



Evidence to the Social Security Committee, 10th May 2018

Best Start Grant

Parenting across Scotland is a partnership of family charities working together to put a focus on issues affecting families in Scotland. The partners are Aberlour; Children in Scotland; Contact; Families Outside; One Parent Families Scotland; Relationships Scotland; Scottish Adoption; Scottish Families Affected by Drugs and Alcohol and the Spark.

Parenting Across Scotland welcomes the Scottish Government's new Social Security (Scotland) Act 2018 with its commitments to create a new system that puts dignity respect and support at its heart. We are pleased to have the opportunity to comment on the Best Start Grant (BSG) which will provide families on lower incomes with financial support during the early years of a child's life.

The Best Start Grant will be introduced by summer 2019, replacing the existing UK Sure Start Maternity Grant, and providing eligible families with £600 on the birth of their first child and £300 on the birth of any subsequent children. It also gives eligible families further payments of £250 when children start nursery and then school, focussing on key transition stages for families when expenses are high and likely to add difficulty and stress to already stretched budgets.

In particular, we welcome:

- the extension of eligibility to include anyone on a tax credit or housing benefit
- the inclusion of any young parent under 18
- the extension of the time limits for applications
- the flexibility around applying for the different stages of the Grant separately
- the commitment to cash rather than in kind help or vouchers.

The Best Start Grant will be a helpful addition to the suite of early years measures. In particular, it will complement the universal offer of the Baby Box which provides all parents with a starter pack of clothes and other essential items. While this is helpful to all new families, we know that many families on low incomes struggle to afford the 'big ticket' items such as prams and cots, and washing machines, which are needed when a new baby is born, and struggle again at the key transition points of entering childcare and school; the Best Start Grant will help families struggling with their finances at these critical points.

We would particularly like to give credit to the civil servants who have consulted thoroughly and thoughtfully with stakeholders, and who have given due consideration to the issues raised.

Families on low incomes

The impact of poverty and low income on families is well documented¹, and we know that there are certain times in family lives where financial pressure is even greater than others. The time of a child's birth is one of these; the added costs associated with having a child combined with the loss or lack of earnings make this a critical time when family finances are likely to be under pressure².

Maternal mental health is well known to have a significant impact both on children's outcomes and on parents' ability to cope. A recent study³, reported in the Lancet, shows the effect of a first transition into poverty during early childhood:

".. first transition into income poverty during early childhood was associated with an increase in the risk of child and maternal mental health problems. ... Transitions to income poverty do appear to affect children's life chances and actions that directly reduce income poverty of children are likely to improve child and maternal mental health."

The BSG is a welcome step to alleviate these pressures at critical times in families' lives.

Poverty is extremely gendered, with welfare reform in recent years having had a more severe impact on women, particularly those with children. "Analysis from the House of Commons Library estimates that 70% of the £34 billion pounds of savings will come from women's pockets."⁴ This is particularly significant given that single parents, 92% of whom, are women are twice as likely to be in poverty⁵. The BSG will be a significant benefit to this group of parents on low incomes.

Evidence⁶ shows us that relationships are under particular pressure after the birth of a child with relationships being more likely to break down in the first three years after the birth of a child; this is often associated with family finances. Hopefully the BSG may have an ameliorative effect on this.

While the Best Start Grant is not a way out of poverty it can act as a buffer at points that are significant pressure points for many parents and will alleviate some of the adverse outcomes associated with poverty and will be a significant part of a toolkit of resources to tackle low income for families.

Eligibility

While we welcome the extension of the eligibility criteria beyond those of the existing Sure Start Maternity Grant we feel that there are still a small number of parents on

¹ <http://www.parentingacrossscotland.org/media/1222/report3parentingonalow-income.pdf>
<https://www.jrf.org.uk/life-low-income-uk-today>

² Good Times, Bad Times, John Hills, Policy Press ,2017

³ [https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667\(17\)30011-7/abstract](https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667(17)30011-7/abstract)

⁴ Engender response to the Social Security consultation, (Women's Budget Group (2015) The impact on women of July budget 2015: A budget that undermines women's security.

⁵ DWP (2017) [Households below average income, 1994/95-2015/16](#).

⁶ <http://www.parentingacrossscotland.org/media/1217/about-families-report-2-together-and-apart.pdf>

low incomes who require additional financial support and could slip through the net. These are specifically:

- Women in receipt of Maternity Allowance who do not have a partner
- Students who are not on passporting benefits

Maternity Allowance

Maternity Allowance is a benefit paid to women who are not eligible for Statutory Maternity Pay. While it is not means tested, it is a particularly significant benefit for those women who work in low paid insecure employment and consequently are ineligible for Statutory Maternity Pay. For many self-employed women, it will be the only maternity payment (at £145 a week) open to them.

Most of these women will qualify for BSG via other qualifying benefits. However, there are a small number who because they do not have housing costs (for example, they live with family) or a partner, will not qualify. It is very unlikely that a woman who qualifies for Maternity Allowance will have other additional income or savings. Given that only 700 women in Scotland were in receipt of Maternity Allowance⁷, and only a small subset of this group will not qualify by means of other eligible benefits, this is unlikely to incur a significant additional cost. We would urge the Committee to consider extending the eligibility to this group.

Students

Similarly, there is a small group of students who are not in receipt of benefits or housing costs who may miss out on this Grant because they are not eligible for passporting benefits. Receipt of student loans will put some students just above the income level for eligibility via passported benefits. They are likely to be living with family and the increased costs of having a child may put pressure on that relationship. The best outcomes for both parent who have a child while they are students and for their children are where parents are enabled to continue in education. The BSG could be a contributory factor in removing some of the financial pressures to enable students to do so.

While this is a relatively small group, it is one that the BSG could make a significant difference to. Again, we would urge the Committee to considering extending eligibility for the BSG to this group.

The role of the Social Security Scotland staff

We welcome the commitment that Social Security Scotland will treat claimants with dignity, respect and fairness. The BSG will be the first test of that commitment. Given the low awareness among potential claimants and the vulnerabilities they may be facing at these crucial transitions in their lives, staff need to be well trained to ensure that claimants are treated with understanding and compassion. Given the increased likelihood of relationship breakdown and change in family circumstances over this period in families' lives, staff need to be particularly aware of the power inequalities in separated families and the possibility of domestic abuse and coercive control in relationships. This has particular implications for who should be the recipient of the

⁷ <https://www.gov.uk/government/statistics/maternity-allowance-quarterly-statistics-march-to-may-2017>

BSG, and staff should have training in these issues to recognise and determine the appropriate recipient.

Messaging and marketing

Evidence from the well evaluated Healthier Wealthier Children project⁸ showed that pregnant families and their children were not aware of their maternity benefits and that midwives and health visitors had differential knowledge about the maternity benefits available to families. With this in mind, if the BSG is to make the difference intended to families on low incomes then maximising the uptake of the benefit will be crucial.

Health is not only determined by individual behaviours or by chance but by the wider social and structural determinants of health.⁹ Accordingly improving families' financial situation is part of improving health inequalities, and health professionals need to include income maximisation as part of promoting positive health and wellbeing. There is already encouraging work going on in this area (for example, by NHS Health Scotland¹⁰ and others). To encourage take-up of the BSG and other income maximising measures, training needs to be given to midwives, health visitors and other health staff.

Similarly, other key educational professionals such as early years practitioners and teachers will be key to raising awareness of the BSG for the successive awards. Additionally, the third sector has a crucial role to play in communicating this to families that services find hard to reach.

There needs to be careful thought given as to how marketing and messaging will reach eligible parents so that they can derive the benefits of the new BSG. Messaging needs to be targeted not only at those in poverty but at those at risk of falling into poverty because of their changed circumstances around the birth of a child.

Monitoring

We welcome the Scottish Government's intention to monitor this first phase of implementation of the newly devolved social security powers. This will be crucial in assessing whether this Grant reaches those it is intended to and makes the difference to families that it aspires to.

Once again, we wish to reiterate that we welcome the Best Start Grant and can see that it will have a significant impact for families on low incomes at critical transition points in their families' lives.

⁸ http://www.gcph.co.uk/publications/457_healthier_wealthier_children_phase_two_evaluation

⁹ http://www.euro.who.int/_data/assets/pdf_file/0005/98438/e81384.pdf?ua1

¹⁰ <http://www.healthscotland.scot/publications/financial-inclusion-referral-pathway-toolkit>