

Scottish Campaign on Rights to Social Security submission

Social Security Committee inquiry on the role of Scottish social security in Covid-19 recovery

October 2020

About SCORSS

The Scottish Campaign on Rights to Social Security (SCORSS) is a diverse coalition of organisations working across Scotland with collective expertise across a range of different aspects of the social security system. Whilst coming from different areas of expertise, all members of SCORSS are united in our belief in a social security system that prevents poverty and supports those in need whilst also protecting their dignity.

Background

Prior to Covid-19, over 1 million people were living in the grip of poverty in Scotland.¹ Since the unfolding of the crisis, households have seen their incomes cut – whether because of the loss of employment or the loss of hours – at a time when many report their costs are increasing. As a result, the scale of income crisis and hardship that our organisations have seen across Scotland since March is such that what was already a rising tide of poverty threatens to overwhelm unprecedented numbers of people.

The crisis has shone a light on many of the gaps that exist in our social security system; gaps through which more and more people are being pulled into hardship. The collective experience of our member organisations indicate that our social security system, despite some welcome developments like the UK Government's £20 increase to Universal Credit standard allowance and the Scottish Government's additional Carer's Allowance Supplement, is too often unable to meet the growing needs of people living in – or at risk of being pulled into - poverty and hardship.

We therefore welcome, at such a critical juncture, the Social Security Committee's focus on how the Scottish social security system can contribute to Scotland's recovery from the pandemic and welcome the opportunity to contribute to this inquiry.

Q1: What will the economic downturn look like for different people in Scotland and how should Scottish social security support them through it? In the context of UK social security and of other ways of providing support, what is the role of Scottish social security in an economic recession?

It has been apparent from the outset that the economic storm created by the pandemic was most impacting particular groups in our society, particularly low-paid women; disabled people; people from black and minority ethnic backgrounds; people with No Recourse to Public Funds; lone parent families, and unpaid carers.

Indeed, the economic storm created by the pandemic has clearly disproportionately impacted, and continues to impact, the groups and communities that were already most likely to be living on a low income and that were already most exposed to income crisis. This

¹ Scottish Government, Poverty & Income Inequality in Scotland: 2016-19, <https://www.gov.scot/publications/poverty-incomeinequality-scotland-2016-19/>, 26 March 2020

includes the groups identified as priority families by the Scottish Government's *Tackling Child Poverty Delivery Plan*.²

Evidence from Child Poverty Action Group in Scotland's Early Warning System shows that, given gaps in support, other groups particularly impacted have been 16 and 17 year olds, students, recently self-employed people, pregnant women, and survivors of domestic abuse. Disabled people have also experienced additional barriers to claiming their entitlements during the pandemic, with a recent report from the National Association of Welfare Rights Advisers (NAWRA) highlighting barriers to claiming Personal Independence Payments (PIP).³

As the economic downturn continues – particularly with the winding down of the UK Government's Job Retention Scheme and the expected impact on levels of unemployment and underemployment – it is expected that the groups most impacted so far will continue to experience significant hardship, with others also being pulled into financial insecurity. In this context, the role of Scottish social security will be chiefly to protect people, as far as is possible with the powers at the disposal of the Scottish Government, from poverty and to protect their right to an adequate standard of living.

Scottish social security can also be utilised, in the context of an economic recession, as an automatic stabiliser. In effect, increased investment in social security – and in particular raising the value of support provided - can act as a fiscal stimulus; helping to boost economic activity in communities across Scotland. It will therefore be essential that, during the Scottish Government's budget planning and development, the social security budget spending is recognised as such.

Q2: Can, and should, Social Security Scotland do more than meet the expected increased demand for benefits and deliver on existing policy commitments? What should its ambitions be? Within the social security and borrowing powers available to Scottish Ministers what could be achieved and delivered?

SCORSS' vision is for a Scottish social security system that takes a human rights-based approach, actively prevents and reduces poverty, treats people with dignity and respect, and supports everyone in Scotland to flourish. We believe that the ambitions of Social Security Scotland and the Scottish Government should reflect and embody this vision.

There is, though, much more that must be done to fully realise this vision, and to fully realise the principles enshrined in the Social Security (Scotland) Act. It is therefore critical that Social Security Scotland does more than just meet demand and deliver on existing policy commitments. While the increased demand for social security support – and the additional pressures that this places on Social Security Scotland - will represent a challenge for the agency, the need for rights-based social security that contributes toward the attainment of an adequate income for all has never been more pressing or urgent.

In particular, as we move toward the interim child poverty targets in 2023 and the statutory targets in 2030, there is a need to use powers more ambitiously to ensure that the social security system plays the fullest possible role in meeting those targets – which were set in the context of the existing social security and borrowing powers available to Scottish

² Scottish Government, Every Child Every Chance: Tackling Child Poverty Delivery Plan 2018-2022, March 2018, <https://www.gov.scot/publications/child-chance-tackling-child-poverty-delivery-plan-2018-22/>

³ NAWRA, Claiming PIP During Covid-19, September 2020, https://www.nawra.org.uk/wordpress/wordpress/wp-content/uploads/2020/09/Claiming_PIP_during_COVID-19.pdf

Ministers - and in loosening the grip of poverty on the lives of the almost one in four children in Scotland growing up in poverty.⁴

Q3: If we look to do more, or differently, what are the relatively easier changes that could be made to Scottish benefits that would not require significant additional capacity in Social Security Scotland? AND

Q4: What changes could be made that would not require significant input from the Department for Work and Pensions (UK)?

There are a number of changes that could be made to Scottish social security that would not require significant additional capacity in Social Security Scotland or require significant input from the Department for Work and Pensions (DWP):

Scottish Child Payment

SCORSS strongly welcomes the introduction of the Scottish Child Payment and welcomes the Scottish Government's commitment to prioritising its delivery even amid the disruption caused by the pandemic. It represents a milestone in the development of the Scottish social security system and an important step in the use of Scotland's social security powers to tackle poverty.

There is, though, scope for ensuring that the Scottish Child Payment has an even greater impact than currently projected. Analysis carried out prior to the pandemic showed that the Scottish Child Payment has the potential to reduce the proportion of children in poverty by 3 percentage points. But even a 3-percentage point reduction in relative child poverty in 2023/24 still leaves relative poverty in Scotland at 26% due to projected rises in child poverty. This would represent a failure to meet the interim child poverty target of 18% as set out in the Child Poverty (Scotland) Act.⁵ Given that this analysis was undertaken prior to the pandemic, it is reasonable to assume that the adequacy of support – and therefore the potential impact of the payment on levels of child poverty - has reduced yet further.

We welcome the passing of the Social Security Administration and Tribunal Membership (Scotland) Bill, which will ensure that the payment is uprated annually. However, we also consider that there is a need to reflect upon the adequacy of support of payment and to consider a significant increase in the level of support that it provides, particularly in light of the impact of the pandemic on levels of child poverty. In addition to this, all possible options should be explored for delivering the payment to over-6s as soon as possible, or alternatively to explore alternative mechanisms for providing the equivalent level of support until full roll-out of the Scottish Child Payment.

There is also a need to ensure that the review of the Scottish Child Payment, due to be conducted in the next Scottish Parliament, is gender-sensitive, given the inextricable link between women's poverty and child poverty.

Disability assistance

The 'safe and secure transition' to the devolved system of disability assistance leaves some unanswered questions and leaves a number of parts of the current system – which too often fails to protect the rights of disabled people, fails to protect them from poverty, and fails to treat people with dignity and respect - intact. SCORSS members believe longer-term reforms

⁴ Scottish Government, Poverty & Income Inequality in Scotland: 2016-19, <https://www.gov.scot/publications/poverty-incomeinequality-scotland-2016-19/>, 26 March 2020

⁵ Resolution Foundation, Wrong Direction: Can Scotland meet its child poverty targets?, March 2019, <https://www.resolutionfoundation.org/app/uploads/2019/03/Wrong-direction-briefing-note.pdf>

are needed to disability assistance to create a world-leading rights-based system of support for disabled people.

As set out in our *Beyond a Safe and Secure Transition – A Long Term Vision for Disability Assistance in Scotland* report⁶, we believe in the need for the Scottish Government to initiate a fundamental review of disability assistance with reference to six key principles that can help realise our vision of a system of support that:

- Has a clear purpose;
- Is human rights based;
- Supports equal participation in society and independent living;
- Is adequate;
- Provides whole-of-life support;
- Interacts well with future social security developments and is well connected to other services

Some of our key recommendations for realising this vision include:

- Deploying a range of rights based participatory methods to future decision-making around disability assistance;
- Ensuring that Equalities Impact Assessments (EQIAs) and Human Rights Impact Assessments (HRIAs) play a key role in developing the system, and that all stakeholders are involved in the early development of EQIAs and HRIAs;
- Reviewing the eligibility and assessment criteria – with this review being co-produced with disabled people - to ensure they reflect the social and human rights models of disability and to better realise the rights to equal participation in society and independent living for all;
- Adopting a human rights budgeting approach to calculate an adequate rate for disability assistance. This should appropriately reflect the extra costs associated with overcoming disabling barriers, reduces poverty, and enables disabled people to realise their rights to equal participation in society and independent living;
- Considering how to address the problems that having separate age payments creates and how best to resolve these issues;
- Ensuring that, regardless of what wider changes are made to other social security entitlements, a separate non-means tested social security payment for disabled people should be maintained.

Support for unpaid carers

Unpaid carers, already at high risk of experiencing poverty and the majority of whom are women, have been facing even more acute financial pressure since the beginning of the pandemic. The Scottish Government's decision, in recognition of the acute additional pandemic-related pressure placed on unpaid carers, to introduce an additional Carer's Allowance Supplement payment in June was therefore extremely welcome.

Given, though, that this additional pressure on carers has not eased – and is highly likely to have increased – in the months since, there is a need to replicate this additional payment in the next round of payments due in December 2020. There is also a need to permanently increase the value of the payment in the longer-term, and to drive a step-change in the value

⁶ Scottish Campaign on Rights to Social Security, *Beyond a Safe and Secure Transition – A Long Term Vision for Disability Assistance in Scotland*, September 2020, <https://cpag.org.uk/sites/default/files/files/policypost/SCoRSS%20report%20Beyond%20a%20Safe%20and%20Secure%20Transition.pdf>

placed on carers in Scotland. This includes via the roll-out of the new Scottish Carers Assistance, on which proposals should be brought forward and consulted upon as soon as possible.

Rights, advice, income maximisation and independent advocacy services

There is significant scope to maximise the positive impact that Scottish social security can play in post-Covid-19 recovery by focusing not just on the social security entitlements themselves, but also the services – such as welfare rights, advice, income maximisation and independent advocacy services - that support people to understand and navigate the social security system and maximise uptake.

Welfare rights and advice services play a key role in supporting people to access their right to social security, and will play an even greater role in the coming months – given the expected steep rise in unemployment - as more people seek to access their social security entitlements for the first time and require support in navigating the system. It is therefore critical that these services receive the financial support and stability that they require in order to meet rising demand, and to ensure people are able to access such services at key life events (e.g. on the birth of children, on children starting school, at the onset of ill health). Recent examples of cuts in support for advice services in Glasgow are of significant concern, at a time when these services should be receiving more, not less, support in order to meet the needs of people struggling to stay afloat.

Similarly, the role of independent advocacy services has never been more important and additional support for these services would not require significant additional capacity in Social Security Scotland. Independent advocates support people at every stage of their engagement, from understanding their rights and entitlements and claiming the support to which they are entitled, through to attending assessments and appealing decisions. In doing so, independent advocacy – along with services like welfare rights advice - can help address many of the common barriers that lead to low benefit take-up, including:

- lack of awareness of entitlement;
- fear and anxiety about engaging with the system (often borne out of previous poor experiences);
- the complexity of the system, including administrative hurdles;
- stigma and shame

Currently, access to independent advocacy in relation to Scottish social security is dependent on people self-defining as having a disability. Yet people with mental health issues, learning disabilities or sensory impairments, amongst others, often do not think of or define themselves as disabled. This could present a significant barrier to engagement with independent advocacy, effectively stopping people getting the support they need and from accessing their right to social security support.

Independent advocacy also enables people to stay engaged with services that are struggling to meet their needs. In this regard, it has a valuable role to play in supporting the Scottish Government to realise its ambitions for a human-rights based approach to social security, by ensuring that the most vulnerable and marginalised do not 'fall out' of the system.

In order to support the Scottish Government's goal of maximising take-up and ensure that the Scottish social security system contributes effectively to post-Covid recovery, we would welcome a change to the definition to include the term 'condition', as well as disability. We would further welcome action to increase awareness (both among the public and agency

staff) of independent advocacy services and how to access it, and to better resource and design independent advocacy organisations and referral systems.

Action to boost take-up

In addition to investment in the services that can support people to access their right to social security, there are a range of other actions that can help drive an increase in the take-up of entitlements and, in so doing, boost the incomes of people who are struggling to stay afloat and support economic recovery.

Currently, for example, there exists little reliable, up-to-date, and accurate data on the levels of take-up for different forms of social security entitlements. There is an urgent need to address this, to enable a better understanding of gaps and barriers to take-up and to help improve processes as a result. This should include action to develop estimates for Universal Credit take-up, given that it acts as a 'passport' to a number of current and future devolved benefits. In doing this, it is essential to consult people about the challenges and barriers that have in accessing their entitlements, as well as to consult advisers on their experiences.

There is also a critical need to more routinely collect equalities data as part of the application process, given the particular barriers that people with one or multiple protected characteristics may face in accessing their entitlements. Currently, minimal equalities data is collected as part of the Best Start Grant application process, for example, meaning that our understanding of which groups may be facing additional barriers to access is limited. Without equalities data it is also impossible to measure the success of efforts to target take-up or reveal groups that may be under-claiming when measured against a demographic baseline. It will also be impossible without this data to identify and respond to issues such as a pattern of appeals decisions amongst groups which could indicate discrimination.

There is also more that can be done to ensure that people in Scotland are able to get advice about all their entitlements regardless of whether they are engaging with Social Security Scotland or DWP staff. It is therefore essential that staff across both organisations are equipped with tools, such as a high-quality benefit eligibility checker the UK and Scottish systems, to enable identify eligibility for support from both systems. This will be particularly important for Social Security Scotland staff, given the reliance on 'passported' entitlements within the Scottish system and given the likelihood that they will regularly engage with people who are not receiving the qualifying benefit(s) to which they may be entitled.

Support for people with No Recourse to Public Funds

The Scottish Government's decision to expand entitlement to the Best Start Grant Pregnancy and Baby Payment to asylum seekers under the age of 18 was extremely welcome, and a recognition of the high risk of poverty and destitution faced by this group owing to their inability to access the mainstream social security system.

However, people with No Recourse to Public Funds, particularly women with No Recourse to Public Funds, have been placed at even more acute risk of destitution as a result of the pandemic. Every available option should therefore be explored for maximising the support that can be provided using Scottish social security powers (as well as through the discretionary powers available to local authorities) to asylum seekers and other people with No Recourse to Public Funds, within the restrictions placed by the DWP and Home Office.

Q5: What are the constraints and barriers to doing more in Scotland?

There are a number of key constraints and barriers that undeniably restrict the options and choices available to the Scottish Government and to Social Security Scotland in the delivery of social security.

There is, for example, the fact that a substantial proportion of social security powers remain reserved to the UK Government. This clearly creates challenges given that a number of policies and approaches implemented within the UK social security system – such as the five week wait for Universal Credit, the two child limit, and the benefit cap – act to pull people, particularly groups already most likely to experience poverty like lone parents, into greater hardship.

However, the introduction of Universal Credit Scottish Choices has shown that flexibilities and alternative approaches can be pursued even with the constraints that exist. The powers that the Scottish Government has to top-up reserved benefits and to create new entitlements also mean that there is – while not reducing the need for change at the UK level - scope to overcome this constraint.

A related impact of the existence of distinct UK and Scottish social security systems is the need for people to have to navigate each system separately, and the risk that this may lead to confusion and barriers and, consequently, to people not accessing their entitlements. As stated previously in this submission, key to overcoming this barrier will be support for welfare rights, advice, income maximisation and independent advocacy services, as well as equipping DWP and Social Security Scotland staff with the skills to identify potential eligibility for the full range of entitlements that people in Scotland have.

Another constraint relates to the impact of the UK Government's No Recourse to Public Funds policy, which excludes asylum seekers and other people subject to immigration control from accessing mainstream social security support and which serves to significantly increase their risk of experiencing destitution. As already stated in this submission, the Scottish Government's decision to engage with the Home Office to ensure that asylum seekers under the age of 18 were eligible for the Best Start Pregnancy and Baby Payment was extremely welcome. Further action to maximise the financial support that can be provided - either via Social Security Scotland or via local authorities - to people with No Recourse to Public Funds within the constraints placed by the Home Office should be undertaken.

Q6: Should the main focus be on discretionary funds or on entitlements? In terms of recovery from Covid-19, is it more effective to provide support through discretionary funds allocated to local authorities or through demand led benefits delivered through Social Security Scotland?

Entitlements, given that they should be more reliable and predictable, should be the main focus in terms of delivering social security support in Scotland. However, entitlements and discretionary funds should not be framed in opposition given that there will remain an ongoing need for discretionary funds to be available to people who may not otherwise qualify but who may find themselves experiencing financial insecurity or income crisis.

There are, though, considerable concerns among SCORSS members around the operation and delivery of discretionary funds in Scotland, and in particular the operation and delivery of the Scottish Welfare Fund. While the Scottish Government's substantial investment in the fund at the outset of the pandemic was welcome, issues that existed with the delivery of the fund pre-Covid 19 have been magnified since March.

These issues include the inconsistency in approach that exists across different local authority areas, with varying approach in how the fund is promoted, accessed, and administered. There is also considerable variation in the average Crisis Grant value across local authorities.⁷ These issues require urgent redress to ensure consistency in approach and to ensure a more rights-based approach to the provision of discretionary support.

⁷ Poverty and Inequality Commission, *The role of the Scottish Welfare Fund during the COVID-19 pandemic*, <https://povertyinequality.scot/wp-content/uploads/2020/08/Scottish-Welfare-Fund-briefing-.pdf>