

APPG on Poverty - Inquiry into the (in)adequacy of Social Security

Evidence Session 2

Tuesday 14th March 2023, 1pm – 2pm

Room N, Portcullis House

Attendees: David Linden MP (Chair), Baroness Ruth Lister (Co-Chair), Beth Winter MP (Officer), Rob Donnelly (Co-Secretariat, The Equality Trust), Zhané Edwards (Co-Secretariat, CPAG), Michelle Mott (Changing Realities), May Fairweather (Changing Realities), Dominic Milne (Disability Benefits Consortium/Royal National Institute for Blind People's Legal Service), Tamara Sandoul (Carers UK), and Tom Lee [online] (CPAG).

Meeting Minutes

- David Linden MP welcomed all the attendees and introduced the meeting.

Michelle Mott - Changing Realities

"I live in Salford, which is one of the most deprived areas of Greater Manchester. I live with my partner Elliot, who works 52 hours a week in a warehouse for minimum wage and we have two children who are home educated. Our income is made up of my partner's earnings, child tax credit and child benefit.

I see poverty all around me, I am in poverty. I'm here today to speak not only on behalf of myself but also for my community. Poverty is both overt and insidious, as it can affect you in several ways – physically, emotionally, mentally – your health, your quality of life and how you are perceived.

Last week I went to see my GP due to the crippling pain of osteoarthritis, which impacts my daily life. They prescribed me pain medication, as well as medication for high blood pressure. Each item on the prescription cost £9.65. I had £10 left. I had to make a difficult decision do I continue with the crippling pain and resign myself to bed for a few days – unable to cook, clean or look after my children or do I risk a stroke or heart attack due to uncontrolled blood pressure. I decided I needed the pain killers to have any sort of normality, as pain severely restricts my mobility and impacts my quality of life, and it stops me from carrying out basic day to day tasks. Now, I have a huge amount of anxiety to struggle with, that has been brought upon me knowing that my blood pressure is dangerously uncontrolled. This in turn will be having a negative impact on my blood pressure, this is poverty, it makes you decide what no one should.

In the fifth richest country in the world, these types of decisions shouldn't have to be made. The government's cost saving measures only creates more costs in the long run as my mental and physical health deteriorate which also impacts my family and my partner's ability to work. Working class people are the bones, the blood and the flesh of this country. We have so much more than we are given credit for, without us the economy would plummet. It is ironic that they are treated as if this is not the case. People in poverty are looked upon as lazy and uncaring. If that was true, I wouldn't be here today, despite my conditions I have set-up a social space for home educating neurodiverse teens where they can socialise and build friendships. I am proud to be making a positive contribution to the community, surely that is worth more than £107 a week. There are unfair stigmas that surround us that need to be abolished, because we are worth so much more."

May Fairweather - Changing Realities

"My name is May and I live in Stockport with my toddler, I'm a single parent and until recently I was working full-time as a money advisor for a charity on a helpline for survivors of domestic abuse. I had to leave because a full-time place at my son's nursery costs the same as my take home pay and Universal Credit – the 85% would only cover the cost of 3 days of nursery. So, I quit my job and dropped my son down to the three days and I'm trying to establish my own business.

While I was working on the helpline I spoke to a lot of people in a lot of circumstances – people who were in theoretically high-income households but did not have control of their own money, people who were very low income or no income. One of the main issues I came across were the costs of childcare – which was pushing people out of work – like myself. I know this has been recognised already but also single adults without children or disabilities – you can't live on £334 per month, you just can't.

If you get a job, nobody walks into a full-time job which pays well. It doesn't reflect reality to people. The situations I saw, the clients of the helpline were people unable to flee – if they worked they would have to pay the refuge fees, which are very high. If they didn't work, they didn't have enough income to live – often they were left in debt by their abusive partner. Not having a work allowance, means you can't just get part-time work, or you would lose your Universal Credit almost instantly. In theory Universal Credit is meant to be like having a job but in practice it really isn't. It's based on having a middle-class high-income job but that's not what most of us do. I'm well educated and have got work experience, and I've always worked since I was 14 and didn't expect to be in position where I would have to quit my job because nursery costs so much."

Dominic Milne - Disability Benefits Consortium/Royal National Institute for Blind People's Legal Service

- There is evidence that current benefits are not enough, and various reports and research support this claim. Successive governments have not attempted to assess whether benefits are adequate. Many people on benefits are going without essentials, including those with disabilities. Mental health is also an issue. The benefits system needs to be looked at across parties and not viewed as a voter loser. Certain aspects of the current system are flawed, including the benefit cap, two-child limit policy, and local housing allowance. Benefits should be subject to a double lock and government tech should be improved to allow for uprating.

Tamara Sandoul - Carers UK

- Around 4.3 million people become carers every year, with up to 600 unpaid carers leaving their jobs every day. Carers often have additional costs, impacting their financial stability, and those in receipt of Carers Allowance are struggling more financially compared to all carers. The earnings limit for Carers Allowance needs to be increased, and a dedicated Work Allowance for unpaid carers is needed. Carers in receipt of Universal Credit are more likely to be struggling financially and using food banks compared to all carers. It is important to allow carers to keep their jobs while they are caring, as their caring role may come to an end, and they may have spent their savings and pensions, impacting their long-term financial stability.

Tom Lee – Child Poverty Action Group

- Zhane Edwards read out the following statement on behalf of Tom Lee who wasn't able to give evidence due to technical issues.
- The current levels of social security are inadequate in preventing child poverty, which has been increasing due to cuts to social security. Child poverty has increased significantly in larger families due to targeted cuts to social security. The Scottish government has implemented a child poverty strategy with increased social security as the main approach, specifically the £25 a week Scottish child payment, which could result in reductions in child poverty across the UK. Increasing social security benefit rates is the most effective way to reduce poverty, as other measures such as raising the minimum wage are not as effective due to limited targeting towards low-income households.

Questions from Parliamentarians

- Baroness Ruth Lister asked May and Michelle if they thought an independent body which would advise government on benefit levels would be a good idea and how such a body could learn from people with lived experience of UC?
- May emphasized the importance of having personal experience with a situation in order to make informed decisions about it, using the example of a friend who is a single parent relying on food banks. They also suggest that involving people with lived experience in decision-making about Universal Credit rates would require careful consideration to ensure that they do not lose out on benefits.
- Baroness Ruth Lister asked Tamara about the additional costs faced by carers – are there costs that carers incur which should be covered by disability benefit?
- Tamara stated that the level of support from the benefits system depends on the situation, such as in the case of a couple where both lose their incomes due to one partner's disability. While there is some support for those with disabilities, carers may still incur additional expenses such as heating or travel costs.
- David Linden MP asked Dominic why he focused on the benefit cap, two-child policy and local housing allowance in his evidence submission.
- Dominic responded that issues such as the Local Housing Allowance, the two-child limit, and the benefit cap are common problems faced by his organisation's members. He also noted that people are still unaware of the two-child limit, and the benefit cap is impacting those with caring or childcare responsibilities. Additionally, he highlighted that current benefit rates are inadequate and not based on any real criteria. Finally, he mentioned their organisation's efforts to pursue strategic litigation for individuals who have been forced to move due to unaffordable rent.
- David Linden MP asked how can the idea around a Minimum Income Standard (MIS) be developed for disabled people?
- Dominic noted that the JRF plans to examine disability benefits in the future, as the benefits are inadequate for many people. There is currently public support for initiatives like an essentials guarantee or minimum income standard, as many working people are relying on food banks and Universal Credit. The RNIB is conducting research on partially sighted people and their experiences with the social security system.
- David Linden MP asked Tamara from Carers UK about a digitally based benefit mentioned in their evidence submission. David asked how this would work in light of digital exclusion.
- Tamara spoke about the practical barriers to raising carer's allowance, highlighting that during the pandemic, everyone receiving Universal Credit received a £20 top-up except for carers receiving the Carer's Allowance, due to it being a legacy benefit.
- She also mentioned that the Department for Work and Pensions (DWP) conducted research on Carer's Allowance and its accessibility barriers but has not published the research despite requests to do so. This research was conducted in September 2022.
- David Linden MP asked what the rationale was behind changing the number of caring hours from 35 hours per week to 20 hours per week in terms of being eligible to claim Carers Allowance?
- Tamara stated that the current requirement of doing 35 hours per week to get Carers Allowance is not suitable for people who provide less or more hours of care. People who provide 20 hours of care might have given up some work to do so, and those who provide over 50 hours of care might not be able to work at all.
- David Linden MP asked if Tamara would like to see the Carers Allowance supplement - which is available in both Scotland and Wales - replicated in England.

- Tamara said it is an illustration of the fact that the devolved nation governments are recognising how low Carers Allowance is and they are trying to solve that problem by topping that up.
- David Linden MP asked May and Michelle, what are the main changes they would like to see the report recommend?
- May's top priority is for pre-school childcare to be funded in the same way as school, to make it simpler and more affordable. She shared her personal experience of not being eligible for UC due to high nursery fees. She is also torn between advocating for a work allowance for everyone or addressing the issue of housing, where it seems illogical that housing element can't be claimed towards a mortgage but can be claimed towards paying off a landlord's mortgage. She acknowledges that this issue wouldn't be as much of a problem if there was enough social housing available for everyone.
- Michelle expressed her frustration with the current level of benefits, stating that even with a partner working 52 hours a week, they can barely afford to live. They raised the issue of the difficulty of applying for benefits, citing their own experience with PIP and waiting two years for a tribunal date. Another participant suggested funding pre-school childcare in the same way as school and expressed their concern over the lack of availability of social housing.
- May added to that when she worked at a charity helpline she came across a lot of people who did not know that they were eligible for UC or PIP – or they did not know how to apply.
- She supported people through appealing benefits decisions, for example a disabled woman living on PIP who did not know she was eligible for UC as she was told by Citizens Advice that she wasn't eligible for UC because she was studying.
- She also added that she had been given incorrect information by the DWP on a number of occasions.
- Baroness Ruth Lister asked if people thought a double lock (either prices or wages) on benefits is a good idea.
- Tamara thought it was a good idea but added that first of all you need to work out what an acceptable minimal level would be. The frequency of uprating also needs to be looked at – we need a faster system.
- May added that the two-child limit, even when you only have two children the support you get for the second child is less. The amount you can get towards childcare and UC for two children is less than twice what you get for one child.
- Baroness Ruth Lister asked if all participants agreed that the under 25s rate of benefit should be abolished.
- *Unanimous agreement in the room that the lower rate of benefits for under 25s should be abolished.*

Questions from the public

David Linden MP

- We have a question from Emma – could the level of benefits take into account gender considering the different costs that take place across the lifespan e.g. menstrual, childcare and menopause costs.

May Fairweather – Changing Realities

- A lot of this stuff disproportionately affects women because they are more likely to be carers, more likely to have childcare responsibilities, be single parents, more likely to be victims of

domestic abuse and more likely to be disabled by health conditions earlier in their life, and women are more likely to be in poverty.

Tamara Sandoul - Carers UK

- Women do start caring earlier, so they use more income on caring responsibilities and end up paying less into their pensions so in their old age they will be poorer.

David Linden MP

- Question from Lindsey – What impact does the current rate of working age benefits have on people’s mental and physical health?

Dominic Milne – DBC/RNIB

- It is worth looking at the recent findings from [Healthwatch recent findings](#) as they have done some fairly significant research – that has quite a lot of information on mental health – with a breakdown by gender and the long-term impacts of poverty – they also have stats on the number of people who are unable to afford their prescriptions.

David Linden MP

- What are witnesses views on targeted support for survivors of domestic abuse with employment support providing better financial security?

May Fairweather – Changing Realities

- There has been a lot of improvements in this area but one of the big barriers facing people is that on paper it may look like they have more assets meaning they aren’t eligible for UC, but the assets aren’t actually accessible to them because of the abuse and that is one of things that really traps people. but they don’t have access to.
- Almost all survivors of domestic abuse have suffered some form of economic abuse.

David Linden MP

- Is there anything else that anyone would like to add for the purposes of this enquiry or would like to see in the report recommendations?

Dominic Milne – DBC/RNIB

- It is essential that whatever independent body or group that decides what the necessities/work out the minimum level should be – they should also take into account different groups are taken into account e.g. people with a disability, children, domestic abuse survivors.

May Fairweather – Changing Realities

- I suppose the real question is - what is the point of the system? Is the assumption that any that is not working full-time is a lazy slacker, therefore the system should force them to get a

job or is the system ensuring that nobody is living in poverty – it can't do both – and it seems like it is trying to do both and is therefore failing at both.

Dominic Milne – DBC/RNIB

- We need a more humane and cross-party approach that takes into account adequacy and takes into account specific issues that might impact upon their finances.

Baroness Ruth Lister

- Can I just ask about benefits being uprated in line with a special low-income cost of living measurement – which I think the ONS actually now does?

Dominic Milne – DBC/RNIB

- Yes, indeed. I think there has been some difference of opinion on what the best index is to look at. Any kind of price index has to be based on low income as opposed to being too general in order to make it realistic.

David Linden MP

- David thanked all witnesses for giving evidence.
- Meeting closed.