

Scottish Affairs Committee Call for Evidence:

Welfare in Scotland

August 2019

Premise:

The Scottish Affairs Committee has launched an inquiry into Welfare in Scotland.

The Scottish Women's Convention:

The Scottish Women's Convention (SWC) is funded to engage with women throughout Scotland in order that their views might influence public policy. The SWC uses the views of women to respond to a variety of Parliamentary, Governmental and organisational consultation papers at both a Scottish and UK level.

The Scottish Women's Convention engages with women using numerous communication channels including Roadshow events, Thematic Conferences and regional contact groups. This submission provides the views of women and reflects their opinions and experiences in a number of key areas relevant to the issues set out within this proposal relevant to women including social security and welfare within the Scottish context. As an organisation that gathers women's real contributions, the SWC stresses the need to underpin legislation with catalysts for societal and cultural change that taken together will ensure an approach to equality that eradicates discrimination against women in its many forms.

What are the unique drivers of inequality in Scotland? Does Scotland have different welfare needs from the rest of the UK?

Austerity measures have had a heightened impact on women within Scotland, causing severe stress and illness. Women make up the majority of those entitled to social security assistance and, in addition, are by far the ones who have suffered the effects of recent welfare reforms.

Due to inequality, these problems continue to plague women in ever larger numbers. Gender streaming in education and employment, lack of quality childcare and social perceptions of women all lead to a vicious cycle of poverty. Many have to rely on assistance that continues to be cut along with degrading assessments. There are a number of factors that act as drivers of inequality and poverty within Scotland. These include an unequal distribution of caring for children and relatives.

As the SWC embark on roadshow programmes throughout Scotland, including more ruralised and dispersed localities, a significant impediment that comes up time and again is the issue of fuel poverty. Payments for gas and electricity takes up a large chunk of families household budgets, leaving many women with the stark choice of “*heating or eating*”. This is heightened particularly in the Highland and Island areas where winters may be especially bad.

The rise in food bank usage throughout Scotland to unprecedented levels never before seen is tantamount to the neglect that austerity measures have had upon many women. A wide proportion of users are in work, often full time, but still rely on these places. Despite being a lifeline for many, they are still stigmatised. These problems have led to many women having to make choices between the likes of eating or buying necessities such as toiletries, resulting in a rise in often under-reported hygiene poverty.

Other problems in terms of inequality within Scotland include:

Low Internet Connectivity

Little to no broadband connectivity in many rural areas of Scotland mean a number of women are at a disadvantage when it comes to updating their Universal Credit Online Journal, leading to delays in payments.

Reliance on other Debt Solutions

The composition of poverty and inequality in Scotland, soaring private rental prices alongside delays of Universal Credit (UC) payments has left many individuals relying on high interest “payday” loans or credit cards in order to get by. Given that lower income brackets often struggle for good credit, this has led to a reliance on payday loan companies where money can be transferred within fifteen minutes and give some relief for a few weeks.

Nature of Work

Women may be forced to undertake additional part-time jobs to accommodate family and caring responsibilities. The low wages these jobs pay coupled with precarious contracts mean many women rely on undertaking a number of jobs in order to have some kind of income.

Young Women Workers

The discrimination in terms of the National Minimum and Living Wage for those under the age of 25 forces many young women to do the same work as others but for less wages. This not only has the potential to push many into poverty, but may also lead to exploitation of young workers.

Welfare Reform

Whilst the past few years as seen a succession of changes to the way in which social security is administered, these have disproportionately impacted on women. The make up of the work force leaves many women at the lower end of the income scale, forcing a reliance on social security in order to get by. The lack of an efficient administrative system as well as payment delays and errors has led to a struggle to pay rent and buy basic necessities.

How well is Universal Credit working in Scotland? Are there issues with Universal Credit that are specific to Scotland compared to the rest of the UK?

Like the rest of the United Kingdom, the delays in the first payment of UC has an overwhelmingly negative effect on women and their households. Universal credit has impacted on women in Scotland in a number of ways including:

Reforms to Work Allowance: The reductions in how much someone can earn before seeing a decrease in their UC has left many women out of pocket with many commenting they have been told to simply *“uptake more hours”* in order to make ends meet. However, this is oftentimes simply not possible due to the contracts they are placed on. Women have reported receiving payments that are imbalanced as to what they have actually earned, leaving them unable to budget for the coming month.

Overpayments: There are often difficulties when administrative errors have led to overpayments, meaning that these are then deducted the following month with no explanation.

Sanctioning: Sanctions are seen to be *“one size fits all”* and do not take into account individual circumstances. In line with feelings of waiting to be tripped up, many feel these are put in place so as to ensure pay is decreased with disregard for what a person might be going through personally. This is further compounded by the fact that hardship payments are subject to certain conditions and are recoverable, meaning reductions even after sanctions have been lifted.

Rural Issues: The dispersed nature of much of rural Scotland means that there is an over reliance – particularly for those lower down the income scale – on patchy and inconsistent

public transport. This has led to many women missing job centre appointments and facing sanctions with little leeway as to the circumstances.

Administration of Scottish Choices: Additionally, there is some confusion as to the offering of the “Scottish Choices” part of UC, with many reporting that they have not been told of this option. However, allowing claimants to partake in this system was seen as beneficial and may help to alleviate the transition from old benefits to the new system to a certain extent.

What impact has the Benefit Cap had in Scotland? Have certain communities been more disproportionately affected than others?

The Benefit Cap is seen to be affecting communities throughout Scotland with a particular impact on women. There are differing causes for concern throughout the country. For instance, many more urbanised areas have noted the effect that this has on rent whilst for rural areas it is more an issue in terms of transport and high cost of living. All communities have noted the increase in price rises for necessities over the past few years coupled with the cap meaning that many families have been pushed into poverty with little mitigation.

What is the impact of the Two-Child Limit on families in Scotland?

The impact of such a scheme is compounded by the fact women’s incomes are disproportionately less than men, the majority of part time workers are women, whilst single parents are more likely than not women. The implementation of such a scheme has left many with causes for concern at the immorality of such a gendered strategy to force through austerity, leaving both women and children at risk. This impacts on women at their most vulnerable and reinforces negative stereotypes of benefit claimants.

What challenges are posed by the DWP administrating benefits on behalf of the Scottish Government? How can these challenges best be managed?

Despite steps the Scottish Government may be able to take with the powers being transferred to them, women remain concerned about the potential risks and conflicts which could arise as a result of certain aspects being devolved but some remaining reserved. For example, one of the biggest issues around welfare reform is the imposition of sanctions on those who do not comply with work-related requirements. As sanctions and conditionality are to remain reserved, serious tensions could arise between policies put in place by the Scottish and U.K. Governments.

Potentially, the biggest challenge posed through this system of administration is the lack of a joined up approach when attempting to give correct benefits for all areas of the UK when a different system is actually in place in Scotland. Women have often noted on this point that it is crucial both organisations work collaboratively and coordinate approaches that take account of the unique make up of Scotland in a geographical sense as well as ensuring sharing of best knowledge of Universal Credit Scottish Choices.

The fact that the partial devolution of social security now counts for around 17% of all welfare administered throughout the country has led to some confusion amongst individuals consulted as to the fragmented nature of such a task and the effect that the transferral of certain benefits will have on claimants wellbeing if payments are delayed or less than expected due to administrative errors. This should also be made apparent to avoid a lack of confusion for claimants as to what benefits are administered by the new Social Security Scotland Agency and those that are administered on the Scottish Government's behalf by the DWP.

What impact could diverging welfare policies in Scotland and the rest of the UK have on welfare claimants in Scotland?

All claimants across the UK should have the same high standards which are uniquely tailored to their own needs and vulnerabilities.

A main point that has come up frequently is the single household payment emblematic of the UC system and the impact this may have on women at risk of physical, financial and emotional abuse by partners. At present, UC is either paid into a single bank account or a joint account belonging to the couple. There is the potential here for further abuse stemming from the risk of financial control by a partner.

Women are generally supportive of split payments on the whole with many noting the best way of doing this would be automatically from the start so as to espouse any abuse that may come potentially from requesting payments be split further down the line. Making split payments available as an option rather than automatically has the added problem that within a domestic abuse setting, a woman may be coerced into not taking this up, or be at risk if a partner finds out she has done so.

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