

WELFARE REFORM COMMITTEE

THE FUTURE DELIVERY OF SOCIAL SECURITY IN SCOTLAND

WRITTEN SUBMISSION FROM NHS LANARKSHIRE

How should the new welfare powers proposed by the Smith Agreement to be used to improve or change?

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

Due to the cumulative impact on many people including people with disabilities, and people who are carers, any improvements or changes in welfare reforms must first and foremost do nothing to make things more difficult or confusing for claimants. Many of the reforms and sanctions are already having a negative impact on health on our service users, particularly the most vulnerable due to mental ill health, substance misuse, Long Term Conditions and social isolation. People should not be faced with the worry of reassessments, forms to complete, medical assessments and waiting weeks or months for decisions which compound their situation already.

The administration of benefits in Scotland should be defined by treating claimants with respect and dignity, symbolized by the vigorously enforced removal of unofficial sanction led performance targets by DWP staff. Statutory legislation should be passed to enshrine the human rights of benefits claimants to a minimum income level, alleviating the need for emergency food aid.

In order to work towards supporting actions to mitigate the impact of reforms, there may be short term opportunities around the assessment for disability benefits, with more acknowledgements taken of reports by applicants' own GP/consultant/other health care providers.

The health assessment processes for Employment Support Allowance, Disability Living Allowance and Personal Independence Payment should be reshaped, to ensure claim decision-making is undertaken by health professionals most qualified to judge a claimant's health status and support needs, taking into consideration the stage it is at and proper consideration of medical history. This would result in better decision making. Better assessments and decision would mean less stress on claimants, including carers, which would undoubtedly have a more positive impact on people's mental and physical health. Opportunities may also be available for making medical reports readily available for the decision maker with the applicant's permission.

A formal requirement should be introduced requiring benefits staff to document and ensure that claimants with health conditions have the means to manage their conditions ,e.g. diabetic patients should have means to store insulin in their fridge, if affected by fuel poverty.

If more decisions are right in the first place, there will be less need for reconsiderations and appeals, thereby reducing strain on the appeals service, advice services, integrated health and social care. The significant challenges this is presenting a wide range of services including money advice; housing; social work; health; education and others let alone the impact on individuals and families is staggering.

Increasing benefit rate payments to a '*living benefit*' level will allow claimants to live, rather than survive while in receipt of benefits, and move benefits above internationally recognised poverty measures. NHS Lanarkshire is firm in the belief that we need a social security system that treats people with dignity and respect, a system where people are supported into healthier, happier lives, not driven to unimaginable despair by punitive sanctions.

At the same time, the stigmatising cultural language of '*strivers Vs shirkers*' requires to be challenged at a systemic level, by overtly confronting the mainstreaming of the idea of the 'undeserving poor'.

The Scottish Government should collate and annually publish detailed statistics relating to claimant mortality rates within six weeks of the ending of individual Employment Support Allowance awards. Scottish data should be collected independently to restore local accountability to the public and to the families of claimants who have died shortly after losing an ESA award after being found 'fit for Work'.

Claimant commitment agreements should be reformed to take into account barriers such as childcare availability for lone parents or the effects on the disabled of discriminatory practices in the labour market. In other words, stop the practice of setting people up to fail, leading to breaching their claimant commitment contracts and the imposition of sanctions.

The Smith Agreement, through the recently Health and Social Care integration could provide opportunities to work with whoever administers AA/DLA/PIP and Carers Allowance to streamline applications for the relevant benefits, ensuring that those who have care and/or mobility requirements are automatically referred for a claim for benefit along with anyone who is caring for them. This could reduce the risk of people getting into financial difficulties over time as they cope with the additional costs of having a disability and of caring.

Opportunities to increase payments for Carers without having an impact on non devolved welfare benefits should be explored. Any increase in payments should be consistent across Scotland. Consideration of opportunities to increase the amount of money that a carer can earn before their carers allowance is withdrawn should also be considered.

Furthermore, where someone with severe disabilities requires day and night time care, consideration of paying benefits for two carers should be explored.

It is vitally important that IT systems are in place to ensure that means tested benefits linked to DLA/AA/PIP and Carers Allowance are also communicated properly to ensure correct payment and to avoid overpayments. For this reason, at least in the short term until effective systems are in place, it will be better for the DWP to continue to administer these benefits.

Personal Independence Payments are relatively new and we know that there have been some administrative and other difficulties in the early stages. It may be useful to investigate PIP effectiveness in meeting the needs of severely disabled people in Scotland by way of a review process and to consult widely on recommendations and proposed changes in tandem with the independent review recommendations for improvement.

Public education campaigns to highlight the contribution levels of benefit claimants when in periods of work (i.e. benefit claimants have been tax payers too), low fraud rates and the myth of wide-spread inter-generational worklessness, for example, should be confronted as a mechanism to correct prejudicial and discriminatory attitudes towards benefit claimants.

Scottish Government should collate and annually publish detailed statistics relating to claimant mortality rates within six weeks of the ending of individual Employment Support Allowance awards. The DWP has refused to publish these UK-wide statistics since 2011, therefore **Scottish data should be collected independently** to restore local accountability to the public and to the families of claimants who have died shortly after losing an ESA award after being found 'fit for work'.

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

Payment of Housing Costs to Social Landlords

We are supportive of this proposal and feel there is a strong case for rent to be continued to be paid directly to the local authority or Registered Social Landlords and to vary the frequency/period of payment on which Universal Credit is paid. As with a number of other organisations we have concerns about Universal Credit being paid in one monthly lump sum

The move towards paying the housing cost element direct to the tenant will place considerable burdens on landlords, increase the cost of rent collection and the level of rent arrears. In addition to the costs to the Council there is significant concern that non payment of the rent will increase the likelihood of tenancy breakdown and homelessness. From a potential gender inequality point of view, NHS Lanarkshire supports payments being made directly to social landlords for housing, as women living with a substance abusing partner, living or fleeing domestic abuse are particularly vulnerable here if control of the spending is given to the male. Families are also vulnerable to homelessness as many people who are dependent on welfare

are unused to making housing payments and budgeting and there are concomitant risk and contributory factors associated with this such as substance dependency, mental ill health, intimate terrorism etc. There is already good information about the gender inequalities that face women in particular in this landscape of welfare reform in Lanarkshire.

Persons to whom, and time when, paid

Additionally there will undoubtedly be cases where it would be appropriate for payment to be made to more than one household member. Currently Universal Credit provides very limited scope to vary who is paid and the frequency of payment and we would be supportive of using this clause to promote greater flexibility, and ensure that payment arrangements are appropriate to the circumstances of the individual and their household. The power to vary the housing cost element of UC, requires clarification. In relation to non-dependant deductions, the current proposal under UC is one flat rate Housing Cost Contribution irrespective of the non-dependant's age and/or income, any power to vary this to a fairer system would be welcomed.

Given that the Scotland Bill provides significant scope to vary key aspects of Universal Credit, it is essential that ministers and officials at Westminster and Holyrood work together to establish early agreement on the likely date of commencement of the provisions once enacted. Indeed consideration should be given to suspending the roll out of those aspects of the programme, which will, over the next couple of years, come within the remit of the Scottish Parliament. This should assist in preventing any unnecessary work being undertaken in areas which may change due to the Scotland Bill.

Power to top-up of reserved benefits

The discussion on the use of this provision has focused on giving the Scottish Parliament the power to legislate to top up Housing Benefit or Universal Credit for households subject to the under occupancy deduction. This is welcomed..

We would be strongly supportive of using this provision to "top-up" the under occupancy deduction as it would be a far more effective use of staff resources within councils. In the context of the under occupancy reduction, it is important that this clause is established as a standing provision and not on a time bound basis. This would provide reassurance for those affected, and the stability that social landlords require for planning services over the longer term.

It would also be worthwhile considering whether the power to top up benefits could also be used in relation to households subject to the Benefit Cap. There will be instances e.g. in relation to homeless households, where it would be appropriate to use this power to support Councils to discharge their statutory duties towards larger

households in terms of the providing appropriate temporary and permanent accommodation whilst tenants.

Transfer of responsibility for Discretionary Housing Payments (DHP) to the Scottish Parliament

The use of DHP to mitigate the impact of under occupancy has brought about a wholesale change in the system and has created significant administrative burdens. The proposed powers to “top up” Housing Benefit and Universal Credit, as noted at section (d), could be a better way to replace the amount of money, in Benefits, reduced due to under occupancy rather than the current use of DHP. However, this will be dependent on any new administrative requirements surrounding the “top up” scheme. Replacing the current practice with “top up” would also enable DHP to return to its intended objective, where it focused upon supporting a relatively small number of households facing hardship, as opposed to the current cumbersome bureaucratic system for reinstating the money removed from Housing Benefit of households affected by under occupancy.

c.) the Work Programme and Work Choice

How should the new welfare powers proposed be used to improve or change the Work Programme and Work Choice?

At present the Work Programme and Work Choice and other UK DWP programmes; running in tandem alongside Scottish/LA level employability support presents a complex operating environment which can confuse both clients and employers.

In Lanarkshire the Local Authorities play lead roles in the coordination and delivery of the local 5 stage Employability Pipeline in South Lanarkshire for example. Since the Work Programme , Work Choice etc were introduced , there has been no insight into what is being delivered given the “black box” nature of these contracts which is unhelpful and very limiting in relation to partnership working .

The Scottish Government decision on European and other national level employability programmes not to be used to support the Work Programme therefore limits choice and opportunity to Work Programme/ Work Choice participants who cannot access local market led employability opportunities. The new powers should help more disabled people and with less focus on those who have fewer barriers to work. However, the new powers albeit limited have the potential to create a simpler and more efficient labour market aligned service to those out of work.

Whilst the Work Programme and Work Choice are mentioned explicitly these are not the only programmes or funding provided by DWP in Scotland and all other DWP non-core spend should be included i.e. Flexible Support Fund, Support Contract and Youth Contract.

The services required at a local level are those which are integrated and allow clients of all ages to access employability services and exit to sustainable employment quickly. Community Planning Partnership leadership and management if strengthened can facilitate this. Over and above improving the employment outcomes for programme participants, their experience /journey towards employment will be improved as they progress through an integrated model of support that is flexible and responsive to their needs as well as those of local employers

Finally, clarity is required around the issue of benefits and sanctions linked to participation in the future delivery model, given that powers linked to these have not been devolved.

Current local and national (Scottish Govt managed) programmes are not mandatory, and do not include a risk of loss of benefits to participants. By proposing we have a fully integrated Scottish Employability programme, designed, procured and delivered at a local authority/Community Planning Partnership level, (and including DWP devolved budgets) further consideration is required about the implications of including mandatory programmes for participants and for partners.

d.) the Regulated Social Fund, new benefits, top-ups and delivery of benefits overall.

Regulated Social Fund

The Smith Commission report recommended that the benefits which currently comprise the Regulated Social Fund (Cold Weather Payments, Funeral Payments, Sure Start Maternity Grants, and Winter Fuel Payments), all of which are currently administered by the DWP, be devolved to the Scottish Parliament.

In view of the links these benefits have with the Scottish Welfare Fund, which is administered by local authorities in Scotland, devolution of this power would be beneficial. However, a lack of clarity over how and by whom it would be administered prevents further comment at this stage.

Homelessness Temporary Accommodation

Council owned supported accommodation will have to be funded through Universal Credit, with payment capped at Local Housing Allowance level as Temporary accommodation which the council owns and manages does not meet the criteria for specified accommodation.

In particular, South Lanarkshire Council is concerned that this will significantly restrict its ability to meet the needs of homeless households, as the level of funding which will be provided through UC means that it will not be viable to provide council

owned supported accommodation. If this matter is not resolved by the DWP, consideration should once again be given to using the proposed power to top up benefits, or the power to create new benefits, to ensure that adequate funding is available to individuals to meet the costs this vital service.

It is believed that Housing Benefit should be fully devolved, to reflect and align with the devolved responsibility of Housing in Scotland.

Arbitrary caps on Housing Benefit limits should be removed to take account of the actual rent costs of claimants, alongside the introduction of rent controls in the private rented sector.

Powers should be extended over the support and incentives available to young people to ensure access to quality employment and training opportunities, with particularly targeted support designed for those young people who choose not to pursue a higher education.

Employment support should be devolved to local authority level to ensure local accountability and strengthen responsiveness to local labour markets.

High quality, accessible childcare provision should be recognised as an economic driver of growth as well as a social good, and therefore be extended to job seekers, kinship carers and those undertaking education, training or volunteering activities.