

Islands Community Impact Assessment: The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2023

Step One – Develop A Clear Understanding Of Your Objectives

What are the objectives of the policy, strategy or service?

The primary purpose of these regulations is to meet the Ministerial commitment to remove income thresholds for all qualifying benefits for Best Start Foods (BSF) in 2023-24. They will also align eligibility criteria and processes more closely with Best Start Grant (BSG) and Scottish Child Payment (SCP) and make some changes to the rules around payments.

A corresponding Business and Regulatory Impact Assessment, an Equalities Impact Assessment, a Fairer Scotland Duty Assessment and a Children's Rights and Wellbeing Impact Assessment have also been produced.

Best Start Foods

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

Initial policy development of BSF was informed by a 2016 report by Nourish Scotland entitled *Living is More Important than Just Surviving - Listening to what children think about food insecurity*.¹ It was also informed by the report produced by the Children's Parliament in 2017 entitled *What Kind of Scotland?*² which identified poverty as the most important barrier to a good life. It affects children day to day, in terms of practical things like having enough food to eat and a house that is warm, but also because children may notice the stress money concerns cause the adults at home.

BSF is a weekly payment which amounts to £19.80 every four weeks throughout pregnancy, £39.60 every four weeks from birth until a child turns one to support breastfeeding mothers or help the child's parent or carer with the costs of providing first infant formula milk, then £19.80 every four weeks from one until a child turns three.

BSF targets support to low income families. Under the current regulations for most eligible individuals, qualifying benefits are used as a proxy for means testing and there are income thresholds which apply to some of these benefits. Pregnant persons who are under 18 and their partners are automatically entitled to BSF,

¹ Nourish Scotland (2016) [Living more important than surviving](#)

² Children's Parliament (2017) [What Kind of Scotland?](#)

without the need for a qualifying benefit, as long as they meet the residency conditions. This is also true for children who are under one whose parent or carer is under 18, provided the residency requirement is met.

For a child to be eligible for BSF, an individual looking after the child must also be able to evidence child responsibility. For most individuals, the evidence will be receipt of a child responsibility benefit for the child but other forms of evidence can also be accepted, e.g. proof of a kinship care relationship.

Between launching on 12 August 2019 and 30 June 2023, more than 156,000 applications had been authorised for BSF.³ In total, over £44 million has been provided to those families who need it most. In the 2022-23 financial year around 46,425 people were paid BSF.

Five Family Payments

BSF is part of a wider group of social security benefits that are intended to support low income families with the costs of raising a child. SCP and the three BSG payments – Pregnancy and Baby Payment, Early Learning Payment and School Age Payment – together with BSF are known collectively as the five family payments (FFP). All five payments are aimed at tackling inequality, improving outcomes and making a positive impact on all of the priority family types identified in Best Start Bright Futures⁴ – the latest Tackling Child Poverty Delivery Plan. All of the payments use qualifying benefits and child responsibility benefits to some extent to target eligibility.

BSG replaced the Sure Start Maternity Grant in Scotland. It aims to help alleviate material deprivation, tackle inequality and contribute to closing the educational attainment gap. The grants provide support to low income families at three key transition points in a child's early years. BSG Pregnancy and Baby Payment opened for applications on 10 December 2018 and currently provides £707.25 for a first child and £353.65 for second and subsequent children. An additional payment of £353.65 is payable in the case of a multiple birth. The payment also provides support for people who have had a stillbirth. BSG Early Learning Payment opened for applications on 29 April 2019 and the BSG School Age Payment opened for applications on 3 June 2019, both currently provide £294.70 per child.

SCP launched on 15 February 2021 and was introduced by the Scottish Government to tackle child poverty for low income families in receipt of certain reserved benefits. It currently pays £25 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 paid to families with children under the age of 16.

³ Social Security Scotland (2023): [Social Security Scotland - Best Start Grant and Best Start Foods: high level statistics to 30 June 2023](#)

⁴ Scottish Government (2022) [Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026](#)

The FFP could be worth around £10,000 by the time an eligible child turns six years old, and over £20,000 by the time an eligible child is 16 years old. This is a significant investment in tackling child poverty and we want all low income families to take up their eligibility. We know from work undertaken to develop the second Benefit Take-up Strategy, published in October 2021, that the complexity of accessing entitlements is a key barrier to take-up.⁵ That is why we are keen to make sure accessing the benefits is simple and straight forward. To make it easy to apply for the FFP, there is already a single form to apply for them all. We also promote the benefits as part of a joint FFP campaign which focuses on the full package of support available to low income families. It includes television, radio and digital advertising.

While many people will be able to get all five payments as their child ages, there are some differences about who can receive them. This means that some families will not be able to get all of the payments. There are also some differences in the rules for processing applications for the different benefits.

We know that greater alignment of Scottish benefits could make it easier for people to understand what they are eligible for and simpler for Social Security Scotland to communicate. This in turn could result in higher take-up of the FFP and make it simpler to potentially automate payments in the future.

Policy Changes – Summary

These amendment regulations will make the following changes to BSF:

- Ensure entitlement to BSF continues for a period of eight weeks when entitlement to Child Tax Credit, Working Tax Credit, Income Support, Income-based Jobseekers Allowance, Income-related Employment and Support Allowance, Pension Credit or Housing Benefit ends.
- Make 18 and 19 year old dependants who are pregnant eligible without the need for a qualifying benefit, as long as they meet the relevant residency conditions. If the pregnant person stops being a dependant before the end of the pregnancy, eligibility will continue until the end of that pregnancy.
- Align the eligibility criteria for partners of pregnant persons with that of pregnant persons.
- Make the individual who an eligible pregnant person is dependent on and the partner of that individual, entitled to receive BSF. If the pregnant person stops being a dependant before the pregnancy has ended, the individual will remain eligible until the end of the pregnancy.
- Amend the eligibility rules for children so that children under three are eligible if the individual responsible for them or the partner of that individual:
 - is under 18,
 - is a dependant aged 18 or 19 years old, or
 - was eligible to receive BSF during pregnancy due to being under 18 or a dependant aged 18 or 19 years old.

⁵ Scottish Government (2021) [Social Security \(Scotland\) Act 2018: benefit take-up strategy - October 2021](#)

If the individual responsible for the child turns 18 or ceases to be a dependant aged 18 or 19 years old before the child turns one, the child will continue to be eligible up until the child turns one or reaches the first anniversary of its estimated delivery date, whichever is later.

- Amend the residency requirements so that the individual responsible for a child under three or the partner of that individual must meet the residency conditions set out in regulation 9 in order for the child to be eligible for BSF.
- Amend the residency requirements so that whomever is acting on behalf of an entitled child who is under three must meet the residency conditions set out in regulation 9.
- Amend the residency requirements so that individuals who are 18 or 19 and a dependant must meet the further residency conditions set out in regulation 9(2).
- Remove the income thresholds which apply to certain qualifying benefits.
- Make Working Tax Credit a qualifying benefit in its own right.
- For BSF applicants who are in receipt of any qualifying benefit, ensure that any deductions made from their qualifying benefit award due to sanctions or to pay any liability are disregarded. This will ensure that if an individual has a nil award because of these deductions, they will still be treated as being in receipt of the qualifying benefit and they will, therefore, be eligible for BSF. In all other circumstances, where the individual has a nil award or where the individual has received a qualifying benefit in error, the individual is not entitled to BSF.
- Ensure that where BSF is being paid to the individual the pregnant person is dependent on or the partner of that individual and an application is received from the pregnant person and they are eligible, the pregnant person's claim will be approved and the claim from the individual the pregnant person is dependent on or the partner of that individual will be ended.
- Where applications are received from two eligible individuals and neither is the pregnant person, allow Scottish Ministers to decide who should be entitled to BSF, having regard to the circumstances of the pregnant person.
- Make clear that where they have legal capacity to be paid, entitled young persons can be paid in their own right and young parents of an entitled child who is under three can be paid on behalf of the child.
- Allow payment on behalf of an entitled child who is under three to be made to the partner of the person who is responsible for the child.
- Allow Scottish Ministers to pay whoever they consider appropriate on behalf of an entitled person.
- Amend the duty to report a change of circumstances so the duty is on the individual who is being paid BSF on behalf of the entitled person, or the entitled person if they are being paid in their own right.
- Allow Scottish Ministers to make an appointee for an individual who is under 16 and is an entitled pregnant person, partner of a pregnant person or person responsible for a child under three. Such an appointee can only be made where there is no person who has authority to act on behalf of the individual, resides with the individual and is willing and practicably able to act on the individual's behalf.
- Specify that the higher payment of BSF paid from the date the child is born until the child turns one or reaches the first anniversary of its estimated delivery date, whichever is later, is double the lower payment.

- Allow payments to be made in a way other than the prepaid card, where appropriate.
- Give the Scottish Ministers a discretion to treat an application as having been made at a later date where Social Security Scotland can see that the individual who applied will become eligible within 10 days of their application date.
- Allow a new decision to be made without having to receive a new application or review request where an individual has previously been determined as ineligible due to the lack of a qualifying benefit or child responsibility benefit and they have subsequently received a backdated award of their qualifying benefit or child responsibility benefit which covers the date of their original application.

What are the intended impacts/outcomes and how do these potentially differ across the islands?

Policy Aims - Summary

The aims of the policy changes being introduced are to:

- Support more low income families to access healthy food and milk;
- Further align eligibility and procedures for BSF with BSG and SCP. This will:
 - make it easier for clients to understand the eligibility criteria;
 - reduce the need for re-applications and review requests;
 - make it easier to potentially automate payments in the future;
 - improve access to BSF for young parents;
 - make it easier to administer and promote the benefits; and
 - address stakeholder concerns regarding the need for better alignment across the FFP.
- Make other technical changes to how we make payments. These will:
 - simplify the uprating process; and
 - make clear that we can pay BSF to individuals in another way where it is not appropriate to provide a prepaid card.

Island Specific Impacts

- Greater resilience for families to meet higher cost of living in island communities – increasing incomes for more low income families may make it easier to sustain residency on an island where the 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 BSF without the need to reapply, in certain circumstances.
- 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 BSF without the need to reapply, in certain circumstances.
- Make it easier for those whose income fluctuates due to seasonal or zero hours contracts to retain entitlement for BSF – by removing the income thresholds which apply to some qualifying benefits.

Step Two – Gather Your Data And Identify Your Stakeholders

What data is available about the current situation in the islands?

Poverty

- On average, rates of poverty tend to be lower in rural areas. However, 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.⁶
- Whilst child poverty is also lower in rural Scotland (19% of children living in rural areas are living in relative poverty, compared to 26% of children living in urban areas), usual measures do not take into account higher cost of rural living.⁷
- In 2021, the fuel poverty rate for remote rural (29%) households was higher than for all other areas, despite the fact that for fuel poverty rates for urban (19%) households and rural households (23%) were similar.⁸

Access

- 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.⁹
- 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.¹⁰
- 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. getting things done for yourself. Poor adults in remote rural areas have been found to report a low sense of support.¹¹

Stigma

- Through previous user research and experience panels conducted when designing BSG, Funeral Support Payment and Young Carers Grant,¹² 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

⁶ Scottish Government (2017) [SIMD: Rural deprivation evidence summary](#)

⁷ Scottish Government (2021) [Poverty in rural Scotland: evidence review](#)

⁸ Scottish Government (2022) [Scottish House Condition Survey: 2021 Key Findings](#)

⁹ Scottish Government (2021) [National Islands Plan Survey: final report](#)

¹⁰ Bailey, N, Bramley, G, Gannon, M, University of Glasgow (2016) [Poverty and social exclusion in rural and urban areas of Scotland](#)

¹¹ Bailey, N, Bramley, G, Gannon, M, University of Glasgow (2016) [Poverty and social exclusion in rural and urban areas of Scotland](#)

¹² Scottish Government, [Social Security Experience Panels: publications](#)

and services.¹³ Low income rural and island households are likely to be disproportionately affected by increases in recent cost of living.¹⁴

- 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.¹⁵
- 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 2016.¹⁶
- More recent research has shown that additional minimum living costs for a household in remote rural Scotland typically add 15-30% to their 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.¹⁷ Similarly, the budget required for clothing was 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.¹⁸

Connectivity

- 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%).¹⁹

Prevalence of seasonal work

- As part of their response to a previous consultation, Early Years Assistance: a consultation on the best start regulations,²⁰ 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.
- Volatility and unpredictable incomes also feature as a factor impacting on access to income from work and social security for rural households.²¹

¹³ Scottish Government (2021) [The cost of remoteness - reflecting higher living costs in remote rural Scotland when measuring fuel poverty: research report](#)

¹⁴ Scottish Government (2022) [The Cost of Living Crisis in Scotland: analytical report](#)

¹⁵ Poverty & Inequality Commission (2019) [Transport and Poverty in Scotland](#)

¹⁶ Highlands and Islands Enterprise (2016) [A Minimum Income Standard for Remote Rural Scotland: a policy update](#)

¹⁷ Scottish Government (2021) [The cost of remoteness - reflecting higher living costs in remote rural Scotland when measuring fuel poverty: research report](#)

¹⁸ Scottish Government (2021) [The cost of remoteness - reflecting higher living costs in remote rural Scotland when measuring fuel poverty: research report](#)

¹⁹ Scottish Government (2021) [National Islands Plan Survey: final report](#)

²⁰ Scottish Government (2018) [Early years assistance: consultation on the Best Start Grant regulations](#)

²¹ Scottish government (2022) [Improving our understanding of child poverty in rural and island Scotland: research](#)

Social Security

- 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 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 or by web-chat and none of these applications came from those living in island communities.

Who are your key Stakeholders?

- Island local authorities and Islands Federation – we have contacted all of these stakeholders for their views.

How does any existing data differ between islands?

Access

- 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 Cumbraes have higher levels of agreement with this statement (60%) and Uist and Barra has significantly lower levels (9%).²²

Connectivity

- 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%).²³

Are there any existing design features or mitigations in place?

Connectivity and access

- Social Security Scotland operate a multi-channel approach and can take applications online, by phone or by post. Clients can also interact with the 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

²² Scottish Government (2021) [National Islands Plan Survey: final report](#)

²³ Scottish Government (2021) [National Islands Plan Survey: final report](#)

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 they have community outreach locations in churches and libraries and in Shetland they have community outreach locations in Health Centres and Community Centres.
- 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 communication strategy will include a focus on those in island communities. As well as promotion via TV and radio, it will include communication via local newspapers and local health boards
- As highlighted in the second Benefit Take-up Strategy, the Scottish Government has committed to provide funding over this parliamentary term to increase access to advice services within accessible settings, for example schools, to maximise incomes, tackle the poverty penalty and improve wellbeing.²⁴ In 2023-2024, the Scottish Government will allocate £11.7 million to support the provision of free income maximisation, welfare and debt advice.

Stigma

- To help address the stigma around claiming benefits, the Charter for Social Security Scotland²⁵ 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. Furthermore, clients do not have to be seen in the local authority they reside in. It is hoped that this approach will reduce the stigma felt by people,

²⁴ Scottish Government (2021) [Social Security \(Scotland\) Act 2018: benefit take-up strategy - October 2021](#)

²⁵ Scottish Government (2019) [Social Security Scotland: Our Charter](#)

since the reason for their visit will not be immediately obvious to other members of the community.

Cost of living

- By increasing eligibility; more low income families will receive support. Helping to mitigate the effects of the cost of living on the islands.

Prevalence of seasonal/zero hours work

- To ensure those who have fluctuating UC awards are able to access BSF, we will make explicit that applicants for 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.
- Removing the income thresholds which apply to some qualifying benefits will help to mitigate the impact of fluctuating incomes resulting from seasonal or zero hours work on the islands. It will mean that those living in island communities can continue receiving BSF despite changes in their income.
- Individuals who would otherwise lose entitlement to BSF due to the end of their UC award, continue to be entitled to BSF for a further eight weeks. This helps address periods of fluctuating entitlement to UC. As part of the changes we are making, we will ensure entitlement to BSF continues for a period of eight weeks when entitlement to Child Tax Credit, Working Tax Credit, Income Support, Income-based Jobseekers Allowance, Income-related Employment and Support Allowance, Pension Credit or Housing Benefit ends.
- When an individual's entitlement to BSF ends for any reason and they then become entitled again within 12 weeks, BSF is re-awarded without the need to submit a new application. This, together with continuing payment for eight weeks when entitlement to a qualifying benefit ends, should help prevent individuals from losing their entitlement due to their income fluctuating and then having to reapply.

Step Three - Consultation

Is there any information already gathered through previous engagements?

Yes – ICIA's previously completed on introduction of BSG,²⁶ BSF²⁷ and SCP²⁸ and on recent amendments to these payments.²⁹

How will you carry out your consultation and in what timescales? Public meetings/Local Authorities/key Stakeholders

²⁶ Scottish Government (2018) [Best Start Grant: island screening assessment](#)

²⁷ Scottish Government (2019) [The Welfare Foods \(Best Start Foods\) \(Scotland\) Regulations 2019: island screening assessment](#)

²⁸ Scottish Government (2020) [Scottish Child Payment: Islands Community Impact Assessment](#)

²⁹ Scottish Government (2022) [The Social Security \(Miscellaneous Amendment and Transitional Provision\) \(Scotland\) Regulations 2022: islands communities impact assessment screening](#)

We will share details of proposed changes with key stakeholders – Local Authorities which cover Island communities and the Scottish Islands Federation - for their feedback on any specific impacts for island communities.

What questions will you ask when considering how to address island realities?

What are the positive/negative impacts for island communities? Are there any specific inter-island differences we need to consider?

Separate consultation events for Island communities/Local Authorities?

Yes – we will consult with the Scottish Islands Federation and Island Local Authorities on the proposed changes separately.

Step Four - Assessment

Does your assessment identify any unique impacts on island communities?

Demographic

- The policy is likely to have a positive impact as widening eligibility and making it easier to access BSF will benefit low income families across the islands by increasing their income. Therefore, it may make it easier to sustain residency on an island where the cost of living can be higher.
- One island stakeholder told us that BSF helps to support increased local spend, which in turn helps to create and increase employment opportunities, and to participate in community living and community development. Together, these contribute, albeit in a small way, to help address depopulation.

Economic

- Island stakeholders have told 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.

Gaelic

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

Social

- The policy is likely to have a positive impact by increasing incomes for more low income families. The payments are likely to be helpful in meeting the increased cost of living in island communities.

Does your assessment identify any potential barriers or wider impacts?

Accessibility, stigma and the higher cost of living in island communities have all been 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.
- Stakeholders also noted that Island communities do not generally have leading supermarket chains within their locale and are not therefore able to take advantage of competitive pricing or doorstep deliveries from local stores. Island communities are instead dependent on small independent retailers where the costs of individual food items typically cost more and the quality and range of affordable foods are limited. For those who are able to travel to their nearest supermarket, the savings made on more competitively priced foods can be negated by travel costs. Travel time is another factor that often prohibits access to supermarket pricing, range and quality.
- One stakeholder also highlighted the need to accelerate improved alignment of eligibility criteria and remove the need for application-based approaches. Data sharing, passporting and automatic awards were viewed as steps which would ensure that those with an entitlement to BSF are able to enjoy and take advantage of the intended health benefits during pregnancy and for child development and wellbeing. Furthermore, automatic awards were seen as one way in which to reduce the administrative burden and therefore the administrative costs of delivering BSF.

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.

- One island stakeholder commented that as a general principle they favour cash-first approaches, in preference to vouchers or cards, for anyone experiencing financial hardship.

Other

- Stakeholders cautioned that by allowing the individual who a pregnant person is dependent upon to be eligible to receive BSF, the independence of the young person could be adversely affected and it could make them vulnerable to abuse from coercive grandparents.

Cost of Living

- It was noted that there is generally a higher cost of living in the islands
- The cost of living was 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 BSF in real terms, would be less in island communities though it would differ between places due to geography or transport links.
- Stakeholders explained that there is a limited supply and limited range of foods available locally for island communities and that the current proposals do not cater for the increased costs of island living. Island families are unable to take advantage of competitive pricing available in leading supermarkets operating mainly in urban localities. While BSF is a prepaid card which can be used to make online purchases of food, there are inherent delays with deliveries from distant suppliers to island communities and online purchases to these locations incur high delivery charges, thus depleting the real terms financial value of BSF.
- One stakeholder fed back that if the amount of BSF is the same across the whole of Scotland, then the real terms financial value of BSF to those living in an island community is notably less than it is for urban dwellers. Consequently, the policy intent of BSF is diluted when applying it to island residents. They suggested that to overcome this we could implement automatic additional payments (an island top-up) to those residing in island communities.

Are there mitigations already in place for these impacts raised?

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
- The Local Delivery Service for Social Security Scotland is now fully operational and embedded within the local community, there are over 400 staff spread across all local authority areas in Scotland.
- The Scottish Government has committed to provide £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.³⁰

- While transport costs are recognised to be higher in island communities, we do not believe that mitigating this via BSF would be appropriate. We have considered this but it would be complex to administer and would not be in line with the approach taken to other social security payments that we deliver. As BSF is an ongoing entitlement, 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 Islands,³¹ actions have already been identified to tackle the higher costs of living, including fuel and transport 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.
- The policy changes we are making will further align eligibility and procedural rules for BSF with SCP and BSG. This will help support the potential future automation of the benefits as well as make it easier for individuals to understand what they are entitled to. One stakeholder indicated that by further aligning BSF with BSG and making it easier to receive BSF, this could help take-up.

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.
- The Charter for Social Security Scotland³² already 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; and
 - changing the language on social security - introducing more positive words to describe the service and the people who use it.
- Social Security Scotland have engaged with food retailers across Scotland to help raise awareness of BSF and the benefits it can have for their business. This has led to various initiatives where Social Security Scotland have worked in partnership with food retailers to promote BSF.
- One stakeholder noted that BSF helps to address stigma and improve the health and wellbeing of pregnant people and children. They also felt that BSF could contribute to better educational outcomes.
- We remain committed to moving to a cash payment for BSF. We are currently scoping when this can be done and are confident we will be able to make this change in the future. However, operating under an increasingly challenging programme of delivery which will see us deliver several new benefits,

³⁰ Scottish Government (2021) [Social Security \(Scotland\) Act 2018: benefit take-up strategy - October 2021](#)

³¹ Scottish Government (2019) [The National Plan for Scotland's Islands](#)

³² Scottish Government (2019) [Social Security Scotland: Our Charter](#)

including Carer Support Payment, in the coming years means we are not able to move to a cash payment in 2023-24.

Cost of living

- 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 BSF is an ongoing entitlement, 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 Scotland's Islands,³³ 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.
- We also heard from one stakeholder that the recent Island Communities Cost Crisis Fund was very well received and feedback was highly positive. For many, these payments were used to pay essential bills and help reduce debts. For some others, they were able to buy better quality foods and expand the range of foods in their diets. They felt that BSF payments also free up some monies within family budgets to be spent on other essential items, thus helping to reduce the risk of new or increasing debts, or the amount of debt already incurred, and to introduce new and different food types and better quality of foods into diets. This echoes the findings of the evaluation of BSF which suggested that the payment helps people buy a greater quantity (and quality) of healthy foods than they could without the benefit and that for some it frees up money for costs such as household bills.³⁴
- One stakeholder fed back that while it may not on its own fully mitigate the higher cost of living in the islands, the additional support provided by BSF would be welcomed by eligible families.

Other

- To mitigate the risk of potential abuse, the regulations ensure that where anyone other than the pregnant person is receiving BSF and an application from the pregnant person is received, Social Security Scotland will end the existing claim and pay the pregnant person instead. Where multiple applications are received in relation to a pregnancy but no application is made by the pregnant person themselves, the amendment regulations will provide Scottish Ministers with the power to decide who should be awarded BSF, having regard to the circumstances of the pregnant person. Furthermore, when either the partner of the pregnant person or the individual that the pregnant person is dependent upon or the partner of that individual is being paid BSF, the regulations state that they are only entitled if they are using BSF for the benefit of the pregnant person. If it is established that they are not using BSF for the benefit of the pregnant person, they are not eligible to receive BSF.

³³ Scottish Government (2019) [The National Plan for Scotland's Islands](#)

³⁴ Scottish Government (2022) [BSF: evaluation](#)

- Furthermore, allowing Scottish Ministers to pay whoever they consider appropriate on behalf of an entitled person will mean that where it is established that the individual who is receiving BSF on behalf of an entitled child is not using BSF for the benefit of the child, payments can be made to another appropriate person instead so that the entitled child continues to benefit from BSF.

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:

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).

- Yes

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)?

- No

Are these different effects likely?

- n/a

Are these effects significantly different?

- n/a

Could the effect amount to a disadvantage for an island community compared to the mainland or between island groups?

- n/a

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.

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.

While some impacts unique to the islands were identified, there are existing mitigations in place to address these. However, many other key barriers effecting the Islands, also impact mainland Scotland (albeit, in different ways to the islands), such as; cost of living and stigma. Therefore, they are not unique to the Islands. The evidence does not suggest that any new negative impacts will be created by the changes we are introducing.

The evidence does not suggest that the effects of the regulation amendments will differ significantly for the islands. The key aim of the amendments is to have a positive impact across the whole of Scotland and stakeholder feedback is clear that the amendments will impact Island Communities positively. Specifically, widening eligibility and making it easier to access BSF will benefit low income families across the islands by increasing their income.

Screening ICIA completed by: Lauren James, Policy Officer

Signature and date: Lauren James, 10th November 2023

ICIA authorised by: Ian Davidson, Deputy Director, Social Security Policy

Signature and date: Ian Davidson, 10th November 2023