



House of Commons
Scottish Affairs Committee

Welfare policy in Scotland

Second Report of Session 2021–22

*Report, together with formal minutes relating
to the report*

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The Scottish Affairs Committee

The Scottish Affairs Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Scotland Office (including (i) relations with the Scottish Parliament and (ii) administration and expenditure of the offices of the Advocate General for Scotland (but excluding individual cases and advice given within government by the Advocate General)).

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Conclusions and recommendations

Approaches to welfare taken by UK and Scottish governments

1. The evidence we have seen from the inquiry has highlighted evidence of somewhat different approaches adopted by the governments but these differences were not jeopardising the devolution of welfare to Scotland and both governments are striving to treat claimants fairly and with respect. Our Committee was happy to see that despite political differences between the governments there is also mutual respect and that both governments are working towards the safe and secure devolution of welfare benefits to Scotland. We note the Scottish Government's Social Security Charter as an alternative way of administering social security in Scotland. We will observe with interest how this difference will manifest in practice. (Paragraph 22)
2. *We recommend that DWP and Social Security Scotland work together to promote benefit up-take across all benefits in Scotland. Jobcentre staff in Scotland should be aware of the principles of both the DWP customer charter and the Scottish Social Security Charter to provide information, signposting and advice on how to apply for reserved benefits as well as Discretionary Housing Payments and the Scottish Welfare Fund. Similarly, Social Security Scotland should signpost clients towards UK Government benefits. The Committee recommends the DWP contribute to a review with the Scottish Government, Social Security Scotland and local stakeholders to determine how to do this in practice. This should be discussed at the next available opportunity in the Joint Ministerial Working Group between the governments.* (Paragraph 23)

Intergovernmental working and data sharing on social security in Scotland

3. We note that while intergovernmental relations on the devolution of welfare appear to be working well, the evidence received by the Committee highlights that there are operational issues around data sharing that need to be resolved to the satisfaction of both governments. We note that there is an expectation that the DWP would prioritise and look for all ways to expedite the sharing of data it does hold. However, we also note that the Scottish Government cannot reasonably expect the DWP to share data they do not hold or that would breach their data protection obligations. (Paragraph 50)
4. The delays to the rollout of the devolved benefits until 2025 are highly regrettable. Although this delay can be blamed in part on covid-19, the largest delays were announced in 2019—a delay from 2021 to 2024. The Committee regrets that the Scottish Government and Social Security Scotland have been unable to become fully operational within the originally proposed timeline. We acknowledge the organisational complexities which contribute to these delays and support greater collaborative working to resolve them. We welcome the pragmatic approach of the Scottish Government financing the DWP to administer devolved benefits, and the DWP's cooperation to utilise agency agreements to ensure people still receive their benefits despite the delays to developing the devolved capacity. (Paragraph 51)

5. *We recommend that the Scottish Government liaise with the DWP before announcing new welfare policies. This will allow any complex issues to be ironed out before the announcement. (Paragraph 52)*
6. *We recommend that that both governments take the opportunity to publicly restate their priorities for joint working and joint delivery of social security to those who rely on it in Scotland. This could be done via a Ministerial statement or publishing a joint policy document. This would prove that both governments are treating this issue seriously and are approaching the devolution of welfare to Scotland as a joint programme with joint delivery. (Paragraph 53)*
7. *We recommend that the DWP should prioritise delivering the six to 16-year-old data required by the Scottish Government, or work with the Scottish Government to find an alternative type of data, so that the Scottish Government are able to roll out the Scottish Child Payment for this age group. (Paragraph 54)*
8. *We recommend that Social Security Scotland consider all mechanisms for acquiring their own data where possible if they are requesting data which DWP does not hold. DWP and Social Security Scotland should develop a shared protocol and agreement about data sharing to ensure swifter data sharing on a benefit-by-benefit basis. This protocol should be agreed as soon as possible. This could include a shared DWP-Social Security Scotland data team to examine data and produce information reports. (Paragraph 55)*

Accessing Social Security in Scotland

9. We understand that the devolution of benefits has left a ‘tricky’ landscape of Scottish social security. There should be an improvement of communications to claimants on what measures are available to them and a review of how Jobcentres work in Scotland (with a particular look into how they convey information on devolved benefits to claimants). We are keen to see a ‘no wrong door policy’ being adopted in Scotland (whereby if someone approaches one agency that agency can help signpost and pass on the information to the correct organisation). (Paragraph 67)
10. We also note the increase in the number of work coaches (by 13,500) and specialist disability employment advisers in recent months as a result of the UK Government’s recent recruitment campaign. We see this as a very welcome step in ensuring that access to reserved benefits is improved for claimants in Scotland. (Paragraph 68)
11. *We recommend that the Joint Ministerial Working Group consider developing new communications materials and guidance in the form of a Scottish welfare service directory to be updated annually. This would allow claimants, organisations (including housing associations and Local Authorities & COSLA), as well as advocacy groups to keep up to date with changes and updates to social security in Scotland and would help implementation of a ‘no wrong door’ policy. (Paragraph 69)*
12. *We also recommend that Social Security Scotland fully engage with the independent benefit calculators currently signposted by the UK Government on its website and for both governments to learn from communications that have taken place throughout*

the covid-19 pandemic to make sure that their respective web pages are clear and highlight relevant and accurate information and sign-post Scottish residents to the correct information resource. (Paragraph 70)

13. We welcome the Scottish Government's intention to move away from face to face assessments as part of the process for administering disability benefits from this summer onward, and we note the support this initiative has from mental health and inclusion charities. However, we understand that there are concerns over how the Scottish Government will gather the relevant data required to make its decisions on the amount of money given to claimants. We also understand the concerns of DWP ministers who highlighted how previous systems that relied primarily on paper-based assessments could pose problems for understanding and providing adequate support for people with disabilities. (Paragraph 79)
14. *We recommend that Social Security Scotland should provide more information on how they will gather the relevant data required to make decisions on the amount of money given to claimants in order to ensure that the move away from face to face assessments works in practice. This ought to include evidence about how these changes impact claimants' experiences of the benefit system. (Paragraph 80)*

Universal Credit: Digital by default

15. We pay tribute to the DWP employees during this very difficult time in managing and handling the huge increase of people accessing welfare because of the covid-19 pandemic. The digital by default system has withstood the pressure placed on it during the pandemic, although, the DWP should look to offer other options of support for those who require it—especially with expected job losses set to increase as the year progresses and the anticipated conclusion of the furlough scheme at the end of September 2021—which will likely bring further demands on Universal Credit through natural migration (and managed migration if and when that process starts) of individuals still in receipt of legacy benefits. (Paragraph 93)
16. *We recommend that there should be an increase in resources and support for claimants who struggle or cannot make a claim online—for example telephone and or video call appointments. The DWP should provide more financial resources for the Help to Claim service run by Citizens Advice Scotland to ensure it is fully equipped to deal with the rise in job losses expected as the year progresses. (Paragraph 94)*

Does Universal Credit reduce poverty in Scotland?

17. We note the wealth of evidence we have received as part of this inquiry that the payment award for claimants of Universal Credit is not enough to tackle poverty in Scotland and provide claimants with a stable support base from which they can access the job market. We welcome the extension of the £20 uplift until September 2021 and the positive effect this has had throughout the pandemic. (Paragraph 110)
18. *We recommend that the UK Government closely review the issue of making permanent the £20 uplift in the run up to the expiration of this policy at the end of September 2021, whilst also taking into account the significant financial costs such a change would impose. We also recommend that the UK Government should again review whether*

this uplift should be extended and back-dated to legacy benefit recipients so that they do not lose out on this increase in benefits through no fault of their own due to which benefit they receive. We note that similar recommendations were made by the Work and Pensions Select Committee, the House of Lords Economic Affairs Committee and the Social Security Advisory Committee within the last year. (Paragraph 111)

19. *We also recommend that DWP raise the work allowance for Universal Credit claimants and re-establish work allowances for single adult claimants so that they can keep more of the money they earn, to allow them to work their way out of poverty. (Paragraph 112)*
20. *We welcome the improvements made to the advance payment system, such as the doubling of the amount of time to repay, and a reduction in the rate at which deductions can be made. We also acknowledge the advance system is in place for people who require money quickly, however, the weight of evidence received suggests that this policy poses more problems than it solves in terms of people addressing poverty in Scotland with claimants having to pay back their advance payment in monthly instalments meaning their Universal Credit payment is less, making paying for essentials much harder. (Paragraph 122)*
21. *We recommend that the DWP consider alternative arrangements to the five week wait for a first payment and associated advances system (which currently acts as an interest free loan) and should consider again the recommendation from the Work and Pensions Select Committee of implementing a 'starter payment' to a claimant two weeks after their initial claim. This change would assist claimants in climbing their way out of poverty and address the issues that have affected claimants as a result of the five week wait and associated advance payment system on Universal Credit. (Paragraph 123)*
22. *We note criticism levied about sanctions in the Universal Credit system, and we are particularly concerned that sanctions do not foster a positive atmosphere for people when they are receiving Universal Credit and looking for a job. Despite this, we note the DWPs analysis that found that the risk of sanctions encouraged people to search for work. (Paragraph 128)*
23. *Whilst the economy is in the midst of recovering from the covid-19 pandemic, and with the jobs market in great difficulty and 490,000 people (as of March 2021) in Scotland claiming Universal Credit, based on the overwhelming evidence from witnesses, now is not the right time to sanction claimants should they fail to meet their claimant commitment. We recommend pausing sanctioning of claimants for at least the rest of 2021 with immediate effect. However, we welcome the assurances from the DWP that the claimant commitment will take into account local and national public health guidelines. We recommend that the DWP continue this position until all restrictions ease across the entire UK. (Paragraph 129)*

Universal Credit Scottish Choices

24. We see Universal Credit Scottish Choices as positive and flexible options to the people of Scotland, but the policy has been let down by a lack of communication by the Scottish Government and the DWP and Jobcentre Plus network in Scotland about the availability of these choices to claimants. (Paragraph 147)
25. The Scottish Government and the DWP should work together and seek agreement before announcing further Scottish Choices options to ensure there is no delay in roll out. We therefore recommend the following:
 - a) *That Scottish Choices be made available to a claimant from the start of their Universal Credit claim.*
 - b) *That both the Scottish Government and the DWP better advertise the availability of Scottish Choices through the initial online claim process, through the Citizens Advice Scotland Help to Claim service, and through the first meeting with the work coach.*
 - c) *That discussions about Scottish Choices between claimants and work coaches happen frequently throughout a claimant's time on Universal Credit. We understand that these conversations could take place via journal entries if the claimant is happy with this approach.*
 - d) *That the Scottish Government and the DWP work together and agree details and administration before announcing further Scottish Choices options. This would ensure that there are no delays as has been seen with the roll out of split payment and removal of the underoccupancy charge Scottish Choices options. (Paragraph 148)*

1 Introduction

1. In July 2020, we re-launched an inquiry that our predecessor Committee had undertaken, the *My Scottish Affairs* inquiry. The purpose of the inquiry was to embark on an engagement mission to hear the ideas and concerns of the people of Scotland and listen to their proposals for an inquiry the Scottish Affairs Committee could undertake. We thank everyone who got involved in this process and engaged with the inquiry. Amongst the suggestions was an option of conducting an inquiry into the impact of social security policy in Scotland¹ that was submitted by Citizens Advice Scotland and other individuals.
2. We felt that this was a good option and a timely suggestion for the following reasons:
 - Our predecessor Committee’s inquiry into welfare policy in Scotland had to be concluded early due to the General Election in December 2019.
 - In previous parliaments our predecessor Committee had looked into the issue of welfare policy in Scotland (March 2016—[Devolution of welfare in Scotland](#),² April 2017—[Inter-governmental co-operation on social security](#))³ including joint working with the Social Security Committee of the Scottish Parliament.
 - The covid-19 pandemic has seen many people in Scotland turn to the welfare system and so we saw this as an appropriate opportunity to assess how the devolution of welfare to Scotland was progressing and if the people of Scotland were benefitting from this process.
 - We also felt it was a good opportunity to take stock of how the devolution of welfare powers to Scotland was progressing and what effect this was having on claimants in Scotland.

Table 1: Scottish Benefits Timeline⁴

Introduction date	Benefit	Notes	Agency
April 2013	Council Tax Reduction	Not social security law but rules reflect Council Tax Benefit	Local authorities
April 2017	Scottish Welfare Fund	Non repayable crisis grants and community care grants	Local authorities
April 2017	Discretionary Housing Payment	Includes funding to mitigated ‘bedroom tax’ ‘in full’	Local authorities
October 2017	Universal Credit Scottish Choices	Claimant can choose direct to landlord or more frequent payments	DWP
September 2018	Carer’s Allowance	Executive competence transferred	DWP agency agreement

1 Scottish Affairs Committee, [My Scottish Affairs 2020 survey responses](#), October 2020, Page 23

2 Scottish Affairs Committee, [Devolution of Welfare in Scotland](#), Session 2015–16, HC 962

3 Scottish Affairs Committee, [Inter-governmental co-operation on social security](#), Session 2016–17, HC 1095

4 Scottish Parliament, Social Security Committee, Paper for joint meeting between Scottish Affairs Committee and Social Security Committee, 21 January 2021

Introduction date	Benefit	Notes	Agency
September 2018	Carer's Allowance Supplement	Twice yearly supplement to recipients of Carer's Allowance	Social Security Scotland
December 2018	Best Start Grant: pregnancy and baby payment	£600 for first child, £300 for other children for families on Universal Credit or similar	Social Security Scotland
April 2019	Best Start Grant: early learning payment	£250 for child aged 2 ½ to 3 for families on Universal Credit or similar	Social Security Scotland
June 2019	Best Start Grant: school age payment	£250 for child around school starting age for families on Universal Credit or similar	Social Security Scotland
August 2019	Best Start Foods	£17 every four weeks during pregnancy. £34 every four weeks from your child being born up until they're one year old. £17 every four weeks between the ages of one and three.	Social Security Scotland
September 2019	Funeral Support Payment	Help with funeral costs for those on Universal Credit or similar	Social Security Scotland
October 2019	Young Carer Grant	£305 annually to 16, 17, 18 year old young carers not entitled to carer's allowance	Social Security Scotland
April 2020	Personal Independence Payment Disability Living Allowance Attendance Allowance Industrial Injuries Disablement Benefit Severe Disablement Allowance	Executive competence transferred—these benefits are now part of the Scottish Budget	DWP agency agreement
August 2020	Job Start Payment	£250 (£400 if have children) for 16-24 year olds offered a job after 6 months unemployment on Universal Credit	Social Security Scotland
October 2020	Self isolation support grant	£500 for people on UC or similar who are required to self-isolate	Local Authorities
November 2020	Child Winter Heating Assistance	£200 annually for families with children in receipt of highest rate care DLA	Social Security Scotland
February 2021	Scottish Child Payment	£10 per week for every child under 6 for families on Universal Credit or similar	Social Security Scotland

Introduction date	Benefit	Notes	Agency
Autumn 2021	Child Disability Payment	Replacing child DLA, following pilot in summer 2021	Social Security Scotland
Summer 2022	Adult Disability Payment	Replacing PIP, following pilot in spring 2022	Social Security Scotland
End 2022	Scottish Child Payment (under 16)	Extension of qualifying age from 6 to 16	Social Security Scotland
Between 2022 and 2025	Older People's Disability Assistance Carers Assistance Cold Spell Heating Assistance Winter Heating Assistance for older people Employment Injury Assistance	Replacements for remaining DWP devolved benefits. New timetable yet to be announced following delay to programme	Social Security Scotland
2025	All benefits launched and case transfer completed	Severe Disablement Allowance to remain administered by DWP	

Our Inquiry

3. We launched our inquiry, *Welfare policy in Scotland*, on 14 October 2020 and published a call for written evidence on our website.⁵ We held five evidence sessions as part of the inquiry and published 24 pieces of written evidence. We would like to thank all the witnesses who gave oral evidence and written evidence, especially during this difficult time. We would also like to thank the respondents who took the opportunity to respond to our survey. The responses were very useful and helped to inform our questioning of the Scottish and UK governments. We published the results of this survey on our website in March.⁶ Our inquiry spanned across several months. We have made every effort to ensure that the findings of this Report are accurate and up to date, however, we realise that the issue of welfare policy is a fast moving landscape and there is the potential for some aspects of this Report to be out of date shortly after publication.

Report Structure

4. This Report looks at what the Committee has heard during the inquiry. Chapter 2 looks at the approaches towards welfare taken by the Scottish and UK governments. Chapter 3 looks at intergovernmental working and data sharing arrangements on welfare between the governments. Chapter 4 analyses the evidence received on accessing social security in Scotland. Chapters 5 and 6 explores how Universal Credit works in Scotland and Chapter 7 looks at Universal Credit Scottish Choices.

5 Scottish Affairs Committee, *Welfare Policy in Scotland*, [Call for evidence](#), October 2020

6 Scottish Affairs Committee, [Welfare policy in Scotland survey](#), March 2021

2 Approaches to welfare taken by UK and Scottish governments

5. The Scotland Act 2016 devolved significant new welfare powers to the Scottish Parliament: the Act gave the Scottish Parliament powers over benefits falling within certain categories (table below). The Scottish Parliament has the power to determine the structure and value of these benefits, or replace these existing benefits with new benefits, in line with the legislative framework.⁷

Table 2: Devolved benefits

Benefit category	Current UK benefits
Disability, industrial injury and carers' benefits	Attendance Allowance, Carer's Allowance, Disability Living Allowance, Personal Independent Payment, Industrial Injuries Benefit, Severe Disablement Allowance
Benefits for maternity, funeral and heating expenses	Cold Weather Payment, Funeral Payment, Sure Start Maternity Grant, Winter Fuel Payment
Other benefits	Discretionary Housing Payments

6. Our predecessor Committee, along with the Scottish Parliament's Social Security Committee held an inquiry on *Inter-governmental co-operation on social security* in 2017.⁸ A theme arose around whether the UK and Scottish governments were taking different ideological approaches towards welfare policies. Angela Constance MSP—the then Cabinet Secretary for Communities, Social Security and Equalities—explained that the Scottish Government use the term “*Social Security*” deliberately because they ‘want to have more positive language and a more positive dialogue’⁹ towards welfare issues. Damian Green MP, the then Secretary of State for Work and Pensions, highlighted that the UK Government’s position was to ensure people who were willing and able ‘get into work and organise a system that allows them to do that’¹⁰ as the UK Government felt this was ‘the most compassionate and effective thing you can do to somebody who is on benefits.’¹¹

7. Building on what our predecessor Committee heard in its inquiry on this topic, stakeholders continue to debate whether the two governments are taking different approaches to welfare (as it is known by the UK Government) and social security (as it is known by the Scottish Government). The Scottish Government highlighted to us that following the *Social Security (Scotland) Act 2018*,¹² it would work to certain principles when it comes to looking at social security in Scotland. The Cabinet Secretary for Social Security and Older People, Shirley-Anne Somerville MSP, was keen to highlight the principles as ‘an investment in the people of Scotland, that it is a human right, that it should be designed with the people of Scotland and have that dignity, fairness and respect at its heart.’¹³ The UK Government’s approach to welfare centres on principles of making work

7 House of Commons Library, [Devolution of welfare](#), April 2019

8 Scottish Affairs Committee, Session 2016–17, [Inter-governmental co-operation on social security](#), HC1095

9 Oral evidence taken before the Scottish Affairs Committee on 20 March 2017, HC (2016–17) 1095 [Q2](#)

10 Oral evidence taken before the Scottish Affairs Committee on 20 March 2017, HC (2016–17) 1095 [Q2](#)

11 Oral evidence taken before the Scottish Affairs Committee on 20 March 2017, HC (2016–17) 1095 [Q3](#)

12 [Social Security \(Scotland\) Act 2018](#)

13 [Q137](#)

pay, affordability, and reducing welfare dependency. But the UK Government has also highlighted that respect and treating people with dignity are key parts of their delivery approach and feature prominently in the DWP customer charter.

Benefit take-up

8. One example of where the Scottish Government are taking a different approach to the UK Government on welfare is that as a result of the *Social Security (Scotland) Act 2018* it is now the duty of Scottish Ministers to promote benefit take-up by those who are eligible for support.¹⁴ In their written evidence submission the Scottish Government say it has undertaken ‘proactive work’¹⁵ on this issue by providing £600,000 of funding and setting up a Stakeholder Take-up Reference Group and Income Maximisation Strategic Working Group to provide advice to support people to access Scottish benefits. This work has been published in the Scottish Government’s *Benefit Take-up Strategy*¹⁶ in October 2019. The UK Government also seeks to encourage benefit take-up, whilst it does not have a legislative duty to do so.

Child poverty targets

9. Both governments commit to addressing and reducing child poverty. However, there are divergences in views on how best to achieve this. In 2016 the UK Government repealed the Child Poverty Act 2010 which had established official child poverty targets and statutory reporting. In response, in 2017 the Scottish Government introduced official income-based targets against which child poverty is to be measured and reported. In 2017 the Child Poverty (Scotland) Act set in statute the ambition to eradicate child poverty in Scotland, setting ‘ambitious income-based targets to reduce levels of child poverty to fewer than 1 in 10 children by 2030’.¹⁷ Professor McKeever, Ulster University, stated ‘I am optimistic about the direction of travel about specifically the Child Poverty (Scotland) Act 2017 providing the legal obligation to eradicate child poverty by 2030. Much more needs to be done if we are going to get anywhere near meeting that target but it certainly has sharpened the mind not just of Scottish Government but of local government too to focus on what has to be done with the resources at its disposal. That means benefits in kind locally as well as trying to maximise income from employment and reducing everyday household costs. I think it is certainly the case that more has to be done by all levels of government if we are serious about eradicating poverty’.¹⁸

10. According to the Scottish Government’s evidence to the inquiry, ‘Last year, the Scottish Government invested nearly £2 billion to support low income households and to tackle poverty’.¹⁹ However, Chris Birt of the Joseph Rowntree Foundation noted: ‘In the last few years we have seen a slight rise—although it has stabilised—in child poverty and also 65% of kids in poverty are in working households now. That has been a change over the last few years. One thing that does give us our relatively lower rate of poverty in Scotland is housing costs; keeping housing costs down is vital’.²⁰

14 Policy in Practice ([WPS0010](#))

15 Scottish Government ([WPS0013](#))

16 Scottish Government, [Social security: benefit take-up strategy](#), October 2019, accessed 18 May 2021

17 Scottish Government ([WPS0013](#))

18 [Q21](#)

19 Scottish Government ([WPS0013](#))

20 [Q39](#)

Social Security Charter

11. As a result of the *Social Security (Scotland) Act 2018*, the Scottish Government published the Scottish social security charter.²¹ The aim of the charter is to set out what should be expected of the Scottish Government and the individuals who would interact with the Scottish social security system.²² The charter has been drafted to reflect the social security principles of dignity, fairness and respect in the *Social Security (Scotland) Act 2018*. The Cabinet Secretary for Social Security and Older People said that the charter ‘takes the principles in the Act and then shows how that can be delivered’.²³

12. In written evidence, organisations such as the Scottish Federation of Housing Associations and the Joseph Rowntree Foundation wrote positively about the social security charter. The Scottish Federation of Housing Associations approved of the commitment in the charter to ‘ensure staff are knowledgeable about social security to help you get what you’re entitled to’²⁴ whilst the Joseph Rowntree Foundation noted that it was ‘co-designed with citizens, including those with direct experience of receiving social security’.²⁵ The charter was praised in oral evidence too for involving people with lived experience of the benefits system. Professor McKeever, Ulster University, described it as ‘one of the jewels in the Scottish Government’s crown’²⁶ and that it was a ‘hugely impressive piece of work’.²⁷

13. However, we also heard evidence that the success of the charter, in terms of making a difference in practice, was yet to be understood. The first major test of the principles being upheld is the roll out of disability benefits delivered by Social Security Scotland rather than the DWP. These benefits are the Child Disability Payment (due to be delivered by the Scottish Government from summer 2021) and the Adult Disability Payment (due to be delivered by the Scottish Government from summer 2022). Professor McKendrick, Glasgow Caledonian University, summed this up by saying ‘We should not underestimate the importance of that language and the vision statement of what we want [but] It is far too early to judge whether it [the social security charter] is making a difference.’²⁸

14. The UK Government highlighted its own customer charter. It states that DWP staff will be ‘helpful, polite and treat those it supports fairly and with respect.’²⁹ In its oral evidence, the UK Government highlighted that it had received accreditation for the customer charter for the past ten years from the independent body Customer Service Excellence. In its most recent accreditation Customer Service Excellence praised DWP staff for ‘strong empathy, strong engagement with partners and strong mentoring.’³⁰ Minister for Welfare Delivery, Will Quince MP, added that there was not a ‘million miles of difference’³¹ between the DWP’s customer charter and the Scottish social security charter.

21 Scottish Government, Our Charter: [What you can expect from the Scottish Government and Social Security Scotland](#), accessed 21 May 2021

22 [Social Security \(Scotland\) Act 2018 \(section 15\)](#)

23 [Q172](#)

24 Scottish Federation of Housing Associations ([WPS0017](#))

25 Joseph Rowntree Foundation ([WPS0019](#))

26 [Q4](#)

27 [Q4](#)

28 [Q6](#)

29 [Q179](#)

30 [Q179](#)

31 [Q179](#)

15. The Scottish Government’s Cabinet Secretary for Social Security and Older People disagreed. She highlighted that the DWP’s customer charter did not play a role in how benefits were administered by the DWP and that instead it was a measure of how the Department was performing. Instead she noted that the Scottish social security charter played a fundamental role in how social security in Scotland would be administered. She said that the ‘route that we have from our Act, which has our principles in it, to our charter, to the way that the Commission has oversight and to the way that we measure what is in the charter allows us to demonstrate that we are delivering.’³²

16. When asked if the DWP would adopt the Scottish social security charter when delivering services in Scotland the Minister for Disabled People, Health and Work Justin Tomlinson MP, said that, ‘While we are accountable for delivering things then it will be our charter’.³³ However, the Minister was open to learning from different approaches and would not ‘seek to be different for the sake of being different’³⁴ and if the Department finds ‘something that proves to be better, then we must look at that’.³⁵

17. Despite the difference in approach it was agreed by both governments that they have a good working relationship when it comes to delivering social security in Scotland. The UK Government Minister for Disabled People, Health and Work, said that there was a ‘genuine mutual respect between the Ministers [of both governments]’³⁶ and that ‘there is a respect towards the devolution process.’³⁷ This was echoed by the Scottish Government Cabinet Secretary for Social Security and Older People: she said the two governments ‘can have political differences over different parts of the social security system but still make sure that we are working well together to serve the people throughout Scotland that rely on both the Scottish and UK governments.’³⁸

Joint Service design and delivery

18. The Scottish Government Cabinet Secretary for Social Security and Older People went on to highlight why this relationship was important as the devolution of some benefits to Scotland is a ‘joint programme with joint delivery. We are sharing clients and, therefore, sharing responsibility.’³⁹ The Minister for Disabled People, Health and Work highlighted that up until now the governments have worked to ensure there were no ‘cliff edges’⁴⁰ for claimants (whereby they would be unable to access their benefit) and that this was the ‘very least that the public deserve’.⁴¹

19. Despite both governments claiming that the working relationship was positive, the evidence collected through the inquiry signalled that in practice the devolution process and development of different benefits and processes remains complex. Evidence suggests that more reforms are needed to ensure people are able to identify and access benefits and support services. For example, Professor McKeever, Ulster University, stated that to tackle

32 [Q173](#)

33 [Q180](#)

34 [Q180](#)

35 [Q180](#)

36 [Q176](#)

37 [Q176](#)

38 [Q137](#)

39 [Q174](#)

40 [Q176](#)

41 [Q176](#)

poverty ‘the Scottish Government could have done more, the UK Government could have done more and local government could have done more. The reality is that it is a scaled-up problem. We know that it has been such for a long time and more needs to be done more effectively by more agencies to solve that.’⁴²

20. A main concern is whether there is effective policy and operational collaboration at senior levels between the UK and Scottish governments (who set social security policies) and staff at job centres who assist claimants. Research evidence in Joseph Rowntree Foundation’s written evidence stated that people receiving a UK benefit were often unaware of the benefits and services available to them from the Scottish Government or local authority, finding out through informal networks ‘rather than their job centre.’⁴³ Neil Cowan from Poverty Alliance stated that DWP and Social Security Scotland staff, needed to be ‘equipped to advise about both systems, so individuals are able to access information about their entitlements from both systems.’⁴⁴

21. The need for better alignment and communication between Social Security Scotland and DWP and the various agencies who are involved in welfare design and delivery was noted by many witnesses. Nina Ballantyne of Citizens Advice Scotland said, ‘It is on the agencies involved to make it not complex from the outside, however much work it needs behind the scenes.’⁴⁵ Marion Davis from One Parent Families Scotland told us that as long as the benefits system was ‘integrated and streamlined for people who are claiming’⁴⁶ then it didn’t matter how ‘complicated behind the scenes’⁴⁷ it was as claimants would not need to worry about that to receive what they were entitled to. Kirsty McKechnie from the Child Poverty Action Group told us that claimants would benefit if ‘all the agencies that are delivering the benefits are aware, and have sufficient awareness, of the benefits to be able to deliver proper information to claimants, particularly about how they all interact with each other. Claimants do not care who their money comes from; they just care that they are getting it. That is where the agencies need to come in and work holistically to make sure that claimants have that experience.’⁴⁸

22. The evidence we have seen from the inquiry has highlighted evidence of somewhat different approaches adopted by the governments but these differences were not jeopardising the devolution of welfare to Scotland and both governments are striving to treat claimants fairly and with respect. Our Committee was happy to see that despite political differences between the governments there is also mutual respect and that both governments are working towards the safe and secure devolution of welfare benefits to Scotland. We note the Scottish Government’s Social Security Charter as an alternative way of administering social security in Scotland. We will observe with interest how this difference will manifest in practice.

23. We recommend that DWP and Social Security Scotland work together to promote benefit up-take across all benefits in Scotland. Jobcentre staff in Scotland should be aware of the principles of both the DWP customer charter and the Scottish Social Security Charter to provide information, signposting and advice on how to apply for reserved

42 [Q21](#)

43 [Joseph Rowntree Foundation \(WPS0019\)](#)

44 [Q44](#)

45 [Q102](#)

46 [Q102](#)

47 [Q102](#)

48 [Q102](#)

benefits as well as Discretionary Housing Payments and the Scottish Welfare Fund. Similarly, Social Security Scotland should signpost clients towards UK Government benefits. The Committee recommends the DWP contribute to a review with the Scottish Government, Social Security Scotland and local stakeholders to determine how to do this in practice. This should be discussed at the next available opportunity in the Joint Ministerial Working Group between the governments.

3 Intergovernmental working and data sharing on social security in Scotland

24. This Chapter focuses on the administrative and organisational issues affecting social security delivery in Scotland that have been raised during the course of our inquiry. We soon came to realise the importance of all stakeholders being able to access the necessary data and using appropriate systems so that reserved and devolved welfare policies can be successfully delivered to the people of Scotland who require this support.

Intergovernmental working on welfare in Scotland

25. Evidence received from stakeholders inside and outside of government highlighted to us what a large challenge it is to establish the new Scottish Social Security Agency and devolve welfare powers adequately. The Joseph Rowntree Foundation refer in their written evidence to the 2019 Audit Scotland report *Social Security: Implementing the devolved powers* which talked of setting up the infrastructure required to ‘deliver £3.5 billion in payments to 1.4 million people in Scotland’⁴⁹ (estimated pre covid-19). The Poverty Alliance⁵⁰ and the Scottish Federation of Housing Associations⁵¹ also highlight that the transfer of welfare powers from the UK Government to the Scottish Government is a very complex process and will need, as the Joseph Rowntree Foundation mentions, effective cooperation and ‘good working relationships between agency staff, the Scottish Government, DWP and HMRC’.⁵²

26. Many commentators highlighted how the process of the devolution of welfare powers to Scotland has worked well. In their written evidence the Child Poverty Action Group said that the ‘governments appear to have mostly worked well together’⁵³ whilst The Poverty Alliance note that ‘cooperation has been effective’ between the governments. They cite the ‘smooth delivery of Carer’s Allowance Supplement’,⁵⁴ a Scottish Government benefit available to people in Scotland who receive Carer’s Allowance, as an example of where the governments have co-operated effectively to help claimants in Scotland. Suzanne Lavelle of the Southside Housing Association told us that the working relationship between the governments was important and that collaboration was necessary because ‘at the end of the day, in effect there is a person who is depending on them for that payment.’⁵⁵

27. In the written evidence provided from the Scottish Government and the DWP, collaboration appears to be working well at inter-governmental level. The Scottish Government highlight that they have a ‘constructive relationship’⁵⁶ with the DWP with the Cabinet Secretary for Social Security and Older People, Shirley-Anne Somerville MSP, holding bi-lateral meetings with Ministerial counterparts on an ‘as and when’⁵⁷ basis as well as there being the more formal channel of the Joint Ministerial Working Group on

49 Joseph Rowntree Foundation ([WPS0019](#))

50 The Poverty Alliance ([WPS0018](#))

51 Scottish Federation of Housing Associations ([WPS0017](#))

52 Joseph Rowntree Foundation ([WPS0019](#))

53 Child Poverty Action Group in Scotland ([WPS0009](#))

54 The Poverty Alliance ([WPS0018](#))

55 [Q132](#)

56 Scottish Government ([WPS0013](#))

57 Scottish Government ([WPS0013](#))

Welfare, which the Cabinet Secretary told us ‘meets twice a year’.⁵⁸ These meetings are where ‘key developments on policy, legislation and implementation [are] discussed.’⁵⁹ A recent example of this collaboration in action includes the Cabinet Secretary, Shirley Anne Somerville MSP’s reference to meetings held with the DWP’s Minister for Disabled People, Health and Work, Justin Tomlinson MP, before she announced the delay to the Child and Adult Disability Payments in November 2020 due to the covid-19 pandemic.⁶⁰ DWP echo this view in their written evidence, highlighting that it has ‘provided wide ranging support’⁶¹ to the Scottish Government such as ‘holding joint workshops’⁶² and organising ‘visits to DWP benefit processing sites’.⁶³

28. It appears that this positive working relationship has been fostered despite the debate as to whether the UK and Scottish governments have differing viewpoints on social security (detailed in Chapter 2). The Cabinet Secretary highlighted there were ‘a range of political differences between the Scottish and UK governments about social security’⁶⁴ whilst the Minister for Disabled People, Health and Work acknowledged this saying ‘there are political directions that we disagree on’.⁶⁵ Despite these political differences we heard evidence from both the Scottish Government and the UK Government that they are trying to work together to ensure the devolution of welfare powers to Scotland is a success. The Cabinet Secretary said that the two governments ‘need to [work together] because this is a joint programme [...] and we have shared clients and a shared responsibility for them.’⁶⁶ The Minister for Disabled People, Health and Work agreed with this statement explaining to the Committee that the UK Government ‘will never be precious’⁶⁷ over its handling of welfare and acknowledged that if ‘there are lessons for us to learn, then we will learn them’.⁶⁸ He went on to say that the UK Government ‘will not seek to be different [from the Scottish Government] for the sake of being different because the only thing that matters is the people that we are supporting, which is predominantly the most vulnerable people in society.’⁶⁹

Administering welfare: Processes, organisations and systems in the multi-agency context

29. Despite high-level political agreement to devolve welfare powers, there have been delays to this process. The Joseph Rowntree Foundation noted that ‘the timetable for full control and delivery by Scotland was originally planned for May 2021 but is now timetabled for 2024.’⁷⁰ The Scottish Government acknowledged this delay saying that it was now their aim to ‘complete the work of delivering the devolved benefits, and transferring existing cases from the DWP to Social Security Scotland, by the end of 2025.’⁷¹ The primary reason

58 [Q148](#)

59 Scottish Government ([WPS0013](#))

60 Scottish Government, [Social Security benefits - update: statement by the Cabinet Secretary for Social Security and Older People](#), 17 November 2020

61 Department for Work and Pensions ([WPS0021](#))

62 Department for Work and Pensions ([WPS0021](#))

63 Department for Work and Pensions ([WPS0021](#))

64 [Q137](#)

65 [Q177](#)

66 [Q137](#)

67 [Q180](#)

68 [Q180](#)

69 [Q180](#)

70 Joseph Rowntree Foundation ([WPS0019](#))

71 Scottish Government ([WPS0013](#))

given for the delay in their evidence is the disruption caused by the covid-19 pandemic. It explains ‘research and testing for future benefits have had to be paused or moved online. Health and social care professionals, whose expertise we need to deliver Disability and Carer’s Assistance, have been rightly redeployed to the frontline.’⁷² Local Authorities who liaise with Social Security Scotland in providing ‘supporting information on a client’s application, are focused on supporting people during this difficult time’,⁷³ which also contributes to covid-19 related delays. Another reason the Scottish Government give for this delay is that during the pandemic the DWP, whom the Scottish Government find ‘imperative to all our work’,⁷⁴ have had to ‘divert resources to respond to unprecedented demand for Universal Credit as the economic impact of the pandemic made itself felt.’⁷⁵ As a result of these delays to the Scottish Government taking full responsibility for devolved benefits in Scotland, the DWP is ‘temporarily delivering certain devolved benefits’⁷⁶ on behalf of the Scottish Government through agency agreements.

30. The Scottish Government has claimed that delays were due to covid-19, however there were already significant delays before the pandemic. Indeed, in 2019, in a statement to the Scottish Parliament, the Cabinet Secretary delayed the programme from being fully operational in 2021, until 2024. This three year delay is more than the one year delay caused by covid-19.

Agency Agreements

31. Agency agreements between the Scottish Government and the DWP have been used during the process of the devolution of welfare powers. An agency agreement is used when the DWP delivers benefits which have been devolved to the Scottish Government via legislation, but Social Security Scotland is not yet in a position to administer these benefits to claimants in Scotland. Examples of benefits that have been delivered through agency agreements include Carer’s Allowance, Attendance Allowance and Personal Independence Payment (PIP). The Cabinet Secretary described this system as a ‘pragmatic way to ensure the continuity of payments’⁷⁷ for claimants in Scotland. She went on to say that the system allows people who claim these benefits to be ‘paid the right amount at the right time, which when we ask clients is consistently the most important thing for them as we move to devolution’.⁷⁸ Giving the UK Government’s perspective on agency agreements the Minister for Disabled People, Health and Work said that the agreements are ‘in place to make sure, from the public’s perspective, there is no cliff edge’⁷⁹ and that claimants continue to receive the benefit they are eligible for.

32. We were told by the UK and Scottish governments that these agency agreements are funded by the Scottish Government who reimburse the DWP for delivering the benefits

72 Scottish Government ([WPS0013](#))

73 Scottish Government ([WPS0013](#))

74 Scottish Government ([WPS0013](#))

75 Scottish Government ([WPS0013](#))

76 Department for Work and Pensions ([WPS0021](#))

77 [Q151](#)

78 [Q151](#)

79 [Q184](#)

that agency agreements have been set up for.⁸⁰ Catherine Reeves from the Social Security Programme Management Office, Scottish Government, highlighted that this system was ‘good value for money’⁸¹ and ‘fair to the taxpayer’⁸² whilst it is in operation.

33. Andrew Latto, Deputy Director, Devolution, Pensioner Benefits and Carer’s Allowance, Policy Group at the DWP highlighted that ‘there is no interest in keeping agency agreements going for longer than is absolutely necessary’.⁸³ This is because for the duration of the agency agreement the Scottish Government are tied into the service that the DWP are delivering the benefit under and so cannot implement their own policy on that particular benefit. This is known as a ‘business as usual’ approach. The DWP also note that delivering benefits via agency agreements in Scotland is also not ideal from their perspective due to what they described as an ‘opportunity cost’⁸⁴ as DWP staff continue to deliver these devolved benefits rather than ‘doing other things that we [DWP] might otherwise have planned for them to do.’⁸⁵

Data Sharing

34. Professor McKeever, Ulster University, stated that the sharing of data between the DWP and the Scottish Government and Scottish Social Security Agency is ‘very critical to rolling out the success of the benefit system.’⁸⁶ This point is supported throughout the written evidence the Committee has received for the inquiry. The Child Poverty Action Group in Scotland describe information sharing as ‘vital’⁸⁷ and Citizens Advice Scotland say it is ‘crucial’⁸⁸ for the operation of the benefits system in Scotland.

35. We heard that improvement in data sharing between the Scottish Government and DWP was needed. Policy in Practice, a policy analysis company, highlighted in their evidence to us that Universal Credit data (caseload management data, including client details) is not shared with the Scottish Government. They consider that if this data was shared this would allow the Scottish Government to ‘facilitate improved analysis and modelling of future policy to target support to those most in need.’⁸⁹ This point was echoed in oral evidence by Suzanne Lavelle of Southside Housing Association. She highlighted there were lessons to learn from the data sharing that had been set up between DWP and Glasgow City Council for the administration of Council Tax Reduction. They argued that data on Universal Credit ‘could be picked up [by] the Scottish Government and used going forward.’⁹⁰ Commenting on their data sharing relationship with the DWP, Councillor Bell, Treasurer of Glasgow City Council, said that to make data sharing with the DWP successful a ‘lot of it is about the processes.’⁹¹ He explained to us that the council ‘have

80 [Q191](#)

81 [Q153](#)

82 [Q153](#)

83 [Q191](#)

84 [Q191](#)

85 [Q191](#)

86 [Q7](#)

87 Child Poverty Action Group in Scotland ([WPS0009](#))

88 Citizens Advice Scotland ([WPS0014](#))

89 Policy in Practice ([WPS0010](#))

90 [Q133](#)

91 [Q134](#)

a very good relationship with the DWP, and our senior managers meet with their senior managers every month, but it is about how we get that process up and running so that the data sharing is much more fluid and straightforward and easily accessible for everybody.’⁹²

Scottish Government perspective on data sharing

36. The Scottish Government outlined how the access to DWP-held data about claimants, caseloads, and trends is necessary to develop devolved administrative systems. In their evidence they stated that data sharing to help manage the transfer of claimants from the DWP to the Scottish social security system, will be a ‘complex undertaking that requires extensive joint work between the Scottish Government, Social Security Scotland and the DWP.’⁹³ It goes on to say that this area of work is ‘where the Scottish Government has a particularly high dependency on the DWP, with whom we need to work in partnership, from initial planning through to delivery, to ensure that people’s cases are safely transferred.’⁹⁴

37. Oral evidence we received from the Scottish Government highlighted an unequal relationship between it and the DWP in relation to sharing existing data. The Scottish Government Cabinet Secretary for Social Security and Older People highlighted that it must make individual and formal data requests to the DWP, and if they ‘make a request for data and the DWP decides not to do it, that is the end of the matter.’⁹⁵ The Cabinet Secretary did note that disputes can be escalated through the framework that is in place via the memorandum of understanding between Scottish Ministers and the DWP on social security and employment services in Scotland⁹⁶ but ultimately the sharing of data with the Scottish Government is ‘a decision finally for the DWP.’⁹⁷

38. The Cabinet Secretary also highlighted her disapproval of the current processes used for data sharing between the governments. She described the current system of looking at data sharing opportunities on a benefit-by-benefit basis as a ‘work-in-progress’⁹⁸ which may need to change to ensure swifter delivery of devolved benefits. The Cabinet Secretary commented that in some cases she is ‘concerned about the timelines’⁹⁹ to agree data sharing for particular benefits. Building on this point the Cabinet Secretary told us that when data sharing arrangements become problematic between the governments this leaves the Scottish Government in a position where it is unable to fulfil its policy proposals.

39. The most pressing data sharing issue between the two governments relates to the planned rollout of the Scottish Child Payment to children aged six to 16, a policy priority for the Scottish Government. Currently the Scottish Government offers £10 a week to eligible families for each child under the age of six to help support household costs. The Cabinet Secretary used the example of rolling out the Scottish Child Payment for older children as a case where the process of data sharing faces administrative hurdles. She said the Scottish Government asked the DWP for the necessary data in the ‘summer of

92 [Q134](#)

93 Scottish Government ([WPS0013](#))

94 Scottish Government ([WPS0013](#))

95 [Q158](#)

96 UK Government, [Memorandum of understanding: social security and employment support services in Scotland](#), accessed 7 May 2021

97 [Q158](#)

98 [Q156](#)

99 [Q156](#)

2019'.¹⁰⁰ Catherine Reeves of the Social Security Programme Management Office, Scottish Government, told us that during discussions with the DWP over this data there was a 'change in attitude from DWP about exactly what data it wants to share'¹⁰¹ with the result being that the DWP wanted to give the Scottish Government 'less data than we need to be able to extend the payment to those children from six to 16.'¹⁰² The Cabinet Secretary highlighted that the Scottish Government 'cannot deliver the Scottish Child Payment for six to 16 year-olds without data from the DWP'¹⁰³ and this policy was 'critical to how we deal with child poverty in Scotland.'¹⁰⁴

UK Government perspective on data sharing

40. In their written evidence to the Committee the DWP talk of examples of the work that has already been done with regards to data transfer to help to support the devolution of welfare to the Scottish Government.

- DWP supplies data scans on Carer's Allowance recipients to enable the Scottish Government to pay its Carer's Allowance Supplement¹⁰⁵—an extra payment for people in Scotland who get Carer's Allowance on a particular date which is paid by the Scottish Government to recipients without requiring an additional application;
- DWP has provided Social Security Scotland with access to its Customer Information System to enable the Scottish Government to identify and verify information and shared data to support identification of eligible customers;
- Social Security Scotland also currently uses DWP's Customer Payment System, Bank Liaison Service, Financial Services Support & Reconciliation Services and Shared Services Connected Limited for accounting and reconciliation business services.¹⁰⁶

41. Andrew Latto, Deputy Director, Devolution, Pensioner Benefits and Carer's Allowance Policy Group at the DWP told us that there are existing processes in place through which the DWP process data requests based on whether it exists, whether they are legally entitled to share it, and if it exists, whether they can operationally share it.¹⁰⁷ He told us that:

the basic principle that our chief data officer operates under is that we are prepared to share the minimum viable dataset we hold on citizens who make claims. In the case of the Scottish Government, once the Scottish Government have verified the identity of the person that they are dealing with, then we are content to share the data, providing it is clearly relevant to the new benefit that is being delivered to them.¹⁰⁸

100 [Q157](#)

101 [Q156](#)

102 [Q156](#)

103 [Q149](#)

104 [Q156](#)

105 Scottish Government, [Carer's Allowance Supplement](#), Accessed 7 May 2021

106 Department for Work and Pensions ([WPS0021](#))

107 [Q186](#)

108 [Q187](#)

42. The Minister for Disabled People, Health and Work, Justin Tomlinson MP, highlighted that effective data sharing and intergovernmental relations ensured the successful roll-out of the Scottish Child Payment for younger children aged under six years old. He said that in that instance the Scottish Government had ‘checked in advance’¹⁰⁹ about the availability and access to the necessary data and the DWP were able to provide that data to enable the Scottish Government to operationalise the Scottish Child Payment to children under the age of six.

43. However, the DWP also highlighted difficulties they experienced responding to other data requests from the Scottish Government. The Minister for Disabled People, Health and Work explained that in his opinion the Scottish Government have announced welfare policies that the Scottish Government intend to introduce before establishing with the DWP whether the relevant data to successfully implement the policies is available to be shared. He told us that the Scottish Government ‘are announcing some of those things [policies] before they have squared these things off, which then makes it [policy delivery] impossible’.¹¹⁰

44. The DWP explained their reading of the situation in regards to the Scottish Government rolling out the Scottish Child Payment to children older than six years old. The Minister for Disabled People, Health and Work noted that the data necessary for this roll out was proving difficult to supply because the DWP ‘don’t have it’.¹¹¹ The DWP officials went on to explain that for the data necessary for the Scottish Child Payment for children under the age of six, the DWP transferred data that was used by the UK Government to administer maternity grants to the Scottish Government so they could deliver their Best Start Grant benefit. The Scottish Government then used the same data to set up the Scottish Child Payment for children aged under six years old.¹¹²

45. They went on to explain that the UK Government ‘do not offer maternity grant in the case of older children’¹¹³ and so the data required ‘does not necessarily exist’¹¹⁴ for a direct data transfer to the Scottish Government in the same process as was done for Scottish Child Payment for younger children. A reason offered by the Minister for Disabled People, Health and Work for this situation arising was that he would ‘question whether officials, who probably know that this [rolling out the Scottish Child Payment to older children] is more challenging than perhaps the political people would want to hear, are empowered enough’¹¹⁵ to push back on timelines for policy delivery if the technical aspects are not yet in place.

46. The DWP concluded on this point that they understand that the Scottish Government is working with ‘very good intentions’¹¹⁶ to try to deliver supportive welfare policies to people in Scotland but the UK Government ‘worry that things are announced before they [Scottish Government] have worked through the details’ of policies.¹¹⁷ Despite this

109 [Q185](#)

110 [Q187](#)

111 [Q185](#)

112 [Q185](#)

113 [Q185](#)

114 [Q185](#)

115 [Q177](#)

116 [Q187](#)

117 [Q177](#)

the Minister for Disabled People, Health and Work did highlight the UK Government's enthusiasm for intergovernmental work on welfare issues and with the DWP there is 'never a situation where we will not share data where we can'¹¹⁸ with the Scottish Government.

47. A related issue raised by the DWP was whether the data they collect from clients involves a consent process that limits their ability to transfer to other agencies, such as the Scottish Government. In our evidence session with the DWP, officials raised concerns that when taking a claim for Universal Credit, currently there was no indication to claimants that they may 'share [claimants] information with the Scottish Government'.¹¹⁹ The Scottish Federation of Housing Associations noted in their written evidence that they felt the DWP should take a 'more rational approach to data sharing and implicit consent'.¹²⁰ The Scottish Federation of Housing Associations also pointed out the comments of the Information Commissioner's Office from April 2019 when it gave the opinion that the 'DWP appears to be taking an unduly restrictive view of the definition of consent under data protection'.¹²¹

48. We heard that some existing processes were in place for sharing data such as in the instance of suspected cases of domestic or financial abuse. Margarita Morrison, Area Director, Work and Health Services Scotland at the DWP stated that the Department 'use data mining to make sure we pick up any key words of concern'.¹²² The DWP then use this information to 'work with all our partners across Scotland, including local authorities, police and social work departments'¹²³ to ensure that the DWP are offering as much tailored support to individuals as possible. This suggests that in particular instances, it is possible to develop collaborative process to successfully identify and share client data to improve services.

49. The evidence we have heard on data sharing between the governments suggests that there are three main operational issues regarding data sharing:

- data that the DWP may hold but may not currently share due to established processes underpinning consent and data protection, such as Universal Credit client data;
- data that DWP do hold but in a format that isn't readily transferable or amalgamated as requested by the Scottish Government; or
- data that DWP don't hold or routinely collect that the Scottish Government ideally would like.

50. We note that while intergovernmental relations on the devolution of welfare appear to be working well, the evidence received by the Committee highlights that there are operational issues around data sharing that need to be resolved to the satisfaction of both governments. We note that there is an expectation that the DWP would prioritise and look for all ways to expedite the sharing of data it does hold. However, we also note that the Scottish Government cannot reasonably expect the DWP to share data they do not hold or that would breach their data protection obligations.

118 [Q185](#)

119 [Q185](#)

120 Scottish Federation of Housing Associations ([WPS0017](#))

121 Scottish Federation of Housing Associations ([WPS0017](#))

122 [Q181](#)

123 [Q181](#)

51. The delays to the rollout of the devolved benefits until 2025 are highly regrettable. Although this delay can be blamed in part on covid-19, the largest delays were announced in 2019—a delay from 2021 to 2024. The Committee regrets that the Scottish Government and Social Security Scotland have been unable to become fully operational within the originally proposed timeline. We acknowledge the organisational complexities which contribute to these delays and support greater collaborative working to resolve them. We welcome the pragmatic approach of the Scottish Government financing the DWP to administer devolved benefits, and the DWP's cooperation to utilise agency agreements to ensure people still receive their benefits despite the delays to developing the devolved capacity.

52. *We recommend that the Scottish Government liaise with the DWP before announcing new welfare policies. This will allow any complex issues to be ironed out before the announcement.*

53. *We recommend that that both governments take the opportunity to publicly restate their priorities for joint working and joint delivery of social security to those who rely on it in Scotland. This could be done via a Ministerial statement or publishing a joint policy document. This would prove that both governments are treating this issue seriously and are approaching the devolution of welfare to Scotland as a joint programme with joint delivery.*

54. *We recommend that the DWP should prioritise delivering the six to 16-year-old data required by the Scottish Government, or work with the Scottish Government to find an alternative type of data, so that the Scottish Government are able to roll out the Scottish Child Payment for this age group.*

55. *We recommend that Social Security Scotland consider all mechanisms for acquiring their own data where possible if they are requesting data which DWP does not hold. DWP and Social Security Scotland should develop a shared protocol and agreement about data sharing to ensure swifter data sharing on a benefit-by-benefit basis. This protocol should be agreed as soon as possible. This could include a shared DWP-Social Security Scotland data team to examine data and produce information reports.*

4 Accessing Social Security in Scotland

Accessing and signposting social security in Scotland

56. The Scotland Act 2016 devolved significant new welfare powers to the Scottish Parliament. A consequence of the devolution process is that it is possible for people to be eligible for social security payments from four different agencies and potentially dealing with interactions with several of them. The four different agencies that provide benefits to claimants in Scotland are:

- Social Security Scotland—e.g. Scottish Child Payment, Best Start Grant
- DWP—e.g. Universal Credit
- HMRC—tax credits
- Local Authorities—Scottish Welfare Fund, Discretionary Housing payments

57. As discussed in Chapter two, there are different policy approaches and choices relating to reducing poverty through social security policies. This diversity creates different benefit administration and communication processes and responsibilities. We heard from the Cabinet Secretary for Social Security and Older People, Shirley-Anne Somerville MSP, that ‘We can make things work behind the scenes—and we certainly should do—to ensure that this is seamless for people and is not complicated for them any more than it needs to be, but they will still, I think, have a very different service experience when they approach the agency and when they approach the DWP.’¹²⁴ The Joseph Rowntree Foundation stated in their written evidence that ‘the different policy choices in Scotland are positive and command public support. However, divergence also creates challenges: firstly, complexity – particularly for claimants but also for advice agencies seeking to advise them and each tier of the system (local, Social Security Scotland and DWP).’¹²⁵ A consistent message that we heard in our evidence was that people experiencing poverty ‘do not care where their money comes from; they just care that they are getting it’¹²⁶ so they can pay their essential bills and make ends meet.

Reducing the complexity for people experiencing poverty

58. Witnesses consistently highlighted the need to reduce complexity, increase awareness, and improve access to the available benefits and support systems. Nina Ballantyne of Citizens Advice Scotland highlighted that whilst the social security landscape in Scotland may be complicated by the number of agencies that support is available from, this does not mean that it must be a complicated process for a claimant. She argued that a system can be ‘complicated and complex without the user necessarily having to be cognisant and fully up [to date] on all that.’¹²⁷ To explain the point they drew comparisons with how ‘you can

124 [Q146](#)

125 The Joseph Rowntree Foundation ([WPS0019](#))

126 [Q102](#)

127 [Q102](#)

switch your light on or switch your heating on, and you do not need to know that there is a retail energy supplier, a DNO [Distribution Network Operator], a TSO [Transmission System Operator] in the system and everything else coming through the wires.’¹²⁸

59. A solution offered in the evidence for providing this service to claimants in Scotland was for there to be a “no wrong door policy” explained by Kirsty McKechnie of the Child Poverty Action Group to us as if a claimant approaches ‘one agency and tell[s] them something, that information is then passed on, or if they apply for a benefit to the wrong agency, that is protected as a date of claim.’¹²⁹ She took this further by suggesting there should be an improvement of communications and knowledge sharing across the social security system in Scotland with agencies being able to ‘deliver proper information to claimants, particularly about how they [benefit agencies] all interact with each other’.¹³⁰ Professor McKendrick, Glasgow Caledonian University, also highlighted to us that claimants should be able to access a ‘seamless totality of advice for social security and they don’t get bits from here and bits from there’.¹³¹ Neil Cowan of the Poverty Alliance echoed this concern and told us ‘What we do not want is people having to go to multiple different agencies to access multiple pieces of advice about different systems.’¹³²

60. Citizen’s Advice Scotland stated that to achieve a ‘no wrong door policy’ it would require:

efforts to ensure that people receive information about other benefits they might be entitled to that are delivered by a different agency—for instance if someone is unable to work due to a health condition or disability, when making an application for Universal Credit, they should be notified by DWP that they may also be eligible for Scottish disability assistance, and vice versa by Social Security Scotland.¹³³

Similarly, Kirsty McKechnie of the Child Poverty Action Group told us that data sharing amongst the agencies would be crucial in helping claimants in Scotland apply for and receive the money that they are eligible for and Nina Ballantyne, of Citizens Advice Scotland, specifically identified the need for ‘implicit consent for recognised agencies’¹³⁴ which would help organisations, like Citizens Advice Scotland support their clients in dealing with the different agencies and ‘help make things a little smoother’.¹³⁵ Neil Cowan from The Poverty Alliance suggested the need for ‘One-stop shops and colocation of services: that is the kind of approach that we need to avoid the kind of complexity that could arise.’¹³⁶

Reducing the complexity for agencies who support people in poverty

61. We heard how a wide range of organisations supported people to understand their eligibilities and access benefits and poverty relief. Local Authorities have invested funds and developed services to help people experiencing poverty navigate the various benefits

128 [Q102](#)

129 [Q102](#)

130 [Q102](#)

131 [Q8](#)

132 [Q44](#)

133 Citizens Advice Scotland ([WPS0014](#))

134 [Q102](#)

135 [Q102](#)

136 [Q44](#)

and apply to Universal Credit; for example, Councillor Bell from Glasgow City Council told us of a £2million investment in support for Universal Credit applications.¹³⁷ Polly Jones from The Trussell Trust food bank network stated that through their provision of emergency food parcels, they have developed collaborations that enable specialist advice providers to visit the foodbank to provide support, and volunteers sign-post to funds or services, stating ‘we have relationships with nearly 30,000 referral agencies across the UK. It is a very complex picture.’¹³⁸ They also told us that a research project in East Scotland with advice providers found that ‘many of those very experienced advice providers themselves could not keep up with the changes in advice provision and support across their own localities.’¹³⁹

62. We heard how these agencies adapted during covid-19 lockdowns; Glasgow Life, an arm’s length organisation who deliver Universal Credit support on behalf of Glasgow City Council, ‘set up a universal support service freephone helpline number’¹⁴⁰ and Health and Social Care Partnership Welfare Rights Officers provided financial and benefits advice to people who were shielding. Suzanne Lavelle of Southside Housing Association in Glasgow told us about the demands on Registered Social Landlords or Housing Associations to benefits advice and support for applications:

we had a lot of people who came to us looking for assistance to claim universal credit and also for general advice about what other help was available. Our advisers spent a lot of time assisting people to make their claims online, and they gave advice on how to maintain those claims.¹⁴¹

63. To successfully support people experiencing poverty many of these agencies require good collaborations and communications with the DWP and Social Security Scotland. Professor McKeever, Ulster University, emphasised the need for a ‘better systemic approach’¹⁴² at the organisational level ‘of what each organisation needs to make the system work more smoothly’.¹⁴³ When asked about their communications with the DWP, Kirsty McKechnie from the Child Poverty Action Group highlighted that it had ‘less contact with the UK Government [than the Scottish Government] which is sometimes regrettable’.¹⁴⁴ They went on to say that information about the operation and delivery of benefits ‘has not been forthcoming’¹⁴⁵ from the DWP and that this has a knock-on effect on how the organisations can advise claimants. They also stressed the point that if the communication with these organisations was timely and clear then this could ‘take some of the pressure off the DWP’.¹⁴⁶ Marion Davis of One Parent Families Scotland agreed with this point of view saying ‘our experience is that DWP do not engage well in terms of communicating about key changes’,¹⁴⁷ going on to say that new information ‘seems to appear on the DWP website when it is going live. It is not giving time for advice staff to digest and prepare for the impact.’¹⁴⁸ They concluded by saying they would ‘welcome more

137 [Q105](#)

138 [Q105](#)

139 [Q120](#)

140 [Q106](#)

141 [Q107](#)

142 [Q7](#)

143 [Q7](#)

144 [Q72](#)

145 [Q72](#)

146 [Q72](#)

147 [Q74](#)

148 [Q74](#)

consultation¹⁴⁹ from the DWP on changes to the benefits system. This echoed evidence from Suzanne Lavelle at Southside Housing Association who told us it was ‘difficult for RSLs [Registered Social Landlords] to plan support services for tenants¹⁵⁰ to support people through the Universal Credit migration process due to shifting DWP timelines and limited communication of roll-out delays. Kirsty McKechnie from the Child Poverty Action Group reasoned that this lack of communication between the DWP and the advice organisations in 2020 was due to ‘work pressures due to Covid, and also partly due to changes in members of staff.’¹⁵¹

Job Centre Plus and work coaches in Scotland

64. As discussed in detail in Chapter five, most people applying to the DWP for Universal Credit in Scotland will initially apply through an online digital process. Once a claim is processed, they will meet with an assigned Jobcentre Plus work coach as part of their Claimant Commitment contract. The evidence we were presented with on this issue drew attention to some difficulties with how Jobcentre Plus operates in Scotland. We heard concerns from Chris Birt at the Joseph Rowntree Foundation about whether front-line Jobcentre Plus staff in Scotland had the knowledge and time to sign-post claimants to application processes for devolved benefits and support provided by other agencies such as local authorities.¹⁵² Kirsty McKechnie at the Child Poverty Action Group highlighted their concerns over the caseloads of work coaches which may affect their time and ability to provide a wide range of relevant advice and sign-posting to people experiencing poverty. They told us that there was ‘concern raised about how many people work coaches have to look after at the moment’.¹⁵³ Professor McKeever, Ulster University, raised a similar point saying that because of the high workload of work coaches ‘appointments have been reduced from 50 minutes to 30 minutes. That is giving less time to give individualised support’.¹⁵⁴ This was also the Scottish Government’s view as the Cabinet Secretary told us that the ‘level of work that job coaches have is still high.’¹⁵⁵ Meanwhile, Neil Cowan of The Poverty Alliance pointed to another issue of interaction with work coaches causing difficulty for claimants in Scotland because the ‘support and information from their work coach, which can be sometimes quite inconsistent.’¹⁵⁶ This view was supported by the Chris Birt from the Joseph Rowntree Foundation who stated that, ‘people’s experiences are varied wildly by the amount of time that a work coach is able to put into helping them get back into work. Work coaches can really change people’s lives positively, but not if they are not able to invest that time.’¹⁵⁷

65. Policy in Practice submitted written evidence outlining how there are practical issues for claimants to address in accessing job centres and their services in the more rural areas of Scotland. In their research, Policy in Practice found that uptake of benefits in rural areas decreases by up to 7% in some cases when compared with urban areas.¹⁵⁸ They suggested that this issue would be important to consider when thinking about how

149 [Q74](#)

150 [Q111](#)

151 [Q73](#)

152 [Q60](#)

153 [Q92](#)

154 [Q37](#)

155 [Q145](#)

156 [Q49](#)

157 [Q49](#)

158 Policy in Practice ([WPS0010](#))

to support low-income households in rural areas in Scotland.¹⁵⁹ In its evidence the UK Government highlighted that they were trying to address the issue of offering benefit services to people who lived in rural areas. They highlighted their pilot trial in Inverness, Dingwall and Invergordon of using video calls as a way of supporting people during the pandemic when people have not been able to travel.¹⁶⁰ We were told by the Minister for Welfare Delivery that the pilot had been so successful that he believes this innovation ‘has potential to be rolled out across the United Kingdom.’¹⁶¹ Margarita Morrison, Area Director, Work and Health Services Scotland at the DWP explained that they knew there ‘will always be customers that will need to come in and see us’¹⁶² but this video call service allows those with the right skills and who know what they ‘wanted to do and, therefore, were able to do that over video.’¹⁶³

66. Taking all these concerns into account we were happy to hear of the increase in the number of work coaches by 13,500 across the UK to boost jobseeker support as a response to the covid-19 pandemic.¹⁶⁴ We were very pleased to hear that as a result of this recruitment drive there are an additional 862 work coaches in Scotland whilst the Minister for Disabled People, Health and Work also said there was an increase in ‘specialist disability employment advisers to make sure the level of personalisation, knowledge and understanding is there to support those particular challenges.’¹⁶⁵ The Scottish Government did highlight that the real test of whether this increase in work coaches is successful will be what difference the work coaches are able to make in terms of the service they can offer.¹⁶⁶ The Cabinet Secretary warned that with such a high number of claimants each, the success of these new work coaches will be whether they can ‘deliver the standard of service that a client requires and should have a right to.’¹⁶⁷

67. We understand that the devolution of benefits has left a ‘tricky’ landscape of Scottish social security. There should be an improvement of communications to claimants on what measures are available to them and a review of how Jobcentres work in Scotland (with a particular look into how they convey information on devolved benefits to claimants). We are keen to see a ‘no wrong door policy’ being adopted in Scotland (whereby if someone approaches one agency that agency can help sign-post and pass on the information to the correct organisation).

68. We also note the increase in the number of work coaches (by 13,500) and specialist disability employment advisers in recent months as a result of the UK Government’s recent recruitment campaign. We see this as a very welcome step in ensuring that access to reserved benefits is improved for claimants in Scotland.

69. We recommend that the Joint Ministerial Working Group consider developing new communications materials and guidance in the form of a Scottish welfare service directory to be updated annually. This would allow claimants, organisations (including

159 Policy in Practice ([WPS0010](#))

160 [Q208](#)

161 [Q208](#)

162 [Q208](#)

163 [Q208](#)

164 [“Government delivers 13,500 Work Coaches to boost Britain’s Jobs Army”](#), Department for Work and Pensions press release, March 2021, accessed 27 April 2021

165 [Q183](#)

166 [Q145](#)

167 [Q145](#)

housing associations and Local Authorities & COSLA), as well as advocacy groups to keep up to date with changes and updates to social security in Scotland and would help implementation of a ‘no wrong door’ policy.

70. *We also recommend that Social Security Scotland fully engage with the independent benefit calculators currently signposted by the UK Government on its website and for both governments to learn from communications that have taken place throughout the covid-19 pandemic to make sure that their respective web pages are clear and highlight relevant and accurate information and sign-post Scottish residents to the correct information resource.*

Devolution of disability benefits to the Scottish Government

71. The Scottish Government are set to begin taking responsibility for the payment of benefits to disabled people in Scotland this year via the new Scottish Social Security agency. This transfer of powers was due to take place in 2020, however, the process was delayed. The Cabinet Secretary for Social Security and Older People, Shirley-Anne Somerville MSP, announced¹⁶⁸ the delay of these benefits in April 2020 and then went on to say, in November 2020, that the new target for delivering these benefits was summer 2021 for Child Disability Payment, and summer 2022 for Adult Disability Payment.¹⁶⁹ The Cabinet Secretary confirmed when speaking to us that the covid-19 pandemic and the knock on effects this had on the Scottish Government, the DWP, health and social care services and local authorities meant it was not possible to roll out the new benefits to the timetable the Scottish Government had originally planned.¹⁷⁰

72. The Child Disability Payment¹⁷¹ will be replacing the Disability Living Allowance (DLA) (Child)¹⁷² benefit. People who are eligible will be between three months and 18 years of age and have:

- lived with a disability for at least three months and who can expect to continue to have this disability for at least six months - unless they are regarded as terminally ill.¹⁷³
- qualifying children aged three months or over will be entitled to a payment for their care. Children over three years old can also get a payment to help with their mobility needs.¹⁷⁴

73. The Adult Disability Payment¹⁷⁵ will be replacing the Personal Independence Payment (PIP).¹⁷⁶ Those eligible for the payment are:

- people who are age 16 to state pension age (which in 2021 will be 65);
- people who have difficulties with daily living or getting around (or both) and

168 Cabinet Secretary for Social Security and Older People, [Statement to Scottish Parliament](#), 1 April 2020

169 Cabinet Secretary for Social Security and Older People, [Statement to Scottish Parliament](#), 17 November 2020

170 [Q161](#)

171 Scottish Government, [Child Disability Payment](#), accessed 24 April 2021

172 Department for Work and Pensions, [Disability Living Allowance \(DLA\) for children](#), accessed 24 April 2021

173 Scottish Government, [Social Security, Terminal illness](#), accessed 24 April 2021

174 Scottish Government, Social Security, [Disability Assistance](#), accessed 26 April 2021

175 Scottish Government, Social Security, [Disability Assistance](#), accessed 26 April 2021

176 Department for Work and Pensions, [Personal Independence Payment \(PIP\)](#), accessed 26 April 2021

- have had the physical or mental difficulty for at least 3 months and expect it to continue for at least 9 months. If a person is terminally ill these qualifying periods do not apply.¹⁷⁷

74. The rate of these benefits according to the Scottish Government ‘will remain the same as the current rate of the equivalent UK disability benefit.’¹⁷⁸ This means that those eligible will receive between £23.60 and £141.50 per week, depending on the needs of the individual.

75. The DWP’s preferred approach for administering disability benefits in the UK centres on a contracted-out assessment process, involving face to face assessments to gain information and assess a claimant’s capability for work to determine the level of entitlement. The Minister for Disabled People, Health and Work, Justin Tomlinson MP, told us that the ‘face to face assessment builds your case and it explores things.’¹⁷⁹ The Minister did mention that these assessments ‘cause anxiety’¹⁸⁰ for claimants, who often also have to collect and provide a range of supporting evidence. He highlighted that there was an upcoming health and disability Green Paper that ‘will look at the ability to gather supportive evidence’¹⁸¹ because a claimant is ‘more likely to get that through a paper based review than a full traditional face-to-face assessment.’¹⁸²

76. The Cabinet Secretary told us in her evidence that the Scottish Government were, in this instance, moving away from the DWP’s system of using contracted out face to face assessments as part of the information gathering process to administrate disability benefits. She told us that, following feedback from the Scottish Government’s Social security Experience Panels,¹⁸³ face to face assessments ‘will not have any place within the Scottish system at all.’¹⁸⁴ The Cabinet Secretary highlighted the reason for making this change was that the Scottish Government noted that the current assessment system made claimants ‘talk about the stress and anxiety’¹⁸⁵ they felt and they used ‘words like “barbaric” for what they have to go through.’¹⁸⁶ The Cabinet Secretary highlighted to us that instead the Scottish Government would be looking to get the relevant evidence to be able to make a decision on the level of support through an application form ‘designed to ensure that we have the information required to make a decision’¹⁸⁷ and ‘supporting information coming in from whoever knows the client best’¹⁸⁸ including carers or medical practitioners.¹⁸⁹

77. The Scottish Association for Mental Health ‘welcomed the Scottish Government’s commitment that no one will be subject to a face to face reassessment’¹⁹⁰ once the Scottish

177 Scottish Government, Social Security, [Disability Assistance](#), accessed 26 April 2021

178 Scottish Government, Social Security, [Disability Assistance](#), accessed 26 April 2021

179 [Q206](#)

180 [Q184](#)

181 [Q178](#)

182 [Q178](#)

183 [Q138](#)

184 [Q162](#)

185 [Q162](#)

186 [Q162](#)

187 [Q162](#)

188 [Q162](#)

189 [Q162](#)

190 Scottish Association for Mental Health ([WPS0005](#))

Government rolls out its disability benefits whilst Inclusion Scotland are ‘very keen to see the full transfer of the administration of disability benefits to the Scottish Social Security Agency’¹⁹¹ due to the reduction in face to face assessment policy.

78. The UK Government’s Minister for Disabled People, Health and Work, however, told us that he had reservations about the Scottish Government’s ‘potential changes to adult PIP [Personal Independence Payment]’¹⁹² and how he felt the potential changes ‘would replicate the limitations and failings of DLA [Disability Living Allowance]’.¹⁹³ In particular, the Minister raised questions about how the process would work for obtaining the correct supportive evidence to help Social Security Scotland make decisions on the levels of support for disabled claimants. The Minister noted how the Scottish Government wants to ‘have a greater reliance on medical evidence’¹⁹⁴ and highlighted that this evidence could be provided by GPs. However, he then raised the issues that ‘not every single claimant regularly visits their GP’¹⁹⁵ and that GPs themselves would not want to be ‘part of the benefit process’.¹⁹⁶ This would mean that without the supportive evidence from a medical practitioner, greater emphasis would be put on the application form which would in effect be ‘recreating the old Disability Living Allowance benefit, where claimants had a 16% chance of getting a higher rate of support, yet under PIP [Personal Independence Payment] it is 33%.’¹⁹⁷ This point was further highlighted in the letter the Minister for Disabled People, Health and Work and the Minister for Welfare Delivery sent us after their evidence session where they explained that the highest level of support was only achieved by 6% of DLA claimants whilst 37% of PIP claimants did receive that support.¹⁹⁸ Overall the Minister for Disabled People, Health and Work worried that the ‘Scottish Government are at serious risk of cutting support to disabled people in Scotland.’¹⁹⁹

79. We welcome the Scottish Government’s intention to move away from face to face assessments as part of the process for administering disability benefits from this summer onward, and we note the support this initiative has from mental health and inclusion charities. However, we understand that there are concerns over how the Scottish Government will gather the relevant data required to make its decisions on the amount of money given to claimants. We also understand the concerns of DWP ministers who highlighted how previous systems that relied primarily on paper-based assessments could pose problems for understanding and providing adequate support for people with disabilities.

80. We recommend that Social Security Scotland should provide more information on how they will gather the relevant data required to make decisions on the amount of money given to claimants in order to ensure that the move away from face to face assessments works in practice. This ought to include evidence about how these changes impact claimants’ experiences of the benefit system.

191 Inclusion Scotland ([WPS0007](#))

192 [Q206](#)

193 [Q206](#)

194 [Q184](#)

195 [Q184](#)

196 [Q184](#)

197 [Q184](#)

198 Letter from Minister for Disabled People, Health and Work & Minister for Welfare Delivery, Department for Work and Pensions to Chair [22 April 2021](#)

199 [Q184](#)

5 Universal Credit: Digital by default

81. We realise the huge amount of work done by DWP employees during the difficult time since the covid-19 pandemic started and pay tribute to their hard work. We understand that many DWP employees were ‘redeployed at very short notice’²⁰⁰ to the Universal Credit processing teams to help with the number of new claims that were being made through the on-line application process for Universal Credit. 76,000 claims were made for Universal Credit in Scotland in April 2020 alone.²⁰¹ In Scotland the number of people claiming Universal Credit has doubled with 490,000 people now receiving Universal Credit (as of March 2021) as compared to 260,000 people receiving the benefit back in February 2020.²⁰² The Minister for Welfare Delivery, Will Quince MP, highlighted in his evidence how employees at DWP had ‘strained every sinew’²⁰³ over the past year to help with claims processing and that this effort by the Department had been ‘unprecedented’.²⁰⁴

82. Throughout the inquiry we heard evidence from stakeholders who said the Universal Credit application system had coped with the quick expansions of applications over the past year. David Eiser of The Fraser of Allander Institute, an economic research organisation, noted that ‘in general the Universal Credit system seemed to cope pretty well with this surge in claims.’²⁰⁵ Suzanne Lavelle from Southside Housing Association also mentioned that the system had proved robust under the pressure of the weight of claims being made for Universal Credit in the first few months of the covid-19 pandemic. They said the system had ‘held up well for the people who have digital skills. The DWP has to be commended for the amount of work that has been put into processing the huge influx of claims that it had.’²⁰⁶

83. The Minister for Welfare Delivery highlighted that he felt the Universal Credit digital application system ‘stood up to the challenge’²⁰⁷ that the pandemic presented and that the previous legacy benefits system, which more heavily relied on paper-based administration, separate benefits and application processes, and need for in-person applications ‘would have fallen over’²⁰⁸ under the pressure exerted on the welfare system by the pandemic. He went on to explain that the system working as it had done and with the efforts of DWP staff payment timeliness for Universal Credit in Scotland ‘remains over 90%’.²⁰⁹

Universal Credit – digital by default system

84. Unlike previous benefit systems Universal Credit is designed to be a digital by default system, meaning that digital mechanisms are the DWP’s primary approach for the application and processing of Universal Credit. This process has reformed benefit administration; online applications and regional Service Centres have replaced in-person

200 [Q182](#)

201 [Q204](#)

202 Scottish Government, [Universal Credit Scotland Bulletin – April 2021](#), accessed 13 May 2021

203 [Q182](#)

204 [Q182](#)

205 [Q66](#)

206 [Q118](#)

207 [Q182](#)

208 [Q182](#)

209 [Q204](#)

‘signing-on’ processes in local job centres. People who want to claim do so by creating an online account (usually from their own devices such as laptops and mobile phones) and from there fill out an online application form and carry out other tasks such as:

- keeping a record of the things they’ve done to prepare or look for work
- have conversations with their work coach
- report a change of circumstances
- record childcare costs
- provide details about a health condition or disability
- see how much their Universal Credit payments are
- check what they have agreed to do in their Claimant Commitment²¹⁰

85. Chris Birt of The Joseph Rowntree Foundation commented that this digital by default system meant that for some claimants ‘being able to [apply for Universal Credit] online is far simpler and that is obviously welcome.’²¹¹ Neil Cowan of The Poverty Alliance agreed saying that with the digital system ‘some people do find it more straightforward’.²¹²

Accessing Universal Credit

86. Throughout the inquiry we heard evidence that highlighted that the digital by default system, whilst working for some claimants, was not a suitable way for many claimants in most need of social security payments to access Universal Credit in Scotland both prior to and during the pandemic.

87. Marion Davis of One Parent Families Scotland noted that there ‘are huge and significant problems around digital access for parents who do not have a PC or a tablet’.²¹³ Nina Ballantyne at Citizens Advice Scotland agreed saying that ‘a lot of people just do not have access to devices. If they do it is a phone, which is even harder to complete applications on.’²¹⁴ Polly Jones from The Trussell Trust added to this saying that to make a Universal Credit application via a mobile phone was difficult ‘because the screen is too small and you are very conscious of what you are paying for while you are trying to navigate around.’²¹⁵ Fife Welfare Reform and Anti-Poverty Partnership wrote about how many people rely on library computer resources to submit Universal Credit claims, and state that ‘the pandemic has highlighted that when centres like libraries and local offices close, there really isn’t much help there for the digitally excluded’.²¹⁶ Suzanne Lavelle of Southside Housing Association said that in their experience they found the Universal Credit ‘system is clunky and if you are trying to make a Universal Credit claim, for example, and you are doing it for a couple, there is lots of signing in and signing out and it is very difficult to navigate.’²¹⁷

210 Department for Work and Pensions, Universal Credit, [Using your account online](#), accessed 20 April 2021

211 [Q49](#)

212 [Q49](#)

213 [Q71](#)

214 [Q75](#)

215 [Q120](#)

216 Fife Council ([WPS0020](#))

217 [Q121](#)

88. Furthermore, once a claimant does manage to access a device suitable for navigating the Universal Credit system Scotland's geography and rurality present further digital access issues. Nina Ballantyne of Citizens Advice Scotland highlighted that rural areas in Scotland make up 'about 48% of the entire land mass. Only 40% has good 4G coverage, and something like one in 25 premises in Scotland cannot access a decent fixed broadband connection'.²¹⁸ Polly Jones from The Trussell Trust agreed commenting that people who visit their food banks raise this as an issue and are 'seeking more support'²¹⁹ with it.

89. On top of having a device and a good internet connection a claimant is also expected to have the necessary IT skills to access the Universal Credit system. A digital-literacy barrier was highlighted in the evidence we heard. Neil Cowan of The Poverty Alliance noted that for people with IT or literacy issues it becomes 'almost impossible to make applications and to manage their claims online.'²²⁰ Nina Ballantyne from Citizens Advice Scotland went further in suggesting that the system was too complicated even for people who were experienced in using digital systems. They said that even the 'digitally savvy are still having trouble making and maintaining a claim just because the system is so complex and unfamiliar, particularly for new people claiming Universal Credit.'²²¹

90. We have heard about support programmes designed for claimants who don't have the confidence, or the skills required to make an application for and maintain their Universal Credit claim provided by local organisations who have stepped in to deliver what they feel is essential support not being provided by the UK Government. Councillor Bell of Glasgow City Council said that the current support to claimants from DWP 'does not offer some of the key elements that we feel were very important [...] particularly around IT skills that we believe are very necessary for people to maintain their online claims.'²²² He went on to highlight that Glasgow City Council have seen an increase in demand from citizens for their financial inclusion services. We were told Glasgow City Council 'invests over £2 million a year on citywide financial inclusion services'²²³ which is used to fund translation services and offers a range of 'ongoing support and advice'²²⁴ to claimants in Glasgow. Suzanne Lavelle from Southside Housing Association also told us about a £500,000 grant they received from the Big Lottery 'for a five year project to assist with the increased need from our tenants and the local community for Welfare Benefit and Money Advice during the transition to Universal Credit.'²²⁵ In their evidence to us the Scottish Government also outlined a '£250,000 multimedia platform and an income-maximisation marketing campaign'²²⁶ designed to bolster support for low-income families to access both devolved and reserved benefits.

Help to Claim

91. In 2018 the DWP responded to previous concerns about access and support for Universal Credit applications by funding the 'Help to Claim' service. This is administered in Scotland on DWP's behalf by Citizens Advice Scotland. The Minister for Welfare

218 [Q75](#)

219 [Q120](#)

220 [Q49](#)

221 [Q75](#)

222 [Q105](#)

223 [Q122](#)

224 [Q105](#)

225 Southside Housing Association ([WPS0023](#))

226 [Q164](#)

Delivery confirmed that the system across the UK was funded ‘to the tune of £39 million’²²⁷ and has helped 250,000 people access Universal Credit in the past year.²²⁸ However, in written evidence Citizens Advice Scotland said that a drawback with the Help to Claim service is that it ‘cannot support a person with claim maintenance’²²⁹ (including the actions above in the bulleted list) and only helps people with making an initial application for a claim.

92. We heard in evidence from the DWP of their pilot of using video calls as a way of supporting people with their Universal Credit claim especially during the pandemic when people have not been able to travel. They stated this would also continue in ordinary times for individuals who would find it difficult to travel in rural areas. A pilot trial in Inverness, Dingwall and Invergordon was taking place during our inquiry and we were told by the Minister for Welfare Delivery that this has been so successful that he believes this innovation ‘has potential to be rolled out across the United Kingdom.’²³⁰ Officials from the DWP explained that they knew there ‘will always be customers that will need to come in and see us’²³¹ but this video call service allows those with the right skills and who know what they ‘wanted to do and, therefore, were able to do that over video.’²³² As we understand it this pilot does not accommodate for Universal Credit claims to be made via this service but instead allows for claimants to meet with their work coach and discuss their situation whilst they are claiming Universal Credit.

93. We pay tribute to the DWP employees during this very difficult time in managing and handling the huge increase of people accessing welfare because of the covid-19 pandemic. The digital by default system has withstood the pressure placed on it during the pandemic, although, the DWP should look to offer other options of support for those who require it—especially with expected job losses set to increase as the year progresses and the anticipated conclusion of the furlough scheme at the end of September 2021—which will likely bring further demands on Universal Credit through natural migration (and managed migration if and when that process starts) of individuals still in receipt of legacy benefits.

94. We recommend that there should be an increase in resources and support for claimants who struggle or cannot make a claim online—for example telephone and or video call appointments. The DWP should provide more financial resources for the Help to Claim service run by Citizens Advice Scotland to ensure it is fully equipped to deal with the rise in job losses expected as the year progresses.

227 [Q178](#)

228 [Q178](#)

229 Citizens Advice Scotland ([WPS0014](#))

230 [Q208](#)

231 [Q208](#)

232 [Q208](#)

6 Does Universal Credit reduce poverty in Scotland?

Adequacy of Universal Credit in Scotland

95. Throughout our inquiry we received a significant amount of evidence that suggested the amount of money provided by Universal Credit is insufficient for reducing poverty in Scotland. Below is a table highlighting the standard allowance that a claimant of Universal Credit can expect to receive according to the UK Government's website:²³³

Table 3: Standard allowances on Universal Credit

Claimant situation	Standard Allowance per month
Single claimant age under 25	£344
Single claimant aged 25 or over	£411.51
Joint claimants both under 25	£490.60
Joint claimants either aged 25 or over	£596.58

96. Claimants may also be eligible for additional elements of Universal Credit including those for children, housing, health and disabilities, and for carers.

97. We heard evidence from various stakeholders that this amount of money was not adequate to ensure that claimants remain out of poverty and pay their essential bills. The Trussell Trust told us that 'benefit issues and low benefit income are a reason behind four in five visits to food banks in the Trussell Trust network'.²³⁴ Polly Jones of The Trussell Trust said they have 'seen a 30% increase in food parcels in areas where Universal Credit has been rolled out in the local authority, so there is a strong correlation between Universal Credit and demand for food parcels'.²³⁵ David Eiser from The Fraser of Allander Institute described the UK's out of work and low-income benefit rates as 'pretty meagre on many measures'²³⁶ in comparison to other countries.

98. Many of the stakeholders told us that increasing the amount of money that claimants receive through Universal Credit would be effective in reducing poverty in Scotland. We heard from Kirsty McKechnie at the Child Poverty Action Group that 'the way to alleviate poverty is to give people more money and to put the money into people's pockets so that it becomes a cash-first response to these issues'.²³⁷ Nina Ballantyne from Citizens Advice Scotland agreed with this point of view saying that people should be given 'enough [money] to live on'²³⁸ and highlighted that increasing the adequacy of Universal Credit 'prevents additional strain on public services elsewhere'.²³⁹ Professor McKendrick, Glasgow

233 Department for Work and Pensions, [Universal Credit: What you'll get](#), April 2021

234 The Trussell Trust ([WPS0006](#))

235 [Q105](#)

236 [Q63](#)

237 [Q84](#)

238 [Q84](#)

239 [Q84](#)

Caledonian University, agreed saying that the ‘root of the problem is the adequacy of the income’.²⁴⁰ He argued that ‘most people know how to manage their money. They just need enough money to manage.’²⁴¹

99. Our survey on the experiences of people with social security in Scotland found that a majority (68%) felt that the money they received in support payments would not cover their bills for rent, food, internet, council tax and utilities. One respondent to the survey said that whilst on benefits “I’m struggling to eat properly, can’t afford to heat my home, and I’ve accumulated debt in my gas bills”.²⁴² Written evidence from the Joseph Rowntree Foundation concurs: their research in summer 2020 showed that ‘7 in 10 families with children receiving Universal Credit or Child Tax Credit (CTC) in Scotland were already having to cut back on essentials’.²⁴³

Universal Credit and the covid-19 crisis: £20 uplift

100. At the start of the covid-19 pandemic Universal Credit was uplifted by £20 a week (£1,040 a year).²⁴⁴ The evidence we have heard has been very supportive of this policy and the change has helped Universal Credit claimants enormously during this time. Chris Birt from The Joseph Rowntree Foundation said that the uplift was ‘very welcome’.²⁴⁵ Nina Ballantyne of Citizens Advice Scotland added that ‘I heard somebody interviewed for the news the other day talking about the £20 a week making it barely enough to get by and that taking that away would mean not even having enough to get by’.²⁴⁶ They mentioned in written evidence that ‘Without the additional £20 a week, 8 in 10 CAB [Citizens Advice Bureaux] complex debt clients will be unable to meet their living costs’.²⁴⁷ Suzanne Lavelle of the Southside Housing Association said ‘The £20 uplift to Universal Credit did help, but the fact that that decision was made shows the inadequacy of the current benefits.’²⁴⁸ Professor McKeever, Ulster University explained to us that the reason the £20 uplift was so important to claimants was because ‘the benefit freeze’²⁴⁹ that existed for so long [had] undervalued the worth of Universal Credit.’²⁵⁰

101. Many of the witnesses we heard from recommended to the UK Government that the £20 a week uplift be made permanent for Universal Credit claimants. Many stakeholders wanted to take this further as well and said the increase should also be extended to legacy benefit claimants (people who claim benefits such as Job Seekers Allowance, Employment and Support Allowance and Housing Benefit). Organisations such as The Joseph Rowntree

240 [Q31](#)

241 [Q31](#)

242 Scottish Affairs Committee, [Welfare Policy in Scotland survey](#), March 2021

243 Joseph Rowntree Foundation ([WPS0019](#))

244 HM Treasury, [The Chancellor Rishi Sunak provides an updated statement on coronavirus](#), 20 March 2020

245 [Q64](#)

246 [Q83](#)

247 Citizens Advice Scotland ([WPS0014](#))

248 [Q109](#)

249 The benefit freeze here refers to the period between April 2016 and April 2020 when most working age benefits and tax credit elements were kept at the same cash amount as in 2015/16 via the Welfare Reform and Work Act 2016. For more information on this see: [Benefits uprating 2019](#), House of Commons Library, March 2019

250 [Q24](#)

Foundation,²⁵¹ One Parent Families Scotland,²⁵² Southside Housing Association²⁵³ and the Trussell Trust²⁵⁴ explicitly told us in their oral evidence that they wanted to see the £20 uplift extended to legacy benefit recipients.

102. We are also aware of other Parliamentary Committees and statutory bodies that have investigated the issue of making the £20 uplift permanent and extending it to legacy benefit claimants. The Work and Pensions Select Committee recommended in their Report into *DWP's response to the coronavirus outbreak* that the DWP should 'increase the rates of relevant legacy benefits by the equivalent amount'²⁵⁵ as Universal Credit has been. This was preceded by a letter written in May 2020 to the Secretary of State for Work and Pensions by the Social Security Advisory Committee, an independent statutory body which advises the Secretary of State on social security and related matters. Their letter stated that it was 'of the strong view that it is increasingly untenable for this group of claimants [legacy benefit recipients] to be excluded and to continue to have a lower level of income than those in receipt of Universal Credit and Working Tax Credit.'²⁵⁶ It went on to recommend that legacy benefits should be 'brought up to the same level as those in receipt of Universal Credit as soon as it is possible to do so.'²⁵⁷ The House of Lords Economics Affairs Committee commented on the uplift recommending that 'The Government should commit to making the increase in the standard allowance permanent'²⁵⁸ in their Report into *the economics of Universal Credit*.

103. The Scottish Government in their evidence to us highlighted that they had a 'number of concerns around the adequacy of the payment [on Universal Credit] even before coronavirus.'²⁵⁹ The Cabinet Secretary for Social Security and Older People also said that the Scottish Government's view on whether the £20 uplift should be made permanent and extended to legacy benefits was that it 'absolutely should remain a permanent fixture and indeed extended to legacy benefits.'²⁶⁰ Additionally, in Scottish Government's written evidence they 'noted new research which estimates that removing the £20 uplift and reinstating the Minimum Income Floor²⁶¹ in April 2021 would reduce spending on Universal Credit and Tax Credits in Scotland by nearly half a billion pounds in 2021/22, pushing 60,000 people, including 20,000 children, into relative poverty.'²⁶² In written evidence, the Scottish Government Cabinet Secretary for Social Security and Older People, highlighted that she had 'continually engaged with the UK Government in order to raise issues with the reserved elements of social security'²⁶³ and that part of that work included writing to the Secretary of State for Work and Pensions along with her Welsh

251 [Q64](#)

252 [Q84](#)

253 [Q109](#)

254 [Q110](#)

255 Work and Pensions Committee, First Report of Session 2019–21, [DWP's response to the coronavirus](#), HC 178, Para 62

256 Department for Work and Pensions, '[Covid 19 SSAC letter to the Secretary of State](#)', accessed 26 April 2021

257 Department for Work and Pensions, '[Covid 19 SSAC letter to the Secretary of State](#)', accessed 26 April 2021

258 House of Lords, Universal Credit isn't working: proposals for reform, Second Report of the Select Committee on Economics Affairs, Session 2019–21, [HL 105](#), Para 129

259 [Q139](#)

260 [Q139](#)

261 An assumed level of earnings that the DWP uses to calculate benefit payments for self-employed people who are unable to work and are claiming Universal Credit as a result.

262 Scottish Government ([WPS0013](#))

263 Scottish Government ([WPS0013](#))

and Northern Irish counterparts in November 2020 asking DWP ‘to introduce a take-up campaign and strategy for reserved benefits and to retain the £20-a-week uplift for Universal Credit and Working Tax Credits, whilst extending this uplift to legacy benefits.’²⁶⁴

104. The UK Government announced in the Budget in March 2021 that the £20 uplift would remain until the end of September 2021.²⁶⁵ In explaining to us why the uplift was not made permanent the Minister for Welfare Delivery noted the expense of the policy saying that the ‘cost of extending the Universal Credit uplift for a 12-month period is some £6.4 billion.’²⁶⁶ He went on to talk about other factors noting that the UK Government had always been clear since the uplift was introduced that it would be a ‘temporary measure to support those who were facing the most financial disruption or economic shock’²⁶⁷ as a result of the covid-19 pandemic. He also said that the UK Government ‘very much hope and expect that we will be in a much better position in terms of the labour market’²⁶⁸ by the end of September with the vaccine roll out and restrictions being lifted allowing for more people to get into work. To support people getting into work he also highlighted the 13,500 new work coaches being employed to support and empower people back into work following the pandemic.²⁶⁹ James Heywood from the Centre for Policy Studies gave evidence to the Work and Pensions Committee’s inquiry into *DWP’s response to coronavirus* highlighting that there are other reasons for not maintaining the £20 uplift in Universal Credit permanently. He argued that uplifting benefits ‘does have an impact on work incentives’²⁷⁰ as ‘out-of-work incomes are higher relative to in-work incomes.’²⁷¹ He went on to say that this uplift has an unequal impact on claimants as it:

constitutes a 36% increase in the standard allowance for a single claimant under 25. It is only a 19% increase in the standard [allowance] for a couple over 25.²⁷²

Work allowances in Universal Credit

105. We have heard in evidence that there are other levers that the DWP could pull to change the Universal Credit system to help to tackle poverty in Scotland alongside increasing adequacy of payments. One option that Citizens Advice Scotland and the Joseph Rowntree Foundation recommended was that the DWP could increase the work allowance a claimant receives and extend work allowances to everyone on Universal Credit.²⁷³

106. A work allowance is the amount that a claimant can earn before their Universal Credit payment is affected. Once a claimant starts work their Universal Credit amount will gradually decrease as the claimant earns more money through their job. The work allowance is currently set at:

- £293–if a claimant’s Universal Credit award includes housing support; or

264 Scottish Government ([WPS0013](#))

265 HC Deb, 3 March 2021, [Col 252](#) [Commons Chamber]

266 [Q193](#)

267 [Q193](#)

268 [Q193](#)

269 [Q193](#)

270 Oral evidence taken before the Work and Pensions Committee on 2 February 2021, HC (2019–21) 178, [Q381](#)

271 Oral evidence taken before the Work and Pensions Committee on 2 February 2021, HC (2019–21) 178, [Q381](#)

272 Oral evidence taken before the Work and Pensions Committee on 2 February 2021, HC (2019–21) 178, [Q385](#)

273 [Q64](#) & [Q101](#)

- £515–if the claimant does not receive housing support.²⁷⁴

107. Should a claimant earn more than their work allowance, their Universal Credit payments will be reduced at a rate (known as a taper rate) of 63p for every £1 earned.²⁷⁵ However, since 2015 ‘only people with limited capability for work, or, people with a child or children are entitled to a Work Allowance’²⁷⁶ as a result of the Universal Credit Work Allowance Amendment Regulations.²⁷⁷ This means that claimants without children or a limiting health condition are not entitled to any work allowance: consequently, as soon as they start earning money from a job, they are subject to the taper rate as described above. Written evidence from Citizen’s Advice Scotland noted that a majority of people ‘new’ to their benefit advice services since April 2020 are currently impacted by this policy choice, where ‘Over 6 in 10 (62%) of the clients seeking Universal Credit advice for the first time since April do not have children nor a limiting health condition/disability–therefore will not be entitled to any Work Allowance.’²⁷⁸

108. Neil Cowan from The Poverty Alliance told us that with current work allowance arrangements have led to employment ‘becoming less, rather than more, reliable as a route out of poverty.’²⁷⁹ Nina Ballantyne of Citizens Advice Scotland called for the work allowance to be increased so that people can take on work ‘without being terrified it is going to affect their allowance straightaway’.²⁸⁰ They went on to highlight that this would allow for Universal Credit to ‘be part of the economic recovery’.²⁸¹ Extending the work allowance to all workers was also noted by Citizen’s Advice Scotland in their written evidence as an important way for all households to recover from the covid-19 income crisis:

Particularly in the current uncertain economic climate, the ability to take on what could be precarious work, safe in the knowledge that a person’s UC entitlement will be unaffected until they earn over the Work Allowance threshold would help bring more financial certainty to many people.²⁸²

109. DWP was keen to highlight its approach to tackling poverty in Scotland and around the UK. It argues that the welfare reforms carried out since 2010 have brought a ‘holistic approach to supporting individuals and households’²⁸³ with their ‘fundamental principle of being better off working than not, unless you cannot work’²⁸⁴ being the driving force of removing the old legacy benefits system which it thought ‘dis-incentivised progression in and extension of work.’²⁸⁵ The Department argue that as a result of the welfare reforms since 2010, including the roll out of Universal Credit, absolute poverty in Scotland had fallen ‘from 17% in the three years leading up to 2009/10 to 14% in the three years up to 2018/19.’²⁸⁶ It also outlines plans to ‘level up’ across the country and will continue to tackle

274 Department for Work and Pensions, [Universal Credit work allowances](#), April 2021

275 Department for Work and Pensions, [Universal Credit work allowances](#), April 2021

276 Citizens Advice Scotland ([WPS0014](#))

277 [Explanatory memorandum to the Universal Credit \(Work Allowance\) Amendment Regulations 2015](#)

278 Citizens Advice Scotland ([WPS0014](#))

279 [Q52](#)

280 [Q101](#)

281 [Q101](#)

282 Citizens Advice Scotland ([WPS0014](#))

283 Department for Work and Pensions ([WPS0021](#))

284 Department for Work and Pensions ([WPS0021](#))

285 Department for Work and Pensions ([WPS0021](#))

286 Department for Work and Pensions ([WPS0021](#))

poverty through its ‘new schemes such as Kickstart and Job Entry Targeted Support’²⁸⁷ as well as ‘doubling the number of work coaches who [...] will provide more people with the tailored support they need to move into or back into work and towards financial independence.’²⁸⁸

110. We note the wealth of evidence we have received as part of this inquiry that the payment award for claimants of Universal Credit is not enough to tackle poverty in Scotland and provide claimants with a stable support base from which they can access the job market. We welcome the extension of the £20 uplift until September 2021 and the positive effect this has had throughout the pandemic.

111. *We recommend that the UK Government closely review the issue of making permanent the £20 uplift in the run up to the expiration of this policy at the end of September 2021, whilst also taking into account the significant financial costs such a change would impose. We also recommend that the UK Government should again review whether this uplift should be extended and back-dated to legacy benefit recipients so that they do not lose out on this increase in benefits through no fault of their own due to which benefit they receive. We note that similar recommendations were made by the Work and Pensions Select Committee, the House of Lords Economic Affairs Committee and the Social Security Advisory Committee within the last year.*

112. *We also recommend that DWP raise the work allowance for Universal Credit claimants and re-establish work allowances for single adult claimants so that they can keep more of the money they earn, to allow them to work their way out of poverty.*

Universal Credit and the five week wait for a first Universal Credit payment

113. Beyond the adequacy of the Universal Credit system we heard further evidence highlighting that there were other issues with how Universal Credit works and that these issues were causing hardship for claimants in Scotland. A particular issue was the five week wait for a first payment of Universal Credit for claimants and the associated advance payment system.

114. Universal Credit is paid once a month, usually into a claimant’s bank, building society or credit union account. After applying for Universal Credit, it usually takes around five weeks for a new claimant to get their first payment. Universal Credit is paid monthly and in arrears. This is a deliberate design choice intended to ‘mimic the world of work by paying people monthly, in arrears.’²⁸⁹ The wait before the first payment is made up of a one-month assessment period and up to seven days for the payment to reach the claimant’s account.²⁹⁰

115. An example of the process is provided on the Gov.uk website:

- You make a new Universal Credit claim on 1 September.

287 Department for Work and Pensions ([WPS0021](#))

288 Department for Work and Pensions ([WPS0021](#))

289 Citizens Advice Scotland ([WPS0014](#))

290 Department for Work and Pensions, [Universal Credit: How you’re paid](#), accessed 14 April 2021

- Your first assessment period runs for one month to 30 September, with a new assessment period beginning on 1 October.
- You get paid on 7 October and on the 7th of each month after that.²⁹¹

116. We heard evidence of how the five week wait for Universal Credit and the associated advance payment system is causing a lot of difficulty for claimants in Scotland. Chris Birt of The Joseph Rowntree Foundation said it can ‘force people into destitution’²⁹² whilst Polly Jones of The Trussell Trust highlight that the five week wait is a ‘huge driver of food bank use’.²⁹³ The Trussell Trust go on to explain this in their written evidence; according to their research the five week wait is ‘the most common problem’²⁹⁴ as to why Universal Credit claimants are referred to food banks.

117. The Poverty Alliance in their written evidence to us highlighted that from their research they found that the five week wait was ‘the most negative aspect of Universal Credit for many people.’²⁹⁵ They argue that the policy is a major driver of poverty and destitution and has forced people into income crisis and food insecurity.²⁹⁶ Citizens Advice Scotland also highlighted that for people who have no savings or without family or friends to borrow money from the policy ‘forces people to use foodbanks; accumulate debt; and, causes detriment to their physical and mental health.’²⁹⁷ Their evidence also notes that: ‘A significant number of people do not have a financial buffer in the form of a final month’s salary to rely on during the five week waiting period [...] [and] 1 in 4 people living in Scotland have less than £500 in savings.’²⁹⁸

118. Should a claimant require money before the five week wait has been completed they can apply for an advance payment. This means a claimant can receive an advance worth the amount of their first estimated payment on Universal Credit.²⁹⁹ According to the Minister for Welfare Delivery, Will Quince MP, these advance payments can be made to claimants ‘usually within 24 hours, certainly within a small handful of days.’³⁰⁰ The advance payment needs to be paid back; however, a claimant does not pay interest on the payment—the total amount received as an advance is the same amount that is paid back to the DWP. The money is reclaimed by the DWP in the subsequent payments that the claimant receives from Universal Credit. As of, 12 April 2021, the conditions for advance payments have changed. Rather than pay back the advance over a 12-month period, claimants can now pay back their advance over a 24 month period if they prefer and the rate at which deductions of Universal Credit payments are made to pay for the advance has decreased from 30% to 25%.³⁰¹

119. Again, the UK Government provides an example on their website:

- Your first estimated payment is £344 and you get £344 as an advance.

291 Department for Work and Pensions, [Universal Credit: How you're paid](#), accessed 14 April 2021

292 [Q46](#)

293 [Q115](#)

294 The Trussell Trust ([WPS0006](#))

295 The Poverty Alliance ([WPS0018](#))

296 The Poverty Alliance ([WPS0018](#))

297 Citizens Advice Scotland ([WPS0014](#))

298 Citizens Advice Scotland ([WPS0014](#))

299 Department for Work and Pensions, [Universal Credit: Get an advance on your first payment](#), accessed 14 April 2021

300 [Q196](#)

301 HM Treasury, [Budget 2021](#), accessed 23 April 2021

- You choose to pay back your advance over 24 months, which is £14.33 per month. You'll get £329.67 on your first payment date - this is your first payment minus the bit you're repaying (£344 minus £14.33).³⁰²

120. The advance payment system was commented on critically by our witnesses. Kirsty McKechnie of the Child Poverty Action Group said that advances 'contribute to the ongoing hardship that people experience on Universal Credit and the difficulty in making ends meet from one end of the month to the next.'³⁰³ Nina Ballantyne from Citizens Advice Scotland highlighted how an advance 'functions like a loan, so even if people do take it out what they are left with is a much lower payment for the months thereafter, meaning what was already a subsistence payment is that much harder to cover things with additional money taken off it.'³⁰⁴ The Trussell Trust said that whilst advances were designed to mitigate against the challenge of the five week wait they have also 'turned an immediate shock of hardship into a prolonged lower level of income [which has] equally dramatic effects on people's ability to afford essentials.'³⁰⁵ Money Advice Moray argued that: 'Claimants should not be penalised for having to take out advances because of the 5 week wait imposed on them.'³⁰⁶ On this issue Citizens Advice Scotland stated simply that: 'Placing people into a cycle of debt should not be a tenet of the Universal Credit system.'³⁰⁷

121. Our colleagues on the Work and Pensions Select Committee recently held an inquiry entitled *Universal Credit: the wait for a first payment*. They recommended the DWP should:

pay all first time claimants of Universal Credit a "starter payment" equivalent to three weeks of the Standard Allowance of Universal Credit. This payment should be made two weeks after the initial claim, and only once the claimant's identity has been verified, to mitigate the risk of fraud.³⁰⁸

The Work and Pensions Committee said that it had received evidence in its inquiry that was overwhelmingly in favour of an initial non-repayable payment for new Universal Credit claimants. The Committee argued this "starter payment" would ensure claimants would have the money needed for basic living essentials like food and heating.³⁰⁹ The DWP responded to this recommendation saying that the advance payment system already in place means that money is 'available urgently to claimants if they are in need of financial help' and that the introduction of non-repayable starter payments would increase fraud risk in the welfare system.³¹⁰

122. We welcome the improvements made to the advance payment system, such as the doubling of the amount of time to repay, and a reduction in the rate at which deductions can be made. We also acknowledge the advance system is in place for people who require money quickly, however, the weight of evidence received suggests that this policy poses

302 Department for Work and Pensions, [Universal Credit: Get an advance on your first payment](#), accessed 14 April 2021

303 [Q76](#)

304 [Q76](#)

305 The Trussell Trust ([WPS0006](#))

306 Money Advice Moray ([WPS0002](#))

307 Citizens Advice Scotland ([WPS0014](#))

308 Work and Pensions Committee, Third Report of Session 2019–21, [Universal Credit: The wait for first payment](#), HC 204, Para 68

309 Work and Pensions Committee, Third Report of Session 2019–21, [Universal Credit: The wait for first payment](#), HC 204, Para 68

310 Work and Pensions Committee, Third Special Report of Session 2019–21, [Universal Credit: The wait for a first payment: Government Response to the Committee's Third Report](#), HC1117, Page 4

more problems than it solves in terms of people addressing poverty in Scotland with claimants having to pay back their advance payment in monthly instalments meaning their Universal Credit payment is less, making paying for essentials much harder.

123. *We recommend that the DWP consider alternative arrangements to the five week wait for a first payment and associated advances system (which currently acts as an interest free loan) and should consider again the recommendation from the Work and Pensions Select Committee of implementing a ‘starter payment’ to a claimant two weeks after their initial claim. This change would assist claimants in climbing their way out of poverty and address the issues that have affected claimants as a result of the five week wait and associated advance payment system on Universal Credit.*

DWP and sanctions

124. Some of our contributors discussed the use of sanctions on claimants who fail to maintain their claimant commitment. A claimant commitment is an agreement between a claimant and the DWP. It is a record of the responsibilities (to prepare for and look for work) that a person accepts in return for receiving Universal Credit, and the consequences of not meeting those responsibilities.³¹¹ Should a claimant not maintain their claimant commitment then they can be sanctioned meaning that they would receive a reduction in their benefit.³¹² This has become known as conditionality as a claimant has to meet certain conditions to receive their Universal Credit payment.

125. Kirsty McKechnie of The Child Poverty Action Group highlighted that this policy caused a lot of stress to claimants, since whether or not a claimant had met their claimant commitment was ‘very much at the work coach’s discretion. It depends very much with different work coaches, different jobcentres and different claimants how the claimant commitment will be agreed and how that will be appropriate for each individual.’³¹³ The written evidence we received on the topic from the Scottish Association for Mental Health talked of how this policy was detrimental to the mental health of claimants pointing to a University of Glasgow study that found that ‘sanctions are associated with increases in both anxiety/depression’³¹⁴ for claimants. The Trussell Trust also said that sanctions are one of the ‘significant predictors of demand for food parcels.’³¹⁵ The Scottish Federation of Housing Associations noted that disabled people and people with mental health issues face particular difficulties in maintaining their Universal Credit claim as they ‘may be required to carry out work related activities before going through a Work Capability Assessment and may face sanctions as a result.’³¹⁶ Meanwhile Inclusion Scotland highlighted that after sanctions were reintroduced in July 2020 (having been suspended in March 2020 due to the covid-19 pandemic) this action means that ‘disabled people are more likely to be disproportionately impacted’ as they may face problems ‘finding suitable work, and may feel forced to accept jobs which put them at risk’³¹⁷ to avoid facing benefit sanctions.

311 Department for Work and Pensions, [Universal Credit and your claimant commitment](#), July 2020, accessed 23 April 2021

312 Department for Work and Pensions, [Universal Credit and your claimant commitment](#), July 2020, accessed 23 April 2021

313 [Q92](#)

314 SAMH (Scottish Association for Mental Health) ([WPS0005](#))

315 The Trussell Trust ([WPS0006](#))

316 Scottish Federation of Housing Associations ([WPS0017](#))

317 Inclusion Scotland ([WPS0007](#))

126. There were also questions raised as to the effectiveness of sanctions in encouraging claimants to find work. The Poverty Alliance said that ‘sanctions are both ineffective in their stated purpose of encouraging entry into employment and act only to exacerbate poverty and income crisis.’³¹⁸ Marion Davis of One Parent Families Scotland called for a more positive approach than the current system of sanctions for claimants who fail to meet their claimant commitment. They reasoned that parents are ‘desperate to and aspire to do things for their children’³¹⁹ when they are looking for work to help to support their families and, when on Universal Credit, ‘do not need to be told they are going to get their benefit cut’.³²⁰ Instead they presented a picture that claimants ‘want to be part of society, to be part of the economy’³²¹ and so the welfare system should foster a more ‘positive model, [where] they are supported to move into work.’³²²

127. We did not ask the DWP to comment on its sanctions policy as part of this inquiry. However, we are aware that it has commented on this matter recently, in response to the House of Lords Economics Affairs Committee’s inquiry into *The Economics of Universal Credit*. In their response to that Committee’s report, the DWP said: ‘Sanctions can be a useful way to encourage claimants to comply with reasonable and achievable requirements, developed and agreed between the Work Coach and the claimant to prepare for and/or move into work.’³²³ It goes on to say that the Department has committed to look at further processes such as sending written warnings before actioning sanctions on claimants as well as highlighting its own analysis on conditionality, that highlighted that: ‘72% of claimants agreed that the potential for sanctions meant they were more likely to conduct work search.’³²⁴

128. We note criticism levied about sanctions in the Universal Credit system, and we are particularly concerned that sanctions do not foster a positive atmosphere for people when they are receiving Universal Credit and looking for a job. Despite this, we note the DWPs analysis that found that the risk of sanctions encouraged people to search for work.

129. Whilst the economy is in the midst of recovering from the covid-19 pandemic, and with the jobs market in great difficulty and 490,000 people (as of March 2021) in Scotland claiming Universal Credit, based on the overwhelming evidence from witnesses, now is not the right time to sanction claimants should they fail to meet their claimant commitment. We recommend pausing sanctioning of claimants for at least the rest of 2021 with immediate effect. However, we welcome the assurances from the DWP that the claimant commitment will take into account local and national public health guidelines. We recommend that the DWP continue this position until all restrictions ease across the entire UK.

318 The Poverty Alliance ([WPS0018](#))

319 [Q101](#)

320 [Q101](#)

321 [Q101](#)

322 [Q101](#)

323 House of Lords, Universal Credit isn’t working: proposals for reform, Second Report of the Select Committee on Economics Affairs, Session 2019–21, [HL 105](#), Para 129

324 House of Lords, Universal Credit isn’t working: proposals for reform, Second Report of the Select Committee on Economics Affairs, Session 2019–21, HL 105, [Government response](#), October 2020

7 Universal Credit Scottish Choices

130. The *Scotland Act 2016* afforded the Scottish Government the opportunity to make changes to the way in which Universal Credit is administered to claimants in Scotland. However, Universal Credit remains a reserved benefit which means the DWP retain control of Universal Credit, and it is paid to claimants by the DWP, not the Scottish Government.

131. There are currently two Universal Credit Scottish Choices in operation:

- *Twice-monthly payments*, whereby Universal Credit is paid twice a month (may not necessarily be every two weeks) rather than monthly; and
- *Direct Payments*, whereby claimants can opt for their rent to be deducted from their Universal Credit and paid directly to their landlord.³²⁵

132. There are two further Scottish Choices options that are yet to be rolled out. These are:

- *Split Payments*: To split the Universal Credit household payment between members of a couple.
- *Removal of the spare room subsidy*: To remove the underoccupancy charge (Bedroom Tax) at source in Universal Credit.³²⁶

133. We heard in our inquiry that Universal Credit Scottish Choices is a positive feature for people who claim it in Scotland. Neil Cowan from The Poverty Alliance highlighted that ‘anything that makes Universal Credit more responsive to people’s needs and gives people greater choice over how they are supported is a positive thing and should be welcomed.’³²⁷ Nina Ballantyne of Citizens Advice Scotland noted the demand for the Scottish Choices options, adding that 37% of people offered the more frequent payment option took it.³²⁸ Engender, a feminist policy and advocacy organisation, outlined how the choices ‘offer additional flexibility and are better able to meet individual need.’³²⁹

134. According to DWP figures from November 2020, 35,608 Universal Credit claimants had chosen the Scottish Choices option of having their rent paid directly to their landlord, whilst 77,100 people had chosen to receive the more frequent payment option whilst receiving Universal Credit.³³⁰

Uptake of Scottish Choices

135. Throughout the inquiry we heard evidence that there were a number of barriers that were preventing claimants from accessing the options provided by Scottish Choices:

- Lack of awareness of the Choices.
- The wait for Scottish Choices to be available.
- Hampering of uptake due to initial administrative errors.

325 Scottish Government, [Universal Credit: Scottish Choices](#), 2019

326 Citizens Advice Scotland ([WPS0014](#))

327 [Q56](#)

328 [Q85](#)

329 Engender ([WPS0016](#))

330 Data from Stat-Xplore on Department for Work and Pensions, [Statistics at DWP](#)

- Issues related to when and how the Choices are discussed with claimants.

We discuss the evidence we received on each in turn.

Lack of awareness of Choices

136. We heard that not enough claimants know about the Choices and that this has meant that their uptake is lower than what it could be. Neil Cowan from The Poverty Alliance mentioned in evidence that their research showed that claimants ‘did not know that they could take up their choices, they were not aware of it, so there is obviously some work to do around increasing awareness of the flexibilities.’³³¹ This was echoed by Marion Davis of One Parent Families Scotland who said that the Scottish Choices were hindered by ‘a lack of awareness and understanding around [Scottish Choices]’³³² by claimants. Our own survey, (whilst not being representative as the respondents were self-selecting), also highlighted this issue. 63 of the respondents said they claimed Universal Credit and despite Scottish Choices being an option for all of these people only nine respondents said they knew what they were.³³³

137. The Scottish Government released its own evaluation of Universal Credit Scottish Choices in March 2021. The evaluation did accept that ‘overall awareness of the term ‘Scottish choices’ among the people on Universal Credit interviewed for this research was low.’³³⁴ The Scottish Government thought that Scottish Choices could be ‘better publicised.’³³⁵ The evaluation also noted that there was confusion on the twice monthly payment option around payment dates, such as when the second payment in the month would be made and the amounts being paid as well as how the direct payment to landlord option works for those whose Universal Credit housing element does not cover full rent.³³⁶

Waiting to access Scottish Choices

138. Another barrier to people signing up to Scottish Choices is that claimants cannot access the choices immediately, instead having to wait until they have received their first Universal Credit payment before taking up one or both options. Citizens Advice Scotland highlighted to our predecessor Committee on their inquiry on welfare policy in Scotland that this can cause particular problems for claimants who opt for twice-monthly payments as they only receive half of their Universal Credit award at the end of their second month on Universal Credit; they then have to wait a further fifteen days for the second half of their payment to come through to their account.³³⁷

139. This point was illustrated further by Kirsty McKechnie of the Child Poverty Action Group. They argued that the initial five-week wait for a first payment would put claimants off opting for the twice-monthly choice as it would leave claimants with too little money to get by:

331 [Q56](#)

332 [Q86](#)

333 Scottish Affairs Committee, [Welfare Policy in Scotland: What we learned](#), March 2021

334 Scottish Government, [Universal Credit Scottish choices: evaluation](#), March 2021, Page.vi

335 Scottish Government, [Universal Credit Scottish choices: evaluation](#), March 2021, Page.vi

336 Scottish Government, [Universal Credit Scottish choices: evaluation](#), March 2021, Page.vi and Page 8

337 Written evidence received by the Scottish Affairs Committee, HC (2017–19) 2269, Citizens Advice Scotland ([WIS0010](#))

it is difficult for people to uptake the twice-monthly payments because, once you have had the five-week wait, you only receive half the payment. I think that can be prohibitive to people being able to take it up because they cannot afford to wait another two weeks or longer for that subsequent payment.³³⁸

As noted by the Scottish Federation of Housing Associations: ‘It would therefore not be surprising if the claimant felt that more frequent payments were not an attractive option.’³³⁹

140. The Scottish Federation of Housing Associations also highlights that the policy choice of building in this wait time for Scottish Choices does not align with other DWP policies: the rationale given by the DWP for the one month wait to take up the Choices is on ‘the basis that it might not be in the interests of the claimant until the first assessment had verified the claimant’s entitlement.’³⁴⁰ We heard, however, that waiting for verification policy is ‘at odds with the DWP’s readiness to offer an advance payment of up to 100% of the claimant’s estimated monthly award at the start of the claim, prior to verification of entitlement.’³⁴¹

Initial administration issues

141. We heard evidence that there were administration issues with the direct payment to landlords option. Citizens Advice Scotland told us that it ‘has been tricky for DWP, social landlords and all the other various parts of the system—the Scottish Government as well—to align³⁴² the direct payments to landlords Scottish Choice. The Scottish Federation of Housing Associations highlighted in written evidence that initially there were issues with the ‘DWP’s reliance on an older payment system, totally unsuited for the administration of direct payments to landlords’³⁴³ as these payments ‘were not synchronised with the calendar monthly date their tenant received their Universal Credit award.’³⁴⁴ As such, ‘this made it difficult for landlords to accurately manage their income and increased the risk of cash flow shortages for smaller housing associations, and tenants were ending up in administrative rent arrears through no fault of their own.’³⁴⁵ This was such a major issue at the time that organisations, including housing associations, advised claimants against taking up this option as it was leaving claimants unable to pay rent. Suzanne Lavelle from Southside Housing Association told us:

we were one of the RSLs [Registered Social Landlords] that were telling people not to take that choice up, because it was so difficult. It could have been in excess of eight weeks after somebody had the payment deducted from their universal credit that that money hit their rent account. They were getting letters through no fault of their own about rent arrears and non-payment.³⁴⁶

338 [Q86](#)

339 Scottish Federation of Housing Associations ([WPS0017](#))

340 Scottish Federation of Housing Associations ([WPS0017](#))

341 Scottish Federation of Housing Associations ([WPS0017](#))

342 Citizens Advice Scotland ([WPS0014](#))

343 Scottish Federation of Housing Associations ([WPS0017](#))

344 Scottish Government ([WPS0013](#))

345 Scottish Government ([WPS0013](#))

346 [Q123](#)

The Scottish Federation of Housing Associations highlighted that this shortcoming was addressed in November 2020, and a new payment system is in place whereby payments are ‘made to the landlords at the same time as the claimant’s payment’.³⁴⁷

Discussion of Scottish Choices

142. Polly Jones from The Trussell Trust told us that:

There are quite complicated discussions and arrangements between DWP and Scottish Government on how this is managed and how many minutes a work coach can spend talking about Scottish Choices in the second assessment interview.³⁴⁸

They recommend that instead: ‘It would be much more straightforward to be able to present the system [Scottish Choices] in the first place [interview]’³⁴⁹ and for the claimant to be able to review their position at a later point to ensure that the Scottish Choices were supporting their circumstances as best as possible.³⁵⁰ The Scottish Government was also concerned that uptake of Scottish Choices may be lower than expected because the DWP was reluctant for ‘Scottish Choices to be discussed right at the start of a Universal Credit journey.’³⁵¹

143. The Minister for Welfare Delivery, said that ‘information is available through gov.uk [UK Government website] as part of the Universal Credit application, which outlines what Scottish Choices are and how they operate.’³⁵² Margarita Morrison, Area Director, Work and Health Services Scotland of the DWP, also explained that whilst the Department hoped that Work Coaches would make claimants aware of the Scottish Choices,³⁵³ the priority for the Department was ‘getting to know the customer’ and ensuring that their first Universal Credit payment was in place and only then would the Department ‘discuss Scottish Choices thereafter.’³⁵⁴

Future roll out of further Scottish Choices

144. The lack of rolling out the remaining two Scottish Choices options (split payment between couples on Universal Credit, and removing the underoccupancy charge (Bedroom Tax) at source in Universal Credit) was identified by witnesses and in written evidence as issues that should be resolved as a priority. Citizens Advice Scotland’s written evidence notes that removing the underoccupancy charge at source would limit the need for its mitigation through Discretionary Housing Payments, thereby reducing complexity.³⁵⁵ However it notes that this will ‘require IT changes from DWP to ensure that if the charge is removed then people are not then affected by the Benefit Cap’.³⁵⁶ The Scottish Federation of Housing Associations noted that: ‘As split payments were originally meant to ensure

347 Scottish Federation of Housing Associations ([WPS0017](#))

348 [Q123](#)

349 [Q123](#)

350 [Q123](#)

351 [Q167](#)

352 [Q197](#)

353 [Q198](#)

354 [Q197](#)

355 Citizen’s Advice Scotland ([WPS0014](#))

356 Citizen’s Advice Scotland ([WPS0014](#))

that members of a household would be protected from financial abuse by a partner, this extremely low level of use must raise grave concern',³⁵⁷ a point also raised in the Scottish Government's written evidence.³⁵⁸

145. The Scottish Government told us that they believe the roll out of the two further Scottish Choices options is being delayed because the DWP is not prioritising this work in the devolution programme. The Cabinet Secretary explained that she accepts that the 'devolution programme is but one of the aspects that the DWP works on'³⁵⁹ but that the Scottish Government would have preferred to see 'much faster movement'³⁶⁰ on the two further Scottish Choices options. The Cabinet Secretary went on to highlight that the Scottish Government 'cannot influence overall welfare policy'³⁶¹ on reserved benefits such as Universal Credit and that if the DWP 'doesn't like what we [Scottish Government] would like to do it does not have to implement our intended solutions'.³⁶² The Cabinet Secretary even went as far as suggesting that the split payment Scottish Choice may not be realised at all because the DWP do not wish to implement this choice.³⁶³

146. The Minister for Welfare Delivery responded to this by telling us that the Scottish Government had announced their intention to roll out the further option of split payments for Universal Credit claimants in Scotland but had 'no clear intention or basis on how it could be delivered or operationalised'.³⁶⁴ He went on to say that whilst this was possible, as split payments are available on a 'manual basis on request'³⁶⁵ at present, making it available 'as part of any automated process is far more complex'.³⁶⁶ The Minister for Welfare Delivery did make it clear that the Department was working to make this policy a reality despite the difficulties that he raised. He said the UK Government 'stand ready to support the Scottish Government to implement that policy, but my understanding is that we are yet to find a way in which it could be operationalised at scale'.³⁶⁷

147. We see Universal Credit Scottish Choices as positive and flexible options to the people of Scotland, but the policy has been let down by a lack of communication by the Scottish Government and the DWP and Jobcentre Plus network in Scotland about the availability of these choices to claimants.

148. The Scottish Government and the DWP should work together and seek agreement before announcing further Scottish Choices options to ensure there is no delay in roll out. We therefore recommend the following:

- a) *That Scottish Choices be made available to a claimant from the start of their Universal Credit claim.*

357 Scottish Federation of Housing Associations ([WPS0017](#))

358 Scottish Government ([WPS0013](#))

359 [Q149](#)

360 [Q149](#)

361 [Q150](#)

362 [Q150](#)

363 [Q150](#)

364 [Q199](#)

365 [Q199](#)

366 [Q199](#)

367 [Q199](#)

- b) *That both the Scottish Government and the DWP better advertise the availability of Scottish Choices through the initial online claim process, through the Citizens Advice Scotland Help to Claim service, and through the first meeting with the work coach.*
- c) *That discussions about Scottish Choices between claimants and work coaches happen frequently throughout a claimant's time on Universal Credit. We understand that these conversations could take place via journal entries if the claimant is happy with this approach.*
- d) *That the Scottish Government and the DWP work together and agree details and administration before announcing further Scottish Choices options. This would ensure that there are no delays as has been seen with the roll out of split payment and removal of the underoccupancy charge Scottish Choices options.*

Formal minutes

Thursday 17 June 2021

Virtual meeting

Members present

Pete Wishart, in the Chair

Mhairi Black	Jon Cruddas
Andrew Bowie	Sally-Ann Hart
Deidre Brock	John Lamont
Wendy Chamberlain	Douglas Ross
Alberto Costa	

Draft Report (*Welfare policy in Scotland*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 148 read and agreed to.

Resolved, That the Report be the Second Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Adjourned till Wednesday 23 June 2021 at 9.00 a.m.

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Wednesday 16 December 2020

Professor Gráinne McKeever, Professor of Law and Social Justice, Ulster University; **Professor Paul Spicker**, Emeritus Professor of Public Policy, Robert Gordon University; **Professor John McKendrick**, Professor in Social Justice, Glasgow Caledonian University

[Q1–37](#)

Chris Birt, Deputy Director of Scotland, Joseph Rowntree Foundation; **Neil Cowan**, Senior Policy and Parliamentary Officer, The Poverty Alliance; **David Eiser**, Knowledge Exchange Fellow, Fraser of Allander Institute

[Q38–68](#)

Thursday 21 January 2021

Nina Ballantyne, Policy Manager, Citizens Advice Scotland; **Marion Davis**, Head of Policy and Strategy, One Parent Families Scotland; **Kirsty McKechnie**, Welfare Rights Worker, Child Poverty Action Group Scotland

[Q69–102](#)

Thursday 11 February 2021

Suzanne Lavelle, Advice Team Leader, Southside Housing Association; **Polly Jones**, Head of Scotland, The Trussell Trust; **Councillor Richard Bell**, Treasurer, Glasgow City Council

[Q103–134](#)

Thursday 11 March 2021

Shirley-Anne Somerville MSP, Cabinet Secretary for Social Security and Older People, Scottish Government; **Callum Smith**, Reserved and Working Age Benefits Team Leader, Scottish Government; **Catherine Reeves**, Social Security Programme Management Office, Scottish Government

[Q135–174](#)

Thursday 18 March 2021

Justin Tomlinson MP, Minister for Disabled People, Health and Work, Department for Work & Pensions; **Will Quince MP**, Minister for Welfare Delivery, Department for Work & Pensions; **Andrew Latto**, Deputy Director, Devolution, Pensioner Benefits and Carer's Allowance, Policy Group, Department for Work & Pensions; **Margarita Morrison**, Area Director, Work and Health Services Scotland, Department for Work & Pensions

[Q175–208](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

WPS numbers are generated by the evidence processing system and so may not be complete.

- 1 Bright Blue ([WPS0015](#))
- 2 Child Poverty Action Group in Scotland ([WPS0009](#))
- 3 Citizens Advice Scotland ([WPS0022](#))
- 4 Citizens Advice Scotland ([WPS0014](#))
- 5 Crisis ([WPS0012](#))
- 6 deafscotland ([WPS0008](#))
- 7 Department for Work and Pensions ([WPS0021](#))
- 8 Engender ([WPS0016](#))
- 9 Fife Council ([WPS0020](#))
- 10 Inclusion Scotland ([WPS0007](#))
- 11 Joseph Rowntree Foundation ([WPS0019](#))
- 12 Marie Curie ([WPS0004](#))
- 13 Money Advice Moray (Moray Council) ([WPS0002](#))
- 14 Policy in Practice ([WPS0010](#))
- 15 Poppyscotland ([WPS0025](#))
- 16 SAMH (Scottish Association for Mental Health) ([WPS0005](#))
- 17 Scottish Federation of Housing Associations ([WPS0017](#))
- 18 Scottish Government ([WPS0013](#))
- 19 Scottish Women's Convention ([WPS0011](#))
- 20 Shetland Islands Council ([WPS0003](#))
- 21 Southside Housing Association ([WPS0023](#))
- 22 The Poverty Alliance ([WPS0018](#))
- 23 The Trussell Trust ([WPS0024](#))
- 24 The Trussell Trust ([WPS0006](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

Session 2021–22

Number	Title	Reference
1st	Universities and Scotland	HC 54

Session 2019–21

Number	Title	Reference
1st	Coronavirus and Scotland: Interim Report on Intergovernmental Working	HC 314
2nd	Coronavirus and Scotland	HC 895
1st Special Report	Problem drug use in Scotland: Government Response to the Committee's First Report of Session 2019	HC 698
2nd Special Report	Coronavirus and Scotland: Government Response to the Committee's First and Second Reports	HC 1118