

The logo for the Social Security Advisory Committee, consisting of a blue rectangular box at the top containing the words "SOCIAL SECURITY" in white, and a green rectangular box at the bottom containing the words "ADVISORY COMMITTEE" in white.

SOCIAL SECURITY
ADVISORY COMMITTEE

A review of the Covid-19 temporary measures

**A study by the Social Security Advisory Committee
Occasional Paper No. 24**

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About this report

This project was conducted as part of the Social Security Advisory Committee's independent work programme, under which the Committee investigates pertinent issues relating to the operation of the benefits system.

We are grateful to the thirteen advice sector organisations and four local authorities from throughout the UK who provided evidence during three focus groups that were held in August 2020.¹ We would also like to thank researchers on the Nuffield Foundation funded research project, Covid Realities, which is investigating how families on a low income navigate the COVID-19 pandemic, while also tracking how the social security system responds.² We are grateful to the researchers for running a focus group on our behalf, and to the participants in the research who shared their views, providing vital evidence from claimants on the impact of the Covid-19 changes.

We are also grateful for the assistance of our secretariat and to officials from the Department for Work and Pensions (DWP) and the Department for Communities (DfC) who, in the midst of reacting to the COVID crisis, provided important factual information

The views expressed and recommendations reached in the report are solely those of the Committee.

¹ Listed at annex A

² See <https://www.nuffieldfoundation.org/project/covid-realities-families-low-income-pandemic>

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Chair's foreword

There can be little doubt that the Covid-19 pandemic presented unprecedented challenges – both in terms of impact and magnitude – for most organisations, stretching even the most polished and rehearsed business continuity plans. This was certainly true for the Department for Work and Pensions and the Department for Communities in Northern Ireland, as well as Her Majesty's Revenue and Customs. They were almost immediately presented with some difficult choices and decisions about how best to prioritise and deliver financial support for those whose lives were - and continue to be - most severely affected by the consequences of the pandemic, including a nationwide lockdown and ongoing social distancing measures.

Their response – both in terms of policy design and operational delivery - has been impressive, particularly as it necessarily had to be developed and delivered at considerable pace. We congratulate everyone who has been involved in this work on their achievements.

Social security support will remain an important mainstay for many people, as the economic and social effects of the pandemic continue, and the role of the Social Security Advisory Committee is to provide well-evidenced, independent and impartial expert advice that will help inform Ministerial decisions. Given that some temporary measures are being revised and extended in duration, we wanted to take the opportunity to review the effectiveness of the measures that have been introduced. We also wished to explore the degree to which they could be refined further, or improved, as Ministers consider transitioning some of them into a longer-term or permanent approach.

We acknowledge that many other factors, including fiscal considerations, will need to be considered by Ministers, as they reach a final view. However, we hope that this report provides a degree of clarity on what can be achieved, to maintain the positive impact that has been already been delivered successfully over recent months.

While recognising the achievements delivered since March, we consider that there is potential for more to be achieved in the short-term to deliver ongoing security for claimants during an uncertain period. Accordingly, we have put forward a number of recommendations for Ministers to consider.



Dr Stephen Brien

Executive Summary

This review recognises that the rapid response on a huge scale by the Department for Work and Pensions (DWP), the Department for Communities in Northern Ireland (DfC) and Her Majesty's Revenue and Customs (HMRC) to support social security and tax credit claimants during the pandemic has been very successful. We applaud those successes and the efforts that were made to deliver them. It is important to acknowledge that without such efforts many people would have been left without any support from the social security system during lockdown.

In addition to acknowledging these considerable achievements, this review will also shed light on a few key areas for consideration, refinement or improvement as DWP, DfC and HMRC transition these emergency measures from temporary to potentially permanent.

This will include areas where it is still too early to understand whether the concerns raised in this review will be realised. For example, there are understandable concerns that claimant conditionality may generate new challenges during the pandemic. A number of these and other challenges are predictable. Our review offers the government an opportunity to address problems in an even more timely fashion.

Above all, we hope that our review will help the DWP and DfC to meet their ambition of learning lessons of how many of the changes that have been forced on the Departments as a result of the pandemic may have revealed potentially new ways of working and supporting their customers; new ways that have been welcomed by many claimants and advisers alike and that have demonstrated the ability of the system to be flexible and responsive.

Our review has evidenced a number of critical successes by DWP and DfC in responding to the challenges of the pandemic, most notably the huge increase in the number of claims for Universal Credit, which showed the system to be performing remarkably well under pressure: rapidly adapting the claim process, suspending conditionality and the Minimum Income Floor (MIF), expediting payment and providing a £20 per week uplift in the Standard Allowance.

While our review has reaffirmed the necessity and impact of the Departments' emergency measures, we have also found issues that should be addressed to further sustain this positive impact.

Our review of these measures and the potential challenges of unwinding them covers six themes:

- 1) Conditionality and the unwinding of the easements
- 2) Communication with claimants and stakeholders
- 3) Determinations in an environment of social distancing
- 4) Clarifications to rules and easements
- 5) Housing exemptions
- 6) Other issues, including eligibility and award values

Conditionality and the unwinding of the easements

The overarching area of concern identified through our review was the reinstatement of conditionality for claimants. This raised questions on how conditionality would work where local lockdowns could affect childcare, work availability and accessibility as well as the increased risks of Covid-19 for those with, or living with someone who has, underlying health conditions. Our review highlights how important it will be for conditionality to be flexible in response to individual and local circumstances.

We recommend that the Departments' provide further support to work coaches to allow them to proactively identify the circumstances that will impact on whether a claimant can work, including circumstances that may be more difficult to manage under the pandemic. This will require government to provide and publish strategic policy guidance on what the appropriate flexibilities should be that work coaches can then implement through local discretion.

Communication with claimants and stakeholders

There was strong evidence of good practice by DWP and DfC in communicating with advisers on a regular basis about the Covid-19 related changes, but this was not consistent practice across the UK. DWP has also been increasing its telephone contact with claimants in the absence of face-to-face opportunities. Where claimants did not feel communications were effective, however, they described how stressful this was, and our review underlines the need for timely information and prompt responses to claimant queries.

We recommend that DWP and DfC continue to work on providing timely updates to claimants and support organisations on the Covid-19 related changes that are being made. This includes developing a communications strategy, and tracking its outcomes,

to help identify whether or why individuals may be disengaging with, or dropping out of, the social security system.

Determinations in an environment of social distancing

Face-to-face assessments for PIP and ESA have inevitably had to be cancelled, creating delays and backlogs in decision making. There have been positive changes made in response to this including the use of telephone assessments, which can include three way calls so that claimants can still be supported by a companion or their Appointee, and text and video relay services for claimants who need it. The Departments, advisers and claimants recognise, however, that these do not work well for all claimants. As before, wherever possible paper-based assessment are completed, but more complex cases that are unsuitable for either paper-based or telephone assessments are facing considerable delay, potentially excluding claimants from their full entitlement for indefinite periods. Critically, it is not possible for us to understand the impact that assessment changes have had in relation to the outcomes of PIP or ESA/UC awards, in the absence of any evaluation from DWP and DfC.

We welcome the commitment by DWP to retain the telephone PIP and ESA/UC assessments during the pandemic, and their recognition of the need for research. We recommend that the DWP and DfC act now to evaluate the outcomes and experiences for claimants as a critical early element of that research, and for this evaluation to be published. This will assist in evaluating the impact of such assessments to inform future decisions on whether to retain them beyond the pandemic, creating a feedback loop to see how or if such measures can support other DWP and DfC priorities. We recommend also that DWP and DfC establish maximum time periods during which face-to-face assessments and decisions will take place.

Clarifications to rules and easements

The suspension of the MIF and the introduction of the Self-Employed Income Support Scheme (SEISS) have provided good support to claimants. The government has already acted to retain the suspension of the MIF. Concerns arise, however, around how claimants will manage if the UC uplift is removed and how SEISS payments can affect UC due to inconsistency over whether payments are treated as capital or earnings. Our review also found that individuals anticipating redundancy payments needed to be made aware of making a UC claim promptly, rather than waiting for redundancy awards to be finalised. Additional clarity was needed over the Departments' policy on the recovery of overpayments and debts from benefits during the pandemic.

The extension of the MIF suspension is welcome. We recommend that a plan is developed to phase its re-introduction, and that potentially affected claimants are given plenty of advance notice – of one month at the very least – of its return. We also recommend that UC eligibility is aligned with the point at which the claimant becomes redundant to deal with any delays in making a claim. Clarity is needed on how SEISS payments (and any replacement scheme) interact with UC and clarity is also required on the Departments' policy for the recovery of overpayments and debt during the pandemic, with guidance on exemptions to overpayment recovery that would be appropriate during the pandemic.

Housing exemptions

The emergency accommodation exemption for the SAR for under-35s and the increase in the Local Housing Allowance rate have been welcome measures in helping to avoid homelessness, but the benefit cap – which has not been temporarily eased – may also affect the risk of homelessness.

We previously recommended that the benefit cap should be increased or removed during the pandemic, to avoid the risk of homelessness. In the absence of this, we recommend an alternative approach. There is an existing exemption that provides a nine-month grace period before the cap is applied. This is for those who earn above the earnings threshold in every month for the previous 12 months. We recommend that this exemption is made more generous as continuously earning above the threshold will have been more difficult for many in recent months. We also recommend expanding the exemption to SAR for emergency accommodation to include housing in the private rented sector. We recommend that these measures are retained for the duration of the pandemic. Local Housing Allowance rates should continue to be related to local rent levels beyond the pandemic.

Other issues, including eligibility and award values

The UC uplift has been a further welcome form of support for claimants, but there has been an absence of consideration on how informal care has been supported, either through the Carer Premium (in legacy benefits) or Carer's Allowance. Additionally, there are other potential claimant groups for whom support could also be considered through easements to provide temporary benefit eligibility for individuals in particular circumstances.

We recommend that the positive impact of the £20 per week uplift for Universal Credit is considered when deciding whether to extend or end this uplift. The DWP and DfC

should review the support available to carers in recognition of the increased necessity and role of informal caring as a public health service. Finally, we recommend the government considers whether temporary access to UC could be granted to extend eligibility during the pandemic for domestic violence victims who have No Recourse to Public Funds and 16-17 year olds whose access to traineeships has been delayed by the pandemic.

Introduction

This review responds to the urgent challenges faced by the Department for Work and Pensions (DWP), the Department for Communities in Northern Ireland (DfC) and Her Majesty's Revenue and Customs (HMRC) in supporting a rapidly increasing number of people who needed urgent help from the social security system. In the face of incredibly difficult circumstances, both DWP and DfC responded at pace, demonstrating clearly that the social security system is part of our vital public services.³ In implementing rapid, temporary policy change, regulations covering universal credit (UC), employment and support allowance (ESA) and other core social security benefits were passed, alongside regulations that catered for the interaction of urgent support for the self-employed through the Self Employed Income Support Scheme (SEISS) and other support payments for those unable to work due to Covid-19.

Under normal circumstances, such critical regulations would have taken a different legislative route – coming first to the SSAC for scrutiny, with the potential for formal consultation by SSAC on their implications, and recommendations by SSAC to government on how or if the regulations might be amended to address the policy intent without any unintended adverse consequences. Parliament would have had the benefit of SSAC scrutiny in making its decision on whether the regulations would become law, and claimants and frontline advisers would have had time to prepare for the operational and policy implications that new regulations create.

In the face of the pandemic, the DWP took the necessary decision to proceed with the regulations under their statutory power of urgency that enables the Secretary of State to bring the regulations to parliament before SSAC has had the opportunity to scrutinise them.⁴ As we noted in our letter to the Secretary of State, we supported this urgent action that had the effect of increasing swift access to social security benefits for those impacted by the pandemic.⁵ Our scrutiny took place after the regulations had become law and we identified there were – understandably – some rough edges to the regulations, as we highlighted to the Secretary of State.

³ Liz Sayce, Applauding our vital public services: delivering essential support during the Coronavirus pandemic, 2 April 2020

<https://ssac.blog.gov.uk/2020/04/02/applauding-our-vital-public-services-delivering-essential-support-during-the-coronavirus-pandemic/>

⁴ Section 172(1)(a) of the Social Security Administration Act 1992

⁵ Social Security Advisory Committee, Letter from Liz Sayce to the Secretary of State for Work and Pensions, The Rt Hon Dr Thérèse Coffey MP, 27 May 2020

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/88850/4/ssac-letter-to-secretary-of-state-covid.pdf

Now that many of these temporary measures are starting to be unwound, we recognise that there are further issues that the government may need to consider, and this review is intended to provide constructive advice to government on what those challenges are likely to be. That involves understanding what worked well during the early stages of the pandemic and should be retained for the remainder of the pandemic and potentially become permanent, what challenges remain with unwinding the easements that were implemented and what else might be done in the short term to support social security claimants and those working in the social security system.

Our recommendations are based on our expertise and the evidence from advice sector organisations across the UK and from local authorities, through three focus groups that were held in August 2020.⁶ Additionally, researchers on the Nuffield Foundation funded research project – Covid Realities – that works directly with social security claimants, ran a focus group for us, providing vital evidence from claimants on the impact of the Covid-19 changes.⁷ We have also been communicating with DWP and DfC since the review was launched, and have received a series of written responses to our questions on planning and policy for unwinding the easements.

Our review is designed to provide informed advice to support both DWP and DfC in making decisions about how best to proceed under difficult circumstances. This includes setting out how social security delivery and claims were impacted by Covid-19, outlining the evidence that we gathered during our review, before setting out our recommendations based on this evidence.

⁶ See Annex A

⁷ See <https://www.nuffieldfoundation.org/project/covid-realities-families-low-income-pandemic>

Findings

DWP's primary focus has been to ensure that basic income protection is available to people affected by the Covid-19 pandemic, and we have been impressed at how well it has delivered this objective. The increase in the number of claimants – particularly those claiming UC – since the start of lockdown has been significant. The number of claimants rose from 2.9 million in February to 5.6 million in August.⁸ Of these, the number of UC claimants in employment more than doubled in this timeframe from 854,000 to nearly two million and the number of unemployed UC claimants rose by 1.2 million to 2.3 million.⁹ Significantly, the Office for Budget Responsibility projections suggest unemployment will rise to 11.9 percent by the end of 2020, meaning that four million people in the UK could be out of work.¹⁰ The DWP and DfC have been able to manage this increase very effectively, focusing on ensuring claims were processed swiftly, with impressive results in getting claimants paid on time, including 98 percent of UC claimants being paid in full and on time by DWP during the first full month of the pandemic, an increase from 91 percent in April 2019.¹¹ In Northern Ireland, 92 percent of UC claimants were paid in full and on time in March 2020, rising to 94 percent at the end of September 2020.¹²

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⁸ Department for Work and Pensions, Universal Credit: Month by Conditionality Regime August 2019 to August 2020 (on Stat-Xplore)

⁹ Ibid

¹⁰ Office for Budget Responsibility, Coronavirus analysis <https://obr.uk/coronavirus-analysis/>

¹¹ Department for Work and Pensions, Universal Credit Statistics: 29 April 2013 to 9 July 2020: Figure 20: Payment timeliness (all claims), October 2017 to April 2020
<https://www.gov.uk/government/publications/universal-credit-statistics-29-april-2013-to-9-july-2020/universal-credit-statistics-29-april-2013-to-9-july-2020>

¹² Department for Communities, Universal Credit Weekly M.I. Update: Reporting Data as of 27 September 2020 <https://www.communities-ni.gov.uk/system/files/publications/communities/dfc-management-information-uc-021020.pdf>

Conditionality and the unwinding of easements

One of the first measures taken by DWP and DfC was to suspend all mandatory work search and work availability requirements, which meant that sanctions would not be applied, as well as suspending requirements for claimants to attend Jobcentre appointments in person. This has been widely welcomed as a necessary and sensible approach, providing certainty and security for claimants during lockdown. As lockdown restrictions began to ease, the DWP and DfC reinstated these conditionality measures, stating that:

“The reintroduction of the claimant commitment represents a return to business as usual, not a policy change.”¹³

“Claimant commitment requirements will be reasonable taking into account current circumstances.”¹⁴

DWP has told us that Work Coaches will work to ensure that commitments made by claimants are reasonable and allow them to adhere to continuing local and national public health advice in regards to Covid-19, while also doing what they can to engage with the labour market. From 1 July 2020 DWP began to reintroduce new and updated claimant commitments for UC, on a phased approach as capacity allowed, and have told us that only once a claimant’s new or updated claimant commitment is in place can claimants receive a sanction for failure to meet the commitment without good cause. For new claims made from 8 July 2020, DfC will instigate “light-touch” discussions without the threat or potential of a sanction, in recognition of the challenging circumstances people still find themselves in. Assurances of reasonableness in taking account of current circumstances are welcome, as is the Department’s expectation that its Jobcentre managers and Work Coaches will work with claimants appropriately.

Easements and discretion

Regulation 8 of the The Social Security (Coronavirus) (Further Measures) Regulations 2020,¹⁵ and equivalent regulations in Northern Ireland,¹⁶ provide that JSA claimants who have Covid-19 and/or who are required to self-isolate are to be treated as having a

¹³ UK Parliament, Social Security Benefits: Disqualification: Written question – 66869 <https://questions-statements.parliament.uk/written-questions/detail/2020-06-30/66869>

¹⁴ UK Parliament, Social Security Benefits: Written question - 70412 <https://questions-statements.parliament.uk/written-questions/detail/2020-07-07/70412>

¹⁵ The Social Security (Coronavirus) (Further Measures) Regulations 2020 SI No.371 <https://www.legislation.gov.uk/ukxi/2020/371/contents/made>

¹⁶ The Social Security (Coronavirus) (Further Measures) Regulations (Northern Ireland) 2020 SR No.53 <https://www.legislation.gov.uk/nisr/2020/53/contents/made>

'normal' period of sickness, which will not count towards the calculations regarding the number of permitted total 'normal periods' of sickness under JSA. Regulation 3 of the Employment and Support Allowance and Universal Credit (Coronavirus Disease) Regulations 2020 UC/ESA provided that claimants who have Covid-19 and/or who are required to self-isolate may be treated as having limited capability for work.¹⁷ This easement was removed for Universal Credit on 30 March 2020 by the Social Security (Coronavirus) (Further Measures) Regulations 2020,¹⁸ which provided instead that a person claiming UC must not have a work-search or work-availability requirement imposed on them. That provision has now expired and DWP is using the normal health journey for UC claimants who are affected by Covid-19 that allows for conditionality to be tailored. DWP has told us work coaches will be flexible and responsive to any on-going changes and DfC has said that Claimant Commitments will be personalised and tailored to reflect the individual circumstances of each claimant.

Beyond those with Covid-19, there will be other claimants who cannot meet their claimant commitments because of the pandemic and its consequences. This is likely to apply particularly in relation to:

- Those who have – or who live with someone who has – underlying health conditions that make them particularly vulnerable to Covid-19
- Claimants with caring responsibilities for children and/or older dependents where they cannot access the (child or adult) care worker support they would normally rely on, or where schools have to close
- Claimants who are concerned about working in unsafe environments that may not manage Covid-19 risks effectively
- Claimants who are impacted by local lockdowns

We very much welcome DWP's commitment that conditionality and sanctions policies will continue to be tailored in light of the ongoing public health situation.¹⁹ Inevitably there will be a need for flexibility in responding to changing circumstances but it would

¹⁷ The Employment and Support Allowance and Universal Credit (Coronavirus Disease) Regulations 2020 SI No.289: <https://www.legislation.gov.uk/uksi/2020/289/contents> .

The Employment and Support Allowance and Universal Credit (Coronavirus) Regulations (Northern Ireland) 2020: <https://www.legislation.gov.uk/nisr/2020/33/contents>

¹⁸ Social Security (Coronavirus) (Further Measures) Regulations 2020 SI No.371: <https://www.legislation.gov.uk/uksi/2020/371>

The Social Security (Coronavirus) (Further Measures) Regulations (Northern Ireland) 2020: <https://www.legislation.gov.uk/nisr/2020/61/contents/made>

¹⁹ Written Answer by Employment Minister, Mims Davies MP, 5 November 2020: <https://questions-statements.parliament.uk/written-questions/detail/2020-10-30/109349#>

be beneficial to have a clear strategic policy on the purpose and extent of easements and discretion within which decision-makers can exercise this discretion, and claimants can manage their behaviours, to meet both DWP policy objectives and public health objectives. We understand that the DWP has developed a Discretion Framework that is available to DWP staff. While an internal discretion framework can help guide consistency on how conditionality might be eased, DWP should make this guidance publicly available to claimants and support organisations, for example by adding the guidance on discretion to the information provided to claimants on the current easements, linking this information to the claim making process so that it is easily accessible.

It would be helpful for DWP and DfC to use this opportunity to address some of the recommendations we made in our report on “The effectiveness of the claimant commitment in Universal Credit” that would assist with applying discretion appropriately, particularly recommendation 4 in that report:

DWP should develop a more rigorous approach to ensure discretion is applied fairly and systematically. Specifically, DWP should prioritise data collection and analysis on the application of discretion (and easements) to inform their understanding of how well it's working and to help DWP consider ways to address challenges highlighted in the data. This analysis, including the statistics from the data, should be made publicly available. For instance, publishing and analysing where easements are used across Jobcentres to understand where and how practice varies.²⁰

We welcome DWP's assurances that action on this recommendation is already underway and look forward to the Department's formal response to our Claimant Commitment report in due course.

Recommendation 1: DWP and DfC should publish a strategic policy on the purpose and extent of easements and discretion in current circumstances, along with the guidance to claimants, advice organisations and work coaches on how this policy objective can be delivered. That includes making clear the extent to which claimant concerns about working in unsafe environments would constitute ‘good cause’ for refusal to work. Implementing recommendation 4 in our 2019 report on “The effectiveness of the claimant commitment in Universal Credit” – to develop a more

²⁰ SSAC, “[The effectiveness of the claimant commitment in Universal Credit](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/83342/6/ssac-occasional-paper-21-effectiveness-of-claimant-commitment-in-universal-credit.pdf)”, Occasional Paper No. 21 (2019)

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/83342/6/ssac-occasional-paper-21-effectiveness-of-claimant-commitment-in-universal-credit.pdf

rigorous approach to monitoring discretion – will enable DWP and DfC to quality assure the extent to which conditionality is being applied appropriately.

Establishing claimant commitments for new claimants

The role of work coaches has always been critical to the success of UC, and the pandemic has substantially increased the scale and complexity of their workload. The reintroduction of conditionality means that claimant commitments now need to be agreed with a huge number of new claimants. The DWP announced in July 2020 that it is recruiting 13,500 new work coaches to support this process, and DfC is also taking forward recruitment plans to secure additional work coaches.²¹ This is a positive move, particularly where staff who had been re-deployed to process UC claims could now be returned to work on other areas of social security delivery.²² While the percentage increase in the number of work coaches is huge, it is not as large as the percentage increase in numbers on UC. Consequently, the DWP has also stated that the initial claimant interview with a work coach to agree the claimant commitment will be reduced from 50 to 30 minutes.

While a reduction in time spent is not surprising, this also creates potential challenges for work coaches. It will limit the amount of time that work coaches have in understanding an individual claimant's barriers to work such as childcare, health, work availability and retraining needs, particularly if work coaches are relying on claimants to volunteer this information, understanding it to be relevant to their claimant commitment. Consequently, work coaches will likely find it more difficult to identify how best claimants can be supported to overcome these barriers. We understand that additional information points have been added to the online claim process to encourage claimants to input more detailed information about their personal circumstances. While this is a positive step towards identifying the possible barriers claimants face, we would encourage DWP and DfC to examine how they could be more proactive in eliciting relevant information from claimants rather than relying on claimants to be able to volunteer information that they may not understand to be relevant.

²¹ Gov.uk *It's key for jobcentres to help people back to their feet* 7 July 2020

<https://www.gov.uk/government/speeches/its-key-for-jobcentres-to-help-people-back-to-their-feet>

²² Oral evidence by Neil Couling (DWP Director General, Change Group) to the Work and Pensions Committee, DWP's response to the coronavirus outbreak, 23 April 2020

<https://committees.parliament.uk/oralevidence/303/pdf/>

Recommendation 2: DWP and DfC should:

- a. identify how work coaches can be more proactive in ensuring that relevant information on claimant circumstances is identified as quickly as possible. This would help work coaches understand better the parameters of appropriate conditionality, discretion and easements, taking account of claimants' caring responsibilities and how these are being affected by any school or childcare provider closures, health risks, triggers of vulnerability and local variations in employment opportunities and lockdowns. A more proactive approach that does not rely on claimants to volunteer information might include, for example, developing a set of 'smart questions' that all claimants can be asked.
- b. support work coaches to identify claimants who are vulnerable to dropping out of the system in advance of any disengagement. This might involve enabling work coaches to access existing departmental data on claimant circumstances to determine the level of engagement needed, and working with local partners to keep informed on local school closures, lockdown requirements, etc.

Reviewing commitments for other claimants

For other claimants, the commitment agreed pre-lockdown may not be suitable under current circumstances. While new claimant commitments are being prioritised, it will take time to revise those claimant commitments that were developed pre-pandemic. DWP and DfC have both said they will review and update these claimant commitments as capacity allows. As DWP has told us, in some cases it may take some time until claimants have a revised claimant commitment, but that there is an expectation that claimants will do everything they can reasonably do to prepare and look for work before then. On this basis, DWP has said that once their new or updated claimant commitment is in place, and work-related requirements agreed and accepted, claimants can again receive a sanction if they fail to meet those requirements without good reason. The approach by DfC is that the reintroduced work search conversations and the claimant commitment for new Universal Credit claimants will involve a light-touch discussion that will seek to support and help those new to Universal Credit, and that it will not involve the threat or potential of a sanction for non-compliance.

In the interim, it is unclear what the elements of pre-pandemic claimant commitments DWP and DfC regard as reasonable for claimants to follow or not follow, and at what point claimants will be failing to meet their commitments and therefore be liable for sanctions.

Recommendation 3: DWP and DfC should communicate clearly with those whose pre-lockdown claimant commitments have not yet been updated to identify what it is reasonable to expect them to do under their existing claimant commitment. DWP and DfC should also ensure that there is consistent treatment with those who have updated claimant commitments so that no sanctions are applied for something that would not be sanctionable under an updated claimant commitment.

Jobcentre availability

The service provided by Jobcentres provides a vital form of support to claimants in the most challenging circumstances. There has been a welcome response by DWP to the problems faced by many claimants in circumstances that make them vulnerable to exclusion, particularly in relation to enabling emergency access to face-to-face advice in jobcentres. They have remained open for emergencies during lockdown, providing limited services for:

- Claimants who are experiencing challenges in making a claim to benefit.
- Citizens who are fleeing domestic abuse.
- Homeless people who may have not been supported by the 'Everybody In' initiative.²³
- Claimants who experienced financial hardship who would have been supported and paid by payment exception service

In reintroducing conditionality, DWP has also worked to increase the number of jobcentres that can be open for claimants to attend, but there is a significantly reduced capacity to see claimants face-to-face, because of social distancing requirements. The pre-Covid-19 Jobcentre closures also mean that some claimants will have further to travel which may be particularly problematic for those for whom public transport is not a good option. In Northern Ireland, DfC has started to re-open Jobs & Benefits offices for

²³ ['Everyone In' is a government initiative to to accommodate homeless people/rough sleepers, in some cases using hotel accommodation as temporary accommodation where necessary.](https://www.gov.uk/government/publications/la-welfare-direct-bulletins-2020/la-welfare-direct-82020#shared-accommodation-rate-clarification-of-the-homeless-exemption)
<https://www.gov.uk/government/publications/la-welfare-direct-bulletins-2020/la-welfare-direct-82020#shared-accommodation-rate-clarification-of-the-homeless-exemption>

people needing help to apply for uniform grants or free school meals and is progressing plans to assist a broader range of 'vulnerable' claimants to enable face-to-face appointments that protect the safety of claimants and staff.

DWP guidance makes clear that it remains open to 'vulnerable' customers to ensure timely payment and that local Jobcentres are empowered to deliver as they see appropriate. DWP has also advised us that if a claimant is unable to access DWP services digitally or by phone or would like to see a Jobcentre member of staff, then DWP will provide that support regardless of whether the claimant is vulnerable or not.

There is, however, currently no public guidance on, or definition of, what constitutes 'vulnerable' in relation to conditionality. We welcome the fact that DWP is developing a safeguarding framework and while we appreciate this important work will extend beyond Covid-19 relevant circumstances it would be helpful to develop a more immediate consideration of vulnerability in relation to Covid-19. This would help with the risk management of the reduction or removal of face-to-face support for claimants who are made (more) vulnerable by Covid-19, particularly as it is not clear how this support will be affected by Covid-19 restrictions that reduce Jobcentres' capacity to facilitate face-to-face requests, or by local lockdowns that further restrict the option of face-to-face support.

Recommendation 4: DWP and DfC should publish guidance on how claimant 'vulnerability' might be determined in relation to Covid-19, keep this under review and continue to make clear to claimants the circumstances under which they can access face-to-face services. This may incorporate the need for specific training and guidance for work coaches, for example where easements or discretion are to be applied to circumstances involving domestic violence.

Communications with claimants and stakeholders

In ordinary, as well as exceptional times, it is essential that there is regular and prompt communication to inform claimants and support organisations of policy and guidance on changes being made. In such a rapidly changing environment, the importance of good communication is all the greater.

With reduced staffing, there have been considerable communications challenges for DWP and DfC. These inevitably impact on claimants, and their advisers, who need to know in good time how their responsibilities and rights might be affected. Since

lockdown restrictions have been eased DWP has told us that it has been making hundreds of thousands of calls a week to reconnect jobseekers to the labour market, alongside digital communications. DfC is also carrying out a series of customer care calls with people who have made a UC claim during the Covid-19 crisis to introduce them to their work coach, highlight the range of help and support that is available and start to understand what their needs are.

Communication with stakeholders

First is the wider issue of communicating policy and legislative change to all stakeholders: the need to provide timely updates on changes in policy, operations or guidance for claimants and advisers to make changes or respond to problems.

The feedback on meetings between DWP/DfC and support organisations has been extremely positive. We heard from those who responded to our review about good practice by DWP and DfC, where claimant support organisations were provided with regular updates by officials, which they found valuable and welcome. This provided two-way communication and allowed DWP and DfC to respond to issues as they arose while setting out clearly to advise organisations the operational implications of the new changes. We recognise the positive impact of this good practice.

Some organisations, however, felt that this good practice was not followed in all areas, and that there was poor communication from DWP on the changes that were happening. The absence of published guidance on changes in policy or discretionary powers, particularly around conditionality, meant that, even where local communications were good, advisers and claimants remained uncertain about how claimants should behave and the implications of claimant actions on benefit entitlement.

Recommendation 5: Where it is already in place, DWP and DfC should continue the good practice of ensuring regular updates on how policy and operations are reacting to the changing Covid-19 circumstances, through meetings with support organisations, supported by public communications on changes being made, using good communication to increase the transparency of decisions. Where this is not in place, DWP and DfC should establish the necessary communication networks to engage on regular updates on Covid-19 related changes in policy and practice.

Communication with claimants

The second communication issue is the communication with the individual claimant. DWP and DfC clearly recognise the need to ensure they are communicating effectively with all claimants, as indicated by the hundreds of thousands of calls DWP and DfC have been making to claimants. We acknowledge the good work being done in communicating with claimants via SMS text, which can supplement digital communication through UC journals.

Claimants in a focus group run by the Covid Realities research team identified the stress that claimants felt in not knowing whether they were doing what they were supposed to be doing, and also from the differences in expectations over claimant behaviour in prompt reporting, compared to the time lag for Jobcentre staff to respond to claimant questions and concerns. Where communications are not effective, this creates stress for individual claimants and can arise where claimants are vulnerable to digital exclusion (hindering their ability to communicate through their UC journal) or to circumstances that lead them to withdraw from engagement.

It is not clear whether DWP or DfC have any systematic means of identifying claimants who may be vulnerable to disengaging and for whom additional means of communication may be required.

Recommendation 6: DWP and DfC should:

- (a) prioritise effective individual claimant communications, ensuring that work coaches are supported in the additional effort that may be needed to go beyond standard communications.
- (b) develop a systematic approach to tracking the outcomes of a communication strategy, to help identify individuals who are dropping out of the system who may need further support.

Determinations in an environment of social distancing

ESA/UC/PIP Assessment Format

Face to face assessments have had to be suspended because of Covid-19. The use of telephone assessments has been welcomed as a positive step, not just in relation to pandemic planning but as an approach that can be more flexible and accessible. The

feedback from our focus groups of advisers and claimants was that this was an improvement on having to travel to an assessment centre, while recognising that the alternatives would not work for all claimants.

Recommendation 7: The use of telephone ESA, UC and PIP assessments should be retained during the pandemic and claimants should be given the choice over their preferred method of assessment.

Timing of ESA/UC/PIP decisions

DWP and DfC took the welcome step of extending the end dates of PIP awards where these were due to expire between 17 March to 8 July 2020, and suspending WCA reassessments (thereby allowing claimants' benefit to continue as normal), considering the difficulties in conducting renewals and assessments for these benefits. For new claims, or where claimants have experienced a change in their condition, the pandemic has generated delays in conducting PIP and ESA assessments, while alternative arrangements were being put in place. This has had a knock-on effect in delays in ESA/UC and PIP entitlement decisions. Where face to face assessments are required, a further backlog has been created.

Delays in getting these assessments has meant delays in entitlement decisions, leading to ESA claimants remaining on the assessment rate, and UC claimants remaining on the standard rate, and potentially missing out on additional income that they may be entitled to. For PIP claimants, no financial support is available pending assessment as there is no assessment rate for PIP. While additional income claimants may be entitled to can be backdated, the delay in accessing income as it is needed is problematic.

Recommendation 8: DWP and DfC should manage the delays in ESA, UC and PIP decision making by establishing maximum time periods during which assessments will take place and decisions made.

Nature of ESA/UC/PIP awards

It is critical that ESA, UC and PIP awards are accurate and we recognise that increasing efforts have been made by DWP and DfC to ensure accuracy, particularly through the mandatory reconsideration process. It is also important to understand more about the

outcomes of decisions made on ESA, UC and PIP during the pandemic, including whether the number of un/successful applications, or assessment rates, have changed in any significant way, and whether there has been consistency in decision making. In his letter to the Work and Pensions Committee in July 2020, the Minister for Disabled People, Health and Work stated that “Early anecdotal evidence suggests telephone assessments are working well and we are keeping this under review.”²⁴

However, advisers tell us they have observed increased variation with some awards being much higher than they would have expected, and occasionally unexpectedly lower. This observation is supported by DWP's statistical summary which identifies that the PIP statistics for April to July show 'distortions' to trends in awards, clearances and decisions.²⁵ Further concerns were raised in our review that delays in assessments were subsequently resulting in inconsistent and inaccurate decision making. More analysis is required to understand who might be most affected by this, including those with protected characteristics.

DWP has stated it remains committed to making continuous improvements and evaluating the temporary changes to inform future approaches. We welcome this commitment which underlines the critical need to capture data and information to determine what works and does not work regarding assessments in the pandemic. A better understanding of the impact of removing face-to-face assessments telephone assessment on ESA and PIP case outcomes is required. Effective data collection and analysis that can identify impact on different protected characteristics will enable evaluation of specific measures but also create a feedback loop to see how or if such measures can support other DWP and DfC priorities.

Recommendation 9: DWP and DfC should produce – and publish – an evaluation of decision making in ESA/UC and PIP to include a comparative analysis of case outcomes for telephone, paper-based and face to face assessments. This is vital, given that face to face assessments are not likely to be resumed for all claimants in the immediate future. We see this as also contributing towards the lessons that the Department has said it hopes to learn that could be further explored in its forthcoming Green Paper on health and disability.

²⁴ Correspondence from The Minister for Disabled People, Health and Work, Justin Tomlinson MP, to the Chair of the Work and Pensions Select Committee, The Rt Hon Stephen Timms, MP, 14 July 2020: <https://committees.parliament.uk/publications/2237/documents/20495/default/>

²⁵ DWP *Personal Independence Payment: Official Statistics to July 2020*: <https://www.gov.uk/government/publications/personal-independence-payment-april-2013-to-july-2020/personal-independence-payment-official-statistics-to-july-2020>

An evaluation of recent decision making, including assessment outcomes and award recommendations, should also be conducted to ensure consistency and accuracy are maintained.

Clarification to rules and easements

As part of the broader package of measures brought in to support people through the pandemic, there were specific measures that could impact on the value of claims. In these cases, greater clarification would be welcome, especially with respect to the unwinding of easements.

Minimum Income Floor

A further government amendment to UC was to suspend the Minimum Income Floor (MIF). Currently, self-employed UC claimants are not subject to conditionality, other than attending or dialling in to scheduled appointments and a requirement to work on their business. The suspension of the Minimum Income Floor has been identified by respondents to our review as very helpful. One of the participants in the Covid Realities focus group stated that this change has been much more significant for her family than the £20 UC uplift, as her husband was in his first year of self-employment when the pandemic happened.

The extension of the MIF suspension is therefore welcome but self-employed claimants will need to be able to plan for any re-introduction of the MIF. We recommend that a plan is developed to phase its re-introduction, and that potentially affected claimants are given plenty of advance notice – of one month at the very least – of its return. Pending suspension being ended, it is also unclear what ‘working on their business’ might look like for self-employed UC claimants and what support is available for this.

Recommendation 10: DWP and DfC should develop a phased re-introduction of the MIF with advance notice – of at least one month – of its return given to potentially affected claimants.

Redundancy Payments

One of the effects of the pandemic has been to generate substantial redundancies, including for many new UC claimants. In our focus groups with advisers, the issue of how redundancy payments will be treated under UC was raised as something not

clearly known or communicated. The DWP's position is that redundancy payments are treated as capital under UC, which can be considered to determine entitlement to UC and the level of UC award. Redundancy payments treated as capital are therefore not considered as earnings, nor would the surplus earnings rules apply to them.²⁶

While this clarity is welcome it is not clear that the message has been communicated widely enough and further clarity on communicating this would be helpful. We welcome the acknowledgment by the Director General of the Work and Health Services at the DWP that proactive communications to encourage individuals who have been made redundant to make a claim for UC are important and would encourage DWP and DfC to continue to improve public awareness of eligibility. The government will also increase the funding for the Flexible Support Fund by £150 million in Great Britain, including to increase the capacity of the Rapid Response Service, which can advise those facing redundancy of their options. The increase in the numbers of claimants who have been or are likely to be made redundant because of the pandemic means that developing good communications and supports will continue to be vital.

The point at which an individual is made redundant is not always the point at which their redundancy payment is received, or the level of their redundancy payment is agreed. It was also noted by respondents to our review that the process of getting the redundancy payment can be protracted and that individuals may put off making a UC claim until they receive their redundancy payment. This would have the effect of not receiving UC – or the employment support that goes along with it – until some period after claimants were eligible for it.

Recommendation 11: That UC eligibility is aligned with the point at which the claimant becomes redundant, rather than with the (subsequent) point at which they receive their redundancy payment and that proactive communications on making a claim for UC provide clarity on how redundancy will be treated under UC.

Self Employed Income Support Scheme (SEISS)

The introduction of the SEISS for self-employed workers adversely affected by the pandemic is a HMRC policy area, but there are some interactions with UC that are quite complex: in particular, whether SEISS is treated as capital or earnings. DWP updated its guidance in May 2020 for UC claimants who planned to apply for support from the

²⁶ UK Parliament, Question for Department for Work and Pensions: Redundancy Pay, UIN 46823, 13 May 2020 answered on 22 May 2020 <https://questions-statements.parliament.uk/written-questions/detail/2020-05-13/46823>

SEISS and the guidance makes clear that SEISS is expected to be treated as earnings in Universal Credit.²⁷

While this clarity is welcomed it would appear that a determination on SEISS as earnings or capital may also depend on how long SEISS payments remain in a claimant's bank account. This has the potential to generate uncertainty and stress for claimants. The Covid Realities focus group highlights this issue where a participant who had acted on advice from HMRC was concerned that this may have meant have been in breach of earnings declarations for UC, which could have an impact on his level of UC payment and potentially trigger a sanction. This clarity would also be necessary in relation to any replacement scheme for SEISS.

Recommendation 12: The DWP and DfC should clarify when payments under the SEISS (or any replacement scheme) might be treated as earnings or capital under UC.

Recovery of overpayments

The suspension of overpayment recovery from social security benefits was part of the government's response to the pandemic, providing a necessary protection for income during lockdown. Payment recovery was re-introduced on 3 July 2020, after a three-month pause.

It is unclear what the level of recovery of overpayments is currently and what DWP policy on overpayments will be during the pandemic. This may become important in relation to the volume of UC entitlement decisions that had to be made at speed, and with fewer verification checks, during lockdown, where the potential for overpayment is greater. The problems that overpayment recovery create for those unable to increase their income during lockdown are likely to persist for many claimants as the pandemic continues, and particularly where local lockdowns are imposed.

Recommendation 13: The government should consider the impact of the pandemic on the ability of claimants to meet repayments and provide guidance on what exemptions or adjustments to overpayment recovery would be appropriate during the pandemic.

²⁷ Work and Pensions Select Committee report on **DWP's response to the coronavirus outbreak** 22 June 2020: <https://publications.parliament.uk/pa/cm5801/cmselect/cmworpen/178/17811.htm>

Housing

The response to the pandemic included swift action on homelessness, part of which included making Local Authorities aware that the Shared Accommodation Rate exemption for emergency accommodation for those aged under 35 could apply during the pandemic to the re-purposed hotels and bed and breakfasts used for the 'Everyone In' initiative, to assist those who are homeless or at risk of becoming homeless. The application of this exemption has been welcomed by advisers.

There has been no further exemption, however, to housing under-35s in the private rented sector. Consequently, there are concerns that this generates pressure on the DHP budgets of local authorities, or the Northern Ireland Housing Executive, and that discretionary housing payments cannot meet the full shortfall.

Recommendation 14: The DWP and DfC should:

- (a) Extend the current exemption from the Shared Accommodation Rate for 25-34 year olds who have spent at least three months in a homeless hostel to all under 35-year olds. This should be introduced for the duration of the pandemic as a minimum.
- (b) Bring forward, from 2023, plans to extend the exemption from the Shared Accommodation Rate for care leavers up to age 25 (currently available up to age 22 only).²⁸ In view of the ongoing Covid-19 outbreak, and the fact that youth unemployment will rise sharply in coming months, there is compelling case to bring in this change immediately.

The absence of any suspension or increase of the benefit cap is also causing concerns that the risk of homelessness will apply, particularly in high rent areas including London. Local Housing Allowance rates in 2020-21 were temporarily linked to current local rents during the pandemic. This temporary uplift and the restoration of the link to current local rents, has been a positive measure. We welcome the Secretary of State's confirmation that this is a permanent uplift,²⁹ although we are not clear whether the permanent

²⁸ SSAC's Occasional Paper 20: Young People Living Independently (recommendation 5), May 2018 <https://www.gov.uk/government/publications/ssac-occasional-paper-20-young-people-living-independently>

²⁹ Oral evidence by the Secretary of State for Work and Pensions to the Work and Pensions Committee, The Rt Hon Dr Thérèse Coffey MP, 30 September 2020 <https://committees.parliament.uk/oralevidence/963/default/>. Oral evidence by the Secretary of State for Work and Pensions, The Rt Hon Dr Thérèse Coffey MP, to House of Lords Select Committee on Economic Affairs, 2 June 2020 <https://committees.parliament.uk/oralevidence/447/html/>

increase is linked to the 30th percentile on 2019 figures, or the 30th percentile for every year.

At the start of lockdown, the government put in place a ban on evictions for six months, to avoid an increase in homelessness. The power to evict has now been restored, with an extended six-month notice period in all but the most serious cases including anti-social behaviour and in relation to domestic abuse perpetrators. The potential for individuals to manage the impact of the benefit cap, however, either by moving house or increasing their income from employment, is currently reduced by the pandemic.

Recommendation 15: We previously recommended that the benefit cap should be increased or removed during the pandemic, to avoid the risk of homelessness. In the absence of this we note that those who had earnings of more than the earnings threshold in every month for the previous 12 months are given a nine-month grace period before the cap is applied. To avoid a situation where more of those who have been unable to do paid work continuously through the pandemic are subject to the benefit cap, we recommend that this exemption is made more generous. Ways of doing this include, for example, auto-crediting months during the lockdown as qualifying regardless of earnings or for the nine-month grace period to be substantially extended.

Recommendation 16: Local Housing Allowance rates should continue to be related to local rent levels so that, for example, UC claimants are not discouraged from moving to areas with growing employment opportunities where local rents are likely to grow faster. The Department should also make clear whether the permanent LHA increase is linked to 30th percentile on 2019 figures, or the 30th percentile for every year.

Other issues

Universal Credit Uplift

In response to the pandemic, and the recognition that significant numbers of people would be reliant on UC as a consequence, the Government introduced a £20 per week uplift to the standard UC rate for one year from the Chancellor's statement on 20 March 2020.³⁰ This has been recognised as positive by UK parliamentary select committees,

³⁰ Department for Work and Pensions, Universal Credit: 29 April 2013 to 9 April 2020
<https://www.gov.uk/government/publications/universal-credit-29-april-2013-to-9-april-2020/universal-credit-29-april-2013-to-9-april-2020>

to the extent that recommendations have been made to retain the uplift beyond the 2020-2021 tax year.³¹

The claimants in the Covid Realities focus group welcomed the uplift and were concerned at how they would manage to cope if the uplift were removed, given that they were struggling to manage with it. The advisers in our focus groups also welcomed the uplift.

If the measure is to expire in April 2021 – along with the expiry of the temporary boost to Local Housing Allowance rates – this will see many claimants having a drop in their benefit income between March and April 2021. We note that the drop will be significant: the boost to the benefit system in 2020-21 has been costed at £9billion.³²

Recommendation 17: The government should consider the positive impact of the UC uplift in making a decision on whether or not it should be retained, at least partially, and the implications of removing the uplift when employment prospects for many claimants remain limited. If the uplift is removed, then it is very important this is clearly communicated to claimants in advance, so that they are not surprised when their income drops.

Other benefits (ESA & JSA)

Currently, the Government has not indicated that there will be any extension of the uplift. There has been no corresponding uplift to the legacy benefits of ESA and JSA. The uncertainty over the duration of the UC uplift has made it difficult for advisers and claimants to work out whether they should come off legacy benefits and claim UC because it remains unclear in the longer term if they would be better or worse off on UC. We are also aware that an application for UC has the immediate effect of ending entitlement to legacy benefits.

³¹ House of Commons Treasury Select Committee, Economic impact of coronavirus: the challenges of recovery, p.29, 8 September 2020, <https://committees.parliament.uk/publications/2475/documents/24613/default/>; House of Lords Economic Affairs Committee, Universal Credit isn't working: proposals for reform, p.39, 31 July 2020 <https://committees.parliament.uk/publications/2224/documents/20325/default/>

³² Will Quince MP (Parliamentary Under-Secretary of State for DWP), Oral Answer, 14 September 2020, <https://hansard.parliament.uk/commons/2020-09-14/debates/8BA86AF8-DB8E-4E4D-9707-9B4D2F11DEE0/OralAnswersToQuestions>

Recommendation 18: If part or all of the UC uplift is retained, then there should be an equivalent uplift for those on ESA and JSA and clarification on whether claimants would be better or worse off on UC.

Carer's Allowance

Informal care has played a vital role in the public health response to the pandemic. Carer's Allowance and Carer Premium (in legacy benefits) were not part of the social security system that was changed in response to the pandemic, other than one sensible adjustment. This expanded eligibility for CA to enable those unable to perform their caring responsibilities due to Covid19 to continue to receive CA. No adjustment, however, has been made to the level of payment or to the earnings limit.

We have no information from DWP or DfC on whether the number of CA claims increased during this period, although it seems likely that the level of informal care to date will have increased, and a Carers UK report published in May 2020 states that the number of unpaid carers increased by 4.5 million since the COVID-19 outbreak started.³³

The rate of CA was an issue that generated multiple comments in response to our blog calling for evidence, where the value of caring work was highlighted as a net saving to the economy, and the need to increase the rate in line with the minimum wage was raised.

Recommendation 19: The Department should review the support available to carers in recognition of the increased necessity and role of informal caring as a public health service, and that should include a review of Carer's Allowance and Carer Premium (in legacy benefits).

Exclusions from eligibility

There have been some significant easements made for social security entitlement in response to the pandemic. As SSAC noted in our letter to the Secretary of State, the value of adjustments in social security eligibility, conditionality and payments was both important and effective in responding to the lockdown. Inevitably, as we noted, there

³³ Carers UK, Carers Week 2020 Research Report: The rise in the number of unpaid carers during the coronavirus (COVID-19) outbreak, p.4
https://www.carersuk.org/images/CarersWeek2020/CW_2020_Research_Report_WEB.pdf

were ‘rough edges’, where not all circumstances were able to be accommodated or considered.

During this review, a number of additional circumstances that fall outside current easement rules have been suggested as a necessary part of that response. That includes easements considered for:

- Those with No Recourse to Public Funds (NRPF) and those experiencing Domestic Violence, particularly where those two categories overlap. While NRPF policies are the responsibility of the Home Office, there is a question of whether social security entitlement might be temporarily extended to enable DWP to support these individuals during the pandemic, when Covid-19 is limiting the ability to work. The Secretary of State has informed the Work and Pensions Committee that people with no recourse to public funds can access support through the £500 million hardship fund for local authorities.³⁴ In Northern Ireland, the Executive Office has an emergency fund, which is delivered by the Red Cross, to assist people with no recourse to public funds, but this is very limited.
- Other categories of potential UC claimants include 16-17 year olds who do not meet the eligibility criteria for income-replacement benefits, who are also not able to access traineeships because of Covid19, and further/higher education students who have reduced work opportunities because of the pandemic.

Recommendation 20: That the government gives specific consideration to whether temporary access to UC could be granted to extend eligibility during the pandemic for groups currently excluded, including those with no recourse to public funds, particularly where this involves individuals in circumstances of domestic violence, and 16-17 year olds who are not otherwise eligible for income replacement benefits and whose access to traineeships has been delayed by the pandemic.

³⁴ Department for Work and Pensions, letter to the Rt Hon Stephen Timms MP, Chair of the Work and Pensions Select Committee, 15 May 2020:
<https://committees.parliament.uk/publications/1509/documents/13908/default/>

Recommendations

Conditionality and the unwinding of easements

1. DWP and DfC should publish a strategic policy on the purpose and extent of easements and discretion in current circumstances, along with the guidance to claimants, advice organisations and work coaches on how this policy objective can be delivered. That includes making clear the extent to which claimant concerns about working in unsafe environments would constitute ‘good cause’ for refusal to work. Implementing recommendation 4 in our 2019 report on “The effectiveness of the claimant commitment in Universal Credit” – to develop a more rigorous approach to monitoring discretion – will enable DWP and DfC to quality assure the extent to which conditionality is being applied appropriately.
2. DWP and DfC should:
 - a) identify how work coaches can be more proactive in ensuring that relevant information on claimant circumstances is identified as quickly as possible. This would help work coaches understand better the parameters of appropriate conditionality, discretion and easements, taking account of claimants’ caring responsibilities and how these are being affected by any school or childcare provider closures, health risks, triggers of vulnerability and local variations in employment opportunities and lockdowns. A more proactive approach that does not rely on claimants to volunteer information might include, for example, developing a set of ‘smart questions’ that all claimants can be asked.
 - b) support work coaches to identify claimants who are vulnerable to dropping out of the system in advance of any disengagement. This might involve enabling work coaches to access existing departmental data on claimant circumstances to determine the level of engagement needed, and working with local partners to keep informed on local school closures, lockdown requirements, etc.
3. DWP and DfC should communicate clearly with those whose pre-lockdown claimant commitments have not yet been updated to identify what it is reasonable to expect them to do under their existing claimant commitment. DWP and DfC should also ensure that there is consistent treatment with those who have updated claimant commitments so that no sanctions are applied for something that would not be sanctionable under an updated claimant commitment.

4. DWP and DfC should publish guidance on how claimant 'vulnerability' might be determined in relation to Covid-19, keep this under review and continue to make clear to claimants the circumstances under which they can access face-to-face services. This may incorporate the need for specific training and guidance for work coaches, for example where easements or discretion are to be applied to circumstances involving domestic violence.

Communications with claimants and stakeholders

5. Where it is already in place, DWP and DfC should continue the good practice of ensuring regular updates on how policy and operations are reacting to the changing Covid-19 circumstances, through meetings with support organisations, supported by public communications on changes being made, using good communication to increase the transparency of decisions. Where this is not in place, DWP and DfC should establish the necessary communication networks to engage on regular updates on Covid-19 related changes in policy and practice.
6. DWP and DfC should:
 - a) prioritise effective individual claimant communications, ensuring that work coaches are supported in the additional effort that may be needed to go beyond standard communications.
 - b) develop a systematic approach to tracking the outcomes of a communication strategy, to help identify individuals who are dropping out of the system who may need further support.

Determinations in an environment of social distancing

7. The use of telephone ESA, UC and PIP assessments should be retained during the pandemic and claimants should be given the choice over their preferred method of assessment.
8. DWP and DfC should manage the delays in ESA, UC and PIP decision making by establishing maximum time periods during which assessments will take place and decisions made.
9. DWP and DfC should produce – and publish – an evaluation of decision making in ESA/UC and PIP to include a comparative analysis of case outcomes for telephone, paper-based and face to face assessments. This is vital, given that face to face assessments are not likely to be resumed for all claimants in the immediate future. We see this as also contributing towards the

lessons that the Department has said it hopes to learn that could be further explored in its forthcoming Green Paper on health and disability.

An evaluation of recent decision making, including assessment outcomes and award recommendations, should also be conducted to ensure consistency and accuracy are maintained.

Clarifications to rules and easements

10. DWP and DfC should develop a phased re-introduction of the MIF with advance notice – of at least one month – of its return given to potentially affected claimants.
11. That UC eligibility is aligned with the point at which the claimant becomes redundant, rather than with the (subsequent) point at which they receive their redundancy payment and that proactive communications on making a claim for UC provide clarity on how redundancy will be treated under UC.
12. DWP and DfC should clarify when payments under the SEISS (or any replacement scheme) might be treated as earnings or capital under UC.
13. The government should consider the impact of the pandemic on the ability of claimants to meet repayments and provide guidance on what exemptions or adjustments to overpayment recovery would be appropriate during the pandemic.

Housing exemptions

14. The DWP and DfC should:
 - a) Extend the current exemption from the Shared Accommodation Rate for 25-34 year olds who have spent at least three months in a homeless hostel to all under 35-year olds. This should be introduced for the duration of the pandemic as a minimum.
 - b) Bring forward, from 2023, plans to extend the exemption from the Shared Accommodation Rate for care leavers up to age 25 (currently available up to age 22 only).³⁵ In view of the ongoing Covid-19 outbreak, and the fact that youth unemployment will rise sharply in coming months, there is compelling case to bring in this change immediately.

³⁵ SSAC's Occasional Paper 20: Young People Living Independently (recommendation 5), May 2018 <https://www.gov.uk/government/publications/ssac-occasional-paper-20-young-people-living-independently>

15. We previously recommended that the benefit cap should be increased or removed during the pandemic, to avoid the risk of homelessness. In the absence of this we note that those who had earnings of more than the earnings threshold in every month for the previous 12 months are given a nine-month grace period before the cap is applied. To avoid a situation where more of those who have been unable to do paid work continuously through the pandemic are subject to the benefit cap, we recommend that this exemption is made more generous. Ways of doing this include, for example, auto-crediting months during the lockdown as qualifying regardless of earnings or for the nine-month grace period to be substantially extended.
16. Local Housing Allowance rates should continue to be related to local rent levels so that, for example, UC claimants are not discouraged from moving to areas with growing employment opportunities where local rents are likely to grow faster. The Department should also make clear whether the permanent LHA increase is linked to 30th percentile on 2019 figures, or the 30th percentile for every year.
17. The government should consider the positive impact of the UC uplift in making a decision on whether or not it should be retained, at least partially, and the implications of removing the uplift when employment prospects for many claimants remain limited. If the uplift is removed, then it is very important this is clearly communicated to claimants in advance, so that they are not surprised when their income drops.

Other issues

Other benefits

18. If part or all of the UC uplift is retained, then there should be an equivalent uplift for those on ESA and JSA and clarification on whether claimants would be better or worse off on UC.

Carer's Allowance

19. The Department should review the support available to carers in recognition of the increased necessity and role of informal caring as a public health service, and that should include a review of Carer's Allowance and Carer Premium (in legacy benefits).

Exclusions from eligibility

20. That the government gives specific consideration to whether temporary access to UC could be granted to extend eligibility during the pandemic for groups currently excluded, including those with no recourse to public funds, particularly where this involves individuals in circumstances of domestic violence, and 16-17 year olds who are not otherwise eligible for income replacement benefits and whose access to traineeships has been delayed by the pandemic.

List of organisations involved in the consultation process

The Committee is grateful for the valuable input provided by the following organisations who gave their time to advise us at three workshops which took place on 3 and 6 August.

Advice (NI)
Brent Borough Council
Cardiff City Council
Centrepont
Citizens Advice
Citizens Advice Scotland
Child Poverty Action Group
Child Poverty Action Group (Scotland)
Disability Rights UK
Law Centre (NI)
Law Centres Network
Leicester City Council
LITRG
Norfolk County Council
South West London Law Centre
St Mungo's
Women's Aid

Researchers on the Nuffield Foundation funded research project, Covid Realities, also ran a focus group on our behalf, providing evidence from claimants on the impact of the Covid-19 changes. We are grateful to the participants for their evidence.

Membership of the Social Security Advisory Committee

Dr. Stephen Brien (Chair)

Bruce Calderwood

Carl Emmerson

Chris Goulden

Kayley Hignell

Phillip Jones

Prof. Gráinne McKeever

Dominic Morris

Seyi Obakin

Charlotte Pickles

Liz Sayce

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Denise Whitehead (Committee Secretary)

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Jaishree Patel (Secretariat)

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