

WRITTEN SUBMISSION FROM THE SCOTTISH WOMEN'S CONVENTION

The Committee invites views on all aspects of the Bill. Responses should address all or any of the following points in turn:

Views on the Bill as a whole

1. Are you generally in favour of the Bill and its provisions?

The Scottish Women's Convention (SWC) is in favour of the Welfare Reform (Further Provision) (Scotland) Bill. The Scottish Parliament is to be commended for its recognition of the impact of UK Coalition Government Welfare Reform and how this will affect the people of Scotland. Creating primary legislation to mitigate the changes put in place by Westminster is a positive step.

The Welfare Reform Act (the UK Act) will hit women hard.

"Women are being singled out both as economic targets and casualties in the reform of the welfare system. It is all too radical."

The introduction of one Universal Credit to replace a range of benefits including Income Support, Income Based Job-Seekers Allowance and Employment and Support Allowance, Working and Child Tax Credits and Housing and Council Tax Benefits will have a substantial impact on women throughout Scotland. Many rely on the availability of a number of these benefits, as well as passported benefits, such as free school meals, Educational Maintenance Allowance (EMA) and the Concessionary Travel Card scheme, in order to ensure their families have an adequate weekly income. There is a real danger that a new combined benefit, particularly with new application processes, will result in a number of women falling into severe financial difficulty.

It is therefore vital that the provisions contained in the Welfare Reform (Further Provision) (Scotland) Bill are implemented in order to protect women against economic hardship.

General Principles Underlying the Bill

The Bill proposes that the Scottish Government be given powers to introduce regulations under the UK Welfare Reform Act and amend other Scottish legislation that relates to it. This would allow the Scottish Government to make the link between the devolved welfare matters for which it has responsibility and the reserved welfare matters which have been amended by the UK Welfare Reform Act. The Bill is necessary because, in December 2011, the Scottish Parliament voted to take responsibility for these aspects rather than agreeing that the Westminster Parliament do so.

2. What are your views on this principle?

The SWC fully supports the general principle underlying the Bill.

Universal Credit

Section 1 of the Bill contains provisions relating to the introduction of Universal Credit. It gives the Scottish Government powers to introduce regulations and amend existing legislation in relation to the introduction of Universal Credit in April 2013.

3. What are your views on the proposed powers in relation to Universal Credit?

It is vital that Scottish Ministers have the power to make provision related to the impact of Universal Credit in Scotland. The UK Act will remove a number of existing social security benefits and as a result, associated 'eligibility hooks' for passported benefits. Without the powers proposed in the Bill, these 'hooks' would be abolished. Passported benefits assist, in the main, low income families and they are relied upon to 'top-up' incomes and support. With women accounting for over 90% of lone parents, the dependence on benefits to support and 'top-up' weekly income ensures that those in need receive additional finance on a regular basis.

The importance of creating a degree of guarantee for passported benefits cannot be underestimated. The UK act sets out what benefits will be replaced by Universal Credit, timescales for the introduction of the new benefits, conditions for entitlement etc. No information is given, however, about the amounts of money claimants will be entitled to. As a result there is a great deal of uncertainty amongst women in Scotland.

"There is so much anxiety in families concerned about the support they require, at a practical and financial level, just evaporating at the stroke of a pen."

Protecting access to passported benefits such as free NHS dental treatment, optical vouchers and Concessionary Travel through this Bill will go some way towards alleviating the stress and anxiety faced by women at the prospect of losing these entitlements.

4. Do you have any other comments on the introduction of Universal Credit?

Women throughout Scotland have made clear their concerns around the introduction of Universal Credit. While the simplification of the benefits system is welcomed, the "radical changes" being brought about through the Welfare Reform Act will have a number of negative consequences.

Criticism has been levelled at the lack of information regarding the 'real term' effect of changes. The legislation has been described as "skeletal" and having to wait for further regulations to determine how much money will be lost or gained is causing a great deal of anxiety to individuals and their families.

Many women rely on small amounts of money from different benefits – e.g. some housing and council tax benefits and tax credits with childcare element – to ‘top up’ their income. Women who require this assistance often work part time or in low wage jobs. This additional support is vital to ensure they are able to work, access childcare and not be entirely reliant on benefits. There is a real danger that Universal Credit and its repercussions will mean that women are no longer able to work. The increased costs of childcare and transport will prohibit women from sustaining low paid, part-time work if welfare benefits are not available to support their family income.

Women are already experiencing a decline in their income due to the reductions in the childcare element of tax credits (from up to 80% of costs to up to 70% of costs) and the removal of the baby element of child tax credit. These adjustments, through the introduction of Universal Credit, happened with little information. There is a fear that more cuts, without prior warning, will have a detrimental effect on the physical and mental wellbeing of women.

The availability of affordable, safe and secure housing is further under threat by the removal of council tax benefit and reduction in housing benefit brought about by the introduction of Universal Credit. Women comment that social Housing is limited in many areas throughout Scotland. As a result there is an extreme reliance on high-cost private lets. Changes may see more women turn towards high interest loans or credit cards in order to afford the increased costs of housing. Homelessness is also a genuine possibility for many. Local Authorities will be forced to bear the brunt of these reforms at a time when their budgets are also being cut. The potential impact on lone parents, the majority of whom are women, is a *“fundamental gender-based financial assault.”*

The introduction of Universal Credit creates new sanctions for those who do not comply with the ‘work-related requirements’ set out in the Act. Those who fail “for no good reason” to undertake work preparation requirements will see a reduction in their benefit. The Welfare Reform Act does not, however, define what will be considered a “good reason” and this information will not come to light until further regulations are made.

There is a danger that, for example, being unable to access childcare on the day of an interview will not be considered a “good reason” resulting in women experiencing a reduction in benefit. This could create a ‘vicious circle’ whereby women continue to be punished for being unable to seek work because no provision or support is put in place to assist them to do so.

Women in rural Scotland have raised concerns about the lack of transport to enable them to source employment or attend interviews on time. In some areas, roads can be closed due to bad weather and public transport is at best minimal and at worse non-existent. There are no guarantees that consideration will be given for

nonattendance at interviews, resulting in women from these areas facing financial detriment through no fault of their own.

Personal Independence Payments

Section 2 of the Bill contains provisions relating to the introduction of Personal Independence Payments. It gives the Scottish Government powers to introduce regulations and amend existing legislations in relation to the introduction of Personal Independence Payments in April 2013.

5. What are your views on the proposed powers in relation to Personal Independence Payments?

Disabled women face “double discrimination” and as a result will be some of the worst impacted by the introduction of Personal Independence Payments. It is vital to ensure safeguards are put in place to mitigate the impact of sweeping cuts made in the Welfare Reform Act that affect them.

The SWC therefore welcomes powers proposed in the Bill in relation to Personal Independence Payments. The retention of passported benefits such as the Blue Badge parking permit is important to ensure that disabled women can contribute to and be actively involved in society.

6. Do you have any other comments on the introduction of Personal Independence Payments?

The introduction of Personal Independence Payments will undoubtedly impact on disabled people. A reduction in benefit has the potential to leave them increasingly unable to cope and in turn more reliant on their carers, the majority of whom are women. This could lead to a detrimental impact on the physical and mental wellbeing of many women. Changes to the benefit could also lead to significant job losses for carers. Set against a backdrop of constant redundancies across all job sectors, the impact of this on women could be far-reaching.

Subordinate Legislation

Subordinate Legislation is legislation below the level of Parliamentary Bills – often regulations. Section 4 of the Bill contains provisions relating to subordinate legislation. It gives the Scottish Government powers to make regulations that relate to the UK Welfare Reform Act directly or indirectly.

Sections 1-3 of the Bill also include new subordinate legislation powers for the Scottish Government. Under these sections it may make regulations which amend Acts as well as old regulations.

7. What are your views on the proposed subordinate legislation powers in the Bill?

The SWC welcomes the proposed subordinate legislation powers outlined in the Bill. It is clear that the Scottish Government are aware how the introduction of the Welfare Reform Act will impact on the people of Scotland. Provision such as this which alleviates potential financial consequences and assists women in Scotland is to be commended.

8. Do you have any other comments on regulations that would follow this Bill on 'passport' benefits and eligibility for them?

Financial Memorandum

The Financial Memorandum accompanying the Bill outlines the costs associated with this Bill and summarises them in a table at the end. However, as the Scottish Government states in the Memorandum 'the timetable being pursued by the UK Government presents limits to the Scottish Parliament's ability to assess the financial implications of legislation it considers.'

Effects on Equal Opportunities, Human Rights, Island Communities and Sustainable Development

The Policy Memorandum accompanying the Bill (para 21-25) outlines the assessments made by the Scottish Government on the potential impact of the Bill on equal opportunities, human rights, island communities and sustainable development. It notes that Equalities Impact Assessments will be published when it introduces subordinate legislation later in the year.