

ISLAND COMMUNITIES IMPACT ASSESSMENT TEMPLATE

Please ensure this template is completed in conjunction with the Island Communities Impact Assessment (ICIA) Guidance on the [Scot Gov Website](#)

Name of Policy, Strategy or Service	The Social Security (Miscellaneous Amendment and Transitional Provision) (Scotland) Regulations 2022
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STEP ONE – DEVELOP A CLEAR UNDERSTANDING OF YOUR OBJECTIVES

<ul style="list-style-type: none">• What are the objectives of the policy, strategy or service?	<p>Scottish Child Payment, Best Start Foods and the 3 Best Start Grant payments – Pregnancy and Baby Payment, Early Learning Payment and School Age Payment - are known collectively as the Five Family Payments (FFP). Delivered by Social Security Scotland, they are five different payments which aim to provide support to low income families with the costs of raising a child.</p> <p>Scottish Child Payment (SCP) launched on 15 February 2021 and was introduced by the Scottish Government to tackle child poverty for low income families in receipt of reserved benefits. As of 1 April 2022, it pays the equivalent of £20 a week per child every four weeks in arrears to families with no cap on the number of eligible children a family can claim for. SCP is currently paid to families with children under the age of 6 – recognising that, of all children in poverty, almost 60% live in a household where the youngest child is aged under 6, and the early years are key to improving long term outcomes.¹ While it has always been our intention that SCP should be paid to children under 16, we were able to introduce the Scottish Child Payment early for all eligible children under six. By now rolling out SCP to children aged between 6 and 15 we are expanding this intervention to tackle child poverty which is unparalleled across the UK. These regulations will increase the value of SCP to £25 a week per</p>
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¹ Scottish Government (2010) [Growing Up in Scotland: health inequalities in the early years](#)

child. This could lift 50,000 children out of poverty, reducing overall child poverty by an estimated 5 percentage points in 2023/24.²

The Scottish Government has replaced the Sure Start Maternity Grant in Scotland with the Best Start Grant (BSG). The BSG is intended to support eligible families with the additional costs associated with having a child in their early years. It aims to help alleviate material deprivation, tackle inequality, and contribute to closing the educational attainment gap. The grant provides support to low income families at three key transition points in a child's early years.

The BSG consists of 3 payments: Pregnancy and Baby; Early Learning; and School Age. As of 1 April 2022, the Pregnancy and Baby Payment provides £642.35 for a first child and £321.20 for second and subsequent children. An additional payment of £321.20 is payable in the case of a multiple birth. The payment also provides support for people who have had a stillbirth. Both the Early Learning Payment and the School Age Payment provide £267.65 per child.

The Scottish Government replaced the UK Healthy Start Voucher scheme in Scotland with Best Start Foods (BSF) on 12 August 2019. BSF supports low income families with a pregnant woman and/or a child or children under the age of 3. The payments are delivered via a pre-paid card.

BSF currently provides £18 every four weeks throughout pregnancy, £36 every four weeks from birth until a child turns one to support breastfeeding mothers or help with the costs of providing first infant formula milk, then £18 every four weeks from one until a child turns three.

The FFP all target support to low income families. For most eligible individuals, qualifying benefits are used as a proxy for means testing. For BSF, there are income thresholds which apply to some of the benefits.

² Scottish Government (2022) [Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026](#)

We want to:

- expand eligibility for SCP to low income families with a child under 16 (currently children under 6);
- increase SCP to £25 a week
- In the unfortunate situation where a child to whom a claim relates dies, these amendments will also provide for a payment, equivalent to the value of Scottish Child Payments made in the 12 weeks prior to the child's death, to be made. This will bring the payment closer in line with the reserved benefits which act as qualifying benefits for SCP;
- allow reinstatement of SCP within 12 weeks of effective change rather than within 12 weeks of original determination;
- introduce auto-award for elements of BSG to reduce the need for applications and increase uptake;
- update the meaning of surrogacy for BSG and BSF to mirror change to the Human Fertilisation and Embryology Act 2008;
- remove the condition that the child is not looked after by the local authority in residential care for BSG;
- provide new exceptions to the general rule that an individual is only entitled to the higher Pregnancy and Baby Payment when they are applying in respect of their first child, for families in the following situations, who are more likely to be starting from scratch without the items that the Pregnancy and Baby payment is intended to provide:
 - individuals granted refugee status, humanitarian protection, or leave under the Afghanistan resettlement schemes or the Ukraine resettlement schemes, who have a child from before they arrived in the UK;
 - individuals who took on responsibility for a child/children who was not their own when that child/children was more than 12 months old; and
 - individuals who have been forced to leave their home with a child/children due to domestic abuse;

<ul style="list-style-type: none"> • What are the intended impacts/outcomes and how do these potentially differ across the islands? 	<ul style="list-style-type: none"> • widen the definition of kinship care across BSG, BSF and SCP to ensure that, as we roll out SCP to under 16s, eligible kinship carers who are not related to the child but are known to them and have a pre-existing relationship with the child are included. <p>The intended impact is to:</p> <ul style="list-style-type: none"> • support more children in poverty by increasing age threshold for SCP; • provide greater support to children in poverty by increasing the value of SCP; • support more children in poverty by removing the condition for BSG that the child is not looked after by the local authority in residential care and expanding the meaning of surrogacy for both BSG and BSF; • provide a more compassionate and dignified system in the event of the death of a child or SCP recipient; • make it easier for families to receive Early Learning Payment and School Age Payment of BSG and increase uptake of both; • provide greater support to families who are more likely to be starting from scratch without the items the Pregnancy and Baby Payment is intended to provide; and • ensure that, as we roll out SCP to under 16s, eligible kinship carers who are not related to the child but are known to them and have a pre-existing relationship with the child are included. <p>Potential impacts for islands:</p> <ul style="list-style-type: none"> • Greater resilience for families to meet higher cost of living in island communities – increasing incomes for low income families may make it easier to sustain residency on an island where cost of living can be higher; • Reduce the stigma around applying for benefits which can be greater in remote rural communities - by making it easier to receive elements of BSG without the need for an application;
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	<ul style="list-style-type: none"> • Reduce the need to travel or have online access in order to apply for benefits, which can be barriers for island communities - by making it easier to receive elements of BSG without the need for an application;
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STEP TWO – GATHER YOUR DATA AND IDENTIFY YOUR STAKEHOLDERS

<ul style="list-style-type: none"> • What data is available about the current situation in the islands? 	<p><u>Poverty</u></p> <ul style="list-style-type: none"> • On average, rates of poverty tend to be lower in rural areas. However, there are 40,000 children in rural areas that are in poverty, and the barriers to leaving poverty may be greater for those in rural areas. For example, lack of access to employment can also be an issue in rural areas. Poor public transport networks mean that people may not have good access to opportunities for employment, particularly if they rely on bus networks.³ • In 2019, the fuel poverty rate for remote rural (43%) households was higher than for urban (24%) households or rural households (29%).⁴ <p><u>Access</u></p> <ul style="list-style-type: none"> • Just over a third of island residents say that it is easy to connect between different forms of transport when making journeys to or from their home.⁵ • For children, there are problems of access to youth clubs and after-school clubs; over 35% of children in remote rural areas had difficulties accessing youth clubs compared to under 20% in all other areas.⁶ • Access to services and support can be difficult. It is suggested that poverty in rural areas may be more isolating in its impact, due to the greater visibility of individuals within rural communities and a rural ideal of self-reliance, i.e.
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³ Scottish Government (2017) [SIMD: Rural deprivation evidence summary](#)

⁴ Scottish Government (2020) [Scottish house condition survey: 2019 key findings](#)

⁵ Scottish Government (2021) [National Islands Plan Survey: final report](#)

⁶ Bailey, N, Bramley, G, Gannon, M, University of Glasgow (2016) [Poverty and social exclusion in rural and urban areas of Scotland](#)

getting things done for yourself. Poor adults in remote rural areas have been found to have particular problems with low levels of support.⁷

Stigma

- Through previous user research and experience panels conducted when designing BSG, Funeral Support Assistance and Young Carers Grant⁸ we have found that there is a danger of stigma hindering applications for benefits, particularly in more rural communities.

Cost of living

- There is widespread evidence that rural areas, and remote and island communities in particular, experience higher costs of living for some goods and services.
- In rural and remote areas the costs of travel to essential services, is generally much higher. Those experiencing poverty may be unable to afford transport which reduces their quality of life and increases social isolation. In circumstances where there is no public transport infrastructure families may be forced to run a car, putting pressure on their finances.⁹
- Highlands and Islands Enterprise found that, typically, the minimum cost of living in remote rural Scotland ranged between 10% and 35% more than the equivalent in urban Britain in 2016.¹⁰
- More recent research has shown that additional minimum living costs for a households in remote rural Scotland typically add 15-30% to a household budget, compared to urban areas of the UK. It also found that for families with children staying in an island community, the food budget required for a minimum acceptable living standard was likely to be 13% higher than in an urban community in the UK. Similarly the budget required for clothing was

⁷ Bailey, N, Bramley, G, Gannon, M, University of Glasgow (2016) [Poverty and social exclusion in rural and urban areas of Scotland](#)

⁸ Scottish Government [Social Security Experience Panels: publications](#)

⁹ Poverty & Inequality Commission (2019) [Transport and Poverty in Scotland](#)

¹⁰ Highlands and Islands Enterprise (2016) [A Minimum Income Standard for Remote Rural Scotland: a policy update](#)

	<p>likely to be 12% higher, for household goods to be 10% higher, for travel to be 28% higher and for social participation to be 18% higher.¹¹</p> <p><u>Connectivity</u></p> <ul style="list-style-type: none"> • 96% of island households have access to the internet from home. 62% of island residents agree that their internet connection at home is reliable, with significantly lower agreement in Shetland Outer Isles (30%) and Orkney Outer Isles (35%).¹² <p><u>Prevalence of seasonal work</u></p> <ul style="list-style-type: none"> • As part of their response to a previous consultation, <i>Early Years Assistance: a consultation on the best start regulations</i>,¹³ one organisation suggested that seasonal and zero hours contracts are more prevalent in rural Scotland, resulting in Universal Credit (UC) awards being at £0 for a number of months. They highlighted that this could impact access to Scottish social security benefits where eligibility is based on receiving an award of more than £0 for UC. <p><u>Social Security</u></p> <ul style="list-style-type: none"> • The latest analysis of client diversity and equalities data¹⁴ shows that for approved SCP applications between December 2020 and May 2021, 1% (410) were from people in island communities. The same analysis showed that for approved BSG and BSF applications, 1% (160) were from people in island communities. • Unpublished analysis of the Social Security Scotland Client Survey information for the period Sep 20 – March 21 showed that those living in island communities reported similar rates of satisfaction to those living in mainland
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¹¹ Scottish Government (2021) [The cost of remoteness - reflecting higher living costs in remote rural Scotland when measuring fuel poverty: research report](#)

¹² Scottish Government (2021) [National Islands Plan Survey: final report](#)

¹³ Scottish Government (2018) [Early years assistance: consultation on the Best Start Grant regulations](#)

¹⁴ Social Security Scotland (2021) [Social Security Scotland client diversity and equalities analysis to May 2021](#)

<ul style="list-style-type: none"> • Who are your key Stakeholders? • How does any existing data differ between islands? • Are there any existing design features or mitigations in place? 	<p>communities, both when applying for the benefits and overall when dealing with Social Security Scotland. There is some evidence that suggests that those living in island communities were less likely to apply by phone, compared to those living in mainland communities. However, this is difficult to say conclusively given the low number of responses from those living in island communities. The percentage of applications made online or by post by those living in island communities were similar to those living in mainland communities. Overall, very few applications were made in person and none of these applications came from those living in island communities</p> <ul style="list-style-type: none"> • Island local authorities and Islands Federation – we have contacted all of these stakeholders for their views. • <u>Access</u> In relation to how easy it is to connect between different forms of transport when making journeys to or from their home, Arran, Bute and the Cumbræes have higher levels of agreement with this statement (60%), and Uist and Barra has significantly lower levels (9%).¹⁵ • <u>Connectivity</u> While 62% of island residents agree that their internet connection at home is reliable, there is significantly lower agreement in Shetland Outer Isles (30%) and Orkney Outer Isles (35%).¹⁶ • <u>Connectivity and access</u> Social Security Scotland operate a multi-channel approach and can take applications online, by phone or by post. Clients can also interact with the
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¹⁵ Scottish Government (2021) [National Islands Plan Survey: final report](#)

¹⁶ Scottish Government (2021) [National Islands Plan Survey: final report](#)

agency by web-chat. This helps address both connectivity and access challenges.

- Social Security Scotland has set up a Local Delivery service which is made up of specially trained Client Support Advisers who are based within every local authority area in Scotland including our island communities. These staff operate at the local level, helping and informing clients of benefits available and assisting clients claim what they are entitled to. They give clients a choice in regard to how they access the service by offering support in outreach locations, home visits and prisons. Clients can book an appointment to meet with an adviser at a venue within their local community or at their home and are also able to request video call or telephone appointments.
- The Local Delivery Relationship Leads have built close relationships with Local Authorities, Health & Social Care and Third Sector agencies creating opportunities to co-locate agency staff and deliver a service that is tailored to meet the differing needs of each individual area.
- For example in the Western Isles they are co-located with Comhairle nan Eilean Siar, in Orkney with Skills Development Scotland, in Shetland with the NHS and in Argyll & Bute they have community outreach locations with LiveArgyll.
- Once fully operational, there will be at least 400 staff spread across all local authority areas in Scotland. Over the coming year they will seek to become embedded and known in the local community.
- Our communications and engagement strategy will include a focus on people living in island communities. As well as marketing and promotion via TV and radio, it will include communication via social media, local newspapers and local health boards
- The Scottish Government has committed to providing £10 million of funding over this parliamentary term to increase access to advice services to maximise incomes and tackle poverty. This will be in accessible settings, for example schools.

Stigma

- To help address the stigma around claiming benefits, the Charter for Social Security Scotland¹⁷ commits us to:
 - promoting a positive view of social security, explaining it is a public service to be proud of – a human right there for all of us who need it;
 - publicly challenging the myths and stereotypes about social security to help reduce stigma and negativity;
 - changing the language on social security - introducing more positive words to describe the service and the people who use it
 - We have also made the application form for the benefits as straightforward as possible, with a single form used to apply for SCP, BSG, and BSF, to encourage those who experience stigma to take up their entitlement.
 - Social Security Scotland have staff in co-located sites across the country from rural to urban to islands settings. These staff are mobile and flexible, so that they can support clients in places most convenient to them – including their own homes, venues in their local community, hospitals, care homes and prisons. It is hoped this will reduce the stigma felt by people, since the reason for their visit will not be immediately obvious to other members of the community.
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- **Cost of living**
 - As both BSG and SCP can be used flexibly, they are both able to help those in island communities meet the increased cost of living that they face.
 - Previous user research for SCP found that £10 per week was significant enough to have a positive effect on families. In particular, those participating identified that the additional money could be spent on helping out with essentials such as the weekly shop or clothing.

¹⁷ Social Security Scotland (2019) [Our Charter](#)

	<p><u>Prevalence of seasonal/zero hours work</u></p> <ul style="list-style-type: none"> To ensure those who have fluctuating UC awards are able to access the benefits, applicants for BSG and BSF qualify if the UC award is more than £0 in the month of or the month before the application. This means that an applicant knows when they apply that there is an award of UC in place. BSG also has wide application windows; 10 months for the pregnancy and baby payment, 18 months for the early years payment and 9 months for the school payment. SCP can be reinstated without the need for a new application window if a person becomes eligible again within 12 weeks of becoming ineligible. For auto-award, where someone is not eligible for SCP at the beginning of the BSG application window but later becomes eligible, auto-award will be activated as long as it is within the relevant BSG application window.
<p>STEP THREE - CONSULTATION</p>	
<ul style="list-style-type: none"> Is there are information already gathered through previous engagements? How will you carry out your consultation and in what timescales? Public meetings/Local Authorities/key Stakeholders 	<ul style="list-style-type: none"> Yes – ICIAs previously completed on introduction of BSG,¹⁸ BSF,¹⁹ and SCP.²⁰ We will share details of proposed changes with key stakeholders – Islands LAs and Islands Federation for their feedback on any specific impacts for island communities.

¹⁸ Scottish Government (2018) [Best Start Grant: island screening assessment](#)

¹⁹ Scottish Government (2019) [Best Start Foods: island screening assessment](#)

²⁰ Scottish Government (2020) [Scottish Child Payment: Islands Community Impact Assessment](#)

<ul style="list-style-type: none">• What questions will you ask when considering how to address island realities?• Separate consultation events for Island communities/Local Authorities?	<ul style="list-style-type: none">• What are the positive/negative impacts for island communities? Are there any specific inter-island differences we need to consider?• Yes – we will consult with Islands Federation and Island Local Authorities on the proposed changes separately.
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STEP FOUR - ASSESSMENT

<ul style="list-style-type: none">• Does your assessment identify any unique impacts on island communities? (Further detail in the Guidance):<ul style="list-style-type: none">– Demographic– Economic– Gaelic– Social	<ul style="list-style-type: none">• <u>Demographic</u> The policy is likely to have a positive impact as increasing incomes for low income families may make it easier to sustain residency on an island where cost of living can be higher.• <u>Economic</u> The policy is likely to have a positive impact and lead to more money being spent in the local economy. This is because the value of SCP will increase to £25 a week and low income families will be able to receive payments until child is 16 for SCP. Uptake of both Early Learning Payment and School Age Payment are also likely to increase due to auto-award. We know that low income families tend to spend more of their money locally.• One island stakeholder confirmed to us that they felt that these social security payments have wider benefits of boosting local economies as result of spend in local shops and businesses, supporting responsible social behaviours and positively impacting health outcomes.• The policy is not reliant on high-capacity broadband or access to public transport and is therefore not likely to lead to unfair access. Social Security Scotland take a multi-channel approach and therefore applications can be made online, in writing, by telephone or in person. Support during the application process can be provided via webchat, by telephone or in person.• <u>Social</u> The policy is likely to have a positive impact by increasing incomes for low income families. The payments are likely to be helpful in meeting the increased cost of living in island communities, including fuel costs.• Those who have a fluctuating entitlement to Universal Credit will still be able to access SCP and BSG. SCP allows determination to be made without an application where someone loses entitlement to UC and then regains it within 12 weeks. When
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SCP is reinstated, a check will be done to see whether an auto-award of either Early Learning Payment or School Age Payment is applicable.

Gaelic

- Social Security Scotland currently creates all its promotional materials in seven alternative community languages including Gaelic.

- Does your assessment identify any potential barriers or wider impacts?

- Accessibility, stigma and the higher cost of living in island communities were all identified as potential barriers by island stakeholders

Accessibility

- Limited public transport, the extended time required to travel and increased costs to attend appointments were highlighted by island stakeholders as was a lack of digital technology, connectivity and skills. It was noted that some island groups have better transport links than others.
- The need for equality of access to face to face support was said to be very important for income maximisation support services.
- While Social Security Scotland was said to be working well with local stakeholders to raise awareness, one stakeholder told us that the face to face service available from Social Security Scotland was currently limited and not yet able to respond to the full needs of island residents. They highlighted that existing local advice provision via both the local authority and the third sector was important in ensuring access to entitlement and that there was scope for them to deliver support on behalf of Social Security Scotland.

Stigma

- It was noted that stigma is a highly prevalent factor when living on a low income and particularly stigma related to the social security system.
- Levels of stigma were seen to vary between islands and island groups.
- We heard that the proportion of incomers in island communities and the size of those communities could impact the level of stigma, and also that stigma was more

prevalent in smaller communities, where people living with financial hardship are living close to those with relative wealth.

Cost of Living

- It was noted that there is generally a higher cost of living in the islands
- Cost of living were said to be particularly higher during winter and the cost of living crisis was likely to be more challenging for more remote communities
- As a result of the higher cost of living in island communities, it was felt that the value of BSG and SCP in real terms, would be less in island communities though it would differ between places due to geography or transport links

Accessibility

- Island stakeholders felt that the best way to overcome the barrier of accessibility was by offering multi-channel access to social security and it was recognised that this is already in place
- We also heard that the introduction of auto-award for the Early Learning Payment and School Age Payment could help overcome some of the accessibility issues
- The Local Delivery Service for Social Security Scotland continues to expand. Once fully operational, there will be at least 400 staff spread across all local authority areas in Scotland. Over the coming year they will seek to become embedded and known in the local community.
- The Scottish Government has committed to providing £10 million of funding over this parliamentary term to increase access to advice services to maximise incomes, tackle the poverty penalty and improve wellbeing. This will be in accessible settings, for example schools.

Stigma

- Raising awareness about the positive socio-economic impacts for local businesses and the wider community benefits, from maximising incomes from social security, was seen as one way in which to reduce stigma.

- Are there mitigations already in place for these impacts raised?

	<ul style="list-style-type: none"> • The Charter for Social Security Scotland²¹ already commits us to: <ul style="list-style-type: none"> ○ promoting a positive view of social security, explaining it is a public service to be proud of – a human right there for all of us who need it; ○ publicly challenging the myths and stereotypes about social security to help reduce stigma and negativity; and ○ changing the language on social security - introducing more positive words to describe the service and the people who use it. • We also heard that the introduction of auto-award for the Early Learning Payment and School Age Payment could help reduce stigma. <p>Cost of living</p> <ul style="list-style-type: none"> • As BSG and SCP can be used flexibly, they are both able to help those in island communities meet the increased cost of living that they face. • One stakeholder suggested that we consider an uplift for island communities. We have considered this, but this would be complex to administer and would not be in line with the approach taken to other social security payments that we deliver. As SCP and BSF are an ongoing entitlements, the amount paid would need to fluctuate where a recipient moved in to or out of an island community and this would increase the risk that overpayments would be made. We also noted that through the National Plan for the Islands²², actions have already been identified to tackle the higher costs of fuel, transport and housing as well as to drive inclusive and sustainable economic growth. These actions are likely to have a more direct and positive impact on tackling the cost of living for all residents in Island communities.
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²¹ Social Security Scotland (2019) [Our Charter](#)

²² Scottish Government (2019) [The National Plan for Scotland's Islands](#)

Is a full Island Communities Impact Assessment required?

You should now determine whether, in your opinion, your policy, strategy or service is likely to have an effect on an island community which is significantly different from its effect on other communities (including other island communities). To form your opinion, the following questions should be considered:

<ul style="list-style-type: none">• Are there mitigations in place for the impacts identified and noted above from stakeholders and community consultations? (If further ICIA action is not required, complete the section below and publish).• Does the evidence show different circumstances or different expectations or needs, or different experiences or outcomes (such as levels of satisfaction, or different rates of participation)?• Are these different effects likely?• Are these effects significantly different?• Could the effect amount to a disadvantage for an island community compared to the mainland or between island groups?• If your answer is 'no' to the above questions, please complete the box below.• If the answer is 'yes', an ICIA must be prepared and you should proceed to Step 5.	<ul style="list-style-type: none">• Yes• No• n/a• n/a• n/a
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A full Islands Community Impact Assessment is NOT required

In preparing the ICIA, I have formed an opinion that our policy, strategy or service is **NOT** likely to have an effect on an island community which is significantly different from its effect on other communities (including other island communities). The reason for this is detailed below.

Reason for not completing a full Islands Communities Impact Assessment:
Mitigations are already in place for the impacts identified and some of the changes we are introducing will further mitigate these impacts. The evidence does not suggest that any new negative impacts will be created by the changes we are introducing.

Screening ICIA completed by (name)	Nicola Birrell
Position	Senior Policy Officer
Signature and date	NICOLA BIRRELL 26 August 2022
ICIA authorised by (we recommend DD level)	<u>Ian Davidson</u>
Position	<u>Deputy Director, Social Security Policy</u>
Signature and date	IAN DAVIDSON 31 August 2022