

Emphasising humanity and transforming livelihoods:

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# Basic Income

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**ALLIANCE**  
HEALTH AND SOCIAL CARE  
ALLIANCE SCOTLAND  
people at the centre

Health and Social Care  
**ACADEMY**



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# Introduction

In 2017, the Health and Social Care Academy (the Academy) published a provocation paper titled 'Emphasising humanity and human rights: Citizen's Basic Income'<sup>1</sup>. This looked at the principle of a Basic Income (BI) through the lens of the 'Five Provocations for the Future of Health and Social Care'<sup>2</sup>. These provocations recognise that achieving meaningful change in health and social care requires new and different ways of thinking.

In the years since the paper was published the discussion around BI in Scotland has developed rapidly. Whilst parts of the content remain relevant, those advances justify taking a fresh look at the concept, aiming to encourage further thought and discussion by examining recent developments and posing questions in line with the Five Provocations.

The previous paper focused on one of the provocations: emphasising humanity, values and flourishing. This places an emphasis on breaking down the existing 'them' and 'us' relationship which has evolved over time between citizens and the state, and moving towards systems and structures which value equality, individual's talents and skills and invests in their ability to flourish. Concerns remain that this culture remains prevalent in certain elements of health and social care and social security. BI is one platform through which people in Scotland are beginning to consider how to address this imbalance.

This paper considers two further provocations as particularly relevant to BI. Nurturing transformation recognises that substantive change requires time – time to forge relationships, embed change, and realise long term benefits. BI would be a foundational change to how Scotland delivers social security and could only be implemented after a careful process of development and design.

This process must be mindful of the vital importance of ceding power, reducing the role of statutory organisations whilst growing that of the community, individuals, and third sector. A BI is unlikely to live up to people's aspirations or uphold their rights if the people most affected aren't put at the centre.



<sup>1</sup> <https://www.alliance-scotland.org.uk/wp-content/uploads/2017/10/ALLIANCE-HSCA-Citizens-Basic-Income-2017.pdf>

<sup>2</sup> <https://www.alliance-scotland.org.uk/people-and-networks/health-and-social-care-academy/five-provocations/>

# What is a Basic Income?

At its heart, a BI is an unconditional, regular payment by the state to every person regardless of background, income, employment or any other status. BI is paid on an individual rather than household level and does not require means-testing. This is not a new idea. The notion of a minimum income first appeared at the beginning of the 16th century, and an unconditional one-off grant was being discussed at the end of the 18th century<sup>3</sup>.

The creation of a BI seeks to provide every person with a universal, non-means-tested and unconditional basic income, replacing some of the current social security payments and the current tax loopholes in the personal income tax system. BI models vary on exactly how much of the system should be replaced, with some advocating complete replacement and others retention of standalone disability, housing and/or carer entitlements.

The recent prevalence of BI in political debate coincides with ongoing discussions about the social security system, whether that is because of the perceived punitive nature of the system administered by the UK Government, or its complexity, which can be particularly difficult to navigate for disabled people, people with long term conditions, and unpaid carers.

BI attracts interest from across the political spectrum, drawing support from groups with an interest in both increasing and reducing the state's influence on people's lives. It was further put in the spotlight during the COVID-19 pandemic, when some governments effectively paid for workers to stop working and remain at home as a matter of public health and safety, as in the UK's furlough scheme. This came alongside a £20 per week uplift in Universal Credit, and the removal of this uplift is expected to negatively impact the least well off, including disabled people<sup>4</sup>.

At the same time, the wide-ranging 'Independent Review of Adult Social Care in Scotland (the Feeley Review)'<sup>5</sup> has brought the issue of what value society places on, and what support it gives to, people who receive and provide care to the fore. Supporting disabled people, people living with long term conditions, and unpaid carers through direct provision of social care services is only one part of the overall picture, as they also often rely on social security for some or all of their income.

**How has the COVID-19 pandemic transformed society's understanding and appreciation of social security?**

**Alongside social care, are there other policy areas that may be impacted by or complimentary to a Basic Income?**

<sup>3</sup> <http://basicincome.org/basic-income/history/>

<sup>4</sup> <https://ifs.org.uk/publications/15528>

<sup>5</sup> <https://www.gov.scot/groups/independent-review-of-adult-social-care/>

# Principles

Basic Income initiatives tend to encompass the following principles, as defined by the Basic Income Earth Network (BIEN)<sup>6</sup>:

- 1 Periodic** - BI is paid at consistent, regular intervals, for example once every month, not as a one-off grant.
- 2 Cash payment** - BI is paid in cash, allowing recipients to decide what they spend it on, not paid in food, services, or vouchers limited to a specific use.
- 3 Individual** - BI for adults is paid on an individual basis and not to households.
- 4 Universal** - BI is paid to all, without means testing.
- 5 Unconditional** - BI is paid without a requirement to work, or to be actively looking for work.



<sup>6</sup> <https://basicincome.org/>

Proponents of the BI approach argue that it could promote equality among people with protected characteristics (such as disability, sex or race) by providing everyone with an income which is independent of other people in their household, family or relationship. It is also argued that it would enable people to be better geared to manage the threat of unemployment/underemployment and enable a better management of work/life balance for people in employment.

Some people believe unpaid carers would be among those most likely to benefit from a BI, with the RSA arguing that “Basic Income would help people care for their relatives, friends and neighbours without having to account for their actions to the state.”<sup>7</sup> Financial supports currently available to carers are underclaimed, administered by a bureaucratic system, and only approximately 10% of carers are eligible<sup>8</sup>. A BI may enable people to take more time off, reduce their hours, or take short career breaks to care for an elderly, disabled or otherwise vulnerable person.

Others fear that a BI could provide the state with an excuse to reduce expenditure on social security and public service provision, or fail to meet the needs of specific groups, in particular disabled people. Inclusion Scotland published a discussion paper in 2020, stating “if a Universal Basic Income (UBI) in Scotland is not set at a level which would cover the extra costs of disability, a system of disability benefits will still be needed alongside it and would almost certainly mean a system of assessments for eligibility.”<sup>9</sup>

**What values and principles should lie at the heart of a Basic Income?**

**How can disabled people, people living with long term conditions, and unpaid carers be meaningfully involved in developing a Basic Income?**



<sup>7</sup> <https://www.thersa.org/discover/publications-and-articles/reports/basic-income>

<sup>8</sup> <https://carers.org/downloads/scotland-pdfs/carers-allowance-supplement-bill-evidence-call-ncos.pdf>

<sup>9</sup> [https://www.holyrood.com/news/view,disabled-people-could-be-disadvantaged-by-universal-basic-income-inclusion-scotland-warns\\_15124.htm](https://www.holyrood.com/news/view,disabled-people-could-be-disadvantaged-by-universal-basic-income-inclusion-scotland-warns_15124.htm)

# Basic Income in Scotland

Scotland has been considered a place to watch by BIEN, with Glasgow digitally hosting BIEN's 2021 Congress<sup>10</sup>. Meanwhile, following the devolution of further powers to the Scottish Parliament, a distinct Scottish approach to social security has begun to develop. This has been led by Social Security Scotland<sup>11</sup>, a Scottish Government agency separate from the UK Government Department for Work and Pensions (DWP).

## Feasibility study

In 2017, after the Scottish Government announced specific funding for basic income studies, four local authorities – Edinburgh, Fife, Glasgow and North Ayrshire – agreed to work together towards local BI pilot schemes. A joint bid for feasibility studies was submitted in 2018 and agreed by the Scottish Government for the following two-year period. This led to a final feasibility report published in June 2020<sup>12</sup>.

This report recommended a BI pilot study be carried out in two areas, one receiving a higher payment aligned with a Minimum Income Standard, and the other a lower payment aligned with current social security entitlements, though both operating on a 'no detriment' approach for those involved. However, the report also concluded that as most entitlements that a BI would need to interact with are reserved to the UK Government, a pilot scheme would not be possible without the cooperation of the DWP.

## Basic Income or Minimum Income?

Ahead of the 2021 Scottish Parliament election, some form of support for a BI appeared in the manifestos for four of the five main political parties. Although support for the principle or piloting of a BI is therefore widespread amongst politicians, they remain limited by the current devolution settlement. Alternative proposals such as a Minimum Income Guarantee, which would offer more targeted support to those on the lowest incomes and thus be less challenging to fund, have been put forward<sup>13</sup> though this is seen by some as likely to be similarly outwith the powers of the Scottish Parliament<sup>14</sup>.

**What further steps could be taken towards a Basic Income in Scotland under the current devolution settlement, or to support it at UK level instead?**

**What are the benefits of a broad Basic Income versus a targeted Minimum Income Guarantee and vice versa - or are both approaches complementary?**

<sup>10</sup> <https://basicincome.org/bien-congress-2021/>

<sup>11</sup> <https://www.socialsecurity.gov.scot/>

<sup>12</sup> [https://www.basicincome.scot/\\_data/assets/pdf\\_file/0024/175371/Draft-Final-CBI-Feasibility\\_Main-Report-June-2020.pdf](https://www.basicincome.scot/_data/assets/pdf_file/0024/175371/Draft-Final-CBI-Feasibility_Main-Report-June-2020.pdf)

<sup>13</sup> <https://www.gov.scot/groups/minimum-income-guarantee-steering-group/>

<sup>14</sup> <https://www.ippr.org/research/publications/securing-a-living-income-in-scotland>

# Basic Income as a transformational policy

For a BI to fully deliver on its aspirations, it must have a transformational impact on people's lives. 'Making a Basic Income transformational for everyone' was the theme of the Academy-organised session at the BIEN Congress 2021<sup>15</sup>, where contributors explored both the opportunities and the risks of a BI.

## What could make a Basic Income transformational?

- The belief becoming widespread and fundamental that BI is a foundation of creative contributions to broader societal benefits that include, but are not limited to, work such as skills development and caring responsibilities.
- Continued investment in other forms of social security e.g. child and adult disability payments and housing benefit, and services that support people to realise their human rights equally with other members of society.
- The amount that any working age person receives is sufficient to meet their essential day-to-day living costs, which can support increased access to leisure, creativity and the arts.
- That it goes hand-in-hand with investment in high quality, easily accessible public services including social care, healthcare, transport, housing and education.
- Support for, discussion and understanding of BI becomes widespread in society, with greater sharing of experiences and aspirations, rather than being restricted to small, closed groups of existing supporters.

**What else might be required to ensure a BI is transformational?**

<sup>15</sup> <https://www.alliance-scotland.org.uk/blog/news/event-report-making-universal-basic-income-transformational-for-everyone/>



## What could stop a Basic Income from being transformational?

- Small scale pilot projects which do not address the bigger questions around our social security system.
- Disinvestment from current social security and public service provision, using BI as a cover for reduced support, or viewing it as mutually exclusive with universal public services.
- Continued stigmatisation of social security through a 'fairness versus cheating' narrative which has led to greater conditionality and complexity in the social security system and eroded wider public support for it.
- Failure to appropriately consider the rights of disabled people, people living with long term conditions, and unpaid carers, or ensure their free, meaningful and active participation in the development of a BI scheme.
- Lack of political will for change, or a narrow focus on affordability of social security over the social and economic benefits of improved outcomes.

What else might prevent a BI from being transformational?



# Redefining budgeting and the economy

Although a Basic Income has the potential to be transformative in itself, it's only one part of a wider discussion around how we approach budgeting in Scotland, and what the purpose of the economy is. BI chimes with a number of complementary approaches to redefining budgeting and the economy.

## Human rights budgeting<sup>16</sup>

An approach that puts human rights considerations at the centre of budgetary decision-making. It emphasises the duty on governments to deliver on their human rights obligations, and to take into account the impact of public spending on people's human rights. A BI could help to realise several human rights, including the right to an adequate standard of living, food, independent living, and social participation.

## Gender budgeting<sup>17</sup>

An approach that considers the differing impacts of budgetary decisions on men and women. It aims to reduce inequalities by highlighting where those are likely to be worsened by budgetary decisions and encouraging the development of alternative policies. A related 'Caring economy'<sup>18</sup> approach also emphasises the gendered nature of care work, and its contribution to economy and society. BI fits well with the principles of gender budgeting, as it could support people doing unpaid caring and domestic work, the majority of whom are women.

<sup>16</sup> <https://www.scottishhumanrights.com/projects-and-programmes/human-rights-budget-work/>

<sup>17</sup> <https://www.swbg.org.uk/content/what-we-do/>

<sup>18</sup> <https://wbg.org.uk/analysis/creating-a-caring-economy-a-call-to-action-2/>

## Wellbeing economy<sup>19</sup>

An approach that states that the economy should be in service of people, and work to ensure their wellbeing. This would be a reversal from current approaches which often appear to view people as being in service to the economy. As BI is unlinked to employment status and seeks to ensure everyone has enough money to live well, it is a policy that could significantly improve people's wellbeing.

**What values and principles should be at the centre of our economy? How would these approaches fit with a Basic Income?**

**What other policies might be required to deliver an economy that puts people at the centre?**



<sup>19</sup> <http://wellbeingeconomy.org/about>

# Emphasising humanity, reducing stigma

Whilst a Basic Income has the potential to fundamentally transform the relationship between people who live with long term conditions, disabled people and unpaid carers and the state, the introduction of a BI is anything but a magic bullet.

Proponents of BI argue that the existing social security system works against people's ability to flourish, leading to demoralisation and negative impacts on their mental health. BI places the focus on the best of people and credits them with the belief that a basic income ensures that volunteering, caring, and entrepreneurship are further incentivised by a better relationship with the state.

It can also be argued that the unconditional nature of BI, as a payment granted to everyone without regard to income, reduces stigma and broadens support. At present, social security is too often viewed negatively, with a pervasive framing of 'getting something for nothing' evident across the media, as opposed to a fundamental human right. That framing undermines wider public support for social security, has been used to justify reduced payments and tightened eligibility criteria, and even discourages people in need from attempting to access the system.

If everyone is receiving the same support, then everyone has a stake in the system, and the stigma of receiving social security support is significantly lessened. That BI would be paid unconditionally without a need to go through any claims or assessment process, ensuring that payment reaches people in need without them needing to overcome the mental hurdle of applying for it.

However, introducing BI alone will not address the barriers faced by people with long term conditions, disabled people and unpaid carers. BI must lead to a range of progressive reforms, including investment in people's skills, employability and addressing further social determinants of health, in order to deliver on the transformational potential outlined previously.

Policy makers in Scotland must closely consider both the political and the social impact of introducing a BI – not just the economic issues – and the difference it could make to existing service provision and the potential unintended consequence of shrinking state support. As studies develop in Scotland, there should be clear consideration of the impact proposals would have on disabled people, people with long term conditions and unpaid carers and whether they increase the opportunities for inclusion and flourishing.

**Does the current stigma associated with social security pose a barrier to implementing a Basic Income?**

**How can we ensure a Basic Income emphasises people's humanity, and isn't seen as a reason to reduce or replace services?**

# About the ALLIANCE

The Health and Social Care Alliance Scotland (the ALLIANCE) is the national third sector intermediary for a range of health and social care organisations. We have a growing membership of over 3,000 national and local third sector organisations, associates in the statutory and private sectors, disabled people, people living with long term conditions and unpaid carers. Many NHS Boards, Health and Social Care Partnerships, Medical Practices, Third Sector Interfaces, Libraries and Access Panels are also members.

The ALLIANCE is a strategic partner of the Scottish Government and has close working relationships, several of which are underpinned by Memorandum of Understanding, with many national NHS Boards, academic institutions and key organisations spanning health, social care, housing and digital technology.

Our vision is for a Scotland where people of all ages who are disabled or living with long term conditions, and unpaid carers, have a strong voice and enjoy their right to live well, as equal and active citizens, free from discrimination, with support and services that put them at the centre.

The ALLIANCE has three core aims; we seek to:

- Ensure people are at the centre, that their voices, expertise and rights drive policy and sit at the heart of design, delivery and improvement of support and services.
- Support transformational change, towards approaches that work with individual and community assets, helping people to stay well, supporting human rights, self management, co-production and independent living.
- Champion and support the third sector as a vital strategic and delivery partner and foster better cross-sector understanding and partnership.

# About the Academy

The Health and Social Care Academy (the Academy) is an ALLIANCE programme that helps drive positive and radical change in Scotland's health and social care, through the voice of disabled people, people living with long term conditions, and unpaid carers. The Academy's 'Five Provocations for the Future of Health and Social Care' was created based on the vision from the Think Tank of Scottish senior leaders from across the public sector, third and independent sector leaders, and people who use health and social care services.



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