



**Scottish Child Payment Draft
Regulations 2020**

**Scottish Parliament Social Security Committee
OPFS Submission**

September 14th 2020

One Parent Families Scotland

One Parent Families Scotland (OPFS)¹ is the leading organisation working with single parent families across Scotland. OPFS provides single parent tailored information, advice and support, along with training activities, employability programmes and flexible, affordable, high quality childcare. OPFS campaigns with parents to make their voices heard to change the systems, policies and attitudes that cause child poverty. Our vision is of a Scotland in which single parents and their children are valued and treated equally and fairly.

The Scottish Child Payment (SCP)

The Scottish Government announced on 26 June 2019 that it would use its devolved powers to introduce a new benefit for children in lower income families². The original plan was to introduce the Scottish Child Payment for eligible families with a child under 6 in December 2020. As a result of the coronavirus pandemic this has now been delayed and the Scottish Government's plan is to start taking applications for these payments from November 2020, with first payments being made from the end of February 2021.³

The Scottish Child Payment will be available to families responsible for a child of the relevant age, if the applicant or partner is in receipt of certain UK benefit. The payment will be £10 a week per child, payable every four weeks in arrears into bank accounts. There will be no limit on payment according to the number of children in families, so the Scottish Child Payment will still be payable for a child affected by the two child limit in universal credit or child tax credit.

Scottish Child Payment Regulations 2020

The Scottish Government has now laid the Scottish Child Payment Regulations 2020 together with the First-Tier Tribunal for Scotland Social Security Chamber (Procedure and Composition) Amendment Regulations 2020.

The Scottish Government plans to introduce the Scottish Child Payment, initially for children under 6, then extended to children under 16 by the end of 2022. The regulations setting out the detail, eligibility, application and appeal process must be approved by the Parliament. As part of the Parliament's formal approval process, the SP Social Security Committee is asking for submissions on views on how best this policy can be implemented and delivered well.

OPFS Submission

Latest figures from the Scottish Fiscal Commission⁴ estimate that 194,000 children aged under six in Scotland will be eligible for the new Scottish Child Payment. This is an increase of 14% in eligible children since the Scottish Government's forecast in June 2019, accounting for the increased Universal Credit caseload - one of the main qualifying benefits - due to Covid-19.

We are very pleased Scottish Government have prioritised efforts to deliver Scottish Child Payment as soon as possible. The new Scottish Child Payment will make a world of difference to low-income families, many of whom are struggling to cover living costs even before the pandemic. Our OPFS Glasgow service has been very involved in supporting single parents to participate and have an input into the design of the new benefit. 39% of children in single parent families were living in poverty before COVID-19, and the effect of the virus and resulting lockdown has only added to the pressure for single parents

¹ www.opfs.org.uk

² <https://www.gov.scot/news/new-gbp-10-benefit-targets-child-poverty/>

³ <https://www.gov.scot/publications/child-poverty-second-year-progress-report/>

⁴ <https://www.fiscalcommission.scot/forecast/supplementary-costing-scottish-child-payment/>

who are balancing the responsibility of caring for their children and bringing in an income alone.

This is a payment that families are in dire need of and when this additional £10 per week per child becomes available in February it will be a lifeline for many low income families. It will help reduce financial pressures and demonstrates the potential of social security to make a positive difference and reflect our society's shared values of compassion and fairness.

We recognise that Scottish Government has used its new top-up powers to introduce the Scottish Child Payment rather than primary legislation. As we understand it the use of secondary legislation means there is likely to be little room for changes to the design of the Scottish Child Payment until its full implementation in 2022. On the other hand, changes to delivery design seem to be restricted by capacity constraints within Social Security Scotland as it delivers the 10 benefit payments and new social security payments. In their scrutiny report on the Scottish Child Payment Regulations 2020 the Scottish Commission on Social Security⁵ says

'Primary legislation may be possible in the next parliamentary term (between 2021 and 2026) which may open further flexibility for the design and delivery of the Payment over the medium-term. However, there may be more scope for change as devolved benefits are introduced and Social Security Scotland reaches full capacity over the next few years'

Key Points

1. The circumstances of the impact of the coronavirus and lockdown has resulted in increased poverty. Scottish Government should invest in the resources needed to bring forward the SCP to under 16yr olds.

The Scottish Child Payment has been brought forward a year for under-sixes. The early roll out for younger children is really welcome and OPFS has been keen to support this. However, the COVID-19 virus pandemic has presented a unique challenge for single parents and their children as they depend on one income and don't have the support of another adult in the home to share childcare & parenting responsibilities. Single parents and their children face around twice the risk of poverty as couples – 48% compared to 26%.⁶

- A third (36 %) of all children in poverty in Scotland live in a single parent family⁷
- Almost half of children (50%) in single parent families live below the poverty line⁸
- Before this crisis this was predicted to rise to over 62 % by 2021⁹

Government actions to limit the spread of the virus has put enormous stress on single parents, having to deal with the realities of self-isolation and the increase costs of having children at home for so many months. Many single parents work in the sectors which are making huge redundancies.¹⁰

We are extremely troubled about the impact of this crisis on every child affected by poverty. We are also concerned about the longer-term impact on Scotland's aspiration to reduce child poverty by 2030. The steps we take should not only support families now but also underpin

⁵ www.gov.scot/the-scottish-child-payment-regulations-2020-scrutiny-report-on-draft-regulations/

⁶ <https://socialmetricscommission.org.uk/wp-content/uploads/2020/06/Measuring-Poverty-2020-1.pdf>

⁷ <https://povertyinequality.scot/Poverty-Delivery-Plan-advice> p41 table 2

⁸ <https://www.gov.uk/government/statistics/households-below-average-income-199495-to-201617>

⁹ <https://www.equalityhumanrights.com/sites/default/files/cumulative-impact-assessment-report.pdf> p153

¹⁰ <http://www.healthscotland.scot/media/3131/covid-19-and-lone-parents-with-dependent-children.pdf>

progress towards ending child poverty. Those steps must also be consistent with a children's rights approach by continuing to protect children's economic and social rights as set out in the UN Convention on the Rights of the Child¹¹.

One of the main constraints on the positive impact of the SCP in reducing child poverty is the fact that the initial roll-out is only to children under six years old. The phased approach does create differential treatment between children of different ages. We understand that part of the reasoning for this staged roll-out is to do with capacity. We also acknowledge that the early formative years are incredibly important for a child's development and we know that, worryingly, children under six are at high risk of poverty¹². However almost one quarter (24%) of children in poverty in lone-parent families live in families where no one is in paid employment and the youngest child is 5–15 years old.¹³ Faced with financial pressures and spiralling childcare costs, many families with children over six years are being stretched beyond their means and need help. The Scottish Child Payment will provide a much needed cash injection to younger families and early roll out for under-sixes makes sense. However, we hope an earlier roll out than planned could be extended to families with older children if Scottish Government were to increase the resourcing of Social Security Scotland.

2. The Scottish Government should explore if transitional protection could be put in place to ensure continuity of SCP support to those families who meet the criteria, avoiding loss of entitlement when a child turns six between the launch of the SCP and its extension to older children.

We are very concerned about the situation of families whose children are nearly 6 years so will be eligible for the SCP for a brief period, then lose entitlement because they become 6 yrs old before the next phase of roll-out. This will mean a dramatic drop in income for families who have got used to this extra resource. We understand that there may be difficulty gain access to the administrative information necessary to assess the eligibility of older children.

As Social Security Scotland will already have the information on the family income and eligibility we hope that transitional protection could be put in place to ensure that those children who have received the SCP because they are were under 6yrs will continue to do so when they move into the next age group tranche. We feel strongly that SSS should pursue every available avenue to establish if a household still receives a qualifying benefit.

3. Social Security Scotland should ensure maximum take up take-up of the SCP with input from stakeholders and parents. The Scottish Government should continue to engage with DWP where possible with the aim of making automatic awards of SCP in the future.

By 2021 single parents and their children will lose a fifth of their income due to welfare reform - an average of £5,250 a year.¹⁴ The predicted increase in the child poverty rate for children in single parent households to over 62% will have a devastating impact on the lives and prospects of so many children. OPFS therefore very much welcomes the chance to comment on take up of the SCP. With the prediction of such huge increases in child poverty in single parent families we believe it is vital that single parents access the social security

¹¹ <https://www.unicef.org.uk/what-we-do/un-convention-child-rights/>

¹² <https://www.jrf.org.uk/blog/why-has-scottish-child-payment-been-brought-forward-year-under-sixes>

¹³ <http://www.healthscotland.scot/child-poverty/child-poverty-overview/lone-parents>

¹⁴ <https://www.equalityhumanrights.com/sites/default/files/cumulative-impact-assessment-report.pdf>

support to which they are entitled. Having multiple channels for application such as online, paper and face-to-face for example will be crucial.

The application process and its link with take-up is very important for single parents as many parents we work with, because of digital exclusion do not have access to on-line claim forms. It should be possible for DWP to data merge records and copy across the SSS Automatic payments to eligible families would be the most effective option. In the event that this is not achievable in the near future we support the idea of an automatic pop-up during universal credit applications from Scottish addresses – which would require cooperation from DWP. Even if they aren't achievable within the initial implementation, work should start now that helps to pave the way to an automated payment in the future.

A system that holds information across all the benefits would cut down on the number of interviews people have to attend and ensure that the information is gathered as quickly as possible. Glasgow City Council recognised the application process for school clothing grants was itself a barrier. In response the council implemented automation using housing benefit and council tax reduction data to identify families entitled to school clothing grants, so the grant is paid automatically. They used data from their education dept on the school roll - 5,000 eligible families had not claimed the grant. Council then issued payments automatically (97 % take-up now). Even so, automation still need to be continually reviewed as errors can creep in. Feedback from people claiming the benefit is crucial to ensuring a continual improvement loop.

Alongside automating application for the Scottish Child Payment, there should be an option of automating payment of other forms of financial support to those in receipt of the Payment. Automating Scotland-based payments from receipt of the Scottish Child Payment could help to increase take-up. For example, linking applications for the Scottish Child Payment to the Best Start Grant and Foods, and vice versa, could improve take-up for both. Likewise, bring into line and automating local payments such as School Clothing Grant, Free School Meals, and potentially the Educational Maintenance Allowance, could improve take-up of all.

It is important that advice and support on claiming social security benefits is made available through local, trusted, and more accessible settings, including: third sector hubs such as those delivered by OPFS in local communities; health care locations and having independent advisors co-located in JCP offices. The Scottish Government have made clear that they want to co-produce systems and processes with people, enabling them to shape the system and how it is developed. This should include on-going discussion as the system rolls out. We also need to ensure that people who need it have access to the right advice services. This includes ensuring that there are services to provide casework, representation, signposting and independence advocacy.

People need easy access to advice services with trained staff that are able to provide independent and reliable welfare rights information. Such services play a key role in take-up initiatives and when in partnership with other front-line staff, they improve attitudes towards people claiming benefits and knowledge of entitlements within the social security system. We believe in the importance of involving parents in take-up initiatives for existing benefits and in the development of Scotland's newly devolved benefits. If we can get it right in the beginning this will help maximise take up. For example, we facilitated and supported single parents to work with Scotgov researchers to design Best Start Payments claim process and application forms and Best Start Foods Payment Card including the payment models to maximise take-up. We brought young single parents from rural areas together with Scotgov

to input views on new Job Start Payment for young people. Our Glasgow service has also supported parents to test the SCP form and letters which go to parents. This has worked well because prior to the launch of the benefit single parents and advisers were consulted and included in the whole process. The ability to apply through different ways and the text system which keeps parents informed of progress all added to the high increase in take-up

4. The Scottish Child Payment as a ‘gateway’ to other support

Families involved with the social security system often also engage with other public and third sector agencies The Scottish Child Payment should be a route to wider support such as health, employability and educational services for the whole family.

Additional impact on child poverty rates as a result of the SCP could be made by connecting in those in receipt of the payment into other forms of monetary and non-financial support. We very much support the recommendation of JRF that “By turning the Payment into a ‘gateway’ to further support,.....we could ensure that receipt of the Scottish Child Payment could not only be a form of income support, but also potentially a route to wider support such as health, employability and educational services for the whole family.”¹⁵ In particular it would be very useful to link in the payment with access to the Fair Start Scotland parent focused employability programmes and plans to increase employment opportunities in the early years workforce.

This could enable the SCP to not only provide support to people who need it now, but also offer a route to various services to support to prevent poverty and improve people’s lives. Linking this payment to existing programmes and new initiatives to support these costs could be useful. Developing the Scottish Child Payment as a gateway to other financial and non-financial support is likely to need well thought through data-sharing arrangements across government and beyond. OPFS wholeheartedly supports this approach.

5. Overpayments and Recovery: Social Security Scotland should publish clear and accessible guidance on when recovery of overpayments will or will not be chased.

The £10-a-week-per-child payment for families is open to families who receive Universal Credit and the legacy benefits. However, the issue with UC in particular is that parents may often move in and out of entitlement to universal credit, for example, because of insecure work or changeable hours of paid work for example. As universal credit entitlement ends so does SCP entitlement and this in itself may result in overpayment and the need to repay these.

At the moment where overpayments do arise, the individual has no right to a redetermination or appeal about whether they are liable to repay the money – this is a feature of Scottish social security generally. It would be in keeping with social security principles to offer an independent review or appeal stage. We know Social Security Scotland and the Scottish Government Social Security Policy Team are looking to set up a small working group that will come together regularly over the next few months to consider a range of different issues that need resolving around overpayments and deductions. We are pleased to be able to

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offer our expertise to ensure that we develop the best systems and processes that we can for our c parents.

6. The Scottish Government should make clear the situations in which a nil award of a qualifying benefit can give entitlement to the SCP

This is covered in the In reg's but not very clear (15(2)) It says that a person has a live claim for a qualifying benefit even if their award is reduced to zero as a result of a sanction.

We believe the regulations should also specify whether someone with a nil award for another reason, but who theoretically has an open claim for a qualifying benefit, would be treated similarly.

There is also a lack of clarity about the consequences for an SCP claim if payment of the qualifying benefit is suspended while the DWP considers the claimant's continuing entitlement.

7. Competing applications resolution

In UC there is no split payments yet. In couples often the male claims UC and the mother claims CB. In many cases the male controls the bulk of benefit payments so if there is any financial abuse SCP will become part of that . We feel it would be better if Child Benefit was the trigger for payment entitlement .

8. Guidance & SSS Staff Training

The SCP should be delivered fairly and made easily accessible Staff training should be in place on dealing with people calling from diff backgrounds and on overpayments.

Domestic Abuse

When dealing with a call it will be important for an advisor to be sensitive to when a caller seems anxious and perhaps unwilling to give own details and asks for partner to be sent information. Even when a woman is a single parents her previous partner can still have a strong influence particularly through financial abusive behaviour. A caller may also not wish to give their own bank details and may ask for payments to be made into ex- partners account. When dealing with a claimant in person some signs that something may be wrong include:

- person showing signs of anxiety
- how the person talks about their partner/ex-partner
- advisors should be given the time to listen a claimant calmly
- it is important to mould questions in a way to facilitate trust
- parent may not be able to talk freely if the children are present as the ex-partner may question the children on a regular basis about their mother.
- the other parent/ partner may be present and any signs of their impact on the woman's'
- demeanour will be worth noting

If an advisor suspects something is wrong, the best way to build trust would be for the advisor to remain calm, reassure the woman involved that information will not be passed on unless she authorises.

- Suggest a different time to make contact or in a different way ?

- The agency should have a designated advisor for any parents where an issue of concern is raised. It will be important to build up trust . It is preferable if a parent doesn't have to repeat information to different agency staff.
- The agency should have a clear policy with protocols in place and this should be included in staff induction & ongoing training.
- A parents file record should also have a red flag if an agreed contact method & time has been agreed with the parent.

Research shows that women experiencing domestic abuse will not usually voluntarily disclose to an external party unless they are directly asked. However, whilst victims may be reluctant to disclose, many report that they hope that someone will ask them. Being asked makes an important difference. Repeated enquiry over time also increases the likelihood of disclosure. Some 90% of single parents are women – which means they will be disproportionately affected by the added pressures caused by the coronavirus crisis. The lock down has made life more difficult for women experiencing domestic abuse. Remembering although a woman is a single parent an ex-partner can still have a malign influence . For example, we have cases where a single parent still has to share the family home with an abusive partner because no alternative accommodation is available due to the pandemic . This can involve emotional & financial abuse with an impact on mental health. Claiming benefit as a separated parent is even more difficult as proof is required of separation.

Conclusion

Between now and 2022 a review should be undertaken to consider aligning and automating other Scotland-based child-focused payments (such as Best Start Grant, School Clothing Grant, EMA and Free School Meals) to receipt of the Scottish Child Payment. Over time, a tapered withdrawal should be introduced across these payments (see below) to ensure 'cliff-edges' are minimised. This would ensure children in poverty receive support throughout their childhood.

Equally, consideration should be given to mirroring existing child-focused payments that Given the decision to passport the Scottish Child Payment from existing UK benefits there will be some groups of low-income children who will not be eligible for the Payment. From roll-out, consideration should be given to additional routes to pay the Scottish Child Payment to those who cannot access qualifying benefits. For example, adding £10 per week to higher education student support for low-income student parents, would allow these parents to access the Payment. Likewise, consideration could be given to using social work powers via local government to provide a Payment to families with 'no recourse to public funds' status.

By the end of the next parliamentary term (2021 to 2026) The Scottish Government should bring forward primary legislation to provide the widest range of options in implementing the Payment and maximising its impact on child poverty over the long-term.

The Scottish Child Payment is set at a flat rate. When fully implemented, consideration should be given in the payment structure to those families who face higher levels of child poverty such as single parents, young parents and families with a disabled child. Over the long-term, the Scottish Child Payment should provide the stronger degree of flexibility in the regularity of payments needed by low-income families. This should allow families to have options around regularity of payment ranging from those who need a regular weekly or fortnightly payment through to those who would prefer fewer lump-sum payments throughout the year.

Child poverty is a public health issue. Child poverty can lead to poorer health outcomes in children, and to poorer health and social outcomes in adulthood for those children.¹⁶ Addressing child poverty will require a greater attention to in-work poverty, lack of appropriate job opportunities, costs of living and, crucially, the role of the social security system.¹⁷

It's not right that almost one in four children in Scotland currently live in poverty and that it is much higher among priority groups. It's not fair that it is expected to rise to more than one in three by 2021. This is not inevitable. While it is found everywhere, the level of child poverty varies across Scotland and has changed over time. Successfully tackling child poverty can help contribute to a healthier, fairer Scotland. The SCP will have a vital role in achieving this.

The COVID-19 pandemic is both a health crisis and economic one. The NHS is dealing with the former, the social security system should be the safety net for the latter. What has now become clear is that a decent social security system is not optional, its vital.

Money in parents pockets matters - research shows its impact on children's education and health, and how it makes parenting easier. Social security has a crucial role to play in reducing child poverty among both out-of-work and in-work families.

It is time for a social security system that prevents poverty, treats people with dignity and respect and supports everyone to flourish.¹⁸ The Scottish Child Payment makes an important contribution to that aim.

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¹⁶ <http://www.healthscotland.scot/media/2186/child-poverty-impact-inequalities-2018.pdf>

¹⁷ <http://www.healthscotland.scot/media/2185/child-poverty-drivers-oct2018.pdf>

¹⁸ [Scottish Campaign on Rights to Social Security - Principles for Change](#)