



OFFICIAL REPORT
AITHISG OIFIGEIL

Social Security Committee

Thursday 19 March 2020

Session 5



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SOCIAL SECURITY COMMITTEE

8th Meeting 2020, Session 5

CONVENER

*Bob Doris (Glasgow Maryhill and Springburn) (SNP)

DEPUTY CONVENER

*Pauline McNeill (Glasgow) (Lab)

COMMITTEE MEMBERS

*Tom Arthur (Renfrewshire South) (SNP)

*Jeremy Balfour (Lothian) (Con)

Keith Brown (Clackmannanshire and Dunblane) (SNP)

Mark Griffin (Central Scotland) (Lab)

*Alison Johnstone (Lothian) (Green)

*Shona Robison (Dundee City East) (SNP)

*Graham Simpson (Central Scotland) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

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

CLERK TO THE COMMITTEE

Anne Peat

LOCATION

The David Livingstone Room (CR6)

Scottish Parliament

Social Security Committee

Thursday 19 March 2020

[The Convener opened the meeting at 09:31]

Decision on Taking Business in Private

The Convener (Bob Doris): Good morning, everyone, and welcome to the eighth meeting in 2020 of the Social Security Committee. I remind everyone to turn mobile phones and other devices on to silent mode so that they do not interrupt the meeting.

We have received apologies this morning from Mark Griffin. We hope that Mr Brown will join us later.

Agenda item 1 is a decision on taking item 7, which is a work programme discussion, in private. Does the committee agree to take that item in private?

Members *indicated agreement.*

Subordinate Legislation

Carer's Allowance Up-rating (Scotland) Order 2020 [Draft]

09:32

The Convener: Under agenda item 2, the committee will take evidence on the draft Carer's Allowance Up-rating (Scotland) Order 2020, which is subject to the affirmative procedure. I remind members that both of the affirmative instruments that we will consider today were circulated to members on 24 February.

We are joined by Shirley-Anne Somerville, Cabinet Secretary for Social Security and Older People, and her officials: Veronica Smith, cross-cutting policy officer, and Niall Wilson, solicitor. I welcome all three of you and thank you for joining us in what are challenging times for everyone.

I invite the cabinet secretary to make an opening statement.

The Cabinet Secretary for Social Security and Older People (Shirley-Anne Somerville): It is a pleasure to be here and to be able to carry on the business of Government and Parliament by asking the committee to consider the draft order and the two sets of regulations that are required to uprate the carers allowance, young carers grant, and funeral support payment in April 2020. At the same time, I hope that we can take the opportunity to make some small but important technical amendments to the young carers grant and funeral expense assistance regulations.

As the committee knows, last year we discussed at length the Scottish Government's approach to uprating devolved social security assistance. We considered the analytical report that was provided by my officials, which gave an in-depth analysis of the uprating measures that are available. In subsequent discussions with the committee, I said that, from the evidence that had been provided, I believed that the consumer prices index was the most appropriate measure for uprating for the next few years. The Scottish Commission on Social Security shared that view.

On 7 February, my officials laid the first report under section 77 of the Social Security (Scotland) Act 2018 in the Scottish Parliament. The report sets out the impact of inflation on the devolved assistance and what we intend to do for the next financial year; namely, the carers allowance, the young carers grant, and the funeral support payment are to be uprated by the September 2019 CPI of 1.7 per cent.

To bring that into effect, the Carer's Allowance Up-rating (Scotland) Order 2020 will increase the

weekly rate of carers allowance from £66.15 to £67.25. The order also restates the amount of child dependency increase as an additional weekly payment for a small number of carers who are still eligible. The Carer's Allowance Up-rating (Miscellaneous Amendments) (Scotland) Regulations 2020 increase the carers allowance earning threshold from £123 to £128. The changes to the earning thresholds related to the child dependency increase that I mentioned are also set out in the regulations.

The carers allowance supplement statement within the section 77 report confirmed that the supplement will be uprated by the September CPI rate of 1.7 per cent. For the first time, we will also uprate the young carer grant and the funeral support payment through the powers under the 2018 act. The Funeral Expense Assistance and Young Carer Grants (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2020 will uprate the young carer grant from £300 to £305.10. The lower flat-rate element of the funeral support payment, which applies when there is a funeral plan in place, will be uprated from £120 to £122.05; the £20 for removal of an implanted medical device will increase to £20.35.

I am also delighted that I was able not just to uprate but uplift the standard flat-rate element of the funeral support payment from £700 to £1,000. That is an increase of more than 40 per cent.

As I said at the start, through these up-rating regulations, we have also taken the opportunity to make a few technical amendments. The technical amendments to the funeral expense assistance regulations will ensure that the lower flat-rate payment of £122.05 is applied only in circumstances in which the deceased has had a funeral plan in place and not funeral insurance.

That amendment ensures that the original policy intention is met by providing the lower flat rate only where the deceased person has paid in advance towards the specific cost of the funeral. Where the deceased person has taken out merely an insurance policy that might help to meet those costs, the higher amount will be paid before deductions from the estate of the deceased are applied as normal. The Scottish Commission on Social Security observed in its published report that:

"The amendment to the treatment of 'funeral insurance', to ensure applicants are not disadvantaged, where it concerns people with low or incomplete insurance, is a small but positive measure."

We pressed the United Kingdom Government to agree that young carers who are subject to immigration controls should be eligible to receive our young carers grant without risking their immigration status. I am pleased to report that it has agreed to that request, and I am sure that the

committee will welcome that change through the amendment. It mirrors our success in ensuring that eligible young asylum seekers, who are under the age of 18, are able to apply for the best start grant, pregnancy and baby payments.

I am happy to take questions.

The Convener: Thank you, cabinet secretary.

Alison Johnstone (Lothian) (Green): I have two questions. When we went through this process last year, cabinet secretary, you pledged to consult carers and carers organisations on the value of the payments made to them. Do you have any update on that consultation?

Shirley-Anne Somerville: We will carry out the formal consultation on how we wish to make long-term changes as we move to the devolution of our carers package. Obviously, we have on-going dialogues with carers organisations, and I am aware that they would like to see changes in key areas implemented to the current carers allowance package. However, we are on a timetable within our wider social security packages, and, because carers allowance will not be dealt with until we have dealt with disability assistance, we have acted on the carers allowance supplement.

Alison Johnstone: You might recall that, last year, there was some discussion in the committee about CPI versus the retail prices index. Obviously, there is a wider discussion about the amount of the payment, which, over 35 hours, is markedly less than a living wage. I will probe one issue a bit further for clarity. The information that we have for the meeting explains that the agency agreement ties us into doing what the UK Government does. Why was it necessary for the agency agreement to stipulate that tie? Will it ever be possible to renegotiate that agreement?

Shirley-Anne Somerville: The basis on which the agency agreements are signed is that we carry on business as usual for the Department for Work and Pensions. There could be negotiations with the DWP on changes that we might want to see. The DWP is under no obligation to look at that and, obviously, it would take a great deal of officials' time at the Scottish Government and at the DWP level to go through those negotiations to see whether changes can even be made. In that case, we would be taking time away from delivering the benefits rather than looking at the changes.

I absolutely appreciate that people want to see change as quickly as possible, but we have to recognise that we are moving at pace with the social security programme, and the priority is to deliver that programme as quickly as possible.

I will make some suggestions about the practicalities of why the DWP would not go for

that, and therefore why we would be wasting our time on it. In effect, we would be asking the DWP to change its computer system and processes and to work in a different way just for Scottish clients. We would, of course, have to pay the DWP for that and we would have to wait for it to make the changes to the computer system, when it has an enormous workload that involves not just the devolution of benefits.

You can see the practical arrangements. Even if the DWP was willing to do that, the time lag involved and the fact that it would take people off delivery suggests that the priority should remain with delivering the programme as quickly as possible rather than asking the DWP to do work that we would have to pay for and that it would have to find the time to do. To be fair to the DWP, it already has a very busy schedule.

Jeremy Balfour (Lothian) (Con): I appreciate that everyone is busy, but it is important to record how grateful I am for the work that you have done on funeral expenses, cabinet secretary. I have spoken to families and undertakers who appreciate the regulations and the changes that they have made. They will bring a lot of benefit to some very vulnerable people in our society. With all that is going on, we can misread things, but I think that the regulations are positive and you have our party's full support for the direction that you are taking with funeral expenses.

I have said this before, but it is good to put on record that, as a co-convener of the cross-party group on funerals and bereavement, I have had feedback from funeral directors that the system is working well and that they are finding the process very easy. Sometimes we are all negative at committee; for once, I want to be positive and say that I think that the system is working well. I thank the Government and particularly the officials for the work that they have done on that.

The Convener: I see the cabinet secretary nodding her head in agreement. We will look at those issues under agenda item 4, but what Mr Balfour has said is on the record, and that is positive.

As there are no further questions under agenda item 2, we will move on to agenda item 3. I ask Ms Somerville to move motion S5M-21020.

Motion moved,

That the Social Security Committee recommends that the Carer's Allowance Up-rating (Scotland) Order 2020 [draft] be approved.—[*Shirley-Anne Somerville*]

Motion agreed to.

Funeral Expense Assistance and Young Carer Grants (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2020 [Draft]

The Convener: Item 4 is more subordinate legislation. The committee will take evidence on the draft Funeral Expense Assistance and Young Carer Grants (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2020, which are also subject to the affirmative procedure.

I invite the cabinet secretary to make an opening statement before we move to questions.

Shirley-Anne Somerville: I have no opening statement, convener.

The Convener: That is helpful. I refer to the supportive comments that Mr Balfour made earlier, which were very welcome.

As there are no questions, we will move to agenda item 5, under which the cabinet secretary will move motion S5M-21019.

Motion moved,

That the Social Security Committee recommends that the Funeral Expense Assistance and Young Carer Grants (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2020 [draft] be approved.—[*Shirley-Anne Somerville*]

Motion agreed to.

09:45

The Convener: Mr Simpson was the convener of the Delegated Powers and Law Reform Committee for years. He will have had to refer to instruments with far longer titles than that.

I want to say something on behalf of the committee. Given the coronavirus pandemic that all of Government is having to tackle right now, I put on record our gratitude to the Government and its officials for doing all that they can to build resilience into not only the social security system but wider society. We know that we have our part to play as a committee, as we will potentially have to look at legislation. It will not be business as normal, but business must still be disposed of in the Parliament to make sure that things such as the Scottish child payment, which is to be delivered in December, are on track. I think that I speak on behalf of the whole committee when I say that the cabinet secretary has our best wishes and that we will do what it takes to keep business functioning as normal, as best we can.

I thank the cabinet secretary and her officials for coming to the meeting.

Shirley-Anne Somerville: Thank you very much for those words, which are appreciated at this busy time. In due course, I intend to update

Parliament, and thereby the committee, on the implications of coronavirus for the social security programme. That update will come soon, because there are, obviously, implications for all of Government, and that includes social security.

The Convener: We fully appreciate that. Thanks for putting that on the record.

We will suspend the meeting briefly before we move to the next agenda item.

09:46

Meeting suspended.

09:47

On resuming—

**Carer's Allowance Up-rating
(Miscellaneous Amendments) (Scotland)
Regulations 2020 (SSI 2020/32)**

**Council Tax Reduction (Scotland)
Amendment Regulations 2020 (SSI
2020/25)**

**Council Tax Reduction (Scotland)
Amendment (No 2) Regulations 2020 (SSI
2020/64)**

The Convener: Agenda item 6 is consideration of more subordinate legislation. The committee is invited to consider three negative instruments. We will take each instrument in turn.

With regard to the Carer's Allowance Up-rating (Miscellaneous Amendments) (Scotland) Regulations 2020, I refer members to paper 3. The main purpose of the regulations is to increase the amount that a person eligible for carers allowance can earn in a given week without being considered to be gainfully employed and therefore not entitled to receive carers allowance. The threshold amount will increase from £123 to £128.

Is the committee content to note the instrument?

Members indicated agreement.

The Convener: With regard to the Council Tax Reduction (Scotland) Amendment Regulations 2020 and the Council Tax Reduction (Scotland) Amendment (No 2) Regulations 2020, I refer members to paper 4. The instruments uprate certain allowances and premiums in the principal regulations in line with equivalent changes that the DWP made to housing benefit.

The instruments also reflect changes that the DWP made to ensure that people who move from certain social security benefits to employment and

support allowance continue to receive a transitional allowance beyond April 2020.

Is the committee content to note the instruments?

Members indicated agreement.

The Convener: Thank you very much. As agreed under agenda item 1, we will take our final agenda item, on our work programme, in private.

09:48

Meeting continued in private until 10:09.

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