

Response to Social Justice and Social Security Committee: Social Security (Amendment) (Scotland) Bill

January 2024



About us

The Poverty Alliance is Scotland's anti-poverty network. Together with our members, we influence policy and practice, support communities to challenge poverty, provide evidence through research and build public support for the solutions to tackle poverty. Our members include grassroots community groups, academics, large national NGOs, voluntary organisations, statutory organisations, trade unions, and faith groups.

1. Introduction

The Poverty Alliance welcome the Social Justice and Social Security Committee's consultation on proposed amendments to the Social Security (Scotland) Bill. Social Security is a vital safety net that should be there for all of us when we need it. Sadly, the current social security system fails on this metric and is unjustly pulling people into poverty. There has been a significant level of positive activity in Scotland to build a stronger and more just social security safety net with benefits such as the Scottish Child Payment (SCP) and the benefit cap mitigation testament to efforts to eradicate child poverty. However, almost one in four children still live in the grip of poverty, and children in certain population groups such as single parents, of which the majority are women, disabled people, and people from racialised backgrounds are still more at risk of poverty. The proposed amendments, in particular those concerning the Scottish Child Payment's legislative underpinning and the new care experience payment, could help to build upon this platform, with positive implications for poverty rates in Scotland.

2. Key Recommendations

- Ensure that the amended SCP application system is simple, clearly communicated and designed to tackle both poverty-related stigma and maximise uptake.
- Utilise the amendment to the legislative underpinnings of SCP to progress the implementation of the Minimum Income Guarantee (MIG).
- Utilise this new legislative underpinning to expand eligibility to people who are ineligible for the current qualifying benefits, for example people with no recourse to public funds, students, and those in temporary or supported accommodation.
- Explore ways to taper the level of award to support people into work without creating an income 'cliff-edge'.

- Consult with people with experience of the care system on the design, implementation and evaluation of the Care Leaver's Payment to ensure the process works in the best interests of those applying for it.

1. Types of Social Security. Do you have any views on this part of the bill? In particular, do the provisions in Part 1 raise any concerns for you in relation to the social security principles?

The Poverty Alliance agree with changing the legislative underpinning of the Scottish Child Payment (SCP). Redefining SCP as a stand-alone 'childhood assistance' payment rather than a 'top-up' benefit would allow greater flexibility in the design and delivery of Scottish Child Payment, helping to free more households from the grip of poverty.

Utilising SCP as a stand-alone benefit brings the potential to bolster the positive impact the SCP is already having for families across Scotland, by simplifying the overall social security system and easing the burden of evidence needed to access social security. This also provides critical opportunities for the Scottish Government to expand eligibility of SCP to more households such as those currently unable to apply for current qualifying benefits, for example, people with no recourse to public funds, students and those in temporary or supported accommodation.

As identified in the interim report of the Minimum Income Guarantee Expert Group¹ changing the legislative basis for SCP would be central in forming a basis for initial work to roll out a Minimum Income Guarantee. Particularly in supporting parents into work, this change will provide more flexibility to reduce the award, provide additional support for some groups, and support households to avoid cliff edges in income as they transition into higher incomes from employment and/or increased hours from existing employment.

However, it is central that any amendments to the SCP be very carefully considered, particularly in how they pertain to eligibility, application process and redeterminations. As highlighted in the policy memorandum, there is a risk that the proposed amendments may make applications for SCP more complex. Last year, an inquiry into poverty-related stigma by the Cross Party Group on Poverty in the Scottish Parliament, to which the Poverty Alliance provide the secretariat, concluded that the design of social security application processes can itself stigmatise social security. Arduous application processes, a reliance on high levels of evidentiary documentation, and long waiting times all discourage people from applying for the financial support to which they are entitled.²

¹ Scottish Government (2023) *Minimum Income Guarantee Expert Group: interim report*. Available at: <https://www.gov.scot/publications/minimum-income-guarantee-expert-group-interim-report/>

² CPG on Poverty (2023) *An inquiry into poverty-related stigma in Scotland*. Available at: <https://www.povertyalliance.org/wp-content/uploads/2023/02/Report-of-the-inquiry-into-stigma-CPG-on-Poverty.pdf>

It must be ensured that application processes are kept as simple and accessible as possible to ensure uptake and to tackle poverty-related stigma. The process for applying for the amended SCP should be designed in partnership with people with experience of applying for social security in order to ensure that processes are fit for purpose and work for those who need to access the payment. To this end, more detail is needed in the amendment legislation on the exact definitions of the new legislative underpinning of the SCP to understand the parameters of the new benefit and efficiently scrutinise this.

On the introduction of a new benefit for care leavers, we strongly welcome this and in particular welcome the inclusion of embedding this new benefit in legislation. We would urge the Scottish Government to ensure it retains the same process as other benefits for care experienced people, in particular with regards to eligibility, application processes and redeterminations to avoid confusion and potential loss of income.

For more information, please contact:

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