1. PCS represents around 190,000 members in the civil service and related agencies, bodies and contractors. Within this, PCS represents over 51,000 members in the Department for Work and Pensions (DWP). In Scotland, overall, we have over 24,000 members, including 8000 in the Scottish Sector (under the remit of the Scottish Parliament) and nearly 8000 in DWP.

2. We have a positive working relationship with the Scottish Government officials within the Social Security Implementation Division, and we have met multiple times with the Social Security Minister.

3. A Social Security Agency Partnership Working Forum (SSAPWF) has been established as the main interface between the SG and the recognised trade unions to discuss employee relations matters.

4. We have set out below some queries in relation to the ‘finance memorandum’ which accompanied the Social Security Bill.

5. We note that all, with the exception of housing assistance, are demand-led benefits and will be managed as part of the Scottish Government’s DEL (Departmental Expenditure Limit) and not AME (Annually managed expenditure).

6. We understand that this decision differs to how DWP manage budgets, where AME covers benefit spend etc. This move also differs to how the Scottish Government normally manage demand led costs, as with public sector pensions which fall under AME.

7. PCS do not understand the justification for this move. We are concerned that using a DEL budget for social security costs could lead to restrictions being applied to other resources within the new agency, such as staffing and pay, should budgets be exceeded in the benefit areas.

8. We understand, from the memorandum that the new policies will need to come from the existing Scottish budget envelope, and funding for them is subject to reductions from Westminster based on UK welfare policy decisions. Therefore, any decision to have better levels of payment will need to be found from elsewhere within the budget. This leaves us with concerns about adequate funding.

9. PCS urge the Scottish Government to consider the recommendations of our report on the future of taxation in Scotland, which can be found here: https://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=5&ved=0ahUKEwik7rXt0O3VAhUrBcAKHcBcBaoQFghEMAQ&url=http%3A%2F%2Fwww.eastkilbridepcs.org.uk%2Fapp%2Fdownload%2F5817652268%2FFFTJReport.pdf&usg=AFQjCNHE8Ccn1UAnyQkmDac7hOBm4dqB5A