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Collette Stevenson MSP Convener Social Justice and Social Security Committee

By email: SJSS.committee@parliament.scot

11 August 2023

Dear Convener,

#### Removal of income thresholds for Best Start Foods

I am pleased to inform the Social Justice and Social Security Committee that the Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024 have been submitted for scrutiny to the Scottish Commission on Social Security (SCoSS), in accordance with their function under section 22(1)(b) of the Social Security (Scotland) Act 2018.

Along with the regulations, SCoSS has been provided with a table of amendments and accompanying draft impact assessments. These assessments have been provided for information only and we plan to undertake further work to finalise these before the Regulations are formally laid before Parliament. Please find attached a copy of these draft regulations and the accompanying documentation sent today to the Secretariat of SCoSS.

In addition to removing the income thresholds which apply to some qualifying benefits, the regulations make a number of changes to Best Start Foods. These changes are intended to further align eligibility with Best Start Grant and Scottish Child Payment. They also make some technical changes to how we make payments

I trust you and your members will find this update useful.

Yours sincerely,

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SHIRLEY-ANNE SOMERVILLE



## The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024

Regulation	Title	Proposed Amendment
3	General Interpretation	This expands an existing provision which sets out the definition of beneficiary so that it includes a new category of entitled persons: the individual the pregnant woman is dependent on or the partner of that individual. This is required as a consequence of amendment regulation 7.
4(1)	General	This expands an existing provision which sets out that all categories of eligible persons are entitled to be paid Best Start Foods (BSF) so that it includes a new category of entitled persons: the individual the pregnant woman is dependent on or the partner of that individual. This is required as a consequence of amendment regulation 7.
4(2)	General	<ul> <li>This expands an existing provision which seeks to prevent two individuals claiming BSF in respect of the same pregnancy so that it includes a new category of entitled persons: the individual the pregnant woman is dependent on or the partner of that individual. This is required as a consequence of amendment regulation 7.</li> <li>It also prevents two individuals being paid BSF on behalf of the same entitled child. This is required as a consequence of amendment regulation 11(6).</li> </ul>
4(3)	General	<ul> <li>This expands an existing provision which ensures that when an individual in receipt of BSF stops receiving Universal Credit they will continue to be entitled to BSF payments for a further 8 weeks so that it applies when any qualifying benefit ends.</li> <li>This is required to address any unfair treatment arising from the current rules and will ensure all pregnant women and children continue to benefit from the support that BSF provides when their family's income is in transition.</li> </ul>

5(1)	Pregnant Women	<ul> <li>This provision changes the entitlement rules so that pregnant women who are 18 can only be eligible if they or their partner receive a qualifying benefit. It removes the ability for them to be eligible if the person that they are dependent upon receives a qualifying benefit as all dependants who are 18 or 19 will now be automatically eligible, i.e. they will not require to receive or be dependent on someone who receives a qualifying benefit.</li> <li>This is required as a consequence of amendment regulation 5(2).</li> </ul>
5(2)	Pregnant Women	This provision makes pregnant women who are 18 or 19 year old dependants and who meet the residency requirements set out in regulation 9, eligible without the need to receive a qualifying benefit.
		We are amending this rule to make access to our benefits simpler for young parents, a need identified during the policy development for Best Start Grant (BSG). It will also more closely align eligibility criteria for BSF with BSG where 18 or 19 year old dependants do not require to receive a qualifying benefit in order to be eligible. This will address any confusion for young parents caused by the divergence in eligibility criteria.
5(3)	Pregnant Women	This provision expands a current rule that if the pregnant woman turns 18, eligibility will continue until the child is born so that it also applies if the pregnant woman is an 18 or 19 year old dependant and stops being a dependant. We are amending this rule as a consequence of amendment regulation 5(2).
6	Partners of	This provision ensures that the partner is subject to the same eligibility criteria as the
	pregnant women	pregnant woman.
		<ul> <li>An individual who is the partner of a pregnant woman will be eligible if:</li> <li>they are ordinarily resident in Scotland, aged 18 years or older and either they or the pregnant woman are in receipt of a qualifying benefit, including where they have applied but not yet received payment, or</li> </ul>

		<ul> <li>they are under 18 or a dependant who is 18 or 19 years old, and they meet the residency requirements set out in regulation 9.</li> <li>If the individual turns 18 or they stop being an 18 or 19 year old dependant before the</li> </ul>
		pregnancy has ended, they will remain eligible until the end of the pregnancy. This change will simplify the rules around who can be eligible for BSF, making it easier to understand who should apply and making it easier to access BSF. It will also align with eligibility for BSG where the eligibility criteria for partners of pregnant women is the same as for pregnant women.
7	Other entitled individuals	<ul> <li>This provision expands the categories of entitled persons to include the person who an eligible pregnant woman is dependent upon or the partner of that person. These individuals must also meet the residency condition set out in regulation 9 in order to be eligible.</li> <li>If the pregnant woman stops being a dependant before the pregnancy has ended, the individual will remain eligible until the end of the pregnancy.</li> </ul>
		This change will provide young pregnant women with more choice in how they access BSF. This approach responds to discussions during the original consultation on BSG which highlighted the need to empower young parents and the importance of young pregnant women and parents having the support of an adult in accessing the payment. This change will also more closely align BSF entitlement with entitlement for BSG Pregnancy and Baby Payment where both the individual the birthmother is dependent upon and the partner of that individual can be eligible for the benefits.
8(1)	Children	Amends the eligibility rules for children so that where the individual responsible for them is 18 or older the child is eligible if the individual or the partner of the individual receives a qualifying benefit. It removes the ability for them to be eligible if the individual responsible for them is dependent upon someone who receives a qualifying benefit. This is because where the individual responsible for the child is under 18 or an 18 or 19 year old dependant they will now be automatically eligible.

		This is required as a consequence of amendment regulations 8(2) and 8(3).
		It also ensures that the individual responsible for the child must be ordinarily resident in order for the child to be eligible.
8(2)	Children	<ul> <li>Amends the eligibility rules for children who are under one year old so that where the individual responsible for them meets the residency conditions set out in regulation 9 and they: <ul> <li>are under 18, or</li> <li>are an 18 or 19 year old dependant, or</li> <li>were entitled to receive BSF during the pregnancy which resulted in the child by virtue of being under 18 or an 18 or 19 year old dependant, the child will be entitled to BSF.</li> </ul> </li> </ul>
		This change extends automatic eligibility so that where the individual responsible for a child is an 18 or 19 year old dependant, the child is entitled without the need for the individual responsible for them to receive a qualifying benefit.
		This change will also make explicit that where an individual is under 18 and receives BSF during pregnancy and turns 18 during the pregnancy, they will not only remain entitled until the end of the pregnancy but their child will then be eligible up until the child turns 1. This reflects current policy and practice.
		In addition to making this explicit, we are expanding this rule so that it also applies to dependants who are 18 or 19 and receiving BSF during pregnancy and who stop being a dependant during the pregnancy.
8(3)	Children	<ul> <li>Amends the eligibility rules for children who are over one year old and under three years old, so that where the individual responsible for them meets the residency conditions set out in regulation 9 and they:         <ul> <li>are under 18, or</li> </ul> </li> </ul>

		• are an 18 or 19 year old dependant, the child will continue be entitled to BSF.
		This change is being made to simplify the process and ensure that young parents are supported throughout their child's early years as children of young parents will continue to be eligible until their parents are old enough to claim qualifying benefits in their own right. The present rules mean that once the child turns 1, the young parent may have to ask their partner or their own parent/carer to claim BSF, which could be disempowering. Furthermore, if nobody else is responsible for the child then the child will no longer be eligible.
		This also further aligns eligibility for BSF with BSG where under 18s and dependants who are 18 or 19 years old are eligible for all 3 BSG payments, i.e. the age of the child is not relevant. The current divergence in the eligibility criteria for BSG and BSF is likely to result in a confusing journey for young parents and by making this change we will address this.
8(4)	Children	This provision expands an existing rule that if a child is receiving BSF due to the individual responsible for them being under 18, the child will continue to be eligible until the child turns one or reaches the first anniversary of its estimated delivery date, whichever is later, so that it also applies where the individual responsible for the child turns 18 or 19 year old dependant. Furthermore, if the individual responsible for the child turns 18 or stops being a dependant before the child turns one, the child will continue to be eligible until the child turns one or reaches the first anniversary of its estimated delivery date, whichever is later.
		We are amending this rule as a consequence of amendment regulation 8(2). The provision also makes clear that where the child is older than one or has reached the first anniversary of its estimated delivery date, whichever is later, and is entitled to BSF due to the individual responsible for them being under 18 or an 18 or 19 year old dependant, the child will remain entitled without the need for the individual responsible for them to receive a qualifying benefit, up until the day that the individual responsible for them turns

		18 or the day that the individual stops being a dependant or the child turns 3, whichever is later.
		We are amending this rule as a consequence of amendment regulations 8(3).
9	Residence requirement	Amends 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) of the Best Start Foods (Welfare Foods) Regulations (Scotland) 2019. This is required as 18 or 19 dependants will no longer require that the individual they are dependent upon receives a qualifying benefit in order to be eligible.
		We are amending this rule as a consequence of amendment regulations 5(2), 6, 8(2) and $8(3)$ .
10(1)(a)	Kinds of assistance	Removes the income threshold for Child Tax Credit.
10(1)(b)	Kinds of assistance	Makes Working Tax Credit a qualifying benefit in its own right.
		It also removes the income threshold which currently applies to Working Tax Credit.
		This will address the fact the current rules could disadvantage some pregnant women where a pregnant woman does not have any other children and is in receipt of Working Tax Credits meaning they would not become eligible for BSF until the child is born. Whereas if that same individual was in receipt of Universal Credit they would be eligible during their pregnancy.
		This change also resolves another scenario highlighted by stakeholders that could disadvantage some children where their parent or carer is not classed as responsible for the child for Child Tax Credit purposes, e.g. some kinship carers.

		As a result of this change eligibility for BSF will be more closely aligned with BSG and Scottish Child Payment (SCP) where Working Tax Credits is already a qualifying benefit in its own right.
10(1)(c)	Kinds of assistance	Removes the income threshold for Housing Benefit.
10(1)(d)	Kinds of assistance	Removes the income threshold for Universal Credit (UC).
10(2)	Kinds of assistance	Where for any period an individual has received a qualifying benefit in error or where the amount they have received is £0, the individual is not entitled to BSF. This provision is required as a consequence of amendment regulation 10(3).
10(3)	Kinds of assistance	For applicants who are in receipt of any qualifying benefit, any deductions made from their award due to sanctions or to pay any liability should be disregarded. This change will ensure that if an individual has a nil award because of these deductions, we still treat them as being in receipt of the qualifying benefit and they will, therefore, be eligible for BSF. This is already policy and practice for BSF, BSG and SCP but it is not specified in BSF regulations and we are therefore taking the opportunity to make this explicit.
10(4)	Kinds of assistance	Removes the definitions of "earned income" and "relevant income". These are no longer required due to the removal of the income thresholds.
11(1)	Entitlement	Expands the circumstances where an application is not required to include where a new decision can be made because an individual was denied BSF due to not being in receipt of a qualifying benefit or child responsibility benefit and has subsequently received a backdated award of the benefit and the period of the backdated award includes the date of the original application. In these instances a decision will be able to be made to award BSF from the date of their original application, as set out in amendment regulation 16.

		We are adding this provision as a consequence of the new provision to allow a decision following backdated award of assistance as part of amendment regulation 16.
11(2)	Entitlement	Expands an existing rule so that where BSF is being paid to the individual the pregnant woman is dependent on or the partner of that individual and an application is received from the pregnant woman and she is eligible, the pregnant woman's claim will be approved and the claim from the individual the pregnant woman is dependent on or the partner of that individual will be ended.
		We are amending this rule as a consequence of amendment regulation 7.
		This change will ensure that the pregnant woman will always be able to access BSF payments in their own right as it is paid to support their nutrition.
11(3)	Entitlement	Amends an existing rule so that where the individual the pregnant woman is dependent on or the partner of that individual has responsibility for an entitled child and that child is under 4 months of age and provides notification of the date of birth of the child, the child is entitled to BSF from the date of their birth.
		We are amending this rule as a consequence of amendment regulation 7.
11(4)	Entitlement	Amends existing rule which enables BSF to be awarded without the need for a new application where the individual loses entitlement to BSF and within 12 weeks they can demonstrate that they are entitled again. The provision expands this rule to include a new category of entitled person: the individual the pregnant woman is dependent on or the partner of that individual.
		We are amending this rule as a consequence of amendment regulation 7.
11(5)	Entitlement	Amends existing rule which ensures that where the entitled person is a child, it is the individual responsible for them who should be paid so that this only applies to entitled

		<ul> <li>children under 3 and not to any other category of entitled person. It also ensures that the partner of the individual responsible can be paid.</li> <li>This change is required as "child" is defined in the regulations as anyone who is either under 16 or a dependant. Therefore the current drafting would mean that pregnant women and partners of pregnant women who are under 16 or a dependant could not be paid in their own right. We are currently relying on an interpretive duty in section 3 of the Human Rights Act to pay these individuals, where they have capacity.</li> <li>The change is will also align with BSG and current practice which is that either the individual responsible for the child or the partner of that individual can apply and be paid.</li> <li>Furthermore, it amends the rule so that the individual responsible for an entitled child or the partner of that individual can apply on their behalf.</li> </ul>
11(6)	Entitlement	Allows Scottish Ministers to pay whoever they consider appropriate on behalf of an entitled person. Where Scottish Ministers are paying another individual on behalf of an entitled person and they consider it is no longer appropriate to pay that individual they can stop paying them.
		This provision is required to allow the individual the pregnant woman is dependent upon or the partner of that individual to continue to be paid BSF on behalf of the entitled child, even if they are not the individual responsible for the entitled child.
12	Change of circumstances affecting entitlement to benefit	<ul> <li>Amends the existing duty to report a change of circumstances so that the duty is on the individual who is:</li> <li>being paid BSF on behalf of the entitled person, or</li> <li>the entitled person.</li> </ul>
		We are amending this rule as a consequence of amendment regulations 11(6) and 13. It will have a similar effect to that of section 56(4) of the Social Security (Scotland) 2018 Act.

13(1)	Appointment of a person to act on behalf of an individual	<ul> <li>Amends existing powers for Scottish Ministers to make an appointee for a pregnant woman, partner of a pregnant woman or individual responsible for an entitled child under 3 so that it includes specific circumstances where the individual is under 16.</li> <li>We are amending this as a consequence of amendment regulation 13(2).</li> </ul>
13(2)	Appointment of a person to act on behalf of an individual	<ul> <li>Provides new powers to make an appointee on behalf an individual who is under 16 and who is an entitled pregnant woman, partner of a pregnant woman or individual responsible for an entitled child under 3. Such an appointee can only be made where there is no person who: <ul> <li>has authority to act on behalf of the individual,</li> <li>resides with the individual, and</li> <li>is willing and practicably able to act on the individual's behalf.</li> </ul> </li> <li>This change is required as a consequence of amending regulation 11(5) as pregnant women and partners of pregnant women who are under 16 will be able to be paid in their own right. Where they do not have capacity to apply for or receive BSF, the individual with parental rights and responsibilities would normally apply and be paid. However, if it is not appropriate to pay this individual, then an appointee requires to be made.</li> </ul>
13(3)	Appointment of a person to act on behalf of an individual	<ul> <li>Makes clear that existing provisions in relation to the duties of appointees and how Scottish Ministers interact with appointees only relate to where the appointee has been made for an individual who is 16 or over.</li> <li>We are amending this as a consequence of amendment regulation 13(2).</li> </ul>
13(4)	Appointment of a person to act on	Sets out where an appointee is made for an individual who is under 16, the appointee can do anything a person with parental rights and responsibilities or other authority, however arising, could do in connection with the individual's entitlement to benefit.

	behalf of an individual	The appointee may be asked to provide information that would otherwise be requested from the individual and must be given any information that would otherwise be given to the individual. We are making this amendment as a consequence of amendment regulation 13(2). The approach to appointees for individuals under 16 who lack capacity aligns with the approach taken for Child Disability Payment for all entitled children.
13(5)	Appointment of a person to act on behalf of an individual	Sets out that Scottish Ministers must consider making or terminating an appointment for an individual who is under 16 if requested to do so by the individual, a person with parental rights and responsibilities, a person who resides with and has care of the individual or any other person with an interest in the welfare or financial affairs of the individual. We are making this amendment as a consequence of amendment regulation 13(2).
		The approach to appointees for individuals under 16 who lack capacity aligns with the approach taken for Child Disability Payment for all entitled children.
13(6)	Appointment of a person to act on behalf of an individual	Amends an existing rule so that the considerations that must be made when making or terminating an appointment also apply when making an appointment behalf of an individual who is under 16.
		We are making this amendment as a consequence of amendment regulation 13(2).
13(7)	Appointment of a person to act on behalf of an individual	Expands the matters which must be taken into account by Scottish Ministers when they are considering making or terminating an appointment so that where an appointment relates to an individual under 16, they must also consider the views of anyone with parental rights and responsibilities for the individual.

		We are making this amendment as a consequence of amendment regulation 13(2).
		The approach to appointees for individuals under 16 who lack capacity aligns with the approach taken for Child Disability Payment for all entitled children.
13(8)	Appointment of a person to act on behalf of an individual	<ul> <li>This will allow an existing appointee to be recognised where an individual: <ul> <li>is under 16, and</li> <li>is entitled to or is responsible for a child who is entitled to BSF,</li> <li>lacks capacity to be paid BSF, and</li> <li>has an existing appointee acting on their behalf in relation to another benefit made under the Social Security (Scotland) 2018 Act to be recognised as an appointee for BSF.</li> </ul> </li> <li>We are making this amendment as a consequence of amendment regulation 13(2).</li> <li>Where the conditions are met, this will reduce the administrative burden for the appointee.</li> </ul>
13(9)	Appointment of a person to act on behalf of an individual	<ul> <li>Expands the circumstances when the guidelines for making appointees must be followed by Scottish Ministers to include when an appointee is made on behalf of an individual who is under 16.</li> <li>We are making this amendment as a consequence of amendment regulation 13(2).</li> </ul>
14(1)	Value of benefit	<ul> <li>Expands categories of entitled persons who should receive the lower payment to include the individual the pregnant woman is dependent on and the partner of that individual.</li> <li>We are amending this rule as a consequence of amendment regulation 7</li> <li>Also defines the lower payment as "the basic payment".</li> </ul>
14(2)	Value of benefit	Where individual responsible for a child under three years old is:

		<ul> <li>18 or over,</li> <li>receives or is the partner of someone who receives a qualifying benefit, and</li> <li>is ordinarily resident,</li> <li>the lower payment should be classed as "the basic rate" and the higher payment as "double the basic rate".</li> <li>This will ensure that it is clear that the higher payment of BSF made when a child is under one or has not yet reached the first anniversary of its delivery date will always be double the lower payment which is paid during pregnancy and when a child is aged between one and three. It will make any future uprating of BSF simpler as we only uprate the basic payment amount and the ratio between the lower and higher payment will be maintained.</li> </ul>
14(3)	Value of benefit	<ul> <li>Where individual responsible for a child who is either under one year old or has not reached the first anniversary of its estimated delivery date is: <ul> <li>under 18, or</li> <li>an 18 or 19 year old dependant, and</li> <li>meets the residency conditions set out in regulation 9,</li> </ul> </li> <li>the payment that the child is entitled to should be classed as "double the basic rate".</li> <li>This will ensure that it is clear that the higher payment of BSF made when a child is under one year old or has not yet reached the first anniversary of its delivery date will always be double the lower payment which is paid during pregnancy and when a child is aged between one and three. It will make any future uprating of BSF simpler as we only uprate the basic payment amount and the ratio between the lower and higher payment will be maintained.</li> </ul>
14(4)	Value of benefit	<ul> <li>Where individual responsible for a child who is under three years old and older than one year old or has reached the first anniversary of its estimated delivery date, if that is later, is: <ul> <li>under 18, or</li> <li>an 18 or 19 year old dependant, and</li> <li>meets the residency conditions set out in regulation 9, the child is entitled to the basic payment.</li> </ul> </li> </ul>

		We are amending this rule as a consequence of amendment regulations 8(3) and 14(1).
		we are amending this rule as a consequence of amendment regulations o(3) and 14(1).
15(1) Form in which Allows for an exception to be r		Allows for an exception to be made to the rule that BSF must be paid via a prepaid card.
	given	We are amending this rule as a consequence of amendment regulation 15.
		Sets out that where the Scottish Ministers consider it is appropriate they can make a payment to the entitled person in a way other than the prepaid card.
		This change is being so that in exceptional circumstances payments can be made in a way other than the prepaid card. This will help ensure that very young pregnant women and parents can access the benefit in their own right as there is a lower age threshold which is applied to the prepaid card. It will also help address barriers for some individuals with a disability or long term health condition who find that due to their needs the card is not accessible.
16	When an application is to be treated as made	Allows an application for BSF to be treated as made at a later date where the individual is not eligible on the date that they have applied but will become eligible within 10 days.
		This change will more closely align BSF with BSG and SCP which already allow applications to be treated as made at a later date. It will therefore address a current issue where an individual applies for all 3 benefits at the same time but is not eligible on the date that they apply and then has to reapply for BSF whereas for both BSG and SCP an award can still be made by treating the application as having been made at a later date. As a result, the application process will be simplified making it easier to understand, and ensuring that individuals receive their full entitlement.
16	Decision following backdated award of assistance	Allows an individual to receive BSF from the date of their original application where they have previously been denied BSF due to the lack of either a qualifying benefit or child responsibility benefit and they then receive a backdated award covering the date of their original application.

	This will help people who face processing delays for reserved benefits as well as those who receive an incorrect decision. It will more closely align with SCP and BSG which already allow for this via a Determination Without Application rule.

#### 2024 No.

#### SOCIAL SECURITY

#### FOOD

### The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024

Made	***
Laid before the Scottish Parliament	***
Coming into force -	***

The Scottish Ministers make the following Regulations in exercise of the powers conferred by section 13 of the Social Security Act 1988(1), section 175(4) of the Social Security Contributions and Benefits Act 1992(2) and all other powers enabling them to do so.

In accordance with section 13(2) of the Social Security Act 1988, the Scottish Ministers have consulted the National Assembly for Wales.

#### **Citation and commencement**

**1.**These Regulations may be cited as the Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024 and come into force on XX February 2024.

#### Amendments to the Welfare Foods (Best Start Foods) (Scotland) Regulations 2019

**2.**The Welfare Foods (Best Start Foods) (Scotland) Regulations 2019(**3**) are amended in accordance with regulations 3 to 26.

3. In regulation 2 (general interpretation), in the definition of "beneficiary", after "7A" insert ",7B".

4.In regulation 6 (general)—

- (1) in paragraph (1) after "regulation 7A" insert ", regulation 7B".
- (2) for paragraph (1A) substitute—
  - "(1A) Subject to regulation 11(1A)—
    - (a) an individual entitled to benefit under regulations 7, 7A or 7B is not entitled to be paid benefit where another entitled individual is being paid benefit in respect of the same pregnancy, and

<sup>(1) 1988</sup> c.7. Section 13 was substituted by section 185(1) of the Health and Social Care (Community Health and Standards) Act 2003 (c.43) and amended by section 27(5) of the Scotland Act 2016 (c.11) ("the 2016 Act"). The functions of the Secretary of State were transferred to the Scotlish Ministers by virtue of section 53 of the Scotland Act 1998 (c.46) as read with section 32 of the 2016 Act.

<sup>(2) 1992</sup> c.4. Section 175(4) was amended by paragraph 29(4) of schedule 3 of the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c.2).

<sup>(3)</sup> S.S.I. 2019/193, amended by S.S.I. 2019/232, S.S.I. 2020/6, S.S.I. 2020/399, S.S.I. 2021/221, S.S.I. 2021/320, S.S.I. 2022/108, S.S.I. 2022/129, S.S.I. 2022/167 and S.S.I. 2022/336.

- (b) an individual entitled to benefit under regulation 8 is not entitled to be paid benefit where another individual is being paid benefit on behalf of, and for the benefit of, that individual."
- (3) after paragraph (3) insert—

"(4) A person who is entitled to benefit under these Regulations by virtue of payment of a kind of assistance mentioned in regulation 10(1)(a) to (g) does not cease to be entitled until the expiry of 8 weeks beginning with the day after the day on which the entitlement to that kind of assistance ends.".

- 5.In regulation 7 (pregnant women)—
  - (1) in paragraph (1)(a)(iii) omit "or dependant",
  - (2) for paragraph (1)(b) substitute—
    - "(b) a pregnant woman who is—
      - (i) under 18 years of age, or
      - (ii) a dependant who is 18 or 19 years of age, and

meets the residence requirement in regulation 9.",

- (3) in paragraph (2) after "years" insert "or is no longer a dependant who is 18 or 19 years of age".
- 6. For regulation 7A (partners of pregnant women) substitute—
  - "7A.—(1) For the purposes of regulation 6 an individual so described is—
    - (a) an individual who is-
      - (i) the partner of a pregnant woman,
      - (ii) where that pregnant woman is not a pregnant woman as described in regulation 7, in receipt of a kind of assistance mentioned in regulation 10, including a person who has been awarded a kind of assistance but has not yet received payment,
      - (iii) 18 years of age or over,
      - (iv) ordinarily resident in Scotland, and
      - (v) receiving benefit for the use of the pregnant woman mentioned in head (i).
    - (b) an individual who is-
      - (i) the partner of a pregnant woman,
      - (ii) either-
        - (aa) under 18 years of age, or
        - (bb) a dependant who is 18 or 19 years of age, and
      - (iii) receiving benefit for the use of the pregnant woman mentioned in head (i).

(2) The individual described in paragraph (1)(b) must meet the residence requirement in regulation 9.

(3) If an individual mentioned in paragraph (1)(b) reaches the age of 18 years or is no longer a dependant of 18 or 19 years of age before the end of their partner's pregnancy, the individual remains entitled to benefit until the end of that pregnancy.".

7. After regulation 7A (partners of pregnant women) insert—

#### "Other entitled individuals

7B.—(1) For the purposes of regulation 6 an individual so described is—

- (a) the individual a person described by regulation 7(1)(b) is a dependant of, or
- (b) the partner of the individual described by head (a),

who meets the residency requirement in regulation 9.

(2) Where, before the end of their pregnancy, the person described in regulation 7(1)(b) is no longer a dependant of the individual described at paragraph (1)(a), that individual or their partner remains entitled to benefit until the end of that pregnancy."

- 8. In regulation 8 (children)—
  - (1) in paragraph (1)(a)—
    - (i) in head (iii)—
      - (aa) for "that other individual" substitute "the individual responsible for the child",
      - (bb) omit "or dependant", and
      - (cc) for the last occurrence of "or" substitute "and",
    - (ii) after head (iii) insert-
      - "(iv) the individual responsible for the child is ordinarily resident in Scotland, or".
  - (2) for paragraph (1)(b) substitute—
    - "(b) a child—
      - (i) who is under one year of age,
      - (ii) for whom another individual is responsible and that other individual—
        - (aa) is under 18 years of age,
        - (bb) is a dependant who is 18 or 19 years of age, or
        - (cc) was previously entitled to benefit by virtue of regulation 7(1)(b) or 7A(1)(b) in respect of a pregnancy which resulted in the birth of the child,
        - and meets the residency requirement in regulation 9.".
  - (3) after paragraph (1)(b) insert—
    - "(c) a child—
      - (i) who is over one year of age and not more than three years of age,
      - (ii) for whom another individual is responsible and that other individual—
        - (aa) is under 18 years of age, or
        - (bb) is a dependant who is 18 or 19 years of age,
        - and meets the residency requirement in regulation 9.".
  - (4) for paragraph (2) substitute—

"(2) A child described in paragraph (1)(b) remains entitled to benefit until the later of —

- (a) the day the child is one year of age, or
- (b) the first anniversary of their estimated date of delivery,

including where the individual responsible for them has turned 18 years of age or is no longer a dependant before the child's first birthday.

(3) Except where paragraph (4) applies, a child described in paragraph (1)(c) remains entitled to benefit until the later of—

- (a) the day the individual responsible for the child turns 18 years of age, or
- (b) the day the individual responsible for the child is no longer a dependant.

(4) Where a child described in paragraph (1)(c) turns 3 years of age before the day described in head (a) or (b), the child remains entitled to benefit until the day the child is 3 years of age. ".

**9.** In regulation 9(1)(b) (residence requirement) for "the individual, the individual's partner nor the person on whom the individual is dependent" substitute "the individual nor the individual's partner".

10. In regulation 10 (kinds of assistance)-

- (1) in paragraph (1)—
- (a) in sub-paragraph (a) omit from "where" to "per annum,",

- (b) for sub-paragraph (b) substitute—
  - "(b) working tax credit,"
- (c) in sub-paragraph (c) omit from "where" to "£328,", and
- (d) for sub-paragraph (h) substitute—
  - "(h) universal credit,",
  - (2) for paragraph (2) substitute—

"(2) An individual is not to be regarded as having been awarded a kind of assistance for a day or a period if—

- (a) the award was made in error (whether or not induced by the individual), or
- (b) the sum awarded to the individual for the day or period is  $\pounds 0.$ ",

(3) after paragraph (2) insert—

"(2A) In paragraph (2)(b), the reference to "the sum awarded" means, in a case where a deduction has been made—

- (a) in respect of any liability the individual has to another person, or
- (b) by way of sanction,
- the sum that would have been awarded had the deduction not been made.", and
- (4) in paragraph (3) omit the definitions of "earned income" and "relevant income".

**11.** In regulation 11 (entitlement)—

- (1) in paragraph (1) after "(2)" insert "and regulation 23",
- (2) in paragraph (1A) for each occurrence of "regulation 7A" substitute "regulations 7A or 7B",
- (3) in paragraph (2) for "regulation 7, or 7A" substitute "regulations 7, 7A or 7B",
- (4) in paragraph (3) after "7A" insert "7B,",
- (5) in paragraph (4) —
- (a) after "done" insert "by or",
- (b) after "child" where it first appears insert "as described in regulation 8",
- (c) after "responsible for that child" insert "or the partner of the individual responsible for the child".
  - (6) after paragraph (4) insert—

"(5) Where a beneficiary is entitled to benefit under these Regulations, the Scottish Ministers may, where they consider it appropriate, give the benefit to another person ("person B") to be used for the benefit of the beneficiary.

(6) Where the Scottish Ministers consider, for any reason, that it is no longer appropriate for a person B to continue to receive the benefit, they may cease giving the benefit to that person.".

12. For regulation 12 (change of circumstances affecting entitlement to benefit) substitute—

"12.—(1) The persons mentioned in paragraph (2) must inform the Scottish Ministers of a change of circumstances affecting a beneficiary's entitlement to benefit under these Regulations.

(2) The persons are—

- (a) where the benefit is given to a person other than the beneficiary in accordance with regulations 11(5) or 12A(1)(b), the person to whom the benefit is given, or
- (b) in any other case, the beneficiary.".
- 13. In regulation 12A (appointment of a person to act on behalf of an individual)—
  - (1) in paragraph (2) for "(3) or (4)" substitute "(3), (4) or (4A)",
  - (2) after paragraph (4) insert—
    - "(4A) This paragraph applies if-
      - (a) the individual is under 16 years of age, and

- (b) it appears to the Scottish Ministers that there is no person who—
  - (i) has authority to act on behalf of the individual,
  - (ii) resides with, and has care of, the individual, and
  - (iii) is willing, and practicably able, to act on the individual's behalf in relation to the matters mentioned in paragraph (1).".

(3) in paragraph (6) after "individual" where it first appears insert "who is 16 years of age or over",

(4) after paragraph (6) insert—

"(6A) Where an appointee is appointed under paragraph (1) to act on behalf of an individual who is under 16 years of age—

- (a) the appointee can do anything that a person with authority (however arising) to act on behalf of the individual in relation to the determination of the individual's entitlement to benefit could do in connection with the determination of the individual's entitlement to benefit (including making an application for benefit),
- (b) the Scottish Ministers may request that the appointee provide them with information that they might otherwise request from the individual in connection with the determination of the individual's entitlement to benefit,
- (c) any information that would be given to the individual by virtue of these Regulations must be given to the appointee instead.",
- (5) after paragraph (9) insert—

"(9A) The Scottish Ministers must consider whether to make an appointment by virtue of paragraph (4A), or to terminate such appointment, if requested to do so by—

- (a) the individual, or
- (b) anyone else who appears to Ministers to-
  - (i) have authority to act on behalf of the individual,
  - (ii) reside with, and have care of the individual, or
  - (iii) have an interest in the welfare of financial affairs of the individual.",
- (6) in paragraph (10) after "(4)" insert "or (4A)",
- (7) In paragraph (11)
- (a) in sub-paragraph (a) omit "and", and
- (b) after sub-paragraph (b) insert—
  - "(c) where the individual is under 16 years of age, anyone who is a relevant person in relation to the individual within the meaning of section 200 of the Children's Hearings (Scotland) Act 2011i.",
- (8) after paragraph (12) insert—

"(12A) A person appointed by the Scottish Ministers under and in accordance with section 85A(4) of the 2018 Act may be treated by them as an appointee of an individual under 16 years of age in connection with the determination of the individual's entitlement to benefit under these Regulations. ",

(9) in paragraph (13) for "to appointments under section 85B of that Act" substitute "to appointments under that Act".

14. In regulation 13 (value of benefit)—

- (1) in paragraph (1)—
- (a) for "regulation 7 or regulation 7A" substitute "regulations 7, 7A or 7B",
- (b) after "£4.95" insert "(the basic rate)",
  - (2) in paragraph (2)—

<sup>(4)</sup> Section 85A was inserted by sections 1(2) of the 2020 Act.

- (a) in head (a) for "£9.90" substitute "double the basic rate",
- (b) in head (b) for "£4.95" substitute "the basic rate"
  - (3) in paragraph (3) for "£9.90" substitute "double the basic rate"
  - (4) after paragraph (3) insert—

"(3A) The benefit to which a child described in regulation 8(1)(c) is entitled is credit for Best Start Foods to the value of the basic rate for each week that the child is so entitled."

15. For regulation 14 (form in which benefit is given) substitute—

#### "Form in which benefit is given

**14.**—(1) Subject to paragraph (2), the credit mentioned in regulation 13 is to be given in the form of a payment card.

(2) Where the Scottish Ministers consider it appropriate, they may credit the beneficiary an amount equal to the value on the payment card mentioned in paragraph (1).".

16.After regulation 21 (revocations) insert—

#### "PART 8

#### Procedural matters

#### When an application is to be treated as made

**22.**—(1) An application is to be treated as made—

- (a) on the day it is received by the Scottish Ministers; or
- (b) the day chosen by the Scottish Ministers in accordance with paragraph (2).

(2) If, before making a decision on the basis of an application, the Scottish Ministers consider that applicant—

- (a) would not be entitled to benefit under these Regulations if the application were treated as made on the day they received it, and
- (b) would be entitled to benefit under these Regulations if the application were treated as made on a day falling within a period of 10 days beginning with the day they received it,
- the Scottish Ministers may choose the day within that 10 day period on which the application is to be treated as made.

#### Decision following backdated award of assistance

**23.**—(1) The Scottish Ministers are to make a decision on an individual's entitlement to benefit under these Regulations (without receiving an application) where the circumstances in paragraphs (2) to (5) apply.

(2) The Scottish Ministers have previously made a decision that the individual is not entitled to benefit under these Regulations ("the original decision").

(3) The Scottish Ministers establish that a backdated award of assistance of a kind specified in-

- (a) regulation 5(2)(a) is made in circumstances in which regulation 5(2)(b) applies, or
- (b) regulation 10 is made.

(4) The award referred to in paragraph (3) ("the backdated award") is backdated to a day, or a period that begins on a day, that falls no later than the day on which the original decision was made.

(5) Had the backdated award been made before the original decision, a decision that the individual is entitled to benefit under Regulations would have been made.

(6) For the purposes of this regulation, an award is backdated if it relates to a day, or a period that begins on a day, that falls before the day the decision to make the award was taken.

# The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024

Business and Regulatory Impact Assessment



Final Business and Regulatory Impact Assessment The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024

## The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024

## **Purpose and Intended Effect**

Background

#### **Best Start Foods**

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 person and/or a child or children under the age of 3. 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.*<sup>1</sup> It was also informed by the report produced by the Children's Parliament in 2017 entitled *What Kind of Scotland*?<sup>2</sup> 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 currently provides £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 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, without the need for a qualifying benefit. This is also true for parents who are under 18 and have a child who is under 1.

For a child to be eligible for BSF, an individual must also be able to evidence child responsibility. For most eligible 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 31 March 2023, more than 148,000

<sup>&</sup>lt;sup>1</sup> Nourish Scotland (2016) Living more important than surviving.pdf (nourishscotland.org) <sup>2</sup> Children's Parliament (2017) What Kind of Sectland

<sup>&</sup>lt;sup>2</sup> Children's Parliament (2017) What Kind of Scotland

applications had been authorised for Best Start Foods.<sup>3</sup> In total, over £41 million has been provided to those families who need it most. In the 2022-23 financial year around 46,425 people were paid Best Start Foods.

#### 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 Futures*<sup>4</sup> – 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.

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 Benefit Take-Up Strategy that the complexity of accessing entitlements is a key barrier to benefit take-up. 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

<sup>&</sup>lt;sup>3</sup> Social Security Scotland (2023): <u>Best Start Grant and Best Start Foods: high level statistics to 31 March 2023 - gov.scot</u> (www.gov.scot)

<sup>&</sup>lt;sup>4</sup> Scottish Government (2018) Every child, every chance: tackling child poverty delivery plan 2018-2022

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.

#### Objective

These amendment regulations will make the following changes to BSF:

- Remove the income thresholds which apply to certain qualifying benefits;
- Make Working Tax Credits (WTC) a qualifying benefit in its own right;
- For applicants who are in receipt of any qualifying benefit, any deductions made from their award due to sanctions or to pay any liability should be disregarded;
- Introduce automatic eligibility for 18/19 year old dependants who are pregnant and for children where the individual responsible for them is an 18/19 year old dependant;
- Extend automatic eligibility so that it does not end until an individual turns 18, stops being a dependant, the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later;
- Make the individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF;
- Align the eligibility criteria for partners of pregnant persons with that of pregnant persons;
- Make explicit that all individuals must be ordinarily resident to be eligible for BSF;
- Ensure that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person or young parents to an entitled child can be paid in their own right;
- Allow payment on behalf of an entitled child to be made to the partner of the person who is responsible for the child;
- Ensure BSF payments continue for a period of 8 weeks when entitlement to any qualifying benefit ends;
- 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;
- Introduce the ability to treat an application as having been made at a later date where Social Security Scotland can see that the individual who applied will soon become eligible;
- Specify that the higher payment of BSF paid from the date the child is born until the child turns 1 or reaches the first anniversary of its estimated delivery

date, whichever is later, is double the lower payment; and

 In exceptional circumstances, allow payments to be made in a way other than the prepaid card.

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:
  - $\circ$  help to ensure that regulations, systems and policy intent are aligned;
  - o make it easier for clients to understand the eligibility criteria;
  - o reduce the need for re-applications and review requests;
  - o make it easier to potentially automate payments in the future;
  - o eliminate risks of unfair treatment;
  - improve access to BSF for young parents;
  - $\circ$  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:
    - eliminate risks of unfair treatment;
    - $\circ$  simplify the uprating process; and
    - $\circ\;$  ensure we have the ability to give individuals the assistance they are entitled to in all cases.

#### • Rationale for Government intervention

As identified in the first Tackling Child Poverty Delivery Plan,<sup>5</sup> there is a strong rationale for intervention to tackle child poverty and improve children's outcomes. In 2019-22, it is estimated that 24% of children (250,000 children each year) were living in relative poverty after housing costs in 2019-22. Before housing costs, it is estimated that 22% of children (230,000 children each year) were in relative poverty.<sup>6</sup>

Eligibility for BSF is targeted at low income families with a pregnant person or child under 3, recognising that the early years are key to improving long term outcomes with socioeconomic differences having implications in later decades.<sup>7</sup> Children in low income households tend to experience a range of disadvantages which can accumulate throughout their lives. For example, poverty negatively affects children's health, social, emotional and cognitive development, and also their behavioural and educational outcomes.<sup>8</sup> The growing evidence in developed economies suggests that gaining additional income has positive causal effects on health, behavioral development and educational attainment for children in households at the lower end of income distribution.<sup>9</sup>

<sup>&</sup>lt;sup>5</sup> Scottish Government (2018) Every child, every chance: tackling child poverty delivery plan 2018-2022

<sup>&</sup>lt;sup>6</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 4

<sup>&</sup>lt;sup>7</sup> Scottish Government (2010) Growing up in Scotland: health inequalities in the early years

<sup>&</sup>lt;sup>8</sup> Public Health Scotland (2021) <u>Impact of child poverty - Child poverty overview - Child poverty - Children - Population</u> <u>groups - Public Health Scotland</u>

<sup>&</sup>lt;sup>9</sup> Cooper & Stewart, Centre for Analysis of Social Exclusion (2017) <u>Does money affect children's outcomes?</u> an update

BSF also contributes to the Scottish Government's efforts to tackle food insecurity. In 2019-22, 21% of children lived in households with marginal, low or very low food security.<sup>10</sup> Children in poverty were less likely to have high food security: just 55% of those in relative poverty, and 56% of those in severe poverty lived in high food security households.<sup>11</sup> By providing eligible families with a child under 3 support to purchase healthy foods and milk, BSF helps make accessing healthy food more affordable.

Eating well, having a healthy weight and being physically active also form part of the public health priorities we have jointly created with the Convention of Scottish Local Authorities (COSLA). We published "A Healthier Future: Scotland's diet and healthy weight delivery plan"<sup>12</sup> in July 2018. This plan sets out our vision for a Scotland where everyone eats well and has a healthy weight. Replacing the UK Healthy Start Voucher scheme in Scotland with BSF was one of the actions in the plan. The plan sets out our ambition to halve childhood obesity by 2030, and significantly reduce diet-related health inequalities. One of the key outcomes for this plan is that children have the best start in life - they eat well and have a healthy weight. Dealing only with the consequences of poor diet and higher weight is not enough, we also need to address the underlying causes. There is some evidence to show that BSF 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.<sup>13</sup>

BSF policy is supportive of the National Outcomes in the Scottish Government's National Performance Framework.<sup>14</sup> The following table sets out the impact of the changes.

National Outcome	Impact of changes		
Poverty: we tackle poverty by sharing opportunities, wealth and power more equally.	Social security has been identified as one of the most effective and immediate ways to boost family incomes. BSF provides families with a pregnant person or child under 3 who are in poverty with financial support to help make healthy food and milk more affordable		
Health: we are healthy and active	There is evidence of the impact of diet in the early years on longer term outcomes. BSF is designed to support families with a pregnant person or child under 3 who are in poverty to maintain a healthy diet.		
Education: we are educated, skilled and able to contribute to society	BSF is designed to support families with a pregnant person or child under 3 who are in poverty to maintain a healthy diet. Research		

<sup>&</sup>lt;sup>10</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 8

<sup>&</sup>lt;sup>11</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 8

<sup>&</sup>lt;sup>12</sup> Scottish Government (2018) <u>A Healthier Future - Scotland's Diet and Healthy Weight Delivery Plan</u>

<sup>&</sup>lt;sup>13</sup> Scottish Government (2022) BSF: evaluation

<sup>&</sup>lt;sup>14</sup> Scottish Government <u>National Performance Framework</u>

	has shown that early educational attainment is negatively correlated with poor diet at home before the age of three.		
Children and Young People: we grow up loved, safe and respected so that we realise our full potential	BSF contributes to tackling food insecurity in the early years by providing financial support towards the cost of healthy food and milk for children under 3 who are in poverty.		
Human Rights: we respect, protect and fulfil human rights and live free from discrimination	Social Security Scotland takes a human rights based approach to delivering payments. Their Charter sets out how they do this and how they demonstrate dignity, fairness and respect in all their actions.		

The provision of financial resources to low income families with children under 16 also contributes to the aim of having a fairer and more equal society as set out in Scotland's National Strategy for Economic Transformation.<sup>15</sup>

## Consultation

#### • Within Government

Consultation in relation to the amended regulations has included colleagues from the Directorate for Tackling Child Poverty and Social Justice and from Social Security Scotland. Input from analytical colleagues has helped us understand the likely numbers of individuals who will be affected by the changes we are making and the impact on benefit expenditure. Input from Social Security Scotland has helped us to understand how the policy intent can be met and how the changes will be implemented.

#### External Stakeholders

There has been policy engagement with stakeholders throughout the development of BSF and since launch. We have also held a number of meetings with our Five Family Payments 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 March 2023, we provided the Five Family Payments Reference Group with an overview of our proposed changes and following this we met separately with some of the individual members.

The overall feedback we received was positive. Removal of the income thresholds was welcomed by stakeholders and considered to be particularly helpful for people who do seasonal work, have variable incomes or are on flexible contracts. It was noted that the existing threshold for Universal Credit (UC) can prevent parents accepting work that is paid at the real Living Wage. A risk was also highlighted that people who currently lose entitlement due to breaching the income thresholds might not reclaim when their income reduces

<sup>&</sup>lt;sup>15</sup> Scottish Government (2022) <u>Scotland's National Strategy for Economic Transformation</u>

again, resulting in individuals not receiving the support they are entitled to. Extending the 8-week run-on so that it will apply to all qualifying benefits and not just UC was also viewed positively and considered to be especially helpful when issues arise with qualifying benefits which can take some time to resolve. Changes to improve access to BSF for young parents were also welcomed and it was anticipated that they would help improve uptake. Making WTC a qualifying benefit in its own right was viewed as particularly positive for some pregnant persons and also for some carers who are not responsible for the child for Child Tax Credit (CTC) purposes, e.g. some kinship carers. In general, further aligning eligibility for BSF with BSG and SCP was also received positively as it was acknowledged that the differences in eligibility can be confusing for some parents.

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. They noted that BSF helps to address stigma and improve the health and wellbeing of pregnant persons and children. They also felt that BSF could contribute to better educational outcomes. They welcomed the policy changes which will result in BSF being more accessible for low income families. However, they also cautioned that by allowing the individual who a pregnant person or partner of 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. To mitigate this risk, the regulations ensure that an application from 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.

We have also engaged with the Scottish Women's Convention and Nourish Scotland. Overall, the feedback received was that the changes being made are very positive and progressive. Changes which will make it easier for eligible families to access BSF were welcomed. Extending the 8-week run-on so that it will apply to all qualifying benefits and not just Universal Credit was specifically highlighted as a good example of how to treat individuals well.

We have consulted with the Scottish Fiscal Commission (SFC) who have estimated that removing the income thresholds will result in the additional expenditure set out in table 1 below.

#### Business

Private businesses have not been consulted directly as it is expected that the amendments to BSF regulations will not have a negative impact on their interests.

## Option

The option we currently have in relation to amending BSF regulations is as follows:

Proceed with The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024. Delivering on the ministerial commitment to remove the income thresholds which apply to some qualifying benefits for BSF.

## **Sectors and Groups Affected**

Increasing eligibility and improving access to BSF will result in more low income families receiving support towards the cost of healthy food and milk. This may also mean that more money will be spent in local food retailers as demand for food and milk increases, supporting local economies. However, given the small scale of the increase in support (around 20,000 additional eligible clients across Scotland for the removal of the income threshold) in proportion to the size of the population and economy as a whole, any positive impacts on local retail businesses and supply chains are likely to be very small.

It may also contribute positively in reducing demand on health services delivered by the public sector as individuals have improved access to a healthy diet and therefore may be more likely to be of a healthy weight. However, it is likely much of any positive health impacts would be realised only in the long term rather than short term.

Increasing eligibility will have an impact on Social Security Scotland who will need to process more applications. This is likely to result in increased processing times for BSF, BSG and SCP in the six weeks following the introduction of the changes to BSF.

By further aligning eligibility and procedural rules for BSF with BSG and SCP, individuals will find it easier to understand what they are entitled to and will also reduce the need for individuals to reapply for BSF. This could reduce the demand on advice services as individuals will be less likely to require support to apply for BSF. It could also reduce the demand on Social Security Scotland as in some instances they will be able to award BSF without the client having to reapply. For example, where an individual has been denied BSF due to not being in receipt of a qualifying benefit or child responsibility benefit and subsequently receives a backdated award of that benefit backdated to include the date of original application for BSF.

Removing the income thresholds also means that we will not need to uprate income thresholds annually to take account of increases to the National Living Wage. This will lessen the burden on Social Security Scotland as they will not require to update data sharing agreements with HMRC and DWP annually.

## **Benefits**

#### The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024

Removing the income thresholds will result in approximately 20,000 additional

individuals being eligible for BSF.<sup>16</sup> This will mean more children and pregnant persons in low income families can benefit from the support provided by BSF. Furthermore, children whose parents/carers have fluctuating incomes from work - such as those who do seasonal work, have variable incomes or flexible contracts - will be less likely to move in and out of BSF eligibility as long as they continue to receive a qualifying benefit.

Making WTC a qualifying benefit in its own right will mean more low income pregnant persons can benefit from the support provided by BSF. It may also help individuals who are receiving WTC but who aren't responsible for the child for CTC purposes – this could include some kinship carers.

By expanding automatic eligibility to 18/19 year old dependants who are pregnant and to children where the individual responsible for them is an 18/19 year old dependant, access to BSF for young pregnant persons will be improved. Making the children of these young parents automatically eligible for BSF will help ensure that they can access healthy food and milk, helping to establish positive eating behaviours and reduce their risk of obesity and other health conditions.

We will also extend automatic eligibility so that where the individual responsible for the child is under 18 or an 18/19 dependant, their child will continue to be eligible up until:

- their parent/carer turns 18, or
- their parent/carer stops being a dependant, or
- the child turns 1 or
- the child reaches the first anniversary of its estimated delivery date, whichever is later.

Extending automatic eligibility in this way, will ensure that the children of these young parents are not disadvantaged because their parents are unable to access a qualifying benefit due to their age. This is particularly important given the strong relationship between parental age and child poverty rates.

Furthermore, we will extend automatic eligibility so that where the pregnant person or their partner turns 18 or stops being a dependant during pregnancy they will remain eligible until they reach the end of their pregnancy and their child will be eligible until the child turns 1 or reaches the first anniversary of its delivery date, whichever is later. This will mean young parents continue to receive support to breastfeed or purchase first infant formula for their baby, whichever is their choice.

Providing a further 8 weeks of payments of BSF when entitlement to any qualifying benefit ends, not just UC, will mean all children will continue to benefit from the support that BSF provides when their family's income is in transition.

By increasing the number of individuals who are eligible for BSF and providing all individuals in receipt of a qualifying benefit with a further 8 week of payments when their entitlement to a qualifying benefit ends, more money will be spent on healthy food and milk in local economies which will have a positive impact for food retailers

<sup>&</sup>lt;sup>16</sup> Internal Scottish Government Analysis More help for more families - gov.scot (www.gov.scot)

that sell these products. It may also result in less demand on health services as individuals have improved access to a healthy diet and may therefore be more likely to be of a healthy weight.

The estimated additional 20,000 eligible people resulting from removal of the income thresholds is equivalent to less than 0.5% of the Scottish adult population so the proportion of people within the full economy benefiting is small. Additionally, the standard payment amount is worth less than 1% (around 1.5% for the higher amount) of UK median income so it is unlikely to make a significant impact on spending habits. However, research has shown that is likely that there would be an increase in food spending (including fruit and vegetables) amongst the group that will receive the benefit following the change.<sup>17</sup>

Ensuring that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person can be paid BSF in their own right will help to empower young parents and also mitigate the risk of financial coercion or abuse. Furthermore, this change will ensure pregnant persons and partners of pregnant persons who are under 16 and who are not dependent upon anyone, are able to access a payment.

Furthermore, we will make the individual who a pregnant person/partner of a pregnant person is dependent on and the partner of that individual, eligible to receive BSF so that young parents can have choice in how they access the benefit.

In exceptional circumstances, allowing payments to be made in a way other than the prepaid card could have a positive impact on some individuals with a disability or long term health condition who find that due to their needs, the card is not accessible. It could also help some young pregnant persons and parents to access BSF in their own right as there is a lower age threshold which is applied to the prepaid card.

Other changes we are making to further align eligibility and procedures for BSF with BSG and SCP are expected to make entitlement simpler to understand and therefore make it easier to access BSF, supporting increased take-up of the payments. The changes will also reduce the need for some individuals to have to reapply for BSF. For example, where an individual has been denied BSF due to not being in receipt of a qualifying benefit or child responsibility benefit and subsequently receives a backdated award of that benefit backdated to include the date of original application for BSF.

Ensuring that all individuals are able to access their entitlement and improving takeup will help ensure that those who are eligible for BSF utilise the financial support it provides. This will have a positive impact for food retailers that sell healthy food and milk.. It may also result in less demand on health services as individuals have improved access to a healthy diet. Reducing the need for some individuals to have to reapply or submit a review request for BSF could reduce the demand on Social Security Scotland as they will be able to award BSF without having to process a

<sup>&</sup>lt;sup>17</sup> The University of York (2015) <u>Getting a healthy start: The effectiveness of targeted benefits for improving</u> <u>dietary choices</u>

new application or internal review.

## Costs

#### The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024

The SFC<sup>18</sup> have forecast the financial impact of removing the income thresholds which is set out in the table below:

## Table 1 – impact on BSF benefit expenditure of removing the income thresholds

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Impact on BSF benefit expenditure (£ million)	0,1	3	6	6	6	6

For the remaining changes proposed, there are no significant financial implications associated with the creation of regulations to achieve the stated policy aim. The additional expenditure resulting from these changes is estimated to be approximately £130,000 in 2024-25, but this figure will decrease slightly in future years as clients transition from legacy benefits to Universal Credit.

As with any government investment the money spent on the proposed amendments could be invested elsewhere. However, additional government expenditure on removing the income thresholds for Best Start Foods is expected to increase the number of people eligible for financial support by around 20,000<sup>19</sup>. Tackling poverty and protecting people from harm is one of the Scottish Government's three critical missions and rising food prices disproportionately hurt those on the lowest incomes.

## **Regulatory and EU Alignment Impacts**

## Intra-UK Trade

There is not likely to be any impact on intra-UK trade as a result of these changes.

## **International Trade**

The changes we are making to BSF will have no impact on international trade and investment.

## **EU Alignment**

The policy changes we are making are not likely to impact on the Scottish

<sup>&</sup>lt;sup>18</sup> Scottish Fiscal Commission (2023) <u>Scotland's Economic and Fiscal Forecasts – May 2023 | Scottish</u> <u>Fiscal Commission</u>

<sup>&</sup>lt;sup>19</sup> Internal Scottish Government Analysis More help for more families - gov.scot (www.gov.scot)

government's policy to maintain alignment with the EU.

## **Scottish Firms Impact Test**

There has been extensive engagement with a wide range of stakeholders throughout development of these policy proposals to understand the impact of the policy on the third sector and the groups they represent.

We held a meeting with our Five Family Payments Reference Group, which is made up of a number of key stakeholders with an interest in the policy area, in March 2023. We provided them with an overview of our proposed changes and following this we met separately with two of the individual members – One Parent Family Scotland and CPAG Scotland.

The overall feedback we received was positive. Removal of the income thresholds was welcomed by stakeholders and considered to be particularly helpful for people who do seasonal work, have variable incomes or are on flexible contracts. It was noted that the existing threshold for UC can prevent parents accepting work that is paid at the real Living Wage. A risk was also highlighted that people who currently lose entitlement due to breaching the income thresholds might not reclaim when their income reduces again, resulting in individuals not receiving the support they are entitled to. Extending the 8-week run-on so that it will apply to all gualifying benefits and not just UC was also viewed positively and considered to be especially helpful when issues arise with qualifying benefits which can take some time to resolve. Changes to improve access to BSF for young parents were also welcomed and it was anticipated that they would help improve uptake. Making WTC a qualifying benefit in its own right was viewed as particularly positive for some pregnant persons and also for some carers who are not responsible for the child for CTC purposes, e.g. some kinship carers. In general, further aligning eligibility for BSF with BSG and SCP was also received positively as it was acknowledged that the differences in eligibility can be confusing for some parents.

We have also engaged with the Scottish Women's Convention and Nourish Scotland. Overall, the feedback received was that the changes being made are very positive and progressive. Changes which will make it easier for eligible families to access BSF were welcomed. Extending the 8 week run-on so that it will apply to all qualifying benefits and not just UC was specifically highlighted as a good example of how to treat individuals well.

It is expected that increasing eligibility for BSF could cause additional requests for information and support from existing advice services. As highlighted within the second Benefit Take up Strategy<sup>20</sup>, 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.

In 2023-24, the Scottish Government will allocate £11.7 million to support the provision of free income maximisation, welfare and debt advice.

<sup>&</sup>lt;sup>20</sup> Scottish Government (2021) Social Security (Scotland) Act 2018: benefit take-up strategy - October 2021

As part of this, the Scottish Government has committed £3.52 million over three years, from 2021, placing welfare rights advisors in up to 180 GP practices across Scotland's most deprived areas. Evidence has shown that money and welfare advisors in health centres often reach people who do not engage with traditional advice services.

Local delivery is the face to face channel of Social Security Scotland, providing preclaim support to clients accessing the Scottish benefits system. The Local Delivery service is made up of specially trained Client Support Advisers who are based within every local authority area in Scotland including our Island communities. The Local Delivery Relationship Leads have built close relationships with Local Authorities, Health & Social Care and Third Sector agencies creating opportunities to co-locate Social Security Scotland staff and deliver a service that is tailored to meet the differing needs of each individual area. 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.

## **Competition Assessment**

The Scottish Government does not believe that the amendments to BSF will have an adverse impact on the competitiveness of Scottish companies or the third sector within Scotland, the UK, or elsewhere in Europe or the rest of the world. These benefits do not directly or indirectly limit the number of suppliers, nor do they limit the ability of suppliers to compete or reduce suppliers' incentives to compete vigorously. Additionally, the Scottish Government have reached out to advice groups such as Child Poverty Action Group and One Parent Families Scotland and does not expect there to be any significant impact on the operational business of local authorities or health boards as a result of introducing the amendments to BSF.

Any procurement required to support the administration of BSF will be subject to the Public Contracts (Scotland) 2015 Regulations<sup>21</sup> and the Procurement Reform (Scotland) Act 2014<sup>22</sup> which together provides a national legislative framework for sustainable public procurement. The Regulations and the Act provide the statutory foundations for the Scottish Model of Procurement.

Will the measure directly or indirectly limit the number or range of suppliers?	No
Will the measure limit the ability of suppliers to compete?	No
Will the measure limit suppliers' incentives to compete vigorously?	No

<sup>&</sup>lt;sup>21</sup> The Public Contracts (Scotland) 2015 Regulations

<sup>&</sup>lt;sup>22</sup> The Procurement Reform (Scotland) Act 2014

Will the measure limit the choices and information available to consumers?	No
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## **Consumer Assessment**

The Scottish Government does not believe that the amendments to the BSF regulations will have an adverse impact on children/families or any other consumer either within Scotland, the UK, or elsewhere in Europe or the rest of the world. Social Security Scotland has published Our Charter,<sup>23</sup> detailing the service clients can expect from them

Does the policy affect the quality, availability or price of any goods or services in a market?	No
Does the policy affect the essential services market, such as energy or water?	No
Does the policy involve storage or increased use of consumer data?	No
Does the policy increase opportunities for unscrupulous suppliers to target consumers?	No
Does the policy impact the information available to consumers on either goods or services, or their rights in relation to these?	No
Does the policy affect routes for consumers to seek advice or raise complaints on consumer issues?	No

## **Test Run of Business Forms**

No new business forms will be brought in with the implementation of the proposed amended regulations. It will be possible to make applications online, by post or by telephone. Support from Social Security Scotland will also be available in all local authority areas through their Local Delivery service.

## **Digital Impact Test**

Does the measure take account of changing	We have committed to a multi-channel approach for BSF as with the other devolved benefits with		
	applications taken online, over the phone or on a		

<sup>&</sup>lt;sup>23</sup> Scottish Government (2019) Social Security Scotland: our charter - gov.scot (www.gov.scot)

digital technologies and markets?	paper form. This offers options for those with digital access and for those who find it more challenging.
Will the measure be applicable in a digital/online context?	BSF will be available in a digital/online context, including an online application channel. Guidance material advising on who may or may not be eligible will also be available online. Further information on the BSF policy is already available on the Scottish Government website. This allows potential applicants to access information on the benefits quickly and easily. We will also ensure information is available in other formats for people who may find it difficult to access information online.
Is there a possibility the measures could be circumvented by digital / online transactions?	We are unable to auto-award BSF at this time. Automation of this sort is complex, time-consuming, and technically challenging – and simply isn't possible without affecting our planned delivery schedule. However, by further aligning BSF with BSG and SCP, it will be easier to potentially automate BSF in the future.
Alternatively will the measure <b>only</b> be applicable in a digital context and therefore may have an adverse impact on traditional or offline businesses?	No, the service will be available by telephone, paper form and face to face through the Social Security Scotland Local Delivery service.
If the measure can be applied in an offline <b>and</b> online environment will this in itself have any adverse impact on incumbent operators?	No adverse impacts have been identified on incumbent operators at this stage of the impact assessment.

## Legal Aid Impact Test

All applicants to BSF have the ability to request a review of any decision made on their claim and details of this are laid out in Social Security Scotland operational guidance. There are no rights to redetermination or appeal for BSF and the changes we are making are not introducing any new rights of appeal, therefore there should be no impact on legal aid.

## **Enforcement, Sanctions and Monitoring**

We have not been made aware of any new burdens for businesses, local government or the third sector generated by these amended regulations in regards to enforcement, sanctions or monitoring.

The Scottish Government has established the independent Scottish Commission on Social Security (SCoSS) who have provided independent scrutiny of the amended BSF regulations.<sup>24</sup> The Scottish Government will publish a response to the report and their recommendations.

## **Implementation and Delivery Plan**

BSF is delivered through the Welfare Foods (Best Start Foods) (Scotland) Regulations 2019<sup>25</sup>, made under the Social Security Act 1988. The proposed amendments to BSF will be implemented through The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024 using powers in the both 1988 Act. The Amendment Regulations will come into force on the 26<sup>th</sup> February 2024.

## **Post-implementation Review**

We intend to commission a further evaluation on BSF as part of a wider evaluation of the FFP to report in 2025. We will also continue to engage with members of the FFP Reference Group to monitor their impact.

Social Security Scotland carry out regular surveys to understand the experience of clients who have applied for the FFP. The Social Security (Scotland) Act 2018<sup>26</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, including in relation to protected characteristics. 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 Benefit Take-up Stakeholder Reference group. This group is a partnership of Scottish Government officials and organisations representing thirdsector and local authority interests who have knowledge of issues surrounding benefit take-up. It is designed so that members can provide a valuable source of experience and expertise, acting as a sounding board for policy work going forward. Since the publication of the second Benefit Take-up Strategy in October 2021,<sup>27</sup> the group has expanded to include organisations representing seldom heard groups of the population, as identified in the strategy, as well as stakeholders representing the protected characteristic groups.

<sup>&</sup>lt;sup>24</sup> Add reference to SCoSS report once published

<sup>&</sup>lt;sup>25</sup> The Welfare Foods (Best Start Foods) (Scotland) Regulations 2019

<sup>&</sup>lt;sup>26</sup> Social Security (Scotland) Act 2018

<sup>&</sup>lt;sup>27</sup> Scottish Government (2021) <u>Social Security (Scotland) Act 2018: benefit take-up strategy - October 2021</u>

## **Summary and Recommendation**

In summary, the Scottish Government has identified evidence that the amendments to the BSF regulations will contribute an additional investment into the Scottish economy. It is anticipated that these funds will be used to pay for goods. Therefore, businesses could benefit from the amendments to BSF. Any impact on businesses of the amendments to the BSF regulations should be positive.

The Scottish Government has worked closely with stakeholders to identify any potential negative consequences of amending the BSF regulations and will continue to do so until the amendments to the BSF regulations are implemented and will continue to monitor the success of BSF after the regulations have been amended.

It has been a longstanding commitment that we will remove the income thresholds which apply to some qualifying benefits for BSF this parliamentary term. These regulations enable that change. We have also taken the opportunity to make a number of other improvements to BSF. We consider that combining these with the legislation to remove the income thresholds is the most effective and timely way to make these improvements and ensure the payments are delivered in the best way possible for the people of Scotland. The available evidence shows that there is a strong case to amend the current regulations. This will allow us to extend the financial assistance to all families with a pregnant person or child under 3 who receive a qualifying benefit, regardless of their other income. They will also allow us to improve access for young parents and their children, align BSF further with BSG and SCP and make some technical changes to how we make payments.

#### • Summary costs and benefits table

Total benefit per annum: - economic, environmental, social	Total cost per annum: - economic, environmental, social - policy and administrative
Approximately 20,000 individuals will become eligible to receive BSF as a result of removing the income thresholds. Furthermore, those who have fluctuating incomes from work will be less likely to move in and out of BSF eligibility	The SFC have forecast the financial impact of removing the income thresholds. These are set out in the table in the above costs section and can also be found <u>here</u> . In the long term the removal of the income thresholds are expected to cost the Scottish Government around £6m a year.
More pregnant persons and children will be eligible as a result of making WTC a qualifying benefit in its own right. Improving access for young pregnant persons, partners of pregnant persons and parents	For the remaining changes proposed, there are no significant financial implications associated with the creation of regulations to achieve the stated policy aim. The additional benefit expenditure resulting from these

will result in more individuals being eligible to receive support, some children receiving support for longer and take-up may also be improved as a result of eligibility for these young people being simplified.

Providing a further 8 weeks of payments of BSF when entitlement to any qualifying benefit ends, not just UC, will mean all children will continue to benefit from the support that BSF provides when their family's income is in transition.

By increasing the number of individuals who are eligible for BSF and providing all individuals in receipt of a qualifying benefit with a further 8 week of payments when their entitlement to a qualifying benefit ends, more money will be spent on healthy food and milk in local economies which will have a positive impact for food retailers that sell these products. It may also result in less demand on health services as individuals have improved access to a healthy diet and therefore may be more likely to be of a healthy weight ...

Ensuring that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person can be paid BSF in their own right will help to empower young parents and also mitigate the risk of financial coercion or abuse. Furthermore, this change will ensure pregnant persons and partners of pregnant persons who are under 16 and who are not dependent upon anyone, are able to access a payment.

Furthermore, we will make the

changes is estimated to be approximately £130,000 in 2024-25, but this figure will decrease slightly in future years as clients transition from legacy benefits to Universal Credit.

As a result of increasing eligibility for BSF there will be increased demands on Social Security Scotland operational staff who will have to process applications for the additional caseload.

As a result of making changes to the eligibility and procedural rules, there will be increased demands on technical staff within Social Security Scotland who are required to design and implement the planned changes.

There may be a burden on advice services who will have to invest time in learning about the new eligibility and procedural rules for BSF. individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF so that young parents can have choice in how they access the benefit.

In exceptional circumstances, allowing payments to be made in a way other than the prepaid card could have a positive impact on some individuals with a disability or long term health condition who find that due to their needs, the card is not accessible. It could also help some young pregnant persons and parents to access BSF in their own right as there is a lower age threshold which is applied to the prepaid card.

Other changes we are making to further align eligibility and procedures for BSF with BSG and SCP are expected to make entitlement simpler to understand and therefore make it easier to access BSF, supporting increased take-up of the payments. The changes will also reduce the need for some individuals to have to reapply for BSF.

Ensuring that all individuals are able to access their entitlement and improving take-up will help ensure that those who are eligible for BSF utilise the financial support it provides. This will have a positive impact for food retailers that sell healthy food and milk.. It may also result in less demand on health services as individuals have improved access to a healthy diet. Reducing the need for some individuals to have to reapply or submit a review request for BSF could reduce the demand on

Social Security Scotland as they will be able to award BSF without having to process a new application or internal review.	
• •	

## **Declaration and Publication**

I have read the Business and Regulatory Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) that the benefits justify the costs. I am satisfied that the business impact has been assessed with the support of businesses in Scotland.

Signed:

Date:

Any queries about this BRIA should be addressed to: Mikaela Bain

Email: Mikaela.bain@gov.scot



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## Child Rights and Wellbeing Impact Assessment (CRWIA)

for The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024

#### **Disclaimer**

This **draft** document is an **initial assessment** of the impact of The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024 and Scottish Government will continue to review and update this document where required during the parliamentary/strategic decision making process. Any future iterations will reflect an increased understanding of these impacts as the amount of data and research available continues to grow.

This impact assessment should be read in conjunction with the Equality Impact Assessment and the Fairer Scotland Duty Assessment.

## CRWIA Stage 1 – Screening

(Please note, the CRWIA should be started as soon as possible in the development process for the relevant proposal)

### 1. Brief Summary (Guidance Section 2.1)

Best Start Foods (BSF) is a social security payment delivered by Social Security Scotland. BSF aims to tackle the impacts of child poverty by improving access to healthy foods and milk for eligible families on a low income. BSF provides eligible pregnant persons and families with a child under the age of three with a minimum of  $\pounds$ 4.95 a week via a payment card to purchase healthy foods and milk.

The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024:

The purpose of these regulations is to meet the Ministerial commitment to remove income thresholds for all qualifying benefits for 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.

#### **Best Start Foods**

The Scottish Government replaced the UK Healthy Start Voucher scheme in Scotland with BSF on 12 August 2019. BSF provides eligible families with a pregnant person or child under the age of three with a minimum of £4.95 a week via a payment card to purchase healthy foods and milk

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*.<sup>1</sup> It was also informed by the report produced by the Children's Parliament in 2017 entitled *What Kind of Scotland*?<sup>2</sup> 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 currently provides  $\pounds$ 19.80 every four weeks throughout pregnancy,  $\pounds$ 39.60 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  $\pounds$ 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, without the need for a qualifying benefit. This is also true for parents who are under 18 and have a child who is under 1.

For a child to be eligible for BSF, an individual must also be able to evidence child responsibility. For most eligible individuals, the evidence will be receipt of a child

<sup>&</sup>lt;sup>1</sup> Nourish Scotland (2016) Living more important than surviving

<sup>&</sup>lt;sup>2</sup> Children's Parliament (2017) What Kind of Scotland

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 31 March 2023, more than 148,000 applications had been authorised for Best Start Foods.<sup>3</sup> In total, over £41 million has been provided to those families who need it most. In the 2022-23 financial year around 46,425 people were paid Best Start Foods.

#### 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 Futures*<sup>4</sup> – 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.

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 Benefit Take-Up Strategy that the complexity of accessing entitlements is a key barrier to benefit take-up. 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.

<sup>&</sup>lt;sup>3</sup> Social Security Scotland (2023) <u>Best Start Grant and Best Start Foods: high level statistics to 31</u> <u>March 2023 - gov.scot (www.gov.scot)</u>

<sup>&</sup>lt;sup>4</sup> Scottish Government (2018) Every child, every chance: tackling child poverty delivery plan 2018-2022

#### Version 4 February 2023 – Stage 1 Screening

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 five family payments and make it simpler to potentially automate payments in the future.

#### Policy Changes – Summary

These amendment regulations will make the following changes to BSF:

- Remove the income thresholds which apply to certain qualifying benefits;
- Make Working Tax Credits (WTC) a qualifying benefit in its own right;
- For applicants who are in receipt of any qualifying benefit, any deductions made from their award due to sanctions or to pay any liability should be disregarded;
- Introduce automatic eligibility for 18/19 year old dependants who are pregnant and for children where the individual responsible for them is an 18/19 year old dependant;
- Extend automatic eligibility so that it does not end until an individual turns 18, stops being a dependant, the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later;
- Make the individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF;
- Align the eligibility criteria for partners of pregnant persons with that of pregnant persons;
- Make explicit that all individuals must be ordinarily resident in order to be eligible for BSF;
- Ensure that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person or young parents to an entitled child can be paid in their own right;
- Allow payment on behalf of an entitled child to be made to the partner of the person who is responsible for the child;
- Ensure BSF payments continue for a period of 8 weeks when entitlement to any qualifying benefit ends;
- 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;

- Introduce the ability to treat an application as having been made at a later date where Social Security Scotland can see that the individual who applied will soon become eligible;
- Specify that the higher payment of BSF paid from the date the child is born until the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later, is double the lower payment; and
- In exceptional circumstances, allow payments to be made in a way other than the prepaid card.

#### 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:
  - $\circ$  help to ensure that regulations, systems and policy intent are aligned;
  - o make it easier for clients to understand the eligibility criteria;
  - o reduce the need for re-applications and review requests;
  - o make it easier to potentially automate payments in the future;
  - o eliminate risks of unfair treatment;
  - o improve access to BSF for young parents;
  - o make it easier to administer and promote the benefits; and
  - address stakeholder concerns regarding the need for better alignment across the five family payments
- Make other technical changes to how we make payments. These will:
  - o eliminate risks of unfair treatment;
  - o simplify the uprating process; and
  - ensure we have the ability to give individuals the assistance they are entitled to in all cases.

Start date of relevant proposal: Laying date 7<sup>th</sup> December 2023, coming into force date 26 February 2024

Start date of CRWIA process: April 2023

#### Which aspects of the relevant proposal currently affects or will affect children and young people up to the age of 18? (Guidance Section 2.1)

All aspects of these policy changes will affect eligible children and will affect some young people who are pregnant, the partner of a pregnant person or the parent of an eligible child.

3. Which groups of children and young people are currently or will be affected by the relevant proposal? (Guidance Section 2.1)

BSF targets support to pregnant persons - who may themselves be children - and children under the age of three who are in low income families. Therefore these children and young people will be affected by the proposal.

### **Declaration**

4. Is a Stage 2 Children's Rights and Wellbeing Impact Assessment required? (Tick relevant requirement) (Guidance Section 2.1)

CRWIA required 🛛	No explanation required, please complete questions 5 and 6
CRWIA not required □	Please explain why below and contact the children's rights unit to discuss this decision <a href="mailto:crwia@gov.scot">crwia@gov.scot</a>

Explanation why CRWIA is not required: n/a

### 5. Sign & Date

Policy Lead Signature & Date of Sign Off: Michelle Rumgay

CRWIA author, if different from policy lead, Signature & Date of Sign Off: n/a

Deputy Director Signature & Date of Sign Off:

Date SGLD contacted

## Once signed off, please send to <u>CRWIA@gov.scot</u> and publish on gov.scot or relevant Executive Agency website.

#### 6. Preparation Phase if undertaking a CRWIA (Guidance Section 2.1)

If CRWIA is required, please engage in the preparation phase as early as possible. This phase consists of a research and consultation plan.

**Evidence:** Please list any research you are currently aware of that is relevant to this relevant proposal ?

We have drawn on existing research to fully understand the impact of these changes on children and young people.

Young parents:

- The latest analysis of client diversity and equalities data<sup>5</sup> shows that for approved BSF and BSG applications between December 2020 and May 2021, 21% (3,005) were from those aged 16-24.
- Some of the reasons young people might experience poverty include: the age at which mothers have their first child is substantially lower in more deprived areas, meaning that early motherhood is more likely amongst those already facing socio-economic disadvantage; mothers under 25 are also more likely than older mothers to have fewer qualifications, lower average incomes, and to be unemployed.<sup>6</sup>

<sup>&</sup>lt;sup>5</sup> Social Security Scotland (2021) <u>Social Security Scotland client diversity and equalities analysis to</u> <u>May 2021</u>

<sup>&</sup>lt;sup>6</sup> Scottish Government (2022) What we know about households with mothers aged under 25 -Tackling child poverty delivery plan: fourth year progress report 2021-2022 - focus report on households with mothers aged 25 or under - gov.scot (www.gov.scot)

- The Scottish Government's Pregnancy and Parenthood in Young People Strategy<sup>7</sup> highlights that young mothers are more reliant on social security payments and tax credits than older mothers– a position that remains the case as the child ages.
- 55% of children with a mother aged 25 or under are in relative poverty compared with 23% of children whose mother is 25 or over.<sup>8</sup>
- It is clear from our user testing that many young parents find accessing the income to which they are entitled confusing and difficult. We conducted user research workshops with young parents (under 18) through a charity. The input we got from this group highlighted their preference towards a digital service, finding contact via phone daunting, and helped to shape the wording and design of the application form e.g. we took forward their suggestion that pre-application content should be displayed over several pages. Through our policy engagement, some of the young mothers we spoke to highlighted the importance of being able to speak to someone about their entitlement. A multi-channel application process and promotion both digitally and through local services helps ensure young parents access the social security payments that they are entitled to.
- Responses from the A New Future for Social Security Consultation<sup>9</sup> highlighted under 18s as a group which would benefit from simpler provision.

#### Children:

- The early years are key to improving long term health outcomes, and with children from less affluent households being more at risk of negative outcomes in later decades.<sup>10</sup>
- Children in low income households tend to experience a range of disadvantages which can accumulate throughout their lives. For example, poverty negatively affects children's health, social, emotional and cognitive development, and also their behavioural and educational outcomes.<sup>11</sup> Evidence suggests that factors associated with child poverty, such as lower educational attainment, have implications for economic growth and a country's capacity to compete in the global economy.<sup>12</sup> 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>13</sup>

<sup>&</sup>lt;sup>7</sup> Scottish Government (2016) Pregnancy and Parenthood in Young People Strategy

<sup>&</sup>lt;sup>8</sup> Scottish Government (2021) <u>Additional child poverty analysis 2021</u> - Table 4 (child poverty priority groups and targets - further analysis)

<sup>&</sup>lt;sup>9</sup> Scottish Government (2017) <u>Analysis of written responses to the consultation on social security in</u> <u>Scotland</u>

 <sup>&</sup>lt;sup>10</sup> Scottish Government (2010) <u>Growing up in Scotland: health inequalities in the early years</u>
 <sup>11</sup> Public Health Scotland (2021) <u>Impact of child poverty - Child poverty overview - Child poverty - Child povert</u>

<sup>&</sup>lt;sup>12</sup> Joseph Rowntree Foundation (2008) <u>2301-child-poverty-costs.pdf (jrf.org.uk)</u>

<sup>&</sup>lt;sup>13</sup> Cooper & Stewart, Centre for Analysis of Social Exclusion (2017) <u>Does money affect children's</u> <u>outcomes? an update</u>

- It is estimated that 24% of children (250,000 children each year) were living in relative poverty after housing costs in 2019-22. Before housing costs, it is estimated that 22% of children (230,000 children each year) were in relative poverty.<sup>14</sup>
- It is estimated that in 2019-22, 69% of children in relative poverty after housing costs were living in working households (170,000 children each year).<sup>15</sup>
- Absolute child poverty after housing costs affected 21% (210,000 children each year). Before housing costs, absolute child poverty was at 18% (180,000 children each year).<sup>16</sup>
- It is estimated that 11% of children were living in combined low income and material deprivation after housing costs in 2019-22. Before housing costs, this was 10% of children.<sup>17</sup> We cannot say exactly how many children are affected, because the sample size is low this year. But in the previous period, 120,000 children were in combined low income after housing costs and material deprivation each year.
- In 2019-22, 79% of children lived in households with high food security. This means that 21% of children lived in households with marginal, low or very low food security.<sup>18</sup>
- Children in poverty were less likely to have high food security: just 55% of those in relative poverty, and 56% of those in severe poverty lived in high food security households.<sup>19</sup>
- 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<sup>20</sup> and the report produced by the Children's Parliament in 2017 entitled What Kind of Scotland?.<sup>21</sup>
- In the Children's Parliament report What Kind of Scotland?,<sup>22</sup> poverty is identified 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 may be contributing to better health and wellbeing for children. Recipients report observing their children eating more and a greater variety of fruits and

<sup>&</sup>lt;sup>14</sup> Scottish Government (2023) <u>Poverty and Income Inequality in Scotland 2019-22</u> - Figure 4

<sup>&</sup>lt;sup>15</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 5b

<sup>&</sup>lt;sup>16</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 6

<sup>&</sup>lt;sup>17</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 7

<sup>&</sup>lt;sup>18</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 8

<sup>&</sup>lt;sup>19</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 8

<sup>&</sup>lt;sup>20</sup> Nourish Scotland (2016) Living more important than surviving

<sup>&</sup>lt;sup>21</sup> Children's Parliament (2017) What Kind of Scotland

<sup>&</sup>lt;sup>22</sup> Children's Parliament (2017) What Kind of Scotland

vegetables and feeling positive that they can provide their children with more nutritious foods.<sup>23</sup>

**Stakeholder engagement:** Please describe your initial plans for stakeholder engagement, including which organisations you would like to engage directly with.

Relative qualitative and quantitative evidence will be gathered by engaging with stakeholders listed below. This will provide potential impacts, both positive and negative and potential barriers.

- Five Family Payments Reference Group
- One Parent Family Scotland
- CPAG Scotland
- Communities Analysis Division, Scottish Government
- Social Security Analysis, Forecasting and Evaluation
- Food Insecurity Policy Team, Scottish Government
- Maternal Health and Infant Nutrition Policy Team, Scottish Government
- Scottish Women's Convention
- Nourish Scotland

**Involvement of children and young people:** Please describe your initial plans for involving children and young people in the development of this relevant proposal, including any specific groups of children you would like to engage directly with.

Best Start Foods targets support to pregnant women - who may themselves be children or young people - and children under the age of three who are in low income families. We will engage with relevant young people through user research and also speak to organisations which work with them but it is more challenging to engage with children under 3 directly. We have some insight into the experiences of children under 3 who receive BSF from the recent evaluation of Best Start Foods.<sup>24</sup>

<sup>&</sup>lt;sup>23</sup> Scottish Government (2022) Best Start Foods: evaluation

<sup>&</sup>lt;sup>24</sup> Scottish Government (2022) Best Start Foods: evaluation

## Child Rights and Wellbeing Impact Assessment (CRWIA)

for The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024

#### **Disclaimer**

This **draft** document is an **initial assessment** of the impact The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024 and Scottish Government will continue to review and update this document where required during the parliamentary/strategic decision making process. Any future iterations will reflect an increased understanding of these impacts as the amount of data and research available continues to grow.

This impact assessment should be read in conjunction with the Equality Impact Assessment and the Fairer Scotland Duty Assessment.

CRWIA Stage 2 – Assessment of Impact and Compatibility

1. What evidence have you used to inform your assessment? What does it tell you about the impact on children's rights? (Guidance Section 2.2)

The 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.

There has been policy engagement with stakeholders throughout the development of BSF and since launch. We have also held a number of meetings with our Five Family Payments 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 March 2023, we provided the Five Family Payments Reference Group with an overview of our proposed changes and following this we met separately with some of the individual members. The overall feedback we received was positive.

We have drawn on existing research to fully understand the impact these changes will have on children and young people. Demographic information played an important role in the evidence base building on the work already undertaken as part of the Tackling Child Poverty Delivery Plan published March 2022<sup>1</sup> and more broadly on child poverty. We considered Scottish Government, UK Government data, stakeholder reports and insights.

# Evidence from stakeholders/Policy Colleagues (Guidance Section 2.2)

#### Children under 3

Tackling child poverty is a Scottish Government priority with 24% of Scotland's children (250,000 children each year) living in relative poverty after housing costs in 2019-2022.<sup>2</sup> Before housing costs, it is estimated that 22% of children (230,000 children each year) were in relative poverty.<sup>3</sup> In the same period, 79% of children lived in households with high food security. This means that 21% of children lived in households with marginal, low or very low food security.<sup>4</sup> Children in poverty were

<sup>&</sup>lt;sup>1</sup> Scottish Government (2022) Every child, every chance: tackling child poverty delivery plan 2022-2026

<sup>&</sup>lt;sup>2</sup> Scottish Government (2022) <u>Additional child poverty analysis 2023</u> - Table 1 (target measures by priority group)

<sup>&</sup>lt;sup>3</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 4

<sup>&</sup>lt;sup>4</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 8

less likely to have high food security: just 55% of those in relative poverty, and 56% of those in severe poverty lived in high food security households.<sup>5</sup>

Prior to the outbreak of COVID-19, projections indicated 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>6</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.

Children in low income households tend to experience a range of disadvantages which can accumulate throughout their lives. For example, poverty negatively affects children's health, social, emotional and cognitive development, and also their behavioural and educational outcomes.<sup>7</sup> Evidence suggests that factors associated with child poverty, such as lower educational attainment, have implications for economic growth and a country's capacity to compete in the global economy.<sup>8</sup> It is anticipated that typical incomes will fall most significantly at the lower end of the income distribution.<sup>9</sup> It is difficult to disentangle the effect of poverty from other factors associated with low income that may affect children's outcomes. However, 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>10</sup> This means the additional funding provided via BSF is expected to have a positive impact on children's overall wellbeing.

BSF aims to tackle the impacts of child poverty by improving access to healthy foods and milk for eligible families on a low income. Children up to the age of 3 can be eligible to receive BSF recognising that the early years are key to improving long term health outcomes, and with children from less affluent households being more at risk of negative outcomes in later decades.<sup>11</sup> Children aged 3 to 4 can benefit from the universal Early Learning and Childcare provision for children which includes a free meal. In addition to this, through the Scottish Milk and Healthy Snack Scheme all preschool children attending a registered setting, for 2 hours or more per day, can also benefit from a portion of milk,or non-dairy alternative and a healthy snack.

Research by The Food Foundation<sup>12</sup> has shown that children's earliest experiences of food can shape lifelong habits and establish their long-term relationship with food. It also highlights that young children who experience food insecurity are at increased

 <sup>&</sup>lt;sup>5</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 8
 <sup>6</sup> Scottish Government (2018) Every child, every chance: tackling child poverty delivery plan 2018-2022

<sup>&</sup>lt;sup>7</sup> Public Health Scotland (2021) <u>Impact of child poverty - Child poverty overview - Child poverty - Child po</u>

<sup>&</sup>lt;sup>8</sup> Joseph Rowntree Foundation (2008) <u>2301-child-poverty-costs.pdf (jrf.org.uk)</u>

<sup>&</sup>lt;sup>9</sup> Scottish Government (2022) Every child, every chance: tackling child poverty delivery plan 2022-2026

<sup>&</sup>lt;sup>10</sup> Cooper & Stewart, Centre for Analysis of Social Exclusion (2017) <u>Does money affect children's</u> <u>outcomes? an update</u>

<sup>&</sup>lt;sup>11</sup> Scottish Government (2010) Growing up in Scotland: health inequalities in the early years

<sup>&</sup>lt;sup>12</sup> The Food Foundation (2023) <u>Healthy Start needs urgent improvement to tackle food insecurity in</u> the early years

risk of obesity. There is some evidence to show that BSF 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.<sup>13</sup>

#### Young parents

Parental age has a significant impact on child poverty rates: 55% of children whose mother is aged under 25 are in relative poverty, compared with 23% of children whose mother is 25 or over.<sup>14</sup> This can be explained by a range of factors. For example, the age at which mothers have their first child is substantially lower in more deprived areas, meaning that early motherhood is more likely amongst those already facing socio-economic disadvantage. Mothers under 25 are also more likely than older mothers to have fewer qualifications, lower average incomes, and to be unemployed.<sup>15</sup>

The Scottish Government's *Pregnancy and Parenthood in Young People Strategy*<sup>16</sup> also 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.

The latest analysis of client diversity and equalities data<sup>17</sup> shows that for approved BSF and BSG applications between December 2020 and May 2021, 21% (3,005) were from people aged 16-24.

#### Consultation with external stakeholders

We have carried out an evaluation of BSF,<sup>18</sup> with an external contractor carrying out interviews with a number of clients and healthcare professionals who support clients on their experiences of the payment to date. The evaluation of BSF 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. BSF 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

<sup>&</sup>lt;sup>13</sup> Scottish Government (2022) BSF: evaluation

<sup>&</sup>lt;sup>14</sup> Scottish Government (2021) Additional child poverty analysis 2021 - Table 4 (child poverty priority groups and targets - further analysis)

<sup>&</sup>lt;sup>15</sup> Scottish Government (2022) What we know about households with mothers aged under 25 -Tackling child poverty delivery plan: fourth year progress report 2021-2022 - focus report on households with mothers aged 25 or under - gov.scot (www.gov.scot)

<sup>&</sup>lt;sup>16</sup> Scottish Government (2016) Pregnancy and Parenthood in Young People Strategy

<sup>&</sup>lt;sup>17</sup> Social Security Scotland (2021) <u>Social Security Scotland client diversity and equalities analysis to</u> <u>May 2021</u>

<sup>&</sup>lt;sup>18</sup> Scottish Government (2022) Best Start Foods: evaluation

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 BSF was having on the health and wellbeing of families as a preoccupation with finances could impact the relationship they had with their children.

The overall stakeholder feedback we received regarding the policy changes we are making was positive. Removal of the income thresholds was welcomed by stakeholders and considered to be particularly helpful for people who do seasonal work, have variable incomes or are on flexible contracts. It was noted that the existing threshold for Universal Credit (UC) can prevent parents accepting work that is paid at the real Living Wage. A risk was also highlighted that people who currently lose entitlement due to breaching the income thresholds might not reclaim when their income reduces again, resulting in individuals not receiving the support they are entitled to. Extending the 8 week run-on so that it will apply to all qualifying benefits and not just UC was also viewed positively and considered to be especially helpful when issues arise with qualifying benefits which can take some time to resolve. Changes to improve access to BSF for young parents were also welcomed and it was anticipated that they would help improve uptake. Making Working Tax Credits (WTC) a qualifying benefit in its own right was viewed as particularly positive for some pregnant persons and also for some carers who are not responsible for the child for Child Tax Credit purposes, e.g. some kinship carers. In general, further aligning eligibility for BSF with BSG and SCP was also received positively as it was acknowledged that the differences in eligibility can be confusing for some parents.

We met with One Parent Families Scotland (OPFS) who welcomed changes to BSF that make it easier for young parents to apply. Discussion focused on 4 of the proposals:

- WTC to be a qualifying benefit for BSF;
- Where the pregnant person is a dependant, the individual they are dependent on or the partner of that individual is eligible to apply;
- Under 18 or 18/19 dependants who are pregnant/partner of a pregnant person/parent of an entitled child will be automatically eligible until their child turns 1, or their child reaches the first anniversary of its estimated delivery date, or they turn 18, or they stop being a dependant, whichever comes later;
- Continuing to pay BSF for 8 weeks when any qualifying benefit ends.

OPFS were broadly positive and noted that alignment for under 18s would be a positive step as lots of young parents struggle with the benefit process. Some young parents tend to give up resulting in a significant number of incomplete applications. Streamlining the process will help combat this.

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. They noted that BSF helps to address stigma and improve the health and wellbeing of pregnant persons and children. They also felt that BSF could contribute to better educational outcomes. They welcomed the

policy changes which will result in BSF being more accessible for low income families. However, they also 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. To mitigate this risk, the regulations ensure that an application from the pregnant person will always take precedence. 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.

We have also engaged with Nourish Scotland and the Scottish Women's Convention. Overall, the feedback received was that the changes being made are very positive and progressive. Changes which will make it easier for eligible families to access BSF were welcomed. Extending the 8 week run-on so that it will apply to all qualifying benefits and not just UC was specifically highlighted as a good example of how to treat individuals well.

### Evidence from children and young people (Guidance Section 2.2)

#### Children under 3

In the Children's Parliament report *What Kind of Scotland?*,<sup>19</sup> poverty is identified 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.

As part of the formation of the CRWIA for the first TCPDP,<sup>20</sup> the Poverty and Inequality Commission identified themes, which were developed through consultation with children and young people facilitated by the Children's Parliament, Young Scot and the Princes Trust, into recommendations including:

- Social Security: put more money towards benefits;
- Improve quality of life by providing greater support to those affected by poverty; and
- Increase incomes and reduce costs to support with: the cost of the school day; the cost of travel; and activity expenses.

BSF contributes to addressing these recommendations. BSF is designed to tackle the impact of poverty by providing additional monies towards the purchase of healthy foods and milk.

The BSF evaluation<sup>21</sup> noted that some parents observed that their children were excited to be able to try new fruits and vegetables as a result of receiving BSF. Furthermore, there was some evidence that BSF also had the unintended impact of raising children's awareness and interest in money and budgeting.<sup>22</sup>

<sup>&</sup>lt;sup>8</sup> Children's Parliament (2017) What Kind of Scotland

<sup>&</sup>lt;sup>20</sup> Scottish Government (2018) Every child, every chance: tackling child poverty delivery plan 2018-2022, Annex 4 - Child Rights and Wellbeing Impact Assessment

<sup>&</sup>lt;sup>21</sup> Scottish Government (2022) <u>BSF: evaluation</u>

<sup>&</sup>lt;sup>22</sup> Scottish Government (2022) <u>Best Start Foods - evaluation: annex B - qualitative research</u>

#### Young parents

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. We conducted user research workshops with young parents (under 18) through a charity. The input we got from this group highlighted their preference towards a digital service, finding contact via phone daunting, and helped to shape the wording and design of the application form e.g. we took forward their suggestion that pre-application content should be displayed over several pages. Through our policy engagement, some of the young mothers we spoke to highlighted the importance of being able to speak to someone about their entitlement. A multi-channel application process and promotion both digitally and through local services helps ensure young parents access the benefits that they are entitled to. In addition, we will continue to engage with stakeholders to ensure that promotion of the payment is embedded in pregnancy and maternity service to make young mothers aware of the support available.

Responses from the *A New Future for Social Security Consultation*<sup>23</sup> highlighted under 18s as a group which would benefit from simpler provision. Pregnant persons who are under 18 and their partners are automatically entitled to BSF, without the need for a qualifying benefit. This is also true for parents who are under 18 and have a child who is under 1. Where a pregnant person is under 18 and they or their partner are in receipt of BSF they continue to be eligible for BSF without the need for a qualifying benefit once the pregnant person turns 18 up until their child turns one.

#### Analysis of the evidence

Using evidence detailed above, please answer the following questions on how this relevant proposal will impact children.

# 3. How have the findings outlined in questions 1-3 influenced the development of the relevant proposal? (Guidance Section 2.2)

The changes that we are making will positively affect both young parents and children by providing financial support to more pregnant persons and children, improving access for young parents and their children, and making it easier for them to receive the support that they are entitled to. It will also enable some individuals to receive support for longer.

It is expected that removing the income thresholds will result in an additional 20,000 individuals being eligible for BSF.<sup>24</sup> This will mean more low income families can benefit from the support provided by BSF and more individuals will be eligible for all

<sup>&</sup>lt;sup>23</sup> Scottish Government (2017) <u>Analysis of written responses to the consultation on social security in</u> <u>Scotland</u>

<sup>&</sup>lt;sup>24</sup> Scottish Fiscal Commission (2023) <u>Scotland's Economic and Fiscal Forecasts – May 2023</u>

of the five family payments (FFP). Furthermore, individuals who have fluctuating incomes will be less likely to move in and out of BSF eligibility – as long as they continue to receive a qualifying benefit, they will remain eligible for BSF. This will provide greater certainty to low income families and help to minimise the need for reapplications.

Removing the income thresholds will align BSF more closely with BSG and SCP which do not have income thresholds, making eligibility for the FFP easier to understand and simpler to communicate to clients. Furthermore, increasing alignment of the FFP will help to support potential future automation of these benefits.

Further aligning the eligibility rules for BSF more closely with BSG and SCP will make it easier for clients to understand the eligibility criteria for the FFP and for Social Security Scotland to promote the benefits. By further aligning the procedural rules for how eligibility is determined for BSF with BSG and SCP, we will reduce the need for clients to reapply or submit review requests for BSF. This should help maximise take up and enable more clients to receive their full entitlement. Furthermore, it will make it easier for Social Security Scotland to administer the benefits. In general, all of these changes will help address stakeholder concerns regarding the need for better alignment across the FFP and make it easier to potentially automate payments in the future. As well as these overarching benefits, there is also evidence that the changes will have particular impact for children and young parents.

#### **Children under 3**

As mentioned previously, it is expected that removing the income thresholds will result in an additional 20,000 individuals being eligible for BSF. Furthermore, children whose parents/carers have fluctuating incomes from work - such as those who do seasonal work, have variable incomes or flexible contracts - will be less likely to move in and out of BSF eligibility. It is estimated that in 2019-22, 69% of children in relative poverty after housing costs were living in working households (170,000 children each year).<sup>25</sup> As part of our stakeholder engagement, we heard that individuals who lose entitlement due to breaching the income threshold do not always reclaim when their income drops back below the threshold, resulting in the child not receiving the support that they are entitled to. Once the income thresholds are removed, children will remain eligible for BSF as long as their parent/carer continues to receive a qualifying benefit. This will provide greater certainty to children in low income families and help to minimise the need for reapplications.

Expanding automatic eligibility to children whose parents are 18/19 year old dependants will also mean more children will be eligible for BSF. Young parents who are still dependent on their parent/carer might not be able to access a qualifying benefit in their own right but they also might not receive financial support from their parents/carers. Making their children automatically eligible for BSF will help ensure that children of young parents can access healthy food and milk, helping to establish positive eating behaviours and reduce their risk of obesity and other health conditions.

<sup>&</sup>lt;sup>25</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 5b

We will also extend automatic eligibility so that where the individual responsible for the child is under 18 or an 18/19 dependant, their child will continue to be eligible up until:

- their parent/carer turns 18, or
- o their parent/carer stops being a dependant, or
- the child turns 1 or
- the child reaches the first anniversary of its estimated delivery date, whichever is later.

At present, automatic eligibility stops when the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later. The child can then only continue to be eligible if the individual responsible for them is in receipt of a qualifying benefit. As young parents who are under 18 or are still dependent on their parent/carer, are unlikely to be able to claim a qualifying benefit, the present rules mean that once the child turns 1, the young parent has to ask their partner or their own parent/carer to claim BSF. If nobody else is responsible for the child then the child will no longer be eligible.

Extending automatic eligibility in this way, will ensure that children of young parents are not disadvantaged because their parents are unable to access a qualifying benefit due to their age. This is particularly important as parental age has a significant impact on child poverty rates with over half (55%) of children in households with a mother aged under 25 in relative poverty in 2015-18, compared to 24% of children overall.<sup>26</sup> Young mothers are therefore a priority group for *Best Start, Bright Futures.*<sup>27</sup>

Making this change will also further align eligibility for BSF with BSG, as for BSG if the individual responsible for the child is under 18 or an 18/19 dependant they are automatically eligible for all 3 BSGs as long as the child is the relevant age for the grant. The divergence in the eligibility criteria between BSF and BSG is likely to be a confusing journey for young parents. As part of our stakeholder engagement, we heard that differences between the payments can make it difficult for parents to understand what they are entitled to. Further aligning eligibility rules and processes for BSF with BSG will make it easier for young parents to understand and access social security payments, ensuring their child receives the support it is entitled to. One stakeholder told us that the young parents that they work with can get quite frustrated when accessing payments is difficult and therefore aligning eligibility and reducing the need for re-applications should help ensure more children benefit.

Furthermore, we will extend automatic eligibility so that where the pregnant person or their partner turns 18 or stops being a dependant during pregnancy their child will be eligible from birth until they turn 1 or reach the first anniversary of their estimated delivery date, whichever is later.

<sup>&</sup>lt;sup>26</sup> Scottish Government (2022) <u>Additional child poverty analysis 2022</u> – Table 1 (target measures by priority group)

<sup>&</sup>lt;sup>27</sup> Scottish Government (2022) <u>Best Start, Bright Futures: tackling child poverty delivery plan 2022 to</u> 2026

Providing a further 8 weeks of payments of BSF when entitlement to any qualifying benefit ends, not just Universal Credit, will mean all children will continue to benefit from the support that BSF provides when their family's income is in transition.

Stakeholders also told us that when circumstances change it can take a while to resolve entitlement with legacy benefits. So an 8 week run on for legacy benefits would be helpful. Families in housing which cannot be supported by Universal Credit – temporary accommodation, supported or sheltered housing – continue to receive Housing Benefit, a legacy benefit. They are therefore more likely to benefit from this change. On average, households with children tend to spend longer in temporary accommodation and therefore this change may be particularly relevant to children.<sup>28</sup>

One stakeholder highlighted that more children may also become eligible for BSF as a result of making WTC a qualifying benefit in its own right. This is because in some cases, while the individual responsible for a child may receive WTC they are not responsible for the child for CTC purposes – this could include some kinship carers.

#### Young parents

One stakeholder told us that the young parents that they work with can get quite frustrated when accessing social security payments is difficult and therefore aligning eligibility and reducing the need for re-applications should help with uptake.

By expanding automatic eligibility to 18/19 year old dependants who are pregnant and to children where the individual responsible for them is an 18/19 year old dependant, young parents will be able to more easily access BSF, a need which was highlighted by the original consultation on Social Security Scotland, *A New Future for Social Security*.<sup>29</sup>

Young parents who are still dependent on their parent/carer might not be able to access a qualifying benefit in their own right but they also might not receive financial support from their parent/carer. Making them automatically eligible for BSF will ensure that they have access to some financial support during their pregnancy. This will help pregnant mothers achieve a diet that contains adequate nutrients and energy to allow proper foetal growth and development as well as providing the. nutrients the mother needs for maintaining their own health. It will also ensure that young parents are supported to buy healthy and nutritious food for their children, helping to establish positive eating behaviours and reduce their risk of obesity and other health conditions

As mention above under **Children**, we will also extend automatic eligibility so that where the individual responsible for the child is under 18 or an 18/19 dependant, their child will continue to be eligible up until:

- o their parent/carer turns 18, or
- o their parent/carer stops being a dependant, or
- the child turns 1 or

<sup>&</sup>lt;sup>28</sup> Scottish Government (2022) <u>Homelessness in Scotland: 2021/22</u>

<sup>&</sup>lt;sup>29</sup> Scottish Government (2017) <u>Analysis of Written Responses to the Consultation on Social Security</u> in Scotland

• the child reaches the first anniversary of its estimated delivery date, whichever is later.

At present, automatic eligibility stops when the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later. The child can then only continue to be eligible if the individual responsible for them is in receipt of a qualifying benefit. As young parents who are under 18 or are still dependent on their parent/carer, are unlikely to be able to claim a qualifying benefit, the present rules mean that once the child turns 1, the young parent may have to ask their partner or their own parent/carer to claim BSF, which could be disempowering. Furthermore, if nobody else is responsible for the child then the young parent will no longer receive support from BSF to help them buy healthy food or milk for their child.

Unpublished internal analysis carried out by Communities Analysis Division to inform this CRWIA has found that it is likely that there are around 100 under 18 parents responsible for a child who is aged 1 or 2 and up to 700 parents who are 18/19 dependants and responsible for a child who is aged 1 or 2. Extending automatic eligibility in this way, will ensure that these young parents are not disadvantaged because they are unable to access a qualifying benefit due to their age. This is particularly important given the strong relationship between parental age and child poverty rates.

Making this change will also further align eligibility for BSF with BSG, as for BSG if the individual responsible for the child is under 18 or an 18/19 dependant they are automatically eligible for all 3 BSGs as long as the child is the relevant age. The divergence in the eligibility criteria between BSF and BSG is likely to be a confusing journey for young parents.

Furthermore, we will extend automatic eligibility so that where the pregnant person or their partner turns 18 or stops being a dependant during pregnancy they will remain eligible until they reach the end of their pregnancy and their child will be eligible until the child turns 1 or reaches the first anniversary of its delivery date, whichever is later. This will mean young parents continue to receive support to breastfeed or purchase first infant formula for their baby, whichever is their choice.

The current regulations for BSF state that where the beneficiary is a child (defined as under 16 or a dependant), payment should go to the individual who is responsible for that child. This means that where a pregnant person or partner of a pregnant person is under 16 or under 20 and a dependant, they should not be paid BSF in their own right. Instead the payment should go to their parent/carer. This is not in line with the policy intent that young parents should have the choice of being paid BSF in their own right or having the payment go to the person they are dependent on. It is also not compliant with the rights based approach of Social Security Scotland and therefore Social Security Scotland's practice is to pay young parents directly where that is their preference and where they are judged to have capacity to be paid BSF in their own right. Unpublished internal analysis carried out by the Communities Analysis Division to inform this CRWIA suggests that there are not more than 1,000 pregnant persons who are dependants each year and that there are around 100 children born to people aged 16 or younger. Internal unpublished analysis by Social

Security Scotland's Insights and Analysis Team indicates that around 10-20 applications are received every year from under 16 year old parents for BSF.

Ensuring that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person can be paid BSF in their own right will help to empower young parents and also mitigate the risk of financial coercion or abuse. Furthermore, this change will ensure pregnant persons and partners of pregnant persons who are under 16 and who are not dependent upon anyone, are able to access a payment. Where an application is made by the pregnant person or partner of the pregnant person and they are under 16 and lack legal capacity to be paid BSF in their own right, we will make payment to the person with Parental Rights and Responsibilities for them. Where it would not be appropriate to pay the individual with Parental Rights and Responsibilities, we will appoint the person who is responsible for them or another appropriate person.

Furthermore, we will make the individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF so that young parents can have choice in how they access the benefit. This change will align with the approach already taken for BSG Pregnancy and Baby Payment, where if the individual who is or was pregnant is a dependant, they can choose to apply themselves, or have the individual that they are dependent upon or the partner of that individual apply. We took this approach in response to discussions during the original consultation on BSG<sup>30</sup> which highlighted both the need to empower young parents and the importance of young pregnant persons and parents having the support of an adult in accessing the payment.

As part of this change, we will expand the current rule which ensures an application from a pregnant person always takes precedence over an application from their partner so that applications from the pregnant person will also take precedence over an application from any other entitled person. This ensures that the pregnant person will always be able to access BSF payments in their own right as it is paid to support their nutrition. One stakeholder highlighted that for pregnant women in domestic abuse situations ensuring that an application from the pregnant person is prioritised over one from any other entitled person will help mitigate situations of financial control.

In exceptional circumstances, allowing payments to be made in a way other than the prepaid card could help very young pregnant persons and parents to access the benefit in their own right as the prepaid card can only be issued to individuals who are above a minimum age.

FFP advertising states that you may be eligible if you receive certain benefits or tax credits. This is not true for young parents who are eligible if they are under 18. Following changes, under 18/19 dependants will also be eligible without the need to receive a qualifying benefit. Without targeted messaging this group may not have the same level of awareness of their entitlement. To ensure that awareness is raised, a comprehensive communications and engagement strategy is being developed

<sup>&</sup>lt;sup>30</sup> Scottish Government (2017) <u>Analysis of Written Responses to the Consultation on Social Security</u> <u>in Scotland</u>

alongside the regulations which includes bespoke messaging and activities to ensure awareness is raised among this group.

# 4. Assessing for compatibility against the UNCRC requirements (Guidance Section 2.2)

Complete the below matrix, placing a tick against each article which is relevant to your existing legislation or decision or relevant proposal. Further on in the form you will be able to explain these answers in more detail.

#### **UNCRC** Articles

Please click on the triangle to expand and collapse the text for a full definition of each article.

## What impact does/will your relevant proposal have on children's rights (Please tick positive, negative or neutral)

	Positive	Negative	Neutral
Article 1 Definition of the child			$\boxtimes$
Article 2 Non-discrimination	$\boxtimes$		
Article 3 Best interests of the child	$\boxtimes$		
Article 4 Implementation of the Convention	$\boxtimes$		
Article 5 Parental guidance and a child's evolving capa	acities 🛛		
Article 6 Life, survival and development			$\boxtimes$
Article 7 Birth registration, name, nationality, care			$\boxtimes$
Article 8 Protection and preservation of identity			$\boxtimes$
Article 9 Separation from parents			$\boxtimes$
Article 10 Family reunification			$\boxtimes$
Article 11 Abduction and non-return of children			$\boxtimes$
Article 12 Respect for the views of the child	$\boxtimes$		
Article 13 Freedom of expression			$\boxtimes$
Article 14 Freedom of thought, belief and religion			$\boxtimes$
Article 15 Freedom of association			$\boxtimes$
Article 16 Right to privacy			$\boxtimes$
Article 17 Access to information from the media			$\boxtimes$

Article 18 Parental responsibilities and state assistanc	e 🛛		
Article 19 Protection from violence, abuse and neglect			$\boxtimes$
Article 20 Children unable to live with their family			$\boxtimes$
Article 21 Adoption			$\boxtimes$
Article 22 Refugee children			$\boxtimes$
Article 23 Children with a disability	$\boxtimes$		
Article 24 Health and health services	$\boxtimes$		
Article 25 Review of treatment in care			$\boxtimes$
Article 26 Social security	$\boxtimes$		
Article 27 Adequate standard of living	$\boxtimes$		
Article 28 Right to education			$\boxtimes$
Article 29 Goals of education			$\boxtimes$
Article 30 Children from minority or indigenous groups			$\boxtimes$
Article 31 Leisure, play and culture			$\boxtimes$
Article 32 Child labour			$\boxtimes$
Article 33 Drug abuse			$\boxtimes$
Article 34 Sexual exploitation			$\boxtimes$
Article 35 Abduction, sale and trafficking			$\boxtimes$
Article 36 Other forms of exploitation			$\boxtimes$
Article 37 Inhumane treatment and detention			$\boxtimes$
Article 38 War and armed conflicts			$\boxtimes$
Article 39 Recovery from trauma and reintegration			$\boxtimes$
Article 40 Juvenile justice			$\boxtimes$
Article 41 Respect for higher national standards			$\boxtimes$
Article 42 Knowledge of rights			$\boxtimes$
First optional protocol Article 4	Positive ∣ □	Negativ	ve   Neutral ⊠

#### Article 5

Nothing in the present Protocol shall be construed as precluding provisions in the law of a State Party or in international instruments and international humanitarian law that are more conducive to the realization of the rights of the child.

Article 6		$\boxtimes$
Article 7		$\boxtimes$
Second Optional Protocol		
Article 1		$\boxtimes$
Article 2		$\boxtimes$
Article 3		$\boxtimes$
Article 4		$\boxtimes$
Article 6		$\boxtimes$
Article 7		$\boxtimes$
Article 8		$\boxtimes$
Article 9		$\boxtimes$
Article 10		$\boxtimes$
Article 11		$\boxtimes$

#### 5. Impact on children and young people (Guidance Section 2.2)

In relation to the UNCRC articles that you have ticked above, please explain how your relevant proposal will impact or currently impacts on individual or groups of children. Please give consideration to groups who may be considered at greatest risk of not having their right fulfilled.

## Our assessment of the impact of the changes we are proposing on the relevant articles of the UNCRC is as follows:

#### Article 2 – Non-discrimination:

Social Security Scotland is committed to treating all applicants equally. The principle of non-discrimination is enshrined in the Social Security (Scotland) Act 2018.<sup>31</sup>

<sup>&</sup>lt;sup>31</sup> Social Security (Scotland) Act 2018

The approach taken by Social Security Scotland is centred on non-discrimination making the application process as accessible as possible to reduce the stigma around claiming benefits. We have committed to a multi-channel approach for BSF as with the other devolved benefits with applications taken over the phone, online or on a paper form. In addition, Social Security Scotland has set up a Local Delivery Service with staff in all 32 local authority areas. These staff operate at the local level helping and informing clients of benefits available and assisting clients claim what they are entitled to. They give clients a choice in regard to how they access the service by offering support in outreach locations, home visits and prisons, removing a significant barrier to applying. Clients are able to receive one to one support, to understand what devolved benefits they are entitled to and help them to complete applications. Now fully operational and embedded within the local community, there are over 400 staff spread across all local authority areas in Scotland.

The changes we are making will ensure young pregnant persons and partners of pregnant persons who are under 16 or under 20 and a dependant will not be treated differently solely as a result of their age by allowing them to be paid in their own right. They will also ensure that payments can be made to very young pregnant persons or parents who are unable to be issued with a prepaid card due to their being a lower age threshold which applies.

The changes will also ensure that children whose parents receive legacy benefits receive the same level of support as those whose parents receive UC as WTC will be a qualifying benefit in its own right and payments of BSF will continue for 8 weeks when entitlement to a legacy benefit ends.

We will extend automatic eligibility so that children under 3 continue to be eligible until their parent turns 18 or stops being a dependant, or the child turns 1 or reaches the first anniversary of its delivery date, whichever is later. This will ensure that young parents and the children of young parents are not disadvantaged because the parents are unable to access a qualifying benefit due to their age.

#### Article 3 - Best interests of the child

BSF is one aspect of the Tackling Child Poverty Delivery Plan<sup>32</sup> (TCPDP), a holistic plan focussed on reducing child poverty with the best interest of every child at its centre.

The changes we are making will ensure young pregnant persons and partners of pregnant persons who are under 16 or under 20 and a dependant can be paid in their own right. Ensuring that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person can be paid BSF in their own right will help to empower young parents and also mitigate the risk of financial coercion or abuse. Furthermore, this change will ensure pregnant persons and partners of pregnant persons who are under 16 and who are not dependent upon anyone, are able to access a payment. Where an application is made by the pregnant person or partner of the pregnant person and they are under 16 and lack

<sup>&</sup>lt;sup>32</sup> Scottish Government (2022) <u>Best Start, Bright Futures: tackling child poverty delivery plan 2022 to</u> 2026

legal capacity to be paid BSF in their own right, we will make payment to the person with Parental Rights and Responsibilities for them. Where it would not be appropriate to pay the individual with Parental Rights and Responsibilities, we will appoint the person who is responsible for them or another appropriate person.

Furthermore, we will make the individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF so that young parents can have choice in how they access the benefit. One stakeholder 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. To mitigate this risk, the regulations ensure that an application from the pregnant person will always take precedence. 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.

As part of this change, we will expand the current rule which ensures an application from a pregnant person always takes precedence over an application from their partner so that applications from the pregnant person will also take precedence over an application from any other entitled person. This ensures that the young pregnant person will always be able to access BSF payments in their own right as it is paid to support their nutrition.

#### Article 4 - Protection of rights

Social Security Scotland's commitment to dignity, fairness and respect, enshrined in the Social Security (Scotland) Act 2018, and in the publication of *Our Charter*,<sup>33</sup> ensures that the protection of rights is at the core of BSF development and implementation.

It is expected that removing the income thresholds will result in an additional 20,000 individuals being eligible for BSF.<sup>34</sup> Furthermore, children whose parents have fluctuating incomes will be less likely to move in and out of BSF eligibility – as long as they continue to receive a qualifying benefit, they will remain eligible for BSF. This will mean more children in low income families will be entitled to the support provided by BSF and more families will be eligible for all of the FFP.

Making WTC a qualifying benefit in its own right will mean that some children whose carers are not responsible for the child for Child Tax Credit purposes, e.g. some kinship carers, will become entitled to BSF.

By expanding automatic eligibility to pregnant persons/partners of pregnant persons who are 18 or 19 year old dependants and to children whose parents are 18 or 19 year old dependants, more children and young people will be entitled to BSF. We will also extend automatic eligibility for children of young parents so that it does not end until the parent turns 18 or stops being a dependant or the child turns 1 or reaches the first anniversary of its delivery date, whichever is later. This will mean that

<sup>&</sup>lt;sup>33</sup> Social Security Scotland (2019) Our Charter

<sup>&</sup>lt;sup>34</sup> Scottish Fiscal Commission (2023) <u>Scotland's Economic and Fiscal Forecasts – May 2023</u>

children of young parents receive support for longer without the need for an individual to receive a qualifying benefit.

We are also introducing new procedural rules which will help ensure children and young pregnant persons/partners of pregnant persons receive their full entitlement and reduce the need for them to have to reapply or submit a review request. These changes will specifically:

- allow an application to be treated as if it had been made at a later date where the individual is not eligible on the date they apply but Social Security Scotland can see that they will become eligible within 10 days of applying
- allow a new decision to be made so that BSF can be paid from the date of the original application where an individual has been denied BSF due to the lack of either a qualifying benefit or child responsibility benefit and they then receive a backdated award covering the date of application
- •

#### Article 5 - Parental guidance and a child's evolving capacities

The views of young parents have been extensively consulted as part of the development of BSF and feedback will continue to be gathered as part of our commitment to continuous improvement. Parents can choose healthy options from a range of foods to support a nutritious diet.

The changes we are making will ensure young pregnant persons and partners of pregnant persons who are under 16 or under 20 and a dependant can be paid in their own right. Ensuring that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person can be paid BSF in their own right will help to empower young parents and also mitigate the risk of financial coercion or abuse. Furthermore, this change will ensure pregnant persons and partners of pregnant persons who are under 16 and who are not dependent upon anyone, are able to access a payment.

Where an application is made by the pregnant person or partner of the pregnant person and they are under 16 and lack legal capacity to be paid BSF in their own right, we will make payment to the person with Parental Rights and Responsibilities for them. Where it would not be appropriate to pay the individual with Parental Rights and Responsibilities, we will appoint the person who is responsible for them or another appropriate person.

As part of the changes we are making, we will make the individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF so that young parents can have choice in how they access the benefit. One stakeholder 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. To mitigate this risk, the regulations ensure that an application from the pregnant person will always take precedence. 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.

#### Article 12 – Respect for the views of the child

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*<sup>35</sup> and the report produced by the Children's Parliament in 2017 entitled *What Kind of Scotland*?<sup>36</sup>

Young parents and young people have been considered throughout the policy development of BSF including through representative organisations and direct engagement and particularly through user research.

As part of the changes we are making, we will make the individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF so that young parents can have choice in how they access the benefit. One stakeholder 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. To mitigate this risk, the regulations ensure that an application from the pregnant person will always take precedence. 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.

# Article 18 – Parents or legal guardians to have primary responsibility for the upbringing of the child.

For BSF, once the child is born it is the child that is eligible for the payment. The payment is made to the person who is deemed responsible for the upbringing of the child, this is normally determined through the child being named on a child responsibility benefit or through a legal order demonstrating that the person is a kinship carer for the child. Child responsibility can also be determined through a legal order demonstrating that the person is a guardian. Furthermore, young parents who normally live with the child, are under 20 and are a dependent of someone else are also deemed as responsible for the child.

As part of the changes we are making, the partner of the individual deemed to be responsible for the child will also be able to be paid. This will mean that both parents are able to claim and be paid BSF on behalf of their child.

<sup>&</sup>lt;sup>35</sup> Nourish Scotland (2016) Living more important than surviving

<sup>&</sup>lt;sup>36</sup> Children's Parliament (2017) What Kind of Scotland

At present, children under 1 are automatically eligible for BSF if the person responsible for them is under 18. This eligibility continues until the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later. Once the child turns 1 or reaches the first anniversary of its estimated delivery date, the child can only be eligible if the person responsible for them receives a qualifying benefit or is the partner or dependent of someone who receives a qualifying benefit.

As part of the changes we are making, we are expanding automatic eligibility to all children under 3 where the person responsible for them is either under 18 or is a 18/19 year old dependent. This eligibility will continue until:

- the child turns 1, or
- the child reaches the first anniversary of its estimated delivery date, or
- the person responsible for the child turns 18, or
- the person responsible for the child stops being a dependant, whichever is later.

Young parents who are under 18 or are still dependent on their parent/carer, are unlikely to be able to claim a qualifying benefit and therefore the child can only continue to be eligible if someone else is responsible for the child and in receipt of a qualifying benefit. This might mean that the young parent has to ask their partner or their own parent/carer to claim BSF. By expanding automatic eligibility so that it does not stop before the parent of the child is in a position to claim a qualifying benefit, the parent will continue to be provided with support towards the cost of healthy food or milk for their child, rather than another person who is not the parent of the child receiving BSF.

#### Article 23 – Children with disabilities

Children with disabilities are more likely to experience poverty. While the reasons for this are not fully understood, this financial disadvantage may be a result of factors such as 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.<sup>37</sup> Since families with a disabled child are more likely to be in poverty, and as the eligibility criteria for BSF target those on lower incomes, we expect the payments to have a positive impact on these families.

In exceptional circumstances, allowing payments to be made in a way other than the prepaid card could have a positive impact on some individuals with a disability or long term health condition who find that due to their needs, the card is not accessible. User research carried out by Social Security Scotland has highlighted that this can be the case for individuals whose disability or long term health condition resulted in issues with recall or anxiety. These individuals reported that the process of trying to learn how to use the card and remember the PIN number caused distress. In some instances, this resulted in them becoming overwhelmed with the process and ultimately they stopped using their card.

<sup>&</sup>lt;sup>37</sup> Iriss (2019) Disability, Poverty and Transitional Support

The changes we are making to further align eligibility and procedural rules for BSF with BSG and SCP will make eligibility easier to understand, minimise the need for individuals to reapply and should support further potential automation of the payments in the future. These changes are likely to help improve access and could have a positive impact for individuals who find the application process to be more challenging as a result of their disability.

Our most recent Benefit Take-up Strategy, <sup>38</sup> published in October 2021, highlights our commitment to inclusive communication. Social Security Scotland are working closely with stakeholders to embed inclusive communication principles across everything that they do. The current service includes:

- promotional benefit information proactively produced in Easy Read, and Social Security Scotland work with stakeholders to get this content into the hands of those who need it;
- access to independent advocacy support for disabled people applying for Social Security Scotland assistance, ensuring their voice is heard throughout their journey;
- British Sign Language video relay service, available through Contact Scotland;
- o deafblind interpreters, Text Relay and electronic note taker services;
- all letters, information and guidance are available in Braille, Large Print, Easy Read and various Audio formats; and
- online content compatible with screen reader software on Jaws, Voiceover and Non Visual Desktop Access platforms.

A recent accessibility audit has highlighted that not all sections of the online information or application forms are accessible to those with a disability. Without improvements to accessibility, those with a disability may not be aware of their entitlement or able to apply in a way that suits their needs. We have begun implementing the improvements identified and will continue to deploy these to ensure that our online systems are fully accessible.

#### Article 24 - Right to health and health services

BSF supports families by enabling pregnant persons and children to have access to a healthy nutritious diet. Some of the changes we are making will increase eligibility or result in children receiving support for longer which is expected to have a positive impact on their health.

#### Article 26 – Social security

The Scottish Government is committed to the principle that social security is a human right, with Section 1 of the Social Security (Scotland) Act 2018 stating that 'social security is itself a human right and essential to the realisation of other rights'.<sup>39</sup> The importance of this was echoed by the children and young people

<sup>&</sup>lt;sup>38</sup> Scottish Government (2021) <u>Social Security (Scotland) Act 2018: benefit take-up strategy - October</u> 2021

<sup>&</sup>lt;sup>39</sup> Social Security (Scotland) Act 2018

consulted through the development of the first TCPDP.<sup>40</sup> The payments will expand upon the right of a child to benefit from social security. This is accompanied by a concerted effort by Social Security Scotland to change the perception of social security to a human right.

At present, children under 1 are automatically eligible for BSF if the person responsible for them is under 18. This eligibility continues until the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later. Once the child turns 1 or reaches the first anniversary of its estimated delivery date, the child can only be eligible if the person responsible for them receives a qualifying benefit or is the partner or dependant of someone who receives a qualifying benefit

As part of the changes we are making, we are expanding automatic eligibility to all children under 3 where the person responsible for them is either under 18 or is a 18/19 year old dependent. This eligibility will continue until:

- the child turns 1, or
- the child reaches the first anniversary of its estimated delivery date, or
- the person responsible for the child turns 18, or
- the person responsible for the child stops being a dependant, whichever is later.

Young parents who are under 18 or are still dependent on their parent/carer, are unlikely to be able to claim a qualifying benefit and therefore the child can only continue to be eligible if someone else is responsible for the child and in receipt of a qualifying benefit. If nobody else is responsible for the child then the child will no longer be eligible.

By expanding automatic eligibility, the child will continue to be eligible until their parent is in a position to claim a qualifying benefit.

The changes will also ensure that children whose parents receive legacy benefits receive the same level of support as those whose parents receive UC as WTC will be a qualifying benefit in its own right and payments of BSF will continue for 8 weeks when entitlement to a legacy benefit ends.

At present, our regulations only allow us to make payments of BSF via a prepaid card. While the policy intent is to pay people in this way, we are aware that there are some circumstances in which individuals may not be allowed to receive a prepaid card, e.g. young parents whose age is below the lower age threshold which is applied to the prepaid card

Introducing the ability to make payment in another form in exceptional circumstances could help very young pregnant persons and parents to access BSF in their own right as there is a lower age threshold which is applied to the prepaid card.

#### Article 27 – Adequate standard of living

<sup>&</sup>lt;sup>40</sup> Scottish Government (2018) Every child, every chance: tackling child poverty delivery plan 2018-2022

The payments are intended to contribute towards ensuring that children have an adequate standard of living, and is part of the overall TCPDP approach to tackling child poverty. Young parents told us that the early years are costly. BSF provides families with a pregnant person or child under the age of three increased income via a payment card to purchase healthy foods and milk.

We will specify in our regulations that the higher payment made when an eligible child is under 1 should be double the basic payment (paid during pregnancy and when the child is 1-3). One stakeholder noted that by specifying this in regulations, parents of a new child will be provided with certainty about the level of payment they will receive.

#### 6. Negative Impact/Incompatibility (Guidance Section 2.2)

If negative impact is identified in Question 5 above, can you elaborate on this and explain why impact is or will be negative?

No negative impacts have been identified so far.

Are there any potential concerns about compatibility with the UNCRC requirements? Please explain these here.

No concerns

7. Options for modification or mitigation of negative impact or incompatibility (Guidance Section 2.2)

What options have been considered to modify the existing legislation or decision or relevant proposal in order to mitigate negative impact or potential incompatibility issues?

N/A

Please summarise mitigation actions taken in the below table:

#### **Mitigation table**

Issue or risk Identified per article/ Optional Protocol	Action Taken/ To Be Taken	Date action to be taken or was taken

8. Positive impact: Giving better or further effect to children's rights in Scotland (Guidance Section 2.2)

If positive impact is identified in Question 5, please reflect on and explain how your relevant proposal currently protects, respects and fulfils children's rights in Scotland or will do so in future.

#### Potential positive impacts – Children under 3

- Removing the income thresholds which apply to some qualifying benefits – will mean that more children will be eligible to receive BSF and children whose parents/carers have fluctuating incomes from work - such as those who do seasonal work, have variable incomes or flexible contracts - will be less likely to move in and out of BSF eligibility.
- This will maximise the right of children in low income families to have access to BSF by widening eligibility to all children where the individual responsible for them or the partner of that individual receives a qualifying benefit
- Making WTC a qualifying benefit in its own right will mean that some children whose carers who are not responsible for the child for Child Tax Credit purposes, e.g. some kinship carers, will become entitled to Best Start Foods
- This will maximise the right of children in low income families to have access to BSF and prevent discrimination between children depending on the type of income-related benefit that their parent receives.
- Expanding automatic eligibility for children of young parents will mean that more children will become eligible for BSF and will also mean that those children may receive support for longer.
- This will maximise the right of children of young parents to have access to BSF by removing the need for a qualifying benefit and ensuring they continue to receive support until their parent is old enough to access a qualifying benefit. It will also ensure that their right to social security is realised.
- Allowing payments on behalf of the entitled child to be made to the partner of the individual responsible for them will help ensure that the principle that both parents have common responsibilities for the upbringing and development of the child is recognised in delivery of BSF.
- Allowing an application to be treated as if it had been made at a later date where the individual is not eligible on the date they apply but Social Security Scotland can see that they will become eligible within 10 days of applying— will maximise the right of young pregnant persons, partners of pregnant persons and young parents to have access to BSF by ensuring they receive their full entitlement
- Allowing a new decision to be made so that BSF can be paid from the date of the original application where an individual has been denied BSF due to the lack of either a qualifying benefit or child responsibility benefit and they then receive a backdated award covering the date of application – will maximise the right of children to have access to BSF by ensuring they receive their full entitlement.

• Extending the 8 week run on so it applies to all qualifying benefits not just UC – will prevent discrimination between children depending on the type of income-related benefit that their parent receives.

# Potential positive impacts – young pregnant persons, partners of pregnant persons and parents

- Removing the income thresholds which apply to some qualifying benefits – will affect young pregnant persons/partners of pregnant persons/parents of children who are 18 and in work. It will mean that more of them will be eligible to receive BSF or will be paid BSF on behalf of their children. It will also mean that if they have fluctuating incomes from work - such as those who do seasonal work, have variable incomes or flexible contracts – they/their children will be less likely to move in and out of BSF eligibility.
- This will maximise the right of young pregnant persons/partners of pregnant persons/parents to have access to BSF by widening the eligibility criteria so that receipt of a qualifying benefit is sufficient to evidence low income.
- Expanding automatic eligibility for pregnant persons and partners of pregnant persons to those who are 18 or 19 years old and a dependant will mean that more young people will become eligible for Best Start Foods.
- This will maximise the right of young pregnant persons/partners of pregnant persons to have access to BSF by removing the need for these individuals to receive a qualifying benefit in order to be eligible.
- Expanding automatic eligibility for children of young parents will mean that more young parents will be paid BSF on behalf of their children and will also mean that those parents may receive support for longer.
- This will maximise the right of young parents to have access to BSF by removing the need for a qualifying benefit and ensuring their child continues to be eligible until the parent is old enough to access a qualifying benefit. It will also ensure that their right to social security is realised.
- Allowing payments on behalf of the entitled child to be made to the partner of the individual responsible for them will help ensure that the principle that both parents have common responsibilities for the upbringing and development of the child is recognised in delivery of BSF.
- Allowing an application to be treated as if it had been made at a later date where the individual is not eligible on the date they apply but Social Security Scotland can see that they will become eligible within 10 days of applying— will maximise the right of young pregnant persons, partners of pregnant persons and young parents to have access to BSF by ensuring they receive their full entitlement
- Allowing a new decision to be made so that BSF can be paid from the date of the original application where an individual has been denied BSF due to the lack of either a qualifying benefit or child responsibility benefit and they then receive a backdated award covering the date of application – will maximise the right of young pregnant persons, partners of pregnant persons and young parents to have access to BSF by ensuring they receive their full entitlement

- Making the individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF will ensure that young pregnant persons will have choice in how they access the benefit therefore respecting the views of the young person and helping to ensure their best interests are met.
- Ensuring that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person can be paid BSF in their own right will recognise the evolving capacities of the young person and ensure that their best interests are met.
- Ensuring that where they don't have legal capacity to be paid, payment on behalf of entitled young pregnant persons/partners of pregnant persons is made to the person with Parental Rights and Responsibilities for them or the most appropriate person – will recognise the evolving capacities of the young person and ensure that their best interests are met.
- In exceptional circumstances, allow payments to be made in a way other than the prepaid card will ensure that payments can be made to very young pregnant persons or parents who are unable to be issued with a prepaid card due to there being a lower age threshold which applies.
- In this way, we will ensure that their right to social security is met.

# 9. Impact on Wellbeing: does or will the relevant proposal contribute to the wellbeing of children and young people in Scotland? (Guidance Section 2.2)

Please tick all of the wellbeing indicators that are relevant to your proposal.

Wellbeing Indicator	Will there be an improvement in wellbeing in relation to this indicator: yes/no	
<b>Safe</b> - Growing up in an environment where a child or young person feels secure, nurtured, listened to and enabled to develop to their full potential. This includes freedom from abuse or neglect.	Yes	
<b>Healthy</b> - Having the highest attainable standards of physical and mental health, access to suitable healthcare, and support in learning to make healthy and safe choices.	Yes	
<b>Achieving</b> - Being supported and guided in learning and in the development of skills, confidence and self-esteem, at home, in school and in the community.	Yes	
<b>Nurtured</b> - Growing, developing and being cared for in an environment which provides the physical and emotional security, compassion	No	

and warmth necessary for healthy growth and to develop resilience and a positive identity.	
Active - Having opportunities to take part in activities such as play, recreation and sport, which contribute to healthy growth and development, at home, in school and in the community.	No
<b>Respected</b> - Being involved in and having their voices heard in decisions that affect their life, with support where appropriate.	Yes
<b>Responsible</b> - Having opportunities and encouragement to play active and responsible roles at home, in school and in the community, and where necessary, having appropriate guidance and supervision.	Yes
<b>Included</b> - Having help to overcome inequalities and being accepted as part of their family, school and community.	Yes

## Post Assessment Review and sign-off

10. Communicating impact to children and young people (Guidance Section 2.2)

How will you communicate to children and young people the impact that the relevant proposal is having or will have on their rights?

To ensure that awareness is raised, a comprehensive communications and engagement strategy is being developed alongside the regulations which includes bespoke messaging and activities to ensure awareness is raised among young people who may be pregnant or responsible for a child.

Providing information to children and young people on how their rights are being or will be impacted helps to ensure that policy-development is transparent. Are you publishing a child-friendly or accessible CRWIA?

When we publish the document we will ensure that the CRWIA is accessible. The document will be adapted if required to make it more user-focused.

# 11. Planning for the review of impact on child rights (Stage 3) (Guidance Section 2.2)

As part of the decision making process, plans for reviewing the impact on child rights need to be developed.

- How is the impact of the relevant proposal on child rights being monitored or how will it be monitored in the future?
- When will you review your CRWIA and complete Stage 3?

The Scottish Commission on Social Security (SCoSS) is an advisory nondepartmental public body set up to provide independent scrutiny of the Scottish social security system (including benefit regulations) and hold Scottish Ministers to account. They have provided independent scrutiny of the Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024. In their report, SCoSS highlighted that XXX

We intend to commission a further evaluation on BSF as part of a wider evaluation of the FFP to report in 2025. We will also continue to engage with members of the Five Family Payments Reference Group to monitor their impact.

Social Security Scotland carry out regular surveys to understand the experience of clients who have applied for the FFP. The Social Security (Scotland) Act 2018<sup>41</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, including in relation to protected characteristics. The report is to

<sup>&</sup>lt;sup>41</sup> Social Security (Scotland) Act 2018

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 Benefit Take-up Stakeholder Reference group. This group is a partnership of Scottish Government officials and organisations representing thirdsector and local authority interests who have knowledge of issues surrounding benefit take-up. It is designed so that members can provide a valuable source of experience and expertise, acting as a sounding board for policy work going forward. Since the publication of the second Benefit Take-up Strategy in October 2021,<sup>42</sup> the group has expanded to include organisations representing seldom heard groups of the population, as identified in the strategy, as well as stakeholders representing the protected characteristic groups.

A review of the CRWIA will be completed after an agreed period of implementation.

### 12. Compatibility sign off statement (Guidance Section 2.2)

This relevant proposal has been assessed against the UNCRC requirements and has been found to be compatible.

Policy Lead Signature & Date of Sign Off: Michelle Rumgay

Deputy Director Signature & Date of Sign Off:

SGLD Sign Off: Yes		No	
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## Once signed off, please send to <u>CRWIA@gov.scot</u> and publish on gov.scot or relevant Executive Agency website.

<sup>&</sup>lt;sup>42</sup> Scottish Government (2021) <u>Social Security (Scotland) Act 2018: benefit take-up strategy - October</u> 2021

#### EQUALITY IMPACT ASSESSMENT - RESULTS

Title of Policy	Welfare Foods (Best Start Foods) Amendment Regulations 2024	
Summary of Aims and Desired Outcomes of Policy		
	These regulations will introduce a number of changes which are intended to:	
	<ul> <li>Support more low income families to access healthy food and milk;</li> <li>Further align eligibility and procedural rules for Best Start Foods with Best Start Grant and Scottish Child Payment; and</li> <li>make other technical changes to</li> </ul>	
	how we make payments.	
Directorate: Division: Team	Social Security: Social Security Policy: Five Family Payments, Funeral Support and Challenge Rights	

#### **Executive Summary**

Best Start Foods (BSF) is a social security payment delivered by Social Security Scotland. BSF aims to tackle the impacts of child poverty by improving access to healthy foods and milk for eligible families on a low income. BSF provides eligible pregnant persons and families with children under the age of three with a minimum of £4.95 a week via a payment card to purchase healthy foods and milk.

This Equalities Impact Assessment (EqIA) has been developed to accompany the Welfare Foods (Best Start Foods) Amendment Regulations 2024. As such, the focus of this EqIA is the changes that these regulations will make to BSF. This impact assessment builds on the EqIA that was produced prior to launch of BSF<sup>1</sup> and prior to the introduction of The Social Security (Miscellaneous Amendment and Transitional Provision) (Scotland) Regulations 2022<sup>2</sup> which made subsequent changes to BSF.

The purpose of these regulations is to meet the Ministerial commitment to remove income thresholds for all qualifying benefits for 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.

 <sup>&</sup>lt;sup>1</sup> Scottish Government (2019) <u>Best Start Foods: Equality Impact Assessment</u>
 <sup>2</sup> Scottish Government (2022) <u>The Social Security (Miscellaneous Amendment and Transitional</u> Provision) (Scotland) Regulations 2022: Equality Impact Assessment

A corresponding Business and Regulatory Impact Assessment, an Islands Communities Impact Screening, a Fairer Scotland Duty Assessment, and a Child Rights and Wellbeing Impact Assessment have also been produced.

These amendment regulations will make the following changes to BSF:

- Remove the income thresholds which apply to certain qualifying benefits;
- Make Working Tax Credits (WTC) a qualifying benefit in its own right;
- For applicants who are in receipt of any qualifying benefit, any deductions made from their award due to sanctions or to pay any liability should be disregarded;
- Introduce automatic eligibility for 18/19 year old dependants who are pregnant and for children where the individual responsible for them is an 18/19 year old dependant;
- Extend automatic eligibility so that it does not end until an individual turns 18, stops being a dependant, the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later;
- Make the individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF;
- Align the eligibility criteria for partners of pregnant persons with that of pregnant persons;
- Make explicit that all individuals must be ordinarily resident in order to be eligible for BSF;
- Ensure that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person or young parents to an entitled child can be paid in their own right;
- Allow payment on behalf of an entitled child to be made to the partner of the person who is responsible for the child;
- Ensure BSF payments continue for a period of 8 weeks when entitlement to any qualifying benefit ends;
- 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;
- Introduce the ability to treat an application as having been made at a later date where Social Security Scotland can see that the individual who applied will soon become eligible;
- Specify that the higher payment of BSF paid from the date the child is born until the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later, is double the lower payment; and
- In exceptional circumstances, allow payments to be made in a way other than the prepaid card.

In developing the Welfare Foods (Best Start Foods) Amendment Regulations 2024, the Scottish Government is mindful of the three needs of the Public Sector Equality Duty (PSED) as set out in section 149 of the Equality Act 2010 - eliminate unlawful discrimination, harassment and victimisation, advance equality of opportunity between people who share a protected characteristic<sup>3</sup> and those who do not, and foster good relations between people who share a protected characteristic we have sought to mitigate/eliminate these. We are also mindful that the equality duty is not just about negating or mitigating negative impacts, as we also have a positive duty to promote equality. We are considering how best to work with under-represented groups and are tailoring our communications and engagement strategy to raise awareness and take-up of the payment in these groups. More broadly, fostering good relations is reflected in the guiding principles of dignity, fairness and respect and the vision for Social Security Scotland, as set out in *Our Charter*,<sup>4</sup> with removing the stigma around applying for benefits central to this approach.

This EqIA assesses any impacts of applying a proposed new or revised policy or practice against the needs relevant to a public authority's duty to meet the public sector equality duty.

#### Background

#### **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 3. 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*.<sup>5</sup> It was also informed by the report produced by the Children's Parliament in 2017 entitled *What Kind of Scotland*?<sup>6</sup> 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 currently provides £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 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

<sup>&</sup>lt;sup>3</sup> age, disability, gender reassignment, pregnancy or maternity, race, marriage or civil partnership, sex, sexual orientation and religion and belief

<sup>&</sup>lt;sup>4</sup> Social Security Scotland (2019) Our Charter

<sup>&</sup>lt;sup>5</sup> Nourish Scotland (2016) Living more important than surviving

<sup>&</sup>lt;sup>6</sup> Children's Parliament (2017) What Kind of Scotland

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, without the need for a qualifying benefit. This is also true for parents who are under 18 and have a child who is under 1.

For a child to be eligible for BSF, an individual must also be able to evidence child responsibility. For most eligible 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 31 March 2023, more than 148,000 applications had been authorised for Best Start Foods.<sup>7</sup> In total, over £41 million has been provided to those families who need it most. In the 2022-23 financial year around 46,425 people were paid Best Start Foods.

#### **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 Futures*<sup>8</sup> – 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.

The FFP could be worth around  $\pounds$ 10,000 by the time an eligible child turns six years old, and over  $\pounds$ 20,000 by the time an eligible child is 16 years old. This is a

<sup>&</sup>lt;sup>7</sup> Social Security Scotland (2023): <u>Best Start Grant and Best Start Foods: high level statistics to 31</u> <u>March 2023 - gov.scot (www.gov.scot)</u>

<sup>&</sup>lt;sup>8</sup> Scottish Government (2018) Every child, every chance: tackling child poverty delivery plan 2018-2022

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 <u>Benefit Take-Up Strategy</u> that the complexity of accessing entitlements is a key barrier to take-up. 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 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:
  - o help to ensure that regulations, systems and policy intent are aligned;
  - o make it easier for clients to understand the eligibility criteria;
  - o reduce the need for re-applications and review requests;
  - o make it easier to potentially automate payments in the future;
  - eliminate risks of unfair treatment;
  - o improve access to BSF for young parents;
  - $\circ$   $\,$  make it easier to administer and promote the benefits; and
  - address stakeholder concerns regarding the need for better alignment across the five family payments
- Make other technical changes to how we make payments. These will:
  - eliminate risks of unfair treatment;
  - o simplify the uprating process; and
  - ensure we have the ability to give individuals the assistance they are entitled to in all cases.

#### The Scope of the EqIA

This EqIA considers the impact of the Welfare Foods (Best Start Foods) Amendment Regulations 2024 on people with one or more protected characteristic.

#### Who was involved in this EqIA

There has been policy engagement with stakeholders throughout the development of BSF and since launch. We have also held a number of meetings with our Five Family Payments 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 March 2023, we provided the Five Family Payments Reference Group with an overview of our proposed changes and following this we met separately with some of the individual members.

The overall feedback we received was positive. Removal of the income thresholds was welcomed by stakeholders and considered to be particularly helpful for people who do seasonal work, have variable incomes or are on flexible contracts. It was noted that the existing threshold for UC can prevent parents accepting work that is paid at the real Living Wage. A risk was also highlighted that people who currently lose entitlement due to breaching the income thresholds might not reclaim when their income reduces again, resulting in individuals not receiving the support they are entitled to. Extending the 8 week run-on so that it will apply to all qualifying benefits and not just UC was also viewed positively and considered to be especially helpful when issues arise with qualifying benefits which can take some time to resolve. Changes to improve access to BSF for young parents were also welcomed and it was anticipated that they would help improve uptake. Making WTC a qualifying benefit in its own right was viewed as particularly positive for some pregnant persons and also for some carers who are not responsible for the child for Child Tax Credit (CTC) purposes, e.g. some kinship carers. In general, further aligning eligibility for BSF with BSG and SCP was also received positively as it was acknowledged that the differences in eligibility can be confusing for some parents.

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. They noted that BSF helps to address stigma and improve the health and wellbeing of pregnant persons and children. They also felt that BSF could contribute to better educational outcomes. They welcomed the policy changes which will result in BSF being more accessible for low income families. However, they also 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. This change will align with the approach already taken for BSG Pregnancy and Baby Payment, where if the individual who is or was pregnant is a dependant, they can choose to apply themselves, or have the individual that they are dependent upon or the partner of that individual apply. We took this approach in response to discussions during the original consultation on BSG<sup>9</sup> which highlighted both the need to empower young parents and the importance of young pregnant persons and parents having the support of an adult in accessing the payment. To mitigate this risk, the regulations ensure that an application from the pregnant person will always take precedence. 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

<sup>&</sup>lt;sup>9</sup> Scottish Government (2017) <u>Analysis of Written Responses to the Consultation on Social Security in</u> <u>Scotland</u>

pay the pregnant person instead. One stakeholder highlighted that for pregnant persons in domestic abuse situations ensuring that an application from the pregnant person is prioritised over one from any other entitled person will help mitigate situations of financial control.

We have also engaged with the Scottish Women's Convention and Nourish Scotland. Overall, the feedback received was that the changes being made are very positive and progressive. Changes which will make it easier for eligible families to access BSF were welcomed. Extending the 8 week run-on so that it will apply to all qualifying benefits and not just Universal Credit was specifically highlighted as a good example of how to treat individuals well.

We have carried out an evaluation of BSF, <sup>10</sup> which has included externally commissioned qualitative research involving interviews with a number of clients and healthcare professionals on their experiences of the payment to date. This evaluation suggested 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. BSF 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 BSF was having on the health and wellbeing of families as a preoccupation with finances could impact the relationship they had with their children.

#### **Key Findings**

It is expected that removing the income thresholds will result in an additional 20,000 individuals being eligible for BSF.<sup>11</sup> This will mean more low income families can benefit from the support provided by BSF and more individuals will be eligible for the full suite of FFP. Furthermore, individuals who have fluctuating incomes will be less likely to move in and out of BSF eligibility – as long as they continue to receive a qualifying benefit, they will remain eligible for BSF. This will provide greater certainty to low income families and help to minimise the need for reapplications.

<sup>&</sup>lt;sup>10</sup> Scottish Government (2022) <u>BSF: evaluation</u>

<sup>&</sup>lt;sup>11</sup> Internal Scottish Government Analysis More help for more families - gov.scot (www.gov.scot)

Removing the income thresholds will align BSF more closely with BSG and SCP which do not have income thresholds, making eligibility for the FFP easier to understand and simpler to communicate to clients. Furthermore, increasing alignment of the FFP will help to support potential future automation of these benefits.

Further aligning the eligibility rules for BSF more closely with BSG and SCP will make it easier for clients to understand the eligibility criteria for the FFP and for Social Security Scotland to promote the benefits. By further aligning the procedural rules for how eligibility is determined for BSF with BSG and SCP, we will reduce the need for clients to reapply or submit review requests for BSF. This could help maximise take up and enable more clients to receive their full entitlement. Furthermore, it will make it easier for Social Security Scotland to administer the benefits. In general, all of these changes will help address stakeholder concerns regarding the need for better alignment across the FFP and make it easier to potentially automate payments in the future. As well as these overarching benefits, there is also evidence that the changes will have particular impact for the following groups

#### Age – summary of findings

The changes we are making will help to eliminate unfair treatment of young pregnant persons by ensuring that our regulations allow them to be paid in their own right, thus aligning with policy and practice.

The changes that we are making will positively affect both young parents and children. They may help to advance equality of opportunity by providing financial support to more pregnant persons and children, improving access for young parents and their children, and making it easier for them to receive the support that they are entitled to. It will also enable some individuals to receive support for longer.

They may also have a positive effect in fostering good relations between people, as Social Security Scotland staff may have the opportunity to understand more about the difficulties faced by young pregnant people and young parents and the children who are supported by them.

#### Young parents

The latest analysis of client diversity and equalities data<sup>12</sup> shows that for approved BSF and BSG applications between December 2020 and May 2021, 21% (3,005) were from people aged 16-24.

Parental age has a significant impact on child poverty rates: 55% of children with a mother aged 25 or under are in relative poverty compared with 23% of children

<sup>&</sup>lt;sup>12</sup> Social Security Scotland (2021) <u>Social Security Scotland client diversity and equalities analysis to</u> <u>May 2021</u>

whose mother is 25 or over.<sup>13</sup> Young mothers are therefore a priority family type for *Best Start, Bright Futures.*<sup>14</sup>

Some of the reasons young people might experience poverty include: an increasing proportion are living in the private rented sector; they are more likely to be in low quality employment; and more likely to experience difficulties accessing the labour market. <sup>15</sup>

The Scottish Government's Pregnancy and Parenthood in Young People Strategy<sup>16</sup> highlights that young mothers are more reliant on social security payments 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 BSF and to benefit from the changes we are making.

It is clear from our user testing that many young parents find accessing the income to which they are entitled confusing and difficult. One stakeholder told us that the young parents that they work with can get quite frustrated when accessing social security payments is difficult and therefore aligning eligibility and reducing the need for re-applications should help with uptake.

By expanding automatic eligibility to 18/19 year old dependants who are pregnant and to children where the individual responsible for them is an 18/19 year old dependant, young parents will be able to more easily access BSF, a need which was highlighted by the original consultation on Social Security Scotland, *A New Future for Social Security*.<sup>17</sup> Unpublished internal analysis carried out by the Communities Analysis Division to inform this EqIA has found that it is likely there are not more than 800 18/19 year old dependants giving birth each year.

Young parents who are still dependent on their parent/carer might not be able to access a qualifying benefit in their own right but they also might not receive financial support from their parent/carer. Making them automatically eligible for BSF will ensure that they have access to some financial support during their pregnancy. This will help pregnant persons achieve a diet that contains adequate nutrients and energy to allow proper foetal growth and development as well as providing the nutrients needed for maintaining their own health. It will also ensure that young parents are supported to buy healthy and nutritious food for their children, helping to establish positive eating behaviours and reduce their risk of obesity and other health conditions

We will also extend automatic eligibility so that where the individual responsible for the child is under 18 or an 18/19 dependant, their child will continue to be eligible up until:

<sup>&</sup>lt;sup>13</sup> Scottish Government (2021) <u>Additional child poverty analysis 2021</u> - Table 4 (child poverty priority groups and targets - further analysis)

<sup>&</sup>lt;sup>14</sup> Scottish Government (2022) <u>Best Start, Bright Futures: tackling child poverty delivery plan 2022 to</u> 2026

<sup>&</sup>lt;sup>15</sup> Scottish Government (2017) Shifting the curve: progress report

<sup>&</sup>lt;sup>16</sup> Scottish Government (2016) Pregnancy and Parenthood in Young People Strategy

<sup>&</sup>lt;sup>17</sup> Scottish Government (2017) <u>Analysis of Written Responses to the Consultation on Social Security</u> <u>in Scotland</u>

- their parent/carer turns 18, or
- their parent/carer stops being a dependant, or
- the child turns 1 or
- the child reaches the first anniversary of its estimated delivery date, whichever is later.

At present, automatic eligibility stops when the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later. The child can then only continue to be eligible if the individual responsible for them is in receipt of a qualifying benefit. As young parents who are under 18 or are still dependent on their parent/carer, are unlikely to be able to claim a qualifying benefit, the present rules mean that once the child turns 1, the young parent may have to ask their partner or their own parent/carer to claim BSF, which could be disempowering. Furthermore, if nobody else is responsible for the child then the child will no longer be eligible.

Internal analysis carried out by the Communities Analysis Division to inform this EqIA has found that it is likely that there are around 100 under 18 parents responsible for a child who is aged 1 or 2 and up to 700 parents who are 18/19 dependants and responsible for a child who is aged 1 or 2. Extending automatic eligibility in this way, will ensure that these young parents are not disadvantaged because they are unable to access a qualifying benefit due to their age. This is particularly important given the strong relationship between parental age and child poverty rates.

Making this change will also further align eligibility for BSF with BSG, as for BSG if the individual responsible for the child is under 18 or an 18/19 dependant they are automatically eligible for all 3 BSGs as long as the child is the relevant age. The divergence in the eligibility criteria between BSF and BSG is likely to be a confusing journey for young parents.

Furthermore, we will extend automatic eligibility so that where the pregnant person or their partner turns 18 or stops being a dependant during pregnancy they will remain eligible until they reach the end of their pregnancy and their child will be eligible until the child turns 1 or reaches the first anniversary of its delivery date, whichever is later. This will mean young parents continue to receive support to breastfeed or purchase first infant formula for their baby, whichever is their choice.

The current regulations for BSF state that where the beneficiary is a child (defined as under 16 or a dependant), payment should go to the individual who is responsible for that child. This means that where a pregnant person or partner of a pregnant person is under 16 or under 20 and a dependant, they should not be paid BSF in their own right. Instead the payment should go to their parent/carer. This is not in line with the policy intent that young parents should have the choice of being paid BSF in their own right or having the payment go to the person they are dependent on. It is also not compliant with the rights based approach of Social Security Scotland and therefore Social Security Scotland's practice is to pay young parents directly where that is their preference and where they are judged to have capacity to be paid BSF in their own right. Unpublished internal analysis carried out by the Communities Analysis Division to inform this EqIA suggests that there are not more than 1,000 pregnant mothers who are dependants each year and that there are around 100 children born to mothers aged 16 or younger. Internal unpublished analysis by Social

Security Scotland's Insights and Analysis Team indicates that around 10-20 applications are received every year from under 16 year old parents for BSF.

Ensuring that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person can be paid BSF in their own right will help to empower young parents and also mitigate the risk of financial coercion or abuse. Furthermore, this change will ensure pregnant persons and partners of pregnant persons who are under 16 and who are not dependent upon anyone, are able to access a payment. Where an application is made by the pregnant person or partner of the pregnant person and they are under 16 and lack legal capacity to be paid BSF in their own right, we will make payment to the person with Parental Rights and Responsibilities for them. Where it would not be appropriate to pay the individual with Parental Rights and Responsibilities, we will appoint the person who is responsible for them or another appropriate person.

Furthermore, we will make the individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF so that young pregnant persons can have choice in how they access the benefit. This change will align with the approach already taken for BSG Pregnancy and Baby Payment, where if the individual who is or was pregnant is a dependant, they can choose to apply themselves, or have the individual that they are dependent upon or the partner of that individual apply. We took this approach in response to discussions during the original consultation on BSG<sup>18</sup> which highlighted both the need to empower young parents and the importance of young pregnant persons and parents having the support of an adult in accessing the payment.

As part of this change, we will expand the current rule which ensures an application from a pregnant person always takes precedence over an application from their partner so that applications from the pregnant person will also take precedence over an application from any other entitled person. This ensures that the pregnant person will always be able to access BSF payments in their own right as it is paid to support their nutrition. One stakeholder highlighted that for pregnant persons in domestic abuse situations ensuring that an application from the pregnant person is prioritised over one from any other entitled person will help mitigate situations of financial control.

In exceptional circumstances, allowing payments to be made in a way other than the prepaid card could help very young pregnant persons and parents to access the benefit in their own right as there is a lower age threshold which is applied to the prepaid card.

One stakeholder highlighted that once a young person stops being a dependant or turns 18 their entitlement to BSF could end abruptly whereas those who lose entitlement due to losing their qualifying benefit would be entitled to an 8 week run on. However, the ending of entitlement to a qualifying benefit is often an unforeseen circumstance unlike turning 18 or leaving full-time education. Furthermore, if the young parent has a child who is not yet 1 or who has not yet reached the first

<sup>&</sup>lt;sup>18</sup> Scottish Government (2017) <u>Analysis of Written Responses to the Consultation on Social Security</u> in Scotland

anniversary of its estimated delivery date, the changes we are making will mean payments will continue for the child to ensure there is support for breastfeeding or first infant formula.

FFP advertising states that you may be eligible if you receive certain benefits or tax credits. This is not true for young parents who are eligible if they are under 18. Following changes, 18/19 dependants will also be eligible without the need to receive a qualifying benefit. Without targeted messaging this group may not have the same level of awareness of their entitlement. To ensure that awareness is raised, a comprehensive communications and engagement strategy is being developed alongside the regulations which includes bespoke messaging and activities to ensure awareness is raised among this group.

#### Children

Children up to the age of 3 can be eligible to receive BSF recognising that the early years are key to improving long term outcomes with socioeconomic differences having implications in later decades.<sup>19</sup> Children aged 3 to 4 can benefit from the universal Early Learning and Childcare provision for children which includes a free meal. In addition to this, through the Scottish Milk and Healthy Snack Scheme all preschool children attending a registered setting, for 2 hours or more per day, can also benefit from a portion of milk, or non-dairy alternative and a healthy snack.

Eligibility for BSF is targeted at low income families. Children in low income households tend to experience a range of disadvantages which can accumulate throughout their lives. For example, poverty negatively affects children's health, social, emotional and cognitive development, and also their behavioural and educational outcomes.<sup>20</sup> 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>21</sup>

In 2019-22, it is estimated that 24% of children (250,000 children each year) were living in relative poverty after housing costs in 2019-22. Before housing costs, it is estimated that 22% of children (230,000 children each year) were in relative poverty.<sup>22</sup> In the same period, 79% of children lived in households with high food security. This means that 21% of children lived in households with marginal, low or very low food security.<sup>23</sup> Children in poverty were less likely to have high food security: just 55% of those in relative poverty, and 56% of those in severe poverty lived in high food security households.<sup>24</sup> By providing eligible families with a child

<sup>&</sup>lt;sup>19</sup> Scottish Government (2010) <u>Growing up in Scotland: health inequalities in the early years</u>

<sup>&</sup>lt;sup>20</sup> Public Health Scotland (2021) <u>Impact of child poverty - Child poverty overview - Child poverty - Children - Population groups - Public Health Scotland</u>

<sup>&</sup>lt;sup>21</sup> Cooper & Stewart, Centre for Analysis of Social Exclusion (2017) <u>Does money affect children's</u> <u>outcomes? an update</u>

<sup>&</sup>lt;sup>22</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 4

<sup>&</sup>lt;sup>23</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 8

<sup>&</sup>lt;sup>24</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 8

under 3 support to purchase healthy foods and milk, BSF contributes to the Scottish Government's efforts to tackle food insecurity.

Research by The Food Foundation<sup>25</sup> has shown that children's earliest experiences of food can shape lifelong habits and establish their long-term relationship with food. It also highlights that young children who experience food insecurity are at increased risk of obesity. There is some evidence to show that BSF 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.<sup>26</sup>

It is expected that removing the income thresholds could result in an additional 20,000 individuals being eligible for BSF.<sup>27</sup> This will mean more children in low income families can benefit from the support provided by BSF. Furthermore, children whose parents/carers have fluctuating incomes from work - such as those who do seasonal work, have variable incomes or flexible contracts - will be less likely to move in and out of BSF eligibility as long as they receive a qualifying benefit. It is estimated that in 2019-22, 69% of children in relative poverty after housing costs were living in working households (170,000 children each year).<sup>28</sup> As part of our stakeholder engagement, we heard that individuals who lose entitlement due to breaching the income threshold do not always reclaim when their income drops back below the threshold, resulting in the child not receiving the support that they are entitled to. Once the income thresholds are removed, children will remain eligible for BSF as long as their parent/carer continues to receive a qualifying benefit. This will provide greater certainty to children in low income families and help to minimise the need for reapplications.

Expanding automatic eligibility to children whose parents are 18/19 year old dependants will also mean more children will be eligible for BSF. Young parents who are still dependent on their parent/carer might not be able to access a qualifying benefit in their own right but they also might not receive financial support from their parents/carers. Making their children automatically eligible for BSF will help ensure that children of young parents can access healthy food and milk, helping to establish positive eating behaviours and reduce their risk of obesity and other health conditions.

We will also extend automatic eligibility so that where the individual responsible for the child is under 18 or an 18/19 dependant, their child will continue to be eligible up until:

- o their parent/carer turns 18, or
- their parent/carer stops being a dependant, or
- the child turns 1 or
- the child reaches the first anniversary of its estimated delivery date, whichever is later.

<sup>&</sup>lt;sup>25</sup> The Food Foundation (2023) <u>Healthy Start needs urgent improvement to tackle food insecurity in</u> <u>the early years</u>

<sup>&</sup>lt;sup>26</sup> Scottish Government (2022) BSF: evaluation

<sup>&</sup>lt;sup>27</sup> Internal Scottish Government Analysis More help for more families - gov.scot (www.gov.scot)

<sup>&</sup>lt;sup>28</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 5b

At present, automatic eligibility stops when the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later. The child can then only continue to be eligible if the individual responsible for them is in receipt of a qualifying benefit. As young parents who are under 18 or are still dependent on their parent/carer, are unlikely to be able to claim a qualifying benefit, the present rules mean that once the child turns 1, the young parent has to ask their partner or their own parent/carer to claim BSF. If nobody else is responsible for the child then the child will no longer be eligible.

Extending automatic eligibility in this way, will ensure that children of young parents are not disadvantaged because their parents are unable to access a qualifying benefit due to their age. This is particularly important as parental age has a significant impact on child poverty rates with over half (55%) of children in households with a mother aged under 25 in relative poverty in 2015-18, compared to 24% of children overall.<sup>29</sup> Young mothers are therefore a priority family type for *Best Start, Bright Futures.*<sup>30</sup>

Making this change will also further align eligibility for BSF with BSG, as for BSG if the individual responsible for the child is under 18 or an 18/19 dependant they are automatically eligible for all 3 BSGs as long as the child is the relevant age for the grant. The divergence in the eligibility criteria between BSF and BSG is likely to be a confusing journey for young parents. As part of our stakeholder engagement, we heard that differences between the payments can make it difficult for parents to understand what they are entitled to. Further aligning eligibility rules and processes for BSF with BSG will make it easier for young parents to understand and access social security payments, ensuring their child receives the support it is entitled to. One stakeholder told us that the young parents that they work with can get quite frustrated when accessing payments is difficult and therefore aligning eligibility and reducing the need for re-applications should help ensure more children benefit.

Furthermore, we will extend automatic eligibility so that where the pregnant person or their partner turns 18 or stops being a dependant during pregnancy their child will be eligible from birth until they turn 1 or reach the first anniversary of their estimated delivery date, whichever is later.

Providing a further 8 weeks of payments of BSF when entitlement to any qualifying benefit ends, not just Universal Credit, will mean all children will continue to benefit from the support that BSF provides when their family's income is in transition.

Stakeholders also told us that when circumstances change it can take a while to resolve entitlement with legacy benefits. So an 8 week run on for legacy benefits would be helpful. Families in housing which cannot be supported by Universal Credit – temporary accommodation, supported or sheltered housing – continue to receive Housing Benefit, a legacy benefit. They are therefore more likely to benefit from this

<sup>&</sup>lt;sup>29</sup> Scottish Government (2022) <u>Additional child poverty analysis 2022</u> – Table 1 (target measures by priority group)

<sup>&</sup>lt;sup>30</sup> Scottish Government (2022) <u>Best Start, Bright Futures: tackling child poverty delivery plan 2022 to</u> 2026

change. On average, households with children tend to spend longer in temporary accommodation and therefore this change may be particularly relevant to children.<sup>31</sup>

One stakeholder highlighted that more children may also become eligible for BSF as a result of making WTC a qualifying benefit in its own right. This is because in some cases, while the individual responsible for a child may receive WTC they are not responsible for the child for CTC purposes – this could include some kinship carers.

#### **Disability – summary of findings**

The changes we are making will help to eliminate unfair treatment of disabled people by allowing payments to be made in a way other than the prepaid card where, as a result of their disability, an individual is unable to use the card.

The changes that we are making will positively affect disabled people as they will ensure that the eligibility and procedural rules for BSF are simpler to understand and reduce the need for reapplications. This will have a positive impact for individuals who find the application process to be more challenging as a result of their disability and help ensure they receive their full entitlement. Further aligning eligibility for BSF with BSG and SCP will also help support future automation of our benefits which could also help to address these barriers.

The changes will also mean that pregnant persons, partners of pregnant persons and children whose parents receive legacy benefits, such as income related Employment and Support Allowance which is paid to those with a health condition or disability, will continue to receive payments for 8 weeks when entitlement to a legacy benefit ends.

The changes may also have a positive effect in fostering good relations between people, as Social Security Scotland staff may have the opportunity to understand more about the difficulties faced by some disabled people in relation to using a prepaid card.

#### **Disabled People**

The latest analysis of client diversity and equalities data<sup>32</sup> shows that for approved BSF and BSG applications between December 2020 and May 2021, 17% (2,415) were from those that identified themselves as having a physical or mental condition or illness lasting or expected to last 12 months or more.

Poverty rates are higher for households when a family member is disabled, 28% of children living with a disabled person are in relative poverty compared to 24% of all children.<sup>33</sup> Disabled children are also more likely to experience poverty.<sup>34</sup> Since

<sup>&</sup>lt;sup>31</sup> Scottish Government (2022) <u>Homelessness in Scotland: 2021/22</u>

<sup>&</sup>lt;sup>32</sup> Social Security Scotland (2021) <u>Social Security Scotland client diversity and equalities analysis to</u> <u>May 2021</u>

<sup>&</sup>lt;sup>33</sup> Scottish Government (2023) <u>Additional child poverty analysis 2023</u> - Table 1 (target measures by priority group)

<sup>&</sup>lt;sup>34</sup> Iriss (2019) Disability, Poverty and Transitional Support

families with a disabled household member are more likely to be in poverty, and as the eligibility criteria for BSF target those on lower incomes, we expect the payments to have a positive impact on these families.

Providing a further 8 weeks of payments of BSF when entitlement to any qualifying benefit ends, not just UC, will mean eligible individuals who receive income related Employment Support Allowance (irESA) due to a health condition or disability will receive support for longer if their entitlement to irESA ends. This will mean that they continue to benefit from the support that BSF provides when their family's income is in transition. Stakeholders also told us that when circumstances change it can take a while to resolve entitlement with legacy benefits. In these instances, an 8 week run on for legacy benefits would be helpful.

In exceptional circumstances, allowing payments to be made in a way other than the prepaid card could have a positive impact on some individuals with a disability or long term health condition who find that due to their needs, the card is not accessible. User research carried out by Social Security Scotland has highlighted that this can be the case for individuals whose disability or long term health condition resulted in issues with recall or anxiety. These individuals reported that the process of trying to learn how to use the card and remember the PIN number caused distress. In some instances, this resulted in them becoming overwhelmed with the process and ultimately they stopped using their card.

The changes we are making to further align eligibility and procedural rules for BSF with BSG and SCP will make eligibility easier to understand, minimise the need for individuals to reapply and should support further automation of the payments in the future. These changes are likely to help improve access and could have a positive impact for individuals who find the application process to be more challenging as a result of their disability.

Our most recent Benefit Take-up Strategy, <sup>35</sup> published in October 2021, highlights our commitment to inclusive communication. Social Security Scotland are working closely with stakeholders to embed inclusive communication principles across everything that they do. The current service includes:

- promotional benefit information proactively produced in Easy Read, and Social Security Scotland work with stakeholders to get this content into the hands of those who need it;
- access to independent advocacy support for disabled people applying for Social Security Scotland assistance, ensuring their voice is heard throughout their journey;
- British Sign Language video relay service, available through Contact Scotland;
- o deafblind interpreters, Text Relay and electronic note taker services;
- all letters, information and guidance are available in Braille, Large Print, Easy Read and various Audio formats; and
- online content compatible with screen reader software on Jaws, Voiceover and Non Visual Desktop Access platforms.

<sup>&</sup>lt;sup>35</sup> Scottish Government (2021) <u>Social Security (Scotland) Act 2018: benefit take-up strategy - October</u> 2021

A recent accessibility audit has highlighted that not all sections of the online information or application forms are accessible to those with a disability. Without improvements to accessibility, those with a disability may not be aware of their entitlement or able to apply in a way that suits their needs. We have begun implementing the improvements identified and will continue to deploy these to ensure that our online systems are fully accessible.

#### Sex – summary of findings

The changes we are making will help to eliminate unfair treatment of some pregnant persons by ensuring that those that receive WTC are not treated differently to those that receive Universal Credit.

BSF is paid for the benefit of pregnant persons and women are also significantly more likely to receive BSF when it is paid on behalf of a child. <sup>36</sup> As set out in the section below on lone parents, lone parents also appear to be more likely to be eligible for BSF. We also know that women make up the majority of lone parents in Scotland, with the Labour Force survey suggesting it is around 88%.<sup>37</sup>

As such, women are more likely to directly benefit from the expansion of BSF eligibility and the changes we are making to simplify the eligibility and procedural rules. They are also more likely to benefit from the changes being made to improve access for young pregnant persons and young parents.

Making WTC a qualifying benefit in its own right is likely to have a particularly positive impact for persons who are pregnant with their first child and may also improve access for kinship carers, who are more likely to be women.

The changes we are making may also have a positive effect in fostering good relations between people, as Social Security Scotland staff may have the opportunity to understand more about the difficulties faced by young pregnant persons and lone parents.

#### Women

The latest analysis of client diversity and equalities data<sup>38</sup> shows that for approved BSF and BSG applications between December 2020 and May 2021:

- o 92% (13,235) were from those that identified as women,
- o 6% (915) as men, and
- $\circ$  less than 1% (5) in another way.

We have conclusive evidence that poverty and gender are inextricably linked. Women are also more likely to be in poverty, more likely to access the social security

<sup>&</sup>lt;sup>36</sup> Social Security Scotland (2021) <u>Social Security Scotland client diversity and equalities analysis to</u> <u>May 2021</u>

 <sup>&</sup>lt;sup>37</sup> ONS (2022) <u>Families by family type, regions of England and UK constituent countries</u> – Table 12
 <sup>38</sup> Social Security Scotland (2021) <u>Social Security Scotland client diversity and equalities analysis to</u> <u>May 2021</u>

system and more likely to be lone parents.<sup>39</sup> Women are also less likely to be economically active, making up almost 60% of unpaid carers<sup>40</sup> resulting in a range of barriers to paid employment and career progression. In March to May 2023 women's inactivity rate in Scotland was 25.2% compared to 19.4% of men's inactivity.<sup>41</sup>

Typically, when they are in paid employment, women earn less per hour on average than men. In Scotland, the gender pay gap was 12.2% in 2022, based on median gross hourly earnings for all employees.<sup>42</sup> As women are more likely to be in receipt of social security payments, they are more likely to be eligible for BSF.

Making WTC a qualifying benefit in its own right will have a positive impact for some women who are pregnant with their first child. At present only those who receive both WTC and CTC are eligible for BSF. As an individual can only receive CTC once they are responsible for a child, individuals who are pregnant and who only receive WTC cannot access BSF to help with the cost of healthy food during their pregnancy. Instead, they will only become eligible for BSF once their child is born. However, if the same individual received UC, they would be eligible even though they would not receive UC Child Element. As part of our stakeholder engagement, we heard that women who are pregnant with their first child are one of the groups who know least about how the social security system works.

Making WTC a qualifying benefit in its own right will mean more low income pregnant persons can benefit from the support provided by BSF. Our Maternal and Infant Nutrition Framework<sup>43</sup> sets out the crucial role of nutrition during pregnancy and in the early months and years of a child's life and how important it is in achieving optimal health.

One stakeholder highlighted that making WTC a qualifying benefit in its own right may also help individuals who are receiving WTC but who aren't responsible for the child for CTC purposes – this could include some kinship carers, who are more likely to be women.<sup>44</sup>

More women are likely to be eligible for BSF as a result of the removal of the income thresholds as these apply when BSF is paid in relation to a pregnancy. Women are also more likely to be paid BSF on behalf of an eligible child and therefore more women may receive the support that BSF provides as a result of this change. Women are also more likely to benefit from the changes we are making to improve access for young pregnant persons and young parents.

As women are more likely to be eligible for or receive BSF, they are also more likely to benefit from the changes we are making to simplify the eligibility and procedural rules by further aligning them with BSG and SCP.

<sup>&</sup>lt;sup>39</sup> Scottish Government (2018) Every child, every chance: tackling child poverty delivery plan 2018-2022

<sup>&</sup>lt;sup>40</sup> Engender (2016) <u>Securing Women's Futures: Using Scotland's new social security powers to close</u> the gender equality gap

<sup>&</sup>lt;sup>41</sup> Scottish Government (2023) <u>Labour Market Trends: July 2023</u> – Table 2

<sup>&</sup>lt;sup>42</sup> Scottish Government (2022) <u>Annual survey of hours and earnings: 2022</u>

<sup>&</sup>lt;sup>43</sup> Scottish Government (2011) Improving maternal and infant nutrition: a framework for action

<sup>&</sup>lt;sup>44</sup> Kinship (2021) <u>Kinship care: State of the Nation Survey 2021</u>

#### **Lone Parents**

Secondary analysis of published BSF statistics up to 28 February 2022 was completed for the Best Start Food evaluation.<sup>45</sup> This showed that 63% (69,710) of those who had their applications approved for BSF 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.

Households where only one adult works are at a higher risk of poverty: the poverty rates are highest for single women with children (36%).<sup>46</sup> Children in single parent households are also more likely to be living in relative poverty: 38% compared to 24% of children overall.<sup>47</sup>

In December 2022, single adult families with children accounted for just over half (52%) of all families with children claiming Tax Credits across the United Kingdom.<sup>48</sup> For Universal Credit, single adult families with children accounted for a larger proportion of all families with children, at 76% of all families with children claiming UC in Scotland in February 2023.<sup>49</sup> As lone parents are more likely to receive a qualifying benefit than other parents, they are more likely to be eligible for BSF.

As lone parents appear more likely to receive BSF, they are more likely to directly benefit from the changes we are making to expand eligibility and simplify the eligibility and procedural rules. They are also more likely to benefit from the changes being made to improve access for young pregnant persons and young parents. Stakeholders also told us that for single parents who are pregnant it can be a frightening time as they are alone and may be facing a range of other issues such as housing and domestic abuse so aligning eligibility and processes for BSF is likely to be particularly helpful for this group.

#### **Gender Reassignment**

None of the changes we are proposing have been identified as having any particular impact on people proposing to undergo, undergoing, or who have undergone a process for the purpose of reassigning their sex.

The latest analysis of client diversity and equalities data<sup>50</sup> shows that for approved BSF and BSG applications between December 2020 and May 2021 less than 1% (35) were from those that identified themselves as transgender and 3% (410) preferred not say.

The Scottish Government does not have sufficiently robust evidence to draw conclusions on gender reassignment in relation to income and poverty. While there

<sup>&</sup>lt;sup>45</sup> Scottish Government (2022) Best Start Foods: evaluation

<sup>&</sup>lt;sup>46</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 23

<sup>&</sup>lt;sup>47</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 9

<sup>&</sup>lt;sup>48</sup> HMRC (2023) <u>Personal tax credits provisional statistics for December 2022</u> - Table 2.1

 <sup>&</sup>lt;sup>49</sup> DWP (2023) <u>Stat-Xplore: Universal Credit, Households on Universal Credit, Family Typetax</u>
 <sup>50</sup> Social Security Scotland (2021) <u>Social Security Scotland client diversity and equalities analysis to</u> <u>May 2021</u>

is a lack of data on take-up of social security benefits amongst transgender people in Scotland (or further afield), a recent US study showed that in some cases transgender people avoid seeking state support due to experiences of prejudice and stigma. Specifically, 1 in 20 transgender women said they avoided social welfare offices, rising to 1 in 12 transgender women of colour.<sup>51</sup> A survey of attitudes towards transgender people in the UK found that people generally view transphobia as wrong, and are more likely to hold positive than negative feelings on transgender people. However, a substantial minority (i.e. one in six) reported being prejudiced against transgender people.<sup>52</sup>

BSF is payable to someone regardless of gender reassignment. The application form does not require information on the gender of the applicant and uses inclusive forms of address. An Equality monitoring form is a mandatory part of the application form but applicants can choose not to answer any of the questions.

#### **Sexual Orientation**

None of the changes we are proposing have been identified as having any particular impact on people because of their sexual orientation.

The latest analysis of client diversity and equalities data<sup>53</sup> shows that for approved BSF and BSG applications between December 2020 and May 2021:

- 92% (13,260) of approved applications were from those that identified as heterosexual;
- o 2% (285) were from those that identified as bisexual;
- o less than 1% (45) were from those that identified as gay and lesbian;
- o less than 1% (50) in another way; and
- $\circ$  6% (820) preferred not to say.

It is acknowledged that the Scottish Government does not currently have sufficient data on the experiences of those accessing the social security system dependent on sexual orientation. However, we are committed to continuing to review this issue as part of our ongoing fulfilment of the equality duty. As findings become available, we can draw on research that will explore the experiences of LGBTQ+ people accessing welfare benefits and engaging with the welfare state in Great Britain, to support and improve our understanding.<sup>54</sup>

As part of our stakeholder engagement, we heard that some homosexual women can face difficulties with social security benefits as when they claim for a partner they can be required to provide more evidence of the relationship than those in a

<sup>&</sup>lt;sup>51</sup> Butz, A.M. and Gaynor, T.S. (2022) Intersectionality and social welfare: avoidance and unequal treatment among transgender Women of Color, *Public Administration Review*, 0(0), pp. 1-13 <sup>52</sup> Equality and Human Rights Commission (2020) *Attitudes to transgender people* 

<sup>&</sup>lt;sup>53</sup> Social Security Scotland (2021) Social Security Scotland client diversity and equalities analysis to

<sup>&</sup>lt;sup>53</sup> Social Security Scotland (2021) <u>Social Security Scotland client diversity and equalities analysis to</u> <u>May 2021</u>

<sup>&</sup>lt;sup>54</sup> University of Stirling (2023) <u>About this project | Welfare Access, Assets And Debts Of LGBT+</u> <u>People In Great Britain (stir.ac.uk)</u>

heterosexual relationship. However, partners of pregnant persons who claim BSF are entitled, regardless of their sexual orientation. When applying for BSF the application form only seeks confirmation that the individual is the partner of the pregnant person and it makes clear that "someone is your partner if you're living with them and both of you are a couple, married or civil partners". An equality monitoring form is a mandatory part of the online application form but clients can choose 'prefer not to say' for any of the questions.

The Scottish Government is committed to engaging with this group to build a service that meets their needs with 9% of Experience Panel members identifying as lesbian, gay or bisexual who have been actively involved in the design of Social Security Scotland's service.<sup>55</sup>

#### Race – summary of findings

Individuals whose first language is not English face particular barriers to claiming social security payments. As such, those from ethnic minorities are more likely to directly benefit from the changes we are making to simplify the eligibility and procedural rules. Further aligning eligibility for BSF, with BSG and SCP will help to support future automation of the benefits which would also help to address these barriers.

Those from ethnic minorities are also more likely to be in poverty and therefore be in receipt of income-related reserved benefits. As such, those from ethnic minorities are more likely to directly benefit from the changes we are making to expand eligibility and simplify the eligibility and procedural rules. They are also more likely to benefit from the changes being made to improve access for young pregnant persons and young parents.

The changes will also mean that pregnant persons and children whose parents receive legacy benefits will continue to receive payments for 8 weeks when entitlement to a legacy benefit ends. One such benefit is housing benefit which is paid to cover housing costs when an individual is in temporary, supported or sheltered housing. Non-white applicants are most likely to have at least one temporary accommodation placement and are more likely to be in temporary accommodation for longer.

There can be particularly long delays for foreign nationals to have Child Benefit awarded and this can result in them being unable to evidence child responsibility for BSF. Allowing individuals who were initially determined as ineligible for BSF due to the lack of a child responsibility benefit to receive BSF from the date of their original application if they subsequently receive a backdated award of their child responsibility benefit may, therefore, have a particularly positive impact for foreign nationals who claim BSF.

The changes we are making may also have a positive effect in fostering good relations between people. As those from ethnic minorities are more likely to be in

<sup>&</sup>lt;sup>55</sup> Scottish Government (2020) <u>Social Security Experience Panels: Who is in the Panels? - 2020</u> <u>Update</u>

poverty, it is anticipated that they are more likely to be impacted by the expansion of eligibility as a result of removing the income thresholds. This could increase the contact that Social Security Scotland have with those from ethnic minorities which may increase awareness of the issues that these groups face.

#### **Ethnic Minorities**

The latest analysis of client diversity and equalities data<sup>56</sup> shows that for approved BSF and BSG applications between December 2020 and May 2021:

- o 90% (13,060) were from people who identified as white;
- o 4% (520) were from people who identified as Asian;
- o 2% (225) were from people who identified as African;
- 1% (100) were from people who identified as Mixed or multiple ethnic groups;
- less than 1% (15) were from people who identified as Caribbean or Black; and
- $\circ$  1% (130) were from people who identified as other ethnic group.

In Scotland, 5% of the adult population belong to minority ethnic groups.<sup>57</sup> A report from Close the Gap<sup>58</sup> highlights the intersectionality between race and gender and concludes that 'BME women continue to face high levels of racism, racial prejudice, discrimination and bias in the labour market which ultimately impacts their ability to secure, retain and progress within sustainable, good employment'.

In 2019-22 people from non-white minority ethnic groups were more likely to be in relative poverty, with poverty rates at 49% for 'Asian or Asian British' ethnic groups, and 438 for Mixed, Black or Black British and Other' ethnic groups. This compares to 18% amongst the 'White British group'.<sup>59</sup> There are also far higher proportion of children from a minority ethnic group in relative poverty, at 39% compared to 24% of all children. <sup>60</sup>

Family sizes are often larger among minority ethnic groups. 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>61</sup> Larger families are more likely to experience poverty and are identified as one of the priority family types in the Tackling Child Poverty Delivery Plan.<sup>62</sup> 34% of children in large families are living in relative poverty, compared to 24% for all children.<sup>63</sup>

<sup>&</sup>lt;sup>56</sup> Social Security Scotland (2021) <u>Social Security Scotland client diversity and equalities analysis to</u> <u>May 2021</u>

<sup>&</sup>lt;sup>57</sup> Scottish Government (2019) <u>Scottish Surveys Core Questions 2019</u>

<sup>&</sup>lt;sup>58</sup> Close The Gap (2016) Still not visible

<sup>&</sup>lt;sup>59</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 – Figure 27

<sup>&</sup>lt;sup>60</sup> Scottish Government (2023) Additional child poverty analysis 2022- Table 1

<sup>&</sup>lt;sup>61</sup> Women's Budget Group and Runnymede Trust (2017) <u>Intersecting inequalities: the impact of</u> austerity on black and minority ethnic women in the UK

<sup>&</sup>lt;sup>62</sup> Scottish Government (2022) <u>Best Start, Bright Futures: tackling child poverty delivery plan 2022 to</u> 2026

<sup>&</sup>lt;sup>63</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 9

Stakeholders told us that when circumstances change it can take a while to resolve entitlement with legacy benefits. So an 8 week run on for all qualifying benefits, not just UC, would be helpful. Families in housing which cannot be supported by UC – temporary accommodation, supported or sheltered housing – continue to receive Housing Benefit, a legacy benefit. They are therefore more likely to benefit from this change. Applicants with 'other' ethnicity are most likely to have at least one temporary accommodation placement (81%).<sup>64</sup> White other British and White Scottish also spend less time in temporary accommodation on average than other ethnic groups.<sup>65</sup>

Allowing individuals who were initially determined as ineligible for BSF due to the lack of a qualifying benefit or child responsibility benefit to receive BSF from the date of their original application if they subsequently receive a backdated award of their qualifying/child responsibility benefit will help people who face processing delays for reserved benefits as well as those who receive an incorrect decision. One stakeholder highlighted that there can be particularly long delays for foreign nationals to have Child Benefit awarded. While they should be able to claim UC and have UC Child Element included without Child Benefit being in place, often this does not happen and therefore they cannot prove child responsibility until Child Benefit has been awarded. This change may, therefore, have a particularly positive impact for foreign nationals who claim BSF.

We are aware that there are particular barriers faced by ethnic minorities in claiming social security payments, especially those with English as a second language. Aligning the eligibility and procedural rules for BSF with BSG and SCP will reduce the need for individuals to have to reapply and should support further automation of the payments in the future, helping to address these barriers.

Those from ethnic minorities are also more likely to be in poverty and therefore be in receipt of income-related reserved benefits. As such, those from ethnic minorities are more likely to directly benefit from the changes we are making to expand eligibility and simplify the eligibility and procedural rules. They are also more likely to benefit from the changes being made to improve access for young pregnant persons and young parents.

The evidence suggests that ethnic minority families are more likely to be in child poverty, and while we cannot yet estimate take-up by ethnicity, the diversity and equalities data around applications does not suggest particularly high take up of BSF among these families. Without a targeted approach to communications and engagement with these groups they may have less awareness of their entitlement and potentially have lower take-up.

Work has already been undertaken with ethnic minorities alongside the main Experience Panels to understand the experiences of those whose first language is not English. This work has given us a depth of information about the barriers faced by this group, and ideas for how Social Security Scotland can address these barriers

<sup>&</sup>lt;sup>64</sup> Scottish Government (2020) Homelessness in Scotland: Equalities Breakdown 2019 to 2020

<sup>65</sup> Scottish Government (2022) Homelessness in Scotland: 2021/22

as set out in our Benefit Take-up Strategy.<sup>66</sup> Furthermore, the communications and engagement strategy for these policy changes includes working with relevant stakeholders and ensuring we promote BSF in locations that are particularly relevant to those from ethnic minorities.

The BSF evaluation<sup>67</sup> highlighted that some recipients who do not speak English at all or who have English as a second language, experience issues with the application process for BSF. Some stated that they would like the option of choosing to receive communication (e.g. application form, decision letter, guidance) in other languages, or access to a translator.

Social Security Scotland already proactively translate the five family payments factsheet into 13 languages, including British Sign Language. Furthermore, their leaflets and posters display the Happy to Translate logo, to tell speakers of other languages at-a-glance that they can get these materials in other languages on request. Guidance and letters can be provided in over 100 different languages and interpretation services are also available. However, if awareness of this is not raised then individuals may continue to face barriers in applying for BSF. To address this our communications and engagement strategy includes working with relevant stakeholders and ensuring we promote the availability of translation and interpretation services.

#### **Gypsy/Travellers**

We have also previously conducted user research with members of the Gypsy/Traveller community to understand more about the barriers towards claiming the FFP and how they might be overcome. They made us aware of the potential barriers relating to digital access and the importance of trusted relationships, including a preference towards their own translation service. In addition, they highlighted the importance of trusted welfare rights organisations and local services to the community, they also expressed a preference towards letters, as this allows them to keep a record of correspondence and share with the relevant advice organisations if required.

Social Security Scotland currently have Local Delivery staff who work closely with the Gypsy Traveller Community in Fife and Edinburgh. In Fife, staff deliver a drop-in service on site and arrange appointments to provide further support. Plans are in place to deliver a similar service in Edinburgh. For both sites, male and female advisers are available to provide support. For those in the traveller community that are based elsewhere, arrangements are in place with referral partners who support the community so that these clients will be seen by one of the dedicated advisers at a place they are comfortable with.

#### Religion or belief – summary of findings

As some religious groups are more likely to be living in poverty, it is anticipated that they will benefit from the changes we are making to widen eligibility, allow certain

<sup>&</sup>lt;sup>66</sup> Scottish Government (2021) <u>Social Security (Scotland) Act 2018: benefit take-up strategy - October</u> 2021

<sup>&</sup>lt;sup>67</sup> Scottish Government (2022) Best Start Foods: evaluation

individuals to receive BSF for longer, and make access to BSF simpler for young parents.

Stakeholders have also told us that stigma around applying for social security payments may be an issue within some religious communities. Aligning the procedural rules for BSF with BSG and SCP will reduce the need for individuals to have to reapply and should support further automation of the payments in the future, helping to address these barriers.

The changes we are making may also have a positive effect in fostering good relations between people. As those from certain religious groups are more likely to be in poverty, it is anticipated that they are more likely to be impacted by the expansion of eligibility as a result of removing the income thresholds. This could increase the contact that Social Security Scotland have with those from certain religious groups which may increase awareness of the issues that these groups face.

## **Religion or Belief**

- The latest analysis of client diversity and equalities data<sup>68</sup> shows that for approved BSF and BSG applications between December 2020 and May 2021:
  - $\circ$  69% (9,950) were from those that identified as having no religion;
  - o 11% (1,660) were from those that identified as Roman Catholic;
  - $\circ$  5% (765) were from those that identified as Church of Scotland;
  - $\circ$  4% (585) were from those that identified as Other Christian;
  - $\circ$  5% (680) were from those that identified as Muslim;
  - less than 1% (25) were from those that identified as Buddhist;
  - o less than 1% (30) were from those that identified as Sikh;
  - less than 1% (5) were from those that identified as Jewish;
  - less than 1% (20) were from those that identified as Hindu;
  - less than 1% (50) were from those that identified as Pagan;
  - $\circ$  less than 1% (55) were from those that identified in another way; and
  - 4% (640) preferred not to say.

It is anticipated that as some religious groups are more likely to be living in poverty, they will benefit from the changes we are making to widen eligibility and allow certain individuals to receive BSF for longer. These changes include the removal of the income thresholds which currently apply to qualifying benefits, making WTC a qualifying benefit in its own right and continuing to pay BSF for 8 weeks when any qualifying benefit ends.

Stakeholders have told us that stigma around applying for social security payments may be an issue within some religious communities and so flexibility around how people apply is fundamental. They have also told us that for some religious communities, it is important that information is available in other languages. Social Security Scotland take a multi-channel approach and therefore applications can be made online, in writing, by telephone or in person. Social Security Scotland also proactively translate the five family payments factsheet into 13 languages.

<sup>&</sup>lt;sup>68</sup> Social Security Scotland (2021) <u>Social Security Scotland client diversity and equalities analysis to</u> <u>May 2021</u>

Furthermore, their leaflets and posters display the Happy to Translate logo, to tell speakers of other languages at-a-glance that they can get these materials in other languages on request. Guidance and letters can be provided in over 100 different languages and interpretation services are also available.

Religious groups often receive information about services and support via their religious community and we continue to work with these groups to ensure information is made available. Some of the procedural rule changes we are making for BSF will reduce the need for re-applications, as will the removal of the income thresholds which apply to some qualifying benefits. Reducing the need for clients to reapply for the payment may help tackle stigma. Furthermore, these changes, along with changes to further align the eligibility and procedural rules for BSF with BSG and SCP, should support further automation of the payments in the future, which would mean more individuals could potentially access BSF without needing to apply.

#### **Pregnancy and maternity**

The regulation changes will ensure young pregnant persons and partners of pregnant persons who are under 16 or under 20 and a dependant will be allowed to be paid in their own right.

The changes we are making will also ensure that pregnant persons or new mothers are not treated differently as a result of whether they are in receipt of UC or WTC.

BSF is paid to pregnant persons and women are also significantly more likely to receive BSF when it is paid on behalf of a child. As such, pregnant persons and women who are new parents are more likely to directly benefit from the expansion of BSF eligibility and the changes we are making to expand eligibility and simplify the eligibility and procedural rules. They are also more likely to benefit from the changes being made to improve access for young pregnant persons and young parents.

Making WTC a qualifying benefit in its own right is likely to have a particularly positive impact for persons who are pregnant with their first child.

The changes will also mean that pregnant persons and new mothers who receive legacy benefits will continue to receive payments for 8 weeks when entitlement to a legacy benefit ends.

As a result of the changes we are making, more pregnant persons and new parents will be able to receive BSF. This will increase the contact that Social Security Scotland have with pregnant persons and new parents which may increase awareness of the issues that these groups face.

#### **Pregnant persons**

In a recent survey by Maternity Action, nearly two-thirds of respondents (64%) said that they worried a lot about money while they were pregnant or on maternity leave and a further third said that they sometimes worried.<sup>69</sup>

<sup>&</sup>lt;sup>69</sup> Maternity Action (2022) Cost of living on maternity leave survey

Research by The Food Foundation notes that during pregnancy financial pressures can be heightened and that the affordability of food is a key factor in determining whether women are able to access a healthy diet, before and during pregnancy. This is particularly the case if the woman is on a low income.<sup>70</sup> Maternal obesity is associated with the development of gestational diabetes. This can put the mother at greater risk of developing type 2 diabetes later in life.<sup>71</sup>

A person's weight and nutritional status at the start of, and during, pregnancy can also impact their child's health both in childhood and later life. Obesity, undernutrition and malnutrition during pregnancy are associated with risks of obesity and diabetes for the child in later life. <sup>72, 73</sup> Furthermore, a mother's diet during pregnancy may impact the child's food preferences, which can have long-term consequences for the child's diet in later life.<sup>74</sup>

Unpublished internal analysis carried out by the Communities Analysis Division to inform this EqIA has found that it is likely there are not more than 1,000 pregnant mothers who are dependants each year and that there are not more than 800 18/19 year old dependants giving birth each year. This analysis also found that around 100 children born to mothers aged 16 or younger. Internal unpublished analysis by Social Security Scotland's Insights and Analysis Team indicates that around 10-20 applications are received every year from under 16 year old parents for BSF.

It is expected that removing the income thresholds will result in an additional 20,000 individuals being eligible for BSF.<sup>75</sup> This will mean more pregnant persons on low incomes can benefit from the support provided by BSF. Furthermore, pregnant persons who have fluctuating household incomes will be less likely to move in and out of BSF eligibility. As part of our stakeholder engagement, we heard that individuals who lose entitlement due to breaching an income threshold do not always reclaim when their income drops back below the threshold, resulting in the pregnant person not receiving the support that they are entitled to. Once the income thresholds are removed, pregnant persons will remain eligible for BSF as long as they continue to receive a qualifying benefit. This will provide greater certainty to pregnant persons on low incomes and help to minimise the need for reapplications.

Making WTC a qualifying benefit in its own right will have a positive impact for some individuals who are pregnant with their first child. At present only those who receive both WTC and CTC are eligible for BSF. As an individual can only receive CTC once they are responsible for a child, individuals who are pregnant and who only receive WTC cannot access BSF to help with the cost of healthy food during their pregnancy. Instead, they will only become eligible for BSF once their child is born.

<sup>&</sup>lt;sup>70</sup> The Food Foundation (2023) Preconception, Pregnancy and Healthy Weight in Childhood

<sup>&</sup>lt;sup>71</sup> Dabelea, D., et al., (2000) <u>Intrauterine Exposure To Diabetes Conveys Risks For Type 2 Diabetes</u> And Obesity: A Study Of Discordant Sibships. Diabetes 49(12), 2208–2211

<sup>&</sup>lt;sup>72</sup> Godfrey, K.M. et al., (2017) <u>Influence of maternal obesity on the long-term health of offspring - The</u> Lancet Diabetes & Endocrinology 5 1: 53–64

<sup>&</sup>lt;sup>73</sup> Thompson, J.M., et al., (2010) <u>Maternal Dietary Patterns in Pregnancy and the Association with</u> <u>Small-for-gestational-age Infants. Br J Nutr 103: 1665–73</u>

<sup>&</sup>lt;sup>74</sup> Mennella, J. A., et al., (2001) <u>Prenatal and Postnatal Flavor Learning by Human Infants. Pediatrics</u> 107(6), E88

<sup>&</sup>lt;sup>75</sup> Internal Scottish Government Analysis More help for more families - gov.scot (www.gov.scot)

However, if the same individual received UC, they would be eligible even though they would not receive UC Child Element until the child is born. As part of our stakeholder engagement, we heard that individuals who are pregnant with their first child are one of the groups who know least about how the social security system works.

Making WTC a qualifying benefit in its own right will mean more low income pregnant persons can benefit from the support provided by BSF. Our Maternal and Infant Nutrition Framework<sup>76</sup> sets out the crucial role of nutrition during pregnancy and in the early months and years of a child's life and how important it is in achieving optimal health.

Expanding automatic eligibility to 18/19 year old dependants who are pregnant or the partner of a pregnant person will have a positive impact on young pregnant persons as it will make it easier for them to access BSF, a need which was highlighted by the original consultation on Social Security Scotland, *A New Future for Social Security*.<sup>77</sup>

It will also further align the eligibility for BSF with BSG Pregnancy and Baby Payment, simplifying the rules and making it easier for young pregnant persons to understand what they are entitled to. Aligning in this way will make it easier to communicate the eligibility criteria to young parents. One stakeholder told us that the young parents that they work with can get quite frustrated when accessing social security payments is difficult and therefore aligning eligibility and reducing the need for re-applications should help with uptake.

Pregnant persons or partners of pregnant persons who are still dependent on their parent/carer might not be able to access a qualifying benefit in their own right but they also might not receive financial support from their parents/carers. Making them automatically eligible for BSF will ensure that they have access to some financial support during their pregnancy. This will help pregnant persons achieve a diet that contains adequate nutrients and energy to allow proper foetal growth and development as well as providing the nutrients they need for maintaining their own health.

The current regulations for BSF state that where the beneficiary is a child (defined as under 16 or a dependant), payment should go to the individual who is responsible for that child. This means that where a pregnant person or partner of a pregnant person is under 16 or under 20 and a dependant, they should not be paid BSF in their own right. Instead the payment should go to their parent/carer.

This is not in line with the policy intent that young parents should have the choice of being paid BSF in their own right or having the payment go to the person they are dependent on. It is also not compliant with the rights based approach of Social Security Scotland and therefore Social Security Scotland's practice is to pay young parents directly where that is their preference and where they are judged to have capacity to be paid BSF in their own right.

 <sup>&</sup>lt;sup>76</sup> Scottish Government (2011) <u>Improving maternal and infant nutrition: a framework for action</u>
 <sup>77</sup> Scottish Government (2017) Analysis of Written Responses to the Consultation on Social Security

in Scotland

Ensuring that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person can be paid BSF in their own right will help to empower young parents and also mitigate the risk of financial coercion or abuse. Furthermore, this change will ensure pregnant persons and partners of pregnant persons who are under 16 and who are not dependent upon anyone, are able to access a payment. Where an application is made by the pregnant person or partner of the pregnant person and they are under 16 and lack legal capacity to be paid BSF in their own right, we will make payment to the person with Parental Rights and Responsibilities for them. Where it would not be appropriate to pay the individual with Parental Rights and Responsibilities, we will appoint the person who is responsible for them or another appropriate person.

Furthermore, we will make the individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF so that young pregnant persons can have choice in how they access the payment.

This change will align with the approach already taken for BSG Pregnancy and Baby Payment, where if the individual who is or was pregnant is a dependant, they can choose to apply themselves, or have the individual that they are dependent upon or the partner of that individual apply. We took this approach in response to discussions during the original consultation on BSG<sup>78</sup> which highlighted both the need to empower young parents and the importance of young pregnant persons and parents having the support of an adult in accessing the payment.

Aligning BSF with BSG Pregnancy and Baby Payment in this way will also simplify the rules around who can be eligible for the payments, making it easier to understand who should apply and to access them.

As part of this change, we will expand the current rule which ensures an application from a pregnant person always takes precedence over an application from their partner so that applications from the pregnant person will also take precedence over an application from any other entitled person. This ensures that the pregnant person will always be able to access BSF payments in their own right as it is paid to support their nutrition. One stakeholder highlighted that for pregnant persons in domestic abuse situations ensuring that an application from the pregnant person is prioritised over one from any other entitled person will help mitigate situations of financial control.

In exceptional circumstances, allowing payments to be made in a way other than the prepaid card could help very young pregnant persons and parents to access BSF in their own right as there is a lower age threshold which is applied to the prepaid card.

Stakeholders also told us that when circumstances change it can take a while to resolve entitlement with legacy benefits. Those in receipt of legacy benefits are more likely to be pregnant and not have any young children as the birth of a new child can trigger the transition to UC. So an 8 week run on for all qualifying benefits, not just UC, would likely be particularly helpful for pregnant persons. Furthermore,

<sup>&</sup>lt;sup>78</sup> Scottish Government (2017) <u>Analysis of Written Responses to the Consultation on Social Security</u> <u>in Scotland</u>

stakeholders told us that they continue to work with a considerable number of clients who have not yet transitioned to UC and the 8 week run on for legacy benefits would also help smooth the transition when this happens. As the birth of a new child can trigger this transition, this is likely to be particularly relevant to pregnant persons.

Aligning the eligibility criteria for partners of pregnant persons with pregnant persons, will align with the approach taken for BSG Pregnancy and Baby Payment. By changing the rules for BSF to align with BSG we will simplify the rules around who can be eligible for the payments, making it easier to understand who should apply and to access them.

Other changes we are making to further align eligibility and procedures for BSF with BSG and SCP are expected to make entitlement simpler to understand and therefore make it easier to access BSF, supporting increased take-up. As pregnant persons benefit directly from the support BSF provides, they are more likely to benefit from these changes. Stakeholders also told us that for single parents who are pregnant it can be a frightening time as they are alone and may be facing a range of other issues such as housing and domestic abuse so aligning eligibility and processes for BSF is likely to be particularly helpful for this group.

#### Parents of a child under 1

Research from 2015 found a quarter of 'new families' are in poverty in the year after having their first child. This could be due to the increased costs of a new child and the need to take time off work to care for them.<sup>79</sup> 34% of families where the youngest child is under a year old lived in relative poverty in 2017-20.<sup>80</sup>

Furthermore, research by The Food Foundation<sup>81</sup> has shown that families with younger children are at particularly high risk of food insecurity. 27.3% of households with a child under the age of 4 experienced food insecurity in January 2023. This compares to 15.4% for households without children and 23% for households with only school-aged children.

The UK Government's All-Party Parliamentary Group on Infant Feeding and Inequalities found that the cost of infant formula can significantly impact on some family budgets with both parents and health care professionals reporting that they or families they know often go without essential items in order to be able to afford infant formula. In some cases, parents reported going without food for themselves, and not being able to spend money on household cleaning items and feminine hygiene items. This was also reported to add to stress and anxiety among families in difficulty.<sup>82</sup> An inquiry carried out by FEED, found that where families face difficulties accessing infant formula it can lead to unsafe feeding practices including: under-

<sup>&</sup>lt;sup>79</sup> Department for Work and Pensions (2015) <u>Child poverty transitions: exploring the routes into and out of poverty 2009 to 2012</u>

<sup>&</sup>lt;sup>80</sup> Scottish Government (2022) <u>Additional child poverty analysis 2022</u> - Table 1 (target measures by priority group)

<sup>&</sup>lt;sup>81</sup> The Food Foundation (2023) <u>Healthy Start needs urgent improvement to tackle food insecurity in</u> the early years

<sup>&</sup>lt;sup>82</sup> The All-Party Parliamentary Group on Infant Feeding and Inequalities (2018) <u>Inquiry into the cost of</u> infant formula in the United Kingdom

feeding, watering down formula, using an inappropriate formula type or breastfeeding when it is contra-indicated.<sup>83</sup>

We will extend automatic eligibility so that where the pregnant person or their partner turns 18 or stops being a dependant during pregnancy they will remain eligible until they reach the end of their pregnancy and their child will be eligible until the child turns 1 or reaches the first anniversary of its delivery date, whichever is later. This will mean young parents of a child under 1 continue to receive support to breastfeed or purchase first infant formula for their baby, whichever is their choice.

We will also specify in our regulations that the higher payment made when an eligible child is under 1 should be double the basic payment (paid during pregnancy and when the child is 1-3). One stakeholder noted that by specifying this in regulations, parents of a new child will be provided with certainty about the level of payment they will receive.

## Marriage and civil partnerships

The Scottish Government does not require assessment against this protected characteristic unless the policy or practice relates to work, for example HR policies and practices – which this policy does not.

## **Recommendations and Conclusions**

The EqIA process has identified that the Welfare Foods (Best Start Foods) Amendment Regulations 2024 have potential to have positive impacts for those who share protected characteristics.

The main risk to the desired outcomes being achieved is if eligible individuals are not aware of their entitlement or the relevant procedural rules which can help to maximise their entitlement. To ensure that awareness is raised, a comprehensive communications and engagement strategy is being developed alongside the regulations which will include working with partner agencies to ensure that appropriate signposting is provided, and that applicants can access the necessary information and be suitably supported throughout the process. We will also ensure that there is clear guidance for both decision makers and applications.

Barriers have been identified for specific groups as part of this Equality Impact Assessment. These are as follows:

• Young parents - The current advertising and promotional materials for the FFP state that you may be eligible if you receive certain benefits or tax credits. However, this does not accurately reflect the eligibility criteria for BSF for young parents. Individuals who are under 18 do not require to receive any benefits to be eligible or for their child to be eligible for BSF. As part of the changes we are making, this will also be true for dependants who are 18 or 19 years old. Without targeted messaging this group may not realise they are entitled to BSF resulting in lower awareness and take-up. To address this our

<sup>&</sup>lt;sup>83</sup> Feed (2022) <u>Access to infant formula for babies living in food poverty in the UK</u>

communications and engagement strategy includes bespoke messaging and activities to ensure awareness is raised among this group.

- **Disabled people** A recent accessibility audit has highlighted that not all sections of the online information or application form are accessible to those with a disability. Without improvements to accessibility, those with a disability may not be aware of their entitlement or able to apply in a way that suits their needs. We have begun implementing the improvements identified and will continue to deploy these to ensure that our online systems are fully accessible.
- Ethnic minorities While the evidence suggests those from ethnic minorities are more likely to be eligible for BSF, the diversity and equalities data around applications does not suggest particularly high representation of these groups. Without a targeted approach to comms and engagement with these groups they may have less awareness of their entitlement and potentially have lower take-up than other groups. To address this our communications and engagement strategy includes working with relevant stakeholders and ensuring we promote BSF in locations that are particularly relevant to those from ethnic minorities.
- Individuals for whom English is not their first language The BSF evaluation highlighted that some recipients who do not speak English at all or who have English as a second language, experience issues with the application process for BSF. Some stated that they would like the option of choosing to receive communication (e.g. application form, decision letter, guidance) in other languages, or access to a translator. Social Security Scotland already provide the option to have guidance and letters in over 100 different languages and can provide access to translation services. However, if awareness of this is not raised then individuals may continue to face barriers in applying for BSF. To address this our communications and engagement strategy includes working with relevant stakeholders and ensuring we promote the availability of translation and interpretation services.

## **Monitoring and Review**

The Scottish Commission on Social Security (SCoSS) is an advisory nondepartmental public body set up to provide independent scrutiny of the Scottish social security system (including benefit regulations) and hold Scottish Ministers to account. They have provided independent scrutiny of the Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024. In their report, SCoSS highlighted that XXX

We intend to commission a further evaluation on BSF as part of a wider evaluation of the FFP to report in 2025. We will also continue to engage with members of the FFP Reference Group to monitor their impact.

Social Security Scotland carry out regular surveys to understand the experience of clients who have applied for the FFP. The Social Security (Scotland) Act 2018<sup>84</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

<sup>84</sup> Social Security (Scotland) Act 2018

financial year, including in relation to protected characteristics. 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 Benefit Take-up Stakeholder Reference group. This group is a partnership of Scottish Government officials and organisations representing thirdsector and local authority interests who have knowledge of issues surrounding benefit take-up. It is designed so that members can provide a valuable source of experience and expertise, acting as a sounding board for policy work going forward. Since the publication of the second Benefit Take-up Strategy in October 2021,<sup>85</sup> the group has expanded to include organisations representing seldom heard groups of the population, as identified in the strategy, as well as stakeholders representing the protected characteristic groups.

<sup>&</sup>lt;sup>85</sup> Scottish Government (2021) <u>Social Security (Scotland) Act 2018: benefit take-up strategy - October</u> 2021

The final step of the Fairer Scotland Duty assessment process is to complete the **summary template** which should be published alongside other impact assessments.

Title of policy, strategy or programme	The Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024
Summary of aims and expected outcomes of strategy, proposal, programme or policy	<b>INTRODUCTION</b> The 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.
	This Fairer Scotland Duty (FSD) assessment has been developed to accompany the Welfare Foods (Best Start Foods) Amendment Regulations 2024. As such, the focus of this FSD assessment is the changes that these regulations will make to BSF. This assessment builds on the FSD assessment that was produced prior the introduction of The Social Security (Miscellaneous Amendment and Transitional Provision) (Scotland) Regulations 2022 <sup>1</sup> that made changes to BSF following the introduction of BSF in 2019.
	A corresponding Business and Regulatory Impact Assessment, an Islands Communities Impact Screening, and a Child Rights and Wellbeing Impact Assessment have also been produced.
	Policy Changes – Summary
	BSF is a social security payment delivered by Social Security Scotland. BSF aims to tackle the impacts of child poverty by improving access to healthy foods and milk for eligible families on a low income. BSF provides eligible pregnant persons and families with children under the age of three with a minimum of £4.95 a week via a payment card to purchase healthy foods and milk.
	These amendment regulations will make the following changes to BSF:

# Fairer Scotland Duty summary template

<sup>&</sup>lt;sup>1</sup> Scottish Government (2022) The Social Security (Miscellaneous Amendment and Transitional Provision) (Scotland) Regulations 2022: Fairer Scotland Duty Impact Assessment

<ul> <li>Remove the income thresholds which apply to certain qualifying bonefits;</li> </ul>
<ul><li>qualifying benefits;</li><li>Make Working Tax Credits (WTC) a qualifying benefit in its</li></ul>
own right;
<ul> <li>For applicants who are in receipt of any gualifying benefit, any</li> </ul>
deductions made from their award due to sanctions or to pay
any liability should be disregarded;
<ul> <li>Introduce automatic eligibility for 18/19 year old dependants</li> </ul>
who are pregnant and for children where the individual
<ul> <li>responsible for them is an 18/19 year old dependant;</li> <li>Extend automatic eligibility so that it does not end until an</li> </ul>
individual turns 18, stops being a dependant, the child turns 1
or reaches the first anniversary of its estimated delivery date,
whichever is later;
Make the individual who a pregnant person is dependent on
and the partner of that individual, eligible to receive BSF;
<ul> <li>Align the eligibility criteria for partners of pregnant persons</li> </ul>
with that of pregnant persons;
<ul> <li>Make explicit that all individuals must be ordinarily resident in order to be eligible for BSF;</li> </ul>
<ul> <li>Ensure that where they have legal capacity to be paid, entitled</li> </ul>
young pregnant persons and partners of a pregnant person or
young parents to an entitled child can be paid in their own
right;
<ul> <li>Allow payment on behalf of an entitled child to be made to the</li> </ul>
partner of the person who is responsible for the child;
<ul> <li>Ensure BSF payments continue for a period of 8 weeks when entitlement to any qualifying benefit ends;</li> </ul>
<ul> <li>Allow a new decision to be made without having to receive a</li> </ul>
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;
<ul> <li>Introduce the ability to treat an application as having been</li> </ul>
made at a later date where Social Security Scotland can see
that the individual who applied will soon become eligible;
<ul> <li>Specify that the higher payment of BSF paid from the date the</li> </ul>
child is born until the child turns 1 or reaches the first
anniversary of its estimated delivery date, whichever is later,
<ul> <li>is double the lower payment; and</li> <li>In exceptional circumstances, allow payments to be made in a</li> </ul>
• In exceptional circumstances, allow payments to be made in a way other than the prepaid card.
Policy Aims – Summary
The aims of the policy changes being introduced are to:

<ul> <li>Support more low income families to access healthy food and milk;</li> </ul>
<ul> <li>Further align eligibility and procedures for BSF with BSG and SCP. This will:</li> </ul>
<ul> <li>help to ensure that regulations, systems and policy intent are aligned;</li> </ul>
<ul> <li>make it easier for clients to understand the eligibility criteria;</li> </ul>
<ul> <li>reduce the need for re-applications and review requests;</li> </ul>
$\circ$ make it easier to potentially automate payments in the
<ul><li>future;</li><li>o eliminate risks of unfair treatment;</li></ul>
<ul> <li>improve access to BSF for young parents;</li> </ul>
<ul> <li>make it easier to administer and promote the benefits; and</li> </ul>
$\circ$ address stakeholder concerns regarding the need for
better alignment across the five family payments
<ul> <li>Make other technical changes to how we make payments. These will:</li> </ul>
<ul> <li>eliminate risks of unfair treatment;</li> </ul>
<ul> <li>simplify the uprating process; and</li> </ul>
$\circ$ ensure we have the ability to give individuals the
assistance they are entitled to in all cases.
BACKGROUND
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 3. The payments are delivered via a pre-paid card.
Initial policy development of BSF was informed by a 2016 report by Nourish Scotland entitled <i>Living is More Important than Just Surviving - Listening to what children think about food insecurity</i> . <sup>2</sup> It
was also informed by the report produced by the Children's
Parliament in 2017 entitled <i>What Kind of Scotland</i> ? <sup>3</sup> 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 currently provides £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 with the costs of providing

 <sup>&</sup>lt;sup>2</sup> Nourish Scotland (2016) Living more important than surviving
 <sup>3</sup> Children's Parliament (2017) What Kind of Scotland

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, without the need for a qualifying benefit. This is also true for parents who are under 18 and have a child who is under 1.
For a child to be eligible for BSF, an individual must also be able to evidence child responsibility. For most eligible 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 31 March 2023, more than 148,000 applications had been authorised for Best Start Foods. <sup>4</sup> In total, over £41 million has been provided to those families who need it most. In the 2022-23 financial year around 46,425 people were paid Best Start Foods.
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 <i>Best Start Bright Futures</i> <sup>5</sup> – 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.

 <sup>&</sup>lt;sup>4</sup> Social Security Scotland (2023): Best Start Grant and Best Start Foods: high level statistics to 31 March 2023 - gov.scot (www.gov.scot)
 <sup>5</sup> Scottish Government (2018) Every child, every chance: tackling child poverty delivery plan 2018-

	<ul> <li>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.</li> <li>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.</li> <li>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 Benefit Take-Up Strategy that the complexity of accessing entitlements is a key barrier to take-up. 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.</li> <li>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.</li> <li>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</li> </ul>
	automate payments in the future.
Summary of evidence	<b>POLICY CONTEXT</b> In 2019-22, it is estimated that 24% of children (250,000 children each year) were living in relative poverty after housing costs in 2019-22. Before housing costs, it is estimated that 22% of children (230,000 children each year) were in relative poverty. <sup>6</sup> Prior to the outbreak of COVID-19, projections indicated 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

<sup>&</sup>lt;sup>6</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 4

economy. <sup>7</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.
Children in low income households tend to experience a range of disadvantages which can accumulate throughout their lives. For example, poverty negatively affects children's health, social, emotional and cognitive development, and also their behavioural and educational outcomes. <sup>8</sup> 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>9</sup>
The Tackling Child Poverty Delivery Plan <sup>10</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.
<ul> <li>The TCPDP identifies priority family types, which are more likely to experience child poverty and are therefore more likely to require social security support: <ul> <li>lone parent families,</li> <li>families with a disabled adult or child,</li> <li>families with more than three children,</li> <li>minority ethnic families,</li> <li>families with a child under one, and</li> <li>families with a mother who is under 25.</li> </ul> </li> </ul>
The TCPDP commits to addressing these socioeconomic inequalities through its child poverty reduction policies and measures (including BSF), stating that they must impact positively on each of these groups.
This FSD assessment has considered the impacts that these amendment regulations will have on these priority family types. BSF targets support to low income families with a pregnant person and/or a child or children under the age of 3. It is therefore also appropriate

<sup>&</sup>lt;sup>7</sup> Scottish Government (2018) Every child, every chance: tackling child poverty delivery plan 2018-2022

<sup>&</sup>lt;sup>8</sup> Public Health Scotland (2021) Impact of child poverty - Child poverty overview - Child poverty - Children - Population groups - Public Health Scotland

<sup>&</sup>lt;sup>9</sup> Cooper & Stewart, Centre for Analysis of Social Exclusion (2017) Does money affect children's outcomes? an update

<sup>&</sup>lt;sup>10</sup> Scottish Government (2022) Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026

to consider the socioeconomic inequalities experienced by other cohorts/characteristics, and the likely impact of the changes on them. These include:

- children
- sex
- pregnancy and maternity

We have drawn on existing research to fully understand the impact that the changes will have on these groups of people. Demographic information played an important role in the evidence base, building on the work already undertaken as part of the TCPDP<sup>11</sup> and more broadly on child poverty. We considered Scottish Government, UK Government data, stakeholder reports and insights.

#### Stakeholder Engagement

There has been policy engagement with stakeholders throughout the development of BSF and since launch. We have also held a number of meetings with our Five Family Payments 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 March 2023, we provided the Five Family Payments Reference Group with an overview of our proposed changes and following this we met separately with some of the individual members.

The overall feedback we received was positive. Removal of the income thresholds was welcomed by stakeholders and considered to be particularly helpful for people who do seasonal work, have variable incomes or are on flexible contracts. It was noted that the existing threshold for UC can prevent parents accepting work that is paid at the real Living Wage. A risk was also highlighted that people who currently lose entitlement due to breaching the income thresholds might not reclaim when their income reduces again, resulting in individuals not receiving the support they are entitled to. Extending the 8 week run-on so that it will apply to all gualifying benefits and not just UC was also viewed positively and considered to be especially helpful when issues arise with qualifying benefits which can take some time to resolve. Changes to improve access to BSF for young parents were also welcomed and it was anticipated that they would help improve uptake. Making WTC a qualifying benefit in its own right was viewed as particularly positive for some pregnant persons and also for some carers who are not responsible for the child for Child Tax Credit (CTC) purposes, e.g. some kinship carers. In general, further aligning eligibility for BSF with BSG and SCP was also received positively as it was acknowledged that the differences in eligibility can be confusing for some parents.

<sup>&</sup>lt;sup>11</sup> Scottish Government (2022) Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026

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. They noted that BSF helps to address stigma and improve the health and wellbeing of pregnant persons and children. They also felt that BSF could contribute to better educational outcomes. They welcomed the policy changes which will result in BSF being more accessible for low income families. However, they also 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. To mitigate this risk, the regulations ensure that an application from the pregnant person will always take precedence. 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.

We have also engaged with the Scottish Women's Convention and Nourish Scotland. Overall, the feedback received was that the changes being made are very positive and progressive. Changes which will make it easier for eligible families to access BSF were welcomed. Extending the 8 week run-on so that it will apply to all qualifying benefits and not just Universal Credit was specifically highlighted as a good example of how to treat individuals well.

## Evaluation

We have carried out an evaluation of BSF,<sup>12</sup> with an external contractor carrying out interviews with a number of clients and healthcare professionals on their experiences of the payment to date. The evaluation of BSF 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

<sup>&</sup>lt;sup>12</sup> Scottish Government (2022) Best Start Foods: evaluation

	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 BSF was having on the health and wellbeing of families as a preoccupation with finances could impact the relationship they had with their children.
Summary of assessment findings	<ul> <li>KEY FINDINGS</li> <li>It is expected that removing the income thresholds will result in an additional 20,000 individuals being eligible for BSF.<sup>13</sup> This will mean more low income families can benefit from the support provided by BSF and more individuals will be eligible for all of the FFP.</li> <li>Furthermore, individuals who have fluctuating incomes will be less likely to move in and out of BSF eligibility – as long as they continue to receive a qualifying benefit, they will remain eligible for BSF. This will provide greater certainty to low income families and help to minimise the need for reapplications.</li> <li>Removing the income thresholds will align BSF more closely with BSG and SCP which do not have income thresholds, making eligibility for the FFP easier to understand and simpler to communicate to clients. Furthermore, increasing alignment of the FFP will help to support potential future automation of these benefits.</li> <li>Further aligning the eligibility rules for BSF more closely with BSG and SCP will make it easier for clients to understand the eligibility criteria for the FFP and for Social Security Scotland to promote the benefits. By further aligning the procedural rules for how eligibility is determined for BSF with BSG and SCP, we will reduce the need for clients to reapply or submit review requests for BSF. This should help maximise take up and enable more clients to receive their full entitlement. Furthermore, it will make it easier for Social Security Scotland to administer the benefits. In general, all of these changes will help address stakeholder concerns regarding the need for better alignment across the FFP and make it easier to potentially automate payments in the future. As well as these overarching benefits, there is also evidence that the changes will have particular impact for the following groups.</li> <li>Lone parent families</li> <li>Secondary analysis of published BSF statistics up to 28 February</li> </ul>
	2022 provides a further insight into the reach of the benefit. For

<sup>&</sup>lt;sup>13</sup> Internal Scottish Government Analysis More help for more families - gov.scot (www.gov.scot)

example, 63% (69,710) of those who had their applications approved for BSF 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. <sup>14</sup>
We know that women make up the majority of lone parents in Scotland, with the Labour Force survey suggesting it is around 88%. <sup>15</sup> The relative poverty rate for single women with children is 36%. <sup>16</sup> Children in single parent households are also more likely to be living in relative poverty: 38% compared to 24% of children overall. <sup>17</sup>
In December 2022, single adult families with children accounted for just over half (52%) of all families with children claiming Tax Credits across the United Kingdom. <sup>18</sup> For Universal Credit, single adult families with children accounted for a larger proportion of all families with children, at 76% of all families with children claiming UC in Scotland in February 2023. <sup>19</sup> As lone parents are more likely to receive a qualifying benefit than other parents, they are more likely to be eligible for BSF.
As lone parents appear more likely to receive BSF, they are more likely to directly benefit from the changes we are making to expand eligibility and simplify the eligibility and procedural rules. They are also more likely to benefit from the changes being made to improve access for young pregnant persons and young parents.
Stakeholders also told us that for single parents who are pregnant it can be a frightening time as they are alone and may be facing a range of other issues such as housing and domestic abuse so aligning eligibility and processes for BSF is likely to be particularly helpful for this group.
Families with a disabled adult or child
The latest analysis of client diversity and equalities data <sup>20</sup> shows that for approved BSF and BSG applications between December 2020 and May 2021, 17% (2,415) were from those that identified themselves as having a physical or mental condition or illness lasting or expected to last 12 months or more.

<sup>&</sup>lt;sup>14</sup> Scottish Government (2022) Best Start Foods: evaluation

<sup>&</sup>lt;sup>15</sup> ONS (2022) Families by family type, regions of England and UK constituent countries – Table 12

 <sup>&</sup>lt;sup>16</sup> Scottish Government (2023) <u>Poverty and Income Inequality in Scotland 2019-22</u> - Figure 23
 <sup>17</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 9
 <sup>18</sup> HMRC (2023) Personal tax credits provisional statistics for December 2022 - Table 2.1

<sup>&</sup>lt;sup>19</sup> DWP (2023) Stat-Xplore: Universal Credit, Households on Universal Credit, Family Typetax

<sup>&</sup>lt;sup>20</sup> Social Security Scotland (2021) Social Security Scotland client diversity and equalities analysis to May 2021

Poverty rates are higher for households when a family member is disabled, 28% of children living with a disabled person are in relative poverty compared to 24% of all children. <sup>21</sup> Disabled children are also more likely to experience poverty. <sup>22</sup> Since families with a disabled household member are more likely to be in poverty, and as the eligibility criteria for BSF target those on lower incomes, we expect the payments to have a positive impact on these families.
Providing a further 8 weeks of payments of BSF when entitlement to any qualifying benefit ends, not just Universal Credit, will mean eligible individuals who receive income related Employment Support Allowance (irESA) due to a health condition or disability will receive support for longer if their entitlement to irESA ends. This will mean that they continue to benefit from the support that BSF provides when their family's income is in transition. Stakeholders also told us that when circumstances change it can take a while to resolve entitlement with legacy benefits. In these instances, an 8 week run on for legacy benefits would be helpful.
In exceptional circumstances, allowing payments to be made in a way other than the prepaid card could have a positive impact on some individuals with a disability or long term health condition who find that due to their needs, the card is not accessible. User research carried out by Social Security Scotland has highlighted that this can be the case for individuals whose disability or long term health condition resulted in issues with recall or anxiety. These individuals reported that the process of trying to learn how to use the card and remember the PIN number caused distress. In some instances, this resulted in them becoming overwhelmed with the process and ultimately they stopped using their card.
The changes we are making to further align eligibility and procedural rules for BSF with BSG and SCP will make eligibility easier to understand, minimise the need for individuals to reapply and should support further automation of the payments in the future. These changes are likely to help improve access and could have a positive impact for individuals who find the application process to be more challenging as a result of their disability.
Our most recent Benefit Take-up Strategy, <sup>23</sup> published in October 2021, highlights our commitment to inclusive communication. Social Security Scotland are working closely with stakeholders to embed inclusive communication principles across everything that they do. The current service includes:

 <sup>&</sup>lt;sup>21</sup> Scottish Government (2023) Additional child poverty analysis 2023 - Table 1 (target measures by priority group)
 <sup>22</sup> Iriss (2019) Disability, Poverty and Transitional Support
 <sup>23</sup> Scottish Government (2021) Social Security (Scotland) Act 2018: benefit take-up strategy - October

<ul> <li>promotional benefit information proactively produced in Easy Read, and Social Security Scotland work with stakeholders to get this content into the hands of those who need it;</li> <li>access to independent advocacy support for disabled people applying for Social Security Scotland assistance, ensuring their voice is heard throughout their journey;</li> <li>British Sign Language video relay service, available through Contact Scotland;</li> <li>deafblind interpreters, Text Relay and electronic note taker services;</li> <li>all letters, information and guidance are available in Braille, Large Print, Easy Read and various Audio formats; and</li> <li>online content compatible with screen reader software on Jaws, Voiceover and Non Visual Desktop Access platforms.</li> </ul> A recent accessibility audit has highlighted that not all sections of the online information or application forms are accessible to those with a disability. Without improvements to accessibility, those with a disability and their entitlement or able to apply in a way that suits their needs. We have begun implementing the improvements identified and will continue to deploy these to ensure that environments of the continue to deploy these to ensure that environments identified and will continue to deploy these to ensure that environments identified and will continue to deploy these to ensure that environments identified and will continue to deploy these to ensure that environments identified and will continue to deploy these to ensure that environments identified and will continue to deploy these to ensure that environments identified and will continue to deploy these to ensure that environments identified and will continue to deploy these to ensure that environments identified and will continue to deploy these to ensure that environments identified and will continue to deploy these to ensure that environments identified and will continue to deploy these to ensure that environments identified and will continue to deploy these to ensure t
that our online systems are fully accessible.
Families with more than three children
Larger families are more likely to experience poverty and are identified as one of the priority family types in the Tackling Child Poverty Delivery Plan. <sup>24</sup> 34% of children in large families are living in relative poverty, compared to 24% for all children. <sup>25</sup>
Ethnicity also correlates with family size. At the UK level, analysis of 2011-2013 data showed that 51% of Black African, 65% of Pakistani and 64% of Bangladeshi children lived in large families (three or more children), compared to 30% of those in White British families. <sup>26</sup>
BSF can be expected to benefit larger families as there is no limit to the number of children the payment can be claimed for.
Larger families are more likely to be in poverty and therefore be in receipt of income-related reserved benefits. As such, larger families are more likely to directly benefit from the changes we are making to expand eligibility and simplify the eligibility and procedural rules.
User researchers tested the form with larger families, ensuring it was accessible and met their needs.

<sup>&</sup>lt;sup>24</sup> Scottish Government (2022) Best Start, Bright Futures: tackling child poverty delivery plan 2022 to

 <sup>&</sup>lt;sup>20</sup> Scottish Government (2022) Best Start, Bight Putures, tacking child poverty derivery plan 202
 <sup>25</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 9
 <sup>26</sup> Women's Budget Group and Runnymede Trust (2017) Intersecting inequalities: the impact of austerity on black and minority ethnic women in the UK

Minority ethnic families
<ul> <li>The latest analysis of client diversity and equalities data<sup>27</sup> shows that for approved BSF and BSG applications between December 2020 and May 2021:</li> <li>90% (13,060) were from people who identified as white;</li> <li>4% (520) were from people who identified as Asian;</li> <li>2% (225) were from people who identified as African;</li> <li>1% (100) were from people who identified as Mixed or multiple ethnic groups;</li> <li>less than 1% (15) were from people who identified as other ethnic group.</li> </ul>
In Scotland, 5% of the adult population belong to minority ethnic groups. <sup>28</sup> A report from Close the Gap <sup>29</sup> highlights the intersectionality between race and gender and concludes that 'BME women continue to face high levels of racism, racial prejudice, discrimination and bias in the labour market which ultimately impacts their ability to secure, retain and progress within sustainable, good employment'.
In 2019-22 people from non-white minority ethnic groups were more likely to be in relative poverty, with poverty rates at 49% for 'Asian or Asian British' ethnic groups, and 48% for Mixed, Black or Black British and Other' ethnic groups. This compares to 18% amongst the 'White British group'. <sup>30</sup> There are also far higher proportion of children from a minority ethnic group in relative poverty, at 39% compared to 24% of all children. <sup>31</sup>
Stakeholders told us that when circumstances change it can take a while to resolve entitlement with legacy benefits. So an 8 week run on for all qualifying benefits, not just UC, would be helpful. Families in housing which cannot be supported by UC – temporary accommodation, supported or sheltered housing – continue to receive Housing Benefit, a legacy benefit. They are therefore more likely to benefit from this change. Applicants with 'other' ethnicity are most likely to have at least one temporary accommodation placement (81%). <sup>32</sup> White other British and White Scottish also

<sup>&</sup>lt;sup>27</sup> Social Security Scotland (2021) Social Security Scotland client diversity and equalities analysis to May 2021

<sup>&</sup>lt;sup>28</sup> Scottish Government (2019) Scottish Surveys Core Questions 2019
<sup>29</sup> Close The Gap (2016) Still not visible
<sup>30</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 – Figure 27
<sup>31</sup> Scottish Government (2023) Additional child poverty analysis 2022- Table 1
<sup>32</sup> Scottish Government (2020) Homelessness in Scotland: Equalities Breakdown 2019 to 2020

spend less time in temporary accommodation on average than other ethnic groups. <sup>33</sup>
Allowing individuals who were initially determined as ineligible for BSF due to the lack of a qualifying benefit or child responsibility benefit to receive BSF from the date of their original application if they subsequently receive a backdated award of their qualifying/child responsibility benefit will help people who face processing delays for reserved benefits as well as those who receive an incorrect decision.
One stakeholder highlighted that there can be particularly long delays for foreign nationals to have Child Benefit awarded. While they should be able to claim UC and have UC Child Element included without Child Benefit being in place, often this does not happen and therefore they cannot prove child responsibility until Child Benefit has been awarded. This change may, therefore, have a particularly positive impact for foreign nationals who claim BSF.
We are aware that there are particular barriers faced by ethnic minorities in claiming social security payments, especially those with English as a second language. <sup>34</sup> Aligning the eligibility and procedural rules for BSF with BSG and SCP will reduce the need for individuals to have to reapply and should support further automation of the payments in the future, helping to address these barriers.
Those from ethnic minorities are also more likely to be in poverty and therefore be in receipt of income-related reserved benefits. <sup>35</sup> As such, those from ethnic minorities are more likely to directly benefit from the changes we are making to expand eligibility and simplify the eligibility and procedural rules. They are also more likely to benefit from the changes being made to improve access for young pregnant persons and young parents.
While the evidence suggests that ethnic minority families are more likely to be in child poverty, the diversity and equalities data does not suggest high take up of BSF among these families. Without a targeted approach to communications and engagement with these groups they may have less awareness of their entitlement and continue to have lower take-up.
Work has already been undertaken with ethnic minorities alongside the main Experience Panels to understand the experiences of those whose first language is not English. This work has given us a depth of information about the barriers faced by this group, and ideas for how Social Security Scotland can address these barriers as set out

 <sup>&</sup>lt;sup>33</sup> Scottish Government (2022) Homelessness in Scotland: 2021/22
 <sup>34</sup> Scottish Government (2020) Supporting documents - Social Security Experience Panels - ethnic minorities: report - gov.scot (www.gov.scot)
 <sup>35</sup> Department for Work and Pensions (2022) State support - GOV.UK Ethnicity facts and figures (ethnicity-facts-figures.service.gov.uk)

in our Benefit Take-up Strategy. <sup>36</sup> Furthermore, the communications and engagement strategy for these policy changes includes working with relevant stakeholders and ensuring we promote BSF in locations that are particularly relevant to those from ethnic minorities.
The BSF evaluation <sup>37</sup> highlighted that some recipients who do not speak English at all or who have English as a second language, experience issues with the application process for BSF. Some stated that they would like the option of choosing to receive communication (e.g. application form, decision letter, guidance) in other languages, or access to a translator.
Social Security Scotland already proactively translate the five family payments factsheet into 13 languages, including British Sign Language. Furthermore, their leaflets and posters for display the Happy to Translate logo, to tell speakers of other languages at-a- glance that they can get these materials in other languages on request. Guidance and letters can be provided in over 100 different languages and interpretation services are also available. However, if awareness of this is not raised then individuals may continue to face barriers in applying for BSF. To address this our communications and engagement strategy includes working with relevant stakeholders and ensuring we promote the availability of translation and interpretation services.
Families with a child under one
Research from 2015 found a quarter of 'new families' are in poverty in the year after having their first child. This could be due to the increased costs of a new child and the need to take time off work to care for them. <sup>38</sup> 34% of families where the youngest child is under a year old lived in relative poverty in 2017-20. <sup>39</sup>
Furthermore, research by The Food Foundation <sup>40</sup> has shown that families with younger children are at particularly high risk of food insecurity. 27.3% of households with a child under the age of 4 experienced food insecurity in January 2023. This compares to 15.4% for households without children and 23% for households with only school-aged children.
The UK Government's All-Party Parliamentary Group on Infant Feeding and Inequalities found that the cost of infant formula can

<sup>&</sup>lt;sup>36</sup> Scottish Government (2021) Social Security (Scotland) Act 2018: benefit take-up strategy - October 2021

 <sup>&</sup>lt;sup>37</sup> Scottish Government (2022) Best Start Foods: evaluation
 <sup>38</sup> Department for Work and Pensions (2015) Child poverty transitions: exploring the routes into and out of poverty 2009 to 2012

<sup>&</sup>lt;sup>39</sup> Scottish Government (2022) Additional child poverty analysis 2022 - Table 1 (target measures by priority group) <sup>40</sup> The Food Foundation (2023) Healthy Start needs urgent improvement to tackle food insecurity in

the early years

significantly impact on some family budgets with both parents and health care professionals reporting that they or families they know often go without essential items in order to be able to afford infant formula. In some cases, parents reported going without food for themselves, and not being able to spend money on household cleaning items and feminine hygiene items. This was also reported to add to stress and anxiety among families in difficulty. <sup>41</sup> An inquiry carried out by FEED, found that where families face difficulties accessing infant formula it can lead to unsafe feeding practices including: under-feeding, watering down formula, using an inappropriate formula type or breastfeeding when it is contra- indicated. <sup>42</sup>
We will extend automatic eligibility so that where the pregnant person or their partner turns 18 or stops being a dependant during pregnancy they will remain eligible until they reach the end of their pregnancy and their child will be eligible until the child turns 1 or reaches the first anniversary of its delivery date, whichever is later. This will mean young parents of a child under 1 continue to receive support to breastfeed or purchase first infant formula for their baby, whichever is their choice.
We will also specify in our regulations that the higher payment made when an eligible child is under 1 should be double the basic payment (paid during pregnancy and when the child is 1-3). One stakeholder noted that by specifying this in regulations, parents of a new child will be provided with certainty about the level of payment they will receive.
Families with a mother who is under 25
Parental age has a significant impact on child poverty rates: 55% of children with a mother aged 25 or under are in relative poverty compared with 23% of children whose mother is 25 or over in 2015-18. <sup>43</sup> Young mothers are therefore a priority family type for <i>Best Start, Bright Futures.</i> <sup>44</sup>
The latest analysis of client diversity and equalities data <sup>45</sup> shows that for approved BSF and BSG applications between December 2020 and May 2021, 21% (3,005) were from those aged 16-24.

<sup>&</sup>lt;sup>41</sup> The All-Party Parliamentary Group on Infant Feeding and Inequalities (2018) Inquiry into the cost of infant formula in the United Kingdom

<sup>42</sup> Feed (2022) Access to infant formula for babies living in food poverty in the UK

<sup>&</sup>lt;sup>43</sup> Scottish Government (2021) Additional child poverty analysis 2021 - Table 4 (child poverty priority groups and targets - further analysis) <sup>44</sup> Scottish Government (2022) Best Start, Bright Futures: tackling child poverty delivery plan 2022 to

<sup>2026</sup> 

<sup>&</sup>lt;sup>45</sup> Social Security Scotland (2021) Social Security Scotland client diversity and equalities analysis to May 2021

The age at which mothers have their first child is substantially lower in more deprived areas, meaning that early motherhood is more likely amongst those already facing socio-economic disadvantage. Mothers under 25 are also more likely than older mothers to have fewer qualifications, lower average incomes, and to be unemployed. <sup>46</sup>
The Scottish Government's Pregnancy and Parenthood in Young People Strategy <sup>47</sup> highlights that young mothers are more reliant on social security payments 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 BSF and to benefit from the changes we are making.
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. One stakeholder told us that the young parents that they work with can get quite frustrated when accessing social security payments is difficult and therefore aligning eligibility and reducing the need for re-applications should help with uptake.
By expanding automatic eligibility to 18/19 year old dependants who are pregnant and to children where the individual responsible for them is an 18/19 year old dependant, young parents will be able to more easily access BSF, a need which was highlighted by the original consultation on Social Security Scotland, <i>A New Future for Social Security</i> . <sup>48</sup> Internal analysis carried out by the Communities Analysis Division to inform this FSD has found that it is likely there are not more than 800 18/19 year old dependants giving birth each year.
Young parents who are still dependent on their parent/carer might not be able to access a qualifying benefit in their own right but they also might not receive financial support from their parent/carer. Making them automatically eligible for BSF will ensure that they have access to some financial support during their pregnancy. This will help pregnant persons achieve a diet that contains adequate nutrients and energy to allow proper foetal growth and development as well as providing the nutrients the mother needs for maintaining her own health. It will also ensure that young parents are supported to buy healthy and nutritious food for their children, helping to establish positive eating behaviours and reduce their risk of obesity
and other health conditions

<sup>&</sup>lt;sup>46</sup> Scottish Government (2022) What we know about households with mothers aged under 25 -<sup>47</sup> Scottish Government (2017) Analysis of Written Responses to the Consultation on Social Security

in Scotland

We will also extend automatic eligibility so that where the individual responsible for the child is under 18 or an 18/19 dependant, their child will continue to be eligible up until: • their parent/carer turns 18, or • their parent/carer stops being a dependant, or • the child turns 1 or • the child reaches the first anniversary of its estimated delivery date, whichever is later.
At present, automatic eligibility stops when the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later. The child can then only continue to be eligible if the individual responsible for them is in receipt of a qualifying benefit. As young parents who are under 18 or are still dependent on their parent/carer, are unlikely to be able to claim a qualifying benefit, the present rules mean that once the child turns 1, the young parent may have to ask their partner or their own parent/carer to claim BSF, which could be disempowering. Furthermore, if nobody else is responsible for the child then the child will no longer be eligible.
Internal analysis carried out by the Communities Analysis Division to inform this FSD has found that it is likely that there are around 100 under 18 parents responsible for a child who is aged 1 or 2 and up to 700 parents who are 18/19 dependants and responsible for a child who is aged 1 or 2. Extending automatic eligibility in this way, will ensure that these young parents are not disadvantaged because they are unable to access a qualifying benefit due to their age. This is particularly important given the strong relationship between parental age and child poverty rates.
Making this change will also further align eligibility for BSF with BSG, as for BSG if the individual responsible for the child is under 18 or an 18/19 dependant they are automatically eligible for all 3 BSGs as long as the child is the relevant age. The divergence in the eligibility criteria between BSF and BSG is likely to be a confusing journey for young parents.
Furthermore, we will extend automatic eligibility so that where the pregnant person or their partner turns 18 or stops being a dependant during pregnancy they will remain eligible until they reach the end of their pregnancy and their child will be eligible until the child turns 1 or reaches the first anniversary of its delivery date, whichever is later. This will mean young parents continue to receive support to breastfeed or purchase first infant formula for their baby, whichever is their choice.
The current regulations for BSF state that where the beneficiary is a child (defined as under 16 or a dependant), payment should go to the individual who is responsible for that child. This means that where a pregnant person or partner of a pregnant person is under 16

or under 20 and a dependant, they should not be paid BSF in their own right. Instead the payment should go to their parent/carer. This is not in line with the policy intent that young parents should have the choice of being paid BSF in their own right or having the payment go to the person they are dependent on. It is also not compliant with the rights based approach of Social Security Scotland and therefore Social Security Scotland's practice is to pay young parents directly where that is their preference and where they are judged to have capacity to be paid BSF in their own right. Unpublished internal analysis carried out by the Communities Analysis Division to inform this EqIA suggests that there are not more than 1,000 pregnant mothers who are dependents each year and that there are around 100 children born to mothers aged 16 or younger. Internal unpublished analysis by Social Security Scotland's Insights and Analysis Team indicates that around 10-20 applications are received every year from under 16 year old parents for BSF. Ensuring that where they have legal capacity to be paid, entitled

Ensuring that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person can be paid BSF in their own right will help to empower young parents and also mitigate the risk of financial coercion or abuse. Furthermore, this change will ensure pregnant persons and partners of pregnant persons who are under 16 and who are not dependent upon anyone, are able to access a payment. Where an application is made by the pregnant person or partner of the pregnant person and they are under 16 and lack legal capacity to be paid BSF in their own right, we will make payment to the person with Parental Rights and Responsibilities for them. Where it would not be appropriate to pay the individual with Parental Rights and Responsibilities, we will appoint the person who is responsible for them or another appropriate person.

Furthermore, we will make the individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF so that young parents can have a choice in how they access the benefit. This change will align with the approach already taken for BSG Pregnancy and Baby Payment, where if the individual who is or was pregnant is a dependant, they can choose to apply themselves, or have the individual that they are dependent upon or the partner of that individual apply. We took this approach in response to discussions during the original consultation on BSG<sup>49</sup> which highlighted both the need to empower young parents and the importance of young pregnant persons and parents having the support of an adult in accessing the payment.

As part of this change, we will expand the current rule which ensures an application from a pregnant person always takes precedence

<sup>&</sup>lt;sup>49</sup> Scottish Government (2017) Analysis of Written Responses to the Consultation on Social Security in Scotland

over an application from their partner so that applications from the pregnant person will also take precedence over an application from any other entitled person. This ensures that the pregnant person will always be able to access BSF payments in their own right as it is paid to support their nutrition. One stakeholder highlighted that for pregnant persons in domestic abuse situations ensuring that an application from the pregnant person is prioritised over one from any other entitled person will help mitigate situations of financial control. In exceptional circumstances, allowing payments to be made in a way other than the prepaid card could help very young pregnant persons and parents to access the benefit in their own right as there is a lower age threshold which is applied to the prepaid card. One stakeholder highlighted that once a young person stops being a dependant or turns 18 their entitlement to BSF could end abruptly whereas those who lose entitlement due to losing their qualifying benefit would be entitled to an 8 week run on. However, the ending of entitlement to a qualifying benefit is often an unforeseen circumstance unlike turning 18 or leaving full-time education. Furthermore, if the young parent has a child who is not yet 1 or who has not yet reached the first anniversary of its estimated delivery date, the changes we are making will mean payments will continue for the child to ensure there is support for breastfeeding or first infant formula. FFP advertising states that you may be eligible if you receive certain benefits or tax credits. This is not true for young parents who are eligible if they are under 18. Following changes, 18/19 dependants will also be eligible without the need to receive a gualifying benefit. Without targeted messaging this group may not have the same level of awareness of their entitlement. To ensure that awareness is raised, a comprehensive communications and engagement strategy. is being developed alongside the regulations which includes bespoke messaging and activities to ensure awareness is raised among this group. Children Children up to the age of 3 can be eligible to receive BSF recognising that the early years are key to improving long term health outcomes, and with children from less affluent households being more at risk of negative outcomes in later decades.<sup>50</sup> Children aged 3 to 4 can benefit from the universal Early Learning and

> addition to this, through the Scottish Milk and Healthy Snack Scheme all preschool children attending a registered setting, for 2

Childcare provision for children which includes a free meal. In

<sup>&</sup>lt;sup>50</sup> Scottish Government (2010) Growing up in Scotland: health inequalities in the early years

 1
hours or more per day, can also benefit from a portion of milk, or non-dairy alternative and a healthy snack.
Eligibility for BSF is targeted at low income families. Children in low income households tend to experience a range of disadvantages which can accumulate throughout their lives. For example, poverty negatively affects children's health, social, emotional and cognitive development, and also their behavioural and educational outcomes. <sup>51</sup> 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>52</sup>
In 2019-22, it is estimated that 24% of children (250,000 children each year) were living in relative poverty after housing costs in 2019-22. Before housing costs, it is estimated that 22% of children (230,000 children each year) were in relative poverty. <sup>53</sup> In the same period, 79% of children lived in households with high food security. This means that 21% of children lived in households with marginal, low or very low food security. <sup>54</sup> Children in poverty were less likely to have high food security: just 55% of those in relative poverty, and 56% of those in severe poverty lived in high food security households. <sup>55</sup> By providing eligible families with a child under 3 support to purchase healthy foods and milk, BSF contributes to the Scottish Government's efforts to tackle food insecurity.
Research by The Food Foundation <sup>56</sup> has shown that children's earliest experiences of food can shape lifelong habits and establish their long-term relationship with food. It also highlights that young children who experience food insecurity are at increased risk of obesity. There is some evidence to show that BSF 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. <sup>57</sup>
It is expected that removing the income thresholds will result in an additional 20,000 individuals being eligible for BSF. <sup>58</sup> This will mean more children in low income families can benefit from the support provided by BSF. Furthermore, children whose parents/carers have

Public Health Scotland (2021) <sup>51</sup> Impact of child poverty - Child poverty overview - Child poverty - Children - Population groups - Public Health Scotland

<sup>&</sup>lt;sup>52</sup> Cooper & Stewart, Centre for Analysis of Social Exclusion (2017) Does money affect children's outcomes? an update

<sup>&</sup>lt;sup>53</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 4

<sup>&</sup>lt;sup>54</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 8

<sup>&</sup>lt;sup>55</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 8

<sup>&</sup>lt;sup>56</sup> The Food Foundation (2023) Healthy Start needs urgent improvement to tackle food insecurity in

the early years

<sup>&</sup>lt;sup>57</sup> Scottish Government (2022) BSF: evaluation

<sup>&</sup>lt;sup>58</sup> Internal Scottish Government Analysis More help for more families - gov.scot (www.gov.scot)

fluctuating incomes from work - such as those who do seasonal work, have variable incomes or flexible contracts - will be less likely to move in and out of BSF eligibility. It is estimated that in 2019-22, 69% of children in relative poverty after housing costs were living in working households (170,000 children each year). <sup>59</sup> As part of our stakeholder engagement, we heard that individuals who lose entitlement due to breaching the income threshold do not always reclaim when their income drops back below the threshold, resulting in the child not receiving the support that they are entitled to. Once the income thresholds are removed, children will remain eligible for BSF as long as their parent/carer continues to receive a qualifying benefit. This will provide greater certainty to children in low income families and help to minimise the need for reapplications.
Expanding automatic eligibility to children whose parents are 18/19 year old dependants will also mean more children will be eligible for BSF. Young parents who are still dependent on their parent/carer might not be able to access a qualifying benefit in their own right but they also might not receive financial support from their parents/carers. Making their children automatically eligible for BSF will help ensure that children of young parents can access healthy food and milk, helping to establish positive eating behaviours and reduce their risk of obesity and other health conditions.
<ul> <li>We will also extend automatic eligibility so that where the individual responsible for the child is under 18 or an 18/19 dependant, their child will continue to be eligible up until: <ul> <li>their parent/carer turns 18, or</li> <li>their parent/carer stops being a dependant, or</li> <li>the child turns 1 or</li> <li>the child reaches the first anniversary of its estimated delivery date, whichever is later.</li> </ul> </li> </ul>
At present, automatic eligibility stops when the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later. The child can then only continue to be eligible if the individual responsible for them is in receipt of a qualifying benefit. As young parents who are under 18 or are still dependent on their parent/carer, are unlikely to be able to claim a qualifying benefit, the present rules mean that once the child turns 1, the young parent has to ask their partner or their own parent/carer to claim BSF. If nobody else is responsible for the child then the child will no longer be eligible.
Extending automatic eligibility in this way, will ensure that children of young parents are not disadvantaged because their parents are unable to access a qualifying benefit due to their age. This is particularly important as parental age has a significant impact on

<sup>&</sup>lt;sup>59</sup> Scottish Government (2023) Poverty and Income Inequality in Scotland 2019-22 - Figure 5b

child poverty rates with over half (55%) of children in households with a mother aged under 25 in relative poverty in 2015-18, compared to 24% of children overall. <sup>60</sup> Young mothers are therefore a priority family type for <i>Best Start, Bright Futures.</i> <sup>61</sup>
Making this change will also further align eligibility for BSF with BSG, as for BSG if the individual responsible for the child is under 18 or an 18/19 dependant they are automatically eligible for all 3 BSGs as long as the child is the relevant age for the grant. The divergence in the eligibility criteria between BSF and BSG is likely to be a confusing journey for young parents. As part of our stakeholder engagement, we heard that differences between the payments can make it difficult for parents to understand what they are entitled to. Further aligning eligibility rules and processes for BSF with BSG will make it easier for young parents to understand and access social security payments, ensuring their child receives the support it is entitled to. One stakeholder told us that the young parents that they work with can get quite frustrated when accessing payments is difficult and therefore aligning eligibility and reducing the need for reapplications should help ensure more children benefit.
Furthermore, we will extend automatic eligibility so that where the pregnant person or their partner turns 18 or stops being a dependant during pregnancy their child will be eligible from birth until they turn 1 or reach the first anniversary of their estimated delivery date, whichever is later.
Providing a further 8 weeks of payments of BSF when entitlement to any qualifying benefit ends, not just Universal Credit, will mean all children will continue to benefit from the support that BSF provides when their family's income is in transition.
Stakeholders also told us that when circumstances change it can take a while to resolve entitlement with legacy benefits. So an 8 week run on for legacy benefits would be helpful. Families in housing which cannot be supported by Universal Credit – temporary accommodation, supported or sheltered housing – continue to receive Housing Benefit, a legacy benefit. They are therefore more likely to benefit from this change. On average, households with children tend to spend longer in temporary accommodation and therefore this change may be particularly relevant to children. <sup>62</sup>
One stakeholder highlighted that more children may also become eligible for BSF as a result of making WTC a qualifying benefit in its own right. This is because in some cases, while the individual

 <sup>&</sup>lt;sup>60</sup> Scottish Government (2022) Additional child poverty analysis 2022 – Table 1 (target measures by priority group)
 <sup>61</sup> Scottish Government (2022) Best Start, Bright Futures: tackling child poverty delivery plan 2022 to

<sup>2026</sup> 

<sup>&</sup>lt;sup>62</sup> Scottish Government (2022) Homelessness in Scotland: 2021/22

responsible for a child may receive WTC they are not responsible for the child for CTC purposes – this could include some kinship carers.
Sex
<ul> <li>The latest analysis of client diversity and equalities data<sup>63</sup> shows that for approved BSF and BSG applications between December 2020 and May 2021:</li> <li>92% (13,235) were from those that identified as women,</li> <li>6% (915) as men, and</li> <li>less than 1% (5) in another way.</li> </ul>
Poverty and gender are inextricably linked. Women are more likely than men to be in poverty, more likely to access the social security system and more likely to be lone parents. <sup>64</sup> Women are also less likely to be economically active, making up almost 60% of unpaid carers <sup>65</sup> resulting in a range of barriers to paid employment and career progression. Typically, when they are in paid employment, women earn less per hour on average than men. In Scotland, the gender pay gap is 12.0%, based on median gross hourly earnings for all employees. <sup>66</sup> As women are more likely to be in receipt of social security payments, they are more likely to be eligible for BSF.
Making WTC a qualifying benefit in its own right will have a positive impact for some women who are pregnant with their first child. At present only those who receive both WTC and CTC are eligible for BSF. As an individual can only receive CTC once they are responsible for a child, individuals who are pregnant and who only receive WTC cannot access BSF to help with the cost of healthy food during their pregnancy. Instead, they will only become eligible for BSF once their child is born. However, if the same individual received UC, they would be eligible even though they would not receive UC Child Element. As part of our stakeholder engagement, we heard that women who are pregnant with their first child are one of the groups who know least about how the social security system works.
Making WTC a qualifying benefit in its own right will mean more low income pregnant persons can benefit from the support provided by BSF. Our Maternal and Infant Nutrition Framework <sup>67</sup> sets out the crucial role of nutrition during pregnancy and in the early months and

<sup>&</sup>lt;sup>63</sup> Social Security Scotland (2021) Social Security Scotland client diversity and equalities analysis to May 2021

<sup>&</sup>lt;sup>64</sup> Scottish Government (2018) Every child, every chance: tackling child poverty delivery plan 2018-2022

<sup>&</sup>lt;sup>65</sup> Engender (2016) Securing Women's Futures: Using Scotland's new social security powers to close the gender equality gap

<sup>&</sup>lt;sup>66</sup> Office for National Statistics (2022) *Dataset: Gender pay gap*. Gender pay gap - Office for National Statistics (ons.gov.uk)

<sup>&</sup>lt;sup>67</sup> Scottish Government (2011) Improving maternal and infant nutrition: a framework for action

years of a child's life and how important it is in achieving optimal health.
One stakeholder highlighted that making WTC a qualifying benefit in its own right may also help individuals who are receiving WTC but who aren't responsible for the child for CTC purposes – this could include some kinship carers, who are more likely to be women. <sup>68</sup>
More women are likely to be eligible for BSF as a result of the removal of the income thresholds as these apply when BSF is paid in relation to a pregnancy. Women are also more likely to be paid BSF on behalf of an eligible child and therefore more women may receive the support that BSF provides as a result of this change. Women are also more likely to benefit from the changes we are making to improve access for young pregnant persons and young parents.
As women are more likely to be eligible for or receive BSF, they are also more likely to benefit from the changes we are making to simplify the eligibility and procedural rules by further aligning them with BSG and SCP.
Pregnancy and maternity
In a recent survey by Maternity Action, nearly two-thirds of respondents (64%) said that they worried a lot about money while they were pregnant or on maternity leave and a further third said that they sometimes worried. <sup>69</sup>
Research by The Food Foundation notes that during pregnancy financial pressures can be heightened and that the affordability of food is a key factor in determining whether women are able to access a healthy diet, before and during pregnancy. This is particularly the case if the woman is on a low income. <sup>70</sup> Maternal obesity is associated with the development of gestational diabetes. This can put the mother at greater risk of developing type 2 diabetes later in life. <sup>71</sup>
A woman's weight and nutritional status at the start of, and during, pregnancy can also impact her child's health both in childhood and later life. Obesity, undernutrition and malnutrition during pregnancy are associated with risks of obesity and diabetes for the child in later

<sup>&</sup>lt;sup>68</sup> Kinship (2021) Kinship care: State of the Nation Survey 2021
<sup>69</sup> Maternity Action (2022) Cost of living on maternity leave survey
<sup>70</sup> The Food Foundation (2023) Preconception, Pregnancy and Healthy Weight in Childhood
<sup>71</sup> Dabelea, D., et al., (2000) Intrauterine Exposure To Diabetes Conveys Risks For Type 2 Diabetes And Obesity: A Study Of Discordant Sibships. Diabetes 49(12), 2208-2211

life. <sup>72, 73</sup> Furthermore, a mother's diet during pregnancy may impact the child's food preferences, which can have long-term consequences for the child's diet in later life. <sup>74</sup>
Internal analysis carried out by the Communities Analysis Division to inform this FSD has found that it is likely there are not more than 1,000 pregnant mothers who are dependants each year and that there are not more than 800 18/19 year old dependants giving birth each year. This analysis also found that around 100 children born to mothers aged 16 or younger. Internal unpublished analysis by Social Security Scotland's Insights and Analysis Team indicates that around 10-20 applications are received every year from under 16 year old parents for BSF.
It is expected that removing the income thresholds will result in an additional 20,000 individuals being eligible for BSF. <sup>75</sup> This will mean more pregnant persons on low incomes can benefit from the support provided by BSF. Furthermore, pregnant persons who have fluctuating household incomes will be less likely to move in and out of BSF eligibility. As part of our stakeholder engagement, we heard that individuals who lose entitlement due to breaching an income threshold do not always reclaim when their income drops back below the threshold, resulting in the pregnant person not receiving the support that they are entitled to. Once the income thresholds are removed, pregnant persons will remain eligible for BSF as long as they continue to receive a qualifying benefit. This will provide greater certainty to pregnant persons on low incomes and help to minimise the need for reapplications.
Making WTC a qualifying benefit in its own right will have a positive impact for some individuals who are pregnant with their first child. At present only those who receive both WTC and CTC are eligible for BSF. As an individual can only receive CTC once they are responsible for a child, individuals who are pregnant and who only receive WTC cannot access BSF to help with the cost of healthy food during their pregnancy. Instead, they will only become eligible for BSF once their child is born. However, if the same individual receive UC, they would be eligible even though they would not receive UC Child Element until the child is born. As part of our stakeholder engagement, we heard that individuals who are pregnant with their first child are one of the groups who know least about how the social security system works.

<sup>&</sup>lt;sup>72</sup> Godfrey, K.M. et al., (2017) Influence of maternal obesity on the long-term health of offspring - The Lancet Diabetes & Endocrinology 5 1: 53-64

 <sup>&</sup>lt;sup>73</sup> Thompson, J.M., et al., (2010) Maternal Dietary Patterns in Pregnancy and the Association with Small-for-gestational-age Infants. Br J Nutr 103: 1665–73
 <sup>74</sup> Mennella, J. A., et al., (2001) Prenatal and postnatal flavor learning by human infants - PubMed

<sup>(</sup>nih.gov)

<sup>&</sup>lt;sup>75</sup> Internal Scottish Government Analysis More help for more families - gov.scot (www.gov.scot)

Making WTC a qualifying benefit in its own right will mean more low income pregnant persons can benefit from the support provided by BSF. Our Maternal and Infant Nutrition Framework <sup>76</sup> sets out the crucial role of nutrition during pregnancy and in the early months and years of a child's life and how important it is in achieving optimal health.
Expanding automatic eligibility to 18/19 year old dependants who are pregnant or the partner of a pregnant person will have a positive impact on young pregnant persons as it will make it easier for them to access BSF, a need which was highlighted by the original consultation on Social Security Scotland, <i>A New Future for Social Security</i> . <sup>77</sup>
It will also further align the eligibility for BSF with BSG Pregnancy and Baby Payment, simplifying the rules and making it easier for young pregnant persons to understand what they are entitled to. Aligning in this way will make it easier to communicate the eligibility criteria to young parents. One stakeholder told us that the young parents that they work with can get quite frustrated when accessing social security payments is difficult and therefore aligning eligibility and reducing the need for re-applications should help with uptake.
Pregnant persons or partners of pregnant persons who are still dependent on their parent/carer might not be able to access a qualifying benefit in their own right but they also might not receive financial support from their parents/carers. Making them automatically eligible for BSF will ensure that they have access to some financial support during their pregnancy. This will help pregnant persons achieve a diet that contains adequate nutrients and energy to allow proper foetal growth and development as well as providing the nutrients the mother needs for maintaining her own health.
The current regulations for BSF state that where the beneficiary is a child (defined as under 16 or a dependant), payment should go to the individual who is responsible for that child. This means that where a pregnant person or partner of a pregnant person is under 16 or under 20 and a dependant, they should not be paid BSF in their own right. Instead the payment should go to their parent/carer.
This is not in line with the policy intent that young parents should have the choice of being paid BSF in their own right or having the payment go to the person they are dependent on. It is also not compliant with the rights based approach of Social Security Scotland and therefore Social Security Scotland's practice is to pay young

 <sup>&</sup>lt;sup>76</sup> Scottish Government (2011) Improving maternal and infant nutrition: a framework for action
 <sup>77</sup> Scottish Government (2017) Analysis of Written Responses to the Consultation on Social Security in Scotland

parents directly where that is their preference and where they are judged to have capacity to be paid BSF in their own right.
Ensuring that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person can be paid BSF in their own right will help to empower young parents and also mitigate the risk of financial coercion or abuse. Furthermore, this change will ensure pregnant persons and partners of pregnant persons who are under 16 and who are not dependent upon anyone, are able to access a payment. Where an application is made by the pregnant person or partner of the pregnant person and they are under 16 and lack legal capacity to be paid BSF in their own right, we will make payment to the person with Parental Rights and Responsibilities for them. Where it would not be appropriate to pay the individual with Parental Rights and Responsibilities, we will appoint the person who is responsible for them or another appropriate person.
Furthermore, we will make the individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF so that young parents can have choice in how they access the payment.
This change will align with the approach already taken for BSG Pregnancy and Baby Payment, where if the individual who is or was pregnant is a dependant, they can choose to apply themselves, or have the individual that they are dependent upon or the partner of that individual apply. We took this approach in response to discussions during the original consultation on BSG <sup>78</sup> which highlighted both the need to empower young parents and the importance of young pregnant persons and parents having the support of an adult in accessing the payment.
Aligning BSF with BSG Pregnancy and Baby Payment in this way will also simplify the rules around who can be eligible for the payments, making it easier to understand who should apply and to access them.
As part of this change, we will expand the current rule which ensures an application from a pregnant person always takes precedence over an application from their partner so that applications from the pregnant person will also take precedence over an application from any other entitled person. This ensures that the pregnant person will always be able to access BSF payments in their own right as it is paid to support their nutrition. One stakeholder highlighted that for pregnant persons in domestic abuse situations ensuring that an

<sup>&</sup>lt;sup>78</sup> Scottish Government (2017) Analysis of Written Responses to the Consultation on Social Security in Scotland

application from the pregnant person is prioritised over one from any other entitled person will help mitigate situations of financial control.
In exceptional circumstances, allowing payments to be made in a way other than the prepaid card could help very young pregnant persons and parents to access BSF in their own right as there is a lower age threshold which is applied to the prepaid card.
The changes will also mean that pregnant persons and new mothers who receive legacy benefits will continue to receive payments for 8 weeks when entitlement to a legacy benefit ends.
Stakeholders also told us that when circumstances change it can take a while to resolve entitlement with legacy benefits. Those in receipt of legacy benefits are more likely to be pregnant and not have any young children as the birth of a new child can trigger the transition to UC. So an 8 week run on for all qualifying benefits, not just UC, would likely be particularly helpful for pregnant persons. Furthermore, stakeholders told us that they continue to work with a considerable number of clients who have not yet transitioned to UC and the 8 week run on for legacy benefits would also help smooth the transition when this happens. As the birth of a new child can trigger this transition, this is likely to be particularly relevant to pregnant persons.
Aligning the eligibility criteria for partners of pregnant persons with pregnant persons, will align with the approach taken for BSG Pregnancy and Baby Payment. By changing the rules for BSF to align with BSG we will simplify the rules around who can be eligible for the payments, making it easier to understand who should apply and to access them.
Other changes we are making to further align eligibility and procedures for BSF with BSG and SCP are expected to make entitlement simpler to understand and therefore make it easier to access BSF, supporting increased take-up. As pregnant persons benefit directly from the support BSF provides, they are more likely to benefit from these changes. Stakeholders also told us that for single parents who are pregnant it can be a frightening time as they are alone and may be facing a range of other issues such as housing and domestic abuse so aligning eligibility and processes for BSF is likely to be particularly helpful for this group.
CONCLUSION
The TCPDP identified a series of priority family types which are at the greatest risk of poverty, advising that they must be targeted in all

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of its child poverty reduction policies and measures <sup>79</sup> . We have developed these regulations in consultation with stakeholders to understand the impact on socioeconomic inequalities that are experienced by these priority, and by other key, groups. We have also drawn on existing research and analysis to fully understand the impact that these changes will have on these groups of people. From this work we can conclude that the Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024 will actively contribute to reducing hardship faced by low income families and
mitigate inequalities of outcome.
Monitoring
The Scottish Commission on Social Security (SCoSS) is an advisory non-departmental public body set up to provide independent scrutiny of the Scottish social security system (including benefit regulations) and hold Scottish Ministers to account. They have provided independent scrutiny of the Welfare Foods (Best Start Foods) (Scotland) Amendment Regulations 2024. In their report, SCoSS highlighted that XXX
We intend to commission a further evaluation on BSF as part of a wider evaluation of the FFP to report in 2025. We will also continue to engage with members of the Five Family Payments Reference Group to monitor their impact.
Social Security Scotland carry out regular surveys to understand the experience of clients who have applied for the FFP. The Social Security (Scotland) Act 2018 <sup>80</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, including in relation to protected characteristics. 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 Benefit Take-up Stakeholder 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 designed so that members can provide a valuable source of experience and expertise, acting as a sounding board for policy work going forward. Since the publication of the second Benefit Take-up Strategy in October 2021, <sup>81</sup> the group has expanded to include

<sup>&</sup>lt;sup>79</sup> Scottish Government (2022) Best Start, Bright Futures: tackling child poverty delivery plan 2022 to

<sup>80</sup> Social Security (Scotland) Act 2018 <sup>81</sup> Scottish Government (2021) Social Security (Scotland) Act 2018: benefit take-up strategy - October

	organisations representing seldom heard groups of the population, as identified in the strategy, as well as stakeholders representing the protected characteristic groups.	
Sign off	[Delete after completing: this template should be signed off at DD level or above] Name:	
	Job title:	

## **ISLAND COMMUNITIES IMPACT ASSESSMENT TEMPLATE**

Please ensure this template is completed in conjunction with the Island Communities Impact Assessment (ICIA) Guidance on the <u>Scot Gov Website</u>

## **STEP ONE – DEVELOP A CLEAR UNDERSTANDING OF YOUR OBJECTIVES**

<ul> <li>What are the objectives of the policy, strategy or service?</li> </ul>	The 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.
	BACKGROUND
	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 3. The payments are delivered via a pre-paid card.
	Initial policy development of BSF was informed by a 2016 report by Nourish Scotland entitled <i>Living is More Important than Just Surviving - Listening to what children think</i>

been provided to those families who need it most. In the 2022-23 financial year around 46,425 people were paid Best Start Foods.
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 <sup>&</sup>lt;sup>1</sup> Nourish Scotland (2016) Living more important than surviving
 <sup>2</sup> Children's Parliament (2017) <u>What Kind of Scotland</u>
 <sup>3</sup> Social Security Scotland (2023): <u>Best Start Grant and Best Start Foods: high level statistics to 31 March 2023 - gov.scot (www.gov.scot)</u>

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 <i>Best Start</i> <i>Bright Futures</i> <sup>4</sup> – 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.

<sup>&</sup>lt;sup>4</sup> Scottish Government (2022) Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026 - gov.scot (www.gov.scot)

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 <u>Benefit Take-Up</u> <u>Strategy</u> that the complexity of accessing entitlements is a key barrier to take-up. 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
<ul> <li>These amendment regulations will make the following changes to BSF:</li> <li>Remove the income thresholds which apply to certain qualifying benefits;</li> <li>Make Working Tax Credits (WTC) a qualifying benefit in its own right;</li> <li>For applicants who are in receipt of any qualifying benefit, any deductions made from their award due to sanctions or to pay any liability should be disregarded;</li> <li>Introduce automatic eligibility for 18/19 year old dependants who are pregnant and for children where the individual responsible for them is an 18/19 year old dependant;</li> </ul>

	• Extend automatic aligibility so that it does not and until an individual turns 19
	<ul> <li>Extend automatic eligibility so that it does not end until an individual turns 18, stops being a dependant, the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later;</li> </ul>
	<ul> <li>Make the individual who a pregnant person is dependent on and the partner of that individual, eligible to receive BSF;</li> </ul>
	<ul> <li>Align the eligibility criteria for partners of pregnant persons with that of pregnant persons;</li> </ul>
	<ul> <li>Make explicit that all individuals must be ordinarily resident in order to be eligible for BSF;</li> </ul>
	<ul> <li>Ensure that where they have legal capacity to be paid, entitled young pregnant persons and partners of a pregnant person or young parents to an entitled child can be paid in their own right;</li> </ul>
	<ul> <li>Allow payment on behalf of an entitled child to be made to the partner of the person who is responsible for the child;</li> </ul>
	<ul> <li>Ensure BSF payments continue for a period of 8 weeks when entitlement to any qualifying benefit ends;</li> </ul>
What are the intended impacts/ outcomes and how do these potentially differ across the islands?	<ul> <li>Allow a new decision to be made without having to receive a new application or review request where it was previously decided the individual was 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;</li> <li>Introduce the ability to treat an application as having been made at a later date where Social Security Scotland can see that the individual who applied will soon become eligible;</li> <li>Specify that the higher payment of BSF paid from the date the child is born until the child turns 1 or reaches the first anniversary of its estimated delivery date, whichever is later, is double the lower payment; and</li> <li>In exceptional circumstances, allow payments to be made in a way other than the prepaid card.</li> </ul>
	Policy Aims - Summary

The	<ul> <li>aims of the policy changes being introduced are to:</li> <li>Support more low income families to access healthy food and milk;</li> <li>Further align eligibility and procedures for BSF with BSG and SCP. This will: <ul> <li>help to ensure that regulations, systems and policy intent are aligned;</li> <li>make it easier for clients to understand the eligibility criteria;</li> <li>reduce the need for re-applications and review requests;</li> <li>make it easier to potentially automate payments in the future;</li> <li>eliminate risks of unfair treatment;</li> <li>make it easier to administer and promote the benefits; and</li> <li>address stakeholder concerns regarding the need for better alignment across the five family payments</li> </ul> </li> <li>Make other technical changes to how we make payments. These will: <ul> <li>eliminate risks of unfair treatment;</li> <li>simplify the uprating process; and</li> <li>ensure we have the ability to give individuals the assistance they are entitled to in all cases</li> </ul> </li> </ul>
Isla	nd 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; 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.

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?	<ul> <li>Poverty</li> <li>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.<sup>5</sup></li> <li>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.<sup>6</sup></li> <li>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.<sup>7</sup></li> </ul>
	<ul> <li><u>Access</u></li> <li>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.<sup>8</sup></li> </ul>

<sup>&</sup>lt;sup>5</sup> Scottish Government (2017), <u>SIMD: Rural deprivation evidence summary</u>

 <sup>&</sup>lt;sup>6</sup> Scottish Government (2021) <u>Supporting documents - Poverty in rural Scotland: evidence review - gov.scot (www.gov.scot)</u>
 <sup>7</sup> Scottish Government (2022), <u>Scottish House Condition Survey: 2021 Key Findings</u>
 <sup>8</sup> Scottish Government (2021), <u>National Islands Plan Survey: final report</u>

<ul> <li>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.<sup>9</sup></li> <li>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.</li> </ul>
getting things done for yourself. Poor adults in remote rural areas have been found to report a low sense of support. <sup>10</sup>
<ul> <li>Stigma</li> <li>Through previous user research and experience panels conducted when designing BSG, Funeral Support Assistance and Young Carers Grant,<sup>11</sup> we have found that there is a danger of stigma hindering applications for benefits, particularly in more rural communities.</li> </ul>
<ul> <li>Cost of living</li> <li>There is widespread evidence that rural areas, and remote and island communities in particular, experience higher costs of living for some goods and services<sup>12</sup>. Low-income rural and island households are likely to be disproportionately affected by increases in recent cost of living. <sup>13</sup></li> </ul>
<ul> <li>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.<sup>14</sup></li> </ul>

<sup>&</sup>lt;sup>9</sup> Bailey, N, Bramley, G, Gannon, M, University of Glasgow (2016), Poverty and social exclusion in rural and urban areas of Scotland

 <sup>&</sup>lt;sup>10</sup> Bailey, N, Bramley, G, Gannon, M, University of Glasgow (2016), <u>Poverty and social exclusion in rural and urban areas of Scotland</u>
 <sup>11</sup> Scottish Government, <u>Social Security Experience Panels: publications</u>

<sup>&</sup>lt;sup>12</sup> Scottish Government (2021), The cost of remoteness - reflecting higher living costs in remote rural Scotland when measuring fuel poverty: research report

<sup>&</sup>lt;sup>13</sup> Supporting documents - The Cost of Living Crisis in Scotland: analytical report - gov.scot (www.gov.scot)

<sup>&</sup>lt;sup>14</sup> Poverty & Inequality Commission (2019), Transport and Poverty in Scotland

<ul> <li>Highlands and Island 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.<sup>15</sup></li> <li>More recent research has shown that additional minimum living costs for a household in remote rural Scotland typically add 15-30% to their budget,</li> </ul>
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. <sup>16</sup> 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. <sup>17</sup>
<ul> <li><u>Connectivity</u></li> <li>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%).<sup>18</sup></li> </ul>
<ul> <li>Prevalence of seasonal work</li> <li>As part of their response to a previous consultation, <i>Early Years Assistance: a consultation on the best start regulations</i>,<sup>19</sup> 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</li> </ul>

<sup>&</sup>lt;sup>15</sup> Highlands and Islands Enterprise (2016), <u>A Minimum Income Standard for Remote Rural Scotland: a policy update</u>

<sup>&</sup>lt;sup>16</sup> Scottish Government (2021) Supporting documents - The cost of remoteness - reflecting higher living costs in remote rural Scotland when measuring fuel poverty: research report - gov.scot (www.gov.scot)

<sup>&</sup>lt;sup>17</sup> Scottish Government (2021), <u>The cost of remoteness - reflecting higher living costs in remote rural Scotland when measuring fuel poverty: research report</u>

<sup>&</sup>lt;sup>18</sup> Scottish Government (2021), <u>National Islands Plan Survey: final report</u>

<sup>&</sup>lt;sup>19</sup> Scottish Government (2018), Early years assistance: consultation on the Best Start Grant regulations

Who are your key Stakeholders?	<ul> <li>benefits where eligibility is based on receiving an award of more than £0 for UC.</li> <li>Volatility and unpredictable incomes also feature as a factor impacting on access to income from work and social security for rural households<sup>20</sup></li> <li><u>Social Security</u></li> <li>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</li> </ul>
	<ul> <li>Island local authorities and Islands Federation – we have contacted all of these stakeholders for their views.</li> </ul>
	<ul> <li>Access</li> <li>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%).<sup>21</sup></li> </ul>

 <sup>&</sup>lt;sup>20</sup> <u>Supporting documents - Improving our understanding of child poverty in rural and island Scotland: research - gov.scot (www.gov.scot)</u>
 <sup>21</sup> Scottish Government (2021), <u>National Islands Plan Survey: final report</u>

Are there any existing design features or mitigations in place?	<ul> <li>Connectivity</li> <li>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%).<sup>22</sup></li> </ul>
	<ul> <li>Connectivity and access</li> <li>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.</li> <li>Social Security Scotland has set up a Local Delivery service which is made up of specially trained Client Support Advisers who are based within every local authority area in Scotland including our Island communities. These staff operate at the local level helping and informing clients of benefits available and assisting clients claim what they are entitled to. They give clients a choice in regard to how they access the service by offering support in outreach locations, home visits and prisons. Clients can book an appointment to meet with an adviser at a venue within their local community or at their home and are also able to request video call or telephone appointments.</li> <li>The Local Delivery Relationship Leads have built close relationships with Local Authorities, Health &amp; 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.</li> <li>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 thealth Centres and Community Centres.</li> <li>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</li> </ul>
	embedded and known in the local community.

<sup>&</sup>lt;sup>22</sup> Scottish Government (2021), <u>National Islands Plan Survey: final report</u>

<ul> <li>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</li> <li>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.<sup>23</sup> In 2023-2024, the Scottish Government will allocate £11.7 million to support the provision of free income maximisation, welfare and debt advice.</li> </ul>
<ul> <li>Stigma</li> <li>To help address the stigma around claiming benefits, the Charter for Social Security Scotland<sup>24</sup> commits us to: <ul> <li>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;</li> <li>publicly challenging the myths and stereotypes about social security to help reduce stigma and negativity;</li> <li>changing the language on social security - introducing more positive words to describe the service and the people who use it</li> </ul> </li> <li>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.</li> <li>Social Security Scotland have staff in co-located sites across the country from rural to urban to islands settings. These staff are mobile and flexible, so that they can support clients in places most convenient to them – including their own homes, venues in their local community, hospitals, care homes and prisons. It is hoped this will reduce the stigma felt by people, since the reason for their visit will not be immediately obvious to other members of the community.</li> </ul>

<sup>23</sup> Scottish Government (2021) <u>Social Security (Scotland) Act 2018: benefit take-up strategy - October 2021</u>
 <sup>24</sup> Social Security Scotland (2019), <u>Our Charter</u>

<ul> <li><u>Cost of living</u></li> <li>By increasing eligibility; more low-income families will receive support. Helping to mitigate the effects of the cost of living on the islands.</li> </ul>
<ul> <li>Prevalence of seasonal/zero hours work</li> <li>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.</li> <li>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.</li> <li>Where entitlement to UC ends, those in receipt of BSF continue to receive payments for 8 weeks which helps address periods of fluctuating entitlement to UC. As part of the changes we are making, we will also provide a further 8 weeks of payments to those in receipt of other qualifying benefits, e.g. Housing Benefit.</li> <li>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 8 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.</li> </ul>

## **STEP THREE - CONSULTATION**

•	Is there are information already gathered through previous engagements?	<ul> <li>Yes – ICIAs previously completed on introduction of BSG,<sup>25</sup> BSF<sup>26</sup> and SCP<sup>27</sup> and on recent amendments to these payments.<sup>28</sup></li> </ul>
•	How will you carry out your consultation and in what timescales? Public meetings/Local Authorities/key Stakeholders	<ul> <li>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.</li> </ul>
•	What questions will you ask when considering how to address island realities?	<ul> <li>What are the positive/negative impacts for island communities? Are there any specific inter-island differences we need to consider?</li> </ul>
•	Separate consultation events for Island communities/Local Authorities?	<ul> <li>Yes – we will consult with the Scottish Islands Federation and Island Local Authorities on the proposed changes separately.</li> </ul>

#### **STEP FOUR - ASSESSMENT**

<ul> <li>Does your assessment any unique impacts on communities? (Further de the Guidance):</li> </ul>	policy is likely to have a positive impact as widening eligibility and making it er to access BSF will benefit low income families across the islands by easing their income. Therefore, it may make it easier to sustain residency on an of where the cost of living can be higher.	ı
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<sup>&</sup>lt;sup>25</sup> Scottish Government (2018), <u>Best Start Grant: island screening assessment</u>

<sup>&</sup>lt;sup>26</sup> Scottish Government (), The Welfare Foods (Best Start Foods) (Scotland) Regulations 2019: island screening assessment

<sup>&</sup>lt;sup>27</sup> Scottish Government (), Scottish Child Payment: Islands Community Impact Assessment

<sup>&</sup>lt;sup>28</sup> Scottish Government (2022), <u>The Social Security (Miscellaneous Amendment and Transitional Provision) (Scotland) Regulations 2022: islands</u> communities impact assessment screening

<ul> <li>Demographic</li> <li>Economic</li> <li>Gaelic</li> <li>Social</li> </ul>	• One island stakeholder told us that Best Start Foods 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.
	<ul> <li>Economic</li> <li>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.</li> <li>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.</li> </ul>
	<ul> <li>Gaelic</li> <li>Social Security Scotland currently creates all its promotional materials in seven alternative community languages including Gaelic.</li> </ul>
	<ul> <li>Social</li> <li>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, including fuel costs.</li> </ul>
Does your assessment identify any potential barriers or wider impacts?	<ul> <li>Accessibility, stigma and the higher cost of living in island communities have all been identified as potential barriers by island stakeholders</li> <li><u>Accessibility</u></li> </ul>

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.	<ul> <li>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.</li> <li>The need for equality of access to face to face support was said to be very important for income maximisation support services.</li> <li>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.</li> <li>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.</li> <li>One stakeholder also highlighted the need to accelerate improved alignment of</li> </ul>
Stigma	<ul> <li>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.</li> <li>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.</li> </ul>

<ul> <li>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.</li> <li>Levels of stigma were seen to vary between islands and island groups.</li> <li>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.</li> </ul>
<ul> <li>Other</li> <li>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.</li> </ul>
<ul> <li>Cost of Living</li> <li>It was noted that there is generally a higher cost of living in the islands</li> <li>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</li> <li>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.</li> <li>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.</li> <li>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</li> </ul>

	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.
	<ul> <li>Accessibility</li> <li>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</li> </ul>
Are there mitigations already in place for these impacts raised?	<ul> <li>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.</li> </ul>
	• 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. <sup>29</sup>
	<ul> <li>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 <i>National Plan for the Islands</i>,<sup>30</sup></li> </ul>
	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.
	<ul> <li>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</li> </ul>

 <sup>&</sup>lt;sup>29</sup> Scottish Government (2021) <u>Social Security (Scotland) Act 2018: benefit take-up strategy - October 2021</u>
 <sup>30</sup> Scottish Government (2019), <u>The National Plan for Scotland's Islands</u>

the benefits as well as make it easier for individuals to understand what they are entitled to.
<ul> <li>Stigma</li> <li>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.</li> <li>The Charter for Social Security Scotland<sup>31</sup> already commits us to: <ul> <li>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;</li> <li>publicly challenging the myths and stereotypes about social security to help reduce stigma and negativity; and</li> <li>changing the language on social security - introducing more positive words to describe the service and the people who use it.</li> </ul> </li> <li>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.</li> <li>One stakeholder noted that BSF helps to address stigma and improve the health and wellbeing of pregnant women and children. They also felt that BSF could contribute to better educational outcomes.</li> </ul>
<ul> <li>Cost of living</li> <li>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</li> </ul>

<sup>&</sup>lt;sup>31</sup> Social Security Scotland (2019), Our Charter

<ul> <li>for the Islands,<sup>32</sup> 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.</li> <li>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 Best Start Foods 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.<sup>33</sup></li> </ul>
<ul> <li>Other</li> <li>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.</li> </ul>

 <sup>&</sup>lt;sup>32</sup> Scottish Government (2019), <u>The National Plan for Scotland's Islands</u>
 <sup>33</sup> Scottish Government (2022) <u>BSF: evaluation</u>

# 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 in terms of; increasing the incomes of more families and widening eligibility so more families can claim BSF.

Screening ICIA completed by (name)	Lauren James
Position	Policy Officer
Signature and date	Lauren James, 9 <sup>th</sup> June 2023
ICIA authorised by (we recommend DD level)	
Position	
Signature and date	