

## **WELFARE REFORM COMMITTEE**

### **THE FUTURE DELIVERY OF SOCIAL SECURITY IN SCOTLAND**

#### **WRITTEN SUBMISSION FROM EAST DUNBARTONSHIRE COUNCIL**

##### **a) Personal Independence Payments, Disability Living Allowance Attendance Allowance and Carer's Allowance**

The process of transferring DLA recipients to PIP should be paused in Scotland until a decision is made regarding the arrangements and conditions for these benefits in Scotland. This will prevent vulnerable people having to apply or adjust to new arrangements more than once, and allow organisations and individuals who would be potentially supporting these individuals to do this only once and ensure valuable resources could be available to others requiring them for any purpose.

If an agreement can be reached by the Scottish and UK Governments to do so, then the award details of these devolved benefits should continue to be held and maintained on the Department for Work and Pensions' Customer Information System (even if in a Scottish 'module/area') in order to allow those administering existing schemes such as Social Security benefits not devolved, Housing Benefit, Scottish Welfare Fund etc. to continue to access this information without having to obtain it from recipients themselves. This agreement would also prevent the need for another, similar, system to be developed and the cost of this to be funded by the Scottish taxpayers.

Once further details are known regarding the details and arrangements for these benefits in Scotland, if there is to be a local assessment and delivery model then consideration should be made to Scottish Councils being the vehicle for this given their success in the implementation and delivery of the Scottish Welfare Fund.

##### **b) Universal Credit (housing element and administrative arrangements) and Discretionary Housing Payments**

###### **Universal Credit**

The Scottish Government's ability to vary the frequency of payments and to whom they will be paid will present an opportunity to expand existing UK arrangements to protect and support the most vulnerable in Scottish society. However, any changes to these in Scotland should also take cognisance of individual needs and responsibilities being balanced and in respect of the aims of delivering prosperity, a healthy economy, jobs and social justice to these individuals and Scotland as a whole.

As a landlord, East Dunbartonshire Council received Housing Benefit payments totalling £7.4 million directly in to rent accounts in 2014/15. As this transfer is done between IT systems the cost is negligible to the Council, providing certainty for landlords and tenants. However there will be a cost if the Council has to receive and process payments from individual tenants.

This cost may result in savings having to be made elsewhere by Councils and landlords, hence resulting in reduced or modified services being delivered to residents - in a context of significant savings and changes having already been made locally as a consequence of this Council's transformation programme.

The Scottish Government's ability to vary the housing element cost of UC presents an opportunity to ensure that housing costs paid reflect local and national Scottish rates and demographics as well as meeting the aims of the Scottish Government. In particular, this ability to vary the housing element could be used to address the significant differences in the arrangements and costs associated with providing homeless accommodation in comparison to other UK models.

### **Discretionary Housing Payments**

The current DHP scheme is already different in Scotland given the lifting of the overall budget cap limit facilitated by The Discretionary Housing Payments (Limit on Total Expenditure) Revocation (Scotland) Order 2014. This Order has allowed for the fund to assist more people who apply to councils for assistance, however has also had the unintended consequence of councils facing the expectation to top up DHP budgets in excess of any previous levels previously added at a time when substantial budget savings have been, and continue, to be made and required.

Any national Scottish DHP scheme should allow for local flexibility and discretion in decision making in order for the varying needs of each council area's residents to be met, and to prevent the need for established, familiar and understood working practices having to be markedly revised. This flexibility would prevent additional costs from training, literature etc. having to be met 32 times by councils and by various applicant support organisations such as CAB, Shelter, CPAG etc.

The Scottish Government may wish to consider expanding the remit of the DHP scheme to provide awards for the difference between the amount of a Council Tax Reduction award and the Council Tax liability charged, as was available to Council Tax payers in receipt of Council Tax Benefit. However, funding for this would have to be provided to Councils by Scottish Government as councils are unable to provide this.

Even with revision of current criteria limiting DHP awards to those in receipt of Housing Benefit, it would not be advisable for the DHP scheme to become a delivery model to top up reserved benefits via other discretionary payments unless additional funding was provided to increase current Council resources available for DHP administration for this purpose. However, the DHP scheme could still be the means of addressing the UK Government's Benefit Cap for those in receipt of housing costs under UC in order to provide continuity to those affected and prevent the need for a different scheme having to be created to mitigate the Cap unnecessarily.

The under-occupancy element of the current Housing Benefit scheme is met by way of DHP awards in Scotland. By eliminating the 14/25% reductions by varying the housing element, the DHP fund will become less burdensome to departments responsible for administering it, less of an additional cost for councils, and

consequently more able to meet the needs of those who are not affected by welfare reforms but do still require additional assistance to meet their housing costs for a variety of reasons.

### **c) Work Programme and Work Choice**

Any details and arrangements should be mindful of the need not to create unintended consequences, overlaps or pressures upon existing budgets and schemes such as the Scottish Welfare Fund. Funding for this should be ring-fenced.

### **d) Regulated Social Fund, new benefits, top-ups and delivery of benefits overall.**

Once further details are known regarding the details and arrangements for these benefits in Scotland, if there is to be a local assessment and delivery model then consideration should be made to Scottish Councils being the vehicle for this given their success in the implementation and delivery of the Scottish Welfare Fund.

As stated above, even with revision of current criteria limiting DHP awards to those in receipt of Housing Benefit, it would not be advisable for the DHP scheme to become a delivery model to top up reserved benefits via other discretionary payments unless additional funding was provided to increase current Council resources available for DHP administration for this purpose. However, the DHP scheme could still be the means of addressing the UK Government's Benefit Cap for those in receipt of housing costs under UC in order to provide continuity to those affected and prevent the need for a different scheme having to be created to mitigate the Cap unnecessarily.