

Briefing in advance of CPAG Policy Seminar: Using devolved powers to promote the health and wellbeing of children in Scotland

Introduction to the Early Warning System

The Early Warning System (EWS) is a framework which has been developed by Child Poverty Action Group (CPAG) in Scotland to collect and analyse case evidence about how changes to the social security system are affecting the wellbeing of children, their families and the communities and services that support them. The cases are enabling us to develop an in-depth understanding of the impact of welfare reform and to identify how policies and services in Scotland can continue to contribute to delivery of better outcomes for children.

CPAG in Scotland acknowledge the support of the Scottish Government through the Third Sector Early Intervention Fund, managed on behalf of the Scottish Government by the Big Lottery Fund in Scotland.

The Scotland Bill and the use of future social security powers

The [Scotland Bill](#), which is currently being considered by the House of Lords, is intended to give legislative effect to the [Smith Commission Report](#). As such it will devolve a wide range of powers to the Scottish Parliament including control over certain aspects of social security. These are likely to include;

- Benefits for carers and disabled people
- Certain elements of housing benefit
- The social fund (including maternity grants, funeral payments and cold weather payments)
- Aspects of universal credit delivery
- The power to top-up reserved benefits and create new benefits in some areas

If the Scotland Bill is passed it is likely that these powers will be transferred to Scotland from 2017 onwards.

CPAG has not taken a position on the extent to which powers should be devolved to Scotland. Instead, our attention is focused on how social security powers can be used in a way which is workable, simple and contributes to the eradication of child poverty. CPAG have also highlighted that in using any new powers, the Scottish Parliament should prioritise the need to:

- Reduce child poverty
- Minimise administrative error and delay
- Promote dignity and respect
- Ensure equality, consistency and fairness for claimants

The purpose of this briefing is to give an overview of some of the powers contained within the Scotland Bill which might be of particular relevance to children at risk of poverty and to consider how they might be better used to protect the health and wellbeing of children. The briefing draws upon cases gathered through CPAG's Early Warning System in order to illustrate difficulties with existing provision and identify opportunities for improvement.

The briefing focuses on three key areas of the Scotland Bill which are – or could be – directly relevant to the health and wellbeing of children in Scotland:

- Clause 20 which would devolve power over the social fund, including **Sure Start Maternity Grants**
- A recent amendment from the UK Government which would give the Scottish Parliament control over the **Healthy Start Scheme**
- Clause 21 which would allow the Scottish Parliament to **'top-up' the value of reserved benefits**

A. SURE START MATERNITY GRANTS (SSMG)

Clause 20 of the Scotland Bill would give the Scottish Parliament the power to make provision for the type of payments which are currently regulated by the Social Fund, including Sure Start Maternity Grants. The Scottish Parliament would be able to change the rate of payment and the conditions of entitlement or replace Sure Start Maternity Grant with something entirely different.

What is a Sure Start Maternity Grant?

Sure Start Maternity Grant is a non-repayable payment of £500, intended to help low income families with some of the expenses related to having a baby. In order to qualify for the SSMG **the applicant (or their partner) must be in receipt of a means tested benefit¹**. They must also:

- Be pregnant or have given birth in the last three months (including still birth after 24 weeks of pregnancy)
- Be the child's father – and responsible for the child - but not the mother's partner
- Be the guardian of or have adopted a child who is less than 12 months old

Since April 2011, SSMG have only been paid to families when they have their first baby (except in very limited circumstances). This means that in order to qualify for a SSMG, in most cases, **no-one in the family should be under 16**.

Accessing Sure Start Maternity Grants: In order to be awarded a Sure Start Maternity Grant applicants must fill out a [SF100 form](#) which is around 16 pages long. This can be done from 11 weeks before expected week of childbirth until 3 months after the actual date of birth.

Current role of health professionals: The back of the [SF100 form](#) must be signed by a health professional (midwife, nurse or doctor) to confirm that the applicant has received health and welfare advice on their baby or maternal health. If the individual makes their claim before the birth, they must also submit a maternity certificate (MAT B1), a note from your doctor or midwife **or** an antenatal clinic appointment card showing the expected date of birth. If the claim is made after the child is born, the parent will be asked for a maternity, birth, or adoption certificate.

Problems with current provision as illustrated through cases received through the Early Warning System

Operation of the 'one child' rule

As noted above, since April 2011, SSMG have only been paid to families when they have their first baby (except in very limited circumstances). This leaves many families with no additional support to cover the costs associated with the birth of their second or third child - and is particularly problematic for women who have a gap of more than two years between their children, who may not have 'hand me downs' to pass on to a new baby. It also creates difficulties for particular kinds of household

Kinship carers: A grandmother has kinship care for her daughter's 4 & 7 year olds and will take on care of her daughter's baby when it is born. The grandmother will not be entitled to SSMG for the baby because there are other children under 16 living in the house - even though she did not get a SSMG when they were born. #5411

Families from abroad: A refugee couple would be eligible for a Sure Start Maternity Grant but they have another child aged under 16. This excludes them from eligibility despite the fact they could not have brought their cot/buggy etc. with them as they were fleeing persecution. (2831)

'Step-families' A client applied for a SSMG but was refused as there is another child under 16 in the household. The child is not the client's but her partner's from a previous relationship. It is unlikely that the couple are in possession of any of the items bought with the SSMG.

Complex eligibility criteria: Parents on extremely low incomes can miss out on access to Sure Start Maternity Grants if they are not receipt of income based benefits. This can result in parents missing out as a result of complications with their benefit claim or because – due to a difference in income of a few pounds – they do not qualify for means-tested benefits. In many cases, families do not become entitled to relevant means tested benefits (such as child tax credit) until after their child is born. This can delay their access to the SSMG and this can make is hard for people to have everything ready in time for the arrival of their baby. For example.

Students: A part-time student is having her first baby. She is not entitled to income-related benefits as she is in education. She was advised to wait until her baby is born and claim child tax credit which will entitle her to SSMG.

Those on maternity leave: A client who is working and will receive statutory maternity pay during her maternity leave is not entitled to a SSMG during pregnancy as she is not receiving a qualifying benefit. However once the baby is born she will be entitled to child tax credit and in turn a SSMG.

The strict time limits and process of making an application can be confusing and can result in women losing out on vital awards.

Due to complicated personal circumstances, the client's SSMG form was signed 3 days before the time limit for applying. The form was handed into the local Jobcentre Plus within the 3 month time limit, however, the officer refused to accept the form and provided an envelope for it to be sent to Wolverhampton where it was received after the time limit had expired. The form clearly states that it can be handed into the local JCP.
#4645

Other concerns relating to current SSMG provision

- **Value:** SSMG have been set at £500 since 2002. According to an online calculator using official inflation (RPI) since 2002, the real value of the SSMG has fallen by more than £160 in that time. CPAG believe the value of the award should be reviewed to ensure that it reflects the growing cost of living.
- **Reduced entitlement:** restriction of access to tax credits (as announced in the UK 2015 July Budget) mean it is likely that far fewer families will be eligible for tax credits and – as a result – SSMG in the future.
- **Nature of payments:** CPAG is aware that a recent amendment to the Scotland Bill would allow SSMG to be awarded in kind – rather than as financial awards. There is a concern that this could result in a lack of choice for families as well as stigmatising claimants.

Questions for discussion

- In your experience, how effective are SSMG at promoting the health and wellbeing of children?
- How might SSMG be improved by changes to the nature of the award, entitlement conditions or method of delivery?
- Do the approaches discussed satisfy the principles of poverty reduction, minimising error and delay, promoting dignity and respect and ensuring consistency and fairness?

B. HEALTHY START VOUCHERS

As currently drafted, the Scotland Bill will give the Scottish Parliament the power to abolish or amend schemes for 'the provision of welfare foods'. This power is currently exercised by the UK Government through the delivery of the Healthy Start Scheme.

In order to access Healthy Start food vouchers and vitamins, applicants must be pregnant or have a child under 4. If the applicant is 18 or over then they – or their partner – must also be in receipt of means tested benefits.¹ Pregnant women and those with children aged between one and four years old can get one £3.10 voucher per week. Children under one year old can get two £3.10 vouchers (£6.20) per week. The vouchers can be spent on:

- plain cow's milk – whole, semi-skimmed or skimmed. It can be pasteurised, sterilised, long life or UHT
- plain fresh or frozen fruit and veg (fruit and vegetables with no added ingredients), whole or chopped, packaged or loose
- infant formula milk that says it can be used from birth and is based on cow's milk.

Healthy Start vitamins: Women and children getting Healthy Start food vouchers also get vitamin coupons to swap for free Healthy Start vitamins. Healthy Start vitamins are specifically designed for pregnant and breastfeeding women and growing children.

Accessing the Healthy Start Scheme

All applications for Healthy Start must be supported by a registered health professional – usually a midwife or health visitor (but it can be any registered nurse or doctor). A midwife, health visitor or other registered health professional must complete and sign Part B of the application leaflet to confirm the expected date of delivery and/or the dates of birth of any children under four years old. It also asks the health professional to confirm that they have provided appropriate advice on breastfeeding and healthy eating.

Few cases relating to the Health Start Scheme have been received through the Early Warning System, though calls to the advice line have highlighted numerous instances in which advisors were not aware of the existence of Healthy Start Vouchers. Indeed, figures from July 2015 show that **uptake rates** vary across Scotland from 47% in Shetland to 79% in Greater Glasgow.

As with Sure Start Maternity Grants, one case highlights the obstacles that are created during pregnancy by the need to be in receipt of a **means tested benefit**.

The client is aged 20, single and pregnant. She recently stopped work and has claimed Maternity Allowance - estimate will get about £80 a week. Her income is just above income support level so she will not be entitled to Sure Start Maternity Grant until after the birth of the baby. She was also excluded from Healthy Start Vouchers during pregnancy as a result. (5071)

Evidence from women and frontline health workers suggests that while the scheme is popular and effective, commonly experienced difficulties includeⁱ:

- The value of vouchers is being eroded by inflation
- There is some stigma attached to using the vouchers
- There is some confusion over eligibility criteria and a sense that the income threshold was too low.
- Some women felt that not enough shops accepted the vouchers

LEITH Pioneer site for midwives

After identifying common obstacles preventing women from accessing Healthy Start Vouchers in Lothian, several projects were introduced to increase uptake. After concentrated work with NHS Lothian staff and families, the number of pregnant women in receipt of vouchers increased from 294 in March 2014 to 368 in July 2015. The work started with simple insights from a single midwife about how to make the application process more reliable, and secure vouchers for women earlier in pregnancy. You can find out more about the scheme here:

<http://www.edubuzz.org/supportfrom/thestart/wp-content/blogs.dir/1207/files/2015/05/Healthy-Start-summary-preg-women-Handout-May-2015.pdf>

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C. TOP-UP POWERS

Exception 5 of the Scotland Bill provides the Scottish Parliament with the ability to introduce discretionary top-up payments to people in Scotland who are entitled to a reserved benefit. These top-up payments could be paid on an individual case by case basis or to provide on-going entitlement to specific or all benefit claimants.

CPAG believe the Scottish Parliament should utilise these powers to ‘top-up’ family benefits and to protect children from experiencing poverty. More than one in five (210,000) of Scotland’s children are officially recognised as living in povertyⁱⁱ and this figure is projected to rise steeply in Scotlandⁱⁱⁱ. While reasons for the existence of child poverty are complex – including factors such as low wages, under-employment and a lack of paid work - ongoing changes to the tax and social security system are largely responsible for the dramatic increase in child poverty forecast by institution such as the IFS and the Resolution Foundation. Chief amongst the reforms that will drive up child poverty are reduced entitlement to tax credits, the decision to freeze the value of family benefits and increasingly restrictive eligibility for a range of benefits and tax credits^{iv}.

Rebecca lives in Inverness and has a 16-month-old baby. She says, ‘I am £120 to £150 per month in electricity. The storage heaters have made the baby ill since we’ve moved in there. She’s got crackled breathing. Doctors have tried to give me an inhaler but I know fine well it’s not the inhaler, because the next day elsewhere she’s fine. It’s due to the storage heaters.’

The dad works full time and mum looks after their two pre-school children. They claim working tax credit (WTC), child tax credit (CTC) and child benefit (CB), but his earnings are too high for housing benefit (HB) and council tax reduction (CTR). They are really struggling financially and have rent and council tax arrears. #4375

Given the strong relationship between child poverty and poor child health and wellbeing^v, CPAG proposes using new powers to introduce top-up child benefit and/or tax credits/universal credit to help ensure financial support for families reflects the real cost of living. This would help to ensure that financial support for families is adequate and that low income does not undermine the health or wellbeing of Scotland’s children. Any Scottish top-up payment should be subject to a ‘triple lock’ to ensure its value increases each year in line with earnings, prices or 2.5% - whichever is greatest.

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For more information or to discuss the contents of this briefing please contact Hanna McCulloch
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ⁱ <https://nursingmidwifery.dundee.ac.uk/sites/nursingmidwifery.dundee.ac.uk/files/page-files/Healthy%20Start%20Evaluation%20summary%20for%20health%20professionals.pdf>

ⁱⁱ Latest 2013/14 Poverty and Income Inequality in Scotland figures, Table A1: Relative Poverty in Scottish Households 1994/5 to 2013/14, www.gov.scot/Publications/2015/06/7453/10

ⁱⁱⁱ The most recent modelling (January 2014) by the Institute for Fiscal Studies suggests that up to 100 000 children will be pushed into poverty by 2020 with the proportion of children living in poverty in Scotland forecast to increase to 26.2% by 2020, after housing costs are taken into account see <http://www.ifs.org.uk/publications/7054> Appendix Table B2

^{iv} <http://www.resolutionfoundation.org/media/press-releases/summer-budget-changes-will-push-up-to-200000-working-households-into-poverty/>

^v Three year olds in households with incomes below £10,000 are two and a half times more likely to suffer chronic illness than children in households with incomes above £52,000. There are strong links between the experience of child poverty and poor mental health. One study shows that children living in low-income households are nearly three times as likely to suffer mental health problems than their more affluent peers.