

**Child Rights and Wellbeing Impact
Assessment (CRWIA)**

**The Early Years Assistance
(Best Start Grants) (Scotland)
Regulations 2018**

September 2018



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Children’s Rights and Wellbeing Impact Assessment (CRWIA) of The Early Years Assistance (Best Start Grants) (Scotland) Regulations 2018
Publication Date: 11 September 2018

Policy/measure	The Early Years Assistance (Best Start Grants) (Scotland) Regulations 2018
Summary of policy aims and desired outcomes	<p>The Best Start Grant (BSG) aims to support eligible families with the additional costs associated with having a child in their early years.</p> <p>The BSG aims to help alleviate material deprivation, tackle inequality, and contribute to closing the educational attainment gap.</p>
Directorate; Division; Team	<p>Social Security Directorate Social Security Policy Division Best Start Grant Policy Team</p>
Executive Summary	<p>This CRWIA has been carried out on the BSG to accompany The Early Years Assistance (Best Start Grants) (Scotland) Regulations 2018.</p> <p>The Scottish Government is committed to replacing the UK Government’s Sure Start Maternity Grant (SSMG) with the BSG, a new, expanded benefit to provide financial support to lower income families during a child’s early years. The grants will be administrated by Social Security Scotland.</p> <p>This CRWIA has considered the potential effects of BSG and how it impacts on children. Our findings are based on desk based research, analysis of consultation responses and stakeholder engagement and feedback. We have heard directly from people with experience of applying and from people who may be eligible in the future, including young parents. We also took the views of children on the BSG.</p> <p>The process has evidenced that the BSG is likely to have a positive impact on children because:</p> <ul style="list-style-type: none"> • provision has been expanded significantly by comparison with the SSMG, resulting in significant additional investment. This includes increased payments for the first child, the introduction of payments for second and subsequent children and the introduction of two additional payments at transitions in early years. • eligibility supports younger parents in particular – mothers under 18 or 18 and 19 and in full time education or training and still on their parents benefit claim will not be required to be on a qualifying benefit. • the policy and systems for delivery have been designed to improve access, e.g. long application windows, expanded

and simplified eligibility, with a view to increasing take up among eligible families.

- integrating the administration of BSG with Best Start Foods (BSF) (UK Healthy Start Vouchers, also devolved under The Scotland Act 2016) will bring together provision for young families making it more straight forward for them to access their entitlements.
- BSG has been extended to some children in informal kinship care. Children who live with a kinship carer who is in receipt of Child Tax Credit (CTC), Universal Credit (UC) Child element or Child benefit (CB).
- there is no limit on the number of children who can benefit from a BSG in any one family which means that children in larger families will benefit significantly by comparison with the SSMG.
- there will be a choice so that parents under 18 or 18 or 19 and still in full time education or training can either qualify in their own right or the grandparent/carer will be able to qualify, to fit with a range of family situations. The proposal in the draft regulations was identified to have a negative impact during the consultation and the policy changed.
- building on the Social Security Act's human rights based approach, the BSG is founded on dignity and respect. Scottish Ministers are committed to assisting people in accessing their full entitlement. The Social Security Agency will be required to prepare a strategy to promote take up of the benefits it is administering.

Negative Impacts

A negative impact was identified on the children of asylum seekers who will not benefit from a BSG if their parents have no recourse to public funds. While we could make payments to these families, the person who receives them would be in breach of their immigration status, leading to potentially severe consequences. Immigration policy is reserved to the UK Government. Scottish Ministers intend to make the case to the UK Government that since BSG seeks to support potentially vulnerable young families, an exception should be made that allows those with no recourse to public funds to access it. Should this succeed, we will amend the regulations to make provision for this group.

A possible negative impact was identified in the consultation on second and subsequent children because the payment that has been introduced is not as high as that for first children. Over the 3 payments, provision for second and subsequent children significantly exceeds that under SSMG. Paying all children a £600 payment would not be affordable

	<p>within the budget available and introducing different rules depending on family would be complex and possibly create inequalities between children in different families.</p>
<p>Background</p>	<p>The BSG has been developed with detailed consultation and engagement with stakeholders.</p> <p>A New Future for Social Security Consultation¹ ran during summer 2016 (the report on BSG can be found on page 199 of the analysis of written responses to the Consultation on Social Security in Scotland²). The BSG section sought views on key aspects of the benefit and received over 100 responses from both individuals and organisations. The views expressed, along with the findings from a stakeholder event held in May 2016, helped shape the initial proposals for BSG discussed with the BSG Reference Group.</p> <p>The BSG Reference Group³ was established in October 2016 to help gather evidence, bring a variety of informed perspectives and provide feedback on proposals. Members include the Child Poverty Action Group, Poverty Alliance, Barnardos, Save the Children, Engender, Scottish Women’s Convention, One Parent Families Scotland, Parent Network Scotland, Maternity Action, COSLA, NHS Health Scotland, Early Years Scotland, Action for Children, South Lanarkshire Council, Glasgow City Council and Dundee Community Health Partnership.</p> <p>Illustrative regulations for the BSG⁴ were issued to the Social Security Committee and the Delegated Powers and Law Reform Committee of the Scottish Parliament on 28th September 2017, during the passage of the Social Security (Scotland) Act 2018. They were also shared with a range of stakeholders to inform further development of the policy.</p> <p>The Scottish Government set up Experience Panels to ensure that people with direct personal experience of the current benefits system could help us decide how benefits are delivered in Scotland’s new social security system. We have received, and are continuing to take, views from Experience Panel members and other parents, including young parents,</p>

¹ A new Future for Social Security Consultation <https://consult.gov.scot/social-security/social-security-in-scotland/>

² Analysis of Social Security Consultation <https://www.gov.scot/Resource/0051/00514351.pdf>

³ Best Start Grant Reference Group <https://beta.gov.scot/groups/best-start-grant-reference-group/>

⁴ Early Years Assistance (BSG) Illustrative Regulations and policy narrative <https://www.gov.scot/Publications/2017/10/9898>

on the design of the form and service to deliver BSG. A summary of research findings⁵ was published in August 2018.

Early Years Assistance, a Consultation on the Best Start Grant Regulations⁶ ran from 26 March to 15 June 2018 which allowed us to gather further feedback on our proposals and develop final policy. Particular questions were asked about how young parents access the BSG, about the test of responsibility for the child. The consultation summarised the findings of impacts assessments to that point and sought views on any further impacts. We met the Children's Commissioner during the consultation. There were 51 responses to the consultation.

We are now in the final stages of developing the business processes which will allow people to access and receive the BSG. We have taken an 'Agile' approach to service design, which means that we have continually tested evolving designs with clients to make the application process as user-friendly as possible. Some of the groups we have engaged with include working families, single parents, kinship carers, young parents, bereaved parents, and those with an impairment or disability.

This research has enabled us to make sure the language used in the BSG application form is easy to understand and has helped us to design evidence gathering processes which put minimum burden on the applicant. After we start to make payments, we will continue to take on board feedback from service users in order to enhance our IT systems and ensure Social Security Scotland staff have what they need to provide a high level of service. This will all contribute to ensuring the service we provide has dignity and respect at its heart.

Policy Aims

Scottish Ministers want to make Scotland the best place in the world for a child to grow up. Early interventions and preventative work will target the earliest years of a child's life, to build strong foundations and reduce the number of adverse childhood experiences that we know have lasting impacts on our children and shape their lives as adults⁷.

⁵ Best Start Grant – Visual Summary of Research Findings
<https://www.gov.scot/Publications/2018/08/1898>

⁶ Early Years Assistance, Consultation on BSG Regulations
<https://www.gov.scot/Publications/2018/03/2016>

⁷ A Nation with Ambition <https://www.gov.scot/Resource/0052/00524214.pdf>

The BSG is one of the actions in Every Child Every Chance, The Tackling Child Poverty Delivery Plan⁸ which summarises the actions the Scottish Government will take towards the ambitious targets set out in the Child Poverty (Scotland) Act 2017⁹.

The BSG is one of a range of measures aimed at giving children the best start in life and, once fully implemented, will pay qualifying families £600 at around the time of the birth of the first child and £300 on the birth of every subsequent child. An additional payment of £300 is payable in the case of a multiple birth. Qualifying families will also receive £250 around the time the child starts nursery and a further £250 when they start primary school although there is no requirement to enrol/attend nursery or school to qualify for a payment.

The BSG payments are:

- Pregnancy and baby payment – will help with expenses in pregnancy or of having a new child, for example a pram or additional heating. This lessens the financial burden on lower income families when they are expecting a child.
- Early learning payment – will help with costs during nursery and early learning years to support child development, for example travel costs, changes of clothes for messy play, trips out and toys for home learning.
- School age payment – helps with the costs of preparing for school, for example a school bag, educational toys, after school activities such as swimming or football, or helping with the cost of school milk or school trips.

Administration of BSG will be integrated with BSF (UK Healthy Start Vouchers (HSV)) to reduce effort for the applicant and administration for Social Security Scotland. This support is part of fulfilling the Scottish Government's National Outcomes and will specifically contribute towards the following Outcomes:

- We tackle poverty by sharing opportunities, wealth and power more equally

⁸ Tackling Child Poverty Delivery Plan <https://beta.gov.scot/publications/child-chance-tackling-child-poverty-delivery-plan-2018-22/pages/1/>

⁹ Child Poverty (Scotland) Act 2017 <http://www.legislation.gov.uk/asp/2017/6/contents/enacted>

- We grow up loved, safe and respected so that we realise our full potential
- We are well educated, skilled and able to contribute to society

Building on the Social Security (Scotland) Act's framework of a benefit that is founded on dignity and respect at its heart, Scottish Ministers are committed to supporting people to access their full entitlement.

BSG represents a significant additional investment by the Scottish Government in comparison to current SSMG provision. As a result of increasing the payment amount for a first child, making additional payments for second and subsequent children, and widening the eligibility criteria, lower income families are expected to benefit from reduced incidence of material deprivation and accumulated debt. Around 5,000 children per annum are currently supported by SSMG.

Under proposed eligibility, BSG has the potential to reach (where there is a birth/child at the appropriate age of payments):

- Almost 90% of families in the bottom 3 income deciles, both in and out of work
- 97% of workless households
- More than 80% of households with no full time work (ie one or more working part time)
- Potentially more than 90% of lone parent households
- More than half of families with 3 or more children.

The Scottish Fiscal Commission (SFC) is responsible for producing independent forecasts of devolved social security expenditure. For BSG Pregnancy and Baby payment, the SFC will publish forecasts alongside the laying of the BSG regulations.

Based on assumptions from the SFC model, in the first full year of running 2018-19, we estimate that there will be 12,500 BSG Pregnancy and Baby payments with a total cost of £5.5m. Once the Early Learning and School payments are added, we estimate that the total number of payments annually will be in the region of 39,000 at a cost of £12.1m, based on 2019-20 figures.

<p>Scope of the CRWIA</p>	<p>The Social Security (Scotland) Act 2018¹⁰ (the Social Security Act) was brought forward as a result of changes to the devolution settlement enacted in the Scotland Act 2016.</p> <p>Section 32¹¹ and Schedule 6¹² of the Act make provision for Early Years Assistance and require that Scottish Ministers make regulations to set out eligibility criteria, responsibility for a child who will qualify and the value of payments. The BSG will be a form of early years assistance, intended to support lower income families with children by offering financial support at key transition points in early years, intended to improve children’s wellbeing and life chances.</p> <p>The regulations this CRWIA relate to are for the BSG pregnancy and baby payment only but this CRWIA relates to all 3 BSG payments once fully implemented:</p> <ul style="list-style-type: none"> • pregnancy and baby; • early learning; and • school age payments. <p>They include provision for eligibility, including residence, what assistance is available, the value of the payments and when to apply. The regulations also include provision for timescales for the processing of redeterminations and certain issues of process relating to application dates.</p>
<p>Children and young people’s views and experiences</p>	<p>In the Children’s Parliament report What Kind of Scotland?,¹³ children define the kind of Scotland they want to live in. Poverty is identified as the most important barrier to a good life. Some say they worry that their family does not have enough money to buy what they need. They know this is stressful for adults. Children discussed the numerous ways that poverty could be alleviated for families across Scotland, including recommendations for life at home, at school and in the community.</p> <p>During the consultation we commissioned the Children’s Parliament to seek children’s views on the BSG, who should be able to get one and what the money should be used for. These views were published in A better start in life¹⁴ and have been taken into account during policy development. The children’s ideas on how the money could be spent will be used in communications.</p>

¹⁰ The Social Security (Scotland) Act 2018 <http://www.legislation.gov.uk/asp/2018/9/contents/enacted>

¹¹ Section 32 <http://www.legislation.gov.uk/asp/2018/9/section/32/enacted>

¹² Schedule 6 <http://www.legislation.gov.uk/asp/2018/9/schedule/6/enacted>

¹³ What Kind of Scotland? <https://www.childrensparliament.org.uk/wp-content/uploads/WhatKindofScotlandOnline2017.pdf>

¹⁴ A Better Start in Life <https://www.childrensparliament.org.uk/wp-content/uploads/BestStartGrantOnline2018.pdf>

	<p>A policy discussion was held with a group of young parents at Fife Gingerbread and a meeting with Young Scot. User testing has been carried out with young parents at Fife Gingerbread and TD1 Youth Hub to gather views on the application process and wider service.</p>
<p>Key Findings</p> <p>To include impact on UNCRC rights and contribution to wellbeing indicators</p>	<p><u>Rights</u></p> <p>There is scope for the BSG to have a positive impact on children’s rights, helping those responsible for them provide items to help give the child the best start in life. The relevant articles include (but are not limited to):</p> <p>Article 12 (Respect for the views of the child) - Children’s views have been taken in to account in developing the policy. Parents under 16 will be able to qualify for the BSG. The information accompanying the BSG will also make it clear that, where a grandparent is applying for the BSG, the views of the young parent should be taken in to account in how it is spent.</p> <p>Article 18 (Parental responsibilities; state assistance) – The BSG will provide financial support to lower income families, both working families and out of work families, during a child’s early years. The money help reduce the financial pressures on the household, helping parents to fulfil their parental responsibilities.</p> <p>Article 26 (Social security) –The Social Security (Scotland) Act 2018¹⁵ takes a human rights based approach and sets out principles on which the system will be built. All young people who are parents themselves have the option of applying for the benefit in their own right, or having someone apply on their behalf.</p> <p>Article 27 (Adequate standard of living) – the BSG will help mothers, their partners or the person responsible for them to buy essential items such as a cot or a pram.</p> <p>Article 28 (Right to education) – the BSG early learning payment can help with costs during early learning to support child development, travel costs, trips out and toys for home learning or the costs associated with taking up a place at nursery. The application window has been designed to align with the take up of nursery place at either age 2 or 3, potentially allowing for a link to be made with the take up of early learning and childcare places for eligible 2’s. The school</p>

¹⁵ The Social Security (Scotland) Act 2018 <http://www.legislation.gov.uk/asp/2018/9/contents/enacted>

age payment can help with costs of preparing for primary school, after school activities or with the cost of school trips.

Article 31 (Leisure, play and culture) – the BSG will help those responsible for the child to provide items for play, recreation and leisure activities.

Wellbeing

It is anticipated that BSG will positively affect the following children's wellbeing indicators:

Healthy –BSF will be integrated with BSG – allowing individuals to apply for both on the same form with the aim of reducing the burden on the applicant and improving take up. BSF aims to offer nutritionally vulnerable families support to access affordable and nutritious food. The pregnancy and baby payment is available from 24 weeks to support the pregnant mother.

Achieving – The BSG cash payments, particularly the 2 additional early years payments, will help to provide for educational/learning toys and activities to help the child learn and socialise.

Nurtured – The BSG will provide financial assistance to lower income families to spend on their child(ren) to help nurture them, eg to care for them, provide essential items such as a cot and to support for early learning and development.

Active – Children from the children's parliament suggested that the the BSG early learning and school age payments could be used for outdoor clothing, a bike or after school activities.

Findings from the Early Years Assistance, a Consultation on the Best Start Grant Regulations

Young parents

The Scottish Government's Pregnancy and Parenthood in Young People Strategy¹⁶ 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. It is clear from our user testing that many find

¹⁶ Pregnancy and Parenthood in Young People Strategy
<https://www.gov.scot/Publications/2016/03/5858>

accessing the welfare and income to which they are entitled confusing and difficult.

Responses from the A New Future for Social Security Consultation¹⁷ highlighted under 18s as a group which would benefit from simpler provision.

To do this, and to align with eligibility for BSF, we have decided to invest additional resource to introduce automatic entitlement for under 18s and 18 or 19 year olds in full time education or training who are still dependent on their parents. These young parents will not need to be on a qualifying benefit in order to qualify for a BSG payment. As part of a telephone or online claim, this will mean that they are asked fewer questions at application stage, meaning they are more likely to complete the process. Having this contact with young parents through the BSG application will mean that Social Security Scotland staff can promote take up of any other benefits which they might be eligible for, in line with our commitment to income maximisation. Young parents will be encouraged to make contact with antenatal services if they have not already registered.

We will work to embed BSG in wider early years policy such as the Family Nurse Partnership which will help improve take-up for younger parents, ensuring they get the support they need to alleviate hardship.

A key issue raised during the BSG consultation was that pregnancy can have a disruptive effect on family relationships at younger ages and these young parents may be in transition when they need to apply. The consultation proposed making the grandparent the qualifying person for parents under 16 and those who are 18 and 19 and still in education and training, as happens for the SSMG at present. This would mean that the grandparent meets the eligibility criteria and receives the payment. A number of concerns were raised about this approach, in particular around the rights of the child, empowering young parents and the possibility that younger parents might not have a say in how the money for their own child was spent. Examples were given of difficult situations such as parents refusing to apply on the child's behalf or using the money for their own purposes. Despite this, the majority of respondents agreed with the grandparent proposal and felt it to be important for a pregnant child or new teen parent to have the support of an adult in accessing the payment.

¹⁷ A New Future for Social Security Consultation <https://www.gov.scot/Publications/2016/07/9955/1>

In response to discussions during the consultation period and in keeping with the social security principles of dignity and respect, there will be a choice for young parents:

- A young parent who is under 18 or 18 or 19 and still in full time education or training and dependent on their parents, can qualify for a payment.

Or/

- A grandparent or someone responsible for a young parent can qualify for a payment on the basis that they are responsible for someone having a baby.

Parents Under 16

There were 40 births to mothers under 16 in 2016 in Scotland and we considered how to ensure that there would not be any barriers to these young parents receiving a payment. The legal age of capacity is 12 years old in Scotland and, in keeping with the rights based approach set out in the Social Security (Scotland) Act 2018¹⁸, we concluded that making the young person the eligible person was the best way to ensure they can exercise their right to social security. This will allow vulnerable under 16s who cannot rely on parents to act on their behalf, or who have had to leave home because of the pregnancy, to access a payment.

Children living with a Kinship Carer

The BSG responsibility test determines who can qualify for a payment. We took views on options for the test in the Early Years Assistance, a Consultation on the Best Start Grant Regulations¹⁹. The test that has been decided on will allow all children who have a kinship care order in place and some children who live in informal kinship care arrangements to qualify for the BSG. Children who live with a kinship carer who is in receipt of CTC, UC Child element or CB for them and who are in receipt of qualifying benefits will meet the responsibility test. If responsibility for a child changes during one of the application windows e.g. a child moves from living with a parent to a kinship carer, a second payment can be made to the new carer.

Payments for second and subsequent children

A possible negative impact was identified in the consultation on second and subsequent children because the payment

¹⁸ The Social Security (Scotland) Act 2018 <http://www.legislation.gov.uk/asp/2018/9/contents/enacted>

¹⁹ Early Years Assistance, Consultation on BSG Regulations
<https://www.gov.scot/Publications/2018/03/2016>

	<p>that has been introduced is not as high as that for first children. Over the 3 payments, provision for second and subsequent children significantly exceeds that under SSMG. Paying all children a £600 payment would not be affordable within the budget available and introducing different rules depending on family would be complex and possibly create inequalities between children in different families.</p> <p>Children of parents who have no recourse to public funds</p> <p>A negative impact was identified on the children of asylum seekers who will not benefit from a BSG if their parents have no recourse to public funds. While we could make payments to these families, the person who receives them would be in breach of their immigration status, leading to potentially severe consequences. Immigration policy is reserved to the UK Government. Scottish Ministers intend to make the case to the UK Government that since BSG seeks to support potentially vulnerable young families, an exception should be made that allows those with no recourse to public funds to access it. Should this succeed, we will amend the regulations to make provision for this group.</p>
<p>Conclusions</p>	<p>The CRWIA process has identified that the BSG will have many positive impacts on children in lower income families and young parents. Where possible, negative impacts identified have been mitigated in the final regulations.</p> <p>The BSG policy and process has been co-designed with stakeholders, informed by the experience of individuals.</p>
<p>Monitoring and review</p>	<p>The Social Security (Scotland) Act 2018²⁰ places a duty on the Scottish Ministers to publish an annual report on the performance of the Scottish social security system.</p>

²⁰ The Social Security (Scotland) Act 2018 <http://www.legislation.gov.uk/asp/2018/9/contents/enacted>

CRWIA Declaration	
Tick relevant section, and complete the form.	
CRWIA required	CRWIA not required
3	
Authorisation	
Policy lead Dorothy Ogle, Social Security Policy Team Leader, Low Income Benefits Policy Unit	Date 31 August 2018
Deputy Director or equivalent Ann McVie, Deputy Director, Social Security Policy	Date 31 August 2018



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