

WELFARE REFORM COMMITTEE

WOMEN AND WELFARE INQUIRY

WRITTEN SUBMISSION RECEIVED FROM BARNARDO'S SCOTLAND

Introduction

Barnardo's is the UK and Scotland's largest children's charity, and Barnardo's Scotland works with more than 26,500 children and young people in over 122 specialised services. Our services work with families and children who are living in poverty and facing multiple disadvantages. Many of our services are aimed at providing early intervention and support to families. This response draws on the experience of women and children supported by our services.

Engender report¹ that benefit cuts have had a disproportionate impact on women. Since 2010, £26 billion worth of cuts have been made to benefits, tax credits, pay and pensions. 85% - around £22 billion - of this has been taken from women's incomes.

The impact of these cuts can be seen on the services organisations like Barnardo's Scotland provide. Our recent joint report with NSPCC highlight that our family support services are experiencing many more families who are presenting in a state of crisis, even where the service is designed and funded to deliver early intervention or preventative help². This appears to be largely a result of the cumulative effect of benefit sanctions, benefit delays, changes to tax credits and price rises for basic commodities such as food and energy. Taken together, these changes are tipping more families into crisis and aggravating pre-existing difficulties such as mental health problems, substance misuse and relationship breakdown. The severity of need is visibly growing. Barnardo's Scotland Services report that caseloads are increasingly complex, with a growing number of issues involved. In addition, Barnardo's Scotland Services are finding they need to meet basic material needs and stabilise home conditions before intensive family support work can begin.

1. What is your (or your clients) experience of being on benefits or employment support?

For some of the young people and families we work with, welfare benefits are often the only sustainable (or maintainable) income source. For others, who are in employment, in-work benefits are crucial in making their income viable. People involved with our services are often at a point in their lives where they face numerous adversities, so benefits affect almost every aspect of their life; it can help (or hinder when there are issues) their home life, their health, their education, their employment, and so on.

One of our services in central Scotland described the situation as follows: "*Dependent on the type of benefit our young people are in receipt of, experiences differ. Jobseeker's and now Universal Credit are viewed negatively by our young people; whereas ESA and Income*

¹ Engender (2015) *A Widening Gap: women and welfare reform*

² Barnardo's Scotland/NSPCC (2014) *Challenges from the frontline: Supporting families with multiple adversities in Scotland during a time of austerity*

Support are more flexible and usually fit their current circumstances and ability to engage with services; these are largely viewed more positively.”

Gender can have an impact on these experiences with services reporting that it appears young men who they work with on Jobseeker’s Allowance have been sanctioned more often than young women.

Our family support services report that in general terms the families they work with who are in receipt of benefits and tax credits, find they are having increasing difficulty managing their finances. There is a growing reliance on support from extended family, charitable donations and foodbanks to supplement income. Sanctions, given the fact that they are often unexpected, are a significant issue for parents. Services see many examples of where benefit recipients have their benefits stopped for very little reason or for what would appear to be the most spurious of reasons. One service manager describes how the number of families subject to benefit sanctions in their area was ‘going through the roof’.

One woman recently supported by our Fife service was 10 minutes late for an appointment due to an unforeseen event with one of her children (a four year old needing the toilet on the way to an appointment), she was sanctioned. The impact of this sanctioning for her wellbeing and the wellbeing of her family was devastating.

She was without money for 4 weeks and as a result she was unable to purchase fuel cards for her gas and electricity meters or feed her children. A number of other household bills went unpaid and she had to borrow money from friends and relatives in order to survive. This had a long term effect of putting this woman further into debt and damaging her relationships with people who were previously supportive. The woman relied for four weeks on food parcels from food banks in order to feed her children resulting in them having no fresh food, fruit or vegetables in that time.

This is not an unusual example from our services perspective. Women are usually the main carer for children and as such are hit the hardest by these sanctions. It is important to recognise that the effects of benefit sanctions go well beyond the period of the sanctions and significantly impact on everyone who lives within the household. Children are particularly negatively affected as it can result in an increase in the pressure on parents which impacts on their ability to meet their children’s social, emotional, physical and educational needs.

A similar situation exists with the changes to tax credits – by significantly reducing the income of many of the working parents we help, families have become more vulnerable to financial shocks, and can be tipped into crisis by a broken domestic appliance or unexpected bill.

2. How has your (or your clients) experience with the benefit system changed in recent years since the introduction of the welfare reforms?

Across our services, there is a growing issue of very basic material needs not always being met amongst the children and families they work with. While our Service Managers would always say that poverty was at the core of the issues experienced by the families we work with, the nature and scale of the poverty they see is changing quite dramatically. One Service Manager reported that workers were witnessing increased stress levels and mental

health issues for service users, with benefit problems exacerbating the issues people already have.

Overall the experience of our services is that benefit changes have had the effect of pushing families further into poverty and increased the stigma of being in receipt of benefits. In some cases families are being made destitute by the impact of welfare reforms – a situation that would have been extremely rare a few years ago.

The most significant impact on single parent families in recent years has been the switch from Income Support to Job Seekers Allowance (JSA) when the youngest child reaches age 5. The vast majority of these lone parents are women. The pressure to move into employment (without adequate and appropriate support designed to address the particular needs of this cohort) on some of the women we work with is immense. Many suffer from poor self-esteem and a severe lack of confidence. In addition they have had negative experiences of the education system and returning to full time adult education can be daunting. Alternatives in gaining employment are extremely limited given that this group of women have no qualifications or employment history.

A good example is that of a mother with a four year old child we work with in Fife. She has had significant addiction problems in the past but has worked very hard to address this; however, she still has some way to go. As her daughter is nearly five, this mother is terrified that she is going to be forced into the world of work, and have to transfer her benefit to Jobseekers allowance (JSA). She does not have the confidence or skills to do this at present and is already seeking other ways to claim benefits, e.g. as a carer for her partner.

If she does receive this benefit, she is likely to have this role within the family home for a long period of time and not continue the progress she has made which in the longer term would help her to move into the workplace when the time is right. On the other hand if she is forced to claim JSA, our staff are concerned that it is likely that she will not manage well and will be sanctioned at some point leading to further difficulties.

Barnardo's Scotland staff recognise that in the long term this supporting this woman into finding work is the most desirable outcome – but the transition into the world of work will not necessarily be helped by benefit sanctions.

For younger people we work with who have just started to engage with the benefits system, often after growing up in care, services feel that welfare reform has made the young people we work with more reluctant to engage with the benefits system as they have heard/seen stories from friends, in the press, etc. about the changes that have been made. They appear more fearful of the benefits process as any problems could cause severe and prolonged hardship. This can be particularly problematic for young women, especially those with very young children, who may be more socially isolated. However, one service reports that because of a wish to avoid sanctions and other worries about benefits, the young people they work with have become more willing to attend advice agencies for guidance and help. Some young people have therefore become more connected with their local community and more knowledgeable about their finances as a result of seeking professional advice.

3. Are there any challenges involved in being in receipt of your (your clients) particular benefits?

We have outlined above the problems with women with young children moving to Job Seekers Allowance. Our comments on this would also apply to premature transition into a requirement to find employment under Universal Credit.

We also have significant concerns on the single household payment introduced under Universal Credit and currently being rolled out across Scotland. This single payment would cover all income and housing related benefits payments for every member of the household for the month. Our services are concerned that that the single payment could in practice have very negative consequences for many families. There is potential that receiving such a large sum of money in a single payment each month will make families 'cash rich' for a few days and vulnerable to exploitation. This vulnerability will be all too apparent in women (or others in the family) who are affected by mental health problems and substance misuse. There is an increased risk that families could suffer rent arrears and potential homelessness whilst outcomes for children affected by such changes are potentially lifelong.

We are also concerned that this form of benefit receipt is likely to increase the control held by abusive partners and further disadvantage women who are already some of the most vulnerable and disenfranchised people in our society. The report from Engender supports our service experience when it notes that the Universal Credit single payment will:

"Increase the opportunity to create financial dependency, prevent women from leaving and place women and children experiencing domestic abuse at increased risk".

In our experience the logic of sanctions - that the negative impact of a sanction will motivate people who could easily find work to move off benefits, does not apply well to many of the women we work with. The reason why they have not found work is because of the significant adversities, or caring responsibilities they have, and the lack of jobs available that they can combine with these caring responsibilities and training and support to deal with the adversities they face. Closer relationships need to be in place between the Job Centre Plus, children's services and adult services to ensure that the wellbeing of vulnerable children and adults is the priority.

4. What would be your priorities for change when certain benefits / elements of employment support are devolved to Scotland?

It is important that those affected by any further devolved benefits are involved in their design. It is also important that those working with vulnerable women and children are also involved, to ensure an integrated approach. In addition there is a pressing need to ensure that any benefits devolved to Scotland are based on sound underpinning principles. These principles should include:

- creating a system that is compassionate and that protects the vulnerable,
- effectively supports people into secure employment, even those far from the labour market,
- does not negatively impact on children and young people,
- ensuring that benefits do not push people into poverty,

- ensuring benefits do not increase the risk of domestic abuse to women and children.

The current regime of sanctions and conditionality is in practice unsustainable, damaging, penalises the poorest and most vulnerable and pushes more people into poverty. We would support Engender's view that new powers over employment support should be used to mitigate some of the worst impacts of conditionality and sanctions. Sanctions should only be used as a tool of last resort, be subjected to a test of reasonableness and have safeguards built in that ensure that no one who is the subject of a sanction is left with no money.

In addition where sanctions are applied to a claimant with children provision needs to be made for those children. It is not enough to say that benefit sanctions do not impact on children because Child Benefit is not withheld as part of the sanction. The experience of our services is that this is not the case.

There is an opportunity with the devolution of employability programmes to ensure the support provided to young women to help them into employment takes account of their specific needs. For example 92% of lone parents are women and women make up 95% of lone parents dependent on income support. As well as segmenting programmes to take account of age we would agree with Engender that innovation is required on newly devolved work programmes to support the needs of women seeking work and diverge from existing employability models that replicate gender segregation in the labour market.

Finally, the under 25s rate of benefit is often challenging for our young people, especially young women with children. Their age determines that they should have lower levels of financial support yet the bills and household costs and responsibilities are usually the same as someone aged 25 and over.

5. Do you have any suggestions of practical improvements that you would like to see when certain benefits / elements of employment support are under Scottish control?

The impact of cuts in benefits and a punishing sanctions and conditionality regime are also placing severe strain on the services which support vulnerable women and families. Increased investment in these services is essential if they are to provide support in a meaningful way. As discussed before, our *Challenges from the frontline* report with NSPCC found that services are being forced to focus on those with more severe needs, leading to opportunities for early interventions being missed. Barnardo's Scotland Services are finding they need to meet basic material needs and stabilise home conditions before intensive family support work can begin. Holistic "whole family" approaches are therefore in danger of being undermined by staff having to focus on welfare rights support, rather than addressing the issues that led to the family being referred to us. While our services work collaboratively with money advice services, they are, in our experience are being overwhelmed with requests for help.

Our experience suggests that women should not automatically be expected to move into training or the workplace as soon as their children reach the age of 5. Policy needs to reflect that families in greatest need will require more intensive and longer term supportive interventions to help them reach the point where they are able to enter the workplace.

As Universal Credit is a key concern for our services we suggest that paying all benefits once a month to one householder is potentially damaging to women and children in particular. As such benefits should be spread over the month and given to the most appropriate person within the household to ensure that women and children receive, wherever possible, what they need.

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