Our advice for Parliamentarians on the Cumulative Impact Assessment of Changes to Disability Support

**House of Commons Backbench Business Debate**

**Wednesday 19 December 2018**



Summary

Disabled people and families with disabled children have been found to be among those most negatively affected by tax and welfare reforms. Disabled people have been particularly affected by a range of changes to welfare reforms, including the assessment process for Personal Independence Payments and the post-2015 uprating freeze.

In March 2018, the Equality and Human Rights Commission (the Commission) published an assessment of the cumulative impact of tax and welfare reforms on people sharing different protected characteristics, which revealed that changes to taxes, benefits, tax credits and Universal Credit announced since 2010 will have a disproportionately negative impact on disabled people, among other protected characteristic groups.[[1]](#footnote-1) [[2]](#footnote-2)

In order to mitigate the negative impact of recent reforms, the Commission recommends that the UK Government should:

1. Monitor and publish the impact of welfare reforms on disabled people, including assessment of the cumulative impact of tax and social security changes
2. Review the levels of benefits to ensure they provide an adequate standard of living[[3]](#footnote-3)
3. Ensure that work coaches are trained to deliver tailored employment support, so that the specific needs of disabled people are being met.
4. Make the UN Convention on the Rights of Persons with Disabilities (CRPD) part of UK law so individuals can effectively challenge rights violations in the domestic legal system, and develop a clear and coordinated plan for how the UK and devolved governments will systematically address the UN’s recommendations on disability rights
5. Ensure that the loss of EU funding does not undermine the UK’s equality and human rights infrastructure.

The remainder of this briefing provides details of the evidence base that underlies the Commission’s concerns and recommendations.

## The cumulative impact of tax and welfare reforms

In March 2018 the Commission published an assessment of the cumulative impact of tax and welfare reforms on people sharing different protected characteristics.[[4]](#footnote-4) The analysis is based on policy changes made to the tax and welfare system[[5]](#footnote-5) between May 2010 and January 2018, modelled forward for the financial year 2021-22 by which time they will have been fully implemented. It considered in detail: how much per year individuals and households are expected to lose as a result of tax and welfare reforms; how many households gain and lose from the reforms in total, and by how much; and how many adults and children will fall below an adequate standard of living due to changes to taxes and social security [[6]](#footnote-6)

Overall, changes to taxes, benefits, tax credits and Universal Credit (UC) announced since 2010 are regressive, with the largest impacts felt by those with lower incomes. The changes will have a disproportionately negative impact on people sharing certain protected characteristics, including disabled people, lone parent families and some black and ethnic minorities.

The Commission’s cumulative impact assessment of welfare reforms revealed the following impacts on disabled people:

1. Households with at least one disabled adult and a disabled child are projected to lose over £6,500 – over 13% of their net income by 2021-22. Households with no disabled adults and no children gain around £750 from the reforms on average.
2. Households with six or more disabilities lose almost £3,150 per year on average from the combined set of reforms compared to households with no disabilities who gain around £250 per year. Figure 1 shows a clear downward trajectory in net income, with the most disabled being the worst hit.
3. Disabled lone parents with at least one disabled child lose almost £10,000 of net income.
4. Disabled lone parents with six or more disabilities lose over £11,000.
5. Adults with behavioural difficulties lose around £2,350 per year, adults with learning difficulties lose around £1,750 and adults with mental health conditions lose just over £1,700.

**Figure 1 Cash impact of reforms to taxes and transfer payments by household disability score and type of reform, 2021–22 tax year: Great Britain**

## Concerns raised by the United Nations (UN)

In 2016, the UN Committee on the Rights of Persons with Disabilities (CRPD) concluded, following its inquiry into disabled people’s rights to an adequate standard of living and social security, ‘that there is reliable evidence that the threshold of grave or systematic violations of the rights of persons with disabilities has been met’.[[7]](#footnote-7) [[8]](#footnote-8) It also examined the state of disability rights generally in 2017,[[9]](#footnote-9) and was so concerned about the situation that it asked the UK Government for annual progress reports.[[10]](#footnote-10) The Committee called on the UK Government to carry out a cumulative impact assessment of the reforms of the social protection system for disabled people, and use it as a basis for policy development. It also recommended that the UK Government consults closely with disabled people’s organisations and ‘set up a mechanism and a system of human rights-based indicators to permanently monitor the impact of the different policies and programmes relating to the access and enjoyment by persons with disabilities of the right to social protection and an adequate standard of living, the right to live independently and be included in the community and the right to work.’

Specifically, the UN Committee raised concern about the levels of social security entitlements not meeting the cost of living and not taking into account the additional costs related to disability. It also called on the UK Government to ‘ensure that eligibility criteria and assessments to access Personal Independence Payments, Employment Support Allowance and Universal Credit are in line with the human rights model of disability’.

The Commission’s most recent report to the UN Committee (as part of the UK Independent Mechanism) monitoring the implementation of disability rights reiterates these findings and concerns, and finds that the UK Government has failed to act on this evidence and to implement the CRPD Committee’s recommendations.[[11]](#footnote-11)

## The impact of Brexit

Disabled people and their organisations have voiced a number of concerns throughout the Brexit process to date.[[12]](#footnote-12) One pressing concern is the potential impact of the loss of EU funding on disabled people. EU structural funds, including the European Regional Development Fund (ERDF) and the European Social Fund (ESF), are used to provide funding to some of the most disadvantaged groups in the UK and to protected characteristic groups, including disabled people. Projects funded include those that alleviate poverty and support the development of skills and experience needed to succeed in the labour market, for example.

Mounting evidence demonstrates the importance and the potentially negative impact on disabled people (and other protected characteristic groups), as well as the voluntary and community sector organisations supporting them, if these funds are lost.[[13]](#footnote-13) [[14]](#footnote-14) The UK Government has made a commitment to replace EU Structural Funds with a UK Shared Prosperity Fund (SPF), although further details are yet to be released at the time of writing.

1. EHRC [The cumulative impact of tax and welfare reforms](https://www.equalityhumanrights.com/en/publication-download/cumulative-impact-tax-and-welfare-reforms), 2018 [↑](#footnote-ref-1)
2. EHRC [The impact of welfare reform and welfare to work programmes: an evidence review](https://www.equalityhumanrights.com/en/publication-download/impact-welfare-reform-and-welfare-work-programmes-evidence-review), 2018 [↑](#footnote-ref-2)
3. Relates specifically to the definition set out in Article 11 of the International Covenant on Economic, Social and Cultural Rights (ICESCR), which the UK is a signatory to. Art 11 sets out that the States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for themselves and their family, including adequate food, clothing and housing, and to the continuous improvement of living conditions. This isn’t an absolute right, so States Parties are expected to take appropriate steps to ensure this right is realised. [↑](#footnote-ref-3)
4. The project forms part of the Commission’s detailed programme of work on welfare reform, including a comprehensive literature review on recent welfare reforms and welfare to work programmes. [↑](#footnote-ref-4)
5. The Cumulative Impact Assessment model reforms to the following parts of the tax and welfare system: income tax, NICs, indirect taxes (VAT and excise duties), means tested and non means tested social security benefits, tax credits, UC, national living wage. [↑](#footnote-ref-5)
6. EHRC [The cumulative impact of tax and welfare reforms](https://www.equalityhumanrights.com/en/publication-download/cumulative-impact-tax-and-welfare-reforms), 2018 [↑](#footnote-ref-6)
7. Committee on the Rights of Persons with Disabilities (2016), Inquiry concerning the United Kingdom of Great Britain and Northern Ireland carried out by the Committee under article 6 of the Optional Protocol to the Convention, <https://tbinternet.ohchr.org/_layouts/treatybodyexternal/Download.aspx?symbolno=CRPD%2fC%2f15%2f4&Lang=en> [↑](#footnote-ref-7)
8. Also the Council of Europe’s Committee of Social Rights concluded in 2018 that the UK does not conform with the right to social security under the European Social Charter because levels of statutory sick pay, minimum levels of ESA, and long-term incapacity and unemployment entitlements are lower than 40% of the median income, and ‘manifestly inadequate’. (European Committee of Social Rights (2018), ‘36th national report on the implementation of the European Social Charter: Conclusions XXI-2 (2017)’, United Kingdom) [↑](#footnote-ref-8)
9. Committee on the Rights of Persons with Disabilities (2017), Concluding observations on the initial report of the United Kingdom of Great Britain and Northern Ireland, <https://tbinternet.ohchr.org/_layouts/treatybodyexternal/Download.aspx?symbolno=CRPD%2fC%2fGBR%2fCO%2f1&Lang=en>. [↑](#footnote-ref-9)
10. Until the UK’s next periodic review by the Committee in 2023. [↑](#footnote-ref-10)
11. [UKIM (2018), ‘Progress on disability rights in the United Kingdom’,](https://www.equalityhumanrights.com/en/publication-download/progress-disability-rights-united-kingdom) [↑](#footnote-ref-11)
12. For example, see: Lawson. A and Sayce L. (June 2017) The implications of Brexit for disability rights: Influencing future debate and policy, pp 9-10. Available [here](https://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=3&ved=0ahUKEwjT9qzHm_PXAhXkIMAKHczIBh4QFgg0MAI&url=https%3A%2F%2Fwww.disabilityrightsuk.org%2Fsites%2Fdefault%2Ffiles%2Fword%2FDR%2520UK%2520report%2520on%2520the%2520implications%2520of%2520Brexit%2520for%2520disability%2520rights%2520-%252021%2520June%25202017.docx&usg=AOvVaw06QyAxR21kf6aBU5ep-2bB) [accessed 5 December 2017]. [↑](#footnote-ref-12)
13. [Equality and Diversity Forum (2018), Shared Prosperity, Shared Rights: replacing EU funding for equality and human rights after Brexit.](https://www.edf.org.uk/edf-report-shared-prosperity-shared-rights-replacing-eu-funding-for-equality-and-human-rights-after-brexit/) [↑](#footnote-ref-13)
14. Forthcoming evidence is also included in our forthcoming report: EHRC (Forthcoming, 2019), ‘If not the EU, then who? The future of funding for equality and human rights in Britain’. [↑](#footnote-ref-14)