for pain and beta blockers, have had counselling and have been to all departments including rheumatology and homoeopathy!) and I am currently not on any medication apart from over the counter painkillers. I may appear well and functioning when I am not and although I will try to work through pain and fatigue this can have a detrimental effect and can leave me weakened for days after.

I have applied for what was Disability Living Allowance on a few occasions previously and have always been turned down. This is due to the varying nature of my illnesses - I can seem to be okay and functioning then am suddenly bed-ridden. I do not fit any of the criteria. I am not claiming Employment Support Allowance as I fear that I would be pressured unduly to seek work and that there would be no understanding or allowances made for my conditions. I try to volunteer with organisations such as Women For Independence and Glasgow Women's Library but find that the nature of my poor health make me anxious that I will be unreliable.

My partner (who was on a zero hours contract and is now on a basic part-time contract with the promise of extra hours that have so far not materialised) claims Working Tax Credit for us but due to some bad advice and naivety when we received a small cash windfall we are currently suspended due to an overpayment. We are also in dispute with them as to our informing them several times that our daughter was entering further education and their continuing to pay us an allowance for her, which again may force us into an overpayment situation. Dealing with HMRC is stressful as it is difficult to contact them by telephone and they are inconsistent.

We are in the bottom of our overdraft and even when my partner is paid cannot climb out of it. We cannot pay our rent (we are speaking to a welfare rights officer from our housing association tomorrow for advice) and are having to borrow money to buy food. This all adds to my anxiety and exacerbates my symptoms, making it hard for me to function. My upbringing has left me with a real fear of issues such as being evicted and being made homeless and this compounds my depression and anxiety.

Since I do not have a "visible" illness, I feel that I and my family have fallen through the cracks in the welfare system and that, if this current situation of cuts and austerity continues combined with employment insecurity along with part-time, minimum wage and "flexible" McJobs then we and many, many others here in Scotland will face a grim future."

Name withheld by request

"As someone who probably falls into the "middle class" bracket, I am certainly not the worst off - but things are rather difficult financially & have been made worse by the changes to child benefit. I gave up a 25 year career 5 years ago, to care for my children, one of whom was chronically ill & had been very let down by the NHS. In other words, I felt I had no choice.

The result of this is that I lost a good income & had to "cut my cloth" accordingly, my husband still paying for the mortgage, weekly food, running of the car etc. We have been married for 25years and our incomes are and have always been separate. We have separate accounts. My ONLY source of income now, is child benefit. My husband now has to pay the entire amount back to the exchequer in the form of additional tax. Consequently, he has considered telling the authorities not to pay me, to save him the tax. There is no overall financial benefit & the tax situation would be simpler if I didn't receive child benefit.

HOWEVER, I use this money to pay for all the little things the schools continually ask for (school trips, fund-raising events, discos etc.) and for things such as Brownie & Scouts subs, for school lunches and for occasional treats for the children. Without it, I would have NO independence & my children would suffer.

This should be UNIVERSAL BENEFIT available to all, without means testing. It really does benefit the children & the current regime, at least in my household, is likely to hit them."

Name withheld by request

"Four years ago I got a liver transplant and for some time before and after I was getting full benefits. I brought up a family on my own without a husband as he left us when my kids were 10 and 14 and I was never in a position to take out a private pension. But I did work full time for 42 years.

A year after my transplant my benefits were cut by almost £400 pound per month as I was deemed well enough not to warrant this extra cash. I had to stop getting most of the help I had been getting up till then and simply get on with it. And so I did and I

manage most of the time there is just no extra for any niceties and I pretty much have to watch every penny.

My daughter pays for me to get a cleaner once a week and I get online food deliveries. The hardest job I have these days is making food, standing just kills me.”

Mary

“I am one of the women who will be bearing the brunt of the impact of the new flat rate pension. My case is complicated and I won't go into exact detail here but, briefly, I will not be allowed a full rate pension because I was relying on my ex-husband's NI which is suddenly no longer allowed. I am therefore missing those 9 years of NIC and am NOT ALLOWED to make up my NICs by voluntary contributions. My MP has written twice to Steve Webb, Pensions Minister, about this and we received pathetic responses. It means I will face the humiliation of applying for pension credit to try to get enough to survive on and who knows how long pension credit will remain as a benefit?

A fair society is my reason for believing in independence and, without it, I am not sure I will manage to live out my full lifespan.”

Eileen

“Women are adversely affected by the Welfare reforms for a number of reasons. Certain benefits such as child benefit and child tax credits are paid to the primary care giver, so typically women, even in couples it is often the female in receipt of the award monies. These have been hit hard by welfare reforms.

Here are some highlighted issues.

Inflation - many benefits have not been rising in line with inflation so the money has not increased in real terms leaving people short. The rate was also changed in line from RPI to CPI.

Benefit Cap - hits families with children higher than most. The figures are almost 90% of those affected are family and around 50% of those affected are lone parents

Income Support - the lowering for single parents with a youngest child of 5 (was age) to move to JSA and seek employment. Before then, there is also far more focus into looking for work than there ever was before. This is regardless of circumstance, childcare access. Once on Jobseekers, due to the claimant commitment it can mean an increase in chance of sanctions. Issues relating to children can be overlooked.

Tax credits - reduction in the % of childcare costs in Working Tax credit to 70% from 80% and Removal of the baby element of child tax credit. There is also an increase in the taper rate for tax credits by 2% to 41%.

Child Benefit- removal of Child Benefit when a person earns £60,000 and a reduction from £50,000.

Maternity - scrapping of the Health in Pregnancy grant and awarding the sure start grant to only the first child. Abolition of the Child trust fund.

Maintenance - There is an introduction of charges for the new maintenance system, if the payment is not made by a voluntary agreement.

Claimant Commitment - increased conditionality on benefits. JSA and subsequently Universal Credit. This increases likelihood of sanctions whereby benefits are interrupted, stopped altogether and means people end up living well below the breadline if strict job-seeking criteria is not adhered to. Hardship payments are not sustainable, mandatory reconsideration and appeals can take some time. Sanctions can involve food-bank use, charity sources and unsafe borrowing as a means of survival. Mandatory work activity can also mean for parents that childcare can be adversely affected and the chance of sanctions. On a point of sanctions women often forego essentials such as food etc. in favour of their children. Even items that are essential such as sanitary protection can seem like a luxury as mothers decide where to direct the household budget.

Universal credit - culmination of benefits payable to one member of the household on a monthly basis. This may create breadwinner status, whereby men take the money but do not use it for the purpose intended leaving women and children financially vulnerable and dependent on the dominant payee. There are concerns that this too could heighten domestic abuse. This is likely also to impact on budgeting as many low income households are not paid monthly and live week to week. This could create strain on families who are not used to or equipped for such a transition.

The bedroom tax is also another issue, while addressed by the Scottish Government to cover the difference by means of discretionary housing payment, the "discretion" is not always used in time meaning financial hardship and stress with threat of eviction looming if not met. Household compositions of children sharing rooms up to age 16 if of same sex and age 10 if mixed can also create added stress on families especially if space is limited. Landlords are also reluctant to house people in anything bigger than the minimum requirement for fear of being caught out by the bedroom tax. In rural areas with 2-3 bedroom housing being typical and few if any one bedroom properties this can mean a large problem in terms of the bedroom tax and make hard to let areas even harder to rent."

Rhona

Conclusion

The welfare system is part of the social contract citizens have with their government and the method by which a government takes responsibility for often, the most vulnerable within society. The system should be transparent, simple and fair but most of all it should be compassionate. It is that compassion that is currently lacking and needs to be urgently addressed.

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