

## **Island Communities Impact Assessment (ICIA): Social Security (Industrial Injuries Benefit and Personal Independence Payment) (Telephone and Video Assessment) (Miscellaneous Amendments) (Scotland) Regulations 2021**

1. The importance of island-proofing was recognised in the "Empowering Scotland's Island Communities prospectus" published in June 2014. The principle of island-proofing is one of building a broad-based islands awareness into the decision making process of all parts of the public sector.

2. The Islands (Scotland) Act 2018<sup>1</sup> (the Islands Act) places a duty on the Scottish Ministers and other relevant authorities, including a number of public authorities, to have regard to island communities in exercising their functions, and for the Scottish Ministers this will also include the development of legislation. This duty is often referred to as 'island-proofing'.

3. The Scottish Government recognises the importance of island-proofing and committed to island-proofing its Social Security (Scotland) Act 2018<sup>2</sup> (the 2018 Act), in advance of the Islands Act placing a formal requirement. The Scottish Government is also committed to island-proofing the legislation required in support of the devolution of social security powers to Scotland.

4. If the Scottish Ministers are of the opinion that any piece of proposed legislation is likely to have an effect on an island community which is significantly different from its effect on other communities, then the duty to island-proof legislation requires the Scottish Ministers to:

- describe the likely significantly different effect of the legislation;
- assess the extent to which the Scottish Ministers consider that the legislation can be developed in such a manner as to improve or mitigate, for island communities, the outcomes resulting from the legislation; and
- set out the financial implications of steps taken under this subsection to mitigate, for island communities, the outcomes resulting from the legislation.

### **Executive Summary**

5. The Scottish Government has had Executive Competence for Personal Independence Payment (PIP) and Industrial Injuries Disablement Benefit (IIDB) since April 2020. However, PIP and IIDB are currently delivered by the Department for Work and Pensions (DWP), on behalf of the Scottish Government under the terms of Agency Agreements, prior to the Scottish Government establishing new benefits to replace these in Scotland.

6. Prior to March 2020, clients applying for PIP and IIDB were required by the DWP in most circumstances, to attend a face-to-face assessment with an Assessment Provider to help to determine entitlement to benefit.

7. In March 2020, in light of the escalating situation around Covid-19 and to safeguard the health of clients and staff, the DWP suspended face-to-face assessments for all health and disability benefits.

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<sup>1</sup> <http://www.legislation.gov.uk/asp/2018/12/enacted>

<sup>2</sup> <http://www.legislation.gov.uk/asp/2018/9/contents/enacted>

The DWP took the following action:

- Stopped new face-to-face assessments being scheduled across PIP and IIDB
- Contacted clients to cancel planned face-to-face assessments where possible
- For PIP assessments, developed and delivered a telephone assessment service to replace the face-to-face assessment (in addition to paper-based assessments which were already taking place)
- All new applications to IIDB which require a face-to-face assessment were suspended. Some new applications for IIDB continued to be assessed by DWP on paper evidence alone. DWP have advised that these are for clients who are terminally ill, and others with diseases assessed on a fast-track basis, which attract automatic 100% awards.

8. Since November 2020 DWP has also commenced a project to explore the feasibility and benefits of conducting assessments by video. DWP believe that video assessments may be helpful in cases where a telephone assessment is not sufficient or appropriate and where face-to-face assessments are not possible.

9. This proposed legislative amendment will provide a legal basis for the continued use of telephone assessments and future use of video assessments. DWP have advised that they are seeking to introduce video assessments once the relevant legal amendments are made. They have concluded that a change to PIP and IIDB regulations relating to England and Wales is necessary in order to reflect this policy. This will bring DWP practice closer to the Scottish Government's proposed approach to the delivery of disability benefits.

10. The Agency Agreements between the Scottish and UK Governments require that the Scottish Government consider mirroring changes to the required legislation to enable PIP and IIDB to be administered for Scotland consistently with the rest of the UK. Section 32 of the Scotland Act 2016 and section 53 of the Scotland Act 1998, taken together, require that where functions in relation to disability assistance have been devolved, the Scottish Ministers must exercise those functions instead of the Secretary of State. In this instance that means Regulations require to be laid before the Scottish Parliament so as to amend the Regulations as they apply in Scotland to reflect the amendment being carried out by the DWP for England and Wales.

PIP

11. PIP is a disability benefit for people of working age (16 to State Pension age (SPa)) to contribute towards the extra costs associated with living with a long-term health condition or disability.

12. New clients do not receive any financial support until a decision is made on their application. When the DWP suspended face-to-face assessments in March, it introduced telephone assessments for all new PIP applications and Change of Circumstances cases where they deemed it possible to do so. This left ~2% of applications where a paper-based review or telephone assessment was regarded by DWP as not possible. For these cases, recommendations were made on the information available.

13. The DWP have informed the Scottish Government that, subject to public health advice, they intend making face-to-face assessments available for clients unable to undertake a telephone assessment in the future.

## IIDB

14. IIDB is a form of compensation for clients who have been injured or contracted a disease or health condition through the course of their employment. Individuals can receive IIDB for life provided they continue to meet the entitlement conditions. The assessment determines the percentage of disablement that is a result of a workplace acquired disease or workplace accident.

## **Healthier, Wealthier and Fairer Strategic Objectives**

15. This policy is closely aligned with the Healthier, Wealthier and Fairer Strategic Objectives, and contributes to the following National Outcomes:

- We respect, protect and fulfil human rights and live free from discrimination;
- We tackle poverty by sharing opportunities, wealth, and power more equally;
- We live in communities that are inclusive, empowered, resilient and safe; and
- We grow up loved, safe and respected so that we realise our full potential.

## **Scottish Government consultation activity**

16. The Scottish Government has not undertaken consultation activity on this amendment because of the short amount of time available to make the required amendment. However the Scottish Government have carried out extensive research and engagement with individuals with lived experience in developing a new system of Scottish Disability Assistance.

17. The Scottish Government intend to replace PIP with Adult Disability Payment in 2022, replacing face to face assessments with client consultations. These consultations will only be undertaken when it is the only practical way to gather the information required for a decision and be held in a manner that suits the client, including by phone and video.

18. When the Scottish Government commence delivery of Adult Disability Payment, clients will be given a choice of time and place for their consultation if one is required. A client consultation will take place over the phone with video consultations also being made available to clients. Therefore, the proposed amendment to the PIP and IIDB regulations align with the general policy commitments of the Scottish Government around providing an increased level of flexibility in the application and decision making process for disability benefits.

19. A consultation was undertaken in 2019 to seek views on disability assistance including how assessments are carried out. The consultation results were clear that respondents believed that there should be a more flexible approach to assessments. Stakeholders have endorsed the Scottish Government's proposed approach to "significantly reduce face-to-face assessments."

20. Many respondents cited issues faced when travelling to an assessment. One in three of those responding said that the ability to travel depended on the particular condition, disability or health status of the client at the time of assessment.

21. Stakeholders such as the Disability and Carer Benefits Expert Advisory Group (DACBEAG) have expressed support for the Scottish Government's proposed approach to client consultations which will replace DWP health assessments. DACBEAG have stated that "face-to-face assessments will not, in the majority of cases, provide any useful additional evidence regarding a client's entitlement to Disability Assistance and we agree with the Scottish Government's commitment to reduce the number of these assessments."

22. The 2019 consultation also included equality questions to inform the Scottish Government's approach and sought views on an Equalities Impact Assessment that analysed the impacts of the policies contained in the consultation on those with protected characteristics. No significant concerns were raised in relation to these questions.

23. A public consultation on draft regulations for Adult Disability Payment was launched on 21 December 2020. The consultation will run until 15 March 2021. An Equalities Impact Assessment was carried out relating to the draft regulations.

24. The Scottish Government intend to replace IIDB with Employment Injuries Assistance. A date for implementation has not yet been confirmed. A public consultation and a further Equalities Impact Assessment will be undertaken to inform the delivery of Employment Injury Assistance.

## **Scope of the ICIA**

The scope of this ICIA is the impact of the Social Security (Industrial Injuries Benefit and Personal Independence Payment) (Telephone and Video Assessment) (Miscellaneous Amendments) (Scotland) Regulations 2021

## **Key Findings**

25. This section provides an overview of issues for Scottish rural/remote and island communities that are relevant for these regulations.

26. Island stakeholders have emphasised the importance of understanding the island experience. Each island has its own specific considerations and constraints.

27. Rural Scotland accounts for 98% of the land mass of Scotland and 17% of the population are resident there.<sup>3</sup>

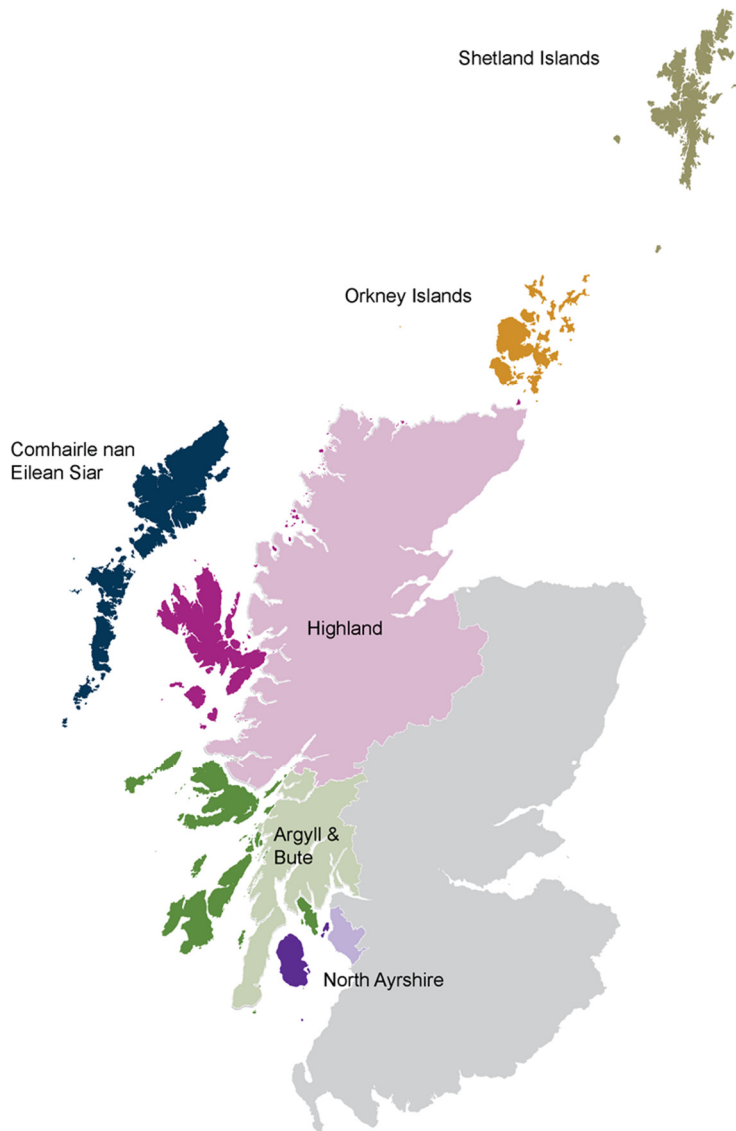
28. At the time of the 2011 Census, Scotland had 93 inhabited islands with a total population of 103,700 (which was 2% of Scotland's population).<sup>4</sup> Of these islands, only five are connected to the Scottish mainland by bridge or causeway.

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<sup>3</sup> Scottish Government (2018) [Rural Scotland: key facts 2018](#)

<sup>4</sup> NRS (2015) [Scotland's Census 2011: Inhabited islands report](#)

29. The Islands Act identifies six local authorities representing island communities in Part 4 of the Act (Section 20 (2)), which are Argyll and Bute Council; Comhairle nan Eilean Siar/Western Isles; Highland Council; North Ayrshire Council; Orkney Islands Council; and Shetland Islands Council. Amongst them, Orkney, Shetland and Western Isles are entirely island authorities, while Highland, Argyll and Bute and North Ayrshire local authorities cover island regions as well as mainland regions.



**Figure 1:** Map highlighting all 6 local authorities representing Island Communities (islands in darker shades where islands are part of mainland Local Authorities)<sup>5</sup>

<sup>5</sup> <https://digitalpublications.parliament.scot/ResearchBriefings/Report/2017/9/4/Islands--Scotland--Bill-1>

## Demography and Health

30. According to the 2011 Census, 83% of island residents reported their health as being 'Very good' or 'Good' compared with 82% for Scotland as a whole.<sup>6</sup> The proportion of island residents with a long-term (lasting 12 months or more) health problem or disability that limited their day-to-day activities was just under 20%, including 9% who reported their daily activities were limited a lot.<sup>7</sup> The corresponding proportions for Scotland as a whole were very similar.

31. 62% of island residents are aged between 16-65 with the median age being 45 which is higher than the average across Scotland as a whole (41).<sup>8</sup>

32. The Scottish Health Survey 2018 provides an accurate estimate of the number of disabled working age people in Scotland. For young people aged 16-24, 24% of young people have a limiting longstanding illness. This number rises to 30% for individuals aged between 25-34, 32% between 35-44, 46% between 45-54 and, finally, 60% between 55-64.

33. In 2019, there were 3,522,626 people aged between 16-65 in Scotland. As of July 2020, there were 273,901 people in Scotland entitled to Personal Independence Payment. This accounts for roughly 7.8% of this demographic. Nearly 9.5% of people in receipt of PIP Scotland live in remote and island communities across the six local authority areas as of July 2020.<sup>9</sup> This accounts for 25,959 people.

34. In 2019, there were an estimated 26,729 people in Scotland in receipt of IIDB. This accounts for roughly 0.5% of the population. Data on how many IIDB clients live in rural areas is not available.

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<sup>6</sup> NRS (2015) [Scotland's Census 2011: Inhabited islands report](#)

<sup>7</sup> NRS (2015) [Scotland's Census 2011: Inhabited islands report](#)

<sup>8</sup> [https://www.scotlandscensus.gov.uk/documents/analytical\\_reports/Inhabited\\_islands\\_report.pdf](https://www.scotlandscensus.gov.uk/documents/analytical_reports/Inhabited_islands_report.pdf)

<sup>9</sup> Department for Work and Pensions Stat Xplore

35. There are higher rates of food insecurity among disabled people (18%) compared to non-disabled people (5%). There is also a higher likelihood of living in relative poverty after housing costs with a disabled person in the household (24% of families with a disabled person compared to 17% of families with no disabled members).<sup>10</sup> We have heard how those experiencing food insecurity in rural areas have less access to support networks and free resources than those living in more urban areas. Such resources include, but are not limited to, advice services, food banks, and other community support networks.

36. In households without children, 50% of 'insecure singles' (defined as workless, primarily single individuals living in social housing) had a disability or long-term health condition.<sup>11</sup> This rises to 68% for 'detached singles'. This group is similar to the 'insecure singles' group with the addition that they are less likely to have internet access or to participate in cultural activities, making them more disconnected. Research carried out by the Scottish Government<sup>12</sup> and by national organisations in 2020 have found that this lack of connectivity is compounded by living in a rural or remote community. Particularly when taking into consideration the impact of the Covid-19 pandemic, poor or no internet connection significantly impacts on individual's ability to socialise and partake in cultural activities.

37. Even where one or more individual in the household is in employment, the same level of income secures a lower standard of living than it would for a household without someone with a disability or long-term health condition. This is because disabled people face higher costs than non-disabled people, such as the cost of specialist equipment, therapies and home adaptations to manage a condition.<sup>13</sup> Sometimes, these costs are greater for disabled people living in island and rural communities. For example, travel costs, may be higher as individuals may have to pay the cost of taxis, for example if they need to travel to and from hospital where it is not possible to use public transport (and/or public transport may not be available).

## **Cost of Living**

38. The cost of many amenities and activities are higher for people living in island communities than those living on the mainland. A lack of choice and accessibility means that shopping, mobile phone services and broadband can be more expensive for people living in island communities compared to those on the mainland. The greater distances and remoteness means that day to day travel, postage, fuel, day-trips and holidays are also more expensive for people in remote communities.

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<sup>10</sup> <http://www.gov.scot/isbn/9781787816909>

<sup>11</sup> <https://www.gov.scot/publications/poverty-perspective-typology-poverty-scotland/pages/6/>

<sup>12</sup> [Covid+and+Inequalities+Final+Report+For+Publication+-+PDF.pdf](#) ([www.gov.scot](http://www.gov.scot))

<sup>13</sup> <https://www.jrf.org.uk/income-and-benefits/>

39. Citizens Advice Scotland<sup>14</sup> have identified issues of grid, utilities, digital and travel as key barriers for people in accessible rural, remote rural and remote small towns. Furthermore, a typical food basket can cost as much as 50% more on island communities in Scotland, while transport can be up to £40 a week more expensive due to longer distances for commuting and a higher price for petrol.<sup>15</sup>

40. According to Highlands and Islands Enterprise (HIE), household budgets in remote rural Scotland are typically 10-40% higher than elsewhere in the United Kingdom.<sup>16</sup> For households in the most remote parts of Scotland, additional costs can be greater than 40%. HIE attribute these extra costs to three principal sources:

- the higher prices that households must pay for food, clothes and household goods;
- much higher household fuel bills, influenced by climate and fuel sources;
- the longer distances that people have to routinely travel, particularly to work.

41. The Joseph Rowntree Foundation reported that levels of poverty among disabled people are generally underestimated.<sup>17</sup> Because disabled people's needs are often greater than for those without a disability, the cost of living for disabled people is frequently higher. These costs are higher in island and remote communities due to an environment that is less accessible, with higher costs for reasonable adjustments to technology, housing and transport.

42. A range of work is being undertaken by the Scottish Government to address the challenges that people in island and rural communities face. For example the Islands Strategic Group was established in August 2016. The group considers strategic issues affecting the island communities of Scotland, and to ensure greater involvement of the relevant councils in helping to identify and design solutions to the unique needs and challenges these communities face.

43. For some people in receipt of PIP and IIDB, the introduction of video assessments for PIP, and telephone assessments for IIDB, will make attending an assessment more straightforward. It will remove the financial and logistical barriers to travelling which many disabled people in rural communities face when required by DWP to attend an assessment. It is reasonable therefore to assume that introducing and increasing flexibility into the way in which assessments are carried out will disproportionately benefit those living in island and rural communities.

## **Connectivity and accessibility**

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<sup>14</sup> Sutherland, F (2015) Remotely excluded: barriers facing Scotland's rural consumers CAS, Edinburgh, 36 pp

<sup>15</sup> A Minimum Income Standard: For Remote rural Scotland; Loughborough University, UHI & Highlands and Islands Enterprise; 2013

<sup>16</sup> [A Minimum Income Standard for Remote Rural Scotland, 2013](#)

<sup>17</sup> [https://www.npi.org.uk/files/7814/0490/1005/Disability\\_long\\_term\\_conditions\\_and\\_poverty.pdf](https://www.npi.org.uk/files/7814/0490/1005/Disability_long_term_conditions_and_poverty.pdf)



44. According to the research briefings<sup>18</sup> from 2017 about the Islands (Scotland) Bill, residents of islands rely on ferry crossings and air travel to reach the mainland and larger islands, and key services such as secondary and higher education, care, and medical services.

45. In 2011, the proportion of island households with at least one car or van available was 79%, compared with just over two-thirds (69%) nationally.

46. The Scottish Household Survey shows that rural areas may be more likely to experience poor connection.<sup>19</sup> This ICIA has therefore identified a potential of network connectivity as a barrier to some PIP and IIDB clients partaking in video assessments. The continuation and expansion of telephone assessments however should benefit all PIP and IIDB clients for whom DWP deem this form of assessment appropriate.

47. In rural remote areas and island communities, disabled people face a lack of access to opportunities that are more readily and frequently available to those on the mainland or in urban areas. Furthermore, a lack of accessibility to employment, education and leisure opportunities can be made more difficult for someone with mobility issues, especially when transport options are limited.

48. Bus services in remote and island communities can be unreliable. Some bus services in such communities are community run. Even where buses are available, they are often infrequent and timetables do not always meet the needs of people living in the community. Furthermore, people told us that if there is already someone with a wheelchair or pram on the bus it is not always possible for a wheelchair user to board.

49. Not all islands are served by buses and there are not always taxis available. We heard how disabled people on islands rely heavily on neighbours, friends and families driving them as a primary means of transport.

50. The needs of wheelchair users can be different in island and rural communities than the needs of wheelchair users in an urban environment due to more challenging terrain.

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<sup>18</sup> <https://digitalpublications.parliament.scot/ResearchBriefings/Report/2017/9/4/Islands--Scotland--Bill-1>

<sup>19</sup> [LOW-RES-3999-CUKT-Switched-On-Report-ONLINE.pdf \(d1ssu070pg2v9i.cloudfront.net\)](https://www.gov.scot/Resource/0045/0401_low-res-3999-cukt-switched-on-report-online.pdf)

51. This amendment will introduce a legislative basis for assessments for PIP to be undertaken via video and assessments for IIDB to be undertaken via telephone or video. When the Scottish Government commence delivery of ADP, Social Security Scotland local delivery officers will share locations with other services so that they are based where clients currently go to ensure that clients can access advice and support in existing island locations.

52. Social Security Scotland will also offer a multi-channel approach, including telephone, paper-based and face-to-face applications to ensure that people are not isolated through a lack of access to technology. The amendment will introduce a degree of flexibility into the current assessment process. This will bring current processes closer to the Scottish Government's policy for communicating with clients and carrying out client consultations.

53. The introduction of a multi-channel approach to assessments, including telephone and video calls will ensure that individuals who have access to these services who are unable to travel to an assessment centre will be able to attend an assessment more easily and safely.

## **Culture**

54. Stakeholders have identified potential cultural barriers to applying for disability benefits in remote rural and island communities. This is because of the close-knit nature of island communities. Although there is research that evidences the positive impact of the support provided by close-knit communities, certain barriers may also be present.

55. The need for privacy and dignity is emphasised by disabled people in remote and island communities, for example, by ensuring that client consultations are taking place in locations that do not identify them as a disabled person or in receipt of benefits.

56. The provision of video and telephone assessments will bring current practice closer in line with Social Security Scotland principles of dignity, fairness and respect as it will do more to protect the privacy of clients. Telephone and video assessments will not identify someone as being disabled or as someone who is in receipt of benefits in the same way that requiring them to travel to and attend a face-to-face assessment.

57. Social Security Scotland will offer clients the opportunity to express a preference for how, where and when a consultation for Adult Disability Payment takes place. In doing so, the Scottish Government intends to address some of these cultural barriers when it commences delivery of Adult Disability Payment. The Scottish Government will consult on its proposals to ensure this approach is replicated for Employment Injuries Assistance.

## **Choice and representation**

58. We have heard how there are limited options for people living in island and remote communities with regard to leisure activities, support services and support groups with the importance of choice being a key theme in previous social security and disability assistance consultations. However such choices are often diminished or non-existent in rural areas.

59. This amendment does not provide clients with the choice of assessment channel. When the Scottish Government commence delivery of Adult Disability Payment and Employment Injuries Assistance, Social Security Scotland local delivery officers will share locations with other services so that they are based where clients currently go to ensure that clients can access advice and support in existing island locations. Social Security Scotland will offer a multi-channel approach. Critically, the client will be offered the choice of how to engage with Social Security Scotland to ensure that people are not isolated through a lack of access to transport or technology for example.

### **Implementation**

60. The DWP have advised that they will develop comprehensive guidance in advance of introducing video assessments. DWP have already developed guidance relating to telephone assessments.

61. A communications strategy and comprehensive guidance are being developed in advance of the launch of Adult Disability Payment and Employment Injuries Assistance. This will ensure that that people who are eligible and their families, the third sector, local authorities, the education sector and advice providers are aware of the changes we are making, know how to apply and understand the decision making process.

62. The communications strategy will be linked in with wider Scottish Government initiatives for improving outcomes for disabled people and for remote and island communities.

63. Social Security Scotland's Local Delivery function will provide support to applicants in rural areas. This will be an improvement on the current level of support offered through the current DWP system.

### **Monitoring and Review**

64. On-going stakeholder engagement with key organisations will also provide the Scottish Government with an opportunity to monitor the impact of the policy.

65. The Social Security (Scotland) Act 2018 places a duty on the Scottish Ministers to report annually to the Scottish Parliament on the performance of the Scottish social security system during the previous financial year. The report is to describe what the Scottish Ministers have done in that year to meet the expectations on them set out in the charter and will include information on the impact of island-proofing.

66. The Scottish Ministers have also committed to engaging with, and reporting regular progress to, the Islands Strategic Group to ensure that those representing the interests of island communities and others with experience of the current system, are fairly represented in the development and delivery of the Scottish social security system.

## Conclusion

67. Scottish Ministers are aware of the duty to consult island communities before making a material change to any policy, strategy or service which, in the Scottish Ministers' opinion, is likely to have an effect on an island community which is significantly different from its effect on other communities

68. This impact assessment has highlighted that living in island and remote communities present unique challenges for disabled people.

69. We have not identified any evidence that the introduction of these amendments will directly or indirectly discriminate against remote and island communities.

70. These amendments will help to address a number of issues raised in this ICIA such as the higher cost of living in remote and island communities and challenges faced in relation to connectivity and accessibility.

71. The Scottish Government is committed to designing the devolved social security system with people in Scotland, and on-going engagement with disabled people, external stakeholders and advisory groups will ensure that the impact of the regulations remain under continuous review.

72. The Scottish Government has concluded that no further changes to these regulations are necessary as a result of the ICIA.

## Authorisation

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