

Citizens Advice, Craven, Harrogate and Districts (CACHD)
Response to the SSAC Consultation on the
Managed Migration Draft Regulations August 2018

Background : our experience as one of the first areas in the country to rollout ‘full service’ UC

Citizens Advice, Craven, Harrogate and Districts (CACHD) covers the area of North Yorkshire which was one of the first in the country to rollout ‘full service’ Universal Credit (UC). Part of our area has been ‘full service’ for 2 years – the rest for about 20 months. Since January 2018 alone we have given advice to clients on some 600 Universal Credit problems and queries. We have monitored the impact on our clients throughout the ‘full service’ period through questionnaires, feedback from advisers and in depth interviews of clients. In November 2017 we published a report ‘*Carrying the cost: the experience of Citizens Advice clients in a Universal Credit ‘Test and Learn’ early rollout area*’¹

Using our practical experience of how the UC system functions for our clients, coupled with our experience over many years of advising claimants of benefits in the legacy system, we have examined the draft regulations and have concerns about a number of areas. We believe that unless several amendments are made many people will lose out on the transitional protection to which they are or should be entitled.

Summary of concerns and recommendations:

- 1. Regulation 48 makes clear that if someone’s award for UC does not start by their ‘notified date’ their claim will not count as a ‘qualifying claim’. They will be allowed a maximum of one month’s backdating even if they can demonstrate good reason for making a later claim than this. *We believe there are likely to be a significant minority of claimants who for very good reason fail to make a claim within these time limits.* This will lead, for many, to a large and permanent drop in income and for some will be life changing. This is of a different order of importance than would ordinarily be true for backdating. This will disproportionately affect disabled people especially those with a mental health condition.
Recommendation: Where claimants can demonstrate good reason for a late claim the time allowed for backdating needs to be substantially extended for those undergoing managed migration.**
- 2. Regulation 48 para 2 excludes from accessing transitional protection those who make a correct claim and are within the time allowed but who have previously made a defective claim or had a previous claim closed because they failed to provide the evidence in the time allowed. *We think that this is unreasonable, adds a further unnecessary complication, and is unlikely to be understood by claimants until they are caught out by it.* A quite rational response of someone who is struggling to find the evidence requested and is under pressure in other ways or going through a bad patch in their health condition would be to think it is better just to let that claim lapse, take the time necessary to get together the evidence that they need, and then make a fresh claim. Again this is likely to disproportionately affect disabled people and claimants without access to smartphones and computers.
Recommendation: Regulation 48 paras 2a) &b) should be deleted.**
- 3. Problems understanding the impact of transitional protection. Those whose entitlement on UC is much less than on the legacy system may not realise before they make the claim how much less they will receive on UC if they don’t get transitional protection. They may therefore not understand the importance to them of transitional protection. Even if they do understand this they may well not**

¹ <https://cachd.org.uk/wp-content/uploads/2017/11/Final-copy-Carrying-the-cost.pdf>

understand that they will lose transitional protection if they make a defective claim first or a claim that is closed by DWP because they failed to supply the evidence in time.

Recommendation: The information DWP gives through its letters, websites and the media will need to be very clear. There needs to be a specific warning in the letters to those who are likely to be entitled to significant transitional protection such as those entitled in the legacy system to the SDP or the disabled child element of CTC (but not the severely disabled child element) or the disabled worker element of WTC or are on ESA and doing permitted work

4. **The day of the month the claimant applies for UC could have long-term adverse implications for those claimants who are working or likely to work in the future. It will be incredibly difficult for claimants to work out what will be the optimum date to make their claim.** Most will not realise the possible consequences until too late ; currently once the claim has been made, the day each calendar month their Assessment Period starts is set and can't be changed. We recognise that if someone could repeatedly change the date their Assessment Period starts there is a risk of people trying to 'game' the system. but this should not be used to prevent someone changing their AP dates once. The date they apply could also in some cases mean that they will receive no payment for 2 months.

Recommendations :

If 'good reason' can be demonstrated it should be possible to change the date your Assessment Period starts.

There needs to be a warning for those paid 4 weekly about the timing of their claim.

5. **Regulation 56 paragraph 4a) and 4b) specifies if joint claimants cease to be a couple or a single claimant becomes part of a couple then their TP ceases.** Obviously if someone would no longer be entitled to the additional amount in the legacy system then TP should cease. So for example if someone with transitional protection of the SDP becomes part of a couple with an able bodied person then the regulations rightly stop the TP. However, this should not extend to members of couples who are separately entitled to the SDP in the legacy system.

Recommendation : Couples where both are entitled to the SDP should not lose their SDP if they separate. Nor should 2 single people who are both separately entitled to the SDP lose their TP if they come together.

6. **Regulation 63 paragraph 3 sets out the amounts payable to those who were entitled to the SDP in the legacy system and continue to fulfil the criteria but have already migrated to UC. The amounts payable to those who do not receive the LCWRA covers in full the amount lost on transfer to UC. However those who receive the LCWRA in their UC will only receive an additional £80 each AP. They are £180 worse off on UC than they were in the legacy system.**

Recommendation : Those who have lost their SDP through natural migration to UC should be entitled to the same transitional protection as those in later rollout areas who will be prevented for undergoing natural migration and so will receive full transitional protection

Details

1. **Regulation 48 makes clear that if someone's award for UC does not start by their 'notified date' their claim will not count as a 'qualifying claim'. The one month allowed for backdating a claim and therefore enabling someone who has good reason makes a late claim to count as having made a 'qualifying claim' is not sufficient.**

Our experience leads to us being very concerned that many people who are eligible for transitional protection will lose out under the current draft regulations. Regulation 48 makes it clear that for a claim to

be a 'qualifying claim' (for transitional protection purposes), even if there are extenuating circumstances and even if there has been official error, the claim must be made no longer than a month after the 'deadline day'. We believe there are likely to be a significant minority of claimants who for very good reason fail to make a claim within these time limits. This will lead to a permanent and for many large drop in income and for some will be life changing. This is of a different order of importance than would ordinarily be true for backdating.

We are particularly concerned about the 400,000 people currently receiving the severe disability premium² in the legacy system. Ninety percent of this group are in the LCWRA group. Many do not have computers or smart phones and find leaving the house to attend appointments very difficult. Some have very serious mental health conditions. Many live very isolated lives and are not in any regular touch with support services. **Our experience is that whilst some will respond straight away to the communications from DWP and will be very anxious to deal with them immediately there will also be a significant minority who will not be able to cope with the letters, or who will be so frightened by them they will ignore them, or as a consequence of their mental health condition frequently do not open letters.**

We welcome Regulation 45 that allows for the extension of the deadline day. However our experience is that many vulnerable claimants will not respond until after they become aware that their legacy benefits have stopped because money has stopped going into their bank account and they get into financial difficulty or arrears of rent have built up. This is likely to be more than a month past their deadline day. **The following example involves an unusually long period before a problem was recognised but is one of many we have seen whose benefits have been stopped for some time because a vulnerable claimant has not opened letters and responded to requests for information.**

Ms G is in her fifties. She has debilitating mental health issues, anxiety and depression. She is in receipt of ESA and PIP at enhanced rate, reflecting her incapacity for work and problems with activities of daily living. She was in receipt of HB for privately rented accommodation that was being paid direct to her landlord. She had moved from one rented property to another. Her previous landlord contacted HB to inform them she had moved and gave her new address. Almost a year later her landlord came to her home to say that she owed him almost a year's rent. She came to us in distress about the arrears. When we investigated we were told by the LA that our client had not responded to written requests for further information and the claim had been closed. Our client had not opened post for many months.

The likelihood of some people having good reason for failing to meet a month deadline was recognised in the Upper Tribunal Administrative Appeals Chamber decision by Justice Charles, Judge Wikeley and Judge Wright on 3 August 2017³. The upper tribunal (UT) found it was wrong for the DWP to refuse claimants the right to appeal if they took more than a month to ask for a review of the benefit decision noting that this decision was likely to affect '**many thousands of other cases**'. This is an extract from the UT statement of reasons

10. CJ and SG, who have mental health issues along with other problems, each claimed employment and support allowance (ESA) and attended a 'face to face' assessment. Decision-makers decided in both cases that the claimants did not qualify for ESA and advised them of the time limit for seeking a MR. Both claimants applied late for a MR (5 months late in CJ's case and 10 months late in SG's case). In both cases the Secretary of State refused to accept that the claimants' extenuating circumstances justified extending time.

² To be eligible for this they must be receiving the living costs element of PIP (or Mid rate care component of DLA), they must not have someone paid carers allowance for looking after them and must live alone or just with a dependent child or with someone who also meets the disability benefit criteria.

³ (R(CJ) and SG v Secretary of State for Work and Pensions (ESA): [2017] UKUT 324 (AAC)

83. The reality is that many claimants will be vulnerable for reasons including issues relating to their mental health or learning disabilities. It is obvious that there is a high risk that many of them with good claims on the merits will miss time limits. This risk has been exacerbated over recent years by changes in the scope of legal aid and local authority and advice sector provision and hence the reduction in the numbers of welfare rights officers and others who are readily available to assist claimants with their benefits claims and appeals.

The claimants in this case were in somewhat similar circumstances to those claimants in the legacy system who will fail to claim by their 'deadline day' because of '**issues related to their mental health or learning disabilities**'. They will also experience their income stopping yet despite this will fail to take action.

There will be large numbers of people being managed migrated so there will inevitably be claimants falling through the net. So far only about 4000 of the 400,000 currently receiving the SDP have migrated to UC. Under these regulations no further people with the SDP will migrate to UC until managed migration – so it is likely almost 99% of those receiving the SDP will need to be moved to UC during the managed migration period. This is likely to put a lot of pressure on the advice sector. Almost by definition, those in receipt of the SDP will have both a severe disability, and have no carer and no one who lives with them who might be able to assist with an administrative process such as claiming a new benefit. They are therefore the group most likely to be affected by missing out on TP, *and* the group less likely to cope with complying.

We recognise that in normal circumstances UC can only be backdated a month. However the implications for those not managing to claim within a month of their 'deadline day' are of a different order than for normal backdating. Failing to claim in time could considerably reduce the claimant's income for many years. Someone currently in the support group and receiving the SDP will be over £180 a month worse off on UC. If they don't get transitional protection that is a loss of over £2000 a year and a likely loss (assuming their circumstances remain the same) of well over £10,000 over the next decade until the transitional element reduces to zero.

Conclusion: We do not believe that the current draft regulations on backdating meet the DWP's public sector equality duty. They do not make reasonable adjustments for those disabled people who will have good reason for failing to make a 'qualifying claim'.

Recommendation: Where claimants can demonstrate good reason for a late claim the time allowed for backdating needs to be extended for those undergoing managed migration.

2. Regulation 48 paragraph 2 a) & b) makes clear that even if someone makes a claim within the time allowed to make a 'qualifying claim', it will not count as a 'qualifying claim' if they have made a previous claim that is defective or is closed because they didn't supply the requested evidence in time.

It is hard to see the logic underpinning this regulation; why should claimants be denied TP in their current claim purely because of defects in a previous claim? Even if there was some logic to it we believe it to be totally disproportionate – it will have a devastating effect on some. There may well be good reason why the evidence was not supplied in time or the claim was incorrect in some way. Our experience is that people with a mental health condition may well start a claim but then find it very difficult to follow through. If they at a later point then seek support and make a correct claim within the time allowed we do not see why it should not be allowed. It is for example common to see vulnerable clients who have had their UC claims closed because they failed to attend their verification interview and are told to make a new claim or clients having their ESA claim closed because they fail to turn up for a WCA. Even claimants with very good reason for not attending an interview find that the reasons are not accepted by DWP

Mr G had his claim for ESA stopped because he failed to attend two WCA appointments. He has a serious mental health condition. He experiences suicidal thoughts and panic attacks, when he gets

very anxious he can soil himself. On both occasions he failed to attend it was because he had soiled himself on route to the assessment centre. He explained to the decision maker why he hadn't attended and that he needed a home visit but this wasn't accepted and his ESA claim was closed.

We have also seen claims closed because of problems within the UC system such as a couple's claim failing to link so the couple have been told to reapply. One of the most common reasons for claimants' claims to close are people failing to attend their first appointment because they don't see the message. Those particularly at risk are those who don't have access to smart phones or computers.

Ms C had had to leave her college course because she was pregnant. She had applied for UC on a friend's phone but her friend hadn't passed on to her the message about the first appointment. She had missed her appointment and her claim had been closed.

We have also seen a number of clients who have had their claim closed because they have not proved their right to reside – they have not been given sufficient information by the jobcentre about the information that is needed. They have subsequently come to us and for their second application we have explained what information will be necessary and they have then had their application accepted.

Mrs G moved to this country with her husband and their children because of her husband's work. Her husband unfortunately died shortly after they moved here. She has lived in this country for the last 22 years, worked here and brought up her children here. She has a brain injury that can sometimes make it difficult for her to process information. She applied for UC but was deemed not to have provided sufficient information to demonstrate her right to reside and her claim was closed. When she asked how she could manage she was told that all she could do was reapply. She came to see us and we assisted her to gather the information she needed and this time her claim was successful.

We are very concerned that many vulnerable people – especially those without access to smart phones or computers will fail to understand the importance of making sure all the steps of the claim are carried out correctly first time and will then be advised to make a new claim.

It is our experience that many people do not seek help with their claim first time round. They come to us in distress because they have found when they rang the helpline that their claim has been closed and they have been advised by the helpline to make a new claim. They have often then made that second claim but come to us either for help ensuring their second claim doesn't fail or because they have got into debt as a result of the gap in their income. The gap in income and the resulting rent arrears are obviously a problem but for those migrating the loss of transitional protection will have a much greater long-term impact.

Conclusion: We believe that Regulation 48, paragraph 2 sections a) and b) unnecessarily complicate the procedure and are disproportionate in their effect.

Recommendation: Regulation 48 paras 2a) & b) should be deleted.

- 3. We are concerned that claimants may not realise the amount they may lose by failing to make the claim in time. Even if they understand how much they will lose they are very likely not to realise that even if they claim in time there are other ways they could lose the transitional protection.**

We are concerned that many people will be unaware that they are likely to receive less on UC than they do on the legacy benefits. Communications to the public, and to their own staff, from DWP have been overwhelmingly positive about the financial impact of moving to UC and our advisers have had to explain to different DWP staff on a number of occasions the losses those in the support group with the SDP face. We have been repeatedly told that they wouldn't be entitled to less money on UC because the LCWRA is higher than the support component and that will compensate for the loss of the SDP. It is of course not just those receiving the SDP in the legacy system that will be worse off on UC.

Mrs J is a widow with one child. She works part-time. She had been receiving

Widowed Parent's Allowance, Working Tax Credit (WTC) and Child Tax Credit (CTC). Her employer reduced her hours temporarily to below 16 hours a week and that meant her WTC stopped. Someone suggested she claim Housing Benefit (HB). When she went to the HB offices, however, she was told that she wasn't able to claim HB but should claim UC instead. She was very shocked to discover that, as soon as she claimed UC, her CTC stopped and the amount she received from UC, even though it included help with her rent, was less than the amount of CTC she had been receiving. Moreover, now her hours have increased again she would have been entitled to WTC as well as CTC. Her income under the legacy benefits would have been £40 a week or £2000 a year more than she is receiving on UC.

Conclusion: If people don't realise that they will receive a lot less under UC then they will not recognise the importance of transitional protection (TP).

Recommendation: There needs to be a clear warning in everyone's letters that many people will receive less money on UC unless they apply by their deadline date and ensure that their first claim is correct and that they meet deadlines for supplying information. There also however need to be a specific warning in the letters to those groups who are likely to be entitled to significant transitional protection explaining that because they are receiving a particular premium or benefit they are very likely to be considerably worse off unless they successfully apply by their deadline date.

- 4. The date the claimant applies for UC could have long-term adverse implications for those claimants who are working or likely to work in the future. It will be incredibly difficult for claimants to work out what will be the optimum date to make their claim.**

This source of this problem is the inflexibility of the UC Assessment Periods. Superficially the design of the APs seems simple. However by concentrating on *simplifying the structure* rather than focusing on *simplifying the journey* a claimant has to make, DWP have created a system that is extremely complex to navigate. **For the first time within the benefits system claimants can actually lose money by claiming too early;** when for example someone has finished work and makes a claim for UC but their final wages haven't yet been paid.

There are a number of issues that should be taken into consideration in working out the optimum date to apply for UC when given a 'notified date'. It is our experience that jobcentreplus officials are generally unaware of these issues and certainly don't advise claimants about them. Many of the issues that we have seen in our area are clearly also being seen on a national level as evidenced by the recent CPAG UK report **(August 2018) *Rough Justice : Problems with monthly assessment of pay and circumstances in universal credit, and what can be done about them*** ⁴

- The date someone makes a claim can have on-going financial repercussions**

Those paid monthly at the end of each month but earlier on non banking days need to avoid making a claim on the last two days of a calendar month especially if they are entitled to a work allowance as a parent or disabled person.

Ms J is a single parent. On the advice of her work coach she claimed UC on the day before she was due to start work on 1st of the month. Her UC was paid normally for several months but then her UC payment due in early January was much lower causing her significant financial difficulties. She got a

⁴ <http://www.cpag.org.uk/sites/default/files/CPAG-2018-Rough-justice.pdf>

higher than normal payment the next month but overall was £125 worse off across those two months. Her employer had paid her on 29th December because the 30th and 31st were non-banking days. She discovered this meant that she had 2 earnings payments in her December AP and no earnings in her January AP. This means that she loses the value of the WA in January. There are 3 or 4 months each year when this will happen. She will lose on average about £440 a year in comparison to if the date she first claimed had been earlier in the month or at the beginning of the next month. (If she was eligible for the higher WA she would lose on average £900 a year). Moreover this will continue year after year, she can't change this as she can't change the day of the month her AP starts.

- **The date the UC claim is made may also affect how easy it is to ensure that payments of childcare are not lost because of reporting difficulties.**

In tax credits childcare costs can be paid in advance. In UC the costs have to be paid to the provider first and then reported to DWP by the end of the AP in which they were paid. This has implications for when it is best to make the claim. It would be sensible to ensure that the date the AP ends isn't just after the day of each month the childcare provider is paid as if there are only a few days each AP to report costs it is likely that one month something will happen to prevent reporting in such a short time limit.

We have seen several people like the following clients who have got into financial difficulty because they have failed to report their childcare costs in time. Even when the client is successful in claiming good reason there is a delay in getting paid.

We recently saw a couple that have lost over £700 in childcare costs because they didn't report their childcare costs in time. Both partners are working and had been claiming Tax Credits including childcare costs. When they made their claim for UC our client claims that JCPlus gave him incorrect information about the deadline for reporting his childcare costs. The loss of the first payment of childcare costs created significant on-going financial difficulties and stress for this couple. They put in an MR request but this was refused.

It is likely in some cases to lead to the loss of a job or high cost debt as there will otherwise be no money to pay the following month's childcare costs.

Recommendation: If good reason can be demonstrated it should be possible to change the date your Assessment Period starts.

- **The date of claim will also exacerbate the financial problems some people will face moving to UC.**

They will face a wait of 5 weeks for first payment of UC whereas in the legacy system they may have been paid fortnightly or partly in arrears but also partly in advance (in TCs). If they are paid 4 weekly the date they make their claim for UC could in addition mean they receive nothing or very little in their first UC payment.

It would be helpful for those paid 4 weekly to time the application to avoid having 2 payments of wages in their first AP. In our experience many of those paid 4 weekly really struggle to manage in the month when 2 payday's occur in one AP⁵. DWP have now recognised to some extent the issues caused by the inflexibility of the AP and have tried to mitigate the problems by online advice about saving in months when only one lot of earnings is paid so that the claimant has some savings to get through the AP for the much lower (or non) payment of UC in the AP occurs. However if after waiting 5 weeks for their first

⁵ Those paid 4 weekly receive 13 pay packets over the course of a year so will receive 2 lots of pay in 1 AP a year

payment of UC they then have no UC or very little in their first payment because two pay-packets have been taken into account many will really struggle to not get into financial difficulties. Coping with fluctuations in income is very difficult for those on a low income with no savings. Those who have been working 4 weekly with regular earnings and receiving tax credits will be used to receiving regular payments. A sudden gap in support from benefits may push them into a level of debt they can't escape from. Getting into debt has costs – people may use high interest loans, they may get into rent arrears.

Mr and Mrs A had never had rent arrears until they claimed UC. Because there was a long delay in getting their full UC into payment they were unable to pay their rent and their landlord applied for a possession order. The client explained to the court the reason why they hadn't been able to pay their rent so the possession order was suspended but the judge had no option to award costs against them. As a result they have now paid the rent they owed but still owe their landlord over £300 court costs.

Recommendation: There needs to be a warning for those paid 4 weekly about the timing of their claim

5. **Regulation 56 paragraph 4a) and 4b) specifies if joint claimants cease to be a couple or a single claimant becomes part of a couple then their transitional protection (TP) ceases.** Obviously if someone is no longer entitled to the additional amount then TP should cease. So for example if someone with TP of the SDP becomes part of a couple with someone not entitled to the SDP then the regulations rightly stop the TP. However the regulation would also result in loss of transitional protection for couples separating where both were entitled to the SDP, and for 2 single people who are both separately entitled to the SDP and then join together. Likely scenarios for this would be:

- where a couple were both entitled to the SDP in the legacy system and have qualified for transitional protection and one partner experiences a further deterioration of their health condition and has to go into a residential care home so they will become separate benefit households. Under Regulation 56 this would presumably lead to the partner remaining at home losing transitional protection of their SDP.. Similarly if their partner dies they will also lose TP. Clearly we would expect them to lose their partners SDP TP in these situations but we believe it to be unjust and likely to cause great hardship that at such a difficult time they will lose TP of their own SDP

- two single people both entitled to the SDP – perhaps having got to know each other through a local group for disabled people decide to become a couple. Under the legacy system they would be entitled to two SDPs. Under UC their TP will stop leaving them **almost £500 a month worse off** than a couple in this position in the legacy system. They may well decide that because of their care needs they can't afford to become a couple yet this will cost DWP money as even with the SDPs in payment the savings when two people become a couple are considerable.

Recommendation: Couples where both are entitled to the SDP should not lose their SDP if they separate. Nor should 2 single people who are both separately entitled to the SDP lose their TP if they come together.

6. **Regulation 63 paragraph 3 sets out the amounts payable to those who were entitled to the SDP in the legacy system and continue to fulfil the criteria but have already migrated to UC. The amounts payable to those who do *not* receive the LCWRA covers in full the amount lost on transfer to UC.**

However those who receive the LCWRA in their UC will only receive an additional £80 each AP. Even with this top up of £80 they will be over £100 worse off on UC than they were in the legacy system.

Those in the LCW group will receive £126 a month (LCW) plus a transitional payment of £280 if they have lost the SDP on moving to UC. That will give them a total amount (additional to their standard living costs and housing costs) of £406 a month. This will give them full transitional protection

Those in the LCWRA group who have lost the SDP on moving to UC will receive £328 a month (LCWRA) plus a transitional payment of £80 – **a total of £408 a month**. The table below sets out why someone in the support group of ESA and entitled to the SDP **receives £514** monthly in addition to their living and housing costs and their PIP or DLA.

	2018 weekly	2018 monthly
SDP	£64	£279
EDP	£16	£71
Support component	£38	£164
Total	£118	£514

The LCWRA element is worth £328 a month. That is a loss of £186 a month. They are being told that they will receive a top up of £80 a month to compensate them for the loss of the SDP. A transitional SDP payment of £80 will give them a total amount (additional to their standard living costs and housing costs) of £408. This therefore leaves them **£106 worse off than on the legacy system**. Even if the EDP (£71 a month) is ignored this still leaves them £35 a month less than just compensating for the SDP.

The calculation for those in the LCWRA group appears does not appear to have been based on how much those in the LCWRA group have lost or compensating for the SDP. It appears to have been based on paying a transitional payment to those in the LCWRA / support group who have lost the SDP the minimum necessary so that they are no worse off than those in the LCW / WRAG who have lost the SDP.

It is hard to understand how the EDP can be ignored as anyone claiming ESA income based and in the support group would automatically receive the EDP. It is regarded as a means tested top up for those in the support group who are on means tested benefits in the same way as the LCWRA component of UC is higher than the support component in 'new style ESA'.

So far only about 4000 people (latest statistics Feb 2018) have lost the SDP because of having to move to UC out of a total of 400,000 recipients of the SDP. Only 3000 of those 4000 people are in the LCWRA/ support group. Those who have lost the SDP will almost all live in the few early rollout areas like ours. The cost of awarding those already on UC the same as everybody else would be a very tiny proportion of the overall cost. **We fully support the "test and learn" process but where as in this case DWP accept that something is causing undue hardship and make changes to future provision, we think that those changes should equally apply to those on whom the process has been tested and have already suffered considerable hardship as a result of being in the "test and learn" area.**

Even with the extra £80 a month payment this leaves these people with a continuing loss of £106 a month compared to the legacy system and compared to the transitional protection those in the later rollout areas will receive.

The following client lost her SDP when she moved to our area last year

Ms J had been in receipt of contributory + income based ESA, with SDP and HB. She wanted to move to our area to be closer to friends and relatives. She had been told that her ESA would continue but that she would need to claim HB from Harrogate Borough Council. When she arrived she discovered that she would have to claim UC. She went through an extremely difficult time before her LCWRA element and her housing costs were paid. She was £1000 in rent arrears and had spent all her savings by the time her benefits were sorted. Although she is now being paid the correct amount of UC she is still finding it extremely difficult to manage on £180 less each month than she received on legacy benefits. She says that this has affected her well being: she doesn't go out as much as she can't afford the petrol for her motability car, she sleeps a lot, spends more time in her bedroom. She now has an overdraft every month and constantly worries about money and bills. She is unable to save for unexpected expenditure such as the £120 needed to service and repair her mobility scooter. She doesn't like asking her family for help but occasionally accepts it when offered, such as £5 from her sister towards a £12 new duvet because she could only afford £7.

We have seen several clients who have lost their SDP through natural migration to UC. They have already faced considerable hardship because they live in a 'test and learn' area. Paying huge phone bills because of the costs of ringing UC helpline to report DWP errors before it was made free, LCWRA not being paid on transfer, considerable problems getting housing costs into payment. DWP have made improvements such as making the helpline free but our clients are still living with the financial consequences of these issues. Any savings they had have been eaten up by these problems. Being in debt costs money. **They haven't been compensated for the losses they suffered through being in a test and learn area. It is very clearly unfair that they should then get a lower transitional payment than someone in a later rollout area.**

Recommendation :Those who have lost their SDP through natural migration to UC should be entitled to the same transitional protection as those in later rollout areas who will be prevented for undergoing natural migration and so will receive full transitional protection.