



## Scottish Government

# Scottish Passported Benefits: Consultation on the changes required as a result of the introduction of Universal Credit and Personal Independence Payment

September 2012

### *Introduction*

The Scottish Women's Convention (SWC) is funded to engage with women throughout Scotland in order that their views might influence public policy.

This is achieved in a number of different ways - through roadshow, round table, conference and celebratory events. Following each event a report is compiled and issued to women who attend and relevant policy and decision makers.

The SWC uses the views of women to respond to Scottish and UK Government consultation papers.

### *SWC Evidence Source*

The Scottish Women's Convention engages with women using numerous communication channels including Roadshow events throughout Scotland, Thematic Conferences and regional contact groups. During these events concerns have been raised regarding changes to the welfare benefits system. This consultation response provides the views of women throughout Scotland and reflects their opinions and experiences in a number of key areas relevant to this consultation document.

### Purpose of the Consultation

The UK Government has embarked on a wide-ranging programme of welfare reform, with a range of changes taking effect from April 2013. Although social security is a reserved matter, the receipt of various welfare benefits is used as a proxy measure for low-income or disability when assessing entitlement to Scottish controlled benefits such as free school lunches and legal aid, amongst others. These are often known as 'passported benefits' and include benefits-in-kind, cash benefits and discounts on charges.

Scottish Ministers recognise the importance of these entitlements to the people who receive them and are seeking to maintain similar access to them under the new arrangements.

**Q1. The principles identified by the Social Security Advisory Committee to underpin the reform of passported benefits are: simplification, auto-entitlement, information transfer and making work pay. Do you think that these principles are helpful in the Scottish context?**

#### **TO AN EXTENT**

Throughout Scotland, the benefits system, including entitlement to passported benefits, are considered "*complex*" and often "*confusing*" by claimants. The principle of 'simplification' is therefore welcomed, particularly if eligibility is made easier for claimants to understand.

The SWC commends the Scottish Government for making access to passported benefits the primary aim of new legislation.

**Q3 Do you feel that it would be desirable to replace benefits in kind (i.e. providing the goods or services directly) with a cash alternative for some passported benefits?**

#### **NO**

It is vital that passported benefits continue to be administered the way they are at the moment, i.e. through receipt of the Blue Badge for parking, or NHS optical vouchers.

Women who rely on benefits, particularly those which entitle them to passported benefits, run their households on extremely tight budgets.

*“Every last penny is counted. It has to be when you know you only have a limited amount of money to buy food, clothes etc. for your kids.”*

Women rely on being entitled to free NHS dental treatment simply by completing a form, or their children receiving free school meals by virtue of the benefits their parents receive. Administering passported benefits in this way means women have *“one less thing to have to try and work into a budget.”*

If passported benefits were to be paid as a cash alternative, then often they would not be used for the purposes they were initially intended.

*“If it’s a choice between using money to go to the dentist or buying an extra power card in the middle of winter, or fresh fruit and veg for the kids, then it’s a no-brainer.”*

**Q4. Do you feel that it would be desirable to roll existing cash payments for passported benefits into the Universal Credit payment, to create a single income stream?**

At present, benefits are paid to recipients on a weekly basis. Women know, therefore, that money will be coming into their household every week. Universal Credit will be paid monthly in arrears, which will force women to change the way they manage the budgets of their homes.

Rolling existing cash payments into the Universal Credit system could be detrimental to a number of women, particularly those who are not used to having large sums of money at one time. Spending more than they normally would on a weekly basis is a strong possibility, leaving them with little of their benefit left towards the end of the month. This could be the case if, for example, during winter when children require coats and boots which can be expensive, or at Christmas. If this proposal is taken forward, it is essential that those who receive Universal Credit and extra payments for passported benefits are given budgeting advice and information.

It would be preferable that existing cash payments continue to be paid as they are at present. This would help to ensure women can use them for their intended purposes.

**Q7. What could be done to make it easier for people to find out what benefits they are entitled to?**

Information needs to be made accessible and more readily available. While the internet is a useful tool, it cannot be relied upon as the only place people can find out what benefits they are entitled to. Access to a computer and broadband cannot be taken for granted, particularly for those on lower incomes. Broadband in rural areas is often *“slow, inconsistent and very expensive.”*

It is also important to note that many women, especially those who have been away from the labour market for long periods of time, do not have the skills or confidence to be able to use a computer. They are often the ones who are unaware of the benefits they are entitled to claim for.

Information about passported benefits should therefore be available in places where women frequent such as doctors surgeries, libraries, etc. Information should also be provided, in full, when claimants apply for Universal Credit or Personal Independence Payment. It must be presented in a format which outlines how passported benefits are applied for and allocated.