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Helen Bamber Foundation

working with survivors of human cruelty

Submission from the Helen Bamber Foundation to the Work and Pensions Inquiry on Universal Credit rollout, October 2016

The Helen Bamber Foundation ('HBF') is a UK charity that provides expert care and support for refugees and asylum seekers who have suffered human cruelty. The individuals we work with have been subjected to atrocities including: state-sponsored torture, human trafficking, religious / political persecution, forced labour, sexual exploitation, and gender-based, including 'honor-based' violence. Many of our clients have been repeatedly victimised and suffered multiple traumas. We offer survivors access to an individually tailored programme of specialist psychological care and physical rehabilitation activities alongside an advisory medical clinic, expert medico-legal assessment and documentation, welfare and housing support and a creative arts and employability skills programme. Our work helps survivors to gain stability, to address and overcome their trauma and to integrate into the community, resulting in sustained recovery.

This submission provides information on the most pressing issues that have been identified by HBF in relation to our clients who are applying for or receiving Universal Credit (UC). It makes use of anonymous case extracts from clinical notes, as well as correspondence between HBF and the DWP.

HBF works with the survivors of torture and other forms of extreme human rights abuses across Greater London. When a client receives recourse to public funds - either through refugee status, humanitarian protection, or some form of discretionary leave as the recognised victim of trafficking – our welfare and housing casework team support them to apply for benefits and ensure they have suitable accommodation. We have therefore worked with people who are in both Universal Credit live and full service areas, as well as those in areas in which UC is yet to be rolled out. The clients we have supported to claim UC reside in the local authorities of Hounslow, Hammersmith and Fulham, Southwark, and Epping Forest.

With this in mind, we have addressed the questions asked by the Work and Pensions Select Committee, which are set out with responses below:

1. Inaccessibility of Universal Credit

Many people require assistance in applying benefits, for example Employment and Support Allowance. However, UC is less accessible to potential claimants due to the necessity of claiming online, requiring computer literacy, access to a computer, and literacy in English. For most of our clients, English is not their first language, literacy is often limited, and they have therefore struggled to complete the UC claim itself, particularly while managing complex mental health issues. Non-freephone claim numbers also present a barrier.

2. Necessity of having a National Insurance number while claiming

When a person receives refugee status, humanitarian protection, or some form of discretionary leave to remain with recourse to public funds, we advise them to need to apply for their National Insurance number (NINo) and benefits concurrently to avoid any unnecessary delays. We are concerned that in the online application for UC, the claimant's NINo is a mandatory field and therefore the benefits claim cannot be completed without entering a NINo.

This is out of keeping with Subsection 1B of Chapter 5 Part I of the Social Security Administration Act 1992, which states that a claimant can receive benefits if the person makes an application for a NINo to be allocated to him which is accompanied by information or evidence enabling such a number to be so allocated.

Section 1 (1B) (b) of the Social Security Administration Act 1992; Section 1 (4) (za) makes clear that Universal Credit is included in the benefits to which this Section applies, and therefore claims should be able to be made and processed before a NINo has been allocated if they satisfy the subsection stated above.

Case study

H – a recognised victim of trafficking with an 8 week old son – was told over the phone when trying to claim Universal Credit that she cannot apply without a NINo. She had already attended her NINo interview, but had not yet received allocation. She was required to move out of her trafficking-specialist accommodation and begin claiming mainstream benefits within one week.

She was refused an advance payment due to her not having an allocated NINo and not having undertaken the Habitual Residence Test. She spoke to several DWP call handlers who were all apparently unaware of the legislation which makes clear that a benefits claim – including Universal Credit – can be made and processed before a NINo has been allocated.

In this particular case, our client received her NINo (just) in time. We had by that point felt obliged to refer the case to a solicitor, who was preparing a Pre-Action Protocol letter over the refusal to allow our client to apply for Universal Credit on the basis of not having an allocated NINo.

Similarly, it is not possible to claim UC online without a bank account. Many of our clients are required to claim some form of benefit, apply for a National Insurance number, and open a bank account concurrently, and therefore may not have a bank account by the time of the claim. Given the built-in delays of UC, we consider that it would be reasonable to allow bank details to be added to the claim later, as is possible with Employment and Support Allowance and Jobseekers' Allowance.

3. How long are people waiting for their Universal Credit claim to be processed, why, and what impact is this having on them?

In some cases our clients have waited over six weeks for their claim to be processed. This is exacerbated for our clients who are often required to undergo the 'habitual residence test' (despite being exempt from this by virtue of their refugee status, humanitarian protection, or discretionary leave to remain outside of the Immigration Rules' – DMG 073183 and DMG 073187). The impact of this extra hurdle and consequent added delay is severe; people feel frustrated and hopeless that their claim will not be processed, let alone apply for other elements of UC, including Limited Capability for Work-Related Activity. Due to these difficulties in the claim being processed means that claimants wait even longer to receive any payment under UC.

4. Is the advance payment system appropriate and is there adequate awareness of its availability?

The vast majority of our clients have experienced periods of homelessness and extreme destitution (sometimes for several separate periods). The majority have no savings or other income, and therefore have no other financial support to rely on, during their 6 week waiting period for UC. Due to this built-in delayed payment of UC, there is an acute need for advance payments. This system is not appropriate because the advance is merely borrowing from the first UC payment, rather than providing the often desperately-required extra payment. In our experience, claimants are often not informed of the advance payment system, and in our experience there is inadequate awareness of its availability.

Furthermore, accommodation and/or financial support provided under Section 95 or 4 of the Immigration and Asylum Act 1999 is normally terminated 28 days after receipt of the person's Biometric Residence Permit – the point at which they become able to apply for a NINo and benefits. The 6 week delay of UC therefore means that claimants previously in receipt of asylum support are likely to spend at least 2 weeks with no income, providing that their UC claim is processed as quickly as possible, and likely without a NINo and/or bank account at the point of making the claim. As UC is rolled out, this is likely to continue to cause distress among an increasing number of people within our client group of people with complex mental health issues who have been recently granted legal protection following a history of trauma.

5. How are claimants managing with being paid Universal Credit monthly in arrears? Is the Alternative Payment Arrangements System working effectively?

AND

6. What impact is Universal Credit having on rent arrears, what effect is this having on landlords and claimants, and how could the situation be improved? Does Universal Credit provide emergency temporary accommodation with the support they need? If not, how could this improve?

Payment of UC monthly in arrears causes both practical and emotional difficulties. Landlords - including local authorities and housing associations - are easily frustrated by the payments being made in arrears, even if the claimant is utilising the Alternative Payment Arrangement System to have the housing element paid directly to their landlord. We would expect the number of evictions and the amount of homelessness in the UK to rise as a result of such payments in arrears, particularly among vulnerable groups already struggling to manage on welfare benefits.

Furthermore, the anxiety and distress caused to people – especially those with existing mental health conditions - through payments in arrears is in our experience considerable. Due to the significant vulnerability of our client group and the frequency of homelessness among them, especially once having received some form of leave to remain, we often support them to approach their local authority to make a homelessness application, under Part VII of the Housing Act 1996. Therefore, a significant number of our clients recently granted status are currently housed in emergency temporary accommodation by their local authority, due to their vulnerability. Several of our clients have been under the impression that they will be evicted due to these payments in arrears, and have considered giving up their temporary accommodation provided by the council in order to avoid the ordeal of an eviction. Particular problems emerge when a person has previously been receiving a legacy benefit, they are then housed by their local authority in a UC area, and they are therefore required to apply for UC instead.

Case study

N has recently been granted refugee status, as the survivor of extreme domestic violence, forced marriage and torture. N has diabetes, severe post-traumatic stress disorder, severe depression, and frequent suicidal ideation. N had been claiming ESA at the pre-assessment rate of £73.10 following receiving her Biometric Residence Permit. HBF supported her to make a homelessness application to her local authority on the basis of her vulnerability, and she was placed in emergency temporary accommodation following the involvement of legal representation. She was not informed that she had been placed in a UC live service area, and that as a single person, she would need to reclaim UC. When this was identified, we supported her to apply for UC to ensure that eventually her rent arrears would be backdated and covered by the housing element of UC. At this point, she had already accumulated significant rent arrears.

Two weeks after making her claim, she received a text message from the manager at her accommodation stating that the council had informed him that she was in rent arrears, and that her 'last night at the property is tonight. [You] must leave the flat tomorrow and leave the keys in the room.' N was understandably very distressed about this, and after significant intervention her accommodation was extended.

One week later, she contacted HBF to state that she was going to present to hospital because of how unwell and distressed she felt. Her fortnightly ESA payment had been cancelled due to her UC claim, and she had spent the last three days eating only bread, due to her total lack of income. For a vulnerable person with extensive physical and mental health conditions, this is an unacceptable situation. We have provided her with a limited emergency relief payment and foodbank vouchers and parcels, and will likely need to do so until her UC is in payment. She remains severely anxious that she will be asked to leave her emergency accommodation in the near future, and that she will become street homeless.

7. What impact is Universal Credit having on the income and costs of local authorities, housing associations, charities and other local organisations?

UC is likely to have a significant impact on local authorities, housing associations, charities and other local organisations. As discussed above, local authorities and housing associations will have numerous tenants with significant rent arrears. Furthermore, the built-in delays and the poverty this places claimants in will further strain community organisations such as local advice centres, foodbanks, and other forms of local community support, which are often our clients' only form of practical and emotional support.

8. Is the roll-out schedule appropriate?

Given the multiple and complex procedures involved in claiming UC, and the severe strain it will place on claimants, landlords, statutory organisations including local authorities and the NHS, and local community support organisations, including advice agencies and foodbanks, we would recommend that the rollout be paused, as others have recently called for, in order to investigate these issues further, particularly with regard to people recently granted refugee status, humanitarian protection, or discretionary leave as victims of trafficking, and/or those with severe mental health conditions.

Recommendations:

1. pause the rollout of UC in order to further research the various issues raised regarding UC;
2. allow claimants to claim UC without a National Insurance number or bank account, providing a timeline for when this information needs to be provided;
3. ensure that claimants who need a payment within 2 weeks of claiming receive it, and are not requested to pay this back (supporting the recommendation in the recent briefing of Citizen's Advice, September 2017);
4. inform claimants automatically of the existing advance payment system when they make their claim;
5. provide accessible guidance for claimants recently granted leave to remain (with recourse to public funds) on claiming UC;
6. provide support both to claimants, and statutory and non-statutory organisations assisting people to apply for and receive UC;
7. provide training to DWP staff regarding the provisions under the Social Security Administration Act 1992 and the exemptions from the Habitual Residence Test afforded to those with refugee status, humanitarian protection, and discretionary leave to remain outside of the Immigration Rules.