

Minimum Income Guarantee Consultation

1) What do you see as being the key elements of a Minimum Income Guarantee?

The Scottish Association of Social Work (SASW) is part of the British Association of Social Workers, the largest professional body for social workers in the UK. BASW UK has 21,000 members employed in frontline, management, academic and research positions in all care settings. There are over 10,000 registered social workers in Scotland around 1,500 of whom are SASW members. This comprises staff working in local government and the independent sector, across health and social care, education, children and families, justice services, as well as a growing number of independent practitioners.

SASW's key aims are:

- Improved professional support, recognition, and rights at work for social workers,
- Better social work for the benefit of people who need our services, and
- A fairer society

Social work is a complex profession. In legislation it is empowered to act and work with people made vulnerable by their circumstances. It balances their rights with those of others and considers the risks of their actions on themselves, their families and wider society. Social work sees people in their own individual context. It recognises individual relationships, strengths, challenges and human rights to safety and protection. We work with individuals and groups who are often on the edges of society who are far less likely to campaign or lobby about their rights, and who struggle to stay afloat when the scaffolding of support is stripped away.

In SASW's 2021 Scottish Parliament Election Manifesto, we called on Scotland's political parties to "commit to the policy of a Citizens Basic Income, or other means of effective and dignified financial support from the state."

Scotland needs a future economy centred on national and individual wellbeing. The impact of poverty, food insecurity, fuel poverty and digital exclusion on Scotland's communities is devastating and has been exacerbated by the Covid-19 pandemic. The country is in-the-midst of a severe global recession due to the implementation of the most significant public health interventions in post-war history. It has widely been observed that the impact of this will see unemployment "reach levels not seen since the 2008 financial crisis."¹ Moreover, the results of a decade of austerity on central and local government expenditure has both pushed more people into poverty and reduced the available services that might support them.

Poverty directly increases the risk of people needing statutory intervention and social work support when they are struggling with life challenges. Children living in the most deprived areas in the UK are far more likely than those in wealthier areas to be placed on the child protection register, or in care away from their family home. Poverty has become the wallpaper of social work practice, affecting everything that social workers do – "Too big to tackle and too familiar to notice." As a result,

¹ <https://neweconomics.org/uploads/files/MIG-new.pdf>

practitioners have a deeper insight than other professional groups of the impact of poverty on individuals, families, and communities across Scotland.

Research undertaken by IPPR Scotland, and the Joseph Rowntree foundation (2019) has shown that alongside adequacy of income, reliability of income is a key priority for low-income families in Scotland – and that current social security provision does not always provide income families can rely on (McCormick et al 2019).

Our citizens need a secure and reliable basic income so that they are not living on the breadline, being forced to choose between absolute necessities; a minimum income guarantee affords them that opportunity.

In line with the recommendations made in the 2021 IPPR Scotland report², SASW agrees that the key elements of a Minimum Income Guarantee should be:

- 1) A universal guarantee, delivered through a targeted payment
- 2) Designed to reduce poverty, inequality, and insecurity, as a payment people can rely on, with reference to those it affects
- 3) Accessible and non-bureaucratic, free from conditions, sanctions, limits, or caps
- 4) Aimed squarely to realise a minimum acceptable standard of living for everyone, recognising different household needs

2) What do you see as the main benefits, challenges, and risks of a Minimum Income Guarantee in Scotland?

The benefits of creating a Minimum Income Guarantee (MIG) are clear. An MIG would ensure an adequate social safety net to improve living standards for those made vulnerable by their circumstances. This would move Scotland towards an economy centred on national and individual wellbeing, challenging and mitigating poverty, inequality, and insecurity in the process. It would ensure that those who are unable to work due to caring responsibilities, disability or illness have a secure and reliable income and are able to meaningfully contribute to the economy. As is rightly outlined in the IPPR briefing³, an MIG would enable low-income families to build financial resilience through savings, to cope with unexpected costs and would loosen the grip of financial insecurity and poverty on people's physical and mental health.

SASW understands that a key challenge of implementing a MIG comes with calculating minimum income standards, due to the composition/needs of different households. For example, single adults, single parents with dependent children, families who have a child or an adult with a disability or who have someone who is suffering with a long-term illness all have different needs which could prove challenging in the development and subsequent implementation of the policy. Due to the nature of the MIG and the approach to implementation through changes to social security involving many different layers from many different funding streams, and the variations of income standards and needs across Scotland, there is a risk that it could become extremely bureaucratic and, in the process, inaccessible for those who need it. A citizen's basic income, or "universal basic income", as

² <https://www.ippr.org/files/2021-03/securing-a-living-income-in-scotland-march21.pdf>

³ <https://www.ippr.org/files/2021-03/securing-a-living-income-in-scotland-march21.pdf>

opposed to a MIG, could help to mitigate some of these bureaucratic obstacles given it would comprise of a set amount of money given to every citizen free from means testing.

Later within this submission, SASW outlines key steps the Scottish Parliament could take within its current powers to deliver a Minimum Income Guarantee, as per recommendations made by experts in the field. These include changes to social security. However, SASW acknowledges that delivering the full proposal for a minimum income guarantee would require significant further powers for the Scottish Parliament. To deliver this beyond changes to social security currently within the legislative competence of the parliament, through a mix of services and work would also require further devolution of power in relation to the labour market, and employment rights⁴.

3) Are there certain groups of people that you think should be given particular attention when thinking about how a Minimum Income Guarantee in Scotland should work?

It is widely observed that the following groups in Scotland are more vulnerable to poverty, and thus should be given particular attention when thinking about how a Minimum Income Guarantee in Scotland should work:

- Families with children, in particular single parent families
- Unpaid Carers – the majority of whom are women
- People who are unemployed, or unable to work due to personal circumstances such as long-term illness or mental health problems
- Disabled people, including families where an adult or a child has a disability
- Migrants and people from ethnic minorities
- Pensioners

4) What steps should we take first to deliver the Minimum Income Guarantee in Scotland? You may wish to think about public services, employment and employers, and social security.

SASW supports the recommendations made in the Manifesto's of organisations who make up the End Child Poverty Coalition, as well as the Poverty Alliance⁵ and the IPPR report⁶ who outline the first steps the government should take over the course of this parliamentary term towards a Minimum Income Guarantee⁷.

These are as follows:

⁴ <https://www.ippr.org/files/2021-03/securing-a-living-income-in-scotland-march21.pdf>

⁵ <https://www.povertyalliance.org/wp-content/uploads/2021/03/A-Scotland-for-all-of-us-Poverty-Alliance-2021-Scottish-Parliament-election-manifesto.pdf>

⁶ <https://www.ippr.org/files/2021-03/securing-a-living-income-in-scotland-march21.pdf>

⁷ <https://childreninscotland.org.uk/wp-content/uploads/2021/09/ECP-Manifesto.pdf>

- Double the Scottish child payment and accelerate its rollout for children over 6

SASW was a co-signatory to a letter to the First Minister, calling on the Scottish Government to double the Scottish Child Payment in the Autumn budget 2021. Scotland's young people cannot wait and implementing this measure could begin to alleviate the impact of poverty in Scotland immediately.

- Introduce a "lone parent premium" for the Scottish child payment

Extra £10 per week for lone parents.

- Increase the value of other financial support for low-income families, like the best start grant and school clothing grant

Ensure these are uprated in line with inflation.

- Increase the value of support provided to unpaid carers

Eligibility criteria to be reviewed, to ensure that the needs of all unpaid carers are being met. Carers allowance supplement to increase from £38 to £241 per month.

- Additional payments to disabled people

Disability premium of £10 per week on the Scottish child payment for eligible families which include a disabled adult or child. Consultation on how a minimum income guarantee should be delivered to those who are unable to work as a result of sickness or disability, adjusted for additional costs associated with disability, should be explored with - and led by disabled people organisations and co-produced with disabled people themselves.

- Maintain increased investment in Scottish Welfare Fund

Increased during the covid-19 pandemic, the Scottish Government should maintain this additional funding and, as the Poverty Alliance suggests, undertake a review of the fund to address and mitigate evidence that is difficult to access, under promoted and set at an inadequate level.

- Universal credit 'top-ups'

Once the £20 per week uplift, implemented at the start of the pandemic, is cut by the UK Government, the Scottish Government should ensure it maintains this via its power to 'top-up- UK wide social security payments.

As well as calling for a citizen's basic income in our 2021 Scottish Parliament Manifesto, SASW also asked the Scottish Government to ensure it "talks to people with lived experience of poverty and involve them in policy development, to better understand the hardships they face." Involving those with lived experience at every stage of the policy development process and ensuring they feel empowered to meaningfully contribute to changes that will significantly impact their lives is essential. It's important that time is taken to visit people within their communities, and where they feel most comfortable, to gather data and find out what would make the most difference to them.