OFFICIAL REPORT
AITHISG OIFIGEIL

Social Justice and Social Security Committee

Thursday 6 March 2025

Session 6

The Scottish Parliament
Pàrlamaid na h-Alba

Thursday 6 March 2025

CONTENTS

SOCIAL JUSTICE AND SOCIAL SECURITY COMMITTEE
7th Meeting 2025, Session 6

CONVENER

*Collette Stevenson (East Kilbride) (SNP)

DEPUTY CONVENER

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

COMMITTEE MEMBERS

*Jeremy Balfour (Lothian) (Con)
*Mark Griffin (Central Scotland) (Lab)
*Gordon MacDonald (Edinburgh Pentlands) (SNP)
*Marie McNair (Clydebank and Milngavie) (SNP)
*Paul O'Kane (West Scotland) (Lab)
*Liz Smith (Mid Scotland and Fife) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Shirley-Anne Somerville (Cabinet Secretary for Social Justice)

CLERK TO THE COMMITTEE

Diane Barr

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Social Justice and Social Security Committee

Thursday 6 March 2025

[The Convener opened the meeting at 09:30]

Decision on Taking Business in Private

The Convener (Collette Stevenson): Good morning, and welcome to the seventh meeting in 2025 of the Social Justice and Social Security Committee. We have received no apologies. Our first item of business is a decision on taking business in private. Do we agree to take agenda item 6 in private?

Members *indicated agreement.*

Subordinate Legislation

Social Security (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2025 [Draft]

Social Security Up-rating (Scotland) Order 2025 [Draft]

09:30

The Convener: Our next item of business is consideration of two statutory instruments. The instruments have been laid under the affirmative procedure, which means that the Parliament must approve them before they come into force. I welcome to the meeting Shirley-Anne Somerville, the Cabinet Secretary for Social Justice, and her officials from the Scottish Government: Kyle Murray, who is the procedural and international policy team leader, and Gemma MacAllister, who is a lawyer in the legal directorate. Thank you for joining us today.

Following the evidence session, the committee will be invited under agenda items 3 and 4 to consider motions to approve the instruments. I remind everyone that Scottish Government officials can speak under this item but not in the debate that follows. The evidence session will focus on the regulations, as the order covers devolved benefits that are administered by the Department for Work and Pensions under agency agreements in which the Scottish Government has agreed to follow United Kingdom Government policy.

I invite the cabinet secretary to make a short opening statement.

The Cabinet Secretary for Social Justice (Shirley-Anne Somerville): Good morning. I welcome the opportunity to assist the committee in its consideration of the draft Social Security Up-rating (Scotland) Order 2025 and the draft Social Security (Up-rating) (Miscellaneous Amendments) (Scotland) Regulations 2025.

The people of Scotland continue to face financial challenges in the economy. With energy and food bills continuing to rise, the support that the Scottish Government provides can be pivotal in helping people to make ends meet. The Government has taken a conscious decision to invest in social security for the people of Scotland. That investment is key to our national mission to eradicate child poverty, and to assist people with the cost of living crisis. Our commitment remains to help low-income families with their living costs, to support older people and unpaid carers and to enable disabled people to live full and independent lives. It is precisely because we know that that investment is working that we will continue to ensure that it has maximum impact.

The Government recognises the importance of maintaining the value of all social security payments. Payments such as the Scottish child payment, best start foods and best start grants are integral to the First Minister's mission to end child poverty. That is why, this year, we amended the Social Security (Scotland) Act 2018 to require that all payments delivered under the act be increased in line with inflation every year. That is a significant divergence from the UK Government's approach, whereby, in addition to pensions, only disability, carers and industrial injuries benefits are required to be uprated each year, with other payments uprated at UK ministers' discretion.

Even before the legislative change, we frequently chose to uprate all benefits, not just those that we were legally obliged to uprate, despite tremendous budgetary pressures. We made those decisions because we understand the difference that those payments make and the positive impact that they have on the lives of people who receive them. For example, best start foods payments are designed to tackle the impacts of child poverty by improving access to healthy food for families on low incomes; best start grants help to give children the best start in life by providing eligible families with additional money at key stages in the early years; and winter heating benefits provide targeted and reliable financial support to those who are most in need of help with their energy costs every winter. Those payments matter to those who receive them and, as such, increasing all payments in line with inflation helps to protect their purchasing power as prices rise in the economy.

The main purpose of the uprating regulations and order is to increase all social security payments by 1.7 per cent, in line with the 12 months to September 2024 rate of the consumer prices index, which is a leading measure of inflation. The exception to that is the industrial death benefit, which will increase by 4.1 per cent, in alignment with the DWP's approach, to reflect the growth rate of average weekly earnings in the UK from May to July 2024.

The regulations make other much-needed changes, such as increasing the earnings limit from £151 to £196 for the carer support payment and carers allowance. That means that carers will be able to earn an additional £45 per week while still receiving the payments, which will help to remove barriers to work and provide more stable financial support.

Another amendment contained in the regulations reflects a new UK entitlement that will be introduced from April 2025: neonatal care leave and pay. The amendment will allow neonatal care pay to be treated as earnings for the purposes of entitlement to the carer support payment—in the same way as is the case for maternity, paternity and adoption pay—and that treatment of the new entitlement will be mirrored in relation to carers allowance.

Finally, a small change is being made to the Scottish adult disability living allowance regulations to make a correction after a word was unintentionally omitted, in order to bring the provisions in line with those for disability living allowance, as intended.

Subject to parliamentary approval, in addition to the increases to the rates of all social security payments, those changes will commence from April 2025.

I thank the committee for its scrutiny of the instruments today.

The Convener: Thank you, cabinet secretary. We will move to questions. Our questions will be directed to you, but you are welcome to invite your officials to respond, should you wish to do so.

You alluded to the fact that we are going through an energy crisis and a cost of living crisis, but the cost of uprating in April 2025 will be lower than was previously forecast. To what extent has that eased the pressure on the 2025-26 social security budget?

Shirley-Anne Somerville: It is very important that the Government does all that it can to help people with the continuing cost of living crisis, which is exactly why the 2025-26 budget allocates more than £3 billion to policies that tackle poverty and the cost of living. We know that many of our constituents are still struggling with energy costs, food costs and rent, which is why the Government is determined to continue to provide that investment.

I recognise the point that you made, convener, in that the Scottish Fiscal Commission forecast in December 2023 that benefits would be uprated by 3.3 per cent in April 2025. However, given that inflation had fallen by September 2024, the CPI rate was 1.7 per cent, which is the rate that is in the regulations. The cost of the benefit change is about £110 million, which is lower than the forecast from December 2023 but is still a substantial investment.

In essence, that change does not ease the pressure on the social security budget. Clearly, we take the SFC's forecasts very seriously and consider how they change over time. That is all taken into account in our discussions on what the budget that is eventually presented to the Parliament should look like. The budget that was presented to the Parliament contained the inflation rate that is set out in the regulations, so the changes were already taken into account during our budget deliberations before the budget was introduced.

The Convener: Is the Scottish Government making any contingency plans for benefit uprating to be higher than was forecast for 2026 and 2027?

Shirley-Anne Somerville: The social security budget is demand led, so we appreciate that the Scottish Fiscal Commission's forecasts are exceptionally important as we look to the Scottish Government's budgets for future years. Clearly, the implications, which the committee has discussed previously, are stark. Expenditure on social security is rising, and the Fiscal Commission continues to expect that expenditure to rise. Much of that is due to UK changes that will also see an increase in social security benefits at a UK level, and which will therefore be covered by block grant adjustments.

However, we will also see additional costs coming to the Scottish budget because of the decisions that the Government has taken to support low-income families through the Scottish child payment, and the ability for us to handle child disability payment and adult disability payment in a different way. We need to take account of that as we move forward.

The committee will be well aware that the Scottish Government is required to balance its budget. Therefore, we need consider very carefully what the Fiscal Commission is forecasting and how we will deal with that in future years.

The Cabinet Secretary for Finance and Local Government has made clear through the work that she is doing on fiscal sustainability—on which I am working closely with her—that we will continue to keep those matters very closely under review as we move forward with future years' budgets.

Marie McNair (Clydebank and Milngavie) (SNP): Good morning. You mentioned that the carers allowance supplement is increasing by 1.7 per cent. That benefit is only paid in Scotland, and the cost is borne by our budget. In your discussions with Westminster Government, has there been any indication that it intends to replicate that payment, or does it intend to keep carers in other parts of the UK receiving a lesser amount than in Scotland?

Shirley-Anne Somerville: At this stage, there certainly does not seem to be a desire for or a move towards having a carers allowance supplement, as we do.

As we move forward, we will be changing the way that we actually provide the carers allowance supplement, once case transfer has concluded. However, it was the first change that we undertook under the devolution of social security, because we recognised that carers need that additional support.

Clearly, it would be up to the UK Government to take its own decisions on that, but we have laid out quite clearly the direction of travel in which we would like to move with regard to supporting carers in different ways, in addition to what the UK Government would do. As the committee knows, those ways would therefore have to be found within the Scottish Government budget and would not be covered by block grant adjustments. Therefore, what the UK Government does matters. I hope that it will consider providing that wider support for carers, but I am not aware that it is doing so.

Marie McNair: It is a lifeline to many, as you know.

Liz Smith (Mid Scotland and Fife) (Con): I have a technical question, cabinet secretary. I put on record that I do not have any issues with the instruments, as they are.

A point that has regularly come out at the Finance and Public Administration Committee is the issue of whether the consumer prices index or the retail prices index measure is used, as that obviously has an impact on forecasting. In your discussions with the finance secretary and the Scottish Fiscal Commission, are you trying to get some consistency in relation to the use of those measures, because it obviously matters a lot to the level of payment?

Shirley-Anne Somerville: This is the first opportunity that I have had to pay tribute to Liz Smith in a public setting. I am incredibly sorry to hear the news that she will be standing down at the next election. She and I may disagree on a number of political issues, but I have watched her in the chamber over many a year and have certainly felt that she genuinely added to the debate in the Parliament. I therefore pay tribute to her for the work that she has done, and I am sure that she will keep scrutinising me up until the last moment of this parliamentary session.

The measurement of inflation is a very important issue, and we are committed to continuously reviewing it. We recently undertook another review of the rate that is used in social security. When we were initially starting out, of course, we had to bear in mind that we used the same measure as the UK Government, because of case transfer and not having a two-tier system. Regardless of that, however, I think that it is the right method for us to use at this stage, as we move to the point at which case transfer will be reaching its conclusion.

It is important that we keep that under review. I know that people have alternative views. There are views on other measures that are not yet classed as official statistics but that people think are a better measurement of inflation. However, if they are not official statistics, they would not be used. I mention that simply to note that we are looking not only at RPI and CPI but at a range of inflationary measures. We will keep that continuously under review.

09:45

Liz Smith: Thank you for the kind comment.

The Convener: Thank you for your kind words to Liz Smith, cabinet secretary, which I echo on behalf of the committee. We very much appreciate Liz being on the committee—we are all the better for having you, Liz, so we are.

Paul O’Kane (West Scotland) (Lab): Good morning, cabinet secretary. I have a brief question to help me understand the picture on carers support payment now that case transfers are coming to an end.

At the UK level, the Chancellor of the Exchequer moved the earnings limit for the first time since 1976 and increased eligibility. The Scottish Government has replicated that approach. What reflection does the cabinet secretary have on the potential for further expansion of the earnings limit? Does she intend to pursue that within the devolved context or would that depend on the interrelationship with any further changes that the UK Government might decide to make to carers allowance? What discussions has she had about that?

Shirley-Anne Somerville: We very much welcomed the UK Government’s decision to increase the earnings threshold to the level of 16 hours at national living wage. That was similar to the approach that we proposed in our 2022 public consultation, so it was certainly a welcome change. The regulations that are before the committee would increase the threshold in line with what the UK Government is doing.

Once case transfer is complete, we have the opportunity to make further improvements. We will clearly need to do that in consultation with carers, but the consultation that we have already carried out pointed us in the direction of a number of changes that we will make, including introducing a new extra payment for people who have multiple caring roles, extending support for carers when a caring role ends due to a bereavement and changing the way that we pay carers allowance supplement, as I mentioned to Marie McNair, so that carers get the extra support more regularly.

Those are the changes that we will make and the further assistance that we will provide to carers through the devolved payment. As Paul O’Kane rightly pointed out, once case transfer is complete, we can consider a different approach to setting the earnings threshold than the one that the UK Government takes. We have had public consultation and people have different views on that, so it is important that we look at it.

I know that I say this for every benefit but, for carers support payment in particular, there are exceptionally complex linkages with the DWP and His Majesty’s Revenue and Customs. We would want to go through those in extreme detail to ensure that there would be no unintended consequences from a change that might look like the right thing to do but would leave carers worse off or no better off. We would have to carry out those in-depth discussions.

In the short term, our concentration is on the aspects that I mentioned. Over the longer term, we can consider expanding the earnings limit.

You asked whether it matters if the UK Government makes changes. It matters in so much as, if it makes changes that increase the support to carers, that will clearly increase the block grant adjustments and assist the Scottish Government to determine whether we wish to use that money in the same way. If the UK Government does not make any changes but we look to make changes to the earnings threshold, that would be something else to come out of the Scottish Government budget that is not covered by block grant adjustments. In that way, it matters because it has an impact on the Scottish Government’s overall financial envelope. Therefore, those things would need to be considered in the round.

Bob Doris (Glasgow Maryhill and Springburn) (SNP): The cabinet secretary has answered much of what I was going to ask, but I will nudge her a little bit more in relation to potential future reforms of carers payments.

I was encouraged to hear, cabinet secretary, that you are thinking about making changes in relation to multiple carer roles and the carers allowance supplement. You also mentioned bereavement and the rolling on of benefits and support, which is really good.

I turn to my substantive question. Given that the carers support payment has been live since November 2023, how has the Scottish Government worked with those who receive the new benefit to tease out what future changes might look like? It would be helpful if you could say a little more about how you have done that.

As well as asking that question, I want to nudge a little bit more. I understand that eligibility is a binary choice and that people are either below the threshold or the payment is cut off completely if they are above it. Given the issue’s complexity, tapering might be a real challenge, including financially. How has the lived experience of those who have received the payment since November 2023 featured in your considerations, and has the Scottish Government undertaken further work in that area?

Shirley-Anne Somerville: The further improvements and changes that I have mentioned are based on a consultation a few years ago in which we laid out our immediate priorities for change. I reassure carers and carers organisations that we are not set on making just the three changes. We know that carers organisations would like us to go further on some aspects, which we will consider, as Mr Doris would expect us to.

We have been able to make other helpful changes to the way that the benefit is set up through Social Security Scotland. For example, we are making the information on earnings rules clearer; we can average out carers' earnings to provide more stable support, which is helpful when compared with the previous DWP system; and we are using HMRC data and scheduled reviews to check and track earnings. We have already improved our system to help solve the real difficulty, which is, as Mr Doris rightly pointed out, the cliff edge of earnings thresholds.

That said, the carers support payment rules around earnings were designed to mirror the carers allowance rules, which is in line with our commitment to avoid a two-tier system. We need to bear in mind the complexity of our relationship with things that remain reserved. However, we are keen to get feedback from carers who are going through the new system. Having gone live, the carers support payment is still in its very early stages, but we continue to get feedback from carers and stakeholders on how the benefit and the improvements that we have made are working in practice so that we can determine what more we can do on information, guidance and processes.

As is the case with all our social security benefits, I am exceptionally proud of what we have introduced, but I am always conscious that it is the payment at the point of introduction. Everything to do with the benefit, which includes its administration, must be open to scrutiny and continuous improvement.

Bob Doris: I have no further questions. Having looked at the issue this morning, I welcome anything that the Scottish Government can do to improve the experience of those who face net earnings fluctuation and uncertainty. It is good to hear that such work is on-going.

Gordon MacDonald (Edinburgh Pentlands) (SNP): The Joseph Rowntree Foundation has forecast that Scotland will be the only part of the UK where child poverty will drop, which is in large part due to the Scottish child payment. Given the favourable impact that it has had on reducing child poverty, why is any future increase being limited to inflation?

Shirley-Anne Somerville: We can cast our minds back only a few years to the time when the Scottish child payment came into being. As Mr MacDonald will remember, the payment was based on the give me five campaign by anti-poverty organisations. I was very pleased to work with my then colleague Aileen Campbell on the introduction of the Scottish child payment, which came in not at £5, which is what we had been asked for, but at £10. The payment will increase to £27.15 from April so, if my reckoning is correct, that is an increase of more than 170 per cent since its launch at £10.

We know that it makes a difference—we absolutely see that it makes a difference—but we must also bear in mind that the Scottish Fiscal Commission forecasts that we will invest £471 million in the Scottish child payment in 2025-26. That benefits the families of more than 330,000 children, so it is making an impact on families. As Mr MacDonald will know, part of our work in relation to "Best Start, Bright Futures: Tackling Child Poverty Delivery Plan 2022-2026" is about social security, but it is also about the drivers of poverty. That is why, as well as investing in the Scottish child payment, we need to invest in early learning and childcare, employability and so on. Therefore, this is one part of the work that we are doing. I mentioned the figure of £3 billion in my opening remarks. The Scottish child payment is important, but it is one part of our policies to help those on low incomes, particularly those with children.

Gordon MacDonald: You have highlighted what the Scottish Government is doing to tackle child poverty, but Rachel Reeves's spending review will be coming over the horizon later this month, and substantial cuts to budgets are anticipated. How do you see that impacting on Scotland's social security system?

Shirley-Anne Somerville: I read with concern some of the reports about what has apparently gone to the Office for Budget Responsibility. I accept that Governments make choices; this Government has to make difficult choices. The challenge is to not make those difficult choices on the back of the most vulnerable in our society, which is why I was concerned that some of the first savings that were made were against pensioners, with the taking away of the universal winter fuel payment. Of course, we will reintroduce that payment in Scotland. However, it would clearly be a concern if tough decisions in

Government were to be made on the backs of disabled people and those on low incomes.

Any of the changes that the Chancellor of the Exchequer makes will have implications for the Scottish Government's block grant. If changes are made in social security to those aspects that are devolved, there will clearly be an implication for our block grant in relation to the adjustments in social security. All that matters, because I am very conscious that many members—and many organisations—wish the Government to go further. We have to keep an exceptionally close eye on Rachel Reeves's decisions, because they will have an impact on the overall Scottish budget, particularly if she makes changes to certain aspects of welfare. That would be extremely concerning but, most importantly, it is extremely concerning for those who rely on those payments.

Jeremy Balfour (Lothian) (Con): Good morning, cabinet secretary. Again, for the record, I point out that I receive adult disability payment.

I will follow on from Mr MacDonald's question about the direction that the Scottish Government might take, if, as we have read, fairly major cuts to social security are likely to be announced at Westminster. Obviously, with regard to this year's winter fuel payment, you had to go along with what the UK Government did and follow suit. If a change were announced at Westminster to benefits such as the personal independence payment, would the Scottish Government have to mirror that in this financial year, or is there any way that that could be mitigated so that it would not have to be passed on in Scotland?

Shirley-Anne Somerville: We are not statutorily obliged to mirror any changes, but we have to face up to the financial realities of the implications of the UK Government's decisions. We are also challenged by the speed at which the UK Government makes decisions. For example, the challenge with the winter fuel payment was that the changes were made in-year, so we had to make in-year savings, and money could not be found immediately because we were well into the financial year and budgets had already been committed.

10:00

We have made the point to UK Government ministers that making such changes at speed has implications, particularly for devolved budgets, so we need to find a better way of working. I fully respect that the UK Government can make decisions in whichever way it wishes, but it needs to bear in mind that such decisions, particularly if they are taken at speed, have implications for what happens in Scotland.

I remain concerned about Rachel Reeves's plans. What we are hearing are still rumours, so a bit of guesswork is involved, but it appears that much of the cuts will be to reserved benefits, so there might not be implications for PIP and, therefore, CDP and ADP. However, the chancellor might choose to look at benefits that have been devolved to Scotland.

We would not be obligated to make such changes, and I would in no way wish to make them, because I know the difference that the benefits make to people. The Scottish Government has no intention to change its approach to CDP and ADP. We worked very hard with people who were on DLA and PIP to make the changes that we made, and I know that people wish us to go further with changes. We do not intend to follow Westminster's approach, because that would be exceptionally detrimental to people who receive those payments and are entitled to them.

Clearly, if there were implications for the Scottish Government's budget, we would need to consider those at the time and work out our strategy for dealing with them, but we would not do that on the back of disabled people.

Jeremy Balfour: Like Liz Smith, I welcome the instruments that we are considering today and will vote for them.

I understand that the money is a social investment in Scotland, as you have said on a number of occasions, but that investment comes with a cost that has to be met in the Scottish budget. You will have seen the forecasts for 2026, 2027 and 2028, which are figures of more than £1 billion. I presume that that money will have to come from other budgets, so what work are you doing with your colleagues in that regard? Which budgets are you looking at taking that money from, so that that social investment in social security can be made? I do not think that there would be any other way of finding the money, except by raising taxes. Would you raise taxes, or would you take money from other budgets?

Shirley-Anne Somerville: I am pleased that Mr Balfour will support the regulations, particularly on the basis that, at stage 2 of the Social Security (Amendment) (Scotland) Bill, he moved an amendment that was very similar to what I am proposing, so I would have politely pointed out that there had been a slight U-turn, had he said that he would not vote for the regulations.

However, I take Mr Balfour's point on the fiscal sustainability of social security. We recognise that a great deal of work needs to be done to ensure that we are fiscally sustainable. Social security is an investment in the people of Scotland, and we need to bear in mind that, when people talk about cutting social security benefits in Scotland, they are talking about taking money away from low-income families, disabled people or carers, so people would need to find the money for those areas.

Social Security Scotland officials are working alongside exchequer colleagues to feed into the fiscal sustainability work, and I am working closely with the Cabinet Secretary for Finance and Local Government on that. The delivery plan will be published alongside the medium-term financial strategy. As part of that work, we must challenge ourselves in relation to how to run the system as efficiently and effectively as possible, so there is work to be done that involves not cutting benefit expenditure but ensuring that our system is fit for purpose.

In 2025-26, 82 per cent of social security benefit expenditure was funded through block grant adjustments. Therefore, I note that, when we look at increases in the level that is spent on social security in Scotland, a substantial proportion of that will be covered, because the Scottish Fiscal Commission's forecasts are based on things that are happening right across the UK. Not all of the increase in social security expenditure has to be found through the Scottish Government's budget, without that money coming in.

The caveat is that there are two different areas here. When it comes to areas in which we make additional investment over and above the Scottish block grant adjustment, the easiest way for the Scottish Government to be able to review the costings that we have on social security would be for the Westminster Government to relieve us of the burden of mitigating some of the worst excesses of the UK Government's system, such as the two-child cap, the benefit cap or the bedroom tax. If Mr Balfour is looking for an easier solution that would enable us to reduce our social security expenditure, that might involve the UK Government ending the need for us to mitigate, or at least reducing the amount of mitigation that we need to do, in order to protect people from the worst excesses of Westminster.

Jeremy Balfour: That is interesting.

My final question is on the child disability payment. You are right to say that there seems to be an increase in child disability payment expenditure across the whole of the UK, but there seems to be a larger increase in Scotland percentage-wise. Have you or Social Security Scotland done any analysis to find out why that is happening? Is it to do with the people who are applying? Is it to do with people in Scotland having health conditions that are not found in other parts of the UK? Is it to do with the way in which people are being assessed? Has any work been done in relation to that particular benefit?

Shirley-Anne Somerville: We look very closely at what happens with all our benefits.

In December 2024, the Scottish Fiscal Commission published a revised forecast that showed disability payment increases from 2024-25 to 2025-26 of £94 million, or 18 per cent. That has been fully funded through the social security block grant adjustment that we received from the UK Government. Using that as an example, I again point to the fact that an increase in social security expenditure here might be covered by block grant adjustment.

CDP is one benefit. There are other aspects in relation to ADP, for example, which people are coming forward for. The evidence on that—I hear this directly from people on my visits—tells us that they are coming forward because the system is easier to navigate. It is still a robust system, but it is an easier-to-navigate system. People do not fear reporting a change of circumstance, as they did under the previous regime, because they feared that they might lose money, rather than get the additional money that they felt that they were entitled to.

Although we look at the amount that we are paying for CDP and ADP, there is another issue to consider. For example, when I made a recent visit to the Royal National Institute of Blind People, I spoke to a gentleman whose condition had deteriorated, but who had not come forward because he feared what would happen. His initial experience of coming forward had been so bad that he did not enter into the system and did not report a change of circumstance until he moved on to ADP. He is now on a greater entitlement, as he should have been for some time.

I hear directly from people—as I am sure that members do when they speak to their constituents—about people coming forward who did not come forward under the previous regime. I am very proud that we are delivering such a system. Yes, it has cost implications, but we must ensure that the benefits that are there are available for everyone who is entitled to them and that they are supported.

As Mr Balfour knows very well—this has become clear as we have gone on our journey with social security—there are different reasons for changes in social security expenditure. When it goes up, some of that will be due to changes at UK level and some of it will be due to changes here in Scotland. We need to be careful to separate that out, as the Fiscal Commission does in its forecasting.

The Convener: I invite Bob Doris back in to conclude our questions.

Bob Doris: I have a brief question, cabinet secretary. Mr Balfour mentioned the Scottish

Fiscal Commission, which gave evidence to the committee not long ago. I asked it what forecasting work it might do on suggested changes at UK level in relation to reserved benefits or, indeed, to benefits with a devolved aspect that would have Barnett consequentials if changes were made at UK level. The SFC said that it is very much tasked with forecasting with regard to the policy decisions of the Scottish Government.

However, you said earlier that the SFC also looks at what is happening across the UK and the potential impact on Scotland, although it looks only at what has been decided at a UK level, not at what has been mooted by the UK Government. Should the SFC's role be expanded for the purposes of preparedness, if you like, so that, if the UK Government implements one of its mooted cuts to UK welfare benefits, whether reserved or devolved, the Scottish Government will have at its disposal relatively quickly facts, figures and statistics on what the impact on Scotland might be? That would help it to decide what actions and policy decisions it might take.

Shirley-Anne Somerville: That is a very fair point. I will break the issue down into two areas. The Scottish Fiscal Commission's work is clearly set out, including its role in forecasting social security and tax. Over time, as we all gain more experience of the devolved social security system, the nuances of aspects of that are changing. We work very closely with the SFC to understand the assumptions that underlie its forecasting.

The work to which Mr Doris refers does not have to be done by the SFC. Clearly, if we in the Scottish Government have concerns about an area—heaven forfend that we might at some point feel optimistic about a change by the UK Government—we would be able to do such work internally. People might not feel that that work would be as robust as work by the SFC, but that does not stop our analysts doing such work, nor does it mean that it would not be robust.

There is a specific role for the Scottish Fiscal Commission to play, but there is also a role for the Scottish Government to play, and I reassure Mr Doris that we can do that work within the Scottish Government.

Bob Doris: That is helpful. Thank you.

The Convener: Agenda item 3 is formal consideration of motion S6M-16232. I invite the cabinet secretary 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 2025 [draft] be approved.—[*Shirley-Anne Somerville*]

Motion agreed to.

The Convener: Agenda item 4 is formal consideration of motion S6M-16233. I invite the cabinet secretary 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 2025 [draft] be approved.—[*Shirley-Anne Somerville*]

Motion agreed to.

The Convener: The committee will report on the outcome of its consideration of both instruments in due course. I invite the committee to delegate authority to me, as convener, to approve drafts of the report for publication. Do members agree to do so?

Members *indicated agreement.*

The Convener: I thank the cabinet secretary and her officials for providing evidence today. I briefly suspend the meeting to allow the cabinet secretary to leave the room.

10:14

Meeting suspended.

10:15

On resuming—

Council Tax Reduction (Miscellaneous Amendment) (Scotland) Regulations 2025 (SSI 2025/24)

The Convener: The next item of business is consideration of a Scottish statutory instrument—the Council Tax Reduction (Miscellaneous Amendment) (Scotland) Regulations 2025—which is subject to the negative procedure. Do members have any comments to make on the instrument?

As members have no comments to make, I invite the committee to agree that it does not wish to make any recommendations in relation to the instrument. Are members content simply to note the instrument?

Members *indicated agreement.*

10:16

Meeting continued in private until 10:38.

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