

London Citizens Advice Response on Pathways to Work: Reforming Benefits and Support to Get Britain Working Green Paper

London Citizens Advice are the consortium of 28 local Citizens Advice charities operating in Greater London; our services across the Capital support around 200,000 Londoners annually and around half have disability and health related issues. As we said in our initial reaction to the proposals, there will be increased risk of unfair assessments if these proposals go ahead.ⁱ The additional costs and barriers for disabled Londoners and health inequalities in London need to be considered, and that employment and health support should be improved alongside access to independent advice and advocacy.

This is a brief response, if focuses primarily on London issues where living costs are much higher than the national average. Our national organisation will raise wider issues in their response. However alongside other London advocacy groups and disability organisations, we do vigorously question some of the assumptions made and language used around welfare 'being out of control' with unsustainable funding and dependency culture. Spending on all non-pension social security as a proportion of GP is similar to 1990s levels, and whilst health and disability claims within the system have increased, over same period we have seen decline in the UK population's health, expectations that with a rising pension age and increased life expectancy more people should be in the labour market, the impact of Covid on health and employment patterns, changes in the labour market, and other wider social determinant issues that cannot be addressed by a 'cuts first' policy response. It is unfortunate that benefits like PIP are represented as out of work sickness benefits, whilst they in fact they are intended to support disabled people to lead independent lives and meet the additional costs of living with a disability, including engaging in work.

We share the Greater London Authority's concerns and assessment of analysis from Policy in Practice that highlights the impact the Government's proposed changes would have on Londoners.ⁱⁱ We note that some aspects of the proposals are undergoing reconsideration in the proposed legislation, including exempting existing claimants. Whilst these are welcome they do not entirely eradicate the concerns, and further highlight the case for working more closely with advice and disability organisations in designing and reforming the systems of benefits, health and work support for disabled Londoners, and giving greater consideration to their regional impact. We support the Mayor of London's call for a rethink.

Chapter 2: Reforming the structure of the health and disability benefits system

Whilst we would support a review of the system to improve support and incentives for disabled people to work, and fully endorse the principle of 'Right to Try', aimed at reducing the loss of benefits fear that can act as a barrier to paid employment, other proposals in this package then undermine this intention.

We cannot support the proposals which utilise, but the further restrict, the existing flawed points-based system for PIP assessment to ration support. It has been acknowledged in many previous review that people find the assessment process degrading, that it does not take an holistic approach to health and disability, and it frequently leads to extremely unfair outcomes. Similarly we cannot support proposals to cut by almost 50% the extra payment to those too ill to work for new claimants, and freezing these for three years for existing claimants. but a £7 per week increase does little for those facing, or in severe debt.

Overall, we are concerned about the impact of this package for Londoners including

- The repercussions for the 440,000 Londoners claiming PIP and 240,000 claiming the health element of UC. Londoners stand to lose over £820m in total as a result of the proposed changes, with more than 360,000 people facing a reduction in their incomes.

- The tighter eligibility criteria for Personal Independence Payment (PIP) will cause income losses for disabled Londoners of between £3,800 and £5,700 per year and affect up to 46 per cent of current claimants.
- The impact of the reforms will be felt differently across disabled communities. For example, more than 70 per cent of Londoners with arthritis and pain-related conditions do not score 4 points on the daily living element. They will face a significant reduction in incomes.
- The impact will be particularly acute in London as eligibility for PIP exempts people from the benefit cap, which helps protect disabled Londoners from London's high housing costs.

We are also concerned about how the reforms will also affect those who care for disabled people, as PIP entitlement is linked to carers allowance. It will particularly impact parents of disabled children, and disabled women who are more likely to be family carers. Those impacted would also risk losing access to other benefits, such as reduced rent and council tax

In London, it has been estimated that disabled households face an average extra cost of around £1,000 per month compared to non-disabled households. This figure is equivalent to 63% of a disabled household's income after housing costs. 30% of families in London that include a Disabled person live in poverty compared to 22% of those without a Disabled household member - a gap that has increased over the past 10 years. Disabled Londoners in work are more likely to be low-paid than Londoners who are not Disabled and are in work. The proportion of working Londoners with a disability that are low-paid is above average, and 7 percentage points higher than their neighbours without a disability.

London is also a city of stark health inequalities; the COVID-19 pandemic exposed stark health inequalities across the city, with people from Black and minority ethnic groups, and people living in deprived areas being most at risk of severe health conditions and lower morbidity. There are also large populations of people in excluded health groups (e.g. homeless people, asylum seekers and refugees, and Gypsy, Roma and Traveller communities) living in London who experience greater risk of poor health and complex health challenges.

Finally we need to consider wider cost of living challenges and barriers for disabled people in London. The intention of PIP and the UC disability top-up is to recognise, support and allow for the additional costs that disabled people face with daily living, but a flat rate system doesn't take into account regional variations and differences. The cost of living from rents to energy and food has already sky-rocketed in London, and over the years value of benefits has seen an effective cut because they have not kept pace with inflation. Add to this the challenges of living as a disabled person in London - despite improvements, public transport is largely inaccessible for many people with disabilities, but alternatives are becoming more costly with London taxis raising fares by over 7% this year, and the introduction of low-traffic neighbourhoods and pedestrianised areas with limited blue badge parking makes things difficult to disabled drivers. So whilst London continues to improve accessibility throughout the city with inclusive design such as step-free access, ramps and smooth surfaces, many buildings including disabled people's homes, workplaces and services (especially in older historic building structures) are not fully accessible due to costs, difficulties and other factors.

For all these reasons, we call for a re-consideration of these reforms in a London context.

Chapter 3: Supporting people to thrive

There are unclear ideas and proposals in this section around requiring seriously ill and disabled people to engage more frequently with jobcentres, alongside a sets out a long-term ambition to abolish the work capability assessments. Under the current work capability

assessment system, disabled people have legal protection from being forced to look for work where they have a severe disability that would prohibit this. It is vital that the government ensures that disabled people continue to have robust protection from being forced to look for work or comply with inappropriate conditions. This must include maintaining the right to appeal to an independent tribunal against a decision to apply inappropriate conditionality.

More broadly there is plenty of evidence that sanctions and conditionality approaches don't work. Not only are they ineffective – they are also harmful. Previous research has demonstrated how removing benefits increases hardship, destitution and foodbank use as well as damaging physical and mental health.ⁱⁱⁱ The DWP's data now shows that sanctions fail on their own terms, as they also damage both earnings and employment prospects.

The proposed reforms would also raise the age of eligibility for disability benefits from 18 to 22, disproportionately affecting young disabled adults, carers, and disabled women, and increasing housing insecurity for many. Again this would have a particularly acute impact in London.

Rather than sanctions we advocate support based approaches. So what is welcome in this Green paper is “guarantee of support for all disabled people and people with health conditions claiming out of work benefits who want help to get into or return to work” London Citizens Advice is actively engaged in the Vanguard “WorkWell” programme that enables access to a range of health and employment support, and we are also involved in the “Connect to Work” trailblazers; local Citizens Advice refer into these programmes but ongoing welfare advice also needs to be built in. There is plenty of evidence that support from (non-profit advice agencies around income maximisation (including ‘better-off’ calculations) and financial capability supports improved outcomes for helping people into work. The promised additional investment in employment support funding needs to be brought forward.

Chapter 4: Supporting employers and making work accessible

Policy makers need a clearer understanding that welfare reforms aimed at improving labour market especially amongst people with disabilities will not succeed without healthier jobs and working with employers to improve recruitment and retention of people with disabilities in the labour market. Enforcement systems around healthy working conditions and compliance with equalities legislation, employment rights, health and safety, minimum wage and other labour market regulation and should be more proactive. These issues are especially important in London where there are issues around regulation of the gig economy, the nighttime economy, use of migrant workers in key sectors – care, hospitality etc, but more importantly many workplaces in London are simply not disability friendly. We support the work that the Mayor of London has done with the Good Work Standard and Inclusive Growth strategy.

Case studies and conclusion

It is important for policy-makers to remember that welfare reforms are about real people. To achieve objectives around supporting people with health conditions into work, enhancing independence and reducing long term benefits dependency, reform initiatives need to be more grounded in lived experience. Peoples circumstances change, often very quickly, there is a very dynamic interaction between debt, work, health and benefit issues, and Citizens Advice help many thousands of people navigate a complex system. For example:-

[Tania a client in North East London with 4 dependent Children was assisted by Citizens Advice assisted with a PIP appeal. She was working prior to being on maternity leave but has not returned to work due to health problem and symptoms including heart disease, sciatica, hip and back pain, leg pain \(she was getting around on crutches\) anxiety and depression. The appeal scored her sufficient points under](#)

Enhanced Daily Living and Enhanced Mobility components of PIP and was backdated. Citizens Advice also helped her to apply for a blue badge. This support made it more rather than less likely that she could return to work.

Gulsa was a client in East London with multiple debt issues. She had debts over £12,000, was single, living alone and working full time. She was struggling to attend work sometimes due to health was on sometimes on sick leave when she came to Citizens Advice; as well as her physical health issues she was suffering from poor mental health, depression, and anxiety disorder. She was in receipt Universal Credit, and Council Tax relief. Citizens Advice were able to deal with her priority debts and wrote to all creditors, the helped her to win a PIP appeal including a backdated award, at standard rate for daily living and enhanced mobility level. She was able to use this clear her council tax and utilities debts. Citizens Advice also assisted her by setting up more affordable repayment plans with creditors to clear the debts as quickly as possible. Advised Client on the work capability assessment under Universal Credit and she was awarded Limited Capability for Work and Related Activity component. Helping Gulsah resolve this problems helped her to eventually return to work; she was put in a better position to pay bills on time and made of aware the support available including how to do benefit checks when circumstances change.

We hope that there is some reconsideration. National Citizens Advice evidence has demonstrated that for our clients, the PIP reforms in particular will put the majority of clients with health conditions or disabilities into negative budgets – and again the impact will be felt hard in London especially. We do not defend the status quo, but Government should consider the unintended consequences of these proposals and work with advice and disability organisations to develop better solutions.

ⁱ <https://londoncitizensadvice.org.uk/news/proposed-disability-benefits-changes-our-first-reaction>

ⁱⁱ <https://www.london.gov.uk/mayor-london-urges-government-rethink-welfare-reforms-safeguard-vulnerable-londoners>

ⁱⁱⁱ <https://jpit.uk/sanctions-dont-work-but-they-are-increasing-anyway>