

EQUALITY IMPACT ASSESSMENT

Scottish Child Payment

September 2020

EQUALITY IMPACT ASSESSMENT – RESULTS

Title of Policy	Scottish Child Payment
Summary of aims and desired outcomes of Policy	The Scottish Child Payment (SCP) is a new benefit being introduced by the Scottish Government to tackle child poverty for low income families in receipt of reserved benefits. It will pay the equivalent of £10 a week per child every four weeks in arrears to families with no cap on the number of eligible children a family can claim for. Early payments of the Scottish Child Payment will be made to families with children under the age of 6 – recognising that, of all children in poverty, almost 60% live in a household where the youngest child is aged under 6, and the early years are key to improving long term outcomes. This is ahead of the payment being rolled out to children under 16.
Directorate: Division: team	Social Security Directorate Social Security Policy Division Scottish Child Payment Policy Team

Executive Summary

The Scottish Child Payment (SCP) is a new benefit being introduced by the Scottish Government to increase family incomes and help tackle child poverty. The SCP will pay £10 a week to low income families with eligible children who are in receipt of reserved benefits – Universal Credit, the legacy benefits it replaces, and Pension Credit. It will be a four weekly payment, paid in arrears and there will be no cap on the number of eligible children a family may claim for. The payment will be delivered through an application based process by the social security agency, Social Security Scotland.

This Equalities Impact Assessment (along with the Business and Regulatory Impact Assessment (BRIA); Islands Communities Impact Assessment (ICIA); the Fairer Scotland Duty Assessment; and the Child Rights and Wellbeing Impact Assessment (CRWIA)) have been developed to accompany the Scottish Child Payment regulations 2020. The SCP will be introduced through secondary legislation, using the powers to top up a reserved benefit contained in Section 79 of the Social Security (Scotland) Act 2018. These impact assessments follow and build on those accompanying the Social Security (Scotland) Act¹ and those supporting the Tackling Child Poverty Delivery Plan (TCPDP)².

¹ [Social Security \(Scotland\) Act Equality Impact Assessment](#)

² [Tackling Child Poverty Delivery Plan, Annex 3 and 4](#)

As children are part of the household unit, when assessing the impacts of social security measures to tackle child poverty, it is necessary to consider the circumstances of the household. Given this, as we develop impact assessments we will identify issues that arise within the social security system as a whole, and the added impact of poverty, on all members of a household – both those receiving the benefits, and their children. We will also consider the payment in the wider context of the devolution of social security powers to Scotland.

The Equality Act 2010 covers the protected characteristics of: age, disability, gender reassignment, pregnancy or maternity, race, sex, sexual orientation and religion and belief. The Scottish Government has considered the policy against the needs of the general equality duty as set out in section 149 of the Equality Act 2010 to eliminate discrimination, harassment and victimisation, advance equality of opportunity between people who share a protected characteristic and those who do not, and foster good relations between people who share a protected characteristic and those who do not. Although the 2010 Act is largely reserved, Scottish Ministers supplemented the general duty (known as the PSED) by placing detailed requirements on Scottish public authorities through the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012. Regulation 5 provides that equality impact assessments are required when a listed public authority considers the adoption of new or revised policies or practices, and also includes a requirement for public authorities to make arrangements to review and, where necessary, revise any existing policy or practice to ensure that it complies with the equality duty. Policies should reflect that different people have different needs. The Scottish Government has also considered whether the measures could constitute direct and/or indirect discrimination.

The SCP is designed to reduce child poverty by providing financial support to families on low incomes and can therefore be expected to disproportionately benefit the priority groups identified as most at risk of poverty in the TCPDP³, these are:

- disabled parent or child;
- minority ethnic households;
- larger families (many of which are minority ethnic families);
- lone parents (90% of whom are women);
- mothers aged under 25;
- and families with a child under one year of age⁴.

The priority groups intersect with the protected characteristics and it is expected that the SCP will benefit these groups due to their increased likelihood of being in receipt of a qualifying, low income benefit. Where possible, and in line with our equality duties, we have sought to foster equality of opportunity to benefit from the SCP through measures such as inclusive communications and an accessible application process. The policy also intends to foster good community relations amongst those with protected characteristics and the wider community, with the needs of different

³ [Tackling Child Poverty Delivery Plan](#)

⁴ For further detail of how the Scottish Child Payment can be expected to benefit these specific groups, see the Scottish Child Payment Fairer Scotland Duty

groups considered throughout the SCP's design and development. More broadly, fostering good relations is reflected in the guiding principles of dignity, fairness and respect and the vision for Social Security Scotland, as set out in Our Charter⁵, with removing the stigma around applying for benefits central to this approach.

The analysis below focuses on each characteristic separately but is mindful of their intersectionality. It is important to remember both the intersectionality of the protected characteristics, the priority groups and the wide range of family circumstances that influence the barriers people face and their lived experience of poverty. The COVID-19 pandemic has only increased the importance of understanding these impacts, their nuances and intersectionality, with early data showing an increased reliance on the social security system as evidenced by a sharp increase in the number of applications for Universal Credit.

Our findings for the EQIA are based on desk based research; stakeholder engagement and feedback; and what we have heard directly from people with lived experience of the social security system through our user research, which has also included engagement with our Experience Panels.

Summary of findings for the protected characteristics

- **Age** – the decision to pay under 6s early will have a positive impact on tackling child poverty and is targeted action at those families that need it most: almost 60% of children in relative poverty live in a family where a child is under six years old⁶. The early years are key to improving long term outcomes with socioeconomic differences having implications in later decades⁷. The age of the parent also has an impact, with younger mothers more likely to be in poverty. As a result they are more likely to be in receipt of a qualifying benefit, and their age means they are more likely to have a child eligible for the early payment.
- **Disability** – as a result of higher poverty levels, disabled people are more likely to benefit from the SCP and will be supported with any accessibility barriers when applying.
- **Sex** – women are more likely to benefit from the SCP, being more likely to be claiming a child responsibility benefit. Lone parents (one of the priority groups identified in the TCPDP), the majority of whom are women, are considerably more likely to live in poverty and therefore be eligible for the new benefit.
- **Pregnancy and Maternity** – mechanisms are being put in place to support new mothers with the application process and ensure they are aware of their entitlement.

⁵ [Our Charter](#)

⁶ [Family Resources Survey - Children in poverty or material deprivation by age of children in household](#)

⁷ [Scottish Government. Growing Up in Scotland: Health Inequalities in the Early Years](#)

- **Race, Religion and Belief** – there is evidence that some who share these protected characteristics tend to have larger families. These families will benefit from the fact there is no cap on the number of children eligible, unlike the two child limit for the UK Government’s Universal Credit and Child Tax Credits. There is also evidence that some minority ethnic families and religious groups are more likely to be in poverty, and thus in receipt of a qualifying benefit.

Background and policy aims

The impetus for the SCP began in February 2017, the Scottish Government introduced the Child Poverty Bill to the Scottish Parliament, and it was passed unanimously in November 2017. As well as setting ambitious interim (2023) and final (2030) targets for the reduction of child poverty, under the Child Poverty (Scotland) Act 2017, Scottish Ministers are required to publish child poverty delivery plans at regular intervals, with annual reports to measure progress.

The TCPDP was published in March 2018 (and will run until 2022), setting out the range of policies and proposals to help us make strong progress towards the targets. The EQIA that accompanied the publication of the plan contains an analysis of child poverty and how it relates to the protected characteristics. All policies within the plan are based on this initial analysis. Recognising the key role of social security, the delivery plan committed the Scottish Government to work towards the introduction of an ‘income supplement’ – a new benefit to support families with children.

Since the publication of the delivery plan, significant work has been undertaken to develop the income supplement, now called the SCP, alongside the clear Government priority placed on ensuring the safe and secure delivery of the benefits devolved under the Scotland Act 2016.

As set out in the Analysis of Options for the Income Supplement report⁸, the first stage in the policy development process was to establish a set of key objectives to help guide the development of the SCP, determine potential options and support future evaluation. The objectives set for the SCP are set out below.

- Achieve a minimum reduction in child poverty (relative, after housing costs) of 3 percentage points when the income supplement is fully rolled out. This provides a tangible, identifiable outcome which can be measured once the SCP is rolled out, and ensures that social security provides a substantial part of our reduction in poverty whilst being clear it cannot be the only solution.
- Reduce the depth of poverty and provide support to those who need it most. This ensures we support people across the lower deciles of the income distribution, rather than simply getting those closest to the poverty line over the threshold. This relates specifically to the priority groups identified in the TCPDP.
- Help to support a sustainable and lasting reduction in poverty for families with children. This ensures outcomes beyond redistribution, supporting people to access wider services and support should they want and require it – for example, fast-tracked access to a financial health check or employment support.

⁸ [Analysis of Options for the Income Supplement report](#)

A range of mechanisms were considered to deliver the policy, including a Child Benefit top up and a brand new means tested benefit, the option that became the SCP was the one which best balanced:

- Timeliness (a new means tested benefit would have taken too long to develop given the urgent need to tackle poverty);
- Targeting and use of public funds (a Child Benefit top up would not have been targeted enough, with 75% of the funding going to those not in poverty);
- Technical complexity (given the ambitious timescales we wished to deliver this support in, a Universal Credit based entitlement option that paid out a higher amount to priority groups, such as lone parents, was ruled out on this basis);
- And coverage, reaching as many children in poverty as possible, whilst balancing the requirements outlined above.

Further details of these considerations can be found in the first SCP position paper⁹, which was published when the outcome of this work was announced by the Cabinet Secretary for Communities and Local Government on 26 June 2019.

As outlined above, when considering the policy options the overarching need to deliver this financial support quickly has been the priority, with an estimated 24% of Scotland's children (230,000 children each year) living in relative poverty after housing costs between 2016-19¹⁰. Prior to the outbreak of COVID-19 it was predicted that if no further action were taken to tackle child poverty one in three children in Scotland would grow up in poverty by 2030, damaging society and the economy¹¹. Whilst the full impacts of the pandemic are not yet known, it is likely to have a negative impact on child poverty levels, making the delivery of this support more necessary than ever.

As a result of COVID-19, the Scottish Fiscal Commission (SFC) expect there to be more eligible children than previously projected due to the increase in numbers of families applying for qualifying benefits, such as Universal Credit. As of 9 July 2020 there were around 470,000 people on Universal Credit. This compares to 243,000 people claiming Universal Credit in January 2020, meaning that the caseload has almost doubled in that time¹². The SFC have published a new set of forecasts¹³ (including numbers eligible and expenditure) to accompany the SCP regulations. As a demand led benefit, the SG guarantees that all those who are eligible and apply for the payment will receive their entitlement. Further information on the policy and delivery detail, including three position papers published by the Scottish Government following the announcement, is available on the Scottish Government's website¹⁴.

Who was involved

An initial framing exercise for this EQIA was carried out involving a range of internal Scottish Government stakeholders including economists, social researchers, child poverty and social justice policy officials, alongside user researchers and service

⁹ [Scottish Child Payment Position paper, June 2019](#)

¹⁰ [Poverty and Inequality in Scotland 2016-2019, Figure 3](#)

¹¹ [Tackling Child Poverty Delivery Plan, page 15](#)

¹² [Universal Credit Scotland dashboard: August 2020](#)

¹³ [Scottish Fiscal Commission: Supplementary Costing – Scottish Child Payment](#)

¹⁴ [Scottish Government website - Scottish Child Payment](#)

design officials. In addition to highlighting a number of positive impacts and potential barriers, the exercise enabled data gaps to be identified.

The views of people with lived experience of applying for and receiving benefits have also been captured through a range of user research activities across Scotland. To date over 300 users have been engaged, including charity workers, welfare officers, kinship carers and groups across the protected characteristics.

A large programme of research with Experience Panel members ensures that social security in Scotland is shaped by the views, needs and experiences of those who will be using it¹⁵. The aim is to draw on this lived experience to build a system that maximises take-up and delivers a service based on dignity, fairness and respect in line with the social security principles. The Experience Panels have been involved in a range of workstreams relating to Equalities Act 2010 protected characteristics and other seldom-heard groups. In part, this work has sought to understand the social barriers to accessing social security with an emphasis on take-up, to ensure that these are also informing the design of Social Security in Scotland. These groups include: care experienced people; kinship and foster carers; adoptive parents; single parents; young parents; and people fleeing domestic abuse/coercive relationships. This work has included specific research on the SCP and will shape the future development of the SCP, beyond the launch of the under 6s payment.

There has also been policy engagement with stakeholders through the SCP's development. This has included workshops with anti-poverty organisations, think tanks, local authorities and academia to develop the policy and delivery model for the SCP. We have held one to one meetings and attended a number of member events organised by the Scottish Campaign for Welfare Reform, the Social Security Consortium in Scotland and the Poverty Alliance, amongst others. These events have been designed to seek views on the policy for the SCP, identify any barriers towards claiming and consider how we can best maximise uptake of the benefit.

We have also hosted a series of specific equalities events to consider the impact of the policy on those with protected characteristics, including with: Inclusion Scotland; Fife Gingerbread; CEMVO Scotland; and religious groups. Throughout the policy development we have engaged with groups who represent people in domestic abuse or coercive situations, involving Engender; Women's Aid; and Shakti Women's Aid (representing BME women experiencing domestic violence). The Cabinet Secretary for Social Security and Older People hosted a stakeholder roundtable, which was an open discussion with key stakeholders allowing them to ask questions about the policy and delivery of the benefit.

¹⁵ [Social Security Experience Panels: Who is in the panels and their experiences so far](#)

KEY FINDINGS

The approach to Social Security

Benefit take up

The Scottish Government recognises that people with one or more of the protected characteristics will often experience barriers to accessing benefits which could be social, accessibility related or through lack of information. We recently published our first Benefit Take-up Strategy¹⁶, setting out the ongoing work of the Scottish Government and Social Security Scotland to address barriers to benefit uptake, reflecting our commitment to equal opportunities to benefit from social security. We will work with stakeholders representing the protected characteristics to ensure that our messaging in the benefit take-up campaign meets their needs.

We have committed to a multi-channel approach for SCP, as with the other devolved benefits, with applications taken online, over the phone or on a paper form. In addition, local delivery is the face to face channel of Social Security Scotland, providing pre-claim support to clients accessing the Scottish benefits system. Local Delivery Client Advisors will assist clients to overcome any barriers to applying, including those with protected characteristics. This will be achieved by making the service as accessible as possible, Social Security Scotland will co-locate with existing services e.g. in local authorities, third sector and health centres. It is hoped this will reduce the stigma felt by people, since the reason for their visit will not be immediately obvious to other members of the community. Local Delivery staff will also hold regular 'surgeries' to help provide advice and support to those who need it and for clients who need them, home visits will be provided, removing a significant barrier to applying. Although the preference is to have Local Delivery support in place for the launch of SCP, at this point it is unlikely that this will be fully functional due to COVID-19 restrictions. This is because it is not yet known which external locations/offices will be available to allow face to face contact nor the impact on clients allowing access to their households. In addition, supporting products and kit, such as a lone working solution, booking tool and pdf document access, need to be in place to enable a successful launch. This situation will be kept under close review in the coming months and alternative solutions found for clients with specific needs.

One aspect of the Benefit Take-up Strategy is a commitment to explore the automation of payments minimising as far as possible any burden on clients, including those with protected characteristics. As part of that, we have considered where we could more readily automate payments of the Best Start Grant and Best Start Foods for those who are eligible for the SCP. Both benefits share many of the same eligibility requirements and meet the same policy intent: supporting children and families. Due to the technical requirements, and the need to deliver this financial support quickly, we would only be able to introduce any such functionality after full rollout of the benefit. We are, however, committed to automation where possible.

Another important commitment in the Benefit Take-up Strategy, which it is hoped will have a positive impact on those with protected characteristics, is the development of two sources of funding to assist organisations supporting people to take-up the

¹⁶ [The Social Security Benefit Take-up Strategy](#)

benefits they are entitled to.¹⁷ The £500,000 Benefit Take-up Fund will have an emphasis on projects and activities that prepare organisations to support: first-time applicants, seldom-heard groups, and those who face particular barriers in accessing social security. The Income Maximisation Fund will have an emphasis on projects and activities that assist organisations to support: groups of people who have traditionally not applied for benefits; groups who may be in particular need of support; and groups that may have particular barriers to overcome in applying for benefits. As announced on the 27 February, a total of 26 bodies from across the country received allocations to support hard to reach groups, single parents, and people with particular barriers, such as mental or physical disabilities, to apply for Scottish social security benefits¹⁸. We will ensure there is proportionate monitoring and evaluation activity built into funded bids, including ensuring support is available to put in place appropriate measurement and verification of impact. We are working with Evaluation Support Scotland to deliver a programme of evaluation support to grant holders over the course of the funded projects.

Legislation

The SCP will be introduced through secondary legislation, using the powers to top up a reserved benefit contained in Section 79 of the Social Security (Scotland) Act 2018. This decision was taken as it was the quickest and simplest route to introduce the SCP and help tackle child poverty. Primary legislation would have delayed introduction of the payment, potentially by two or three years. The decision to proceed using the Section 79 power means that eligibility for the SCP is based upon receipt of a qualifying reserved benefit.¹⁹ While the ability to deliver the payment quickly was viewed to be critical, given the urgency of tackling child poverty, this has placed some restrictions on eligibility, impacting the following groups who will not qualify:

- Asylum seekers with no recourse to public funds cannot receive a qualifying, reserved benefit and are therefore not eligible;
- Young mothers who are not eligible for Universal Credit due to their age e.g. they are under 16. Universal Credit allows young parents under the age of 18 to apply in certain circumstances²⁰, however, in circumstances where they do not meet this criteria (e.g. they are under 16) whoever applies for the qualifying benefit on their behalf would be required to apply for the SCP; and
- Some kinship carers who access local authority funding rather than the qualifying benefits for the SCP.

The fact eligibility is based upon being in receipt of a qualifying, reserved benefit means that when eligibility for that benefit ends, SCP entitlement also ends. Given this, we are unable to provide payments for a set period of time following a change in circumstances (e.g. an individual entering employment), to allow time for the financial adjustment. Upon balance, the need to tackle child poverty quickly means we believe the decision to proceed using the Section 79 power is the right approach. However, these considerations will all be factored in to the review of the effectiveness of delivering the SCP via the Section 79 power, which we have committed to undertake when it is fully rolled out to under 16s.

¹⁷ [Benefit Take Up Forms and Guidance](#)

¹⁸ [Scottish Government: Funds Awarded to Maximise Benefit Take Up](#)

¹⁹ For a full list of qualifying benefits see our [Factsheet](#)

²⁰ [Universal Credit Eligibility](#)

Parental Age

Young parents

Parental age has a significant impact on child poverty rates: in 2015-18 56% of children whose mother was aged under 25 were in relative poverty, compared with 23% of children whose mother was 25 or over²¹. Naomi Eisenstadt, the First Minister's Independent Poverty and Inequality Advisor, produced a 2017 report²² highlighting some of the reasons young people might experience poverty including: an increasing proportion are living in the private rented sector; they are more likely to be in low quality employment; and that they might experience difficulties accessing the labour market. She recognised that the use of Scotland's social security powers could be useful to support young people. The Scottish Government's Pregnancy and Parenthood in Young People Strategy²³ highlights that young mothers are considerably more reliant on state benefits and tax credits than older mothers – a position that remains the case as the child ages, meaning that they are more likely to be eligible for the SCP. We expect most young mothers on qualifying benefits to access the SCP as, given the rarity of teenage births, most will have a child under the age of 6, and will therefore benefit from the early introduction for this group.

The need for the SCP is reflected in what young mothers we spoke to, as part of the policy development, told us about their circumstances. They highlighted how important the payment would be for them, enabling them to pay for shoes, clothing and toys. It is clear from our user testing that many find accessing the welfare and income to which they are entitled confusing and difficult. Some of the young mothers we spoke to also highlighted the importance of being able to speak to someone about their entitlement. Younger parents are also more likely to be digitally minded, and this will be considered in the approach to promoting and applying for this new benefit.

Kinship carers

We recognise that children can be cared for in a range of different environments including through kinship care. The complexities of kinship care arrangements can mean this group's experience of applying for benefits can be complicated, we therefore allow kinship carers to use kinship care orders or letters of support to demonstrate child responsibility so long as they are in receipt of a qualifying benefit. The forms and letters asking for this evidence were tested with kinship carers, to make sure the initial eligibility questions that identify them as a kinship carer made sense. We also introduced evidence 'prompts' on both the client facing and agency facing systems, to highlight to applicants what they may need to send into us based on the information they have told us. We will also be tailoring communications to this group, ensuring they are aware of their entitlement. Conversely to young parents, kinship carers and older parents may have less access to online channels. This means the multi-channel application process is essential to creating equality of opportunity, regardless of age.

²¹ [Supplementary child poverty tables – table 5 \(child poverty by age of mother\)](#)

²² [Independent Advisor on Poverty and Inequality: Progress report on shifting the curve](#)

²³ [The Scottish Government's Pregnancy and Parenthood in Young People Strategy](#)

Child Age

We are introducing the payment early for eligible families with children under 6. This decision to pay under 6s early was made as it is expected to have a positive impact on tackling child poverty and is targeted action at those families that need it most: almost 60% of children in relative poverty, and 56% of children in combined low income and material deprivation, live in a family where a child is under six years old²⁴. The early years are key to improving long term outcomes with socioeconomic differences having implications in later decades²⁵. The under 6s payment will put up to £1,040 per annum in the pockets of a two child family.

While the under 6 age group will benefit in the short term, should a child reach 6 years of age ahead of applications opening for the under 16s payment, the payment will stop and restart once the payments for 6-16 year-olds are introduced. We recognise that it would be preferable to get the money to children over 6 quicker, however, to make Scottish Child Payments to children aged 6 or over we need to be able to verify that a client is entitled to the benefit and responsible for the child – and that relies on data from HMRC and the DWP. Accessing this data relies on the UK Government matching our timetable for delivering the devolved benefits and it has been confirmed that this is not possible ahead of the delivery of the under 6s payment. The Scottish Commission on Social Security (SCoSS) scrutinised the SCP draft regulations for compliance with human rights and deemed that delivering the under 6s payment early is acceptable under international law, which allows for the progressive realisation of social and economic rights.

Disability

Poverty rates are higher for households when a family member is disabled, 31% of children living with a disabled person are in relative poverty compared to 24% of all children²⁶. This is often linked with the additional costs of having a disability and the fact disabled people are less likely to be in employment. Children with disabilities are also more likely to experience poverty which may be a result of the higher costs of living with a disability, reduced opportunities for adults in the household to undertake paid work and barriers to benefit take-up. However, despite being well-reported, the reasons for the association between poverty and childhood disability are not yet fully understood²⁷.

Poverty amongst disabled people is likely to be exacerbated in light of the COVID-19 crisis, UNICEF highlighted that: 'In the context of the COVID-19 pandemic, persons with disabilities may have increased risk'²⁸, and the report in particular makes connections between the pandemic and poverty, with people with disabilities likely to be disproportionately impacted. The eligibility criteria for the SCP is based upon receipt of a qualifying benefit based upon a low income, the expectation is that the SCP will have a positive impact upon those families.

²⁴ [Children in poverty or material deprivation by age of children in household](#)

²⁵ [Scottish Government. Growing Up in Scotland: Health Inequalities in the Early Years](#)

²⁶ [Supplementary child poverty tables - table 8 \(child poverty by whether there is a disabled family member\)](#)

²⁷ [ESSS Outline - Disability, Poverty and Transitional Support](#)

²⁸ [UNICEF: COVID-19 response: Considerations for Children and Adults with Disabilities](#)

Through our Experience Panels and wider user research, we are gathering information on the barriers that people experience and are seeking to design a system which meets their needs. We looked in particular at how straightforward it would be for a support worker to fill out the form on someone's behalf. One thing that was raised during this process was that simple, straightforward content and the option of an online service is essential for those with autism. The application process recognises that the diverse needs of those with disabilities will allow clients to choose a route which best suits their needs, whether online, clerically, via telephone, or face to face. There will be facilities to meet the needs of a broad range of applicants. Our first Benefit Take-up Strategy²⁹, published in October 2019, highlights the importance of inclusive communications. Approaches referenced in the strategy are set out below:

- **Deaf Community:** as part of our support of the Scottish Government National BSL Action Plan, we have reviewed the current provision and with stakeholder input drafted a new specification of requirements for providing services for BSL users.
- **Literacy, Cognitive and Learning impairments:** we are working to ensure that Social Security Scotland has the appropriate support and services in place to support clients with Cognitive and Learning impairments.
- **Physical Accessibility:** we are developing a set of physical and communication accessibility standards to support the creation of accessible and inclusive spaces for both clients and staff. These spaces will form part of a holistically inclusive experience for clients to aid all aspects of inclusive communication.

The implementation of measures to support this diverse range of needs is essential both for allowing disabled people to have equal access to their entitlement and foster a positive relationship between this community and Social Security Scotland.

Sex

As the TCPDP sets out, we have conclusive evidence that poverty and gender are inextricably linked and that women are more likely to access the social security system. These gendered roles are likely to become even more pronounced in light of the COVID-19 pandemic, as when healthcare systems come under pressure it becomes increasingly likely that women will take on further caring responsibilities³⁰. This suggests that women are in disproportionate need of policies which tackle poverty and boost their income.

Women are less likely to be economically active, making up 60% of unpaid carers³¹ resulting in a range of barriers to paid employment and progression. Typically when they are in paid employment, they earn less per hour on average than men, provisional results from 2019 put the mean gender pay gap at 13% when comparing men's and women's overall average hourly earnings³². The SCP policy is designed to make things as simple as possible for those in insecure or low paid employment, with clients staying on Social Security Scotland's systems for twelve weeks if their qualifying benefit entitlement ends due to a temporary increase in salary, which means they will not have to reapply should they come back into eligibility.

²⁹ [The Social Security Benefit Take-up Strategy](#)

³⁰ [UN: The COVID-19 outbreak and gender](#)

³¹ [Engender \(2016\) Securing Women's Futures: Using Scotland's new social security powers to close the gender equality gap](#)

³² [Close the Gap. Statistics \(2018\)](#)

Particular groups of women are at greater risk of poverty, including lone parents. The poverty rates are highest for female lone parents with children (39%), whilst the poverty rate for single women without children was 28%, and for single men (with or without children) was 34%³³. We know that women make up the majority of lone parents with the Labour Force survey suggesting it is around 92%³⁴ and Tax Credit Statistics telling that women making up 94% of lone parent 'single tax credit recipients'³⁵. Unfortunately official statistics are not produced which show the gender of lone parents on Universal Credit, however these findings provide strong evidence that women are likely to make up the majority of lone parent Universal Credit recipients. Given that eligibility for Universal Credit or Child Tax Credits is the primary eligibility criteria for the SCP, it is expected that women will benefit disproportionately from this policy and that it is a positive measure to help tackle discrimination. Our user researchers have worked with lone parents to ensure the application is as accessible for them as possible, testing with this group and acting on their feedback to ensure they have equal opportunities to access their entitlements.

Statistics on who claims benefits indicate that women will benefit disproportionately from this policy overall. The most recent official statistics on Income Support show that across Scotland as of November 2019, 92%³⁶ of people with children who claimed the benefit were women, indicating women are more reliant upon social security. The Scottish Budget 2020-2021: Equality and Fairer Scotland Budget published in February 2020³⁷, contains further discussion on the relative likelihood of women to be eligible for the SCP.

There are complex dynamics in relation to the allocation of resources within the household itself, including potential inequalities according to gender. Analysis of income in households from current sources does not allow effective disaggregation of gender, apart from in households where there is only one adult. However, we are looking to address this, we are collecting data on allocation of resources within households in the 2020 Scottish Social Attitudes Survey. We also carried out a review of the evidence on gender, income and poverty³⁸ for the First Minister's National Advisory Council on Women and Girls. Whilst we are looking to address this data gap, the urgent need to tackle child poverty and the evidence demonstrating that women are likely to disproportionately benefit from the SCP leads to the conclusion that the decision to swiftly implement this policy will be beneficial overall for women.

Our user researchers have engaged with high numbers of women throughout the SCP's development (around 80% of participants have been women compared to around 20% men). This has allowed us find out about the experiences of women when applying for benefits and understand their circumstances. We have spoken to women from a range of backgrounds, for instance, our users researchers have

³³ [Poverty and Income Inequality in Scotland 2016-2019, Figure 13](#)

³⁴ ONS (2019), [Families by family type, regions of England and UK constituent countries](#)

³⁵ [The Scottish Budget 2020-2021: Equality and Fairer Scotland Budget](#)

³⁶ DWP (2020), [Stat Xplore](#)

³⁷ [The Scottish Budget 2020-2021: Equality and Fairer Scotland Budget](#)

³⁸ [Scottish Government, Review of the evidence on gender, income and poverty](#)

engaged with a charity that supports mothers from ethnic minority communities. Some in that group told us that their husbands manage the finances and apply for benefits for the household. We also spoke to some mothers who reflected they had to 'learn' about the benefit system after splitting from their husband in this type of scenario. This potential knowledge deficit creates a potential accessibility barrier, one we are committed to helping clients overcome through clear communications regarding eligibility that are targeted specifically at women likely to be in this type of situation. In situations where the father manages the finances we will still encourage the mother to apply for the SCP if she is the child's main carer and our application process is designed to allow this type of flexibility.

Currently, either of a couple in a household can apply for the payment, including if they are the partner of the main carer of the child. This decision was taken given that we are utilising the same technical build for the SCP as Best Start Grant and Best Start Foods, which allows partner applications, to provide a streamlined application process and reduce the burden on clients. In addition, the legal route that we have chosen to deliver the payment quickly means that child responsibility for the SCP is determined through the data that we receive from the DWP and HMRC. We are therefore reliant upon the information that they hold recognising that a "main carer" is usually only determined via this data when a couple have separated. We do recognise the importance of the main carer accessing the funds, there is some evidence that indicates the funds are then more likely to be spent on the child³⁹. As a result, we are considering what other options might be available within our legal powers and the data that could be made available in the future. It is important that we find a solution that works across the suite of benefits that Social Security Scotland is delivering and reflects the diverse experiences of those applying for the Payment.

In the meantime we will work to explore the types of questions that we might ask clients in relation to their caring responsibilities so that we can identify what proportion of payments are being made to the main carer. We will also encourage the main carer to apply for the SCP and we will work with stakeholders on how best to communicate this message to potential clients. We will also seek to raise awareness amongst those who do not usually choose to apply for benefits.

Our user research has also highlighted the importance of putting in measures to prevent financial abuse, one user mentioned that someone could apply using another person's details in a coercive situation, in response we have put in additional measures to verify contact information. These measures are particularly important in light of the COVID-19 outbreak, as those impacted by domestic abuse and financial coercion are likely to feel even more alone and vulnerable.

We are also doing as much as possible to ensure the payment goes to the main carer in instances where there is a competing claim. We use a hierarchy of benefits to ensure the SCP is made to the person who meets the more robust test of child responsibility. Under UK benefit regulations, Child Tax Credits, Universal Credit

³⁹ Lundberg et al (1997) The Journal of Human Resources, Volume 32, No. 3, p. 463- 480; Fisher (2014), [British tax credit simplification, the intra-household distribution of income and family consumption](#);

Child Element, and Pension Credit Child Addition are seen as having a more robust test of responsibility, given that the child has to live with the person who is claiming the benefit. As such, in cases where there are competing claims, we will specify that Social Security Scotland will pay the person in receipt of Child Tax Credits/Universal Credit Child Element/Pension Credit Child Addition, rather than Child Benefit.

We also considered the impact of the SCP on fathers and ran three separate user research sessions with single fathers to conduct initial research and then test the version of the application form with them. We changed some of the wording to be more inclusive (i.e. changing the term 'birth mother' to 'birth parent', as some of them pointed out that it sounds like they couldn't apply) and highlighted that single fathers are eligible to apply for the benefit. We also made a few changes to the way the existing BSG online application works so the application works for single fathers who are no longer with the birth mother. This was received very well from the groups we tested with, as they felt more included in the design of the application form and the supporting information.

Gender reassignment

Gender reassignment is a relevant protected characteristic, as defined in the Equality Act 2010. The protected characteristics of sex and gender reassignment, apply as much to men and those who identify as male as they do to women and those who identify as female. The Scottish Government does not have sufficiently robust evidence to draw conclusions on gender reassignment in relation to income and poverty. Research indicates that transgender people are subject to higher levels of prejudice than other protected characteristic groups but that higher levels of public acceptance suggests they may now feel more confident expressing their identity⁴⁰.

The SCP will be payable to someone who is responsible for a child regardless of gender reassignment. Consideration will be given regarding the best way to ensure this group are aware and accessing their entitlement to the SCP as well as any barriers to claiming that should be addressed. We will be monitoring the impact of the payment on this group through the collection of equalities data.

Social Security Scotland staff will be recruited who embody values of dignity and respect. All training for new staff will include LGBTI awareness and be underpinned by human rights principles. We have also included a LGBTI welfare support worker in our user research, who helped us with the testing of the application form to make sure the language was inclusive. It is therefore expected that all effort possible will be made to build good relationships between Social Security Scotland and the transgender community and that they will be given equal opportunities to access their entitlements.

⁴⁰ Scottish Government Report [Scottish Social Attitudes 2015: Attitudes to discrimination and positive action](#)

Sexual orientation

The SCP will be payable to someone who is responsible for a child regardless of sexual orientation.

In 2016, just over 1 million (2.0%) of the UK population aged 16 and over identified themselves as lesbian, gay or bisexual and the population aged 16 to 24 were the age group most likely to identify as lesbian, gay or bisexual at 4.1%⁴¹.

The Scottish Government is committed to engaging with this group to build a service that meets their needs with 9% of Experience Panel members identifying as lesbian, gay or bisexual who have been actively involved in the design of Social Security Scotland's service.

User research has assisted with the design of the application form, ensuring that the application uses inclusive language and is not aimed solely at heterosexual couples. We liaised with a LGBTI representative on the design of the online form, who confirmed that the form was inclusive, it is therefore, expected that the SCP application form will create equal opportunities for the LGBTI community.

It is acknowledged that the Scottish Government does not currently have sufficient data on the experiences of those accessing the benefit system dependent on sexual orientation. However, we are committed to continuing to review this issue as part of our ongoing fulfilment of the equality duty.

Race

Just under 4% of Scotland's population belong to minority ethnic groups, and 7% of our total population communicate in home languages other than English. This number rises to 9.1% within the population of children registered for Early Learning & Childcare in Scotland.⁴²

The Scottish Government's Race Equality Framework⁴³ states that tackling poverty is a priority for the Scottish Government across all communities, and that the clear link between race and poverty must be tackled. In 2014-19 people from non-white minority ethnic groups were more likely to be in relative poverty, with poverty rates at 39% for 'Asian or Asian British' ethnic groups, and 38% for Mixed, Black or Black British and Other' ethnic groups. This compares to 18% amongst the 'White British group'⁴⁴. One report from Close the Gap⁴⁵ highlights the intersectionality between race and gender and concludes that 'BME women continue to face high levels of racism, racial prejudice, discrimination and bias in the labour market which ultimately impacts their ability to secure, retain and progress within sustainable, good employment'. There are also a far higher proportion of children from a minority ethnic group in poverty, at 40% compared to 24% of all children⁴⁶. As a result certain minority ethnic groups are more likely to be eligible for a qualifying benefit and thus

⁴¹ [Office for National Statistics: Sexual Identity UK, 2016](#)

⁴² [Early Learning and Childcare - Additional Tables 2018](#)

⁴³ [Race Equality Framework for Scotland \(2016\)](#)

⁴⁴ [Poverty and Income Inequality in Scotland 2016-19, Figure 16](#)

⁴⁵ [Close the Gap, Still not visible](#)

⁴⁶ [Supplementary Child Poverty Tables 2015-2018, Table 9](#)

benefit from the SCP, they are also more likely to disproportionately benefit from increased financial support.

Ethnicity correlates with family size, at the UK level, 51% of Black African, 65% of Pakistani and 64% of Bangladeshi children live in large families (three or more children), compared to 30% of those in White British families⁴⁷. Larger families are more likely to experience poverty and are identified as one of the priority groups in the TCPDP. As a result they are more likely to qualify for the SCP and there are no limits on the number of children they can claim for, increasing the likelihood that they will be able to claim a higher amount of support.

We are aware that there are particular barriers faced by ethnic minorities in claiming benefits, especially those with English as a second language. To address this, work has been undertaken with ethnic minorities alongside the main Experience Panels. This work has given us a depth of information about the barriers faced by this group, and ideas for how Social Security Scotland can address these barriers as set out in our Benefit Take-up Strategy⁴⁸. Our commitment to accessible communication includes making sure that we do not create barriers for people who communicate in languages other than English by offering the application form in other languages. As well as English, Social Security Scotland automatically creates all its promotional materials in seven languages – Farsi, Polish, Mandarin, Cantonese, Arabic, Gaelic and Urdu. The materials will also be translated into any other language upon request. These steps are all to ensure that all ethnic groups have a positive experience applying for the SCP, promoting good relations, and have equal opportunities to access their entitlements.

Gypsy/Traveller

Within the broader classification of ethnic minority, just over 4,000 people in Scotland (0.1% of the population) identified their ethnic group as ‘White: Gypsy/Traveller’. Generally, Gypsy/Traveller households were more likely to contain dependent children (36% compared to 26% of the population as a whole) and they were three times more likely to contain ‘three or more’ dependent children⁴⁹.

We have conducted user research with members of the Gypsy/Traveller community to understand more about the barriers towards claiming the SCP and how they might be overcome. They made us aware of the potential barriers relating to digital access and the importance of trusted relationships, including a preference towards their own translation service. In addition, they highlighted the importance of trusted welfare rights organisations and local services to the community, they also expressed a preference towards letters, as this allows them to keep a record of correspondence and share with the relevant advice organisations if required.

We are aware that there is a greater likelihood that a Gypsy/Traveller child is not in full-time education after primary school, nor registered at a medical practice compared to a child within the general population, meaning that we will need to

⁴⁷ [Intersecting inequalities: the impact of austerity on black and minority ethnic women in the UK](#) a report by the Women’s Budget Group and Runnymede Trust

⁴⁸ [The Social Security Benefit Take-up Strategy](#)

⁴⁹ Scottish Government (2015) [Gypsy/Travellers in Scotland: A Comprehensive Analysis of the 2011 Census](#)

consider which avenues to promote the SCP and which trusted professionals we can engage. We are working to engage with this community further, to explore ways that we can maximise take-up. This includes work that Social Security Scotland are taking forward with experts who have experience of benefit take-up in specific communities, with a view to targeted take-up activities and produce take up resources, as well as supporting stakeholders and frontline staff with take-up activities.

Religion or belief

When adults in relative poverty are broken down by religion statistics show that this impacts some religious groups more than others, 49% of Muslims, 19% of Roman Catholics, 19% of other Christian groups, 15% of Church of Scotland compared to 18% of all adults⁵⁰. As a result certain groups are more likely to be in receipt of a qualifying benefit, making them eligible to receive the SCP.

Stakeholders have told us that stigma around applying for benefits may be an issue within some religious communities and so flexibility around how people apply will be fundamental. Religious groups often receive information about services and support via their religious community and we will work with these groups to ensure information about the SCP is made available.

Pregnancy and maternity

Households with children aged 0-4 are at high risk of poverty, but the risk is much higher when the youngest child is aged less than one year old. Families with a new child are more likely to enter poverty, even when controlling for other factors. Research from 2015 found a quarter of 'new families' are in poverty in the year after having their first child⁵¹. This could be due to the increased costs of a new child and the need to take time off work to care for them. For new lone parents (most often women), this figure was much higher. For these reasons, households with a young child are a priority group in the TCPDP.

Mother and baby groups have been extensively involved in the user research and their feedback has significantly shaped the SCP's development. It is recognised that some people, particularly those who have just had a child, may want to apply quickly for the SCP, but may not yet be entitled to a qualifying child responsibility benefit. While we do not use birth certificates as evidence (as they do not necessarily indicate legal responsibility), regulations will be put in place to give Social Security Scotland the ability to hold over an application for a certain period if they can see that the applicant is not yet entitled to the necessary benefit, but may soon be. In these instances, once the qualifying benefit is in place, the application can be processed and, importantly, the payment will be made from the point the person became eligible. In addition, the combining of the SCP application form with Best Start Grant and Best Start Foods ensures that the process for new parents is as straightforward as possible.

⁵⁰ [Poverty and Income Inequality in Scotland 2016-19, Figure 17](#)

⁵¹ [Child Poverty Transitions \(DWP\)](#)

Conclusion

The EQIA process has identified that the SCP is likely to have a positive impact across the protected characteristics, particularly where they intersect with the groups most at risk of poverty identified in the TCPDP. It fulfils the equality duty to eliminate discrimination, create equality of opportunity and foster good relations. Broadly it can be expected that those most at risk of poverty will see the most significant benefits.

However, this is dependent upon those groups accessing their entitlements and, therefore, relies upon the commitments outlined in the Benefit Take Up Strategy and through our accessible application process. Different groups will face different barriers and have different requirements and so a flexible approach recognising the intersectionality of the protected characteristics is critical. It will also be a process of continuous improvement, learning through our Benefit Take-Up Group what innovative take-up approaches have worked well, and areas where lessons can be learned in the future. It can be expected that the fulfilment of the positive aspects of the equality duty will continue to be progressively realised through this work.

The EQIA has also identified that widespread training and awareness raising of the SCP will also be required among partner agencies and advice and advocacy services to ensure that appropriate signposting is provided, and that applicants can access the necessary information and be suitably supported throughout the process. We will be focusing on engaging with these organisations as part of our communications and marketing strategy in 2020 and the launch of the benefit take up funds will support this work.

This EQIA has identified areas where there are gaps in the data we currently have available including relating to the allocation of resources within households; poverty within the LGBTI community; and the characteristics of Universal Credit claimants. As additional data becomes available we will continue to review the impact of this policy and will also be conducting a further set of impact assessments ahead of the launch of the under 16s payment.

There are also areas where we have identified potential for future improvements we are committed to exploring the automation of payments and the feasibility of paying to the main carer in the future. We will also review the effectiveness of legislating for the SCP under the Section 79 power in the Social Security (Scotland) Act 2018. However, the urgent need to tackle child poverty is paramount and therefore we will explore these issues further following the SCP's introduction for 6-16s.

Monitoring and Review

We are committed to learning from those with lived experience and our stakeholders. The data that Social Security Scotland collects is crucial to understand the impact of decisions we take and policies we develop. The agency has recently reviewed the way that it collects equality data and has made the following improvements:

- The collection of equality data from Social Security Scotland's clients is now a mandatory part of the application process, with a 'Prefer not to say' option for clients who do not wish to disclose this data
- Equality data questions will be built into the online application process.

These changes have been implemented from December 2019 and will apply across all of the existing Scottish benefits – Best Start Grant, Best Start Foods, Funeral Support Payment, Young Carer Grant – and every benefit to come, including the SCP. We expect the new method of equality data collection to produce more robust data and we would aim to publish this on a regular basis, as official statistics. Timetables would be considered once we have more information on the quality of the data and data protection risks. This data will feed in to our commitment to continuous improvement of the SCP, and across the devolved benefits.

The Scottish Government has established the independent Scottish Commission on Social Security (SCoSS) who have provided independent scrutiny of the SCP. The Scottish Government will publish a response to the report on 8 September.

The Social Security (Scotland) Act 2018 places a duty on the Scottish Ministers to report annually to the Scottish Parliament on the performance of the Scottish Social Security System during the previous financial year. The report is to describe what the Scottish Ministers have done in that year to meet the expectations on them set out in the Charter.

We have established stakeholder take-up reference group. This group comprises key individuals and organisations representing academic, third-sector, and local authority interests. It is designed so that members can bring their experience, expertise, and extensive networks to bear in supporting the implementation and monitoring of the first Benefit Take-up Strategy, as well as feeding into the development of the second and subsequent strategies.

We have also committed to reviewing the SCP during the course of the next TCPDP (2022-2026) and continue to work closely with stakeholders to ensure that support is targeted on those families that need it most.

Authorisation

I confirm that the impact of the Scottish Child Payment has been sufficiently assessed against the needs of the equality duty:

Ann McVie, Deputy Director, Social Security Policy Division	Date this version was authorised: 25/08/2020
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