

Chair of the Poverty and Inequality Commission
Bill Scott



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Dr Witcher
Chair of the Scottish Commission on Social
Security
By email to: info@socialsecuritycommission.scot

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Dear Dr Witcher

Thank you for inviting the Poverty and Inequality Commission to share its views on the Best Start Foods, Best Start Grants and Scottish Child Payment (Miscellaneous Amendments) Regulations 2022. As part of considering the regulations, and the areas set out in your letter, the Commission spoke to two members of our experts by experience panel who have applied for and received the Scottish Child Payment, and their views have informed our comments here.

The roll out of Scottish Child Payment to children under 16

The Commission and our panel members welcome the roll out of the Scottish Child Payment to children under 16, along with the planned increase to £25 per week.

While the roll out is welcome, our panel members have raised concerns that, until the full roll out, the Scottish Child Payment stops when a child hits the age of six. They think that many people are not aware of this and will be surprised when it is cut off, and that it will be a big loss of income for families. They feel it is unfair for those families whose children are turning six and have queried whether children would be taken off the system completely and whether they would need to reapply after the full roll out. They think children who had received the Scottish Child Payment up to the age of six should automatically receive the payment again when it is rolled out.

Our panel members propose that any child turning six in 2022 should get their payment continued until full roll out, and suggest there would be potential savings in terms of administrative costs.

It is important that the full roll out of the Scottish Child Payment takes place as quickly as possible. The current bridging payments are welcome, but the use of free school meals as the passporting benefit means that many children who will be entitled to the Scottish Child Payment currently miss out. The amount of the bridging payments is also lower than the level of the Scottish Child Payment for under 6s. Our panel members feel that eligibility is nowhere near enough and that a really small amount of earnings from work stops you being eligible. They think that the bridging payment eligibility should be the same as the Scottish Child Payment.

Our panel members think that it is good that families will not have to make a new application for the Scottish Child Payment for an older child, but had questions about what parents were

actually going to have to do in order to 'notify' Social Security Scotland, and what waiting period this meant before payment.

Experience of families managing the 'cliff edge' when they stop receiving Universal Credit and the Scottish Child Payment

The Commission has raised concerns with the Scottish Government previously about the potential impact of the cliff edge as the amount of the Scottish Child Payment increases, because there is no tapering of the payment. If this cliff edge is not addressed it could make it difficult for parents to take advantage of opportunities to increase their hours and progress in work. This may have a particular impact on women who are more likely to be the lower earner in a couple household and are already more likely to take time out of the labour market to look after children. More time out of the labour market is likely to result in lower wages and pensions and increase women's risk of poverty.

Our panel members agree that the cliff edge is an issue for them and could be crippling. One panel member has been in the position of not being sure if they were better off working or not, while the other said that they had to try to manage their income so they always had "at least £1 of universal credit" so as not to lose the Scottish Child Payment.

Introducing a taper would add complexity to the Scottish Child Payment but both the Commission and panel members think it might be necessary to consider this in order to protect families from losing significant amounts of income the moment they come off Universal Credit. This could help avoid unintended consequences, such as discouraging parents from increasing their hours and progressing in work.

Experience of waiting for the first payment of Scottish Child Payment

The Commission has concerns about removing the requirement to make the first payment four weeks after the application. The amendment seems to be focused on removing the requirement as Social Security Scotland is not meeting it, rather than improving performance to meet the needs of families. The amendment appears likely to extend the time it takes families to receive their first payment, which will cause more hardship, especially given the current cost of living crisis.

One of our panel members felt that the process for applying for the Scottish Child Payment was easy enough, while the other panel member felt the application process took some time, but noted that it was mostly checking boxes and just needed to be worked through.

The introduction of automatic awards of Best Start Grant Early Learning Payment and School Age Payment to families in receipt of Scottish Child Payment

Our panel members have found the application process for the Best Start Grant really easy and said it required minimal information. One panel member said it was really fast and they had found it one of the best systems to go through.

More widely though, our Experts by Experience Panel has previously told us that the social security system is really complicated for families to navigate. There are lots of different benefits and grants, with different criteria in order to qualify, and people have to make multiple applications. What matters to families is to know everything that they are entitled to, and to make it easy to apply. Our Panel has said that people should only have to apply once to get everything they are entitled to.

While a single application process for everything isn't possible because of the mix of reserved and devolved benefits, the Commission has called for the Scottish Government and Social Security Scotland to combine applications for Scottish Benefits and automate them where possible. The Commission and the panel members welcome the introduction of automatic awards of the Best Start Grant Early Learning and School Age payments to families in receipt of Scottish Child Payment. This should simplify the process for families and enable more families to get the payments they are entitled to. Automation should be the way forward for Scottish benefits wherever possible.

I hope our comments on the regulations and the areas that you highlighted are helpful and please let us know if you have any questions about any of the issues we have raised.



Bill Scott
Chair of Poverty and Inequality Commission