



The Scottish Parliament
Pàrlamaid na h-Alba

SOCIAL SECURITY COMMITTEE

By email:
Shirley-Anne Somerville
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1 November 2018

Dear Shirley-Anne

As you know, this is the first year of the new Budget scrutiny process; a full year / continuous cycle approach based on dialogue throughout the year. As part of this process, and in advance of the Scottish budget statement on 12 December, I am writing to you about the Scottish Welfare Fund (SWF) allocation.

In last year's budget, the only detailed social security spend lines were for the SWF and Discretionary Housing Payment (DHP). The wider costs of establishing the Scottish social security system were included in the "Scotland Act 2016 non-tax implementation" within the finance and constitution portfolio.

As part of last year's budget process, we wrote to the to the Finance and Constitution Committee on [11 January 2018](#) raising concerns about first, the amount of funding available for the SWF and second, the funding for DHP, particularly in areas with high rents and in light of the benefit cap.

This year, to inform our pre-budget views, the Committee took evidence on the operation and funding of the SWF from third sector organisations, local authorities and the Scottish Public Services Ombudsman. Following that work, and in response to the Committee's questions about sufficiency of funding for the SWF, you advised that the Scottish Government is committed to maintaining the SWF budget.

The overall SWF budget has remained static at £38m since 2013/14. This represents a real term decrease of more than 7%. From the evidence we heard during that inquiry and more generally throughout the year, we know that pressure and reliance on the SWF is increasing and is expected to increase further. I know we are all

agreed that the SWF is an extremely important safety net for anyone facing severe hardship.

It is the view of the Committee that funding for the SWF should be increased to address the growing pressure and need. The additional monies should be allocated wholly to grant monies (not administration of the Fund). The Committee would be grateful for information on how the Scottish Government assesses need and what assessment there has been of expected need in the financial year 2019/20. Accordingly, the Committee requests that appropriate provision is made in the forthcoming Scottish budget.

Looking ahead, as Social Security Scotland is now up and running and the new forms of assistance come on stream, the Committee anticipates more detailed scrutiny and regular dialogue with you around policy priorities and associated funding in the coming years.

Yours sincerely

A handwritten signature in cursive script that reads "Bob Doris".

Bob Doris MSP
CONVENER