

Scottish Parliament Social Justice and Social Security Committee

Budget scrutiny 2026-27, Future Social Security Spending in Scotland

Written submission by Disability Equality Scotland

1. To what extent do you welcome the growth in devolved social security spend? Please explain your reasons.

The increased social security spending in Scotland is welcome as it helps protect the incomes of disabled people. We carried out a member survey to ask members about the good things about receiving payments from Social Security Scotland with the most common aspects being that payments are reliable, received on time and the money enables disabled people to maintain their independence. Quotes included;

“Helps with payments for any sort of aids I need to carry on work and everyday life.”

“They arrive on time and when they should. So far I have no issue with how the payments are made”

“It makes it easier to manage health conditions and life in general, can cover things that you need to help ease symptoms of ill health.”

“Always keeps you well informed and always on schedule and disabled people are not put down but is the heart of their policies.”

2. To what extent are you concerned about the growth in devolved social security? Please explain your reasons.

DES have concerns that in the medium to long term that disabled people will not be able to access adequate social security payments with older disabled people in particular facing challenges due to a growing population of older people. Everyone regardless of their age must have access to social security as a means to prevent poverty and to mitigate the additional costs incurred due to their impairments.

The National Records of Scotland anticipate that by 2047 there will be an increase in total population by roughly 400,000 people but the age profile and the population growth figures present a considerable financial challenge for the Government. It is estimated that the number of people aged over 75 years old will increased by 341,000 but at the same time the total annual population growth will slow to 0.04% a year. DES welcomes the fact that people are living longer but as the number of older people increases the total number of disabled people will likely grow as well due to diseases of ageing and the natural changes which people experience as they get older. We also welcome the Government’s preventative health measures as a positive step to potentially reduce social security spending as this allows an older person to maintain the personal independence. These demographics changes highlight the public spending pressures on other public services such as the NHS

and the Social Care system. For disabled people access to and the long term sustainability of the NHS is vital for their independence in terms of the supports they may need due to their impairments and long term health conditions.

Moreover, from a public spending perspective this change in needs will mean either increased taxation or a re-prioritisation of how government spends money. In the medium to longer term the growth of the population cited by NRS includes an important role for immigration to fill the gaps in the working age population. DES is very concerned that the UK Government continues to pursue an immigration policy which will negative impact the personal independence of disabled people in Scotland and the provision of services that people rely on. The ban on recruitment of overseas social care workers will further undermine the challenges of recruitment facing the sector. The UK Government's own technical analysis of this change says that annually there will be a reduction of 7,000 in terms of inflow meaning that there will be less people to fill the vacancies within the sector.¹ The changes outlined in the UK Government White Paper also includes tighter rules around skilled worker visa requirements and significant changes to the jobs which employers can apply for a skilled worker visa.

The long term impact of these changes on Scotland's working population are likely to result in a reduction in the tax base meaning less money being available to spend on public services. Given that the devolution settlement is based on the allocation of a bloc grant and the limited revenue raising powers available to the Scottish Parliament; this creates a considerable fiscal and tax competitiveness challenge for Government as they must run a balanced budget under the Scotland Act 1998. Hence, the downstream effects of this could result in the following.

- An increased social security budget due to a growing number of older people and the health impacts of this.
- Stricter conditionality for social security payments meaning disabled people could lose vital financial support which enables them to be independent.
- Significant recruitment challenges for the NHS and Social Care Sector.
- A shrinkage of the tax base due to a lower working age population with likely higher rates of tax to mitigate the required increases in public spending.
- Potential reductions in non-protected departments as the government seeks to prioritise spending towards particular areas; i.e more money going to the NHS and Social Care services and Social Security results in reduction of local government budgets which means less funding for Self Directed Support and other local services disabled people require.

These impacts need to be mitigated as far as possible in budgets via a preventative spend approach to help ensure that disabled people and older people have got the support they need to maintain their independence in the longer term. DES would not advocate changes to social security spend which would result in the loss of people's personal independence. We also cannot support the additional costs of impairments being borne through out of pocket expenses rather than these additional costs being

¹ [Technical annex](#) Pg 13

funded by the state via the social security system.

3. What is the evidence that spending on devolved social security is effective in supporting those who need it?

Our member survey found that 92% of respondents receive a payment from Social Security Scotland. As a disabled people's organisation our members are themselves disabled people and many of them receive Adult Disability Payment. We asked our members what their social security payment helped them with and the most common themes were it helped disabled people to maintain their independence, helped with daily living and the additional costs they incur due to their impairments. From a daily living perspective members said:

"Day to day living costs but also additional extras that support my life with disability."

"They help me get by with all the aspects of my life some times are hard but I always make it work."

"ever thing from daily meals transport to and from shopping, doctors appointments hospital appointments after giving up my driving license and using a mobility scooter."

As well as supporting disabled people with their daily living costs the devolved social security payments helps people to maintain their personal independence. Members told us;

"Mobility award gives me access to blue badge, making daily life much more possible for both me and my partner. With ADP we can make decisions to do things without being overwhelmed by trying to find the cheapest option, which is often prohibitive."

"Being able to work. Getting help to clean and do my laundry. Paying for fuel so I can get places that other people can access more easily."

"My ADP allows me to have extra finances so that i can have an electric wheelchair through the mobility scheme so that I can live independently as I have a young daughter. It allows me to take her to school, go to shops. The money also helps cover taxis for appointments, and other expenses."

"Cost of living with my disabilities. Taxes complimentary therapies. Improved diet for my health conditions. Being able to access leisure facilities."

These experiences of disabled people demonstrate how important Adult Disability Payment is to people to maintain their independence; moreover, what our members have told us shows that ADP is working well in terms of its stated aim- to help disabled people to live independently. Due to their impairments disabled people do face additional costs and very often ADP and other devolved social security payments helps them to meet these costs. These costs regularly manifest in

additional costs for essentials such as higher energy bills through greater heating costs, running independent living equipment and food.

“Paying for additional expenses relating to disability in particular small pieces of equipment, extra incontinence items, extra electric needed, also helps me afford bills.”

“I get ADP. So far it has helped with the the purchase of one large mobility scooter, and three folding mobility scooters. As well as a 4 wheeled rollator. Without the payment of ADP, I would have been unable to afford any of these3 items. As such I would have been totally housebound.”

“Buying aids to my disability, my transport and paying for the running of essential aids.”

We asked members about the benefits of accessing social security payments via Social Security Scotland and overall people had a good experience. Notably, the reliability of payments including that people are paid on time and their regularity with examples including;

“They arrive on time and when they should. So far I have no issue with how the payments are made.”

“I know when they're coming and get bills paid.”

“Not had a lot of interaction with them, but they have kept me and my wife informed of any changes.”

One of the other positives is that when compared with the Department for Work and Pensions is that Social Security Scotland's assessment process and approach is vastly different. In particular members told us that they feel that Social Security Scotland is more understanding and compassionate compared to the DWP with one member summarising this as “Easier system and disabled people are believed.” The premise of being listened to shows a complete change in approach compared to disabled people's experiences with the DWP.

“In context of many years of dealings with DWP, assessments, reassessments, reviews, etc. Social Security Scotland is without a doubt far superior, human, easy to contact and communicate with, very supportive, they listen, they are flexible, considerate and clearly have learned from the many years of failures made by DWP.”

“I was previously on Personal Independence Payment and the process for claiming this was very difficult. I couldn't trust Atos and the Department of Work and Pensions. Even when I requested on the claim form that my last medical assessment which was over the telephone be recorded, they failed to ensure it was recorded.”

Overall, social security payments from Social Security Scotland support those in need and in the budget, we would urge the government to ensure that this spending is protected from any cuts in either cash or real terms.

4. Do you think further increasing any particular social security payments would be a cost-effective way of reducing child poverty? If you think that it would, what increases to which payments should be considered?

- Increasing Scottish child payment.
- Extend winter heating payment to disabled people
- New benefit to cover independent living equipment cost

Disability Equality Scotland believe that social security payments must at a minimum increase by inflation to avoid real terms cuts to vital payments to decrease child poverty and wider poverty in Scotland. The Scottish Child Payment needs to continue to rise by inflation. Similarly Adult Disability Payment and Child Disability Payment must also increase by inflation.

We recognise that for disabled children Social Security Scotland does provide a Child Winter Heating Payment for those on the highest rate of Child Disability Payment care component. Given that winters are colder in Scotland compared to other parts of the UK with disabled people incurring higher energy bills in particular we would support an increase in the Child Winter Heating Payment by at least inflation. However, the Government should consider extended eligibility to those on the Middle Care Rate and Lower care rate- which based on current caseloads and no changes in the amount would incur an additional cost of approximately £8.5m in additional spend. Though consideration should be given as to whether enhancements are made to award levels for each band depending on the level of a persons impairments.

To better support disabled people in Scotland more widely the government could consider making Pension Age Disability Payment (formerly called Attendance Allowance) as a qualifying benefit for the higher rate of the Pension Age Winter Heating Payment. To help working age disabled adults the Government could also consider extending eligibility of Winter Heating Payment provided to persons on low incomes to include all persons in receipt of ADP or extending the payment to those in receipt of enhanced care component of ADP. However, this proposal would need to be considered in the context of the benefit cap which is applied by the DWP and whether extending Winter Heating Payment would cause people's social security to be cut.

Moreover, our previous Cost of Living research found that 55% of respondents are spending 20% or more on their energy bills meaning they would be extreme fuel poverty. We also asked how much extra it cost each month to run the equipment they need to survive, or maintain their independence:

- 43% say it costs a lot;
- 26% said it costs some money;
- 15% said it costs a little.

Given these statistics to help reduce poverty and to eliminate the pre-created impairment penalty which disabled people are experiencing currently; we would urge the government to bring forward a specific fund or an enhancement to a payment from Social Security Scotland will helps disabled people to mitigate this additional

independent living equipment running costs. Additionally, when assessing how such an element could be uprated this should take into account the amount of energy used and the increases in the energy price cap.

5. What are your views on the advantages and disadvantages of universal benefits compared to those targeted at low-income households?

We have no defined position on this but any social security payments, their eligibility and conditionality must follow the principles of the Social Security Scotland Charter.

In terms of addressing the needs of disabled people we would seek to ensure that all rates of payment where targeted are needs based reflect respective costs of impairments when compared to universal payments.

6. To what extent is the Scottish Government's ability to manage the devolved social security budget affected by UK Government policy choices?

The ability of the Scottish Government to manage devolved budgets is interlinked with UK Government Policy decisions due to the Barnett formula.

Recently, the UK Parliament passed the Universal Credit Bill which reduces the Universal Credit Health Element for new claimants by 50% which will have a knock on effect of disabled people in Scotland. Our members told us that they opposed these plans with 65% of respondents saying this is a very bad idea and a further 30% telling us this is a bad idea. Moreover, while this is not a devolved benefit any future reductions in spending on Universal Credit, Personal Independence Payment and any other in work benefits will have a distinct knock on effect through reductions in the block grant. The UK Government's decisions on specific policies also set the financial envelope of the Scottish Government and may lead to policymakers deciding to mitigate the effects of a particular policy, for example, in Scotland nobody pays the Bedroom Tax as this is mitigated. While this mitigation does help people in Scotland it requires re-direction of funds from within the Scottish Budget which does mean that the Scottish Government may need to reduce spending in other areas.