organisations from across the third sector in Scotland

Consultation on Job Grant

SCVO response to Scottish Government

09 April 2019

Our position

SCVO believes that the policy intent of the Job Grant is right. Many young people will sustain several periods of unemployment since they are also more likely to be offered temporary, entry-level jobs and we support proposals that would help them move back into work.

However, as it stands, we are of the view that the proposed eligibility criteria would result in a significant number of young people being left out and unable to apply for the Job Grant.

Firstly, the issue of benefits must be reviewed. For various reasons many young people do not apply and/or receive any benefits and therefore would not be able to apply for the grant under current proposals.

Then the focus on working on average 16 hours per week or more over a four-week period is also a concern to us. We are concerned that this criterion might be discriminatory towards young people who are unable to work 16 hours or more per week due to personal circumstances.

Finally, SCVO would welcome further clarification and more practical details regarding the application process itself. Again, it needs to be fully inclusive and accessible to all.

Our response

Introduction

The Job Grant is a new benefit designed by the Scottish Government which will be delivered by Social Security Scotland. It will consist of a one-off cash payment of either £250 or £400 (for young people with children). The grant will be paid to 16-24 year olds (up to 26 years old for care leavers) who have been in receipt of a qualifying benefit and out of paid work for 6 months before they receive an offer of employment.

The proposed new grant aims to help meet the initial costs of starting work and support a smooth transition into employment for young people on low incomes.

Response

- 1. Are the eligibility criteria for the Job Grant clear? No
- 2. We have proposed applications for Job Grant can be made 14 days in advance of the employment start date and up to 14 days after employment has commenced. Do you think that the proposed application period for Job Grant is suitable? No
- 3. If no to question 2, please provide comments.

To gather comments on the Job Grant, SCVO consulted with a group of current Community Jobs Scotland's (CJS) employees. Their views about the proposed new grant are therefore included below:

Eligibility Criteria:

SCVO believes that the point about benefits is an issue. Currently many young people are not on benefits and therefore would not be eligible for the job grant under current criteria. We also heard that some young people who could apply for benefits are not doing so (because of the lengthy process that it involves); they would then not be able to apply for the job grant either.

CJS employees also raised the issue of 16 years old who are not necessarily eligible for benefits and yet are included in the proposal - if they cannot apply for benefits, how could they apply for the job grant? Moreover, if young people still live at home at that age, suggestions were made that their parents' situation could perhaps be taken into consideration instead (e.g. if the parents receive benefits, then young people who are 16 years old could be allowed to apply for the grant).

SCVO understands that the job grant is aimed at young people but the definition (in terms of age) of 'young people' still varies across policies. People felt that allowing people up to the age of 29 years old to apply would be helpful.

Current CJS employees pointed out that to be 6 months out of work is a very long time without help and they believe this criterion should focus on a shorter period of time.

Examples were given of people applying for universal credit and having to wait 5 weeks until the first payment; this is already a long time without any money.

On the issue of not having received a job grant previously, it was felt that a timescale should be added to this, e.g. if you have received a Job Grant in the last 6 months then you are not eligible again. Young people are more likely to be offered temporary, entry-level jobs, therefore it would be helpful if they could apply for a grant again.

Regarding the 16 hours on average criterion, this was considered unfair towards people who cannot work 16 hours a week due to a disability or health condition for instance. An example was also given of someone on a zero hour contract working under 16 hours a week (at present they could not apply for a job grant); the same person would then move on to a long term position with more hours but still could not apply for a grant under proposed criteria because they were in work prior to that job offer.

Finally, it would be helpful to have more details regarding the evidence of a job lasting 3 months or more. Which type of evidence would be required in order to apply for the grant?

Application Period:

CJS employees felt that being able to apply for the grant up to 4 weeks after the job started would be more helpful.

Overall it would be useful to have more details about the application process itself - online and paper-based options were seen as essential. Feedback also pointed out that it would be helpful if new employers could help with the process depending on what is required (e.g. not everyone has easy access to a scanner for example to send documents along with the application).

- 4. We have proposed that Job Grant consists of one payment of £250, or £400 for young people with children. Do you agree with the proposed format of the payment? Yes
- 5. If no to question 4, please provide comments.

Regarding the payment of £400 for young people with children, would the number and age of children be considered for the payment? If so, what are the criteria?

During our consultation event, it was also suggested that it might be good to give young people the option to apply for less than £250 since not everyone has the same requirements when starting a new job.

- 6. Do you agree that the proposals for Job Grant set out in this consultation paper meet the policy intent to support a smooth transition into employment for young people on low incomes by helping them to meet the initial costs of starting work?
- 7. If no to guestion 6, please provide details.

As outlined in the answers to previous questions, SCVO is of the view that the current proposal would help some young people transition into employment, but many others would still be left out because of the proposed eligibility criteria. More young people would be supported by reviewing some of the issues highlighted in our response.

In terms of promoting the new grant, employees we consulted were clear that schools (career advisors), job centres, Skills Development Scotland (including apprenticeship programmes) would be good places to start with. Advertisements on Facebook, as well as on buses and trains were also suggested.

- 8. Can you identify any potential unintended consequences which we have not considered in these proposals? Yes
- 9. If yes to question 8, please provide details.

Although people understand why care leavers have slightly different criteria, CJS employees felt that it is essential to focus on each individual's needs and circumstances. For example, some people with disabilities might also benefit from criteria with a wider age range to apply for a grant.

SCVO would welcome further advice as to whether CJS employees would be able to apply for the grant if they move from a CJS position to a permanent job.

Finally, SCVO is also aware of current funds like the Flexible Support Fund from DWP and would welcome further guidance on what would happen to this once the Job Grant is delivered - would it be ok to combine both?

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SCVO's policy works to ensure that the needs and concerns of the third sector in Scotland are represented in the Scottish, United Kingdom and European Parliaments.

By acting as an authoritative and trusted voice for the sector, SCVO's policy and research output is delivered through a strong evidence base and an engaged membership.

Further details about SCVO's policy and research can be found at https://scvo.org.uk/policy-research

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