



OFFICIAL REPORT
AITHISG OIFIGEIL

Social Justice and Social Security Committee

Thursday 23 February 2023

Session 6



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SOCIAL JUSTICE AND SOCIAL SECURITY COMMITTEE

4th Meeting 2023, Session 6

CONVENER

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

DEPUTY CONVENER

*Emma Roddick (Highlands and Islands) (SNP)

COMMITTEE MEMBERS

*Jeremy Balfour (Lothian) (Con)
*Miles Briggs (Lothian) (Con)
*Foyso Choudhury (Lothian) (Lab)
*James Dornan (Glasgow Cathcart) (SNP)
*Pam Duncan-Glancy (Glasgow) (Lab)
*Paul McLennan (East Lothian) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Camilo Arredondo (Scottish Government)
Ben Macpherson (Minister for Social Security and Local Government)
Dominic Mellan (Scottish Government)
Susan Soutar (Scottish Government)

CLERK TO THE COMMITTEE

Claire Menzies

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Social Justice and Social Security Committee

Thursday 23 February 2023

[The Convener opened the meeting at 09:00]

Decision on Taking Business in Private

The Convener (Natalie Don): Good morning, everyone, and welcome to the fourth meeting of the Social Justice and Social Security Committee in 2023. Our first item of business is a decision on whether to take item 6 in private. Do we agree to do so?

Members *indicated agreement.*

Subordinate Legislation

Social Security (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2023 [Draft]

Social Security Up-rating (Scotland) Order 2023 [Draft]

09:01

The Convener: Item 2 is consideration of two Scottish statutory instruments, the Social Security (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2023 and the Social Security Up-rating (Scotland) Order 2023. At our previous meeting we took evidence from the Scottish Commission on Social Security on its recommendations for the 2023 uprating regulations and the Scottish Government's response to the commission's report.

I welcome Ben Macpherson MSP, Minister for Social Security and Local Government, and his officials. Joining us in the room we have Simon Coote, head of the cross-cutting policy unit, and Camilo Arredondo, solicitor. I hope that I have pronounced your name correctly. Joining us remotely is Dominic Mellan, economic adviser in the social security analysis, forecasting and evaluation branch of the Scottish Government.

I will mention a few quick points about the format of the meeting before we begin. For officials attending remotely, please allow our broadcasting colleagues just a few seconds to turn on your microphone before you start to speak if the minister wishes to bring you in. For members attending remotely, please wait until I say your name before speaking. Colleagues in the room should indicate to me or the clerk if they wish to come in and ask a supplementary question. Members online, please use the chat box or WhatsApp.

The instruments are laid under the affirmative procedure, which means that the Parliament must approve them before they come into force. Following this evidence session, the committee will be invited in upcoming agenda items to consider motions to approve each of the instruments separately. I remind everyone that Scottish Government officials can speak under this item of business, but not in the following debate on the motions.

I invite the minister to make a short opening statement.

The Minister for Social Security and Local Government (Ben Macpherson): Thank you, convener, and good morning, colleagues. I

welcome this opportunity to assist the committee in its consideration of the draft Social Security (Up-rating) Order 2023 and the draft Social Security (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2023.

The draft Social Security (Up-rating) Order 2023 provides for the uprating of benefits administered in Scotland by the Department for Work and Pensions, while the draft Social Security (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2023 provide for the uprating of devolved benefits administered by the Scottish Government. The laid instruments provide a 10.1 per cent increase in support covering all devolved benefits, excluding the Scottish child payment, for which uprating was included in the 25 per cent in-year increase. That means that we are uprating all those benefits where there is a statutory requirement for us to do so and have additionally chosen to uprate those for which there is no statutory requirement for ministers to do so.

As the committee is aware, we took the decision to increase the Scottish child payment from £20 to £25 per week in November 2022, which was a 25 per cent increase. Now that eligibility has been extended to under-16-year-olds, that will benefit more than 300,000 children across Scotland in the financial year 2023-24. The Scottish Government estimates that the payment could reduce the relative child poverty rates in Scotland by 5 percentage points in 2023-24, lifting around 50,000 children out of relative poverty.

We have taken the decisions on uprating in recognition of the difficulties facing people in Scotland during the on-going cost of living crisis, which has seen inflation rates reach a 40-year high over recent months. Subject to parliamentary approval, the new rates in the regulations before us will come into force in April 2023. I thank the committee for its scrutiny and consideration of the uprating instruments and urge colleagues to welcome and support them.

The Convener: Thanks very much, minister. We will now move on to questions from members. Our questions will be directed to you but of course you are welcome to invite any official to respond. I will move to James Dornan, who is online, for theme 1.

James Dornan (Glasgow Cathcart) (SNP): Good morning, minister. A number of stakeholders have welcomed the uprating as a minimum required action but have called for payments to be increased further to address the level of inflation and so on. Given the cost of living crisis, is it time for a review of the adequacy of benefit payments? I have another question along similar lines, although I recognise the difficulty of increasing payments, given that we live within a fixed budget.

Ben Macpherson: Those are such important questions. They get to the heart of our considerations as a Government and as a society as to how Government can help people in these times. That is why we have done a great deal within our limited powers and relatively fixed budgets to support those on the lowest incomes. For example, in 2023-24 we are committing £776 million above the level of funding forecast to be received from the United Kingdom Government through block grant adjustments. That is a significant amount of additional investment in social security benefits from the Scottish Government.

As the instruments set out, we have chosen to increase the value of benefits where uprating is not a statutory requirement, in recognition of the difficulties faced by many due to the increased cost of living.

We also provided an enhanced uprating of 6 per cent for a range of devolved benefits in 2022—the last financial year—despite the fact that the September 2021 consumer prices index rate at that time was 3.1 per cent. In other words, we gave a significant uplift in the last financial year and we intend to do so in this year. Of course, we increased the Scottish child payment, first from £10 to £20 per week in April 2022, which was an increase of 100 per cent, and again from £20 to £25 from November 2022. That is a significant amount of additional support.

Those choices all represent increases to the value of benefits beyond the statutory uprating requirements, as I have emphasised. As well as the Scottish child payment, compared with UK equivalents our other payments are already more generous than those available in the UK social security system. For example, the best start grant pregnancy and baby payment is currently £642.35 compared to £500 for the sure start maternity grant, the UK equivalent, which is a difference of £142.35. In Scotland, we also have the best start grant pregnancy and baby payment for subsequent children currently at £321.20, for which there is no UK equivalent. The three Scottish best start food payments are also more generous in value than the rest of the UK healthy start equivalent.

Through our seven benefits that are not available elsewhere in the UK and also with our benefits that I have just outlined, for which there is a UK equivalent but we are being more generous and paying more, we are looking in the round to do as much as we can to provide additional support within a largely fixed budget and, of course, with limited power.

James Dornan: Convener, can I come back in?

The Convener: Absolutely. Carry on if you have further questions.

James Dornan: I have a question about the high costs of food and energy. Is £4.95 a week an adequate rate for best start foods, and is £55.05 an adequate rate for the winter heating payment, given what you have just told us about payments being more than they are in the rest of the UK or not existing in the rest of the UK?

Ben Macpherson: There is no statutory requirement to uprate best start foods, but, despite that, we increased the best start foods payment in August 2021 from £4.25 to £4.50 a week, a rise that provides a weekly payment that is more generous than those in other parts of the UK, as I have already said. Once it has been uprated in April by 10.1 per cent—should the committee and the Parliament agree the instruments before us—best start foods will provide £19.80 every four weeks throughout pregnancy, £39.60 every four weeks from birth until a child turns one to support breastfeeding mothers or to help with the cost of providing first infant formula milk, and £19.80 every four weeks from the age of one until the child turns three. Many recipients of best start foods will also benefit from our other five family payments, which include the Scottish child payment and the three best start grants.

Our five family payments could already be worth about £10,000 by the time an eligible family's child turns six, compared to about £1,800 for eligible families in England and Wales—that is significant additional support—and over £20,000 by the time an eligible child is 16. With an expanded range of qualifying benefits compared with the UK healthy voucher scheme, best start foods also offers more choice by including a wider range of healthy foods for families to purchase. Members may have also seen that in recent weeks the Scottish Government has been trying to raise awareness of best start foods and has been encouraging people to check their cards to see whether they are eligible and to utilise that support, because we want people to get the benefit of it.

As members will be aware, the winter heating payment has just been introduced. We have, of course, discussed it at this committee. For the first time, we will provide a stable, reliable payment that will help around 400,000 low-income households and individuals with their heating expenses each winter. As I have said before, our new benefit is an investment of over £20 million each year, which is more than double the £8.3 million on average provided by the Department for Work and Pensions in the past seven years. During that same seven-year period, on average, 185,000 people received support through the UK Government's cold weather payments in comparison to our new benefit, which, as I said,

will provide support to around 400,000 people. As I highlighted in my opening remarks, we will uprate the winter heating payment by 10.1 per cent, should the Parliament agree the instruments before us. That will provide additional support next winter. Members may have seen yesterday's clarification that the winter heating payment is being paid out as we speak, which we should all welcome.

James Dornan: Thank you very much, minister. I suspect that the recipients of the payment will be welcoming it. Can you, as the minister for social security, guarantee to us that you will be arguing your case with the finance secretary, whoever that may be in the future, that this is a priority whenever any money becomes available from the Scottish Government?

Ben Macpherson: As ministers in the social justice portfolio, we certainly press the case for additional support for social security through discussions with our colleagues who are finance ministers, particularly if new resource emerges through the process of consequential or in-year reconsiderations of budget spend. I should say, however, that the finance ministers are very committed to the social justice position. There is a shared determination, as a Government, that it is a national mission to tackle poverty. That has been demonstrated by the fact that the Deputy First Minister and acting finance secretary has committed £428 million to uprating in the next financial year as well as the £442 million for the Scottish child payment.

Yes, in Government we will continue to discuss collaboratively and with the shared determination to tackle poverty what more financial resource can be allocated to social security. As a Government, we are absolutely focused on doing what we can to support people generally, and particularly in these challenging times.

09:15

Pam Duncan-Glancy (Glasgow) (Lab): Good morning, minister and officials. Forty-four per cent of carers are in poverty. About 40 per cent of them have said that they are struggling to make ends meet and that they cannot afford essentials, 49 per cent are struggling to afford the cost of food and 37 per cent are in debt as a consequence of caring. The number of carers who have cut back on essentials since 2021 has almost doubled. Has the minister considered at this juncture doubling the carers allowance supplement?

Ben Macpherson: That is certainly an important issue, although a question not directly related to the instruments before us. Of course, the carers allowance supplement will be uprated

through the instruments by 10.1 per cent overall, in line with other benefits.

Pam Duncan-Glancy: Sorry, I am confused. How does it not relate?

Ben Macpherson: The question around doubling the carers allowance supplement in the next financial year and considerations once we get to that juncture in the next period—sorry, Pam Duncan-Glancy, I thought that you were talking about the additional carers allowance supplement, so please excuse me. Of course, there is relevancy and I apologise for that misspeaking.

Pam Duncan-Glancy: That is okay.

Ben Macpherson: We were proud to introduce the carers allowance supplement from 2018 and it was the right thing to do. It was the first thing that was done by Social Security Scotland, by the minister at that time. It has provided a significant amount of additional support to carers, which we are determined to do. Also, through that period, there has been the carers allowance additional supplement, which I was thinking about at the beginning of this answer. That provided additional support in the year of the pandemic and then in the winter of 2021.

How we continue to support carers is demonstrated by the fact that we want to increase the carers allowance supplement through the instruments and we are asking the Parliament to support us in that. Also, we are now moving to a position where we will be transferring to the carer support payment. I draw members' attention to the remarks that I made in the Parliament in the debate on 7 February. As I said then, I will shortly publish the response to the consultation on the carer support payment and the issues raised within that about how we provide additional support.

As with all the benefits that we are responsible for, we are looking to provide additional support, and the increase by 10.1 per cent of the carers allowance supplement through the instruments is part of that. Also, as members know, we are in a situation where we have to balance the budget across the Scottish Government as a whole. Given that we are providing £776 million of additional support above what we receive from the UK Government from the block grant adjustment, and given that we are providing new benefits that are not available elsewhere in the UK, including the carers allowance supplement, I think that the Government demonstrates consistently that we are seeking to provide additional financial support where and when we can.

The Parliament has, just this week, agreed a budget. The financial situation is incredibly challenging and finding additional support is difficult, but, where we are able to secure

additional support, such as the £428 million that is committed to uprating across the board, which we are considering today, we are seeking to step up and do that.

Pam Duncan-Glancy: Thank you. I appreciate that. My understanding is that, of the £400 million-odd, about £28 million is coming from your budget and the rest is coming from Barnett consequentials—

Ben Macpherson: May I speak on that point, convener? Thank you, Pam Duncan-Glancy. Of course, there is that aspect of the £428 million, but we are making a commitment to uprate benefits where there is not a statutory duty to do so, and you also have to remember the additional social security that is not provided elsewhere in the UK, such as the £442 million for the Scottish child payment. Let us keep in mind in that wider perspective.

Pam Duncan-Glancy: I appreciate that. Thank you. It will probably come as no surprise to anyone to hear me say that I think there are other revenue-raising options that the Government has if it were to choose to consider doing things like doubling the carers allowance supplement.

To move on from that, we know that the inflation rate for people on low incomes is higher than for people on other incomes. That is the case because people on low incomes spend about 46 per cent of their income on things like food and energy. Did the Government explore other options when considering the uprating, and what impact does it think that the current uprating will have on families on low incomes? A number of the benefits that the minister has already spoken about today target those groups.

Ben Macpherson: Of course, considerations around those on low incomes are at the heart of everything that we are doing with our social security system. The additional benefits that we provide and that are not available elsewhere in the UK are absolutely targeted at low-income households. The Scottish child payment impacts over 300,000 children, all of whom are in low-income households receiving reserved benefits that allow them to access the Scottish child payment, which is an additional £442 million of support.

In relation to what measures we consider when we are thinking about how to ensure that we are being responsive to low-income households when deciding the uprating policy, Scottish Government analysts—I will perhaps bring in Dominic Mellan to say more on this if he wishes to—undertake an annual review of the potential inflation metrics that could be used to uprate benefits. The CPI has been used consistently to uprate benefits by the Scottish Government and the UK Government—

the DWP—as it is a leading measure of inflation used by the Office for National Statistics, it holds national statistic status, and CPI forecasts are published regularly by the Office for Budget Responsibility and the Bank of England.

We are aware of recent developments by the ONS and other stakeholders to develop supplementary price metrics to reflect that price rises in the economy do not affect all households equally, which is at the heart of Pam Duncan-Glancy's question. For example, the ONS now publishes CPI rates by income decile. Scottish Government analysts use these additional price indices extensively for internal analysis and briefing of ministers. However, the ONS advises that those price indices are experimental and cautions against their use for anything other than research purposes at this juncture.

We are very focused on providing additional support to low-income households, which is why we provide the additional benefits that we do—the seven benefits are not available in the UK—and we keep in mind how we measure the uprating policy and how best to do that. Dominic Mellan, do you want to say any more on that?

Dominic Mellan (Scottish Government): We are very aware of the alternative, supplementary price indices. We use them extensively in our work and in how we brief ministers. We take a steer from the ONS and the UK Statistics Authority in how we use those metrics to spend taxpayer money. Ultimately, that is where we take a steer from, so we will continue to use the supplementary indices, but, as the minister said, we defer to national statistics—the CPI—in our overall uprating approach.

Pam Duncan-Glancy: Thank you. I appreciate that. I have a further question on this. We know, and Inclusion Scotland has made representations to this effect, that disabled people's energy costs have doubled and that a number of disabled people access the winter heating payment that the minister mentioned. On that basis, Inclusion Scotland suggested that that payment also be increased. I think it originally said that it should be doubled. What was your response to its request?

Ben Macpherson: I cannot recall the specific request and the correspondence that was potentially issued in response to that, but we consider, particularly in these times with the high cost of energy, what additional support can be provided. That is why, for example, the creation and then payment during the last years of the child winter heating assistance has been so important in providing additional support for those households. Colleagues will remember that, when we took through the regulations on the winter heating payment, I talked about the fact that we deliberately drafted those regulations to provide

flexibility for the Government in the future should it wish to pay either a higher amount or an additional payment of the winter heating payment. That would be contingent on the financial resources available, which takes us back to the thrust of the challenge, which is how to provide more support in a situation where we have a largely fixed budget and limited powers.

There will always be calls on the Scottish Government to do more, but it is also important to recognise, acknowledge and emphasise that collectively, as a Parliament, we are delivering more support for people in Scotland than is available elsewhere in the UK. We are doing that with determination and dedication to help people and to make Scotland a more socially just place. We absolutely appreciate people's needs and that there are demands for us to do more, but I hope that the committee and members across the political spectrum appreciate that, in good faith, the Scottish Government is trying to do as much as it can with its resources, such as the £428 million for the uprating that we are considering today; the £442 million for the Scottish child payment that is not available elsewhere; and the additional benefits such as child winter heating assistance.

Pam Duncan-Glancy: Thank you. I will stop there for now.

Paul McLennan (East Lothian) (SNP): Welcome, minister and officials. I will move on to theme 2. The uprating is just an approximate measure where a single reference month is used. Can you say a bit more on the advantages and disadvantages of that? I know that the Scottish Government is keeping the policy under review. What consideration has been given to the future when you talk about the volatility of inflation in the past year? Can you comment on that? I will then ask another question related to that.

Ben Macpherson: Thanks, Mr McLennan. It is important to note that the September CPI is a measure of price increases over the preceding 12 months to September and not a measure of inflation during September alone. Devolved Scottish benefits will, therefore, be uprated in April 2023, with the September 2022 12-months CPI rate representing the overall change in prices faced by consumers over the year to September 2022. As I said in my answer to Pam Duncan-Glancy, CPI is a leading measure of inflation published each month by the Office for National Statistics and is a national statistic.

Officials assess alternative uprating options each year, including the use of a CPI rate closer to the time that uprating will take effect. However, the September CPI rate was considered the most appropriate inflation period to use to uprate benefits in April 2023. The September CPI rate is

published in October due to the time lag between the period covered by the data and its publication. Using a later 12-month rate or, for example, an average rate over 2022-23 would introduce administrative challenges around setting the Scottish Government's budget, which is published in December, and then implementing rate changes to benefits thereafter.

It is also preferable to use outturn statistics to forecast, as they reflect the inflation that households have experienced to date rather than predictions of inflation, which are inherently uncertain. We have realised that particularly in recent times.

Do you have a next question?

09:30

Paul McLennan: You touched on my next question in your answer to Pam Duncan-Glancy's question about inflation and low-income households, in relation to the proportion of income that low-income households spend on energy and food costs, which has been exceptionally high this year and is proving to be an issue. Inflation has been forecast to come down this year, but food inflation and energy costs are still high. You mentioned that analysis of that is not in process yet. What are the plans for next year and the year after that on that specific work on low-income households and how they are impacted? That probably needs work to be done in conjunction with the UK Government, but what are your thoughts about that?

Ben Macpherson: Unless you want me to, I will not repeat what I laid out to Pam Duncan-Glancy but will emphasise that the Scottish Government and our analysts annually review the inflation metrics that could be used to uprate benefits.

I will emphasise what we are doing for low-income households. I talked about the £442 million that we have allocated in our largely fixed budget for the Scottish child payment. As I emphasised in my answer to Mr Dornan, now that the Scottish child payment is paid at £25 per week per child, our five family payments could be worth around £10,000 by the time a child turns six, compared to around £1,800 for eligible families in England and Wales and over £20,000 by the time the child turns 16. That is a significant investment in helping low-income households, which is the right thing to do. That is why we are doing it, and we are determined to provide that support and be proactive about it.

For subsequent children, those payments are worth £9,700 by the time a child turns six, compared to around £1,300 in England and Wales. Of course, we would like people in England and Wales to get similar support, but we do not

have determination over that. In Scotland, however, that is the extra support that we are providing to low-income households.

Paul McLennan: I know that that approach was strongly backed by the Institute for Fiscal Studies.

I have a final question about fiscal flexibility—I have asked about it before. I know that discussions are on-going between the Scottish and UK Governments. Do you want to say anything about that, particularly about the uprating budget and how the block grant is adjusted? Is there anything in those discussions that would benefit your department?

Ben Macpherson: I know that the member is interested in this area. It is important to consider how we go forward from the pandemic and the cost of living crisis. How is the Scottish Government most effectively equipped to respond to issues that require additional financial support for people and to situations in which it needs extra capacity in its financial armoury to help people? That is more specifically a consideration for the finance committee and finance ministers, but it has an impact across—

Paul McLennan: Coming from your own—

Ben Macpherson: Absolutely, it has an effect across different policy areas. I think the argument for more borrowing powers for the Scottish Government becomes stronger all the time. The current fiscal framework arrangements clearly constrain the extent to which we can respond to the cost of living crisis and any other crisis, because we need to operate within that largely fixed budget. Our ability to target funds to respond to any emerging crisis is therefore limited to reprioritising, as I emphasised to Pam Duncan-Glancy, from within an existing budget and that is a significant limitation. That is the reality on which we will rightly be pressing UK ministers and the UK Government as part of the upcoming renegotiation of the fiscal framework.

The current arrangements—constrained borrowing and reserved powers—limit the Scottish Government's abilities and we are dependent on decisions made by the UK Government. That was the case during the pandemic. It has been the case during the cost of living crisis and determines whether we are able to pay more. For example, we could pay more for the carers allowance additional supplement in 2021 because the additional resource was available. Additional flexibilities would allow the Scottish Government to mobilise and deploy funding most effectively and efficiently to support our citizens.

The fiscal framework review must ensure that the Scottish Government and Parliament have the necessary fiscal flexibility to manage the risks that we face within our devolved responsibilities and to

support economic recovery, as well as households who need it. In doing so, the review must ensure that the Government has the necessary levers to manage the budget effectively and to respond to pressures and risks. Social security is part of those considerations—

Paul McLennan: It is demand led, yes.

Ben Macpherson: However, I emphasise that, within the current arrangement, social security has certainly been prioritised to a large extent with the additional support that has been provided: the £776 million above what we receive through the block grant adjustment.

The Convener: We will move on to questions from Foyso Choudhury, who is joining us online.

Foyso Choudhury (Lothian) (Lab): Is there any provision for future winter fuel payments being made closer to the start of winter rather than at the end?

Ben Macpherson: That is another important question and one that we have discussed collectively in other sessions. I have said on several occasions that, in the months ahead, we will review the winter heating payment situation and consider whether payment in this period of the winter, February into March, is the right payment schedule for households. We will engage with a number of parties to consider what may be a better arrangement for winter 2023-24 and thereafter.

I remind colleagues that considerations around when the winter heating payment could be paid out this year were based on our engagement with stakeholders about when would be a good time for them to receive the payment. There was also the reality of the fact that Social Security Scotland was activating the Scottish child payment 2 in November. Scottish child payment 2 is shorthand for the increase to £25 and the extension of eligibility to under-16s. Social Security Scotland was undertaking that new and very significant payment arrangement in November and also paying out the carers allowance supplement and the child winter heating assistance at that time. Importantly, as well as the matters that Social Security Scotland was contending with in that period at the end of last year, our colleagues in the DWP were under a lot of pressure with their cost of living payments, which is why they were able to give us the data scan for winter heating payments only on 31 January, rather than at the beginning of January, which is when the Scottish Government wanted it. We were understanding of our colleagues in the DWP. They had a huge exercise to undertake to pay out their cost of living payments, and we agreed on 31 January because that was the date that the DWP could deliver to. It did deliver to that date—we received the data. The

data was effectively processed by Social Security Scotland and payments have been going out in recent days, will be going out as we speak and will be undertaken this month, February, and also in March.

Foyso Choudhury: Convener, I have a question on theme 2. Can I ask that one, or do you want me to wait?

The Convener: If you could hold off just now, because I have a few supplementaries on the point that you just raised, I will come back to you.

Minister, can I clarify something on that last point? You said that the Scottish Government had originally wanted the data at the beginning of January. In future, will that be what we are looking to? Obviously, we do not know what will be happening—you mentioned the Scottish child payment in November and the DWP's issues to do with the cost of living crisis—but is there scope to move the winter payment date forward in the coming year?

Ben Macpherson: Yes, there is, and we will undertake an evaluation of when would be the best time to pay the winter heating payment.

We all know the significant additional delivery demand that the Scottish Government took on in the week of 14 November, when eligibility for the Scottish child payment increased to the under-16s. We all know what was required in terms of the programming and ensuring the systems were set up, which they were—and very successfully. Everything has worked very well with that payment. That significant additional capacity will not be required of Social Security Scotland in the year ahead. However, we will be reliant on a data scan from the DWP, so we will have to negotiate and agree collectively with the DWP on a date for the data scan for the winter heating payment in the winter ahead. We will discuss that in good faith and collaboratively with the DWP. It will not necessarily be impacted by but will be somewhat contingent on the demands that the DWP is wrestling with at that time. Of course, I encourage all members to emphasise to the DWP the priority that MSPs place on good engagement between the DWP and Social Security Scotland, because it is important for all people in Scotland.

The Convener: We have a few supplementaries on that point.

Miles Briggs (Lothian) (Con): On the back of those questions, what assessment has there been of the impact of the late or delayed payment to people, especially in rural Scotland? Have you reached out to any fuel poverty charities to find out what impact it has had, especially for people off grid?

Ben Macpherson: I am happy to take that away and write to the member with more detail. Our engagement with stakeholders working on fuel poverty is and has been appropriate up until the creation of the winter heating payment and through its delivery. We would certainly be interested in feedback from stakeholders on the issues that you have raised.

As I have made the committee aware, following some of our discussions on the winter heating payment, I instructed Social Security Scotland to write to local authorities in areas that had historically had the highest numbers of people receiving cold weather payments in order to emphasise what other support was available, for example the fuel insecurity fund.

There is appropriate engagement and we are open to more engagement. I thank you for raising the issue and I am happy to take it away if you would like any further details that we could provide.

09:45

Miles Briggs: That would be helpful.

As I said in the chamber, I welcome that you have written to councils to ask them to highlight what support is available. Do you know whether that has been undertaken?

Ben Macpherson: The letter went from the chief executive of Social Security Scotland, rather than from my office. We can check what response Social Security Scotland has had. Of course, although we can urge councils to do things, we cannot in this regard instruct them. I would consider in good faith, however, that the councils are undertaking and have undertaken necessary and helpful proactive engagement with those in their communities, as they consistently do.

Pam Duncan-Glancy: I am struggling a bit, if I am honest, because the child payment was announced a few years back and eligibility for that payment was clearly to be from 0 to 16. I appreciate that it was rolled out initially to under-sixes and then to over-sixes on 14 November last year, but that is something that the Government should have been planning for. I am not sure that I accept that it is fair to say that Social Security Scotland was overstretched because of a surprise payment. It was not really a surprise. It surely would have been in the making.

I take the point about this year not having that same pressure but, again, there are other benefits that are not rolled out yet in Social Security Scotland. Are we just going to keep seeing pressure on timescales? It feels as though there was not much planning for that. I suppose those were questions about the planning.

My final question is, when did you ask the DWP for the data? When the minister appeared at committee before Christmas, my understanding was that, if the data had been shared by 31 January, the payments would have been rolled out in a timely fashion as preferred. When did the Scottish Government ask the DWP to provide the data at the beginning of January?

Ben Macpherson: There were discussions around the data scan throughout 2022, which concluded in late 2022. Once we settled on the February commencement of payments—I have always said that the payments would commence from February—there was a continued and consistent ambition from the Scottish Government to get the data in early January. During 2022, largely at official level, we had discussed with the DWP that we hoped to receive and planned on receiving the data early in January, but the DWP, because of the pressures from the cost of living payments, was unable to meet that position. We then agreed on 31 January.

I refute strongly the accusation that there was not adequate planning in social security. I am happy to commit my senior officials who work in programming, agency and policy to come and speak to the committee, because the planning of the delivery of social security benefits in Scotland has, I think, been extremely professional and remarkably delivered and considered while working in a hybrid system where we have to engage with the DWP and where we are still developing a new service that is performing well. You have seen the feedback from people who have used the service and how positive it is.

The number of new clients who made applications for the Scottish child payment in a short period in that November week represented a significant increase in client activity and demand on the service. A huge amount of planning went into that November date, and that is why it was so successful. That required additional recruitment, digital development and significantly wider programming to make sure that everything was effective. Significant Scottish child payments have been issued and I will be able to provide further updates to the Parliament on that in due course. I refute strongly any accusation that the Scottish child payment extension was not properly planned. It was very well planned; it has been very well executed and it has helped thousands of people who would not have got that support if it were not for the Scottish Government initiative. It is not available elsewhere in the UK. I must be very strong about that.

Jeremy Balfour (Lothian) (Con): Before I ask my question, can I declare an interest? I am on the higher rate of the personal independence

payment, so I have a financial benefit from one of the benefits we are talking about.

I go back to your comment about the winter heating payment being reviewed. Clearly, the sooner information sharing between the Scottish Government and the DWP can happen, the better. How quickly will the review take place and how will it be reported?

Ben Macpherson: On the latter point, about how the review will be reported, I am happy to update the committee about it in due course, as soon as I can. I have already instructed my officials to consider the timing of the benefit next winter.

Jeremy Balfour: We might return to that this afternoon in another of my questions, but are we looking at before summer or after summer? Is there at least some kind of timescale for when we can look out for this information?

Ben Macpherson: The Scottish Government's priority is to pay the winter heating payment, which is happening as we speak, and it is all scheduled to be paid this month and into next month. Remember that the data scan of 400,000 is the biggest data scan that the Scottish Government has received in connection with paying new Government benefits. It is a very significant execution of a new benefit. Receipt of such a large data provision that we had to engage into our systems and pay out as quickly as possible is unprecedented in the history of Social Security Scotland. It is all happening very successfully. Once we have paid all those benefits out, we can actively report and consider what to do in the winter of 2023-24. I have already instructed policy and programming officials to consider when we deliver the benefit next winter. However, we need to engage with not just stakeholders but potentially also our experience panels and make sure that we get appropriate feedback from people who have received the benefit about what impact it had this winter as part of our consideration of when it would be best to pay it in the winter ahead.

Jeremy Balfour: My concern, minister, is that that could take months and we would then be in June or July. If you came to the view that you wanted to make the payments in November or December, that would give the DWP very little time to pass that information to you. Have you at least highlighted to the DWP the possibility that you might want to make the payment in this calendar year, and have you asked it by what date it would need to know? Hypothetically, if we wanted to make the payments at the end of November or the beginning of December, when would the DWP need to know that in order to be able to provide the information in time? Rather than you deciding in July that you want to make the payment in November and the DWP then

saying that it is just not possible to provide the data quickly enough, do you have anything from the DWP saying that, if you want to make the payment in November, it needs to know that by whatever date?

Ben Macpherson: Officials in the Scottish Government and the DWP speak regularly about social security. Of course, the points that you have raised are valid and important. I have already instructed the Scottish Government officials who are engaged in programming and policy on the winter heating payment to consider what we are going to do next winter, and that will include engagement with their DWP counterparts.

As for the review, we will undertake that in a timescale that is appropriate and that allows us to make sure that we are discussing the outcome of those considerations internally with our colleagues in the DWP and also with the Parliament as necessary.

We do, of course, have to work collaboratively with the DWP on timelines. I spoke about that during the debate on the next phases of the programme. We need to discuss things in a manner that is considerate of both our needs. We will engage with the DWP on the winter heating payment for next year once we have completed this year's winter heating payment. Be assured that the discussions to make sure that we have both orderly and timeous engagement with the DWP ahead of next winter in order to make the payment at the right time that is agreed by both parties will be undertaken appropriately.

The Convener: We will now move back to Foyso Choudhury, who is online.

Foyso Choudhury: Can the data that is being used to calculate these figures be considered comprehensive when there is only a single reference month when analysing the financial pressure on low-income households?

Ben Macpherson: I think that I have already covered that point in my responses to Pam Duncan-Glancy and Paul McLennan. I do not know that I have anything further to add on the issue.

The Convener: That is fine, thank you, minister. Foyso, those points have already been covered. You can check the *Official Report* for that information.

We will now move on to theme 3. We are running slightly behind, so I ask members and the minister to keep questions and answers succinct and to the point.

Jeremy Balfour: You have covered some of this already, minister, so I hope that we can do it quickly.

Clearly, to an extent, the funding mechanism creates an incentive to follow DWP uprating policies. Looking forward, do you see potential for the Scottish Government to take a different view and have a higher or a lower figure? Also, do you envisage any variation between benefits? You have gone for 10.1 per cent across all benefits. Can you see a day when maybe one benefit is uprated more than others so that the approach is more targeted? How easy is it to do that with the powers that you have?

10:00

Ben Macpherson: In my opening remarks, I briefly talked about where we are obliged to uprate and where there is discretion. It is important to bear that in mind. Under section 86B of the Social Security (Scotland) Act 2018, which, of course, we passed in the Parliament just a few years ago, we are obligated to uprate child disability payment, adult disability payment, funeral support payment and the Scottish child payment, and we will also consider the forthcoming care support payment within the 2018 act. There are obligations under section 81 of the act for the carers allowance supplement. The Scottish child payment is a good example, because we have increased that above inflation—above the statutory requirement. That demonstrates that deviation is possible.

There are exclusively Scottish benefits whereby there is discretion to uprate. In the previous financial year, we chose to uprate by 6 per cent instead of 3.1 per cent for a number of such benefits, and this year we have uprated by 10.1 per cent even though there was no obligation to do so. The flexibility that you query has already been undertaken in certain circumstances.

Jeremy Balfour: I understand that there is a statutory duty under the 2018 act, but, as we roll out the benefits and as we look at it, is it helpful to have a statutory duty, or would you rather have greater discretion so that you can look at each one? As you say, for certain benefits, we have to uprate by statute. Would it be helpful, as you review and see how the scheme works, not to have a statutory duty but for the Government to have discretion on how different payments should go up? Alternatively, are you happy to keep it statutory?

Ben Macpherson: I will bring in Camilo Arredondo in a moment. I would not want to change the obligations under the Social Security (Scotland) Act 2018. I think that it is right, as Parliament agreed, that there is an obligation to uprate the benefits by the consumer prices index, although of course we have increased the Scottish child payment by more than 10.1 per cent in this period.

I do not know whether Camilo Arredondo wants to say more about the obligations under the 2018 act.

Camilo Arredondo (Scottish Government): On the legalities of the duty that the member mentioned, there are two statutory duties, in particular, that the legislation that is before Parliament and that we are discussing today contemplates. The one that was mentioned by the minister is in section 86B of the Social Security (Scotland) Act 2018 and is an obligation, as the minister mentioned, to uprate what are currently on the books as child disability payment, adult disability payment, funeral support payment and Scottish child payment. That duty acts as a minimal floor. The minister has already mentioned his discretion to uprate by more than that. The policy point on whether there is a desire to keep that duty is not for me to answer, but I think that the minister has mentioned it already.

Ben Macpherson: Can I just say clearly that I want that to continue.

Jeremy Balfour: That is all that I was looking for. I understand the legal point. I just wanted to know whether you are happy with that as it is.

Ben Macpherson: I am—yes.

Jeremy Balfour: That is fine.

The Convener: We move to questions from our deputy convener, Emma Roddick, who has been waiting patiently.

Emma Roddick (Highlands and Islands) (SNP): Good morning, minister and officials. As the minister has mentioned, uprating has been extended beyond the benefits where uprating had to happen. We have forecasts from the Scottish Fiscal Commission that £776 million more will be spent on social security than what is received through the block grant. Will the minister expand on any developments on those figures as well as the challenges of deviating from DWP spending and how the decision was made to go above that?

Ben Macpherson: To get to the heart of why the decisions to go above that have been made, it is because the Scottish Government wants to use its powers over social security and its budgets to help people as much as possible. It is a policy commitment that is at the heart of the Scottish Government's determination to make Scotland a better and fairer place. We see the mission to tackle poverty as a collective one for everyone in Scotland: the Government, business, Parliament, the third sector, wider civil society and the public sector. It is the collective responsibility of us all and, as part of that, the Government should utilise resource and power where it has it to make an impact.

The instruments that are before us today to uprate not just the benefits where there is a statutory obligation to uprate by CPI in the 2018 act but those where we have discretion are demonstrative of that commitment to provide additional support. Ministers across Government, and particularly in the social justice and finance portfolios, have had discussions in order to make sure that we can utilise our resources and allocate the £428 million to provide that additional support.

I referred to the fact that, last year, we also uprated several of our discretionary benefits by an amount higher than CPI to help people with the rising cost of living at that time. Then, of course, there is the Scottish child payment, which is not just an additional benefit but one that we have increased by 150 per cent in year as well as extending it hugely, with more than 300,000 children now eligible for it.

Emma Roddick: I want to ask about the cost of living crisis and the fact that we have a 10.1 per cent increase in the CPI, which is significant. Of course, the context is the economic mismanagement—it is difficult to describe it as anything other than that—that has led us to that level of inflation. Is that figure higher than was expected or initially planned for?

Ben Macpherson: The fact is that the Truss Government's decisions in the summer caused damage to the UK's economy and therefore the Scottish economy, and to the financial markets. That had a knock-on effect on household costs and on mortgages and therefore on rent levels, on which we took interventionist action through legislation. There was also an impact on the UK Government's ability to respond, because the financial situation impacted its public finances. Undoubtedly, the UK Government's actions in the past year have had an impact. That is just a matter of fact.

Of course, there are external factors, such as the war in Ukraine. That is an important point to acknowledge, but the effect of Brexit is also an important factor to acknowledge. This time last year, we would not have anticipated the current level of inflation generally. Projections are of course undertaken, but the effects of what happened in the latter half of last year as a result of bad political decision making definitely had an effect on where we are now, unfortunately. That is why we have responded with our powers and resources to provide additional support in Scotland. We all know how much of a difference that is making in all the constituencies that we represent.

Emma Roddick: That is helpful. I have just one more question.

Thinking about the difference between the block grant and what is being spent, should there be increased funding from the UK Government, particularly given the cost of living crisis and rate of inflation? Also, should the Scottish Government budget be inflation-proofed?

Ben Macpherson: Yes. For some time, we have been calling on the UK Government to provide additional support for low-income households. We have called for universal credit to be increased and we of course argued strongly that it should not have been reduced by £20. We are now calling for it to be increased by £25, given the cost changes that there have been since then.

In the current situation, with exceptional inflationary pressure, the plain fact is that that means that the largely fixed budget that we have available buys less. That is just the reality of the fiscal position that we are in, as we do not have the borrowing flexibilities that we talked about in response to Mr McLennan's questions. We have had to allocate and prioritise appropriately within that largely fixed arrangement.

Of course, we have created a more progressive situation in Scotland through the tax powers that we have and the social security decisions that we have made, which was recognised in recent days by the Institute for Fiscal Studies in its reporting. A significant amount of extra support is available for families in Scotland because of decisions that we have made, but the scale of the challenge is unlike anything that has been faced since devolution and since this Parliament recommenced, in 1999. We are in very significant times but, in these times, through the powers that we have and through Social Security Scotland, people are getting more support right now across Scotland. That is making a difference, which is important.

The Convener: Miles Briggs has a supplementary question on that point.

Miles Briggs: I was not going to ask this, but we have had a very political argument, which I do not think necessarily puts Scotland's true finances into context. I wonder whether the minister wants to put on record the fact that the Barnett formula provides an additional £2,000 per head in Scotland compared with the other parts of the UK, which is allowing us to take the decisions that he refers to. There is also the global impact. The minister very briefly talked about the war in Ukraine; on Friday it will be one year since that illegal invasion began, and it has had a global impact. I am not pretending in any way that we have been cushioned from it, but reality needs to be taken on board when we are talking about these issues. There is also the fiscal position, in which our country has spent £8 billion more—the Barnett formula allows us to do that. Does the minister recognise that?

Ben Macpherson: I do not think we have time to go through considerations around the Barnett formula. There have been numerous debates on that, and the debate continues. Allocations through the fiscal framework and of course Scotland as a collective, through different taxations, pays a very significant amount of money into the Treasury through its resources, which we should not underestimate.

Miles Briggs: In pure economic terms, however, that was £8 billion less than we spent.

Ben Macpherson: There are important considerations around the Barnett formula and the fiscal framework, but it is also a fact that, in years past, Scotland has paid a surplus of resource into the UK Treasury. We need to bear in mind the wider considerations when thinking about these points. I emphasise that Scotland is making political choices within the devolved settlement to provide additional support. We have also had to make decisions to mitigate UK Government policy that is costly for Scotland, particularly aspects such as the bedroom tax, which costs tens of millions of pounds every year, which we would rather not have to spend. It would be much better if we could get rid of that policy, for example. That is also a reality of the situation.

10:15

I acknowledge the international situation and would never pretend that the war in Ukraine—the illegal invasion that we all wish was not happening—is not having an effect but, in the same way that that is a reality, it is also a reality that Brexit is having an effect on inflation and the strength of the UK economy, as are the repercussions of the decisions of the Truss Government in that brief period.

The Convener: Pam Duncan-Glancy has a supplementary. Please keep it brief, Pam, because we are moving into a much wider discussion than the issue that the committee is focusing on this morning.

Pam Duncan-Glancy: Thank you. I appreciate that, and it is what my supplementary point is about. We are going into far wider issues. When we spent a bit of time talking about it from one perspective, that was fine, but we are now told that it is not fine to do so from another perspective. I just want to raise that and say that these things, if they matter, matter from a much broader perspective than the one that was raised.

I can go straight into my next theme if that is helpful.

The Convener: Yes.

Pam Duncan-Glancy: Thank you.

As the minister and other members will be aware, the Scottish statutory instrument that we are looking at today raises the carers allowance earnings limit to £139, which in the context of some of the figures that I set out earlier is very helpful. However, in the Government's consultation on carers assistance, the proposed increase to the amount that carers could earn while receiving that assistance—of course, carers allowance is still being delivered through the DWP under an agency agreement—could be linked to 16 hours at the real living wage, which would be £174. Has the minister considered that figure as opposed to £139? Why has the minister not taken the opportunity to put more money into the pockets of unpaid carers, who are really struggling right now?

Ben Macpherson: I am conscious that I have still to respond formally to that consultation, so I would be grateful if we could consider those matters once I have responded formally. It is important in terms of process that that happens first. I will be happy to engage on those points thereafter.

Pam Duncan-Glancy: I appreciate that there is a live consultation, but does the minister accept that unpaid carers are struggling and that any increase could be helpful? The figure that I have chosen is the one that the minister proposed in the consultation. I am not asking the minister to preempt the conclusions, but I think that it is fair to assume that unpaid carers would accept that more money is needed. I am just asking whether that figure was considered.

Ben Macpherson: We also need to consider the fact that case transfer needs to be undertaken when it comes to carers allowance and the new benefit that we are introducing, carer support payment. We are, of course, undertaking the process of delivering carer support payment, which will be the next benefit that the Scottish Government delivers. Our determination to support carers is demonstrated by carers allowance supplement, which we have paid since 2018, and by the additional support that we paid in 2020 and 2021.

We want to support carers as much as we can within the financial constraints that we are under. That is why the consultation on carers allowance and carer support payment is an important piece of work. It is why the new benefit includes a number of improvements that we hope to make from launch, from the completion of case transfer and then in due course. I look forward to discussing that with Parliament once the consultation responses have been published. It is a very important new benefit. We want to make a difference with it, and part of that is, of course, about the level of payment and the amount that we

can provide in support within the financial realities and constraints that the Government faces. It is important to bear in mind that, just as with adult disability payment, there is a very challenging process of case transfer that needs to be completed. Once we have done that—hopefully as quickly as possible; it is certainly the intention to undertake case transfer as timeously as we can—and once everyone is in one system, we will be able to think collectively about what improvements can be made within the financial constraints that we are under.

Pam Duncan-Glancy: I appreciate that and I understand the case transfer point, which is why carers allowance is still being delivered by the DWP. I get that, but why was £139 chosen and not £174.40?

Ben Macpherson: The eligibility criteria for carer support payment, when it launches, will broadly mirror those for carers allowance until we have transferred everyone's awards. That is the reality, because we cannot have a two-tier system, just as we cannot have a two-tier system for adult disability payment and personal independence payment until case transfer is completed.

Pam Duncan-Glancy: How would there be a two-tier system just now? My understanding is that all carers allowance is being paid by the UK Government. The two-tier system would be one tier in Scotland and one tier in the rest of the UK, which I think we can all accept is the point of devolution. I do not understand that justification.

Ben Macpherson: Within this financial year, we will start carer support payments, so there will be new applications.

Pam Duncan-Glancy: Thank you. I have no further questions on that point.

The Convener: Thank you, minister. That concludes our questions for that item.

Item 3 is formal consideration of motion S6M-07737. I invite the minister to speak to and move the motion.

Motion moved,

That the Social Justice and Social Security Committee recommends that the Social Security (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2023 be approved.—[*Ben Macpherson*]

The Convener: I invite any further contributions from members. As there are none, I invite the minister to sum up and probably not respond to the debate.

Ben Macpherson: I thank colleagues for their important questions and hope that they will support the regulations.

Motion agreed to,

That the Social Justice and Social Security Committee recommends that the Social Security (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2023 be approved.

The Convener: Item 4 is formal consideration of motion S6M-07738. I invite the minister to speak to and move the motion.

Motion moved,

That the Social Justice and Social Security Committee recommends that the Social Security Up-rating (Scotland) Order 2023 be approved.—[*Ben Macpherson*]

The Convener: I invite contributions from members. As there are none, I invite the minister to sum up.

Ben Macpherson: Thank you for your important questions on the regulations. I hope that you will support them.

Motion agreed to,

That the Social Justice and Social Security Committee recommends that the Social Security Up-rating (Scotland) Order 2023 be approved.

The Convener: Thank you all. The committee will report on the outcome of both instruments in due course and I invite the committee to delegate authority to me as convener to approve a draft of the report for publication.

Members indicated agreement.

The Convener: I thank the minister and his officials. I will now briefly suspend the meeting to allow officials for the next item to join us online.

10:23

Meeting suspended.

10:24

On resuming—

Social Security (Additional Payments) (No 2) Bill

The Convener: The next item is a legislative consent motion on the UK Parliament's Social Security (Additional Payments) (No 2) Bill.

I welcome back Ben Macpherson MSP, the Minister for Social Security and Local Government, and I welcome the officials who are joining us remotely: Susan Soutar, reserved benefits policy manager, Scottish Government; and Kayleigh Blair, solicitor, Scottish Government.

Minister, I understand that you would like to make a short opening statement.

Ben Macpherson: Thank you, convener and colleagues, for the opportunity to discuss with you this legislative consent motion on the Social Security (Additional Payments) (No 2) Bill. The bill was introduced by the UK Government on 7 February to provide further payments to support people through the cost of living crisis. That is extra support and we welcome it.

The help that is available includes £900 in extra cost of living payments for those on means-tested benefits, which will be paid in three stages over the 2023-24 financial year. Those in receipt of non-means-tested disability benefits include people who receive child disability payment or adult disability payment from Social Security Scotland, and they will receive a disability cost of living payment of £150. That payment will be made in summer 2023. Our analysis suggests that around 750,000 households in Scotland will receive the means-tested additional payment, and around 680,000 individuals will receive the disability additional payment.

It is the UK Government's view that the provisions of its bill are reserved and it has therefore not requested the Scottish Parliament's consent to the bill. However, the Scottish Government's view is that the bill relates to devolved matters. It is my view that the payments are provided to individuals who have a short-term need for financial support to avoid a risk to their wellbeing and that that can be legislated for within the legislative competence of the Scottish Parliament. That is why it is necessary to lodge a legislative consent motion, although the UK Government has not requested one. In doing so, we will ensure that the devolution settlement is properly respected and, more importantly, that a precedent for overriding the devolution settlement is not established.

The alternative to a legislative consent motion would be to pass legislation in the Scottish Parliament on an extremely truncated timescale in order to match the UK Government's timetable and ensure that payments are made when intended. The legislation would need to come into force by the end of March.

The UK Government bill will apply to the entirety of the UK. As a result, it is my view that introducing legislation in the Scottish Parliament is not necessary or proportionate. Instead, the most prudent course of action is to provide legislative consent to the provisions in the UK bill. That will support the payments while ensuring that the devolution settlement is properly respected.

I welcome the opportunity to take any questions as part of your consideration of the LCM.

The Convener: I invite questions from members.

Pam Duncan-Glancy: Thank you for setting out the Government's position on the cost of living payments and the legislative consent motion. If it is the view of the Scottish Government that it is within the legislative competence of the Scottish Parliament to pass legislation to provide payments to people in Scotland as set out in the bill, why has it not done so?

Ben Macpherson: As I have referenced before, we first need to deliver adult disability payment, which of course was nationally rolled out on 29 August 2022, and complete the case transfer process for individuals on personal independence payment and disability living allowance for working adults in Scotland to adult disability payment, which is under way. We need to undertake that process. Once everyone is in the Scottish system, we will consider matters for the future, which also relates to why we are consulting on adult disability payment. That consultation is live.

Pam Duncan-Glancy: I appreciate that answer. The question, though, is not so much about adult disability payment and benefits that are currently being delivered. It is about why, if the Scottish Government believes in paying a one-off payment in times of hardship, as you have just described in relation to clause 7 of the UK bill, it has not done that.

10:30

Ben Macpherson: We need to undertake case transfer first.

Pam Duncan-Glancy: I do not understand why. The Scottish Government has data on which people are on low incomes in Scotland. We have that through various mechanisms, including from local authorities. If the Scottish Government believes that this legislation impinges on devolved

legislation, it accepts that there is a responsibility in devolved legislation to make payments to people in times of hardship. My question is, why have you not done that?

Ben Macpherson: We provide additional support in Scotland that is not available elsewhere in the UK through child winter heating assistance, for example, which we introduced. Initiatives have been undertaken to provide extra support. We talked about carers allowance supplement in connection with the set of regulations that we just considered. Of course, there are further considerations through future primary legislation when we will be able to consider what we wish to do as a Parliament as we continue to develop Scotland's social security system. However, when it comes to adult disability payment, the focus has been on the safe and secure delivery of our new payment, adult disability payment, which was introduced nationally from 29 August, and undertaking case transfer safely and securely.

Pam Duncan-Glancy: I appreciate that. Child winter heating assistance, the Scottish child payment and the benefits that you have referred to are all steady-state benefits; they are not benefits that are paid only because we are in a cost of living crisis, like the ones that are in the legislation that the LCM relates to. That is the point that I am getting at. Why, if it is in the devolved competence of the Scottish Parliament and the Scottish Government to do so, has the Government not given cost of living payments to these groups of people?

Ben Macpherson: That would require a piece of primary legislation to have been passed by this Parliament. It would have required additional financial resource to be found within a restricted budget. Of course, where we have been able to allocate additional resource using already established mechanisms, we have done so. We have provided additional support where we can and we also passed a bill in order to be able to pay carers allowance supplement in 2021. We also introduced the Scottish child payment from 2019 to 2021 initially for under-sixes and then rolled it out fully to under-16s. We have used existing mechanisms and created new ones to provide additional support, but primary legislation would be required for what Pam Duncan-Glancy refers to.

Susan Soutar, do you want to come in on anything further on that point?

Susan Soutar (Scottish Government): I think that you have covered everything in terms of the additional support that is being provided by the Scottish Government and the fact that these are UK Government payments. It would obviously be more effective and more cost effective for them to come from a single source, which is the UK

Government in this instance. Scottish Government officials are working closely with DWP officials to ensure that the payments go out to Scottish clients.

The Convener: I call Jeremy Balfour.

Jeremy Balfour: I have no question, but I refer again to the interest that I noted under a previous item.

The Convener: Thank you.

Pam Duncan-Glancy: I declare an interest as well. I am in receipt of personal independence payment. Sorry—I did not mention that earlier.

The Convener: Thank you for putting that on the record.

I thank the minister and officials for taking part in this meeting to help inform our report on the LCM, which we will publish shortly. We will now move into private session.

10:34

Meeting continued in private until 10:39.

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.

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