

Supplementary submission from the Scottish Government

The following information was provided by the Scottish Government following the Committee's request for an update on the Scottish Government's proposed approach on the Social Fund, and for a breakdown of existing passported benefits including their associated criteria.

Scope and scale of passported benefits

Area	Relevant criteria	Client group	Number of people affected
Education related benefits			
Free school lunches	<p>Pupils attending school whose parents are in receipt of any of the following reserved UK benefits:</p> <ul style="list-style-type: none"> • Income support • Income-based jobseeker's allowance • Any income related element of employment and support allowance • Child tax credit (but not working tax credit) with an income less than £15,860 • Both maximum child tax credit and maximum working tax credit with an income under £6,420 • Support under Part VI of the Immigration and Asylum Act 1999 <p>Young people aged between 16-18 years who receive any of these benefits can also claim free school lunches in</p>	Children and young people in full time school education	In 2010 118,963 pupils were registered to receive free school lunches. This represented 17.8% of the total pupil population.

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	their own right.		
Individual Learning Accounts	<p>All Scottish residents with an income of £22,000 or less or who are in receipt of any one of the following reserved benefits:</p> <ul style="list-style-type: none"> • Jobseeker's allowance (income and contribution based) • Income support • Carer's allowance • Incapacity benefit • Maximum rate of child tax credit • State pension credit • Employment and support allowance (income and contribution based) 	Low paid/low skilled individuals	Over 110,000 ILA accounts were opened in 2010-11.
Education Maintenance Allowance	<p>Student age, household income (generally based on tax credit award notice) residential status and validity/level of course.</p> <p>There are two threshold limits, £20,351 for households with one dependant child and £22,403 for households with more than one dependant child.</p>	Low income young people (16-19) in non-advanced post-compulsory education	2010-11 in which 34,780 young people received an EMA.
Student loans Higher Education	A student loan can be written off/cancelled if a borrower receives a disability related benefit and is considered permanently unfit for work.	Student loan borrowers	For academic year 2011-12 under 50 borrowers were affected.
Legal Aid	Applicants qualify financially for legal aid with no contribution if they receive one of the following benefits:	Low income in need of justice	In 2010-11, there were 271,974 grants for legal aid (both civil and criminal), of which some 52 per cent were made on

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	<ul style="list-style-type: none"> • Income support • Income-related employment and support allowance <p>Income-based jobseeker's allowance.</p>		a passported basis.
Court exemption fees	<p>Exemptions from court fees are available to those in receipt of:</p> <ul style="list-style-type: none"> • Income support • Income related employment support allowance • Income based jobseeker's allowance • Working tax credit and child tax credit (up to gross annual income of £16,642) 	Low income individuals seeking court action	A total of 33,500 applications were exempt during 2010-11.
Blue badge parking	Persons receiving higher rate mobility payment of disability living allowance.		135,000 badges were issued in 2010-11 to those on higher rate mobility component of DLA out of a total of 270,000.
Eligibility criteria for the National Concessionary Travel Scheme for Older and Disabled People. (NCT)	Higher rate of the mobility component of disability living allowance or the higher or middle rate of the care component of disability living allowance.	Older and disabled people	Around 16% of those who currently use the scheme are eligible because they are in receipt of a passported benefit.
Free NHS dental treatment	<p>Group 1: Everyone receiving</p> <ul style="list-style-type: none"> • Income support • Income based jobseeker's allowance • Income related employment support 	Those meeting the criteria for an income based benefit, and who need NHS dental treatment.	Unknown – count number of treatment claim forms submitted not number of individuals.

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	<p>allowance</p> <ul style="list-style-type: none"> • Pensions credit guarantee <p>Group 2: people receiving the following tax credits are eligible if their income is below a threshold amount - currently £15,276 gross taxable per year.</p> <ul style="list-style-type: none"> • Working tax credit with a disability or severe disability element • Child tax credit with working tax credit • Child tax credit 		
Optical voucher	<p>Group 1: Everyone receiving</p> <ul style="list-style-type: none"> • Income support • Income based jobseeker's allowance • Income related employment support allowance • Pensions credit guarantee <p>Group 2: people receiving the following tax credits are eligible if their income is below a threshold amount - currently £15,276 gross taxable per year.</p> <ul style="list-style-type: none"> • Working tax credit with a disability or severe disability element • Child tax credit with working tax credit • Child tax credit 	Those meeting the criteria for an income based benefit in need of need of glasses or contact lenses.	Year ending March 2011, there were 322,116 passported claims processed for the provision of glasses/contact lenses.

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Travel costs to NHS premises	<p>Group 1: Everyone receiving</p> <ul style="list-style-type: none"> • Income support • Income based jobseeker's allowance • Income related employment support allowance • Pensions credit guarantee <p>Group 2: people receiving the following tax credits are eligible if their income is below a threshold amount - currently £15,276 gross taxable per year.</p> <ul style="list-style-type: none"> • Working tax credit with a disability or severe disability element • Child tax credit with working tax credit • Child tax credit 	Low income in need of need health treatment, including a routine check up.	Data not collected centrally.
Energy Assistance Package	<p>Applicants for stage 3 of the package are entitled to receive free or subsidised insulation from an energy supplier on the basis of their existing entitlement to specific benefits. These reserved benefits are:</p> <ul style="list-style-type: none"> • Pension credit • Child tax credit or working tax credit (where income is less than the qualifying threshold) • Employment and support allowance (both income related and contribution based) • Attendance allowance 	Fuel poor	Not possible to identify claims at stages 3 and 4 that were passported as benefits in kind.

Area	Relevant criteria	Client group	Number of people affected
	<ul style="list-style-type: none"> • Disability living allowance • Income support, income based jobseeker's allowance • Housing benefit • Council tax benefit 		

Social Fund

Welfare Reform Scrutiny Group – Community Care Grant and Crisis Loans for Living Expenses successor arrangements

Introduction

The Department for Work and Pensions (DWP) is transferring responsibility for some discretionary elements of the Social Fund to the Scottish Government from April 2013. The Scottish Government intends to retain the objectives of the current schemes for CCG and CLs, but believes that there is scope to improve the delivery of the successor arrangements. We undertook a consultation last year to seek views on how the delivery of CCGs and CLs could be improved.

Background

The consultation ran from 5 August until 31 October 2011. There were 50 responses. Forty-seven responses were from organisations, with three individual responses from people with professional experience of the issues. Thirty responses were from third sector agencies, thirteen from local authorities and four from other public sector agencies, including the Social Fund Commissioner. Amongst the third sector respondents, almost two-thirds were agencies with a national remit and a third were more locally focused.

The key messages from the consultation are given below:

- Respondents indicated their qualified support for a single grant fund to replace CCGs and CLs;
- Local delivery is favoured above central delivery, with some qualifications e.g. a nationally agreed set of criteria;
- Local Government (LG) is the most widely suggested local delivery agent;
- The successor scheme should offer a mixture of goods and grants; and
- The appeals process should include an independent element.

The full analysis report and the individual responses to the consultation can be found on the Scottish Government website at:

<http://www.scotland.gov.uk/Publications/2012/02/5070>

Latest position

Since the public consultation at the end of last year we have been undertaking desk research and engaging with relevant SG policy areas and stakeholders including Citizens Advice Scotland, the Poverty Alliance, Child Poverty Action Group, Shelter, DWP and COSLA to generate options for delivery.

Drawing on the outcome of the consultation, we are proceeding on the basis that the new arrangements will be based on local delivery, with a nationally agreed set of criteria. We are exploring how the new scheme might provide a mixture of goods and grants, to take advantage of bulk purchasing and local initiative such as furniture re-cycling, to ensure we use the available budget to help as many people as possible. We are also proceeding on the basis that the new scheme will not offer loans.

In keeping with the Scottish Government's commitment to retain the core purpose of the current scheme, the broad objective of the successor scheme will be to support individuals on low incomes to:

- enable independent living or continued independent living
- take remedial action in a crisis in order to prevent a worse outcome in the longer term.

Funding

The Department for Work and Pensions (DWP) has yet to confirm the amount of funding which will be transferred to Scottish Ministers in respect of assistance to replace CCGs and CLs. The funding allocation will be based on the equivalent Social Fund spend for 2012-13 i.e. Scotland will receive the amount that is being spent on CCGs and CLs at the time of transfer.

Spend in Scotland for 2010-11 was £20.8 million on CCGs and £8.5 million for CLs for living expenses. We know that our allocation for CLs will be lower, as DWP is taking steps to manage demand for CLs to their level in 2005-6 (£4.7 million). DWP has also changed its allocation methodology for CCGs, the impact of which is not yet clear.

Scottish Ministers have agreed to allocate in full the funding they receive from DWP for the new Social Fund arrangements.

Next steps

COSLA Leaders agreed on 24 February to take on a delivery role for the successor arrangements for an interim period, subject to assurances. Working with COSLA, we are looking to set up a small design group to develop the detail of the successor scheme and advise on the practicalities of delivery. The first meeting of the group is on 26 April 2012. The timescale for developing the new delivery model is tight, as the new arrangements have to be in place for April 2013. The timescale is likely to constrain what we can put in place for April 2013. Our intention is to have as much

agreed as possible by December 2012 to leave time during 2013 for gearing up and preparations to deliver.

SCOTTISH GOVERNMENT