



RESPONSE TO THE SCOTTISH GOVERNMENT CONSULTATION ON UNIVERSAL CREDIT (CLAIMS AND PAYMENTS) (SCOTLAND) REGULATIONS 2017

Engender welcomes the opportunity to respond to the consultation on the proposed regulations respecting two of the devolved flexibilities related to Universal Credit.

BACKGROUND

Universal Credit will replace six existing social security programs into one single, monthly payment. Although Universal Credit is a reserved social security program, the Scotland Act (2016) gives Scottish Ministers the power to make regulations concerning:

1. The way the housing element of Universal Credit is calculated for those who rent their accommodation;
2. The housing cost element, specifically that it may be paid to someone on behalf of the recipient of Universal Credit; and
3. To whom and when the Universal Credit payments are made.

The proposed regulations touch on two of these flexibilities.

The Scottish Government is proposing two options for recipients of Universal Credit. The first option would allow recipients to be paid twice a month rather than once a month, while the second option would allow the housing element of Universal Credit to be paid directly to landlords.

As explained by the Scottish Government, these proposed changes 'are intended to provide more choice and control over UC [Universal Credit] payments'. In their consultation, the Scottish Government put forward two questions:

1. Do the draft regulations meet the policy intent of offering a choice to applicants on having their UC payments made twice monthly?
2. Do the draft regulations meet the policy intent of offering a choice to UC applicants on managed payments of rent direct to landlords?

CONTEXT AND ANALYSIS

Of primacy concern to Engender is the timing of the draft regulations, which have been published in advance of the Scottish Government's announcement respecting split payments of Universal Credit between two individuals in a single household. On February 20, 2017, the Minister of Social Security, Jeane Freeman, announced that

The Scottish Government is committed to tackling all forms of violence against women, including domestic abuse. So, based on the feedback from the consultation we will work with the DWP [Department of Work and Pensions] and other partners, including women's groups, to consider how split payments could be achieved and in what timescale.

Engender welcomes this policy commitment, as it puts gender equality at the heart of Scotland's new powers over Universal Credit. Developing a framework where Universal Credit can be split automatically between two individuals in a single household will ensure women maintain financial independence.

There are concerns, however, that the questions put forward by the Scottish Government – which focus on policy intent – are too narrow in scope and may not be sufficiently broad for respondents to provide meaningful feedback on the draft regulations. These concerns are highlighted below.

1. Coherent Strategy for Social Security Powers

The draft regulations were published in advance of the analysis of the consultation responses as well as in advance of the announcement of individual payments of Universal Credit.

A social security system based on dignity and respect requires a coherent strategy; a strategy which is clear, so that those who rely on social security and those who work in the social security system can understand the forthcoming changes and adequately prepare for them. Women experience anxiety and stress related to the unknown future of how social security powers will be implemented in Scotland. Publishing short- and long-term strategies for social security powers would give women who rely on social security a clear picture of their future and the future of their loved ones.

As seen in England, the roll out of Universal Credit has been marred by delays, which have pushed those living in poverty into further destitution. The principles of dignity and respect require a strategy that, once implemented, makes practical sense, so that women who rely on social security are not penalised by unintended mistakes or confusion during the roll out of social security programs in Scotland.

It is the view of Engender that pursuing regulations over Universal Credit flexibilities in advance of developing a framework for individual payments of Universal Credit may be premature. Engender therefore recommends that the Scottish Government develop and

publish a strategy on how all three Universal Credit flexibilities will be incorporated into Scotland's broader social security system.

2. The Importance of Language

The draft regulations include the definition for 'Scottish claimant', and rely on the word 'claimant' throughout the regulations. In February 2017, the Scottish Government published its analysis of the responses to its social security consultation. In the analysis, the Scottish Government highlighted the words that respondents felt stigmatised those in receipt of social security, which included the word 'claimant'.

The Scottish Government is committed to building a social security system based on dignity and respect. It is therefore imperative that the language in the legislation and regulations act as a catalyst to positively change social and political attitudes around social security. Engender recommends that the Scottish Government review the draft regulations with a view of incorporating the findings of its social security consultation.

3. Policy Intent

The Scottish Government has asked two questions relating to the draft regulations:

1. Do the draft regulations meet the policy intent of offering a choice to applicants on having their UC [Universal Credit] payments made twice monthly?
2. Do the draft regulations meet the policy intent of offering a choice to UC [Universal Credit] applicants on managed payments of rent direct to landlords?

For the reasons outlined above, as well as those further explored below, it is Engender's view that the draft regulations do not meet their intended objective. The draft regulations appear to be premised on Universal Credit payments being made to one individual in a household, which raises questions as to who will benefit from 'more choice and control over UC [Universal Credit] payments'.

The definition of 'Scottish claimant' includes 'any one of joint claimants' to make a decision surrounding the two options (i.e., payment directly to landlord and bi-monthly payments). However, giving power to one individual over Universal Credit flexibilities calls into question what kinds of mechanisms or structures will be in place to ensure that all recipients of split payments of Universal Credit have equal choice and equal control over the management of their payments.

As we know, women are more likely to be economically dependent than men and more likely to be the subject of financial and other abuse. It is therefore vital that the Scottish Government develop legislation and regulations that prevent creating or entrenching power imbalances within households. The legislation and regulations should ensure that the policy, in principle and practice, will give women financial autonomy.

As highlighted above, Engender recommends that the Scottish Government develop a strategy for its Universal Credit flexibilities, and that within the strategy, it consider how the

two Universal Credit flexibilities (i.e., bi-monthly payments and payments made directly to landlords) will apply to split payments.

CONCLUSION AND RECOMMENDATIONS

Engender recommends that the Scottish Government undertake the following actions:

1. Review of the draft regulations with a view of incorporating the findings of its social security consultation;
2. Develop and publish a strategy on how all three Universal Credit flexibilities will be incorporated into Scotland's social security system; and
3. Within its strategy, consider how the two Universal Credit flexibilities (i.e., bi-monthly payments and payments made directly to landlords) will apply to split payments.

It is Engender's view that Universal Credit recipients would be best served by a clear, coherent strategy on the three flexibilities surrounding Universal Credit, and by a Scottish Government strategy that encompasses all the types of payments that will be made to Universal Credit recipients.

For Further Information

Contact: Emma Trottier, Policy Manager, Engender
Email: emma.trottier@engender.org.uk
Mobile: 07889 805787

About Engender

Engender has a vision for a Scotland in which women and men have equal opportunities in life, equal access to resources and power, and are equally safe and secure from harm. Engender is a feminist organisation that has worked in Scotland for 20 years to advance equality between women and men.