

Thurrock Coalition
Supplementary submission to the Task and Finish Group on
the Impact of Welfare Reforms



Introduction

This paper is intended to be read alongside and in conjunction with the initial submission to the Thurrock Council Members Welfare Reforms Task and Finish Group.

This paper specifically highlights proposed reforms to Housing Benefit as well as recommendations of the Commission on Funding of Care and Support.

Proposed reforms to Housing Benefit

The government plans to reduce housing benefit by 10 per cent for anyone who has been on Job Seeker's Allowance (JSA) for a year. The reforms will also introduce a new cap on housing benefit payments. The Housing Benefit caps were announced in the Emergency Budget of June 2010. The caps will restrict local housing allowance levels to £250 for a one-bedroom property; £290 a week for a two-bedroom property; £340 a week for a three-bedroom property; and £400 a week for a four-bedroom property or larger. Recipients of Disability Living Allowance are exempt for the new cap (see below).

The reforms also plan to introduce new age limits which mean that claimants under 35 – instead of 25 – will have to share flats or houses instead of being able to rent their own home.

The reforms also aim to address the perceived prevalence of “under-occupying” for individuals who live in social housing but who have a “spare bedroom”.

The impact of this proposal is far-reaching and is likely to affect 670,000 social housing tenants with a "spare bedroom" under the Welfare Reform Bill¹.

It is estimated that around two-thirds of these people (450,000) are disabled².

Up to 200,000 of those who will be affected receive Disability Living Allowance and around 100,000 live in homes specially adapted for their needs.³

Under the proposals, some 670,000 social housing tenants across the U.K. will lose an average of £676 per year because their homes will be deemed too large for their needs.⁴ As a result of the proposed cuts to housing benefit many tenants will end up going into debt and others will be compelled to move.

By including disabled people in the measure, the Government is reneging on earlier commitments to protect their homes and financial security.

The Department for Work and Pensions has already agreed to exempt recipients of the Disability Living Allowance from the household benefit cap, on the grounds that they are "likely to have less ability to adapt to a reduction in their benefit"⁵.

The cuts to housing benefit for households deemed by the Government to be under-occupying are harsh and could effectively compel thousands of people to lose their homes. Of course, under-occupation in the social housing sector should be tackled. But drastically reducing people's housing benefit and increasing poverty is not the answer.

The proposed reforms are facing staunch opposition from housing charities, disabled persons charities and organisations throughout the Third Sector.

In light of the concerns raised, the government has decided to commission an independent review of the impact of cuts and

¹ http://www.housing.org.uk/news/government_slash_hb_disabled.aspx

² <http://www.bbc.co.uk/news/uk-politics-12714313>

³ http://www.housing.org.uk/news/government_slash_hb_disabled.aspx

⁴ Welfare Reform Bill Briefing Paper – National Housing Federation Summer 2011

⁵ <http://www.insidehousing.co.uk/inside-edge/6502506.bloglead>

reforms to housing benefits on disabled people and other minority groups. Lord Freud, the minister for welfare reform, made a “firm commitment” to commission independent research into the impact of the reforms. The aim of the research would be to look at the effect of the cuts on disabled people, homelessness, black and minority ethnic households and older people, among other areas.

Lord Freud has said that initial findings would be made available in spring 2012, with an interim report to follow in the summer. The review will take into account the impact of the caps in both Greater London and rural communities as well as their effect on ethnic minority households, large families, older people and disabled people.

The adverse effect of the proposed reforms upon the right of disabled people to live independently.

The Joint Committee of Human Rights, chaired by Dr Hywel Francis MP, has been conducting an inquiry into the implementation of the right to independent living for disabled people, as guaranteed by Article 19, UN Convention on the Rights of Persons with Disabilities (2006).

The Committee invited interested persons and groups to submit evidence on this issue and written submissions was to be submitted by Friday 29th April 2011.

Linda Burnip of Disabled People Against Cuts (DPAC) made the following statement to the Committee:

Without the right support to live independently in the community disabled people will continue to be excluded from society. The proposed cuts by the government will result in further erosion of disabled people’s right to be able to live independently.

There must be a full commitment to uphold and fund our human rights including provision of fully accessible and affordable housing, inclusive design, new building of social housing, and enough resources to provide adaptations and aids where they are needed.

Disabled people’s access to equality and human rights cannot be held ransom to funding issues alone and there

must be a financial commitment made and kept to meet disabled peoples' human rights under UNCRPD.

*Disabled people and user led organisations must be consulted about policy decisions.*⁶

The UK ratified the UN Convention on the Rights of Persons with Disabilities on June 8th 2009 and thus has responsibilities to implement its provisions into UK law.

Public authorities have specific duties to promote equality for disabled people in the Equality Act 2010. These duties broadly reflect the obligations of the UK Government contained in the UN Convention. The Convention recognises that disabled people have a right to access community life without discrimination⁷. However, it can be said that the cuts proposed by the coalition government mean the UK is highly likely to fail to meet the convention rights guaranteed in Article 19 of the UNCRPD.

The Commission on Funding of Care and Support – (Dilnot Commission) - Recommendations⁸

The Commission on Funding of Care and Support has presented its findings to the Government in its report Fairer Care Funding, set up by the Government last July, was asked to recommend a fair and sustainable funding system for adult social care in England.

Among the recommendations in the report are:

- Individuals' lifetime contributions towards their social care costs should be capped between £25,000 and £50,000 (the report considers that £35,000 is the most appropriate and fair figure).
- After the cap is reached, individuals would be eligible for full state support.

⁶ <http://www.dpac.uk.net/2011/05/linda-burnip-response-to-an-enquiry-on-article-19-un-convention-on-the-rights-of-persons-with-disabilities/>

⁷ "State Parties to this Convention recognise the equal right of persons with disabilities to live in the community with choices equal to others, and shall take effective and appropriate measures to facilitate full enjoyment by persons with disabilities of this right and their full inclusion and participation in the Community"

⁸ Summary available from <http://www.disabilityalliance.org>

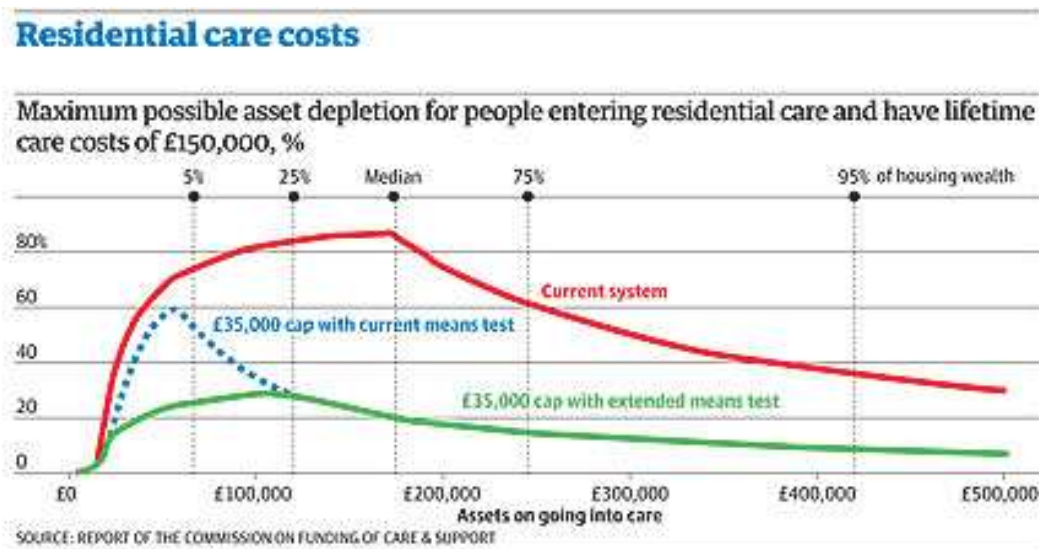
- The means-tested threshold, above which people are liable for their full care costs, should be increased from £23,250 to £100,000.
- People should contribute a standard amount to cover their general living costs, such as food and accommodation, in residential care. The report recommends that this be within the range of £7,000 to £10,000 a year.
- All those who enter adulthood with a care and support need should be eligible for free state support immediately rather than being subjected to a means test.
- Eligibility criteria for service entitlement should be set on a standardised national basis to improve consistency and fairness across England. In the short term, the report considers that this should be set nationally at 'substantial' under the current system. The Government should also urgently develop a more objective eligibility and assessment framework.
- Universal disability benefits for people of all ages should continue as now. The report recommends that the Government consider how better to align benefits with the reformed social care funding system and that Attendance Allowance should be re-branded to clarify its purpose.
- To encourage people to plan ahead for their later life it is recommended that the Government invest in an awareness campaign. This should inform people of the new system and the importance of planning ahead. This campaign could be linked into the wider work to encourage pension savings.
- The Government should develop a major new information and advice strategy to help when care needs arise.
- Carers should be supported by improved assessments which take place alongside the assessment of the person being cared for and which aim to ensure that the impact on the carer is manageable and sustainable. The report supports the proposals set out by the Law Commission to give carers new legal rights to services and improve carers' assessments. The Government should ensure that carers have better information and advice about support and available services.
- The Government should review the scope for improving the integration of adult social care with other services in the wider care and support system. In particular, it is important that there is improved integration of health and social care in

order to deliver better outcomes for individuals and value for money from the state.

The Commission estimates that its proposals – based on a cap of £35,000 – would cost the State around £1.7billion.

Data used in the Dilnot Commission report highlights how the recommendations could make the system more equitable⁹, concluding that:

While those on middle income get hit hardest now (as the chart below shows), by combining a cap with a new "extended" means test, it would spread out the costs and lower them for everyone.¹⁰



Conclusion

The above information further highlights the likely impact of the wide ranging welfare reform proposals upon individuals, families, carers, older people. In relation to the work around reform of Housing Benefit, Lord Freud has said that initial findings would be made available in spring 2012, with an interim report to follow in the summer. A government response to the Dilnot proposals is expected in April 2012.

Welfare reform is an area of particular flux and thus the full impact upon residents of Thurrock will need to be monitored closely and a

⁹ <http://www.guardian.co.uk/news/datablog/2011/jul/04/elderly-care-dilnot-report-data>

¹⁰ Ibid

strategy needs to be developed to meet the substantial potential needs of disabled/older residents of Thurrock.

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