

WELFARE REFORM COMMITTEE
THE FUTURE DELIVERY OF SOCIAL SECURITY IN SCOTLAND
WRITTEN SUBMISSION RECEIVED FROM SCVO

Summary

- We urge the Committee to consider how we effectively engage people who are part of the social security system in shaping future delivery;
- Taking on new powers and services without being honest about existing public service and inequality challenges only increases the risk that we fail individuals and families at the hard end of current benefit and services cuts;
- There is a need to explore how further devolution fits within the ongoing dialogue emerging from the Healthier and Fairer Scotland conversations and the Fair Work Convention;
- We urge the Committee to question key UK Government officials and ministers about the potential impact of the recent Emergency Budget announcements and the Welfare Reform and Work Bill on further devolution;
- The Scotland Bill does not appear to transfer true social security powers; it seems only to afford the ability to administer and make limited changes to those benefits being devolved;
- However, the sector remains ambitious that we can use future powers for the greater good and is already considering potential policy and delivery ideas;
- The third sector is debating a strong set of principles for future social security delivery; building on these, we ask the Committee to question UK and Scottish ministers on what principles sit at the heart of negotiations and how the spirit and detail of key human rights conventions will drive further devolution;
- SCVO supports [sector calls for an immediate halt to the roll out of PIP¹](#); we also call for a halt to measures within the Welfare Reform and Work Bill such as the reduced benefit cap and the sanctions regime. We should continue to push for devolution of conditionality.
- There are concerns that money assigned for benefits would be lost plugging gaps in local services; consequently; there is emerging opposition to devolution of employment powers and benefits to local authority level;
- A good social security system can support participation for all – recognising that not everyone can take up paid work, and that there is social and economic value in care, volunteering and activism.

Introduction

SCVO welcomes the opportunity to respond to this timely and important inquiry by the Welfare Reform Committee.

The Committee has been one of the most effective in the Scottish Parliament, scrutinizing and challenging both UK and Scottish policy. Such tenacity is important at this time, as we prepare for devolution of social security powers which effectively mark the beginnings of Scotland's own social security system.

SCVO's response to this inquiry has been shaped by our close work with a range of third sector organisations, including a recent, large scale event on the new powers held by SCVO and the Scottish Government on 2 July 2015.

Limitations of the Scotland Bill

The third sector has been consistently frustrated at the limited nature of the proposals manifested within the Scotland Bill, and the continued top down, political process which will lead to further devolution.

[SCVO](#) and other charities have responded in detail to the Devolution Committee's inquiry into the Scotland Bill; many have noted that the existing clauses will serve to reduce the policy autonomy which current and future Scottish Governments and Parliaments could have to shape a new approach to social security. Our view is that the Scotland Bill does not transfer true social security powers; in essence it seems that only limited changes could be made to the benefits being devolved.

Moreover, current and future reforms e.g. continued transfer to Personal Independence Payment (PIP) are likely to limit the actual budget which will be attached to the devolution of such benefits. In the case of PIP, [the projected 20% cut in spending will lead to a loss of entitlement for unpaid carers](#). As Engender and others point out, the continued cuts will effectively limit the scope we have to ensure greater equality for key groups.

At each turn, these reforms will exacerbate existing inequalities. Moreover, a significant strand of work to implement the new powers must be a consideration of how we seek to undo the very real damage being done to the lives of those around us. We urge the Committee to bear this in mind in its deliberations.

We remain concerned about the lack of openness and transparency of both the UK parliamentary process for the Scotland Bill and intergovernmental meetings to take forward the new powers. This approach – driven by political expediency – is the antithesis of the principles we outline below, and which politicians say they want to embed in a Scottish system.

The continued reservation of conditionality will create an unnecessary complexity in implementing the new powers. [The recent revelation of DWP guidance](#) which acknowledges the damaging effect of sanctions must be used to argue for devolution of conditionality. We call for a halt to the sanctions regime.

Impact of Welfare Reform and Work Bill

We would like to raise concerns with the Committee about the potential impact of the recent Emergency Budget announcements and the Welfare Reform and Work Bill on the devolution of social security powers.

We ask the Committee to question UK Government officials and ministers about any impact assessment of the planned changes e.g. further reduction in benefit cap to £20,000, given it includes benefits to be devolved, such as Carer's Allowance.

Tackling long term challenges

The third sector views devolution as an opportunity to consider how we more effectively tackle key economic and social challenges such as poverty and isolation and reduce the divide experienced by key groups in our society e.g. people with disabilities, unpaid carers, women and people in rural/isolated communities.

A recent [Child Poverty Action Group report looking at the costs of bringing up children](#) indicates an impending "cost of living" crisis for many families. Some of the blame for this lies with the UK Government, the current neo-liberal economic approach and benefit and tax credit cuts.

However, we must also look closer to home. As we prepare for further devolution we must take a long, hard look at how we use current powers in relation to health, social care, education and children's policy/services. Aside from the ongoing austerity agenda, many more of us will take on a caring role; the current political focus on [attainment and inequality](#) seems to have left aside the reality [of poverty experienced by disabled people](#) arising from poorer learning and employment outcomes. We also have the increasingly visible challenges facing [families within social care](#).

Understanding and responding to this context will be critical in planning for the implementation of social security and employment powers - for example, devolving disability benefits and then bleeding these dry to pay for ever increasing care charges makes no sense.

Lastly, how further devolution fits within the ongoing dialogue emerging from the Healthier and Fairer Scotland conversations and the Fair Work Convention must also be explored. How we build rights based approaches into priorities which derive from these conversations is important.

Ambitions for social security devolution

Even within the bounds of the challenges and limitations outlined above, the third sector retains a level of hope about what Scotland might do differently with greater control over parts of the social security system.

As the Committee will see from responses to this inquiry, the sector is already thinking about the ways in which this next phase of devolution can be used to mitigate some of the damage being done by current policies. It also has greater ambitions; as the sector is rooted in people's lives and in local communities across the country, it can see how newly transferred powers might be used for greater good.

More importantly, the sector has a strong message for the Scottish Government - people themselves must be at the heart of shaping the new powers, particularly those at the "hard end" of failed policy and struggling public services. If we fail to do this, we fail these individuals and families from the outset.

Principles for further devolution

A wider debate has taken place across the third sector and civil society about the principles which should drive further devolution, particularly in relation to social security and employment powers.

This debate pre-dated the referendum e.g. SCVO's "[Positive Principles](#)" paper and [the Scottish Campaign on Welfare Reform](#). Principles debated include those identified by the Committee e.g. dignity and respect but also include the concept of benefit adequacy and the fact that a good social security system can support participation for all – recognizing that not everyone can take up paid work, and that there is social and economic value in care, volunteering and activism.

A principles driven approach stands in stark contrast to the ideologically driven policies of the UK Government, and its evident determination to take away the social security safety net.

At SCVO's recent event focused on the new powers, representatives from over 30 community and national third sector organisations identified a strong set of principles which should drive further devolution. Participants also began to identify how these principles would shape the experience of claimants within a Scottish social security system.

We provide an insight into the principles and features below – an extract of the event report provides more detail in *Appendix 1*:

Based on dignity and respect – the system would be compassionate and respectful; it should seek to empower people and not be vindictive;

Rights based – social security in Scotland would empower people to achieve full rights; it would be based on a right to income adequacy and clear entitlements;

Aspirational - social security should offer people options and opportunities and help them to achieve sustainable outcomes;

Flexible, responsive and sensitive – to people's life journeys and the specific barriers faced by key groups;

Preventative - social security supports people at appropriate points and isn't based only on supporting crisis. It should be more than provision of a basic safety net;

Joined up – social security should be clearly linked with other policies and services such as health, social care, housing and transport. There should be a clearer customer journey, with people at the centre. The starting point for the system should not be "administrative convenience";

For everyone – we should seek to tackle negative attitudes towards claimant. The system must support participation for all, not be limited to a focus on work at any cost. Universal approaches are preferred.

The concept of culture, how staff work within the system and the attitudes of wider society were also seen to be crucial.

As the 1998 Scotland Act which requires Ministers and MSPs to positively take forward key UN Human Rights Conventions, it would seem sensible and indeed proactive if we

sought to build the debate, negotiations and implementation of the new powers on these Conventions from the very beginning. We urge the Committee to question ministers at UK and Scottish level about what is being done to ensure the spirit and detail of these drive further devolution e.g. [International Convention on Economic, Social and Cultural Rights](#), which includes the right to social security, the right to work and to an adequate standard of living.

More widely, the continued inequality experienced by women should be a [driver for devolution negotiations](#).

Narratives

Our work to transfer and implement the new powers must start with a positive narrative - led from the top by the First Minister and all other ministers. This must be a narrative which sees value in all people no matter who they are; which views every citizen as a contributor to society and to the economy. Social security (and other public services) must exist to help make this happen.

The third sector will not tolerate negative language which treats claimants as scroungers. We will campaign hard for a more compassionate system. It's important that we win back the debate and "talk up" the value and importance of an adequate social security system.

Practical Suggestions for Policy and Delivery

Setting the Scene

Meetings with the third sector hosted by SCVO, the Scottish Campaign on Welfare Reform, and work carried out by Engender and others is beginning to explore delivery ideas – which start from the principles outlined above.

In addition to considering what we might do with the new powers, the sector is looking at what might be made better in the current policy and service context. There are opportunities to seek the kind of outcomes and approaches envisioned by the [Christie Commission](#), which the sector feels has real currency.

The following paragraphs outline some potential policy options linked to social security and employment support devolution:

Disability and carer benefits

Disability and carer benefits serve specific purposes; for DLA/PIP, there is also a [preventative function](#) which can delay the need to access more statutory interventions. Maintaining benefits which support the additional costs of disability and which recognise the specific contribution of carers is regarded as being important.

SCVO supports [sector calls for an immediate halt to the roll out of PIP](#)ⁱⁱ; we also call for a halt to measures within the Welfare Reform and Work Bill such as the reduced benefit cap, and the punitive sanctions regime. Apart from the devastating consequences resulting from these changes for disabled people and unpaid carers, we believe it is sensible to halt the reforms as they affect benefits to be devolved (including eligibility) as well as the budgets attached to them.

Assessments

The assessment process for disability benefits is being considered in detail by the third sector – please see Inclusion Scotland’s response to this inquiry.

What’s missing from the current system is an understanding that people may recently have received a life changing diagnosis prior to applying for a benefit. They are often left on their own to come to terms with this and navigate complex benefit, care and employment systems.

The sector is asking Ministers and MSPs to consider:

- Reducing unnecessary (and unnecessarily bureaucratic and intrusive) assessments – working in the longer term towards automatic eligibility which could be determined by a trusted professional. Such an approach could help reduce under-claiming, and prevent stress for families often at very difficult times. This could apply to new benefits and to devolved services.
- Ensuring assessments take account of invisible and fluctuating conditions; consider automatic benefit entitlement for those who are terminally ill.
- Focusing on getting people INTO work is not enough. As we shape the new benefits, we must consider how we support people to stay *in work* when they face ill health or a disability. There must be strong links with *improved* social care, access to adaptations, rehabilitation, etc. We must examine whether the [“Fit for Work” approach](#) driven by the UK Government (and also funded by the Scottish Government), is effective.
- We should push for devolution of Access to Work, suggested by SAMH, Inclusion Scotland and others in their submissions.
- We are supportive of Inclusion Scotland’s call to change the focus of DLA/PIP towards supporting participation – calling it a Participation Allowance would acknowledge and seek to deal with the “narrative” issues outlined above.

Unpaid carers

Policy options could include:

- Consider as soon as possible piloting/supporting paid leave for unpaid carers; even without powers over employment law, more could be done to promote flexible working and its benefits to help carers remain in paid employment;
- Ensure there is holistic support which enables carers to take up learning and training opportunities in a way which works around their caring roles. Carers must also be supported as they seek to plan their journey back into the labour market. For some, that journey will take longer and so the new employment powers must support outcomes other than paid work e.g. volunteering or retraining.
- There are mixed views about increasing Carer’s Allowance when wider challenges exist – e.g. social care access. However, if the relevant Scotland Bill clause is amended, it could be possible to extend the benefit to currently ineligible carers e.g. full time students.

Employment support powers

Whilst the [Youth Employability Strategy](#) acknowledges the challenges faced by young disabled people, it is a concern that disabled people of all ages are still more likely to [be at risk of poverty](#) and to be frozen out of the job market or decent jobs.

The Scottish Government's consultation on the new employment powers must actively consider and respond to the barriers faced by such groups – both in employment and in access to employability support. [Engender's](#) recent report on social security and gender inequality outlines the specific issues for women as they relate to employment and their experience of the Work Programme and other employability interventions.

The third sector has much to say and offer in relation to the transfer of employment support powers. [Many organisations work with clients](#) to help them get back into work, take up learning or to access volunteering. Whilst their main purpose may not be employment focused, their support and coaching enables individuals to move towards the labour market and to sustain new jobs.

The devolution of further powers to build on the existing skills and learning infrastructure provides an opportunity to consider the whole range of services and actions needed to help people to find, sustain and progress within employment. Beyond that though, we need to consider how we support people to participate more widely. A *participation strategy* would say more about the value we place on people, rather than a strict focus on employment.

Some of the features and policy ideas discussed by the sector include:

- Continuing to urge the UK Government to remove the existing restrictions within the relevant Scotland Bill clause to enable us to create tailored support and to ensure that the new powers do not restrict access to employment assistance beyond those currently specified in the clause.
- Creating a *personalised approach* to employment support, starting with the needs of the individual and constructing services and delivery models around this.
- A *key worker approach* has been suggested as a strong model of support; [individual placement and support models](#) are also positively evaluated for people facing specific challenges in securing employment;
- *Progression* – supporting and valuing progress towards employment, not just “job outcomes”.
- Employability programmes must be *holistically designed* to support sustainable outcomes e.g. employment and tenancy
- *Geography* – What models of support can reach into isolated, rural areas? How do we bring decent jobs into those areas?
- Not having *control over Jobcentre Plus activity* is a missed opportunity and the sector will continue to push for this.

There must be a clear link between disability and carer benefits and employability support. There should be an appropriate offer of support available from day 1 - to remain in work, find work or plan a journey back into work. There must also be a focus on achieving income adequacy for those who cannot work.

Regulated Social Fund (RSF)

At SCVO's "Future Powers" event in July, third sector participants considered a range of ideas for the RSF and its different elements. We do not specifically recommend these ideas, but offer them up for debate as part of the Committee inquiry:

Fuel/Cold Weather Payments

- Consider offering people the chance to opt out of receiving cold weather and winter fuel payments if they don't need them. Funds not used/unclaimed or saved could be redirected into a fund for fuel poverty.
- Sector representatives have identified the need to link plans for these benefits with immediate and longer term talks with power companies about ongoing home fuel costs.

Sure Start Maternity Grants

There have been some suggestions that Sure Start grants could be delivered through the NHS, but such a proposal would need to be examined further.

Having a fund/cash (as opposed to vouchers, in-kind) is deemed to be the most empowering approach – it gives choice to families and allows money to be spent on what is needed.

There are suggestions that we should look beyond our own borders for ideas to better support young babies e.g.; [the Finland "Baby Box" idea](#), which provides a starter kit for all babies. It's worth noting that families can take a cash alternative rather than receiving the box.

Funeral Payments

Alternative methods should be explored to avoid the need for this fund – e.g. insurance through credit unions, savings advice etc. We also need to find avenues to develop lower cost funerals, including tackling increased local authority costs for cremations.

Universal Credit (UC) Administrative Flexibilities

There is third sector support for the Scottish Government's aims in relation to planned UC flexibilities; Engender has called for these to be immediately devolved through a Section 30 order. This would seem to be a sensible approach, and it would be timely to do this now before UC trials expand across the UK

More widely, there is a strong sense that choice should drive how the UC flexibilities work. The system should not just decide on their behalf; it should be flexible, so if a person's circumstances change, it is not difficult to alter what they have set up.

Delivery Mechanisms

There is a strong, emerging opposition to local authority delivery of the new benefits; and direct devolution of employment powers to local authorities. There are concerns that money assigned for benefits would be lost plugging gaps in local services. In addition, direct devolution to local authorities without a Scotland wide debate about how we use these powers/where they should sit would serve to undermine trust at a time when faith in the current social security system is fractured.

The Child Poverty Action Group in Scotland has argued for a [national delivery model](#). A national framework with local hubs/points of access has been discussed by the sector and face to face support for individuals and claimants is deemed to be important.

In order to protect claimants and to ensure effective planning, there is recognition that a delivery agreement with the DWP for a short period of time could help minimise the risk to claimants - the current system is already in transition, and there is a feeling that we shouldn't add to this pressure. In any scenario though, strong intergovernmental relationships are important.

How we operate these benefits must be transparent and simple; less complex language must be used. In the longer term, a fresh start is likely to be necessary to ensure the right culture/processes from the outset.

As ministers negotiate further devolution, there is an opportunity to deal with the bureaucracy that surrounds the current DWP system across the UK. Negotiations could seek to iron out solutions to maladministration and delays which often push people into crisis situations.

Our starting point must be what we want to achieve with further devolution – what wider outcomes are we seeking? Deciding on a delivery mechanism can then follow on from this.

Key Messages/Conclusion

Throughout our work with the sector in examining the future of social security delivery and further devolution, a number of themes and messages have emerged time and time again. These include:

- Looking at the new powers in isolation will represent a missed opportunity;
- The UK Government isn't always to blame and we must examine the challenges and gaps in key services such as social care, housing and employability support.
- We must consider how services could be reshaped to better enable those who are lagging behind to enjoy the best opportunities to thrive and participate.
- Finances are tight – but that must not hinder our ambition or imagination.
- The sector will lobby hard for the new powers to be used in a way which helps people to move out of poverty and which tackles long term and existing barriers faced by particular groups e.g. people with disabilities, carers and others.

The third sector has an expertise which extends to a deep understanding of how the current system works. Some organisations are well able to identify challenges which will arise from devolution and how this in turn might impact on people's lives - that expertise must be brought into the processes supporting the Joint Ministerial Working Group and teams responsible for planning for further devolution.

There are welcome moves to open up the debate about how we use new social security powers e.g. [dialogue app for carers benefits](#). Consultation with the third sector and – more importantly – with claimants – must however lead to real change and a more compassionate system. We urge the Committee to question Ministers on what they are learning from current engagement and how they plan to use this intelligence. We believe that people who know about and have experience of social security can often be the ones who offer up solutions for many of the challenges Ministers and officials are currently considering.

The First Minister has committed her government to being open and transparent. This openness must be evident in the coming months and years as further devolution unfolds. The process thus far has been political and does not [“serve the people”](#) who rely on the social security system. That must change.

Appendix 1

Principles and features of a new Scottish Social Security system

<i>Principles of social security</i>	<i>How manifested? (Features)</i>
Based on dignity and respect	<ul style="list-style-type: none"> • Compassionate • Respectful • Friendly and supportive • A humane system which empowers people. • More carrot, less stick. • Compassionate, not vindictive.
Rights based	<ul style="list-style-type: none"> • Empower people to achieve full rights • Based on right to income adequacy • Based on clear entitlements • People understand their rights/know what to expect.
Aspirational	Offers people options and opportunities and helps them to achieve sustainable outcomes.
Person-centred	<ul style="list-style-type: none"> • Based around people • Done “with them” not “to them” • Empowering - not punitive or stigmatising • Focus on needs, not labels • Helps build resilience - not destroy or diminish it.
Social investment	<ul style="list-style-type: none"> • Everyone benefits – all citizens are enabled to play a fuller part in society. • We invest in people, we don’t pull the rug out from under them.
Adequacy	<ul style="list-style-type: none"> • Income adequacy for all who are part of it – a proper safety net. • Levels of benefit help with additional costs e.g. arising from disability. • No need for emergency charitable support – state safety net sufficient to avoid need for crisis support.
Simple but complex!	<p>Recognition that for a more responsive system, some complexity may be necessary. Where possible though, benefits/new system must be:</p> <ul style="list-style-type: none"> • Simple – clear point of access • Complex enough to meet diversity of needs • Transparent and accountable to the

	public and to service users.
Choice	<ul style="list-style-type: none"> • People have choice in support available and when/where they can access it. • Access to a range of services, in a range of ways - free, local, face to face and digital.
Accessibility	<ul style="list-style-type: none"> • Clear communication with claimants. • The system and how it operates is understandable - to wider public as well as claimants.
Universal welfare system	Open, accessible, and encourages people to participate, live full lives and contribute to their communities – an end to “us and them”.
Flexible, responsive, sensitive	<ul style="list-style-type: none"> • Recognises and responds to people’s life journey/life course. • Aware of the specific barriers people face; sensitive to their situations - individualised support. • Experienced staff who are sympathetic and understand these barriers. • Staff are empowered to assist people, not bound by inflexible regulations and conditionality
Common sense	Doesn’t make people’s lives more difficult; easy to understand and navigate
Trusted/honest	<ul style="list-style-type: none"> • Trusted by claimants and wider public; • Honest about what it can do, and people should always be at the heart. • Accountable to claimants • Trusting people and believing in them.
Preventative	Supports people at appropriate points and isn't based only on crisis/basic safety nets. It should be much more than this. Proactive, not reactive.

Joined up	<ul style="list-style-type: none"> Clearly linked with other policies/services (e.g. health, social care, transport); clearer customer journey with people at the centre. Clear, considered and holistic approach which takes account of the people, services and systems involved.
A system for everyone - not based on “them and us”.	<ul style="list-style-type: none"> We tackle negative attitudes towards claimants. Recognises that the route out of poverty is not always paid work. Lifts those who cannot work and enables them to feel valued and contribute.
Clear outcomes	<ul style="list-style-type: none"> Measuring success easy; smarter objectives built into the system. Test and learn approach - stop making the same mistakes! Live up to best international practice and standards.
Tackling poverty and inequality	<ul style="list-style-type: none"> Level of benefits meet costs and recognise extra costs faced some groups Look at eligibility (e.g. expansion of groups covered in current system) Support people to live a life free from poverty, in or out of work.

ⁱ SAMH – response to Welfare Reform Committee, Future Delivery of Social Security, August 2015

ⁱⁱ As above