

What you need to know about the new Social Security Bill



Background

The <u>Scotland Act 2016</u> gives the Scottish Government powers over 11 benefit areas, powers to create new benefits and top up reserved benefits.

The new powers account for around 15% of Scotland's social security budget. Key elements such as Universal Credit (UC) remain reserved and continue to be administered by the DWP - although Scottish Ministers can introduce flexibilities around how UC is paid in Scotland.

Regulations have now been laid and are expected to come into force in October 2017.

Following consultation on how the new system should work, a <u>Social Security Bill</u> (the Bill) was introduced on 20 June 2017.

What's included in the Bill?

The Bill sets out the high level legal framework for the administration of social security in Scotland with further detail to be set out separately in secondary legislation. Some key features are outlined below.

Principles

The Bill sets out seven principles with the intention that the new system is driven by human rights, dignity and respect. It requires a Scottish Social Security Charter to be introduced setting out what people can expect from the new system and a duty to report annually on the performance of the Scottish social security system.

Devolved benefits

The Bill sets out the legal basis for 11 devolved benefits: Discretionary Housing Payments, Cold Weather Payments, Disability Living Allowance, Personal Independence Payment, Attendance Allowance, Severe Disablement Allowance, the Industrial Injuries Scheme, Carer's Allowance, Sure Start Maternity Grants and Funeral Payments.

The Bill does not include details of how each of these will be implemented. The Scottish Government intends to do this through separate secondary legislation for individual benefits.

The right to appeal

The Bill includes scope for a fixed timescale for 'redetermination' and allows claimants the right to appeal to the First Tier Tribunal.

Possibly one of the most positive aspects of the Bill is the introduction of 'Short Term Assistance' to be provided when a person has had a change in their entitlement and has asked for a review. The intention is that a person should not be subject to loss of income while a decision is being made – an important change from the current 'guilty until proven innocent' approach.

When will devolved benefits come into use?

Devolution of DHPs already came into effect on 1 April 2017. While the approach is still closely based on the DWP guidance, we understand that the Scottish Government does plan to revisit the guidance in future to ensure that it reflects the practicalities of the situation in Scotland and the principles set out in this Bill.

The Scottish Government has announced that the first benefits to be delivered by the new social security system will be:

- a supplement to Carers Allowance to bring it up to the same level as Jobseekers Allowance by summer 2018; and
- Best Start Grant and Funeral Expense Assistance by summer 2019.

What next?

The Scottish Government is still working on the details. It has established 'Experience Panels' of over 2,000 people with first hand experience of the current UK benefit system to help them shape the new Scottish system.

Changing the way that benefits are delivered in Scotland will not be a quick fix. The new system will have to be designed to work alongside the existing DWP system and in some cases, such as UC flexibilities, the two systems will have to be able to interact. A key priority for the Scottish Government must be to ensure a smooth transition for those who will be affected.