



OFFICIAL REPORT
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Social Justice and Social Security Committee

Thursday 27 October 2022

Session 6



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SOCIAL JUSTICE AND SOCIAL SECURITY COMMITTEE
27th Meeting 2022, Session 6

CONVENER

*Elena Whitham (Carrick, Cumnock and Doon Valley) (SNP)

DEPUTY CONVENER

*Natalie Don (Renfrewshire North and West) (SNP)

COMMITTEE MEMBERS

*Jeremy Balfour (Lothian) (Con)
Miles Briggs (Lothian) (Con)
*Foyso Choudhury (Lothian) (Lab)
*Pam Duncan-Glancy (Glasgow) (Lab)
Paul McLennan (East Lothian) (SNP)
*Emma Roddick (Highlands and Islands) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Karen Clyde (Scottish Government)
Merlin Kemp (Scottish Government)
Ben Macpherson (Minister for Social Security and Local Government)
Janet Richardson (Social Security Scotland)

CLERK TO THE COMMITTEE

Claire Menzies

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Social Justice and Social Security Committee

Thursday 27 October 2022

[The Convener opened the meeting at 09:00]

Subordinate Legislation

Social Security (Miscellaneous Amendment and Transitional Provision) (Scotland) Regulations 2022 [Draft]

The Convener (Elena Whitham): Good morning, and welcome to the 27th meeting in 2022 of the Social Justice and Social Security Committee.

Our main item of business is consideration of a draft statutory instrument. The Scottish Government advises that the draft regulations will make changes to the best start foods regulations, best start grant regulations and Scottish child payment regulations, which set out the rules and eligibility criteria for best start foods, the best start grant and the Scottish child payment.

I welcome Ben Macpherson MSP, the Minister for Social Security and Local Government, who joins us remotely, and his officials, who also join us remotely. We have Nicola Birrell, who is best start grant and best start foods policy manager with the Scottish Government; Karen Clyde, who is a solicitor with the Scottish Government; Janet Richardson, who is deputy director for client services delivery with Social Security Scotland; and Merlin Kemp, who is the Scottish child payment team leader at the Scottish Government.

The instrument has been laid under affirmative procedure, which means that Parliament must approve it before it comes into force. Following this evidence session, under the next agenda item the committee will be invited to consider a motion to approve the instrument. I remind everyone that the officials can speak during this agenda item but not in the debate that follows.

I invite the minister to make a short opening statement.

The Minister for Social Security and Local Government (Ben Macpherson): Thank you, convener. I am sorry that I cannot, due to coronavirus, be with you all in person this morning. Thank you for your understanding, and for the opportunity to discuss the draft regulations with you.

The draft regulations will make changes to the best start foods regulations, the best start grant regulations and the Scottish child payment regulations. They will also correct an administrative oversight that has been identified in the Ukraine regulations that is required to ensure, on arrival in Scotland or in the rest of the United Kingdom, parity of access to benefits, specifically for people who hold Irish citizenship.

As colleagues will know, the Scottish child payment, best start foods and the three best start grant payments—the pregnancy and baby payment, the early learning payment and the school-age payment—are known collectively as the five family payments. They are delivered by Social Security Scotland and are five different payments that aim to provide support to low-income families with the costs of raising a child. All five payments are intended to help to tackle inequality, to improve outcomes and to make a positive impact on all the priority groups that are identified in “Best Start, Bright Futures—Tackling Child Poverty Delivery Plan 2022-2026”.

The regulations that are before us support the focus that the Scottish Government and the Parliament more widely have placed on tackling and reducing child poverty. The first main change that we are making is to extend eligibility for the Scottish child payment to low-income families with children aged six to 15.

Secondly, the regulations will increase the value of the Scottish child payment to £25 per child per week and will allow Social Security Scotland to automatically pay the best start grant early years payment and the best start grant school-age payment to eligible people who are in receipt of the Scottish child payment.

The regulations will also widen the definition of kinship care across the best start grant, best start foods and the Scottish child payment to ensure that the regulations include all kinship carers with a relevant legal order or agreement with the local authority. That will ensure that kinship carers are included who are not related to the child but are known to them and have a pre-existing relationship with them.

That change will also help to ensure better consistency across the payments, which I know the Scottish Commission on Social Security welcomes. Draft regulations were referred to the commission in March. We received its scrutiny report in June, and the Scottish Government’s response to its recommendations was laid in Parliament on 20 September. As always, I am extremely grateful to the Scottish Commission on Social Security for its scrutiny and recommendations.

I remind members that, yesterday, we laid regulations to introduce further ancillary provisions to ensure that the regulations that we are discussing today will deliver the policy intentions effectively.

I welcome the opportunity to speak to you all, as colleagues and as a committee, as part of your consideration of the regulations. I look forward to any questions that you might have.

The Convener: Thank you very much for your statement, minister. We will move to questions. As always, we will direct our questions to you, but you can bring in your officials when you want to.

The first questions are from my colleague Jeremy Balfour.

Jeremy Balfour (Lothian) (Con): Good morning. I thank the minister and his team for coming along.

Will you detail the process for families who have a child who will turn six before the regulations to extend the age limit come into force? For example, a family could have their Scottish child payment award stopped if their child's sixth birthday is in October 2022, and could have to reapply in November. That would obviously be difficult for a family, and it could also cause administrative issues. Has that matter been looked at? What is the solution?

Ben Macpherson: [*Inaudible.*—considered. First of all, approximately 6,000 children will have “aged out”—that is the phrase that is used—in the 12 weeks prior to the launch date on 14 November. Approximately 3,000 children from that cohort will have their Scottish child payment claim ended at that point. The other 3,000 children are from households that have a younger child and will, therefore, still be in receipt of the Scottish child payment. Social Security Scotland will send specific SMS text messages and/or emails to that cohort of families to tell them that they need to reapply if their child has aged out. The rationale for that approach is that our user research testing showed that we need to keep our messaging simple and clear. The risk with unclear messaging is that some people who are eligible to receive the Scottish child payment might not apply for it. None of us wants that; we want people who are eligible to apply.

Our testing showed that, if we restart payments automatically for some clients, many others might assume that that applies to them, too, so they would fail to apply and therefore miss out. We decided that a straightforward approach would be for it to apply to everyone. As I mentioned, we will send a specific SMS text message and/or email to tell people that they need to reapply if their child has aged out. We will do that for the particular

cohort that I have referenced. I hope that that reassures Mr Balfour.

Jeremy Balfour: Thank you, minister, but I am slightly confused. If we know who those individuals are, given that they will be sent a text message, why cannot things automatically be rolled over? You know who the children are, because of when their birthdays are, and you will be sending their parents either a text or an email, so why is it not possible to say to all those individuals that they will continue to receive the benefit and that nothing will change?

Ben Macpherson: As I said, it is important that we also consider the wider context. There are individuals who are still to apply for the Scottish child payment, and we want to encourage them to apply. Our decision-making process has been based on our user research, which showed that, if we were to automatically engage that cohort in an application process to continue the payment, other people who might be eligible might think that they would be automatically registered for the Scottish child payment. That could mean that those who wrongly thought that they would be automatically enrolled would not apply.

We have to balance the situation between the needs of the people with children who are ageing out and those of the wider cohort, in the context of our wanting people to apply for the benefit. Therefore, the decision was made that, although we would not undertake a process of restarting automatically the Scottish child payment for children who have recently turned six, we will proactively contact their families and emphasise that they need to apply.

Jeremy Balfour: I am not quite sure that I follow the logic of that, but so be it.

I have a second question. Can the minister give us a wee bit more information on what discussions he has had with Social Security Scotland about the number of staff that the agency has working at the moment, as well as the processes and procedures that are in place so that the Scottish child payment will be up and running appropriately? It has been estimated that 200,000 more children will qualify for the payment. Are you confident that there will not be delays, as there were over the summer with other benefits? Is an appropriate number of staff in place?

Ben Macpherson: That is a very important question on which I will bring in Janet Richardson shortly. Before I do so, I emphasise to Mr Balfour and the committee more widely that Social Security Scotland is well prepared for the extension of the Scottish child payment, because it now has the necessary staff, processes, training and support either in place or scheduled imminently.

As Mr Balfour rightly emphasised, we expect a large influx of applications once the benefit is extended on 14 November, should Parliament pass the regulations. To help to manage that, at the same time, we are introducing improvements to reduce manual processing of Scottish child payment applications. We call that straight-through processing, and it should impact positively on processing times. Straight-through processing is through increased automation of processing of Scottish child payment applications. Once the payment is extended from 14 November to individuals who are responsible for children under 16, a high percentage of applications should be processed automatically without any manual intervention being required. The system will carry out all the checks that a client adviser would perform, so clients will not be treated differently if their application is processed by the system. Only eligible cases, with no outstanding actions or checks to be completed, will be processed to payment by that system.

If a client is not eligible or fails any of the automated checks for any reason, their case will be picked up by a client adviser to be processed manually. Any client who is awarded the Scottish child payment, after a decision is processed by that system, will have the same redetermination and appeal rights as a client whose decision was made by a client adviser. We are being very clear that no application will be denied by the straight-through system, because we have those proper checks and balances.

A combination of organisational preparation through staffing, training, straight-through processing and making sure that the agency is properly stood up for the anticipated increase in demand from 14 November, will make it a good client journey for the people of Scotland.

Janet, do you want to add anything to what I have said?

Janet Richardson (Social Security Scotland): Good morning, everyone. I hope that you can all hear me. First of all, I must apologise—I do not seem to have a very stable wi-fi signal this morning, so I will try to be quick.

I think that the minister has covered everything, but, in response to Mr Balfour's query, I will just say that we did have some processing challenges this year. Also, I note—in addition to the information that the minister has just provided—that we have recruited an extra 300 full-time-equivalent people to help us through phase 2 of the Scottish child payment, and they are now either in training or in consolidation. We are fully prepared.

09:15

Jeremy Balfour: Finally, minister, when the announcement was made, a Scottish Government document said:

“Given the large numbers of children forecasted to be newly eligible ... people applying for the first time might need to wait to get their award”.

What analysis have you done of how long people will have to wait, and what do you expect the process and time involved will be? I have to say that the message in that document seems to be slightly different from what you have told the committee today, minister. Is there going to be no delay? If there is going to be a delay, how long will it be?

Ben Macpherson: Again, I will shortly bring in Janet Richardson from the agency for a response about what is happening on the ground, but I can tell you that there will be a processing period after application. However, I want to emphasise that the straight-through processing and the increased workforce that Janet has just highlighted will mean that applications will be processed as quickly as possible. Indeed, many applications will go through the automatic processes, which will have a very positive impact on the client experience and waiting times.

The level of demand is still somewhat unknown, because we are not clear about how many people will apply in the first week from 14 November. Of course, we have projections on what we think the position will be. We want as many people as possible to apply—indeed, that is the overarching message from the Government, the Parliament and more widely—so we are prepared to process applications as quickly as possible.

I will pass over to Janet Richardson, who can give you a further indication of the timescales involved.

Janet Richardson: As the minister has outlined, it is difficult for us to predict that sort of thing, because it depends on the numbers, but we have committed to keeping clients updated every two weeks on where we are with their claim. We recognise that, with applications opening so near to Christmas, people will be concerned about getting their money by then. It all depends on getting the information that we require from those clients, but we will do everything that we can do to get the payments out as quickly as possible and to keep people up to date with what is happening with their claim. Of course, once we make the decision, the payment will be backdated to the date of their claim, if there has been any delay.

Jeremy Balfour: Thank you.

The Convener: I have a couple of questions about changes to the linking period. Did issues

arise about how it was working in practice that made those changes necessary? In what circumstances would there be a long delay between a client losing entitlement and Social Security Scotland deciding to stop the Scottish child payment?

Ben Macpherson: I will bring in Merlin Kemp at the end if he wishes to add anything, but I will just say, first of all, that what is in the regulations is what we intended to happen all along with regard to the linking period. It was intended that the agency could re-award the Scottish child payment by making a determination without application within 12 weeks of someone losing their award due to their no longer being entitled to a qualifying benefit or no longer being responsible for the child in question.

The most likely scenario in which that could happen would be a person losing their universal credit entitlement for a short period of time. We knew that that could happen under universal credit, and we did not want to people to have to submit a brand new application just because they lost the benefit for a month or two. The situation could also apply to someone who temporarily did not have responsibility for a child.

Unfortunately, what happens at the moment is that the 12-week linking period applies from when a decision is made on a change in circumstances. In practice, there can sometimes be a long delay between the change of circumstances taking effect and that change being notified to Social Security Scotland. That can mean that the agency automatically re-awards the Scottish child payment after the client has not been eligible for much longer than the originally intended 12-week period.

Therefore, the change that we seek to make in the regulations is consistent with the original policy intention to ensure that individuals are not automatically awarded the Scottish child payment after long periods of ineligibility. That change will allow for proper checks to be carried out to ensure eligibility and to check for any other changes of circumstances.

I will mention the circumstances in which there would be a long delay between a client losing entitlement and Social Security Scotland making a decision to stop the Scottish child payment. If a client was late in reporting to Social Security Scotland a change in their circumstances relating to their qualifying benefit or responsibility for the child, or if there was a delay in the client reporting the change to the Department for Work and Pensions or His Majesty's Revenue and Customs, that would result in their losing entitlement to the Scottish child payment.

An example of how that could happen in practice would be a client reporting that a child had left the household one year ago to live in another household but that, as of today, they were back living with the client's household. In those circumstances, it would be appropriate to end the claim with an effective date of one year ago, when the client became no longer responsible for the child, and for the client to apply again for Scottish child payment for the child at today's date.

I appreciate that there is a lot of detail in that answer. I hope that I have articulated it in a way that is helpful for the committee. I ask Merlin Kemp whether there is anything further that he wishes to add.

Merlin Kemp (Scottish Government): I hope that you all can hear me.

I do not have much to add. The minister has illustrated the kind of circumstances in which the situation could happen, the original policy intent and how what happens in practice does not quite align, and he has given you an example.

It is important that clients do not inadvertently accrue significant overpayments, because we do not want to have to chase large overpayments. It is also important, from a due diligence point of view, that people are not automatically re-enrolled in the Scottish child payment after long periods of time. That is not only in the interests of Social Security Scotland's stewardship of public money, but will ensure, for example, that we know that other changes of circumstances have not happened in the meantime. Such changes could include changes to bank details, so we could end up with a situation in which we were trying to pay money into the wrong bank account. It is about trying to ensure that we do the due diligence.

Social Security Scotland has access to DWP information, for example, but information on universal credit tends to go back only a few months, so, once we go beyond that time period, it becomes harder for Social Security Scotland to do the more automated checks that make the system more streamlined.

The Convener: Thank you both very much for explaining that to us.

Natalie Don (Renfrewshire North and West) (SNP): Good morning. It is clear from what a number of organisations and individuals have said that the increase to the Scottish child payment is really welcome. We have seen and heard a host of evidence to support that. The Parliament is ambitious in its aim to end poverty, and it is disheartening when that ambition is frustrated by UK Government policy.

It is clear that the assistance offered by the SCP might be limited for some families due to the

threshold rules on universal credit. Has there been any discussion with the UK Government or the DWP regarding the impact of the increase to the Scottish child payment and the potential that it could create a cliff edge, as some people might breach the universal credit threshold? If so, what has been the result of those discussions?

Ben Macpherson: Those are, of course, important matters, and that is why the constructive dialogue that we have with the UK Government at official level and that I have had a ministerial level in my tenure as minister is important. There are constant considerations between, on the one hand, the reserved benefits, their future and any changes that might be made to them and, on the other hand, what we deliver in Scotland with our devolved powers.

The UK Government must constantly consider the balance relating to universal credit, incentives to work and supporting people—there is a balance between the universal credit requirements and the number of working hours that an individual undertakes. With regard to the cliff edge, we will consider and keep in mind the impact on second earners, for example. The evidence that we have to date from our interim evaluation is that the Scottish child payment might reduce barriers to education and to entering the labour market for recipients. That is, of course, positive. The money could be used to pay for travel to interviews, a new job or college, for example.

We recognise the potential for the design of the Scottish child payment to influence people's engagement with work, but there is no evidence of significant effects in that regard to date. However, we will always keep the issue under review as we make decisions about uprating and consider the Scottish child payment more widely.

As we set out in our gender pay gap action plan, we are acutely aware of gender disparities in the labour market. We recognise the barriers that women, especially women with children, face in obtaining and progressing in work. We need to keep such issues at the forefront of our mind when considering our five family payments. Scottish Government analysts will continue to monitor the available data to assess the wider impacts of the Scottish child payment in relation to gender and the labour market.

Collectively, we need to consider the interactions with universal credit and UK Government policy and, more widely, access to the labour market through the Scottish child payment.

Natalie Don: I understand that the consultation, which closes today, asks for views on various social security changes, including changing the legal basis of the Scottish child payment from a

top-up benefit to a stand-alone benefit. That would make it easier to address the problem of the cliff edge, because it would be legally possible to pay the Scottish child payment to people who were not getting reserved benefits. What policy options are being considered on that front?

Ben Macpherson: As the member emphasised, our consultation is still live and closes today, and we encourage people to contribute to it. Once the consultation closes, officials will require some time to consider the feedback and the policy options. There are challenges relating to how we deliver in the future. We need to consider what powers the Scottish Government has and the technical capabilities for delivery. However, we are keen to make improvements when we can. We will aim to publish in early 2023 a response to the consultation, which will set out some of our next steps. As part of policy development, officials will consider whether there would be a benefit in modifying the legislative footing on which the Scottish child payment is based. That is certainly something that we will consider.

Natalie Don: On a more general and less technical note, what overall impact will extending and increasing the Scottish child payment, as well as the other measures that we are speaking about today, have on the Scottish Government's national mission to tackle child poverty?

09:30

Ben Macpherson: There is a lot that I could say about that. I will be as brief as I can be. The decisions that we have taken have been made to deliver our second tackling child poverty delivery plan, and we have sought to go further and faster where we can, being mindful of the costs that families face in the current situation with the cost of living pressures and challenges and the levels of inflation.

The story of the Scottish child payment is a good case in point in that regard. Less than a year ago, it was payable at a rate of £10 per eligible child under six, with a manifesto commitment to increase the rate to £20 by the end of the current session of Parliament. In fact, the Scottish Government delivered that increase in full in the first year of the session, and we are now extending the Scottish child payment to under-16s and increasing it further. We took the decision to increase it by an inflation-busting 25 per cent, from £20 to £25, and to bring that increase forward by four months, from April 2023 to November 2022.

Those are significant interventions. At a rate of £25 per week per child, the enhanced and extended Scottish child payment could lift 50,000 children out of poverty, reducing overall child poverty by an estimated 5 percentage points in the

next financial year. We should all welcome that, be focused on it and be passionate about achieving it.

Of course, that sits in the context of the other work that we are doing to tackle child poverty in Scotland, such as offering free school lunches during term time to all pupils in primaries 1 to 5, which will save families, on average, £400 per child per year. That will be extended to primary 6 and 7 pupils during the current session of Parliament. We have massively expanded the provision of fully funded, high-quality early learning and childcare. We have increased school clothing grants to at least £120 for every eligible primary school pupil and to £150 for every eligible secondary school pupil from the start of the 2021-22 academic year. We recently launched a scheme for free bus travel for under-22s, and there are a number of other interventions.

The Scottish child payment has rightly attracted attention and focus because of its innovation as a policy and its clear focus on and application to tackling poverty. However, along with our other devolved social security benefits, it is part of a wider set of policy interventions to reduce poverty and work towards meeting our targets, as well as helping people in the current financial position with the cost of living pressures and the challenges that so many households are facing.

I could say a lot more, but I will leave it there, convener.

The Convener: Thank you, minister. We will move on to questions from Emma Roddick, to be followed by Pam Duncan-Glancy.

Emma Roddick (Highlands and Islands) (SNP): Good morning, minister. As you mentioned, the regulations increase the Scottish child payment to £25 per week per child. I understand that the payment and other measures are unique in the UK. How much money is provided when the five family benefits are taken together? How does that compare with support that is available elsewhere in the UK?

Ben Macpherson: That is an important question. As I said, the Scottish child payment is part of a number of payments from Social Security Scotland that are providing a significant additional quantum of support for families. Taken together, the Scottish child payment; the best start grant pregnancy and baby payment, early learning payment and school-age payment; and best start foods could be worth over £10,000 by the time a family's first child reaches six and £9,700 for subsequent children by the end of 2022. That is a significant additional quantum of support.

That compares with less than £1,800 for an eligible family's first child and under £1,300 for subsequent children in England and Wales. That difference of more than £8,200 between what

people in Scotland and people elsewhere in the UK receive highlights the Scottish Government's major support for early years with regard to low-income families and our determination to provide assistance.

Emma Roddick: The UK Government has recently made some decisions that have impacted on social security in Scotland. What impact have its actions—or inactions—had on our mission to tackle child poverty? Could we go further if the ambition shown in Scotland were matched by the rest of the UK?

Ben Macpherson: Unfortunately—and I say this with genuine disappointment—the UK Government's welfare reforms have reduced the incomes of the poorest households in Scotland and pushed households into poverty. Indeed, some of the policies such as the benefit cap and the two-child limit are targeted at households with children. Like, I am sure, other members around the table, I have had casework involving people who have been challenged because of these policies.

Of course, that sits in contrast to the Scottish Government's commitment to tackling child poverty, as evidenced in the regulations that are being considered today and which to a large extent focus on the game-changing Scottish child payment. That payment has been created and implemented by the Scottish Government—and that is, of course, the contrast that has to be drawn. There are other aspects in which the UK Government could do more—I am thinking not just of social security but elements of employment law such as minimum wage levels, which are reserved to Westminster—and in which, if changes were made with a focus on social justice at a UK level, a bigger difference could certainly be made.

Emma Roddick: Finally, has the Scottish Government done any analysis of the impact of these welfare reforms? For example, do you have any figures that quantify the impact on people in Scotland if key UK welfare reforms were to be reversed?

Ben Macpherson: Yes, that analysis has been done. The Scottish Government estimates that reversing key UK Government welfare reforms made since 2015 would increase the incomes of the poorest households in Scotland by over 10 per cent in 2023-24, bringing around 70,000 people, including 30,000 children, out of poverty in Scotland. Such actions would include the reintroduction of the £20 per week uplift to universal credit, the removal of which represented the biggest overnight cut in benefits since the creation of the British welfare state. Overall, reinstating that uplift would move the most people out of poverty, although reversing historical reforms would have larger impacts on child

poverty. The total cost to the UK Government of reversing the cut to universal credit and other reforms including getting rid of the two-child limit, removing the family element and the benefit freeze and changing universal credit work allowances and the taper rate would be around £780 million, but reversing those reforms would increase disposable income for households with children with the lowest 10 per cent of income by around 11 per cent and for households with children in poverty by 10 per cent.

A huge amount of difference could therefore be made. I could say more about the issues with universal credit, but the key message is that the UK Government could and should be doing more in this space. Even with the limited resources and powers that we have as the devolved Government in Scotland, we are doing all that we can to make a difference, not only to mitigate where we can—and, of course, a lot of mitigation has happened—but to be innovative and proactive by, for example, introducing, increasing and extending the Scottish child payment as well as a number of other devolved benefits that are making an impact on families in Scotland.

Of course, more could always be done, and we constantly look at ourselves and ask what more we can do with our limited resources and powers. However, we are proactive in the spaces where we can make a difference, and the regulations that are before us today show that very clearly.

Pam Duncan-Glancy (Glasgow) (Lab): Good morning to the minister and his officials. I will start on a point of agreement: I completely share the minister's belief that the UK Government has not done enough to support people during the cost of living crisis.

I am interested in the promotion of education maintenance allowance as a follow-on benefit to the Scottish child payment. I know that it has been touched on already, but can the minister set out what the Government is doing to make that process as automated as it could be—or, indeed, automated entirely?

Ben Macpherson: It is a good thing for all of Scotland that education maintenance allowance is in place in Scotland, whereas that is not in the case in other parts of the UK. Although the Scottish Government cannot guarantee that all 16-year-olds who age out of the Scottish child payment will be eligible for EMA, we have considered the likelihood that people who turn 16 might transition to EMA, so we are working to ensure that relevant signposting is in place for them. We are developing an insight-driven communication and engagement plan, which will be a live document that is continuously reviewed and updated. We are developing that ahead of the roll-out, and it will be reviewed and updated.

In our communication strategy, we have included an objective to raise awareness of EMA as a form of support for those who age out of the Scottish child payment at the age of 16, and we are currently working on the best approach to achieve that objective. EMA is currently promoted in schools as well as online, including via local authority websites. We are working to ensure that promotion in schools of the Scottish child payment is conscious of the links to EMA and complements engagement that has already been carried out.

The point is well made by the member and the committee. I hope that my answer reassures members that consideration and action are under way in that space. With our partners that I have mentioned, the Government will certainly be focused on making sure that we help people to access the support of EMA once they age out of the Scottish child payment.

Pam Duncan-Glancy: I thank the minister for the answer, but that sounds quite a bit like there is still a reliance on the individual to apply. Is there a reason—that I am not aware of—why there could not be an automatic follow-on?

Ben Macpherson: In a moment, I will bring in Janet Richardson. They are different systems. Of course, not just in the Scottish Government but among colleagues in local authorities and other public service providers, there are longer-term ambitions, from a digital perspective, to make the journey and access of support as easy as possible for people in Scotland, and that is an on-going piece of work. Because the EMA is not delivered by Social Security Scotland, that automation cannot be implemented in the social security system. However, as I have emphasised, action and partnership are already under way to help people to be aware of the EMA and how to apply, as well as to encourage them to do so as they age out of the Scottish child payment.

Janet, do you want to add anything to that?

Janet Richardson: I do not think that I can add anything on automation, but I emphasise that our local delivery and national engagement teams in Social Security Scotland will promote EMA and ensure that people are aware of it as much as any of our other benefits. They are out with stakeholders and partners ensuring that as much information is available as can be.

09:45

Pam Duncan-Glancy: Are there plans to combine the delivery?

Ben Macpherson: Will the member elaborate on that slightly?

Pam Duncan-Glancy: Am I right in thinking that you said that the payments are made by different organisations?

Ben Macpherson: There are no plans at present to bring EMA within—[*Inaudible.*]—Scotland. It is not a social security benefit but, as there is on a number of different areas, there is significant engagement between local authorities, Social Security Scotland and different aspects of the public sector delivery landscape. One of the important tasks of recent years has been raising awareness of what Social Security Scotland does with partners and ensuring that we work as collaboratively as possible. EMA is a good example in which, in order to get people the support that we want them to have, a degree of engagement is required between different aspects of the public sector.

I hope that my answer reassures you that proactive engagement is already happening to ensure that people are aware of EMA and how to apply for it and to encourage them to do so. We will continue to consider that issue.

Pam Duncan-Glancy: Convener, if I combine it with one of the questions that I have on the other theme to be quicker, can I ask a follow-up question? It is a good example of what I was going to ask.

The Convener: Absolutely.

Pam Duncan-Glancy: Thank you.

We will come later to issues of processing, minister. You say in the Government's response to the report by the Scottish Commission on Social Security that existing signposting and referral pathways will be developed. Will you set out what those are? Having done various bits of engagement, I am not aware that there are referral pathways between Social Security Scotland and other public sector organisations, including the national health service and, possibly, local authorities, in the way that the DWP has those referral mechanisms.

Ben Macpherson: Does the member mean in a safeguarding capacity?

Pam Duncan-Glancy: My understanding from conversations with various people who work locally is that there is no referral system to another agency. The DWP, for example, can make a direct referral, but that direct referral option is not available in Social Security Scotland. It sounds like there is a more manual workaround in which someone will tell a client that they should speak to Social Security Scotland or Social Security Scotland will say to a client that they should speak to one agency or another, but there is no automation of the referral process or even any

directly recognised referral process. Is that clearer?

Ben Macpherson: I am not sure how relevant that is to the regulations, but, in a moment, I will bring in Janet Richardson. I will elaborate as much as I can at this juncture, and I am happy to follow up on the point, if that would be helpful.

I maintain that the level of collaboration between Social Security Scotland and partner agencies—whether the NHS, local authorities or more widely—is strong. There are a number of aspects to consider with regard to the sharing of information and data protection, which members appreciate, I am sure, we need to be extremely careful about and mindful of. However, there are also safeguarding issues that the agency is engaging with and considerate of and that form an important aspect of our support for clients during the application process and more widely, where appropriate.

Janet, do you have anything to add? I am certainly happy to undertake to follow up these points with the committee through the committee convener, if that would be of interest.

Janet Richardson: The member is quite correct in saying that the sort of signposting and referrals policy that she has referred to is not yet fully in place, but we are developing such a policy to allow us to have the same sort of procedure that, as you have said, the DWP has. We expect and hope to have that in place next year.

At the moment, we are very much either signposting clients or talking to them about benefits or the things to which they might be entitled, and we are then referring them to those organisations or working with those organisations ourselves. We are not doing the kinds of direct referrals that have been referred to, but they will, we hope, come in 2023. As the minister has said, we can provide more information about that outside this meeting, if that would be helpful.

Pam Duncan-Glancy: Thank you. That was helpful.

The Convener: Any further information that the committee could get on that would be appreciated, minister.

Jeremy Balfour: I have two questions, minister. First, the deputy convener has already referred to the consultation that is ending today, but, at the very start of all this, when you were looking at the Scottish child payment, why did you not go for a stand-alone benefit or a new benefit under the act?

Ben Macpherson: From memory, I think that the creation of a new benefit would have required further engagement with the DWP and considerations with regard to working with the UK

Government, but, as the member will appreciate, I was not the minister when the Scottish child payment was created. I will bring in Merlin Kemp in a moment to see whether he has anything to add, but it is important to recognise that we were seeking to provide support as quickly as possible during the pandemic and to provide additional support to help families with additional needs and to tackle poverty. There were considerations of expedience and ensuring that the most appropriate power was used to deliver a strategic solution to help people.

Do you want to add anything, Merlin?

Merlin Kemp: It was before my time, too, but I have read up on the matter and have discussed it with previous colleagues. There are also position papers that are publicly available on the Scottish Government's website.

The pressing concern—and part of the reason for using the top-up powers—was to deliver the new payments quickly. A key benefit of top-up powers is that, in comparison with loads of other social security payments, our application process is very efficient. We can do a lot of the checks on behalf of clients who apply to find out, for example, whether they are entitled to universal credit. It all makes for a streamlined application process, which is of real benefit to clients, too.

As has been discussed, however, there are limitations to the use of top-up powers. Indeed, that is why we have been having the consultation—we want to consider developments that might happen in the future.

Jeremy Balfour: Finally, one of the regulations that you have not mentioned removes the requirement for SCP to be paid within four weeks of getting the application. The draft policy note from April says:

“often this deadline cannot be met due to the high volume of claims Social Security Scotland manage”.

That was back in April, and we are now nearly in November. Has the position changed? Are you confident that people will get the payment within four weeks of applying? With all due respect to Social Security Scotland, it is all very well getting a letter every two weeks, but people want money in their bank account. Why has that regulation gone? Why can you not guarantee payment within four weeks?

Ben Macpherson: I will bring in my colleagues in a moment if they have anything further to add. As I emphasised in my previous answer on processing times, the Scottish Government and Social Security Scotland, as the delivery agency, have a strong commitment to paying people as quickly as possible. We considered whether the four-week period was appropriate, and that is why

we are seeking to make the change through the regulations. There is a strong focus at a delivery level on getting money to people as quickly as possible.

I will bring in Janet Richardson to see whether she wants to add anything. I do not know whether Karen Clyde might also want to add something from the perspective of the Scottish Government legal directorate.

Janet Richardson: I am not sure that I can add much to what the minister has said. I remind the committee that a large percentage of the clients will go through the straight-through automation process, which will make receiving the payments quicker. We will have to do manual interventions for some clients, but I hope that that group will be smaller, so the resources will be able to deal with the people who come through in a timely fashion. We will keep clients updated and will do everything that we can to ensure that people receive the money as quickly as possible, because we understand why they need it.

Does Karen Clyde want to add anything?

Karen Clyde (Scottish Government): No. There is nothing that I can add to what the minister and Janet Richardson have said.

The Convener: Our final questions are from Foysoyl Choudhury, who joins us remotely.

Foysoyl Choudhury (Lothian) (Lab): Good morning. Most of my questions have been answered, but I have one small question for the minister. Has the Scottish Government considered the impact of the cliff edge on social mobility?

Ben Macpherson: I thank Mr Choudhury for that question. I talked about that in my answer to Natalie Don. There are on-going considerations of the impact of the Scottish child payment on clients' engagement with work, but there is no evidence of significant effects to date.

The Convener: We move to agenda item 2, which is formal consideration of motion S6M-05966, which calls on the committee to recommend approval of the Social Security (Miscellaneous Amendment and Transitional Provision) (Scotland) Regulations 2022. I remind everybody that only the minister and members may speak during the debate. I invite the minister to speak to and move the motion.

Ben Macpherson: I urge colleagues, on the basis of our discussion today and what I said in my opening statement and more generally, to support the regulations. In particular, the uplift and extension of the Scottish child payment will make a significant difference for a lot of our constituents during this challenging time. There are various times during a parliamentary session when MSPs can make a difference for people, and I suggest

that this is one of those moments. I strongly urge colleagues to support the regulations, given the positive impact that the increase in, and extension of, the Scottish child payment will have for many households at this challenging time.

I move,

That the Social Justice and Social Security Committee recommends that the Social Security (Miscellaneous Amendment and Transitional Provision) (Scotland) Regulations 2022 be approved.

The Convener: Do members want to make any contributions?

10:00

Jeremy Balfour: Clearly, we will vote for the regulations. However, I think that it is worth putting on the record three points—one is procedural and the other two are with regard to these particular regulations.

First, I think—the minister will know this, because I used to make the same point when he sat on the Social Security Committee—that it is unfortunate that, because of the way that the procedure is set up, we are asked to vote on things immediately after we take evidence on them. We need to consider whether that allows proper scrutiny. There could have been things that the minister or we, as a committee, wanted to go back and reflect on, but we are asked to make a decision immediately. I think that there should be a week between regulations being discussed with Government ministers and their being voted on. I appreciate that that is not the minister's responsibility and he may not want to comment on it, but I think that it is worth pointing out that there is a lack of scrutiny.

Secondly, with regard to the regulations that we are discussing, I heard what the minister said, but I still cannot quite understand why those who fall into the category of the October birthday could not simply be transferred automatically. I do not see the logic in the argument that, if somebody was suddenly going to be transferred, somebody else would not apply. I genuinely do not see that, and I worry that there will be people who drop off the system and miss out on money in that regard. That is a slight concern. We will have to wait and see what happens in practice.

The third issue is when the payments will actually be made, which I raised in my questions. It seems slightly strange to me that we are getting rid of the four-week guarantee for payment, which treats people with respect and dignity. I worry that the agency is moving away from that. We saw really quite a large delay over the summer, particularly with regard to the best start grant, in people getting their applications processed and getting money, where appropriate, put into their

bank accounts. We have ADP being rolled out at the same time as well.

We have seen those delays, but I have not really been reassured by the minister or by Social Security Scotland that we are not going to see such delays again. We are approaching Christmas and it is going to be a difficult time for many individuals. I am concerned that the money will not appear in people's accounts at the appropriate time. I hope that I am wrong. No doubt, we will come back to this and look at it once it has happened.

We welcome the policy development but, with regard to the practicality of delivering it, the Government could have been slightly more ambitious and slightly more open and willing to help those who already have the benefit to continue with it.

Pam Duncan-Glancy: Although we, in the Scottish Labour Party, obviously welcome the Scottish child payment and the additional money that is being allocated to it—the £5 per week top-up—we share some concerns about the delays to its full roll-out, not just as a result of some of the acute issues that we may see over the next few months with the uptick in applications, but because of the number of years that it has taken for over-sixes to access the payment. I understand that the minister—

Ben Macpherson: Will Pam Duncan-Glancy take an intervention?

Pam Duncan-Glancy: I will, indeed. I had forgotten that that is an option at this point.

Ben Macpherson: Thank you. With regard to the implementation of the extension of the Scottish child payment, I clarify that the Scottish Government would like to have delivered that from day 1 of the Scottish child payment. It was actually our engagement with the DWP, the need to get the required data from it, the pressures on its side and the need to work with it collaboratively that delayed the process.

It is inaccurate and unfair for Scottish Labour to state that there has not been a determination from the Scottish Government to pay the Scottish child payment to under-16s as soon as possible. There absolutely has been that determination from the Scottish Government. That is why we implemented it for under-sixes as soon as possible. Otherwise, the whole Scottish child payment would have taken longer.

The delivery of the policy to under-sixes first, and then to under-16s as soon as we could, which required our having data from the DWP, was a position that was agreed in order to deliver the Scottish child payment as quickly as the Scottish Government could. Of course, the Scottish

Government created the Scottish child payment using powers that it acquired as a result of making the case for more powers through the Scottish Parliament. It is important to bear those points in mind.

Pam Duncan-Glancy: I thank the minister for that, although it was possibly a statement as opposed to an intervention. I could have predicted—despite my forgetting that I could take an intervention—that that particular intervention was coming.

I was about to say that I understand that there have been some difficulties with roll-out. It was interesting that the minister mentioned that it had been the Scottish Government's engagement with the DWP to get the data that had been the issue. Therein lies my concern. I believe that both our Governments should be engaging much better on matters of household finances, particularly at a time of cost of living pressures. I honestly think that we need to get to a position in which both Governments can work more closely on that.

I was also about to say that I am not terribly interested in some of the negotiations between the Governments. However, I am interested in the fact that the families of thousands of children were not able to access the payment from the date at which the Scottish Government and others considered that it would be necessary for them to do so. Regardless of whether the fault lies at the door of the DWP or of the Scottish Government, if those families had got it at that date, the past two years would have been significantly better for them.

I again put on record my frustration about the roll-out to over-sixes, but I will finish where I started: by saying that we welcome any extra funding through the Scottish child payment that affected families can get at this time, and that we will vote for the regulations.

The Convener: I have a small comment about an issue that we must recognise is significant—the expansion with regard to kinship care. The committee has heard directly from the fantastic people across Scotland who deliver such care. The regulations seek to make their lives, and the lives of the children they look after, that much better.

I invite the minister to sum up the debate and to respond to the points that have been made.

Ben Macpherson: In the interests of time, I will not comment further, other than to say that I welcome the support of colleagues, despite their caveats, some of which I think are unfair.

I thank members for their support. I am glad that the committee intends to support the regulations, and I look forward to their being implemented and the difference that that will make for many people.

The Convener: We will now do the formal part. The question is, that motion S6M-05966, in the name of Ben Macpherson, be agreed to.

Motion agreed to,

That the Social Justice and Social Security Committee recommends that the Social Security (Miscellaneous Amendment and Transitional Provision) (Scotland) Regulations 2022 [draft] be approved.

The Convener: The committee will report on the outcome of its consideration of the regulations in due course. I invite the committee to delegate authority to me, as convener, to approve a draft of the report for publication. Is that agreed?

Members indicated agreement.

The Convener: I thank the minister and his officials for joining us, despite Covid, to ensure that we can get the regulations in front of Parliament as soon as possible.

The committee will now move into private session to consider its draft pre-budget scrutiny 2023-24 report.

10:09

Meeting continued in private until 11:14.

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