



House of Commons  
Scottish Affairs Committee

---

# Welfare policy in Scotland: UK and Scottish Government Responses to the Committee's Second Report

---

First Special Report of Session  
2021–22

*Ordered by the House of Commons  
to be printed 15 November 2021*

## 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)).

### Current membership

[Pete Wishart MP](#) (*Scottish National Party, Perth and North Perthshire*) (Chair)

[Mhairi Black MP](#) (*Scottish National Party, Paisley and Renfrewshire South*)

[Andrew Bowie MP](#) (*Conservative, West Aberdeenshire and Kincardine*)

[Deidre Brock MP](#) (*Scottish National Party, Edinburgh North and Leith*)

[Wendy Chamberlain MP](#) (*Liberal Democrat, North East Fife*)

[Alberto Costa MP](#) (*Conservative, South Leicestershire*)

[Jon Cruddas MP](#) (*Labour, Dagenham and Rainham*)

[Sally-Ann Hart MP](#) (*Conservative, Hastings and Rye*)

[John Lamont MP](#) (*Conservative, Berwickshire, Roxburgh and Selkirk*)

[Douglas Ross MP](#) (*Conservative, Moray*)

[Liz Twist MP](#) (*Labour, Blaydon*)

### Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO. No.152. These are available on the internet via [www.parliament.uk](http://www.parliament.uk).

### Publication

© Parliamentary Copyright House of Commons 2021. This publication may be reproduced under the terms of the Open Parliament Licence, which is published at [www.parliament.uk/copyright](http://www.parliament.uk/copyright).

Committee reports are published on the [Committee's website](#) and in print by Order of the House.

### Committee staff

The current staff of the Committee are Rosie Akeroyd (Committee Specialist), Samantha Colebrook (Committee Operations Officer), Deborah Courtney (Committee Operations Manager), Nerys Davies (Committee Specialist), Chloe Jago (Senior Media and Communications Officer), Alex Knight (Senior Economist, Scrutiny Unit), Leoni Kurt (Clerk), Xameerah Malik (Senior Committee Specialist), Zac Mead (Second Clerk), Ellen Parry (Sandwich Student) and Chloe Smith (Committee Specialist).

### Contacts

All correspondence should be addressed to the Clerk of the Scottish Affairs Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 8204; the Committee's email address is [scotaffcom@parliament.uk](mailto:scotaffcom@parliament.uk).

You can follow the Committee on Twitter using [@CommonsScotAffs](#)

## First Special Report

---

The Scottish Affairs Committee published its Second Report of Session 2021–22, [Welfare policy in Scotland](#) (HC 55) on 23 June 2021. The UK Government's response was received on 1 October 2021 and is published as Appendix 1. The Committee would also like to acknowledge the Scottish Government for writing to the Chair about the work it has done in some of the areas covered by the Committee's recommendations, and this letter, received on 3 August 2021, is published as Appendix 2.

## Appendix 1: UK Government Response

---

The UK Government recognises the Committee's observation of the mutual respect between the UK and Scottish Governments and that both are working towards the safe and secure devolution of aspects of social security to the Scottish Government.

It is positive to see DWP's response to the pandemic highlighted in the report, reflecting on the fact that Universal Credit was able to stand up to the challenge faced during covid leading to increased number of claimants. The increase in work coaches by 1,152 in Scotland, and the increase in specialist disability employment advisors, helped to ensure access to reserved benefits was improved for claimants in Scotland. The tribute to DWP employees (*referenced in Paragraphs 15, 23, 81 and 93*), will be particularly appreciated by colleagues throughout the country.

The UK Government also welcomes the acknowledgement of its agreement to provide services under agency arrangements while the Scottish Government builds its capacity to deliver its replacement benefits.

The UK Government notes the Committee's recommendations and responds to them below. Page and paragraph numbers from the report are used for reference.

### Approaches to welfare taken by UK and Scottish Governments

#### *Recommendation 1*

***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 Q10216 Welfare policy in Scotland 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. (Page 15, Paragraph 23).***

DWP delivers reserved benefits in Scotland and is temporarily delivering some devolved benefits under Agency Agreements on behalf of the Scottish Ministers. We will continue to ensure benefits are delivered effectively with appropriate sign-posting. These initiatives include:

- DWP, in partnership with the Scottish Government, has developed a toolkit for Work Coaches to signpost people towards Scottish Government benefits administered by Social Security Scotland.
- Links between GOV.UK and MYGOV.SCOT ensure cohesion between services for people when looking for the right benefits online. The first UK Government regular-payment benefit to be replaced by Scottish Government provision is Disability Living Allowance for children, which was replaced by the Child Disability Payment initially in Dundee City, Perth and Kinross and Western Isles from 26th July 2021 (applications for children living elsewhere in Scotland will open in Autumn 2021).
- DWP and the Social Security Scotland have recently established a regular Operational Reference Group to look at ways to continuously improve the benefit experience of DWP and Social Security Scotland's shared customers. The Group will review service delivery issues arising from people looking to access DWP/ Social Security Scotland benefits and consider any improvements for future benefit delivery.

DWP staff in Scotland are focused on delivering a user-centred service. They have access to, and are fully aware of, the DWP Customer Charter and the Scottish Social Security Charter.

With respect to the Joint Ministerial Working Group on Welfare, it is co-chaired by the Secretary of State for Scotland and the relevant Cabinet Secretary in the Scottish Government, and attended by DWP Ministers, with the primary purpose of allowing Ministers to oversee, engage with and review progress on the implementation of the devolution of social security powers<sup>1</sup> set out in the Scotland Act 2016. Its role is not operational.

## Intergovernmental working and data sharing on social security in Scotland

### *Recommendation 2*

***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.*** (Page 25, Paragraph 52).

This is a recommendation for the Scottish Government.

### *Recommendation 3*

***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***

---

<sup>1</sup> It also performed this role for the devolution of employment support powers under the Scotland Act 2016, until the full establishment of Fair Start Scotland. At that point, the Group's terms of reference were changed but more operational liaison arrangements continued.

***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.*** (Page 25, Paragraph 53).

The UK Government is committed to the safe and secure transfer of powers and responsibility. As noted above, the Joint Ministerial Working Group on Welfare allows Ministers to oversee, engage with and review progress on the implementation of the devolution of social security powers set out in the Scotland Act 2016. The minutes of these meetings are published, and regularly endorse the progress made by officials in both Governments to ensure the safe and secure replacement of UK Government benefits with Scottish Government provision. There are also bilateral meetings as necessary between Ministers in DWP and the Scottish Government. These forums demonstrate a commitment from both Governments to a collaborative, accountable approach.

The development of policies on how and when devolved powers are used is a matter for the Scottish Government.

#### ***Recommendations 4 and 5***

***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.*** (Page 25, Paragraph 54).

***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.*** (Page 25, Paragraph 55).

DWP considers fully and responds to all data sharing requests from the Scottish Government. It has established a dedicated Scottish Devolution Data Sharing Board, which brings together DWP experts to fully consider any requests and ensure that responses are managed consistently and efficiently. This Board considers any legal constraints and how these could be mitigated, ensuring there is protection of claimants' rights, clarity of purpose, proportionality of data shared, and a consideration of whether DWP is the most appropriate source for the highest quality, most up-to-date data available.

DWP is already working with the Scottish Government to ensure a clearer understanding of data processes. To do this, the Chief Data Officers of DWP and the Scottish Government have previously established a regular forum to address all aspects of sharing data across the two organisations. DWP's Data Sharing Policy Statement has been shared with the Scottish Government to enable clear understanding between both organisations, and to ensure consistency.

Each data sharing request must be examined, and the data decisions must be made and discharged by DWP, as the relevant Data Controller, in line with its legal accountabilities.

With respect to the Scottish Child Payment, it should be noted that DWP had already provided the Scottish Government with data relating to children under six in order for it to deliver the Best Start Grant. Those data were then reused by the Scottish Government for the first phase of the Scottish Child Payment. The same data are not necessarily as readily available for older children. It is important for Scottish Government colleagues to work with DWP to establish what data are available from DWP before finalising policy design and moving into implementation. Scottish Government should also be building their own datasets for future use.

DWP has confirmed to the Scottish Government, the data it is able to share and has also directed the Scottish Government to the owners of other sources of data that would help Social Security Scotland ensure it has access to the most up-to-date information when it processes benefit claims.

The recommendation that Social Security Scotland consider all mechanisms for acquiring their own data where possible if they are requesting data which DWP does not hold, is for the Scottish Government.

### Accessing Social Security in Scotland

#### *Recommendation 6*

*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. (Page 30, Paragraph 69).*

DWP and the Social Security Scotland have recently established a regular Operational Reference Group to look at ways of continuously improving the benefits experience of DWP and Social Security Scotland's shared customers. The Group will review service delivery issues arising from people looking to access DWP/ Social Security Scotland benefits and consider any improvements for future benefit delivery.

#### *Recommendation 7*

*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. (Page 31, Paragraph 70).*

This is a recommendation for the Scottish Government.

#### *Recommendation 8*

*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.* (Page 33, Paragraph 80).

This is a recommendation for the Scottish Government.

## **Universal Credit: Digital by Default**

### ***Recommendation 9***

*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.* (Page 37, Paragraph 94).

The Department considers the existing resource to be sufficient. There is already assistance available to help claimants to make and maintain their Universal Credit claim using the Freephone Universal Credit helpline.

Throughout the pandemic, Jobcentres have remained open for anyone who needed face-to-face support and could not be helped in any other way. Jobcentres in Scotland resumed full face to face services, returning to normal opening hours from 9am to 5pm, on 26 April 2021. All Jobcentre Plus offices have Wi-Fi and computers available for claimants to access the internet. Work Coaches will continue to support those who need it to maintain their Universal Credit claim. To support DWP's ongoing commitment in helping claimants, it has recruited an additional 1,152 Work Coaches in its Jobcentres in Scotland.

DWP agreed to fund Citizens Advice Scotland to deliver Help to Claim for another year (up to 31 March 2022) to provide support to people to make a new claim to Universal Credit. If Citizens Advice Scotland Advisers identify that a Help to Claim client cannot make their Universal Credit claim on-line, then they will support the claimant to make a claim by phone. Through Help to Claim, DWP has also funded Citizens Advice Scotland to provide Public Access Terminals to enable people who don't have access to a device to go on-line to claim Universal Credit.

## **Does Universal Credit reduce poverty in Scotland?**

### ***Recommendation 10***

*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.* (Page 43, Paragraph 111).

Universal Credit has provided a vital safety net for six million people during the pandemic, and the UK Government announced the temporary uplift as part of a £400 billion package of measures put in place that will last well beyond the end of the roadmap.

The UK Government focused support on Universal Credit and Working Tax Credit claimants because they were more likely to be affected by the sudden economic shock of Covid-19 than legacy benefit recipients. There was never any plan to extend the uplift to legacy benefits.

As the economy recovers, the UK Government's ambition is to help people move into and progress in work as quickly as possible based on clear evidence around the importance of employment, particularly where it is full-time, in substantially reducing the risks of poverty. The UK Government's ambitious Plan for Jobs is already delivering for people of all ages right across Great Britain and includes new schemes such as the £2 billion Kickstart Scheme.

### ***Recommendation 11***

***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.*** (Page 43, Paragraph 112).

Universal Credit aims to reduce the number of workless households by reducing financial and administrative barriers to work. The 63% single earnings taper rate ensures that payments reduce in a transparent and predictable way as earnings increase.

A work allowance is an amount that claimants can earn before their Universal Credit starts to reduce by the taper rate. The work allowance is targeted on those claimants with the greatest barriers to the labour market namely those responsible for children or who have limited capability for work. The UK Government has no plans to extend the work allowance to single adults. The work allowance is increased each year as part of the normal benefits uprating process.

In addition, at the Autumn 2018 budget, an extra £1.7 billion a year was put into work allowances to increase them by £1,000 in April 2019, strengthening the Universal Credit work incentives even more and providing a boost to the incomes of the lowest paid. This resulted in 2.4 million families keeping up to an extra £630 per year of what they earn.

### ***Recommendation 12***

***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.*** (Page 46, Paragraph 123).

New Claim Advances are the claimant's benefit paid early, allowing claimants to access up to 100% of their estimated Universal Credit payment upfront. With a Universal Credit Advance, claimants receive an additional Universal Credit payment, which now can result in 25 payments over 2 years, rather than 24.

This extension to spreading payments over 2 years was for New Claim Advances or Benefit Transfer Advances issued from 12 April 2021. Advances issued before 12 April 2021, do not have their maximum repayment period extended as claimants agreed to having their 13 UC payments spread across up to 12 months.

The introduction of non-repayable advances would increase fraud risk in the benefit system, as well as imposing the administrative burden of extra verification checks. Additionally, people with sufficient earnings or income with little or no entitlement to Universal Credit, could inappropriately gain, by speculatively claiming in order to obtain a non-repayable sum upfront. Furthermore, DWP estimates the costs of non-repayable grants to be between £2.2 and £2.8 billion.

### **Recommendation 13**

***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. (Page 47, Paragraph 129).***

Work Coaches will continue to work with claimants to ensure claimant commitments are reasonable for claimants' circumstances and allow them to continue to adhere to the Covid-19 public health advice in force in the relevant part of the UK.

DWP will continue to encourage claimants to prepare and look for work. Employers are obliged to have a safe working environment.

Where a claimant has failed to meet their requirements, DWP will look at any evidence of good reason, including whether they are self-isolating or have ad-hoc responsibilities due to Covid-19, when considering if a sanction is warranted. A claimant can request an explanation of a sanction at any time. If a claimant disagrees with a decision, they can ask for the decision to be reconsidered and subsequently can appeal against the decision to an independent tribunal.

Those who are sanctioned can apply for hardship payments to ensure they can cover their essential needs.

### **Universal Credit Scottish Choices**

#### **Recommendation 14**

***That Scottish Choices be made available to a claimant from the start of their Universal Credit claim. (Page 52, Paragraph 148, (a)).***

The Scottish Government's current policy is to offer Scottish Choices in the second assessment period. This allows time, in the first assessment period, to consider DWP Alternative Payment Arrangement, for more frequent payments and managed payments to landlords to protect vulnerable people who are at risk of not paying their rent. Social landlords are also able to request a DWP Alternative Payment Arrangement from day one, if they believe their tenants are vulnerable. Scottish Choices do not replace the need for DWP Alternative Payment Arrangements.

Claimants can opt in or out of a Scottish Choice at any time. Only DWP agents can review Alternative Payment Arrangements, ensuring housing costs continue to be paid directly to the landlord, for those who may otherwise choose not to pay them.

### **Recommendation 15**

***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.*** (Page 53, Paragraph 148, (b)).

As stated in the response to Recommendation 14, advertising the availability of Scottish Choices in the initial online claim process would not support the Scottish Government's policy of offering them in the second assessment period.

Every claimant eligible for a Scottish Choice is sent an invitation, via their Universal Credit journal, with an offer to apply one or both of the Scottish Choices. The wording of this offer has been researched and tested with users.

Help to Claim, delivered by Citizens Advice Scotland, is designed to offer support to claimants until they receive their first full Universal Credit payment. During this time, Citizens Advice Scotland Advisers will identify vulnerable claimants and provide support to access a DWP Alternative Payment Arrangement. DWP meet regularly with

Citizens Advice Scotland and would expect their Help to Claim advisers to answer any queries about Universal Credit, including the Scottish Choices.

### **Recommendation 16**

***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.*** (Page 53, Paragraph 148, (c)).

The Scottish Government's policy is designed to be a digital offer with no interaction from Work Coaches. Work Coaches will be focused on support to return to the labour market, and where appropriate on DWP Alternative Payment Arrangements.

Significant collaborative working took place between officials from the Scottish Government and DWP during development and impacting of the Scottish Government's policy. It was always an assumption that DWP staff would remain impartial, if any discussions on the Scottish Choices took place with claimants.

The Scottish Government's single success criterion is that those eligible for a Scottish Choices offer receive it, there is no assumption or expectation on the volume of take-up. A joint communication plan was agreed, including developing products for external and internal stakeholders.

***Recommendation 17***

***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 under-occupancy charge Scottish Choices options.*** (Page 52, Paragraph 148, (d)).

We welcome the recommendation, particularly for the Scottish Government to work with DWP to agree details and administration ahead of announcing any further potential changes.

## Appendix 2: Scottish Government Response

---

I am grateful to the Scottish Affairs Committee for the work undertaken in this inquiry. The report is an important contribution which will inform the development of social security in Scotland. As described in the detailed annex accompanying this letter, the Scottish Government has already made significant progress in many of the areas covered in the Committee's recommendations.

I welcome the report's recognition of the commitment of both the Scottish and UK Government to the successful delivery of the devolution of social security. That will continue to require constructive joint working between the Governments, including the provision by the Department for Work and Pensions of the data required to support the roll-out of Scottish Child Payment to 6–16 year olds, as covered in the Committee's recommendations. We are content to support the recommendation in the report that this commitment to joint working be publicly restated

The Scottish Government recognises the importance of social security in helping to tackle poverty and inequality in Scotland and we are committed to developing a social security system with the core principles of fairness, dignity and respect. Using the powers available we have pursued ambitious policies to provide people with the support they need. Since we passed the Social Sec Act in 2018 we have launched ten Scottish benefits, including the “game-changing” Scottish Child Payment. This includes seven new benefits with the remainder providing more generous support than under the benefits they havereplaced.

The next step in the programme is, as you know, the delivery of disability benefits, starting with the introduction of our eleventh benefit, Child Disability Payment in 3 local authority areas later this month ahead of full national rollout in autumn. This is a replacement for the UK Government's Disability Living Allowance for children and will be followed in 2022 by the delivery of Adult Disability Payment, which replaces the UK Government's Personal Independence Payment.

These new benefits will fully embody the person-centred approach to delivery of devolved benefits informed by extensive user research and co-designed with the people of Scotland. That research shows that face to face assessments cause anxiety and stress to clients and these will therefore form no part of our assessment processes. In response to the Committee recommendation on this issue, further information on the processes for these new benefits is included in the annex. In addition to these changes in approach we are also providing a range of options for clients on how to apply for benefits and actively making people aware of these.

COVID-19 however obviously had a major impact upon the timetable for the devolution of benefits and both Governments agreed the need for a temporary pause in the programme in the earlier stages of the pandemic.

Work of course did not stop in the face of the pandemic. We continued to deliver existing benefits and introduced three new benefits, Job Start Payment, Child Winter Heating Assistance, and the game changing Scottish Child Payment. All are designed to make a direct and significant impact to the lives of thousands of households. Significant progress

has been made since work restarted and I am confident that we will continue to make rapid progress to complete the programme as well as delivering on our wider manifesto commitments, including starting work towards a Minimum Income Guarantee.

Over the course of the pandemic a decision was taken by the Department for Work and Pensions which mean they are no longer in a position to support the process of 'household matching' of data on reserved benefits via the Seasonal Payments System when the winter benefits are devolved. Whilst I fully recognise the Department for Work and Pensions will not have taken that decision lightly, this process is a significant feature of how these benefits need to be administered when we assume responsibility and require us to build a new system here in Scotland.

This was not something we had previously planned for. I am taking this into account in agreeing the timetable for the remaining devolved benefits beyond Child Disability Payment and Adult Disability Payment.

As noted above the attached annex includes more detailed responses on the recommendations in the Committee report. I hope these are helpful and look forward to working with the Committee as you consider the devolution of social security in the future.

SHONA ROBISON

#### **Recommendation(s)**

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.

#### **Scottish Government Response**

The Scottish Government welcomes the Committee's recommendation that the Department for Work and Pensions and Social Security Scotland work together to promote take-up of all benefits across Scotland. As you know we have a duty within the Social Security Act to promote take up of devolved benefits and have an active take-up plan. We agree that, in order to ensure that people receive all the benefits they are entitled to it is clear that a more strategic approach to promoting take-up across the UK is required and the UK Government has a responsibility to support people to claim the reserved benefits they are due. Scottish Ministers have consistently urged the Department for Work and Pensions to do more in this area, particularly in areas such as Pension Credit.

As eligibility for many devolved low income benefits relies on receipt of a Department for Work and Pensions benefit, the take-up of devolved benefits is dependent on the levels of take-up of reserved benefits in Scotland. With this in mind, it is vital that jobcentre staff in Scotland are equipped to make people aware of what they are entitled to through both the reserved and devolved systems.

**Recommendation(s)**

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.

**Scottish Government Response**

The programme for devolved benefits is a joint endeavour, therefore the Scottish Government work collaboratively with the UK Government to deliver for the people of Scotland and will continue to do so.

The Scottish Government routinely meets with the Department for Work and Pensions on a multitude of topics including the introduction of new benefits. This happens very regularly at official level, through bilateral Ministerial meetings and through the Joint Ministerial Working Group on Welfare.

**Recommendation(s)**

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.

**Scottish Government Response**

The Scottish Government remains committed to joint working with the UK Government to ensure that the devolution of social security active happens in a safe and secure manner and is confident that this commitment is shared by the UK Government.

We are happy to discuss this at the next Joint Ministerial Working Group on Welfare.

**Recommendation(s)**

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.

**Scottish Government Response**

The Scottish Government welcomes the Committee's recommendation that the Department for Work and Pensions should prioritise the delivery of this data as we are committed to completing the roll out of Scottish Child Payment to under 16s by the end of 2022. In order to deliver the payment to that timescale it is essential that the UK Government give us the data we need for 6–16 year olds.

This data will allow us to establish which clients are in receipt of the relevant reserved benefits, which act as qualifying benefits for SCP. We require this information as Scottish Child Payment can only be paid as a top-up to those in receipt of certain reserved benefits due to the S.79 power used to deliver the payment. We were able to introduce the under 6s payment earlier because it builds on the existing infrastructure for our Best Start Grant payments.

Despite on-going engagement, we are still awaiting details of a solution from the UK Government that is deliverable within the agreed timescales, however we remain committed to working with the Department for Work and Pensions to achieve a solution. This approach is in the best interest of SCP recipients as alternative approaches may require more manual processes with greater burdens on the client. This would result in a poor customer experience as well as increasing the pressure on Social Security Scotland, and in turn would risk longer timescales for the processing of applications and changes of circumstances. It is in the nature of a partially devolved social security system that there will be complex interactions and it is vitally important that the two governments work together to minimise that complexity from the client's point of view, both now and as we further develop social security in Scotland.

**Recommendation(s)**

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.

**Scottish Government Response**

One of the fundamental powers conveyed to the Scottish Government under the Scotland Act 2016 was the power to top up reserved benefits. Implicit in that power is the need for the Scottish Government to share data on who is in receipt of those reserved benefits which it is seeking to top up. Relying on clients to verify their own ongoing entitlement to reserved benefits is not only administratively inefficient and likely to lead to higher rates of fraud and error – crucially, it is extremely burdensome for the client, and could disincentivise people in Scotland from taking up benefits to which they are rightfully entitled.

Where the Department for Work and Pensions advise that they cannot provide us with data to underpin the Scottish devolved benefits, or cannot provide it in the format which we request, we are already proactive in looking for alternative solutions. For example, we already rely on collecting our own data to verify Kinship Care for Scottish Child Payment (0–6). And in light of the recent decision by the Department for Work and Pensions that they are no longer in a position to support the process of 'household matching' of data on reserved benefits via the Seasonal Payments System, we are revising our previous plans to look at alternative ways to prepare this data ourselves and ensure that Scottish recipients of Winter Fuel Payments continue to be paid the right amount at the right time when we launch our Scottish replacement benefit Pension Age Winter Heating Assistance – a significant undertaking.

We welcome the Committee's recommendation that a shared protocol and data sharing agreement with the Department for Work and Pensions could help address these issues. This is particularly desirable given the multiple complex interactions between devolved Scottish and reserved UK benefits and entitlements, which mean that the Scottish and UK Governments will continue to need to share data for as long as the current devolution settlement exists. We will shortly start work with the Department for Work and Pensions on a joint strategy exercise, focusing on data sharing: a shared protocol and agreement could be helpful outputs from this exercise, subject to the Department for Work and Pensions agreement.

**Recommendation(s)**

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.

**Scottish Government Response**

The Scottish Government already maintains a directory of public services, including how to access all available reserved and devolved benefits and grants, this can be found at [www.mygov.scot](http://www.mygov.scot) and is maintained to ensure accuracy. In addition to this, the Scottish Government works to ensure that Social Security Scotland provides stakeholders who produce guidance, and organisations which manage benefit calculators, with information in a timely fashion which meets their editorial deadlines, so that existing external resources are as up to date as possible.

As part of our scoping work for signposting and referrals we are also looking at existing resources and how services interact both locally and nationally – with the aim of complimenting and not duplicating what already exists.

We have invested more than £3 million over two years to embed welfare rights advisors in 150 GP surgeries in Scotland's most deprived areas, and have committed £1.5 million to trialling similar embedded approaches to advice in education settings. In doing so, we increase the routes through which people can access advice, using an approach which has been proven to reach those who have not engaged with traditional advice services. This is in addition to our existing commitment to invest more than £12 million in welfare and debt advice services in 2021–22. In terms of advocacy, we are nearing the completion of a large-scale procurement process to establish a comprehensive free advocacy service for all clients of Social Security Scotland who require assistance to communicate as a result of having a disability. This has been supported by a stakeholder working group comprising advocacy providers and membership organisations, whose input will continue to be central to delivery of the service and alignment with the sector.

Currently, we are running roadshows to provide information to organisations about the Child Disability Payment. The feedback so far has been overwhelming positive. We will continue to provide updates and information to organisations with regular cascades, as well as ensuring internal colleagues are aware of this information, ensuring consistent messaging until we have a longer term solution in place.

We will also shortly introduce in the Child Disability Payment areas ahead of nationwide rollout, our new Local Delivery service which will be able to answer queries about Scottish benefits, help to complete paper or online applications, and be available online, on the phone and also face-to-face.

The Scottish Government also provides the majority of funding for the Child Poverty Action Group's (CPAG) second-tier welfare rights advice service and training. In 2020–21, CPAG provided advice to staff in 445 different agencies. In 2021–22 we have granted CPAG up to £675,000 to continue the service's operation, and in March 2021 we published analysis which outlined its value to the wider advice and advocacy sector in Scotland.<sup>2</sup> We also note there is an existing resource - [Welfare Benefits & Tax Credits Handbook, 2021/22 | CPAG](#) – which is widely used.

**Recommendation(s)**

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.

**Scottish Government Response**

We have committed to making a benefits eligibility checker available online, so will consider this as part of our work on pass- porting and referral pathways with third party organisations and consider which benefits need specific attention and how partners and online content can help us strengthen our approach.

Social Security Scotland already takes a user centred approach to content design, testing content with people to make sure it meets their needs, is clear and easy to navigate. This is a continual process where we monitor analytics and take feedback on pages to continually improve the content and user experience. As part of Social Security Scotland's scoping work for signposting and referrals, we will continue to work with stakeholders to help ensure any developments meet the needs of the user.

**Recommendation(s)**

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.

**Scottish Government Response**

Social Security Scotland will start from a position of trust when considering an application for disability assistance. Case Managers will seek one source of supporting information from a professional involved in the client's care, where possible, such as confirmation of a diagnosis or letter from a support worker. It need only be sufficient to determine, on the balance of probabilities, that the individual's condition is consistent with the general care and mobility needs detailed on their application.

Social Security Scotland will publish guidance detailing who a client should seek information from and the types of information that will give the most informed insight into their daily life and mobility needs. In addition, forms have been designed to give clients the option for Social Security Scotland to gather supporting information on their behalf from contacts such as GPs, Local Authority support services, education providers, third sector support organisations or carers etc. Formal sharing agreements are being established with Health Boards, GP practices and Local Authorities, with the expectation of frequent systematic engagement at scale with these partners so as to best facilitate requests for information.

The number of consultations needed for Adult Disability Payment will be reduced compared to Personal Independence Payments assessments, as Case Managers will support clients to provide the most relevant supporting information and will use that information, in conjunction with the client's application form to determine their entitlement. Information from a client's wider support network, including carers and family members, will provide a much clearer picture of their daily life than is often possible from medical professionals. Consultations will only be required when they are the only practicable way of making a determination of entitlement. All of these measures will ensure the supporting information policy is delivered in keeping with Social Security Scotland's values of dignity, fairness and respect.

The Scottish Government is committed to being open and transparent and we have therefore regularly published policy position papers which set out the Government's latest thinking on matters relating to social security. For example, in October last year, we published a series of position papers detailing Social Security Scotland's approach to gathering information and making decisions on applications to Disability Assistance.

**Recommendation(s)**

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 under occupancy charge Scottish choices options.

**Scottish Government Response**

As you are aware, Universal Credit remains reserved to the UK Government, and any changes to the design and delivery of the Scottish choices must be agreed with the Department for Work and Pensions in advance. However, we welcome the committee's recommendation for an increase in interaction between both Governments, including closer engagement with jobcentres.

The Scottish Government recently published the evaluation of the Universal Credit Scottish choices. We have already begun working on a number of improvements to the policy, further to some of the themes raised in the evaluation, many of which are echoed in the recommendations within the Committee's report. The Scottish Government believes that the flexibilities introduced through the Scottish choices should be made available across the UK as they provide invaluable help for people who require additional flexibility and control over their personal budgeting, based on their individual needs.

Officials from the Scottish Government regularly meet with counterparts from the Department for Work and Pensions to discuss and agree the necessary changes to help improve the delivery of the existing Scottish choices and to develop a further policy, allowing for the split payments of Universal Credit awards within households in Scotland.

We have included responses to each of the recommendations regarding the Scottish choices in an update on each recommendation highlighted:

- a. At present, Universal Credit recipients in Scotland are only able to opt into either of the Scottish choices after their first assessment period has finished.

The Scottish Government is open to considering the opportunities and challenges of this recommendation for the existing Scottish choices as well as the upcoming split payments of Universal Credit, and will revisit this discussion with the Department for Work and Pensions.

- b. Further to feedback gathered during our recent evaluation of the Scottish choices, we are currently undertaking work to updated information sheets to promote awareness and understanding of the Scottish choices. In addition to this we have started informal discussions with the Department for Work and Pensions about potential changes to the online journal and work coach training to further improve the ability of claimants to make informed decisions regarding the Scottish choices.
- c. We will take a joined up approach to ensure any potential changes to the Universal Credit online journal are based upon user needs and userfeed back.
- d. The Scottish Government is committed to joint working with the Department for Work and Pensions around the Scottish choices and the introduction of the split payments of Universal Credit. We will continue to work closely with the Department for Work and Pensions to ensure that the Scottish choices continue to be an effective policy that improves the ability of people in Scotland to control their own budgeting based on their individual needs.