

Welfare Reform Committee call for evidence on the Welfare Funds (Scotland) Bill, Engender response, August 2014

Since 2010, 74% of cuts to benefits, tax credits, pay and pensions have been taken from women. Women will pay 81% of 'savings' raised by the Treasury in 2014-15.¹

Introduction

Engender welcomes the opportunity to respond to this call for written evidence on the Welfare Funds (Scotland) Bill. Tackling women's economic inequality within the social security system is a key pillar of our work and we have called on the Scottish and UK Governments to address the enormous gender impact of 'welfare reform', alongside other women's organisations in Scotland.²

Cuts to public spending on the benefits and taxation system under the banner of 'welfare reform' have predominantly been taken from women's incomes. Analysis by the House of Commons Library shows that of the initial £8 billion raised in changes to taxes and benefits by the UK Government £5.8 billion will be paid by women and £2.2 billion by men.³

However, to date, this context of extremely unequal gender impact is not reflected in the Scottish Government's response to 'welfare reform', including across the interim Scottish Welfare Fund (SWF). This is in spite of its own analysis that recognises the extent of women's disadvantage and its links with child poverty. The national framework that this Bill underpins provides a clear opportunity for Scottish Government (SG) to reverse this, adopt a gendered approach and provide targeted support for different groups of women currently at risk of harm in Scotland.

¹ Women's Budget Group (2012) [*The impact on women of Autumn Financial Statement 2012 and Welfare Benefits Up-rating Bill 2013*](#)

² Engender (2014) [*Gender and 'welfare reform': A joint position paper*](#)

³ House of Commons Library (2012) [*How have Coalition budgets affected women?*](#)

Failure to explicitly acknowledge gendered discrimination in the top-level policy response to ‘welfare reform’ makes women’s inequality invisible and risks compounding it. It is imperative that gender issues are reflected in the regulations and guidelines this Bill provides for. Without targeted support for women, patterns of inequality and discrimination that explain the gender imbalance of ‘welfare reform’ in the first place will be further entrenched.

Mainstreaming gender in the Bill is also vital in terms of wider Scottish Government policy. Scottish Government’s broad range of commitments to advance gender equality stand to be undermined by gender-blind policymaking elsewhere. The permanent arrangements must also meet the requirements of the Equality Act 2010.

1. Are you in favour of the Bill and its provisions? Do you think the Bill fully achieves the Scottish Government’s aim of providing assistance for short term need and community care?

Engender is in favour of the Bill and the provisions it makes for statutory regulations and Ministerial guidelines. Its policy objectives are closely related to many issues that are central to guaranteeing women’s rights and safety. In particular, we welcome the aim that community care grants provide a safety net “where there has been a breakdown in family relationships, perhaps involving domestic violence, which is resulting in a move.”⁴ With sustained investment the Bill could feed into progress on wider Scottish Government social policy and the prevention agenda, in terms of poverty, inequality, social exclusion and physical and mental wellbeing.

The success of the Bill in providing effective statutory footing for equitable delivery of the Scottish Welfare Fund (SWF), however, is far from guaranteed. For many women, this will hinge on the level of detail within the guidelines and public awareness-raising that explicitly targets groups and communities most at risk.

The guidelines must ensure that different groups of women have the knowledge and means to access the funds, and that relevant local authority staff are trained in related issues. These include the gender impact of ‘welfare reform’ and drivers of gender inequality.

Groups of women that must be supported to access the fund include lone mothers, disabled women, black and minority ethnic women, refugee women, older women, carers, women struggling to access the labour market, women facing sanctions as a result of childcare responsibilities, and women at risk of

⁴ Scottish Government (2014) [Welfare Funds \(Scotland\) Bill: Policy Memorandum](#)

domestic abuse and other forms of violence. Each of these groups face particular barriers in accessing resources and these must be reflected in the structures of the legislation and understood by those making awards.

We also support calls by the Scottish Campaign on Welfare Reform (SCoWR) for the Bill to make clear that awards are not repayable loans, but unconditional grants, and for funds to be ring-fenced under section 1. At present the Bill allows for funding to be ring-fenced, but in light of increasing need for the SWF and escalating pressures on local authority budgets, guaranteed resources will be essential for its effective delivery.

2. The interim SWF scheme has already been running for two years. Do you feel that the Bill has suitably taken on the learning from this time?

As voiced by many third sector organisations since the introduction of the interim scheme, there are serious concerns over the use of ‘awards in kind’ rather than cash payments, as set out in section 2(1) of the Bill. This undermines the agency and dignity of applicants and, in infantilising users of the scheme, contributes to the sense that people at the margins in Scotland are to be blamed for their own disadvantage and inequality.

Discretionary policies like this, where vouchers for certain shops and standard-issue goods are offered regardless of an individual’s circumstances, run the risk of stigmatising people in receipt of the SWF and contributing to the current framing of benefits as a drain on the public purse. This framing is highly gendered, with lone mothers a particular focus for public critique and can have serious consequences, including social exclusion.

‘In kind’ payments also have significant implications for women living with violence and financial dependency. Women experiencing domestic abuse face considerable barriers when trying to leave an abusive partner. Access to financial support is crucial and many women lack an independent income or access to resources. Ongoing reforms to the benefits system are impacting adversely on women’s ability to maintain financial independence and to be safely rehoused. It is vital that the SWF ensures that women are able to use the payment in line with their specific support needs and to decrease the risk of harm to themselves and their children.

3. Is there anything else that you feel should be included in the Bill?

Engender supports the Scottish Campaign on Welfare Reform (SCoWR) position that *'families experiencing exceptional pressure'* should be included as a category of eligibility for community care grants under article 2(2) of the Bill.

Further to this, in the resulting guidelines, gender dimensions of these households and linked gendered implications of access to the SWF should be clearly articulated. For instance, lone mothers are particularly likely to be in increased need of support as a result of 'welfare reform'. 92% of lone parents are women, and women make up 95% of lone parents dependent on Income Support.⁵ The broader barriers to equality that women face on account of their gender must be reflected in the provisions of the Bill.

4. Will the Bill and its provisions have a particular impact on equalities groups?

The Bill and its provisions should have a particular impact on the equalities groups most disadvantaged by 'welfare reform' and in need of crisis support, including for women. Whether it achieves this or not will depend on how these groups are treated. At present, women are not identified anywhere as having particular support needs, despite the clear gender profile of the eligibility criteria.

The updated EQIA for the Bill ⁶ identifies a long list of factors that 'might increase the vulnerability of an applicant'. These include:

- frailty or old age, particularly restricted mobility or difficulty performing personal care tasks.
- people fleeing domestic violence
- looking after children for a relative or friend as a kinship carer
- being a lone parent
- children living with young parents aged under 25
- experiencing family breakdown
- being pregnant, recent childbirth or adopting a child
- having responsibility as a main care giver
- a history of seasonal temporary or insecure work

This list is 'gender-neutral', but women make up the majority of each of these groups. We welcome the fact that access has been increased since the first

⁵ Engender (2012) [Multiple Jeopardy: The impacts of the UK Government's proposed welfare reform on women in Scotland](#)

⁶ Scottish Government (2014) [Equality Impact Assessment \(EQIA\) Scottish Welfare Funds](#)

iteration of the EQIA, and that more women stand to benefit as a result of these identified vulnerabilities. However, this also demonstrates how women are made invisible in policymaking, and gender issues are subsequently swept under the carpet. Clearly this could have potentially damaging impacts, where local authority staff and discretionary decision-makers may not automatically see the links with women's inequality or be aware of the gender impact of 'welfare reform'.

For instance, the updated EQIA also notes that "[w]omen are *advantaged* in the SWF in terms of the success rates of their applications and the value of the awards made" (our italics). This is extremely misleading. Women are not "advantaged" by the SWF because they are not applying from a place of equality.

Women have fewer financial assets and less access to occupational pensions than men and there are considerably more women than men in the lowest income decile in the UK.⁷ 92% of lone parents are women, and women make up 95% of lone parents dependent on Income Support.⁸ Women make up nearly 60% of care providers within the home and 64% of care providers in the wider community.⁹ The gender pay gap in Scotland is 13% for full-time work and 34% for part-time work,¹⁰ signifying persistent and widespread differences in women's experience of the labour market.

Local authority staff making decisions on applications to the SWF must therefore receive training on these and other gender equality issues, including to ensure that statistics are not taken at face value.

The EQIA also notes that

"[t]here are, however, far fewer single women applying to the Fund than single men. We will monitor this and explore with third sector groups working with women why this is the case, taking remedial action if required."

We support future monitoring of the fund to establish why single women are under-represented in application figures. Many of the single women in need of support are lone mothers and we would therefore recommend that in addition to data collection, specific action is taken to increase awareness and identify any barriers preventing them from accessing the fund.

⁷ The Women's Budget Group (2013) [The impact on women of Budget 2013: a budget for inequality and recession](#)

⁸ Engender (2012) [Multiple Jeopardy: The impacts of the UK Government's proposed welfare reform on women in Scotland](#)

⁹ *ibid*

¹⁰ Office for National Statistics (2013) [Annual Survey of Hours and Earnings, 2013 Provisional Results](#)

There is also real concern that some local authorities are not adequately recording the vulnerabilities of certain applicants, as they mandated under current Scottish Government guidance. It is vital that this is reflected in the development of guidelines and that flexibility to incorporate evidence on use of the fund in the future is built in.

5. Do you agree with the proposal that local authorities have the option to outsource the provision of the fund to a third party or jointly administer the fund across local authority boundaries? What are the benefits or drawbacks to this approach?

There is evidence to suggest that public authorities struggle to include equalities in a meaningful way in procurement processes. This results in poorly framed equalities clauses that require the publication of equal opportunities policies and other processes, but rarely incorporate equalities outcomes. Although public bodies cannot 'contract out' their responsibilities under the public sector equality duty, in practice it is difficult to see how many services delivered by third parties are fully meeting the Scottish-specific duties.

Should the provision of the fund be outsourced or delivered across local authority boundaries, clear accountability will require to be established for specific equalities outcomes and the operation of gender-sensitive processes. The procurement process must robustly consider the competence of tendering organisations to take a gendered approach and meet women's needs.

6. What are your views on the proposed internal local authority review process?

Our views on the review process mirror our concerns about the visibility of gender issues across the Scottish Welfare Fund's instruments and processes more broadly, and awareness of women's existing inequality at local authority level. Understanding of women's position in Scottish society (in terms of the labour market, access to decision-making and resources and the complexities of violence against women) is essential in order to make informed, discretionary decisions about the extent of a woman's vulnerability and need.

Those reviewing decisions at local authority level must receive comprehensive training on gender issues, with a particular focus on the gender dimensions of social security and 'welfare reform' policies. In addition to the social justice imperatives for women at the margins and coherence with Scottish

Government's multiple policy commitments on gender equality, decisions must comply with the public service equality duty (PSED). Training on gender equality would help to ensure that local authorities meet their responsibilities under the Equality Act 2010, as described above.

7. Do you agree that the SPSO is the appropriate body to conduct secondary reviews?

We agree that the SPSO is an appropriate body. Staff conducting reviews should be subject to the same training on gender mainstreaming and 'welfare reform' as Scottish Welfare Fund teams across local authorities.

8. What are your views on the level of detail that will be contained within the regulations? Is there any aspect which you feel would benefit from being on the face of the Bill?

We strongly advocate that a gender perspective is written into the regulations. Gender mainstreaming is urgently needed in public policy setting in Scotland. This is the internationally-agreed approach to tackling gender inequality, adhered to in principle by the UK and Scottish Governments. However, to date, this Scottish Government and previous administrations have failed to integrate gender perspectives or apply gender mainstreaming to most economic and social policymaking.

Such recognition that women are the largest group to be systemically disadvantaged by welfare reform would send a positive and important signal to local authorities, other parts of Scottish Government and wider stakeholders about the importance of gender as a key dimension of social security and anti-poverty policy more broadly.

Subsequently, detail on gender will be essential within the guidelines, particularly in light of limited resources for training of Scottish Welfare Teams within local authorities and the realities of staff turnover.

9. Do you think that the costs attributed to the running of the fund and the set-up of the SPSO to administer secondary reviews are realistic and proportionate?

n/a

10. Do you have any comments on any other provisions contained in the Bill that you wish to raise with the Committee?

n/a

For further information please contact Jill Wood, Policy Manager, Engender
Jill.Wood@Engender.org.uk 07889 805 787

About us

Engender is a membership organisation working on feminist agendas in Scotland and Europe, to increase women's power and influence and to make visible the impact of sexism on women, men and society. We provide support to individuals, organisations and institutions that seek to achieve gender equality and justice.