Social Security for Scotland



Updated March 2021

EQUALITY, POVERTY AND SOCIAL SECURITY

£206.4 billion spent on social security in Rest of Great Britain

Scotland, £19.1 billion

Scottish Government expenditure, £446 million

Social Security Expenditure in Scotland in 2019/20

In 2019/20, expenditure by UK Government on benefits in Great Britain was **£225.6 billion.** Of this, the estimated amount spent on individuals in Scotland was **£19.1 billion** (8.5%). Of this, around **£16.2 billion** (84.9%) was spent on reserved benefits and **£2.9 billion** (15.1%) was spent on devolved benefits.

In 2019/20 the Scottish Government spent a total of **£446 million** on benefits in Scotland. This included **£347 million** on benefits through Social Security Scotland (Carer's Allowance, Carer's Allowance Supplement, Best Start Grant, Funeral Support Payment and Young Carer Grant), and **£99 million** on benefits administered by local authorities (**£66 million** Discretionary Housing Payments awarded and **£33 million** allocated to the Scottish Welfare Fund).

In total **£19.6 billion** was spent on individuals in Scotland.

Reserved benefits, £16.2 billion

Benefits to be devolved, £2.9 billion Social Security Scotland benefits, £347 million Localised benefits, £99 million £19.6 billion spent on social security in Scotland by UK government and Scottish Government

Sources: DWP Outturn and Forecast Autumn Budget 2020, DWP benefit expenditure by Region 1996/97 to 2019/20, HMRC Tax Receipts between England, Wales, Scotland & Northern Ireland, Scottish Welfare Fund Statistics: update to September 2020, Office for National Statistics mid-year population estimates, Social Security Scotland Annual Report and Accounts for the year to 31 March 2020. Figures may not sum due to rounding. *A total of £37.6 million was spent on Scottish Welfare Fund awards in 2019/20 – funding for these awards came from SG allocation, underspend from previous years, and additional funds from Local Authorities. 1

Introduction

This slide pack summarises the current social security system in Scotland and how this will change as benefits are devolved to Scotland under the Scotland Act 2016, and as new benefits and top-ups to reserved benefits are introduced.

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High-level statistics (e.g. caseload, expenditure, key characteristics of claimants) for:

- Best Start Grant (SSMG)
- <u>Funeral Support Payment (FSP)</u>
- Young Carer Grant (YCG)
- Job Start Payment (JSP)
- Scottish Child Payment (SCP)
- <u>Carer's Allowance (CA) and Carer's Allowance Supplement</u>
 <u>(CAS)</u>
- Disability Living Allowance (DLA)
- Personal Independence Payment (PIP)
- <u>Attendance Allowance (AA)</u>
- <u>Severe Disablement Allowance (SDA)</u>
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- Winter Fuel Payment (WFP)
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Sources and abbreviations

Background

Following the Scottish independence referendum in 2014, the **Smith Commission** recommended that the Scottish Parliament be given autonomy to determine the structure and value of a range of powers over disability, as well as the power to make administrative changes to Universal Credit and to vary the housing cost element. It also recommended that Scottish Parliament be given powers to create new benefits in areas of devolved responsibility, and top-up reserved ones. These recommendations were made law by the **Scotland Act 2016**.

A summary of the benefits that have been devolved or that remain reserved is available on the Scottish Government website at: <u>https://www.gov.scot/publications/responsibility-for-benefits-overview/</u>.

Currently, **Social Security Scotland** (an executive agency of the Scottish Government) is administering Carer's Allowance Supplement, Best Start Grant, Funeral Support Payment, Young Carer's Grant, Job Start Payment, Child Winter Heating Assistance and Scottish Child Payment. The Scottish Government also allocates funding to local authorities to administer Discretionary Housing Payments and the Scottish Welfare Fund. Further changes to benefits have also been announced for 2020 and 2021.

Sources: https://www.gov.scot/policies/social-security/

For enquiries about this publication please contact: Social Security Statistics Telephone: 0131 244 5464 e-mail: MI@socialsecurity.gov.scot

For general enquiries, complaints or suggestions about Scottish Government statistics please contact: Office of the Chief Statistician, Telephone: 0131 244 0442 e-mail: <u>statistics.enquiries@scotland.gsi.gov.uk</u>

Social security in Scotland by recipient group

The benefit system <u>currently</u> in place in Scotland is distributed across a number of recipient groups. Benefits that are devolved, localised, new Scottish benefits, and top-ups to reserved benefits are highlighted in **bold** and described on the <u>next page</u>. Further changes to benefits have also been announced for 2020 and 2021.

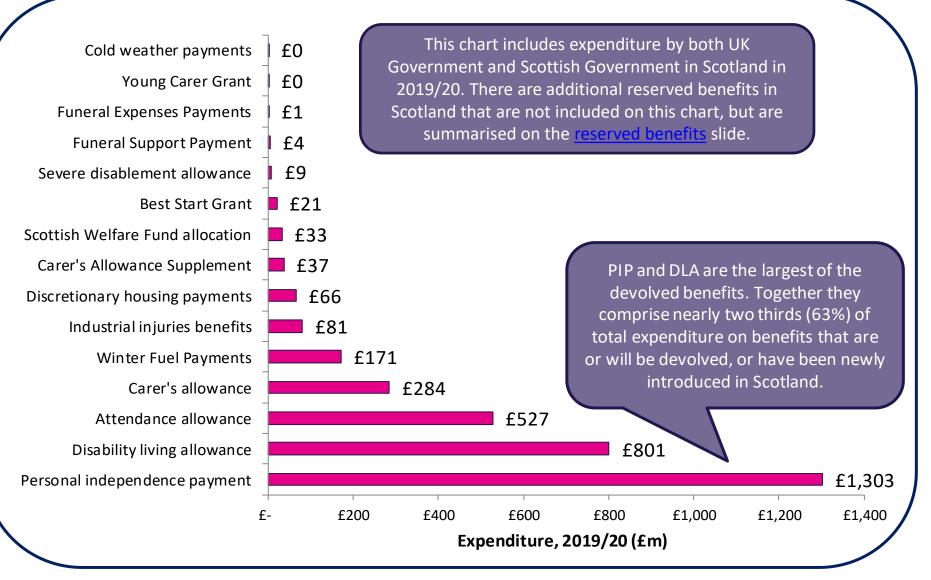
Benefits for people out of work	Benefits for elderly people	Benefits for people who are ill or disabled	Benefits for families with children	Benefits for people on low incomes	Other
Income Support	Winter Fuel Payments	Attendance Allowance	Child Benefit	Discretionary Housing	Universal Credit, inc.
In Work Credit & Return	Financial Assistance	Carer's Allowance	Child Tax Credit	Payments	Universal Credit Scottish Choices
to Work Credit	Scheme			Scottish Welfare Fund	enorees
	Dension Credit	Carer's Allowance Supplement	Guardians Allowance		Bereavement Benefits
Jobseekers Allowance	Pension Credit	Young Carer Grant	Maternity Allowance	Cold Weather Payments	Christmas Bonus
	State Pension	•	·	Best Start Grant and Best	
	State Pension Transfers	Disability Living Allowance	Statutory Maternity Pay	Start Foods	Other small benefits
	State Pension mansiers	Personal Independence Payment		Funeral Support Payment	
	TV Licences				
		Severe Disablement Allowance		Scottish Child Payment	
		Industrial Injuries benefits Inc.		Job Start Payment	
		Industrial Injury Disablement Benefit		New Deel & Employment	
		benefit		New Deal & Employment Programme Allowances	
		Child Winter Heating Assistance		·	
		Employment & Support Allowance		New Enterprise Allowance	
				Working Tax Credit	
		Incapacity Benefit			
		Specialised Vehicles fund		Housing Benefit	
		Statutory Sick Pay			
		Vaccine Damage Payments			

Sources: Expert Working Group on Welfare, Re-thinking Welfare: Fair, Personal and Simple. Scottish Government News Releases- <u>https://www.gov.scot/news/1</u>, <u>https://www.gov.scot/news/2</u>, <u>https://www.gov.scot/news/3</u>, <u>https://www.gov.scot/policies/social-security/</u>

Social security in Scotland - benefits with published data

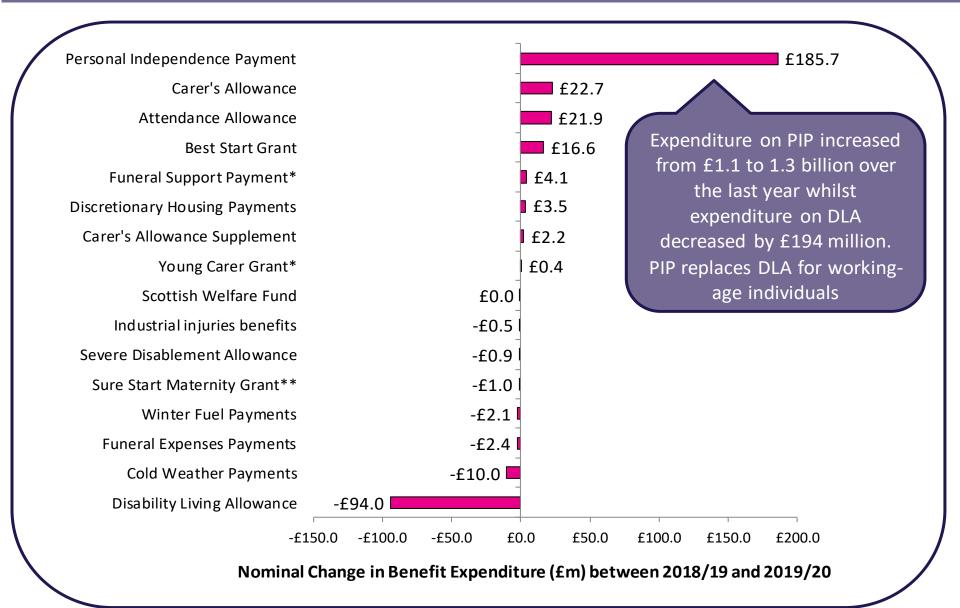
	Benefits*	Primary purpose of current benefit and devolved status.	Devolved/delivered status			
& those who are ill	Attendance allowance	To help with personal care for individuals aged 65 or over with a physical or mental disability.	To be replaced with Pension Age Disability Payment			
	Carer's Allowance	To help an individual look after someone with substantial caring needs. To be eligible the individual must be 16 or over and spend at least 35 hours a week caring for them.	Devolved September 2018 and currently administrated by DWP – to be replaced with Scottish Carer's Assistance.			
	Carer's Allowance	Carer's Allowance Supplement is an extra payment to increase the level of Carer's Allowance to that	Introduced by Social Security			
ole	Supplement	of Jobseeker's Allowance. First payments were made in September 2018.	Scotland from September 2018.			
For carers, disabled people & those who are ill	Young Carer Grant	Yearly payment for young people aged 16 to 18 who care for someone 16 hours or more each week.	Introduced by Social Security Scotland from October 2019.			
	<u>Disability Living</u> <u>Allowance / Personal</u> <u>Independence Payment</u>	Help if your disability or health condition means one or both of the following are true: You need help looking after yourself or you have walking difficulties. PIP replaced working-aged DLA.	To be replaced with Child Disability Payment and Adult Disability Payment.			
	Industrial Injuries Disablement Benefit	For individuals who are ill or disabled as a result of an accident or disease caused by work or while you were on an approved employment training scheme or course.	Delivered by DWP using agency agreement April 2020.			
	Severe Disablement Allowance	For working age individuals who are unable to work due to illness or disability. Closed to new entrants.	Delivered by DWP using agency agreement April 2020.			
Low income benefits	Cold Weather Payments	A payment for individuals on certain benefits when the temperature is either recorded as, or forecast to be, an average of zero Degree Celsius or below over seven consecutive days.	To be replaced with Cold Spell Heating Assistance.			
	Best Start Grant	Provides lower-income families with financial support during the key early years of a child's life. Pregnancy and Baby, Early Learning and School Age payments are all available.	Delivered by Social Security Scotland since December 2018.			
	Funeral Support Payment	For individuals on low income and needing help to pay for a funeral they are arranging.	Delivered by Social Security Scotland since September 2019.			
	ION STATT Payment	To help young people with the costs associated with the transition into employment, after a period of time out of paid work	Introduced by Social Security Scotland from August 2020.			
	Scottish Child Payment	For low-income families with children under six, to help towards the costs of supporting a family.	Applications from November 2020, first payments by end April 2021.			
Localised	Discretionary Housing Payments	To help for those in receipt of Housing Benefit and having difficulty meeting their rent payments. Paid at the discretion of the local authority. Also used to mitigate against the bedroom tax in Scotland.	Devolved April 2017.			
	Scottish Welfare Fund	Crisis Grants provide a safety net in a disaster or emergency. Community Care Grants enable people to live independently, preventing the need for institutional care.	Localised April 2013.			
Other	Winter Fuel Payment	A tax-free payment to help pay for heating bills if you were born on or before 5 July 1952 (current state pension age for women).	To be replaced with Winter Heating Assistance.			
	<u>Universal Credit (Scottish</u> <u>Choices)</u>	Universal Credit (Scottish Choices) give recipients of UC in Scotland a choice to have their UC award paid either monthly or twice monthly, and have the housing costs in their award of UC paid direct to their landlord.	Delivered by DWP on behalf of Scottish Government since October 2017			
	Reserved Benefits	Benefits that remain reserved to the UK government (e.g. Universal Credit, State Pension). Statistics are available from the <u>Department of Work and Pensions</u> (DWP), and via <u>StatXplore</u> and <u>Nomis</u> .				
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*Benefits are summarised in the slide pack where there is available published data. Therefore, the slide pack does not yet include information on new benefits. Sources: www.gov.uk, www.gov.scot/policies/socialsecurity/, https://www.gov.scot/news/1, https://www.gov.scot/news/2, https://www.gov.scot/news/3



Funeral Expenses Payment was replaced with Funeral Support Payment in September 2019, and expenditure on Funeral Expenses Payment is an estimate based on a proportion of 2019/20 spend at GB level. Source: DWP benefit expenditure by region from 1996/97 to 2019/20, DWP Outturn and Forecast: Autumn Budget 2020, NRS Mid-Year Population estimates. Industrial Injuries benefits includes IIDB - a further breakdown is unavailable. Additional expenditure on individuals in Scotland is summarised on the 'Reserved benefits and UC Scottish choices' slide.

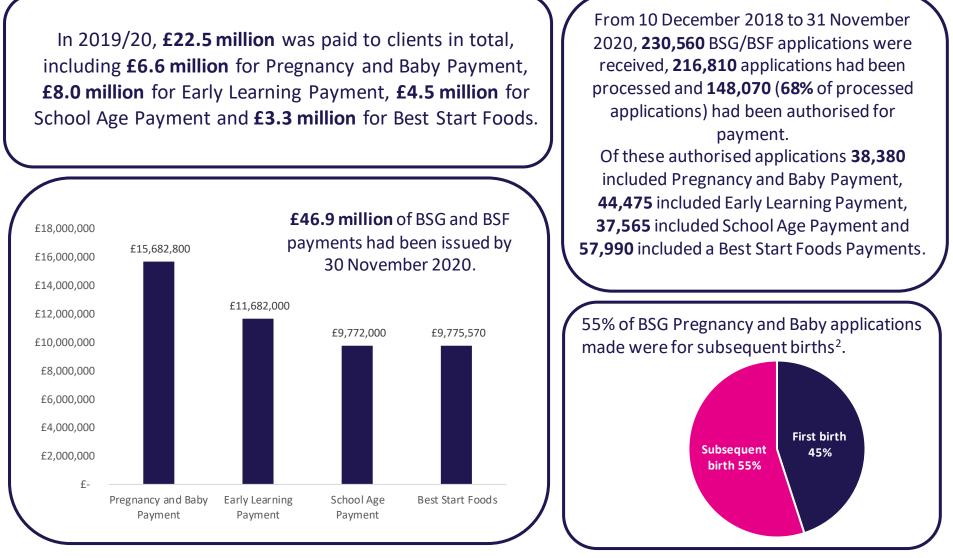
Change in expenditure in Scotland between 2018/19 & 2019/20



*New benefits in 2019/20, no expenditure on these in 2018/19. **Sure Start Maternity Grant was completely replaced by Best Start Grant during 2019/20. Source: DWP benefit expenditure by region from 1996/97 to 2019/20 and in DWP Outturn and Forecast: Autumn Budget 2020. Industrial Injuries benefits includes IIDB. A further breakdown is unavailable. Funeral Expenses Payment was replaced with Funeral Support Payment in September 2019, and expenditure on Funeral Expenses Payment is an 6 estimate based on a proportion of 2019/20 spend at GB level.

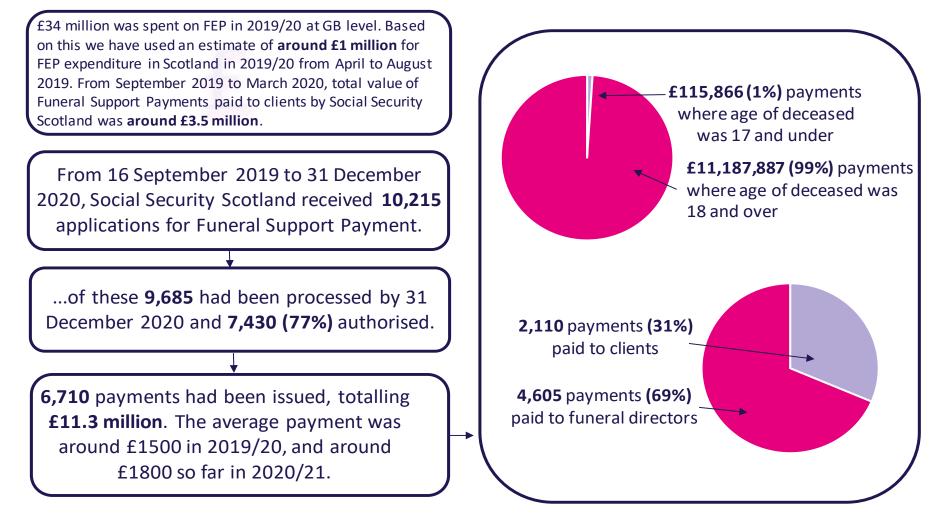
Best Start Grant and Best Start Foods – November 2020

Best Start Grant (BSG) includes three types of payment: Pregnancy and Baby Payment (applications taken from 10 December 2018, replacing Sure Start Maternity Grant), Early Learning Payment (29 April 2019) and School Age Payment (3 June 2019). Best Start Foods (BSF) replaced Healthy Start Vouchers for new claims from 12 August 2019.



Funeral Support Payment – December 2020

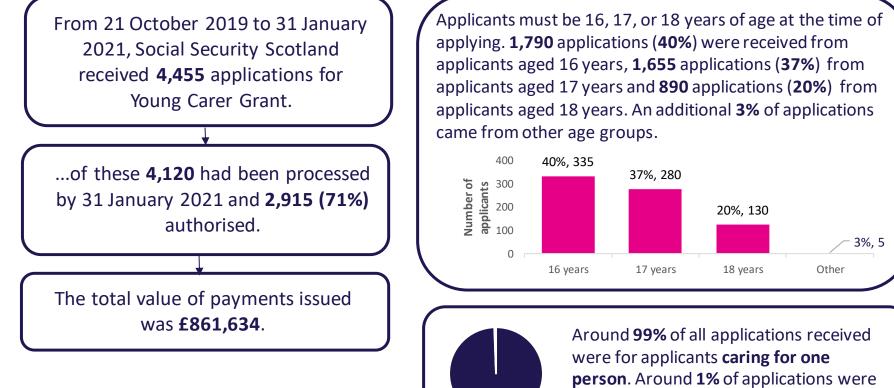
Funeral Support Payment (FSP) is a cash payment to help towards the costs of a funeral. Applications have been taken by Social Security Scotland since 16 September 2019. This replaced the Funeral Expenses Payment (FEP), which DWP ceased to deliver in Scotland on the same day.



Young Carer Grant – January 2021

Young Carer Grant (YCG) is a cash payment for young carers providing 16 hours or more of care a week to someone in receipt of a qualifying disability benefit. Applications have been taken by Social Security Scotland since 21 October 2019.

The Young Carer Grant payment is a flat rate of £300 which can be applied for once a year. The payment is in acknowledgement of the young person's carer role and is intended to help them access life opportunities that are the norm for many other young people. Young carers can spend this money as they choose.



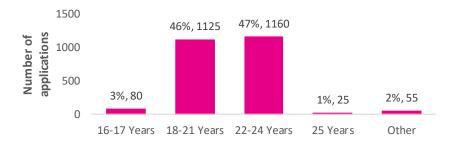
Sources: 1. Scottish Government Young Carer Grant: high level statistics to 31 January 2021.

Job Start Payment – December 2020

Job Start Payment (JSP) is a new payment to help young people in Scotland with the costs associated with the transition into employment, after a period of time out of paid work. Applications have been taken by Social Security Scotland since 17 August 2020.

The payment is a one-off cash sum of either £250 for those who do not have responsibility for a child or a higher amount of £400 for those who do. The upper age is extended to 25 if the young person is a care leaver.

From 17 August 2020 to 31 December 2020, **2,445** applications were received for Job Start Payment. Approximately 93% applicants were aged 18 to 24.



Care leaver (120, 5%) Not declared (2325, 95%) Around **5%** of applications received included evidence that the applicant was a care leaver. The remaining **95%** of applications were from applicants who did not provide evidence of being a care leaver In total, **2,095** applications were processed by 31 December 2020. Of the processed applications, 33% were authorised, 65% were denied, and 2% were withdrawn.

The total value of payments issued up to 31 December was £190,250. Of these payments, £70,000 were for clients with a child responsibility and £120,250 were for clients without a child responsibility

Child responsibility

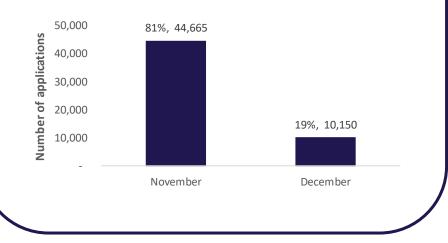
No Child responsibility

Scottish Child Payment – December 2020

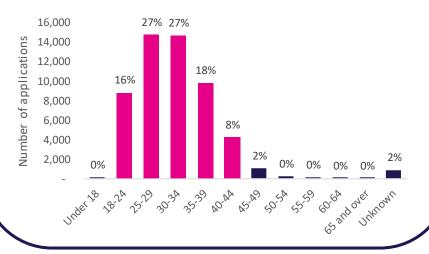
Scottish Child Payment (SCP) is a weekly payment of £10 that people can get for every child they look after under 6 years of age. It is intended to provide regular, additional financial support for families already in receipt of qualifying benefits to assist with the costs of caring for a child.

Social Security Scotland invited clients to **apply in advance** of the benefit being launched to help manage the expected demand, with applications received since 9 November 2020. Applicants will receive a decision from 15 February 2021 onwards, with the **first payments due to be made to clients from the end of February 2021.** Information about applications processed, value of payments and client characteristics will follow when statistics are updated in future.

From 9 November 2020 to 31 December 2020,
54,815 applications were received for Scottish Child Payment. In November, 44,665 applications for
Scottish Child Payment were received, representing
81% of the total applications received. In December,
10,150 applications were received.



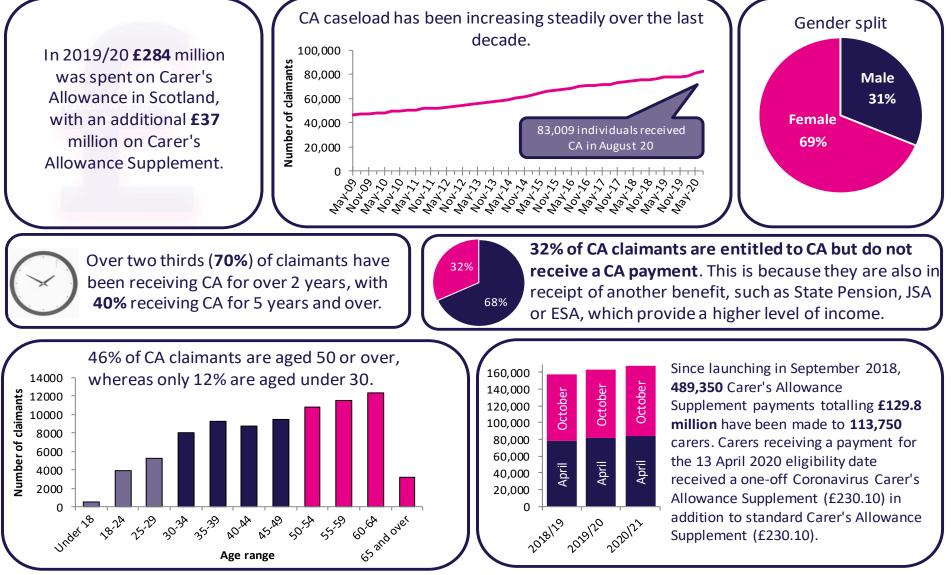
Around **96%** of applications were made by people aged **18 to 44** by end of December 2020. **Less than 1%** of applications were made by people **under 18** and **2%** by people aged **45 or over**. Around 2% of applications received were made by applicants who had not provided information relating to their age.



Sources: 1. Scottish Child Payment: high level statistics on applications to 31 December 2020

Carer's Allowance (August 2020) & Carer's Allowance Supplement (October 2020)

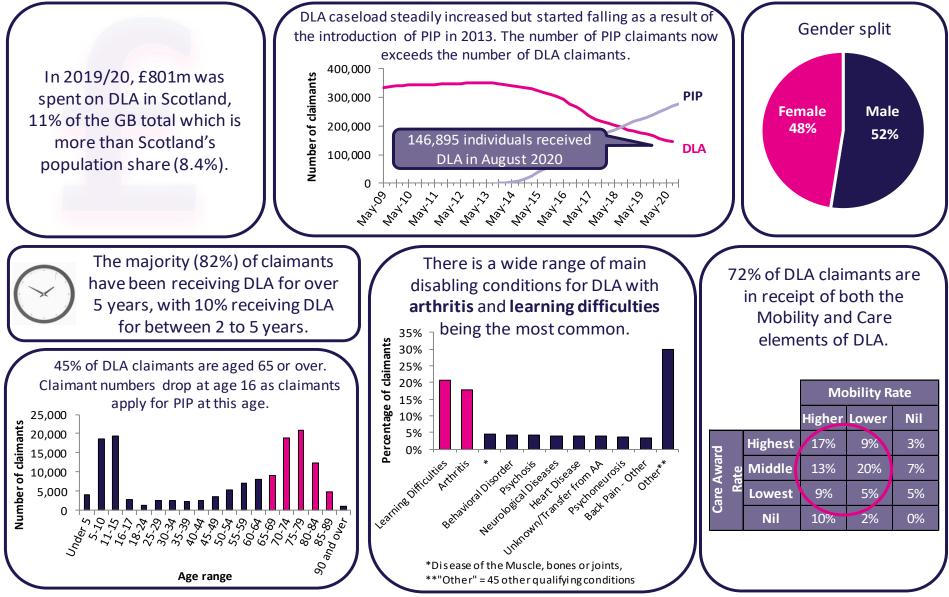
Carer's Allowance (CA) is provided to help an individual look after someone with substantial caring needs. Must be 16 or over and spend at least 35 hours a week providing care. Devolved in September 2018. Carer's Allowance Supplement (CAS) was introduced in September 2018, and is paid twice a year to carers eligible on eligibility dates in April and October.



Sources: Stat-Xplore, DWP Outturn and Forecast: Autumn Budget 2020, DWP benefit expenditure by Region 1996/97 to 2019/20, Scottish Government Carer's Allowance Supplement, October eligibility date 2020 and Carer's Allowance, Disability Living Allowance, Attendance Allowance and Severe Disablement Allowance at August 2020: 12 statistics. Note: caseload data relates to cases in payment.

Disability Living Allowance in Scotland – August 2020

Provides help if health or a disability means a person needs help looking after themselves, or if they have difficulty walking. DLA is being replaced by PIP for working age people.

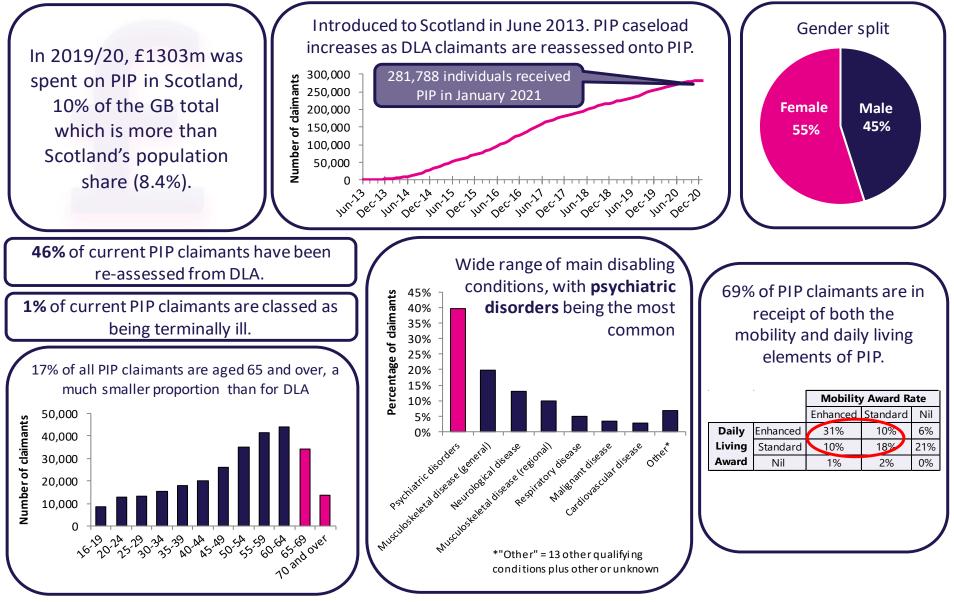


Sources: Stat-Xplore, DWP Outturn and Forecast: Autumn Budget 2020, DWP benefit expenditure by Region 1996/97 to 2019/20. Note: caseload data relates to cases in payment.

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Personal Independence Payments in Scotland – January 2021

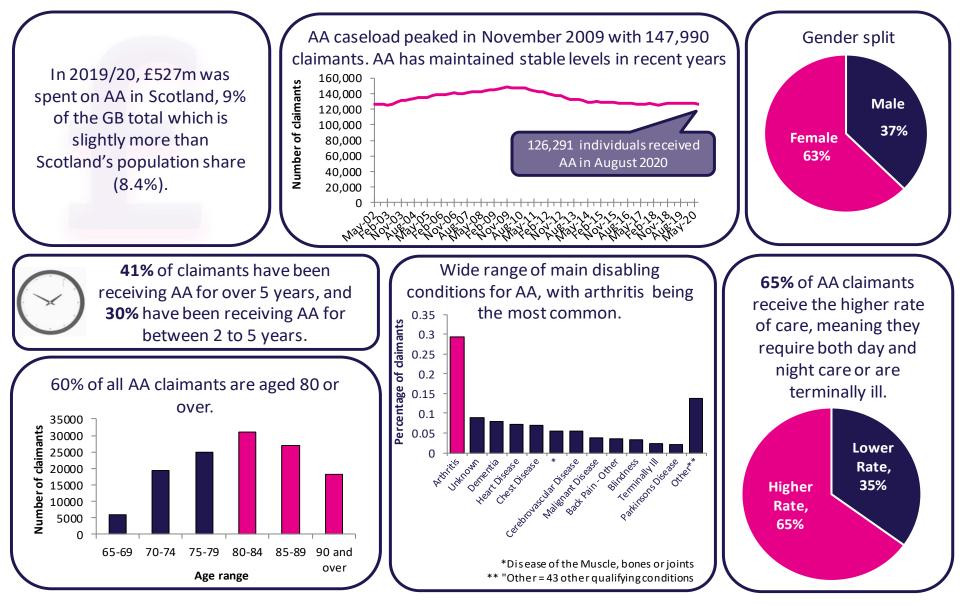
PIP helps with some of the extra costs caused by long-term ill-health or disability for individuals aged 16 to 64. It is also replacing DLA for working age individuals.



Sources: Stat-Xplore, DWP Outturn and Forecast: Autumn Budget 2020, DWP benefit expenditure by Region 1996/97 to 2019/20 Note: caseload data relates to cases in payment.

Attendance Allowance in Scotland – August 2020

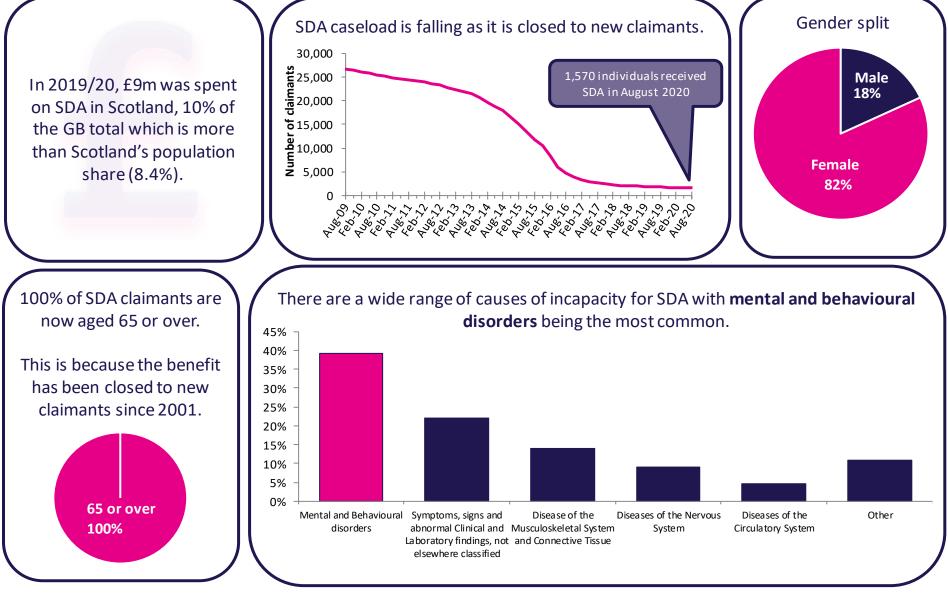
AA provides help with personal care for individuals aged 65 or over with a physical or mental disability.



Sources: Stat-Xplore, DWP Outturn and Forecast: Autumn Budget 2020, DWP benefit expenditure by Region 1996/97 to 2019/20. Note: caseload data relates to cases in payment.

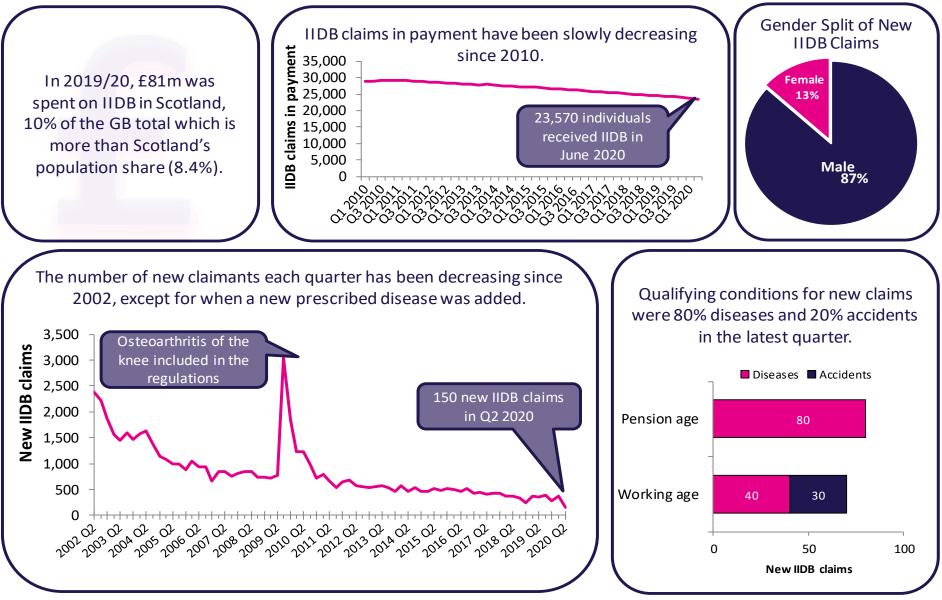
Severe Disablement Allowance in Scotland – August 2020

SDA is for working age individuals who are unable to work due to illness or disability. It was closed to new entrants and the provision replaced by Incapacity Benefit in April 2001, which is now replaced by Employment and Support Allowance.



Industrial Injuries Disablement Benefit in Scotland – June 2020

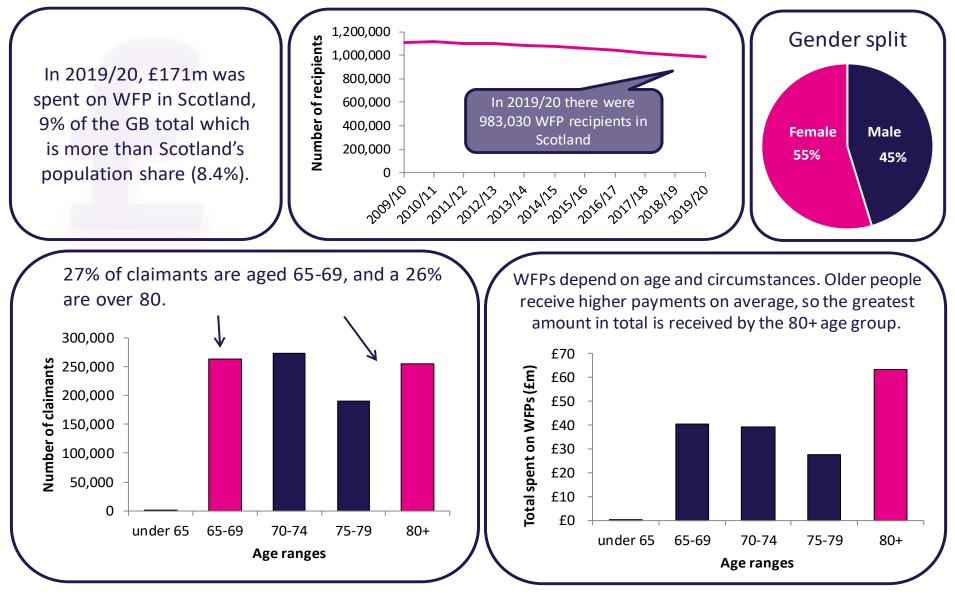
For those who are ill or disabled as a result of an accident or disease caused by work or while they were on an approved employment training scheme or course.



Sources: Stat-Xplore, DWP Outturn and Forecast: Autumn Budget 2020, DWP benefit expenditure by Region 1996/97 to 2019/20, DWP Industrial injuries disablement benefit quarterly statistics.

Winter Fuel Payment in Scotland – 2019/20

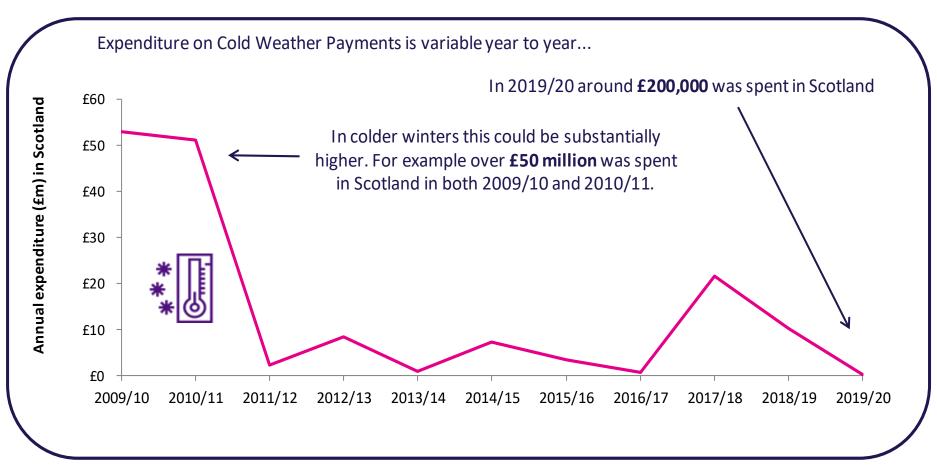
Tax-free payment to help with heating bills. For those born on or before 5 July 1952 (current State Pension Age for women). Must be UK resident during a specified week in September of that year.



Sources: DWP Outturn and Forecast: Autumn Budget 2020, DWP benefit expenditure by Region 1996/97 to 2019/20, DWP Winter Fuel Payment: recipient and household figures 2019 to 2020.

Cold Weather Payments in Scotland - 2019/20

Cold Weather Payments are for those receiving certain benefits, for when the temperature is either recorded as, or forecast to be, an average of 0°C or below over 7 consecutive days. Cold Weather Payments are the last part of the Regulated Social Fund that has not been replaced in Scotland. The Regulated Social Fund also used to include Funeral Expenses Payment (replaced in Scotland by <u>Funeral Support Payment</u>) and Sure Start Maternity Grant (replaced in Scotland by <u>Best Start Grant Pregnancy and Baby Payment</u>).

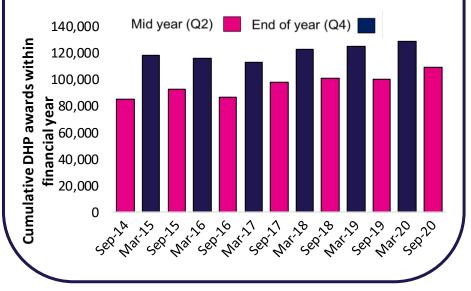


Discretionary Housing Payments in Scotland – September 2020

Help to meet rent payments for Housing Benefit recipients. Paid at Local Authority discretion. As of April 2017, DHPs are fully devolved to Scottish Government.

The total value of awards across Scotland in 2019/20 was **£66.0 million**. Monthly statistics show that **£72.0 million** had been committed to be spent in 2020/21 by January 2021, 13% more than by January 2020.

In 2019/20 local authorities processed **119,715 applications** and made **128,650 awards.** By September 2020 **108,915 awards** had been made, with committed spend for 2020/21 at **£66.0 million**.



DHP awards include a sizeable number of cases affected by the removal of the spare room subsidy (the 'bedroom tax'), where local authorities have continued to make up their shortfall in weekly rent through the use of DHPs.

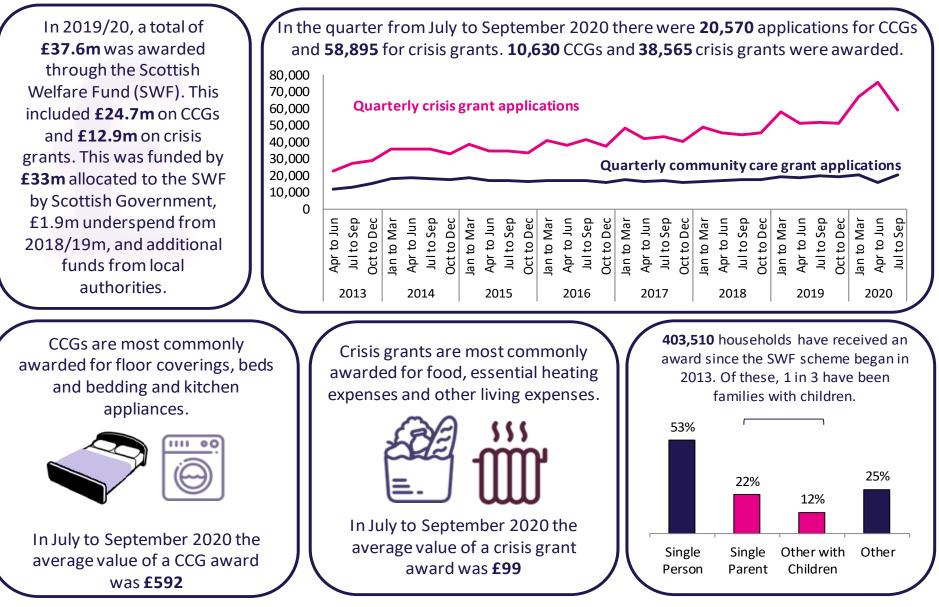
By September 2020 the average DHP award was **£606**. The average award varies between local authorities.



Sources: Scottish Government Biannual DHP statistics and monthly DHP statistics <u>Scottish Government social security statistics publications - gov.scot</u> (www.gov.scot)

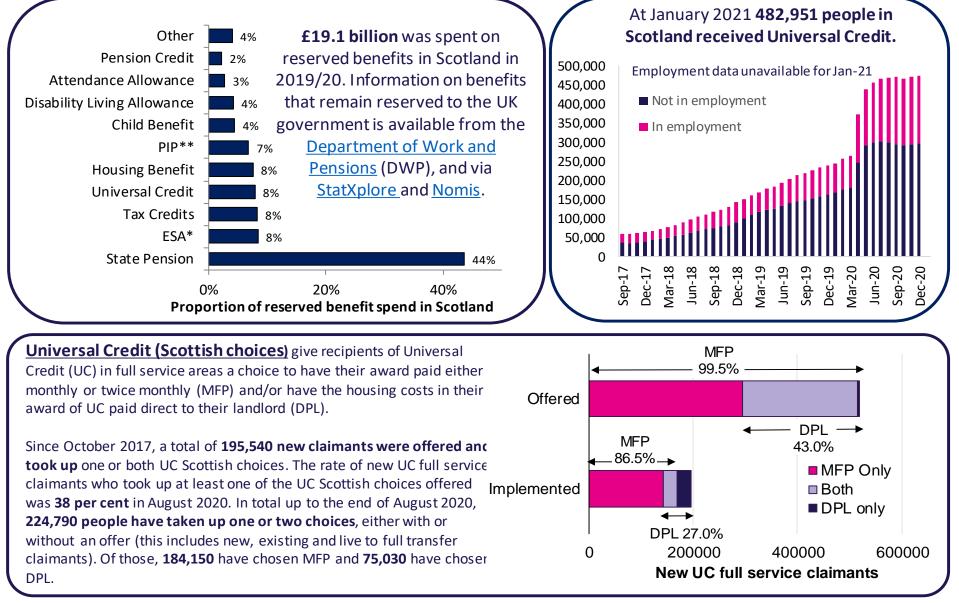
Scottish Welfare Fund – September 2020

National grant scheme run by Local Authorities. Crisis Grants provide a safety net in a disaster or emergency. Community Care Grants (CCGs) enable people to live independently, preventing the need for institutional care.



Sources: Scottish Welfare Fund Statistics: update to September 2020

Reserved benefits and UC Scottish choices



Sources: DWP Outturn and Forecast: Autumn Budget 2020, DWP benefit expenditure by Region 1996/97 to 2019/20, HMRC Tax Receipts between England, Wales, Scotland & Northern Ireland. Stat Xplore. Scottish Universal Credit Choices - management information to end August 2020. *Employment Support Allowance, **Personal Independence Payment.

Sources

Background

Expert Working Group on Welfare, *Re-thinking Welfare: Fair, Personal & Simple*, 4 June 2014.

The Smith Commission, *Report of the Smith Commission for further devolution of powers to the Scottish Parliament*, 27 November 2014. <u>https://www.smith-commission.scot/</u>

UK government

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HMRC, Disaggregation of HMRC Tax Receipts: statistics table. https://www.gov.uk/government/statistics/disaggregation-of-hmrc-tax-receipts

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Scottish Government, *Discretionary Housing Payments in Scotland* statistics <u>https://www.gov.scot/collections/sg-social-security-scotland-stats-</u>publications/#discretionaryhousingpaymentstatistics

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Scottish Government, *Scottish Welfare Fund Statistics* <u>https://www.gov.scot/collections/sg-social-security-scotland-stats-</u> publications/#scottishwelfarefundstatistics

Scottish Government - continued

Scottish Welfare Fund, Self-Isolation Support Grant and Discretionary Housing Payments: monthly data https://www.gov.scot/publications/swf-monthly-management-information/

Scottish Government Social Security Policy information https://www.gov.scot/policies/social-security/

Social security Committee Report http://www.parliament.scot/parliamentarybusiness/report.aspx?r=12090&mode=pdf

Social Security Scotland

Best Start Grant and Best Start Foods statistics <u>https://www.gov.scot/collections/social-</u> security-scotland-stats-publications/#beststartgrantandbeststartfoodsstatistics

Carer's Allowance and Carer's Allowance Supplement statistics https://www.gov.scot/collections/social-security-scotland-statspublications/#carer'sallowanceandcarer'sallowancesupplementstatistics

Funeral Support Payment statistics <u>https://www.gov.scot/collections/social-security-scotland-stats-publications/#funeralsupportpaymentstatistics</u>

Young Carer Grant statistics <u>https://www.gov.scot/collections/social-security-scotland-stats-publications/#youngcarergrantstatistics</u>

Job Start Payment statistics <u>https://www.gov.scot/collections/social-security-scotland-stats-publications/#jobstartpaymentstatistics</u>

Scottish Child Payment statistics <u>https://www.gov.scot/collections/social-security-scotland-stats-publications/#scottishchildpaymentstatistics</u>

- AA Attendance Allowance
- BSG Best Start Grant
- CA Carer's Allowance
- CAS Carer's Allowance Supplement
- CWP Cold Weather Payment
- DHP Discretionary Housing Payments
- DLA Disability Living Allowance
- DWP Department for Work & Pensions
- ESA Employment & Support Allowance
- FSP Funeral Support Payment
- IB Incapacity Benefit
- IIDB Industrial Injuries Disablement Benefit
 - IS Income Support

- JSA Jobseeker's Allowance
- JSP Job Start Payment
- PC Pension Credit
- PIP Personal Independence Payment
- SCP Scottish Child Payment
- SDA Severe Disablement Allowance
- SP State Pension
- SPA State Pension Age
- SSMG Sure Start Maternity Grant
 - UC Universal Credit
 - WA Widow's Allowance
- WFP Winter Fuel Payment
- YCG Young Carer Grant