

WELFARE REFORM COMMITTEE

THE FUTURE DELIVERY OF SOCIAL SECURITY IN SCOTLAND

WRITTEN SUBMISSION RECEIVED FROM THE HOUSING SUPPORT ENABLING UNIT AND THE COALITION OF CARE AND SUPPORT PROVIDERS SCOTLAND

1. The Housing Support Enabling Unit (HSEU) and Coalition of Care and Support Providers Scotland (CCPS)

The HSEU, a joint initiative of CCPS and Scottish Federation of Housing Associations (SFHA), works with providers of housing support across Scotland in the voluntary and private sectors.

CCPS is the Coalition of Care and Support Providers in Scotland. Its mission is to identify, represent, promote and safeguard the interests of third sector and not-for-profit social care and support providers in Scotland, so that they can maximise the impact they have on meeting social need.

CCPS membership comprises over 70 of the most substantial care and support providers in Scotland's third sector, providing high quality support in the areas of community care for adults with disabilities and for older people, youth and criminal justice, addictions, homelessness, and children's services and family support.

2. The Smith Agreement and further devolution

2.1. The HSEU and CCPS previously responded to the Smith Commission call for evidence in October 2014¹. Although full devolution of all welfare issues is no longer an option, we feel that there are some useful considerations from our response then that we would wish to submit again here.

2.2. Considerable work was carried out by the Expert Working Group on Welfare in its 2nd report in June 2014², to consider what Scotland needs to prioritise in order to develop a devolved system of welfare benefits and administration. One of its central conclusions was that a future Scottish system cannot be developed without taking account of population, economic performance, the role of work, the structure of the labour market, families and

¹ Submission to the Smith Commission, CCPS/HSEU, Oct 2014

[http://www.ccpScotland.org/hseu/wp-content/uploads/sites/2/2014/11/Smith Commission paper-CCPS-HSEU-submission.docx](http://www.ccpScotland.org/hseu/wp-content/uploads/sites/2/2014/11/Smith%20Commission%20paper-CCPS-HSEU-submission.docx)

² Expert Working Group – *Re-thinking welfare: Fair, Personal and Simple* – June 2014 <http://www.gov.scot/Publications/2014/06/7760>

households, the role of caring, poverty, inequality and social attitudes. This raises the point that the future devolved powers for welfare, as laid down in the Scotland Bill, may need to be considered in tandem with other fiscal powers available to Scotland, such as the ability to create a fair tax-base.

2.3. With further areas of the benefits system being devolved to Scotland, the issue of how these benefits will be processed and delivered needs to be addressed and, in particular consideration of the role local authorities may take on. This matters to care and support providers and those using their services as an efficient system will produce better outcomes.

3. Personal Independence Payments, Disability Living Allowance, Attendance Allowance and Carer's Allowance

3.1. The devolved powers should be used to enhance dignity and respect for the claimant. This could be achieved by broadening the evidence base for assessment. The current system has an over-reliance on GP assessments and attendance at assessment centres. GP reports are costly and a GP is not necessarily the best person placed to give a view of an individual's daily life: it should be possible to accept evidence from other trusted individuals such as allied health workers, carers or support workers.

3.2. The Personal Independence Payment (PIP) claims procedure is overly complex and we wish to endorse the evidence presented by the Scottish Federation of Housing Associations in its submission. Time is consumed attempting to reinstate PIP claims where the claimant has failed to attend their scheduled face-to-face assessments, more often than not because their disability prevented them from being able to attend - a particular problem for claimants with mental health and/or addiction issues. The process for simply obtaining a PIP application form is also complex, where the claimant is subject to a scripted phone call during which long passages from social security legislation are read out by the call handler. Again, claimants with mental health and/or addiction problems find all this very difficult to cope with.

3.3. PIP claimants should be given a say about where medical assessments take place and there should be capacity for home visits to properly evaluate how an individual functions in their day-to-day routine. The IT system for managing needs should also be improved – for example, Link Housing Association reported one case where available SALUS appointments in Stirling were not on the ATOS appointment system, which means that individuals have their assessment delayed or have to have an appointment further from home than necessary. Dunedin Canmore Housing Association also reports that their tenants in Edinburgh are being asked to attend interviews 25 miles away in North Berwick.

3.4. New powers to create benefits in place of PIP and Disability Living Allowance (DLA) could be used to end the DLA 'takeaway' whereby hospital stays for profoundly disabled children, of 84 days or more taken either consecutively or linked to the same course of treatment, mean that entitlement to DLA and Carer's Allowance is lost because it is assumed that

the hospital staff, rather than the family, have taken over all caring responsibilities. However, family members are often asked to deliver round-the-clock care at the hospital due to the complex care needs of the child and in some cases, have to take unpaid leave from work in order to do so. They may also have to pay additional costs e.g. transport costs to hospital, hospital parking charges.

3.5. We also ask that when creating a new disability benefit, to replace DLA/PIP and Attendance Allowance, consideration is given to removing the age limits currently in place, and assessments are adjusted to take a more person-centred approach and focus on individual needs, rather than those which are age-related.

3.6. Current eligibility for Carers Allowance assumes that a carer only cares for one person within the 35 hours per week. Some people do not qualify as they are often caring for more than one person, but at less than 35 hours for each cared-for individual. If all caring responsibilities were to be taken into account within the total of the 35 hours, this seems to be one way of adjusting Carers Allowance to make the benefit fairer and more representative of carers' needs.

3.7. We also ask that the financial ceiling on employment income is reviewed when considering the eligibility for a new Carers Allowance, as the current figure of £110 per week, after certain deductions, is currently inadequate to allow many people with caring responsibilities, who are on very low incomes, to be rightfully classed as carers within the benefits system.

4. Universal Credit (housing element and administrative arrangements) and Discretionary Housing Payments

4.1. It is unquestionably the legal responsibility of a tenant to pay rent to the landlord. And most tenants want to have any rent support - the housing cost element of Universal Credit - paid direct to the landlord. Under the current system, tenants can mandate payments to go direct to their landlords. Under Universal Credit regulations, this is no longer the case and payments to landlords (now known as managed payments) are only to be granted if:

- a tenant/claimant has arrears in excess of two month's rent; or
- if the DWP decision maker deems the person to be vulnerable and unable to manage payments to the landlord.

We would therefore welcome the decision to allow the housing element of Universal Credit to be paid direct to the landlord, as an Alternative Payment Arrangement and subject to the express agreement of the tenant (as is the case with Housing Benefit at present for housing association tenants).

4.2. Paragraph 45 of the Smith Commission report stated: "*The Scottish Parliament will have the power to vary the housing cost elements of Universal Credit, including varying the under-occupancy charge and Local Housing Allowance rates, eligible rent and deductions for non-payments.*"

4.3. It is of crucial importance that the Scottish Parliament will have the discretion to vary the housing costs element of Universal Credit to abolish the 'bedroom tax', and remove the pressure on the current Discretionary Housing Payments budget, allowing it to meet the costs it was originally intended to cover. We acknowledge that this is not without implications for public finance in Scotland and we recognise that housing policy at a national level may need to address how to promote a better match between supply and demand for affordable housing.

4.4. Under UC the eligible rent for (LA) temporary accommodation is restricted to Local Housing Allowance rates plus £45 management charge. Currently the management charge is covered through Discretionary Housing Payments (DHP) because legislation is not in place to allow UC to cover the cost. There is concern that this situation is not sustainable because DHP is not an entitlement and is cash limited so is not a guaranteed way of covering the housing costs of vulnerable homeless people. This could lead to repeat homelessness presentations and/ or further pressure on other types of supported housing (ie Specified Accommodation) which is not subject to the UC system. In addition, our stakeholders are concerned that the use of DHP for the management costs associated with (LA) temporary accommodation unnecessarily reduces the amount of DHP available for other purposes.

4.5. Following the UK Summer Budget, further restrictions on entitlement to support with housing costs were announced for those under 22 years of age. It is of vital importance to find a way to mitigate the impact that this is likely to have on young people who do not qualify for any exemption and cannot rely on parents to provide accommodation free of charge. This policy alone could result in increased homelessness amongst young people and significantly reduce the housing options available to those living in supported housing designed to be a temporary arrangement. This rule may also impact negatively on those in low paid work who otherwise rely on HB to maintain rent payments and who could become homeless if that financial support were not available to them.

4.6. Another concern relates to service charges which will be considered ineligible under UC. Under current Housing Benefit rules, the maintenance charges for adaptations for disabled people, such as charges for track and hoists, Clos-o-mat toilets, stair lifts and auto doors, are eligible for Housing Benefit. These items in the property are essential to the tenant (or member of the tenant's family) to be able to continue living at home. The tenant's ability to occupy the property is dependent on their ability to pay the charges necessary to ensure the maintenance and upkeep of the fixtures and fittings, and the landlord's obligation is to ensure that the equipment is safe to use and appropriately maintained. However, these charges have been excluded under Universal Credit and, for some supported housing providers such as Horizon and Blackwood Housing Associations, this omission from Universal Credit will affect around 618 households and likely result in a shortfall of between £7 and £26 per week in Housing Benefit payment for service charges. Inability to pay for this essential service charge could lead to debt and ultimately

homelessness. We would urge that Universal Credit's housing element be amended by the Scottish Parliament to be included as an eligible charge.

4.7. The damaging effect of sanctions on claimants has been widely reported elsewhere, and the impact on support workers was highlighted in a report commissioned by CCPS/IRISS³ in 2014. Although we recognise that sanctions are in themselves a reserved area, we would ask that the Scottish Parliament seeks to ensure that administration arrangements of the current sanctions system can be made fairer by ensuring claimants have full explanations of how and when sanctions are likely to be applied, and have ready and swift access to the appeals process.

4.8. We ask for a review of the administration of the Claimant Commitment, to ensure that people understand what they are signing up to and also to ensure that any support needs that the claimant may have are identified within the document. The Claimant Commitment should be realistic and achievable for each individual claimant, to assist them into sustainable employment, based on their needs. Of particular concern is the fact that vulnerability is not necessarily being identified when claimants visit their Job Centre unless they are accompanied by a support worker. This can have consequences for the benefit a person is steered towards or the amount of benefit a person is deemed to be entitled to. An example provided by one of our stakeholders is that claimants living in temporary supported housing because they are homeless may nevertheless be asked if they are homeless, to which the common response is no, because the person does not realise that 'homeless' is being used in a technical way and does not equate to being 'roofless'.

4.9. Once the Universal Support Delivered Locally schemes are rolled out fully, beyond the current pilot projects, we anticipate that good local links will need to be forged between the DWP, Jobcentres, local authorities and voluntary sector support providers to ensure good communication, involvement in early planning structures, and development of effective referral mechanisms between all parties. There should also be clarity of purpose for claimants within the scheme, so that they are fully aware how the scheme will benefit them. We urge the Scottish Government to promote a comprehensive assessment of support needs relating to UC at a local level involving providers of formal support and others in the voluntary sector in that assessment and mapping of provision.

5. The Work Programme and Work Choice

5.1 The devolution of the Work Programme and Work Choice would be a positive improvement, to allow a job-seeker's benefit system to function

³ CCPS/IRISS - *The impact of welfare reform on third sector care and support services in Scotland* - Gregory White - June 2014

<http://www.ccpscotland.org/resources/impact-welfare-reform-third-sector-care-support-services-scotland/>

effectively in Scotland. This idea was previously referenced within the 2nd report of the Expert Working Group in Scotland⁴, which highlighted the need for an improved connection between the working age benefits system and employability support.

5.2. We would also wish to see the devolution of Access to Work, which would fit with separate already-devolved areas such as Self-Directed Support and the Independent Living Fund, and would provide targeted employability support for disabled people.

5.3. We would urge better recognition in the system of the needs of people who have mental health issues or learning disabilities, and want to work, but who may require longer-term and more appropriate support into sustainable employment.

6. The Regulated Social Fund, New Benefits, Top-ups and Delivery of Benefits overall

6.1. We urge the Scottish Parliament to consider how best to minimise the complexity for claimants within the future delivery structure of benefits which will have two separate systems (reserved DWP system and Scottish devolved system) running in parallel but also required to interact at certain points (such as passported benefits involving both systems). We also ask that there are clear underlying principles throughout any guidance and regulations created to ensure fairness and consistency in all local decision-making across Scotland.

6.2. When considering benefit delivery, we would ask that the current method of paying backdated payments to vulnerable claimants could be addressed to avoid large lump sum payments being paid in one instalment to those for whom this could present a significant risk, particularly those experiencing drug addiction.

6.4. We would also ask that the Scottish Government investigates the possibility of using Clause 21 in the Scotland Bill to provide top-up financial assistance to those people on reserved benefits who have been left worse off. An example of this is where a disabled carer claims Universal Credit to top up their Carers Allowance, but only receives one additional element (i.e. either an adult disability element or a carers element – whichever is the highest), which may result in them receiving a lower amount of Universal Credit than their previous income top-up benefit (which would have paid carers premium and adult disability premium together)⁵. This is likely to mean a loss of at least

⁴ Expert Working Group – *Re-thinking welfare: Fair, Personal and Simple* – June 2014 <http://www.gov.scot/Publications/2014/06/7760>

⁵ Carers UK – *Carers and the Welfare Reform Act* https://www.carersuk.org/for-professionals/policy/policy-library?task=download&file=policy_file&id=272

£28.75 per week, in addition to any cut they may also experience as a result of their child qualifying for the lower disability addition.

6.5. We would also urge close working between Universal Credit service centres and local authorities to support one another effectively to ensure accurate processing and administration of benefit delivery, and minimise the likelihood of delays in benefit payments in order to lessen the reliance on hardship payments and food banks.