

CONSULTATION ON SCOTTISH PASSPORTED BENEFITS

1.0 SUMMARY

1.1 On 28 June 2012, the Scottish Government launched its consultation on Scottish Passported Benefits and the associated changes required as a result of the introduction of Universal Credit and Personal Independence Payment. This report presents the officer response to the above consultation which is due to be submitted by Friday 28 September 2012.

2.0 RECOMMENDATIONS

2.1 Note the context of the report.

2.2 Approve the draft response as detailed in the Appendix of this report as the Council's formal response to the Scottish Government proposals for the Scottish Passported Benefits.

3.0 DETAIL

3.1 The Council is being asked to submit its formal response to the Consultation on the Scottish Passported Benefits to the Scottish Government by 28 September 2012.

3.2 Over the period from April 2013 onwards, many working age benefits will be abolished in their current form and replaced with a new Universal Credit (UC). Disability Living Allowance (DLA) will be replaced by new Personal Independence Payment (PIP). In Scotland the receipt of various welfare benefits is used as a proxy measure for low-income or disability when assessing entitlement to Scottish controlled benefits such as free school meals and legal aid, amongst others. It is not affordable to simply extend the eligibility of passported benefits to all those on UC as this will include many who just received child tax credits and/or working tax credits previously. We also understand that there will be differences in eligibility for PIP from DLA. Successor eligibility criteria need to be in place by April 2013 to ensure that there is maintained access to passported benefits when the first claimants start to receive UC or PIP.

3.3 The Scottish Government is responsible for the following passported benefits:

Passported from Universal Credit

- Legal Aid
- Free school lunches
- Free NHS dental treatment
- NHS patient travel costs
- NHS optical vouchers
- Individual Learning Accounts

- Education Maintenance Allowance
- Court exemption fees

Passported from PIP

- Blue Badge parking permit
- Concessionary bus travel (for working age)
- Student loans for Higher Education – exemption from repayment

3.4 Of these, local authorities administer free school meals and school clothing grants and blue badge parking permit. In this authority, applications can be made through any Customer Service Point or by post, and blue badge applications can be made fully online. For free school meals and school clothing grants, we use the Housing/Council Tax Benefit system to identify those whom we think should qualify and write out to them annually to encourage them to apply.

3.5 The consultation looks at the guiding principles and the notion of ‘cashing up’ or offering a cash supplement to UC instead of a separate benefit, whether the UK welfare system should be used as a basis for eligibility to these benefits in future, the possibilities for a more coherent system of passporting from UC using an income threshold, and whether the same savings limits in UC should be utilised. The draft response supports the principles identified with the addition of affordability, suggests that cashing up is not appropriate for all passported benefits (especially not for free school meals), that information from the national welfare system should continue to be used to assess eligibility, points out the need to avoid a cliff edge effect for losing all entitlement at a particular income threshold, supports the use of UC savings limits for passported benefits, and expresses concern that disabled people should be protected in these reforms and some consideration given to particular needs of those in rural areas in these reforms.

3.5 Members should be aware that the Welfare Reform Act will also abolish the present Council Tax Benefit from April 2013 and that successor arrangements are being worked up between CoSLA and the Scottish Government. For 2013/14 sufficient funding is being provided to local authorities for a transitional year in which existing eligibility for council tax benefit will be applied to a new national schedule of council tax reductions to provide in so far as is possible, the same levels of rebate to the same people. This is dependent on continues sharing of data between DWP and local authorities. Similarly some discretionary elements of the social fund are transferring from DWP to the Scottish Government from April 2013. The Scottish Government is working with CoSLA to draw up details for a replacement scheme for Community Care Grants and Crisis Loans for Living Expenses, and these will be delivered locally by local authorities from April 2013. These changes will also affect many of those people entitled to passported benefits.

5.0 IMPLICATIONS

5.1	Policy:	None at this time
5.2	Financial:	None at this time
5.3	Legal:	None at this time
5.4	HR:	None at this time
5.5	Equalities:	None at this time
5.6	Risk:	None at this time
5.7	Customer Service:	None at this time

6.0 APPENDICES

6.1 Attached response to Scottish Government on the Scottish Passported Benefits.

Background papers

Full consultation paper can be found at:

<http://www.scotland.gov.uk/Publications/2012/06/9166>

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