

Social Security Advisory Service – call for evidence on the extension of the waiting period for Job Seekers and Employment and Support Allowance



ENABLE Scotland is please to be able to responsd to this call for evidence from the Social Security Advisory Service on the extension of the waiting for both Job Seekers Allowance and Employment and Support Allowance.

About ENABLE

ENABLE Scotland is the largest voluntary organisation in Scotland of and for children and adults who have learning disabilities and their families. We have a strong voluntary network with around 4000 members in 44 local branches and via individual membership. Around a third of our members have a learning disability.

We also provide social care services to more than 2,000 people across Scotland who have learning disabilities or mental health problems. Our services are designed to ensure that people with learning disabilities can live the life they want and actively participate in their community

Summary: ENABLE Scotland is concerned about the proposal to increase the waiting period from three to seven days for both Job Seekers Allowance (JSA) and Employment and Support Allowance (ESA).

We believe that this could have a disproportionate impact on people with a learning disability, and are concerned that it could lead to an increase in financial hardship and vulnerability for the people that we support.

We are not reassured by the Department for Work and Pension's (DWP) explanation for this proposed change, and are further concerned by the lack of clarity about the impact on people with a learning disability in the equality impact assessment.

Disproportionate impact on people with a learning disability

ENABLE Scotland believe that the proposed change is likely to have a disproportionate impact on people with a learning disability and that this has not been properly addressed within the equality impact assessment.

Section 3.11 of the explanatory memorandum of the Social Security Advisory Committee suggests that the average loss to claimants will be £40 for Job Seekers Allowance and £50 for Employment and Support Allowance claimants. We feel that these figures do not represent an accurate picture of the potential losses that people with a learning disability will face.

Many people with a learning disability who claim JSA and ESA are also in receipt of disability benefits such as Disability Living Allowance (DLA) or the Personal Independence Payment (PIP). This can mean that their payments include disability related additions leading to higher payments than those made to non disabled claimants.

Currently, a non disabled 25 year old, single JSA claimant would be entitled to £72.40 per week in benefit. Should the waiting period be increased from 3 to 7 days a single, non disabled, Job Seekers Allowance claimant would lose £41.40 as a result of this change.

A disabled, 25 year old single claimant, however, could lose £59.58 per week. This £18.18 additional loss is due to the fact that a single job seeker in receipt of DLA or PIP would normally receive £104.25 a week in benefit (a £31.85 increase due to entitlement to a disability premium).

This inequality is replicated within Employment and Support Allowance.

A 25 year old, single non disabled, ESA claimant would normally be entitled to £72.40 per week in benefit at the beginning of their claim. Should the waiting period be increased from 3 to 7 days then this claimant would stand to lose £41.40.

A disabled, 25 year old single claimant with entitlement to the highest rate of the care component of DLA or the enhanced rate of the daily living component of PIP, however, would lose £50.25.

This £8.85 increased loss is due to the fact that this claimant would normally be entitled to £87.95 per week in ESA due to the addition of the £15.55 enhanced disability premium.

ENABLE Scotland understands that this inequality also affects couples where one or both are disabled.

The standard rate for a Job Seekers Allowance claiming couple is £113.70. Should the proposed changes go ahead then this couple would stand to lose £64.97.

A couple where one or both are entitled to DLA or PIP, however, would stand to lose £90.91. This £25.94 additional loss is due to the addition of the couple disability premium (worth £45.40) in their claim.

Further, we are concerned that Increased losses for couples who claim ESA where one or both are disabled are also possible.

Should a member of a couple claiming ESA receive either the highest rate of the care component DLA or the enhanced daily living component of PIP then their weekly amount of ESA would be £22.35 per week higher than a non disabled couple due to the couple enhanced disability premium.

This would result in a loss of £77.74 per week for this couple compared to a £64.97 loss for a ESA claiming couple without entitlement to the enhanced disability premium.

We believe that the most devastating losses, however, would occur where claimants were entitled to the severe disability premium in their benefit entitlement calculations.

The severe disability premium is paid in both JSA and ESA claims and is paid to single people when:

- They are in receipt of a qualifying benefit (Attendance Allowance, the middle or highest rate of the care component of DLA, the daily living component of PIP or an armed forces independence payment)
- No one is paid Carers Allowance for looking after them
- They either live alone or, for benefit purposes, are classed as living alone

The severe disability premium can also be paid to couples when:

- Both are in receipt of a qualifying benefit (these are the same as those for a single claimant)
- No one gets carers allowance for looking after one or both
- They either live alone or for benefit purposes are classed as living alone

Should a single claimant have entitlement to the severe disability premium then this increases their weekly benefit payment by £61.10 and for a couple, where both qualify, by £122.20.

Were the waiting days to be increased for from 3 to 7 these claimants would have an additional loss of £34.9 (single) and £69.83 (couple). It is important to note that this loss would be in addition to those already listed meaning that a single claimant with entitlement to the severe disability premium could lose as much as £94.49.

For a couple claiming ESA where both are entitled to the severe disability premium their loss could be as high as £159.46.

We therefore strongly oppose the suggested changes as they are likely to impact on disabled people, and are disappointed and concerned that the equality impact assessment does not appear to have reflected this disproportionate impact.

Purpose of the proposed change

ENABLE Scotland would also like to take this opportunity to query the reasoning and purpose behind the proposed change.

Sections 3.5 and 3.6 of the explanatory memorandum state that “*benefits are not intended to provide financial support for very brief breaks in employment or periods of sickness*” and that “*The aim of the policy is also to discourage people from claiming benefit when they only have a short gap between jobs or a short period of sickness. But if claimants have no job to go to, the increase in waiting days will encourage them to claim more quickly..*”

It is our belief that the Social Security system should be both a safety net and a springboard to assist those with both short term and long term need. Payments provide crucial financial support to those experiencing unemployment or sickness regardless of the length of time that it is required.

We are strongly opposed to the idea that people with a learning disability should be discouraged from claiming benefit as a matter of policy and would suggest that the design of benefits should be to encourage claims from those with entitlement in order to get the support they need, when they need it, and avoid crisis situations.

Our reading of the explanatory memorandum is that the proposed change is both a disincentive and an incentive to claim. We are not convinced that this is possible or necessary and would argue that the proposed change would be yet another cut to the level of support provided by social security benefits.

People with a learning disability are already feeling the impact of changes such as the ‘bedroom tax’, the time limiting of contribution based ESA, the move in benefit uprating from RPI to CPI and the 1% benefit uprating cap and we would suggest that the budgets of many of the people we support have been stretched to breaking point already.

We also disagree that the proposed change is acceptable as “*many people affected by this measure will be coming to benefits from relatively well paid jobs*” (section 3.5 of the Explanatory Memorandum for the Social Security Advisory Committee).

Benefit claimants who come direct from employment will have paid national insurance contributions whilst in employment and should be entitled to financial support from the welfare

state when required. This is the social contract which exists between individuals and the welfare state.

This DWP have also failed to take into account the fact that many of the people we support will not be coming from “relatively well paid jobs” but from jobs that are part time, low paid or a combination of both.

People with a learning disability often require financial help whilst in employment via means tested benefits such as Working Tax Credits and Housing Benefit due to their low incomes and subsequently have not had the opportunity to save money to assist them during any short term drops in income.

We would suggest that it is often during the first stages of unemployment or sickness that financial support is most required as whilst an individual's income will have dropped significantly, their outgoings usually remain static until such time as they can adjust these to suit their new circumstances or find new employment.

For more details on any element of this response, please contact:

Jan Savage

Head of Campaigns & Policy, ENABLE Scotland

E: jan.savage@enable.org.uk

T: 01698 787 067

M: 07753 498 786