

Mind submission to the All-Party Parliamentary Group on Universal Credit's call for recommendations

1. We're Mind, the mental health charity for England and Wales. We believe no one should have to face a mental health problem alone. We campaign to improve services, raise awareness and promote understanding.
2. This response is informed by the views of people with mental health problems who have contacted us about their experiences of Universal Credit. This includes over 130 people who responded to a survey in September 2018 about their experiences of Universal Credit so far. It also includes experiences gathered through our network of local Minds across England and Wales.
3. In this response we focus on three of our most pressing concerns with Universal Credit as a whole. For more detailed recommendation on issues including managed migration, conditionality and sanctions, and disability premiums within Universal Credit see Mind's submissions to the Work and Pensions Committee's ongoing inquiry into the Universal Credit roll-out.¹

Recommendation 1: Create stronger safeguards for people who are claiming Universal Credit because they are unwell or disabled

4. One of the most significant changes Universal Credit has introduced for people who are unwell or disabled is the requirement to be available to look for work from the first day of a claim or face the prospect of benefit sanctions. This is in contrast to the previous system under Employment and Support Allowance, where a key safeguard was that a person could only be required to look for work after having gone through an assessment process (the Work Capability Assessment).
5. This change effectively means that regardless of the extent or impact of a person's illness or disability, they can be required to look for work if Jobcentre staff feel that this is appropriate. We have heard from many people who have experienced a serious deterioration in their mental health after being subject to inappropriate requirements:

"Whilst waiting for a WCA for UC, I then had to attend appointments frequently at the Jobcentre. On ESA, I would not have had to do this. For a week before each appointment I struggled to sleep and eat, I had panic attacks- sometimes several a day. I just could not face the thought of the DWP because of the power they had over my life. This stress led to me considering self-harm and suicide, which I had previously attempted and been hospitalised for." *Lynn, survey respondent*

¹ [Universal Credit rollout inquiry – publications](#)

“Our observation once she had applied for UC and when she came out of hospital was that she was very stressed about having to find a job. This really concerned us as she was in a fragile state and still recovering. She was certainly not able to hold down any sort of job. Her medication affects her memory and she is having to relearn how to do things. We now realise that this stress, (which could easily have tipped her back into serious illness and hospital) was because of the UC requirement to spend 35 hours a week looking for work.” *Michael, social worker*

6. The Work and Pensions Committee’s recent report into benefit sanctions recommended that the Department exempt disabled people from the conditionality and sanctions regime while waiting to undergo an assessment. In their response to the report the Department said:

“The Department will explore the possibility of a Proof of Concept (PoC) for a general policy that conditionality would not be imposed on claimants before their WCA and those assessed as having Limited Capability for Work. It would remain the responsibility of the work coach to consider each case individually to decide whether to follow the general policy or whether relevant work-related requirements should be imposed. Work will be done with analysts and stakeholders to develop clear outcome measures and success criteria. The Department will aim for this PoC to take place in Summer 2019.”²

7. While it is a positive development that the Department has recognised this policy needs to change, the Department’s proposed solution would still allow for a degree of discretion for Jobcentre staff to impose requirements on people who are very unwell. We’ve seen that the decision to impose these requirements can have very serious consequences for people’s health, especially for people who are already experiencing a mental health crisis.
8. We recommend that the Department for Work and Pensions provides a comprehensive safeguard which exempts disabled people and people with health conditions from work requirements while they are waiting for a Work Capability Assessment.

Recommendation 2: Give people receiving Universal Credit more choice over how they are paid.

9. The move to monthly payments for Universal Credit has created significant risks for people who struggle to manage a budget for reasons connected to a mental health problem. This can be exacerbated by a default expectation that people are required to manage rent payments themselves:

² [Benefit sanctions: Government Response to the Committee’s Nineteenth Report of Session 2017-19](#)

“Receiving such a big lump sum feels overwhelming. It is too big a mental task to try to budget for that whole amount, so I can’t budget at all. I can’t comprehend the large amount. I can’t think ahead for a month because it is an impossible task when I am deeply depressed and looking into the future is a bleak void I cannot look into. It is concerning to think what I will do with that big sum of money next time I become manic! (I have a diagnosis of bipolar disorder). My relationship with money is so bizarre now. I never used to be like this when I had regular fortnightly payments.” *Sarah, survey respondent*

10. This is reflected in the Department’s own statistics, with the Universal Credit Full Service Survey finding that only 57% of people with long-term health conditions were confident managing their payments compared to 77% of people without health conditions. The same survey found that several months into their claim 50% of people with health conditions were experiencing financial difficulties compared to 33% of people with no health conditions.³
11. So far a large part of the Department’s response to these issues has been to offer or signpost to personal budgeting support. However for people who experience complex barriers to managing a budget, this kind of help, is unlikely to be enough by itself to make this change manageable:

“I have a routine now where my ESA comes fortnightly and after many years of struggling I’ve been able to set up so I can stay on top of my finances. Even then, I sometimes lose focus and forget certain things which puts me in a mess. During episodes I suffer from psychoses which are dangerous, especially when I get a large payment into my bank. I can overspend very easily or buy things I didn’t need but in my delusional state they are needed. For example, I book train tickets to various places miles away as part of my delusional thinking or other times I’ve ordered army survival gear as I believed the world was coming to an end. Having it all come in one monthly payment puts the risk of not having enough to feed myself or warm my home much higher” *Anne, survey respondent*

12. There are some existing flexibilities within the system, including the possibility of requesting more frequent payments and the possibility of having rent paid directly to landlords. However we have heard from people with mental health problems and local Mind advisers who have told us that they struggle to access these in practice:

“I have requested more frequent payments on a number of occasions even through my online journal nobody reads it or answers me it’s like I don’t matter.” *Bola, survey respondent*

“Many advisors on the phone and in the Jobcentres don’t tell the clients about fortnightly payments, or the option of their housing benefit being paid directly to their landlord/the council therefore I have seen clients struggle with budgeting correctly and getting into rent arrears due to this, which leads to a huge impact on their mental health. With clients struggling with bipolar

³ [Universal Credit full service claimant survey](#)

disorder, not giving these claimants the option of fortnightly payments or having their rent paid directly to their landlord, during their periods of mania they will spend the full month's payment in just a few days, leaving them struggling and in debt." *Local Mind welfare rights adviser*

13. In her speech on 11th January the Secretary of State for Work and Pensions said:

"We need to go back to first principles: reviewing how we identify claimants who might struggle to manage on monthly payments, and ensuring work coaches are moving them onto more frequent payments where necessary.

I have asked Jobcentre Plus to test how we can improve the provision of more frequent payments for new claimants; these pilots will start shortly, and once we have evidence of what works, we will roll it out further."⁴

14. We welcome the intention to reform how payments work under Universal Credit. We believe the clearest way to make sure that people can be paid in ways which meet their needs is to actively offer anyone claiming Universal Credit a choice over how frequently they are paid and how their housing costs are paid.

Recommendation 3: Reduce the five-week wait for the initial payment of Universal Credit

15. We are still contacted frequently by people who have found themselves in financial hardship as a result of the initial wait for a payment under Universal Credit. In some cases this is caused simply by the 'built-in' five week delay, and in others by additional complications, for example difficulties in gathering evidence for their claim or verifying their identity. We have seen a particularly stark impact on people who have moved to Universal Credit from other benefits, where they may have been living on a low income for a significant period of time without savings or access to other forms of financial support:

"The wait for their first payment has been excruciating for some, especially those who have young children. Accessing the advance payment for some is a double-edged sword - yes they will get an advance on their benefit, but when that's then removed from their benefit entitlement over the next 12 months, it puts them on the back foot before they have even begun receiving the benefit." *Local Mind welfare rights adviser*

16. While reducing the initial waiting period by one week, and creating a run-on for people receiving legacy benefits have both been positive steps, we and many other organisations are still seeing clear evidence that five weeks is too long to wait for an initial payment of benefit.

⁴ [Universal Credit: personal welfare](#)

17. So far the Department's principal response to these issues has been to increase access to advance payments. However people with mental health problems have told us that both the fear of debt, and the practical reality of paying back advanced payments mean that this is not an effective solution:

"I live fortnight to fortnight on my benefits. Any delay would leave me in real hardship. I have my bills to pay, no savings and no one to borrow money from. It's not just how impractical it is it's the impact on my health, I dread to think how I'd cope. The advance payment is just delaying having to pay out more money and leaving me with more budgeting issues and stress which has a terrible impact on my condition." *Keith, survey respondent*

18. In order to avoid causing financial hardship at the outset of a Universal Credit claim we believe that the Government needs to reduce the initial wait for payment to two weeks. It should consider a range of ways to achieve that aim, including making the first advanced payment a grant in order to avoid the prospect of loan repayments causing hardship.