

Money and Mental Health submission to the Social Security Advisory Committee's consultation on proposals to move existing claimants in receipt of working age income-related benefits to Universal Credit

Introduction

The Money and Mental Health Policy Institute is a research charity, established in 2016 by Martin Lewis to break the link between financial difficulty and mental health problems. The Institute's research and policy work is informed by our Research Community, a group of 5,000 people with lived experience of mental health problems or of caring for someone who does. Over our first two years, issues with the benefit system have been amongst the topics most commonly raised by the Community. This consultation response has been informed by this powerful lived experience testimony, as well as our wider body of research. Unless otherwise specified, all quotes in this response are drawn directly from our Research Community. In addition to this response, we recommend that the Department reviews our reports *Seeing through the fog*¹ which explores how mental health problems can affect a person's financial capability, and *Access essentials*² which looks at the difficulties that people experiencing mental health problems face in communicating with essential service providers. Both reports are attached to this submission.

Whilst Money and Mental Health has a number of concerns about the wider design and rollout of Universal Credit, we appreciate that this is not within the scope of this consultation. This response therefore sets out the evidence from our research and policy work on how the managed migration system should be improved to meet the needs of people experiencing mental health problems. In recognition of the fact that 36% of the migration caseload will be ESA claimants, and a large proportion will have a disability or health condition, this response considers the adequacy of existing safeguards,³ including provisions within the Universal Credit (Transitional Provisions) (Managed Migration) Regulations 2018.⁴

Summary

Our research suggests that the current managed migration proposals to move claimants from legacy benefits to Universal Credit do not appropriately take account of the additional needs of people with mental health problems, and may cause significant financial hardship and psychological harm as a result. We recommend:

¹ Holkar M. *Seeing through the fog: How mental health problems affect financial capability*. Money and Mental Health Policy Institute. 2017.

² Holkar M, Evans K, Langston K. *Access essentials: Giving people with mental health problems equal access to vital services*. Money and Mental Health Policy Institute. 2018.

³ Department for Work and Pensions. *Explanatory Memorandum for the Social Security Advisory Committee - The Universal Credit (Transitional Provisions) (Managed Migration) Regulations 2018*. 2018.

⁴ Ibid.



- The 'notification period' is extended to three months for all claimants, to ensure that no one is left without financial support as a result of an inability to respond quickly enough or advocate for an extension.
- All elements of the UC system, including offers of support, are accessible through multiple communication channels, including face-to-face, by post, email and telephone.
- Where claims are not started by the deadline dates, a system of reminders, prompts and signposting to multiple channels of support is triggered.
- A significantly longer window is established in which people may trigger a UC claim and preserve transitional protections, to accommodate those who are unable to either claim or request an extension due to their mental health.
- The DWP reviews what arrangements could be made to reduce the gap between final payments of legacy benefits and first payments of UC, without requiring claimants to trade this protection for reduced income in future months.
- The overall design of the managed migration programme should be reviewed in partnership with people with mental health problems, and significant adjustments made to ensure it meets claimants' needs, as required under the Equality Act.

The overall migration timetable

'Qualifying claimants' will be given a minimum of one month to make their new application for UC, with a possible extension of up to three months for people who may be vulnerable or have complex needs.⁵ This is an extremely tight deadline, and assumes that claimants not only receive and are able to open and process the migration notification in a timely way, but that they are able to act on it with relative speed. Given that only just over half of claimants are able to make their application online without additional support, this may rely on the availability of a friend, carer or professional to be able to support at short notice.

Challenges requesting an extension

Whilst it is right that provision has been made for extensions to this deadline, in practice the people who need it most are those most likely to also struggle to apply for this support. The process to arrange an extension is inflexible, relying primarily on telephone or face to face communication, and on people's ability to articulate their needs and advocate for themselves. Our research found that more than a third (37%) of people with mental health problems report serious difficulty dealing in person with essential service providers, and over half (54%) have serious difficulty using the telephone. As a result, making a telephone call to the UC Service Centre, or making and attending a Jobcentre Plus appointment to request an extension may be extremely problematic.

"I find it extremely difficult to hold a conversation on the telephone and retain enough information."

"When I'm bad I need help to go out, let alone talk with people."

⁵ Ibid.



Negotiating extensions also relies on a person's insight into their own mental health problems, and motivation to do something about it. Many people have limited insight into their own mental health, which can lead to a lack of awareness of their personal and financial situation and an inability to either ask for an extension or explain why one may be required. A lack of motivation is also a common symptom of mental health problems, leaving people lacking the will to take part in even enjoyable activities like eating or hobbies; finding the motivation to navigate a bureaucratic process can be practically impossible.

"I was actually going downhill over probably quite a long period of time, but I was unaware of it. I wasn't accepting help from my friends or family who may have been offering it, who may have been aware."

The 'notification period' should be extended to three months for all claimants, to ensure that no one is left without financial support as a result of an inability to respond quickly enough or advocate for an extension.

All elements of the UC system should be accessible through multiple communication channels, including face-to-face, by post, email or telephone, to ensure that those who struggle with particular channels are not left without access.

Arrangements for contacting claimants and inviting claims from them

Under managed migration, 'qualifying claimants' will be provided with written notification that their existing benefit is being terminated, informing them of a timescale to make their UC claim, and a deadline date for legacy benefits to end. The use of this single communication channel to make claimants aware of the change presents a major concern.

Our research has found that many people experiencing mental health problems struggle to open their post, with 17% saying that they find their post distressing or difficult to engage with, compared to 9% of people who have never experienced mental health problems. Fear of what's inside letters, or a lack of interest or motivation caused by poor mental health, can mean that post piles up, and opening letters can become a major barrier to accessing essential services like benefits.

"Like lots of people when they're mentally unwell, I didn't open my post for months, so there were things, automatic renewals happened without any checking, or they didn't happen... Everything just drifted."

"If he received any letters regarding benefits or the bank, he would just tend to open it and then not do anything with them." (Carer)



The default that legacy benefits will cease if no contact or registration of a claim has been received from a qualifying claimant makes no allowance for people who are unwell and unable to open or respond to their post. Instead the reliance on these letters disadvantages a group of people who are likely to be particularly unwell. This straightforward design flaw is a major concern, and means that the first time many people may be aware of the managed migration process is when their legacy benefits stop - catapulting them into severe financial difficulty.

All managed migration notification letters should contain clear and prominent signposting to support services.

Where claims are not started by the deadline dates, a system of reminders, prompts and signposting to multiple channels of support should be triggered.

Issues associated with making a claim and ending legacy benefit claims

Even for those who do manage to open the post and read the migration notice, the cognitive and behavioural changes that can accompany many mental health conditions may mean that registering a claim within this tight timeframe is unrealistic.

“When I have “bad days” then I cannot focus, concentrate, learn or take in things, whether it is standard Terms & Conditions, contracts, “small print”, or complicated financial/jargon-filled information. People can repeat it, but it will not sink in.”

Mental health conditions can affect a person’s cognitive abilities and behaviours, including:

- their ability to think clearly and with clarity
- their perception and judgement of situations and events
- their attention span and ability to concentrate
- and their memory and recall

The steps involved to register a UC claim are complex, including:

- Gathering relevant documents and information
- Calculating income and expenditure
- Using the internet
- Navigating the application process

Each of these steps requires a high degree of executive functioning, including the ability to hold and process multiple pieces of information at the same time, ability to plan and problem solving skills that a person experiencing mental health problems may not be able to exercise. Cognitive abilities can fluctuate according to a person’s mental health condition, with capabilities changing in a matter of hours or days as people navigate the different stages of the application process.⁶

⁶ Holkar, M. Seeing through the Fog. Money and Mental Health Policy Institute. 2017.



“I had to register for Universal Credit this week. The adviser huffed and puffed at being asked to repeat things, would not give me the info in writing and was unhappy that I had to ask her to wait whilst I wrote it down... The new rules, sanctions, varying figures for different things that you do or don't do are really complicated. I was basically treated like an "imbecile" and my lack of understanding was mainly due to my mental health.”

Online forms

Internet-based applications can pose a problem where access to the web is limited, although in practice only 7% of claimants did not have access to the internet either at home or on a mobile. However, focusing solely on the issue of internet access ignores the problems presented to many people by online forms, and the skills required to successfully navigate these. Six out of every ten (59%) claimants with a long term health condition said that they needed more support with setting up their claim.⁷

“You have a limited window, then you have the cognitive impact of everything as well as the depression. It's just long, complex forms with lots of information, requiring you to chase round everybody to get more evidence. It just doesn't happen.”

Having the necessary digital skills to complete the form is only the first stage. Gathering the 14 pieces of personal information needed, of varying degrees of complexity ranging from more straightforward postcodes and telephone numbers, to details of investments and capital, and housing, benefit and health details, can be a particular challenge when people are unwell. A claimant is then encouraged to verify their identity through online systems, which requires another process of evidencing identity and registering and remembering unique passwords. This process again includes navigating complex menus and systems, while reading and taking in lengthy written information.

Making and keeping appointments

Having successfully navigated these first two hurdles, qualifying claimants are then required to make a telephone call to the Universal Credit Service Centre to make an appointment with the Jobcentre Plus to see a Work Coach. As established above, many people with mental health problems struggle to use the telephone, yet according to the DWP website this is the only means of making this appointment.⁸

Other people may struggle with the face-to-face nature of the appointment itself, particularly as it is likely to involve discussing heavily stigmatised issues. Mental health problems can fluctuate in a matter of hours or days, so while a person may have booked an appointment while relatively well, when the day arrives they may simply not have the skills or capability to attend this appointment.

⁷ Department for Work and Pensions. Universal Credit Full Service. 2018.

⁸ Understanding Universal Credit. Making a claim.

<https://www.understandinguniversalcredit.gov.uk/making-a-claim/your-jobcentre-appointment/>. (last accessed 17/08/18).

“My ex-girlfriend pulled me to the appointment, I was hallucinating, and she took me to the appointment, otherwise, I’d not have gone and so would not have had any of that.”

At this appointment a person is required to provide key pieces of documentation, including passports, driving licences, immigration status documentation, tenancy agreements, wage slips and bank statements. Gathering this information may prove to be overwhelming to a person who is unwell with mental health problems.

Under the managed migration proposals, many people will be forced to navigate these systems and migrate from legacy benefits to UC when they are unwell. Whilst provisions have been made to accommodate people’s health needs and to postpone or cancel deadline dates, the responsibility to negotiate this concession is on the individual claimant, who when unwell may not have the capability, skills or motivation to articulate and advocate for themselves.

There are many manner of reasons as explored why a person may not successfully register a UC claim upon notification request, or may not do it in time, or may not be able to contact the UC Service Centre to request an extension. People experiencing mental health problems need a benefits system that does not by default assume that not registering a claim is evidence of not needing to claim. Given that over a third (36%) of claimants subject to managed migration are ESA claimants, and as such have some disability or health condition, it is reasonable to assume that most claimants of legacy benefits require their benefits to continue in whatever form, legacy or UC. Despite safeguards being in place, the default remains that legacy benefits are terminated if a person falls at one of these many hurdles. As a result, this is not a process that adequately meets the needs of people experiencing mental health problems.

The gap between final payments of legacy benefits and first payments of universal credit
For many people with mental health problems, budgeting is difficult. The evidence is clear that managing money, planning for the future or weighing up the complicated information needed to make a budget can be harder in a period of poor mental health. The transition from weekly or bi-weekly legacy benefit payments to monthly UC payments is already likely to be a source of considerable stress and financial difficulty for many people.

In addition to this, most claimants making a new UC claim will have to wait at least five weeks for their first payment, often causing serious financial hardship. A recent report from the National Audit Office revealed that eight or nine months into their UC claim, four in ten claimants were found to be falling behind on bills or in real financial difficulty.⁹ Over half of claimants had needed to find money from elsewhere over the last three months to make ends meet – often borrowing from family and friends, taking an advance on future benefits claims, or using an expensive overdraft.

“I had my benefits stopped for a while on three occasions and I needed help from the food bank.”

⁹ Department for Work & Pensions. Rolling out Universal Credit. 2018
contact@moneyandmentalhealth.org



This should be understood in the context of the financial lives that people already lead, with people with experiencing mental health problems already significantly more likely to be in debt, less likely to feel able speak out and ask for help, and more likely to be reliant on higher cost or more informal credit. While some people may be able to borrow from family or friends in these difficult circumstances, our recent research shows that this sort of informal lending, often undertaken by people with few other options, is a potential risk factor for abuse and wider relationship difficulties.¹⁰ Budgeting advances are available, but these leave people with less to live on for the subsequent 12 month period over which they need to repay it, often facing further hardship as a result.

“Gradually I was running out of money and running out of ways to raise money, through selling everything off to try to pay my way.”

If it is not possible at this stage to simplify the application process, claimants must be offered support through a range of channels to assist with registering their UC claim.

It is reasonable to assume that the vast majority of legacy benefit claimants will be in need of UC. Transitional protection should not therefore be lost if claimants fail to trigger a UC claim within the notification period. A significantly longer window should be established in which people may trigger a claim and preserve transitional protections, to accommodate those who are unable to either claim or request an extension due to their mental health.

The DWP should review what arrangements could be made to reduce the gap between final payments of legacy benefits and first payments of UC, without requiring claimants to trade this protection for reduced income in future months.

Equality impact - are there any groups that will not be covered by transitional protection?

We agree with the need for transitional protection. People with mental health problems are already more likely to be living on low incomes or unemployed, with fewer resources to draw upon and more limited access to mainstream credit. A further income shock caused by a change in the level of benefits payments can have significant consequences, particularly for people who are struggling to budget or manage their money, as evidenced above.

However, we are concerned that many people with mental health problems will not be covered by transitional protections as they will lose their eligibility as a result of being unable to read or respond to the migration notification within the allocated time. It is also true that many people living with mental health problems have never received a diagnosis or any support, and are

¹⁰ Braverman R, Evans K and Holkar M. Informal borrowing and mental health problems. Money and Mental Health Policy Institute. 2018.



unaware that they have a condition that would qualify them for some additional help with this process. As a result, many people will not be able to effectively request an extension to the notification period, request support with the process or evidence an additional need to make them eligible for help, risking the loss of their transitional protection as a result. This leads us to conclude that the threat of loss of transitional protection for those who do not make a new claim by the deadline date is unjustifiably harsh. Given the high proportion of people in receipt of legacy benefits as a result of their mental health, and the comorbidity between mental and physical health problems, it should be expected that prevalence of mental health problems amongst the managed migration cohort is going to be high. It is therefore reasonable to expect that processes will be designed accordingly.

We recommend that the SSAC draws the Department of Work and Pensions' attention to its responsibilities under the Public Sector Equality Act Duty to meet the needs of people with protected characteristics, which includes many people with mental health problems. The managed migration proposals do not currently contain adequate reasonable adjustments to reliably meet the needs of claimants living with mental health problems, and risk causing significant financial and psychological harm as a result.

The overall design of the managed migration programme should be reviewed in partnership with people with experience of mental health problems, and significant adjustments made to ensure it meets their needs, as required under the Equality Act. Wherever possible these adjustments should follow the principles of Universal Design, building systems that accommodate those with the greatest needs, rather than requiring disclosure in order to access necessary support.

“We are getting more and more people saying [their mental health crisis is] because of the benefits process at the moment. It's just too much for them. They just have breakdowns, really, trying to cope with what's being asked of them.” - Interview with a mental health crisis professional