Cabinet Secretary for Social Security and Older People Shirley-Anne Somerville MSP



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Dear Dr Witcher,

ANNUAL UPRATING OF SOCIAL SECURITY ASSISTANCE

Thank you for your letter of 14 February and the accompanying report under section 97 of the Social Security (Scotland) Act 2018, on the draft 'The Social Security Assistance (Funeral Expense Assistance and Young Carer Grants) (Up-rating and Miscellaneous Provisions))(Scotland) Regulations 2020'.

I have reviewed the recommendations and I have responded to each in turn as set out in **Annex A**. I am pleased that no substantive changes to the draft regulations are required and that you welcome the amendment to the treatment of 'funeral insurance' to ensure applicants are not disadvantaged and to the extension of the Young Carer Grant to young carers subject to immigration control.

I note that you found the section 77 report helpful as an important source of information and evidence that could be drawn upon to inform scrutiny of the uprating regulations. I will look to develop the content and scope of future reports as more types of assistance are delivered.

I fully understand the impact of the UK General Election and the subsequent delay to the Scottish Budget has had on the available scrutiny time. I can only thank you and your team for responding so promptly and thoroughly to ensure that the Regulations can be laid in the Scottish Parliament with sufficient time for them to come into effect for 1 April 2020.







Please note that the draft regulations have been renamed 'The Funeral Expense Assistance and Young Carer Grants (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2020' to better reflect the content.

Yours sincerely,

SHIRLEY-ANNE SOMERVILLE

SCoSS Recommendation	SG Response
1. The Scottish Government should routinely assess whether uprating Regulations contain matters where stakeholders may have an interest and a contribution to make, and ensure adequate time is available for this.	The opportunity was taken through the uprating regulations to make a few technical amendments to the FSP and YCG regulations to ensure the policy intent and were not contentious in nature. The Scottish Government does not expect this to be a regular occurrence.
2. The Scottish Government should review, in consultation with stakeholders, additional or different information that could usefully be included in section 77 reports. This would inform scrutiny, monitor risk and accord with the Scottish Government's commitment to keeping its approach to uprating under review.	The Scottish Government will look to develop the content and scope of future reports as more types of assistance are delivered.
3. The Scottish Government should consult with stakeholders on any implications for devolved assistance of the UK Government's consultation on aligning RPI methodology with that of CPI.	The Scottish Government stated that it would consider alternative approaches to uprating if there was a material change to inflation measures. This included methodological improvements to RPI that would align its methodology with that of CPIH following the UK Government's consultation. A joint consultation between the UK Government and the UK Statistics Authority (UKSA) on a proposed change to address the shortcomings in the RPI is due to open to responses on 11 March 2020 and close on 22 April 2020. The UK Government and UKSA expects to respond to the consultation before the Parliamentary summer recess and we will consider any implications of this on the devolved assistance.
4. The Scottish Commission on Social Security welcomes the exemption of YCG from immigration-related restrictions and underlines the usefulness of monitoring numbers receiving it, including, specifically, people subject to immigration-related restrictions.	The Scottish Government pressed the Home Office to amend their regulations to ensure that eligible young carers subject to immigration control would be able to apply for the grant without risking their immigration status. We are pleased that the UK Government agreed to our request.

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As we advised in our response of 21 June 2019, to your report on Young Carer Grant, there are significant challenges to capturing data on immigration status in relation to YCG. This makes monitoring difficult. With the size of the client base, it is unlikely that data captured would provide a statistically meaningful response. Furthermore, difficulties in estimating the potential client base who would benefit from this exemption also means that interpreting the numbers to assess the policy is challenging. We have previously engaged with individuals subject to immigration control and we will continue this engagement now that an exemption has been granted with regards to YCG. We will also continue to explore ways to require identification of people in this group - either through direct question in the application, or linkage with necessary data held by DWP and HMRC. Section 7 of the section 77 report sets out the uprating policy for 2020-21 5. The Scottish Government is invited to explain how its decision not to uprate BSG is consistent with its child and the reasons why BSG will not be uprated in 2020-21. poverty goals and with the proposed introduction of the Scottish Child Payment and to consider their combined BSG in the form of one-off grant for events such as birth, or starting nursery impact, in the round, on child poverty. school, or primary school, is not subject to a duty to uprate. BSG is received by families in receipt of on-going assistance that is usually subject to uprating. In addition, with the launch of Scottish Child Payment low-income families receiving BSG payments will have their ongoing income from SCP uprated annually, maximising the impact on poverty. 6. In the event that the decision not to uprate Best Start Section 77 of the Act only requires the Scottish Government to consider the Grant is not a one-off, Section 77 reports should include effects of price inflation on the rates of assistance for that financial year. figures for what its cumulative total value would have been had it been uprated annually and provide an equality Impact assessments will be conducted for each set of regulations providing for assistance under Chapter 2 of Part 2 and for assistance by way of topimpact assessment. up. Uprating decisions do not alter the policy underlying a particular form of assistance. As a result, we do not consider there is a need to undertake impact assessments for the section 77 report.

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