

THE WELFARE FOODS (BEST START FOODS) (SCOTLAND) REGULATIONS 2019

ISLAND SCREENING ASSESSMENT

Introduction

1. The Islands (Scotland) Act 2018¹ provides for a new duty on Scottish Ministers and other relevant public bodies; that they must have regard to island communities in exercising their functions and in the development of legislation.

Background

2. Section 27 of the Scotland Act 2016 devolved the powers in relation to Welfare Foods, which includes Healthy Start Vouchers, Healthy Start Vitamins and Nursery Milk. The Scottish Government is committed to improving Welfare Foods policy to better meet Scotland's dietary and nutritional needs, and reducing the considerable health inequalities that exist. This Island Screening Assessment focusses on the scheme that will replace Healthy Start Vouchers in Scotland, the Best Start Foods scheme.
3. The Best Start Foods scheme will provide low income pregnant women and families with children under the age of three, on certain benefits, with financial support to purchase healthy foods. More specifically Best Start Foods will:
 - Increase the weekly payments to cover the costs of ensuring children can receive a healthy and balanced diet from £3.10 per week (the current value of the UK Healthy Start Voucher scheme) to £4.25 a week.

[Payments will be made up to when a child turns three years old, which is also a change from the UK scheme where it pays up until a child turns four years old. This is to align with broader policies, including universal Early Learning and Childcare (ELC), which starts at three years old. Across the duration of Best Start Foods payments, the amount recipients will receive for each child will increase by £112 when compared to the UK scheme. For children in receipt of Healthy Start vouchers who are aged two or above when they transition, they will receive the new higher rate of payment until the age of four to ensure they are not worse off under the new scheme.]

- Expand the range of foods to include not only fresh/frozen fruit and vegetables, cow's milk and first infant formula milk, but also tinned fruit and vegetables, fresh/frozen/dried/tinned pulses and eggs to give families greater choice.
- Reduce the stigma associated with the current paper voucher system by introducing a pre-loaded payment card that works like a regular bank card. The payment card can be used in shops that sell food. It will remove the need for a retailer registration and reimbursement system that is required through the UK scheme, as retailers will receive payment at the point of sale.

¹ Islands (Scotland) Act 2018 <http://www.legislation.gov.uk/asp/2018/12/enacted>

- Introduce a pre-loaded payment card, which will increase the options available to rural areas, such as Island communities, where access to healthy, fresh food can vary widely. Retailers will not have to register with the Best Start Foods scheme, unlike the Healthy Start Voucher Scheme, therefore recipients in Island communities will be able to access a wider range of retailers.
 - Expand the range of qualifying benefits to more closely align eligibility with wider policies supporting the early years, i.e. Early Learning and Childcare eligibility for two year olds and Best Start Grant.
 - Continue to provide a double payment for the first year of a child's life to support breastfeeding mothers or the costs of providing first infant formula milk. The double-payment will be £8.50 per week for the first year of a child's life in comparison to £6.20 per week for the UK Healthy Start Vouchers.
 - Expand the universal eligibility for under 18s (which currently applies to pregnant women in the UK Scheme) to continue into the first year of the child's life, so under 18 parents can benefit from the double-payments in the first year of their child's life.
4. Best Start Foods will be administered by Social Security Scotland and integrated into the same application process as the Best Start Grant. This will be in the form of a joint application to make it easier for applicants to apply for two benefits at the same time and to support income maximisation.

Public Consultation

5. The public consultation, Welfare Foods - a consultation on meeting the needs of children and families in Scotland, ran from 5 April 2018 - 28 June 2018. The consultation invited views on the Scottish Government's approach to Welfare Foods proposals to replace Healthy Start Vouchers with a new Best Start Foods scheme, administered through a payment card system.
6. Key findings in relation to Best Start Foods were as follows:
- Respondents suggested a variety of ways to help raise awareness of Best Start Foods – these suggestions are helping to inform the communications around Best Start Foods.
 - The majority of respondents felt that the application process should be as straightforward as possible to encourage uptake – Social Security Scotland has been undertaking user research to ensure the application is easy to use and navigate for users.
 - Many respondents valued the proposed increase in weekly value from £3.10 to £4.25 and widening the range of eligible foods.

- Creating a positive image around Best Start Foods and removing any stigma was deemed important to improving uptake. Respondents welcomed the move away from the paper vouchers to the payment card. The design of the payment card was important in this respect. The Scottish Government has engaged users around the design of the payment card to ensure it removes stigma.
- To establish healthy eating patterns the Scottish Government should run activities such as a nationwide campaign, education programme and the need to work on the affordability and easy access to healthier foods which can be prohibitively expensive.
- There was a consensus amongst respondents that, for the system to work, users should be able to have a real choice of retail establishments to use the payment card and therefore as many retailers as possible should be involved in the system. This point was made particularly in relation to users in rural or island communities, ensuring access to affordable healthy food should not be constricted by the system.

[As above, removing the need for retailers to register will help increase choice as Best Start Foods recipients can use their payment card in shops that sell food instead of those limited to being registered through the UK scheme.]

- Respondents also expressed concerns around using a card if retailers without facilities for card payments would be excluded from the system, which could restrict users' choice (particularly in rural and remote areas).

[Retailers have also since advised that the use of card machines is increasing and not likely to slow down. 75% of retail sales are paid for by card².]

Broader Engagement with Stakeholders

7. We have engaged with a range of retailers (individual and representative groups) to address the concerns raised about Best Start Foods recipients having a choice of retailer establishments and to discuss potential impact on retailers who operate without a card machine, as it is imperative that Best Start Foods recipients can access healthy food using a payment card regardless of where they live in Scotland.
8. Engagement has taken place with:
 - Retailers currently registered under the Healthy Start Voucher scheme and those not registered,
 - Retailer representative groups, including, the Scottish Retail Consortium (SRC), Scottish Grocers Federation (SGF) and the National Federation of Retail Newsagents (NFRN).

² <https://brc.org.uk/media/354508/payments-survey-2018-snapshot.pdf>

9. Retailer responses were widely positive with some common themes:
- Retailers felt replacing Healthy Start Vouchers with a prepaid card would have a positive impact on their store as the current paper scheme took too much of their time and resources.
 - Retailers also commented that the payment card would ensure both retailers and recipients do not lose out, as they often do with the current scheme if the vouchers become damaged or out of date.
 - All of the small retailers consulted except one had card payment facilities, with a range of minimum spend including £1, £5 and £10, many of the retailers had no minimum spend or were flexible on the approach.
 - There was a consensus that as the prepaid card works like a standard chip & pin payment card they would not require additional guidance or support from Scottish Government.
10. Whilst further retailer research findings have not raised the payment card as an issue, the Scottish Government will continue to work with retailers on an ongoing basis should a need arise to work around this, ensuring an inclusive, universal approach which supports businesses and maximises choice for consumers.
11. Engagement has taken place with Island communities through our Local Delivery Lead colleagues in Social Security Scotland. This engagement has included conversations with NHS Staff, third sector representatives and local authorities. Feedback from this engagement has been hugely positive with a focus on the impact of the payment card in reducing stigma.
12. Third sector engagement included a session with Home Start Orkney in March 2019 to discuss the current Healthy Start Voucher scheme and the impact of the new Best Start Foods scheme on recipients within the Island communities. Participants commented that the payment card would normalise the Best Start Foods scheme, making it more accessible and reducing stigma. On discussion around the possible issues with connectivity participants also stated that although internet connection can vary widely depending on the location, the majority of individuals living on the Scottish Islands access information online and many people use apps on their phones to check their bank balances but there were still a number of cash machines within the community.
13. The Scottish Government also engaged with NHS health workers, including a midwife, from the Isle of Bute. The midwife highlighted some differences in the support for parents on the Island from those on the mainland, as they tend to provide a more tailored package of support to those in island communities. This was due to the lack of other local resources. Pregnant woman would also be likely to meet with their midwife earlier on in their pregnancy, therefore could be made aware of Best Start Foods at an earlier point.

14. Current uptake of the Healthy Start Voucher Scheme is as low as 50% in Island communities such as Orkney and Shetland, feedback from engagement in these areas informs us that this is down to the stigma associated with the current paper scheme. In small communities the paper vouchers easily identify individuals in receipt of financial support. The introduction of the payment card will reduce stigma significantly as it should not be easily identified by retailers. In turn this will support the policy intention to increase uptake of Best Start Foods, especially on Scottish Islands.
15. The Scottish Government has also undertaken a pilot exercise focused on existing Healthy Start Voucher recipients in the TD postcode area of the Scottish Borders during May and June 2019, to highlight any unforeseen issues prior to Best Start Foods going live. This is to help ensure that applicants are aware of how the payment card works in practice, that communications are clear and fit for purpose and to support continuous improvement of the policy and its implementation.

Summary

16. It is expected that the replacement scheme will encourage an increase in uptake of Best Start Foods, especially for rural areas and small communities, such as Scottish Islands, as retailers will no longer have to register for the scheme which will increase choice and the payment card will reduce stigma associated with the paper vouchers.
17. Scottish Ministers will continue to be committed to engaging and exploring the different needs of communities, including island communities to ensure that the delivery of the Best Start Foods will be accessible to everyone in Scotland. This includes ongoing engagement with Island communities and retailers to ensure the new Best Start Foods scheme meets their needs.

Scottish Government
31 May 2019