



The Scottish Women's Convention

Response to No One Written Off: Reforming Welfare to Reward Responsibility Consultation

This paper contains the Scottish Women's Convention response to questions within the Consultation Document which have a particular relevance to women.

The purpose of the Scottish Women's Convention (SWC) is to communicate and consult with women in Scotland to influence public policy. Through the Convention's policy work, round table and celebratory events the SWC strives to have contact with women and relevant organisations. The SWC aims to provide an effective way of consulting with a diverse range of women in Scotland.

The Scottish Women's Convention has a network of over 300,000 women from relevant organisations throughout Scotland.

This paper provides the Scottish Women's Convention response to the Department of Work and Pensions Consultation Document - No one written off: reforming welfare to reward responsibility.

The Secretary of State for Work and Pensions, James Purnell's Ministerial Foreword in the consultation document opens with a quote from the Beveridge Report of 1942, which states:

“The third principle is that social security must be achieved by co-operation between the State and the individual. The State should offer security for service and contribution. The State in organising security should not stifle incentive, opportunity, responsibility . . . “

The Scottish Women's Convention supports this principle as a basis of reform however we are not convinced by this paper's interpretation of 'security for service and contribution'. We are deeply concerned with what we see as a failure on the part of the Government to recognise the inherent inequalities faced by women. These inequalities are manifested and evidenced in:

- Caring responsibilities
- Gender stereotyping in employment sectors
- Access to education and training
- Lone parent economic responsibilities for children
- Income potential

Societal expectations placed on women for caring and continued inequalities in employment and pay leave women fiscally discriminated against. It is therefore vital that any proposed reforms must be evaluated with a strong gender perspective. It is our view that this paper's main weakness is a lack of gender neutrality in a number of its proposals.

The SWC believes that this Green Paper begs more questions than it answers. This is especially true in areas that could potentially have a discriminatory impact on women's rights to benefit security for the contribution they already make to society through unpaid caring, voluntary work and efforts to upskill themselves.

The paper potentially dilutes progress in equality by forcing women into low-skilled, low paid employment and taking away the right to care for their children. The importance of this choice was made clear by Education Secretary Ed Balls¹ when he stated:

“Staying at home or returning to work must be a choice for parents, and our role is to make that a real choice – to make both staying at home and returning to work practical and realistic, so that parents can do what is best for them and their children.”

¹ In a speech made to the Daycare Trust in June 2007

One of the essential questions the paper fails to define is what is employment? No consideration is made to include the worthwhile contribution made by numerous members of society who are not in formal employment – for example - it is estimated that unpaid carers save the UK Government £87 billion per year². Has this contribution to the public purse been evaluated against benefit reform costs and providing additional caring resources?

There is also very little consideration given to the genuine efforts of women trying to enhance employment potential through full time education. Underpinning their efforts with improved overall welfare support would arguably have a much greater impact on the UK's pool of talent and skills and would be infinitely more beneficial than forcing them into jobs which have no long term potential.

The reality of in-work poverty is completely overlooked in the Green Paper. In our view, stating that employment is *“the best and most sustainable route out of poverty”* is challengeable.

*For one in three people moving from unemployment to work, they are moving from non-working poor to working poor.*³

In Scotland, half of all children in poverty live in families where at least one of the adults is in paid work⁴. Many lone parents, the majority of whom are women, remain in poverty even when they move into work – this affects 16% in full time employment and 33% in part-time employment⁵. The SWC believe it is not employment, per se, that secures a route out of poverty for women – it is access to personal income and a living wage.

A lack of robustness in the Consultation Paper in recognising all forms of “work” whether formal or informal, addressing gender inequalities and tackling in-work poverty creates the potential to negate any security felt by women by promises of government responsibilities alluded to in the Green Paper. Furthermore the failure of the Paper to be gender inclusive does not recognise the “service and contribution” of women outside of formal employment.

² <http://www.24dash.com/news/Communities/2008-08-29-MPs-urge-more-financial-help-for-unpaid-carers>, 29th August 2008

³ Harker, Lisa 2006 Delivering on Child Poverty: What would it take? –Dept of Work and Pensions London www.dwp.gov.uk/publications/dwp2006/harker/harker_full.pdf

⁴ www.poverty.org.uk/findings/scotland

⁵ Incapacity Benefits and Income Support Abolished by 2013, press release from One Parent Families Scotland, July 2008

There are several areas of the Green Paper that the SWC wish to comment on from a gender point of view.

CHILDCARE

The SWC has grave concerns that the paper has not fully taken into account the many emotive, economic and structural barriers in place when trying to manage employment and childcare, especially for lone parents.

Access to childcare in the UK is usually limited to standard opening hours Mon – Fri and within 8am - 6pm time frames. Work practices now mean a lot of employment on offer is shift based, especially in roles traditionally populated by women such as call centres, caring and hospitality. If forced to undertake work women may be confronted with a ‘double whammy’ of procuring childcare in circumstances where provision is limited and income returns from low paid jobs outweighed by childcare costs.

Even in standard Mon – Fri 35 hour weeks, after school care will mean single parents having to resource childcare costs out of income. For example, the average cost for one child in an after school club for 15 hours per week in Scotland is £38, and it costs an average of £82.88 per week to send one child to a summer play scheme in Scotland⁶. The average award for the child element of Working Tax Credits is £48.45, and it must be borne in mind that no extra help is available for women with 3 or more children⁷.

The Green Paper does not does not fully take into account that for parents, their first consideration will always be the best interests of their child which makes it particularly hard, especially for parents of children with additional needs to comply with proposed changes in the system.

The SWC is concerned that compliance with the paper’s proposals will upset the balance between economic return and childcare costs to the detriment of the benefit claimant. The SWC would therefore welcome further analysis of the burden of child care costs when a woman is forced to work for her benefit.

GENDER SEGREGATION

The SWC do not feel there is enough substance in the paper to reassure us that women will not continue to populate sectors of employment which are low paid and provide limited opportunity for skill enhancement.

⁶ http://www.daycaretrust.org.uk/mod.php?mod=userpage&menu=1003&page_id=354

⁷ Ibid.

The SWC believes that the paper, in suggesting it gives women access to an improved skill base, must ensure that training or education gives the opportunity for them to move out of sectors of employment which are traditionally low paid. It is important that they are not merely up-skilled within sectors of employment which society wrongly presumes women have a natural aptitude for, such as caring, customer service and cleaning.

Proposals in the Green Paper appear to counter this opportunity. Job Seekers Allowance does not support full time education (2.73 Page 57) The 16 hours study rule for lone parents has been reviewed however full time study has been limited to 8 weeks. Support for work related training only provides for education up to NVQ Level 2/3.

The SWC would suggest that time limitations would cap any progressive vocational or academic goals for women. It appears that the sole purpose of constricting learning potential into such a defined framework is to deliver people to suit jobs rather than jobs to suit people.

EMPLOYER'S RESPONSIBILITY/ACCOUNTABILITY

The proposals put forward in the Green Paper will require agencies to be fully engaged in supporting the process. However, it is the view of the SWC that the enthusiasm and resources of agencies are assumed by the authors of the paper and cannot be guaranteed for a number of reasons.

The CBI⁸ has warned that employers need support in taking on clients with limited recent work experience and concurrently that the employed need to be sufficiently prepared to enter work.

There has to be respect for the personal barriers faced by many people who are in long-term unemployment and the degree to which support would have to be offered on a return to the workplace in order for it to have a successful outcome (in terms of up-skilling and integration). Interpersonal skills are as important as technical skills. Short preparation programmes do not always address ingrained confidence or psychological issues which many agencies will not have the capacity to resource, especially for temporary work placement arrangements. Women in particular can be susceptible to a loss of confidence about re-entering work based employment due to sustained periods of caring.

The SWC would like to see more evidence that employers are committed, resourced and adequately competent to manage potentially difficult personal employee circumstances.

Shoehorning people into jobs which are neither rewarding nor sought through choice by the worker could potentially increase a sick note culture, not

⁸ As cited in Taylor, 2008

diminish it. The SWC do not endorse the belief that work necessarily improves health and well-being when the individual is required to undertake any job, training or placement under the threat of sanctions or the withdrawal of benefits.

The paper suggests new back to work “light touch” action plans agreed between employers and employees to manage illness and returns to work (3.58 page 81). Nevertheless evidence abounds of increasingly Draconian attitude to sickness absence in numerous workplaces in the UK. Workers are rapidly managed out through applying capability criteria to policies on sickness absence. The SWC do not agree that it is beneficial to place women in environments where their disability or long-term illness might regress due to the unsuitability of enforced employment and which might expose them to the stresses of internal disciplinary action and ultimately dismissal.

The SWC would also like further clarification on the potential effect on benefit payment should working for your benefit placements be curtailed or interrupted due to personal or dependent’s illness.

Enhancements to employment legislation require employers to consider more flexible working practices. However the SWC is concerned that such opportunities would not be afforded to those who are forced into working for their benefit. The Green Paper remains silent as to any safeguards which may be implemented to allow those on placements to work flexibly and furthermore there is no provision in the proposals to cover dependents leave for those working for their benefit.

The SWC are also deeply concerned that a work for your benefit policy might create a pool of free labour that would be exploited by unscrupulous employers and actually reduce the numbers of permanent jobs in the market and putting fair employers at a competitive disadvantage.

MINOR FINANCIAL EMERGENCIES

Support for emergency financial difficulties while welcome should not be capped at £300. The Green Paper’s assertions that benefit reform will personalise support suggests each request for emergency funding should be assessed on an individual basis.

Coping with any unforeseen outgoing is an emergency for those on low income. If the emergency costs £350 it will be no less an emergency trying to find another £50!

The SWC would like to see this provision considered on a needs basis as women, especially lone parents, are more likely to request this assistance to ensure any financial hardship does not impact the care of their children.

SANCTIONS

The SWC do not believe that work placements should be a punishment and are especially concerned that voluntary organisations could potentially be used as a vehicle for that punishment. Any move towards using work placements as punishment would undermine the performance of proposed work experience programmes in terms of positive engagement by claimants.

We also do not agree with reducing or withdrawing entitlement to benefit after a first offence. It is making the assumption that all errors are intended. It has an additional discriminatory effect on women who are, in the majority, lone parents therefore the conduit to children's financial welfare.

For these women, reducing or withdrawing benefit will not only have an impact on the person who is sanctioned but will have a knock on effect for their dependents. The idea of such sanctions does not sit with the Government's commitment to eradicate child poverty.

The SWC firmly believe that there are already sufficient safeguards in place for identifying and punishing benefit fraud.

The paper indicates that if a person fails to attend a fortnightly job review or appointment *"without good cause [they] would automatically lose that week's benefit, unless they could demonstrate a strong reason, such as an emergency, that prevented them from attending"*.

The SWC notes that there is no indication as to what would constitute an emergency and is concerned that issues such as no money for transport or a sick child would not be seen as a serious enough reason for failing to attend an appointment. We would therefore welcome further clarification as to what would be considered a strong reason according to the DWP and also what steps will be taken to establish if the claimant can evidence a strong reason.

POTENTIAL ISSUES

Where is the work coming from?

The proposals in the Green Paper were arguably constructed when the global economic climate was in a healthier position. Recent and significant changes to that position have already had a huge impact on jobs in financial, construction and retail sectors, and the downturn and its effects will undoubtedly impact all employment sectors in due course for the foreseeable future.

Does the government think the proposals to return a substantial number of unemployed to permanent sustainable employment is feasible given recently published unemployment figure show a rise.

The claimant count for key out-of-work benefits was 939,900 in September - up by 31,800 on the previous month and 104,900 on last year.⁹

The number of unemployed people, on the ILO definition, rose by 164,000 over the quarter and by 146,000 over the year to reach 1.79 million.¹⁰

Latest figures also a vacancy numbers are declining:

The number of job vacancies dropped by 62,000 from a year ago to 608,000 in the three months to September.¹¹

Given the rising unemployment and decreasing vacancies external providers will be increasingly pressured to find jobs to match skills and there may be many longer term job seekers force into unsuitable or unskilled employment to quota fill. Others may find themselves working for their benefit in community service which in another circumstance is considered fitting punishment for a crime.

External Providers – Real Choice or more of the same?

The “right to bid” and a “black box approach” to service provision will allow a huge amount of autonomy for service providers to deliver on results.

In the longer term it is likely that some will perhaps be more successful than others in delivering people to jobs. The SWC are would like to have seen more robust assurances from the paper that services will be monitored independently of the DWP to confirm practices and standards are not exploited for results and profit.

⁹ <http://www.hrmguide.co.uk/jobmarket/unemployment.htm> October 2008

¹⁰ <http://www.incomesdata.co.uk/statistics/statempl.htm> October 2008

¹¹ <http://www.guardian.co.uk/business/2008/oct/15/unemploymentdata-recession>

This Green Paper through the “Right to Bid” proposes Benefit Administration should be a part of a competitive market where providers are rewarded by getting claimants into jobs. There is a real danger people will be seen in terms of profit margins and by default some will become more profitable to providers than others.

Women who have been out of the formal workplace for sometime and do not have an active job focused skill resume risk being “parked” by service providers pursuing people closer to the job market in order to maximise target achievement.

The SWC have very real concerns that a core public service which should be managed by the state for the state is being outsourced to “for profit” providers. We would welcome more assurances that potential motivational conflict between welfare to work support and the pursuit of profit will not ultimately be detrimental to claimants.

The Green Paper states that “Jobcentre plus is recognised as one of the best back to work agencies in the world” it rather begs the question why the Government proposes to invite private companies or voluntary organisations to take over the work regardless of the “superb record” of this organisation to deliver back to work support.

The SWC have frequently consulted with women in the benefit system and a repeated complaint we hear is the complexity of claiming through the benefit system. Further layering of the system by outsourcing to private providers risks more barriers being erected and a further disruption and distancing of services from the customers.

The SWC also understands that all organisations delivering public services should have to comply with the Human Rights Act of 1998 and the Freedom of Information Act 2000. At present neither applies to the third sector.

The SWC demand the Green Paper provides clarity on how accountable these external providers will be and to whom. We would also welcome more information on how poor performance by providers will be assessed and managed. We believe that it is imperative that there are clear and accessible mechanisms for challenge and redress.

Child Maintenance

The proposal to disregard child maintenance fully in all out-of-work benefits from April 2010 is commendable. The SWC welcomes any initiative which has the potential to reduce children’s poverty. It remains to be seen if this actually encourages the payment of maintenance in the long term and the potential effect non payment has on benefits. The SWC await further assessment after the establishment of the Child Maintenance and Enforcement Commission.

Carer/Job Seeker

Moving carers onto job seekers allowance is also a matter of concern for the SWC given the majority of unpaid care providers are women. We accept some carers will want opportunities for work based training or the opportunity work provides. Nevertheless, requiring them to move onto job seeker allowance may covertly place an obligation on them to seek work even if caring responsibilities were onerous.

The SWC believe this presents a precedent which demonstrates the Government's disregard for the valuable contribution of unpaid caring both socially and economically to the country. We further suggest it also confirms blinkered view of Government that contribution, responsibilities and reward are only achievable through formal employment.

The majority of carers will be women and that is a sizeable number who are being undervalued as workers. The SWC do not believe the Government have fully evaluated the potential knock on effects these proposals have on care givers, care recipients, care service providers and the economic tensions which will manifest themselves through this lack of evaluation.

Devolved Matters

The Green Paper does acknowledge there will be issues in administering and imposing some parts of benefit reform. The SWC feel this has been very lightly handled by the Green Paper and are therefore alarmed that there will be a longer term inequality of benefit provision and compliance requirement impact detrimental to claimants in Scotland.

Will someone who has been on benefits for over two years in a remote area of the Highlands require 'to sign' on every day for example?

The legal entitlement to childcare for parents in employment does not exist in Scotland - there is no comparable entitlement provided for under the Childcare Act, applicable in England and Wales. A lack of such provision immediately creates division between the intent of the reform and the capability of execution in Scotland. This will have a considerable impact for Scottish women.

Social Welfare, Education, Criminal Justice and Health are also devolved area which will have an important bearing on these proposals.

The SWC urge the two Governments to consult and debate on these matters at the earliest to allow Scotland to assess the full impact of this green paper.

Summary

- The paper is weak on gender focus
- Devolved responsibilities will impact delivery mechanisms and compliance and that this may mean an unequal delivery of benefit provision across the UK
- The SWC believe the paper is too focused on cost effective social care through a mixture of public and private initiatives
- Minimum wage income coupled with additional care costs will leave more women in poverty.
- Strengthening sanction imposition and compliance suggests the paper may unwittingly suggest there is a belief that a large number of recipients are fraudsters when in fact the reverse is true
- The paper does not take into account widespread employment discrimination against women
- The SWC believe welfare legislation should not be punitive. Unemployed people are the victims of unemployment. The vast majority are not responsible for the fact they are unemployed.
- “Everyone who can work should work” undervalues the role of unpaid carers.

Scottish Women's Convention
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