

## **POLICY NOTE**

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

#### **SSI 2019/193**

The above instrument was made in exercise of the powers conferred by section 13 of the Social Security Act 1988 (“the 1988 Act). The instrument is subject to negative procedure.

#### **Purpose**

This instrument will provide for a new scheme called Best Start Foods. Best Start Foods will replace the UK Healthy Start Vouchers in Scotland. It will provide pregnant women and families with children under the age of three, on certain benefits, with a minimum of £4.25 a week, via a payment card, to purchase healthy foods.

#### **Policy Objectives**

Section 27 of the Scotland Act 2016 came into force on 8 February 2019, devolving all functions relating to the subject-matter of section 13 of the 1988 Act. This instrument uses the powers in section 13 of the 1988 Act to establish a new scheme, which helps and encourages pregnant women and children under 3 to have access to healthy foods. This new scheme, that will replace Healthy Start vouchers in Scotland, is called Best Start Foods.

Best Start Foods 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 weekly payment in UK Healthy Start Voucher scheme, to £4.25 a week. Payments will be made up to when a child turns three, which is a change from the UK scheme, where it pays up until a child turns four. This is to align with broader policies, including the increased number of hours for universal Early Learning and Childcare (ELC) provision for children aged 3 to 4, which will include a free meal, drink of milk and a healthy snack. Across the duration of Best Start Foods payments, the amount recipients will receive for each child will increase by £112 (from £899 on the UK scheme to £1,011 for Best Start Foods). This instrument also provides transitional protection for children aged two or over, who are Scottish recipients of Healthy Start Vouchers at the time of transition, to receive Best Start Foods up until the age of four.

- 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 also removes the need for a retailer registration and reimbursement, as retailers will receive payment at point of sale.
- 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.
- We will 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.

Best Start Foods will be administered by Social Security Scotland. It will be integrated into the same application process as Best Start Grant. Best Start Grant provides eligible families with a one-off payment at three significant life events (pregnancy, early learning and school age). Service users will only be required to complete one application form to apply for both Best Start Foods and Best Start Grant. This joint application form aims to make it easier for applicants and to support income maximisation by enabling them to apply for two benefits at the same time on the same application form.

With a joint application form for Best Start Foods and Best Start Grant, this instrument aims to bring closer alignment between the two benefits. For example, this instrument mirrors the responsibility test and dependency test of the Early Years Assistance (Best Start Grants) (Scotland) Regulations 2018. This ensures consistency across the two benefits and ensures that the person responsible for the child is the person who is able to receive payment of the benefit when applying for both Best Start Foods and Best Start Grant.

## **Consultation**

As part of the policy development work for Best Start Foods, the Scottish Government has consulted and engaged with a range of stakeholders. This includes:

- Establishing a Short-Term Working group comprised of health practitioners, welfare rights experts, Local Government representation (both COSLA and SLGP) and third sector organisations. This group has been able to offer insight into the current Healthy Start Voucher scheme and helped shape the proposals for Best Start Foods as set out in the public consultation.
- Retailers – Retailers are a key part of the delivery of the current Healthy Start Voucher scheme and will continue to be essential to the delivery of the Best Start Foods scheme. The Scottish Government has had a range of discussions with retailers representative groups and direct engagement with individual retailers. Retailers have welcomed the introduction of a payment card, which removes the need for a registration/reimbursement system and that pays the retailer at the point of sale.
- Healthy Start Voucher (HSV) recipients – the Scottish Government has undertaken a range of engagement with HSV recipients, pre and post consultation and continues to undertake user research. Feedback has helped to shape the Best Start Foods scheme, including increasing the value of the payment to cover the costs of buying food, introducing a prepaid payment card to help make the scheme simpler for users and to reduce the stigma associated with the current paper vouchers. Users have fed ideas into the design of the payment card and application process and we are running a small scale pilot exercise, to look at the use of the payment card and to highlight any unforeseen issues prior to BSFs going live. This is to help ensure that applicants are aware of how the payment card works in practice and to help ensure communications are clear and fit for purpose.
- UK Government and their contractors – the Scottish Government has had continuous engagement with the Scotland Office and the UK Government’s Department of Health and Social Care, including their contractor Serco, who currently deliver the Healthy Start Voucher scheme. The UK Government will continue to deliver the functions of the Healthy Start Voucher scheme until Scottish recipients are transferred across to the Best Start Foods scheme. This is enabled by the Scotland Act 1998 (Agency Arrangements) (Specification) (No. 2) Order 2018, which allows for the functions of the Scottish Ministers relating to the Welfare Food Regulations 1996 (“the 1996 Regulations”) and the Healthy Start Scheme and Welfare Food (Amendment) Regulations 2005 (“the 2005 Regulations”) to be exercised by a Minister of the Crown. Executive competence for Welfare Foods transferred to Scottish Ministers on 8 February 2019.
- Public consultation – the Scottish Government undertook a public consultation between 5 April to 28 June 2018 on the proposals for Best Start Foods as part of the wider consultation on the Scottish Government’s approach to Welfare Foods: [Welfare Foods: a consultation on meeting the needs of children and families in Scotland](#). The consultation received 147 responses. The Scottish Government commissioned

independent analysis of the consultation responses: <https://consult.gov.scot/health-protection/welfare-foods/>.

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.
- For the new payment card system to work, there needed to be choice about the retail establishments that would accept the card and the need to involve retailers. Removing the need for retailers to register would also help increase choice.
- 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.

A number of further suggestions/questions were made:

- How to include retailers without card payment facilities. We have engaged further with retailers on this, who have advised that replacing the voucher scheme with a payment card will have a positive impact on them as they do not need to claim reimbursement. Also, it means more retailers can take part in Best Start Foods as they don't have to register for the scheme and they will be paid at the point of sale.
- Concerns that tinned fruit/vegetables should not be included in sugar syrup or brine – the list of foods in this instrument therefore specifies that the tinned products (fruit, vegetables, pulses) should not have fat, salt, sugar or other ingredients added.

## **Impact Assessments**

The following impact assessments have been completed and are available:

- Business Regulatory Impact Assessment (BRIA)
- Equalities Impact Assessment (EQIA)
- Islands Impact Assessment (IIA)
- Child Rights and Wellbeing Impact Assessment (CRWIA)

## **Financial Effects**

In comparison to the UK Healthy Start Voucher scheme, the Scottish Government is widening the list of qualifying benefits for Best Start Foods and increasing the payment value from £3.10 to £4.25 per week. Across the duration of Best Start Foods payments, the amount recipients will receive for each child will increase by £112 (from £899 to £1,011), even with payments stopping at three instead of four.

The Scottish Fiscal Commission (SFC) is responsible for producing independent forecasts for devolved social security expenditure, which includes Best Start Foods. The budget responsibility for Best Start Foods does, however, sit within Health budgets.

The SFC will be publishing forecasts on 30 May 2019. Based on these forecasts the SFC has set out that:

- The expenditure for Best Start Foods (and Healthy Start Vouchers) during the 2019-20 transition year is likely to be around £5 million, rising to £6 million in 2020-21.
- Take-up rates are difficult to gauge, but are likely to be around 62% in 2019-20 rising to 68% in 2020-21.

**Scottish Government**  
**Children and Families Directorate**  
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