

# **Social Security (Scotland) Act 2018: Progress Report 2022-2023**

**November 2023**

# Social Security (Scotland) Act 2018: Progress Report 2022-2023

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## 1. Foreword



The Scottish Government has invested £456 million to 31 March 2023 in implementation of social security benefits since the passing of the Social Security (Scotland) Act 2018. The investment is delivering a new system founded on our principles of dignity, fairness and respect. Audit Scotland recognises Social Security Scotland as having “a conscious focus on the needs of service users, building on the principles of dignity fairness, and respect”.

This report provides an update on implementation for the reporting year 1 April 2022 to 31 March 2023 focussing on the policy aspects for which the Scottish Government has a particular role and duty to report. The report sits alongside Social Security Scotland’s own comprehensive progress report covering operational delivery.

By the end of this reporting year Social Security Scotland were delivering 13 social security benefits – seven of which were new forms of assistance not available elsewhere in the UK. The Scottish Government uprated benefits by 6% in 2022/23 and we took the decision to uprate all benefits by 10.1% for the 2023/24 period. In advance of that general uprating, in November 2022 we extended the eligibility for Scottish Child Payment to under 16s and increased payment rates from £20 to £25 per week per eligible child. This is an increase of 150% since the initial launch of Scottish Child Payment in February 2021 when it was introduced at £10 per week for children under six. Our five family payments are now worth over £10,000 by the time a family’s first child turns six, and £9,700 for subsequent children.

Following a phased pilot rollout which began on 21 March 2022, Adult Disability Payment opened for new applications in all areas across Scotland on 29 August 2022. This replaced the Department for Work and Pensions (DWP) Personal Independence Payment.

The process of transferring people in Scotland from Personal Independence Payment to Adult Disability Payment is ongoing. They will not have to apply for Adult Disability Payment. Our approach to transferring the awards of people from the DWP to Social Security Scotland ensures people continue to receive the right amount at the right time, with no breaks in payment.

We also introduced Winter Heating Payment in February 2023. This provides a £50 (uprated to £55.05 for winter 2023/24) one-off payment to help those in receipt of qualifying benefits with their heating costs. With Winter Heating Payment Social Security Scotland have paid out almost £20 million to around 400,000 households. This compares to an average of 185,000 households receiving support through the DWP’s Cold Weather Payments between 2015-16 and 2021-22, with as few as 4,000 people receiving a payment in 2019-20. Unlike the benefit it replaced Winter Heating Payment is not tied to the recorded temperature at weather stations within the eligibility criteria meaning that it provides a guaranteed sum to all eligible households.

The level of financial support we provided in the reporting year was £4.04 billion through payments made by Social Security Scotland and under Agency Agreements with the DWP. This is over £300 million of additional investment compared to the level of funding we have received from the UK Government through the Block Grant Adjustment.

In the coming year we will continue to introduce more social security benefits within our devolved powers. By the end of 2023 we will have introduced Carer Support Payment which will replace Carer's Allowance. This will open for applications in selected local authority areas through a pilot scheme starting in November 2023 ahead of a national roll-out by Autumn 2024. We will introduce Pension Age Disability Payment in Winter 2024/25 to continue our work to provide support to disabled people in Scotland.

A handwritten signature in black ink, appearing to read 'S Sille'.

Shirley-Anne Somerville  
Cabinet Secretary for Social Justice

## **2. Purpose of Report**

This report is published under Section 20 and Section 87 of the Social Security (Scotland) Act 2018 (the 2018 Act) which require Scottish Ministers to report annually on the performance of the Scottish social security system. It covers:

- what has been done in the past year to meet the expectations on Scottish Ministers set out in the Social Security Charter.
- 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 (as defined in section 4 of the Equality Act 2010).
- 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.
- an update on delivery of duties in Part 1 of the Act ,such as in relation to the Charter, the strategy to promote take up, and work of the Scottish Commission on Social Security (SCoSS).

The report should be read alongside the annual report published by Social Security Scotland.

### 3. Introduction

The 2018 Act creates the legal framework under which social security benefits can be delivered by Scottish Ministers. These 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

The 2018 Act also provides Scottish Ministers with powers to establish schemes to 'top-up' social security assistance provided by the UK Government and to provide a Carer's Allowance Supplement. The Scottish Child Payment has also been established under these powers.

The 2018 Act also sets out the following key features of the Scottish social security system and a requirement to report annually to the Scottish Parliament on performance:

- A duty 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 need help to navigate the Scottish social security system due to a disability.
- A Scottish Commission on Social Security which, amongst other things, scrutinises regulations and reports on the extent to which the expectations set out in the Charter are being fulfilled.
- The creation of the 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 following sections provide a report on the performance of the system in respect of these key features.

## 4. Performance of the System and Delivery of the Charter

### 4.1 Duty to promote take-up

Ensuring that people can access the Scottish social security benefits which they are entitled to is a fundamental priority for the Scottish Government. As part of our duty to promote take-up of Scottish benefits, we are required to prepare a Benefit Take-up Strategy. Following publication of the first strategy in October 2019 a second [Benefit Take-Up Strategy](#) was published in October 2021 setting out the following five guiding principles which shape our approaches to 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

These principles underpin our refreshed strategy and are applied through a number of initiatives aimed at maximising the take-up of Scottish benefits. These initiatives include the Social Security Independent Advocacy Service (see below for further detail), and continued investment in Welfare Advice and Health Partnerships – which are placing welfare rights advisors in 180 GP practices in Scotland’s most deprived communities, including 30 in remote and rural areas, to support the provision of advice in accessible settings.

In order to track progress, in October 2022 we published our [latest estimates of take-up](#) for many of the Scottish benefits delivered by Social Security Scotland, as well as an update on progress against the principles set out in the Benefit Take-up Strategy.

### 4.2 Independent Advocacy

As noted above the 2018 Act requires Ministers to ensure that independent advocacy services are available to disabled people who require support to access and apply for Scottish social security entitlements. The Social Security Independent Advocacy Service was launched on 31 January 2022 and over the course of 2022/23 has supported over 900 people in accessing and applying for Social Security Scotland assistance. The Scottish Government has committed to investing up to £20.4 million in the service over the four years of the current contract. 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 appeals.

### 4.3 Scottish Commission on Social Security

The Scottish Commission on Social Security (SCoSS), established in January 2019, is an independent advisory Non-Departmental Public Body with a primary purpose to undertake scrutiny of the Scottish social security system.

SCoSS produces its own annual report and accounts, which can be found on the SCoSS website. In 2022/23 it produced four [scrutiny reports](#) on draft regulations covering The Social Security (Miscellaneous Amendment and Transitional Provision) (Scotland) Regulations 2022, The Winter Heating Assistance (Low Income) (Scotland) Regulations 2023, The Social Security (Residence Requirements) (Ukraine) (Scotland) Regulations 2022 and The Social Security (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2023. Additionally, SCoSS launched a new [website](#) providing full access to all reports, minutes and details of ongoing scrutiny processes.

#### 4.4 Our Charter and the Charter Measurement Framework

The Social Security Charter was approved unanimously by Parliament and launched at the start of 2019. It received positive feedback from people in Scotland, stakeholders, and experts. The Charter Measurement Framework is a co-designed list of measures relating to the commitments set out in the Charter. Social Security Scotland publish the annual [Charter Measurement Framework report](#) in parallel with this progress report, setting out what has been done in the reporting year to meet the requirements of the social security charter.

The 2018 Act requires that the Charter be reviewed within five years of it being made. The review process, which commenced in November 2022, embraces the co-design approach at the heart of the making the Charter in 2019 including statutory consultation with:

- Clients of Social Security Scotland, including those with protected characteristics defined under the Equality Act 2010
- External stakeholders who represent these groups
- The Scottish Commission on Social Security.



## 5. Delivery of Social Security Benefits

The introduction, implementation and ongoing administration of Scottish social security is a priority of the Scottish Government. The following section will provide information about the introduction of new Scottish benefits within the reporting year as well as the ongoing delivery of existing Scottish benefits. Information about the decisions taken for the 2023/24 uprating of benefits is also included within this section.

### 5.1 Support for Carers

#### 5.1.1 Carer's Allowance Supplement

Carers make an immense contribution to our society. That is why improving support for carers was one of our first priorities with our new social security powers. Carer's Allowance Supplement was the first payment made by Social Security Scotland and increases Carer's Allowance – the lowest value of all working-age benefits – by over 13% for carers in Scotland.

Eligible carers receive a payment every six months, and payments are £270.50 in 2023. Payments are made automatically to carers living in Scotland and receiving Carer's Allowance from the DWP on certain qualifying dates, with no need to apply. By the end of 2023, carers continuously in receipt of Carer's Allowance Supplement will have received over £3,300 above Carer's Allowance since its introduction. Since its launch in 2018, over 833,000 Carer's Allowance Supplement payments totalling over £231 million have been made to over 141,500 carers.

We invited views on the future of Carer's Allowance Supplement as part of our consultation on Carer Support Payment last year and have provided an update on this as part of [our response](#) published in March 2023 to the Scottish Carer's Assistance consultation (now named Carer Support Payment) referenced below. The additional support provided by Carer's Allowance Supplement will be given to individuals who are entitled to Carer's Allowance or Carer Support Payment once it is delivered, and we are considering how to integrate the Supplement with more regular payments of Carer Support Payment once the case transfer process, by which existing claims to the DWP's Carer's Allowance are transferred to Carer Support Payment, is complete.

#### 5.1.2 Young Carer Grant

The first of its kind in the UK, Young Carer Grant supports young people with a payment of £359.65 which can be applied for annually, to access life opportunities which are the norm for many of their peers. Young Carer Grant is paid on a non-discretionary basis to 16, 17 and 18 year olds who meet the eligibility criteria. It is not means-tested and the young person does not need to be in education to qualify.

[Young Carer Grant official statistics](#) show that by the end of January 2023, Social Security Scotland had received 12,605 applications. 7,965 applications had been approved with around £2.5 million invested since the launch of Young Carer Grant in

2019. By the end of January 2023, 5,350 clients had received one or more Young Carer Grant payments.

Our [Young Carer Grant Interim Evaluation](#), published in August 2021, showed that Young Carer Grant had made a positive impact on carers' mental wellbeing, mainly by reducing stress and increasing confidence. It was viewed broadly positively by applicants, recipients and stakeholders. The issues highlighted in the evaluation have been 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 the Carer Support Payment, which will complement existing and planned interventions to support carers both through social security and at a wider government level.

### 5.1.3 Carer Support Payment

Our [public consultation on Scottish Carer's Assistance](#) (the former working title for our new benefit) ran from February to May 2022 and we published an [independent analysis of the responses](#) in November 2022. In March 2023, we published [our response to the public consultation](#) for our new carer benefit, Carer Support Payment, which will replace and improve Carer's Allowance in Scotland.

We will introduce Carer Support Payment, from November 2023, with full national roll-out planned by Autumn 2024. Our new benefit has been designed with carers and support organisations.

Carer's Allowance is the most complex benefit we are replacing in terms of the links it has with other support, including benefits which are provided by the DWP. We are working closely with DWP to deliver our new benefit in a way which will protect other support that carers rely on. To avoid creating a two-tier system which would disadvantage carers already receiving Carer's Allowance, and to ensure their benefits can be transferred safely and securely, we do not plan to make any significant changes to eligibility when Carer Support Payment first launches.

However, from launch Carer Support Payment will provide an improved service for carers, joining up with wider services to help carers access information on the wide range of support available to them. The past presence test will also be reduced, to align with that for our disability benefits, meaning those moving to Scotland from outwith the Common Travel Area of the UK and Ireland can access support more quickly. Carer Support Payment will also extend entitlement to many unpaid carers who wish to study full-time, reducing barriers to education and helping to provide more stable incomes.

[The Carer Support Payment Draft Regulations](#) were published on 10 March 2023 and were then referred to SCoSS for formal scrutiny, alongside a series of draft impact assessments.

Once the case transfer process is complete, we will make further improvements to Carer Support Payment, including an additional payment for those who care for more than one person and extending the run-on of the benefit to the carer if the person they care for passes away.

## 5.2 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 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.

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. This year Social Security Scotland paid £9,193,913 under 5,020 payments to 4,965 individual clients. The average payment was £1,832, up from £1,811 in the previous financial year.

We published the [Funeral Support Payment evaluation](#) on 1 July 2022. This evaluation highlighted that Funeral Support Payment was having a positive impact with the payment reducing the need for borrowing. The evaluation also highlighted the need to further raise awareness of Funeral Support Payment and improve processing times. Work has been ongoing on both these issues.

Funeral Support Payment was the subject of a national marketing campaign at the beginning of 2023, raising awareness at specifically targeted sites across the country. Social Security Scotland are working hard to process applications as quickly as they can. The priority is giving people a timely decision while making sure Social Security Scotland have the correct information required to get a decision right first time. Once they have all the supporting information needed to make a decision, they aim to process Funeral Support Payment applications in 10 days.

## 5.3 Winter Heating Benefits

### 5.3.1 Winter Heating Payment

In February 2023 we introduced our new Winter Heating Payment delivering on the Programme for Government commitment (2021/22) to replace the UK Government's Cold Weather Payment in Scotland. Winter Heating Payment provides a stable, reliable payment to those in receipt of certain low income benefits each winter, and by removing the reliance on weather conditions we can ensure that every person identified as requiring additional support receives it. This compares with the DWP's benefit that provides £25 per cold spell when the average of the mean daily temperature recorded for 7 consecutive days was equal to or below zero degrees.

Our new benefit targets those households who also have additional need for heat, including those with young children, disabled people and older people, providing stable, reliable support every winter.

In winter 2022/23 Winter Heating Payment provided 394,135 low income households with a payment of £50 to support towards their heating bills, a total investment of £19.7 million. For winter 2023/24 the decision was taken to uprate Winter Heating Payment by 10.1%, to £55.05, recognising the difficulties people are facing and will

be facing going forward. For the majority of people our payment provides more support than they have received on average previously through the DWP benefit. DWP estimates reveal that Cold Weather Payments were only activated six times during the winter of 2021/22, at only four of the 27 Scottish weather stations. This resulted in compensation totalling just £325,000 to around 11,000 Scottish citizens.

### 5.3.2 Child Winter Heating Payment

Child Winter Heating Payment, formerly named Child Winter Heating Assistance, is paid automatically to families with children and young people up to the age of 19 in receipt of a relevant qualifying benefit to help mitigate the additional heating costs that the households of the most severely disabled children and young people face in the winter months.

The qualifying benefits are the highest rate of the care component of Disability Living Allowance for children, the highest rate of the care component of Child Disability Payment, the enhanced daily living component of Adult Disability Payment or the enhanced daily living component of Personal Independence Payment. In winter 2022 Child Winter Heating Payment eligibility was extended to young people in receipt of the enhanced rate of daily living component of Adult Disability Payment. To be eligible, the young person or child must be entitled to a qualifying benefit on any single day during the qualifying week. The qualifying week in 2022 was Monday 19 September to Sunday 25 September.

Child Winter Heating Payment is uprated annually and in 2022/23 the benefit increased by 6% to £214.10. By March 2023, 26,555 children and young people received a payment for winter 2022/23, totalling £5.7 million. For the 2023/24 period this has been uprated by a further 10.1% to its current rate of £235.70. Further information on uprating and how we set rates is included within the uprating section of this report.

[The Child Winter Heating Assistance: Evaluation Report](#) was published in August 2022. The report will continue to inform future developments of the policy area.

### 5.4 Five Family Payments

Our five family payments are making a difference for families with children. The five family payments are Scottish Child Payment, Best Start Foods and Best Start Grant which provides financial support at three key stages of a child's life through the Pregnancy and Baby Payment, Early Learning Payment and School Age Payment. [Evaluations](#) of each of the payments have shown they are all having a positive impact on child poverty, preventing respondents from going into debt or having to cut down on other essential household spending, such as for food and bills. The evaluations report that Best Start Grant is easing financial strain on low-income families at key transitional stages for children and that Scottish Child Payment provides much needed money, including for essentials like food, family day trips, and medical items for families with disabled children. The evaluations further report that Best Start Foods is guaranteeing that people can afford essential foods even when money is tight and has freed up money for other costs such as household bills.

From spring 2021, promotion of the five family payments has focused on the package of support available to low income families. Raising awareness and encouraging eligible families to apply, this activity includes television, radio and digital advertising. The Best Start Grant payments have featured prominently in Social Security Scotland communications and marketing campaigns in 2022/23. These included a significant marketing campaign over the summer months in 2022 on major digital and broadcast platforms. The move to automated payment of the Early Learning and School Age payments was promoted extensively when Scottish Child Payment was increased and extended in November 2022. This featured in national and regional media.

#### 5.4.1 Scottish Child Payment

Scottish Child Payment is central to the Scottish Government's mission to tackle child poverty as set out in our tackling child poverty delivery plans, and has been hailed as a "game-changer" by anti-poverty stakeholders. Introduced as part of the first child poverty delivery plan, the payment was the first form of assistance to be introduced as a top up to an existing reserved benefit.

Scottish Child Payment was launched in 1 February 2021 at a rate of £10 for those with eligible children under the age of six. In April 2022 the value of the payment was doubled to £20 per eligible child per week and then, on 14 November 2022, Scottish Child Payment was extended to children aged six to sixteen and increased to ~~to~~ £25, per week. This delivers on the commitment in the second Tackling Child Poverty Delivery Plan, '[Best Start, Bright Futures](#)'. This reflects the Bute House Agreement and goes beyond manifesto commitments, reflecting the high priority Scottish Ministers place on reducing child poverty at a time when family finances have come under significant pressure.

At the same time as the extension to older children in November 2022, further improvements were made including greater automated processing of Scottish Child Payment applications and the benefit was the subject of extensive national media promotion. The Scottish Government is committed to driving take-up and last year's activity has been followed by a major marketing campaign at the start of 2023 via national media and digital channels. This campaign has been developed in cooperation with stakeholders. This included Social Security Scotland promoting the payment and other benefits on a field marketing roadshow at shopping centres across Scotland.

The Scottish Government estimates that the extended and increased payment could lift 50,000 children out of relative poverty in 2023/24, reducing child poverty levels by five percentage points, according to the most recent modelling published in June 2023.

Around 2.5 million individual payments have been made since the launch of Scottish Child Payment with a total value of £248.6 million by 31 March 2023. Around 303,000 children were in receipt of Scottish Child Payment in March 2023 with £190 million issued to clients between 1 April 2022 and 31 March 2023. In 2023/24 the [Scottish Fiscal Commission](#) assumes a take-up rate of 92% for under 6s and 80% for children 6 and over.

An [interim evaluation](#) of Scottish Child Payment was published on 29 July 2022 highlighting the positive impact the payment is having for families with children. The evaluation indicated that payments are made to people with a wide range of demographic and equalities characteristics from all areas of Scotland. Scottish Child Payment has had a number of positive impacts for children and families - it has led to more money being spent on children, including spend which enables them to participate in social and educational opportunities. Clients also indicated that Scottish Child Payment has helped to reduce financial pressure on households. People who use payments for essential household items such as food or bills feel its impact keenly, and say they depend on the money to avoid getting into debt.

#### 5.4.2 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.

As reported in the [Best Start Grant and Foods statistics](#) for 2022/23 there were 62,000 BSG payments made in Scotland. This provided £20 million of support to Scottish families.

From 1 April 2022, in recognition of rising cost of living pressures, the three Best Start Grant payments rates were increased by 6%, which is above the 3.1% September 2021 rate of CPI. This took provision for a first child in Scotland up to a total of £1,177 through the three Best Start Grant payments, compared to £500 under the UK Sure Start Maternity Grant. We do not have a statutory duty to uprate Best Start Grant but despite this we increased payments in line with inflation, by 10.1%, on 1 April 2023. This increase is in recognition of the difficulties being faced by many due to the increased cost of living.

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.

We made a number of legislative changes to Best Start Grant in November 2022. To make it easier for people to access the support they are entitled to from 28 November 2022 we now auto award Best Start Early Learning and School Age Payments to people receiving Scottish Child Payment when their child becomes eligible. We also enabled some families to access the higher pregnancy and baby payment even though they are not applying for their first child. The three groups of people this applies to are:

- People who took on responsibility for their other children when they were more than 12 months old.

- People granted refugee status, humanitarian protection, or leave under the Afghanistan or Ukraine resettlement schemes whose other children were born before they arrived in the UK. When coming to the UK, many refugees will not be able to bring, and therefore re-use, baby items that they already had for previous children.
- People who have been forced to leave their home with their other children due to domestic abuse by their partner or ex-partner. When leaving their home, many will be forced to abandon items they already had for previous children.

## 5.5 Disability Benefits

### 5.5.1 Child Disability Payment

Child Disability Payment, a payment made to help mitigate the additional costs of caring for a disabled child or with an ill-health condition was fully rolled out across Scotland in November 2021.

Child Disability Payment replaces Disability Living Allowance for children in Scotland which was previously delivered by the DWP . By the end of March 2023 significant progress has been made in the transfer from Disability Living Allowance for children to Child Disability Payment with over 45,000 children and young people having had their awards transferred.

From the date Child Disability Payment was launched until 31 March 2023, the total value of payments issued was £204.9 million. Of this, £66.2 million was to new clients and £138.6 million was to those who had their award transferred from the DWP. As of 31 March 2023, over 62,000 children and young people were receiving Child Disability Payment.

Child Disability Payment was the first disability payment in the United Kingdom where applicants could apply online, as well as by phone, by post, or face-to-face with the support of the Social Security Scotland Local Delivery service. By 31 March 2023, 77% of Child Disability Payment applications were made online.

### 5.5.2 Adult Disability Payment

Social Security Scotland began taking applications for Adult Disability Payment as part of a pilot on 21 March 2022 with full national roll-out following in August of that year. Adult Disability Payment is a payment made to those aged 16 to state pension age to help with the costs of being disabled or having a long-term health condition. Eligibility is based on the impact an individual's symptoms have on their daily life, rather than relating to any particular disability or health condition. We ensure that accessing Adult Disability Payment is as straightforward as possible and we always start from a position of trust. We have taken a compassionate and human rights based approach to all disability assistance including Adult Disability Payment. We are helping to provide long-term financial security through the introduction of indefinite awards for severely disabled clients. Our fast track process for people with a terminal illness relies on the judgement of clinicians rather than a fixed period of life expectancy.

People are able to apply for Adult Disability Payment in the way that best suits them: either online, by post, over the phone or face-to-face. Of applications received by 30 April 2023, 69% were made online, 25% were started over the phone and 6% were made through a paper form. Although these were published outwith the reporting period, these are the most relevant statistics to the reporting year.

People who live in Scotland with a Personal Independence Payment award started the transfer process to Adult Disability Payment from 13 June 2022, while those with a Disability Living Allowance award started to get their award transferred from 29 August 2022. Social Security Scotland are aiming to complete the transfer process for everyone in Scotland by the end of 2025. Of the total number of Adult Disability Payment awards, 44% were new applications while 56% were people who had their award transferred.

From the date Adult Disability Payment was launched as part of the phased rollout until 30 April 2023, the total value of payments issued was £109.7 million. Of this, £82.5 million was to new clients and £27.1 million was to clients who had their awards transferred from the DWP.

## 5.6 Uprating of social security benefits

Scottish Ministers are required by law, under the terms of sections 86A and 86B of the Social Security (Scotland) Act 2018, to consider inflation when deciding the level at which specified forms of Scottish assistance are to be uprated at the start of each financial year. After detailed analysis of various approaches to measure inflation the Consumer Price Index (CPI) was deemed to provide the most accurate measure of average change in price across all consumed goods and services purchased by households.

The Scottish Government adopted the September CPI figure as the most appropriate measurement for the determination of uprating assistance for the following financial year while retaining the flexibility to use a different rate when necessary. This flexibility was demonstrated when Scottish Ministers decided to uprate specific Scottish assistance by 6% for the 2022/23 financial year, as it was considered that the September 2021 CPI figure of 3.1% failed to represent the increasing cost of living expected in Spring 2022.

Following the publication of the September 2022 CPI figure recorded at 10.1%, a [report](#) in fulfilment of section 86A was published in February 2023, outlining the Scottish Government's approach to uprating for the following financial year (2023/24). In recognition of the difficulties faced by clients due to the cost of living crisis, Scottish Ministers agreed to uprate all devolved assistance by at least 10.1%, including those additional forms of assistance not specified under section 86B.

Twelve devolved benefits were increased by 10.1% in April 2023, in line with inflation. Scottish Child Payment was increased by 25% in November 2022 – bringing forward its uprating by four months and increasing its rate above inflation. Scottish Child Payment is now £25 per week – a rise of 150% in eight months.



## 5.7 Appointees

The Social Security Administration and Tribunal Membership (Scotland) Act 2020 made amendments to the Social Security (Scotland) Act 2018, setting out circumstances in which Scottish Ministers may appoint a person to act on behalf of children; adults regarded as lacking capacity to manage their own benefits; and the deceased. These appointments apply to all forms of assistance and top-ups paid under the 2018 Act.

[Statutory guidelines](#) were prepared, consulted on, and published on the Social Security Scotland website. These set out the policy principles and detail of procedures to be followed in making and terminating an appointment. Since early 2022, Social Security Scotland's Local Delivery service has been applying the new guidelines when carrying out face-to-face appointee visits for clients.

Work has continued throughout the year to ensure these complex processes are successfully embedded into Local Delivery, ensuring appointee decisions are accurate, consistent and for the benefit of the client. Social Security Scotland have continued to review all inherited DWP appointments for clients who transferred from Disability Living Allowance for Children onto Child Disability Payment, and from Personal Independence Payment onto Adult Disability Payment.

Procedures have been developed to allow individuals to ask Social Security Scotland to review an appointment at any time should they wish to, as can any other interested party. Work is underway to strengthen these challenge rights by providing for a formal process through the First-tier Tribunal service. Work continues towards the commencement of the remaining appointee provisions in the 2020 Act, which are being implemented as a prioritised programme of change.

## 6. Equality Assessment and Data

This section of the report considers how the Scottish social security system has affected the circumstances of persons living in households whose income is adversely affected, or whose expenditure is increased, because a member of the household has one or more protected characteristics, as outlined in section 4 of the Equalities Act (2010).

The 2018 Act also requires the annual report to include a description of the data used in assessing equality of opportunity. Social Security Scotland collect and publish client diversity and equalities analysis. Unless a protected characteristic forms part of the eligibility criteria for a benefit, information on these characteristics is collected and stored separately from application data. Whilst this information can help us understand who is applying and receiving social security benefits, 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 Official Statistics** are published for benefits delivered by Social Security Scotland. These statistics cover the number of applications, value of payments made and award outcomes. This data can help us understand the reach of the benefit and this is particularly important where the benefit is targeted towards those with a protected characteristic.
- **Social Security Scotland client and diversity equalities data.** The [latest available data](#) covers the period from 1 June 2021 to 31 March 2023 and therefore covers this reporting year and is the most relevant data available. For all benefits with an application form, clients are invited to complete an equalities monitoring form and this is a mandatory part of all online applications. Equalities data is stored separately from application information and is later linked for statistical analysis. This data helps us to understand the applications and outcomes for clients by each of the equalities groups.
- **The Social Security Scotland Client Survey** was sent to all clients who had received a decision or payment between 1 April 2022 and 31 March 2023. The survey asks clients about their experience of applying for a benefit, interacting with Social Security and receiving payments. This data helps us to understand the experience and impact of benefits by equality group. The overall response rate to the client survey this year was around 12%.
- **Scottish Government policy evaluations** cover the implementation and impact of benefits. This year, we have published five evaluations covering Best Start Foods, Scottish Child Payment, Job Start Payment, Funeral Support Payment and Child Winter Heating Payment. Evaluations draw on evidence from a variety of sources including the data sources above and qualitative research with individuals who have applied for these benefits. Qualitative research is not designed to be statistically representative, and it is not possible to state the extent to which these findings generalise to all applicants in receipt of these benefits.

We can consider applications and awards for benefits that are directly focussed on helping those with a protected characteristic. 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 2022 and 31 March 2023, 15,435 applications had been authorised for payment, with just over £6.7 million added to family budgets. Of the 15,435 applications authorised for Pregnancy and Baby Payment, 33% were estimated to be for a first birth and 67% for a subsequent birth as reported in the [Best Start Grant and Best Start Foods high level statistics to March 2023](#).

**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 £4.95 a week to purchase healthy foods using a payment card. Between 1 April 2022 and 31 March 2023, 35,790 applications had been authorised for Best Start Foods.

**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 2022 and 31 March 2023, 26,530 (45%) were for applicants aged between 18 and 29.

Policy evaluations also help us understand the impact of our benefits targeted at those with protected characteristics. This year, our [evaluation of Best Start Foods](#) reported positive evidence of the reduced stigma recipients experience using the payment card as opposed to vouchers and ensured families can always afford essential foods for their children. The evaluation also highlighted potential improvements to increase accessibility and impact of the benefit.

Some of our benefits are directly designed to help people with extra costs associated with being disabled or having a long term health condition. **Child Disability Payment** provides money to help with extra care and mobility costs that a disabled child or young person might have. It replaces Disability Living Allowance for Children and was the first application-based disability benefits to be introduced by the Scottish Government. The year 2022-23 is the first full year of Child Disability Payment being open to new applicants. In August 2023 high level statistics for [Child Disability Payment were published](#). These showed that between April 2022 and March 2023, 14,150 applications had been authorised for payment with a total value of just over £63.2 million. Including payments made to those who had case transferred by March 2023, the total value of Child Disability Payments issued between 1 April 2022 and 31 March 2023 was £201.6 million. As of 31 March 2023, it is estimated that 62,325 children and young people were in receipt of Child Disability Payment.

**Child Winter Heating Payment** is an automatic payment for disabled children and young people under 19 who also receive a qualifying benefit. [Statistics](#) published in April 2023 showed that in Winter 2022/23 26,555 payments had been made for children or young people with a total value of £5.7 million. At least 23,890 different recipients received payments in 2022/23 and 7% of recipients received more than one payment (i.e. for more than one child or young person). The [evaluation of Child Winter Heating Payment](#) found that the payment had helped mitigate the experience of financial difficult or insecurity and allowed families to better meet the healthcare needs of their disabled child or young person.

## Ethnicity

Across all benefits, 87% of clients identified as White. Followed by 7% who preferred not to say and then 3% who identified as Asian. Approval rates vary according to benefit type and reported ethnicity; comparisons between benefits is less reliable where there are smaller number of clients.

Those identifying as African were least likely to have applications approved for Scottish Child Payment (83% compared to total rate of 90%), Job Start Payment (22% compared to total rate of 43%) and Adult Disability Payment (48% compared to total rate of 67%). Those identifying as White or Caribbean or Black were most likely to have their application approved for Scottish Child Payment (91% compared to total rate of 90%) and Job Start Payment (46% compared to total rate of 43%). For Child Disability Payment, 17% of those identifying as other ethnic group had their application denied compared to 9% of applicants who identified as White and 10% of Mixed or Multiple Ethnic Groups. For Best Start Grant and Best Start Foods, 'Asian' and 'Caribbean or Black' had the lowest approval rates at 58% compared to the total rate of 69%, while for Funeral Support Payment, 'Asian' had the lowest approval rate at 57% compared to the total rate of 80%.

The client survey asks recipients about the impact that benefit payments from Social Security Scotland have had. Respondents were asked to rate, on a scale of 0-10 ('not at all' to 'a lot'), how much their benefit payment helped them to pay for what they needed, control their finances and how much the payment had made a difference to their life. White respondents were more likely than Minority Ethnic respondents to have a high rating across all three measures.

## Age

Some of our Social Security Payments are targeted at families with children and this is reflected in the age profile. The majority of applicants (96%) to Best Start Grant and Best Start Foods were under 45. Slightly less but still a majority of applicants for Scottish Child Payment were also under 45 (79%). Full breakdowns by age for these benefits are provided in the table below.

Age	BSG and BSF			Scottish Child Payment		
	All applications	Approved	Denied	All applications	Approved	Denied
16-24	15%	75%	25%	5%	83%	17%
25-34	53%	70%	30%	31%	87%	13%
35-44	28%	66%	34%	44%	92%	8%
45-65	4%	56%	44%	20%	94%	6%
65 and over	0%	43%	57%	0%	86%	14%
Unknown	0%	*a	*	0%	*	*
Total	100%	69%	31%	100%	90%	10%

Source: [Social Security Scotland - Social Security Scotland Client Diversity and Equalities Analysis for June 2021 to March 2023](#)

<sup>a\*</sup> suppressed for disclosure control

Other benefits are targeted towards young people. This is our third full year of delivering Young Carer Grant. [Statistics](#) published in June 2023 show that for the period April 2022 to March 2023, 33% of applications were made by 16 year olds, 35% by 17 year olds and 28% by 18 year olds. A total of 2615 applications had been authorised in 2022/23. The percentage of applications authorised for those aged 16 years was 74% compared to 69% for those aged 17 years and 68% for those aged 18 years. Job Start Payment is also targeted towards young people. Of applications made between 17 August 2020 and 31 March 2023, around 3% were from those aged 16 to 17 years old, 47% for those aged 18 to 21 years old and 46% for those aged 22 to 24 years. Approval rates for age bands with available data show 29% of applications were authorised for those aged 18-21 years and 37% for those aged 22-24 years as shown in the [high level statistics](#) published in May 2023.

### **Gender Reassignment**

Across all benefits, around 1% of clients identified as transgender and approval rates did not differ by transgender status. The small number of transgender clients makes comparisons by individual benefits difficult as the data is less reliable. The latest published statistics show some differences across the benefits with larger caseloads of transgender clients but no clear consistent pattern. Transgender clients applying for Scottish Child Payment and Adult Disability Payment were more likely to have their application approved compared to clients who did not identify as transgender (92% versus 90% for Scottish Child Payment and 73% versus 66% for Adult Disability Payment). Best Start Grant and Best Start Foods approval rates show the opposite pattern with those identifying as transgender being less likely to have their application approved (61% versus 69% of those did not identify as transgender).

### **Religion or belief**

Across all benefits, 60% said they had no religion followed by 12% as Roman Catholic, 9% as Church of Scotland, 9% as Prefer not to say, 5% as Other Christian and 4% as Muslim. At an individual benefit level, the percentage of clients reporting no religion was lower for Funeral Support Payment (40%) and higher for Job Start Payment (78%). This is also likely to do with different age profiles across these benefits. Those identifying as Sikh (38%) or Hindu (52%) were most likely to have their applications denied when looking at all client diversity data. This pattern held true when looking at benefits individually with the exception of Adult Disability Payment where Muslim clients were also more likely to have their application denied (39%) together with Hindu clients (41%) and Sikh clients (38%).

As part our [evaluation of Funeral Support Payment](#), we interviewed clients and half of our sample included those who identified as having a religion. This research identified a range of positive impacts and issues for further consideration which will inform ongoing improvements to the delivery of Funeral Support Payment.

### **Sex**

Women are disproportionately represented in the Social Security Scotland client data compared to the general population with 77% of clients identifying as 'woman' and 16% identifying as 'man'. Approval rates are also higher for women with 17% of women denied compared to 31% of men. Men were more likely than women to have applications denied for Best Start Grant (42% vs 30%), Scottish Child Payment (17% vs 9%) and Adult Disability Payment (39% vs 30%). Approval rates for Funeral

Support Payment, Job Start Payment, Young Carer Grant and Child Disability Payment were more similar for men and women.

As noted above the client survey asked recipients about the impact of benefit payments. Women were more likely than men to give a high rating (8-10) for statements relating to whether the payment helped them to pay for what they needed, control their finances and how much the payment had made a difference to their life.

### **Sexual orientation**

Individuals who self-identified as 'Heterosexual' accounted for 85% of clients compared to 2% who identified as 'Bisexual' and 1% as 'Gay and Lesbian' and 'In another way'. 'Prefer not to say' was chosen by 10% of clients. Benefits showing the lowest percentage of clients identifying as 'Gay & Lesbian', 'Bisexual' or 'In another way' were benefits targeted at families with children. For example, Scottish Child Payment had 87% of clients identifying as 'heterosexual' and 1% identifying as 'Gay & Lesbian' and a further 1% identifying as 'Bisexual'. In comparison, Job Start Payment had 81% identifying as 'heterosexual', 3% as 'Gay & Lesbian' and 6% as 'Bisexual'. Across all the benefits, approval rates for 'Gay & Lesbian' are lowest at 72% compared to higher approval rates for clients who 'prefer not to say' (82%), 'heterosexual' clients (81%) and those who identified 'in another way' (81%). Those who identified as 'Bisexual' had approval rate of 78%.

### **Disability**

Adult Disability Payment had the highest proportion of clients identifying as having a physical or mental health condition or illness (91% compared to 32% for all benefits). In addition, this benefit showed the biggest difference in approval rate between those reporting a physical or mental health condition or illness and those who did not (68% versus 49%).

Around a third of clients (32%) for all benefits with associated equalities and diversity forms reported having a physical or mental health condition or illness expected to last 12 months or more. Approval rates were similar with an 81% approval rate for those reporting a physical or mental health condition or illness compared to 80% for clients that did not.

Carer's Allowance Supplement is an extra payment for people in Scotland who get Carer's Allowance on a particular date. Whilst it is not possible to know the exact figures, it is reasonable to assume that some recipients of this benefit will be providing care to someone in their household who is in receipt of a specified disability payment. Between February 2022 and February 2023, the number of carers in receipt of this payment increased by 3% bringing the total number of recipients as of February 2023 to 83,407.

## 7. 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 of people 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 to the First-tier Tribunal against the original determination 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, 5,225 re-determinations were received between 1 April 2022 and 31 March 2023 across all benefits. The table below shows the number of re-determination requests received in this time period. All figures in the table are rounded to the nearest five and may not sum to total.

<b>Benefit</b>	<b>2022-23</b>
Best Start Grant	665
Funeral Support Payment	205
Young Carer Grant	85
Child Winter Heating Payment	5
Scottish Child Payment	1,195
Child Disability Payment	1,100
Adult Disability Payment	1,975
<b>Total</b>	<b>5,225</b>

In total, 145 appeals were received between 1 April 2022 and 31 March 2023 across all benefits. Of these, 65 appeals were received for Adult Disability Payment, 40 appeals were received for Child Disability Payment, 10 appeals were received for Scottish Child Payment, 10 appeals were received for Best Start Grant and 15 appeals were received for Funeral Support Payment. The number of Young Carer Grant appeals is not published to prevent disclosure of small cohorts. All figures above are rounded to the nearest five and may not sum to total.

In reporting on the number of re-determinations and appeals, 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. Re-determinations and appeals data has not identified issues relating to the application and

determination process within the reporting period. Therefore Scottish Ministers do not consider that changes are required at this time.

Re-determination and appeals data will be kept under review.





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The Scottish Government  
St Andrew's House  
Edinburgh  
EH1 3DG

ISBN: 978-1-83521-479-4 (web only)

Published by The Scottish Government, November 2023

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA  
PPDAS1355262 (11/23)

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