Advice services provide vital support for disabled people during welfare reform: But severe cuts mean vulnerable people are at risk

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Summary

The disability welfare benefit system has left many ill and disabled people unable to access the support they need, placing them at risk of severe poverty, distress and homelessness. Research^[1] demonstrates how free advice services are an essential lifeline for these people. Advice services prevent escalating debt and severe poverty, mental health issues, self-harm, suicide and homelessness. But continued austerity means advice services face up to 80% cuts from local government funds^[2], even though they save money in the long term. Advice services protect people's human rights and are a vital support that prevents ill and disabled people from living in severe poverty.

This submission is based on an academic study of the social impact of advice services, based at the <u>University of Bath</u> supported by National Institute for Health Research, Collaborations for Leadership in Applied Health Research and Care West (<u>NIHR CLAHRC West</u>). This submission provides a summary of a peer reviewed <u>publication</u> on interviews with twenty-two people who sought advice for welfare benefits, and whom had disabilities, or physical or mental health conditions. These findings are used to address three questions in the call for evidence from the UN Special Rapporteur on extreme poverty and human rights, in relation to welfare reform and austerity in the UK.

Welfare reform

(16) What has the impact of Universal Credit been on poverty and the lives of the poor in the United Kingdom until now? It would be helpful to also distinguish the specific impact of Universal Credit on specific groups, including for example children, persons with disabilities, women and other groups which may be more vulnerable on the basis of their identity and circumstances.

Latest figures show there are 2.3 million people on Employment Support Allowance (ESA) and Incapacity Benefits, and 3.7 million claimants of Personal Independence Payment (PIP) and Disability Living Allowance (DLA) (benefits specifically for ill and disabled people)^[5]. Whilst 1 million people are on Universal Credit, the older ESA and DLA welfare systems are still experienced by many. Whilst Universal Credit is in the process of replacing ESA, central government must learn from claimants experiences^[6], particularly in relation to ESA and PIP assessments, and make changes to its welfare reform.

Our <u>research^[1]</u> found that people who needed advice for ESA and PIP/ DLA, were often in desperate situations:

'It was a nightmare ... I had no money at all or really very little in benefits ... basically £20 a week to live on.'

'If it wasn't for the (advice services) I don't think I would have got through the last year, to tell you the truth'

In these cases we analysed, advice led to increases in people's income in at least 82 per cent of cases, often from situations of severe poverty where people with illnesses or disabilities did not have enough money for rent, food and bills. Clients were able to manage their debt problems more successfully and homelessness was also prevented. Some clients who sought advice about disability benefit appeals said that they would have needed in-patient psychiatric care or would have been at serious risk of self-harm or suicide without advice.

Advice 'was a godsend', 'I don't want to think about what would have happened... (without support)'.

Advisers could contest injustices in benefit assessment decisions and advocate for clients' human rights, reinstating people's basic income. Some people felt that they wouldn't have been able to navigate the disability benefits system without this support:

'I don't know anyone else who can help me, and I don't know how to go about doing anything myself'.

'For people like me who cannot read or write so well they are needed. If they do close I will be knackered you know'.

The people we spoke to often needed face to face, expert support. The relationships and connections that people had with their advisor could give them a sense of not being alone, having someone who acknowledged their difficulties, and listened to them, giving advice that could empower clients in times of difficulty.

'It's not just about getting the benefits, it's about the stress and the strain they take off your shoulders'

However, due to austerity, it has been highlighted that there is less <u>face to face and specialist advice^[2]</u> available to people.

Nationally, 71% of appeals against health and disability benefit decisions (PIP and ESA) are successful^[7]. Evidence highlights how the impact of wrong decisions can have 'devastating' consequences^[8], increasing risks of homelessness, inability to pay for food, alongside worsening illness^[9]. Statistically, health and disability benefit assessments have been independently associated with increases in suicides, self-reported mental health problems and antidepressant prescribing^[10]. Our research showed how health-related benefit assessment failures can lead to severe poverty, stress, anxiety and further ill-health^[1]. Whilst three clients reported to us that advice thankfully prevented severe mental

illness that may have led to in-patient psychiatric care or self-harm/ suicidal feelings, other publications illustrate where suicides may have been related to benefit assessment processes^[11]. Why advice made a difference in our interviewees' cases, relates to how advisors could contest injustices of benefit assessment decisions and advocate for clients' human rights, reinstating people's basic income where appeals were won. Advice services provided a source of solidarity, advocacy and empowerment for clients caught up in the personal consequences of welfare reform.

There is abundant <u>national evidence</u> on the problems of the government's current approach to disability benefit assessment^[12, 13]. The PIP and ESA contracts for assessments to the entitlement of disability benefits are coming to an end in 2019/20^[13]. This provides new opportunities to listen to people's experiences and put claimants at the heart of a new system^[13].

Austerity

(12) How have local governments been affected by austerity measures in the last decades? If possible, please specify the impact on public services such as police and fire departments, public libraries, and the administration of the welfare system by local authorities.

Free advice services have been funded by legal aid and local governments. Both have had funding slashed by central government due to austerity measures.

Some advice centres face up to 80% cuts from local government funds^[2]. When we were doing our research, the Citizens Advice Bureau we were working with were threatened with a 55% reduction in their local government funding. Whilst there was a local campaign to fight this, over time the bureau has lost considerable funding from £800-900k to £500k in the past five years^[14]. Nationally, 100 Citizens Advice Bureaux branches have either closed or been lost as a result of mergers since 2009^[15].

A <u>United Nations</u> inquiry into the impact of welfare policies on the rights of disabled people found that information and advice about disability benefits in the UK is limited, not accessible or non-existent^[16].

(9) Have austerity measures implemented by the government taken adequate account of the impact on vulnerable groups and reflected efforts to minimize negative effects for those groups and individuals?

Ministry of Justice figures show <u>legal aid cuts of almost £1 billion^[17]</u>. This has meant a <u>99.5%</u> reduction in the numbers of people receiving state help in benefits cases, from 83,000 in 2012-13 to 440 in the last financial year^[17].

Central government has spent 'hundreds of millions of pounds' defending their PIP and ESA benefit decisions for individual claimants^[13]. A new review of all Personal Independence Payment (PIP) applications could cost £3.7bn by 2023^[18]. Private companies that assess disability benefit applications have received increased fees^[19], whilst 'universally' missing quality targets^[13]. Government health and disability welfare reforms have not met their

<u>aims^[13]</u>. Meanwhile advice services are <u>struggling to meet^[2]</u> the growing demand for help with welfare benefits. Is the government evading its responsibilities and consequences of welfare reform, leaving voluntary organisations to pick up the pieces whilst facing their own budget cuts?

Clients' experiences illustrate the vital role of advice services in supporting ill and disabled people through the welfare system. Advice prevents severe poverty, debt, and worsening mental and physical health, advocating for people's human rights within controversial welfare decisions. However, due to austerity, advice services face severe funding cuts. Meanwhile at a national level the government pays more for its benefit assessments, and spends billions reviewing and defending its decisions. The impact of austerity is felt most harshly by ill and disabled people, and organisations that support people's human rights face severe funding cuts.

Recommendations

- After the recent National Audit Office highly critical report^[6] on the roll-out of Universal Credit, which is replacing ESA, central government must learn from claimants experiences^[6], and make changes to its welfare reform. The ending of ESA and PIP private company assessment contracts in 2019/20 provide opportunities to put claimants at the heart of a new system^[13].
- The scope of the UN Special Rapporteurs visit should include the analysis of current ESA and PIP benefits, not just Universal Credit, as up to 3.7 million people are still on these benefits^[5] and the benefit assessment processes are highly controversial^[13]
- Calls for a <u>national advice strategy^[2]</u> must be heeded, alongside the mapping of how austerity is affecting the provision of advice for vulnerable people.
- Free face to face advice and specialist support is essential for people with illnesses and disabilities, to support them in navigating a complex welfare system, and support them in ensuring their human rights.

For further information

Michelle Farr & Peter Cressey (2018) The social impact of advice during disability welfare reform: from social return on investment to evidencing public value through realism and complexity, *Public Management Review*, doi: 10.1080/14719037.2018.1473474

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