

The Disability Assistance for Working Age People (Scotland) Regulations 2022

Island Communities Impact Assessment (ICIA)

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Island Communities Impact Assessment (ICIA): Disability Assistance for Working Age People (Scotland) Regulations 2022

Introduction

1. The importance of island-proofing was recognised in the "Empowering Scotland's Island Communities prospectus" published in June 2014. The principle of island-proofing is one of building a broad-based islands awareness into the decision making process of all parts of the public sector

2. The Islands (Scotland) Act 2018¹ places a duty on the Scottish Ministers and other relevant authorities, including a number of public authorities, to have regard to island communities in exercising their functions, and for the Scottish Ministers this will also include the development of legislation. This duty is often referred to as 'island-proofing'.

3. The Scottish Government recognises the importance of island-proofing and committed to island-proofing the Social Security (Scotland) Act 2018² (the 2018 Act), in advance of the Islands Act placing a formal requirement to do so. The Scottish Government is also committed to island-proofing the legislation required in support of the devolution of social security powers to Scotland.

4. If the Scottish Ministers are of the opinion that any piece of proposed legislation is likely to have an effect on an island community which is significantly different from its effect on other communities, then the duty to island-proof legislation requires the Scottish Ministers to:

- describe the likely significantly different effect of the legislation;
- assess the extent to which the Scottish Ministers consider that the legislation can be developed in such a manner as to improve or mitigate, for island communities, the outcomes resulting from the legislation; and
- set out the financial implications of steps taken under this subsection to mitigate, for island communities, the outcomes resulting from the legislation.

¹ <http://www.legislation.gov.uk/asp/2018/12/enacted>

² <http://www.legislation.gov.uk/asp/2018/9/contents/enacted>

Executive Summary

5. This ICIA has considered the potential effects of the Disability Assistance for Working Age People (Scotland) regulations and how they impact on people living in island communities, presented below in the **Key findings** section. The findings here are based on desk research, engagement with and feedback from disabled people with lived experience of the current social security system³, and the Consultation on Disability Assistance.⁴ This ran between 5 March and 28 May 2019 and received 263 replies, of which 74 were from stakeholder organisations and 189 were from individuals.

6. This in turn led to targeted consultation with stakeholders representing people with protected characteristics which was undertaken during the consultation period in 2019, including disabled people from island and remote communities.

7. On 21 December 2020, the Scottish Government launched a public consultation on its proposals for the delivery of Adult Disability Payment and on the draft impact assessments. The consultation ran until 15 March 2021. The consultation received 127 responses from individuals and stakeholder organisations. We have taken a number of actions as a result of these responses including:

- Undertaking further in depth analysis of the impact of proposed changes to the application of the eligibility criteria, specifically looking at potential impacts on women and on people with one or more mental health condition and people with a learning disability and/ or learning difficulty, and on people with varying health conditions.
- The introduction of measures to ensure that a Social Security Scotland practitioner gains an understanding of the full needs and experiences of a client where a consultation takes place.
- Actions to further ensure that the application of the reliability criteria mitigates the negative impacts of how the PIP eligibility criteria is currently applied by the Department for Work and Pensions.

³ <https://www.gov.scot/collections/social-security-experience-panels-publications/>

⁴ <http://consult.gov.scot/social-security/improving-disability-assistance/>

8. We are extending the ICIA by considering rurality and remoteness in the same spirit of the Act to gauge evidence of whether the policy and regulations will impact rural/remote communities differently to other communities.

9. We have concluded that there will not be any new unique impacts on islands communities as a result of the provisions in these regulations, and nor will there be a specific financial impact for island communities in isolation resulting from the provisions.

Policy Background

10. The Social Security (Scotland) Act 2018 (the 2018 Act) sets out the broad framework for the delivery of devolved social security in Scotland. On 1 April 2020, the Scottish Ministers took executive and legal competence for disability benefits, including Disability Living Allowance for Children, Attendance Allowance and Personal Independence Payment.

11. The Scottish Government intends to replace Disability Living Allowance for Children, Personal Independence Payment and Attendance Allowance with new forms of assistance under the 2018 Act. These new benefits will be delivered by Social Security Scotland on behalf of Scottish Ministers with determinations carrying a right of appeal to the First-Tier Tribunal for Scotland's Social Security Chamber.

12. The Scottish Government intends to launch disability assistance for new applicants first. This includes individuals who are not in receipt of a United Kingdom or Scottish Government disability benefit. Transfer of existing Department for Work and Pensions clients to Social Security Scotland will take place at a later point without clients needing to make a new application. Clients will be no worse off at the point of transfer, and Social Security Scotland will honour the client's award review date.

13. The Disability Assistance for Working Age People (Scotland) Regulations sets out how we will deliver our replacement for Personal Independence Payment; Adult Disability Payment. This was formerly known as Disability Assistance for Working Age People. It will replace Personal Independence Payment in Scotland and accept new applications from people between the ages of 16 and state pension age. The regulations also make provision for the Personal Independence Payment to Adult Disability Payment case transfer process.

14. In addition to supporting new applications, Scottish Ministers will make provision for the transfer of responsibility for delivering disability benefits for individuals who receive Personal Independence Payment in Scotland from the Department for Work and Pensions (DWP) on behalf of Scottish Ministers to Social Security Scotland, and for changing the disability benefits for these individuals from Personal Independence Payment to Adult Disability Payment. We refer to this process as “case transfer”.

15. The cases and supporting information for these clients will transfer to Social Security Scotland once new applications for Adult Disability Payment are available to all clients across Scotland. Based on estimates provided by the Scottish Government’s Communities Analysis Division, there are around 290,000 individuals whose benefits will transfer from Personal Independence Payment to Adult Disability Payment.

16. Scottish Ministers have set out a number of case transfer principles which we have used to guide the development of our approach to case transfer.

17. The principles are:

- **Correct payment at the correct time** – ensuring that the case transfer process is designed so that clients will receive the same amount for the Scottish benefit as they received for the corresponding UK benefit.
- **No re-applications** - we will not require clients to apply for their new benefit as part of the case transfer. We will work with DWP to move clients automatically to Social Security Scotland and the corresponding new Scottish benefit.
- **No face to face DWP re-assessments** - we will, wherever possible, ensure that no-one will be subject to a face to face re-assessment by DWP when new applications for Adult Disability Payment are open across Scotland.
- **Complete as soon as possible** – Scottish Ministers have been clear that they want to complete the transfer of cases as soon as is possible in a way that will not create unacceptable risks for clients.

- **Clear communication with clients** – we will inform our clients the date their case will be transferred and will keep them informed at the various stages of the case transfer process.

18. As part of the Scottish Government’s commitment to a safe and secure transition of powers, we do not propose to make significant changes to the existing Personal Independence Payment eligibility criteria for Adult Disability Payment. However, we have set out several differences between Adult Disability Payment and Personal Independence Payment which we expect to have a positive impact on disabled people in Scotland who live in rural and island locations.

19. This impact assessment is one of a package to accompany the regulations. The others are: Business and Regulatory Impact Assessment (BRIA); Equality Impact Assessment (EQIA); Children’s Rights and Wellbeing Impact Assessment (CRWIA); and the Fairer Scotland Duty Assessment.

Scope of the ICIA

20. The scope of this ICIA is the impact of replacing Personal Independence Payment with the Adult Disability Payment on disabled people between the ages of 16 and state pension age and their families, who live in remote and island communities.

Key Findings

21. This section provides an overview of issues for Scottish rural/remote and island communities that are relevant for these regulations.

22. Island stakeholders have emphasised the importance of understanding the island experience. Each island has its own specific considerations and constraints.

23. Rural Scotland accounts for 98% of the land mass of Scotland and 17% of the population are resident there.⁵

⁵ Scottish Government (2018) [Rural Scotland: key facts 2018](#)

24. At the time of the 2011 Census, Scotland had 93 inhabited islands with a total population of 103,700 (which was 2% of Scotland's population).⁶ Of these islands, only five are connected to the Scottish mainland by bridge or causeway.

25. The Islands Act identifies six local authorities representing island communities in Part 4 of the Act (Section 20 (2), which are Argyll and Bute Council; Comhairle nan Eilean Siar/Western Isles; Highland Council; North Ayrshire Council; Orkney Islands Council; and Shetland Islands Council. Amongst them, Orkney, Shetland and Western Isles are entirely island authorities, while Highland, Argyll and Bute and North Ayrshire local authorities cover island regions as well as mainland regions.

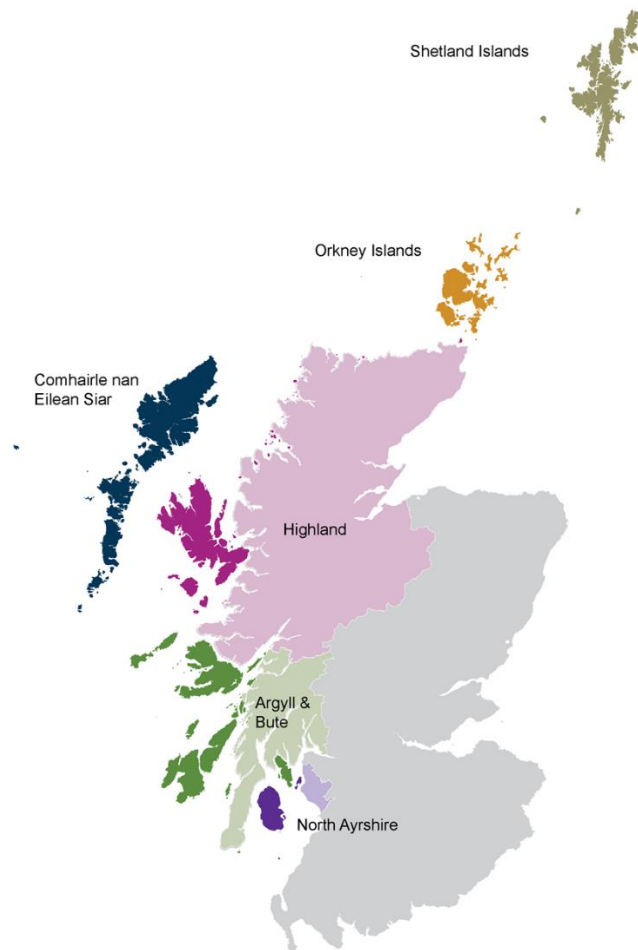


Figure 1: Map highlighting all 6 local authorities representing Island Communities (islands in darker shades where islands are part of mainland Local Authorities)⁷

⁶ NRS (2015) [Scotland's Census 2011: Inhabited islands report](#)

⁷ <https://digitalpublications.parliament.scot/ResearchBriefings/Report/2017/9/4/Islands--Scotland--Bill->

Demography and Health

26. According to the 2011 Census, 83% of island residents reported their health as being 'Very good' or 'Good' compared with 82% for Scotland as a whole.⁸ The proportion of island residents with a long-term (lasting 12 months or more) health problem or disability that limited their day-to-day activities was just under 20%, including 9% who reported their daily activities were limited a lot.⁹ The corresponding proportions for Scotland as a whole were very similar.

27. 62% of island residents are aged between 16-65 with the median age being 45 which is higher than the average across Scotland as a whole (41).¹⁰

28. United Kingdom wide, disabled people have higher poverty rates than the general population. Disabled people make up 28% of people in poverty. A further 20% of people who are in poverty live in a household with a disabled child. Data related to disability specific to island communities on disability is not available.

29. In Scotland 410,000 households in poverty (42%) include a disabled person. Disabled young adults in the United Kingdom aged 16-24 years have a particularly high poverty rate of 44%.¹¹

30. Nearly 9.5% of people in receipt of Personal Independence Payment in Scotland live in remote and island communities across the six local authority areas as of July 2020.¹² This accounts for 25,959 people.

31. There are higher rates of food insecurity among disabled people (18%) compared to non-disabled people (5%). There is also a higher likelihood of living in relative poverty after housing costs with a disabled person in the household (24% of families with a disabled person compared to 17% of families with no disabled members).¹³ If disability benefits are not counted towards household income, this rises to 30%. 'Family' in these circumstances refers to the core family in a household, comprising one or two adults and children, if any.

⁸ NRS (2015) [Scotland's Census 2011: Inhabited islands report](#)

⁹ NRS (2015) [Scotland's Census 2011: Inhabited islands report](#)

¹⁰ https://www.scotlandscensus.gov.uk/documents/analytical_reports/Inhabited_islands_report.pdf

¹¹ <https://www.jrf.org.uk/income-and-benefits>

¹² Department for Work and Pensions Stat Xplore

¹³ <http://www.gov.scot/isbn/9781787816909>

32. 35% of ‘workless families’ (defined as families where parents are predominately out of work or have little connection to the labour market; who live in social rented accommodation and are reliant on benefits for their income) have an adult with a disability or long-term illness. A further 25% of ‘struggling to get by’ families (unemployed or working part-time, half of which are single-parent families) have one or more adults with a disability or long-term illness.¹⁴ In households without children, 50% of ‘insecure singles’ (defined as workless, primarily single individuals living in social housing) had a disability or long-term health condition.¹⁵ This rises to 68% for ‘detached singles’. This group is similar to the ‘insecure singles’ group with the addition that they are less likely to have internet access or to participate in cultural activities, making them more disconnected.

33. Research undertaken by the Scottish Government¹⁶ and by stakeholders in 2020 have found that a lack of connectivity in rural or remote communities has been compounded by the impacts of the Covid-19 pandemic. An absence of good quality internet connection can significantly impact on an individual’s ability to socialise and partake in cultural activities, particularly where people already have mobility restrictions as a result of a disability or health condition.

34. Even where one or more individual in the household is in employment, the same level of income secures a lower standard of living than it would for a household without someone with a disability or long-term health condition. This is because disabled people face higher costs than non-disabled people, such as the cost of specialist equipment, therapies and home adaptations to manage a condition.¹⁷ Sometimes, these costs are greater for disabled people living in island and rural communities. For example, travel costs, may be higher as individuals may have to pay the cost of taxis, for example if they need to travel to and from hospital where it is not possible to use public transport (and/or public transport may not be available).

¹⁴ <https://www.gov.scot/publications/poverty-perspective-typology-poverty-scotland/pages/5/>

¹⁵ <https://www.gov.scot/publications/poverty-perspective-typology-poverty-scotland/pages/6/>

¹⁶ [Covid+and+Inequalities+Final+Report+For+Publication+-+PDF.pdf \(www.gov.scot\)](#)

¹⁷ <https://www.jrf.org.uk/income-and-benefits/>

Cost of Living

35. The cost of many amenities and activities are higher for people living in island communities than those living on the mainland. A lack of choice and accessibility means that shopping, mobile phone services and broadband can be more expensive for people living in island communities compared to those on the mainland. The greater distances and remoteness means that day to day travel, postage, fuel, day-trips and holidays are also more expensive for people in remote communities.

36. Citizens Advice Scotland¹⁸ have identified issues of grid, utilities, digital and travel as key barriers for people in accessible rural, remote rural and remote small towns. Furthermore, a typical food basket can cost as much as 50% more on island communities in Scotland, while transport can be up to £40 a week more expensive due to longer distances for commuting and a higher price for petrol.¹⁹

37. According to Highlands and Islands Enterprise (HIE), household budgets in remote rural Scotland are typically 10-40% higher than elsewhere in the United Kingdom.²⁰ For households in the most remote parts of Scotland, additional costs can be greater than 40%. HIE attribute these extra costs to three principal sources:

- the higher prices that households must pay for food, clothes and household goods;
- much higher household fuel bills, influenced by climate and fuel sources;
- the longer distances that people have to routinely travel, particularly to work.

38. The Joseph Rowntree Foundation reported that levels of poverty among disabled people are generally underestimated.²¹ Because disabled people's needs are often greater than for those without a disability, the cost of living for disabled people is frequently higher. These costs are higher in island and remote communities due to an environment that is less accessible, with higher costs for reasonable adjustments to technology, housing and transport.

18 Sutherland, F (2015) Remotely excluded: barriers facing Scotland's rural consumers
CAS, Edinburgh, 36 pp

19 A Minimum Income Standard: For Remote rural Scotland; Loughborough University, UHI & Highlands and Islands Enterprise; 2013

20 [A Minimum Income Standard for Remote Rural Scotland, 2013](#)

21 https://www.npi.org.uk/files/7814/0490/1005/Disability_long_term_conditions_and_poverty.pdf

39. A range of work is being undertaken by the Scottish Government to address the challenges that people in island and rural communities face. For example the Islands Strategic Group was established in August 2016. The group considers strategic issues affecting the island communities of Scotland, and to ensure greater involvement of the relevant councils in helping to identify and design solutions to the unique needs and challenges these communities face.

40. While Adult Disability Payment is not intended to be an income-replacement benefit, it is intended to provide support with helping to meet the extra costs associated with having a disability, such as paying for care and mobility needs. For some disabled people, it will bring additional entitlement to other benefits.

Connectivity and accessibility

41. Citizens Advice Scotland have identified issues of grid, utilities, digital and travel as key barriers for people in accessible rural, remote rural and remote small towns.²²

42. According to the research briefings²³ from 2017 about the Islands (Scotland) Bill, residents of islands rely on ferry crossings and air travel to reach the mainland and larger islands, and key services such as secondary and higher education, care, and medical services.

43. In 2011, the proportion of island households with at least one car or van available was 79%, compared with just over two-thirds (69%) nationally.

44. In rural remote areas and island communities, disabled people face a lack of access to opportunities that are more readily and frequently available to those on the mainland or in urban areas. Furthermore, a lack of accessibility to employment, education and leisure opportunities can be made more difficult for someone with mobility issues, especially when transport options are limited.

²² Sutherland, F (2015) Remotely excluded: barriers facing Scotland's rural consumers CAS, Edinburgh, 36pp

²³ <https://digitalpublications.parliament.scot/ResearchBriefings/Report/2017/9/4/Islands--Scotland--Bill-1>

45. Bus services in remote and island communities can be unreliable and are often community run. Even where buses are available, they often run rarely and timetables do not always meet the needs of people living in the community. Furthermore, if there is already someone with a wheelchair or pram on the bus it is not always possible for a wheelchair user to board.

46. Not all islands are served by buses and there are not always taxis available. We heard how disabled people on islands rely heavily on neighbours, friends and families driving them as a primary means of transport.

47. The needs of wheelchair users can be different in island and rural communities than the needs of wheelchair users in an urban environment due to more challenging terrain.

Our approach

48. Social Security Scotland local delivery officers will share locations with other services so that they are based where clients currently go to ensure that clients can access advice and support in existing island locations. Social Security Scotland will also offer a multi-channel approach, including telephone, paper-based and face-to-face applications to ensure that people are not isolated through a lack of access to technology.

49. We will also support individuals to gather supporting information. This includes, if authorised by the client, gathering information on the individual's behalf. For individuals living in rural or island communities, this will be beneficial as it may be difficult for them to contact relevant sources given the remoteness and lack of connectivity.

50. We have also introduced client consultations to replace the current Department for Work and Pensions assessments provision. If a consultation is required, it will take place at a time and place that suits the needs of the individual. Consultations will take place primarily over the phone with individuals having the option to request that it take place in person at a time and place that suits them, including at home or a separate location of their choosing.

51. We will be taking a multi-channel approach to how consultations take place, including telephone and video calls. This will allow individuals who are unable to travel easily to attend consultations, and without them having to travel to unfamiliar locations. On the other hand, we know that this will not work for everyone which is why when a face to face consultation is required, such as when the individual requests this, individuals will have the option of the consultation taking place face-to-face at a partner location, such as a GP, or the individual's home. This will be available across Scotland and includes remote and island locations.

52. For individuals entitled to the highest rate of the mobility component of Adult Disability Payment, they will also have the option of accessing the Accessible Vehicles and Equipment (AVE) scheme. This is our devolved equivalent of the United Kingdom's Motability scheme which will provide a range of vehicles (including cars, wheelchair accessible vehicles, powered wheelchairs and scooters) and will help to meet the mobility needs of eligible individuals. All leases include insurance, breakdown cover, servicing and road tax. Accredited providers of the AVE Scheme must provide a service which is accessible to all recipients in Scotland of the qualifying allowance, regardless of their circumstances, location or means.

53. We will also ensure that individuals currently leasing a vehicle, wheelchair or scooter from Motability are able to continue to access that vehicle when their case is transferred to Social Security Scotland so that their mobility needs will continue to be met.

Culture

54. Stakeholders have identified potential cultural barriers to applying for Adult Disability Payment. This is because of the close-knit nature of island communities. Although there is research that evidences the positive impact of the support provided by close-knit communities, certain barriers may also be present.

55. The need for privacy and dignity is emphasised by disabled people in remote and island communities, for example, by ensuring that consultations take place in locations that do not identify them as a disabled person or in receipt of benefits.

56. Dignity, fairness and respect underpins how Social Security Scotland will deliver Adult Disability Payment including protecting the privacy of clients.

Choice and representation

57. We have heard how there are limited options for people living in island and remote communities with regard to leisure activities, support services and support groups, with the importance of choice being a key theme in previous social security and disability assistance consultations. However such choices are often diminished or non-existent in rural areas.

58. Social Security Scotland local delivery officers will share locations with other services so that they are based where clients currently go to ensure that clients can access advice and support in existing island locations. As previously discussed, Social Security Scotland will also offer a multi-channel approach, including telephone, paper-based and face-to-face applications to ensure that people are not isolated through a lack of access to technology.

Implementation

59. A communications strategy and comprehensive guidance are being developed in advance of the launch of Adult Disability Payment and case transfer. This will ensure that individuals who are eligible and their families, the third sector, local authorities, the education sector and advice providers are aware of Adult Disability Payment, know how to apply and understand the eligibility criteria, and understand the case transfer process.

60. The communications strategy will be linked in with wider Scottish Government initiatives for improving outcomes for disabled people and for remote and island communities. This will ensure that Adult Disability Payment is part of wider efforts to meet the needs of people living in island communities.

Monitoring and Review

61. We plan to establish a group to undertake a review of Adult Disability Payment to commence in summer 2023. The members and chair of the group will be drawn from outside the Scottish Government. The group will also secure input from people with lived experience.

Holding the review in summer 2023 will provide the opportunity for Social Security Scotland to administer Adult Disability Payment for a full year so the necessary data and feedback from individuals can influence the recommendations.

62. The review will be wide ranging to allow consideration of the suitability all of the activities, descriptors and supporting criteria. For example, the review will enable an understanding of the impacts of how the eligibility criteria is being applied, including the reliability criteria, and whether there are any disproportionate impacts on island and rural communities. The review will allow a measurement of the extent to which Adult Disability Payment has reduced the negative impacts identified in this impact assessment.

63. We will then make the independent report and recommendations publically available to allow for transparency, scrutiny and visibility.

64. Monitoring the impact of Adult Disability Payment in island and remote rural communities will be a continuous process and where any unintended consequences are identified, steps will be taken to improve the service. The Scottish Government will put in place a monitoring and evaluation plan for Adult Disability Payment prior to implementation which takes account of the issues identified within this impact assessment.

65. On-going stakeholder engagement with key organisations will also provide the Scottish Government with an opportunity to monitor the impact of the policy.

66. Scottish Ministers have also committed to engaging with, and reporting regular progress to, the Islands Strategic Group to ensure that those representing the interests of island communities and others with experience of the current system, are fairly represented in the development and delivery of the Scottish social security system.

Conclusion

67. Scottish Ministers are aware of the duty to consult island communities before making a material change to any policy, strategy or service which, in the Scottish Ministers' opinion, is likely to have an effect on an island community which is significantly different from its effect on other communities.

68. This impact assessment has highlighted that living in island and remote communities present unique challenges for disabled people.

69. We have not identified any evidence that the introduction of Adult Disability Payment or the case transfer process will directly or indirectly discriminate against remote and island communities.

70. The introduction of Adult Disability Payment and the case transfer process are expected to have a positive impact on disabled people across Scotland, regardless of location, with a secondary positive impact on their families and carers.

71. Adult Disability Payment will help to address a number of issues raised in this ICIA such as the higher cost of living in remote and island communities, and challenges faced in relation to connectivity and accessibility.

72. This ICIA has identified the need to ensure that Adult Disability Payment is promoted appropriately and sensitively in remote rural areas.

73. The Scottish Government is committed to designing the devolved social security system with people in Scotland. On-going engagement with disabled people, external stakeholders and advisory groups will ensure that the impact of the regulations remain under continuous review.

74. The Scottish Government has concluded that no further changes to the Adult Disability Payment regulations are necessary as a result of the ICIA.

Authorisation

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