POLICY NOTE

THE WELFARE REFORM (CONSEQUENTIAL AMENDMENTS) (SCOTLAND) (NO. 2) REGULATIONS 2013

SSI 2013/

1. The above instrument is made in exercise of powers conferred by sections 1 to 3 of the Welfare Reform (Further Provision) (Scotland) Act 2012([1]). The instrument is subject to affirmative resolution procedure.

Policy Objectives

2. The main purpose of this instrument is to make consequential amendments to allow for the transition to Universal Credit (UC) as defined in the Welfare Reform Act 2012, to allow income related passported benefits to be claimed in Scotland during the UC pathfinder which will see UC being paid to a limited number of claimants in the Greater Manchester area.

The existing social security benefits which will be replaced by universal credit are:

- Income support under section 124 of the Social Security Contributions and Benefits Act 1992 ("the 1992 Act"),
- Housing benefit under section 130 of the 1992 Act,
- Jobseeker's allowance under the Jobseekers Act 1995 (where income-based),
- Employment and support allowance under Part 1 of the Welfare Reform Act 2007 (where income-related),
- Child tax credit under the Tax Credits Act 2002, and
- Working tax credit under the Tax Credits Act 2002.

3. There are some other consequential amendments which are not related to passported benefits.

Commencement date

4. The date of commencement of these regulations is 29 April 2013.

Consultation

5. The Scottish Government ran a formal consultation exercise on its approach to passported benefits which closed in September 2012. We also held informal consultation events with a range of stakeholders. The primary focus of stakeholders from this consultation activity was the need to protect entitlement to passported benefits as far as possible.

Impact Assessments

[1] 2012 asp 10

6. Given the diverse nature of the changes proposed in these regulations it is problematic to assess overall impacts. Impact assessments for the individual policy areas affected will be published on the Scottish Government website where appropriate.

Financial Effects

7. Given the diverse nature of the changes proposed in these regulations, it is problematic to assess overall financial effects. In relation to passported benefits we do not yet have new criteria in place, so it is not possible to provide an assessment of the financial impact. When changes to the existing provisions are proposed in subordinate legislation, an assessment of the financial impact will be provided.

8. An assessment of financial position in relation to passported benefits was published in the financial memorandum for the Welfare Reform (Further Provision) (Scotland) Bill http://www.scottish.parliament.uk/S4_Bills/Welfare%20Reform%20Bill/b11s4-introd-en.pdf. This will help to inform our thinking when we assess financial impacts of new criteria prior to the commencement of UC in Scotland.

Scottish Government – Housing, Regeneration and Welfare Directorate

February 2013