

class

Centre for Labour
and Social Studies

ELECTION 2015:

What's at stake for social security?



Election 2015: What's at stake?

The General Election in May 2015 looks set to be one of the most unpredictable elections in decades. Against a backdrop of uncertainty, Class have produced a series of election guides to equip you with all you need to know about what's at stake for working people at the General Election. Other guides cover work, pay and unions; housing; tax; the economy; and the NHS. You can download them free and order hard copies from our website www.classonline.org.uk.

Contributors

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FOREWORD

Social security as a universal entitlement is being attacked - we must restore it as a permanent, humane part of society



Frances Ryan

Over the past five years, we have been forced to watch the systematic slashing of our welfare state. The Coalition says “we are all in this together.” The reality has been an austerity agenda where the disabled, the lowest-wage earners, and the chronically ill have taken the biggest hits.

Policy after policy has put the burden on the people who can least afford it. Cuts to council tax support have seen what’s effectively a new poll tax on millions of the poorest working households. The abolition of Disability Living Allowance and the Independent Living Fund are seeing basic dignity dubbed as too costly. Employment and Support Allowance has been riddled with conditionality, delays and outright failing, as thousands die after private companies find them ‘fit for work’. The bedroom tax has pushed thousands of the poorest people into rent arrears, penalising the disabled for needing a box room to store oxygen cylinders.

Worse, a climate has been built that says this is entirely right. The Coalition has orchestrated a demonisation of need, where someone struggling on Jobseeker’s Allowance (JSA) has been recast as the feckless workshy and a person too sick to work is a scrounger worthy of suspicion. Right-wing media and ‘poverty porn’ television have simply fed a fear that our own government has started. Benefit fraud is less than 1%. The biggest part of social security spending – 53% – actually goes to pensioners. Listen to Ian Duncan Smith and you would think the disabled were living in gold houses and the unemployed bathing in diamonds.

The sanction regime is characteristic of the distortion of a compassionate, fair safety-net. Jobcentre staff report being given targets for stopping people’s benefits, whether that’s a claimant who’s five minutes late for an appointment or someone with chronic illness who’s too sick to get out of bed. Meanwhile, workfare schemes force people on JSA to work for free or be sanctioned. This is not only about removing benefits but the principle behind them. Social security as a universal entitlement is being attacked.

A major tool in this has been the stigmatisation of people needing benefits – part of a wider attempt to make the public see things in terms of workers versus

claimants. But the facts show this is an entirely false division. A job market characterised by unstable hours and low wages has pushed working people towards benefits. Housing benefit figures alone show the number of people in work needing help to pay the rent has increased by almost 60% under the Coalition.

Britain is getting poorer. This government's choices – both benefit cuts and tax changes – have made more workers, more children, more disabled people struggle. 13 million people now live in poverty in this country.

It is charity that has been left to pick up the pieces. Half a million people have had to go to food banks to feed themselves over the past six months – most because of benefit delays and sanctions, others due to low wages. This is part of a disturbing retreat of the state, where private companies and local volunteers fill the gaps left by failing government.

Taking back the welfare state is a fundamental issue of this election. The stakes could not be higher: the right to a life without poverty and a system where we help each other. As Class set out in what follows, we must restore social security as a permanent, humane part of British society. Judgment and punishment must be cast out for solidarity and compassion. Workfare, low wages, a gender pay gap, and propped up high rents, need to be replaced by a living wage, stable jobs, gender equality, and affordable homes. The people unable to work due to ill health or disability, currently enduring nominal income and arbitrary testing, must get bespoke assessment and support to live comfortably.

We know what's already been done in the name of austerity is just the beginning. George Osborne has said a further £25bn spending cuts - much of it from the welfare budget - will be coming after the next election. If the Conservatives keep hold of power, Britain will find itself halfway through a near-decade of cuts. The disabled, people struggling to find work or living hand-to-mouth on low wages are easy targets. The welfare state cannot afford another five years of this.

A handwritten signature in black ink that reads "F. Ryan". The letters are cursive and fluid, with a large 'F' and 'R'.

Frances Ryan is a journalist for the New Statesman and Guardian

CONTENTS

Social security today	p04
Action that can restore a strong, fair and proud social security system	p13
What the parties are saying	p18
What's at stake at the 2015 General Election?	p22

SOCIAL SECURITY TODAY

December 2012 marked the 70th anniversary of the Beveridge Report, significant not only for its content but also for its context. In the midst of World War II, with a budget deficit and national debt that makes today's look negligible, the report laid the basis for the post-war reforms which became the welfare state. Beveridge's social security system was built on the principles of solidarity and collective responsibility.

Since the last election the founding principles of our welfare state have been systematically undermined. The Coalition's major programme of deficit reduction slashed back at social security. Reductions and caps on the social security budget, new stringent conditions on benefit entitlements and increased scapegoating and stigmatisation have led to hardship and struggle for millions of people.

Ahead of this General Election, the Chancellor has pledged to take a further £12 billion away from the social security budget through capping

benefits, reducing payments in real terms, further narrowing eligibility criteria and imposing conditions on the behaviour of benefit claimants¹. The depth of the crisis facing our social security system cannot be underestimated.

Devaluing social security

Britain's social security system was designed to insure everyone against falling into poverty so that provision would be guaranteed in times of need². While politicians are quick to say that today's social security system

LIVING ON THE BREADLINE IN 2014⁵



What the public think the minimum weekly amount needed to live an acceptable standard of life on

£197.86



JSA for under 25s per week **£57.35**



JSA for over 25s per week **£72.40**



has become a ‘something for nothing’ culture, the fact is that social security now demands more of claimants while rates of benefits have fallen substantially since 2010³. Last year, UK social security rates for pensions, Jobseeker’s Allowance (JSA) and incapacity benefit were described as “manifestly inadequate” by the Council of Europe in relation to other European states⁴.

Coalition reforms have devalued the level of social security and ensured poorer households fall even further behind median incomes. The Welfare Benefits Up-rating Act ensured that benefits only increase by 1% per year from 2014 to 2017 rather than in line with price increases. The Coalition also made changes to how social security increases are measured, moving from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI), which is normally lower and therefore represents a cut to benefit levels in real terms⁶.

The Coalition argues that unemployment is caused by a benefits system that doesn’t provide an incentive to work, and to that end it has held down benefit rates and tightened eligibility conditions for social security. Yet unlike when the welfare state was established, structural

high unemployment has become a feature of the UK economy. Weakened employment and trade union rights have led to the casualisation of the workforce, less protection against redundancy and the growth of insecure working conditions. The long-term problem is that wages are inadequate and the economy has failed to provide secure jobs with decent hours and pay. In this environment of zero-hours contracts, agency work, variable hours and fixed-term contracts, a social security system that delivers temporary income replacement for periods of interrupted employment is needed more than ever.

Undermining universalism

Alongside ‘safety-net’ provision for ensuring against times of hardship, the social security system was also created so that society can collectively support those with higher costs of living, perhaps because of disability or caring responsibilities which put them outside of the labour market.

Universal benefits are the most effective way of ensuring that vital support reaches everyone who needs it⁸. Any means testing involves a risk that



In 2010-11 each new means-tested Pension Credit claim cost **£351**, compared to **£91** for a new universal state pension claim¹¹.

support does not reach those who need it, either through design or because the process itself is stigmatising. Means-tested benefits are generally more expensive to administer and restricted access to social security has started down a destructive path which leads in only one direction.

Child benefit was one of the UK's most valued examples of a universal benefit. The principle behind it is the belief that society has a collective responsibility to every one of its children.

The Coalition has subjected Child Benefit claimants to 5 years of real-terms cuts from 2011, first from freezes and then a 1% limit on up-rating⁹. But the universal principle of the benefit was undermined by cuts for households on higher incomes when the Coalition introduced a tax charge on Child Benefit for households where one adult earns over £50,000¹⁰.

Social security budget

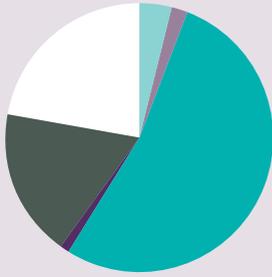
By 2015 annual spending on benefits and tax credits will be cut by £22 billion

and spending on local government cut by £16 billion. The combined cuts to social security functions which are vital for alleviating poverty, account for 50.8% of all cuts¹².

The Coalition has perpetuated myths around social security spending in order to justify and implement their austerity agenda. Myths have included scaremongering about 'workless households' and spending that was 'out of control'. But before the 2008 crash there had been little structural change in social security spending for 30 years¹⁴. There is no international comparative evidence to show that the Coalition inherited a benefit system with remarkably high spending¹⁵. In a recession social security benefits and tax credits automatically increase and decrease along with unemployment. They are important economic stabilisers that prop up both incomes and demand in the economy to ensure a strong return to growth. Spending on social security inevitably goes down when growth returns and people return to work¹⁶. The availability of tax credits is one reason why



In 2010, the Coalition announced **£18bn of cuts** to working age social security and tax credits by 2014/15¹³.



- Old Age 53%
- Survivors 1%
- Incapacity related 18%
- Family 22%
- Unemployment 4%
- Other 2%

53%
of spending
is on benefits
for older people

Source: OECD social expenditure database on cash benefit spending by function for 2011

unemployment didn't rise as far as expected during the recession. In fact the UK benefit system is spectacularly ungenerous to the unemployed, especially single people without children¹⁷. The social security budget includes payments to families with children and the sick and disabled, but the biggest part - 53% - actually goes to pensioners¹⁸. Overall, spending on unemployment works out at just 4% of the social security budget¹⁹.

Cuts to funding

Coalition policies to limit spending have concentrated on capping the incomes of the poorest rather than boosting incomes and improving prospects for work. A total benefit cap for working-age people of £500 per week for families with children and £350 per week for single people has compounded the

squeeze on the most disadvantaged. In London and the South East high rents mean the cap is easily breached – especially for private sector tenants and larger families²⁰.

Housing benefit payments largely go to landlords to subsidise high rents. Despite the Coalition's aim of cutting the housing benefit bill by £2 billion over this parliament, real terms spending will actually be nearly £1 billion higher²¹. The Coalition's failure to build more affordable and social homes has pushed many into private renting where rents are rocketing due to increased demand. Because incomes have not kept pace with rising rents, more people have had to claim housing benefit. Spending on this has risen from £23.9bn to £24.6bn²². The Coalition thought their Bedroom Tax



↑ 59%

in the number of people
in work and claiming
housing benefit under
the Coalition²⁴.

MYTH



29%

of papers referred to benefit fraud

VS

REALITY



Less than 1%

is the actual rate of fraud across all benefit cases

policy would save £445 million but have saved just £330 million and only 5% of those affected have been able to downsize to smaller properties²³.

The Coalition is in the process of implementing Universal Credit, the biggest overhaul of the benefits system since the 1940s which could affect nearly 8 million people. But rather than reduce spending, the scheme has been beset with problems including huge failures in planning and gross overspends of budgets with £425m wasted by November 2014²⁵.

Stigmatising benefit claimants

Over recent decades harsh and stigmatising language has been used to describe benefit claimants in unbalanced television and newspaper coverage, and often by the government in order to pursue its political agenda. Over the long-term, out-of-work

benefits have been devalued and entitlements restricted so they are now seen as being ‘for the poor’ rather than part of a system of social protection for everyone²⁶.

Squeezed incomes and rising poverty

Since 2010, average household incomes have plummeted. For those in work the average weekly pay was 11.1% lower in 2014 than in 2008²⁸. Amongst working-age adults, poverty has risen – in fact it has never been higher – with half of all people living in poverty in a family where someone is in paid work²⁹.

Because poverty is measured relative to median incomes, and because wages have been falling, the poverty threshold has fallen. As a result, recorded poverty is 9% lower than it was in 2007/08³¹. Even using these measures there are 13 million people recorded as living in poverty in the UK, and there would



Coalition changes to benefits and taxes have reduced household incomes by £1,127 a year or 3.3% on average³⁰.



13 million people live in poverty in the UK

be 3 million more if 2007/08 poverty thresholds were used³². Coalition policies have led to projections for child poverty and working-age poverty to be higher in 2014/15 than they were in 2012/13, and are expected to increase yet further until 2020/21³³.

Food bank Britain

The broken social security system is clearly evidenced by the shocking rise in food banks across the UK. In the last 6 months 500,000 people were forced to ask for help from the Trussell Trust after struggling to put food on the table³⁴. The Trussell Trust recorded that 45% of food bank referrals were due to benefit delays and changes such as sanctions, while 22% were down to low income³⁵. The rise of food banks is part of the process of changing the structure of the welfare state from something that is supplied as statutory, to a charitable system where judgements are made

about the deserving and undeserving poor, rather than our rights as citizens.

Penalising the poorest

Coalition changes to social security and taxation since 2010 have hit the poorest harder than any other group³⁷. Reductions in central government funding to local government have resulted in only 45 out of 326 councils across the country, continuing to provide the same level of support available under Council Tax Benefit while the rest now make the poorest households pay a contribution. This is an effective poll tax on poor working-age households³⁸. 60 local authorities are now charging over £3.60 a week – which represents a 5% cut in living standards for those on very low incomes³⁹.

The replacement of the social fund with new non-ring-fenced local arrangements also impacts most harshly

NUMBERS GIVEN 3 DAYS' EMERGENCY FOOD BY TRUSSELL TRUST FOODBANKS





Cuts to funding for council tax benefit affected 5m working households by an average of £160 in 2014⁴⁰

upon the poorest. The average cut for replacement local schemes was 13.9% between 2011/12 and 2013/14, rising to 15.6% in 2014/15, with even higher cuts predicted for the next parliament⁴¹. The social fund was established to help those in crisis, such as women fleeing domestic violence, those who need assistance towards funeral costs and recently rehoused homeless people and young people who've left children's homes or foster care⁴².

Sanctions

The growth of the punitive sanctions regime under this government has pushed people into destitution by stopping those in need from claiming benefits for set periods of time, as evidenced by the rocketing numbers referred to food banks. The stated aim of sanctions is to ensure benefit claimants are looking for work and engaging with Job Centre Plus in a professional way. In reality, sanctions are used routinely and for arbitrary reasons and there is evidence that Job Centre Plus staff are pressured into maximising the number of sanctions they issue⁴³. Such large

numbers of claimants were having sanctions overturned on appeal, the government has introduced an extra hoop claimants must jump through before they can appeal.

Those who are required to undertake the Mandatory Work Activity Scheme or "workfare" - a 'work for your benefit' scheme for people claiming JSA who are aged 18 or over - are often sanctioned and their benefits stopped if they don't attend without a very good reason⁴⁵. The scheme places claimants in unpaid work or work-related activity for up to 30 hours a week over a four-week period.

REASONS FOR SANCTIONS⁴⁶:

- Arriving minutes late to a meeting
- Not applying for jobs when waiting to start a new job
- Missing an appointment on the day of the funeral of a close family member
- Falling seriously ill and not attending a meeting
- Applying for too many jobs
- Missing a job centre appointment to attend a job interview



OVER 466,000

people have had their benefits suspended in 2014 including 2,000 who are barred from claiming for 3 years⁴⁴



More than 600,000

disabled people will lose their benefits by 2018⁴⁸

Punishing those with disabilities and mental health problems

Disabled people and those with mental health problems have been affected particularly badly by Coalition reforms, hit simultaneously by up to six cuts with some facing the loss of up to £23,000 each over the 5 years to 2017⁴⁷. Under Coalition reforms around 26,000 people will be affected by cuts that will remove of all benefits that identify them as having a disability.

The Disability Living Allowance, the non means-tested benefit designed to help with the additional costs of physical disability and mental health problems, has been replaced with Personal Independent Payments. As part of this change the Coalition aimed to reduce costs by 20%, introduce medical tests by private contractors to examine eligibility and scrap the lower rate of the care component most often used for help towards transport, heating

or equipment.

The time-limits on claims for Employment and Support Allowance (ESA) mean many people who have been found too ill to find work without support can only get the benefit for a year. 700,000 people with long-term sickness or disability have had their benefit taken as a result⁵⁰. The process of putting ill or disabled claimants through Work Capability Assessments run by private firms has been distressing for many, with 83% of those with mental health problems saying their self-esteem had worsened and 76% saying they felt less able to work as a result of the process⁵¹. Since February 2012, the DWP has carried out 60 'peer reviews' following the death of benefit claimants, a process triggered when suicide or alleged suicide is "associated with a DWP activity"⁵².

Nearly 18,000 disabled people with high-support needs relied on the Independent Living Fund (ILF) to live



100

claimants with mental health problems have their benefits sanctioned every day⁴⁹.



By January 2013, **1,300** people undergoing Work Capability Assessments had died after being told they should start preparing to go back to work, and another **2,200** had died before their assessment was complete⁵³.



From 2015, maternity pay no longer rose in line with inflation but by a fixed rate of 1% per year.

their lives with choice and control, rather than going into residential care or being trapped at home - last year the Coalition announced plans to abolish it⁵⁴.

Maternity pay has also been reduced by the Coalition. From 2015, maternity pay no longer rose in line with inflation but by a fixed rate of 1% per year⁵⁶.

Cuts to family benefits

Alongside restrictions to the universal Child Benefit, there have been other cuts that have impacted upon those with families and made conditions even harder for those whose incomes have been squeezed. From April 2012 the lower income limit for Child Tax Credit (CTC) was reduced for those earning under £41,300 to £26,000 for those with one child, or up to £32,200 for those with two children. At the same time, the Coalition also made changes to Working Tax Credits (WTC) which meant that the amount of working hours for a couple with children to qualify for WTC was increased from 16 to 24 hours per week, with one member of the couple working for at least 16 hours per week. While it remains at 16 hours per week for lone parents, the childcare element of WTC was reduced from covering 80% to 70% of the cost of childcare⁵⁵.

Restricting access to social security advice

Legal aid helps towards the costs of legal advice for those who cannot afford it and has underwritten access to justice for decades. It funds advice on legal problems such as eviction, debt and family breakdown and, if necessary, representation in court. The Coalition has hacked back at funding for legal aid and undermined access to justice for hundreds of thousands of people. Although cuts to legal aid were presented by the Coalition as a means of cutting unnecessary public spending, the reality is that costs have instead been shifted on to other parts of the public purse. For every £1 spend on legal aid and advice, the state saves around £6 on other forms of spending, for example as a result of families becoming homeless and children being taken into care⁵⁷.

IMPACT OF THE LAPSO ACT 2012, WHICH RESTRICTS LEGAL AID⁵⁸



At least 623,000

now excluded from legal aid



80%

are from the most disadvantaged sections of society



54%

of benefit claimants affected by cuts to legal aid are believed to have a disability.

ACTION THAT CAN RESTORE A STRONG, FAIR AND PROUD SOCIAL SECURITY SYSTEM

A social security system should ensure that everyone has a decent standard of living free from poverty. Headline opposition to benefit cuts and profound concern about food poverty are one thing – but how do we restore the principles of a just and caring state and make sure our politicians are bold enough to stand up for it? The social security system needs to be more than just a safety-net and compensation for extra costs, it should also be about enabling and supporting people to thrive⁵⁹.

1. Introduce policies for employment

Our social security system was created in a period of full employment. Unemployment places costs on society as well as the public purse, so instead of being penalised, those out of work should be supported. Today employment for many is insecure and cannot guarantee enough hours for a decent standard of living. More and more people who are in work are also claiming benefits. The ideal of full employment centred on decent, well-paid jobs, must be reasserted and macro-economic policies must be implemented to achieve this.

The economy must be rebalanced regionally and industrially towards higher-skilled and higher-paid sectors and away from low-skilled, low-paid service sector jobs.

It is important that jobs are created at the right levels and in the right places. The economy needs to be rebalanced industrially away from low-skilled, low-paid service sector jobs towards higher-skilled and higher-paid sectors that are regionally balanced across the country. Valuable training instead of ineffective work placements with punitive sanctions for non-attendance must be rolled out across the country. The UK needs to implement a well-funded apprenticeship scheme and develop a supportive strategy for assisting disabled people into work. Jobs guarantee schemes for young people can help with the difficulties of getting the first step on the ladder but longer-term solutions are needed that ensure young people can stay in work after schemes end⁶⁰. Measures to address the gendered pattern of employment also need to be considered to ensure real strides are made towards the goal of equal pay.

2. Create decent jobs

Wage growth has stagnated over the past decade and incomes have not risen at the same level as inflation. Low pay leaves people dependent on means-tested benefits. Government must put a stop to the increasingly precarious jobs market where people struggle to earn their poverty while large corporations are assisted in making bigger profits by keeping wages low. Tackling low pay is key to addressing the rising social security bill because the government spends more on benefits and tax credits for families in work than it does on unemployed families. If every low-paid worker was moved on to a living wage, the government would save on average £232 in lower social security spending and £445 in higher tax receipts. For every extra £1 employers pay up to the living wage, the government saves 49p on lower tax credits and benefits and higher tax revenue⁶¹. Childcare provision and social security income 'top ups' are part of the solution as there will always be those who work part time and need support to avoid poverty, even if hourly pay is raised.

A labour market built upon flexible working, zero-hours contracts, no formal hours and no long-term security has unsurprisingly created a system where vulnerable workers are often in and out

of work and on and off benefits. Banning zero-hours contracts and formalising the rights of the most vulnerable workers will do much to prevent these patterns of disadvantage⁶³. Good terms and conditions, legally recognised and strengthened employment and trade union rights, and structures that support collective bargaining, must be part of any attempt to improve the social security system.

3. A system based on need and not moral judgements

There needs to be positive commitment to social security as a permanent part of British society, which should be well-resourced and improved like any other public institution. Society must collectively provide security for all citizens, preventing poverty and marginalisation, and enabling people to live full, independent lives with dignity. The government must start promoting positive images of social security as a tool used by everybody, and one that can provide compassion and humanity.

we need to make a positive commitment to social security as a permanent part of society, which should be well-resourced and improved like any other public institution.



The cost of workers paid less than a living wage is now

£3.23 billion
in social security spending and lower tax receipts⁶²

At the moment, punitive welfare policies are generally supported by the electorate because social security is portrayed as a tool of the feckless and workshy. The government should stop deliberately peddling myths and outright lies about benefit claimants – there are no ‘workless households for generations’ and a ‘welfare dependency culture’ does not exist⁶⁴. The government needs to put an end to the principle of punishment in the system and end cruel and unfair sanctioning. Delays must be minimised and emergency loans given if delays are unavoidable.

Social security must be set at a level that enables participation in society so that people are not punished for their poverty. Full index-linking of all benefits and tax credits must be restored. At current rates, benefits fail to allow claimants to have a standard of living that meets their basic needs as they are well below recognised minimum income standards. Minimum income standards are based on what members of the public think is the minimum amount of money required to live on, to maintain a socially-acceptable quality

of life. Raising benefits in line with minimum income standards will provide sustainability and will be a key part of increasing employment rates by alleviating barriers to accessing work such as falling into debt or rent arrears⁶⁵.

4. Restore the principles of universalism

A welfare state for all must be rooted in universalism. For universalism to work, social security should be recognised as a political and legal part of being a citizen. In that way, people who have worked all their lives in steady jobs with good wages, those churning in and out of insecure low-paid jobs and those who are carers or outside the labour market for whatever reason, are all part of the same social security system. The long-term devaluation of out-of-work benefits has created a system where social solidarity has become fractured and social security is regarded as only for ‘the poor’. Universalism was intended to provide a measure of political protection for the continued existence of the welfare state as everyone stood to gain, but it also guards against stigmatisation.



Societies with strong universal welfare states

top league tables on virtually every possible measure of social and economic success⁶⁶.

Universal benefits are incredibly efficient and require much less administration than selective benefits. Selectivity and means-testing separates benefit recipients from the rest of society, increasing stigmatisation and reducing take-up⁶⁷. Universalism is not only generally more cost-effective than means-testing but it also underpins the values of a system of collective responsibility and must be protected.

5. End regressive housing policies and invest in building social and affordable homes

Average rents in the private sector have soared in recent years due to a combination of increasing demand and virtually no regulation. Unsurprisingly spending on housing benefit has increased from £1.1 billion in 1991/2 to £24.6 billion today⁶⁸. The housing benefit bill, which ultimately goes into the pockets of landlords, should be brought down, but responsibly and not by punishing those who are already struggling. Ending the Bedroom Tax on social tenants would stop the punishment of the poorest. Action must be taken to bring down the cost of renting privately but rents for social tenants must also be brought down to recognised levels of affordability⁶⁹.

The housing benefit bill should be brought down responsibly - not by punishing those who are already struggling.

In the longer-term, if some of the £24.6 billion spent on housing benefit was diverted to building more affordable social homes it would make a huge difference to the long-term public finances and would add considerably to the miserly £1.2 billion a year which is currently earmarked for building 'affordable' homes.

6. Enabling those with disabilities and mental health problems

For many with long-term disabilities some kind of reliance on social security may be necessary. But sometimes the need for such support can be reduced or eliminated and measures must be put in place to ensure those people are able to live a comfortable and fulfilled life as much as possible. The government needs to invest in assisting those with disabilities to work by ending discrimination in the workplace. Preventative measures, such as health and safety at work, early intervention for mental health and physical disability, as well as improved youth services, better access to family counselling improvements to education, and a greater emphasis on rehabilitation in the justice system should also be priorities for the next government.

Benefits should be increased to ensure nobody is in poverty as a result of disability.

The government needs to take a number of steps to improve living standards for people with disabilities and mental health problems, and these should be done in consultation with disabled people themselves. Practical and financial support should be provided for those who are able to work. Benefits should be increased to ensure nobody is in poverty as a result of disability – this includes covering the cost of care and practical equipment. The government should abolish the Work Capability Assessment and bring in a more compassionate, bespoke method of assessing disability.

7. Restore legal aid

The complexity of the current welfare system necessitates free advice, assistance and representation by experts. But under the current government access to legal aid and the justice process has been restricted. Cuts to legal aid have merely shifted costs from one part of the public purse to another, ballooning in the process and involving greater numbers of bureaucracy⁷⁰. Restoring legal aid would re-establish access to justice and would provide huge savings for the public purse.

THE BENEFITS OF LEGAL AID⁷¹

OVERALL SAVINGS



£60 million spent on legal aid will save **£338.65 million** on other services⁷².

£338.65 million

HOUSING



For every £1 spent on housing advice the state potentially saves⁷¹

£2.34

BENEFITS



For every £1 spent on benefits advice the state potentially saves

£8.80

DEBT



For every £1 spent on debt advice the state potentially saves

£2.98

EMPLOYMENT



For every £1 spent on employment advice the state potentially saves

£7.13

WHAT THE PARTIES ARE SAYING

The system of social security has been directly attacked through a succession of cuts in funding and reductions in entitlements. Those who are struggling have been squeezed harder by the policies of the current government. There are many challenges that must be tackled if Britain's social security system is to enable people to live full, independent lives with dignity. So what are the political parties saying about social security and what exactly is at stake at the General Election?

LABOUR PARTY POLICY PLEDGES⁷³:

Labour has focused on making work pay so that working people are not forced to rely on tax credits and other in-work benefits to survive. Labour has pledged to raise the minimum wage and introduce incentives for employers to pay the living wage. Labour has also announced plans to roll-out 80,000 apprenticeships and has launched 'Disability Labour' campaign to support and engage directly with those with disabilities.



Every adult aged 25 and over who has been claiming JSA for more than 2 years (1 year for 18-24 year olds) will be guaranteed a job and required to take one of the jobs offered or else risk losing their benefits.



Abolish the Bedroom Tax.



Raise the Minimum Wage to £8 an hour by 2020 and introduce incentives for employers to pay the Living Wage.



80,000 extra apprenticeships a year in England and to prioritise vocational education with a new Technical Baccalaureate for 16 to 19-year-olds to support jobs.



Build 200,000 houses a year by 2020 and invest in affordable homes to bring down the costs of housing benefit and tackle spiralling rents to prevent landlords abusing the housing benefit system.



Impose a cap only on “structural welfare spending”, aimed at separating the cyclical costs of social security, which increase at times of recession, from the long-term drivers of higher spending such as extortionate rents, inadequate wages and persistent unemployment.



Reform Work Capability Assessments and other similar tests to end the current system that is failing so many by introducing a new specialist Work Support programme for sick and disabled people who are furthest from the labour market and ensuring failing private companies involved in Work Capability Assessments are given deadlines to turn things around or lose contracts.



Plan to introduce a “Basic Skills Test” for all new claimants of JSA within 6 weeks of them signing on. Those who are deemed to lack basic maths, English and IT skills will be asked to take up the part-time training offered or risk losing their benefits.



Considering extending the contributory principle in favour of those who have worked longer in the UK or paid in more. Will prevent migrants from claiming benefits for at least two years.



More people will be subjected to means-tested JSA as eligibility for insurance-based JSA rises to five-years of National Insurance contributions from two years.



End the closure of Sure Start children’s centres and double the number of childcare places they provide to more than 118,000. Help working parents with 25 hours of free childcare for 3- and 4-year-olds.

CONSERVATIVE POLICY PLEDGES⁷⁴:

The Conservatives have set out how they will ramp up their ideological attack on the social security system. Not only is this part of a cynical attempt to play to right-wing tabloid scaremongering, it is structurally unsound and economically damaging in the long term, resulting in increasing spending as a result of their underlying failure to address the issues of low pay, insecure work and a lack of suitable jobs.



£12bn worth of cuts to the social security budget in the first 2 years of the next Parliament.



£3bn of the next round of cuts will be from a further freeze on working-age benefits, including some disability benefits (ESA), resulting in a real term falls in financial support for many.



Child Benefit could be capped at just 2 children, hitting families and unfairly punishing thousands of young children by taking away support.



Abolish JSA for those aged 18-21 and replace it with a time-limited Youth Allowance, creating a two-tier system. In addition, they will introduce mandatory community work for unemployed 18-21 year olds not in work, training or education for the previous 6 months, starting from the day of their claim. The plan is expected to cost an additional £20m a year to deliver.



Under further plans to introduce wider sanctions, claimants will only receive benefits for 6 months before being required to start an apprenticeship, carry out community work or lose their benefits.



People who cannot work because they are obese or have alcohol or drug addictions could have their sickness benefits cut if they refuse treatment. However there is no evidence benefit sanctions would help obese people lose weight and encourage addicts to engage with treatment and the scheme penalises people without tackling the root causes of their health problems.



Unemployed EU nationals would lose any entitlement to out-of-work benefits including the new Universal Credit and be required to leave Britain after 6 months of seeking work, risking family break up and upheaval.



Claimants who find part-time work will be forced to look for more hours and may be forced to take on a second job.

WHAT ARE THE OTHER PARTIES SAYING ON SOCIAL SECURITY?

LIBERAL DEMOCRATS

The Liberal Democrats have not given much detail on their policies for social security beyond supporting a welfare cap and a cut in social security benefits. They have said they would not freeze working-age benefits without taxing the rich but haven't pledged they would block social security cuts altogether. They have proposed to end universal winter fuel payments and free TV licences to pensioners with sanctions for those who break the rules. The Lib Dems are backing reform of the Bedroom Tax, a policy only introduced because of their consistent long-term support for it in Parliament. They have also called for a review of how benefit sanctions are implemented for the disabled and those on the work programme.

THE GREEN PARTY

The Green Party has pledged to end the race to the bottom on social security and would scrap the welfare cap brought in by the current Government. As with Labour, the Greens want to make work pay so that working people are not forced to rely on tax credits and other in-work benefits to survive. The Green Party argues that the only effective way of reducing social security costs is to create jobs. They have also put forward their aspiration for a Citizen's Income – a plan that would cost an estimated £280 billion a year – but that this would not be implemented in the next parliament. There is some disagreement and confusion in the Party over this policy and the Greens have not yet set out a clear approach.

UKIP

UKIP's approach to social security will further stigmatise those most in need of support (disabled, single parents, those on low pay or the unemployed) and make life for those struggling with the current system even harder. Rather than target large-scale corporate tax avoidance and crack down on illegal tax evasion, UKIP obsess over small-scale benefit errors and low-level fraud. UKIP have pledged to introduce a 5-year embargo on benefits for migrants while allowing British people abroad to claim benefits in those countries. They have also announced they will limit child benefit arbitrarily to just two children for new claimants, unfairly hitting the support and life chances of millions of children. UKIP have pledged to get rid of the Bedroom Tax and look into ending unfair Atos-style disability benefit assessments. They also want to pay more benefit to job seekers who've already paid tax and national insurance for 5 years.

WHAT'S AT STAKE FOR SOCIAL SECURITY AT THE ELECTION?

The first argument that needs to be cleared up about cutting benefits is that it saves money. As this guide shows, the majority of the benefits bill goes on pensions, which remain relatively untouched by cuts. The difference cutting benefits makes to the economy is small, and that's before the amount wasted through the court system thanks to cuts in legal aid, the delayed roll-out of Universal Credit, failed Work Capability Assessments, and so on, are taken in to account. Cuts to social security must be ideological, because the only case for them that makes sense is an ideological one.

It's important to understand the enormous human cost of these cuts. The media's interest in portraying benefit claimants as feckless and lazy belies the fact that, for most people, social security is an absolute necessity at certain points in their lives. Some have disabilities that are simply too severe to be able to accommodate work, some are unable to find work, some have caring responsibilities and some need extra help in leading good, dignified lives. Social security should be an enabling mechanism that allows all people to lead decent lives. Those running it should begin with the presumption of willingness on behalf of those who use it, not fecklessness. It would be disingenuous to argue that any of the current policies put forward

by the parties would create a better social security system. Conservative policies actively demonise and punish those who need a decent social security the most; whilst Labour's fall short in many areas, and are far too wedded to a punitive element of social security - the result of decades of fear that Labour will be seen as 'soft' and a consequent reluctance to make the progressive case for social security. UKIP are determined to strip back the social security system even further than the Conservatives, and Liberal Democrats and Green policies seem poorly thought out and lacking in detail.

Nevertheless there are still differences between the main parties' policies that are significant enough to mean

that your vote really matters. Labour's decision to abolish the Bedroom Tax alone will remove the threat of eviction for thousands of families. If there were no other differences between the two main parties on welfare – and there are – this single pledge is important enough to influence voting intentions in May.

And yet recognising there are differences between the parties does not mean settling for policies that need to be improved. To that end, voting in May should be seen as a stepping stone to a better social security system, rather than an end in itself. Progressives who are proud of the British welfare state established in 1945 and want a return to many of the original values, and who want to build a different system from that of recent years that puts compassion, quality of life and support at its heart; must continue putting pressure on the government long after the election has passed.

The current system is fundamentally

flawed. Benefits are being cut for those who are most in need while those unable to work are being punished through sanctions and stigma, a stigma encouraged and enabled by the media and the Conservative Party. Yet at the same time the overall benefits bill is growing, with the government's failure to tackle low pay and insecure work a key contributory factor. But with intervention and political will, we can ensure a strong, fair and proud social security system and end the structural crisis within a generation.

There are alternatives and the choice in May is clear. We cannot allow the crisis in social security provision to turn into a disaster; we must create a state that both enables and protects people when they need it most. We need a social security system that prevents poverty, promotes equality, is universal and is society collectively providing security for all.



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