

## FAIRER SCOTLAND DUTY SUMMARY

<p><b>Title of policy, strategy or programme</b></p>	<p><b>The Social Security (Miscellaneous Amendment and Transitional Provision) (Scotland) Regulations 2022</b></p>
<p><b>Summary of aims and expected outcomes of strategy, proposal, programme or policy</b></p>	<p>Scottish Child Payment (SCP), Best Start Foods (BSF) and the 3 Best Start Grant (BSG) 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. All five payments intend to tackle inequality, improve outcomes and make a positive impact on all of the priority groups identified in the Tackling Child Poverty Delivery Plan.<sup>1</sup></p> <p>These regulations will introduce a number of changes which are intended to address inequalities of outcome and reduce the depth of poverty for those groups most in need by:</p> <ul style="list-style-type: none"> <li>• providing greater support to more children in poverty;</li> <li>• providing greater support to low income families with a new child who are likely to be starting from scratch;</li> <li>• providing a more compassionate and dignified system in the event of the death of a child; and</li> <li>• making it easier for families to access the support they are entitled to</li> </ul> <p>These amendment regulations will allow SCP to be rolled out to children aged between 6 and 15 and will increase the value of SCP to £25 a week for all eligible children. They will also ensure that, 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. These qualifying benefits allow a run on of up to 12 weeks payment in the same circumstances. The changes will also allow reinstatement of SCP within 12 weeks of effective change, rather than within 12 weeks of original determination.</p> <p>The amendments will also make changes to BSG in order to:</p> <ul style="list-style-type: none"> <li>• introduce auto-award for the Early Learning Payment and School Age Payment for eligible applicants in receipt of Scottish Child Payment;</li> </ul>

<sup>1</sup> Scottish Government (2022) [Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026](#)

	<ul style="list-style-type: none"> <li>• 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: <ul style="list-style-type: none"> <li>○ individuals granted refugee status, humanitarian protection, or leave under the Afghanistan resettlement schemes or the Ukraine resettlement schemes, who have a child/children from before they arrived in the UK;</li> <li>○ individuals who took on responsibility for a child who was not their own when that child/children was more than 12 months old; and</li> <li>○ individuals who have been forced to leave their home with a child/children due to domestic abuse</li> </ul> </li> <li>• remove the condition that the child is not looked after by the local authority in residential care</li> </ul> <p>The amendments will also make changes to both BSG and BSF to update the meaning of surrogacy to mirror changes to the Human Fertilisation and Embryology Act 2008.</p> <p>We are also widening the definition of kinship care across BSG, BSF and SCP to ensure that, as we roll out Scottish Child Payment to children aged between 6 and 15, 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>
<p><b>Summary of evidence</b></p>	<p><b>Policy Context</b></p> <p>Tackling child poverty is a Scottish Government priority with 24% of Scotland’s children (240,000 children each year) living in relative poverty after housing costs in 2017-20.<sup>2</sup> Prior to the outbreak of COVID-19, it was predicted that if no further action were taken to tackle child poverty one in three children in Scotland would grow up in poverty by 2030, damaging society and the economy.<sup>3</sup> The impact of COVID-19 on child poverty levels is still largely unknown, particularly the long term effects on families and our economy, however we know that the impacts have been felt most acutely by the most disadvantaged in our society.</p> <p>Children in low income households tend to experience a range of disadvantages, including lower educational attainment and poorer health. Poverty can have lasting impacts long into adulthood such as increased risk of homelessness, lower earning potential and</p>

<sup>2</sup> Scottish Government (2022) [Children's Social Work Statistics, Scotland 2020-21](#)- Table 1 (target measures by priority group)

<sup>3</sup> Scottish Government (2018) [Every child, every chance: tackling child poverty delivery plan 2018-2022](#)

greater likelihood of limiting illness. The growing evidence in developed economies suggests that gaining additional income has positive causal effects on health, behavioural development and educational attainment for children in households at the lower end of income distribution.<sup>4</sup>

The Tackling Child Poverty Delivery Plan<sup>5</sup> (TCPDP) identifies three main drivers of child poverty reduction: increasing incomes from work and earnings; reducing household costs; and maximising incomes from social security and benefits in kind. The FFP help to tackle the cuts to social security entitlements made by the UK Government, providing additional financial support to low income families in receipt of reserved benefits.

The TCPDP identifies priority groups, which are more likely to experience poverty and are therefore more likely to require social security support: lone parents; disabled people; families with more than three children; minority ethnic groups; families with a child under one; and mothers under 25. The TCPDP commits to addressing these socioeconomic inequalities through its child poverty reduction policies and measures (including the FFP), stating that they must impact positively on each of these groups.

### **The Five Family Payments**

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. While it has always been our intention that SCP should be paid to children under 16, we were able to introduce the SCP early for all eligible children under six. By now rolling out SCP to children aged 6-15 we are expanding this intervention to tackle child poverty which is unparalleled across the UK.

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

<sup>4</sup> Cooper & Stewart, Centre for Analysis of Social Exclusion (2017) [Does money affect children's outcomes? an update](#)

<sup>5</sup> Scottish Government (2022) [Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026](#)

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.

### **Stakeholder Engagement**

There has been policy engagement with stakeholders throughout the development of the FFP and since launch. This has included workshops with anti-poverty organisations, think tanks, local authorities and academia to develop the policy and delivery model for them. We have held one to one meetings and attended a number of member events organised by the Scottish Campaign for Welfare Reform, the Social Security Consortium in Scotland and the Poverty Alliance, amongst others. These events have been designed to seek views on the policy for the FFP, identify any barriers towards claiming and consider how we can best maximise uptake of the benefit.

We also hosted a series of events and meetings to consider the impact of the FFP on those with protected characteristics, including on young people. We engaged with Fife Gingerbread; Young Scot; Inclusion Scotland; CEMVO Scotland; Engender; Scottish Women's Aid; Families Outside; Shakti; and religious groups.

The Cabinet Secretary for Social Security and Older People hosted a stakeholder roundtable in January 2020 in relation to SCP, which was an open discussion with key stakeholders allowing them to ask questions about the policy and delivery of the benefit. The Cabinet Secretary for Social Justice, Housing and Local Government held an additional roundtable with stakeholders in August 2021.

We have also held a number of meetings with our FFP reference group, which is made up of a number of key stakeholders with an interest in the policy area, including Child Poverty Action Group, Citizens Advice Scotland, Engender and a number of other groups.

At our meeting in January 2022, we provided the reference group with an overview of our proposed changes. The overall feedback we received was positive. It was felt that introducing auto-award for elements of BSG would make it easier for people to get what they are entitled to. There was a suggestion that BSG would need to be auto-awarded to the person who would normally have applied for it and that this might not be the person receiving SCP for the child. However, we are only able to auto-award payments on the basis of an individual receiving SCP, which in the case of SCP is the main carer of the child. Where someone contacts the agency to ask not to be auto-awarded Early Learning or School Age Payment they can be removed from the process, allowing another eligible person to apply within the application window.

In relation to providing 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, it was highlighted that it will be important to work with relevant third sector organisations to raise awareness among refugees who may be eligible. We intend to work with a range of stakeholders to promote awareness of all of the changes we are making. It was also suggested that those who have been forced to leave their home due to domestic abuse should be included and we have now expanded on our original proposals to include this group.

In relation to SCP, the proposed improvements to the regulations were viewed overwhelmingly positively by stakeholders and were thought to better match policy intent as part of the extension to children aged between 6 and 15. Generally, stakeholders were positive about efforts to drive take-up of SCP. It was suggested that a significant effort must be taken to ensure take-up amongst those families who had received SCP for a child who aged out before the extension of the payment to older children. This will be addressed through a comprehensive communications and

engagement plan featuring targeted communications and local delivery.

We consulted with island stakeholders as part of the Islands Community Impact Assessment process and some of the feedback raised by islands stakeholders was relevant to this impact assessment. One stakeholder told us that removal of the condition that the child is not looked after by the local authority in residential care will support families dealing with children in care situations, which can often be fluid depending on the circumstances of the case. It was felt that this change could be seen to be in line with the objectives of The Promise<sup>6</sup> and supportive of children both in care and returning home.

The proposal to 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 was also welcomed. The exception being made for parents or carers of a child who came into their care after 12 months old was seen as important to support and encourage kinship care arrangements and help to keep more children within their extended family. Finally, it was highlighted that for auto-award it would be important to ensure that where families are in crisis or transition (through domestic violence, children coming into care or moving in and out of kinship care etc.) that the benefits are paid to the appropriate people.

We also engaged with Women's Aid and SafeLives to discuss providing a new exception 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 parents/carers who have been forced to leave their home with a child due to domestic abuse. It was highlighted that pregnancy and the first year of a child's life are a high risk time when domestic abuse can intensify. Women, whose earnings are often limited when pregnant or looking after a young child, often have no financial means to leave home when they are experiencing abuse.

We have also carried out an interim evaluation of SCP and BSG and an evaluation of BSF, with an external contractor carrying out interviews with a number of clients and gatekeeper organisations on their experiences of the payment to date.

Qualitative data from the interim evaluation for BSG<sup>7</sup> suggested that BSG is likely to generate positive feelings and behaviours among children and their families, while reducing negative ones, which could potentially translate into improved health and well-

<sup>6</sup> Independent Care Review (2020) [The Promise](#)

<sup>7</sup> Scottish Government (2020) [Best Start Grant: interim evaluation](#)

being for both children and their families. For children, their parents and carers reported positive feelings such as sense of excitement in the children as they were able to pick items for school. They also reported better bonding between themselves and their children as well as among siblings in families with more than one child thanks to purchases of items or services that enabled such bonding.

Although BSG is fully rolled-out, its impacts can only be fully assessed after at least 5 years from the roll-out by which time eligible families will have had a chance to receive multiple payments for the same child. We intend to commission a further evaluation to report in 2025 on these families' experiences.

The evaluation of BSF<sup>8</sup> describes a number of positive findings. They show the benefit helps people buy a greater quantity (and quality) of healthy foods than they could without the benefit. Payments also support healthier shopping habits and meal planning. For example, recipients report purchasing healthier snacks for their children, and some experiment with new healthy recipes, without worrying about wasting money or food.

BSFs may be contributing to better health and wellbeing for children. Recipients report observing their children eating more and a greater variety of fruits and vegetables and feeling positive that they can provide their children with more nutritious foods.

Recipients also experienced reduced levels of stress and anxiety in relation to finances as a result of receiving BSF. It had given participants a sense of relief knowing they could use it to buy healthy foods for their families. For some recipients it guarantees they can afford essential foods even when their finances are difficult. For others, the payments have freed up money for costs such as household bills. They also expressed relief as BSF enabled recipients to be financially independent, whereas they previously had to ask for support from other family members. This was reiterated by healthcare professionals who observed that their recipients were less burdened by financial worries. Healthcare professionals were pleased to see the positive impact Best Start Foods was having on the health and wellbeing of families as a preoccupation with finances could impact the relationship they had with their children.

On 29 July 2022, we published the interim evaluation of SCP.<sup>9</sup> This provides evidence on the lived experience the people receiving the benefit from across the key priority groups outlined in the first tackling child poverty delivery plan, including, those with a

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<sup>8</sup> Scottish Government (2022) [Best Start Foods: evaluation](#)

<sup>9</sup> Scottish Government (2022) [Interim Evaluation of Scottish Child Payment](#)

disabled child, families from minority ethnic backgrounds and younger parents (under 25). This evaluation focused on qualitative data gathering. A further evaluation of SCP will be undertaken after the policy has been fully rolled out to all eligible children under 16 and allowing for enough time to make a full assessment.

The interim evaluation of SCP describes a number of positive findings. In the broad, SCP has made a positive difference to children and families. SCP has led to more money being spent on children, including for essentials like food, family day trips, and medical items for families with disabled children. SCP has reduced the financial pressure on households. SCP has helped recipients avoid debt, and some feel they would be forced to use food banks without the benefit. The application forms were straightforward. Some SCP recipients reported that this gives them a sense they are entitled to the payment, as opposed to feeling they have to prove themselves for it.

Some SCP recipients still struggled financially when payments were at the £10 weekly rate, and felt rises in the cost of living limited its impact. The weekly rate of SCP has since increased to £20 in April 2022 and will increase again to £25 as part of these regulations. Recipients' perceptions of impact will continue to be monitored, and the rate of payments kept under review.

There have been increases in application processing times across both SCP and BSF. Some recipients also report issues - e.g. a lack of communication on the progress of claims, or long helpline waiting times. Steps could therefore be taken to review processing times and to keep applicants better informed about their claims.

### **Policy impacts**

It is expected that each of the priority groups identified in the TCPDP will benefit from the proposed amendments to FFP regulations. The changes are also expected to have a positive impact upon socioeconomic inequality. We expect that the increased Scottish Child Payment of £25 could lift 50,000 children out of poverty, reducing overall child poverty by an estimated 5 percentage points in 2023/24.<sup>10</sup>

### *Lone parents*

We know that lone parents (who are predominantly women)<sup>11</sup> and households where only one adult works are at a higher risk of poverty: the poverty rates are highest for single women with

<sup>10</sup> Scottish Government (2022) [Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026](#)

<sup>11</sup> ONS (2022) [Families by family type, regions of England and UK constituent countries](#) – Table 12

children (38%).<sup>12</sup> Welfare reforms at the UK level have been a significant driver of increased child poverty in single parent families.<sup>13</sup>

In December 2021, single adult families with children accounted for just over half (53%) of all families with children claiming Tax Credits across the United Kingdom.<sup>14</sup> Meanwhile, single adult families with children accounted for a larger proportion, 72%, of all families with children claiming Universal Credit across Great Britain.<sup>15</sup> Given that Universal Credit and tax credits are part of the eligibility criteria for the FFP, it is expected that lone parents will benefit disproportionately from this policy, that includes the increased value of SCP and the increased support provided by extending SCP to include children aged between 6 and 15 years old.

Secondary analysis of published Best Start Foods statistics up to 28 February 2022<sup>16</sup> provides some insight into the reach of the benefit in relation to lone parents. For example, 63% (69,710) of those who had their applications approved for Best Start Foods were assumed to be lone parents. However, since it is possible for applicants to not fill in information about their partners, overestimation of lone parents can occur and thus caution is needed when interpreting this figure.

We are also doing as much as possible to ensure the payment goes to the main carer in instances where there is a competing claim. We use a hierarchy to ensure the SCP is paid to the person who meets a more robust test of child responsibility. In December 2021, we introduced amendment regulations which give Social Security Scotland additional powers when considering competing claims for SCP and BSG. These additional powers will help ensure that the individual who is actually looking after the child receives SCP and/or BSG in the event of a competing claim.

#### *Disabled people*

The latest analysis of client diversity and equalities data<sup>17</sup> shows that for approved SCP applications between December 2020 and May 2021, 15% (4,755) were from those that identified themselves as having a physical or mental condition or illness lasting or expected to last 12 months or more. For approved applications for

<sup>12</sup> Scottish Government (2021) [Poverty and Income Inequality in Scotland 2017-20](#) - Figure 20

<sup>13</sup> One Parent Families Scotland (2019) [Submission to The Scottish Affairs Committee Enquiry examining the impact of UK welfare policies in Scotland](#)

<sup>14</sup> HMRC (2022) [Personal tax credits provisional statistics for December 2021](#) - Table 2.1

<sup>15</sup> DWP (2022) [Stat-Xplore: Universal Credit, Households on Universal Credit, Family Type](#)

<sup>16</sup> Scottish Government (2022) [Best Start Grant and Best Start Foods: high level statistics to 28 February 2022](#)

<sup>17</sup> Social Security Scotland (2021) [Social Security Scotland client diversity and equalities analysis to May 2021](#)

	<p>BSF and BSG within the same period, 17% (2,415) from those that identified themselves as having a physical or mental condition or illness lasting or expected to last 12 months or more.</p> <p>Poverty rates are higher for households when a family member is disabled, 29% of children living with a disabled person are in relative poverty compared to 24% of all children.<sup>18</sup> This is often linked with the additional costs of having a disability and the fact disabled people are less likely to be in employment. Disabled children are also more likely to experience poverty which may be a result of the higher costs of living with a disability, reduced opportunities for adults in the household to undertake paid work and barriers to benefit take-up. However, despite being well-reported, the reasons for the association between poverty and childhood disability are not yet fully understood.<sup>19</sup></p> <p>FFP eligibility criteria reaches families on lower incomes so we expect the payments to have a positive impact on these families. It is also expected that introducing auto-award for elements of Best Start Grant will make it easier for those who may find applying for benefits more difficult. Changes to SCP may provide support to families where children have life limiting conditions as SCP will pay an extra amount in the unfortunate situation where a child to whom a claim relates dies.</p> <p><i>Families with more than three children</i></p> <p>The TCPDP identifies large families as a priority group with 32% of children in households with at least three children in relative poverty.<sup>20</sup> The FFP can be expected to benefit large families as there is no limit to the number of children the payment can be claimed for. User researchers tested the form with larger families, ensuring it was accessible and met their needs. Increasing the value of SCP will mean large families receive a greater amount of support and extending the age limit means SCP will reach more large families than under current rules, as these families are more likely to have children between 6 and 15.</p> <p>It is anticipated that introducing auto-award for elements of Best Start Grant will making it easier for larger families to access their entitlement.</p> <p><i>Minority ethnic groups</i></p>
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<sup>18</sup> Scottish Government (2022) [Additional child poverty analysis 2022](#) - Table 1 (target measures by priority group)

<sup>19</sup> Iriss (2019) [Disability, Poverty and Transitional Support](#)

<sup>20</sup> Scottish Government (2022) [Additional child poverty analysis 2022](#) - Table 1 (target measures by priority group)

The Scottish Government's Race Equality Framework<sup>21</sup> states that tackling poverty is a priority for the Scottish Government across all communities and that the clear link between race and poverty must be tackled. In 2015-20 people from non-white minority ethnic groups were more likely to be in relative poverty, with poverty rates at 41% for 'Asian or Asian British' ethnic groups, and 43% for Mixed, Black or Black British and Other' ethnic groups. This compares to 18% amongst the 'White British group'.<sup>22</sup> Ethnicity correlates with family size. At the UK level, 51% of Black African, 65% of Pakistani and 64% of Bangladeshi children live in large families (three or more children), compared to 30% of those in White British families.<sup>23</sup> As a result, certain minority ethnic groups are more likely to be eligible for a qualifying benefit and thus benefit from the FFP. They are also more likely to disproportionately benefit from the extension to the eligibility criteria for SCP to include children aged 6 to 15 years old.

The latest analysis of client diversity and equalities data<sup>24</sup> shows that for approved SCP applications between December 2020 and May 2021, 89% (26,725) were from people who identified as white, 4% (1,185) as Asian, 2% (525) as African, 1% (215) as Mixed or multiple ethnic groups, less than 1% (30) as Caribbean or Black, and 1% (255) as other ethnic group. This analysis also shows that for approved BSF and Best Start Grant applications in the same period, 90% (13,060) were from people who identified as white, 4% (520) as Asian, 2% (225) as African, 1% (100) as Mixed or multiple ethnic groups, less than 1% (15) as Caribbean or Black, and 1% (130) as other ethnic group.

The language barriers that those in minority ethnic groups may encounter have been considered: as well as English, Social Security Scotland automatically creates all its promotional materials in seven languages – Farsi, Polish, Mandarin, Cantonese, Arabic, Gaelic and Urdu. The materials will also be translated into any other language upon request. These steps are all to ensure that all ethnic groups have a positive experience applying for the FFP, promoting good relations, and have equal opportunities to access their entitlements.

It is anticipated that introducing auto-award for elements of Best Start Grant will remove barriers for claimants, including those with English as a second language, making it easier to access their entitlement. Additionally, auto-award has the potential to help people who are not aware of their entitlement.

<sup>21</sup> Scottish Government (2016) [Race equality framework for Scotland 2016 to 2030](#)

<sup>22</sup> Scottish Government (2021) [Poverty and Income Inequality in Scotland 2017-20](#)- Figure 23

<sup>23</sup> Women's Budget Group and Runnymede Trust (2017) [Intersecting inequalities: the impact of austerity on black and minority ethnic women in the UK](#)

<sup>24</sup> Social Security Scotland (2021) [Social Security Scotland client diversity and equalities analysis to May 2021](#)

Individuals with no recourse to public funds cannot receive a qualifying, reserved benefit and are therefore not eligible for SCP. This is a reserved benefits matter and, therefore, not within the Scottish Government's powers to address.

However, as those aged under 18 do not require a qualifying, reserved benefit to be eligible for BSG, we have sought and received agreement from the UK Government that for BSG Pregnancy and Baby Payment individuals with no recourse to public funds who are under 18 are able to receive support. Furthermore, we have plans to extend BSF eligibility to children aged under three, with British citizenship, and whose parent or guardian meets the financial eligibility criteria but do not have a qualifying benefit due to having no recourse to public funds. In the meantime, equivalent payments are being made. The financial eligibility criteria is a family income of £660 or less per month after tax. The Home Office has confirmed that they have no plans to add BSF to their list of public funds and payments to parents or guardians of children with British citizenship will not breach their 'no access to public funds' condition.

Providing a new exception 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 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, will provide greater support for families who are more likely to be starting from scratch.

#### *Families with a child under one*

34% of families where the youngest child is under a year old lived in relative poverty in 2017-20.<sup>25</sup>

We introduced the SCP early for eligible families with children under 6. This decision to pay under 6s early was made as it is expected to have a positive impact on tackling child poverty and is targeted action at those families that need it most: in 2015-18, 58% of children living in relative poverty were in a household with at least one child under six years old.<sup>26</sup>

<sup>25</sup> Scottish Government (2022) [Additional child poverty analysis 2022](#) - Table 1 (target measures by priority group)

<sup>26</sup> Scottish Government (2022) [Additional child poverty analysis 2019](#) - Child poverty by whether there are under 5 year olds or under 6 year olds in the household

The BSG Pregnancy and Baby Payment can be applied for, in most circumstances, up until a child turns six months and therefore provides targeted support for parents with a child under one.

BSF provides support for families with a child under three, with a higher rate of payment being made from birth until a child turns one to support breastfeeding mothers or help with the costs of providing first infant formula milk.

Providing 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, will provide greater support for families with a young child 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:

- an individual granted refugee status, humanitarian protection, or leave under the Afghanistan resettlement schemes or the Ukraine resettlement schemes, who has a child/children from before they arrived in the UK
- individuals who took on responsibility for a child/children who was not their own when that child was more than 12 months old
- individuals who have been forced to leave their home with a child/children due to domestic abuse

Widening the meaning of surrogacy and kinship care for BSG and BSF and removing the condition that the child is not looked after by the local authority in residential care for BSG will ensure that more individuals who are responsible for a child under one will be able to access the BSG Pregnancy and Baby Payment and higher rate of BSF.

#### *Mothers under 25*

The Scottish Government's Pregnancy and Parenthood in Young People Strategy<sup>27</sup> highlights that young mothers are considerably more reliant on state benefits and tax credits than older mothers – a position that remains the case as the child ages, meaning that they are more likely to be eligible for the FFP. These young parents will now receive greater support, as the value of SCP is increased and it is expanded to all eligible children under 16 years of age.

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<sup>27</sup> Scottish Government (2016) [Pregnancy and Parenthood in Young People Strategy](#)

	<p>The latest analysis of client diversity and equalities data<sup>28</sup> shows that for approved SCP applications between December 2020 and May 2021 15% (4,595) were from people aged 16-24. This analysis also shows that for approved BSF and BSG applications in the same period, 21% (3,005) were from people aged 16-24.</p> <p>It is clear from our user testing that many young parents find accessing the welfare and income to which they are entitled confusing and difficult. Introducing auto-award for elements of Best Start Grant aims to improve take up of Early Learning and School Age Payments, and will make it easier for these young parents to receive their entitlement.</p>
<p><b>Summary of assessment findings</b></p>	<p>The TCPDP identified a series of priority groups which are at the greatest risk of poverty, advising that they must be targeted in all of its child poverty reduction policies and measures<sup>29</sup>. We have developed the FFP policies and delivery options in consultation with stakeholders to understand the impact on socioeconomic inequalities and engaged with those with lived experience of the benefits system via user research.</p> <p>From this work we can conclude that the Social Security (Miscellaneous Amendment and Transitional Provision) (Scotland) Regulations 2022 will actively contribute to reducing hardship faced by low income families and mitigate inequalities of outcome by:</p> <ul style="list-style-type: none"> <li>• Expanding eligibility for SCP to low income families with a child under 16 so that more children in poverty receive support;</li> <li>• Increasing the value of SCP so that children in poverty receive greater support;</li> <li>• Ensuring that, 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 and provide a more compassionate and dignified system of support;</li> <li>• Allowing reinstatement of SCP within 12 weeks of effective change rather than within 12 weeks of original determination to ensure proper checks are carried out when a person becomes eligible for SCP after a long period of ineligibility;</li> </ul>

<sup>28</sup> Social Security Scotland (2021) [Social Security Scotland client diversity and equalities analysis to May 2021](#)

<sup>29</sup> Scottish Government (2022) [Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026](#)

- Introducing auto-award for elements of BSG to reduce the need for applications and increase uptake;
- Updating the meaning of surrogacy for BSG and BSF to mirror change to the Human Fertilisation and Embryology Act 2008 and to ensure that all eligible children who are subject to formal surrogacy arrangements can receive support;
- Removing the condition that the child is not looked after by the local authority in residential care for BSG to align more closely with SCP and BSF;
- Providing 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, so that low income families with a new child who are more likely to be starting from scratch can receive adequate support. These groups are:
  - individuals granted refugee status, humanitarian protection, or leave under the Afghanistan resettlement schemes or the Ukraine resettlement schemes, who have a child/children 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;
- Amending the kinship care definition for SCP, BSG and BSF to ensure that, as we roll out Scottish Child Payment to children aged between 6 and 15, 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.

These measures have been designed to optimise the FFP impact and reduce inequalities of outcome, particularly amongst the priority groups identified in the TCPDP.

### **Cost**

The SFC have published updated forecasts detailing expenditure for FFP, these can be found [here](#).

### **Monitoring**

The Scottish Government has established the independent Scottish Commission on Social Security (SCoSS) who have provided independent scrutiny of the Social Security (Miscellaneous Amendment and Transitional Provision) (Scotland) Regulations 2022.

In their report, SCoSS highlighted that the regulations would need to clearly provide Social Security Scotland with the discretion to defer or waive making an auto award of BSG Early Learning

Payment or School Age Payment to ensure that the payment is made to the right person when families are in crisis or transition, for example, through domestic abuse or moving in and out of kinship care. We have ensured that our regulations make clear that where an individual has indicated they do not want to receive payment via an auto award, an auto award will not be made. Furthermore, where an individual is no longer actually responsible for the child but continues to be in receipt of Scottish Child Payment due to receiving a reserved, qualifying benefit and they then receive an auto-award of Best Start Grant Early Learning Payment or School Age Payment, the person who is actually responsible for the child will still be able to apply and receive Best Start Grant due to the ability for a second payment to be made in certain circumstances where responsibility for the child has changed.

SCoSS also raised a concern that the rule to allow a higher Pregnancy and Baby Payment to be awarded where someone arrives in the UK with a child having been granted refugee status, humanitarian protection, or leave under the Afghanistan resettlement schemes or the Ukraine resettlement schemes would not just apply when an older child was born outside the UK or came to the UK with the refugee claimant, it would also apply when an older child was born in the UK e.g. to a new partner.

SCoSS are correct that this rule could apply to a child who was born in the UK, provided that the child was born in the UK to an individual who was living in the UK, who then later left the UK and returned to the UK seeking refugee status. This is because the child was born before the individual arrived in the UK as a refugee, i.e., before the individual claims BSG in respect of another child. This is within the policy intent as regardless of where the older child was born, the individual has arrived in the UK as a refugee and is therefore not likely to have retained the items that the BSG Pregnancy and Baby Payment is intended to provide.

A refugee will not normally be entitled to be given the higher payment on multiple occasions. To be eligible for the higher payment, all individuals under 16 who are not the child the application relates to must be able to be disregarded because they fall within one of the categories specified in our regulations. An older sibling who was born in the UK after the refugee came to this country in most circumstances would not be disregarded under this rule.

SCoSS also highlighted that the definition of domestic abuse within our regulations needed to be widened to include abuse by an individual's ex-partner, in line with the definition used within the Domestic Abuse (Protection) (Scotland) Act 2021. We have

consulted further with stakeholders regarding this matter and have widened our definition to include abuse by the ex-partner.

SCoSS also recommended that the Scottish Government's review of Scottish Child Payment must take into account the lived experience of people, and any disproportionate impact there may be on particular groups such as lone parents or disabled people, in relation to how they understand and manage the loss of income from Scottish Child Payment when entitlement ends as they move into work or increase hours or earnings and thus lose entitlement to Universal Credit. The Scottish Government is currently undertaking a formal public consultation on proposed changes to the Scottish social security system and, amongst other topics, seeks views on the advantages and disadvantages around making changes to the legislative basis for Scottish Child Payment. That consultation is open to everyone. Alternative formats, events and surveys are being developed to facilitate participation from the widest possible range of people, including from people with lived experience of the social security system.

SCoSS also asked that in its review of Scottish Child Payment, the Scottish Government should look for ways to make eligibility rules fairer by offering the same amount of support to all families whose child dies. In the sad event that a child to whom a claim of Scottish Child Payment relates dies we are providing payment equivalent to the value of payments made in the 12 weeks prior to the child's death. This approach was considered the fairest way we can support families in this situation through SCP using the powers available to us.

SCP is paid as a top-up of reserved benefits using the powers available under section 79(1) of the Social Security (Scotland) Act 2018 which means we are only able to make a payment for a period where there is a qualifying benefit in payment. We will consider this again at any review of the Scottish Child Payment legislative footing.

The Social Security (Scotland) Act 2018<sup>30</sup> places a duty on the Scottish Ministers to report annually to the Scottish Parliament on the performance of the Scottish Social Security System during the previous financial year. The report is to describe what the Scottish Ministers have done in that year to meet the expectations on them set out in the Charter.

We have established a stakeholder take-up reference group. This group is a partnership of Scottish Government officials and organisations representing third-sector and local authority interests who have knowledge of issues surrounding benefit take-up. It is

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<sup>30</sup> [Social Security \(Scotland\) Act 2018](#)

	<p>designed so that members will bring their experience, expertise, and extensive networks to bear, ensuring that our approach draws on the experience of, and best supports, third sector and local authority partners.</p> <p>Since the publication of the first Benefit Take Up Strategy<sup>31</sup>, the Group has met twelve times and collaborated on a number of key activities with the goal of increasing take-up of Scottish Benefits. In late 2019 and early 2020 the Group played a central role in shaping the Benefit Take-up and Income Maximisation Funds to ensure that this funding was targeted to enable the maximum benefit to individuals and highest quality in learning.</p> <p>We have also committed to reviewing FFP during the course of the current TCPDP (2022-2026)<sup>32</sup> and continue to work closely with stakeholders, and people with experience of benefits, to ensure that support is targeted at those families that need it most.</p>
<b>Sign off</b>	<p><b>Name: Ian Davidson</b></p> <p><b>Job title: Deputy Director, Social Security Policy Division</b></p>

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<sup>31</sup> Scottish Government (2021) [Social Security \(Scotland\) Act 2018: benefit take-up strategy - October 2021](#)

<sup>32</sup> Scottish Government (2022) [Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026](#)