

## **WELFARE REFORM COMMITTEE INQUIRY ON WOMEN AND WELFARE REFORM ENGENDER SUBMISSION, MAY 2015**

### **1. INTRODUCTION**

*Since 2010, £26 billion worth of cuts have been made to benefits, tax credits, pay and pensions. 85% of this has been taken from women's incomes.<sup>1</sup>*

Engender welcomes this opportunity to submit our views to the Welfare Reform Committee's inquiry on women and welfare reform. Working to link discrimination against women within the welfare reform agenda, with other areas of gender inequality has been a key priority for our organisation. Women, and therefore their children, bear the brunt of public spending cuts because of systemic issues including the gender pay gap, unequal representation in politics, and endemic violence against women, and because of gender roles that see women undertake the majority of unpaid care and childcare, rely on social security and public services, and clustered in undervalued and underpaid 'female' professional sectors. Policy to improve social security for women in Scotland must reflect this reality.

In our recent report, [\*A widening gap: women and welfare reform\*](#), we set out detailed ways in which women are impacted by specific policy changes to the benefits system. This covers a breadth of gendered issues related to the labour market, unpaid care work in the home and community, domestic abuse and the multiple discrimination faced by different groups of women, including disabled women and refugee women. We point to case studies that illustrate how women's experiences of welfare reform are linked to existing gender inequality, provided by frontline organisations that report their services are stretched to breaking point.

The evidence base clearly supports the need for urgent targeted action in order to prevent further harm to women and their children. Our submission to the inquiry therefore focusses on proposals to address the impact of welfare reform on women within the current context in Scotland. We are calling on the Committee to scrutinise

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<sup>1</sup> The Fawcett Society (2015) *Where's the Benefit? An Independent Inquiry into Women and Jobseeker's Allowance*

the Scottish Government's budget process around welfare, its programme of work to mitigate the worst impacts of welfare reform, its approach to welfare policy and the ongoing process of partial devolution of welfare from gender equality and human rights perspectives.

## 2. DEVOLUTION OF POWERS OVER WELFARE

The devolution of some new powers over welfare to the Scottish Parliament presents both concerns and opportunities for women's equality. There are fundamental problems with the speed at which the process has been undertaken, and the complex division of responsibility for social security that has emerged. Despite this, any new powers and delivery systems offer opportunities to learn from and address the gender discrimination at the heart of the current system.

Engender has consistently called for gender mainstreaming and equality impact assessments to inform the work of the Smith Commission and both governments in taking forward its recommendations. This would have meant proactive consideration of gender issues in shaping the devolution package proposed, and the subsequent UK Government command paper, *An Enduring Settlement*. However, the process has been almost entirely gender-blind and the policy intentions articulated in the command paper are problematic from a gender perspective, partly because the experiences and voices of those who use the benefits system have been excluded from the process. The undue speed of negotiations is precluding the possibility of democratic participation and the chance to create a better system that meets the needs of women in Scotland. Given the complexity of welfare provision in particular, this cannot be achieved within a timetable that disallows meaningful consultation with those most affected.

The complicated division of responsibility between Westminster and Holyrood that has emerged presents a number of challenges. Effectively addressing issues of systemic inequality necessitates a holistic approach, and piecemeal devolution undermines this. Great care will be needed to ensure that additional pressures are not heaped on those most affected by welfare reform as the draft legislation is further developed. Scope for progressive change for women is also limited by the lack of coherence between reserved and devolved powers, particularly with regard to Universal Credit and the sanctions and conditionality regime, Housing Benefit and Child Benefit.

Nonetheless, there remain real opportunities for the welfare system for to be improved for women, to involve those directly affected in shaping how new powers

are used, and to ensure that the gender discrimination at the heart of the UK system is not replicated in Scotland. Benefits relating to care, disability, children and employability could be delivered within a framework that takes stock of women's experiences of the labour market, caring roles, domestic abuse and discrimination, and is also strategically linked to relevant policy areas such as women's employment, social and child care and anti-poverty strategies. There will be opportunities to establish human rights and different forms of equality and inclusion as principles that shape new legislation, policies and services. Those principles must drive negotiations over the draft Scotland Bill, the practical arrangements that stem from it, and its implementation by the Scottish Government.

## 2.1 SCOTLAND BILL

From a gender perspective, there are also a number of critical issues that must be addressed in ongoing negotiations over the draft legislation. These relate to ways in which the Smith Commission Agreement appears not to be reflected in either the narrative of the command paper or in the draft clauses. We are calling for the following issues to be addressed within the Joint Ministerial Working Group on Welfare, or successor body following the 2015 general election. We are also calling for an open process of engagement with women impacted by welfare reform and equalities organisations as legislation is developed.

The power over employment support offers potential to mitigate the gendered patterns of skills acquisition that lead to occupational segregation and see women clustered in low-paid, insecure jobs. At present, employment programmes ignore these factors when pairing jobseekers with mandatory work activity, serving to further entrench them and to perpetuate the gender pay gap. Furthermore, the Smith Commission Agreement did not stipulate a limited form of support for those facing long-term unemployment that must assist the claimant at least for a year.

The power to vary the housing cost elements and administration of Universal Credit (UC) offers potential to better support women experiencing domestic abuse. Access to financial support and safe housing are crucial for these women and their safety is undermined by the monthly household payment under UC.<sup>2</sup> Devolution of these administrative issues may not require primary legislation and should therefore be separated from the forthcoming Scotland Bill. This would mean that access to resources and physical safety for women in danger could be expedited in Scotland.

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<sup>2</sup> Scottish Women's Aid (2014) [Briefing paper on welfare reform and refuge accommodation](#)

The power over benefits for disabled people and carers holds potential to more holistically support disabled women and female carers. However, this potential is undermined by the roll-out of UC and Personal Independence Payment (PIP) in Scotland. The introduction of PIP entails a projected 20% reduction in spending, which will mean linked loss of entitlements for carers. Roll-out of UC and PIP should be halted until related powers have been devolved. Any plans to further restrict access to these benefits after the general election further limit our scope to make the changes necessary to ensure greater equality for these key groups.

Finally, the powers to create new benefits in areas of devolved responsibilities and to introduce discretionary payments hold great potential to mitigate the discrimination faced by women within the social security system. Disabled, black and minority ethnic, refugee and older women, lone mothers and carers are all at risk of multiple discrimination and are particularly vulnerable to harm. Meanwhile, links between women's poverty and child poverty are widely recognised. The ability to increase women's disposable income in a targeted way would be manifestly beneficial to those most disadvantaged by economic 'shocks' and the austerity agenda. The restrictions placed on these powers within the draft clauses, however, fundamentally undermine their potential to prevent women from reaching the point of extreme need and eligibility for short-term support that is now proposed.

### **3. CURRENT SCOTTISH GOVERNMENT ACTION ON WELFARE**

The impacts of welfare reform on women seriously undermine prospects for a gender equal Scotland. They are serving to entrench systemic gender issues, including the pay gap, occupational segregation, women's political representation and participation in public life, and gendered violence against women and girls. The Scottish Government's numerous commitments and programmes across these areas are therefore compromised by welfare reform.

The Scottish Government's ongoing commitment to mitigate the worst impacts of welfare reform has meant that many women and children have accessed the various safeguards and crisis measures that have been put in place. However, much more can be done to proactively support women, based on their experiences of the benefits system and to explicitly link this work on welfare to devolved areas of government that tackle gender inequality.

### 3.1 MITIGATION MEASURES

In August 2013, the Scottish Government published a gender analysis of welfare reform entitled *The Gender Impact of Welfare Reform*.<sup>3</sup> This contains useful quantitative analysis and helpful commentary. However, this analysis has not been consistently applied to the Scottish Government's mitigation programme, and therefore these initiatives do not clearly address the broad range of gendered inequalities that welfare reform is entrenching and deepening.

For instance, gender budget analysis and robust equality impact assessment processes were not applied to the interim Scottish Welfare Fund (SWF) or development of the Welfare Funds (Scotland) Act. This would have meant analysis of how the legislation and spending decisions will affect women and men differently, as well as the impact on gender equality, followed by action to redress any discrimination. Although the updated SWF guidance reflects important learning since implementation of the fund, apart from a single reference to women's aid refuges, it remains gender-blind. SWF teams at local authority level must receive specific guidance and training on the gender inequality and the gender impact of welfare reform.

Continued funding to tackle the Bedroom Tax in Scotland is critical for many people in Scotland, and we welcome ongoing work within Welfare Division to better promote the scheme and to improve access to the delivery mechanism of Discretionary Housing Payments. To achieve this for women, this should be supplemented with a gendered approach that both targets uptake by women carers, survivors of gendered violence, lone mothers and others groups of women, and provides training for discretionary decision-makers.

### 3.2 BUDGET PROCESS AND SCRUTINY

This ungendered approach is partly explained by ministerial strategy and policy-setting. The Draft Budget 2015-16 sets out and contextualises the Scottish Government's commitments to mitigate the worst impacts of welfare reform. Overall spending on mitigation has been maintained, which is particularly welcome in the current financial context. However, despite an increased profile for welfare reform issues more broadly, gender remains unaddressed.

Welfare reform is appropriately integrated as a key issue across portfolios, including equalities, and women's employment. However, the impact on women is not

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<sup>3</sup> Scottish Government (2013) *The Gender Impact of Welfare Reform*

correspondingly referenced in the substantive discussion on welfare reform and no funding is mandated for this purpose. This blanket approach has not adequately delivered support for women who are shouldering 85% of the cuts to spending.

‘Tackling inequality’ is identified as an overarching aim of the Draft Budget. Within this, commitments to mitigate the impacts of welfare reform are made central and linked to broader anti-poverty strategies. However, gender inequality and discrimination against other protected groups are not identified as key vectors of poverty. It simply is not enough to frame inequality only in terms of income at the strategic level. Tackling income inequality, including in terms of welfare reform, fundamentally requires understanding of different forms of inequality, how they interact, and the systemic factors that cause and sustain them.

In contrast, the *Equality Statement* attached to the Budget (EBS) identifies welfare reform as a strategic equalities issue. It also includes welfare reform as a distinct ‘thematic’ chapter for the first time, as well as integrated reference to welfare reform throughout. Within this, it identifies instrumental links with gender and causal reasons that explain women’s vulnerability to public spending cuts.

The Scottish Government is unique within the UK for its use of equality budgeting mechanisms. However, whilst the EBS is a progressive and useful tool, its impact is limited because its analysis and findings do not influence spending plans. Alongside Scottish Women’s Budget Group and others, we continue to call for the EBS to inform the development of the Draft Budget, rather than serving as a standalone document lacking in strategic relevance. We urge the Welfare Reform Committee to conduct a gender budget analysis when scrutinising the Draft Budget 2016-17.

### **3.3 AN ASSETS-BASED APPROACH TO WELFARE POLICY**

The Scottish Government has adopted an ‘assets-based approach’ to welfare policy that aims to build resilience to welfare reform through working with communities. There is much to commend within this, including the principles of empowerment, agency and participation that it intends to convey, as well as its focus on prevention and localised services. However, a note of caution should be issued from gender and social justice perspectives. An assets-based approach fundamentally rests on access to resources, whether physical, mental or psychological. However, many women are denied access to different types of assets due to systemic inequality.

Without question, women living in poverty, women living with violence and abuse, women with insecure immigration status, women with physical and mental health issues, women who have been sanctioned, women who head single households,

women who provide unpaid care, and women who experience multiple discrimination are *extremely* resilient indeed. However a policy that explicitly rests on this resilience to hardship as a form of creative problem-solving must also incorporate balances relating to equality of access, structural inequality and exclusion.

For example, there are numerous barriers to women's equal participation in public and community spaces. These include childcare, transport, language, and the exclusion of women's voices in public forums. Welfare reforms, such as new JSA and Income Support rules, also further increase the time poverty of those most in need of innovative services. This is a particularly major issue for women with caring responsibilities. Whilst input from these groups would be vital, any call for unpaid, voluntary participation must be sensitive to extreme pressures on time.

Shifting the onus for solutions onto individuals and third sector organisations, and away from central government, is also concerning in a systemic sense. Patterns of gender discrimination cannot be addressed if the approach is concentrated at the overarching level, in terms of (currently gender-blind) legislation, spending decisions and broad policy setting, and at the community level, where local authorities, third sector organisations and frontline services are responsible and accountable for implementation. A middle ground that links these, both vertically, and horizontally across related policy areas, will be crucial to an effective gendered approach.

### **3.4 THE SOCIAL JUSTICE AGENDA**

Since taking office in November 2014, the First Minister has made a series of pledges to advance women's equality, to tackle inequality more broadly and to put social justice at the heart of economic and social policymaking. The Programme for Government 2014-15 recommits to action that safeguards against welfare reform, and links the need for a "fair and compassionate welfare system" with wider approaches to tackle poverty and inequality.<sup>4</sup> It frames welfare in terms of social justice, poverty in terms of human rights, and recognises the impact of welfare reform on women.

This welcome shift in focus offers clear potential for the Scottish Government to improve its track record on gender and welfare. This would entail an explicit focus on gender within the ministerial priority to tackle inequality, for example through the forthcoming work of an independent advisor on poverty and inequality, and review of equality impact assessments. It would also mean gender mainstreaming across

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<sup>4</sup> Scottish Government (2015) *One Scotland: Programme for Government 2014-15*



mitigation activities, related devolved policy areas (housing, employability, and social care) and the devolution of welfare powers.

Without such a mainstreamed approach, women and children will continue to be disproportionately penalised by the UK's welfare reform programme. A targeted policy response that aims to redress this gender discrimination and is aligned with Scottish Government action to tackle the drivers of women's inequality is sorely needed. Ultimately, this will rest on an effective challenge to policy incoherence, the hierarchy of economic over social policymaking that prioritises economic 'growth' and the lack of political will to end sexist discrimination.

#### 4. CONCLUSION AND RECOMMENDATIONS

A wide range of devastating impacts of welfare reform on women and children have been established.<sup>5</sup> Such impacts will continue to emerge as reforms are implemented and take hold, and there is a vital role for the Welfare Reform Committee to continue its work to monitor these. This notwithstanding, there is now an urgent need for parliamentarians and the committees of the Scottish Parliament to scrutinise Scottish Government policy and programmes on social security. This includes existing policy setting, budgeting and mitigation on welfare issues, as well as the ongoing devolution process. We urge the Welfare Reform Committee to scrutinise the Scottish Government's performance as it undertakes these programmes of work, and to promote women's equality, human rights and dignity as driving principles of all government action on welfare issues. If such a gendered approach is not taken, key opportunities to improve the system for women and to support the government's ambition to achieve gender equality will be missed.

Whilst acknowledging that responsibility for the direct impacts of welfare reform primarily lie with the UK Government, we have called for the Scottish Government to take targeted action to redress policies that put women in Scotland at risk. We are therefore calling for the Welfare Reform Committee to push the Scottish Government to enact the recommendations that we set out in [our report](#) and in the annex below.

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<sup>5</sup> Engender (2015) *A widening gap: women and welfare*

Fawcett Society (2015) *Where's the benefit: an independent inquiry into women and Jobseeker's Allowance*



## ANNEX

### RECOMMENDATIONS TO THE SCOTTISH GOVERNMENT

1. Develop a clear action plan to mitigate the impacts of welfare reforms on women, which is linked to devolved policy on gender equality, women's employment, social care and childcare.
2. Specifically monitor emerging impacts on rural, disabled, older, migrant, refugee and BME women, lone mothers and unpaid carers.
3. Mainstream gender analysis and human rights in the Welfare Funds (Scotland) Act regulations and guidance and target uptake by women.
4. Ensure the Scottish Welfare Fund respects women's choices and dignity and hold local authorities accountable for delivery of such an approach.
5. Ring-fence funding for community-based women's organisations to provide gender sensitive services relating to welfare reform, as part of a broad shift to strategically link the Equality Budget Statement and the Draft Budget.
6. Invest in employability services for women forced into or out of the labour market as a result of welfare reform, including tailored services for groups such as refugee and disabled women, unpaid carers and former carers.
7. Hold local authorities accountable over the delivery of Discretionary Housing Payments to ensure consistent access to safe accommodation for women.
8. Extend the Domestic Violence Rule to all women subject to immigration controls to ensure EU migrants who have been subject to domestic abuse are able to apply for a Destitution Domestic Violence Concession (DDV).
9. Introduce measures to guarantee that women with insecure immigration status have access to safety and protection where a relationship in which their immigration status is dependent on their partner breaks down.
10. Provide funding to ensure women are able to access refuge accommodation regardless of their entitlement to housing benefit.

### DEVOLUTION OF POWERS OVER WELFARE

11. Embed gender and human rights analysis throughout the process of further devolution, including through the work of the Joint Ministerial Working Group on Welfare or successor body.
12. Improve the quality of equality impact assessments and ensure that they are not post hoc, but shape design of any new legislation and programmes.

13. Consult different groups of women who have been impacted by welfare reforms throughout the design of any new legislation and delivery systems.
14. Hold the UK Government accountable to the Smith Commission Agreement and deliver a Scotland Act that provides for maximum flexibility on employment support and the creation of new benefits.
15. Push for the rollout of Universal Credit and Personal Independence Payment to be halted in Scotland, until the current process of devolution is complete.
16. Push for devolution of administrative powers over Universal Credit to be taken out of primary legislation and expedited to the Scottish Parliament.
17. Use the power to create new benefits to reinstate lost entitlements for carers and parents.
18. Implement the Smith Agreement commitment to consider the devolution of asylum support, advice and housing to the Scottish Parliament, and in so doing, end administrative delays that leave refugee women destitute.
19. Innovate with newly devolved work programmes to support the needs of women seeking work and diverge from existing employability models that replicate gender segregation in the labour market.
20. Use new powers over employment support and benefits to mitigate some of the worst impacts of conditionality, sanctions and services delivered by Jobcentre Plus, where possible.
21. Link new powers over benefits for disabled people and carers to carers legislation and strategy, and review how devolved services impact on women's equality before new powers are taken forward.
22. Use the opportunity offered by the devolution of new powers to reimagine the services needed to better support the groups that they serve.

## ABOUT US

Engender is Scotland's gender equality organisation.

For more than 20 years we have worked across Scotland on feminist policy, advocacy, and activism. We make women's inequality visible, and bring women together to make change happen.

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