



SCOTTISH BUDGET BRIEFING

DECEMBER 2024

ABOUT US

The Scottish Campaign on Rights to Social Security (SCoRSS) is a coalition of organisations who advocate for a reformed social security system that reflects the five principles set out in our Principles for Change. SCoRSS (previously the Scottish Campaign on Welfare Reform) encompasses over 40 organisations from key third sector organisations, charities, faith groups, and unions. Our members have a diverse range of experience and expertise and a strong understanding of social security and its impact on the people and communities we work with.

Since 2006, SCoRSS has highlighted shared concerns about the UK Government's welfare reform proposals. It has also informed debates on changes to both UK and Scottish government policy and has influenced the creation of Scotland's first social security system.



WE BELIEVE THE FOLLOWING PRINCIPLES SHOULD **UNDERPIN THE 2025/26** SCOTTISH BUDGET

- Make respect for human rights and dignity the cornerstone of Scottish social security.
- Increase social security payment rates to a level where no one is left in poverty, and all have sufficient income to lead a dignified life.
- Financial security for women who experience domestic abuse
- Invest in independent advocacy and advice to help secure people's right to social security
- Make crisis social security support work for Scotland

MAKE RESPECT FOR HUMAN RIGHTS AND DIGNITY THE CORNERSTONE OF UK AND SCOTTISH SOCIAL SECURITY.

The Scottish Government must prioritise improvement in Human Rights Budgeting and intersectional Gender Budget Analysis, by implementing the Equality and Human Rights Budget Advisory Group recommendations. This would ensure that resources are used to effectively realise people's rights and address inequality.

Equality Impact Assessments (EQIAs) and Human Rights Impact Assessments (HRIA) should be a core element of budget decisions, and the outcome of the assessment should shape the allocation of resources.

INCREASE SOCIAL SECURITY PAYMENT RATES TO A LEVEL WHERE NO ONE IS LEFT IN POVERTY, AND ALL HAVE SUFFICIENT INCOME TO LEAD A DIGNIFIED LIFE.

To ensure further progress on child poverty, Scottish child payment (SCP) must be increased above inflation in this budget as a step towards reaching £40 by the end of this parliament.

In addition, we are calling on the Scottish Government to use the SCP to effectively target households impacted by the two-child limit. This could be achieved by increasing the level of the top up for third and additional children in a household born after 6 April 2017. The aim of this would be to mitigate the two-child limit, which would have a powerful impact on child poverty. Providing insight into that impact, CPAG analysis estimates mitigating the two-child limit in Scotland could lift around 15,000 children out of poverty at a cost of around £85 million². Analysis by the Institute for Fiscal Studies found that removing the twochild limit at the UK level would cost £2.5 billion a year and lift around 540,000 children out of absolute poverty; at £4,510 per child brought out of poverty, the analysis found this to be the most cost-effective child poverty reduction policy of those modelled³. Analysis by the Scottish Government reveals the extent to which households with three or more children are disproportionately living in relative and absolute poverty⁴.

There is an opportunity provided this fiscal year by the imminent presentation of Regulations to introduce Scottish Child Payment (SCP) as a stand-alone Scottish social security benefit. This would enable the Scottish Government to extend the payment to more people in need such as parents with no recourse to public funds and mothers in receipt of Maternity Allowance.

We are calling on the Scottish Government to increase the other low-income benefits delivered by Social Security Scotland in April 2025 by at least the rate of inflation, to ensure they retain their real-terms value. We welcome the Scottish Government's commitment to amending the Social Security (Scotland) Act 2018 accordingly.

¹ https://www.gov.scot/publications/scottish-government-response-equality-human-rights-budget-advisory-groupsrecommendations/pages/7/

² Campaigners call on UK government to remove two child limit | CPAG

³ Child poverty: trends and policy options | Institute for Fiscal Studies

⁴ Additional child poverty analysis 2024 - gov.scot

We are also urging the Scottish Government to adopt a human rights budgeting approach to calculate what constitutes an adequate rate for disability assistance and allocate resources accordingly. A similar approach must be used to ensure sufficient resources to administer a social security system that treats people with dignity and respect, reflecting demand and the complexity of the payments now being delivered.

SUPPORT UNPAID CARE

We welcome the increase announced in the UK budget to increase the Carer's Allowance earnings allowance to the equivalent of sixteen hours weekly at the National Minimum Wage, placing sustainable employment within reach of more carers. We are calling on the Scottish Government to replicate this increase within Social Security Scotland's Carer Support Payment to ensure that carers across Scotland can benefit from this vital improvement.

Furthermore, we are calling for a sustainable increase to the Carer's Allowance supplement for 2024/25 to better support people to continue to provide unpaid care.

SUPPORT PRIVATE RENTERS

The decision in the UK budget to freeze Local Housing Allowance (LHA) for 2025-2026 at current levels exacerbates the housing affordability crisis by further widening the gap between real rents in the private sector and means to pay.

We are calling for an increase in Discretionary Housing Payment allocation to support people moving into private tenancies from homelessness with the shortfall in full for longer periods of time.

The broader context is a shortage of housing stock in Scotland, which is driving people into unaffordable and unsuitable housing. Despite this, the affordable housing budget saw a significant cut of almost £200 million in the last Scottish Government budget, delaying the provision of urgently needed affordable homes with far reaching consequences. Changing course this budget day and investing in affordable homes is non-negotiable if outcomes for the people of Scotland are to be transformed.

KEEP HOMES WARM THIS WINTER

Additional energy needs to ensure that homes are kept warm enough to manage health conditions and/or to run vital equipment is a key cost being faced by disabled people and those living with a terminal illness. This is against a background of a higher relative and absolute child poverty rate in households with a disabled adult. To minimise the number of people at risk we are calling for consideration to be given to mirroring the Child Winter Heating Payment for all adults in receipt of the enhanced rate Daily Living Component of Adult Disability Payment and Higher Rate Pension Age Disability Payment.

PROVIDE FINANCIAL SECURITY FOR WOMEN WHO **EXPERIENCE DOMESTIC ABUSE**

Women experiencing domestic abuse are often unable to leave an abusive partner due to financial consequences and economic coercive control. The piloted 'Fund to Leave' administered by Scottish Women's Aid in the first half of 2024 has been highly successful in supporting women, and their children, to escape domestic abuse. We are now calling for the Scottish Government to establish a permanent national fund.

This should include essential crisis costs to enable a woman to leave and to bridge the gap between leaving and the first Universal Credit payment. This is crucial considering the high risks of physical and financial abuse associated with the ongoing cost of living crisis and the current gendered housing emergency across Scotland. It is vital that this budget allocates sufficient resources to implement such support.

INVEST IN INDEPENDENT ADVOCACY AND ADVICE TO HELP SECURE PEOPLE'S RIGHT TO SOCIAL SECURITY

Cost of living pressures continue to drive demand for independent advice and advocacy services. Meanwhile the social security landscape continues to be subject to rapid change. The advice sector is at the frontline of the Move to Universal Credit, which the evidence of our members indicates can cause disruption to vital Council Tax Reduction awards and to rent accounts. The advice sector is key to ensuring that people can access devolved social security payments.

Sustainable investment in the advice and advocacy sector is needed if it is to continue its essential work supporting the realisation of the right to social security and helping people toward financial stability. Multi-year, secure funding of the sector would have a transformative effect, delivering job security and more opportunity for skills development and career progression to the people delivering life changing advice.

⁵ Additional child poverty analysis 2024 - gov.scot

ENSURING CRISIS SOCIAL SECURITY PROVISION WORKS FOR SCOTLAND

Improving the Scottish Welfare Fund (SWF) to ensure accessible, timely and adequate support is preventative. When working well, the Fund can help people cope with unexpected expenses without accumulating debt, and support people into sustainable tenancies through the provision of the essentials needed to establish a home.

The UK November budget increased funding for the Household Support Fund (HSF) by £421 million, covering October 2024 to March 2025 inclusive. While the HSF is in no respect equivalent to the broader SWF, we are calling for the Scottish Government to follow this lead and increase funding for the SWF to ensure there is sufficient resource to meet the demand and the administration and promotion of the fund.

SCORSS members include:

Age Scotland

Alliance Scotland

Carers Trust Scotland

Carer's Scotland

Child Poverty Action Group

Children 1st

Children in Scotland

Citizen's Advice Scotland

Edinburgh Food Project

Engender

Epilepsy Scotland

Homeless Network Scotland

Inclusion Scotland

Independent Age

Maggies

Marie Curie

MS Society

National Association of Welfare Rights Advisers (NAWRA)

One Parent Families Scotland

Oxfam

Poverty Alliance

Royal Institute of Blind People (RNIB)

Scottish Action for Mental Health (SAMH)

Scottish Drugs Forum

Scottish Federation of Housing Associations (SFHA)

Scottish Independent Advocacy Advice

Scottish Refugee Council

Sense Scotland

Shelter Scotland

Trussell Trust

Turning Point Scotland

Women's Aid

MORE INFORMATION

To join us, find out more or read our latest briefings visit: cpag.org.uk/scotland/policy-campaigns/SCORSS

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