

Comments of the United Kingdom of Great Britain and Northern Ireland on the report of the Special Rapporteur on extreme poverty and human rights

1. The UK Government thanks the Special Rapporteur on Extreme Poverty and Human Rights for this opportunity to respond to his report on his mission to the UK in November 2018. We are proud of our social safety net, alongside our National Health Service and our world-class education system.
2. We regret the inflammatory language and overtly political tone of this report, and strongly refute the claim that the design and delivery of welfare reforms, including Universal Credit (UC), are deliberately punitive. We see UC as a much-needed and positive reform, replacing what was a failing system.
3. Tackling poverty will always be a priority for this government. A sustainable long-term solution needs a strong economy and a benefit system that works with the tax system and the labour market to support employment and higher pay. To help achieve that, we are undertaking the biggest welfare reform programme for a generation. It is working. The employment rate is at a record high (76.1%), and growth in employment rates has overwhelmingly benefitted the poorest 20% of households. Wages are outstripping inflation and rising at their fastest rate in a decade, and our National Living Wage is among the highest in the world.
4. We have also increased the generosity of benefits in recent years, including:
 - Reducing the taper rate from 65% to 63% (Budget 2016)
 - Removing 7 waiting days (Budget 2017)
 - Two-week run on of Housing Benefit (Budget 2017)
 - Increasing work allowances by £1,000 (Budget 2018)
 - Two-week run on of JSA, ESA and Income Support (Budget 2018)
 - Reduction of debt deductions from 40% to 30% (Budget 2018)
 - Scrapping retrospective element of 2-child policy (January 2019)
5. This Government wants to give everyone the opportunity to succeed rather than being trapped on benefits. Budget 2018 announced a £4.5bn investment that will, make a huge difference to the lives of working families and provide extra support for people moving onto UC. The Spring Statement affirmed that public finances were on a sustainable footing and set out Government's ambition to end low pay. We remain committed to tackling poverty, making work pay and creating a welfare system that's fair to all.

Measuring Poverty: Recommendation A and B

6. Measuring poverty is complex. There are different measures to assess people's living standards, including relative low income, absolute low income, and material deprivation. Each has strengths and weaknesses. Having several measures allows the most appropriate measure to be used. For example, relative poverty is useful when looking at whether groups are keeping up with the middle of the income distribution, whereas the absolute

poverty line moves with inflation, providing a better measure of how the income of those on low incomes compares with the cost of living.

7. The measures in the Households Below Average Income series include relative and absolute poverty and are similar to those produced across EU and OECD countries. There is a statutory commitment to report these annually.
8. Additionally, the Department for Work and Pensions (DWP) reports on nine indicators to track progress against the 'root causes' of poverty, such as parental worklessness and poor educational attainment. The GCSE attainment gap between disadvantaged pupils and others has narrowed by 9.5% since 2011 and the proportion of children in workless families is at an all-time low of 9.9%.
9. New experimental statistics to measure poverty will be developed, and published by DWP in 2020, with analysis based on the work undertaken by the Social Metric Commission's (SMC) which was presented in the SMC 'A New Measure of Poverty' report last year.

Food Security

10. To improve statistics on household food security, DWP introduced several new questions into the Family Resources Survey in April 2019. The new data will provide information on families experiencing food insecurity, allowing us to investigate drivers and identify groups most at risk. The new questions follow a well-established and internationally recognised methodology, used in the US Adult Food Security Survey Module. The first results will be available in Spring 2021.

Welfare Reforms: Recommendation D, F, G, H and I

11. Reforms to the welfare system were implemented to help people into work, support those in need, and be fair to everyone paying for it.
12. Evidence shows that employment provides the best opportunity to escape poverty and move towards financial independence. Adults in workless families are around 4 times more likely to be in poverty than those in working families. Children in workless households are around 5 times more likely to be in poverty after housing costs than those where all adults work.

Benefits System

13. The UK Government had to take decisive action to respond to the challenging fiscal position following the 2008 financial crisis. It introduced several measures to ensure fairness in the benefits system, incentivise work and return towards fiscal balance.
14. The four-year benefit freeze was introduced at a time when benefits were outstripping earnings growth. The Chancellor has made clear that we do not intend to extend the freeze when it ends in April 2020.
15. The policy limiting benefits to two children per family is about fairness: working families don't see their wages increase with each new child and it's right that families on benefits make similar financial decisions. However, certain groups are exempt from the policy, including households with children who are adopted, or being cared for as part of a friends-and-family caring arrangement. No family that was claiming for a child before the policy limiting benefits to two children per family was introduced, will have associated benefits removed. Child Benefit, moreover, is not subject to the above policy.
16. The national benefit cap of £20,000 is equivalent to gross family earnings of around £24,000. People on Universal Credit (UC) earning above £569 a month are exempt from the cap, providing a clear incentive to move into work. Households receiving disability benefits, entitled to Carer's Allowance, or Guardian's Allowance are also exempt. This fairness of the policy is recognised by the general public: 73% support it.
17. DWP commissioned the National Centre for Social Research to examine the new lower, tiered benefit cap. This will form part of the overall benefit cap evaluation, alongside DWP analysis of capped households, quality assured by the Institute for Fiscal Studies. We anticipate publishing the findings later in 2019.
18. The removal of the Spare Room Subsidy in 2013, for all working age Housing Benefit and UC claimants who are under-occupying social housing, aims to reduce housing support expenditure, better use social housing stock, strengthen work incentives, and align with size criteria rules in the private rented sector.

Universal Credit

19. UC replaces six outdated and complex 'legacy' benefits with one monthly payment that incentivises work. Since the 2016 Autumn Statement, we have invested an additional £1.6bn annually in improvements to UC, which will be £2bn a year more generous than the previous system. Universal Credit is designed to be accessible to all; for those for whom online engagement is not appropriate, alternatives are available.

20. We have no plan to change the UC assessment period. The assessment period and payment structure mirrors the world of work. Currently around 70% of tax credit claimants are paid monthly or four weekly.
21. UC payment cannot be awarded as soon as a claim is made, as the assessment period must finish before the award is calculated. Assessment periods allow for UC awards to be adjusted monthly, so if a claimant's income falls, they do not have to wait several months for their award to increase.
22. Payment timeliness has improved, with around 85% of new claims paid in full and on time. Any partial payment will be because verification is still needed. (e.g. of housing costs or self-employed earnings)
23. Advance payments are available to all who need support until the first payment of UC is made, and can be paid the day it's requested. The repayment time is 12 months, and will be extended to 16 months from October 2021. Work coaches and claimants work together to ensure that repayments are affordable and manageable.
24. Alternative Payment Arrangements can be considered at any point during the UC claim, including direct payment of rent to private landlords, more frequent payments, and split household payments. As announced in January 2019, we are testing how we can improve more frequent payments for new claimants.
25. Universal Credit is transformational, in that it enables us to support people already in work to improve their earnings. In September 2018, we published findings from our large-scale In-Work Progression Randomised Controlled Trial (RCT) on gov.uk. This covered an early cohort of 30,709 working UC claimants and tested different frequencies of work coach support and mandatory activity agreed between work coach and claimant.
26. Building on the RCT, we're working to further improve the evidence about what works best to support people to progress. We are developing a programme of activity, to include research, analysis, and trials; and working across Government to develop a more strategic, joined up approach.

We are committed to helping parents into work and recognise that childcare costs can affect parents' choices. Under Universal Credit, working families can claim back up to 85% of their childcare costs each month, and can claim up to a month before starting a job. For families with two children this could be worth up to £13,000 a year.

Work Coach Training, Conditionality and Sanctions

27. Work Coaches receive comprehensive training to ensure they deliver tailored support. Under UC Full Service, all Work Coaches undertake mental health training and DWP introduced the externally recognised UC Work Coach accreditation.

28. Awareness training on the identification of claimants with complex needs is ongoing. A 'hub' of information which focuses on claimants with complex needs including victims of domestic violence is available to all staff, with a named single point of contact at each site.
29. By summer 2019, we will have implemented domestic abuse specialists in every Jobcentre to further raise awareness of domestic abuse, and support work coaches.
30. From Summer 2019, DWP will run a Proof of Concept (PoC) for a general policy that conditionality will not be imposed on claimants before their Work Capability Assessment, and those assessed as having Limited Capability for Work. Work Coaches will consider each case to decide whether to follow the general policy, or impose relevant work-related requirements.
31. DWP has announced that it will reduce the maximum duration for a single sanction from three years to six months.
32. DWP will run a series of PoCs to test giving claimants a written warning instead of a sanction when a claimant first fails to attend an appointment without good reason.
33. DWP will also evaluate the effectiveness of UC sanctions in supporting claimants search for work and publish the results in Summer 2019.

Local Government Funding: Recommendation E

34. The Local Government Finance Settlement included extra funding for local services. Councils were given access to up to £4bn more dedicated funding for Adult Social Care in 2019-20, and Government will publish a Green Paper on Adult Social Care ensuring the social care system is more sustainable long term. Core Spending Power is forecast to increase from £45.1bn (2018-19) to £46.4bn (2019-20).
35. The national Troubled Families Programme, which supports families facing complex, interconnected problems, has committed up to £920m for local authorities and partners since 2015.
36. The Spending Review (SR) will decide the overall amount of funding for local government. The Chancellor's Spring Statement 2019 noted that the upcoming SR will "reflect the public's priorities between areas like social care, local government, schools, police, defence and the environment." Decisions on relative needs and resources will be taken in context of the SR.

Disadvantaged Groups: Recommendation C and J

37. The Government's objective is to help individuals into work. However, for those facing particularly severe barriers or with complex needs, the initial focus is on achieving the wellbeing and stability needed, rather than on moving directly into work.
38. We publish equality analyses alongside all major policy decisions, including UC (as legislated in 2012) and all UC policy changes. We have reservations about using cumulative analysis of the impact of tax and spending decisions on vulnerable groups. This often requires unreasonable assumptions about income sharing, and it is difficult to include the value of public spending on benefits-in-kind, presenting a partial and misleading picture of Government policy.

Women and Children

39. Numerous Government policies support women and children. For example:
- Over 60% of people benefiting from the National Living Wage increase to £8.21 are women.
 - Automatic enrolment into Workplace Pensions has greatly increased the number of women who will benefit from an occupational pension.
 - Over 90% of employees have the right to request flexible working and Government has set up a taskforce to make flexible working a reality.
 - UC provides up to 85% of childcare costs
 - Disadvantaged 2 year olds can access 15 hours of free early education a week.
40. In 2019 we will publish plans to address persistent gendered economic barriers, particularly those faced by low-paid and financially-fragile women.
41. DWP is considering how to ensure that the main carer receives the household payment within Universal Credit. We want to make it easier for Universal Credit claimants who need a split payment because of their domestic circumstances to obtain one.

People with Disabilities

42. Government is committed to providing the right support to every person with a disability or health condition. In November 2017, we published 'Improving Lives: The Future of Work, Health and Disability', setting out a 10-year programme across the workplace, welfare system, and health services.
43. In 2018/19, we spent £54bn on benefits to support people with disabilities and health conditions. Employment of people with a disability rose by 930,000

between 2013 and 2018 and the “disability employment gap” has fallen by 3.6 percentage points since 2013.

44. We continually review our services and support. In March 2019, the DWP Secretary of State announced:

- reassessments for people receiving Personal Independence Payment who are over state pension age will stop, unless they tell us their needs have changed. Instead they will receive a light touch review every 10 years.
- a new, integrated service for health-related assessments will be introduced from 2021 via a single digital system.
- a plan to consult on Statutory Sick Pay which supports more flexible working and access to appropriate and timely Occupational Health advice and support.
- plans to commission independent research to better understand the needs of disabled people and how health and disability benefits can better support them.

Older Persons

45. In 2012, Parliament voted to change the rules for couples so that the transition from working age income-related support to pensioner income-related support happens when both partners have reached State Pension age. This took effect in May 2019.

46. Pension age income-related benefits are not intended to support working age claimants. They provide support for pensioner households who are no longer economically active because of their age.

47. Where the working age partner is claiming UC, they will receive support and incentives to move into and progress in work. The change did not apply to ‘mixed age couples’ already claiming pension age income-related benefits at the point of change, for as long as they remain entitled to either benefit.

48. State Pension age reform has focused on maintaining the right balance between sustainability of State Pension and fairness between generations in the face of demographic change.

49. Women who retired in 2016 are expected to receive more State Pension over their lifetime on average than women ever have before. By 2030, over 3million women stand to gain an average of £550 per year due to the new State Pension.

Ethnic Minorities

50. Government published the findings of the Race Disparity Audit in October 2017. It looked at ethnicity in relation to outcomes including education, housing, employment and the justice system.

51. Ethnic minority employment has risen by 556,000 since 2015, taking us 84% of the way towards meeting our target of increasing ethnic minority employment by 20% by 2020. DWP monitors and publishes ethnicity data, including on employment, inactivity and benefits.
52. To address the barriers ethnic minority employees face in the workplace, the Government is consulting on a mandatory approach to ethnicity pay reporting and will publish its response later this year.

Privatization policies: Recommendation K

53. Privatisation has helped transform our railways. Since privatisation in 1994 passenger journeys have doubled, and in 2006 we have seen new private investment totalling £8.3bn. There are now over 1.6 million more train services, an increase of nearly 30% since 1997, and over 72 new stations built since 1995.
54. The Transforming Cities Fund was launched at Autumn Budget 17 to improve public transport, boost connectivity and reduce congestion through packages of interlinked schemes. The fund was increased to £2.5bn in the 2018 Budget.
55. We have one of the highest satisfaction levels, and safest networks in Europe. There will be 7,000 new carriages introduced on the rail network between now and 2021, enabled through privatisation.

Northern Ireland

56. The legacy of the conflict means many social housing estates are predominantly single identity: the two main religious communities are not necessarily seeking allocation to the same social housing properties. The interaction between housing supply, demand and individual preferences may cause different waiting times between communities.
57. Social housing need is principally met through re-let of existing social housing accommodation. The Social Housing Delivery Programme delivers new build social housing, targeting areas of greatest need, subject to budget and land availability.
58. The Housing Selection Scheme allocates social housing using common criteria to assess applicants' housing needs. Applicants are then placed on the waiting list for their chosen area. The time taken to allocate a property depends on their waiting list position, preferred area, and type of property required.

Scotland

59. Scotland's National Performance Framework monitors progress on National Outcomes, including human rights and poverty.

60. The Child Poverty (Scotland) Act 2017 introduces four official child poverty measures which are focused on eradicating child poverty in Scotland.
61. The Scottish Government has increased the value of the school clothing grant, introduced the Best Start Grant, invested in intensive employment support for parents, and is developing a new income supplement.
62. Since 2016, the Scottish Health Survey has measured household food insecurity. Additional measures to tackle poverty in Scotland include the Scottish Welfare Fund, a Fair Food Fund, access to free sanitary products, £63m in Discretionary Housing Payments, and over £3bn to deliver 50,000 affordable homes (35,000 for social rent) by 2021.
63. The legislation establishing Scotland's devolved social security system explicitly recognises social security as a human right. A Social Security Charter has been developed in collaboration with individuals who have direct personal experience of using existing systems.
64. The Scottish Government has published the 'Older People's Framework', action plans on employment for disabled people, and on the gender pay gap.

Wales

65. The First Minister for Wales has asked the Wales Centre for Public Policy to undertake an exploration of the devolved administration of certain aspects of the benefit system, including the flexible payment options available to Scottish UC claimants.
66. Wales' National Strategy 'Prosperity for All' provides a framework for a whole-government approach to increasing prosperity and addressing the root causes of poverty in a more effective, joined-up way. The National Indicators underpinning the 'Well-being of Future Generations Act' will measure progress to the seven well-being goals.
67. The First Minister has included 'poverty' as a priority area in the Welsh Government's budget planning for 2020/21 and appointed a lead Minister to act as an advocate during preparations.