

Social Security (Scotland) Act 2018: Progress Report 2021 - 2022

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Contents

1. Foreword	2
2. Purpose of Report	4
3. Introduction.....	5
4. Performance of the System and Delivery of the Charter	6
5. Equality Assessment and Data.....	18
6. Right to Appeal	24

1. Foreword



The delivery of devolved Scottish social security benefits is the largest programme of change the Scottish Government has undertaken since devolution commenced in 1999. We have made remarkable progress since the Social Security Act was unanimously passed four years ago. In that time we have created a new public service for Scotland, building a social security system based on dignity, fairness and respect.

This document provides a progress report on the implementation of the Social Security (Scotland) Act 2018 from 1 April 2021 until 31 March 2022, and focusses on the policy aspects where the Scottish Government has a particular role and duty to report. The report is designed to complement Social Security Scotland's own comprehensive progress report, which focusses on operational aspects.

By the end of this reporting year, we were delivering 12 benefits, seven of which are only available in Scotland. We introduced Child Disability Payment, the first of our more complex disability benefits, and launched a pilot scheme for Adult Disability Payment ahead of national introduction at the end of August. Using our social security powers is particularly important in the current cost of living crisis. We have taken a range of actions to support people, including increasing eight Scottish benefits by 6% in 2022-23 - almost double the rate that UK Government benefits were updated. We also doubled the Scottish Child Payment to £20 in April and intend to increase it to £25 per week per child on 14 November 2022. On the same date we will extend it to under 16s, increasing eligibility to around 400,000 children. At that point our five family benefits for low income families will be worth over £10,000 by the time a family's first child turns 6, and £9,700 for subsequent children.

We continue to deliver a system based on dignity, fairness and respect. In Social Security Scotland's latest client survey 89% of respondents rated their experience as 'very good' or 'good', and 94% of client survey respondents said staff treated them with kindness. In response to world events we introduced legislation that ensures people in Scotland from Afghanistan and Ukraine can access devolved social security benefits from the moment they arrive in Scotland.

We also introduced our biggest and most complex benefit to date, Adult Disability Payment which is our replacement for Personal Independence Payment (PIP). In contrast to PIP, our approach has been designed working closely with people with lived experience of disability benefits. We have created a simplified and compassionate system that provides an improved experience for those applying. In addition, we have introduced indefinite awards for severely disabled people whose

needs are highly unlikely to change, providing long-term financial security and supporting them to lead their lives more independently and fully.

We published our second Benefit Take-Up Strategy and launched an independent Advocacy Service. Through these initiatives we are tackling the barriers and stigma associated with accessing social security, and ensuring people from all walks of life can access support they are entitled to.

The level of support we provided in this year totalled £3.48 billion, through payments made by Social Security Scotland and under agency agreements with the Department for Work and Pensions. In 2022-23 our benefits will provide support to over one million people in Scotland.

Looking forward, we will continue our work to devolve social security benefits. In February 2023 we will introduce Winter Heating Payment, providing a £50 annual payment to around 400,000 low income households. Then we will begin the roll out of Scottish Carer's Assistance later in 2023.

We will continue our dynamic and pro-active approach to delivering devolved Scottish social security.

A handwritten signature in black ink, appearing to read 'Ben Macpherson', with a long horizontal flourish extending to the right.

Ben Macpherson
Minister for Social Security and Local Government

2. Purpose of Report

This report is published under Section 20 and Section 87 of the Social Security (Scotland) Act 2018 (the Act) which require Scottish Ministers to report annually on the performance of the Scottish social security system. The social security system is defined in the Act as the system for giving assistance to individuals in accordance with Part 2 of the Act and regulations made under Part 3 or under any other provision of an Act of the Scottish Parliament that relates to Social Security. Part 2 covers most types of assistance that can be legislated for under the 2018 Act which would be paid by Scottish Ministers and the processes for determining entitlement from application to appeal and Part 3 covers top-up assistance for those in receipt of reserved benefits, and Carer's Allowance Supplement.

Section 20 of the Act also sets out the requirements for the content of the report. It must include what has been done in the past year to meet the expectations on Scottish Ministers set out in the Charter. This report will therefore be published alongside our report on the Charter Measurement Framework which will confirm how well we are delivering against the commitments set out in the Charter and help us to improve that delivery.

The report must also contain an assessment of how the Scottish social security system has affected the circumstances of people whose finances are affected by a person in the household having a protected characteristic listed in section 4 of the Equality Act 2010 (for example age, disability).

Section 87 of the Act requires Scottish Ministers to report on the number of individuals who had the right to appeal against a Scottish social security decision and the number of individuals who exercised that right to appeal. Scottish Ministers must also indicate whether they consider that the process to determine entitlement needs to be amended.

This report also contains an update on delivery of duties in Part 1 of the Act between 1 April 2021 to 31 March 2022, such as in relation to the Charter, the strategy to promote take up, and work of the Scottish Commission on Social Security. Although these aspects are not required by the Act they are being provided during the implementation period to give a fuller picture of progress in delivering the new Scottish social security powers. This reporting may not be required in the longer term and will be reviewed at the appropriate time.

The report should also be read alongside the annual report published by Social Security Scotland. That report contains more of the detail on operational delivery including information on the payments made by it up to the end of March 2022. Social Security Scotland's annual report also includes its audited annual accounts and delivery of its Strategic Objectives. Both reports together provide a full picture of delivery of the system.

3. Introduction

The Act creates the legal framework under which nine types of social security assistance will be given to people by Scottish Ministers. These forms of assistance are:

- Carer's assistance
- Cold-spell heating assistance
- Winter heating assistance
- Disability assistance
- Early years assistance
- Employment-injury assistance
- Funeral expense assistance
- Housing assistance
- Short-term assistance

Scottish Ministers are also given the power to make regulations establishing schemes to top-up social security assistance paid to people by the UK Government. The Act provides directly for Scottish Ministers to make the Carer's Allowance Supplement, a top-up to Carer's Allowance, which is paid on behalf of Scottish Ministers by the UK Government. Sections 79 and 95 of the Act allows Scottish Ministers to deliver Scottish Child Payment.

The Act sets out key features of the Scottish social security system. These include:

- the definition of 8 Scottish social security principles as a foundation for the system;
- the creation of a Scottish social security charter, which sets out standards for the provision of social security in Scotland that are aligned with the Scottish social security principles;
- the establishment of a Scottish Commission on Social Security which, amongst other things, is to be involved in the scrutiny of legislation and report on the extent to which the expectations set out in the Charter are being fulfilled;
- duties on Scottish Ministers to promote the take-up of Scottish social security;
- a requirement for Scottish Ministers to ensure that suitable advocacy support is available for those who, due to a disability, need that help to navigate the Scottish social security system; and
- a requirement for Scottish Ministers to report annually to the Scottish Parliament on the performance of the Scottish social security system.

We continue to review the format and content of both the Scottish Government and Social Security Scotland's annual reports to ensure the material is not duplicated whilst maintaining the reporting requirements of the Act.

4. Performance of the System and Delivery of the Charter

This section provides an update on the Scottish Government's activity to deliver the requirements of the Social Security (Scotland) Act 2018 in the period from 1 April 2021 to 31 March 2022. As identified earlier, this information should be considered alongside Social Security Scotland's annual report which sets out the parallel and complementary activity that the Agency has carried out to deliver the Scottish social security system.

Duty to promote take-up

Under the provisions of the Social Security (Scotland) Act 2018, Scottish Ministers are required to prepare a Benefit Take-up Strategy to promote the take-up of Scottish Benefits. The first Benefit Take-up Strategy was published in October 2019, with a duty to publish a new strategy in two years' time. The second Benefit Take-up Strategy was published in October 2021 and outlines our work on take-up to date, as well as setting out our next steps. The second Strategy builds on that foundation and is based upon the following five guiding principles for benefit take-up:

1. Prioritise Person-Centred Approaches
2. Communicate and Engage Effectively
3. Bring Services to People
4. Encourage Cross-System Collaboration
5. Continuously Learn and Improve

The Strategy shows how these underpin everything we do, and will be applied through a number of new initiatives aimed at maximising the take-up of Scottish benefits.

Ensuring that people can access all of the social security benefits to which they are entitled is a moral duty and fundamental priority of the Scottish Government. Our second Benefit Take-up Strategy sets out how we are working to ensure people can access the support they are entitled to, with partnership working playing a key role in delivering the commitments we have made.

Inclusive communication and accessible information

We continue to progress towards implementation of our legal and corporate requirements to communicate inclusively.

Over the last 12 months, we have continued to deliver on the commitments in Our Charter by adapting our ways of communicating as much as we reasonably can to meet client needs and preferences.

We have held monthly service design workshops with our External Group members. They provide expert comment and advice to make sure our services are designed inclusively. These will continue throughout 2022 and beyond. The workshops have covered a number of areas, including the end to end client journey for Adult Disability Payment; consultations and decision reports and our Local Delivery service.

Our business teams now have inclusive communication champions. They help ensure inclusive communication principles are embedded across Social Security Scotland.

To help support our colleagues to communicate inclusively, we have developed a number of resources. These include guidance to ensure our content standards follow inclusive communication principles, including removing the use of acronyms and abbreviations; event guidance, including hosting effective virtual meetings.

Work is also ongoing to develop a range of contact channels, offering greater choice of how people can engage with Social Security Scotland, as well as introducing an inclusive communication quality standard which will apply to all channels including on line, in person, on paper and phone interactions.

Advocacy

Section 10(2) of the Social Security (Scotland) Act 2018 requires Scottish Ministers to ensure that independent advocacy services are available to disabled people who require support to apply for Scottish social security entitlements.

The Social Security Independent Advocacy Service was successfully launched on 31 January 2022. The service is free to anyone who identifies as disabled and requires support to engage effectively with Social Security Scotland, and is available throughout the whole of the process for seeking support; from the point of application, through to any request for redetermination and through to appeals.

The service is independent of Scottish Government and is delivered by VoiceAbility, a charity with 40 years' experience of delivering independent advocacy services. VoiceAbility has successfully recruited advocates to cover every health board area, which has ensured national coverage, and successfully trained them in accordance with the Social Security Advocacy Service Standards and on the devolved Scottish social security benefits system in Scotland.

VoiceAbility also opened a bespoke training centre in Glasgow and has negotiated an agreement to allow for access to office space in other parts of the country, which will primarily be used for meeting clients face-to-face where necessary.

Scottish Commission on Social Security

The Scottish Commission on Social Security (SCoSS) is an independent advisory Non-Departmental Public Body. Its primary purpose is to provide scrutiny of the Scottish social security system (including benefit regulations). SCoSS was established on 21 January 2019 by virtue of section 21 of the Act.

The Act sets out a key role for SCoSS in providing independent scrutiny on legislative proposals and advice to Scottish Ministers to support them in achieving a social security service which is human rights based, respects the dignity of individuals and contributes to reducing poverty in Scotland.

Within the last year SCoSS has produced nine scrutiny reports on draft

regulations, all within the agreed timescales.

In addition, SCoSS has started to develop a Lived Experience framework, utilising existing Lived Experience engagement mechanisms. They have also begun to develop a strategic approach to fulfil their Charter function.

SCoSS is developing a new website which will be launched shortly, that is transparent, inclusive and provides full access to all our reports and minutes, and appointed an audit advisor to support the board with governance and audit related work.

Our Charter and the Charter Measurement Framework

The Social Security Charter was passed unanimously by Parliament and launched at the start of 2019. It received positive feedback from people in Scotland, stakeholders, and experts.

The Act makes it clear that the approval of the Charter is not an end, rather it is the initial blueprint for how the new social security system will function. The Framework is the next step; it will ensure that we openly and transparently report on how well we are doing in delivering the commitments in the Charter. Further it will deliver robust evidence that allows Ministers to be held accountable by the Scottish Parliament.

On 17 October 2019, we published a measurement framework that set out a strong commitment from Scottish Government and Social Security Scotland to openly and honestly report on the extent to which we are delivering the commitments in the Charter. Like the new Social Security System in Scotland the framework is innovative and challenging. It is populated with bespoke data and the results are published annually.

Like Our Charter itself the framework was co-designed with people with lived experience of the social security system. A diverse group of 20 took part in a series of workshops, they took advice from the Scottish Commission on Social Security and representatives from a range of stakeholder groups – professionals who represent the interests of, and work on behalf of, social security clients.

The measures look at how Social Security Scotland operates and delivers benefits, including how the agency treats clients, if staff are well supported and how systems are working. They also look at Scottish Government policy, what the new system is doing as a whole and what is being achieved over the longer term.

The first measurement framework report was published on 1 December 2020 and has been published annually since then. The Charter itself will be reviewed in 2023.

Support for carers

Unpaid carers make an immense contribution to our society, and we have delivered improved support for unpaid carers as a priority through social security.

Carer's Allowance Supplement, introduced in 2018, increases support for carers in receipt of Carer's Allowance, who on average tend to be those on lower incomes, as well as having some of the most intensive caring roles. The [Carer's Allowance Supplement evaluation](#) found the payment had made a difference to carers' finances and feelings of wellbeing and recognition.

Carer's Allowance Supplement is paid twice a year as an automatic top-up to Carer's Allowance which, at £67.60 a week in 2021-2022, is otherwise the lowest of all working age benefits. As a part of our commitment to uprate our Scottish Social Security benefits in accordance with inflation, the Supplement was increased to £231.40 in 2021-2022.

In recognition of the additional pressures put on carers during the pandemic the Carer's Allowance Supplement (Scotland) Act enabled payment of an extra Carer's Allowance Supplement payment to carers in December 2021, doubling the support eligible carers received to £462.80. This meant eligible carers in Scotland got up to £694.20 more support in 2021-2022 compared to those in the rest of the UK. Around 82,000 received this additional support and brought our total investment through Carer's Allowance, Carer's Allowance Supplement to over £350 million in 2021-2022.

The Act also allows for further increases to Carer's Allowance Supplement in future. Any further extra payments would need to come out of a fixed budget but we will continue to consider what we can do with the resources available.

Young Carer Grant

The first benefit of its kind in the UK, the Young Carer Grant is a payment of £308.15 available to 16, 17 and 18 year-olds who spend a weekly average of 16 hours caring for someone who receives a disability benefit. The grant is designed to support young carers to look after their own health and wellbeing, while reducing any negative impact of caring and improving access to opportunities. Between 1 April 2021 and 31 March 2022, 2,490 applications were approved. In total, £732,787 was issued to young carers in Scotland.

The [Young Carer Grant interim evaluation report](#) was published 26 August 2021. The evaluation findings suggest that Young Carer Grant has been welcomed and viewed broadly positively by applicants, recipients and stakeholders. Overall its aims of helping young carers improve their own quality of life by taking part in opportunities which are the norm for their non-caring peers and providing recognition of their caring role have been met. In addition to this, stakeholders felt the grant had the potential to open up access to other support.

The issues highlighted in the evaluation will be considered when reviewing benefit promotion activity and the application process. More broadly, the findings will be considered when developing future Young Carer Grant policy and Scottish Carer's Assistance, to complement existing and planned interventions to support carers both through social security and at a wider government level.

Scottish Carer's Assistance

We are working towards delivering Scottish Carer's Assistance, our replacement for Carer's Allowance, by the end of 2023, with full national introduction in spring 2024. The final dates are to be agreed following our ongoing work with the UK Government.

Scottish Carer's Assistance will provide an improved service, designed with carers to meet their needs, and in line with our principles of fairness, dignity and respect. Our public consultation on Scottish Carer's Assistance was launched on 28 February 2022 and set out proposals for change. Scottish Carer's Assistance will maintain the extra support provided by Carer's Allowance Supplement, which increases Carer's Allowance by over 13%, and will help to link carers to wider support and services.

The consultation also proposes providing additional support as part of Scottish Carer's Assistance to those caring for more than one person, in the form of a new payment worth £520 per year – currently known as Carer's Additional Person Payment – to recognise the impact of multiple caring roles. This expands on the previous commitment to a Carer's Additional Child Payment – the delivery of which was affected by the coronavirus impacts on the social security programme.

We are working with carers, support organisations and the wider public to identify the priority changes to improve Scottish Carer's Assistance in future and to deliver these as soon as possible. When we have introduced our new benefit and completed Case Transfer for Scottish Carer's Assistance, we will look to introduce further changes that help remove barriers to education, recognise a wider variety of caring situations, provide more financial stability to carers, and, for those carers who want to and for whom it is feasible, make it easier to take up and maintain employment.

In the consultation we also asked for views on a long term carer payment. This is an initial proposal that could help those whose incomes are most affected by their caring role, including carers who have been caring for many years.

Best Start Grant

We continue to deliver Best Start Grant, providing financial support to eligible parents and carers at three key transition points in their children's early years:

- The Pregnancy and Baby Payment helps with expenses associated with pregnancy or with having a new child.
- The Early Learning Payment helps with the costs of early learning around the time a child might start nursery
- The School Age Payment helps with the costs of preparing for school

In 2021-2022, we expect 57,000 people will have received £17 million of support through Best Start Grant¹.

¹ [Scotland's Economic and Fiscal Forecasts – December 2021](#)

On 1 April 2021, due to the additional stresses that low income households experienced as a result of the COVID-19 pandemic, all three Best Start Grant payments were increased by 1%, which was 0.5% higher than the inflation-adjusted level of assistance.

This took provision for a first child from £500 under the UK Sure Start Maternity Grant, up to a total of £1,111 over the three Best Start Grant payments. We do not put a cap on the number of children we help, so provision for subsequent children, who receive nothing from the UK Government, increased to a total of £808.

Applicants apply for Best Start Grant and Best Start Foods on the same application form – a Programme for Government commitment. Following the launch of Scottish Child Payment, a single application form can be used to apply for Best Start Grant, Best Start Foods and Scottish Child Payment, making it easy for eligible families to access the money they are entitled to.

From spring 2021, the three Best Start Grant payments have been promoted as part of the Five Family Payments campaign. This is a promotional campaign focused on the package of support available to low income families, which includes the three Best Start Grant payments, Best Start Foods and Scottish Child Payment. This includes television, radio and digital advertising.

In March 2022, the second Tackling Child Poverty Delivery Plan, 'Best Start, Bright Futures', was published. This included a commitment to award Early Learning Payment and School Age Payment automatically for eligible families in receipt of Scottish Child Payment. This will be in place by the end of 2022.

Funeral Support Payment

Social Security Scotland began taking applications for the Funeral Support Payment in September 2019. This is a one-off payment for eligible people, on a low income, to help towards the costs of a funeral.

The Scottish Government substantially widened eligibility for Funeral Support Payment, supporting 40% more people compared to the UK Government funeral payment which it replaced in Scotland.

The Funeral Support Payment is made up of three parts including burial or cremation costs (including some document and medical costs); a flat rate payment for other expenses; and some transport costs.

We annually uprate the Funeral Support Payment, including the Flat Rate element and fees for removal of medical devices, taking into account the impact of inflation. In 2021-2022 Funeral Support Payment was uprated by 1%.

In April 2020 we introduced special measures for COVID-19 to allow for late applications if COVID-19 was the reason for a delay in applying. Our clients continue to have longer to apply and to request a redetermination or appeal if delay is due to COVID-19.

Between 1 April 2021 and 31 March 2022, we paid out a total of £11,035,842, with 6,095 payments made. The mean payment in the year 2021-2022 was £1,810. This is up from £1,791 in the previous financial year. The budget for Funeral Support Payment is demand-led. Funeral Support Payment represents significant additional investment by the Scottish Government in comparison to the UK Government's Funeral Expenses Payment provision.

We have commissioned an evaluation of Funeral Support Payment which will involve qualitative research of both client and stakeholder experience. The findings from the evaluation, ongoing monitoring of policy and regular engagement with stakeholders will help inform any future changes and improvements that can be made.

Winter Heating Payment

The 2021-2022 Programme for Government included a commitment to replace the DWP's Cold Weather Payment in Scotland with a new Winter Heating Payment, providing around 400,000 households on low incomes with a guaranteed annual payment of £50, to be introduced in Scotland in winter 2022-2023. Its key policy aim is to mitigate some of the impact of additional domestic heating costs in winter by providing targeted, reliable financial support to those most in need.

A public consultation ran between 1 December 2021 and 25 February 2022 on the proposed policy: replacing occasional, weather-dependent payments of £25 to recipients of certain low income benefits with annual payments of £50. Eligibility will continue to be based on the same criteria as the current DWP Cold Weather Payment, but without the need for an extended period of very cold temperatures to trigger a 'cold spell'.

We also held an extended meeting of the Winter Benefits Stakeholder Reference Group in January 2022, engaging with a number of additional stakeholders to seek comprehensive feedback on the consultation questions.

The responses to the consultation provided us with a range of views and proposed changes from both organisations and individuals. In general respondents agreed with the key policy proposal for Winter Heating Payment, the removal of weather dependence, but felt the value of the payment should be higher. Some respondents also wanted to retain some of the current responsiveness of Cold Weather Payment to meet additional need in some circumstances, or at least to provide flexibility throughout the winter period either through multiple assessments of eligibility and/or multiple or additional payments.

At the same time a separate survey of Social Security Experience Panel members, which sought their views on the main proposals laid out in the consultation paper, was carried out. Almost 300 responses were received. This provided an insight to the views of people who have lived experience of the social security system. Of those Panel members that responded;

- 82% agreed with the plan to replace Cold Weather Payment with a new benefit in Scotland;

- 87% agreed that a new benefit replacing Cold Weather Payment is a good way to help towards winter heating costs for people on low incomes;
- 90% agreed with the plan to remove the need for a 'cold spell', a component of the eligibility for Cold Weather Payment, in order for people to receive the new benefit.

Child Winter Heating Assistance

Child Winter Heating Assistance is for families with children and young people up to the age of 19 in receipt of the highest rate of the care component of Disability Living Allowance (DLA) Child or the highest rate of the care component of Child Disability Payment (CDP). In November 2021, the Scottish Government expanded the eligibility criteria for Child Winter Heating Assistance to include young people aged 16 to 19 who are entitled to be paid the enhanced rate of the daily living component of Personal Independence Payment. From winter 2022 onward Child Winter Heating Assistance will also be available to young people in receipt of the enhanced rate of the daily living component of ADP.

To be eligible, the young person must be entitled during the qualifying week, beginning with the third Monday in September of each year (in 2021 this was 20 to 26 September). As a result of the extended eligibility criteria, almost 20,000 children and young people received a payment, totalling around £4 million. As part of our strategy for evaluating disability benefits, we commissioned qualitative research into the experiences and impact for children, young people and families receiving the benefit. The [Child Winter Heating Assistance: evaluation report](#) findings will inform future developments of the policy.

Child Disability Payment

Social Security Scotland began accepting applications for Child Disability Payment as part of a pilot on 26 July 2021. The pilot involved taking new applications for disabled children in Perth and Kinross, Dundee City and Western Isles council areas, who were not in receipt of Disability Living Allowance. Following the successful pilot, Social Security Scotland launched Child Disability Payment nationally on 22 November 2021. Almost three quarters (74%) of applications received by 31 March were made online.

It is estimated that as of 31 March 2022 a total of 3,050 children and young people were in receipt of the payment.

We began transferring Disability Living Allowance for children awards to Child Disability Payment in October 2021. A significant number of children and young people are now receiving Child Disability Payment because their award was transferred, with 555 having received their first payment as of 31 March 2022.

Adult Disability Payment

The Scottish Government published its analysis and response to the consultation on Adult Disability Payment on 25 June 2021. Despite the considerable challenges of

the COVID-19 pandemic, a significant number of disabled people and a wide variety of organisations responded to the consultation.

Whilst respondents supported most of our proposals, it was recognised there were some areas in which we have been asked to go further. In responding to the consultation, we initially gave a commitment to undertake an independent review of Adult Disability Payment, to commence one year after national rollout in summer 2023. However, given the extensive feedback received from stakeholders, we further committed to a two-stage review, with work already well underway on the first stage to identify what improvements could be made to the mobility criteria and what the scope of the wide-ranging independent review should include.

The Scottish Commission on Social Security (SCoSS) issued a scrutiny report on the draft regulations for Adult Disability Payment in October 2021. The Scottish Government issued a response and redrafted the regulations. The re-drafted regulations for Adult Disability Payment were laid before parliament in December 2021 and passed unanimously.

We have committed to improving people's experiences around award reviews and therefore introduced indefinite awards for people in receipt of the highest level of Adult Disability Payment whose needs are highly unlikely to change. Indefinite awards are not subject to future reviews unless the person reports a change to their condition or level of need. The indefinite awards policy was developed based on continuous engagement with people with lived experience of disability benefits and key stakeholders.

Phase one of the Adult Disability Payment pilot began on 21 March 2022, with Social Security Scotland accepting new applications from adults in Perth and Kinross, Dundee City and Western Isles council areas. Further rollout of this new benefit has continued throughout 2022, with national rollout taking place on 29 August. People who receive Personal Independence Payment and Disability Living Allowance from the Department for Work and Pensions will have their awards transferred to the new Scottish system in stages. This began in summer 2022.

In October 2021, we published a [strategy for the evaluation of disability benefits](#) being devolved to Scotland. Recognising many of the questions for policy evaluation cut across the different forms of disability assistance, our thematic evaluation approach will allow us to look in detail at the different policy changes and how these impact on the experiences and outcomes for individuals in receipt of disability benefits.

Scottish Child Payment

Scottish Child Payment is a transformative action to reduce child poverty – part of a wider strategy to support those who need it most and meet our challenging child poverty targets. The payment was introduced through secondary legislation, using the powers to top up a reserved benefit contained in Section 79 of the Social Security (Scotland) Act 2018 and was the first form of top up to be introduced.

Scottish Child Payment was officially launched for those with children under six years old on 15 February 2021 at a rate of £10 per week, per eligible child. Around 103,000 children were actively in receipt of Scottish Child Payment as of 31 March 2022. Social Security Scotland issued almost 1.2 million individual payments of Scottish Child Payment to more than 95,000 clients by 31 March 2022 with a total value of £58.6 million, supporting clients across all 32 local authorities in Scotland.

A timetable of under 2 years from announcement to delivery of a benefit is unprecedented in the UK and is a testimony to the priority that the Scottish Government has put on tackling child poverty.

Social Security Scotland published their second take-up strategy in October of last year, this estimated a 77% take-up rate for Scottish Child Payment. In the latest Scottish Fiscal Commission Forecasts publications, there assumed take-up rate for 2021-2022 exceeded this at 84%.

We made the Best Start Grants and Scottish Child Payment (Miscellaneous Amendments) Regulations 2021, which came into force on 23 December 2021, this ensures we are always able to resolve competing claims appropriately.

As part of the Scottish Government budget process in December 2021, it was announced that we would double the value of Scottish Child Payment from April 2022 and this increase was incorporated into annual uprating regulations.

Our priority is to deliver the extension of Scottish Child Payment to families with children aged between six and 15 by the end of 2022 at which point more than 400,000 children under the age of 16 are expected to be eligible. We will lay regulations after the summer which will provide more clarity on the timetable.

In March 2022, the second Tackling Child Poverty Delivery Plan, 'Best Start, Bright Futures', was published. This included a commitment to further increase the value of Scottish Child Payment to £25 per week by the end of 2022 when we roll out Scottish Child Payment to those responsible for under 16s. This increase could lift 50,000 children out of poverty, reducing overall child poverty by an estimated 5 percentage points in 2023-2024.

The [Scottish Child Payment: interim evaluation](#) provides evidence on the lived experience of people receiving the benefit. Alongside analysis of official statistics and Social Security Scotland research activity, the evaluation also provides learning about the implementation and impact of the benefit.

Uprating

Scottish Ministers are required by law, under the terms of sections 86A and 86B of the Social Security (Scotland) Act 2018, to have regard to inflation when deciding the level at which specified forms of Scottish Assistance are to be uprated at the start of each financial year. The rate of inflation as at September 2020, based on the CPI figure at that time, was recorded at 0.5%. However, due to the hardships imposed by the COVID-19 pandemic, we decided the annual rate of increase for assistance

payments for the year 2021-2022, should be 1%, where possible. This included those additional forms of assistance not specified under section 86B.

Young Carer Grant, Funeral Support payment, Best Start Grants and Child Winter Heating assistance were all increased by 1% for 2021-2022. The Scottish Government also introduced a quarterly Bridging Payment for those eligible children between the ages of 6 and 15, who were above the age threshold to qualify for Scottish Child Payment.

Unlike all other forms of assistance which we increased by 1%, we increased Child Disability Payment by 0.5% to ensure parity with the UK Government's annual rate of increase.

For the financial year 2022-2023, the Scottish Government sought to address the significant increase in the cost of living which had been further exacerbated by the conflict in the Ukraine. It was decided to increase Scottish Assistance payments by 6% from April 2022, as the September 2021 CPI rate of inflation (3.1%), was not reflective of the current situation.

Child Disability Payment and Adult Disability Payment were both increased by 3.1% to ensure parity with the UK Government's annual rate of increase, which remains based on the CPI rate in September 2021.

Reflecting the pressures that families were facing we accelerated the doubling of Scottish Child Payment to £20 per week, introducing this on 1 April 2022.

Appointees

Over the last year, sections of the Social Security Administration and Tribunal Membership (Scotland) Act 2020 have been commenced that repealed section 58 of the 2018 Act and introduced a number of enhancements to appointee processes for: children; adults regarded as lacking capacity to manage their own benefits; and the deceased. These apply to all forms of assistance and top-ups paid under the 2018 Act.

To accompany these changes new detailed statutory guidelines have been prepared, consulted on, and published on the Social Security Scotland website ([Social Security Scotland – Client Representative guidelines](#)). These set out the policy principles and detail of procedures to be followed in making and terminating an appointment. They also set out the participants in the process, and their rights, roles and responsibilities, including their rights of recourse should they disagree with Social Security Scotland's decision.

Since February 2022, Social Security Scotland's Local Delivery service has been applying the new guidelines when carrying out person-centred face-to-face appointee visits for clients. The aim of these visits is to consider whether it would be appropriate to appoint another person to act on behalf of the individual if it is concluded they lack capacity to act for themselves in relation to their Scottish social security benefits and they do not already have someone with the legal authority to act on their behalf e.g. a guardian or attorney. These include those in receipt of Child

Disability Payment reaching the age of 16 and adult applicants to the Scottish Social Security system. Importantly, it has also begun reviewing appointments made under old processes, and all inherited appointments for clients who transferred from Disability Living Allowance for Children onto Child Disability Payment. Going forward this exercise will be extended to all transferring clients with a DWP appointee, and all Social Security Scotland appointments will now be periodically reviewed, as required by law, no later than every five years.

Work continues toward the commencement of the remaining appointee provisions in the 2020 Act, which require further secondary legislation, consultation and significant service design both for Social Security Scotland and the Scottish Courts and Tribunal Service.

Offences and Investigations

In relation to investigations and offences, work has continued throughout the year to develop and implement processes that ensure responsible stewardship of public funds and which are consistent with our core principles of dignity, fairness, and respect.

We continue to engage closely with internal and external stakeholders on a number of matters in relation to this, including how we might conduct common interest investigations where fraud may have occurred across multiple benefits or spanning periods in which Social Security Scotland and the Department for Work and Pensions have both overpaid benefits to an individual.

5. Equality Assessment and Data

The Act specifies that the annual report should contain an assessment of how the Scottish social security system has affected the circumstances of people whose finances are affected by a person in the household having a protected characteristic listed in section 4 of the Equality Act 2010 (for example age, disability).

The assessment of the impact on those with protected characteristics can be considered through two main ways. Firstly, by considering instances where a benefit is directly focussed on improving the circumstances of those with a protected characteristic. For example, Best Start Grant Pregnancy and Baby Payment. Secondly, by looking at the applications and outcomes by each of the equalities groups to understand the extent to which benefits are likely to be helping people with a protected characteristic. However, some of the ways in which having a protected characteristic impacts on finances are indirect (e.g. discrimination affecting access to employment) and it is more difficult to assess the role benefits may play in counteracting these indirect impacts.

Social Security Scotland publish client diversity and equalities analysis. The most recent published data covers the period up to May 2021. We are therefore unable to provide a full assessment of the benefits paid in 2021-2022. Equalities data is gathered in a number of ways. In some cases, data is a routine part of the application. Up to December 2019, data was also collected through a voluntary equalities monitoring questionnaire. Since December 2019, data on how individuals identify with respect to equalities is now collected within the application, although it is possible for an applicant to select that they prefer not to answer the question. For Carer's Allowance Supplement and Child Winter Heating Assistance, payment is automatic for recipients of the UK Carer's Allowance or the highest level of care award for Disability Living Allowance respectively, and so available equalities data is published by the Department of Work and Pensions.

The **Best Start Grant Pregnancy and Baby Payment** is made to households where there is someone who is, or has recently been, pregnant. Between 1 April 2021 and 31 March 2022, 14,920 applications had been authorised for payment, with almost £6.3 million added to family budgets. Of the 14,920 applications authorised for Pregnancy and Baby Payment, 33% were estimated to be for a first birth and 67% for a subsequent birth.²

Best Start Foods launched in Scotland in August 2019 to replace the UK Healthy Start voucher scheme. It provides pregnant women and families with children under the age of three, who are in receipt of certain benefits, with a minimum of £4.25 a week to purchase healthy foods using a payment card (from 16 August 2021, Best Start Foods payments were increased to a minimum of £4.50 per week). Between 1 April 2021 and 31 March 2022, 36,285 applications had been authorised for Best Start Foods.

² Best Start Grant and Best Start Foods: High level statistics to 31 May 2022, accessible here: [Social Security Scotland - Best Start Grant and Best Start Foods: high level statistics to 31 May 2022](#)

Best Start Grant and Best Start Foods share an integrated application process. Of all the Best Start Grant and Best Start Foods applications that were authorised for payment between 1 April 2021 and 31 March 2022, 27,135 (47%) were for applicants aged between 18 and 29.

As noted above, Social Security Scotland publish fuller diversity analysis. These statistics are based on information collected in equalities monitoring forms, which are completed after a client makes an application. Numbers of applications approved and denied are based on the most recent outcome for each individual client only. Last year's annual report drew on statistics up to November 2020. The highlights we report this year describe the period from December 2020 to May 2021.

During this period, Best Start Grant or Best Start Foods applicants identified themselves as:

- 89% White
- 4% Asian
- 2% African

Clients who identified as Asian were most likely to have their application denied (46%), with clients identifying as Mixed or Multiple ethnic groups least likely to be denied (34%). Overall 38% clients were denied and 61% were approved.

The applicants for Best Start Grant or Best Start Foods are highly skewed towards women (90%), with 8% identifying as men. The application approval rate was 62% for women, 49% for men and 57% for clients who Prefer not to say. 17% of applicants reported that they had a physical or mental health condition which was expected to last 12 months or more.

In terms of sexual orientation, applicants for Best Start Grant reported their sexuality as:

- 91% Heterosexual
- 2% Bisexual
- 6% Prefer not to say

Around 66% of respondents said None on responding to questions about their religion, followed by:

- 12% Roman Catholic
- 6% Church of Scotland
- 5% Other Christian
- 5% Muslim
- 5% Prefer not to say
- Other options were rounded to 0%

As might be expected for a benefit targeted at families with young children, the vast majority of applicants between December 2020 to May 2021 were under 45 with:

- 17% aged 16-24
- 54% aged 25-35
- 26% aged 35-44

From December 2020 to May 2021, 89% of the applicants for the **Scottish Child Payment** identified as having a White background. A further 4% were from Asian, and also 2% from African backgrounds. As with Best Start Grant, the majority of applications came from women (89% and 9% from men) and most applicants were under the age of 45 with:

- 15% aged 16-24
- 52% aged 25-34
- 29% aged 35-44

15% of applicants reported they had a physical or mental health condition which was expected to last 12 months or more. Applicants identified as:

- 90% Heterosexual
- 2% Bisexual
- 7% Prefer not to say

Around 64% of respondents said None on responding to questions about their religion, followed by:

- 12% Roman Catholic
- 7% Church of Scotland
- 5% Other Christian
- 5% Muslim
- 5% Prefer not to say
- Other options were rounded to 0%

With respect to **carer benefits** (Carer's Allowance Supplement and Young Carer Grant), it is not possible from current data to say what the relationship is between the carer and the person who receives care. However, it is likely that a proportion of recipients will be providing care to a member of their household who must be a person in receipt of a specified disability benefit. The client group are generally on lower incomes than those without caring responsibilities. As well as benefitting the carer themselves, carer benefits will have an indirect positive impact on disabled people, as the person the carer looks after will be disabled.

In those circumstances, the additional support provided by the Carer's Allowance Supplement in 2021-2022 – up to £694.20, through two standard payments of £231.40 and the additional Coronavirus payment of £231.40 paid with the June Supplement – was a contribution to the carer's income which may have had an impact on the household overall. These payments were increased to £231.40 for 2021-2022.

Women are disproportionately represented in the client group for Carer's Allowance Supplement, being almost 69% of the client group for Carer's Allowance. In addition, around 46% of applicants for Carer's Allowance are aged 50 or over.³

The **Young Carer Grant** was launched in October 2019. According to Young Carer Grant official statistics for the period of April 2021 to March 2022, 2,490 awards had

³ [Social Security Scotland - Summary statistics for Carer's Allowance Supplement to October eligibility date 2021](#)

been authorised, 34% of applications were made by 16 year-olds, 39% by 17 year olds and 27% by 18 year olds⁴.

Equalities analysis covering applications received from December 2020 to May 2021 shows that applicants identified as:

- 91% White
- 4% Asian
- 2% Mixed or Multiple ethnic groups

Of these applicants, the approval rates were:

- 78% with White backgrounds
- 77% from Asian backgrounds
- 80% from Mixed or Multiple ethnic groups

As with Carer's Allowance, the gender of applicants for Young Carer Grant was skewed towards women (57%, compared to 40% men). However, women were less likely to have their application approved (76% compared to 80% of men). 13% of applicants for Young Carer Grant reported that they had a physical or mental health condition which was expected to last 12 months or more. In terms of sexual orientation, the Young Carer Grant applicants identified as:

- 81% Heterosexual
- 8% Prefer not to say
- 7% Bisexual
- 3% Gay and Lesbian

Around 64% of respondents said None on responding to questions about their religion, followed by:

- 13% Roman Catholic
- 9% Church of Scotland
- 5% Muslim
- 3% Other Christian
- 5% Prefer not to say
- Pagan and Other both received 1%
- Other options were rounded to 0%

As expected, given the eligibility for Young Carer Grant (16, 17 and 18 year olds), 99% of applicants were aged 16-24.

Our published evaluation of Young Carer's Grant⁵ found interviewed recipients most commonly felt the grant had helped them to feel more recognised for the care they provide. The very existence of the grant and the fact they had been deemed eligible to receive it supported overall validation of their unpaid carer role.

From December 2020 to May 2021, 94% of applicants to **Job Start Payment** identified as White, and 52% of their applications were approved (the same as the overall approval rate, which was also 52%). The majority of applicants for Job Start

⁴ Young Carer Grant: high level statistics to 30 April 2022, accessible here: [Social Security Scotland - Young Carer Grant: high level statistics to 30 April 2022](#)

⁵ [Young Carer Grant: interim evaluation - gov.scot \(www.gov.scot\)](#)

Payment were from men (53%, 44% women). The respective approval rates were 49% and 55%. The number of applicants who reported they had a physical or mental health condition which was expected to last 12 months or more was 16%. 83% of applicants identified their sexuality as Heterosexual with:

- 5% Gay and Lesbian
- 7% Bisexual
- 4% Prefer not to say

Around 78% of respondents (the highest for all benefits) said None on responding to questions about their religion, followed by:

- 8% Roman Catholic
- 4% Church of Scotland
- 2% Other Christian
- 1% Muslim
- 1% Other
- 1% Pagan
- 5% Prefer not to say
- Other options were rounded to 0%

With the benefit targeted to young entrants to the labour market, 97% of applicants were aged 16 to 24.

From December 2020 to May 2021, applicants for **Funeral Support Payment** identified as:

- 89% White
- 1% Asian
- 1% Mixed or Multiple ethnic groups
- 8% Prefer not to say

74% of Asian respondents had their application approved, compared to 86% of White respondents. Of all Social Security Scotland benefits, Funeral Support Payment had the highest proportion of people who reported they had a physical or mental health condition which was expected to last 12 months or more (33%), and in addition 15% selected Prefer not to say in answer to this question.

Women also make up the majority of applications for Funeral Support Payment (60%) with 32% from men. The approval rate is 87% for women and 83% for men. 85% of applicants for Funeral Support Payment identified as Heterosexual while 13% selected Prefer not to say.

There was a notable difference in responses on religious background for Funeral Support Payment, compared to other benefits. Around 44% of respondents said None on responding to questions about their religion (compared to 64% for all benefits), followed by:

- 18% Roman Catholic
- 19% Church of Scotland
- 13% Prefer not to say
- 4% Other Christian
- 1% Muslim

- 1% Other
- Other options were rounded to 0%

Funeral Support Payment saw a slightly older group applying than for other benefits, however around 32% were still aged under 45. 44% were aged 45-65 and 24% aged 65 or over.

6. Right to Appeal

Section 87 of the Social Security (Scotland) Act 2018 requires Scottish Ministers to report on the number of people who obtained the right to appeal to the First-tier Tribunal under section 46 of the same Act, and the number who exercised this right.

A person can ask Social Security Scotland to reconsider their decision if their application is denied, or if they think the amount they are going to be paid is wrong. A person has the right to appeal to the First-tier Tribunal against a re-determination of their entitlement to assistance. There may be cases where the re-determination is not completed by Social Security Scotland within the timescales set out in regulations. In these cases, a person has the right to appeal directly to the First-tier Tribunal without waiting for the re-determination to be made.

Job Start Payment and Best Start Foods do not have a re-determination process. Instead, there is an internal review process, which means that applicants can request that their decision be looked at again.

In total, 1,445 re-determinations were received between 1 April 2021 and 31 March 2022 across all benefits. The table below shows the number of valid re-determination requests received in this time period.

Benefit	2021/2022
Child Disability Payment	150
Child Winter Heating Allowance	15
Scottish Child Payment	450
Best Start Grant	550
Young Carer Grant	75
Funeral Support Payment	200
Total	1,445

Figures presented for re-determinations received exclude any invalid requests.
Figures are rounded and may not sum.

In 2021-22, 20 appeals were received for Scottish Child Payment, 15 appeals were received for Best Start Grant and 10 appeals were received for Funeral Support Payment. Further to this, a small number of appeals (fewer than five) were received for each of Young Carer Grant and Child Disability Payment. These numbers have not been published to prevent the disclosure of small cohorts.

Section 87 of the Social Security (Scotland) Act 2018 also requires Scottish Ministers to indicate whether it is appropriate to amend the process for determining entitlement. Scottish Ministers did consider it to be appropriate to amend the process for determining entitlement in relation to competing claims for Scottish Child Payment and Best Start Grant in light of a number of appeals to the Social Security Chamber of the First-Tier Tribunal for Scotland. Appeals were submitted by applicants who were unable to get Scottish Child Payment because payment was already in place for the child to another client. Although the Tribunal ruled that these cases were being determined in accordance with the relevant regulations, these appeals revealed that the regulations were not always delivering the original policy intent to pay the individual who is looking after the child, where there was a

competing claim from another individual. Scottish Ministers identified the same was true in respect of Best Start Grant. Given the ongoing nature of the issue, meaning that there would likely to continue to be new competing claims submitted that couldn't be resolved satisfactorily, Ministers decided it was appropriate to amend the regulations and to do so as quickly as possible. Therefore, we brought forward new regulations, the Best Start Grants and Scottish Child Payment (Miscellaneous Amendments) Regulations 2021, which came into force in December 2021 and introduced a discretionary power to allow Scottish Ministers, in certain situations, to have regard to the circumstances of the child in determining who should be awarded Scottish Child Payment and Best Start Grant.

Appeals data is kept under review.



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