



Fife Centre for Equalities  
Equality Briefing:  
Welfare Reform 2017-2018 Impact on Equality



## Welfare Reform and Universal Credit – Equality Briefing

The move to Universal Credit (UC) has been the most visible aspect of Welfare Reform in 2017-2018 and changed the benefits system by bringing together:

- Housing Benefit
- Child Tax Credits
- Working Tax Credits
- Income based Job Seekers Allowance
- Income-based ESA
- Income Support

UC is an online system that give a claimant the choice between being paid either monthly or twice monthly; and have the housing costs in their award of Universal Credit paid direct to their landlord. This is selected in the Universal Credit online account, and you will be offered them following the first payment, along with further information.

Alternative Payment Arrangements, where housing costs are paid directly to the landlord can be put into place with agreement from DWP.

***Note:** If you have set this up, we would like to hear from your experiences on how easy this was to set up and if it had an impact on your (or your service user's) financial security, including effect of the 6 week delay between claim and UC payment.*

This briefing summarises information from a range of sources that are dedicated in welfare advice and highlights the equality issues that have been raised. Due to the constantly changing nature of the reform in benefits, it is published as a working document and will be available and updated online at:

- [FCE Welfare Reform Impact on Equality](#)

## Key points

### Impact on Equality Groups

The [EHRC \(2017\) interim report](#) and the [Scottish Government \(2017\) Welfare Reform Report](#) highlight the following groups of people with protected characteristics that will significantly adversely impacted by the reforms:

- **Ethnic minority households**, with average losses for Black households about 5% of net income – more than double that for White households.
- **Households with one or more disabled members**, will be significantly more adversely impacted than those with no disabled members. Tax and benefit

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changes on families with a disabled adult will reduce their income by about £2,500 per year; if the family also includes a disabled child, the impact will be over £5,500 per year. For non disabled families, this is estimated at £1,000.

- **Disability and ESA assessment process** is criticised from both claimants and advocacy organisations, and reassessments from **DLA to PIP** have resulted in a number of people receiving no award or a reduced award. 57% of those reassessed from DLA saw no change to their award, or had their award increased.
- **Lone parents lose around 15% of their net income on average**, losses for all other family groups are much smaller, from nothing to 8%. **Lone parents** – who are mostly women that are reliant on many low income benefits are a big factor in this.
- **Women lose more than men from reforms at every income level**, on average women lose around £940 per year on average, men lose £460
- **Men and Young People** have been noted as marginally more likely to be sanctioned, e.g. by removal of default entitlement to housing element of Universal Credit.
- The biggest average losses by age group are experienced by the **65-74 age group at around £1,450 per year**, and the **35-44 age group with average losses of around £1,250 per year**.

## Welfare Reform Timetable: 2018 onwards

The (UK) timetable of planned Benefit changes for 2018 has been detailed by the third sector organisation Turn2Us on at: [Benefits Changes 2018](#). Please note that both the Scottish Government and Fife Council are mitigating several of the changes happening at UK level and

Upcoming dates / planned changes:

- **January 2018: Universal Credit Advance**  
From January 2018, the amount a claimant could receive from an advance payment of Universal Credit will increase from up to 50% of their estimated entitlement to up to 100%. Claimants will be able to receive an advance payment within five days of applying. The period in which the advance is recovered will be increased from six months to 12 months
- **February 2018: Universal Credit**  
From February 2018, the government will remove the seven-day waiting period for Universal Credit, so that the claim starts from the date of application. This means that if Universal Credit is paid on time, claimants will wait five weeks for their first payment instead of six weeks.

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- **April 2018: Support for Mortgage Interest (SMI) payments**  
From 6 April 2018, Support for Mortgage Interest will no longer exist as a benefit for new or existing claimants. Claimants will instead be invited to apply for a loan if they want to continue to be supported. Loans will be repaid upon the sale of a claimant's house; or on a claimant's return to work if the borrower can afford it.

## Fife Resources, Help and Advice

### Fife Council

- [Guide to Universal Credit](#), September 2017
- ['Keeping your Full Benefit Payment'](#)
- ['Changes to Benefit Caps'](#)

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### Third Sector

- Fife Voluntary Action  
[Universal Credit Full Service Briefing Paper, October 2017](#)
- CARF / Citizen Advice Scotland  
<https://www.citizensadvice.org.uk/scotland/benefits/universal-credit/>  
Welfare benefits phonenumber: 0345 1400 092

### Scottish Government

Scottish Welfare Fund

- [Crisis Grant](#) – if you've been in an emergency that risks health or safety
- [Community Care Grant](#) – to help you or someone you care for to start to live, or to carry on living, outside of care

Other/National:

- [Scotland's Financial Health Service](#) – find information and advice on debt, managing money, housing, homelessness and ethical lending
- [National Debtline](#) – get free, confidential and independent debt advice on 0808 808 4000



- [Money Advice Scotland](#) – find details of agencies that give independent financial advice

If you have any concerns or difficulties in accessing to Universal Credit and think this may be due to a protected characteristic, do not hesitate to contact us.

**Contact us:**

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Tell us about your community concern online at:

<https://centreforequalities.org.uk/support-and-advice/community-concerns/>



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