



## **Impact of universal credit and welfare reforms on the Gypsy and Traveller communities**



## **A report by the Irish Traveller Movement in Britain and Leeds GATE**

**May 2013**

**Leeds GATE and ITMB would like to thank all those who participated in the roundtables and contributed to this report:<sup>1</sup>**

Leeds Gypsy and Traveller Exchange

Irish Traveller Movement in Britain

Ealing Traveller Achievement Service

Friends Families and Travellers

Leeds CC Gypsy and Traveller Services

London Irish Centre

Leeds Benefit Service

Federation of Irish Societies

Traveller Trust York

London Borough of Havering

Citizen Advice Bureau Stoke on Trent

DWP Ethnic Minority Strategy

DWP Leeds

Citizen Advice Bureau Haringey

Citizen Advice Bureau Policy Team

Southwark Travellers Action Group

ITMB Traveller Advisory Group

Bromley Gypsy Traveller Project

Infinity Sutton Housing Association

Haringey Travelling People's Team

Home Space Sustainable Accommodation

Citizen Advice Bureau Northumberland

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<sup>1</sup> The views in this report are not necessarily shared by all those who participated in the roundtable events, but may reflect a majority consensus amongst organisations and individuals involved.

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# 1. Introduction

In March 2013 Leeds Gypsy and Traveller Exchange (Leeds GATE) and the Irish Traveller Movement in Britain (ITMB) organised roundtable discussions in Leeds and London to address widespread concerns regarding the introduction of Universal Credit (UC) and its impact on Gypsies and Travellers. The events were attended by approximately 40 people, including community members and organisations working with Gypsies and Travellers in areas including benefits advice, policy work, social work, educational support and community development. The roundtables were also attended by DWP Ethnic Minority Strategy and Benefits Service representatives. This report aims to capture the key issues discussed and how they can be most effectively addressed by Government, local authorities and those working with Gypsies and Travellers.

Whilst both roundtables focused on the implications of UC in the areas of **financial and social impact, access and information, discrimination, return to work and self employment**, they also emphasised the cumulative effect of wider welfare reforms. The London and Leeds events agreed that all aspects of welfare reform should be considered holistically, placing specific emphasis on the financial and social impacts.

## 2. Financial and social impacts

In assessing the financial and social impact of UC and welfare reform it is crucial for policy makers to acknowledge that 'Gypsies and Travellers experience, and are being held back by, some of the worst outcomes of any group, across a wide range of social indicators.'<sup>2</sup> These include the lowest life expectancy, the poorest educational attainment and the highest infant mortality rates of any ethnic minority in the UK.<sup>3</sup> The introduction of UC, intrinsically linked with wider welfare reforms such as the benefit cap, cuts to housing benefit in the private sector, council tax benefit changes, the social sector size criteria or 'bedroom tax' and the uprating cap of 1%, pose a significantly greater risk of negatively impacting on Gypsies and Travellers.

The DWP's 2011 UC Equality Impact Assessment concluded that 'households with an adult of ethnic minority background experience a more positive impact from Universal Credit than other household types.'<sup>4</sup> However, the assessment reached this conclusion by simply comparing White with all other races for various indicators and not taking into

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<sup>2</sup> Ministerial Working Group on tackling inequalities experienced by Gypsies and Travellers, 2012, paragraph's 3.1 - 3.4  
<https://www.gov.uk/government/publications/reducing-inequalities-for-gypsies-and-travellers-progress-report>

<sup>3</sup> Ibid.

<sup>4</sup> DWP, 2011, UC Equality Impact Assessment, p. 29  
<https://www.gov.uk/government/publications/universal-credit-equality-impact-assessment>

consideration the extreme inequalities which exist between many ethnic minority groups in terms of education, health, ability to move into work, training etc (as highlighted above).

Nor did the assessment take into account the cumulative impact of other welfare reforms on people's lives, considering issues such as family/household size, insecure accommodation, life expectancy and discrimination.

## **Family/household size, age and vulnerability**

Under UC claimants maximum benefit award will be subject to the total benefit cap with an upper limit of £350 per week for a single adult with no children and £500 per week for a couple or lone parent regardless of how many children they have.<sup>5</sup> Broadly, the cap will affect large families with several children who are potentially in receipt of higher than average amounts of Child Tax Credit and are more likely to live in larger homes meaning more Housing Benefit. It is estimated that 27% of households affected will have 5 or more children. 69% will have 3 or more children. However, smaller households may still be affected if they live in high rent areas and are receiving larger amounts in Housing Benefit.<sup>6</sup> Participants at the roundtables were particularly concerned about how the cap would **disproportionately impact on Gypsy and Traveller families and children:**

*'The Universal Credit benefit cap is going to be incredibly detrimental to single parents, Gypsy or Traveller women with large numbers of children, mainly 4-6 or more, who may be in private rented accommodation in an area like London for example.'*

Friends Families and Travellers

Gypsies and Travellers traditionally have larger families than the settled population. The Equality and Human Rights Commission (EHRC) has cited evidence from Gypsy Traveller Accommodation Assessments that 'indicates ethnic Gypsy and Traveller women have an average of between 3.5 and 5.9 children (according to their ethnicity).'<sup>7</sup> This figure compares to a national average of approximately 1.9 children per woman.<sup>8</sup>

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<sup>5</sup> The benefit cap will be phased in from April 2013, starting in four local authorities in London – Bromley, Croydon, Enfield and Haringey. These were chosen as London has the highest percentage of potential benefit cap claimants and a diverse cross section of residents. The remaining local authorities will be implementing the cap from the 15 July 2013, with all appropriate households capped by the end September 2013.

DWP, March 2013, Benefits Cap

<http://www.dwp.gov.uk/adviser/updates/benefit-cap/>

<sup>6</sup> Turn2us, March 2013, *Benefit Cap, Key Information*

[http://www.turn2us.org.uk/information\\_resources/benefits/benefits\\_news\\_and\\_changes/benefit\\_cap.aspx#whoaffected](http://www.turn2us.org.uk/information_resources/benefits/benefits_news_and_changes/benefit_cap.aspx#whoaffected)

<sup>7</sup> EHRC, 2009, *Inequalities experienced by Gypsy and Traveller communities: A review*, p.228

[http://www.equalityhumanrights.com/uploaded\\_files/research/12inequalities\\_experienced\\_by\\_gypsy\\_and\\_traveller\\_communities\\_a\\_review.pdf](http://www.equalityhumanrights.com/uploaded_files/research/12inequalities_experienced_by_gypsy_and_traveller_communities_a_review.pdf)

<sup>8</sup> BBC, 2009, ONS birth statistics, *The size of the average family is getting smaller*

<http://www.bbc.co.uk/news/health-11960183>

In the London roundtable Citizen Advice Bureau Stoke on Trent noted that the Gypsies and Travellers they work with 'generally have larger families.'

Considering that 96% of households impacted by the cap have over 3 children and that Gypsy and Traveller women are more likely to have larger families, it stands that the cap could have a disproportionate impact on Gypsies and Travellers, especially children already experiencing child poverty. It should also be noted that Gypsy and Traveller pupils have the highest rate of eligibility for free school meals; a key indicator of child poverty.<sup>9</sup>

The London roundtable heard evidence from Ealing Traveller Achievement Service who were aware of hundreds, if not thousands, of cases of Gypsy and Traveller families who would be over the benefits cap, partly due to Ealing being one of the more expensive London boroughs.

The Leeds roundtable heard that '400 people in the city will be impacted by the benefit cap, including 5 families identified on the Cottingley Springs site'. Taking into consideration the 2011 Census found that Gypsies and Travellers make up approximately 0.1% of the population of Leeds (recognised as an underestimate) this example from one site represents a disproportionate impact upon these communities. The Leeds roundtable also heard that approximately 'a quarter of families on Cottingley Springs will be impacted by the lone parent cap.'

Both round tables also heard that people pushed over the cap by other benefits can, at that time, only have money taken off their housing benefit (the only benefit Local Authorities can cap). However, when UC comes in the full cap can be applied. So there is potential for people becoming worse off after the cap, but even more so under UC.

**The roundtables shared serious concerns about the impacts of the benefit cap and UC on the elderly and vulnerable, Gypsy and Traveller families, lone parents and children.**

The **life expectancy, health and vulnerable circumstances** of many Gypsies and Travellers was raised as a matter of concern in both roundtables:

*'In the Gypsy and Traveller community, and particularly the Irish Traveller community, we know that life expectancy levels are lower and this could have a marked impact on pension credit age under UC.'*

London roundtable

Studies consistently show differences in Gypsies' and Travellers' life expectancy of over 10% less than the general population, although a recent study stated that the general population were living up to 50% longer than Gypsies and Travellers. Research also shows that the health of Gypsies and Travellers starts to deteriorate markedly when

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<sup>9</sup> DfE 2010, *Improving the outcomes for Gypsy, Roma and Traveller Pupils: final report*  
<https://www.education.gov.uk/publications/eOrderingDownload/DFE-RR043.pdf>

individuals are over 50.<sup>10</sup> This is of particular concern considering that the new Personal Independence Payment is replacing Disability Living Allowance (DLA). This involves a new assessment for all working age claimants, aimed at reducing the number of claimants by half a million.<sup>11</sup> There were concerns that the changes to DLA and the Government's focus on reducing the numbers of claimants could have a disproportionate impact on the larger number of Gypsies and Travellers who suffer from debilitating conditions and general poor health, especially those in their fifties who have not yet reached pension credit age, and are therefore not exempt from the benefit cap and UC.

Leeds roundtable heard that where one member of a couple reaches the qualifying age for pension credit and the other is of working age, they must continue to claim UC until both have reached pension credit qualifying age. The London roundtable expressed concerns about the impact this may have on elderly Gypsies and Travellers, considering their shorter life expectancy. It should be noted that eligibility for pension credit age is tied to increasing life expectancy in the UK.<sup>12</sup> It follows that the low life expectancy of Gypsies and Travellers as a group could result in UC and the benefit cap having a disproportionate impact on these communities as they may never reach pension credit age.

Haringey Travelling People's Team and ITMB Advisory Group members highlighted the possible mental health impacts of wider welfare reforms and that this should be taken in to consideration by the DWP and health service providers.

## **Insecure accommodation and evictions**

Both roundtables heard worrying evidence of Gypsy and Traveller families facing **increasing accommodation insecurity** as a result of welfare reforms. The Government's own impact assessment suggests that 67,000 households will be affected by the benefit cap in 2013/14. Of those affected, 54% will be in Greater London boroughs, 8% in Scotland and Wales, and 38% spread across the other English regions.<sup>13</sup> Reflecting these statistics, participants at the London roundtable gave numerous examples of preemptive action being taken against Gypsy and Traveller tenants reliant on housing benefit, especially those living in the local authority mobile rented sector and 'bricks and mortar' private rented sector:

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<sup>10</sup> Ministerial Working Group on tackling inequalities experienced by Gypsies and Travellers, 2012, paragraph's 3.2

<sup>11</sup> DWP, 2012, DLA impact assessment

<https://www.gov.uk/government/publications/disability-living-allowance-reform-personal-independence-payment-impact-assessment>

<sup>12</sup> The qualifying age for pension credit is currently 61 years (rising to 65 in 2018)

<sup>13</sup> Turn2us, March 2013, *Benefit Cap, Key Information*

[http://www.turn2us.org.uk/information\\_resources/benefits/benefits\\_news\\_and\\_changes/benefit\\_cap.aspx#whoaffected](http://www.turn2us.org.uk/information_resources/benefits/benefits_news_and_changes/benefit_cap.aspx#whoaffected)

*'In Southwark we are already finding that mobile rental companies aren't actually releasing mobiles to new tenants who have moved onto pitches, because they are worried about how these changes will affect them, so they don't want to give a mobile home if they think in a few months they won't be able to make the payments.'*

Southwark Travellers Action Group

*'I have two clients who have left bricks and mortar accommodation and gone back on the road because of the effect it's (welfare reforms) going to have on them'*

Friends Families and Travellers

*'The evictions from the private sector started about a year ago in Ealing'*

Ealing Traveller Achievement Service

The 2011 Census estimates that London and the South East account for nearly half of England's Gypsy and Traveller population.<sup>14</sup> Considering that many of these communities have large families and live in vulnerable circumstances, there is a high probability of Gypsies and Travellers being disproportionately impacted by these welfare reforms.

Similar concerns were expressed in Leeds:

*'The high rents at Cottingley Springs were discussed in relation to a potential drop in housing benefit which could lead to some families struggling to afford rents.'*

Leeds Roundtable

It should be noted that Gypsies and Travellers already experience acute accommodation insecurity, with approximately 16-20% of community members living in caravans in England being classified as homeless, in that they have no legal place to park their caravans.<sup>15</sup> A 2009 EHRC review of inequalities experienced by Gypsies and Travellers also noted that 'poor quality or inappropriate accommodation, including as a result of forced movement, inevitably exacerbates existing health conditions as well as leading to new problems.'<sup>16</sup>

*'Because of the shortage of sites, many Travellers have been forced into poor quality, private rented accommodation and it looks like these benefit changes are*

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<sup>14</sup> ONS, 2012, *Ethnicity and National Identity in England and Wales 2011*  
<http://www.ons.gov.uk/ons/rel/census/2011-census/key-statistics-for-local-authorities-in-england-and-wales/rpt-ethnicity.html>

<sup>15</sup> DCLG, 2012, Caravan Count  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/11710/caravan.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/11710/caravan.pdf)

<sup>16</sup> Equality and Human Rights Commission 2009, *Inequalities experienced by Gypsy and Traveller Communities: A review*, p. 50  
[http://www.equalityhumanrights.com/uploaded\\_files/research/12inequalities\\_experienced\\_by\\_gypsy\\_and\\_traveller\\_communities\\_a\\_review.pdf](http://www.equalityhumanrights.com/uploaded_files/research/12inequalities_experienced_by_gypsy_and_traveller_communities_a_review.pdf)

*going to have a massive impact on child poverty. It looks like the communities are totally unprepared for the changes.'*

Haringey Travelling People's Team

**Increased accommodation insecurity and evictions as a result of the government's welfare reforms will inevitably lead to more families being homeless and going back on the road, having detrimental social impacts, especially on education, health, employment and child poverty.**

The London roundtable was sceptical about the **effectiveness of Discretionary Housing Payments (DHPs)** to support those families in dire need. Citizen Advice Bureau Haringey described how the DHP criteria has changed under this Government, with applicants now having to complete financial statements and show evidence they are trying to downsize their property or move in order to be eligible for extra help. The Leeds roundtable expressed similar concerns with the level of support provided by DHPs, noting the limited funding available and barriers to accessing this.

Both roundtables noted that various cuts and changes are being passed down differently depending on the Local Authority, making it harder to assess the impacts on Gypsy and Traveller populations across different regions. For example, the Leeds roundtable heard that the council tax benefit drop in York was 30%, nearly twice as high as that in Leeds which was 19%. Across other authorities this figure can and will vary still further.

Home Space Sustainable Accommodation (HSSA) highlighted the possible **financial impact on landlords**, whether they be social or private, in collecting rents that would have otherwise been paid direct.

*'It is a concern that given the economic climate and escalating poverty amongst low income families, that money that should be allocated to pay rent will be diverted towards other essentials such as food, heating and lighting, children's clothes etc. 'The rent will have to wait'. This will ultimately result in arrears and eventual eviction.'*

Home Space Sustainable Accommodation

HSSA went on to note that the likelihood of arrears is extremely high under UC and questioned landlords capacity and ability to collect rents, especially in cases of having to take individuals to court. It was emphasised that such a process would most likely end up in Gypsy and Traveller families pulling off site and going back on the road.

### 3. Access and Information

This section of the report will focus more specifically on the practical issues surrounding the introduction of UC regarding bank accounts and online access, monthly payments, managing budgets and supporting people.

**A key finding from both roundtables was that many Gypsies and Travellers and the organisations working with them are unprepared and/or under resourced to deal with the necessary practical changes resulting from UC and wider welfare reforms.**

Such engagement is crucial to ensure many Gypsies and Travellers are not adversely affected by the benefit changes due to being unbanked, having limited access to online accounts, low literacy and numeracy skills, marginalisation and discrimination.

#### Bank accounts and online access

Both roundtables expressed concern about the UC requirement for recipients to have a bank account with a functional direct debit facility. The roundtables noted that **many Gypsies and Travellers do not have bank accounts** or only have post office accounts which cannot be used for UC payments. The limited access of many Gypsies and Travellers to mainstream financial services has been evidenced in the 2011 ITMB report Roads to Success: Economic and Social Inclusion for Gypsies and Travellers:

*‘Some interviewees were unaware of what a mortgage actually was and such was their level of financial exclusion they did not even have a bank account. For some interviewees without a fixed address they could not even accrue the level of documentation and credit history to take the first step on the ladder of financial inclusion by obtaining a bank account.’<sup>17</sup>*

ITMB, 2011, Roads to Success report

A similar point is echoed by the Ministerial Working Group on tackling inequalities experienced by Gypsies and Travellers:

*‘Studies have reported that some Gypsies and Travellers face difficulties accessing financial products and services; for example, difficulties providing suitable ID (identification documents) and difficulties providing evidence of a stable address which can be a barrier to opening a bank account. Gypsies and Travellers have also reported concerns that financial services would be hostile towards them.’*

Ministerial Working Group on tackling inequalities experienced by Gypsies and

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<sup>17</sup> ITMB, 2011, Roads to Success: Economic and Social Inclusion for Gypsies and Travellers, p. 108  
[http://www.irishtraveller.org.uk/images/roads\\_to\\_success.pdf](http://www.irishtraveller.org.uk/images/roads_to_success.pdf)

## Travellers

Whilst acknowledging these barriers, the Leeds roundtable highlighted how some organisations are pro-actively addressing these issues, emphasising the need for increased Government support to carry out this work in light of the greater need of these communities:

*'Many Travellers will not be able to set up direct debits to arrange payments. The capacity for charitable organisations to support their clients was raised as an issue. York Travellers Trust has teamed up with Citizens Advice Bureau to support clients and are already noticing the impact on their capacity.'*

*'Post office accounts will not be valid to pay council tax. However, some banks are being pro-active in setting up basic budgeting accounts to support those who will be affected. In Leeds, work is being done with Credit Union's to prepare for UC. Credit Union's will support clients to set up 'jam jar' accounts to pay bills. Payments will also be accepted over the counter at the Post office.'*  
Leeds Roundtable

Both roundtables shared concerns regarding UC's **shift from a phone service to online**. The Leeds roundtable heard that there will still be a phone service available, but the emphasis will be on getting customers to use the online service. At the time of writing there were reports that the Government was 'rowing back' on its 'digital by default' strategy, rephrasing it to 'digital as appropriate'.<sup>18</sup> The extent of this change of emphasis has yet to be fully clarified by the DWP.

The ITMB Roads to Success report found that there was growing use of the internet amongst those Gypsies and Travellers interviewed – both socially and for work purposes – with 60 per cent of the sample stating they had access to the internet.<sup>19</sup> This compares with a national average of 80% of households with internet access.<sup>20</sup> However, it should be noted that the Roads to Success report focused predominantly on community members in various forms of education, training and employment, and as such were far more likely to be online. For the purposes of this report we would posit that national internet access rates for Gypsies and Traveller are significantly lower than 60%, and even where access is available, low literacy skills and educational attainment will continue to be a barrier for many community members.

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<sup>18</sup> Universal Credit's 'digital by default' ditched  
<http://www.lgcplus.com/topics/benefits/universal-credits-digital-by-default-ditched/5057200.article?blocktitle=Latest-Local-Government-News&contentID=2249>

<sup>19</sup> ITMB, 2011, *Roads to Success: Economic and Social Inclusion for Gypsies and Travellers*, Executive Summary, p. vi  
[http://www.irishtraveller.org.uk/images/roads\\_to\\_success.pdf](http://www.irishtraveller.org.uk/images/roads_to_success.pdf)

<sup>20</sup> ONS, 2012, Internet access – Households and Individuals  
<http://www.ons.gov.uk/ons/rel/rdit2/internet-access---households-and-individuals/2012/stb-internet-access--households-and-individuals--2012.html>

**The Government needs to ensure that Gypsy and Traveller organisations (and others working with these communities) have the capacity to support community members in setting up bank accounts and accessing online services. It should be acknowledged that such support needs to go beyond basic advice and guidance. It is essential that the focus is on addressing some of the root causes such as low literacy and numeracy skills, marginalisation and discrimination.**

## **Monthly payments, managing budgets and supporting people**

The London roundtable was given a short summary by Citizens Advice Bureau of the DWP support mechanisms in place regarding monthly payments and budgeting. The 'UC guidance on personal budgeting support' (link below) outlines the two key elements involved:

- Money advice to help claimants cope with managing their money on a monthly basis and paying their bills on time.
- Alternative payment arrangements for some claimants who genuinely cannot manage the standard monthly payment and where there is a risk of financial harm to the claimant or their family. This might include rent paid directly to the landlord, a more frequent than monthly payment, or a split payment between partners.<sup>21</sup>

<http://www.dwp.gov.uk/docs/personal-budgeting-support-guidance.pdf>

The second element, 'alternative payment arrangements' will form part of the assessment process when people are being transferred from their existing benefits to UC. In the London roundtable Citizens Advice Bureau recommended that people should be as open as possible about their circumstances during this process, making it clear if they are unbanked, have literacy and numeracy issues or are living in insecure accommodation etc.

The Leeds roundtable expressed concern about the **scope of alternative payment arrangements** and their proposed temporary nature. As reinforced by the DWP at the roundtable and stressed in their advice document online, 'over time, you will then need to improve how you manage your money, so you can move off your alternative payment arrangement.'<sup>22</sup>

Participants at the London roundtable weren't fully convinced that the DWP's personal budgeting support measures would meet the challenges on the ground. It was agreed that in theory, personal budgeting support could be a positive measure, however,

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<sup>21</sup> DWP, 2013, *Universal Credit: Guidance on personal budgeting support*, p.1

<http://www.dwp.gov.uk/docs/personal-budgeting-support-guidance.pdf>

<sup>22</sup> Ibid., p.3

making it a reality in practice could be far more complicated due to low literacy, discrimination etc. As raised by the Leeds roundtable, the fact that personal budgeting support is only a temporary measure could pose problems for many claimants in the future. Citizens Advice Bureau Stoke on Trent expressed a number of concerns for their clients which were widely shared in both roundtables:

*'The move from weekly or fortnightly payments to monthly is very concerning for me. I see lots of people who have trouble managing their money, they can't read, they can't write, they have benefits stopped, they get sanctioned... It's a nice idea (DWP's personal budgeting support), but we have a particular local jobcentre where we have intermittent problems with the way they treat Gypsies and Travellers. One particular client of mine has actually given up; she's not claiming benefits anymore. I found her in tears on the pavement outside the Citizens Advice Bureau, she was tired, she couldn't cope anymore, because every time she went to this local jobcentre she had to see this particular person who berated her, who humiliated her really, because she couldn't read or write and didn't offer her any support at all because she was a Gypsy. We have to keep making complaints, they behave themselves for a little while and then it happens again.... That's why I am concerned about the support services that are supposed to be there for us, these local jobcentre's are going to be on the frontline.'*  
Citizens Advice Bureau Stoke on Trent

As highlighted by CAB Stoke on Trent, the quality of the support services is critical in determining how UC policies are applied on the ground. It was acknowledged in both roundtables that third sector organisations play a crucial role in providing, and ensuring provision of support services for Gypsies and Travellers. The roundtables discussed the impact UC and welfare reforms will have on the **capacity of Gypsy and Traveller organisations** and others working with these communities to support and advise their clients. Particular emphasis was placed on whether funding is available to support work on these issues:

*'If there are any dedicated G&T organisations in the area, they are going to be inundated with requests for advice and assistance. Given the current economic climate and the fight for funding and survival, this is a major challenge that has not been considered.'*  
Home Space Sustainable Accommodation

*'Last month alone we had two people accessing us off the street. For six months their claim had been stopped because they couldn't find anybody to help them with literacy and understanding. I've managed to get them housing benefit discretionary payments.'*  
Infinity Sutton Housing Association/Bromley Gypsy Traveller Project

Both roundtables also heard from the DWP who described the development of a Local Service Support Framework which aims to address the local delivery of support for claimants with additional needs (see link below).

<https://www.gov.uk/government/publications/universal-credit-local-support-services-framework>

The framework describes the development of Local Delivery Partnerships for UC, through Local Authorities and Third Sector Providers. It states that 'where other Third Sector Providers and/or local partners contribute additional support to the LAs in their delivery of those services this is likely to be commissioned via the LA to support local needs.'<sup>23</sup>

In the London roundtable the DWP confirmed that funding could be made available to organisation's supporting Gypsies and Travellers depending on local priorities, however they couldn't specify how much and where it may be focused. Similarly at the Leeds roundtable, DWP confirmed the availability of funding to support 'vulnerable groups' but were unable to provide further details at this stage.

**It is essential that the Government provide resources for Gypsy and Traveller organisations (and others working with these communities) to ensure they have appropriate guidance and support to access UC and specifically the personal budgeting support programme and alternative payment arrangements.**

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<sup>23</sup> DWP, February 2013, *Universal Credit: Local Support Services Framework*, p.16  
<http://www.dwp.gov.uk/docs/uc-local-service-support-framework.pdf>

## 4. Discrimination, other barriers to claiming benefits and focus on return to work

Under UC and for existing benefits there will be more conditionality and tougher sanctions, whilst all claimants must accept a 'claimant commitment' as a condition of receiving UC.<sup>24</sup> Previously conditionality requirements only applied to those on Jobseekers Allowance, however now the claimant commitment will apply to the broader benefits which fall under UC. In both roundtables there were concerns that many Gypsies and Travellers may struggle to adhere to the terms of the claimant commitment as a result of discrimination, cultural, educational and skills barriers.

### Discrimination

There were concerns that **discrimination in employment and access to services** could lead to Gypsies and Travellers being sanctioned and having benefits stopped. Citizens Advice Bureau Stoke on Trent, ITMB Advisory Group members and Ealing Traveller Achievement Service all gave examples of Gypsies and Travellers experiencing discrimination in employment and in accessing benefits services. These examples are supported by the ITMB Roads to Success report which 'found evidence that Gypsy and Irish Traveller interviewees living on Traveller sites faced 'address based' discrimination with a number of interviewees referring to potential employers being unwilling to offer them jobs due to their place of residence.'<sup>25</sup>

*'I was at a benefit office with my sister who is registered disabled. We went in and had the interview and do you know what she done (the benefits adviser), she left her desk and walked out to the pavement with us because she said we were going to nick the knives and forks... Things like that the Government don't know what we as Travellers have to go through.'*

Ealing Traveller Achievement Service

As previously highlighted by Citizens Advice Bureau Stoke on Trent, the impact of discrimination in Jobcentres can result in Gypsies and Travellers stopping claiming benefits and disengaging from the system. It is also evident that Gypsies and Travellers may face discrimination in employment, possibly limiting their ability to adhere to the claimant commitment. Whilst discrimination should never be used as an excuse for not following the terms and conditions of a claimant's agreement, it should certainly be taken into serious consideration where a person makes a well founded complaint.

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<sup>24</sup> DWP, Universal Credit and your Claimant Commitment

<https://www.gov.uk/government/publications/universal-credit-and-your-claimant-commitment-quick-guide>

<sup>25</sup> ITMB, 2011, *Roads to Success: Economic and Social Inclusion for Gypsies and Travellers*, Executive Summary, p. v

[http://www.irishtraveller.org.uk/images/roads\\_to\\_success.pdf](http://www.irishtraveller.org.uk/images/roads_to_success.pdf)

## **Jobcentres and the DWP should be aware of the impact discrimination may have on Gypsies and Travellers' ability to claim benefits and adhere to their claimant commitment.**

In response to these issues, the DWP made the London roundtable aware of its strong anti-discriminatory policies and emphasised the importance of reporting bad treatment and providing as much information as possible about specific incidences (see Appendix A).

## **Cultural, educational and skills barriers**

Both roundtables heard concerns regarding cultural, educational and skills barriers to returning to work and entitlement to benefits. In Leeds, **culture was discussed as a possible boundary** to helping people find work. The roundtable acknowledged that this issue needs to be addressed to change people's attitudes toward work and raise their expectations. In London there were concerns regarding the traditional roles of Gypsy and Traveller women at home and in childcare:

*'There is an expectation that children are going to be at school. I have families whose children don't go to school for so many reasons, or they go intermittently, and you have the travelling families finding places in schools'*

Citizens Advice Bureau Stoke on Trent

*'The likelihood of people being able to access work may be limited if they come from a traditional background. I have a client who fits this criteria exactly, she has no literacy skills, she has no access to a computer, she has a post office bank account not a basic bank account, if she weren't to comply with the UC rules she would probably be facing 60 percent sanctions.'*

Friends Families and Travellers

The London roundtable heard that the conditionality rules under UC for households or 'benefit units' with children take into consideration childcare and schooling. This would mean that a couple with children would be expected to be meeting a minimum earning conditionality or household income level of possibly 35-40 hours a week minimum wage. This could mean that one partner takes responsibility for the home, childcare etc whilst the other meets the full household income level or both partners take on part-time work and share home responsibilities.

**Education, lack of skills and qualifications** were all raised as other possible barriers to Gypsies and Travellers being able to fully comply with the claimant commitment. Infinity Sutton Housing Association described the need to support many Gypsies and Travellers in drafting CVs and articulating their previous work experience. Education, basic literacy skills etc were once again barriers for many to taking those essential first steps into employment and training.

*'First thing in terms of boundaries into work would be a CV. You need someone who is culturally aware of the skills a person has from working on fields and farming, from budgeting as a parent and drawing on those skills. Many a time we've sent off people to do a CV and they've come back and said there's nothing there.....The worker whose going to help with the CV needs to be culturally aware of what skills the person has, because a lot of the time they can't read or write.'*  
Infinity Sutton Housing Association

These concerns are supported by the Ministerial Working Group on tackling inequalities experienced by Gypsies and Travellers:

*'Many Gypsies and Travellers leave the education system before the age of 16 with poor literacy and numeracy skills. In discussions we had with members of the community, most felt their poor literacy skills impacted on their understanding of the conditionality requirements of the Jobseeker's Allowance regime, as well as significantly disadvantaging them in seeking employment. They also felt they lacked qualifications and softer skills such as confidence and motivation that would help them in gaining employment.'*  
Ministerial Working Group on tackling inequalities experienced by Gypsies and Travellers

The Leeds roundtable heard that work club funding is available to set up support for clients to find work. The Leeds GATE work club has been running since late 2012 and has seen some positive engagement from community members. The roundtable noted that there is an aspiration to develop this scheme over 2013. Leeds participants also expressed specific concerns regarding the 'How to use Universal Jobmatch' information sheet which wasn't available in an easy read version and would not be accessible for Gypsies and Travellers with low literacy skills. These concerns were also shared by the London roundtable.

## 5. Self-employment and opportunities under Universal Credit

The Leeds roundtable heard that UC had the potential to make things easier and improve **support for those in self-employment** (see Appendix C). It was noted at both roundtables that this could benefit Gypsies and Travellers as self-employment is a strong community asset:

*'An emphasis on entrepreneurial skills and business start-up support would particularly benefit the GRT communities, especially in the context of the additional barriers that these communities face in the workplace.'*

Ealing Traveller Achievement Service

However, there were serious concerns regarding the capacity of self-employed Gypsies and Travellers with low literacy and numeracy skills to engage with the changes in UC. Under UC, all self-employed people will have to report their cash-in and cash-out figures every month through an online system. Under the current system a part-time self-employed person is only required to submit their profit and loss figures yearly. Many Gypsies and Travellers with low literacy and numeracy skills and poor access and knowledge of the internet will require support getting up to speed with the new system. There should also be an emphasis on encouraging community members to set up businesses under the new UC procedures (see link below).

<https://www.gov.uk/government/publications/universal-credit-and-self-employment-quick-guide>

**The DWP need to ensure that self-employed Gypsies and Travellers have the appropriate support for making the transition to UC. This would be best provided through supporting Gypsy and Traveller organisations and those working with these communities to provide practical guidance and help on the changes required.**

Each of the roundtables also heard about the hopes that **UC could potentially improve conditions** for claimants through creating a simpler 'one stop shop' to many benefits, greater personalisation and flexibility in the claimant commitment, personal budgeting support and better opportunities for claimants to earn money without having claims closed down (see Appendix B).

*'For many years Citizens Advice have been battling with bringing to everyone's attention how complicated the benefits system is. It's complicated for any person who works with benefits to actually figure out where to go for what; there are five Government agencies administering different benefits, so to the everyday person it's a minefield. With UC hopefully it will be one place for everything...but let's see what happens'*

Citizens Advice Bureau Haringey

However, in the main participants at both roundtables approached UC with caution, taking stock of previous changes to the benefits system and emphasising the importance of supporting people through the changes.

*'As a benefits worker I've tried to be positive as each things changed over the years. ESA (employment and support allowance) on paper sounded not bad actually, but on the ground it turned out to be an absolute disaster. It's not so much the benefit rule, they are always going to hurt somebody, but it's the support that's needed. I want to know that that support is going to be there.'*  
Citizens Advice Bureau Stoke on Trent

**This observation echo's a key issue raised at both roundtables; that the government need to ensure appropriate support mechanisms are available to help people understand, adapt and if needs be question and challenge the dramatic changes to the benefits system.**

## **6. Recommendations**

### **Financial and social impact**

- 1.** The Government should assess the impact of welfare reforms on child poverty in the Gypsy and Traveller communities. A step towards doing this would be to ensure Gypsies and Travellers are included in local authority child poverty needs assessments and strategies, in line with the duties laid out in the Child Poverty Act 2010.
- 2.** The DWP and Department for Communities and Local Government should recognise that many of the Government's welfare reforms are putting many Gypsies and Travellers under acute housing stress and may result in families being forced to go back on the road. This should be taken into serious consideration when local authorities are issuing enforcement notices against Gypsies and Travellers parking without permission.

### **Access and information**

- 3.** The DWP, in collaboration and consultation with Gypsy and Traveller organisations, should produce guidance information about claiming UC in DVD and online video formats showing step by step how to make a claim, adhering to the claimant commitment, alternative payment arrangements etc.
- 4.** It is essential that the Government provide resources for Gypsy and Traveller organisations (and others working with these communities) to ensure the communities have appropriate frontline guidance and support on claiming UC and accessing the personal budgeting support programme and alternative payment arrangements.

### **Return to work, education, training and self employment**

- 5.** In line with Commitment 27 in the MWG progress report, the DWP should establish a joint working group with the Department for Education and BIS to address the root causes and bring forward policy solutions to the inequalities experienced by Gypsies and Travellers in employment, education, skills training, access to benefits etc. It should be noted that the MWG previously established a cross-departmental working group to address broader inequality issues which was discontinued at quite an early stage.
- 6.** The Government should support third sector organisations working with Gypsies and Travellers to help community members set up businesses, understand regulatory requirements, manage accounts etc. The potential advantages to UC, such as with

regards to work impacting benefits, need to be clearly explained and demonstrated through relatable case studies (see Appendix B)

## **Discrimination and other barriers to claiming benefits**

7. In line with Commitment 25 in the MWG progress report, the DWP should take practical steps to improving internal guidance and staff awareness on key issues faced by Gypsies and Travellers engaging with the benefits system, such as high levels of discrimination and poor literacy skills. We would recommend that such steps include Jobcentres with local Gypsy and Traveller clients receiving cultural awareness training from local communities and organisations.

## Useful Links

**DWP: Universal Credit toolkit for partner organisations**

<https://www.gov.uk/universal-credit-toolkit-for-partner-organisations>

**The Money Advice Service: Benefit changes from 2013 – interactive timeline**

<https://www.moneyadviceservice.org.uk/en/tools/universal-credit-timeline>

**Citizens Advice Bureau: Welfare Benefits Reform**

[http://www.adviceguide.org.uk/england/benefits\\_e/benefits\\_welfare\\_benefits\\_reform\\_e.htm](http://www.adviceguide.org.uk/england/benefits_e/benefits_welfare_benefits_reform_e.htm)

**Turn2us: Benefit changes timetable**

[http://www.turn2us.org.uk/information\\_resources/benefits/benefits\\_news\\_and\\_changes/benefit\\_changes\\_timetable.aspx](http://www.turn2us.org.uk/information_resources/benefits/benefits_news_and_changes/benefit_changes_timetable.aspx)

## **Appendix A: DWP complaints procedure**

Contact [the Jobcentre Plus office you've been dealing with](#) if you're unhappy with the service you've received - their details will be at the top of any letters from Jobcentre Plus.

*Explain what has happened, how this has affected you and what you want to happen to put things right.*

*Jobcentre Plus will try to resolve the issue over the phone or deal with your complaint within 15 working days.*

*If you're unhappy with the response*

*You'll be asked if you want your complaint sent to the Director General of Operations for the Department for Work and Pensions. They aim to deal with complaints within 15 working days.*

*If you're still unhappy, you can then [ask the Independent Case Examiner](#) to investigate - they'll be impartial and this is free.*

*If you're unhappy with the response from the Independent Case Examiner, you can [ask your MP](#) to send your complaint to the [Parliamentary and Health Service Ombudsman](#).*

## **Appendix B: Alternative perspectives on Universal Credit**

Things in UC that could be better than the current system:

### **1. 'One stop shop' for all (well, almost all) benefits -**

Brings housing benefit/local housing allowance, tax credits, and personal allowances (eg JSA, IB, ESA) all into one place - this simplification could really reduce confusion and also mean some people may find they have a higher entitlement because they may not have realised previously they could get some tax credits or housing costs help. NB, this applies only to income related benefits, contributory JSA and ESA will sit outside UC.

### **2. Personalisation and the Claimant Commitment**

The Govt has made a big song and dance about including more personalisation in the rules people are expected to follow.

The claimant commitment is a contract you sign agreeing to the rules and consequences before you will be paid UC, you will sign either as an individual or as a couple if a joint claim. Under the current system only people on JSA had to sign an agreement (the jobseekers agreement) this replaces that, but will also include people with lower levels of rule they need to follow.

Under UC, because there won't be different benefit names like Income support, ESA, JSA etc there will be 4 conditionality (rule) groups instead. These are:

- no work-related requirements (similar to the full support group of ESA or Incapacity benefit),
- work-focused interview requirement only (like ESA work related activity group or income support)
- work preparation requirement, (like ESA work related activity group or income support)
- all work-related requirements (similar to JSA)

Within the rule groups that have have requirements (things you have to do or risk getting a sanction) there is a little bit of flexibility, such as depending on your circumstances and needs you may be expected to look for a job that is less than full time, or allowances around doing certain courses so you'd have a lower expectation about how many jobs to apply for or how much time to spend looking for work. The flexibility isn't huge, but looks like it could be an improvement on the current system.

Also the claimant commitment should spell out quite clearly what you're supposed to do and what might happen if you don't do x, y, or z. Of course, this will only work really well if you have the literacy skills to understand the document.

### **3. Personal Budgeting Support**

Most people claiming UC will receive a single monthly payment of all different elements combined, but the Govt realises that the single monthly payment idea is a big change and won't work for everyone from the word go.

Some people may get Personal Budgeting Support, which is made up of lots of different elements. Some are as simple as a referral to some money advice online, through to the ones we're more interested in - alternative payment arrangements.

At the start of UC and for a few years after

There will be three types of 'alternative payment arrangements':

- Some people will be able to have the housing cost element paid directly to their landlord.
- Some people will receive their UC payment more frequently than once a month.
- Some joint claims will be paid/split across both claimants, or changed to the other member of a couple.

The trick is that people will not be able to apply for personal budgeting support or an alternative payment arrangement, but will be assessed as possibly needing one during the application process for UC. It is best to be truthful or flag up if you have currently or in the past, had problems with rent arrears, evictions, debt, not having a bank account etc etc see pages 6 - 10 of this document to see what the issues or circumstances <http://www.dwp.gov.uk/docs/personal-budgeting-support-guidance.pdf> For example, people living on 'illegal' sites would be seen as homeless on the basis that their housing was "unsafe or unsuitable accommodation" as it is legally no more secure than a squat.

No-one will be treated as permanently in need of an alternative payment arrangement, but some people may need them for a longer period than others.

### **4. Earning money**

The taper rate for UC is generally better, and at one flat rate (65%) so it should be easier to work out if it's worthwhile taking up some work.

UC should make it easier for people who work casually, flexibly or have fluctuating hours. Your benefit claim won't be closed down, rather, your earnings (either what you declare or what they pick up from the tax department) will be assessed each month and your UC payment will be adjusted in relation to whether you earned more or less this month. It will still mean some challenges about predicting your income, but could be a lot better than the current system of claims being closed down if you get a few weeks work and then having to wait for benefit to go into payment again. If you get a few months work that takes you above the UC limit your claim won't be completely closed, will be able to get it up and running again almost instantly if it's less than six months since you were eligible.

Remember, UC doesn't start properly until October (a few pathfinders in the north west between April and October), but will take around 4 - 5 years to migrate everyone over.

No information available about how this will work or who / where / when to expect a change. We do know that the first people to go onto UC will be quite simple JSA (income related) claims.

All of these 'might be good' bits will depend on the system working well, advisers being well trained and sensitive to the person sitting in front of them and this is something we'll be looking at very closely as UC rolls out. We know from previous big changes that what happens on the ground and how the process works can be a big problem.

## **Appendix C: Self employment under Universal Credit (DWP)**

The Government recognises the importance of self-employment and small businesses to the economy and to society. As part of the Government's wider growth strategy we are keen to help self-employed people to achieve their potential and progress in work. We are also keen to support new enterprise.

Universal Credit should support, claimants who are able to work, to be self-employed but only insofar as self-employment is the best route for them to become financially self-sufficient. Self-employment covers a wide range of activities. For some people it is their main occupation. Other people undertake small amounts self-employment, which is not their main occupation.

The Government recognises the need for claimants who are setting up a business to be given time to establish themselves and develop their business and customer base. Therefore where a claimant has been self-employed for less than 12 months a start-up period will be granted. This means that claimants will not be required to look for or take up alternative employment, and the Minimum Income Floor will not be applied thereby giving them time to concentrate on developing their business.

The Minimum Income Floor, an assumed level of income, has been created to encourage individuals to increase their earnings through developing their self-employment. The level of the Minimum Income Floor will be a monthly figure Net of National Insurance Contributions and Income Tax.

Universal Credit will provide financial support to the poorest people in society in order to meet essential living costs. Monthly reporting means Universal Credit can be adjusted on a monthly basis, which will ensure that claimants whose income falls won't have to wait several months for a rise in their Universal Credit. This will ensure that Universal Credit is provided when a claimant needs it.

Self-employed earnings will be reported on a simplified "cash accounting" basis which asks for the total income from receipts into the business and details of payments out of the business under defined categories during the assessment period. The requirements have been designed to be as simple as possible in order for claimants to easily report their earnings.

Whilst this is a different process to now, the system is designed such that monthly reporting of self-employed earnings will not impose significant administrative burdens on small businesses. Self-employed claimants already maintain records of payments received and payments made and retain receipts and invoices, so the only additional task will be to complete the on-line monthly report of income and expenditure.

The impact of reforms on self-employed people will be monitored, particularly in terms of the interactions with the monthly assessment of Universal Credit.