

T: 0300 244 4000

E: scottish.ministers@gov.scot

Hugh Henry MSP
Convener
Welfare Reform Committee
Scottish Parliament



9 February 2016

Dear Hugh

I am writing to you in relation to the Committee's recently published report, "*The Future Delivery of Social Security in Scotland*." Let me first of all take the opportunity to thank you and the Committee for the thorough work you have carried out during the course of your inquiry. This is reflected in the range of individuals and organisations that responded, and in the strength of your report and its recommendations.

As you will be aware, my officials have also been engaging with individuals and organisations from across Scotland. A major reason for this engagement has been our ambition to develop a distinctly Scottish approach to social security - an approach based on fairness and respect which is guided by a longer term vision and a set of common principles which are shared by the people of Scotland.

It was therefore reassuring to see that many of the issues and themes emerging from your report are consistent with what my officials have heard. Many of those themes contributed to the development of the set of principles I announced in December.

It was also reassuring to read of your recognition of the scale of the challenge which lies before us. Transition alone from UK to Scottish delivery will be a significant undertaking. I am absolutely clear that a safe, secure transition to our new arrangements is the top priority. This reflects what I have heard from our discussions with stakeholders, and what you found in the course of your inquiry.

You will find specific responses to all 113 recommendations in the attached document. I thought it may also be useful to give you a broad overview of my thoughts on some of the "big issues and tough choices" which you identified in your report.

The Scottish Government fully recognises the challenges in delivering the new social security powers set out in the Scotland Bill. We agree that alignment between existing and new social security delivery arrangements will be vital. We are already working to establish relationships and data sharing arrangements with the UK Government. My officials have also been working with colleagues across the Scottish Government, UK Government Departments, local authorities and the third sector to develop and evaluate a suite of options for the future delivery of social security in Scotland. These options are currently going through a robust appraisal process, taking into account the alignment with existing services.

Cuts to benefits and employment services by the UK Government have demonstrably harmed people not only in Scotland but around the UK. This Government has already demonstrated its commitment to mitigating the very worst of the UK Government's welfare reforms, for example by announcing plans to effectively eliminate the bedroom tax, abolish the 84-day rule and increase Carer's Allowance. We will continue to do what we can with any future powers.

That is why we are giving such commitment to talks with the UK Government about the so-called fiscal framework which accompanies the new tax and welfare powers contained in the Scotland Bill. The fiscal framework is just as important, arguably more so, than the legislation on new powers. We must get it right because the extent to which we can use our new powers to improve the support available to people in Scotland will be dictated largely by the settlement we reach through the fiscal framework.

I hope you find my response to be helpful. Let me reiterate once again my sincere thanks for the work you have undertaken. It has been hugely informative as we work to develop ideas about how social security in Scotland will look in the future.



ALEX NEIL