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# SPICe Briefing

## **New Social Security Powers**

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This briefing provides an overview of the new social security powers that will be devolved to Scotland under the Scotland Act 2016. It covers background to the proposals, details of the benefits and powers that will be devolved and information on how the Scottish Government intends to use the new powers.



The Scottish Parliament  
Pàrlamaid na h-Alba

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## EXECUTIVE SUMMARY

Under the Scotland Act 2016, legislative competence for certain areas of social security will be devolved to the Scottish Parliament. The current benefits that are being devolved are listed below.

Group of Benefits	Benefit
Benefits for carers, disabled people and those who are ill	Attendance Allowance, Carer's Allowance, Disability Living Allowance, Personal Independence Payment, Industrial Injuries Benefit, Severe Disablement Allowance
Currently part of the Regulated Social Fund	Cold Weather Payment, Funeral Payment, Sure Start Maternity Grant, Winter Fuel Payment
Other	Discretionary Housing Payments

The Scottish Parliament will have 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.

The current value of benefits to be devolved is around £2.7bn, which accounts for around 15% of current benefit spend in Scotland. In addition, a range of other powers will be devolved:

- An expanded power to provide **Discretionary Payments and Assistance**
- The **power to top-up reserved benefits**
- The **power to create other new social security benefits (other than pensions) in areas not otherwise connected with reserved matters**
- The power to legislate for **Welfare Foods**
- Scottish Ministers will have powers to **vary the housing cost element of Universal Credit for rented accommodation and change payment arrangements for Universal Credit.**

The Scottish Parliament will also have powers over support for unemployed people through employment programmes (currently delivered through the [Work Programme](#) and [Work Choice](#)).

The Scottish Government has outlined its five principles, based on dignity and respect, on which its uses of the new social security powers are to be founded. Other proposals for how the new powers will be used include:

- Increasing Carer's Allowance so that it is paid at the same level as Jobseeker's Allowance
- Abolishing the Bedroom Tax
- Giving people claiming Universal Credit the choice to be paid fortnightly, and to have direct payments made to social landlords.

The SNP Manifesto also included commitments to: create a new Maternity and Early Years' Allowance; restore any removal of housing benefit for 18-21 year olds; increase Carer's Allowance for those who care for more than one disabled child to recognise higher costs; and, expanding Winter Fuel Payment to families with children in receipt of the highest rate of DLA.

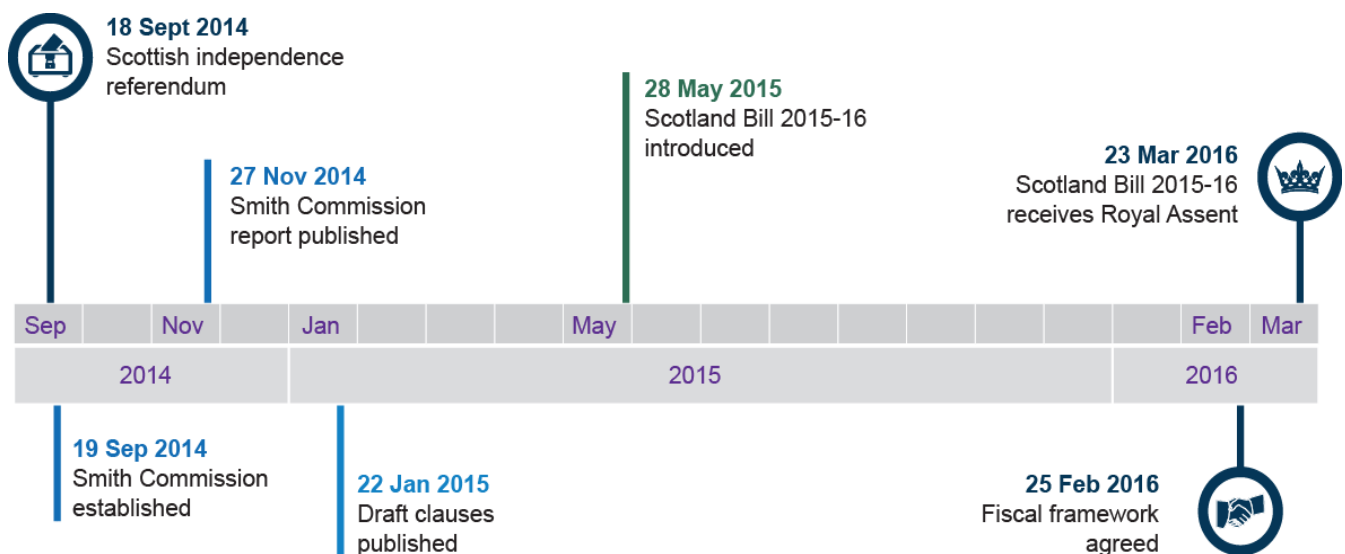
# INTRODUCTION

The origins of Scotland’s new social security powers lie with the [Smith Commission](#). On 19 September 2014, following the outcome of the Referendum on Scottish independence, the Prime Minister David Cameron announced that Lord Smith of Kelvin would head a commission to examine the devolution of further powers to the Scottish Parliament.

The Commission had cross-party representation with two representatives from each of Scotland’s five largest parties (SNP, Scottish Labour, Scottish Conservatives, Scottish Liberal Democrats and Scottish Greens). Lord Smith also received evidence from a range of stakeholders and the general public.

On 27 November 2014, the Smith Commission published a [report](#) which agreed that a number of benefits and powers would be devolved to the Scottish Parliament (Smith Commission 2014).

The Smith Commission report provided the basis for the Scotland Bill which finally became the Scotland Act 2016 (the “Scotland Act”) receiving Royal Assent on 23 March 2016.



This is one of a series of SPICe briefings covering the new social security powers. Other briefings are listed at the end of this briefing.

## WHAT IS BEING DEVOLVED?

The powers coming to the Scottish Parliament through the Scotland Act 2016 include powers over a number of existing benefits created by the UK Government (see Table 1). The Scottish Parliament will have 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.

**Table 1: Benefits that are being devolved**

Group of Benefits	Benefit
For carers, disabled people and those who are ill	Attendance Allowance (AA)
	Carer's Allowance
	Disability Living Allowance (DLA)
	Personal Independence Payment (PIP)
	Industrial Injuries Benefit
	Severe Disablement Allowance
Currently part of the Regulated Social Fund	Cold Weather Payment
	Funeral Payment
	Sure Start Maternity Grant
	Winter Fuel Payment
Other	Discretionary Housing Payments

Other powers are also being devolved:

- An expanded power to provide **Discretionary Payments and Assistance**
- The **power top-up reserved benefits**
- The **power to create other new social security benefits (other than pensions) in areas not otherwise connected with reserved matters**
- The power to legislate for Welfare Foods
- Scottish Ministers will have powers to **vary the housing cost element of Universal Credit** for rented accommodation and **change payment arrangements for Universal Credit**.

The Parliament will also have powers over support for unemployed people through the employment programmes (currently delivered through the [Work Programme](#) and [Work Choice](#)).

## SCALE OF SOCIAL SECURITY PROVISION IN SCOTLAND

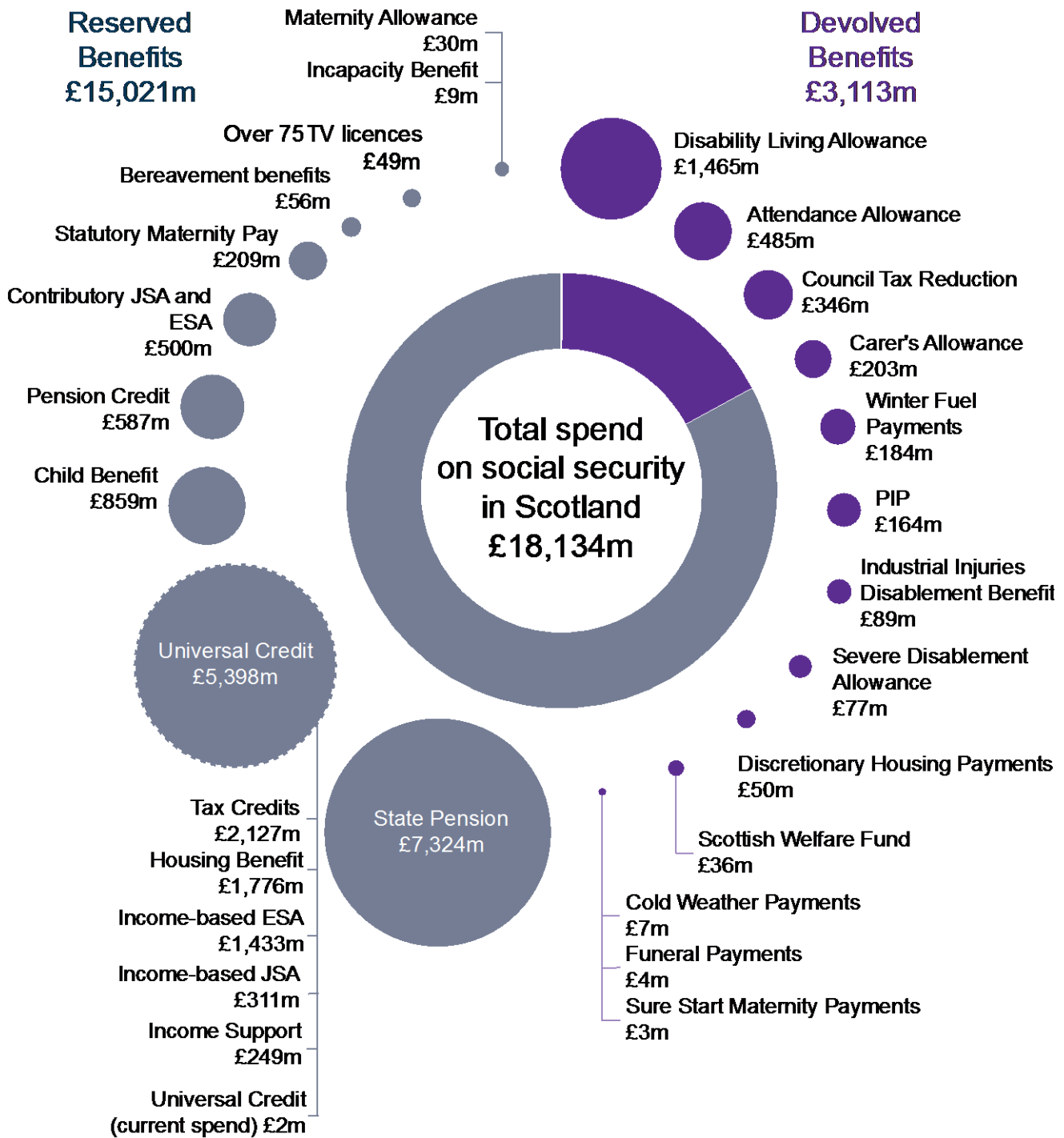
### *Social Security Spend*

Figure 1 gives an indication of the scale of social security spend in Scotland. In 2014-15, total spend was around £18bn. Most of the spend, 83%, was on reserved benefits, in particular the state pension and working age benefits for those who are unemployed or on low incomes (i.e. the benefits that are being replaced by Universal Credit<sup>1</sup>).

Scotland already has control over the Scottish Welfare Fund and funds Discretionary Housing Payment to around £35m each year. The council tax reduction scheme has also been localised for several years, replacing the former council tax benefit with a scheme giving reliefs from this local tax. Once all the existing benefits are devolved, the Scottish Government will be responsible for around 17% of all social security expenditure (£3bn) in Scotland.

<sup>1</sup> Universal Credit is being rolled out on a phased basis and will replace six existing working age benefits

**Figure 1: Social Security Spend in Scotland 2014-15**



**Notes:**

- Annex 1 contains a table of this information with the relevant sources.
- Council Tax Reduction replaced Council Tax Benefit in April 2013. It is now technically a tax relief rather than a benefit. It reduces what people are liable to pay, rather than giving people money to help pay a bill.
- The Scottish Welfare Fund replaced elements of the Social Fund in 2013. It provides a discretionary safety to vulnerable people on low incomes.
- DHP is an additional payment for people who are having difficulty meeting their housing costs.
- Industrial Injuries Disablement Benefit does not include expenditure on other industrial injuries benefits, but does represent the largest portion of all industrial injuries benefit.

## *Social Security caseload*

In terms of caseload of the benefits to be devolved, Winter Fuel Payments are received by the largest numbers of people in Scotland at just over 1m. This is followed by the three main disability benefits of Disability Living Allowance, Personal Independence Payment and Attendance Allowance, which in total had over 500,000 recipients in Scotland in 2014/15. Some benefits have a relatively small caseload, for example, around 4,300 people in Scotland received funeral payments in 2014/15. (Annex 2 contains caseload information for the benefits being devolved).

## **FISCAL FRAMEWORK**

The Smith Commission (para 95) said that the devolution of further responsibility for taxation and public spending, including the social security powers, should be accompanied by an updated fiscal framework for Scotland, consistent with the overall UK fiscal framework. It noted:

“In line with the funding principles set out in paragraph 95, the initial devolution of these powers should be accompanied set out by an increase in the block grant equivalent to the existing level of Scottish expenditure by the UK Government on the benefit being devolved. In addition, any savings arising to the UK Government from no longer administering these benefits in Scotland will be transferred to the Scottish Government”.  
(Para 52)

The UK and Scottish Government published their agreed [Fiscal Framework](#) on 23 February 2016.

### **Funding for social security**

The UK Government's block grant to the Scottish Government will continue to be determined by the Barnett formula, as proposed by the Smith Commission.

The block grant to the Scottish Government will be adjusted upwards to reflect the transfer of responsibility for welfare. The initial baseline block grant adjustments in relation to welfare will be equal to the UK government's spending on the relevant benefits in Scotland in the year immediately prior to the devolution of powers (except for Cold Weather Payments as these are subject to significant volatility from one year to the next).

The Barnett Formula will be applied to determine block grant adjustments annually, from the year each benefit is devolved. The comparability factor for each devolved benefit will be 100%. This means the addition to the block grant will be equal to a population share of changes in aggregate spending on comparable benefits in England & Wales. For example, if spending on PIP is increased by £1m in England & Wales and Scotland's population share is 8% of England and Wales, this would result in an increase of £80,000 to the block grant.

For an interim period, up to 2021-22 at which point this will be reviewed, the block grant will be adjusted on the basis of the Indexed Per Capita (IPC) method, although calculations will also be made using the Barnett formula. Further briefings on Scotland's new tax powers and the fiscal framework will be published in due course.

### **Additional Income**

The Smith Commission said that any new benefits or discretionary payments must provide additional income for a recipient and not result in an automatic offsetting reduction in their entitlement to other benefits or post-tax earnings if in employment. The Fiscal Framework added:

“Any new benefits or discretionary payments introduced by the Scottish Government will not be deemed to be income for tax purposes, unless topping up a benefit which is deemed taxable such as Carer’s Allowance” (para 89).

[Taxable benefits](#) also include Jobseeker’s Allowance, Statutory Maternity Pay, and Bereavement Allowance. Carer’s Allowance will still count as income in relation to means-tested benefits. However, any increase to the award will not count as income. This will ensure that all recipients of Carer’s Allowance in Scotland will benefit from the increase in award.

In addition, the Framework highlights that the Benefit Cap will be adjusted by the UK Government to accommodate any additional benefit payments introduced by the Scottish Government.

Ultimately, if the Scottish Government wishes to provide additional income by increasing awards, topping up benefits or creating new benefits, it will need to fund this itself.

## **No Detriment**

The Smith Commission stated there should be ‘no-detriment’ as a result of UK Government or Scottish Government policy decisions post-devolution. Where either government makes a policy decision that affects expenditure or tax receipts of the other, the decision-making government will have to reimburse the other if there is an additional cost, or receive a transfer if there is a saving.

The Fiscal Framework describes the financial consequences of policy decisions as “policy spillover effects.” These are split into direct effects and behavioural effects. Direct effects will directly and mechanically exist as a result of a policy change. The UK Government and Scottish Government have agreed to account for all direct effects. Behavioural effects however will only be taken into account if they involve a “material and demonstrable welfare cost or saving (...) where these are in exceptional circumstances”. Assessment of causality and of the scale of any financial impacts of direct and behavioural effects will be “based on and supported by a shared understanding of the evidence”.

## **ADMINISTRATION AND IMPLEMENTATION**

The [Scottish Government](#) (2016a) has announced that a new delivery agency will be established to administer social security payments when they are devolved to Scotland. The establishment of the new agency will be included in a Social Security Bill to be introduced in the 2016-17 parliamentary session. The agency will become operational during the parliamentary term.

Alex Neil MSP, the former Cabinet Secretary for Social Justice, Communities and Pensioners’ Rights said:

“Our new Scottish social security agency will be the flagship organisation that oversees the delivery of benefits in Scotland. It will be underpinned by our commitment to principles that will treat people with dignity and respect. We want to take a fairer approach to social security that tackles inequalities.

“Our aim is to ensure that social security delivery is accessible and commands the confidence of users by being cost effective and well-managed. Longer term, this agency will also ensure that services are aligned and work together for the benefit of the people of Scotland.



“Our immediate priority is to make sure there is a smooth transfer of these benefits and that households continue to receive them on time and in the right amount (Scottish Government 2016a).

The SNP Manifesto (SNP 2016) referred to priorities that related to administration issues:

- “Setting clear timescales for conducting assessments and making decisions in respect of the benefits being devolved.
- We will also establish a transparent and accessible appeals process – with guaranteed timescales for decisions – and ensure that all claimants can access information on how to appeal.
- We will also ensure that accessible information is available for those with special needs.
- Encouraging benefits take-up through a government led campaign and a programme of work with partners to increase take up by those who are eligible for benefits but not currently making claims.
- Making better use of technology to simplify the process of applying for benefits and bring services closer to the people who use them.”

### *Implementation of New Powers*

The Scottish Government (2015a) has set out five [principles](#) that its use of the new social security powers will be founded on. These are:

Principle 1: Social security is an investment in the people of Scotland

Principle 2: Respect for the dignity of individuals is at the heart of everything we do

Principle 3: Our processes and services will be evidence based and designed with the people of Scotland

Principle 4: We will strive for continuous improvement in all our policies, processes and systems, putting the user experience first

Principle 5: We will demonstrate that our services are efficient and value for money

To date, the Scottish Government has sought to involve key stakeholders about how the new powers could be used. The SNP Manifesto committed to “Stakeholder forums to inform social security on an ongoing basis” (SNP 2016).

The implementation dates for any new welfare powers, except employment support, will be agreed by the Joint Ministerial Group on Welfare, with the Joint Exchequer Committee overseeing the transfer of funding (UK Government and Scottish Government 2016).

The Smith Commission stated that employment support powers would transfer on expiry of the current commercial arrangements. These are now due to end on 31 March 2017. The SNP Manifesto said that transitional arrangements would be in place for a year, with new services being delivered from April 2018 (SNP 2016).

The following section provides an overview of the powers to be devolved to the Scottish Parliament. A list of those benefits to be devolved/affected, including information about their current use; eligibility; caseload and expenditure, can be found in Appendix 2.

# DISABILITY, CARER AND INDUSTRIAL INJURIES BENEFITS

## CARERS' BENEFITS

Under the Scotland Act 1998, as amended by the Scotland Act 2016, the Scottish Parliament will have the power to either alter [Carer's Allowance](#) or create its own benefits to support carers in Scotland. The parliament will be able to determine the structure and value of any benefits to support carers and set the eligibility criteria.

The Act provides a definition of a “carer’s benefit”. It is a benefit that is normally payable in respect of “regular and substantial” provision of care by a person to a disabled person. The disabled person is someone to whom a disability benefit is normally payable, for example currently DLA, PIP or AA.

When the Scotland Bill was introduced the definition of a carer’s benefit was based on the current eligibility criteria for Carer’s Allowance. It required that the “relevant carer” was someone who:

- is 16 or over,
- not in full-time education, and
- not gainfully employed.

Stakeholders representing carers and disabled people, as well as the Scottish Government and the Devolution (Further Powers) Committee, expressed concerns that the definition of a carer’s benefit was too restrictive and should extend to those who work, study, or are under the age of 16 (Scottish Parliament 2015). David Mundell MP, the Secretary of State for Scotland, amended the Scotland Bill at report stage by removing the conditions on age, work and study.

However, the requirement for care to be “regular and substantial” remains, which is currently defined for the purposes of Carer’s Allowance as 35 hours a week or more under regulations<sup>2</sup>. The Scotland Act does not provide an interpretation for “regular and substantial”, so any new legislation for a carer’s benefit would have to set out what it meant in the context of that legislation.

In its report, “[The Future Delivery of Social Security in Scotland](#)”, the Welfare Reform Committee (2015) highlighted its support for the Scottish Government’s intention to introduce a broader definition of the term carer. In response to the Committee’s report the Scottish Government said:

“We will develop a definition, for the purposes of Carer's Allowance, in consultation with stakeholders once this power is transferred to the Scottish Parliament.” (Neil, 2016)

### How the new powers may be used

The [Scottish Government](#) (2015b) has already announced its intention to:

- Increase Carer’s Allowance so that it is paid at the same level as Jobseeker’s Allowance (JSA) for the over 25s. Currently, Carer’s Allowance is paid at £62.10 a week, compared with JSA for the over 25s which is £73.10 a week. The Scottish Government estimates this change would give eligible carers an additional £600 per year.

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<sup>2</sup> [Social Security \(Invalid Care Allowance\) Regulations 1976/409](#) (as amended)

In their Manifestos for the Scottish Parliament 2016 elections, Scottish Labour (2016), the Scottish Conservatives (2016) and Scottish Liberal Democrats (2016) also proposed an increase to Carer's Allowance to the level of JSA, while the Scottish Green's Manifesto supported a 50% increase in the rate to £93.15 a week.

The Scottish Green's Manifesto (2016) made a commitment to explore the introduction of a Young Carers' Grant. During the First Minister's statement on *Taking Scotland Forward*, made in the Parliament on 25 May 2016, the First Minister announced that the Scottish Government would also consider the introduction of a Young Carers' Allowance to provide extra support for young people with significant caring responsibilities (Scottish Parliament 2016).

Further plans to increase Carer's Allowance for those looking after more than one disabled child, to recognise higher costs, were also set out in the SNP Manifesto for the 2016 Scottish Parliament elections. No detail was provided as to how much the allowance would be increased by.

In September 2015, the Scottish Government announced it would scrap the '84-day rule' that applies to DLA (Scottish Government [2015c](#)). A child who is in hospital for 84 days or more, either consecutively or linked to the same course of treatment, would lose their entitlement<sup>3</sup>. Their carer would also lose their entitlement to Carer's Allowance. This commitment was also made in the SNP Manifesto for the Scottish Parliament 2016 elections (SNP 2016). However, following consideration of a Supreme Court judgement<sup>4</sup> in July 2015, the UK Government laid down regulations on 8 May 2016 to remove the 84-day rule. It has also extended the provision to protect children up to the age of 18 who are in receipt of PIP, because there is a similar rule which stops the benefit once a recipient has been in hospital for 28 days. The [Social Security \(Disability Living Allowance and Personal Independence Allowance\) \(Amendment\) Regulations 2016 \(SI 2016/556\)](#) will come into force on 29 June 2016.

To date, there has been no further commitment from the Scottish Government to change the eligibility criteria for Carer's Allowance, for example, to those who study full-time, or work, or aged under 16. However, the Scottish Government has established a Carer Benefit Advisory Group, which includes carer organisations, to help develop a definition of a carer for the purposes of paying benefits to carers, and which integrates with the wider benefits system (Scottish Government 2016c).

## DISABILITY BENEFITS

As with benefits for carers, the Scotland Act 1998, as amended by the Scotland Act 2016, gives the Scottish Parliament the power to alter the following existing disability benefits ([Attendance Allowance](#) (AA), [Disability Living Allowance](#) (DLA) and [Personal Independence Payment](#) (PIP)), create new additional disability benefits, or to replace the existing benefits with its own. The parliament will be able to determine the structure of any disability benefits and set the rates at which they will be paid.

The Act defines a 'disability benefit' as a benefit which is normally payable in respect of:

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<sup>3</sup> According to a [Statistical Ad Hoc release](#) from the DWP (2016) in the four quarters (May 2012 – Feb 2013) prior to the introduction of PIP in April 2013, 32,510 DLA recipients in GB were affected by the hospitalisation rule, 190 of whom were children aged 15 and under.

<sup>4</sup> Cameron Mathieson v Secretary of State for Work and Pensions [2015] UKSC 47 (8 July 2015)

- a significant adverse effect that impairment to a person’s physical or mental condition has on their ability to carry out day-to-day activities, such as moving around or looking after themselves or communicating, or
- a significant need arising from impairment to a person’s physical or mental condition, for example someone requiring attention, or supervision to avoid being a substantial danger to anyone.

This definition covers three existing disability benefits (AA, DLA and PIP) and is based on the common feature that eligibility is determined by the effects on the individual, or the needs of the individual, rather than the nature of the condition in and of itself. The definition also requires that the adverse effects, or needs, must not be short term, because disability benefits are not intended to cover temporary illnesses (Scotland Act 2016 Explanatory Notes).

The phrase “normally payable” in the Act provides some flexibility which would enable payments to be made in exceptional cases, for example, in situations where a person is terminally ill (Scotland Act 2016 Explanatory Notes).

### **How the new powers may be used**

As mentioned above, the Scottish Government had said it would abolish the ’84-day rule. However, the UK Government has laid down regulations to remove the rule across Great Britain.

The [Welfare Reform Committee](#) (2015) said the Scottish Government should use its new powers to introduce long-term DLA/PIP (or equivalent) awards for those with a severe, long term disability or illness. The Committee believes that this would reduce the stress incurred by multiple assessments and form filling and save money by reducing bureaucracy. The Scottish Government has said for those with long-term conditions: “we will introduce long-term awards and wherever possible assessments for them will be paper-based rather than face-to-face” (Scottish Government 2016b).

In the long term, the Scottish Government has said that it will consider: “whether a single benefit for people with ill health and disabilities should replace the existing different arrangements for children, older people and working age adults” (Scottish Government 2016b).

The SNP Manifesto reiterated the commitment to introduce long-term awards and reform assessments. The manifesto did not refer to a single disability benefit. Further commitments were made to:

- protect disability benefits at the current level and ensure that they remain non means-tested
- establish a Disability Benefits Assessment Commission to provide recommendations and guidance on how often assessments should be, what conditions should be given an automatic or lifetime awards, and eligibility criteria
- ensure that when disability benefits are transferred, any child in receipt of DLA will be given an automatic award of that DLA to age 18 to allow for continuity for families whilst the transfer of benefits takes place
- extend eligibility for the Winter Fuel Payment to families with children in receipt of the highest care component of DLA<sup>5</sup>

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<sup>5</sup> As at August 2014, there were around 14,000 children in Scotland in receipt of the highest care component of DLA. See DWP Tabtool: [Disability Living Allowance - all entitled cases Caseload \(Thousands\) : Region by Care Award Type by Age of claimant, Scotland, August 2015](#)

- consult on how people on disability benefits can access adapted vehicles, aids and appliances.

## **SEVERE DISABLEMENT ALLOWANCE**

The Scotland Act 1998, as amended by the Scotland Act 2016, at Section 22 gives the Scottish Parliament power over [Severe Disablement Allowance](#) (SDA). SDA is a 'legacy benefit'. This means that those who were in receipt of SDA at the time the benefit was closed will continue to receive it. No new claimants have been accepted since the closing date (6 April 2001).

At present, SDA claimants below state pension age are being transferred to Employment and Support Allowance (ESA). As ESA is reserved to the UK Government, the Scottish Parliament will have no powers over it. Only those SDA claimants that have not migrated over to ESA by the time Section 22 of the 2016 Act is enacted will be affected by the devolution of SDA to the Scottish Parliament. This is likely to be mainly people who are above state pension age. The Scottish Parliament will be able to make decisions on the continuation, change or cessation of this benefit.

### **How the new powers may be used**

The Scottish Government said it would consult on how best to integrate SDA into the new social security system in Scotland (Scottish Government 2016b).

## **MOTABILITY**

The Motability scheme enables disabled people to use relevant disability benefits to contribute to the cost of leasing a new car, mobility scooter or powered wheelchair. Claimants who receive the higher rate mobility component of DLA or enhanced rate mobility component of PIP are eligible to use these funds to assist with leasing a vehicle through the Motability scheme.

The Smith Commission recommended that new arrangements be put in place for how the Motability scheme would operate in Scotland. This would require an agreement to be made between the Scottish and UK Governments as to how this would operate.

In response, the Scottish Government has said that it will: "maintain access to the Motability scheme in Scotland, working with Motability to ensure that it develops in a way that continues to meet Scottish needs" (Scottish Government 2016b).

### **How the new powers may be used**

As noted previously, the SNP manifesto (2016) states that the SNP in government would consult on how people in receipt of disability benefits can access adapted vehicles, as well as aids and appliances. There are no more details at present on how this would operate, for example, whether any changes to the current arrangements offered by Motability would take place.

## **INDUSTRIAL INJURY BENEFITS**

Under the Scotland Act 1998, as amended by the Scotland Act 2016, the Scottish Parliament will have legislative competence over industrial injuries benefits. Industrial injuries benefits seek to offer financial compensation to people who are disabled as a result of an accident at work, or who have one of approximately 70 prescribed diseases or conditions that have been caused by employment.

The current industrial injuries benefits were designed in response to the needs of the economy of the early to mid-20th century. The concern then was to assist workers who were injured while working in heavy industry, mining and manufacturing. This focus means that industrial injuries benefits operate on a compensation basis. Industrial injuries benefits are non-contributory, non-means-tested, and are not taxable.

Anyone seeking to claim industrial injuries benefits has to have been employed under a contract of service or be an officeholder with taxable earnings at the time of the injury occurring. Those not covered for industrial injuries benefits are people who are self-employed and those who are participating in a workplace as a volunteer – unless doing specific types of voluntary work (e.g. special constable).

As well as [Industrial Injuries Disablement Benefit](#) (IIDB) there are a range of other industrial injuries benefits (some passported through entitlement to IIDB) that are also affected by this development. These include:

- Constant Attendance Allowance
- Exceptionally Severe Disablement Allowance
- Reduced Earnings Allowance
- Retirement Allowance
- Unemployability Supplement
- Industrial Death Benefit
- Industrial Injuries Disablement Gratuity
- Hospital Treatment Allowance (Scotland Act 2016, Explanatory Notes).

The 2016 Act gives the Scottish Parliament the power to determine the structure and value of industrial injuries benefits, while also being able to create new industrial injuries benefits or replace the benefits currently available.

## **How the new powers may be used**

Stakeholders contributing to the [Fairer Scotland](#) (Scottish Government 2015d) discussions were of the view that the scheme could benefit from review. Some stakeholders identified specific aspects of the scheme as unfair. For example, one view was that people with terminal illnesses can receive much less than those with relatively minor injuries that do not prevent them from working. Others thought employers and insurers should contribute to paying for the scheme. There were also those that were unsure as to whether the scheme could accommodate the modern workplace with increasing levels of subcontracting and zero hours contracts.

In its response, the Scottish Government said that people who suffer work related accidents and ill-health should be appropriately compensated. No fault compensation (offered through industrial injuries benefits) is an important part of this. Awards should, however, be equitable and proportionate. To this end, there should be greater clarity in the interaction between disability benefits and industrial injuries benefits, and, in future, the role of employers and insurers in financing industrial injuries payments should be considered (Scottish Government 2015d).

While industrial injuries benefits will be devolved, workplace health and safety and employment law are both reserved to the UK Government. The UK Government announced in its 2015 summer budget that it would, "...consider where employers and insurers should play a greater role in providing support for those who suffer from industrial injuries in the workplace" (HM Treasury 2015a). A report from this work was to be completed as part of the Spending Review.

While the 2015 Spending Review has since been published, there has not been any report on this issue to date.

## THE REGULATED SOCIAL FUND

The Scotland Act 1998, as amended by the Scotland Act 2016, gives the Scottish Parliament legislative competence for the provision of financial, or other, assistance for the purposes of meeting or reducing maternity expenses, funeral expenses and expenses for heating costs incurred due to cold weather. Currently assistance for these is provided via the Regulated Social Fund. The Fund is comprised of the following benefits:

- [Winter Fuel Payments](#) - a tax-free payment of £100 - £300 to help older people pay their heating bills.
- [Sure Start Maternity Grant](#) – a one-off payment of £500 to help towards the costs of having a first child for those on qualifying benefits.
- [Funeral Payments](#) – payments made to those on low incomes who need help to pay for a funeral they are arranging. How much a person receives depends on a range of factors.
- [Cold Weather Payments](#) – payments of £25 per week made to eligible persons if the average temperature in their area is recorded as, or is forecast to be, zero degrees celsius or below, for seven consecutive days during November through to 31 March.

The Scottish Government will have responsibility for these payments. This includes power to make regulations to vary the eligibility criteria or to replace these benefits entirely with new schemes to help meet or reduce these costs.

### How the new powers may be used

#### *Winter Fuel Payment*

At present, the Winter Fuel Payment is not an income-related benefit and the Scottish Government has indicated that they do not intend to means-test it in future. The [BBC](#) (2015) reported that:

“A Scottish Government spokesperson later clarified the plans, saying: ‘There is absolutely no question of means-testing eligibility for the winter fuel allowance - or of removing entitlement from anyone who currently receives it’”.

In response to the Welfare Reform Committee, the Scottish Government reiterated that there were no plans to means-test these payments,<sup>0</sup> but that this did not mean it could not examine ways to expand eligibility (Scottish Government 2016d). The Scottish Government is also considering whether to convert the payment into a fuel bill rebate (Scottish Government 2016b).

In their [Manifesto](#), the SNP also committed to extending Winter Fuel Payment to include families with children in receipt of highest care component of DLA and make payments early to those who are ‘off grid.’

#### *Sure Start Maternity Grant*

The Scottish Government had previously stated that it will seek to embed the grant within existing devolved support, looking at how the grant can be used to link applicants to other services (Scottish Government 2016b).

More specifically, in their [Manifesto](#) the SNP committed to creating a new 'Maternity and Early Years Allowance' which would provide low income families with £600 on the birth of their first child. They would also re-introduce a grant, worth £300, on the birth of second and subsequent children. Low-income families would receive a further £250 grant when their child starts nursery and again when they start school.

### *Funeral Payments*

The Welfare Reform Committee (2015) considered in its [report](#) that the devolution of these Regulated Social Fund benefits was an opportunity to simplify access to funeral grants. The Scottish Government has said that the devolution of funeral payments offers the chance to create a more streamlined, predictable benefit that is better integrated with Scottish policy. In addition, it has said that:

“We will aim to process applications for the funeral payment, once this power has been devolved, within ten working days of receipt of a completed application and make payments as soon as practicable thereafter” (Scottish Government 2016b).

In their Manifesto, the SNP said it would use new powers over Funeral Payments to reach more of those in need. This was in addition to developing a funeral costs plan to tackle issues relating to the affordability of funerals which would include the introduction of a funeral bond to help people save for funerals.

## **WELFARE FOODS**

Welfare Food schemes are designed to help improve nutrition for pregnant women, mothers and children. Welfare Foods currently include vouchers or subsidies for: semi-skinned or full fat liquid cows' milk, infant feeding formula, fresh or frozen fruit and vegetables as well as vitamin tablets for pregnant women and vitamin drops for young children. Two schemes currently operate at UK level: the [Nursery Milk Scheme](#) and [Healthy Start](#).

### **How the new powers may be used**

The SNP said, in their Manifesto, that it intends to use those powers over welfare foods to support the health of pregnant women and new mothers (SNP 2016).



## **DISCRETIONARY PAYMENTS**

The Scotland Act 1998, as amended by the Scotland Act 2016, gives the Scottish Parliament the ability to provide for a range of discretionary payments.

## **DISCRETIONARY HOUSING PAYMENTS**

Discretionary Housing Payments (DHPs) were introduced in 2001 to provide additional financial support to help meet housing costs for those in receipt of Housing Benefit (HB) or the housing element of Universal Credit. For example, DHPs can be used towards a rent deposit for a new property or to help pay for extra heating costs because a tenant has to spend a large amount of time at home due to illness or disability.

The Scottish Government currently has the power to set a limit on DHPs spending in Scotland (local authorities are allowed to “top-up” their DHP allocations from the UK Government). This power was devolved in 2014, but was used to remove the limit in place at that time without setting any new limit. The 2016 Act gives the Scottish Parliament full legislative competence over DHPs. This means that it can set up its own legislative scheme in relation to DHPs. It could therefore establish new criteria for the use of DHPs. The Act is clear that any DHP-related scheme the Scottish Parliament creates must only provide financial assistance with housing costs to those who are in receipt of either HB or another reserved benefit which includes payment for rental housing costs (currently Universal Credit). This is in keeping with the current scheme.

Recently, DHPs in Scotland have primarily been used to mitigate the impact of the “Bedroom Tax”. (For more on the Bedroom Tax see: [SB 14-67 The “Bedroom Tax”](#)). However, as DHPs pre-date the Bedroom Tax this was never their express purpose. Consequently, in considering the future of DHPs much of the discussion has focused around the Bedroom Tax and the potential for it being abolished in Scotland.

### **How the new powers may be used**

The Scottish Government intends to continue to use DHPs to mitigate the impact of the Bedroom Tax for HB claimants until UC is fully rolled out. It plans to use its new powers over UC to effectively abolish the Bedroom Tax for UC claimants (Scottish Government 2016d).

The effective abolition of the Bedroom Tax has been supported by the main political parties in Scotland, with the exception of the Scottish Conservatives.

## **DISCRETIONARY PAYMENTS AND ASSISTANCE**

The Scottish Parliament will also have a greater ability to introduce discretionary payments to help alleviate a short-term need for people whose well-being is at risk. This is a broadening of the Scottish Parliament’s current ability to provide for exceptional payments, which are provided through the Scottish Welfare Fund.

The Scottish Welfare Fund (SWF) is a national grant scheme delivered on behalf of the Scottish Government by local authorities. It was delivered on a voluntary basis by all 32 local authorities from April 2013. The scheme was made permanent in April 2016 by the Welfare Funds (Scotland) Act 2015 and subsequent secondary legislation. The Welfare Funds (Scotland) Act 2015 places a duty on each local authority to provide a Welfare Fund where Crisis Grants provide assistance for short term need:

“Assistance for short term need and community care

- (1) A local authority may use its welfare fund only in order to provide occasional financial or other assistance to or in respect of individuals for the purposes of—
- (a) meeting, or helping to meet, an immediate short term need—
    - (i) arising out of an exceptional event or exceptional circumstances, and
    - (ii) that requires to be met to avoid a risk to the wellbeing of an individual,<sup>6</sup>”

Under section 26 of the Scotland Act 2016, there would be no requirement for the person’s need to be immediate or to have arisen out of an exceptional event or circumstance. However, the provision of financial (or other assistance) to individuals should be:

“...for the purposes of meeting, or helping to meet, a short-term need that requires to be met to avoid a risk to the well-being of an individual” (section 26 which amends Section F1 of Part 2 of Schedule 5 to the Scotland Act 1998).

As is the currently the case, the Scottish Parliament is able to provide for occasional payments to help vulnerable people needing to establish or maintain a settled home. Currently these are made by way of a community care grant from the Scottish Welfare Fund<sup>7</sup>.

### **How the new powers may be used**

There has been little discussion about the use of these powers. The SNP Manifesto said that it would protect the Scottish Welfare Fund (SNP 2016).

## **DISCRETIONARY TOP-UP PAYMENTS**

Finally, the Scottish Parliament will also be given the ability to provide for top-up payments to people in Scotland who are entitled to a reserved benefit. Top-ups cannot be made to provide financial assistance to meet or help to meet housing costs.

At Report Stage the Secretary of State for Scotland [stated](#):

“The Scottish Government will be able to pay anyone on a reserved benefit a top-up payment. That includes being able to top up benefits such as tax credits, child benefit and universal credit.” (Hansard 2015)

Such top-up payments could be paid on an individual case by case basis or provide on-going support to a specific group of benefit claimants.

### **How the new powers may be used**

In their manifesto, the SNP (2016) said they would investigate whether new powers can be used to recompense a certain group of women that are getting a lower pension than men of the same age. Whereas men born between 1951 and 1953 have been transferred to the new single tier pension, women of the same age have not been, leaving them on average £6 a week worse off. This is one of a number of issues raised about pension changes.<sup>8</sup> Another proposal, from the Scottish Green Party (2016) and the Child Poverty Action Group (2016), is to top up child benefit.

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<sup>6</sup> The Welfare Funds (Scotland) Act 2015 Section 2 Para (1) (a)

<sup>7</sup> The Welfare Funds (Scotland) Act 2015 Section 2 Para (2)

<sup>8</sup> see Saga for a brief summary of issues with pension changes.

<http://www.saga.co.uk/magazine/money/retirement/pensions/are-the-new-state-pension-rules-unfair-to-women>

## SANCTIONS AND DISCRETIONARY PAYMENTS

With regards to the above discretionary payments the Act provides a consistent approach to the use of the powers for people who have been sanctioned. Such payments cannot be made purely to offset the impact of a benefit sanction (with the exception of Community Care Grants). Where the requirement for a discretionary housing payment, discretionary payment to meet short term needs, or top-up arises from a sanction the payment cannot be made **unless**:

(a) the requirement for it also arises from some exceptional event or exceptional circumstances, and

(b) the requirement for it is immediate (and short-term in the case of discretionary payments to help meet a need that requires to be met to avoid a risk to the well-being of an individual).

## UNIVERSAL CREDIT

Although UC will remain reserved, the Scotland Act 2016 (sections 29 and 30) gives the Scottish Ministers power to make regulations to:

- Alter the payment arrangements for UC, including to whom payments can be made and the frequency of payments<sup>9</sup>. For example, payment could be made twice monthly instead of monthly. Such alternative payment arrangements are already available to UC claimants in exceptional circumstances for a time limited period.
- Amend the way in which the housing costs for UC are calculated for those claimants who rent their home.<sup>10</sup> Scottish Ministers will also be able to make regulations which enable the housing costs to be paid to someone on behalf of a claimant such as the claimant's landlord<sup>11</sup>.

All of the above UC powers are in addition to the ability of the UK Government to make any regulations. The ability of Scottish Ministers to make changes does not replace or negate the authority of the UK Government. This means that both the UK Government and Scottish Government will have the same power to make regulations relating to the above which they can exercise independently of, but also concurrent to, one another.

The Scotland Act also provides that Scottish Ministers cannot make regulations regarding the above unless they have consulted with the Secretary of State about the practicalities of making those regulations. If the Secretary of State considers that it is not feasible to implement the changes within the timescale proposed by Ministers, the Secretary of State can postpone the date on which the changes come into effect. The Secretary of State cannot make any regulations under the powers specified in this section without first consulting with the Scottish Ministers.

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<sup>9</sup> The regulation making power is provided by section 5(1)(i) of the Social Security Administration Act 1992, so far as relating to the person to whom, or the time when, UC is to be paid.

<sup>10</sup> The regulation making power is provided by 11(4) of the Welfare Reform Act 2012 (determination and calculation of housing cost element) in relation to rented accommodation,

<sup>11</sup> The regulation making power is provided by section 5(1)(p) of the Social Security Administration Act 1992 (payments to another person on behalf of the beneficiary)

## How the new powers may be used

The Scottish Government has announced that it wants UC claimants to be given the choice of having their payments made twice monthly rather than monthly. Claimants should also have the choice of having the housing element paid direct to their social landlord (consideration is being given to allow tenants in private rented accommodation the choice to have their benefit paid to their landlord). With regard to splitting household payments, the Scottish Government has said that it will monitor how split household payments work in practice, and, if there is a case for change it will use these powers to bring this about (Scottish Government 2016b).

The Scottish Government has also committed itself to abolishing the “Bedroom Tax” using its new powers over UC (Scottish Government 2016b).

The SNP’s Manifesto (2016) said that it would, “...restore Housing Benefit for 18 – 21 year olds”. The UK Government has proposed that the automatic entitlement to the housing element of UC for out-of work 18-21 year olds will be removed from April 2017 (with exceptions), although further details of the policy have yet to be announced (HM Treasury 2015a). The SNP did not specify under which power this change would be made, and this will depend on how the UK Government implements the change. The power given by section 29 of the Scotland Act 2016 to provide for the calculation of the housing cost element of Universal Credit may be relevant.

## NEW BENEFITS

The Scotland Act 2016, section 28, gives the Scottish Parliament powers to create new social security benefits (other than pensions) in areas not otherwise connected with reserved matters. Any new benefits introduced by the Scottish Government must be funded from the Scottish Consolidated Fund (i.e. these benefits must be paid out of the block grant received and the Scottish Government’s operational receipts) and not from any other monies. These new benefits must be administered by the Scottish Government and will not form part of the UK-wide welfare system.

The Scottish Parliament’s power to create new benefits will operate in parallel to the ability of the UK Government to introduce new benefits. As the Secretary of State, David Mundell MP, [stated](#) at Report Stage (Hansard 2015):

“Any new benefits that the Scottish Government want to deliver will be in parallel to the benefits that are delivered by the UK Government. The new power does not affect Westminster’s ability to legislate for and to deliver support, and it does not enable the Scottish Parliament to change or amend reserved Westminster legislation in any way.”

In the Fiscal Framework agreement this power was described as the: “power to create new benefits in areas other than pensions” (UK Government and Scottish Government 2016). The Scotland Act 1998 defines benefits as allowances, grants, loans or any other form of financial assistance, that provide assistance for social security purposes to:

“...individuals who qualify by reason of old age, survivorship, disability, sickness, incapacity, injury, unemployment, maternity or the care of children or others needing care.”

## How the new powers may be used

As noted above, the SNP’s Manifesto (2016) said that it would, “restore Housing Benefit for 18 – 21 year olds,” although the specific UK Government proposal appears just to relate to the

housing element of Universal Credit. It may be that the new benefit power would offer the Scottish Government an opportunity to implement such a change, if the UK Government's proposals affected Housing Benefit entitlement.

## **EMPLOYMENT SUPPORT**

While not a benefit, the devolution of powers related to employment support are considered together with the devolution of social security powers under Part 3 (Welfare Benefits and Employment Support) of the Scotland Act 2016. As a result employment support powers are often discussed at the same time as social security, hence their inclusion in this paper.

The Scottish Parliament will have power over employment support schemes which assist those at risk of becoming long-term unemployed or help disabled people into work many of whose participants will be in receipt of either JSA or ESA. [Access to Work](#) will remain reserved. Any scheme must last for at least a year.

At present much of this support is provided through the Work Programme and Work Choice. The contracts for these programmes come to an end in March 2017.

The conditionality and sanctions associated with working age benefits will not be devolved to the Scottish Parliament. As a result, although the Scottish Parliament will be able to create employment support schemes, it will not be able to remove any conditionality related to said programmes. Therefore, participants in any Scottish employment schemes could still be sanctioned.

In addition, referrals to the new Scottish employment support schemes will be made by JobCentre Plus. How demand for such schemes will be managed is therefore uncertain.

### **How the new powers may be used**

Transitional arrangements for 2017-18 are:

- to replace Work Choice with a 1 year contract between Scottish Ministers and current third sector providers of Work Choice in Scotland, investing up to £20m to support unemployed disabled people into work.
- to ask Skills Development Scotland to use the mechanisms currently in place for the Employability Fund to deliver a new employability service for vulnerable clients at risk of long term unemployment who want to enter work.

The Scottish Government will work with stakeholders to redesign “a more enduring approach” to employability support from April 2018. This will involve “a programme of integration and alignment of existing employability services” (Employability in Scotland online).

For more analysis of the devolution of employment support programmes see: *SB 15-53 Scotland Bill: Employment Support* (published October 2015) prior to the announcement of the funding cut.

### **Programme Funding**

The estimated annual cost of the relevant contracts for employment support in Scotland is £53m (£42m for the Work Programme and £9.8m for Work Choice). In the [Autumn Statement](#) the Chancellor announced that a new Work and Health Programme will replace the Work Programme and Work Choice in England and Wales from 2017 (HM Treasury 2015b).

It was further announced, that the contracted-out element of the new Work and Health Programme would receive around £130 million per year for Great Britain as a whole (Learning and Work Institute 2015). This is around 20% of the level of funding for the Work Programme and Work Choice, which it will replace. The indicative funding the Scottish Government will receive for employment support programmes for the next four years is as follows:

- 2017-18 £7m
- 2018-19: £10m
- 2019-20: £11m
- 2020-21: £13m (Scottish Government 2016e).

The cut in funding from current estimated annual value of £53m to estimated allocation of £7m in 2017-18 is 87%. The cut in comparison to funding of £13m in 2020-21 is 76%.

It has been argued that this substantial reduction in funding will limit the ability of the Scottish Parliament to be innovative. The Devolution (Further Powers) Committee (2016) in its report “New Powers for Scotland: Final Report on the Scotland Bill” noted its disappointment at the cut to funding and considered that this would prevent the Scottish Government from making any meaningful change in this area. It is important to note, however, that the reduction in funding does not change the substance of the legal powers that are to be devolved.

The Scottish Government has announced an additional £20 million in funding for employability schemes in 2017-18.

“This trebles the funding being made available to exercise new devolved powers on employability from 1 April 2017” (Scottish Government 2016f)

## ANNEX 1

**Table 1: Social Security Expenditure 2014/15**

	<b>2014/15 (£m)</b>
Attendance Allowance	485
Bereavement benefits	56
Carer's Allowance	203
Child Benefit	859
Cold Weather Payments	7
Council Tax Reduction	346
Disability Living Allowance	1,465
Discretionary Housing Payments	50
Employment and Support Allowance	1,433
Funeral Payments*	4
Housing Benefit	1,776
Incapacity Benefit	9
Income Support	249
Industrial Injuries Disablement Benefit	89
Jobseeker's Allowance	311
Maternity Allowance	30
Over 75 TV licences	49
Pension Credit	587
Personal Independence Payment	164
Tax Credits	2,127
Severe Disablement Allowance	77
Scottish Welfare Fund	36
State Pension	7,324
Sure Start Maternity Grant*	3
Statutory Maternity Pay	209
Universal Credit	2
Winter Fuel Payments	184
<b>Total identified expenditure</b>	<b>18,135</b>

\*Estimated on 10% of UK Expenditure

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## ANNEX 2

Benefits paid/schemes currently operated by the UK Government over which the Scottish Parliament will now have legislative competence or the Scottish Ministers will have the ability to make regulations related to their operation.

<p><b>Attendance Allowance (AA)</b></p> <p>Expenditure (2014/15): £485m</p> <p>Caseload (Aug 15): 128,240 (<a href="#">cases in payment</a>), 148,060 (<a href="#">all entitled cases</a>). (DWP 2015)</p>	<p>AA is a weekly payment to help with personal care costs for those aged 65 or over and who are disabled. AA is paid at two different rates. How much a person receives depends on the level of care they require because of their disability. AA recipients can also get extra Pension Credit, Housing Benefit or Council Tax Reductions.</p>
<p><b>Carer's Allowance (CA)</b></p> <p>Expenditure (2014/15): £203m</p> <p>Caseload (Aug 15): 66,140 (claimants receiving benefits), 44,670 (entitlement only). (<a href="#">DWP 2015</a>)</p>	<p>CA is paid weekly in order to help those who look after someone with substantial care needs. Carers do not have to be related to, or live with, the person they care for but must be aged 16 or over and spend at least 35 hours a week caring.</p>
<p><b>Cold Weather Payments</b></p> <p>Expenditure (2014/15): £7m</p> <p>There are 415,000 people in Scotland eligible for the Cold Weather Payment. (<a href="#">DWP 2015</a>)</p>	<p>Cold Weather Payments are different to Winter Fuel Payments. Cold Weather Payments are usually made if a person receives certain qualifying benefits and the average temperature in their area is recorded as, or is forecast to be, zero degrees celsius or below for seven consecutive days in winter months. Payments are usually made automatically to eligible persons at a rate of £25 per week.</p>
<p><b>Disability Living Allowance (DLA)</b></p> <p>Expenditure (2014/15): £1,465m</p> <p>Caseload (Aug 15): 316,050 (<a href="#">cases in payment</a>), 318,890 (<a href="#">all entitled cases</a>)</p>	<p>DLA is a weekly benefit paid to help disabled people who need assistance with mobility or care costs. However, DLA is being replaced with the Personal Independence Payment for those people born after 8 April 1948 and are 16 or over. DLA will then only apply to children aged under 16. DLA has two components – care and mobility. How much a claimant receives depends on how their disability or health condition affects them.</p>
<p><b>Discretionary Housing Payments (DHPs)</b></p> <p>Expenditure (2014/15): £50m</p> <p>In 2014/15 118,000 DHP awards were made in Scotland.</p>	<p>The DHP scheme allows local authorities to make payments to people who qualify for Housing Benefit (HB) or the housing element of Universal Credit (UC) and are experiencing difficulty paying housing costs. Payments are made at the discretion of the local authority and can be for one-off or on-going expenses.</p>
<p><b>Funeral Payments</b></p> <p>Expenditure (2014/15): £4m</p> <p>In 2014/15: 4,300 awards made in Scotland (<a href="#">Hansard, 15<sup>th</sup> Oct</a>)</p>	<p>Funeral Payments are made to those on low incomes who need help to pay for a funeral they are arranging. For example, Funeral Payments can help with burial and cremation fees, funeral director's fees, or the cost of the coffin. How much a person receives depends on their</p>

<a href="#">2015</a> )	individual circumstances.
<b>Healthy Start</b> No published statistics on spend or caseload	Under <a href="#">Healthy Start</a> , pregnant women, or those with a child under the age of four, aged under 18 or who receive the relevant qualifying benefits are provided with vouchers to help buy basic foods like milk, fresh fruit and infant formula.
<b>Industrial Injuries Disablement Benefit (IIDB)</b> Expenditure (2014/15): £89m Caseload (Sep 15): 21,790 ( <a href="#">DWP 2015</a> )	IIDB is paid to those who are ill or disabled as a result of an accident or disease caused by work, or which occurred while they were on an approved employment training scheme or course. The amount received depends on individual circumstances. The scheme covers a range of diseases including, for example, chronic bronchitis or emphysema; deafness; pneumoconiosis and asbestos-related illnesses.
<b>Nursery Milk Scheme</b> No published statistics on spend or caseload	The Nursery Milk Scheme provides a free quantity of milk to children under five years who are looked after for two hours or more in approved day care facilities.
<b>Personal Independence Payment (PIP)</b> Expenditure (2014/15): £164m Caseload (Jan 16): 73,252 (DWP through <a href="#">Stat-Xplore</a> )	PIP aims to help with some of the extra costs incurred by those aged 16 - 64 who have long-term illness or a disability. The rate of PIP received depends on how an individual's condition affects them, not the condition itself. PIP claimants need to have an assessment to work out the amount of benefit they receive.
<b>Severe Disablement Allowance (SDA)</b> Expenditure (2014/15): £77m Caseload (Aug 15): 11,880	SDA is a benefit paid to people who cannot work because of a severe illness or disability. SDA was closed to new claims in 2001.
<b>Sure Start Maternity Grant</b> Expenditure (2014/15): £3m Caseload: population share of GB caseload is c.6,600	The Sure Start Maternity Grant provides a one-off payment of £500 to help towards the costs of having a first child to those who are in receipt of certain benefits. Claims must be made between 11 weeks before the birth and up to 3 months after the birth.
<b>Universal Credit (UC)</b> Expenditure (2014/15): £2m Caseload (Apr 16): 26,658 (DWP through <a href="#">Stat-Xplore</a> )	UC is paid monthly and replaces: Jobseeker's Allowance; Housing Benefit; Working Tax Credit; Child Tax Credit; Employment and Support Allowance and Income Support with one single payment. The amount of UC a claimant receives is made up of different amounts depending on their circumstances. UC is being rolled out in stages across the United Kingdom. By April 2016, UC should be rolled out across all 32 Scottish local authorities.

<b>Winter Fuel Payment</b> Expenditure (2014/15): £184m Recipients (2014/15): 1,076,870 ( <a href="#">DWP 2015</a> )	Winter Fuel Payments are awarded to those who were born on or before 5 January 1953 (as eligibility is linked to the State Pension Age for women). A tax-free payment of £100 - £300 is available to help older people pay their heating bills.
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- [SB 15-07 The Smith Commission’s Welfare Proposals](#)
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