Baroness Sheila Hollins speech

My Lords, there are winners and losers in life. Usually it is those who already have most who are the winners, perhaps because they are better able to advocate for themselves, and also because their needs are better understood in government. I am particularly concerned about two groups of disabled people who often lose out: people with learning disabilities and people with fluctuating mental health problems. I want to ensure that the welcome introduction of universal credit is adequately sensitive to their needs, and that they will gain from the changes.

Many mental health charities, including the Royal College of Psychiatrists, of which I am a past president, are concerned about a number of aspects of the Bill. It needs to be considered alongside other new legislation, the effects of which may be cumulative. I am thinking, for example, of the Localism Bill and the debate about housing tenancies. The Welfare Reform Bill has a heavy focus on increasing the use and severity of conditionality and sanctions. Mental health charities believe that this will be ineffective and potentially damaging for many people with mental health problems and learning disabilities. They fear that it could exacerbate the problems and have huge knock-on costs for health and social care services.

It is vital that mental health is a key consideration in the welfare reform process. Up to 40 per cent of all claimants are claiming primarily because of mental health problems. Many more experience mental health problems alongside physical illness or a disability such as a learning disability. The health and recovery of an individual must remain a focus when considering appropriate employment opportunities, because some work may be conducive to mental health and other work detrimental to it. The Bill proposes a one-year time limit on contributory employment and support allowance. However, this takes no account of the often complex issues that disabled people need to address in preparing for and finding work. The Disability Benefits Consortium makes a good case for the removal of the time limit. I understand that the Department for Work and Pensions has estimated that the vast majority of those on ESA and in the work-related activity group will take longer than a year to find work. Despite the Minister’s introductory comments about people being able to move back on to universal credit quite easily, I remain unconvinced about the wisdom of the time limit.

I will explain my concerns further by giving two examples. The first concerns those with mild learning disabilities who achieve some independence from their parents and who, despite a lack of educational qualifications and limited literacy and numeracy, may be found fit for work and put in the work-related activity group. However, it is notoriously difficult for people with a learning disability to find work. Only 7 per cent of those known to social services are in employment. The paradoxical worry is that if they are found fit for work, they could lose their independence. This is a concern that I have had much correspondence about.

What about someone with a mental health problem? A person with a mental illness may be more likely to obtain employment after a period in the work-related activity group than a person with learning disabilities, but the recurring nature of their condition may make it harder for them to stay in employment. People with less severe mental impairments can often derive huge benefit from relatively minor financial assistance. Focusing resources only on those with the most substantial and tangible impairments may seem intuitively acceptable, but the risk is that many with less obvious or less severe impairments will lose benefits which have helped to prevent relapse or social deterioration.

Understanding the variable impact of fluctuating conditions in mental health is important when considering each individual’s eligibility for benefits. For example, one person with a mental health problem may find that for part of the time at work, their mood is low, that at other times they cannot concentrate or may be irritable, or that they may have to withdraw from their work setting...
to deal with auditory hallucinations. None of these experiences on their own may be severely incapacitating, but together they could be sufficient to affect their overall functioning in the workplace. There are real concerns about Jobcentre Plus and Atos assessing staff’s knowledge and understanding of mental health conditions. Can the Minister reassure the House that staff will have sufficient training in mental health?

Around 40 per cent of current decisions from the work capability assessment are being overturned on appeal. We could ask whether this is the fault of the appeals process or, perhaps more likely, of the original assessment? I appreciate the intent to remove benefits from people who are not genuine claimants, but reports are emerging of a lack of sensitivity for claimants with mental health problems, learning disabilities or autism when undergoing assessment for eligibility for benefits. Raising people’s employment aspirations now needs to be met with genuine opportunities for such individuals. This will require substantial efforts to address discrimination and stigma in recruitment and in the workplace.

You can imagine how difficult it is to accurately to predict the sustainability of a work placement. Will the companies winning tenders to support individuals into employment, such as those that I have described, have a sustainability clause built into the contract? Without a commitment to sustainability, I think that the Government will find that this policy will prove to cost more in the longer term.

The Bill also looks to introduce regulations laying out how housing benefit costs can be integrated into the universal credit and how mortgage costs would be covered. Until recently, support for mortgage interest, the housing cost payment that people could receive under certain circumstances, enabled individuals with a learning disability, for example, to buy a property via the HOLD scheme-home ownership for people with long-term disabilities. Mencap is aware of around 1,000 people with a learning disability who have so far bought their homes through this route, but since last October this has in effect been closed down. I have brought to the attention of the Minister one case of a man with autism—there is no time to describe his circumstances—but the support for mortgage interest payment needs to continue to be available in the long term for those on income support or the equivalent under universal credit. I would welcome the Minister’s assurance that the regulations will address this.

I urge the Government to think very carefully about the impact of these proposed reforms on the wealth of some the most vulnerable in our society. My concern is upheld by the recent Institute of Fiscal Studies report which shows that the effects of the reforms will hit the poorest in society the most.