



Assessing the impact of European governments' austerity plans on the rights of people with disabilities

Country Report: United Kingdom

This study has been conducted by



Michael J. Evans

25 October, 2012

Table of Contents

1. Introduction	3
2. The impact of austerity measures on the participation of persons with a disability in society	3
3. Trends in social services	8
4. Trends in disability-related social security benefits	12
5. Trends in the promotion and protection of rights	18
6. Impact on the implementation of the UNCRPD and the European Disability Strategy 2010-2020.....	21
7. General conclusions.....	22
References.....	24

1. Introduction

This research project used a variety of methods to gather evidence. Firstly, research from academic, governmental and user organisations were sourced, synthesised and is presented here. Secondly, confirmative interviews were undertaken with disabled peoples' organisations, service providers and local authorities. These interviews focused upon the brief given in the questionnaires provided although the service provider and disability questionnaire was merged to gather the most relevant and meaningful information. Questionnaires were completed using both face-to-face interviews and by submitting questionnaires to providers/disability organisations following a briefing of what areas to address.

The challenges faced in this project were mainly concerned with the fact that many areas of the report are not the responsibility of the UK government but are the responsibility of the devolved governments in Scotland, Wales and Northern Ireland – for example Employment and Welfare Benefits are the responsibility of the UK coalition government but Social Services, Social Inclusion, Education and Health Services are controlled by the devolved governments. These issues added to the challenges of compiling the report and care has been taken not to distort in any way the current picture of the situation in the United Kingdom.

The resulting report combines all these sources to bring the most up to date picture of how austerity measures are affecting people with disabilities in the UK.

2. The impact of austerity measures on the participation of persons with a disability in society

The following statistics, analysis and comments are intended to provide an indication of how austerity measures have impacted on people with disabilities in the United Kingdom.

Employment rates

For the purpose of comparability with previous years the old working age definition (males 16 to 64 and females 16 to 59) has been used when presenting trends. Direct comparisons with estimates from 2010 onwards should not be made, due to an improvement in the way people report disability from this point which takes into account the increase in the state pension age for women which will increase gradually from age 60 to age 65. Any differences reported as significant are statistically significant at 95 per cent level.

The trend shows that there has consistently been an employment rate gap between people with and without disabilities, though it has narrowed from 33.5 per cent in 2005 to 30.3 per cent in 2009. The employment rate for people without disabilities has gone down during this

period which is likely to be an impact of recession in 2008. On the contrary, the employment rates of people with disabilities appear to remain unaffected by recession.

In 2011, 48.8 per cent of people with disabilities were in employment compared to 77.5 per cent of people without disabilities. Although it seems as if the employment rates for people with disabilities have improved over last couple of years, due to the improved disability reporting since 2010, it is not possible to conclude whether this is a real increase.

Employment rates (total) for men aged 16-64 and females aged 16-59 in Great Britainⁱ

	Percentage disabled In employment	Percentage Non-disabled In employment	Percentage gap between disabled and non-disabled
2005	47.0	80.4	33.5
2006	47.4	80.2	32.8
2007	47.2	80.0	32.7
2008	48.3	80.0	31.7
2009	47.5	77.7	30.3
Figures above from 2009 and earlier are not directly comparable to the figures for 2010 and after given below			
2010	48.4	77.5	29.1
2011	48.8	77.5	28.7

In October 2010 the UK Government ended the Workstep programme which was a programme designed to support both employees with disabilities and their employers. Support was provided through wage subsidies and/or job coaches and employment support workers. The Workstep programme was replaced by the Work Choice programme and the UK Department of Work and Pensions contracted with 8 providers throughout the UK to deliver the programme. The Work Choice programme is the main UK employment programme for people with disabilities and concerns were raised that the majority of funding to the providers and their sub-contractors was target related; in other words only when a disabled person secured a job would the providers be given the majority of their funding. This suggests that people with significant disabilities are potentially at a disadvantage as providers are encouraged to work with people with disabilities who are likely to find a job relatively quickly and who do not require constant support. However, the first published report on the Work Choice programmeⁱⁱ indicates that less than 14% of participants secure a job and the sustainability of these job outcomes appears to be much lower than 14%. Moreover, the programme does not appear to be addressing the needs of the target group of

people with disabilities and is instead working with people with disabilities who are closer to the open labour market.

Disability benefit claimants

The working age Employment and Support Allowance and Incapacity Benefits (ESA/IB) estimate for January 2012 is 2.550 million (to the nearest 5,000)ⁱⁱⁱ. This indicates a 1.2% decrease since August 2011. The trend of disability benefit claimants is a general decrease in numbers; In August 2007 there were 2.641 million claimants reducing to 2.633 in August 2009.

Between October 2010 and Spring 2014 people who receive incapacity and welfare benefits due to illness or disability will be re-assessed for the new welfare benefit – Employment and Support Allowance. The following benefits are being phased out:

- Incapacity Benefit
- Income Support paid because of illness or disability
- Severe Disablement Allowance

People who currently receive these benefits will be reviewed under stricter criteria of the Work Capability Assessment (WCA) to see if they are eligible for Employment and Support Allowance.

- People who are assessed as capable of work will move onto Jobseekers' Allowance
- People who need more support while they prepare for work should get assistance on the Employment and Support Allowance (ESA)
- People who are most disabled or terminally ill will not be expected to look for work

The emphasis therefore is to move people with health problems and disabilities towards work thus meeting the UK Government's intention of reducing the Welfare Benefit costs within the UK.

At risk of poverty rates

A substantially higher proportion of individuals who live in families with disabled people live in poverty, compared to individuals who live in families where no one is disabled^{iv}. The same is also true of individuals who live in households with low income (income below 60% of median equivalised household income).

Individuals living in households with income below 60 per cent of median equivalised household income (After Housing Costs, including Disability Living Allowance and Attendance Allowance in income)

	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Individuals in families where at least one member is disabled	25%	25%	27%	28%	26%	25%	24%
Individuals in families where no one is disabled	19%	20%	20%	20%	21%	21%	20%

Since 2005 and after Housing Costs, there has been a decrease from 25 per cent to 24 per cent for this group, but this is not statistically significant.

Adults living in persistent poverty (After Housing Costs, including Disability Living Allowance and Attendance Allowance in income)

	2001-04	2002-05	2003-06	2004-07	2005-08
Disabled	14%	12%	10%	10%	11%
Non-disabled	7%	7%	7%	6%	7%

The general accepted reason for the difference in low income/poverty between people with and without disabilities is that people with disabilities are less likely to be in employment. Additionally, people with disabilities are more likely to be in part-time employment compared to people without disabilities ; people with disabilities are more likely to earn less wages than people who do not have a disability.

Mental health impact of the economic crisis

Research from the University of Glasgow^v conducted amongst General Practitioners in some of the most socio-economically deprived areas of the UK (The Deep End) showed there were some alarming issues regarding the mental health and well-being of people living in deprived areas.

A central concern of Deep End practices is the number of patients with deteriorating mental health.

At one end of the spectrum, there are those who are in work, and previously well:

- under increasing stress at own jobs due to cutbacks
- taking on extra work/jobs, with resultant impact on family and relationships
- experiencing stress of job insecurity

At the other end of the spectrum, there are those with chronic mental health issues and established physical problems who are “deemed fit for work” and have their benefits cut:

- struggling to make ends meet
- increasing contact with GPs and psychiatry
- increasing antidepressant/antipsychotic use
- self-medicating with drugs and alcohol

Aside from the direct detrimental effects of drugs, alcohol, and worsening mental health on physical health, it can also be affected indirectly as many patients are reluctant to take time off work due to job insecurity. Additionally, GPs report less time to deal with physical problems, as these are no longer a priority for the patient.

This financial hardship is manifesting in several ways, but perhaps most striking is the growing number of individuals and families experiencing fuel poverty – the combination of increased costs and falling benefits resulting in a choice between heating and eating. Practices reported cases of an elderly patient going to a friend's house in order to wash; families relying on relatives to pay for food and cigarettes (unable to stop smoking due to stress); and a mother resorting to prostitution to feed herself and her family.

One GP within the study reported: *'In my surgery I am hearing from patients who for 2–3 days a week cannot afford to heat their houses (many use metered cards which are more expensive than direct debit payments)'*

Changes to the benefit system were cited by most respondents as impacting on patients' health and practice workload. Practices described an “endless cycle” of appeals, during which time the patients' benefits are reduced. One GP calls this “*completely unnecessary [and] completely avoidable*”; another felt that the WCA (Work Capability Assessments) were ill-matched to the clinical reality.

For obvious reasons the patients in X [deprived area of Glasgow] call Corunna House [where the Work Capability Assessments are done] “*Lourdes*” because all the sick come out cured.

Specific issues relating to age

In the period March-May 2012, 1.02 million young people aged 16-24 were unemployed, up 107,000 (or 11.6%) on the same quarter in 2011.

The unemployment rate for those aged 16-24 was 21.9%, which is 2.3 percentage points higher compared with the previous year^{vi}. Whilst these statistics did not differentiate between disabled and non-disabled the situation regarding youth unemployment in the UK is a major cause for concern.

Evaluative comment of changes

From a statistical point of view we can observe that there are no great significant changes in the employment rates and levels of poverty amongst people with disabilities. However, this is at odds with the anecdotal evidence and other factors that indicate that people with disabilities are being adversely affected by the impact of austerity measures in the UK. Although employment levels are fairly stable over the past 3 – 4 years there remains a significant disparity between the employment rates amongst people with disabilities and non-

disabled. Moreover, the main UK Government employment programme for people with disabilities, Work Choice, reports only very small numbers of people with disabilities entering employment and many disability organisations have expressed serious concerns that this employment measure is not meeting the needs of people with disabilities – a concern that is confirmed by the statistical report recently released by the Department of Work and Pensions (DWP). The expectation is that unemployment rates for people with disabilities will rise due to the increased competition for jobs, the emphasis on work for people on disability benefits, the closure of Sheltered Workshops/Supported Businesses and the poor performance of government Work Programmes and employment measures.

Additionally, the removal of Working Tax Credits for people who work less than 24 hours per week and general welfare reform are likely to cause people with disabilities and their families to become increasingly closer to being at risk of being in poverty. Furthermore, new and proposed welfare reform measures will limit the amounts of benefits that can be claimed.

3. Trends in social services

It has been widely reported that local authorities are among the most significant casualties of public spending cuts in the UK. A Joseph Rowntree Foundation report published in January 2012^{vii} suggests there is strong evidence that local government has indeed been subjected to a particularly severe real terms cut and their analysis also demonstrates that the most deprived authorities will be hardest hit.

- *“The overall magnitude of the proposed cut is unprecedented, amounting to 28 per cent of the grant and 14 per cent in terms of overall spending power in cash terms over four years (excluding education, police and fire).*
- *The cuts are front-loaded and, allowing for inflation, could be nearer to 40 per cent of the grant or 25 per cent of the spending power.*
- *The most deprived local authorities lose systematically the most spending power, especially in the first year, while some affluent areas face only mild cuts initially.*
- *There is still a relationship between deprivation and size of cuts over the two years 2010/11–2012/13, with some deprived authorities facing cuts of between 20 and 28 per cent in cash terms.*
- *The main reason for the adverse impacts on deprived authorities is the scrapping of specific and special grants that were previously heavily targeted on deprived areas, partly in the name of ‘localism’.*
- *Looking three to four years ahead, the impacts of the 2010 grant settlement will probably be overlaid by significant further changes in the local finance system”.*

A direct trend due to local authority austerity cuts has been a freeze in pay rises, no pay increments and no annual inflationary pay increases. Local authorities have also embarked

on a range on efficiency savings including Voluntary Redundancy (VR) packages and the introduction of Voluntary Early Retirement (VER) schemes; one respondent to the questionnaire stated that more than 400 staff had left due to VR/VER in 2010/11 and 2011/12.

A national disability organisation had initiated a range on mergers with smaller, local service providers and whilst this may not directly affect service delivery these mergers usually resulted in staffing cuts and a reduction in the geographic location of services and staff.

Local authorities appear to be trying to protect the most disadvantaged groups from austerity cuts; one respondent stated that despite the cuts, front line staff services have largely remained unaffected and that Social Work budgets have not had reductions passed onto them. The Scottish Government have ring-fenced the budget to the Health Service in Scotland. However, another local authority respondent stated that their Social Work Department had lost 65 staff and there had been a 7% reduction in the Social work budget.

Evidence suggests there is no doubt that austerity measures in the UK are adversely affecting people with disabilities. This is most evident in the very recently published Demos report (Wood, 2012^{viii}) published in conjunction with Scope, which found that all people with disabilities within a small group that they studied longitudinally were financially worse off, some very much indeed. The impact of financial stricture was being felt across the whole range of family activities by people with disabilities – affecting not only the individuals but their whole families. Thus, family activities such as outings and celebrations were curtailed through lack of funds and travel of all kinds was severely affected, including travel to find work. In overall terms, the research found:

'Since the Emergency Budget two years ago, disabled people and their carers have seen a drop in income of £500 million. But with the overall cuts to disability support predicted to come in at £9 billion by 2015, Demos and Scope warn that the struggle has only just begun. By 2016, a further 500,000 disabled people are likely to have lost their Disability Living Allowance. By 2014, 36 per cent of existing Incapacity Benefit claimants will no longer be able to claim this support. The number of councils limiting funding support to only those with substantial or critical needs will have risen to 81 per cent.'^{ix}

Thus, this important research found that persons with disabilities and their families are now responsible for paying a greater proportion of services. Specifically, squeezing people with disabilities financially is resulting in hardship. Mental health of persons with disabilities declined specifically because of financial strains and their informal carers (already a highly burdened and stressed group^x) have become highly pressured through losing their access to social services and support. At the same time, public hostility towards people with disabilities and others in receipt of State support has grown exponentially, resulting in less likelihood of community participation, all of which is against the Government's own policies of fostering more social inclusion (see Wood, 2012.10). This is direct evidence of cuts in resources for inclusion in the mainstream and increased responsibilities for families and end users in the financing and provision of services.

There is also strong evidence of a reversion to the medical model in eligibility assessments^{xi} with Disability campaigners in the UK furious over the Chancellor's plans to phase in a new

medical assessments for new and existing Disability Living Allowance claimants of working age from 2013 and in time to extend this process to new and existing child claimants and pensioners who receive the benefit. The new test will follow a similar process to the Work Capability Assessment (WCA) which determines eligibility to employment and support allowance with a points based system. However WCA has been accused by campaigners of wrongly identifying large numbers of people with disabilities as fit for work and thus ineligible for ESA – and this reduces the level of benefit they receive.

The austerity measures are set to increase standardisation of care with less person-centred care once these financial strictures bite over the next two years.

In social services, the UK has seen cuts in staff training and professional development budgets. A social care professional network survey in February 2012 found:

'Budget cuts are the greatest challenge facing social care professionals, a Guardian social care network survey reveals. More than 86% of network members say cuts to budgets are the biggest problem facing the sector, while 40% listed government policy and 37% chose staff cuts. Integration with healthcare was selected by 27% of respondents. The survey, launched last month, was completed by more than a fifth of the network's members. More than 93% said they expected their jobs will become more difficult over the next 12 months as further budget cuts are implemented... Others said that funding cuts would lead to fewer staff being expected to take on more work, spend less time with clients and work longer hours.'^{xii}

Scotland has also witnessed decreased investment for research, development and innovation with an acknowledgement that:

'Currently there is no explicit social services policy on research in Scotland. This leaves us without an overall direction of travel and without clear priorities for research, resulting in research, which is led by the interests of research producers, commissioners and funders. For research to be relevant, useful and used, there needs to be a better system for determining priorities and linking these to funding. The role of service users, carers and other key stakeholders in these processes needs to be enhanced.'^{xiii}

In the UK there is a commitment to the continuation of community care (care at home) and we have not seen a move towards a re-emergence of institutional solutions to the provision of care, although we have witnessed a widening and strengthening of the private social care sector, with, in the learning difficulties sector less than 10% of care being in State hands by 2011.^{xiv} This may come as a surprise to many who believe the State still holds power over such social care services in the UK. Essentially, we have seen increased privatisation and outsourcing of social services: such services are financed by the State but provided through private or voluntary/ charity sectors. One disability organisation respondent has stated that increased complexities in the tendering for services makes it more complicated and more time consuming to apply for these bids through the tender process.

The UK has only just introduced personal budgets, which were widely heralded as leading the world in improving and providing personalised care. However, it is widely acknowledged amongst social care professionals that the personalisation agenda is being damaged by the austerity measures:

'Sue Bott, director of the National Centre for Independent Living, said she often gets calls from people whose personal budgets have been cut, some by as much as 40%. "We are seeing some quite horrific figures, which really bear no relation to the reduction in funding that local authorities are getting." She added: "It doesn't look transparent to me and I think local authorities need to come clean and explain to service users and their staff, who I think are being put in an impossible situation, exactly what the rationale is because I don't understand it.'^{xv}

There is no doubt that the austerity measures, combined with the cuts to Disability Living Allowance (DLA) are impacting on the personalisation agenda and social care professionals' capacities to provide individualised services that meet disabled people's needs. This in turn will severely impact upon independent living outcomes and result in more standardisation and less choice and control for people with disabilities in their service provision in the UK.^{xvi}

The UK Government has stated its intention to close 27 Sheltered Workshops operated by Remploy with a further 9 workshops also at risk of closure or privatisation. The closures will result in more than 1,400 disabled people losing their jobs. This follows earlier cutbacks when in 2008 there were 29 workshops closed throughout the UK which resulted in 1,700 disabled people becoming unemployed. A survey by the Trade Union, GMB of disabled workers made redundant in 2008 revealed that 74% were on welfare benefits and the remaining 26% who had found alternative work only 5% of those had found work on equal or better terms^{xvii}.

There are around 80 other supported businesses/sheltered workshops in the UK and these are mainly funded through funding from the Department of Work and Pensions and Local Authorities. Over the past 2 years several have closed down: Speedwell Enterprises in Slough provided work experience, training and employment for people with disabilities; Sherwood Industries in Nottinghamshire provided employment in a furniture factory for people with learning and physical disabilities; B-Line Industries in Hull; Blindcraft in Edinburgh which had provided employment for disabled people which was established over 200 years ago; LuDun Industries in Bedfordshire which exclusively employed people with physical, sensory and learning disabilities and provides a range of services including picture framing, sanding, spraying and light assembly and packing and Bolmoor Industries in Bolton which produces newspaper bags, cleaning products and work wear.

In addition many sheltered workshops have shed workers with disabilities an example of which is Dovetail Enterprises in Dundee which has gone from employing more than 120 employees to now less than 70 with many only working a 4 day week. The British Association of Supported Employment is also aware that many Sheltered Workshops and Supported Businesses are being reviewed with a view to cost savings.

There is no mainstream funding for Supported Employment in the UK but there was an estimated 400 – 600 service providers throughout the UK as reported in a Study of Supported Employment in Europe^{xviii}. However since the study was compiled in 2010, many of the funding streams have been cut. The Workstep employment and disability programme ended in 2010 and was replaced by Work Choice. The flexibility of the Workstep programme enabled hundreds of service providers to deliver employment services which contained many elements of Supported Employment. However, the Work Choice programme is operating differently and the majority of funding is achieved through job outcomes – figures from the

Department of Work and Pensions indicate that people with significant disabilities are not having their employment needs addressed. Many of the Supported Employment providers were either part of a local authority or directly funded by a local authority; a survey taken in 2010 showed that more than 66% of providers received more than half of their funding from local authorities^{xix}. This does not augur well for the future of Supported Employment as this is not a statutory service of a local authority and it is likely that these services will see services closed or reduced. A local authority that delivered Supported Employment lost its Workstep funding when the programme ended and the service was cut from 17 staff to just 6.

4. Trends in disability-related social security benefits

This section will focus on summarising the impact on social security cash benefits from welfare reforms measures that have already taken place:

Changing the indexation of benefits to the cost of living

One of the most sweeping and clearest changes to benefits has come from the Government's decision to switch from linking annual reviews from the Retail Price Index (RPI) or Rossi Index, to the lower Consumer Price Index (CPI) inflation rate. Since 2011, in April each year the increases in benefits rates have been based on the previous September's (lower) CPI inflation rate. As a result, in May 2011, benefits rose by 3.1% (the RPI was 4.6%) and in 2012, the rise was 5.2%, rather than 5.6%. The Government will, over time, cumulate very significant savings as a rolling result. Government forecasts £5.8 billion savings by 2014/15^{xx}.

The RPI, CPI and Rossi all make a comparison between the cost to an "average" household in purchasing a typical basket of goods and services one year to the cost of the same goods and services the previous year. However RPI does not factor in changes in consumer behaviour.

The Government justified the change by stating that the RPI Index overstates the true cost of living because people change their consumer behaviour when prices rise - in other words they buy less, or cheaper products and therefore linking benefit reviews to CPI was more appropriate.

In 2010 the Institute for Fiscal Studies (IFS) undertook a study and conducted detailed analysis of the way in which the CPI, RPI and Rossi calculate inflation and whether the shift to uprating benefits using the CPI was equitable to benefits recipients and their circumstances^{xxi}.

The study examined the three indices and the services and household costs which are included in each. For example, amongst other costs, Rossi excludes mortgage interest payments, rent and council tax and is used to calculate most means tested benefits as people receiving these are unlikely to be home-owners and often have increases in rent and council tax covered by benefits. The costs excluded from the CPI are similar to Rossi, however the CPI includes rent. For the Government to be able to demonstrate that linking

the uprating of benefits to the CPI was not detrimental to benefits claimants, it would have to show that the CPI includes costs and services most appropriate to benefits recipients. The IFS showed this to be untrue when they examined the coverage of the CPI and proportion of benefits recipients who are "insulated" from it compared to the RPI. The IFS found that the changes were not clearly justified by the assertion that coverage of the CPI is more appropriate for benefits recipients and especially those of average working age.

The financial extent to which people with disabilities have already been and will continue to be affected by this aspect and the other changes introduced under the UK programme of Welfare Reform is well appraised and documented in the series of DEMOS "Destination Unknown" studies, and in particular the final study produced in Summer 2012^{xix}. The study tracked the financial impact on six "typical" families of people with disabilities and the particular blend of benefits they receive and support services they require and makes a comparison of their income pre- and post- April 2011. One element of this is to demonstrate the difference between what families now receive, using the CPI rating, compared to what they would have received, had their particular benefits remained linked to the RPI or Rossi. In all the families studied, the uprating changes plus other changes to benefits meant the families were worse off.

Example of impact of CPI rating - Disability Living Allowance (DLA)

DLA is the sole disability benefit designed to compensate for the extra cost of living with a disability, regardless of income and employment status therefore provides a good representative example of the impact of CPI uprating on disabled people. By using the CPI instead of the RPI there is a reduction in DLA for all disabled people and although the margins are relatively small per week but taken over 12 months can be £30 - £50 worse off.

Direct cuts to disability benefits

DLA/PIP

Under the Welfare Reform Act, DLA will be replaced by Personal Independence Payment (PIP) for working age claimants (those until 16 will continue to receive DLA). PIP will be piloted from April 2013 and phased in until all existing DLA claimants have been reassessed by March 2016.

Similar to DLA, PIP has 2 components, *Daily Living Component* and *Mobility Component*. However under PIP, the Daily Living Component will have only two rates payable, as opposed to DLA, which has three.

To qualify for PIP, an individual will have to score a certain number of points in relation to 11 activities. These include toileting, preparing food and drink, communicating and moving around and will have threshold scores built in to decide which rate is payable. A more and widely criticised "medical" model of assessment will be used, rather than taking social and other factors into account. Independent health professionals will be appointed to assess claims and any available medical evidence e.g. from a GP or Consultant will be taken into account. Claimants may also be required to attend a face to face interview/assessment.

Eligibility criteria and rates for PIP will be announced in autumn 2012 and two million DLA claimants will be assessed over the four year transition. Until details of the rates payable are released, it is difficult to predict the impact fully on disabled individuals and families. However in national terms, the number of disabled people expected to be negatively impacted is detailed in DWP's official Impact Assessment^{xxiii}, published in May 2012 shows that by 2015/16 the caseload for Personal Independence Payment is estimated to be around 1.7 million people. This compares to a previously forecast scenario of a DLA working age caseload of an estimated 2.2 million people in 2015/16 In total, therefore, 500,000 disabled people currently receiving DLA will be disallowed from PIP.

The change from three rates of Daily Living Component to two under PIP will also negatively impact. Around 290,000 disabled people currently receive the high rate of mobility and middle care rate. Under PIP, the equivalent would be Enhanced Mobility and Standard Care; however only 190,000 will qualify for this therefore it is logical to predict that many will lose out^{xxiv}.

The Impact Assessment aims to cut expenditure by 20% in 2015/2016, forecasts a net cut of £2,240 million in DLA payments over the three year migration and return the working age spend for DLA to the same level as 2009/10.

Incapacity benefit/Employment and support allowance

As previously mentioned in Section 2, since January 2011 no new claims for Incapacity Benefit (IB) have been accepted and individuals started claiming the replacement Employment and Support Allowance (ESA). Jobcentre Plus also started contacting existing IB, Income Support (paid due to illness/disability) and Severe Disablement Allowance claimants from October 2010 to review claims with a view to transferring claimants to Jobseekers Allowance or ESA, depending on the outcome of their review. This review process is expected to continue until 2014 and involves a medical assessment – Work Capability Assessment (WCA). Claims for ESA run in two phases:

1. Assessment Phase – this lasts for thirteen weeks, while a decision is made on an individual's capability for work. During this period, ESA is paid at the basic rate.
2. Main phase – this starts at week fourteen. If the WCA determines that the illness or disability does limit ability to work, an additional amount of benefit is paid (a component) in addition to the basic rate. In the main phase, there are two groups:
 - a) WRAG (Work Related Activity Group) where individuals have been judged capable of work at some point in the future but not immediately. They are required to undertake work focussed interviews and activity to start to move towards employment.
 - b) Support Group, where it is judged that an individual's disability or condition is severe enough to impact on their ability to work and they will not be expected to work.

Where the assessment process judges that a person has the capability to take up work immediately, they will be removed from ESA and will need to submit an application for Jobseekers Allowance.

If a person is placed in the Support Group then these claimants will receive the higher rate of ESA and do not have to take part in any work-related activity as a condition of receiving benefit (although they can volunteer to do so).

Further moves have also been taken; Firstly, to prevent any new claims for ESA on the grounds of youth. This means for young people aged 16-20 (or under 25 if in education or training at least 3 months immediately before turning 20) could not receive contribution-based ESA without paying NI contributions. Secondly, the period for which contribution-based ESA for those in the WRAG group was limited to up to one year, effective from May 2012. For individuals who had already received contribution-based ESA for 365 days or more, their benefit was stopped immediately. Finally, the "linking rule" changed. Previously, where an individual left ESA to start work or training within one month, their benefit was reinstated at the same rate as previously, if they returned to ESA within 104 weeks. Given the changes brought by time-limiting contribution-based ESA, the linking rule was abolished.

DWP statistics^{xxv} show that of all claimants already reassessed, around half have been judged as fit for work, however around half again have been overturned on appeal, showing both a flawed assessment process and an indication that many have been financially negatively affected by measures already taken. These are starkly outlined in the DEMOS "Destination Unknown Report, summer 2012."

Changing the conditions for entitlement for benefits

In addition to the changes noted above, further changes to entitlements or levels of payments have occurred or are planned to take place, including -

- PIP - if a person is claiming PIP for the first time there is a 3 month qualifying period and disability must be expected to last a further 9 months ("the prospective test"). If an individual already gets DLA, there will be no qualifying period but they must still pass prospective test. (Exception - where there is a terminal illness, the claim can be fast-tracked and Daily Living Component is guaranteed but there must be an expectation that death will occur within six months^{xxvi}).
- Lifetime Awards - no further entitlement with the abolition of IB - PIP will be awarded on short or longer term basis with reassessment periods built in.
- Support for Mortgage Interest (SMI) - Since October 2010, SMI paid at level of Bank of England's average mortgage rate (3.63%) - much lower than previous SMI rate of 6.08% set in 2008.
- Income Support - those claiming as Lone Parents whose youngest child is aged 5 or over will no longer be entitled to IS and will need to move to JSA or those with disability or health condition will have to apply for ESA.

Further future changes:

- Child Benefit - will be withdrawn for households earning £50,000 plus from January 2013
- In April 2013, Council Tax Benefit will be replaced by localised support through local authorities, with a 10% decrease in budget. Details and impact yet unknown.

- From April 2013 - Housing Benefit - size criteria will be extended from the private rented sector to social rented sector. People in houses bigger than they need will have Housing benefit cut. Many disabled people need extra space for equipment and adapted premises.
- In April 2013, Local Housing Allowance rates will be uprated by CPI instead of market rents for areas.
- In April 2013, Crisis Loans - to be replaced by a "payment on account" system (details to be announced). Other crisis-type loans and Community Care Grants will be abolished, with budgets being passed to local authorities who may choose whether to introduce their own system of assistance.
- From April 2013, Tax Credits - any rise in income of £5,000 or more during the year will be taken into account. Previously only changes of £10,000 or more were taken into account.
- From April 2013, Benefits caps £26,000 on households - no special conditions for disabled households whose cost of living is higher. DWP estimates around 75,000 households will be affected by 2014/15.
- October 2013 - Transfer of existing benefits claimants onto Universal Credits by October 2017.

Personal budget schemes

Personal Budget Schemes (Individual Budgets in Scotland) were introduced by the former UK Labour Government and designed as part of the "personalisation" agenda, to put the individual in control of assessing their own needs and how spend their finances/funding on their own chosen types and levels of care. With support from social care staff, they develop their own "Support Plan" to take into account their financial situation, health, social, family, cultural needs and circumstances and what they want to achieve, e.g. a job, and plans on how they can achieve this. The Coalition Government continue to push the personalisation agenda and set a target for all local authorities to ensure 100% of care users have their own Personal Budgets by 2013. In 2007, only 13% of care users had Personal Budgets.

This has required very rapid response to high volumes of care users and the ability to react to increased individual choice and provide the support required to truly empower care users and disabled people to make their own choices. Amongst other factors, local authorities have had to:

- ensure people were provided with the right information and make available trained staff to give the right support to make sense of this and develop their own personalised plan
- be able to meet market demand by having services that were more flexible and tailor-made
- to be able to change the provision they made available locally in a short timeframe

Concerns were raised from all quarters around how this could be achievable within the environment of cuts to local authority settlements and cuts to care budgets. Some of these concerns appear to have been borne out, with reports of disabled people having to fund more of their care personally - whilst coping with benefits cuts and increased cost of living, cuts to the availability of services, e.g. reduced opening hours, reduced qualified staff, changes to eligibility rules set on services by local authorities, "screening out" users and for disabled people using Personal Budgets, cuts to the amount of cash being given to them to spend on services and their own care. The DEMOS study of disability and austerity^{xxvii} indeed, shows some truth in this. The study examined information obtain from local authorities across England and Wales to map out budget cuts to care and support services and to assess the impact on disabled users. The study did, however, find great variances across the country in how local authorities applied the austerity cuts and also pinpointed some local authorities where the introduction of Personal Budgets improved the lives of disabled people. 13 local authorities piloted Personal Budgets in 2006. The study found that many of the top "copers" had responded quickly to the personalisation agenda and had invested time and effort early doors to increase the take up of Personal Budgets. The study concluded that whilst some local authorities had bluntly cut the level of funds awarded to care users and/or increased the cost of care, others had been able to improve the quality of care and satisfaction of users through the adoption of Personal Budgets. Those authorities appear to have involved users most in consultation, been clear about the level of funds available to them, laid out comprehensively the availability of services, invested the most staff time and effort in making information available, accessible and clear, focusing more on capability rather than disability of users and been open to truly giving decision making power over to users whilst achieving better efficiency and leaner or more cost effective spend. Nonetheless, there appear to be significant disparity between those who have successfully increased use of Personal Budgets to the satisfaction of disabled people and those who have failed to do so.

Changing financial support to employers employing workers with disabilities:

Work Programme

Through the Department of Work and Pensions (DWP), a range of programmes is available to support jobless people back to work. The Coalition Government introduced the Work Programme, to replace a plethora of other employment schemes. The Work Programme is the single biggest programme of support for all jobless people, including disabled people in the United Kingdom and what is clear, however, from the few statistics that have been published, is that less disabled people than profiled have started on the Programme, despite overall numbers being higher to date than anticipated of the general jobless community. There is no additional amount of funds available to employers to act as an incentive to employ disabled people through the Work Programme, whereas 160,000 wage subsidies are now available to employers to employ young people which will make it more difficult to compete for jobs in the open labour market^{xxviii}.

Access to Work

The Access to Work programme makes available grants to employers in order to make adjustments and modifications to the workplace in order to employ a person with a disability. Access to Work may also provide funding for special aids, travel costs and communicators.

DWP published figures in April this year showing 27,420 individuals were assisted between April 2011 and December 2011¹ however the majority were “continuing” recipients of support rather than new. The annual budget for Access to Work was £100 million however in March this year; the Government announced an additional £15 million over a three year period. Employers are expected to pay for some of the costs where they have already employed a disabled person within the previous six weeks or up to 100% of costs where they are going to employ a disabled person and each is negotiated on an individual basis. Therefore funding is available for employers to support them to employ disabled people however, whilst this appears to be a good measure there appears to be a chronic lack of awareness or availability of information available to employers to access the scheme.. One respondent stated that paradoxically, the Access to Work scheme was inaccessible. An independent review^{xxix} makes a number of recommendations for this measure including making it easier to use by employers and to increase the marketing of the programme. The report also notes it is underused by people with mental health problems and people with learning disabilities.

Work Choice

The Work Choice programme replaced Workstep, the Job Introduction Scheme and Work Preparation in October 2010; it is specifically for disabled people whose needs cannot be met through Access to Work or other programmes or workplace adjustments.

Under the previous Workstep programme, employers could receive support in the form of a wage subsidy and/or in the shape of personal support through a Job Coach or an Employment Support Worker. The new Work Choice programme ceased any wage subsidy to an employer and was intended to provide support through assisting the disabled person to prepare and settle into work. However as mentioned in Section 2 of this report the Work Choice programme has failed to deliver on almost all aspects of its intended outcomes and there is real concern by providers and disability organisations that this new programme does not and will not meet the employment needs of people with significant disabilities.

5. Trends in the promotion and protection of rights

One of the key impacts that will affect the rights of people with disabilities is the welfare reforms proposed by the UK government. Despite the UK having ratified the UNCRPD in 2009, independent living does not currently exist as a freestanding, justiciable right in UK law. The report by the Joint Committee on Human Rights of the House of Lords and the House of Commons ‘Implementation of the Right of Disabled People to Independent Living’^{xxx} argues that the existing matrix of human rights, equality and community care law, while instrumental in the protection and promotion of the right to independent living, is not sufficient. The right to independent living should be added as an outcome in any forthcoming Bill on adult social care in England.

Regarding the impact of current reforms, the report goes on to say

¹ <http://www.dwp.gov.uk/docs/dwp-annual-report-and-accounts-2011-2012.pdf>

“While we recognise the exceptional economic circumstances facing the UK, we conclude that there is a risk of retrogression of the UK’s obligations under Article 19 as a result of the cumulative impact of spending cuts and reforms. There has been particular concern about the effects of reductions in funding for local authorities, changes to Disability Living Allowance under the Welfare Reform Bill, caps on housing benefit and the closure of the Independent Living Fund, and the way in which these might interact to restrict enjoyment of the right to independent living”.

The report identifies that many local authorities are restricting eligibility criteria for social care support which could be in breach of Article 19. The Joint Committee on Human Rights recommends that the Government’s forthcoming Disability Strategy includes measures to monitor the impact of restrictions on eligibility for adult social care on disabled people’s access to independent living.

Many of the witnesses during the Committee’s inquiry expressed concern over the proposed change from Disability Living Allowance to Personal Independence Payments (PIP). During the course of this inquiry, the Government decided that disabled people in residential settings should continue to be eligible for the DLA/PIP mobility component; a measure that was welcomed by the committee. However, it was recommended that the new assessment system and eligibility criteria must not create a disincentive to using aids and adaptations; should be independently reviewed with the involvement of disabled people’s organisations before being rolled out nationally, and must continue to be based on the fundamental principle that this is a benefit based on the additional costs of impairment, and not based on medical diagnosis.

The committee argued that the closure of the Independent Living Fund to new applicants, with no ring-fenced alternative source of funding, may severely limit the ability of disabled people to participate in society, and that the Government should address this issue in their consultation paper on replacement funding to be published in early 2012 and ensure that this change in policy does not result in retrogression as far as Article 19 is concerned.

The report further stated that:

“The range of reforms proposed to housing benefit, Disability Living Allowance, the Independent Living Fund, and changes to eligibility criteria risk interacting in a particularly harmful way for disabled people. Some disabled people risk losing DLA and local authority support, while not getting support from the Independent Living Fund, all of which may force them to return to residential care. As a result, there seems to be a significant risk of retrogression of independent living and a breach of the UK’s Article 19 obligations”.

The UK Government was accused of deliberately concealing the extent of opposition to reform of a key disability benefit. Independent analysis undertaken by a team of disability campaigners has claimed that consultation on the future of the Disability Living Allowance was thick with criticism from disabled people’s organisations, charities and individuals, but many of these concerns were concealed. The report entitled Responsible Reform (also known as the Spartacus Report)^{xxxix} claims that women would be disproportionately affected by these proposals. This was because of the potential loss of carer benefits as a knock on effect

from removing a band from the care or daily living element of the benefit. and that carers are predominantly women.

The report also stated that people with mental health disabilities would be disproportionately affected by these proposals. This was deemed to be because they would suffer from the type of assessment proposed which would perform poorly at assessing fluctuating conditions, so called invisible disabilities, people with poor communication skills and people who might be unable to communicate changes of circumstances, all of which apply in particular to people with mental health disabilities. Furthermore people with mental health disabilities are disproportionately represented among those receiving lower rate DLA and are considered to be the most likely to suffer from any cuts.

The report expressed concern of the adverse impact of the reforms stating:

“Ironically it was felt that disabled people would be negatively affected by these proposals. Due to cuts of 20% there would be a significant loss of income to large numbers of disabled people who would lose valuable support. It was also reported that some might be unable to continue working and others would be unable to continue socialising. It was felt that there could also be a negative impact on their health and wellbeing. It was suggested that there might be a contravention of human rights in these proposals”. The report also went onto say: “However the UK is bound by the Human Rights Act 1998, in particular Article 8 which guarantees the right to independent living and article 9 which guarantees the right to free association. Furthermore under the CRPD (United Nation Convention of the Rights of Persons with Disabilities), the UK recognised under article 19 “the equal right of all persons with disabilities to live in the community, with choices equal to others”. Under these articles, all disabled people have these rights, and narrowing support given to uphold these rights could be considered retrogression.”

The United Kingdom has, compared to other European countries, quite strong legislation regarding discrimination and the rights of people with disabilities. In 1996 the United Kingdom introduced the Disability Discrimination Act 1995(DDA) was introduced to protect disabled people against widespread discrimination; to give disabled people rights and end their dependence on "goodwill" and to have disability recognised as an equalities issue, in the same way as ethnicity and gender. From 1 October 2010, the Equality Act replaced most of the Disability Discrimination Act (DDA). The Equality Act 2010 aims to protect disabled people and prevent disability discrimination. It provides legal rights for disabled people in the areas of:

- employment
- education
- access to goods, services and facilities including larger private clubs and land based transport services
- buying and renting land or property
- functions of public bodies, for example the issuing of licenses

The Equality Act also provides rights for people not to be directly discriminated against or harassed because they have an association with a disabled person. This can apply to a carer or parent of a disabled person. In addition, people must not be directly discriminated against or harassed because they are wrongly perceived to be disabled.

6. Impact on the implementation of the UNCRPD and the European Disability Strategy 2010-2020²

On 24 November 2011, the United Kingdom Government submitted the first UK report on implementation of the UN Convention on the Rights of Disabled People to the United Nations^{xxxii}. In Great Britain, the national Life Opportunities Survey (LOS)^{xxxiii} has started to collect information on disabled and non-disabled people's life opportunities, covering areas such as work, education, social participation, experiences of crime and discrimination. It aims to identify the social barriers that prevent people from taking part in different areas of life as much as they would like to. The information will be used to help target policies and resources where they are most needed, and ensure that more disabled people can participate in society. The survey is designed to be accessible for people with a range of impairments.

The Office for National Statistics (ONS) Opinions Survey includes a module that asks disabled people about the difficulties they have in accessing a range of goods and services, and the amount of choice and control that they have over their daily lives. These data are published as part of the Office for Disability Issues (ODI) disability equality indicators^{xxxiv}. ODI and ONS are also developing a suite of harmonised disability questions for social surveys, to make it easier to compare data from different sources.

The four UK equality and human rights commissions have been designated as the independent monitoring and reporting framework required by Article 33(2) of the Convention. They are the Equality and Human Rights Commission, the Northern Ireland Human Rights Commission, the Equality Commission Northern Ireland and the Scottish Human Rights Commission.

There was no obvious mention or any report from the UK government regarding the impact of austerity measures on the national implementation of either the UNCRPD or the European Disability Strategy.

Accessibility

In terms of public buildings, transport and services is good in the UK thanks to strong disability discrimination legislation. However, access to services may become affected by the reduction in disability welfare benefits and reduced income through job loss and unemployment which could adversely affect a disabled person's ability to buy services.

² On 1 December 2011 the UK government announced a discussion with disabled people to gather suggestions for a new UK disability strategy. The consultation and subsequent documents are due to be published in Autumn 2012 with a further strategic document and action plan being produced in 2013.
<http://odi.dwp.gov.uk/odi-projects/fulfilling-potential.php>

Independent Living

As a result of the cumulative impact of spending cuts, the closure of the Independent Living Fund and welfare reforms, there is a growing risk of retrogression of the United Kingdom's obligations under Article 19.

Education

On-going and long-term funding reductions to Local Authority budgets could begin to affect resources and supports to inclusive education in mainstream settings. However, the UK disability legislation provides a high degree of protection from discrimination in the education system and also affords equality of opportunity for people with disabilities.

Work & Employment

There appears to be a dwindling supportive framework for assisting people with disabilities into paid employment through the closure of Sheltered Workshops, the cessation of wage subsidies for employers of disabled people, the reduction in Supported Employment providers and the poor results of the UK Government's Work Choice programme.

Adequate standard of living and social protection

The austerity measures announced by the UK Government in 2012 have set out the most radical and far reaching plans for welfare system reform ever embarked upon. The Government have been widely and publicly criticised for refusing or failing to take into account the negative impact these measures will have on disabled people and their families. The changes to welfare benefits, tax credits as well as increased costs could be seen as putting social protection and the provision of a standard of living at risk.

Respondents to the questionnaire generally stated that they considered there would be a negative impact on the European Disability Strategy and the United Nations Convention of the Rights of Persons with Disabilities.

7. General conclusions

The data and information gathered and put together in this report in relation to the impact on a range of issues and situations regarding people with disabilities provide a clear indication that the economic crisis and austerity measures are having a significant negative impact on disabled people.

In producing this report, there was an enormous amount of information available through reports, statistical information, studies, discussions with disability organisations/service providers and the media. There were a great many reports that were not used for any other reason than the availability (or lack of) of time and space. The additional issue of the United Kingdom being the largest country in the selected country study and the fact that so many aspects related to this study were devolved to the Scottish Government, the Welsh and Northern Ireland Assemblies.

Whilst most of the statistics used were from official sources they did not of course tell the whole and perhaps the under-lying story and that is where additional research and interviews have been able to bring a more realistic and indeed, even emotional aspect to this report.

The current employment rates in the UK indicate that employment rates are quite stable but further research reveals a raft of closures and risk of closures to sheltered workshops. Additionally, there is no longer a wage subsidy available to employers who employ a person with a significant disability and the new employment programme for disabled people has a less than 14% outcome rate. Moreover, Supported Employment services are reducing and financial incentives are becoming available for young people which will make it more difficult for people with disabilities to compete in the open labour market.

Poverty rates also appear to be fairly stable but the significant changes under Welfare reform will surely see people with disabilities and their families considerably worse off financially. Cuts and reductions in benefits and allowances are causing great concern amongst people with disabilities, their families and support organisations. The review of all people currently on disability benefits with a view to potentially deciding that they are fit for work is causing alarm amongst the disability community as the whole process including the Work Capability Assessment is viewed with suspicion and fear.

This study provides evidence that the austerity measures are having an adverse effect on people with disabilities. However, given that some of the measures have not yet began or have not yet impacted then perhaps the real level of impact will not be seen for a year or two.

References

-
- i <http://odi.dwp.gov.uk/docs/res/factsheets/b1-disability-employment-factsheet-employment-rates.pdf>
- ii http://statistics.dwp.gov.uk/asd/workingage/wchoice/wc_may12.pdf
- iii http://statistics.dwp.gov.uk/asd/asd1/stats_summary/stats_summary_apr12.pdf
- iv <http://odi.dwp.gov.uk/disability-statistics-and-research/disability-facts-and-figures.php#ls>
- v http://www.gla.ac.uk/media/media_232766_en.pdf
- vi <http://www.parliament.uk/briefing-papers/SN05871>
- vii <http://www.jrf.org.uk/sites/files/jrf/communities-recession-services-full.pdf>
- viii Wood. C., (2012) "For disabled people, the worst is yet to come..." DESTINATION UNKNOWN: SUMMER 2012, DEMOS, London.
- ix <http://www.scope.org.uk/news/austerity>: sourced 25.07.12
- x Jackson D., Turner-Stokes L., Harris J., McCrone P., Easton A., & Leigh N., (2011) Support for carers, particularly those with multiple caring roles: an investigation of support needs and the cost of provision, Report to the Department of Health R & D Grant 053/0007, 2006-2009. http://www.ltnc.org.uk/download_files/final%20reports/Oct_11/Final_Report_Support_for_Carers.pdf
- xi <http://www.communitycare.co.uk/Articles/15/07/2010/114914/fears-over-dla-reform-and-the-new-medical-assessment.htm>
- xii <http://www.guardian.co.uk/social-care-network/2012/feb/28/cuts-care-professionals-fear-impact>
- xiii <http://www.iriss.org.uk/sites/default/files/iriss-towards-research-development-strategy-review-2008-04.pdf>
- xiv <http://www.guardian.co.uk/commentisfree/2011/jun/01/private-care-homes-social-care>
- xv <http://www.communitycare.co.uk/Articles/28/01/2011/116193/cuts-are-ravaging-personalisation-say-social-workers.htm>
- xvi Harris, J., Foster, M., Jackson, K. and Morgan, H. (2005) Outcomes for Disabled Service Users, Social Policy Research Unit, University of York, York, available at: <http://www.york.ac.uk/inst/spru/pubs/pdf/service.pdf>

xvii

<http://www.publications.parliament.uk/pa/cm201012/cmselect/cmworpen/1034/1034we04.htm>

xviii

http://ec.europa.eu/justice/discrimination/files/cowi.final_study_report_may_2011_final_en.pdf page 159

xix

<http://www.susescotland.co.uk/media/27784/reportwithout%20appendix.pdf>

xx

[The CPI - uprating benefits and pensions - Parliament](#) UK Parliament Briefing/Research Paper SN/SG/5830 11/05

xxi

<http://www.ifs.org.uk/bns/bn108.pdf> Institute for Fiscal Studies. The distributional effect of tax and benefit reforms to be introduced between June 2010 and April 2014: a revised assessment

xxii

http://www.demos.co.uk/files/Destination_Unknown_Summer_2012_web.pdf?1340294386

Destination Unknown Summer 2012. Claudia Wood. Demos/Scope

xxiii

<http://www.dwp.gov.uk/docs/eia-dla-reform-wr2011.pdf> Disability Living Allowance Reform

xxiv

<http://www.dwp.gov.uk/docs/dla-reform-wr2011-ia.pdf> DWP Impact Assessment

xxv

http://research.dwp.gov.uk/asd/workingage/esa_wca/esa_wca_jul2012.pdf Employment and Support Allowance:
Outcomes of Work Capability Assessments, Great Britain – new claims
Department for Work and Pensions: Quarterly official statistics bulletin Issue: 24 July 2012

xxvi

<http://www.dwp.gov.uk/policy/disability/personal-independence-payment/>

xxvii

<http://www.demos.co.uk/projects/disabilityausterity> The Disability in Austerity Study
Claudia Wood & Eugene Grant. Demos

xxviii

<http://www.cesi.org.uk/keypolicy/youth-contract>

xxix

<http://www.dwp.gov.uk/docs/sayce-report.pdf>

xxx

<http://www.publications.parliament.uk/pa/jt201012/jtselect/jtrights/257/257.pdf>

xxxi

<http://wearespartacus.org.uk/spartacus-report/>

xxxii

<http://odi.dwp.gov.uk/docs/disabled-people-and-legislation/uk-initial-report.pdf>

xxxiii

<http://odi.dwp.gov.uk/disability-statistics-and-research/life-opportunities-survey.php>

xxxiv

<http://odi.dwp.gov.uk/disability-statistics-and-research/index.php>