

SUBMISSION FROM CAPABILITY SCOTLAND

Capability campaigns with, and provides education, employment and care services, to disabled people across Scotland

Summary

- In December 2011 Capability Scotland campaigned for the Scottish Parliament to vote against the Legislative Consent Motion on the Welfare Reform Act 2012. As such, we are strongly in favour of the introduction of the Welfare Reform (Further Provisions) (Scotland) Bill 2012 and the principles behind it.
- We are keen for the Welfare Reform Committee to focus on how the Scottish Government will regulate for the introduction of passported benefits. Passported benefits are an effective way of ensuring that people who face obstacles to participation, health, education and mobility receive targeted assistance. As members of the Scottish Campaign on Welfare Reform (SCoWR) we are in favour of the Scottish Government taking a universal approach to the passporting of benefits.
- We would urge the committee to give particular consideration to passporting from disability related benefits. Disability Living Allowance (DLA) is currently an effective passporting benefit because it is a reliable proxy for disability. We are concerned that the replacement of DLA with Personal Independence Payments (PIP) will remove this proxy and result in thousands of disabled people being denied passported benefits they should be entitled to.

Our Response

Question 1: Are you generally in favour of the Bill and its provisions?

Yes. During December 2011 Capability campaigned for the Scottish Parliament to vote against passage of the Legislative Consent Motion. As such, we are in favour of the Bill.

Question 2: What are your views on the proposed powers in relation to Universal Credit / Personal Independence Payments?

The proposed powers duplicate the corresponding provisions of the Welfare Reform Act 2012. We agree with this approach as it gives the Scottish Government the maximum competency to make provisions in relation to welfare reform.

Question 3: Do you have any other comments on the introduction of Universal Credit?

We are concerned about the impact the introduction of Universal Credit (UC) will have on disabled people and, in particular:

- The impact the planned 50% reduction of the disability element of child tax credit will have on families with disabled children
- The disproportionate impact on disabled people of reducing the housing element of Universal Credit for those judged to be under-occupying their property
- How sanctions and conditionality of Universal Credit will affect those disabled people less able to understand and comply with conditions.

Our concerns in this area are well documented in previous evidence, consultation responses and letters to MSPs which can be found on our website¹.

Question 4: Do you have any other comments on the introduction of Personal Independence Payments?

Our main concern is that the UK Government will spend 20% less on Personal Independence Payments (PIP) than it currently spends on Disability Living Allowance (DLA). This equates to a staggering £268 million lost to the Scottish economy every year. This will disproportionately affect Scotland given that 8% of the Scottish population under 65 are claiming DLA compared with just 6.2% of the UK population.² We have outlined our numerous concerns about the effect this will have on Scottish public bodies and disabled individuals in previous submissions to this Committee³.

Question 5: Do you have any other comments on regulations that would follow this Bill on 'passported' benefits and eligibility for them?

It is essential that the Scottish Government considers its approach to passported benefits in relation to disability. There are many benefits that disabled people currently receive as a direct or indirect result of their eligibility for DLA. The reason for this is that an award of DLA is generally accepted as an accurate proxy for disability. The various components (mobility and care) and levels of eligibility (low, medium and high) provide further information about the nature and extent of that

¹ <http://www.capability-scotland.org.uk/consultations>

² Department of Work and Pensions Data (Nomis 2011)

³ <http://www.capability-scotland.org.uk/consultations>

disability. If eligibility for DLA/PIP is reduced by 20%, many disabled people will become ineligible for these passported benefits.

If PIP cannot be used as a trustworthy proxy for disability (which we believe it cannot), then the 'benchmarking' function currently fulfilled by DLA will be lost. This will affect the following passported benefits:

Disabled Parking Badge (the 'Blue Badge')

People who receive the Higher Rate Mobility component of DLA are currently eligible to receive a blue badge which entitles them to park in disabled parking spaces. Higher Rate DLA is a good proxy for this entitlement because all people eligible for this benefit are either unable or virtually unable to walk and will therefore benefit from parking close to their destination. Eligibility for the Enhanced Rate Mobility Component of PIP, however, may not be such a suitable proxy. The Enhanced rate will not, for instance, be available to people in the following categories:

- Those who can move up to 50 metres without a wheelchair or
- Those who can move 50 metres (but no further) unaided.

It is highly likely that people in these categories whose movement was slow or caused them discomfort would currently qualify for Higher Rate DLA on the basis that they are unable or virtually unable to walk. The DWP's own figures suggest that 760,000 people in the UK are likely to be found eligible for Enhanced Rate PIP (and therefore a blue badge) compared to the 910,000 who would qualify for Higher Rate DLA⁴. This is likely to have a serious impact on the ability of disabled people in Scotland to live independently.

The Concessionary Travel Card

Individuals who claim Higher Rate Mobility or Middle or Higher Rate Care components of DLA are currently entitled to a card which gives them free bus travel across Scotland. Case studies produced by the UK Government suggest that certain groups – including certain individuals with epilepsy – might not qualify for the Enhanced Rate PIP or the Enhanced Rate Care component – despite their inability to drive safely⁵. It is therefore essential that the Scottish Government considers how to ensure everyone who is unable to drive as a result of a long term condition or disability is entitled to free bus travel.

The Energy Assistance Package

Currently, certain disabled people are eligible for Stage 4 grants under the Energy Assistance Package. They will fall into this category if they have a poor energy rating, they receive any means tested benefit and they receive either the Higher Rate Mobility or Highest Rate Care component of DLA⁶. In practice, this means people can qualify for grants to install new central heating system, draught proofing and/or insulation if they are:

- Unable or virtually unable to walk.

⁴ Personal Independence Payments: Assessment Thresholds and Consultation (DWP 2012)
<http://www.dwp.gov.uk/docs/pip-assessment-thresholds-and-consultation.pdf>

⁵ Personal Independence Payments: Assessment Thresholds and Consultation (DWP 2012)

⁶ The Home Energy Assistance Scheme (Scotland) Regulations 2011

-Need help or supervision frequently throughout the day and during the night.

It is essential that anyone whose health or wellbeing will be put at risk as a result of insufficient heat in the home should remain covered by the provision. The DWP's own case studies suggest that the following people would not qualify for Enhanced Rate PIP (and therefore the Energy Assistance Package)⁷

-A 45 year old women who, every few days is unable to get up, get dressed or go out as a result of chronic fatigue.

-A woman whose suffers from mental health problems so severe that she cannot get dressed or have a shower in the morning.

Local Authority Concessionary Leisure Cards

Most local authorities in Scotland offer discounted entry to health and leisure facilities such as gyms and swimming pools. In most cases, all DLA claimants are eligible for these discounts⁸. These schemes allow those on low incomes and/or those in poor health to benefit from exercise and relaxation which can have such an impact on mental and physical health outcomes.

Replacing DLA with PIP as the main passporting passport would not be sufficient given that the UK Government plans to cut eligibility for DLA/PIP by 20%⁹. This means there is likely to be a significant fall in the number of people who qualify for concessionary leisure. Furthermore, the UK Government has stated that it wants to focus PIP on those with the most severe and profound disabilities¹⁰. It is therefore likely that the majority of those who find that they become ineligible for disability benefits are those who are most able to live independently and benefit from health and leisure facilities. This would undermine the effectiveness of the concessionary schemes.

Potential Solutions

We suggest that the Scottish Government considers how another proxy for disability can be developed in the absence of Disability Living Allowance. We would urge the Scottish Government to consider making all PIP claimants eligible for the passported benefits listed above, regardless of the rate they receive. We would also suggest that the Scottish Government give disabled people the option of making written applications or (in limited circumstances) undergoing independent assessments to allow those who don't qualify for PIP to claim passported benefits. This could be loosely modelled on the 'Independent Mobility Assessment' which is currently carried out by local authority occupational therapists to assess entitlement for blue badges amongst those who don't qualify for DLA (mainly because they are aged 65 or over).

While Capability are generally reluctant to suggest disabled people to undergo assessment of any kind, it is essential that an accurate and reliable proxy for

⁷ Personal Independence Payments: Assessment Thresholds and Consultation (DWP 2012)
<http://www.dwp.gov.uk/docs/pip-assessment-thresholds-and-consultation.pdf>

⁸ For example, East Dunbartonshire's Passport for Health, Lothian's Pleasure Pass Plus

⁹ June 2012, DWP, Emergency Budget Announcement

¹⁰ DWP 2011, DLA Reform consultation

disability is developed as DLA is phased out. Such an assessment would only be acceptable if it had the following characteristics. It must:

- Be based on criteria coproduced in partnership with disabled people and in keeping with the social model of disability.
- Be transparent, easy to understand and challenge
- Ensure claimants are treated with dignity and respect at all times

Universal Credit

The UK Government has given much consideration to how a system of passported benefits will continue to operate after the introduction of Universal Credit. Their concern is that Universal Credit will be paid to people a much wider range of incomes than any existing individual benefit or tax credit.

As members of the Scottish Campaign on Welfare Reform we believe that *any* Universal Credit entitlement should give access to all passported benefits. We also believe the Scottish Government should:

- Make passported benefits available to anyone claiming any disability or health related benefit (such as DLA, PIP, ESA etc).
- Ensure that anyone currently eligible for passported benefits, but who will not be eligible for Universal Credit are not be excluded. This is likely to include asylum seekers.

The Benefits of a 'Universal' Approach

Such an approach would have the following benefits:

- It would reduce administrative costs for Government. Introducing a new system to calculate eligibility would potentially cost more than allowing all universal credit recipients to access passported benefits, as it would do this whilst simultaneously increasing complexity in the system.
- It would reduce complexity for claimants and increase take up. Currently, passported benefits which are seen as difficult to claim (such as the Healthy Start Vouchers) have low rates of uptake. In remote areas of Scotland, for instance, take up of this entitlement is as low as 62.5 per cent. In only one health board region of the country does take-up reach 80 per cent¹¹.
- It would remove any cliff edge make people worse off as they move into paid employment or increase their hours. For example, a lone parent has 3 children in a school which charges £1.20 for lunch (a below average figure nationally), and qualifies for free school meals, saving £18.00 a week. If s/he is offered a job at the national minimum wage and the free school meals entitlement is removed at the point at which universal credit is first tapered away, s/he would need to work an extra 5 hours a week to offset this loss of entitlement.

Allowing all those on a disability related benefit to claim passported benefit would help ensure that disabled people are supported to fulfil their right to health, employment and education on an equal basis with other members in society. Disabled people currently struggle to access certain services on an equal basis regardless of their income. Furthermore, several passported benefits (including free travel to NHS appointments and free glasses) are currently only available to those

¹¹ Department of Health 'Healthy Start Management Information Reports' (figures to 8 May 2011)

who collect a working tax credit in addition to DLA. Given that DLA is being phased out, the Scottish Government needs to consider an alternative approach.

About Us

Capability Scotland campaigns with, and provides education, employment and care services for, disabled people across Scotland. The organisation aims to be a major ally in supporting disabled people to achieve full equality and to have choice and control of their lives by 2020. More information about Capability can be found at www.capability-scotland.org.uk.

Contact Us

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