The impact of digital technologies on social protection and human rights

SCVO submission to UN Special Rapporteur on extreme poverty and human rights

21 May 2019

The Scottish Council for Voluntary Organisations (SCVO), our members, and the wider third sector welcome the exploration by the UN Special Rapporteur on extreme poverty and human rights, Philip Alston, into the human rights impacts, especially on those living in poverty, of the introduction of digital technologies in the implementation of national social protection systems.

Our response has been developed openly with input from the Scottish third sector in the SCVO <u>wiki</u>. For ease, the wiki page content from the time of submission is also available in full in the appendix.

Our position

Governments have a duty to overcome digital, legal, financial, or administrative barriers that prevent or complicate access to the right to social security. SCVO believe that access to social security and the right to an adequate standard of living is frustrated by:

Unequal access to the internet and digital devices and a lack of essential digital skills;

A failure to understand the many challenges digital access and skills present to different people and communities across society;

Automated decision-making which can be unreliable and lacks transparency; and

A failure to create an IT infrastructure that allows individuals and service providers to use information in ways which streamline the process for the individual, reducing friction, effort, risk and cost.

Social security must be accessible for all. To realise this we must recognise that digital by default is not and will not be appropriate for all individuals. An accessible, transparent, rights-based social security system is central to tackling poverty and inequality, realising

rights, and achieving the Sustainable Development Goals (SDGs).

SCVO would welcome the opportunity to arrange a webinar between the Rapporteur and our members to discuss these concerns, the wider concerns of civil society, and to share how our sector works with the many people and communities who experience digital exclusion and poverty, and the impact of this on their human rights.

Our response

Internet access and social security

In 2016 the UN declared access to broadband to be a basic right. Without internet access in the home individuals have limited access to public services, channels for civic and democratic participation, knowledge and information tools, opportunities for social engagement, the labour market, and learning opportunities. Opportunities essential to the fulfilment of both civil and political and economic and social rights.

Despite this, home internet access varies considerably by household income. In 2017, 66% of households in Scotland with an income of £15,000 or less had home internet access rising to 99% in households with incomes over £40,000 (Scottish Household Survey, 2017). In Scotland one-in-five adults also lack basic digital skills (UK Consumer Digital Index 2018). Older people, those with disabilities, and those in social housing including younger people are all more likely to be digitally excluded. While gender-disaggregated data for barriers to internet access in Scotland is limited, Engender highlight that deprivation is highly gendered; women are the majority of older people, working-age people living in poverty, and lone parents and are also twice as dependent on social security as men, with 20% of women's income coming from entitlements. The people and communities most likely to be supported by public services are therefore also those most likely to be digitally excluded. Despite this, both the UK and Scottish Governments are increasingly moving services online. The Department for Work and Pensions (DWP), for example, planned for 80% of Universal Credit applications to be completed online by 2017 as part of a transition towards digital-only services.

SCVO, Engender, Inclusion Scotland, CPAG Scotland, Citizens Advice Scotland (CAS) and others across the Scottish third sector recognise that the digitalisation of public services can simplify and integrate services. Public services, however, must be accessible to all. To achieve this the varied needs of public service users must be central to the development of social security and supported by initiatives to ensure that everyone can access social security. Both the UK and Scottish Governments have a duty to overcome digital, legal, financial, or administrative challenges that fail to fulfil the right to social security.

Universal Credit

In 2010 the DWP introduced Universal Credit (UC) to replace six means-tested benefits for working-age households. UC aimed to: improve the incentive to work; simplify entitlements; reduce fraud and error; and reduce administration costs. The programme

has, however, faced considerable technical challenges including delays, spiralling costs, and a number of fundamental flaws that affect both the system and how it is administered. A more detailed summary of the background of UC is available here.

It is anticipated that when full service rollout is completed in 2023, 652,500 people in Scotland will access UC. SCVO, CPAG, Inclusion Scotland, the Scottish Federation of Housing Associations (SFHA), Scottish Women's Aid, One Parent Families Scotland (OPFS), and many others across the third sector believe that UC has had and will have far-reaching consequences for people's economic and social rights, worsening poverty for many. UC can and should protect people from and poverty its consequences. To achieve this there is an urgent need to redesign elements that aren't working. This would include urgently addressing:

- the increase in rent arrears for local authorities, housing associations, and landlords which has arisen, in part, because there is no alignment between deductions from UC and housing costs
- late payments for one in five claimants
- the five week wait for the first payment of the entitlement which up to a fifth of new claimants do not receive in full
- the reliance on automated decision-making for financial support calculations which has resulted in errors in decision-making and adds a layer of complexity for individuals trying to understand their payments
- the lack of accessible information people accessing their entitlement receive
- the drive to make and maintain claims online which puts individuals with limited access to online facilities, or who find technology challenging, at a significant disadvantage

Case study 1: Online claims and disabled people

The digital by default aspirations of UC impact people and communities across society, however, disabled people are particularly vulnerable to the requirements of digital by default services. This case study highlights the many barriers disabled people may experience when trying to access UC and thus their right to social security.

Inclusion Scotland have found that as a consequence of these issues disabled people have experienced significant delays in UC payments and, in some cases, been subjected to sanctions, causing severe hardship and undermining the right to access social security and an adequate standard of living.

Case study 2: UC an individual case - Melville Housing Association

As has been discussed, the ability to make and maintain claims online is a central element of UC. Individuals with limited access to online facilities or who find new technology challenging are at a significant disadvantage. UC can also provide help with housing costs and a landlord portal is being distributed to social landlords. Evidence suggests, however, that the current DWP systems are not adequately developed. In particular, there is no alignment between deductions from UC and housing costs. This can lead to arrears and

threaten tenancy sustainment and thus the right to housing. <u>This case-study from Melville</u> <u>Housing Association</u> demonstrates the impacts of these issues upon an individual claiming their right to social security.

The previous UK Work Programme

Problems with introducing new technologies into social security at a UK level are not unique to UC. The DWP Work Programme, a scheme to help long-term unemployed people to find and keep jobs, had similar challenges. <u>A summary of some of the challenges faced by this programme is available here.</u> Despite these issues, this system was later used to deliver UC.

The new Scottish Social Security system

The Scottish Parliament passed the Social Security (Scotland) Act in April 2018. To create the digital infrastructure necessary to deliver the new entitlements devolved from Westminster to Holyrood, the Scottish Government followed the principles of <u>Scotland's</u> <u>Digital Strategy</u>, which promotes the reuse of existing solutions, rather than the building of new bespoke systems (<u>Audit Scotland, May 2019</u>). By utilising these principles alongside an agile approach to design, the Scottish Government successfully identified and implemented the digital infrastructure necessary for "wave one" entitlements. The agile approach also ensured systems were tested and adjusted before going live and that the people and communities who would be affected by the entitlements were involved in the development of systems and processes, a central aspect of a rights-based approach.

SCVO welcomes this approach and recognises that it addresses the failures of many previous major IT projects. SCVO also recognise the decision by the Scottish Government to test new systems on entitlements which involved one-off payments and smaller caseloads, as a sensible one. The delivery of more complex entitlements is, however, likely to be a significant challenge and the focus on the safe and secure transition of existing entitlements has limited the extent to which a more ambitious rights-based approach has been implemented and transformative change achieved.

Lessons and solutions

Poorly designed and badly governed digital technologies within social protection systems can have severe consequences for the people and communities who rely on social security, particularly those experiencing poverty. That these processes and procedures are within digital systems exacerbates the issues.

There is a needed for an IT infrastructure which empowers individuals dealing with service providers to access and use information in ways which streamline the process for the individual, reducing friction, effort, risk and cost. As social security increasingly relies upon new technologies both the Scottish and the UK Governments have a duty to ensure individuals do not give up some civil and political rights, such as the right to privacy, to exercise socio-economic rights, such as the right to social security. <u>A number of risks and solutions have been highlighted in our wiki.</u>

Conclusion

The causes of poverty are diverse and multifaceted. However, as public services increasingly move online, unequal access to the internet and digital devices and a lack of digital skills undermine the right to social security for the people and communities most likely to need access to support. The digital by default approach to UC lacks the flexibility and resources to make a distinction between the different needs of individuals accessing the entitlement.

To realise the right to social security and the right to an adequate standard of living governments, and the contractors they work with, have a duty to ensure social security is accessible for all. Digital by default is not and will not, be appropriate for all individuals. The digital divide is complex and there is a need to understand the many challenges digital access and skills present to different people and communities across society. Similarly, to fulfil the right to social security there is a need to ensure that automated decision-making process are transparent and reliable. An accessible, transparent rights-based social security system is central to tackling poverty and inequality, realising rights, and achieving the Sustainable Development Goals (SDGs).

Governments also have a duty to overcome other challenges that undermine both the right to social security, and other rights, such as the right to privacy. As new technologies are increasingly implemented within social security and other public services, there is a need to streamline processes to avoid duplication of effort by both the individual and the state, while also empowering individuals to control their own data and access to it.

About us

The Scottish Council for Voluntary Organisations (SCVO) is the national body representing the third sector. Supporting 45,000 third sector organisations, 2,000+ members, 100,000+ staff and one million volunteers. <u>View the latest sector stats</u>

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 <u>https://scvo.org.uk/policy-research</u>

Contact

Sheghley Ogilvie, Public Affairs Engagement Officer

Scottish Council for Voluntary Organisations

Mansfield Traquair Centre, 15 Mansfield Place, Edinburgh EH3 6BB

Email: policy@scvo.org.uk

Tel: 0131 474 8000

Web: www.scvo.org.uk

Appendix

For ease, please find below the contents of the <u>SCVO wiki page</u> on 20 May 2019 complete with links to relevant sources.

Internet access and social security

In 2016 the UN declared access to broadband to be a basic right. Without internet access in the home individuals have limited access to public services, channels for civic and democratic participation, knowledge and information tools, opportunities for social engagement, the labour market, and learning opportunities. Opportunities essential to the fulfilment of both civil and political and economic and social rights.

Despite this, home internet access varies considerably by household income. In 2017, 66% of households in Scotland with an income of £15,000 or less had home internet access rising to 99% in households with incomes over £40,000 (Scottish Household Survey, 2017). In Scotland one-in-five adults also lack basic digital skills (UK Consumer Digital Index 2018). Older people, those with disabilities, and those in social housing are all more likely to be digitally excluded. While gender-disaggregated data for barriers to internet access in Scotland is limited, Engender highlight that deprivation is highly gendered; women are the majority of older people, working-age people living in poverty, and lone parents and are also twice as dependent on social security as men, with 20% of women's income coming from entitlements. The people and communities most likely to be supported by public services are therefore also those most likely to be digitally excluded. Despite this, both the UK and Scottish Governments' are increasingly moving services online. The Department for Work and Pensions (DWP), for example, planned for 80% of Universal Credit applications to be completed online by 2017 as part of a transition towards digital only services.

SCVO, Mydex, Engender, Inclusion Scotland, CPAG Scotland and others across the Scottish third sector recognise that the digitalisation of public services can simplify and integrate services. Public services, however, must be accessible to all. To achieve this the varied needs of public services users must be central to the development of social security and supported by initiatives to ensure that everyone can access social security. Both the UK and Scottish Governments' have a duty to overcome digital, legal, financial, or administrative challenges that fail to fulfil the right to social security.

Universal Credit

In 2010 the DWP introduced Universal Credit (UC) to replace six means-tested benefits for working-age households. UC aimed to: improve the incentive to work; simplify entitlements; reduce fraud and error; and reduce administration costs. After considerable technical challenges in implementing UC, including problems managing the programme and developing the necessary technology, it is anticipated that when Full Service rollout is completed in 2023, 652,500 people in Scotland will assess UC.

The DWP expects an additional 200,000 people to move into work because of UC, saving £99 million a year in administration costs (National Audit Office, 2018). A reduction in fraud and error is expected to save £1.3 billion a year (National Audit Office, 2018). These savings largely rely upon the Department moving away from costly ways of administering claims—such as telephone and in-person support—towards a digital service. By June 2018, the National Audit Office found that the Department had invested £1.3 billion creating UC while spending £600 million on running costs. Currently, the cost of administering each UC claim is £699, forecast to fall to £173 by 2024/2025. Planned efficiency savings are, however, uncertain, the extent to which fraud and error will reduce unknown, and measurement of the increase of people in work as a result of the entitlement, difficult.

The entitlement has, however, resulted in an increase in rent arrears for local authorities, housing associations, and landlords, partly because there is no alignment between deductions from UC and housing costs, and late payments for one in five claimants. While a five week wait for the first payment of the entitlement is built into the system and UC is limited to the first two children in each family. The Child Poverty Action Group (CPAG) report, <u>Computer Says No</u>! also highlights that the reliance on automated decision making for financial support calculations has resulted in errors in decision making and adds a layer of complexity for individuals trying to understand their payments. This problem is exacerbated by the lack of accessible information people accessing their entitlement receive.

SCVO, CPAG, Inclusion Scotland, the Scottish Federation of Housing Associations (SFHA), Scottish Women's Aid, and many others across the third sector believe that UC has and will have far reaching consequences for people's economic and social rights, worsening poverty for many. UC can and should protect people from and poverty its consequences. To achieve this there is an urgent need to redesign elements that aren't working.

Case study 1: Online claims and disabled people

Individuals claiming UC, including disabled people, are initially signposted to the selfservice online channel, other channels are an exception. While telephone claims can be completed where appropriate, Inclusion Scotland has found that this rarely happens. All claimants are required to maintain their claim online, other than in exceptional circumstances. These changes impact people and communities across society, however, disabled people are particularly vulnerable to the requirements of digital by default services.

Disabled people are least likely to have internet access. The <u>2015 Scottish Household</u> <u>Survey</u> found that 35% of disabled people in Scotland did not access to or use the internet in comparison to over 90% of the non-disabled people. People without qualifications, with low levels of literacy and/or living on low incomes, or who are workless are also less likely to have internet access, disabled people are over-represented in these groups.

It is not, however, only disabled people without internet access who might have difficulty making and maintaining an online claim. Inclusion Scotland highlight people with learning difficulties, communication difficulties, visual or physical impairments, may have difficulty completing complex, lengthy online forms. A survey of entitlement recipients found for example that 45% of participants would need support to claim and manage their claim online (DWP, 2012). Similarly a survey by Glasgow Citizens Advice Bureaux found that over 75% of those using CAB services would require such assistance. The DWP Universal Support offer, to be delivered by Citizens Advice from 2019–20, includes a single session of digital support for each claimant to help them to claim their entitlement online. This is insufficient to address the ongoing challenges many people experience when using the UC digital systems.

Inclusion Scotland have found that as a consequence of these issues disabled people have experienced significant delays in UC payments and, in some cases, been subjected to sanctions, causing severe hardship and undermining the right to access social security and an adequate standard of living.

Case study 2: UC an individual case Melville Housing Association

A single man in his 50's who was previously homeless was allocated a flat by a registered social landlord. He had problems with alcohol and substance abuse, as well as suffering from poor mental health. He was receiving Employment and Support Allowance (ESA), Personal Independence Payment (PIP), and, once allocated the property, claimed Housing Benefit (HB) and Council Tax Reduction (CTR).

Following a DWP health assessment he was found fit for work and therefore had to claim UC via the online system. He had no email address, no digital skills and limited access to online facilities and support.

When his ESA ended, it also stopped his HB leaving him with no idea what benefits to claim or how to claim them. With help from a tenancy support worker he got in touch with a welfare benefits adviser, provided by his landlord, who helped him challenge the ESA decision as well as make a claim for UC.

The process was not easy for him. He had limited identity documents, only a shared phone and a chaotic lifestyle which made it difficult to receive notifications and attend appointments. The local GP surgery was reluctant to let him register and he then faced difficulties contacting them to make appointments. The local Job Centre refused to see him as he was noted as aggressive and had to be seen behind a screen. This was only available at an alternative Job Centre that was several miles away and difficult for him to get to.

Without help to claim he would not have had any money to live on or to pay his rent and keep his flat. He has struggled continuously to maintain the UC claim. There were problems with the UC payments which were incorrectly calculated and he needed considerable help to access the journal and correct the mistakes.

He has recently lost his login details and phone and has been unable to maintain contact with the UC centre. He is at risk of suspension. He needs to travel to the alternative Job Centre to get help with this problem.

The need to login regularly has been a barrier in this case; he needs a great deal of support to maintain the claim and this is difficult due to the nature of the online process, especially the restrictive access and explicit consent requirements.

He has subsequently been found unfit for work, but must now remain on UC and will have to wait for the transitional protection rules to be introduced to receive full compensation (Severe Disability Premium).

Moving forward he is at serious risk of falling through the benefits safety net. His lack of digital skills and the restrictions placed on him by his local Job Centre mean that he is struggling to engage with the DWP. After finally finding a home following years of homelessness, he is now, once again at risk of losing the secure roof over his head.

Work Programme

Problems with introducing new technologies into social security at a UK level are not unique to UC. The DWP Work Programme, a scheme to help long-term unemployed people to find and keep jobs had similar challenges. The programme offered support to unemployed people claiming Jobseeker's Allowance or Employment Support Allowance. Between June 2011 and March 2016, the Department expected to refer 2.1 million people to the Work Programme at a total cost of £2.8 billion (National Audit Office, 2014).

Due to tight timescales the Department did not pilot the programme. Policy decisions about the programme also overlapped design and development with the programme going live before IT was in place.

The result was a range of technical and training difficulties which had direct impacts on many of those referred to the programme.

Again the Programme was delivered by a range of private, public and voluntary sector organisations. In some cases this involved designing and building systems, such as a customer relationship management (CRM) system to detail, sanctions, barriers, and referral forms. While this involved a partnership the many partners involved were often not aware of the processes one another had in place or of their responsibilities. As a result the system was not always fully up-to-date which could result in confusion around if appointments were mandatory or voluntary, sanctions, and the wrong entitlements being delivered

The Scottish Social Security system: A comparison

The Scottish Parliament passed the Social Security (Scotland) Act in April 2018. To create the digital infrastructure necessary to deliver the new entitlements devolved from Westminster to Holyrood, the Scottish Government followed the principles of <u>Scotland's</u> <u>Digital Strategy</u>, which promotes the reuse of existing solutions, rather than building of new bespoke systems (<u>Audit Scotland, May 2019</u>). By utilising these principles alongside an Agile approach to design, the Scottish Government successfully identified and implemented the digital infrastructure necessary for "wave one" entitlements. The Agile approach also ensured systems were tested and adjusted before going live and that the people and communities who would be effected by the entitlements were involved in the development of systems and processes, a central aspect of a rights-based approach. SCVO welcomes this approach and recognises that it addresses the failures of many previous major IT projects. SCVO also recognise the decision by the Scottish Government to test new systems on entitlements which involved one-off payments and smaller caseloads, as a sensible one. The delivery of more complex entitlements is, however, likely to be a significant challenge.

The Scottish Government have stressed that the safe and secure transition of existing entitlements is their priority for the initial transition of entitlements from Westminster to Holyrood. While SCVO and colleagues across the third sector appreciate the need to ensure a smooth transition, many colleagues across the sector share concerns that this focus has had an impact the extent to which a rights-based approach has been implemented and transformatory change achieved.

The Scottish Government have the power to create new entitlements and to top-up existing entitlements. SCVO, the Poverty Alliance, and other members of the Scottish Campaign for Welfare Reform (SCoWR), stress that over one million, people in Scotland lived in poverty after housing costs in 2015/18 (Poverty and income inequality in Scotland: 2015-2018). There is an urgent need to top- up the incomes of Scotland's poorest people, families, and communities to fulfil their right to an adequate standard of living. SCVO appreciate that policies, processes, and systems, must be introduced to achieve this. However, that the new Income Supplement will not be introduced until 2022 at the earliest, is disappointing.

Audit Scotland, have also questioned the extent to which an Agile approach will be compatible with the delivery of more complex entitlements where there is a need for detailed options appraisals and contingency plans for interim and long-term information technology (IT) components (Audit Scotland, May 2019).

Lessons and solutions

Poorly designed and badly governed digital technologies within social protection system can have severe consequences for the people and communities who rely on social security, particularly those experiencing poverty. However, as <u>Mydex CIC</u> highlight in their response, the application of digital technologies to social protection and other services can bring many benefits: cost savings; automation of processes; error reduction; and reduction in re-work. There is also potential for improved service provision, for example, by creating

digital service histories that inform decision-making, and collecting additional data over time that can enrich insights into the needs of individuals. Often, however, systems and platforms are sold to the public sector and others, with the promise of these benefits and instead existing problems are exacerbated and new issues created.

Mydex suggest that many of these issues arise because data is collected, stored and used in an organisation-centric way and propose an alternative system design where each individual has a personal data store (PDS), containing all of the key data relating to the services they access and stored independently. This would allow individuals to re-use and share data with different organisations, to control their own data, and 'designing out' of the duplication of effort for those who rely upon several social security service providers, such as the DWP, Social Security Scotland, and Local Authorities.

Similarly, Engender suggest an online profile which stores all information in one place and, which can only be assessed by the applicant, would be a useful tool. Engender highlight that the online management of UC allows both members of a couple to access information about payments, appointments, and other personal details, undermining the right to privacy and creating a dangerous situation for some women experiencing domestic abuse.

There is a needed for an IT infrastructure which empowers individuals dealing with service providers to access and use information in ways which streamline the process for the individual, reducing friction, effort, risk and cost. As social security increasingly relies upon new technologies both the Scottish and the UK Governments have a duty to ensure individuals do not give up some civil and political rights, such as the right to privacy, to exercise socio-economic rights, such as the right to social security.

Conclusion

The causes of poverty are diverse and multifaceted. However, as public services increasingly move online unequal access to the internet and digital devices and a lack of digital skills undermine the right to social security for the people and communities most likely to be supported by public services. The digital by default approach to UC lacks the flexibility and resources to make a distinction between the different needs of individuals accessing the entitlement. To realise the right to social security and the right to an adequate standard of living Government's, and the contractors they work with, have a duty to ensure social security is accessible for all. Digital by default is not and will not, be appropriate for all individuals. The digital divide is complex and there is a need to understand the many challenges digital access and skills present to different people and communities across society. Similarly, to fulfil the right to social security there is a need to ensure that automated decision making process are transparent and reliable. An accessible, transparent rights-based social security system is central to tackling poverty and inequality, realising rights, and achieving the Sustainable Development Goals (SDGs).

Governments' also have a duty to overcome other challenges that undermine both the right to social security, and other rights, such as the right to privacy. As new technologies are increasingly implemented within social security and other public services there is a need to streamline processes to avoid duplication of effort by both the individual and the state, while also empowering individuals to control their own data and access to it.