



OFFICIAL REPORT
AITHISG OIFIGEIL

Social Justice and Social Security Committee

Thursday 13 January 2022

Session 6



The Scottish Parliament
Pàrlamaid na h-Alba

© Parliamentary copyright. Scottish Parliamentary Corporate Body

Information on the Scottish Parliament's copyright policy can be found on the website - www.parliament.scot or by contacting Public Information on 0131 348 5000

Thursday 13 January 2022

CONTENTS

	Col.
DECISION ON TAKING BUSINESS IN PRIVATE	1
BUDGET SCRUTINY 2022-23	2
SUBORDINATE LEGISLATION	33
Social Security Administration and Tribunal Membership (Scotland) Act 2020 (Commencement No 5 and Transitional Provisions) Regulations 2021 (SSI 2021/442 (C 31))	33

SOCIAL JUSTICE AND SOCIAL SECURITY COMMITTEE

1st Meeting 2022, Session 6

CONVENER

*Neil Gray (Airdrie and Shotts) (SNP)

DEPUTY CONVENER

*Natalie Don (Renfrewshire North and West) (SNP)

COMMITTEE MEMBERS

*Jeremy Balfour (Lothian) (Con)
*Miles Briggs (Lothian) (Con)
Foyso Choudhury (Lothian) (Lab)
*Pam Duncan-Glancy (Glasgow) (Lab)
*Marie McNair (Clydebank and Milngavie) (SNP)
*Emma Roddick (Highlands and Islands) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Shirley Laing (Scottish Government)
Shona Robison (Cabinet Secretary for Social Justice, Housing and Local Government)
Kevin Stevens (Scottish Government)

CLERK TO THE COMMITTEE

Claire Menzies

LOCATION

Virtual Meeting

Scottish Parliament

Social Justice and Social Security Committee

Thursday 13 January 2022

[The Convener opened the meeting at 09:00]

Decision on Taking Business in Private

The Convener (Neil Gray): Good morning. Happy new year and welcome to the first meeting of the Social Justice and Social Security Committee for 2022. Apologies have been received from Foysol Choudhury MSP. I welcome back Natalie Don MSP, our deputy convener, who returns after a period of maternity leave. We are very pleased to have you back. I thank Evelyn Tweed MSP for her significant contribution to our work while substituting for Natalie.

Our first item of business is to decide whether to take item 4 in private. Do we agree to do so?

Members *indicated agreement.*

Budget Scrutiny 2022-23

09:01

The Convener: The next item on the agenda is an evidence session on the Scottish Government's budget 2022-23, which was published on 9 December. We focused our pre-budget work on meeting the child poverty targets and we received a response to our pre-budget letter, also on 9 December. I welcome to the meeting Shona Robison MSP, Cabinet Secretary for Social Justice, Housing and Local Government. Joining the cabinet secretary we have Shirley Laing, director for housing and social justice, and Kevin Stevens, head of strategic and programme finance at the Scottish Government. Welcome to you all and thank you for joining us. I invite the cabinet secretary to make an opening statement.

The Cabinet Secretary for Social Justice, Housing and Local Government (Shona Robison): Thanks very much, convener, and a happy new year to everyone. Thank you for inviting me, supported by Shirley Laing and Kevin Stevens, to the committee.

As you will be aware, this is another challenging budget—perhaps the most fiscally challenging to date. We have had to make choices and we are proud that we have chosen to back our national mission to tackle child poverty and strengthen the support that is available for families during the cost of living crisis.

We have committed almost £200 million to support the doubling of the Scottish child payment to £20 from April 2022, immediately supporting 111,000 children under the age of six. We are committed to rolling out the Scottish child payment fully to under-16s by the end of 2022, backed by an investment of £197 million. In the meantime, we will continue to meet the costs of delivering a bridging payment, worth £520 a year per child in 2022, to around 150,000 children of school age. That investment underlines our commitment to delivering on our national mission and, of course, we will publish our next four-year tackling child poverty delivery plan by the end of March. The plan will outline cross-government action to put Scotland on a critical path to meet the targets that have been set.

The Scottish child payment forms part of the £4 billion that we are committing in social security and welfare payments, which will go directly to over one million people in Scotland. The money will help low-income families with their living costs, support older people to heat their homes in winter and enable disabled people to live full and independent lives.

This summer, we will introduce the adult disability payment, which will deliver approximately £1.95 billion of support for working-age disabled people. This brand new benefit will provide disabled people with a fundamentally different experience when applying for and receiving the support that they are entitled to. I am delighted to confirm that the regulations for the adult disability payment have been laid before the Parliament, marking a significant milestone in the devolution of disability benefits.

We are investing £530 million to deliver the devolved social security system in Scotland in 2022-23, ensuring a simplified, compassionate system that will treat everyone with dignity, fairness and respect, and provide people with an improved experience.

This winter, we will launch low-income winter heating assistance. Through an investment of £21 million, around 400,000 low-income households that are currently eligible for cold weather payments will receive a guaranteed annual payment of £50. We are also investing £41 million, including local authority administration, in the Scottish welfare fund to provide essential help to the most vulnerable people in our communities.

The budget also recognises the important role that carers play in supporting those with disabilities or long-term conditions, with a further £315 million of funding for carers allowance and £42 million for carers allowance supplement.

Within the budget, we are making available £831 million for affordable housing, progressing our commitment to deliver 110,000 affordable, energy-efficient homes across the next decade, of which at least 70 per cent will be available for social rent and 10 per cent will be in our remote, rural and island communities.

We are making a further £10 million available for our ending homelessness together fund. This continues our investment of £100 million for transformation funding between 2018-19 and 2025-26. It supports the commitment that we made in the programme for government to continue to invest over £100 million to support front-line services and focus on the prevention of violence against women and girls from school onwards over the next three years. That figure includes the enhanced delivering equally safe fund, which we have increased by £12 million to £38 million, providing over £28 million to support front-line services and £2 million for prevention over the next two years.

In conclusion, this is very much a budget of choices and, indeed, a transitional budget in which we have sought to support our three strategic priorities of child poverty, climate challenge and Covid economic recovery while progressing our

resource spending review for the longer term. That will be under way soon.

I thank the committee for its pre-budget scrutiny and I look forward to your questions.

The Convener: Thank you very much, cabinet secretary. We appreciate that introduction. I hope that colleagues who have not already indicated that they would like to ask a question will do so by typing R in the chat function as usual, or by sending me a message if they would like to ask a supplementary question.

Before I turn to colleagues, I have a few questions. Obviously, we very much welcome the doubling of the Scottish child payment. The committee called for that in its pre-budget work and it will go a long way towards reaching our child poverty targets. Stakeholders also very much welcomed the doubling and that it will happen when the Scottish child payment is fully rolled out to children aged up to 16 in December. However, in minutes from a joint ministerial working group meeting, United Kingdom ministers appear to suggest that they may not be able to meet the timetable for that delivery. That is of great concern. Can you confirm whether the roll-out and the doubling are still deliverable by December?

Shona Robison: I will respond to that in a bit of detail, because it is important. Yes, I am confident, but it will take both Governments to help deliver that. I will come on to say a little bit about why that is important.

On 5 January, the Minister for Social Security and Local Government, Ben Macpherson, wrote to the UK Minister for Disabled People, Health and Work, Chloe Smith, stressing the Scottish Government's commitment to rolling out the Scottish child payment to under-16s by the end of 2022. He outlined the joint commitment of both Governments and the on-going joint programme of work, stressing the risks involved in the Department for Work and Pensions approach and seeking further assurances around timescales.

The Scottish Government made the Department for Work and Pensions aware of our Scottish child payment delivery intentions back in July 2019, following the finalisation of an impact paper. The DWP has had quite a bit of notice of our intention. There have been negotiations between the Scottish Government and the DWP to solve the data issues and I am pleased to say that a joint delivery plan is in place.

The DWP's project documentation from August 2019 includes a list of the Scottish Government's high-level data requirements, plus assumptions and risks. In addition to the normal project management processes, the Scottish Government and DWP senior officials have committed to a series of additional assessments of progress

against intended delivery at pre-agreed junctures from January to March. That is important, because if it becomes clear at one of those critical checkpoints that there is a risk to successful delivery, a joint assessment will be undertaken and action taken to mitigate that risk.

As I am sure that you are aware, there have been negotiations between the Scottish Government and the DWP to resolve the data issues. All that I will say about that is that the Scottish Government's preferred solution has not been agreed and, therefore, we had quite reluctantly to agree to the DWP's preferred solution, which carries a higher risk. That is why the Scottish Government sought a letter of comfort from the DWP acknowledging that to be the case.

Our preference has consistently been to extend the existing systems that we have in place for the Scottish child payment, but the DWP's position is that we should build on the DWP's new strategic solution. That carries a higher degree of risk, but we have mechanisms in place to monitor that risk. I am sure that we could keep the committee apprised of the progress being made on the resolution of the data solutions. To be blunt, convener, we cannot do this without the data from the DWP; it is critical to being able to roll out the Scottish child payment by the end of this year, so it has to happen. From our end, I am happy to keep the committee apprised of progress.

The Convener: Thank you for that, cabinet secretary. I think that colleagues on the committee will share my concerns about the matter. It would be helpful, not least because I hope that we will have a UK Government minister before the committee soon, if we could have sight of the correspondence that has been going back and forth between the two Governments. I hope that you can agree to that.

Shona Robison: I am happy to share that correspondence. There is nothing to hide: it is what I have just explained. We want to be absolutely transparent about this and keep the committee updated. I am happy to share the correspondence and I am sure that when you have the DWP minister in front of you, you will be able to ask her similar questions.

The Convener: Thank you, cabinet secretary. I turn now to questions from colleagues, starting with Pam Duncan-Glancy.

Pam Duncan-Glancy (Glasgow) (Lab): Good morning to the committee, the clerks and the cabinet secretary. I thank the cabinet secretary for joining us this morning, and for setting out her vision and the budget.

As it stands, only one in four children will benefit from the doubling of the Scottish child payment. As the cabinet secretary knows, we support the

doubling of the Scottish child payment—I think that most MSPs do—but we think that it needs to be doubled again to meet the targets. As it stands, only one in four children will get the doubling because the higher rate applies only to children under the age of five, for some of the reasons that the cabinet secretary has just described. However, that still means that only one in four will get it. That leaves hundreds of thousands of children on Scottish child payment bridging payments: 170,000 will be left without access to the doubling of the payment and 125,000 children will not have access to the bridging payments. Will the Government double the bridging payment so that those families who get it will also get £20 a week? I ask the cabinet secretary to tell us a little bit more about some of the complexities with the data that she just described.

Shona Robison: Let me first reiterate what I said in my opening remarks. We have a budget of choices, into which we have put a huge amount of money beyond the block grant moneys received for social security. I can go into that in more detail during this evidence session.

The Scottish Fiscal Commission has recognised that the Scottish Government is putting a huge amount of money beyond that from the block grant into social security. I think that that needs to be recognised. It forms the context for the choices that we have had to make.

As Pam Duncan-Glancy said, we have made the commitment to double the Scottish child payment to £20 from April 2022, immediately benefiting 111,000 children under the age of six. When we announced the introduction of the benefit, we made it clear that it will be extended to under-16s by the end of 2022, subject to the receipt of the necessary data from the DWP, as I outlined in my previous answer. At that point, more than 400,000 children will be eligible for the £20 payment.

As Pam Duncan-Glancy mentioned, in advance of that, we are supporting as many school-age children and young people as possible through our bridging payments, which are worth £520, in 2022. That is an innovative response that makes use of local authority data to deliver immediate support to around 150,000 children.

09:15

The Scottish child payment remains the best way to provide the support that low-income families need, and that is why we have acted to double the payment from April and why we will move as quickly as we can to roll it out by the end of the year. It is estimated that 60 per cent of children in poverty live in a household with a child under the age of six, so the measure targets many

families who are suffering from poverty, who will benefit from the doubling from April 2022.

The programme for government committed to deliver the increased payment by the end of the parliamentary session; of course, that PFG commitment will now be accelerated by four years. I hope that members will welcome that. We are going as far as we can as fast as we can, within the resources that we have.

On Pam Duncan-Glancy's second point, I have laid out in some detail some of the data issues that are at play here. I have tried to be as clear and as transparent as I can be. We put forward our preferred data solution, and there was a very protracted negotiation. As I said, the upshot is that we have had to reluctantly agree to using the DWP's system—its new strategic solution. It is a bit higher risk because the DWP has yet to build and test that new strategic solution. We have not yet received the full design specification, so that means that the Scottish child payment team has started its development work with that risk, basing it on a set of assumptions and accepting that some reworking is likely to be required once the full design specification has been shared with us.

That said, as I said in answer to the convener, there is now a structure around monitoring progress, with some trigger points. If there are concerns, ministerial involvement will happen very quickly.

Again, I am very happy to keep the committee informed. From our side, we are absolutely determined to see our roll-out commitment happen by the end of the year. However, as I also said to the convener, we require the data from the DWP to do that. It is a joint, two-Government responsibility, and it is important that every effort is made to ensure that those timescales are met.

Pam Duncan-Glancy: I heard the cabinet secretary's response, but three quarters of children will not access the doubling of the Scottish child payment. She will be aware that the Scottish Labour Party has written to her to suggest ways in which we could reach some of them. It would be helpful to hear, either now or in future, why those suggestions would not work. I am also not sure whether I heard the cabinet secretary say that the bridging payments will be doubled. It would be good if I could get an answer on whether that will happen.

Finally, on a slightly different issue, the cabinet secretary set out that this is a budget of priorities. It is unfortunate, therefore, that parental employability support for some priority groups—specifically, young parents and disabled people—has been reduced to zero. Can the cabinet secretary elaborate on the reasoning for that, given calls by organisations such as the Joseph

Rowntree Foundation to target spending on measures to reduce child poverty at those groups?

Shona Robison: As I have set out, we have focused our doubling of the Scottish child payment in April on children under the age of six. We know that that will affect 60 per cent of households who are living in poverty, so it will have the biggest impact.

We are determined to meet the timeframe for doubling the Scottish child payment to everyone by the end of the year. The bridging payment is just that—it is a payment to help families in the meantime. The resources that we have put into social security go well beyond the block grant. However, we have a fixed budget and we have had to make difficult choices in order to put money where it will be most effective. I have laid out why that is and the choices that we have made.

The Labour Party's contributions and ideas for the budget will all be considered in the round by me, Kate Forbes and other cabinet secretaries. We are always looking for good ideas, but we have to make sure that they are affordable within a fixed budget, with all of the pressures that come with the reduction in the settlement from the UK Government. When we look at the Covid moneys that have been removed, we can see that it is a tough settlement. Within that, as the Scottish Fiscal Commission has said, we are putting a huge amount of money, which is projected to increase, into social security and support for low-income families that is well beyond the money that is contained in the block grant.

Pam Duncan-Glancy talked about parental employability support. In March, we will bring forward the tackling child poverty delivery plan, which will look across government. As organisations such as the Joseph Rowntree Foundation have said, although social security needs to do the heavy lifting, poverty and child poverty cannot be tackled through social security alone; other mechanisms must be looked at, and we have been doing that across government.

We have committed £15 million of further investment for the parental employability support fund across 2022 to 2024. This year, £5.8 million is available, ahead of the wider investment in employability and skills and including continued investment in both the no one left behind approach and the fair start Scotland programme.

We are aware that, due to the impact of the pandemic on local authority operations, including parental engagement and employability support, there have been some delays in the roll-out of the parental employability support fund. We have been supporting parental employability. In addition, we are also committing the first £50 million of the £500 million whole family wellbeing

fund that is to be invested across this parliamentary session. The priority for that will be holistic whole-family support.

You have to look at the investment that will be made in the round. When we bring forward the tackling child poverty delivery plan, you will be able to see those investments across government. That is before we include things such as early learning and childcare and support for families. All of that will help to make an impact and get us towards the child poverty targets.

Marie McNair (Clydebank and Milngavie) (SNP): Good morning, cabinet secretary, and happy new year. Thank you for taking the time to come along to the committee this morning.

It is clear that there are always pressures on the Scottish social security budget. How much of the Scottish Government budget goes towards mitigating UK Government welfare cuts?

Shona Robison: There are certainly pressures on the Scottish Government budget and difficult choices have to be made. We are continuing to mitigate the UK Government's decisions. That means that there is less money to go elsewhere, which is a challenge. For example, on the bedroom tax, £80 million goes to discretionary housing payments. It would have been much better if the bedroom tax had been scrapped. The £80 million that we have to put into discretionary housing payments could then have been spent on other areas and other priorities. These are difficult choices and we cannot mitigate everything—that is just not possible. We will continue to do what we can to support low-income households as best we can.

Marie McNair: Thank you for that response.

The cost of our adult disability payment will be higher than that of the personal independence payment. When the Scottish Fiscal Commission gave evidence at our previous meeting, it suggested that a more compassionate and dignified approach to claimants might lead to an increase in take-up. Do you share that assessment, and do you agree that we should welcome it?

Shona Robison: I agree. The Scottish Fiscal Commission is projecting that, because of the difference in approach to the adult disability payment, more people will apply for it. The largest component of the divergence is the adult disability payment forecast, where improvements to application, review and appeals processes will remove barriers and are expected to result in more successful applications. The Fiscal Commission estimates overall additional spending of £37 million in 2022-23, rising to £527 million in 2026-27. Those costs represent the additional investment that we are making as a result of our

approach to disability benefits. There is no funding for that from block grant adjustments, but it is the right thing to do. We believe that the system will look and feel a lot different for people who are on disability benefits from how the current system looks and feels.

Marie McNair: Part of a more humane approach includes ending the use of demoralising private sector assessments and a more generous approach to terminal illness claims. Have you made any assessment of the financial impact of those very welcome approaches to decision making in relation to ADP claims?

Shona Robison: I think that we are in the same area as I have just described. The Scottish assessment criteria have been widely welcomed because of the different assessment processes. In fact, I think that it was put forward to the Work and Pensions Committee at Westminster that the Scottish assessment criteria are a good model to look at. That shows that it will be a very different experience, which, in turn, is likely to lead to more people claiming those benefits who might have been put off previously. People still need to meet the criteria, but the look and feel of the benefit and the way that Social Security Scotland will operate will inevitably lead to more people applying. I think that that is why the Scottish Fiscal Commission has made that assessment.

Marie McNair: With the convener's indulgence, I will ask one more question. With the increase in ADP take-up, we will also see additional costs from the associated take-up of carers allowance supplement. Is there still no movement at the UK level towards changing the level of carers allowance?

Shona Robison: No, not that we are aware of, although we will always encourage the UK Government to do that. We are doing what we can to support carers—I am happy to go into that in a bit more detail at some point during this evidence session.

On Marie McNair's earlier point about mitigation, the Scottish Government has invested £114 million in the past financial year to directly mitigate the impact of UK Government cuts through discretionary housing payments, which I mentioned, but also through the Scottish welfare fund. That investment is part of £367 million that has been invested above funding through block grant adjustments received from the UK Government to deliver financial support through social security.

We continue to do what we can, but we cannot mitigate everything. Whether on carers or other benefits, the UK Government needs to step up to the plate.

09:30

Jeremy Balfour (Lothian) (Con): Good morning, cabinet secretary, and happy new year. I have two or three questions on the adult disciplinary payment. First, there seems to be a funding gap of around £750 million that will build up in the social security budget over this session of Parliament. What future proofing work are you doing, and how do you think the Scottish Government will make repayments?

Shona Robison: The Scottish Fiscal Commission acknowledged that there is a lot of uncertainty over the longer-term trends, which could impact on the overall fiscal position. Its forecast includes several benefits that have not yet launched and uses assumptions that will be confirmed only when outturn data becomes available.

To answer Jeremy Balfour's final point, the forthcoming resource spending review will allow us to take spending forecasts into account in determining funding requirements as we target public spending to where it delivers greatest benefits.

We are making a significant investment—it is an investment in people. The money that we are investing in ADP and other benefits is about supporting low-income households; it is about supporting people and helping them to have a better quality of life. We are taking the steps that we need to take through the resource spending review, but we certainly see the investment that we are making as a very important investment in making improvements to the application, review and appeals processes and removing barriers. I would have thought that that would be welcomed across the Parliament. The experience that people will have of the adult disability payment will be very different from their experience of previous benefits.

Jeremy Balfour: I am not quite sure that I got an answer. I actually asked how it will be paid for. Perhaps we can return to that at our next meeting.

I have a small but important point to make. At the moment, those who are on PIP and disability living allowance receive an extra £10 Christmas payment from the DWP. Will that be included in the Scottish Government's new adult disability payment. If so, how much will it cost, and will that be funded through the Barnett formula or will the Scottish Government have to find extra money?

Shona Robison: I might bring in Kevin Stevens on the specifics of the extra Christmas payment, but I will go back to the point about how it will be paid for.

I said to Jeremy Balfour that we will be looking at all the cost pressures within the spending

review process, where we will be able to look across the longer period to the pressures that will come into the budget, including for social security. That is where we will be able to project and make adjustments in the budget going forward. That mechanism allows us to ensure that the required funding is there.

Is Kevin Stevens able to answer the question about the extra Christmas payment? If not, we will write back to the committee.

Kevin Stevens (Scottish Government): Thank you, cabinet secretary. The answer is that, to the extent that any additional payments are paid to people in England and Wales, that is in the block grant adjustment. That money would, therefore, flow through to Scotland and would be available for use by the Scottish Government as part of the ADP. It is a straightforward answer that relates to how the block grant adjustments operate.

Jeremy Balfour: In light of that helpful answer, we can presume that the Scottish Government will pay the extra £10 in December this year.

My final question on this section is about those who are on DLA and who have not been moved across to PIP. Evidence that we took from a number of groups showed that, because of different criteria, there may be people on DLA who move across to PIP and who will lose their benefit, or part of it. Will the Scottish Government mitigate that in any way? What work is the Scottish Government doing to make those who are in that situation aware that there may be a change in the amount of money that they will receive because of the new adult disability payment?

Shona Robison: I am certainly not aware that there is a cohort of people who would lose any benefit, but I might bring Kevin Stevens in on that. I am happy to write back to the committee with more detail on that. If anything, the ADP criteria mean that, as I laid out in previous answers, people moving across will be more likely to retain, rather than lose, their entitlement. I am not quite sure where the evidence that Jeremy Balfour mentioned has come from, but I am happy to look into that.

Does Kevin Stevens have anything to add on the specifics of that?

Kevin Stevens: No.

Shona Robison: Okay. I am happy to write to the committee with more information.

The Convener: Thank you, cabinet secretary.

Emma Roddick (Highlands and Islands) (SNP): I was looking at the details of the ADP. Can you give us more information on what will happen if the UK Government changes the rules

and there is less money available through the fiscal framework?

Shona Robison: That is always a concern because of the hybrid system. Any reduction in benefits spend by the UK Government will have a direct impact on what is available here in Scotland. That has always been the case and is one of the difficulties of the system. Emma Roddick will no doubt be aware of the green paper that has been produced.

There could well be divergence between policies north and south of the border on disability benefits. At the moment, we do not know what that would mean for the quantum that would be spent by the Department for Work and Pensions. If it were to increase, that would clearly be of benefit to the Scottish budget, but if it decreased there would be a reduction. That would be extremely difficult, given that we have already spent beyond the money in the block grant and have put additional Scottish Government money into social security. The block grant's being reduced would clearly make our situation very difficult. That is one of the challenges with the current system; it is a big concern.

Emma Roddick: I am hearing from the cabinet secretary about one of the failings of the hybrid social security system. Does that highlight a failure of the devolution settlement overall and, ultimately, the need for more powers in Scotland?

Shona Robison: Emma Roddick will not get any argument from me on that. Clearly, it would be much easier if social security across all benefits were devolved to Scotland. That would be simple and straightforward compared with the hybrid system that we have, and it would allow us to join the dots across all benefits far better.

For example, one of the issues in negotiation for the future, with the review of the ADP, is the impact on passported benefits. That will require agreement with the UK Government in order to ensure that future changes to the ADP do not impact on passported benefits. How much simpler it would be if we had all the benefits under Scottish Government control. The direction of travel would be that decisions could be made here in Scotland to best meet the needs of the population here.

The Convener: Thank you, cabinet secretary. On potential changes to UK disability benefits, you mentioned the green paper and potential challenges that it could pose for passporting if there are changes to Scottish benefits. What discussions have you had with UK ministers about the concerns that you have highlighted about the green paper; for instance, the potential merging of the assessment processes for universal credit and PIP and whether the UK Government will, in

principle, agree to the ADP diverging and still being a passporting benefit?

Shona Robison: We have raised that at meetings with the previous and current UK ministers. Ben Macpherson, the Minister for Social Security and Local Government, has also done so. We have also agreed that the mobility element review will start earlier than the wider review of the ADP. We have flagged up with the DWP that it is important that we get agreement that changes that it makes will not impact on passported benefits. We have put that marker down and have said that we want further discussions. I think that the DWP has recognised that. At this stage, we do not have agreement on passported benefits, but we have clearly flagged that as an issue on which we will need more detailed discussions.

Pam Duncan-Glancy: Thank you for your answers so far, cabinet secretary. I think that people will find it quite frustrating that we are still sending 90 per cent of the social security budget back to the DWP to administer. It is quite unfair to say that it would just be simpler and better if we were doing it here, ourselves; I am not sure that really is the case.

On the rate for unpaid carers allowance, you know that my party thinks that the carers allowance needs total reform. We need to get moving on that for unpaid carers and disabled people. Bill Scott gave evidence to the committee a few weeks ago. He said that had the disabled people and unpaid carers who were asked for their opinions on priorities known that "safe and secure" transfer of benefits would mean that there would be no significant change to eligibility for, or the amounts of, those payments until at least 2025, and possibly 2026, which is nearly 10 years after they were asked the question, they might have prioritised something else.

I have one question on carers and one on PIP specifically. When the Carers Allowance Supplement (Scotland) Bill came to the committee, carers told us how important it was that the carers allowance supplement had been doubled, and how important it is that that should happen again in the future. When he attended, the minister said that we did not need to write into primary legislation that the payment would be doubled, and that when you looked at unpaid carers assistance there would be regulations that would allow the Government to double the payment, if that was the will of the Parliament. We do not see any indication of that in the budget, so does that mean that the Government has tied its own hands? Can carers expect a double payment of the carers allowance supplement again this year?

09:45

Shona Robison: I will come on to that in a second. Let me just address a point about administration costs.

Pam Duncan-Glancy is correct to say that some of the administration of benefits is still handled by the DWP, but we make the policy decisions in Scotland. We have made policy decisions that have been very important, such as on the Scottish child payment, which is a brand new benefit that supports families. We are making major changes to the look and feel of disability benefits. We are bringing in additional support—I will come on to carers in a second—and we are bringing in new supports, including low-income winter heating assistance. The policy decisions and, therefore, the money that goes into people's pockets here in Scotland are the important things. Even if some of the administration is still with the DWP and will transfer in time, the policy choices that we have made are what are most important.

On carers, first of all we recognise very much that the pandemic has suggested a need for greater flexibility in how we support carers. The Government chose to pay coronavirus carers an allowance supplement in 2020 and we paid that again in 2021. We did that from our fixed budget, as I have said during this session. The additional £40 million that was invested in the two coronavirus carers allowance supplements, this year and last, is all from the Scottish Government's budget. We have had to make choices in order to do that.

Pam Duncan-Glancy noted that no initial allocation has been made for a further payment in 2022-23. We will keep the position under review as part of the ongoing budget process and, importantly, we will take into consideration the circumstances of carers. Financial constraints need to be balanced, as does where we are in the process of recovering from the pandemic.

I make the point that whether we are talking about additional support for carers, more support for the Scottish child payment or more support for local government, we cannot do everything on a fixed budget: we have to make choices. If more money above what we have already allocated is to go to the Scottish child payment or to carers, it has to come from somewhere. I am happy to continue discussions. If Pam Duncan-Glancy or others want to suggest where that money should come from, I will be happy to have those discussions. However, we have tried to allocate what we can to support carers.

Today, in recognition of the needs of unpaid carers, we are announcing an additional £4 million to help organisations that work with unpaid carers to put expanded services in place this winter. That

is in the here and now, because we recognise that they are under pressure. They are doing an incredible job. That funding will help local carer centres across Scotland to expand their vital support. It will support young carers, expand the family fund support for breaks and provide money for wellbeing support and services. We recognise the needs of carers and are putting money into supporting them in the here and now, as well as through the coming budget.

Pam Duncan-Glancy: I hear what you say about carers allowance and support for unpaid carers, but unpaid carers have also consistently said that money through those routes and the additional support for respite are not cutting it for them, as 82 per cent of carers have had no access to respite recently; 73 per cent of children and young people caring for a parent have been unable to access respite support; and in 2019, which was before the pandemic, less than a third of carers said that their need for a break was considered. It is about putting money into people's pockets. When we asked the minister about this in the committee, he said that we should not worry about doubling the carers allowance supplement if that was felt to be needed, as the regulatory powers were there to do it, so I hope that the Government will look at that again. As Covid cases rise again, there will undoubtedly be much more pressure placed on unpaid carers.

On the adult disability payment, the cabinet secretary is quite right on the point about policy. It is policy that the people want the Government to change, not just the administration. It is the policy on the eligibility for and adequacy of payments where there is the most problem. It is that part that they are begging the Government to do something about.

When people who were getting enhanced mobility support were docked under the personal independence payment, the now First Minister said:

"People who get enhanced mobility support could lose up to £3,000 a year. Important though that money is, let us remember that for people in those circumstances, that loss could take away more than pounds and pence—it could take away their very independence."—[*Official Report*, 13 August 2014; c 33391.]

The First Minister recognised that then. Do you think that the Government in Scotland is making the policy changes that it needs to around the disability payment to reflect the criticisms that the First Minister made then of PIP? Have you used your powers fully to create a fairer system as disability benefits become fully devolved?

Shona Robison: Let me try to be as brief as possible on a very complex issue and say some key things. First, the safe and secure transfer of people on benefits, who rely on that money, to the

adult disability payment is critical. The committee is well aware of that. It is well aware of the view of the Scottish Commission on Social Security and the disability and carers benefits expert advisory group of the need to make sure that people's payments are not jeopardised in any way.

Secondly, there will be a lot of changes in the way in which people are treated and the way in which they experience the system. The look and feel of the Scottish assessment criteria have been widely welcomed and, as I mentioned, the Westminster committee has been given those by the sector organisation as a template to look at.

The Scottish Fiscal Commission's projection of an increase in expenditure on the adult disability payment, based on its assessment that more people will apply and more people will get the benefit, suggests that that will be a major improvement and more people will get the support that they require than do at the moment.

In recognition of some of the issues that Pam Duncan-Glancy has raised, we have been clear right from the start that there is a need to review the adult disability payment. That has been scheduled for a year after the safe and secure transfer. Also, the mobility descriptor element of ADP will be turbocharged as part of the review, and that will start this year.

As Pam Duncan-Glancy recognises—as I know the committee does—the complexity of this also involves the DWP. Any changes that we propose to make after that review will be with the full involvement of stakeholders and of course, as you would expect, we need to make sure that the DWP will not remove people's passported benefits, because the agreement with the DWP at the moment is on a like-for-like benefit. Although all the improvements will be made, there has to be equivalence in order to maintain those passported benefits until we get agreement from the DWP. Any persuasion that can be put to the DWP will be welcome—I know that you will have the minister from the DWP in front of you, and that will be an important question for them. We need to make sure that we have the scope to be able to make the changes that we want to make.

I have tried to condense what is a very complex area into some of the key issues that need to be considered here.

Pam Duncan-Glancy: I understand that there are complexities involved. I should declare an interest as someone who receives personal independence payment. I know the importance of the safe and secure transfer. I do not want the money to drop off and the mobility van not to be there, so I get the importance of that. Had you asked disabled people and unpaid carers now what was most important, I think that they would

also say that you need to consider eligibility and adequacy.

Earlier, the cabinet secretary characterised the 90 per cent of funding going back to the DWP as administration—she said that it is not dealing with policy and that we are dealing with policy here in Scotland. I think that what has been described is Scotland changing the administrative process; from what I can tell, those changes look to be positive, but we are still not changing any of the policy substantially.

Given the complexities that the cabinet secretary has just set out and which we understand exist, can she confirm that the review can begin on the policy work before the safe and secure transfer? It is not necessarily on the building work of Social Security Scotland to make the payments but on the policy work that the social security team in the Scottish Government is doing so that there is plenty of time and we do not face a situation after the roll-out of the safe and secure transfer similar to that with the roll-out of the Scottish child payment where, yet again, we could face a delay because we have not been prepared.

Shona Robison: On that last point, we are prepared and we signalled to the DWP back in the summer of 2019 our intention to double the Scottish child payment, so there has been no lack of preparation on behalf of the Scottish Government. We have had a lack of agreement with the DWP about the data transfer. I explained in some detail in my initial answer to the convener why that is, which is that we put forward a proposal that we thought was less risky and more straightforward. The DWP has not agreed that and wants to use its new system, which carries higher risk because it is a new system, and, therefore, that needs to be built in. There has been no lack of preparation.

I also told the committee earlier about the review points to ensure that we are jointly responsible for making sure that that data transfer happens and that we can get the doubling of the Scottish child payment by the end of this year. There is no lack of preparation on the part of the Scottish Government.

As I set out, we have said that the strategic review of the ADP should take place once there is the safe and secure transfer. However, I also said earlier that an earlier part of that review would kick off by looking at the mobility descriptors—the mobility element, if you like—of the criteria. That will start this year, so it will start more quickly in recognition of the concerns.

Not all of this is within our gift, so for any changes that we propose to make we have to have the certainty that they will not impact on passporting benefits. That is why, going forward,

the response of the DWP to any changes that are proposed is as important.

On the question of policy, if we were not making major changes to the look, feel and scope of the assessment criteria, I do not think that the Scottish Fiscal Commission would be projecting the big increase on the ADP spend that it is projecting. It is projecting that increase for the very reason that there are likely to be improvements to the application, review and appeal processes, which will mean that more people will keep their benefit and more people will be entitled to it.

Marie McNair: We recently took evidence from a range of experts on the PIP 20m rule. There is evidence that the 20m rule was introduced by the Westminster Government simply to achieve cuts to the DWP budget. Would you welcome that being reversed at the UK level and would that consequently have a positive impact on the Scottish Government budget?

Shona Robison: Any changes that increase funding for social security at Westminster have a positive benefit on our budget and, of course, as we talked about earlier, the reverse is also true. I would encourage a review of the 20m rule as part of the green paper. Having the DWP reviewing disability benefits from a positive point of view at the same time as we look to review the ADP and its criteria would be very helpful.

10:00

If we could reach a common understanding and agreement, that would allow people's reserved benefits not to be put in jeopardy. If the UK Government's direction of travel on disability benefits were more flexible and more generous, that would, of course, help the situation here in Scotland on the budgetary position and on the scope of change of criteria as well.

Marie McNair: Our briefing states that the best start grant and the best start foods have not been uprated. Can you comment on that and say whether you will keep that under review?

Shona Robison: We have agreed to make sure that the best start payments and the best start grants are uprated going forward. The best start grants and the best start payments form an important part of the support that is given to children and are an important part of the overall package. We increased best start foods in August this year from £4.25 to £4.50, a rise exceeding the rate of inflation and providing a level of support more generous than in other parts of the UK. We are also widening eligibility for best start foods later in the parliamentary term. We increased the best start grant in 2021 by 1 per cent, which is technically double the rate of inflation. A two-child family will now receive £1,919 in their children's

early years, which is £1,419 more than the sure start maternity grant equivalent. Of course, as I have said earlier, the families receiving the best start grant and the best start foods will also benefit from the doubling of the Scottish child payment from April.

We talk about big numbers and those numbers do not always mean a lot to people, but when you take them together, the best start grant and the best start foods will provide a financial support package that is worth £8,400 by the time an eligible family's first child turns six, which is a commitment to the most vulnerable children that is unparalleled across the UK. I think that that brings home what this means for families.

Marie McNair: The child winter heating assistance is increasing by 5 per cent, and that is welcome, but it is higher than the uprating of some other benefits. Can you comment on the reason for that?

Shona Robison: Yes, I am happy to. We have chosen to increase the child winter heating assistance by 5 per cent, which is above the rate of inflation, as we wanted to do all that we can to help families of the most severely disabled children and young people cope with rising energy costs. Those rising energy costs are clearly a big concern for people at the moment. That was the thinking behind that, and I think that that will be important for those in that position.

The Convener: Marie McNair was looking at a range of social security areas that are part of the anti-poverty work that the Scottish Government is endeavouring on. As a committee, we have been very keen to ensure that there is a commitment across the Government to tackling poverty and that poverty is looked at in all areas of the Government. How is the Scottish Government poverty proofing other areas of the budget alongside social security? What involvement have you had in those discussions?

Shona Robison: You make an important point and, as I alluded to earlier, looking at the budget and the child poverty delivery plan in March, it has to be across the Government; it cannot all be from my portfolio. That is why all cabinet secretaries were tasked with looking within their own budgets to see what more they can do to help us meet the interim targets.

I think that we have a good track record. In 2020-21, we invested £2.5 billion to support low-income households, which was an increase of £540 million on the year before, and £978 million was targeted directly at children in low-income families. That includes key investment and support targeted at children, such as winter hardship payments, attainment Scotland funding and pupil equity funding. There is the broader low-income

support, such as the council tax reduction scheme, which amounts to about £351 million, discretionary housing payments, which I referred to earlier, and the Scottish welfare fund.

In the round, the 2022-23 budget continues significant investment along those lines to tackle poverty, with more than £3.9 billion towards benefit expenditure. We are committing £831 million towards the delivery of affordable housing; £80 million to discretionary housing payments; the first £50 million of the whole family wellbeing fund; £10 million for the tackling child poverty fund; £200 million for the Scottish attainment challenge; £70 million to continue to fund the expansion of free lunches for children in primary 4 and 5 and special schools; £22 million to provide meals during school holidays; and £65 million for employability support for those most impacted by Covid. Of course, within the local government settlement there is funding for things such as the Scottish welfare fund.

That is quite a comprehensive package in the round. There is always more that can be done and we are keen to hear what more people think we could be doing, but that has to be within the context of a fixed budget where decisions like this have to be made, and I think that we have prioritised support for low-income families.

The Convener: You touched on the potential role for local government. I have heard the cabinet secretary and other ministers describe the anti-poverty work as a national mission, which I think is absolutely right. What more can local authorities, employers and all of us across society do to support the goal of bringing down child poverty in Scotland?

Shona Robison: It is not just the Scottish Government that needs to play its part. The UK Government needs to play its part as well. We have talked about the mitigation that we have had to spend money on. The example that I used earlier was that, if the UK Government would scrap the bedroom tax, we would not have to spend £80 million on discretionary housing payments. That money could be spent elsewhere.

Councils are really important partners. We have a partnership with local government and a key priority is to tackle child poverty. A lot of the money that we are talking about is routed through local government, such as the money for the attainment challenge and early learning and childcare, which is a crucial element.

With our partners in local government, we will keep a firm focus on tackling child poverty and trying to wrap around families. If we consider the six priority family types, I think that we need to get far closer to supporting and working with families on what they need to make the difference. That

will include the support that we provide through social security and the child payment, which is obviously important, but it may also include the employability programmes. Would wraparound childcare for families make the difference, enabling them to secure fair paid work and removing the barriers that prevent them from doing that at the moment? It is about looking at how we support them, and a lot of that will come through the child poverty delivery plan that we will produce in March.

Employers are really important. If we can get more employers paying the living wage, paying fairly and signing up to fair work, that will clearly help to tackle child poverty. We know that decent paid work is still the key way out of child poverty and poverty for families, so employers have a big job in making sure that they pay at least the living wage.

We will explore many of those aspects as we go forward. We have been trying to engage with employers on what more they can do. There are some good examples of employers going the extra mile in supporting their employees and we want to work with them as exemplars of what other employers could do to play their part.

Miles Briggs (Lothian) (Con): I have some questions about homelessness, which you touched on in your opening statement. I think that rapid rehousing transition plans are the right approach, but significant resource will be required to implement them properly, especially here in my city of Edinburgh. What funding will be attached to rapid rehousing transition plans? Will you match previous commitments on them?

Shona Robison: Rapid rehousing transition plans are a critical part of the affordable housing budget. It is really important that we tackle temporary accommodation, which is an issue that the member has raised previously. Rapid rehousing transition plans are critical to making sure that people are moved out of temporary accommodation as quickly as possible. Temporary accommodation provides an important safety net for people, so it is there for a reason, but people should not be in temporary accommodation for any longer than they need to be there. They should be moved into settled accommodation as quickly as they can be.

We have committed £53.5 million for rapid rehousing. Within that, the housing first approach is also funded to ensure that those with more complex needs are supported to move into their own tenancies. As we have discussed many times, it is not just about bricks and mortar. It is about wraparound support to ensure that people are able to maintain a successful tenancy.

We need to look at supporting particular local authorities that have had more challenges. The City of Edinburgh Council clearly has pressures on housing, and perhaps more so than other local authorities. We recognise that and we are trying to work with local authorities that are under particular pressure to come up with the solutions that they need. Local authorities have been allocated an annual share of £23.5 million for homelessness prevention and response measures, and Edinburgh's allocation of that funding is £4.4 million. We will work with individual local authorities to try to help them to overcome some of the difficulties that they are facing.

Miles Briggs: I think that your response represents a commitment to at least match previous funding commitments, but it is important that we see more transparency and better monitoring of how that money is spent.

I move on to a question that I asked you in a previous evidence session with regard to the tackling homelessness budget. In your letter to the committee of 1 October, you said that the £16 million was still to be allocated for the coming financial year. We have three or four months of the current financial year left. I wonder how that money has been allocated.

10:15

Shona Robison: As I said earlier, we have the current five-year £50 million ending homelessness together fund. I am happy to bring in Shirley Laing to answer on the detail, but you can be assured that the funding that we are putting into homelessness prevention will all be allocated and used, as you would expect, to make sure that we do not just tackle homelessness with rapid rehousing and housing first, but prevent homelessness.

A new part of the work this year is the homelessness prevention duty. We will be expanding the duty and the requirements on local authorities, but also extending that to other parts of the public sector. The best way of preventing homelessness is early prevention, and that legislative provision and change will require all parts of the public sector to highlight where they think that someone could become homeless and then to do something about it.

I will bring in Shirley Laing on the £16 million.

Shirley Laing (Scottish Government): I am afraid that I do not have the detail of that to hand, but I am happy to write to the committee about it. I am sorry that I cannot give you a full answer now and I do not want to waste the committee's time by attempting to do so. I will come back to you on it.

Miles Briggs: That would be helpful. I take it that the money will be allocated before the end of the financial year, given that we are almost there. In political terms, with four months to go, it is important that the finance is not rolled over and lost when organisations desperately want to access it and make a difference.

My other question is on advice services. The cabinet secretary was at the Local Government, Housing and Planning Committee on Tuesday, when we discussed the local government settlement. Martin Booth, the director of finance at Glasgow City Council, expressed severe concerns about where councils might need to make cuts, and one of his concerns was about advice services. In this committee, we have taken a lot of evidence on the importance of advice services being protected and supplied to some of the most vulnerable people in our society. Given the concerns that councils are expressing about cuts, how will advice services be protected?

Shona Robison: First, no money for homelessness services will be lost. The money that will support them is guaranteed, and however and whenever it is paid, it will certainly not be lost.

A general point on the local government settlement—Miles Briggs is obviously aware of the exchanges that we had with the Local Government, Housing and Planning Committee—is that we have tried to ensure that local government gets a fair settlement within a very difficult fiscal and financial environment. We recognise that our partnership with local government is critical to delivering many of the services that relate to poverty. A lot of the money that I have talked about today will be routed through local government. I have mentioned a number of examples of that, including discretionary housing payments and the Scottish welfare fund, both of which support people who require support.

We have made additional moneys available for advice services and we expect them to be maintained. We recognise the role that local government has in ensuring that people have access to the information that they need. That is in addition to the work of our third sector partners and our work to make sure that people are aware of the support that is available, including the national campaigns that are run. We will continue to have those discussions with local government, but the advice services are an important aspect of that.

Jeremy Balfour: I want to cover two areas with you, cabinet secretary. The first follows on from Miles Briggs's questions about new housing. You and I appeared in a BBC slot on housing, in particular the number of the houses that have been built for those with disability. How much

money has been allocated specifically for housing that will meet the needs of those with not only physical disabilities but all forms of disability? What target are you looking to set for the number of new houses being built that will have that feature built in?

Shona Robison: I am certainly happy to write to the committee with more detail around this, but the overall direction of travel is to make all homes barrier free, and there are standards for new housing that will help to deliver that. We have been supporting registered social landlords and local authorities on retrofitting and aids and adaptations. On the local needs assessment, it is important that local authorities report back regularly to us about the levels of accessible housing in their areas.

There is more that we need to do, though. The media interview that I did was on the back of a quite challenging case of someone with very complex needs. At the moment, I am not sure that our systems provide for those who have particularly complex needs and who need bespoke solutions. We have systems of aids and adaptations that can be made to existing housing for those whose mobility changes over time. With new stock there are higher standards on accessibility and being barrier free.

However, there are people who have particular complex needs that require a bespoke solution and I am not sure that we have that quite right yet. One of the commitments that I have made—and I have asked officials to do this—is to look at how we can do more to help to resolve those very complex cases and support local authorities and RSLs to do that. I am happy to come back to the committee with more information about that if you would find it helpful.

Jeremy Balfour: I would be grateful if you would come back to us.

I think that you said that all new developments will be open to anyone with a disability. Clearly, that cannot be the case, because if it were, every new block of flats would have to have a lift in it. If someone who has a wheelchair buys a flat on the top floor, they can only access that through a lift.

When you come back to us, can you tell us whether you are looking to set a target of a specific number of houses that will be accessible to those with disabilities? Given that 25 per cent of new housing developments has to be affordable housing, are you having conversations with developers about the percentage of houses that have to be built that are fully accessible to disabled people, or are you leaving it to the developers to make that decision?

Shona Robison: I will come back to the committee with more detail on that. The point that I

am making is that new standards are better at meeting the needs of people with mobility requirements.

The housing to 2040 strategy is clearly a journey that will take place over a longer timeframe for meeting higher standards. I want to get to the position that is set out in the vision for housing to 2040 sets out, which is that at the end of the journey, all homes, particularly new homes, should be barrier free. We are on a journey on that. I will come back to the committee with a bit of detail on targets and timeframes along the way to housing to 2040.

The Convener: I will bring in Pam Duncan-Glancy, unless Jeremy Balfour has a final question.

Jeremy Balfour: I have another area to cover, which is third sector funding. After Kate Forbes's budget statement in December, I asked her a question and she indicated that there would be a change to third sector funding so that it would be done not yearly but three yearly. Can the cabinet secretary update us on what conversations are happening with the third sector? When and how will that change be implemented?

Shona Robison: Quite rightly, it has been a long-term aim and call of the third sector to move to multiyear funding, and we are keen to do that. We will be working with the sector to move towards that, because it will give it more certainty.

Funding for the third sector comes from across the whole of Government, not just my portfolio. My portfolio has the core third sector funding but the bulk of it comes from elsewhere across Government, so moving to a multiyear settlement requires a cross-Government agreement.

Again, I am happy to keep the committee apprised of the progress that we make with those multiyear funding discussions.

Jeremy Balfour: If I can seek a bit of clarification, is multiyear funding going to happen as of now, or are you still discussing it as a Government to decide whether it will happen?

Shona Robison: As I have mentioned on a few occasions, all of these things will be entered into the resource spending review, which provides the opportunity and the platform to discuss them. It is not just the third sector that is wanting to move to multiyear settlements; it is local government as well. Kate Forbes has already agreed with local government that we will start discussions on a multiyear fiscal framework, if you like. Therefore, through the resource spending review, we will want to have a parallel discussion on moving in that direction with the third sector.

Pam Duncan-Glancy: I return to local government funding. One of my questions is on the Scottish welfare fund.

I am quite worried about the Scottish welfare fund. We know that repeat applications are being made to it, which suggests that people are living from crisis to crisis. Not only is the Scottish welfare fund not really delivering the fundamental and strategic change that is needed due to the cost of living, but there is a significant postcode lottery in it. In addition, during the pandemic, organisations have seen a big increase in applications for their discretionary funds. When you compare that to the applications to the Scottish welfare fund, you see that the latter have not been made quite so often. Something is not quite right there.

I know that sectors such as the creative industry and the hospitality industry really need some help now. A number of people who have seen reductions in their incomes could be helped through, for example, the Scottish welfare fund, but almost all of its budget for this year seems to have been spent already, when we are barely halfway through the year.

Can you set out when the review of the Scottish welfare fund will start? Will it include additional money for processing things such as the self-isolation support grant? Will you be able to promote the crisis grant to the creative and hospitality industries, so that people working in them can see that there is funding available if their income has dropped? Do you think that the current budget for the Scottish welfare fund is sufficient?

10:30

Shona Robison: Let me try to answer those questions in turn. The Scottish welfare fund provides a vital safety net for people experiencing a financial crisis or needing help. Obviously, it cannot be a regular source of income for someone, but it can help in crisis situations.

In 2022-23, we are investing £41 million in the Scottish welfare fund. Forty-five per cent of crisis grant applications are made by people requiring help due to their benefits or income having already been spent. Local authorities are able to carry forward any underspend from the previous year's budget, which means that the total available in the current financial year is £45 million. Last year, more than £49 million was paid out from the fund and more than 200,000 individual awards were made to low-income households. Of course, a number of councils add to the fund.

In addition, £25 million of flexible funding, which is part of the £41 million winter support fund, is available to support people experiencing financial insecurity. We recognise that this winter will be tough because of rising costs, and that £25 million

of flexible funding should help local authorities to meet people's needs.

The distribution of funds is based on the number of low-income benefit recipients in each local authority and has been agreed with the Convention of Scottish Local Authorities, so any changes would need to be agreed with COSLA.

We committed to undertake a full independent review of the welfare fund to ensure that it works as well as possible across the country, and it will look at issues such as funding, administration, promotion, take-up and accessibility. I can tell the committee that, following our competitive tendering exercise, a preferred contractor has been identified to undertake independent research, and we are finalising the contract with the organisation. I am happy to update the committee when that is done and the work begins. I expect the work to start imminently—by the end of the month—and the final report is expected by the end of this year.

A key element is about gathering the views of applicants to the fund to hear what they have to say about whether the fund is successful or not, and a review advisory group has been established to provide oversight of the research process. That will include membership from the key organisations that you would expect.

I hope that all of that helps us to address any issues that need to be addressed in improving the welfare fund.

Pam Duncan-Glancy: I have a short follow-up question, and then I will move on to my final area of questioning, which is on third sector budgets.

As the cabinet secretary has set out, the Scottish welfare fund certainly should not be a substitute for proper strategic support and a social security system that is there for people when they need it. However, the data shows that people are making repeated applications to the fund, which suggests that they are moving from crisis to crisis—that probably reflects the poverty that they are in. Therefore, it is likely that we need to do more to address the poverty that they are experiencing.

About £5 million of the £41 million that the cabinet secretary has set out is for administration. That leaves approximately £35.9 million, £30 million of which has already been spent, and we are only seven months into the year. I ask, again, whether the cabinet secretary thinks that the budget will stretch to where it needs to this year, given that the incomes of a number of people and organisations, particularly those in the creative and hospitality industries, will drop or have dropped in previous weeks as a result of the omicron variant.

If it is all right, I will roll in my other question, which is about the third sector. The cabinet secretary will be aware of the disappointment of organisations in the third sector, including the Scottish Council for Voluntary Organisations, about the £800,000—nearly £1 million—cut to the third sector's fiscal budget, which sits in the cabinet secretary's portfolio. The SCVO has said that that will have significant impacts on the ability of the organisations that it represents to do their job, and it has called the cut "a severe blow".

What does the term "infrastructure cost" cover? Will the decision translate to cuts in the funding that is provided to community services? Does the cabinet secretary think that the third sector is getting enough money?

Shona Robison: As I tried to set out in my initial answer, total funding for the Scottish welfare fund in the current 2021-22 financial year—we are talking about two different financial years—was £45 million, although £49 million was paid out, because councils top up the fund. We need to keep an eye on these things. As I said, we also provided £25 million of flexible funding, as part of the £41 million winter fund, in recognition of the demands on the fund that Pam Duncan-Glancy has alluded to. We will continue to work with COSLA and individual local authorities to monitor demand on the fund.

The review is examining issues such as funding, administration, promotion, take-up and accessibility. It will also address the issue of some local authorities using the fund a bit differently from others—some have an overspend and some have an underspend. The review will look at all those issues.

I reiterate what I have already said about third sector funding. Third sector funding, in the main, comes from across the whole Government. I think that the SCVO estimated that the third sector benefited from about £500 million of investment across the whole Scottish Government. Therefore, the amount within my portfolio is a relatively small part of that.

We do not believe that there will be any immediate impacts on infrastructure bodies that are funded through my portfolio. We believe that, by identifying efficiencies and working across other portfolios, individual organisations will not lose core funding in the short term, and we want to work on the multiyear funding that I talked about earlier over the medium to longer term.

Pam Duncan-Glancy: I will follow up on third sector funding. In its written evidence to the committee ahead of this meeting, the SCVO highlighted that, although the cut to the budget might be perceived as being small in relation to the budget line for which the cabinet secretary is

responsible, it will weaken support for voluntary organisations and volunteers across Scotland

"at a time of great uncertainty."

It says that intermediary bodies are committed to supporting the Government, but they will not be able to do that if the funding cut is not reversed. Will the £800,000—nearly £1 million—cut go ahead this year?

Shona Robison: First of all, I absolutely recognise the important role of the third sector. I reiterate that the major funding for the third sector does not come from my portfolio. The £500 million-plus comes from across the whole Government. We believe that, in relation to the £25.8 million for next year, adjustments can be managed through efficiencies and other portfolios that support the third sector. We do not believe that there will be the impact that Pam Duncan-Glancy has alluded to. We will work through these things. We will work with the third sector to ensure that what she has said does not happen.

However, as I said, it is a really tough budget. We need to make sure that we drive efficiencies where we can. We need to avoid duplication and make sure that every pound is spent in the most efficient way. The third sector is very efficient at spending the money that we provide, and we want to work with it to ensure that it continues to deliver what it is delivering. The third sector is a core part of the Covid recovery programme, and I give my commitment to support it to do its work.

Miles Briggs: I have a specific question about the impact of likely council tax increases. In a number of evidence sessions, the committee has heard that council tax is often one of the driving forces that pushes people into poverty, as they are not able to pay those bills. The year before the pandemic, council tax debt increased by 25 per cent to more than £95 million.

Cabinet secretary, you have outlined some of the support that is available, but what is your personal opinion on the impact that a potential increase in council tax will have, given what we are seeing in relation to energy prices? What additional support can be given to councils in order to keep council tax increases as low as possible?

Shona Robison: I reiterate what I said to Miles Briggs at the Local Government, Housing and Planning Committee, where he asked the same question. First, it is obviously for local authorities to decide their council tax level; it is not for the Government to tell them where they should set their council tax.

Secondly, council tax levels in Scotland are significantly lower than those elsewhere in the UK, so we are starting from a lower baseline. We also

have the council tax reduction scheme, which supports huge numbers of people who struggle to pay their council tax. Again, I am happy to furnish the committee with details of that. That scheme is available—to an extent, it is not available elsewhere—and it recognises Miles Briggs's point that we need to support people who are struggling with their council tax. The £130 pandemic payment was also paid to those in receipt of council tax reduction.

If we take all those measures together as a package, we see that the money that I have talked about throughout the meeting to support low-income households will be important as we face rising living costs, including food and fuel costs. The package of measures and the funding that we are giving to low-income households will help to keep people's heads above water over the next few months.

Miles Briggs: Previously, the Scottish Government introduced a council tax freeze and provided local authorities with the resources to meet that. All local authority leaders have expressed concern that they now face £371 million of cuts and that that will lead to council tax increases. Given all the pressures on household budgets, why have the resources not been provided to meet a freeze this year?

Shona Robison: We have tried to provide local government with a fair and affordable settlement in a really tough financial environment, given the tough settlement from the UK Government. We have tried to give local authorities a fair and affordable core settlement. Of course, a lot of local government resource comes from other portfolio investments, such as in childcare and education, as Miles Briggs will be aware.

There is no money left over. There is no money down the back of the couch. The money has all been allocated. We have tried to allocate money to local government while, at the same time, providing money for social security in order to double the Scottish child payment. All of these issues have to be weighed up in the round.

If Miles Briggs believes that more money should be given through the local government core grant, for example, he will have to tell us where that money should come from. Should it come from the additional money that we are putting into social security, as the Scottish Fiscal Commission has recognised? If that money was to go to local government instead, it would not be going into the pockets of people in low-income households.

Balanced decisions have to be made, given our fixed budget. There is no magic money tree that can provide money that does not come from elsewhere. In balancing the budget—I am sure that Miles Briggs could be part of the budget

discussions with my colleague Kate Forbes—any movement in money has to be compensated for elsewhere. Those are the difficult challenges that we will face over the next few weeks. I am keen to hear what other parties have to say and where they would shift money from.

10:45

Miles Briggs: We know that, during the pandemic, a significant number of fellow Scots have become carers and taken on a carer role. In many cases, it has been women who have taken on those roles. How does the budget as a whole allow women in Scotland to realise their potential and get back into employment if that is what they want? How does it support carers who, in many cases, are now taking on caring roles that local authorities previously supported but which were cut during the pandemic?

Shona Robison: First, I acknowledge that women probably have been hardest hit during the pandemic, for all the reasons that we understand. We have tried to support households during the pandemic because we know that that will disproportionately support women and families who are struggling. Women, particularly those with children in low-income households, are major beneficiaries of the £130 pandemic support payments, the bridging payments, the Scottish child payment and all the other supports that I have outlined during the meeting.

Earlier, I laid out the additional support that we have given to carers over the past two years and the support that we are giving them in this year's budget. Additional support is being provided to unpaid carers, with an additional £4 million being provided here and now to support carers who are facing challenges. Again, all that support will disproportionately benefit women. We recognise the burden that women have carried throughout the pandemic, and we want to do what we can to support them. We believe that we have done our best to do that through the mechanisms that I have laid out.

The Convener: As there are no further questions, I thank the cabinet secretary and her colleagues Kevin Stevens and Shirley Laing for their time this morning. It is greatly appreciated. We have covered a significant amount of ground across what is a very wide portfolio. We very much appreciate your time. We will no doubt hear from you shortly, given the commitments that you have made to follow up in writing on some questions. We look forward to hearing from you on those issues.

Subordinate Legislation

Social Security Administration and Tribunal Membership (Scotland) Act 2020 (Commencement No 5 and Transitional Provisions) Regulations 2021 (SSI 2021/442 (C 31))

10:49

The Convener: Under our third agenda item, we will consider a negative Scottish statutory instrument. Colleagues will be aware that the background to the regulations is outlined in paper 3.

Does any member have any comment on the regulations?

I cannot see that anyone wishes to speak. Is the committee content to note the instrument?

Members *indicated agreement.*

The Convener: That concludes the public part of this morning's meeting. Next week, the committee will take evidence from the Minister for Social Security and Local Government on the Scottish Child Payment Regulations 2020 and the Disability Assistance for Children and Young People (Scotland) Regulations 2021 (Miscellaneous Amendments) Regulations 2022.

10:50

Meeting continued in private until 11:10.

This is the final edition of the *Official Report* of this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

Published in Edinburgh by the Scottish Parliamentary Corporate Body, the Scottish Parliament, Edinburgh, EH99 1SP

All documents are available on
the Scottish Parliament website at:

www.parliament.scot

Information on non-endorsed print suppliers
is available here:

www.parliament.scot/documents

For information on the Scottish Parliament contact
Public Information on:

Telephone: 0131 348 5000

Textphone: 0800 092 7100

Email: sp.info@parliament.scot

