

# **Newsletter**

May 12th, 2021 Issue 136

## **Employment Support Allowance claimants to challenge DWP in the High Court**

Excerpts from coverage by Osbornes Law and JRF

The High Court is to decide whether it was lawful of the Government not to give nearly 2million people on disability benefits the same £1040 a-year increase that it has given Universal Credit (UC) recipients.

At the beginning of the pandemic the Chancellor announced a £20 per week increase to the standard allowance of Universal Credit, but this vital increase to support was not extended to those on so called 'legacy benefits', the majority of whom are disabled, sick or carers.

Two recipients of Employment Support Allowance (ESA) have challenged this difference in treatment by way of an application to the High Court for judicial review. They argue that is it discriminatory and unjustified. The High Court has agreed it is arguably unlawful and will decide the case later this year.



Despite them having an equivalent entitlement to the 'standard allowance' of UC, simply because they were in a different part of the system, 1.9 million people on ESA have been without this increase, which many have called a 'lifeline', for the last 13 months. Claimants of Income Support and Job Seekers Allowance have also been excluded.

Universal Credit is slowly replacing 'legacy benefits' but the process will not be complete until 2024 at the earliest. In the meantime, those on legacy benefits face all the same financial pressures as those on UC, and yet the Government's Department for Work and Pensions has decided not to treat them in the same way.

William Ford, Osbornes Law solicitor for the Claimants, commented: "This unfairness calls for a properly evidenced justification, particularly as almost 2 million disabled people are disproportionately affected by this decision and the pandemic generally.

"Thus far the Government has failed to provide any objectively verifiable reason for the difference in treatment of people in essentially identical circumstances."

Helen Barnard, Director of the Joseph Rowntree Foundation, who have been campaigning on behalf of legacy benefit claimants as part of their #KeeptheLifeline campaign said: "Everyone should have access to a strong social security system that protects them from harm when they are struggling to stay afloat.

"Disabled people and carers already face a greater risk of poverty, so there can be no justification for offering them less support than people claiming Universal Credit simply because they are in a different part of the system.

"Discrimination has no place in our social security system and every day we fail to act undermines public trust and intensifies hardship. Ministers must right this injustice by urgently extending the £20 increase to legacy benefits."

The full press release by Osbornes Law can be read <a href="here">here</a>

UC and the subsistence benefits it is replacing, all include an allowance for basic living costs (known as the "standard allowance" for UC and the "personal allowance" for ESA, JSA and IS). These basic allowances had been set at the same rate within UC and those legacy benefits for many years. Until January 2021 many of the more severely disabled people on ESA were not permitted to claim UC instead. As a result of the decision to include a £20 a week uplift in UC, the standard allowance for UC is now significantly higher than it is for ESA and the other legacy benefits. But both groups of claimants depend on this allowance to meet their basic needs. To continue to exclude those claiming legacy benefits from the uplift is "risking the establishment of a two-tier social security system" says Francesca Maddison, JRF

### Confusion and stigma: half a million people missing out on Universal Credit as COVID-19 hit

A <u>Welfare at a (Social) Distance</u> study, funded by the <u>Health Foundation</u>, highlights those who were eligible for Universal Credit at the start of COVID-19 but did not claim it – despite often having sharp falls in income and struggling financially.



The <u>report</u> by the University of Salford, working in collaboration with the University of Kent and the University of Leeds, the LSE and Deakin University, Australia, estimates that around half a million (an estimated 430,000-560,000) people who were eligible for Universal Credit during the start of the COVID-19 pandemic did not claim it.

There were many (an estimated 280,000-390,000) people who wrongly thought they were ineligible for Universal Credit. Some people had actively considered applying for benefits and decided they weren't eligible, but mostly people just had a 'sense' that they were not eligible for anything.

There were also a quarter of a million (220,000) people who thought they were eligible for Universal Credit but didn't want to claim it with 59% stating the perceived hassle of applying and the challenge of figuring out if they were eligible the contributing factor to not applying. A further sizeable minority (27%) didn't claim Universal Credit because of benefits stigma.

Since the start of the COVID-19 pandemic, income had fallen amongst a majority of those not accessing Universal Credit and to make ends meet, people relied on savings, friends and family or borrowed from banks.

Nearly half reported severe financial strain – either falling behind on housing costs, not keeping up with bills and debts, or not being able to afford fresh fruit and vegetables daily. A further two-thirds were unable to deal with an unexpected expense like replacing a fridge and more than one-in-six had skipped a meal in the previous two weeks because they could not afford to eat (equivalent to 80,000 people).

Those not taking-up Universal Credit also had worse mental health on average than the general public.

Dr Ben Baumberg Geiger, lead author of the report and a Senior Lecturer at the University of Kent, said: "There are probably about half a million people who are entitled to Universal Credit but do not claim it. These people are largely invisible because the Department for Work and Pensions no longer estimates how many people are affected – something we recommend that they start doing for UC, just as they used to do for other benefits".

"Some of these people say they don't need benefits – but others don't claim because they don't understand that they are eligible, hope that things will get better soon, or are put off by the perceived 'hassle' or stigma of claiming. It is therefore no surprise that many of these people are experiencing poor mental health and financial strain, some of them severely".



**Professor Lisa Scullion** 

Professor Lisa Scullion, Co-Director of SHUSU at the University of Salford and project lead, said: "Overall, the benefits system has responded well to the unprecedented demands which a year of different lockdown measures has brought. However, historic weaknesses remain.

"It is clear that there are relatively high levels of need amongst people who do not claim the benefits that they are entitled to. The Department for Work and Pensions should publish its own 'benefit take-up strategy' for the UK as a whole, aiming to ensure that people can claim the rights benefits as quickly as possible, correct misperceptions about the benefits system, and attempt to address benefits stigma".

Hardeep Aiden, Research Manager at the Health Foundation, adds: "The £20 uplift and temporary removal of sanctions have gone someway to improve the experience of many claimants during the pandemic, but more targeted support and an easing of the conditions for claiming Universal Credit must be implemented.

"This would reduce the stress and anxiety around claiming, helping to improve both mental and physical health among this financially vulnerable group and, crucially, would encourage those who need to claim to do so".

The full report is available **here** 

#### **Greater Manchester Real Living Wage Campaign Update**

At the moment, most of my time is taken up working with partners to develop the Action Plan to make Greater Manchester the first Real Living Wage City Region in the UK.



Following the end of the election period it is anticipated that the Action Plan will be launched and the real work of delivering the vision of GM as a Real Living Wage City Region will begin in earnest. I am working alongside GM Citizens to develop the campaigning strand that will underpin some of the work of the other partners and stakeholders involved in the Action Plan and the Steering Group. This all sounds quite bureaucratic at the moment, and in truth it probably is, but when the plan is launched, we will have a GM Living Wage Campaign Meeting and really begin to see how we, at a local and grassroots level, can make the best contribution to the delivery of this ambitious and exciting vision. Look out for details of the GM Living Wage Campaign meeting in the next few weeks. In the meantime if you would like to know more about the development of the GM City Region Real Living Wage Action Plan or how you can get involved please contact me.

One of the key partners we work with is the Living Wage Foundation, who are responsible for setting the real Living Wage and for accrediting employers. They are working closely with us on the development of the GM City Region Real Living Wage Action Plan and are currently recruiting for someone to work on the GM Action Plan in the North West. The closing date for applications for this position is May 24th, 2021, brief information is provided below and full details are available here



As part of the work that GM Citizens do alongside us to promote and develop the Living Wage movement in Greater Manchester, they are holding a series of four training sessions across May and June 2021. The series will give a theoretical and practical tool-kit for campaigning for the Real Living Wage. More details can be found <a href="https://example.com/here">here</a>.

Best Wishes and Stay Safe.

Greater Manchester Living Wage Campaign Co-ordinator John Hacking
Twitter: @GMlivingwage Facebook: facebook.com/gmlivingwage

The Greater Manchester Living Wage Campaign is a Greater Manchester Poverty Action programme.

#### **Programme Manager – North West England Region**

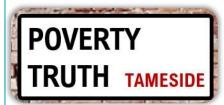
Permanent full-time post Salary: £31,479

Location: North West, preferably Greater Manchester (Remote Available) Closing Date: May 24th, 2021 Interview dates: June 7th/8th 2021



The Living Wage Foundation is looking for a Programme Manager to join their team leading on their accreditation strategy in the North West, with a particular focus on making Greater Manchester a Living Wage City Region. Further information and details on how to apply can be found <a href="https://example.com/here">here</a>.

### **Tameside Poverty Truth Commission Podcast**



GMPA is currently recruiting key civic and business leaders, and people with lived experience of poverty from across Tameside to form the Tameside Poverty Truth Commission. These people, who will meet together on a regular basis over a 15 month period from September/October 2021, will provide new insights to influence and inform policy change in the area.

In GMPA's most recent **podcast**, Director Tom Skinner is in conversation with Fran, Beatrice and Lizzie from the Tameside Poverty Truth Commission about the benefits it will bring for those involved and for Tameside as a whole.

Fran, one of the Commissioners, talks about why she is involved and her hopes for bringing positive change in Tameside through the Commission. We are still recruiting people with experience of poverty to take part and would welcome introductions to prospective Commissioners - please contact **Beatrice** if you are able to help.

You can listen to the podcast here and find out more about the Commission here.

The Tameside Poverty Truth Commission is a Greater Manchester Poverty Action programme.

#### **Charity Shop Gift Card**



The Charity Shop Gift Card will soon be launching in conjunction with the Charity Retail Association. Building on the popularity of sustainable shopping and second hand fashion, the cards will be widely available to the general public but can also be supplied to councils and support agencies as a way of supporting those who are in need of financial assistance.

By adopting the charity shop gift card as a option to support those in need of clothing or household goods, councils and agencies will be able to:

- Ensure more choice and value for money for those who are financially vulnerable;
- Support national and local charity shops recover from the devastating closures and loss of financial donations resulting from lockdowns;
- Offer a sustainable solution to consumerism that will have an impact on environmental challenges;
- Support the local economy and the communities of employees and volunteers that are at the heart of charity shops.
- Benefit from charity shops serving as community hubs where they build relationships amongst locals, signpost to vital services, combat social isolation and promote physical and mental health for to volunteers, employees and customers.
- Promote the benefits of charity shopping to those who are experiencing financial hardship as a more sustainable, long term method of budgeting and money management.

Organisations will be able to bulk purchase the gift cards as evouchers to send to smart phones, or print out for service users.

Vouchers are customisable with your logo, local charity retail partners and redemption type, e.g children's clothes, bed etc and you will be able to set the expiry period for the card such as 1 month, 4 months etc so that any unspent funds on the card are returned to the you. Please visit the <u>website</u> to find out more or contact <u>Sarah Cox</u> if you have an queries.

#### Easyfundraising



The financial challenges faced by voluntary organisations over the past year has been unprecedented and now with the additional costs of making services covid-secure, many will be worrying about funds.

Consider registering your organisation for free with easyfundraising to receive donations when your staff, members, volunteers and supporters shop online with leading retailers. Instead of visiting the retailer's website directly, when they access it via the easyfundraising website or app, the retailer they shop with sends your organisation a free donation. There are over 5,000 retailers willing to give donations, including Amazon, eBay, John Lewis, Argos, Viking, M&S, Boots, Trainline, Just Eat and lots more.

It's a simple way for people to support your organisation, when making their usual online purchases. Register here

#### National Lottery Survey for Black, Asian and Minority Ethnic organisations



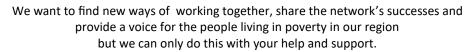
The National Lottery Community Fund (NLCF) in Greater Manchester are working with Black, Asian and Minority Ethnic led organisations to understand how they can make their funding more accessible and inclusive.

Please you take a few minutes to complete a survey launched to help them understand your point of view, whether you have previously applied for funding from them or not. To go to the survey and share your views, please follow this link.

This important survey follows on from a recent 'Meet the Funder' online event with the NLCF, hosted by the Greater Manchester Black, Asian and Minority Ethnic Network.

#### For more information about Greater Manchester Poverty Action

please visit our website, follow us on Twitter or visit our Facebook page.





Copies of previous newsletters are available on our <u>website</u> If you would like to submit an article please get in touch For more information please contact us by email.

NB GMPA does not have full-time dedicated administrative support so please do not expect an immediate response.