IN THE BACK

DISABILITY BENEFITS

Squeezing PIPs

A 62-YEAR-OLD man with terminal leukaemia, who was wrongly denied benefits supposed to ease the extra financial burden of living with serious illness and disability, finally had the decision overturned at a tribunal – the month after he had died.

In another case, a 28-year-old woman with a spinal tumour had to be taken to her benefit tribunal by paramedics in an ambulance. Proceedings were immediately halted while the horrified tribunal judge went to tell Kirsty Garnett, outside, that her case was successful.

Universal credit isn't the only government welfare reform causing extreme distress and hardship. Despite government assurances that those with terminal cancer or other life-shortening diseases would not have to face the ordeal of tick-box assessments for the new personal independence payments (PIP) at the hands of health professionals from Crapita and Atos, that is not the experience of many sufferers.

Duncan Walker, the welfare advice worker who represented the bereaved family and Ms Garnett, said theirs were but two of more than 30 "truly shocking" cases he has handled in the Stoke-on-Trent and Stafford areas during the past year. In every one, the cancer patient had been told by the Department for Work and Pensions (DWP) that following their assessment they were ineligible for any PIP support – only for a tribunal to later award them the highest rates of daily living and mobility support. (Payments can range from £22 to about £140 per week.)

In a third case, Walker, an advice worker for Unite Community, himself witnessed a Crapita health check of a man with stage four lung cancer, and was alarmed by the assessor's subsequent report. He told the *Eye* that he had seen the man having to use his bottled oxygen repeatedly – yet the assessor reported "no signs of breathlessness". The report also said there was no need for a review for another two years – despite the man's prognosis giving him just months to live.

Walker told the *Eye*: "These cases are absolutely horrendous and should not be allowed to happen. What is clear is that assessors pay little or no attention to what is written in claim forms, doctors' notes and other accompanying material. In the worst cases, the process is a dishonest sham."

Even in cases where doctors have completed a special certificate stating that a patient is likely to have less than six months to live – which is supposed to lead automatically to a fast-track PIP award – the final decision about whether to conduct a medical assessment, by someone who could be a nurse or an occupational therapist by training, is still left to the very companies who profit from carrying them out.

What is also shocking is that that there are no meaningful checks and balances in place at the DWP. It is supposed to carry out "mandatory reassessments", or reviews, when claimants challenge the refusal of benefit. A freedom of information request in the summer revealed that a key performance indicator for those carrying out the mandatory assessments has set a target to refuse 80 percent – making a mockery of the process. In Walker's experience, the reassessments are upholding nearly nine out of ten rejections. No wonder the tribunals are overwhelmed and are overturning nearly two-thirds of DWP decisions. The scandal is the extra misery, stress and financial hardship sick people and their families suffer in the meantime.

CREDIT CRISIS

ABCUL-de-sac

FOUR and a half years ago, when there was still hope for the then work and pensions secretary Iain Duncan Smith's universal credit scheme, another important measure to help people on low incomes was the expansion of credit unions. So how goes the plan to treble the number of credit union members from 500,000, taking them out of the grasp of "predatory loan sharks or high interest lenders", in the words of the then welfare minister, Lord (David) Freud?

Not so well. A £35m contract awarded to the Association of British Credit Unions Ltd (ABCUL) to automate the unions' activities, enabling "current accounts, cash ISAs and innovative budgeting accounts", has produced next to nothing.

Thirty-five credit unions were meant to be "transformed" by going on to a new electronic platform called Cornerstone. This is being developed through a new company, Cornerstone Mutual Services Ltd, chaired by Tory peer Lord (David) Hunt using software from American IT company, Fiserv.

In the event just three credit unions – with a few thousand members between them – have actually done so. One was a brand new union and another has been plagued by complaints since its "transformation". One member called it "a pathetic excuse of a business" on a Facebook page devoted to the (lack of) service: "Both myself and my partner have got accounts with this company, and for over a month now, neither of us have been able to access our accounts, despite numerous unanswered phone calls and emails."

Thanks to repeated extensions and accommodating variations to the "expanding credit unions" contract, around £18m, or half the initial budget, has been spent for this paltry return. This ought to pose some awkward questions for both the Department for Work and Pensions, which is funnelling taxpayers' cash into it, and the management of the ABCUL.

For more than 12 years, the body's chief executive has been Mark Lyonette, who is said by sources close to the project to have done very well out of it but declined to give the *Eye* details of his salary and bonus. Although he is chief exec, he is not strictly a director, so his company's accounts do not have to disclose his income.

At the end of August, Lyonette had to write to his members to say the organisation, working with the DWP, would be "stabilising the three live credit unions" and in the meantime "halting the migration of any further credit unions on to the platform until we have achieved this stabilisation". Looks like yet another of the DWP's grand plans has hit the buffers…

● WITH the opposition, the Commons work and pensions select committee and even universal credit's own instigator, Iain Duncan Smith, lining up to condemn the minimum six-week wait new recipients must undergo before they see any cash, pressure is mounting on the government to reduce the arrears period. But this initial wait for cash may not be the only period during which UC claimants go without funds.

For claimants who are in work and paid weekly (which is the case in many low-paid jobs that will qualify for UC top-ups), the small print of the benefit makes it clear that they will run into problems whenever they receive five pay packets within the calendar months that are used to calculate their UC eligibility.

"When you have five weekly earnings payments within an assessment period, your income may be too high to qualify for universal credit in that month," say the DWP rules. "If this happens you will be notified that your income is too high and you will no longer get universal credit. You can re-apply the following month as you should only get four wage payments in your assessment period then."

The vagaries of the calendar will not, of course, affect the amount workers are actually earning – but a month with five Fridays (this December, for example) will see them automatically lose their entire universal credit for that period. "You will need to be prepared for a month when you get five wage payments in one assessment period and budget for a potential change in your monthly universal credit payments," the DWP guidelines state blithely.

In 2018, March, June, August and November will all have five Fridays – so UC claimants who are paid weekly may have to budget for extraordinarily lean months for a third of the year. The DWP itself admitted in a report published last month that delays in UC payments were "a key factor" in claimants falling into rent arrears.

Given that the UC has supposedly been designed to mimic standard work pay patterns, this fluctuation seems particularly cruel: no employer, after all, docks pay following every five-week month, or pays them less because they are on a weekly wage.

HIGH PRINCIPALS

Drug gang

MORE on Manchester University's plan to make 140 academic staff redundant, including 40 from the Alliance Manchester Business School (*Eye* 1448). On 4 October, the board of governors failed to drop the plan, prompting 87 percent of the staff's union to walk out for two days.

Academics complain that the saga has torpedoed morale and the administration has become obsessed with meaningless metrics, and lacks public service values. Where might the senior leadership team have learned such things?

President and vice-chancellor Dame Nancy Rothwell (pictured) was a non-executive director for nine years at pharmaceuticals giant AstraZeneca, which has been no stranger to offshore tax strategies over the years (*Eye* 1410). Her adviser and registrar, Will Spinks, also enjoyed a career at the firm before moving into higher education. The team gets its legal advice from general counsel Chris Petty, who enjoyed, er, 32 years at AstraZeneca and now works under Spinks.

The board of governors, which is supposed to scrutinise management, isn't free of AstraZeneca's influence, either. Lay members Isabelle Perrett and John Stageman are both ex-employees, and colleague Dapo Ajayi is no stranger to the corporate world, having a day job as chief procurement officer at – surprise! – AstraZeneca.

Could this corporate cosiness explain why the board dismissed the votes of 240 academics declaring no confidence in management earlier this year?