
From: [Redacted]

Sent: 16 May 2018 16:16

To: [Redacted] Grisewood A (Aidan); [Redacted]

Cc: Ireland J (John); [Redacted]

Subject: OFFICIAL SENSITIVE – Final Forecasts and Fact-check – Social Security – May 2018

All,

In accordance with the Protocol, the Commission is now formally sharing our final forecasts with the Scottish Government and sharing our report for fact-checking purposes. Please find below the final forecast for social security. In the absence of a significant quality assurance issue these forecasts will not change.

£ million	2016- 17	2017- 18	2018- 19	2019- 20	2020- 21	2021- 22	2022- 23	2023- 24
	Outturn							
Carer's Allowance (CA)	234	248	267	285	303	318	334	349
CA Supplement			35	37	40	42	44	46
Discretionary Housing Payments	50	60	61	63	65	66	67	69
Scottish Welfare Fund	33	33	33	33	33	33	33	33
Employability Services		11	20	19	28	22	9	0
<i>Fair Start Scotland</i>		0	16	19	28	22	9	0
<i>Work Able Scotland</i>		3	0	0	0	0	0	0
<i>Work First Scotland</i>		9	4	0	0	0	0	0
Funeral Expenses Payment	5	5	5	5	5	5	5	5
Healthy Start Vouchers	5	4	4	4	4	4	4	3
Sure Start Maternity Grant	3	3	3	3	3	3	3	3
Total Social Security	330	364	428	450	480	493	498	509

The Scottish Government is invited to confirm the factual accuracy of the report, accompanying spreadsheet and the presentation of Scottish Government policy. As per the protocol we require any comments to be received by the end of Monday 21st May. For ease we are sending the report in sections directly to the relevant teams, please ensure that all relevant people in the Scottish Government are included on this copy list and have sight of the report.

This report and forecasts are being shared strictly for the purposes of commenting on the factual accuracy of the report and for the development of the Scottish Government's Medium Term Financial Outlook. The report and forecasts contains Scottish Fiscal Commission assumptions and determinants that are classified as OFFICIAL-SENSITIVE until the time of publication, they must be protected at all times and must not be shared beyond those requiring access for the purposes of fact-checking.

Please note that the report is still being finalised and the Commission retains the right to change any element of the report. As per the protocol the report will be shared with the Cabinet Secretary for Finance and the Constitution on Thursday 24th May. A final pre-release version will be shared with the Cabinet Secretary on Wednesday 30th May and the final version of the report will be published on Thursday 31st May.

<< File: Scotland's Economic and Fiscal Forecasts - May 2018 - Chapter 4 - Social Security - 180516 - OFFICIAL SENSITIVE.pdf >>

<< File: Scotland's Economic and Fiscal Forecasts - May 2018 - Chapter 4 - Social Security - 180516 - OFFICIAL SENSITIVE.xlsx >>

We will also cover social security in the summary section of the report, this is still in development as we work on the overall narrative of the report. We will provide this separately for fact-checking on the 22nd May, and invite comments on factual accuracy back from the Scottish Government by the morning of the 24th May. The final version of the report will be provided to the Cabinet Secretary for Finance and Constitution in the afternoon of the 24th May.

Kind regards

[Redacted]

From: [Redacted]

Sent: 21 May 2018 15:57

To: [Redacted] Grisewood A (Aidan); [Redacted]

Cc: Ireland J (John); [Redacted]

Subject: RE: OFFICIAL SENSITIVE – Final Forecasts and Fact-check – Social Security – May 2018

[Redacted]

Please find below some comments to make on the draft Social Security Chapter. We may have further comments on Carers Allowance text and the Annex but will clarify this.

Regards

[Redacted]

Paragraph/Reference	Comment
Carer's Allowance	
4.23, 3 rd sentence	"the latest data point (August 2017)" The data that was released last Tuesday was for November 2017, so August

	2017 is no longer the latest point.
4.37, 1 st sentence	There's currently no reference to the fact that the person receiving care could also be in receipt of AA.
Figure 4.2	3 comments: 1. Has Child DLA been removed from the DLA figures? If not then it's not a like-for-like comparison. 2. In general the comparison is appropriate, however, a better comparison would potentially be between DLA from before the introduction of PIP (Feb 2013) and the most recent data from PIP. 3. I doubt anyone will pick up on this, but there is a slight inconsistency saying that the Nov 2017 data point was published too late for CA for inclusion in the forecast, but this chart uses that data point for PIP/DLA (for which the DLA figure was published on the same day as the CA one).
4.41, 3 rd sentence	2 comments: 1. "main qualifying benefits for CA" – this suggests that you need to be in receipt of DLA or PIP to get CA. Suggest changing this to: "main benefits for the person being cared for to be in receipt of" or similar. 2. No reference to AA, even though it will be important factor in terms of the cared-for population.
DHPs	
4.45	There's no reference to the fact that the Scottish Government has been mitigating RSRS well in advance of the devolution of DHPs.

From: [Redacted]

Sent: 21 May 2018 16:48

To: [Redacted]

Cc: [Redacted]

Subject: RE: OFFICIAL SENSITIVE – Final Forecasts and Fact-check – Social Security – May 2018

[Redacted]

Overall I am content with the draft figures and narrative in relation to Employability. However, just wondered if we could be separated from Social Security. Have never understood why we are branded under Social Security when it is a different offer we make and a different Directorate. Employability is part of Fair Work, Employability & Skills directorate.

Could we make the Chapter Social Security and Employability or Employment Programme – this might help in separating out the lines a little more!

[Redacted]

From: [Redacted]
Sent: 21 May 2018 18:41
To: [Redacted] Grisewood A (Aidan); [Redacted]
Cc: Ireland J (John); [Redacted]
Subject: RE: OFFICIAL SENSITIVE – Final Forecasts and Fact-check – Social Security – May 2018

Thanks all – much appreciated.

If you have any final comments such as CA or the Annex then if you could send them through to us tomorrow morning that would be really helpful.

[Redacted]

From: [Redacted]
Sent: 22 May 2018 09:16
To: [Redacted]
Cc: Ireland J (John); [Redacted]
Subject: RE: OFFICIAL SENSITIVE – Final Forecasts and Fact-check – Social Security – May 2018

[Redacted]

Apologies for delay, couple of minor suggestions for changes on the CA texts

[Redacted]

Paragraph 4.9 – Although the detail in this paragraph is technically correct – the initial BGA will be based on forecast spend in Scotland in year before devolution – actual spend will not be known until the following financial year. The initial BGA will be based on FORECAST spend in Scotland in the year before devolution and then reconciled to output in the following financial year; this final figure will be the baseline which will be indexed in future years. On the second sentence in the paragraph it may be helpful to say “expenditure in *Scotland* in the year prior to devolution” for clarity.

4.25 **After CA is devolved**, CA will continue to be administered by DWP at the rate set by the UK Government, **until Social Security Scotland takes over delivery of CA**. The CA Supplement will be paid by the Scottish Government.

In the Annex, for clarity, would add CA to paragraph A.12 as below.

A.12 Many of the uncertainties outlined in Box 4.2 in Chapter 4 apply to the CA Supplement. Additionally, expenditure on CA Supplement depends on the value of the **CA** weekly payment and any changes in inflation or policy will have an impact on our expenditure forecast.

From: [Redacted]
Sent: 22 May 2018 19:11
To: [Redacted]

Cc: [Redacted]

Subject: RE: OFFICIAL SENSITIVE – Final Forecasts and Fact-check – Social Security – May 2018

[Redacted]

Thank you for your response on the fact-check. Our regulations which define our remit include a very specific definition of social security which covers employability – devolved social security is defined as expenditure under specific parts of the Scotland Act 2016. We have tried to keep the chapters at an aggregate level with just one covering tax and just one covering expenditure. We will see if we can add anything into the introduction to make it clearer that this covers employability as well as the main benefits.

Best wishes,

[Redacted]