

Welfare Rights Conference 2024

Scottish social security - progress and plans

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Introduction

We are six years into the devolution of benefits to Scotland. Social Security Scotland now administers a range of benefits for families and to help with the cost of fuel bills, extra disability costs and caring responsibilities. This workshop takes stock of where we are now, the next benefits to be devolved and plans for improvements in the Scotlish system, focusing on disability benefits and benefits for carers.

Overview of Scottish benefits

Social Security Scotland now delivers:

Family payments

- Best Start foods
- Best Start grants: pregnancy and baby payment, early learning payment, school age payment
- Scottish child payment

Funeral payments

funeral support payment

Winter heating payments

- child winter heating payment
- winter heating payment

Carers' benefits

- carer support payment
- young carer grant

Disability benefits

- adult disability payment
- child disability payment
- short-term assistance

Some are new benefits unique to Scotland: early learning payment, school age payment, Scottish child payment, child winter heating payment, short-term assistance and young carer grant.

Other benefits replace UK benefits for people living in Scotland. The rules mirror the UK benefits they replace with limited differences. This 'safe and secure transfer' approach is intended to avoid treating those making new claims differently from those transferring gradually from UK benefits.

The next benefits due to be introduced in 2024 and 2025 are:

- Pension age disability payment which will replace attendance allowance
- Scottish adult disability living allowance which will replace disability living allowance for working age and pension age people
- Pension age winter heating payment which will replace winter fuel payments

Completing the transfer of benefits covered by devolved powers, employment injury assistance will replace industrial injuries benefits, with a timetable to be confirmed.

Family payments

If you are entitled to universal credit or another qualifying UK means-tested benefit, you can get regular Best Start foods payments until a child turns 3, and regular

Scottish child payments until they turn 16. You can also get a Best Start grant at three stages – when you are pregnant or have a new baby, when your child is between 2 and 3½ and when your child is at the age when they could first start school.

Rules for family payments are becoming more aligned with each other, most recently by removing the earnings thresholds for Best Start foods. Alignment helps increase take up by allowing a combined application form, and for the early learning and school age payments to be awarded automatically to those who already get Scottish child payment.

As the law stands, Scottish child payment is a top-up benefit, only for people who get a qualifying UK benefit. Because of this, there are low-income families who do not qualify or who drop out of entitlement, for example parents with fluctuating earnings. There are plans to amend the law so that Scottish child payment becomes a standalone benefit. This would allow entitlement to be extended to more families.¹

Progress with disability benefits

Many people with disabilities and health conditions have already had their disability benefits moved to Social Security Scotland.

All child disability living allowance (DLA) awards have now moved to child disability payment (CDP).

- \bullet 75,935 children were on CDP by the end of 2023 41% new applicants and 59% transferred from DLA 2
- 81% of new applications were awarded benefit. The success rate is steady
- 97 working days to process applications in December 2023, down from 106 days in September

By the end of January 2024, a third of personal independence payment (PIP) awards had transferred to adult disability payment (ADP). All PIP awards should be transferred by the end of 2025.

- 192,575 people were on ADP by 31 January 2024 43% new applicants and 57% transferred from PIP (and some from adult DLA)³
- 57% of new applications were awarded benefit, down to 46% in January 2024
- 59 working days to process applications in January 2024, down from 83 days in October.

¹ Social Security (Amendment) (Scotland) Bill

² <u>Child-Disability-Payment-statistics-to-31-December-2023-publication021056966.pdf</u>
3 https://www.socialsecurity.gov.scot/asset-storage/production/downloads/Adult-Disability-Payment-to-31-January-2024-Publication-92289681_2024-03-18-150555.pdf
3

Transferring from PIP and adult DLA to ADP

If you live in Scotland and are entitled to PIP, you are transferred to ADP if you report a change of circumstances to the DWP, or your award is due for review or due to end, or if you are terminally ill.⁴

The rules are similar if you are entitled to DLA and were under 65 when PIP was introduced on 8 April 2013. If you are in this group, you can also ask to move to ADP. Were it not for the introduction of ADP, you would have been invited to claim PIP at some point.

If you get DLA and were over pension age on 8 April 2013, you will stay on DLA for now and you should report any changes to the DWP. You will be assessed under existing DLA rules for people over pension age.

Scottish adult DLA will launch in Spring 2025 and anyone still getting DLA will then be transferred on to this instead of ADP.

For more information on transferring to ADP see CPAG's Welfare Rights Bulletin article Moving to ADP in Scotland and Chapter 73 of the CPAG Welfare Benefits and Tax Credits Handbook 2024/25

What next for disability benefits?

Pension age disability payment and Scottish adult DLA are next. Followed, after a consultation, by employment injury assistance (EIA) which will replace Industrial injuries disablement benefits.⁵

Scottish adult disability living allowance

Draft regulations for the new Scottish adult DLA have been published.⁶ It is a 'closed' benefit and not open to new applications. Scottish adult DLA is for those:

- born on or before 8 April 1948 and getting DLA
- born after 8 April 1948 (aged 18 or over) getting DLA and not transferred to ADP.

After launch in 2025, if you are getting DLA from the DWP and report a change in circumstances you will be transferred to Scottish adult DLA. All others will be transferred in stages.

⁴ SSS guidance on PIP to ADP transfer www.socialsecurity.gov.scot/guidance-resources/guidance 5 https://consult.gov.scot/social-security/employment-injury-assistance-next-steps/
6 Draft Scottish adult DLA regulations

Once on Scottish adult DLA you can choose to apply for ADP if you are in the second group (born after 8 April 1948). If you do claim ADP, Scottish adult DLA ends and an interim award of ADP is made, paid at the same rate, until the ADP is reviewed as soon as reasonably practicable.

You will need to decide if ADP or Scottish adult DLA is best. The disability criteria are different. Some people will find the points system of ADP works better for them while for others, the DLA criteria are likely to produce the best award. There are no guarantees about the level of ADP award you will get. It could be less than you had on DLA. If you do apply for ADP before the end of 2027 (under draft proposals) you can be assessed for the mobility component if you are over pension age.

Example: Christian has middle rate care in his DLA award and has no night time needs so is not entitled to highest rate care component. He might find that through the points-based system he can score 12 points, resulting in enhanced rate daily living component of ADP.

What if your needs have increased <u>before</u> Scottish adult DLA is launched? You may prefer to stay on DLA until the new Scottish adult DLA is launched rather than report the change and trigger a transfer to ADP. The points-based system in ADP may not give the best outcome for everyone and some may prefer to wait. Bear in mind that if you do not report an increase in care or mobility needs you could lose out on additional benefit.

Pension age disability payment

Draft regulations for pension age disability payment (PADP) have been published.⁷ It is expected to be piloted in Autumn 2024, with further rollout across Scotland in 2025. It replaces attendance allowance (AA) for people in Scotland. People getting AA will gradually be transferred to PADP. Like AA, there are two rates of PADP and no mobility component.

Differences in Scottish adult DLA and pension age disability payment

Although disability criteria for Scottish adult DLA and PADP are largely the same as the benefits they replace, there are some differences:

- more generous terminal illness rules, although for PADP not with a mobility component
- awards are ongoing with no end dates
- short-term assistance is available if challenging a decision to reduce or end an award of PADP or Scottish adult DLA

⁷ <u>The Disability Assistance for Older People (Scotland) Regulations 2024 - Scottish Commission on Social Security (socialsecuritycommission.scot)</u>

- there is no need to apply or be assessed if you are transferred from DLA/AA
- time limits for redeterminations will be the same as for ADP and CDP.

What does the future hold for disability benefits in Scotland?

Adult disability payment review

An independent review of ADP began in February 2024. A final report is expected in July 2025. The review will consider how well ADP is working for disabled people since it was launched in 2022 and what improvements can be made. It will look at people's experiences of ADP and the eligibility criteria. It will also consider responses to the 2023 consultation on the mobility component. Individuals and organisations can participate in the review. You can sign-up for their newsletter by emailing adpreview@gov.scot with your name and email address.

The UK government is consulting on the future of PIP. ⁸ This may lead to ADP and PIP taking quite different approaches in future. The Scottish government could choose to protect disabled people from cuts in entitlement but may have to find an alternative solution for passported benefits.

Carers' benefits

Carer support payment (CSP) is the most recent benefit to be launched. It replaces carer's allowance for carers living in Scotland. Like carer's allowance, it is a non-means-tested benefit for people who care for a disabled child or adult and are not in paid work or are earning below the set limit. It is being rolled out in stages.

19 November 2023 New claims in Perth and Kinross, Dundee, Na h-Eileanan Siar (Western Isles)

24 June 2024 New claims in Angus, North Lanarkshire and South Lanarkshire 19 August 2024 New claims in Aberdeen City, Aberdeenshire, East Ayrshire, Fife,

Moray, North Ayrshire and South Ayrshire

4 November 2024 New claims in Edinburgh, Glasgow and across the whole of

Scotland

26 February 2024 Case transfer from carer's allowance to carer support payment

(automatic, no claim needed), due to complete spring 2025

CSP eligibility rules are mostly the same as carer's allowance but there are important differences.

⁸ Modernising support for independent living: the health and disability green paper - GOV.UK (www.gov.uk)

Same rules

- Caring for 35 hours pw or more
- Caring for someone who gets a qualifying benefit eg, daily living component of ADP or PIP; middle or highest rate care component of CDP or DLA
- Not earning more than the limit £151 a week
- No CSP if someone else gets CSP, carer's allowance or the carer element of universal credit in respect of the same cared-for person

Differences in the rules

- Full-time students cannot get carer's allowance. Full-time students can get CSP with one exception. The exception is that students under 20 in full time non-advanced education are not eligible for CSP unless (from June 2024) they are in one of the groups of students who would be eligible for universal credit (eq, estranged from their parents or responsible for a child)
- CSP has a shorter past presence test present in the UK (or common travel area) for 26 of the last 52 weeks, reduced from 104 of the last 156 weeks in carer's allowance
- Earnings can be averaged over the period covered by submitted payslips. If earnings go over the limit, your award is temporarily stopped and will restart without the need for a claim if earnings go down again within 26 weeks.

Student carers or carers who could benefit from the shorter past presence test can claim CSP once it is launched in their local authority area. If they claim quickly, within 13 weeks of launch in their area, they can backdate entitlement to 19 November 2023. Any backdated award will count as income for universal credit and will passport to the carer element and carer's allowance supplement.

Passporting and interactions with other benefits

CSP is paid at the same rate as carer's allowance - £81.90 a week. If you are paid CSP on the qualifying dates, you can get a carer's allowance supplement paid automatically twice a year in June and December.

CSP interacts with universal credit and other means-tested benefits in the same way as carer's allowance. For example:

- It counts in full as income, reducing UC and other means-tested benefits pound for pound.
- Entitlement to CSP means you get a carer element in your UC or carer addition or premium in your other means-tested benefit.
- Receiving CSP means the person you care for cannot get severe disability premium or addition with their pension credit or legacy benefit.

CSP overlaps with state pension and other overlapping contributory benefits. You have an underlying entitlement but are not paid. An underlying entitlement passports you to a carer addition or element.

What is next for carers' benefits

After case transfer is complete, the Scottish Government has committed to:

- Introducing a new £10 a week Carer's Additional Person Payment for carers who get CSP and care for more than one person
- Paying CSP for twelve weeks after the death of the person being cared for instead of the current eight weeks
- Paying carer's allowance supplement alongside CSP, eg 4-weekly instead of twice a year

Other proposals are being considered:

- Increasing the earnings limit and introducing a 'run on' of support when earnings go over the limit
- Extending CSP to carers who care for two different people for 35 hours a week in total
- Paying CSP for longer when a person being cared for goes into hospital or residential accommodation
- In the longer term, considering a new payment to long-term carers, including older carers who currently would have only an underlying entitlement to CSP

There may be overpayments of CSP when earnings go over the limit. Currently, there is no right of appeal about a decision that you are liable to repay an overpayment. The Social Security (Amendment) (Scotland) Bill proposes introducing a right of appeal.

More information

Information for the public <u>mygov.scot</u>

Decision making guidance www.socialsecurity.gov.scot/guidance-resources

CPAG information on Scottish benefits cpag.org.uk/scotland/welfare-rights/scottish-benefits including links to regulations