

**Universal Credit Inquiry**  
**Public Accounts Committee**  
**July 2018**

Written evidence submitted by Fife Centre for Equalities

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Fife Centre for Equalities (FCE) welcomes this opportunity to respond to the Public Accounts Committee to the Universal Credit Inquiry. This written submission focusses specifically on the equality issues faced by claimants in the rollout of the programme.

## **Summary**

### **1. Assessing impact on equality and human rights**

FCE is concerned that the Equality Impact Assessments that may have been of use to parliamentarians on the implications of Universal Credit did not go into sufficient detail in the assessment of the financial welfare of claimants in the transitional stages the programme. This is in regards to administrative change, with the individuals' circumstances remaining the same.

### **2. Example of income different across UC and ESA for a disabled person**

In transition from full ESA to UC, a worked example shows a loss of up to £67.70 per week for the same set of conditions. This raises the question of equality of treatment between new claimants and existing claimants, for the same set of protected characteristics.

## **Written submission by Fife Centre for Equalities:**

### **1. Assessing impact on equality and human rights**

1.1. The Equality Act 2010 Public Sector Equality Duty (PSED – Section 149<sup>1</sup>) requires those carrying out public functions, including Government departments and Ministers, to have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations.

1.2. While the socio-economic component of the Equality Act 2010 (Section 1<sup>2</sup>) had not been introduced at the formulation off the Universal Credit programme, the financial welfare of claimants should still be considered under the PSED.

1.3. We point out that the Equality Impact Assessments of the Universal Credit programme (DWP (2011) UC Equality Impact Assessment<sup>3</sup>) may have gone into more details in exploring the impact on the financial welfare of claimants in transiting to the new programme.

1.4. The assessment points that:

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<sup>1</sup> <https://www.legislation.gov.uk/ukpga/2010/15/section/149>

<sup>2</sup> <http://www.legislation.gov.uk/ukpga/2010/15/part/1>

<sup>3</sup> <https://www.gov.uk/government/publications/universal-credit-equality-impact-assessment>



*“transitional protection arrangements the Government will put in place will mean there are no cash losers as a direct result of the move to Universal Credit where circumstances remain the same” (p12, para 39).*

- 1.5. FCE considers that notwithstanding the issue of loss of cash, that Equality Impact Assessment ought also to take into account the *timing* of transitions on individuals welfare.
- 1.6. The local authority rolling out the UC programmes (Fife Council) had already announced their opposition<sup>4</sup> to the timing of the rollout of Universal Credit, due to the 6 week wait for the first payment to come through. This was due to fall over the festive period where financial pressures are at their peak.
- 1.7. Fife Council put in place several measures to alleviate this, however the issue of due regard in assessing all dimensions of impacts on individuals still remains out concern.

## **2. Example of income difference across UC and ESA for a disabled person**

- 2.1. Statistics relating to local uptake of the full service, real-time information, claimant and sanctions are better reported by the relevant organisations. FCE conducted in-depth interviews with service users of local Citizen’s Advice, Job Clubs and other third sector organisations. We noted the recurring issues faced by disabled people and report here a specific ‘problem’ case for the Public Accounts Committee to consider in the execution of Universal Credit.
- 2.2. Taking into consideration two distinct benefits checks, with claimants’ circumstances identical and both assessed as being in the Work Related Activity Group in relation to the work of capability assessment for ESA and UC.
- 2.3. Both claimants receive PIP Daily Living components at the standard rate, live alone and no one is claiming Carers Allowance in respect of them. The only difference is Person A is on ESA, Person B is on UC.
- 2.4. Their difference in benefits is £67.70 per week<sup>5</sup>, with represents a substantial amount for people living in or close to poverty. Below outlines their situation:
- 2.5. Person A:

Is aged 25, does not work and in in the main phase of ESA and receives DLA/PIP(Care/Daily Living Component) of £55.65. The claimant is liable to

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<sup>4</sup> [Universal Credit rollout - what's happening across Fife. \(11 Oct 2017\)](#)

<sup>5</sup> Please note these are April 2018 figures, the gap stills remains with the annual increase. Calculations are relevant in a local context. For a full breakdown of figures and calculations under ESA, HB and CT, please contact us. Example supplied with thanks to CARF.



pay £72 per week rent and £11.11 council tax. Benefits total to £303.36.

Person B:

Is aged 25, does not work. The claimant has LCW in the main phase (work related activity group with transitionally protected LCW element). The claimant received DLA/PIP (Care/Daily Living Component) of £55.65. The claimant is liable to pay £72 per week rent and £11.11 per week council tax. Benefits total to £235.66.

2.6. Their difference in benefits is £67.70 per week<sup>6</sup>, which represents a substantial amount for people living in or close to poverty.

2.7. FCE is concerned with equality of treatment between new claimants and existing claimants, for the same set of protected characteristics.

### **3. Conclusion**

In addition to the points made above, FCE highlights the importance of extensive impacts assessments, which ought to be refined and re-evaluated through transparent feedback mechanisms. This can assist Parliamentarians in scrutinising and challenging the impact of Universal Credit in real life situations.

#### **About Fife Centre for Equalities.**

Fife Centre for Equalities (FCE) was established in April 2014, funded by Fife Council, to work with partners to develop more inclusive and responsive services for people in Fife, and to build a positive picture of Fife's modern and diverse population.

FCE became an independent body on 1 July 2016 and continues to work in partnership to develop a more harmonised approach in engaging different equality groups as well as supporting partners to improve their performances in meeting their duties under the Equality Act 2010. FCE is a charity (SC 046683) and a company limited by guarantee (SC 536028) registered in Scotland.

Find out more about FCE at: [centreforequalities.org.uk](http://centreforequalities.org.uk)

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<sup>6</sup> Please note these are April 2018 figures, the gap stills remains with the annual increase. For a full breakdown of figures and calculations under ESA, HB and CT, please contact us.

