



## **Aberlour's response to the Welfare Reform Committee's inquiry into the future delivery of Scottish Social Security 2015**

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### **Introduction**

Aberlour – Scotland's children's charity, has been working with vulnerable families who require extra assistance from the state throughout our 140 year history. Working with a broad range of social problems in over 40 locations across Scotland, we have seen the impact of successive benefits regimes on the families we work with since social security was first introduced. As such, we welcome the opportunity to respond to this very timely inquiry into the future delivery of Scottish Social Security following the implementation of the provisions of the Scotland Bill 2015, which will put many of the recommendations of the Smith Commission on further Scottish Devolution, into statute.

Aberlour has taken no part in the constitutional debate around Independence. We did, however, make a submission to the Smith Commission outlining how the devolution of certain powers could be used to help the children and families we work with. We welcome the provisions of the draft Scotland Bill as an opportunity for Scottish decision makers to have greater flexibility in using social security to ameliorate many of the social problems with which we work. Below, we have offered some reflections as to how these powers might be deployed in Scotland.

### **Aberlour's view**

Our primary concern is how social security powers can be used to tackle child poverty, enable social mobility so that people can access the labour market and how they might increase family cohesion and sustainability. Our overview on the Welfare provisions in this Bill can be characterised as follows:

- Whilst not having a view on the constitutional settlement any powers over welfare must be matched with adequate fiscal and economic powers.
- We support the Child Poverty Action Group's call that further devolution should not be used as a cover for further cuts under the guise of localisation.
- Once devolved to Scotland, Decision makers in Scotland should have the confidence to use new Welfare powers in a meaningful way to enable social mobility and to tackle poverty and that the exercise of these new powers should be resourced in a meaningful and sustainable way.

### **Discretionary Housing Payments**

Clause 22 of the Scotland Bill states that DHPs can only be issued to those who would normally qualify for housing benefit and universal credit. We were dismayed by this interpretation of the Smith recommendations and don't think it goes far enough: Should the Conservative Government at Westminster, make good on its manifesto commitment to scrap housing benefit for those under 25,

the Scottish Government would not be able to introduce DHP for those young people whose housing benefit had been scrapped.

This policy is predicated on the erroneous belief that all young people, up to the age of 25, if unable to support themselves in independent housing situations, will be able to turn to parents for support or to return home. Those who have become estranged from their parents, or who have been looked after (but who do not qualify for after care support) would be worst affected by this policy- a group who already experience demonstrably poorer life outcomes than those who have a stable family home to return to.

The removal of housing benefit from the under 25s is something that Aberlour has consistently opposed and we would hope that other avenues of support might be found through those powers devolved to the Scottish Parliament to ameliorate such a draconian act.

### **The power to make payments to address short term wellbeing needs**

Clause 23 of the Scotland Bill, will devolve the power to make payments to households with short term needs in order to avoid risk to their wellbeing. It also allows grants to be made to those who might otherwise be in prison, hospital, a residential care establishment or other institution, or homeless or otherwise living an unsettled way of life, and who appear to require the assistance to establish or maintain a settled home. We welcome this as a potential opportunity for the Scottish Government to use a flexible and sophisticated short-term approach to addressing the immediate impact of Westminster led welfare policies which penalise vulnerable families in a way it deems unfair. For example, such payments could be used to mitigate the impact of benefit sanctions.

### **Top-up payments in reserved benefit areas**

In addition to short term payments in respect of wellbeing needs, Clause 21 of the Bill will confer a power on the Scottish Parliament to provide financial assistance to any person who is entitled to a reserved benefit and who also ***“appears to require financial assistance, in addition to any amount the individual receives by way of reserved benefit, for the purpose, or one of the purposes, for which the benefit is being provided”***.

This could prove useful in mitigating the impact of any cuts to a particular benefit with which the Scottish Parliament politically disagreed. Naturally, as with any additional payments made to recipients by the Scottish Government, such a policy would have to be resourced.

### **Using new powers around PIP and DLA to end the DLA takeaway**

As introduced, the Bill would give the Scottish Parliament legislative control over certain benefits for disabled people, including the power to replace or amend benefits such as DLA, PIP and attendance allowance.

Families caring for profoundly disabled children under 16 who are taken into hospital for 84 days or more, either consecutively or linked to the same course of treatment, currently lose their entitlement to DLA and carers allowance because it is presumed that hospital staff, rather than the family have taken over caring responsibilities. The Social security (DLA) regulations 1991 which govern this do not reflect an understanding of the reality that:

- Due to the profound and complex care needs of the child, hospital staff will often draft parents into hospital to deliver round the clock care.

- Families in this situation are further penalised financially as spending so much time in hospital they lose any home based income generating potential, like running a business from home. This is coupled with increased costs in terms of daily transport, parking, food etc.
- Families dependent on DLA and carers allowance as a source of income will be unable to take on any other income generating activity (e.g. part time work) if they fully expect their caring responsibilities to resume at any point.

Whilst this only affects a small number of families at any one time (40-50 across the Scotland every year based on DWP figures) it has the potential to affect every family with a profoundly disabled child and as such is a source of fear and feelings of injustice for every family in this position.

### **Direct payment of housing benefit to landlords**

Transferring administration of the housing benefit component of universal credit to the Scottish Parliament could enable it to legislate for the direct payment of this benefit as rent to land lords. We have been concerned since the introduction of the UC that some of the families we work with affected by parental substance use, are dealing with a range of particular problems and chaotic lifestyle factors and would be unable to manage the additional burden of managing the payment of rent at this time. Additional disposable household income might also make such families vulnerable to the attentions of unscrupulous dealers seeking to take advantage.

### **Conclusion**

Whilst the draft Scotland Bill has caused frustration in some quarters of the sector who regard it as a missed opportunity, it undeniably offers the Scottish Parliament a suite of new powers with which it has the potential to fine tune and in some cases reshape the way in which our country supports its most vulnerable citizens. We welcome these changes and hope that the Scottish Parliament and future Scottish Governments will exercise them to best effect.