

Cross Party Group on Children and Young People

Minutes

Tuesday 2 June 2015 13.00-14.30

Committee Room 1 The Scottish Parliament

Chair: Kezia Dugdale MSP

Impact of cuts on children and young people

Opening from chair, Kezia Dugdale MSP welcomed the panel and members of the group for attending the meeting.

Welcome to this meeting of the Cross Party Group on Children and Young People. The focus for our meeting today is the impact of cuts on children and young people. Our panel will explore how the national picture is looking across Scotland, how the current government agenda is affecting children and young people in particular and in what way this is being borne out for families and wider communities. We will look at the following areas as we take our discussion forward today:

- *Extent of budget/benefit cuts for children, young people and families in your area of work*
- *How these have impacted in the short term/long term and examples of this has affected the life chances, opportunities, learning, health and wellbeing of children*
- *With further cuts coming down the line this year, how is this likely to impact further*
- *What can be done to help mitigate the impact*
- *Are we looking at almost a lost younger generation in terms of increase in poverty, lack of opportunity etc*
- *Would further devolution/other changes to powers or constitution make a difference*

Panel members

- Rob Gowans, Policy Officer, Citizens Advice Scotland
- Dr Anne Mullin, Govan Health Centre/GPs at the Deep End
- Hanna McCulloch, Policy and Parliamentary Officer, Child Poverty Action Group
- Mark Ballard, Barnardo's and Samantha Cassels, Welfare Rights Officer, North Lanarkshire Housing Support
- Kay Steven, Scottish Women's Aid
- Steven McAvoy, Welfare Rights Officer, Enable
- Ewan Gurr, Scotland Manager, Trussel Trust along with Shauna Tate who speak about her experiences

Rob Gowans, Policy Officer, Citizens Advice Scotland

Extent of budget/benefit cuts for children, young people and families in your area of work.

Cuts and changes to the benefits system are having a profound impact on CAB clients in Scotland. In the two years between 2011/12 and 2013/14, when the various welfare reforms were implemented there was a:

- 16% increase in new benefit issues – equivalent to around 300 more each week
- 35% increase in local authority housing arrears issues
- 44% increase in new Jobseekers Allowance (JSA) issues
- 43% increase in Housing Benefit issues
- 237% increase in applications for charitable support (mainly food parcels)

A number of the welfare changes have had a particularly negative impact on children, young people and families.

In April 2012, the **eligibility rules for Working Tax Credit and Child Tax Credit** changed, and by April 2014, the number of in work families in Scotland receiving in work tax credit support had reduced by 97,300 compared to two years previously (a reduction of 27% in the number of families). Citizens advice bureaux have advised clients who have lost their entitlement to tax credits and subsequently fallen into financial difficulties.

There is a **gap in the in-work benefits system** that can impact on families and part-time workers (often women and young people). To be eligible for Jobseeker's Allowance (JSA) an individual must work less than 16 hours, and to be eligible for Working Tax Credit a claimant must work more than 30 hours a week (more than 24 hours a week for couples with children). If a person works between 16 and 24 hours, and those hours fluctuate, it is likely that their income will be very low – potentially lower than those in receipt of out of work benefits

Statistics from the DWP showed that 55,695 **JSA sanctions** were applied to jobseekers in Scotland in 2014 – over 150 per day. Young people are far more likely to be sanctioned – almost half of all sanctions applied since a new regime was introduced in 2012 have been against people aged 16-24. This has resulted in a significant rise in the number of sanctions cases coming in to citizens advice bureaux in Scotland. Client cases and adviser experiences suggest that there are many problems in the sanctions regime.

Our evidence suggests that the loss of income brought about by a sanction is causing severe hardship, a rise in the number of food parcel referrals, is putting tenancies and debt repayments at risk, and in some cases is having a severe impact on claimants' health and wellbeing.

Citizens advice bureaux have reported a significant rise in the number of service users who are either **struggling to afford adequate food or who are experiencing a crisis where they cannot afford food at all**. Evidence from bureaux, and from food banks themselves, indicate that benefit delays and welfare reform are driving increased need for food parcels – most commonly delays in payments, sanctions or sickness benefit reassessments.

Additionally, certain benefits restricted for young people. Bureaux advise clients under 25 who are in financial difficulty because they work in low income jobs but are **ineligible to claim Working Tax Credit or full Housing Benefit due to their age**.

This also has a knock-on impact in other areas. CAB clients under 25 are twice as likely as older clients to require **advice on an employment issue**. The rise of **zero hours contracts**, and problems at work have been a big concern for CAS – the quality of jobs available for young people and problems enforcing their rights at work has risen in parallel with the welfare reforms.

Young clients are also more likely to seek advice on a **housing issue**. From Scottish Government figures, homelessness is more common amongst young people (from bureaux evidence this is often caused by a family breakdown) and access to Housing Benefit is very important to this group. Additionally, bureaux often advise clients who are faced with dodgy landlords, or are struggling to pay high rents in the private sector.

How have these impacted in short term/long term?

These issues have a profound impact for CAB clients in the short term. Bureaux have advised clients – including those with young children - who have been left destitute as a direct result in changes to the benefits system.

At the Cross Party Group meeting, CAS can present some case studies from clients which illustrate these problems.

In the long term, relying on emergency food aid, or short term crisis grants is clearly unsustainable. There is also evidence of a detrimental effect on people's health and relationships as a result of stress. Having to go without – or even struggling to afford basic essentials will limit the opportunities available to children in affected families.

With further cuts coming, how is this likely to impact further?

The new UK Government has pledged a further £12 billion of welfare cuts. It is as yet unknown where these cuts will fall, but it is difficult to see this not having a further negative impact.

In the Queen's Speech, the Government announced a series of measures that are likely to particularly impact on families and young people:

- **A freeze in annual uprating of working-age benefits**
- **A lowering of the Benefit Cap** from £26,000 to £23,000. This is likely to particularly impact on large families (4 or more children) and lone parents.
- **A replacement of the Jobseeker's Allowance for 18-21 year olds with a Youth Allowance** that will be limited to six months and includes tougher conditionality. Given that young people are already more likely to be sanctioned, this is a potential concern.
- **No automatic entitlement to Housing Benefit for 18-21 year olds on JSA.** This could lead to young people struggling to afford rent, and may cause significant difficulties for young people who are homeless as a result of a family breakdown (depending on the detail of the policy).

What can be done to help mitigate impact?

Continued funding for mitigation efforts is vital. The increase in **Discretionary Housing Payment** funding from the Scottish Government has been successful in averting the harmful impacts of the Bedroom Tax – which caused hardship and stress to CAB clients when it was introduced. The **Scottish Welfare Fund** has been relatively successful in providing crisis support.

Other funding for third sector agencies can have a big impact. For the last two years the Scottish Government has provided funding to citizens advice bureaux through CAS deliver locally focused approaches to support advice work which mitigates the impact of social security changes, enabling bureaux to increase access to advice for those affected by welfare reform. In the last year, almost 22,000 clients were supported with over 70,000 issues. **For every £1 given in grants, £9.55 was gained by clients** as a direct result of the advice they were given, from a combination of increased take up of benefit entitlements, money advice and debt relief.

Are we looking at almost a lost younger generation in terms of increase in poverty, lack of opportunity etc

This is difficult to quantify, but there is no doubt that the welfare reforms have had a significant impact on young people, and will continue to do so.

Would further devolution/other changes to powers or constitution make a difference?

In our response to the Smith Commission, CAS supported full devolution of social security aside from pensions. We believed it would have created an opportunity to create a coherent Scottish social security system that was equal, fair and responsive.

However there are a number of opportunities from the Smith Agreement and further devolution in the Scotland Bill to make some improvements to the current system.

Powers over **Universal Credit** will give the Scottish Government the ability to pay claimants on a more frequent basis, helping those who struggle to budget on a monthly basis; split payments between individual claimants rather than paying it on a household basis; make housing payments direct to social landlords which will stop claimants falling into arrears; and to remove the unfair Bedroom Tax.

There is an opportunity to create a new system of **disability benefits**, which can make improvements to the current system where an estimated 105,000 current Disability Living Allowance (DLA) claimants in Scotland will lose out as a result of the switch to Personal Independence Payment (PIP).

And a replacement for the **Work Programme** can be created, building on the employability and skills work that is undertaken in Scotland. However, it remains to be seen how this will interact with the conditionality and sanctions regime, which will remain reserved.

Dr Anne Mullin, GPs at the Deep End, GP at Govan Health Centre in Glasgow

Dr Mullin discussed her work with GPs at the Deep End and talked about her experience as a GP in one of Glasgow's most deprived communities.

GPs at the Deep End work in the 100 most social- economically deprived area in Scotland, with 88 -44% patients in the practice with postcode in the most deprived 15% of Scottish datazone.

The extent of budget/benefits cuts affecting families and the change in the Welfare System increase the workloads for general practice team having to recognise patients with financial problems, signposting , referring them to advice centres and providing medical information for various benefit applications.

The contribution of general practice to improving the health of vulnerable children and families report from June 2014 highlighted some of the problems faced:

- Inequality and poverty in early childhood have long term consequences that affect a person's entire life course.
- The key professional relationship between health visitors and GPs is undermined by the disproportionate numbers of vulnerable children on health visitor caseloads in

very deprived areas, and the gaps that arise as a result of difficulties in health visitor recruitment.

“A boy born today in Lenzie, East Dunbartonshire, can expect to live until he is 82. Yet for a boy born only eight miles away in Carlton, in the east end of Glasgow, life expectancy may be as low as 54 years, a difference of 28 years or almost half as long again as his whole life.¹”

1 World Health Organization. (2008) Closing the gap in a generation - Health equity through action on the social determinants of health. Available at http://whqlibdoc.who.int/publications/2008/9789241563703_eng.pdf?ua=1 [Accessed 24 September 2014]

The Office of Children’s Commissioner : Child Rights Impact Assessment of budget Decision (June 2013), highlighted that the poorest 10% of families with children are experiencing a fall in living standard equivalent to 22% net income, leading to a significant rise in child living in poverty.

The analysis showed that the number of children in the UK living in poverty is expected to rise by around 500,000 to 2.8 million children between 2010-11 and 2015.

Children who are poor or live in a deprived area are more likely to suffer from ill-health, stigma, discrimination and bullying affecting their mental health.

The Govan Integrated Care Project is helping mitigate the impacts of cuts by providing overlapping support by trying to ensure that people don’t become dependent on the efforts of professionals to fix their problems and working with patients by involving them in the process.

Hanna McCulloch, Policy and Parliamentary Officer, Child Poverty Action Group

Ms McCulloch commenced by explaining CPAG’s efforts in supporting low-income families in Scotland through campaigning and lobbying, and ensuring they get the correct information through welfare rights work and their information, training and advice line for frontline advisers.

Ms McCulloch noted how children affected by socio-economic disadvantage can be as much as 13 months behind their more well-off peers in terms of vocabulary etc. by the time they are five years old.

One of the biggest triggers of poverty has been recent changes to welfare, which will be responsible for an additional 100,000 children living below the poverty line by 2020.

While benefit changes such as the “Bedroom Tax” have attracted a lot of attention, the most damaging welfare reform has been changes to benefit uprating, which has been locked at 1%. Failing to match benefit increases with the cost of living has a serious and detrimental effect on claimant’s ability to budget.

As a result of welfare reform and the rising pressures on household budgets, there has

been a substantial increase in households relying on food banks, with 100,000 accessing such services last year, compared to 14,000 three years ago.

Hannah McCulloch also drew attention to the fact that the price of childcare has gone up by forty four percent in the last five years, meaning that families were forced to spend a greater proportion of their household income on childcare than ever before.

The Children and Young Person (Scotland) Act gives the Scottish Government a responsibility to mitigate the effects of child poverty.

One possible action advocated by CPAG would be to invest more heavily in services which can provide information and advice and help people challenge maladministration, which is a common trigger for further difficulties.

Mark Ballard, Barnardo's and Samantha Cassels, Welfare Rights Officer, North Lanarkshire Housing Support

Samantha Cassels works with some of the most socially excluded young people aged 16-25 in North Lanarkshire, who are at serious risk of homelessness or are already homeless and forced to live in one room temporary accommodation due to cuts, welfare reform and problems with the welfare fund. In her work she has seen these young people become more socially isolated, more disengaged and they have a distrust of those providing services, often as a result of their experience of the DWP. Homelessness, punitive benefit sanctions, the inability due to age to claim full Housing Benefit or Working Tax Credit sit alongside what Mark Ballard from Barnardo's says is young people's "brutal experience at the hands of Job Centres".

1. Extent of budget cuts/benefit cuts for children, young people and families in your area of work

Sanctioning & Suspensions

- Sanctioning affects almost every area of a person's life.
- Reliance on food banks and the Scottish Welfare Fund for crisis support.
- Almost always results in rent arrears due to incorrect suspension of housing benefit during periods of sanctioning.
- Young people often do not seek help with sanctions/suspensions in regards to reconsiderations. Young people are very accepting of their situation and internalise blame.

Scottish Welfare Fund

- Community care grants have been stripped back for our young people and high thresholds of prioritisation have been put in place which even our most vulnerable young people fall short of meeting.
- Reviews are largely successful in acquiring further furniture but take a long time.

- Often no other means of acquiring furnishings. DWP budgeting loans are small (£238 max award for our young people) and often refused due to outstanding reductions. Reliance on Gumtree, Freecycle, etc but these also require funds for hiring moving vans, etc.

Reductions in Local Housing Allowance Rates

- Made private rental all but impossible for our young people as LHA rarely covers all of the rental costs and young people don't have extra income to cover the cost
- Limited council or RSL housing stock means that our young people wait for a considerable period of time in homelessness situations

2. How these have impacted in short/long term and examples of how this has affected life chances, opportunities, learning, health and wellbeing of children

Number of both short and long term affects for our young people.

- Cannot emotionally invest in their tenancies without furnishings meaning a struggle to settle in their community
- Social isolation is maintained due to no excess income to be involved in activities
- Standard of living is compromised
- Increasing distrust in services
- Deterioration of existing mental and physical health issues
- Reliance on crisis support (i.e. Scottish Welfare Fund, food banks, services)
- Disengagement from services which could offer support due to previous bad experiences.
- Trapped on benefits due to not being able to afford rental costs – for example, our young people would need to check if they could afford to take up a job or educational opportunity as costs may not be met in the same way.
- Caught between a rock & a hard place – job offer vs. affordability of tenancy could mean issues with benefits; possibility of sanctioning for failing to take up a job offer.
- Educational opportunities may be missed due to other financial obligations (i.e. reduced financial assistance in summer months means that rent costs may not be met, etc).
- Higher levels of education (i.e. HNC, degree level) seems unattainable as funding sources change and often do not cover living costs. This means that young people do not have an equal chance at attaining and bettering their prospects.

3. With further cuts coming down the line this year, how is it likely to impact further

If the proposed £12 billion pounds of cuts were to go ahead, there would be little doubt that the young people we work with would be disadvantaged:

- Likely to target the under 25s group

- Possibly forcing young people to remain in unhealthy, unsafe or unsustainable living arrangements; could resort to greater instances of rough sleeping, homelessness, sofa surfing, etc
- Would possibly drive away young people from support services and increase social exclusion; also the possibility of becoming a “hidden” statistic
- Increase in the need for crisis support

4. What can be done to help mitigate the impact

- Special exemptions would be needed within legislation, etc to protect the most vulnerable people as is the case at the moment
- Close the gap in rates between under 25s and over 25s; different rates of pay but there are not different rates of bills, living expenses, etc
- More funding to services (i.e. Scottish Welfare Fund or similar) that provide a vital lifeline to our young people
- Needs to be a priority for CPPs, health and social care, Children Services planning under CYP Act 2014

5. Are we looking at a lost generation?

- If the reforms proceed as proposed, then there is a greater chance that young people not being given the chance to succeed or realise their full potential
- More young people may disengage entirely from services

6. Would further devolution/other changes to powers or constitution make a difference?

- Yes – if there were real differences that could be made such as closing the gap in benefit rates for under 25s, etc.
- Scottish Government would need to ensure that any changes made to benefits or welfare would have a real and recognisable positive effect which would benefit the people as intended

Kay Steven, Scottish Women’s Aid

- Intro to SWA
- Children experiencing domestic abuse already have their rights denied, and the barriers to accessing support for safety and recovery as a result of funding reductions, poverty and changes to benefits further compound this assault on their human rights.
- The impact of cuts on children experiencing domestic abuse are directly linked to gender inequality and women’s poverty.

- The cumulative effect of poverty, domestic abuse and changes to the benefit system in increasing barriers for women and children to access support to leave abusive partners and increases pressure to return to abusive partners.
- Changes to universal credit and EU migrant benefits and increased risk to women and children experiencing domestic abuse – opportunities for SG to redress some of these backward steps
- Need for joined up thinking – i.e. Scottish Welfare Fund administered by Local Authorities need women to have permanent custody of their children before they will provide furniture for a child, but social work will not let a child stay with their mother on visits if the tenancy is not furnished – how can services have a more joined up approach to truly put the child's best interests at the centre of their decisions and processes?
- Case studies from Perth Women's Aid (EU Migrant – 42 weeks to receive support, cannot feed children and returns to abusive partner) and Argyll Women's Aid (rural, poverty, changes to work tax credits, impact on education, safety and wellbeing)
- 2013/14 Funding Survey findings – impact on children including waiting lists for refuge, reduction in support hours, cutbacks on therapeutic support
- Economics of gender based abuse: Changes, sanctions, delays and impact of cuts can be humiliating, dangerous, prevent financial independence and can mirror and prolong the experience women and children experience in domestic abuse
- Domestic abuse is a cause and consequence of gender inequality – more must be done to recognise gender equality, human/child rights and dignity as the driving principles of all government action on welfare issues

Steven McAvoy, Enable

Steven McAvoy focussed on explaining why the current UK government's social security policy is flawed and will lead to greater levels of inequality for families with a disabled child and young disabled people. He said the UK government's idea that work is the main route out of poverty is the wrong way to view the welfare system and explained why their policies will punish those who are unable to work as well as doing little to help those who do. He talked about the fact that it is not the 'big ticket' well publicised changes to welfare that will hurt the most, but rather the small changes like the uprating of benefits and changes to tax credits.

Ewan Gurr, Scotland Manager, Trussel Trust

Intro

Ewan Gurr delivered a short introduction and introduced Shauna Tate who is 28 years old and has been a volunteer of a foodbank as well as using it. She has experienced homelessness as well as being sanctioned twice.

Shauna Tate who has experienced benefit sanctions pointed to “a culture of fear engendered by the Job Centre” and said staff have little compassion for the young people they are dealing with. This was a view shared by Children in Scotland who talked about the need to put an individual’s dignity at the heart of the welfare system.

Ewan Gurr asked us to imagine Hampden Park full to overflowing with the 33,000 children and young people now receiving donations from foodbanks. He said it was a rise of 400% since 2013 which was beyond anyone’s expectations. He pointed to the Scottish Welfare Fund which was now working much better since issues with their underspend had been resolved. The trust said that the Head of DWP would very shortly be visiting a number of foodbanks, which they thought was certainly progress. Ewan Gurr also talked about the need to connect the politicians and policymakers with those who are experiencing these welfare changes.

Extent of budget/benefit cuts for children, young people and families in your area of work

Although we are aware that £12 billion worth of cuts are coming, we have not yet heard the full implications of them or where exactly they will be directed.

What can be done to help mitigate the impact?

Ewan Gurr reflected on work they have done in this area of feeding into the Welfare Reform Committee, encouraging policy-makers not only to visit foodbanks but speak to those using them, raising awareness of foodbanks and food poverty in debates and FMQ’s as well as reflecting on comments they have made previously related to the Scottish Welfare Fund. He also talked about recommendations in the ‘Emergency Use Only’ report we worked on alongside Oxfam and CPAG and I would also be happy to talk about our involvement with ‘Feeding Britain’ set up by the cross-party APPG on Hunger in the UK.

Group discussion

After the speaker’s presentations there was time for a brief group discussion of some of the issues raised during the meeting.

Alison Johnston MSP opened the discussion by highlighting a constituency case from her work as an MSP. Here, her constituent was sanctioned by the DWP in a set of circumstances which were counter productive and unnecessary. Alison Johnstone pointed to the fact that there is a clear lack of compassion and common sense in many interactions between the public and a number of statutory services.

She raised the proposition of the CPG writing to the DWP to press them to introduce greater compassion into their decision-making. This suggestion met with the approval of the group.

The point was picked up by Amy Woodhouse of Children in Scotland, who highlighted the detrimental and potentially damaging effect that decisions of statutory services can have on the mental and physical health of benefit claimants. We should not be robbing people of their dignity.

Eloise Nutbrown raises the prospect of introducing poverty awareness training for those working at the front line of statutory services. Her professional insight suggests that too few of those working in the sector fully appreciate the detrimental effects of extreme poverty.

Action points and date of next meeting

The CPG agreed that the secretariat would write to DWP ministers about the issues raised at the meeting and emphasis the need for a culture change in the way that young people are being treated under the current system.

This is the last meeting of the CPG until after the Summer recess, dates will be sent out to the membership nearer the time. If anyone would like to send in ideas for CPG topics then could you get in touch with the secretariat.