One Parent Families Scotland (OPFS), the organisation for lone parents across Scotland, provides tailored information, advice & support, along with training activities, work preparation programmes & flexible childcare services. OPFS aims to involve lone parents in the work of the organisation and in influencing policy makers.

There are over 165,500 single parents with 281,000 children in Scotland\(^1\). By 2033, the number of households containing one adult with children is projected to rise to 238,000 (24% to 38%)\(^2\) Over four in every 10 (43%) children in single parent families are poor, compared to just over two in 10 (22%) of children in couple families \(^3\)

Working on a day-to-day basis with families, OPFS is well-placed to represent the views of single parents, and to support them to engage with policy makers on important issues and concerns.

Partnership working represents an important means of influencing policy, and OPFS is involved in a significant number of campaigns and partnerships, including the Scottish Campaign on Welfare Reform, the Poverty Alliance, the Ministerial Advisory Group on Child Poverty, and the Scottish Government’s Welfare Reform Scrutiny Group.

**The Welfare Funds (Scotland) Bill**

The Welfare Funds (Scotland) Bill will place the interim Scottish Welfare Fund \(^4\) scheme on a statutory footing. The Scottish Welfare Fund provides crisis grants which “aim to provide a safety net for people on low income during a disaster or emergency.” It also provides ad hoc community care grants to help vulnerable people “remain independent in the community, preventing the need for institutional care.” The fund has been operating as an interim scheme since the Department for Work and Pensions (DWP) abolished the UK discretionary Social Fund in April 2013 and transferred the funding for community care grants and crisis loans to the Scottish Government.

The essence of the scheme will remain the same. The main change is the proposal to introduce the Scottish Public Service Ombudsman (SPSO) as a second tier reviewer dealing with applicants who wish to appeal their award decision.

OPFS welcomes the Scottish Governments intention to put the Welfare Fund into a stronger legal framework through the Welfare Funds (Scotland) Bill. We are also pleased to have the opportunity to be consulted by the Welfare Reform Committee

---

\(^1\) Household Projections for Scotland, National Records of Scotland, June 2012

\(^2\) Household Projections for Scotland, National Records of Scotland, 2008

\(^3\) Households Below Average Income (HBAI) 1994/95-2011/12, Table 4.5db. DWP, 2013

\(^4\) [http://www.scotland.gov.uk/Topics/People/welfarereform/scottishwelfarefund](http://www.scotland.gov.uk/Topics/People/welfarereform/scottishwelfarefund)
which has been designated as lead committee and has asked for views on all of the Bill’s proposals, in particular around the following questions:

General

1. Are you in favour of the Bill and its provisions? Do you think the Bill fully achieves the Scottish Government’s aim of providing assistance for short term need and community care?

1.1 The Scottish Welfare currently serves many of the poorest families in Scotland, a quarter of community care applicants were from lone parent households. The reason why they need to access the fund is because they are living on incomes well below the poverty line, on which it is extremely difficult to cover unexpected costs. Most applications are made due to a lack of financial resources, not an inability to manage these.

1.2 OPFS welcomes the Scottish Governments continued commitment to grants rather than loans. Grants have a clear role in promoting financial capacity, improving child wellbeing and tackling hardship precisely because they do not trap families in debt and below benefit rate incomes. The value of grants is that they are an enabling and empowering tool. Grants can improve child wellbeing without undermining future living standards; loans cannot. An adequate grants budget is key to using the fund to better tackle material hardship in line with Government intentions to eradicate child poverty. We would suggest that the commitment to grants and that repayment is not required should be on the face of the Bill.

1.3 OPFS supports a delivery system with clear national eligibility criteria, and an adequate recourse to independent review and appeal. The widely varying discrepancy between existing awards for similar circumstances would be addressed through high quality decision making. In principle we would argue rather than life events or groups, it should be ensured that any individual has the practical necessities to live in a dignified manner. There should be a check list of items that are deemed essential: cooker, fridge, freezer, floor coverings, curtains, bed, and bedding for example. A specific life event is not always the trigger for need - anyone who has lived on Income Support or Jobseekers Allowance for a while will find it difficult to replace a household item. Awards would be made according to the circumstances of individual applicants and based on the assumption that every household is entitled to have its needs for basic necessities met, such as a bed, carpets, cooker etc.

1.4 Nevertheless it is recognised that certain life events do create a need for a substantial financial outlay. For example, transitions such as separating from a partner, leaving the parental home or moving house. OPFS works with pregnant teenagers & young parents in North Lanarkshire and know the hardships facing this particular group of young women.

Traditionally many lone parents have qualified for Community Care Grants under the condition that it will ease pressures on them and their family. We believe that it

5 http://www.scotland.gov.uk/Resource/0045/00456027.doc
should be a priority to help families facing exceptional pressure and who lack the resources to meet irregular costs to provide a safe and secure environment for their children. **We would recommend that the Bill should be amended to include, under 2.2 “Qualifying individuals” - Families Experiencing Exceptional Pressures**

LH is a lone parent with a daughter now aged 4. There were a number of events which occurred in LH’s life when her daughter was born. Splitting up with her partner due to domestic problems, her mother being diagnosed with cancer and having no alternative accommodation. LH moved back into the family home in Glasgow with her daughter to nurse her mother and help her father. LH’s mother passed away at which time her father was diagnosed with cancer. LH was then in a position of bringing up her daughter and now nursing her father. LH’s father then passed away leaving her and her daughter living in a 4 bedroom family home. LH was advised that the Bedroom Tax meant she would be required to put £100 per month towards her rent if she wanted to stay there. She already had a number of debts and was not in a position to find this from her £71.70 per week. LH was offered a 2 bedroom house which she was happy to move to with her daughter. However, she did not the finance to pay for the move, redecoration, flooring etc. She applied to the Council for a welfare fund grant but was excluded from even being able to apply as her circumstances didn’t fit their criteria. LH has had to borrow funds from her sister to hire a van to move home which caused a strain on their relationship. She has to wait for her new house to feel like home as she doesn’t currently have the funds for carpets and basic decoration.

1.5 Payment Methods: LA’s have the discretion to provide support in different ways. OPFS believes a combination of grants and goods may be an effective way of meeting need. However the claimant should always have the opportunity to choose the form of awards and it is our experience that most people favour financial assistance. A voucher system leads to claimants experiencing stigma in shops, being easily identified different from other customers.” Assistance in kind” creates a situation where claimants can feel demeaned and stigmatised.

“They all knew when they visited; you only get two kinds of carpet – blue or brown - so your visitors know. It makes you feel… it makes you feel kinda low.” Lisa a young parent from N. Lanarkshire

**OPFS suggests the following amendment**

2 (3) A local authority may exercise its power under subsection (1) by making a payment to a third party with a view to the third party providing, or arranging the provision of, goods or services to or in respect of an individual who has chosen this option.

Or if more appropriate a reference to claimant choice in the regs.

2. The interim SWF scheme has already been running for two years. Do you feel that the Bill has suitably taken on the learning from this time?
2.1 OPFS has operational concerns around the policy of giving local authorities complete discretion over delivery. We are concerned that limits on budgets means some claimants are screened out of the process before they even make a formal application. OPFS believes the Welfare Fund should be “needs-led “. In a country as rich as Scotland is we can afford to ensure our poorest families live in dignity.

There is a lack of logical thought and consideration of long term consequences of the awards at times. There is a potential of a postcode lottery developing where a family in need receives more /less/no support depending on where they live.

**Marie**

Marie is a lone parent, living in Glasgow who has one child aged 2 and was due another child in 6 weeks. OPFS assisted her to apply by phone for a pram and cot. Her son was still in his pram and his cot was put in the bin after constant use had broken it. Client had previously received a grant for these items when her son was born. The request was refused and client came back to go through the appeal process. It was very near the time her baby was due because of the time it took to consider the application and Marie was extremely worried about her situation. The appeal process would have taken so long that the client could have been left without these items for her new born baby. OPFS managed to secure second hand goods.

**Susan**

Susan is a lone parent, living in Glasgow with two children aged 5yrs and 1yrs. OPFS have been assisting the client on several issues after she split up from her ex-partner. There was a history of domestic abuse. Both her children suffered from ongoing nightmares and frequently had to sleep in her bed. The youngest child suffered from bed wetting due to the stress of the situation. OPFS assisted the client to apply by phone for a grant to supply a double bed and bedding package. Although client should have received a single bed as she is a single person they awarded a double bed and bedding package to her and the items were delivered to her within 10 days of the application.

As can be seen from the above examples there is a wide difference in the decisions to award items and a more consistent approach would improve the system.

The length of time to apply by phone can be considerable, 40 minutes is not unusual which can be very difficult for someone who is trying to answer a number of questions and look after children at the same time. The internet applications can be just as long as the system is slow apart from the fact that many people to not have access to a computer. **OPFS would suggest that the council issue forms to organisations such as OPFS as they are doing for Social Work in order that vulnerable clients can be assisted in their home**

2.2 An adequate choice of delivery channels would enable claimants to choose the one that is best for them. These channels should include telephone, on-line, paper-based alongside locally provided and adequately funded face to face support. The use of on-line applications is welcome for those claimants who choose and are able to make and access claims by this route. An online customer account can allow claimants to access up to date information on their claim or review request. The use
of online methods can help make the applications process clearer to claimants and speed up the delay between initial decisions and the receipt of decision notices when relying on paper based applications.

However, we have concerns about on-line applications and telephone applications being the only available option. Many low income families are less likely to be able to afford their own computer and a telephone landline. Considerable work will need to be done to ensure the availability of accessible, high quality information on the new scheme is available to claimants.

In addition it is also evident that staff delivering the scheme still require high quality training to ensure they understand the purpose and process of the Fund so to better inform claimants. Support should be available to those who need it at any stage of a claimants’ interaction with the Scottish Welfare Fund. Assistance and support should be available for potentially vulnerable customers including those with mental health, learning disabilities or for those for whom English is not a first language.

*The development of these new arrangements should include a mechanism to provide clear criteria against which the performance of such services can be measured.*

3. Is there anything else that you feel should be included in the Bill?

3.1 Ring-fencing The Welfare Funds (Scotland) Bill will allow the funding for the SWF to be ring fenced formally, should Scottish Ministers and COSLA Leaders agree that this should be the case.

OPFS believes it is important that funds are ring-fenced for obvious reasons – if expenditure is targeted exclusively then it stand more of a chance of being spent in the way it’s intended.

The Scottish Governments own research shows reforms to the welfare system have had a disproportionally negative impact on women. “The Gender Impact of Welfare Reform’ report by the Scottish government\(^6\) found that many of the benefit changes have hit women hardest due largely to their greater caring responsibilities.

Child benefit, child tax credits and the childcare element of working tax credit, all which have come under the government’s axe, are paid to the main carer of children, usually a woman. The income women receive from such benefits has been reduced in real terms as increases in some benefits have not matched inflation.

The UK government’s benefit reform programme unfairly impacts on some of the most vulnerable members of our society. *Ring-fencing is essential to achieve the SG aim that the scheme is a “fair, equitable and more holistic service that contributes to Scottish policy priorities such as tackling child poverty and reducing homelessness.”*

\(^6\) http://www.scotland.gov.uk/Topics/People/welfarereform/analysis/welfarereformanalysisgenderimpact
4. Will the Bill and its provisions have a particular impact on equalities groups?

The existing EQIA process concluded that the previous EQIA, carried out in advance of setting up the interim Scottish Welfare Fund, has had a positive impact on equalities groups applying to the Scottish Welfare Fund. Although the monitoring framework put in place for the interim SWF provides a good basis for understanding and developing the Funds in future, some work is needed to improve the quality of the data in order to achieve this. OPFS supports recommendations including:

- A programme of work to improve data quality;
- On-going data monitoring to identify long term trends;
- Working with local authorities to identify barriers and promote good practice in relation to equalities groups; and
- Promoting the fund to groups where data suggests that groups may be under-represented.

Administration of Welfare Funds

5. Do you agree with the proposal that local authorities have the option to outsource the provision of the fund to a third party or jointly administer the fund across local authority boundaries? What are the benefits or drawbacks to this approach?

5.1 Administration of welfare funds, Section 3 (1) says “a local authority may make arrangements for another person to administer its welfare fund on its behalf.”

This could enable Local Authorities to contract out to private companies like Serco, ATOS etc. On that basis we suggest that this is removed as evidence shows conflict of interest has led to very poor outcomes in other areas of benefit delivery and there is a lack of democratic accountability.

In the run up to the development of the interim scheme the Scottish Government consulted widely about whom was best placed to deliver the scheme and concluded that Local Authorities should take on that role. We think that any provisions which will enable other agencies to take on responsibility for delivery (albeit, as subcontractors) raise very many issues including, not least in the case of private contractors, whether they would be sufficiently accountable to both the public purse and service users. The evidence in the case of companies such as ATOS is that they are not. Given these concerns we would argue that such arrangements would fundamentally undermine the delivery of the Fund in its current form and therefore this section should be removed.

**OPFS suggests the following**

Replace section 3(1) with

3(1) A local authority shall make arrangements to ensure the administration of its welfare fund is efficient & effectively meets Scottish Government guidance.

---

Remove section 3. (2) on the same grounds as above.

Review of decisions and the SPSO

6 &7. What are your views on the proposed internal local authority review process? Do you agree that the SPSO is the appropriate body to conduct secondary reviews?

OPFS supports the SPSO as the body to conduct secondary reviews. OPFS believes that the 2\textsuperscript{nd} tier review must be carried out by an independent tribunal and give the individual the right of audience & the right to be represented. It must have powers to overturn and make awards. The appeals system should be independent of the original decision making body and allow further consideration on errors of law.

An effective appeals procedure should have transparent rules such as how and when claimants can lodge an appeal. The system should also allow for late appeals for those who have been unable to make their appeal on time.

There should not be too great a time lag between lodging an appeal and having your case heard. There should also be adequate opportunities for appellants to be represented by a Welfare Rights Officer, get further evidence to support their case and be given the option of a face to face hearing. The very nature of welfare fund applications means that people require the goods they are applying for at the time of their application. For example, a lone parent moving house or taking up their first tenancy needs household items when they move into the property rather than waiting several months for an award.

Further provision – regulations

8. What are your views on the level of detail that will be contained within the regulations? Is there any aspect which you feel would benefit from being on the face of the Bill?

Section 5 /2 f Welfare funds: further provision

Sub-section 5 (2) (d) Regulations made under this section may, in particular, make provision...about circumstances in which amounts may require to be repaid or recovered in respect of assistance which has been so provided,

**OPFS understood that the Fund has been very clearly set up to be grant only.**

*We believe it should be clearly stated on the face of the bill that*

*“The Scottish Welfare Fund provides grants that do not have to be repaid. It does not provide loans”*

Conclusion

OPFS supports the aim of protecting the elements of the fund which are of most importance to poor families in Scotland and in proposing positive improvements
which would support reducing child poverty. The reason that people have recourse to the welfare fund is because for the poorest families incomes are just too low either because of sudden crisis or because of benefit inadequacy elsewhere in the system.

Westminster’s historical shift away from the rights basis for grants provision has been problematic: the value of the rights based approach is that it rebalances the power dynamic between poorer families and the state bureaucracy, it allows easier monitoring of what is going on (against clear entitlement criteria, vital to proof systems against discrimination); and stimulates scheme improvement by ensuring decisions are open to challenge. The current discretionary system opens the door wide for entrenched bad decision making.

Marion Davis
Policy & Research Advisor
One Parent Families Scotland